

## Staff Report

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**Report To:** Council  
**Report From:** Kerri Mighton, Director of Finance/Treasurer  
**Meeting Date:** September 5, 2023  
**Subject:** 2023 Mid-Year Budget Variance Report

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### Recommendations:

THAT in consideration of staff report '2023 Mid-Year Budget Variance Report', council receives the report for information purposes.

### Highlights:

- The mid-year budget variances reflect year-to-date operating and capital to the end of June.
- Inflationary pressures on supplies, fuel and insurance continue to present challenges.
- Department heads continue to monitor budget variances to mitigate potential cost overages with the goal to remain within the Council approved 2023 budget.

### Previous Report/Authority:

Budget Variance Reporting Policy T-01-13

### Analysis:

The attached detailed mid-year budget variance report reflects the year-to-date operating and capital to the end of June. Most items are on track as anticipated. As noted during budget deliberations inflationary pressures on materials and supplies, fuel and insurance continue to present challenges.

Most of the capital projects had only just begun during the timeframe of the mid-year reporting and therefore capital transfers have not been completed. Transfers to/from reserves have also not been completed at mid-year.

It is worth noting that building services, Neustadt and Durham water/sewer and Durham Cemetery are not funded from the tax levy and any surplus or deficit will be transferred to/from their respective reserves.

Summary of 2023 Mid-Year Operating Budget Variance by Department					
Department		2023 YTD Actuals	2023 Budget	Variance	Variance %
Administration/Corporate	Revenue	(7,025,028)	(15,624,811)	8,599,783	-55.04%
	Expense	1,326,182	3,609,584	(2,283,402)	-63.26%
	Net Budget	(5,698,846)	(12,015,227)	6,316,381	-52.57%
Building/Protection Services	Revenue	(247,643)	(682,500)	434,857	-63.72%
	Expense	402,677	864,975	(462,298)	-53.45%
	Net Budget	155,034	182,475	(27,441)	-15.04%
Public Works	Revenue	(284,544)	(906,500)	621,956	-68.61%
	Expense	2,613,152	6,349,864	(3,736,712)	-58.85%
	Net Budget	2,328,608	5,443,364	(3,114,756)	-57.22%
Water/Sewer	Revenue	(822,175)	(1,574,620)	752,445	-47.79%
	Expense	522,513	1,575,120	(1,052,607)	-66.83%
	Net Budget	(299,662)	500	(300,162)	-60032.36%
Fire/Emergency	Revenue	(27,433)	(73,143)	45,710	-62.49%
	Expense	469,176	1,306,703	(837,527)	-64.09%
	Net Budget	441,742	1,233,560	(791,818)	-64.19%
Police	Revenue	(93,408)	(155,309)	61,901	-39.86%
	Expense	1,995,540	4,260,512	(2,264,972)	-53.16%
	Net Budget	1,902,132	4,105,203	(2,203,071)	-53.67%
Recreation	Revenue	(133,071)	(460,900)	327,829	-71.13%
	Expense	666,646	1,511,025	(844,379)	-55.88%
	Net Budget	533,574	1,050,125	(516,551)	-49.19%
Other Boards	Revenue	(140,170)	(272,552)	132,382	-48.57%
	Expense	67,450	272,552	(205,102)	-75.25%
	Net Budget	(72,720)	-	(72,720)	
TOTAL	Revenue	(8,773,473)	(19,750,335)	10,976,862	-55.58%
	Expense	8,063,336	19,750,335	(11,686,999)	-59.17%
	Net Budget	(710,137)	-	(710,137)	

## Financial Implications:

Departments will continue to monitor the 2023 operating and capital budget variances as various projects are completed throughout the year.

**Communication Plan:**

Communication of this report is through the posting of council meeting agendas on the Municipality of West Grey website.

**Consultation:**

All department heads.

**Attachments:**

2023 Mid-Year Detailed Budget Variance Report

**Recommended by:**

Kerri Mighton, Director of Finance/Treasurer

**Submission approved by:**

Laura Johnston, Chief Administrative Officer

For more information on this report, please contact Kerri Mighton, Director of Finance/Treasurer at [kmighton@westgrey.com](mailto:kmighton@westgrey.com) or 519-369-2200 ext. 223.