

Meeting Date: September 3, 2019
Department: Finance Department
Prepared By: Bill Dakin, Director of Finance-Treasurer
Reviewed By: Greg McClinchey, Chief Administrative Officer
Subject: **Transfers to and from Reserves and Reserves Funds**

RECOMMENDATION:

That Council: (1) confirms transfers to reserves and reserves funds in 2018 of \$2,921,375 and transfers from reserves and reserve funds in 2018 of \$4,069,678; and (2) approves the transfer of 2018 year-end operating and capital net revenue in the amount of \$5,989,738 to department reserves.

BACKGROUND

As required by legislation, Council approves transfers to and from reserves and reserve funds. This report summarizes the request to confirm transfers done in 2018, most of which were in budget, and recommends transfers of 2018 year-end operating and capital net revenue to department reserves.

COMMENTS

The attached Summary Activity of Reserves and Reserve Funds 2018 shows thirty-eight (38) transfers to reserves and reserve funds in 2018 totaling \$2,921,375 and sixty-two (62) transfers from reserves and reserve funds in 2018 totaling \$4,069,678. Additionally, total interest earned for the reserve funds in 2018 was \$103,288, interest earned for development charges in 2018 was \$88,410 and development charges totaling \$2,398,649 were received.

The attached Proposed Transfer of 2018 Department Operating and Capital Net Revenues to Reserves will allocate another \$5,135,555 to reserves (Note – the \$854,183 transfer of capital net revenue is included in the \$5,989,783 presented above).

CONSULTATION

Finance Department Staff.

FINANCIAL IMPLICATIONS

These transfers will help to improve the financial stability of the municipality and to meet its future spending requirements.

ATTACHMENTS

- Summary Activity of Reserves and Reserve Funds in 2018
- Proposed Transfer of 2018 Operating and Capital Net Revenues to Reserves

Highlights of 2018 Reserve Activity

Amounts Transferred to Reserves/Reserve Funds:

Capital projects in progress - carried over to 2019	750,980
2018 capital projects completed under budget	103,203
All other transfers to reserves	2,067,192
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	\$ 2,921,375

Amounts Transferred From Reserves/Reserve Funds:

Reserve transfers per 2018 operating budget	265,070
Reserve transfers per 2019 capital budget (ie/ completed projects)	2,747,094
2018 capital projects completed over budget	134,626
2018 capital projects not on original 2018 capital budget	922,888
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	\$ 4,069,678

Interest earned on Reserves/Reserve Funds \$ 103,288

Highlights of 2018 Development Charges Fund Activity

Development charges received in 2018 \$ 2,398,649

Interest earned on Development Charges \$ 88,410

Transfers from Development Charges Funds in 2018:

DC's used to finance capital projects	725,863
DC's used to finance long-term debt repayments	917,181
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	\$ 1,643,044

TOTAL DC'S, RESERVES & RESERVE FUNDS AT DEC 31, 2018 \$ 34,643,892
(excluding transfer of 2018 net operating revenues to reserves)

Proposed Transfer of 2018 Department Operating and Capital Net Revenues to Reserves

	Operating	Capital	Total
Animal Control	(87)		(87)
Council	3,149		3,149
Crossing Guards	4,911		4,911
General Government	321,860	90,014	411,874
Property Management	28,295		28,295
Information Technology	16,207	11,808	28,015
Building Inspection	181,648		181,648
Fire Service	(45,505)		(45,505)
Police Service	286,101	58,474	344,575
Property Standards/Bylaw Enforcement	30,417		30,417
Drainage	20,657		20,657
Cemetery	44,810		44,810
Roads	(146,437)	211,331	64,894
Solid Waste	(65,364)		(65,364)
Strathroy-Caradoc Wastewater	2,023,098	138,999	2,162,097
Strathroy-Caradoc Water	2,124,922		2,124,922
Streetlights	95,663	36,000	131,663
Aquatics (Pool)	(4,703)		(4,703)
Arenas	(18,300)	200,983	182,683
Recreation	54,441		54,441
Caradoc Community Centre	16,140	56,386	72,526
Library	57,429		57,429
Museum	7,185	3,000	10,185
Parks	12,970	47,188	60,158
Scout Hall	1,490		1,490
Economic Development	16,614		16,614
Community Development	68,918		68,918
Planning	(974)		(974)
TOTAL	\$ 5,135,555	\$ 854,183	\$ 5,989,738