



Fiscal Management Strategy – Key Financial Policies

Electoral Division: All

File: N/A

Date:	July 8, 2025
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Department:	Finance Services

REPORT SUMMARY

As Rocky View County continues to grow, fiscal responsibility involves careful planning, stakeholder engagement, and the application of financial tools and policies to ensure sustainable growth while maintaining affordability for residents.

At the Governance Committee Meeting on June 10, 2025, the Committee recommended that the revised Procurement Policy C-203 be approved by Council. The Committee also recommended that Council rescind the Assessment Base Diversification Policy C-197 and the Municipal Tax Ratio Policy C-223, and approve the new Assessment and Tax Policy C-710.

THAT Governance Committee recommend Council rescind Assessment Base Diversification Policy C-197.

THAT Governance Committee recommend Council rescind Municipal Tax Ratio Policy C-223.

THAT Governance Committee recommend Council approve the Assessment and Tax Policy C-710, with amendments recommended by the Governance Committee.

THAT Governance Committee recommend Council approve the revised Procurement Policy C-203, with amendments recommended by the Governance Committee.

These financial policies, coupled with previously approved financial policies on May 6 and June 3, 2025, are required for prudent financial planning. They enable financial decision-making that ensures sustainable municipal services in the long term.

These recommendations are the final step in this year's policy update cycle and align with the approved timeline to support upcoming budget preparations. Going forward, all financial policy reviews and amendments will be integrated into the annual fiscal management strategy process.

Key upcoming budget preparation milestones are:

- July 17, 2025: Budget Briefing at the Governance Committee
- Q3 2025: Capital Committee Briefing

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ADMINISTRATION'S RECOMMENDATION

THAT Council approve Procurement Policy C-203 as presented in Attachment A.

THAT Council approve Assessment and Tax Policy C-710 as presented in Attachment B.

THAT Council rescind Assessment Base Diversification Policy C-197.

THAT Council rescind Municipal Tax Ratio Policy C-223.

BACKGROUND

On May 6, 2025, Council approved the Multi-Year Budgeting Policy C-709, Capital Budget Policy C-707, Asset Management Policy C-708, and the Terms of Reference for the Capital Committee. On June 3, Council approved the Managing Reserve Funds Policy C-222 and the Debt Acquisition and Management Policy C-220. Together with the additional policies presented for Council's consideration today, these documents augment the County's current financial activities toward cost-effective, sustainable, and accountable financial management, in alignment with the County's broader Fiscal Management Strategy.

At the Governance Committee Meeting on June 10, 2025, the Committee recommended revisions to the newly drafted policies, including a reference to Fiscal Management Strategy goals within the Assessment and Tax Policy C-710, and direct language on the County's commitment to achieving objectives within each policy. These revisions have been incorporated into the updated policy.

A Fiscal Management Strategy will be prepared at the start of a Council's term and reviewed annually for possible updates to guide the budgeting process. This strategy will include setting a desired property assessment class composition, property tax ratios and rates, appropriate user fees, rates and charges, reserve balance targets, and the County's approach to grant and debt utilization.

Significant financial obligations—such as the Prairie Economic Gateway initiative, capital infrastructure requirements (roads, water, wastewater), and capital facilities (recreation centres and fire halls)—create competing demands for both capital and operating expenditures. These growth pressures, combined with an evolving economic and political landscape at both regional and global levels, require the County to maintain a well-considered, forward-looking approach to financial decision-making. Accordingly, there is an ongoing need for updated and/or new financial policies to properly plan, sequence, and responsibly fund existing service requirements and new strategic initiatives.

The Assessment and Tax Policy C-710 guides the County in maintaining a balanced tax base between residential and non-residential properties to support long-term financial sustainability. The policy ensures tax stability, aligns growth with infrastructure and service planning, and supports fair tax distribution while responding to changing economic and development conditions.

The Procurement Policy C-203 provides clear direction for purchasing goods, services, and construction in a fair, transparent, and cost-effective way. It supports responsible spending by focusing on best value, ensuring compliance with trade and legal obligations, and maintaining high ethical standards. The policy also strengthens flexibility and accountability in County purchasing practices.

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ANALYSIS

It is recommended that Assessment Base Diversification Policy C-197 (Attachment C), initially adopted in 2016 and not updated since, and Municipal Tax Ratio Policy C-223 (Attachment D), initially adopted in 2023 and not updated since, be rescinded to facilitate the integration of relevant County goals and objectives into a comprehensive Fiscal Management Strategy. Goals and objectives to be considered as part of a future Fiscal Management Strategy are:

Assessment Base Diversification Policy C-197

- The County is committed to continued assessment-based diversification and will strive to achieve an Assessment Split Ratio of 65%/35% by 2035 through careful consideration of development applications.

Municipal Tax Ratio Policy C-223

- The County will implement a tax ratio that complies with legislation on an annual basis and allocates a minimum of 50% of the municipal tax to the non-residential assessment classes.

Below is an analysis of the benefits of the recommended policy amendments:

Procurement Policy C-203

The County's procurement policy ensures fair, transparent, and responsible spending. Key points include:

- Legislative compliance with the Municipal Government Act and trade agreements, with a focus on getting the best overall value by considering price and other important factors.
- Only the Chief Administrative Officer (CAO) and authorized staff can approve spending within the approved budget, with Council approval required for unplanned expenses, except during emergencies when the CAO can act quickly to maintain essential services.

Assessment and Tax Policy C-710

The County's Assessment and Tax Policy C-710 supports long-term financial sustainability by promoting a balanced tax structure and a diversified property assessment base. Key points include:

- Maintaining a tax ratio between residential and non-residential assessment classes and grow each assessment class in alignment with the County's Strategic Plan and Fiscal Management Strategy.
- Ensuring a stable and sustainable tax revenue stream that supports effective service delivery in alignment with long-term goals and objectives.
- Ensuring the County's compliance with legislated requirements as it relates to Assessment and Taxation.

COMMUNICATIONS / ENGAGEMENT

If approved, the Procurement Policy C-203 and Assessment and Tax Policy C-710 will be published on the County website for public access.

IMPLICATIONS

Financial

There are no immediate financial implications to support this financial policy work.

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Long Term Planning

These policies help the County maintain a balanced and stable tax base while ensuring that purchases are fair, transparent, and provide good value. This supports steady revenue for essential services and infrastructure and promotes responsible spending. Together, they protect the County's financial health and service quality over the long term.

STRATEGIC ALIGNMENT

Key Performance Indicators		Strategic Alignment
Financial Prosperity	FP2: Ensuring County remains financially sustainable for future generations	The proposed Assessment and Tax Policy and Procurement Policy help the County manage growth, keep taxes fair, and spend wisely. Together, they support stable funding, transparent purchasing, and long-term financial sustainability.

ALTERNATE DIRECTION

THAT Council directs Administration to incorporate any feedback identified by Council in finalizing Procurement Policy C-203 and Assessment and Tax Policy C-710, and bring back to a future Council meeting before the end of Q3 2025.

ATTACHMENTS

Attachment A: Procurement Policy C-203 Proposed Redline Version
 Attachment B: Assessment and Tax Policy C-710 (Proposed Consolidation)
 Attachment C: Assessment Base Diversification Policy C-197 (Recommended for rescission)
 Attachment D: Municipal Tax Ratio Policy C-223 (Recommended for rescission)
 Attachment E: Fiscal Management Strategy – Budget Preparation Timelines, Key Financial Policies & Capital Committee Considerations

APPROVALS

Manager:	Isedua (Issy) Agbonkhese, Manager, Finance Services
Executive Director/Director:	Clint Warkentin, Executive Director, Financial & Business Services
Chief Administrative Officer:	Reegan McCullough, Chief Administrative Officer