



Date 30 July 2010

City Council Committee Report

To: Mayor Compton & Members of Council

Fr: Paul Derouard

Re: Monthly Financial Statements

Recommendation:

That Council hereby accepts the monthly Financial Statements of the Corporation of the City of Kenora as at June 30, 2010.

Background:

Attached, for your information, please find the preliminary June 2010 summary expenditure statements for the City of Kenora, the Council department and travel statements.

With regards to the statements attached, the following points should be brought to your attention:

Expenditures

- As at June 30, the year is half over. Overall, assuming expenditures are relatively level for the year, you would expect to see approximately (50%) in the % Variance column, indicating that the municipality's expenditures are relatively on track.
- General Government expenditures appear to be running at budget, with 50% room remaining overall. The Mayor & Council department is currently running over budget. This is primarily due to civic functions running over budget (related to the Torch Relay, the expenditures for which are to be recovered through grants) as well as about 81% and 91% of the annual donations and subscriptions lines respectively being distributed by the end of June. Council travel is also already committed by 54% to the end of June, although this does include expenditures related to the August AMO convention. The building & grounds maintenance department (City Hall) also appears to be running significantly over budget. This is related to items budgeted for through the "special spending" section of the City's capital plan fully spent and about \$3,000 over budget to date. The building rentals' budget line is also running over budget. This is related to the building rental at the Medical Building in Keewatin. The remaining general government departments are currently running under or very close to budget.
- Protection is running at budget, although there are fluctuations that can be seen in the individual departments within each line. Fire vehicles and equipment are running over budget as well as Building inspection. 911 Emergency Access has exceeded budget for the year, although this is due to the upfront payment of

911 call handling in February, as well as an overspending for the year related to miscellaneous items.

- Transportation is running under budget to date this year, although there are fluctuations that can be seen in the individual departments within each line. Winter control has only 34% remaining in its 2010 budget allocation, much higher than the comparable 2009 figures. Other departments running over budget to date include garage & shop, vehicles & equipment. Also loose top maintenance (roads), warehouse and operations administration departments are running slightly over budget.
- Environmental expenditures are running well below budget to date. Again, individual fluctuations can be seen in the individual departments within each line, but to date things appear to be running well. The lift stations and vehicles & equipment are running well in excess of budget to date. The sewage treatment plant, water standpipe, transfer facility and blue box collections are also running over budget to date.
- Health expenditures are running over budget to date. This is primarily due to the budget amendment related to the increased levy request for the land ambulance, not reflected in the financial statements. To a lesser extent, the LOTW Cemetery is currently running over budget as well.
- Social and Family expenditures are running over budget to date. This is primarily due to the Home for the Aged levy, with 2/3 being paid out to the end of June 2010. The day care and after school programs are both running over budget, although it is recognized that the after school program is seasonal.
- Recreation & Cultural expenditures are running slightly under budget, again with individual fluctuations within individual line items. Overall, the recreation facilities combined are running under budget.
- Planning & Development expenditures appear to be running slightly over budget, this is due to the unbudgeted LOTW Labour Action Centre expenditures, run through the LOWDC, which are fully funded. As well as planning operations and planning advisory Committee also running over budget. The remaining departments are currently running below budget.

User Fees

- Overall, user fees appear to be running over budget, with overall fees greater than the budget projections. An over budget user fee represents revenues in excess of those projected, while an under budget user fee represents less revenues than originally anticipated. When looking at the user fee statement, if the variance percentage is less than 50%, the City has received more revenue than budgeted. If the variance percentage is greater than 50%, the City is experiencing a shortfall on that revenue budget line.
- General Government is showing revenues over budget in Finance and Administration and Rentals. Administrators office fee's are running under budget.
- Protection user fees are running significantly under the budgeted projections, although this is primarily due to the unrecorded POA revenues. Animal control and building inspection user fees are also running well under budget.
- Transportation user fees are running under budget. Roads maintenance, conventional transit, Parking user fees, operations facility and warehouse user fees are each running below budget.
- Environmental user fees are running on budget overall.

- Social & Family user fees are exceeding budget projections. These fees relate strictly to day care related programs, some of which can be seasonal in nature.
- Recreation & Cultural fees are running over budget to the end of June, although it is recognized that these revenues tend to be somewhat seasonal with generally lower levels of revenue during the summer months.
- Planning & Development user fees are running in excess of the budget to date. This is primarily due to tourism related revenues, showing well in excess of the budget for the year.

Please let me know if you have any questions, or would like to see any of the department statements in further detail.

cc: Audit Committee
Colleen Neil
Warren Brinkman
Jennifer Pyzer Whetter, BDO Dunwoody

Karen Brown
Rick Perchuk
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