



# Policy #1008

1408 Twp. Rd. 320 / Postal Bag 100, Didsbury, AB Canada TOM OW0  
T 403.335.3311 F 403.335.9207 Toll Free 1.877.264.9754  
www.mountainviewcounty.com

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**Policy Title:** Reserves  
**Policy No.:** 1008  
**Approval:** County Council  
**Effective Date:** October 11, 2006  
**Supersedes Policy No.:** Section E 6. (a) – Section E 7(c)

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** The purpose of the policy is for Council to set the overall direction concerning why the County has reserves and how they are used

**Principles:**

1. The general purpose of reserves is to 'smooth out' the normal fluctuations in the level of County expenditures from budget year to budget year. This gives rate payers greater certainty concerning their tax rates and works to avoid large tax rate changes in any given year.
2. The items that would generally cause fluctuations in expenditures would be:
  - a. large expenditures that only happen periodically (e.g. large capital projects),
  - b. initiatives that were planned and funded for a particular year but delayed till a future year (e.g. road re-chipping that could not be completed due to weather),
  - c. items that have large unpredictable variances from year (e.g. snow removal costs), or
  - d. items related to one time start up costs for an initiative (e.g. start up costs related to the provision of a GIS system).
3. Reserves will be used so that in most cases the County will not need to use long term financing to complete initiatives. This means that when we know of a large future initiative the County will start building reserve funds over a number of years in order to have collected funds in advance to pay for the initiative. Current tax payers will be paying for future initiatives but would receive the benefits of past initiatives and the benefit of earning rather than paying interest. However the need to use long term financing should not necessarily cause an initiative to be rejected.
4. The secondary goal of holding reserves is to avoid short term borrowing. Reserve funds are expected to be used to provide internal short term financing between January 1 and when taxes are collected. However, reserve funds should not be specifically collected and held to provide short term financing.
5. Attached in Appendix A are descriptions for each reserve which lists the purpose of the reserve, regulations specific to the reserve and background information.

End of Policy

Approved: October 11, 2006  
Amended: August 8, 2007



# Policy #1008

## Mountain View County Reserves Appendix A

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### Operational Reserves:

General Fire	(O.a)
Local Roads Project Reserve	(O.b)
Pit Stripping and Reclamation Reserve	(O.c)
Road Maintenance Reserve	(O.d)
Snow Removal	(O.e)
Statutory Documents Reserve	(O.f)
Strings and Keys Music Reserve	(O.g)
Tax Rate Stabilization	(O.h)
Working Capital	(O.i)
Agricultural Reserve (draw to zero)	(O.j)
Didsbury Fire	(O.k)
Park Facilities (draw to zero)	(O.l)
Public Transportation (remove end of 2015)	(O.m)
Rural Community Grant (remove end of 2015)	(O.n)

### Capital Reserves:

Asphalt Reserve	(C.a)
Bridge Reserve	(C.b)
Equipment Fleet Reserve	(C.c)
Facility Reserve	(C.d)
Office Equipment Reserve	(C.e)
Radio Hub Reserve (pending information – AFRRES)	(C.f)
Re-chipping Reserve	(C.g)
Recreation Facility Reserve	(C.h)
Re-graveling Reserve	(C.i)
Road Network Reserve	(C.j)
Sundre Airport Reserve (draw to zero)	(C.k)



# Policy #1008 (0.a)

## Operational Reserves

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**Policy Title:** General Fire Reserve

**Policy No.:** 1008 (0.a)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is used to fund the County's portion of the capital purchases of the various fire districts within the County.

**Principles:**

1. These funds may be applied to a capital purchase by a fire district with which the County has membership.
2. The annual funding by the County is based on the County's share of capital purchases according to the twenty year replacement schedule for all major pieces of fire equipment within the County. The reserve may be drawn into a negative balance.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was originally created with dollars held by the regional rural fire authorities. Its purpose is to smooth out fluctuations in the budget due to capital purchase requests from the various fire districts. Each year an amount, based on a twenty year replacement schedule, is added to this reserve. The County's portion of capital purchases is removed from this reserve.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.b)

## Operational Reserves

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[www.mountainviewcountv.com](http://www.mountainviewcountv.com)

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**Policy Title:** Local Roads Project Reserve

**Policy No.:** 1008 (O.b)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County intends to set aside funds for specific projects that were planned for a specific budget year but which were not completed but are still planned to be completed. As well, this reserve will carry forward any funds allocated to local road projects which wasn't allocated/spent in the current year.

**Principles:**

1. For financial reporting purposes this reserve is treated as a single reserve although for internal purposes may be split into individual components to track funds for specific projects.
2. This reserve is intended to be tied to the local long range capital plan.
3. This reserve does not accrue interest.

**Background:** This reserve, along with the Pit Stripping and Reclamation Reserve, and the Road Maintenance Reserve, replaces the Divisional Projects Reserve and Public Works Special Projects Reserve. Within the budget there is a specific annual allocation of tax revenue to support local road projects. In order to accumulate funds for larger projects this reserve would hold any unallocated or unspent funds.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.c)

## Operational Reserves

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**Policy Title:** Pit Stripping and Reclamation Reserve

**Policy No.:** 1008 (O.c)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County intends to set aside reserves to fund pit stripping and future pit reclamation expenditures.

**Principles:**

1. A rate will be set each budget year that will be charged for each tonne of pit material that is used. This amount will be transferred to this reserve.
2. Expenditures for pit stripping and pit reclamation will be funded from this reserve.
3. The reserve cannot exceed the amount of the Unfunded Gravel Pit Reclamation.
4. This reserve will not accrue interest.

**Background:** This reserve was started in 2006 and was funded by a surcharge on gravel usage. This reserve helps track whether the surcharge on gravel usage is at least covering the current costs of stripping and reclamation activities. The objective is that over time the surcharge amount will be sufficient so that the net amount of the reserve and the unfunded amount will decrease.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.d)

## Operational Reserves

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**Policy Title:** Road Maintenance Reserves

**Policy No.:** 1008 (O.d)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** In Mountain View County Road Maintenance projects can be significantly impacted by weather and other factors outside the control of County staff. When weather or other factors prevent maintenance work from being completed in a budget year the funds associated with the work should be transferred to the next budget year. This is to recognize that when maintenance work is delayed it still needs to be completed in order to maintain road quality. In addition, weather and other factors can create or negate the need for maintenance work.

This reserve is to transfer surplus (deficit) funds from Road Maintenance projects from year to year. This is both in instances when specific work can be identified (e.g. road blading work not completed) or where there is general budget variances not related to specific work (e.g. less road patching required). This reserve includes all the various components of the Road Maintenance budget but specifically excludes snow removal, which has its own reserve.

**Principles:**

1. For financial reporting purposes this reserve is treated as a single reserve although for internal purposes may be split into individual components to track year to year variances in the various maintenance categories.
2. This reserve may be comprised of amounts that are identified with specific work (e.g. road patching work) or may be related to general reserves.
3. There is no limit to the amount of the reserve that is associated with specific work that is being carried over from year to year.
4. General reserves are targeted to be at 3% of the annual Road Maintenance Budget but not to exceed 10%.
5. This reserve does not accrue interest.

**Background:** This reserve replaces the specific reserves that were previously kept to carry forward road maintenance funds from year to year.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.e)

## Operational Reserves

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**Policy Title:** Snow Removal Reserve

**Policy No.:** 1008 (O.e)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County maintains a snow removal reserve to offset unbudgeted expenditures in years of unusually heavy snowfall and to carry forward funds from years with low snowfalls.

**Principles:**

1. The size of the reserve shall be based on the highest actual snow removal expenditure in the preceding five-year period.
2. The reserve shall not exceed the difference between the current budgeted snow removal amount and the highest actual snow removal expense in the preceding five-year period or 30% of the current year's snow removal budget, whichever is greater.
3. Snow removal expenditures in excess of the current year's budgeted amount will be offset by transfers from this reserve.
4. The snow removal reserve shall be increased only in years where there is a general operating surplus.
5. This reserve does not accrue interest.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.f)

## Operational Reserves

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**Policy Title:** Statutory Documents Reserve

**Policy No.:** 1008 (O.f)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County wishes to keep the documents required under the Municipal Government Act up to date and relevant to the County's current needs. Specifically these documents are the Land Use Bylaw and the Municipal Development Plan.

These plans don't need to be updated every year but are intended to undergo regular reviews. The County wishes to fund a consistent amount each year as determined in the annual budget and by the Statutory Documents Review Schedule. This reserve is to hold the balance of funds.

**Principles:**

1. Contributions and disbursements from the reserve will be as per the annual budget based on the Statutory Documents Review Schedule.
2. A Statutory Documents Review Schedule should be maintained which would indicate funding, when documents are scheduled to be reviewed, the extent of the review and the expected cost.
3. The reserve can be drawn into a deficit at the discretion of Council but the balance of the fund and the contribution levels should reconcile with a balanced Statutory Documents Review Schedule.
4. The balance of this reserve should not exceed the amount needed to fund a full Land Use Bylaw and Municipal Development Plan review by more than 10%.
5. This reserve will not accrue interest.

**Background:** The creation of this reserve was recommended to help provide funding and additional structure to the process of reviewing statutory documents.

End of Policy

Approved: May 27, 2015





# Policy #1008 (O.g)

## Operational Reserves

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**Policy Title:** Strings & Keys Music Reserve

**Policy No.:** 1008 (O.g)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is used for the purpose of furthering student's musical education, to be allocated to students who are residents or living within the geographical boundary of Mountain View County, dedicated to developing musical talent and improving musical skills.

Upon deletion of this fund, further funding options may be presented to Council, or the Strings & Keys Music Education Fund may be cancelled.

**Principles:**

1. The Strings & Keys Funding Committee will be responsible for allocating funds within the approved budget, as set out in the Strings & Keys Music Education Fund Policy No. 8009 of the Mountain View County Policy Manual. The results will be circulated to Council as an information item.

2. This Reserve will not accrue interest.

**Background:** This reserve was created in 2015 regarding funds received from Strings & Keys, a registered charitable organization, when the Society's Board of Directors decided to wind up its operation. Strings & Keys would like to see the funds used to support individuals requiring financial assistance for the cost of musical education, with the guidance from the Strings & Keys Funding Committee.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.h)

## Operational Reserves

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**Policy Title:** Tax Rate Stabilization Reserve

**Policy No.:** 1008 (O.h)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is used to smooth out fluctuations in the budget due to extraordinary expenses and revenues.

**Principles:**

1. These funds may be applied to any project Council feels are non-recurring expenses so as not to impact taxes in that year.
2. This reserve shall be capped at 20% of Municipal Tax Revenue.
3. This reserve will not accrue interest.

**Background:** This reserve was initially created to mitigate the effect of the discontinuance of the Municipal Assistance Grant, and was to be drawn down when the grant was removed. Since the removal of that grant, growth in the County has offset the loss of that grant and it has not been necessary to draw this reserve down. The revenue sources of this fund have been budgeted allocation of funds and allocation of short-term revenues such as logging, one time revenues such as annexation and extraordinary GST refunds.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.i)

## Operational Reserves

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**Policy Title:** Working Capital Reserve

**Policy No.:** 1008 (O.i)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is used to reduce the amount of short term borrowing necessary. Taxes are due September 15th. Without this reserve there would be an increased need to borrow funds prior to the collection of taxes.

**Principles:**

1. Generally these funds are expected to remain in this reserve.
2. The balance of this reserve should be reviewed if the total of all reserve balances is greater than 2/3 of total Tax Revenue.
3. This reserve will not accrue interest.

**Background:** This reserve was initially created in 2002 from the Unappropriated Surplus account. Prior to the changes in financial reporting that were introduced in 2009 funds were drawn from this account to fund one time initiatives that didn't have an alternative funding source. Generally in cases where an expenditure was made in one year with revenues to support the expenditure were expected in a future year. With the changes in 2009 that focus on the overall Surplus the need to use this reserve in this way has disappeared.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.j)

## Operational Reserves

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**Policy Title:** Agriculture Reserve

**Policy No.:** 1008 (O.j)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is to fund one time Agricultural related projects. Agricultural related projects will not be defined as part of the policy but will be left up to the discretion of Council.

There is no specific funding of this reserve but Council may direct funds to this reserve at their discretion.

**Principles:**

1. All expenditures from this reserve would be recommended by the Agriculture Service Board and approved by Council either through the normal budget process or by specific request.
2. This reserve should not exceed 20% of the Agriculture Services Board's total budgeted operating expenditures.
3. This reserve does not accrue interest.

**Background:** This reserve was initially funded from extra Provincial grant funding that was received after the overall budget was set. All requirements for the grant funding have already been met. Council has the discretion to use these funds as they see fit.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.k)

## Operational Reserves

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**Policy Title:** Didsbury Fire Reserve

**Policy No.:** 1008 (O.k)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is used to fund the County's portion of the capital purchases made by the Didsbury & District Fire Department.

**Principles:**

1. These funds may be applied to any capital purchase for the Didsbury Fire Department.
2. This reserve will be discontinued and purchases will be funded by the General Fire Reserve when these funds are expended.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was created in 1999 from funds received from the Didsbury Rural Fire Authority at the time of the formation of the Didsbury & District Fire Authority. These funds are earmarked for the County's portion of major capital purchases by the department.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.I)

## Operational Reserves

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**Policy Title:** Park Facilities Reserve

**Policy No.:** 1008 (O.I)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This grant is for any capital expenditures or significant repairs at Water Valley and/or Bagnall Parks and Campgrounds or for repairs and improvements to the ball diamond at Westward Ho Park.

**Principles:**

1. In the past park operators for the Water Valley and Bagnell Parks submitted a portion of the camping fees to the County at the end of each year. These funds were set aside in this reserve.
2. These funds may be applied to any expenses at Water Valley and/or Bagnall Parks, at Council's discretion.
3. Revenues from the ball diamonds at Westward Ho are set aside in this reserve and these funds may be applied to any expenses for the ball diamonds: for example new shale, players benches, etc.
4. This reserve does not accrue interest.

**Background:** This reserve was created from funds received from the park operator at the rate of \$1/camping spot per night at the Water Valley and Bagnell Parks and the revenue generated from the use the ball diamond at Westward Ho.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.m)

## Operational Reserves

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**Policy Title:** Public Transportation Reserve

**Policy No.:** 1008 (O.m)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is to continue funding public transportation initiatives if the Public Transportation Grant is removed and to separately allocate any unused grant funds.

**Principles:**

1. These funds are to be applied for by community groups by December 31 each year.
2. County Council approves the list of recipients each year.
3. These grants are only for operating expenses or planned excursions.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was created from unallocated funds from the Provincial Public Transportation Grant. These funds are earmarked for the continuation of funding public transportation projects if the annual grant is removed. The grant was discontinued in 2010. With the loss of the grant this reserve will be drawn to zero in 2015.

End of Policy

Approved: May 27, 2015



# Policy #1008 (O.n)

## Operational Reserves

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**Policy Title:** Rural Community Grant

**Policy No.:** 1008 (O.n)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** These funds are used to provide the Rural Community Grant. See Policy Manual Policy D.4.(c)

**Principles:**

1. These funds may be applied to any rural recreation facility or group as per regulations set out in the Rural Community Grants Policy – D. 4.(c) of the Mountain View County Policy Manual.
2. This reserve will accrue interest.
3. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was funded from budgeted transfers from the annual operating budget, originally a portion of the .2 mills set aside for recreation. These funds are earmarked for rural community groups who provide and maintain recreation facilities. This reserve is expected to be drawn to zero by 2015.

End of Policy

Approved: May 27, 2015





# Policy #1008 (C.a)

## Capital Reserves

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**Policy Title:** Asphalt Reserve

**Policy No.:** 1008 (C.a)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** These funds are for completing overlays for the County's existing asphalt surfaced roads.

**Principles:**

1. Based on a planned asphalt surface overlays. Significant overlays are not expected until 2025 or later. As 2025 approaches a more detailed capital renewal plan will need to be created.
2. Council approves any expenditures from this fund in the annual budget or by separate motion.
3. Ideally this reserve would fund 100% of asphalt overlays. However, the reserve may need to be supplemented with grant or other funding sources.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was created in 2010 as part of the Tangible Capital Asset implementation. As new sections of asphalt roads are constructed or acquired from developers reserve contributions should be increased to help fund the eventual overlay. In the case of asphalt roads that are acquired from developers it would be expected that there would be increased tax revenues from the development that could be used to help fund this reserve.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.b)

## Capital Reserves

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**Policy Title:** Bridge Reserve

**Policy No.:** 1008 (C.b)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** These funds are for completing bridge replacements or upgrades that are not funded by Provincial grants.

**Principles:**

1. The reserve would supplement current Provincial grant programs and is not intended to replace them.
2. Council approves any expenditures from this fund in the annual budget or by separate motion.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2

**Background:**

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.c)

## Capital Reserves

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**Policy Title:** Equipment Fleet Reserve

**Policy No.:** 1008 (C.c)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** These funds are for replacement of heavy and light equipment as approved by County Council.

**Principles:**

1. Based on a replacement schedule which is reviewed annually.
2. Council approves any purchases of equipment in the annual budget or by separate motion.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve is created to evenly fund the purchase of equipment. The County has an equipment replacement schedule, and funds that schedule on an even basis, regardless of the timing of the equipment purchase. This reserve is the result of accumulated funding being at a higher rate than the accumulated replacement of equipment. It is planned to balance to zero at the end of the equipment replacement cycle. Prior to 2012 the County had a separate reserve for light equipment.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.d)

## Capital Reserves

1408 Twp. Rd. 320 / Postal Bag 100, Didsbury, AB Canada TOM 0W0  
T 403.335.3311 F 403.335.9207 Toll Free 1.877.264.9754  
www.mountainviewcounty.com

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**Policy Title:** Facility Reserve

**Policy No.:** 1008 (C.d)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** These funds are for replacement of Mountain View County facilities which include shops, the administration building and any land needed for County operations as approved by County Council.

**Principles:**

1. Rental Revenue from County shops should be placed in this reserve.
2. Council approves any expenditures from this fund as part of the annual capital budget or by separate motion.
3. Proceeds from the sale of County land may be added to this reserve.
4. Purchases of land for County operations are funded from this reserve.
5. These funds are primarily for upgrades to facilities or new facilities but they also could be used for major maintenance items, at Council's discretion.
6. This reserve will accrue interest.
7. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.e)

## Capital Reserves

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**Policy Title:** Office Equipment Reserve

**Policy No.:** 1008 (C.e)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is used to smooth out the peaks and valleys of administration equipment purchases. that are in excess of the annual amount budgeted or to fund large equipment items that are only purchased periodically.

**Principles:**

1. An annual contribution is made to the reserve based on the long range equipment replacement schedule.
2. Current year expenditures for administration equipment will be funded from the reserve.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was created from unexpended funds from the administration equipment budget. With the implementation of TCA in 2009 a long range replacement plan was established. This reserve now supports that replacement plan.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.g)

## Capital Reserves

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**Policy Title:** Re-Chipping Reserve

**Policy No.:** 1008 (C.g)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County intends to set aside funds allocated to the re-chipping program that were planned for a specific budget year but which were not spent in that budget year due to weather or other disruptions in the work schedule.

**Principles:**

1. There is no limit to the amount of the reserve but funds are not intended to be held for long periods.
2. This reserve does not accrue interest.

**Background:** This reserve is in place to ensure that funds not spent in one budget year can be carried over to the next budget year. This is important for key infrastructure renewal programs. If the planned worked isn't completed in a given year these funds need to be available in the next budget year to help avoid creating instances where the County gets behind in its infrastructure renewal programs.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.h)

## Capital Reserves

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**Policy Title:** Recreation Facility Reserve

**Policy No.:** 1008 (C.h)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County and the urban municipalities within the County have agreed to share recreation facilities. The majority of the capital costs of these facilities are generally funded from the Provincial or Federal Governments and/or through donations from constituents. Although these facilities are located in the urban municipalities the County wishes to fund our share of these facilities.

Projects are sporadic. There may be a number of years with no projects and then a number in a row. The County wishes to fund a consistent amount per year, as determined by the Recreation Capital Policy and use this reserve to hold the balance of funds.

**Principles:**

1. Contributions and disbursements from the reserve will be as per the Recreation Capital Funding Policy or as Council approves in annual budgets.
2. A long range facility replacement schedule should be maintained.
3. The reserve can be drawn into a deficit at the discretion of Council but the balance of the fund and the contribution levels should reconcile with a balanced long range facility replacement schedule.
4. The balance of this reserve along with the balance in the Cash-in-Lieu trust account should be reviewed along with the long range facility replacement schedule during the budget process to determine whether the reserve balances are appropriate.
5. This reserve will accrue interest.
6. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** Prior to 2011 capital funding for recreation facilities was only from Cash-in Lieu funds. This reserve was created to support future recreation facilities in anticipation of a funding policy.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.i)

## Capital Reserves

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**Policy Title:** Re-graveling Reserve

**Policy No.:** 1008 (C.i)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** Mountain View County intends to set aside funds allocated to the re-gravelling program that were planned for a specific budget year but which were not spent in that budget year due to weather or other disruptions in the work schedule.

**Principles:**

1. There is no limit to the amount of the reserve but funds are not intended to be held for long periods.
2. This reserve does not accrue interest.

**Background:** This reserve is in place to ensure that funds not spent in one budget year can be carried over to the next budget year. This is important for key infrastructure renewal programs. If the planned worked isn't completed in a given year these funds need to be available in the next budget year to help avoid creating instances where the County gets behind in its infrastructure renewal programs.

End of Policy

Approved: May 27, 2015





# Policy #1008 (C.j)

## Capital Reserves

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**Policy Title:** Road Network Reserve

**Policy No.:** 1008 (C.j)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** As the population of Mountain View County grows and the demands change the County wants to maintain a program of continually improving the road infrastructure. Some of these projects may be significant and/or may only happen periodically. This reserve is to accumulate or hold funds for these expenditures. Types of projects may include but are not limited to: paving/re-paving, bridge projects, road base development, initial chipping, hill cuts etc.

**Principles:**

1. For financial reporting purposes this reserve is treated as a single reserve although for internal purposes may be split into individual components to track year to year variances in the various project categories.
2. This reserve should be comprised of amounts that are identified with specific initiatives.
3. There is no limit to the amount of the reserve that is associated with specific initiatives.
4. First priority will be given to projects on the County Collector Road Network.
5. This reserve will accrue interest.
6. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

**Background:** This reserve was initially established in 2007. At that time significant infrastructure improvements were anticipated due to growth pressures the County was experiencing at that time. As well the County was experiencing unusually high growth in its assessment base which generated additional tax revenue that was set aside in this reserve.

End of Policy

Approved: May 27, 2015



# Policy #1008 (C.k)

## Capital Reserves

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**Policy Title:** Sundre Airport Reserve

**Policy No.:** 1008 (C.k)

**Approval:** County Council

**Effective Date:** May 27, 2015

**Supersedes Policy No.:**

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**Policy Statement:** Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

**Purpose:** This reserve is to fund the County's share of facility upgrades and large maintenance projects at the Sundre airport.

**Principles:**

1. It is expected that airport operations are funded from revenues generated by the airport.
2. Facility upgrades and large maintenance projects are expected to be funded from grants or sale of County lands adjacent to the airport.
3. A facilities plan should be developed and a funding schedule established.
4. This reserve will not accrue interest.

End of Policy

Approved: May 27, 2015