Winnipeg

CITY OF WINNIPEG POLICY NO. FI-012

POLICY TITLE	ADOPTED BY	EFFECTIVE DATE
SOA Dividend Policy	City Council	February 27, 2020
ORIGIN / AUTHORITY	**CITY POLICY NO**	**MOST RECENT CONSOLIDATION**
Executive Policy Committee	FI-012	

1. Purpose:

This Policy ensures that the transfer of dividends from Special Operating Agencies to the General Revenue Fund occurs in a predictable and sustainable manner in order to simplify planning as well as ensuring financial transparency and fiscal sustainability.

2. Definitions:

2.1 **"Accumulated Surplus"** refers to the net accumulation of annual operating surpluses and Dividends of a Special Operating Agency and excludes:

A. Amounts invested in tangible capital assets;

B. Contributed surplus;

C. Allocated equity/restricted funds for future investment.

2.2 **"Dividends"** are funds that Council has approved to be transferred from the Accumulated Surplus of a Special Operating Agency to the General Revenue Fund (Tax Supported Operations).

2.3 **"Special Operating Agencies"** or "SOAs" are entities established by Council pursuant to section 215 of *The City of Winnipeg Charter*. Currently, the City of Winnipeg operates the following Special Operating Agencies:

A. Animal Services

B. Golf Services

C. Winnipeg Fleet Management Agency

D. Winnipeg Parking Authority

3. Dividend Policy

The following shall apply to the determination of Dividends from Special Operating Agencies to the General Revenue Fund (Tax Supported Operations):

A. Only Council may approve Dividends from an SOA to the City's General Revenue Fund;

B. No Dividend may be transferred to the City's General Revenue Fund if doing so would reduce the Accumulated Surplus of the SOA below $500,000; and

C. The decision to transfer a Dividend and the amount of any Dividend transferred from an SOA shall only take place as a result of the annual budget process.

3.2 Subject to a specific resolution of Council, there are no restrictions on the use of Dividend funds transferred to the City's General Revenue Fund.

4. Responsibilities

4.1 Chief Financial Officer – The Chief Financial Officer shall oversee the Dividend process and recommend Dividend amounts during the budget process.