

2024 Year End Financial Presentation

April 22, 2025



PORT COLBORNE

Agenda

- Recommendation
- Vision/Mission/Values
- Strategic Pillars
- Levy
- Revenue
- Expenses
- Transfer (to)/from Reserves
- Self-Sustaining Entities
- Rates
- Capital and Related Projects
- Debt Management
- Recommendation



In preparing this presentation, certain assumptions and estimates are necessary. They are based on information available to staff at the time. Actual results will vary although as regulated through the Municipal Act, a balanced budget is required.

Recommendations

- That Corporate Service Department, Financial Services Division, Report 2025-68 Subject: 2024 Year End Surplus and Project Close Out, **BE RECEIVED**; and
- That the year-end levy surplus **BE ALLOCATED** to the City's Encumbrance Reserve; and
- That the reserve transfers recommended in Report 2025-68 **BE APPROVED**; and
- That the capital and related project and reserve balances of Appendices E, F and G of Corporate Service Department Report 2025-68, **BE APPROVED**.



Vision, Mission & Corporate Values

Vision Statement:

A healthy and vibrant waterfront community embracing growth for future generations.

Mission Statement:

To provide an exceptional small-town experience in a big way.

Corporate Values

- **Integrity** – We interact with others ethically and honourably
- **Respect** – We treat each other with empathy and understanding
- **Inclusion** – We welcome everyone
- **Responsibility** – We make tomorrow better
- **Collaboration** – We are better together



Alignment with the Strategic Plan



**Environment
& Climate
Change**



**Welcoming,
Livable &
Healthy
Community**



**Economic
Prosperity**



**Increased
Housing
Options**



**Sustainable
& Resilient
Infrastructure**

PEOPLE  **SIMPLE**  **VALUE**  **CUSTOMER**

Levy

Levy	Actual	Budget	Net
Revenue	41,379,336	36,424,615	4,954,721
Personnel Expense	(17,821,701)	(17,413,500)	(408,201)
Operating Expense	(16,757,959)	(15,213,330)	(1,544,629)
Surplus before Transfers	6,799,677	3,797,785	3,001,892
Transfer (to)/from Capital	(13,744,552)	(6,168,881)	(7,575,671)
Transfer (to)/from Reserves	(827,655)	(1,821,538)	993,883
Transfer (to)/from Funds	7,991,530	4,192,634	3,798,896
Surplus/(Deficit)	219,000	-	219,000
Recommended Transfers	(219,000)		(219,000)
Surplus/(Deficit)	-	-	-

Recommendation

Transfer surplus to Encumbrance Reserve:

- \$125,000 for Corporate Communications (Public Engagement and Analysis)
- \$94,000 for new tax and water software

Revenue

Levy	Actual	Budget	Net
Revenue	41,379,336	36,424,615	4,954,721

Grant Revenue Variances

- Investing in Canada Infrastructure Program (ICIP) – **\$1,337,999**
- Southwestern Ontario Development Fund (SWODF) – **\$614,041**
- Niagara Region Capital Contribution – **\$346,932**
- Ontario Community Infrastructure Fund (OCIF) – **\$155,391**

Revenue (continued)

Levy	Actual	Budget	Net
Revenue	41,379,336	36,424,615	4,954,721

Other Revenue Variances

- Investment Income – **\$648,933**
- Land Sales – **\$286,872**
- Vale Community Improvement Fund Donation – **\$250,000**
- Penalties and Interest – **\$210,960**
- Recreation Rentals – **\$107,808**

Personnel Expenses

Levy	Actual	Budget	Net
Personnel Expense	(17,821,701)	(17,413,500)	(408,201)

Personnel expenses are 2.3% above budget.

Salient Drivers

Retro payments re: union job re-evaluations, students, overtime, staffing changes, offset from some gapping dollars from positions vacant in fire and building.

Notably the Museum, Archive and Roselawn experience higher part-time staffing costs but they received grants partially offsetting those costs.

Operating Expenses

Levy	Actual	Budget	Net
Operating Expense	(16,757,959)	(15,213,330)	(1,544,629)

Unfavourable Expense Variances

- City Owned Properties Drainage Charges - \$633,360
 - External Consultants - \$550,112
 - Contract Services & External Contractor - \$492,045
 - Land Purchases - \$387,000
 - Consumables and Parts - \$303,855
 - Legal - \$144,508
 - Canal Days - \$124,820
- Council approved funding & timing of construction billings*
Fire (Wainfleet), Planning and land development for sale**
Facilities R&M and land development for sale***
725 King Street to be recovered through grants received in 2025
Transportation and Parks as more work done in-house
Building, Planning, Economic Development and Labour
Security and program supplies, budget adjusted going forward

* \$461,773 funded from reserve
** \$203,955 to be recovered from future land sales
*** \$317,691 to be recovered from future land sales

Operating Expenses

Levy	Actual	Budget	Net
Operating Expense	(16,757,959)	(15,213,330)	(1,544,629)

Favourable Expense Variances

- Cost of Borrowing – (\$685,207)
- Reassessment/Uncollectible – (\$201,462)
- Grants and Sponsorship – (\$94,577)

Debt budgeted but currently funded through internal financing
Less than budgeted property re-assessments
Timing of grants related to CIP and physician recruitment

Building

Building	Actual	Budget	Net
Revenue	1,133,863	743,332	390,531
Personnel Expense	(426,286)	(533,500)	107,214
Operating Expense	(29,309)	(105,000)	75,691
Surplus before Transfers	678,268	104,832	573,436
Allocations: SSE**	(127,275)	(104,832)	(22,443)
Transfer (to)/from Reserves	-	-	-
Surplus/(Deficit)*	550,993	-	550,993

* Surplus transferred to Building Reserve.

Building department surplus is primarily the result of:

- Increased revenue from building permits related to major construction projects (Asahi Kasei and Jungbunzlauer)
- Personnel savings from vacant positions
- Overall operating expense savings.

Marina

Marina	Actual	Budget	Net
Revenue	1,432,345	1,438,000	(5,655)
Personnel Expense*	-	-	-
Operating Expense	(512,677)	(443,600)	(69,077)
Surplus before Transfers	919,668	994,400	(74,732)
Allocations: SSE**	(917,634)	(942,662)	25,028
Transfer (to)/from Reserves	(51,738)	(51,738)	-
Surplus/(Deficit)***	(49,705)	-	(49,705)

* Personel budgeted in Recreation.

** Includes allocation of Personnel Expense from Recreation.

*** Deficit funded from Marina Reserve.

Marina deficit is primarily the result of:

- Higher than budgeted Contract Services expenses related to security and wildlife control.

Beach

Beach	Actual	Budget	Net
Revenue	146,168	343,023	(196,855)
Personnel Expense*	-	-	-
Operating Expense	(66,621)	(87,000)	20,379
Surplus before Transfers	79,547	256,023	(176,476)
Allocations: SSE**	(236,645)	(256,023)	19,378
Surplus/(Deficit)***	(157,098)	-	(157,098)

* Personel budgeted in Recreation.

** Includes allocation of Personnel Expense from Recreation.

*** Deficit funded from Levy surplus.

Beach deficit is the result of:

- As discussed during the 2025 budget process, a portion of the beach costs have been allocated to the levy to recognize local usage.

Cemetery

Cemetery	Actual	Budget	Net
Revenue	99,247	93,700	5,547
Personnel Expense*	-	-	-
Operating Expense	(50,026)	(21,800)	(28,226)
Surplus before Transfers	49,221	71,900	(22,679)
Allocations: SSE**	(68,721)	(71,900)	3,179
Surplus/(Deficit)***	(19,500)	-	(19,500)

* Personel budgeted in Parks.

** Does not include allocation of Parks Personnel Expenses.

*** Deficit funded from Cemetery Reserve.

Cemetery deficit is the result of:

- Unbudgeted land surveying costs related to the surveying of all new and existing City cemeteries.

The Cemetery continues to be subsidized by the Levy.
 In addition to the operating expenses above, an estimated at \$240,000 is covered by the Parks budget.

SSE Reserve Balances and Forecast

Department	2024 Year End Balance	2025 Budget	2025 Forecast Balance
Cemetery	65,600		65,600
Marina	(912,319)	117,400	(794,919)
Beach Operations	198,165		198,165
Building	590,078		590,078
Total	(58,475)	117,400	58,925

SSE = Self-Sustaining Entities

Water

Water	Actual	Budget	Net
Revenue	6,145,371	5,939,113	206,258
Personnel Expense*	(943,223)	(983,800)	40,577
Operating Expense	(3,265,071)	(3,067,400)	(197,671)
Surplus before Transfers	1,937,077	1,887,913	49,164
Allocations: Within Departments**	393,900	393,900	-
Transfer from Reserves***	1,190,000	-	1,190,000
Transfer to Reserves	(693,300)	(693,300)	-
Transfer (to)/from Funds	(2,793,126)	(1,588,513)	(1,204,613)
Surplus/(Deficit)	34,551	-	34,551

* Includes personnel budget for all Rate programs.

** Allocation of Personnel Expense to Wastewater and Storm Sewer Programs.

*** Additional capital funding approved in-year by Council.

Despite 20 watermain breaks during the year that resulted in \$135,600 in unplanned external contractor costs, staff managed spending and were able to end the year with a \$34,551 surplus.

Wastewater

Wastewater	Actual	Budget	Net
Revenue	8,488,462	8,685,700	(197,238)
Personnel Expense*	-	-	-
Operating Expense	(5,155,161)	(6,231,279)	1,076,118
Surplus before Transfers	3,333,301	2,454,421	878,880
Allocations: Within Departments**	(356,025)	(356,025)	-
Transfer from Reserves***	1,850,000	-	1,850,000
Transfer to Reserves	(384,000)	(384,000)	-
Transfer (to)/from Funds	(3,660,089)	(1,714,396)	(1,945,693)
Surplus/(Deficit)	783,187	-	783,187

* Personel budgeted in Water program.

** Allocation of Personnel Expense from Water program.

*** Additional capital funding approved in-year by Council.

Wastewater surplus was driven by a reduction of \$958,400 in Niagara Region wastewater charges. The primary driver for this favourable expense variance is lower than anticipated flow to the wastewater plant. 2024 saw 5mm less rain than 2023, a lower lake level from the 3 year average and 707ML less reported wastewater flow to the treatment plant. Staff are monitoring for future budget impacts during the 2026 budget process.

Storm Sewer

Storm Sewer	Actual	Budget	Net
Revenue	1,911,614	1,934,800	(23,186)
Personnel Expense*	-	-	-
Operating Expense	(80,294)	(123,200)	42,906
Surplus before Transfers	1,831,320	1,811,600	19,720
Allocations: Within Departments**	(37,875)	(37,875)	-
Transfer from Reserves***	725,000	-	725,000
Transfer to Reserves	(884,000)	(884,000)	-
Transfer (to)/from Funds	(1,632,315)	(889,725)	(742,590)
Surplus/(Deficit)	2,130	-	2,130

* Personel budgeted in Water program.

** Allocation of Personnel Expense from Water program.

*** Additional capital funding approved in-year by Council.

Despite a shortfall in fixed charge revenue, staff managed spending and were able to end the year with a \$2,130 surplus.

Rate Reserve Balances and Forecast

Department	2024 Year End Balance	2025 Budget	2025 Forecast Balance
Wastewater	2,800,595	(139,174)	2,661,421
Water	746,529	(25,956)	720,573
Storm Sewer	213,702	(190,298)	23,404
Total	3,760,826	(355,428)	3,405,398

Capital and Related Projects

Department	Open Projects January 1, 2024	Projects Approved In-year	Total Funding Available for 2024	2024 Projects Spending	Projects Closed	Remaining Funds December 31, 2024
Global CLT	2,174,227	85,330	2,259,557	(833,814)	(370,429)	1,055,314
Economic Development	779,596	4,650,000	5,429,596	(909,446)	(586,522)	3,933,628
Communications	58,101	-	58,101	(110)	-	57,991
Corporate Services	2,442,880	250,000	2,692,880	(919,540)	-	1,773,340
Community Safety	713,035	-	713,035	(3,810)	-	709,225
Planning	238,419	-	238,419	(35,128)	-	203,292
Library	278,992	-	278,992	(177,134)	(62,711)	39,148
Museum	388,038	-	388,038	(158,216)	(47,310)	182,513
Self-sustaining Entities	236,271	-	236,271	(45,283)	(8,756)	182,232
Public Works	10,970,571	1,374,088	12,344,659	(5,976,474)	(1,005,301)	5,362,884
Rates (Water, Wastewater, Storm Sewer)	18,154,535	3,765,000	21,919,535	(7,190,175)	(468,455)	14,260,905
2024 Projects Pre-spending				(117,766)		(117,766)
Total	36,434,665	10,124,418	46,559,083	(16,366,896)	(2,549,484)	27,642,703

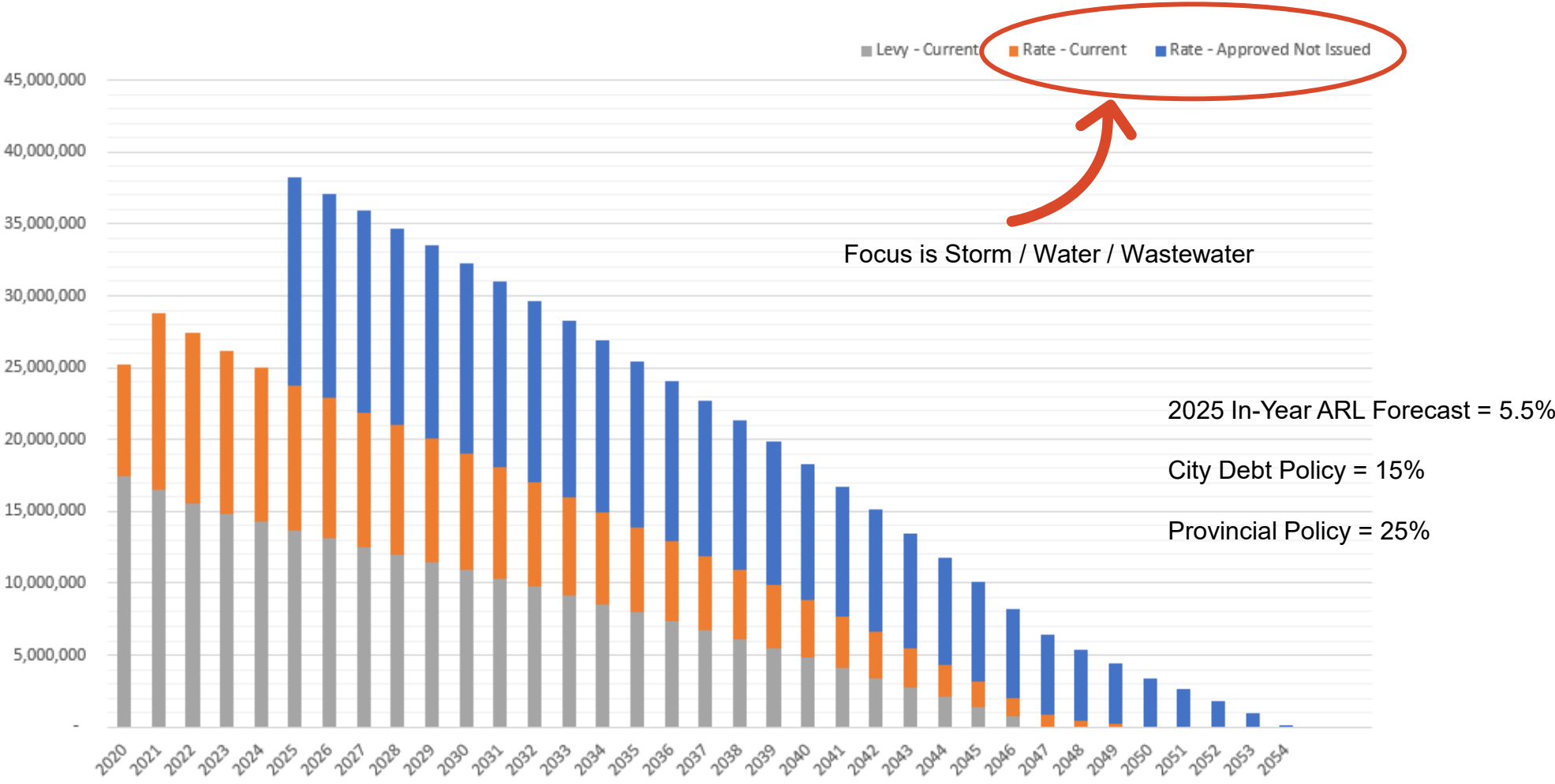
Capital and Related Projects

Department	Open Projects 2023 and Prior	New 2024 Budget Projects	Projects Approved In-year	Total Projects Open in 2024	Projects Completed/ Closed	Open Projects December 31, 2024
Global CLT	2	1	-	3	(1)	2
Economic Development	4	1	1	6	(3)	3
Communications	3	-	-	3	-	3
Corporate Services	5	4	1	10	(3)	7
Community Safety	1	2	-	3	-	3
Planning	2	-	-	2	-	2
Library	2	5	-	7	(4)	3
Museum	6	6	-	12	(9)	3
Self-sustaining Entities	3	2	-	5	(2)	3
Public Works	35	11	2	48	(25)	23
Rates (Water, Wastewater, Storm Sewer)	15	2	12	29	(11)	18
2025 Projects Pre-spending	-	-	5	5	-	5
Total	78	34	21	133	(58)	75

Reserves

	2024 Beginning Balance	2024 Approved Budget	2024 In-Year Transfers	Interest Allocation	2024 Year-End Balancing Transfers	Year-End Reserve Transfers to Approve	2024 Year-End Reserve Balance
Total Boards and Committees Reserves	1,142,523	61,000	1,170	6,610	116,045	-	1,327,348
Total Programs, Grants and Activities	482,213	50,000	-	-	(29,824)	-	502,389
Total Self Sustaining Entities	(571,368)	43,100	(19,500)	(63,734)	553,026	-	(58,475)
Total General Government	9,396,050	(103,418)	(389,187)	84,342	438,297	313,000	9,739,083
Total Capital	8,237,441	2,267,300	(3,837,720)	376,414	819,868	(219,000)	7,644,304
Total Reserves before WIP	18,686,860	2,317,982	(4,245,237)	403,632	1,897,412	94,000	19,154,649
Work-in-progress (WIP)	10,073,414	(10,073,414)	7,671,464			125,000	7,796,464
Library Building Work-in-progress (WIP)	208,492	(208,492)	101,858				101,858
Total Reserves	28,968,766	(7,963,924)	3,528,085	403,632	1,897,412	219,000	27,052,971

Debt Position and Outlook



Recommendations

- That Corporate Service Department, Financial Services Division, Report 2025-68 Subject: 2024 Year End Surplus and Project Close Out, **BE RECEIVED**; and
- That the year-end levy surplus **BE ALLOCATED** to the City's Encumbrance Reserve; and
- That the reserve transfers recommended in Report 2025-68 **BE APPROVED**; and
- That the capital and related project and reserve balances of Appendices E, F and G of Corporate Service Department Report 2025-68, **BE APPROVED**.



Thank you!



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