



# TOWN OF SIDNEY

## REPORT TO COUNCIL

**TO:** Mayor & Council

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

**DATE:** Nov 14, 2018      **FILE NO.:** 1700-20 - Quarterly Financial Reports

**SUBJECT:** BUDGET VARIANCE REPORT – THIRD QUARTER OF 2018

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### **PURPOSE:**

To update Council on the financial results for the first three quarters of the 2018 fiscal year.

### **DISCUSSION:**

Attached is a copy of the Budget Variance Report covering roughly the first three quarters of 2018. As per Council Policy FN-008, this is the second of three regular financial reports to be brought forward to Council. The year-end report is presented following each year's audit, along with the financial statements.

Year to date results for both revenues and expenses are presented up to the date of this report, rather than just to the 9-month mark, in order to present the most up to date information on financial results. The report for the 3<sup>rd</sup> Quarter would typically be delivered in late October; however, due to the postponement of meetings following the election, it has been delayed this year for presentation to the new Council.

The Operating results are presented on a net basis; that is, revenues and expenses have been combined and presented as a single amount. A misleading view of financial results can result when revenues and expenses are presented separately, whereas results presented on a net basis are more meaningful. The Capital results are presented on an expenditure basis (i.e. actual expenditures vs budget).

Overall, financial results for the year are mostly meeting expectations, with both revenues and expenses following budget and previous year trends. More detailed comments follow below, with note #'s corresponding to the attached report. 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. A negative number indicates that the budget has been exceeded, or in the case of net revenues, that revenue remains to be realized.

As not all revenues and expenditures follow a regular monthly pattern throughout the year, caution should be taken in interpreting the "% of Budget" column, which has been provided as a rough indicator of results to date. About 87% of personnel costs have been realized in this report (to Nov 11<sup>th</sup>); this has an impact on many cost centres, as they will exceed the anticipated 75% in this 3<sup>rd</sup> Quarter report.

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## General Operating Fund

1. General Revenue is at 97% of budget due to property taxes and grants-in-lieu being recognized in the first half of the year and representing the majority of this budget. Collections of current year property taxes stand at 98% and follow trends established in recent years. Investment revenues are on track to exceed expectations, with roughly half of the returns transferred to reserves funds at year end. Approximately 50% of the Town's 2018 Gas Tax funding has been received, with the remaining expected later in November.
2. The Council budget reflects that a large percentage of personnel costs have been paid for the year, and also that the vast majority of conference fees have been incurred. The results for the year are expected to fall within budget.
3. Administration is expected to be slightly over budget for the year due to higher than anticipated legal fees. These costs are a result of a high number of special projects and agreements requiring additional legal assistance. Please note that all legal fees are charged to Administration, regardless of the benefitting functional area or project.
4. Driver Services is a cost recovery centre that is budgeted to realize annual net revenues as opposed to net expenses. Expenses are mostly tracking budget, with revenues received to the end of September; year-end net revenues will be slightly higher than the projected amount for the year.
5. Most of the Computer Services software annual maintenance, support and licencing agreement costs have been paid, but have been offset with lower than expected contracted services at the three-quarter mark; overall results for the year should be close to budget, or slightly below.
6. Other is mostly comprised of an internal cost recovery function where administrative wage costs are allocated to the Garbage, Water and Sewer utilities; year-end results will be on budget.
7. The Elections budget represents an annual transfer to reserves over 4 years to even out election costs. Actual election expenses exceed the budget largely due to the Town not being reimbursed by School District 63 for school trustee election costs. The reason for this is that only one individual put their name forward for school trustee, and was therefore acclaimed; as no election was required, the school district did pay for the customary 1/3 of total election costs.
8. The RCMP contract billings have been received to the end of September, representing the first three quarters of 2018. Although we usually expect to realize savings in the policing contract due to temporary absences such as illness, disability or reassignment, a mostly full complement of officers has been achieved for the first three quarters of the year. Given only one quarter of the contract remains in 2018, we are not likely to see the usual savings on the RCMP contract from transfers and unfilled positions. The savings are projected to be in the order of \$75,000.

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9. This function is comprised of the Peninsula Emergency Measures Organization (PEMO) and the Town's emergency preparedness planning. The Town is nearing the end of its 3-year term of performing the financial administration for PEMO. At the 9-month mark, annual funding contributions from both North Saanich and Central Saanich have been received; these receipts are mostly responsible for the current results. Expenses are also tracking less than budget, and it is expected that a nominal year end surplus will result for PEMO, which will be transferred to a reserve for the future purchase of vehicles and equipment.
  10. The Building Inspection & Bylaw Enforcement function includes several activities, including Building Inspection, Animal Control, Business Licencing and Parking Enforcement. Building Permit revenues are at 146% of the annual budget, and mainly responsible for the significant net revenue position at the date of this report. Also, business and dog licence revenues, which are collected in the first half of the year, have contributed to the net revenue position. All other revenues and expenses are tracking budget. Even after some of the "unearned" building permit fees are deferred at year-end, it is expected that this function will see a small surplus for the year.
  11. Common Services under the Transportation department include parts of Engineering & Works staffing, management and supervision costs, as well as some of the overheads related to the operation of the Public Works Yard. The largest factor in the year-to-date overage relates to the disposition of the Town's dump truck, for which recoveries used to be credited to this function. While recoveries are under budget for this year, the Town no longer needs to budget for the replacement of this vehicle. Any overage at year end will mostly be covered through savings elsewhere on the Engineering & Works side.
  12. The Bus Shelter function has received all of the anticipated annual advertising rental revenues, while minimal repairs and maintenance have been performed during this period. 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. It is expected that some maintenance will be performed in the last quarter of the year, but year-end results are expected to be lower than the modest budget.
  13. Parking lot permit revenue is at 138% of budget, while minimal repairs and maintenance have been performed during this period. The greater than expected revenue is from increased activity in the downtown core, thus resulting in an increase of monthly parking permits purchased for Town lots. Full year results are expected to be better than budget.
  14. Most revenues in this function are collected early in the year, including the recovery of Crown licence fees from Port Sidney, and annual rent due from Washington State Ferries. Like other functions that collect the majority of revenues in the first half of the year, this tends to distort net results when reported during the year. It is expected that full year results will meet budget.
  15. "Other" includes mainly Third Party expenses, which are Town costs associated with third party events and infrastructure works related to particular developments or activities. The year-to-date variance represents a timing difference between the

incurred expenses and the recovery of those expenses. At year end, there will be full recovery for most items, and a net balance of close to zero.

16. Within Environmental Health is the Solid Waste Disposal function, representing the expenses incurred by the Town for garbage collection and the offsetting revenues collected through the quarterly garbage levy billed on the Utility Statement; at the time of this report, revenues have been collected to the end of September, while the Town's garbage contractor has been paid to the end of October. Also in this budget are costs for collection of refuse from Town garbage cans in the downtown core, both by staff and the Town's garbage contractor; these expenses are tracking higher than budget, as garbage volume has been trending higher in recent years. It is expected that full year results will be slightly higher than budget.
17. Municipal Planning revenues, including development and rezoning permits, are exceeding projections at the date of this report due to greater than expected development activity, thus making the net results only 77% of budget. As a result, it is expected that full year results will be slightly better than budgeted.
18. Much of the Parks division budget is seasonal, where the bulk of expenses are incurred during the summer months; however, with warmer Spring and Fall seasons being more common, the growing season is now close to 9 months long. Some Park activities are slightly under budget, while others are slightly over budget; but overall expenses are generally tracking previous trends, and the Parks function overall is expected to achieve budget.
19. The Library function represents rent paid by the Vancouver Island Regional Library to occupy the Town's library building, less expenses to maintain the building and grounds. Additionally, 50% of the net proceeds are shared with North Saanich, who own 50% of the building. This is a net revenue budget, where revenues are budgeted to exceed expenses. The net revenues are less than budget at the 9-month mark due to the suspension of VIRL rent after September. This was approved by Council to accommodate the library moving to a temporary location during a \$1.5 million renovation, expected to be completed in mid-2019.
20. The Seniors Centre appears slightly above budget for the year to date due to strata fees and contractual obligations having been paid for 11 months. Year end results will fall roughly within budget.
21. The Museum budget is slightly higher than expected, but this is a factor of having paid strata fees and contractual obligations for both functions (Sidney Historical Museum and Shaw Centre for the Salish Sea) to the end of November.
22. This function represents mostly the annual transfers to internal reserves, which have been completed. Transfers of note include \$1,061,100 to the infrastructure replacement reserve, \$362,300 to the vehicle, computer and equipment replacement reserves, and \$163,931 to the Ferry Terminal reserve (direct transfer of lease payment received from Washington State Ferries). Remaining in this function is the year-end budgeted transfer of up to \$155,539 to fund capital projects from taxation revenue, as well as an estimated \$389,518 of transfers to other reserves, less \$305,300 of funding from prior year surplus, if required to balance operations for the year.

23. All payments to the Municipal Finance Authority to service the Town's long term debt are complete, with some minor interest payments for short term equipment financing remaining.
24. This represents mostly a contingency budget that is customarily used for insurance claims against the Town. The remaining expenses pertain to interest paid by the Town on prepaid taxes and deposits, and also credit card fees.
25. This function delivers local grants to the community and funding for the Visitor Information Centre and other economic development initiatives. Distribution of grants-in-aid, the Economic Development Fund, and the majority of grant funding to the Shaw Centre for the Salish Sea and Mary Winspear are complete.

#### Water and Sewer Utilities

26. Annual Water parcel taxes of \$357,000 were collected in the first half of the year, on the property tax notice, making revenues-to-date appear slightly higher than the expected 75% at the three-quarter mark. As well, due to higher use of water through the summer months, Water User Fees are at 80% of budget.
27. Water Operations are currently at only 32% of budget due to the deferral of some annual maintenance to the end of the year, but more notably due to the revenue collected for new water service connections and meters exceeding expenses by \$109,000 during the first three quarters of the year. The latter represents a timing difference between collecting the upfront fees and incurring the actual expenses. At year end, there will be full allocation of expenses for most new service connections and meters, and a net balance of close to zero for these recoverable services should result.
28. Annual transfers to internal Water and Sewer reserves for asset renewal are complete, with year-end budgeted transfers to capital of up to \$17,400 remaining for Water and \$40,000 for Sewer.
29. The Water Utility currently indicates a surplus of just under \$12,000, but this is due to the timing difference of revenues and expenses indicated in #27. If the revenues and expenses were equal (which happens at year end) there would be a deficit of approximately of \$97,000 at the three-quarter mark, which is on track to meet the budgeted deficit for the year of \$120,861; this has been budgeted to ensure user rates remain unchanged, despite regular increases in bulk water costs over the past several years. It is important to note that at the end of 2017, the Water Utility maintained a healthy accumulated surplus balance from prior years' operations; this will be drawn upon depending on the amount of the actual deficit realized at year end. The Water fund also 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 any temporary shortage in surplus until rate adjustments are completed to safeguard the long-term balance of the Water fund.

30. Like the Water Utility, annual Sewer parcel taxes of \$509,000 were collected in the first half of the year, on the property tax notice, making revenues-to-date appear high. Sewer User fees collected are at 78% of budget, with full year results expected to be close to budget.

A pending review of both 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 accumulated surplus in both the Water and Sewer Utility funds.

31. Sewer Operations are currently at 97% of budget, as the \$1.43 million annual payment to the CRD for the Town's share of the Saanich Peninsula Wastewater Treatment Plant is included in year-to-date results.

32. The Sewer Utility indicates a deficit of just under \$278,000, which is largely due to the timing of the CRD payment for the Town's share of treatment plant expenses. A small deficit of \$19,963 has been budgeted to ensure user rates remain unchanged, and this is possible due to a healthy accumulated Sewer surplus. It is expected that budgeted results will be achieved in the Sewer Utility at fiscal year-end.

### Capital Expenditures

Some of the budgeted Capital projects have been completed at the three-quarter mark, while others will likely be carried forward for completion in 2019. Much of the emphasis in the first three quarters of the year has been on construction of the new Community Safety Building, completion of the volleyball court at Tulista Park and solar panels on the Parks Building at Public Works, commencement of several paving projects and replacement of storm, water and sewer infrastructure. Comments on certain specific capital projects follow below.

33. 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.

34. 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 will not be completed in 2018.

35. The Computer Replacement Plan is an annual program to replace existing computer equipment. The expenditures of this program are funded from reserves, which 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. Additional expenditures will be made prior to year-end, but there will be some savings realized on the purchase of some large network components.

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36. 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 may not have the capacity to complete this project, and part of the budget may be carried forward to 2019.
  37. The Community Safety Building (CSB) is on target for completion in the spring of 2019. With all major tender packages having been awarded, the last budget projection provided to Council earlier this year remains accurate; the latter indicated a total project budget of \$16.35 million, some of which has been incurred over prior years. Three additional monthly billings will be paid for 2018, with the remainder of the budget being carried forward to 2019.
  38. 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.
  39. With completion of the Downtown Parking Study in late 2017, an employee parking lot was recommended and conceived 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, the project is expected to be substantially completed in late 2018, with a budget of \$1.3 million. If late-year weather prohibits paving of portions of the parking lot, some of the budget will be carried forward to early 2019 for completion.
  40. This purchase has been initiated, with possession most likely to occur in 2019. A wheel loader is a versatile piece of equipment that has variable attachments and can also be used as a fork lift and snow plow; a much more efficient and versatile piece of equipment than what the Town currently owns.
  41. 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 a floating lead chain, and removal of the decommissioned dock structure. Costs to date reflect work on the hydraulics component of this project; the outstanding work will be brought forward to 2019. Funding is from reserves, which are sustained mostly through the annual rents charged to WSF.
  42. The original protective coating on the metal beams and supporting piles of the Washington State Ferry (WSF) dock is failing in many places 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 was re-budgeted in 2018 at an increased cost of \$300,000 and was recently re-tendered with work to commence in 2019.
  43. Similar to the Marine Structures indicated in #41, the Town is also responsible for undertaking capital works on the ferry terminal buildings. Upgrades to the U.S. and Canada Customs buildings are now expected to commence in late 2019. Some of this work will be related to new requirements to be imposed under a pending preclearance agreement between the countries.

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44. This project involved the replacement of pavement, curb, gutter and sidewalk on Resthaven, from Mills Road to Henry Ave.; additional grinding work was required and resulted in this project being over budget. There is no tax impact, as infrastructure projects are funded from reserves. The overage will be netted against savings on other infrastructure projects.
  45. This project involves replacement of curbs and sidewalks, and paving of Second Street between Bevan and Sidney Avenues; the work is now complete, with total costs under budget. Like #44, and other infrastructure works, the project is funded from reserves, and the savings will be re-directed to infrastructure projects that finish over budget.
  46. This completed paving project, which is related to the 2017 sewer mains replacement on this section of Resthaven, was delayed until 2018 to allow adequate time for ground settlement before paving. The replacement of curbs, which was not part of the original scope, was required, and is the reason for this project being over budget.
  47. This in-progress project involves upgrading the sidewalk to current standards on the north side of Malaview Avenue, from Melissa Street to Resthaven Drive. It is expected to be completed this year, with some carry forward work into 2019 for landscaping reinstatement.
  48. The Sidney Highway Trail is experiencing bank failures and surface heaving in certain areas that run very close to the Pat Bay highway. The risk and level of use justifies a significant and permanent repair. The project is currently in the design phase and will commence in 2019; as such, costs-to-date only reflect the design work.
  49. This completed project involved replacement of storm main pipe on Epcu Drive, from Brethourpark Way to Westleigh Way. This project was done in conjunction with the Epcu Drive water main replacement project, from Ocean Avenue to Weiler Avenue (note #60). The project involved considerable unexpected underground conflicts, such as tree removal and relocation of an unrelated water main. Overall, the combined actual expenses of these two projects will be under budget.
  50. Replacement of storm main pipe on Third Street, from Ocean Ave to Orchard Ave; the project was completed slightly under-budget.
  51. A new sidewalk will be constructed along Galaran Road, as recommended in the 2017 West Side Local Area Plan. The project is currently in the design phase and is now expected to commence in 2019; projects costs in 2018 are for design work.
  52. This completed project involved replacing the storm drain outfall at Shoreacres & Rothesay, which was identified as badly corroded and collapsing. Once the work commenced, it was determined that only the concrete opening needed to be replaced, not the entire outfall pipe. This project was funded from reserves and the savings will be re-directed to infrastructure projects that finish over budget.

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53. In 2017, the Town acquired additional leased lands from the VAA for several purposes: expanded parking, construction of the CSB, and an expansion of the public works yard; this project represents the latter. Although clearing of the site has already occurred, fencing of the site and relocation of the Lochside Trail connection will be deferred until completion of the CSB in spring 2019.
54. This budget represents planned expenditures for replacement of Parks vehicles and equipment at the end of their useful lives; funded through regular annual contributions to the Vehicle & Equipment Replacement Plan.
55. These expenses represent geotechnical & biological reports that will be used to develop and deliver options to either repair, replace or remove the Reay Creek Dam. Transport Canada is also examining options for sediment removal and habitat restoration, which would logically happen at the same time as Dam remediation/replacement. The actual construction is expected to commence in 2019.
56. \$30,000 was approved in the 2018 Parks Capital Budget for the construction of a sand based volleyball court at Tulista Park. This original cost estimate was completed without the benefit of a detailed design, and overlooked the requirement for drainage. Also, the uneven existing topography of the site became apparent during the design work in May of 2018. The drainage detail and final surface elevation caused the base preparation to include a significantly deeper excavation to tie into the existing infrastructure, essentially doubling the volume of material needing to be removed and replaced with select drain rock and sand to ensure a level playing surface. An additional unexpected cost was the construction of a storm drain manhole to tie into the existing drainage main. The oversight in the volume of material to be removed and replaced also doubled the excavation and trucking costs of the project.

This project was unique to Town staff, who had limited experience with this style of undertaking; the more research that was done during the design stage, it became apparent that more costs would be incurred. As the project had already been delayed one year, it was decided to complete the project and maintain the high standard of specifications to limit risk. Funded from infrastructure reserves, the additional funding will be redirected from savings in other projects and will not result in a tax impact.

57. 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). This project will not be started this year and will be re-budgeted in 2019.
58. This project commenced in late 2017, and involved 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 four average homes. The project is now complete, but with increased panel costs and the installation of an emergency shutdown function (not part of the original project scope), the final costs for the project are over budget. Funding for this project and the overage will come from Gas Tax revenues.
59. 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 increased to \$1.2 million (including the Sanitary Sewer components at \$360,000; note #63); it was successfully re-tendered in early 2018 and commenced in late Spring. The project is now mostly complete, with additional costs forthcoming; part of this budget will be carried forward to 2019 for landscaping restoration.

60. Refer to #49.

61. Due to recent and pending developments that have and will significantly increase density in the White Birch area, this project originally involved upgrades to the water main and installation of an all-weather fire truck access between Resthaven Drive & White Birch Road. The water main component of the project has been completed, while the fire access component was removed during the 2018 financial plan process, to be resubmitted at a later date.

62. 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 2019 and beyond.

63. Refer to #59.

#### **FINANCIAL IMPLICATIONS:**

While several capital projects have been completed, and year-to-date expenditures seem to be mostly in line – with the exception of a couple projects noted above – there are still several projects underway that may impact year-end results. However, there are no areas of major concern at this time.

It is anticipated that any overages identified above will be covered through savings in other expenditure areas. At this time, it is anticipated that a small portion of the \$305,300 in Surplus funding that was used to balance the budget – and minimize the tax increase – may be drawn upon. This would be the first time in many years that some Surplus funding is required for such a purpose, but is not of concern due to the healthy balance of Accumulated Surplus. Final results will be available during the presentation of the 2018 year-end Financial Statements.

#### **RECOMMENDATION:**

That this report be received for information.

Respectfully submitted:

I concur:

I concur:

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Troy Restell  
Manager of Finance

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Andrew Hicik  
Director of Corp. Svcs.

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Randy Humble  
Chief Administrative Officer

	2018 YTD Actual	2018 Budget	YTD Variance	% of Budget	Note #
<b>GENERAL OPERATING</b>					
<b>GENERAL REVENUE</b>					
Taxation, Interest & Gov't Transfers	\$ (12,572,426)	\$ (12,955,074)	\$ (382,648)	97%	1
	<b>(12,572,426)</b>	<b>(12,955,074)</b>	<b>(382,648)</b>	<b>97%</b>	
<b>LEGISLATIVE SERVICES</b>					
Council	202,021	228,058	26,037	89%	2
Committees	3,000	5,000	2,000	60%	
	<b>205,021</b>	<b>233,058</b>	<b>28,037</b>	<b>88%</b>	
<b>GENERAL ADMINISTRATION</b>					
Administrative Services	533,208	588,859	55,651	91%	3
Financial Management	557,332	671,498	114,166	83%	
Driver Services	(57,181)	(80,000)	(22,819)	71%	4
Common Services	123,329	147,333	24,004	84%	
Computer Services	423,437	494,428	70,991	86%	5
Other	(179,871)	(207,994)	(28,123)	86%	6
	<b>1,400,255</b>	<b>1,614,124</b>	<b>213,869</b>	<b>87%</b>	
<b>ELECTIONS</b>					
Elections & Referendum	14,916	4,000	(10,916)	373%	7
	<b>14,916</b>	<b>4,000</b>	<b>(10,916)</b>	<b>373%</b>	
<b>PROTECTIVE SERVICES</b>					
Police Protection	1,792,758	2,392,255	599,497	75%	8
Court House	31,597	34,276	2,679	92%	
Fire Protection	995,156	1,323,783	328,627	75%	
Emergency Measures	15,367	40,500	25,133	38%	9
Building Inspection & Bylaw Enforcement	(260,976)	53,300	314,276	-490%	10
	<b>2,573,903</b>	<b>3,844,114</b>	<b>1,270,211</b>	<b>67%</b>	
<b>TRANSPORTATION</b>					
Common Services	951,607	1,020,271	68,664	93%	11
Roads	765,114	927,665	162,551	82%	
Bus Shelters	(3,178)	5,690	8,868	-56%	12
Parking Lots	(41,507)	(29,271)	12,236	142%	13
Dock & Port Facilities	(216,142)	(213,254)	2,888	101%	14
Storm Drains	165,724	204,703	38,979	81%	
Hydrants	39,459	38,690	(769)	102%	
Other	207,500	-	(207,500)	0%	15
	<b>1,868,578</b>	<b>1,954,494</b>	<b>85,916</b>	<b>96%</b>	
<b>ENVIRONMENTAL HEALTH</b>					
Solid Waste & Environmental Programs	199,944	150,535	(49,409)	133%	16
	<b>199,944</b>	<b>150,535</b>	<b>(49,409)</b>	<b>133%</b>	
<b>DEVELOPMENT SERVICES</b>					
Municipal Planning	332,425	433,400	100,975	77%	17
	<b>332,425</b>	<b>433,400</b>	<b>100,975</b>	<b>77%</b>	
<b>RECREATION &amp; CULTURE</b>					
Parks	1,082,958	1,161,813	78,855	93%	18
Library	(21,966)	(28,376)	(6,410)	77%	19
Senior's Centre	97,573	111,558	13,985	87%	20
Museums	113,601	123,633	10,032	92%	21
	<b>1,272,166</b>	<b>1,368,628</b>	<b>96,462</b>	<b>93%</b>	

**GENERAL OPERATING****FISCAL SERVICES**

Internal Transfers to Reserves & Other Accounts	1,963,158	2,202,923	239,765	89%	<b>22</b>
Debt Servicing	403,637	403,798	161	100%	<b>23</b>
Other	27,594	69,000	41,406	40%	<b>24</b>
Community Support	679,283	677,000	(2,283)	100%	<b>25</b>
	<b>3,073,673</b>	<b>3,352,721</b>	<b>279,048</b>	<b>92%</b>	

**General (Surplus) / Deficit**

<b>\$ (1,631,544)</b>	<b>\$ -</b>	<b>\$ 1,631,544</b>
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**WATER OPERATING**

General Revenue	\$ (1,645,823)	\$ (2,085,861)	\$ (440,038)	79%	<b>26</b>
Administration	1,278,148	1,537,871	259,723	83%	
Operations	80,891	255,690	174,799	32%	<b>27</b>
Transfers to Reserves & Other	274,900	292,300	17,400	94%	<b>28</b>
<b>Water (Surplus) / Deficit</b>	<b>\$ (11,884)</b>	<b>\$ -</b>	<b>\$ 11,884</b>		<b>29</b>

**SEWER OPERATING**

General Revenue	\$ (1,806,749)	\$ (2,195,963)	\$ (389,214)	82%	<b>30</b>
Administration	141,204	164,781	23,577	86%	
Operations	1,689,859	1,737,782	47,923	97%	<b>31</b>
Transfers to Reserves & Other	253,400	293,400	40,000	86%	<b>28</b>
<b>Sewer (Surplus) / Deficit</b>	<b>\$ 277,714</b>	<b>\$ -</b>	<b>\$ (277,714)</b>		<b>32</b>

**Total Operating (Surplus) / Deficit**

<b>\$ (1,365,713)</b>	<b>\$ -</b>	<b>\$ 1,365,713</b>
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	<b>2018</b>	<b>2018</b>	<b>YTD</b>	<b>% of</b>	
	<b>YTD Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>	<b>Note #</b>
<b>GENERAL CAPITAL</b>					
Town Hall Fitness Room Floor	\$ 2,125	\$ 2,500	\$ 375	85%	
PEARL - Software Enhancements	2,660	10,000	7,340	27%	<b>33</b>
PEARL - Asset Performance Module	1,720	20,000	18,280	9%	<b>34</b>
Workspace Efficiency Upgrades	-	5,000	5,000	0%	
Computer Replacement Plan	27,050	170,000	142,950	16%	<b>35</b>
Computer Equipment	1,201	5,000	3,799	24%	
Council Chamber Upgrades	3,483	5,000	1,517	70%	
Tempest - Prospero Mobile Insp	3,282	18,000	14,718	18%	<b>36</b>
Diamond - GP 2018 Upgrade	7,525	10,000	2,475	75%	
Tempest - Our City	-	12,500	12,500	0%	
Tempest - Conversion to .NET	-	16,500	16,500	0%	
RCMP Furnishings	6,409	10,000	3,591	64%	
Community Safety Bldg	4,772,076	12,000,000	7,227,924	40%	<b>37</b>
CSB Access Easement	80,000	80,000	-	100%	<b>38</b>
RCMP Sidewalk Extension	6,093	7,000	907	87%	
RCMP General Duty Section Reorganization	2,600	16,000	13,400	16%	
RCMP Garage Door Replacement	2,330	6,500	4,170	36%	
RCMP Staff Entry Door	298	5,000	4,702	6%	
Fire Dept. Small Equipment	28,570	50,245	21,675	57%	
Fire Vehicles - Chief's Vehicle	50,140	50,000	(140)	100%	
Engineering Equipment	1,405	4,500	3,095	31%	
Public Works Equipment	-	10,000	10,000	0%	
Green Tech Projects	-	10,000	10,000	0%	
Downtown Employee Parking Lot	471,863	1,300,000	828,137	36%	<b>39</b>
Bus Stop Improvements	-	5,600	5,600	0%	
Wheel Loader	-	160,000	160,000	0%	<b>40</b>
Underground Wiring	1,947	20,000	18,053	10%	
Ferry Terminal Marine Structures	35,650	305,000	269,350	12%	<b>41</b>
Ferry Terminal Dock Metal Painting	-	300,000	300,000	0%	<b>42</b>
Ferry Terminal Bldg Improvements	-	300,000	300,000	0%	<b>43</b>
Paving - Resthaven - Henry to Mills	135,846	120,000	(15,846)	113%	<b>44</b>
Paving - Second St-Bevan Ave to Sidney Ave	214,512	246,200	31,688	87%	<b>45</b>
Paving - McDonald Park Rd	-	3,000	3,000	0%	
Resthaven Curb Returns	-	20,000	20,000	0%	
White Birch Rd Cul de Sac Improvements	-	60,000	60,000	0%	
Paving - Westbrook	186,664	177,000	(9,664)	105%	
Paving - Resthaven - Malaview to Amherst	92,174	43,800	(48,374)	210%	<b>46</b>
McDonald Park Road Sidewalk	4,206	65,000	60,794	6%	
Malaview Ave Sidewalk	26,714	108,000	81,286	25%	<b>47</b>
Bike Path West Side of Highway	9,524	250,000	240,476	4%	<b>48</b>

	<b>2018</b>	<b>2018</b>	<b>YTD</b>	<b>% of</b>	
	<b>YTD Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>	<b>Note #</b>
<b>GENERAL CAPITAL</b>					
White Birch Storm Drain	-	20,000	20,000	0%	
Storm Drain- Epco Dr	204,850	163,200	(41,650)	126%	<b>49</b>
Storm Drain - Third St	73,797	77,300	3,503	95%	<b>50</b>
Storm Drain - McDonald Park Rd	-	81,400	81,400	0%	
Galaran Sidewalk	6,435	350,000	343,565	2%	<b>51</b>
Shoreacres/Rothesay Outfall Replacement	3,089	100,000	96,911	3%	<b>52</b>
Ocean Ave Curb Realignment	12,711	30,000	17,289	42%	
Henry Ave Crosswalk	46,889	44,000	(2,889)	107%	
Wayfinding Signage	976	29,000	28,024	3%	
Skatepark Seating	-	20,000	20,000	0%	
PW Compound Extension/Fencing	1,471	86,000	84,529	2%	<b>53</b>
DCC Bylaw	-	10,000	10,000	0%	
Rotary Park Chain Link Fence	5,824	7,500	1,676	78%	
Parks Equipment	6,087	10,000	3,913	61%	
Melissa Park Improvements	12,058	12,000	(58)	100%	
Multi Court Lighting	-	20,000	20,000	0%	
Boulder Park	30,637	50,000	19,363	61%	
Waterfront Walkway Upgrade	-	28,700	28,700	0%	
Skate Park Sidewalk	-	15,000	15,000	0%	
Parks Vehicle	65,085	80,000	14,915	81%	<b>54</b>
Reay Creek Dam	29,311	22,150	(7,161)	132%	<b>55</b>
Tulista Park Volleyball Court	79,666	30,000	(49,666)	266%	<b>56</b>
Irrigation Upgrades	13,057	25,000	11,943	52%	
Central Irrigation Monitoring	-	15,000	15,000	0%	
Tulista Park Sidewalk Improvements	-	150,000	150,000	0%	<b>57</b>
Rotary Park Irrigation Replace	1,382	30,000	28,618	5%	
Shoal Centre Flooring	6,414	26,300	19,886	24%	
Stormwater Model Calibration	26,601	60,000	33,400	44%	
PW Solar Project	120,364	95,000	(25,364)	127%	<b>58</b>
Storm Drain -Ardwell	513,163	840,000	326,837	61%	<b>59</b>
Storm Drain - Stirling Way	-	18,600	18,600	0%	
Water Fountain Stations Dwtwn	8,056	15,000	6,944	54%	
	<b>7,445,987</b>	<b>18,568,495</b>	<b>11,122,508</b>	<b>40%</b>	
<b>WATER CAPITAL</b>					
Hydrant Upgrade	\$ 6,616	\$ 10,000	\$ 3,384	66%	
Epco Drive - Weiler to Ocean Water	180,453	241,400	60,947	75%	<b>60</b>
McDonald Park Rd Water	-	23,800	23,800	0%	
Water Equipment	-	10,000	10,000	0%	
White Birch Loop Watermain	145,763	150,000	4,237	97%	<b>61</b>
Meter Replacement Program	34,970	125,000	90,030	28%	<b>62</b>
	<b>367,802</b>	<b>560,200</b>	<b>192,398</b>	<b>66%</b>	

	<b>2018</b>	<b>2018</b>	<b>YTD</b>	<b>% of</b>	
	<b>YTD Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>	<b>Note #</b>
<b>SEWER CAPITAL</b>					
Siddall Sewer & Drain Reno	\$ 3,604	\$ 30,000	\$ 26,397	12%	
Frost Pump Station Kiosk Replacement	10,157	15,000	4,843	68%	
Ardwell Ave. Sanitary Sewer	330,446	360,000	29,554	92%	<b>63</b>
Ocean Pump Station/Utility Kiosk Wrap	1,782	15,000	13,218	12%	
Harbour Pump Station	-	63,600	63,600	0%	
Town Hall Service Connections	-	10,000	10,000	0%	
Sewer Camera Replacement	13,445	15,000	1,555	90%	
Sewer Equipment	5,145	10,000	4,855	51%	
Access Hatches - Pump Stations	-	20,000	20,000	0%	
Sewer Vehicles	51,009	45,000	(6,009)	113%	
	<b>415,586</b>	<b>583,600</b>	<b>168,014</b>	<b>71%</b>	
<b>TOTAL CAPITAL</b>	<b>\$ 8,229,375</b>	<b>\$ 19,712,295</b>	<b>\$ 11,482,920</b>	<b>42%</b>	