

CITY OF BURLINGTON
2021 OPERATING BUDGET PERFORMANCE REPORT
EXPENSE AND REVENUE ANALYSIS BY COST ELEMENT
 JANUARY 1 – DECEMBER 31, 2021

Outlined in the table below are the explanations of the major Year End variance drivers as at December 31st, 2021

Major drivers	December 31st Variance	F / (U)	Explanation of Variance
Revenue Impacts	\$ (321,597)		
Recovery from Halton Court Services (POA)	\$ (424,684)	U	Halton Court Services revenues have experienced losses due to the ongoing closure of the courthouse and the significant drop in number of charges laid by enforcement agencies.
Parking By Law Enforcement	\$ (415,240)	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.
Recreation, Community and Culture	\$ (223,393)	U	Recreation, Community and Culture have experienced some revenue losses as a result of closures and restrictions on Facility rentals including Sport Fields.
Advertising Revenue (Transit Shelters)	\$ 305,968	F	Variance related to higher than anticipated, one time end of advertising contract settlement
Transit	\$ 283,021	F	With low ridership in the first half of the year, Conventional transit showed strong recovery in the latter part of the year then experienced a sudden decline late-December in response to the rise in COVID cases and the Provincial lockdown effective December 31st, 2021. Specialized transit experience slower recovery with the latter portion of the year actual revenues reaching near budgeted revenues. Specialized transit fare revenues remained under-budget throughout 2021 with recovery at a lesser degree compared to Conventional recovery. Overall, Transit recovery was building month over month mid-to-late 2021, then interrupted with the recent wave of COVID at the end of December 2021.
Fire Fines revenue	\$ 152,730	F	Variance attributable to a combination of the fee structure, increased number of alarms, and increased MTO rate (which is what is used to establish the per apparatus rate), along with internal efficiencies.
COVID related costs	\$ (1,850,476)		
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Part time Staffing Savings	\$ 1,981,331		
Part time Wages	\$ 1,981,331	F	Savings in part-time wages resulting from temporary part-time staff lay-offs across various programs between March and June and the delay in hiring of summer students.
Other Operational Impacts	\$ 1,986,301		
Winter Maintenance	\$ 965,745	F	Favourable variance in Winter Maintenance is due to a decrease in salt and sand usage, as well as external services resulting from the mild winter seasons.
Utilities	\$ 710,710	F	Utility savings from various facility closures.
Contracted Services	\$ 407,483	F	Savings from moving Transit cleaning inhouse and savings due to temporary closure of certain recreational facilities
Fuel	\$ 252,056	F	Fuel savings primarily in Transit as a result of favourable pricing as well as reduced consumption.
Software maintenance costs	\$ 220,744	F	Favourable variance in software maintenance costs as a result of negotiated cost savings with key software vendors
Travel Related Costs	\$ 213,614	F	Savings in travel related costs given continued remote working environment.
Materials and Supplies	\$ 144,943	F	Favourable variance mainly due to lower than budgeted printing costs, as well as savings in operating materials and supplies
Other	\$ 91,381	F	Miscellaneous savings across various budget items
Professional Consulting	\$ (265,237)	U	Higher than anticipated professional consulting costs in Services such as Corporate Legal, Information Technology and Development Review and Planning
Other Human Resources Costs	\$ (370,307)	U	Higher than anticipated overtime costs as a result of temporary vacancies
Equipment Repair and Building Maintenance	\$ (384,829)	U	Higher than anticipated expenditures mainly in Arena facilities
Corporate Expenditures	\$ (2,467,330)		
Provision to Allowance for Prior Year Tax Write offs	\$ (1,000,000)	U	Unfavourable variance due to significant appeals relating to prior years taxes resulting in an insufficient balance in the allowance account at year end.
Provision to Severe Weather Reserve Fund	\$ (500,000)	U	Given the favourable variance in Winter Maintenance, a provision was made to Severe Weather Reserve fund
Provision to Reserve Fund- Building	\$ (421,260)	U	Provision to the Building Permit Stabilization Reserve Fund as per the Bill 124 Model.
Current Year Tax Write offs	\$ (346,070)	U	Unfavourable variance due to assessment appeals in 2021
Provision to Commodities Reserve Fund	\$ (200,000)	U	Given the favourable variance in commodity costs, a provision was made to the Commodities Reserve fund
Corporate Revenues	\$ (166,062)		
Supplementary Taxes	\$ 507,145	F	The City realized higher than anticipated supplementary taxes for current and previous years
Penalty and Interest on Taxes	\$ 272,557	F	Higher than anticipated penalty and interest on taxes was realized
HST Recovered	\$ 68,436	F	Net proceeds on HST recovery based on external consultant review
Transfer From Provincial Gas Tax Reserve Fund	\$ (764,200)	U	Provincial gas tax funding for Transit Operations was not required in 2021 due to offsetting savings in HR and fuel
Transfer From Hydro Reserve Fund	\$ (250,000)	U	Transfer From Hydro Reserve Fund was not required in 2021
Subtotal Year End Position	\$ (837,833)	U	
Senior Level Government Funding	\$ 837,833	F	
Safe Restart Agreement	\$ 837,833	F	Higher than budgeted Safe Restart Funding was used to offset City's COVID related impacts
Total Year End Position	\$ (0)		