

September 2014 Year-To-Date (YTD) Review of Operations & Year-End Projection

General Committee

November 17, 2014

2014 September YTD Results of Operations & Year-End Projection

Primary Operating Budget

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

The presentation provides a review of the 2014 actual results compared to the operating budget as well as the year-end projection.

Council approved the 2014 annual operating budget on February 11, 2014 of \$306.853M which includes:

Budget	Annual Budget (In \$M)
Primary Operating Budget	187.604
Planning & Design	7.829
Engineering	6.528
Building Standards	8.386
Waterworks	96.506
Total	306.853

Details of the YTD variance to budget & year-end projection are outlined in this presentation.

2014 September YTD Results of Operations

Primary Operating Budget

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

September YTD			
	Actual	Budget	Variance Fav./ (Unfav.)
Revenues	169.472M	169.330M	0.142M
Personnel	81.652M	82.418M	0.766M
Non-Personnel	51.572M	51.597M	0.025M
Surplus Before Winter Maintenance	36.248M	35.315M	0.933M
Winter Maintenance	7.970M	5.591M	(2.379M)
Surplus/ (Deficit)	28.278M	29.724M	(1.446M)

2014 Year-End Projection Primary Operating Budget

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

	Year-End Projection Favourable/ (Unfavourable)
Revenues	On Budget
Expenditures – Personnel & Non-Personnel	0.400M to 1.200M
Surplus from City Operations (Including Year-end Accounting Adjustments)	0.400M to 1.200M
Winter Maintenance	(3.236M) to (2.379M)
Deficit	(2.836M) to (1.179M)

Year-end accounting adjustments are estimated at \$2.400M, which is offset by funding of \$2.300M, leaving a net shortfall of (\$0.100M).

2014 September YTD Results of Operations

Planning & Design, Engineering, Building Services & Waterworks

(\$ in millions)

	September YTD		
	Actual	Budget	Variance Fav./ (Unfav.)
Planning & Urban Design	(1.889M)	(0.816M)	(1.073M)
Engineering	(2.419M)	(2.154M)	(0.265M)
Building Services	(1.607M)	(1.510M)	(0.097M)
Waterworks	8.503M	10.151M	(1.648M)

2014 Year-End Projection

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

	2014 Budget Transfer to/(Draw from) Reserves	2014 Projected YE Transfer to/(Draw from) Reserves	Variance Fav./(Unfav.)
Planning & Urban Design	(0.855M)	(1.400M)	(0.545M)
Engineering	(1.537M)	(2.300M)	(0.763M)
Building Services	(1.539M)	(2.100M)	(0.561M)
Waterworks	13.815M	12.315 to 13.315	(1.500M) to (0.500M)

2014 Year-End Projection

Planning and Engineering Reserve Balance

(\$ in millions)

	2014 Budget	2014 Projection
Opening Balance at January 1, 2014	(3.959)	(3.959)
Transfer to Capital and Interest Income	(0.042)	(0.042)
Transfer to/(from) Reserves		
Planning & Design	(0.855)	(1.400)
Engineering	(1.537)	(2.300)
Planning & Engineering Reserve Ending Balance	(6.393)	(7.701)

2014 Year-End Projection

Building Reserve Balance

(\$ in millions)

	2014 Budget	2014 Projection
Opening Balance at January 1, 2014	13.846	13.846
Transfer to Capital and Interest Income	0.079	0.079
Transfer to/(from) Reserves	(1.539)	(2.100)
Building Reserve Ending Balance	12.386	11.825

2014 Year-End Projection

Waterworks Reserve Balance

(\$ in millions)

	2014 Budget	2014 Projection From	2014 Projection To
Opening Balance - January 1, 2014	32.835	32.835	32.835
Transfer to Reserves at time of budget approval	13.815	13.815	13.815
Transfer from Reserve for 2013 year end unfavourable variance	(1.515)	(1.515)	(1.515)
Transfer to 2014 Capital	(11.202)	(11.202)	(11.202)
Interest Income	0.183	0.183	0.183
Transfer from 2014 closed capital projects	0.000	0.748	0.748
Transfer from Reserve for 2014 year end unfavourable variance	0.000	(1.500)	(0.500)
Waterworks Reserve Ending Balance	34.116	33.364	34.364

Next Steps

- Staff will continue to monitor the results of Operations each month & identify strategies (where necessary) to mitigate the unfavourable variance from winter maintenance.
- Staff will report back in the first quarter of 2015 with the year end results.