

Subject: December 2022 Financial Reporting**Recommendation:**

BE IT RESOLVED THAT Council receive Report #2023-0059-Corporate Services, December 2022 Financial Reporting, for information.

Background:

The Corporate Services Department has prepared the attached financial reports, as at December 31, 2022, for the information of Council. The MCC report also include non-financial indicators such as hydro usage.

Analysis:

Appendix 1 to this report summarizes operating revenues compared to budget as at December 31, 2022, with 100% of the year lapsed. Total revenues were at approximately 107% of budget.

Finance Department Revenues were 170% of budget and the main driving factors were as follows: increased penalty and interest due to higher taxes receivable balance, increased supplemental taxation revenue due to ongoing growth of Town, and increase in investment income due to significant improvement in interest rates and larger unspent capital balance from prior year approved projects.

Fire and By-law revenues were below budget due to shortfall in POA revenue from the Region.

Public Works Revenues include \$164,370 drawn from reserve to offset winter control net expenditures and higher revenue from cemetery operations.

The MCC facility was closed from January 5 to January 30 2022 and despite this closure, revenues for Recreation, Culture and Wellness have exceeded budget by 30%. The primary reason for increased revenues is higher demand for recreation programming and services and a resumption of special events such as Summerfest and Thursday Night Experience (Chill on the Hill) after easing of the pandemic restrictions.

Community Planning and Development revenues were above budget due to fees in the building and planning departments as a result of growth within the Town. This was a \$639,742 increase above budget.

Water and Wastewater revenues were slightly lower than budget due to change in consumption trends and weather patterns.

Appendix 2 to this report summarizes operating expenditures compared to budget as at December 31, 2022. Total expenses were at approximately 107% of budget. Most expenditures are in line with budget and detailed explanations of variances are found on the report. Specific identifiable savings or excess revenues were transferred to reserves by the Treasurer in accordance with the Delegation of Authority by-law, most of which are detailed in the report. Finance Department Expenditures are 187% of budget due to \$767,000 transfer to various reserves at year end. This transfer was offset by additional revenues from penalty and interest, investment income and supplemental taxes. Recreation, Culture, and Wellness expenditures are higher than budget due to increased cost of programs and services which is offset by additional revenues for these programs and services. Community Planning and Building departments expenditures are over budget, however the revenues are also higher. Total building department surplus of \$348,519 was transferred to the building reserve.

Appendix 3 summarizes the revenues and expenditures related to the MCC as at December 31, 2022. MCC revenues were at 134 % of budget. Even though MCC was closed for most of January 2022, increased recreation activity in the remaining 11 months resulted in higher than budgeted revenues for arenas, programming, and space rentals. Grant revenue was also significantly over budget due to new unbudgeted grants such as the Seniors Horizon grant and additional special grant for Seniors Active Living. MCC Expenses were 108% of budget and main drivers were Materials and Supplies for programming and higher cost for utilities such as natural gas and Fuel.

Appendix 4 is the capital report for 2022 budgeted capital projects and prior years' carryforward of capital projects. The total amount spent and committed for 2022 capital projects of \$13,158,681 is 78% of the adjusted budget of \$16,840,389. Of the carryforward amounts prior to 2022, 52% of the carryforward budget has been spent and committed in the amount of \$4,239,965. Capital projects that will be carried forward to 2023 total \$11,468,531. The deferral of most of these projects relates to the Town hall addition, Pelham St Road reconstruction phase 3, Rescue 2 Fire Vehicle, Church Street upgrade, Centennial Park lighting, Official Plan Review, Foss Rd reconstruction, Station Street storm pond and the splash pad at Marlene

Stewart Streit Park. A detail listing of the carryforward projects is in Appendix 4.

Financial Considerations:

There are no specific financial considerations with respect to this report as it is for information purposes.

Alternatives Reviewed:

Not applicable.

Strategic Plan Relationship: Strong Organization

By reviewing the monthly financial reports, Council can remain informed about whether there are any significant budget variances that would impact year-end financial results.

Consultation:

These reports have been provided to the Pelham Finance and Audit Committee for review.

Other Pertinent Reports/Attachments:

Appendix 1 – Monthly Revenue Report at December 31, 2022

Appendix 2 – Monthly Expenditure Report at December 31, 2022

Appendix 3 – Meridian Community Centre Report at December 31, 2022

Appendix 4- Capital Projects with Carryforward to 2023 as at December 31, 2022

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