

**CITY OF BURLINGTON**  
**2021 OPERATING BUDGET PERFORMANCE REPORT**  
**VARIANCE ACCOUNTABILITY REPORT**  
*As at June 30, 2021*

Outlined in the table below are the explanations of the major Year End variance drivers as at June 30, 2021.

Major drivers	Projected Year End Variance	F / (U)	Explanation of Variance
<b>Tax Supported Revenues</b>	<b>\$ (1,663,309)</b>	<b>U</b>	
Recreation, Community and Culture	\$ (835,409)	U	Recreation, Community and Culture have experienced loss of revenues due to closures , capacity restrictions and other impacts such as the rental rate reduction of 20% approved by Council. While the planned provincial step reopening roadmap is occurring, there is an anticipation for the revenues to start increasing during the fall/winter season, but there still remains some uncertainty.
Transit	\$ (205,400)	U	Transit ridership and revenues were impacted due to the provincial lock down/stay at home orders that lasted for the most part of the first half of 2021. During this time the ridership was down about 50% of pre-pandemic levels. With the numbers starting to rebound in June and July , Transit is anticipating to see a slight recovery in revenues, however, a potential fourth wave due to the Delta variant may cause further reductions in revenues.
Parking By Law	\$ (482,500)	U	Parking Services paused the 5-hour and 1-6am parking enforcement to support residents working from home; this was reinstated mid July 2021. Parking is being enforced on complaint basis only, which has resulted in less tickets being issued and less revenue collected.
Licensing	\$ (140,000)	U	COVID pandemic closures during the first six months of the year have greatly affected operations resulting in revenues losses for sign permits, general licencing and lottery fee revenues. These losses were partially offset by higher pool permit revenues as pool sales have increased due to travel restrictions by the pandemic.
<b>Non-Tax Supported Revenues</b>	<b>\$ (738,838)</b>	<b>U</b>	
Parking District Revenues	\$ (771,224)	U	Parking Services paused parking enforcement for non-payment & timed offences when the province was in a stay-at-home order which has impacted revenue collection. Less parking permits were sold due to COVID related closures. Parking Services also implemented a 90-minutes waived parking fee program which required users to pay the minimum payment of \$0.25, this also impacted the parking revenue and is intended to continue until Labour Day 2021.
Building Permit Revenues	\$ (97,614)	U	The Interim Control By-law and COVID pandemic did have various effects on the construction industry and overall development within Burlington. As construction costs drastically fluctuated over the past year developers placed controlled measures with their developments and the fast tracking of permits has not seen the same uptake as in past years. As construction costs begin to stabilize we hope to see an uptake in the submission of permits and their fast tracking.
Planning Fee Revenues	\$ 130,000	F	Development Services has been impacted by various matters in 2021 including the Interim Control By-Law and the recently approved new Official Plan from Council, both of which are currently under litigation, as well as the ongoing effects of the COVID pandemic. Together, these have created unpredictability and variability in the receipt of development applications which have influenced variances in year end projections.
<b>COVID Related costs</b>	<b>\$ (842,321)</b>	<b>U</b>	
Additional costs (COVID related)	\$ (842,321)	U	Impact of additional expenses incurred directly as a result of COVID-19 such as the summer park experience program, parking adjustments at Beachway and Lowville Parks and the synthetic outdoor ice rinks approved by Council.
<b>COVID Part time staffing savings</b>	<b>\$ 1,450,283</b>	<b>F</b>	
Part time Wages	\$ 1,450,283	F	Savings in part-time wages as a result of closures and capacity restrictions across various programs .
<b>Other Operational Impacts</b>	<b>\$ (90,046)</b>	<b>U</b>	
Recovery from Halton Court Services	\$ (721,625)	U	Halton Court Services revenues continue to suffer due to the ongoing closure of the courthouse and the significant drop in number of charges laid by enforcement agencies. It is predicted that revenues will pick up once there is an easing of restrictions which includes a slight increase in enforcement rates, the resumption of court hearings where fines are ordered and the enforcement and collections of overdue fines. Some operational savings have been realized due to the shutdown of the courthouse and the City's expenditure restraint policy. The overall operational savings have been eliminated by the requirement to implement a number of health and safety measures. This includes reconfiguration of courtrooms and implementation of plexiglass barriers and other social distancing protocols
Development Fee Revenue	\$ (194,000)	U	Unfavourable variance due to lower than anticipated development fee revenues from tree permits
Utilities	\$ 570,331	F	Utility savings from various facility closures
Fuel	\$ 198,606	F	Fuel savings primarily in Transit as a result of diesel and gasoline favourable pricing .
Human Resources	\$ 135,957	F	Gapping savings realized from the full year cost of vacant new positions approved in the 2021 Budget and other temporary vacancies
Other - various	\$ (79,314)	U	
<b>Corporate Expenditure</b>	<b>\$ 386,225</b>	<b>F</b>	
Tax Write Offs	\$ (225,000)	U	The unfavourable variance is related to a push by the Assessment Review Board to resolve outstanding appeals before the next reassessment cycle
Provision to Reserve Fund - Parking District	\$ 611,225	F	Revenue losses in Parking District will result in lower than budgeted provisions to Reserve Fund
<b>Projected Year End Shortfall</b>	<b>\$ (1,498,005)</b>		
<b>Senior Level Government Funding</b>	<b>\$ 1,498,005</b>		
<b>Projected Year End Position</b>	<b>\$ -</b>		