Corporate Planning and Financial Services Deferral Request to Regular Meeting of Council
2025 March 18

ISC: **UNRESTRICTED**
C2025-0318

Deferral Request – Analysis of year over year annual operating budget variances from Q1 2025 to Q2 2025

PREVIOUS COUNCIL DIRECTION

On 2024 November 21, during the 2025 Mid-Cycle Adjustments deliberations, Council amended C2024-1097 requesting Administration prepare a summary document. This document should detail the year-over-year comparison of positive year-end variances and the acceptable level of volatility, given that municipalities are required to avoid operating with a deficit. Furthermore, Administration was asked to conduct quarterly assessments of projected year-end variances and allocate funds to the prioritized unfunded project list throughout the year.

STATUS UPDATE

Administration has gathered the necessary information to prepare the summary document, which outlines the year-over-year comparison of positive year-end variances. This document aims to provide a clear understanding of how these variances have evolved over time.

OUSTANDING WORK

To determine the acceptable level of volatility, further analysis is required to evaluate the various contributing factors. This analysis will help identify the key elements that influence year-end variances and establish the acceptable volatility levels. Additionally, the quarterly assessment of projected year-end variances will be available in April 2025. At that time, a comprehensive review will be conducted to ensure that the projections align with the established acceptable level of volatility and to make any necessary adjustments. This ongoing assessment process is important for maintaining financial stability and ensuring that funds are allocated effectively to the prioritized unfunded project list throughout the year.

REPORT BACK TIMELINES

The report is to be presented to Council by Q2 2025.

Author: Cathy An, Finance Manager, Corporate Budget Office
Acting General Manager Les Tochor concurs with the information in this deferral request.