



April 30, 2022 Unaudited Financial Results General Fund and Utility Fund

Finance Committee – May 26, 2022



SAINT JOHN

City of Saint John

The City of Saint John 2022 General Fund Operating Budget April 2022 - Budget Analysis



	2022 Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	YE Forecast \$	YE Variance \$
Revenues						
Property Taxes	129,423,226	43,141,075	43,141,075	-	129,423,226	-
PILT Adjustment	15	15	15	-	15	-
Equalization & Unconditional Grant	17,837,497	5,945,832	5,945,832	-	17,837,497	-
Transfer from Operating Reserves	2,367,056	-	-	-	2,367,056	-
Growth & Community Services	2,749,714	940,696	1,359,340	418,644	2,812,714	63,000
Public Works & Transportation Serv	5,656,780	1,755,532	1,752,530	(3,002)	5,801,398	144,618
Public Safety Services	2,105,169	843,884	870,030	26,146	2,044,337	(60,832)
Utilities & Infrastructure Services	332,039	108,000	103,065	(4,935)	319,263	(12,776)
Strategic Services	3,965,362	930,764	1,506,699	575,935	3,962,000	(3,362)
Corporate Services	285,000	94,996	-	(94,996)	109,000	(176,000)
Total Revenues	164,721,858	53,760,794	54,678,586	917,792	164,676,506	(45,352)
Expenditures						
Growth & Community Services	16,291,320	5,875,740	5,895,930	(20,190)	16,231,777	59,543
Public Works & Transportation Serv	39,445,202	11,061,199	11,512,030	(450,831)	40,213,762	(768,560)
Public Safety Services	56,204,643	17,747,083	17,391,802	355,281	55,668,220	536,423
Utilities & Infrastructure Services	6,623,401	2,031,020	2,217,877	(186,857)	6,915,611	(292,210)
Strategic Services	7,286,166	2,226,238	1,955,827	270,411	7,114,987	171,179
Corporate Services	7,092,813	2,317,507	1,832,882	484,625	6,787,139	305,674
Other Charges	31,778,313	5,999,633	5,974,670	24,963	31,646,580	131,733
Total Expenditures	164,721,858	47,258,420	46,781,018	477,402	164,578,076	143,782
Surplus (Deficit)	-	6,502,374	7,897,569	1,395,194	98,430	98,430

General Fund Revenue

The City of Saint John
2022 General Fund Operating Budget
April 2022 - Budget Analysis



	2022 Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	YE Forecast \$	YE Variance \$
Revenues						
Property Taxes	129,423,226	43,141,075	43,141,075	-	129,423,226	-
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Equalization & Unconditional Grant	17,837,497	5,945,832	5,945,832	-	17,837,497	-
Transfer from Operating Reserves	2,367,056	-	-	-	2,367,056	-
Growth & Community Services	2,749,714	940,696	1,359,340	418,644	2,812,714	63,000
Public Works & Transportation Serv	5,656,780	1,755,532	1,752,530	(3,002)	5,801,398	144,618
Public Safety Services	2,105,169	843,884	870,030	26,146	2,044,337	(60,832)
Utilities & Infrastructure Services	332,039	108,000	103,065	(4,935)	319,263	(12,776)
Strategic Services	3,965,362	930,764	1,506,699	575,935	3,962,000	(3,362)
Corporate Services	285,000	94,996	-	(94,996)	109,000	(176,000)
Total Revenues	164,721,858	53,760,794	54,678,586	917,792	164,676,506	(45,352)

General Fund Revenue

Variance Analysis

April 2022 Budget to Actuals YTD– \$917,792 Surplus

- Growth and Community Services \$418,644 – majority of variance relates to increase in Building Permit revenue and timing related to revenue recovery for programs. Revenues for Dangerous Buildings Program, funding for Succeed and Stay and Local Immigration will be recognized at year end.
- Strategic Services \$575,935 – the City received \$500,000 from Saint John Energy for the Burchill Wind Project that was not budgeted to be received by April.



Growth and Community Services

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$1,643,066	\$1,505,299	\$137,767
Good and Services	\$4,232,674	\$4,390,630	(\$157,957)
Total	\$5,875,740	\$5,895,930	(\$20,190)
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$5,099,241	\$4,935,851	\$163,390
Good and Services	\$11,192,079	\$11,295,926	(\$103,847)
Total	\$16,291,320	\$16,231,777	\$59,543

Growth and Community Services

Variance Analysis

April 2022 Budget to YTD Actuals – **(\$20,191) deficit**

- Salaries underbudget by \$137,767 due to several vacancies – Currently recruiting manager, planners and other staff.
- Goods and Services overbudget by **(\$157,958)**
 - Envision Saint John overbudget due to timing and budget allocation
 - Saint John Aquatic Centre is overbudget due to timing issue (recovery of CEWS repayments)
 - City Market underbudget due to less repair and maintenance work
 - Pro-kids underbudget due to incorrect salary allocation
 - Affordable Housing Action plan to be completed in fall
 - Building Incentive reserves underbudget due to the timing of when incentives are paid out.
- Overall Variance year to date is **(0.34%)** of budget



Public Works & Transportation Services

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$5,130,259	\$4,934,002	\$196,257
Good and Services	\$5,930,940	\$6,578,028	(\$647,088)
Total	\$11,061,199	\$11,512,030	(\$450,831)
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$15,514,644	\$15,884,987	(\$370,343)
Good and Services	\$23,930,558	\$24,328,775	(\$398,217)
Total	\$39,445,202	\$40,213,762	(\$768,560)

Public Works and Transportation Services

Variance Analysis

April 2022 Budget to YTD Actuals– **(\$450,831) deficit**

- Wages and Benefits - \$196,257 positive variance
 - Largely due to vacancies
- Goods and Services – (\$647,088) deficit
 - Fuel Cost – **(\$194,000)** – all fuel is significantly higher than budgeted amount
 - Road Salt – **(\$450,000)** – salt use was high during first quarter of year due to weather
- Utility Cut Program under budget 100K (not renting heavy equipment)
- Stormwater Rural – underbudget due to costs coded to Urban Storm
- Fleet – all expenses related to fleet are cleared out to service areas by year end. Fleet is full cost recovery.



Public Safety Services

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$14,455,725	\$13,840,487	\$615,238
Good and Services	\$3,291,359	\$3,551,316	(\$259,957)
Total	\$17,747,084	\$17,391,803	\$355,281
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$46,230,825	\$45,710,140	\$520,685
Good and Services	\$9,973,818	\$9,958,080	\$15,738
Total	\$56,204,643	\$55,668,220	\$536,423

Public Safety Services

Fire & Emo Services - Variance Analysis

April 2022 Budget to Actuals YTD– \$112,950 Surplus

Wages and benefits are creating surplus due to retirements and associated hiring.

Saint John Police/PSCC - Variance Analysis

April 2022 Budget to Actuals YTD– \$231,797 Surplus

The force had several retirements end of 2021 and currently recruiting replacement officers creating surplus in Wages and benefits.

Goods and Services – Vehicle purchases are overbudget year to date, however fund for the vehicle reserves will offset the expense.



Utilities and Infrastructure Services

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$1,109,461	\$1,027,667	\$81,794
Good and Services	\$921,559	\$1,190,210	(\$268,651)
Total	\$2,031,020	\$2,217,877	(\$186,857)
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$3,392,655	\$3,339,684	\$52,971
Good and Services	\$3,230,746	\$3,575,927	(\$345,181)
Total	\$6,623,401	\$6,915,611	(\$292,210)

Utilities and Infrastructure Services

Variance Analysis

April 2022 Budget to YTD Actuals – **(\$186,857) deficit**

- Wages and Benefits - \$81,794 positive variance (Engineering could only hire one Temporary Civil Engineer staff and has two budgeted)
- Goods and Services – **(\$268,651) deficit**
- Stormwater Urban over budget due to some costs that belong to Rural stormwater budget and incorrect charge between Utility and Urban, which was corrected in May.
- Carpenter shop is over budget year to date, due to some delays in internal billings.



Strategic Services

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$1,258,310	\$1,147,498	\$110,812
Good and Services	\$967,928	\$808,329	\$159,599
Total	\$2,226,238	\$1,955,827	\$270,411
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$3,831,341	\$3,588,266	\$243,075
Good and Services	\$3,454,825	\$3,526,721	(\$71,896)
Total	\$7,286,166	\$7,114,987	\$171,179

Strategic Services

Variance Analysis

April 2022 Budget to Actuals YTD – \$270,411 surplus

- Wages and Benefits - \$110,812 positive variance
 - Currently vacancies in several service areas such as IT and Finance
- Goods and Services – \$159,999 positive variance
 - Majority relates to timing on software renewal
 - Insurance and Liability insurance is overbudget due to rising cost of insurance



Corporate Services

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$1,669,187	\$1,567,866	\$101,321
Good and Services	\$648,320	\$265,017	\$383,303
Total	\$2,317,507	\$1,321,8823	\$484,624
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$5,105,822	\$4,912,669	\$193,153
Good and Services	\$1,986,991	\$1,874,470	\$112,521
Total	\$7,092,813	\$6,787,139	\$305,674

Corporate Services

Variance Analysis

April 2022 Budget to YTD Actuals - \$484,624 Surplus

- Wages and Benefits - \$101,321
 - Various vacancies across the service areas
- Goods and Services - \$383,303
 - City Manager's Office – budgeted items such as arbitration costs not underway or will not be used
 - Most of the service areas have small year to date surpluses due to timing of when items will be received, or services undertaken



Other Charges

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Good and Services	\$5,999,633	\$5,974,670	\$24,963

	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Good and Services	\$31,778,313	\$31,646,580	\$131,733



Saint John Water

Saint John Water 2022 Water & Sewerage Operating Budget April 2022 Budget Analysis



	2022 Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	YE Forecast \$	YE Variance \$
Revenues						
Flat Rate Accounts	22,250,000	11,125,001	11,075,746	(49,255)	22,169,316	(80,684)
Meter Rate Accounts	14,670,000	2,444,999	2,556,660	111,661	14,874,304	204,304
Industrial Raw Water Accounts	6,347,859	1,057,977	1,158,290	100,313	6,549,743	201,884
Fire Protection Levy	2,500,000	833,332	833,332	-	2,500,000	-
Storm Sewer Levy	925,000	308,332	308,332	-	925,000	-
Other Revenues	937,216	262,396	594,948	332,552	1,120,600	183,384
Previous Year's Surplus	437,400	145,800	145,800	-	437,400	-
Total Revenues	48,067,475	16,177,837	16,673,108	495,271	48,576,363	508,888
Expenditures						
Wages & Benefits	9,348,900	3,056,362	2,934,812	121,550	9,254,553	94,347
Goods & Services	38,718,575	9,569,791	7,868,087	1,701,704	39,840,017	(1,121,442)
Total Expenditures	48,067,475	12,626,153	10,802,899	1,823,254	49,094,570	(1,027,095)
Surplus (Deficit)	-	3,551,684	5,870,209	2,318,525	(518,207)	(518,207)

Saint John Water Revenue

Saint John Water
2022 Water & Sewerage Operating Budget
April 2022 - Budget Analysis



	2022 Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	YE Forecast \$	YE Variance \$
Revenues						
Flat Rate Accounts	22,250,000	11,125,001	11,075,746	(49,255)	22,169,316	(80,684)
Meter Rate Accounts	14,670,000	2,444,999	2,556,660	111,661	14,874,304	204,304
Industrial Raw Water Accounts	6,347,859	1,057,977	1,158,290	100,313	6,549,743	201,884
Fire Protection Levy	2,500,000	833,332	833,332	-	2,500,000	-
Storm Sewer Levy	925,000	308,332	308,332	-	925,000	-
Other Revenues	937,216	262,396	594,948	332,552	1,120,600	183,384
Previous Year's Surplus	437,400	145,800	145,800	-	437,400	-
Total Revenues	48,067,475	16,177,837	16,673,108	495,271	48,576,363	508,888

Saint John Water Revenue

Revenue Variance Analysis

April 2022 Budget to Actuals YTD– \$495,271 positive variance

- Meter billings are up slightly higher over budget and optimistic as COVID recovery continues, revenues will increase
- Other revenues are up \$332,552 over budgeted amount.
 - Combination of interest, property transfers, recovery from general fund.
 - Anticipate other revenue to level out through the balance of year



Saint John Water Expenditure

Saint John Water 2022 Water & Sewerage Operating Budget April 2022 - Budget Analysis



Expenditures

Drinking Water Service	21,560,595	6,043,312	4,959,286	1,084,026	21,599,350	(38,755)
Wastewater Service	19,272,505	5,177,586	4,684,283	493,303	19,594,991	(322,486)
Infrastructure Management	717,900	236,494	229,885	6,609	733,418	(15,518)
Industrial Water Service	6,516,475	1,168,761	929,445	239,316	7,166,811	(650,336)
Total Expenditures	48,067,475	12,626,153	10,802,899	1,823,254	49,094,570	(1,027,095)

Saint John Water Expenditures

	April 2022 Operating Budget	April 2022 Operating Results	Year to Date Variance
Wages and Benefits	\$3,056,362	\$2,934,812	\$121,550
Good and Services	\$9,569,791	\$7,868,087	\$1,701,704
Total	\$12,626,153	\$10,802,899	\$1,823,254
	Year End Operating Budget	Year End Operating Results Projected	Year End Variance
Wages and Benefits	\$9,348,900	\$9,254,554	\$94,347
Good and Services	\$38,718,575	\$39,840,017	(\$1,121,442)
Total	\$48,067,475	\$49,094,570	(\$1,027,095)

Saint John Water Expenditures

Variance Analysis

April 2022 Budget to Actuals YTD- \$1,823,254

- Wages and Benefits - \$121,550 positive variance
 - Staffing retirement with resulting position elimination and timing re filling positions
- Goods and Services - \$1,701,704 positive variance
 - Professional/Engineering Services – challenge engaging some services due to capacity issues of outside service providers.
 - Drinking Water Services
 - Treatment Plant - \$600,000 due to timing on invoice
 - Less sand and gravel used to date, road work just getting underway
 - Supply chain delays in obtaining various goods such as meters, parts, etc..
 - Wastewater Services
 - Mechanical Components, timing of maintenance
 - Tipping fees lower to date vs budget
 - Industrial Water Services
 - Timing of spend on new industrial meter supply/install and associated engineering services

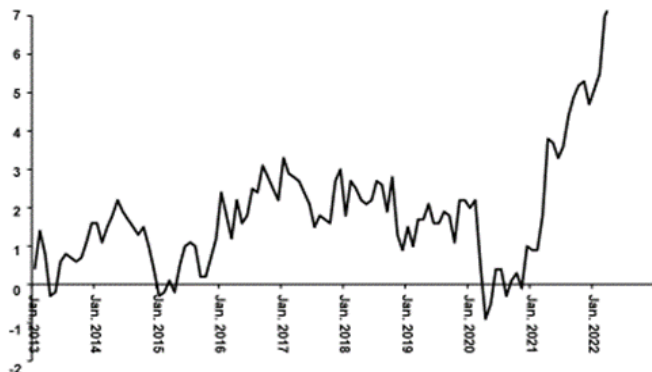


Conclusion – CPI is a real Concern

CONSUMER PRICE INDEX SAINT JOHN

ALL ITEMS - TOUS ITEMS
PERCENT (%) - POURCENT (%)

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Average
2013	0.4	1.4	0.8	-0.3	-0.2	0.6	0.8	0.7	0.6	0.7	1.1	1.6	0.7
2014	1.6	1.1	1.5	1.8	2.2	1.9	1.7	1.5	1.3	1.5	1.0	0.4	1.5
2015	-0.3	-0.2	0.1	-0.2	0.5	1.0	1.1	1.0	0.2	0.2	0.7	1.2	0.5
2016	2.4	1.8	1.2	2.2	1.6	1.8	2.5	2.4	3.1	2.8	2.5	2.2	2.2
2017	3.3	2.9	2.8	2.7	2.4	2.1	1.5	1.8	1.7	1.6	2.7	3.0	2.4
2018	1.8	2.7	2.5	2.2	2.1	2.2	2.7	2.6	1.9	2.8	1.3	0.9	2.1
2019	1.5	1.0	1.7	1.7	2.1	1.6	1.6	1.9	1.8	1.1	2.2	2.2	1.7
2020	2.0	2.2	0.5	-0.9	-0.5	0.4	0.4	-0.3	0.1	0.3	-0.1	1.0	0.4
2021	0.9	0.9	1.8	3.8	3.7	3.3	3.6	4.4	4.9	5.2	5.3	4.7	3.6
2022	5.1	5.5	7.0	7.3									

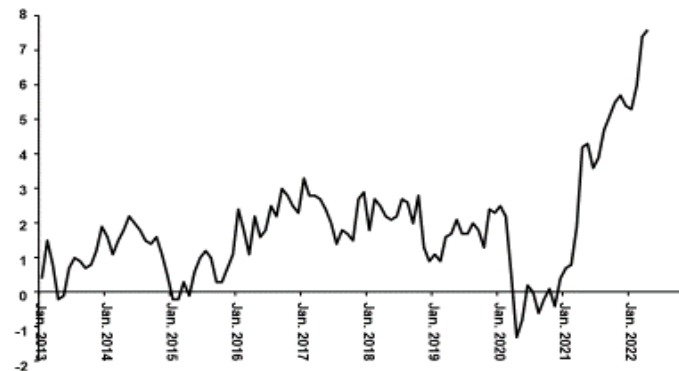


Pierre Bertrand
Municipal Human Resources Inc. / Ressources Humaines Municipal Inc.,
850 Prospect, Suite 401, Fredericton, NB E3B 9M5
Tel: (506) 470-1525 Source: Statistics Canada

CONSUMER PRICE INDEX / INDICE DES PRIX A LA CONSOMMATION NEW/NOUVEAU BRUNSWICK

ALL ITEMS - TOUS ITEMS
PERCENT (%) - POURCENT (%)

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Average
2013	0.4	1.5	0.8	-0.2	-0.1	0.7	1.0	0.9	0.7	0.8	1.2	1.9	0.8
2014	1.6	1.1	1.5	1.8	2.2	2.0	1.8	1.5	1.4	1.6	1.1	0.5	1.5
2015	-0.2	-0.2	0.3	-0.1	0.6	1.0	1.2	1.0	0.3	0.3	0.7	1.1	0.5
2016	2.4	1.8	1.1	2.2	1.6	1.8	2.5	2.2	3.0	2.8	2.5	2.3	2.2
2017	3.3	2.8	2.8	2.7	2.4	2.0	1.4	1.8	1.7	1.5	2.7	2.9	2.3
2018	1.8	2.7	2.5	2.2	2.1	2.2	2.7	2.6	2.0	2.8	1.3	0.9	2.1
2019	1.1	0.9	1.6	1.7	2.1	1.7	1.7	2.0	1.8	1.3	2.4	2.3	1.7
2020	2.5	2.2	0.5	-1.3	-0.8	0.2	0.0	-0.6	-0.2	0.1	-0.4	0.4	0.2
2021	0.7	0.8	1.9	4.2	4.3	3.6	3.9	4.7	5.1	5.5	5.7	5.4	3.8
2022	5.3	6.0	7.4	7.6									



Pierre Bertrand
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850 Prospect, Suite 401, Fredericton, NB E3B 9M5
Tel: (506) 470-1525 Source: Statistics Canada

Conclusion

- The service areas will continue to mitigate the significant rising cost of fuel for 2022. The increases being seen could not have been predicted when the budget was prepared in the fall of 2021.
- Cost of general goods and supplies are also seeing increases that have not been seen in years due to continued supply chain issues and inflation.
- The City also faced a challenging Winter season thus far in 2022 as evident in the year-to-date results and may require additional conversations with Finance Committee depending on the end of year Winters season impacts.
- “The Finance Committee receive and file this report as presented”

Questions?

