

COMMITTEE AGENDA

Consolidated as of January 31, 2014



TO Corporate Administration, Finance and Enterprise Committee

DATE February 3, 2014

LOCATION Council Chambers, Guelph City Hall, 1 Carden Street

TIME 5:30 p.m.

DISCLOSURE OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

CONFIRMATION OF MINUTES- December 3, 2013 open and closed meeting minutes

PRESENTATIONS (Items with no accompanying report)

- a) None

CONSENT AGENDA

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Corporate Administration, Finance & Enterprise Committee Consent Agenda will be approved in one resolution.

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
CAFE-2014.1 Budget Impacts per Ontario Regulation 284/09 & 2014 Budget PSAB Reconciliation			
CAFE-2014.2 2014 Operating and Capital Variance Reporting Schedule (amended Table 1 – 2014 Capital & Operating Variance Reporting Schedule)			
CAFE-2014.3 Outstanding CAFE Committee Motions for the Finance & Enterprise Service Area			

Resolution to adopt the balance of the Corporate Administration, Finance & Enterprise Committee Consent Agenda.

ITEMS EXTRACTED FROM CONSENT AGENDA

Once extracted items are identified, they will be dealt with in the following order:

- 1) delegations (may include presentations)
- 2) staff presentations only
- 3) all others.

STAFF UPDATES AND ANNOUNCEMENTS

ADJOURN

NEXT MEETING: March 3, 2014

STAFF REPORT

TO CAFES

SERVICE AREA Finance and Enterprise

DATE February 3, 2014

SUBJECT 2014 Operating and Capital Variance Reporting Schedule

REPORT NUMBER FIN-14-08

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide the timeline for reporting operating and capital variance to Council.

KEY FINDINGS

Operating variance reporting is scheduled as quarterly reports for the periods ending on the last day of the month for March, June, September and December. The December report will be a preliminary report based on the initial year-end results and will be followed by a final report based on audited 2014 financial statements. This will bring the number of reports to a total of five for the year. Capital Variance Reports will be produced quarterly; the last quarter report will be the year-end report.

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

ACTION REQUIRED

That report FIN-14-08 2014 Operating and Capital Variance Reporting Schedule be received for information.

RECOMMENDATION

That report FIN-14-08 2014 Operating and Capital Variance Reporting Schedule be received for information.

BACKGROUND

Budget monitoring is an integral part of the budget process through which City staff ensure that revenue and expenditures are kept within the Council-approved budget and the principles of the Budget Monitoring Policy are abided with. Hence, once the annual budget is approved, actual expenditures are monitored and compared against the budget and any potentially significant variances are brought to the Executive Team's attention for mitigating measures to be put in place.

STAFF REPORT

The purpose of quarterly variance reporting is to provide information to Council on actual expenditures for the period under review as well as projected variances as at the year-end. Periodic variance reports also enable Council to perform its governance function while being provided assurance that approved service levels are maintained and management continues to be accountable for City resources.

Annually, the City produces four quarterly operating variance reports and a final year-end report that is based on the audited financial statements. This is in line with standard variance reporting practice as found in other municipalities in our comparator group.

However, four operating variance reports (including the year-end reports) are prepared in the year following an election year resulting from the delayed passing of the budget.

REPORT

In 2014, the Finance Department in consultation with City Departments will prepare five operating variance reports for Council including the preliminary and final year-end variance reports.

The preliminary 2013 year-end report is based on initial financial information as at the end of the year. As the financial statements are prepared, additional accounting entries such as final reconciliation between the county, interest on reserves and auditor findings may affect the final year-end results. Therefore, a final year-end variance report is prepared and presented to Council. This report will be based on the audited financial statements and will include recommendations from the Executive Team to Council for the allocation of year-end surplus to appropriate reserves and reserve funds.

Capital variance reports are produced four times a year to coincide with the operating variance reports to give a full financial picture to Council. Because of the differing nature of capital projects, only the final year-end capital variance report is prepared and this provides information on all capital expenditures and the financial impacts of closed projects.

The following table outlines the proposed capital and operating variance reporting schedule for 2014. This variance reporting schedule will be incorporated into the overall rolling calendar for Council.

Table 1. 2014 Capital & Operating Variance Reporting Schedule

Report	Committee/Council Meeting Dates
December 2013 Year-end Operating Variance Report (Preliminary)	April 7 CAFES
December 2013 Year-end Capital Variance Report (Final)	May 5 CAFES
December 2013 Year-end Operating Variance Report (Final)	June 10 CAFES
March 2014 Capital & Operating Variance Reports	June 10 CAFES
June 2014 Capital & Operating Variance Reports	September 8 COUNCIL
Sept. 2014 Capital & Operating Variance Reports	December 15 COUNCIL

December 2014 Operating Variance Report (Prelim) will be produced in early 2015. The final Operating and the Capital Variance Report will be produced at the same time as the audited financial statements.

CORPORATE STRATEGIC PLAN

Frequent monitoring of City spending will ensure corporate objective 2.3: *Ensure accountability, transparency and engagement.*

DEPARTMENTAL CONSULTATION

Management in each Service Area is responsible for financial accountability by ensuring that spending is within the Council approved budget. Finance Department, in consultation with the Executive Team, ensures accurate recording of transactions and is responsible for preparing the variance reports.

COMMUNICATIONS

None

Prepared By:

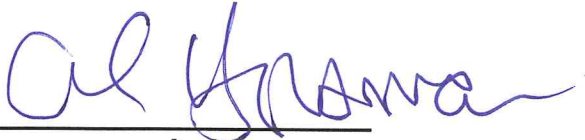
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STAFF REPORT



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