



Committee Report

Report CCR-PCD-30-15

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

From: Sharon Vokes, Randy Scherzer, and Geoff Hogan

Meeting Date: November 17, 2015

Subject: **Analysis of Financial Statements to September 30, 2015**

Status: Recommendation adopted by Committee as presented per Resolution PCD137-15; Endorsed by County Council November 24, 2015 per Resolution CC158-15;

Recommendation(s)

THAT Grey County Council receives Report CCR-PCD-30-15 Analysis of Financial Statements to September 30, 2015 for the Planning and Community Development Committee’s portfolio.

Background

2015 budget as of September 30, 2015

Function	2015 Net Budget	Net Budget based on 9 months	2015 YTD Net Actual	Projected Surplus (Deficit)
Planning - Operating	653,076	489,816	512,007	0
Planning - Capital	11,000	8,244	14,319	0
Agriculture	143,280	107,469	89,571	20,000
Forestry - Operating	(105,614)	(79,218)	(339,463)	170,000
Trails - Operating	63,360	47,529	8,273	35,000
Trails - Capital	75,000	56,250	27,373	0
Tourism	513,085	384,813	413,391	0
Economic Development	374,505	280,899	213,640	0
Intelligent Community	216,000	162,009	88,421	0
Grey Roots - Operating	1,762,756	1,322,118	1,232,681	18,000
Grey Roots - Capital	310,700	233,037	105,440	10,000
TOTAL	4,017,148	3,012,966	2,365,653	253,000

Planning

The Planning Operating and Capital budgets are currently on track when compared to the year-to-date budgeted amount. The subdivision application revenue is currently lower than the budgeted amount. There have been several applications submitted recently and therefore it is anticipated that the projected application revenue will meet the targets at year-end.

Agriculture

The Agriculture budget is currently on track compared to the year-to-date budgeted amount. Beaver and coyote claims are currently lower than the budgeted amount, however majority of the claims tend to be submitted towards the end of the calendar year. It is anticipated that there will be a surplus in the Agriculture budget of approximately \$20,000.

Forestry

The Forestry budget is showing a surplus compared to the year-to-date budgeted amount which is a result of the higher than anticipated revenue from the County forest harvests. At this stage it is anticipated that the Forestry budget will have a surplus of approximately \$170,000 at year end.

Trails

The Trails Operating and Capital budgets are currently showing a surplus. Due to unexpected staff shortages with the Grey Sauble Conservation Authority (County's Contract Trail Manager), certain projects will not be completed this year and therefore some of these projects have been recommended to be carried over as part of the 2016 proposed budget. The Kolapore trail project is being carried over into the 2016 budget, leaving an estimated surplus of approximately \$28,000. The Culvert 9 project on the CP Rail Trail has been completed within the budgeted amount.

The County has partnered with the Dufferin Grey ATV Club and the Ontario Federation of Snowmobile Club – District 9 on two separate projects on the CP Rail Trail. The DGATV project is replacing 21 trail gates on the CP Rail Trail all funded by grant funds received by the DGATV Club. The OFSC project involves trail brushing a total of 46 kilometres on the CP Rail Trail. Both projects are being led by the partners, however there will be GSCA contract staff time required to inspect and monitor the projects.

At this stage it is anticipated that there will be a total surplus of approximately \$35,000 for the Forest Trails budget, the CP Trails Operating and the CP Trail Capital budgets with \$30,000 proposed to be carried over in the 2016 budget.

Tourism

The Tourism budget appears to be significantly over budget at (\$28,578.) This is mostly due to some large projects (Wayfinding signage and Destination Development Action Plan) that are funded from reserve, where expenditures have occurred, but these transfers do not occur until year end, which results in the budget shortfall. If the actual transfer from reserves were made today, they would total approximately \$44,000 and bring the tourism budget into an \$11,000 under-budget position. While most of the marketing expenditures for 2015 are complete, the destination development plan is just getting started, there is a waterfall and trails signage project and some surveying and market segmentation work still to do that are the major projects to year end. A balanced budget is expected at year end.

Economic Development

The Economic Development budget appears to be significantly under-budget at \$67,259. The actual current under-budget position is estimated to be less than \$20,000, as several large projects and expenditures totaling over \$49,000 are committed and will be expended shortly or by year end. It is likely economic development will end the year with a balanced budget or with a small surplus.

Intelligent Community

\$216,000 was budgeted for the Western Ontario Warden's SWIFT project in 2015 and only a \$20,000 draw was requested by the Caucus. The balance of this commitment will be recommended to be transferred to reserve in order these funds are available to support the SWIFT project when these funds are required. The New Building Canada funding for SWIFT has not yet come through so the Caucus did not require the full \$216,000 amount in 2015. A balanced budget is anticipated once the unspent \$196,000 for the SWIFT project has been allocated to reserve.

Grey Roots – Operating Budget

It is estimated that Grey Roots will end the year with a surplus of \$18,000 in its operating budget and \$10,000 in its capital budget.

The key drivers of the surplus in the operating budget are some savings in building maintenance costs through tight budget control and increased revenue in most areas of admission revenue. Indeed the one revenue area that hasn't surpassed 2014 is educational group revenue and this is understandable given this year's unrest as a result of labour negotiations with public school teachers. The summer exhibit of Dinosaurs Unearthed was extremely popular, driving attendance to a new high; surpassing 2008 - the year Moreston Heritage village was opened to the public and

LEGO: Secrets of the Pharaohs was the summer exhibit. The surplus calculation has been offset by some reorganizational costs.

With a transition to new leadership at Grey Roots the capital projects for the Digital Museum and the Gallery Update have been held over until 2016 and these funds will be recommended to be transferred to reserve. The revamp of the Grey County Gallery has been postponed until 2016 to allow Fanshawe College architectural technology students an opportunity to review the gallery and make recommendations. Another group of Fanshawe students studying landscape architecture will provide recommendations on landscaping the front entry of the main building and screening the agricultural building. The only cost to the County is the coverage of bussing costs for the students.

The 2015 budget did include funds to complete the finishing of the agricultural exhibit building. Work on this building is now complete with expenditures being less than what had been budgeted. This will reduce the amount of reserve funding required to fund this project in 2015.

The Committee may also recall that a report was submitted mid-year requesting the reallocation of some capital funds to finalize the logo sculpture project. This work has also been completed and at approximately \$5,400 less than initially anticipated through the generous support of local businesses and work done by Grey Roots' staff.

The Capital budget, with the funding for those projects being held over to 2016, being transferred to reserve, staff is projecting a surplus of \$10,000 at year-end.

The following statistics are provided for the Committee's information:

Revenue Comparison to September 30, 2015

	2014 YTD Actual	2015 YTD Actual	2015 YTD Budget	2015 YTD Variance
General Admission	39,194	74,221	40,500	33,721
Educational Group	8,899	8,363	9,000	(637)
Day Camp	20,824	21,694	13,500	8,194
General Group	3,711	1,130	1,503	(373)
Gift Shop Sales	19,013	30,070	15,003	15,067
Membership Sales	10,336	12,116	8,253	3,863
Room Rentals	1,818	2,495	1,125	1,370
Cost of Goods Sold (Gift Shop)	(10,649)	(15,010)	(7,497)	(7,513)
Birthday Parties	556	463	0	463
Exhibit Rental	0	0	1,503	(1,503)
Total	76,592	135,542	82,890	52,652

Visitation Statistics

	2013 Total Visitation	2013 Museum & Archive Visitation	2014 Total Visitation	2014 Museum & Archive Visitation	2015 Total Visitation	2015 Museum & Archive Visitation
January	806	195	521	349	692	260
February	1,352	813	1,479	1,592	1,112	1,179
March	2,963	3,025	1,954	1,780	2,140	1,435
April	1,684	771	2,133	1,044	1,485	556
May	2,253	1,595	2,267	1,340	2,314	1,966
June	4,523	2,408	4,758	2,215	8,170	5,499
July	9,238	3,708	10,117	3,556	10,682	8,300
August	10,371	4,326	9,438	3,515	9,882	6,960
September	4,796	2,610	2,584	1,449	2,626	2,168
Total	37,986	19,451	35,251	16,840	39,103	28,323

Financial / Staffing / Legal / Information Technology Considerations

There are no staffing, legal or Information Technology considerations related to this report. At this time it is estimated that the combined budgets within the Committee's portfolio will end the year in a deficit/surplus position.

Staff will bring a report to Committee at year-end with a recommendation for funding the projected year-end deficit/surplus.

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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