



Date 31 January 2011

City Council Committee Report

To: Mayor Canfield & 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 December 31, 2010.

Background:

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

Please note that in preparation of the 2011 fiscal year the GL has been rolled forward in the city's financial system. As a result of this process the 2009 comparable figures have been removed from the finance report. The 2010 budget and actual information is now presented under the "Previous Year" columns on the right hand side of the attached financial statements. You can expect to see yearly comparables again with the 2011 financial statement reports.

Also, this is the last finance report for 2010 and is based on account balances that are subject to change with yearend adjustments that may result while finance prepares for the audit. Historically, finance reports were not published in the beginning of the fiscal year (Jan and Feb) seeing as though the budget usually isn't passed until February/March and there is little financial data to present. Please let me know if you would like to see 2011 finance reports for Jan and Feb if not I will start the producing the reports beginning with March.

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

Expenditures

- December 31st is the city's fiscal year end and as a result you would expect to see (0%) in the % Variance column, indicating that the municipality's expenditures were on track. An under budget expense will appear as a negative number (ie, in brackets), showing additional room available. An over budget line will appear as variance in excess of 0.

- General Government expenditures are over budget by 2%. The Mayor & Council department is slightly over budget. The building & grounds maintenance department (City Hall) is 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 \$40,261 over budget. The Administrators department is over budget as well. The remaining general government departments are very close to or under budget
- Protection is under budget, although there are fluctuations that can be seen in the individual departments within each line. Fire and animal control vehicles and equipment are running over budget as well as Building inspection. Furthermore, 911 Emergency Access has exceeded the budget for the year.
- Transportation is under budget this year, although there are fluctuations that can be seen in the individual departments within each line. Departments that are over budget include roads, Bridge/Culvert, Paved Roads, winter control Maintenance, vehicles & equipment, street lighting, Docks, warehouse. Operations administration. Warehouse and conventional transit are also slightly over budget.
- Environmental expenditures are at budget. Again, individual fluctuations can be seen in the individual departments within each line. The lift stations, sewage treatment plant, kenora waterworks and vehicles & equipment are running well in excess of budget. Kenora waterworks, water standpipe, transfer facility and blue box collections are also over budget.
- Health expenditures are over budget. This is primarily due to the budget amendment related to the increased levy request for the land ambulance, not reflected in the financial statements. The LOTW Cemetery is also over budget.
- Social and Family expenditures are slightly over budget. This is primarily due to day care, after school program and summer day camp being over budget.
- Recreation & Cultural expenditures are slightly under budget, again with individual fluctuations within individual line items. Anicinabe park, teams and clubs, and parks Vehicles and Equipment are over budget. Overall, the recreation facilities combined are running slightly over budget budget.
- Planning & Development expenditures are over budget; a good portion of this is due to the unbudgeted LOTW Labour Action Centre expenditures, run through the LOWDC, which are fully funded. As well as planning operations, planning advisory committee, business enterprise center and tourism are also over budget. The remaining departments are currently below budget.

User Fees

- Overall, user fees are over budget, with overall fees greater than the budget. 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 0%, the City

has received what was budgeted for revenues. If the variance percentage is a negative amount, the City is experiencing a shortfall on that revenue budget line.

- General Government is showing revenues over budget in Finance and Rentals. Administrators office fee's are under budget.
- Protection user fees are running significantly under budget, although this is primarily due to the unrecorded POA revenues. Animal control, building inspection and police force user fees are also under budget.
- Transportation user fees are running under budget. Roads maintenance, conventional transit, Parking user fees, operations facility and warehouse user fees are each below budget.
- All environmental user fees are over budget.
- Social & Family user fees are over budget. These fees relate strictly to day care related programs.
- Recreation & Cultural fees are over budget. Harbourfront, MSFC Pool and the fitness centre user fee's were under budget in 2010.
- Planning & Development user fees are over budget. 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. It will be some time before the final 2010 numbers are available, but they will be distributed once finalized and audited.

cc: Audit Committee

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