

This document can be made available in other accessible formats as soon as practicable and upon request

STAFF REPORT: Finance & IT Services



REPORT TO: Council
MEETING DATE: March 4, 2013
REPORT NO.: FIT.13.13
SUBJECT: Recommended 2012 Year-end Transfers
PREPARED BY: Darcy Chapman, Capital Accountant

A. Recommendations

THAT Council receive Staff Report FIT.13.13 “Recommended 2012 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” and “D”, attached to this Report.

B. Background

The Town has substantially completed the fiscal year close for 2012. There remain closing entries and year-end transfers to complete the year-end accounting. These entries are shown in Schedules “A”, “B”, “C” and “D”, attached hereto.

The recommended 2012 transfers to and from reserves and reserve funds have been compiled based on the 2012 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 2012. These funds 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 surplus/deficit was lower or higher than budgeted, requiring the transfer to reserve of an amount different than that budgeted (utility user fee 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 departmental needs and 2013 budget requirements.

C. The Blue Mountains’ Strategic Plan

Providing a strong, well managed municipal government

D. Environmental Impacts

Supporting environmentally sound decisions

E. Financial Impact

The total property tax related recommended transfers **from** Reserves & Reserve Funds amount to \$682,375.78. Transfers of significance are:

- \$104,941.86 from Human Resources Reserve for legal , pay equity & job evaluation costs and employee severance costs
- \$355,028.56 from Roll Over Reserves for costs related to the Beaver River Bridge Rehabilitation and Slabtown Bridge Reconstruction
- \$54,000 from Assessment Reduction Reserves for 2012 write-downs and write-offs
- \$43,213 from Police Reserves to cover contract overages in 2012
- \$60,114.79 from Gas Tax Reserve Funds for the Landfill Expansion Project

The total property tax related recommended transfers **to** Reserves & Reserve Funds amount to \$485,134.30. Transfers of significance are:

- \$448,527.29 in year over year roll-overs for such projects as Fire Truck purchase, Fire radio/communication equipment, Elma Street reconstruction, Landfill mining, BVCC roof & front entrance works and other small projects
- \$29,712 into Economic Development reserves from 2012 operating surplus funds for use in a Business Retention and expansion study.

The total **user fee** related recommended transfers **from** Reserves & Reserve Funds amount to \$62,610.94 and are related solely to the requirement of reserve funds to fund the 2012 Water Department operating deficit.

The total **user fee** related recommended transfers **to** Reserves & Reserve Funds amount to \$157,415.27. Transfers of significance are:

- \$132,335.44 in transfers from the 2012 surplus to Wastewater Reserve Funds
- \$25,079.83 in transfers from the 2012 BIA surplus to BIA reserves

The total recommended transfers **from** Development Charge Reserve Funds amount to \$433,342.49. Transfers of significance are:

- \$321,979.19 from the Roads & Related DC to fund 2009 expenditures related to the Town's share of the Round-a-bout
- \$70,468.18 from the Camperdown Area Specific Water DC for funding unfinanced works related to water main construction within the service area in 2007-2008

The total recommended transfers **between** Reserves & Reserve Funds amount to \$1,282,189.40 and are relate to previously approved reports and council motions to collapse historical reserves relating to Town Hall and the Library thereby creating specific Reserve Funds as established through by-law 2012-34 (library) and 2012-58 (town hall).

The total recommended **Unfinanced Capital** expenditure transfers amount to \$4,378,331.94. Transfers of significance are:

- \$3,301,302.79 transfer from Town Hall unfinanced to offset FCM loan received
- \$621,687.71 transfer from Police Station unfinanced to offset Infrastructure Ontario loan received
- \$321,979.19 transfer from Roundabout unfinanced to be funded through 2012 DC's collected
- \$56,211.36 transfer from Zoning By-law unfinanced to be funded from surplus 2012 tax levy funds

F. In Consultation With

Renee Ouellette, Financial Accountant
Robert Cummings, Director of Finance & IT Services

G. Attached

1. Schedule "A" – 2012 Reserve and Reserve Fund Transfers
2. Schedule "B" – 2012 Development Charge Reserve Fund Transfers
3. Schedule "C" – 2012 Transfers between Reserve and Reserve Funds
4. Schedule "D" – 2012 Unfinanced Capital Expenditure Transfers

Respectfully submitted,

Darcy Chapman, Capital Accountant

Robert Cummings, CMA
Director of Finance & IT Services

For more information, please contact:

Darcy Chapman
dchapman@thebluemountains.ca
519-599-3131 x274

Schedule "A" – 2012 Reserve and Reserve Fund Transfers

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

1-124-0000-30900	Reserves - Working Capital
\$ 45,886.16	Fund Camperdown Road receivable writeoff
1-124-0000-31010	Reserves - Year Over Year Roll Over
\$ 4,025.00	Connectivity Surplus - Fibre Optic service agreement contract - annual costs
\$ 272,196.10	Funding of Beaver River Bridge project from MTO 2008 contribution
\$ 82,832.46	Funding of Slabtown Bridge from 2011 rollover
1-124-0000-31007	Reserves - Assessment Reductions
\$ 54,000.00	Fund Assessment Writedowns for 2012
1-124-0000-31008	Reserves - Human Resources
\$ 53,243.36	Fund employee severance packages
\$ 23,745.11	Fund HR Legal expenses related to employee matters
\$ 27,953.39	Fund Human Resources consulting costs - Pay Equity/Job Evaluation
1-220-0000-31001	Reserves - Police
\$ 43,213.00	Fund OPP budget overage for 2012
\$ 3,509.00	Fund Community Watch program costs for 2012
1-611-0000-31020	Reserves - Parks Non Growth
\$ 841.61	Fund 10% of Nipissing Ridge Washroom construction costs
1-642-0000-31001	Reserve - Depot
\$ 2,200.00	Fund Exterior painting of Depot building
4-308-0000-32001	Gas Tax Reserve Fund
\$ 3,019.00	Recovery of 2012 admin fees and Audit costs for Gas Tax fund
\$ 60,114.79	Funding of 2012 Landfill Engineering (EA Screening) fees
4-415-0000-32001	Blue Mountains Water Reserve Fund
\$ 62,610.94	Reduction of budgeted transfer to reserves to fund 2012 water division deficit
4-611-0000-32004	Shoreline Acquisition Reserve Fund
\$ 5,596.80	Fund Northwinds Beach Washroom upgrades

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

1-124-0000-31010	Reserves - Year Over Year Rollovers
\$ 2,500.00	Transfer community policing Huronia Alarms donation fur use in 2013
\$ 79,000.00	Fire Department Truck purchase in 2013
\$ 101,346.75	Fire Radio/Communixation equipment
\$ 40,000.00	Elma Street Reconstruction - road related works
\$ 16,260.00	Water SCADA radio tower installation
\$ 70,000.00	Landfill attenuation land purchases - 2014-2016
\$ 60,114.79	Landfill Mining / Environmental Screening
\$ 10,000.00	Cemetery shoring equipment
\$ 34,794.10	BVCC Arena Roof Replacement
\$ 7,011.65	BVCC Areat Protective Handrail installation
\$ 27,500.00	BVCC Hall Entrance Removal and reconstruction

1-124-0000-31003	Reserve - Workers Compensation
\$ 2,420.63	Transfer of 2011 NEER WSIB refund

1-611-0000-31001	Reserve - Parks Memorial Trees
\$ 737.59	Transfer of 2012 surplus donations to reserve for future use

1-820-0000-31001	Reserve - CEDC
\$ 29,712.00	Transfer of 2012 surplus for Business Retention strategy

1-840-0000-31001	Reserves - Business Improvement Association
\$ 25,079.83	Transfer of 2012 surplus to reserves

4-650-0000-32001	Library Land Reserve Fund
\$ 3,051.50	Transfer of 2012 unspecified donations to reserve for future land purchase/expansion

4-650-0000-32002	Library Legacy Reserve Fund
\$ 685.29	Transfer of 2012 Walker surplus funds for use in 2013

4-421-0000-32001	The Blue Mountains Sewer Reserve Fund
\$ 132,335.44	Transfer of 2012 Surplus to reserves

Schedule "B" – 2012 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
\$ 7,687.71	Fund 2012 Police Station Interest expenses from unfinanced

4-308-0000-33003	Roads & Related DC Reserve Fund
\$ 321,979.19	Fund Unfinanced expenses related to Town's share of Round-a-bout construction from 2009

4-413-0000-33009	Thornbury WTP DC Reserve Fund
\$ 15,418.68	Fund Water Modelling Demand Study from DC's

4-418-0000-34001	Camperdown Area Specific Water DC Reserve Fund
\$ 70,468.18	Fund Camperdown Unfinanced Watermain works from 2008

4-421-000-34001	Camperdown Area Specific Sewer DC Reserve Fund
\$ 10,214.21	Fund Camperdown Unfinanced Sewer works from 2008

4-611-0000-33001	Parks & Recreation DC Reserve Fund
\$ 7,574.52	Fund Nipissing Ridge Washroom construction as Per DOR.12.35

Schedule "C" – 2012 Transfers Between Reserve and Reserve Funds

Non Budgeted Transfers between Reserves & Reserve Funds

1-124-0000-30900	Reserves - Working Capital
\$ (838,454.90)	Transfer Town Hall monies to specific Reserve Fund
1-124-0000-31005	Reserves - Administration Building
\$ (317,490.03)	Transfer Town Hall monies to specific Reserve Fund
1-650-0000-31001	Reserve - LE Shore Memorial Library
\$ (22,442.26)	close-out of reserve and transfer to specified Reserve Fund
1-650-0000-31002	Reserve - LE Shore Library Fundraising
\$ (23,937.86)	close-out of reserve and transfer to specified Reserve Fund
1-650-0000-31003	Reserve - Library ENERPLAN
\$ (79,864.35)	close-out of reserve and transfer to specified Reserve Fund
4-124-0000-32001	Town Hall Reserve Fund
\$ 1,155,944.93	Transfer Town Hall monies to specific Reserve Fund
4-650-0000-32001	LE Shore Foundation Land (Library Bank Acct) Reserve Fund
\$ 46,380.12	Creation of specified Reserve Fund
4-650-0000-32003	Library Asset Management Reserve Fund
\$ 79,864.35	Creation of specified Reserve Fund

Schedule "D" – 2012 Unfinanced Capital Expenditure Transfers

1-124-1280-36555	Unfinanced Capital - Town Hall
\$ 3,301,302.79	Transfer unfinanced to current to offset FCM Loan received
1-220-2201-36555	Unfinanced Capital - Police Station
\$ 621,687.71	Transfer unfinanced to current to offset Infrastructure Ontario Loan received
6-308-0495-36555	Unfinanced Capital - Mountain Drive Round-a-Bout
\$ 321,979.19	Transfer to current for funding through Roads DC's collected in 2012
6-308-0308-36555	Unfinanced Capital - Lora Bay Sunset Blvd Phase 2
\$6,244.89	Transfer final engineering expense from 2009 to current for funding
1-650-0000-31002	Unfinanced Capital - Camperdown Water
\$ 70,468.18	Transfer to current for funding through Camperdown DC's collected in 2012
1-650-0000-31003	Unfinanced Capital - Camperdown Sewer
\$ 10,214.21	Transfer to current for funding through Camperdown DC's collected in 2012
4-124-0000-32001	Unfinanced Capital - Wensley Drive Sanitary Extension
\$ (9,786.39)	Transfer Engineering expenses to unfinanced until Local Servicing By-law is passed in 2014
4-650-0000-32001	Unfinanced Capital - Zoning By-law Update & Consolidation
\$56,221.36	Transfer 2011 unfinanced to current as project surplus tax levy was available to reduce debt