



Committee Report

To:	Warden Hicks and Members of Grey County Council
Committee Date:	February 28, 2019
Subject / Report No:	FR-CW-07-19
Title:	2018 Year-End Transfers
Prepared by:	Kevin Wepler, Director of Corporate Services
Reviewed by:	Kim Wingrove, CAO
Lower Tier(s) Affected:	None
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution CW62-19; Endorsed by County Council on March 14, 2019 as per Resolution CC24-19.

Recommendation

1. That Council receive Report FR-CW-07-19 titled 2018 Year-End Transfers and approve the recommendations, as contained and estimated in Report FR-CW-07-19, regarding transfers to and from Reserve; and
2. That Council approve any surplus/deficit arising in the 2018 budget be transferred to/(from) the respective departmental reserves.

Executive Summary

The purpose of this report is to provide information to Council regarding the estimated year-end surplus/deficit amounts per functional area and to provide staff with the authority to make the following adjustments necessary to finalize the County's 2018 year-end financials:

- Year-end surplus and deficit transfers
- Year-end transfers for purchases that were budgeted to occur in 2018 and need to be carried forward to 2019
- Year-end transfers for donations for specific purposes

Background and Discussion

Each Department has reviewed its actual to budget figures as of mid-February 2019, and has projected a year-end position by estimating results still to happen. These projections have been used to recommend 2018 transfers to and from reserves. These transfers are estimates and will be finalized once all 2018 budgeted and endorsed transactions have been completed. Council will receive the final year-end figures when the audited financial statements are presented in May 2019.

In addition to year-end surplus and deficit transfers, this report deals with transfers for purchases that were budgeted to occur in 2018 but that have been delayed until 2019. The County's auditors require a Council resolution authorizing staff to transfer unspent funds to reserve for use in the 2019 budget.

The County has also received donations to be used for specific purposes. These funds are required to be transferred to reserve to be used for these specific purposes.

The non-budgeted transfers included in this report are estimates at this time and the actual transfers to and from reserves may vary once all 2018 budgeted and endorsed transactions have been completed.

The remaining transfers are for the completion of the self-financed debentured project for the Chatsworth Paramedic Services base. Best estimates were used as to the amount of work remaining that would be carried over from 2018 to 2019. Where the amount of remaining work that would be carried over is greater than what has been budgeted in 2019, it is requested that the remaining project funding be authorized for use in the 2019 budget.

Summary

The following table summarizes the projected year-end surplus or deficits by functional area that have been estimated by each Department. These year-end financial projections overall do not vary greatly from what had been previously reported to Committee of the Whole in November 2018, where a year-end surplus of \$171,900 had been projected.

Summary of Projected Year-End Surplus / (Deficit) by Function

2018 Budget by Function	Projected Year-End Surplus/(Deficit)
Corporate Services	\$420,900
Planning and Community Development	(\$196,700)
Social Services	\$602,500
Transportation and Public Safety	(\$510,000)
Total	\$316,700

Surplus / (Deficit) Transfers To / From Reserve

The following table lists the functional area surplus/deficit amounts and the transfers to/from reserve to fund any surplus / (deficits).

Department/Function	Reserve / Notes	Projected Surplus/(Deficit)	Estimated To/From Reserve Amount
Corporate Services	Portfolio Projected Surplus/(Deficit)	\$420,900	
	2018 shortfall - WSIB – Workers Compensation Reserve		(\$23,300)
	Remaining Surplus to One-Time Funding Reserve		\$444,200
Planning & Community Development	Portfolio Projected Surplus/(Deficit)	(\$196,700)	
	Planning General – Forestry Reserve		\$70,000
	Planning General – One-Time Funding Reserve		\$69,100
	Agriculture – One-Time Funding Reserve		\$7,400
	2018 shortfall - General Forestry – One-Time Funding Reserve		(\$34,200)
	Trails – One-Time Funding Reserve		\$32,900
	2018 shortfall - Economic Development – One-Time Funding Reserve		(\$487,300)
	Economic Development – Business Enterprise Reserve		\$32,000
	Tourism – One-Time Funding Reserve		\$42,800
	Grey Roots – Main Building Improvements Reserve		\$70,600
Social Services	Portfolio Projected Surplus/(Deficit)	\$602,500	
	Social Services – One Time Funding Reserve		\$155,000
	Housing Reserve		\$160,900
	Housing – One-Time Funding Reserve		\$160,100
	LTC – Grey Gables Reserve		\$106,000
	LTC – Lee Manor Reserve		\$12,000

Department/Function	Reserve / Notes	Projected Surplus/(Deficit)	Estimated To/From Reserve Amount
	LTC – Rockwood Terrace Reserve		\$8,500
Transportation & Public Safety	Portfolio Projected Surplus/(Deficit)	(\$510,000)	
	2018 shortfall - Paramedic Services – One-Time Funding Reserve		(\$390,000)
	2018 shortfall - Transportation Services - General Reserve		(\$120,000)
Total Surplus/(Deficit)		\$316,700	\$316,700

Non-Budgeted Transfers to/from Reserve for Use in 2019

The following table lists purchases that were budgeted or endorsed to occur in 2018, but due to various factors have been delayed until 2019. Where projects were funded from taxation in 2018, these funds are being recommended to be transferred to reserve for use in 2019. Projects funded from reserves in 2018 are being recommended to be transferred from reserve in 2019. Staff is recommending the transfer of these projects to/from reserve for use in the 2019 budget.

Departmental Budget	Project	Reserve	2018 Project Funding To Reserve Transfer Amount*	2019 Project Amount From Reserve**
Council	Integrity Commissioner	One-Time Funding Reserve	\$17,000	
Information Services	Office 365 Implementation	IT – Infrastructure Reserve	\$36,000	
Agriculture	Computers, Telephone and Communications	Planning General Reserve	\$7,500	
Forestry Trails	Signs	Trails General Reserve	\$3,000	
	Maintenance of Trails	Trails General Reserve	\$8,000	
CP Rail Trail	Signs	Trails General Reserve	\$2,500	
Tourism	Cycling Master Plan	Tourism General Reserve	\$4,000	\$4,000
	Vehicle Replacement	Tourism Vehicle Reserve	\$5,300	
Grey Roots	Grey County Gallery Update	Grey Roots County Gallery Reserve	\$35,000	
Housing	Funds Received from Golden Town Non Profit upon transfer to County operation	Housing Reserve	\$2,070,970	
	Repayments for Ontario Renovates and Home Ownership Programs	Revolving Fund (Ontario Renovates/Home Ownership Reserve)	\$143,992	
	Concrete Pads and Dividers, 650 4 th St “A” East, Owen Sound	Housing Reserve	\$30,000	
	Patio Surface Dividers, 50 McNab St., Chatsworth	Housing Reserve	\$40,000	

Departmental Budget	Project	Reserve	2018 Project Funding To Reserve Transfer Amount*	2019 Project Amount From Reserve**
Housing	Windows & Awnings, 490 7 th Ave East, Owen Sound	Housing Reserve	\$110,604 - \$54,396 funded from reserve in 2018 budget	
	Asphalt Parking Lot, 130 Rowe's Lane, Dundalk	Housing Reserve	\$25,000	
Grey Gables	Flat Roof Replacement	LTC - Grey Gables Reserve	\$37,800	

* Projects funded from taxation in 2018 with funds being recommended to be transferred to reserve for use in 2019.

**Projects budgeted in 2018, that have been delayed and being recommended to be funded from reserve in 2019 and were not included in the 2019 budget.

Departmental Budget	Project	Reserve	2018 Project Funding To Reserve Transfer Amount*	2019 Project Amount From Reserve**
Transportation Services	Grey Road 4 Lambton Street to Highway 6, Durham (4036-4042)	Transportation Services General Reserve	\$525,000	

* Projects funded from taxation in 2018 with funds being recommended to be transferred to reserve for use in 2019.

**Projects budgeted in 2018, that have been delayed and being recommended to be funded from reserve in 2019 and were not included in the 2019 budget.

Donation Transfers to Reserve

The following table lists the unbudgeted transfers to reserve that have been donated to be used for a specific purpose.

Department/Function	Reserve / Notes	Estimated Amount
Grey Gables	Grey Gables Donations Reserve	\$4,100
Lee Manor	Lee Manor Donations Reserve	\$4,800
Rockwood Terrace	Rockwood Terrace Donation Reserve	\$8,900
Grey Roots	Archives Reserve	\$2,000
Grey Roots	Donations Reserve (unspent Bruce Power grant for Honey Bee Exhibit)	\$15,000
Grey Roots	Donations Reserve (unspent McDowall donation)	\$10,000
Grey Roots	Store Reserve (Fundraising from Friends of Moreston)	\$5,600
Grey Roots	Donations Reserve (unspent War Memorial donation)	\$1,000
Economic Development	Community Hub	\$23,000
Economic Development	Indigenous Community Support	\$10,000

Self-Financed Debentured Project

The 2019 budget contains funding for the completion of the self-financed debentured project for the Paramedic Services Chatsworth base. Best estimates were used as to the amount of remaining work that would be carried over from 2018 and into 2019. Where the amount of remaining work being carried over is greater than what has been budgeted in 2019, it is requested that the remaining project funding for this project be authorized for use in the 2019 budget.

Legal and Legislated Requirements

The Treasurer appointed by the municipality, as per the Municipal Act, is responsible for providing council with information with respect to the financial affairs of the municipality. This report gives staff the authority to transfer surplus funds into reserve, or fund shortfalls out of reserve, as required by the 2019 budget.

Financial and Resource Implications

The information contained in this report details the non-budgeted transfers to/from reserves and the carryover of these and other sources of funding that is being recommended for use in the 2019 budget or for future potential expenses.

Relevant Consultation

- Internal: Departmental Managers, Senior Management Team and CAO
- External

Appendices and Attachments

[FR-CW-24-18 Corporate Financial Update and Year End Projection as of September 30, 2018](#)