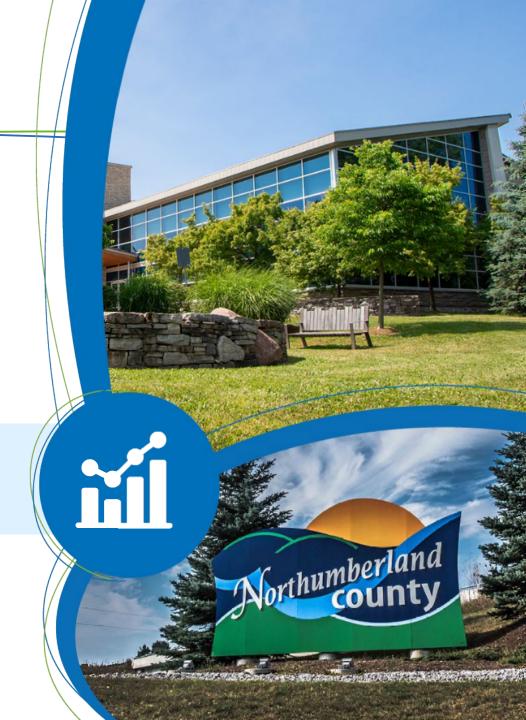
Financial Update

• Summer 2024



Q2 Financial Update



2024 Budget (cash basis – as approved Dec 2023):

Operating \$141.8M
Capital \$67.4M
Debt Principal Repayment \$1.1M
Change in Reserves (\$9.3M)

\$201.0M

As at June 30th, County is on budget with a total favourable variance of \$13,068K.

Q2 Operating Statement



	Actual	Budget	Variance
Revenue	\$87,567K	\$85,503K	\$2,064K
Expenditures	\$73,746K	\$77,711K	(\$3,965K)
Investments (TCAs)	\$21,125K	\$35,415K	(\$14,290K)
Financing (Short term Debt)	(\$16,997K)	(\$24,248K)	\$7,252K
Surplus/(Deficit)	\$9,693K	(\$3,374K)	\$13,068K

Significant Variances



Items	\$k	Comment
Capital Projects	•	Timing – NCHC (1,728K), Housing (3,777K), Transportation (1,672K), Others 218K
Salaries/Wages/Benefits	(1,953)	Gapping, Union increases, Benefits (timing)
Interest	•	Interest on investments (1,302K), Project construction financing (440K)
GPL Subsidy	(1,251)	Prior year adjustments (867K), Operating subsidy (384K)
Housing Project Funding	1,225	Timing - Elgin Park 584K, 473 Ontario 641K

2023-2027 Strategic Plan **Quarterly Update: Spring 2024**

Significant Variances Cont'd



Items	\$k	Comment
Transportation Supplies	` '	Timing – Winter Maintenance (358K), Hard Top Maintenance (110K), Surface Treatment (263K)
GPL & NCAM Project	· · ·	Timing of works (7,331K), net of construction financing 7,252K

2024 Financial Update



- The Bank of Canada (BOC) has made two (0.25%) reductions in 2024 to it's overnight lending rate which now sits at 4.5%.
- The BOC maintains that monetary policy is working to reduce price pressures in Canada and that inflation will gradually ease and return to the 2% target in the second half of 2025. CPI 2.7% June 2024 (12-month change); Non Residential Building construction price index 4.8% (GTA Q2 2023 to Q2 2024)
- Higher interest rates are a significant concern for the County with the GPL & NCAM project funded mostly by debt. As of Aug 1st, the Infrastructure Ontario rate for a 25-year debenture was 4.52%

2024 Financial Update



- The BOC predicts that the global economy will grow around 3% in 2024 and 2025.
- Canadian economic growth has been relatively week but is expected to strengthen in the second half of 2024.
- BOC Canadian GDP forecast growth of 1.2% in 2024 and 2.1% in 2025.