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STAFF REPORT: Finance and IT Services



REPORT TO: Committee of the Whole
MEETING DATE: June 27, 2016
REPORT NO.: FAF.16.52
SUBJECT: Monthly Financial Report – May 2016
PREPARED BY: Debbie Brown, Budget Analyst

A. Recommendations

THAT Council receive Staff Report FAF.16.52, entitled “Monthly Financial Report – May 2016” for information purposes.

B. Background

Finance provides financial updates for review by the Finance and Administration Committee of the Whole and approval by Council. The attached documentation provides Council with information on the financial activity of the Town in relation to the 2016 Budget.

Staff has examined the financial position and activities of the Town’s operations to May 31, 2016 for the following:

Tax-Supported Services

Overall, total expenses are running at 40% of budget and revenues are at 43%.

At May month-end the Town was operating slightly under-budget with the majority of that being Salaries & Benefits and Capital. Salaries and Benefits will continue to run slightly under-budget as the Town still has a few vacant full-time positions. Capital is expected to be at 100% by year-end as the major projects are just getting started. Revenues are running as expected as the Town has levied half of the annual property taxes as well as received half of the annual OMPF grant.

Capital expenditures are currently at 7% of the capital budget; which is expected as most of the projects are just getting underway and have had little or no expenses. A number of projects have been awarded and started including the 33rd Sideroad and 10th Line Reconstruction, Hillcrest Drive Resurfacing, vehicle purchases, Landfill Compactor purchase, Trestle Bridge Reconstruction, and Dasher Boards at the arena.

Water and Wastewater Operations

Overall total expenses are running at 46% of budget and revenues are at 37%.

Estimates on user rate billings are presently trending less than expected at 37% of budget as a result of lower than expected usage. Fixed charge revenue is on target. Private charge revenue is presently at 43% of budget. Expenses are currently trending over-budget due to a few main breaks including the large sewer main break on Highway 26.

Capital expenditures are currently at 6% of the capital budget, similarly with taxation the majority of the projects have just started.

User Fee Supported Operations (Building and Harbour)

Overall total expenses are running at 32% of budget and revenues are at 55%.

Building Permits are at 46% of annual budget and at the end of May. Due to the seasonal nature of the Harbour operations, activity level is as expected at this point in the season, as few expenses have been incurred with the Harbour just starting operations. Seasonal Mooring Fees are at 95% as they are collected up-front from the users of the Harbour.

Density Bonusing

None have been collected during the month of May 2016.

C. The Blue Mountains' Strategic Plan

Goal #4: Promote a Culture of Organizational and Operational Excellence
Objective #4: To Be a Financially Responsible Organization

D. Environmental Impacts

The Blue Mountains is committed to environmental sustainability.

E. Financial Impact

As per above.

F. In Consultation With

Vicky Bouwman, Financial Analyst
Sam Dinsmore, Manager of Accounting & Budgets/Deputy Treasurer

G. Attached

1. May 2016 Flash Report
2. May 2016 Budget Variance Report Tax Levy Summary
3. May 2016 Budget Variance Report Water & Wastewater Services Summary
4. May 2016 Budget Variance Report User Fee Summary

Respectfully submitted,

Debbie Brown
Budget Analyst

Ruth Prince
Director of Finance and IT Services

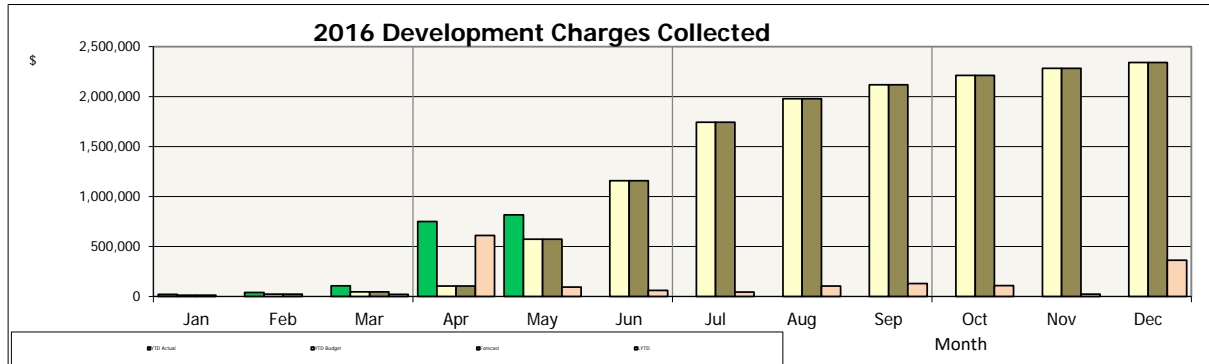
For more information, please contact:
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**The Blue Mountains
Monthly Flash Report -- Operating
May 31/2016**

**FAF.16.52
Attachment 1**

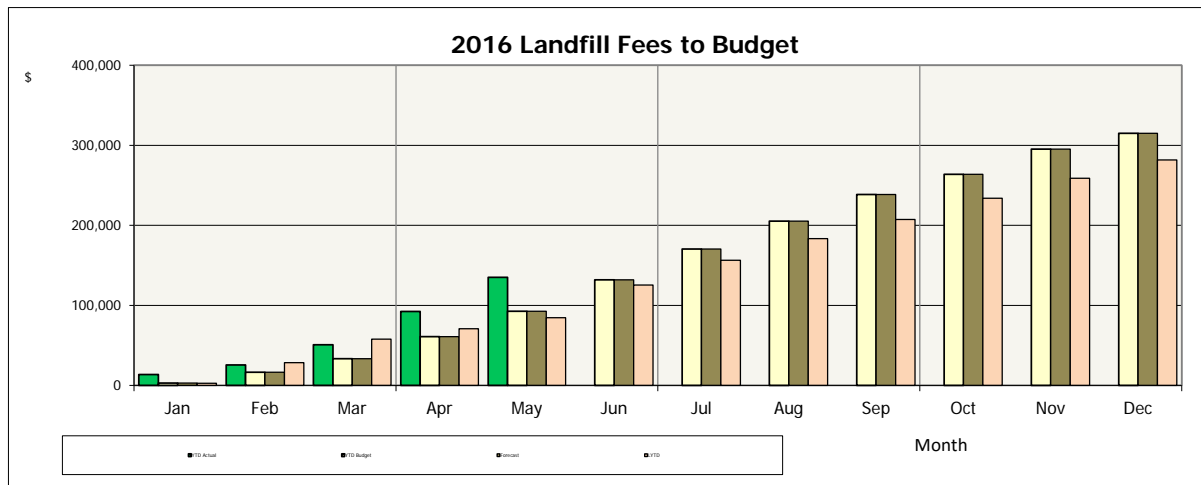
**Development Charges
Collected**

Estimated from the DC Background Study	YTD Actual	% Collected
2,340,885	816,912	35%



Landfill Site Fees

Annual Budget	YTD Actual	% of Budget
315,000	135,110	43%



Commentary
Total Development Charges Collected in May was \$ 67,989 on Building Permits
Soft Services -Total \$ 53,334
General Government - \$7,929
Fire - \$ 12,289
Police - \$ 2,210
Public Works - \$ 6,050
Parks & Recreation - \$ 16,500
Library - \$ 8,356
Hard Services - Total \$ 14,655
Roadways - \$ 5,273
Water - \$ 9,806
Wastewater - \$ -424.00

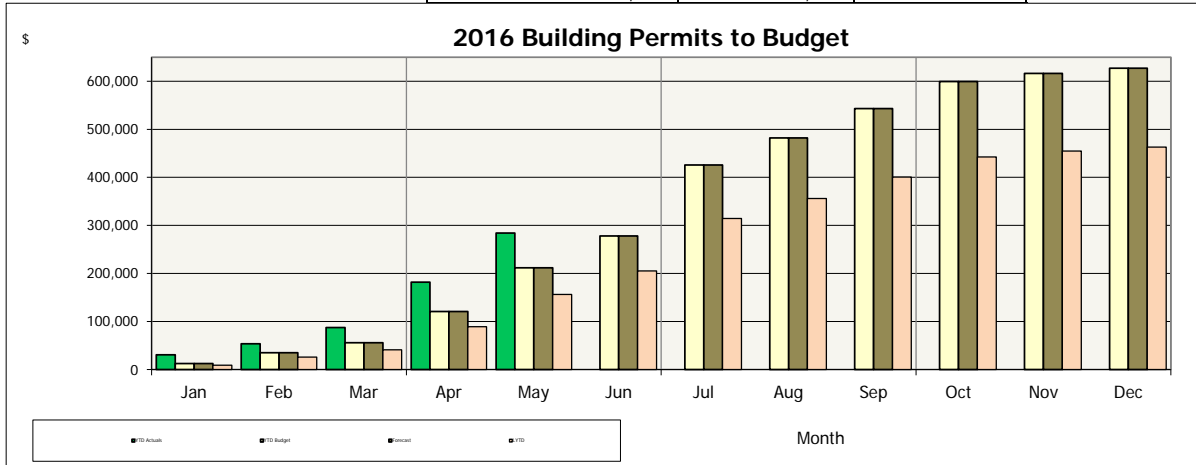
Commentary
Total Landfill Site fees collected for May were \$ 42,855
May 2016 YTD has increased over May 2015 YTD by \$ 29,569

Note: YTD Budget is an extrapolation of the Annual Budget based on estimated occurrence of transactions in our business cycle.

**The Blue Mountains
Monthly Flash Report -- Operating
May 31/2016**

Building Permits

Annual Budget	YTD Actual	% of Budget
627,270	284,012	45%



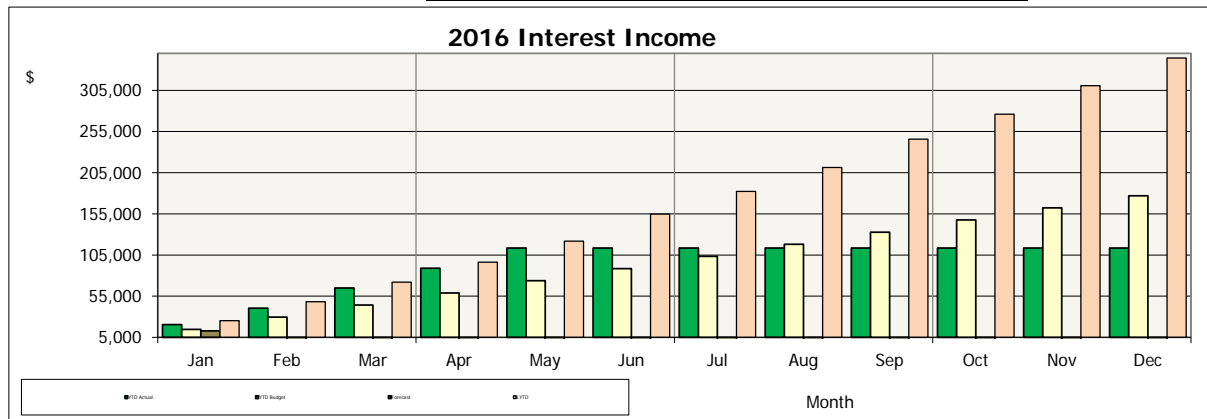
Commentary

Total Building Permit Fees collected for May were \$ 102,256

May 2016 YTD has decreased over May 2015 YTD by \$ 2,531

Interest Income

Annual Budget	YTD Actual	% of Budget
177,000	113,372	64%



Commentary

Town Operating Bank Account Balance at May 31, 2016 was \$ 15,550,428.

The Town had a Tax Due Date on May 26th.

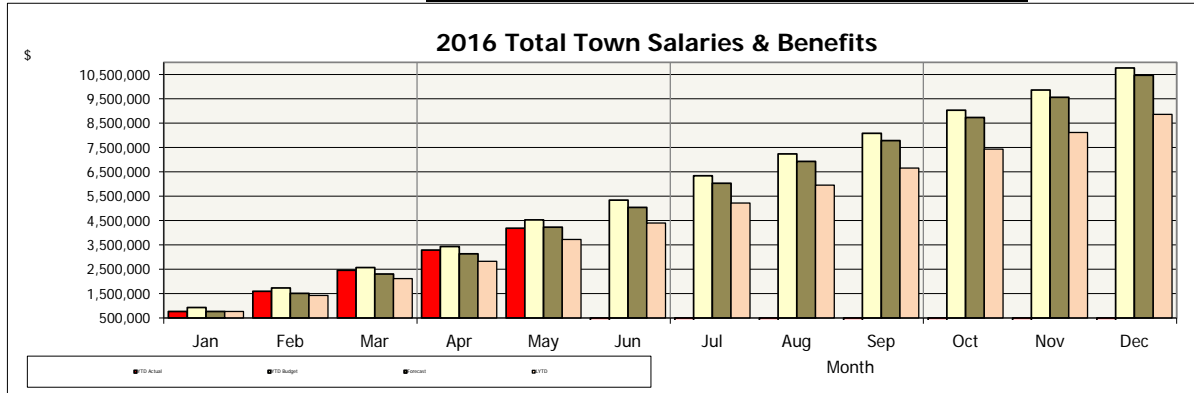
The Town invested \$7,500,000 for 30 days with TD Canada Trust at 1% on May 24.

Note: YTD Budget is an extrapolation of the Annual Budget based on estimated occurrence of transactions in our business cycle.

**The Blue Mountains
Monthly Flash Report -- Operating
May 31/2016**

Total Town Salaries & Benefits

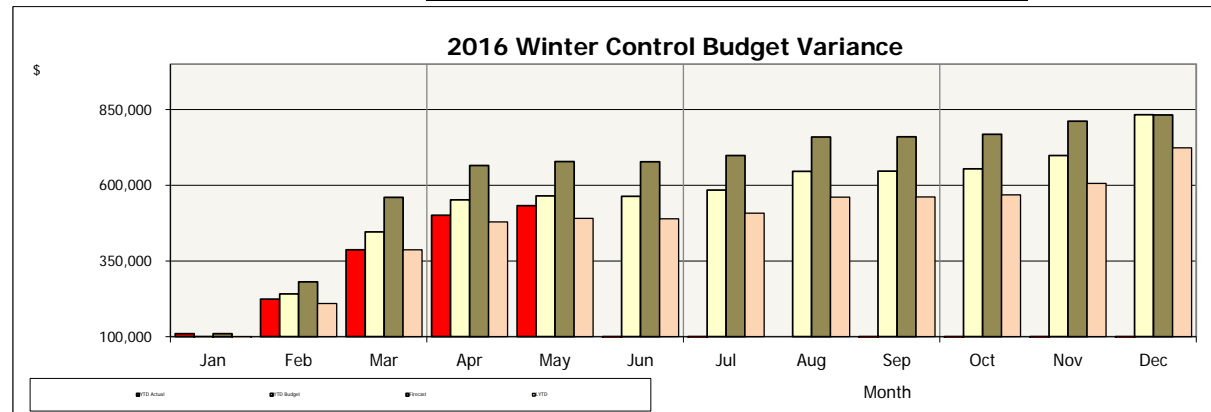
Annual Budget	YTD Actual	% of Budget
10,767,340	4,185,665	39%



Commentary
Salaries & Benefits for May were \$ 899,017.

Winter Control

Annual Budget	YTD Actual	% of Budget
832,960	532,218	64%



Commentary
The Winter Control budget is at 64% at this time. Any cost overruns by year end will be funded from the Winter Control Reserve.

Town of The Blue Mountains
2016 Budget Variance Report
For the Five Months Ending May 31, 2016

	<u>May</u>	<u>YTD Actuals</u>	<u>Committed</u>	<u>Total YTD</u>	<u>Budget</u>	<u>Unexpende...</u>	<u>% of Budget</u>
EXPENSES							
Salaries, Wages & Benefits	\$729,074	\$3,358,876	\$0	\$3,358,876	\$8,611,320	\$5,252,444	39%
Administrative Expenses	7,654	34,518	0	34,518	116,830	82,312	30%
Personnel, Training and Travel	19,672	102,235	0	102,235	272,135	177,900	36%
Operating Expenses	13,067	48,929	343,500	392,429	531,550	139,121	74%
Communications	2,559	51,483	7,630	59,113	195,060	135,947	30%
Utilities	35,222	181,819	0	181,819	403,290	221,471	45%
Equipment Related	25,366	189,007	37,212	226,219	328,735	107,516	68%
Vehicle Related	19,865	112,759	0	112,759	318,650	205,891	35%
Purchased Services	357,509	1,931,971	398,522	2,330,493	5,143,505	3,006,859	44%
Financial Expenses	54,120	442,854	0	442,854	1,045,835	602,981	42%
Premises and Site	40,524	165,867	109,900	275,767	448,405	172,638	61%
Minor Capital Work	1,220	1,584	0	1,584	25,500	23,916	6%
TOTAL EXPENSES	<u>1,305,852</u>	<u>6,621,902</u>	<u>896,764</u>	<u>7,518,666</u>	<u>17,440,815</u>	<u>10,128,996</u>	<u>43%</u>
TRANSFERS							
Transfers to Capital & Reserves	97,320	482,967	0	482,967	2,334,874	1,869,907	21%
Interfunctional Transfers	(46,852)	(288,094)	0	(288,094)	(969,515)	(681,421)	30%
TOTAL TRANSFERS	<u>50,468</u>	<u>194,873</u>	<u>0</u>	<u>194,873</u>	<u>1,365,359</u>	<u>1,188,486</u>	<u>14%</u>
TOTAL TRANSFERS & EXPENSES	<u>1,356,320</u>	<u>6,816,775</u>	<u>896,764</u>	<u>7,713,539</u>	<u>18,806,174</u>	<u>11,317,482</u>	<u>41%</u>
REVENUE							
Tax Revenues	0	6,817,146	0	6,817,146	14,325,311	7,508,165	48%
Grants & Donations	2,965	607,177	0	607,177	1,541,100	933,923	39%
Reserve Revenue	13,750	68,750	0	68,750	630,075	786,172	8%
Interest and Investment	50,971	242,062	0	242,062	859,488	617,426	28%
Sales	7,195	25,914	0	25,914	87,900	61,986	29%
Fee and Charges	153,662	398,262	0	398,262	1,147,800	749,538	35%
Facilities Rental	8,297	94,086	0	94,086	214,500	120,414	44%
TOTAL REVENUE	<u>236,840</u>	<u>8,253,397</u>	<u>0</u>	<u>8,253,397</u>	<u>18,806,174</u>	<u>10,777,624</u>	<u>43%</u>
NET POSITION	<u>(1,119,480)</u>	<u>1,436,622</u>	<u>(896,764)</u>	<u>539,858</u>	<u>0</u>	<u>(539,858)</u>	<u>0%</u>

User Rates Summary
Water and Wastewater Services Summary

Town of The Blue Mountains
2016 Budget Variance Report
For the Five Months Ending May 31, 2016

FAF.16.52
Attachment 3

	<u>May</u>	<u>YTD Actuals</u>	<u>Committed</u>	<u>Total YTD</u>	<u>Budget</u>	<u>Unexpende...</u>	<u>% of Budget</u>
EXPENSES							
Salaries, Wages & Benefits	\$124,498	\$633,907	\$0	\$633,907	\$1,561,455	\$927,548	41%
Administrative Expenses	180	2,476	0	2,476	8,550	6,074	29%
Personnel, Training and Travel	5,305	16,896	0	16,896	42,575	25,679	40%
Operating Expenses	18,715	79,572	18,735	98,307	321,490	223,183	31%
Communications	5,373	21,173	0	21,173	52,575	31,402	40%
Utilities	46,828	237,807	0	237,807	528,650	290,843	45%
Equipment Related	38,764	138,336	386,658	524,994	408,825	(116,169)	128%
Vehicle Related	7,025	17,990	0	17,990	65,020	47,030	28%
Purchased Services	5,047	6,736	10,792	17,528	123,225	131,990	12%
Financial Expenses	31,292	201,013	0	201,013	363,220	162,207	55%
Premises and Site	4,829	45,813	22,826	68,639	64,375	(4,264)	107%
TOTAL EXPENSES	287,856	1,401,719	439,011	1,840,730	3,539,960	1,725,523	52%
TRANSFERS							
Transfers to Capital & Reserves	197,039	985,195	0	985,195	2,403,461	1,418,266	41%
Interfunctional Transfers	31,225	213,093	0	213,093	772,832	559,739	28%
Transfer To/From Unfinanced Capital	0	88,443	0	88,443	88,443	0	100%
TOTAL TRANSFERS	228,264	1,286,731	0	1,286,731	3,264,736	1,978,005	39%
TOTAL TRANSFERS & EXPENSES	516,120	2,688,450	439,011	3,127,461	6,804,696	3,703,528	46%
REVENUE							
User Rate Billings	(569,116)	2,519,947	0	2,519,947	6,573,126	4,053,179	38%
Reserve Revenue	0	0	0	0	183,570	209,863	0%
Interest and Investment	1,127	7,093	0	7,093	20,000	12,907	35%
Sales	53	53	0	53	0	(53)	0%
Fee and Charges	530	3,695	0	3,695	28,000	24,305	13%
TOTAL REVENUE	(567,406)	2,530,788	0	2,530,788	6,804,696	4,300,201	37%
NET POSITION	(1,083,526)	(157,662)	(439,011)	(596,673)	0	596,673	0%

Town of The Blue Mountains
2016 Budget Variance Report
For the Five Months Ending May 31, 2016

	<u>May</u>	<u>YTD Actuals</u>	<u>Committed</u>	<u>Total YTD</u>	<u>Budget</u>	<u>Unexpende...</u>	<u>% of Budget</u>
EXPENSES							
Salaries, Wages & Benefits	\$45,445	\$192,881	\$0	\$192,881	\$594,565	\$401,684	32%
Administrative Expenses	1,318	2,482	0	2,482	63,500	61,018	4%
Personnel, Training and Travel	2,118	9,415	0	9,415	31,500	22,085	30%
Operating Expenses	9,725	9,832	0	9,832	88,500	78,668	11%
Communications	5,178	10,803	0	10,803	15,800	4,997	68%
Utilities	6,424	10,178	0	10,178	18,585	8,407	55%
Equipment Related	708	4,614	0	4,614	8,200	3,586	56%
Vehicle Related	1,352	5,424	0	5,424	24,035	18,611	23%
Purchased Services	7,933	11,317	0	11,317	16,550	5,233	68%
Financial Expenses	6,559	12,392	0	12,392	25,470	13,078	49%
Premises and Site	10,047	38,072	230	38,302	112,280	73,978	34%
Minor Capital Work	1,983	1,983	0	1,983	10,000	8,017	20%
TOTAL EXPENSES	98,790	309,393	230	309,623	1,008,985	699,362	31%
TRANSFERS							
Transfers to Capital & Reserves	7,572	37,860	0	37,860	95,967	58,107	39%
Interfunctional Transfers	15,627	75,002	0	75,002	196,683	121,681	38%
TOTAL TRANSFERS	23,199	112,862	0	112,862	292,650	179,788	39%
TOTAL TRANSFERS & EXPENSES	121,989	422,255	230	422,485	1,301,635	879,150	32%
REVENUE							
User Rate Billings	1,675	4,735	0	4,735	7,000	2,265	68%
Grants & Donations	1,600	1,600	0	1,600	0	(1,600)	0%
Sales	3,716	21,767	0	21,767	124,450	102,683	17%
Fee and Charges	128,364	691,814	0	691,814	1,127,985	436,171	61%
Proceeds from Debt	0	(10,086)	0	(10,086)	0	10,086	0%
Facilities Rental	449	447	0	447	42,200	41,753	1%
TOTAL REVENUE	135,804	710,277	0	710,277	1,301,635	591,358	55%
NET POSITION	13,815	288,022	(230)	287,792	0	(287,792)	0%