

# Memo



To: Regular Meeting  
From: Chief Financial Officer  
Date: 2019-08-12  
Subject: Quarter 2 2019 Financial Reports

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## Background

The financial reports for the period ending June 30, 2019 are enclosed here for Council's review. These include a balance sheet, statements of revenues, expenditures and capital expenditures, and a reserve continuity schedule.

These statements have been prepared on what is essentially a cash basis, as staff does not normally accrue or defer revenues or expenses for interim financial reporting periods. Consequently, the timing of receipts or invoices may be a factor in whether particular revenues and expenses are captured during the current quarter.

The cutoff date for the bi-monthly utility billing was mid-June, with five and a half months of customer water and electricity usage revenue represented here. Certain revenues, notably franchise fees and business licences are invoiced in January and thus reflect the full annual amount of income. Tax revenues have also been recorded in full for the year; any changes between now and year-end will result from the issuance of supplementary tax assessments.

The cost of purchased electricity for resale includes January to May amounts, and thus represents only five months of expense. Labour costs included in the various operating expenses are current to the pay period ending June 22<sup>nd</sup>.

Capital expenditures, which include invoiced amounts only, totalled \$1,574,095 for the first half of the year. In addition to this, \$1,178,622 of purchase orders were outstanding at the end of June, representing work in progress or completed work not invoiced prior to quarter end.

During the second quarter, the long-term loan for the Ruckle lift station reached the end of its 20 year term and was paid out. Annual payments of principal and interest on this loan were \$10,610.

In July, the City received a one-time bonus payment of \$231,206 under the Community Works Fund program, in addition to 50% of its annual allocation amount of \$225,560. The regular allocation amount has been reduced by approximately \$5,600 since 2018, however, and is \$7,440 under the budgeted \$233,000.

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## **Benefits or Impacts**

### **General**

The quarterly financial reports provide information about the City's financial performance relative to the annual budget.

### **Policy/Legislation**

2019-2023 Five Year Financial Plan Bylaw No. 2055

### **Attachments**

Quarter 2, 2019 Financial Reports

### Report Approval Details

Document Title:	Q2 2019 Financial Reports.docx
Attachments:	- 2019 Q2 Financial Report.pdf
Final Approval Date:	Jul 30, 2019

This report and all of its attachments were approved and signed as outlined below:

**Diane Heinrich - Jul 30, 2019 - 1:46 PM**