

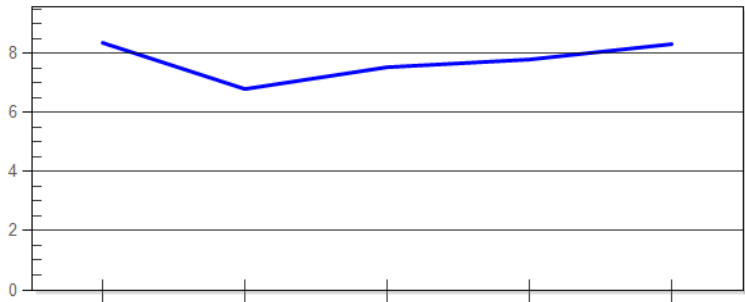
**TOWN OF OKOTOKS**  
**INDICATORS OF FINANCIAL CONDITION**  
For the year ended December 31, 2015  
(\$ thousands)

2011      2012      2013      2014      2015

**SUSTAINABILITY INDICATORS**

**Assets to liabilities**

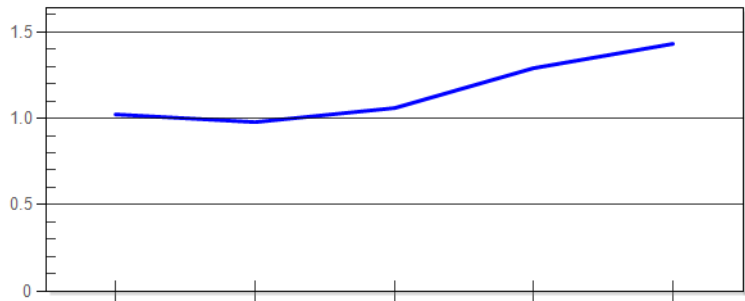
The "assets-to-liabilities" indicator reports the ratio of a government's financial and non-financial assets to its liabilities. This indicator supports a discussion about sustainability by illustrating the extent to which a government finances its operations by issuing debt. A ratio higher than one indicates that a government has accumulated surplus and has assets greater than debt. A ratio of less than one indicates that debt is greater than assets and that the government has been financing its operations by issuing debt. A trend in this direction may not be sustainable.



Total assets	\$ 338,565	\$ 367,192	\$ 374,519	\$ 392,205	\$ 405,686
Total liabilities	\$ 40,556	\$ 54,189	\$ 49,509	\$ 50,214	\$ 48,761
Assets to liabilities	8.35	6.78	7.56	7.81	8.32

**Financial assets to liabilities**

The "financial assets-to-liabilities" indicator reports the ratio of a government's financial assets to its liabilities. A result lower than one indicates liabilities exceed financial assets (net debt) and future revenues will be required to pay for past transactions and events. A result higher than one indicates financial assets exceed liabilities (net financial assets) and financial resources are on hand that can finance future operations. A trend showing increases in net debt or reductions in net financial assets may not be sustainable.



Total financial assets	\$ 41,196	\$ 53,319	\$ 52,529	\$ 64,719	\$ 69,587
Total liabilities	\$ 40,556	\$ 54,189	\$ 49,509	\$ 50,214	\$ 48,761
Financial assets to liabilities	1.02	0.98	1.06	1.29	1.43

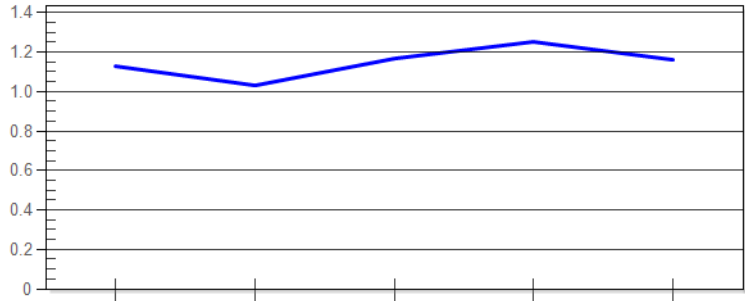
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For the year ended December 31, 2015  
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**SUSTAINABILITY INDICATORS, CONTINUED**

**Operating expenses to taxable assessment**

The "operating expenses-to-taxable assessment" indicator provides the trend of government spending over time in relation to the growth in the economy. A trend that shows operating expense is growing at a faster rate than the growth in the economy may not be sustainable.

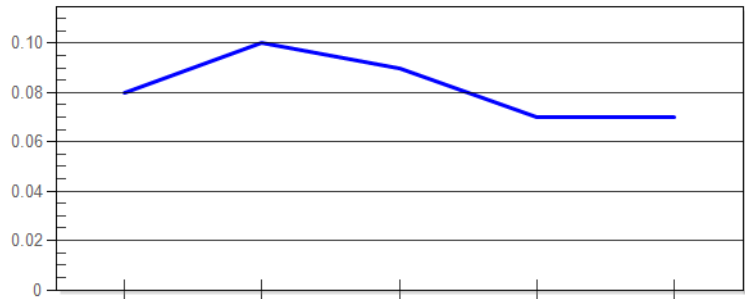


Operating expenses	\$ 39,701	\$ 40,146	\$ 45,845	\$ 51,421	\$ 50,958
Taxable assessment	\$3,526,290	\$3,908,364	\$3,933,147	\$4,114,986	\$4,394,888
Operating expenses to taxable assessment	1.13 %	1.03 %	1.17 %	1.25 %	1.16 %

**FLEXIBILITY INDICATORS**

**Public debt charges to revenues**

The "public debt charges-to-revenues" indicator measures public debt charges as a percentage of revenues. It illustrates the extent to which past borrowing decisions present a constraint on a government's ability to meet its financial and service commitments in the current period. Specifically, the more government uses revenues to meet the costs on past borrowing, the less will be available for program spending.



Debt servicing	\$ 3,601	\$ 4,093	\$ 4,061	\$ 4,061	\$ 3,997
Operating revenue	\$ 44,609	\$ 40,855	\$ 47,595	\$ 57,682	\$ 56,114
Public debt charges to revenues	0.08	0.10	0.09	0.07	0.07

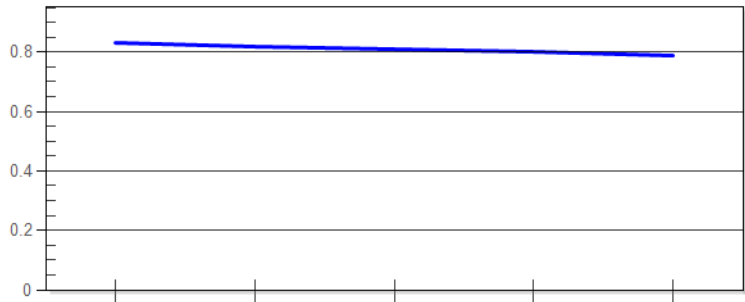
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**FLEXIBILITY INDICATORS, CONTINUED**

**Net book value to cost of tangible capital assets**

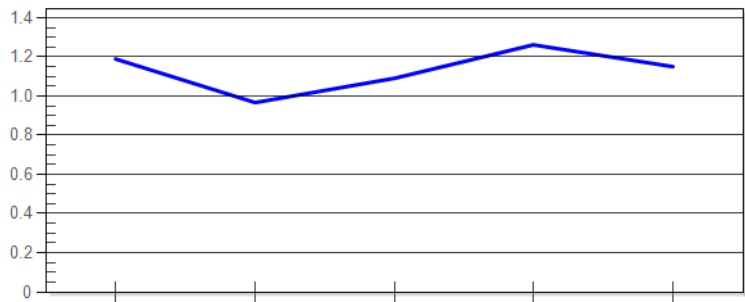
The "net book value of capital assets-to-cost of capital assets" indicator is important because it reports the extent to which the estimated useful lives of a government's tangible capital assets are available to provide its products and services. If a government's scale, scope and level of services remain unchanged or grow, its asset base could eventually impair flexibility because of the impending future costs of capital asset repair or replacement. Further information regarding assessing the physical condition of tangible capital assets can be found in ASSESSMENT OF TANGIBLE CAPITAL ASSETS, SORP-3.



Net book value	\$ 296,934	\$ 313,367	\$ 321,704	\$ 327,254	\$ 335,622
Cost of tangible capital assets	\$ 357,613	\$ 380,741	\$ 396,480	\$ 409,494	\$ 425,921
Net book value to cost of tangible capital assets	0.83	0.82	0.81	0.80	0.79

**Own source revenues to taxable assessment**

The "own-source revenues-to-taxable assessment" indicator is important because it shows the ratio of a local government's own-source revenues to its tax base. A change in the size of a local government's taxable assessment or a change in the rate of growth in assessment in relation to changes in own-source revenues could influence flexibility.



Own source revenues (net of government transfers)	\$ 41,864	\$ 37,847	\$ 42,744	\$ 51,998	\$ 50,591
Taxable assessment	\$3,526,290	\$3,908,364	\$3,933,147	\$4,114,986	\$4,394,888
Own source revenues to taxable assessment	1.19 %	0.97 %	1.09 %	1.26 %	1.15 %

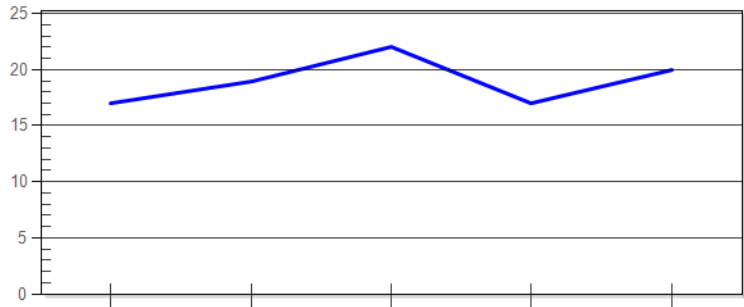
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**VULNERABILITY INDICATORS**

**Government transfers to total revenues**

The purpose of reporting "government transfers-to-total revenues" is to show the proportion of revenues that provincial or local governments receive from other governments. This indicator offers a perspective on the degree of vulnerability a government faces as a result of its dependence on another level of government for revenues.



Government transfers (including capital)	\$ 9,979	\$ 10,408	\$ 12,853	\$ 11,321	\$ 13,058
Total revenues (including capital)	\$ 58,930	\$ 55,140	\$ 57,852	\$ 68,401	\$ 65,893
Government transfers to total revenues	17 %	19 %	22 %	17 %	20 %