Q2 2026 General Fund Financial Report

REPORTING PERIOD: JANUARY 1ST – JUNE 30TH 2026
PREPARED FOR: MAYOR AND COUNCIL
PREPARED BY: FINANCE DEPARTMENT

ATTACHMENTS

- Q2 2026 General Fund Budget Variance Report
- Q2 2026 General Fund Balance Sheet
- Q2 2026 General Fund Reserve Summary
- Q2 2026 Council Spending Report

Executive Summary

Financial reports are prepared at the completion of each quarter to provide Council and Administration with insight into the Town's financial position as the year progresses and to support informed decision-making. This report represents the second quarterly financial update for 2026.

At June 30, 2026, the Town is forecasting a year-end operating surplus of $10,287. This represents an improvement from the first-quarter forecast, which projected a year-end deficit. Although operating pressures have emerged, particularly within the Transportation Department, stronger-than-budgeted revenues, including grants, building permit activity, and reserve transfers, together with ongoing expenditure management efforts by staff, have largely offset these impacts.

Cash balances remain strong across both operating and reserve funds, and no immediate cash flow concerns have been identified. Administration will continue to closely monitor financial performance and report any significant changes through future quarterly updates.

Overall Financial Position

After the first six (6) months of 2026, there is a projected surplus of $10,287 in the General Revenue Fund.

Category	Annual Budget ($)	Q2 Forecast ($)	Variance ($)	%
Revenues	9,446,900	9,610,930	+164,030	+1.7%
Expenses	9,446,900	9,600,643	+153,743	+1.6%
Projected Deficit	**0**	**10,287**	**10,287**	**+0.1%**

Cash balances in the general operating and reserve funds remain strong, and no near-term cash flow issues are expected.

Revenue Analysis

Total General Fund revenues are forecasted to exceed the approved budget by $164,030. Taxation and community grant revenues remain on budget, while increases are concentrated in the "Other Revenues" category.

Key Revenue Variances

- Operating Reserves transfers of $44,000
- Grants $71,000 above budget
- Building Permits $30,000 above budget

Expense Analysis

Expenditures are forecasted to exceed budget by $153,743. The primary cost pressures are occurring within the Transportation Department. Adverse winter weather conditions resulted in increased salt usage and overtime costs. In addition, unplanned expenditures were incurred to resolve a long-standing land access issue. Fuel expenditures are projected to exceed budgeted amounts due to higher fuel prices resulting from recent geopolitical events. Capital expenditures are anticipated to exceed budget as a result of the completion of a project carried forward from 2025; however, the additional costs are fully funded through grant revenue.

Key Expense Variances

- Salt: $51,000 over budget
- Consulting Services – Transportation: $42,000 over budget
- Fuel -Transportation: $20,000 over budget

Risk Assessment and Outlook

At this stage of the fiscal year, the Town's primary financial risks relate to external factors that are difficult to predict or control, including weather-related costs and fluctuations in fuel prices. The impacts of winter maintenance operations experienced earlier in the year highlight the need to continue monitoring these cost drivers and to evaluate whether future budgets should include additional contingencies for fuel and winter control operations.

The forecast also includes estimated costs associated with the recruitment of a new Chief Administrative Officer; however, some uncertainty remains regarding the final costs of this process and any related transition activities.

Administration will continue to monitor these risks and update Council as additional information becomes available.

Conclusion

Following the second quarter of 2026, the Town's financial position remains stable, with the current forecast projecting a modest year-end surplus of $10,287, representing a significant improvement from the first-quarter forecast, which anticipated a deficit.

While operating pressures have been experienced during the year, particularly within transportation services, these costs have been largely offset by stronger-than-budgeted revenues, including grant funding and building permit activity. The improvement in the Town's financial outlook also reflects the ongoing efforts of staff to identify efficiencies, manage expenditures, and closely monitor financial performance throughout the organization.

The Town continues to maintain strong cash balances and remains in a sound financial position to meet its operational obligations. Administration will continue to monitor revenues, expenditures, and emerging risks throughout the remainder of the year and will provide Council with updated forecasts through future quarterly financial reports.

Prepared by

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Chief Financial Officer

TOWN OF GRAND BAY-WESTFIELD

BUDGET VARIANCE SUMMARY



For Period Ending 30-Jun-2026

	YTD ACTUAL	ANNUAL BUDGET	ANNUAL FORECAST	VARIANCE
General Operating Fund				
REVENUE				
TAXATION	(4,174,681)	(8,349,363)	(8,349,362)	1
COMMUNITY GRANT	(108,759)	(217,517)	(217,517)	(0)
SURPLUS - 2ND PREVIOUS YEAR	(463,518)	(463,514)	(463,518)	(4)
OTHER	(318,277)	(416,507)	(580,533)	(164,027)
Total REVENUE	(5,065,234)	(9,446,900)	(9,610,930)	(164,030)
EXPENSES				
LEGISLATIVE	125,252	306,629	306,557	(72)
GENERAL GOVERNMENT	805,365	1,399,229	1,419,146	19,917
POLICING	482,220	964,439	964,439	0
TRAFFIC ACTIVITIES	10,285	18,018	18,018	0
FIRE	446,742	973,439	975,737	2,298
EMERGENCY MEASURES	18,591	30,673	30,673	0
ANIMAL CONTROL	34,508	65,574	73,074	7,500
TRANSPORTION	1,205,392	2,242,259	2,326,912	84,653
ENVIRONMENTAL DEVELOPMENT	267,681	648,412	656,552	8,140
ENVIROMENTAL HEALTH	19,320	86,425	86,394	(30)
CULTURAL DEVELOPMENT	60,499	172,732	168,053	(4,679)
RECREATION	343,353	803,703	800,804	(2,899)
FISCAL SERVICES	314,330	1,735,369	1,774,284	38,915
Total EXPENSES	4,133,537	9,446,900	9,600,643	153,743
Total General Operating Fund	(931,698)	0	(10,287)	(10,287)

TOWN OF GRAND BAY-WESTFIELD

GRF BALANCE SHEET

For Period Ending 30-Jun-2026

	CURRENT YEAR
General Operating Fund	
ASSETS	
Cash	2,706,016
Accounts Receivable	171,375
Inventory	16,191
Due From General Capital Fund	1,153,997
Prepaid Expenses	2,418
Investments	16,047
Grants in Progress	(385,795)
Total ASSETS	3,680,249
LIABILITIES	
Accounts Payable	(1,108,481)
Due to Sewerage Revenue Fund	(50,075)
Due to Reserves	(605,884)
Defered Revenue	(2,737)
Short Term Borrowing	(500,000)
Total LIABILITIES	(2,267,178)
SURPLUS	
Surplus/Deficit - Prior Year	(481,373)
Surplus/Deficit - Current Year	(931,698)
Total SURPLUS	(1,413,071)
Total General Operating Fund	0

Summary of General Reserve Accounts - June 30 2026

	Capital Reserve	Operating Reserve	Cash in Lieu of Land
Opening Balance	2,630,466.64	714,442.93	7,501.37
Deposits			700.25
Withdrawals	(600,000.00)		
Expenses			
Interest	19,601.31	5,323.78	55.90
Closing Balance	$ 2,050,067.95	$ 719,766.71	$ 8,257.52

Grand Bay-Westfield
NEIGHBOURS BY NATURE

ADMINISTRATIVE REPORT

Vision: A welcoming place for all to live, grow and thrive
Mission: Facilitating growth, wellness, and prosperity through effective and forward-thinking leadership.

Council Expenses YTD, June 30, 2026

	June 30 Actual	2025 Budgeted	% of Budget Incurred
Council - Remuneration/ Emp. Costs	70,444	143,920	49%
Council - Per Diem/Travel	6,724	45,120	15%
Association Fees	8,929	8,821	101%
Insurance	1,104	1,525	72%
Community Grants	5,000	12,000	42%
Bursaries	-	2,000	0%
Other	33,050	93,245	35%
Total	**125,252**	**306,631**	**41%**

Council Discretion YTD, June 30, 2026

	Mar 31 Actual	Budgeted	% of Budget Incurred
Junior Achievement NB	500	-	
Total	**500**	**26,075**	**2%**

Grand Bay-Westfield
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Council Remuneration & Expenses YTD, June 30, 2026				
Elected Official	Remuneration	Per Diems	Travel	Total
Mayor Merrifield	$18,056	$2,760	$723	$21,539
Deputy Mayor Toole	$8,915	$0	$0	$8,915
Councillor Balcomb	$6,883	$400	$69	$7,353
Councillor Balemans	$7,744	$400	$103	$8,247
Councillor Burpee	$7,744	$700	$194	$8,638
Councillor Day	$6,883	$0	$0	$6,883
Councillor London	$860	$200	$65	$1,125
Councillor Weil	$860	$200	$65	$1,125
Councillor McIntosh Lawrence	$7,744	$700	$145	$8,588
Total	**$65,691**	**$5,360**	**$1,364**	**$72,415**