



**PORT COLBORNE**

**Subject: 2023 Rates Budget**

**To: Committee of the Whole - Budget**

**From: Corporate Services Department**

Report Number: 2022-246

Meeting Date: December 7, 2022

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**Recommendation:**

That the Committee of the Whole recommend to Council:

That Corporate Services Department Report 2022-246, **BE RECEIVED**; and

That the 2023 Rates Budget as outlined in Appendix B to Corporate Services Department Report 2022-246, **BE APPROVED**.

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**Purpose:**

The purpose of this report is to present the proposed 2023 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, 2023 Rates Setting Report 2022-247, to establish water, wastewater and storm sewer rates to be charged.

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**Background:**

The 2023 Rates Budget is presented in a similar fashion as the prior year Rate Budget.

Financial Services would like to thank Public Works staff for their leadership and support in developing the 2023 Rates Budget.

Should the 2023 Rates Budget report be approved by the Committee of the Whole – Budget on December 7, 2022, it will move forward to be ratified at the December 13, 2022, Council meeting.

Similar to the 2023 Capital and Related Projects Budget and the 2023 Levy Budget, the 2023 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
- The following themes/focuses
  - Supporting economic prosperity initiatives
  - Supporting environmental sustainability initiatives
  - Supporting a welcoming and livable community
  - Supporting increased and enhanced housing options
- Tactically considering where the City can support and drive competitive advantages:
  - People
  - Processes – getting to simple (moving towards)
  - Community – Connection
  - Location
- Service levels
- Growth – achieving economies of scale
- Impact of leading a reduction in the Infrastructure Deficit

The budget document should be read in conjunction with:

- The 2023 Capital and Related Project Budget (Report 2022-248) presented to the Budget Committee of the Whole on December 7, 2022.
- The 2023 Proposed User Fees and Charges (Report 2022-244) presented to the Budget Committee of the Whole on December 7, 2022.

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## **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 2023 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 2023 Rates Budget and 2023 Rates Setting reports are approved as presented, the water and wastewater impact to a single-family property use 150 m3 of water will be:

	\$	%
Water	\$46.07	8.00%
Wastewater	Zero	Zero
Blended/Combined	\$46.07	2.92%

As identified below, this increase is required to offset the Niagara Region anticipated increase as communicated at their Budget Review Committee of the Whole – July 21, 2022.

### Storm Sewer

If the proposed 2023 Rates Budget is approved as presented, the storm sewer impact to a single-family property is \$12.71 which represents a 10% increase over the prior year.

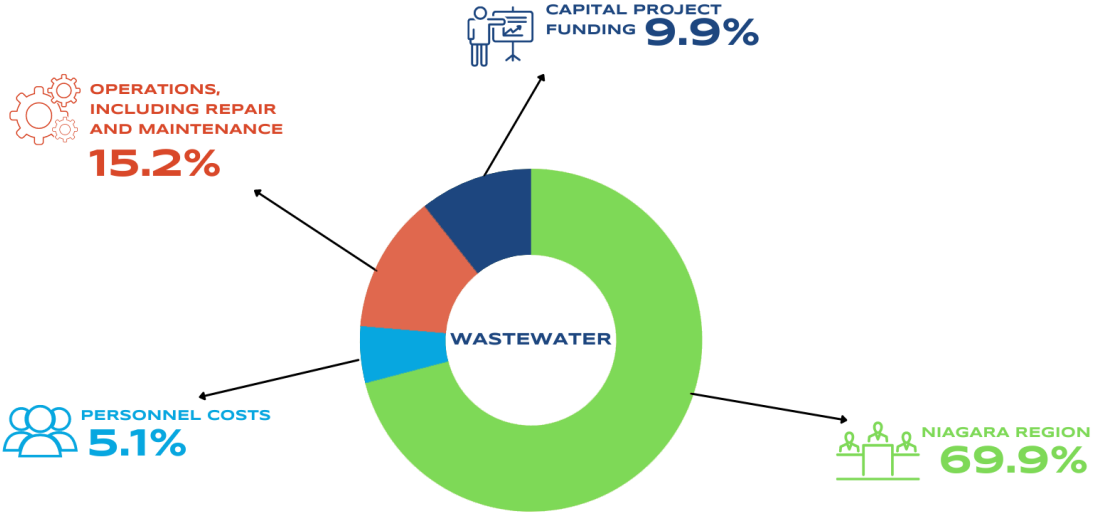
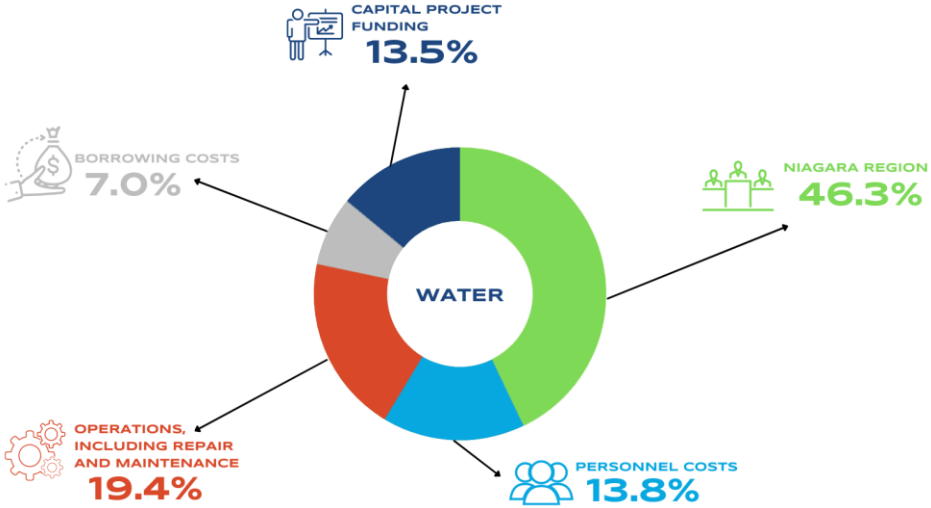
## Budget Summary

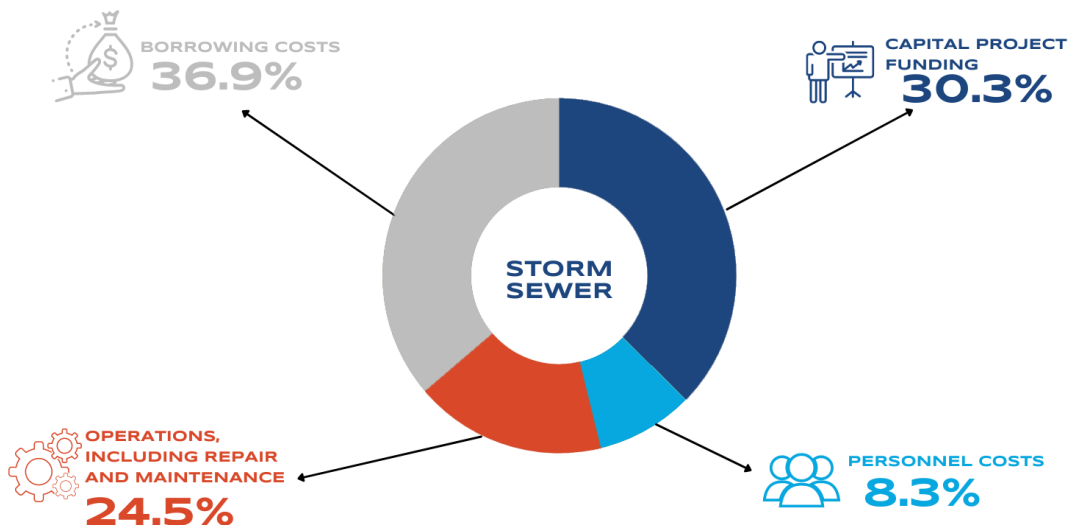
This budget was developed to maintain current services levels while continuing to strengthen the City.

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

The 2023 Rates Budget as outlined in Appendix A – 2023 Rates Budget Presentation and Appendix B – Rates Budget Appendices totals \$13,661,100.

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:

	Storm Sewer	Wastewater	Water	Total
<b>Total Revenue</b>	<b>1,437,700</b>	<b>7,041,100</b>	<b>5,182,300</b>	<b>13,661,100</b>
Niagara Region	-	4,920,879	2,398,200	7,319,079
Personnel costs	119,090	357,270	714,540	1,190,900
Operations	351,962	1,067,997	1,003,970	2,423,929
Capital	850,000	840,000	621,700	2,311,700
Borrowing costs	531,155	-	364,326	895,481
Reserve transfers	(414,507)	(145,046)	79,564	(479,989)
<b>Total Expenses</b>	<b>1,437,700</b>	<b>7,041,100</b>	<b>5,182,300</b>	<b>13,661,100</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Some of the salient highlights and changes in the 2023 Rates Budget are as follows:

- The budget incorporates an anticipated 8.2% increase in water and wastewater charges from the Niagara Region, as communicated at their Budget Review Committee of the Whole – July.
- Re-implements a wastewater backflow and disconnect grant program. Backflow at \$1,000 and disconnect at \$2,500. This program is already in the wastewater bylaw. The budget allotted is \$25,000 although Staff recommend that no one

should be turned away, if needed, additional funding should come from the wastewater reserve.

- Maintain the Guaranteed Income Supplement (GIS) grant introduced in 2021 for wastewater charges.
- Maintain water and wastewater lateral replacement grant program introduced in 2022.
- Maintain the pre-authorized payment and move to online billing incentives introduced in 2021 and 2022.
- Covers forecasted increases in Niagara Region charges of \$357,000, representing 105.5% of the year over year increase in rate expenses.
- \$2.045 million in new Water, Wastewater and Storm Water projects
  - \$500,000 for new linings of wastewater pipes
  - \$500,000 for inventorying, cleaning, and condition assessments of the storm water system
  - \$300,000 storm water outlet backflow control
- No new debt is proposed...water debt paid down by \$298,700 and Storm Sewer debt paid down by \$246,000

### 2022 Forecast

The City is forecasting reserve transfers of \$1,621,175 vs. \$1,204,330. The additional reserve transfer is identified in Appendix A, pages 26-28 and in the various appendices attached to this report. The main driver is reduced billings from the Niagara Region for wastewater as less wastewater was sent to the Niagara Region wastewater plant this year. This reduction is believed to have resulted from the lower lake levels/precipitation and therefore is not structural in terms of long-term savings. The budget for 2023 Niagara Region wastewater charges has remained constant recognizing the proposed increase from the Niagara Region and the significant changes the City experiences in charges from the Niagara Region as a result of inflow and infiltration result from the lake levels/precipitation.

In preparing this forecast, as with this budget, certain assumptions and estimates are necessary. This forecast is based on information available to Staff at the time. Actual results will vary.

### Updated Reserve Forecasted Balances

Should this budget be approved, and the 2023 budget equal actual, and the 2022 forecast equal forecast at year end, the forecasted rate reserves would be as follows at the end of 2023 (provided there are no new projects approved):

- Water forecasted at \$1,227,000
- Wastewater forecasted at \$2,065,000
- Storm Sewer forecasted at \$554,000

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

### **Risks to the Rates Budget**

Actual events and results can be substantially different from what is expected or implied as a result of risk, uncertainties, and other factors, many of which are beyond the control of Council and staff, including, but not limited to:

- Changes to legislation, including rules and regulation
  - i.e. Bill 39, Better Municipal Governance Act, 2022 was introduced subsequent to the development of this budget and is still being reviewed at the time of printing this presentation
- Decisions of other levels of government
  - i.e. Ministry of the Environment, Conservation and Parks
  - i.e. Niagara Region water and wastewater charges have not been published or approved, only guidance from July 21, 2022 has been shared
- Economic weakness or other unforeseen factors impacting changes in past patterns of facility and service usage and/or goods purchased by users and customers
- Inflation advancing more than anticipated – note inflation was budgeted differently for different expenses ranging from 0% to the 35% range (fuel costs increased 70% over 2 years)
- Interest rates declining which impacts investment income
- Higher precipitation and lake levels compared to 2022 increasing inflow and infiltration or changing water usage
- Unexpected changes or usage in infrastructure
- Unbudgeted and/or unexpected changes in needs or wants of residents resulting in Council approved changes in service levels or goods and service offerings

- A resurgence in COVID-19 or other epidemics, pandemics or other public health crisis event

## Looking Forward

As identified on many occasions, “everyday is budget day” in a municipality. Corporate Services continues to identify continuous improvement is a process. Looking forward to 2023, staff identify the following activities that will help determine the financial outcomes of the City going into the 2024 budget process:

- Infrastructure Needs Study (INS) will be completed in the first trimester of 2023. Staff will then 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.
- The 5-year linear capital projects plan will be provided to Council with the 2024 Capital and Related Project Budget in September 2023.
- The INS highlighted the City needs to inventory and perform condition assessments of the storm water system. While water and wastewater inventory and condition assessment is well documented, this has not be done for the storm water system. This project has been included in the 2023 Capital and Related Project Budget.
- Review and update long standing bylaws related to rate budget activities.

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## Internal Consultations:

As stated, Financial Services would like to thank Public Works for their leadership and support in developing this 2023 Rates Budget.

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## Financial Implications:

Financial Services identifies the proposed 2023 Rates Budget is a staff recommendation that Council can adjust, if required.

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## Public Engagement:

The 2023 Rates Budget was published on the City’s website on November 28, 2022 through the agenda process. The 2023 Rates Budget will be considered by the Committee of the Whole – Budget on December 7, 2022. If approved by the Committee



of the Whole – Budget, the 2023 Rates Budget will be considered by Council on December 13, 2022.

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.

Summarize any public notification or engagement initiatives.

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### **Strategic Plan Alignment:**

The initiative 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
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### **Conclusion:**

Staff recommend Council approve the 2023 Rates Budget as outlined in this report and the various appendices.

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### **Appendices:**

- a. Appendix A – 2023 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.

# 2023 Rate Budget

December 7, 2022



**PORT COLBORNE**

# Agenda

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



In preparing the 2023 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

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## 2023 Rates Budget

That Corporate Services Department Report 2023-246,  
**BE RECEIVED;** and

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Corporate Services Department Report 2023-246, **BE  
APPROVED.**



# Rate Impacts

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## Water

8% increase to the variable and fixed rates

## Wastewater

No change in wastewater rates

## Storm Sewer

Single Family Property change equals \$12.71 or 10%.



Combined increase is 2.92% or \$46.07 per average household using 150 cubic meters of water



This increase absorbs the Niagara Region anticipated increase communicated at their Budget Review Committee of the Whole – July 21, 2022



# Highlights

## Connecting the City

- Re-implement a backflow (\$1,000) and disconnect (\$2,500) grant program at a budgeted value of \$25,000.
- Maintain the Guaranteed Income Supplement (GIS) grant introduced in 2021 for wastewater charges.
- Maintain water and wastewater lateral replacement grant program introduced in 2022.
- Maintain the pre-authorized payment and move to online billing incentives introduced in 2021 and 2022.
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# Risks to the Budget

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# Current Capital and Related Projects Status

Project Name	Project ID	Adjusted Budget	Project Spending To Date as of Nov 16 2022	Remaining Funding as at Nov 16 2022*	Project Timeline
Erie St Watermain Replacement Project	21C-PW-R48	2,078,216	(1,100,203)	978,013	2023
Neff St Outlet Retrofit	22C-SS-B64	300,000	(23,186)	276,814	2023
Electrical Motor SoftStart	22C-SS-B65	5,600	-	5,600	2022
Trailer Mount 6" Pump	22C-SS-B66	74,000	(20,696)	53,304	2023
CLI-ECAs Studies	22C-SS-B67	120,000	-	120,000	2023
Pumping Station Upgrades	22C-SS-B68	35,000	-	35,000	2023
Storm Pond Cleaning & Maintenance	22C-SS-B69	75,000	-	75,000	2023
Cube Van - WT/WW	22C-WW-B25	90,000	-	90,000	2023
Trailer Mount 6" Pump	22C-WW-B66	67,000	(20,696)	46,304	2023
Clarke Area inflow reduction	22C-WW-B72	640,000	-	640,000	2023
Passenger Truck - WT/WW	22C-WW-B26	46,000	-	46,000	2023
Watermain Replacement	22C-WW-B73	5,000,000	-	5,000,000	2026
Stormwater Management Strategy	22C-WW-R06	200,000	-	200,000	2023
Investigation & Remediation	22C-WW-R07	298,000	(99,165)	198,835	2023
Public Education Campaign	22C-WW-R08	30,000	-	30,000	2023
Pollution Prevention	22C-WW-R09	250,000	-	250,000	2025
Maintenance Hole & Mainline Sewer	22C-WW-R10	300,000	-	300,000	2022
		9,608,816	(1,263,947)	8,344,869	
Future Funding - 266,700 from 2023 to 2026 budgets				(1,066,800)	
Fully Funded amount at November 16, 2022				7,278,069	

\*Reaming funds are before any commitments that have been contracted not been paid.

# Project Management

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## Clearing the Backlog

- 2022 experienced a restructuring of Public Works
- All previously approved projects were reviewed by staff and several recommended for closure as the new team assessed greatest need, risks facing infrastructure, and funding requirements
- Continued review of Public Works identified the need for two Project Managers.
  - Currently the City has no Project Managers. Project Managers are common in organizations to oversee all aspects of capital and related projects. These individuals will not supervise other employees although they will work with team members from across the City
  - The City has posted for one Senior Project Manager and one Junior Project Manager
  - These positions will not add to the headcount or full-time equivalents (FTEs) of the City as other vacant jobs will be declared redundant

# Inflation Environment

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**Industrial Product Price Index**

**9.0%**

Annualized September 2022\*

**Consumer Price Index**

**6.9%**

Annualized September 2022\*





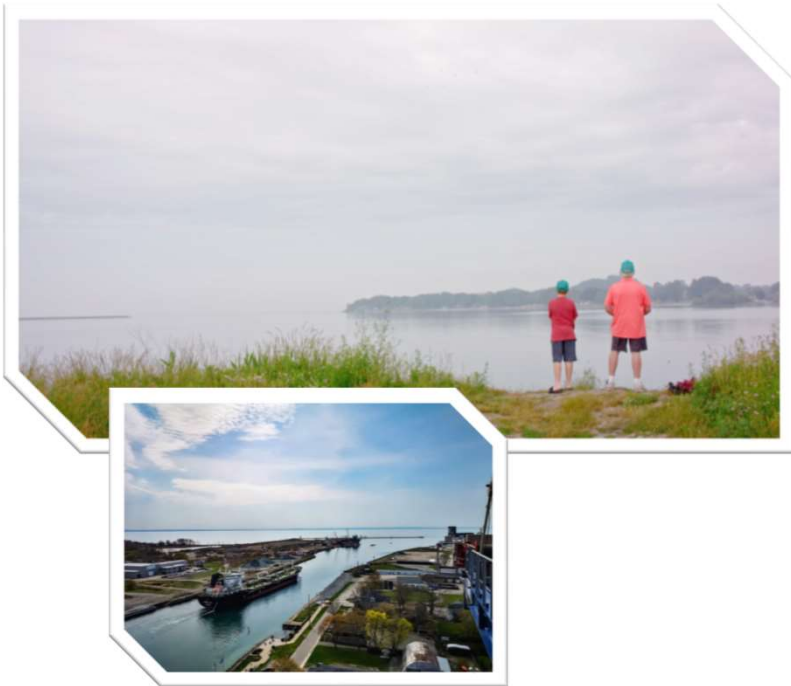
# Process

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

	Capital	Levy	Rate
Final to Financial Services	September 1st	October 6th	October 6th
Final Senior Leadership Review	September 15th	November 15th	November 15th
Budget Committee Package	November 23rd	November 23rd	November 23rd
Committee of the Whole Budget Meeting	December 7th	December 7th	December 7th
Council Approval	December 13th	December 13th	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



**PORT COLBORNE**

# Strategic Pillars

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## 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





# Themes - Focus

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Economic Prosperity

Environmental Sustainability

Welcoming and livable community

Increase and enhance housing options

- Service Levels
- Growth – Achieve Economies of Scale
- Impact of leading a reduction in the Infrastructure Deficit

Competitive Advantage

- People
- Processes – getting to simple (moving towards)
- Community – Connecting
- Location



# Comparison: Water and Wastewater Rate



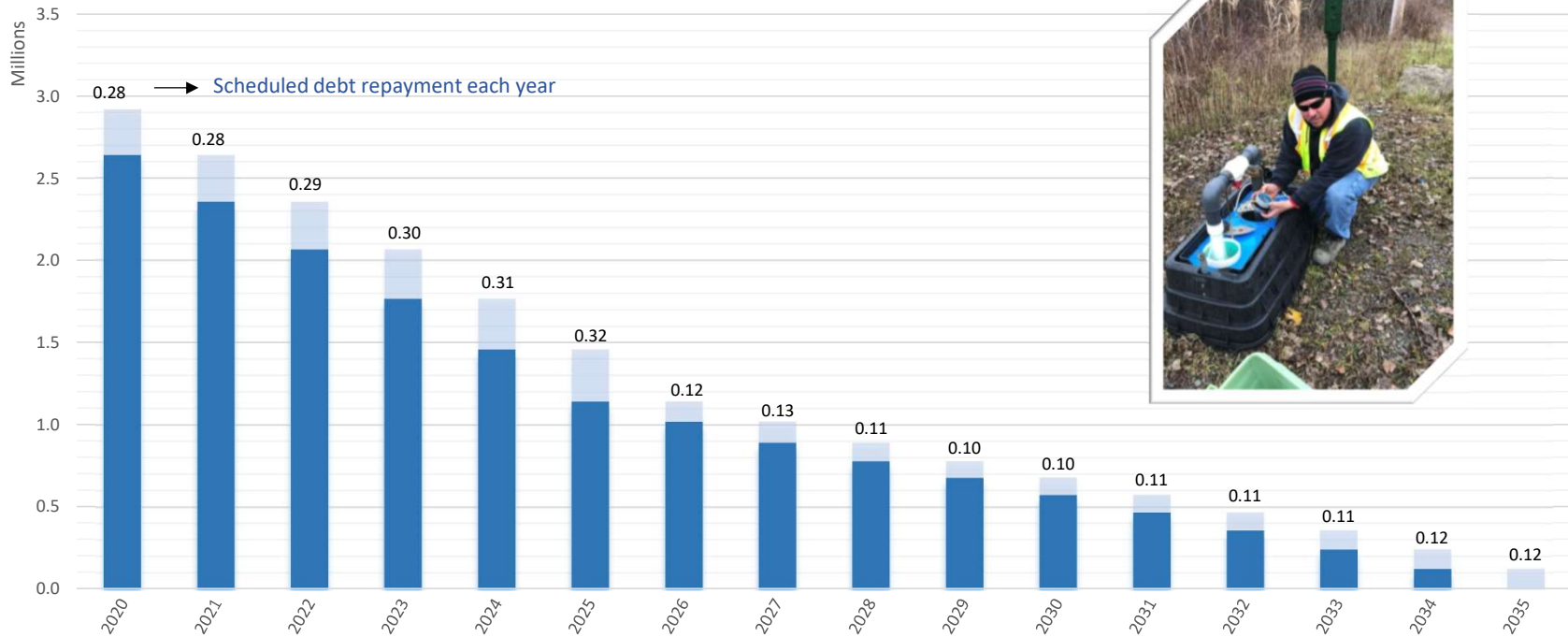
	Avg. Usage	Water	Wastewater	Total	
LAMs – 2021	150 m <sup>3</sup>	\$469	\$589	\$1,040	} 5%
LAMs – 2022	150 m <sup>3</sup>	\$466	\$613	\$1,079	
<b>Port Colborne – 2021 &amp; 2022</b>	<b>150 m<sup>3</sup></b>	<b>\$576</b>	<b>\$1,002</b>	<b>\$1,578</b>	} 2.92%
<b>Port Colborne – 2023</b>	<b>150 m<sup>3</sup></b>	<b>\$622</b>	<b>\$1,002</b>	<b>\$1,624</b>	
Next Closest LAM – 2021	150 m <sup>3</sup>	\$523	\$804	\$1,328	
Next Closest LAM – 2022	150 m <sup>3</sup>	\$523	\$847	\$1,370	

The above figures are based on 150 m<sup>3</sup> and will change as water usage changes

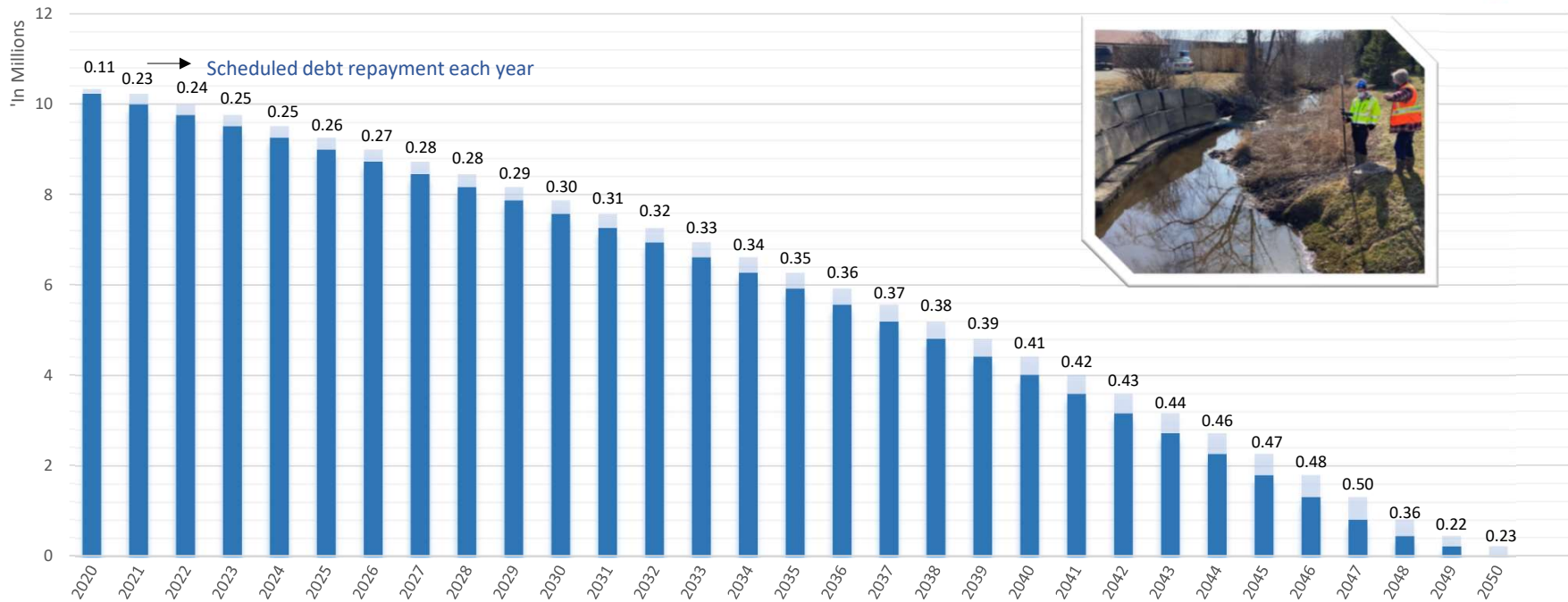
70% of this cost is Niagara Region charges to clean the wastewater. The volume being cleaned is at a ratio of 2.67 m<sup>3</sup> per 1 m<sup>3</sup> of water billed (3-year average). Illustrating the majority of wastewater is from inflow and infiltration.



# Debt Outlook - Water



# Debt Outlook – Storm Sewer



# Reserve Outlook

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Should this budget be approved, and the 2023 budget = actual, and the 2022 forecast = forecast at year end, the forecasted rate reserves would be as follows come the end of 2023 (provided there are no new projects approved):

- Water forecasted at \$1,227,000
- Wastewater forecasted at \$2,065,000
- Storm Sewer forecasted at \$554,000

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



# In-Year Operating Activity



## 2022 to Date

### Water

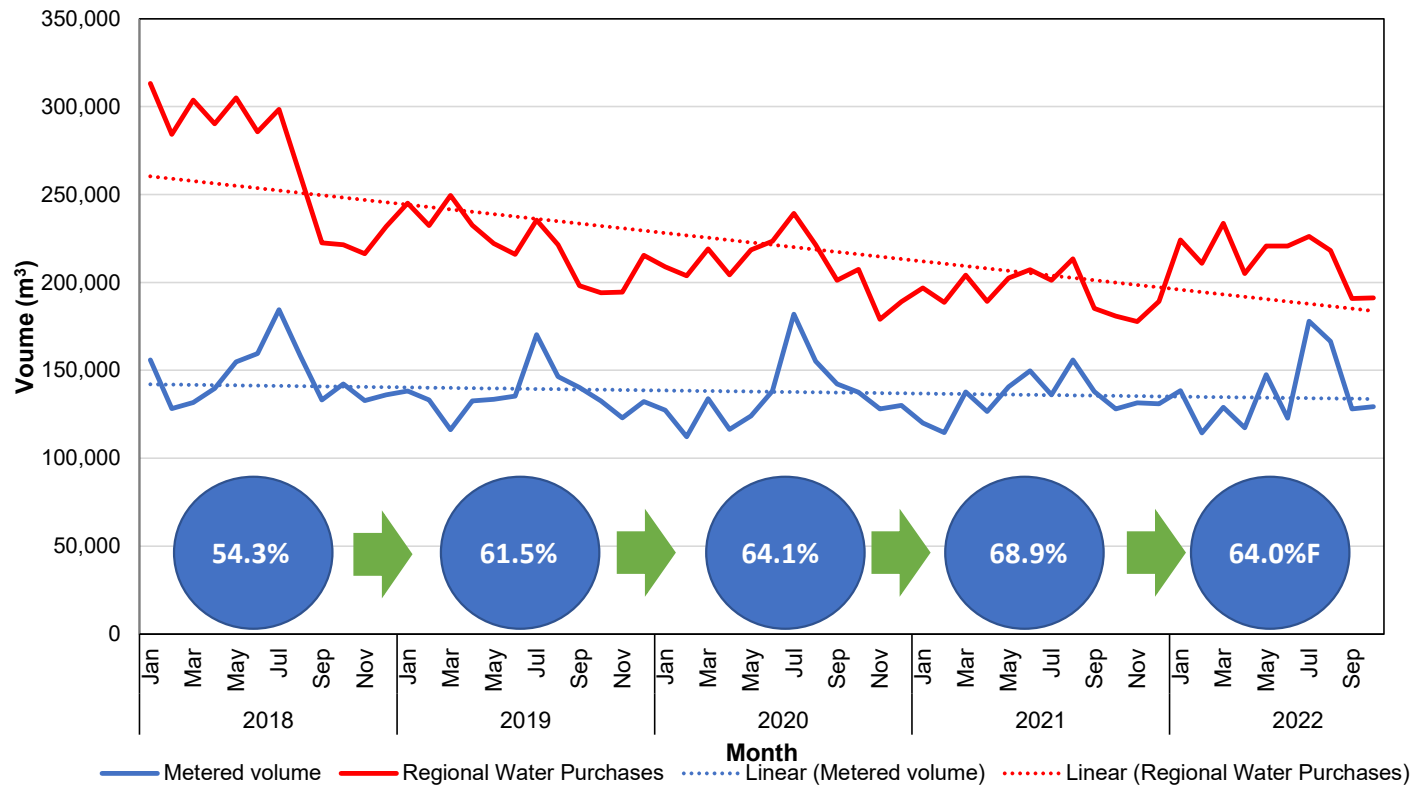
- 21 (9 – 2021) watermain breaks
- 7 (19 – 2021) complaints
- 1,956 (716 – 2021) chlorine samples
- 350 (368-2021) microbiological samples
- 640 (640 – 2021) hydrants inspected twice
- 302 (274 – 2021) valves turned
- 7 (21 – 2021) water services installed
- 44 (41 – 2021) curb boxes repaired
- 16 (15 – 2021) dead ends flushed weekly
- Bi-weekly flushing of new subdivision

### Wastewater/Storm

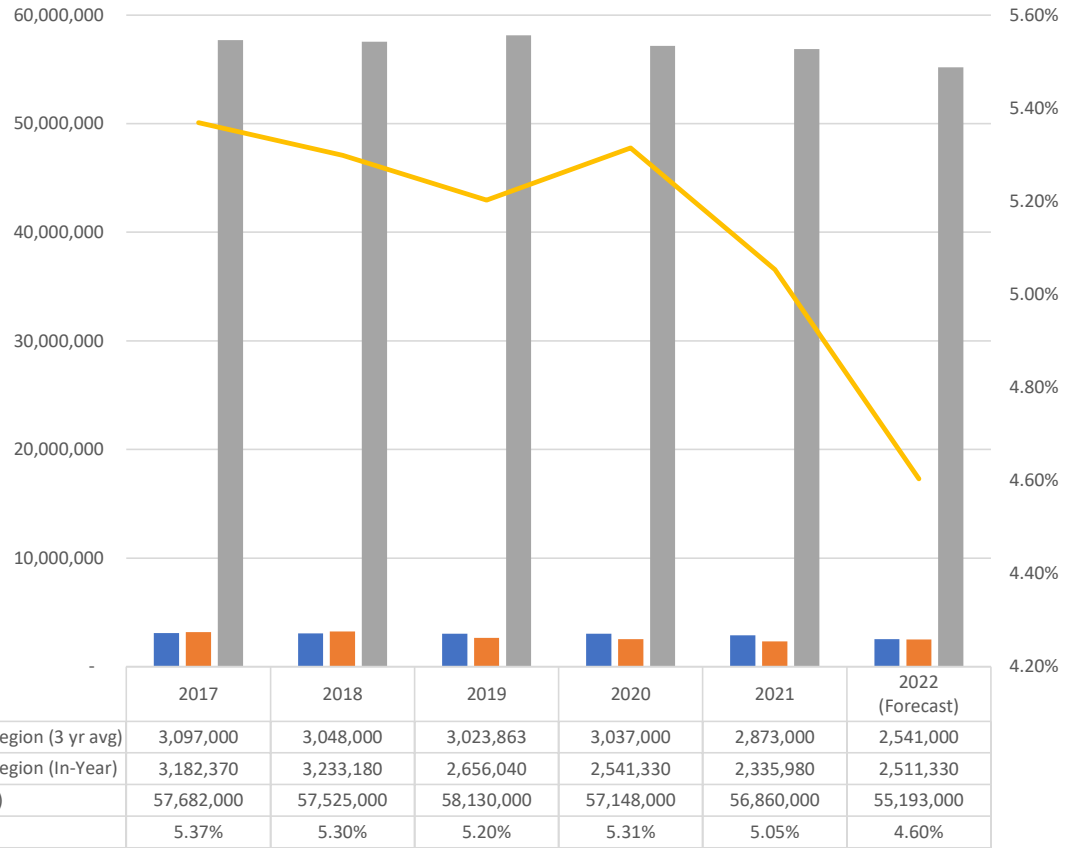
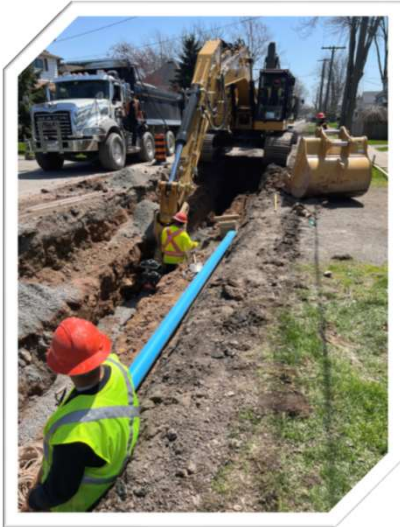
- 519 (543 – 2021) maintenance holes inspected
- 25 (50 – 2021) sewer lateral backups
- 2 (12 – 2021) sanitary laterals installed
- 33 (25 – 2021) clean out repairs
- 3 (1 – 2021) catchbasin replacement
- 22.5 km (3.2km – 2021) CCTV inspection of sanitary pipes and storm pipes



# Water Purchased vs. Water Billed

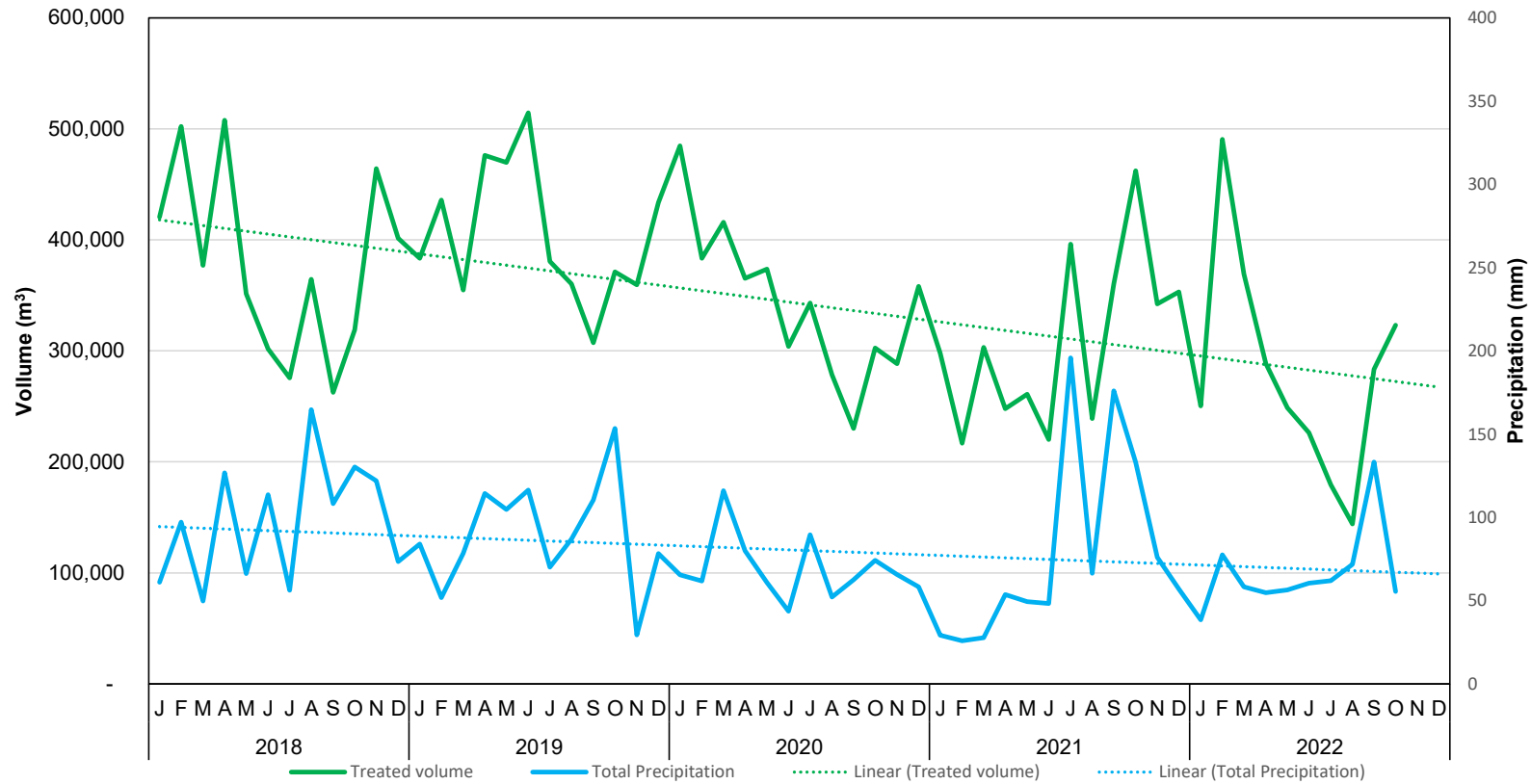


# Water Volumes (m<sup>3</sup>)

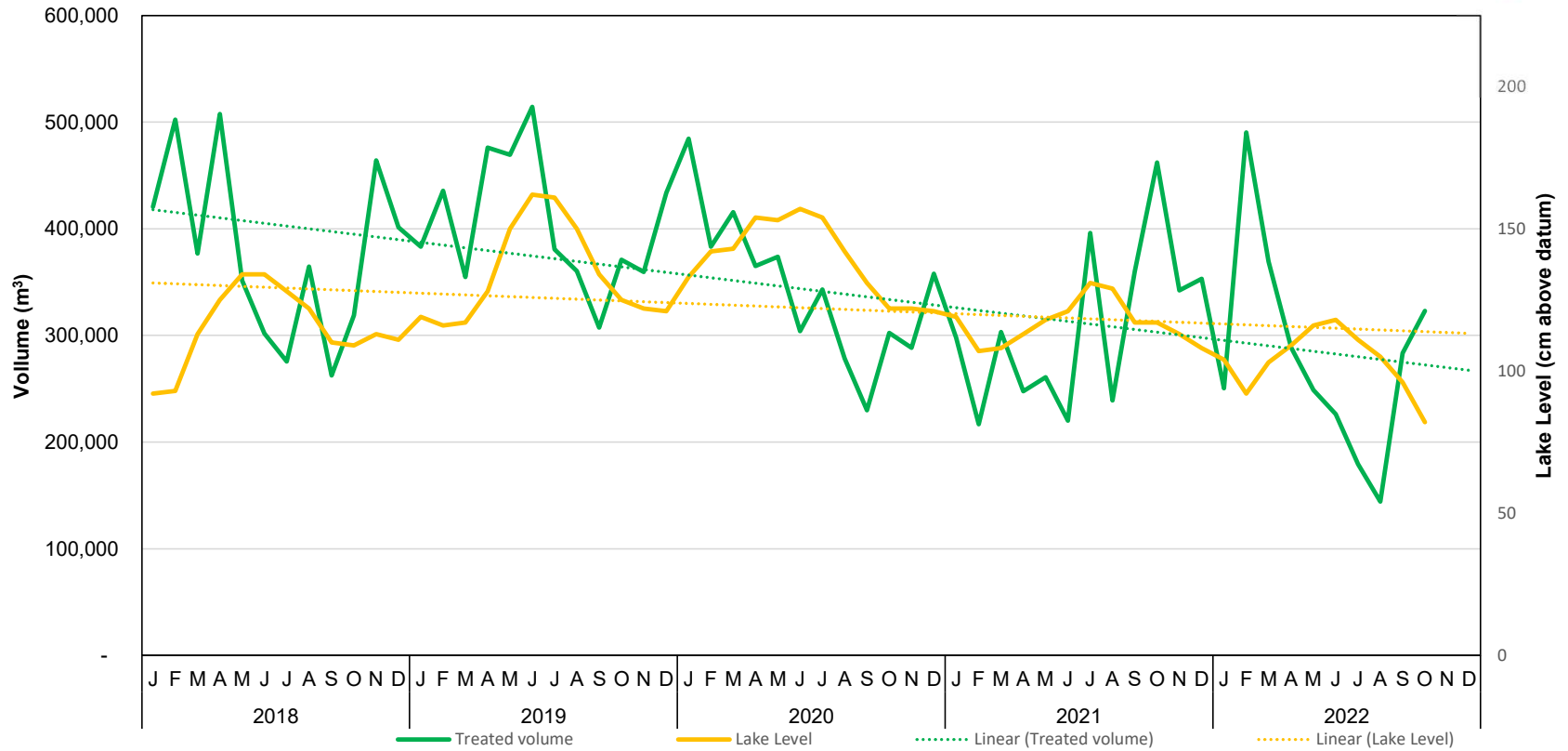


Port Colborne is 4.1% of the Niagara Region Population (2021 Census)

# Wastewater Treated Volumes vs Precipitation

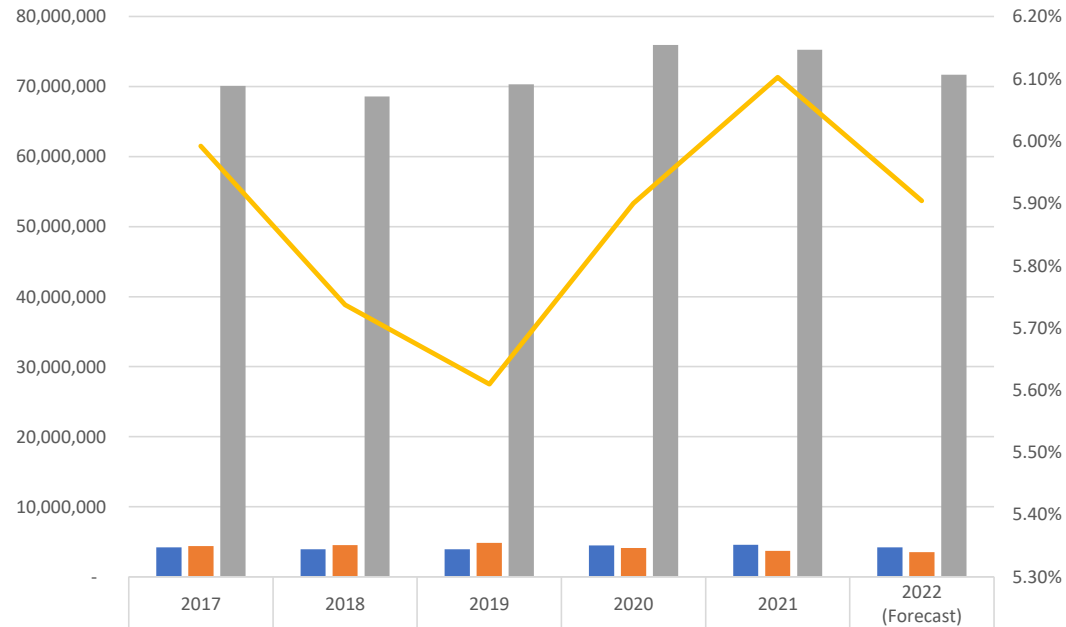


# Wastewater Treated Volumes vs Lake Level





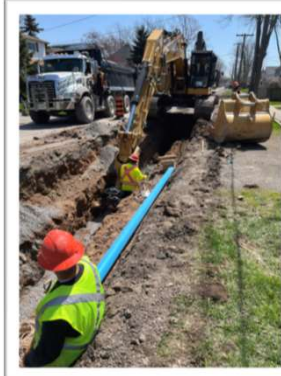
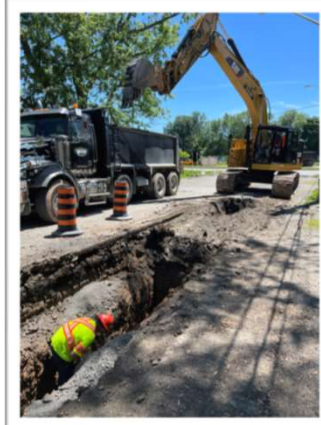
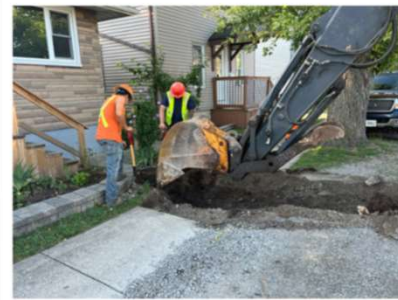
# Wastewater Volumes (m<sup>3</sup>)



	2017	2018	2019	2020	2021	2022 (Forecast)
Port Colborne wastewater purchased from Region (3 yr avg)	4,200,000	3,934,000	3,944,000	4,480,000	4,590,000	4,232,000
Port Colborne wastewater purchased from Region (In-Year)	4,389,000	4,547,000	4,846,000	4,126,341	3,698,000	3,520,000
Niagara Region sales to LAMs (3 yr avg)	70,095,000	68,571,000	70,306,000	75,938,000	75,218,000	71,680,000
Port Colborne % (3 yr avg)	5.99%	5.74%	5.61%	5.90%	6.10%	5.90%

# Rate Budgets

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# Program changes

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## Re-implement wastewater backflow and disconnect grant programs

Item	Grant
Backflow	\$1,000
Disconnect	\$2,500

- These programs are already in the sewer and drainage works bylaw
- This budget provides base funding for the program of \$25,000
- Staff will not turn anyone away (if additional funds are needed, reserves will be utilized)









# Risks to the Budget

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- Decisions of other levels of government
  - i.e. i.e. Ministry of the Environment, Conservation and Parks
  - i.e. Niagara Region water and wastewater charges have not been published or approved, only guidance from July 21, 2022 has been shared
- Economic weakness or other unforeseen factors impacting changes in past patterns of facility and service usage and/or goods purchased by users and customers
- Inflation advancing more than anticipated – note inflation was budgeted differently for different expenses ranging from 0% to the 35% range (fuel costs increased 70% over 2 years)
- Interest rates declining which impacts investment income
- Higher precipitation and lake levels compared to 2022 increasing inflow and infiltration or changing water usage
- Unexpected changes or usage in infrastructure
- Unbudgeted and/or unexpected changes in needs or wants of residents resulting in Council approved changes in service levels or goods and service offerings
- A resurgence in COVID-19 or other epidemics, pandemics or other public health crisis event



# Looking Forward

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- Infrastructure Needs Study (INS) will be completed in the first trimester of 2023. Staff will then 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.
- The 5 year linear capital projects plan will be provided to Council with the 2024 Capital and Related Project Budget in September 2023.
- The INS highlighted the City needs to inventory and perform condition assessments of the storm water system. While water and wastewater inventory and condition assessment is well documented, this has not be done for the storm water system. This project has been included in the 2023 Capital and Related Project Budget.
- Review and update long standing bylaws related to rate budget activities.





Thank You



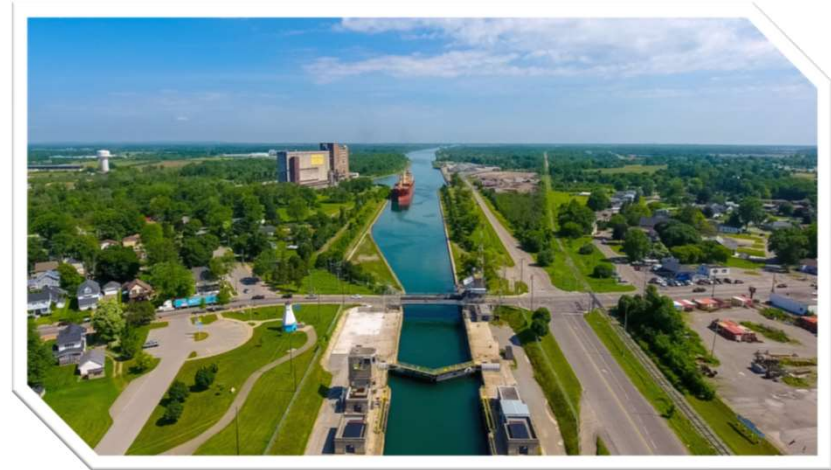
# Recommendation

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## 2023 Rates Budget

That Corporate Services Department Report 2023-246,  
**BE RECEIVED;** and

That the 2023 Rates Budget as outlined in Appendix B to  
Corporate Services Department Report 2023-246, **BE  
APPROVED.**



# Appendix B - Divisional Summary & Detail

Rates (Water, Wastewater, Storm Sewer) Divisional Summary

**CITY OF PORT COLBORNE**  
**2023 Budget - Rate Budget By Department**

	<u>Storm Sewer</u>	<u>Wastewater</u>	<u>Water</u>	<b>Total 2023 Rate Budget</b>
<b>Revenue</b>				
Other Revenue			\$45,000	\$45,000
Fees		700		700
Sales			100	100
Penalties and Interest		30,400	18,000	48,400
Rate Revenue - Variable		640,000	2,376,000	3,016,000
Rate Revenue - Fixed	1,437,700	6,370,000	2,743,200	10,550,900
<b>Total Revenue</b>	<b>1,437,700</b>	<b>7,041,100</b>	<b>5,182,300</b>	<b>13,661,100</b>
<b>Expense</b>				
Salaries and Wages - Full Time	85,560	256,680	513,360	855,600
Salaries and Wages - Students	2,400	7,200	14,400	24,000
Overtime Pay	1,800	5,400	10,800	18,000
Employee Benefits	29,330	87,990	175,980	293,300
Association/Membership Fees		3,000	3,000	6,000
Comm and Public Relations		10,000	10,500	20,500
Computer Software		19,000	20,700	39,700
Contract Services	38,000	276,000	176,500	490,500
Cost of of Goods Sold			10,000	10,000
PAP / Online Incentives		7,000	7,000	14,000
GIS Credit		35,000		35,000
Equipment - Purchase		15,000	17,300	32,300
Equipment - Rental	32,000	1,000		33,000
Grants and Sponsorship Expense		50,000		50,000
Hospitality Expense			1,000	1,000
Office Supplies		3,000		3,000
Postage & Courier		28,500		28,500
Protective & Uniform Clothing		4,000	6,000	10,000
R&M Consumables and Parts	10,000	19,750	105,000	134,750
Staff Training & Development		8,000	20,000	28,000
SME - Consultants	100,000	25,000	35,000	160,000
Telephone/Internet			7,500	7,500
Travel		1,400	1,800	3,200
Utilities - Hydro	5,000	22,000	3,250	30,250
Utilities - Water	1,100			1,100
City Owned Property Tax Charges	1,900			1,900
Region Rate - Fixed		4,920,879	603,200	5,524,079
Region Rate - Variable			1,795,000	1,795,000

**CITY OF PORT COLBORNE  
2023 Budget - Rate Budget By Department**

	<u>Storm Sewer</u>	<u>Wastewater</u>	<u>Water</u>	<u>Total 2023 Rate Budget</u>
<b>Total Expense</b>	<b>307,090</b>	<b>5,805,799</b>	<b>3,537,290</b>	<b>9,650,179</b>
<b>Surplus/(Deficit) Before Allocation</b>	<b>1,130,610</b>	<b>1,235,301</b>	<b>1,645,010</b>	<b>4,010,921</b>
<b>Surplus/(Deficit) After Allocations</b>	<b>1,130,610</b>	<b>1,235,301</b>	<b>1,645,010</b>	<b>4,010,921</b>
Transfer to/ (from) Reserves	(414,507)	(145,046)	79,564	(479,989)
Transfer Between Funds	1,545,117	1,380,347	1,565,446	4,490,910
<b>Total Transfers</b>	<b>1,130,610</b>	<b>1,235,301</b>	<b>1,645,010</b>	<b>4,010,921</b>

**City of Port Colborne**  
**Water/WasteWater/Storm**  
**2023 Operating Budget**

	2021	2022	2022	2023	Variance
	Actual	Budget	Forecast	Proposed Budget	(2023 Budget - 2022 Budget)
<b>Revenue</b>					
Other Revenue	\$91,844.29	\$85,000.00	\$45,500.00	\$45,000.00	(\$40,000.00)
Fees	47,745.46		700.00	700.00	700.00
Sales	15,437.02		100.00	100.00	100.00
Penalties and Interest	27,649.34	26,000.00	48,400.00	48,400.00	22,400.00
Rate Revenue - Variable	3,163,050.05	2,743,067.00	2,840,000.00	3,016,000.00	272,933.00
Rate Revenue - Fixed	8,885,353.46	10,247,000.00	10,217,000.00	10,550,900.00	303,900.00
<b>Total Revenue</b>	<b>12,231,079.62</b>	<b>13,101,067.00</b>	<b>13,151,700.00</b>	<b>13,661,100.00</b>	<b>560,033.00</b>
<b>Expense</b>					
Salaries and Wages - Full Time	708,095.35	868,800.00	800,600.00	855,600.00	(13,200.00)
Salaries and Wages - Part Time	12,587.37	30,300.00			(30,300.00)
Salaries and Wages - Students	29,830.58	15,300.00	10,600.00	24,000.00	8,700.00
Overtime Pay	7,041.07	41,300.00	11,600.00	18,000.00	(23,300.00)
Employee Benefits	260,702.15	293,000.00	263,000.00	293,300.00	300.00
Association/Membership Fees	4,984.91	6,000.00	4,700.00	6,000.00	
Comm and Public Relations		20,000.00	20,000.00	20,500.00	500.00
Computer Software	11,877.72	18,400.00	17,400.00	39,700.00	21,300.00
Contract Services	395,065.73	496,010.00	434,500.00	490,500.00	(5,510.00)
Cost of of Goods Sold	12,537.98		10,000.00	10,000.00	10,000.00
PAP / Online Incentives	37,200.00	40,000.00	13,200.00	14,000.00	(26,000.00)
GIS Credit	30,744.00	35,000.00	31,000.00	35,000.00	
Equipment - Purchase	22,702.48	30,800.00	32,300.00	32,300.00	1,500.00
Equipment - Rental	21,430.58	18,000.00	1,227.80	33,000.00	15,000.00
Grants and Sponsorship Expense		50,000.00	25,000.00	50,000.00	
Hospitality Expense	102.71		1,000.00	1,000.00	1,000.00
Office Supplies	8,967.46	27,500.00	3,000.00	3,000.00	(24,500.00)
Postage & Courier	43,512.10	52,000.00	28,500.00	28,500.00	(23,500.00)
Protective & Uniform Clothing	7,643.15	10,000.00	8,000.00	10,000.00	
R&M Consumables and Parts	77,512.62	158,100.00	126,250.00	134,750.00	(23,350.00)
Staff Training & Development	6,820.24	25,600.00	26,200.00	28,000.00	2,400.00
SME - Consultants	19,285.30	59,000.00	72,000.00	160,000.00	101,000.00
Telephone/Internet	8,712.29	8,800.00	8,800.00	7,500.00	(1,300.00)
Travel	85.88	3,200.00	2,400.00	3,200.00	
Utilities - Hydro	19,921.22	30,600.00	30,250.00	30,250.00	(350.00)
Utilities - Water	1,064.52	900.00	1,000.00	1,100.00	200.00
City Owned Property Tax Charges	10,594.75	11,000.00	(6,762.35)	1,900.00	(9,100.00)
City Owned Property SS Charges	26,649.51				

**City of Port Colborne**  
**Water/WasteWater/Storm**  
**2023 Operating Budget**

	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Variance</b>
	<b>Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Proposed Budget</b>	<b>(2023 Budget - 2022 Budget)</b>
Reassessment/Uncollectable	4,471.50				
Region Rate - Fixed	4,855,162.25	5,479,356.00	4,647,477.00	5,524,079.00	44,723.00
Region Rate - Variable	1,424,131.02	1,482,389.00	1,662,000.00	1,795,000.00	312,611.00
<b>Total Expense</b>	<b>8,069,436.44</b>	<b>9,311,355.00</b>	<b>8,285,242.45</b>	<b>9,650,179.00</b>	<b>338,824.00</b>
<b>Surplus/(Deficit) Before Allocation</b>	<b>4,161,643.18</b>	<b>3,789,712.00</b>	<b>4,866,457.55</b>	<b>4,010,921.00</b>	<b>221,209.00</b>
<b>Surplus/(Deficit) After Allocations</b>	<b>4,161,643.18</b>	<b>3,789,712.00</b>	<b>4,866,457.55</b>	<b>4,010,921.00</b>	<b>221,209.00</b>
Transfer to/ (from) Reserves	1,714,312.77	1,204,330.00	1,621,175.50	(479,988.72)	(1,684,318.72)
Transfer Between Funds	2,447,330.41	2,585,382.00	3,245,282.05	4,490,909.72	1,905,527.72
<b>Total Transfers</b>	<b>4,161,643.18</b>	<b>3,789,712.00</b>	<b>4,866,457.55</b>	<b>4,010,921.00</b>	<b>221,209.00</b>

# Appendix B - Divisional Summary & Detail

Rates (Water, Wastewater, Storm Sewer) Divisional Detail



**City of Port Colborne**  
**Storm Sewer**  
**2023 Operating Budget**

	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Variance</b>
	<b>Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Proposed Budget</b>	<b>(2023 Budget - 2022 Budget)</b>
<b>Revenue</b>					
Rate Revenue - Fixed	\$693,085.96	\$1,407,000.00	\$1,307,000.00	\$1,437,700.00	\$30,700.00
<b>Total Revenue</b>	<b>693,085.96</b>	<b>1,407,000.00</b>	<b>1,307,000.00</b>	<b>1,437,700.00</b>	<b>30,700.00</b>
<b>Expense</b>					
Salaries and Wages - Full Time	70,809.54	86,900.00	80,060.00	85,560.00	(1,340.00)
Salaries and Wages - Part Time	1,258.74	3,000.00			(3,000.00)
Salaries and Wages - Students	2,983.06	1,500.00	1,060.00	2,400.00	900.00
Overtime Pay	704.11	4,100.00	1,160.00	1,800.00	(2,300.00)
Employee Benefits	26,070.22	29,300.00	26,300.00	29,330.00	30.00
Contract Services	13,549.13	137,700.00	20,000.00	38,000.00	(99,700.00)
Equipment - Rental	20,583.94	18,000.00		32,000.00	14,000.00
R&M Consumables and Parts	4,428.83	8,500.00	8,500.00	10,000.00	1,500.00
SME - Consultants				100,000.00	100,000.00
Utilities - Hydro	12,077.42	6,000.00	5,000.00	5,000.00	(1,000.00)
Utilities - Water	1,064.52	900.00	1,000.00	1,100.00	200.00
City Owned Property Tax Charges	10,594.75	11,000.00	(6,762.35)	1,900.00	(9,100.00)
City Owned Property SS Charges	26,649.51				
<b>Total Expense</b>	<b>190,773.77</b>	<b>306,900.00</b>	<b>136,317.65</b>	<b>307,090.00</b>	<b>190.00</b>
<b>Surplus/(Deficit) Before Allocation</b>	<b>502,312.19</b>	<b>1,100,100.00</b>	<b>1,170,682.35</b>	<b>1,130,610.00</b>	<b>30,510.00</b>
<b>Surplus/(Deficit) After Allocations</b>	<b>502,312.19</b>	<b>1,100,100.00</b>	<b>1,170,682.35</b>	<b>1,130,610.00</b>	<b>30,510.00</b>
Transfer to/ (from) Reserves	(120,567.47)	390,944.00	461,526.33	(414,506.92)	(805,450.92)
Transfer Between Funds	622,879.66	709,156.00	709,156.02	1,545,116.92	835,960.92
<b>Total Transfers</b>	<b>502,312.19</b>	<b>1,100,100.00</b>	<b>1,170,682.35</b>	<b>1,130,610.00</b>	<b>30,510.00</b>

**City of Port Colborne  
Wastewater Services  
2023 Operating Budget**

	2021	2022	2022	2023	Variance
	Actual	Budget	Forecast	Proposed Budget	(2023 Budget - 2022 Budget)
<b>Revenue</b>					
Fees	\$47,518.10		\$700.00	\$700.00	\$700.00
Penalties and Interest	16,444.21	14,000.00	30,400.00	30,400.00	16,400.00
Rate Revenue - Variable	1,022,570.73	623,067.00	640,000.00	640,000.00	16,933.00
Rate Revenue - Fixed	5,624,115.37	6,300,000.00	6,370,000.00	6,370,000.00	70,000.00
<b>Total Revenue</b>	<b>6,710,648.41</b>	<b>6,937,067.00</b>	<b>7,041,100.00</b>	<b>7,041,100.00</b>	<b>104,033.00</b>
<b>Expense</b>					
Salaries and Wages - Full Time	212,428.61	260,600.00	240,180.00	256,680.00	(3,920.00)
Salaries and Wages - Part Time	3,776.21	9,100.00			(9,100.00)
Salaries and Wages - Students	8,949.17	4,600.00	3,180.00	7,200.00	2,600.00
Overtime Pay	2,112.32	12,400.00	3,480.00	5,400.00	(7,000.00)
Employee Benefits	78,210.65	87,900.00	78,900.00	87,990.00	90.00
Association/Membership Fees	1,949.06	3,000.00	2,200.00	3,000.00	
Comm and Public Relations		10,000.00	10,000.00	10,000.00	
Computer Software	3,968.64	5,000.00	4,000.00	19,000.00	14,000.00
Contract Services	188,618.39	187,550.00	245,000.00	276,000.00	88,450.00
PAP / Online Incentives	18,600.00	20,000.00	6,200.00	7,000.00	(13,000.00)
GIS Credit	30,744.00	35,000.00	31,000.00	35,000.00	
Equipment - Purchase	1,820.82	13,500.00	15,000.00	15,000.00	1,500.00
Equipment - Rental	846.64		1,000.00	1,000.00	1,000.00
Grants and Sponsorship Expense		25,000.00	25,000.00	50,000.00	25,000.00
Office Supplies	4,069.04	13,750.00	3,000.00	3,000.00	(10,750.00)
Postage & Courier	21,730.39	26,000.00	28,500.00	28,500.00	2,500.00
Protective & Uniform Clothing	3,600.84	4,000.00	4,000.00	4,000.00	
R&M Consumables and Parts	11,042.33	45,100.00	14,750.00	19,750.00	(25,350.00)
Staff Training & Development	1,371.49	7,200.00	7,200.00	8,000.00	800.00
SME - Consultants	14,988.76	25,000.00	25,000.00	25,000.00	
Travel		1,400.00	1,400.00	1,400.00	
Utilities - Hydro	5,566.43	22,000.00	22,000.00	22,000.00	
Region Rate - Fixed	4,265,746.25	4,920,879.00	4,089,000.00	4,920,879.00	
<b>Total Expense</b>	<b>4,880,140.04</b>	<b>5,738,979.00</b>	<b>4,859,990.00</b>	<b>5,805,799.00</b>	<b>66,820.00</b>
<b>Surplus/(Deficit) Before Allocation</b>	<b>1,830,508.37</b>	<b>1,198,088.00</b>	<b>2,181,110.00</b>	<b>1,235,301.00</b>	<b>37,213.00</b>

**City of Port Colborne  
Wastewater Services  
2023 Operating Budget**

	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Variance</b>
	<b>Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Proposed Budget</b>	<b>(2023 Budget - 2022 Budget)</b>
<b>Surplus/(Deficit) After Allocations</b>	<b>1,830,508.37</b>	<b>1,198,088.00</b>	<b>2,181,110.00</b>	<b>1,235,301.00</b>	<b>37,213.00</b>
Transfer to/ (from) Reserves	970,508.37	413,191.00	736,312.98	(145,046.01)	(558,237.01)
Transfer Between Funds	860,000.00	784,897.00	1,444,797.02	1,380,347.01	595,450.01
<b>Total Transfers</b>	<b>1,830,508.37</b>	<b>1,198,088.00</b>	<b>2,181,110.00</b>	<b>1,235,301.00</b>	<b>37,213.00</b>

## City of Port Colborne

### Water

#### 2023 Operating Budget

	2021	2022	2022	2023	Variance
	Actual	Budget	Forecast	Proposed Budget	(2023 Budget - 2022 Budget)
<b>Revenue</b>					
Other Revenue	\$91,844.29	\$85,000.00	\$45,500.00	\$45,000.00	(\$40,000.00)
Fees	227.36				
Sales	15,437.02		100.00	100.00	100.00
Penalties and Interest	11,205.13	12,000.00	18,000.00	18,000.00	6,000.00
Rate Revenue - Variable	2,140,479.32	2,120,000.00	2,200,000.00	2,376,000.00	256,000.00
Rate Revenue - Fixed	2,568,152.13	2,540,000.00	2,540,000.00	2,743,200.00	203,200.00
<b>Total Revenue</b>	<b>4,827,345.25</b>	<b>4,757,000.00</b>	<b>4,803,600.00</b>	<b>5,182,300.00</b>	<b>425,300.00</b>
<b>Expense</b>					
Salaries and Wages - Full Time	424,857.20	521,300.00	480,360.00	513,360.00	(7,940.00)
Salaries and Wages - Part Time	7,552.42	18,200.00			(18,200.00)
Salaries and Wages - Students	17,898.35	9,200.00	6,360.00	14,400.00	5,200.00
Overtime Pay	4,224.64	24,800.00	6,960.00	10,800.00	(14,000.00)
Employee Benefits	156,421.28	175,800.00	157,800.00	175,980.00	180.00
Association/Membership Fees	3,035.85	3,000.00	2,500.00	3,000.00	
Comm and Public Relations		10,000.00	10,000.00	10,500.00	500.00
Computer Software	7,909.08	13,400.00	13,400.00	20,700.00	7,300.00
Contract Services	192,898.21	170,760.00	169,500.00	176,500.00	5,740.00
Cost of of Goods Sold	12,537.98		10,000.00	10,000.00	10,000.00
PAP / Online Incentives	18,600.00	20,000.00	7,000.00	7,000.00	(13,000.00)
Equipment - Purchase	20,881.66	17,300.00	17,300.00	17,300.00	
Equipment - Rental			227.80		
Grants and Sponsorship Expense		25,000.00			(25,000.00)
Hospitality Expense	102.71		1,000.00	1,000.00	1,000.00
Office Supplies	4,898.42	13,750.00			(13,750.00)
Postage & Courier	21,781.71	26,000.00			(26,000.00)
Protective & Uniform Clothing	4,042.31	6,000.00	4,000.00	6,000.00	
R&M Consumables and Parts	62,041.46	104,500.00	103,000.00	105,000.00	500.00
Staff Training & Development	5,448.75	18,400.00	19,000.00	20,000.00	1,600.00
SME - Consultants	4,296.54	34,000.00	47,000.00	35,000.00	1,000.00
Telephone/Internet	8,712.29	8,800.00	8,800.00	7,500.00	(1,300.00)
Travel	85.88	1,800.00	1,000.00	1,800.00	
Utilities - Hydro	2,277.37	2,600.00	3,250.00	3,250.00	650.00
Reassessment/Uncollectable	4,471.50				
Region Rate - Fixed	589,416.00	558,477.00	558,477.00	603,200.00	44,723.00
Region Rate - Variable	1,424,131.02	1,482,389.00	1,662,000.00	1,795,000.00	312,611.00

**City of Port Colborne**  
**Water**  
**2023 Operating Budget**

	2021	2022	2022	2023	Variance
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Proposed Budget</u>	<u>(2023 Budget - 2022 Budget)</u>
<b>Total Expense</b>	<b>2,998,522.63</b>	<b>3,265,476.00</b>	<b>3,288,934.80</b>	<b>3,537,290.00</b>	<b>271,814.00</b>
<b>Surplus/(Deficit) Before Allocation</b>	<b>1,828,822.62</b>	<b>1,491,524.00</b>	<b>1,514,665.20</b>	<b>1,645,010.00</b>	<b>153,486.00</b>
<b>Surplus/(Deficit) After Allocations</b>	<b>1,828,822.62</b>	<b>1,491,524.00</b>	<b>1,514,665.20</b>	<b>1,645,010.00</b>	<b>153,486.00</b>
Transfer to/ (from) Reserves	864,371.87	400,195.00	423,336.19	79,564.21	(320,630.79)
Transfer Between Funds	964,450.75	1,091,329.00	1,091,329.01	1,565,445.79	474,116.79
<b>Total Transfers</b>	<b>1,828,822.62</b>	<b>1,491,524.00</b>	<b>1,514,665.20</b>	<b>1,645,010.00</b>	<b>153,486.00</b>

# Appendix C - Divisional Multi-Year Budgets

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

	2019	2019	2020	2020	2021	2021	2022	2022	2023	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	104,433	63,600	58,079	69,100	182,676	72,998	94,700	111,000	94,200	(16,800)	(15.1%)
Variable	3,805,042	4,817,159	3,916,398	5,159,839	3,163,050	4,336,213	2,840,000	2,743,067	3,016,000	272,933	9.9%
Fixed	5,771,540	5,669,554	6,170,969	5,939,314	8,192,267	7,091,895	8,910,000	8,840,000	9,113,200	273,200	3.1%
<b>Total Revenue</b>	<b>9,681,015</b>	<b>10,550,313</b>	<b>10,145,446</b>	<b>11,168,253</b>	<b>11,537,993</b>	<b>11,501,106</b>	<b>11,844,700</b>	<b>11,694,067</b>	<b>12,223,400</b>	<b>529,333</b>	<b>4.60%</b>
<b>Fixed vs. Variable</b>	<b>60%</b>	<b>54%</b>	<b>61%</b>	<b>54%</b>	<b>72%</b>	<b>62%</b>	<b>76%</b>	<b>76%</b>	<b>75%</b>		
Niagara Region	6,496,959	6,452,082	6,655,617	6,974,499	6,279,293	7,017,840	6,309,477	6,961,745	7,319,079	357,334	5.1%
Personnel costs	784,858	1,073,198	649,699	1,144,524	916,431	1,122,700	977,220	1,123,900	1,071,810	(52,090)	(4.6%)
Operations	1,440,670	1,255,473	1,597,248	1,327,081	1,542,997	1,524,310	1,782,228	1,838,810	2,071,967	233,157	12.7%
Capital	734,603	1,054,792	1,054,792	1,054,792	600,000	600,000	1,251,497	591,597	1,461,700	870,103	147.1%
Capital Pay-as-you-go (Carry forward)	-	-	-	-	-	-	-	-	-	-	0.0%
Borrowing costs	362,571	364,380	364,242	364,299	364,392	364,300	364,629	364,629	364,326	(303)	(0.1%)
Reserve transfers	(138,646)	350,388	(176,153)	303,058	1,834,880	871,956	1,159,649	813,386	(65,482)	(878,868)	(108.1%)
<b>Total Expenses</b>	<b>9,681,015</b>	<b>10,550,313</b>	<b>10,145,445</b>	<b>11,168,253</b>	<b>11,537,993</b>	<b>11,501,106</b>	<b>11,844,700</b>	<b>11,694,067</b>	<b>12,223,400</b>	<b>529,333</b>	<b>4.60%</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Budget to Actual / Forecast	(869,298)		(1,022,807)		36,887		150,633				
Niagara Region	67.1%	61.2%	65.6%	62.4%	54.4%	61.0%	53.3%	59.5%	59.9%		
Capital & Reserves	6.2%	13.3%	8.7%	12.2%	21.1%	12.8%	20.4%	12.0%	11.4%		
<b>% of Total Revenue</b>	<b>73.3%</b>	<b>74.5%</b>	<b>74.3%</b>	<b>74.6%</b>	<b>75.5%</b>	<b>73.8%</b>	<b>73.6%</b>	<b>71.5%</b>	<b>71.3%</b>		

This summary highlights that every year to balance the budget as a result of the revenue shortfall people were re-directed to other non water and wastewater tasks, capital plans were not deployed or reserves were reduced.

**Appendix C - Summary - Five Year Water Budgets**

	2019	2019	2020	2020	2021	2021	2022	2022	2023	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	79,870	49,600	43,773	49,600	118,714	39,998	63,600	97,000	63,100	(33,900)	(34.9%)
Variable	2,090,175	2,545,523	2,192,600	2,600,201	2,140,479	2,128,931	2,200,000	2,120,000	2,376,000	256,000	12.1%
Fixed	2,529,022	2,463,697	2,649,521	2,530,023	2,568,152	2,572,569	2,540,000	2,540,000	2,743,200	203,200	8.0%
<b>Total Revenue</b>	<b>4,699,067</b>	<b>5,058,820</b>	<b>4,885,893</b>	<b>5,179,824</b>	<b>4,827,345</b>	<b>4,741,498</b>	<b>4,803,600</b>	<b>4,757,000</b>	<b>5,182,300</b>	<b>425,300</b>	<b>8.97%</b>
<b>Fixed vs. Variable</b>	<b>55%</b>	<b>49%</b>	<b>55%</b>	<b>49%</b>	<b>55%</b>	<b>55%</b>	<b>54%</b>	<b>55%</b>	<b>54%</b>		
Niagara Region	2,128,971	2,375,340	2,124,086	2,430,382	2,013,547	2,212,840	2,220,477	2,040,866	2,398,200	357,334	17.5%
Personnel costs	735,049	746,829	540,705	790,145	610,954	561,350	651,480	749,300	714,540	(34,760)	(4.6%)
Operations	975,565	719,021	875,788	741,748	774,080	739,260	876,978	935,310	1,003,970	68,660	7.3%
Capital	507,255	509,219	509,219	509,219	200,000	250,000	266,700	266,700	621,700	355,000	133.1%
Borrowing costs	362,571	364,380	364,242	364,299	364,392	364,300	364,629	364,629	364,326	(303)	(0.1%)
Reserve transfers	(10,344)	344,031	471,853	344,031	864,372	613,748	423,336	400,195	79,564	(320,631)	(80.1%)
<b>Total Expenses</b>	<b>4,699,067</b>	<b>5,058,820</b>	<b>4,885,893</b>	<b>5,179,824</b>	<b>4,827,345</b>	<b>4,741,498</b>	<b>4,803,600</b>	<b>4,757,000</b>	<b>5,182,300</b>	<b>425,300</b>	<b>8.97%</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Budget to Actual / Forecast	(359,753)		(293,931)		85,847		46,600				
Niagara Region	45.3%	47.0%	43.5%	46.9%	41.7%	46.7%	46.2%	42.9%	46.3%		
Capital & Reserves	10.6%	16.9%	20.1%	16.5%	22.0%	18.2%	14.4%	14.0%	13.5%		
<b>% of Total Revenue</b>	<b>55.9%</b>	<b>63.8%</b>	<b>63.6%</b>	<b>63.4%</b>	<b>63.8%</b>	<b>64.9%</b>	<b>60.6%</b>	<b>56.9%</b>	<b>59.8%</b>		

This summary highlights that every year to balance the budget as a result of the revenue shortfall people were re-directed to other non water and wastewater tasks, capital plans were not deployed or reserves were reduced.



**Appendix C - Summary - Five Year Wastewater Budgets**

	2019	2019	2020	2020	2021	2021	2022	2022	2023	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	24,563	14,000	14,306	19,500	63,962	33,000	31,100	14,000	31,100	17,100	122.1%
Variable	1,714,867	2,271,636	1,723,798	2,559,638	1,022,571	2,207,282	640,000	623,067	640,000	16,933	2.7%
Fixed	3,242,518	3,205,857	3,521,448	3,409,291	5,624,115	4,519,326	6,370,000	6,300,000	6,370,000	70,000	1.1%
<b>Total Revenue</b>	<b>4,981,948</b>	<b>5,491,493</b>	<b>5,259,552</b>	<b>5,988,429</b>	<b>6,710,648</b>	<b>6,759,608</b>	<b>7,041,100</b>	<b>6,937,067</b>	<b>7,041,100</b>	<b>104,033</b>	<b>1.54%</b>
<b>Fixed vs. Variable</b>	<b>65%</b>	<b>59%</b>	<b>67%</b>	<b>57%</b>	<b>85%</b>	<b>67%</b>	<b>91%</b>	<b>91%</b>	<b>91%</b>		
Niagara Region	4,367,988	4,076,742	4,531,531	4,544,117	4,265,746	4,805,000	4,089,000	4,920,879	4,920,879	-	0.0%
Personnel costs	49,809	326,369	108,994	354,379	305,477	561,350	325,740	374,600	357,270	(17,330)	(4.6%)
Operations	465,105	536,452	721,460	585,333	768,917	785,050	905,250	903,500	1,067,997	164,497	18.2%
Capital	227,348	545,573	545,573	545,573	400,000	350,000	984,797	324,897	840,000	515,103	158.5%
Borrowing costs	-	-	-	-	-	-	-	-	-	-	0.0%
Reserve transfers	(128,302)	6,357	(648,006)	(40,973)	970,508	258,208	736,313	413,191	(145,046)	(558,237)	(135.1%)
<b>Total Expenses</b>	<b>4,981,948</b>	<b>5,491,493</b>	<b>5,259,552</b>	<b>5,988,429</b>	<b>6,710,648</b>	<b>6,759,608</b>	<b>7,041,100</b>	<b>6,937,067</b>	<b>7,041,100</b>	<b>104,033</b>	<b>1.54%</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Revenue Budget to Actual / Forecast	(509,545)		(728,877)		(48,960)			104,033			
Niagara Region	87.7%	74.2%	86.2%	75.9%	63.6%	71.1%	58.1%	70.9%	69.9%		
Capital & Reserves	2.0%	10.1%	(1.9%)	8.4%	20.4%	9.0%	24.4%	10.6%	9.9%		
<b>% of Total Revenue</b>	<b>89.7%</b>	<b>84.3%</b>	<b>84.2%</b>	<b>84.3%</b>	<b>84.0%</b>	<b>80.1%</b>	<b>82.5%</b>	<b>81.6%</b>	<b>79.8%</b>		

This summary highlights that every year to balance the budget as a result of the revenue shortfall people were re-directed to other non water and wastewater tasks, capital plans were not deployed or reserves were reduced.

**Appendix C - Summary - Four Year Storm Sewer Budgets**

	2019	2019	2020	2020	2021	2021	2022	2022	2023	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Installation service fee	1,112	5,000	(276)	5,000	-	-	-	-	-	-	-
Rate fees	730,566	740,800	766,976	770,279	693,086	854,720	1,307,000	1,407,000	1,437,700	30,700	2.2%
<b>Total Revenue</b>	<b>731,678</b>	<b>745,800</b>	<b>766,700</b>	<b>775,279</b>	<b>693,086</b>	<b>854,720</b>	<b>1,307,000</b>	<b>1,407,000</b>	<b>1,437,700</b>	<b>30,700</b>	<b>3.96%</b>
Personnel costs	-	-	-	-	101,826	-	108,580	124,800	119,090	(5,710)	(4.6%)
Operations	265,847	220,350	279,204	248,181	156,948	252,870	95,738	250,100	351,962	101,862	40.7%
Capital	-	-	39,998	-	23,724	23,724	110,000	110,000	850,000	740,000	672.7%
Borrowing costs	299,819	299,819	309,823	299,819	531,156	535,819	531,156	531,156	531,155	(1)	(0.0%)
Reserve transfers	166,012	225,631	137,675	227,279	(120,567)	42,307	461,526	390,944	(414,507)	(805,451)	(206.0%)
<b>Total Expenses</b>	<b>731,678</b>	<b>745,800</b>	<b>766,700</b>	<b>775,279</b>	<b>693,086</b>	<b>854,720</b>	<b>1,307,000</b>	<b>1,407,000</b>	<b>1,437,700</b>	<b>30,700</b>	<b>3.96%</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>

# 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	Actual	Forecast
<b>Water (M³)</b>						
Water purchase from Region (Actual)	3,182,370	3,233,180	2,656,040	2,541,330	2,335,980	2,511,330
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%
<b>Wastewater (M³)</b>						
Wastewater to Region (Actual)	4,389,000	4,547,000	4,846,000	4,126,341	3,698,000	3,520,000
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%
<b>Billing (M³)</b>						
Water bill	1,678,488	1,754,042	1,632,548	1,629,458	1,607,686	1,622,039
Water billed vs. Water Purchased (Goal 85%)	52.74%	54.25%	61.47%	64.12%	68.82%	64.59%
<b>Additional Data</b>						
Lake Level (Avg. cm above datum)	109.3	115.3	134.0	140.0	117.0	104.0
Percipitation (MM)	1,030.8	1,405.2	1,078.3	830.0	939.0	669.0