



Staff Report

Report To: Dan Best, Chief Administrative Officer
From: **Sandy Becker, Financial Services
Manager/Treasurer**
Date: July 17 2017
Report: FIN.17.17
Subject: Operating Budget Variance Report – Second Quarter

Recommendations:

That South Huron Council receives the report from S.Becker, Financial Services Manager/Treasurer re: Operating Budget Variance Report - Second Quarter for information only.

Purpose:

To provide Council with an overview of the status of the operating variances for the period ending June 30, 2017.

Background and Analysis:

The department managers are accountable to monitor their departmental revenues and expenditures and project to the end of the fiscal period to ensure that they remain within the approved budget.

The quarterly financial report represents the municipal financial activity for the period ending June 30, 2017 on a basis consistent with that of the budget adopted by Council.

The second quarter highlights are provided per department on the respective statements attached.

Operational Considerations:

As this report is being presented for information only, no alternatives are presented.

South Huron's Strategic Plan:

The recommendation(s) included in this Staff Report support the following goals identified in the 2015-2019 Strategic Plan:

- √ Administrative Efficiency and Fiscal Responsibility
- √ Transparent, Accountable and Collaborative Governance

The variance reporting framework assists managers in identifying emerging issues along with steps or processes required to adjust activities to stay within budget or to respond to those emerging issues.

The consistency of providing these accountability and information reports assist council in better understanding the operational and budgetary issues facing various costing centres.

Financial Impact:

There is no immediate, direct financial impact as a result of the second quarter variance report. All respective budgets are within the approved parameters and represent the first six months of operations.

In theory, all things considered equal, the percentage variances at this point should be close to 50%. However, the seasonal nature and timing of the budget process will impact these estimates.

Legal Impact:

There are no legal implications for the Corporation resulting from the proposed recommendation.

Staffing Impact:

There are no staffing implications for the Corporation resulting from the proposed recommendation.

Policies/Legislation:

2017 Adopted Budget

Budget Development and Financial Reporting Policy & Procedure

Reserves and Reserves Fund Policy & Procedure

Consultation:

The following department managers provided an update on each of their respective areas of responsibility;

Dwayne McNab, Development Services Manager

Andrew Baird, Emergency Services Manager/Fire Chief

Jo-Anne Fields, Community Services Manager

Jason Parr, Transportation Services Manager

Don Giberson, Environmental Services Manager

Related Documents (attached):

Appendix A – Actual vs Budget Year to Date by Department

Respectfully submitted,

Sandy Becker, Financial Services Manager/Treasurer