

Financial Policies

Financial Planning Policy

Date Approved: February 24, 2009

Purpose, Overview and Scope of this Policy:

The Financial Planning Policy defines the overall approach and philosophy to provide clarity and consistency in compiling the five year financial plan for operating, capital and carry forward budgets. This process includes starting with a baseline budget that reflects the resources required to provide the same level of service as in the previous year, prior to inclusion of any new priorities or funding enhancement requests.

Each department within the Town is committed to providing services and supporting the operations of the Town. These levels of service are decided by Council with any changes made during the budget deliberations process.

The Town's financial and corporate business plan will support Council's Strategic Priorities with a long-term perspective for fiscal sustainability.

Capital Asset Management Plan & Tax Rates Policy

Date Approved: February 24, 2009

Purpose, Overview and Scope of this Policy:

The Capital Asset Management Plan & Tax Rates Policy is a set of processes that attempt to minimize the cost of a Town's asset over the useful life (i.e. – construction and maintenance), while continuing to deliver the expected level of service and meet Council's strategic plan priorities.

The process includes financial planning for operational (maintaining) and replacement costs (savings) to ensure that taxation remains relatively neutral with limited "ups & downs" to replace assets.

The use of various infrastructure master plans and asset management plans, the Town can provide sustainable services while creating reserves (savings) for future infrastructure replacement.

Asset Retirement Obligation

Date Approved: November 9, 2021

Purpose, Overview and Scope of this Policy:

The Asset Retirement Obligation Policy provides obligations within financial reporting to consider end of life obligations for retiring an asset. The Town accounts for and reports these asset retirement obligations in compliance with the Public Sector Accounting Board (PSAB).

Asset Retirement Obligations that are owned by the Town will be recognized as a liability within the Town's financial statements. Asset retirement obligations include decommissioning or dismantling an asset that was acquired, constructed, developed or leased. It also includes remediation of contamination created by normal use, post retirement activities such as monitoring or constructing another asset to perform the post retirement activity.

This is also used in financial planning to determine the estimated amount required to retire an asset.

Purpose, Overview and Scope of this Policy:

The Equipment Replacement Policy is a process that all departments utilize to plan for the replacement of equipment and vehicles on a regularly scheduled basis. Aged equipment that is at the end of its useful life increases liability and maintenance costs to the Town. The policy provides a framework for the evaluation and procedure to replace aged equipment that is nearing end of useful life.

Each department is also required to develop an equipment replacement plan to allow for financial planning to build reserves (savings) to limit or prevent the need to debt finance equipment. This is the most economical approach to vehicle replacement and maintains taxation levels without significant increases to pay for replacement purchases.

The policy also provides guidance on disposal of equipment, opportunities to transfer to another department where the useful life can be extended and to consider opportunities for used equipment or vehicles where appropriate.

