

2015 RESERVE TRANSACTIONS

Strathcona County
Council Presentation
March 1, 2016

Reserves

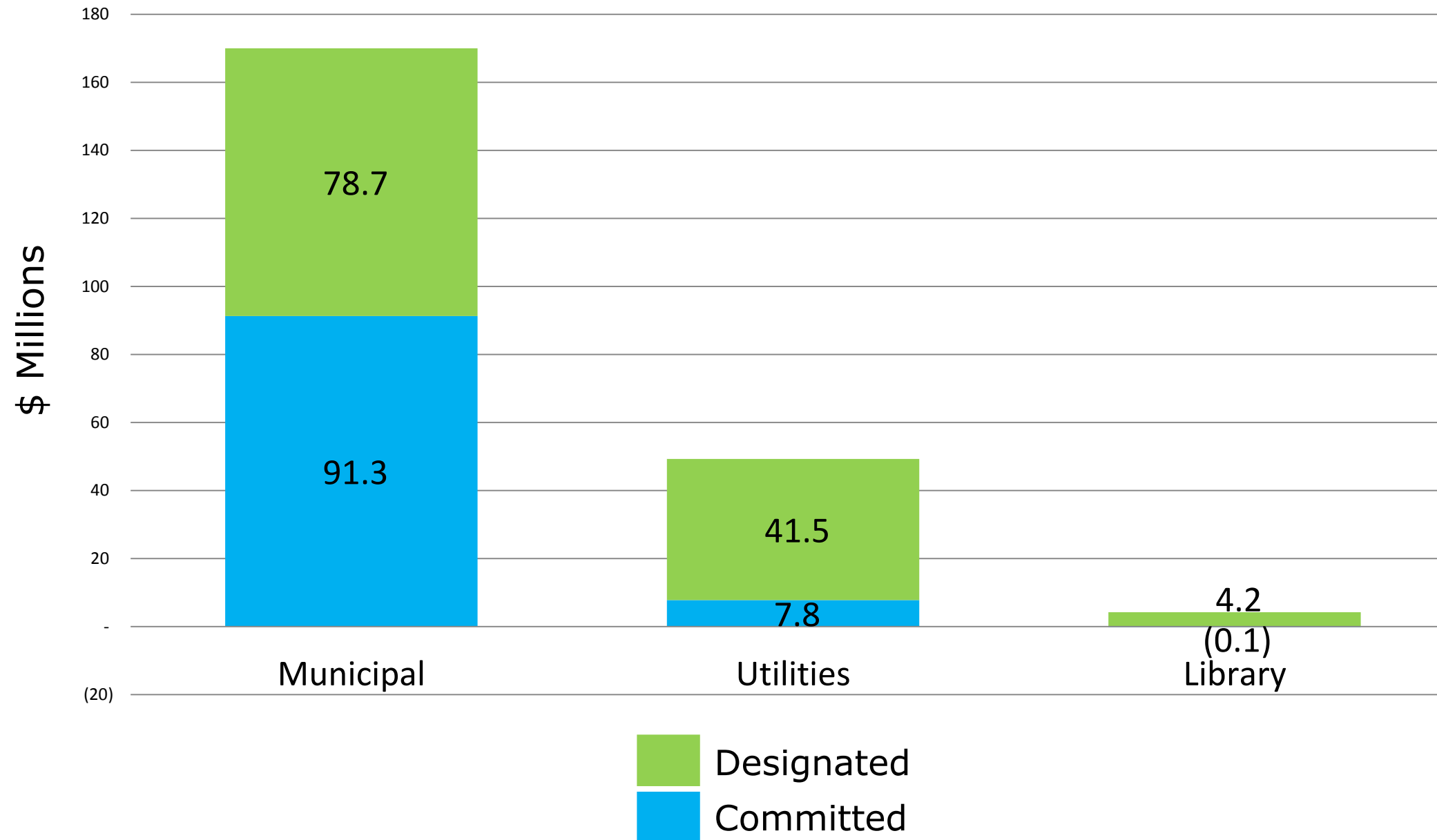
- Are a prudent business practice to:
 - Maintain and enhance financial strength
 - Provide for future funding
 - Provide stabilization for fluctuations in operating and capital requirements
 - Smooth market fluctuations
- Help achieve the Council Vision and Strategic Plan priorities.

Reserve Balances

- **Designated** = Funding designated to reserves for a specific purpose, which has not yet been approved by Council to be applied towards specific expenditures.
- **Committed** = Funding approved as per FIN-001-024: Financial Reserves policy to be applied towards specific expenditures.
- **Optimal Balance** = Where applicable, Reserves will require a minimum or maximum recommended balance for the Reserve. These recommendations will be a formula based on adequate levels to maintain services as determined by departments, endorsed by Executive Team, and approved by Council.

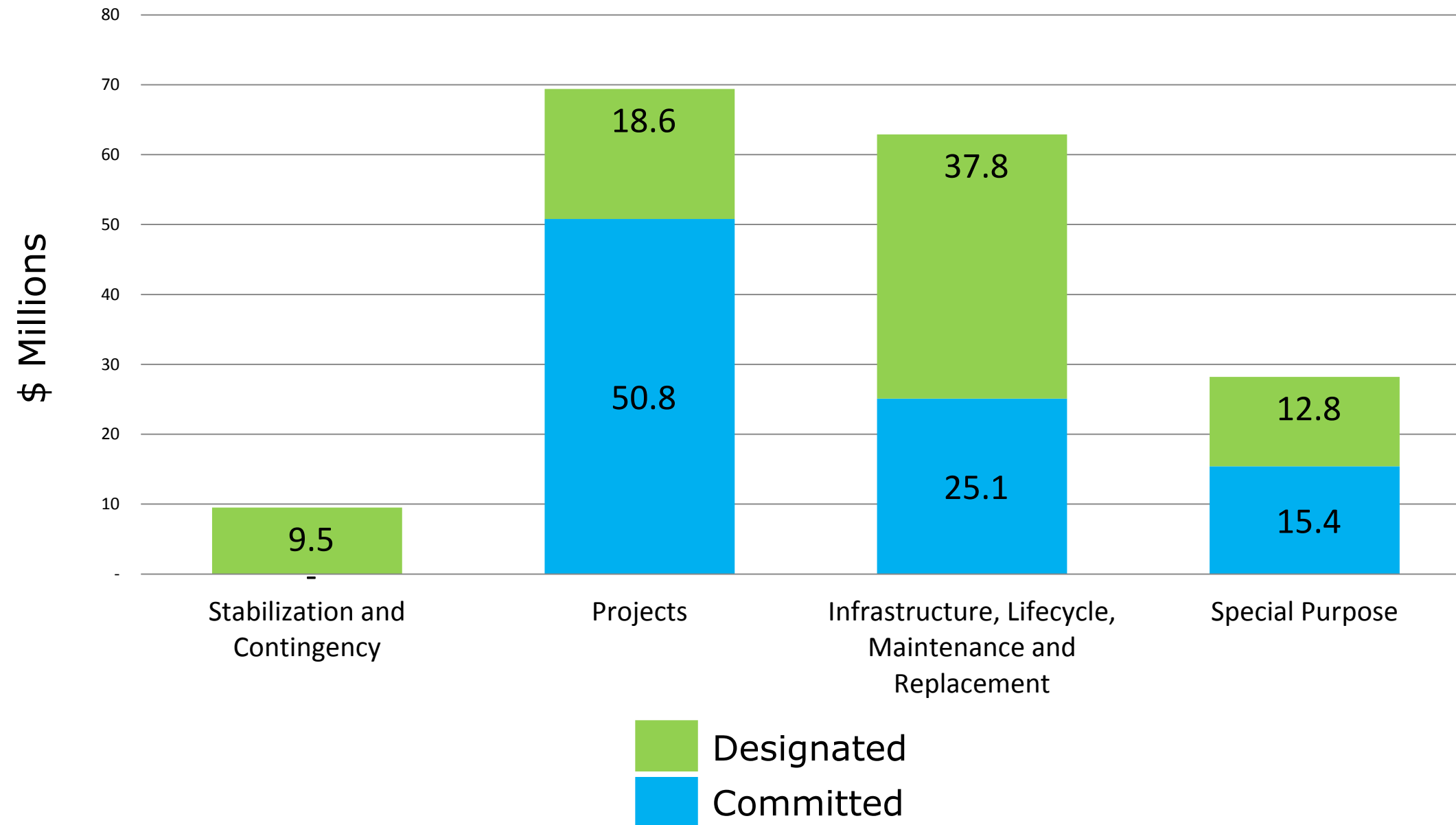
2015 Reserve Balances

December 31, 2015 Reserve Balance is \$223.4 Million (Enclosure 3)



2015 Municipal Reserve Balances

December 31, 2015 Municipal Reserve Balance is \$170.0 Million (Enclosure 3)



Reserve Transactions

Surplus Allocation

- \$15,604,769 to Municipal and Utility reserves in accordance with the 2015 annual operating surplus for tax purposes allocations previously approved by Council.

Redesignation

- \$100,000 from the Year End Carry Forwards - Municipal Reserve (1.3769) to the Municipal Projects Reserve (1.3773).