

Municipality of Middlesex Centre

December 2020 Budget

Introduction

At the beginning of every month the detailed budget to actual reports are reviewed by the Director of Corporate Services and are provided to each Department and Directors perform a detailed analysis on their accounts.

When looking at the % used column in this analysis, for a 12 month period a monthly average % used would equate to 8.33%, which means for December (12 months) this should be at 100%%, however as the Municipality operates on a cash basis, the expenses will be lacking at this time of year due to timing . As one can see from this analysis, some expenses are still tracking below the annual amount, this is due to many reasons, but mainly due to the timing of processing invoices and expenses.

In March 2020, the Municipality declared a state of emergency. In May 2020, staff presented many cost containment strategies to assist in covering the loss of revenues due to the pandemic. In October 2020, staff presented an update on the cost containment plan and projected cost savings to year end. Evidence of these savings is captured in these reports.

Municipality of Middlesex Centre

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Budget Item	Actual Revenue (\$)	Budget Revenue (\$)	\$ Difference	% Used	Explanation
General Government			-		
Property Taxes	19,805,494	19,816,658	- 11,164	99.94%	Interim property taxes issued February 2020, the amount includes Middlesex center's portion (50% of prior years taxes) in addition to County and School boards. County and school boards were paid their full amount by December 2020. Final taxes processed August 2020. Tax Incentive Assessment were higher than anticipated in 2020 at \$147,581, these adjustments are for farms assessed as residential properties (then adjusted back to farms), resulting in larger write offs than budgeted.
Administration	3,477,006	2,552,355	924,651	136.23%	Slightly less general revenue (lottery, marriage, tax certificates, etc.) since the municipal office was closed March 18, 2020, and a decrease in interest and penalties and statement fees due to financial measures in place for April, May and June 2020. The Municipality is anticipating less POA revenue for 2020 than budgeted. At this time the Municipality has received all of the OCIF grant funding (which was not included in the budgeted figures and accounts for \$992,950 of revenue over budget). Final transfers from reserve funds and development charges to be completed, but these will be under budget as many of the projects being funded were deferred to 2021.
Medical Centre	149,642	113,524	36,118	131.81%	No issues noted, doctors and pharmacy rent processed monthly, rent payments contain property taxes which accounts for the \$36,118 additional in revenue, this is also reflected in property tax expenses for the medical centre, resulting in a zero impact.
Council	-	-	-	N/A	N/A
Economic Development	-	-	-	N/A	N/A
COVID-19	397,200	-	397,200	N/A	Phase 1 Restart funding from the province has been received. Due to the anticipated surplus as outlined in report CPS-52-2020, no additional funding was applied for.
Total General Government	23,432,142	22,482,537	949,605		
Protection to Persons & Property			-		
Fire Department	110,346	139,300	- 28,954	79.21%	Anticipate less billings to be processed in 2020 due to COVID-19 (less activity), specifically with respect to Fire Prevention services.
Policing	-	-	-	#DIV/0!	N/A
Conservation Authorities	-	-	-	N/A	N/A
Emergency Operations Centre	-	-	-	N/A	N/A
Building Inspection & By-Law Enforcement	1,306,189	700,912	605,277	186.36%	No issues noted. Building activity slowed in April due to provincial restrictions, however it is back to normal at this time and has surpass budgeted amounts for the year.
Animal Control	6,078	-	6,078	#DIV/0!	No issues noted, the municipality no longer charges for the first dog tag a resident obtains. The revenue earned is from kennel licenses, replacement tags and mailing of dog tags (with the exception of March, April and May 2020).
Total Protection to Persons & Property	1,422,613	840,212	582,401		

Budget Item	Actual Revenue (\$)	Budget Revenue (\$)	\$ Difference	% Used	Explanation
Public Works & Engineering			-		
Transportation	118,900	64,737	54,163	183.67%	No issues noted at this time, revenue is from development charge debt payment transfers, snow plowing sub contracted and any future roads upgrades collected (which would not be budgeted for and transfer to reserve funds).
Waste Management	977,900	916,264	61,636	106.73%	No issues noted at this time, waste bins are added to the final property tax bill issued in August 2020. In 2020 an analysis was done on the completeness of revenue and additional invoices were processed.
Total Public Works & Engineering	1,096,800	981,001	115,799		
Environment Services			-		
Water Systems	3,289,593	3,241,003	48,590	101.50%	No issues noted at this time.
Wastewater Systems	3,095,475	3,032,690	62,785	102.07%	No issues noted at this time.
Stormwater Systems	876,511	898,368	- 21,857	97.57%	No issues noted at this time, revenue is slightly less than budgeted.
Total Environmental Services	7,261,580	7,172,061	89,519		
Cemetery Services					
	600	5,400	- 4,800	11.11%	No issues noted, timing of receipt of payments, and transfer to the public guardian and trustee was completed in December 2020.
Total Cemetery Services	600	5,400	- 4,800		
Community Services			-		
Parks & Open Space	100,359	143,662	- 43,303	69.86%	The majority of this revenue is recognized and earned in the spring and summer months. COVID-19 has impacted this department and revenue stream. Refer to CPS-52-2020 for a more detailed analysis on projected revenue loss for 2020.
Community Centres	49,849	154,150	- 104,301	32.34%	Decrease in revenue due to closure of community centres due to state of emergency in March 2020. This decrease will continue into the winter of 2020, staff continue to monitor. Refer to CPS-652-2020 for a more detailed analysis on projected revenue loss for 2020.
Arenas	1,722,791	2,138,678	- 415,887	80.55%	Decrease in revenue due to closure of arenas due to state of emergency in March 2020. The decrease continued into the spring and summer, however some rentals are occurring as allowed under Provincial Regulations, staff continue to monitor and there was an increase in rental revenue in July, August and September 2020 over 2019. Other Community Services revenue will not be received in 2020 such as the YMCA surplus, concession sales and vending sales. Refer to CPS-52-2020 for a more detailed analysis on projected revenue loss for 2020.
Libraries	31,448	53,144	- 21,696	59.18%	Library rent is billed quarterly, beginning in March. The rent for the Ilderton library was budgeted at a higher amount due to larger square footage based on the renovation to the building. This is in discussions with the County at this time.
Total Community Services	1,904,447	2,489,634	- 585,187		

Budget Item	Actual Revenue (\$)	Budget Revenue (\$)	\$ Difference	% Used	Explanation
Planning & Development			-		
Planning	255,313	386,804	- 131,491	66.01%	Revenue decreased due to COVID-19 state of emergency and direction on planning applications earlier in the year, however volumes are steady now. Additionally, revenue from Development Charges for official plan in budgeted figure which has not yet been charged.
Drainage	28,532	53,131	- 24,599	53.70%	The drainage superintendent grant to be received is projected to be under budget for 2020 due to the allocation of work being done in 2020.
Debenture Payments	43,540	33,849	9,691	128.63%	No issues noted, over budget for the year as one property paid off their entire drain loan in 2020.
Total Planning & Development	327,385	473,784	- 146,399		
Vehicles & Equipment Maintenance			-		
Total Vehicles & Equipment Maintenance	5,144	-	5,144	#DIV/0!	Sale of vehicles and equipment processed to date.
Total for Municipal Purposes	35,450,712	34,444,629	1,006,083		

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Budget Item	Actual Expenditures (\$)	Budget Expenditures (\$)	\$ Difference	% Used	Explanation
General Government			-		
Property Taxes	-	-	-	N/A	
Administration	9,161,874	8,585,713	576,161	106.71%	No issues noted, overall the expenses for 2020 will be under budget due to the cost containment strategies, with many operational projects being moved to 2021. The majority of the reserve fund transfers have been completed, which includes the OCIF funding that was not budgeted for, accounting for budget overage of \$992,950, this is offset by the cost cutting measures noted above.
Medical Centre	79,209	113,524	- 34,315	69.77%	No issues noted, timing of invoices (and amortization costs) and lower utility costs due to COVID-19.
Council	179,716	212,544	- 32,828	84.55%	No issues noted, less conference and seminars costs due to COVID-19.
Economic Development	65,487	65,487	-	100.00%	No issues noted, allocation from general administration completed.
COVID-19	213,422	-	213,422	N/A	COVID-19 Account set up to track costs associated with the pandemic. The majority of the expenses (50%) relate to payroll costs, as the majority of part time/contract employees were continued to be paid when not working due to social/physical distancing measures in place in March/April 2020, in addition to some full-time employees who have been working partial hours while being topped up to full time pay in March and April 2020, therefore these costs were allocated to COVID-19. The remaining costs relate to materials for COVID-19 (cleaning costs, custom glass work for the front counters, masks, cleaning supplies such as wipes and sanitizer) and sub-contract costs. Overall, these costs are offset by the revenue received from the Provincial Government for the Safe Restart program.
Total General Government	9,486,286	8,977,268	509,018		
Protection to Persons & Property			-		
Fire Department	1,411,626	1,669,795	- 258,169	84.54%	No issues noted, this department was projected to be under budget due to the cost containment measures and the decrease in training costs due to the pandemic.
Policing	2,326,740	2,326,740	-	100.00%	No issues noted, OPP costs are billed monthly.
Conservation Authorities	290,345	295,456	- 5,111	98.27%	No issues noted, invoices paid once received, under budget for the St. Clair conservation area.
Emergency Operations Centre	1,105	3,700	- 2,595	29.86%	No issues noted.
Building Inspection & By-Law Enforcement	1,010,992	772,600	238,392	130.86%	No issues identified in expenses, reserve fund transfer were processed in November which causes the overage in expenses as the transfer to reserve funds is based on the overage in revenue. An additional reserve fund transfer will be complete to balance this account for year end.
Animal Control	28,530	61,552	- 33,022	46.35%	No issues noted, invoiced monthly, timing issue and staff allocation of costs.
Total Protection to Persons & Property	5,069,338	5,129,843	- 60,505		
Public Works & Engineering			-		
Transportation	4,581,481	5,838,566	- 1,257,085	78.47%	This department is projecting to be under budget for year end 2020. The majority of projects are underway, but many of the projects that were budgeted to be sub-contracted were completed internally or deferred for cost containment purposes, therefore projected to be under budget.
Waste Management	1,240,344	1,265,216	- 24,872	98.03%	Recycling Billed Quarterly. Garbage collection and disposal billed monthly and 1 month behind, projected to be slightly over budget for year end.

Budget Item	Actual Expenditures (\$)	Budget Expenditures (\$)	\$ Difference	% Used	Explanation
Total Public Works & Engineering	5,821,825	7,103,782	- 1,281,957		
Environment Services			-		
Water Systems	1,611,290	3,227,952	- 1,616,662	49.92%	No issues noted. Year End Reserve Fund Transfer to be complete, which was budgeted at \$1,539,360, which would leave approximately \$77K of a surplus, however this will likely be utilized with utility costs which are tracking a couple of months behind. The expenses are tracking close to budget.
Wastewater Systems	1,692,895	3,019,639	- 1,326,744	56.06%	No issues noted. Year End Reserve Fund Transfer to be complete, which was budgeted at \$1,241,833, which would leave approximately \$85K of a surplus, however this will likely be utilized with utility costs which are tracking a couple of months behind. The expenses are tracking close to budget.
Stormwater Systems	571,069	898,368	- 327,299	63.57%	The stormwater maintenance expense is higher than budgeted, resulting in only \$305,442 left to transfer to reserve funds, which is below the budgeted \$429,781.
Total Environmental Services	3,875,254	7,145,959	- 3,270,705		
Cemetery Services			-		
Total Cemetery Services	15,782	27,519	- 11,737	57.35%	No issues noted at this time, only includes the landscaping costs. The fence has been partially repaired, however the majority of the fence repair/rebuild will be pushed to 2022 due to the quote for the cost is significantly over budget.
Community Services			-		
Parks & Open Space	792,310	1,304,868	- 512,558	60.72%	No issues noted. Parks and Open spaces holds the wages and benefits for community centres and libraries, with the shut down due to the pandemic and cost cutting measures put in place, the department will be under budget for year end.
Community Centres	161,634	299,842	- 138,208	53.91%	No issues noted. With the shut down due to the pandemic and cost cutting measures put in place, the department will be under budget for year end.
Arenas	2,174,090	2,586,970	- 412,880	84.04%	No issues noted. With the shut down due to the pandemic and cost cutting measures put in place, the department will be under budget for year end.
Libraries	23,640	46,730	- 23,090	50.59%	No issues noted. With the shut down due to the pandemic and cost cutting measures put in place, the department will be under budget for year end.
Total Community Services	3,151,674	4,238,410	- 1,086,736		
Planning & Development			-		
Planning	250,864	511,033	- 260,169	49.09%	No issues noted at this time, less activity in March 2020, however developments are still continuing. Additionally, the Official plan review has started in 2020, but the project will continue into 2021.
Drainage	124,742	118,995	5,747	104.83%	no issues noted, over in small drain write offs.
Debenture Payments	48,056	33,850	14,206	141.97%	Timing of Debenture payments is periodically throughout the year and complete for 2020.
Total Planning & Development	423,662	663,878	- 240,216		
Vehicles & Equipment Maintenance			-		
Total Vehicles & Equipment Maintenance	879,198	1,157,971	- 278,773	75.93%	No issues noted at this time, costs are expected to decline throughout COVID-19 due to less activity and lower fuel costs.
Total for Municipal Purposes	28,723,019	34,444,630	- 5,721,611		