



Year End Report for  
County of Grey  
December 31, 2015

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## Financial Report 2015

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*We have audited the consolidated financial statements of the County of Grey which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated May 26, 2016.*

*The audit was performed to form an opinion on the consolidated financial statements as a whole. The information in this year-end report is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. The information was derived from the underlying accounting and other records used to prepare the consolidated financial statements. The information in this year-end report has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.*

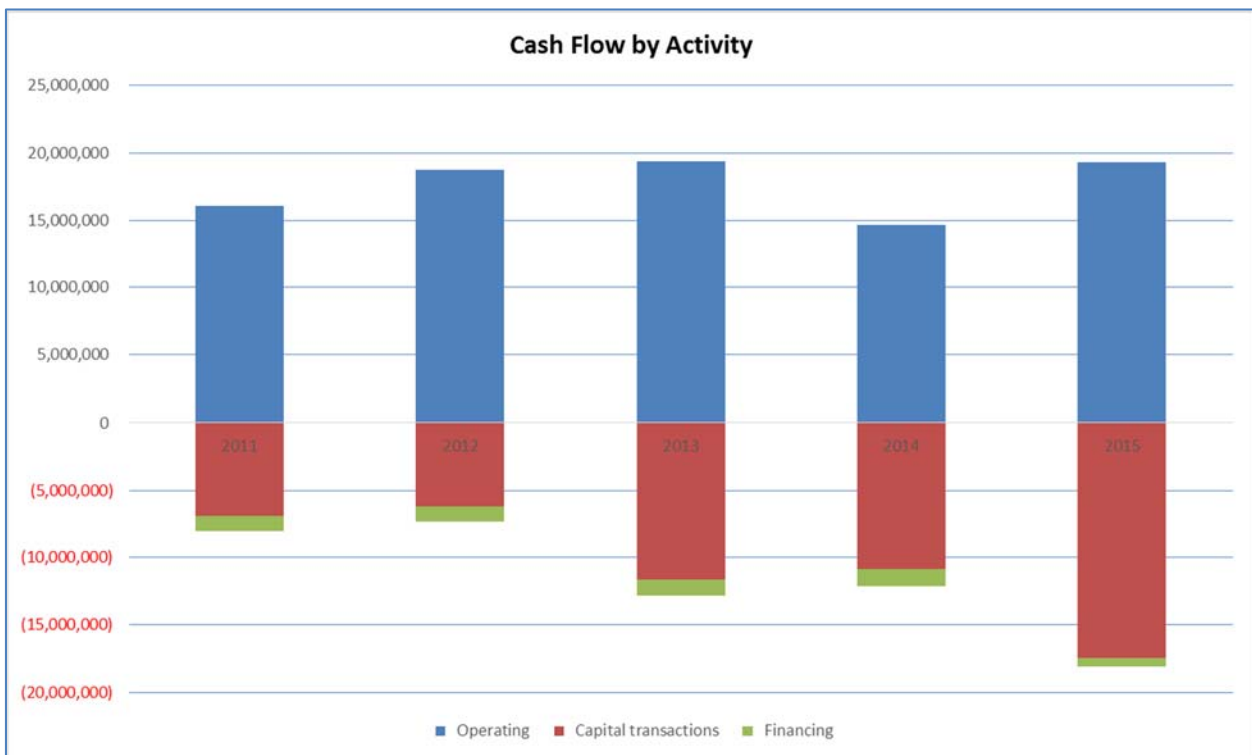
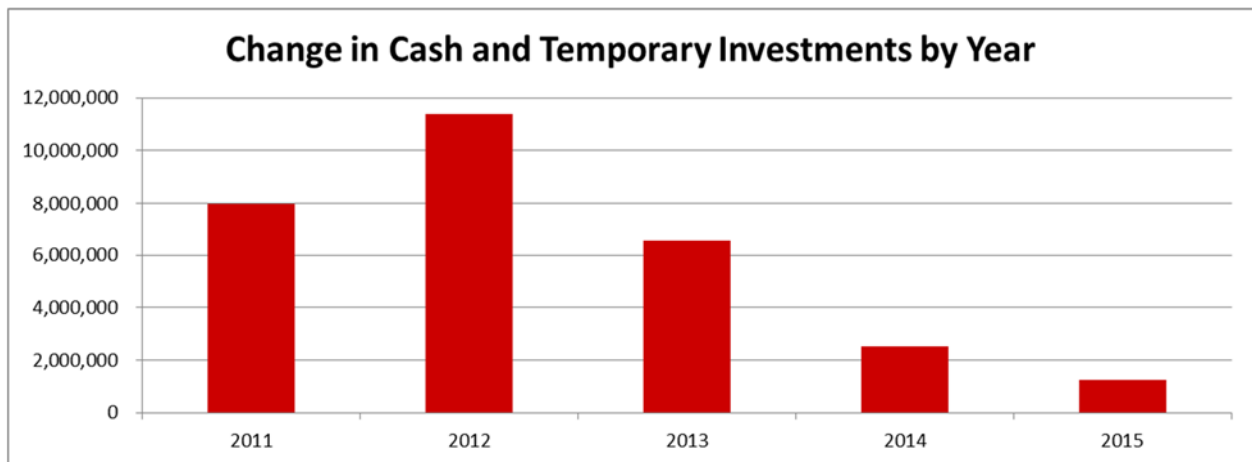
*The year-end report is prepared to provide Council with more detailed financial information and graphical analysis of the consolidated financial statements. As a result, the year-end report may not be suitable for other purposes. Our year-end report is intended solely for the use of Council and should not be distributed to or used by parties other than Council in conjunction with the audited consolidated financial statements.*

## WHERE ARE YOU TODAY?

|   | 2011               | 2012               | 2013               | 2014               | 2015               |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Cash and temporary investments  | 37,219,882         | 48,605,810         | 55,140,831         | 57,663,636         | 58,928,067         |
| Trade and other receivables   | 3,943,411          | 1,536,239          | 2,068,777          | 2,348,622          | 3,659,837          |
| Other   | 17,489             | 17,150             | 13,431             | 12,564             | 11,539             |
|   | <u>41,180,782</u>  | <u>50,159,199</u>  | <u>57,223,039</u>  | <u>60,024,822</u>  | <u>62,599,443</u>  |
| <b>Liabilities</b>  |                    |                    |                    |                    |                    |
| Accounts payable and accrued liabilities  | 7,130,837          | 6,443,764          | 7,237,053          | 6,106,804          | 10,768,924         |
| Vacation pay, post-employment benefits and WSIB                                   |                    |                    |                    |                    |                    |
| Schedule II liabilities   | 7,680,897          | 8,115,923          | 6,425,879          | 6,420,519          | 6,201,179          |
| Deferred Revenue  | 5,576,435          | 8,274,906          | 8,768,783          | 7,734,823          | 6,114,239          |
| Net long-term liabilities   | 4,886,658          | 3,705,816          | 2,471,501          | 1,981,277          | 2,993,195          |
|   | <u>25,274,827</u>  | <u>26,540,409</u>  | <u>24,903,216</u>  | <u>22,243,423</u>  | <u>26,077,537</u>  |
| <b>Net financial assets</b>   | <u>15,905,955</u>  | <u>23,618,790</u>  | <u>32,319,823</u>  | <u>37,781,399</u>  | <u>36,521,906</u>  |
| <b>Accumulated surplus</b>  |                    |                    |                    |                    |                    |
| Invested in tangible capital assets   |                    |                    |                    |                    |                    |
| Net book value of tangible capital assets   | 183,003,825        | 175,166,458        | 172,041,317        | 168,828,886        | 172,294,241        |
| Unexpended financing (Unfinanced capital)   | (1,908,644)        | (1,784,920)        | (1,374,289)        | (946,048)          | (853,565)          |
| Capital assets financed by long-term liabilities and to be funded in future years | (4,886,658)        | (3,705,816)        | (2,471,501)        | (1,181,280)        | (593,195)          |
| Total invested in capital assets  | <u>176,208,523</u> | <u>169,675,722</u> | <u>168,195,527</u> | <u>166,701,558</u> | <u>170,847,481</u> |
| Unfunded post-employment benefits   | (7,123,468)        | (7,532,870)        | (5,857,018)        | (5,825,883)        | (5,615,745)        |
| Unfunded commitment to Grey Bruce Health Services                                 | -                  | -                  | -                  | (800,000)          | (600,000)          |
| Unfunded commitment to Georgian College   | -                  | -                  | -                  | -                  | (1,800,000)        |
| Other surplus   | 1,765,978          | 1,497,564          | 1,395,605          | 1,424,698          | 1,405,741          |
|   | <u>170,851,033</u> | <u>163,640,416</u> | <u>163,734,114</u> | <u>161,500,373</u> | <u>164,237,477</u> |
| <b>Reserves</b>   | <u>29,895,599</u>  | <u>36,672,972</u>  | <u>42,061,293</u>  | <u>46,560,802</u>  | <u>46,019,475</u>  |
|   | <u>200,746,632</u> | <u>200,313,388</u> | <u>205,795,407</u> | <u>208,061,175</u> | <u>210,256,952</u> |

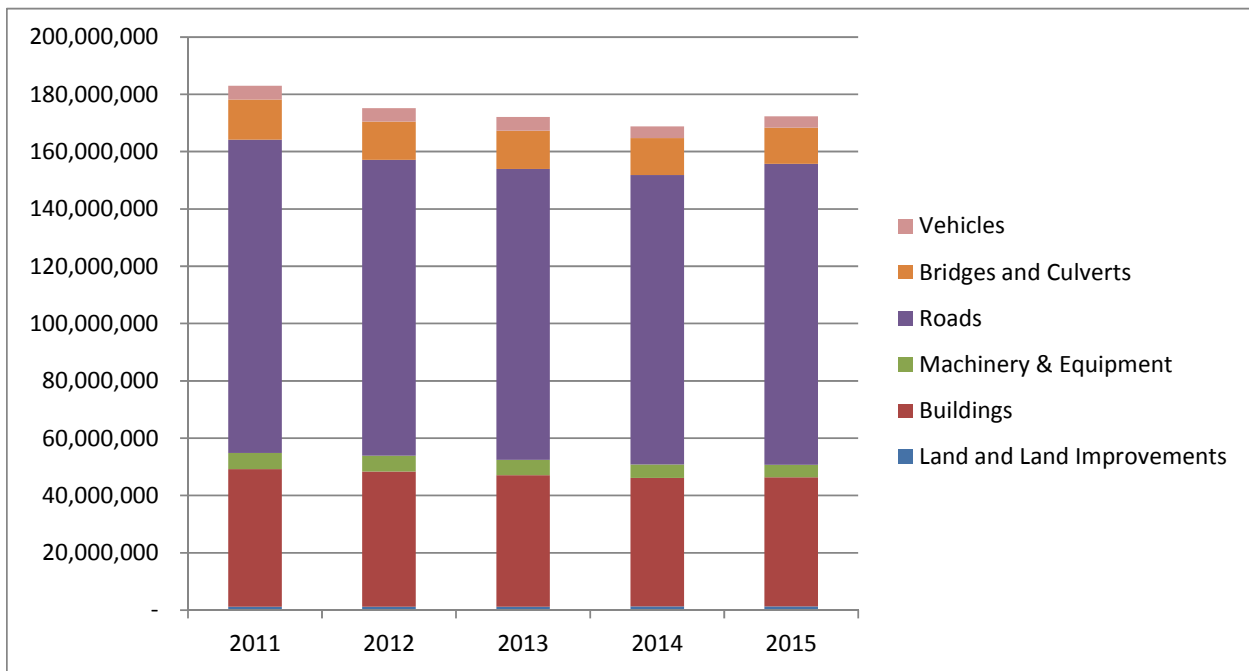
## CASH FLOWS

|                                | 2011        | 2012        | 2013         | 2014         | 2015         |
|--------------------------------|-------------|-------------|--------------|--------------|--------------|
| Cash and temporary investments | 37,219,882  | 48,605,810  | 55,140,831   | 57,663,636   | 58,928,067   |
| Cash Flows                     |             |             |              |              |              |
| Operating                      | 16,081,004  | 18,768,371  | 19,422,561   | 14,727,342   | 19,333,154   |
| Capital transactions           | (6,979,618) | (6,201,601) | (11,653,225) | (10,914,313) | (17,480,641) |
| Financing                      | (1,129,697) | (1,180,842) | (1,234,315)  | (1,290,224)  | (588,082)    |
| Increase (decrease) in cash    | 7,971,689   | 11,385,928  | 6,535,021    | 2,522,805    | 1,264,431    |



## TANGIBLE CAPITAL ASSETS

|                         | 2011         | 2012         | 2013         | 2014         | 2015         |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| Tangible capital assets |              |              |              |              |              |
| Beginning of year       | 190,616,946  | 183,003,825  | 175,166,458  | 172,041,317  | 168,828,886  |
| Purchases               | 7,129,973    | 6,339,815    | 11,793,825   | 11,811,503   | 17,682,650   |
| Contributed assets      | 0            | 57,220       | 0            | 0            | 0            |
| Disposals               | (100,427)    | (363,506)    | (1,086,274)  | (1,316,894)  | (774,101)    |
| Amortization            | (14,642,667) | (13,870,896) | (13,832,692) | (13,707,040) | (13,443,194) |
| End of year             | 183,003,825  | 175,166,458  | 172,041,317  | 168,828,886  | 172,294,241  |



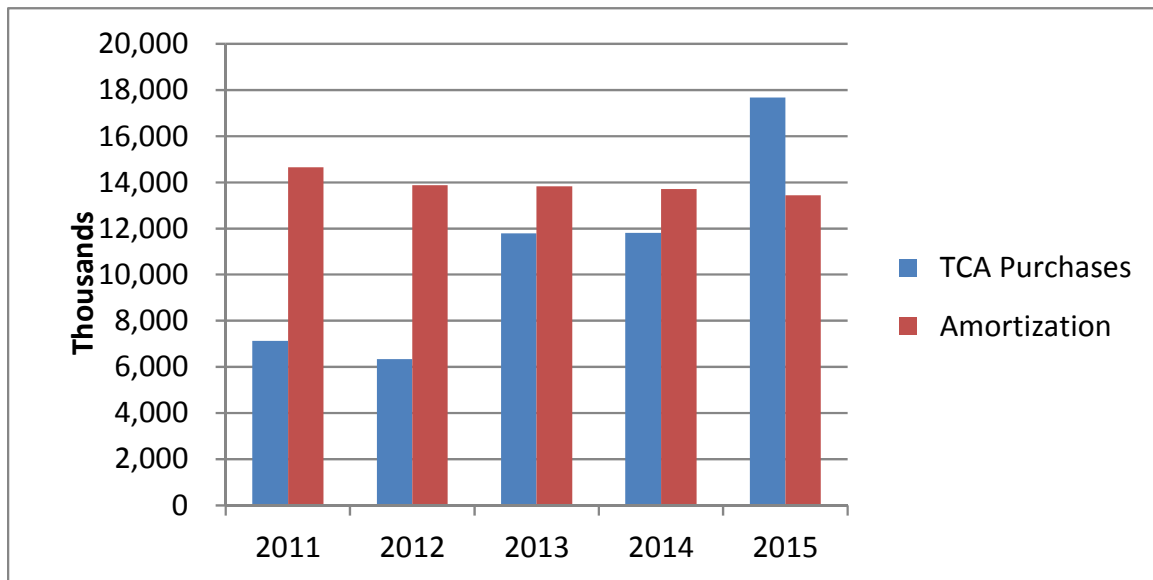
## TANGIBLE CAPITAL ASSETS

As assets age, the TCA Financial Indicator percentage will decrease. The newer the assets, the longer the remaining life of the asset and the higher the percentage.

$$\text{Age of TCA Financial Indicator} = \frac{\text{Net Book Value of TCA}}{\text{Historical Cost of TCA}}$$

The County of Grey's TCA Financial Indicator percentages are as follows:

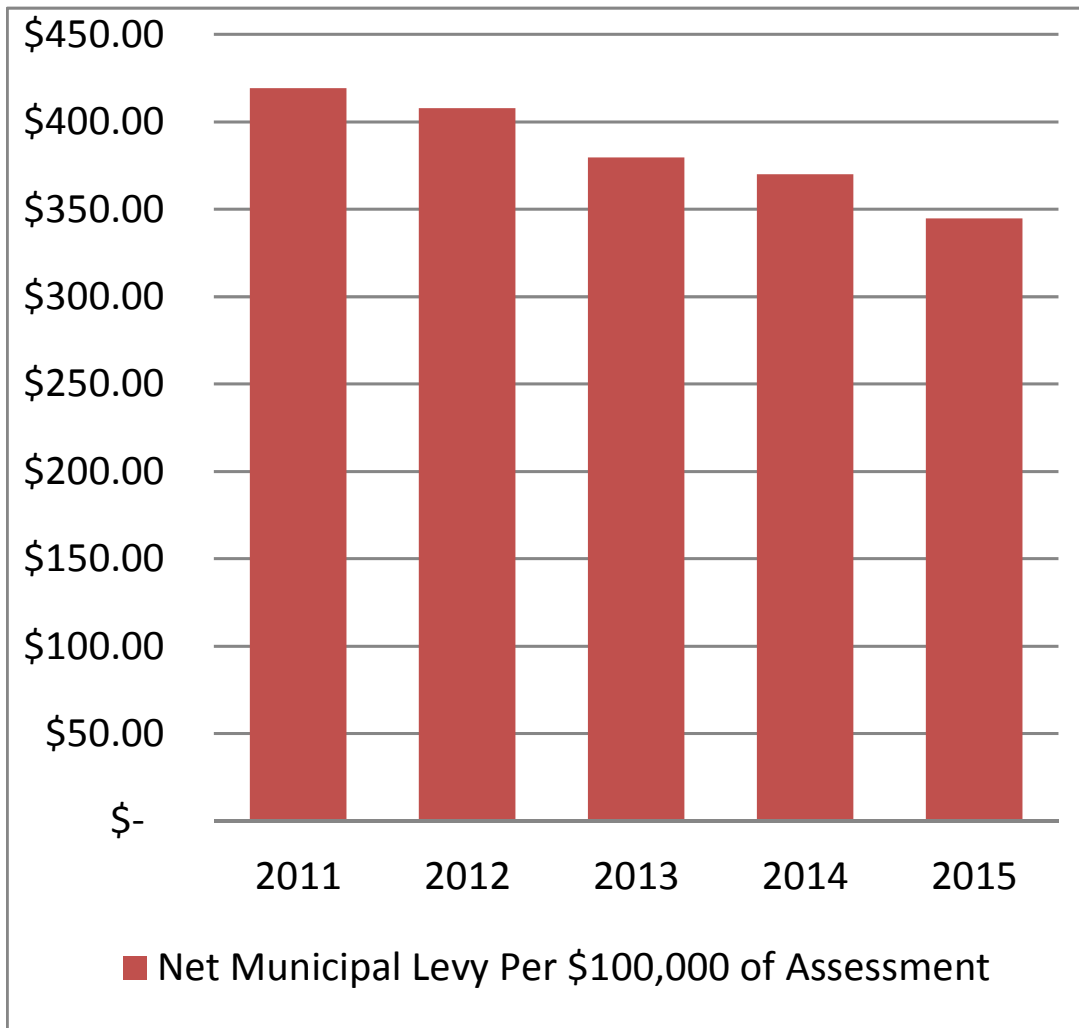
| 2011   | 2012   | 2013   | 2014   | 2015   |
|--------|--------|--------|--------|--------|
| 47.46% | 44.94% | 43.57% | 42.67% | 42.20% |



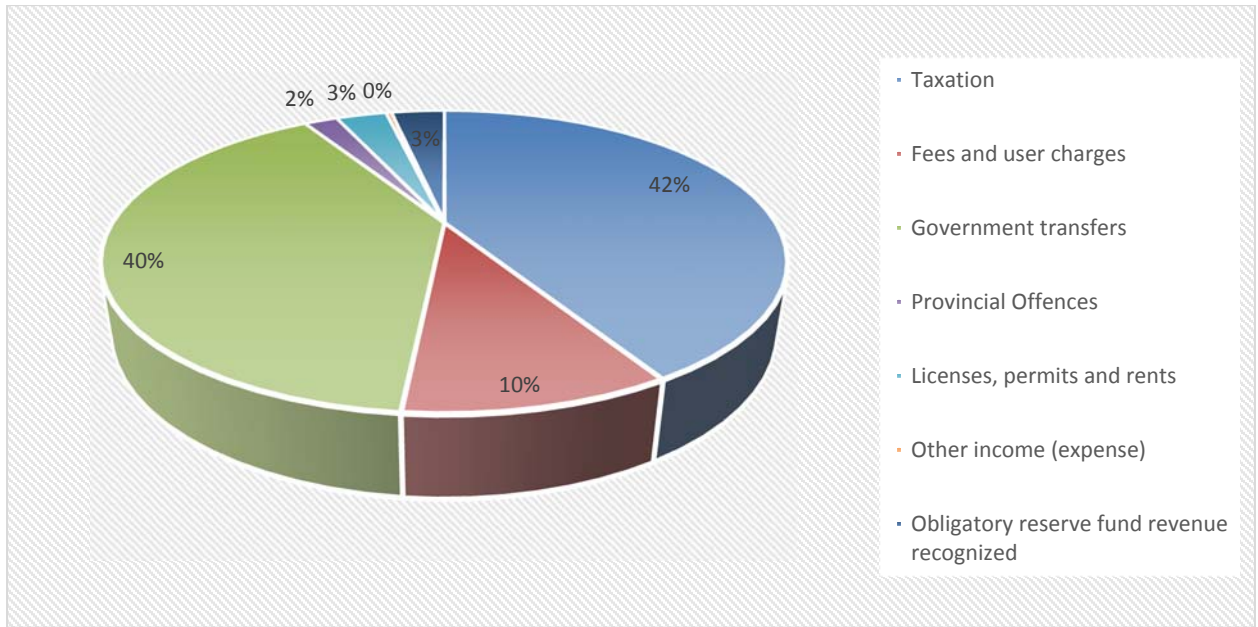
# TAXATION

$$\text{Net County Levy Per } \$100,000 \text{ of Assessment} = \frac{\text{Net County Levy x } \$100,000}{\text{Assessment}}$$

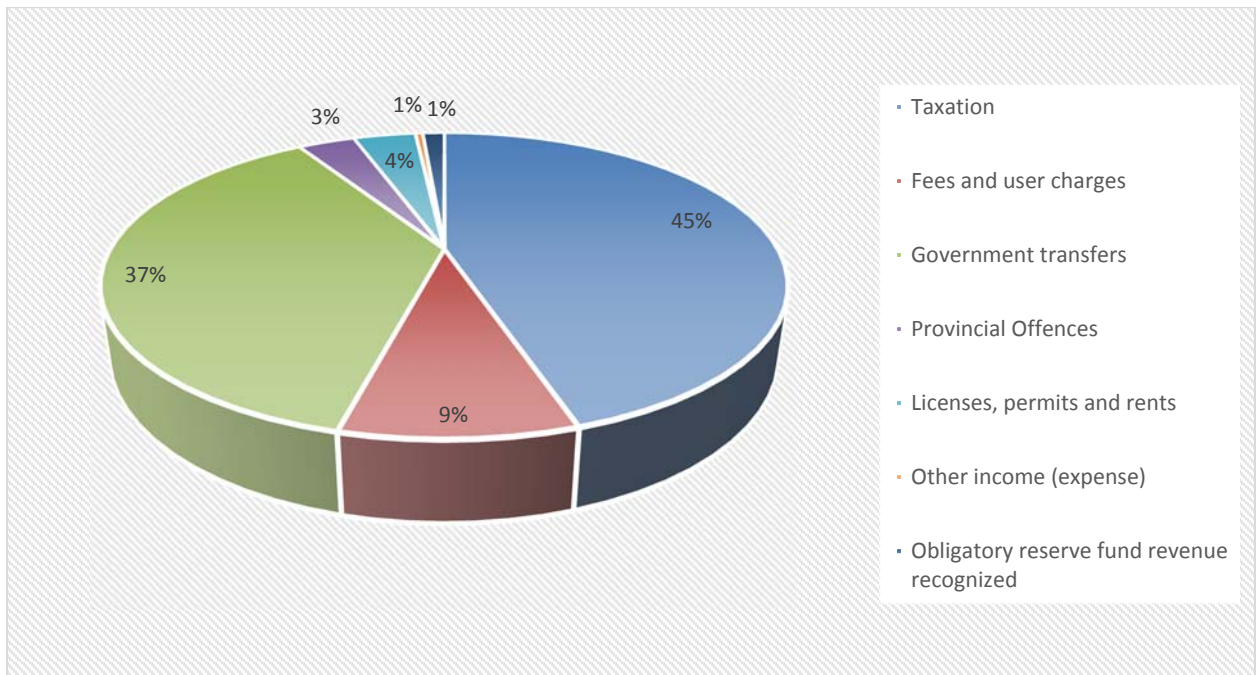
|  | 2011           | 2012           | 2013           | 2014           | 2015           |
|--|----------------|----------------|----------------|----------------|----------------|
| Net County Levy<br>(per Financial Statements)  | \$ 48,775,034  | \$ 50,213,355  | \$ 50,785,540  | \$ 52,283,016  | \$ 51,377,416  |
| Assessment                                     | 11,632,322,573 | 12,307,965,332 | 13,373,193,604 | 14,128,769,628 | 14,894,626,832 |
| Net County Levy Per \$100,000<br>of Assessment | \$ 419.31      | \$ 407.97      | \$ 379.76      | \$ 370.05      | \$ 344.94      |



## 2015 TOTAL REVENUE



## 2011 TOTAL REVENUE

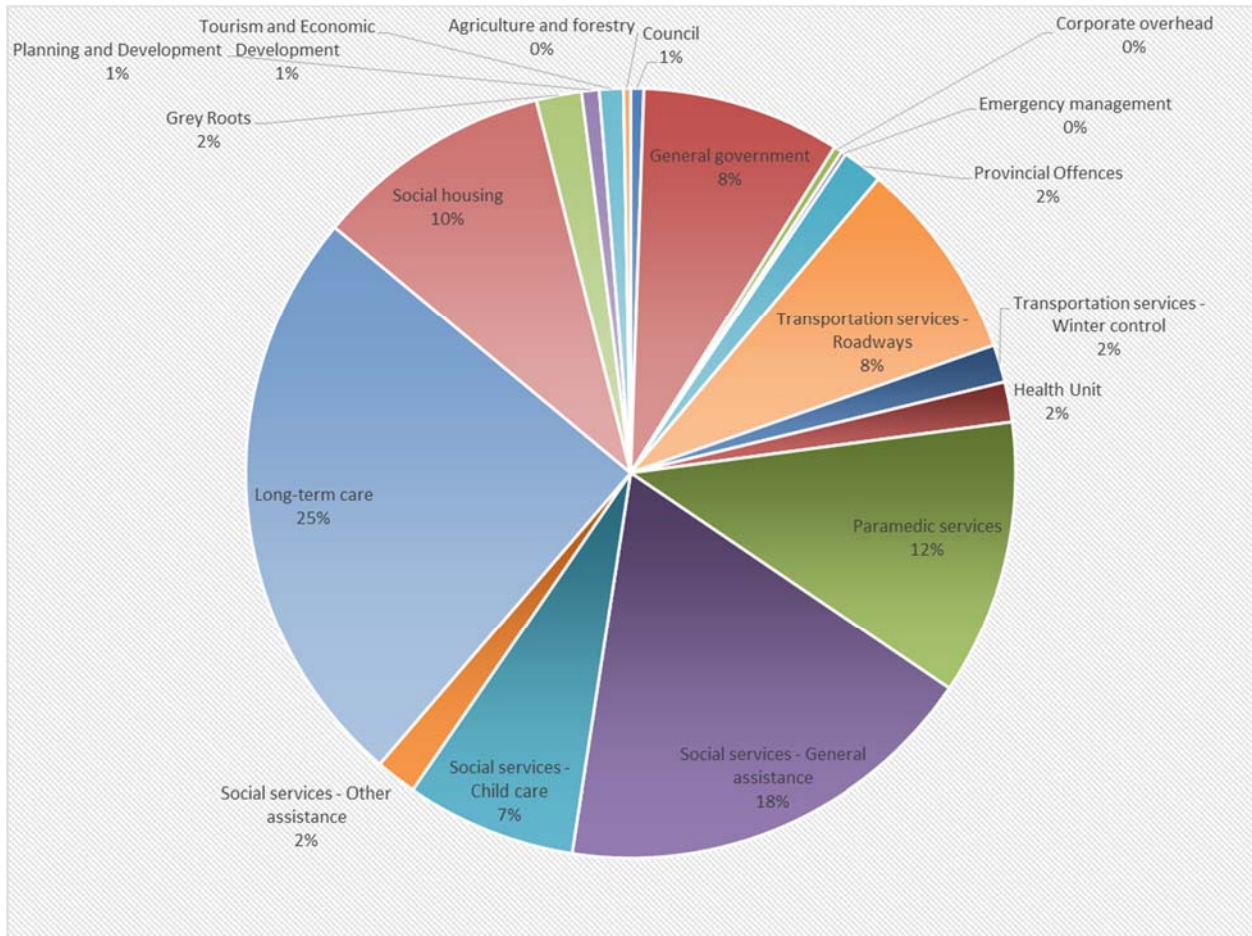




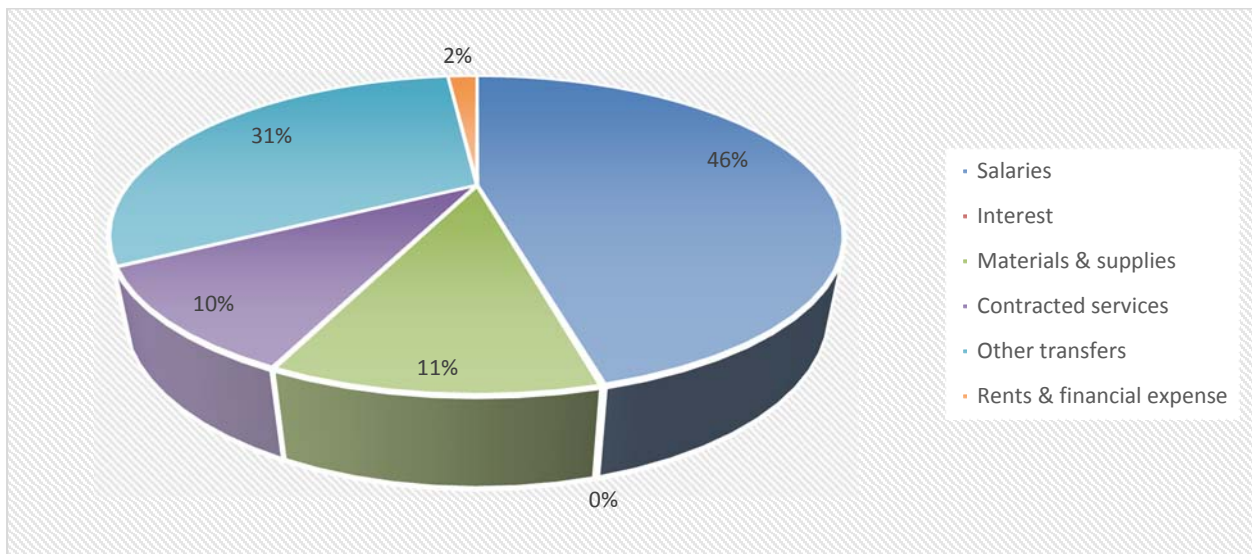
## FIVE YEAR COMPARISON OF OPERATING EXPENSES (excluding amortization)

|  | 2011              | 2012              | 2013              | 2014               | 2015               |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Council                                  | 516,926           | 541,364           | 549,763           | 594,668            | 582,786            |
| General government                       | 5,131,977         | 5,619,049         | 5,730,041         | 5,679,148          | 8,863,042          |
| Corporate overhead                       | 337,333           | 307,180           | 218,408           | 480,628            | 373,431            |
| Emergency management                     | 133,596           | 128,795           | 132,936           | 172,860            | 202,144            |
| Provincial Offences                      | 2,329,581         | 2,116,283         | 2,041,710         | 1,723,900          | 1,800,258          |
| Transportation services - Roadways       | 9,503,381         | 9,241,988         | 9,065,000         | 9,502,364          | 9,021,805          |
| Transportation services - Winter control | 2,624,070         | 2,179,149         | 1,950,255         | 2,101,477          | 1,679,542          |
| Health Unit                              | 1,586,603         | 1,630,205         | 1,661,023         | 1,930,803          | 1,787,027          |
| Paramedic services                       | 10,030,544        | 10,532,561        | 10,940,615        | 11,530,740         | 12,308,352         |
| Social services - General assistance     | 16,748,946        | 17,655,193        | 16,905,351        | 17,617,757         | 19,074,226         |
| Social services - Child care             | 7,357,266         | 7,342,829         | 7,044,863         | 6,894,634          | 7,583,510          |
| Social services - Other assistance       | 352,271           | 297,771           | 1,546,800         | 1,760,891          | 1,838,388          |
| Long-term care                           | 23,581,838        | 24,651,726        | 23,634,913        | 25,703,235         | 26,267,671         |
| Social housing                           | 10,366,624        | 9,920,957         | 11,188,822        | 10,811,726         | 10,639,865         |
| Grey Roots                               | 1,710,214         | 1,752,715         | 1,842,204         | 1,950,787          | 2,017,901          |
| Planning and Development                 | 569,244           | 665,219           | 689,398           | 679,650            | 785,110            |
| Tourism and Economic Development         | 657,745           | 721,607           | 913,158           | 957,804            | 1,069,923          |
| Agriculture and forestry                 | 336,223           | 358,582           | 406,635           | 328,625            | 315,164            |
| Long-term commitments                    | -                 | -                 | -                 | 1,000,000          | 2,000,000          |
| <b>Total</b>                             | <b>93,874,382</b> | <b>95,663,173</b> | <b>96,461,895</b> | <b>101,421,694</b> | <b>108,210,145</b> |
| Salaries                                 | 43,692,687        | 45,966,808        | 45,315,302        | 48,278,000         | 49,702,978         |
| Interest                                 | 301,414           | 255,285           | 199,040           | 140,262            | 85,748             |
| Materials & supplies                     | 12,683,836        | 12,024,113        | 12,665,603        | 12,202,602         | 11,725,497         |
| Contracted services                      | 10,079,194        | 10,048,033        | 10,177,240        | 11,156,795         | 10,981,277         |
| Other transfers                          | 25,629,976        | 25,777,698        | 26,351,126        | 27,542,350         | 33,815,907         |
| Rents & financial expense                | 1,487,275         | 1,591,236         | 1,753,584         | 2,101,685          | 1,898,738          |
|  | <b>93,874,382</b> | <b>95,663,173</b> | <b>96,461,895</b> | <b>101,421,694</b> | <b>108,210,145</b> |

## 2015 OPERATING EXPENSES BY FUNCTION



## 2015 OPERATING EXPENSES BY OBJECT



## DEPARTMENTAL SUMMARY OF SURPLUS TRANSFERRED TO RESERVES

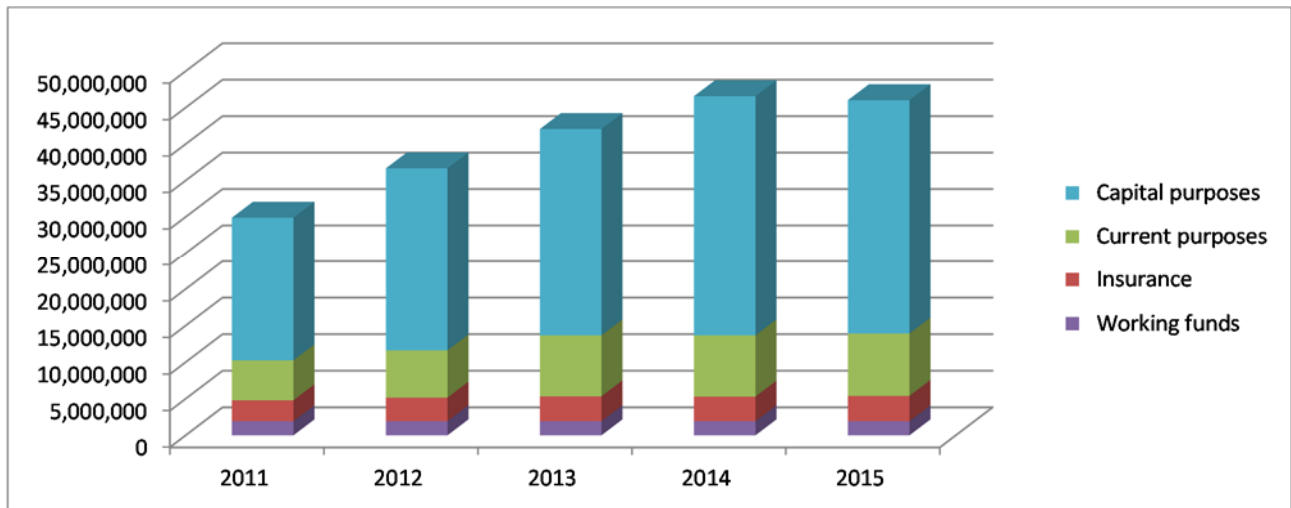
|   | Budget Revenue | Actual Revenue | Budget Expenditure | Actual Expenditure | Surplus (Deficit) Before Allocations and Transfers | Internal Allocations to (from) Reserve | Transfer to (from) Reserve | Surplus (Deficit) |
|---|----------------|----------------|--------------------|--------------------|--|--|----------------------------|-------------------|
| <b>CORPORATE SERVICES</b>                   |                |                |                    |                    |  |  |                            |                   |
| Taxation & Grants                           | \$ 54,938,302  | \$ 55,083,386  | \$ 3,240,743       | \$ 3,505,970       | \$ (120,143)                                       | \$ (130,703)                           | \$ (250,846)               | \$ -              |
| Council & Administration                    | \$ 1,011,666   | \$ 975,489     | \$ 5,637,435       | \$ 5,113,478       | \$ 487,780   | \$ (17,674)                            | \$ 470,106                 | \$ -              |
| Property                                    | \$ 68,764      | \$ 542,871     | \$ 793,091         | \$ 1,240,814       | \$ 26,383  |  | \$ 26,383                  | \$ -              |
| Provincial Offices                          | \$ 2,521,800   | \$ 2,748,280   | \$ 2,081,201       | \$ 2,173,438       | \$ 134,243   |  | \$ 134,243                 | \$ -              |
| Assessment                                  | \$ -           | \$ -           | \$ 1,795,566       | \$ 1,795,566       | \$ -   |  |                            | \$ -              |
| Health Care and Education                   | \$ 125,096     | \$ 130,569     | \$ 2,270,714       | \$ 2,293,861       | \$ (17,674)  | \$ 17,674                              | \$ -                       | \$ -              |
|   | \$ 58,665,628  | \$ 59,480,595  | \$ 15,818,750      | \$ 16,123,127      | \$ 510,589   | \$ (130,703)                           | \$ 379,886                 | \$ -              |
| <b>PLANNING &amp; COMMUNITY DEVELOPMENT</b> |                |                |                    |                    |  |  |                            |                   |
| Planning & Development                      | \$ 568,449     | \$ 248,224     | \$ 1,232,525       | \$ 894,243         | \$ 18,057  |  | \$ 18,057                  | \$ -              |
| Econ. Dev., Tourism, Forestry & Agriculture | \$ 1,672,545   | \$ 1,652,768   | \$ 2,952,161       | \$ 2,696,662       | \$ 235,722   |  | \$ 235,722                 | \$ -              |
| Grey Roots                                  | \$ 553,524     | \$ 421,456     | \$ 2,626,980       | \$ 2,354,794       | \$ 140,118   |  | \$ 140,118                 | \$ -              |
|   | \$ 2,794,518   | \$ 2,322,448   | \$ 6,811,666       | \$ 5,945,699       | \$ 393,897   |  | \$ 393,897                 | \$ -              |
| <b>SOCIAL SERVICES</b>                      |                |                |                    |                    |  |  |                            |                   |
| Ontario Works and Child Care                | \$ 22,848,683  | \$ 22,522,468  | \$ 27,259,350      | \$ 26,682,237      | \$ 250,898   |  | \$ 250,898                 | \$ -              |
| Social Housing                              | \$ 7,957,249   | \$ 7,410,820   | \$ 14,524,201      | \$ 13,862,365      | \$ 115,407   |  | \$ 115,407                 | \$ -              |
| Long Term Care                              | \$ 22,728,197  | \$ 22,797,253  | \$ 28,504,851      | \$ 28,615,720      | \$ (41,813)  | \$ 79,645                              | \$ 37,832                  | \$ -              |
|   | \$ 53,534,129  | \$ 52,730,541  | \$ 70,288,402      | \$ 69,160,322      | \$ 324,492   | \$ 79,645                              | \$ 404,137                 | \$ -              |
| <b>TRANSPORTATION &amp; PUBLIC SAFETY</b>   |                |                |                    |                    |  |  |                            |                   |
| Paramedic Services                          | \$ 7,435,802   | \$ 7,581,172   | \$ 13,368,223      | \$ 13,564,651      | \$ (51,058)  | \$ 51,058                              |                            | \$ -              |
| Transportation Services                     | \$ 12,323,678  | \$ 11,270,298  | \$ 28,466,714      | \$ 25,410,940      | \$ 2,002,394                                       |  | \$ 2,002,394               | \$ -              |
|   | \$ 19,759,480  | \$ 18,851,470  | \$ 41,834,937      | \$ 38,975,591      | \$ 1,951,336                                       | \$ 51,058                              | \$ 2,002,394               | \$ -              |
|   | \$ 134,753,755 | \$ 133,385,053 | \$ 134,753,755     | \$ 130,204,739     | \$ 3,180,314                                       | \$ -                                   | \$ 3,180,314               | \$ -              |

The departmental summary has been prepared by management. It does not include the expenditures for WSIB Schedule 2 costs, vacation pay and post employment benefits and amortization.

Revenues and expenditures include transfers to and from reserves and debt principal repayments and therefore columns do not agree to the consolidated statement of operations.

## WHAT YOU HAVE FOR THE FUTURE - RESERVES

| Reserves         | 2011              | 2012              | 2013              | 2014              | 2015              |
|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Working funds    | 1,930,799         | 1,930,799         | 1,930,799         | 1,930,799         | 1,930,799         |
| Insurance        | 2,860,995         | 3,224,381         | 3,399,572         | 3,359,760         | 3,461,496         |
| Current purposes | 5,459,613         | 6,453,251         | 8,328,940         | 8,377,928         | 8,526,130         |
| Capital purposes | 19,644,192        | 25,064,541        | 28,401,982        | 32,892,315        | 32,101,050        |
|                  | <u>29,895,599</u> | <u>36,672,972</u> | <u>42,061,293</u> | <u>46,560,802</u> | <u>46,019,475</u> |



|                                   | 2011   | 2012   | 2013   | 2014   | 2015   |
|-----------------------------------|--------|--------|--------|--------|--------|
| Reserves as a % of Total Expenses | 31.85% | 38.34% | 43.60% | 45.91% | 42.53% |
| Reserves as a % of Taxation       | 61.29% | 73.03% | 82.82% | 89.06% | 89.57% |

# WHAT YOU HAVE FOR THE FUTURE - OBLIGATORY RESERVE FUNDS

|                          | 2011             | 2012             | 2013             | 2014             | 2015             |
|--------------------------|------------------|------------------|------------------|------------------|------------------|
| Obligatory Reserve Funds |                  |                  |                  |                  |                  |
| Development Charges      | 2,040,730        | 2,158,814        | 2,333,961        | 3,295,811        | 3,585,057        |
| Federal Gas Tax          | 2,459,285        | 5,219,998        | 4,591,281        | 2,404,319        | 2,348,672        |
|                          | <u>4,500,015</u> | <u>7,378,812</u> | <u>6,925,242</u> | <u>5,700,130</u> | <u>5,933,729</u> |

