Draft 2015 Annual Operating Surplus for Tax Purposes and Recommended
Allocations

Report Purpose
To inform Council of the draft 2015 annual operating surplus for tax purposes and to seek approval of the recommended additional surplus allocations.

Recommendation
THAT the additional recommended allocations of the 2015 Municipal operating surplus, as set out in Enclosure 3 to the February 23, 2016, Financial Services report, be approved.

Council History
December 9, 2014 – Council approved the 2015 Operating and Capital Budgets.
December 8, 2015 – Council approved the 2016 Operating and Capital Budgets.

Strategic Plan Priority Areas
Economy: Strategic allocation of the annual operating surplus for tax purposes supports investment in infrastructure and the provision of quality programs and services.
Governance: Informing Council of the annual operating surplus for tax purposes supports governance through strong fiscal management, stewardship, and accountability.
Social: n/a
Culture: n/a
Environment: n/a

Other Impacts
Legislative/Legal: n/a
Interdepartmental: All departments

Summary
Policy FIN-001-008: Allocation of Year-End Operating Surplus for Tax Purposes (Enclosure 1) contains principles and guidelines for the allocation of year-end operating surplus for tax purposes to contribute to the economic sustainability of Strathcona County.

The draft consolidated County operating surplus for tax purposes totals $21.1 million. The consolidated County operating surplus will be draft until the 2015 Audited Financial Statements are approved by Council. A complete analysis of the 2015 operating results will be provided in the annual management report (2015 Q4).

On December 8, 2015, Council approved the 2016 Operating and Capital Budgets, including a partial allocation of the 2015 annual operating surplus for tax purposes in the amount of $5.4 million. As of December 31, 2015, a further $15.7 million operating surplus (draft) requires allocation.
The recommended allocations of the additional 2015 annual operating surplus, provided in Enclosures 2 and 3 includes balancing the self-sustaining entities (Utilities and Library), emergent projects, and cost matching allocations. Please note the corresponding 2015 reserve transactions and report will be presented on March 1, 2016 for approval.

**Enclosure**

1. Policy FIN-001-008 Allocation of Year-End Operating Surplus for Tax Purposes (Document: 8314658)