



## MEMORANDUM

**DATE:** May 13, 2021  
**TO:** Council  
**FROM:** Michael Minchin, Director of Corporate Services  
**SUBJECT:** 2021 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
3. Actual to Budget Year to Date Expense Report by Type

These reports show results for the 1<sup>st</sup> quarter of 2021 as of March 31st. These reports include budget estimates included in the 2021 interim budget which was approved in December 2020.

The first report summarizes the results for the entire organization. The second report provide details for each operating area at the County and the 3<sup>rd</sup> report shows results by type of expense.

The first quarter is typically the slowest part of the year for the County as the bulk of County's activities take place in 2<sup>nd</sup> and 3<sup>rd</sup> quarters.

Some highlights of the County's financial performance to date:

**Revenue:**

- General Government
  - Other Taxes
    - 2021 is the first year of a 0% well drilling tax rate. Accordingly, revenues in this area will be entirely made up of the community aggregate levy. This revenue is recorded as received with the bulk of the revenue arriving in the 3<sup>rd</sup> and 4<sup>th</sup> quarter.
  - Return on Investments
    - Interest is trailing quarterly projections. This is due to lower rates of return than estimated. Rates are expected to improve later in the year.
  - Provincial Grants
    - The grants reported to date in this area are related to the Federal MOST grant. This is offset by matching eligible expenses as of the end of March in a variety of departments.



- Fire Services
  - Fire Response Service User Fees
    - Fire Service fees are trending higher than budget so far in 2021. This is driven by call volume. The amount reported is the amount billed to date.
- Operations
  - Sale of Materials
    - Sale of bridge materials is trending above quarterly budget. This amount will tend to trail off as the year progresses as construction material acquisition peaks early in the year.
  - Federal Government Transfers
    - Federal Gas Transfers are negative. This is a year-end adjustment from 2020 that will be corrected next quarter.
  - Provincial Government Transfers
    - MSI Capital Grant is negative. This is a year-end adjustment from 2020 that will be corrected next quarter.
- Utilities
  - Water & Wastewater Departments
    - All departments are in line with budget expectations.
- Planning
  - Development Permits
    - Permits are in line with budget expectations.
- Agriculture
  - Grants
    - The annual grant has not yet been paid. This grant tends to be paid later in the year.

Expenses:

- Expenses in most areas are in line with budget expectations. Expenses will increase significantly in 2<sup>nd</sup> quarter as departments ramp up outdoor operations.
- Wages and benefits are tracking in line with budget. Again, activities in 2<sup>nd</sup> and 3<sup>rd</sup> quarter will result in higher expenses during these periods.
- Fuel and Lube expenses are trailing budget. However, the bulk of the expenses are in 2<sup>nd</sup> and 3<sup>rd</sup> quarter. In addition, prices have increased significantly in the last month. A budget adjustment will be included in the budget amendment review at Council's next meeting to address the expected increase in fuel prices.
- Transfers to Individual Organizations are at 60% of budget. This amount reflects capital funding requests approved in 2021 by Council and not included in the interim budget as well as annual grants that are typically paid in the first half of the year. The capital funded requests are funded by an offsetting transfer from the recreation capital reserve.