

Township reserves bolstered by surplus

By Mark Pavilons

A surplus from King Township's 2016 operating budget has been put into reserves.

King's 2016 audited financial statements were received by councillors recently. The 2016 operating surplus came to \$817,405. Of that, \$25,000 will go to the tax stabilization reserve; \$75,000 to the infrastructure reserve and the residual \$717,405 to the infrastructure reserve.

According to staff, the annual operating surplus represents the value of incremental sources of revenue that by nature, or unanticipated circumstances, are infrequent occurrences. Council has directed that any surplus be directed to reserves.

The Township's net debt position has improved by \$2.6 million over 2015. As of Dec. 31, 2016, King owes \$18.1 million. All outstanding debt relates to sanitary sewer and related work in King City and Nobleton over the past decade.

Water and wastewater services enjoy a surplus in 2016, largely due to higher consumption due to the dry summer.

The building department also had a small surplus of \$351,942.