



Date 27 September 2012

**City Council
Committee Report**

To: Mayor Canfield & Members of Council

Fr: Lisa Oakes

Re: August 2012 Monthly Financial Statements

Recommendation:

That Council hereby accepts the monthly Financial Statements of the Corporation of the City of Kenora as at August 31, 2012.

Background:

Attached, for your information, please find the preliminary August 2012 summary expenditure statements for the City of Kenora, the Council department, travel statements for Council and a schedule of user fees.

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

Overall:

- All Departments are currently running under budget to date, with the exception of Health and Planning & Development.
- Expenses related to insurance premiums for the first six months of the year have been entered.
- Subscriptions & memberships are over budget in the majority of the departments. This is due to them being expensed at the beginning of the year.
- Equipment time has not been entered for the months of June, July or August.

Expenditures:

- Overall, assuming expenditures are relatively level for the year, you would expect to see approximately (33%) in the % Variance column, indicating that the municipality's expenditures are relatively on track.
- **General Government** - The Mayor & Council dept. and Council travel is within budget to the end of August, with variations within the accounts. The yearly datafix charged for Municipal elections budget has already been paid and this uses up the entire budget for the year. Almost the entire legal budget under City Clerk dept. is used up for the year, this is for the yearly charge for professional services at the beginning of the year. The Human Resources dept. is over budget, mainly due to advertising, training for new staff in that dept. Full-time wages is also over because the new position was budgeted to the Finance dept. but now being expensed to the HR dept. Legal fees are over by \$8,555 in the HR dept. Advertising expense is over in the Finance dept. Legal, materials & supplies and telephone & utilities have expenses being charged to these accounts with no amount budgeted for the year. Contracted services are over budget in the Finance dept. which is for an expense that was budgeted in 2011's budget but overall, the Finance dept. is under budget. Computer maintenance is over budget in the Information Technology dept. Rentals have gone over the Keewatin Public Works expense for the year, this is for the tax roll being expensed to the GL and the tenant's are billed for the amount which offsets this. Currently 2/3 of the Keewatin PW's building is empty and the tax dollars will not be recovered until the space is filled again. The Ottawa St. Building is also over doubled its budget with the flooring costs. Rabbit Lake Rd garage is also over for the reclassifying of utilities that were not budgeted for in 2012.
- **Protection** - Fire dept. is over in its telephone and utilities. Police Commission is over budget and has used up almost the entire subscription/memberships and a good portion of its travel & conference budgets. KPS disbandment has retirement benefits being expensed to this budget in the amount of \$11,724 to date which was not budgeted for. Contracted services for the Police Building are over the yearly budget by \$1,814. Animal control is over the yearly budget for repairs & maintenance which was for the purchase of office chairs for the new offices. It is also over in telephone & utilities but overall the dept. is under budget. 911 Emergency access has used its entire contracted services budget for the year. This is for the upfront payment of 911 call handling in February.

- **Transportation** – Materials & supplies expense has gone over the yearly budget by \$2,803 for the Roads Maintenance dept. Reallocation of expenses are required in the Surface treated dept. for expenses that should be coded to capital project accounts. Gravel & resurfacing under the Loosetop budget is over by \$9,290 to date and general maintenance is over by \$14,149. Traffic signs & line painting is a seasonal job & is common to be almost entirely used up at this point of the year. Materials & supplies have more than doubled the yearly budget in conventional transit. Computer maintenance was not budgeted for in Metered parking for \$4,967. Insurance is over in Parking Rentals by \$4,020 for claims from the parkade gate closing on vehicles. Docks repairs & maintenance was also not budgeted for in the amount of \$1,936. PW Barsky facility materials & supplies and repairs & maintenance include the creation of new offices in the building. A floor drain in the PW building & cleaning is what makes up for the overage of \$5,368 in contracted services. Facility Improvements require allocations to capital project accounts under PW Barsky dept. Materials & supplies have exceeded their yearly budget in the Warehouse dept. by \$3,603 to date; this includes a hutch & storage desk for the warehouse and repair/maintenance/clean is over by \$1,071.
- **Environmental** - Again, things appear to be running well in environmental depts. Meter reading remains over budget in the Waterworks dept.; to date it is \$7,942 over budget. Office & postage is over in the water treatment plant by \$3,049 for chairs & shelving. Garbage Collections has used up close a good portion of the yearly Materials & supplies budget for the installation of the big belly garbage bins. Transfer facility is over on contracted services for the scale inspection. Contracted hauling expenses are over by \$30,988 which was not budgeted for. Hauling costs are over by \$9,713 in the Transfer facility and over by \$1,955 in the Recycling facility. Materials & supplies are over by \$2,273 in the 4 R Initiatives dept.
- **Health expenditures** – Health is slightly over budget due to the LOTW Cemetery transfer. To note, the yearly St. Nicholas cemetery grant was issued in April for the year. All other Health spending is based on levy to external organizations.
- **Social and Family** – the Home for the Aged transfer has been issued for the first two of the three yearly payments of the year. Welfare admin benefits are sitting at \$4,004 to date and were not budgeted for.
- **Recreation & Cultural** - Anicinabe Park is over in materials & supplies by \$5,036 for sump system, water line, toilets, sandblasting, retaining wall & picnic tables. Coney Island is over in materials & supplies. Harbourfront insurance is over budget by \$14,633 as a result of the claims from August 2011 when the tent fell over onto vehicles at the harbourfront. KRC external facilities dept. for repairs/maintenance/cleaning is mainly over budget due to parking lot sanding and plowing this winter. JM arena is over budget, more than tripled in repairs/maintenance/cleaning due to the clean-up from the break-in and expenses required to secure the building again; and the reno and commercial cleaning is also the reason contracted services is over \$5,769.
- **Planning & Development** – Planning & Development is over budget. Contracted services in Planning operations is over their yearly budget by \$5,049 and \$10,029 in land planning expenses. Business Enterprise Cent. is over \$9,672 in miscellaneous expenditures for office development and new computer. This was approved by Council in April, to be funded by appropriation from Northwest Bus deferred revenue. Economic development is over in expenses that were not budgeted for; LOTWDC board expense \$5,432, Ed & train. Grant \$9,040, meeting expenses \$9,155, hidden gems expense \$25,562 and share the road bike ride \$1,699. Tourism is over \$2,657 in the miscellaneous budget for the year, which has accumulated from the sign at the MB border and parking charges for staff/summer students. Tourism is over by \$11,499 in materials & supplies for planting at the discovery centre. Special events are over in contracted services by \$2,742 for snow removal which was not budgeted for. It is also over in program expenses by \$51,420.

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

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

Rick Perchuk
 Charlotte Edie
 Audit Committee