

2011 Third Quarter Year-to-date Results of Operations

General Committee Meeting

November 14, 2011

Third Quarter Year-to-date Results of Operations

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

Town's Q3 Year-to-date (YTD) Results of Operations
Favourable Variance of \$4.927M vs. Budget

Revenues
Favourable variance
of \$4.480M

Personnel
Favourable variance
of \$0.570M

Non-Personnel
Unfavourable variance
of (\$0.123M)

Revenues	Fav./ (Unfav.)
Tax Revenue	3.040 M
Finance, Theatre, Museum	0.403 M
Tax Interest and Penalties	0.273 M
Investment Income	0.235 M
Financial Administrative Fees and Legal Fees from Developers	0.205 M
Provincial & Federal Grants	0.153 M
Parks Recovery from the Region	0.112 M
Recreation Revenue - lower fitness membership	(0.211) M
Other	0.270 M
Total	4.480 M

Personnel	Fav./ (Unfav.)
Full time Salaries	0.986 M
Overtime	(0.333) M
Other	(0.083) M
Total	0.570 M

Non-Personnel Expenditures	Fav./ (Unfav.)
Training/Travel/Promotion/Advertising/ Professional Fees	0.668 M
Operating Material & Supplies and Maintenance Repairs	0.280 M
Contracted Services	0.243 M
Non-personnel Expenditure Gapping	(0.242) M
Tax Write-offs	(0.262) M
Winter Maintenance	(0.969) M
Other	0.159 M
Total	(0.123) M

Town's Year End Projection

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

Town's Year End Projection

Favourable variance of \$0.500M to \$2.000M

Revenues

Favourable variance of \$4.000M to \$4.500M

Main drivers are:

Favourable variance due to the following:

- Supplemental tax revenue
- Tax interest and penalties
- Financial services administration fees and legal fees from developers
- Investment income

Offset by:

- Recreation revenues (primarily fitness membership revenue)

Expenditures

Unfavourable variance of (\$3.500M) to (\$2.500M)

Main drivers are:

Favourable variance due to the following:

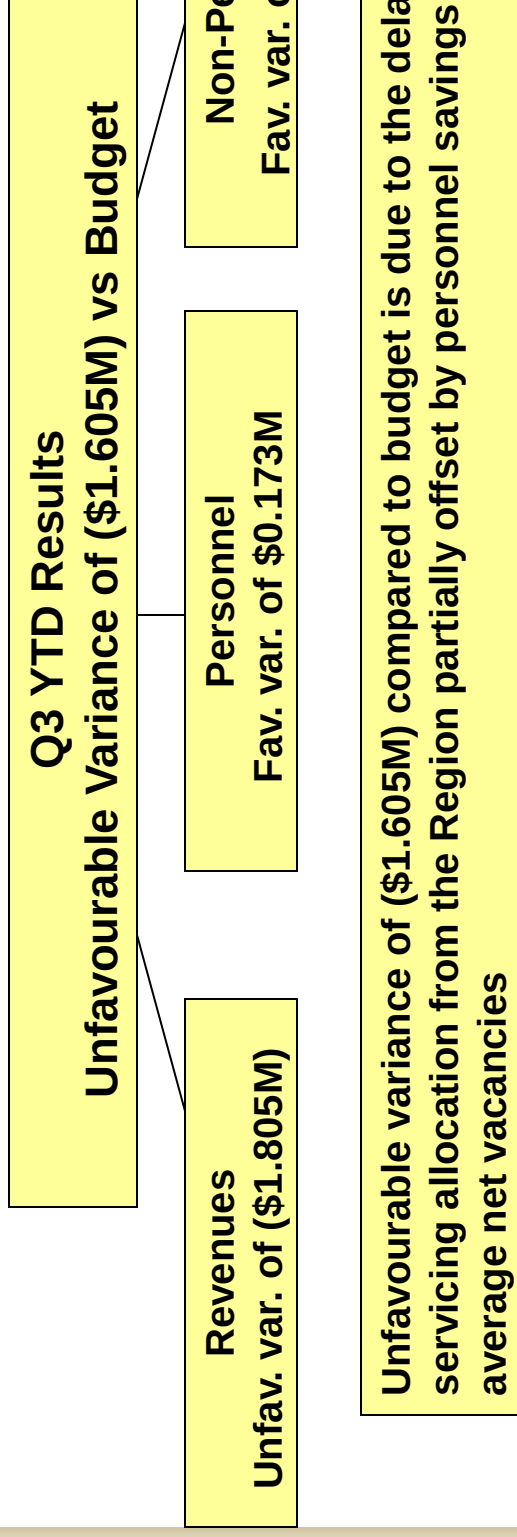
- Personnel expenditures resulting from vacancies
- Lower professional services and advertising & promotion costs
- Lower contracted services
- Lower operating materials and supplies

Offset by:

- Unbudgeted year-end accounting accruals
- Higher winter maintenance costs

Planning & Design Operating Budget

(\$ in millions)

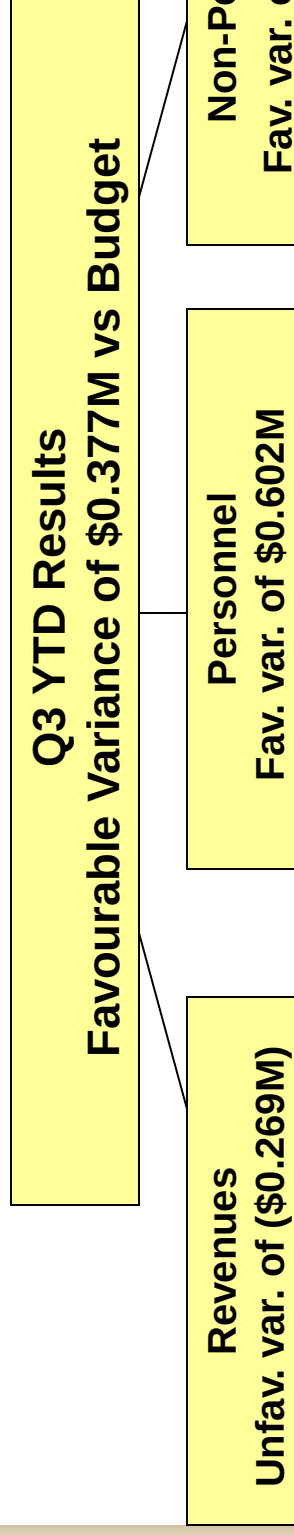


Year End Projection:

Budgeted surplus	\$1.003M
Projected deficit	<u>(\$0.655M)</u>
Unfavourable Variance	(\$1.658M)
<u>Reserve Impact</u>	
Draw from Reserves	(\$0.655M)

Engineering Operating Budget

(\$ in millions)



Favourable variance of \$0.377M compared to budget due to personnel savings from 6 average net vacancies offset by lower development fee application activity

Year End Projection:

Budgeted deficit	(\$1.035M)
Projected deficit	<u>(\$0.060M)</u>
Favourable Variance	\$0.975M
<u>Reserve Impact</u>	
Draw from Reserves	(\$0.060M)

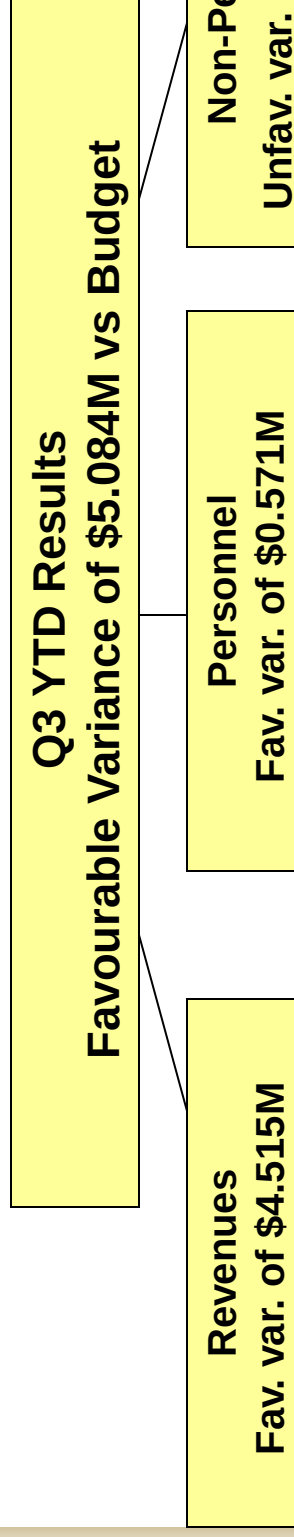
Planning & Engineering Reserve Balance

(\$ in millions)

	2011 Budget	2011 Projection	Variance Fav./(Unfav.)
Opening Balance - January 1, 2011	(1.476)	(1.476)	0.000
Transfer from/(to) Capital and Interest	(0.233)	(0.233)	0.000
Transfer to/(from) Reserves: Planning & Design Engineering	1.003 (1.035)	(0.655) (0.060)	(1.658) 0.975
Planning & Engineering Reserve Ending Balance	(1.741)	(2.424)	(0.683)

Building Standards Operating Budget

(\$ in millions)



Favourable variance of \$5.084M compared to budget due to personnel savings from 9 average net vacancies as well as higher development fee permit activity

Year End Projection:

Budgeted deficit	(\$0.811M)
Projected surplus	<u>\$4.858M</u>
Favourable variance	\$5.669M
<u>Reserve Impact</u>	
Transfer to Reserves	\$4.858M

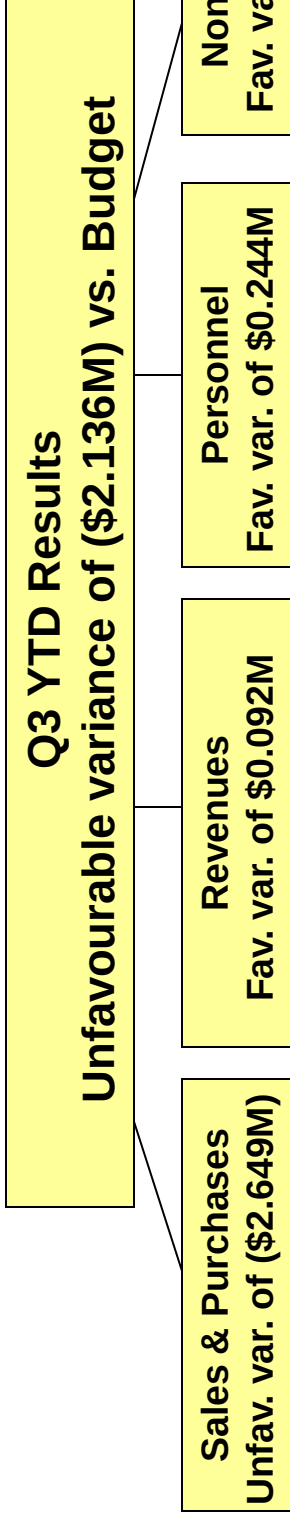
Building Reserve Balance

(\$ in millions)

	2011 Budget	2011 Projection	Variance Fav./Unfav.)
Opening Balance - January 1, 2011	(0.090)	(0.090)	0.000
Transfer from/(to) Capital and Interest	(0.081)	(0.081)	0.000
Transfer to/(from) Reserves	(0.811)	4.858	5.669
Building Reserve Ending Balance	(0.982)	4.687	5.669

Waterworks Operating Budget

(\$ in millions)



Unfavourable variance of (\$2.136M) due to unfavourable variance in the net sales and purchases of water partially offset by lower personnel costs as a result of 8 average net vacancies and savings in materials and supplies.

Year End Projection:

Budgeted Surplus	\$11.825M
Projected Surplus	<u>\$9.325M to 9.825M</u>
Unfavourable variance	(\$2.50M) to (\$2.00M)
<u>Reserve Impact</u>	
\$11.825M was transferred to the reserve at the time of budget approval. Adjustments to the reserve will be made based on the actual results at year-end.	

Waterworks Reserve Balance

(\$ in millions)

	2011 Budget	2011 Projection	Variance Fav./Unfav.)
Opening Balance - January 1, 2011	10.003	10.003	0.000
Transfer to/(from) Reserves at time of budget approval	11.825	9.325 to 9.825	(2.000) to (2.500)
Transfer to Capital	(9.054)	(9.054)	0.000
Transfer from Interest Income and 2010 year end surplus ¹	0.479	0.479	0.000
Waterworks Reserve Ending Balance	13.253	10.753 to 11.253	(2.000) to (2.500)

1. Adjustments due to favourable variance based on previous year's actual operating results.

Next Steps

- Staff will continue to monitor the results of Operations each month and identify strategies, where necessary, to mitigate the unfavourable variance from winter maintenance