



Council Report

Meeting date:	July 7, 2020
Title:	2019 Budget Variance Report
Prepared by:	Kerri Mighton, director of finance/treasurer
Approved by:	Laura Johnston, CAO

Recommendation

That council receive 2019 Budget Variance Report for information

Executive summary

The estimated yearend deficit from 2019 is approximately \$130,000 which represents a 0.8% variance compared to total budgeted expenditures of \$15,955,074. These final totals have not been audited yet and may be subject to change.

Background and discussion

Department	2019 Budget to Actual Variance	Explanation	Highlights
Grants, Taxation, Functional Revenues	(\$360,993) or 3% higher than budgeted	The following revenues were higher than budgeted: Supplementary assessments Payment In Lieu revenue Penalty/Interest on taxes Investment Income	 (\$170,969) (\$26,116) (\$38,647) (\$122,348)
Council	\$21,948 or 10% over budget	Council wages (additional meetings for strategic planning, additional committees, etc.). Membership/Conferences (variety of conferences/seminars attended). Contract Labour (due to Election Compliance Audit, Strategic Plan Facilitators and Integrity Commissioner).	 \$7,999 \$3,365 \$7,982
Administration	(\$94,689) or 7.78% under budget	Wages & benefits under budget due to timing of staffing changes. Website updates not completed in 2019.	 (\$62,202) (\$10,290)



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		Admin utilities lower than budgeted. Building maintenance – painting and minor projects not completed in full. Legal expenses – issues still pending.	(\$6,796) (\$5,118) (\$8,748)
Fire, Emergency, Health & Safety	(\$61,665) or 6.46% under budget	Increased volume in accident & insurance reporting across all stations. Building Maintenance less than expected. Contract Fire Payments less than budgeted.	(\$41,730) (\$8,041) (\$10,210)
Police		As per the budget bylaw any surplus in the police services budget is transferred to the police board reserve.	\$216,707 estimated net surplus transferred to reserve
Building, Other Protection	\$7,498 or 2.6% over budget	As per legislation any building department surplus must be transferred to a building reserve. SVCA Ice Management for 2019 was higher than budgeted.	\$9,619
Transportation	\$448,146 or 10.4% over budget	The following maintenance includes higher machine time & wage costs: Roadside maintenance Loosetop maintenance Hardtop maintenance Public Works Overhead. Winter control expenses were over budget due to significant weather events. Equipment Operations – higher due to increase in repairs; fuel costs, etc.	\$33,732 \$17,763 \$57,502 \$65,567 \$75,640 \$190,904
Neustadt Water/Sewer		Annual deficit of \$80,768	
Durham Water/Sewer		No surplus/deficit recorded for 2019 as all surplus used towards capital project funding.	
Waste Management	\$178,039 or 342.7% over budget	Increased collection cost for additional recycling bins added at landfills. Additional staffing at landfills. Landfill compactor repairs. Machine charges for compaction cover higher than budgeted.	\$25,847 \$71,820 \$29,707 \$21,704



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		Bentinck Landfill materials & supplies includes build & repair garbage bin and equipment rental to move wood pile.	\$7,125 \$7,754
Cemeteries	\$188 or 3.55% over budget	Only abandoned roadside cemeteries impact the tax ley – small variance on contract grass cutting.	
Recreation, Parks	\$48,172 or 5.6% over budget	Utilities were higher than budget for Normanby & Durham Arenas. Normanby Arena building maintenance includes 2 arena lobby ductless A/C & heater units and repairs to a circulation pump. Durham Arena compressor repairs. Neustadt Community Hall replace circulating fans.	\$14,808 \$7,960 \$4,570 \$4,101 \$6,928 \$2,554
Library	\$429 or 0.13% over budget	This represents West Grey's contribution to the Library Board and is not the Library Board's budget variance	
Planning, Economic Development	(\$58,051) or 43.0% under budget	Payment of Forest Creek lot levies. Municipal Drain Contract Labour – less work required on drains. CIP Program development still ongoing. Commercial Beautification expenses less than budgeted. Partnership Initiatives did not develop in 2019 e.g., Butter Tarts & Buggies cancelled. Conference not attended. Marketing expenses for CIP not completed.	(\$12,150) (\$26,790) (\$2,500) (\$7,049) (\$8,100) (\$2,000) (\$2,850)

Legal and legislated requirements

None

Financial and resource implications

Any final audited annual deficit can be offset against the Revenue Stabilization Reserve.

Staffing implications



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Not applicable

Consultation

Department heads/facility managers for their respective departmental budget items.

Alignment to strategic vision plan

Pillar: build a better future

Goal: vibrant community

Strategy: be responsible stewards of tax dollars

Attachments

The detailed variance report cannot be attached due to legislated accessibility requirements for the agenda. The detailed variance report has not been included with this report but is available upon request. If you require an accessible format please contact the Clerk's Department to discuss how we can meet your needs.

Next steps

For information purposes.

Respectfully submitted:

Kerri Mighton

Director of finance/treasurer