



August 2023 Year-to-Date Results of Operations and Year-end Forecast

**General Committee
October 24th, 2023**



Agenda

1. Primary Operating Budget August YTD results and year-end forecast
2. Planning & Design August YTD results and year-end forecast
3. Engineering August YTD results and year-end forecast
4. Building August YTD results and year-end forecast
5. Waterworks August YTD results and year-end forecast
6. Next Steps



2023 August Year-to-Date Review of Operations - Primary Operating Budget (excluding Planning & Design, Engineering, Building & Waterworks) (\$ in millions)

Council approved the 2023 annual operating budget of \$444.72M on April 5, 2023 which includes:

Budget	\$
Primary Operating Budget	267.76
Planning & Design	13.24
Engineering	11.13
Building	11.35
Waterworks	141.24
Total	444.72

Details of the YTD operating results (January 1 to August 31) are outlined in this presentation



2023 August Year-to-Date Review of Operations - Primary Operating Budget (excluding Planning & Design, Engineering, Building & Waterworks)

(\$ in millions)	Actual	Budget	Variance Fav/(Unfav)	% of YTD Budget
Revenues (A)	\$241.24	\$227.58	\$13.66	106.0%
Expenses (B)	<u>\$168.70</u>	<u>\$172.53</u>	<u>\$3.83</u>	97.8%
Day-to-Day Operations (C) = A-B	72.54	55.05	17.49	
Winter Maintenance (D)	<u>\$8.55</u>	<u>\$7.07</u>	<u>(\$1.47)</u>	
Total including winter maintenance (E) = C-D	\$63.99	\$47.98	\$16.02	

August 2023 YTD favourable variance excluding winter maintenance is \$17.49M



Safe Restart and COVID-19 Recovery Funding Availability

(\$ in millions)	2020	2021	2022	2023	Total
Funding Received					
Safe Restart Agreement Allocation (Phase 1 & 2)	\$9.47	-	-	-	\$9.47
2021 Provincial COVID-19 Recovery Funding	-	\$9.00	-	-	\$9.00
Total Funding Received	\$9.47	\$9.00	-	-	\$18.47
Use or Proposed Use of Funding					
Recreation, Culture, and Other COVID impacts	\$5.72	-	\$4.75	\$2.38	\$8.17
Provision for future tax appeals	\$1.30	-	-		\$1.30
COVID Recovery funding to address 2024 budget issues	-	-	-	\$4.32	\$7.80
Total Funds Used	\$7.02	\$-	\$4.75	\$6.70	\$18.47

The City has received a total of \$18.47M in safe-restart funding and COVID-19 Recovery funding. By the end of 2023, \$14.15M will be allocated with the remaining balance of \$4.32M to be allocated in 2024



2023 Year-end forecast – Primary Operating Budget (excluding Planning & Design, Engineering, Building & Waterworks) (\$ in millions)

	Fav/(Unfav)
Primary Operating Budget Year-End Variance	\$15.53
Year-end accounting accruals and other adjustments	<u>(\$5.81)</u>
Total	\$9.72
Winter Maintenance favourable Year-End Variance	<u>(\$1.67)</u>
Net Surplus	\$8.04

The Primary Operating budget is projected to be favourable at year-end by \$8.04M. After adjusting for one-time items, the City's remaining forecasted surplus will be minimal. Any surplus at year-end is planned to be transferred to the Life Cycle Replacement and Capital Reserve Fund as per policy.



2023 August Year-to-Date Review of Operations – Planning & Urban Design (\$ in millions)

	Actual	Budget	Variance Fav/(Unfav)	% of YTD Budget	Annual Budget	Year End forecast
Revenues (A)	\$11.64	\$10.45	\$1.19	111.4%	\$11.57	
Personnel (B)	\$5.17	\$6.12	\$0.95	87.4%	\$9.42	
Non-Personnel (C)	<u>\$1.88</u>	<u>\$1.95</u>	<u>\$0.07</u>		<u>\$3.81</u>	
Surplus (D) = A-(B+C)	\$4.59	\$2.38	\$2.21		(\$1.66)	\$1.39

Favourable variance of \$3.05M

Revenues at 111.4% of YTD budget mainly due to higher than budgeted Planning and Design fees
Expenses at 87.4% of YTD budget mainly due to a year-to-date average of five temporary net vacancies.



2023 August Year-to-Date Review of Operations – Engineering (\$ in millions)

	Actual	Budget	Variance Fav/(Unfav)	% of YTD Budget	Annual Budget	Year End forecast
Revenues (A)	\$7.29	\$6.96M	\$0.33	104.7%	\$9.59	
Personnel (B)	\$4.34	\$4.67M	\$0.33	93.8%	\$7.55	
Non-Personnel (C)	<u>\$1.74</u>	<u>\$1.82</u>	<u>\$0.08</u>		<u>\$3.59</u>	
Surplus/(Deficit) (D) = A-(B+C)	\$1.21	\$0.47	\$0.74		(\$1.55)	\$6.80

Favourable variance of \$8.35M

Revenues at 104.7% of YTD budget mainly due to higher than budgeted Engineering fees

Expenses at 93.8% of YTD budget mainly due to a year-to-date average of five temporary net vacancies.



2023 August Year-to-Date Review of Operations – Building (\$ in millions)

	Actual	Budget	Variance Fav/(Unfav)	% of YTD Budget	Annual Budget	Year End forecast
Revenues (A)	\$6.52	\$6.05	\$0.47	107.8%	\$10.55	
Personnel (B)	\$4.63	\$4.75	\$0.12	98.3%	\$7.99	
Non-Personnel (C)	<u>\$1.75</u>	<u>\$1.74</u>	<u>(\$0.01)</u>		<u>\$3.36</u>	
(Deficit)/Surplus (D) = A-(B+C)	\$0.14	(\$0.44)	\$0.58		(\$0.80)	\$0.16

Favourable variance of \$0.96M

Revenues at 107.8% of YTD budget mainly due to a higher building permit fees received

Expenses at 98.3% of YTD budget mainly due to a year-to-date average of three net vacancies



2023 August Year-to-Date Review of Operations – Waterworks

(\$ in millions)

	Actual	Budget	Variance Fav/(Unfav)	% of YTD Budget	Annual Budget	Year End forecast
Water & Sewer Billing (A)	\$96.99	\$92.90	\$4.09		\$139.71	
Contracted Municipal Services (B)	<u>\$74.71</u>	<u>\$71.81</u>	<u>(\$2.90)</u>		<u>\$107.99</u>	
Net Sales & Purchases of Water (C) = A-B	\$22.28	\$21.10	\$1.18	105.6%	\$31.73	
Other Revenues (D)	\$1.23	\$0.78	\$0.44	156.5%	\$1.53	
Personnel (E)	\$5.09	\$5.70	\$0.61	94.0%	\$8.52	
Non-Personnel (F)	<u>\$5.96</u>	<u>\$6.05</u>	<u>\$0.09</u>		<u>\$7.91</u>	
Surplus (G) = C+D-(E+F)	\$12.46	\$10.13	\$2.33		\$16.82	\$16.99

Favourable variance of \$0.17M

Net sales & purchases of water at 105.6% of YTD budget due to higher sale of water partially offset by higher purchases of water

Expenses at 94.0% of YTD budget mainly due to lower operating and water, sewage and roadwork materials, supplies costs and a year-to-date average of one temporary net vacancy.



Next Steps

- The next report will be in Q1 2024 and will include the actual, realized year-end results of operations for 2023.