



# Committee Report

## Report CCR-PCD-35-14

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

**From:** Sharon Vokes and Randy Scherzer

**Meeting Date:** November 13, 2014

**Subject:** **Analysis of Financial Statements to September 30, 2014**

**Status:** Recommendation adopted by Committee as presented per Resolution PCD118-14; Endorsed by County Council per Resolution CC163-14;

### Recommendation(s)

**THAT Report CCR-PCD-35-14 regarding the analysis of financial statements to September 30, 2014, pertaining to the Planning and Community Development Committee’s portfolio, be received for information.**

### Background

2014 budget as of September 30, 2014

Function	2014 Net Budget	Net Budget based on 9 months	2014 YTD Net Actual	Projected Surplus (Deficit)
Planning - Operating	623,375	467,523	538,479	(30,000)
Planning - Capital	28,000	21,006	(13,266)	0
Agriculture	137,500	103,122	83,481	20,000
Forestry - Operating	(45,800)	(34,362)	12,563	0
Trails - Operating	61,275	45,981	39,808	0
Trails - Capital	75,000	56,241	13,029	0
Tourism	483,810	362,871	378,519	5,000
Economic Development	300,345	225,261	247,220	5,000
Intelligent Community	0	0	28,970	0
Grey Roots - Operating	2,012,200	1,509,228	1,611,687	(64,000)
Grey Roots - Capital	129,600	97,209	16,745	0
<b>TOTAL</b>	<b>3,805,305</b>	<b>2,854,080</b>	<b>2,957,235</b>	<b>(64,000)</b>

## *Planning*

The Planning Operating budget is currently projected to have a deficit of \$30,000. This is partially due to an increase in non-union wages which came into effect July 1, 2014 based on the Non Union External Salary Review. The projected deficit is also partially a result of less than anticipated application revenue. The Planning Capital budget is currently on track from a budget perspective. There will be proposed carry-over of funds to complete some of the projects in 2015, including the Natural Heritage Systems Study, the Planning Application Tracking Software, the Transportation Master Plan, and the Growth Management Study Update.

## *Agriculture*

The Agriculture budget is currently projected to have a surplus of approximately \$20,000. This is primarily due to the beaver and coyote claims being lower than the budgeted amount. Further claims could come in prior to year end; however at this stage it is projected that there will be an overall surplus in this budget.

## *Forestry*

The Forestry budget is currently showing a deficit compared to the year-to-date budgeted amount as a result of the purchase of the Krug Estate property adjacent to the Dornoch Tract. The cost to purchase the property was \$156,295 of which \$100,000 will be funded from the Forestry Reserve with the remaining amount to be funded from any surplus realized in the 2014 General Forestry Operating budget or from One Time Funding Reserve if sufficient funds don't exist. If the \$100,000 from the Forestry Reserve were shown as being transferred in the current budget, the Forestry budget would currently be projected to have a deficit of approximately \$20,000. Based on the motion approved by Council for the purchase of the Krug Property, the projected \$20,000 deficit will be funded from the One Time Funding Reserve.

## *Trails*

The Trails Operating budget is projected to be on track when compared to the year-to-date budgeted amount and the anticipated expenses for this budget. With respect to the Trails Capital budget, the cost for the CP Rail Trail projects (Culvert#15 replacement and project south of Highway 26)

came in less than the budgeted amounts. However, these projects are to be funded from reserves and therefore will not result in any surplus.

### *Tourism*

The Tourism budget is expected to end the year with a surplus of \$5,000. The Tourism Operating budget, which is Grey County's direct marketing and product development budget currently shows a deficit, reflecting expenditures on the website update, which is the department's main project. This will be reduced at year-end by transfers from reserve to fund this project. Some marketing expenditures are being held back pending hiring a company to assist in setting a new marketing plan and this will contribute to the year-end surplus. The regional tourism budgets that Grey County administers (Georgian Bay, RTMP, Fall Conference ) will balance by year end.

### *Economic Development*

The Economic Development budget is expected to end the year in a balanced or slight surplus (\$5,000) position. The current deficit results from expenditures made for the Economic Development Strategy which will be offset by a combination of provincial funding and transfer from reserves at the end of the year.

### *Intelligent Community*

It is estimated that about \$55K will be expended of the \$100K allocated from reserve.

### *Grey Roots - Operating Budget*

The operating budget for Grey Roots is estimated to end the year with a deficit of approximately \$64,000. Staff has been aware of the potential of a deficit and has monitored and reduced non-discretionary expenses. The primary drivers of the deficit are the non-union grid adjustment implemented July 1, 2014 and estimated at \$14,700, \$2,400 which could not be funded through the capital budget for the sculpture and staff reorganizational costs.

Revenue is slightly lower than anticipated and it is hoped that it will still end the year on target.

Capital will come in on budget as a result of two recommendations endorsed by Council earlier in the year. The anticipated deficit of the sawmill is \$36,000 and this is to be funded from the Grey Roots General Reserve. Construction of the church has been delayed and any budgetary savings

from not proceeding with the church have been redirected to cover the over expenditure of the sculpture which was included in the operating budget.

The Agricultural Exhibit Building will not be fully completed in 2015. There will be a portion remaining that was to be funded from reserve which will be brought forward in the 2015 capital budget.

#### Revenue Comparison to September 30, 2014

	<b>2013 YTD Actual</b>	<b>2014 YTD Actual</b>	<b>2014 YTD Budget</b>	<b>2014 YTD Variance</b>
<b>General Admission</b>	43,915	39,194	49,358	(10,164)
<b>Educational Group</b>	9,214	8,899	8,115	784
<b>Day Camp</b>	21,236	20,824	17,714	3,110
<b>General Group</b>	2,397	3,711	1,635	2,076
<b>Gift Shop Sales</b>	18,613	18,708	17,421	1,287
<b>Membership Sales</b>	9,610	10,336	8,430	1,906
<b>Room Rentals</b>	1,695	1,818	1,063	755
<b>Cost of Goods Sold (Gift Shop)</b>	(11,653)	(10,702)	(8,758)	(1,944)
<b>Birthday Parties</b>	280	556	-	556
<b>Exhibit Rental</b>	0	0	1,500	(1,500)
<b>Total</b>	<b>95,307</b>	<b>93,344</b>	<b>96,477</b>	<b>(3,133)</b>

	<b>2012 Total Visitation</b>	<b>2012 Museum &amp; Archive Visitation</b>	<b>2013 Total Visitation</b>	<b>2013 Museum &amp; Archive Visitation</b>	<b>2014 Total Visitation</b>	<b>2014 Museum &amp; Archive Visitation</b>
<b>January</b>	1,078	421	806	195	521	349
<b>February</b>	1,456	572	1,352	813	1,479	1,592
<b>March</b>	2,312	1,318	2,963	3,025	1,954	1,780
<b>April</b>	2,206	1,205	1,684	771	2,133	1,044
<b>May</b>	2,915	1,643	2,253	1,595	2,267	1,340
<b>June</b>	3,888	2,065	4,523	2,408	4,758	2,215
<b>July</b>	8,832	3,288	9,238	3,708	10,117	3,556
<b>August</b>	9,009	3,574	10,371	4,326	9,438	3,515
<b>September</b>	4,596	2,365	4,796	2,610	2,584	1,449
<b>Total</b>	<b>36,292</b>	<b>16,451</b>	<b>37,986</b>	<b>19,451</b>	<b>35,251</b>	<b>16,840</b>

## 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 position. Staff are monitoring budget lines in an effort to reduce the deficit.

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

## 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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County Clerk/Director of Council Services

Randy Scherzer  
Director of Planning