

Subject: March 2021 Financial Reports**Recommendation:**

BE IT RESOLVED THAT Council receive Report #2021-0082-Corporate Services, March 2021 Financial Reports, for information.

Background:

The Corporate Services Department has prepared the attached financial reports, as at March 31, 2021, for the information of Council. The MCC and Transit reports also include non-financial indicators such as hydro usage and ridership.

Analysis:

Appendix 1 to this report summarizes operating revenues compared to budget as at March 31, 2021, with approximately 25% of the year lapsed. Total revenues were at approximately 23% of budget. The financial impact from the closure of facilities and cancellation of programs as a result of COVID-19 are evident in the Recreation, Culture and Wellness department in particular, and Safe Restart Phase 2 funding has been applied to the shortfall. Most other revenue sources are in keeping with the budget, with some grant funding still pending in Public Works and Finance. The MCC closed on January 1, 2021 and was reopened March 2, 2021. On April 3, it was closed again and the impact will be seen on the April financial report. Two months of water and wastewater had been billed and are at 14% of budget because consumption tends to be higher in the summer months. The Phase 2 Safe Restart COVID-19 funding has been applied to \$255,721 in lost revenues at the MCC, and \$108,460 to offset the direct COVID-19 expenses incurred to March 31, 2021, for a total of \$364,181 out of the total \$969,149 available for 2021 operating pressures.

Appendix 2 to this report summarizes operating expenditures compared to budget at March 31, 2021. Total expenses were at approximately 23% of budget and appeared to be on track. This report includes \$108,460 of direct costs related to COVID-19 such as purchase of computer equipment, additional cleaning costs, and personal protective equipment and protective facility materials.

Appendix 3 summarizes the revenues and expenditures related to the MCC at March 31, 2021. MCC revenues were at 13% of budget and trending below budget due to

closures from COVID-19 from January 1 to March 2. The budget is also lower than previous years, to reflect reduced revenues that were anticipated due to the pandemic. Senior Active Living Centre grant funds continue to be received and MCC expenses were at 20% of budget, which is below the expectation for the first three months of the year as a result of reduced wages from the facility closure and some expenses for materials and supplies and repairs and maintenance, which are anticipated but have not yet been incurred. Phase 2 Safe Restart funding of \$255,721 has been applied based on estimated lost revenues from January to March, resulting in a positive bottom line budget variance of 16%; however this is expected because the MCC normally generates a high level of revenues January through March and it will be needed to offset expenditures in future months. Currently Safe Restart funding applied to the MCC is at 52% of the budget for the year, and will be adjusted as the year progresses and the operating pressures resulting from COVID-19 are evaluated by the Treasurer.

Appendix 4 summarizes revenues and expenditures related to Pelham Transit. The Community Transit grant funding has been received for Q1 and Q2, and there is deferred provincial gas tax funding of \$20,000 to be applied later in the year. Effective August 17, 2021, the Niagara Region has taken over the service delivery of the transit with on-demand service by a third party provider VIA. Transit expenditures were at 27% of budget because the Town paid the Region for services from January to April.

Appendix 5 to this report includes the 2021 capital report at March 31, 2021. Most capital projects are proceeding, totaling \$8.17 million, and of those, 7% of the budget had been spent. \$1.04 million in projects have been red-circled pending further information or funding. Projects carried forward from prior years total \$5.21 million, and 23% of the carryforward amount had been spent.

Financial Considerations:

There are no specific financial considerations with respect to this report as it is for information purposes.

Alternatives Reviewed:

Not applicable.

Strategic Plan Relationship: Strong Organization

By reviewing the monthly financial reports, Council can remain informed about whether there are any significant budget variances that would impact year-end financial results.

Consultation:

These reports have been provided to the Pelham Finance and Audit Committee for review.

Other Pertinent Reports/Attachments:

Appendix 1 – Monthly Revenue Report at March 31, 2021

Appendix 2 – Monthly Expenditure Report at March 31, 2021

Appendix 3 – Meridian Community Centre Report at March 31, 2021

Appendix 4 – Transit Report at March 31, 2021

Appendix 5 – Capital Projects – First Quarter Reporting at March 31, 2021

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