



STAFF REPORT #T2021-10
Standing Committee 6/7/2021
Council 6/21/2021
Amendments: No

Submitted to: Strategic Initiatives Standing Committee | Council
Submitted by: Monica Quinlan, Treasurer
Subject: 2021 Q1 Financial Report

PURPOSE

The purpose of this report is to provide Council notice of any financial risks that could affect the 2021 year-end position based on actual financial information as of March 31, 2021, which is the end of the first quarter (Q1) for the tax supported and non-tax supported budgets.

RECOMMENDATION

THAT Staff Report T2021-10, 2021 Q1 Financial Report be received for information;

AMENDMENTS

None

1. BACKGROUND

Staff will be reporting quarterly to Council on financial performance against budget. The schedule below identifies the reports that will be forthcoming over the next 12 months:

Q1 Reporting – May 2021
Q2 Reporting – September 2021
Q3 Reporting – November 2021
Q4 Year End Reporting – March/April 2022

Providing this information allows both staff and members of Council the information it requires to make informed financial decisions.

2. INPUT FROM OTHER SOURCES

This report was reviewed by Department Heads on June 1st, and recommended to proceed to committee.

3. APPLICABLE POLICY OR LEGISLATION

N/A

4. ANALYSIS

As we have progressed through 2021, we have seen the long-lasting impacts of the COVID-19 Pandemic, and continue to experience a “Stay at Home” order from the Province of Ontario. This has meant continued closures of our Recreation facilities/Library, limited hours at Town Hall and continued work-from-home operations. Additionally, members of Council have provided relief to our residents and businesses through the waiving of interest on Taxes (current year only) for the months of March through to and including June 2021.

The Town has once again been fortunate in receiving additional funding from the Province to help offset the losses in revenue and increased expenses in the amount of \$482,430. At this time staff believe based on forecasts that this will be sufficient to cover any lost revenue anticipated.

2021 Q1 Operating Fund Financial Results

Overall, the Town of Collingwood continues to be in a good financial position, there are some increased pressures with respect to the Pandemic, however as mentioned above staff feel that the Provincial funding noted above will continue to assist to offset those losses. The financial stability of the Town has been supported through sound financial decisions and a healthy level of growth over the past several years.

The table below illustrates the net impact of each department on the year to date surplus. Generally what would be expected is that each department should be at approximately 25% of budgeted values. On average Town departments currently sit at 20.4% which means that expenditures are slightly behind the expectation (Note: that this excludes taxation as the interim billing requires 50% of prior year's taxes be billed).

Department	2021 Annual Budget (in '000's)	2021 YTD Actual (in '000's)	2021 Variance %	2020 Annual Budget (in '000's)	2020 YTD Actual (in '000's)	2020 Variance %	2019 Annual Budget (in '000's)	2019 YTD Actual (in '000's)	2019 Variance %
Taxation Revenue	\$ 36,808	\$ 17,890	48.6%	\$ 35,590	\$ 17,076	48.0%	\$ 34,118	\$ 16,338	47.9%
General Government	- 9,229	- 2,056	22.3%	- 8,486	- 2,128	25.1%	- 7,751	- 1,758	-22.7%
Protection Services	- 11,998	- 3,466	28.9%	- 11,545	- 2,734	23.7%	- 10,994	- 2,049	18.6%
Transportation Services	- 5,968	- 1,277	21.4%	- 6,128	- 1,628	26.6%	- 6,137	- 1,878	30.6%
Enivronmental/Water Services *	3,844	743	19.3%	4,525	793	17.5%	4,235	682	16.1%
Affordable Housing	- 101	- 28	27.3%	- 88	- 50	56.8%	- 79	- 44	55.6%
PRC	- 5,766	- 1,060	18.4%	- 5,310	- 1,345	25.3%	- 5,312	- 1,170	22.0%
Library	- 1,755	- 448	25.5%	- 1,769	- 424	24.0%	- 1,757	- 410	23.4%
Planning & Development	- 1,991	- 403	20.2%	- 2,264	- 426	18.8%	- 2,088	- 482	23.1%
Total **	\$ 3,844	\$ 9,896		\$ 4,525	\$ 9,134		\$ 4,235	\$ 12,744	
Non-Tax Supported Adjustments	-\$ 3,844	\$ -		- 4,525	-		- 4,235	-	
Grand Total	\$ -	\$ 9,896		-	9,134		\$ -	12,744	

* Non-Tax Supported Adjustments represent the reversal of any budgeted transfers to/from reserves, to assist in the monitoring of the departments.

** (+) Indicates a Surplus (-) indicates a Deficit

Highlights of 2021 Q1 by Department:

- Taxation - ($48.6\% - 25\% = 23.6\%$) – favourable variance due mainly to the interim billing occurring, as 50% of prior years' taxes are billed in the 1st Quarter of the year.
- General Government ($25\% - 22.3\% = 2.7\%$) – favourable variance due mainly to the timing of expenses most notably:
 - P3 advisory services for Terminals – RFP is in progress;
 - COVID-19 expenses – timing of expenses;
 - Legal Expenses - timing of expenses; and
 - Transfer to Capital - timing of expenses.
- Protection Services ($25\% - 28.9\% = (3.9\%)$) – unfavourable variance due mainly to:
 - Salaries slightly ahead at this point in time (2.4%) as part of the administrative reallocation that will be reconciled for Q2.
- Transportation Services – ($25\% - 21.4\% = 3.6\%$) – favourable variance due mainly to:
 - Stormwater Master Plan – timing of study;
 - Transfer to Capital – timing of expenses; and
 - Fuel – timing of expenses; these are partly offset by unfavourable variances in:
 - Materials – timing of purchases.
- Environmental/Water Services – ($25\% - 19.3\% = 5.7\%$) – as this department is Non-tax supported the net result shown (\$743k) is in comparison to the total reserve transfer that is expected at the end of each year. At this time the amount is slightly behind the 25% listed as generally expected for Q1 results, however it is considered to be reasonable at this point in the year for this particular department.
- Affordable Housing – ($25\% - 27.3\% = (2.33\%)$) - unfavourable variance due mainly to:
 - Rental revenue - timing of payments.
- PRC – ($25\% - 18.4\% = 6.62\%$) – favourable variance due mainly to:
 - Utilities – due to closures of recreation facilities; note that this is offset by the decreased revenue; and
 - Insurance – due to the timing of expenses and allocation.
- Library – ($25\% - 25.5\% = (0.5\%)$) – within planned expectations.
- Planning & Development ($25\% - 20.2\% = 4.78\%$) – favourable variance due mainly to:
 - Salaries – due mainly to a vacant position.

2021 Q1 Capital Fund Financial Results

The total Capital Budget for 2021 is \$38.8 Million, as at the end of Q1 only \$1.0 Million have been spent as we are early on in the year and the construction season is yet to begin. The projects that are currently underway and budgeted at greater than \$50k are as follows:

- EV Charging Stations - (Budget - \$230k – Actual to date - \$41.9k);
- Information Technology Computer HW/WS (Budget - \$53k – Actual to date - \$37.7k);
- 507 Tenth Line (Budget - \$80k; Carryforward from 2020 - \$35k – Actual to date - \$92k);
- Niagara and Huron Crosswalk - (Budget - \$253k – Actual to date - \$13.2k);

- Pretty River Channelization - (Budget - \$300k – Actual to date – (\$106k)) – contribution from developers received;
- Mountain Rd Upgrade (Budget - \$3.2 Million – Actual to date - \$59.3k);
- Minnesota Storm Sewer (Budget - \$4.1 Million – Actual to date - \$13.8k);
- Transit Study (Budget - \$55k – Actual to date - \$21.2k);
- Waterfront Safety (Budget - \$7.8 Million – Actual to date - \$264k):
 - Trails – (Budget - \$150k – Actual to date - \$180k);
 - Splash Pad - (Budget - \$1.55 Million – Actual to date - \$30k); and
 - Sunset Park Redesign - (Budget - \$1.5 Million – Actual to date - \$23k).
- Facilities (Budget - \$730k – Actual to date - \$30.6k):
 - Eddie Bush Arena - (Budget - \$230k – Actual to date - \$19.5k);
- Wastewater Services (Budget - \$11.8 Million – Actual - \$314k):
 - WWTP - (Budget - \$75k – Actual to date - \$65k); and
 - Sludge Pump Replacements - (Budget - \$1.26 Million – Actual to date - \$19k).
- Water Services (Budget - \$9.5 Million – Actual to date - \$229k):
 - Pumping Stations - (Budget - \$409k – Actual to date - \$213k);
 - Wireless Water Meters - (Budget - \$50k – Actual to date - \$2.6k); and
 - Stewart Rd Reservoir - (Budget - \$3.5 Million – Actual to date - \$5.6k).

There are no unusual trends or causes for concern at this stage with respect to the financial information available at this time. Where challenges may arise, additional reporting will be brought forward to Council in a timely manner with recommendations on how these should be addressed.

5. EFFECT ON TOWN FINANCES

At this time the impact to Town Finances are detailed as above in the 2021 Q1 Financial Statements.

6. CONSIDERATIONS

Community Based Strategic Plan: ☒ N/A or ☐ Explain: Choose an item.
 Climate Change / Sustainability: ☒ N/A or ☐ Explain: Choose an item.
 Accessibility: ☒ N/A or ☐ Explain: Choose an item.
 Communication / Engagement: ☒ N/A or ☐ Explain: Choose an item.
 Accountability / Transparency: ☐ N/A or ☒ Explain: Enhances Accountability and Transparency

7. APPENDICES & OTHER RESOURCES

Appendix A	2021 YTD Consolidated Statement of Operations
Appendix B	2021 YTD Consolidated Statement of Capital

SIGNATURES

Prepared by:		Department Head:
<i>Monica Quinlan, Treasurer</i>		
Town of Collingwood		Town of Collingwood

The Town of Collingwood Consolidated Statement of Operations (in '000's) For the Three Months Ending Wednesday, March 31, 2021									
Description	2021 Y-T-D	2021 Annual Budget	2021 %	2020 Y-T-D	2020 Annual Budget	2020 %	2019 Y-T-D	2019 Annual Budget	2019 %
Taxation Revenue	\$ 17,934	\$ 37,238	48.2%	\$ 17,193	\$ 35,847	48.0%	\$ 16,443	\$ 34,375	47.8%
Expenses	44	430	10.1%	117	257	45.6%	105	257	40.7%
Net Taxation	\$ 17,890	\$ 36,808	48.6%	\$ 17,076	\$ 35,590	48.0%	\$ 16,338	\$ 34,118	47.9%
General Government Revenue	\$ 1,200	\$ 3,022	39.7%	\$ 1,334	\$ 2,753	48.5%	\$ 5,111	\$ 4,129	123.8%
Expenses	3,256	12,251	26.6%	3,462	11,239	30.8%	3,353	11,880	28.2%
Net General Government	-\$ 2,056	-\$ 9,229	22.3%	-\$ 2,128	-\$ 8,486	25.1%	\$ 1,758	-\$ 7,751	-22.7%
Protection Services Revenue	\$ 277	\$ 1,337	20.7%	\$ 193	\$ 1,061	18.2%	\$ 674	\$ 1,049	64.3%
Expenses	3,743	13,335	28.1%	2,926	12,605	23.2%	2,723	12,043	22.6%
Net Protection Services	-\$ 3,466	-\$ 11,998	28.9%	-\$ 2,734	-\$ 11,545	23.7%	-\$ 2,049	-\$ 10,994	18.6%
Transportation Services Revenue	\$ 1,088	\$ 2,352	46.3%	\$ 747	\$ 2,458	30.4%	\$ 923	\$ 3,190	28.9%
Expenses	2,365	8,320	28.4%	2,376	8,586	27.7%	2,801	9,328	30.0%
Net Transportation Services	-\$ 1,277	-\$ 5,968	21.4%	-\$ 1,628	-\$ 6,128	26.6%	-\$ 1,878	-\$ 6,137	30.6%
Environmental Services Revenue	\$ 1,028	\$ 7,702	13.3%	\$ 1,651	\$ 8,704	19.0%	\$ 1,559	\$ 8,565	18.2%
Expenses	983	7,702	12.8%	975	8,704	11.2%	1,067	8,565	12.5%
Net Environmental Services	\$ 44	\$ -	0.0%	\$ 676	\$ -	0.0%	\$ 492	\$ -	0.0%
Water Services Revenue	\$ 1,184	\$ 7,770	15.2%	\$ 1,409	\$ 7,684	18.3%	\$ 1,364	\$ 7,193	19.0%
Expenses	1,085	7,770	14.0%	1,292	7,684	16.8%	1,173	7,193	16.3%
Net Water Services	\$ 99	\$ -	0.0%	\$ 117	\$ -	0.0%	\$ 190	\$ -	0.0%
Affordable Housing Revenue	\$ 37	\$ 192	19.2%	\$ 11	\$ 192	5.9%	\$ 19	\$ 196	10.0%
Expenses	64	293	22.0%	61	281	21.9%	63	275	23.1%
Net Affordable Housing	-\$ 28	-\$ 101	27.3%	-\$ 50	-\$ 88	56.8%	-\$ 44	-\$ 79	55.6%
PRC Revenue	\$ 16	\$ 1,138	1.4%	\$ 86	\$ 1,300	6.7%	\$ 177	\$ 1,440	12.3%
Expenses	1,075	6,903	15.6%	1,431	6,610	21.6%	1,348	6,752	20.0%
Net PRC	-\$ 1,060	-\$ 5,766	18.4%	-\$ 1,345	-\$ 5,310	25.3%	-\$ 1,170	-\$ 5,312	22.0%
Library Revenue	\$ 10	\$ 158	6.6%	\$ 19	\$ 117	16.7%	\$ 17	\$ 115	15.1%
Expenses	459	1,913	24.0%	444	1,885	23.5%	428	1,872	22.8%
Net Library	-\$ 448	-\$ 1,755	25.5%	-\$ 424	-\$ 1,769	24.0%	-\$ 410	-\$ 1,757	23.4%
Planning and Development	\$ 125	\$ 521	24.0%	\$ 168	\$ 485	34.5%	\$ 252	\$ 385	65.5%
Expenses	527	2,512	21.0%	594	2,749	21.6%	734	2,473	29.7%
Net Planning And Development	-\$ 403	-\$ 1,991	20.2%	-\$ 426	-\$ 2,264	18.8%	-\$ 482	-\$ 2,088	23.1%
Net Operating Surplus	\$ 9,296	\$ -	0.0%	\$ 9,134	\$ -	0.0%	\$ 12,744	\$ -	0.0%

THE TOWN OF COLLINGWOOD Consolidated Statement of Capital (in '000's) For the Three Months Ending Wednesday, March 31, 2021									
Description	2021 Y-T-D	2021 Annual Budget	2021 %	2020 Y-T-D	2020 Annual Budget	2020 %	2019 Y-T-D	2019 Annual Budget	2019 %
General Government Revenue		\$ 942,055	0.0%		\$ 645,874	0.0%	\$ 35,143	\$ 1,220,274	2.9%
Expenses	68,167	942,055	7.2%	34,297	645,874	5.3%	35,361	1,220,274	2.9%
Net General Government	<u>-\$ 68,167</u>	<u>\$ -</u>	0.0%	<u>-\$ 34,297</u>	<u>\$ -</u>	0.0%	<u>-\$ 218</u>	<u>\$ -</u>	0.0%
Protection Services Revenue		\$ 1,016,000	0.0%	\$ 26,456	\$ 970,000	2.7%		\$ 872,500	0.0%
Expenses	4,414	1,016,000	0.4%	23,449	970,000	2.4%	2,035	872,500	0.2%
Net Protection Services	<u>-\$ 4,414</u>	<u>\$ -</u>	0.0%	<u>\$ 3,007</u>	<u>\$ -</u>	0.0%	<u>-\$ 2,035</u>	<u>\$ -</u>	0.0%
Transportation Services Revenue	\$106,000	\$ 12,241,114	0.9%		\$ 11,777,305	0.0%		\$ 7,728,535	0.0%
Expenses	254,994	12,241,114	2.1%	95,896	11,777,305	0.8%	72,229	7,728,535	0.9%
Net Transportation Services	<u>-\$148,994</u>	<u>\$ 0</u>	0%	<u>-\$ 95,896</u>	<u>\$ -</u>	0.0%	<u>-\$ 72,229</u>	<u>\$ -</u>	0.0%
Environmental Services Revenue		\$ 2,533,400	0.0%		\$ 7,266,800	0.0%	\$ 264,017	\$ 6,912,000	3.8%
Expenses	94,094	2,533,400	3.7%	1,210,771	7,266,800	16.7%	243,584	6,912,000	3.5%
Net Environmental Services	<u>-\$ 94,094</u>	<u>\$ -</u>	0.0%	<u>-\$1,210,771</u>	<u>\$ -</u>	0.0%	<u>\$ 20,433</u>	<u>\$ -</u>	0.0%
Water Services Revenue	\$ 17,214	\$ 12,372,000	0.1%	-\$ 2,014	\$ 6,834,100	0.0%	\$ 117	\$ 11,319,000	0.0%
Expenses	229,903	12,372,000	1.9%	127,668	6,834,100	1.9%	1,032,081	11,209,000	9.2%
Net Water Services	<u>-\$212,689</u>	<u>\$ -</u>	0.0%	<u>-\$ 129,682</u>	<u>\$ -</u>	0.0%	<u>-\$1,031,964</u>	<u>\$ 110,000</u>	-938.1%
PRC Revenue		\$ 9,263,212	0.0%		\$ 5,761,150	0.0%	\$ 71,544	\$ 4,621,559	1.5%
Expenses	309,482	9,263,212	3.3%	161,876	5,761,150	2.8%	380,271	4,621,559	8.2%
Net PRC	<u>-\$309,482</u>	<u>-\$ 0</u>	0.0%	<u>-\$ 161,876</u>	<u>\$ -</u>	0.0%	<u>-\$ 308,728</u>	<u>\$ -</u>	0.0%
Library Revenue	\$ 104	\$ 137,000	0.1%		\$ 111,000	0.0%		\$ 234,500	0.0%
Expenses		137,000	0.0%	2,634	111,000	2.4%	2,112	234,500	0.9%
Net Library	<u>\$ 104</u>	<u>\$ -</u>	0.0%	<u>-\$ 2,634</u>	<u>\$ -</u>	0.0%	<u>-\$ 2,112</u>	<u>\$ -</u>	0.0%
Planning and Development		\$ 273,936	0.0%			0.0%		\$ 12,000	0.0%
Expenses	42,857	273,936	15.6%			0.0%		12,000	0.0%
Net Planning And Development	<u>-\$ 42,857</u>	<u>\$ -</u>	0.0%	<u>\$ -</u>	<u>\$ -</u>	0.0%	<u>\$ -</u>	<u>\$ -</u>	0.0%
NET CAPITAL SURPLUS/(DEFICIT)	<u>-\$880,593</u>	<u>\$ 0</u>		<u>-\$1,632,150</u>	<u>\$ -</u>		<u>-\$1,396,853</u>	<u>\$ 110,000</u>	