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## Report 2024-125

**Report Title:** August 2024 Year-To-Date Financial Results

**Committee Name:** Finance and Audit

**Committee Meeting Date:** October 1, 2024

**Prepared by:** Matthew Nitsch  
Director of Finance/Treasurer  
Finance

**Approved by:** Jennifer Moore, CAO

**Council Meeting Date:** October 16, 2024

**Strategic Plan Priorities:** ☐ Innovate for Service Excellence  
☒ Ignite Economic Opportunity  
☐ Foster a Thriving Community  
☐ Propel Sustainable Growth  
☐ Champion a Vibrant Future

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### Information Report

**“That** the Finance and Audit Committee receive Report 2024-125 ‘August 2024 Year-To-Date Financial Results’ for information; and

**Further That** the Committee recommend that County Council receive this report for information.”

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### Purpose

To provide the Finance and Audit Committee and Northumberland County Council with an analysis of the County’s financial performance year-to-date as of August 31, 2024.

## **Background**

The variance analysis is aligned with objectives under the County's long-term financial planning framework. This analysis ensures transparency and identifies potential financial opportunities, threats, ongoing monitoring and/or corrective actions allowing for responsive decision making.

## **Consultations**

N/A

## **Legislative Authority/Risk Considerations**

N/A

## **Discussion/Options**

The total variance to budget as of August 31, 2024 is \$21.6M favourable. This is comprised of:

- A total variance for non-timing events of \$5.1M favourable
- A total variance for timing events of \$16.5M favourable

The favourable non-timing events include:

- \$2.5M in interest revenue and interest savings on construction financing for the GPL & NCAM project and the Eglin St housing project
- \$1.4M in GPL subsidy that includes an adjustment of \$641K from 2023
- An estimate of \$1.3M in salary and wage gapping

There is an unfavourable non-timing variance of \$258K for repair and maintenance costs at 310 Division St. These costs will be covered by provincial funding.

There is a favourable variance of \$107K for the return of funds under the Continuous Improvement Fund (\$68K) after the move to producer responsibility (recycling) and \$39K for the final revenue from the MRF.

The largest August timing variance is 11.6M favourable for the capital work. This includes:

- \$5.4M for County Social Housing projects
- \$1.8M for the Elgin St project (NCHC)
- \$4.6M for Transportation projects

The GPL & NCAM project has a favourable timing variance of \$9.2M related to construction progress - in relation to what was contemplated in the budget. There is also an unfavourable timing variance of \$7.3M for the short-term construction financing.

We have a favourable timing variance of \$1.2M for external services that are mostly related to Transportation projects.

A full list of the variances can be found in Attachment 1.

## **Financial Impact**

The attached financial analysis condenses at a high level the financials results and impacts year-to-date as at August 31, 2024. Finance staff allocate the annual budget to each month of the year based on estimated timing of events capturing cyclical fluctuations for operational items typically based on prior year trends and estimated timing for capital projects; however, deviations for timing will ultimately occur based on unforeseen factors.

## **Member Municipality Impacts**

N/A

## **Conclusion**

N/A

## **Attachments**

- 1) Report 2024-125 ATTACH 1 'August 2024 Variance Analysis Worksheet'