



# Committee of the Whole

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**Meeting Date:** November 26, 2024

**Submitted by:** Cindy Howard, General Manager of Finance & Community Services / Deputy CAO / County Treasurer

**Subject:** 2023 Surplus Report

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## **BACKGROUND:**

The Financial Statements for the 2023 year ending December 31<sup>st</sup> have been presented to Council.

## **ANALYSIS:**

The 2023 Consolidated Financial Statements year end operating surplus as audited for the County of Middlesex was \$3,796,447 (Library has a surplus of \$52,932, which will be used towards the Library 2024 budget).

The surplus was influenced by additional revenue from investments, supplementary taxes, and higher than budgeted revenue from Federal Government and from Ministry of Long Term Care for Strathmere Lodge (Provincial investment in improving services in long-term care with the goal to increase direct resident care and Case Mix Index).

It has been the past practice of Council to allocate any surplus from the prior year less any current year Council recommendations, to the Tax Rate Stabilization Reserve in order to be utilized in future operating budgets.

One of the County's guiding principles is to maintain financial stability. As part of the 2024 budget process, Administration and Council took into account the projected surplus. Council approved applying \$1,000,000 of the 2023 surplus to the 2024 Budget. Council also approved applying the costs for the following projects to the 2023 surplus:

- Lodge Roof Rehabilitation, \$1,022,241; and
- Middlesex Economic Development Corporation Strategy, \$24,923.

The net year-end operating surplus after the commitments noted above amounts to \$1,749,283.


The adjusted balance in the Tax Rate Stabilization reserve will be \$10,927,480.

**FINANCIAL IMPLICATIONS:**

The 2023 Financial Statements illustrative the continued commitment to sound financial planning and long-term fiscal sustainability.

**ALIGNMENT WITH STRATEGIC FOCUS:**

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Focus	Goals	Objectives
Promoting Service Excellence  	Innovate and transform municipal service delivery	<ul style="list-style-type: none"><li>• Anticipate and align municipal service delivery to emerging needs and expectations</li><li>• Engage, educate and inform residents, businesses, and visitors of county services and community activities</li><li>• Collaborate with strategic partners to leverage available resources and opportunities</li></ul>

**RECOMMENDATION:**

**THAT** the 2023 Surplus Report be received for information;

**AND THAT** the year-end surplus from the 2023 operating accounts in the amount of \$1,749,283 be transferred to the tax rate stabilization reserve.