



Subject: Budget White Paper Council 2022 to 2023 Budget Variance

Report Number: FIN 23-04

Department: Finance Department

Submitted by: Renato Pullia, Interim Director of Finance / Treasurer

Meeting Type: Council Meeting

Meeting Date: Monday, January 9, 2023

RECOMMENDATION

THAT report FIN 23-04 Council 2022 to 2023 Budget Variance White Paper be received as information.

BACKGROUND

At its December 7, 2022 meeting, Council requested additional information on the 2022 to 2023 Council budget difference. While there was no formal resolution for a white paper, this report seeks to provide that additional information.

DISCUSSION

For the Revenue side, in 2022, the Council budget included \$162,100 in grants related to Modernization funding Intake 3 (three projects), which is not included in 2023. The Contribution from Reserves included \$70,000 from the Physician Recruitment Reserve in 2022 and it is the same in 2023. Different for 2023, however, is a \$300K transfer from the Tax Rate Stabilization Reserve for the Town Hall design work. Altogether, the revenues from 2022 to 2023 is a \$55,300 decrease.

On the expenditure side, labour is up \$15,400 (COLA), Purchases are up \$67,542 mostly for Strategic Plan initiatives and a 2-month carryforward of the Mgmt Intern. But there is also a decrease of \$36,800 related to election expenses that are not budgeted for in 2023.

Thus, as shown in the figure below, from 2022 to 2023, revenues are down \$55K, total expenditures are up \$54K, which combined show a net levy increase of \$109K.

		2023 Financial Plan Operating Plan - Cost Code Summary Council				
		2022	2023	Budget	%	Note
	Budget	Budget	Variance	Variance	Reference	
Revenues						
Grants	162,100		(162,100)	100.0%	1	
Contribution from Reserves	263,200	370,000	106,800	(40.6%)	2	
Total Revenues	425,300	370,000	(55,300)	13.0%		
Expenditures						
Labour	205,100	220,500	15,400	7.5%	3	
Purchases	473,400	540,942	67,542	14.3%	4	
Contracted Services	36,800		(36,800)	(100.0%)	5	
Contribution to Reserves	10,000	12,500	2,500	25.0%		
Interfunctional Adjustments	34,900	40,700	5,800	16.6%	6	
Total Expenditures	760,200	814,642	54,442	7.2%		
Total Net Levy	(334,900)	(444,642)	(109,742)	(32.8%)		
Notes:						
1	Modernization funding intake 3					
2	Physician Recruitment and One-time Expenses					
3	Payroll costs, Benefits, COLA					
4	Strategic plan initiatives					
5	Election					
6	IT charges allocation					

CONSULTATION

This report has been completed in consultation with the Senior Analyst/Deputy Treasurer.

FINANCIAL IMPACT/FUNDING SOURCE

No financial implications.

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation

Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – The Town of Tillsonburg will strive for excellence and accountability in government, providing effective and efficient service, information, and opportunities to shape municipal initiatives.

Strategic Direction – N/A

Priority Project – N/A

ATTACHMENTS

N/A