



# Committee of the Whole

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**Meeting Date:** November 21, 2023  
**Submitted by:** Cindy Howard, County Treasurer  
**Subject:** Budget Variance Report - October 2023

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## **BACKGROUND:**

Council approves annual budgets for all departments. Professional estimates, the current legislative environment, macroeconomic trends (such as currency fluctuations, commodity prices, unemployment figures and business investment, etc.) and other local information available at the time are significant inputs to the budget recommended to Council by administration. All departments monitor revenues and expenditures on an ongoing basis.

Financial Reports to the end of October have been provided to you. We have now completed ten months of 2023 and below is an update on any variances. This is the second variance report in 2023 that shows year-end projections. The County is expecting a surplus for 2023. However, the County continues to face ongoing financial pressures and challenges including inflation and supply-chain disruption. Department Heads were consulted in the preparation of this report.

## **ANALYSIS:**

Highlights of the budget variances by department are as follows:

### Administration:

Interest Revenue from investments are higher than budget due to higher interest rates.

Supplementary tax revenues and tax write-offs are part of the yearend process.

Administration is tracking a surplus due to higher than budgeted interest revenue.

### Planning:

No significant variances at this time.

### Economic Development:

No significant variances at this time.

#### Information Technology:

Expenditures are tracking as expected.

#### Social Services:

The social housing amount has been prorated until actual billings are received from the City of London.

Children Services actuals are higher than budget due to Canada-Wide Early Learning and Child Care (CWELCC) program.

Other Program Costs includes the Provincial Homelessness Prevention Services program. The 2023 Middlesex County Allocation for Homeless Prevention Services is \$873,903. This amount includes the base allocation (\$210,245) and One-Time Allocation (\$663,658). Confirmation of this funding was received May 19, 2023 from the City of London.

#### Transportation:

No significant variances at this time.

#### Strathmere Lodge:

The Lodge received an increase in Ministry funding to support staffing and building repairs.

The Lodge is currently tracking a surplus due to the additional Ministry funding received.

#### Ambulance:

Middlesex-London Paramedic Service monitors expenditures to ensure alignment with the approved budget. However, MLPS continues to experience a continued increase in call volume and offload delays, which are impacting system performance. A recent meeting with London Health Sciences Centre was held with the Warden of Middlesex County and the Mayor of London to discuss ongoing Offload Delay challenges. Offload delays will be carefully monitored and updated with County Council as appropriate.


The system is also experiencing an increase level of occupation and non-occupational absence from the workplace, which is impacting staffing and budget.

#### Library Services:

The budget variance related to postage and deliveries is over budget by approximately \$19,500. This variance is a result of changes required during the year and this service will be re-evaluated as part of the 2024 budget process.

## ALIGNMENT WITH STRATEGIC FOCUS:

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Focus	Goals	Objectives
<p>Promoting Service Excellence</p> 	<p>Innovate and transform municipal service delivery</p>	<ul style="list-style-type: none"><li>• Anticipate and align municipal service delivery to emerging needs and expectations</li><li>• Engage, educate and inform residents, businesses, and visitors of county services and community activities</li><li>• Collaborate with strategic partners to leverage available resources and opportunities</li><li>• Build organizational capacity and capabilities</li></ul>

## RECOMMENDATION:

THAT the Budget Variance Report for October 2023 be received for information.