



Staff Report

Finance – Budgets & Accounting

Report To: COW-Finance, Admin, Fire, Legal, Community Services
Meeting Date: September 25, 2023
Report Number: FAF.23.141
Title: Financial Update – July and August 2023
Prepared by: Sam Dinsmore, Acting Director of Finance / Treasurer

A. Recommendations

THAT Council receive Staff Report FAF.23.141, entitled “Financial Update – July and August 2023” for information purposes.

B. Overview

This report outlines the Town’s unaudited financial activities as of August 31, 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 August 31, 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 (below revenue targets).
- Penalty and Interest on Arrears – this revenue stream is forecasting to end the year over-budget (above revenue targets).
- Investment Income – this revenue stream is forecasting to end the year well over-budget (above revenue targets); however, staff expect this revenue to slow down as the Town awards some major capital projects in 2023.
- Short-term Accommodation (STA) – this revenue stream is forecasting to end the year well over-budget (above revenue targets).
- Beaver Valley Community Centre Fees – this revenue stream is forecasting to end the year over-budget (above revenue targets). This is a promising trend as the BVCC is starting to see busier levels of usage that hasn't been seen since before the pandemic.
- 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 is operating within revenues and expenses budget.

User Fee Supported Operations (Building and Harbour)

The Harbour is operating within revenues and expenses budget. Building is forecasting to end the year under-budget in their revenue stream.

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.

	Aug 31 Year-to-Date	Year End-Forecast	Year-End % of Budget
Expenses	\$513,710	\$786,000	75%
Revenues	\$520,847	\$797,000	92%
Net Cost	(\$7,137)	(\$11,000)	-

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

- Development Engineering Reserve - \$232,215 (August 31, 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	\$ 287,183	\$ 422,573
August	\$ 50,244	\$ 854,005
September	\$	\$ 233,592
October	\$	\$ 160,416
November	\$	\$ 315,491
December	\$	\$ (158,948)
Total	\$ 7,416,612	\$ 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	\$ 320,284
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	\$ 328,207

Estimated from the DC Background Study	\$ 9,123,000
2023 Year to Date Actual	\$ 7,416,612
2022 Year to Date Actual	\$ 2,801,028
Percent of Estimate	81%

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

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
2019-01-T-IPW – Supply and Delivery of Winter Road Salt – Roads and Drainage Operating Budget	Compass Minerals Canada Corp.	\$101,240
2019-02-T-OPS – Sidewalk Parking Lot Winter Maintenance – Roads and Drainage Operating Budget	Bay Valley Services	\$245,000
2021-47-T-IPW – Load and Haul Snow – Roads and Drainage Operating Budget	Auto Payment Inc.	\$43,100
2020-43-T-OPS – Thunder Hill Subdivision Winter Maintenance – Roads and Drainage Operating Budget	Yard Boys Ltd.	\$33,446

Bid Awards over \$25,000

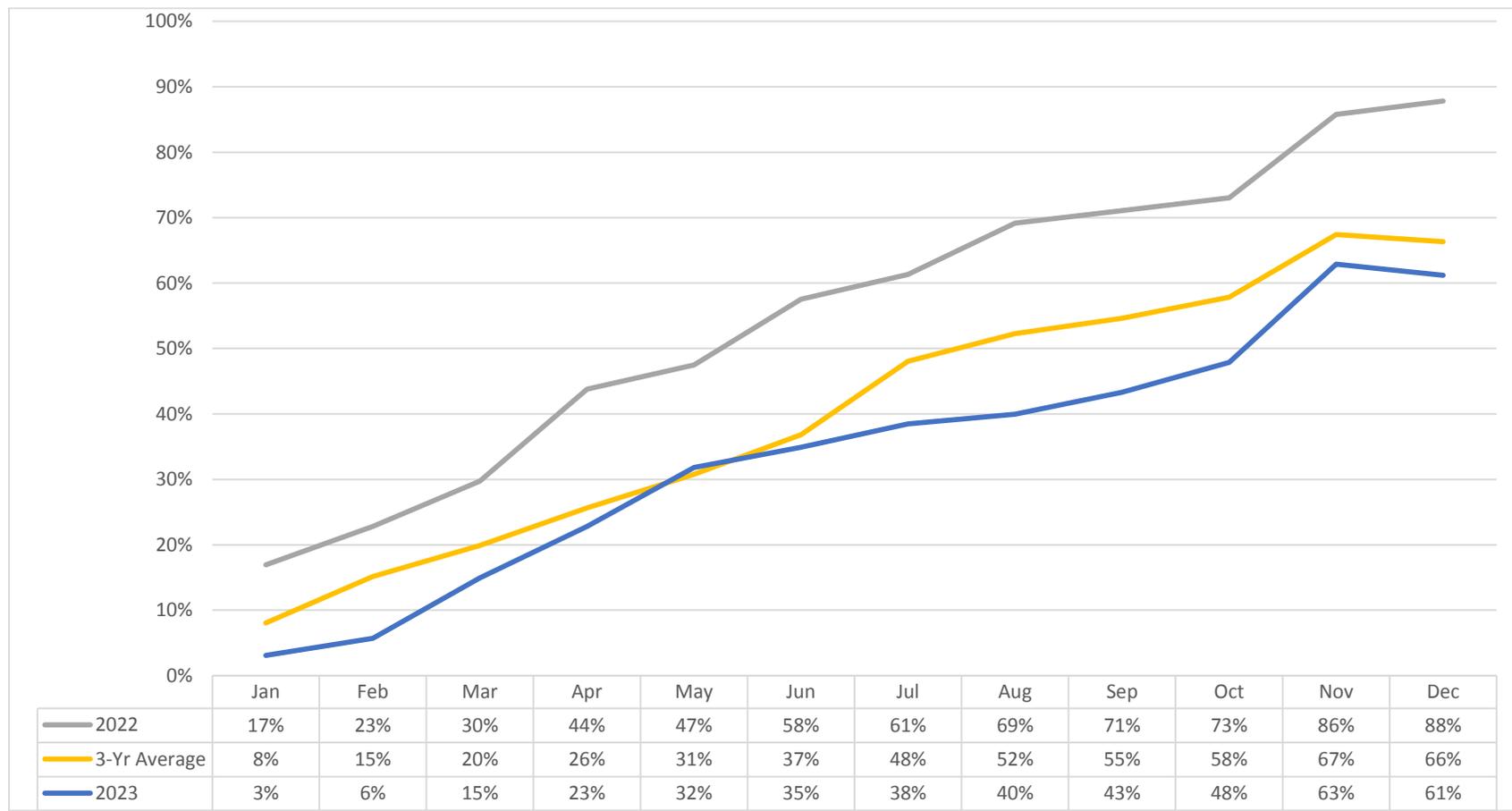
Contract for:	Vendor/Proponent	Amount
2023-42-N-FIT – Veeam Renewal – Information Technology Operating Budget	Softchoice Canada	\$39,510
2021-02-T-OPS – Supply and Delivery of New Road Graders (Negotiated Award) – Roads and Drainage Machinery and Equipment Capital Budget	Brandt Tractor Inc.	\$690,000
Negotiated Award – TWWTP Transformer -TWWTP Expansion Capital Budget	EPCOR	\$49,095
2023-29-T-OPS Wood Waste Grinding – Landfill Operating Budget	1499575 ONTARIO INC. o/a Northern Bulk Logistics	\$60,000
2023-55-T-OPS – Inspection & Testing Services for Thornbury Wastewater Treatment Plant Phase 1A Expansion -TWWTP Expansion Capital Budget	Geomaple Geotechnics Inc.	\$91,612
2023-32-P-FIT – BVCC Security Camera System Replacement – Information Technology Continuous Improvements Capital Budget	Varian Solutions o/a MAXtech Systems	\$45,006.04

Exception Report -Revenues

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

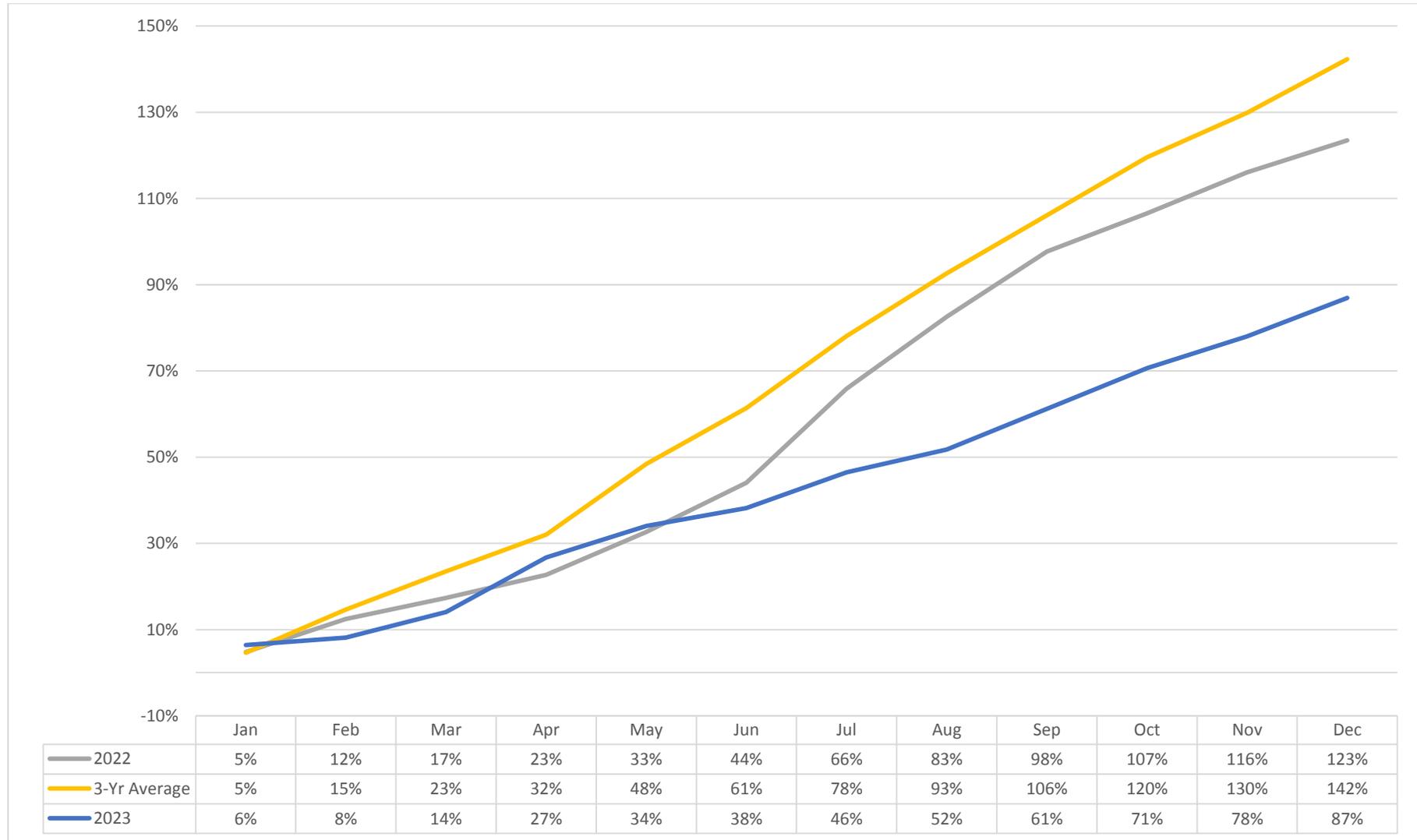
Planning - 2023 Budget of \$653,600

- Planning revenues can be hard to predict as one development can bring in significant revenues. Planning Fees are being review in 2023 for input in the 2024 budget.

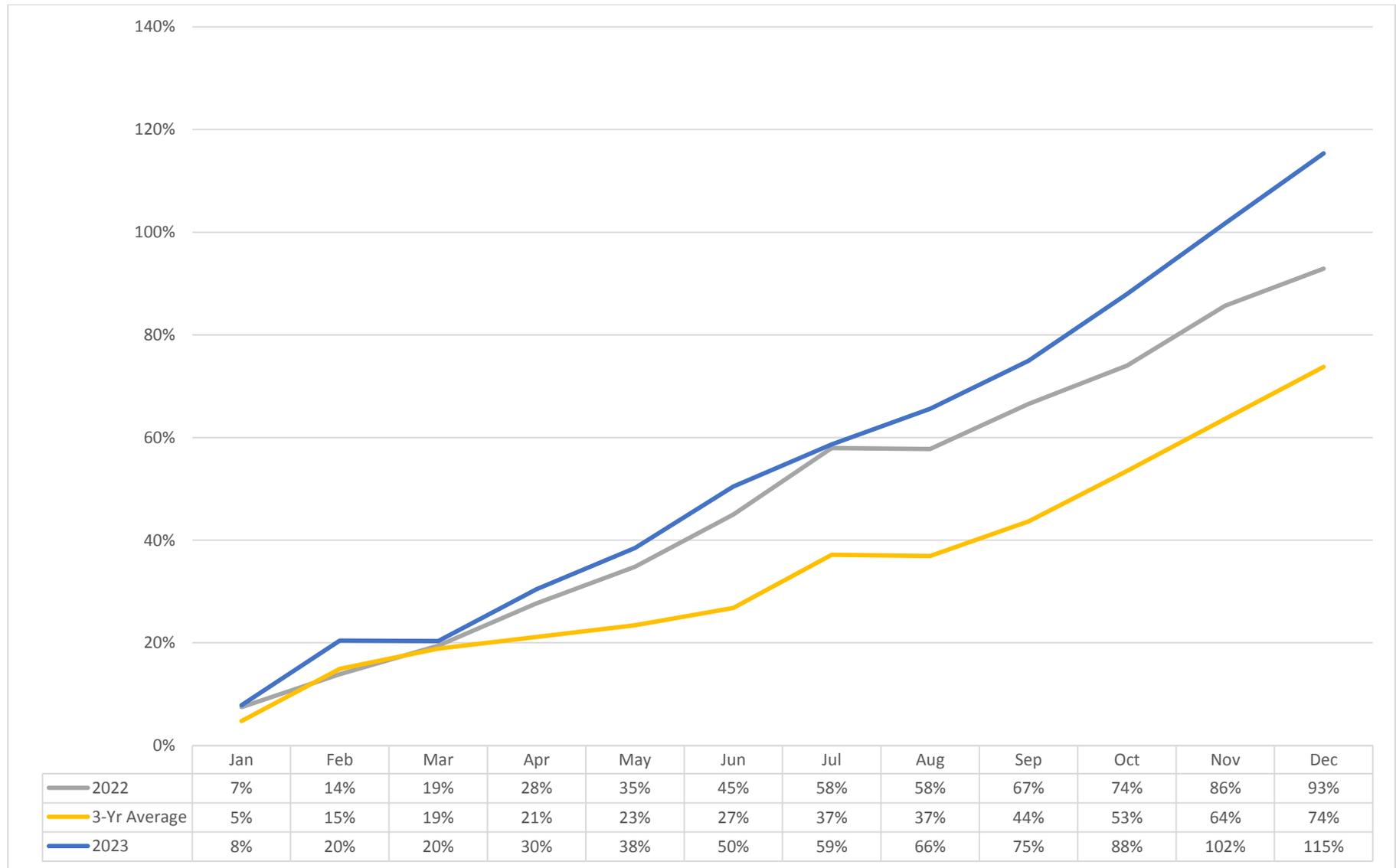


Building - 2023 Budget of \$1,392,500

- Building is starting to see a slowdown in activities. Building Fees are being review in 2023 for input in the 2024 budget.

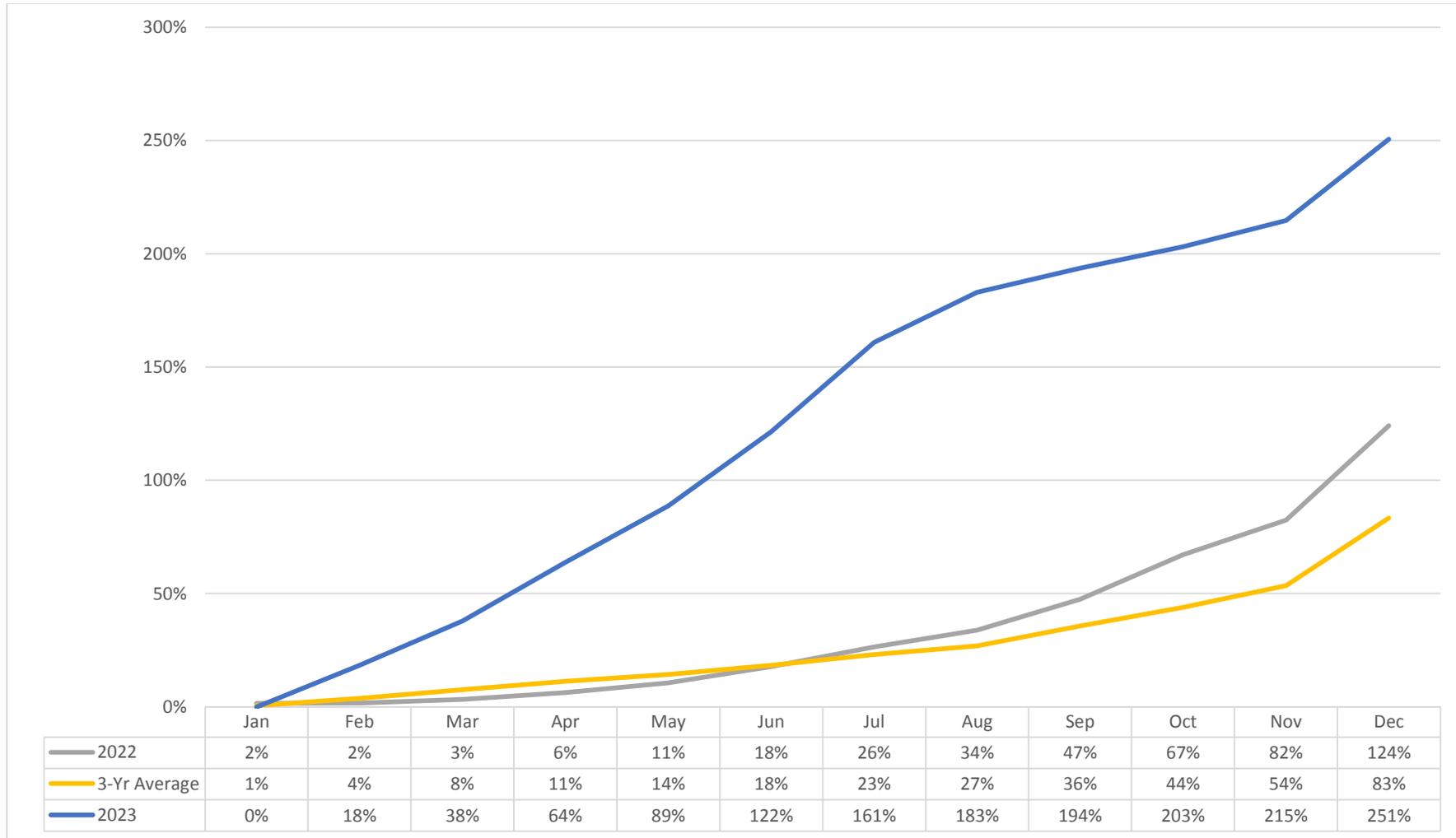


Penalty and Interest Income – 2023 Budget of \$345,000



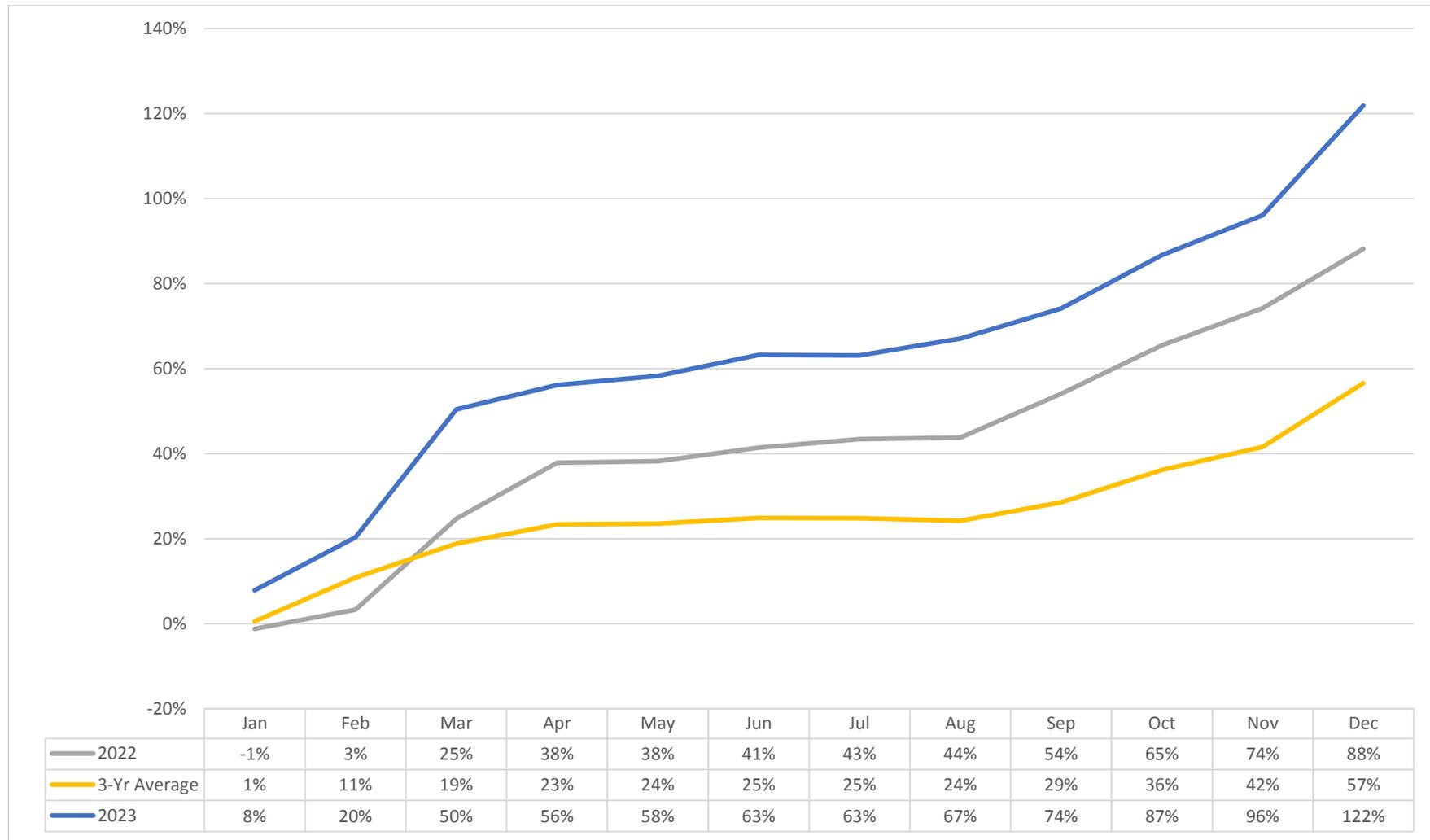
Interest Income - 2023 Budget of \$300,000

- 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.



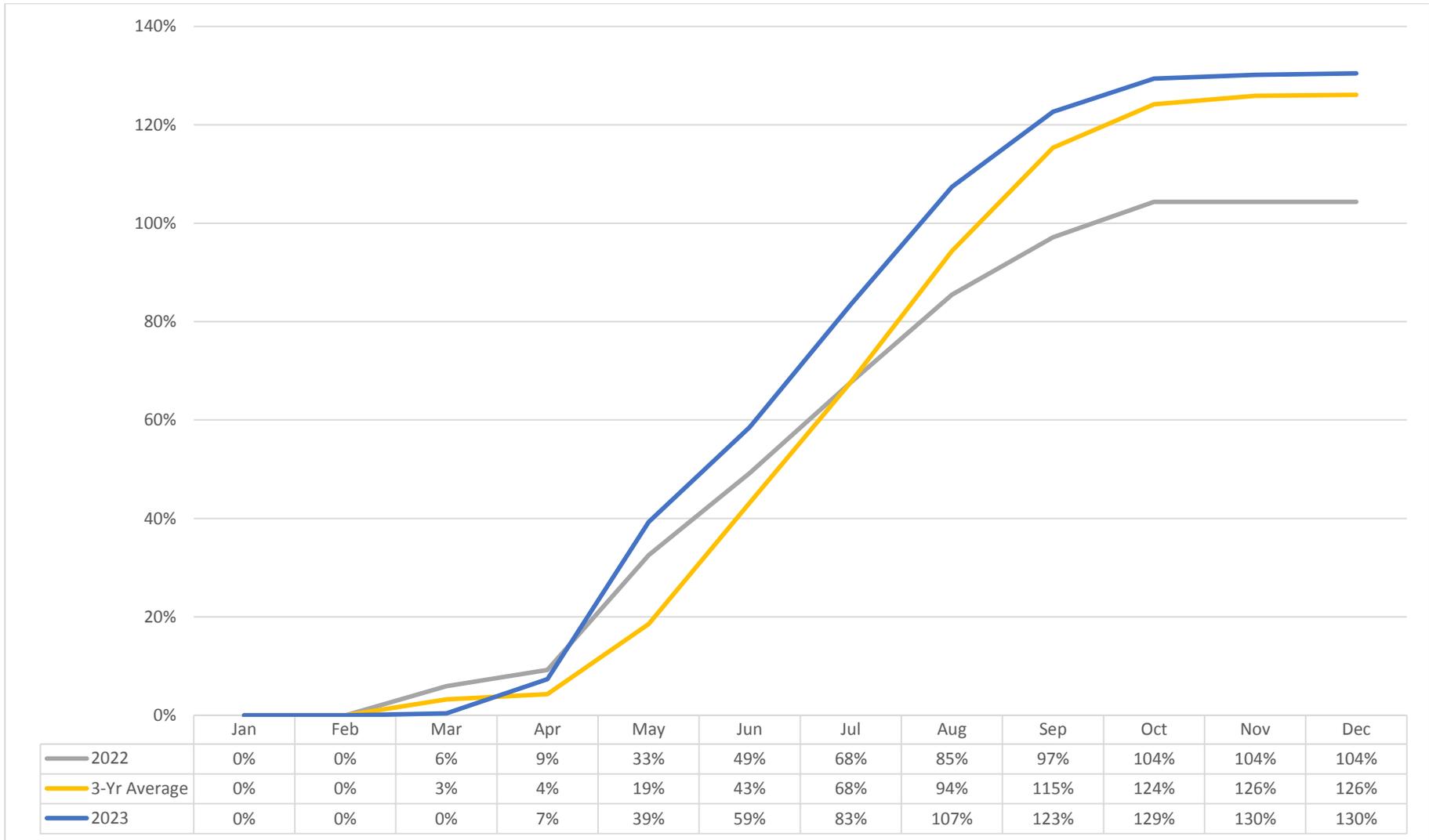
Beaver Valley Community Centre - 2023 Budget of \$196,200

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



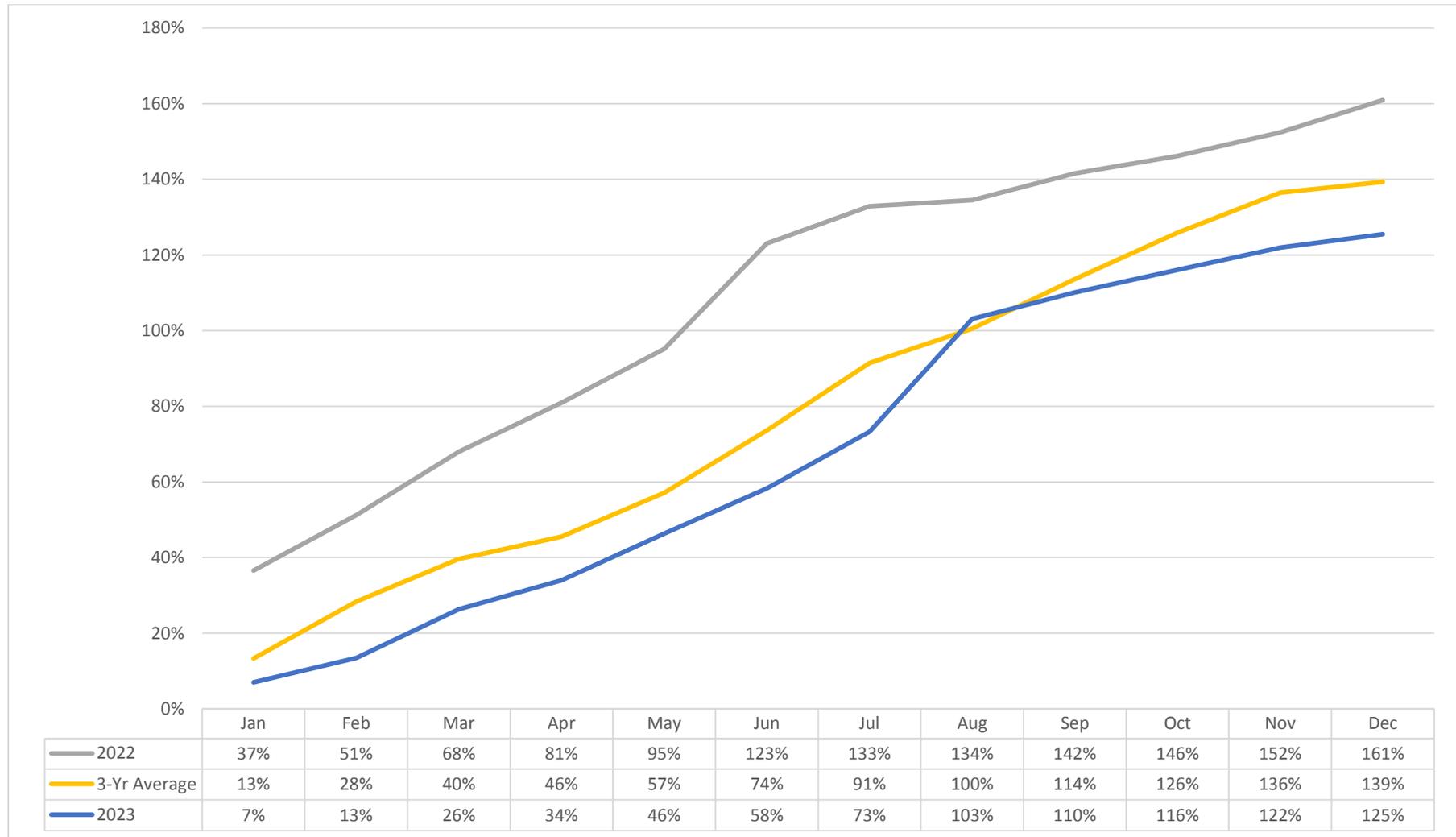
Tomahawk Revenues – 2023 Budget of \$182,900

- At the end of August Tomahawk has collected more than 100% of the budget for this revenue stream.



STA Revenues – 2023 Budget of \$300,000

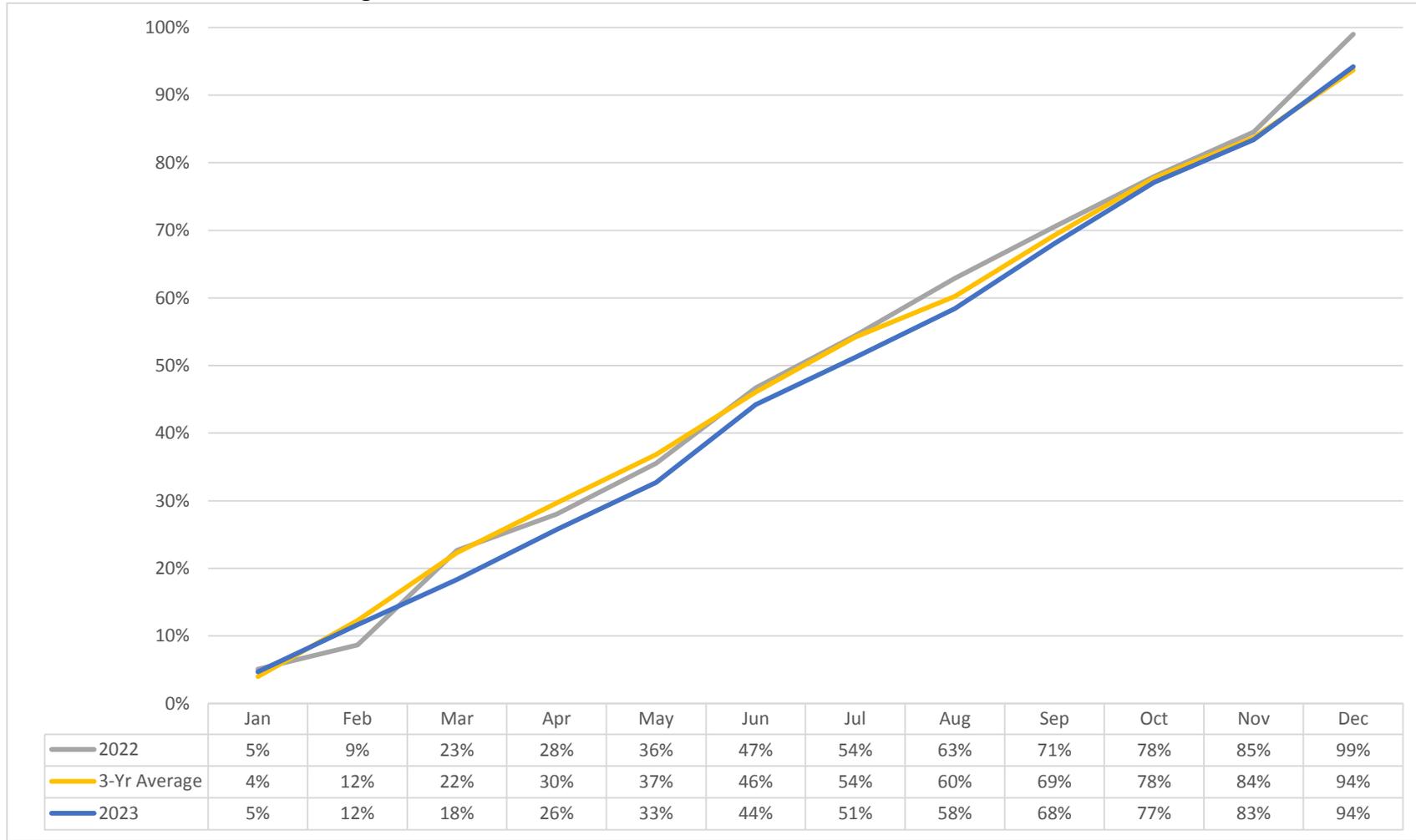
- At the end of August, STA has collected more than 100% of the budget for this revenue stream.



Exception Report -Expenses

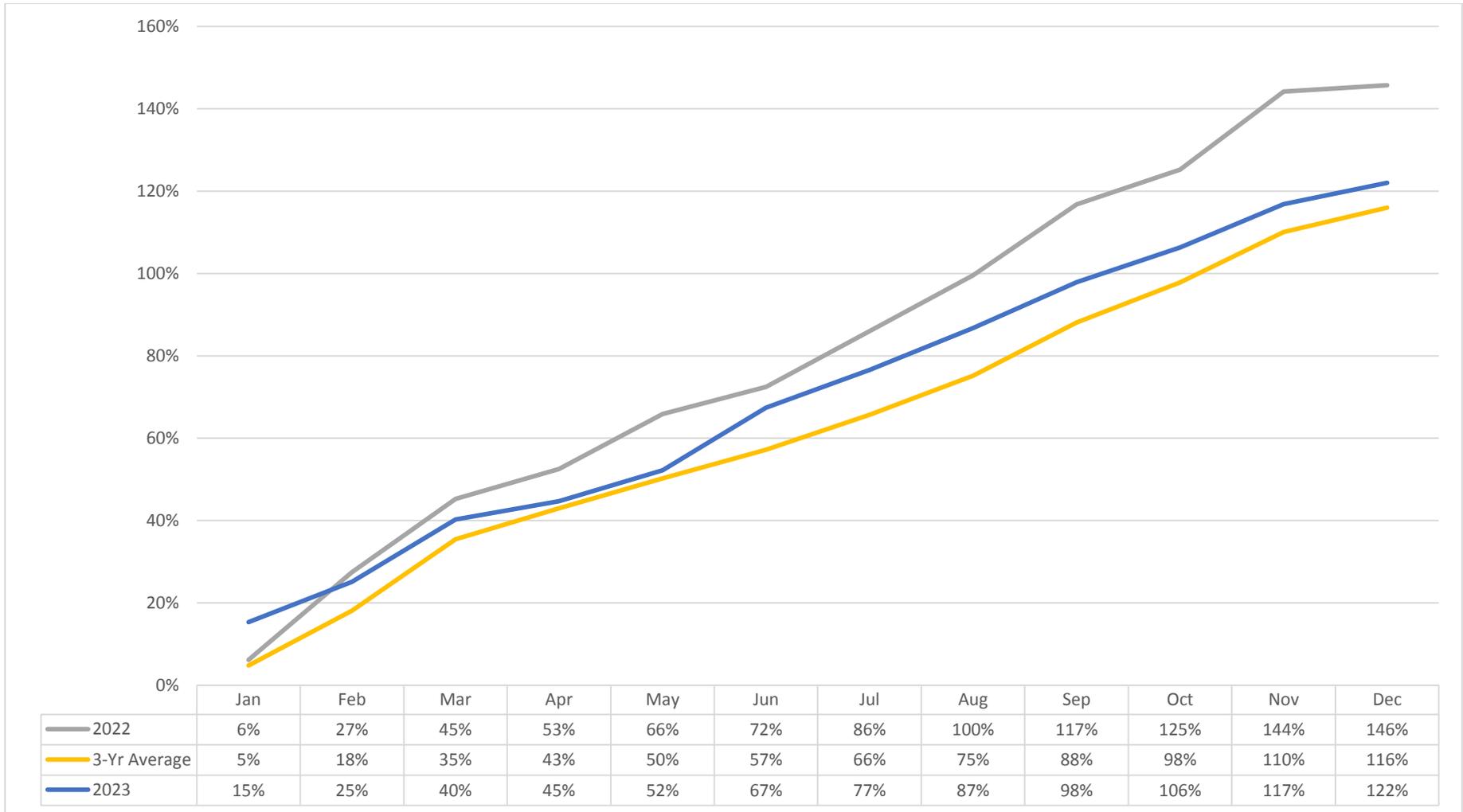
These graphs look at the Expenses over \$100,000 that are forecasting +/-10% of budget. Although tracking within +/-10% of budget, staff have included Salaries and Benefits as this is the Town’s largest expense.

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 snowplows, staff expect this to level off in future years as the older vehicles are replaced.



Report Approval Details

Document Title:	FAF.23.141 Financial Update - July and August 2023.docx
Attachments:	
Final Approval Date:	Sep 15, 2023

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

Sam Dinsmore - Sep 14, 2023 - 9:32 AM

Shawn Everitt - Sep 15, 2023 - 7:44 AM