



## MEMORANDUM

**DATE:** May 14, 2020  
**TO:** Council  
**FROM:** Michael Minchin, Director of Corporate Services  
**SUBJECT:** 2020 1<sup>st</sup> Quarter - Actual to Budget Expense Report

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Attached are the following reports:

1. Actual to Budget Year to Date Expense Report Summary
2. Actual to Budget Year to Date Expense Report by Department

These reports show results for the 1<sup>st</sup> quarter of 2020 as of March 31<sup>st</sup>. The first report summarizes the results for the entire organization. Note that the budget figures reflect the 2020 interim figures. The 2<sup>nd</sup> Quarter report will reflect the update 2020 budget figures. The second report provide details for each operating area at the County.

The first quarter is typically the County's quietest from a financial perspective. The bulk of the revenue for the County occurs in the 2<sup>nd</sup> quarter when taxes are levied and expenses typically peak in the 3<sup>rd</sup> quarter. There are several items of note:

### Revenue:

- General Government
  - Other Taxes
    - Well Drilling Tax has almost reached budget target for year (\$71,853 versus a budget of \$75,000). Future drilling tax however remains very uncertain due to the crash in oil prices.
    - Community Aggregate levy makes up the remaining portion of the budget for this category (\$4,300 actual to date versus a budget of \$700,00). Most of the aggregate levy is reported in the 3<sup>rd</sup> and 4<sup>th</sup> quarters.
  - Return on Investments
    - Interest is slightly overstated as the income reported includes interest earned on grant funding. This funding is removed at year end.
- Protective Services
  - Sales to Other Government
    - A negative revenue shows due to an adjusting entry related to 2019. This item will be offset later in 2020.
- Transportation Services
  - Government Transfers



- Provincial Government Transfers related to 2019 capital projects has been recognized as revenue. There will be corresponding reallocation of reserves in accordance with the MSI allocation policy.
- Wastewater Services
  - Development Agreements Levies
    - A negative revenue shows due to an adjusting entry related to 2019. This item will be offset later in 2020.

Expenses:

- Expenses in general will lag until 2<sup>nd</sup> quarter when the bulk of the County's outside activities will commence.
- The pandemic response has not had an impact on operating costs so far. Costs incurred to date have been limited and funded from existing budget areas.
- Fuel: Low prices in 1<sup>st</sup> quarter have put the County ahead of budget to date. However, prices did rebound upward in May, though still below estimates.
- School requisitions payments will be below budget to end of year as the non-residential school tax portion for 2<sup>nd</sup> and 3<sup>rd</sup> quarters will not be payable until the end of the year.