

COMMUNICATION 131053

Received from Trisa McConkey, CPA, CGA, Treasurer
Addressed to Committee of the Whole
Date April 21, 2020
Topic Financial Report to March 31, 2020

SUMMARY:

The attached Financial Report provides a review of the Town's financial performance after the first three (3) months of 2020.

COMMENTS:

The table below shows the 2020 approved operating budget compared to year-to-date actual expenditures by functional category.

| | BUDGET | YEAR-TO-DATE | % OF BUDGET |
|-----------------------------|--------------------------|--------------------------|-------------|
| Revenue | | | |
| ADMINISTRATION | (\$13,262,954.24) | (\$5,798,541.55) | 44% |
| PROTECTION-POLICE | (\$20,000.00) | | 0% |
| PROTECTION-excluding police | (\$727,000.00) | (\$313,795.40) | 43% |
| SOCIAL/FAMILY SERVICES | (\$3,893,513.00) | (\$851,243.48) | 22% |
| TRANSPORTATION | (\$518,443.00) | (\$115,058.08) | 22% |
| ENVIRONMENTAL-WASTE | (\$200,000.00) | (\$34,716.87) | 17% |
| ENVIRONMENTAL-WATER/SEWER | (\$6,259,868.00) | (\$4,353,355.64) | 70% |
| RECREATION/CULTURE | (\$2,025,339.11) | (\$340,026.75) | 17% |
| PLANNING/DEVELOPMENT | (\$332,512.00) | (\$73,407.10) | 22% |
| Revenue Total | (\$27,239,629.35) | (\$11,880,144.87) | 44% |
| Expenses | | | |
| ADMINISTRATION | \$2,909,149.51 | \$3,007,730.93 | 103% |
| PROTECTION-POLICE | \$2,460,306.65 | \$594,020.29 | 24% |
| PROTECTION-excluding police | \$2,429,310.86 | \$277,569.12 | 11% |
| SOCIAL/FAMILY SERVICES | \$3,893,513.00 | \$583,323.28 | 15% |
| TRANSPORTATION | \$4,438,230.18 | \$609,403.22 | 14% |
| ENVIRONMENTAL-WASTE | \$920,204.35 | \$171,452.94 | 19% |
| ENVIRONMENTAL-WATER/SEWER | \$6,259,868.00 | \$618,554.27 | 10% |
| RECREATION/CULTURE | \$3,000,759.86 | \$385,767.18 | 13% |
| PLANNING/DEVELOPMENT | \$928,286.94 | \$71,591.18 | 8% |
| Expenses Total | \$27,239,629.35 | \$6,319,412.41 | 23% |
| Grand Total | (\$0.00) | (\$5,560,732.46) | |

At March 31, 2020, the financial year is 25% complete. A variance is considered significant if it is more than 5% greater than or less than 25%. Significant variances as at March 31, 2020 include:

Revenue

1. ADMINISTRATION – The interim tax billing processed in January includes the revenue for a full half of the year.
2. PROTECTION-excluding police – Building permit revenue collected to March 31st amounts to 40%, or \$263,437 of the year's \$650,000 budget.
3. ENVIRONMENTAL-WASTE – Receipt of Stewardship Grant funds is typically received 4 to 6 months behind and the Household Hazardous Waste site does not open until May.
4. ENVIRONMENTAL-WATER/SEWER – \$2,865,260 of the revenue shown is due to recovery of costs related to project work included in the South of Hwy 7 cost sharing agreement.
5. RECREATION/CULTURE – March revenue was approximately \$75,000 less than budgeted. Facilities are closed and some refunds have been processed.

Expenses

1. ALL SERVICES – Only 20% (11 of 52 weeks) of annual payroll costs are included.
2. PROTECTION-excluding police – CEMC/Fire Admin Support; Director of Planning & Development and Assistant Chief positions had not been hired by March 31, 2020.
3. TRANSPORTATION – New Operator had not been hired as of March 31, 2020.
4. ENVIRONMENTAL-WATER/SEWER – Several maintenance activities have not yet begun. New Operator had not been hired as of March 31, 2020.
5. PLANNING & DEVELOPMENT – New Director of Planning and Development had not been hired as of March 31, 2020.

Capital projects for 2020 are just beginning and expenditures to date have been minor. A Capital progress report will be provided as part of the June 30, 2020 Financial Report.

FINANCIAL IMPLICATIONS

The first quarter results are good. However, we are just starting to see the effect of COVID-19 expenses and revenue losses.

STAFF RECOMMENDATION

THAT Council receive the Financial Report from the Treasurer to March 31, 2020 as information.