

COUNCIL REPORT

Meeting Date: October 16, 2023
Department: Finance-Treasury
Report No.: FIN-2023-40
Submitted by: William Dakin, Director of IT/Finance - Treasurer
Approved by: Trisha McKibbin – Chief Administrative Officer
SUBJECT: **2023 Q3 Financial Update Budget to Actual Operating and Capital Project Update and Reserve-Reserve Fund Status**

RECOMMENDATION: THAT: Council receive Q3 Financial Update Report FIN-2023-40 for information.

BACKGROUND:

OPERATING BUDGET TO ACTUAL

The attached spreadsheet is the budget update to September 30, 2023 for the operating budget. Overall, the Municipality's total operating surplus to date is \$6,923,524 (\$3,321,357 is due to Water/Wastewater). A total of \$22.8M (55%) is spent of the operating expenditure budget \$41.4M.

Significant variances are as follows:

Note #	Department	Comments
1	Treasury	The current surplus is due to the transfer of the 1.1M for Caradoc Housing Corp equity injection into the Affordable Housing Project, A number of the expenses for this department are front end loaded i.e. General and Liability Insurance so as taxation is allocated this will balance out
2	Municipal Debt	Reserve funding for debt payments to date not yet transferred.
3	Finance	Current Surplus due to Deferred Revenue received that has yet to be allocated to projects
4	Fire Service	Fire-Fighters annual pay to be paid out in Q4
5	Solid Waste	Delay in timing between fees collected and expense incurred
6	Roads	Q4 higher expenses due to Winter Maintenance
7	Ec Dev	Grant funding yet to be applied

Actual costs will be more in line with the budget as the year progresses with expenditures to be incurred and revenues to be received as anticipated.

Directors continue to be provided with weekly financial updates for their respective departments and Finance staff continue to work with them to address any concerns that may arise.

CAPITAL BUDGET TO ACTUAL

Due to late budget season many capital project will be completed in Q1 and Q2 of 2024, Directors continue to track progress and the carryover of project will be reflected in the coming multiyear budget.

RESERVE AND RESERVE FUND STATUS

The Reserve and Reserve Fund Status presents the 2022-year activity and thus the final 2022 year-end balance, reserve and reserve fund transfers are done at year-end depending on financial result in the given year and reported to Council during year-end report. Currently we have a balance of 68.0M in Reserve and Reserve Funds.

CONSULTATION:

- Management Team

FINANCIAL IMPLICATIONS:

The Municipality is on track for another fiscally responsible year.

STRATEGIC PLAN ALIGNMENT:

This matter is in accord with the following strategic priorities:

1. Households and businesses in Strathroy-Caradoc are supported by reliable, financially responsible and well-maintained infrastructure networks.

The municipality offers seamless, responsive service and an exceptional experience for every customer.

ATTACHMENTS:

- 2023 Q3 Operating Budget to Actual Report
- 2023 Capital Project Update
- 2023 Reserve-Reserve Fund Status