



City of Prince Albert

RPT 2024-259

TITLE: Financial Reporting – 2nd Quarter Reporting 2024

DATE: August 16, 2024

TO: Executive Committee

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That this report be received as information and filed.

EXECUTIVE SUMMARY:

This report is providing an overview of the City's financial position ending June 2024. The City overall is showing an unaudited surplus of \$1,394,515 compared to budget for the second quarter of 2024.

PROPOSED APPROACH AND RATIONALE:

The City overall is showing an unaudited surplus of \$1,394,515 compared to budget for the second quarter of 2024. This is comprised of the following surpluses and deficits compared to budget in each fund:

	Quarter 1	Quarter 2
General Fund	\$750,058	\$588,355
Airport Fund	\$27,069	\$45,658
Sanitation Fund	(\$43,217)	\$35,346
Water & Sewer Utility Fund	\$471,114	\$777,589
Land Fund	(\$132,034)	(\$52,433)
Total Surplus / (Deficit)	\$1,072,990	\$1,394,515

The surplus is due to a variety of factors among the different funds. The attachments include detailed descriptions and summaries of the funds and the contributing factors to the surpluses/deficit. These values are unaudited and presented as of June 30, 2024. However, the

City still has six more months to report and there is always potential that an unpredictable item could occur before the end of the year that causes cost overruns.

Understandability

A number of improvements have been made in the financial reporting process. Previously committed to was ensuring the budgets are in the correct months/quarters to ensure the financial reporting provides a better, clearer picture. When the amounts are adjusted to the appropriate month, looking at the face of the financial reports gives a better idea of the true picture of a fund, instead of having to navigate to the different explanations in the subsequent pages to understand that, for example, an account was over budget in the second quarter, because the third quarter contained the budget. While these explanations are helpful, reporting this way hinders the ability to provide simplified financial reporting. It forces the reader to perform their own reconciliation to determine what is truly over/under budget. Instead, when amounts are budgeted for in the correct period, a user is able to look at the face of the report and come to a conclusion as to the overall position. The subsequent pages are then utilized to understand what caused the overage/shortage, instead of the subsequent pages serving as a further reconciliation. While not 100% of these timing differences can be adjusted, Administration is committed to continuous improvement.

Salaries Wages and Benefits

During the 2024 budget deliberations, the budget for vacancy savings was increased from \$250,000 to \$1,000,000 within the General Government Functional Area. City Administration has implemented a number of changes such as layoffs, and restructuring of positions to address this budgetary commitment and continues to meticulously track the progression towards this budgeted amount. These changes are reflected within the Salary, Wages, and Benefits Expense Areas for each Functional Area, and not the General Government Functional Area due to financial accounting for these amounts. At the end of the second quarter of 2024, the City is under budget in Salaries, Wages, and Benefits by approximately \$537,081. That excludes the savings relating to snow management and vacancy of a reserve funded position.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

ATTACHMENTS:

1. General Fund Financial Reporting ending June 30, 2024
2. Airport Fund Financial Reporting ending June 30, 2024
3. Sanitation Fund Financial Reporting ending June 30, 2024
4. Water and Sewer Utility Fund Financial Reporting ending June 30, 2024
5. Land Fund Financial Reporting ending June 30, 2024

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