



Municipality of Port Hope

56 Queen Street
Port Hope, ON
L1A 3Z9

REPORT TO: Finance Committee
FROM: Alexandra Goodridge, Manager, Finance
SUBJECT: 2021 Third Quarter (Q3) Financial Report
DATE: November 2, 2021

RECOMMENDATION:
Receive for information.

BACKGROUND:
Operating Budget

The financial position compared to budget for Q3 2021 is a preliminary review of actual to budget. In the first nine months of operation, departmental budgets show on average 30.45% of their annual budget remaining. The departments are relatively consistent with the year-to-date operating budget with some variances due to the timing of revenue receipts and related expenses.

The total Municipal Operating Budget, including the Police and Library Boards, is tracking well at 30.16% of Operating Budget remaining. Appendix "A" provides a summary of the current budget compared revenues and expenses to actual amount occurred.

Purchasing

During the third quarter, the following approved projects have been awarded:

Department	Project	Type	Awarded To	Price Net HST
PRC	Dredging Harbour	Single Source	Town of Cobourg	\$254,400.00
W&E - Roads	1 Ton 4x4 Crew Cab Truck	Tender	Quantrill Chevrolet	\$69,614.02
W&E - Roads	1 Ton 4x4 Dump Truck Replacement	Tender	Quantrill Chevrolet	\$68,883.38
PRC	Dredging Harbour	Single Source	Don Oliver	\$60,279.83

W&E - Transit	Transit Stop Improvements	Single Source	Daytech Limited	\$58,588.32
Fire	Master Fire Plan and Comprehensive Community Risk Assessment	Proposal	The Loomex Group	\$48,367.55
W&E - Roads	Vactor Rental	Single Source	FST Canada Inc. o/a Joe Johnson Equipment	\$41,212.80
PRC	Dredging Harbour	Single Source	Terraprobe Inc.	\$30,675.55
W&E - Water	Remove, inspect and Refurbish Highlift Pump 4301	Single Source	Rudi Kovacko & Associates Inc.	\$24,422.40
PRC	New Seniors Centre - Geotechnical study	3 Quotes	Cambium Inc.	\$16,719.17
W&E - Eng	Zone 1 Floating Storage	Single Source	CIMA Canada Inc.	\$15,264.00
W&E - Water	Repairs and Upgrades to Fire Panel at Water Treatment Plant	Single Source	Siemens Canada Limited	\$11,134.85
Police	Ethernet Switches	Single Source	CDW Canada Corp.	\$10,847.64

Taxes Receivable

The tax sale process has not yet been initiated for properties with two years in arrears as of the end of 2020. The property tax receivable amount is not currently able to be determined until the 2021 property tax billings are completed. For context, tax arrears increased over \$400,000 in 2020 and have continued to increase in 2021. There have been no other significant changes to the Tax Receivables, more detailed updates will resume once staff resources allow.

RESOURCE IMPLICATIONS:

Overall, the Municipality continues to strive towards strategically managing the 2021 Approved Budget. No changes to the budget are required as a result of this report.

Tax arrears are becoming a concern which impacts cash flow, however there is a plan in place to provide staffing to start addressing this issue.

CONCLUSION:

During the third quarter of 2021, departments are consistent with year-to-date budget with some variances due to timing of revenue and expenses. Staff will continue to monitor the budget on a regular basis and in accordance with the budget policy and will report any anomalies as they are known.

Several Procurement projects approved in the 2021 Budget were awarded during the third quarter of 2021.

Tax arrears are becoming a concern which impacts cash flow, however there is a plan in place to provide staffing to start addressing this issue.

Respectfully submitted,

Alexandra Goodridge, CPA, CA
Manager, Finance

Appendix “A”

As at September 30, 2021 Department Financial Report	YTD September 30, 2021 Revenue	2021 Budget Revenue	Revenue Budget Remaining		YTD September 30, 2021 Expenses	2021 Budget Expenses	Expense Budget Remaining		YTD Net Actuals	2021 Operating Budget Total
			\$	%			\$	%		
Non-Departmental	(1,045,116)	(2,157,498)	(1,112,382)	51.56%	1,424,451	4,063,554	2,639,103	64.95%	379,335	1,906,056
Council	-	-	-	-	191,686	274,138	82,452	30.08%	191,686	274,138
CAO	-	(100,000)	(100,000)	100.00%	253,154	428,874	175,720	40.97%	253,154	328,874
Corporate Services	(18,863)	(30,245)	(11,382)	37.63%	888,026	1,266,247	378,221	29.87%	869,163	1,236,002
Finance & HR	(15,062)	(75,000)	(59,938)	79.92%	999,285	1,420,534	421,249	29.65%	984,223	1,345,534
Fire & Emergency Services	(626,826)	(972,000)	(345,174)	35.51%	1,366,657	2,485,664	1,119,007	45.02%	739,831	1,513,664
Works & Engineering	(120,267)	(459,506)	(339,239)	73.83%	3,366,322	4,455,740	1,089,418	24.45%	3,246,055	3,996,234
Municipal Project Staff	(223,436)	(1,081,079)	(857,643)	79.33%	715,825	1,126,079	410,254	36.43%	492,389	45,000
Parks, Recreation & Culture	(366,556)	(1,471,977)	(1,105,421)	75.10%	2,386,656	3,992,057	1,605,401	40.21%	2,020,100	2,520,080
Corporate Facilities	(15,126)	(17,290)	(2,164)	12.52%	373,938	411,026	37,088	9.02%	358,812	393,736
Community Development	(176,826)	(277,095)	(100,269)	36.19%	814,640	1,344,779	530,139	39.42%	637,814	1,067,684
Subtotal Total Municipal Operating	(2,608,078)	(6,641,690)	(4,033,612)	60.73%	12,780,640	21,268,692	8,488,052	39.91%	10,172,562	14,627,002
Municipal Operating Budget remaining \$										4,454,440
Municipal Operating Budget remaining %										30.45%
Library	(13,876)	(61,881)	(48,005)	77.58%	603,717	830,076	226,359	27.27%	589,841	768,195
Police	(346,275)	(551,396)	(205,121)	37.20%	4,275,786	6,191,416	1,915,630	30.94%	3,929,511	5,640,020
Total Municipal Operating *	(2,968,229)	(7,254,967)	(4,286,738)	59.09%	17,660,143	28,290,184	10,630,041	37.58%	14,691,914	21,035,217
Total Municipal Operating Budget remaining \$										6,343,303
Total Municipal Operating Budget remaining %										30.16%
Wastewater Utilities **	(2,847,211)	(4,794,142)	(1,946,931)	40.61%	2,884,274	4,794,142	1,909,868	39.84%	37,063	-
Water Utilities **	(3,077,710)	(4,392,521)	(1,314,811)	29.93%	2,263,585	4,392,521	2,128,936	48.47%	(814,125)	-
Total Utilities	(5,924,921)	(9,186,663)	(3,261,742)	35.51%	5,147,859	9,186,663	4,038,804	43.96%	(777,062)	-

Revenues and expenses YTD do not reflect all Reserve transfers and Grant funding within Municipal Departments

* Municipality of Port Hope 2021 Operational budget does not include Capital Budget (\$1.827M)

** Utilities billings represent only 8 months billing.