

HALIFAX

Third Quarter Financial Report

Audit & Finance Standing Committee

February 21, 2024

General Rate Surplus

- Projected surplus of \$1.2M primarily due to:
 - Decrease in compensation and benefits across the organization \$6.3M.
 - Increase in investment income \$4M.
 - Decrease in current year assessment appeals \$2.5M.
 - Decrease in diesel price resulting in savings for vehicle fuel and solid waste contracts \$2.3M.
 - Increase in revenue expected from Divert Nova Scotia \$1.6M.
 - Increase in permit revenue \$1.4M.

General Rate Surplus

- Offset by:
 - Decrease in deed transfer tax \$5M.
 - Transfer to funding to the Risk Reserve \$4M.
 - Increase in utilities (natural gas, heating fuel, propane, etc.) and building maintenance and equipment costs \$3.3M.
 - Increase in various external contracts primarily due to living wage increases and inflationary impacts \$2.8M.
 - Increase in vehicle expense: requirement to contract out due to high vacancies and rising cost due to aging fleet \$1.0M.
 - Increase in computer software support agreements and telephone costs primarily due to inflationary impacts and increased usage \$800K.

Risks and Opportunities

We continue to monitor other items that may affect our projections going forward:

Risks:

- The impacts of severe weather-related events
- Deed transfer tax
- Inflationary increases and stock shortages – impact on operational and capital budgets and ability to progress capital work
- Commodity costs (fuel, diesel, salt, etc.)
- Staffing levels
- Housing

Councillors' Funds

- **District Capital Funds**
 - Of the total budget of \$3.2M, \$2.2M has been spent or committed leaving \$1M available.
- **District Activity Funds**
 - Of the \$72.0K budget, \$57.1K has been spent or committed leaving \$14.9K available.

Recreation Area Rates

- There are 22 Recreation Area Rate Accounts
- The surplus in these accounts at April 1, 2023 was \$1.2M
- Revenues of \$1.1M have been earned
- Expenses of \$832K have been spent
- The surplus at December 31, 2023 is \$1.5M

Reserves

Reserve Summary

Reserve	Opening Balance	Current Commitments	Pending Contribution	Projected Closing Balance 2023/24	Projected Closing Balance 2024/25	Projected Closing Balance 2025/26	Projected Closing Balance 2026/27	Future Commitments	Projected Uncommitted (As of 2026/27)
TOTAL RISK RESERVES:	9,232,625	(8,649,733)	13,858	596,751	2,930,051	2,976,951	3,024,551	-	3,024,551
TOTAL OBLIGATION RESERVE:	127,960,716	(73,290,080)	6,089,400	60,760,036	72,403,505	92,930,087	84,528,287	84,528,287	-
TOTAL OPPORTUNITY RESERVE:	296,465,248	(133,080,269)	16,568,110	179,953,089	198,156,740	224,663,359	251,176,159	227,673,905	23,502,254
TOTAL RESERVE	433,658,589	(215,020,082)	22,671,368	241,309,876	273,490,296	320,570,397	338,728,997	312,202,192	26,526,805

Aged Accounts Receivable

Property Taxes	\$	16.6M
Local Improvement Charges		12.0M
Payments-in-Lieu of Taxes		27.7M
General Revenue		<u>3.7M</u>
Total Gross Accounts Receivable	\$	<u>60.0M</u>

Capital Projection Summary

Net Budget available before expenditures, December 31, 2023	\$ 714.1M
Spent by December 31, 2023	\$ 163.1M
Projected expenditures to March 31, 2024	\$ 88.8M
Projected Work to Progress into 2024/25	\$ 361.1M

Hospitality Expenditures

- For the three-month period ended December 31, 2023 there were \$2,600 in hospitality expenditures.
- Hospitality expenses are: Expenses incurred while hosting individuals from outside the municipal government for reasons of diplomacy, protocol, business development or promotional advocacy. Examples include: gifts, receptions, ceremonies, conferences, performances or other group events.

Expenses for Reportable Individuals

Name	Local Travel	Out of Town Travel	Development/ Training	Meals & Other Miscellaneous Expenses	Total	YTD Total
Mayor Mike Savage	750	2,339	-	1,489	4,578	12,888
Deputy Mayor Cathy Deagle-Gammon	2,088	-	1,508	-	3,596	7,303
Councillor David Hendsbee	1,315	-	-	-	1,315	2,952
Councillor Becky Kent	982	-	-	-	982	2,354
Councillor Trish Purdy	-	-	490	-	490	3,435
Councillor Sam Austin	92	-	490	-	582	3,427
Councillor Tony Mancini	1,232	-	490	-	1,722	5,971
Councillor Waye Mason	-	-	490	-	490	4,448
Councillor Lindell Smith	-	-	490	-	490	490
Councillor Shawn Cleary	-	-	-	-	-	2,850
Councillor Kathryn Morse	-	55	490	-	544	4,674
Councillor Patty Cuttell	379	2,836	-	-	3,215	7,338
Councillor Iona Stoddard	35	785	373	-	1,193	1,604
Councillor Pam Lovelace	1,701	1,579	1,775	-	5,055	17,418
Councillor Lisa Blackburn	1,791	-	-	-	1,791	2,935
Councillor Paul Russell	390	-	490	-	879	3,041
Councillor Tim Outhit	-	-	-	-	-	-
CAO Cathie O'Toole	18	615	161	-	794	7,651
Total	10,774	8,209	7,244	1,489	27,717	90,780