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STAFF REPORT: Finance & IT Services



REPORT TO: Committee of the Whole
MEETING DATE: March 17, 2013
REPORT NO.: FIT.14.15
SUBJECT: Recommended 2013 Year-end Transfers
PREPARED BY: Sam Dinsmore, Financial Analyst

A. Recommendations

THAT Council receive Staff Report FIT.14.15 “Recommended 2013 Year-end Transfers” and approve the recommendation contained therein, being the transfer to and from Reserves and Reserve Funds as itemized in Schedules “A”, “B”, “C”, “D” and “E”, attached to this Report.

B. Background

The Town has substantially completed the fiscal year close for 2013. There remain closing entries and year-end transfers to complete the year-end accounting. These entries are shown in Schedules “A”, “B”, “C”, “D” and “E”, attached hereto.

The recommended 2013 transfers to and from revenue, reserves, and reserve funds have been compiled based on the 2013 net position of the Town’s operating departments, and after budgeted transfers to and from reserves were posted. In some cases, tax dollars were raised to fund capital expenditures that were not made in 2013 and will be transferred to a reserve in order to be taken into revenue or used in future years when the capital project occurs. In other cases, such as with water distribution or wastewater collection budgets, the net expenditures were lower or higher than budgeted, requiring the transfer to reserve of an amount different than that budgeted (utility user rate related transfers do not affect the property tax related surplus talked about elsewhere in this report). The recommendations are based on factors such as future Town needs and 2014 budget requirements.

C. The Blue Mountains’ Strategic Plan

Providing a strong, well managed municipal government

D. Environmental Impacts

N/A

E. Financial Impact

The total recommended transfers **from** Revenue amounts to \$44,181.10. Transfers of significance are:

- \$10,560.26 for the additional work on the Design Engineering Standards study due to a vacant position in Engineering
- \$15,785.88 to fund the holdbacks and additional costs paid in 2013 but budgeted in 2012 for the 10th Line, 4th Line, Pretty River Road and Beaver River Bridge projects

The total '**property tax** related' recommended transfers **from** Reserves & Reserve Funds amount to \$258,087.67. Transfers of significance are:

- \$104,000.00 from the Rollover Reserve to fund the Pump/Tanker purchase in 2012 but not delivered until 2013
- \$47,627.50 from the Human Resources Reserve to fund contractual and pay equity obligations
- \$50,000.00 from the Insurance Deductible Reserve to fund the 2013 deductible

The total '**property tax** related' recommended transfers **to** Reserves & Reserve Funds amount to \$559,194.30. Transfers of significance are:

- \$114,528.43 into the Rollover Reserve for such projects as the Official Plan, Napier Street reconstruction, completion of the comprehensive Asset Management Plan, and other small projects
- \$54,371.85 into the Road Reserve from the sale proceeds of the 2003 International plow truck and the 1998 Case.
- \$50,025 into the Police Reserve from the 2012 police credit

The total '**user fee** related' recommended transfers **from** Reserves & Reserve Funds amount to \$226,402.85. Transfers of significance are:

- \$114,375.00 from the Water Reserve Fund to fund the 2013 Water Department Operating deficit
- \$38,437.14 from the 2012 Rollover Reserve to fund the WasteWater Inflow Study
- \$16,260.00 from the 2012 Rollover Reserve to fund the SCADA towers built in Craighleith and Thornbury
- \$51,102.48 from the Working Capital Reserve to fund the 2013 Short Term Accommodation expenses

The total '**user fee** related' recommended transfers **to** Reserves & Reserve Funds amount to \$332,233.37. Transfers of significance are:

- \$116,153.20 in transfers from the 2013 surplus to Wastewater Reserve Fund
- \$88,700.00 into the Water Reserve Fund for the replacement pumps at the Thornbury Water Treatment Plant to be completed in 2014
- \$36,900.00 into the Water (\$28,200) and Wastewater (\$8,700) Reserve Funds to be used for the Lakeshore Drive project when it is evaluated during the TRIP project
- \$4,577.05 into the Rollover Reserve to be used for the hydro installation at the Harbour

The total recommended transfers **from** Development Charge Reserve Funds amount to \$141,985.03. Transfers of significance are:

- \$85,000.00 from Fire and Rescue DC to fund the 2012 budgeted purchase of the Pumper/Tanker that was delivered in 2013
- \$37,331.13 from the Police DC to fund annual OPP Station debt repayment that wasn't included in the 2013 budget due to late timing of the loan in 2012
- \$17,871.01 from the Roads & Related Area DC to fund the warranty holdback and remaining expenses for the Mountain Drive project that was all budgeted for in 2012

The total recommended transfers **between** Reserves & Reserve Funds amount to \$193,179.81 and relate to collapsing historical reserves relating to CAUSE and moving funds from the rollover reserve to specific reserves. There was also transfers moving funds from the Hospital reserve to the Working Capital reserve to cover the costs of the Health Clinic grant.

The total recommended **Unfinanced Capital** expenditure transfers amount to \$574,309.10 Transfers of significance are:

- \$207,130.40 transferred into unfinanced for Harbour Dredging to be paid back using user fees from future years as per the Thornbury Harbour financial plan
- \$195,299.89 funding of Town Hall construction 2012 unfinanced balance from loan received in 2013
- \$577,028.54 transferred into unfinanced for the Peaks Road/Wensley Drive project that will be funded by benefitting units when the Local Servicing By-Law is passed in late 2014 or early 2015
- \$9,752.55 transferred into unfinanced for the Hoover/Tesky project that will be funded by benefitting units when the Local Servicing By-Law is passed in 2015

F. In Consultation With

Renee Ouellette, Financial Accountant

Robert Cummings, Director of Finance & IT Services

G. Attached

1. Schedule "A" - 2013 from Reserve and Reserve Fund Transfers
2. Schedule "B" - 2013 to Reserve and Reserve Fund Transfers
3. Schedule "C" - 2013 Development Charge Reserve Fund Transfers
4. Schedule "D" - 2013 Transfers between Reserve and Reserve Funds
5. Schedule "E" - 2013 Unfinanced Capital Expenditure Transfers

Respectfully submitted,

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Sam Dinsmore, Financial Analyst

Rob Cummings

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Schedule "A" – 2013 from Reserve and Reserve Fund Transfers

Non Budgeted Contributions from General Reserves & Reserve Funds (Transfers to Capital/Operating)

1-124-0000-31010	Reserves - Year Over Year Roll Over
\$ 104,000.00	Fund Fire Truck purchase from 2012
\$ 2,500.00	Fund Community Policing Program
\$ 22,678.18	Fund Slabtown bridge from 2012 rollover
\$ 16,260.00	Fund SCADA Towers from 2012 rollover
\$ 38,437.14	Fund Wastewater Inflow Study from 2012 rollover
\$ 10,000.00	Cemetery shoring equipment purchase, remainder put back into revenue
\$ 0.53	Remaining Tomahawk funding put back into revenue
\$ 7,011.65	BVCC protective railings purchase, remainder put back into revenue

1-210-0000-31001	Reserves - Fire
\$ 4,218.99	Fund Bunker equipment as per report FD.13.02

1-124-0000-31008	Reserves - Human Resources
\$ 47,627.50	Fund HR contractual and pay equity obligations

1-308-0000-31001	Reserves - Roads
\$ 5,822.85	Fund Clark St warranty holdback budgeted in 2012
\$ 2,136.24	Fund Aspen Way warranty holdback budgeted in 2012

1-312-0000-31001	Reserves - Streetlight Upgrades
\$ 2,091.73	Fund Mountain Drive warranty holdback budgeted in 2012

	From Revenue Fund
\$ 10,560.26	Additional work for Design Engineering Standards study due to vacant position
\$ 1,200.60	Additional funds required for DC background study
\$ 2,850.00	BVCC purchase of small equipment from 2013 operating budget
\$ 6,952.21	Additional funds required to cover budget over run for SCADA towers
\$ 5,465.12	Mill Street project hydro pole relocation budgeted in prior years
\$ 15,785.88	Fund project holdback release, budget in prior years (Beaver River Bridge, 10th Line, 4th Line, Pretty River Road)
\$ 778.40	Fund Off-Leash Dog Park signage
\$ 588.63	Additional funds required for on going Fire capital equipment purchases

1-124-0000-31004	Reserves - Insurance Deductible
\$ 50,000.00	Fund 2013 insurance deductible

1-124-0000-30900	Reserves - Working Capital
\$ 51,102.48	Fund 2013 Short Term Accommodation as per B.12.13

4-415-0000-32001	Blue Mountain Water Reserve Fund
\$ 6,228.23	Lora Bay PVR additional costs due to construction supervision costs
\$ 114,375.00	Transfer to fund 2013 water department deficit

Schedule "B" – 2013 to Reserve and Reserve Fund Transfers

Non Budgeted Contributions To Reserves & Reserve Funds (Transfers from Operating/Capital)

1-124-0000-31010	Reserves - Year Over Year Rollovers
\$ 8,650.00	Professional development to be completed in 2014
\$ 15,000.00	Asset Management Plan to be completed in 2014
\$ 846.00	Community Watch donations to be used in 2014
\$ 10,000.00	Wayfinding Strategy to be used in 2014
\$ 9,173.02	Roads Needs Study to be used in 2014
\$ 47,987.18	Napier Street project to be used in 2014
\$ 4,577.05	Dock Hydro to be used in 2014
\$ 2,000.00	Site Plan Design Guidelines to be used in 2014
\$ 2,500.00	Heritage Plan to be used in 2014
\$ 18,372.23	Official Plan to be used in 2014
4-308-0000-32003	Road Reserve Fund
\$ 34,219.43	Proceeds from sale of 2003 International plow truck
\$ 20,152.42	Proceeds from sale of 1998 Case
1-312-0000-31001	Reserve - Streetlight Upgrade
\$ 3,900.00	Elma Street transferred for 2014 TRIP project
1-308-0000-31001	Reserve - Roads
\$ 59,942.69	Elma Street transferred for 2014 TRIP project (Roads, Storm, Sidewalk)
1-840-0000-31001	Reserves - Attainable Housing
\$ 5,067.92	Transfer unspent funding for use in future years
1-220-0000-31001	Reserves - Police
\$ 50,028.00	Transfer 2012 police credit to reserve
4-415-000-32001	The Blue Mountains Water Reserve Fund
\$ 25,000.00	Thornbury Water Tower work dependant on 2014 structure analysis
\$ 28,200.00	Lakeshore Drive project to be evaluated with TRIP
\$ 31,380.00	Transfer 2013 vacant lot revenue as per report FIT.13.34
\$ 88,700.00	Replacement pumps at Thornbury WTP to be completed in 2014
4-421-0000-32001	The Blue Mountains Sewer Reserve Fund
\$ 22,048.00	Transfer 2013 vacant lot revenue as per report FIT.13.34
\$ 116,153.20	Transfer 2013 department surplus
\$ 8,700.00	Lakeshore Drive project to be evaluated with TRIP
1-124-0000-30900	Reserves - Working Capital
\$ 194,645.00	Transfer 2013 Engineering department surplus for future years
1-124-0000-31008	Reserves - Human Resources
\$ 44,165.15	Transfer HR legal fee reimbursement
1-840-0000-31001	Reserves - BIA
\$ 6,368.80	Transfer 2013 surplus
1-631-0000-31001	Reserves - Harbour
\$ 1,106.32	Transfer 2013 surplus
1-820-0000-31001	Reserves - Comm. & Economic Development
\$ 30,000.00	Transfer unused Economic Development initiative to be completed in 2014
4-650-0000-32001	Reserves Fund - LE Shore Foundation Land
\$ 2,545.26	2013 interest earned and unspecified donations

Schedule "C" – 2013 Development Charge Reserve Fund Transfers

Non Budgeted Contributions from Development Charge Reserve Funds (Transfers to Capital/Operating)

4-220-0000-33001	Police DC Reserve Fund
\$ (37,331.13)	Fund OPP Station annual debt repayment not included in 2013 budget
4-432-0000-33001	Craigleith Sewer Capacity DC Reserve Fund
\$ (1,613.84)	Additional funding required for CWWTP annual debt repayment
4-210-0000-33001	Fire and Rescue DC Reserve Fund
\$ (85,000.00)	Fund Pumper purchase budgeted in 2012 not delivered until 2013
4-308-0000-33001	Public Works DC Reserve Fund
\$ (169.05)	Additional funds required for Public Works truck purchase
4-308-000-33003	Roads & Related Area DC Reserve Fund
\$ (17,871.01)	Fund release of warranty holdback, no 2013 budget for Mountain Dr

Schedule "D" – 2013 Transfers Between Reserve and Reserve Funds

Non Budgeted Transfers between Reserves & Reserve Funds

1-124-0000-30900	Reserves - Working Capital
\$ 140,000.00	Transfer Health Clinic repayments to Working Capital
1-520-0000-31001	Reserves - Hospitals
\$ (140,000.00)	Transfer Health Clinic repayments from Hospital Reserve
1-840-0000-31001	Reserve - BIA
\$ 3,179.81	Transfer remaining funds to BIA from CAUSE
1-124-0000-31009	Reserves - CAUSE
\$ (3,179.81)	Transfer remaining funds from CAUSE to BIA
1-308-0000-31001	Reserve - Roads
\$ 40,000.00	Transfer funds for Elma from ROR to Roads
1-510-0000-31001	Reserve - Cemetery
\$ 10,000.00	Transfer funds from ROR to Cemetery
1-124-0000-31010	Reserve - Year over Year Rollover
\$ (50,000.00)	Transfer funds to Roads and Cemetery specific funds

Schedule "E" – 2013 Unfinanced Capital Expenditure Transfers

6-124-1280-36555	Unfinanced Capital - Town Hall
\$ (195,299.89)	Fund 2012 unfinanced balance from grant
6-124-1280-36556	Unfinanced Holdback - Town Hall
\$ (41,248.06)	Reversing prior year hold back accrual
1-631-6304-36555	Unfinanced Capital - Harbour Dredging
\$ 207,130.40	To be paid back in future years, approved as unfinanced
1-810-8007-36555	Unfinanced Capital - Zoning By-Law
\$ (7,123.74)	To reduce 2012 unfinanced balance
1-810-8012-36555	Unfinanced Capital - Official Plan
\$ (5,002.76)	To reduce 2012 unfinanced balance
6-308-0142-36556	Unfinanced Holdback - Clark Street
\$ (6,002.06)	Funding 2012 warranty holdback, no 2013 budget
6-308-0214-36556	Unfinanced Holdback - 10th Line
\$ (1,675.21)	Funding 2012 warranty holdback, no 2013 budget
6-308-0250-36556	Unfinanced Holdback - 4th Line
\$ (2,252.15)	Funding 2012 warranty holdback, no 2013 budget
6-308-0267-36556	Unfinanced Holdback - Pretty River Road
\$ (3,688.80)	Funding 2012 warranty holdback, no 2013 budget
6-308-0398-36556	Unfinanced Holdback - Aspen Way
\$ (2,572.31)	Funding 2012 warranty holdback, no 2013 budget
6-308-3921-36556	Unfinanced Holdback - Beaver River Bridge
\$ (24,391.76)	Reversing 2012 unfinanced
6-312-0494-36556	Unfinanced Holdback - Mountain Drive Streetlights
\$ (12,990.31)	Funding 2012 warranty holdback, no 2013 budget
6-422-0463-36555	Unfinanced Capital - Arlberg Crescent
\$ 9,752.55	Transfer Engineering costs to unfinanced until project is complete and Local Servicing By-law is passed
6-421-0344-36555	Unfinanced Capital - Hoover Lane/Tesky Drive
\$ 28,524.07	Transfer Engineering costs to unfinanced until project is complete and Local Servicing By-law is passed
6-308/309/421-0360	Unfinanced Capital/Holdback - Peaks Road
\$ 143,718.16	Transfer cost to unfinanced until project is complete and a Local Servicing By-Law is passed
6-308/309/312/415/421-0362	Unfinanced Capital/Holdback - Wensley Drive
\$ 433,638.17	Transfer cost to unfinanced until project is complete and a Local Servicing By-Law is passed
6-631-6305-36555	Unfinanced Capital -Harbour Docks
\$ 5,468.49	Transfer cost to unfinanced, over budget in 2013
1-308-3812-36555	Unfinanced Capital -Hwy 26/Grey Road 2 EA
\$ 18,858.50	Transfer cost to unfinanced until study is complete in 2014
1-415-4003-36555	Unfinanced Capital -Water Model
\$ 29,465.81	Transfer cost to unfinanced until study is complete in 2014