



**The Corporation of the Municipality
Staff Report**

**Office of the Treasurer
Manuela Batovanja**

Prepared For: Mayor and Council	Report No.: MB 2022-07
Date: October 18, 2022	File No.: C11

Purpose of Report

The purpose of this report is to provide Council with a 2022 second quarter financial review.

Analysis

This report provides Council with information regarding revenues and expenditures to September 30, 2022 as well as highlighting some key trends.

Revenues to September 30, 2022

The majority of revenue cost categories are meeting budgeted levels.

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

- **Administration** – The variance consists of the OMPF 4th quarter payment, reserve transfer and grants.
- **Fire Department** – Fire callouts have exceeded the budgeted resulting in increased revenues.
- **Building Department** – Building Permit Fees have exceeded the budgeted amount this revenue is reflective of building projects in the community.
- **Police Services** – the variance consists of grant money which is typically received at the end of the year.
- **Infrastructure Services** – Miscellaneous revenue has exceeded the budget amount.
- **Airport** – by the end of the second quarter Airport revenues exceeded the budgeted amount the majority of the excess revenue can be contributed to

**Respectfully Prepared and Submitted By:
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Director of Finance**

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- fuel sales; this trend is expected to continue. The other area of higher than expected revenues is callout revenue which would be attributed to airport use.
- **Wawa Transit** – transit revenues have exceeded the annual budgeted amount, there has been an increased demand for monthly passes.
 - **Landfill** – These revenues are a little low at 63% of the budgeted amount, however, at this time, the variance falls within an acceptable range.
 - **Water and Sewer** – as in the second quarter the variance is due to the timing of the billing cycle; where the final billing will not occur until the following year.
 - **Special Initiatives** – the variance is due to the timing of the receipt of the revenues for the Hazardous Waste Day, which appears to have been very successful this year.
 - **Michipicoten Memorial Community Centre** – as previously stated there was significant revenue loss early in the year directly associated with the closing of facility in January 2022 due to the COVID-19 pandemic. This loss may reflect throughout the remainder of the year. There is some recovery expected due to the timing of grant revenue and possibly arena revenues in the fourth quarter.
 - **Tourism** – this department has exceeded budgeted revenues for the year. The excess revenue is attributed to product sales. In addition, we are expecting grant revenue to be received in the fourth quarter.

Expenditures to September 30, 2022

The majority of the cost categories are meeting budgeted expectations at this time. Those which have larger variances are detailed below:

- **Fire Department** – The variance for the Fire Department is due to the timing of the honorarium for the fire fighters which occurs later in the year.
- **Airport** – as a continuing trend from the second quarter, fuel purchases have exceeded the annual budget, this has been offset by an increase in airport fuel revenues.
- **Landfill** – The variance in this area is due to the allocation of wages. All infrastructure wages were budgeted to infrastructure admin however the payroll is being distributed to the subcategories.

- **Parks** – like landfill the variance in this area is due to the allocation of wages. Wages in this department were budgeted to MMCC however the actual payroll is being distributed to the subcategories.
- **Planning & Development** – The expense here is carried over from the first and second quarters. There is little expenditure in this area.

Capital Fund

- **Revenue** – revenue for the capital fund is received when funds are transferred from reserves or claims are submitted occasionally the revenue is recognized in the next municipal fiscal year as the provincial year end is March 31st. The variance consists of grant revenue receivable as well as a combination of year end transfers from reserves or operating fund.
- **Expenses** - capital projects typically begin in late spring and finish in the fall, some larger projects are carried over to the next fiscal year. The majority of related expenditures are paid and recorded in the third and fourth quarters. In addition, the contractor historically invoices late for these reasons we expect to see a larger variance until the fourth quarter.

The following projects have been completed or are near completion:

- Purchase of the Tandem Plow truck/sander
- Upgrade to the audio system
- Airport lighting upgrade (continued from 2021)
- Sidewalk rehabilitation (continuing into 2023)
- Purchase mower – Infrastructure
- Purchase computer hardware (upgrades)

Recommendation

That Council receive Staff Report MB 2022-07 Third Quarter Financial Report for information purposes.

Attachments

- Council Department Summary for the Period Ending September 30, 2022

Council Department Summary

For Period Ending 30-Sep-2022



	FINAL BUDGET	ACTUAL VALUES	VARIANCE	FINAL BUDGET	ACTUAL VALUES	VARIANCE
	LAST YEAR	LAST YEAR	LAST YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR
GENERAL FUND						
Revenue						
MAYOR AND COUNCIL	0.00	0.00	0.00	0.00	(11,200.00)	11,200.00
TAXATION	(4,977,235.00)	(4,982,616.42)	5,381.42	(5,113,739.00)	(5,114,108.76)	369.76
SCHOOL BOARDS	(499,335.00)	(499,652.60)	317.60	(511,023.00)	(511,022.66)	(0.34)
BUSINESS IMPROVEMENT AREA	(2,500.00)	(2,500.00)	0.00	(15,000.00)	(14,999.98)	(0.02)
ADMINISTRATION	(5,327,918.00)	(4,031,917.08)	(1,296,000.92)	(5,574,033.00)	(4,763,928.31)	(810,104.69)
INFORMATION TECHNOLOGY	(48,500.00)	(38,773.87)	(9,726.13)	(46,308.00)	(35,509.16)	(10,798.84)
FIRE DEPARTMENT	(36,713.00)	(30,845.62)	(5,867.38)	(32,300.00)	(40,023.60)	7,723.60
BUILDING DEPARTMENT	(43,610.00)	(41,572.25)	(2,037.75)	(43,610.00)	(49,636.70)	6,026.70
ANIMAL CONTROL	(1,000.00)	(225.00)	(775.00)	(500.00)	(215.00)	(285.00)
POLICE SERVICES	(16,309.00)	(16,819.90)	510.90	(15,808.00)	(6,480.08)	(9,327.92)
COMMUNITY EMERGENCY MEASURES	(50,576.00)	(63,202.39)	12,626.39	0.00	0.00	0.00
INFRASTRUCTURE SERVICES	(27,670.00)	(32,427.41)	4,757.41	(24,830.00)	(26,332.46)	1,502.46
AIRPORT	(339,840.00)	(281,939.13)	(57,900.87)	(407,278.00)	(710,027.45)	302,749.45
WAWA TRANSIT	(31,691.00)	(27,762.00)	(3,929.00)	(28,893.00)	(29,633.00)	740.00
GARBAGE COLLECTION	(41,166.00)	(37,565.28)	(3,600.72)	(41,990.00)	(38,159.73)	(3,830.27)
LANDFILL	(100,000.00)	(117,082.45)	17,082.45	(102,000.00)	(64,741.00)	(37,259.00)
SPECIAL INITIATIVES	(10,000.00)	(9,127.35)	(872.65)	(14,000.00)	(3,956.72)	(10,043.28)
WATER AND SEWER	(1,511,860.00)	(947,366.46)	(564,493.54)	(1,529,883.00)	(965,573.28)	(564,309.72)
CEMETERY	(11,000.00)	(14,710.00)	3,710.00	(13,620.00)	(11,456.00)	(2,164.00)
ASSISTANCE TO THE SENIORS	(30,035.00)	(19,520.96)	(10,514.04)	(21,749.00)	(14,270.65)	(7,478.35)
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	(153,700.00)	(48,290.56)	(105,409.44)	(198,581.00)	(97,300.66)	(101,280.34)
PARKS	(26,500.00)	(22,560.25)	(3,939.75)	(25,500.00)	(24,906.47)	(593.53)
PLANNING AND DEVELOPMENT	(2,225.00)	(2,700.00)	475.00	(2,335.00)	(1,500.00)	(835.00)
TOURISM	(38,000.00)	(8,076.92)	(29,923.08)	(52,500.00)	(56,890.98)	4,390.98
EXTERNAL BOARDS	0.00	0.00	0.00	(5,000.00)	0.00	(5,000.00)
Total Revenue	(13,327,383.00)	(11,277,253.90)	(2,050,129.10)	(13,820,480.00)	(12,591,872.65)	(1,228,607.35)
Expense						
MAYOR AND COUNCIL	105,241.00	43,630.57	61,610.43	88,149.00	58,949.86	29,199.14
TAXATION	30,031.00	150,207.30	(120,176.30)	93,811.00	98,209.16	(4,398.16)
SCHOOL BOARDS	499,334.00	409,612.83	89,721.17	511,023.00	389,262.28	121,760.72
ADMINISTRATION	3,141,164.00	1,091,423.66	2,049,740.34	3,506,703.00	2,601,095.28	905,607.72
INFORMATION TECHNOLOGY	191,477.00	104,910.30	86,566.70	182,603.00	113,416.17	69,186.83
FIRE DEPARTMENT	303,598.00	132,188.80	171,409.20	267,376.00	106,156.27	161,219.73
BUILDING DEPARTMENT	130,281.00	79,145.03	51,135.97	127,053.00	88,756.72	38,296.28
ANIMAL CONTROL	7,134.00	744.28	6,389.72	1,476.00	955.49	520.51
POLICE SERVICES	888,668.00	656,389.71	232,278.29	849,507.00	632,568.22	216,938.78
POLICE SERVICES BOARD	5,107.00	626.05	4,480.95	2,768.00	1,366.55	1,401.45
COMMUNITY EMERGENCY MEASURES	51,076.00	38,117.44	12,958.56	8,118.00	5,107.89	3,010.11
INFRASTRUCTURE SERVICES	1,679,198.00	1,291,302.22	387,895.78	1,961,694.00	1,289,619.40	672,074.60
AIRPORT	392,104.00	245,089.14	147,014.86	325,577.00	507,806.67	(182,229.67)
WAWA TRANSIT	73,628.00	46,020.29	27,607.71	62,676.00	43,062.47	19,613.53
GARBAGE COLLECTION	381,355.00	239,528.45	141,826.55	376,584.00	237,394.64	139,189.36
LANDFILL	157,373.00	71,237.49	86,135.51	51,102.00	86,725.86	(35,623.86)
SPECIAL INITIATIVES	24,000.00	22,239.47	1,760.53	23,000.00	1,586.03	21,413.97
WATER AND SEWER	1,510,422.00	1,630,255.32	(119,833.32)	1,528,741.00	916,556.00	612,185.00

Council Department Summary

For Period Ending 30-Sep-2022



	FINAL BUDGET	ACTUAL VALUES	VARIANCE	FINAL BUDGET	ACTUAL VALUES	VARIANCE
	LAST YEAR	LAST YEAR	LAST YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR
GENERAL FUND						
CEMETERY	39,572.00	20,666.53	18,905.47	18,109.00	13,645.08	4,463.92
ASSISTANCE TO THE SENIORS	26,883.00	11,636.35	15,246.65	17,844.00	12,588.89	5,255.11
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	1,268,764.00	886,682.84	382,081.16	1,400,144.00	917,676.68	482,467.32
PARKS	204,017.00	271,981.91	(67,964.91)	92,488.00	154,294.42	(61,806.42)
DRAG RACES	0.00	(25.00)	25.00	0.00	0.00	0.00
PLANNING AND DEVELOPMENT	12,203.00	697.64	11,505.36	3,703.00	21,487.78	(17,784.78)
TOURISM	141,189.00	94,145.60	47,043.40	212,988.00	131,295.52	81,692.48
EXTERNAL BOARDS	2,063,564.00	1,534,309.19	529,254.81	2,107,243.00	1,562,977.91	544,265.09
Total Expense	13,327,383.00	9,072,763.41	4,254,619.59	13,820,480.00	9,992,561.24	3,827,918.76
Total GENERAL FUND	0.00	(2,204,490.49)	2,204,490.49	0.00	(2,599,311.41)	2,599,311.41

Council Department Summary

For Period Ending 30-Sep-2022



	FINAL BUDGET	ACTUAL VALUES	VARIANCE	FINAL BUDGET	ACTUAL VALUES	VARIANCE
	LAST YEAR	LAST YEAR	LAST YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR
CAPITAL FUND						
Revenue						
ADMINISTRATION	(375,000.00)	(133,263.82)	(241,736.18)	(331,000.00)	(8,811.41)	(322,188.59)
INFORMATION TECHNOLOGY	(70,000.00)	(17,510.02)	(52,489.98)	(53,300.00)	(3,716.27)	(49,583.73)
POLICE SERVICES	(533,000.00)	(23,813.08)	(509,186.92)	0.00	0.00	0.00
INFRASTRUCTURE SERVICES	(3,088,205.00)	(438,209.64)	(2,649,995.36)	(2,385,550.00)	(55,830.37)	(2,329,719.63)
AIRPORT	0.00	(5,425.95)	5,425.95	0.00	0.00	0.00
LANDFILL	(360,000.00)	(51,554.81)	(308,445.19)	(790,000.00)	(7,976.88)	(782,023.12)
WATER AND SEWER	(182,000.00)	(119,627.79)	(62,372.21)	(555,000.00)	0.00	(555,000.00)
CEMETERY	(30,000.00)	0.00	(30,000.00)	(50,000.00)	(6,360.75)	(43,639.25)
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	(210,000.00)	0.00	(210,000.00)	(130,000.00)	0.00	(130,000.00)
TOURISM	(85,800.00)	(9,673.31)	(76,126.69)	(50,000.00)	0.00	(50,000.00)
Total Revenue	(4,934,005.00)	(799,078.42)	(4,134,926.58)	(4,344,850.00)	(82,695.68)	(4,262,154.32)
Expense						
ADMINISTRATION	375,000.00	178,586.23	196,413.77	331,000.00	197,261.91	133,738.09
INFORMATION TECHNOLOGY	70,000.00	17,510.02	52,489.98	53,300.00	3,716.27	49,583.73
POLICE SERVICES	533,000.00	527,106.03	5,893.97	0.00	0.00	0.00
INFRASTRUCTURE SERVICES	3,088,205.00	1,523,302.33	1,564,902.67	2,385,550.00	860,384.18	1,525,165.82
AIRPORT	0.00	5,425.95	(5,425.95)	0.00	0.00	0.00
LANDFILL	360,000.00	39,854.36	320,145.64	790,000.00	81,452.76	708,547.24
WATER AND SEWER	182,000.00	119,627.79	62,372.21	555,000.00	51,763.53	503,236.47
CEMETERY	30,000.00	0.00	30,000.00	50,000.00	6,360.75	43,639.25
MICHIPICOTEN MEMORIAL COMMUNITY CENTRE	210,000.00	0.00	210,000.00	130,000.00	64,069.16	65,930.84
TOURISM	85,800.00	10,175.07	75,624.93	50,000.00	52,656.73	(2,656.73)
Total Expense	4,934,005.00	2,421,587.78	2,512,417.22	4,344,850.00	1,317,665.29	3,027,184.71
Total CAPITAL FUND	0.00	1,622,509.36	(1,622,509.36)	0.00	1,234,969.61	(1,234,969.61)