

Finance Report

Mayor Dale Colbourne, Finance Chair

2021 Update

MNL's financial situation is strong. Our strategic approach and hard work are paying off.

Last year was a positive year for MNL, while many similar organizations struggled to recover from the pandemic. Our operation is clearly back to a pre-pandemic normal. Our events are back to in-person. Our finances are improving and essentially back to normal. 2021 was a good year for our organization and our audited financial statements prove it.

MNL's strong financial position over the last 18 months in particular means we were able to once again focus on improving our core lines of business, including enhanced advocacy and membership services. Our strategy to become 100 per cent self-sustainable is well underway. The new building at 79 Mews Place has been a big part of that. We will soon reach our goal. We continue to grow and the MNL Board of Directors is very happy with this performance overall.

MNL's audited financial statements for 2021 show a surplus of \$147,626. This surplus is mainly a result of getting back to in-person events and being more effective with our daily cash management. When expenses are adjusted to remove Amortization (a non-cash item that reflects the value of our new building that we write off each year), we in fact ended 2021 with a \$275,179 surplus from day-to-day operations. This level of surplus is beyond even what MNL would have experienced pre-pandemic.

Looking to the future...

Two years ago, MNL adopted a new financial plan to address the new reality of operating post pandemic. The Board and Staff worked diligently to improve financial management processes and reporting. Great strides have been made in this regard and as a result we can now confidently make better decisions about our future. As anticipated last fall we ended 2021 stronger than ever. Now our work for long-term sustainability and growth can begin.

While MNL's financial position is strong and is forecasted to grow in the years ahead, we must not forget how important it is to always remain diligent and search for new funding opportunities to support our work. Having a healthy cash balance, and eventually building up reserves for future capital and operating expenditures, is a key priority moving forward. Those reserves will be replenished as quickly as possible when cash holdings permit.

In 2023, we will release our first ever multi-year budget. This is a key strategic commitment we will deliver on with the support of our Finance Committee and others. Having a roadmap for multiple years will allow MNL to successfully engage in building our reserves as planned, and growing the organization even further for the benefit of our members.



There will be no increase to membership fees for 2023. MNL fees have not increased in five years, and we are very proud of this accomplishment, mainly because we know municipalities are facing increased financial demands elsewhere. However, a full review of membership fees is ongoing, and the Finance Committee will present a report to the Board in the second quarter of 2023 to consider how best to move forward in this regard.

On behalf of the Board of Directors, I want to sincerely thank our Staff and Finance Committee for their extensive work this past year. I also want to thank my colleagues on the Board for their continued support and confidence in our work. The vision the MNL Board of Directors has laid out has been the cornerstone of our work. MNL has a great team of individuals who are all working for the betterment of the organization and the membership. We are grateful to everyone for their hard work and dedication now and always.



