



**Date:** 04/08/2022

**To:** Chair and Directors, Cariboo Regional District Board

**And To:** John MacLean, Chief Administrative Officer

**From:** Kevin Erickson, Chief Financial Officer

**Date of Meeting:** Cariboo Regional District Board\_Aug12\_2022

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## **Short Summary:**

Cariboo Regional District 2022 Second Quarter Financial Reports

## **Voting:**

Corporate Vote - Unweighted

## **Memorandum:**

The Financial Reports for the second quarter of 2022 are presented for the Board's review. The reports cover the January 1 – June 30, 2022 operating period and show that services are for the most part where they should be halfway through the year.

While several service reports show them significantly under budget this will not last, as many expenses are dependent on the time of year, and the positive variances are not expected to hold up as we proceed further into the year. Many services have expenses that are back-end loaded or do not occur on a regular schedule. While they have been budgeted for, they do not lend themselves to straight line forecasting based on the portion of calendar covered by the reporting period. Similarly, capital work normally takes place in the summer building period which is not covered by this report.

An area of note is within the services that benefitted from the Covid-19 restrictions in areas such as Meetings, Travel and Training. With the end of restrictions, and the resurgence to travel to attend in-person meetings and conferences, we are seeing these expenses return to more normal levels.

While the results of the second quarter look quite good, readers are cautioned that the results may vary significantly as the year progresses. Many services have expenses that are back-end loaded or do not occur on a regular schedule. One must also be aware that unbudgeted events do transpire that put pressure on budgets such as equipment failures and mechanical breakdowns. Similarly, inflation is expected to impact the budget in a negative way. In the approved budget the inflation budgeted for ranged in the 2.5 to 3% range, significantly less than the 8.1% reported for June. While too early to determine the extent that inflation will

affect operating budgets, as most services have a substantial surplus, they should be able to absorb any impact due to inflation.

### Attachments:

2022 Cariboo Regional District Second Quarter Financial Reports  
2022 Second Quarter - Administration  
2022 Second Quarter – Airport Services  
2022 Second Quarter – Contribution Services  
2022 Second Quarter – Development Services  
2022 Second Quarter – Emergency Planning and Search and Rescue Services  
2022 Second Quarter – Environmental Services  
2022 Second Quarter - Grants for Assistance  
2022 Second Quarter – Library, Culture, Heritage  
2022 Second Quarter – Protective Services  
2022 Second Quarter - Recreation Services  
2022 Second Quarter – Sewer Services  
2022 Second Quarter – Streetlighting Services  
2022 Second Quarter – Water Services

### Financial Implications:

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### Policy Implications:

n/a

### Alignment with Strategic Plan:

- ☐ **Communication:** Facilitate communication strategies throughout the entire Cariboo Regional District that meet the needs of residents, community stakeholders, and other levels of government.
- ☐ **Planning:** Intentionally plan services and activities of the CRD to prepare for future needs of residents and community stakeholders.
- ☒ **Economic Sustainability:** Foster an environment to ensure the economic sustainability of CRD communities and the region.
- ☐ **Governance:** Ensure that CRD governance policy and practices are intentional, transparent, and respectful.

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### CAO Comments:

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### Options:

Receipt

**Recommendation:**

That the agenda item summary from Kevin Erickson, Chief Financial Officer, dated August 4, 2022, with attached 2022 Cariboo Regional District Second Quarter Financial Reports, be received.