



Staff Report

Finance – Budgets & Accounting

Report To: Committee of the Whole Meeting
Meeting Date: June 21, 2022
Report Number: FAF.22.108
Title: Financial Update - April and May 2022
Prepared by: Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets

A. Recommendations

THAT Council receive Staff Report FAF.22.108, entitled “Financial Update - April and May 2022” for information purposes.

B. Overview

This report outlines the Town’s unaudited financial activities as of May 31, 2022.

C. Background

Staff are bringing this report forward to give Council and the Public a snapshot of the Town’s financial activity up to May 2022. Finance staff worked with the chair of the Finance, Administration and Legal section of Committee of the Whole to put together the edits made to this bi-monthly report.

D. Analysis

As per Council direction the financial update reports are moving to an exception-based report focusing on expenses and revenues that are forecasting +/-10% of budget. In addition to the exception-based reporting staff have kept some of the charts with some of the more major financial indicators, this includes Development Charges, COVID-19 impacts, and contracts awarded through purchasing.

Staff have included forecasting graphs for the revenues and expenses that are expected to end the year +/-10% of budget. These graphs give an estimate of where that revenue stream or expense will end the year.

Additional information has been given regarding the large-scale projects, \$1M and up. The chart looks to compare the approved budget against the current construction estimate, whether it be 30%, 60%, or 90% depending on the stage of the engineering.

Tax Supported Services

Staff are continuing to report that vehicle expenses (mostly fuel) are expected to end the year over-budget, this is due to the sharp increase of both gasoline and diesel. Staff have included a graph for Salaries and Benefits, as it is the Town's largest expense, currently the Town is forecasting to end the year at 90% of budget.

Staff are monitoring other expense lines, such as Garbage and Recycling/Organics collections but these expenses are forecasting on budget.

Water and Wastewater Operations

Water and Wastewater are operating in a similar fashion to taxation with vehicles expenses forecasting over budget and salaries and benefits forecasting under-budget. These divisions are the Town's main users of hydro and staff are monitoring these expense lines however they are operating on budget.

User Fee Supported Operations (Building and Harbour)

As included in the revenue graphs the Building division is forecasting over-budget for building permit revenues, however it is forecasting below 2021 levels. Staff are still forecasting a year-end surplus for the Building division.

The Harbour season is just getting under-way and all revenues and expenses are forecasting on budget.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders.

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

None.

G. Financial Impacts

Included in the charts attached to this report.

H. In Consultation With

Serena Wilgress, Manager of Purchasing and Risk Management
Amy Moore, Manager of Revenue
Brent Rolufs, Manager of Capital Projects
Heather McFarlane, Budget Analyst
Brenna Agnew, Account Analyst

I. Public Engagement

The topic of this Staff Report has not been subject to a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. Comments regarding this report should be submitted to Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets at finance@thebluemountains.ca.

J. Attached

1. Financial Update Charts and Graphs

Respectfully submitted,

Sam Dinsmore
Deputy Treasurer/Manager of Accounting & Budgets

Ruth Prince
Director Finance & Information Technology Services

For more information, please contact:
Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets
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519-599-3131 extension 274

2022 Development Charges Collected

Month	2022 Monthly Actuals	2021 Monthly Actuals
January	\$ 550,215	\$ 109,765
February	\$ 130,312	\$ 237,728
March	\$ 595,361	\$ 823,462
April	\$ 16,580	\$ 685,324
May	\$ 83,761	\$ 397,303
June	\$	\$ 521,566
July	\$	\$ 2,234,121
August	\$	\$ 296,670
September	\$	\$ 546,815
October	\$	\$ 572,848
November	\$	\$ 2,570,708
December	\$	\$ 183,065
Total	\$ 1,376,229	\$ 9,179,375

Reserve Fund	Reserve Fund Balance	YE Forecasted Balance
General Government	\$ 196,423	(\$ 187,374)
Fire	\$ 960,336	\$ 652,520
Police	\$ 57,808	\$ 56,688
Parking & By-Law	(\$ 42,361)	(\$ 177,430)
Public Works	\$ 1,576,018	\$ 1,763,745
Roads and Related	\$ 11,368,346	\$ 6,886,484
Solid Waste	\$ 193,028	\$ 244,045
Parks and Recreation	\$ 3,427,231	\$ 3,094,788
Library	\$ 2,358,970	\$ 2,671,374
Water	\$ 9,050,856	(\$ 406,410)
Wastewater	\$ 5,232,752	(\$ 14,497,699)
Total	\$ 34,379,407	\$ 100,731

Estimated from the DC Background Study	\$ 8,556,051
2022 Year to Date Actual	\$ 1,376,229
2021 Year to Date Actual	\$ 2,253,582
Percent of Estimate	16.1%

2022 Covid 19 Expenses

	April-May	YTD Cost
Expenses		
Salaries and Benefits	\$ 4,111	\$ 14,304
Operating Expenses	\$ 72	\$ 72
Communications	\$ 77	\$ 225
Purchased Services	\$ -	\$ -
Health and Safety	\$ -	\$ 1,284
Personnel	\$ -	\$ -
Vehicle Expenses	\$ -	\$ 5,843
Community Grants	\$ 6,000	\$ 6,000
Total Expenses	\$ 10,260	\$ 27,728
Transfers		
Inter-functional Transfers	\$ 13,179	\$ 13,179
Total Transfers	\$ 13,179	\$ 13,179
Lost Revenues		
BVCC	\$ -	\$ 4,325
Small Halls	\$ -	\$ 750
Penalty and Interest	\$ -	\$ 0
Total Lost Revenue	\$ -	\$ 5,075
Total Transfers, Expenses and Lost Revenue	\$ 23,439	\$ 45,982

The above charts summarize the Town's 2022 expenses, revenues and lost revenues related to Covid-19 to date. Additional details regarding these figures are noted on the following page.

Expenses

Salaries and Benefits expenses include By-law and BVCC staff that have been specifically hired due to Covid-19. Operating expenses consist of no-parking signs, related hardware and privy rentals.

Health and Safety Expenses are made up of purchases of hand sanitizer, face masks, gloves, and sanitizing wipes and Purchased Services is made up of video development, shop local campaign expenses, Apple Pie Trail promotions, and some winter trail grooming expenses.

Vehicle Expenses includes fuel for the additional vehicles that the Town has leased for the By-law Department due to Covid-19, as well as expenses for the Georgian Trail Grooming, such as fuel.

Community Grants are grants distributed to community organizations to help with relief due to the pandemic from the Donations that were received from the community.

Transfers

Inter-functional Transfers includes any staff time committed to Covid-19 tasks. This is not an additional expense item, but staff time that has already been included in the 2021 Proposed Budget.

Staff Salaries and Benefits for additional hires related to Covid-19 are reported in the Salaries and Benefits category and are not included here.

Lost Revenue

Due to the provincial shutdowns in January 2022, the Town saw some lost revenues. The Beaver Valley Community Centre and Small Halls (Craigleith Community Centre and Ravenna Hall) were affected by the shutdowns.

Bid Awards and Contract Extensions

April and May 2022 Contract Extensions over \$25,000

Contract for:	Vendor/Proponent	Amount
None		

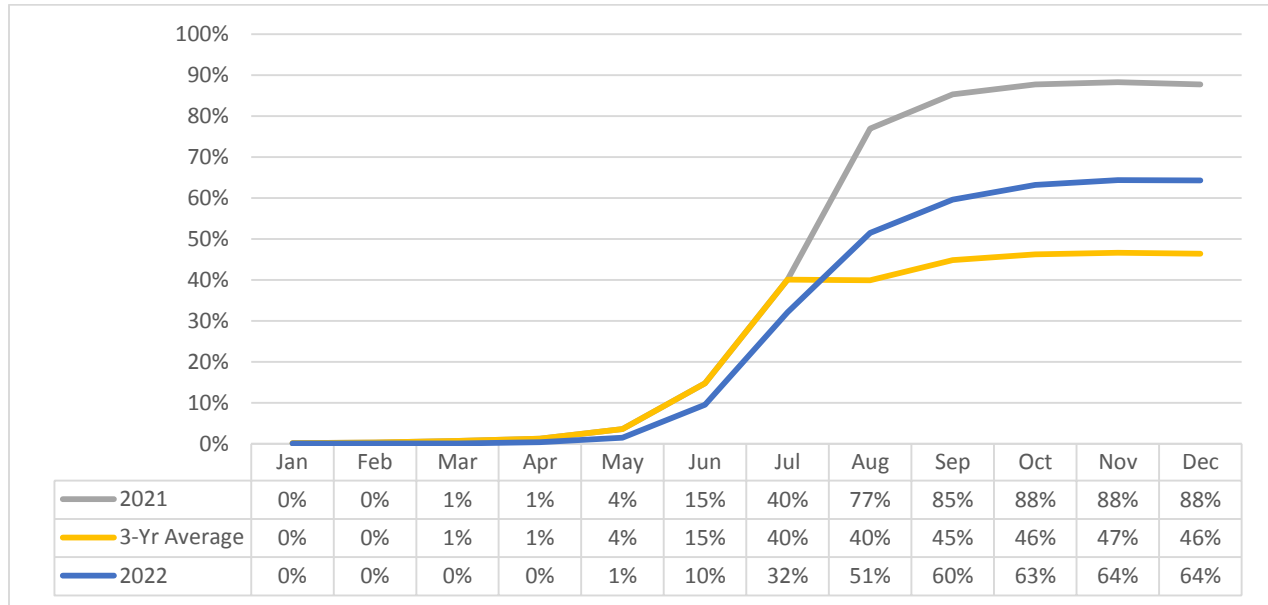
April and May 2022 Bid Awards over \$25,000

Contract for:	Vendor/Proponent	Amount
2022-20-T-OPS Thornbury West Reconstruction Phase 1A	Arnott Construction Limited	\$6,630,000
2022-21-T-OPS Drake's Path Wastewater Servicing Extension	Arnill Construction Ltd. o/a Seeley & Arnill Construction	\$642,333.13
2022-23-T-OPS Arthur Street West Parking Lot Construction	E. C. King Contracting, a Division of Miller Paving Limited	\$647,969
2022-33-T-OPS Replacement of Bridges 2 and 3	HugoMB Contracting Inc.	\$1,766,269.50
2022-66-T-OPS Filter Media Replacement at Craighleith Wastewater Treatment Plant	Continental Carbon Group Inc.	\$63,600
Negotiated Bid – OECM Software Licence Products and Related Services	Softchoice Corp.	\$738,000
Negotiated Bid – LAS Lighting Redesign and Relamping	Conrad Lighting Solutions	\$36,425
2022-27-T-COM Little River Park Enhancements	Arenes Construction Ltd.	\$392,000
Negotiated Bid – Thornbury West Phase 1A Pole Relocation	Epcor Electricity Distribution Ontario Inc	\$146,968.66

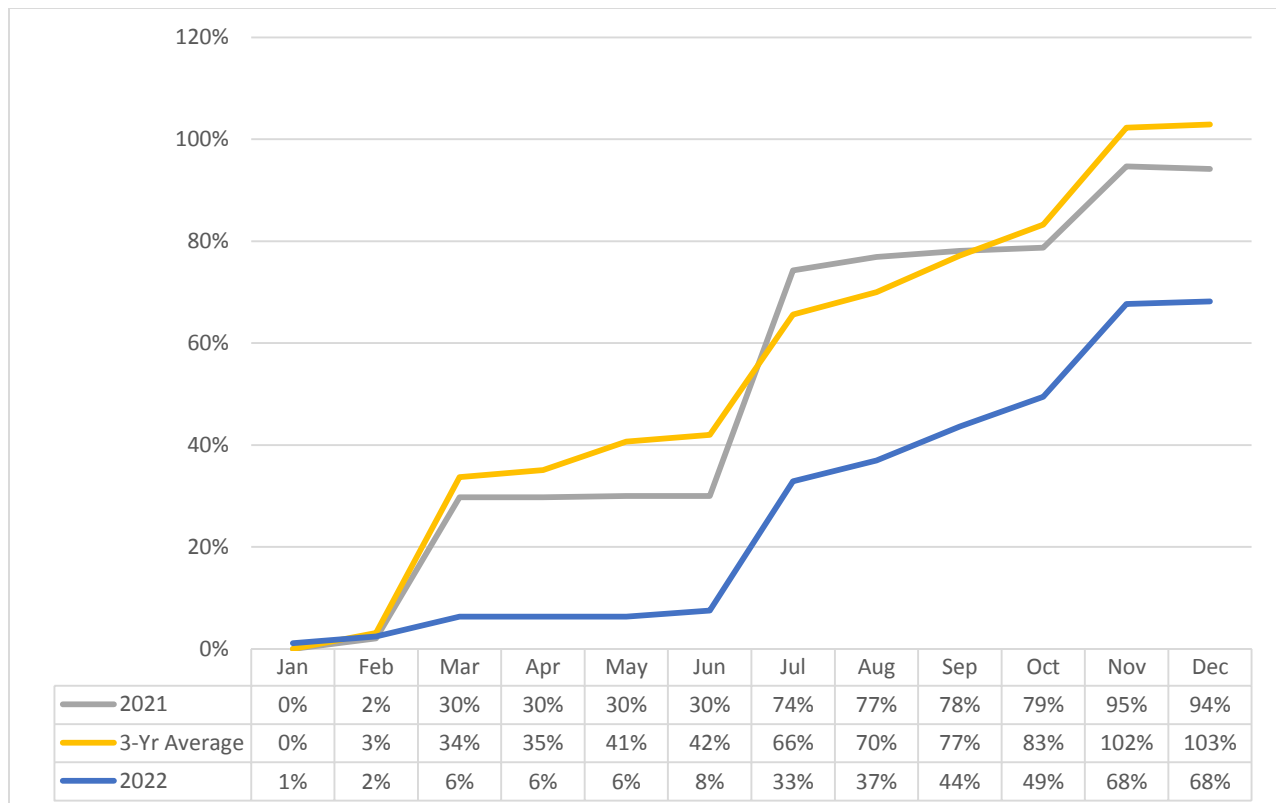
Exception Report -Revenues

These graphs look at revenue streams over \$100,000 that are forecasting +/-10% of budget.

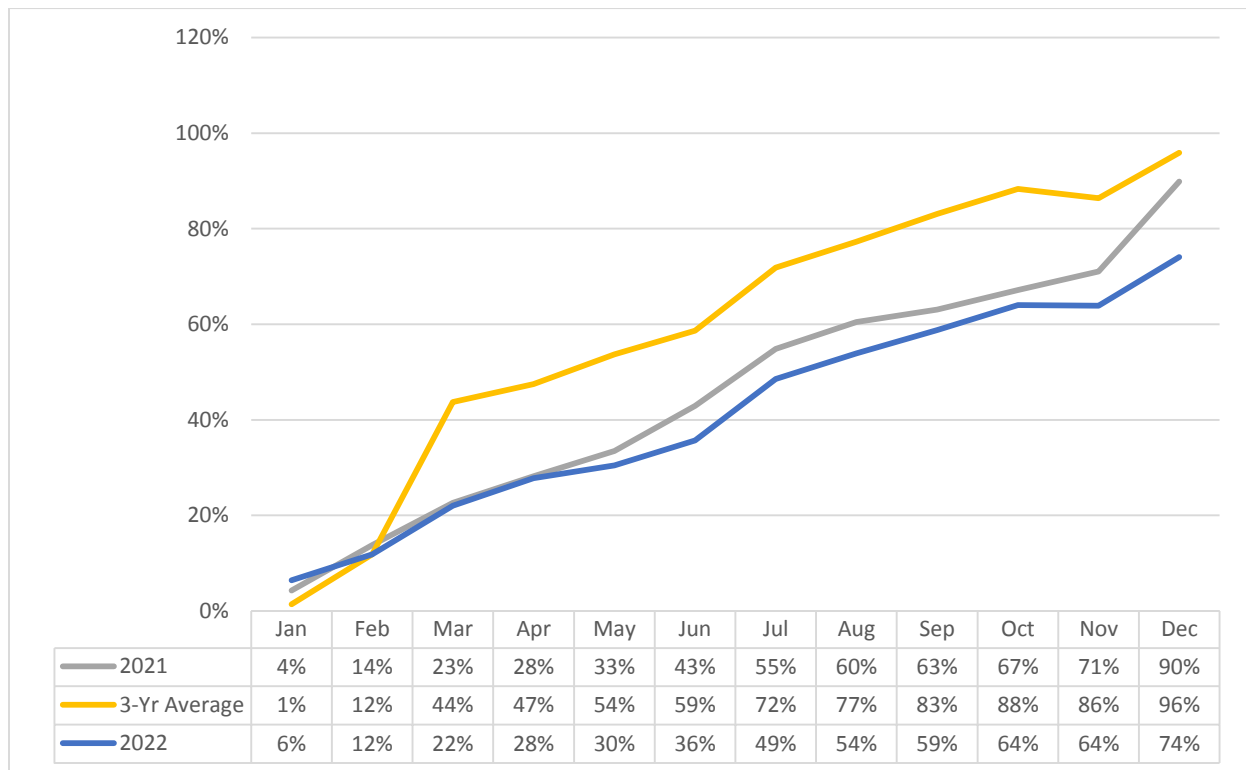
Paid Parking – 2022 Budget of \$600,000



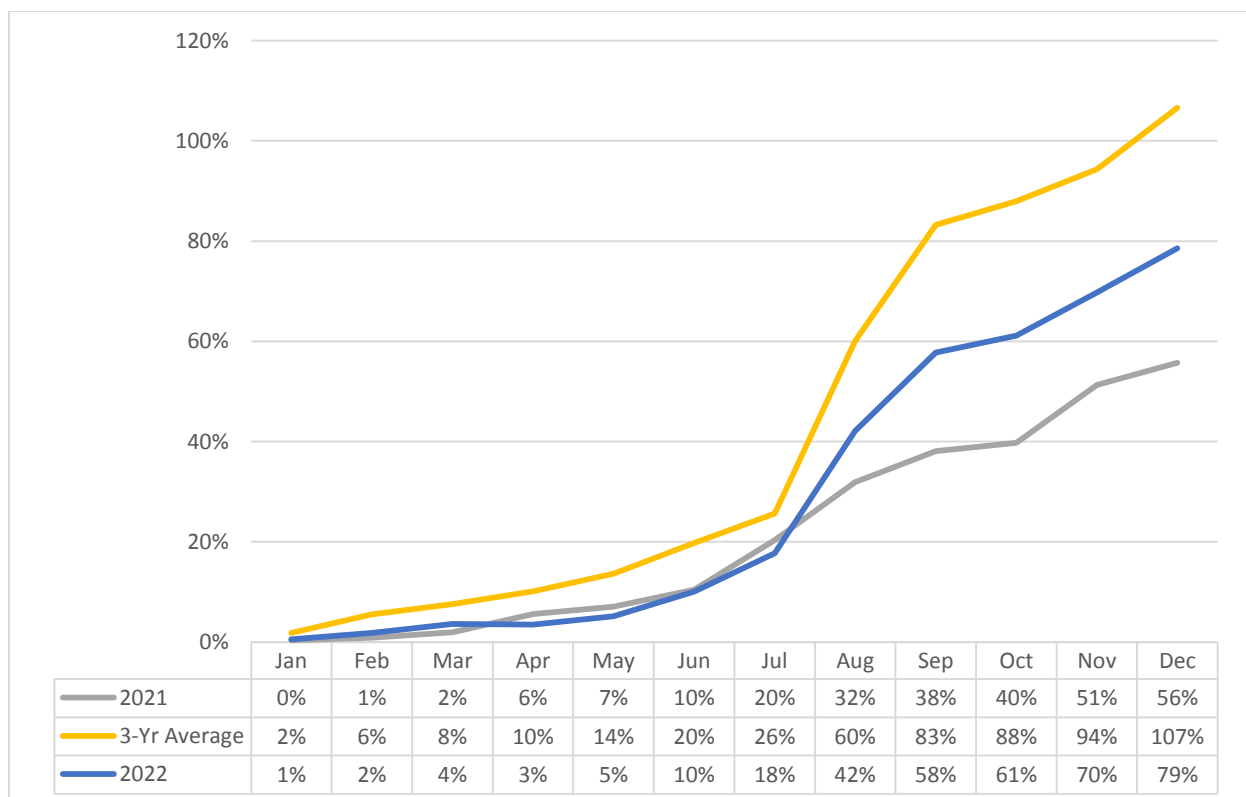
Development Engineering Application Revenues - 2022 Budget of \$1,192,994



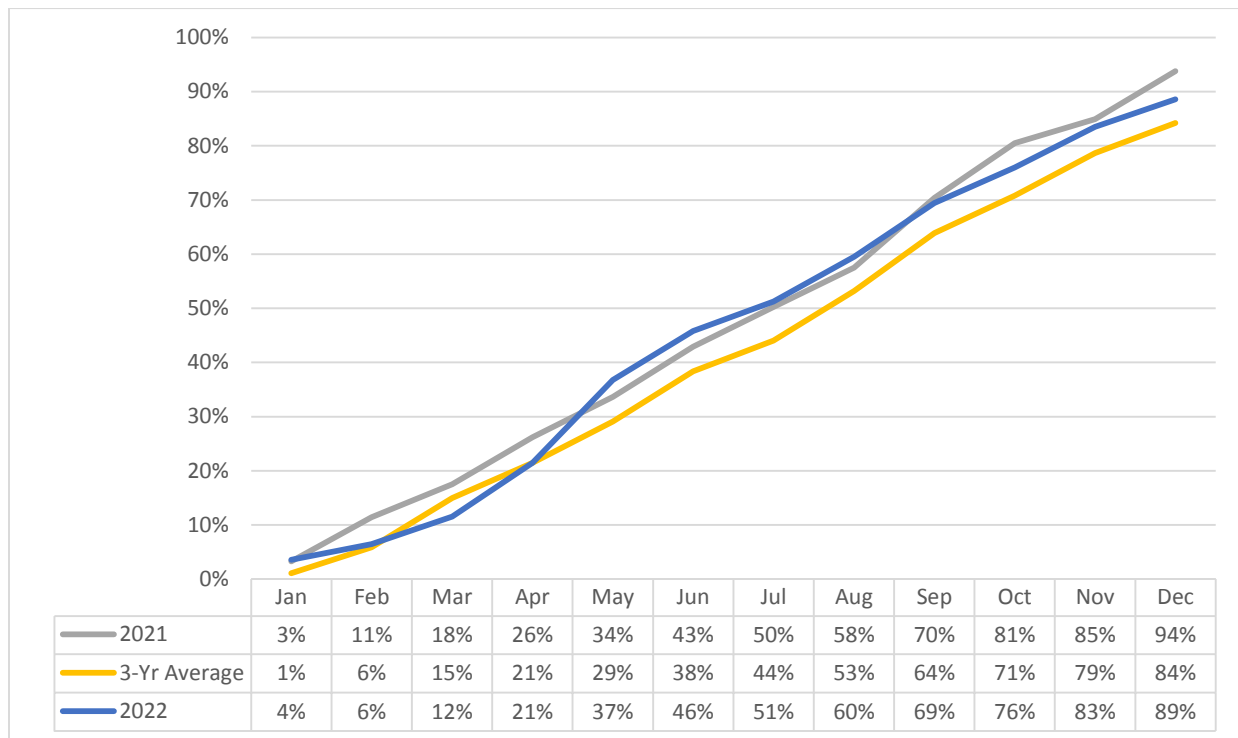
By-law Fines - 2022 Budget of \$372,000



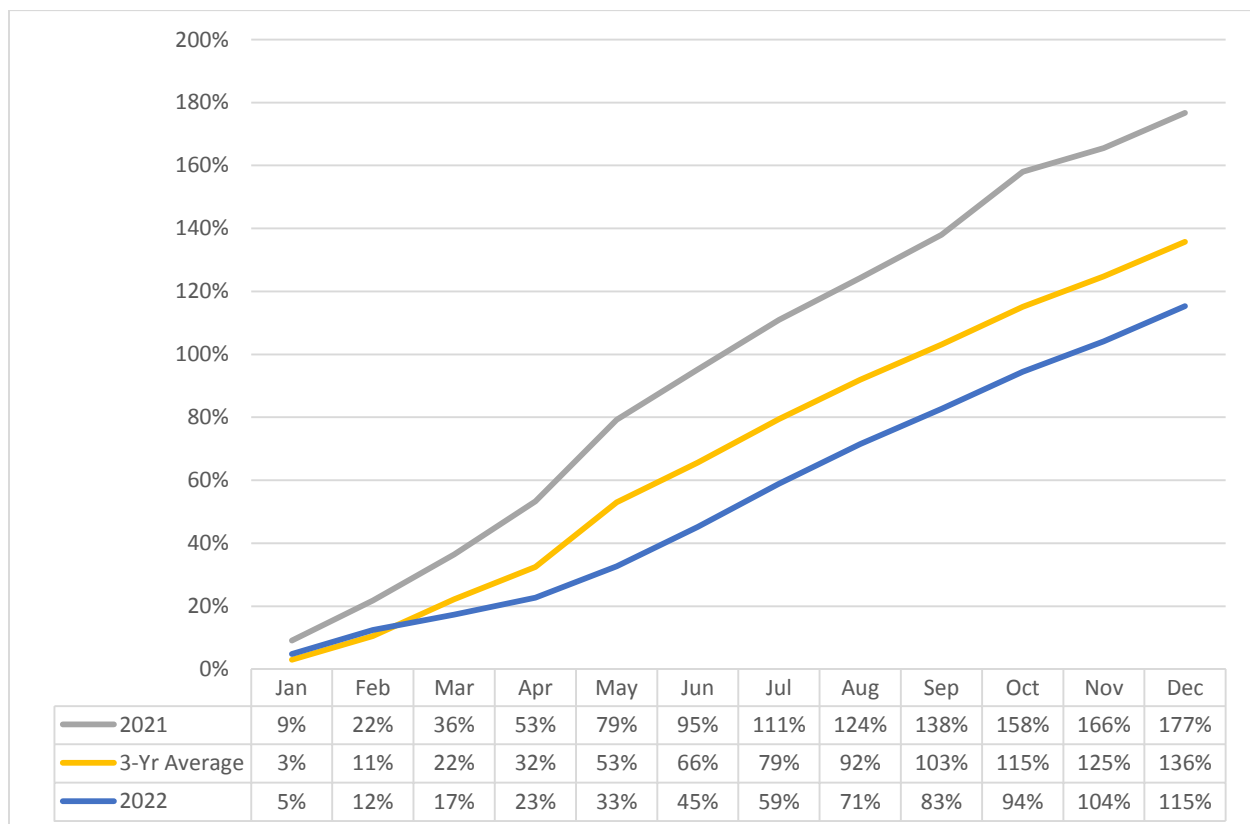
Fire Fees and Charges - 2022 Budget of \$191,850



Landfill Tipping Fees - 2022 Budget of \$448,000



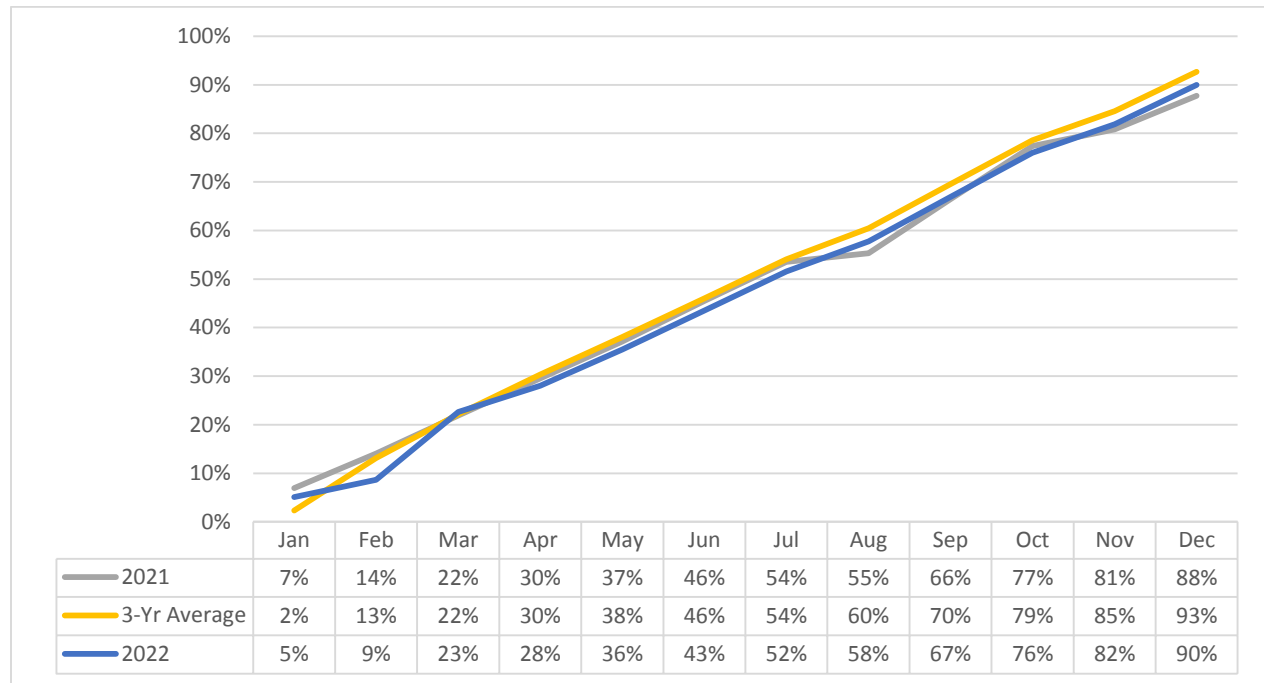
Building Permits - 2022 Budget of \$1,075,606



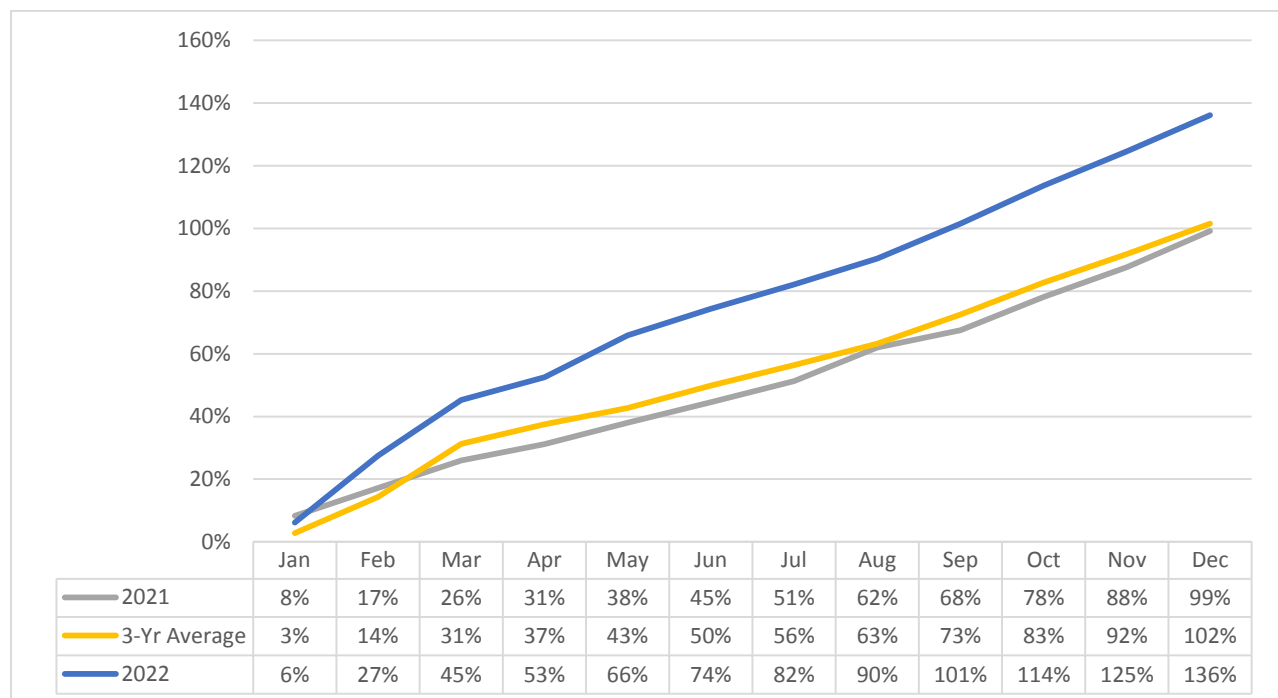
Exception Report -Expenses

These graphs look at the Expenses over \$100,000 that are forecasting +/-10% of budget. Although tracking within +/-10% of the budget staff have included Salaries and Benefits as well as this is the Town's largest expense.

Salaries and Benefits - 2022 Budget of \$17,229,670



Vehicle Expenses - 2022 Budget of \$456,830



Major Capital Projects

Working with the Operations Department staff have included additional information around the large-scale capital projects. The chart has been split into six sections:

- 1) Budget Stage – this is the preliminary stage of a project which has an approved budget (+/-50% accuracy)
- 2) 30% Design – the project is in early stages of engineering which has an estimate of construction (+/-35% accuracy)
- 3) 60% Design – the project is past the mid-point and have a more accurate estimate of construction (+/-25% accuracy)
- 4) 90% Design – the engineering portion is nearing completion and a tender package is being prepared (+/-10% accuracy)
- 5) Construction – the construction contract has been awarded
- 6) On Hold – the project has been put on hold

	Project	Spent to Date	Committed	Estimated Cost to Complete	Budget	Variance
	Budget Stage					
1.	Mountain Drive BPS	\$4,841	\$0	\$1,000,000	\$1,000,000	(\$4,841)
2.	CWWTP Blower Replacement	\$135,974	\$25,277	\$1,740,000	\$1,900,000	(\$1,251)
3.	Craigleith and Mill SPS and Forcemain	\$0	\$0	\$14,110,000	\$2,000,000	(\$12,110,000)
4.	Timmons Easement Lining	\$0	\$0	\$2,005,000	\$2,005,000	\$0
5.	Lakewood Drive Reconstruction	\$6,470	\$432,480	\$3,200,000	\$3,770,000	\$131,050
6.	Servicing 125 Peel Street	\$0	\$0	\$11,500,000	\$11,500,000	\$0
	30% Design					
7.	Water Tower Renovations	\$39,615	\$0	\$1,775,000	\$1,527,500	(\$287,115)

	Project	Spent to Date	Committed	Estimated Cost to Complete	Budget	Variance
8.	10 th Line Reservoir	\$87,711	\$0	\$3,930,000	\$3,381,900	(\$635,811)
9.	Twin Watermains	\$86,819	\$0	\$3,890,000	\$3,347,500	(\$629,319)
10.	Camperdown Pump Upgrades	\$14,841	\$0	\$665,000	\$572,300	(\$107,541)
11.	Peel Street Reconstruction	\$118,744	\$381,678	\$2,279,418	\$2,702,000	(\$77,839)
	60% Design					
12.	Substandard Watermain Replacement	\$1,523,895	\$55,776	\$3,600,000	\$5,213,400	\$33,729
13.	TWWTP Expansion	\$865,925	\$1,736,380	\$19,897,695	\$22,500,000	\$0
	90% Design					
14.	Tyrolean Lane Wastewater Servicing and Watermain Works	\$164,160	\$75,136	\$2,304,817	\$2,273,500	(\$270,613)
15.	Thornbury West Road Improvement Phase 1B	\$249,006	\$409,070	\$6,629,700	\$5,629,700	(\$1,658,076)
	Construction					
16.	Arthur Street West Parking Lot	\$74,382	\$701,791	\$0	\$791,000	\$14,827
17.	Water Pressure Zone 4C Works	\$2,012,049	\$131,078	\$0	\$2,121,200	(\$21,927)

	Project	Spent to Date	Committed	Estimated Cost to Complete	Budget	Variance
18.	Bridge #2 and #3 Replacement	\$85,485	\$2,075,726	\$0	\$2,210,000	\$48,789
19.	Price's Development Wastewater Servicing and Drainage	\$2,126,406	\$258,422	\$0	\$2,564,600	\$179,772
20.	Birch View Trail Wastewater Servicing and Watermain Works	\$86,444	\$1,225,969	\$0	\$1,197,200	(\$115,213)
21.	TWWTP Headworks	\$3,517,785	\$504,469	\$0	\$4,045,200	\$22,947
22.	Thornbury West Road Improvement Phase 1A	\$290,141	\$7,678,617	\$0	\$6,559,700	(\$1,409,058)
	On Hold					
23.	WTP Shoreline Stabilization	\$31,226	\$18,774	\$1,100,000	\$1,150,000	\$0
24.	Landfill Expansion Phase 2	\$0	\$0	\$5,120,000	\$5,120,000	\$0
	Non-Operations Projects					
25.	Thornbury Pier Resurfacing	\$648,075	\$20,000	\$0	\$682,200	\$14,125
26.	Aerial Replacement	\$0	\$0	\$1,500,000	\$1,500,000	\$0
27.	BVCC Renovations (ICIP Grant)	\$317,597	\$30,058	\$1,371,095	\$1,718,750	\$0
28.	Ravenna Road Depot Expansion	\$0	\$0	\$8,561,000	\$8,561,000	\$0

Notes

3. Craigleith and Mill SPS and Forcemain – newly created and approved project. The \$12,110,000 represents staff's construction estimate, no budget has been requested for this amount rather the project will be included in the 2023 Proposed Capital Budget.

5. Peel Street Reconstruction – the engineering came in over-budget

6. Lakewood Drive Reconstruction – the engineering came in under-budget

8., 9., 10., 11. Westside Water Distribution EA – staff have broken out the 4 recommended projects that have come out of the Westside Water Distribution EA.

14., 20. Tyrolean Village Wastewater Servicing and Watermain Replacement – this project has been split into two phases, as compared to the original budget Tyrolean Lane is forecasting over-budget for construction and Birch View Trail is over-budget on the awarded construction.

15., 22. Thornbury West Road Improvements – this project has been split into two phases, as compared to the original budget both phases are forecasting over-budget. Phase 1B's estimated cost of completion includes the estimates for the parkettes.

23. WTP Shoreline Stabilization – this project is on hold due to the lowering water levels of Georgian Bay.

24. Landfill Expansion Phase 2 – this project is on hold for one year due to the tonnage received at the Landfill being lower than projected.

Definition of Committed – costs awarded to a vendor on a specific project.

Report Approval Details

Document Title:	FAF.22.108 Financial Update, April and May 2022.docx
Attachments:	
Final Approval Date:	Jun 8, 2022

This report and all of its attachments were approved and signed as outlined below:

Ruth Prince - Jun 8, 2022 - 12:11 PM