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**To:** Council  
**From:** Cindy Delgreco, Director of Finance/Treasurer  
**Date of Meeting:** December 13, 2023  
**Subject:** Transfer of Funds from Working Capital Reserves for Surplus or Deficit of 2023

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**Recommendation:**

That Council authorize the transfer of funds to or from the Working Capital Reserves to alleviate an actual surplus or deficit from the 2023 operational budget.

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**Executive Summary:**

On an annual basis, the Township approves a budget for operations, capital and reserves/reserve funds. The budget is based on estimates available at the time as actual amounts may vary. In the past, annual surpluses or deficits from operations have been netted to Working Capital Reserves.

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**Background:**

The Township processes an annual budget based on operations, capital projects and reserves. The budget is based on estimated amounts from information available at the time of budget; actual amounts vary from the budget. In the past, the Township has netted any annual surplus or deficit from operations to Working Capital Reserves. In years of surpluses, additional funds are transferred to a reserve for future use. In years when the Township operates in a deficit, the transfer from Working Capital Reserves eliminates the need to raise additional funds in the following year.

Our fiscal year is January to December. Prior to the end of any year a resolution of Council is required in order to move funds to or from reserves to alleviate actual surplus or deficit amounts. The current balance in the Working Capital Reserves is \$369,368. This amount includes 2023 approved budget transactions and excludes any pending adjustments for the 2023 fiscal year.

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**Alignment with Strategic Action Plan:**

Goal 4: Exceptional & Accountable Government  
Objective 4.1: Continuously improve business processes and practices ensuring open government and financial accountability

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**Risk and Asset Management Considerations:**

This is required by the auditor to transfer any surpluses/deficits from year end balances to reserves.

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**Options:**

1. That Council authorize the transfer of funds to or from the Working Capital Reserves to alleviate any actual surplus or deficit from operations. This is the recommended option.
2. That Council not authorize any transfer of funds.
3. Others.

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**Financial Impact:**

A further report will be brought to Council recommending additional transfers to various reserve accounts.

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**Others Consulted:**

MNP LLP