

# **2015 ANNUAL MANAGEMENT REPORT**

**Strathcona County  
Priorities Committee Presentation  
April 19, 2016**

# Overview

- 2015 Annual (Q4) Management Report includes:
  - Review of the consolidated operating results (Annual Operating Surplus for Tax Purposes);
  - 2015-2018 Corporate Business Plan reporting update;
  - Review of the capital activity; and
  - Review of the key financial indicators of the County.
- Comparison Analysis

# County Annual Operating Surplus for Tax Purposes - \$21.1M (Page 2 and 3)

For the year ended December 31, 2015

<i>Millions</i> \$	Annual Operating Surplus for Tax Purposes
Municipal	17.9
Utility	3.1
Library	0.1
Pioneer Housing Foundation	-
TOTAL	21.1

# 2015-2018 Corporate Business Plan Reporting Update (Appendix 1)

- Reporting on the Corporate Business Plan
  - Progress on goals and timely information on Key Performance Indicators and measures
  - Linkages back to the Strategic Plan prioritized goals / outcomes
- Evolving process occurring throughout the year
- Reporting to Council will be provided as part of the quarterly and annual management reports, with emphasis on the Q2 and annual (Q4) reports

# Capital Activity (Page 4)

As at December 31, 2015

## 2015 Capital Budget (Cash Flowed):

- The 2015 Capital Budget (cash flowed), as amended, totals **\$216.9 million**.
- The 2015 Capital Budget (cash flowed) is comprised of:
  - The 2015 Capital Budget of \$66.4 million, approved by Council on December 9, 2014;
  - Plus unspent prior years budgeted capital expenditures of \$274.2 million;
  - Less budget amendments approved in 2015 of (\$20.3) million; and
  - Less budgeted capital expenditures planned to be incurred after 2015 of (\$103.4) million.

# Capital Activity (Page 4)

As at December 31, 2015

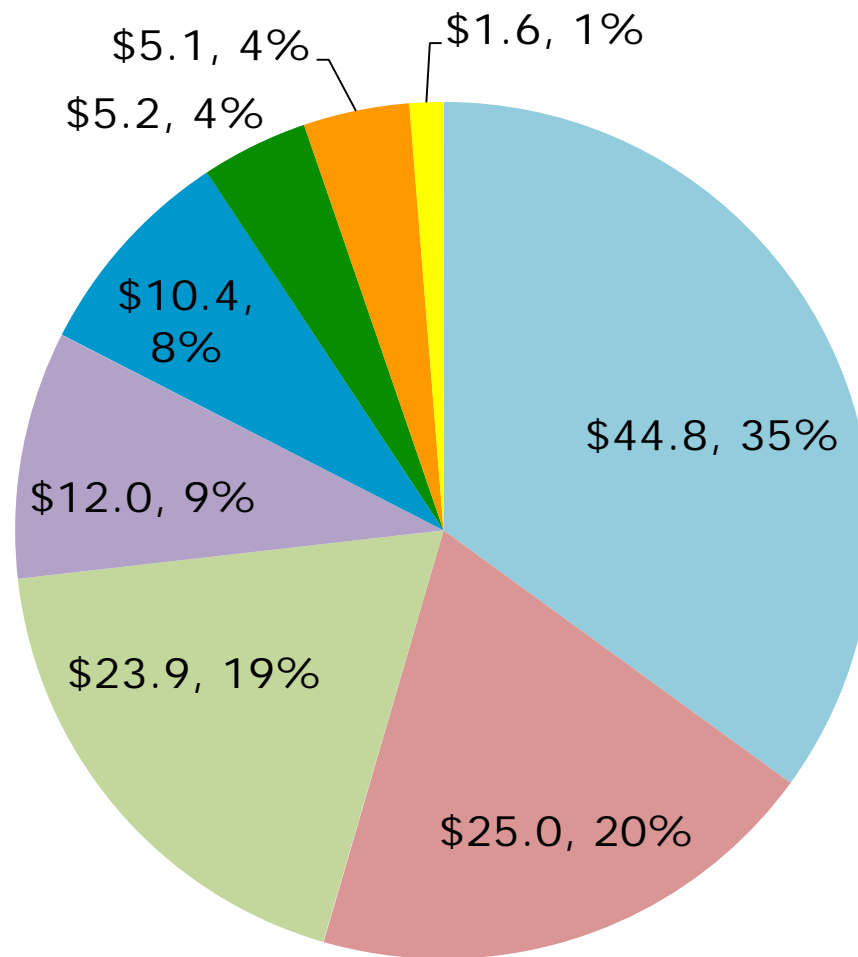
## Capital Variance:

	\$M
<b>2015 Capital Budget (Cash Flowed)</b>	<b>216.9</b>
2015 Capital Expenditures	(88.9)
<b>2015 Capital Variance</b>	<b>128.0</b>

# Capital Activity (Page 4)

As at December 31, 2015

**2015 Capital Variance = \$128.0 Million**



- Changing Priorities, Scope Change, Project Alignment and Staging
- Land Purchase Timing and Negotiations
- Third Party Funding or Agreement Delays
- Final Administration (Final Acceptance Certificates, Holdback Releases, etc)
- Contractor, Vendor or Other Delays
- Closed Projects - Released Funding
- Contingent Budget Savings - Ongoing Projects
- Construction Delays due to Weather

# Capital Activity (Page 5)

As at December 31, 2015

## **Update on Completed Projects:**

- 68 projects were completed \$5.2 million under a total combined budget of \$64.9 million
- The composition of the funding/financing released is:
  - \$2.2 million reserves
  - \$2.6 million debenture financing
  - \$0.4 million external grants and other sources



# Capital Activity (Page 5)

As at December 31, 2015

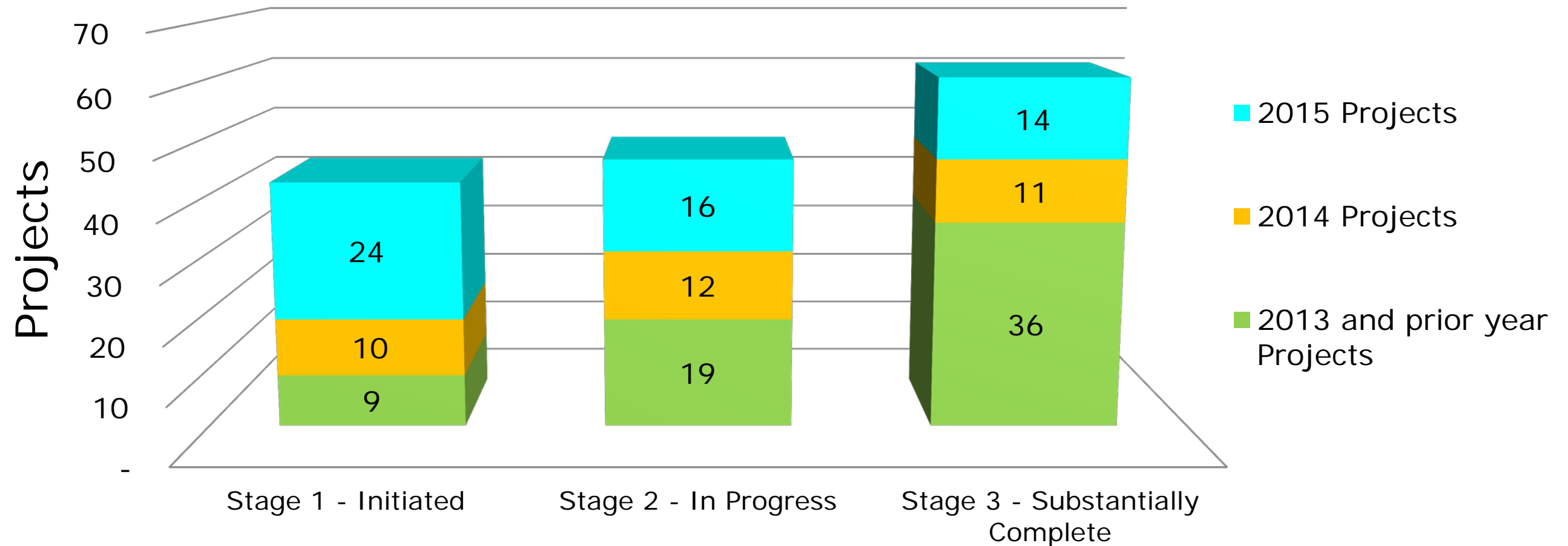
Capital projects have been grouped based on work completed according to assessments provided by the responsible departments, consisting of the following project stage groupings:

<b>Active Project Stages:</b>		
1	0 – 10%	Initiated
2	11 – 85%	In Progress
3	86 – 99%	Substantially Complete

# Capital Activity (Page 5)

As at December 31, 2015

**151 Active Capital Projects** at December 31, 2015:



# Assessment of Financial Condition

## - Key Financial Indicators (Page 6 to 9)

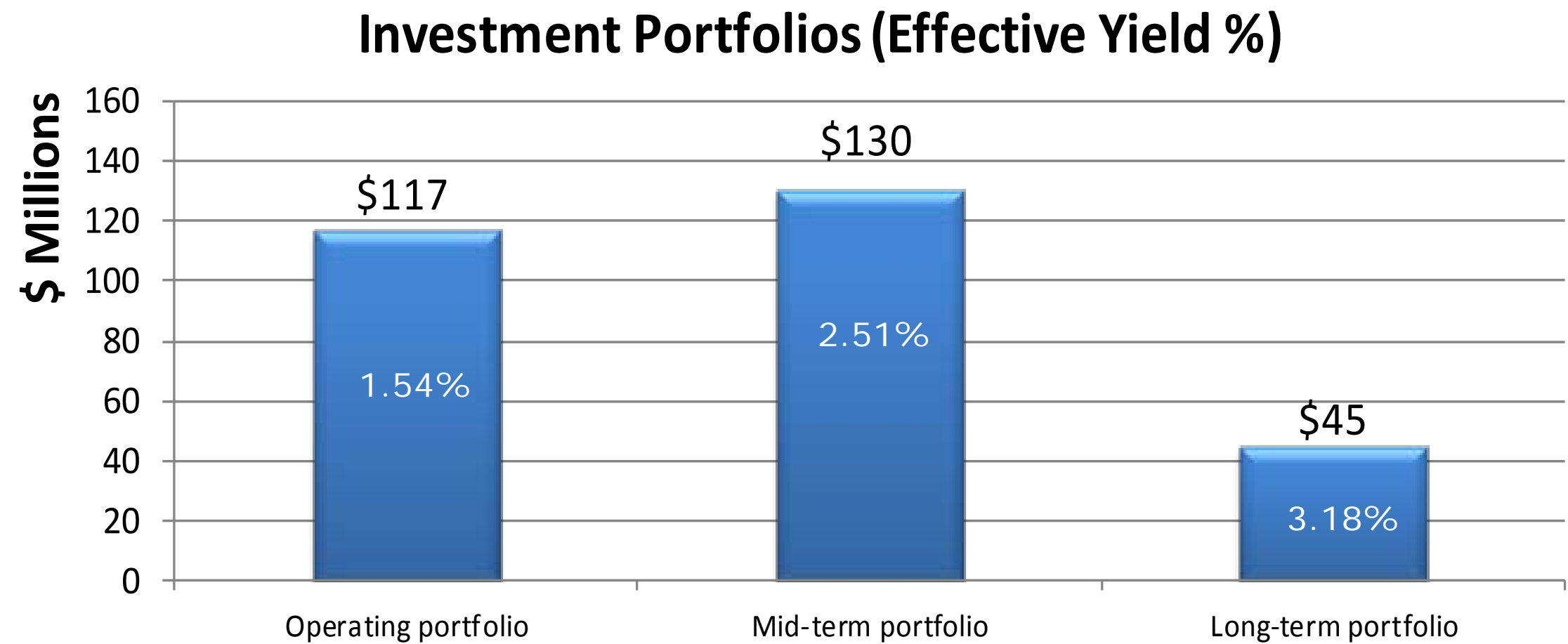
The Key Financial Indicators are based on the Unaudited Consolidated Financial Statements for the year ended December 31, 2015 (Appendix 1):

- Statement of Financial Position
  - Investments
  - Long-term Debt
- Net Financial Asset (Net Debt) Position
- Accumulated Surplus

*The unaudited consolidated financial statements are prepared in accordance with **Public Sector Accounting Standards (PSAS)**.*

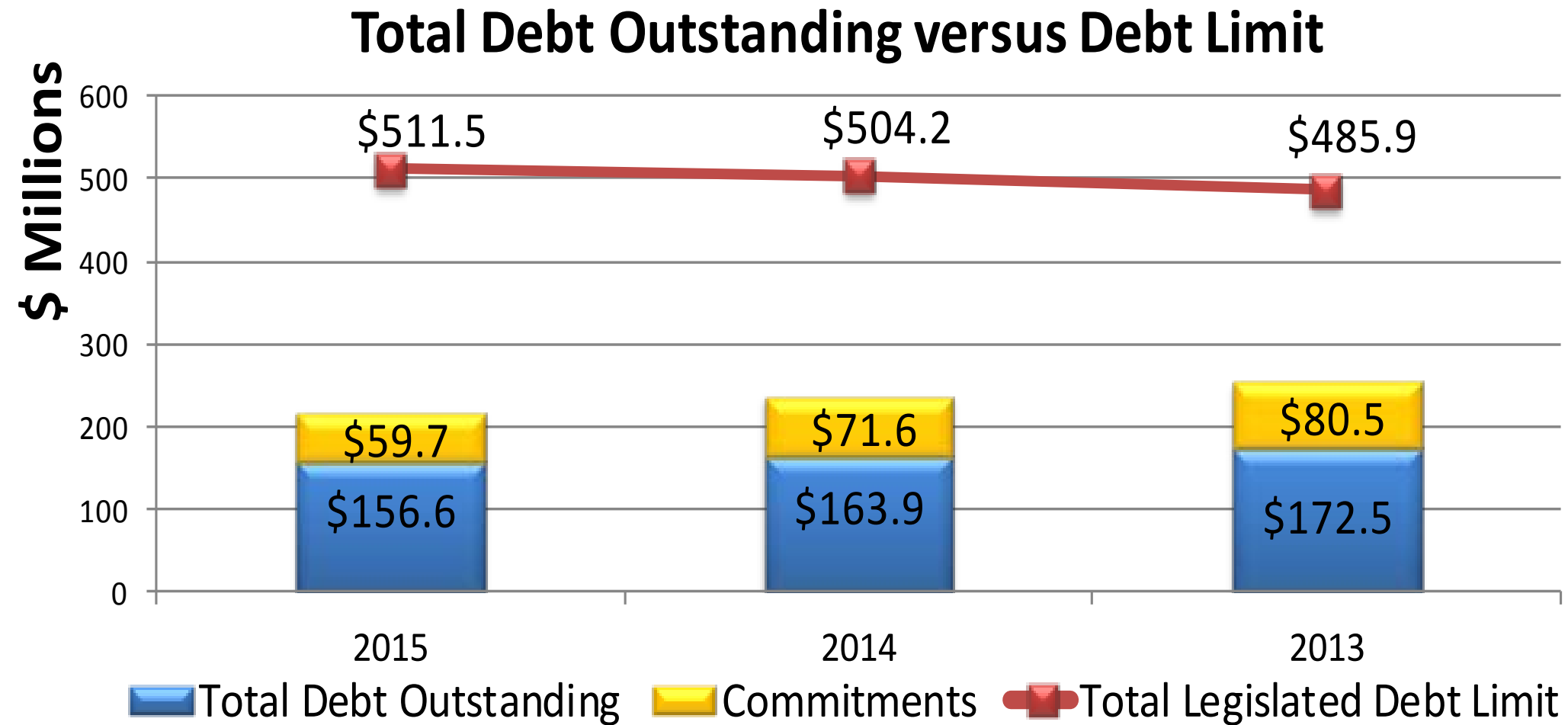
# Key Indicator: Investments (Page 6)

December 31, 2015 Investments Total \$291.3 Million



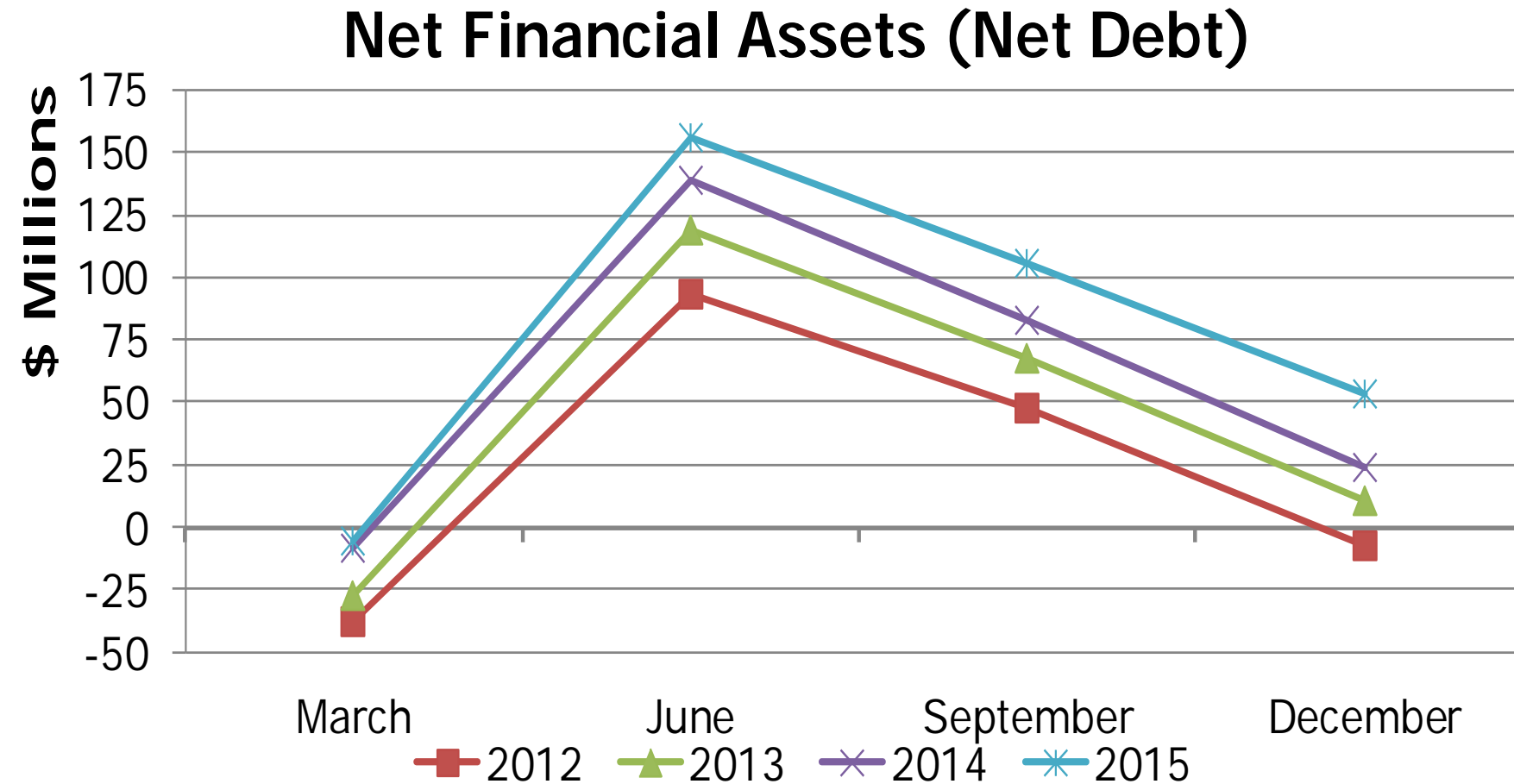
# Key Indicator: Long-term Debt (Page 7)

December 31, 2015 Debt Capacity Totals \$354.9 Million



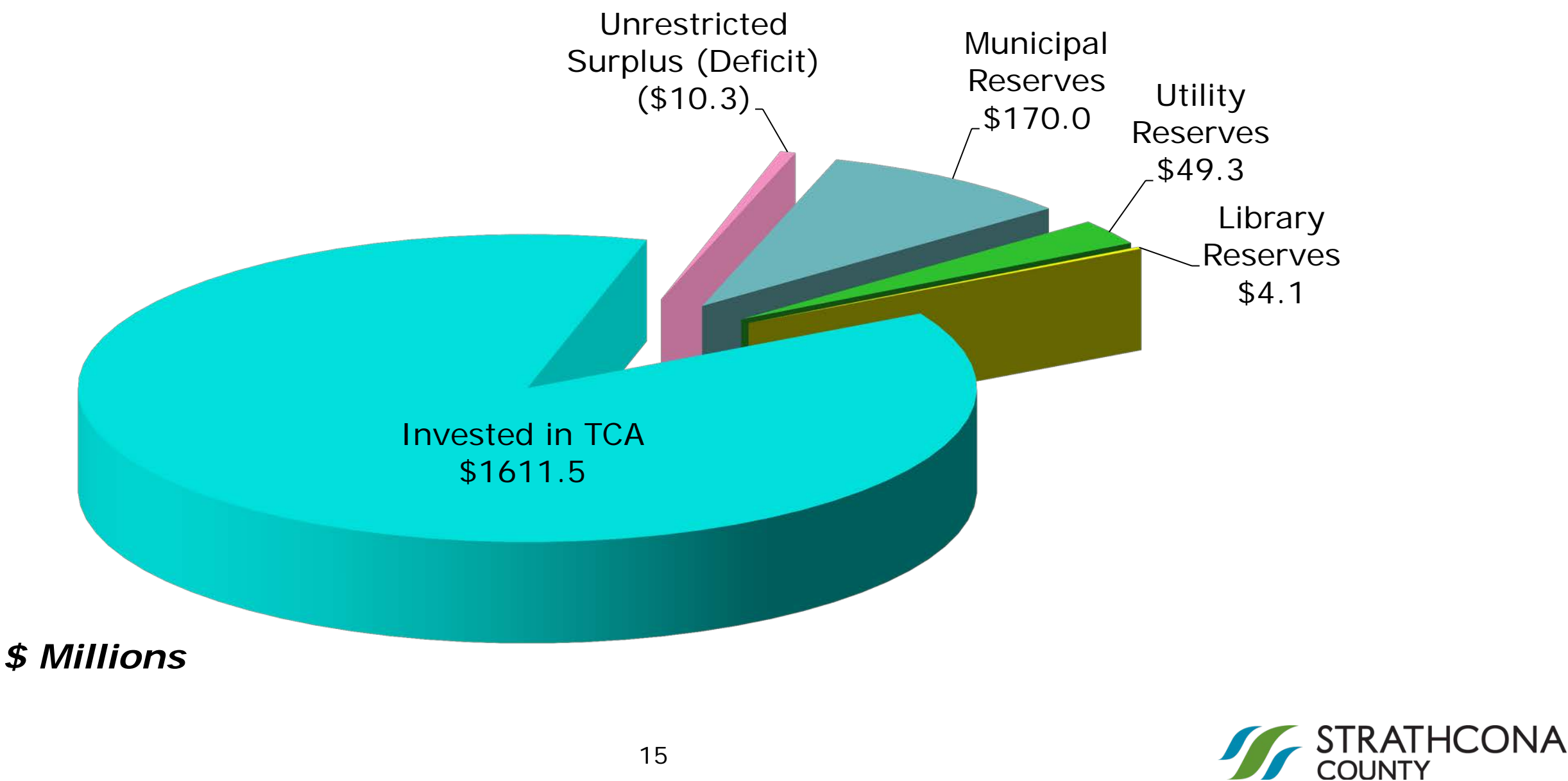
# Key Indicator: Net Financial Assets (Net Debt) (Page 8)

December 31, 2015 Net Financial Assets Total \$53.3 Million



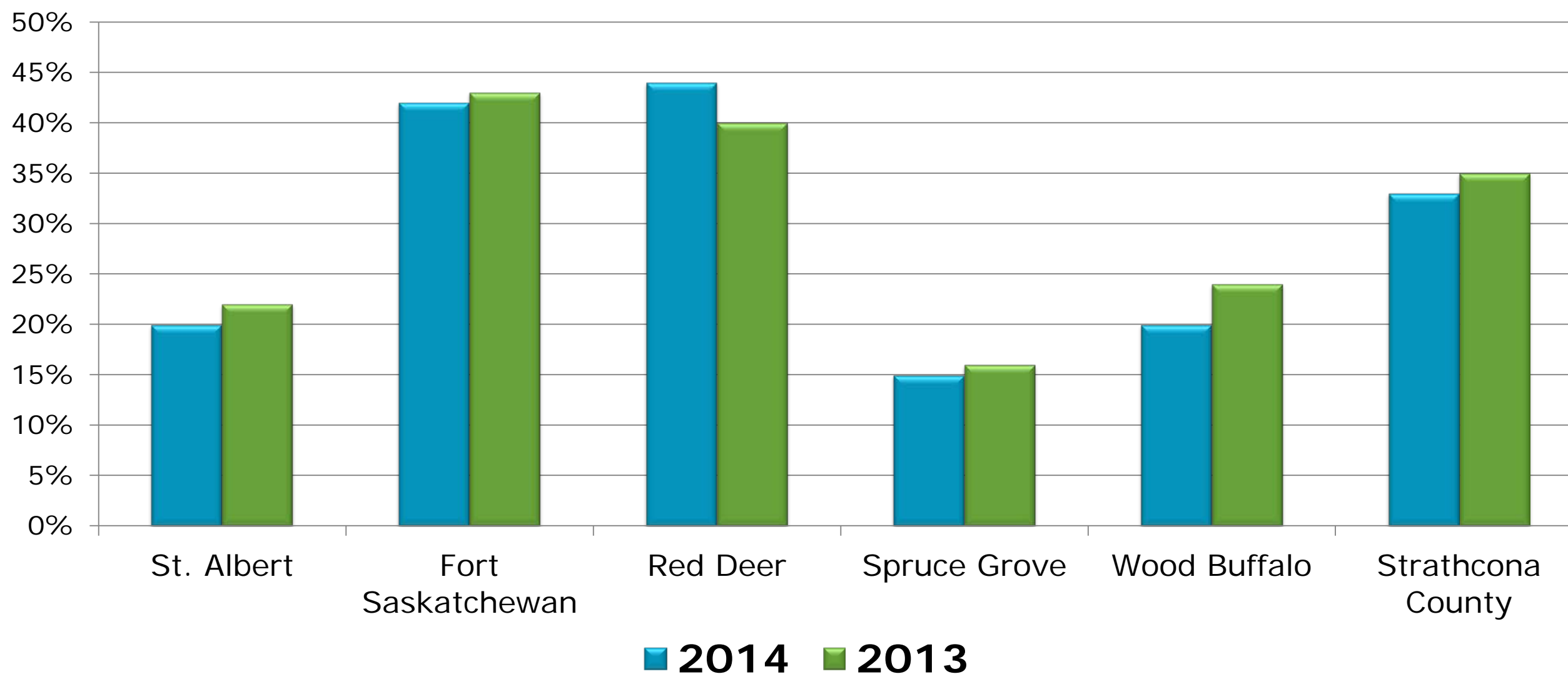
# Key Indicator: Accumulated Surplus (Page 9)

December 31, 2015 Accumulated Surplus is \$1,824.6 Million



# Comparison: Debt Limits Percentage

*Amount of debt used as a percent of the legislated debt limit*

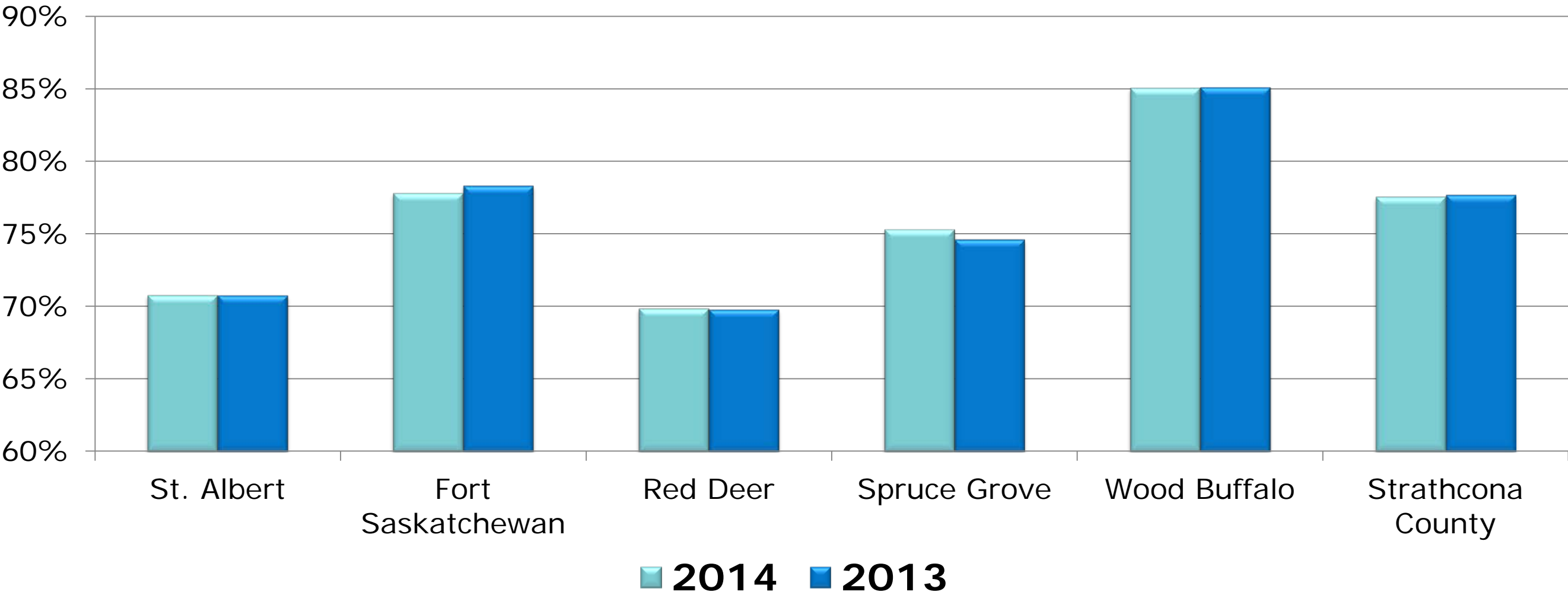


Source: 2014 Annual Reports  
for the individual Municipalities



# Comparison: Net Book Value of Assets as a Percentage of Cost

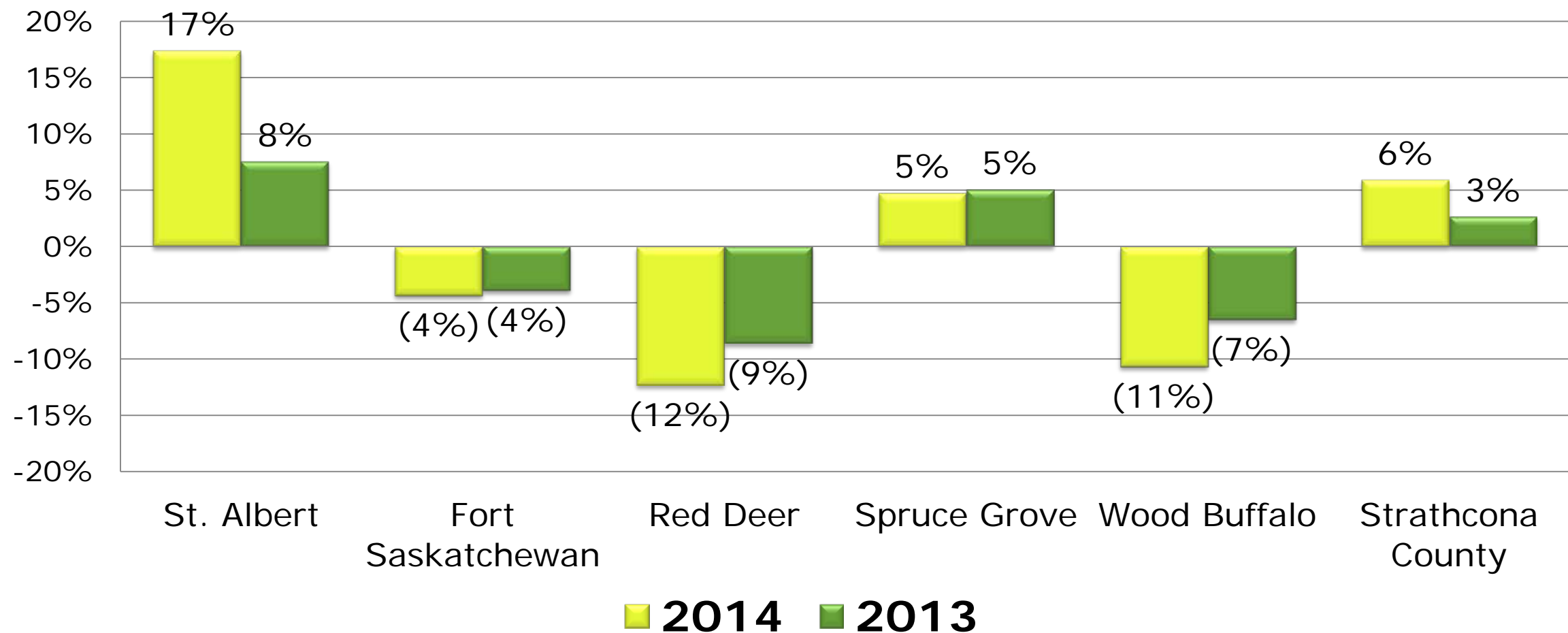
*A higher percentage reflects assets with a greater remaining useful life*



Source: 2014 Annual Reports for the individual Municipalities

# Comparison: Net Financial Assets (Net Debt) as a Percentage of Total Revenues

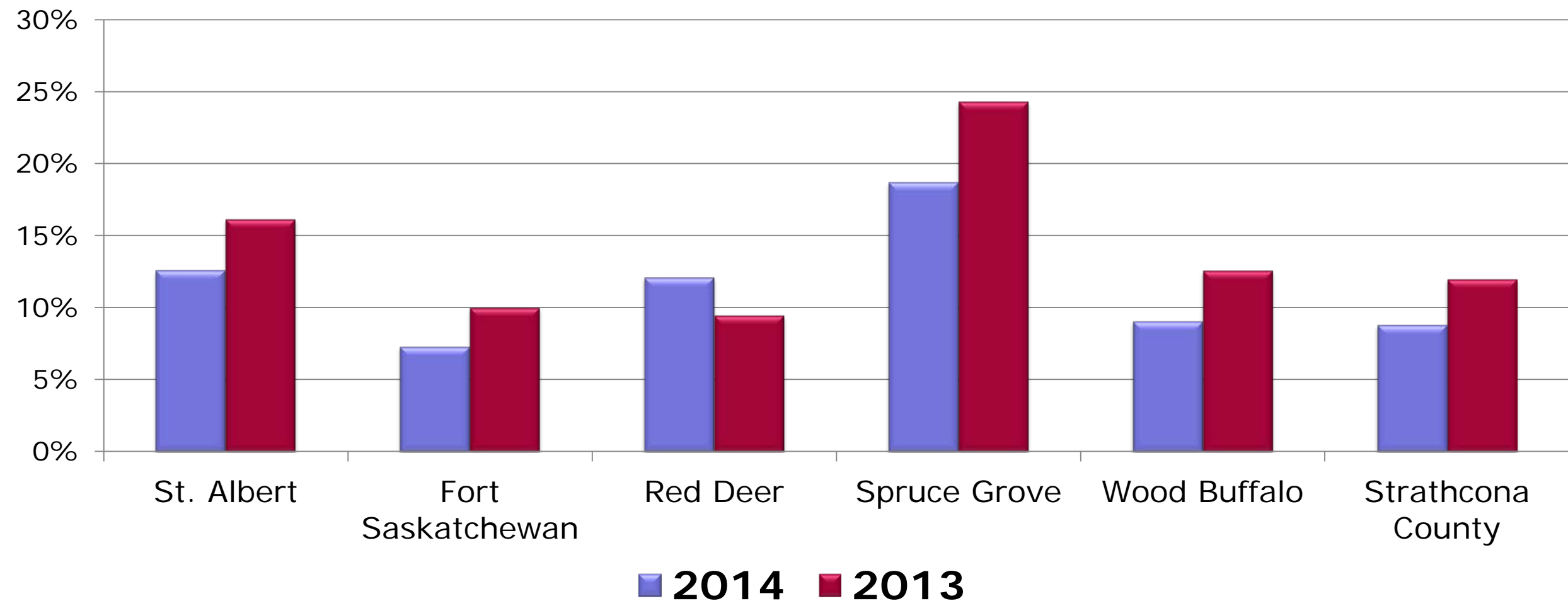
*This is a measure of sustainability that indicates the municipality's ability to meet its financial obligations.*



Source: 2014 Annual Reports  
for the individual Municipalities

# Comparison: Proportion of Government Transfers to Total Revenue

*This is a measure of the degree in which a municipality relies on government funding sources.*



Source: 2014 Annual Reports  
for the individual Municipalities

# Questions?