



Staff Report

Finance – Budgets & Accounting

Report To: COW-Finance, Admin, Fire, Legal, Community Services
Meeting Date: August 14, 2023
Report Number: FAF.23.095
Title: Financial Update – May and June 2023
Prepared by: Sam Dinsmore, Acting Director of Finance / Treasurer

A. Recommendations

THAT Council receive Staff Report FAF.23.095, entitled “Financial Update – May and June 2023” for information purposes.

B. Overview

This report outlines the Town’s unaudited financial activities as of June 30, 2023.

C. Background

Staff are bringing this report forward to give Council and the Public a snapshot of the Town’s financial activity up to June 30, 2023.

D. Analysis

As per Council direction the financial update reports are an exception-based reporting, 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, Blue Mountain Attainable Housing Corporation (BMAHC) loan, 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.

Tax Supported Services

Staff are monitoring expense lines, such as Garbage and Recycling/Organics collections, external Legal costs, and vehicle costs. To date, the following expenses are trending under or over budget:

- Vehicle Expenses – these are forecasting to end the year over-budget and costs are being driven by maintenance to the large vehicle fleet that have replacements having been ordered but not yet delivered.

Staff have included trend analysis charts in the attachment to this report for the following revenue streams:

- Planning – this revenue stream is forecasting to end the year under-budget.
- Penalty and Interest on Arrears – this revenue stream is forecasting to end the year over-budget.
- Investment Income – this revenue stream is forecasting to end the year well over-budget; however, staff expect this revenue to slow down as the Town awards some major capital projects in 2023.
- Beaver Valley Community Centre Fees – this revenue stream is forecasting to reach pre-pandemic levels by year-end.
- Tomahawk – this revenue stream is trending in the positive and is forecasting to end the year over-budget.

Water and Wastewater Operations

Water and Wastewater are operating within revenues and expenses budget.

User Fee Supported Operations (Building and Harbour)

Building and Harbour are operating within revenues and expenses budget.

Development Engineering

At the direction of Council staff have included a summary of current YTD financial activities for the Development Engineering division and the reserve/deferred revenue balances.

	June 30 Year-to-Date	Year End-Forecast	Year-End % of Budget
Expenses	\$444,125	\$840,000	97%
Revenues	\$456,037	\$850,000	98%
Net Cost	(\$11,912)	(\$10,000)	-

Currently Development Engineering is forecasting to end the year on budget for both expenses and revenues with a projection of a small \$10,000 surplus. Staff will continue to update these numbers with each bi-monthly financial report.

- Development Engineering Reserve - \$232,215 (June 30, 2023, balance)
- Development Engineering Deferred Revenue - \$414 (June 30, 2023, balance, only updated at year-end)

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
Heather McFarlane, Budget 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, Acting Director of Finance / Treasurer at directorfit@thebluemountains.ca.

J. Attached

1. Financial Update Charts and Graphs

Respectfully submitted,

Sam Dinsmore
Acting Director of Finance / Treasurer

For more information, please contact:
Sam Dinsmore, Acting Director of Finance / Treasurer
directorfit@thebluemountains.ca
519-599-3131 extension 274

2023 Development Charges Collected

Month	2023 Monthly Actuals	2022 Monthly Actuals
January	\$ 698,748	\$ 550,215
February	\$ 47,682	\$ 122,883
March	\$ 286,546	\$ 595,361
April	\$ 1,048,450	\$ 16,580
May	\$ 4,743,367	\$ 91,190
June	\$ 254,392	\$ 148,221
July	\$	\$ 422,573
August	\$	\$ 854,005
September	\$	\$ 233,592
October	\$	\$ 160,416
November	\$	\$ 315,491
December	\$	\$ (158,948)
Total	\$ 7,079,185	\$ 3,351,579

Reserve Fund	Reserve Fund Balance	YE Forecasted Balance
General Government	\$ 185,668	\$ (98,847)
Fire	\$ 1,046,317	\$ 793,431
Police	\$ 34,938	\$ 34,255
Parking & By-Law	\$ (134,563)	\$ (124,531)
Public Works	\$ 1,549,810	\$ 1,842,542
Roads and Related	\$ 10,648,377	\$ 7,734,044
Solid Waste	\$ 244,675	\$ 301,581
Parks and Recreation	\$ 4,135,405	\$ 3,434,746
Library	\$ 2,699,953	\$ 3,048,723
Water	\$ 9,396,694	\$ (104,114)
Wastewater	\$ 4,206,000	\$ (15,011,365)
Total	\$ 34,013,274	\$ 1,850,465

Estimated from the DC Background Study	\$ 9,123,000
2023 Year to Date Actual	\$ 7,079,185
2022 Year to Date Actual	\$ 1,524,450
Percent of Estimate	78%

- The Town collected a significant amount of Hard Development Charges (roads, water, and wastewater) through the execution of subdivision agreements.

Blue Mountains Attainable Housing Corporation Loan

This chart looks at the loan draws that the BMAHC has against the approved Operating Loan with an upset limit of \$800,000 (original upset limit of \$1,200,000 was reduced through staff report *Follow Up to The Blue Mountains Attainable Housing Corporation Deputation of May 17, 2023 FAF.23.106*). Staff have also included the accumulate interest earned on the loan to May 31, 2023. As per Council direction the loan became interest free after May 2023.

Date	Amount of Draw Request
October 20, 2020	\$ 100,000
June 8, 2021	\$ 170,000
March 23, 2022	\$ 170,000
November 14, 2022	\$ 100,000
February 6, 2023	\$ 175,000
Total Draw Requests	\$ 715,000
Interest Earned to Date	\$ 29,671
Total Operating Loan Balance	\$ 744,671

Bid Awards and Contract Extensions

Contract Extensions over \$25,000

Contract for:	Vendor/Proponent	Amount
2023-29-N-FIT KnowBe4 Renewal – Information Technology Operating Budget	KnowBe4	\$25,437.96

Bid Awards over \$25,000

Contract for:	Vendor/Proponent	Amount
2023-19-T-OPS Supply and Installation of One (1) New Unused Modular 10' x 40' Office Trailer – Thornbury Wastewater Treatment Plant Expansion Capital Budget	Single Source Supply Inc.	\$106,000
2023-26-N-COR Safety Footwear – Various Operating Budgets	Mister Safety Shoes	\$36,150
2023-28-N-COM Kubota RTV Single Source – Parks and Trails Machinery and Equipment Capital Budget	Roberts Farm Equipment Sales Inc	\$32,346.21
2023-38-Q-PDS Planning Support Services – Planning Operating Budget (used as required)	SGL Planning & Design Inc. WSP Canada Inc. GSP Group Inc. Fotenn Consultants Inc.	
Negotiated Bid (Sourcewell/Canoe Procurement Group) Tandem Axle Snowplow Trucks – Roads and Drainage Machinery and Equipment Capital Budget	Viking Cives	\$940,260
Negotiated Bid Award (Sourcewell/Canoe Procurement Group) Roads Needs Study Operating Budget	Street Scan	\$112,638
2023-43-T-OS Filter Media Replacement at Craigeleith Wastewater Treatment Plan - Wastewater Plant Equipment Replacement Capital Budget	Continental Carbon Group	\$34,200
Negotiated Bid – Payroll Software - Financial Software Replacement Capital Budget	Ceridian Canada Ltd.	\$39,327.39
Emergency Purchase – Low Voltage Equipment Replacement - Wastewater Plant Equipment Replacement Capital Budget	ARO Technologies Inc.	\$60,000
2023-46-T-OPS Substandard Watermain Replacement Program – Phase 2 – Substandard Watermain Replacement Capital Budget	1579137 Ontario Inc. o/a SMRS Construction	\$685,085.80

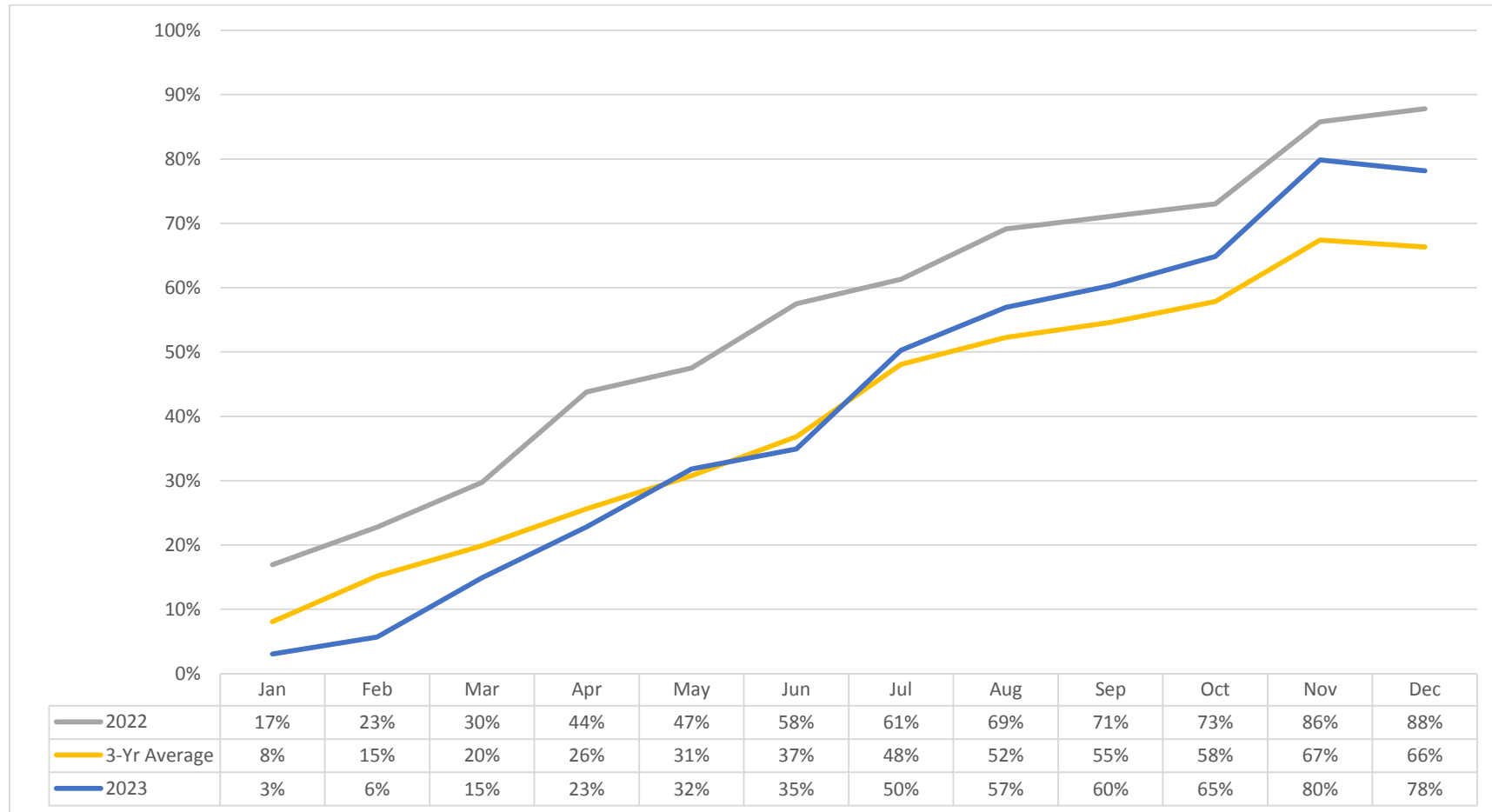
Contract for:	Vendor/Proponent	Amount
2023-47-T-FIT Window Replacement at The Blue Mountains OPP Detachment Office – <i>Thornbury OPP Detachment Window Replacement FAF.23.078</i> Capital Budget	Danval Construction Company	\$43,230
2023-27-P-OPS Engineering Services for Arrowhead and Camperdown Booster Pumping Station Improvements	Arcadis Professional Services (Canada) Inc.	\$732,013.88
2023-31-P-FIR Self Contained Breathing Apparatus System Replacement for The Blue Mountains Fire Department	3635112 Canada Inc. o/a M&L Supply, Fire & Safety	\$360,061.80
Negotiated Bid – Roads Replacement Tractor (Sourcewell/Canoe Procurement Group)	Roberts Farm Equipment Sales Inc.	\$230,928.60
Negotiated Bid – Veeam Backup and Replication Licence Software (3 year contract)	Softchoice Canada	\$39,510

Exception Report -Revenues

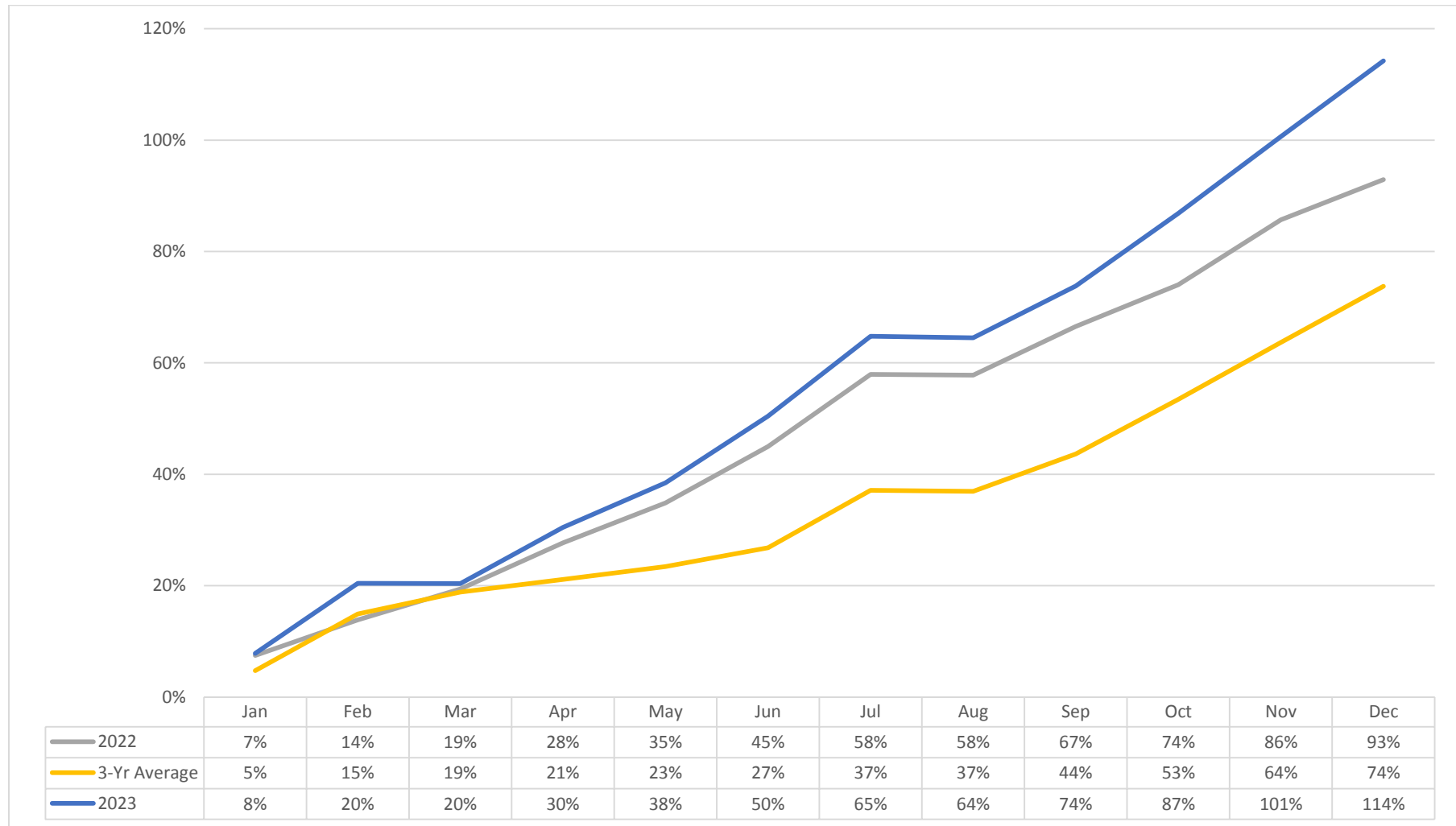
This section of the report looks at revenue streams over \$100,000 that are forecasting +/-10% of budget.

Planning - 2023 Budget of \$653,600

- Planning revenues can be hard to predict as one development can bring in significant revenues.

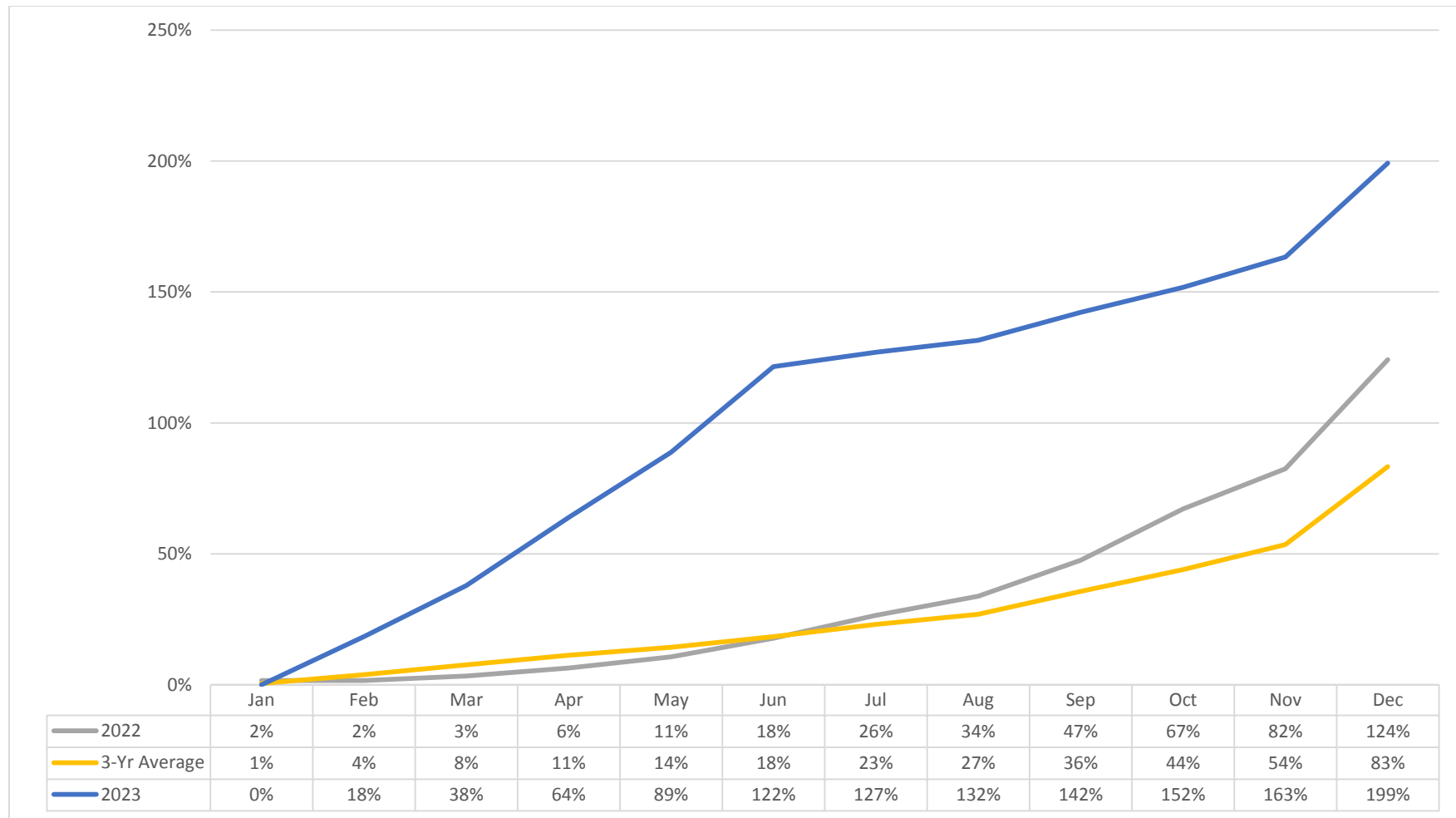


Penalty and Interest Income – 2023 Budget of \$345,000



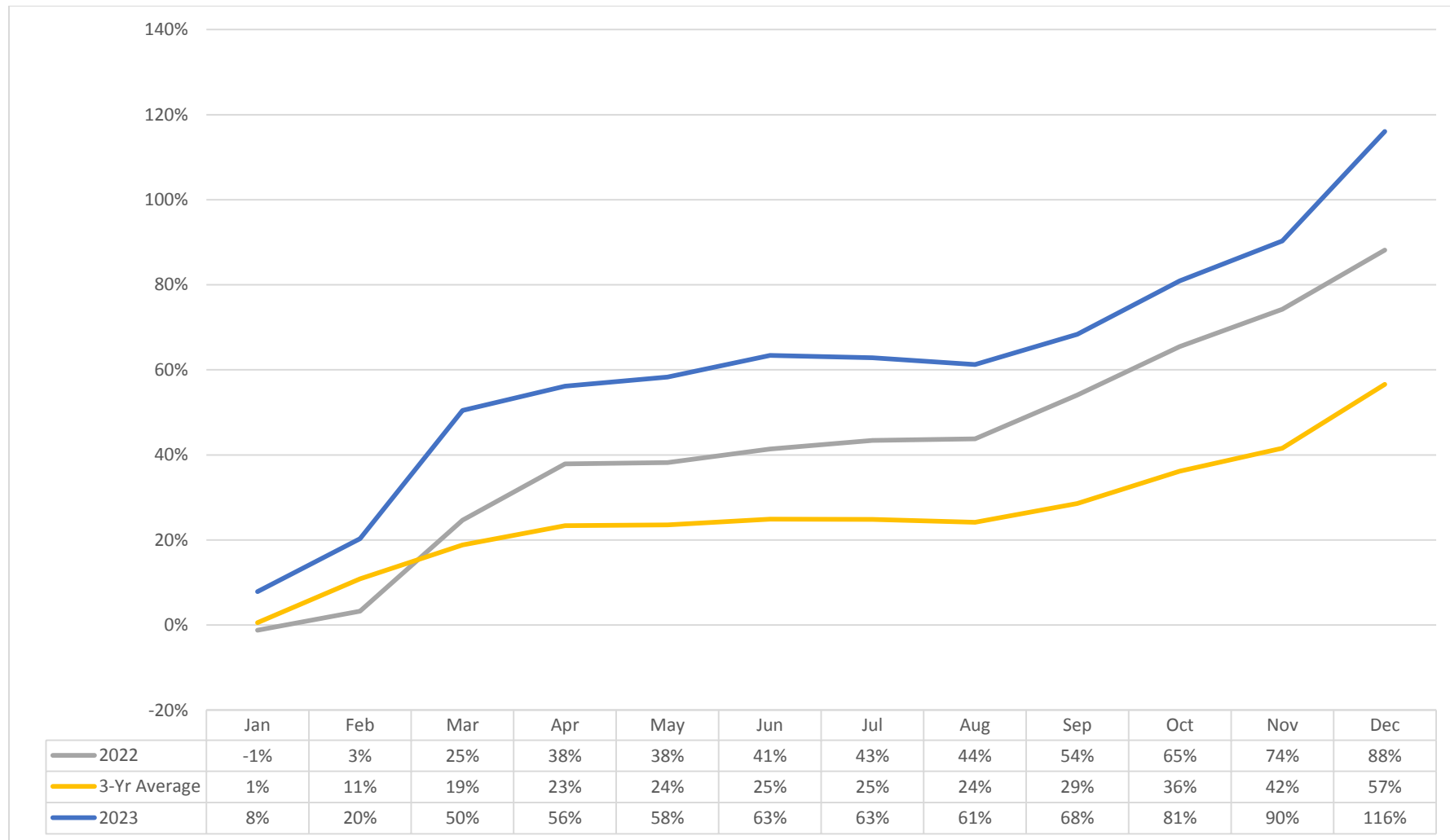
Interest Income - 2023 Budget of \$300,000

- The Town continues to see an increase in the interest rate on the general bank account. Staff are expecting this revenue stream to slow down as major capital projects have been awarded and will decrease the bank balance.



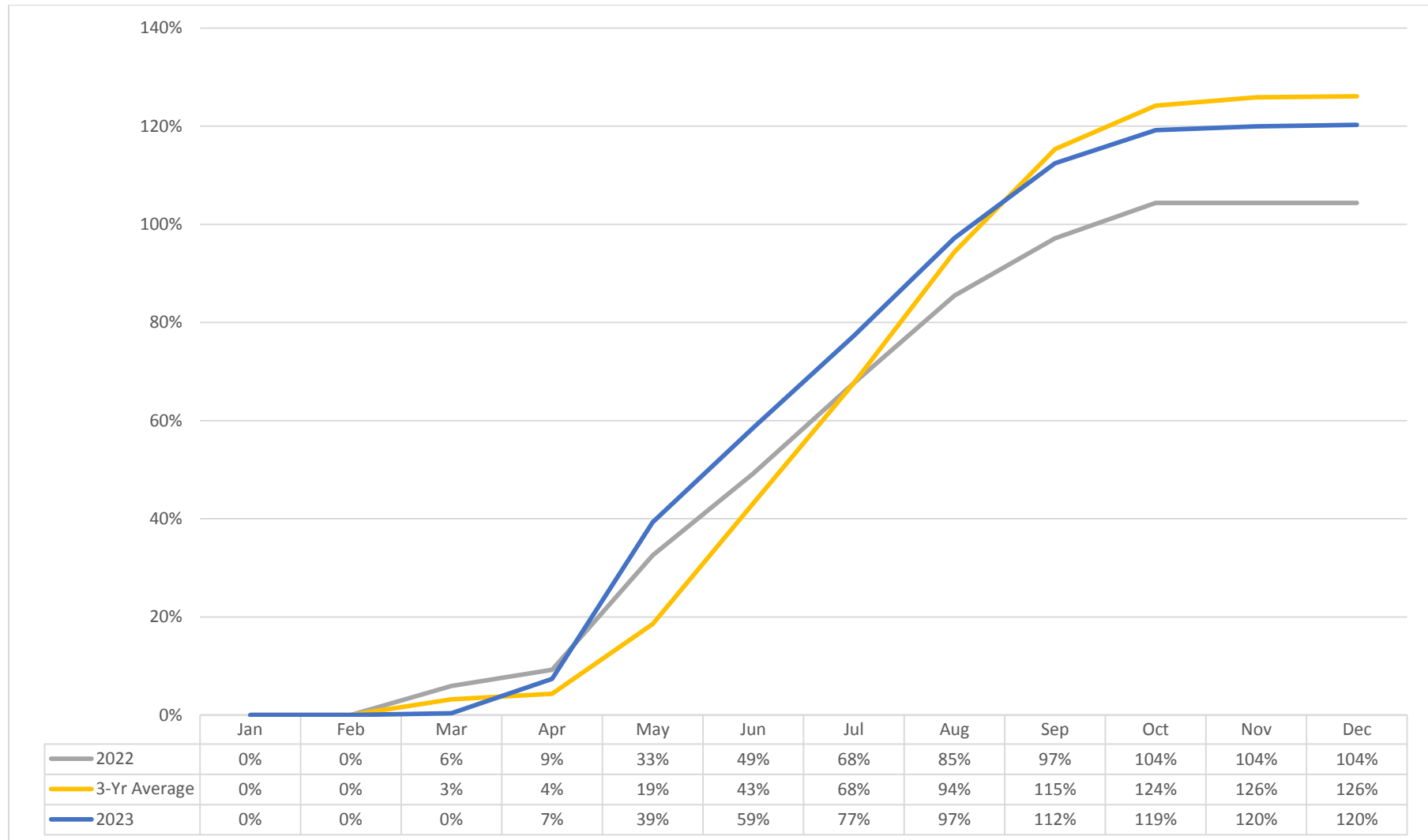
Beaver Valley Community Centre - 2023 Budget of \$196,200

- Revenues not seen since pre-pandemic are starting to come back to the BVCC, such as alcohol related hall rentals. At the end of June, the Town had collected more than 60% of the budget for this revenue stream.



Tomahawk Revenues – 2023 Budget of \$182,900

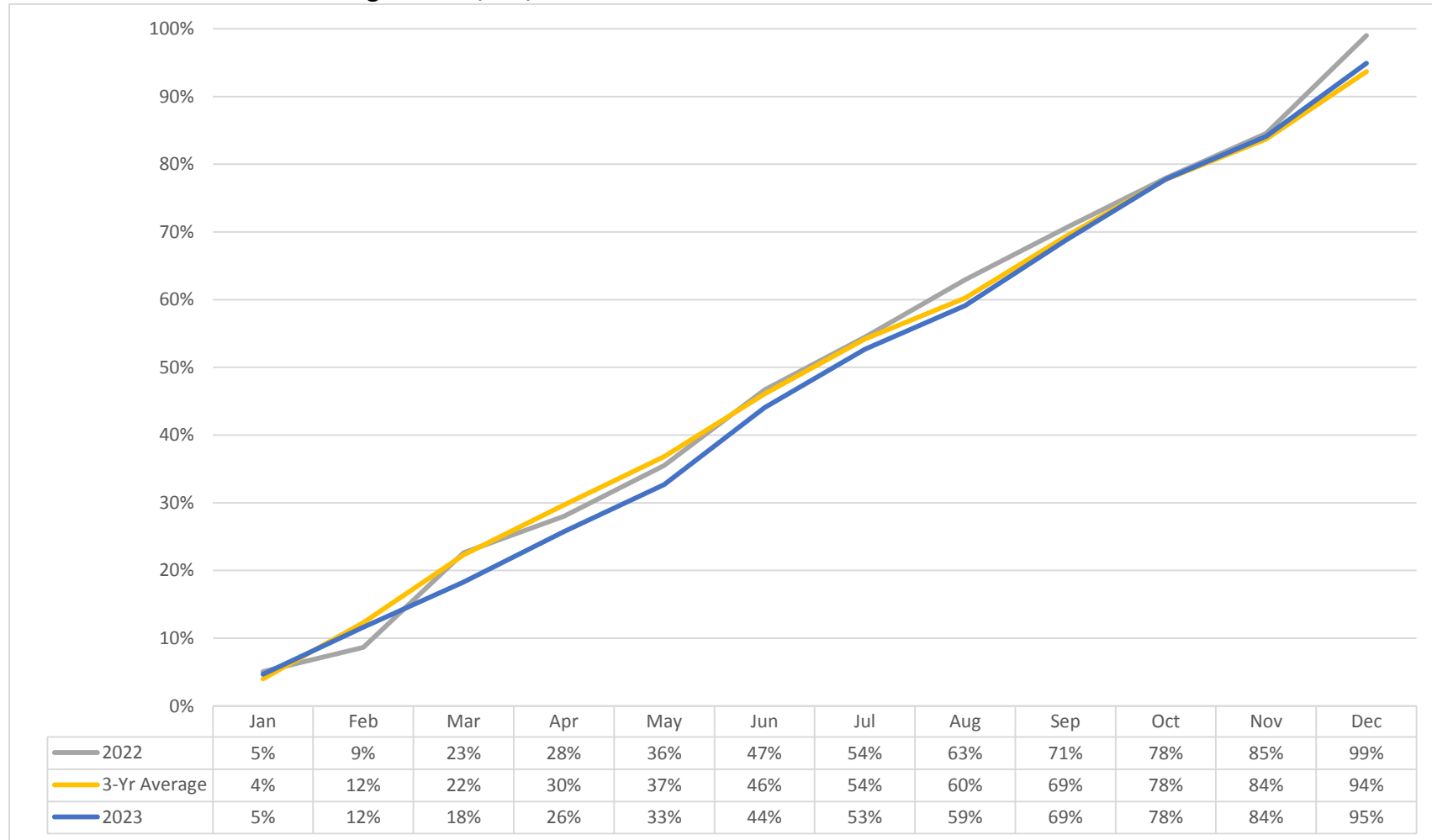
- At the end of June Tomahawk has collected more than 50% of the budget for this revenue stream.



Exception Report -Expenses

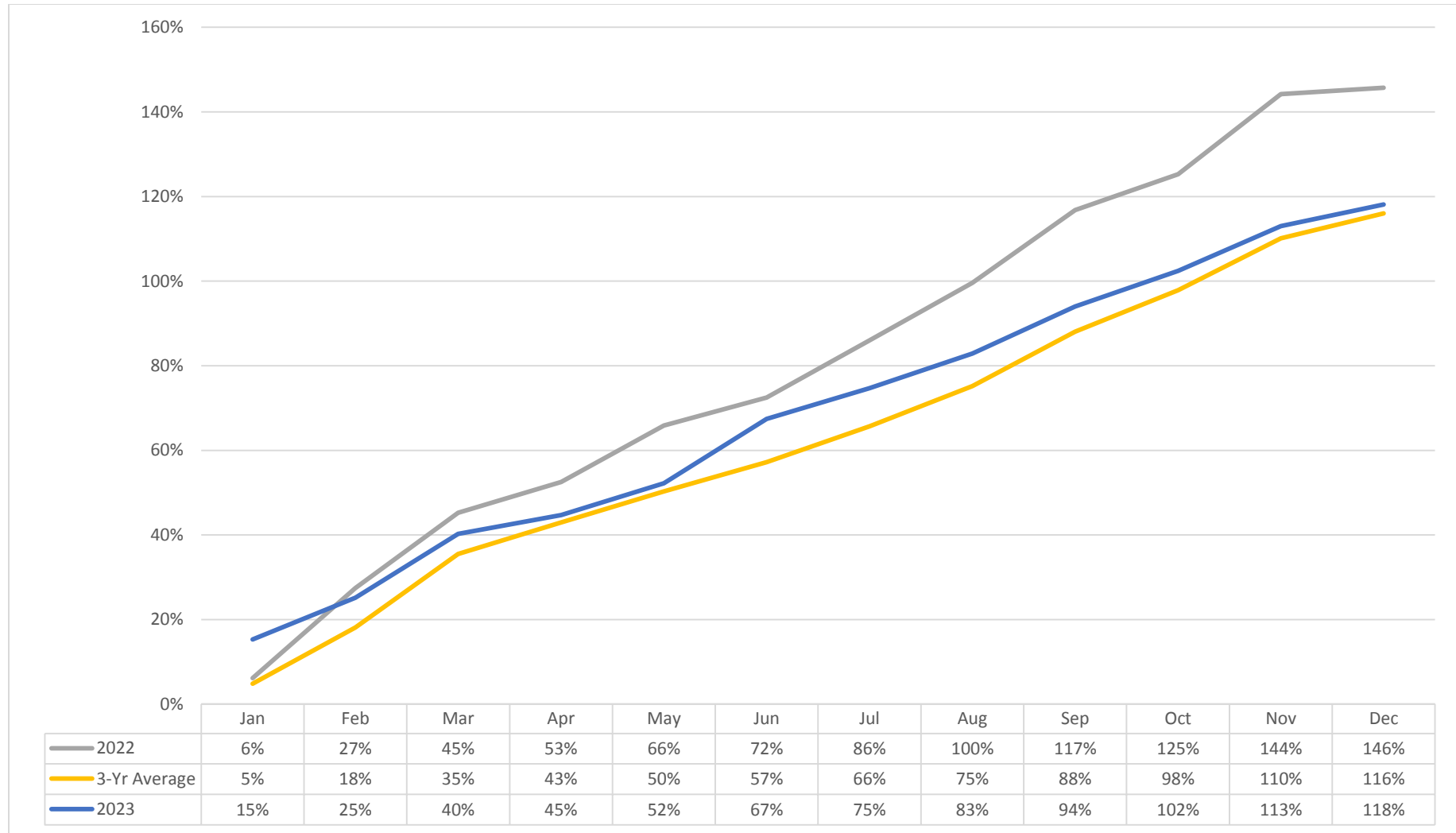
These graphs look at the Expenses over \$100,000 that are forecasting +/-10% of budget. Although tracking within +/-10% of budget, staff have included Salaries and Benefits as this is the Town's largest expense.

Salaries and Benefits - 2023 Budget of \$19,193,840



Vehicle Expenses – 2023 Budget of \$591,000

- The Town is seeing an increased cost in repairs and maintenance for the larger fleet vehicles such as fire emergency vehicles and snow plows, staff expect this to level off in future years as the older vehicles are replaced.



Report Approval Details

Document Title:	FAF.23.095 Financial Update - May and June 2023.docx
Attachments:	
Final Approval Date:	Aug 1, 2023

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

Sam Dinsmore - Aug 1, 2023 - 2:26 PM

Shawn Everitt - Aug 1, 2023 - 2:37 PM