



Year End Report for  
County of Grey  
December 31, 2018

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## Financial Report 2018

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*We have audited the consolidated financial statements of the County of Grey which comprise the consolidated statement of financial position as at December 31, 2018 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated May 23, 2019.*

*The audit was performed to form an opinion on the consolidated financial statements as a whole. The information in this year-end report is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. The information was derived from the underlying accounting and other records used to prepare the consolidated financial statements. The information in this year-end report has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.*

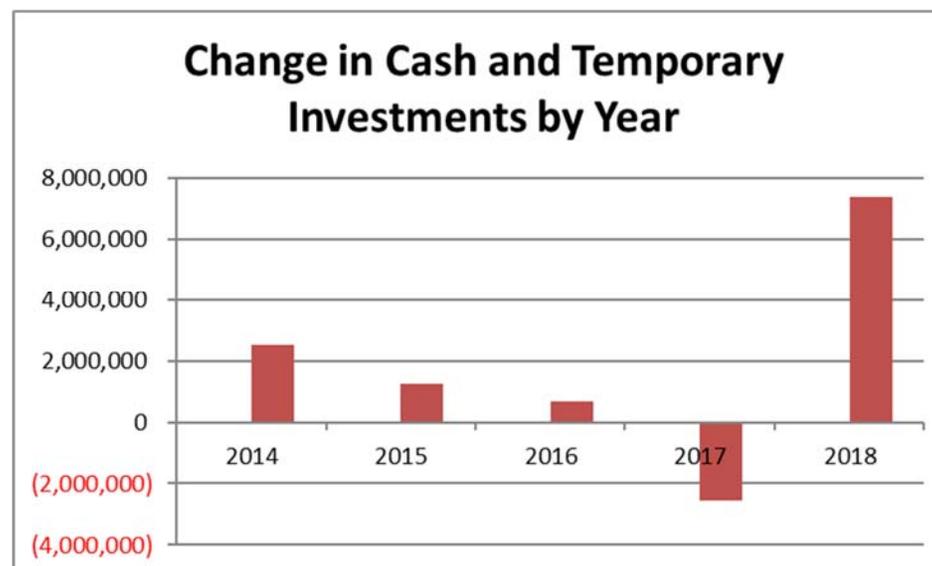
*The year-end report is prepared to provide Council with more detailed financial information and graphical analysis of the consolidated financial statements. As a result, the year-end report may not be suitable for other purposes. Our year-end report is intended solely for the use of Council and should not be distributed to or used by parties other than Council in conjunction with the audited consolidated financial statements.*

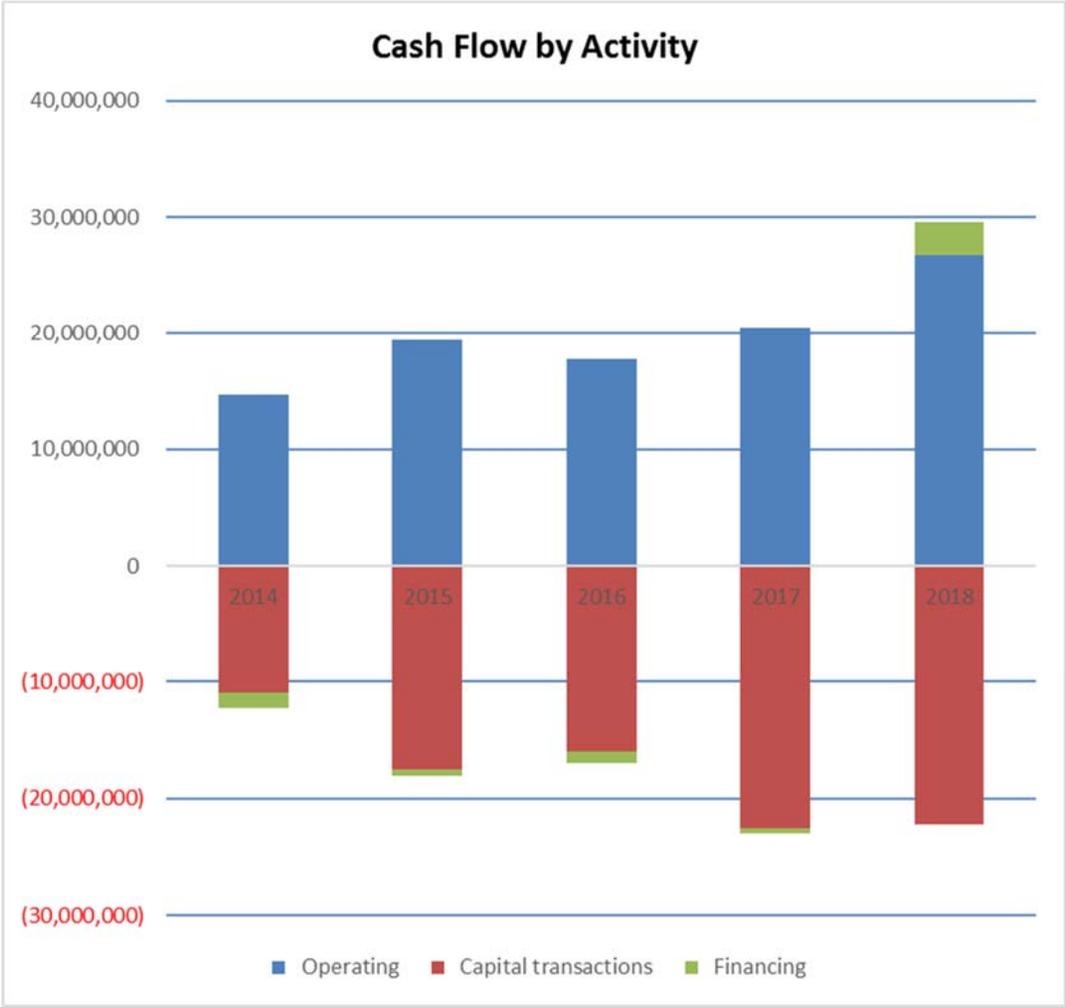
## WHERE ARE YOU TODAY?

	2014	2015	2016	2017	2018
Cash and temporary investments	57,663,636	58,928,067	59,619,551	57,084,235	64,477,827
Trade and other receivables	2,348,622	3,659,837	2,450,026	3,080,701	3,174,940
Other	12,564	11,539	11,138	11,473	10,024
	<u>60,024,822</u>	<u>62,599,443</u>	<u>62,080,715</u>	<u>60,176,409</u>	<u>67,662,791</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	6,106,804	10,768,924	8,945,687	10,485,315	16,289,339
Vacation pay, post-employment benefits and WSIB					
Schedule II liabilities	6,420,519	6,201,179	8,265,984	7,661,908	7,619,250
Deferred Revenue	7,734,823	6,114,239	7,379,465	9,883,345	11,316,965
Net long-term liabilities	1,981,277	2,993,195	2,000,000	1,600,000	4,493,973
	<u>22,243,423</u>	<u>26,077,537</u>	<u>26,591,136</u>	<u>29,630,568</u>	<u>39,719,527</u>
<b>Net financial assets</b>	<u>37,781,399</u>	<u>36,521,906</u>	<u>35,489,579</u>	<u>30,545,841</u>	<u>27,943,264</u>
<b>Accumulated surplus</b>					
<b>Invested in tangible capital assets</b>					
Net book value of tangible capital assets	168,828,886	172,294,241	174,169,747	183,721,051	201,217,731
Unexpended financing (Unfinanced capital)	(946,048)	(853,565)	(779,503)	(7,295,143)	(8,607,784)
Capital assets financed by long-term liabilities and to be funded in future years	(1,181,280)	(593,195)	-		(3,293,973)
Total invested in capital assets	<u>166,701,558</u>	<u>170,847,481</u>	<u>173,390,244</u>	<u>176,425,908</u>	<u>189,315,974</u>
Unfunded post-employment benefits	(5,825,883)	(5,615,745)	(7,664,899)	(7,071,121)	(7,040,495)
Unfunded commitment to Grey Bruce Health Services	(800,000)	(600,000)	(400,000)	(200,000)	-
Unfunded commitment to Georgian College	-	(1,800,000)	(1,600,000)	(1,400,000)	(1,200,000)
Other surplus	1,424,698	1,405,741	1,209,825	1,070,647	1,269,853
	<u>161,500,373</u>	<u>164,237,477</u>	<u>164,935,170</u>	<u>168,825,434</u>	<u>182,345,332</u>
<b>Reserves</b>	<u>46,560,802</u>	<u>46,019,475</u>	<u>46,131,947</u>	<u>46,553,044</u>	<u>48,112,282</u>
	<u>208,061,175</u>	<u>210,256,952</u>	<u>211,067,117</u>	<u>215,378,478</u>	<u>230,457,614</u>

## CASH FLOWS

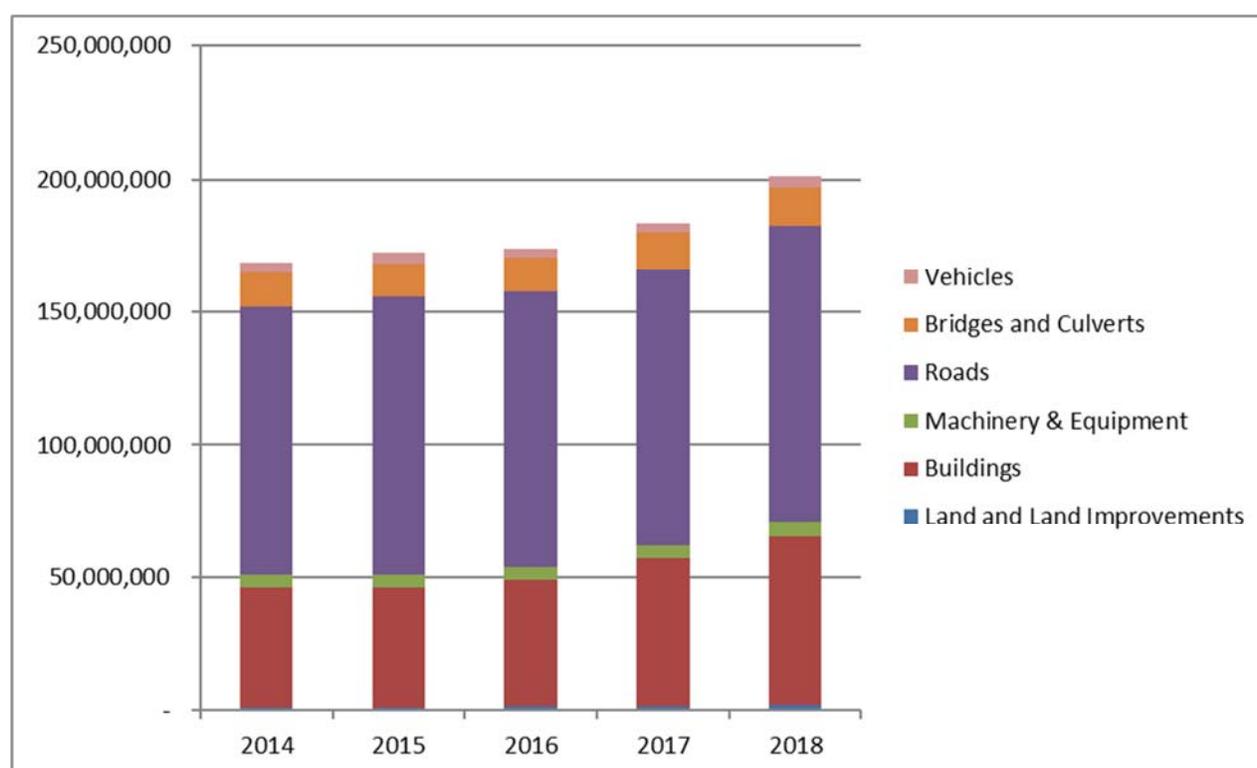
	2014	2015	2016	2017	2018
Cash and temporary investments	57,663,636	58,928,067	59,619,551	57,084,235	64,477,827
Cash Flows					
Operating	14,727,342	19,333,154	17,686,420	20,434,569	26,699,910
Capital transactions	(10,914,313)	(17,480,641)	(16,001,741)	(22,569,885)	(22,200,291)
Financing	(1,290,224)	(588,082)	(993,195)	(400,000)	2,893,973
Increase (decrease) in cash	2,522,805	1,264,431	691,484	(2,535,316)	7,393,592





## TANGIBLE CAPITAL ASSETS

	2014	2015	2016	2017	2018
Land and Land Improvements					
Buildings	1,291,744	1,340,994	1,746,686	1,675,515	2,291,919
Machinery & Equipment	44,870,897	44,979,392	47,193,752	55,465,422	63,185,147
Roads	4,708,226	4,416,708	4,802,898	4,813,798	5,734,252
Bridges and Culverts	100,990,518	105,005,018	103,783,882	103,734,268	111,167,147
Vehicles	12,842,117	12,650,839	13,247,688	14,370,920	14,330,065
Net Book Value	4,125,384	3,901,290	3,394,841	3,661,128	4,509,201
Historical Cost	168,828,886	172,294,241	174,169,747	183,721,051	201,217,731
	395,675,860	408,260,450	420,469,488	437,739,002	462,714,131



*Definitions:*

*Historical Cost - the price of an asset on the balance sheet based on its original cost when acquired*

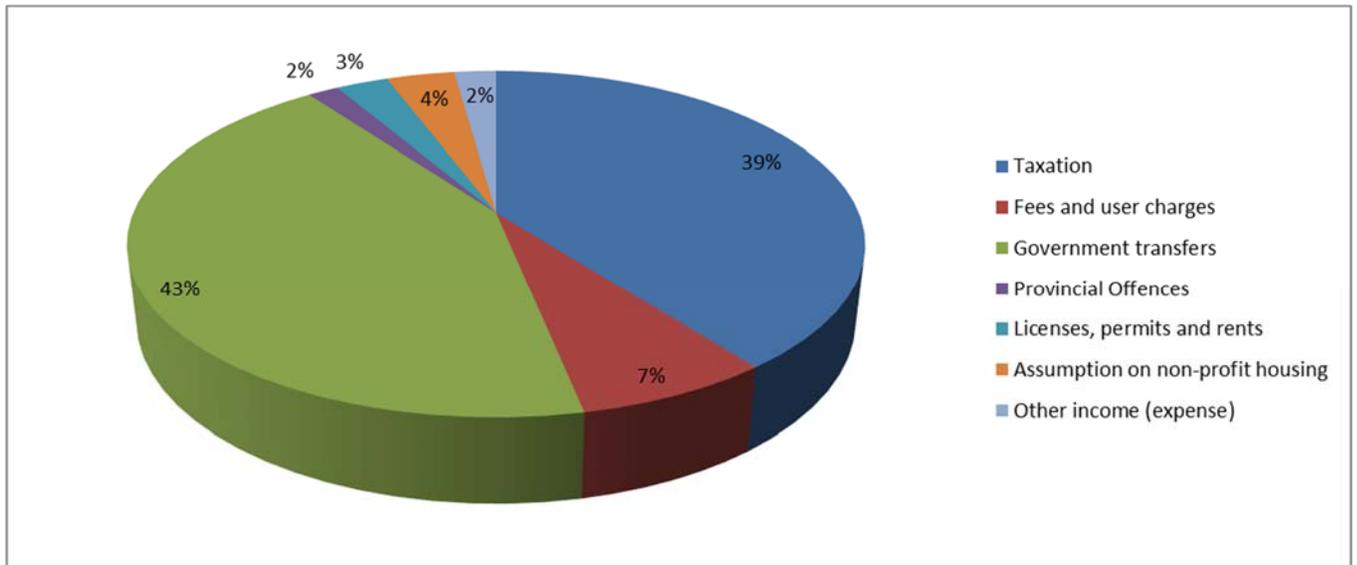
*Net Book Value - the amount recorded for an asset based on its historical cost less accumulated amortization*

*Amortization - the allocation of the cost of an asset over its useful life*

## FOUR YEAR AND BUDGET COMPARISON OF REVENUES

	2015	2016	2017	2018	Budget
Taxation	\$ 51,377,416	\$ 52,760,353	\$ 54,844,864	\$ 55,557,664	\$ 55,520,665
Fees and user charges	12,468,173	10,476,788	9,866,339	10,189,431	9,666,846
Government transfers	52,153,538	50,494,104	53,982,270	60,519,460	59,042,445
Provincial Offences	2,474,738	2,374,188	2,186,128	2,281,651	2,210,000
Licenses, permits and rents	3,756,881	3,781,531	3,834,869	4,014,981	3,782,498
Assumption of non-profit housing	-	-	-	5,009,255	-
Other income (expense)	1,618,911	2,316,732	2,918,394	2,885,166	4,239,315
	<u>\$ 123,849,657</u>	<u>\$ 122,203,696</u>	<u>\$ 127,632,864</u>	<u>\$ 140,457,608</u>	<u>\$ 134,461,769</u>

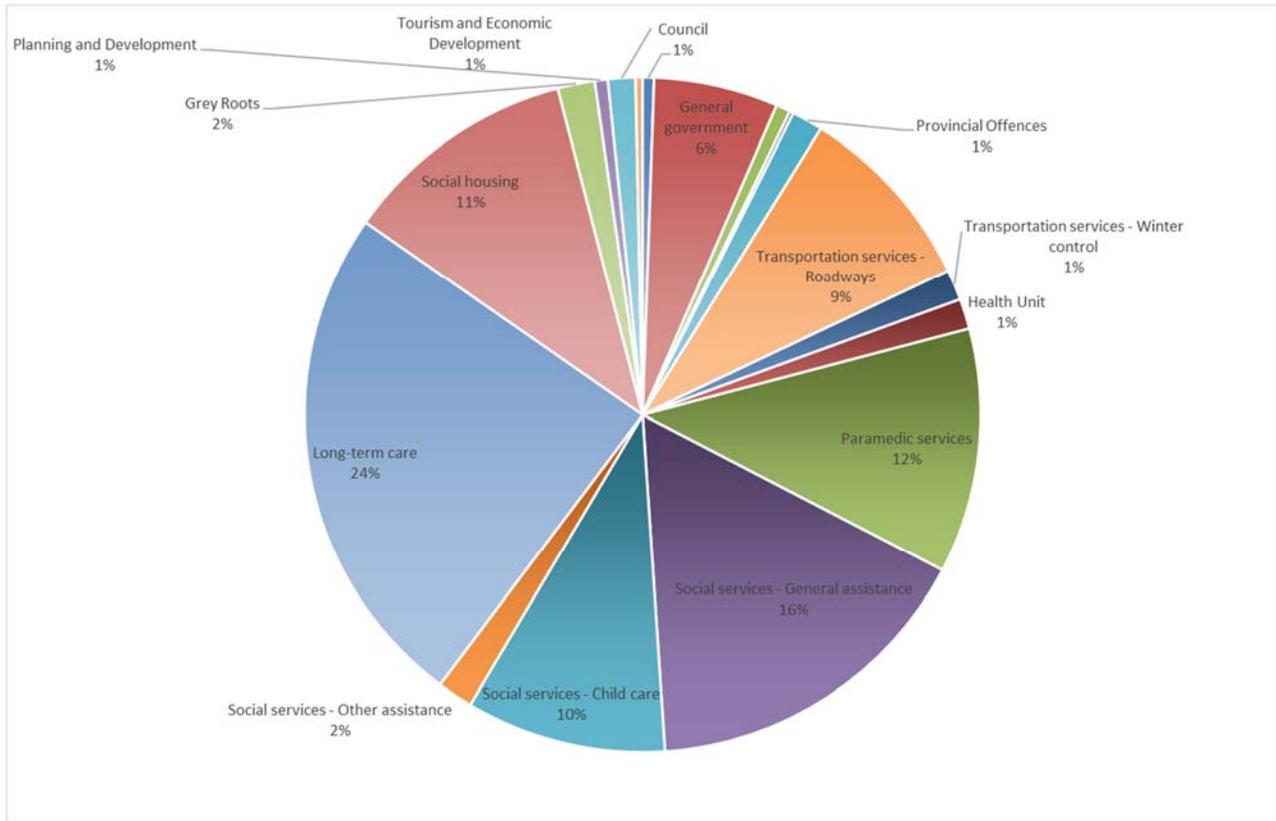
## 2018 REVENUES



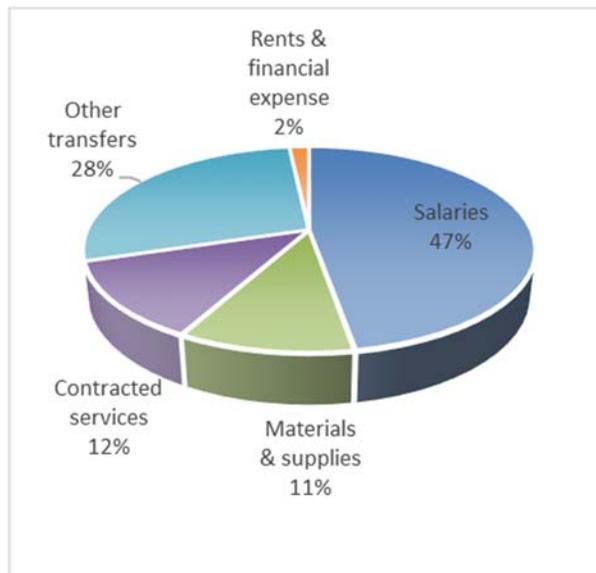
## FOUR YEAR COMPARISON OF OPERATING EXPENSES AND BUDGET (excluding amortization)

	2015	2016	2017	2018	Budget
Council	582,786	587,239	624,764	625,123	657,200
General government	8,863,042	6,888,098	6,887,355	6,850,596	7,158,600
Corporate overhead	373,431	424,199	477,900	786,604	557,200
Emergency management	202,144	155,289	178,165	214,417	212,800
Provincial Offences	1,800,258	1,826,187	1,694,682	1,713,174	1,726,362
Transportation services - Roadways	9,021,805	10,240,965	10,649,102	10,483,269	8,272,559
Transportation services - Winter control	1,679,542	1,817,625	1,974,294	1,710,501	2,082,800
Health Unit	1,787,027	1,695,252	1,853,813	1,676,724	1,669,619
Paramedic services	12,308,352	13,092,287	12,934,178	13,547,835	12,875,800
Social services - General assistance	19,074,226	18,371,982	18,387,214	18,779,338	19,599,516
Social services - Child care	7,583,510	8,228,296	8,797,906	11,028,694	11,156,628
Social services - Other assistance	1,838,388	1,764,119	1,754,133	1,970,703	1,948,155
Long-term care	26,267,671	27,272,403	26,965,780	28,202,835	27,749,811
Social housing	10,639,865	10,949,522	12,280,702	12,960,035	11,985,618
Grey Roots	2,017,901	1,941,510	1,973,572	2,049,412	2,045,700
Planning and Development	785,110	812,969	753,962	715,123	816,400
Tourism and Economic Development	1,069,923	953,247	1,527,758	1,508,735	1,543,000
Agriculture and forestry	315,164	448,103	436,755	383,713	478,100
Long-term commitments	2,000,000	-	-	-	-
<b>Total</b>	<b>108,210,145</b>	<b>107,469,292</b>	<b>110,152,035</b>	<b>115,206,830</b>	<b>112,535,868</b>
Salaries	49,702,978	53,163,520	52,451,865	54,477,583	54,539,814
Interest	85,748	56,580	32,621	47,028	-
Materials & supplies	11,725,497	11,931,882	12,143,564	12,205,016	13,144,628
Contracted services	10,981,277	11,853,571	12,395,012	14,100,011	11,016,915
Other transfers	33,815,907	28,474,514	30,745,363	32,423,815	31,865,399
Rents & financial expense	1,898,738	1,989,225	2,383,610	1,953,377	1,969,112
<b>Total</b>	<b>108,210,145</b>	<b>107,469,292</b>	<b>110,152,035</b>	<b>115,206,830</b>	<b>112,535,868</b>

## 2018 OPERATING EXPENSES BY FUNCTION



## 2018 OPERATING EXPENSES BY OBJECT



# DEPARTMENTAL SUMMARY OF SURPLUS TRANSFERRED TO RESERVES

	Budget Revenue	Actual Revenue	Budget Expenditure	Actual Expenditure	Surplus / (Deficit) Before Allocations and Transfers	Internal Allocations	Transfer to (from) Reserve	Surplus (Deficit)
<b>CORPORATE SERVICES</b>								
Taxation & Grants	\$ 56,225,165	\$ 56,303,741	\$ 704,500	\$ 746,077	36,999	(36,999)		\$ -
Council	\$ 23,000	\$ 16,069	\$ 666,978	\$ 651,901	8,146	(8,146)		\$ -
Admin. Departments	\$ 1,878,400	\$ 1,887,575	\$ 6,202,265	\$ 5,964,301	247,139	(391,272)	(144,133)	\$ -
Information Services	\$ 316,600	\$ 301,552	\$ 316,600	\$ 297,172	4,380	(4,380)		\$ -
Weekly Indemnity	\$ -	\$ -	\$ -	\$ (52,301)	52,301	(52,301)		\$ -
Workers Compensation	\$ (200)	\$ (311)	\$ (200)	\$ 75,235	(75,546)	52,300	(23,246)	\$ -
Property	\$ 100,800	\$ 1,849,195	\$ 1,265,751	\$ 3,007,799	6,347	(6,347)		\$ -
Provincial Offices	\$ 2,404,300	\$ 2,494,694	\$ 2,018,865	\$ 2,045,569	63,690	(63,690)		\$ -
Assessment	\$ -	\$ -	\$ 1,816,600	\$ 1,834,995	(18,395)	18,395		\$ -
Health Care and Education	\$ 44,198	\$ 174,567	\$ 2,141,319	\$ 2,148,423	123,265	(123,265)		\$ -
	\$ 60,992,263	\$ 63,027,082	\$ 15,132,678	\$ 16,719,171	448,326	(615,705)	(167,379)	\$ -
<b>PLANNING &amp; COMMUNITY DEVELOPMENT</b>								
Planning & Development	\$ 299,700	\$ 215,205	\$ 992,208	\$ 771,859	135,854	\$ (135,854)		\$ -
Econ. Dev., Tourism, Forestry & Agriculture	\$ 754,300	\$ 618,295	\$ 2,375,576	\$ 2,690,106	(450,535)	\$ 520,535	\$ 70,000	\$ -
Grey Roots	\$ 275,950	\$ 435,172	\$ 2,415,070	\$ 2,516,344	57,948	\$ -	\$ 57,948	\$ -
	\$ 1,329,950	\$ 1,268,672	\$ 5,782,854	\$ 5,978,309	\$ (256,733)	\$ 384,681	\$ 127,948	\$ -
<b>SOCIAL SERVICES</b>								
Ontario Works and Child Care	\$ 28,623,886	\$ 27,694,211	\$ 32,076,296	\$ 30,976,662	169,959	\$ (169,959)		\$ -
Housing	\$ 7,613,723	\$ 13,216,160	\$ 15,080,146	\$ 20,195,228	487,355	\$ (160,100)	\$ 327,255	\$ -
Grey Gables	\$ 5,104,177	\$ 5,116,449	\$ 6,498,752	\$ 6,456,141	54,883	\$ -	\$ 54,883	\$ -
Lee Manor	\$ 11,584,300	\$ 11,885,852	\$ 13,509,291	\$ 13,727,721	83,122	\$ -	\$ 83,122	\$ -
Rockwood Terrace	\$ 8,314,600	\$ 7,721,017	\$ 9,903,670	\$ 9,301,056	9,031	\$ -	\$ 9,031	\$ -
Long Term Care Redevelopment	\$ 136,200	\$ 10,683	\$ 1,497,210	\$ 1,371,693	-	\$ -		\$ -
	\$ 61,376,886	\$ 65,644,372	\$ 78,565,365	\$ 82,028,501	\$ 804,350	\$ (330,059)	\$ 474,291	\$ -
<b>TRANSPORTATION &amp; PUBLIC SAFETY</b>								
Paramedic Services	\$ 8,562,111	\$ 8,622,931	\$ 14,965,117	\$ 15,587,020	(561,083)	\$ 561,083	\$ -	\$ -
Transportation Services	\$ 12,765,608	\$ 11,785,990	\$ 30,580,804	\$ 30,022,596	(421,410)	\$ -	\$ (421,410)	\$ -
	\$ 21,327,719	\$ 20,408,921	\$ 45,545,921	\$ 45,609,616	\$ (982,493)	\$ 561,083	\$ (421,410)	\$ -
	\$ 145,026,818	\$ 150,349,047	\$ 145,026,818	\$ 150,335,597	\$ 13,450	\$ -	\$ 13,450	\$ -

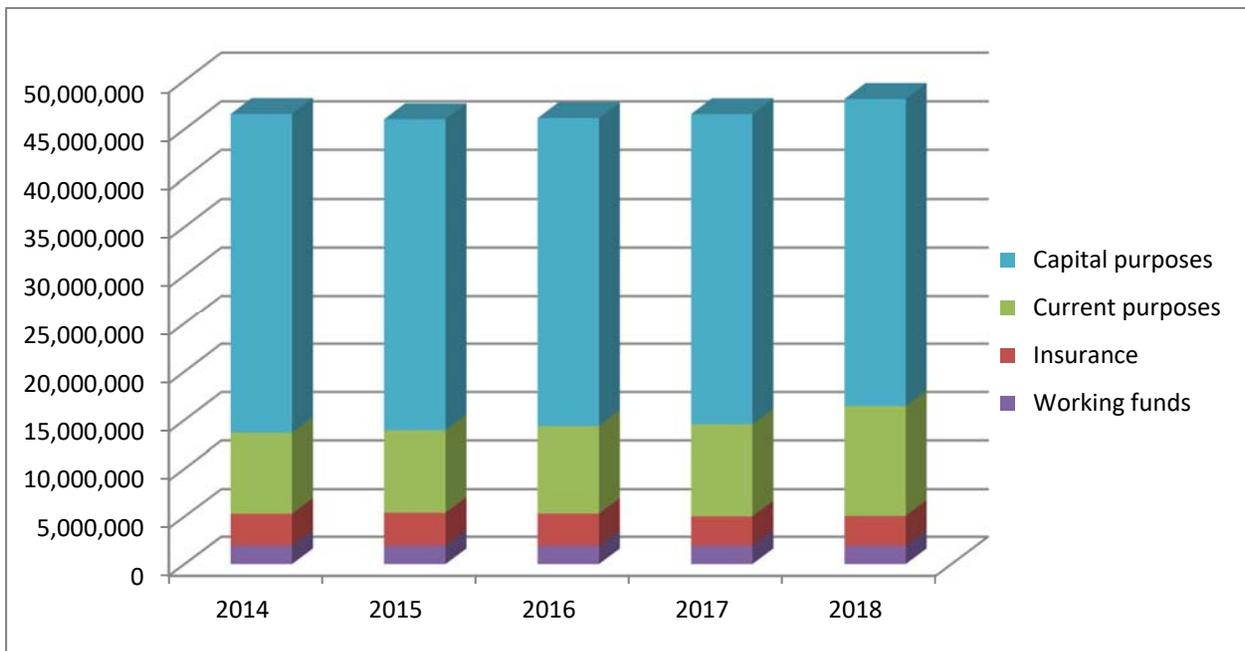
The departmental summary has been prepared by management. It does not include the expenditures for WSIB Schedule 2 costs, vacation pay and post employment benefits and amortization.

Revenues and expenditures include transfers to and from reserves and debt principal repayments and therefore columns do not agree to the consolidated statement of operations.

Internal allocations refers to the approved transfers required to fund departmental deficits.

## WHAT YOU HAVE FOR THE FUTURE - RESERVES

Reserves	2014	2015	2016	2017	2018
Working funds	1,930,799	1,930,799	1,930,799	1,930,799	1,930,799
Insurance	3,359,760	3,461,496	3,374,622	3,084,428	3,136,183
Current purposes	8,377,928	8,526,130	9,060,933	9,519,037	11,354,074
Capital purposes	32,892,315	32,101,050	31,765,593	32,018,780	31,691,226
	<b>46,560,802</b>	<b>46,019,475</b>	<b>46,131,947</b>	<b>46,553,044</b>	<b>48,112,282</b>



	2014	2015	2016	2017	2018
Reserves as a % of Total Expenses	45.91%	42.53%	42.93%	42.26%	41.76%
Reserves as a % of Taxation	89.06%	89.57%	89.79%	84.88%	86.60%

# WHAT YOU HAVE FOR THE FUTURE - OBLIGATORY RESERVE FUNDS

	2014	2015	2016	2017	2018
Obligatory Reserve Funds					
Development Charges	3,295,811	3,585,057	4,462,419	6,408,480	7,804,714
Federal Gas Tax	2,404,319	2,348,672	2,561,990	3,034,313	2,585,510
	<b>5,700,130</b>	<b>5,933,729</b>	<b>7,024,409</b>	<b>9,442,793</b>	<b>10,390,224</b>

