



**The Corporation of the Municipality  
Staff Report**

**Office of the Treasurer  
Manuela Batovanja**

<b>Prepared For: Mayor and Council</b>	<b>Report No.: MB 2023-16</b>
<b>Date: July 11, 2023</b>	<b>File No.: C11</b>

### **Purpose of Report**

The purpose of this report is to provide Council with a review of the municipalities financial position at the end of the second quarter of 2023.

### **Analysis**

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

#### **Revenues to June 30, 2023**

Most revenue cost categories are meeting budgeted levels.

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

- **Taxation & School Boards** – Final tax bills have been processed and mailed, due dates are June 29<sup>th</sup> and August 31<sup>st</sup>.
- **Administration** – two installments of the OMPF funding have been received. We have currently realized 79% of our projected investment gains having earned \$177,319 of the budgeted amount \$222,510. Penalty and Interest Revenue is higher than anticipated, however, we are addressing collections. The remainder of the variance is due to the timing of the receipt of grants with most of the funds being received in the third quarter of the year.
- **Building Department** – Revenues are slightly less than 50% of the budgeted amount, however there is little concern as most revenues align with the building season which occurs over the second and third quarters.
- **Police Services Board** – there is no concern as 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 which occur later in the year.

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

- **Airport** – At this time revenues are exceeding the budgeted amounts. There are no concerns in this area.
- **Transit** – We have realized 70% of the revenue expected from transit fares the provincial funding will not be received until later in the year.
- **Special Initiatives** – primarily occur later in the year, Hazardous Waste Day.
- **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** – 72% of the budgeted amount has been realized. There are no concerns.
- **Parks and Tourism** – these departments are seasonal the bulk of the revenue is expected to be achieved in July to September.

### **Expenditures to June 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.
- **Administration** – The variance is primarily due to the timing of transfers to the reserve and capital funds.
- **Fire** – The variance is due to the timing of the honoraria which is paid at the end of the year.
- **Infrastructure** – 40% of the annual costs have been realized, spending should proceed with mild caution as there is always the snow removal risk which can impact spending in November and December.
- **Airport** – Aviation fuel purchases are higher than projected, as this is a revenue generating purchase there is no concern at this time.
- **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** – Maintenance will primarily occur in July to September costs incurred at this time are reasonable.
- **Assistance to Seniors** – There were some changes to the funding formula that affected this department, there are no concerns moving forward.
- **MMCC** – The remaining expenditure for this department is expected to occur in the last quarter of the year, costs to date are reasonable.
- **Parks** – This department includes the outdoor parks and marina with most costs occurring in the summer months.
- **Tourism** – The majority of the expense for this department will be from July to September, there are no concerns at this time.

### Capital Fund

There is no concern with the capital fund as projects have recently started with the costs expected to occur from July to October.

Projects currently moving forward include building condition assessments as part of asset management obligations, sports field, the water intake project, and municipal software.

Thirty new water filters were received and installed, and the cost will be reflected in the next quarter.

### Recommendation

That Council receive Staff Report MB 2023-16 Second Quarter Financial Report for information purposes.

### Attachments

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

## Council Department Summary

For Period Ending 30-Jun-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	(10,100.00)	10,100.00	0.00	0.00	0.00
TAXATION	(5,113,739.00)	(5,112,008.76)	(1,730.24)	(5,244,287.00)	(5,242,471.30)	(1,815.70)
SCHOOL BOARDS	(511,023.00)	(511,022.66)	(0.34)	(506,625.00)	(506,664.83)	39.83
BUSINESS IMPROVEMENT AREA	(15,000.00)	(14,999.98)	(0.02)	0.00	0.00	0.00
ADMINISTRATION	(5,574,033.00)	(1,875,622.72)	(3,698,410.28)	(5,231,084.00)	(1,194,459.22)	(4,036,624.78)
INFORMATION TECHNOLOGY	(46,308.00)	(31,016.86)	(15,291.14)	(25,179.00)	(28,675.88)	3,496.88
FIRE DEPARTMENT	(32,300.00)	(30,815.40)	(1,484.60)	(32,679.00)	(27,060.00)	(5,619.00)
BUILDING DEPARTMENT	(43,610.00)	(41,300.76)	(2,309.24)	(56,710.00)	(20,644.46)	(36,065.54)
ANIMAL CONTROL	(500.00)	(200.00)	(300.00)	(500.00)	(75.00)	(425.00)
POLICE SERVICES	(15,808.00)	(5,405.52)	(10,402.48)	(15,532.00)	(2,968.72)	(12,563.28)
INFRASTRUCTURE SERVICES	(24,830.00)	(6,812.43)	(18,017.57)	(24,310.00)	(5,364.73)	(18,945.27)
AIRPORT	(407,278.00)	(464,934.84)	57,656.84	(784,592.00)	(505,312.36)	(279,279.64)
WAWA TRANSIT	(28,893.00)	(28,732.00)	(161.00)	(29,950.00)	(2,157.00)	(27,793.00)
GARBAGE COLLECTION	(41,990.00)	(25,439.82)	(16,550.18)	(60,159.00)	(30,081.60)	(30,077.40)
LANDFILL	(102,000.00)	(42,553.00)	(59,447.00)	(84,160.00)	(33,596.00)	(50,564.00)
SPECIAL INITIATIVES	(14,000.00)	(504.00)	(13,496.00)	(14,000.00)	(1,975.80)	(12,024.20)
WATER AND SEWER	(1,529,883.00)	(493,445.22)	(1,036,437.78)	(1,545,968.00)	(506,738.95)	(1,039,229.05)
CEMETERY	(13,620.00)	(9,061.00)	(4,559.00)	(13,620.00)	(4,050.00)	(9,570.00)
ASSISTANCE TO THE SENIORS	(21,749.00)	(8,833.40)	(12,915.60)	(22,277.00)	(20,612.50)	(1,664.50)
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	(198,581.00)	(69,146.25)	(129,434.75)	(192,680.00)	(139,042.85)	(53,637.15)
PARKS	(25,500.00)	(14,440.78)	(11,059.22)	(37,500.00)	(11,006.70)	(26,493.30)
PLANNING AND DEVELOPMENT	(2,335.00)	(1,250.00)	(1,085.00)	(2,481.00)	(850.00)	(1,631.00)
TOURISM	(52,500.00)	(7,902.43)	(44,597.57)	(97,163.00)	(11,613.06)	(85,549.94)
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>(8,805,547.83)</b>	<b>(5,014,932.17)</b>	<b>(14,026,456.00)</b>	<b>(8,295,420.96)</b>	<b>(5,731,035.04)</b>
<b>Expense</b>						
MAYOR AND COUNCIL	88,149.00	40,687.13	47,461.87	105,853.00	40,762.50	65,090.50
TAXATION	93,811.00	42,836.22	50,974.78	9,938.00	71,717.78	(61,779.78)
SCHOOL BOARDS	511,023.00	259,022.93	252,000.07	506,545.00	254,875.42	251,669.58
ADMINISTRATION	3,506,703.00	2,320,269.65	1,186,433.35	3,148,277.00	848,853.11	2,299,423.89
INFORMATION TECHNOLOGY	182,603.00	79,838.04	102,764.96	187,900.00	109,169.03	78,730.97
FIRE DEPARTMENT	267,376.00	108,887.41	158,488.59	299,873.00	49,890.90	249,982.10
BUILDING DEPARTMENT	127,053.00	57,186.15	69,866.85	133,712.00	60,130.78	73,581.22
ANIMAL CONTROL	1,476.00	904.60	571.40	1,549.00	513.77	1,035.23
POLICE SERVICES	849,507.00	423,296.57	426,210.43	799,258.00	331,723.16	467,534.84
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	4,573.86	3,544.14	2,058.00	408.88	1,649.12
INFRASTRUCTURE SERVICES	1,961,694.00	1,139,371.56	822,322.44	1,937,440.00	788,190.30	1,149,249.70
AIRPORT	325,577.00	368,643.97	(43,066.97)	585,232.00	373,338.77	211,893.23
WAWA TRANSIT	62,676.00	36,067.59	26,608.41	64,696.00	25,528.12	39,167.88
GARBAGE COLLECTION	376,584.00	158,728.71	217,855.29	493,042.00	201,020.12	292,021.88
LANDFILL	51,102.00	52,420.07	(1,318.07)	120,008.00	73,930.70	46,077.30
SPECIAL INITIATIVES	23,000.00	0.00	23,000.00	23,000.00	0.00	23,000.00
WATER AND SEWER	1,528,741.00	1,138,114.88	390,626.12	1,545,563.00	541,945.56	1,003,617.44
CEMETERY	18,109.00	10,679.30	7,429.70	18,189.00	4,717.14	13,471.86

## Council Department Summary

For Period Ending 30-Jun-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	9,673.20	8,170.80	18,144.00	22,238.35	(4,094.35)
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	1,400,144.00	775,881.01	624,262.99	1,464,682.00	660,490.61	804,191.39
PARKS	92,488.00	158,761.56	(66,273.56)	111,496.00	34,595.40	76,900.60
PLANNING AND DEVELOPMENT	3,703.00	3,533.73	169.27	109,354.00	12,723.94	96,630.06
TOURISM	212,988.00	104,854.15	108,133.85	229,136.00	71,315.69	157,820.31
EXTERNAL BOARDS	2,107,243.00	1,078,406.74	1,028,836.26	2,109,719.00	1,033,660.09	1,076,058.91
<b>Total Expense</b>	<b>13,820,480.00</b>	<b>8,374,005.58</b>	<b>5,446,474.42</b>	<b>14,026,456.00</b>	<b>5,613,022.86</b>	<b>8,413,433.14</b>
<b>Surplus/Deficit</b>	<b>0.00</b>	<b>(431,542.25)</b>	<b>431,542.25</b>	<b>0.00</b>	<b>(2,682,398.10)</b>	<b>2,682,398.10</b>
<b>Total GENERAL FUND</b>	<b>0.00</b>	<b>(431,542.25)</b>	<b>431,542.25</b>	<b>0.00</b>	<b>(2,682,398.10)</b>	<b>2,682,398.10</b>

## Council Department Summary

For Period Ending 30-Jun-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)	0.00	(2,385,550.00)	(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>(26,865.31)</b>	<b>(4,317,984.69)</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	187,780.92	143,219.08	376,000.00	60,714.30	315,285.70
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	70,763.13	2,314,786.87	410,000.00	60,141.21	349,858.79
AIRPORT	0.00	0.00	0.00	25,000.00	0.00	25,000.00
LANDFILL	790,000.00	67,344.82	722,655.18	560,000.00	122,774.15	437,225.85
WATER AND SEWER	555,000.00	12,005.38	542,994.62	3,104,403.00	171,396.58	2,933,006.42
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	49,366.87	80,633.13	130,000.00	10,459.68	119,540.32
TOURISM	50,000.00	13,393.42	36,606.58	64,362.00	20,000.00	44,362.00
<b>Total Expense</b>	<b>4,344,850.00</b>	<b>410,731.56</b>	<b>3,934,118.44</b>	<b>4,853,341.00</b>	<b>453,401.31</b>	<b>4,399,939.69</b>
<b>Surplus/Deficit</b>	<b>0.00</b>	<b>383,866.25</b>	<b>(383,866.25)</b>	<b>0.00</b>	<b>414,272.65</b>	<b>(414,272.65)</b>
<b>Total CAPITAL FUND</b>	<b>0.00</b>	<b>383,866.25</b>	<b>(383,866.25)</b>	<b>0.00</b>	<b>414,272.65</b>	<b>(414,272.65)</b>
<b>Total Surplus (-)/Deficit</b>	<b>0.00</b>	<b>(47,676.00)</b>	<b>47,676.00</b>	<b>0.00</b>	<b>(2,268,125.45)</b>	<b>2,268,125.45</b>