

The Corporation of the Township of Hamilton



REPORT TO: Mayor Cane & Members of Council

REPORT No: T 2020-15

SUBMITTED BY: Nusrat Ahmed, Treasurer

DATE: August 18, 2020

Subject: 2020 Second Quarter Financial Report

RECOMMENDATION: For Information Only ■

It is recommended that the Council of the Township of Hamilton enact as follows:

THAT Report T2020-15, 2020 Second Quarter Financial Report, for the period ending June 30, 2020 be received as information.

ORIGIN/BACKGROUND:

Council receives financial updates on a quarterly basis. Quarterly financial reporting reflects expenditures and revenues to date compared to the annual budget.

DISCUSSION:

The financial update for the period ending June 30, 2020 by department is attached (Appendix "A").

Excludes Building and Water

	2020 Budget	2020 Actual as of June 30, 2020	Variance \$	% Used
Expenditures				
Personnel	\$ 4,019,135	\$ 1,706,081	\$ 2,313,054	42%
Contribution to Reserve	669,106	335,357	333,749	50%
Other Expenditure	5,578,644	1,805,888	3,772,756	32%
Total Expenditures	10,266,885	3,847,327	6,419,558	37%
Revenues				
Contribution from Reserve	(64,837)	(10,724)	(54,113)	17%
Other Revenue	(1,970,259)	(762,340)	(1,207,918)	39%
Total Revenue	(2,035,096)	(773,064)	(1,262,031)	38%
Net Budget	\$ 8,231,789	\$ 3,074,262	\$ 5,157,527	37%

Expenditures

Township expenditure are at 37% spent out as of the second quarter.

- **Personnel** expenditures at 42% spent as personnel budget is not evenly distributed per quarter. In addition, Council approved to defer the start date of 2020 new staff positions;
- **Contribution to Reserve** is at 50% as per budget; and
- **Other Expenditure** are at 32% as staff have been instructed to constrain and contain all discretionary operating expenditures until further notice. Furthermore, staff are instructed to get CAO's approval for any major operating expenditures. Items such as health and safety, basic maintenance, or ensuring there is no risk to the public and our organization were not included in this restriction. In addition, there is savings from the reduction of the 2020 Surface Treatment Program as Council approved to permit a maximum of \$80,000 for the program.

Revenues

Township revenues are at 38% of the budget.

- **Contribution from Reserve** is at 17% due to timing;
- **Other Revenues** are at 39% due to timing; and
 - Penalties and Interest revenue on Tax Arreas is lower than budget as Council approved to waive penalties and interest on unpaid property tax from April to July to provide financial relief to the ratepayers during the pandemic;
 - Recreation revenues are lower than expected. Cancellation of programs and closing facilities eliminated revenues since mid-March;
 - PIL revenues will be recognized in Q4; and
 - Library grants revenue as budgeted will be received in a lump sum, typically in the fourth quarter.

STRATEGIC PLAN:

Fiscal Responsibilities, Expand Financial Sustainability/Best Practices



CONCLUSION:

Staff recommends that the 2020 Second Quarter Financial Report be received for information purpose.

ATTACHMENT:

Appendix A Second Quarter Financial Breakdown by Department

Report is electronically reviewed and approved by the Treasurer and CAO on August 11, 2020.

Title	Official	Signature	Date
Treasurer	Nusrat Ahmed		2020.08.11
Chief Administrative Officer	Arthur Anderson		2020.08.11



TOWNSHIP OF HAMILTON
as of June 30, 2020

		2020 Budget	2020 Actual as of June 30, 2020	% Used	
General Government					
	General Government Revenues	(825,540)	(416,855)	50%	
	PIL and Other Revenues	(370,000)	(37,073)	10%	- PIL revenues will be recognized in Q4 - Penalties and interest revenue on Tax Areas is lower than budget as Council approved to waive penalties and interest on unpaid property tax from April to July to provide financial relief to the ratepayers during the pandemic.
	Council	136,766	58,822	43%	
	Administration	1,611,593	645,344	40%	
General Government Total		552,819	250,240	45%	
Planning and Development					
	Planning	90,042	53,538	59%	- Revenue is at 41% of the budget - Expenses are slightly high in the second quarter due to timing of projects (such as Official Plan)
	Economic Development	3,500	500	14%	
Planning and Development Total		93,542	54,038	58%	
Building	Building	-	(1,742)		- Building is a revenue neutral department and currently has higher revenue than expense - Revenue is at 47% of the budget - Any revenues over expenses will be transferred to Building reserve at year-end
Protection Services					
	By - Law Enforcement	50,890	22,020	43%	- Revenue is at 73% of the budget
	Fire	1,037,194	392,902	38%	- Revenue is at 57% of the budget
	Police	1,443,559	481,159	33%	
	PSB	22,176	9,858	44%	
	GRCA	171,874	63,937	37%	There are three billings per year
	Emergency Management	3,000	4,036	135%	Higher than expected quarterly expenditure due to COVID19
	Parking	10,630	(560)	-5%	- Revenue is at 26% of the budget - Expense is lower than budget in Q2: - courts were closed - fuel consumption will be reallocated in Q3
	Animal Control	500	66	13%	
	Municipal Animal Services	57,072	28,131	49%	
Protection Services Total		2,796,894	1,001,548	36%	
Transportation Services					
	Roads	3,495,565	1,185,471	34%	- Savings from the reduction of the 2020 Surface Treatment Program as Council approved to permit a maximum of \$80,000 for the Surface Treatment Program
Environmental Services					
	Water	-	(18,806)		Water is a revenue neutral department and currently has higher revenue than expense - Line Maintenance expenses for Camborne and Creighton Heights water systems is overbudget. There were a series of breakdowns with equipment and some maintenance items that needed addressing due to risk they carried if ignored for another year.
Recreation and Cultural Services					
	Parks & Recreation	937,592	402,806	43%	- Revenue is lower than budget due to the pandemic-related shutdown - Revenue is at 31% of the budget
	Library	304,579	161,879	53%	Grant of \$19,180 will be received in Q4
Recreation and Cultural Services Total		1,242,171	564,685	45%	
Community Grants and Other Committees					
	Health and Safety	6,000	1,481	25%	
	Community Services Grant	19,500	0	0%	
	Heritage Committee	6,500	2,500	38%	
	Accessibility	9,000	4,500	50%	
	Physician Recruitment	9,800	9,800	100%	Funds were fully disbursed in Q1
Community Grants and Other Committees Total		50,800	18,281	36%	
Net		\$ 8,231,790	\$ 3,074,262	37%	