

Report CCR-PCD-22-16

To: Chair McQueen and Members of the Planning and Community Development Committee

From: Sharon Vokes, Randy Scherzer and Geoff Hogan

Meeting Date: July 12, 2016

Subject: **Financial Update and Year-End Projection as of May 31, 2016**

Status: Recommendation adopted by Committee as presented per Resolution PCD88-16; Endorsed by County Council August 2, 2016 per Resolution CC96-16;

Recommendation(s)

THAT Report CCR-PCD-22-16 providing a year-end projection and overview of budget to actual for the 2016 financial statements to May 31, 2016, for the Planning and Community Development Committee's portfolio, be received for information.

Background

2016 Budget as of May 31, 2016

Function	2016 Net Budget	Net Budget based on 5 months	2015 YTD Net Actual	Projected Year-End Surplus/ (Deficit)
Planning - Operating	671,247	279,690	261,028	0
Planning - Capital	19,300	8,045	(44,528)	0
Agriculture	136,753	56,990	61,317	0
Forestry - Operating	(104,774)	(43,660)	(5,006)	(90,000)
Trails - Operating	66,343	27,650	(14,072)	0
Trails - Capital	50,000	20,835	0	0
Tourism	562,360	234,345	167,861	20,000
Economic Development	415,850	173,275	130,650	50,000
Intelligent Community	216,000	90,005	66,427	0
Grey Roots - Operating	1,794,121	747,580	643,179	40,000
Grey Roots - Capital	310,700	129,455	(8,211)	0
TOTAL	4,137,900	1,724,210	1,258,645	20,000

Planning

The Planning Operating and Capital budgets are currently on track when compared to the year-to-date (YTD) budgeted amount. The majority of the capital projects are funded from reserves and therefore the YTD actual amount will balance out once the transfer to reserves occur at the end of the year.

With respect to the Sourcewater Protection Collaboration project, the 'RMO/RMI In a Box' templates have been completed and shared with the local municipalities. These templates will be utilized for implementing the Sourcewater Protection Plans. The Property Tracking System has also been completed and training sessions for local municipal staff and Sourcewater protection staff are being held later this month. These two projects have been an excellent partnership between Grey and Bruce Counties and the local municipalities. The remaining funds from the Province will be utilized to implement the Sourcewater Protection Plans as part of the Official Plan Update (Recolour Grey). A portion of the funds will be utilized to hire a student planner for the fall to assist with the implementation of the Sourcewater Protection Plans. Staff will also explore opportunities, in collaboration with the Sourcewater protection staff, to use some of the funds to educate landowners regarding the Sourcewater Protection Plans.

Agriculture

The Agriculture budget is currently on track compared to the year-to-date budgeted amount. Beaver and coyote claims are slightly lower than the budgeted amount, although it is too early in the year to predict whether there will be a surplus at year end.

Forestry

The Forestry budget is anticipated to come in over budget as a result of the lower than anticipated revenue from the County forest harvests. The awarded tenders for the forest harvests came in approximately \$100,000 less than that the budgeted amount. However, the amount that came in as part of the tenders came close to the actual forest estimates from the tree marking. The tree marking has historically been completed in the late fall which is typically after the completion of the budget. It is often difficult to predict what the actual estimates will be as part of the budget process until the tree marking is completed. In order to have better estimates for forests being harvested in 2017, the tree marking has been moved from the fall to the spring. This should help avoid overestimating or underestimating the revenue from the forest harvests, although the actual bids received could always come in over or under the estimated amounts. At this stage it is anticipated that the Forest budget will come in approximately \$90,000 over budget. There are sufficient reserve funds in order cover off any shortfall in the Forestry budget if necessary.

Trails

The Trails Operating and Capital budgets are currently showing a surplus, however the majority of the expenses for the Trails Operating budget will occur later this year and

therefore at this stage it is anticipated that these budgets will be on track at year-end.

With respect to the Trails Capital projects, the Culvert 74 project which was switched from the Culvert 16 project has been awarded and came in under budget. This project is to be funded from reserves and therefore will not result in any surplus. The culvert and bridge assessment has not been awarded yet, however it is anticipated that this will be awarded and completed prior to year-end.

Tourism

The Tourism budget is \$66,000 under budget as of May 31st. With the recent approval of the Tourism Action Plan, some marketing and staffing decisions have been delayed pending outcomes of the plan. Most significantly, a recent report by CAO Kim Wingrove recommends the current split Tourism and Economic Development Manager position return to tourism full time, and that a new position to be shared with economic development not be filled. Currently staffing accounts are \$30,000 under-budget, and this position will likely diminish slightly to year end.

Summer and fall marketing will be starting shortly, and represent the biggest spend of the year, and account for about \$25,000 of the current under-budget position. Finally, a transfer to reserves for future tourism website updating and the Tourism Action Plan in 2021 will be made at year-end and account for another \$7,000 under-budget.

Depending on the timing of staffing changes and re-evaluation of existing tourism positions, a year-end surplus is forecast at \$20 - \$25,000, and can be updated later in the year.

Economic Development

The Economic Development budget is almost \$43,000 under budget as of May 31st. There are three factors contributing to this position. First is a staffing shortfall, as the Economic Development Officer (EDO) position has been vacant since early March pending the above-noted staffing report of the CAO. Currently the staffing accounts are about \$23,000 under-budget, and while it is premature to forecast accurately the year end position, the expectation is around \$60,000. This will be slightly off-set by some other staff overtime and some contracting out to cover the EDO shortfall.

The second factor relates to Grey County being the “banker” for the regional Saints & Sinners project, wherein Grey County has collected more revenue for the project than has been expended to date, and this contributes about \$7500 to under-budget position. A balanced budget is expected for this project by year-end. Finally, a transfer to reserve towards the updating of the Economic Development Strategy will be made at year end, and currently adds about \$6,000 to the under-budget position. The expected year-end surplus for the economic development budget is \$50,000, subject to actual staffing replacements and timing.

Intelligent Community

The Intelligent Community budget is currently showing a surplus of \$23,500. The projected year-end will not have a surplus or deficit. Many of the items in this budget are scheduled to be spent in Q4 of 2016. The project is tracking well, the Ag 4.0 conference event has been scheduled for Wednesday November 2, 2016 and the tour of innovative Ag and tech businesses is scheduled for Thursday November 3. The CAO and the Project Lead attended the ICF ([Intelligent Community Forum](#)) Annual Summit in Columbus Ohio. Ashleigh Weeden the Project Lead was asked to participate on a panel at the Summit and presented the Grey County story very well.

Grey Roots – Operating Budget

General admissions are up slightly from this time last year. Happily Grey Roots has more than doubled its school programming and has recovered completely from the teacher’s work to rule action last fall. Grey Roots has added five spaces to the popular KidsCamp program (maximum 25) and revenue has increased accordingly.

Grey Roots’ net budget is under budget as there is a vacant manager’s position. The position has been held vacant pending the results of the Grey Roots Strategic Plan which is nearing completion. This will result in a \$40,000 surplus in budget.

As of May 31, 2016 no significant capital expenditures have been incurred. The remaining capital work is anticipated in the remaining six months of the year.

Revenue Comparisons to May 31, 2016

Revenue Comparisons to:	May 2016			
	2015 YTD Actual	2016 YTD Actual	2016 YTD Budget	2016 YTD Variance
General Admission	7,459	8,624	4,864	3,760
Educational Group	2,430	4,797	3,103	1,694
Day Camp	18,143	21,925	14,250	7,675
General Group	90	943	104	839
Membership Sales	6,192	6,842	3,851	2,991
Room Rentals	1,630	625	636	(11)
Gift Shop Sales	4,611	6,430	2,687	3,743
COGS	(2,553)	(3,211)	(1,396)	(1,815)
Birthday Parties	-	-	-	-
Exhibit Rental	-	-	-	(415)
Total	38,002	46,975	28,099	18,461

	2014 Visitors Through the Door	2014 Admissions & Outreach	2015 Visitors Through the Door	2015 Admissions & Outreach	2016 Visitors Through the Door	2016 Admissions & Outreach
January	521	349	692	260	541	133
February	1,479	1,592	1,112	1,139	939	4,622
March	1,954	1,780	2,140	1,435	1,866	5,870
April	2,133	1,044	1,485	556	2,304	1,114
May	2,267	1,340	2,314	1,966	2,364	1,892
Total	8,354	6,105	7,743	5,356	8,014	*13,631

** Staff and volunteers are doing much more outreach (free programming) than in years previous including a sponsorship with Attack Hockey which has brought awareness to a whole new audience. Increased outreach has also been provided to schools, festivals and job fairs.*

Financial / Staffing / Legal / Information Technology Considerations

As of the end of May, the review of actual to budget for those departmental budgets under the Planning and Community Development Committee's portfolio will have a projected budget surplus of \$20,000.

There are no staffing, legal or Information Technology considerations related to this report. Periodic reports to the Committee providing a financial analysis of the financial statements ensures that budgets remain on target, or if not, that the Committee is aware early in the process.

Link to Strategic Goals / Priorities

The analysis of current financial statements compared to the approved budget is a key mechanism to facilitate Council's goals of ensuring that financial sustainability and ongoing public accountability are maintained.

Respectfully submitted by,

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