

TO: Administration & Finance Executive Committee
FROM: Laurie Witherspoon, Treasurer
DATE: March 15, 2018
SUBJECT: 2017 Contributions to Reserve Funds

BACKGROUND

We are nearing the end of our year-end preparation for the fiscal period ending December 31, 2017. In accordance with our Long-Term Capital Financial Plan, Policy No. 1.19, being a plan to help align short-term actions with long-term financial management strategy and that identifies, that with Council approval, that Operating Surplus be transferred to the Corporate Reserve Funds, and that Water & Sewer Fund surpluses be transferred to Waterworks & Sanitary Sewer Reserve Fund at year end.

The Water Fund and Sewer Fund surplus amount transferred to the Waterworks & Sanitary Sewer Reserve Fund amount is \$727,518.73 for the 2017 fiscal year end at this point in time.

The General Operating Fund is realizing a surplus due mostly to under spending of Corporate legal fees budgeted, supplemental ambulance budget unspent, Tourist Information Centre funding, Treasury salary & benefits for new hire unspent, fire department wages & benefits underspent combined with additional revenue, winter operations underspent due to favorable weather conditions, Community Services division overall under budget and Building Official combination of increased revenue and budget underspent. The General Fund accumulated surplus at the end of 2016 was \$171,343.41 and we are projecting a 2017 surplus as we work towards finalizing year end.

RECOMMENDATION

Administration recommends approval of the year-end contributions to the Reserve Funds as follows:

Waterworks & Sanitary Sewer	-	100% of Water & Sewer Operating Surplus
Corporate Vehicle/Equipment	-	10% of General Operating Surplus
Corporate Projects	-	90% of General Operating Surplus

Further that the actual transfer amounts be reported to Council when the amounts are known.