

HALTON REGION

Budget and Business Plan 2018

Water & Wastewater Details

Rate Supported Budget Summary

Regional Water & Wastewater Services												
	2015		2016		2017		2018		Change in Budget			
Rate Supported Services	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved	2018 Requested to 2017 Approved			
Treatment	\$ 63,688,282	\$ 68,134,743	\$ 69,218,500	\$ 67,196,499	\$ 67,689,426	\$ 162,945	\$ 67,852,371	(\$ 1,529,074)	-2.2%	\$ (1,366,129)	-2.0%	
System Services	45,681,807	51,326,858	48,667,229	47,876,832	48,516,791	39,065	48,555,856	(150,438)	-0.3%	(111,373)	-0.2%	
Infrastructure Planning & Policy	3,191,955	3,772,034	3,966,524	3,682,524	3,182,175	-	3,182,175	(784,348)	-19.8%	(784,348)	-19.8%	
Engineering & Construction	9,614,673	9,368,402	12,330,731	11,016,797	12,177,967	-	12,177,967	(152,764)	-1.2%	(152,764)	-1.2%	
Public Works Administration	460,747	471,441	433,100	170,900	438,300	-	438,300	5,200	1.2%	5,200	1.2%	
Recoveries from Capital Projects	(14,458,997)	(13,858,665)	(17,730,087)	(15,936,152)	(18,244,757)	(123,880)	(18,368,637)	(514,670)	2.9%	(638,550)	3.6%	
Gross Operating Expenditures	\$ 108,178,466	\$ 119,214,813	116,885,997	114,007,400	113,759,902	78,130	113,838,032	(3,126,095)	-2.7%	(3,047,965)	-2.6%	
Capital Expenses												
Debt Charges	36,856,436	36,200,094	33,220,286	33,050,286	27,650,294	-	27,650,294	(5,569,992)	-16.8%	(5,569,992)	-16.8%	
Transfers to Reserve	33,806,212	48,526,789	55,657,002	55,657,002	72,153,667	-	72,153,667	16,496,665	29.6%	16,496,665	29.6%	
Transfers to Vehicle Reserve	1,154,000	1,303,500	1,386,100	1,386,100	1,420,800	-	1,420,800	34,700	2.5%	34,700	2.5%	
Transfers to Gas Tax Reserve	9,481,789	9,482,000	9,482,000	9,482,000	9,482,000	-	9,482,000	-	0.0%	-	0.0%	
Transfers from Reserve	(755,871)	(9,610,207)	(9,552,017)	(9,552,017)	(9,906,002)	-	(9,906,002)	(353,985)	3.7%	(353,985)	3.7%	
Capital Expenditures	80,542,566	85,902,176	90,193,371	90,023,371	100,800,759	-	100,800,759	10,607,388	11.8%	10,607,388	11.8%	
Total Gross Expenditures	\$ 188,721,032	\$ 205,116,989	207,079,368	204,030,771	214,560,661	78,130	214,638,791	7,481,293	3.6%	7,559,423	3.7%	
Subsidy Revenue	(9,481,789)	(9,482,000)	(9,482,000)	(9,482,000)	(9,482,000)	-	(9,482,000)	-	0.0%	-	0.0%	
Other Revenues												
Bulk Water Charges	(645,168)	(796,363)	(694,400)	(694,400)	(720,780)	-	(720,780)	(26,380)	3.8%	(26,380)	3.8%	
Fees for Service	(3,561,001)	(4,394,896)	(3,495,044)	(3,699,446)	(2,600,747)	-	(2,600,747)	894,297	-25.6%	894,297	-25.6%	
Sewer Discharge Agreements	(1,199,569)	(1,108,138)	(1,079,200)	(1,079,200)	(1,100,800)	-	(1,100,800)	(21,600)	2.0%	(21,600)	2.0%	
Interest Earnings	(3,617,000)	(3,617,000)	(3,617,000)	(3,617,000)	(3,617,000)	-	(3,617,000)	-	0.0%	-	0.0%	
Total Revenue	(18,504,527)	(19,398,398)	(18,367,644)	(18,572,046)	(17,521,327)	-	(17,521,327)	846,317	-4.6%	846,317	-4.6%	
Net Program Impact	\$ 170,216,506	\$ 185,718,591	\$ 188,711,724	\$ 186,958,725	\$ 197,039,334	\$ 78,130	\$ 197,117,464	\$ 8,327,610	4.4%	\$ 8,405,740	4.5%	
Growth Impact:												
Customer Growth (1.6%)												(1,233,554) -0.7%
Net Increase Requirement												\$ 7,172,186 3.8%



Gross Expenditures & Revenue by Program															
\$000s	Total Direct Costs					Other Expenditures					Capital Expenditures				
	2016	2017	2018	Change in Budget		2016	2017	2018	Change in Budget		2016	2017	2018	Change in Budget	
	Actual	Approved Budget	Requested Budget	2018 Requested to 2017 Approved	2017 Approved	Actual	Approved Budget	Requested Budget	2018 Requested to 2017 Approved	2017 Approved	Actual	Approved Budget	Requested Budget	2018 Requested to 2017 Approved	
Treatment	\$ 56,304	\$ 60,492	\$ 57,778	\$ (2,714)	-4.5%	\$ 10,273	\$ 6,677	\$ 7,260	\$ 584	8.7%	\$ -	\$ -	\$ -	\$ -	0.0%
System Services	35,377	37,551	37,180	(371)	-1.0%	15,894	11,022	10,427	(595)	-5.4%	-	-	-	-	0.0%
Infrastructure Planning & Policy	5,095	5,941	5,990	49	0.8%	(4,165)	(5,194)	(5,200)	(6)	0.1%	-	-	-	-	0.0%
Engineering & Construction	7,193	9,401	9,581	180	1.9%	(7,193)	(9,401)	(9,581)	(180)	1.9%	-	-	-	-	0.0%
Public Works Administration	4,327	4,789	4,962	172	3.6%	(3,888)	(4,391)	(4,558)	(167)	3.8%	-	-	-	-	0.0%
Capital Financing	-	-	-	-	0.0%	-	-	-	-	0.0%	85,902	90,193	100,801	10,607	11.8%
Total Water & Wastewater Systems	108,295	118,174	115,490	(2,684)	-2.3%	10,920	(1,288)	(1,652)	(364)	28.3%	85,902	90,193	100,801	10,607	11.8%
Water & Wastewater Rate Revenues															
Bulk Water Charges	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	0.0%
Gas Tax Revenues	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	0.0%
Fees for Service	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	0.0%
Sewer Discharge Agreements	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	0.0%
Interest Earnings	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	0.0%
Total Rate Revenues	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	0.0%
Total Rate Impact	\$ 108,295	\$ 118,174	\$ 115,490	\$ (2,684)	-2.3%	\$ 10,920	\$ (1,288)	\$ (1,652)	\$ (364)	28.3%	\$ 85,902	\$ 90,193	\$ 100,801	\$ 10,607	11.8%

Gross Expenditures & Revenue by Program

\$000s	Total Gross Expenditures					Total Revenue					Net Program Expenditures				
	2017		2018		Change in Budget 2018 Requested to 2017 Approved	2017		2018		Change in Budget 2018 Requested to 2017 Approved	2017		2018		Change in Budget 2018 Requested to 2017 Approved
	2016 Actual	Approved Budget	2018 Requested Budget	2018 Requested Budget		2016 Actual	Approved Budget	2018 Requested Budget	2018 Requested Budget		2016 Actual	Approved Budget	2018 Requested Budget	2018 Requested Budget	
Treatment	\$ 66,577	\$ 67,168	\$ 65,038	\$ (2,130)	-3.2%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,577	\$ 67,168	\$ 65,038	\$ (2,130)	-3.2%
System Services	51,270	48,573	47,607	(966)	-2.0%	-	-	-	-	-	51,270	48,573	47,607	(966)	-2.0%
Infrastructure Planning & Policy	929	747	789	43	5.7%	-	-	-	-	-	929	747	789	43	5.7%
Engineering & Construction	-	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	0.0%
Public Works Administration	438	398	403	5	1.3%	-	-	-	-	-	438	398	403	5	1.3%
Capital Financing	85,902	90,193	100,801	10,607	11.8%	-	-	-	-	-	85,902	90,193	100,801	10,607	11.8%
Total Water & Wastewater Systems	205,117	207,079	214,639	7,559	3.7%	-	-	-	-	-	205,117	207,079	214,639	7,559	3.7%
Water & Wastewater Rate Revenues															
Subsidy Revenue	-	-	-	-	0.0%	(9,482)	(9,482)	(9,482)	-	0.0%	(9,482)	(9,482)	(9,482)	-	0.0%
Bulk Water Charges	-	-	-	-	0.0%	(796)	(694)	(721)	(26)	3.8%	(796)	(694)	(721)	(26)	3.8%
Fees for Service	-	-	-	-	0.0%	(4,395)	(3,495)	(2,601)	894	-25.6%	(4,395)	(3,495)	(2,601)	894	-25.6%
Sewer Discharge Agreements	-	-	-	-	0.0%	(1,108)	(1,079)	(1,101)	(22)	2.0%	(1,108)	(1,079)	(1,101)	(22)	2.0%
Interest Earnings	-	-	-	-	0.0%	(3,617)	(3,617)	(3,617)	-	0.0%	(3,617)	(3,617)	(3,617)	-	0.0%
Total Rate Revenues	-	-	-	-	0.0%	(19,398)	(18,368)	(17,521)	846	-4.6%	(19,398)	(18,368)	(17,521)	846	-4.6%
Total Rate Impact	\$ 205,117	\$ 207,079	\$ 214,639	\$ 7,559	3.7%	\$ (19,398)	\$ (18,368)	\$ (17,521)	\$ 846	-4.6%	\$ 185,719	\$ 188,712	\$ 197,117	\$ 8,406	4.5%

Departmental Summary

Rate Supported Services	2015	2016	2017		2018			Change in Budget			
	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved		2018 Requested to 2017 Approved	
Personnel Services	\$ 43,776,320	\$ 43,501,537	\$ 49,346,360	\$ 46,031,832	\$ 50,429,710	\$ 876,060	\$ 51,305,770	\$ 1,083,350	2.2%	\$ 1,959,410	4.0%
Materials & Supplies	25,427,699	27,556,091	27,080,939	26,201,744	27,203,940	30,509	27,234,449	123,001	0.5%	153,510	0.6%
Purchased Services	37,850,279	36,718,697	39,225,231	38,706,678	35,002,287	(704,559)	34,297,728	(4,222,944)	-10.8%	(4,927,503)	-12.6%
Financial & Rent Expenses	297,805	232,215	54,142	83,842	209,595	-	209,595	155,453	287.1%	155,453	287.1%
Grants & Assistance	562,779	286,001	2,467,000	2,467,000	2,442,000	-	2,442,000	(25,000)	-1.0%	(25,000)	-1.0%
Total Direct Costs	107,914,882	108,294,541	118,173,672	113,491,097	115,287,532	202,010	115,489,542	(2,886,141)	-2.4%	(2,684,131)	-2.3%
Allocated Charges / Recoveries	(12,844,321)	(10,646,498)	(14,742,438)	(12,938,460)	(15,438,923)	(123,880)	(15,562,803)	(696,485)	4.7%	(820,365)	5.6%
Corporate Support	11,734,655	12,520,515	13,369,063	13,369,063	13,825,594	-	13,825,594	456,531	3.4%	456,531	3.4%
Transfer to Reserves - Operating	1,580,227	9,140,198	85,700	85,700	85,700	-	85,700	-	0.0%	-	0.0%
Transfer from Reserves - Operating	(206,977)	(93,943)	-	-	-	-	-	-	0.0%	-	0.0%
Gross Operating Expenditures	108,178,466	119,214,813	116,885,997	114,007,399	113,759,902	78,130	113,838,032	(3,126,094)	-2.7%	(3,047,964)	-2.6%
Transfer to Reserves - Capital	34,960,212	49,830,289	57,043,102	57,043,102	73,574,467	-	73,574,467	16,531,365	29.0%	16,531,365	29.0%
Transfer to Gas Tax Reserve	9,481,789	9,482,000	9,482,000	9,482,000	9,482,000	-	9,482,000	-	0.0%	-	0.0%
Transfer from Reserves - Capital	(755,871)	(9,610,207)	(9,552,017)	(9,552,017)	(9,906,002)	-	(9,906,002)	(353,985)	3.7%	(353,985)	3.7%
Debt Charges	36,856,436	36,200,094	33,220,286	33,050,286	27,650,294	-	27,650,294	(5,569,992)	-16.8%	(5,569,992)	-16.8%
Capital Financing Expenditures	80,542,566	85,902,176	90,193,371	90,023,371	100,800,759	-	100,800,759	10,607,388	11.8%	10,607,388	11.8%
Total Gross Expenditures	188,721,032	205,116,989	207,079,368	204,030,770	214,560,661	78,130	214,638,791	7,481,293	3.6%	7,559,423	3.7%
Subsidy Revenue	(9,481,789)	(9,482,000)	(9,482,000)	(9,482,000)	(9,482,000)	-	(9,482,000)	-	0.0%	-	0.0%
Other Revenue	(9,022,738)	(9,916,398)	(8,885,644)	(9,090,046)	(8,039,327)	-	(8,039,327)	846,317	-9.5%	846,317	-9.5%
Total Revenue	(18,504,527)	(19,398,398)	(18,367,644)	(18,572,046)	(17,521,327)	-	(17,521,327)	846,317	-4.6%	846,317	-4.6%
Net Program Impact	\$ 170,216,506	\$ 185,718,591	\$ 188,711,724	\$ 186,958,725	\$ 197,039,334	\$ 78,130	\$ 197,117,464	\$ 8,327,610	4.4%	\$ 8,405,740	4.5%

Staff Complement (F.T.E.)	2017		2018			Change in Budget			
	Approved Budget		Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved		2018 Requested to 2017 Approved	
FTE	452.0		452.0	9.0	461.0	0.0	0.0%	9.0	2.0%

Budget Change Report

Rate Supported Services	2017		2018			Change in Budget		Comments
	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Requested to 2017 Approved		
Personnel Services	\$ 49,346,360	\$ 46,031,832	\$ 50,429,710	\$ 876,060	\$ 51,305,770	\$ 1,959,410	4.0%	Increase includes 4 Millwrights, 3 Instrumentation Technicians, a Project Manager II and a Laboratory Technician proposed as Strategic Investments (SIF).
Materials & Supplies	27,080,939	26,201,744	27,203,940	30,509	27,234,449	153,510	0.6%	An increase of \$564,000 in plant maintenance materials to bring more maintenance in-house, which was a reallocation from purchased services, offset with decreases in chemicals (\$163,000) and cell phones (\$91,000) due to new contract pricing, materials for new meter installations due to the movement of meters to capital (\$84,000), and (\$86,000) for IT hardware/software due to the elimination of non-recurring items.
Purchased Services	39,225,231	38,706,678	35,002,287	(704,559)	34,297,728	(4,927,503)	-12.6%	Reflects decreases in plant maintenance due to the movement of larger maintenance projects to capital and due to the reallocation of funds to materials and additional staff resources to increase maintenance in-house (\$5.1 million), and in new meter installations due to the movement of meters to capital (\$375,000). These are offset with increases in wastewater main cleaning and repair (\$246,000), water billing charges based on price increases and customer growth (\$118,000), biosolids haulage due to contracted rate increase (\$96,000), and property taxes based on actual trends (\$202,000).
Financial and Rent Expenses	54,142	83,842	209,595	-	209,595	155,453	287.1%	Increase in equipment leases for increased wastewater flushings and watermain repairs.
Grants & Assistance	2,467,000	2,467,000	2,442,000	-	2,442,000	(25,000)	-1.0%	Decrease due to the discontinuation of grant to the University of Waterloo for the Natural Sciences and Engineering Research Council.
Total Direct Costs	118,173,672	113,491,097	115,287,532	202,010	115,489,542	(2,684,131)	-2.3%	
Allocated Charges/Recoveries	(14,742,438)	(12,938,460)	(15,438,923)	(123,880)	(15,562,803)	(820,365)	5.6%	Increase in capital recoveries to reflect project delivery costs (\$639,000) and for an additional Project Manager proposed in SIF, and decreases in IT software charges (\$139,000) due to savings with a new agreement, and in fleet charges (\$64,000) due to savings in gas and other materials.
Corporate Support	13,369,063	13,369,063	13,825,594	-	13,825,594	456,531	3.4%	Increase in corporate support for expanding program, including additional staff resources hired through 2017 SIFs, increase in number of PCs, phones and office
Transfer to Reserves - Operating	85,700	85,700	85,700	-	85,700	-	0.0%	
Transfer from Reserves - Operating	-	-	-	-	-	-	0.0%	
Gross Operating Expenditures	116,885,997	114,007,399	113,759,902	78,130	113,838,032	(3,047,964)	-2.6%	
Transfer to Reserves - Capital	66,525,102	66,525,102	83,056,467	-	83,056,467	16,531,365	24.8%	Increase related to \$12.7 million to support the State of Good Repair Capital Program, and \$3.8 million due to realignment of large plant maintenance.
Transfer from Reserves - Capital	(9,552,017)	(9,552,017)	(9,906,002)	-	(9,906,002)	(353,985)	3.7%	Increase in development charge contributions for growth-related debt.
Debt Charges	33,220,286	33,050,286	27,650,294	-	27,650,294	(5,569,992)	-16.8%	Decrease mainly due to retired debt.
Capital Expenditures	90,193,371	90,023,371	100,800,759	-	100,800,759	10,607,388	11.8%	
Total Gross Expenditures	207,079,368	204,030,770	214,560,661	78,130	214,638,791	7,559,423	3.7%	
Subsidy Revenue	(9,482,000)	(9,482,000)	(9,482,000)	-	(9,482,000)	-	0.0%	
Other Revenue	(8,885,644)	(9,090,046)	(8,039,327)	-	(8,039,327)	846,317	-9.5%	Decrease in new meter installation revenue due to the movement of the new meter installation program to the capital budget (\$964,000), offset by increases in permit inspection fees, bulk water, and sewer discharge agreement revenue based on inflationary increase and rate increase (\$97,000).
Total Revenue	(18,367,644)	(18,572,046)	(17,521,327)	-	(17,521,327)	846,317	-4.6%	
Net Program Expenditures	\$ 188,711,724	\$ 186,958,725	\$ 197,039,334	\$ 78,130	\$ 197,117,464	\$ 8,405,740	4.5%	

Divisional Summary

Public Works Administration	2015		2016		2017		2018			Change in Budget			
	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved		2018 Requested to 2017 Approved			
Personnel Services	\$ 3,339,174	\$ 3,452,296	\$ 3,601,460	\$ 3,413,441	\$ 3,793,870	\$ 76,980	\$ 3,870,850	\$ 192,410	5.3%	\$ 269,390	7.5%		
Materials & Supplies	469,617	484,519	478,200	469,678	475,960	1,150	477,110	(2,240)	-0.5%	(1,090)	-0.2%		
Purchased Services	332,103	389,783	707,767	641,272	611,567	-	611,567	(96,200)	-13.6%	(96,200)	-13.6%		
Financial & Rent Expenses	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Grants & Assistance	1,569	-	2,000	2,000	2,000	-	2,000	-	0.0%	-	0.0%		
Total Direct Costs	4,142,464	4,326,597	4,789,427	4,526,391	4,883,397	78,130	4,961,527	93,970	2.0%	172,100	3.6%		
Allocated Charges / Recoveries	(4,494,422)	(4,702,449)	(5,195,747)	(5,194,911)	(5,349,781)	(78,130)	(5,427,911)	(154,034)	3.0%	(232,164)	4.5%		
Corporate Support	765,457	814,256	804,420	804,420	869,684	-	869,684	65,264	8.1%	65,264	8.1%		
Transfer to Reserves - Operating	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Transfer from Reserves - Operating	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Gross Operating Expenditures	413,498	438,404	398,100	135,900	403,300	-	403,300	5,200	1.3%	5,200	1.3%		
Transfer to Reserves - Capital	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Transfer to Gas Tax Reserve	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Transfer from Reserves - Capital	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Debt Charges	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Capital Financing Expenditures	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Total Gross Expenditures	413,498	438,404	398,100	135,900	403,300	-	403,300	5,200	1.3%	5,200	1.3%		
Subsidy Revenue	-	-	-	-	-	-	-	-	0.0%	-	0.0%		
Other Revenue	(413,498)	(438,404)	(398,100)	(505,900)	(403,300)	-	(403,300)	(5,200)	1.3%	(5,200)	1.3%		
Total Revenue	(413,498)	(438,404)	(398,100)	(505,900)	(403,300)	-	(403,300)	(5,200)	1.3%	(5,200)	1.3%		
Net Program Impact	\$ -	\$ -	\$ -	\$ (370,000)	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%		

Budget Change Report

Public Works Administration	2017		2018			Change in Budget		Comments	
	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Requested to 2017 Approved			
Personnel Services	\$ 3,601,460	\$ 3,413,441	\$ 3,793,870	\$ 76,980	\$ 3,870,850	\$ 269,390	7.5%	Increase includes Laboratory Technician proposed as a Strategic Investment (SIF).	
Materials & Supplies	478,200	469,678	475,960	1,150	477,110	(1,090)	-0.2%		
Purchased Services	707,767	641,272	611,567	-	611,567	(96,200)	-13.6%		Reflects reductions in professional services (\$80,000), contracted services (\$10,000), and temporary employment agencies (\$5,000) based on actual trends.
Financial and Rent Expenses	-	-	-	-	-	-	0.0%		
Grants & Assistance	2,000	2,000	2,000	-	2,000	-	0.0%		
Total Direct Costs	4,789,427	4,526,391	4,883,397	78,130	4,961,527	172,100	3.6%	Reflects increase for interdepartmental recoveries based on inflation with an additional increase for additional staff resource proposed as a SIF (Laboratory Technician).	
Allocated Charges/Recoveries	(5,195,747)	(5,194,911)	(5,349,781)	(78,130)	(5,427,911)	(232,164)	4.5%		
Corporate Support	804,420	804,420	869,684	-	869,684	65,264	8.1%		Increase driven by IT support cost for increase in number of PCs.
Transfer to Reserves - Operating	-	-	-	-	-	-	0.0%		
Transfer from Reserves - Operating	-	-	-	-	-	-	0.0%		
Gross Operating Expenditures	398,100	135,900	403,300	-	403,300	5,200	1.3%		
Transfer to Reserves - Capital	-	-	-	-	-	-	0.0%		
Transfer from Reserves - Capital	-	-	-	-	-	-	0.0%		
Debt Charges	-	-	-	-	-	-	0.0%		
Capital Expenditures	-	-	-	-	-	-	0.0%		
Total Gross Expenditures	398,100	135,900	403,300	-	403,300	5,200	1.3%		
Subsidy Revenue	-	-	-	-	-	-	0.0%		
Other Revenue	(398,100)	(505,900)	(403,300)	-	(403,300)	(5,200)	1.3%		
Total Revenue	(398,100)	(505,900)	(403,300)	-	(403,300)	(5,200)	1.3%		
Net Program Expenditures	\$ -	\$ (370,000)	\$ -	\$ -	\$ -	\$ -	0.0%		

Strategic Investment

Laboratory Technician

Funding Source	Rate
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Program Details	
Department	Public Works
Division	Public Works Administration
Program	Regional Laboratory
Cost Centre	208300

Complement Details	
Position Title	Laboratory Technician
FTE Impact	1.0
Personnel Group	OCT/MMSG

Funding Impact	2018 Impact	2019 Impact
Operating		
Personnel Services	\$ 76,980	\$ 76,980
Materials & Supplies	1,150	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	78,130	76,980
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	78,130	76,980
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 78,130	\$ 76,980

Business Case

Recommendation:

Approve 1.0 permanent FTE Laboratory Technician to manage regulatory water and wastewater sample intake, analytical preparation and testing, inventory, and purchasing of laboratory supplies for Halton Region's accredited environmental laboratory.

Need:

Halton Region's Canadian Association of Laboratory Accreditation (CALA) and the Ministry of Environment and Climate Change's (MOECC) licenced laboratory processes all regulatory drinking water and wastewater samples. A Laboratory Technician is required to manage the volume of incoming samples and ensure these are efficiently received, processed, logged into the Laboratory Information Management System (LIMS), and distributed to the lab testing areas for analysis within prescribed holding times and without disrupting the workflow of the testing areas. The Laboratory Technician is also responsible for sample counter reception, inventory and purchasing of laboratory supplies to help maintain uninterrupted operations.

Well defined roles and responsibilities within the lab to manage risks arising from the required Laboratory's Quality Management System (QMS), a complex and mandatory Quality Assurance program, and governing Ministry of the Environment and Climate Change regulations. Specific competency and training documentation is required for lab tasks. A review of laboratory functions indicated improved customer service, efficiency and quality control by consolidating a variety of tasks with a Laboratory Technician. The Lab Technician role could also undertake less complex analysis during peak periods thereby allowing Laboratory Analysts to complete complex, technical responsibilities. Currently this work is being performed with short-term co-op student placements.

Implications:

Samples cannot be processed as efficiently without additional resource support, which can introduce potential delays in laboratory analysis and a greater risk of error. Continued use of short-term co-op student placements requires significant effort to regularly undertake hiring, onboarding and training. It also means the person cannot become proficient in all required tasks or assist with testing, and requires increased oversight which reduces coworkers' efficiency.

Alternatives:

Continue with co-op student placements. This would not realize the efficiencies noted above.

Reference:

N/A



Water & Wastewater Treatment

Divisional Summary

Water & Wastewater Treatment	2015		2016		2017		2018			Change in Budget		
	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved	2018 Requested to 2017 Approved			
Personnel Services	\$ 16,199,892	\$ 16,203,636	\$ 18,033,630	\$ 16,889,164	\$ 18,394,610	\$ 506,730	\$ 18,901,340	\$ 360,980	2.0%	\$ 867,710	4.8%	
Materials & Supplies	17,861,159	19,428,326	19,988,304	19,385,131	19,733,095	19,136	19,752,231	(255,209)	-1.3%	(236,073)	-1.2%	
Purchased Services	21,232,321	20,539,472	22,430,332	22,147,205	19,511,875	(401,986)	19,109,889	(2,918,457)	-13.0%	(3,320,443)	-14.8%	
Financial & Rent Expenses	13,606	14,860	14,600	14,300	14,600	-	14,600	-	0.0%	-	0.0%	
Grants & Assistance	25,000	25,000	25,000	25,000	-	-	-	(25,000)	-100.0%	(25,000)	-100.0%	
Total Direct Costs	55,331,977	56,211,294	60,491,866	58,460,800	57,654,180	123,880	57,778,060	(2,837,686)	-4.7%	(2,713,806)	-4.5%	
Allocated Charges / Recoveries	1,994,593	2,794,233	2,270,989	2,580,055	2,587,525	(84,815)	2,502,710	316,536	13.9%	231,721	10.2%	
Corporate Support	3,870,548	4,152,937	4,395,592	4,395,592	4,747,566	-	4,747,566	351,974	8.0%	351,974	8.0%	
Transfer to Reserves - Operating	736,747	3,334,762	10,000	10,000	10,000	-	10,000	-	0.0%	-	0.0%	
Transfer from Reserves - Operating	(12,123)	(8,823)	-	-	-	-	-	-	0.0%	-	0.0%	
Gross Operating Expenditures	61,921,742	66,484,403	67,168,447	65,446,447	64,999,270	39,065	65,038,335	(2,169,176)	-3.2%	(2,130,112)	-3.2%	
Transfer to Reserves - Capital	17,480,106	26,040,144	29,646,551	29,646,551	36,787,233	-	36,787,233	7,140,682	24.1%	7,140,682	24.1%	
Transfer to Gas Tax Reserve	4,740,895	4,741,000	4,741,000	4,741,000	4,741,000	-	4,741,000	-	0.0%	-	0.0%	
Transfer from Reserves - Capital	(377,935)	(4,805,103)	(4,776,009)	(4,776,009)	(2,467,491)	-	(2,467,491)	2,308,518	-48.3%	2,308,518	-48.3%	
Debt Charges	18,639,913	19,335,537	16,610,143	15,446,943	11,434,031	-	11,434,031	(5,176,112)	-31.2%	(5,176,112)	-31.2%	
Capital Financing Expenditures	40,482,979	45,311,579	46,221,686	45,058,486	50,494,773	-	50,494,773	4,273,088	9.2%	4,273,088	9.2%	
Total Gross Expenditures	102,404,721	111,795,982	113,390,132	110,504,932	115,494,044	39,065	115,533,109	2,103,911	1.9%	2,142,976	1.9%	
Subsidy Revenue	(4,740,895)	(4,741,000)	(4,741,000)	(4,741,000)	(4,741,000)	-	(4,741,000)	-	0.0%	-	0.0%	
Other Revenue	(2,842,583)	(3,951,147)	(3,136,500)	(3,136,500)	(3,162,600)	-	(3,162,600)	(26,100)	0.8%	(26,100)	0.8%	
Total Revenue	(7,583,478)	(8,692,147)	(7,877,500)	(7,877,500)	(7,903,600)	-	(7,903,600)	(26,100)	0.3%	(26,100)	0.3%	
Net Program Impact	\$ 94,821,243	\$ 103,103,835	\$ 105,512,632	\$ 102,627,432	\$ 107,590,444	\$ 39,065	\$ 107,629,509	\$ 2,077,811	2.0%	\$ 2,116,876	2.0%	

Budget Change Report

Water & Wastewater Treatment	2017		2018			Change in Budget		Comments
	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Requested to 2017 Approved		
Personnel Services	\$ 18,033,630	\$ 16,889,164	\$ 18,394,610	\$ 506,730	\$ 18,901,340	\$ 867,710	4.8%	Increase includes a Project Manager II, 2 Instrumentation Technicians and 2 Millwrights proposed as Strategic Investments (SIF).
Materials & Supplies	19,988,304	19,385,131	19,733,095	19,136	19,752,231	(236,073)	-1.2%	Decrease reflects reduction in hydro (\$339,000) due to the participation of 4 treatment plants in the Industrial Conservation Initiative (ICI), reducing projected global adjustment costs, chemicals (\$163,000) and cell phones (\$45,000) due to new contract pricing, and (\$44,000) for the elimination of non-recurring equipment and technology costs. These are offset partially with an increase of \$374,000 to increase in-house maintenance, which was reallocated from purchased services.
Purchased Services	22,430,332	22,147,205	19,511,875	(401,986)	19,109,889	(3,320,443)	-14.8%	Decrease in plant maintenance due to the movement of larger maintenance projects to capital and due to the reallocation of funds to materials and additional staff resources to increase in-house maintenance (\$3.5 million). This is offset partly with increases in biosolids haulage due to a contracted rate increase (\$96,000), water billing charges based on price increases and customer growth (\$32,000), and property taxes (\$73,000).
Financial and Rent Expenses	14,600	14,300	14,600	-	14,600	-	0.0%	
Grants & Assistance	25,000	25,000	-	-	-	(25,000)	-100.0%	Decrease due to the discontinuation of grant to the University of Waterloo for the Natural Sciences and Engineering Research Council.
Total Direct Costs	60,491,866	58,460,800	57,654,180	123,880	57,778,060	(2,713,806)	-4.5%	
Allocated Charges/Recoveries	2,270,989	2,580,055	2,587,525	(84,815)	2,502,710	231,721	10.2%	Increased inter-departmental charges based on program cost, partly offset with increased capital recoveries to reflect project delivery costs and for a Project Manager II proposed as a SIF.
Corporate Support	4,395,592	4,395,592	4,747,566	-	4,747,566	351,974	8.0%	Increase in corporate support for expanding program, including an additional resource hired through 2017 SIF.
Transfer to Reserves - Operating	10,000	10,000	10,000	-	10,000	-	0.0%	
Transfer from Reserves - Operating	-	-	-	-	-	-	0.0%	
Gross Operating Expenditures	67,168,447	65,446,447	64,999,270	39,065	65,038,335	(2,130,112)	-3.2%	
Transfer to Reserves - Capital	34,387,551	34,387,551	41,528,233	-	41,528,233	7,140,682	20.8%	Increase related to \$5.5 million to support the State-of-Good-Repair Capital Program, and \$1.9 million due to realignment of large plant maintenance.
Transfer from Reserves - Capital	(4,776,009)	(4,776,009)	(2,467,491)	-	(2,467,491)	2,308,518	-48.3%	Decrease related to realignment of sinking fund contributions.
Debt Charges	16,610,143	15,446,943	11,434,031	-	11,434,031	(5,176,112)	-31.2%	Decrease mainly due to retired debt.
Capital Expenditures	46,221,686	45,058,486	50,494,773	-	50,494,773	4,273,088	9.2%	
Total Gross Expenditures	113,390,132	110,504,932	115,494,044	39,065	115,533,109	2,142,976	1.9%	
Subsidy Revenue	(4,741,000)	(4,741,000)	(4,741,000)	-	(4,741,000)	-	0.0%	
Other Revenue	(3,136,500)	(3,136,500)	(3,162,600)	-	(3,162,600)	(26,100)	0.8%	Reflects increases for sewer discharge agreement revenues and septic tank disposal revenues based on inflationary increase.
Total Revenue	(7,877,500)	(7,877,500)	(7,903,600)	-	(7,903,600)	(26,100)	0.3%	
Net Program Expenditures	\$105,512,632	\$102,627,432	\$107,590,444	\$ 39,065	\$107,629,509	\$ 2,116,876	2.0%	

Strategic Investments

Project Manager II

Funding Source	Rate
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Program Details

Department	Public Works
Division	Water & Wastewater Treatment
Program	Plant Capital & Engineering
Cost Centre	236200

Complement Details

Position Title	Project Manager II
FTE Impact	1.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2018 Impact	2019 Impact
Personnel Services	\$ 116,930	\$ 116,930
Materials & Supplies	5,450	580
Purchased Services	1,500	1,500
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	123,880	119,010
Allocated Charges/Recoveries	(123,880)	(119,010)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 permanent FTE Project Manager II within the Plant Capital & Engineering program to ensure Halton continues to maintain Public Works Water and Wastewater Treatment infrastructure at appropriate levels of service and in a state of good repair. It is recommended that a Project Manager II be added as a compliment within the Water & Wastewater Treatment Division to track, coordinate, and efficiently deliver the projects contained within the annual minor capital program. This position will also assist in the managing and implementing the asset management data and information requirements for capital programming as outlined in Report No. PW-28-17 (re:

Need:

The Project Manager II is required to deliver the Water and Wastewater Treatment Division annual minor capital program that works to maintain the water and wastewater treatment plant resources in a good state of repair. As the number of assets continue to increase with the growth of the system, so does the volume of projects. The role of this Project Manager II will be to review, track, coordinate and deliver this work while actively seeking project cost efficiencies through strategies such as appropriate bundling, deferrals, or coordinating where possible with projects delivered through the Non-Development State-Of-Good-Repair capital program. Further, this position is needed to ensure that appropriate asset information is tracked and provided to best inform the Asset Management Program in order to keep lifecycle models for Water and Wastewater Treatment assets current. This role will be responsible for the coordination, analysis and interpretation of the data from plant operations, including risk assessments, and developing reports to be used by divisional management in decision making. This role will be the key interface to Asset Planning group on asset management strategy. This position works directly on capital projects and is therefore recovered from the capital budget.

Implications:

The lack of resources to adequately coordinate and manage the Water and Wastewater Treatment Division minor capital program, will translate into increasing risk of not maintaining assets in a good state of repair and increased risk of declining levels of service. The lack of resources to adequately coordinate and manage the Public Works asset management information will result in the Department being limited in performing lifecycle modelling, risk assessments, and tracking of technical level of service and key performance indicators, translating into the risk of declining levels of service and overall state of good repair for Public Works infrastructure.

Alternatives:

Alternatives include using consultants to manage these projects and asset management information at an expected higher cost than in-house staff and lack of overall coordination and continuous improvement of the program.

Reference:

Report No. PW-28-17 (re: "Public Works Asset Management Program Update 2017")

Strategic Investments

Instrumentation Technician

Funding Source	Rate
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Program Details	
Department	Public Works
Division	Water & Wastewater Treatment
Program	W&WW Treatment and Systems Mntce
Cost Centre	234200 233200 225200

Complement Details	
Position Title	Instrumentation Technician
FTE Impact	3.0
Personnel Group	CUPE (PW)

Funding Impact		
Operating	2018 Impact	2019 Impact
Personnel Services	\$ 292,350	\$ 292,350
Materials & Supplies	10,390	1,940
Purchased Services	(302,740)	(294,290)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:
Approve 3.0 permanent FTE Instrumentation Technicians in order to meet service delivery and workload pressures due to recent and future treatment system growth, to reduce costs associated with purchased services within Water and Wastewater Treatment, and Water and Wastewater System Services Plant Maintenance, and to ensure appropriate institutionalization of knowledge associated with the safe and efficient operation and maintenance of water and wastewater treatment and system assets.

Need:
The number of assets in Halton's Water and Wastewater Treatment and Systems Maintenance program has increased due to continued rapid growth. Additional in-house Instrumentation Technicians are required to complete maintenance activities as preventive maintenance plans are increasing in complexity and volume, in conjunction with technology and the expansion of the systems. These positions are required to ensure that customer level of service are delivered and asset maintenance needs are met. With emphasis on continually improving maintenance practices and service delivery, it is important that in-house skills and knowledge are retained. This is a necessary component of ensuring a high quality of work and timely execution of Instrumentation work. Contractors are currently employed to augment staff resources and assist with workload demands. Additional staff resources will aid in maintaining an appropriate span of control over mechanical maintenance work. In-house Instrumentation Technicians are better able to assess the status of treatment and systems assets, and deliver a high level of service because of their specialized familiarity with Halton equipment and operating conditions, gained through experience and training.

This investment will have an effective net zero cost on the maintenance program, as costs will be offset by equivalent reductions in purchased services for externally contracted maintenance.

Implications:
Without additional Instrumentation Technicians, preventive maintenance and necessary repair work may not be completed exposing Halton to the risk of equipment failure, reduced levels of service, and non-compliance with legislation requiring documented maintenance activities. In addition, continued increased reliance on external resources would be required to complete mechanical work and prevent large backlogs of incomplete work. Subsequently, Halton would experience further reduced control over the quality of work and reduced in-house knowledge and skill.

Alternatives:
Continued reliance on external resources. This would not realize the efficiencies and improvements to the Maintenance program as noted above.

Reference:
N/A



Strategic Investments

Millwright

Funding Source	Rate
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Program Details

Department	Public Works
Division	Water & Wastewater Treatment
Program	W&WW Treatment & Systems Maintenance
Cost Centre	234200 233200 225200

Complement Details

Position Title	Millwright
FTE Impact	4.0
Personnel Group	CUPE (PW)

Funding Impact

Operating	2018 Impact	2019 Impact
Personnel Services	\$ 389,800	\$ 389,800
Materials & Supplies	13,520	2,420
Purchased Services	(403,320)	(392,220)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 4.0 permanent FTE Millwrights in order to meet service delivery and workload pressures due to recent and future treatment and system growth, to reduce costs associated with purchased services within Water and Wastewater Treatment Plant and Water and Wastewater System Services Maintenance, and to ensure appropriate institutionalization of knowledge associated with the safe and efficient operation and maintenance of water and wastewater treatment and system assets.

Need:

The number of assets in the Halton water and wastewater treatment and systems has increased due to continued rapid growth. Additional in-house Millwrights are required to complete maintenance activities as preventive maintenance plans are increasing in complexity and volume, in conjunction with technology and the expansion of the systems. These positions are required to ensure that customer level of service are delivered and asset maintenance needs are met. With emphasis on continually improving maintenance practices and service delivery, it is important that in-house skills and knowledge are retained. This is a necessary component of ensuring a high quality of work and timely execution of mechanical work. Contractors are currently employed to augment staff resources and assist with workload demands. Additional staff resources will aid in maintaining an appropriate span of control over mechanical maintenance work. In-house Millwrights are better able to assess the status of treatment and system assets, and deliver a high level of service because of their specialized familiarity with Halton equipment and operating conditions, gained through experience and training.

This investment will have an effective net zero cost on the maintenance program, as costs will be offset by equivalent reductions in purchased services for externally contracted maintenance.

Implications:

Without additional Millwrights, preventive maintenance and necessary repair work may not be completed, exposing Halton to the risk of equipment failure, reduced levels of service, and non-compliance with legislation requiring documented maintenance activities. In addition, continued increased reliance on external resources would be required to complete mechanical work and prevent large backlogs of incomplete work. Subsequently, Halton would experience further reduced control over the quality of work and reduced in-house knowledge and skill.

Alternatives:

Continued reliance on external resources. This would not realize the efficiencies and improvements to the Maintenance program as noted above.

Reference:

N/A

Water & Wastewater System Services

Divisional Summary

Water & Wastewater System Services	2015	2016	2017		2018			Change in Budget			
	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved		2018 Requested to 2017 Approved	
Personnel Services	\$ 12,551,860	\$ 12,481,682	\$ 13,484,300	\$ 13,086,300	\$ 13,741,760	\$ 292,350	\$ 14,034,110	\$ 257,460	1.9%	\$ 549,810	4.1%
Materials & Supplies	6,757,800	7,238,325	6,207,188	5,974,488	6,636,457	10,223	6,646,680	429,269	6.9%	439,492	7.1%
Purchased Services	15,675,630	15,277,073	15,399,746	15,210,049	14,186,619	(302,573)	13,884,046	(1,213,127)	-7.9%	(1,515,700)	-9.8%
Financial & Rent Expenses	99,615	32,751	39,542	69,542	194,995	-	194,995	155,453	393.1%	155,453	393.1%
Grants & Assistance	534,589	254,492	2,420,000	2,420,000	2,420,000	-	2,420,000	-	0.0%	-	0.0%
Total Direct Costs	35,619,494	35,284,323	37,550,777	36,760,380	37,179,831	-	37,179,831	(370,946)	-1.0%	(370,946)	-1.0%
Allocated Charges / Recoveries	4,789,784	6,154,279	6,549,717	6,615,717	5,955,504	39,065	5,994,569	(594,213)	-9.1%	(555,148)	-8.5%
Corporate Support	3,752,104	4,019,204	4,396,595	4,396,595	4,357,113	-	4,357,113	(39,482)	-0.9%	(39,482)	-0.9%
Transfer to Reserves - Operating	774,704	5,805,436	75,700	75,700	75,700	-	75,700	-	0.0%	-	0.0%
Transfer from Reserves - Operating	(194,854)	(85,120)	-	-	-	-	-	-	0.0%	-	0.0%
Gross Operating Expenditures	44,741,232	51,178,122	48,572,789	47,848,392	47,568,148	39,065	47,607,213	(1,004,641)	-2.1%	(965,576)	-2.0%
Transfer to Reserves - Capital	17,480,106	23,790,144	27,396,551	27,396,551	36,787,233	-	36,787,233	9,390,682	34.3%	9,390,682	34.3%
Transfer to Gas Tax Reserve	4,740,895	4,741,000	4,741,000	4,741,000	4,741,000	-	4,741,000	-	0.0%	-	0.0%
Transfer from Reserves - Capital	(377,935)	(4,805,103)	(4,776,009)	(4,776,009)	(7,438,511)	-	(7,438,511)	(2,662,503)	55.7%	(2,662,503)	55.7%
Debt Charges	18,216,523	16,864,556	16,610,143	17,603,343	16,216,263	-	16,216,263	(393,880)	-2.4%	(393,880)	-2.4%
Capital Financing Expenditures	40,059,588	40,590,598	43,971,686	44,964,886	50,305,985	-	50,305,985	6,334,300	14.4%	6,334,300	14.4%
Total Gross Expenditures	84,800,820	91,768,720	92,544,474	92,813,277	97,874,134	39,065	97,913,199	5,329,659	5.8%	5,368,724	5.8%
Subsidy Revenue	(4,740,895)	(4,741,000)	(4,741,000)	(4,741,000)	(4,741,000)	-	(4,741,000)	-	0.0%	-	0.0%
Other Revenue	(3,685,131)	(4,556,036)	(3,895,183)	(3,991,785)	(2,948,663)	-	(2,948,663)	946,520	-24.3%	946,520	-24.3%
Total Revenue	(8,426,026)	(9,297,036)	(8,636,183)	(8,732,785)	(7,689,663)	-	(7,689,663)	946,520	-11.0%	946,520	-11.0%
Net Program Impact	\$ 76,374,794	\$ 82,471,684	\$ 83,908,292	\$ 84,080,492	\$ 90,184,471	\$ 39,065	\$ 90,223,536	\$ 6,276,179	7.5%	\$ 6,315,244	7.5%



Budget Change Report

Water & Wastewater System Services	2017		2018			Change in Budget		Comments
	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Requested to 2017 Approved		
Personnel Services	\$ 13,484,300	\$ 13,086,300	\$ 13,741,760	\$ 292,350	\$ 14,034,110	\$ 549,810	4.1%	Increase includes an Instrumentation Technician and 2 Millwrights proposed as Strategic Investments (SIF).
Materials & Supplies	6,207,188	5,974,488	6,636,457	10,223	6,646,680	439,492	7.1%	Reflects increases in hydro for a rate increase (\$339,000) and in plant maintenance to bring more maintenance in-house (\$191,000), which was a reallocation from purchased services, offset partly with a decrease due to the movement of new meter installations to the capital budget (\$84,000).
Purchased Services	15,399,746	15,210,049	14,186,619	(302,573)	13,884,046	(1,515,700)	-9.8%	Reflects decreases in plant maintenance due to the movement of larger maintenance projects to capital and due to the reallocation of funds to materials and additional staff resources to bring more maintenance in-house (\$1.5 million), also in new meter installations due to the movement of meters to capital (\$375,000). These are offset with increases in wastewater main cleaning and repair (\$246,000), water billing charges based on a rate increase and customer growth (\$86,000), and property taxes (\$129,000).
Financial and Rent Expenses	39,542	69,542	194,995	-	194,995	155,453	393.1%	Increase in equipment leases for increased wastewater flushings and watermain repairs.
Grants & Assistance	2,420,000	2,420,000	2,420,000	-	2,420,000	-	0.0%	
Total Direct Costs	37,550,777	36,760,380	37,179,831	-	37,179,831	(370,946)	-1.0%	
Allocated Charges/Recoveries	6,549,717	6,615,717	5,955,504	39,065	5,994,569	(555,148)	-8.5%	Increased capital recoveries based on project delivery costs, and decrease in IT charges due to savings with a new agreement (\$95,000) .
Corporate Support	4,396,595	4,396,595	4,357,113	-	4,357,113	(39,482)	-0.9%	
Transfer to Reserves - Operating	75,700	75,700	75,700	-	75,700	-	0.0%	
Transfer from Reserves - Operating	-	-	-	-	-	-	0.0%	
Gross Operating Expenditures	48,572,789	47,848,392	47,568,148	39,065	47,607,213	(965,576)	-2.0%	
Transfer to Reserves - Capital	32,137,551	32,137,551	41,528,233	-	41,528,233	9,390,682	29.2%	Increase related to \$7.8 million to support the State-of-Good-Repair Capital Program, and \$1.9 million due to realignment of plant maintenance.
Transfer from Reserves - Capital	(4,776,009)	(4,776,009)	(7,438,511)	-	(7,438,511)	(2,662,503)	55.7%	Increase related to realignment of sinking fund contributions.
Debt Charges	16,610,143	17,603,343	16,216,263	-	16,216,263	(393,880)	-2.4%	Decrease mainly due to retired debt.
Capital Expenditures	43,971,686	44,964,886	50,305,985	-	50,305,985	6,334,300	14.4%	
Total Gross Expenditures	92,544,474	92,813,277	97,874,134	39,065	97,913,199	5,368,724	5.8%	
Subsidy Revenue	(4,741,000)	(4,741,000)	(4,741,000)	-	(4,741,000)	-	0.0%	
Other Revenue	(3,895,183)	(3,991,785)	(2,948,663)	-	(2,948,663)	946,520	-24.3%	Decrease in new meter installation revenue due to the program moving to the capital budget.
Total Revenue	(8,636,183)	(8,732,785)	(7,689,663)	-	(7,689,663)	946,520	-11.0%	
Net Program Expenditures	\$ 83,908,292	\$ 84,080,492	\$ 90,184,471	\$ 39,065	\$ 90,223,536	\$ 6,315,244	7.5%	



Engineering & Construction

Divisional Summary

Engineering & Construction	2015	2016	2017		2018			Change in Budget			
	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved		2018 Requested to 2017 Approved	
Personnel Services	\$ 7,418,616	\$ 6,801,452	\$ 8,807,330	\$ 7,507,288	\$ 9,029,250	\$ -	\$ 9,029,250	\$ 221,920	2.5%	\$ 221,920	2.5%
Materials & Supplies	227,680	257,167	303,020	268,220	262,458	-	262,458	(40,562)	-13.4%	(40,562)	-13.4%
Purchased Services	142,857	134,536	290,267	311,033	288,867	-	288,867	(1,400)	-0.5%	(1,400)	-0.5%
Financial & Rent Expenses	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Grants & Assistance	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Total Direct Costs	7,789,153	7,193,154	9,400,617	8,086,541	9,580,575	-	9,580,575	179,958	1.9%	179,958	1.9%
Allocated Charges / Recoveries	(9,771,388)	(9,282,789)	(11,649,204)	(10,335,128)	(11,901,676)	-	(11,901,676)	(252,472)	2.2%	(252,472)	2.2%
Corporate Support	1,982,433	2,089,635	2,248,587	2,248,587	2,321,101	-	2,321,101	72,514	3.2%	72,514	3.2%
Transfer to Reserves - Operating	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer from Reserves - Operating	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Gross Operating Expenditures	199	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer to Reserves - Capital	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer to Gas Tax Reserve	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer from Reserves - Capital	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Debt Charges	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Capital Financing Expenditures	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Total Gross Expenditures	199	-	-	-	-	-	-	-	0.0%	-	0.0%
Subsidy Revenue	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Other Revenue	(199)	-	-	-	-	-	-	-	0.0%	-	0.0%
Total Revenue	(199)	-	-	-	-	-	-	-	0.0%	-	0.0%
Net Program Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%

Budget Change Report

Engineering & Construction	2017		2018			Change in Budget		Comments
	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Requested to 2017 Approved		
Personnel Services	\$ 8,807,330	\$ 7,507,288	\$ 9,029,250	\$ -	\$ 9,029,250	\$ 221,920	2.5%	Reflects decreases related to the elimination of non-recurring IT and furniture costs (\$37,000), and in cell phones due new contract pricing (\$21,000), offset partly with an increase of \$30,000 for replacement surveying equipment.
Materials & Supplies	303,020	268,220	262,458	-	262,458	(40,562)	-13.4%	
Purchased Services	290,267	311,033	288,867	-	288,867	(1,400)	-0.5%	
Financial and Rent Expenses	-	-	-	-	-	-	0.0%	
Grants & Assistance	-	-	-	-	-	-	0.0%	
Total Direct Costs	9,400,617	8,086,541	9,580,575	-	9,580,575	179,958	1.9%	
Allocated Charges/Recoveries	(11,649,204)	(10,335,128)	(11,901,676)	-	(11,901,676)	(252,472)	2.2%	Increase in capital recovery to reflect cost of project delivery.
Corporate Support	2,248,587	2,248,587	2,321,101	-	2,321,101	72,514	3.2%	Increase in corporate support for expanding program, including an additional resource hired through 2017 strategic investment.
Transfer to Reserves - Operating	-	-	-	-	-	-	0.0%	
Transfer from Reserves - Operating	-	-	-	-	-	-	0.0%	
Gross Operating Expenditures	-	-	-	-	-	-	0.0%	
Transfer to Reserves - Capital	-	-	-	-	-	-	0.0%	
Transfer from Reserves - Capital	-	-	-	-	-	-	0.0%	
Debt Charges	-	-	-	-	-	-	0.0%	
Capital Expenditures	-	-	-	-	-	-	0.0%	
Total Gross Expenditures	-	-	-	-	-	-	0.0%	
Subsidy Revenue	-	-	-	-	-	-	0.0%	
Other Revenue	-	-	-	-	-	-	0.0%	
Total Revenue	-	-	-	-	-	-	0.0%	
Net Program Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	

Infrastructure Planning & Policy

Divisional Summary

Infrastructure Planning & Policy	2015	2016	2017		2018			Change in Budget			
	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Base to 2017 Approved		2018 Requested to 2017 Approved	
Personnel Services	\$ 4,266,778	\$ 4,562,472	\$ 5,419,640	\$ 5,135,640	\$ 5,470,220	\$ -	\$ 5,470,220	\$ 50,580	0.9%	\$ 50,580	0.9%
Materials & Supplies	111,443	147,754	104,227	104,227	95,970	-	95,970	(8,257)	-7.9%	(8,257)	-7.9%
Purchased Services	467,368	377,834	397,119	397,119	403,359	-	403,359	6,240	1.6%	6,240	1.6%
Financial & Rent Expenses	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Grants & Assistance	1,622	6,509	20,000	20,000	20,000	-	20,000	-	0.0%	-	0.0%
Total Direct Costs	4,847,210	5,094,568	5,940,985	5,656,985	5,989,549	-	5,989,549	48,564	0.8%	48,564	0.8%
Allocated Charges / Recoveries	(5,362,888)	(5,609,773)	(6,718,193)	(6,604,193)	(6,730,495)	-	(6,730,495)	(12,302)	0.2%	(12,302)	0.2%
Corporate Support	1,364,113	1,444,483	1,523,869	1,523,869	1,530,130	-	1,530,130	6,261	0.4%	6,261	0.4%
Transfer to Reserves - Operating	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer from Reserves - Operating	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Gross Operating Expenditures	848,436	929,279	746,661	576,661	789,184	-	789,184	42,523	5.7%	42,523	5.7%
Transfer to Reserves - Capital	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer to Gas Tax Reserve	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Transfer from Reserves - Capital	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Debt Charges	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Capital Financing Expenditures	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Total Gross Expenditures	848,436	929,279	746,661	576,661	789,184	-	789,184	42,523	5.7%	42,523	5.7%
Subsidy Revenue	-	-	-	-	-	-	-	-	0.0%	-	0.0%
Other Revenue	(848,436)	(929,279)	(746,661)	(746,661)	(789,184)	-	(789,184)	(42,523)	5.7%	(42,523)	5.7%
Total Revenue	(848,436)	(929,279)	(746,661)	(746,661)	(789,184)	-	(789,184)	(42,523)	5.7%	(42,523)	5.7%
Net Program Impact	\$ -	\$ -	\$ -	\$ (170,000)	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%

Budget Change Report

Infrastructure Planning & Policy	2017		2018			Change in Budget		Comments
	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2018 Requested to 2017 Approved		
Personnel Services	\$ 5,419,640	\$ 5,135,640	\$ 5,470,220	\$ -	\$ 5,470,220	\$ 50,580	0.9%	Reflects decreases in cell phones due to new contract pricing (\$15,000), travel expenses (\$3,000) and clothing (\$2,000) based on actual trends, offset partly with an increase of \$12,000 for new software (e.g. GIS). Increase in permit revenue based on inflationary increase and increased demand.
Materials & Supplies	104,227	104,227	95,970	-	95,970	(8,257)	-7.9%	
Purchased Services	397,119	397,119	403,359	-	403,359	6,240	1.6%	
Financial and Rent Expenses	-	-	-	-	-	-	0.0%	
Grants & Assistance	20,000	20,000	20,000	-	20,000	-	0.0%	
Total Direct Costs	5,940,985	5,656,985	5,989,549	-	5,989,549	48,564	0.8%	
Allocated Charges/Recoveries	(6,718,193)	(6,604,193)	(6,730,495)	-	(6,730,495)	(12,302)	0.2%	
Corporate Support	1,523,869	1,523,869	1,530,130	-	1,530,130	6,261	0.4%	
Transfer to Reserves - Operating	-	-	-	-	-	-	0.0%	
Transfer from Reserves - Operating	-	-	-	-	-	-	0.0%	
Gross Operating Expenditures	746,661	576,661	789,184	-	789,184	42,523	5.7%	
Transfer to Reserves - Capital	-	-	-	-	-	-	0.0%	
Transfer from Reserves - Capital	-	-	-	-	-	-	0.0%	
Debt Charges	-	-	-	-	-	-	0.0%	
Capital Expenditures	-	-	-	-	-	-	0.0%	
Total Gross Expenditures	746,661	576,661	789,184	-	789,184	42,523	5.7%	
Subsidy Revenue	-	-	-	-	-	-	0.0%	
Other Revenue	(746,661)	(746,661)	(789,184)	-	(789,184)	(42,523)	5.7%	
Total Revenue	(746,661)	(746,661)	(789,184)	-	(789,184)	(42,523)	5.7%	
Net Program Expenditures	\$ -	\$ (170,000)	\$ -	\$ -	\$ -	\$ -	0.0%	