

**STAFF REPORT: Finance & IT Services**

**REPORT TO:** Finance & Administration  
**MEETING DATE:** January 30, 2012  
**REPORT NO.:** FIT.12.05  
**SUBJECT:** Pre Year-end Financial Report  
Period Ending December 31,  
2011  
**PREPARED BY:** Robert Cummings, Director of  
Finance & IT Services

**A. Recommendations**

THAT Council receive Staff Report FIT.12.05 "Pre Year-end Financial Report Period Ending December 31, 2011" for information purposes.

**B. Background**

Finance Staff provide a Quarterly Financial Report for review by the Finance and Administration Committee and receipt by Council. Since the 3rd Quarter report indicated that the Town may be heading into a deficit situation for 2011, staff felt it prudent to continue reporting monthly for the remainder of the year. The attached documentation provides Council with updated information on the financial activity that the Town has undertaken in relation to the 2011 Budget.

**C. The Blue Mountains' Strategic Plan**

Providing a strong, well managed municipal government

**D. Environmental Impacts**

Supporting environmentally sound decisions

**E. Financial Impact**

At this point in time there has been a lot of work completed in the 2011 Year-end process. However, final results are not yet available. These reports provide a more reliable look at the 2011 fiscal results than prior reports. The Town's spending targets appear to be on track for tax supported departments. Of note, the freeze on discretionary spending has assisted the Town in getting to a reasonable surplus forecast in operations of about \$45,000 - \$60,000. Large expenses and correlating reserve revenue have not yet been recorded. Major areas of cost savings have been in policing and materials.

Additionally and previously reported is the user fee supported operations in Building Inspection and Harbour that is presently forecasting a \$260,000 deficit for 2011.

Also, Water and Wastewater operations remain in an unfavourable forecasted position of approximately \$70,000 as a result of less than expected water usage.

**F. In Consultation With**

Debbie Brown, Financial Analyst

**G. Attached**

1. December Flash Report
2. Monthly Financial Summary Report

Respectfully submitted,

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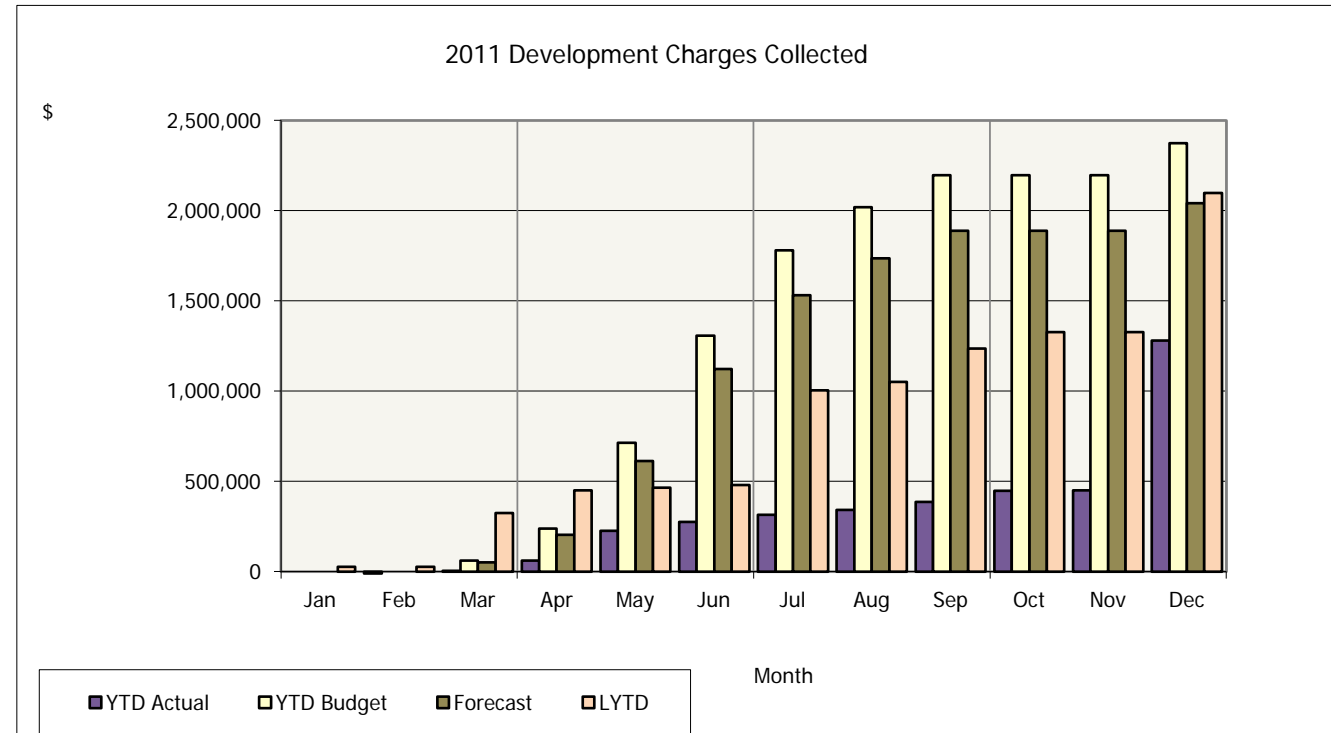
Robert Cummings, CMA

For more information, please contact:

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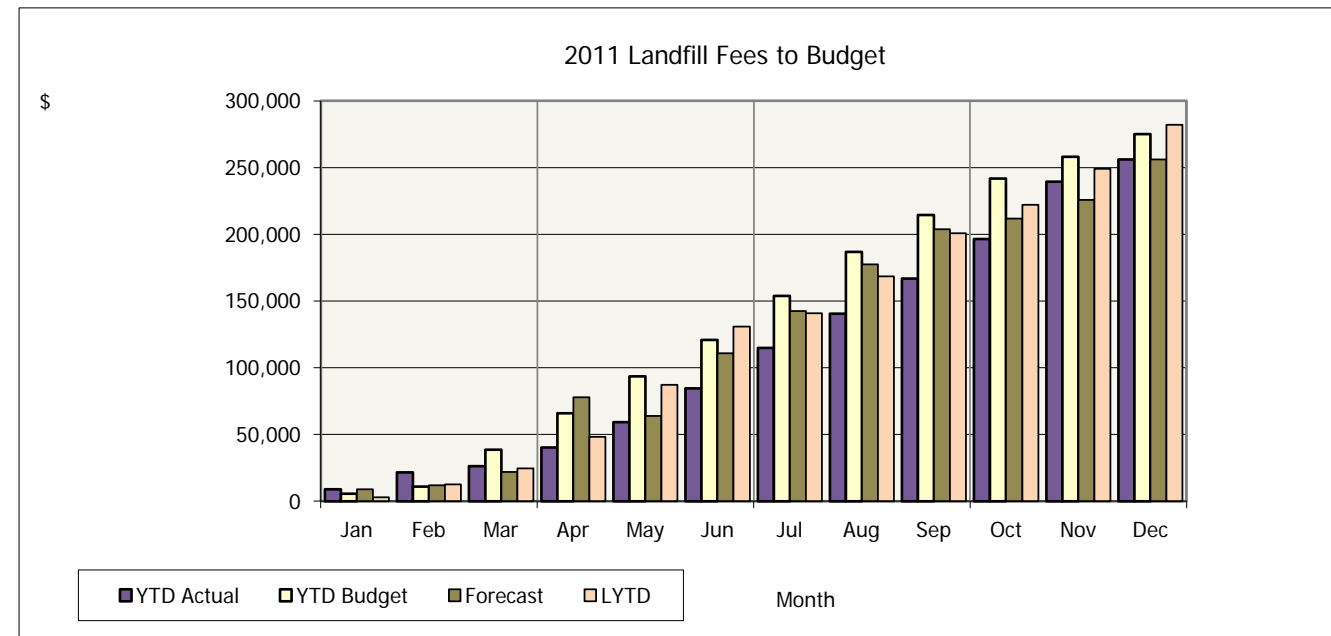
**The Blue Mountains  
Monthly Flash Report -- Operating  
Dec 31, 2011 - Pre Year-end**

Development Charges Collected	Estimated D/C's	YTD Actual	% Collected	Forecast	Variance
	2,375,000	1,281,329	54%	1,280,000	1,093,671



Commentary
<p>Development Charges collected in December were \$ 128,454, plus \$702,500 for Local Improvement Projects on Hwy 26, Georgian View Estates and Lake Drive</p> <p><b>Soft Services -Total \$ 25,764</b>            General Government - \$ 4,337            Fire - \$ 7,060            Police - \$ 1,042            Public Works - \$ 3,201            Parks &amp; Recreation - \$ 8,075            Library - \$ 2,049</p> <p><b>Hard Services - Total \$ 102,690</b>            Roads - \$ 65,571            Water - \$ 8,351            Sewer - \$ 28,768</p> <p>Decreased forecast due to Development Projects on hold until sufficient funds become available.</p>

Landfill Site Fees	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	275,000	256,108	93%	256,000	18,892

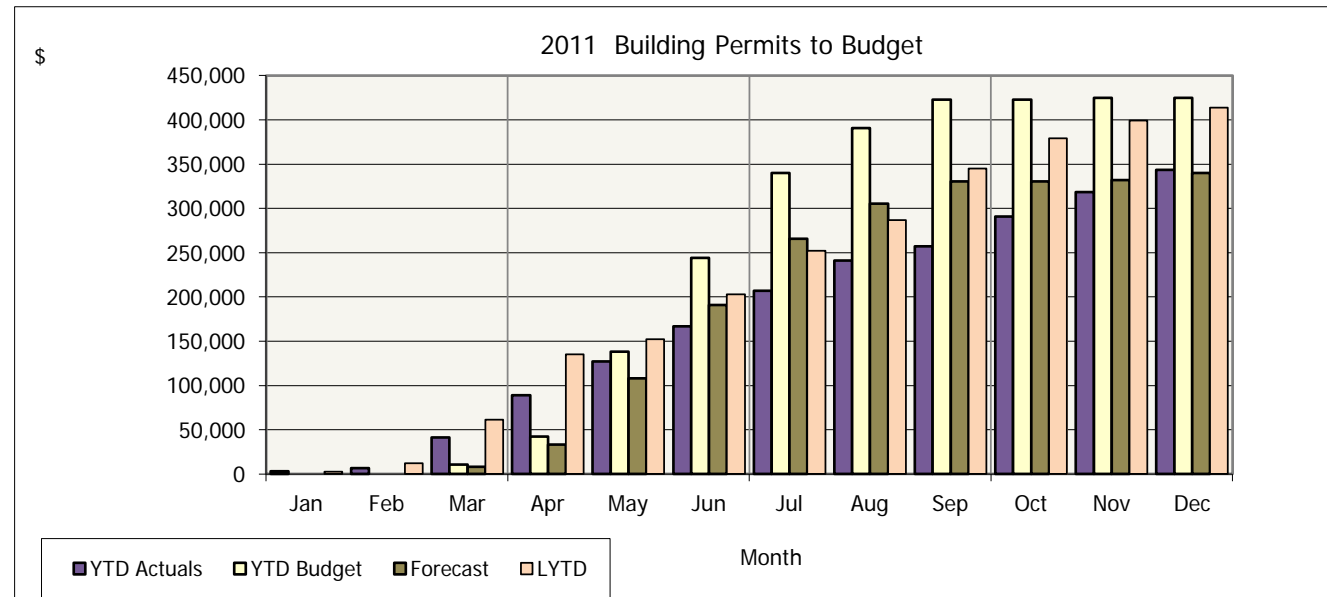


Commentary
<p>Total Landfill Site fees collected for December 2011 were \$ 16,754</p> <p>December 2011 is \$ 16,754 compared to \$ 33,214 for December 2010.</p>

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

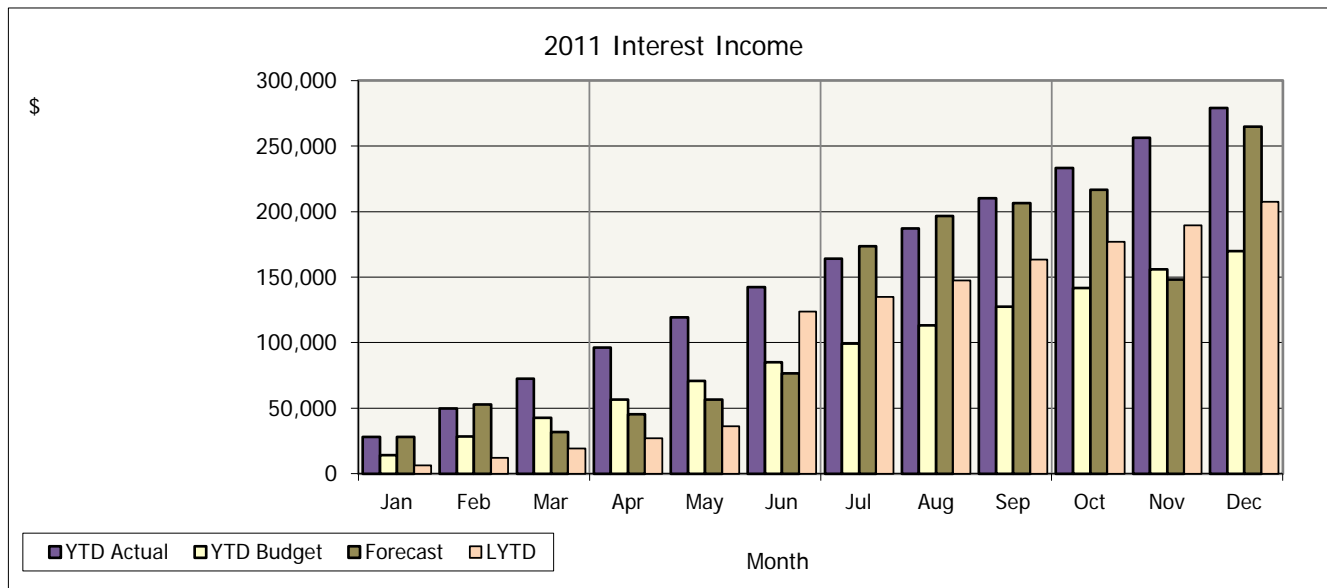
**The Blue Mountains**  
**Monthly Flash Report -- Operating**  
**Dec 31, 2011 - Pre Year-end**

Building Permits	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	425,000	343,378	81%	340,000	81,622



Commentary
Total building permit fees collected for December 2011 were \$ 25,049
December 2011 is \$ 25,049 compared to \$ 15,110 for December 2010
There were 18 Permits issued in December, with 2 for new dwellings.

Interest Income	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	170,000	279,127	164%	280,000	(109,127)

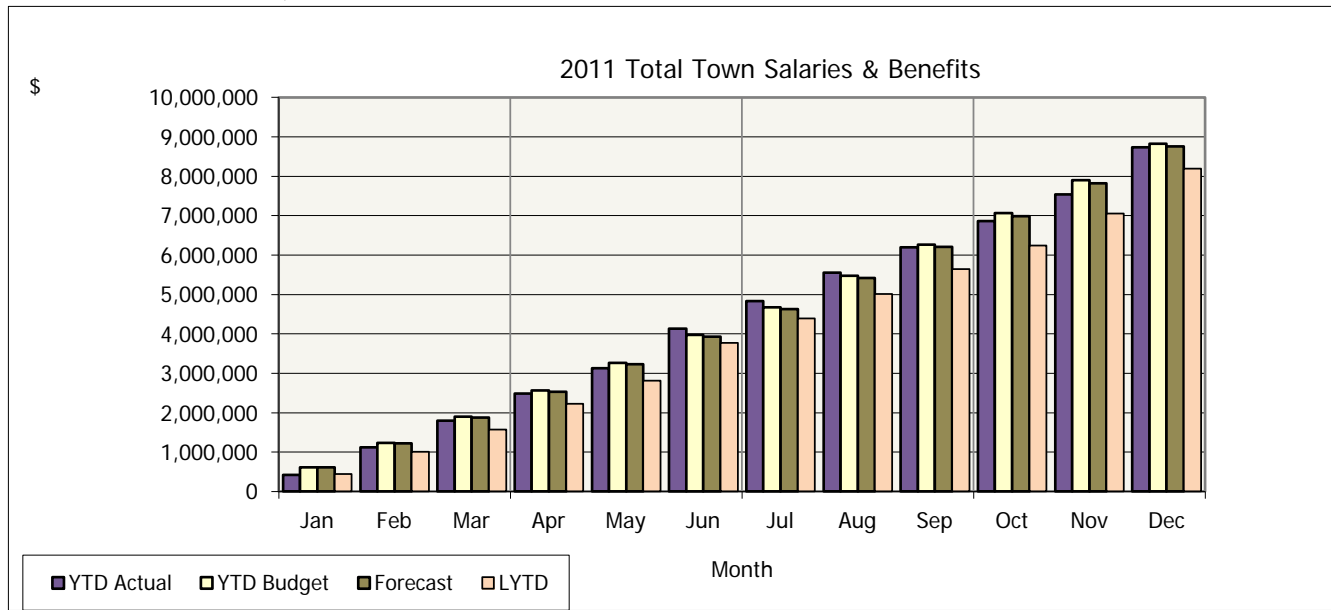


Commentary
Operating Bank Account Balance at December 30, 2011 was \$ 714,255

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

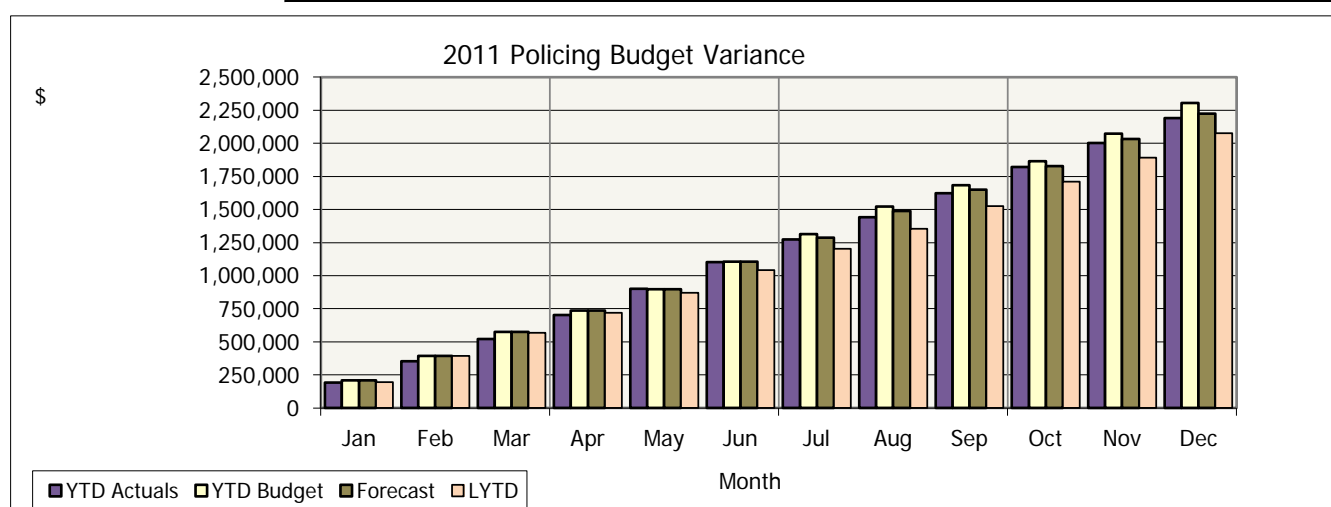
**The Blue Mountains  
Monthly Flash Report -- Operating  
Dec 31, 2011 - Pre Year-end**

Total Town Salaries & Benefits	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	8,826,986	8,740,109	99%	8,740,000	86,877



Commentary
Salaries & Benefits for the month of December 2011 were \$ 1,195,826

OPP Services	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	2,303,990	2,190,410	95%	2,190,000	113,580



Commentary
Information from the OPP is provided at the end of the following month in order to be able to provide accurate statistics.
Total hours for the month of November were 1,951 and for December they were 1981
December 2011 hours were 1,981 compared to 1,975 for December 2010.

**The Blue Mountains  
Monthly Financial Report  
December 30, 2011**

Department	2011 Budget	Net Actual as of Dec 30, 2011 not Complete for the year	Year to Date Variance	Projected 2011 Variance (Brackets indicate a favourable variance)	Comment
Pre Year-end Financial Report					
<b>Tax Supported Expenses</b>					
Council	\$ 188,787	\$ 179,496	\$ (9,291)		Savings in Per Diem
Administration & Other	\$ 3,075,405	\$ 3,264,222	\$ 188,817	\$ 20,000	Unfavourable variance re staffing adjustments, audit and legal costs
Protection Services	\$ 4,387,199	\$ 2,214,259	\$ (264,555)	\$ (180,000)	Favourable variance due to OPP credit for hours not served and fire service expenses
Engineering & Public Works	\$ 4,814,080	\$ 4,356,788	\$ (457,292)	\$ (400,000)	\$20,000 savings Payroll / \$75,000 savings materials / \$200,000 savings consulting / \$118,000 savings minor capital
Recreation/Parks/Cemetery	\$ 1,825,302	\$ 1,607,649	\$ (217,653)		\$13,000 savings payroll / \$19,000 savings operating expenses / \$10,000 savings equipment expenses / Transfer to Capital still to be done
Planning & Zoning	\$ 926,865	\$ 924,501	\$ (2,364)		
Library	\$ 643,392	\$ 643,729	\$ 337		
<b>Total Tax Supported Expenses</b>	<b>\$ 15,861,030</b>	<b>\$ 15,099,029</b>	<b>\$ (762,001)</b>	<b>\$ (560,000)</b>	
<b>Tax Supported Revenues</b>					
Taxation	\$ 10,729,634	\$ 10,615,158	\$ 114,476	\$ 80,000	
Grants	\$ 1,964,478	\$ 1,758,152	\$ 206,326	\$ 35,000	Ontario Municipal Partnership Fund (OMPF) funding is \$35,000 less for the year
All Other	\$ 3,166,918	\$ 2,240,170	\$ 926,748	\$ 400,000	Mainly short due to Reserve Revenue & Development Review Revenue
<b>Total Tax Supported Revenues</b>	<b>\$ 15,861,030</b>	<b>\$ 14,613,480</b>	<b>\$ 1,247,550</b>	<b>\$ 515,000</b>	
<b>Overall Total Tax Supported</b>			<b>\$ 485,549</b>	<b>\$ (45,000)</b>	<b>Projected 2011 Variance</b>

**The Blue Mountains  
Monthly Financial Report  
December 30, 2011**

Service Area	Approved 2011 Budget	Net Actual as of Dec 30, 2011 not complete for the year	Year to Date Variance	Projected 2011 Variance (Brackets indicate a favourable variance)	Comment
<b>User Fee Supported Expenses</b>					Pre Year-end Financial Report
Building & Harbour Expenses	\$ 1,125,491	\$ 966,801	\$ (158,690)	\$ -	<b>Building:</b> over budget payroll \$38,000 but savings in professional fees of \$20,000. Corp expenses yet to be allocated. <b>Harbour:</b> payroll over budget \$11,000 / fuel over budget \$17,000 / Premise maintenance over budget \$13,000
Building & Harbour Revenue	\$ 1,125,491	\$ 821,875	\$ 303,616	\$ 260,000	Building: short \$82,000 in permit revenue
<b>Total User Fee</b>	<b>\$ -</b>	<b>\$ 144,926</b>	<b>\$ 144,926</b>	<b>\$ 260,000</b>	
<b>User Rates Supported Expenses</b>					
Water Expenses	\$ 3,446,453	\$ 2,835,958	\$ (610,495)	\$ 23,000	Payroll over budget by \$73,000 and Collingwood Water agreement over budget \$49,000
Water Revenues	\$ 3,446,453	\$ 3,047,378	\$ 399,075	\$ 127,000	Transfers still to be done, but \$137,000 short in Revenue at this time
<b>Total Water</b>		<b>\$ (211,420)</b>	<b>\$ (211,420)</b>	<b>\$ 150,000</b>	
Wastewater Expenses	\$ 2,962,706	\$ 2,752,269	\$ (210,437)		Payroll \$64,000 under budget / Equipment over budget \$39,000 / Finance Expense \$15,000 over budget. Transfers still to be done
Wastewater Revenues	\$ 2,962,706	\$ 2,499,725	\$ 462,981	\$ (80,000)	Revenues \$100 K short, but private waste over budget \$280,000. Transfer from DC Reserve to be done for \$600,000
<b>Total Wastewater</b>		<b>\$ 252,544</b>	<b>\$ 252,544</b>	<b>\$ (80,000)</b>	
Net Water Operations		\$ (211,420)		\$ 150,000	
Net Wastewater Operations		\$ 252,544		\$ (80,000)	
<b>Total User Rates Supported</b>		<b>\$ 41,124</b>	<b>\$ 41,124</b>	<b>\$ 70,000</b>	<b>Projected 2011 Variance</b>