

ATTACHMENT A
Variance Analysis of the Operating Results
for the Six Months Ending 2023-JUN-30 & Projections for the
Year Ending 2023-DEC-31

On a monthly basis, each City department monitors its actual financial results as compared to the Financial Plan. The following section provides a summary of the projected surplus (deficit) by department for 2023, and includes an explanation for significant variances over \$100,000.

City Administration

The City Administration division shows year-to-date total revenues at 66% and expenditures at 44%. Based on the analysis of these accounts, at 2023-JUN-30, a net surplus of \$86,500 is projected. The key variance over \$100,000 is:

- Human Resources – \$101,500 surplus – This projected surplus is due to lower than planned wages as a result of position vacancies.

Corporate & Business Development

The Corporate & Business Development division shows year-to-date total revenues at 44% and expenditures at 39%. Based on the analysis of these accounts, at 2023-JUN-30, a net surplus of \$246,800 is projected. The key variance over \$100,000 is:

- Economic Development – \$122,400 surplus – This projected surplus is due to a management position vacancy.

Corporate Services

The Corporate Services division shows year-to-date total revenues at 65% and expenditures at 42%. Based on the analysis of these accounts, at 2023-JUN-30, a net surplus of \$1,684,500 is projected. Areas with variances exceeding \$100,000 are:

- Information Technology – \$241,600 surplus – This projected surplus is due to lower than budgeted wages as a result of position vacancies.
- Police Services – \$690,800 surplus – Savings in wages due to several vacant positions has resulted in this projected surplus.
- RCMP Contract - \$700,000 surplus - This projected surplus is mainly due to wage savings as a result of RCMP member vacancies.

Development Services

The Development Services division shows year-to-date total revenues at 86% and expenditures at 46%. Based on the analysis of these accounts, at 2023-JUN-30, a net surplus of \$1,049,700 is projected. Areas with variances exceeding \$100,000 are:

- Bylaw Enforcement including Parking – \$230,200 surplus – This projected surplus is a result of position vacancies and higher than projected fine revenue. Since the addition of 12 Community Safety Officers in the fall of 2022, Bylaw officers have been able to focus on enforcing the City’s bylaws.
- Building Inspections - \$665,500 surplus – This projected surplus is due to higher than planned building permit revenue and several position vacancies.

Parks, Recreation & Culture

The Parks, Recreation & Culture division shows year-to-date total revenues at 44% and expenditures at 48%. Based on the analysis of these accounts, at 2023-JUN-30 there is a projected year-end surplus of \$291,300. The key variances over \$100,000 are:

- Parks Operations – (\$187,900) deficit – This deficit is due to higher than anticipated operating costs including security and general maintenance at various downtown parks and parks facilities including Serauxman Stadium.
- Aquatics Operations – \$276,700 surplus – This variance is a result of wage savings due to difficulties in staffing at planned levels and reduced operating hours at Beban Pool.
- Recreation Services – \$187,600 surplus – This surplus is a result of several vacancies including three recreation coordinator positions.

Engineering & Public Works

The Engineering & Public Works division shows year-to-date total revenues at 49% and expenditures at 50%. Based on the analysis of these accounts, at 2023-JUN-30, a net deficit of (\$196,200) is projected. The variance exceeding \$100,000 is:

- Transportation – (\$242,300) deficit – This projected deficit is due to the anticipation of higher than budgeted snow and ice removal costs in the upcoming winter season.

Fire

The Fire division shows year-to-date total revenues at 50% and expenditures at 45%. Based on the analysis of these accounts, at 2023-JUN-30, there is a projected year-end surplus of \$299,100. The variance exceeding \$100,000 is:

- Fire Services – \$274,500 surplus – This projected surplus is the result of an inspector vacancy and higher than anticipated VIERA revenue.

General Revenue

The General Revenue division shows year-to-date total revenues at 96% and expenditures at 74%. The majority of revenues in this division relate to property taxation, which are recorded in May and June of each year. Correspondingly, the majority of expenditures relate to tax payovers and transfers to reserves. Based on the analysis of these accounts, at 2023-JUN-30 an estimated surplus of \$457,000 is expected. The variance exceeding \$100,000 is:

- Investment Income - \$400,000 surplus – This estimated surplus is due to continued interest rate increases in 2023.

Sewer

The Sewer division shows year-to-date total revenues at 78% and expenditures at 87%. Based on the analysis of these accounts, at 2023-JUN-30 there is a projected year-end surplus of \$28,200.

Water

The Water division shows year-to-date total revenues at 46% and expenditures at 71%. Based on the analysis of these accounts, at 2023-JUN-30 there is a projected year-end deficit of (\$718,600). This is due to Stage 3 watering restrictions coming into effect in early July, which has decreased water consumption and will result in lower than anticipated revenue.