

Staff Report

Presented By: Daniel Waechter, Chief Financial Officer / Treasurer

Meeting Date: September 22, 2025

Subject: 2025 Quarter 2 Variance to Budget

Attachment(s): Variance to Budget June 2025

Recommendation

That Council receive the 2025 Quarter 2 Variance to Budget report for information.

Report Summary

The Variance to Budget report provides Council with a forecast of the financial operating results for the Town as of June 2025. The actual net income through the second quarter of the year is \$15.1 million and is \$0.1 million higher than budget.

Background/Analysis

The Town reports on its variance to budget on a quarterly basis each year. This regular reporting forms a part of the Council's visibility to the financial operations and supports increased capacity for decision-making for the organization. Attached to this report is the Variance to Budget Report for June 2025.

As seen in the attachment, the actual net income (excluding amortization, allocations, and debt) through the second quarter of the year is \$15.1 million comprised of revenue of \$30.7 million, salaries and benefits of \$9.2 million, and expenses of \$6.4 million.

Revenue is \$0.1 million higher than budgeted (0.5%):

- Building permit revenue is \$0.1 million below budget. This unfavourable variance in Building revenue is solely attributed to the Building Reserve Fund, which has significant reserves in place.
- Water and wastewater revenue is \$0.3 million higher than budgeted due to growth and higher than expected consumption charges.
- Landfill tipping fees and bag tag revenues are \$0.1 million lower than budget, likely due to slower-than-anticipated building activity.
- Supplemental taxation revenue is expected to be on track for its \$0.3 million budget.

Salaries and benefit costs are \$0.1 million (1.2%) lower than budgeted:

- Pool salaries and benefits are \$0.1 million lower than budget due to delayed hiring at the AWC.
- Police wages are \$0.1 million lower than budget, partially due to less overtime expense than budgeted.
- Operations wages are \$0.2 million higher than budget, partially due to higher than expected winter control overtime.
- Other salaries and benefits are \$0.3 million lower than budget due to staff vacancies throughout various divisions.
- Volunteer Fire wages are not included in the report at this time as payments are only made in Q4.

Expenses are \$0.1 million (1.8%) higher than budgeted:

- Fuel and vehicle maintenance costs are \$0.1 million higher than budget, partially driven by increased winter control activity.

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Corporate Services Business as Usual

Financial Impacts/Source of Funding

An improvement in the Accumulated Surplus of \$0.1 million is anticipated as a result of the second quarter variance to budget.

Prepared By: Daniel Waechter, Chief Financial Officer / Treasurer

Reviewed By: Jim Bundschuh, Director, Corporate Services

Approved By: Kara Van Myall, Chief Administrative Officer