



ADMINISTRATIVE REPORT

Topic: Parkland County Restricted Surplus Review – Terms of Reference

Introduction:

Parkland County Council approved a review of the County's Restricted Surplus balances on March 24, 2015 (RFD 15-035). Funding for this review is included in the 2016 Operating Budget. The Terms of Reference for this review is included today for presentation to the Committee of the Whole.

Background Information:

Parkland County has established a number of Restricted Surplus accounts. These accounts are used as a financial planning tool to avoid large fluctuations in the tax rate. These accounts are largely used to fund: expected future projects, equipment replacement, and unexpected events. Each year these accounts are reviewed internally to ensure they continue to meet the needs of the County. As each restricted surplus account is established to mitigate a known risk, it is important to ensure that the type of account and the target amount of funds in the account are appropriate to mitigate that risk.

A periodic review of the restricted surplus balances by an external party shows strong stewardship of County funds by Council as it ensures that the balances held are appropriate for the risks the County faces. In essence, these accounts ensure that the County is holding only enough funds to meet the risks identified. Holding any more or less funds than a risk requires can result in fluctuations in the tax rate levied on the residents of the County.

Summary:

The Parkland County Restricted Surplus Review will be completed as planned in the 2016 calendar year.

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