

Statement of Financial Activities (\$000s)

	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Net Fund Transfers													
(To) From General Fund	3,977	2,050	2,428	2,841	1,546	2,323	3,045	3,020	3,475	3,737	3,985	4,186	4,738
(To) From Utility Fund	825	687	713	818	1,303	1,635	1,089	1,073	1,306	1,430	1,566	1,715	1,878
(To) From Capital Fund	(748)	(7,479)	(9,130)	(4,065)	(7,369)	(1,451)	(638)	(2,611)	(4,696)	(118)	4,077	(4,453)	(1,756)
(To) From Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	4,054	(4,742)	(5,989)	(406)	(4,520)	2,507	3,496	1,482	85	5,049	9,628	1,448	4,860
Opening Fund Balance	8,514	12,568	12,568	6,579	6,173	1,653	4,160	7,656	9,138	9,223	14,272	23,900	25,348
Ending Fund Balance	12,568	7,826	6,579	6,173	1,653	4,160	7,656	9,138	9,223	14,272	23,900	25,348	30,208

Function

The City of Spruce Grove sets aside funds for the 10 Year Capital Plan in six capital reserves and a development reserve. Three stabilization reserves provide rate stabilization for the General Operating Fund and the Utility Operating Fund.

Stabilization Reserves

General
Utility
Library

Development Reserve

Capital Reserves

Information Systems
Facility
Open Space and Park
Transportation
Utility Infrastructure
Vehicle and Equipment

Capacity to Pay

The Reserves Policy establishes that the city will use a planned approach and long term outlook when setting aside funds in reserve.

Stabilization Reserves: The city recognizes the need to maintain an adequate level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures. The city maintains:

- A General Stabilization Reserve at no less than five per cent and no more than 10 per cent of budgeted General Operating Fund expenditures.
- A Utility Stabilization Reserve at no less than five per cent and no more than 10 per cent of budgeted Utility Operating Fund expenditures.

	2006 ACTUAL	2007 BUDGET	2007 FORECAST	2008 BUDGET	2009 BUDGET	2010 BUDGET	2011 BUDGET	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET
General Stabilization	1,008 5%	1,012 5%	1,212 6%	1,364 5%	1,384 5%	1,444 5%	1,444 4%	1,444 4%	1,444 4%	1,444 4%	1,444 3%	1,444 3%	1,444 3%
Utility Stabilization	466 10%	410 8%	416 7%	428 7%	430 7%	439 6%	439 6%	439 5%	439 5%	439 5%	439 4%	439 4%	439 4%

The General Stabilization Reserve balance stays within the five to 10 per cent of General Fund Expenditures range until 2010. The Utility Stabilization Reserve is below the prescribed range in 2015. As the calculations are based on a percentage of projected expenditures and the analysis goes out 10 years, adjustments to each stabilization reserve will be made at a future date.

Development Reserve: The Development Reserve is comprised of contributions collected from developers to fund new infrastructure requirements that have arisen due to growth. While there

is only one reserve, each category (roads, water, wastewater, parks, etc.) is tracked separately. Typically, the new infrastructure is put in place prior to the development and subsequent collection of levies for an area.

The 2007 to 2016 Capital Plan utilizes AMIP and the Federal Gas Tax grants to pay for some of the new infrastructure, allowing developer levies to accumulate in the reserve.

Capital Reserves: The city recognizes the need to set aside funds in capital reserves that are adequate to fund long-term capital plans that are not funded by government transfers, financing and other revenues. The city maintains capital reserves as required to meet fund expenditures as set out in the 10-Year Capital Plan.

Financial Summary

- The overall balance of the Reserve Fund is decreasing from \$12.6 million in 2006 to a low of \$1.7 million in 2009. By 2011 the Reserve Fund balance is forecasted to increase to \$7.7 million.
- There are two years when the city is transferring significantly larger amounts from reserves for capital projects - \$6 million in 2007 and \$4.5 million in 2009.
- The higher level of transfers reflects an increase in the number and cost of almost all capital projects and plus the use of reserves for a few larger projects:
 - West District Park
 - Water network upgrades
 - Century Road ;and
 - Grove Drive.
- The Development Reserve will have a negative balance for 2009 and 2010. Starting in 2011 the Development Reserve balance is forecasted to be above zero, but remain low until 2014.

Statement of Financial Activities by Reserve (\$000s)

	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
General Stabilization													
Net Fund Transfers													
(To) From General Fund	713	4	204	152	20	60	-	-	-	-	-	-	-
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Other Reserves	(1,100)	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	(387)	4	204	152	20	60	-	-	-	-	-	-	-
Opening Fund Balance	1,395	1,008	1,008	1,212	1,364	1,384	1,444	1,444	1,444	1,444	1,444	1,444	1,444
Ending Fund Balance	1,008	1,012	1,212	1,364	1,384	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444
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Utility Stabilization													
Net Fund Transfers													
(To) From General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Utility Fund	127	(56)	(50)	12	2	9	-	-	-	-	-	-	-
(To) From Capital Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	127	(56)	(50)	12	2	9	-	-	-	-	-	-	-
Opening Fund Balance	339	466	466	416	428	430	439	439	439	439	439	439	439
Ending Fund Balance	466	410	416	428	430	439	439	439	439	439	439	439	439

Statement of Financial Activities by Reserve (\$000s)

Library Stabilization	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Net Fund Transfers													
(To) From General Fund	152	(31)	(57)	-	-	-	-	-	-	-	-	-	-
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	152	(31)	(57)	-	-	-	-	-	-	-	-	-	-
Opening Fund Balance	17	169	169	112	112	112	112	112	112	112	112	112	112
Ending Fund Balance	169	138	112	112	112	112	112	112	112	112	112	112	112
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Information Systems	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Net Fund Transfers													
(To) From General Fund	4	125	125	287	138	144	210	218	227	235	244	253	263
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	7	(342)	(253)	(355)	(269)	(223)	(252)	(239)	(235)	(168)	(174)	(178)	(187)
(To) From Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	11	(217)	(128)	(68)	(131)	(79)	(42)	(21)	(8)	67	70	75	76
Opening Fund Balance	296	307	307	179	111	(20)	(99)	(141)	(162)	(170)	(103)	(33)	42
Ending Fund Balance	307	90	179	111	(20)	(99)	(141)	(162)	(170)	(103)	(33)	42	118

Statement of Financial Activities by Reserve (\$000s)

Facility	2006 ACTUAL	2007 BUDGET	2007 FORECAST	2008 BUDGET	2009 BUDGET	2010 BUDGET	2011 BUDGET	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET
Net Fund Transfers													
(To) From General Fund	1,729	1,345	1,545	1,142	497	597	1,020	979	937	1,004	1,039	1,188	1,181
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	(454)	(2,611)	(2,934)	(2,239)	(700)	(66)	(1,037)	(845)	-	(2,263)	(358)	-	(3,449)
(To) From Other Reserves	600	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	1,875	(1,266)	(1,389)	(1,097)	(203)	531	(17)	134	937	(1,259)	681	1,188	(2,268)
Opening Fund Balance	454	2,329	2,329	940	(157)	(360)	171	154	288	1,225	(34)	647	1,835
Ending Fund Balance	2,329	1,063	940	(157)	(360)	171	154	288	1,225	(34)	647	1,835	(433)
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Development	2006 ACTUAL	2007 BUDGET	2007 FORECAST	2008 BUDGET	2009 BUDGET	2010 BUDGET	2011 BUDGET	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET	2017 BUDGET
Net Fund Transfers													
(To) From General Fund	-	(175)	(187)	(226)	(68)	(68)	(68)	(68)	(68)	(68)	(68)	(68)	(68)
(To) From Utility Fund	-	-	-	-	-	(227)	-	(120)	-	-	-	-	-
(To) From Capital Fund	1,189	(538)	(514)	1,017	(5,053)	1,417	1,641	1,276	(1,204)	8,386	8,151	(2,149)	5,291
(To) From Other Reserves	(950)	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	239	(713)	(701)	791	(5,121)	1,122	1,573	1,088	(1,272)	8,318	8,083	(2,217)	5,223
Opening Fund Balance	2,579	2,818	2,818	2,117	2,908	(2,213)	(1,091)	482	1,570	298	8,616	16,699	14,482
Ending Fund Balance	2,818	2,105	2,117	2,908	(2,213)	(1,091)	482	1,570	298	8,616	16,699	14,482	19,705

Statement of Financial Activities by Reserve (\$000s)

	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Open Space and Park													
Net Fund Transfers													
(To) From General Fund	103	192	192	335	97	382	231	176	224	169	187	145	307
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	(42)	(95)	(841)	(1,048)	-	-	-	-	-	(245)	-	-	-
(To) From Other Reserves	500	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	561	97	(649)	(713)	97	382	231	176	224	(76)	187	145	307
Opening Fund Balance	989	1,550	1,550	901	188	285	667	898	1,074	1,298	1,222	1,409	1,554
Ending Fund Balance	1,550	1,647	901	188	285	667	898	1,074	1,298	1,222	1,409	1,554	1,861
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Transportation													
Net Fund Transfers													
(To) From General Fund	421	215	231	431	243	489	1,177	1,240	1,680	1,922	2,108	2,193	2,580
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	(419)	(1,493)	(1,299)	(612)	(528)	(456)	(461)	(1,485)	(644)	(1,303)	(2,708)	(1,262)	(897)
(To) From Other Reserves	950	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	952	(1,278)	(1,068)	(181)	(285)	33	716	(245)	1,036	619	(600)	931	1,683
Opening Fund Balance	985	1,937	1,937	869	688	403	436	1,152	907	1,943	2,562	1,962	2,893
Ending Fund Balance	1,937	659	869	688	403	436	1,152	907	1,943	2,562	1,962	2,893	4,576

Statement of Financial Activities by Reserve (\$000s)

Utility Infrastructure	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Net Fund Transfers													
(To) From General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Utility Fund	698	743	763	806	1,301	1,853	1,089	1,193	1,306	1,430	1,566	1,715	1,878
(To) From Capital Fund	(317)	(1,692)	(1,511)	(175)	(240)	(1,876)	(174)	(368)	(2,234)	(3,804)	(466)	(462)	(1,786)
(To) From Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	381	(949)	(748)	631	1,061	(23)	915	825	(928)	(2,374)	1,100	1,253	92
Opening Fund Balance	146	527	527	(221)	410	1,471	1,448	2,363	3,188	2,260	(114)	986	2,239
Ending Fund Balance	527	(422)	(221)	410	1,471	1,448	2,363	3,188	2,260	(114)	986	2,239	2,331
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Vehicle and Equipment	2006	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Net Fund Transfers													
(To) From General Fund	855	375	375	720	619	719	475	475	475	475	475	475	475
(To) From Utility Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
(To) From Capital Fund	(712)	(708)	(1,778)	(653)	(579)	(247)	(355)	(950)	(379)	(721)	(368)	(402)	(728)
(To) From Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Fund Balance	143	(333)	(1,403)	67	40	472	120	(475)	96	(246)	107	73	(253)
Opening Fund Balance	1,314	1,457	1,457	54	121	161	633	753	278	374	128	235	308
Ending Fund Balance	1,457	1,124	54	121	161	633	753	278	374	128	235	308	55