



REPORT ADMINISTRATION/FINANCE/FIRE COMMITTEE

DATE: September 18, 2023

REPORT NO: T-25-2023

SUBJECT: Financial Update as of August 31, 2023

CONTACT: Donna DeFilippis, Director of Finance and Treasurer

OVERVIEW:

- Presentation and Analysis of operating and capital expenditure as of August 31, 2023.

RECOMMENDATION:

That, Information Report T-25-2023 regarding the “Financial Update as of August 31, 2023”, be received for information.

ALIGNMENT TO STRATEGIC PLAN:

Strategic Priority #4

- **ADVANCE** – organizational capacity and effectiveness

BACKGROUND:

The Finance Department has completed a review of operating results up to the end of August 31, 2023. **Appendix A** is a summary of the Operating Revenues and Expenditures up to August 31, 2023. The analysis has taken into account the timing and seasonality of certain budget lines. The column titled “Budget” under the “Operating YTD” heading on the attached analysis indicates the portion of the budget that would be expected to be expended as of August 31, 2023. This report summarizes the actual operating expenditures up to August 31, 2023 by service area. **Appendix B** to this report is a presentation of August 31, 2023 results by “object” code and includes Capital expenditures. **Appendix C** to this report is a listing of the Township Reserve Balances projected to December 31, 2023.

CURRENT SITUATION:

Staff is monitoring both operating revenues and expenses as the year progresses. As indicated in prior month reports, investment revenue is expected to exceed budget. At this time staff is projecting that investment revenue will exceed budget by approximately \$400,000. This additional revenue will help offset any expenditure items that may exceed budget. such as Legal Fees which are currently exceeding budget by approximately \$120,000.

The over-expenditure under legal fees is a combination of two items:

1. The defence of cases being presented and heard at the Ontario Land Tribunal.
2. The cost to defend a litigation that have been issued to the Township under extraordinary circumstances to which Council has been apprised of in Confidential meetings.

Staff is projecting an overall surplus at the end of 2023 of approximately \$250,000.

Purchasing Activity:

The Township's purchasing policy grants the CAO purchasing authority up to \$100,000. The CAO approved the following procurements in August and early September, in accordance with the purchasing policy:

Vendor	Amount	Project
Ontario Construction Inc.	\$25,000.00	Emergency Slope and Stability & Culvert Repair-East Chippawa Rd.
Civica Infrastructure Inc.	\$64,364.90	Sanitary Sewer Flow Monitoring
Grimsby Ford	\$51,200.00	Fire Squad Truck Replacement
Locality Media Inc.	\$15,168.00	First Due Fire Department Software
Conrad Lighting Solutions	\$30,500.00	Upgrade Town Hall lights to LED fixtures
All the Best Paving Ltd.	\$36,176.25	Sidewalk and Curb Repairs

The above procurements are within the 2023 budget allotment.

FINANCIAL IMPLICATIONS:

Amendments to the approved budget are requested by staff when they become aware of changes to the original Council approved budget. As part of the 2023 budget approval, Council approved the following recommendation:

"7. That, Council delegate authority to the CAO to approve in year 2023 budget amendments up to \$20,000 per item and to report to Council on a monthly basis regarding such amendments; and, "

Any amounts over \$20,000 would go directly to Council for approval.

To date, the following budget amendments have been approved:

Number	Description	Funding Source	Amount
BA2023-01	Road Rehabilitation Project	Reallocation only	reallocation only :
BA2023-02	CUPE Contract Negotiations	Operating budget	\$ 21,380
BA2023-03	Cost of Living Adjustments-Council	Operating budget	\$ 1,720
BA2023-04	Funding for Welcome Signage linked to PRIP application	Regional Grant	\$ 37,500
		Capital Reserve	\$ 37,500
BA2023-05	Cost of Living Adjustments- other groups	Operating budget	\$ 33,620
BA2023-06	Killins St., Barbara St., Brooks Circle Watermain Replacement Design	Water Reserve	\$ 35,000
BA2023-07	New Water Heater at Station 2	Facility Reserve	\$ 19,300
BA2023-08	Project 851 replacement of squad truck at Station 2	Fire Reserve	\$ 97,000
BA2023-09	Transfer of Accumulated Surplus to Contingency Reserve	Accumulated Surplus	\$ 447,518
BA2023-10	Development Charges Background Study	Development Charges	\$ 14,000

INTER-DEPARTMENTAL COMMENTS:

This report was reviewed by the CAO.

CONCLUSION:

Staff is recommending that Council receive this report as an item of information.

Prepared & Submitted by:



**Donna DeFilippis,
Director of Finance/Treasurer**

Approved by:



**Bev Hendry,
CAO**