

**2016 QUARTERLY OPERATING REPORT** 

PERIOD ENDED SEPTEMBER 30, 2016

## QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

2 - 6
7
8
9
9 - 10
10
11
11
11
12
13 - 14
14 - 15
16 - 17
18
19
19

#### Note:

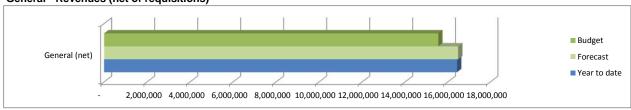
The quarterly operating reporting includes the financial information for the nine (9) months ending September 30th. The actual figures have been compared to the approved budget for the year, and have also been compared to the forecasted figures for the 3rd quarter. The forecasted figures have been estimated based on the approved budget and the timing of the transactions and journal entries (i.e. regular transactions, such as payroll, are based on 75% of the approved budget; whereas, yearend journal entries are only recorded in the 4th quarter)

For display purposes, amortization expense of capital assets has been removed from the departmental expenditures, as this is a non-cash transaction and is only recorded at yearend. The approved budget is also displayed with amortization removed.

## QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

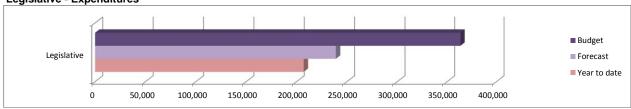
## **Analysis by Department**

### General - Revenues (net of requisitions)



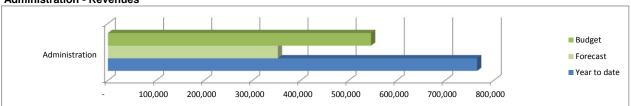
Budget is lower than forecast as the 4th quarter school requisitions of approx. \$936,000 per quarter have not been paid. Year to date net tax revenues are comparable to the forecast.

## Legislative - Expenditures



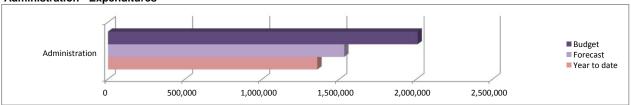
Budget is greater than forecast mostly due to that the forecast is based on a partial year and that some expenditures such as the Council Governance Collaboration consulting costs were not forecasted for the 3rd quarter. Year to date expenses are less than forecast mostly due to some of the Council per diem costs have not been submitted and some expenditures for postage and publishing are still to be allocated from General Administration.

## Administration - Revenues



Budget is greater than forecast mostly due to that the forecast is based on a partial year and that some revenues such as the tax arrears penalties are only forecasted in the 1st and 4th quarter. Year to date revenues are greater than forecast mostly due to a significant increase in investment income from the approx. \$340,000 gain on the sale of the bond accounts as part of the change in the investment strategies and an increase of approx. \$120,000 in penalties from taxes in arrears (majority from oil/gas companies that defaulted on their property tax payment plans).

## Administration - Expenditures

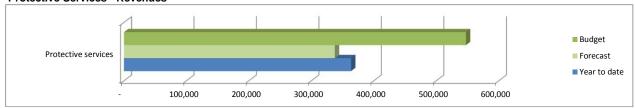


Budget is greater than forecast mostly due to that the forecast is based on a partial year, recognition of prepaid assets in 1st quarter (insurance, software, etc.), and that some entries such as amortization are recorded at yearend. Year to date expenses are less than forecast mostly due to some expenditures that were less than expected and some expenses are still to be incurred. Some of the expenses that were less than expected include insurance premiums, legal costs, and bank service charges. Some of the expenses that have not incurred yet include some of the IT software, building repairs, education/training costs and consulting services. These reductions in expenditures were somewhat offset by the salary and benefits which have exceeded forecast with the termination of the previous CAO contract.

## QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

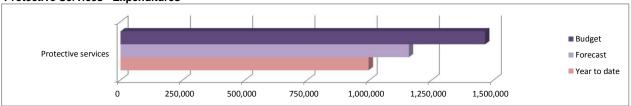
#### Analysis by Department - continued

### **Protective Services - Revenues**



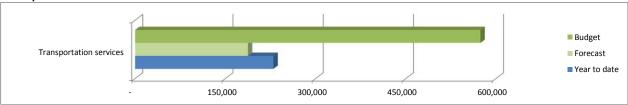
Budget is greater than forecast mostly due to the yearend adjustments for the recognition of the MSI operating and ACP grant funding of approx. \$ 97,300 and that the remaining forecast is based on a partial year. Year to date revenues are greater than forecast mostly due to the RCMP building rent being prepaid for the month of October.

## **Protective Services - Expenditures**



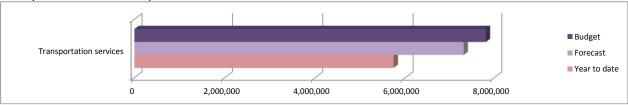
Budget is greater than forecast mostly due to that the forecast is based on a partial year, contributions to the fire districts were made in the 2nd quarter, and that some entries such as amortization and honorariums are recorded in the 2nd and 4th quarter. Year to date expenses are less than forecast mostly due to some expenditures that were less than expected and some expenses are still to be incurred. Some of the expenses that were less than expected include utilities and consulting fees. Some of the expenses that have not incurred yet include some of the education/training costs and the purchase of supplies.

### **Transportation Services - Revenues**



Budget is greater than forecast mostly due to the FGTF grant funding of approx. \$211,600 and the budgeted Community Aggregate Levy of approx. \$120,000 which are recognized at yearend and that the remaining forecast is based on a partial year. Year to date revenues are greater than forecast as approx. \$84,400 of Community Aggregate Levies were received in the 3rd quarter (which is typically received at yearend) and cost recoveries for dust abatement were approx. \$31,000 higher than expected. These increases are somewhat offset by sale of gravel being approx. \$74,100 less than forecasted.

### **Transportation Services - Expenditures**

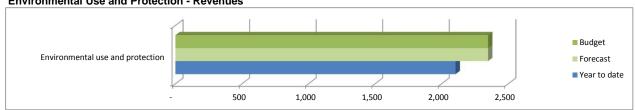


Budget is greater than forecast mostly due to that the forecast is based on a partial year, the gravel and concrete crushing program was started in the 2nd quarter, and that some entries such as amortization are recorded at yearend. Year to date expenses are less than forecast mostly due to some expenditures that were less than expected and some expenses are still to be incurred. Some of the expenses that were less than expected include salaries and benefits due to some vacancies, cost of diesel, cost of tires, and equipment/vehicle repairs. Some of the expenses that have not incurred yet include some gravel crushing costs, consulting services, and the purchase of tools and supplies. These reductions were somewhat offset by a write-off of obsolete inventory of approx. \$30,000 for multiple parts accumulated over the years.

## QUARTERLY OPERATING REPORT **SEPTEMBER 30, 2016**

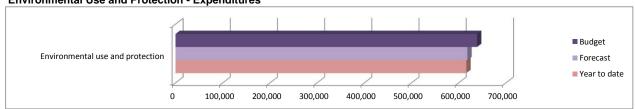
### Analysis by Department - continued

## **Environmental Use and Protection - Revenues**



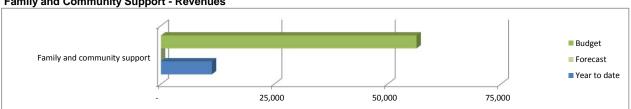
Budget is equal to the forecast as the program fees are invoiced in the 3rd quarter. Year to date revenues are slightly less than forecast as there were less users on the Brant garbage program than expected.

### **Environmental Use and Protection - Expenditures**



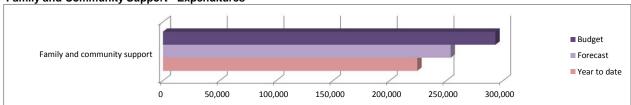
Budget is greater than forecast as the majority of the expenditures relates to the contribution to VDWC and is paid in the 1st quarter, where the remaining expenditures are based on a partial year. Year to date expenses are less than forecast mostly due to some expenditures that were less than expected and some expenses are still to be incurred. Some of the expenses that were less than expected include building and equipment repairs. Some of the expenses that have not incurred yet include some contributions to the water commission.

# Family and Community Support - Revenues



Budget is greater than forecast as the Town and Villages share of the Doctor Retention Program are invoiced in the 4th quarter. Year to date revenues are greater than the forecast as the investment income on the funds held in reserve for the Vulcan Hospital Expansion project were not budgeted.

## Family and Community Support - Expenditures

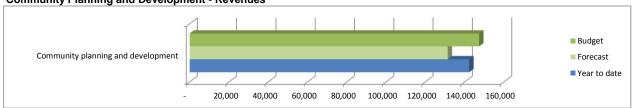


Budget is greater than forecast mostly due to that the forecast is based on a partial year and that the contributions to FCSS are done on a semi-annual basis and the debenture payments are for the 3rd quarter. Year to date expenses are less than forecast mostly as some of the invoicing has not been received for the Doctor Retention Program.

## QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

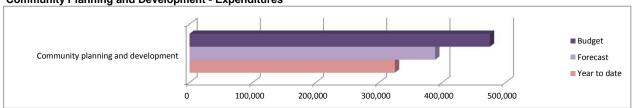
#### Analysis by Department - continued





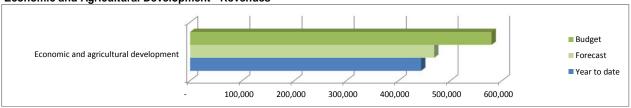
Budget is greater than forecast mostly due to the recognition of the Regional Rural IMDP grant funding of approx. \$83,300 is recognized in the 1st quarter and that the remaining forecast is based on a partial year. Year to date revenues are greater than forecast as the development permit, land-use-bylaw, and safety code fees received have been greater than expected.

#### **Community Planning and Development - Expenditures**



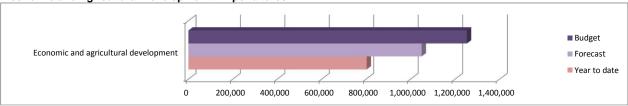
Budget is greater than forecast mostly due to that the forecast is based on a partial year, the Regional Rural IMDP consulting costs were completed in the 1st quarter, and that some entries such as amortization are recorded at yearend. Year to date expenses are less than forecast mostly due to some of the expenses that were less than expected include salaries and benefits, legal costs, and other expenditures.

## **Economic and Agricultural Development - Revenues**



Budget is greater than forecast mostly due to the recognition of the MSI operating grant of approx. \$70,100 for the grant coordinator is recognized in the 1st quarter, the ASB grant of approx. \$168,300 is recognized in the 2nd quarter, and that the remaining forecast is based on a partial year. Year to date revenues are slightly less than forecasted as the amount of roadside spraying for highways was less than expected due to Volker Stevin increasing their mowing program and campground fees were less than expected.

#### **Economic and Agricultural Development - Expenditures**

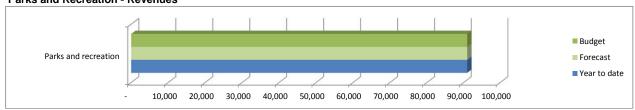


Budget is greater than forecast mostly due to that the forecast is based on a partial year, that contributions to VBDS and Tourism are in the 2nd quarter, and that some entries such as amortization are recorded at yearend. Year to date expenses are less than forecast mostly due to some expenditures that were less than expected and some expenses are still to be incurred. Some of the expenses that were less than expected include salaries and benefits and cost of fuel/diesel. Some of the expenses that have not incurred yet include some of the contracted services and the purchase of herbicides and supplies.

## QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

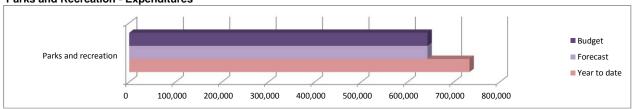
## Analysis by Department - continued

## Parks and Recreation - Revenues



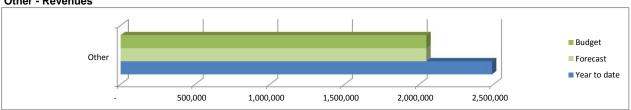
Budget is equal to the forecast as the MSI operating of approx. \$91,000 is recognized in the 2nd quarter when payment to the library is made. Year to date revenues are comparable to the forecast.

## Parks and Recreation - Expenditures



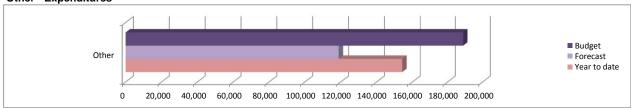
Budget is equal to the forecast as the contributions for recreation/culture and libraries are mostly made in the 2nd quarter and that the library membership is based on a partial year. Year to date expenses are greater than forecast mostly due to payouts of reserves for the Vulcan Regional Food Bank building fund and for the Vulcan Theater.

## Other - Revenues



Budget is equal to the forecast as the debenture funding was received in the 1st quarter. Year to date revenues are greater than forecast due to the additional matching funds received from the Town of Vulcan of approx. \$441,700 for the Vulcan Hospital Expansion project.

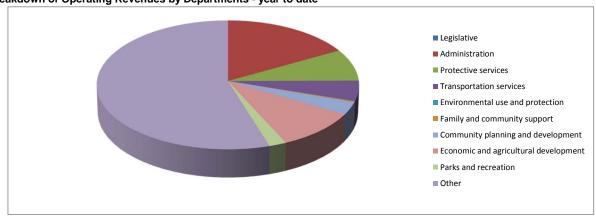
Other - Expenditures



Budget is greater than forecast mostly due to that some entries such as use of the contingency fund are recorded later in the year and tax write-offs are recorded in the 2nd quarter. Year to date expenses are greater than forecast mostly due to the use of some contingency funds and the additional write-offs for the allowance for doubtful accounts on taxes.

# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

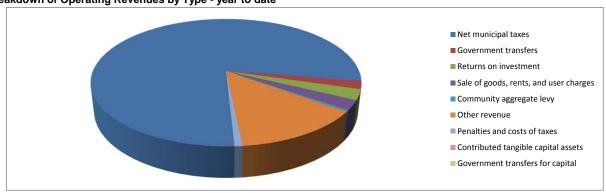
## Breakdown of Operating Revenues by Departments - year to date



Department	Budget	Year to date	YTD %
Legislative	50,000	=	0.00%
Administration	546,509	765,813	16.88%
Protective services	547,571	363,698	8.02%
Transportation services	574,192	230,008	5.07%
Environmental use and protection	2,349	2,106	0.05%
Family and community support	56,407	11,244	0.25%
Community planning and development	147,332	142,291	3.14%
Economic and agricultural development	579,642	443,120	9.77%
Parks and recreation	91,000	91,000	2.01%
Other	2,046,224	2,487,903	54.83%
•	4,641,226	4,537,183	

<sup>\*</sup> excludes general revenues (net municipal taxes) for display purposes

# Breakdown of Operating Revenues by Type - year to date

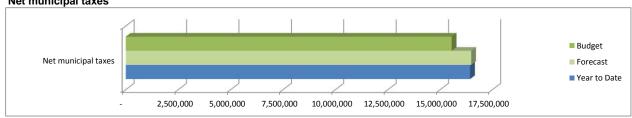


Type of revenue	Budget	Year to date	YTD %
Net municipal taxes	15,552,886	16,434,248	78.36%
Government transfers	797,102	419,722	2.00%
Returns on investment	389,736	557,815	2.66%
Sale of goods, rents, and user charges	670,811	518,890	2.47%
Community aggregate levy	120,000	84,435	0.40%
Other revenue	2,563,077	2,786,246	13.29%
Penalties and costs of taxes	100,500	170,075	0.81%
Contributed tangible capital assets	-	=	0.00%
	20,194,112	20,971,431	

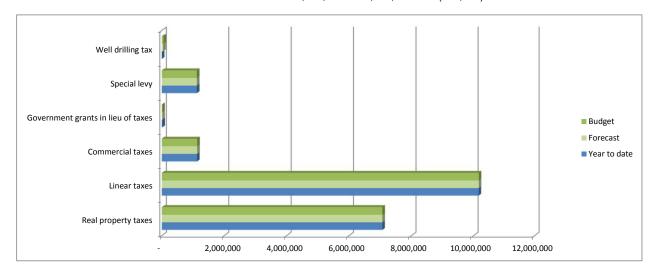
# QUARTERLY OPERATING REPORT **SEPTEMBER 30, 2016**

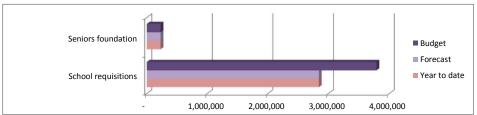
## Analysis of Revenues by Type





Supplement	Budget	Year to date	Remaining
Real property taxes	7,068,475	7,068,045	430
Linear taxes	10,169,263	10,162,403	6,860
Commercial taxes	1,135,320	1,129,033	6,287
Government grants in lieu of taxes	16,500	19,141	(2,641)
Special levy	1,124,624	1,124,600	24
Well drilling tax	55,000	29	54,971
	19,569,182	19,503,251	65,931
School requisitions	3,789,172	2,841,879	947,293
Seniors foundation	227,124	227,124	-
	15,552,886	16,434,248	(881,362)

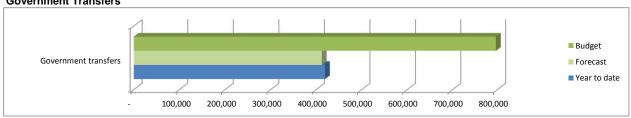




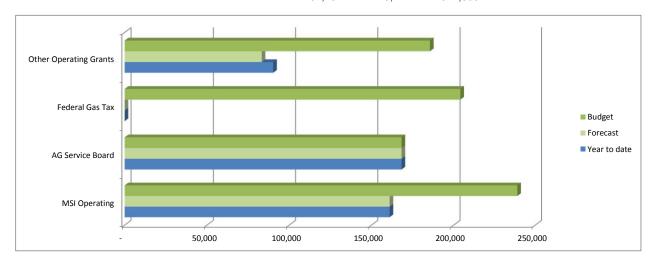
# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Revenues by Type - continued

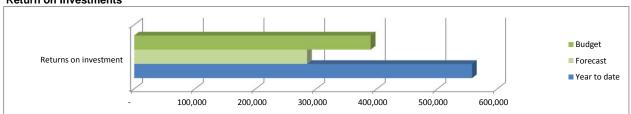
# **Government Transfers**



Supplement	Budget	Year to date	Remaining
MSI Operating	239,038	161,080	77,958
AG Service Board	168,350	168,359	(9)
Federal Gas Tax	204,082	-	204,082
Other Operating Grants	185,632	90,283	95,349
	797.102	419.722	377.380



# **Return on Investments**

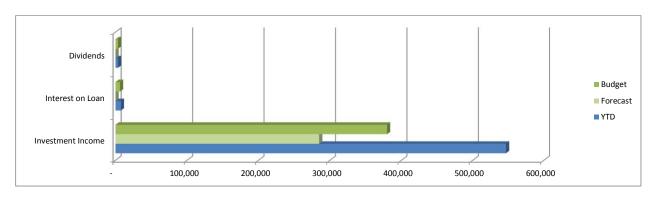


Supplement	Budget	Year to date	Remaining
Investment Income	380,000	546,772	(166,772)
Interest on Loan	6,236	7,461	(1,225)
Dividends	3,500	3,583	(83)
	389.736	557.815	(168.079)

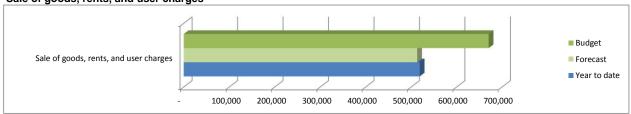
# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Revenues by Type - continued

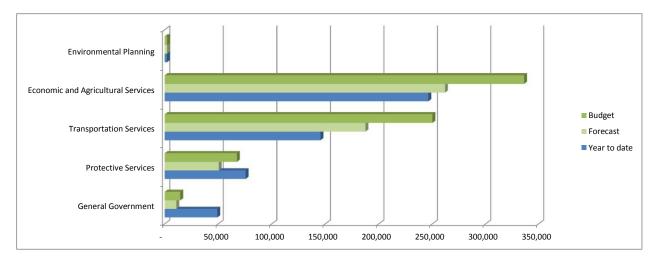
## Return on Investments - continued



Sale of goods, rents, and user charges

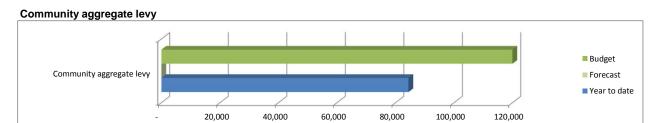


Supplement	Budget	Year to date	Remaining
General Government	14,600	49,167	(34,567)
Protective Services	67,440	75,658	(8,218)
Transportation Services	250,110	145,573	104,537
Economic and Agricultural Services	336,312	246,386	89,926
Environmental Planning	2,349	2,106	243
	670,811	518,890	151,921



# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

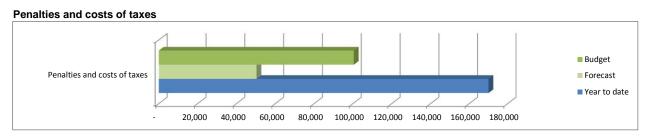
# Analysis of Revenues by Type - continued



Supplement	Budget	Year to date	Remaining
Community aggregate levy	120,000	84,435	35,565

# Other revenue Other revenue Other revenue - 500,000 1,000,000 1,500,000 2,000,000 3,000,000

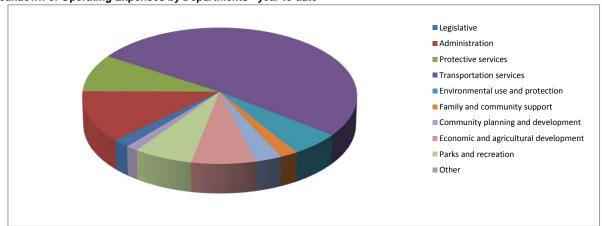
Supplement	Budget	Year to date	Remaining
Other revenue	2,563,077	2,786,246	(223,169)



Supplement	Budget	Year to date	Remaining
Penalties on Current Taxes	50,000	(190)	50,190
Penalties on Tax Arrears	50,000	170,265	(120, 265)
Penalties on Receivables	500	-	500
	100,500	170,075	(69,575)

# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

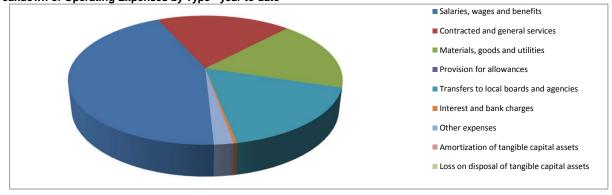
## Breakdown of Operating Expenses by Departments - year to date



Department	Budget	Year to date	YTD %
Legislative	363,458	207,151	1.86%
Administration	2,006,552	1,356,740	12.16%
Protective services	1,465,291	996,479	8.93%
Transportation services	7,809,849	5,738,630	51.44%
Environmental use and protection	639,026	616,456	5.53%
Family and community support	293,291	224,437	2.01%
Community planning and development	474,914	325,092	2.91%
Economic and agricultural development	1,253,147	802,862	7.20%
Parks and recreation	642,737	733,948	6.58%
Other	188,861	154,284	1.38%
	15 137 126	11 156 079	

<sup>\*</sup> excludes amortization expenses (non-cash transaction) for display purposes

# Breakdown of Operating Expenses by Type - year to date

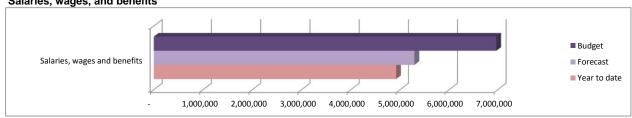


Type of expense	Budget	Year to date	YTD %
Salaries, wages and benefits	6,972,242	4,920,064	44.10%
Contracted and general services	3,602,211	2,098,362	18.81%
Materials, goods and utilities	4,182,167	1,970,139	17.66%
Transfers to local boards and agencies	1,850,093	1,916,486	17.18%
Interest and bank charges	67,357	40,099	0.36%
Other expenses	255,506	210,929	1.89%
Loss on disposal of tangible capital assets	-	=	0.00%
Machine expenses capitalized	(1,792,700)		0.00%
	15,136,876	11,156,079	
Amortization of tangible capital assets	4,014,425		0.00%
	19,151,301	11,156,079	

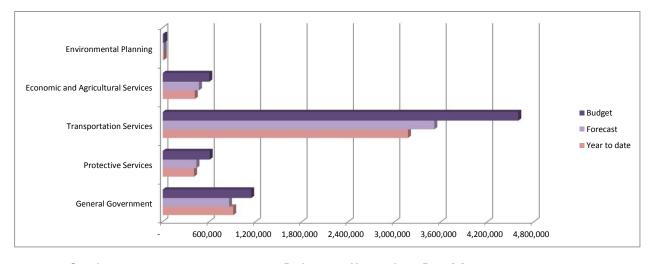
# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Expenses by Type

# Salaries, wages, and benefits



Supplement	Budget	Year to date	Remaining
General Government	1,144,472	912,202	232,270
Protective Services	608,676	405,334	203,342
Transportation Services	4,596,544	3,172,889	1,423,655
Economic and Agricultural Services	603,029	415,204	187,825
Environmental Planning	19,521	14,435	5,086
	6,972,242	4,920,064	2,052,178

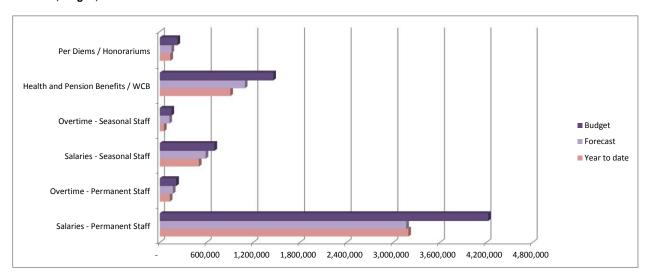


Supplement	Budget	Year to date	Remaining
Salaries - Permanent Staff	4,224,710	3,194,527	1,030,183
Overtime - Permanent Staff	211,024	128,383	82,642
Salaries - Seasonal Staff	701,647	502,112	199,535
Overtime - Seasonal Staff	149,488	54,112	95,376
Health and Pension Benefits / WCB	1,458,556	906,002	552,554
Per Diems / Honorariums	226,818	134,929	91,889
	6.972.242	4.920.064	2.052.179

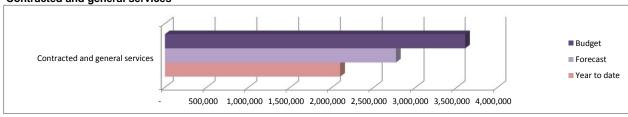
# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Expenses by Type - continued

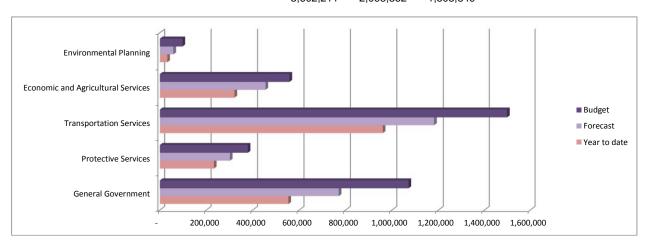
# Salaries, wages, and benefits - continued



# Contracted and general services



Supplement	Budget	Year to date	Remaining
General Government	1,070,798	553,195	517,603
Protective Services	378,318	232,673	145,645
Transportation Services	1,498,065	959,961	538,104
Economic and Agricultural Services	557,737	320,921	236,816
Environmental Planning	97,293	31,612	65,681
	3 602 211	2 098 362	1 503 849

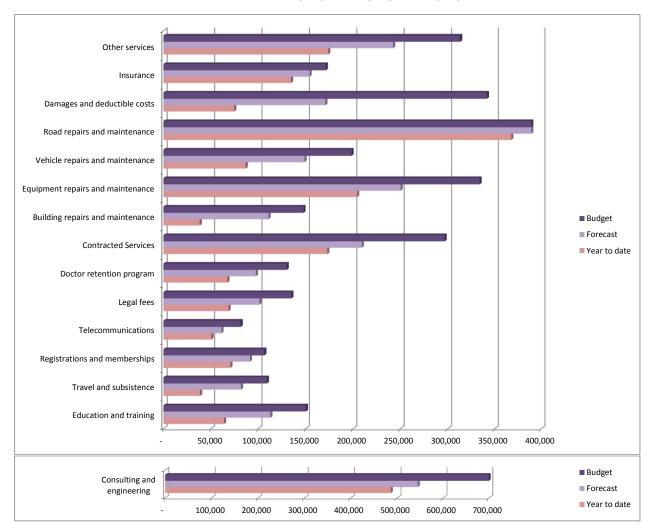


# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Expenses by Type - continued

## Contracted and general services - continued

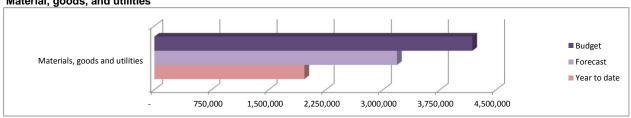
Supplement	Budget	Year to date	Remaining
Education and training	150,345	63,875	86,470
Travel and subsistence	109,105	38,697	70,408
Registrations and memberships	106,380	70,601	35,779
Telecommunications	81,426	50,636	30,790
Legal fees	134,900	68,649	66,251
Doctor retention program	130,000	67,456	62,544
Contracted Services	296,634	172,841	123,793
Consulting and engineering	698,662	485,580	213,082
Building repairs and maintenance	147,705	38,225	109,480
Equipment repairs and maintenance	333,639	204,316	129,323
Vehicle repairs and maintenance	198,391	86,748	111,643
Road repairs and maintenance	389,277	367,681	21,596
Damages and deductible costs	341,500	74,619	266,881
Insurance	171,262	134,624	36,638
Other services	312,985	173,811	139,173
	3,602,211	2,098,362	1,503,849



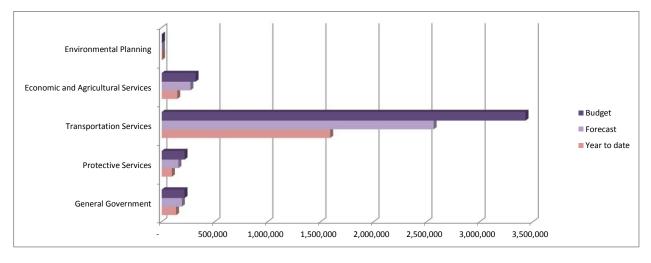
# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Expenses by Type - continued

# Material, goods, and utilities



Supplement	Budget	Year to date	Remaining
General Government	214,735	135,363	79,372
Protective Services	215,598	95,760	119,838
Transportation Services	3,429,234	1,589,445	1,839,789
Economic and Agricultural Services	319,120	146,508	172,612
Environmental Planning	3,480	3,063	417
	4,182,167	1,970,139	2,212,028

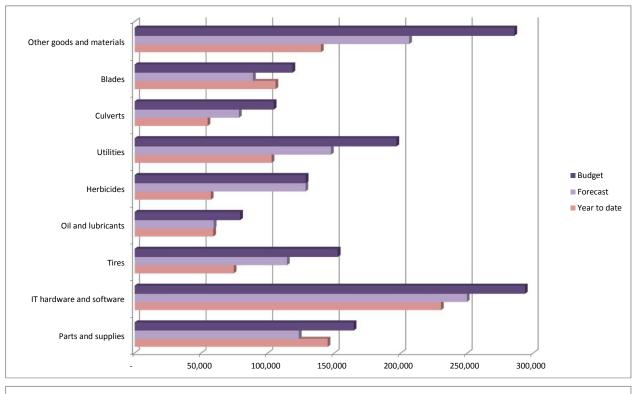


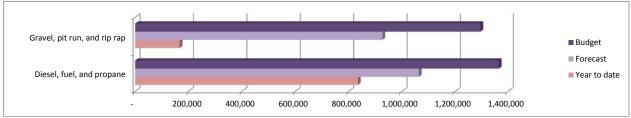
Supplement	Budget	Year to date	Remaining
Parts and supplies	164,550	144,985	19,565
IT hardware and software	293,686	230,108	63,578
Diesel, fuel, and propane	1,363,831	834,079	529,752
Tires	152,610	74,475	78,135
Oil and lubricants	79,277	59,044	20,232
Gravel, pit run, and rip rap	1,294,260	166,589	1,127,671
Herbicides	128,500	57,294	71,206
Utilities	196,680	102,905	93,775
Culverts	104,500	54,824	49,676
Blades	118,580	105,844	12,737
Other goods and materials	285,694	139,992	145,702
	4,182,167	1,970,139	2,212,028

# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

# Analysis of Expenses by Type - continued

# Material, goods, and utilities - continued

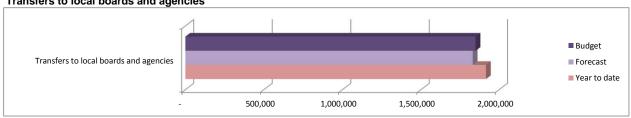




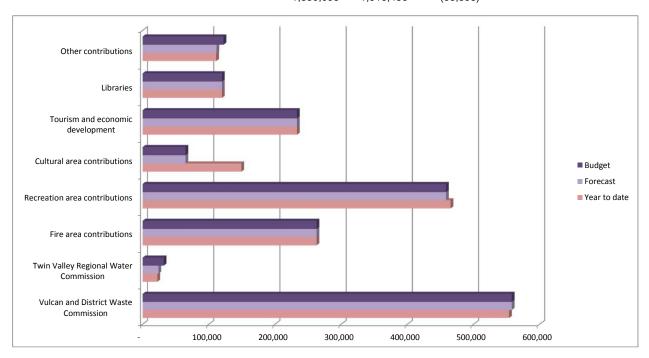
# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

## Analysis of Expenses by Type - continued

Transfers to local boards and agencies



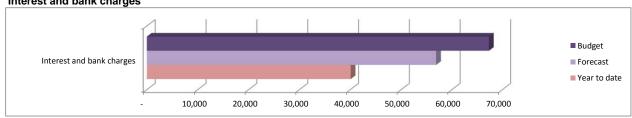
Supplement	Budget	Year to date	Remaining
Vulcan and District Waste Commission	557,609	553,482	4,127
Twin Valley Regional Water Commission	31,828	22,198	9,630
Fire area contributions	262,700	262,700	-
Recreation area contributions	458,220	465,045	(6,826)
Cultural area contributions	64,687	149,095	(84,408)
Tourism and economic development	233,025	233,025	-
Libraries	119,830	119,808	22
Other contributions	122,195	111,133	11,062
	1,850,093	1,916,486	(66,393)



# QUARTERLY OPERATING REPORT SEPTEMBER 30, 2016

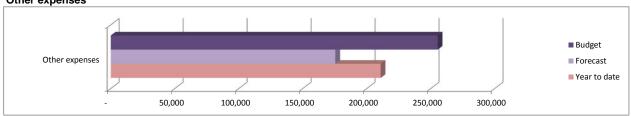
## Analysis of Expenses by Type - continued

# Interest and bank charges



Supplement	Budget	Year to date	Remaining
Interest and bank charges	67,357	40,099	27,258

# Other expenses



Supplement	Budget	Year to date	Remaining
Write-off of uncollectable tax	110,066	144,952	(34,886)
Gravel reclamation	-	-	-
Inventory reduction	-	-	-
Contingency fund	70,000	8,899	61,101
Other expenses	75,440	57,078	18,362
	255.506	210.929	44.577

