



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: Finance Select Committee

DATE: October 12, 2001

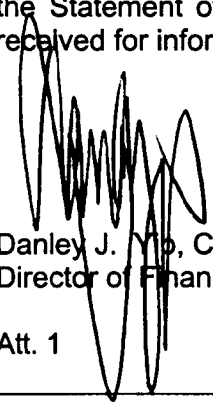
FROM: Danley J. Yip, C.A.
Director of Finance

FILE: 1200-02

RE: **Statement of Financial Activities for the 9 Month Period ending September 30, 2001**

STAFF RECOMMENDATION

That the Report to Committee (dated October 12, 2001 from the Director of Finance) regarding the Statement of Financial Activities for the 9 Month Period ending September 30, 2001 be received for information.


Danley J. Yip, C.A.
Director of Finance

Att. 1

FOR ORIGINATING DIVISION USE ONLY

ROUTED TO:

CONCURRENCE

CONCURRENCE OF GENERAL MANAGER


STAFF REPORT

ORIGIN

The City's Statement of financial Activities for the 9 month period September 30, 2001 (see Schedule 1) has been provided for review by the Finance Select Committee. This statement provides a high level review of each of the City's Divisions as well as its respective departments to ensure that actual revenues and expenditures are tracking close to budget

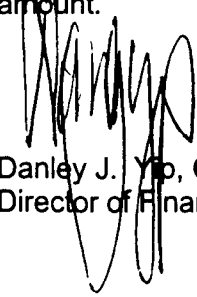
Explanations of significant variances between 2001 Actuals and 2001 Bylaw Budget have been provided accordingly. Also, to measure the various departments' operational performance, 75.0% can be used as a percentage to determine whether a department is on budget or not. Although it is difficult to establish a definitive measure of a department's budgetary performance, it does however provide a benchmark as to how each department should be operating during the course of the year.

It should be noted that the attached Statement has not been prepared with comparative figures for 2000 based on the following reasons:

1. Due to significant Divisional re-organizations within the City, the restatement of the Statement of Financial Activities for each of the Divisions is difficult and requires significant work to present properly the information required
2. The use of comparative information as part of the review of the current year's financial activities is not particularly relevant because the City's operational performance is measured against the City's 2001 Budget Bylaw and not with that of the prior year.

Basically, the City is operating fairly close in accordance to the approved 2001 Budget as per the Statement of Financial Activities for the 9 month period ending September 30, 2001. All the Divisions are operating on budget, however the Community Safety Division's net expenses are below budget because the 3rd Quarter 2001 billing from the RCMP has not been received and all E-Comm invoices for 2001 have not been recorded. As for Engineering and Public Works, a significant amount of the budgeted Utility revenue has been collected, but the expenses associated with this area has not been fully expended because the Division is only 3 quarters through its fiscal year. For example, 4th Quarter 2001 long-term debt payments for Water Utility have not been recorded for the 9 month period ending September 30, 2001. Finally, for the Urban Development Division, revenues have increased in the areas of Development Applications and Building Approvals year-to-date and this has contributed towards a lower net operating expense for the whole Division.

Overall, the City's revenues are \$164.7 million representing 84.5% of the 2001 budgeted revenue and the expenses are \$103.8 million representing 53.2% of the annual budgeted amount.



Danley J. Yip, C.A.
Director of Finance

CITY OF RICHMOND
STATEMENT OF FINANCIAL ACTIVITIES FOR THE 9 MONTH PERIOD ENDED SEPT 30, 2001

DEPARTMENT	2001 BYLAW BUDGET	2001 ACTUALS 09/30/01	% @SEPT 30TH	EXPLANATIONS
CORPORATE ADMINISTRATION DIVISION				
GENERAL GOVERNMENT				
REVENUE	\$ -	\$ -		
EXPENSES	\$ 562,300	\$ 447,367	79.6%	On Budget
CHIEF ADMINISTRATORS OFFICE				
REVENUE	\$ -			
EXPENSES	\$ 554,900	\$ 440,306	79.3%	On Budget
TOTAL				
REVENUE	\$ -	\$ -		
EXPENSES	\$ 1,117,200	\$ 887,673	79.5%	
NET EXPENSES	\$ 1,117,200	\$ 887,673	79.5%	
COMMUNITY SERVICES DIVISION				
AQUATIC SERVICES				
REVENUE	\$ (2,874,900)	\$ (1,710,633)	59.5%	Sept Minoru Revenues not yet posted
EXPENSES	\$ 8,088,600	\$ 4,641,009	76.2%	On Budget
ARENAS				
REVENUE	\$ (1,869,800)	\$ (462,627)	24.7%	Only first quarter revenue received
EXPENSES	\$ 3,792,500	\$ 2,738,634	72.2%	On Budget
RECREATION & CULTURAL ADMINISTRATION				
REVENUE	\$ (20,000)	\$ (139,763)	698.8%	Youth nights grant (\$29,000), casino funding for Youth Outreach(\$100,000)
EXPENSES	\$ 1,153,300	\$ 763,080	66.2%	Auxilliary Budget at 28% of a 50,000 budget,Regular Fulltime at 59%Spent
RECREATION SERVICES				
REVENUE	\$ (140,000)	\$ (103,905)	74.2%	On Budget
EXPENSES	\$ 4,371,500	\$ 3,224,622	73.8%	On Budget
CULTURAL SERVICES				
REVENUE	\$ (19,000)	\$ (28,617)	150.6%	Provincial Grant received (\$17,650)
EXPENSES	\$ 1,309,100	\$ 837,720	64.0%	Overall Operating Expenditures lower than budgeted
PARKS				
REVENUE	\$ (353,700)	\$ (348,895)	98.6%	Estimated Capital Overhead Recovery posted year to date
EXPENSES	\$ 6,787,300	\$ 4,816,308	68.0%	Overall Operating Expenditures and Facilities Mtc lower than budgeted at 65% and 63% respectively

DEPARTMENT	2001 BYLAW BUDGET	2001 ACTUALS 09/30/01	% @SEPT 30TH	EXPLANATIONS
COMMUNITY SERVICES DIVISION (cont.)				
GATEWAY				
REVENUE	\$ -	\$ (75)		
EXPENSES	\$ 843,400	\$ 664,542	78.8%	On Budget
LIBRARY				
REVENUE	\$ (848,400)	\$ (1,380,098)	162.7%	HRDC Grant of \$128,000 above base level.Lecture Circuit Revenues, Vending Machine Rebates Training and Development,Seminars,Books at 90%
EXPENSES	\$ 6,129,100	\$ 4,907,206	80.1%	
TOTAL	\$ (6,125,800)	\$ (4,174,813)	68.2%	
	\$ 30,474,800	\$ 22,393,121	73.5%	
NET EXPENSES	\$ 24,349,000	\$ 18,218,308	74.8%	
COMMUNITY SAFETY DIVISION				
RCMP				
REVENUE	\$ (2,968,100)	\$ (2,279,863)	76.8%	On Budget
EXPENSES	\$ 23,719,600	\$ 10,454,224	44.1%	Outstanding Accruals re ECOMM, billing for Special Constable done at year end
FIRE				
REVENUE	\$ (3,857,200)	\$ (3,357,963)	87.1%	ERS Suppression Accruals outstanding
EXPENSES	\$ 20,406,400	\$ 15,806,300	76.5%	On Budget
EMERGENCY & ENVIRONMENTAL PROGRAMS				
REVENUE	\$ -	\$ -	0.0%	
EXPENSES	\$ 184,700	\$ 139,686	75.6%	On Budget
COMMUNITY SAFETY ADMINISTRATION				
REVENUE	\$ -	\$ -	0.0%	
EXPENSES	\$ 321,200	\$ 145,419	45.3%	Charges to be recoded from Public Works
COMMUNITY BYLAWS				
REVENUE	\$ (391,600)	\$ (211,538)	54.0%	Parking Fines and Bylaw Fines below Budget Level
EXPENSES	\$ 812,400	\$ 528,577	65.1%	Bylaw Officer position vacant for 5 months
SANITATION & RECYCLING UTILITY				
REVENUE	\$ (6,676,600)	\$ (6,897,696)	103.3%	Additional revenue from recycling
EXPENSES	\$ 6,676,600	\$ 4,448,538	66.6%	Largest expenditures - garbage disposal fees below budget
TOTAL	\$ (13,893,500)	\$ (12,747,060)	91.7%	
	\$ 52,120,900	\$ 31,322,744	60.1%	
NET EXPENSES	\$ 38,227,400	\$ 18,575,684	48.6%	

DEPARTMENT	2001 BYLAW BUDGET	2001 ACTUALS 09/30/01	% @SEPT 30TH	EXPLANATIONS
FINANCE AND CORPORATE SERVICES DIVISION				
FINANCE ADMINISTRATION				
REVENUE	\$ (6,000)	\$ (1,368)	23.1%	Annual Report sales minimal, Auction income recognized in Stores On Budget
EXPENSES	\$ 797,400	\$ 834,962	79.6%	
PAYROLL & BENEFITS				
REVENUE	\$ -	\$ -	0.0%	On Budget
EXPENSES	\$ 325,800	\$ 236,835	72.7%	
TAXATION				
REVENUE	\$ (182,200)	\$ (184,325)	101.2%	Annual School Tax Commission posted, Tax information requests exceed budget On Budget
EXPENSES	\$ 559,000	\$ 440,635	78.8%	
HUMAN RESOURCES				
REVENUE	\$ -	\$ (84,962)	0.0%	WCB Rebate Corporate Training Expenditures below Budget
EXPENSES	\$ 1,838,200	\$ 1,234,686	67.2%	
LAW				
REVENUE	\$ (20,000)	\$ (18,511)	92.6%	Opinion Letters and Law Service Charges Exceed Budget Professional Fees expenditures at 38% spent ytd
EXPENSES	\$ 601,800	\$ 357,086	59.3%	
INFORMATION SERVICES				
REVENUE	\$ (300,000)	\$ (300,000)	100.0%	Transfer from Statutory Reserve Posted On Budget
EXPENSES	\$ 5,345,600	\$ 3,985,968	74.6%	
CUSTOMER SERVICE				
REVENUE	\$ (36,000)	\$ (15,779)	43.8%	Rental Revenues for City Hall functions less than Budget On Budget
EXPENSES	\$ 433,500	\$ 308,107	71.1%	
CLERKS				
REVENUE	\$ (4,500)	\$ (6,069)	134.9%	Bylaw Sales & Photo Reproductions higher Transfer of \$91,000 to election reserve outstanding
EXPENSES	\$ 1,068,000	\$ 694,223	65.0%	
BUSINESS LIASON DEVELOPMENT				
REVENUE	\$ -	\$ (750)	0.0%	Chamber of Commerce membership and Economic Development Project not fully expensed
EXPENSES	\$ 450,000	\$ 248,856	55.3%	
BUDGETS, ACCOUNTING & PURCHASING				
REVENUE	\$ (17,500)	\$ (4,027)	23.0%	Risk Management rebates not yet received On Budget
EXPENSES	\$ 2,610,900	\$ 1,871,393	71.7%	
TREASURY				
REVENUE	\$ (86,200)	\$ -	0.0%	Investment income year end entry outstanding On Budget
EXPENSES	\$ 272,300	\$ 202,747	74.5%	
TOTAL	\$ (652,400)	\$ (615,811)	94.4%	
	\$ 14,302,500	\$ 10,215,498	71.4%	
NET EXPENSES	\$ 13,650,100	\$ 9,599,687	70.3%	

Schedule 1.

DEPARTMENT	2001 BYLAW BUDGET	2001 ACTUALS 09/30/01	% @SEPT 30TH	EXPLANATIONS
ENGINEERING & PUBLIC WORKS DIVISION				
PUBLIC WORKS ADMINISTRATION				
REVENUE	\$ (2,182,000)	\$ (2,598,375)	119.0%	Overhead Recovery Billings exceed Budget
EXPENSES	\$ 1,314,600	\$ 824,883	62.7%	Delayed replacement of PW Admin Mgr
ROADS & CONSTRUCTION				
REVENUE	\$ (809,000)	\$ (572,113)	70.7%	On Budget
EXPENSES	\$ 6,850,700	\$ 5,078,162	74.1%	On Budget
STORM DRAINAGE				
REVENUE	\$ -	\$ -	0.0%	
EXPENSES	\$ 2,141,200	\$ 1,436,598	67.1%	50 % of Power Cost Budget Spent(\$150,000 budget remaining)
FACILITY MANAGEMENT				
REVENUE	\$ -	\$ (381)	0.0%	
EXPENSES	\$ 3,391,000	\$ 1,988,487	58.6%	\$178,000 Rate Stabilization entry not posted
FLEET OPERATIONS				
REVENUE	\$ (3,214,800)	\$ (2,328,544)	72.4%	On Budget
EXPENSES	\$ 4,015,000	\$ 3,355,659	83.6%	Transfers to Reserves already done
WATER UTILITY				
REVENUE	\$ (17,377,800)	\$ (13,015,550)	74.9%	On Budget
EXPENSES	\$ 17,377,800	\$ 10,987,624	63.2%	Balance of Long Term Debt Due 4th quarter
SEWER UTILITY				
REVENUE	\$ (17,428,100)	\$ (14,824,034)	85.1%	Flat rate revenue posted for year
EXPENSES	\$ 17,428,100	\$ 15,148,518	86.9%	Most expenses incurred in Summer
ENGINEERING				
REVENUE	\$ -	\$ (9,637)	0.0%	
EXPENSES	\$ 3,390,100	\$ 2,300,564	67.9%	Video Inspection for Storm Sewers not yet expensed
COMMUNICATIONS				
REVENUE	\$ -	\$ -	0.0%	
EXPENSES	\$ 102,900	\$ 76,321	74.2%	On Budget
TOTAL				
REVENUE	\$ (41,011,700)	\$ (33,348,634)	81.3%	
EXPENSES	\$ 56,011,400	\$ 41,198,818	73.6%	
NET EXPENSES	\$ 14,999,700	\$ 7,850,182	52.3%	

Schedule 1.

DEPARTMENT	2001 BYLAW BUDGET	2001 ACTUALS 09/30/01	% @SEPT 30TH	EXPLANATIONS
URBAN DEVELOPMENT DIVISION				
URBAN ADMINISTRATION				
REVENUE	\$ -	\$ (120,000)	0.0%	Home Task Force Funding
EXPENSES	\$ 330,000	\$ 276,117	83.7%	Home Task Force Consulting Expenditures (offset by revenue increase)
DEVELOPMENT APPLICATIONS				
REVENUE	\$ (294,400)	\$ (364,821)	123.9%	Development Applications higher than budgeted
EXPENSES	\$ 1,229,900	\$ 920,193	74.8%	On Budget
POLICY PLANNING				
REVENUE	\$ -	\$ (15,043)	0.0%	Cdn Municipalities Grant, Group Homes Provision
EXPENSES	\$ 904,400	\$ 583,560	64.5%	Vacant planner position
TRANSPORTATION				
REVENUE	\$ (56,600)	\$ (39,007)	68.9%	Rental and Lease Revenues at 63% of estimate
EXPENSES	\$ 1,608,300	\$ 1,092,128	67.9%	Power costs at 50% of \$113,000 budget
ZONING				
REVENUE	\$ (58,500)	\$ (40,041)	68.4%	Sign Permits revenues at 45% of budget
EXPENSES	\$ 668,100	\$ 454,170	68.0%	Delayed replacement for vacant Record Clerks
BUILDING APPROVALS				
REVENUE	\$ (2,174,500)	\$ (1,894,305)	87.1%	Building Permits, Site Service Fees exceed budget
EXPENSES	\$ 2,114,300	\$ 1,361,672	64.4%	Other operating expenditures at 50% of budget - cell phone, supplies etc. Aux salaries at 1.69% spent
TOTAL	\$ (2,584,000)	\$ (2,473,217)	95.7%	
EXPENSES	\$ 6,855,000	\$ 4,687,840	68.4%	
NET EXPENSES	\$ 4,271,000	\$ 2,214,623	51.9%	
SUBTOTAL				
REVENUE	\$ (84,267,400)	\$ (40,610,475)		
EXPENDITURE	\$ 160,881,800	\$ 79,380,948		
	\$ 96,614,400	\$ 38,770,473	40.1%	
FISCAL				
FISCAL				
REVENUE	\$ (130,682,000)	\$ (124,129,922)	95.0%	Property tax revenue for year recorded
EXPENSES	\$ 24,764,400	\$ 16,395,400	66.2%	Balance of the Long Term Debt payments due 4th quarter
TRANSFERS TO RESERVES				
REVENUE	\$ -	\$ -	0.0%	
EXPENSES	\$ 9,303,200	\$ 8,011,474	86.1%	Year 2001 entries re transfer to Reserves
GRAND TOTAL				
REVENUE	\$ (194,949,400)	\$ (164,740,397)	84.5%	
EXPENDITURE	\$ 194,949,400	\$ 103,787,822	53.2%	
	\$ -	\$ (60,952,575)		