

<b>Policy Number:</b>	<b>C-709</b>
<b>Policy Owner:</b>	<b>Finance Services</b>
<b>Adopted By:</b>	<b>Council</b>
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<b>Effective Date:</b>	<b>2025 May 6</b>
<b>Date Last Amended:</b>	<b>2025 May 6</b>
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## Purpose

- 1 This policy establishes the principles and guidelines for preparing Rocky View County's multi-year capital and operating budgets. The County will align long-term financial planning with Council's Strategic Plan, thereby providing greater certainty to taxpayers about future tax requirements.



## Policy Statement

- 2 The County will prepare a multi-year budget and a ten-year capital plan in accordance with section 283.1 of the *Municipal Government Act*. The County commits to exceeding the legislated requirements for financial and capital plans as outlined in the *Municipal Government Act*.
- 3 Administration will develop a multi-year budget that corresponds with the elected term of Council. The County's multi-year budget will reflect Council's Strategic Plan, relevant planning and servicing documents, and the County's Fiscal Management Strategy.
- 4 Administration will prepare the multi-year budget with a four-year tax levy adjustment, incorporating current operational requirements, future strategic investments, and capital projects to ensure the financial viability of the County.



## Policy

- 5 The County's multi-year budget is developed starting in the first year of a Council's term. Multi-year budgets are guided by Council's Strategic Plan, the County's Fiscal Management Strategy, public engagement, and any applicable plans, strategies, and policies to ensure alignment with long-term goals and community priorities.
  - (1) After the fourth year of the multi-year budget cycle, the newly elected Council will establish a new multi-year budget at the start of its term.

- 6 The multi-year base budget will:
  - (1) address cost pressures and maintain current service levels by ensuring costs align with price changes;
  - (2) factor in life cycle asset needs to ensure funds are allocated for the maintenance, replacement, and renewal of County assets; and
  - (3) consider revenue trends, including changes in user fees, investments, and tax levies to maintain a balanced budget as required by the *Municipal Government Act*.
- 7 Administration will annually present the financial plan and capital plan to Council for review in accordance with section 283.1 of the *Municipal Government Act*. Council must annually adopt an operating and capital budget, and review and update its financial and capital plans.
- 8 Adjustments to the multi-year budget will be brought forward annually in the multi-year budget cycle, or as otherwise required or desired from time to time.
  - (1) Annual budget adjustments may include updates to reflect new Council direction, price level changes, revenue trend changes, impact of property assessment changes to tax revenue (including new construction and market value changes), financial surpluses or deficits, and departmental service changes, amongst other emerging issues that need to be addressed.
  - (2) Current year budget adjustments may be made as necessary to address emergent issues, new legislated or regulatory requirements that arise during the fiscal year.
- 9 Tax levy targets for the multi-year budget cycle will be set using a four-year average to provide consistent and sustainable funding while balancing community needs and the County's ability to generate revenue.
- 10 Strategic investments are made based on business cases that support Council's priorities. Funding is directed to the most important and impactful projects as directed by Council.
- 11 Strategic investments include both new and expanded services, along with necessary capital investments to support long-term growth and improvement.
- 12 Regular and transparent reporting and updates will be provided to Council, including updates to department profiles with multi-year budget information, a tri-annual financial accountability report, and audited financial statements to ensure transparency and accountability.

## Responsibilities

13 Council is responsible for:

- (1) providing direction regarding the prioritization of strategic investments and changes to the County's service levels; and
- (2) annually reviewing and adopting a balanced budget, multi-year budget, and financial and capital plans.

14 Administration is responsible for:

- (1) preparing department business cases that demonstrate continuous improvement to service delivery and ensure the optimal use of County's resources;
- (2) assessing the state of infrastructure and integrating it into the multi-year capital budget while prioritizing projects based on appropriate asset category criteria;
- (3) developing four-year tax levy strategies that reflect changes in service levels and capital and strategic project funding;
- (4) exploring funding sources beyond property tax revenues to support municipal needs; and
- (5) incorporating price and revenue trends and strategic investments into the multi-year operating budget.



## References

### Legal Authorities

### Related Plans, Bylaws, Policies, etc.

### Related Procedures

### Other

- *Municipal Government Act*, RSA 2000, c M-26
- *Municipal Corporate Planning Regulation* AR 192/2017
- *Fiscal Management Strategy* C-710
- *Asset Management Policy* C-708
- *Capital Budget Policy* C-707
- *Capital Priorities* A-460
- *Tangible Capital Assets* A-216
- *Council's Strategic Plan*
- N/A
- N/A



## Policy History

Amendment Date(s) – Amendment Description

- N/A

Review Date(s) – Review Outcome Description

- N/A



## Definitions

15 In this policy:

- (1) “Administration” means the operations and staff of Rocky View County under the direction of the Chief Administrative Officer;
- (2) “asset” means a physical entity that does or is expected to provide a future benefit to an organization. The benefit may be tangible, intangible, financial or non-financial;
- (3) “base budget” means a budget that incorporates price increases but excludes strategic investments;
- (4) “budgets” means an estimated financial plan of revenue and expenditure for a set period;
- (5) “budget adjustment” means an adjustment to the approved base budget.
- (6) “capital budget” means a budget adopted in accordance with sections 245 and 246 of the *Municipal Government Act*, which includes the costs of planned capital investments and the anticipated sources of funding and financing;
- (7) “Council” means the duly elected Council of Rocky View County;
- (8) “lifecycle renewal” means capital spending to repair, maintain, and replace an asset to its original standard or service level;
- (9) “long-term financial sustainability” means establishing a four-year operating and capital budget and ten-year capital plan with funding and financing commitments that allow:
  - (a) debt levels to be below the legislated and internal debt limits;
  - (b) forecasted reserve balances to be at target levels within the budget time horizon; and
  - (c) for stable tax funding requirements, as approved by Council.

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- (10) “multi-year budgets” means a four-year operating and a four-year capital budget;
  - (11) “operating budget” means a budget adopted in accordance with Sections 242 and 243 of the *Municipal Government Act*, outlining the estimated amounts for revenue, expenses, and transfers;
  - (12) “Rocky View County” or “the County” means Rocky View County as a municipal corporate and the geographical area within its jurisdictional boundaries, as the context requires;
  - (13) “strategic investment” means a new and expanded County service that is deemed to be a priority by Council;
  - (14) “strategic projects” means significant projects with high strategic alignment and/or priority, as determined by Council, and of greater financial significance and complexity.