

# Financial Summary Year to Date to Aug 31, 2019

## **GENERAL OPERATING FUND**

The Town has a year to date **SURPLUS of \$332,084** based upon activities and financial results after the first 8 months of the current fiscal year. There are several items to highlight as follows:

### **REVENUES** (overall higher than budget by net amount of \$217,895)

*Variances from budget in excess of \$10,000 are noted as follows:*

**Community Funding & Equalization Grant** – received \$70,356 more than expected due to the LNG terminal in Saint John once again not appealing its' assessed property value, thereby making more revenue available for other NB municipalities to share. This will be an annual decision made until 2031. Unfortunately the decision only comes in the spring so it is not practical to budget for it when we prepare the budget in November/December.

**Interest Income** – higher than budget by \$18,609 due to higher interest rates negotiated with bank plus continued attention to cash flow management

**Building permit revenues** are higher than budget by \$81,932 reflecting robust activity

**Fundy Station Lease Revenue** – below budget by \$43,970 due to vacant spaces at this location.

**Fire Services Revenue** is \$23,028 above budget due to the provincial payment for providing fire protection services for Local Service Districts being higher than budgeted amount. This revenue is largely offset by additional expenses described below.

**Parks and Recreation** – higher than expected revenues from **Aquatics/Pools** (\$61,226).

## **EXPENDITURES (overall lower than budget by \$114,189)**

### **ADMINISTRATION**

**Overall this section of the budget is under budget by \$137,613** with spending to date lower than anticipated as follows:

**Solicitor/Legal Fees** – below budget by \$10,642

**Codiac Transpo** – lower than budget by \$41,330 due to not purchasing an additional bus and route. Also, advertising revenue from bus ads was strong.

**Planning & Building Inspection** – This section is under budget by \$16,760

**Fundy Chocolate Station – Property Taxes** – below budget by \$16,699 due to successful appeal of assessment.

Overall FCRS expenses are lower than budget by \$28,865 consistent with the lower lease revenues noted above.

### **RCMP**

Actual expenses reported to date are \$25,000 below budget but this is because some costs for consulting related to the new RCMP Building have not yet been billed to the Town. This is simply a timing issue and will even out over the remainder of the year.

### **FIRE AND RESCUE**

**Overall department expenses higher than budget by \$19,737 due to:**

**Salaries, wages and overtime** – lower than budget by \$33,032

**Building repairs and maintenance** – higher than budget by \$14,762

**Vehicle repairs and maintenance** – higher than budget by \$18,662

## **ENGINEERING AND PUBLIC WORKS**

**Overall department higher than budget by \$78,414**

**Street Lighting Electricity** – lower than budget by \$19,730 due to the projected carbon tax impact of 2% being slightly lower than expected.

**Vehicle repairs and maintenance** – higher than budget by \$14,219

**Salaries and wages** – the combined salaries, wages and benefits line items in the general section are lower than budget by \$32,790 due to the utilization of casual employees versus permanent full time in certain situations.

**Snow removal** – once again this year there was a significant over budget amount of \$101,395 in the salt usage in the first half of 2019. While there are no certainties, attempts will be made to use less than budgeted salt in the fall/winter of 2019 to offset this. Of course, weather will determine the outcome. As well the contracted snow removal charges were \$10,808 over budget due to the adverse weather conditions in the spring.

**Garbage pickup** – below budget by \$12,452

## **PARKS, RECREATION AND CULTURE**

**Overall department below budget \$47,727**

**Salaries, wages and benefits** below budget by \$76,719 due to staffing mix/timing of hires, etc.

**Arena – Electricity** over budget by \$10,113

**Vehicle repairs** – over budget by \$16,686 – aging fleet requiring increasing repairs

## **WATER AND SEWER OPERATING FUND**

**Overall year to date surplus of \$4,997**

### **REVENUES**

**Overall revenue better than budget \$88,732 (on approximately \$5.5m of revenue)**

Due to several items including increased commercial **water and sewer volumes** and growth in residential customers (\$44,409); **connection and service charges** (\$20,614).

Higher **Interest Revenue** on cash balance in bank (\$18,609).

### **EXPENSES**

**Overall expenses higher than budget \$83,735**

*The most significant line item variances include:*

**Water purchase cost** (from City of Moncton) - \$28,530 savings to date or approximately 3%

**Vehicle repair and maintenance** costs are higher than budget by \$44,792.

**Sewage lift station repairs** higher than budget by \$24,927.

**Sewer Pavement Patching** – over budget by \$24,493 – large increase in sinkholes around manholes plus more sewer repairs and sewer service installs this year. This additional cost related to service installs is consistent with the additional connection service revenues noted above.

# **PROJECTIONS**

## **General Fund**

Current projections from normal operations and activities indicate the Town will achieve the overall general operating fund budget. Potential extraordinary activities that may impact these results include:

- i) Sale of land/building(s)
- ii) Legal action in connection with a previous land expropriation

## **Water and Sewer Utility Fund**

Current projections from normal operations and activities indicate the Town will achieve the overall utility operating fund budget. An extraordinary activity that may impact these results include:

- i) Costs to rectify blue/green algae issue at the water supply (Town share of costs).

## **Capital Funds**

It is still too early to project final overall actual figures for Capital Projects. As the construction season winds down over the next couple of months this will become more determinable. Staff will provide additional details as they become available and as the budget process commences.