



**The Corporation of the Municipality  
Staff Report**

**Office of the Treasurer  
Manuela Batovanja**

<b>Prepared For: Mayor and Council</b>	<b>Report No.: MB 2023-24</b>
<b>Date: November 7, 2023</b>	<b>File No.: C11</b>

### **Purpose of Report**

The purpose of this report is to provide Council with a 2023 third quarter financial review.

### **Analysis**

This report provides Council with information regarding revenues and expenditures to September 30, 2023 as well as highlighting some key trends.

#### **Revenues to September 30, 2023**

Most revenue cost categories are meeting budgeted levels.

Some of the larger variances are explained in the following section:

- **Taxation and School Boards** – The final tax levy was charged in the second quarter and the municipality has realized the budgeted revenues for this category.
- **Administration** – We have exceeded our budgeted investment income. The variance is a combination of fourth quarter OMPF, Provincial and Federal funding which is recorded as part of the year end function. The penalty and interest revenue have also exceeded the budget. The concern with this revenue is that it is indicative of a growth in uncollected property taxes.
- **Building Department** – Revenues are below the budgeted amount, however there is little concern as most of the deficit was earned in October.
- **Police Services Board** –the revenue is related to the timing of grant funds.
- **Infrastructure Services** – The variance is due to timing as the revenue is related to special initiatives and solar revenue which will occur in the last quarter.

**Respectfully Prepared and Submitted By:  
Manuela Batovanja, Treasurer  
Director of Finance**

- **Airport** – There is no concern as revenues are expected to exceed the budgeted amount by year end.
- **Transit** – We have realized the revenue expected from transit fares the provincial funding will be adjusted as part of the year end process.
- **Special Initiatives** – This revenue is earned through the hazardous waste collection day. The event was not as successful as previous years.
- **Water and Sewer** – The variance is due to the timing of the billing cycle; the first quarter billing will occur in the second quarter.
- **Michipicoten Memorial Community Centre** – There are no concerns with the revenues in this area.
- **Parks and Tourism** – \$12,000 of this income is not expected to be earned in 2023 due to the timing of certain funding.

### **Expenditures to September 30, 2023**

Many of the cost centres are also meeting budgeted expectations, those which have larger variances are detailed below:

- **Taxation** – as part of the vesting and sale process \$62,000 of tax arrears interest and penalty were written off, this is a normal occurrence for this process. The remaining variance is due to requests for reconsiderations and 357's.
- **Administration** – The variance is constant throughout the year and is primarily due to the timing of transfers to the reserve and capital funds.
- **Fire Department** – The honorarium is paid once annually at the end of the year.
- **Infrastructure** – The fourth quarter will include snow removal and heating costs.
- **Airport** – Aviation fuel purchases are higher than the annual budget, however the revenue generated from fuel sales is also higher. As of September 30<sup>th</sup>, the airport operations have a surplus of approximately \$180,000.
- **Landfill** – the variance is due to the timing of reserve transfers.
- **Special Initiatives** – Variance is fully due to the timing of events such as our annual hazardous waste day.

- **Water and Wastewater** – the variance is due to the timing of reserve and capital fund transfers.
- **Cemetery** – The costs in this department typically occur in the second and third quarter, it is reasonable to have little or no costs incurred at this time.
- **Assistance to Seniors** – The additional expenses were offset by a special grant, resulting in a net income of \$1,350.
- **Parks** – This department includes the outdoor parks and marina with most costs occurring in the summer months.

### Capital Fund

Completed projects include:

- 1- Water Treatment Plant Water Filters
- 2- Purchase SUV
- 3- Sports Field Track
- 4- Community Risk Assessment
- 5- Building Condition Assessments
- 6- Landfill Rolloff Truck
- 7- Diesel Engine for Compactor
- 8- Mini Excavator

Projects which have started and will continue into 2024:

- 1- Fire Hydrant Rehabilitation
- 2- Municipal Software Update
- 3- Water Intake Project
- 4- Cemetery Expansion
- 5- Sidewalk and Pavement Rehabilitation/Preservation

### Recommendation

That Council receive Staff Report MB 2023-24 Third Quarter Financial Report for information purposes.

### Attachments

- Council Department Summary for The Period Ending September 30, 2023

## Council Department Summary

For Period Ending 30-Sep-2023



	FINAL BUDGET	ACTUAL VALUES	VARIANCE	FINAL BUDGET	ACTUAL VALUES	VARIANCE
	2022	2022	2022	2023	2023	2023
<b>GENERAL FUND</b>						
<b>Revenue</b>						
MAYOR AND COUNCIL	0.00	(11,200.00)	11,200.00	0.00	0.00	0.00
TAXATION	(5,113,739.00)	(5,114,108.76)	369.76	(5,244,287.00)	(5,246,134.47)	1,847.47
SCHOOL BOARDS	(511,023.00)	(511,022.66)	(0.34)	(506,625.00)	(506,870.89)	245.89
BUSINESS IMPROVEMENT AREA	(15,000.00)	(14,999.98)	(0.02)	0.00	0.00	0.00
ADMINISTRATION	(5,574,033.00)	(4,776,401.52)	(797,631.48)	(5,231,084.00)	(4,141,750.04)	(1,089,333.96)
INFORMATION TECHNOLOGY	(46,308.00)	(35,509.16)	(10,798.84)	(25,179.00)	(28,698.00)	3,519.00
FIRE DEPARTMENT	(32,300.00)	(40,023.60)	7,723.60	(32,679.00)	(48,662.52)	15,983.52
BUILDING DEPARTMENT	(43,610.00)	(49,636.70)	6,026.70	(56,710.00)	(46,502.28)	(10,207.72)
ANIMAL CONTROL	(500.00)	(215.00)	(285.00)	(500.00)	(75.00)	(425.00)
POLICE SERVICES	(15,808.00)	(6,480.08)	(9,327.92)	(15,532.00)	(4,661.53)	(10,870.47)
INFRASTRUCTURE SERVICES	(24,830.00)	(26,332.46)	1,502.46	(24,310.00)	(20,111.55)	(4,198.45)
AIRPORT	(407,278.00)	(710,027.45)	302,749.45	(784,592.00)	(759,114.17)	(25,477.83)
WAWA TRANSIT	(28,893.00)	(29,633.00)	740.00	(29,950.00)	(3,042.00)	(26,908.00)
GARBAGE COLLECTION	(41,990.00)	(38,159.73)	(3,830.27)	(60,159.00)	(45,122.40)	(15,036.60)
LANDFILL	(102,000.00)	(64,741.00)	(37,259.00)	(84,160.00)	(58,199.00)	(25,961.00)
SPECIAL INITIATIVES	(14,000.00)	(3,956.72)	(10,043.28)	(14,000.00)	(4,863.15)	(9,136.85)
WATER AND SEWER	(1,529,883.00)	(965,573.28)	(564,309.72)	(1,545,968.00)	(1,013,906.11)	(532,061.89)
CEMETERY	(13,620.00)	(11,456.00)	(2,164.00)	(13,620.00)	(6,605.00)	(7,015.00)
ASSISTANCE TO THE SENIORS	(21,749.00)	(14,270.65)	(7,478.35)	(22,277.00)	(26,695.00)	4,418.00
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	(198,581.00)	(97,300.66)	(101,280.34)	(192,680.00)	(174,920.72)	(17,759.28)
PARKS	(25,500.00)	(24,906.47)	(593.53)	(37,500.00)	(23,347.51)	(14,152.49)
PLANNING AND DEVELOPMENT	(2,335.00)	(1,500.00)	(835.00)	(2,481.00)	(850.00)	(1,631.00)
TOURISM	(52,500.00)	(56,890.98)	4,390.98	(97,163.00)	(78,551.73)	(18,611.27)
EXTERNAL BOARDS	(5,000.00)	0.00	(5,000.00)	(5,000.00)	0.00	(5,000.00)
<b>Total Revenue</b>	<b>(13,820,480.00)</b>	<b>(12,604,345.86)</b>	<b>(1,216,134.14)</b>	<b>(14,026,456.00)</b>	<b>(12,238,683.07)</b>	<b>(1,787,772.93)</b>
<b>Expense</b>						
MAYOR AND COUNCIL	88,149.00	58,949.86	29,199.14	105,853.00	59,837.80	46,015.20
TAXATION	93,811.00	98,209.16	(4,398.16)	9,938.00	83,645.34	(73,707.34)
SCHOOL BOARDS	511,023.00	389,262.28	121,760.72	506,545.00	381,510.51	125,034.49
ADMINISTRATION	3,506,703.00	2,675,333.40	831,369.60	3,148,277.00	1,186,890.46	1,961,386.54
INFORMATION TECHNOLOGY	182,603.00	113,416.17	69,186.83	187,900.00	150,583.50	37,316.50
FIRE DEPARTMENT	267,376.00	144,267.42	123,108.58	299,873.00	82,540.35	217,332.65
BUILDING DEPARTMENT	127,053.00	88,758.56	38,294.44	133,712.00	94,366.74	39,345.26
ANIMAL CONTROL	1,476.00	955.49	520.51	1,549.00	609.79	939.21
POLICE SERVICES	849,507.00	632,568.22	216,938.78	799,258.00	596,469.24	202,788.76
POLICE SERVICES BOARD	2,768.00	1,366.55	1,401.45	1,792.00	1,282.74	509.26
COMMUNITY EMERGENCY MEASURES	8,118.00	5,107.89	3,010.11	2,058.00	1,359.38	698.62
INFRASTRUCTURE SERVICES	1,961,694.00	1,712,477.97	249,216.03	1,937,440.00	1,180,002.66	757,437.34
AIRPORT	325,577.00	533,247.82	(207,670.82)	585,232.00	576,536.84	8,695.16
WAWA TRANSIT	62,676.00	47,022.07	15,653.93	64,696.00	41,020.06	23,675.94
GARBAGE COLLECTION	376,584.00	249,754.62	126,829.38	493,042.00	303,336.31	189,705.69
LANDFILL	51,102.00	86,725.86	(35,623.86)	120,008.00	112,540.01	7,467.99
SPECIAL INITIATIVES	23,000.00	1,586.03	21,413.97	23,000.00	1,618.93	21,381.07
WATER AND SEWER	1,528,741.00	1,677,833.06	(149,092.06)	1,545,563.00	878,300.51	667,262.49
CEMETERY	18,109.00	18,547.43	(438.43)	18,189.00	29,021.11	(10,832.11)

## Council Department Summary

For Period Ending 30-Sep-2023



	FINAL BUDGET	ACTUAL VALUES	VARIANCE	FINAL BUDGET	ACTUAL VALUES	VARIANCE
	2022	2022	2022	2023	2023	2023
<b>GENERAL FUND</b>						
ASSISTANCE TO THE SENIORS	17,844.00	12,588.89	5,255.11	18,144.00	25,337.33	(7,193.33)
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	1,400,144.00	1,053,778.11	346,365.89	1,464,682.00	937,393.90	527,288.10
PARKS	92,488.00	281,142.75	(188,654.75)	111,496.00	95,309.90	16,186.10
PLANNING AND DEVELOPMENT	3,703.00	21,487.78	(17,784.78)	109,354.00	21,429.87	87,924.13
TOURISM	212,988.00	173,439.45	39,548.55	229,136.00	150,004.47	79,131.53
EXTERNAL BOARDS	2,107,243.00	1,561,724.61	545,518.39	2,109,719.00	1,551,281.01	558,437.99
<b>Total Expense</b>	<b>13,820,480.00</b>	<b>11,639,551.45</b>	<b>2,180,928.55</b>	<b>14,026,456.00</b>	<b>8,542,228.76</b>	<b>5,484,227.24</b>
<b>Surplus/Deficit</b>	<b>0.00</b>	<b>(964,794.41)</b>	<b>964,794.41</b>	<b>0.00</b>	<b>(3,696,454.31)</b>	<b>3,696,454.31</b>
<b>Total GENERAL FUND</b>	<b>0.00</b>	<b>(964,794.41)</b>	<b>964,794.41</b>	<b>0.00</b>	<b>(3,696,454.31)</b>	<b>3,696,454.31</b>

## Council Department Summary

For Period Ending 30-Sep-2023



	FINAL BUDGET	ACTUAL VALUES	VARIANCE	FINAL BUDGET	ACTUAL VALUES	VARIANCE
	2022	2022	2022	2023	2023	2023
<b>CAPITAL FUND</b>						
<b>Revenue</b>						
ADMINISTRATION	(331,000.00)	(8,811.41)	(322,188.59)	(376,000.00)	0.00	(376,000.00)
INFORMATION TECHNOLOGY	(53,300.00)	(3,716.27)	(49,583.73)	(49,576.00)	0.00	(49,576.00)
FIRE DEPARTMENT	0.00	0.00	0.00	(35,000.00)	0.00	(35,000.00)
INFRASTRUCTURE SERVICES	(2,385,550.00)	(55,830.37)	(2,329,719.63)	(410,000.00)	0.00	(410,000.00)
AIRPORT	0.00	0.00	0.00	(25,000.00)	0.00	(25,000.00)
LANDFILL	(790,000.00)	(7,976.88)	(782,023.12)	(560,000.00)	0.00	(560,000.00)
WATER AND SEWER	(555,000.00)	0.00	(555,000.00)	(3,104,403.00)	(39,128.66)	(3,065,274.34)
CEMETERY	(50,000.00)	(6,360.75)	(43,639.25)	(99,000.00)	0.00	(99,000.00)
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	(130,000.00)	0.00	(130,000.00)	(130,000.00)	0.00	(130,000.00)
TOURISM	(50,000.00)	0.00	(50,000.00)	(64,362.00)	0.00	(64,362.00)
<b>Total Revenue</b>	<b>(4,344,850.00)</b>	<b>(82,695.68)</b>	<b>(4,262,154.32)</b>	<b>(4,853,341.00)</b>	<b>(39,128.66)</b>	<b>(4,814,212.34)</b>
<b>Expense</b>						
ADMINISTRATION	331,000.00	197,261.91	133,738.09	376,000.00	214,404.57	161,595.43
INFORMATION TECHNOLOGY	53,300.00	3,716.27	49,583.73	49,576.00	1,473.47	48,102.53
FIRE DEPARTMENT	0.00	0.00	0.00	35,000.00	0.00	35,000.00
INFRASTRUCTURE SERVICES	2,385,550.00	860,384.18	1,525,165.82	410,000.00	167,822.59	242,177.41
AIRPORT	0.00	0.00	0.00	25,000.00	0.00	25,000.00
LANDFILL	790,000.00	81,452.76	708,547.24	560,000.00	279,555.72	280,444.28
WATER AND SEWER	555,000.00	51,763.53	503,236.47	3,104,403.00	289,672.42	2,814,730.58
CEMETERY	50,000.00	6,360.75	43,639.25	99,000.00	6,441.92	92,558.08
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	130,000.00	64,069.16	65,930.84	130,000.00	10,459.68	119,540.32
TOURISM	50,000.00	52,656.73	(2,656.73)	64,362.00	20,000.00	44,362.00
<b>Total Expense</b>	<b>4,344,850.00</b>	<b>1,317,665.29</b>	<b>3,027,184.71</b>	<b>4,853,341.00</b>	<b>989,830.37</b>	<b>3,863,510.63</b>
<b>Surplus/Deficit</b>	<b>0.00</b>	<b>1,234,969.61</b>	<b>(1,234,969.61)</b>	<b>0.00</b>	<b>950,701.71</b>	<b>(950,701.71)</b>
<b>Total CAPITAL FUND</b>	<b>0.00</b>	<b>1,234,969.61</b>	<b>(1,234,969.61)</b>	<b>0.00</b>	<b>950,701.71</b>	<b>(950,701.71)</b>
<b>Total Surplus (-)/Deficit</b>	<b>0.00</b>	<b>270,175.20</b>	<b>(270,175.20)</b>	<b>0.00</b>	<b>(2,745,752.60)</b>	<b>2,745,752.60</b>