



TOWN OF SIDNEY

REPORT TO COUNCIL

TO: MAYOR & COUNCIL

FROM: Troy Restell, Manager of Finance
Andrew Hicik, Director of Corporate Services

DATE: June 6, 2018 **FILE NO.** 1880-20

SUBJECT: 2017 YEAR END FINANCIAL RESULTS

PURPOSE:

The purpose of this report is to provide information on the 2017 operating results, and to update the status of the Town's accumulated operating surplus.

BACKGROUND:

The Town adopted Council Policy FN-012 in 2003 to establish adequate levels of Surplus from Operations. A copy of the policy entitled Surplus Monies is attached as Schedule A. The policy sets out the purposes for establishment, the adequate levels as a percentage of annual revenues, proposed uses of the funds, and methods of replenishing any shortfalls. The policy remains relevant and useful to this day; no changes are recommended at this time.

The Town also follows Council Policy FN-008, amended in 2011, which outlines the financial reports that are presented to Mayor and Council each year. This is the last of the three regular financial reports, presenting the year end results by department, and capital projects, with explanations for significant variations.

DISCUSSION:

The tables below provide a summary of the 2017 Surpluses from Operations, accumulated surpluses from operations, and adequacy of the surpluses per policy FN-012 for each of the Town's operating funds.

General Operating Fund

2017 Surplus from Operations	79,262
2017 use of Surplus for Community Safety Building	(792,820)
Prior year's accumulated Surplus from Operations balance	<u>3,604,852</u>
Accumulated Surplus from Operations at December 31, 2017	2,891,294
Required adequate levels of surplus as per Policy FN-012	<u>(2,744,159)</u>
Surplus available at December 31, 2017	147,135
2018 repayment of Surplus used for Community Safety Building	792,820
2018 Shaw Centre for the Salish Sea Canada 150 Legacy Art	(10,000)
2018 surplus funding of Community Safety Building	(500,000)
2018 budgeted use of Surplus for Operating	<u>(300,000)</u>
Remaining surplus available in 2018	<u>129,955</u>

Garbage Utility

2017 Surplus from Operations	8,048
Prior year's accumulated Surplus from Operations balance	136,858
Accumulated Surplus from Operations at December 31, 2017	144,906
Required adequate levels of surplus as per Policy FN-012	(84,277)
Surplus available at December 31, 2017	60,629
2018 budgeted use of Surplus for Operating	(14,835)
Remaining surplus available in 2018	45,794

Water Utility

2017 Deficit from Operations	(74,901)
Prior year's accumulated Surplus from Operations balance	472,252
Accumulated Surplus from Operations at December 31, 2017	397,351
Required adequate levels of surplus as per Policy FN-012	(294,735)
Surplus available at December 31, 2017	102,616
2018 budgeted use of Surplus for Operating	(120,861)
Remaining surplus available in 2018	(18,245)

Sewer Utility

2017 Surplus from Operations	69,696
Prior year's accumulated Surplus from Operations balance	888,771
Accumulated Surplus from Operations at December 31, 2017	958,467
Required adequate levels of surplus as per Policy FN-012	(322,933)
Surplus available at December 31, 2017	635,534
2018 budgeted use of surplus for Capital Projects	(63,600)
2018 budgeted use of Surplus for Operating	(19,963)
Remaining surplus available in 2018	551,971

The above tables indicate that all but the Water fund are at adequate levels of surplus as of Dec 31, 2017. The Water fund has a secondary subset of surplus, with a balance that stands at \$186,000, as well as a Water Stabilization reserve balance of \$228,500; these latter sources may be used to supplement the temporary shortage until rate adjustments are completed to safeguard the long-term balance of the Water fund. It is important to note that the 2017 Surpluses from Operations are a measure of operating results against the budget; this is only one component of the Annual Surplus in the financial statements, which represents the Town's entire increase in economic resources, both financial and non-financial.

2017 marked the 8th consecutive year that an automatic, across the board inflationary increase was not included in the budget. Removing this inflation factor from many of our budgets has meant that there is less flexibility to realize savings; however, sufficient savings were realized to maintain healthy surplus balances. The practice of not including across the board increases has been a useful tool in keeping tax increases as low as possible, while retaining the expected level of service.

Overall, financial results for 2017 met expectations, with both revenues and expenses mostly following budget and trends established in previous years. As indicated in the summary tables, three of the four operating funds realized a Surplus from Operations, resulting in a cumulative Surplus from Operations of \$82,105. The largest contributor to this surplus was the General Operating Fund, which realized a surplus from better than expected revenues and operational savings. On the revenue side, greater than anticipated development activity resulted in better than expected permit and development fee revenues. On the expense side, savings were realized with the RCMP policing contract due to temporary vacancies, and within some Public Work programs, where savings were achieved as various maintenance programs were partly deferred in order to focus on infrastructure renewal projects, as well as on cost-recoverable work due to development.

The 2017 Financial Plan also included a budgeted transfer of \$300,000 from surplus to fund General Operating expenses; however, as anticipated, the positive year end results meant that this transfer was not required to balance our operations for the year.

The Garbage Utility, which operates on a cost recovery basis, realized a small Surplus from Operations of \$8,047; a minor deficit was expected, as part of the plan to ensure garbage collection rates for residents and businesses remain unchanged for the duration of the 5-year garbage collection contract. The contract includes cost increases to the Town in each year, so the budgeted surpluses in the first couple of years are intended to offset expected Garbage Utility deficits in the later years of the contract. A \$14,835 use of surplus (i.e. projected deficit) is budgeted for 2018. The garbage collection contract was recently extended for an additional 5-year period, ensuring that garbage rates remain at current levels over that timeframe.

Water Utility revenues and expenses are budgeted each year using trends from previous years, in an effort to have actual results that balance to budget. Some years we realize surpluses and other years, deficits; this almost always depends on the volume of water consumption in any given year. The Water Utility realized a deficit of \$74,901 in 2017, as compared to a deficit of \$126,184 in 2016. The 2017 deficit was close to budgeted expectations. The 2018 budgeted use of surplus is expected to reduce the surplus balance to just below policy levels; additional funds are available to make up for this shortfall, as discussed above.

The Sewer Utility budget is also based on trends from previous years, but in some years actual results deviate from those trends. In 2017, the Sewer Utility realized a surplus of \$69,696 which was slightly higher than the budgeted surplus of \$52,000, mainly from operational savings due to staff resources being assigned from maintenance programs to capital projects. Over the past several years, the Sewer Utility has realized surpluses, which has allowed the accumulated balance to grow well above acceptable policy levels. This healthy accumulated surplus balance permitted 2018 Sewer Parcel Tax and Sewer User Rates to remain unchanged.

A pending review of the Water and Sewer Utility rate structures will provide vital information in future rate setting. It will take into account recent trends, as well as existing and forecasted levels of surplus in both the Water and Sewer Utility funds.

In the attached Schedule B, actual results are presented by department or activity in each of the Town's operating funds, and also by capital project, with the resulting variance from budget. The operating results are presented on a net basis; that is, revenues and expenses have been combined and presented as a single amount. A one-sided or misleading view of financial results can result when revenues and expenses are presented separately, whereas results presented on a net basis are more complete. The Capital results are presented on an expenditure basis (i.e. actual expenditures vs budget).

Actual and budget amounts represented as negative are net revenues, while positive amounts are net expenses. In the Variance column, a positive number indicates that there is budget remaining, or that revenues exceeded budgeted expectations. A negative number indicates that the budget has been exceeded, or in the case of net revenues, that revenues came in below expectations. Significant factors contributing to the operating and capital results, and notable variances from budget, are outlined below, with note numbers corresponding to the attached Schedule B.

General Operating Fund

- 1) General Revenue is comprised mostly of property taxes, grants in lieu of taxes, provincial and federal grants, traffic fine revenue, and interest generated from the Town's investment portfolio. These revenues represent approximately 56% of the Town's total revenues and achieved budget in 2017.
- 2) General Administration results were better than budget mainly due to the Driver Services function – a profit centre budgeted to realize annual net revenues – where commissions exceeded operating costs by a greater than expected margin; the Computer Services function also realized savings on its contracted services. These better than expected results were partially offset by the Administrative Services function that experienced higher than budgeted legal fees; these costs were the result of a high number of special projects and agreements that required additional legal assistance. All legal fees are charged to Administrative Services, regardless of the benefiting functional area or project.
- 3) The policing contract was \$260,000 less than budget due to savings realized from temporary absences of members due to illness, disability or reassignment; costs relating to these absences are not charged directly to the Sidney detachment.
- 4) Permit revenues, including building, plumbing and demolition fees, were greater than budget due to higher than projected development activity. It is anticipated that these levels of development will continue into 2018; this has been budgeted accordingly, and will help fund two term positions to assist the Development Services and Engineering departments deal with the increased volume of development activity.
- 5) The Bus Shelter function had better than expected results, as all anticipated advertising rental revenues for 2017 were received, while minimal repairs and maintenance were required. This is the result of a BC Transit program that has replaced most of the Town's bus shelters in recent years, thus requiring very little maintenance.
- 6) This functions involves maintenance of the Town's parking lots, and is a profit centre that is budgeted to realize annual net revenues through permit revenue, as opposed to net expenses. Higher than expected permit revenue, and minimal repairs and maintenance performed during the year, resulted in a better than expected outcome.
- 7) The Solid Waste Disposal function mostly represents the expenses incurred by the Town for contracted household and commercial garbage collection, and the offsetting revenues collected through the quarterly garbage levy billed on the Utility Statement. It also includes the pickup and disposal of garbage from public spaces, including the discarding of household items, which has seen an increase in recent years and is responsible for expenses being greater than budget.
- 8) Development Services revenues, including development and rezoning permits, were greater than budget as a result of greater than expected development activity.

- 9) Much of the Parks division budget is seasonal, and the bulk of expenses are incurred during the summer months. Overall, Parks managed their budgets well during 2017, with some of the programs slightly over budget – such as Eastview and various small Parks – while others were slightly under budget.
- 10) This Fiscal Services function represents transfers to and from internal funds during the year, debt servicing payments, community support, and other miscellaneous budgets that do not fall within a departmental budget. The variance of \$364,483 is principally due to the budgeted transfer of \$300,000 from accumulated surplus not being required due to operational savings and better than expected revenues. The remaining factors making up the variance included greater than expected transfers to capital and reserves.

Water and Sewer Operating Funds

- 11) In the Water General Revenue function, the sale of water through user charges exceeded budget by approximately \$11,000 due to a marginally greater than expected use of water. As a deficit (use of surplus) of \$64,400 was budgeted in this function, the ending result was a variance of approximately \$53,000.
- 12) The purchase of bulk water from the CRD exceeded budget by almost \$20,000 with the greater than expected water use; this was largely responsible for the Administration function being over budget.
- 13) Given that water user fees alone do not entirely cover Water Utility operations and since a sufficient accumulated surplus balance has been maintained from prior years' operations, a deficit of \$64,400 was budgeted to ensure user rates remained unchanged, even in light of regular increases in bulk water costs. The 2017 deficit of \$74,901 was slightly higher than budget due to greater than anticipated water consumption.
- 14) Sewer Operations realized savings in some operational programs due to staff resources being assigned from maintenance programs to capital projects.
- 15) As previously stated, the Sewer Utility has budgeted surpluses over the past several years in an effort to grow the accumulated surplus balance to acceptable policy levels after several years of deficits. In 2017, the Sewer Utility realized a surplus of \$69,696 which was higher than the budgeted expectation of \$52,000, mainly from operational savings.

Capital Projects

Several capital projects were not started during the year, as staff did not have the capacity in light of other priorities, including the volume of cost-recoverable development work; those projects have mostly been re-budgeted for 2018, and have had the funding carried forward (these would typically appear with project budgets, but little or no expenditures, in the attached Schedule B).

A couple of projects finished over budget, but there was no tax impact, nor impact to operating results, as funds were either redirected from other tax funded projects that were completed under budget or, with infrastructure projects, funded from reserves. During the 2017 budget process, future infrastructure projects were reviewed to ensure cost estimates were correct and the scope was appropriate. However, there is always an element of risk involved with the estimation of infrastructure projects, and any extra costs of ensuring more complete estimates must be weighed against the potential for overages.

- 16) Implementation of the Town's Asset and Work Management software is substantially complete; the system, called PEARL, went live January 1, 2016. These expenses represent

ongoing improvements, which will continue for several more years. The software provides the Town with a comprehensive asset planning tool that will help ensure fiscally responsible stewardship of the Town's assets.

- 17) This is a module within PEARL that will provide tools to determine the best schedule of maintenance and replacement of Town assets over their life cycle, and the ability to predict the future condition of assets based on the Town's budget and spending priorities. The Town has been working with PEARL to ensure this module meets the Town's needs, but this is still ongoing and was not completed in 2017.
- 18) The Computer Replacement Plan is an annual program to replace existing computer equipment. The expenditures of this program are funded from reserves, which in turn are funded from annual contributions, to ensure that a consistent amount is allocated to equipment renewal every year, avoiding the need for lump sum allocations when the replacement of major network components is required. Some replacements were deferred to 2018; as a result, the entire budget was not spent in 2017, with the funding to remain in the reserve.
- 19) This software enhancement project will allow the Town's building inspectors in the field to track inspection results and look up information on properties and contacts, and be provided access to maps. Staff did not have the capacity to complete this project, and it will now occur in 2018.
- 20) These costs relate to the design and initial construction costs of the Community Safety Building (CSB), which will be funded mostly from long term debt. Changes in scope to the BC Ambulance portion of the building, as well as some overages on some of the initial tendered project components, have had an impact on project costs. Council has received detailed reports on the budget for this project and additional updates will be provided each time a tender package is brought before Council for approval in 2018.
- 21) The land immediately south of the Mary Winspear site is the location of the Town's new CSB. An easement is required across MPS lands to provide access to the site. Payments of \$80,000 per year over a 5-year period were negotiated as compensation. The first payment in 2017 was pro-rated to 7 months to reflect that actual start of the project.
- 22) Decorative Lighting Upgrades is a carry forward project from 2016 and involved the refit of the Town-owned decorative street lights to LED lamps. This project was completed under budget and will generate future savings in electricity.
- 23) With completion of the Downtown Parking Study in late 2017, an employee parking lot was recommended and is being pursued as a main parking lot for employees in the downtown area, as well as overflow parking for Mary Winspear Centre and community events. Originally envisioned as a 3-phase project over multiple years, a forthcoming budget amendment will propose that it be fully completed in 2018 with a budget of \$1.2 million.
- 24) This ongoing annual program is to replace Town Vehicles, as per Council Policy FN-022: Mobile Equipment Replacement Plan, completely funded by reserves. Some replacements that were deferred in 2016 occurred in 2017; as a result, the budget appears to be over budget but the funds that were not spent in 2016 remained in the vehicle reserve and were used in 2017.
- 25) The scope of this project was reduced to not include the replacement of a substantial length of curb, as it was determined to be good in good condition and would last another paving cycle; as a result, the project finished under budget and the unused funds remain in the infrastructure reserve.

- 26) This purchase did not happen in 2017 and the budget was carried forward to 2018.
- 27) These two paving projects have been deferred, as there is no immediate need to proceed with paving at this time.
- 28) The Town's agreement with Washington State Ferries (WSF) requires that the Town undertake miscellaneous works related to the Marine Structures, including major maintenance and capital replacement. This project involves a rebuild of the ramp's hydraulics, reattachment of the floating lead chain and removal of the decommissioned dock structure. These works did not occur in 2017 and have been re-budgeted in 2018 at an increased budget of \$305,000. Funding is from reserves, which are sustained mostly through the annual rents charged to WSF.
- 29) This amount represents actual consultant costs to assess and report on the condition of the metal beams and supporting piles of the Washington State Ferry (WSF) dock. The original protective coating in many places is failing due to the exposure to waves and salt water, and corrosion is a concern. The budgeted project involves removal of surface rust and application of a new coat of protective paint to the dock. Quotes received for this work in 2017 greatly exceeded available budget; accordingly, this project has been re-budgeted in 2018 at an increased cost of \$300,000.
- 30) Similar to the Marine Structures indicated above, the Town is also responsible for undertaking capital works on the ferry terminal buildings. While no work occurred in 2017, upgrades to the U.S. and Canada Customs buildings are expected to occur over 2018/19. Some of this work will be related to new requirements to be imposed under a pending preclearance agreement between the countries.
- 31) This project involved the repaving and replacement of curb & gutter on Resthaven Drive following completion of the Resthaven Sewer project in 2016 and additional replacement of sewer mains in 2017. The work performed is connected to the 2016 sewer replacement project; the paving relating to the 2017 sewer mains has been delayed to 2018 to allow adequate time for ground settlement. The remaining budget has been carried forward to 2018.
- 32) These projects have been carried forward to 2018, as we are still waiting on the developer to begin some of the improvements for which they are responsible.
- 33) The initial phase of this project involved installation of Wayfinding Signs downtown in 2016. This particular component of the project involves installation of pedestrian-oriented information kiosks in the downtown core and was put on hold in 2017, pending the completion of Downtown Design Guidelines. The information kiosks will be selected to complement the downtown street furniture and this project has been carried forward to 2018.
- 34) These expenditures represent the final phase of the Tulista Skateboard Park project, which was the actual construction of the skate park. The skate park was completed in 2017, and while the total costs for this multi-year project were slightly over budget, most of the overage was covered through donations. The majority of funding came from the Gas Tax Reserve.

- 35) This budget involved non-destructive testing of all Town owned buildings for the presence of hazardous materials and was completed well under budget.
- 36) Completed in 2017, this project involved public consultation/open houses for feedback to develop a parks master plan for future park improvement projects.
- 37) Replacement of the roof on the clubhouse at Rotary Park, which is home to the Peninsula Baseball Softball Association; this was completed under budget.
- 38) This project has improved accessibility along an uneven and storm impacted section of the Town's waterfront walkway, stretching between the south end of Eastview Park and the access corridor to First Street. Some components of this project will be completed in 2018, such as hand rails and a retaining wall; unused funding from 2017 will remain in reserves to be used in 2018.
- 39) On October 11, 2016, the Town received notification that Transport Canada had completed the classification of Reay Creek pond under the federal Aquatic Sites Classification System. The site is classified as Class 1, which is "High Priority for Action". The site has now be incorporated in Transport Canada's list of contaminated sites, which is a necessary prerequisite for Transport Canada to provide funding for cleanup or remediation. Transport Canada is now in the process of completing a study on remediation options. The Town conducted a public consultation process in late 2017 and received feedback on the future of the Reay Creek dam; this project was re-budgeted to 2018, but it is likely work will not happen until 2019.
- 40) This project, which involves installation of sand volleyball courts at Tulista Park, has been carried forward to 2018, with a budget increase to \$30,000 to meet Volleyball Canada standards for sand courts
- 41) Scope of this project changed in 2017 and was re-budgeted at \$150,000 in 2018. The project involves changes to the Tulista Park sidewalk, including raising the grade to prevent winter flooding, and widening it to 3 metres to allow for multiple users (pedestrians, scooters, skateboards, bikes).
- 42) Some initial costs were realized in 2017, but the majority of costs will be realized over the 4 year (2018-2021) phased approach to create an effective and reliable irrigation system at Rotary Park. Phases 1 and 2 of this proposal are crucial to protecting Town assets, and will allow the Town to irrigate within the CRD water restriction parameters. Phase 3 and 4 allow for more effective and cost efficient water management.
- 43) The storm water model completed in 2016 indicated widespread capacity deficiencies in the Town's storm water system. By installing some flow monitors and recording data, the parameters of the model can be adjusted to better reflect operating conditions. As well, detailed storm water model calibrations will identify priority upgrade locations within the system, to pinpoint areas where development contributions may be considered, and to update the 20-year storm water replacement plan. This project has been carried forward to 2018.

- 44) This project commenced in late 2017, and involves the installation of solar panels on the Parks building at the Works Yard, which will generate 42,400 kw-hr of electricity annually, or the equivalent of 4 average homes. This project will be completed in 2018, and the remaining funding has been carried forward.
- 45) Tenders received for this project came in much higher than expected in 2017, due to the robust construction market, so the decision was made to push the project forward to 2018 with an enhanced budget and increased funding from reserves. The approved budget for this project has increased to \$1.2 million (including the Sanitary Sewer components at \$360,000; note #51); it was successfully re-tendered in early 2018 and the project will commence in late Spring.
- 46) The replacement of storm main pipe on Ocean Ave has been completed under budget.
- 47) The replacement of water main pipe on Northbrook and Wesbrook Drives has been completed over budget; the overage was covered by savings in other projects.
- 48) Due to recent and pending developments that have and will significantly increase density in the White Birch area, this project involves upgrades to the water main. Cost increases to this project have been identified, and the project has been re-budgeted to 2018 at \$150,000, for the water main only; the fire road will be brought back as a separate project in a future budget.
- 49) This is a multi-year project to replace outdated and failing water meters, to be funded from reserves. The technology to be used, and whether it will be contracted out, still needs to be determined; as such, the majority of this budget will remain in the Water reserve to be used to fund this project in 2018/19.
- 50) The Resthaven Sewer project was completed over budget due to unforeseen soil conditions. The overage was covered by an increased contribution from the Infrastructure Reserve.
- 51) Refer to #45.

FINANCIAL IMPLICATIONS:

The 2017 Year End Financial Results report is a useful summary of the Town's operating results, and a supplement to the Town's Financial Statements. The report illustrates that the Town's net operating results were mostly better than expected, resulted in surplus balances in all operating funds, with the exception of the Water Utility, and year ending balances remaining above policy levels. Overall, the operating results have demonstrated that the Town is committed to sound financial management, and there are no areas of concern.

Please note that the variance report presented here will always differ from the results shown in the Town's financial statements, as the two measures are intended for different purposes, and are prepared according to different sets of accounting rules. This variance report more accurately reflects the Town's results in relation to its budget, and should be the set of numbers that receives the most attention from Council and the public. The Financial Statements, under existing rules, are not intended for such an evaluation.

However, the two sets of numbers are both part of the overall measure of the Town's financial position and performance.

RECOMMENDATION:

That this report be received for information.

Respectfully submitted:

I concur:

I concur:

Troy Restell
Manager of Finance

Andrew Hicik
Director of Corp. Svcs.

Randy Humble
Chief Administrative Officer

SCHEDULE A

TITLE:			
SURPLUS MONIES			
Origin:	Finance		
Adopted:	Council – October 27, 2003	#2003.38.807	Ref: FN-012
Amended:			Page: 1 of 1

1. To provide adequate working capital to reduce need for temporary borrowing throughout the year.
2. Revenue Stabilization. If revenue budgets are not met these are funds available to cover shortfall.
3. To provide adequate reserve for major disasters or contingencies.
4. Investment earnings on surplus funds are brought into revenue each year to offset revenue required from property taxes.

A) Adequate Levels of Surplus

- | | | |
|----|------------------------|--|
| 1. | General Operating Fund | 25% - 50% of Municipal Property Taxes |
| 2. | Water Operating Fund | 10% - 15% of Water Sales & Water Parcel Tax |
| 3. | Sewer Operating Fund | 10% - 15% of Sewer User Charges & Sewer Parcel Tax |
| 4. | Garbage Utility | 10% - 15% of Garbage User Fees |

B) Surplus Funds in Excess of Adequate Levels

Surplus funds in excess of the adequate level can be used as follows:

1. Brought into general revenue to fund Contingencies.
2. Used as reserve for future expenditures to fund capital work or special projects.
3. Brought into revenue to stabilize property taxes.

C) Insufficient Level of Surplus Funds

Surplus funds can be increased to adequate levels by:

1. Retention of annual surpluses until adequate level of surplus funds achieved.
2. Transfers to surplus can be included in the Annual Budget.

D) Changes to Policy

Council retains the ability to alter the level of surplus or use of surplus funds if such an alteration is determined to be in the best interest of the Town.

SCHEDULE B

	2017 YTD Actual	2017 Budget	YTD Variance	% of Budget	Note #
GENERAL OPERATING					
GENERAL REVENUE					
Taxation, Interest & Gov't Transfers	\$ (12,511,454)	\$ (12,519,631)	\$ (8,177)	100%	1
	(12,511,454)	(12,519,631)	(8,177)	100%	
CORPORATE SERVICES					
Council	209,044	223,958	14,914	93%	
Committees	3,352	5,000	1,648	67%	
	212,396	228,958	16,562	93%	
GENERAL ADMINISTRATION					
Administrative Services	621,342	578,768	(42,574)	107%	
Financial Services	649,518	661,432	11,914	98%	
Driver Services	(104,502)	(65,100)	39,402	161%	
Common Services	136,430	122,572	(13,858)	111%	
Computer Services	457,290	488,028	30,738	94%	
Other	(226,306)	(210,022)	16,284	108%	
	1,533,772	1,575,678	41,906	97%	2
ELECTIONS					
Elections & Referendum	4,197	4,000	(197)	105%	
	4,197	4,000	(197)	105%	
PROTECTIVE SERVICES					
Police Protections	2,102,879	2,393,897	291,018	88%	3
Court House	37,717	30,590	(7,127)	123%	
Fire Protection	1,230,094	1,247,593	17,499	99%	
Emergency Measures	43,127	40,500	(2,627)	106%	
Bldg Insepction/Bylaw Enforcement	26,193	73,000	46,807	36%	4
	3,440,010	3,785,580	345,570	91%	
TRANSPORTATION					
Common Services	1,066,531	989,035	(77,496)	108%	
Roads	898,473	918,565	20,092	98%	
Bus Shelters	(2,022)	5,709	7,731	-35%	5
Parking Lots	(42,504)	(19,771)	22,733	215%	6
Dock & Port Facilities	(208,050)	(190,930)	17,120	109%	
Storm Drains	182,375	198,525	16,150	92%	
Hydrants	33,794	38,690	4,896	87%	
	1,928,598	1,939,823	11,225	99%	
ENVIRONMENTAL HEALTH					
Solid Waste & Environmental Programs	158,106	141,435	(16,671)	112%	7
	158,106	141,435	(16,671)	112%	
DEVELOPMENT SERVICES					
Municipal Planning	336,371	376,850	40,479	89%	8
	336,371	376,850	40,479	89%	

	2017 YTD Actual	2017 Budget	YTD Variance	% of Budget	Note #
RECREATION & CULTURE	336,371	376,850	40,479	89%	
Parks	1,152,058	1,172,408	20,350	98%	9
Library	(32,104)	(28,449)	3,655	113%	
Senior's Centre	121,462	111,620	(9,842)	109%	
Museums	118,173	118,036	(137)	100%	
	1,359,589	1,373,615	14,026	99%	
FISCAL SERVICES					
Internal Transfers to Reserves & Other Accounts	2,533,119	2,168,636	(364,483)	117%	10
Debt Servicing	313,369	305,847	(7,522)	102%	
Other	60,494	74,500	14,006	81%	
Community Support	544,124	544,709	585	100%	
	3,451,105	3,093,692	(357,413)	112%	
General Surplus / (Deficit)	\$ (87,309)	\$ -	\$ 87,309		
WATER UTILITY					
General Revenue	\$ (1,969,925)	\$ (2,023,407)	\$ (53,482)	97%	11
Administration	1,526,041	1,489,953	(36,088)	102%	12
Training	11,064	16,571	5,507	67%	
Operations	229,466	238,633	9,167	96%	
Internal Transfers to Reserves & Other Accounts	278,255	278,250	(5)	100%	
Water Surplus / (Deficit)	\$ 74,901	\$ -	\$ (74,901)		13
SEWER UTILITY					
General Revenue	\$ (2,158,462)	\$ (2,163,000)	\$ (4,538)	100%	
Administration	162,925	163,388	463	100%	
Training	16,890	16,657	(233)	101%	
Operations	1,608,983	1,685,638	76,655	95%	14
Internal Transfers to Reserves & Other Accounts	299,969	297,317	(2,652)	101%	
Sewer Surplus / (Deficit)	\$ (69,696)	\$ -	\$ 69,696		15
Total Operating Surplus / (Deficit)	\$ (82,104)	\$ -	\$ 82,104		

	2017 YTD Actual	2017 Budget	YTD Variance	% of Budget	
GENERAL CAPITAL					
PEARL - Software Enhancements	\$ 11,718	\$ 20,000	\$ 8,282	59%	16
PEARL - Asset Performance Module	-	20,000	20,000	0%	17
Workspace Efficiency Upgrades	4,951	5,000	50	99%	
Computer Replacement Plan	141,743	290,000	148,257	49%	18
Computer Equipment	452	5,000	4,548	9%	
Council Chamber Upgrades	7,954	10,000	2,047	80%	
Tempest - Prospero Mobile Insp	1,804	10,000	8,196	18%	19
Tempest - Security Review	2,730	2,800	70	98%	
Tempest - User Interface Upgrade	13,310	15,000	1,690	89%	
Town Hall Backup Server Room A/C Unit	7,494	8,000	506	94%	
RCMP Furnishings	11,822	10,000	(1,822)	118%	
Community Safety Bldg	3,674,987	6,000,000	2,325,013	61%	20
CSB Access Easement	46,667	40,000	(6,667)	117%	21
2 Infra-Red Cameras	3,954	4,000	46	99%	
Turnout Gear Additions	11,500	11,500	-	100%	
Fire Dept. Small Equipment	14,354	21,370	7,016	67%	
Fire Dept. Vehicles	27,994	32,300	4,306	87%	
Engineering Equipment	4,844	4,500	(344)	108%	
Public Works Equipment	2,353	10,000	7,647	24%	
Resthaven Driveway Drops	11,826	10,000	(1,826)	118%	
Decorative Lighting Upgrades	64,078	71,000	6,922	90%	22
Green Tech Projects	-	10,000	10,000	0%	
Bowerbank/Amelia Traffic Improvements	19,695	15,000	(4,695)	131%	
Downtown Employee Parking Lot	505	500,000	499,495	0%	23
Bus Stop Improvements	3,552	12,500	8,948	28%	
Transportation Vehicles	143,611	120,000	(23,611)	120%	24
Traffic Signal Light Upgrade	34,781	30,000	(4,781)	116%	
Epco Drive Sidewalk	3,109	6,500	3,391	48%	
Pipe Rack Storage Shed	4,758	7,500	2,742	63%	
Infra Plan-Colinwood-Bowerbank Paving	98,291	181,400	83,109	54%	25
Wheel Loader	-	160,000	160,000	0%	26
Infra Plan-Eastbrook-Westbrook Sidewalk	56,426	64,400	7,974	88%	
Infra Plan-Beacon Wharf Causeway Paving	-	21,400	21,400	0%	27
Infra Plan-Fire Lane-McDonald Pk Paving	-	61,400	61,400	0%	27
Infra Plan-Gail Pl to Frost Paving	49,581	58,500	8,919	85%	
Infra Plan-Lane#4 Orchard to Oakville Paving	6,577	5,200	(1,377)	126%	
Underground Wiring	1,275	20,000	18,725	6%	
Modo Carshare Services	55,761	60,000	4,239	93%	
Ferry Terminal Marine Structures	-	145,000	145,000	0%	28
Ferry Terminal Dock Metal Painting	6,750	200,000	193,250	3%	29
Ferry Terminal Bldg Improvements	-	50,000	50,000	0%	30
Infra-Resthaven-Malaview-Ardwell	275,209	307,300	32,091	90%	31
Decorative Street Lighting	12,552	30,000	17,448	42%	
White Birch Rd Cul de Sac Improvements	-	60,000	60,000	0%	32
White Birch Storm Drain	-	20,000	20,000	0%	32
Gateway Signage	4,228	7,000	2,772	60%	
Wayfinding Signage	-	29,000	29,000	0%	33
Ped Traffic Counter	20,476	25,000	4,524	82%	
Tulista Skateboard Park	485,286	472,150	(13,136)	103%	34
Building Exposure Analysis	16,773	50,000	33,227	34%	35

	2017 YTD Actual	2017 Budget	YTD Variance	% of Budget	
PW Compound Extension/Fencing	47,452	50,000	2,548	95%	
PW Bldg Upper Mezzanine Crane Pulley System	-	10,000	10,000	0%	
Parks Master Plan	24,024	25,000	976	96%	36
Parks Equipment	5,835	10,000	4,165	58%	
Rotary Park Roof Replacement	14,124	30,000	15,876	47%	37
Town Hall Irrigation	12,848	15,000	2,152	86%	
Waterfront Walkway Upgrade	46,259	75,000	28,741	62%	38
Reay Creek Dam	-	22,150	22,150	0%	39
Shoal Centre Dishwasher Replacement	8,012	8,020	8	100%	
Tulista Park Volleyball Court	-	10,000	10,000	0%	40
Melville Park Path Resurfacing	-	20,000	20,000	0%	
Central Irrigation Monitoring	-	15,000	15,000	0%	
Tulista Park Sidewalk Improvements	2,109	50,000	47,891	4%	41
Tulista Park Shelter Rebuild	-	25,000	25,000	0%	
Rotary Park Irrigation Replace	4,439	30,000	25,561	15%	42
Shoal Centre Flooring	19,815	21,700	1,885	91%	
Shoal Centre Monument Sign	19,754	19,500	(254)	101%	
Stormwater Model Calibration	1,521	60,000	58,479	3%	43
PW Solar Project	22,134	120,000	97,866	18%	44
Infra Plan-Ardwell Storm Drain	19,348	490,000	470,652	4%	45
Infra Plan-Resthaven Dr Storm	16,196	20,000	3,804	81%	
Infra Plan-Access Lne #4, Orchard Ave Storm	-	3,100	3,100	0%	
Infra Plan-Ocean Ave. Storm	130,455	143,300	12,845	91%	46
Water Fountain Stations Dwtwn	6,313	15,000	8,687	42%	
Total General	5,766,368	10,617,490	4,851,122	54%	
WATER CAPITAL					
Hydrant Upgrade	\$ 7,336	\$ 10,000	\$ 2,664	73%	
Infra Plan-Northbrook, Canora to Westbrook Water	99,546	77,600	(21,946)	128%	47
Water Equipment	10,326	10,000	(326)	103%	
Infra Plan-Wesbrook, Northbrook to Eastbrook Water	381,366	357,000	(24,366)	107%	47
White Birch Loop Watermain and Fire Road	538	120,000	119,462	0%	48
Meter Replacement Program	23,396	125,000	101,604	19%	49
Total Water	522,508	699,600	177,092	75%	
SEWER CAPITAL					
Infra Plan-Resthaven, Malaview to Amherst Sewer	\$ 299,003	\$ 195,000	\$ (104,003)	153%	50
Siddall Sewer & Drain Reno	-	30,000	30,000	0%	
Frost Pump Station Kiosk Replacement	29,316	25,000	(4,316)	117%	
Ardwell Ave. Sanitary Sewer	26,141	180,000	153,859	15%	51
Town Hall Service Connections	-	10,000	10,000	0%	
Sewer Equipment	10,000	10,000		100%	
Access Hatches - Pump Stations	-	20,000	20,000	0%	
Sewer Vehicles	52,931	48,000	(4,931)	110%	
Total Sewer	417,391	518,000	100,609	81%	
Total Capital	\$ 6,706,266	\$ 11,835,090	\$ 5,128,824	57%	