



Town of Onoway Request for Decision

Meeting:	Council Meeting
Meeting Date:	May 23, 2024
Presented By:	Gino Damo, Director of Corporate and Community Services
Title:	2024 Q1 Financial Variances

BACKGROUND / PROPOSAL

During the March 28, 2024, Council Meeting, Council made the following motion regarding the 2023 Q4 Financial Variances:

FINANCIAL REPORTS **Motion #076/24**

MOVED by Councillor Robin Murray that Council accept the Q4 Financial Variances as presented.

CARRIED

It is imperative that Administration keeps Council informed throughout the year of the financial health of the Town of Onoway.

DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES

The attached report outlines operational revenues collected and operational expenses incurred up to May 6, 2024, in contrast to the approved 2024 operational budget allocations.

It is important to note that at this time property tax notices have not been printed and mailed therefore tax revenues (general municipal, Alberta School Foundation Fund, recreation tax and Lac Ste Anne Foundation) are not posted. Also, most of the insurance premiums/fee expenses are close to budget as they are annual payments processed in Q1.

Finally, municipal budgets are compared to on an annual basis rather than quarterly due to many factors such as majority of tax revenue are collected once a year and majority of public works expenditures occur in the summer months.

The list below highlights some areas where the variances differ materially and is not a comprehensive list.

Revenue

GL 1-01-00-510 Penalties & Costs on Taxes

Approximately 26% below budget. Close to budget due to January 1 penalties to the amount of \$17,181 applied. Amount as anticipated to be above budget by year end.

GL 1-01-00-550 Return on Investment (Bank Interest)

Approximately 11% above budget. The interest rate remains high and budget was set at a conservative amount.

GL 1-23-00-940 Fire- Onoway Incident Recovery

Approximately 30% above budget due to 1 incident recovery call out invoice amount of \$13,019.65.

GL 1-23-00-992 ORFS – Revenue Highway Responses

Approximately 104.24% below budget due to 2022 uncollectible invoices amount of \$6,109.17 posted in April 2024 however transferred this amount to GL 2-23-00-544 Fire-Unrecoverable Incidents after report.

GL 1-41-00-441 Sale of Metered Water

Approximately 25% below budget base on the fact this revenue includes regional meter consumption revenue that will be transferred to Revenue GL 1-41-00-447 Regional Water Consumption Fees.

GL 1-66-00-400 Sale of Land Inventory

Approximately 85% above budget based on sale of 4907 LSA Trail South - \$28,000 (Budgeted) & 4908-48 Avenue - \$23,809.52 (Unbudgeted).

Expense

GL 2-31-00-520 Oil & Gas (Fuel)

Approximately 75% below budget.

GL 2-12-00-245 Administration/CAO Contract

Approximately 13% below budget due to \$2,800 for town-owned property appraisals in January. Also, Council Summit with Thirteen Ways to the amount of \$28,465.48 and of which \$15K is covered by the ACP Mediation and Cooperative Processes grant received in 2023.

GL 2-12-00-231 Audit Fees

Approximately 104% above budget due to forensic audit expenses of \$101,975.53.

GL 2-12-00-270 Membership Fees

Approximately 16% below budget due to Council approved reimbursement of LGAA & CAMA membership for CAO.

GL's 2-12/31/41/42/-00-542 Power & Natural Gas

Approximately 74% (Power) & 73% (Natural Gas) below budget, respectively.

Power					
GL #	Description	2024 Budge	2024 Actual	% of Budget	Comments
2-12-00-541	ADMIN - POWER (OFFICE&FIRE)	\$ 10,370.00	\$ 2,144.36	20.68%	N/A
2-23-00-541	FIRE - POWER (4812 - 51 STREET)	\$ 7,080.00	\$ 2,534.80	35.80%	N/A
2-31-00-541	PW - POWER (5104 - 41 STREET)	\$ 4,985.00	\$ 941.34	18.88%	N/A
2-32-00-542	STREETS - POWER (STREET LIGHTS)	\$ 85,800.00	\$ 23,305.66	27.16%	N/A
2-72-00-541	PARKS - POWER	\$ 5,500.00	\$ 757.24	13.77%	N/A
2-41-00-541	WATER - POWER	\$ 12,463.00	\$ 3,280.23	26.32%	N/A
2-42-00-541	SEWER - POWER (NE 35-54-2-W5/LAGOON)	\$ 8,250.00	\$ 2,201.96	26.69%	N/A
	Total	\$ 134,448.00	\$ 35,165.59	26.16%	N/A

Natural Gas					
GL #	Description	2024 Budge	2024 Actual	% of Budget	Comments
2-12-00-542	ADMIN - NATURAL GAS	\$ 9,677.00	\$ 1,838.60	19.00%	N/A
2-31-00-542	PW - NATURAL GAS (5104 - 41 STREET)	\$ 5,665.00	\$ 2,035.38	35.93%	N/A
2-41-00-542	WATER - NATURAL GAS	\$ 3,966.00	\$ 1,169.33	29.48%	N/A
2-42-00-542	SEWER - NATURAL GAS	\$ 2,789.00	\$ 1,012.93	36.32%	N/A
	Total	\$ 22,097.00	\$ 6,056.24	27.41%	N/A

GL 2-12-00-110 Wages-Admin

Approximately 66% below budget and anticipated to be on budget by year end unless any unforeseen circumstances occur. Although budgeted, wages actuals do not include 2024 merit increases.

GL 2-12-00-130 Employee Benefits-Admin

Approximately 63% below budget and anticipated to be on budget by year end unless any unforeseen circumstances occur.

GL's 2-31/32/41/42/72-00-110 Wages-Public Works

Approximately 71% below budget and anticipated to be on budget by year end unless any unforeseen circumstances occur. Although budgeted, wages actuals do not include 2024 merit increases. 10% is built in for Overtime.

GL's 2-31/32/41/42/72-00-130 Employee Benefits-Public Works

Approximately 67% below budget and anticipated to be on budget by year end unless any unforeseen circumstances occur.

GL 2-11-00-513 Council Supplies

Approximately 81% below budget and anticipated to be on budget by year end unless any unforeseen circumstances occur.

GL 2-23-00-542 Fire-Propane

Approximately 7% below budget as propane was filled in Q1 and based on historical schedule will also be filled in December.

GL 2-31-00-250 PW – Building Repair & Maintenance.

Approximately 9% above budget due to unforeseen expense of replacing tube heater due to failure (appx. \$4,880).

GL 2-31-00-253 PW – Equipment Repair & Maintenance

Approximately 91% below budget. **GL 2-41-00-250 Water – Building Materials/Supplies**

Approximately 8% above budget due to purchase of water quality testing instruments for \$459.

GL 2-42-00-245 Sewer – Contract Work

Approximately 19% below budget due to sewer main flushing and Closed-Circuit TV camera (51 Avenue and 41 Street) for \$4,180.

GL 2-61-00-230 Plan – Engineering Services

No amount approved in budget. \$16,456 based on remaining Climate Resiliency Capacity Grant Funding invoices paid in Q1; grant received in 2023.

STRATEGIC ALIGNMENT

Fiscal Sustainability

COSTS / SOURCE OF FUNDING

No financial impact to 2024 operational or capital budgets.

RECOMMENDED ACTION

- That Council accept the 2024 Q1 Financial Variances as presented.
- (Or some other direction as given by Council at meeting time).

ATTACHMENTS

- 2024 Q1 Financial Variances.