

Executive Summary

The Director Finance and Human Resources (HR) reports to the CAO and is responsible for the overall management of the finances and human resource issues of the Town of Pincher Creek.

Finance

Financial Transactions

The Finance Department is responsible for ensuring the accuracy and completeness of all financial transactions. This is accomplished through segregation of duties. All transactions prepared by a staff member are reviewed by another staff member. Any transactions not produced through a sub-ledger such as accounts receivable, accounts payable, utilities, taxes or business licenses are reviewed and approved by the Director of Finance and HR on a daily basis. Transactions produced by the Director of Finance and HR are reviewed and approved by the CAO. On a monthly basis the Director of Finance and HR reviews the GST Returns, bank reconciliations, cash receipts batches with exceptions, journal entries, etc. The Director of Finance and HR and the CAO review and approve all bank transactions such as cheque batches, automatic withdrawals for payroll, GST, Town utilities etc.

Investments

Investments are held at CIBC Wood Gundy, ATB, and BMO. The Director of Finance and HR is contacted regularly by these institutions when investments mature and when new investment opportunities become available.

Insurance

The Town's insurance program is managed through the Alberta Municipal Services Corporation (AMSC).

Tangible Capital Assets (TCA)

Asset management is an ongoing process that needs to be maintained in order to produce timely useful information for administration and council decision making. The Administrative Assistant for Operations and myself attended a seminar in September with the Public Sector Digest concerning improvements to the CityWide program which the Town uses to track the Tangible Capital Assets. The Federation of Canadian Municipalities is offering a grant for to assist municipalities in developing asset management plans. Administration is preparing to apply for this grant.

I have identified this as an area which I must devote my time to this fall in order to have the system updated by the year end audit.

Diamond/GP

Diamond/GP is the Town of Pincher Creek's financial accounting system. We continue to improve on the use of this system by developing processes that will make day to day transactions easier. Two new modules have been added to the financial system. The E-Send module for utilities was purchased last December when the product was on sale. However, it could not be utilized until the system was upgraded to a newer version. Now that the upgrade is complete, training on the E-Send module will occur in late November. The second module is the Integration suite which allows for information, such as payroll, prepared by a third party to be imported into the financial software.

Records Management

Laserfiche

The laserfiche program requires an integration process with the Town's financial software so accounts payable input becomes more efficient. Now that the Financial Software has been upgraded to the 2016 version, it is the intention of this department to move forward with implementing the Integration suite. This will reduce the need for entering accounts payable into both systems as well as providing a method of importing the payroll into the financial software more effectively.

Human Resources

Payroll

Ceridian

Conversion of the payroll is continuing with small adjustments still being made. Ensuring the set up is correct will hopefully help to alleviate errors in the future.

Grievances

No grievances in the third quarter of 2017. Administration and CUPE had a Labour Management Meeting in September. There were no major issues on the agenda but the two parties met for a short discussion. Both parties will begin preparing for negotiations for the next Collective Bargaining Agreement as the current Agreement expires March 31, 2018.

Continuing Professional Education

As part of a professional association, I am required to continually upgrade my education. In September I attended a seminar through the Public Sector Digest concerning the Tangible Capital Asset Program.

Wendy D. Catonio, CPA, CGA
Director of Finance and Human Resources

TOWN OF PINCHER CREEK
Operating Statement - By Type
For the Nine Months Ending Saturday, September 30, 2017

	2016 Audited	2017 (Unaudited)	2017 Budget	Variance	% Variance
Revenues					
Net municipal property taxes (Note 1)	\$4,162,745.73	\$4,292,146.18	\$4,281,377.40	(\$10,768.78)	100.25%
User fees and sales of goods	1,938,348.08	1,574,619.89	1,899,792.50	325,172.61	82.88%
Penalties and costs of taxes	78,882.95	91,008.55	78,358.00	(12,650.55)	116.14%
Licences and permits	147,552.71	97,164.40	95,600.00	(1,564.40)	101.64%
Franchise fees	697,362.57	487,755.23	650,050.00	162,294.77	75.03%
Return on Investments	324,073.27	119,250.93	340,860.00	221,609.07	34.99%
Rentals & Leases	575,794.11	372,270.91	602,989.00	230,718.09	61.74%
Government transfers for operating	1,202,549.78	474,588.05	946,626.39	472,038.34	50.13%
Other Revenues & Adjustments (Note 2)	97,225.18	67,918.07	5,200.00	(62,718.07)	1306.12%
Gain on disposal of tangible capital assets	6,375.00				0.00%
Total Revenue	9,230,909.38	7,576,722.21	8,900,853.29	1,324,131.08	85.12%
Expenses					
Salaries, wages & benefits	3,323,936.31	2,518,701.76	3,546,578.77	1,027,877.01	71.02%
Contracted and general services	359,369.51	271,340.54	463,670.28	192,329.74	58.52%
Professional Services	725,621.94	487,847.93	734,338.92	246,490.99	66.43%
R & M and rentals & leases	1,340,422.03	464,686.29	1,068,916.24	604,229.95	43.47%
Insurance	128,937.19	128,267.96	135,738.00	7,470.04	94.50%
Goods	354,946.40	341,532.13	510,517.00	168,984.87	66.90%
Utilities	604,973.14	422,470.12	603,700.00	181,229.88	69.98%
Amortization	1,423,492.01		1,253,264.00	1,253,264.00	0.00%
Transfers to Organizations	638,993.33	1,987,827.83	2,045,060.00	57,232.17	97.20%
Bank Charges	3,507.03	3,462.13	3,400.00	(62.13)	101.83%
Interest on long-term debt	118,494.11	55,484.40	112,744.00	57,259.60	49.21%
Other Expenditure & Adjustment	55,874.78	6,736.43	23,650.00	16,913.57	28.48%
Total Expenses	9,078,567.78	6,688,357.52	10,501,577.21	3,813,219.69	63.69%
Excess (Deficiency) revenue over expenses before other	152,341.60	888,364.69	(1,600,723.92)	(2,489,088.61)	(55.50%)
Other					
Government transfers for capital	2,668,669.24	12,220.00	2,535,008.00	2,522,788.00	0.48%
Contributed assets			1,888,525.00	1,888,525.00	0.00%
	2,668,669.24	12,220.00	4,423,533.00	4,411,313.00	0.28%
Excess (Deficiency) revenue over expenses	2,821,010.84	900,584.69	2,822,809.08	1,922,224.39	31.90%
Add: Internal transfers from reserves	1,161,428.00		4,667,669.00	4,667,669.00	0.00%
Add: Amortization	1,423,492.01		1,253,264.00	1,253,264.00	0.00%
Add: Debenture Funding			4,179,000.00	4,179,000.00	0.00%
Less: Internal transfer to reserves	1,676,792.94	47,622.68	1,417,778.00	1,370,155.32	3.36%
Less: Long-term debt repayments	157,045.49	57,629.63	102,792.00	45,162.37	56.06%
Less: Capital expenses	3,572,080.49	1,541,273.20	11,401,702.00	9,860,428.80	13.52%
Balanced budget (Note 3)	11.93	(745,940.82)	470.08	746,410.90	

Note 1: Actual School Requisitions are lower than budget as the Province's invoicing is still based on 2016 amounts

Note 2: Funds received from dissolution of P.C. Emergency Management Agency not budgeted for \$47,622.68. This amount transferred to reserves for future funding of new Emergency Management.

Note 3: Negative balance due to Capital Expenses being recorded but the required funding from grants or reserves only recorded at year end and therefore not reflected on this statement.

TOWN OF PINCHER CREEK
Operating Summary - By Department
For the Nine Months Ending Saturday, September 30, 2017

	2016 Audited	2017 (Unaudited)	2017 Budget	Variance	% Variance
Revenues					
General Municipal	\$6,456,194.00	\$6,197,024.40	\$6,562,567.00	\$365,542.60	94.43%
Administration	90,338.43	75,694.30	72,924.00	(2,770.30)	103.80%
Protective and Emergency Services	251,820.39	251,654.22	275,365.00	23,710.78	91.39%
Operations	2,565,358.36	1,283,528.07	2,090,190.00	806,661.93	61.41%
Community Services	946,875.80	702,402.57	1,052,226.89	349,824.32	66.75%
Economic Development			4,000.00	4,000.00	0.00%
Planning and development (Note 1)	158,504.90	305,883.25	99,918.00	(205,965.25)	306.13%
Total Revenue	10,469,091.88	8,816,186.81	10,157,190.89	1,341,004.08	86.80%
Expenses					
General Municipal	1,294,197.28	2,581,889.42	2,625,859.60	43,970.18	98.33%
Legislative	221,210.48	124,067.40	226,385.87	102,318.47	54.80%
Administration	865,045.49	484,443.55	775,190.87	290,747.32	62.49%
Protective and Emergency Services	763,126.64	591,365.34	898,129.41	306,764.07	65.84%
Operations	3,933,461.18	1,825,961.90	3,428,959.46	1,602,997.56	53.25%
Community Services	2,836,425.34	2,037,632.52	3,294,017.26	1,256,384.74	61.86%
Economic Development	150,199.89	97,749.73	192,370.14	94,620.41	50.81%
Planning and development	253,083.98	184,712.26	317,002.20	132,289.94	58.27%
Total Expenses	10,316,750.28	7,927,822.12	11,757,914.81	3,830,092.69	67.43%
Excess (Deficiency) revenue over expenses before other	152,341.60	888,364.69	(1,600,723.92)	(2,489,088.61)	(55.50%)
Other					
Government transfers for capital	2,668,669.24	12,220.00	2,535,008.00	2,522,788.00	0.48%
Contributed assets			1,888,525.00	1,888,525.00	0.00%
Excess (Deficiency) of revenue over expenses	<u>2,821,010.84</u>	<u>900,584.69</u>	<u>2,822,809.08</u>	<u>1,922,224.39</u>	<u>31.90%</u>
Add: Amortization	1,423,492.01		1,253,264.00	1,253,264.00	0.00%
Add: Transfers from reserves (Operating & Capital)	1,161,428.00		4,667,669.00	4,667,669.00	0.00%
Add: Debenture Funding			4,179,000.00	4,179,000.00	0.00%
Less: Transfers to reserves	1,676,792.94	47,622.68	1,417,778.00	1,370,155.32	3.36%
Less: Long term debt repayments	157,045.49	57,629.63	102,792.00	45,162.37	56.06%
Less: Capital expenses	3,572,080.49	1,541,273.20	11,401,702.00	9,860,428.80	13.52%
Balanced Budget (Note 2)	<u>11.93</u>	<u>(745,940.82)</u>	<u>470.08</u>	<u>746,410.90</u>	

Note 1: Actual revenue in Planning & Development higher than budget due to sale of a lot. To be conservative lot sales are not included in the budget

Note 2: Negative balance due to Capital Expenses being recorded but the required funding from grants or reserves only recorded at year end and therefore not reflected on this statement.