



Subject: Tracking Statements as at September 30, 2024

Report to: Thorold City Council

Recommendations

1. That Council **RECEIVE** this report for information purposes.

Key Facts

- There are favourable variances comparing actual results to the anticipated year to date budget for general operations in the amount of \$644,580; General Budget overruns approved to date already not included in the Operating Statement is \$49,380 which will reduce the projected surplus to \$595,200.
- There are favorable variances for water in the amount of \$109,687; for sewer in the amount of \$351,190.
- Posted spending during 2024 on capital projects totals \$10,227,350 to September 30, 2024.
- Budget overruns and additions total to \$1,562,876 as at November 12, 2024.

Budgetary Status

Report highlights budget to actuals

Analysis

Operating Tracking Statement (Appendix 1)

The Operating Tracking Statement compares the Departmental actual expenditures and revenues to date with the anticipated expenditures and revenues for the year-to-date, i.e. expenditure variance and net variance (including both expenditures and revenues).

The year-to-date budget figures attempt to reflect the cyclical nature of expenditures/revenues, using previous years as a basis to allocate for seasonality. Unfortunately, past history is not always a guarantee that expenditures and revenues will occur in the same period during the current year. While staff adjusts the YTD

budget for obvious major distortions, timing differences in expenditures/revenues will occur, therefore, tracking statements are meant to provide a trend indication only, and do not represent a certainty of an overall surplus and/or deficit level. These statements allow us an opportunity to identify potential problems, as a means of providing time to react to impending issues.

For the reporting period, net expenditures are trending favourably compared to budget. Overall, a favourable variance of \$644,580 comparing actual results to anticipated YTD budget which includes budget overruns of \$196,843. Funding for additional budget overruns approved to date, in the amount of \$49,380 will reduce the projected surplus to \$595,200.

Areas that have material variances are as follows:

Description	Surplus/(Deficit)	Surplus/(Deficit)
Supplementary Taxation		(285,000)
Penalties and Interest		301,000
Investment Income		192,000
Insurance		104,000
Building Control	(787,870)	
Transfer from Reserve	787,870	0
Winter Control	251,000	
Transfer to Reserve	(50,000)	201,000
Payroll Vacancies		
Planning	116,000	
Economic Development	71,000	187,000
Budget Overruns to be Processed		(49,000)
Miscellaneous Net		55,800

Environmental Services

Both the water system and the sanitary system show a favourable variance of \$109,687 and \$351,190 respectively.

Description	Surplus/(Deficit)	Surplus/(Deficit)
Water Revenue		184,321
Sewer Revenue		222,291
Miscellaneous		54,263
Total Water & Sewer Surplus		460,877

Capital Projects Summary Report (Appendix 2)

The Capital Projects Summary Report compares the actual expenditures for capital projects compared to the approved budget.

For the reporting period, the spending on capital projects posted to the general ledger totals \$10,227,350. Projects that are in a negative position, will require a Council report to be brought back.

Budget Overrun Report (Appendix 3)

Since 2000, staff has included a Budget Overrun Report with the quarterly reporting to Council. This report, coupled with the variance analysis and comment section of the Operations statement, and the Capital report, identify the approved budgetary overruns, the non-discretionary overruns, (e.g. utilities, water/sewer treatment charges, sick leave fill in and/or resulting overtime, winter control, overtime, etc.) along with identifying any unapproved departmental overruns, that may require further reports from the Department Heads.

Any discretionary non-emergency, overruns must, in accordance with policy, be approved by Council, prior to incurring the expense. For emergency overruns, the policy allows the CAO the ability to approve the expenditure, with a follow up report to be provided to Council.

The Budget Overrun Report as at November 12, 2024 details \$1,562,876 of overruns and additions to the approved operating and capital budgets. Of this, \$246,223 is to be funded from the general levy; \$1,160,683 from reserves; \$45,000 from Water and Sewer budgets and \$10,000 from grants.

For overruns charged to general operations, funding will come either from surpluses in other areas of the budget, i.e. reduced expenditures and/or increased revenues, and/or the Contingency Reserve, and/or if surpluses do not exist and Contingency Reserve fully utilized, this will result in a year end deficit, to be funded either from reserves and/or carried forward to next year's budget for funding.

Impact on the Environment, Climate Change

There are no known environmental or climate change related impacts to this Report.

Alternatives Reviewed

Not Applicable

Relationship to Strategic Plan

Prepared by:
Setu Shah
Manager of Finance

Recommended by:
Maria Mauro
Director of Finance

Approved and Submitted by:
Manoj Dilwaria
Chief Administrative Officer

Appendices

Appendix 1	2024 Operating Tracking Summary as at Sep 30, 2024
Appendix 2	2024 Capital Projects Summary as at Sep 30, 2024
Appendix 3	2024 Budget Overrun & Reallocations as at Nov 12, 2024