



TOWN OF THREE HILLS

POLICY # 650

MILL RATE STABILIZATION RESERVE POLICY

Adopted by Council on: July 13, 2020
Resolution No.: 359-2020

1. PURPOSE

- 1.1. The purpose of this Policy is to establish a Mill Rate Stabilization Reserve in accordance with Policy 530 – Reserves Policy, as amended.
- 1.2. The Mill Rate Stabilization Reserve shall be used to establish dedicated funds that can be used to stabilize the level of municipal property tax increases over future years.

2. AUTHORITY

- 2.1. The authority for this Policy is by resolution of the Council of the Town of Three Hills.
- 2.2. This Policy shall comply with Policy 530 – Reserve Policy, as amended.

3. TARGETS

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|------------------------------------|--------------|
| 3.1. Targeted Minimum Balance: | \$50,000.00 |
| 3.2. Targeted Maximum Balance: | \$500,000.00 |
| 3.3. Targeted Annual Contribution: | \$10,000.00 |

4. POLICY GUIDLINES

- 4.1. The General Ledger account for the Mill Rate Stabilization Reserve will be GL # 1-4-1000-71001 – Mill Rate Stabilization Reserve.
- 4.2. The Chief Administrative Officer, or designate, will ensure the overall effective administration of dedicated reserves in accordance with Policy 530 – Reserves Policy.
- 4.3. Annually, in conjunction with the budget process and the presentation of the audited financial statements to Council, a list indicating the current and previous year-end balances for this reserve will be provided.
- 4.4. The use of this reserve to fund any expenditure must be by way of a Council.

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