

2024

QUARTERLY FINANCIAL REPORTING

FOR MONTH ENDING
JUNE 30, 2024



City of
**Prince
Albert**

UTILITY FUND



QUARTERLY FINANCIAL REPORTING – WATER AND SEWER UTILITY FUND

For Month Ending June 30, 2024 – 2nd QUARTER

2nd QUARTER FINANCIAL REPORTING

| WATER UTILITY FUND | 2024 | 2nd Quarter | 2nd Quarter | Variance |
|---|----------------------|-------------------------------|-------------------------------|--------------------|
| | Budget | Budget | Spending | |
| REVENUES | | | | |
| User Charges and Fees | \$19,491,155 | \$8,229,710 | \$8,383,415 | \$153,705 |
| Interest and Penalties | \$135,300 | \$67,669 | \$59,401 | (\$8,268) |
| Sundry | \$140,000 | \$70,020 | \$73,581 | \$3,561 |
| Total Revenues | \$19,766,455 | \$8,367,399 | \$8,516,397 | \$148,998 |
| EXPENSES | | | | |
| Salaries Wages and Benefits | \$6,564,595 | \$3,262,011 | \$2,757,758 | (\$504,253) |
| Contracted and General Services | \$1,260,540 | \$525,627 | \$474,928 | (\$50,699) |
| Utilities | \$1,252,720 | \$627,498 | \$646,952 | \$19,454 |
| Interest on Long Term Debt | \$998,835 | \$189,953 | \$243,378 | \$53,425 |
| Fleet Expenses | \$877,900 | \$434,401 | \$365,334 | (\$69,067) |
| Maintenance Materials and Supplies | \$3,138,550 | \$1,424,446 | \$1,412,194 | (\$12,252) |
| Insurance | \$62,390 | \$31,214 | \$32,911 | \$1,697 |
| Bad Debt Expense | \$50,000 | \$0 | \$15 | \$15 |
| Total Expenses | \$14,205,530 | \$6,495,150 | \$5,933,470 | (\$561,680) |
| Operating Surplus | \$5,560,925 | \$1,872,249 | \$2,582,927 | \$710,678 |
| CAPITAL AND INTERFUND TRANSACTIONS | | | | |
| Capital Revenues | \$629,870 | | | \$0 |
| Amortization | (\$5,750,000) | | | \$0 |
| Transfers: Other Funds | (\$885,400) | (\$442,717) | (\$429,231) | \$13,486 |
| Capital and Interfund Transactions | (\$6,005,530) | (\$442,717) | (\$429,231) | \$13,486 |
| TOTAL SURPLUS | (\$444,605) | \$1,429,532 | \$2,153,696 | \$724,164 |
| Adjust for timing on Interest on Long Term Debt | | | | \$53,425 |
| SURPLUS | | | | \$777,589 |



QUARTERLY FINANCIAL REPORTING – WATER AND SEWER UTILITY FUND

For Month Ending June 30, 2024 – 2nd QUARTER

USER CHARGES AND FEES: FAVOURABLE \$153,705

User Charges and Fees are favourable in the amount of \$153,706 mainly attributed to **sale of water and sewer to residential users**. Revenue for Q2 in 2023 was the amount of \$8,046,578 in revenue, as such, for Year 2024, the 2nd Quarter has exceeded that revenue:

| User Charges and Fees | 2024 Budget | Q2 Budget | Q2 Actual | Variance |
|------------------------------------|---------------------|--------------------|--------------------|------------------|
| 5300-WATER CRANE | \$316,680 | \$147,828 | \$96,253 | (\$51,575) |
| 5304-OTHER WATER | \$298,700 | \$149,335 | \$201,282 | \$51,947 |
| 5306-TRAILER CRTS AND AW WATER | \$77,720 | \$38,884 | \$31,501 | (\$7,383) |
| 5308-RES COMM AND IND WATER | \$4,466,000 | \$1,860,833 | \$1,898,228 | \$37,395 |
| 5310-SEPTIC DUMPING FEES | \$70,000 | \$34,980 | \$32,705 | (\$2,275) |
| 5314-SEWER SERVICE CHARGES | \$4,286,315 | \$1,792,733 | \$1,927,482 | \$134,749 |
| 5316-PA RURAL WATER REV | \$960,450 | \$440,225 | \$412,251 | (\$27,974) |
| 5318-FXD MTR RT PA RURAL WATER | \$0 | \$0 | \$6,725 | \$6,725 |
| 5320-RECONNECTION CHARGES | \$32,000 | \$15,974 | \$25,650 | \$9,676 |
| 5322-WATER CAPITAL WORKS | \$4,747,111 | \$1,981,089 | \$1,981,649 | \$560 |
| 5334-SEWER CAPITAL WORKS | \$4,236,180 | \$1,767,829 | \$1,769,689 | \$1,860 |
| TOTAL USER CHARGES AND FEES | \$19,491,156 | \$8,229,710 | \$8,383,415 | \$153,705 |



SALARIES WAGES AND BENEFITS: FAVOURABLE \$504,253

Salaries Wages and Benefits are under budget as there were several vacancies in the Water and Waste Water Treatment Plant Operator positions for the firsts two quarters as follows. Salaries for Q2 of 2023 was \$2,849,071.

| Salaries Wages and Benefits | 2024 Budget | Q2 Budget | Q2 Actual | Variance |
|--|--------------------|--------------------|--------------------|--------------------|
| Salaries Regular | \$928,944 | \$480,707 | \$407,432 | (\$73,275) |
| Salaries Overtime | \$0 | \$0 | \$180 | \$180 |
| Statutory Pay | \$113,644 | \$43,639 | \$41,328 | (\$2,311) |
| Salaries Casual Regular | \$50,823 | \$25,412 | \$0 | (\$25,412) |
| Wages Regular | \$3,095,872 | \$1,512,855 | \$1,191,746 | (\$321,109) |
| Wages Overtime | \$312,955 | \$160,508 | \$174,071 | \$13,563 |
| Payroll Benefits | \$1,555,367 | \$785,363 | \$689,447 | (\$95,916) |
| Salary Allocations | \$506,990 | \$253,527 | \$253,553 | \$26 |
| TOTAL SALARIES WAGES AND BENEFITS | \$6,564,595 | \$3,262,011 | \$2,757,758 | (\$504,253) |

CONTRACTED AND GENERAL SERVICES: FAVOURABLE \$50,699

Contracted and General Services are favourable ending the 2nd Quarter as follows:

| Contracted and General Services | 2024 Budget | Q2 Budget | Q2 Actual | Variance |
|--|--------------------|------------------|------------------|-------------------|
| Engineering Services | \$18,000 | \$0 | \$0 | \$0 |
| Health Services (Sask Research Council) | \$142,300 | \$71,306 | \$53,009 | (\$18,297) |
| Computer Services – Badger Meter | \$215,600 | \$55,968 | \$43,245 | (\$12,723) |
| Consulting Services – AECOM Ltd. | \$0 | \$0 | \$10,500 | \$10,500 |
| Self Employed Contractors | \$882,500 | \$397,295 | \$367,082 | (\$30,213) |
| Housekeeping | \$2,140 | \$1,057 | \$1,093 | \$36 |
| Total Contracted and General Services | \$1,260,540 | \$525,627 | \$474,928 | (\$50,699) |

Computer Services is the Badger Meter costs relating to new Water Meters.

Health Services includes the testing of water samples.

The amount of \$242,521 has been expensed for ACME for sewer relining project (Total Budget of \$350,000.)

INTEREST ON LONG TERM DEBT

The increase over budget relates to the mechanics of the bankers’ acceptance and interest rate swap loan facility. Due to the increase in prime rates the City pays a higher interest rate at the beginning of the quarterly loan period and is then refunded interest at the end of the quarterly loan period. **Interest expense will be on budget by the end of 2024.**

| Interest on Long Term Debt | Expiry of Loan | 2024 Budget |
|---|----------------|------------------|
| Upgrades at the Water Treatment Plant | Sep-24 | \$27,500 |
| River Street Reservoir | Dec-42 | \$196,255 |
| 2nd Avenue and Marquis Road Reservoir | Dec-42 | \$183,635 |
| Water Meter Replacement Project | Dec-28 | \$81,735 |
| Raw Water Pump House | Mar-57 | \$429,250 |
| Waste Water Treatment Plant Design | Mar-57 | \$80,460 |
| Total Interest on Long Term Debt | | \$998,835 |

The Loan for the Upgrades at the Water Treatment Plant will conclude September 2024. The last payment will be made September 2024. Commencing Year 2025, the funding for the WTP Upgrades debt financing will fund the Raw Water Pump House debt financing as there is no additional Canada Community Building Funding after 2024 for the Raw Water Pump House.

Water Meter Replacement Project

Interest is being charged internally for the Water Meter Replacement Project. However, there is no interest charged internally for the overall deficit of the Water Utility Fund that is covered by the General Fund.

- Water Utility Fund: interest is shown as an expense in the Water Utility Fund.
- General Fund: interest shows as revenue to the General Fund.

FLEET EXPENSES: FAVOURABLE \$69,067

Fleet is favourable in the areas of:

- Water Treatment Plant Maintenance \$22,474
- Waste Water Treatment Plant Maintenance \$29,419
- Waste Water Treatment Plant Sewer Maintenance \$20,208

UTILITIES: UNFAVOURABLE \$19,454

Utilities are over budget in the 2nd Quarter as follows:

| Utilities | 2024 Budget | Q2 Budget | Q2 Actual | Variance |
|------------------------|--------------------|------------------|------------------|-----------------|
| Water and Sewer | \$82,003 | \$40,982 | \$64,168 | \$23,186 |
| Heating Fuels | \$181,933 | \$106,143 | \$89,738 | (\$16,405) |
| Electricity | \$988,785 | \$480,373 | \$493,046 | \$12,673 |
| Total Utilities | \$1,252,721 | \$627,498 | \$646,952 | \$19,454 |

MAINTENANCE MATERIALS AND SUPPLIES: FAVOURABLE \$12,252

Maintenance Materials and Supplies are under budget ending the 2nd Quarter by the amount of \$12,252 in the areas of training and specialized parts equipment.

A payment of \$161,000 was made in the 2nd Quarter of 2024, which had been approved in the 2023 Budget. Due to timing of delivery of the mechanical parts, this items shows up in 2024 as spending instead of 2023. However, the savings from 2023 (as this item was not expensed in 2023) covers this approved 2023 cost.





**PREPARED BY
FINANCIAL SERVICES**



City of
**Prince
Albert**