

**Budget Performance Statement**  
**January to March 2024**

## Introduction

The quarterly budget review aims to provide an update on indicators critical to the municipality's viability and serve as an early warning indicator where remedial action is required. The consolidated performance is a high-level overview of the municipality's actual compared to budget as at March 31, 2024.

The objective of this report is to ensure sound and sustainable management of the budgeting and reporting practices of the municipality by establishing uniform norms and standards and other requirements for ensuring transparency, accountability, and appropriate lines of responsibility in the budgeting and reporting and other relevant matters such as:

- Changes to program offerings or program delivery
- Delayed or accelerated program implementation or
- Unplanned funding contributions or events

Comparing planned results with actual results is useful for assessing whether the Town met the financial objectives set at the beginning of the year. Further, the analysis improves budget accuracy. Deviations from budget will always occur, however by reviewing these variances routinely, staff can promptly address financial discrepancies and implement necessary controls to mitigate further financial deviations. Essentially, budget variance analysis serves as a diagnostic tool, offering an opportunity to analyze the discrepancies between the planned financial pathway and the actual financial state of the municipality.

Further, the budget variance analysis provides a solid basis for decision-making processes, especially for Councillors. The analytical tool offers insight into whether the existing financial strategy is working or if it requires adjustments.

The total 2024 operating budget approved was \$24,276,936 and the total 2024 capital budget approved was \$11,024,488.

The below table summarizes each department and the various functions that are included in that department.

**General Government**

Council  
 CAO  
 Communications  
 Clerks  
 Finance  
 Information Technology  
 Victoria Hall  
 Financial  
 Personnel  
 Health and Safety

**Protection Services**

Fire  
 Emergency Management  
 Building Inspection  
 Conservation Authority  
 By-Law Services

**Public Works**

Engineering - Administration  
 Engineering - GIS  
 Public Works - Administration  
 Public Works - Roads General  
 Public Works - Winter  
 Sidewalks  
 Crossing Guards  
 Street Lights  
 Transit

**Social and Family**

Opioid Crisis  
 Northumberland Fare Share Good Bank  
 Recoveries - Contingency Reserve

**Parks and Recreation**

Parks  
 Beach Washrooms  
 Aquatics Lifeguards  
 Outdoor Rink  
 Legion Fields  
 Marina  
 Dredge  
 Campground  
 Harbour  
 Arena  
 Community Centre  
 Seniors Activity

**Culture and Community**

Concert Band  
 Art Gallery  
 Concert Hall  
 Community Grants  
 Special Events Dept  
 Library

**Planning and Development**

Planning  
 Committee of Adjustment  
 Heritage

**Commercial and Econ Dev**

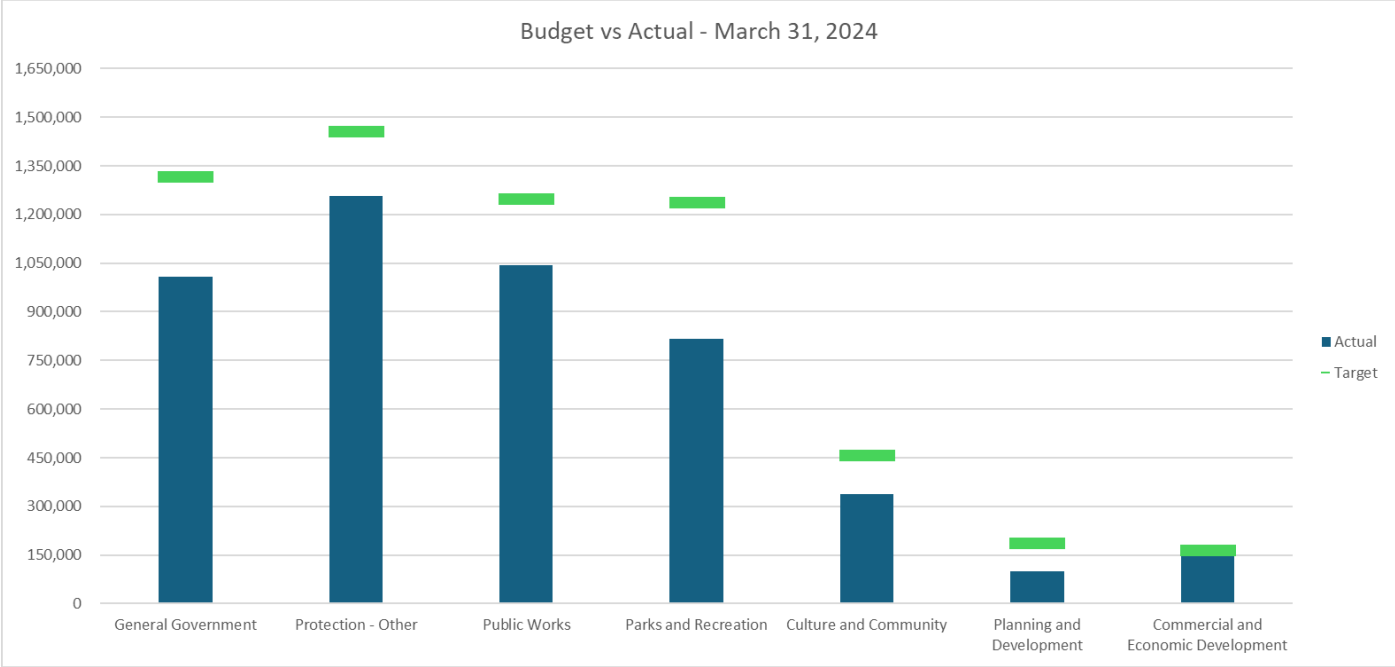
Henley Arcade  
 Second Street Fire Hall  
 Dressler House  
 Economic Development  
 Venture 13  
 Tourism

**Total Operating Budget**

The total operating costs at March 31, 2024 is \$4,709,220.

Department	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
General Government	1,316,019	1,007,682	(308,337)	(23%)
Protection - Other	1,455,991	1,256,011	(199,980)	(14%)
Public Works	1,248,777	1,043,496	(205,281)	(16%)
Parks and Recreation	1,237,020	817,863	(419,157)	(34%)
Culture and Community	458,801	336,792	(122,010)	(27%)
Planning and Development	186,169	100,618	(85,550)	(46%)
Commercial and Economic Development	166,455	146,758	(19,697)	(12%)
<b>Total</b>	<b>6,069,232</b>	<b>4,709,220</b>	<b>(1,360,011)</b>	<b>(22%)</b>

The total operating costs at March 31, 2024 are \$4,709,220, a decrease of \$1,360,011 or 22% from the budget. Further, the below graph shows each department's spending at March 31<sup>st</sup> compared to the budget target.



The following analysis reviews the actual costs compared to budget as at March 31, 2024 for each department detailed above.

**General Government**

Department	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Council	122,768	96,234	(26,534)	(22%)
CAO	120,776	67,474	(53,302)	(44%)
Communications	74,866	48,348	(26,518)	(35%)
Clerks	142,388	143,914	1,527	1%
Finance	258,164	190,723	(67,441)	(26%)
Information Technology	201,463	129,473	(71,989)	(36%)
Victoria Hall	241,778	129,725	(112,053)	(46%)
Financial	(53,571)	94,460	148,031	(276%)
Personnel	201,751	107,330	(94,420)	(47%)
Health and Safety	5,638	0	(5,638)	(100%)
<b>Total</b>	<b>1,316,019</b>	<b>1,007,682</b>	<b>(308,337)</b>	<b>(23%)</b>

Overall the spending within the General Government department is well below budget. The major fluctuations are the result of delays in hiring new staff:

- The decrease in Council is mainly due to delay in hiring Council Coordinator position.
- The decrease in CAO is mainly due to a delay in hiring the Manager of the Office of the CAO.
- The decrease in Finance is mainly due to a delay in hiring the Manager of Procurement. Further, the Senior Financial Analyst position remains vacant.
- Included in the Financial budget was a draw from Northam which reduced the overall budget. The draw did not occur in Q1, creating an increase in \$187,500.

- The decrease in Personnel is mainly due to retiree benefits. This is typically a year end adjustment and therefore has not yet occurred.

### Protection – Other

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Fire	1,189,617	868,051	(321,565)	(27%)
Emergency Management	32,913	799	(32,115)	(98%)
Building Inspection	(0)	73,915	73,915	(24638430%)
Conservation Authority	64,636	129,273	64,636	100%
By-Law Services	168,824	183,974	15,150	9%
<b>Total</b>	<b>1,455,990</b>	<b>1,256,011</b>	<b>(199,979)</b>	<b>(14%)</b>

- The decrease in Fire is due to a transfer to the vehicle reserve that has not occurred, causing a decrease of \$127,500.

Further, there is a decrease in wages due to a delay in hiring the two probationary firefighters as well as hiring the part-time firefighters, and two staff on WSIB, causing a decrease of \$144,188 at March 31, 2024.

- The increase in Building Inspection is related to annual software maintenance costs. The actual are the annual costs whereas the budget at March 31 is for three months as well as timing for revenue related to building permits.
- The increase in Conservation Authority is due to timing. That is, the payments are spread over three payments, whereas the budget at March 31<sup>st</sup> is over four payments.

### Public Works

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Engineering - Administration	54,137	80,572	26,436	49%
Engineering - GIS	61,202	96,784	35,582	58%
Public Works - Administration	626,650	547,414	(79,236)	(13%)
Public Works - Roads General	80,281	18,485	(61,797)	(77%)
Public Works - Winter	38,375	107,337	68,962	180%
Sidewalks	12,700	50	(12,650)	(100%)
Crossing Guards	33,802	25,003	(8,799)	(26%)
Street Lights	62,174	20,580	(41,593)	(67%)
Transit	279,457	147,270	(132,187)	(47%)
<b>Total</b>	<b>1,248,777</b>	<b>1,043,496</b>	<b>(205,281)</b>	<b>(16%)</b>
<b>Transportation</b>				
Revenue	(272,532)	(68,508)	204,024	(75%)
Expenses	191,249	65,563	(125,686)	(66%)
<b>Allocation to Parking Reserve</b>	<b>(81,283)</b>	<b>(2,945)</b>	<b>78,338</b>	<b>(96%)</b>

- Increase in Engineering – Administration is due to revenue related to recoveries of engineering review fees which has not yet occurred in Q1.

- The increase in Engineering – GIS is related to annual software maintenance costs. The actual is the annual costs whereas the budget at March 31 is for three months.
- Increase in Public Works – Winter is due to annual costs for deicing materials. The amount is paid in Q1 and used throughout the year.

## Parks and Recreation

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Parks	704,646	408,213	(296,433)	(42%)
Beach Washrooms	0	49	49	100%
Aquatics Lifeguards	0	0	0	100%
Outdoor Rink	10,732	9,017	(1,714)	(16%)
Legion Fields	4,929	6,652	1,724	35%
Marina	0	61,709	61,709	100%
Dredge	23,238	29,219	5,981	26%
Campground	(29,000)	17,381	46,381	(160%)
Harbour	57,332	16,764	(40,568)	(71%)
Arena	12,762	(3,013)	(15,775)	(124%)
Community Centre	386,446	237,953	(148,492)	(38%)
Seniors Activity	65,936	33,918	(32,018)	(49%)
<b>Total</b>	<b>1,237,020</b>	<b>817,863</b>	<b>(419,157)</b>	<b>(34%)</b>

- The decrease in Parks expenses is reasonable considering the costs consist of parks maintenance, horticultural, forestry services, parks athletic facilities, parks turf maintenance, and centennial pool, and the majority of the costs are seasonal and would occur in Q2/Q3.
- The Marina and Campground are budgeted as no impact to the tax levy as the costs are fully recovered through fees. At March 31, 2024, the costs incurred are mainly staff wages, however revenue is not received until Q2/Q3.
- The decrease in the Community Centre is due to:
  - A decrease in utility expenses of \$81,908 which is likely due to timing as the full first quarter utility expenses haven't been received.
  - An increase in revenue related to canteen revenue of \$23,131 which is reasonable considering increased events in Q1.
  - An increase in board advertising of \$31,875.

## Culture and Community

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Concert Band	5,815	1,065	(4,750)	(82%)
Art Gallery	37,500	37,500	0	0%
Civic Awards	0	(1,828)	(1,828)	100%
Concert Hall	69,562	15,706	(53,855)	(77%)
Community Grants	2,500	0	(2,500)	(100%)
Special Events Dept	68,566	34,795	(33,771)	(49%)
Library	274,859	249,553	(25,306)	(9%)
<b>Total</b>	<b>458,801</b>	<b>336,792</b>	<b>(122,010)</b>	<b>(27%)</b>

As noted, the expenses related to Culture and Community are below budget.

- The decrease in Concert Hall is due to decrease in concert/theatre rental revenue, box office service fees, and event service fees, which is likely due to seasonal sales.
- The decrease in special events is reasonable considering the events (Canada Day, etc) have not occurred in 2024.

## Planning and Development

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Planning	132,009	66,828	(65,180)	(49%)
Committee of Adjustment	22,386	16,175	(6,211)	(28%)
Heritage	31,774	17,616	(14,158)	(45%)
<b>Total</b>	<b>186,169</b>	<b>100,618</b>	<b>(85,550)</b>	<b>(46%)</b>

The decrease in Planning and Development is the result of:

- The decrease in planning is consistent with decrease in wages due to vacancies as follows:
  - Manager of Long-Range Planning
  - Planner II – Development
  - Sustainability Coordinator
  - Principal Planner

The vacancies have resulted in a decrease of \$75,154 at March 31, 2024.

## Stormwater

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
Stormwater Collection	216,541	41,345	(175,196)	423.74%
Storm Pumphouses	9,569	4,199	(5,370)	127.90%
Revenue	(426,891)	(698,005)	(271,114)	0.00%
Transfer to (from) Reserve	200,782	652,462	451,680	(69.23%)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

Stormwater is a rate support program, funded entirely by the user fees that are used to pay for the services provided and the infrastructure to deliver them. Any year end surpluses are transferred to a reserve.

The net of stormwater expenses and revenue (budget as \$200,782 at March 31, 2024) is planned to be transferred to the stormwater reserve. The actual at March 31, 2024 is based on the first quarter stormwater revenue and costs compared to budget. The Q1 stormwater revenue has not been received from Lakefront Utility Services Inc. however the amount received by LUSI for the period January to March 2024 is \$698,005.

The 2023 balance to be transferred to reserve hasn't been determined, however an update will be provided for Council upon the completion of year end.

## Environmental

Function	Budget at March 31	Actual at March 31	Increase (Decrease)	Increase (Decrease)
WPCP #1	553,654	326,493	(227,162)	69.58%
WPCP #2	466,156	280,352	(185,805)	66.28%
Sanitary Sewers/Pumphouses	261,892	102,237	(159,655)	156.16%
Revenue	(1,731,348)	(584,339)	1,147,009	196.29%
Capital	307,500	307,500	0	0.00%
Transfer to (from) Reserve	142,145	(432,243)	(574,388)	(132.89%)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Similar to stormwater, the net of environmental expenses revenue is planned to be transferred to a reserve. That is, the expenses and capital are funded by user fees. The revenue received at March 31, 2024 only represents revenue for January 2024 and the amounts for February and March have not been received from LUSI.

## Capital

The capital update provided for each department compares the actual to budget as well as the remaining budget. Further, there are notes provided for each department as often work has been initiated on the capital projects, however invoices have not been received therefore actual costs are nil.



## General Government

Project	Budget	Actual	Budget Remaining	Notes
<b>Information Technology</b>				
Computerization	35,000	3,379	90%	Ongoing computer replacement
Firewall Upgrades	6,900	851	88%	
Switch Upgrades	15,000	0	100%	
<b>Total</b>	<b>56,900</b>	<b>4,231</b>		
<b>Victoria Hall</b>				
Council Chamber Technology Upgrades	20,000	2,108	89%	
Council Chamber Desk Upgrades	10,000	0	100%	Ready to place order. Install planned for council summer break.
Chiller Replacement Project and Engineering	230,000	0	100%	Not Started
Electronic Entry Control System	72,500	6,904	90%	Intrusion alarm upgrade complete. EEC is ready to be put out for quotes.
Exterior Building Audit	20,000	0	100%	Making enquiries only at this time.
Boardroom/Committee Room Carpet	8,700	0	100%	Receiving quotes
Stats Controls	8,300	0	100%	Review done and parts ordered.
Third Floor East Meeting Room Blinds	6,000	4,189	30%	Project complete
Main Floor East Electrical Panel Upgrade	7,000	2,577	63%	Review done and parts onsite. Install to happen in April.
<b>Total</b>	<b>382,500</b>	<b>15,778</b>		
<b>Other Town Buildings</b>				
Library East Fence Replacement	3,000	0	100%	Waiting on weather. Work to be completed in house.
Library West Door Concrete Pad	35,000	0	100%	Waiting on weather. Receiving quotes.
612 D'Arcy Street Roof Replacement	92,000	0	100%	Review done, Tender issued and received. Start in April (weather permitting)
<b>Total</b>	<b>130,000</b>	<b>0</b>		

## Protection

Project	Budget	Actual	Budget Remaining	Notes
<b>Fire</b>				
Apparatus Replacement	300,000	0	100%	delivery date is Dec 2024
Auto Extrication Tools Replacement	50,000	0	100%	type of auto extrication tools have been selected - Holmatro
Purchasing Bunker Gear	20,000	0	100%	we have chosen innotex bunker gear
Fire Station Bay Doors Replacement	10,000	0	100%	bottom section door replacement - \$5,000, painting \$5,000
Master Stream Nozzles Replacement	9,000	0	100%	we have chosen the Task force tips Blitzfire nozzle
Fire Hose Replacement	4,500	0	100%	we have selected Armtex hose because of the integrity of the product
<b>Total</b>	<b>393,500</b>	<b>0</b>		
<b>B-law Enforcement</b>				
Market Building Security Cameras	6,500	0	100%	
Fleet Diversification - Patrol Vehicle	80,000	47,144	41%	
MELO Tablets - Infield Work	6,000	0	100%	
<b>Total</b>	<b>92,500</b>	<b>47,144</b>		
<b>Building</b>				
Building Fleet	200,000	0	100%	
Charging Station	34,014	0	100%	
<b>Total</b>	<b>234,014</b>	<b>0</b>		

## Public Works

Project	Budget	Actual	Budget Remaining	Notes
<b>GIS</b>				
Hardware Replacement	13,600	5,527	80%	Completed
<b>Engineering</b>				
Bi-Annual Sidewalk Replacement	600,000	25,136	96%	Design underway
William Street Bridge Rehabilitation	2,100,000	25,158	99%	90% design complete, expected tendering in April
King Street West Reconstruction	75,000	0	100%	Design underway
New Amherst Sanitary Pump Station/Forcemain	2,233,600	0	100%	Private works by Developer underway
Depalma Drive Road Extension	190,374	0	100%	Private works by Developer underway
Midtown Creek Monitoring and Repairs	90,000	0	100%	Design and permitting underway. Repairs works to be completed in July
Flashing Beacons King/College	25,000	0	100%	Quotes obtained for flashing lights/signs
<b>Total</b>	<b>5,313,974</b>	<b>50,295</b>		
<b>Road/Sewers</b>				
Half Tonne Truck Replacement	80,000	0	100%	Report to Council April 24 for replacement
Snow Plow Replacement - Unit 19-13	450,000	0	100%	Tender being prepared by Staff
One Ton Truck Replacement	120,000	0	100%	Tender being prepared by Staff
Street Light Replacement Program	210,000	26,934	87%	Maintenance contract tender open for public bid, closing April 16th
Traffic Signal Intersection Upgrade	115,000	0	100%	Waiting for traffic study completion to determine priority location for capital works
Replace Tractor Backhoe - Unit 32-14	200,000	0	100%	Not started
<b>Total</b>	<b>1,175,000</b>	<b>26,934</b>		
<b>Transit</b>				
Transit Vehicle Purchase	550,000	0	100%	Buses ordered, expected delivery 2026/27
Transit Stop Improvements	20,000	0	100%	Not started - Staff creating list of transit stops that require AODA upgrades
Transit Operations Centre	150,000	0	100%	Waiting for award of transit operations contract
<b>Total</b>	<b>720,000</b>	<b>0</b>		
<b>Parking</b>				
Parking Meter Upgrades and Parts Inventory	18,500	0	100%	Not started - slated to have smart meters arrive mid-April
<b>Total</b>	<b>18,500</b>	<b>0</b>		

## Parks and Recreation

Project	Budget	Actual	Budget Remaining	Notes
<b>Parks</b>				
Rotary Harbourfront Compressor	15,000	0	100%	Maintenance to be completed in off-season
Asphalt Pathway - Fitzhugh Shores	50,000	0	100%	Design stage
Asphalt Pathway - Tracey Park	75,000	0	100%	Design stage
Public Washroom Design (AODA)	280,000	0	100%	Setting specifications
1 Ton Truck #30-14	90,000	0	100%	Setting specifications
Kubota Tractor #31-13	150,000	0	100%	Setting specifications
Wide Area Mower Replacement - #43-15	115,000	0	100%	Setting specifications
Westwood Park Parking Lot Extension	65,000	0	100%	Not started
Asphalt Pathway - Peace Park	50,000	0	100%	Design stage
Basketball Court - Courtyard or Donegan	20,000	0	100%	Requires fundraising
Cobourg Saxons RFC	264,000	0	100%	Not started
Disc Golf Construction	20,000	0	100%	Design stage
<b>Total</b>	<b>1,194,000</b>	<b>0</b>		
<b>Waterfront Operations</b>				
Utility Task Vehicles (2)	35,000	0	100%	Setting specifications
Marina Power Pedestals	40,000	0	100%	Not started
Marina Bathroom Renewal	150,000	0	100%	Maintenance to be completed in off-season
Marina Fence Monitoring System	24,000	0	100%	Setting specifications
<b>Total</b>	<b>249,000</b>	<b>0</b>		
<b>Community Centre/Arenas</b>				
Score Clock	273,000	144,149	47%	Warranty work and finalization in progress
Chairs and Tables	10,000	4,685	53%	Quotes in progress
Refrigeration Compressor Replacement	60,500	48,273	20%	Warranty work and finalization in progress
Accessibility and Hardscaping Improvements	35,000	0	100%	Design stage
Floor Scrubber	25,000	0	100%	Setting specifications
Vehicle Replacement - #22-14	55,000	0	100%	Quotes in progress
Ice Resurfacer (Duel Fuel) - #20-13	110,000	0	100%	Quotes in progress
Stadium Seating Replacement	20,000	0	100%	Quotes in progress
Glycol Pump Bearing Replacement	14,000	0	100%	Quotes in progress
CCC Roof Repair	90,000	0	100%	Design stage
Gym/Grand Hall Repairs	20,000	0	100%	Design stage
Cash Register Replacement	8,500	0	100%	Not started - to be completed in off-season
EV Charger Site	120,000	0	100%	Requires fundraising
CCC Security System	10,000	0	100%	Warranty work and finalization in progress
<b>Total</b>	<b>851,000</b>	<b>197,107</b>		

## Concert Hall

Project	Budget	Actual	Budget Remaining	Notes
Lighting	15,000	0	100%	Procuring equipment

## Environmental

Project	Budget	Actual	Budget Remaining	Notes
<b>Water Pollution Control Plants</b>				
Sweep Arm - North Secondary	300,000	0	100%	Not Started
Digester Mixing Pumps	150,000	0	100%	Quotes obtained, working on report to Council.
Guidrails	50,000	0	100%	Obtaining Quotes.
Alum Flow Meters	15,000	0	100%	Quotes obtained, working on report to Tracy.
Ozone Upgrades	400,000	0	100%	
Alum Pumps	75,000	0	100%	Quotes obtained, working on report to Council.
Case Backhoe/Loader Replacement	60,000	0	100%	Waiting on Public Works (Fleet reassignment)
WAS Pump #2	30,000	13,556	55%	
McGill Pump Station Pump #2 Replacement	150,000	0	100%	Report sent to Council, waiting for approval.
<b>Total</b>	<b>1,230,000</b>	<b>13,556</b>		