

July 2015 Year-To-Date (YTD) Review of Operations and Year End Projection

General Committee

September 21, 2015

2015 July YTD Results of Operations

Primary Operating Budget

(excluding Planning & Design, Engineering, Building Services & Waterworks)
(\$ in millions)

The presentation provides a review of the 2015 actual results compared to the operating budget.

Council approved the 2015 annual operating budget of \$324.33M on March 31, 2015 which includes:

2015 Budget	Annual Budget (In \$M)
Primary Operating Budget	185.88
Library	13.40
Planning & Design	8.21
Engineering	6.57
Building Standards	8.52
Waterworks	101.75
Total	324.33

Details of the YTD (January 1 to July 31) variances (actual to budget) are outlined in this presentation along with a year end projection.

2015 July YTD Results of Operations

Primary Operating Budget

(excluding Planning & Design, Engineering, Building Services & Waterworks)
(\$ in millions)

	YTD July 2015		Variance
	<u>Actual</u>	<u>Budget</u>	<u>Fav./((Unfav.)</u>
Revenues (A)	154.77M	154.23M	0.54M
Personnel (B)	65.11M	66.20M	1.09M
Non-Personnel (C)	<u>45.24M</u>	<u>45.20M</u>	<u>(0.04M)</u>
Surplus excluding winter maintenance (D) = A-(B+C)	44.42M	42.83M	1.59M
Winter Maintenance (E)	<u>6.78M</u>	<u>6.48M</u>	<u>(0.30M)</u>
Net Surplus including winter maintenance (F) = D-E	37.64M	36.35M	1.29M

2015 July YTD Results of Operations

Primary Operating Budget

(excluding Planning & Design, Engineering, Building Services & Waterworks)
(\$ in millions)

City's surplus excluding winter maintenance = Favourable variance \$1.59M

Revenues	Actual	Budget	Fav. / (Unfav.)
Investment Income	8.36	8.16	0.20
Federal and Provincial grants	0.85	0.67	0.18
Theatre (ticket sales, technical support services & rental)	1.34	1.16	0.18
Licences & Permits	1.32	1.25	0.07
Parking violations	1.50	1.44	0.06
Financial services admin fees & Legal fees	0.39	0.33	0.06
Recreation revenue	11.05	11.61	(0.56)
Other			0.35
Total			0.54

Expenditures	Actual	Budget	Fav. / (Unfav.)
Salary & benefit costs	65.11	66.20	1.09
Contracted Service Agreements	3.95	4.51	0.56
Fuel (Gas & Diesel)	0.42	0.61	0.19
Waste collection	4.42	4.59	0.17
Theatre professional entertainment fees	0.42	0.32	(0.10)
Property tax adjustments	0.59	0.34	(0.25)
Utilities & streetlight hydro	5.82	5.25	(0.57)
Other			(0.04)
Total			1.05

2015 Year-End Projection

Primary Operating Budget

(excluding Planning & Design, Engineering, Building Services & Waterworks)
(\$ in millions)

	Year-End Projection Favourable/ (Unfavourable)
Revenues	0.02M to 0.33M
Expenditures – Personnel & Non-Personnel	2.88M to 3.57M
Year-end Accounting Accruals & Other Adjustments	1.60M to 1.60M
Surplus from City Operations (Including Year-end Accounting Adjustments)	1.30M to 2.30M
Winter Maintenance	(0.80M) to (0.30M)
Surplus	0.50M to 2.00M

2015 July YTD Results of Operations

Planning & Design, Engineering, Building Services & Waterworks

(\$ in millions)

	YTD July 2015		Variance	Annual Budget
	<u>Actual</u>	<u>Budget</u>	<u>Fav./ (Unfav.)</u>	<u>Transfer to/ (Draw from) Reserves</u>
Planning & Urban Design	0.86M	(0.61M)	1.47M	(0.96M)
Engineering	(0.55M)	(2.10M)	1.55M	(1.48M)
Building Services	(0.48M)	(0.90M)	0.42M	(1.46M)
Waterworks	4.99M	6.20M	(1.22M)	13.60M

2015 Year-End Projection

Planning & Design, Engineering, Building Services and Waterworks
(\$ in millions)

	<u>2015 Budget Transfer to/(Draw from) Reserves</u>	<u>2015 Projected YE Transfer to/(Draw from) Reserves</u>	<u>Variance Fav./((Unfav.)</u>
Planning & Urban Design	(0.96M)	0.10M to 0.30M	1.06M to 1.26M
Engineering	(1.48M)	(0.10M) to 0.10M	1.38M to 1.58M
Building Services	(1.46M)	(1.40M)	0.06M
Waterworks	13.60M	\$12.10M to \$12.60M	(\$1.00M) to (\$1.50M)

2015 Year-End Projection

Planning and Engineering Reserve Balance

(\$ in millions)

	2015 Budget	2015 Projection From	To
Opening Balance at January 1, 2015	(8.63)	(8.63)	(8.63)
Transfer to Capital and Interest Income	(0.75)	(0.75)	(0.75)
Transfer to/(from) Reserves			
Planning & Design	(0.96)	0.10	0.30
Engineering	(1.48)	(0.10)	0.10
Planning & Engineering Reserve Ending Balance	(11.82)	(9.38)	(8.98)

2015 Year-End Projection

Building Reserve Balance

(\$ in millions)

	2015 Budget	2015 Projection
Opening Balance at January 1, 2015	11.89	11.89
Transfer to Capital and Interest Income	(0.45)	(0.45)
Transfer to/(from) Reserves	(1.46)	(1.40)
Building Reserve Ending Balance	9.98	10.04

2015 Year-End Projection

Waterworks Reserve Balance

(\$ in millions)

	2015 Budget	2015 Projection From	To
Opening Balance - January 1, 2015	37.02	37.02	37.02
Transfer to Reserves at time of budget approval	13.60	13.60	13.60
Transfer from Reserve for 2014 year end deficit	(1.12)	(1.12)	(1.12)
One-time dispute settlement with York Region	3.11	3.11	3.11
Transfer to 2015 Capital	(11.88)	(11.88)	(11.88)
Interest Income	0.29	0.29	0.29
Transfer from 2015 closed capital projects	0.00	2.06	2.06
Transfer from Reserve for 2015 year end Surplus/(Deficit)	0.00	(1.50)	(1.00)
Waterworks Reserve Ending Balance	41.02	41.58	42.08

Next Steps

- Staff will continue to monitor the results of operations each month.
- Further, Staff will provide an updated year-end projection as part of the September 2015 year-to-date review of operations to General Committee in November 2015.