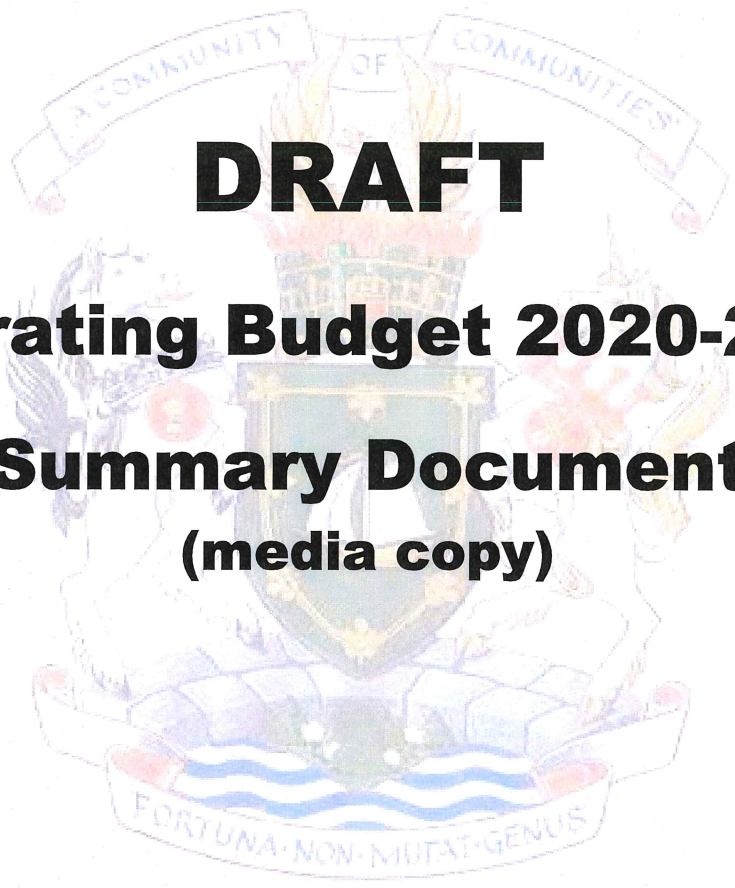




320 Esplanade
Sydney, Nova Scotia
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DRAFT

Operating Budget 2020-2021

Summary Document

(media copy)



June 23, 2020



CAPE BRETON
REGIONAL MUNICIPALITY

Proposed Operating Budget
2020-2021
(Revised for COVID-19 implications
and other adjustments)



CAPE BRETON
REGIONAL MUNICIPALITY

Proposed Operating Budget 2020-2021

- ▶ **Key Considerations:**
 - ▶ *Anticipates second wave of COVID in the fall.*
 - ▶ Impacts on lost revenues
 - ▶ Impacts on operational expenditures
 - ▶ Additional cost pressures
 - ▶ *Recommends using operating reserve to balance, rather than tax rate/fee increases or reductions to services.*
 - ▶ *Assumes no funding from the Provincial or Federal Governments to assist with revenue shortfalls or cost pressures associated with COVID.*



CAPE BRETON
REGIONAL MUNICIPALITY

Proposed Operating Budget

\$154,216,771 \$155,059,105

Budgeted Revenues \$151,679,974 \$155,059,105
Budgeted Expenditures \$154,216,771 \$155,059,105

Budgeted Shortfall \$ (2,536,797)*

* Funded by Emergency Transfer from Operating Reserve



CAPE BRETON
REGIONAL MUNICIPALITY

Budgeted Revenue

Proposed Operating Budget \$154,216,771 \$155,059,105

Revenue Summary 2020-21 Budget	Projected Operating Results 2019-20	Budget 2019-20	Budget 2020-21	COVID Impact/ Adjustments	Revised Budget 2020-21
TAXES	\$ 110,923,180	\$ 110,384,952	\$ 113,013,672	\$ (624,698)	\$ 112,388,974
GRANTS IN LIEU OF TAXES	\$ 9,354,006	\$ 9,351,746	\$ 9,624,405	\$ 76,470	\$ 9,700,875
PROV. TRANS OPERATING GRANT	\$ 15,335,838	\$ 15,335,838	\$ 15,335,838	\$ -	\$ 15,335,838
PROV. TRANS HST PAYMENT	\$ 487,511	\$ 600,000	\$ 500,000	\$ -	\$ 500,000
MUNICIPAL SERVICES FUNDING	\$ 986,335	\$ 649,992	\$ 998,490	\$ 63,226	\$ 1,061,716
ADMINISTRATIVE	\$ 1,320,402	\$ 1,540,000	\$ 1,545,000	\$ 427,200	\$ 1,972,200
POLICE	\$ 359,626	\$ 415,000	\$ 415,000	\$ (207,500)	\$ 207,500
TRANSIT	\$ 1,692,668	\$ 1,117,500	\$ 1,685,000	\$ (1,520,000)	\$ 165,000
ENVIRONMENTAL SERVICES	\$ 2,598,880	\$ 2,800,000	\$ 2,510,000	\$ (360,000)	\$ 2,150,000
BUILDING RENTALS	\$ 590,693	\$ 596,490	\$ 597,991	\$ (10,830)	\$ 587,162
WATER UTILITY TRANSFER	\$ 4,951,510	\$ 4,951,510	\$ 4,951,510	\$ -	\$ 4,951,510
REVENUE BY-LAWS	\$ 361,633	\$ 421,000	\$ 421,000	\$ (90,000)	\$ 331,000
PLANNING / DEVELOPMENT	\$ 264,561	\$ 246,200	\$ 246,200	\$ -	\$ 246,200
FACILITIES REVENUE	\$ 1,805,161	\$ 2,100,000	\$ 2,277,000	\$ (1,133,000)	\$ 1,144,000
TRANSFER FROM OPERATING RESERVE	\$ 230,134	\$ -	\$ 438,000	\$ 2,536,797	\$ 2,974,797
GAS TAX REVENUE	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000
TOTAL REVENUE	\$ 151,262,138	\$ 150,510,228	\$ 155,059,105	\$ (842,334)	\$ 154,216,771

COVID impact/adjustments to revenues before transfer from operating reserve to balance total \$(3,379,131).



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Taxes

\$112,388,974 \$113,013,672

\$ 9,700,875 \$9,624,405

Grants in Lieu of Taxes

▶ **Tax revenues - \$2,004,000 (1.8%)** \$2,628,700 (2.4%)

- ▶ Increase in Residential assessment **2.04% (1.0% CPI-CAP)**
- ▶ Increase in Commercial assessment **0.58%**
- ▶ No changes in tax rates

COVID IMPACT (\$626,000): Deed transfer tax reduced in anticipation of reduced market activity.

▶ **Grants in lieu of taxes - \$349,000** \$272,600

- ▶ Federal - \$118,900
- ▶ Provincial - \$124,100
- ▶ NS Power - \$106,101 \$29,600

Grants estimated for draft budget presentation adjusted to confirmed amounts where available.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Provincial Transfers

\$15,835,838 \$15,835,838

Municipal Services Funding

\$ 1,061,716 \$998,490

▶ Provincial Transfers - (\$100,000)

- ▶ Reflect HST offset grant actuals for 19/20
- ▶ Municipal Capacity Grant unchanged from 14/15

Note: Confirmation of funding not yet received.

▶ Municipal Services Funding - \$411,000 \$348,000

- ▶ Indigenous Services Canada (Membertou First Nation) contract renewal \$346,000
- ▶ 911 Call Answer Service \$63,000 \$2,000

Note: 2020-21 911 Service revenue adjusted for revised estimated call volumes.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Administrative **\$1,972,200** \$1,545,000

- ▶ **Interest on Taxes - \$434,700**
 - ▶ COVID IMPACT \$434,700: increased for interest on tax financing program.

- ▶ **Tax Certificates - (\$7,500)**
 - ▶ COVID IMPACT (\$7,500): decrease due to anticipated decline in market activity.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Fines & Fees for Service

Police **\$207,500** \$415,000

▶ **Police Fines - (\$137,500)**

COVID IMPACT (\$137,500): Decrease due to travel restrictions resulting in decline in enforcement operations.

▶ **Records Inquiries - (\$70,000)**

COVID IMPACT (\$70,000): Decrease due to impacts on sectors requiring records checks.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Fees for Service

Transit **\$1,650,000** \$1,685,000

- ▶ **Transit revenue - (\$952,500) \$567,500**
 - ▶ Decreased ridership Increased ridership
- COVID IMPACT (\$1,520,000): Declared an essential service, however severely impacted by restrictions on ridership, travel, and closure of CBU.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Fees for Service

Environmental **\$2,150,000** \$2,510,000

- ▶ **Environmental services revenue – (\$650,000)** (\$290,000)
 - ▶ Tipping fees, Diversion credit, commodity market reductions **(\$650,000)** (\$320,000)
- ▶ **COVID IMPACT (\$450,000):** Mandatory/voluntary closures of businesses result in less tipping.
Diversion credits estimate adjusted by \$120,000.
- ▶ **Sewer charges - \$0** \$30,000
Adjustment based on year end results.



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Revenue Budget Highlights

Fines & Fees for Service

By-laws/Planning **\$577,200** \$667,200

- ▶ **Parking Meter Revenue – (\$90,000)** \$0
COVID IMPACTS (\$90,000): Revenue loss due to business closures and travel restrictions.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Facilities	\$1,144,000	\$2,277,000
Building Rentals	\$ 587,162	\$597,991

- ▶ **Facilities revenue – (\$956,000)** \$177,000
 - ▶ Glace Bay operations

COVID IMPACTS (\$1,133,000): Facility closures due to gathering limits and restrictions on activities.
- ▶ **Building rentals – (\$10,830)** \$0
 - Adjusted to reflect reduction in buildings available for lease.



CAPE BRETON
REGIONAL MUNICIPALITY

Revenue Budget Highlights

Operating Reserve **\$2,974,797** \$438,000
Gas Tax Reserve **\$ 500,000**

- ▶ **Transfer from Operating Reserve** **\$2,974,797** \$438,000
 - ▶ 2020 Municipal Election \$ 360,000
 - ▶ Municipal Planning Strategy Review \$ 78,000
 - ▶ **Emergency Transfer** **\$2,536,797**

- ▶ **Transfer from Gas Tax Reserve - \$500,000***

*Approved by Council April 7, 2020



CAPE BRETON
REGIONAL MUNICIPALITY

Budgeted Revenue

Proposed Operating Budget \$154,216,771 \$155,059,105

Revenue Summary 2020-21 Budget	Projected Operating Results 2019-20	Budget 2019-20	Budget 2020-21	COVID Impact/ Adjustments	Revised Budget 2020-21
TAXES	\$ 110,923,180 \$	110,384,952 \$	113,013,672 \$	(624,698) \$	112,388,974
GRANTS IN LIEU OF TAXES	\$ 9,354,006 \$	9,351,746 \$	9,624,405 \$	76,470 \$	9,700,875
PROV. TRANS OPERATING GRANT	\$ 15,335,838 \$	15,335,838 \$	15,335,838 \$	- \$	15,335,838
PROV. TRANS HST PAYMENT	\$ 487,511 \$	600,000 \$	500,000 \$	- \$	500,000
MUNICIPAL SERVICES FUNDING	\$ 986,335 \$	649,992 \$	998,490 \$	63,226 \$	1,061,716
ADMINISTRATIVE	\$ 1,320,402 \$	1,540,000 \$	1,545,000 \$	427,200 \$	1,972,200
POLICE	\$ 359,626 \$	415,000 \$	415,000 \$	(207,500) \$	207,500
TRANSIT	\$ 1,692,668 \$	1,117,500 \$	1,685,000 \$	(1,520,000) \$	165,000
ENVIRONMENTAL SERVICES	\$ 2,598,880 \$	2,800,000 \$	2,510,000 \$	(360,000) \$	2,150,000
BUILDING RENTALS	\$ 590,693 \$	596,490 \$	597,991 \$	(10,830) \$	587,162
WATER UTILITY TRANSFER	\$ 4,951,510 \$	4,951,510 \$	4,951,510 \$	- \$	4,951,510
REVENUE BY-LAWS	\$ 361,633 \$	421,000 \$	421,000 \$	(90,000) \$	331,000
PLANNING / DEVELOPMENT	\$ 264,561 \$	246,200 \$	246,200 \$	- \$	246,200
FACILITIES REVENUE	\$ 1,805,161 \$	2,100,000 \$	2,277,000 \$	(1,133,000) \$	1,144,000
TRANSFER FROM OPERATING RESERVE	\$ 230,134 \$	- \$	438,000 \$	2,536,797 \$	2,974,797
GAS TAX REVENUE	\$ - \$	- \$	500,000 \$	- \$	500,000
TOTAL REVENUE	\$ 151,262,138 \$	150,510,228 \$	155,059,105 \$	(842,334) \$	154,216,771

Questions?



CAPE BRETON
REGIONAL MUNICIPALITY

CBRM Operating Budget Expenditures by Department

Expenditure Summary 2020-21 Budget	Projected Operating Results 2019-20	Budget 2019-20	Budget 2020-21	COVID Impact/ Adjustments	Revised Budget 2020-21
ENGINEERING & PUBLIC WORKS	\$ 49,026,558	\$ 47,080,065	\$ 49,328,107	\$ 456,929	\$ 49,785,036
PARKS & BUILDINGS	\$ 6,130,832	\$ 6,143,224	\$ 6,267,973	\$ (92,650)	\$ 6,175,323
FACILITIES	\$ 4,047,148	\$ 3,507,642	\$ 3,589,243	\$ (504,635)	\$ 3,084,608
RECREATION	\$ 2,516,896	\$ 2,654,825	\$ 2,796,437	\$ (169,615)	\$ 2,626,822
POLICE SERVICES	\$ 26,322,598	\$ 25,866,320	\$ 26,438,687	\$ (672,885)	\$ 25,765,802
CONDITIONAL TRANSFERS	\$ 19,693,725	\$ 19,695,789	\$ 20,201,048	\$ (145,249)	\$ 20,055,799
FISCAL SERVICES	\$ 12,903,634	\$ 12,810,324	\$ 12,754,395	\$ 546,500	\$ 13,300,895
FIRE SERVICES	\$ 18,146,294	\$ 17,891,006	\$ 18,044,549	\$ (61,557)	\$ 17,982,993
FINANCE	\$ 2,628,691	\$ 2,663,926	\$ 2,738,558	\$ 66,770	\$ 2,805,328
911 COMMUNICATIONS CENTRE	\$ -	\$ 1,745,612	\$ 1,704,064	\$ 143,133	\$ 1,847,197
TECHNOLOGY	\$ 1,219,253	\$ 1,339,154	\$ 1,382,314	\$ (13,500)	\$ 1,368,814
MUNICIPAL CLERK	\$ 520,510	\$ 544,229	\$ 908,999	\$ (40,367)	\$ 868,632
ADMINISTRATION	\$ 435,192	\$ 438,446	\$ 469,909	\$ (15,000)	\$ 454,909
ECONOMIC DEVELOPMENT	\$ 523,472	\$ 644,477	\$ 582,879	\$ (3,000)	\$ 579,879
PLANNING, INSPECTIONS AND BY-LAWS	\$ 2,653,557	\$ 2,665,010	\$ 2,792,203	\$ (52,799)	\$ 2,739,404
HUMAN RESOURCES / OH&S	\$ 1,118,452	\$ 1,350,257	\$ 1,370,442	\$ (57,651)	\$ 1,312,791
LEGAL SERVICES	\$ 1,887,048	\$ 1,843,612	\$ 2,045,644	\$ (125)	\$ 2,045,519
LEGISLATIVE	\$ 1,488,276	\$ 1,626,311	\$ 1,643,653	\$ (226,633)	\$ 1,417,020
TOTAL EXPENDITURES	\$ 151,262,138	\$ 150,510,228	\$ 155,059,105	\$ (842,334)	\$ 154,216,771



Expenditure Details

\$154,105,662 \$155,059,105

CAPE BRETON
REGIONAL MUNICIPALITY

COVID IMPACTS - GENERAL

- ▶ Cost pressures include the sourcing of PPE, sanitization supplies and incremental contracts for cleaning high touch surfaces/common areas in building, vehicles and bus shelters.
- ▶ Partially offset by savings in:
 - ▶ Overtime (reduced sick time and vacation replacement)
 - ▶ Consumption of fuel, energy
 - ▶ Meetings, travel and related costs



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details

Engineering & Public Works **\$49,785,036** \$49,328,107

Engineering & Public Works

- ▶ Overall increase **\$2,704,970** (5.7%) **\$2,248,042** (4.8%)
- ▶ Wages and benefits increase of \$875K (includes **\$425K** increase for transit service demands and contractual increases)
- ▶ Additional transit pressures of **\$615K** **\$700K** related to incremental service demand (fuel, equipment maintenance, and fit-up costs)
- ▶ Contracts/agreements increased **\$1.3M** **\$655K** (CPI on contract pricing and commodity market impacts on recycling operations)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details

Engineering & Public Works \$49,785,036 \$49,328,107

Engineering & Public Works

COVID IMPACTS \$510,000:

- ▶ Additional cleaning, sanitization materials and PPE \$540K
- ▶ Decrease in cost recoveries for MRF \$500K
- ▶ Adjustments to consumption of energy/fuel (\$158K)
- ▶ Adjustments to fleet operations due to restrictions (\$372K)

Other Adjustments (\$64,000)

- ▶ Easements reduced (\$45,000) based on revised estimates.
- ▶ Lease estimates reduced (\$19,000)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Parks, Buildings & Libraries **\$6,175,323** \$6,267,973

Parks, Buildings, & Libraries

- ▶ Overall increase **\$32,099** \$124,749 (2.0%)
- ▶ Contractual increases to wages and benefits **\$25,000**
- ▶ Contracts and agreements net increase of **\$15,000** \$30,000 for Controls Technician position (offset by targeted energy and existing contract savings)
- ▶ Increase in operational materials and supplies of **\$25,000** to reflect anticipated actual expenditures
- ▶ Net change in utility costs of (\$6,900) \$26,000 to reflect rate increases, net of targeted savings
- ▶ Fleet related increases for GPS not previously budgeted of **\$10,000**



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Parks, Buildings & Libraries **\$6,175,323** \$6,267,973

Parks, Buildings, & Libraries

COVID IMPACT (\$92,650):

- ▶ Savings in areas of training/travel (\$11K), utilities (\$33K), security (\$7K), professional services (\$20K), equipment costs (\$13K) and other supplies (\$8K).



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Facilities **\$3,084,608** \$3,589,243

Facilities

- ▶ Overall change (**\$423,034**) (-12.1%) \$81,601 (2.3%)
- ▶ Net change in wages and benefits (**\$80K**) \$66K due to:
 - ▶ contractual increases
 - ▶ staffing for Glace Bay arena
 - ▶ closure of Centennial
 - ▶ expiry of CBU operating agreement
 - ▶ casual staffing adjustments for C200 due to temporary closures
- ▶ Increase in security of **\$13,000** \$22,500 for Glace Bay facility.



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Facilities \$3,084,608 \$3,589,243

Facilities

COVID IMPACTS (\$623,365):

- ▶ Revenue \$(1,128,000)
- ▶ Expenditures \$ (505,000)
- ▶ Assumes facilities delayed reopening until January
- ▶ 50% lost revenue
- ▶ Expenditure reductions in areas of event staff, travel, utilities, security, and cost of sales, (\$574,000)
- ▶ Additional costs related to cleaning/sanitization \$70,000



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Recreation **\$2,626,822** \$2,796,437

Recreation

- ▶ Overall change **\$(28,002) (1.1%)** \$141,613 (5.3%)
 - ▶ Expiry of RELAY's funding (Police) transferred back to municipal grants fund in Recreation - **\$120,000**
 - ▶ Contractual increases in wages and benefits **\$11,613**
 - ▶ Decrease in summer student costs due to subsidies/program restrictions, net of impact of minimum wage increase **(\$90,000)** \$10,000



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Recreation \$2,626,822 \$2,796,437

Recreation

COVID IMPACTS \$(169,615)

- ▶ Decrease in community events and related supplies (\$60K)
- ▶ Decrease in summer students costs (\$100K)
- ▶ Decrease in local travel (\$10K)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Police **\$25,765,802** \$26,438,687

Police

- ▶ Overall change **(\$100,518) (-0.4%)** \$572,367 (2.2%)
- ▶ Wage and benefits increase, net of cost recovery **\$192K** \$692K due to contractual increases
- ▶ Decrease in grants (transferred back to Municipal Grants Fund) due to expiry of RELAY's project **(\$120,000)**

NOTE: Police budget excludes 911 Communications Centre (now included in Technology & Communications)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Police \$25,765,802 \$26,438,687

Police

COVID IMPACTS (\$672,885):

- ▶ Cost reductions in areas of overtime (\$500K), vehicle operating costs (\$61K), and training/travel (\$150K)
- ▶ Incremental net cost pressures associated with building modifications, cleaning, sanitization and PPE \$38,500



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Conditional Transfers **\$20,055,799** \$20,201,048

Conditional Transfers

- ▶ Overall increase **\$360,010 (1.8%)** \$505,258 (2.6%)
- ▶ Increases based on Provincial formula estimates and CPI **\$298,730** \$443,979
 - ▶ Estimates adjusted to confirmations obtained subsequent to draft budget (**\$145K**)
- ▶ No rate increases required for Provincially mandated costs
- ▶ Increase in Business Improvement District Levy **\$61,280** due to member-approved rate increase for Sydney.



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Fiscal **\$13,300,895** \$12,754,395

Fiscal

- ▶ Overall change of **\$490,571 (3.8%)** \$55,929 (2.0%)
- ▶ Net decrease in debt servicing costs **\$55,929**

COVID IMPACT \$546,500:

- ▶ Short term interest increased \$346K for Municipal Operating Loan (offset by interest earned on Property Tax Financing Program)
- ▶ Allowance for uncollectible taxes increased \$200K



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details cont'd

Fire & Emergency Services **\$17,982,993** \$18,044,549

Fire & Emergency Services

- ▶ Overall increase **\$91,986 (.5%)** \$153,543 (0.9%)
- ▶ Wages and benefits net increase of **\$156,181** as per contractual agreements and WCB rate increases
- ▶ Volunteer Fire Grant adjustment for CPI estimate **\$17,365**
- ▶ Adjustment for one-time increases for certification training for fire prevention officers (**\$20,000**)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details cont'd

Fire & Emergency Services **\$17,982,993** \$18,044,549

Fire & Emergency Services

COVID IMPACT (\$61,557):

- ▶ Cost reductions in areas of vehicle operating costs (\$8K), training/travel (\$78K) and promotion (\$6K)
- ▶ Incremental net cost pressures associated with cleaning, sanitization and PPE \$60,000



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Finance **\$2,805,328** \$2,738,558

Finance

- ▶ Overall increase of **\$141,402 (5.3%)** **\$74,632 (2.8%)**
- ▶ Increase of **\$30,482 (1.1%)** related to contractual increases in wages and benefits
- ▶ Decrease in cost recoveries **\$149,150** **\$44,150** to reflect temporary suspension of tax sale procedures align with historic actuals
- ▶ Increase in postage **\$4,000** due to Canada Post price increases, offset by corresponding reduction in office equipment



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Finance \$2,805,328 \$2,738,558

Finance

COVID IMPACT \$66,770:

- ▶ Cost pressures associated with suspension of tax sale activities, resulting in decrease in cost recoveries (\$105,000)
 - ▶ partially offset by reductions in associated tax sale hosting costs (advertising (\$14,500)).
- ▶ Cost reductions in areas of Training/Travel (\$16,000) and Courier (\$7,800),



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Technology & Communications **\$3,216,011** \$3,086,378

Technology **\$1,368,814** \$1,382,314

- ▶ Overall budget increase of **\$29,660 (2.2%)** \$43,160 (3.2%)
- ▶ Contractual increase in wages and benefits **\$11,600**
- ▶ Increases due to CPI on software, network and software contracts **\$31,554**

311/911 Communications Centre **\$1,847,197** \$1,704,064

- ▶ Overall budget change of **\$101,585 (5.8%)** (\$41,548) (2.4%)
 - ▶ Wages and benefits staffing correction and revised overtime estimates (\$4,800)
 - ▶ Wages for 311 positions (3) to be recovered through future organizational restructuring \$106,000



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Technology & Communications \$3,216,011 \$3,086,378

Technology

COVID IMPACT (\$13,500):

- ▶ Cost pressures associated with additional communications \$7,500.
- ▶ Cost reductions in training/travel (\$21,000)

911 Communications Centre

COVID IMPACT (\$5,600):

- ▶ Cost reductions in training/travel (\$5,600)

OTHER ADJUSTMENTS \$1 48,733:

- ▶ 311 Restructuring \$106,000,
- ▶ Correction of overtime estimates \$42,000
- ▶ Update facility costs \$900.



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Municipal Clerk **\$868,632** \$908,999

Municipal Clerk

- ▶ Overall increase **\$324,402 (59.6%)** \$364,769 (67.0%)
- ▶ Election expenses increase **\$360,000**
 - ▶ Offset by transfer from election reserve
- ▶ Contractual increase in wages & benefits of **\$5,019**

COVID IMPACT (\$40,367):

- ▶ Cost reductions associated with transition to virtual meeting format in areas of overtime (\$9K) and meeting expenses (\$11K).
- ▶ Other reductions in training/travel (\$8K) due to travel restrictions and photocopy supplies (\$13K).



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Administration **\$454,909** \$469,909

Administration

- ▶ Overall net budget increase **\$16,464 (3.8%)** \$31,464 (7.2%)
 - ▶ Wages and benefits contractual increase **\$5,189**
 - ▶ Transfer of Professional services budget from Economic Development **\$25,000**

COVID IMPACT (\$15,000):

- ▶ Reductions in travel/conferences due to travel restrictions.

NOTE: Administration budget excludes Economic Development (now included in Planning & Economic Development)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Planning & Economic Development **\$3,319,284** \$3,375,082

Planning, Inspection, Bylaws **\$2,739,404** \$2,792,203

- ▶ Overall increase **\$74,394 (2.8%)** \$127,193 (4.8%)
- ▶ Wages and benefits contractual increase of \$22,144 \$53,693
 - ▶ Offset by revised estimates for overtime
- ▶ One-time increases in 2019/20 in training and equipment removed **(\$10,000)**, reduced further by \$10,000 for travel restrictions.
- ▶ Professional Service increase of **\$78,000** for Municipal Planning Strategy update
 - ▶ Offset by transfer from operating reserve

Economic Development **\$579,879** \$582,879

- ▶ Overall net decrease of (\$64,597) (10.0%) (\$61,597) (-9.6%)
 - ▶ Wages, benefits and related travel reduced to reflect revised role.
 - ▶ Professional services budget transferred to Administration (\$25,000)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details cont'd

Planning & Economic Development **\$3,319,284** \$3,375,082

Planning, Inspection, Bylaws

COVID IMPACT (\$52,799):

- ▶ Cost reductions in areas of overtime (\$28K), travel (\$23K) and meeting expenses (\$1K) due to restrictions.

Economic Development

COVID IMPACT (\$3,000):

- ▶ Cost reductions in travel due to restrictions.



CAPE BRETON
REGIONAL MUNICIPALITY

Economic Development 2020-21 Grants to Organizations

Economic Development Funding (REN)	\$300,000
Destination CB	\$ 80,000
Savoy Theatre	<u>\$100,000</u>
Total Grants to Organizations	<u><u>\$480,000</u></u>



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Human Resources/OH&S **\$1,312,791** \$1,370,442

Human Resources/OH&S

- ▶ Overall change of **(\$37,466) (-2.8%)** \$20,186 (1.5%)

COVID IMPACT (\$9,850):

- ▶ Cost reductions in areas of training and travel due to restrictions.

OTHER ADJUSTMENTS (\$47,800):

- ▶ Restructuring of Disability Case Manager position (\$43,800)
- ▶ Revised estimates for office and advertising costs (\$4K)



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Legal **\$2,045,519** \$2,045,644

Legal

- ▶ Overall increase **\$201,907 11.0%** \$202,032 (11.0%)
- ▶ Contractual increase in wages and benefits of **\$20,311**
- ▶ Increase in insurance of **\$191,221** \$181,721 for CPI and incremental premiums on new fleet and building inventory

COVID IMPACT (\$9,625):

- ▶ Cost reductions in travel due to restrictions.



CAPE BRETON
REGIONAL MUNICIPALITY

Expenditure Details Cont'd

Legislative \$1,417,020 \$1,643,653

Legislative

- ▶ Overall change (\$209,290)(-12.9%) \$17,343 (1.1%)
- ▶ Wages and benefits increased of **\$6,643** based on collective agreement, net of CPP adjustment on travel allowance
 - ▶ Adjusted further for vacant council positions and MERC actuals to date (\$129K)
- ▶ Professional memberships increase of **\$10,710** based on projected actuals.

COVID IMPACTS \$94,769:

- ▶ Cost reductions for travel/conferences due to travel restrictions.



CAPE BRETON
REGIONAL MUNICIPALITY

Recommendation

Motion to approve:

- ▶ Operating Budget for 2020/21 totaling **\$154,216,771**
- ▶ Transfer from Operating Reserve totaling **\$438,000**
 - ▶ (\$78,000 – MPS; \$360,000 – Election Reserve).
- ▶ Transfer from Emergency Operating Reserve of up to **\$2,536,797** (if required) to offset impacts of COVID-19 on Operating Revenues and Expenditures

Revenue Summary 2020-21 Budget	Projected Operating Results 2019-20	Budget 2019-20	Budget 2020-21	COVID Impact/ Adjustments	Revised Budget 2020-21	Increase (Decrease)	% Increase (Decrease)
TAXES	\$ 110,923,180	\$ 110,384,952	\$ 113,013,672	\$ (624,698)	\$ 112,388,974	\$ 2,004,022	1.8%
GRANTS IN LIEU OF TAXES	\$ 9,354,006	\$ 9,351,746	\$ 9,624,405	\$ 76,470	\$ 9,700,875	\$ 349,129	3.7%
PROV. TRANS OPERATING GRANT	\$ 15,335,838	\$ 15,335,838	\$ 15,335,838	\$ -	\$ 15,335,838	\$ -	0.0%
PROV. TRANS HST PAYMENT	\$ 487,511	\$ 600,000	\$ 500,000	\$ -	\$ 500,000	\$ (100,000)	-16.7%
MUNICIPAL SERVICES FUNDING	\$ 986,335	\$ 649,992	\$ 998,490	\$ 63,226	\$ 1,061,716	\$ 411,724	63.3%
ADMINISTRATIVE	\$ 1,320,402	\$ 1,540,000	\$ 1,545,000	\$ 427,200	\$ 1,972,200	\$ 432,200	28.1%
POLICE	\$ 359,626	\$ 415,000	\$ 415,000	\$ (207,500)	\$ 207,500	\$ (207,500)	-50.0%
TRANSIT	\$ 1,692,668	\$ 1,117,500	\$ 1,685,000	\$ (1,520,000)	\$ 165,000	\$ (952,500)	-85.2%
ENVIRONMENTAL SERVICES	\$ 2,598,880	\$ 2,800,000	\$ 2,510,000	\$ (360,000)	\$ 2,150,000	\$ (650,000)	-23.2%
BUILDING RENTALS	\$ 590,693	\$ 596,490	\$ 597,991	\$ (10,830)	\$ 587,162	\$ (9,328)	-1.6%
WATER UTILITY TRANSFER	\$ 4,951,510	\$ 4,951,510	\$ 4,951,510	\$ -	\$ 4,951,510	\$ -	0.0%
REVENUE BY-LAWS	\$ 361,633	\$ 421,000	\$ 421,000	\$ (90,000)	\$ 331,000	\$ (90,000)	-21.4%
PLANNING / DEVELOPMENT	\$ 264,561	\$ 246,200	\$ 246,200	\$ -	\$ 246,200	\$ -	0.0%
FACILITIES REVENUE	\$ 1,805,161	\$ 2,100,000	\$ 2,277,000	\$ (1,133,000)	\$ 1,144,000	\$ (956,000)	-45.5%
TRANSFER FROM OPERATING RESERVE	\$ 230,134	\$ -	\$ 438,000	\$ 2,536,797	\$ 2,974,797	\$ 2,974,797	
GAS TAX REVENUE	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	
TOTAL REVENUE	\$ 151,262,138	\$ 150,510,228	\$ 155,059,105	\$ (842,334)	\$ 154,216,771	\$ 3,706,543	81.5%

Expenditure Summary 2020-21 Budget		Projected Operating Results 2019-20	Budget 2019-20	Budget 2020-21	COVID Impact/ Adjustments	Revised Budget 2020-21	Increase (Decrease)	% Increase (Decrease)
ENGINEERING & PUBLIC WORKS	\$ 49,026,558	\$ 47,080,065	\$ 49,328,107	\$ 456,929	\$ 49,785,036	\$ 2,704,970	5.7%	
PARKS & BUILDINGS	\$ 6,130,832	\$ 6,143,224	\$ 6,267,973	\$ (92,650)	\$ 6,175,323	\$ 32,099	0.5%	
FACILITIES	\$ 4,047,148	\$ 3,507,642	\$ 3,589,243	\$ (504,635)	\$ 3,084,608	\$ (423,034)	-12.1%	
RECREATION	\$ 2,516,896	\$ 2,654,825	\$ 2,796,437	\$ (169,615)	\$ 2,626,822	\$ (28,002)	-1.1%	
POLICE SERVICES	\$ 26,322,598	\$ 25,866,320	\$ 26,438,687	\$ (672,885)	\$ 25,765,802	\$ (100,518)	-0.4%	
CONDITIONAL TRANSFERS	\$ 19,693,725	\$ 19,695,789	\$ 20,201,048	\$ (145,249)	\$ 20,055,799	\$ 360,010	1.8%	
FISCAL SERVICES	\$ 12,903,634	\$ 12,810,324	\$ 12,754,395	\$ 546,500	\$ 13,300,895	\$ 490,571	3.8%	
FIRE SERVICES	\$ 18,146,294	\$ 17,891,006	\$ 18,044,549	\$ (61,557)	\$ 17,982,993	\$ 91,986	0.5%	
FINANCE	\$ 2,628,691	\$ 2,663,926	\$ 2,738,558	\$ 66,770	\$ 2,805,328	\$ 141,402	5.3%	
911 COMMUNICATIONS CENTRE	\$ -	\$ 1,745,612	\$ 1,704,064	\$ 143,133	\$ 1,847,197	\$ 101,585	5.8%	
TECHNOLOGY	\$ 1,219,253	\$ 1,339,154	\$ 1,382,314	\$ (13,500)	\$ 1,368,814	\$ 29,660	2.2%	
MUNICIPAL CLERK	\$ 520,510	\$ 544,229	\$ 908,999	\$ (40,367)	\$ 868,632	\$ 324,402	59.6%	
ADMINISTRATION	\$ 435,192	\$ 438,446	\$ 469,909	\$ (15,000)	\$ 454,909	\$ 16,464	3.8%	
ECONOMIC DEVELOPMENT	\$ 523,472	\$ 644,477	\$ 582,879	\$ (3,000)	\$ 579,879	\$ (64,597)	-10.0%	
PLANNING, INSPECTIONS AND BY-LAWS	\$ 2,653,557	\$ 2,665,010	\$ 2,792,203	\$ (52,799)	\$ 2,739,404	\$ 74,394	2.8%	
HUMAN RESOURCES / OH&S	\$ 1,118,452	\$ 1,350,257	\$ 1,370,442	\$ (57,651)	\$ 1,312,791	\$ (37,466)	-2.8%	
LEGAL SERVICES	\$ 1,887,048	\$ 1,843,612	\$ 2,045,644	\$ (125)	\$ 2,045,519	\$ 201,907	11.0%	
LEGISLATIVE	\$ 1,488,276	\$ 1,626,311	\$ 1,643,653	\$ (226,633)	\$ 1,417,020	\$ (209,290)	-12.9%	
TOTAL EXPENDITURES	\$ 151,262,138	\$ 150,510,228	\$ 155,059,105	\$ (842,334)	\$ 154,216,771	\$ 3,706,544	2.6%	