

<b>Prepared for</b>	Council-in-Committee	<b>Report No.</b>	CS-43-11
<b>Agenda Date</b>	November 21, 2011	<b>File No.</b>	231005

<b>Subject</b>
<b>3<sup>rd</sup> QUARTER FINANCIAL REPORT</b>

<b>Summary of Recommendation</b>
<b><u>THAT</u> Council receive the interim financial report for the nine months ending September 30, 2011 for information purposes.</b>

<b>Relation to Council's 2011-2014 Corporate Strategic Plan</b>
<p>Priority: <b>Financial Stewardship</b></p> <p>Goal: 11 Cost effective delivery of Town services</p> <p>Key Initiative: 11.3 Develop benchmarks and performance indicators to measure and track efficiency and effectiveness</p>

<b>List of Stakeholders</b>
<ul style="list-style-type: none"> <li>• Members of Council</li> <li>• Fort Erie Ratepayers</li> </ul>

<b>Prepared by:</b>	<b>Submitted by:</b>	<b>Approved by:</b>
<i>Original signed</i>	<i>Original signed</i>	<i>Original signed</i>
Jonathan Janzen, CA Manager of Accounting Services	Helen Chamberlain, CA Director of Financial Services	Ron Tripp, P. Eng. Interim Chief Administrative Officer

**Purpose of Report**

The budget policy requires variance analysis of the operating budget be reported to Council as at June 30, September 30 and December 31.

The summary financial report for general and water/sewer operations for the period ended September 30, 2011 is attached as Appendix "A" and is presented for Council's review.

**Analysis**

The first page of Appendix "A" to this report provides a consolidated summary of all departments, grants and water/sewer operations for the first nine months of 2011. The budget was approved March 7 through by-law No. 17-11. General government expenses are generally proceeding in accordance with budget. Negative revenue variances continue to be a challenge and will be monitored for the fourth quarter and mitigated to every extent possible with discretionary spending.

**Water and Sewer**

The 2011 water and wastewater rates were determined using consumption averages of the last three years instead of the five-year average that had been used in the past. This better reflects the general decline in consumption. Consumption was low for the first half of the year due to a wet spring and resulted in slower revenues. The summer season did not recapture this shortfall. An overall revenue shortfall of \$120,000 for wastewater and \$235,000 for water is projected.

Materials and services are under budget to date due to the timing of contract work and favourable maintenance requirements. These maintenance costs were reclassified as operating from capital under the new requirements in accounting for tangible capital assets. This work is performed when necessary and is difficult to anticipate. Fire hydrant painting has been delayed due to contractor availability. Both the Senior's Utility Relief Fund (SURF) and Water Emergency Relief Fund (WERF) are expected to experience a surplus based on information available in the third quarter. The wastewater operations are forecast to break even while water is expected to have a \$150,000 shortfall, related primarily to the revenue challenges noted above.

**Taxation**

Tax revenues to September 30 include the final residential, commercial and industrial tax billing. A number of business and residential appeals remain outstanding with the potential for multiple year adjustments, including two large appeals that may result in further tax write-offs. This additional amount was the subject of a previous report and resulted in an additional transfer from reserves of \$200,000 to provide for the anticipated shortfall. Supplemental tax revenues are billed in the third and fourth quarter and are expected to meet or exceed budget. Payment-in-lieu revenues relate to government owned facilities such as Post Offices and Regional treatment plants and have a small positive variance. The Niagara Parks Commission fee for winter control services also has a positive variance.

As noted in report CS-27-11, the Town has applied to the courts for excess funds related to properties sold by public tender that have exceeded the one-year limit provided to owners

to claim the funds. The amount will be paid into the Town's general funds if the applications are successful. The Town will not rely on the receipt of these funds however they may serve to mitigate other negative revenue variances.

### **Gaming Revenues**

Slot machine gaming revenues received to date are \$1,029,000. The number of slot machines was reduced in 2010 from 1,100 to 450 and the Town now receives 5% of the total net win. The 2011 net wins were adjusted for this change in operations but are trending low relative to the budget based amounts and revenues are expected to have a deficit of \$130,000. Bingo licences are also trending lower and projected to have a deficit of \$40,000. The gaming revenues are not being used to fund operations and will reduce the budgeted contribution to the Fire Facility Reserve.

### **Grants**

Grant income includes gas tax revenue for transit and various conditional and unconditional grants such as engineering, drainage and museum grants. Current variances are attributed to timing of receipt as many grants are not expected until the final quarter. No significant variance is expected for the year.

The 1812 Committee has budgeted grant revenue of \$40,000. Applications for funding are pending. The committee will limit operational expenses to the other identified revenues until such time that grants may become available.

### **Other Revenues**

The Town shares in the Provincial offences fine revenue (POA) collected by the Region. In 2010 the Region reported greater net revenue than budgeted for the year and therefore provided the Town an adjusted surplus payment that was \$47,000 greater than the amount accrued in 2010. As a result, budgeted revenues have already been achieved and a \$47,000 surplus is expected for the year.

Penalty and interest revenues relate to a general increase in taxation arrears and are expected to exceed budget by \$115,000. A provision has been made for penalties and interest associated with potential and write-offs.

Investment revenues are expected to exceed budget by approximately \$25,000. Town bank accounts earned a rate of return of 1.25% since the beginning of the year. These revenues are earned on varying cash levels held by the Town throughout the year.

Parking revenues at Bay Beach are seasonal and experienced a small surplus in 2011.

Facility rentals have been impacted by a decline in demand from groups relying on bingo revenues and the loss of the senior lacrosse team. Ice rentals are expected to benefit in the second half of the year from new rentals related to the closure of one of the arenas in Port Colborne. A total annualized \$30,000 shortfall is expected.

Building permits and planning fees continue to be well below budget and activity in the fourth quarter is expected to remain low as subsequent receipts reveal weak developer confidence under current conditions. The overall annual shortfall is projected to be

\$334,000 as revenues have declined in troubled economic times and are highly dependent on the timing of the approvals of larger scale applications. The results are below the average annual revenues for the period 2007 to 2010 for permits and planning fees. In 2012 it is anticipated that the planning and building activity will increase once the Bay Beach development hurdles are brought to a conclusion. Furthermore, the Garrison Road sewer project opens up opportunities for planning and building in late 2012 and into the future. This is all dependent on a return in developers' confidence.

### **Wages & Benefits**

Wage and benefit expenses are in line with budget except for the timing related to the volunteer fire fighter honorarium paid in November. A small surplus is projected for fire honorariums based on current information available. Some favourable variances may result from staff turnover in various departments however this variance will be net of the cost of temporary human resources used during recruitment periods.

### **Material & Services**

Materials and services are below budget and are expected to meet budget in most areas. Current variances result from project timing differences.

The Town adjusted budgeted streetlighting costs for 2011 in response to significant electrical rate increases from Canadian Niagara Power (CNP) experienced in 2010. Current costs are below budget and are expected to have a moderate surplus of \$20,000.

Fuel prices for the current year have increased at a pace greater than anticipated and, as such, costs are expected to have an unfavourable variance of \$50,000. Statistics Canada information shows that, on a year-over-year basis, gasoline prices rose 24.2% whereas the Town budgeted approximately a 10% increase.

Current year insurance claims are trending high and expected to have an unfavourable variance of \$28,000. The number of claims filed in the year is lower but OMEX has closed a greater number of prior year claims that create the negative variance. The self-insurance reserve has an opening balance of \$182,000 and may be used to address any shortfall that cannot be mitigated. This increasing trend will be addressed in the 2012 budget.

Partnership program efforts by Community Health & Wellness are ongoing and a \$25,000 surplus is projected based on information available for the third quarter. This surplus would reduce substantially should a physician be recruited in the remainder of the year.

Debt principal and interest charges are recorded as paid to the Region. Actual interest costs for 2011 are expected to be \$120,000 less than budget as the new 2011 debentures had a lower interest rate than budgeted and only \$1.5 million of the budgeted \$4.6 million will be acquired in the year. The new debt charges are not funded by the general levy and will reduce the costs budgeted to be funded with the Development Charge Reserve.

The fees and disbursements related to the Bay Beach civil suit billed as of the third quarter are \$47,000. Inclusive of outstanding charges for the month of October, total costs to date are approximately \$58,000. The current status of the litigation as per the Town Solicitor is as follows: The Town and Molinaro have each brought Motions for summary dismissal of

the Plaintiffs claims. The Plaintiffs have responded with their own Motion for summary judgment. The hearing date is scheduled for February 8, 2012. Before the hearing, each of the parties has the opportunity to require cross examination of those persons that have sworn affidavits in support of the Motions. Examinations must be completed prior to December 9, 2011. Following the cross-examinations the parties must exchange, prior to December 21, 2011, documents called factums. Factums are written briefs for the court outlining the legal arguments on which each party will rely. An estimated additional \$20,000 to \$30,000 in legal fees and disbursements may be incurred before February 2012. This assumes that the Judge hearing the motion will grant one of the parties summary dismissal or judgment. The successful party(s) may also anticipate receiving an award of costs. It is possible, though unlikely, that a Judge could order the matter to a full trial. In that case, the matter will not be resolved for some time and further considerable expense incurred. The Legal department received unbudgeted sign revenues of \$17,000 in 2011 and also recovered \$30,000 in unbudgeted legal expenses that will offset Statement of Claim expenditures. The department is projected to have an overall shortfall of \$10,000 and additional funding is not proposed at this time.

### **Financial/Staffing Implications**

The significant revenue and expense trends noted above related to the operating fund are summarized in the following table. This comparison highlights how some of the positive trends serve to mitigate unfavourable variances.

#### *Favourable/(Unfavourable) Analysis*

	<u>Sep 30</u> <u>Actual</u>	<u>Annual</u> <u>Projected</u>	<u>Annual</u> <u>Budget</u>	<u>Variance</u> <u>Projected</u>
<b>Revenues</b>				
Taxation write-offs	\$(221,000)	\$(290,000)	\$(175,000)	\$(115,000)
Less: Reserve transfer	200,000	200,000	n/a	200,000
PILs and voluntary payments	232,000	232,000	\$220,000	12,000
POA fine revenues	82,000	117,000	70,000	47,000
Penalty and interest	651,000	750,000	550,000	200,000
Facility rentals	491,000	786,000	816,000	(30,000)
Building and planning fees	294,000	392,000	726,000	(334,000)
				\$(20,000)
<b>Expenses</b>				
Fire honorarium	8,000	567,000	585,000	18,000
Streetlighting electricity	340,000	463,000	483,000	20,000
Fuel	261,000	313,000	263,000	(50,000)
Insurance	705,000	714,000	686,000	(28,000)
Legal & Legislative services (net)	(610,000)	(944,000)	(934,000)	(10,000)
Partnership programs	2,000	54,000	79,000	25,000
				\$(25,000)
<b>Operations – net deficit</b>				<b>\$(45,000)</b>

The overall projected operations variance is approximately 0.2% of total budget expenses. In general, the results are negatively impacted by the significant decline in revenues. Projected annual revenues are difficult to predict as development activity is not consistent throughout the year. It was assumed in the 2011 budget that some growth would be realized in permit fee and development application fee revenue. However, this has not been the case. The 2011 third quarter analysis, exclusive of prior years' use of slot revenues to mitigate operating budget shortfalls, is quite similar to that of 2010.

Due to the above the CAO and the Director of Finance will be working with departmental managers to monitor all expenses not critical to the delivery of core services such that any shortfall can be mitigated by year end.

#### **Policies Affecting Proposal**

By-law No. 30-11 adopted Council's 2011-2014 Corporate Strategic Plan.

Financial reporting is addressed in Budget Policy By-law No. 127-09.

#### **Comments from Relevant Departments/Community and Corporate Partners**

The Town's financial reporting software allows service managers direct access to monitor their account activity in comparison with budget.

The consolidated results for the nine months ending September 30, 2011 have been discussed with the Senior Management team.

#### **Conclusion**

Staff will continue to work interdepartmentally to ensure that costs are monitored and controlled to the extent possible.

#### **Attachments**

Appendix A – Consolidated Statement of Operations as at September 30, 2011

## Appendix "A" to Administrative Report CS-43-11

- 1 Consolidated Revenue Fund
- 2 Water and Sewer Fund
- 3 General Revenue Fund
- 4 Taxation
- 5 Business Improvement Areas
- 6 Payments in Lieu
- 7 General Revenues
- 8 Charitable Gaming
- 9 Mayor & Council
- 10 Office of the CAO
- 11 Legal and Legislative Services
- 12 Financial Services
- 13 Corporate Insurance
- 14 Fire
- 15 Community Planning & Development
- 16 Roads
- 17 Storm Sewers
- 18 Transit
- 19 Operations
- 20 Facilities Management
- 21 Boards and Committees

## CORPORATION OF THE TOWN OF FORT ERIE

## QUARTERLY REPORT

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
<b>Revenue</b>					
General Levy	18,798,556	18,926,407	127,851	17,398,446	17,372,244
BIA Levies	76,000	76,000		75,827	76,000
Payments in Lieu of Taxes	204,239	199,362	(4,877)	199,645	212,500
Town's share of water/sewer billings	4,553,840	6,432,117	1,878,277	4,432,998	6,130,544
Local Improvement Charges	211,500	268,500	57,000	218,178	286,000
Donations	22,573	9,055	(13,518)	7,822	20,100
Fine Revenue	160,618	155,000	(5,618)	155,351	137,000
Gaming Revenues	1,388,584	2,020,000	631,416	1,438,375	1,708,000
Grants	378,276	493,400	115,124	258,421	600,000
Interest & Penalties	794,938	704,600	(90,338)	651,394	670,000
Sale of land, buildings and equipment	112,031	60,000	(52,031)	29,781	60,000
User Fees	1,182,387	2,114,696	932,309	1,170,656	1,873,777
Miscellaneous other revenues	63,671	45,500	(18,171)	47,475	29,000
<b>Total Revenue</b>	<b>27,947,213</b>	<b>31,504,637</b>	<b>3,557,424</b>	<b>26,084,369</b>	<b>29,175,165</b>
<b>Expenditures</b>					
Wages & Benefits	8,808,317	12,425,969	3,617,652	8,605,075	11,833,276
Materials & Services	6,189,326	8,836,090	2,646,764	5,595,521	8,518,901
Debt Interest Charges	385,933	550,700	164,767	313,864	434,500
Grants	2,660,167	2,713,925	53,758	1,714,941	2,468,185
Partnership Programs	1,657	79,100	77,443	1,054	79,600
<b>Total Expenditures</b>	<b>18,045,400</b>	<b>24,605,784</b>	<b>6,560,384</b>	<b>16,230,455</b>	<b>23,334,462</b>
Net before Financing and Transfers	9,901,813	6,898,853	(3,002,960)	9,853,914	5,840,703
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(1,498)	(2)	1,496	(756)	
Debt principal (advances)/repayments	1,205,047	1,238,100	33,053	1,062,902	1,063,000
Reserve and Capital Fund Transfers	4,635,835	5,672,296	1,036,461	4,782,408	4,783,745
<b>NET FINANCING &amp; TRANSFERS</b>	<b>5,839,384</b>	<b>6,910,394</b>	<b>1,071,010</b>	<b>5,844,554</b>	<b>5,846,745</b>
<b>(SURPLUS)/DEFICIT CARRYFORWARD</b>					
General (surplus) deficit	(11,542)	(11,541)	1	(15,259)	(6,041)
<b>Total (SURPLUS)/DEFICIT CARRYFORWARD</b>	<b>(11,542)</b>	<b>(11,541)</b>	<b>1</b>	<b>(15,259)</b>	<b>(6,041)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>4,073,971</b>		<b>(4,073,971)</b>	<b>4,024,619</b>	<b>(1)</b>



**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Town's share of water/sewer billings	4,553,840	6,432,117	1,878,277	4,432,998	6,130,544
Local Improvement Charges	210,688	211,000	312	214,106	211,000
Grants					182,500
Interest & Penalties	35,855	54,000	18,145	35,997	54,000
User Fees	101,027	102,007	980	98,065	106,654
<b>Total Revenue</b>	<b>4,901,410</b>	<b>6,799,124</b>	<b>1,897,714</b>	<b>4,781,166</b>	<b>6,684,698</b>
Expenditures					
Wages & Benefits	1,399,073	1,873,954	474,881	1,366,754	1,838,532
Materials & Services	465,804	1,006,650	540,846	512,799	1,191,906
Debt Interest Charges	192,215	359,900	167,685	192,842	255,500
Grants	3,954	36,000	32,046	15,000	30,000
<b>Total Expenditures</b>	<b>2,061,046</b>	<b>3,276,504</b>	<b>1,215,458</b>	<b>2,087,395</b>	<b>3,315,938</b>
Net before Financing and Transfers	2,840,364	3,522,620	682,256	2,693,771	3,368,760
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	520,062	686,932	166,870	415,473	638,460
Debt principal (advances)/repayments	805,663	838,800	33,137	774,848	775,000
Reserve and Capital Fund Transfers	2,160,006	1,996,888	(163,118)	1,990,300	1,955,300
<b>NET FINANCING &amp; TRANSFERS</b>	<b>3,485,731</b>	<b>3,522,620</b>	<b>36,889</b>	<b>3,180,621</b>	<b>3,368,760</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(645,367)</b>		<b>645,367</b>	<b>(486,850)</b>	

## CORPORATION OF THE TOWN OF FORT ERIE

## QUARTERLY REPORT

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<b>Revenue</b>					
General Levy	18,798,556	18,926,407	127,851	17,398,446	17,407,445
BIA Levies	76,000	76,000		75,827	75,827
Payments in Lieu of Taxes	204,239	199,362	(4,877)	199,645	199,645
Local Improvement Charges	812	57,500	56,688	4,072	4,072
Donations	22,573	9,055	(13,518)	8,822	12,303
Fine Revenue	160,618	155,000	(5,618)	155,351	196,490
Gaming Revenues	1,388,584	2,020,000	631,416	1,438,375	1,901,252
Grants	378,276	493,400	115,124	258,421	462,125
Interest & Penalties	759,083	650,600	(108,483)	615,397	790,891
Sale of land, buildings and equipment	112,031	60,000	(52,031)	29,781	29,781
User Fees	1,081,360	2,012,689	931,329	1,072,591	1,594,589
Miscellaneous other revenues	63,671	45,500	(18,171)	47,475	65,083
<b>Total Revenue</b>	<b>23,045,803</b>	<b>24,705,513</b>	<b>1,659,710</b>	<b>21,304,203</b>	<b>22,739,503</b>
<b>Expenditures</b>					
Wages & Benefits	7,409,244	10,552,015	3,142,771	7,238,321	10,126,685
Materials & Services	5,723,522	7,829,440	2,105,918	5,083,835	6,869,062
Debt Interest Charges	193,718	190,800	(2,918)	121,022	158,784
Grants	2,656,213	2,677,925	21,712	1,699,941	2,431,241
Partnership Programs	1,657	79,100	77,443	1,054	36,054
<b>Total Expenditures</b>	<b>15,984,354</b>	<b>21,329,280</b>	<b>5,344,926</b>	<b>14,144,173</b>	<b>19,621,826</b>
Net before Financing and Transfers	7,061,449	3,376,233	(3,685,216)	7,160,030	3,117,677
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(521,560)	(686,934)	(165,374)	(416,229)	(626,033)
Debt principal (advances)/repayments	399,384	399,300	(84)	288,054	288,054
Reserve and Capital Fund Transfers	2,475,829	3,675,408	1,199,579	2,793,108	3,459,374
<b>NET FINANCING &amp; TRANSFERS</b>	<b>2,353,653</b>	<b>3,387,774</b>	<b>1,034,121</b>	<b>2,664,933</b>	<b>3,121,395</b>
<b>(SURPLUS)/DEFICIT CARRYFORWARD</b>					
General (surplus) deficit	(11,542)	(11,541)	1	(15,259)	(15,259)
<b>Total (SURPLUS)/DEFICIT CARRYFORWARD</b>	<b>(11,542)</b>	<b>(11,541)</b>	<b>1</b>	<b>(15,259)</b>	<b>(15,259)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>4,719,338</b>		<b>(4,719,338)</b>	<b>4,510,356</b>	<b>11,541</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
General Levy	18,798,556	18,926,407	127,851	17,398,446	17,372,244
<b>Total Revenue</b>	<b>18,798,556</b>	<b>18,926,407</b>	<b>127,851</b>	<b>17,398,446</b>	<b>17,372,244</b>
Net before Financing and Transfers	18,798,556	18,926,407	127,851	17,398,446	17,372,244
<b>FINANCING &amp; TRANSFERS</b>					
Reserve and Capital Fund Transfers	(200,000)		200,000		
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(200,000)</b>		<b>200,000</b>		
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>18,998,556</b>	<b>18,926,407</b>	<b>(72,149)</b>	<b>17,398,446</b>	<b>17,372,244</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Payments in Lieu of Taxes	204,239	199,362	(4,877)	199,645	212,500
<b>Total Revenue</b>	<b>204,239</b>	<b>199,362</b>	<b>(4,877)</b>	<b>199,645</b>	<b>212,500</b>
Net before Financing and Transfers	204,239	199,362	(4,877)	199,645	212,500
<b>FINANCING &amp; TRANSFERS</b>					
<b>NET FINANCING &amp; TRANSFERS</b>					
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>204,239</b>	<b>199,362</b>	<b>(4,877)</b>	<b>199,645</b>	<b>212,500</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
BIA Levies	76,000	76,000		75,827	76,000
Donations	3,943		(3,943)	175	
Grants		26,000	26,000		12,000
User Fees		1,312	1,312	4,200	
Miscellaneous other revenues	14,964	14,500	(464)	9,726	
<b>Total Revenue</b>	<b>94,907</b>	<b>117,812</b>	<b>22,905</b>	<b>89,928</b>	<b>88,000</b>
Expenditures					
Materials & Services	88,769	132,192	43,423	85,447	102,941
<b>Total Expenditures</b>	<b>88,769</b>	<b>132,192</b>	<b>43,423</b>	<b>85,447</b>	<b>102,941</b>
Net before Financing and Transfers	6,138	(14,380)	(20,518)	4,481	(14,941)
<b>FINANCING &amp; TRANSFERS</b>					
Reserve and Capital Fund Transfers	(7,000)	(7,000)		(8,900)	(8,900)
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(7,000)</b>	<b>(7,000)</b>		<b>(8,900)</b>	<b>(8,900)</b>
<b>(SURPLUS)/DEFICIT CARRYFORWARD</b>	<b>(7,381)</b>	<b>(7,380)</b>	<b>1</b>	<b>(12,322)</b>	<b>(6,041)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>20,519</b>		<b>(20,519)</b>	<b>25,703</b>	

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Fine Revenue	81,947	70,000	(11,947)	69,337	67,000
Grants	47,550	63,400	15,850	52,800	70,000
Interest & Penalties	736,204	629,600	(106,604)	595,456	595,000
User Fees	2,250	2,000	(250)	2,014	2,000
Miscellaneous other revenues	46,950	26,000	(20,950)	36,561	24,000
<b>Total Revenue</b>	<b>914,901</b>	<b>791,000</b>	<b>(123,901)</b>	<b>756,168</b>	<b>758,000</b>
Expenditures					
Materials & Services		500	500	(29)	500
<b>Total Expenditures</b>		<b>500</b>	<b>500</b>	<b>(29)</b>	<b>500</b>
Net before Financing and Transfers	914,901	790,500	(124,401)	756,197	757,500
<b>FINANCING &amp; TRANSFERS</b>					
<b>NET FINANCING &amp; TRANSFERS</b>					
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>914,901</b>	<b>790,500</b>	<b>(124,401)</b>	<b>756,197</b>	<b>757,500</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Gaming Revenues	1,388,584	2,020,000	631,416	1,438,375	1,708,000
<b>Total Revenue</b>	<b>1,388,584</b>	<b>2,020,000</b>	<b>631,416</b>	<b>1,438,375</b>	<b>1,708,000</b>
Net before Financing and Transfers	1,388,584	2,020,000	631,416	1,438,375	1,708,000
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	889,557	2,020,000	1,130,443	1,010,791	1,499,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>889,557</b>	<b>2,020,000</b>	<b>1,130,443</b>	<b>1,010,791</b>	<b>1,499,000</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>499,027</b>		<b>(499,027)</b>	<b>427,584</b>	<b>209,000</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Expenditures					
Wages & Benefits	164,603	231,629	67,026	147,565	220,802
Materials & Services	77,018	233,750	156,732	24,517	41,000
<b>Total Expenditures</b>	<b>241,621</b>	<b>465,379</b>	<b>223,758</b>	<b>172,082</b>	<b>261,802</b>
Net before Financing and Transfers	(241,621)	(465,379)	(223,758)	(172,082)	(261,802)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	82,389	109,852	27,463	77,615	103,487
Reserve and Capital Fund Transfers	35,000	(15,000)	(50,000)	7,500	7,500
<b>NET FINANCING &amp; TRANSFERS</b>	<b>117,389</b>	<b>94,852</b>	<b>(22,537)</b>	<b>85,115</b>	<b>110,987</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(359,010)</b>	<b>(560,231)</b>	<b>(201,221)</b>	<b>(257,197)</b>	<b>(372,789)</b>



**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Grants				2,500	
Sale of land, buildings and equipment	4,800		(4,800)		
User Fees	30,000	31,000	1,000	10,501	11,000
<b>Total Revenue</b>	<b>34,800</b>	<b>31,000</b>	<b>(3,800)</b>	<b>13,001</b>	<b>11,000</b>
Expenditures					
Wages & Benefits	528,491	761,097	232,606	500,775	728,296
Materials & Services	204,011	233,900	29,889	164,243	231,400
<b>Total Expenditures</b>	<b>732,502</b>	<b>994,997</b>	<b>262,495</b>	<b>665,018</b>	<b>959,696</b>
Net before Financing and Transfers	(697,702)	(963,997)	(266,295)	(652,017)	(948,696)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(493,908)	(658,544)	(164,636)	(461,756)	(615,674)
Reserve and Capital Fund Transfers	39,600	59,600	20,000	56,000	56,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(454,308)</b>	<b>(598,944)</b>	<b>(144,636)</b>	<b>(405,756)</b>	<b>(559,674)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(243,394)</b>	<b>(365,053)</b>	<b>(121,659)</b>	<b>(246,261)</b>	<b>(389,022)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Fine Revenue	6,168	15,000	8,832	15,529	15,000
Sale of land, buildings and equipment	95,731	60,000	(35,731)	28,400	60,000
User Fees	113,457	77,600	(35,857)	66,781	74,000
<b>Total Revenue</b>	<b>215,356</b>	<b>152,600</b>	<b>(62,756)</b>	<b>110,710</b>	<b>149,000</b>
Expenditures					
Wages & Benefits	603,136	803,994	200,858	624,813	769,082
Materials & Services	282,734	234,308	(48,426)	215,119	373,425
Grants	20,000	20,000			
<b>Total Expenditures</b>	<b>905,870</b>	<b>1,058,302</b>	<b>152,432</b>	<b>839,932</b>	<b>1,142,507</b>
Net before Financing and Transfers	(690,514)	(905,702)	(215,188)	(729,222)	(993,507)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	6,128	8,170	2,042	7,620	10,158
Reserve and Capital Fund Transfers	(86,500)	20,000	106,500	(99,682)	(100,000)
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(80,372)</b>	<b>28,170</b>	<b>108,542</b>	<b>(92,062)</b>	<b>(89,842)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(610,142)</b>	<b>(933,872)</b>	<b>(323,730)</b>	<b>(637,160)</b>	<b>(903,665)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
User Fees	63,338	120,100	56,762	52,011	81,600
<b>Total Revenue</b>	<b>63,338</b>	<b>120,100</b>	<b>56,762</b>	<b>52,011</b>	<b>81,600</b>
Expenditures					
Wages & Benefits	727,974	1,027,570	299,596	660,285	966,148
Materials & Services	226,728	333,474	106,746	250,450	328,280
<b>Total Expenditures</b>	<b>954,702</b>	<b>1,361,044</b>	<b>406,342</b>	<b>910,735</b>	<b>1,294,428</b>
Net before Financing and Transfers	(891,364)	(1,240,944)	(349,580)	(858,724)	(1,212,828)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(439,328)	(585,770)	(146,442)	(426,905)	(569,207)
Reserve and Capital Fund Transfers	38,500	38,500		35,000	35,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(400,828)</b>	<b>(547,270)</b>	<b>(146,442)</b>	<b>(391,905)</b>	<b>(534,207)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(490,536)</b>	<b>(693,674)</b>	<b>(203,138)</b>	<b>(466,819)</b>	<b>(678,621)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Expenditures					
Materials & Services	704,376	685,883	(18,493)	589,050	570,855
<b>Total Expenditures</b>	<b>704,376</b>	<b>685,883</b>	<b>(18,493)</b>	<b>589,050</b>	<b>570,855</b>
Net before Financing and Transfers	(704,376)	(685,883)	18,493	(589,050)	(570,855)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(514,412)	(685,883)	(171,471)	(428,141)	(570,855)
Reserve and Capital Fund Transfers				20,000	20,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(514,412)</b>	<b>(685,883)</b>	<b>(171,471)</b>	<b>(408,141)</b>	<b>(550,855)</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(189,964)</b>		<b>189,964</b>	<b>(180,909)</b>	<b>(20,000)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Donations	3,003		(3,003)		12,000
User Fees	16,178	11,616	(4,562)	14,546	6,616
<b>Total Revenue</b>	<b>19,181</b>	<b>11,616</b>	<b>(7,565)</b>	<b>14,546</b>	<b>18,616</b>
Expenditures					
Wages & Benefits	456,933	1,192,099	735,166	441,478	1,097,855
Materials & Services	293,235	340,578	47,343	318,394	326,831
<b>Total Expenditures</b>	<b>750,168</b>	<b>1,532,677</b>	<b>782,509</b>	<b>759,872</b>	<b>1,424,686</b>
Net before Financing and Transfers	(730,987)	(1,521,061)	(790,074)	(745,326)	(1,406,070)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	438,481	(265,362)	(703,843)	170,664	417,218
Reserve and Capital Fund Transfers	384,000	1,234,000	850,000	475,000	475,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>822,481</b>	<b>968,638</b>	<b>146,157</b>	<b>645,664</b>	<b>892,218</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(1,553,468)</b>	<b>(2,489,699)</b>	<b>(936,231)</b>	<b>(1,390,990)</b>	<b>(2,298,288)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Donations	3,588	4,000	412	2,946	4,000
Grants	35,531	80,000	44,469	18,750	53,500
User Fees	255,728	654,000	398,272	340,322	512,000
Miscellaneous other revenues	1,757	5,000	3,243	1,188	5,000
<b>Total Revenue</b>	<b>296,604</b>	<b>743,000</b>	<b>446,396</b>	<b>363,206</b>	<b>574,500</b>
Expenditures					
Wages & Benefits	1,112,216	1,575,834	463,618	1,169,576	1,505,835
Materials & Services	104,582	300,418	195,836	63,486	217,913
Grants	10,572	30,572	20,000		
<b>Total Expenditures</b>	<b>1,227,370</b>	<b>1,906,824</b>	<b>679,454</b>	<b>1,233,062</b>	<b>1,723,748</b>
Net before Financing and Transfers	(930,766)	(1,163,824)	(233,058)	(869,856)	(1,149,248)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	300,058	400,076	100,018	189,727	277,968
Reserve and Capital Fund Transfers	(81,048)	(79,163)	1,885	34,190	33,587
<b>NET FINANCING &amp; TRANSFERS</b>	<b>219,010</b>	<b>320,913</b>	<b>101,903</b>	<b>223,917</b>	<b>311,555</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(1,149,776)</b>	<b>(1,484,737)</b>	<b>(334,961)</b>	<b>(1,093,773)</b>	<b>(1,460,803)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Grants	18,722	22,000	3,278	14,871	22,000
User Fees	5,327	41,800	36,473	9,625	41,800
<b>Total Revenue</b>	<b>24,049</b>	<b>63,800</b>	<b>39,751</b>	<b>24,496</b>	<b>63,800</b>
Expenditures					
Wages & Benefits	523,124	709,910	186,786	565,827	677,049
Materials & Services	401,364	634,648	233,284	358,476	535,691
Debt Interest Charges	104,262	102,500	(1,762)	69,606	99,000
<b>Total Expenditures</b>	<b>1,028,750</b>	<b>1,447,058</b>	<b>418,308</b>	<b>993,909</b>	<b>1,311,740</b>
Net before Financing and Transfers	(1,004,701)	(1,383,258)	(378,557)	(969,413)	(1,247,940)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	169,808	226,409	56,601	154,965	206,620
Debt principal (advances)/repayments	228,191	228,000	(191)	173,976	174,000
Reserve and Capital Fund Transfers	1,203,100	1,203,100		1,021,000	1,021,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>1,601,099</b>	<b>1,657,509</b>	<b>56,410</b>	<b>1,349,941</b>	<b>1,401,620</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(2,605,800)</b>	<b>(3,040,767)</b>	<b>(434,967)</b>	<b>(2,319,354)</b>	<b>(2,649,560)</b>

## CORPORATION OF THE TOWN OF FORT ERIE

## QUARTERLY REPORT

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Local Improvement Charges	812	57,500	56,688	4,072	75,000
Grants		27,000	27,000		26,000
User Fees	36,732	51,700	14,968	23,391	49,500
<b>Total Revenue</b>	<b>37,544</b>	<b>136,200</b>	<b>98,656</b>	<b>27,463</b>	<b>150,500</b>
Expenditures					
Wages & Benefits	308,338	291,797	(16,541)	295,996	268,390
Materials & Services	172,571	479,900	307,329	108,582	582,000
Debt Interest Charges	89,456	88,300	(1,156)	51,416	80,000
<b>Total Expenditures</b>	<b>570,365</b>	<b>859,997</b>	<b>289,632</b>	<b>455,994</b>	<b>930,390</b>
Net before Financing and Transfers	(532,821)	(723,797)	(190,976)	(428,531)	(779,890)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	266,308	223,533	(42,775)	124,955	196,693
Debt principal (advances)/repayments	171,193	171,300	107	114,078	114,000
Reserve and Capital Fund Transfers	513,012	512,200	(812)	401,000	401,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>950,513</b>	<b>907,033</b>	<b>(43,480)</b>	<b>640,033</b>	<b>711,693</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(1,483,334)</b>	<b>(1,630,830)</b>	<b>(147,496)</b>	<b>(1,068,564)</b>	<b>(1,491,583)</b>



**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Grants	265,410	262,000	(3,410)	169,500	226,000
User Fees	1,053	38,000	36,947	829	46,000
<b>Total Revenue</b>	<b>266,463</b>	<b>300,000</b>	<b>33,537</b>	<b>170,329</b>	<b>272,000</b>
Expenditures					
Wages & Benefits	105,469	160,734	55,265	101,283	181,411
Materials & Services	450,106	548,730	98,624	440,662	518,662
<b>Total Expenditures</b>	<b>555,575</b>	<b>709,464</b>	<b>153,889</b>	<b>541,945</b>	<b>700,073</b>
Net before Financing and Transfers	(289,112)	(409,464)	(120,352)	(371,616)	(428,073)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	80,647	107,529	26,882	80,731	107,642
<b>NET FINANCING &amp; TRANSFERS</b>	<b>80,647</b>	<b>107,529</b>	<b>26,882</b>	<b>80,731</b>	<b>107,642</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(369,759)</b>	<b>(516,993)</b>	<b>(147,234)</b>	<b>(452,347)</b>	<b>(535,715)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Donations	1,100		(1,100)		
Grants	6,063	8,000	1,937		8,000
Interest & Penalties	23,929	21,000	(2,929)	20,995	21,000
Sale of land, buildings and equipment	11,500		(11,500)		
User Fees	73,412	101,761	28,349	49,575	98,657
<b>Total Revenue</b>	<b>116,004</b>	<b>130,761</b>	<b>14,757</b>	<b>70,570</b>	<b>127,657</b>
Expenditures					
Wages & Benefits	1,798,380	2,265,556	467,176	1,690,837	2,126,435
Materials & Services	1,639,267	2,018,128	378,861	1,317,478	1,992,347
Grants	14,288	25,000	10,712	11,678	24,000
<b>Total Expenditures</b>	<b>3,451,935</b>	<b>4,308,684</b>	<b>856,749</b>	<b>3,019,993</b>	<b>4,142,782</b>
Net before Financing and Transfers	(3,335,931)	(4,177,923)	(841,992)	(2,949,423)	(4,015,125)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(247,343)	(188,263)	59,080	(197,575)	(335,339)
Reserve and Capital Fund Transfers	365,515	353,015	(12,500)	398,000	398,000
<b>NET FINANCING &amp; TRANSFERS</b>	<b>118,172</b>	<b>164,752</b>	<b>46,580</b>	<b>200,425</b>	<b>62,661</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(3,454,103)</b>	<b>(4,342,675)</b>	<b>(888,572)</b>	<b>(3,149,848)</b>	<b>(4,077,786)</b>

**CORPORATION OF THE TOWN OF FORT ERIE**  
**QUARTERLY REPORT**

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Donations		100	100		100
Fine Revenue	72,503	70,000	(2,503)	70,485	55,000
Interest & Penalties	(1,050)		1,050	(1,054)	
Sale of land, buildings and equipment				1,381	
User Fees	475,444	830,700	355,256	488,659	831,650
<b>Total Revenue</b>	<b>546,897</b>	<b>900,800</b>	<b>353,903</b>	<b>559,471</b>	<b>886,750</b>
Expenditures					
Wages & Benefits	811,531	1,156,275	344,744	768,023	1,093,940
Materials & Services	995,864	1,477,492	481,628	1,081,178	1,416,250
<b>Total Expenditures</b>	<b>1,807,395</b>	<b>2,633,767</b>	<b>826,372</b>	<b>1,849,201</b>	<b>2,510,190</b>
Net before Financing and Transfers	(1,260,498)	(1,732,967)	(472,469)	(1,289,730)	(1,623,440)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(227,554)	(304,902)	(77,348)	(252,061)	(428,747)
Reserve and Capital Fund Transfers	358,650	393,156	34,506	490,000	527,258
<b>NET FINANCING &amp; TRANSFERS</b>	<b>131,096</b>	<b>88,254</b>	<b>(42,842)</b>	<b>237,939</b>	<b>98,511</b>
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(1,391,594)</b>	<b>(1,821,221)</b>	<b>(429,627)</b>	<b>(1,527,669)</b>	<b>(1,721,951)</b>

## CORPORATION OF THE TOWN OF FORT ERIE

## QUARTERLY REPORT

	2011 YTD Actuals September	2011 Budget	2011 Budget Remaining	2010 YTD Actuals September	2010 Budget December
Revenue					
Donations	10,939	4,955	(5,984)	4,701	4,000
Grants	5,000	5,000			
User Fees	8,441	51,100	42,659	10,137	12,300
<b>Total Revenue</b>	<b>24,380</b>	<b>61,055</b>	<b>36,675</b>	<b>14,838</b>	<b>16,300</b>
Expenditures					
Wages & Benefits	269,049	375,520	106,471	271,863	359,501
Materials & Services	82,897	175,539	92,642	65,669	88,900
Grants	2,611,353	2,602,353	(9,000)	1,688,263	2,414,185
Partnership Programs	1,657	79,100	77,443	1,054	79,600
<b>Total Expenditures</b>	<b>2,964,956</b>	<b>3,232,512</b>	<b>267,556</b>	<b>2,026,849</b>	<b>2,942,186</b>
Net before Financing and Transfers	(2,940,576)	(3,171,457)	(230,881)	(2,012,011)	(2,925,886)
<b>FINANCING &amp; TRANSFERS</b>					
Interdepartmental transfers	(832,391)	(1,093,779)	(261,388)	(466,859)	(937,424)
Reserve and Capital Fund Transfers	(87,000)	(37,000)	50,000	(37,000)	(37,000)
<b>NET FINANCING &amp; TRANSFERS</b>	<b>(919,391)</b>	<b>(1,130,779)</b>	<b>(211,388)</b>	<b>(503,859)</b>	<b>(974,424)</b>
<b>(SURPLUS)/DEFICIT CARRYFORWARD</b>	<b>(4,161)</b>	<b>(4,161)</b>		<b>(2,937)</b>	
<b>DEPARTMENT NET REVENUE /( EXPENDITURE)</b>	<b>(2,017,024)</b>	<b>(2,036,517)</b>	<b>(19,493)</b>	<b>(1,505,215)</b>	<b>(1,951,462)</b>