



## Corporate Services Committee Agenda

Thursday, November 2, 2017  
Council Chambers  
County Administration Centre, Walkerton

1. Declaration of Pecuniary Interest
2. Action Items
  - A. 2018 Budget
  - B. Annual Business Plan and Budget Policies
3. Information Items
  - A. Tax Stabilization Reserve 2017 Activity Update
  - B. Working Capital Reserve
  - C. Forecasted Reserves
  - D. Nine Month Financial Statement Review
4. Next Meeting

December 7, 2017
5. Adjournment



## Committee Report

To: Warden Mitch Twolan  
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.  
Director of Corporate Services

Date: November 2, 2017

Re: 2018 Budget

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### Recommendation:

That the Corporate Services Committee recommends that the 2018 budget be adopted reflecting a 3.27 % increase to the levy in the total amount of \$44,841,399 distributed according to the following table; and,

That a by-law be adopted establishing the levy and corresponding tax ratios and tax rates.

Department	2017	2018	Increase	%
Planning & Development	3,692,920	3,726,102	33,182	0.90
Paramedic Services	5,178,496	5,434,582	256,086	4.95
Museum	1,520,908	1,608,737	87,829	5.77
Library	3,228,675	3,397,915	169,240	5.24
Corporate Services	4,266,520	4,634,646	368,126	8.63
CAO	1,075,539	922,568	-152,971	-14.22
Long Term Care	3,437,867	3,504,239	66,372	1.93
Highways	12,469,853	12,778,315	308,462	2.47
Human Resources	820,830	954,860	134,030	16.33
Social Services & Housing	6,316,636	6,353,247	36,611	0.58
Non Departmental	1,413,147	1,526,188	113,041	8.00
<b>Total</b>	<b>43,421,391</b>	<b>44,841,399</b>	<b>1,420,008</b>	<b>3.27</b>

### Background:

Committee received the draft operational and capital budgets on September 28<sup>th</sup> and 29<sup>th</sup>. The draft consolidated budget presented generated a levy increase of 5.1%. On October 12<sup>th</sup> Committee received a revised budget with a reduction of \$674,368 that accommodated



an additional \$200,000 investment in Affordable Housing generating a levy increase of 3.54%.

Committee members directed staff to refine the capital budgets while including the \$200,000 increase to Affordable Housing. As a result, the following adjustments have been made:

Department	Description	Adjustment
Corporate Services	Facilities - use of Reserves for carpet and heat pump replacement	\$29,000
Paramedic Services (PS)	Port Elgin Station - Fund from unassigned PS Capital Reserve	\$50,000
Transportation	Increase expected revenue from sale of equipment	\$21,000
Brucelea Haven LTC-Health Services	Transfer to Reserves for Medical Equipment reduced from \$50,000 to \$40,000	\$10,000
Gateway Haven-LTC-Health Services	Transfer to Reserves for Courtyard Landscaping reduced	\$5,000
<b>Total Adjustments</b>		<b>\$115,000</b>

As a reminder, it is important to highlight certain items that will require consideration outside the budget approval.

1. Health Services (Paramedic) Chesley Station upstaffing to 24/7 is not included in the draft budget
  - A report related to this proposal and to review other geographic locations that were identified during the budget discussions including Sauble Beach and the Huron/Bruce border will be introduced by the Director of Health Services to the Health Services Committee in the near future
  
2. Health Services (Long Term Care) Cladding Project is not included in the draft budget.
  - A report addressing this capital project will be introduced by the Director of Health Services to the Health Services Committee in the near future including the financial requirements.
  
3. Transportation
  - A report addressing the completion of the Warton Depot and the 5 Year Capital Program will be introduced by the County Engineer to the Transportation Committee in the near future.



4. Health Services (Paramedic) Port Elgin Station -

- the budget includes a transfer of \$50,000 from the unassigned Paramedic Services Reserve being spent to begin the preliminary work in 2018
- The long term financing of the project will need to be developed and incorporated into the 5 year forecast.
- Provincial Subsidy for Paramedic Services does not reflect any increase in 2018. Notification from the Ministry of the 2017 funding has not yet been received
- The budget has not been amended to increase the Provincial Funding

5. A \$38,000 funding request for the Museum Roofing Project to be completed in 2019 has been deleted from the budget but will be reintroduced to Committee for consideration in 2018. Once the 2017 external audit is complete, a report will be presented with respect to reallocation of funds from the Tax Stabilization Reserve to finance this project and Transfers to Reserves for Human Resources and Planning and Development that have been removed from this budget.

I have attached the revised consolidated document which requires an increase of 3.27%.

**Financial/Staffing/Legal/IT Considerations:**

The revised version of the consolidated budget will require a \$1,420,008 or 3.27% increase. Operations increased \$763,831 or 2.27% while Capital increased \$656,177 or 6.67%.

A 1% increase in the levy equals \$434,000. While we have no details on the expected assessment, growth that will be applied to the 2018 taxable assessment for taxation purposes we are confident that prior year budget investments will contribute to a noticeable increase.

**Interdepartmental Consultation:**

The Senior Management Team met and reviewed the priorities and adjustments. This budget invests in the long term goals of Bruce County and includes the investment in people resources with the additional headcount in Human Resources, Library and Museum. It recognizes a shift to new collaborative technologies with the implementation of BruceWorX while supporting the infrastructure deficit with a \$200,000 increase in the Affordable Housing portfolio.



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Link to Strategic Goals and Elements:

Goal # 2- Leverage Technology

Goal # 6- Explore alternate options to improve efficiency, service

Approved by:

Kelley Coulter  
Chief Administrative Officer

**Summary of 2018 Budget Submissions**  
**Thursday, November 2, 2017**

	Operational	Operational	Operational	Operational	Capital	Capital	Capital	Capital	Approved	Consolidated	Consolidated	Consolidated
	Approved	Nov 2	\$	Percentage	Approved	Nov 2	\$	Percentage	Consolidated	Nov 2	\$	Percentage
	2017	2018	Change	Change	2017	2018	Change	Change	2017	2018	Change	Change
<b>Planning &amp; Development</b>	3,613,397	3,681,703	68,306	1.89	79,523	44,399	- 35,124	- 44.17	3,692,920	3,726,102	33,182	0.90
<b>Paramedic Services</b>	4,577,596	4,824,682	247,086	5.40	600,900	609,900	9,000	1.50	5,178,496	5,434,582	256,086	4.95
<b>Museum</b>	1,492,520	1,585,993	93,473	6.26	28,388	22,744	- 5,644	- 19.88	1,520,908	1,608,737	87,829	5.77
<b>Library</b>	2,853,975	3,035,715	181,740	6.37	374,700	362,200	- 12,500	- 3.34	3,228,675	3,397,915	169,240	5.24
<b>Corporate Services</b>	3,582,714	3,743,646	160,932	4.49	683,806	891,000	207,194	30.30	4,266,520	4,634,646	368,126	8.63
<b>CAO</b>	1,067,539	922,568	- 144,971	- 13.58	8,000	-	- 8,000	- 100.00	1,075,539	922,568	- 152,971	- 14.22
<b>Brucelea</b>	1,422,781	1,448,693	25,912	1.82	156,373	87,000	- 69,373	- 44.36	1,579,154	1,535,693	- 43,461	- 2.75
<b>Gateway</b>	1,690,078	1,751,522	61,444	3.64	168,635	217,024	48,389	28.69	1,858,713	1,968,546	109,833	5.91
<b>Transportation</b>	6,779,257	6,913,171	133,914	1.98	5,690,596	5,865,144	174,548	3.07	12,469,853	12,778,315	308,462	2.47
<b>Human Resources</b>	809,825	952,360	142,535	17.60	11,005	2,500	- 8,505	- 77.28	820,830	954,860	134,030	16.33
<b>Social Services and Housing</b>	4,287,364	3,967,783	- 319,581	- 7.45	2,029,272	2,385,464	356,192	17.55	6,316,636	6,353,247	36,611	0.58
<b>Non Departmental</b>	1,413,147	1,526,188	113,041	8.00	-	-	-	-	1,413,147	1,526,188	113,041	8.00
<b>Total</b>	<b>33,590,193</b>	<b>34,354,024</b>	<b>763,831</b>	<b>2.27</b>	<b>9,831,198</b>	<b>10,487,375</b>	<b>656,177</b>	<b>6.67</b>	<b>43,421,391</b>	44,841,399	1,420,008	3.27



## Committee Report

**To:** Warden Mitch Twolan  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 2, 2017

**Re:** Annual Business Plan and Program Budgeting Policies

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### Recommendation:

That Policies CAO-01 Annual Business Plan, CS-B01 Annual Budgeting and CS-B02 Budget Amendments be approved.

### Background:

Several of the recommendations in the Operational Review referred to opportunities to enhance the budget model and as a result the Annual Business Plan and Program Budgeting model were introduced.

#### Operational Review Recommendation #10

"The County should adopt a program budgeting model to better manage the County's budgeting, reporting, performance management and procurement processes."

#### Operational Review Recommendation #14

"The annual budget that is submitted to Council should include Key Performance Indicators, financial information by major spending category and a program summary including past year achievements and objectives for the coming year."

#### Operational Review Recommendation #16

"A periodic financial statement review should be submitted to Council in a timely manner and include a forecast to year-end of the department program level. This forecast is prepared by the Departments with the assistance and support of the Treasury Department."

We have progressed significantly since the first workshop in March 2015 when the program budgeting model was first introduced to the Directors and Managers by the Finance Division. We have advanced both the operational and capital budgeting tools and the forecasting tool used by the Financial Analysts to support the Directors and Managers.



A missing component however has been the written policies that define the guidelines and limitations to insure accountability and transparency for both Council and staff.

Establishing formal procedures will insure both accountability and transparency while allowing the goals and objectives of Council to be delivered with due regard to economy, efficiency and effectiveness.

The Finance Division has written the attached policies based on the feedback received during our inaugural years with the new model, and with the understanding that we are accountable to the taxpayer.

You will note that Council approval is still required over certain dollar limits, and always when amendments require an unbudgeted transfer from a reserve, transfers between operational and capital and reassignment of surplus funds.

The form referred to as Appendix "A" in Policy CS-B02 Budget Amendments is an internal form that will be used for administrative purposes

**Financial/Staffing/Legal/IT Considerations:**

The proposed policies will insure appropriate authority and consistency.

**Interdepartmental Consultation:**

The Senior Management Team have been consulted and support the content of the policies.

**Link to Strategic Goals and Elements:**

**Goal # 6-** Explore alternate options to improve efficiency, service

**Element # B-** Develop system for measuring our processes and their successful desired outcome.

**Approved by:**

Kelley Coulter  
Chief Administrative Officer





**Policy:** CAO -B01 Annual Business Plan

**Department:** C.A.O.

**Effective Date:** November 2, 2017

**Revision Date(s):**

**Review Date:** January 1, 2019

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## 1. Purpose

- a) To develop the principles to establish Strategic Priorities for the upcoming fiscal period.
- b) To establish the required resources necessary to meet the strategic priorities and departmental goals and objectives for the upcoming fiscal period.
- c) To provide meaningful key performance indicators to measure and evaluate the departmental goals and objectives.

## 2. Policy Statement

- a) The annual business plan will complement the corporate strategic plan and departmental strategic plans. The annual business plan will identify the strategic priorities and the resources. The annual budget will include the monetary value of the resources necessary to achieve these targets.
- b) The County will maintain accountability and transparency throughout the annual business plan and respect for the tax payer with a constant search for excellence and value with due regard to economy, efficiency and effectiveness.
- c) The County will annually evaluate the key performance indicators to insure they are meaningful measurements which will assist to advance our organization towards a vibrant and viable future.

- d) The County will identify and make every effort to take advantage of potential opportunities available to progress the organization in achieving the strategic goals.
- e) The REACH principles will be utilized by departments during this process. The development of the annual business plan will include key staff responsible for the implementation of the annual business plan initiatives. A joint team effort will be embraced to open up communication and communicate ideas, opinions and solutions.

### 3. Definitions

“Accountability” is the obligation of the organization to account for its activities, accept responsibility for them and disclose the results in a transparent manner.

“Annual Business Plan” is the tool which identifies our current year’s goals and objectives and outlines the methods for achieving them.

“Budget” is the financial tool used as a means for identifying the resources necessary to achieve the corporate annual goals and objectives while maintaining acceptable service levels to our ratepayers.

“Capital” relates to items on the current asset inventory or additions to the current asset inventory.

“Operating” relates to the day to day activities to maintain our service levels and targets.

“REACH” is the guiding principles used as we strive for success. Respect, Empower, Authentic, Care and Honesty.

### 4. Procedures

- a) The Annual Business Plan will be presented with the annual budgets. Quarterly updates will be presented to the Executive Committee including an update on the departmental initiatives.
- b) Each department will be responsible to ensure the Annual Business Plan is aligned with the approved budget document. During budget deliberations if a project or initiative has been deleted, scaled down or enhanced it is the responsibility of the department to amend the Annual Business Plan where applicable.
- c) The Annual Business Plan will include meaningful key performance indicators related to the department’s operational responsibilities. These indicators will be used to evaluate the performance of the department and measure the results against prior year’s indicators and industry standards.
- d) Major initiatives identified in the Annual Business Plan will included a breakdown of budget allocation between operational and capital costs. The plan identifies the

program budget pressure category where the initiative has been identified in the annual budget document.

- e) Major initiatives are to include a project description and identify the owner of the initiative. The strategic priority which relates to the project is to be included in the project description.
- f) Each major initiative includes the desired timeline for completion. Timelines reference the fiscal year and quarter the outcome is to be completed.
- g) Staffing implications are identified for each major initiative. Current staff time absorbed is estimated and new positions required are identified where applicable.
- h) Quarterly updates are provided to the CAO in a timely fashion. The CAO will coordinate the presentation by departments to the Executive Committee for the quarterly updates.
- i) Initiatives requiring resources from other departments will be identified and coordinated in conjunction with the other department. Outcome timelines will be taken into consideration when defining priorities.
- k) Opportunities to incorporate the REACH principles with other staff will be utilized through the process of achieving the desired outcomes related to the initiatives.



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**Policy:** CS - B01 Annual Budgeting

**Department:** Corporate Services

**Effective Date:** November 2, 2017

**Revision Date(s):**

**Review Date:** January 1, 2020

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## 1. Purpose

- a) To establish the principles regarding annual operating process.
- b) To establish and maintain the county finances on a sound and sustainable foundation while providing an acceptable level of service expectations.

## 2. Policy Statement

- a) The budget document will complement the corporate strategic plan and departmental strategic plans. The annual business plan will identify the strategic goals the budget is expecting to achieve.
- b) The County will maintain respect for the tax payer with a constant search for excellence and value with due regard to economy, efficiency and effectiveness. Programs and activities will be subject to regular internal and external reviews of scope and classification.
- c) The County will incur debt only for substantial long-term assets at levels affordable to taxpayers.
- d) User pay is an operating principle considered for all program areas and will be applied where appropriate.

- e) Short and long-term financial plans will be incorporated into the budget framework. The budget will include funds to maintain current asset inventory as well as planning for new and replacement asset requirements.

### 3. Definitions

“Accountability” is the obligation of the organization to account for its activities, accept responsibility for them and disclose the results in a transparent manner.

“Annual Business Plan” is the tool which identifies our current year’s goals and objectives and outlines the methods for achieving them.

“Budget” is the financial tool used as a means for identifying the resources necessary to achieve the corporate annual goals and objectives while maintaining acceptable service levels to our ratepayers.

“Capital” relates to items on the current asset inventory or additions to the current asset inventory.

“Operating” relates to the day to day activities to maintain our service levels and targets.

“Program” is a grouping of related activities required to achieve service level expectations. Resource allocation decisions are made at the program level within the budget template.

### 4. Procedures

- a) The budget documents both Capital and Operating will be presented with the Annual Business Plan as a tool for achieving the desired outcomes.
- b) Each department will present an Annual Business Plan identifying the current year’s goals and objectives and outline in the plan how they intend to achieve them. The budget document will include the resources necessary for each department to achieve the goals and objectives outlined in the Annual Business Plan. A quarterly status report is provided to the Executive Committee. This will be a method to measure and assess the results of the programs in relation to the objectives establishing accountability.
- c) The budget documents are a strategic tool authorizing the department to manage the programs within the approved fiscal framework.
- d) With the exception of salary and benefits, Managers identified by the Directors will have the flexibility to allocate operating resources within a program as necessary to achieve the goals and objectives of the program.

- e) Salary and Benefit allocations can be relocated with the written consent of the Chief Administrative Officer up to a maximum of \$150,000 excluding the addition of permanent staff.
- f) The CAO is authorized to approve the transfer of operating resources between programs to achieve the goals and objectives of the department up to a limit of \$150,000, after which point the request requires approval of the respective Committee of Council.
- g) Directors have the authority to reallocate capital allocation between projects within the program activities. Reserve and Capital resource allocations must have Committee approval to reallocate to/from the operating budget
- h) The Capital Budgets will be prepared separately by program; Finance will be responsible to consolidated into a single budget for final approval by Council.
- i) Directors are responsible to complete and submit the Annual Business Plan and budgets according to the timeline approved by Council annually.
- j) Directors are responsible for including commentary to explain year over year changes to the budget.
- k) All other budget reallocations are addressed in the Budget Amendment Policy.

## 5. Municipal Act Provisions

289 (1) For each year, an upper-tier municipality shall, in the year or the immediately preceding year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the upper-tier municipality, including,

- (a) amounts sufficient to pay all debts of the upper-tier municipality falling due within the year;
- (b) amounts required to be raised for sinking funds or retirement funds;
- (c) amounts in respect of debenture debt of lower-tier municipalities for the payment of which the upper-tier municipality is liable; and
- (d) amounts required by law to be provided by the upper-tier municipality for any of its local boards, excluding school boards. 2001, c. 25, s. 289 (1); 2006, c. 32, Sched. A, s. 119 (1).

### Exception

(1.1) Despite subsection (1), a budget for a year immediately following a year in which a regular election is held, may only be adopted in the year to which the budget applies. 2006, c. 32, Sched. A, s. 119 (2).



**Policy:** CS - BO2 Budget Amendments

**Department:** Corporate Services

**Effective Date:** November 2, 2017

**Revision Date(s):**

**Review Date:** January 1, 2019

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## 1. Purpose

- a) To establish the principles and process regarding annual operating budget transfers, revisions and adjustments during the current fiscal period.
- b) To provide accurate financial data and enable county management staff to make sound financial decisions to achieve program goals and objectives.

## 2. Policy Statement

- a) All budget amendments during the fiscal period will be adjusted in the financial software by the Finance Division of Corporate Services.
- b) Budget amendments will be reflected in all future financial statements presented to Departments and Committees of Council.
- c) Budget amendments will align with achieving departmental program goals and objectives.
- d) Budget amendments will not result in an adjustment to the county contribution used to determine the tax rate for the approved budget for the fiscal period.
- e) Only budget amendments greater than \$500 will be processed.

### 3. Definitions

“Accountability” is the obligation of the organization to account for its activities, accept responsibility for them and disclose the results in a transparent manner.

“Budget Amendment” is a change to the approved budget for any given fiscal period. The amendment can be in the form of a budget transfer, a budget adjustment or a budget revision.

“Budget Transfer” is the financial tool available to management staff to transfer funds across activities within a program to achieve fiscal goals and objectives.

“Budget Adjustment” is completed by the Finance Division of Corporate Services to correct line-by-line allocations where an error or misclassification occurred in the budget template or an allocation for a new revenue source and related expenditures.

“Budget Revision” is approved by resolution of a Committee of Council.

“Management Staff” is staff with delegated authority by the Director and filed in a written format with Corporate Services.

“Program” is a grouping of related activities required to achieve service level expectations. Resource allocation decisions are made at the program level within the budget template.

### 4. Procedures

- a) Reference Annual Budgeting Policy for authorities on allowable transfers between programs.
- b) The Treasurer has the authority to process a budget adjustment request from a Director or delegated Managers allocating new or revised government funding resources and associated expenditures, which does not result in an adjustment to the tax rate.
- c) The Treasurer has the authority to process a budget adjustment request from a Director or delegated Managers allocating deferred revenue or unspent prior years funding and the associated expenditures, which does not result in an adjustment to the tax rate.
- d) The CAO can authorize budget amendments for aligning unbudgeted received revenue and the offsetting expenditures up to a limit of \$50,000. Amendments greater than \$50,000 require approval by a Committee of Council.



- e) The Treasurer has the authority to relocate budget allocations as a budget adjustment for line-by-line activities, including the reallocation of capital expenditures budgeted in operating and vice versa, to insure consistency with revenue and expenditure type categories allowing for accurate results when analyzing financial data.
- f) The Treasurer has the authority to amend the current fiscal budget to reflect prior year's carryovers from the appropriate reserve account and related expenditures.
- g) All Budget amendments increasing the amount withdrawn from a reserve requires Committee approval with the exception of prior year's carry overs explained in 4(f).
- h) All budget amendments must be forwarded to the Finance Division of Corporate Services using Appendix "A" complete with authorizing signatures if necessary.



## Committee Report

To: Warden Mitch Twolan  
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.  
Director of Corporate Services

Date: November 2, 2017

Re: Tax Stabilization Reserve -2017 Activity

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### Recommendation:

The Tax Stabilization Reserve - 2017 Activity Report is for information.

### Background:

The 2016 operational surplus of \$1,578,529 was transferred according to policy to the Tax Stabilization Reserve in 2017 and the reserve totaled \$2,062,093. This allowed for a number of unplanned initiatives to proceed that otherwise would not have been possible.

Council has approved a number of recommendations impacting the General Fund Tax Stabilization Reserve (TSR) during 2017 and a summary was provided on June 1, 2017. This report provides a further update on the activity of the TSR since June 1<sup>st</sup> and related to the 2018 budget.

To date Council has approved the following transactions, totaling \$1,366,809 to be funded from the TSR in 2017:

Opening Balance	\$2,062,093
Less:	
Offset the 2017 levy requirement	\$275,000
Market Study Implementation	\$149,820
Wingham Hospital Campaign	\$ 24,950
Bruce Brand Implementation	\$124,000
Transportation - Weather Station	\$ 50,000
Administration Centre Renovations	\$100,000
SWIFT 2017	\$172,018
SWIFT 2018 and 2019 payments	\$344,036
Museum repayment to Working Capital Reserve	\$ 46,640
Corporate Unified Communications Reserve	\$ 25,000
Service Delivery Lakeshore Hub Feasibility Review	\$23,725



Human Resources File Room System	\$14,120
Human Resources Evaluation Software/Consultant	\$30,000
Add:	
150 <sup>th</sup> Celebrations 2017 Budget Correction	\$12,500
Payroll Services Review	TBD
Current Balance	\$695,284

Currently there is a forecasted surplus totaling over \$700,000 at yearend that will be transferred to the TSR, however it is important to note that there are certain factors that could impact this forecast including winter control and supplemental taxation.

You will also recall that all utilities surplus at yearend was approved at the September 7th meeting to be applied to the Integrated Energy Performance Project. The \$700,000 does not include the utility surplus which is expected to be as high as \$400,000.

The 2018 budget includes several initiatives to be financed from the TSR and the table below highlights the forecasted balance for January 1, 2018.

Current Balance	\$695,284
Add 2017 Projected Surplus transfer to TSR	\$700,000
Balance at December 31, 2017	\$1,395,284
Less:	
Offset the 2018 levy requirement	\$275,000
Wingham Hospital Campaign	\$25,000
Grey Bruce Regional Health Centre Contribution	\$200,000
Museum Capital Project - Visitor Desk	\$7,026
Human Resources Evaluation Software/Consultant	\$60,000
Projected Balance at January 1, 2018	\$828,258

#### Financial/Staffing/Legal/ITS Consideration:

Other than identified in the report, there are no other staffing, legal or ITS considerations associated with this report.

#### Interdepartmental Consultation:

Council has approved the 2017 budget amendments listed in this report.



Corporation of the County of Bruce  
Corporate Services

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Link to Strategic Goals and Elements:

None.

Approved by:

A handwritten signature in black ink, appearing to read 'Kelley Coulter', is written over a light grey horizontal line.

Kelley Coulter  
Chief Administrative Officer



## Committee Report

To: Warden Mitch Twolan  
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.  
Director of Corporate Services

Date: November 2, 2017

Re: Working Capital Reserve

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### Recommendation:

The Working Capital Reserve Report is for information.

### Background:

It is worthy to review the approved initiatives that are currently being financed from the Working Capital Reserve with repayment arrangements.

You will recall that the June 1<sup>st</sup>, 2017 report, related to the Tax Stabilization Reserve, approved the repayment of two 2014, and one 2015 Museum projects totaling \$46,640.

	Approved August 6, 2015	\$6,178.78
Museum Strategic Plan/Cultural Development Fund	Approved April 3, 2014	\$12,321.22
Museum Marine Heritage	Approved 2014 Budget	\$28,140
Total		\$46,640

Maximum approved borrowing includes the following projects:

Purchase of 268 Berford Street (Peninsula Hub)	\$560,000
Health Services (Long Term Care) Nurse Call System	\$359,000
Administration Centre Park Street Renovations	\$150,000
Transportation - Wiarton Depot	\$1,194,000
Museum - Last Frontier Project	\$15,000

Given the current borrowing there is no further room to borrow from the Working Capital Reserve.



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**Financial/Staffing/Legal/ITS Consideration:**

Other than identified in the report, there are no other staffing, legal or ITS considerations associated with this report.

**Interdepartmental Consultation:**

Council has approved the borrowing listed in this report.

**Link to Strategic Goals and Elements:**

None.

**Approved by:**

Kelley Coulter  
Chief Administrative Officer



## Committee Report

**To:** Warden Mitch Twolan  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 2, 2017

**Re:** Forecasted Reserves

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### Recommendation:

The Forecasted Reserves report is for information.

### Background:

Municipalities establish reserves according to the provisions of the Municipal Act. The establishment of certain reserve funds is instrumental in properly managing the finances of the corporation. The County of Bruce has several established reserves to assist with financial and cash management.

Attached for information purposes is the reserve balances forecasted for December 31, 2017 based on the approved budget and current and projected spending to yearend.

### Financial/Staffing/Legal/ITS Consideration:

There are no specific financial, staffing, legal or ITS considerations associated with this report.

### Interdepartmental Consultation:

The analysis has been prepared with input from the Directors and a copy has been circulated for their information.

### Link to Strategic Goals and Elements:

None identified

### Approved by:

Kelley Coulter  
Chief Administrative Officer

**Reserves and Reserve Funds**  
**SCHEDULE A**  
**Dec 31, 2017 Forecasted Balance**

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Information and Technology Capital Reserve Funds</b>				
<b>Consolidated</b>				
Financial Software	\$ 164,202.76	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of financial software. New software or enhanced modules to existing software.	Has funded asset management plans to enhance the data in the software used for capital asset accounting and forecasting.
Other Computer Software	\$ 19,870.81	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of software. New software or enhanced modules to existing software.	May include funds set aside for annual MS Office Licensing, Share Point Licencing and Server Licencing
Computer Hardware	\$ 322,437.38	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of desktop computers, laptops, and printers.	Includes Council Laptops. Moved to CAO reserve
Network Infrastructure	\$ 110,151.72	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to enhance network infrastructure.	Includes but not limited to network storage, network switches, widearea network.
Computer Software	\$ 77,864.16	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of software. New software or enhanced modules to existing software.	May include but not limited to funds set aside for annual MS Office Licensing
Library Community Access Project	\$ 60,309.55	Transfer of funds received for the program which were offset with County Contribution. Therefore the unbudgeted variance was transferred to reserves	Used to offset cost related to the Community Access Program providing free internet and some capital computers at the Library Branches	
WEB SITE ICCI	\$ 5,188.83	Transfer of funds received from Province to host web site.	Used to fund annual cost associated with hosting web site ICCI.	
<b>Equipment Replacement</b>				
<b>Corporate Services</b>				
Office Equipment	\$ 10,852.48	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of replacement equipment or new purchases as deemed by Council.	Including but not limited to copiers, and shredders.



Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Park Street Operating Equipment	\$ 102,788.59	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of replacement equipment or new purchases as deemed by Council.	This includes but is not limited to HVAC, Heat Pump, Generator, Water Softener, Boiler and Water Heater.
Cayley Street Operating Equipment	\$ 53,065.57	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of replacement equipment or new purchases as deemed by Council.	This includes but is not limited to HVAC, Heat Pump, Generator, Water Softener, Boiler and Water Heater.
Library Headquarters	\$ 15,205.00	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of replacement equipment or new purchases as deemed by Council.	This includes but is not limited to HVAC, Heat Pump, Generator, Water Softener, Boiler and Water Heater.
<b>Paramedic Services</b>				
Medical Equipment -	\$ 100,174.10	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of replacement equipment or new purchases as deemed by Council. Includes such items as Defibrillators/Stretchers/Oxygen	This includes Defibrillators located in vehicles.
Medical Equipment - Public Access Defibs	\$ 81,964.90	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose. Occasionally Public Donations are received.	Acquisition of Public Access Defibrillators	For Arenas and County Facilities.
<b>Long Term Care</b>				
Medical equipment -	\$ 36,210.11	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of medical equipment. Including but not limited to Bathtubs and Slings.	
Other Operational	\$ 32,555.82	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of operational equipment either new or replacement as deemed by Council. Including but not limited to appliances.	

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Library</b>				
Other Operational Equipment	\$ 13,066.98	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of operational equipment either new or replacement as deemed by Council. Including but not limited to office equipment.	
<b>Museum</b>				
Other Operational Equipment	\$ 5,305.41	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of operational equipment either new or replacement as deemed by Council. Including but not limited to office equipment and theatre equipment.	
<b>Planning and Economic Development</b>				
Trails Equipment	\$ 10,111.12	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of operational equipment either new or replacement as deemed by Council.	
<b>Transportation and Waste Management</b>				
Office Equipment	\$ 1,737.13	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of replacement equipment or new purchases as deemed by Council.	Including but not limited to copiers, and shredders.
Operational Equipment	\$ 201,575.04	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Acquisition of operational equipment either new or replacement as deemed by Council.	Established in 2014 to replace the Walkerton Fuel Tanks
<b>Facility Reserves</b>				
<b>Corporate Services</b>				
Cayley Street Building	\$ 233,282.07	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, building security access and roofing.

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Park Street Building	\$ 263,495.27	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, building security access and roofing.
Library Headquarters	\$ 61,420.32	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, building security access and roofing.
<b>Long Term Care</b>				
Brucelea/Gateway Building	\$ 783,476.27	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, building security access and roofing.
LTC Interior Furnishings	\$ 7,896.41	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new or replacement interior furnishing.	Includes but not limited to shelving, dressers, common room furniture does not include office furniture
<b>Social Services</b>				
Social Housing Buildings	\$ 1,320,535.66	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, building security access and roofing.
Social Housing Debentures	\$ 118,154.13	Funded from the Sale of Social Housing Units. Funding equated the balance of the Debentures owing at the time of sale.	Used to fund current years debenture costs for social housing units sold previously.	
<b>Library</b>				
Library Headquarters and Branch Locations	\$ 4,270.59	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, shelving, building security access and roofing.

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Museum</b>				
Museum Building	\$ 57,879.19	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to elevator, windows, parking lots, light standards, flooring, accessibility upgrades, shelving, building security access and roofing.
<b>Planning and Economic Development</b>				
Berford St (formerly Sale of St Edmunds Land )	\$ 214,341.32	From Sale of Forest Property to her Majesty the Queen regarding St. Edmunds Township (Parks Canada)	Used to fund programs associated with the North End of the County	Established in 1991 Sale completed
<b>Transportation and Waste Management</b>				
Shop Replacement	\$ 37.90	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	To fund the replacement of the Lucknow Shop.	
Walkerton Sand Shed	\$ 107,752.60	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	To fund the replacement of the Walkerton sand and salt storage shed.	Contributions started in 2015
Wiaraton Sand Shed	\$ 2,874.81	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	To fund the replacement of the Wiaraton sand and salt storage shed.	Contributions started 2016
Paisley Sand Dome	\$ 23,426.97	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	To fund the replacement of the Paisley sand and salt storage shed.	Contributions started in 2013 anticipating a replacement of the existing sand dome roof.
Building Components	\$ 80.02	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund future capital improvements to existing facility or replacement of existing building components.	Includes but not limited to hydro upgrades, exhaust fans, windows, parking lots, light standards, flooring, accessibility upgrades, building security access and roofing.

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Vehicle and Machine Replacement</b>				
<b>Corporate Services</b>				
Park Street Operating Machinery	\$ 15,419.61	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	Includes Lawn Tractors
Cayley Street Operating Machinery	\$ 2,007.56	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	Includes Lawn Tractors
Information and Technology Vehicle	\$ 21,545.09	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	Operational fleet is one van.
<b>Human Resources</b>				
Health and Safety Vehicle Replacement	\$ 21,014.39	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	
<b>Library</b>				
Vehicle Replacement	\$ 43,846.72	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	
<b>Planning and Economic Development</b>				
Trails Vehicle Replacement	\$ 4,666.63	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	
Forestry Vehicle replacement	\$ 16,336.02	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating	
<b>Transportation and Waste Management</b>				
Machinery Replacement	\$ 492,225.83	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacements of existing vehicles or operating machinery	Monies set aside for the purchase of a new Grader, Chipper, crew cab and Spray Patcher

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Furniture and Fixtures ( Office Furniture, Council Furniture, Meeting Room Furniture)</b>				
<b>Corporate Services</b>				
Office Furniture	\$ 2,247.75	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacement of Office Furniture	
<b>Human Resources</b>				
Office Furniture	\$ 1,335.36	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacement of Office Furniture	
<b>Office Furniture</b>				
Office Furniture	\$ 37.68	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacement of Office Furniture	
<b>Planning and Economic Development</b>				
Office Furniture	\$ 10,474.83	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacement of Office Furniture	
<b>Museum</b>				
Office Furniture	\$ 3,474.14	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Used to fund new capital purchases or replacement of Office Furniture	
<b>Other Capital Reserves</b>				
<b>Human Resources</b>				
Employee Wellness	\$ 2,168.40	Year End unspent capital earmarked for the employee wellness program	Specific undertakings related to the employee wellness program as deemed appropriate by Director and Council.	
<b>Paramedic Services</b>				
Paramedic Services	\$ 120,992.30	Additional Funding Received for Paramedic Operations transferred to reserves through motion of committee.	Specific undertakings related to the paramedic capital program as deemed appropriate by Director and Council.	

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Operating Surplus Reserves</b>				
<b>Non Departmental</b>				
Tax Stabilization	\$ 748,999.67	Year end annual surplus.	Used to mitigate significant increases in tax rates as determined by Council. Available for unplanned or emergency situations as deemed appropriate by council	Bylaw 2012-036 To be used to offset the levy requirement in future years at the discretion of the Corporate Services Committee.
<b>Long Term Care</b>				
Brucelea/Gateway Operating Surplus	\$ 281.46	Transfer of Year end Surplus	Used to offset future years budgets as deemed by council.	
<b>Emergency Management</b>				
Operating Surplus Reserves	\$ 3,000.00	Transfer of Funds by committee for unspent operating.	Used to offset future years budgets as deemed by council.	
<b>Library</b>				
Library Sustainability/Strategic Plan	\$ 23,428.48	Transfer of Year end Surplus	Used for the purpose of developing and implementation of the Library strategic plan as deemed by director and council.	2012 year end surplus
<b>Social Services</b>				
Social Assistance Operating Surplus	\$ 55,461.04	Transfer of Year end Surplus	Used to offset future years budgets as deemed by council.	Established through motion for surplus relating to OW and GWA in 1999 and 2009
CC Health and Safety Surplus	\$ 86,708.82	Transfer of Year end Surplus. Attributed to surplus of county contribution, additional funding received and as a result of year end TPAR reporting	Used to offset future years budgets as deemed by council.	Established by motions in 2009 and 2007

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Non Profit Housing Providers Subsidy Surplus	\$ 213,595.10	Transfer of Year end variance between budgeted Non Profit Subsidy and actual.	Used to offset future years budget fluctuations in Non Profit Subsidies as deemed by council.	
<b>Planning and Economic Development</b>				
Sale of Forest Product	\$ 82,282.15	Transfer of surplus created from the sale of forest products.	Used to offset future years forestry budgets as deemed by council.	Annual entry to balance surplus deficit created in the sale of forest products budget line. Bylaw 4081 June 2004
<b>Transportation and Waste Management</b>				
Transportation Operating Surplus	\$ 127,731.23	Transfer of Year end Surplus	Used to offset future years budgets as deemed by council.	Created from surplus in operational activities. Activities include but not limited to crack filling, shouldering and brushing
Waste Management	\$ 171,485.25	Transfer of Year end Surplus	Used to offset future years budgets as deemed by council.	
<b>Donation Reserves</b>				
<b>Long Term Care</b>				
Gateway Haven General Donations (specific to the home)	\$ 23,439.99	Contributions in the form of donations received from individuals, corporations, community groups and estates with no stipulations. As part of the year end process any donations over and above budget are transferred to the reserve.	Specific undertakings as deemed appropriate by Director and Council.	
Gateway Haven Staff Donations - Training	\$ 2,518.85	Donations made through individuals or corporations to enhance staff training. As part of year end process donations received over the budget are transferred to the reserve.	Specific Training undertakings as deemed appropriate by Director and Council.	Medi Pro Training donation



Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Gateway Haven Resident Activities Donations (Program and Support ) Specific to the Home with stipulations	\$ 19,520.63	Donations made through individuals or corporations with stipulations related to enhancing resident activities. As part of year end process donations received over the budget are transferred to the reserve.	Specific undertakings related to the program and support activities provided by the home as deemed appropriate by Director and Council.	Includes a \$10,000 estate donation to support the Music Program at Gateway Haven as a legacy from Ruth Cameron and Charlotte Craig.
Brucelea Haven General Donations (specific to the Home)	\$ 21,988.90	Contributions in the form of donations received from individuals, corporations, community groups and estates with no stipulations. As part of the year end process any donations over and above budget are transferred to the reserve.	Specific undertakings as deemed appropriate by Director and Council.	Established by Bylaw 2763
Brucelea Haven Estate Donation (Stipulations Apply)	\$ 334,145.22	Contributions in the form of donations received from individuals estates with stipulations.	To be used towards purchasing furnishings for the home. as deemed appropriate by Director and Council.	McIntosh Estate
Brucelea Haven Resident Activities Donations (Program and Support ) Specific to the Home	\$ 10,031.79	Donations made through individuals or corporations with stipulations related to enhancing resident activities. As part of year end process donations received over the budget are transferred to the reserve.	Specific undertakings related to the program and support activities provided by the home as deemed appropriate by Director and Council.	
<b>Social Services</b>				
Dorell Young (Stipulations Attached)	\$ 6,932.16	Donations made through individuals or corporations in memory of a former employee. As part of year end process donations received over the budget are transferred to the reserve.	For the purpose of purchasing Christmas gifts for underprivileged teenagers as deemed appropriate by Director and Council.	Established in 2006. report Apr 06 bylaw 4282

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Library</b>				
General Branch Specific Donations	\$ 14,829.60	Contributions in the form of donations received from individuals, corporations, community groups and estates with no stipulations. As part of the year end process any donations over and above budget are transferred to the reserve.	Used to purchase operating materials or capital book purchases associated with the applicable branch as deemed appropriate by Director and Library Board.	Finance maintains a detailed account of the individual branch donations.
Southampton Branch Donation Bylaw 3346 (Stipulations Attached)	\$ 78,611.45	Contributions in the form of donations received from individuals, corporations, community groups and estates with stipulations. As part of the year end process any donations over and above budget are transferred to the reserve.	Must be spent on the Southampton Library Branch on the recommendation of the Bruce County Public Library Board and the approval of Council.	Bequested Donation established in 1993 Estate of Alda Griffiths. Previously requests have been received by Saugeen shores related to the building.
<b>Museum</b>				
General Donations (Specific to Museum)	\$ 50,734.69	Contributions in the form of donations received from individuals, corporations, community groups and estates with no stipulations. As part of the year end process any donations over and above budget are transferred to the reserve.	Specific undertakings as deemed appropriate by Director and Council.	This includes Shilling donation.
Marine Gallery Campaign (Stipulations Apply)	\$ 3,468.96	Funds raised in 2011 and 2012 for the Marine Gallery Campaign	Specific undertakings related to the Marine Gallery as deemed appropriate by Director and Council.	Campaign is no longer active, monies will be utilized on the Marine Gallery.
Archive Donation Krug Reserve Fund (Stipulations Apply)	\$ 556,170.75	Estate donation and residual received from the Krug Family.	Specific undertakings for the purpose of the Archives building for the storage and display of the archives of the County in Memory of Bruce and Howard Krug.	Established by Bylaw 2014-012

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Infrastructure- Roads/Bridges/Culverts/Traffic Control</b>				
<b>Transportation and Waste Management</b>				
Bridge Reserve	\$ 3,879,513.65	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the Bridges as deemed appropriate by Director and Council.	
Culvert Reserve	\$ 87,498.48	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the culverts as deemed appropriate by Director and Council.	Established for CR 86 Culvert and Stoney Creek Culvert
Traffic Control Reserve	\$ 198,852.65	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the Traffic Signals as deemed appropriate by Director and Council.	Established for various pedestrian and signal lights including 100K for Scone
Land Purchases	\$ 71,357.54	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the land as deemed appropriate by Director and Council.	Established for land purchase for road construction project
Paved Roads Capital - County Road 1	\$ 37,425.44	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	Armow agreement included.
Paved Roads Capital - County Road 4	\$ 9,570.13	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 6	\$ 13,539.21	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 6 East	\$ 43,506.43	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	

<b>Reserve Name</b>	<b>Reserve Balance</b>	<b>Typical Source of Funding</b>	<b>Typical Uses of Funding</b>	<b>Notes and Comments</b>
Paved Roads Capital - County Road 8	\$ 408,737.33	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 12	\$ 1,817.83	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 13	\$ 25,546.08	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 15	\$ 2,184.34	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 23	\$ 741.12	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 25	\$ 6,135.84	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road Grey Bruce Boundary	\$ 124,040.93	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	
Paved Roads Capital - County Road 86	\$ 17,155.85	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the paved roads capital as deemed appropriate by Director and Council.	

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
<b>Planning and Economic Development</b>				
CN Corridor	\$ 35,266.81	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the CN Corridor as deemed appropriate by Director and Council.	
<b>Designated Project or Special Purpose Reserves</b>				
<b>Non-Departmental</b>				
SWIFT	\$ 344,036.00	Monies reallocated from the Broadband project.	Funds set aside for the SWIFT project	
Hospital Grant	\$ 175,000.11	Annual operating budget contributions.	Used to fund special contributions to local health care initiatives	Established in 1966 Bylaw 1909
Working Fund	\$ 157,198.03	Annual operating budget contributions.	For the purpose of providing money to finance the County operations in each year until such time as the County levy is available.	Bylaw 1739
<b>Human Resources</b>				
Workers Safety Insurance	\$ 1,330,113.24	Transfers from operating budget. Funded through premiums charged to departments salary budgets. Contribution premiums are aligned using the WSIB maximum and forecasted rates to achieve WSIB Liability Obligation.	Funds the annual Health and Safety Budget, all WSIB claim costs, and Indemity insurance. Funds equipment costs related to modified work as deemed by Council.	Bylaw 3986 established in 2003 when the County went to a Schedule 1 Employer for WSIB. Contributions through the budget process were maintained and set aside for future claims. Minimum balance maintained should equate the WSIB actuarial evaluation obligation.
<b>CAO</b>				
Records Management	\$ 53,280.24	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to Records Management as deemed appropriate by Director and Council.	
<b>Corporate Services</b>				
Corp phone System	\$ 25,000.00	Year End unspent project funds earmarked for this purpose	Intended use is to replace the Corporate phone system.	

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Insurance	\$ 67,628.51	Transfer from Operating Budget	Used to cover liability deductibles.	Established in 1997
<b>Social Services</b>				
Community Participation	\$ 20,638.33	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to Strategic Community Initiatives as deemed appropriate by Director and Council.	
Best Start Childcare Reserve (Stipulations Apply)	\$ 449.14	Year End unspent. Provincially funded program earmarked for Best Start.	Specific undertakings related to Childcare Initiatives as deemed appropriate by Director and Council.	Bylaw 4292
Affordable Housing Program- New Home Owners Program (Stipulations Apply)	\$ 253.79	Funds received by the province for new home ownership subsidy. Annual Year End transfer for revolving funds earmarked for this purpose.	Revolving fund for the purpose of New Home Ownership. Funds must be used for the purpose of new home ownership.	
Affordable Housing Program- Home Repair revolving (Stipulations Apply)	\$ 12.44	Funds received by the province for Home Repair subsidy. Annual Year End transfer for revolving funds earmarked for this purpose.	Revolving fund for the purpose of Home Repair Funding. Funds must be used for the purpose of Home repairs	
Affordable Housing Program - Creation of New Units	\$ 266,097.77	Annual operating budget transfer	Specific undertakings related to creating new unit affordable housing options as deemed appropriate by Director and Council.	Established in 2011 report to Social Services Committee

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
AHP and IAHP - Administration Funding	\$ 33,676.34	Transfer of monies received from the Province for the administration costs associated with administering the AHP and IAHP Program	Funds provided to encourage and enable planning and pre-development activities related to the AHP and IAHP. Including the administration costs related to the programs.	Affordable Housing Program and Investment in Affordable Housing Program. Stipulations apply.
<b>Planning and Economic Development</b>				
Official Plan Updates and Site Guidelines	\$ 18,676.29	Year End entry for project remaining committed funds earmarked for this purpose		
County Reforestation - Reserve Fund Funds (Stipulations Apply)	\$ 52,854.10	Funds received from the Ministry of Natural Resources in 1990.	Monies shall be expended only on the recommendation of the ATP Committee and the approval of Council for the purpose of acquiring County Forest property.	Established by Bylaw 3167 as a Reserve Fund
Water Resource Grants - Economic Development	\$ 5,140.47	Year End entry for project remaining committed funds earmarked for this purpose	Funds utilized to fund future years water resource grants.	
Brant Tract Shed	\$ 84.77	Year End entry for project remaining committed funds earmarked for this purpose	Funds utilized to fund the continuation of this project.	
Branding	\$ 4,523.52	Year end transfer of unspent project funds for Food Project and product development reassigned to offset branding in 2015 budget	Funds committed to Corporate Branding Project	
Rural Economic Development Program	\$ 7,241.84	Year End entry for project remaining committed funds earmarked for this purpose	Funds committed to fund Rural Economic Develop Program subsidized by the Province. For the purpose of regional marketing, promotion and/or branding activities and Economic development plans and/or strategies.	

Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Signage	\$ 10,478.88	Year End unspent Capital funds earmarked for this purpose	Funds utilized for Bruce County signage project related to economic development.	Original unspent is from 2008
<b>Transportation and Waste Management</b>				
Bike Master Plan	\$ 51,030.86	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose		
Sign Project	\$ 41,265.89	Year End unspent capital earmarked for this purpose	Funds utilized for Bruce County signage project related to economic development.	2016 trsf from tax stabilization reserve
Emerald Ash Bore	\$ 10,218.43	Year End unspent capital earmarked for this purpose	Specific undertakings related to Emerald Ash Bore as deemed appropriate by Director and Council.	
County Road West Road	\$ 1,243,039.45	Annual Operating budget contributions. Year End unspent capital earmarked for this purpose	Specific undertakings related to the west road as deemed appropriate by Director and Council.	2016 trsf from tax stabilization reserve for SON assessment \$47,024
Waste Management Future Planning - Reserve Fund	\$ 1,061,480.52	Annual Operating budget contributions.	Monies shall be expended only on the recommendation of the ATP Committee, the Committee charged with the responsibility for waste management and upon the approval of Council when required for the purposes of waste management planning requirements.	Established by Bylaw 3546 in 1996 was repealed in Feb 2016 Replaced with Bylaw 2016-033
<b>Library</b>				
Literacy Program	\$ 10,689.30	Year End unspent project funds earmarked for this purpose	Specific undertakings related to Literacy Program as deemed appropriate by Director and Council.	



Reserve Name	Reserve Balance	Typical Source of Funding	Typical Uses of Funding	Notes and Comments
Sale of Used Library Books	\$ 18,028.23	Year end transfer of the variance of funds generated at individual branches from the sale of used Library Books, and the purchases made through out the year	Used to purchase operating materials or capital book purchases associated with the applicable branch as deemed appropriate by Director and Library Board.	Finance maintains a detailed account of the individual branch donations. Established by motion in 2008.
Special One Time Funding	\$ 58,396.72	Year end transfer of provincial one time funding in 2006.	Specific undertakings related to strengthen literacy and life long learning as deemed appropriate by Director and Council.	
Accessibility	\$ 6,222.59	Operating budget transfer.	Specific undertakings related to accessibility as deemed appropriate by Director and Council.	Established in 2004
<b>Museum</b>				
First Nations Exhibit	\$ 4,679.67	Year End unspent project funds earmarked for this purpose	Specific undertakings related to First Nations Exhibit as deemed appropriate by Director and Council.	
Acquisition for Collections	\$ 356.62	Monies generated from the sale of de-accessioned Museum Artifacts	Specific undertakings related to collection related projects deemed appropriate by Director and Council.	Bylaw 2015-031

**Reserve Balance**

\$ 18,057,401.15



## Committee Report

**To:** Warden Mitch Twolan  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 2, 2017

**Re:** Nine Month Financial Statement Review September 30th

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### Recommendation:

The Nine Month Financial Statement Review September 30, 2017 Report is for information and will be included on the November 9<sup>th</sup> Executive Committee agenda supporting the Departmental Q3 Annual Business Plan updates.

### Background:

On July 6<sup>th</sup>, 2017 Committee received a Five Month Financial Update. The Q3 Business Plans updates are to be presented on November 9<sup>th</sup> but do not include details of the Department financial positions. Finance staff have been meeting with the various Directors and Managers to review the financial statements and review projections based on current activity and trending.

The purpose of this report is to highlight problem areas which need to be monitored closely so that the over-expenditure is mitigated, reduced or a method of financing is applied. Forecasts are based on previous spending patterns, incorporating known events which may alter the spending pattern in Q4. Should all of the forecasting identified to date prove to be unchanged at yearend, a surplus of \$700,000 would be the result.

CAO Office (\$27,889 surplus forecasted at yearend)

- Salaries, benefits and staff related expenditures are attributing to the surplus projected for year end.

Corporate Services (\$113,481 surplus forecasted at yearend)

- Utilities surplus has been transferred to offset the financing cost of the Integrated Energy Performance Program.



- Salaries and benefits, including staff related cost are trending towards a surplus at year-end. An earlier than expected Maternity Leave, and temporary vacancies are the cause of the current results.

#### Human Resources (\$2,288 surplus forecasted at yearend)

- Overall, the Human Resources Department is projecting a small surplus created by projected savings in Salary and Benefit related costs.
- Consulting Services and Computer Maintenance software remain consistent with the May report projecting a deficit of \$20,000 related to unbudgeted, but approved expenditures

#### Health Services

##### Brucelea Haven Long Term Care (\$123,304 surplus forecasted at yearend)

- The preferred portion of resident accommodation fee is projected to generate a surplus of approximately \$27,000, a decrease of \$3,000 over the five-month report. This surplus amount will phase out as the grandfathered preferred rates are eliminated.
- The eligible provincial subsidy resulted in an increase of \$53,000 as result of the approved Case Mix Index (CMI) and the inflationary factor being greater than budgeted. This subsidy is offset with the increase of \$38,000 to the budgeted basic accommodation revenue. The deficit in the raw food expenditure that at May 31, was projected to reach \$40,000 is now expected to level off at \$19,000 and will be offset by the additional revenues of \$14,500 related to the raw food funding per diems.
- Overall salaries and benefits are projecting an \$86,000 surplus. The realignment of administrative salaries and benefits to the 3 divisions in Health Services that were budgeted fully in Long Term Care has a positive impact on salaries and benefits from the May 31st report. There has also been a significant improvement in nursing and dietary salaries and benefit costs. The projected deficit at May 31<sup>st</sup> has been mitigated and a surplus is expected, however the projected surplus is reduced substantially as a result of the \$58,000 in Agency Costs incurred.
- Other Nursing Expenses are creating a \$10,000 surplus mostly related to lower spending on High Intensity Needs Supplies.
- The utility surplus projected at year-end has been adjusted to reflect a transfer to finance the Integrated Energy Performance Program and will be reported at a later date.



Gateway Haven Long Term Care - (\$294,530 surplus forecasted at yearend)

- As previously reported the preferred portion of the resident accommodation fee is forecasted to generate a \$24,685 surplus. Slightly higher than the \$23,000 projected at May 31, 2017. Further the provincial subsidy and basic rents are projecting a net \$5,000 surplus as the result of the unbudgeted per diem increases offset by the
- Surplus in basic accommodation revenue. The additional revenue generated in the subsidy line will be offset with an additional cost in raw food.
- Salaries and benefits are generating a \$285,000 expected surplus, \$160,000 of this is directly related to nursing. Overall salaries and benefits are projecting an \$86,000 surplus. Management are reviewing the contributing factors. The realignment of administrative salaries and benefits to the 3 divisions in Health Services applies to Gateway as well.
- The utility surplus projected at year-end has been adjusted to reflect a transfer to finance the Integrated Energy Performance Program and will be reported at a later date.
- Building and Property Operations, excluding the salary surplus is projecting a \$10,000 deficit, partially attributed to the loss of rental income due to the annual lease not being renewed.

Paramedic Services (\$305,091 deficit forecasted at yearend)

- Operational and Administrative salaries and benefits are trending towards a significant deficit and substantial increase in backfilled shifts related to employee wellness are among the contributing factors.  
If the current trend does not change, the projected deficit at year-end will reach the \$300,000 projected in May.
- Vehicle Fuel and Repair costs are trending above budget. January 2017 fuel costs spiked and were considerably higher than the previous year. Prices did go back down however it is still maintaining a higher cost per litre than the same period in 2016. Increased costs can also be linked to call volume and activity.
- An \$18,000 deficit is expected in Administration -Legal. Year to date costs are greater than the \$13,000 budget.
- An announcement of the approved Provincial Subsidy is anticipated in the very near future.



Museum (\$26,390 surplus forecasted at yearend)

- Admission revenue is greater than the same period in 2016, however, the trend suggests a small deficit at yearend if the pattern remains the same. Memberships and Foundation Revenues continue to be trending towards a deficit at year-end.
- Salaries and benefits project a \$17,000 salary surplus at yearend reduced from the May projection. The Marketing position vacant for a three-month period contributed to the surplus and that position has now been recruited reducing the surplus projected had the position remained vacant to yearend.
- Utilities remain consistent with last year, however, the unbudgeted 8% rebate generating a surplus has been identified to go towards financing the Integrated Energy Performance Program.
- Day to day operating expenses and programming are projecting an overall surplus.
- Capital Donations of \$17,000 for Riding the Rails has not been secured at the writing of this report. If it is not achieved, alternate sources of financing will need to be secured, otherwise the surplus will be reduced by the \$17,000 shortfall.

Library (\$26,651 surplus forecasted at yearend)

- Salaries and Benefits are projecting a \$10,000 deficit, as expected this amount is a decrease from the May forecast as two vacancies have been recruited.
- In the May report it was acknowledged that after the budget was approved, the Library secured a \$24,000 grant to offset costs in Periodicals and Subscription expenditures, which would produce a savings to the overall budget. In Q3 there is a \$23,000 surplus in subscriptions and periodicals.
- General revenues are trending toward a modest yearend surplus

Transportation (\$194,986 surplus forecasted at yearend)

- Overall the Transportation Department is currently projecting a surplus if spending and weather patterns continue, and capital projects remain as budgeted.
- This year's Winter Control was more favorable than budget predictions. The 2017 Winter Control budget was significantly reduced from the 2016 budget and therefore the anticipated surplus in this program will be much less than prior years. If the weather pattern continues, a surplus of \$68,000 is projected.
- At the end of May operating maintenance programs reflected an operating surplus of \$99,000 and there has been no change. Timing on some of these expenditures may have been delayed due to other factors and may reduce the projected surplus by year-end.



- Waste Disposal and Waste Diversion projects a \$31,000 surplus if spending pattern continues as previous years.
- Utility costs are consistent with other operations and any surplus will be used to offset the Integrated Energy Performance Program.

#### Social Services and Housing (\$161,009 surplus projected at yearend)

- Expenditures related to Social Housing snow removal are slightly less than 2016 and if the 4th quarter weather is similar to 2016 we will generate an estimated \$37,000 surplus in snow removal costs.
- Utility costs are projecting a substantial year-end surplus of \$200,000 contributed in part to the 8% rebate. This surplus has been redirected to finance the Integrated Energy Performance Program.
- Rental income is projecting an \$11,000 deficit at year end altered from the \$33,000 projected surplus at the end of May. This represents a decrease in the amount of rent being collected from Rent Geared to Income clients.
- In the Social Services and Family program, the Social Assistance Division is forecasting a significant surplus in administration mostly as a result of temporary vacancies.
- In Children's Programs, a projected deficit of \$12,500 is mostly related to the \$21,000 deficit related to salaries. Staff are working towards a planning program adjustment to manage the deficit which will be offset with a surplus generated in the fee subsidy program.

#### Planning (\$119,787 surplus projected at yearend)

- Land Use Planning revenues are exceeding last year's actuals to date at September 30<sup>th</sup>, however they did not meet the volume expectations that the trending pattern reflected in May reporting. At the end of September, the adjustment to the trend now predicts a surplus of \$43,000 at year end.
- Additional surplus identified at the end of Q3 includes \$53,000 in salaries and staff related costs.
- The Corporate Policy Division is projecting a \$37,500 surplus which reflects the May trend in Sector Development of a \$23,000 surplus, for the most part related to salaries and staff related costs.

#### Non Departmental (\$66,827 deficit projected at yearend)

- The in-year supplementary taxes and write-offs are always an area of concern and we are currently projecting a \$10,000 surplus based on a seven-year average. The software released by MPAC has assisted with monitoring the assessment at risk.



- Revenue from Provincial Offences is currently reflecting a deficit based on last year's results. In the May report we had expected to track closer to budget by year-end
- given the changes announced by the Province. The Ministry of Transportation (MTO) had confirmed that as of May 1 drivers with defaulted Provincial Offences Act (POA) fines (such as speeding fines) dating back to May 1, 2010 would be unable to renew
- their vehicle plates until defaulted fines had been paid. The Ministry of the Attorney General (MAG) had also made changes to allow municipal governments to recoup the costs of using collection agencies to collect defaulted fines. This was expected to have a positive impact on this year's Provincial Offences revenues, however to date we have yet to see little change in the revenues collected.

#### Financial/Staffing/Legal/IT Considerations

There is no staffing, legal or IT considerations associated with this report.

#### Interdepartmental Consultation:

Finance staff have forwarded each department the September 30<sup>th</sup>, 2017 Department Financial Statements and have met with the individual departments for detailed reviews. Monthly meetings for financial reviews are offered to all departments. This report will be included on the November 9<sup>th</sup> Executive Committee agenda supporting the Q3 updates.

#### Link to Strategic Goals and Elements:

None identified.

#### Approved by:

Kelley Coulter  
Chief Administrative Officer