## Municipality of Kincardine
### Statement of Operations

<table>
<thead>
<tr>
<th></th>
<th>April 2020 YTD Actuals</th>
<th>April 2020 YTD Budget</th>
<th>2020 Total Budget (rollup)</th>
<th>YTD $ Variance</th>
<th>YTD % Variance</th>
<th>April 2019 YTD Actuals</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>6,217,646</td>
<td>6,254,564</td>
<td>18,763,681</td>
<td>(36,918)</td>
<td>(0.6%)</td>
<td>5,725,687</td>
<td></td>
</tr>
<tr>
<td>User Fees &amp; Charges</td>
<td>631,880</td>
<td>785,180</td>
<td>2,357,548</td>
<td>(153,300)</td>
<td>(19.5%)</td>
<td>795,349</td>
<td>Note 1</td>
</tr>
<tr>
<td>Water Charges</td>
<td>919,183</td>
<td>991,512</td>
<td>2,974,530</td>
<td>(72,329)</td>
<td>(7.3%)</td>
<td>931,775</td>
<td>Note 2</td>
</tr>
<tr>
<td>Sewer Charges</td>
<td>681,889</td>
<td>691,000</td>
<td>2,073,000</td>
<td>(9,111)</td>
<td>(0.5%)</td>
<td>685,851</td>
<td></td>
</tr>
<tr>
<td>Grant Revenue</td>
<td>492,669</td>
<td>494,076</td>
<td>1,480,208</td>
<td>(1,407)</td>
<td>(0.3%)</td>
<td>1,361,637</td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>1,939,273</td>
<td>1,143,008</td>
<td>3,428,982</td>
<td>796,265</td>
<td>69.7%</td>
<td>1,144,199</td>
<td>Note 3</td>
</tr>
<tr>
<td>Reserve Fund Contributions</td>
<td>122,216</td>
<td>366,654</td>
<td>(122,216)</td>
<td>(100.0%)</td>
<td></td>
<td></td>
<td>Note 4</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>10,882,540</td>
<td>10,481,556</td>
<td>31,444,603</td>
<td>400,984</td>
<td>3.8%</td>
<td>10,644,498</td>
<td></td>
</tr>
</tbody>
</table>

| **Expenses**         |                         |                       |                             |                |                |                        |       |
| Salaries & Benefits  | 2,169,917               | 3,371,276             | 10,113,609                  | 1,201,359      | 35.6%          | 2,483,388              | Note 5|
| Interest & Debt Payments | 160,241               | 402,368               | 1,207,094                   | 242,127        | 60.2%          | 342,433                | Note 6|
| Materials & Supplies | 1,587,663               | 2,304,094             | 6,910,923                   | 716,431        | 31.1%          | 1,861,599              | Note 7|
| Contracted Services  | 1,230,087               | 1,669,588             | 5,010,715                   | 439,501        | 26.3%          | 1,212,873              | Note 8|
| Other Transfers      | 172,831                 | 190,584               | 571,757                     | 17,753         | 9.3%           | 227,652                | Note 9|
| Rents and Financial Expenses | 29,204               | 87,764                | 263,270                     | 58,560         | 66.7%          | 34,145                 | Note 10|
| Reserve Fund Transfers | 490                  | 2,455,740             | 7,367,235                   | 2,455,250      | 100.0%         |                        | Note 11|
| **Total Expenses**   | 5,350,433               | 10,481,414            | 31,444,603                  | 5,130,981      | 49.0%          | 6,162,090              |       |

**Surplus/(Deficit)** | 5,532,107               | 142                   |                             |                |                | 4,482,408              |       |
Variance Notes:

Note 1  User fees and charges are $153,000 less than YTD budget, or 20%. This is due to the following factors:
Landfill tipping and disposal fees are $54,000 less than YTD budget due to timing of invoicing and the closure of the facility as a result of the Covid-19 pandemic. Compared to the prior year, actuals are $101K compared to $204K ($103K and 50% reduction). This is offset by bag tag sales which are $31,000 higher than YTD budget.
Healthclub memberships are $18,000 (33%) less than YTD budget as a result of the closure of the facility due to the pandemic.
Cemetery lot sales and interments are $16,000 less than YTD budget due to seasonality.
Summer day camp is $58,000 less than YTD budget due to seasonality. Other recreation programs are $21,000 less than YTD budget based on seasonality and the cancellation of programs due to Covid-19.

Note 2  Water charges are $72,000, or 7% less than YTD budget.
Commercial/Industrial is $57,000 less than YTD budget. Residential is $8,000 less than YTD budget.

Note 3  Other income is $796,000 (70%) higher than budget. This is due to the following variances:

The final OPG payment under the DGR Hosting Agreement was received in April for $429,310. An additional amount of $739,000 was received for payment in lieu of building permits.

Dog licences are $15,000 higher than YTD budget as they are billed in Q1, and marina rentals of $109,000 as they are billed in Q1, whereas the budget assumes the amounts are evenly distributed throughout the year.
This is offset by the following:
The Armow Wind revenue is $215,000 less than YTD budget as the $645,000 payment is not due until June.
The Westario dividend is $20,000 less than YTD budget as the dividend is not issued until June.
The Bruce Telecom dividend is $42,000 less than YTD budget as payments are received quarterly.

Maintenance revenue for the Bruce Power sirens is $13,000 less than YTD budget as billing is only done at year-end.
Building and plumbing permits are currently $63,000 less than YTD budget. Compared to prior YTD, plumbing permits are comparable however building permit revenues are lower by $66K (53%).
Water and sewer capital contributions are $28,000 less than YTD budget.
Bluewater Trailer Park revenue is $11,000 less than YTD budget due to timing of invoicing.

Airport fuel is $6,000 less than YTD budget due to seasonality. Sales are consistent with prior year.
Marina gas revenues are $40,000 and transient rentals are $10,000 less than YTD budget.
Tree planting revenues are $4,500 less than YTD budget as the tree sale has been cancelled (associated expenses are also lower).
Penalty and interest on taxes are $8,000 less than YTD budget. This aligns with the deferral of penalty and interest on current taxes approved by Council due to Covid-19. The total is consistent with prior year.

**Note 4** Reserve Fund contributions are $122,000 (100%) less than YTD budget. Most contributions are calculated at year end and transferred at that time.

**Note 5** Salaries and benefits are $1,201,000 (36%) less than YTD budget. This is due to a number of factors:

The vacation accrual credit for 2019 accounts for $621,000 (52%) of the variance. 
Councillor wages are $18,000 less than YTD budget due to timing of payments.
Regular wages are $301,000 less than YTD budget, primarily due to the timing of pay periods, in which PP#9 is not reflected until May.
Part time wages are $192,000 less than YTD budget. $126,000 (66%) of this variance is due to seasonality in the parks and rec department. Tourism wages are $11,000 lower, and snow plowing wages are $17,000 lower than YTD budget. Crossing guards are $8,000 less than YTD budget. Volunteer firefighters are $14,000 less than YTD budget due to timing of pay. Other summer student positions account for the variance based on timing.

**Note 6** Interest payments are $242,000 (60%) less than YTD budget. This is primarily due to the budgeted amounts for the Huron Terrace Forcemain and Queen St bridge rehabilitation projects, which the loans have not yet been finalized.

**Note 7** Materials and supplies are $716,000 (31%) less than YTD budget. The variances include:
Loosetop maintenance of $88,000
Airport fuel $16,000; airport grounds maintenance $12,000
Hydro $175,000 - due to timing of invoicing.
BEC water purchases $43,000 as this entry is made at year end
Building maintenance $101,000
Grounds maintenance $48,000
Equipment maintenance $50,000
Fuel/diesel $55,000
Sand $23,000
Parks and horticulture purchases $17,000
Equipment purchases $17,000
Training $17,000
Recreation program supplies $13,000

**Note 8** Contracted services are $440,000 (26%) less than YTD budget.
$49,000 for updates to the Zoning by-law
$28,000 marina yacht club labour
$216,000 for the OPP contract due to delay in receiving invoice
$34,000 waste disposal monitoring
$17,000 grass cutting contracts
$14,000 sirens maintenance, which is offset by revenue.
$57,000 in contracted services for public works including culvert repairs, ditching, hardtop maintenance, emerald ash borer removal, dust layer and crack sealing
$11,000 in Canada Day activities and parks and recreation
$12,000 in dredging at the marina
$18,000 landfill disposal costs
These are offset by $46,000 in expenses for the garbage and recycling collection program based on timing of invoicing.
Note 9  Other transfers are $18,000 (9%) less than YTD budget primarily due to the timing of issues the Community Investment Grants.

Note 10  Rents and financial expenses are $59,000 (67%) less than YTD budget. This is primarily due to property taxes ($37,000) which are entered at year end, and equipment and vehicle rentals ($15,000) for public works and parks operations.

Note 11  Reserve Fund transfers are $2,455,000 (100%) less than YTD budget due to timing. Reserve fund transfers are performed in June, September and at year end.