

Capital Regional District
Quarterly Operating Variance Report - Q4, 2020
Service Budgets Greater than \$1,500,000

	Operating Expenses				Operating Revenue				2020 Surplus / (Deficit)		
		Actual				Actual					
Service Description	Annual Budget \$ (Schedule A)	Actual \$	% Budget (over)/under	Explanation	Annual Budget \$ (Schedule A)	Actual \$	% Budget (over)/under	Explanation	\$	% Budget	Treatment of Surplus / (Deficit)
Legislative & General	23,882,917	21,120,956	12%	Largely due to one-time savings on timing of staff vacancies and deferral of one-time 2020 initiatives to 2020. In addition, Corporate Emergency costs related to COVID-19 response came in lower than budgeted. Support services delivered core services as planned.	23,882,917	22,884,782	4%	Half of revenue is derived from allocations to other services; One third is funded by requisition, with the balance from reserves and other revenue. Less funds were required from reserve due to 2020 project initiatives being deferred to 2021.	1,763,826	7%	Transfer to Operating Reserve Fund \$813,826; Transfer to ERF \$500,000; and Carryforward \$450,000 to 2021
Health Facilities - VIHA	1,997,072	1,693,883	15%	Service involves leasing of CRD buildings to VIHA and is 100% recovered from tenant. Savings reflect negotiations with the tenant, which transferred responsibility for cleaning and security costs to the tenant.	1,997,072	1,693,883	15%	This service receives revenue on CRD buildings leased to VIHA, and recovers all costs from VIHA. Variance due to new agreement in April, which reduces revenue in line with reduced cleaning and security costs, and budget reflecting prior agreement with the tenant. Surpluses resulting from reduced expenses have been returned to the tenant.	-	0%	N/A
Regional Parks	15,856,932	15,535,592	2%	One-time savings due to delays in hiring and postponement of certain operating programs during COVID-19. Cost related to increased volumes in the parks were offset by suspension of interpretative programs and other redeployments.	15,856,932	15,946,638	-1%	Service is largely funded by requisition. No material variance in operating revenue.	411,046	3%	Transfer to Capital Reserve Fund
Arts Grants & Development	2,893,591	2,803,098	3%	Service is a grant funding service, and disbursed grant funds to arts organizations about \$30,000 less than budget. Additionally, the service had a staff vacancy for a portion of the year.	2,893,591	2,869,589	1%	Revenue difference due to a transfer from the operating reserve which was no longer required.	66,491	2%	Transfer to Operating Reserve Fund
Land Banking & Housing	2,672,605	2,531,935	5%	Under budget due to RHFP debt servicing deferred to 2022, and some development team operating expenses delayed to 2021.	2,672,605	2,590,144	3%	On target for 2020. 50% revenue from requisition, 40% from grants and other, 10% surplus carryforward. Minor variance due timing receipt of UBCM grants.	58,209	2%	Carryforward to 2021
Regional Housing Trust Fund	4,232,219	843,086	80%	Expenses are driven by grants to 3rd party housing service providers which were limited by eligibility and selection. Schedule is also dependent on 3rd party project schedules.	4,232,219	4,274,365	-1%	Revenues on budget for 2020. 24% from requisition, 75% from surplus carryforward.	3,431,279	81%	Carryforward to 2021
Building Inspection	1,561,459	1,452,779	7%	Operating costs are under budget primarily due to a staffing vacancy, which was partially covered by part-time auxiliary employee support during decreased activities due to COVID-19 concerns.	1,561,459	1,474,711	6%	Revenue sources are requisition and building permit fees. Overall revenue from permit fees continued to be lower than budgeted since May. This variance is driven by lower permit numbers due to COVID-19 concerns and the nature of its effects on development in the 3 EA's.	21,932	1%	Transfer \$21,932 surplus to Operating Reserve Fund
Regional Planning Services	1,654,488	1,324,471	20%	Underspend is primarily due to a reduction of salaries and wages expenses from one-time staffing vacancies that were filled through the use of a one-time consultant and auxiliary staff. Any surplus will be utilized for future planned transportation modelling.	1,654,488	1,658,130	0%	Revenues for service are primarily requisition and fixed allocation. No material variance in operating revenue.	333,659	20%	Carryforward \$197,639 to 2021; transfer \$50,000 to ERF and \$86,020 to Operating Reserve Fund
SEAPARC	3,557,036	3,526,661	1%	Budget amended in 2020 in response to COVID-19 Impact. Final expenses are based on facility closure from mid-March through to May. During this period, cost savings arose from cancellation of programming, reduced energy and operating costs, a furlough of Auxiliary employees, and a redeployment of some regular staff for a 6 week period. A gradual return of some programming started in June. Immediate cost management has resulted in operating cost being below budget.	3,557,036	3,677,380	-3%	Budget amended in 2020 in response to COVID-19 Impact. Final revenues are based on the centre being closed until June 2020 and then gradually increasing revenues through fiscal 2021. Q4 revenues exceeded amended projections, particularly in rentals and pool services.	150,719	4%	Transfer to Capital Reserve Fund
Panorama Rec. Center	7,182,406	6,836,987	5%	Budget amended in 2020 in response to COVID-19 Impact. Final expenses are based on facility closure from mid-March through to May. During this period, cost savings arose from cancellation of programming, reduced energy and operating costs, a furlough of Auxiliary employees, and a redeployment of some regular staff for a 6 week period. A gradual return of some programming started in June. Extensive cost management has resulted in operating costs being below budget. Further cost savings were the result of not requiring contingency funds or additional maintenance due to reduced operating hours.	7,182,406	7,509,970	-5%	Budget amended in 2020 in response to COVID-19 Impact. Final revenues are based on the centre being closed until June 2020 and then gradually increasing revenues through fiscal 2021. Q4 Revenues exceeded projections for rentals and pool operations.	672,983	9%	\$411,204 Transfer to Capital Reserve Fund \$2,358 Transfer to Operating Reserve Fund and \$259,421 carryforward to 2021
Salt Spring Is- Pool, Parks, Land, Art & Rec. Prog	1,949,320	1,640,982	16%	Final expenses based on the aquatic centre being closed for three months in Q2 and opening in a reduced capacity in Q3 and Q4. Cost savings arose from cancellation of programming, reduced energy and operating costs and a furlough of Auxiliary employees.	1,949,320	1,737,143	11%	Reduction in revenue due to aquatic centre being closed for three months in Q2 and opening in a reduced capacity in Q3 and Q4. Any revenue shortfall was mitigated through reduced costs.	96,161	5%	Transfer \$40,000 to Operating Reserve Fund; \$20,000 to ERF and \$36,161 to Capital Reserve Fund
Environmental Resource Management	24,905,334	23,979,348	4%	Operating costs savings results from some timing delays on initiatives due to Solid Waste Management Plan not being yet complete; savings on Leachate operations supply and maintenance; and Hartland diversion programs.	24,905,334	28,150,948	-13%	Largely due to higher tipping fees. This was mainly in Q4 for significant tonnages received at the landfill, including \$550,000 in fees for sludge disposal from the RTF commissioning.	4,171,600	17%	Transfer \$3,163,355 to Sustainability Reserve Fund; Carryforward \$1,008,245 to 2021
Environmental Engineering Services	2,327,767	2,236,821	4%	Overhead service budget provided service as planned for the year. Savings due to one-time temporary vacancies and training costs, partially offset by auxiliary wages.	2,327,767	2,517,775	-8%	Revenues are driven by providing services to other CRD services that continue to operate as planned. Variance due to higher level of recoverable hours than planned for existing and auxiliary staff for 2020, resulting from less hours of sick leave, training and internal admin time due to COVID-19.	280,954	12%	Carryforward \$210,000 to 2021 for global facilities evaluation; balance to transferred to Operating Reserve Fund
IW - Environmental Operations	8,070,926	7,958,929	1%	Overhead service budget provided service as planned for the year. Total expenses slightly under budget.	8,070,926	8,290,951	-3%	Revenues are driven by providing services to other CRD services that continue to operate as planned. Recovery revenue over budget due slightly higher recovery percentages than planned.	332,022	4%	Surplus transferred to operating reserve
Environmental Protection and Water Quality	7,839,814	7,479,068	5%	Overhead service budget provided service as planned for the year. Budget underage largely due to one-time savings on timing of staff vacancies, including retirements.	7,839,814	7,529,063	4%	Revenues are driven by providing services to other CRD services that continue to operate as planned. Difference resulting from less labor allocation charges due to temporary staff vacancies.	49,995	1%	Carryforward to 2021 for special projects
911 Systems	2,672,114	2,661,034	0%	Operating costs are under budget due to a decrease in payments to 3rd parties (911 levies distributed to municipalities) as a result of a reduction in levies received from communication carriers. This decrease was partially offset by an increase in contract service costs for the provision of services by E-Comm.	2,672,114	2,630,312	2%	Revenues are primarily from fixed source of requisition and lease revenue. The variable sources are 911 levy revenue from carriers. The variance is a result of decreased levies compared to the budget.	(30,722)	-1%	Transfer from Operating Reserve Fund
Regional CREST	1,690,484	1,687,647	0%	Operating expenditure was on target, as this is solely a contribution service to provide funding to CREST based on the service agreement.	1,690,484	1,688,608	0%	Revenues are primarily requisition.	961	0%	Surplus carryforward to 2021 budget
Saanich Peninsula Water Supply	6,957,371	7,007,302	-1%	Operating services and system maintenance continued as planned. Higher water consumption resulted in an increase in bulk water purchases.	6,957,371	7,143,051	-3%	Revenues are driven by seasonal water sales. Revenue is higher than budget due to due to slightly higher water sales over the budgeted 6.8 million cubic metres.	135,749	2%	Transfer to Capital Reserve Fund
Regional Water Supply	34,055,398	32,841,254	4%	Operating services and system maintenance continued as planned. Operational savings are primarily a result of one-time staffing vacancies, related to COVID hiring impacts and open positions in the year. These savings are partially offset with an increase in agricultural water subsidy expense for the year.	34,055,398	34,832,733	-2%	Revenues are driven by seasonal water sales. Revenue is higher than budget due to due to slightly higher water sales over the budgeted 48.0 million cubic metres, and one-time insurance recoveries on the Lochside Crane incident.	1,991,479	6%	Transfer to Water Capital Fund
Juan de Fuca Water Distribution	20,129,341	20,104,310	0%	Operating services and system maintenance continued as planned. Total operating expenses savings due to temporary staff vacancies offset by increased bulk water purchase due to increased bulk water purchases.	20,129,341	21,099,215	-5%	Revenues are driven by seasonal water sales. Revenue is higher than budget due to higher water sales over the budgeted 8.9 million cubic metres, and one-time interest and other recoveries.	994,905	5%	Transfer to Water Capital Fund
North West Trunk Sewer	3,111,089	3,183,995	-2%	Operating costs ended slightly over budget due to additional works for I&I and marine monitoring programs completed in the year.	3,111,089	3,111,834	0%	Primary source of revenue is requisition and on budget for the year.	(72,161)	-2%	Transfer from Operating Reserve
North East Trunk Sewer	1,953,665	1,784,646	9%	Operating costs ended under budget due delays in pump station handover from contractor to IWS operations.	1,953,665	1,956,202	0%	Primary source of revenue is requisition and on budget for the year.	171,556	9%	Transfer to Operating Reserve
Saanich Peninsula Wastewater	3,849,705	3,719,376	3%	Operating costs less than budget due to one-time savings in Heat recovery for Panorama Recreation and biosolids management.	3,849,705	3,748,345	3%	Year end revenue ending under budget due to loss of heat recovery revenue from Panorama Recreation.	28,969	1%	Transfer to capital reserve per standing direction SPWW Commission
Regional Source Control	1,605,745	1,526,308	5%	Operational services continued as planned. Variance due to deferral of the manhole sampling project until 2021, due to COVID-19 related business interruptions and reduction in tourism.	1,605,745	1,593,405	1%	Overall revenue is in line with budget.	67,097	4%	Carryforward to 2021 for special projects
Total Services above Other CRD Services (excl. CAWTP)	186,608,798 56,358,079 242,966,877	77% 23%			186,608,798 56,358,079 242,966,877	77% 23%					
Capital Regional Hospital District	37,441,471	35,201,055	6%	Savings for the year is primarily related to the NTP grant for the Nigel House redevelopment which has been postponed until 2021 due to COVID-19.	37,441,471	36,077,953	4%	Revenue is reduced due the postponement of the NTP Grant for Nigel House, resulting in less reserve funding being required for 2020.	876,898	2%	Transfer \$754,715 to RHFP Reserve and \$122,183 to the Admin and Feasibility Reserve