

# STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG



<b>Report to:</b>	Mayor and Council Members	<b>Priority:</b>	<input checked="" type="checkbox"/> High <input type="checkbox"/> Low
<b>Submitted by:</b>	Ian D. Davey, BBA CPA CA Treasurer/Director of Corporate Services	<b>Meeting Type:</b>  Open Session <input checked="" type="checkbox"/> Closed Session <input type="checkbox"/>	
<b>Meeting Date:</b>	May 31, 2021		
<b>Report No.:</b>	Corporate Services-062-21		
<a href="#">Submit comments to Council</a>			

**Subject/Title:** Operating Budget Variance Report – Q1 2021

## RECOMMENDATION:

THAT Council receive the First Quarter 2021 Operating Budget Variance Report for information purposes.

### 1. STRATEGIC PLAN

N/A

### 2. PUBLIC ENGAGEMENT

N/A

### 3. PURPOSE

The purpose of this report is to provide Council with the financial results for the first quarter of 2021 compared to budget.

#### 4. ORIGIN AND LEGISLATION

This budget variance report covers the period from January 1, 2021 through March 31, 2021 and is intended for information purposes. When reviewing this report, please keep in mind that seasonality plays a significant role in some of the departmental variances being reported.

#### 5. BACKGROUND

The 2021 Operating Budget was approved by Council on February 1, 2021 by Resolution 042 – 21. The 2021 Operating budget was prepared and approved based on several assumptions with respect to the impact of the pandemic on operations and when we might be expected to return to full normal operations.

#### 6. ANALYSIS

The first page of the report is a summary of the Revenue and Expenditures by category.

The revenues represent those items specifically noted within each category of the municipal operating budget. The first column is the total annual budget, the second column is the actual revenue recorded to the end of March 2021, the third column is the remaining amount required to reach budget for the year and the fourth column is the percentage required to meet budget.

Approximately 19% of the total budgeted revenue from sources other than property taxes have been received to the end of March 2021. This figure is not unexpected given the impact of the pandemic and the seasonality of much of our revenue from recreational programming.

The expenditures portion of page 1 has the same columns with the first column representing the total annual budget, the second column is the actual expenditure to March 31, 2021, the third column is the budget available for the remainder of 2021 and the fourth column represents the remaining funds as a percentage of the total annual budget.

Approximately 22% of the total budgeted expenditures have been spent as of March 31, 2021.

The difference between the total budgeted revenue of \$14,250,061 and the total budgeted expenditures of \$39,043,630 is shown at the bottom of the page in the amount of \$24,793,569 (2019 - \$24,686,992) and represents the Municipal Tax Levy which agrees to the approved operating budget.

The second page of the report provides a further breakdown of the revenue received to March 30, 2021 by department and is the backup for the amounts shown on the summary page (Page 1).

The remaining pages, 3 to 5, provide a similar departmental breakdown of expenditures made to March 31, 2021 and support the expenditure amounts shown on the summary page (Page 1).

## **7. FINANCIAL IMPLICATIONS/BUDGET IMPACTS**

There are no financial implications at this time as both revenue and expenditures are tracking as anticipated for Q1- 2021. We will continue to monitor and report back to Council with Q2- 2021 results. The results for Q3 and Q4 will be most impacted if we have not been able to return to more normal operations at that time.

## **8. CONCLUSION**

This report has been provided to Council and Members of the Public for information purposes.

## Report Approval Details

Document Title:	Operating Budget Variance Report - Corporate Services-062-21.docx
Attachments:	- doc24590120210526133911.pdf
Final Approval Date:	May 27, 2021

This report and all of its attachments were approved and signed as outlined below:

**Tracey Vaughan, Chief Administrative Officer - May 27, 2021 - 2:51 PM**