



## **Revenue & Expenditure Summary:**

The following analysis of the third quarter report is provided to clarify specific items in the financial reports.

### Revenues (Page 1):

*Municipal Taxation* – Although revenue is approximately \$128,000 more than budgeted year to date, subsequent appeal losses which were just recently received will reduce the overall taxation generated for 2019 to an estimated \$27,863,000 as the losses have exceeded the 2019 appeal allowance provision.

*Fines & Penalties* – Revenue is down as compared to the same point in 2018 due to SGI taking more of the automated speed enforcement revenues to cover costs and share with other municipalities.

*Recreation Services Revenues* – The revenues in this area are up over the same period in 2018 due to Yara Centre now forming part of the City's operations.

*Total Revenues* – As of September 30, the City has received \$42,840,336 in revenue or approximately 88% of annual budgeted revenues, which is slightly ahead of the 2018 figures of 86% of budgeted revenues that had been received to the same date.

### Expenditures (Page 2):

*Protection to Persons* – Expenditures are up approximately \$1,565,000 as compared to 2018 Actuals. The Police Service is up approximately \$1,100,000 and it appears to be primarily salary related. The Police Service does not provide the City with any explanation of these types of overages as their financial matters are the responsibility of the Board of Police Commissioners, so any further enquiry on their accounts should be directed to the Board. The remainder of the increase in this area relates to the Fire Service and the recent Fire arbitration settlement. It is noted the increases are within the 2019 Budget.

*Social Services* – Expenditures are about \$70,000 ahead of 2018 levels at the same point in time. This is due to an increase in the Para-Transit subsidy due to decreased Provincial funding and increased costs; there is more detail on Transit services on page 5 of this report.

*Provision for Reserves and Allowances* – This area's expenditures are up \$1,735,000 due to the recent four-year salary settlement for the Fire Service. The retro pay for the past years' payment of wages, which occurred in the third quarter, has been charged to the contingency account and will be removed to the accrued salary reserve prior to year-end. The City had adequate salary provisions to cover this salary settlement. It is noted the increases are within the 2019 Budget.

*Total Expenditures* – Overall, expenditures are up approximately \$3,680,000 with the bulk of that relating to the Police Service \$1,100,000, Fire Service \$450,000 and the Fire Service Retro-pay of \$1,715,000.

### Summary of Functional Areas (Page 3 & 4):

These pages provide some additional detail by department.

*Sundry* – Expenditures are 94% expended as the City's annual insurance costs have been paid and make the majority of this budget.

*Traffic Division* – Expenditures are approximately \$200,000 less than the same point in 2018 since the City no longer pays any of the costs related to automated speed enforcement.

*Workshop* – Expenditures are 113% of budget due primarily to an increased loss on the operation of equipment. A loss occurs when the operating costs of the equipment exceeds the rental charge. Further investigation as to the cause of these increased costs will be done by the Engineering Department who manage the workshop.

*Storm Sewers* – Expenditures are only at 20% of budget so far this year.

*Mosaic Place* – There has not been any subsidy provided to Mosaic Place yet this year, the only cost incurred is the approximate \$168,000 in equipment reserve contributions to this point in the year.

*Yara Centre* – This facility now shows as part of the City with revenues of \$527,186 and expenditures of \$525,336.

### Transit, Waterworks, Sanitary Sewer and Solid Waste (Pages 5 to 8)

*Waterworks* – Distribution costs are about \$465,000 higher than the costs at the same point in 2018. This is due mainly to increased costs related to distribution main repairs.

*Sanitary Sewer* – Sewage Treatment costs are down approximately \$250,000 as compared to the same point in 2018. This is due primarily to the elimination of the sludge removal reserve as the contribution to that reserve would normally have occurred in this period.

*Solid Waste* – The Solid Waste Reserve Contribution shows a balance of \$688,000 as compared to zero in 2018. This is because we are now balancing the fund monthly to provide a better snapshot of the excess of revenues over expenditures as compared to previous years where that was only done at year end.

### **Capital Project Status Report:**

This report provides an overview of the status of the City's capital projects.

### **Statistical Information:**

This section contains information on the City's statement of property tax arrears, property taxes receivable, borrowing and tenders/RFPs awarded by the Financial Services Department.

**Debt Limit:**

The Saskatchewan Municipal Board approved the City of Moose Jaw's request to maintain its debt limit at \$95 million. The City can apply at any time in the future if a change is required to the debt limit.

**OPTIONS TO RECOMMENDATION**

- 1) THAT City Council provide alternative direction.

**PRESENTATION**

VERBAL: The Director of Financial Services will be in attendance at the meeting to verbally present the report.

**ATTACHMENTS**

- 1) Financial Condition Indicators.
- 2) Summarized Revenue & Expenditure Report.
- 3) Capital Project Status Report.
- 4) Statistical Information

**REPORT APPROVAL**

Written by: Brian Acker, B.Comm., CPA, CMA, Director of Financial Services  
Reviewed by: Tracy Wittke, Assistant City Clerk  
Approved by: Jim Puffalt, City Manager  
Approved by: Fraser Tolmie, Mayor

*To be completed by the Clerk's Department only.*

Presented to Regular Council or Executive Committee on \_\_\_\_\_.

No. \_\_\_\_\_ Resolution No. \_\_\_\_\_

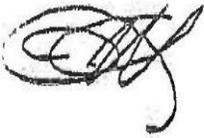
## Report Approval Details

Document Title:	Third Quarter 2019 Financial Report - CC-2019-0220.docx
Attachments:	- Attach 1 - Financial Condition Indicators.pdf - Attach 2 - Summarized Revenue and Expenditure Report.pdf - Attach 3 - Capital Project Status Report.pdf - Attach 4 - Statistical Information.pdf
Final Approval Date:	Nov 4, 2019

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke



Jim Puffalt



Fraser Tolmie