

Table 2: 2022 Year-End Operating Variances by Department

The following is a summary of the 2022 Operating Budget Year-End Actuals (unaudited) by Department.

Town of Whitby by Department* (\$ in Thousands)		2022 Budget	2022 Actual**	Total YE 2022 Surplus / (Deficit)	Variance %
Executive and Legislative	Revenue	(\$317)	(\$351)	\$35	
	Expense	\$1,089	\$1,088	\$1	
	Net	\$772	\$737	\$36	5%
Chief Administrative Office	Revenue	(\$1,082)	(\$1,479)	\$397	
	Expense	\$15,700	\$16,103	(\$403)	
	Net	\$14,619	\$14,624	(\$6)	(0%)
Legal & Enforcement Services	Revenue	(\$1,430)	(\$1,408)	(\$22)	
	Expense	\$3,888	\$3,588	\$300	
	Net	\$2,458	\$2,180	\$278	11%
Financial Services	Revenue	(\$3,860)	(\$4,465)	\$604	
	Expense	\$5,375	\$5,122	\$253	
	Net	\$1,514	\$657	\$857	57%
Operational Services	Revenue	(\$1,699)	(\$2,650)	\$952	
	Expense	\$24,650	\$24,541	\$109	
	Net	\$22,952	\$21,891	\$1,061	5%
Fire & Emergency Services	Revenue	(\$595)	(\$391)	(\$205)	
	Expense	\$24,678	\$25,798	(\$1,120)	
	Net	\$24,083	\$25,407	(\$1,325)	(5%)
Planning and Development	Revenue	(\$11,041)	(\$10,230)	(\$811)	
	Expense	\$13,341	\$11,280	\$2,061	
	Net	\$2,300	\$1,050	\$1,250	54%
Community Services	Revenue	(\$10,850)	(\$8,911)	(\$1,939)	
	Expense	\$20,314	\$18,565	\$1,749	
	Net	\$9,464	\$9,653	(\$190)	(2%)

Grants	Revenue	(\$170)	(\$150)	(\$20)	
	Expense	\$6,497	\$6,310	\$187	
	Net	\$6,327	\$6,160	\$167	3%
Corporate Revenues and Expenses	Revenue	(\$122,290)	(\$123,755)	\$1,465	
	Expense	\$37,802	\$38,560	(\$758)	
	Net	(\$84,488)	(\$85,195)	\$707	1%
TOTAL	Revenue	(\$153,333)	(\$153,791)	\$458	
	Expense	\$153,333	\$150,956	\$2,377	
	Net	\$ -	(\$2,835)	\$2,835	

*Note: Numbers may not add due to rounding

**2022 Actuals have been adjusted to eliminate variances related to offsetting (surplus/deficit) variances related to reserve/reserve fund transfers approved by Town Policy. See "Other Transfers to Reserve/Reserve Funds" section of the report for more information.

Executive and Legislative

Executive and Legislative experienced an overall **net surplus of \$36 thousand** consisting of a \$35 thousand revenue surplus and \$1 thousand of expense savings. This net surplus is primarily due to staff vacancies/shortages.

Chief Administrative Office

The Chief Administrative Office ended 2022 with an overall **net deficit of (\$6 thousand)**. Variances in revenues and expenditures reflect additional staff hired to backfill seconded on capital projects, such as Project Wisdom, and the Streamline Development Approval Fund project, shown as expenditure variances while the recovery from capital projects is shown as a revenue variance.

Legal and Enforcement Services

Legal and Enforcement Services experienced an overall **net surplus of \$278 thousand** composed of a (\$22 thousand) revenue pressure and a favourable expense variance of \$300 thousand. This surplus is primarily due to \$332 thousand from staff vacancies/staff shortages. This is offset by (\$46 thousand) mainly for additional building grounds maintenance and operating supplies at the Animal Services Centre. The remaining net pressure (\$8 thousand) is due to other miscellaneous accounts.

Financial Services

Financial Services ended 2022 with a **\$857 thousand net surplus** consisting of \$604 thousand of additional revenue and a favourable expense variance of \$253 thousand. This is mainly due to an additional \$700 thousand in late payment fees on tax arrears and \$40 thousand of increased rental income from Town-owned properties (lease extensions and a new rental). Staff vacancies/staff shortages resulted in a variance of \$275 thousand. These surpluses are partially offset by reduced staff recoveries from capital projects (\$178 thousand). The remaining net surplus of \$20 thousand is from other miscellaneous accounts.

Operational Services

Operational Services experienced an overall **net surplus of \$1,061 thousand** composed of \$952 thousand in surplus revenue and a favourable expense variance of \$109 thousand. There is a \$630 thousand surplus in Municipal Consent approval fees collected and a \$356 thousand surplus in external recoveries for winter maintenance services provided on provincial and regional roads. The overall favourable variance in salaries and benefits of \$551 thousand for the department is comprised of \$794 thousand of vacancy/staff shortages partially offset by (\$243 thousand) pressure for May 21 derecho storm cleanup. Hydro-electricity savings of \$402 thousand is predominately in streetlighting. There was a (\$544 thousand) pressure for contracted service work, fuel usage and purchase/rental of small equipment and supplies related to the storm cleanup, (\$232 thousand) in fuel due to high market prices and (\$85 thousand) for the contribution to the Winter Control Reserve. The remaining variance of (\$17 thousand) is from other accounts.

Fire and Emergency Services

Fire & Emergency Services experienced an overall **net pressure of (\$1,325 thousand)** comprised of a (\$205 thousand) deficit in revenue and a (\$1,120 thousand) of additional expenses. There was a decrease of (\$160 thousand) in WSIB recoveries due to a change in the number of people on WSIB and a decrease of (\$64 thousand) in Motor Vehicle Collision recoveries. A significant pressure of (\$1,302 thousand) was experienced in overtime pay to cover an increased number of absences due to the pandemic, as well as scheduled time off and leaves of absence which is offset by a \$254 thousand surplus in full-time salaries. There was a (\$154 thousand) pressure in emergency dispatch service costs and a surplus of \$71 thousand in repairs and

maintenance for Fire fleet vehicles. The remaining surplus of \$30 thousand is from other accounts.

Planning & Development

Planning & Development ended 2022 with an overall **net surplus of \$1,250 thousand** composed of an (\$811 thousand) deficit in revenue and a favourable expense variance of \$2,061 thousand. The main driver of this surplus is due staff vacancies/staff shortages, \$1,897 thousand. Other favourable variances of \$164 thousand are due primarily to reduced administrative type expenses such as conferences, training, and supplies. These savings are offset by a (\$617 thousand) reduction in recoveries of staff time from capital projects which is a direct result of the staff vacancies. The remaining net revenue deficit of (\$194 thousand) can be mainly attributed to reduced subdivision inspection fees and other miscellaneous revenue impacts.

Community Services

Community Services experienced an overall **net pressure of (\$190 thousand)** consisting of a (\$1,939 thousand) shortfall in revenue and a favourable expense variance of \$1,749. A revenue pressure of (\$210 thousand) is due to a reduction in capital project recoveries mainly in Parks Development. Further revenue losses of (\$1,758 thousand) were due to facility closures and cancellation of programming in the first quarter of 2022 due to lingering pandemic conditions, with gradual recovery in participation levels since reopening. The Civic Recreation Complex (CRC) pool was closed for renovations for the entire year which further contributed to lost revenues. Revenue shortfalls from reduced programming and facility closures were partially offset by a related \$899 thousand variance in salaries and benefits, a \$420 thousand reduction in utility costs, \$338 thousand savings in purchased services/supplies and \$164 thousand savings in administrative costs. There was a pressure of (\$108 thousand) in building operation related costs from increased HVAC and plumbing. The remaining net surplus of \$65 thousand is from other accounts.

Grants

Grant programs ended 2022 with an overall **net surplus of \$167 thousand** comprised of a (\$20 thousand) revenue deficit offset by \$187 thousand of expense savings. Town grant programs had lower expenses of \$159 thousand mainly due to reduced participation in the Access Program at the beginning of the year, as well as closure of the Civic Recreation Centre (CRC) pool for renovations, fewer applications for the grants to taxable charities, the Heritage Tax Rebate, and the Accessibility Improvement program.

Corporate Revenues and Expenses

Corporate Revenues and Expenses experienced an overall **net surplus of \$707 thousand** consisting of a \$1,465 thousand revenue surplus and (\$758 thousand) in additional expenses. There was a net taxation surplus of \$1,662 thousand mainly due to additional supplementary tax revenue based assessment growth provided by MPAC. Surplus investment income of \$663 thousand due to higher prime interest rates in 2022. Offsetting these surpluses are reduced revenues of (\$605 thousand) from the soccer domes operated by the Whitby Football Club due to lingering pandemic impacts. Helping to offset this pressure is a surplus distribution credit of \$545 thousand from WSIB in an effort to provide organizations with financial relief from COVID-19 and other net salaries and benefits variances of \$322 thousand. As a result of the overall Town year end surplus, the budgeted contributions of (\$115 thousand) from the Tax Rate Stabilization Reserve for Elexicon dividend shortfalls, planned draw from a natural gas cost stabilization account (\$200 thousand) and a transfer from the Insurance Reserve Fund of (\$26 thousand) were not required. Per Council direction from FS 06-23, Decision Item #49 “Zero Carbon One-Time Funding Request”, Council approved that the Town’s operating budget surplus for 2022 be used to replenish the Zero Carbon Revolving Fund up to (\$721 thousand). The remaining \$32 thousand surplus was from other accounts.