

<b>To:</b>	Warden McQueen and Members of Grey County Council
<b>Committee Date:</b>	February 27, 2020
<b>Subject / Report No:</b>	FR-CW-04-20
<b>Title:</b>	2019 Year-End Transfers
<b>Prepared by:</b>	Kevin Wepler, Director of Corporate Services
<b>Reviewed by:</b>	Kim Wingrove, CAO
<b>Lower Tier(s) Affected:</b>	None
<b>Status:</b>	Recommendation adopted by Committee as presented per Resolution CW57-20; Endorsed by County Council March 12, 2020 per Resolution CC35-20;

## Recommendation

1. That Council receive Report FR-CW-04-20 titled 2019 Year-End Transfers and approve the recommendations, as contained and estimated in Report FR-CW-04-20, regarding transfers to and from Reserve; and
2. That Council approve any surplus/deficit arising in the 2019 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 2019 year-end financials:

- Year-end surplus and deficit transfers – Identifies surplus and/or deficit and recommends on how to allocate surplus or fund deficits.
- Year-end transfers for purchases that were budgeted to occur in 2019 and need to be carried forward to 2020 – Recommends the transferring of taxation and/or the allocation of reserve funding that projects can be undertaken in 2020.
- Year-end transfers for donations for specific purposes – Donations received for specific purposes are recommended transferred to reserve to be utilized for these purposes when undertaken.
- Year-end Provincial funds to be utilized in 2020 – Recommends the remaining Provincial project funds be authorized for use in the 2020 budget to complete the project.

# Background and Discussion

Each Department has reviewed its actual to budget figures as of mid-February 2020 and has projected a year-end position by estimating results still to happen. These projections have been used to recommend 2019 transfers to and from reserves. These transfers are estimates and will be finalized once all 2019 budgeted and endorsed transactions have been completed. Council will receive the final year-end figures when the audited financial statements are presented in May 2020.

In addition to year-end surplus and deficit transfers, this report deals with transfers for purchases that were budgeted to occur in 2019 but that have been delayed until 2020. The County's auditors require a Council resolution authorizing staff to transfer unspent funds to reserve for use in the 2020 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 2019 budgeted and endorsed transactions have been completed.

## 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 2019, where a year-end surplus of \$1,415,000 had been projected.

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

2019 Budget by Function	Projected Year-End Surplus/(Deficit)
Corporate Services	\$1,331,500
Planning and Community Development	(\$136,000)
Social Services	\$256,900
Transportation and Public Safety	(\$200,000)
<b>Total</b>	<b>\$1,252,400</b>

## 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)	\$1,331,500	
	Net Supplementary Taxation – Town of The Blue Mountains – Attainable Housing		\$1,145,000
	Remaining Surplus to One-Time Funding Reserve		\$186,500
Planning & Community Development	Portfolio Projected Surplus/(Deficit)	(\$136,000)	
	Planning – General Reserve		\$8,900
	Agriculture – One-Time Funding Reserve		\$5,200
	Forestry – General Reserve		\$10,200
	Trails – General Reserve		\$36,700
	Economic Development – One-Time Funding Reserve		(\$176,500)
	Tourism – General Reserve		(\$2,500)
	Grey Roots – Main Building Improvements Reserve		(\$18,000)
Social Services	Portfolio Projected Surplus/(Deficit)	\$256,900	
	Social Services – One Time Funding Reserve		\$300,200
	Child Care Mitigation Reserve		\$5,900
	Housing – Housing Reserve		\$22,500
	LTC – Grey Gables - Lee Manor Reserve		(\$102,000)
	LTC – Lee Manor – Lee Manor Reserve		(\$176,000)
	LTC – Rockwood Terrace – Lee Manor Reserve		\$248,000
	LTC – Redevelopment – LTC Redevelopment Reserve		(\$41,700)
Transportation & Public	Portfolio Projected Surplus/(Deficit)	(\$200,000)	

Department/Function	Reserve / Notes	Projected Surplus/ (Deficit)	Estimated To/From Reserve Amount
Safety			
	Paramedic Services – One-Time Funding Reserve		(\$675,000)
	Transportation Services - General Reserve		\$411,000
	Transportation Services – Land Acquisition Reserve		\$64,000
<b>Total Surplus/(Deficit)</b>		<b>\$1,252,400</b>	<b>\$1,252,400</b>

## Non-Budgeted Transfers to/from Reserve for Use in 2020

The following table lists purchases that were budgeted or endorsed to occur in 2019, but due to various factors have been delayed until 2020. Where projects were funded from taxation in 2019, these funds are being recommended to be transferred to reserve for use in 2020. Projects budgeted from reserves in 2019 that were delayed are being recommended to be funded from reserve in 2020. Staff is recommending the transfer of these projects to/from reserve for use in the 2020 budget.

Departmental Budget	Project	Reserve	2019 Project Funding to Reserve Transfer Amount*	2020 Project Amount From Reserve**
Human Resources	Wellness Initiative	One-Time Funding Reserve	\$15,000	
Forestry Trails	Signs	Trails General Reserve	\$3,000	
	Forestry Trail Work	Trails General Reserve	\$13,500	
Economic Development	International Student Coordinator	Economic Development Initiatives Reserve		\$33,000
Tourism	Cycling Master Plan Brochures	Tourism General Reserve	\$20,000	
	Research and Data Analyst Project	Tourism General Reserve	\$5,000	
Grey Roots	Grey County Gallery Update	Grey Roots County Exhibit Reserve	\$19,700	\$19,700
Housing	Parking Lot 50 McNab St Chatsworth	Housing Reserve	\$35,000	
	Parking Lot 481 11 <sup>th</sup> St Hanover	Housing Reserve	\$20,000	
	Flooring 225 14 <sup>th</sup> St West Owen Sound	Housing Reserve	\$60,000	
	Kitchen Rebuilds 650 4 <sup>th</sup> Ave 'A' East Owen Sound	Housing Reserve	\$191,572	
	Flooring Common Area 130 Rowe's Lane Dundalk	Housing Reserve	\$20,000	
	Air Makeup Replacement 481 11 <sup>th</sup> St Hanover	Housing Reserve	\$25,000	
	Siding 43 Hill St	Housing Reserve	\$10,000	

Departmental Budget	Project	Reserve	2019 Project Funding to Reserve Transfer Amount*	2020 Project Amount From Reserve**
	Flesherton			
	Parking Lot 81 Bruce St Thornbury	Housing Reserve	\$90,000	
	Bath Rebuilds 315 Bruce St Thornbury	Housing Reserve	\$90,000	
	Roof 248 7 <sup>th</sup> Ave East Owen Sound	Housing Reserve	\$65,000	

\* Projects funded from taxation in 2019 with funds being recommended to be transferred to reserve for use in 2020.

\*\*Projects budgeted in 2019, that have been delayed and being recommended to be funded from reserve in 2020 and/or were not included in the 2020 budget.

<b>Departmental Budget</b>	<b>Project</b>	<b>Reserve</b>	<b>2019 Project Funding To Reserve Transfer Amount*</b>	<b>2020 Project Amount From Reserve**</b>
Housing	Roof (Steel) and Eavestrough Family Units Durham	Housing Reserve	\$40,000	
	Exterior Doors/Front Entrance 157 Nelson St Meaford	Housing Reserve	\$35,000	
	Parking Lot 250 12 <sup>th</sup> Ave Hanover	Housing Reserve	\$30,000	
	Parking Lot 248 Queen St Durham	Housing Reserve	\$20,000	
	Kitchen Rebuilds 43 Hill St Flesherton	Housing Reserve	\$60,000	
	Concrete Replacements/Screens 250 12 <sup>th</sup> Ave Hanover	Housing Reserve	\$30,000	
	Air Makeup Replacement 490 7 <sup>th</sup> Ave East Owen Sound	Housing Reserve	\$75,000	
	Video Security Alpha St Owen Sound	Housing Reserve	\$5,000	
Grey Gables	Retaining Wall	LTC - Grey Gables Reserve	\$10,000	
Transportation Services	Grey Road 4 – Lambton Street to Highway 6 in Durham	Transportation Services General Reserve	\$200,000	
	Structure 109-353 Grey Road 109 Holstein	Transportation Services General Reserve	\$200,000	
	Grey Road 119 Stormwater Diversion	Transportation Services General Reserve	\$75,000	
	Traffic Signal Upgrades	Transportation Services Traffic Light Maintenance	\$60,000	
	Purchase of two Roll-Off Tandems	Transportation Services		\$880,800

<b>Departmental Budget</b>	<b>Project</b>	<b>Reserve</b>	<b>2019 Project Funding To Reserve Transfer Amount*</b>	<b>2020 Project Amount From Reserve**</b>
		Equipment Reserve		

\* Projects funded from taxation in 2019 with funds being recommended to be transferred to reserve for use in 2020.

\*\*Projects budgeted in 2019, that have been delayed and being recommended to be funded from reserve in 2020 and/or were not included in the 2020 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	\$5,000
Lee Manor	Lee Manor Donations Reserve	\$1,600
Rockwood Terrace	Rockwood Terrace Donations Reserve	\$56,000
Rockwood Terrace	LTC Redevelopment Reserve	\$300,000
Grey Roots	Donations Reserve - 2020 Simple Machines Exhibit	\$3,350

## Provincial Funded Projects

The 2020 budget contains funding for the completion of provincially funded projects. Best estimates were used to as to the amount of remaining work that would be remaining at year end. Where the amount of remaining work being carried forward is greater than what had been budgeted in 2020, it is requested that the remaining project funding, for these projects listed below, be authorized for use in the 2020 budget.

- New Horizons for Seniors \$12,600.

Note: The County received Modernization Funding and Cannabis Legalization funding in 2019. This funding is being treated as conditional grant funding and any unused funding will be recorded as deferred revenue and does not form part of any projected year-end surplus/deficit for 2020.

## 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 2020 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 2020 budget or for future potential expenses.

## Relevant Consultation

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

# Appendices and Attachments

[FR-CW-27-19 Corporate Financial Update and Year End Projection as of September 30, 2019](#)