



PORT COLBORNE

Subject: 2022 Rates Budget

To: Committee of the Whole - Budget

From: Corporate Services Department

Report Number: 2021-311

Meeting Date: December 6, 2021

Recommendation:

That Corporate Services Department Report 2021-311, **BE RECEIVED**; and

That the 2022 Rates Budget as outlined in Appendix B to Corporate Services Department Report 2021-311, **BE APPROVED**.

Purpose:

The purpose of this report is to present the proposed 2022 Rates Budget to the Budget Committee of the Whole.

A separate report has been prepared and presented to the Committee of the Whole – Budget entitled, 2022 Rates Setting Report 2021-312, to establish water, wastewater and storm sewer rates to be charged.

Background:

The 2022 Rates Budget is presented in accordance with a slightly modified timeline approved by Council through Report 2021-174.

Financial Services would like to thank Public Works staff for their leadership and support in developing the 2022 Rates Budget.

Should the 2022 Rates Budget report be approved by the Committee of the Whole – Budget on December 6, 2022, it will move forward to be ratified at the December 13, 2021, Council meeting.

Similar to the 2022 Capital and Related Projects Budget and the 2022 Levy Budget, the 2022 Rates Budget was developed through a process that requested Council and staff input. Staff have based their recommendations after considering:

- The City's established Vision/Mission/Values
- The Strategic Pillars identified in the City's Strategic Plan
- A need to connect the community
- A desire to come out of the COVID-19 pandemic stronger
- Planning and building for growth
- Organizational capacity
- Organizational financial flexibility

The budget document should be read in conjunction with:

- The 2022 Capital and Related Project Budget (Report 2021-240) approved by the Committee of the Whole – Budget on September 16, 2021 and ratified by Council on September 27, 2021.
- The 2022 Proposed User Fees and Charges (Report 2021-277) presented to the Committee of the Whole – Budget on October 28, 2021 and ratified by Council on November 8, 2021

Financial Services acknowledges that the format of the 2022 Rates Budget continues to evolve from the 2021 Rates Budget. Financial Services would like to thank Council for their support and encouragement with respect to the account structure changes that have been made to date. Staff's hope is Council will find the new format as a continued movement towards increasing accountability and transparency.

Discussion:

Financial Services highlights the budget is a plan to allocate resources in advance for the maximum benefit of City residents and stakeholders. It is a method to authorize revenue and expense authority. In preparing the 2022 Rates Budget, certain assumptions and estimates are necessary. They are based on information available to staff at the time of preparing the budget. Actual results will vary although, as regulated through the *Municipal Act*, a balanced budget is required.

Rate Budget Impact

Water and Wastewater

If the proposed 2022 Rates Budget and 2022 Rates Setting reports are approved as presented, the water and wastewater impact to a single-family property will be:

	\$	%
Water	Zero	Zero
Wastewater	Zero	Zero
Blended/Combined	Zero	Zero

In order to achieve a zero increase in the water budget Staff highlight:

- The water system work that is on-going by staff continues to improve the water billed vs. purchased ratio. At the time of writing this report, the current ratio is anticipated to improve to 68.4% vs. 64.0% in 2020. This is up from 52.7% in 2017.
- The reserve transfer in water has been reduced to \$400,195 from \$703,685 forecasted during the 2022 Capital and Related Capital Budget. Reserve transfers will be re-evaluated after the completion of the updated City's asset management plan which is anticipated by June 2022 to meet Provincial planning and reporting obligations.

The zero impact to wastewater is possible because the 2021 increase took effect April 1, 2021. With no change in rate, the 2022 budget is impacted by the rate differential of the current rate and the rate previously in place during January to March 2021.

Storm Sewer

If the proposed 2022 Rates Budget is approved as presented, the storm sewer impact to a single-family property is \$11.55 which represents a 10% increase over the prior year.

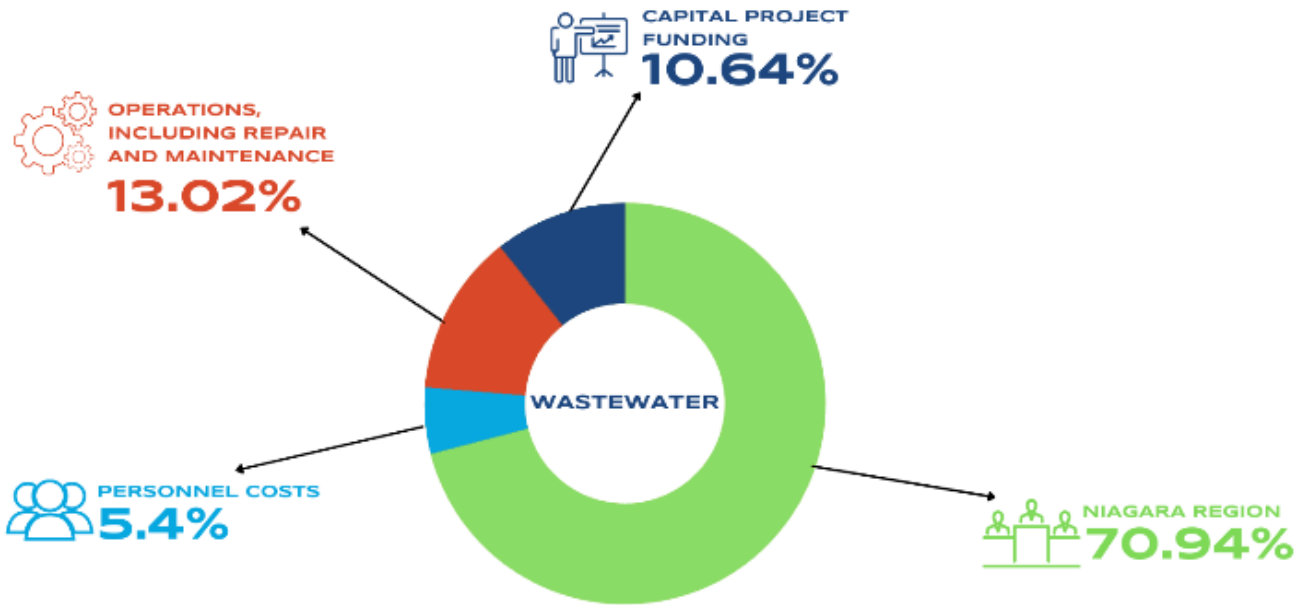
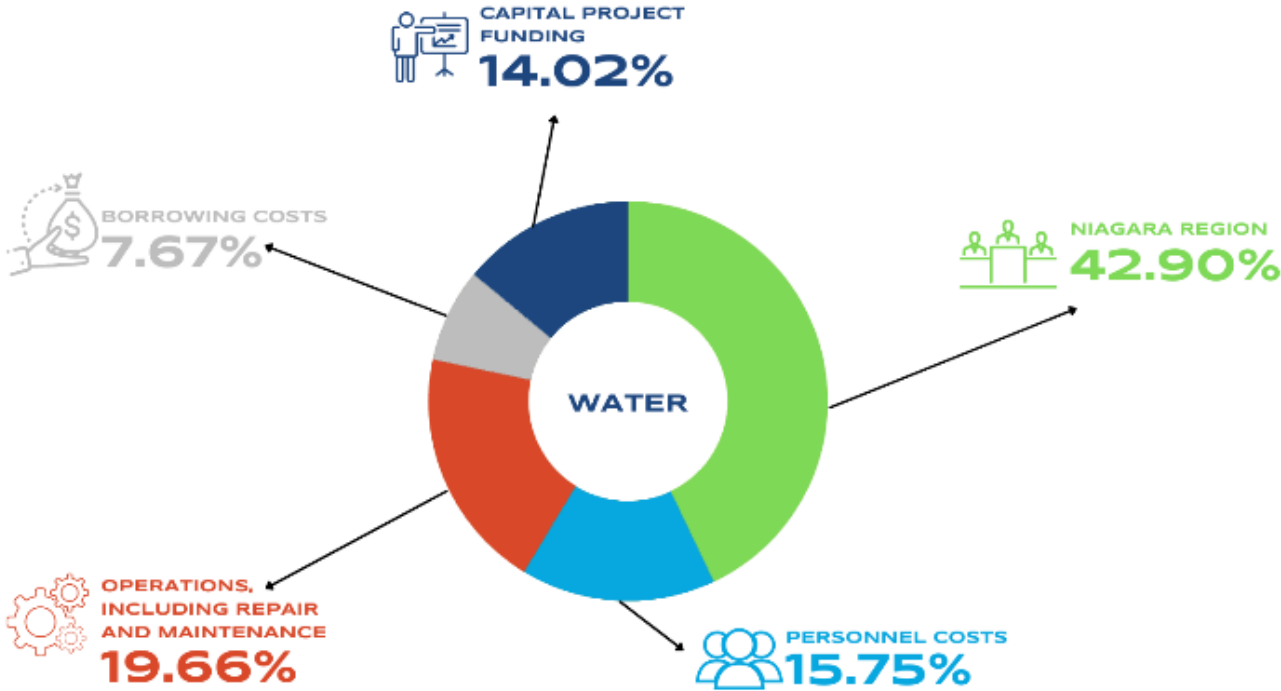
Budget Summary

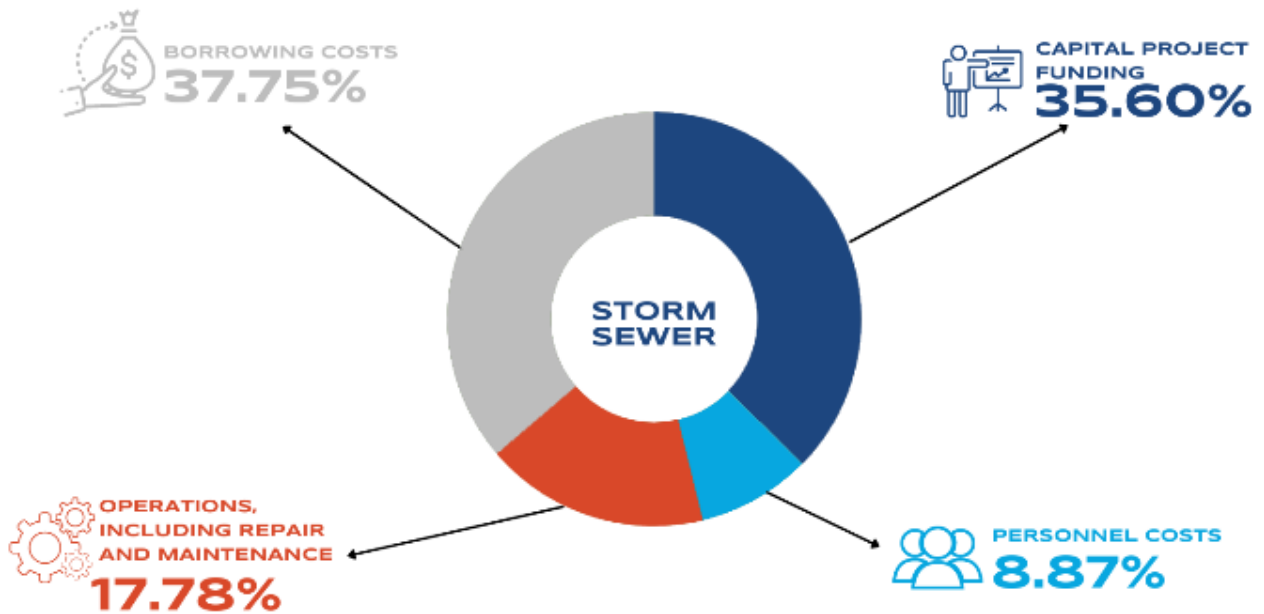
This budget was developed recognizing City services continue to remain operational and active during the COVID-19 pandemic, Financial Services and Public Works have developed budgets that maintain current services levels while continuing to strengthen the City.

The number of initiatives and actions that are funded within this budget are significant.

The 2022 Rates Budget as outlined in Appendix A – 2022 Rates Budget Presentation and Appendix B – Rates Budget Appendices totals \$13,120,100.

In percentage terms the water, wastewater and storm sewer budgets can be broken down as follows:





In dollar terms the water, wastewater and storm sewer budgets can be broken down as follows:

	Rates			
	Storm Sewer	Wastewater	Water	Total
Total Revenue	1,407,000	6,937,067	4,757,000	13,101,067
Personnel Expenses	124,800	374,600	749,300	1,248,700
Operating Expenses	182,100	5,364,379	2,516,176	8,062,655
Total Expense	306,900	5,738,979	3,265,476	9,311,355
Surplus/(Deficit) Before Transfers	1,100,100	1,198,088	1,491,524	3,789,712
Transfers to (from) Reserves	390,944	413,191	400,195	1,204,330
Transfers to (from) Capital	110,000	324,897	266,700	701,597
Transfers to (from) Borrowing Costs	531,156	-	364,629	895,785
Transfers to (from) Levy as Cost Reimbursement	68,000	460,000	460,000	988,000
Total Transfers	1,100,100	1,198,088	1,491,524	3,789,712
Surplus/(Deficit)	-	-	-	-

Water and wastewater usage and billing metrics can be found in Appendix C.

Some of the salient highlights and changes in the 2022 Rates Budget are as follows:

Water and Wastewater

- The Niagara Region increased the variable water purchase rate by 4%. The fixed charged rates decreased for water by \$31,543 or 5.34% and increased for wastewater by \$115,879 or 2.4% as a result of flows to the Niagara Region's wastewater system.
- One additional full-time equivalent Water/Wastewater Operator and one seasonal Water/Wastewater Operator is proposed in this budget. This increase will support the projects approved through the 2022 Capital and Related Project Budget and repair and maintenance work in year. Total cost is approximately \$120,000. The adjusted Headcount of the Rates (water, wastewater and storm sewer) grouping would increase to 15 and the FTE figure to 13.12. The FTE figure helps identify not all individuals are full-time.
- Update and move the current water meter reading software to the Cloud as the current software is no longer supported. The cost is estimated at \$5,300 annually.
- The introduction of water (\$25,000) and wastewater (\$25,000) replacement grants.
- Maintaining the pre-authorized payment incentive of \$25 for new registrations to the program and introduce a new incentive to move to online billing. This new incentive is also proposed at \$25. The water and wastewater budgets each include \$20,000 to support these incentives.
- Maintain the Guaranteed Income Supplement (GIS) grant implemented in 2021 for wastewater charges.

Storm Sewer

- As a result of proposed changes in the 2022 Rates Setting Report the reserve transfer in storm sewer has been increased to \$409,944 from \$51,121 forecasted during the 2022 Capital and Related Capital Budget.

Other salient changes include:

- The allocation of the rates personnel budget has changed year over year. In 2021 it was split 50/50 between water and wastewater. In 2022 it is allocated 60% water, 30% wastewater and 10% storm sewer based on anticipated scheduling. The change better reflects actual experience and changing

compliance standards.

- The administrative levy/rate cost recovery for administrative (including staff time), related facility, insurance, and fleet costs from the rate budgets (Water, Wastewater and Storm Sewer) was reviewed by staff during 2021. This review was noted during the 2021 Budget process and the 2022 Levy Budget process. The 2022 budget, similar to the Trimester 2 Report 2021-263, reflects a change in the transfer from \$607,100 to \$988,000. As a percentage of the rate program this reflects approximately an 8% overhead charge. The \$988,000 is split between Water and Wastewater at \$460,000 each and \$68,000 to Storm Sewer.

Looking Forward

Summary of Some Significant Capital Projects Approved in 2021 for 2022/2023

- Water: Erie Street watermain replacement. Project cost \$1,880,000.
- Water: Watermain replacement and looping project associated with Davis St., West St, Homewood Ave, Berkley Ave. Project cost \$5,000,000 (grant dependent).
- Wastewater: Clarke Area Sanitary Sewer Remediation associated with the east side sanitary network, north of Killaly St. E. Project cost \$1,000,000 (grant dependent).
- Wastewater: Clarke Area Sanitary Sewer Remediation. Project cost \$500,000 (grant dependent).
- Storm Sewer: Surcharge and flooding along King Street. Project cost \$300,000.
- Storm Sewer: Johnston Street Pumping Station upgrades. Project cost \$35,000.
- Storm Sewer: Johnston Street Stormwater pond cleaning and maintenance. Project cost \$75,000.

Updated Reserve Forecasted Balances

- Water forecasted at \$516,300 end of 2022.
- Wastewater forecasted at \$760,700 end of 2022
- Storm Sewer forecasted at \$482,700 end of 2022

These reserves support the rate budgets should there be a budget shortfall and fund future capital requirements.

Planning, Budget and Related Process

As identified on many occasions, “everyday is budget day” in a municipality. Financial Services anticipates this new budget layout may provide the opportunity for new questions and direction from Council. Corporate Services continues to identify continuous improvement is a process. Looking forward to 2022, staff identify the following activities, in addition to those identified during the 2022 Levy Budget process,

that will help determine the financial outcomes of the City going into the 2023 budget process:

- Complete and update the City's asset management plan by June 2022 to meet Provincial planning and reporting obligations, including an infrastructure needs assessment of all linear assets.
 - Based on the completion of the Infrastructure Needs Study, develop a five (5) year linear capital projects plan that incorporates all linear assets such as water, wastewater and storm sewer for recommended reconstruction and upgrades.
 - Move bulk water revenue and related costs to a separate cost centre to track more as a self-sustaining entity going forward.
-

Internal Consultations:

As stated, Financial Services would like to thank Public Works for their leadership and support in developing this 2022 Rates Budget.

Financial Implications:

Financial Services identifies the proposed 2022 Rates Budget is a staff recommendation that Council can adjust, if required.

Public Engagement:

The timeline for the 2022 Rates Budget was approved at the June 28, 2021 Council meeting. The 2022 Rates Budget was published on the City's website on November 26, 2021 through the agenda process. The 2022 Rates Budget will be considered by the Committee of the Whole – Budget on December 6, 2021. If approved by the Committee of the Whole – Budget, the 2022 Rates Budget will be considered by Council on December 13, 2021.

Following the budget process, staff will continue to review service levels and operations. Should changes be requested or sought, staff will seek input and where necessary approval from Council.

Strategic Plan Alignment:

The initiatives contained within this report supports the following pillar(s) of the strategic plan:

- Service and Simplicity - Quality and Innovative Delivery of Customer Services
 - Attracting Business Investment and Tourists to Port Colborne
 - City-Wide Investments in Infrastructure and Recreational/Cultural Spaces
 - Value: Financial Management to Achieve Financial Sustainability
 - People: Supporting and Investing in Human Capital
 - Governance: Communications, Engagement, and Decision-Making
-

Conclusion:

Staff recommend Council approve the 2022 Rates Budget as outlined in Appendix B.

Appendices:

- a. Appendix A – 2022 Rates Budget Presentation
- b. Appendix B – Divisional Summary & Detail
- c. Appendix C – Divisional Multi-Year Budgets
- d. Appendix D – Divisional Usage & Billing Metrics

Respectfully submitted,

Bryan Boles, CPA, CA, MBA
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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.

2022 Rate Budget

December 6, 2021



PORT COLBORNE

Agenda

- ❑ Recommendation
- ❑ Rates Impacts
- ❑ Highlights
- ❑ Inflation and City Growth
- ❑ Process
- ❑ Comparisons
- ❑ Debt/Reserves Outlook
- ❑ In-Year Operating Activity
- ❑ Metrics
- ❑ Rate Budgets
- ❑ Looking Forward
- ❑ Thank You
- ❑ Recommendation

In preparing the 2022 Rates Budget and Rate Setting, certain assumptions and estimates are necessary. They are based on information available to staff at the time. Actual results will vary although, as regulated through the Municipal Act, a balanced budget is required.



Recommendation

2022 Rates Budget

That Corporate Services Department Report 2021-311, BE RECEIVED; and

That the 2022 Rates Budget as outlined in Appendix B to Corporate Services Department Report 2021-311, BE APPROVED.



Rate Impacts

Water

No change in water rates

Wastewater

No change in wastewater rates

Storm Sewer

Single Family Property change equals \$11.50 or 10% per year.



Highlights

Connecting the City

- Introducing new water (\$25,000) and wastewater (\$25,000) replacement grants
- Maintain the pre-authorized payment incentive of \$25 and introduce a new \$25 incentive to move to online billing.
- Maintain the Guaranteed Income Supplement (GIS) grant implemented in 2021 for wastewater charges.
- +
- \$7.2 million in Water, Wastewater and Storm Water projects
- +
- Erie St. water project approved recently by Council through Report 2021-205 for \$1.88 million.
- No new debt is proposed...water debt paid down by \$290,000 and Storm Sewer debt paid down by \$240,000



Inflation Environment



Consumer Price Index

~~3.7%~~ 4.7%

Past Year*



Potential Growth Outlook

Preliminary, pre-consultation or draft plan approvals

3,207 units



8,017 new residents

Assuming 2.5 persons per household

Other development opportunities total 1,585 units representing potentially 3,962 new residents

Process

Developed through a process that obtained both Council and Staff input.

	Capital	Levy	Rate
Final to Financial Services	August 12th	September 23rd	October 28th
Final Senior Leadership Review	August 26th	October 7th	November 10th
Draft Package Available	September 2nd	October 14th	November 18th
Budget Committee Package	September 9th	October 21st	November 25th 26th
Committee of the Whole Budget Meeting	September 16th	October 28th	December 2nd 6th
Council Approval	September 27th	November 8th	December 13th

Vision/Mission/Values



Vision Statement:

A vision statement expresses an organization's desires for the future. This is our vision statement:

A vibrant waterfront community embracing growth for future generations

Mission Statement:

A mission statement expresses the immediate goals of an organization, clearly and concisely. This is our mission statement:

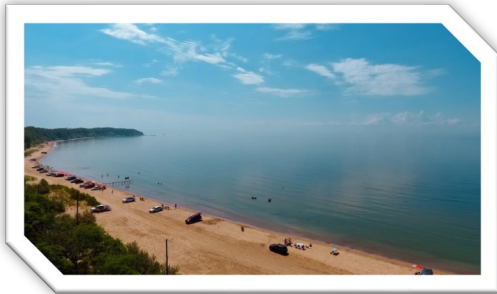
To provide an exceptional small-town experience in a big way

Corporate Values:

Corporate Values are guiding principles and beliefs supported by everyone in an organization so that they can work toward common goals in a cohesive and positive way. These are our corporate values:

Integrity – we interact with others ethically and honourably **Respect** – we treat each other with empathy and understanding **Inclusion** – we welcome everyone **Responsibility** – we make tomorrow better **Collaboration** – we are better together

Strategic Pillars



Community Pillars

These pillars are areas that directly benefit our residents, businesses, and visitors.

1. **Service and Simplicity - Quality and Innovative Delivery of Customer Services**
2. **Attracting Business Investment and Tourists to Port Colborne**
3. **City-Wide Investment in Infrastructure and Recreational/Cultural Spaces**

Corporate Pillars

These pillars are the day-to-day practices, processes, and governance that Council and staff are focused on to ensure maximum value and benefit for our residents.

1. **Value: Financial Management to Achieve Financial Sustainability**
2. **People: Supporting and Investing in Human Capital**
3. **Governance: Communications, Engagement, and Decision-Making**



Process

Staff based their recommendations after considering:

- ✓ Vision/Mission/Values/Strategic Pillars
- ✓ Organization capacity to complete the Capital and Related Projects Budget
- ✓ A need to connect the community
- ✓ Organizational financial flexibility
- ✓ A desire to come out of the COVID-19 pandemic stronger
- ✓ Planning and building for growth



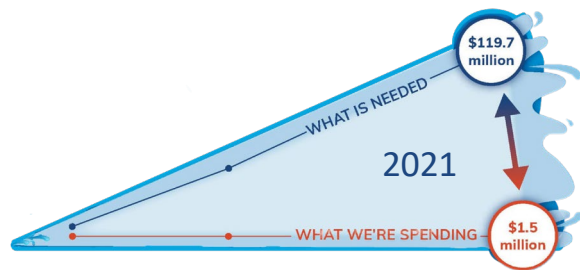
Comparison: Water and Wastewater Rate



	Avg. Usage	Water	Wastewater	Total	
LAMs	150 m3	\$469	\$589	\$1,040	\$538
City of Port Colborne	150 m3	\$576	\$1,002	\$1,578	
Next Closest LAM	150 m3	\$523	\$804	\$1,328	\$250

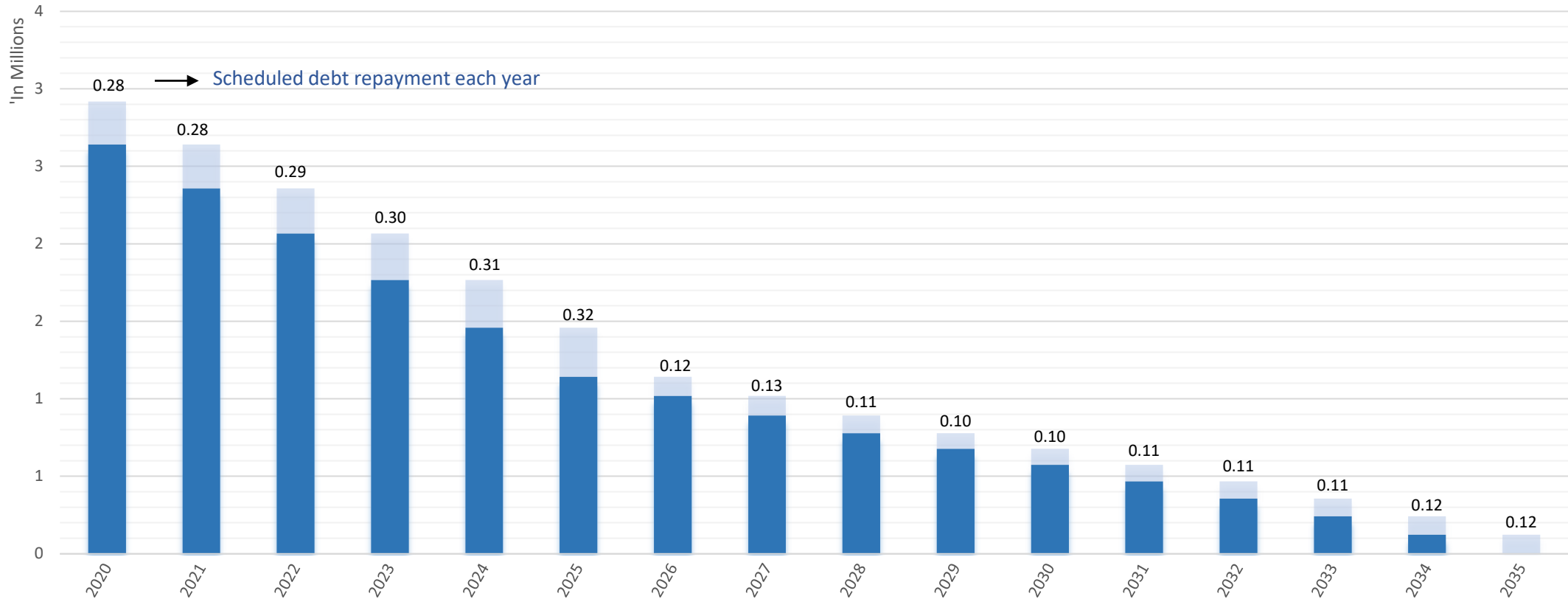
The above figures are based on 150 m3 and will change as water usage changes

70.9% of this cost is Niagara Region charges to clean the wastewater. The volume being cleaned is at a ratio of 2.69 m3 per 1 m3 of water billed. Illustrating the majority of wastewater is from inflow and infiltration.



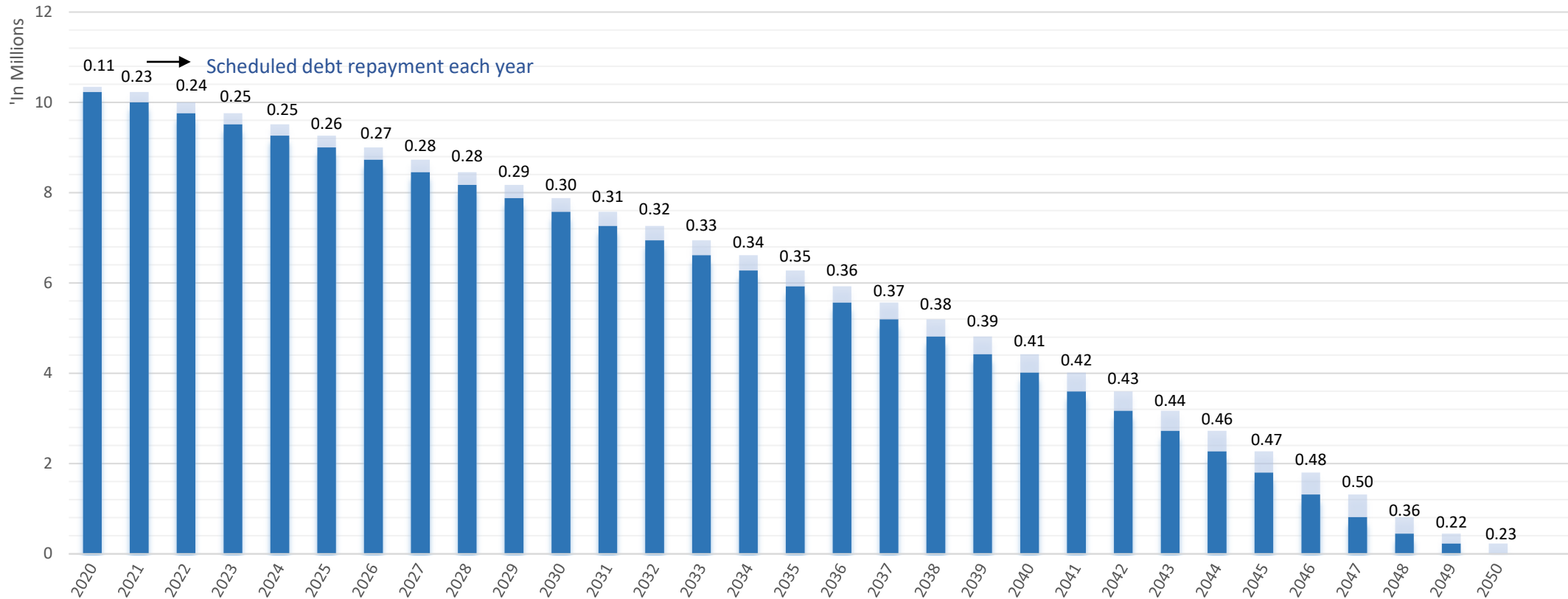


Debt Outlook - Water



* Excludes Niagara Falls and Wainfleet as their 2019 FIRs are not yet available.

Debt Outlook – Storm Sewer



Reserve Outlook



Should this budget be approved and budget = actual in 2022 and the 2021 forecast = forecast at year end. The rate reserves would be as follows come the end of 2022:

- Water forecasted at \$516,300
- Wastewater forecasted at \$760,700
- Storm Sewer forecasted at \$482,700

Reserves are used in case of an emergency, to cover a budget shortfall in-year and to support future capital works.



In-Year Operating Activity

2021 to Date

Water

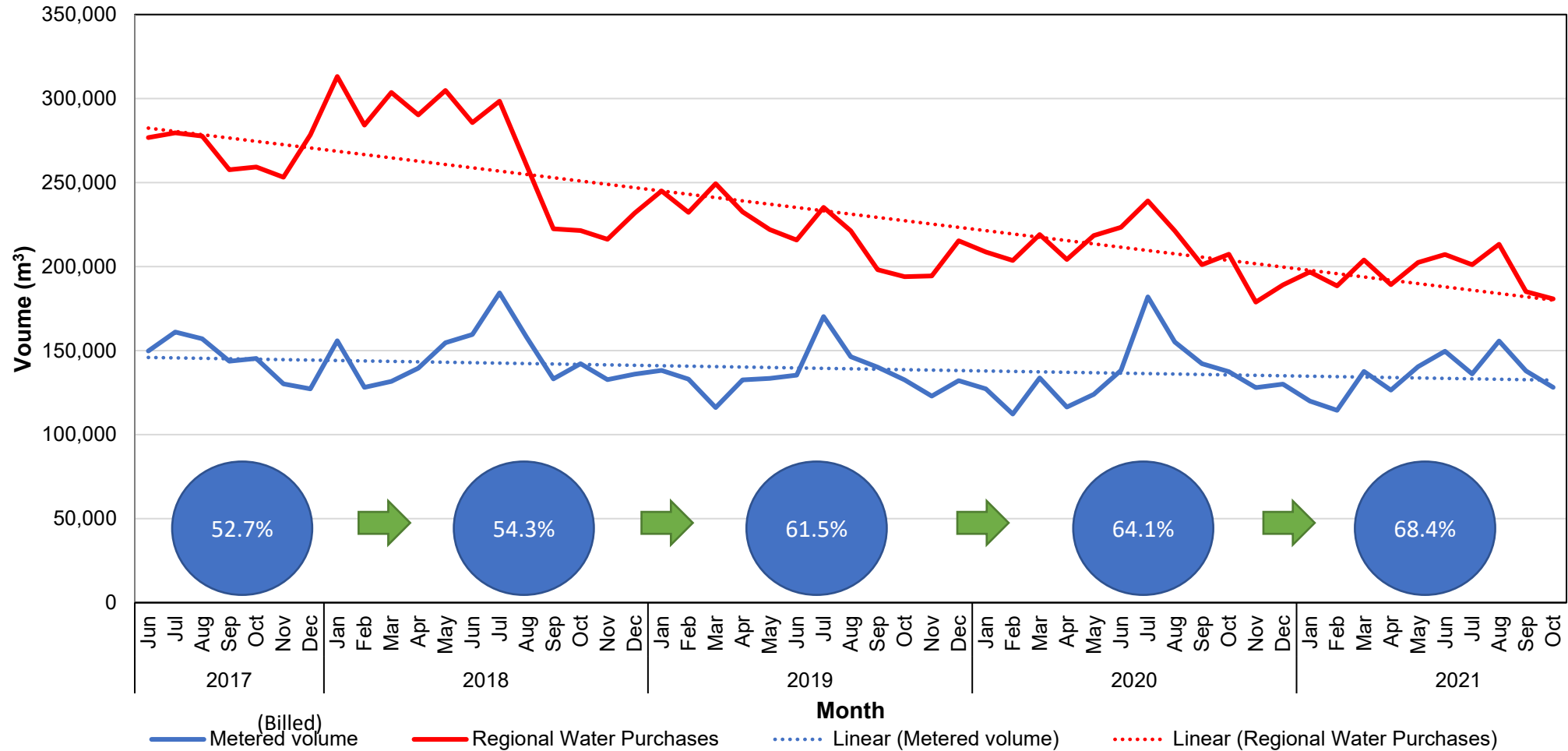
- 9 watermain breaks
- 19 complaints
- 716 chlorine samples
- 50 turbidity samples
- 368 microbiological samples
- 640 hydrants inspected twice
- 274 valves turned
- 21 water services installed
- 41 curb boxes repaired
- 12-15 dead ends flushed weekly
- Bi-weekly flushing of new subdivision

Wastewater/Storm

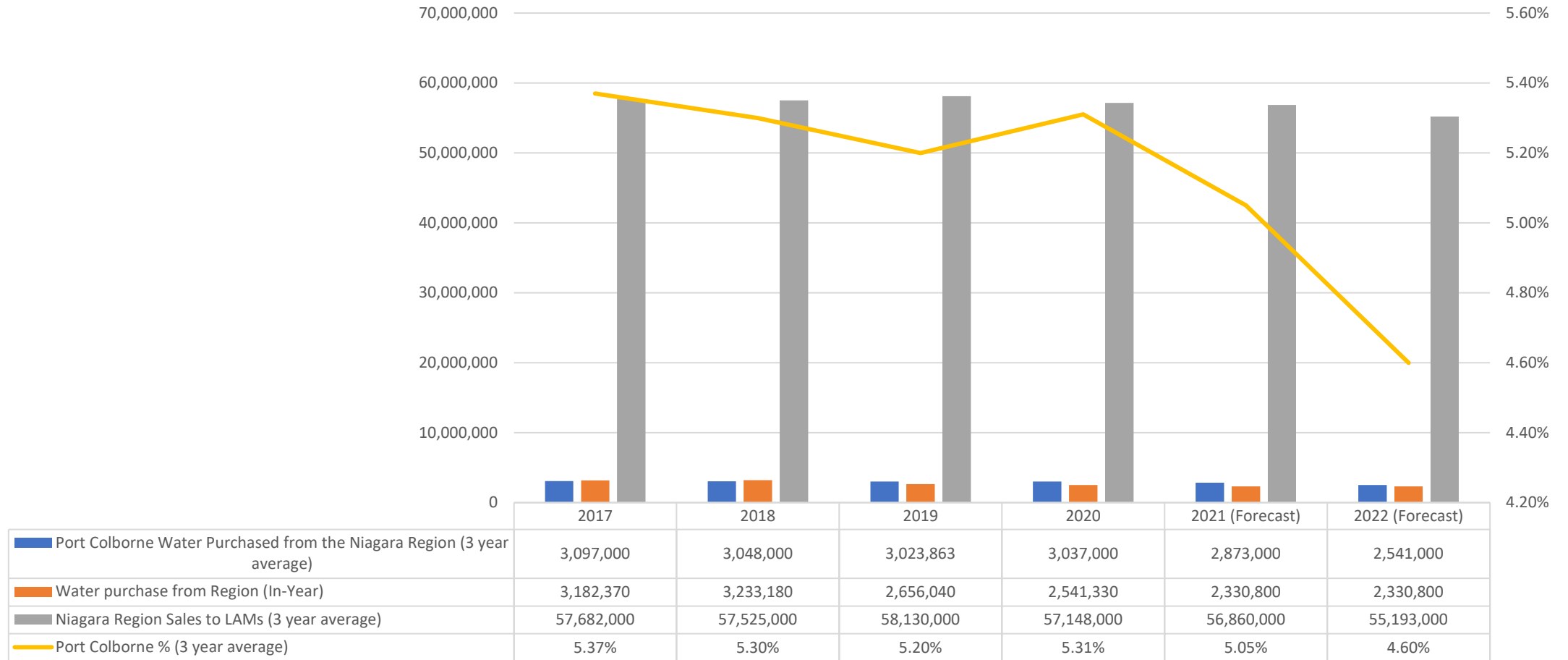
- 543 maintenance holes inspected
- 50 sewer back ups
- 12 sanitary laterals installed
- 25 clean out repairs
- 10 storm system repairs
- 1 catchbasin replacement
- Pump deployment at Neff outfall and Bartok
- 3.2km CCTV inspection of sanitary pipes and storm pipes



Water Purchased vs. Water Billed

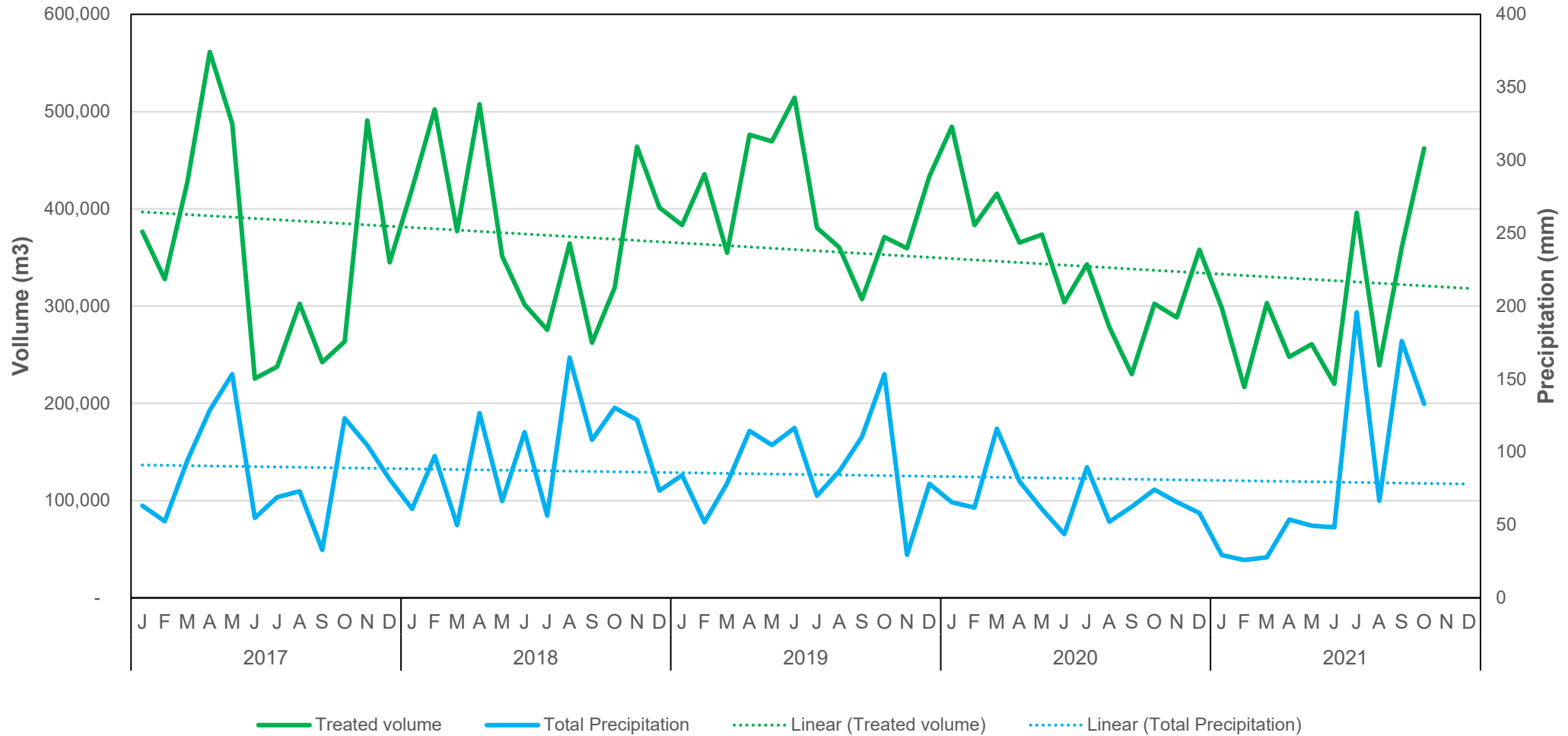


Water Volumes (m³)



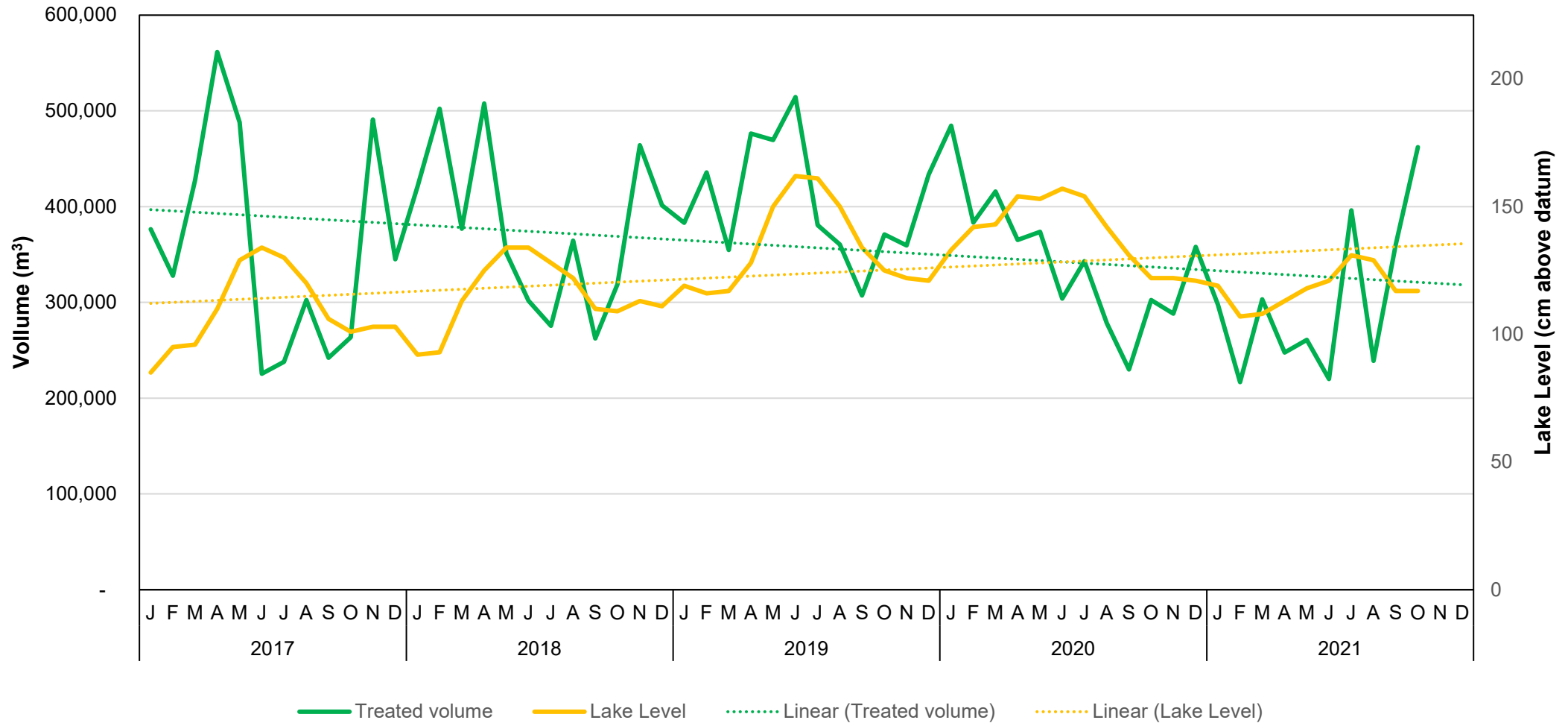


Wastewater Treated Volumes vs Precipitation

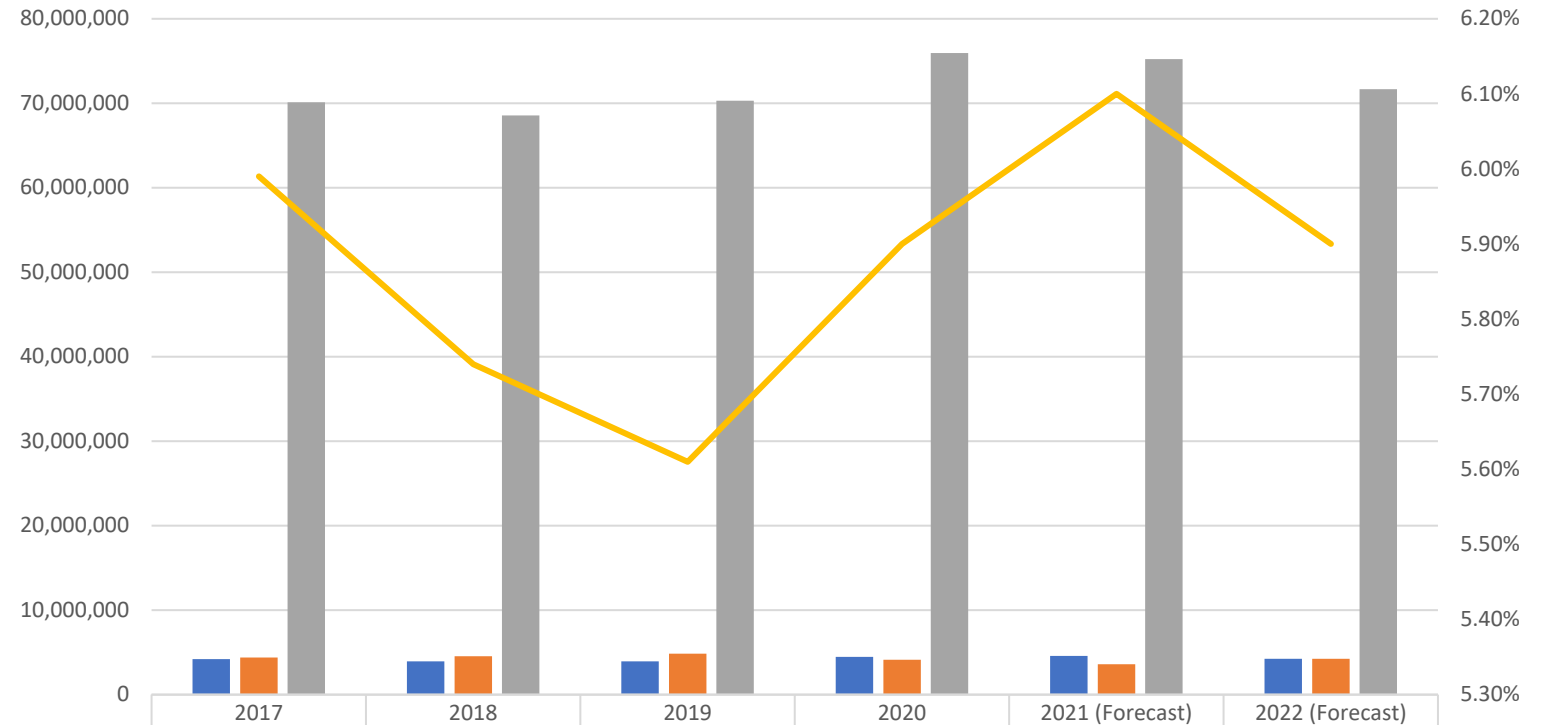






Wastewater Treated Volumes vs Lake Level



Wastewater Volumes (m³)



 Port Colborne Wastewater Purchased from the Niagara Region (3 year average)	4,200,000	3,934,000	3,944,000	4,480,000	4,590,000	4,232,000
 Port Colborne Wastewater Purchased from the Niagara Region (In-Year)	4,389,000	4,547,000	4,846,000	4,126,341	3,592,799	4,232,000
 Niagara Region Sales to LAMs (3 year average)	70,095,000	68,571,000	70,306,000	75,938,000	75,218,000	71,680,000
 Port Colborne % (3 year average)	5.99%	5.74%	5.61%	5.90%	6.10%	5.90%



Rate Budgets



Administrative changes

- This budget changes the allocation of personnel charges from a 50/50 split between water and wastewater to 60% water/30% wastewater/10% storm sewer to reflect new regulatory changes.
- This budget corrects the allocation/chargebacks between levy and rate as discussed in the Trimester 2 report and during the 2022 Levy Budget presentation. This is the main cause for the change in the rate budgets operation lines identified in the following slides.
- Maintaining the pre-authorized payment incentive of \$25 for new registrations to the program and introduce a new incentive to move to online billing. This new incentive is also proposed at \$25. The water and wastewater budgets each include \$20,000 to support these incentives.

Program changes

- One additional full-time equivalent (FTE) Water/Wastewater Operator and one seasonal Water/Wastewater Operator is proposed in this budget. This increase will support the projects approved through the 2022 Capital and Related Project Budget and repair and maintenance work in year. Total cost is approximately \$120,000. The adjusted Headcount of the Rates (water, wastewater and storm sewer) grouping would increase to 15 and the FTE figure to 13.12. The FTE figure helps identify not all individuals are full-time.
- Update and move the current water meter reading software to the Cloud as the current software is no longer supported. The cost is estimated at \$5,300 annually.

Program changes

Water Service and Wastewater Lateral Replacement Grant Program

Grant portion	Loan program
\$1,000 for water service	\$2,500 for water service
\$1,000 for wastewater lateral	\$2,500 for wastewater lateral

- First intake – property owners located in watermain/sanitary project area and/or where City is completing an I&I project
- Then opened up to entire City
- Will not turn anyone away (if additional funds are need, reserves to be utilized)

Looking Forward: Capital Projects

- Water: Erie Street watermain replacement. Project cost \$1,880,000.
- Water: Watermain replacement and looping project associated with Davis St., West St, Homewood Ave, Berkley Ave. Project cost \$5,000,000 (grant dependent).
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- Wastewater: Clarke Area Inflow and Infiltration Reduction Program. Project cost \$500,000 (grant dependent).
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- Storm Sewer: Johnston Street Pumping Station upgrades. Project cost \$35,000.
- Storm Sewer: Johnston Street Storm water pond cleaning and maintenance. Project cost \$75,000.

Looking Forward

- Complete and update the City's asset management plan by June 2022 to meet Provincial planning and reporting obligations, including an infrastructure needs assessment of all linear assets.
- Based on the completion of the Infrastructure Needs Study, develop a five (5) year linear capital projects plan that incorporates all linear assets such as water, wastewater and storm sewer for recommended reconstruction and upgrades.
- Move bulk water revenue and related costs to a separate cost centre to track more accurately as a self-sustaining entity going forward.



Thank You



PORT COLBORNE

Recommendation

2022 Rates Budget

That Corporate Services Department Report 2021-311, BE RECEIVED; and

That the 2022 Rates Budget as outlined in Appendix B to Corporate Services Department Report 2021-311, BE APPROVED.



Appendix B - Divisional Summary & Detail

Rates Divisional Summary

Appendix B - Rates Divisional Summary

		Rates			
		Storm Sewer	Wastewater	Water	Total
2022 BUDGET	Total Revenue	1,407,000	6,937,067	4,757,000	13,101,067
	Personnel Expenses	124,800	374,600	749,300	1,248,700
	Operating Expenses	182,100	5,364,379	2,516,176	8,062,655
	Total Expense	306,900	5,738,979	3,265,476	9,311,355
	Surplus/(Deficit) Before Transfers	1,100,100	1,198,088	1,491,524	3,789,712
	Transfers to (from) Reserves	390,944	413,191	400,195	1,204,330
	Transfers to (from) Capital	110,000	324,897	266,700	701,597
	Transfers to (from) Borrowing Costs	531,156	-	364,629	895,785
	Transfers to (from) Levy as Cost Reimbursement	68,000	460,000	460,000	988,000
	Total Transfers	1,100,100	1,198,088	1,491,524	3,789,712
Surplus/(Deficit)	-	-	0	0	
2021 BUDGET	Total Revenue	854,720	6,759,608	4,741,498	12,355,826
	Personnel Expenses	-	561,350	561,350	1,122,700
	Operating Expenses	202,870	5,311,500	2,673,550	8,187,920
	Total Expense	202,870	5,872,850	3,234,900	9,310,620
	Surplus/(Deficit) Before Transfers	651,850	886,758	1,506,598	3,045,206
	Transfers to (from) Reserves	42,307	258,207	613,748	914,262
	Transfers to (from) Capital	23,724	350,001	250,000	623,725
	Transfers to (from) Borrowing Costs	535,819	-	364,300	900,119
	Transfers to (from) Levy as Cost Reimbursement	50,000	278,550	278,550	607,100
	Total Transfers	651,850	886,758	1,506,598	3,045,206
Surplus/(Deficit)	-	-	-	-	
VARIANCE	Total Revenue	552,280	177,459	15,502	745,241
	Personnel Expenses	124,800	(186,750)	187,950	126,000
	Operating Expenses	(20,770)	52,879	(157,374)	(125,265)
	Total Expense	104,030	(133,871)	30,576	735
	Surplus/(Deficit) Before Transfers	448,250	311,330	(15,074)	744,506
	Transfers to (from) Reserves	348,637	154,984	(213,553)	290,068
	Transfers to (from) Capital	86,276	(25,104)	16,700	77,872
	Transfers to (from) Borrowing Costs	(4,663)	-	329	(4,334)
	Transfers to (from) Levy as Cost Reimbursement	18,000	181,450	181,450	380,900
	Total Transfers	448,250	311,330	(15,074)	744,506
Surplus/(Deficit)	-	-	0	0	

Appendix B - Rates Divisional Detail

Object Name	Total			Storm Sewer			Wastewater		
	Budget 2022	Forecast 2021	Budget 2021	Budget 2022	Forecast 2021	Budget 2021	Budget 2022	Forecast 2021	Budget 2021
Other Revenue	85,000	85,000	-	-	-	-	-	-	-
Chargebacks	-	3,000	-	-	-	-	-	3,000	-
Fees	-	45,200	-	-	-	-	-	45,000	-
Sales	-	1,000	-	-	-	-	-	-	-
Penalties and Interest	26,000	26,000	72,998	-	-	-	14,000	14,000	33,000
Rate Revenue - Variable	2,743,067	3,126,000	4,336,213	-	-	-	623,067	926,000	2,207,282
Rate Revenue - Fixed	10,247,000	9,126,000	7,946,615	1,407,000	850,000	854,720	6,300,000	5,705,000	4,519,326
Total Revenue	13,101,067	12,412,200	12,355,826	1,407,000	850,000	854,720	6,937,067	6,693,000	6,759,608
Salaries and Wages - Full Time	868,800	646,000	834,600	86,900	-	-	260,600	258,400	417,300
Salaries and Wages - Part Time	30,300	57,600	-	3,000	-	-	9,100	50,000	-
Salaries and Wages - Students	15,300	36,000	-	1,500	-	-	4,600	14,400	-
Overtime Pay	41,300	12,000	41,300	4,100	-	-	12,400	4,800	20,650
Employee Benefits	293,000	240,000	246,800	29,300	-	-	87,900	96,000	123,400
Association/Membership Fees	6,000	4,600	4,000	-	-	-	3,000	2,000	2,000
Comm and Public Relations	20,000	10,000	20,000	-	-	-	10,000	5,000	10,000
Computer Software	18,400	12,900	12,900	-	-	-	5,000	5,000	5,000
Contract Services	496,010	398,310	496,010	137,700	40,000	137,700	187,550	187,550	187,550
PAP / Online Incentives	40,000	70,000	40,000	-	-	-	20,000	35,000	20,000
Seniors Discount	35,000	35,000	100,000	-	-	-	35,000	35,000	100,000
Equipment - Purchase	30,800	30,800	30,800	-	-	-	13,500	13,500	13,500
Equipment - Rental	18,000	20,900	14,900	18,000	18,000	12,000	-	-	-
Office Supplies	27,500	20,000	27,500	-	-	-	13,750	10,000	13,750
Postage & Courier	52,000	44,000	80,000	-	-	-	26,000	22,000	40,000
Protective & Uniform Clothing	10,000	10,000	10,000	-	-	-	4,000	4,000	4,000
R&M Consumables and Parts	158,100	103,500	158,100	8,500	8,500	8,500	45,100	25,000	45,100
Staff Training & Development	25,600	30,000	36,800	-	-	-	7,200	15,000	18,400
SME - Consultants	59,000	55,000	59,000	-	-	-	25,000	25,000	25,000
Telephone/Internet	8,800	8,300	8,800	-	-	-	-	-	-
Travel	3,200	200	3,600	-	-	-	1,400	-	1,800
Utilities - Hydro	30,600	15,900	28,000	6,000	6,000	5,000	22,000	8,000	20,400
Utilities - Water	900	900	900	900	900	900	-	-	-
Property Tax Charges	11,000	10,440	10,440	11,000	10,440	10,440	-	-	-
City Owned Property SS Charges	-	26,700	28,330	-	26,700	28,330	-	-	-
Tax Reassessment and Uncollect	-	2,200	-	-	-	-	-	-	-
Region Rate - Fixed	5,479,356	5,395,000	5,395,000	-	-	-	4,920,879	4,805,000	4,805,000
Region Rate - Variable	1,482,389	1,500,000	1,622,840	-	-	-	-	-	-
Total Expense	9,311,355	8,796,250	9,310,620	306,900	110,540	202,870	5,738,979	5,620,650	5,872,850
Surplus/(Deficit) Before Transfers	3,789,712	3,615,950	3,045,206	1,100,100	739,460	651,850	1,198,088	1,072,350	886,758

Appendix B - Rates Divisional Detail

Object Name	Total			Storm Sewer			Wastewater		
	Budget 2022	Forecast 2021	Budget 2021	Budget 2022	Forecast 2021	Budget 2021	Budget 2022	Forecast 2021	Budget 2021
Transfers to (from) Reserves	1,204,330	1,103,777	914,262	390,944	111,917	42,307	413,191	262,349	258,207
Transfers to (from) Capital	701,597	623,725	623,725	110,000	23,724	23,724	324,897	350,001	350,001
Transfers to (from) Borrowing Costs	895,785	900,448	900,119	531,156	535,819	535,819	-	-	-
Transfers to (from) Levy as Cost Reimbursement	988,000	988,000	607,100	68,000	68,000	50,000	460,000	460,000	278,550
Total Transfers	3,789,712	3,615,950	3,045,206	1,100,100	739,460	651,850	1,198,088	1,072,350	886,758
Surplus/(Deficit)	0	-	-	-	-	-	-	-	-

Appendix B - Rates Divisional Detail

Object Name	Water		
	Budget 2022	Forecast 2021	Budget 2021
Other Revenue	85,000	85,000	-
Chargebacks	-	-	-
Fees	-	200	-
Sales	-	1,000	-
Penalties and Interest	12,000	12,000	39,998
Rate Revenue - Variable	2,120,000	2,200,000	2,128,931
Rate Revenue - Fixed	2,540,000	2,571,000	2,572,569
Total Revenue	4,757,000	4,869,200	4,741,498
Salaries and Wages - Full Time	521,300	387,600	417,300
Salaries and Wages - Part Time	18,200	7,600	-
Salaries and Wages - Students	9,200	21,600	-
Overtime Pay	24,800	7,200	20,650
Employee Benefits	175,800	144,000	123,400
Association/Membership Fees	3,000	2,600	2,000
Comm and Public Relations	10,000	5,000	10,000
Computer Software	13,400	7,900	7,900
Contract Services	170,760	170,760	170,760
PAP / Online Incentives	20,000	35,000	20,000
Seniors Discount	-	-	-
Equipment - Purchase	17,300	17,300	17,300
Equipment - Rental	-	2,900	2,900
Office Supplies	13,750	10,000	13,750
Postage & Courier	26,000	22,000	40,000
Protective & Uniform Clothing	6,000	6,000	6,000
R&M Consumables and Parts	104,500	70,000	104,500
Staff Training & Development	18,400	15,000	18,400
SME - Consultants	34,000	30,000	34,000
Telephone/Internet	8,800	8,300	8,800
Travel	1,800	200	1,800
Utilities - Hydro	2,600	1,900	2,600
Utilities - Water	-	-	-
Property Tax Charges	-	-	-
City Owned Property SS Charges	-	-	-
Tax Reassessment and Uncollect	-	2,200	-
Region Rate - Fixed	558,477	590,000	590,000
Region Rate - Variable	1,482,389	1,500,000	1,622,840
Total Expense	3,265,476	3,065,060	3,234,900
Surplus/(Deficit) Before Transfers	1,491,524	1,804,140	1,506,598

Appendix B - Rates Divisional Detail

Object Name	Water		
	Budget 2022	Forecast 2021	Budget 2021
Transfers to (from) Reserves	400,195	729,511	613,748
Transfers to (from) Capital	266,700	250,000	250,000
Transfers to (from) Borrowing Costs	364,629	364,629	364,300
Transfers to (from) Levy as Cost Reimbursement	460,000	460,000	278,550
Total Transfers	1,491,524	1,804,140	1,506,598
Surplus/(Deficit)	0	-	-

Appendix C - Divisional Multi-Year Budgets

Appendix C - Summary - Five Year Combined Water and Waste Water Budgets

	2018	2018	2019	2019	2020	2020	2021	2021	2022	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	97,711	58,100	104,433	63,600	58,079	69,100	160,200	72,998	111,000	38,002	52.1%
Variable	3,771,125	4,726,277	3,805,042	4,817,159	3,916,398	5,159,839	3,126,000	4,336,213	2,743,067	(1,593,146)	(36.7%)
Fixed	5,369,658	5,362,624	5,771,540	5,669,554	6,170,969	5,939,314	8,276,000	7,091,895	8,840,000	1,748,105	24.6%
Total Revenue	9,238,494	10,147,001	9,681,015	10,550,313	10,145,446	11,168,253	11,562,200	11,501,106	11,694,067	192,961	1.68%
Fixed vs. Variable	59%	53%	60%	54%	61%	54%	73%	62%	76%		
Niagara Region	6,375,722	6,226,420	6,496,959	6,452,082	6,655,617	6,974,499	6,895,000	7,017,840	6,961,745	(56,095)	(0.8%)
Personnel costs	670,552	1,015,850	784,858	1,073,198	649,699	1,144,524	991,600	1,122,700	1,123,900	1,200	0.1%
Operations	1,277,636	1,235,071	1,440,670	1,255,473	1,597,248	1,327,081	1,719,111	1,524,310	1,838,810	314,500	20.6%
Capital	186,519	754,372	734,603	1,054,792	1,054,792	1,054,792	600,000	600,000	591,597	(8,403)	(1.4%)
Capital Pay-as-you-go (Carry forward)	-	-	-	-	-	-	-	-	-	-	0.0%
Borrowing costs	434,480	434,480	362,571	364,380	364,242	364,299	364,629	364,300	364,629	329	0.1%
Reserve transfers	293,585	480,808	(138,646)	350,388	(176,153)	303,058	991,860	871,956	813,386	(58,570)	(6.7%)
Total Expenses	9,238,494	10,147,001	9,681,015	10,550,313	10,145,445	11,168,253	11,562,200	11,501,106	11,694,067	192,961	1.68%
Surplus / (Deficit)	-	-	-	-	0	-	-	-	-	-	-
Revenue Budget to Actual / Forecast	(908,507)		(869,298)		(1,022,807)		61,094				
Niagara Region	69.0%	61.4%	67.1%	61.2%	65.6%	62.4%	59.6%	61.0%	59.5%		
Capital & Reserves	5.2%	12.2%	6.2%	13.3%	8.7%	12.2%	13.8%	12.8%	12.0%		
% of Total Revenue	74.2%	73.5%	73.3%	74.5%	74.3%	74.6%	73.4%	73.8%	71.5%		

Appendix C - Summary - Five Year Water Budgets

	2018	2018	2019	2019	2020	2020	2021	2021	2022	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	74,022	47,600	79,870	49,600	43,773	49,600	98,200	39,998	97,000	57,002	142.5%
Variable	2,199,721	2,515,978	2,090,175	2,545,523	2,192,600	2,600,201	2,200,000	2,128,931	2,120,000	(8,931)	(0.4%)
Fixed	2,407,161	2,365,535	2,529,022	2,463,697	2,649,521	2,530,023	2,571,000	2,572,569	2,540,000	(32,569)	(1.3%)
Total Revenue	4,680,904	4,929,113	4,699,067	5,058,820	4,885,893	5,179,824	4,869,200	4,741,498	4,757,000	15,502	0.33%
Fixed vs. Variable	52%	48%	55%	49%	55%	49%	54%	55%	55%		
Niagara Region	2,400,104	2,316,757	2,128,971	2,375,340	2,124,086	2,430,382	2,090,000	2,212,840	2,040,866	(171,974)	(7.8%)
Personnel costs	580,239	688,565	735,049	746,829	540,705	790,145	568,000	561,350	749,300	187,950	33.5%
Operations	801,052	706,061	975,565	719,021	875,788	741,748	867,060	739,260	935,310	196,050	26.5%
Capital	168,899	429,219	507,255	509,219	509,219	509,219	250,000	250,000	266,700	16,700	6.7%
Capital Pay-as-you-go (Carry forward)	-	-	-	-	-	-	-	-	-	-	0.0%
Borrowing costs	434,480	434,480	362,571	364,380	364,242	364,299	364,629	364,300	364,629	329	0.1%
Reserve transfers	296,130	354,031	(10,344)	344,031	471,853	344,031	729,511	613,748	400,195	(213,553)	(34.8%)
Total Expenses	4,680,904	4,929,113	4,699,067	5,058,820	4,885,893	5,179,824	4,869,200	4,741,498	4,757,000	15,502	0.33%
Surplus / (Deficit)	-	-	-	-	-	-	-	-	-	-	-
Revenue Budget to Actual / Forecast	(248,209)		(359,753)		(293,931)		127,702				
Niagara Region	51.3%	47.0%	45.3%	47.0%	43.5%	46.9%	42.9%	46.7%	42.9%		
Capital & Reserves	9.9%	15.9%	10.6%	16.9%	20.1%	16.5%	20.1%	18.2%	14.0%		
% of Total Revenue	61.2%	62.9%	55.9%	63.8%	63.6%	63.4%	63.0%	64.9%	56.9%		

Appendix C - Summary - Five Year Wastewater Budgets

	2018	2018	2019	2019	2020	2020	2021	2021	2022	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	23,689	10,500	24,563	14,000	14,306	19,500	62,000	33,000	14,000	(19,000)	(57.6%)
Variable	1,571,404	2,210,299	1,714,867	2,271,636	1,723,798	2,559,638	926,000	2,207,282	623,067	(1,584,215)	(71.8%)
Fixed	2,962,497	2,997,089	3,242,518	3,205,857	3,521,448	3,409,291	5,705,000	4,519,326	6,300,000	1,780,674	39.4%
Total Revenue	4,557,590	5,217,888	4,981,948	5,491,493	5,259,552	5,988,429	6,693,000	6,759,608	6,937,067	177,459	2.63%
Fixed vs. Variable	65%	58%	65%	59%	67%	57%	86%	67%	91%		
Niagara Region	3,975,618	3,909,663	4,367,988	4,076,742	4,531,531	4,544,117	4,805,000	4,805,000	4,920,879	115,879	2.4%
Personnel costs	90,313	327,285	49,809	326,369	108,994	354,379	423,600	561,350	374,600	(186,750)	(33.3%)
Operations	476,584	529,010	465,105	536,452	721,460	585,333	852,051	785,050	903,500	118,450	15.1%
Capital	17,620	325,153	227,348	545,573	545,573	545,573	350,000	350,000	324,897	(25,103)	(7.2%)
Capital Pay-as-you-go (Carry forward)	-	-	-	-	-	-	-	-	-	-	0.0%
Borrowing costs	-	-	-	-	-	-	-	-	-	-	0.0%
Reserve transfers	(2,545)	126,777	(128,302)	6,357	(648,006)	(40,973)	262,349	258,208	413,191	154,983	60.0%
Total Expenses	4,557,590	5,217,888	4,981,948	5,491,493	5,259,552	5,988,429	6,693,000	6,759,608	6,937,067	177,459	2.63%
Surplus / (Deficit)	-	-	-	-	0	-	-	-	-	-	
Revenue Budget to Actual / Forecast	(660,298)		(509,545)		(728,877)		(66,608)				
Niagara Region	87.2%	74.9%	87.7%	74.2%	86.2%	75.9%	71.8%	71.1%	70.9%		
Capital & Reserves	0.3%	8.7%	2.0%	10.1%	(1.9%)	8.4%	9.1%	9.0%	10.6%		
% of Total Revenue	87.6%	83.6%	89.7%	84.3%	84.2%	84.3%	80.9%	80.1%	81.6%		

Appendix C - Summary - Four Year Storm Sewer Budgets

	2019	2019	2020	2020	2021	2021	2022	\$	%
	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Installation service fee	1,112	5,000	(276)	5,000	-	-	-	-	0.0%
Rate fees	730,566	740,800	766,976	770,279	850,000	854,720	1,407,000	552,280	71.7%
Total Revenue	731,678	745,800	766,700	775,279	850,000	854,720	1,407,000	552,280	71.24%
Personnel costs	-	-	-	-	-	-	124,800	124,800	New
Operations	265,847	220,350	279,204	248,181	178,540	252,870	250,100	(2,770)	(1.1%)
Capital	-	-	39,998	-	23,724	23,724	110,000	86,276	0.0%
Borrowing costs	299,819	299,819	309,823	299,819	535,819	535,819	531,156	(4,663)	(1.6%)
Reserve transfers	166,012	225,631	137,675	227,279	111,917	42,307	390,944	348,637	153.4%
Total Expenses	731,678	745,800	766,700	775,279	850,000	854,720	1,407,000	552,280	71.24%
Surplus / (Deficit)	-	-	-	-	-	-	-	-	-

Appendix D - Divisional Usage & Billing Metrics

Appendix D - Water and Wastewater Usage and Billing Metrics

	2017	2018	2019	2020	2021	2022
	Actual	Actual	Actual	Actual	Forecast	Budget
Water (M³)						
Water purchase from Region (Actual)	3,182,370	3,233,180	2,656,040	2,541,330	2,330,800	2,330,800
Water purchase from Region (3 year average for budget)	3,097,000	3,048,000	3,023,863	3,037,000	2,873,000	2,541,000
Water of Region Total (3 year average for Budget purposes)	57,682,000	57,525,000	58,130,000	57,148,000	56,860,000	55,193,000
Port Colborne %	5.37%	5.30%	5.20%	5.31%	5.05%	4.60%
Wastewater (M³)						
Wastewater to Region (Actual)	4,389,000	4,547,000	4,846,000	4,126,341	3,592,799	4,232,000
Wastewater to Region (Budget basis - 3 Year Average - Oct 31 Ending)	4,200,000	3,934,000	3,944,000	4,480,000	4,590,000	4,232,000
Wastewater of Region (Budget basis - 3 Year Average - Oct 31 Ending)	70,095,000	68,571,000	70,306,000	75,938,000	75,218,000	71,680,000
Port Colborne %	5.99%	5.74%	5.61%	5.90%	6.10%	5.90%
Billing (M³)						
Water bill	1,678,488	1,754,042	1,632,548	1,629,458	1,605,938	1,605,938
Water billed vs. Water Purchased (Goal 85%)	52.74%	54.25%	61.47%	64.12%	68.90%	68.90%
Additional Data						
Lake Level (Avg. cm above datum)	109.3	115.3	134.0	140.0	118.0	
Percipitation (MM)	1,030.8	1,405.2	1,078.3	830.0	806.0	