

Subject: Second Quarter 2018 Financial Performance Update**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the Second Quarter 2018 Financial Performance Update be accepted as information.

Summary:

The second quarter financial results are showing an annual projected surplus of \$18.2 million which is the result of an increase in operating revenue of \$11.8 million and a decrease in operating expenses of \$6.4 million.

Background:

The Quarterly Financial Report provides a more comprehensive quarterly financial update that includes municipal operating revenues and expenses with comparatives to budget and projections; capital project spending, information regarding investment and debt; as well as information regarding grants that the Municipality has applied for and or received during the quarter.

Operating revenues to June 30, 2018 are \$397.4 million. On an annual basis the revenue projection is \$786.5 million which reflects an increase of \$11.8 million to the annual revenue.

Operating expenses to June 30, 2018 are \$352.3 million. On an annual basis the expense projection is \$768.2 million which reflects a decrease of \$6.4 million to the annual expenses.

The Municipality has spent \$196.0 million in recoverable wildfire costs since May 2016. To date the Province has advanced \$148.7 million for reimbursable expenses; Red Cross has advanced \$5.0 million and our insurance provider has advanced \$29.6 million.

The Municipality approved the 2018 Capital Budget of \$251.6 million. At the end of June 2018, capital budget amendment reductions of \$12.9 million have occurred. As of June 2018, \$46.2 million has been spent on the delivery of capital projects.

The Municipality has \$908.1 million in investment holdings as of June 30, 2018. Investment income for the first six months of 2018 is \$7.6 million and \$2.8 million from interest earned from bank accounts.

The Municipality has a total debt commitment of \$559.6 million of this \$274.4 million has been drawn and the remaining \$285.2 million is undrawn debt.

The Municipality received \$47.0 million in capital grants and \$4.9 million in operating grants in 2018. Continuous research into grant opportunities is ongoing.

Strategic Priorities:

Responsible Government

Attachments:

1. Q2 Financial Report-June 2018