



REQUEST FOR DECISION

COUNCIL DATE: March 5, 2017

SUBJECT: Use of Projected 2017 Surplus

ORIGINATING DEPARTMENT: Corporate Services

AGENDA ITEM:

BACKGROUND/PROPOSAL:

Each year, as part of finalizing the annual financial statements Council determines the allocation of any surplus. The projected surplus is \$212,369. Of the projected surplus approximately \$208,812 is from changes in the organization chart and staff turnover.

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES:

In 2015 Council established a new reserve, the Budget Stabilization Reserve through the allocation of \$50,000. An additional \$60,000 was allocated to the reserve in 2016. At the beginning of 2017 the Budget Stabilization Reserve is \$110,000.

Council recognizes unplanned circumstances places the organization under undue financial stress. Such a reserve assists Council in smoothing out unanticipated shortfalls in funding.

ADMINISTRATION RECOMMENDATIONS:

Administration recommends Council approve transferring \$195,000 into the stabilization reserve. This will provide a reserve of \$305,000 for Council's use.

COSTS/SOURCE OF FUNDING:

Nil

MOTION:

The Town of Sundre Council approves transferring, as part of the 2017 fiscal year, \$195,000 into the Budget Stabilization Reserve.

ALTERNATIVE ACTIONS:

Council can choose to approve a different amount for the Budget Stabilization Reserve.

ATTACHMENTS:

Date Reviewed: _____ CAO: _____