

---

**Subject:** Q2 2020 Financial Update  
**Report to:** Corporate Services Committee  
**Report date:** Wednesday, September 9, 2020

---

## Recommendations

1. That the June 30, 2020 Q2 Financial Update of the Regional Municipality of Niagara ("the Region") **BE RECEIVED** for information.

## Key Facts

- Quarterly updates are provided as of June, September and December each year and include: forecasted operating results; capital project reporting; reserves and deferred revenue; investments; debt; consolidated statement of financial position and accounts receivable.
- Due to COVID-19, staff have been providing Council with monthly financial reports highlighting the potential impacts of the COVID-19 pandemic in the Region. This Q2 report is the first comprehensive financial report of all Region operations in 2020 and consolidates all impacts, both COVID-19 related and non-COVID-19 related.
- Departments prepare forecasts using assumptions and estimates based on information available at the time of writing the quarterly financial updates. All financial implications quantified in this report include estimates up to December 31, 2020 unless otherwise noted. Estimates in this report are fluid and changing, and as a result, the forecasts contain inherent risks and actual results may differ.
- The Region's current estimate of the 2020 total gross cost related to the COVID-19 pandemic is \$55.3 million. Total regional gross cost (including all Local Area Municipalities, LAMS) is estimated at \$84 million. Total regional net deficit (including LAMS) is estimated at \$15.5 million. At the time of writing this report, the Region had received notice of its allocation of \$12.1 million in Phase 1 Municipal Safe Re-start funding from the Province of Ontario. This report incorporates options for applying this funding given the limited information available and assumptions made at Q2.
- Regional departments and General Government are projecting a deficit before Phase 1 Municipal Safe Re-start funding of \$6.1 million (1.09% of budget) at year-end. Levy supported programs (Regional Departments consolidated with ABC's) are projecting a deficit of \$7.1 million (0.86% of budget) at year-end.
- Rate supported programs (Water and Wastewater Services and Waste Management Services) are projecting a deficit of \$561 thousand (0.30% of budget) at year-end.

- The 2021 projected net budget pressure related to ongoing COVID-19 measures to date is \$21.5 million or 5.48% for levy programs, \$0.1 million or 0.04% for water/wastewater programs, and \$0.1 million or 0.14% for waste management. These estimates will continue to be refined as new information is received. To date, limited 2021 funding announcements from upper levels of government have occurred and the estimates include only confirmed funding sources. Should additional funding sources be received, this would reduce the pressure identified.

## **Financial Considerations**

Full analysis and explanation of the levy and rate supported program forecasts can be found in the Q2 2020 Financial Update Report on the Region's website at the link below and Appendix 1. The report is compliant under the Accessibility for Ontarians with Disability Act. Hard copies of the report can be made available upon request.

### [2020 Q2 Financial Update](https://www.niagararegion.ca/business/finance/quarterly-reports/default.aspx)

(<https://www.niagararegion.ca/business/finance/quarterly-reports/default.aspx>)

Due to the COVID-19 emergency, the Region's results and forecast are continuously being updated for new information and changes in assumptions. At the time of writing this report, it still remained difficult to quantify the full financial impact as the Region is actively making decisions around its recovery plan and details of many funding announcements remain outstanding.

A high-level analysis of the financial results below is provided in the analysis section of the report. For additional details please reference the Q2 2020 Financial Update Report.

*Table 1: Q2 2020 Results Summary*

(in thousands)	Forecasted Surplus/(Deficit) (in thousands)	Percent of Budget
Regional Departments and General Government	\$(6,066)	1.09%
NRPS	(920)	0.49%
NRH	852	1.29%
Court Services	(935)	11.51%
NPCA	0	0.00%
<b>Total Levy Supported</b>	<b>\$(7,069)</b>	<b>0.86%</b>
Water and Wastewater	\$(854)	0.64%
Waste Management	293	0.53%
<b>Total Rate Supported</b>	<b>\$(561)</b>	<b>0.30%</b>

Niagara Region's levy programs are operating at a forecasted deficit of \$7,069 before applying \$12,185 in Phase 1 Municipal Safe Re-start funding allocated to the Niagara Region from the Province of Ontario.

With the announcement of Phase 1 Municipal Safe Re-start funding, the Region no longer anticipates a 2020 deficit. Staff now expect funds to be available to help support the 2021 budget process. Given unknowns around additional Public Health funding, staff have prepared the following worst to best case scenarios for 2020. Details on the reporting requirements for the Municipal Safe Re-start funding and what costs the Province will deem as COVID-19 related will be essential in determining if the Region may be eligible for Phase 2 funding.

*Table 2: 2020 Levy Funding Scenarios*

(in thousands)	<b>Worst Case</b>	<b>Likely Case</b>	<b>Best Case</b>
2020 Levy Supported Programs Deficit	\$ (7,069)	\$ (7,069)	\$ (7,069)
2020 Possible Public Health Funding	-	5,934	5,934
2020 Possible Transit Funding	-	-	609
Safe Restart Municipal Funding - Phase 1	12,185	12,185	12,185
Safe Restart Municipal Funding - Phase 2	-	-	12,185
<b>Funds available for 2021 Levy Budget</b>	<b>\$ 5,116</b>	<b>\$ 11,050</b>	<b>\$ 23,844</b>

Staff would recommend that any excess Municipal Safe Re-start funding at December 31, 2020 be allocated to the Taxpayer Relief Reserve, to then be utilized to offset COVID-19 related pressures in the 2021 budget in accordance with the parameters of the funding.

Recommendations to address final surpluses and/or deficits will be brought forward to Council as part of the Year-End Transfer report.

## **Analysis**

The Q2 2020 financial results are being driven by many different factors which are outlined below. Since our previous report CSD 51-2020 on August 13<sup>th</sup>, information has been received and assumptions have been updated. The main changes between the August report and the current analysis is the result of a comprehensive Q2 analysis which resulted in refinement of many non-COVID related items, as well as new funding announcements which impact the Region's recovery plan assumptions.

### Levy Supported Programs (all amounts in thousands of dollars):

Regional Departments and General Government have a forecasted year-end deficit of \$6,066 (1.09% of budget). The forecasted deficit is driven mainly by investments in additional staff support and supplies in Community Services and Public Health to support the COVID-19 emergency. Some of these increased costs have been mitigated through the redeployment of existing staff resources from other departments in order to provide support to those areas in need of additional resources and re-prioritizing planned work. There is also a forecasted decrease in supplemental tax revenue resulting from lower than anticipated growth, as well as reduced investment income due to the reduced Bank of Canada rate.

These cost pressures have been partially offset by savings in compensation costs related to staffing vacancies arising from a pandemic-related hold on recruitment. In addition, there are forecasted savings related to reduced uptake in planning and economic development grants and development charge grants, as well as net savings resulting from reduced transit services costs in both Niagara Regional Transit and Niagara Specialized Transit as a result of lower ridership and schedule reductions, partially offset by corresponding reduced transit fare revenue.

The ABCs are forecasting a year-end deficit of \$1,003 (0.38% of budget) at year-end. This forecasted deficit is primarily driven by lost revenue in Niagara Regional Police

from reduced OLG payments through the City of Niagara Falls due to the closure of casino operations, as well as lost revenues from reduced fine payments, both as a result of the COVID-19 pandemic. These revenue reductions are partially offset by savings in labour and other related costs due to the pandemic.

Rate Supported Programs (all amounts in thousands):

***Water and Wastewater Services***

Water and Wastewater Services has a forecasted net deficit at year-end of \$854 (0.64% of budget), which is comprised of forecasted deficits in the water division of \$280 and in the wastewater division of \$574.

The deficit is primarily driven by decreased water sales in the water division due to decreased water usage as a result of the COVID-19 pandemic combined with a wet spring, and by increased sludge management costs in the wastewater division due to estimated price increases in the new bio-solids contract and anticipated increased use of the centrifuge at a higher cost. In addition, chemical costs are forecasted to be higher than anticipated as a result of new contract pricing and increased usage.

These deficits are partially offset by savings in labour related costs driven by a pandemic-related hold on recruitment for staffing vacancies.

***Waste Management***

Waste Management Services is forecasting a surplus at year-end of \$293 (0.53% of budget). Savings related to staffing vacancies and reduced labour costs at the Material Recycling Facility, in addition to reduced contract costs for environmental monitoring and collection contract adjustments, are the main drivers of the forecasted surplus.

These surpluses are partially offset by lower than anticipated recycling market revenues for the sale of recyclable commodities, as well as reduced tipping fees due to temporarily limiting non-essential trips to the drop-off depots and the waiving of tipping fees for large household items, and reduced commercial shredding and recycling revenue due to business closures as a result of the COVID-19 pandemic.

## COVID-19 Financial Impacts Summary

In order to better understand the financial results as they relate to the COVID-19 emergency, staff continue to track costs directly related to the emergency. Total gross cost related to the emergency is \$55.3 million, with a net cost after program-specific funding of \$38.6 million as outlined in the table below. This has been incorporated in the comprehensive financial results discussed above. The table below also considers strategic and other mitigations (offset by additional non-COVID pressures) that the Region has been able to put in place to help managed the cost of the emergency, resulting in a total net estimated deficit of \$7.6 million. All estimates in the analysis have been made up to December 31, 2020 unless otherwise noted in Appendix 2.

*Table 3: 2020 COVID-19 Financial Impact Summary*

(in thousand)	Levy	Water/ Wastewater	Waste Management	Total
<b>Total Gross Cost</b>	53,489	1,099	717	55,305
Less: Confirmed Funding Matched to Expenses	(16,754)	-	-	(16,754)
<b>Net Cost to Region</b>	36,735	1,099	717	38,551
Less: Strategic and Other Mitigations	(11,395)	(98)	(960)	(12,453)
Less: Cost supported by our approved base budget	(18,271)	(147)	(50)	(18,468)
<b>Net budget deficit/(surplus)</b>	<b>\$ 7,069</b>	<b>\$ 854</b>	<b>\$ (293)</b>	<b>\$ 7,630</b>

Further detail on the corporate assumptions and cost categories can be found in Appendix 2. Also, a more detailed breakdown by operating department can be found in Appendix 3.

The Region has also been coordinating with local area municipalities to consolidate the full impact to Niagara residents. While all municipalities have been reporting to their Council using different estimates, assumptions and reporting schedules, the estimated consolidated (Region and LAMs) total gross cost is \$84 million and net deficit of \$15.5 million.

## Funding Announcements

The Region has received announcements of confirmed funding sources of \$34.3 million to support COVID-19 emergency identified below. The funding sources will be utilized as outlined by each different agreement, with an estimated \$23.8 million (\$16.7 million in program-specific funding and \$7.1 million in Municipal Safe Re-start funding) being recognized in the 2020 operating results.

*Table 4: COVID-19 Confirmed Funding Announcements*

(in thousands)	Amount	2020 Operating	2021 Operating	To be allocated
Community Homelessness Prevention Initiative (Note 1)	\$ 2,409	\$ 1,672	\$ 737	\$ -
Reaching Home Funding (Note 1)	1,253	1,253	-	-
Social Services Relief Funding (Note 1 & 2)	3,014	-	-	3,014
Community Response Fund	63	63	-	-
Childrens Services Fees Subsidy Funding Reallocation	862	862	-	-
School Focused Nursing Initiative (Note 3)	2,200	550	1,650	-
Transit Bus Cleaning	27	27	-	-
Safe Restart - Transit Phase 1 Funding	610	610	-	-
Safe Restart - Child Care Funding	4,533	4,533	-	-
Long-term Care Emergency Funding	2,611	2,611	-	-
Pandemic Pay (Note 4)	4,573	4,573	-	-
Sub-total of program specific funding	22,155	16,754	2,387	3,014
Safe Restart - Municipal Phase 1 Funding	12,185	7,069	5,115	-
Total	\$34,340	\$ 23,823	\$ 7,502	\$ 3,014

Note 1: Incremental funding to cover full fiscal year of April 1, 2020 to March 31, 2021

Note 2: Subject to business case proposals by Niagara to MMAH. Funding is available for operating or capital needs.

Note 3: Estimated based on 16 FTE notice provided. Should continue into 2021.

Note 4: Estimate to support pandemic payments from April 24 to August 13. Final amount to be determined based on actual payments.

In addition to the confirmed funding announcements above, the Region is monitoring the following announcements. The timing and allocation to Niagara Region of these funding announcements is uncertain at this time.

- An additional \$9.2 million of provincial funding for continued prevention and containment of COVID-19 (for example, screening staff, additional staff, and personal protective equipment) in long-term care homes. The total funding originally announced was \$88.3 million, and \$34.8 million and \$44.3 million were allocated in May and June respectively.
- The federal-provincial governments will provide \$4 billion to Ontario municipalities to help fund a "safe re-start" of the economy. Phase 1 funding has been confirmed. Phased 2 funding availability will be based on reporting and need.

- This funding announcement includes a \$777 million contribution from the federal government and \$1.22 billion from the Province. The provincial amount includes the previously announced \$350 million social services and \$100 million public health funding. This investment amounts to \$2 billion directly supporting municipalities and addressing operating shortfalls and relief related to COVID-19.
- A funding deal for public transit was reached as part of the federal-provincial agreement. It was announced that up to \$2 billion will be shared equally between the Province and federal government. This funding will assist transit operators address revenue losses and help maintain operations in a safe manner as the economy re-starts and begins its recovery.
- Ontario Works expects to see increased funding to support an increase in subsidy claim payments to Ontario Works clients.
- The Province has indicated that it plans to work with municipal service managers to support Children's Services operations to minimize shortfalls.
- The Province has announced that it plans to defer further reductions to the public health funding formula in 2021.
- The Province has issued a memorandum to Public Health saying they plan to help support incremental costs, but no details have been provided yet.

## **2021 Budget Pressures & Long-term Considerations**

On June 25, Council endorsed a budget planning strategy for 2021. This strategy includes identifying and quantifying separately all COVID-19 related budget considerations. Additionally, Council expressed interest in being informed on a more regular basis of the other base service delivery pressures so that both the COVID-19 and these base pressures could be understood collectively. To that end, as the budget process has now begun, we will provide in this report each month a brief summary of the status of the consolidated operating budget inclusive of normal business costs as well as COVID-19 where possible.

At this time staff have only begun efforts to identify and quantify the COVID-19 operating budget pressures. The Region's recovery planning activities are currently underway and the decisions of this plan will drive many of the budget impacts. While there is still a lot of work to be done on these items, at the time of this report staff have identified 2021 net budget pressures related to COVID-19 as \$21.6 million and is

summarized by program area below. It is important to note that no new funding sources (outside of the homelessness program, which has identified funding until the end of its fiscal year of March 31<sup>st</sup> 2021 and specific school-funded nurses) have been identified from other levels of government. Should additional funding sources be received, this would reduce the pressure identified.

*Table 5: 2021 Net COVID-19 Related Budget Pressure by Department*

(in thousands)	Amount	Increase %
General Government & Corporate	TBD	TBD
Corporate Services	\$ 1,287	0.33%
Niagara Regional Housing	302	0.08%
Transportation	59	0.02%
Public Health	-	
Public Health	9,819	2.50%
Emergency Medical Services	688	0.18%
Community Services	-	
Seniors Services	8,089	2.06%
SAEO	50	0.01%
Homelessness	1,210	0.31%
<b>Levy Budget Pressure</b>	<b>\$ 21,504</b>	<b>5.48%</b>
<b>Water &amp; Wastewater Services Pressure</b>	<b>\$ 55</b>	<b>0.04%</b>
<b>Waste Management Pressure</b>	<b>\$ 56</b>	<b>0.14%</b>

Recognizing that the levy is most impacted and to better understand the components, a summary of levy items by category is provided below. The most significant pressure relates to required incremental staffing in public health and community services. The costs below assume the Region will end current redeployment and acquire incremental staffing to support the needs of these departments. It is anticipated these resources would be secured on a temporary basis until long-term clarity on sustainable funding is received.

*Table 6: 2021 Levy COVID Related Budget Pressure by Category*

(in thousands)	Amount	Increase %
Staffing	\$ 18,241	
Personal Protective Equipment	975	
Cleaning & Sanitation	1,828	
Shelter	1,733	
Agency Support	214	
Vaccination Program	900	
<b>Total Gross Levy Cost</b>	<b>23,891</b>	
Confirmed Funding	(2,387)	
<b>Net Levy Cost</b>	<b>\$ 21,504</b>	<b>5.48%</b>

In addition to the items above, the Region and local area municipalities have been monitoring water and wastewater flow data. Reduction in water usage does not change the total water/wastewater budget; however, it can put increased pressure on the volumetric rates used by both the Region and the local area municipalities or it could result in a shortfall in revenues. The current decline in water usage is generally driven by the business/commercial sector due to mandatory COVID-19 closures, therefore the increase in rates would create a shift in the burden to the residential sector if business closures continue into 2021. The need to incorporate changes in water volumes into the 2021 budget will be assessed in alignment with the economic recovery permitted by the Provincial reopening orders.

With the announcement of Phase 1 Safe Re-start funding from the Province of Ontario, staff have prepared the following worst to best case scenarios for 2021 based on information currently available and the 2020 estimated results.

*Table 7: 2021 Levy Funding Scenarios*

(in thousands)	Worst Case	Likely Case	Best Case
2021 Pressure Identified	\$ (21,504)	\$ (21,504)	\$ (21,504)
2021 Possible Public Health Funding		9,819	9,819
2020 Funds available for 2021 Budget	5,116	11,050	23,844
<b>2021 Net funding surplus/(deficit)</b>	<b>\$ (16,388)</b>	<b>\$ (635)</b>	<b>\$ 12,159</b>

## **Alternatives Reviewed**

The actual year end results may vary based on ongoing funding information from upper levels of government and the Region's recovery planning activities.

## **Relationship to Council Strategic Priorities**

Forecasting financial results and providing formal reporting to Council and the public supports Sustainable and Engaging Government.

Supporting the COVID-19 emergency response directly supports Councils strategic priority of a Healthy and Vibrant Community.

## Other Pertinent Reports

- CSD 30-2020 COVID-19 Preliminary Overview of Financial Impacts (April 23, 2020)
- CSD 31-2020 Concessions to Local Area Municipalities regarding Taxes and Water Wastewater Billings (April 23, 2020)
- CSD 34-2020 COVID Cash Flow Update (May 21, 2020)
- CSD 35-2020 COVID-19 Financial Impact Update (May 21, 2020)
- CSD 39-2020 COVID Cash Flow Update (June 25, 2020)
- CSD 40-2020 COVID-19 Financial Impact Update (June 25, 2020)
- CSD 46-2020 COVID Cash Flow Update (July 23, 2020)
- CSD 47-2020 COVID-19 Financial Impact Update (July 23, 2020)
- CSD 50-2020 COVID Cash Flow Update (August 13, 2020)
- CSD 51-2020 COVID-19 Financial Impact Update (August 13, 2020)

---

### Prepared by:

Melanie Steele, MBA CPA CA  
Associate Director, Reporting & Analysis  
Corporate Services

---

### Recommended by:

Todd Harrison, CPA, CMA  
Commissioner/Treasurer  
Corporate Service

---

### Submitted by:

Ron Tripp, P.Eng.  
Acting Chief Administrative Officer

*This report was prepared in consultation with Corporate Leadership Team and consolidated ABC's and reviewed by Helen Chamberlain, Director, Financial Management & Planning/Deputy Treasurer.*

## Appendices

Appendix 1	Q2 2020 Financial Update
Appendix 2	COVID-19 2020 Financial Impact Summary
Appendix 3	COVID-19 2020 Financial Impact by Department

# NIAGARA REGION 2020

Q2 FINANCIAL UPDATE  
JUNE



# Q2 Financial Update – June 2020

## Table of Contents

<a href="#"><u>Introduction</u></a>	<a href="#"><u>2</u></a>
Consolidated Operating Funding Surplus/(Deficit Review):	
<a href="#"><u>Levy</u></a>	<a href="#"><u>3</u></a>
<a href="#"><u>Water and Wastewater</u></a>	<a href="#"><u>4</u></a>
<a href="#"><u>Waste Management</u></a>	<a href="#"><u>5</u></a>
<a href="#"><u>Summary of Consolidated Operating Funding Surplus/(Deficit)</u></a>	<a href="#"><u>6</u></a>
<a href="#"><u>Summary of COVID-19 Impacts</u></a>	<a href="#"><u>7</u></a>
<a href="#"><u>Departmental Variance Analysis Comments</u></a>	<a href="#"><u>10</u></a>
<a href="#"><u>Operating Budget Amendments &amp; Adjustment Summary</u></a>	<a href="#"><u>16</u></a>
<a href="#"><u>Reserves Summary</u></a>	<a href="#"><u>17</u></a>
<a href="#"><u>Deferred Revenue Summary</u></a>	<a href="#"><u>19</u></a>
<a href="#"><u>Operating Reserve Transfer Reconciliation</u></a>	<a href="#"><u>22</u></a>
<a href="#"><u>Capital Reserve Transfer Reconciliation</u></a>	<a href="#"><u>24</u></a>
Capital Project Reports:	
<a href="#"><u>Capital Highlights</u></a>	<a href="#"><u>25</u></a>
<a href="#"><u>Capital Summary</u></a>	<a href="#"><u>26</u></a>
<a href="#"><u>Capital Budget Adjustments</u></a>	<a href="#"><u>27</u></a>
<a href="#"><u>Capital Project Closures</u></a>	<a href="#"><u>30</u></a>
<a href="#"><u>Capital Project Closed by Adjustment</u></a>	<a href="#"><u>33</u></a>
<a href="#"><u>Capital Project Summary</u></a>	<a href="#"><u>34</u></a>
<a href="#"><u>Capital Project Forecast</u></a>	<a href="#"><u>35</u></a>
<a href="#"><u>Capital Variance Project Summary</u></a>	<a href="#"><u>51</u></a>
<a href="#"><u>Investment Report</u></a>	<a href="#"><u>52</u></a>
<a href="#"><u>Investment Detail</u></a>	<a href="#"><u>53</u></a>
<a href="#"><u>Debt Report</u></a>	<a href="#"><u>54</u></a>
<a href="#"><u>Accounts Receivable Aging Report</u></a>	<a href="#"><u>56</u></a>
<a href="#"><u>Consolidated Statement of Financial Position</u></a>	<a href="#"><u>58</u></a>
<a href="#"><u>Explanation of Statement of Operations</u></a>	<a href="#"><u>59</u></a>

# Introduction

On behalf of Niagara Region, we are pleased to provide you with the 2020 Q2 financial update.

Niagara is a culturally rich and historically significant region that offers its residents a mix of urban and rural living within 12 area municipalities. The Region boasts a diverse economy that includes manufacturing, tourism, agriculture and emerging sectors such as new media, green technology and bioscience.

Regional government operations are overseen by Niagara Regional Council which is composed of 32 elected representatives from 12 area municipalities and the Regional Chair. The current Regional Council was elected in November 2018 and the 32 members will serve a four year term to November 14, 2022.

As of June 30, 2020 Niagara Region is forecasting a funding deficit of \$7,069 thousand related to the levy programs (before applying the Phase 1 Municipal Safe Re-start funding), a deficit of \$854 thousand related to Water and Wastewater programs, and a surplus of \$293 thousand related to the Waste Management Program.

The Niagara Region has responded to the COVID-19 pandemic by strategically redeploying staff resources to areas impacted significantly by COVID-19, as well as re-prioritizing planned work. A recovery plan is currently being prepared to guide the Niagara Region's transition through Ontario's staged regional approach to reopening.

Affordability and sustainability are two key elements of Niagara Region's budget strategy. Achieving a balance between providing the programs and services residents have come to rely upon, ensuring they can afford to pay for them and ensuring that we have money to fund future infrastructure and program needs is critical. We would appreciate your feedback at [www.niagararegion.ca](http://www.niagararegion.ca).

We hope you will find the information provided in this report of interest and welcome any suggestions for its improvement going forward.

Helen Chamberlain, Director of Financial Management & Planning, Deputy Treasurer

*The following is an unaudited report which has been prepared and reviewed by the Financial Management & Planning team in Corporate Services.*

CONSOLIDATED OPERATING FUNDING SURPLUS/(DEFICIT) REVIEW

LEVY

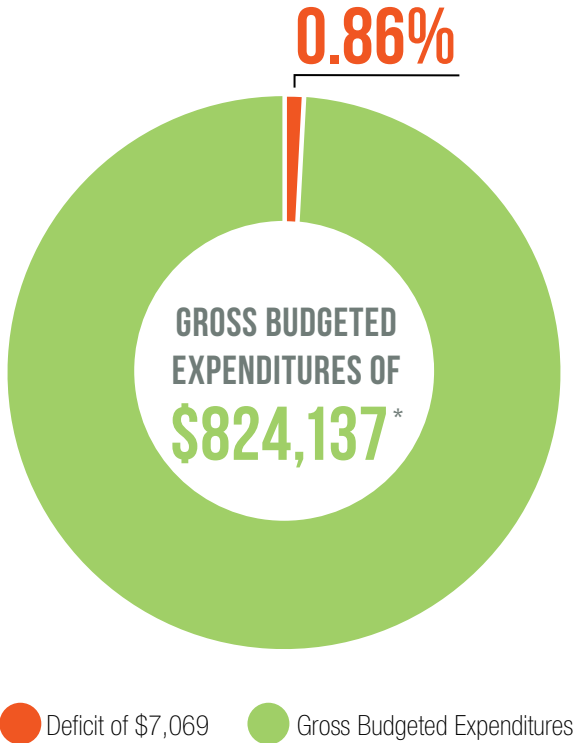
(in thousands of dollars)

Niagara Region's levy programs are operating at a forecasted deficit of \$7,069 before applying \$12,185 in phase 1 municipal Safe Re-start funding allocated to the Niagara Region from the Province of Ontario. Staff would recommend that any excess Safe Restart funding at December 31, 2020 be allocated to the Taxpayer Relief Reserve to then be utilized to offset COVID-19 related pressures in the 2021 budget in accordance with the parameters of the funding.

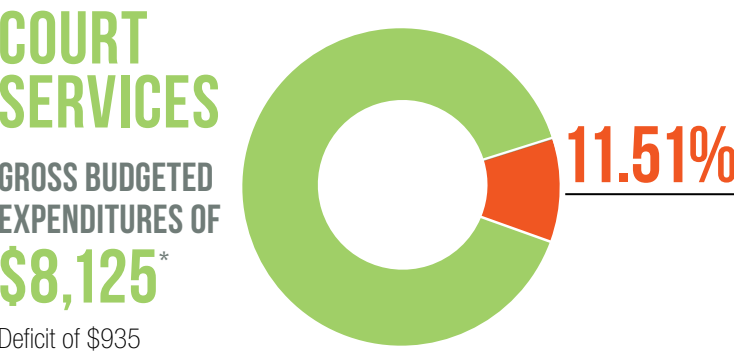
Niagara Region's levy programs excluding agencies, boards and commissions (ABC's) are operating at a forecasted deficit of \$6,066 and is largely being driven by investments in Community Services and Public Health to support the COVID-19 emergency. Some of these increased costs have been mitigated by redeploying staff resources and re-prioritizing planned work. The Region has been and will continue to monitor the emergency and makes changes to service delivery to meet needs of Niagara residents.

Niagara Region's ABC's are operating at a forecasted deficit of \$1,003. The ABC's forecasted deficit is driven primarily from lost revenue in NRPS from reduced OLG payments through the City of Niagara Falls due to the closure of Casino operations and in Courts Services from lost revenues for fines collected. These unfavourable variances are partially offset by savings in labour related costs due to the COVID-19 pandemic.

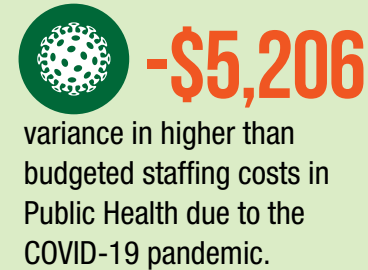
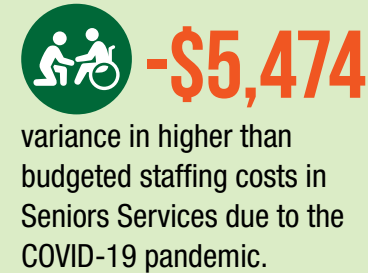
LEVY DEPARTMENT AND PROGRAMS  
(Including ABC's)



FINANCIAL RESULTS OF ABC'S



FINANCIAL STATEMENT HIGHLIGHTS



\*Includes transfer, intercompany charges and indirect allocations

CONSOLIDATED OPERATING FUNDING SURPLUS/(DEFICIT) REVIEW

# WATER & WASTEWATER

(in thousands of dollars)

Water and Wastewater Services are operating at a forecasted deficit of \$854. The forecasted deficit consists of a \$280 deficit in the Water division and a \$574 deficit in the Wastewater division.

The forecasted deficit is primarily attributable to an unfavourable variance in water sales of \$1,337 due to decreased water usage as a result of the COVID-19 pandemic combined with a wet spring and unfavourable variances of \$843 and \$462 due to increased pricing in sludge management and chemical costs, respectively. These unfavourable variances are offset by favourable variances of \$774 resulting from staffing vacancies and a \$745 favourable variance in allocation of business support costs.

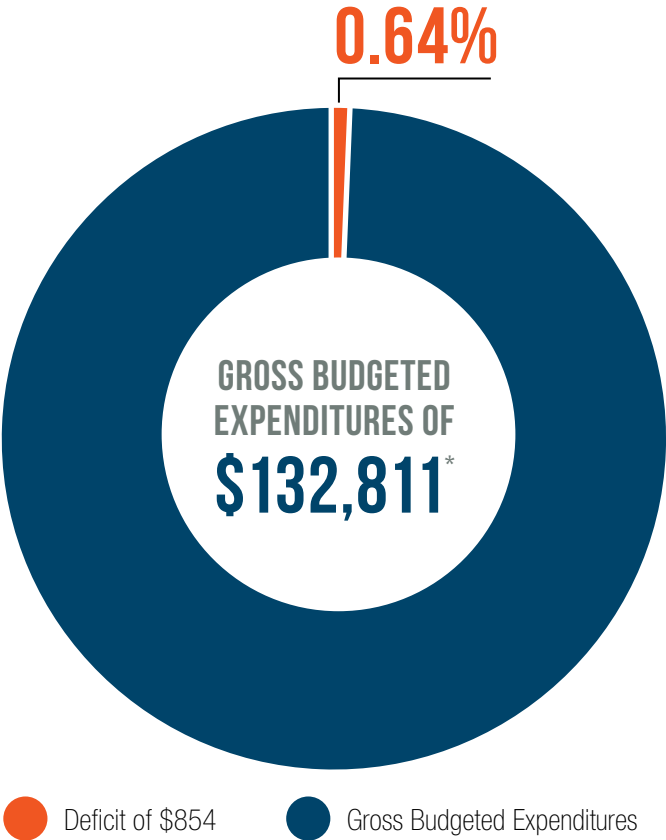
It is recommended that at year-end the Wastewater Stabilization and Water Stabilization reserves be utilized to fund the forecasted deficits.

Including forecasted deficits, the Wastewater Stabilization Reserve and Water Stabilization reserves are forecasted to have balances of \$833 and \$2,775 at the end of the year, respectively.

The funding target of 10% to 15% of annual budgeted operating expenditures (excluding reserve transfers and debt allocations) are \$6,476 and \$9,715 respectively for the Wastewater Stabilization Reserve and \$2,387 and \$3,581 respectively for the Water Stabilization Reserve.

The forecasted reserve balance for the Wastewater Stabilization reserve is below the minimum funding target and the forecasted balance for the Water Stabilization reserve is within the funding targets. Given that the Wastewater Stabilization reserve is below the funding target, this may impact Niagara Region's ability to manage future operational costs.

## WATER & WASTEWATER OPERATING SURPLUS



\* Includes transfer, intercompany charges and indirect allocations

## FINANCIAL STATEMENT HIGHLIGHTS



**-\$1,337**  
**VARIANCE IN**  
**WATER SALES**

due to reduced water usage as a result of the COVID-19 pandemic and wet spring weather.



**-\$843**  
**VARIANCE**  
**IN SLUDGE**  
**MANAGEMENT**

costs due to price increases in the new bio-solids contract.

CONSOLIDATED OPERATING FUNDING SURPLUS/(DEFICIT) REVIEW

# WASTE MANAGEMENT

(in thousands of dollars)

Waste Management Services are operating at a forecasted surplus of \$293.

The forecasted surplus is primarily a result of a \$104 favourable variance arising from saving in administration costs such as training and development as well as promotion and education. A \$341 favourable variance from lower than anticipated environmental monitoring costs and collection contract adjustments, a \$381 favourable variance in labour related cost savings attributable to the COVID-19 pandemic, as well as a \$173 favourable variance due to the reallocation of wages for staff who have been redeployed. These forecasted favourable variances are offset by a forecasted unfavourable variance of \$725 from overall lower than anticipated market revenues from the sale of recyclable commodities.

It is recommended that at year-end the projected funding surplus of \$293 in Waste Management be transferred to the Waste Management Stabilization Reserve.

Including the projected surplus, the Waste Management Stabilization Reserve is forecasted to have a balance of \$5,103 at the end of the year. The funding target of 10% to 15% of annual budgeted operating expenditures (excluding reserve transfers and debt allocations) are \$5,296 and \$7,944, respectively. The forecasted Waste Management Stabilization reserve balance is slightly below the minimum funding target.

WASTE MANAGEMENT OPERATING DEFICIT



\* Includes transfer, intercompany charges and indirect allocations

FINANCIAL STATEMENT HIGHLIGHTS



**-\$725**  
**VARIANCE IN RECYCLING REVENUE**

resulting from the continuing decline in the commodities market



**+\$381**  
**VARIANCE IN OPERATIONS**

resulting from labour related cost savings attributable to the COVID-19 pandemic.

## Summary of Consolidated Operating Surplus/(Deficit) (in thousands of dollars)

	Year to Date Budget	Year to Date Actuals	Year to Date Budget vs. Actual Variance Amount	Annual Budget	Annual Forecast	Annual Budget vs. Forecast Variance Amount	Annual Budget vs. Forecast Variance Percentage
General Government	-\$143,521	-\$152,412	\$8,891	-\$320,312	-\$322,528	\$2,216	-1%
Corporate Administration	\$7,286	\$5,773	\$1,513	\$14,626	\$11,425	\$3,201	22%
Governance	\$1,085	\$975	\$110	\$2,170	\$1,991	\$178	8%
Corporate Services	\$18,048	\$16,943	\$1,105	\$36,347	\$41,746	-\$5,399	-15%
Court Services	-\$911	-\$701	-\$210	-\$1,885	-\$949	-\$935	50%
Planning	\$1,755	\$1,271	\$484	\$4,099	\$3,700	\$399	10%
Niagara Regional Housing	\$13,406	\$11,895	\$1,511	\$28,345	\$27,492	\$852	3%
NRPS	\$77,479	\$77,213	\$266	\$154,458	\$155,378	-\$920	-1%
Transportation	\$19,504	\$12,510	\$6,994	\$38,526	\$34,470	\$4,056	11%
Public Health & Emergency Services	\$13,652	\$15,272	-\$1,620	\$26,618	\$32,552	-\$5,934	-22%
Community Services	\$18,268	\$14,128	\$4,140	\$29,385	\$33,084	-\$3,699	-13%
Niagara Peninsula Conservation Authority	\$2,905	\$2,905	\$0	\$5,809	\$5,809	\$0	0%
Indirect allocation levy impact	-\$9,334	-\$8,876	-\$458	-\$18,186	-\$17,101	-\$1,085	
<b>Total Levy Supported</b>	<b>\$19,622</b>	<b>-\$3,104</b>	<b>\$22,726</b>	<b>\$0</b>	<b>\$7,069</b>	<b>-\$7,069</b>	
Waste Management	-\$1,102	-\$2,324	\$1,222	-\$2,437	-\$2,437	\$0	0%
Water/Wastewater	-\$6,971	-\$8,814	\$1,843	-\$15,749	-\$14,103	-\$1,646	10%
Indirect allocation rate impact	\$9,334	\$8,876	\$458	\$18,186	\$17,101	\$1,085	
<b>Total Rate Supported</b>	<b>\$1,261</b>	<b>-\$2,262</b>	<b>\$3,523</b>	<b>\$0</b>	<b>\$561</b>	<b>-\$561</b>	
<b>TOTAL</b>	<b>\$20,883</b>	<b>-\$5,366</b>	<b>\$26,249</b>	<b>\$0</b>	<b>\$7,630</b>	<b>-\$7,630</b>	

## Summary of COVID-19 Impacts (in thousands of dollars)

Staff have been monitoring and assessing the potential financial impacts to the Niagara Region since the onset of the pandemic. A variety of operating expenditures and revenues are impacted. While we are not yet able to fully understand and quantify all of the impacts, staff update projections as new information becomes available.

The information available and estimated to date has been summarized into the following key categories.

1. Total Gross Cost: This category represents all costs tracked and associated with the emergency response, including costs that can be accommodated within our approved 2020 budget. It is important to note that while the Region does have an established base budget to support some of these expenditures, it is not what was originally contemplated in the base budget and may result in delays in work plans and/or backlogs after the emergency is complete.
2. Total Net Cost: This category considers confirmed funding sources that have been matched to eligible expenditures.
3. Total Deficit/(Surplus): This category removes the costs that can be supported by our approved base budget. It also considers strategic and other mitigations the Region has been able to identify and put in place to help manage the cost of the emergency.

## Summary of COVID-19 Impacts (in thousands of dollars) - continued

	Costs supported by our approved base budget	Costs incremental to base budget	Lost Revenue	Cost savings	Total Gross Cost	Confirmed Funding Matched to Expenses	Net Cost to Region	Strategic & Other Mitigations	Costs supported by our base budget	Net Deficit/ (Surplus)
General Government	\$0	\$6	\$1,034	-\$1,272	-\$232	\$0	-\$232	-\$1,984	\$0	-\$2,216
Corporate Administration	1,089	519	0	-1,592	17	0	17	-2,129	-1,089	-3,201
Governance	79	4	0	-105	-22	0	-22	-77	-79	-178
Corporate Services	881	1,314	162	-14	2,343	0	2,343	3,937	-881	5,399
Court Services	15	2	1,135	-190	961	0	961	-11	-15	935
Planning	275	8	300	0	583	0	583	-707	-275	-399
Niagara Regional Housing	1	228	0	-134	95	0	95	-946	-1	-852
NRPS	1,149	585	3,650	-751	4,632	0	4,632	-2,563	-1,149	920
Transportation	164	139	3,031	-249	3,084	-637	2,448	-6,340	-164	-4,056
Public Health										
Public Health	6,967	4,816	149	-49	11,883	-590	11,293	-546	-6,967	3,780
EMS	1,978	2,464	40	-238	4,244	-974	3,271	862	-1,978	2,154
Sub-total Public Health	8,946	7,280	189	-288	16,127	-1,563	14,564	316	-8,946	5,934
Community Services										
Childrens Services	922	5,055	340	0	6,318	-5,395	922	0	-922	0
Seniors Services	4,081	11,784	6	0	15,872	-6,143	9,728	-1,170	-4,081	4,477
SAEO	159	28	0	0	187	0	187	-807	-159	-778
Homelessness Services	510	3,015	0	0	3,525	-3,015	510	0	-510	0
Sub-total Community Services	5,672	19,882	346	0	25,901	-14,553	11,348	-1,977	-5,672	3,699
Indirect allocation levy related deficit	0	0	0	0	0	0	0	1,085	0	1,085
<b>Total Levy Supported</b>	<b>18,271</b>	<b>29,965</b>	<b>9,847</b>	<b>-4,594</b>	<b>53,489</b>	<b>-16,754</b>	<b>36,735</b>	<b>-11,395</b>	<b>-18,271</b>	<b>7,069</b>

# Summary of COVID-19 Impacts (in thousands of dollars) - continued

	Costs supported by our approved base budget	Costs incremental to base budget	Lost Revenue	Cost savings	Total Gross Cost	Confirmed Funding Matched to Expenses	Net Cost to Region	Strategic & Other Mitigations	Costs supported by our base budget	Net Deficit/ (Surplus)
Waste Management	49	145	883	-361	717	0	717	-667	-49	0
Water/Wastewater	147	264	936	-248	1,099	0	1,099	694	-147	1,646
Indirect allocation rate related surplus	0	0	0	0	0	0	0	-1,085	0	-1,085
<b>Total Rate Supported</b>	<b>197</b>	<b>409</b>	<b>1,819</b>	<b>-609</b>	<b>1,816</b>	<b>0</b>	<b>1,816</b>	<b>-1,058</b>	<b>-197</b>	<b>561</b>
<b>Total</b>	<b>\$18,467</b>	<b>\$30,374</b>	<b>\$11,667</b>	<b>-\$5,203</b>	<b>\$55,305</b>	<b>-\$16,754</b>	<b>\$38,551</b>	<b>-\$12,453</b>	<b>-\$18,467</b>	<b>\$7,630</b>

# Departmental Variance Analysis Comments – (in thousands dollars)

## General Government

The General Government department consists of Taxation revenue and costs associated with Property Assessment Services which are provided by the Municipal Property Assessment Corporation (MPAC), investment income on investments held with different institutions (see investment report for further details), economic incentives and other support grants, such as contributions to the Niagara Health System's new cancer centre as well as grants related to development charges, the Smarter Niagara Incentive Program and Canada Summer Games. General Government is also responsible for managing the Region's capital financing sources such as capital levy reserve contributions and debt charges.

General Government is forecasting a surplus before indirect allocations of \$2,216 at the end of the year. The main drivers of the year-end position are:

- Decrease in estimated claims accrual related to insured, uninsured and construction contract claims against the Niagara Region. The favourable forecasted variance of \$1,728 is primarily due to the expected reduction in the claims accrual due to a significant estimate moving to final claim payment, which is reflected in Corporate Services' legal department.
- Decrease in grant uptake and deferred developments in 2020 for planning and economic development grants, such as the Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG), Public Realm Incentive Program (PRIP) and Gateway tax increment grants of \$1,244.
- Decrease in development charge grant applications of \$1,120.

These surpluses are offset by:

- Decrease in supplemental tax revenues of \$1,035, which is attributable to lower than budgeted growth for Niagara in 2020.
- Decrease in investment income of \$1,034, which is attributable to lower interest income. Interest income was impacted by lower rates as well as a reduced investment portfolio as a result of maintaining higher cash on hand.

## Corporate Administration

Corporate Administration includes the Chief Administrative Officer's Office, Corporate Strategy & Innovation, Human Resources and Clerks whose main focus is the general management and support of the other Regional departments. Economic Development is also a part of Corporate Administration and supports the Niagara Region and business communities to compete successfully in Niagara, Ontario and on a global scale.

Corporate Administration is forecasting a surplus before indirect allocations of \$3,201 at the end of the year. The main drivers of the year-end position are:

- Staffing vacancies largely driven by a pandemic related hold on recruitment for roles within the newly established Corporate Strategy & Innovation team of \$846
- Payroll-related costs for the corporation are forecasted to be lower than budgeted by \$828, which have been included in Corporate Administration for forecasting purposes. In future quarters, this will be reflected in the appropriate operating departments.
- Due to COVID-19 pandemic-related closures and restrictions, corporate health & dental benefit claims are forecasted to be lower than budgeted by \$1,589.

# Departmental Variance Analysis Comments – (in thousands of dollars) - continued

## Governance

Governance consists of the Members of Council and the Office of the Regional Chair who provide the overall political leadership of the organization.

Governance is forecasting a surplus before indirect allocations of \$178 at the end of the year. The main drivers of the year-end position are:

- Staffing vacancy within the Chair's Office, implementation of a new salary increase methodology for councillors and a declined salary increase for the Regional Chair of \$77.
- Lower than anticipated travel, meals, mileage and registration fees as a result of the COVID-19 pandemic and related restrictions on travel and conferences of \$101.

## Corporate Services

Corporate Services department is responsible for Financial Management & Planning, Legal Services, Purchasing, Information Technology Solutions, Internal Audit and Construction, Energy & Facilities.

Corporate Services is forecasting a deficit before indirect allocations of \$5,399 at the end of the year. The main drivers of the year-end position are:

- Higher than budgeted claims payouts and related costs of \$6,187. Some of these actual claims payouts offset with amounts previously accrued in general government.
- Lower than anticipated business licensing fee revenue of \$406.

These deficits are offset by:

- Staffing vacancies largely driven by a pandemic-related hold on recruitment of \$1,043.
- Decrease in consulting costs of \$855.

## Court Services

Court Services is responsible for overseeing the Provincial Offences Court on behalf of the Niagara Region and the 12 Local Area Municipalities in the areas of Administration, Collections and Prosecutions.

Court Services is forecasting a deficit before indirect allocations of \$935 at the end of the year. The main drivers of the year-end position are:

- Lower than budgeted infraction revenue collections of \$2,577 due to reduced ticket volumes and temporary closure of the courthouse to the public and adjournment of in-person court proceedings as a result of the COVID-19 pandemic.

This deficit is offset by:

- Staffing vacancies largely driven by a pandemic-related hold on recruitment and voluntary leaves of absence of \$278.
- Decreased costs for adjudication and Part III prosecution related to the adjournment of in-person court proceedings, as well as a reduction in Victim Fine Surcharges due to reduced ticket volumes and fine payments received of \$527.
- Decrease in payments to other POA courts for fines collected on their behalf of \$140, which is offset in the reduced infraction revenues noted above.
- Reduction in distribution of 50% of net revenues paid to the local area municipalities of \$705, which is reflective of the overall decrease in forecasted net revenue.

# Departmental Variance Analysis Comments – (in thousands of dollars) - continued

## Planning

Planning & Development provides land use planning and development review, including natural heritage, urban design, growth management policy and implementation services, capacity planning, water and wastewater master planning, development engineering, development agreements and growth infrastructure planning. The department also provides services related to Part 8 of the Ontario Building Code (private sewage systems) to nine of the twelve local area municipalities.

Planning & Development is forecasting a surplus before indirect allocations of \$399 at the end of the year. The main drivers of the year-end position are:

- Staffing vacancies largely driven by a pandemic-related hold on recruitment and difficulty in recruiting senior professional positions of \$533.
- Decrease in consulting costs, net of reduced development charge revenue and transfers allocated to fund consulting expenditures of \$189.

These surpluses are offset by:

- A decrease in by-law charges & sales due to lower than anticipated application volumes within development planning as a direct result of the COVID-19 pandemic of \$343.

## Niagara Regional Housing

Acting as Service Manager on behalf of Niagara Region, Niagara Regional Housing (NRH) is responsible for Community, Social, Public & Affordable Housing within the context of an ever-increasing wait list and clients struggling through negative effects of poverty.

NRH is forecasting a surplus before indirect allocations of \$852 at the end of the year. The main drivers of the year-end position are:

- Staffing vacancies largely driven by a pandemic-related hold on recruitment of \$94.
- Health and dental benefit surplus due to COVID-19 pandemic-related closures and restrictions of \$113.
- Higher than budgeted investment income from the timing of transfers between Region and NRH bank accounts and rental revenues for NRH-owned units of \$234.
- Natural gas savings of \$200.

## Niagara Regional Police Services

Established on January 1st, 1971, the Niagara Regional Police Service (NRPS) is the oldest regional police service in Ontario. In an area of 1,863 square kilometers, the Niagara Regional Police Service patrols one of Ontario's largest geographic Regions. The Niagara Regional Police is comprised of highly trained and motivated individuals dedicated to serving and protecting residents and visitors within the Regional Municipality of Niagara.

NRPS is forecasting a deficit before indirect allocations of \$920 at the end of the year. The main drivers of the year-end position are:

- Decrease in by-law charges and sales of \$3,383 driven in part by the closure of the casinos.

This deficit is offset by:

- Staffing vacancies largely driven by delays in filling uniform vacant positions from retirements, terminations and other absences of \$2,226.

# Departmental Variance Analysis Comments – (in thousands of dollars) - continued

## Public Works Levy

Public Works is responsible for: all roads maintenance activities with the Region's right-of-way, the design and layout of traffic signals, illumination, signs, and pavement markings, the design and construction of the Regional road network, and transportation planning and modelling activities such as traffic studies and analytics, environmental assessments, data collection and analysis, and safety initiatives.

Public Works is forecasting a surplus before indirect allocations of \$4,056 at the end of the year. The main drivers of the year-end position are:

- Savings in Niagara Regional Transit (NRT) and Niagara Specialized Transit (NST) of \$5,602 due to reduced transit services costs as a result of COVID-19 impacts causing lower ridership and schedule reductions in 2020.
- Staffing vacancies largely driven by a pandemic-related hold on recruitment and reduced overtime costs of \$1,130.
- Transportation operation savings related to lower than anticipated electricity costs of \$404 and fuel costs of \$249.

These surpluses are offset by:

- Reduced Transit fare revenues in both NRT and NST as a result of COVID-19 impacts and lower ridership of \$2,996.
- Increased transportation operation costs of \$229 for road materials.

## Public Health

Niagara Region Public Health and Emergency Services (EMS) is committed to providing public health programs and services, and an efficient response to the changing public health needs of the communities served. This commitment is demonstrated through health protection, disease prevention, health promotion and injury prevention programs. Public Health works closely with the community to improve the social and physical environments where we live, learn, work, and play so Niagara residents can reach their full health potential.

Public Health is forecasting a deficit before indirect allocations of \$5,934 at the end of the year. The main drivers of the year-end position are:

- Incremental staffing costs and banked overtime required in response to the COVID-19 pandemic of \$5,206.
- Increased personal protective equipment costs of \$525 to support front line staff in responding to the COVID-19 pandemic.
- Increased EMS Workplace Safety Insurance Board (WSIB) costs of \$447.

## Community Services

Community Services is broken down in the following divisions:

Children's Services ensures access to a coordinated diverse range of affordable quality child care and early years' services and supports for young children and families residing in Niagara, and provides operating grants to eligible service providers to support operations and staff employed in licensed child care programs.

Homelessness Services and Community Engagement support the system of homelessness services across Niagara, working with service providers to address the needs of Niagara's most vulnerable residents, provides emergency social services in times of crisis and helps to coordinate and deliver the Region's 10-year Housing and Homelessness Action Plan.

Seniors Services provides high quality, compassionate care to our residents through a range of integrated programs and partnerships, including a range of community programs (wellness, outreach and residential) and the operation of eight long-term care homes for people who need around-the-clock nursing and personal care.

Social Assistance and Employment Opportunities administers the Ontario Works Act and provides financial assistance and a range of employment supports and activities, in

# Departmental Variance Analysis Comments – (in thousands of dollars) - continued

partnership with community agencies, to enable participants to achieve independence through sustainable employment.

Community Services is forecasting an overall deficit before indirect allocations of \$3,699 at the end of the year. The main drivers of the year-end position are:

- Children's Services is forecasting a break-even position before indirect allocations at the end of the year due to:
  - Anticipated savings of \$254 for staffing vacancies driven by a pandemic-related hold on recruitment and \$1,241 from the clawback of wage enhancement funding from the provincial closure of licensed child care centres.
  - Savings are offset by reduced wage enhancement funding to be received during the closure period of \$1,000 and reduced parental fees during the emergency order period of \$583.
- Homelessness Services and Community Engagement is forecasting a break-even position before indirect allocations at the end of the year due to:
  - Incremental staffing and overtime costs of \$443 and additional agency support for staffing, supply costs and cleaning services of \$2,352 required at the COVID self-isolation centre and in support of other programs during the COVID-19 pandemic.
  - Incremental costs above are offset by confirmed provincial and federal funding of \$2,857 specific to supporting incremental costs related to homelessness during the COVID-19 pandemic.
- Seniors Services is forecasting a deficit before indirect allocations of \$4,477 at the end of the year due to:
  - Incremental staffing costs related to additional hours, overtime and pandemic pay in the long-term care homes of \$5,474 due to increased workload resulting from the COVID-19 pandemic.
  - Incremental pandemic-related costs for increased usage of medical supplies, personal protective equipment, disposable kitchen supplies, housekeeping supplies, support for the screening of staff and equipment in the long-term care homes of \$2,665.
  - Incremental costs above are partially offset by confirmed provincial funding related to the COVID-19 pandemic (Long-Term Care Emergency Funding of \$1,394, Pandemic Pay of \$1,394) and base funding increases of \$841.
- Social Assistance and Employment Opportunities is forecasting a surplus before indirect allocations of \$778 at the end of the year due to:
  - Unbudgeted COVID-19 emergency benefit provincial funding of \$1,784, primarily offset by payment of new emergency benefit to eligible recipients.
  - Staffing vacancies largely driven by a pandemic related hold on recruitment for vacant positions of \$387.

## Water and Wastewater Services

Water and Wastewater Services is responsible for the treatment and distribution of water to the Local Area Municipalities (LAMS), as well as the collection and treatment of wastewater sent by the LAMS to the Region for treatment. In addition to treatment, Water and Wastewater is responsible for the maintenance of required infrastructure, monitoring of Drinking Water Quality Management Standards, laboratory testing, environmental reporting, biosolids management, and ensuring regulatory and legislative compliance.

Water and Wastewater is forecasting a deficit after indirect allocations of \$854 at the end of the year. The main drivers of the year-end position are:

- Decline in taxation revenue of \$1,337 due to decreased water sales as a result of the COVID-19 pandemic combined with wet spring weather.

# Departmental Variance Analysis Comments – (in thousands of dollars) - continued

- Increased sludge management costs of \$843 as a result of estimated price increases in the new bio-solids contract and anticipated increased use of the centrifuge in Q4, which is more expensive than land application, while the new supplier is on-boarded.
- Increased chemical costs of \$462 due to a combination of new contract pricing and increased usage.

These deficits are offset by:

- Staffing vacancies largely driven by a pandemic-related hold on recruitment of \$774.
- Favourable variance of \$745 in the allocation of business support costs.

## Waste Management

Waste Management Services (WMS) is responsible for the planning, policy development and operations of residential and commercial waste management services and programs, including the delivery of curbside waste, recycling and organics collection and diversion programs, the management of long-term organics processing and supporting outreach and communications programs. WMS is also responsible for overseeing two regional landfills, a Recycling Centre, three household hazardous waste depots, four material drop-off depots, and twelve closed landfill sites and disposal contracts.

Waste Management is forecasting a surplus after indirect allocations of \$293 at the end of the year. The main drivers of the year-end position are:

- Lower than anticipated market revenues received from the sale of recyclable commodities of \$540.
- Reduced tipping fee revenue of \$157 due to limiting non-essential trips to the residential drop-off depots and the waiving of tipping fees for large household items at the landfill sites, as well as reduced commercial shredding and recycling revenue due to business closures of \$55 as a result of the COVID-19 pandemic.

These deficits are offset by:

- Staffing vacancies largely driven by a pandemic related hold on recruitment for role of \$181.
- Reduced labour costs anticipated for the material recovery facility of \$200 as a result of the pandemic.
- Lower than anticipated environmental monitoring costs of \$155 and collection contract cost adjustments and liquidated damages of \$130.
- Higher than budgeted garbage bag tag sales revenue of \$83.

# Operating Budget Amendments & Adjustment Summary (in thousands of dollars)

The following identifies all budget amendments & adjustments as per Budget Control Policy 2017-63.

Original Budget Revenue & Expenditures		\$1,015,216
Corporate	\$16,377	To record the 2019 Encumbrance budget adjustment as detailed in the 2019 Year-End Results & Transfer report (CSD 15-2020).
Corporate Administration	\$(55)	To record the termination of federal grant funding that supported the Niagara Development Corridor Partnership Inc. (NDCPi)
General Government	\$178	To utilize 2019 Smarter Niagara Incentive Program (SNIP) surplus to fund the 2020 SNIP as per the 2019 Year-End Results & Transfer report (CSD 15-2020).
Community Services	\$157	To record one-time funding and related expenditures for the extension of Homelessness contracts provided by the Community Homelessness Prevention Initiative.
Planning and Development	\$612	To utilize 2019 unused development charge funding and related expenditures for the Regional Official Plan as per the 2019 Year-End Results & Transfer report (CSD 15-2020).
Public Health and Emergency Services	\$7	To record one-time funding from the Local Health Integrated Network to support expenditures for Community Paramedicine remote patient monitoring.
Wastewater	\$5,286	To record unused development charge funding and related expenditures for the Combined Sewer Overflow program from 2019 in relation to the 2019 Year-End Results & Transfer report (CSD 15-2020).
Niagara Regional Housing	\$250	To utilize 2019 Niagara Regional Housing surplus to fund the Affordable Housing Master Plan to be completed in 2020 as per the 2019 Year-End Results & Transfer report (CSD 15-2020).
Niagara Regional Police Service	\$98	To record funding and related expenditures from the Province of Ontario related to the purchase of equipment and software.
<b>Total Budget Adjustment</b>		<b>\$22,910</b>
<b>December 31, 2020 Adjusted Budget</b>		<b>\$1,038,126</b>

## Reserve Summary (in thousands of dollars)

Reserves are an important tool to assist in financial management and planning of a municipality. Prudent use of reserves help mitigate fluctuations in taxation and rate requirements and assist in funding capital projects. Reserves are governed by the Region's Reserve and Reserve Fund Policy C-F-013.

At June 30, 2020 the Region's consolidated and uncommitted reserve balance (excluding commitments made with the 2021 approved budget) was \$179,986 (\$245,612 at December 31, 2019). The ratio of debt to reserves is an important marker of fiscal sustainability. A ratio of less than 1 shows that if revenues were to decline, the Region would have other resources to meet its obligations. Conversely, if the ratio is greater than 1, it can indicate vulnerability to economic downturns. The Region's debt to reserve ratio, including unissued debt and known reserve commitments is 3.44 (2.07 at December 31, 2019).

Description	Balances at December 31, 2019	Year to Date Transfers from Operating	Year to Date Transfers to Operating	Year to Date Net Transfers from/(to) Capital	Interest	Balance at June 30, 2020	Forecasted Transfers from Operating	Forecasted Transfers to Operating	Forecasted Interest	Capital Commitments to Uninitiated Projects	Balances Available at December 31, 2020
Wastewater Capital	\$41,575	\$10,481	\$0	-\$44,714	\$112	\$7,454	\$10,481	\$0	\$450	-\$6,660	\$11,725
Water Capital	\$78,813	\$9,893	\$0	-\$30,810	\$308	\$58,204	\$9,893	\$0	\$1,010	-\$6,660	\$62,447
Waste Management	\$15,770	\$1,262	\$0	-\$8,250	\$55	\$8,837	\$1,262	\$0	\$226	-\$9,002	\$1,323
General Capital Levy	\$15,680	\$20,740	-\$1,106	-\$28,373	\$0	\$6,941	\$2,030	-\$1,086	\$0	-\$400	\$7,485
Infrastructure Deficit	\$0	\$3,657	\$0	-\$3,657	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Court Services Facility Renewal	\$2,876	\$100	\$0	\$0	\$0	\$2,976	\$100	\$0	\$0	\$0	\$3,076
Niagara Regional Housing	\$8,228	\$770	-\$250	-\$2,944	\$0	\$5,804	\$770	\$0	\$0	\$0	\$6,574
NRH Owned Units	\$5,988	\$771	\$0	-\$2,312	\$0	\$4,447	\$771	\$0	\$0	\$0	\$5,218
NRPS Long-Term Accommodation (LTA)	\$52	\$0	-\$26	\$0	\$0	\$26	\$0	-\$26	\$0	\$0	\$0
Ontario Police Video Training Alliance	\$109	\$0	\$0	\$0	\$0	\$109	\$0	\$0	\$0	\$0	\$109
Police Capital Levy	\$561	\$1,200	\$0	-\$1,505	\$0	\$256	\$0	\$0	\$0	\$0	\$256
Police Vehicle and Equipment Replacement	\$24	\$1,500	\$0	-\$1,500	\$0	\$24	\$0	\$0	\$0	\$0	\$24
<b>Total Capital Reserves</b>	<b>\$169,676</b>	<b>\$50,374</b>	<b>-\$1,382</b>	<b>-\$124,065</b>	<b>\$475</b>	<b>\$95,078</b>	<b>\$25,307</b>	<b>-\$1,112</b>	<b>\$1,686</b>	<b>-\$22,722</b>	<b>\$98,237</b>
Wastewater Stabilization	\$1,848	\$0	-\$250	\$0	\$11	\$1,609	\$0	-\$250	\$48	\$0	\$1,407
Water Stabilization	\$2,986	\$0	\$0	\$0	\$14	\$3,000	\$0	\$0	\$55	\$0	\$3,055
Waste Management Stabilization	\$6,043	\$113	-\$802	\$0	\$25	\$5,379	\$113	-\$802	\$120	\$0	\$4,810
Encumbrance	\$16,377	\$1,436	-\$8,823	\$0	\$0	\$8,990	\$539	-\$8,990	\$0	\$0	\$539

## Reserve Summary (in thousands of dollars) - continued

Description	Balances at December 31, 2019	Year to Date Transfers from Operating	Year to Date Transfers to Operating	Year to Date Net Transfers from/(to) Capital	Interest	Balance at June 30, 2020	Forecasted Transfers from Operating	Forecasted Transfers to Operating	Forecasted Interest	Capital Commitments to Uninitiated Projects	Balances Available at December 31, 2020
Investment Income Stabilization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxpayer Relief	\$23,757	\$1,040	-\$1,914	\$0	\$0	\$22,883	\$427	-\$1,383	\$0	\$0	\$21,927
NRH Rent Supplements	\$266	\$0	-\$9	\$0	\$0	\$257	\$0	-\$9	\$0	\$0	\$248
Police Contingency	\$454	\$125	\$0	\$0	\$0	\$579	\$125	\$0	\$0	\$0	\$704
Police Services Board Contingency	\$242	\$0	\$0	\$0	\$0	\$242	\$0	\$0	\$0	\$0	\$242
<b>Total Corporate Stabilization Reserves</b>	<b>\$51,973</b>	<b>\$2,714</b>	<b>-\$11,798</b>	<b>\$0</b>	<b>\$50</b>	<b>\$42,938</b>	<b>\$1,204</b>	<b>-\$11,434</b>	<b>\$223</b>	<b>\$0</b>	<b>\$32,932</b>
Ambulance Communication	\$37	\$0	-\$18	\$0	\$0	\$19	\$0	-\$18	\$0	\$0	\$1
Circle Route Initiatives	\$1,383	\$0	\$0	\$0	\$0	\$1,383	\$0	\$0	\$0	\$0	\$1,383
<b>Total Specified Contribution Reserves</b>	<b>\$1,420</b>	<b>\$0</b>	<b>-\$18</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,402</b>	<b>\$0</b>	<b>-\$18</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,384</b>
Future Benefit Costs	\$24,695	\$0	-\$98	\$0	\$0	\$24,597	\$0	-\$98	\$0	\$0	\$24,499
Self Insurance	\$2,270	\$0	\$0	\$0	\$0	\$2,270	\$0	\$0	\$0	\$0	\$2,270
Smart Growth	\$201	\$0	\$0	\$0	\$0	\$201	\$0	\$0	\$0	\$0	\$201
Landfill Liability	\$8,205	\$693	\$0	\$888	\$38	\$9,824	\$693	\$0	\$101	\$0	\$10,618
NRH Employee future benefits	\$793	\$0	\$0	\$0	\$0	\$793	\$0	\$0	\$0	\$0	\$793
Police Accumulated Sick Leave	\$1,680	\$0	-\$125	\$0	\$0	\$1,555	\$0	-\$125	\$0	\$0	\$1,430
Police Future Benefit Cost	\$4,152	\$0	\$0	\$0	\$0	\$4,152	\$0	\$0	\$0	\$0	\$4,152
Police WSIB	\$3,270	\$100	\$0	\$0	\$0	\$3,370	\$100	\$0	\$0	\$0	\$3,470
<b>Total Future Liability Reserves</b>	<b>\$45,266</b>	<b>\$793</b>	<b>-\$223</b>	<b>\$888</b>	<b>\$38</b>	<b>\$46,762</b>	<b>\$793</b>	<b>-\$223</b>	<b>\$101</b>	<b>\$0</b>	<b>\$47,433</b>
<b>Total (Excluding Deferred Revenues)</b>	<b>\$268,335</b>	<b>\$53,881</b>	<b>-\$13,421</b>	<b>-\$123,177</b>	<b>\$563</b>	<b>\$186,181</b>	<b>\$27,304</b>	<b>-\$12,787</b>	<b>\$2,010</b>	<b>-\$22,722</b>	<b>\$179,986</b>

## Deferred Revenue Summary (in thousands of dollars)

Description	Balances at December 31, 2019	Year to Date Transfers from Revenues (Collections)	Year to Date Transfers from Revenues (DC Grants)	Year to Date Transfers to Operating	Year to Date Transfers from/(to) Capital	Interest allocation	Balance at June 30, 2020	Forecasted Transfers from Revenues	Forecasted interest	Capital Commitments *	Balance Available at December 31, 2020
Development Charges-General Government	\$1,483	\$117	\$18	-\$71	\$0	\$6	\$1,553	\$135	\$23	\$0	<b>\$1,711</b>
Development Charges-Police Services	\$2,980	\$342	\$32	\$0	-\$22	\$11	\$3,343	\$374	\$32	-\$20	<b>\$3,729</b>
Development Charges-Roads	\$56,893	\$5,696	\$529	\$0	-\$4,856	\$235	\$58,496	\$6,224	\$822	-\$58,303	<b>\$7,240</b>
Development Charges-Sewer	\$52,193	\$3,896	\$372	-\$296	-\$1,082	\$214	\$55,297	\$4,268	\$674	-\$20,001	<b>\$40,237</b>
Development Charges-Water	\$35,029	\$2,762	\$263	\$0	-\$3,761	\$135	\$34,428	\$3,025	\$440	-\$24,485	<b>\$13,408</b>
Development Charges-Emergency Medical	\$1,531	\$157	\$9	\$0	-\$8	\$6	\$1,695	\$166	\$19	-\$1,131	<b>\$749</b>
Development Charges-LT Care	\$5,727	\$1,286	\$38	\$0	-\$1,243	\$19	\$5,827	\$1,324	\$64	-\$23,654	<b>-\$16,440</b>
Development Charges-POA	\$315	\$49	\$3	\$0	\$0	\$1	\$368	\$52	\$3	-\$12	<b>\$411</b>
Development Charges-Health	\$768	\$141	\$8	\$0	\$0	\$3	\$920	\$149	\$8	\$0	<b>\$1,077</b>
Development Charges-Social Housing	\$4,370	\$1,310	\$20	\$0	-\$378	\$17	\$5,339	\$1,330	\$52	-\$15,057	<b>-\$8,337</b>
Development Charges-Waste Division	\$1,852	\$420	\$8	\$0	-\$15	\$7	\$2,272	\$428	\$21	-\$295	<b>\$2,426</b>
<b>Subtotal Development Charges</b>	<b>\$163,141</b>	<b>\$16,176</b>	<b>\$1,300</b>	<b>-\$367</b>	<b>-\$11,367</b>	<b>\$654</b>	<b>\$169,538</b>	<b>\$17,476</b>	<b>\$2,158</b>	<b>-\$142,959</b>	<b>\$46,214</b>
Federal Gas Tax	\$34,343	\$13,587	\$0	\$0	-\$9,613	\$125	\$38,442	\$0	\$175	-\$37,040	<b>\$1,577</b>
Provincial Gas Tax	\$658	\$0	\$0	-\$52	\$0	\$2	\$608	\$642	\$22	\$0	<b>\$1,272</b>
<b>Subtotal Gas Tax</b>	<b>\$35,001</b>	<b>\$13,587</b>	<b>\$0</b>	<b>-\$52</b>	<b>-\$9,613</b>	<b>\$128</b>	<b>\$39,050</b>	<b>\$642</b>	<b>\$197</b>	<b>-\$37,040</b>	<b>\$2,849</b>
<b>Total</b>	<b>\$198,142</b>	<b>\$29,764</b>	<b>\$1,300</b>	<b>-\$420</b>	<b>-\$20,980</b>	<b>\$782</b>	<b>\$208,588</b>	<b>\$18,118</b>	<b>\$2,355</b>	<b>-\$179,999</b>	<b>\$49,063</b>

\* The capital commitments included represent all approved capital project expenditures budgeted to be funded by development charges and/or federal/provincial gas tax. Each quarter and/or year end a review of the status of the respective capital projects is completed and revenue earned is allocated accordingly.

## Deferred Revenue Summary (in thousands of dollars) - continued

### Summary of All Mandatory and Discretionary Grants, per Regional Development Charge Bylaw (2020)

Grant Category	Year to Date Actuals		Total Year to Date Actuals	Q3-Q4 Forecast	Annual Forecast	Annual Budget	Annual Budget vs. Forecast Variance
	Q1	Q2					
Other Economic Incentives:							
50% Industrial - (M)	-\$8	\$57	\$49				
Brownfield - (D) <sup>2</sup>	\$0	\$0	\$0				
Smart Growth Niagara - (D)	\$0	\$0	\$0				
Long-Term Care Facility - (D)	\$0	\$0	\$0				
Board of Education - (D)	\$0	\$0	\$0				
NRH - (D)	\$0	\$706	\$706				
Parking garage - (D)	\$0	\$188	\$188				
Agriculture - (D)	\$0	\$0	\$0				
Place of Worship - (D)	\$0	\$0	\$0				
Intensification RDC Reductions - (M)	\$0	\$0	\$0				
Hotels/Motels - (D)	\$0	\$7	\$7				
Other (D)	\$85	\$0	\$85				
<b>Subtotal - Other Economic Incentives</b>	<b>\$77</b>	<b>\$959</b>	<b>\$1,036</b>	<b>\$4,248</b>	<b>\$5,284</b>	<b>\$5,668</b>	<b>\$384</b>
<b>Non-Profit - (D)<sup>1</sup></b>	<b>\$119</b>	<b>\$31</b>	<b>\$150</b>	<b>\$0</b>	<b>\$150</b>	<b>\$150</b>	<b>\$0</b>
<b>Industrial and Gateway - (D)<sup>3</sup></b>	<b>\$80</b>	<b>\$33</b>	<b>\$114</b>	<b>\$200</b>	<b>\$314</b>	<b>\$1,050</b>	<b>\$736</b>
<b>Total</b>	<b>\$276</b>	<b>\$1,023</b>	<b>\$1,300</b>	<b>\$4,448</b>	<b>\$5,748</b>	<b>\$6,868</b>	<b>\$1,120</b>

Note: (D) – Discretionary, (M) – Mandatory

\* Details on individual application can be found on the following page.

## Deferred Revenue Summary (in thousands of dollars) - continued

### Details for Application Based Regional Development Charge Grants (2020)

#### 2020 Brownfield RDC Reduction Program Applicants and Approved Amounts

Address	Application Date	Development Description	Municipality	Approved Eligible Costs	Grants Paid to Date	Grants Paid 2020
Grants Application Prior to 2020 <sup>1,2</sup>				\$29,221	\$2,090	\$0
2020 Applications:						
Nil				\$0	\$0	\$0
<b>Total</b>				<b>\$29,221</b>	<b>\$2,090</b>	<b>\$0</b>

<sup>1</sup>Grants awarded in prior years may be paid in current or future periods depending on the timing of building permit issuance.

<sup>2</sup>Conditional grant awarded pending submission of final information from applicant.

#### 2020 Non-Profit RDC Grant Applicants and Approved Amounts

Organization	Application Date	Development Description	Municipality	Grant Requested	Grants Paid 2020
Q1-Q2 Applications:					
Community Crew	Jan 15, 2020	2 Semi-Detached Units	Welland	\$39	\$39
		Community Service Building			
St. John Ambulance	Jan 29, 2020	Addition	Niagara Falls	\$4	\$4
Habitats for Humanity	Feb 20, 2020	Single Family Detached	Niagara Falls	\$17	\$17
Habitats for Humanity	Feb 20, 2020	2 Semi-Detached Units	Welland	\$39	\$39
Habitats for Humanity	Feb 20, 2020	Single Family Detached	Port Colborne	\$20	\$20
Kidzdome	Mar 25, 2020	Expansion of Daycare Facility	Grimsby	\$39	\$31
<b>Total</b>				<b>\$158</b>	<b>\$150</b>

#### 2020 Discretionary Industrial RDC Grant Applicants and Approved Amounts

Address	Application Date	Development Description	Municipality	Grant Requested	Grants Paid 2020
Q1-Q2 Applications:					
2776 Stevensville Rd	Feb 3, 2020	Tire Refurbishment Centre	Fort Erie	\$52	\$52
133 Hanover Dr	Feb 14, 2020	Manufacturing Space	St. Catharines	\$14	\$14
424 Sobie Rd	Mar 5, 2020	Anaerobic Digestion Facility	Grimsby	\$15	\$15
1077 Niagara Street	Apr 3, 2020	Stone Countertop Manufacturing	Thorold	\$33	\$33
<b>Total</b>				<b>\$114</b>	<b>\$114</b>

## Operating Reserve Transfer Reconciliation

All transfers to and from Reserves and Reserve Funds are identified in an approved annual budget (operating or capital) unless they are inflows received in a Reserve Fund from an outside source (i.e development charges, gas tax receipts). A requirement in the Reserve and Reserve Funds Policy requires a report outlining any year to date or forecasted inflows and outflows that were not included in the Council approved annual budget. Below is a summary of transfers to and from reserve and reserve funds not approved in the initial annual budget.

Reserve Description	Year to Date Transfer (to)/from Reserves	Forecast Transfer (to)/from Reserves	Annual Forecast Transfer (to)/from Reserves	Transfer Description
<b>Council approved net operating transfers to reserves, including interest allocation to reserves</b>	<b>- \$43,912</b>	<b>- \$23,098</b>	<b>- \$67,010</b>	Council approved net operating transfers before seniors approved debt charge placeholder
Capital Levy	- \$5,620	\$0	<b>- \$5,620</b>	Transfer debt charge placeholder surplus to fund budget requirements for Seniors long-term care home redevelopment
	<b>- \$49,553</b>	<b>- \$23,098</b>	<b>- \$72,630</b>	<b>Council approved net operating transfers</b>
<u><i>Additional operating reserve transfers (to)/from reserves:</i></u>				
All Rate Reserves	\$723	- \$723	<b>\$0</b>	Interest income allocation to reserve lower than budget year-to-date due to timing of allocations (as per Reserve Policy)
2019 Encumbrances	\$8,157	\$0	<b>\$8,157</b>	2019 Encumbrances (CSD 15-2020 - Total \$16,377 less CSO encumbrances \$8,220 = \$8,157)
2019 Encumbrances	- \$327	\$8,547	<b>\$8,220</b>	2019 CSO Encumbrances (CSD 15-2020)
2019 Encumbrances	- \$443	-\$96	<b>- \$539</b>	2019 underspent encumbrances expected to be re-encumbered at the end of 2020
Capital Levy	- \$29	\$0	<b>- \$29</b>	Transfer back to reserve for unused funds - ICOPS reorganization
Capital Levy	\$0	- \$320	<b>- \$320</b>	Transfer to reserve for proceeds on sale of surplus properties (as per Procurement By-Law)
Capital Levy	\$0	- \$20	<b>- \$20</b>	Transfer back to reserve for unused funds - Drainage Assessment funding for LAMS
Capital Levy	\$0	- \$462	<b>- \$462</b>	Transfer back to reserve for unused funds - Niagara Falls and St. Catharines GO Stations not fully operational

## Operating Reserve Transfer Reconciliation (in thousands of dollars) – Continued

Reserve Description	Year to Date Transfer (to)/from Reserves	Forecast Transfer (to)/from Reserves	Annual Forecast Transfer (to)/from Reserves	Transfer Description
Niagara Regional Housing	\$250	\$0	<b>\$250</b>	Transfer from reserve - to fund the Niagara Regional Housing Affordable Housing Master Plan to be completed in 2020 as per CSD 15-2020
Taxpayer Relief	\$0	- \$80	<b>- \$80</b>	Transfer back to reserve for unused funds - Transportation Vision Zero Road Safety program implementation deferred to 2021
Taxpayer Relief	\$178	\$0	<b>\$178</b>	Transfer from reserve - to fund the 2020 SNIP program as directed by Council at December 5, 2019 BRCOTW (CSD 15-2020)
Taxpayer Relief	\$0	- \$100	<b>- \$100</b>	Transfer back to reserve for unused funds - one-time funding for the Community Safety and Well-being plan deferred to 2021
Taxpayer Relief	\$0	- \$15	<b>- \$15</b>	Transfer back to reserve for unused funds - one-time funding for the 50th anniversary of the Niagara Region
Taxpayer Relief	\$0	- \$160	<b>- \$160</b>	Transfer back to reserve for unused funds - Niagara Airports
<b>Net operating transfers to reserves</b>	<b>- \$41,023</b>	<b>- \$16,527</b>	<b>- \$57,550</b>	

## Capital Reserve Transfer Reconciliation (in thousands of dollars)

All transfers to and from Reserves and Reserve Funds are identified in an approved annual budget (operating or capital) unless they are inflows received in a Reserve Fund from an outside source (i.e development charges, gas tax receipts). A requirement in the Reserve and Reserve Funds Policy requires a report outlining any year to date or forecasted inflows and outflows that were not included in the Council approved annual budget. Below is a summary of transfers to and from reserve and reserve funds.

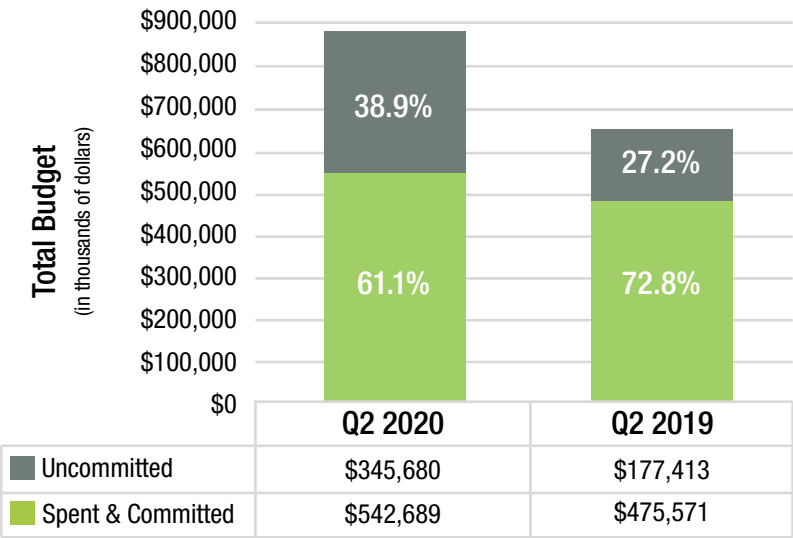
Reserve Description	Year to Date Transfer (to)/from Reserves	Forecast Transfer (to)/from Reserves	Annual Forecast Transfer (to)/from Reserves	Transfer Description
<b>Council approved net capital transfers per 2020 Budget</b>	<b>\$123,818</b>	<b>\$0</b>	<b>\$123,818</b>	Reserve Transfers to capital projects
Capital reserve transfer commitments from 2019 or prior Budget	\$0	\$22,722	<b>\$22,722</b>	2019 or prior uninitiated capital projects
<i>Q1 and Q2 additional capital reserve transfers:</i>				
NRH Owned Units	- \$6	\$0	<b>- \$6</b>	Project close out, funds returned to reserve - Grounds Capital 2017
Landfill Liability	- \$908	\$0	<b>- \$908</b>	Project close out, funds returned to reserve - Line 5 - Leachate Collection System
Landfill Liability	- \$125	\$0	<b>- \$125</b>	Budget reduction - Mountain Road Pond Expansion
Landfill Liability	- \$75	\$0	<b>- \$75</b>	Budget reduction - Glenridge Landfill Gas Collection Flaring System Decommission
NRH Owned Units	\$580	\$0	<b>\$580</b>	2019 year-end surplus transferred to reserve to fund heat control system upgrades in owned units to be completed in 2020 as per CSD 15-2020
Niagara Regional Housing	- \$107	\$0	<b>- \$107</b>	Budget adjustment resulting in reduced transfer from reserves as a result of additional Ontario Priority Housing Initiatives funding for the Hawkins Street Project received not considered in the Council approved budget.
<b>Net capital transfers</b>	<b>\$123,177</b>	<b>\$22,722</b>	<b>\$145,899</b>	

CAPITAL HIGHLIGHTS

# LEVY

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END

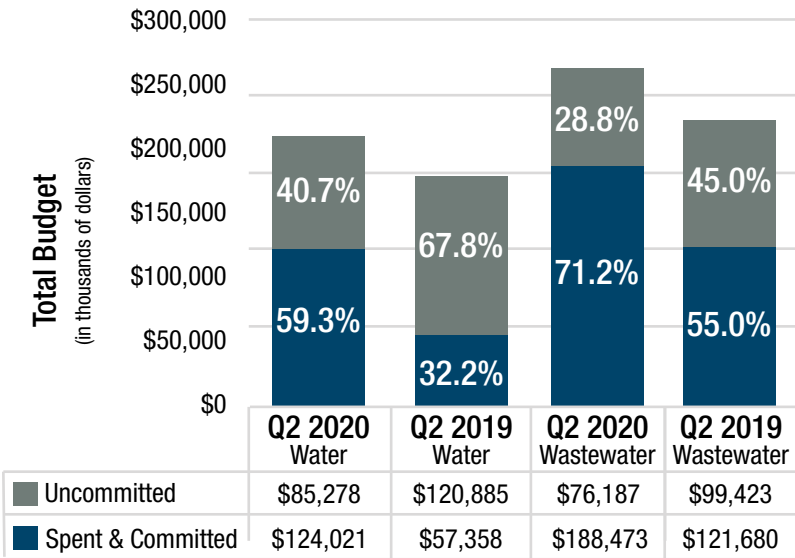
Total projects with budgets greater than \$1 million.



# WATER & WASTEWATER

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END

Total projects with budgets greater than \$1 million.

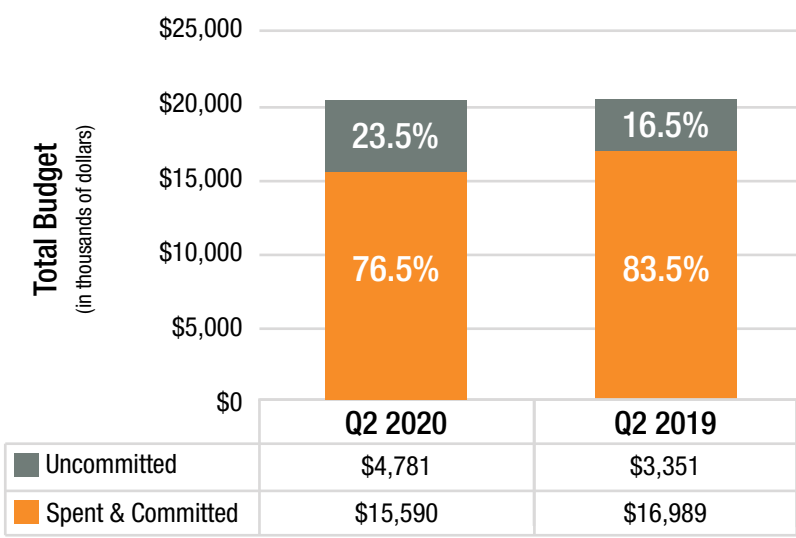


CSD 56-2020  
Appendix 1  
September 9, 2020

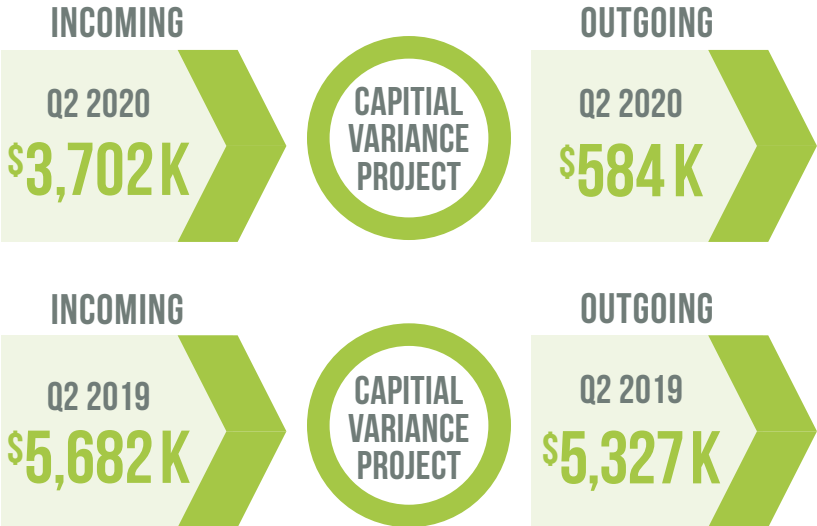
# WASTE MANAGEMENT

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END

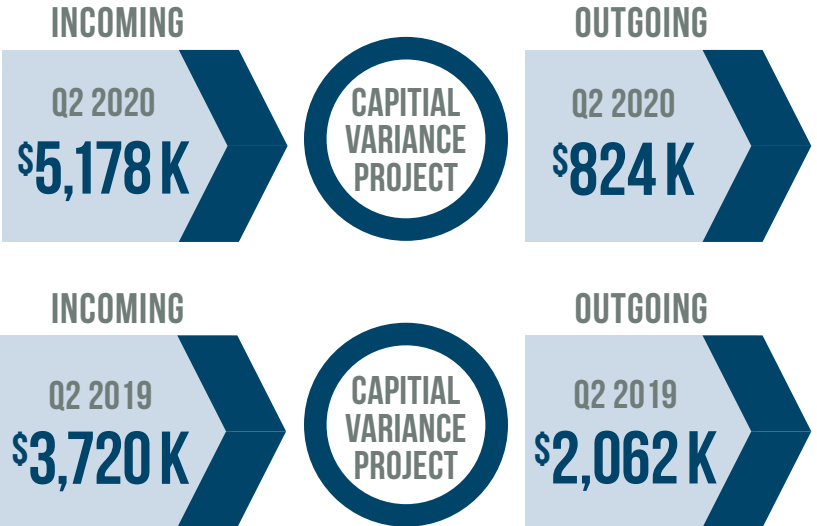
Total projects with budgets greater than \$1 million.



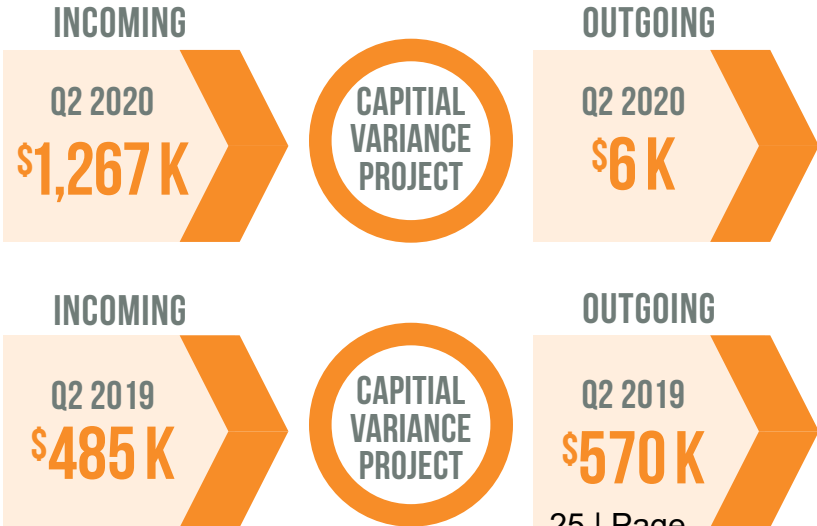
## CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



## CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



## CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



## Capital Summary (in thousands of dollars)

The Corporate Services department develops the Capital Financing Strategy and Capital Budget guidelines in co-ordination with department and board input and in alignment with Council objectives and corporate policies. The Corporate Services department is responsible for the following: preparing the consolidated capital budget and forecast based on the requests of departments and boards; coordinating capital initiations, financing, closure and budget reduction of capital projects approvals and reporting; supporting tangible capital asset accounting in accordance with the Capital Asset Management Policy; and reporting on the consolidated activity of the capital program..

The capital program represents priority projects as determined by the departments and boards and approved by Council. Following capital budget approval, projects are initiated based on department requirements and timing to complete projects. Project managers within departments and boards administer the projects and maintain the related tangible capital asset information. Project managers are accountable for monitoring the capital projects within the capital program and taking corrective action, when necessary, including both reporting on significant variances as well as taking part in the capital closure and budget reduction of capital projects process.

## Capital Program Reconciliation

The capital program managed by Niagara Region has increased by \$329,523 since Q4 2019. This increase is primarily caused by the approval of the 2020 Capital Budget (\$375,524) gross budget adjustments (\$2,686) and transfers from capital variance project (\$1,414). The increase is mitigated by projects closed (\$34,957) and budget reductions (\$15,144).

Eight capital projects of the 628 capital sub-projects, with budgets totalling approximately \$37,369 (levy \$36,224 / rate \$1,145) remain uninitiated at June 30, 2020. A summary of the levy and rate impact of Niagara Regions total capital program during the year is presented below:

Capital Program Reconciliation	Levy Programs	Rate Programs	Adjusted Program
<b>2019 Total Adjusted Program (excluding Capital Variance Projects) at December 31, 2019</b>	<b>\$754,803</b>	<b>\$466,963</b>	<b>\$1,221,766</b>
Council Approved 2020 Budget	\$270,399	\$105,125	<b>\$375,524</b>
Gross Budget Adjustment (including transfers from operating)	\$2,340	\$346	<b>\$2,686</b>
Transfer from Capital Variance Project	\$584	\$830	<b>\$1,414</b>
Budget Reductions on Active Capital Projects *	- \$5,321	- \$9,823	<b>- \$15,144</b>
Projects Closed	- \$27,952	- \$7,005	<b>- \$34,957</b>
<b>2020 Total Adjusted Program (excluding Capital Variance Projects) at July 27, 2020</b>	<b>\$994,853</b>	<b>\$556,436</b>	<b>\$1,551,289</b>

\* Budget reductions do not necessarily reflect surplus funding as not all project budgets are funded in advance.

## Capital Budget Adjustments (in thousands of dollars)

The chart below identifies the projects which have received gross budget adjustments (from external revenue sources), transfers from the capital variance project, budget reductions and transfer to operations during Q1 and Q2 2020 per the budget control policy 2017-63.

Department	Project Description	Total Budget	Gross Budget Adjustment	Transfer from Capital Variance	Budget Reduction	Treatment of Reduction	Adjusted Budget
Community Services	2018 Long Term Care Roof Replacement	\$403			- \$30	CVP - Levy	\$373
Community Services	2019 Long Term Care Roof Replacement	\$502		\$30			\$532
Corporate Services	2018 Annual Energy Conservation Program	\$807	\$42				\$849
Corporate Services	2019 Building Condition Assessments	\$100	\$25				\$125
Corporate Services	Peer St Capital Renovations	\$190		\$20			\$210
Corporate Services	HR Software Upgrade	\$300		\$25			\$325
Corporate Services	Health Facilities - Niagara Falls	\$6,069	\$950		- \$950	Funding adjustment from Debt to CVP - Levy	\$6,069
General Government	2021 Canada Summer Games*	\$23,387			- \$3,350	External Funding Contributions	\$20,037
Niagara Regional Housing	NRH - Hawkins Street Intensification	\$20,900	\$600		- \$600	Reserve-NRH \$107, DC NRH \$493	\$20,900
Niagara Regional Housing	2020 NRH Annual Building Capital	\$3,394	\$580				\$3,974
Transportation	Roads Rehabilitation RR 87 Locke St/Ann St	\$350	\$3	\$23			\$376
Transportation	2018 Annual Guide Rail Improvements	\$350		\$220			\$570
Transportation	Multi Use Path - Sir Issac Brock Way to 406	\$750	\$140		- \$15	CVP - Levy	\$875
Transportation	Traffic Signal - RR55 Niagara Stone Rd/Field Rd	\$302		\$16	- \$85	External Funding Contributions	\$233
Transportation	2020 Miscellaneous Road Construction	\$1,000			- \$275	CVP - Levy \$250, DC Roads \$25	\$725
Transportation	Structural Rehabilitation RR24 Sixteen Creek	\$200		\$250			\$450
Transportation	Capacity Improvements - Reconstruct RR49 Concession 6/Eastwest Line	\$4,350			- \$16	CVP - Levy	\$4,334
<b>All Levy Departments</b>		<b>\$63,354</b>	<b>\$2,340</b>	<b>\$584</b>	<b>- \$5,321</b>		<b>\$60,957</b>

## Capital Budget Adjustments (in thousands of dollars) – Continued

Department	Project Description	Total Budget	Gross Budget Adjustment	Transfer from Capital Variance	Budget Reduction	Treatment of Reduction	Adjusted Budget
Waste Management	Landfill - Niagara Road 12 Cell 4 Rehabilitation	\$3,455			- \$475	CVP - Waste Management	\$2,980
Waste Management	Landfill - Niagara Road 12 Pond Upgrades	\$505			- \$100	CVP - Waste Management	\$405
Waste Management	Recycling Centre - Loader Replacement	\$300		\$6			\$306
Waste Management	Niagara Road 12 & Park Road - Pump Station Upgrades	\$1,677			- \$400	CVP - Waste Management	\$1,277
Waste Management	Mountain Road Pond Expansion	\$685			- \$125	Landfill Liability Reserve	\$560
Waste Management	Glenridge Landfill Gas Collection Flaring System Decommission	\$705			- \$75	Landfill Liability Reserve	\$630
Wastewater	Sewer & Forcemain - Catherine St	\$130	\$146		- \$94	CVP - Wastewater	\$182
Wastewater	Cole Farm Sewage Pump Station Upgrade	\$265		\$97			\$362
Wastewater	Beaverdams Sewage Pump Station replacement	\$465	\$200	\$50			\$715
Wastewater	Miscellaneous Program - Centrifuge Components	\$1,560			- \$349	CVP - Wastewater	\$1,211
Wastewater	Pump Station Improvement Program - Design	\$5,470		\$241			\$5,711
Wastewater	Sewer Relining Program	\$1,300			- \$118	CVP - Wastewater	\$1,182
Wastewater	Wastewater Treatment Plant Upgrade - Port Weller	\$9,900			- \$4,000	CVP - Wastewater	\$5,900
Water	St.David's Standpipe Decommission	\$410		\$60			\$470
Water	DeCew Water Treatment Plant Intake Building	\$200		\$24			\$224
Water	St.Davids Rd Watermain Phase 2	\$1,900		\$240			\$2,140
Water	Miscellaneous Program - System Storage - Grimsby	\$26,889			- \$3,975	CVP - Water \$150, Debt \$1,155, DC Water \$2,670	\$22,914

## Capital Budget Adjustments (in thousands of dollars) – Continued

Department	Project Description	Total Budget	Gross Budget Adjustment	Transfer from Capital Variance	Budget Reduction	Treatment of Reduction	Adjusted Budget
Water	Miscellaneous Program - Pressure Booster	\$1,050		\$112	- \$112	Funding adjustment Federal and Provincial Grants not received	\$1,050
<b>All Rate Departments</b>		<b>\$56,866</b>	<b>\$346</b>	<b>\$830</b>	<b>- \$9,823</b>		<b>\$48,219</b>
Corporate Services	Roof Repair - Miscellaneous	\$325	\$280				\$605
Corporate Services	Roof Repair - Niagara Regional Police	\$280	- \$280				\$0
Corporate Services	2020 Annual Code & Legislative Compliance Program	\$100	- \$40				\$60
Corporate Services	Niagara Regional Police Headquarters Compressor	\$0	\$40				\$40
Corporate Services	Long-term Accommodations - NRPS Headquarters D1	\$18,757	\$380				\$19,136
Corporate Services	Long-term Accommodations - NRPS Headquarters D2	\$66,007	- \$380				\$65,627
Niagara Regional Police	2019 Conductive Energy Weapons Replacements Program	\$27	- \$3				\$24
Niagara Regional Police	2020 Conductive Energy Weapons Replacements Program	\$200	\$3				\$203
Niagara Regional Police	Tactical Explosive Robot	\$175	- \$2				\$173
Niagara Regional Police	Tactical Search Camera	\$26	\$2				\$28
Transportation	2019 Annual Future Roads Engineering Program	\$400	- \$250				\$150
Transportation	St Catharines GO Precinct Capital Works	\$0	\$250				\$250
<b>All inter-project</b>		<b>\$86,297</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$86,297</b>
<b>All Departments Total</b>		<b>\$206,517</b>	<b>\$2,686</b>	<b>\$1,414</b>	<b>- \$15,144</b>		<b>\$195,473</b>

\*This project includes the Region's initial planned contribution to the project being managed by the Host Society. The Canada Summer Games project is currently under review and will be consolidated into the Region's operations. The full value of the project being managed by the Region will be reflected in our Q3 financial report.

## Capital Project Closures (in thousands of dollars)

Projects are closed throughout the year. When projects are closed, surplus funds are transferred to Capital Variance Projects that have been set up in various functional areas (levy supported and water / wastewater / waste management capital projects). For projects that are not funded from the general capital levy or rate reserves, any surpluses identified through the closeout report would be returned to the specific source reserve for future use, and reported as part of year-end transfer report. The following 41 projects were closed during January 1 to July 27, 2020. Closed projects may be required to be opened to complete subsequent transactions received for invoices or accounting adjustments.

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Public Works - Levy	Road Equipment Upgrade - 2018	\$180	\$2	\$178	\$178	CVP Levy	3
Public Works - Levy	Road Equipment Upgrade - 2017	\$200	\$82	\$118	\$118	CVP Levy	4
Public Works - Levy	Intersection Improvement - Webber Road @ Clare Ave	\$250	\$3	\$247	\$0	CVP Levy	3
Public Works - Levy	Survey Equipment Replacement - 2018	\$88	\$73	\$15	\$15	CVP Levy	3
Public Works - Levy	Intersection Improvement - RR3 @ Municipal Drive	\$160	\$0	\$160	\$0	CVP Levy	Uninitiated
Public Works - Levy	Guide Rail at Beaver Creek Bridge	\$280	\$147	\$133	\$133	CVP Levy	4
Public Works - Levy	Annual - Development Projects - 2019	\$974	\$0	\$974	\$0	CVP Levy	Uninitiated
Public Works - Levy	Intersection Improvement - RR50 Glenridge @ John MacDonnell	\$255	\$231	\$24	\$24	CVP Levy	1
Public Works - Levy	Roads Facility Program - Patrol Yard Improvement - 2018	\$1,000	\$0	\$1,000	\$1,000	CVP Levy	3
Public Works - Levy	Intersection Improvement - RR12 Mountain St @ RR81 Main St	\$200	\$187	\$13	\$11	CVP Levy	2
Public Works - Levy	Intersection Improvement - RR24 Victoria Ave @ South Service Road	\$180	\$175	\$5	\$5	CVP Levy	2
Public Works - Levy	Ford Escape Unit #595	\$40	\$28	\$12	\$12	CVP Levy	2
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #190	\$55	\$55	\$0	\$0	CVP Levy	1
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #192	\$55	\$54	\$1	\$1	CVP Levy	1
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #191	\$55	\$54	\$1	\$1	CVP Levy	1
Public Works - Levy	Roads Resurfacing - 2016	\$7,541	\$7,260	\$281	\$281	CVP Levy	4
Public Works - Levy	Highway 20 Emergency Bridge Repairs	\$300	\$289	\$11	\$11	CVP Levy	1
Public Works - Levy	Intersection Improvement - RR55 Niagara Stone Rd @ Field Rd	\$233	\$232	\$1	\$1	CVP Levy	2
Public Works - Levy	Intersection Signal Upgrade Program - 2018	\$606	\$602	\$4	\$4	CVP Levy	2
Public Works - Levy	Intersection Improvement - RR124 Central Ave @ Wintemute St	\$300	\$183	\$117	\$117	CVP Levy	3

## Capital Project Closures (in thousands of dollars) - Continued

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Corporate Services	Printing Press	\$40	\$26	\$14	\$14	CVP Levy	2
Corporate Services	Miscellaneous Levy Properties - 2019	\$100	\$0	\$100	\$100	CVP Levy	2
Corporate Services	Tobacco Control Vehicle	\$35	\$0	\$35	\$35	CVP Levy	5
Corporate Services	Emergency Medical Services HVAC Upgrade	\$50	\$31	\$19	\$19	CVP Levy	7
Corporate Services	Financial Management System	\$12,640	\$12,469	\$171	\$171	CVP Levy	7
Corporate Services	Emergency Medical Services - Laptops and Software	\$696	\$609	\$87	\$87	CVP Levy	3
Corporate Services	Niagara Regional Police Welland Building Foundation	\$30	\$24	\$6	\$6	CVP Levy	1
Corporate Services	Niagara Regional Police Headquarters Compressor	\$30	\$25	\$5	\$5	CVP Levy	1
Corporate Services	Niagara Regional Police Services Elevator	\$30	\$26	\$4	\$4	CVP Levy	2
Community Services	Long Term Care Home Capital Improvements - 2017	\$296	\$251	\$45	\$45	CVP Levy	4
Niagara Regional Housing	Grounds Capital - 2017	\$1,053	\$1,047	\$6	\$6	NRH Owned Units	3
<b>Total Levy Reporting Projects Closed and Removed from Project Listing</b>		<b>\$27,952</b>	<b>\$24,165</b>	<b>\$3,787</b>	<b>\$2,406</b>		
Waste Management	Bridge St - Reuse Centre	\$180	\$0	\$180	\$67	CVP WMT	3
Waste Management	Annual - Miscellaneous Enhancements and Replacements	\$150	\$150	\$0	\$0	CVP WMT	4
Waste Management	Annual - Property Acquisition - 2019	\$110	\$0	\$110	\$110	CVP WMT	2
Waste Management	Line 5 - Leachate Collection System	\$1,020	\$2	\$1,018	\$1,018	CVP WMT \$110, Landfill Liability Reserve \$908	3
Waste Management	Recycling Centre - Facility Improvements	\$470	\$465	\$5	\$5	CVP WMT	9
<b>Total Waste Management Projects Closed and Removed from Project Listing</b>		<b>\$1,930</b>	<b>\$617</b>	<b>\$1,313</b>	<b>\$1,200</b>		
Wastewater	Wastewater Treatment Plant Upgrade - Niagara Falls Tank	\$380	\$346	\$34	\$34	CVP SEW	5
Wastewater	Wastewater Treatment Plant Digester/Sludge Management - 2013 Program	\$1,000	\$932	\$68	\$68	CVP SEW	7
Wastewater	Sewer & Forcemain Program - Oaks Park Trunk	\$2,145	\$1,950	\$195	\$162	CVP SEW	5
<b>Total Wastewater Projects Closed and Removed from Project Listing</b>		<b>\$3,525</b>	<b>\$3,228</b>	<b>\$297</b>	<b>\$264</b>		
Water Works	Sewer & Forcemain Program - Hansler Trunk	\$700	\$450	\$250	\$0	CVP WAT	5
Water Works	Decommissioning Queenston Reservoir	\$850	\$647	\$203	\$203	CVP WAT	6

Capital Project Closures (in thousands of dollars) - Continued

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Total Water Projects Closed and Removed from Project Listing		\$1,550	\$1,097	\$453	\$203		
Total Rate Projects Closed and Removed from Project Listing		\$7,005	\$4,942	\$2,063	\$1,667		
Total Projects Closed		\$34,957	\$29,107	\$5,850	\$4,073		

## Capital Project Closed by Adjustment (in thousands of dollars)

Closed projects may be required to be opened to complete subsequent transactions received for invoices or accounting adjustments.

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Public Works - Levy	Equipment Replacement Upgrades	\$820	\$669	\$151	\$41	CV Levy	9
<b>Closed Capital Project Adjustments</b>		<b>\$820</b>	<b>\$669</b>	<b>\$151</b>	<b>\$41</b>		

Adjustment processed subsequent to project closure for reversal of a holdback.

## Capital Project Summary (in thousands of dollars)

Once a project is initiated, multiple projects may be set up to manage the overall project. Illustrated below is the \$1,551,289 capital budget managed by Niagara Region, representing 628 sub-projects, total capital spending including commitments to date of \$934,314 and budget remaining of \$616,975, after commitments.

This chart represents (in aggregate), currently active and uninitiated projects managed by Niagara Region. Capital project detail for 196 projects with budgets greater than \$1 million are discussed on subsequent pages.

Departments and Boards with projects with budgets greater than \$1 million	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed
Community Services	\$1,026	\$543	\$483	52.9%
Corporate Services	\$317,389	\$137,376	\$180,013	43.3%
Niagara Regional Housing	\$68,131	\$38,338	\$29,793	56.3%
Niagara Regional Police Services Board	\$29,885	\$27,241	\$2,644	91.2%
Planning	\$3,294	\$3,279	\$15	99.5%
Public Health	\$8,164	\$6,714	\$1,450	82.2%
Public Works - Levy	\$460,480	\$329,198	\$131,282	71.5%
Waste Management	\$20,371	\$15,590	\$4,781	76.5%
Wastewater	\$264,660	\$188,473	\$76,187	71.2%
Water Works	\$209,299	\$124,021	\$85,278	59.3%
Active projects with budgets greater than \$1 million	\$1,382,699	\$870,773	\$511,926	63.0%
Uninitiated projects with budgets greater than \$1 million	\$36,869	\$0	\$36,869	0.0%
Total projects with budgets greater than \$1 million	\$1,419,568	\$870,773	\$548,795	61.3%
Active projects with budgets less than \$1 million	\$131,221	\$63,541	\$67,680	48.4%
Uninitiated projects with budgets less than \$1 million	\$500	\$0	\$500	0.0%
<b>Total Capital Projects</b>	<b>\$1,551,289</b>	<b>\$934,314</b>	<b>\$616,975</b>	<b>60.2%</b>

## Capital Project Forecast (in thousands of dollars)

A detailed analysis of capital sub-projects with budgets greater than \$1 million is presented below. There are a total of 196 projects totaling \$1,419,568 of adjusted capital budget. Project spending to date including commitments on these sub-projects amounts to \$870,773, representing 61.3 per cent of the adjusted capital budget on these active and uninitiated sub-projects.

When a surplus exists at the end of a project, the surplus funds will be transferred back to the respective Capital Variance Project (CVP). Projects forecasting a deficit will require additional funding. Project-to-date funding requests up to \$250 can be made through a CVP request at the discretion of the Commissioner of the department and the Treasurer. Requests in excess of \$250 will be made through Council.

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Annual - Capital Improvement - 2018 *		\$1,026	\$543	\$483	52.9%	\$236	\$106	\$0	\$198	2021
<b>Total Community Services</b>		<b>\$1,026</b>	<b>\$543</b>	<b>\$483</b>	<b>52.9%</b>	<b>\$236</b>	<b>\$106</b>	<b>\$0</b>	<b>\$198</b>	
2021 Canada Summer Games		\$20,037	\$13,687	\$6,350	68.3%	\$3,000	\$3,350	\$0	\$0	2021
911 Backup Rationalization - 2020		\$1,000	\$189	\$811	18.9%	\$685	\$300	\$0	\$0	2021
Asset Replacement - 2018		\$3,147	\$2,680	\$467	85.2%	\$85	\$402	\$0	\$0	2021
Asset Replacement - 2019		\$2,288	\$1,907	\$381	83.3%	\$675	\$0	\$0	\$0	2020
Asset Replacement - 2020		\$1,035	\$578	\$457	55.9%	\$950	\$0	\$0	\$0	2020
St. Catharines Child Care Addition		\$1,675	\$1,642	\$33	98.0%	\$159	\$0	\$0	\$0	2020
Court Facilities Welland *		\$12,490	\$12,356	\$134	98.9%	\$131	\$0	\$0	\$288	2020
Customer Service Strategic Priority		\$1,685	\$165	\$1,520	9.8%	\$10	\$250	\$1,260	\$0	2024
Emergency Medical Services Central Hub	Uninitiated	\$3,895	\$0	\$3,895	0.0%	\$0	\$3,895	\$0	\$0	2021
Emergency Medical Services Facility Welland		\$1,100	\$361	\$739	32.8%	\$39	\$712	\$0	\$0	2021
Environmental Centre Expansion		\$2,000	\$145	\$1,855	7.2%	\$0	\$1,000	\$862	\$0	2022

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Environmental Centre Expansion	Uninitiated	\$21,177	\$0	\$21,177	0.0%	\$0	\$2,000	\$19,177	\$0	2022
Expansion of Social Housing Units (Alternative Service Delivery Model)		\$1,750	\$0	\$1,750	0.0%	\$0	\$1,750	\$0	\$0	2021
Health Facilities - Niagara Falls *		\$6,069	\$5,918	\$151	97.5%	\$100	\$0	\$0	\$52	2020
Long-term Accommodations - NRPS D1		\$20,496	\$19,642	\$854	95.8%	\$6,564	\$840	\$0	\$0	2021
Long-term Accommodations - NRPS Headquarters D2		\$65,627	\$65,624	\$3	100.0%	\$348	\$0	\$0	\$0	2020
Long-term Care Home Redevelopment - 2015		\$73,000	\$10,284	\$62,716	14.1%	\$1,188	\$3,214	\$61,237	\$0	2023
Redevelopment of Linhaven Long Term Care Home - 2020		\$102,000	\$347	\$101,653	0.3%	\$3,272	\$15,456	\$83,195	\$0	2023
Regional Headquarters Generator Replacement		\$1,990	\$1,851	\$139	93.0%	\$139	\$0	\$0	\$0	2020
<b>Total Corporate Services</b>		<b>\$342,461</b>	<b>\$137,376</b>	<b>\$205,085</b>	<b>40.1%</b>	<b>\$17,345</b>	<b>\$33,169</b>	<b>\$165,731</b>	<b>\$340</b>	
Building Capital - 2018		\$4,673	\$4,647	\$26	99.5%	\$390	\$0	\$0	\$0	2020
Building Capital - 2019		\$5,536	\$5,486	\$50	99.1%	\$1,404	\$0	\$0	\$0	2020
Building Capital - 2020		\$3,974	\$747	\$3,227	18.8%	\$2,491	\$1,000	\$0	\$0	2021
Expansion, Roach Avenue, Welland *		\$2,758	\$2,705	\$53	98.1%	\$0	\$0	\$0	\$57	2020
Expansion, Thorold		\$1,101	\$989	\$112	89.8%	\$112	\$0	\$0	\$0	2020
Grounds Capital - 2020		\$1,010	\$0	\$1,010	0.0%	\$1,010	\$0	\$0	\$0	2020
Muli-Residential Intensification - Niagara Falls - 2018		\$20,900	\$1,104	\$19,796	5.3%	\$5,000	\$14,938	\$0	\$0	2021

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
New Build, Carlton Street, St. Catharines *		\$15,070	\$15,057	\$13	99.9%	\$0	\$0	\$0	\$110	2020
Social Housing Assistance Improvement Program - 2018		\$2,683	\$2,523	\$160	94.0%	\$164	\$0	\$0	\$0	2020
Unit Capital - 2018		\$1,600	\$1,257	\$343	78.6%	\$355	\$0	\$0	\$0	2020
Unit Capital - 2019		\$5,355	\$3,719	\$1,636	69.4%	\$886	\$1,636	\$0	\$0	2021
Unit Capital - 2020		\$3,471	\$104	\$3,367	3.0%	\$0	\$3,430	\$0	\$0	2021
<b>Total Niagara Regional Housing</b>		<b>\$68,131</b>	<b>\$38,338</b>	<b>\$29,793</b>	<b>56.3%</b>	<b>\$11,812</b>	<b>\$21,004</b>	<b>\$0</b>	<b>\$167</b>	
Communications Unit Back-up		\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2021
Communications Unit Back-up	Uninitiated	\$1,250	\$0	\$1,250	0.0%	\$0	\$1,250	\$0	\$0	2021
Information Technology & Equipment Replacement		\$1,100	\$1,074	\$26	97.6%	\$31	\$0	\$0	\$0	2020
Information Technology Continuity Plan		\$1,500	\$1,003	\$497	66.9%	\$497	\$0	\$0	\$0	2020
S.P.I.R.I.T. (Supporting Police in Records Information Technology)		\$8,630	\$8,482	\$148	98.3%	\$148	\$0	\$0	\$0	2020
Vehicles - 2018		\$1,386	\$1,386	\$0	100.0%	\$0	\$0	\$0	\$0	2020
Vehicles - 2019		\$1,454	\$1,430	\$24	98.4%	\$23	\$0	\$0	\$0	2020
Vehicles - 2020		\$1,500	\$686	\$814	45.8%	\$1,200	\$300	\$0	\$0	2021
Voice Radio System		\$13,315	\$13,180	\$135	99.0%	\$39	\$100	\$0	\$0	2021
<b>Total Niagara Regional Police Services Board</b>		<b>\$31,135</b>	<b>\$27,241</b>	<b>\$3,894</b>	<b>87.5%</b>	<b>\$1,938</b>	<b>\$2,650</b>	<b>\$0</b>	<b>\$0</b>	
Regional Headquarters Landscape Master Plan		\$3,294	\$3,279	\$15	99.5%	\$53	\$0	\$0	\$0	2020
<b>Total Planning</b>		<b>\$3,294</b>	<b>\$3,279</b>	<b>\$15</b>	<b>99.5%</b>	<b>\$53</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Ambulance & Equipment - 2018		\$2,595	\$2,331	\$264	89.8%	\$298	\$264	\$0	\$0	2021
Ambulance & Equipment - 2019		\$2,201	\$1,895	\$306	86.1%	\$1,754	\$306	\$0	\$0	2021
Ambulance & Equipment - 2020		\$3,368	\$2,488	\$880	73.9%	\$2,461	\$880	\$0	\$0	2021
<b>Total Public Health</b>		<b>\$8,164</b>	<b>\$6,714</b>	<b>\$1,450</b>	<b>82.2%</b>	<b>\$4,513</b>	<b>\$1,450</b>	<b>\$0</b>	<b>\$0</b>	
Annual - Development Projects - 2020		\$1,000	\$0	\$1,000	0.0%	\$500	\$500	\$0	\$0	2021
Annual - Storm Sewer & Culvert Program - 2017 *		\$1,750	\$1,736	\$14	99.2%	\$0	\$0	\$0	\$14	2020
Annual - Storm Sewer & Culvert Program - 2019		\$1,000	\$950	\$50	95.0%	\$931	\$0	\$0	\$0	2020
Annual - Storm Sewer & Culvert Program - 2020		\$1,100	\$726	\$374	66.0%	\$722	\$374	\$0	\$0	2021
Annual - Traffic Signals Program - 2020		\$3,000	\$5	\$2,995	0.2%	\$60	\$2,935	\$0	\$0	2021
Capacity Improvements - Charnwood/McLeod		\$7,110	\$6,997	\$113	98.4%	\$50	\$63	\$0	\$0	2021
Capacity Improvements - New Escarpment Crossing		\$2,200	\$691	\$1,509	31.4%	\$0	\$1,509	\$0	\$0	2021
Capacity Improvements - New Escarpment Crossing	Uninitiated	\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2021
Capacity Improvements - Reconstruct Hwy 406 @ Third Interchange		\$1,460	\$727	\$733	49.8%	\$0	\$350	\$383	\$0	2022
Capacity Improvements - Reconstruct QEW @ Glendale Ave Interchange		\$8,000	\$144	\$7,856	1.8%	\$300	\$2,500	\$5,064	\$0	2023

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Capacity Improvements - Reconstruct RR49 Concession 6/Eastwest Line		\$4,575	\$2,740	\$1,835	59.9%	\$99	\$1,835	\$0	\$0	2021
Capacity Improvements - Reconstruct RR49 McLeod, Montrose to Stanley		\$8,278	\$8,250	\$28	99.7%	\$28	\$0	\$0	\$0	2020
Capacity Improvements - RR10 Livingston/QEW-GR		\$27,750	\$2,078	\$25,672	7.5%	\$5,000	\$21,283	\$0	\$0	2021
Capacity Improvements - RR54 Hwy 20/Merritt		\$7,850	\$6,882	\$968	87.7%	\$1,660	\$0	\$0	\$0	2020
Capacity Improvements - RR98 Montrose Road		\$1,000	\$996	\$4	99.6%	\$981	\$0	\$0	\$0	2020
Environmental Assessment - RR 42 Ontario Street		\$1,900	\$608	\$1,292	32.0%	\$471	\$1,292	\$0	\$0	2021
Fleet & Vehicle Replacement Program - 2020		\$1,520	\$0	\$1,520	0.0%	\$800	\$720	\$0	\$0	2021
Illumination Program - 2020		\$1,000	\$0	\$1,000	0.0%	\$50	\$950	\$0	\$0	2021
Interchange Sir Isaac Brock Way @ 406 Hwy		\$4,271	\$4,159	\$112	97.4%	\$112	\$0	\$0	\$0	2020
Intersection - RR20 Industrial Park/South Grimsby Road 6		\$2,898	\$2,819	\$79	97.3%	\$136	\$0	\$0	\$0	2020
Intersection - RR20 Roundabout at S Grimsby Rd		\$5,712	\$5,197	\$515	91.0%	\$3,063	\$0	\$0	\$0	2020
Intersection - RR20 Industrial Park to Townline Phase 2		\$3,231	\$2,991	\$240	92.6%	\$2,422	\$0	\$0	\$0	2020
Intersection Improvement - RR24 Victoria Ave		\$2,200	\$1,077	\$1,123	48.9%	\$1,206	\$250	\$698	\$0	2022
Intersection Improvement - RR46 Geneva Street		\$1,000	\$0	\$1,000	0.0%	\$200	\$800	\$0	\$0	2021

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Intersection Improvement - RR46 Geneva/St. Paul		\$5,750	\$5,316	\$434	92.5%	\$1,107	\$0	\$0	\$0	2020
Intersection - RR89 Jacobsen/Burleigh *		\$6,256	\$5,493	\$763	87.8%	\$500	\$0	\$0	\$479	2020
Replacement of Burgoyne Bridge ****		\$99,534	\$98,553	\$981	99.0%	\$114	\$0	\$0	\$879	2020
Road Equipment Upgrade - 2020		\$1,000	\$0	\$1,000	0.0%	\$250	\$750	\$0	\$0	2021
Roads Facility Program - Patrol Yard Improvement - 2019		\$1,000	\$15	\$985	1.5%	\$400	\$588	\$0	\$0	2021
Roads Facility Program - Patrol Yard Improvement - 2020		\$1,000	\$7	\$993	0.7%	\$400	\$593	\$0	\$0	2021
Roads Reconstruction - RR20 Station/Rice		\$3,793	\$3,477	\$316	91.7%	\$0	\$100	\$216	\$0	2023
Roads Reconstruction - RR38 QEW/Fourth		\$23,156	\$18,958	\$4,198	81.9%	\$7,990	\$647	\$0	\$0	2021
Roads Reconstruction - St Davids Road East		\$6,934	\$6,319	\$615	91.1%	\$5,847	\$500	\$132	\$0	2022
Roads Rehabilitation - RR27 Prince Charles Dr to Lincoln St		\$5,750	\$4,688	\$1,062	81.5%	\$2,031	\$200	\$0	\$0	2021
Roads Rehabilitation - RR63 Baldwin/Coffee Bridge		\$3,035	\$3,001	\$34	98.9%	\$2,402	\$0	\$0	\$0	2020
Roads Rehabilitation - RR69 Wessel/Centre Phase 3		\$1,000	\$174	\$826	17.4%	\$100	\$735	\$0	\$0	2021
Roads Rehabilitation - RR1 Albert/Lakeshore		\$2,165	\$576	\$1,589	26.6%	\$0	\$1,594	\$0	\$0	2021

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Roads Rehabilitation - RR1 Dominion Road, Burleigh/Buffalo *		\$12,070	\$11,867	\$203	98.3%	\$100	\$630	\$0	\$50	2021
Roads Rehabilitation - RR45 RR4/RR63		\$1,775	\$404	\$1,371	22.8%	\$76	\$1,371	\$0	\$0	2021
Roads Rehabilitation - RR56 Glendale to St Davids *		\$2,000	\$1,325	\$675	66.2%	\$0	\$0	\$0	\$675	2020
Roads Rehabilitation - RR57 Thorold Stone Road Extension		\$25,300	\$10,291	\$15,009	40.7%	\$1,000	\$7,000	\$7,443	\$0	2023
Roads Rehabilitation - RR69 Effingham/Wessel Phase 2		\$9,118	\$9,094	\$24	99.7%	\$3,146	\$0	\$0	\$0	2020
Roads Rehabilitation - RR87 Townline/Four Mile Creek		\$8,500	\$5,438	\$3,062	64.0%	\$200	\$2,918	\$0	\$0	2021
Roads Rehabilitation - RR87 Third/Seventh		\$2,800	\$2,402	\$398	85.8%	\$1,433	\$0	\$0	\$0	2020
Roads Rehabilitation - RR49 Hydro Power Canal to Wilson Cres Phase 2		\$1,700	\$365	\$1,335	21.5%	\$1,000	\$551	\$0	\$0	2021
Roads Rehabilitation - RR 43 Bridge Street - 2019		\$1,250	\$381	\$869	30.5%	\$700	\$533	\$0	\$0	2021
Roads Resurfacing - 2013		\$4,933	\$4,797	\$136	97.2%	\$741	\$0	\$0	\$0	2020
Roads Resurfacing - 2018		\$9,510	\$9,439	\$71	99.3%	\$0	\$127	\$0	\$0	2021
Roads Resurfacing - 2019		\$8,844	\$8,687	\$157	98.2%	\$391	\$0	\$0	\$0	2020
Roads Resurfacing - 2020		\$8,345	\$8,180	\$165	98.0%	\$6,339	\$1,000	\$0	\$0	2021
Stabilization RR14 Canboro Rd at Warner		\$5,539	\$5,391	\$148	97.3%	\$160	\$0	\$0	\$0	2020

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Storm Pumping Station Improvements - McLeod Rd at Stanley Ave - 2017		\$2,050	\$183	\$1,867	8.9%	\$944	\$944	\$0	\$0	2021
Structural Rehabilitation - 2016 Program		\$3,700	\$3,449	\$251	93.2%	\$2,433	\$0	\$0	\$0	2020
Structural Rehabilitation - 2019 Program		\$1,000	\$960	\$40	96.0%	\$900	\$80	\$0	\$0	2021
Structural Rehabilitation - 2020 Program		\$1,000	\$0	\$1,000	0.0%	\$500	\$500	\$0	\$0	2021
Structural Rehabilitation - Main Street Bridge		\$4,703	\$4,434	\$269	94.3%	\$100	\$169	\$0	\$0	2021
Structural Rehabilitation - Mewburn @ CNR Tracks **		\$2,500	\$1,625	\$875	65.0%	\$0	\$0	\$0	\$875	2020
Structural Rehabilitation - Ontario Power Generation Bridges over Gibson Lake		\$8,100	\$8,006	\$94	98.8%	\$50	\$58	\$0	\$0	2021
Structural Rehabilitation - Reece Bridge *		\$9,983	\$9,724	\$259	97.4%	\$545	\$0	\$0	\$258	2020
Structural Rehabilitation - RR81 St Paul West CNR Bridge		\$2,250	\$638	\$1,612	28.4%	\$1,560	\$317	\$0	\$0	2021
Structural Replacement - RR81 20 Mile Arch Bridge		\$5,020	\$444	\$4,576	8.8%	\$357	\$4,400	\$198	\$0	2022
Structure Rehabilitation - Schisler Road Bridge		\$2,000	\$327	\$1,673	16.4%	\$284	\$1,673	\$0	\$0	2021
Transportation Infrastructure Means Protection		\$4,000	\$3,087	\$913	77.2%	\$1,754	\$0	\$0	\$0	2020
<b>Public Works - Roads &amp; Fleet</b>		<b>\$409,168</b>	<b>\$307,288</b>	<b>\$101,880</b>	<b>75.1%</b>	<b>\$64,645</b>	<b>\$64,339</b>	<b>\$14,134</b>	<b>\$3,230</b>	

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
GO Transit		\$31,598	\$6,751	\$24,847	21.4%	\$8,338	\$16,682	\$0	\$0	2023
GO Transit	Uninitiated	\$8,402	\$0	\$8,402	0.0%	\$0	\$3,994	\$4,408	\$0	2023
<b>Total GO Transit</b>		<b>\$40,000</b>	<b>\$6,751</b>	<b>\$33,249</b>	<b>16.9%</b>	<b>\$8,338</b>	<b>\$20,676</b>	<b>\$4,408</b>	<b>\$0</b>	
Inter-Municipal Transit Capital Acquisition - 2017		\$20,714	\$15,159	\$5,555	73.2%	\$1,500	\$9,373	\$0	\$0	2021
<b>Total IMT Transit</b>		<b>\$20,714</b>	<b>\$15,159</b>	<b>\$5,555</b>	<b>73.2%</b>	<b>\$1,500</b>	<b>\$9,373</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Public Works - Levy</b>		<b>\$469,882</b>	<b>\$329,198</b>	<b>\$140,684</b>	<b>70.1%</b>	<b>\$74,483</b>	<b>\$94,388</b>	<b>\$18,542</b>	<b>\$3,230</b>	
Bridge St - Public Drop Off Depot Improvement	Uninitiated	\$1,145	\$0	\$1,145	0.0%	\$0	\$1,050	\$95	\$0	2022
Glenridge - Leachate Collection System		\$1,210	\$332	\$878	27.4%	\$200	\$50	\$864	\$0	2023
Humberstone - Infrastructure Upgrades		\$10,706	\$9,000	\$1,706	84.1%	\$2,480	\$765	\$1,609	\$0	2023
Niagara Road 12 - Cell 4 Construction & ManHole Rehabilitation *		\$3,455	\$3,389	\$66	98.1%	\$5	\$0	\$0	\$84	2020
Niagara Road 12 & Park Road - Pump Station Upgrades *		\$1,677	\$1,653	\$24	98.6%	\$5	\$0	\$0	\$66	2020
Recycling Centre - Facility Improvements Groundwater		\$1,123	\$1,036	\$87	92.2%	\$0	\$50	\$52	\$0	2022
Recycling Centre - Fibre Line Enhancements		\$2,200	\$180	\$2,020	8.2%	\$3	\$2,018	\$0	\$0	2021
<b>Total Waste Management</b>		<b>\$21,516</b>	<b>\$15,590</b>	<b>\$5,926</b>	<b>72.5%</b>	<b>\$2,693</b>	<b>\$3,933</b>	<b>\$2,620</b>	<b>\$150</b>	
Combined Sewer Overflow - Grimsby		\$1,725	\$222	\$1,503	12.9%	\$0	\$60	\$1,443	\$0	2022
Decommissioning Wastewater Treatment Plant - Niagara-on-the-Lake		\$12,700	\$621	\$12,079	4.9%	\$100	\$3,000	\$9,252	\$0	2023

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Digester & Sludge Program - 2018		\$2,550	\$2,058	\$492	80.7%	\$1,500	\$694	\$0	\$0	2021
Digester & Sludge Program - 2020		\$1,250	\$560	\$690	44.8%	\$600	\$650	\$0	\$0	2021
Forcemain Replacement Bridgeport Sewage Pump Station		\$3,250	\$527	\$2,723	16.2%	\$500	\$2,400	\$171	\$0	2022
Forcemain Replacement Jordan Valley Sewage Pump Station		\$3,175	\$270	\$2,905	8.5%	\$200	\$300	\$2,591	\$0	2023
Lagoon Upgrade program - Stevensville/Douglastown		\$4,100	\$444	\$3,656	10.8%	\$0	\$3,181	\$693	\$0	2022
Miscellaneous Program - Centrifuge Components		\$1,211	\$1,210	\$1	99.9%	\$991	\$0	\$0	\$0	2020
Miscellaneous Program - Chemical System Upgrades - 2017		\$1,900	\$100	\$1,800	5.3%	\$150	\$1,500	\$150	\$0	2022
Miscellaneous Program - Chemical System Upgrades - 2018		\$2,200	\$272	\$1,928	12.3%	\$99	\$100	\$1,928	\$0	2022
Miscellaneous Program - Garner Road		\$5,242	\$5,105	\$137	97.4%	\$599	\$0	\$0	\$0	2020
Miscellaneous Program - Motor Control Centres		\$2,000	\$225	\$1,775	11.3%	\$125	\$1,781	\$0	\$0	2021
Pump Station Capacity Expansion Program - Odour Control - Smithville		\$1,500	\$888	\$612	59.2%	\$661	\$0	\$0	\$0	2020
Pump Station Improvement Program - Design		\$5,711	\$5,637	\$74	98.7%	\$283	\$0	\$0	\$0	2020

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Pump Station Improvement Program - Haulage Road		\$2,150	\$2,053	\$97	95.5%	\$1,048	\$91	\$0	\$0	2021
Pump Station Improvement Program - Lakeside		\$2,500	\$2,227	\$273	89.1%	\$1,000	\$800	\$262	\$0	2022
Pump Station Improvement Program - NOTL, Garrison Rd, William St		\$3,285	\$3,140	\$145	95.6%	\$145	\$0	\$0	\$0	2020
Pump Station Improvement Program - Park Lane		\$1,400	\$1,024	\$376	73.2%	\$1,100	\$154	\$0	\$0	2021
Pump Station Improvement Program - Riverview SPS		\$1,305	\$893	\$412	68.4%	\$712	\$412	\$0	\$0	2021
Pump Station Improvement Program - South Side High Lift		\$6,651	\$6,370	\$281	95.8%	\$281	\$0	\$0	\$0	2020
Pump Station Improvement Program - Wellandvale		\$3,446	\$2,997	\$449	87.0%	\$1,500	\$300	\$268	\$0	2022
Pump Station Improvement Program - Woodsvew		\$5,420	\$478	\$4,942	8.8%	\$40	\$120	\$4,949	\$0	2022
Pump Station Improvement Program - Shirley Road		\$2,400	\$418	\$1,982	17.4%	\$500	\$1,573	\$0	\$0	2021
Pump Station Improvement Program - East Side Port Colborne		\$4,500	\$301	\$4,199	6.7%	\$600	\$3,605	\$0	\$0	2021
Pump Station Improvement Program - Laurie Ave		\$4,700	\$624	\$4,076	13.3%	\$408	\$4,076	\$0	\$0	2021
Sewer & Forcemain Program - Dain City		\$11,525	\$4,381	\$7,144	38.0%	\$4,500	\$5,000	\$241	\$0	2022
Sewer & Forcemain Program - Highway 406 Trunk		\$1,274	\$1,273	\$1	100.0%	\$1	\$0	\$0	\$0	2020

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Sewer & Forcemain Program - Stamford Centre *		\$10,562	\$10,203	\$359	96.6%	\$250	\$120	\$0	\$814	2021
Sewer & Forcemain Program - Tupper Dr Trunk		\$2,910	\$233	\$2,677	8.0%	\$900	\$1,857	\$0	\$0	2021
Sewer Trunk Rehabilitation - Stamford - Phase 2		\$7,950	\$6,134	\$1,816	77.2%	\$1,000	\$6,779	\$0	\$0	2021
Sewer Relining Program		\$1,336	\$1,336	\$0	100.0%	\$0	\$0	\$0	\$0	2020
Wastewater Treatment Plant Capacity Expansion - Niagara-on-the-Lake		\$47,895	\$47,506	\$389	99.2%	\$529	\$0	\$0	\$0	2020
Wastewater Treatment Plant Capacity Expansion - South Niagara Falls		\$4,900	\$2,383	\$2,517	48.6%	\$1,800	\$1,766	\$0	\$0	2021
Wastewater Treatment Plant Upgrade - Garner Road ***		\$6,700	\$6,152	\$548	91.8%	\$2,000	\$1,738	\$0	- \$250	2021
Wastewater Treatment Plant Upgrade - Niagara Falls		\$2,100	\$1,911	\$189	91.0%	\$592	\$0	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Port Weller		\$5,900	\$3,334	\$2,566	56.5%	\$2,170	\$2,566	\$0	\$0	2021
Wastewater Treatment Plant Upgrade - Port Weller 2017		\$1,310	\$1,290	\$20	98.4%	\$147	\$0	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Welland		\$21,821	\$21,675	\$146	99.3%	\$1,000	\$2,000	\$967	\$0	2022
Wastewater Treatment Plant Upgrade - Welland Phase 2		\$2,400	\$0	\$2,400	0.0%	\$1,400	\$900	\$100	\$0	2022
Wastewater Treatment Plant Upgrade - Aeration - Seaway		\$1,236	\$1,228	\$8	99.4%	\$0	\$0	\$0	\$8	2020

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Wastewater Treatment Plant Upgrade - Bar Screen - Port Weller		\$3,230	\$2,881	\$349	89.2%	\$1,800	\$800	\$235	\$0	2022
Wastewater Treatment Plant Upgrade - Fine Bubble Aeration - Port Dalhousie		\$39,500	\$32,965	\$6,535	83.5%	\$100	\$15,000	\$23,015	\$0	2023
Wastewater Treatment Plant Upgrade - Grit System - Grimsby		\$1,725	\$1,614	\$111	93.5%	\$213	\$0	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Primary Digester #2 - Niagara Falls		\$1,000	\$369	\$631	36.9%	\$600	\$370	\$0	\$0	2021
Wastewater Treatment Plant Upgrade - Secondary Clarifier - Seaway		\$3,115	\$2,941	\$174	94.4%	\$1,200	\$744	\$0	\$0	2021
<b>Total Wastewater</b>		<b>\$264,660</b>	<b>\$188,473</b>	<b>\$76,187</b>	<b>71.2%</b>	<b>\$33,344</b>	<b>\$64,437</b>	<b>\$46,265</b>	<b>\$572</b>	
Elevated Tank - New - Pelham		\$2,820	\$220	\$2,600	7.8%	\$250	\$2,464	\$0	\$0	2021
Elevated Tank - New - Fort Erie		\$1,755	\$253	\$1,502	14.4%	\$175	\$1,428	\$0	\$0	2021
Elevated Tank - Corrosion Protection - Virgil		\$3,524	\$2,840	\$684	80.6%	\$50	\$3,008	\$0	\$0	2021
Elevated Tank Rehabilitation - Thorold South *		\$2,992	\$2,747	\$245	91.8%	\$50	\$20	\$50	\$168	2022
Meter Replacement Program		\$3,550	\$2,091	\$1,459	58.9%	\$458	\$500	\$959	\$0	2022
Miscellaneous Program - Evalution & Replacement		\$1,100	\$1,093	\$7	99.4%	\$37	\$0	\$0	\$0	2020
Miscellaneous Program - Granular Activated Carbon Replacement		\$4,260	\$1,902	\$2,358	44.6%	\$2,538	\$0	\$0	\$0	2020

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Miscellaneous Program - System Storage - Grimsby		\$22,914	\$19,608	\$3,306	85.6%	\$11,000	\$9,483	\$0	\$0	2021
Miscellaneous Program - System Storage - Port Colborne		\$11,850	\$11,790	\$60	99.5%	\$60	\$144	\$0	\$0	2021
Pumping Station Upgrades - Shoalts Drive		\$1,400	\$0	\$1,400	0.0%	\$150	\$1,000	\$250	\$0	2022
Transmission Main over Welland River		\$4,080	\$6	\$4,074	0.1%	\$100	\$800	\$3,174	\$0	2022
Water Treatment Plant Raw Water Intake - Niagara Falls *****		\$15,550	\$1,799	\$13,751	11.6%	\$500	\$2,000	\$0	\$12,783	2021
Water Treatment Plant Roadway & Parking Lot - Grimsby		\$1,880	\$1,168	\$712	62.1%	\$500	\$1,239	\$0	\$0	2021
Water Treatment Plant Upgrade - Decew Falls - 2016		\$22,250	\$13,453	\$8,797	60.5%	\$2,000	\$10,000	\$9,531	\$0	2022
Water Treatment Plant Upgrade - Niagara Falls - 2015		\$3,495	\$3,042	\$453	87.0%	\$770	\$1,500	\$956	\$0	2022
Water Treatment Plant Upgrade - Niagara Falls - 2017		\$12,752	\$12,033	\$719	94.4%	\$6,216	\$0	\$0	\$0	2020
Water Treatment Plant Upgrade - Port Colborne		\$13,600	\$1,094	\$12,506	8.0%	\$4,000	\$7,000	\$1,690	\$0	2022
Water Treatment Plant Upgrade - Rosehill		\$15,000	\$14,529	\$471	96.9%	\$2,100	\$207	\$0	\$0	2021
Water Treatment Plant Upgrade - Rosehill - 2017		\$2,686	\$299	\$2,387	11.1%	\$250	\$200	\$2,086	\$0	2024

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Water Treatment Plant Upgrade - Welland - 2017		\$5,000	\$1,718	\$3,282	34.4%	\$350	\$1,100	\$3,086	\$0	2024
Water Treatment Plant Upgrade - Niagara Falls - 2018		\$4,565	\$143	\$4,422	3.1%	\$66	\$3,000	\$1,422	\$0	2022
Water Treatment Plant Upgrade - Decew Falls Plant 2 - 2020		\$2,000	\$0	\$2,000	0.0%	\$0	\$1,000	\$1,000	\$0	2022
Watermain Intake Channel Modifications - DeCew - 2017		\$1,500	\$916	\$584	61.1%	\$100	\$1,400	\$0	\$0	2021
Watermain Security Study - Decew Water Treatment Plant to Townline Rd E		\$1,000	\$305	\$695	30.5%	\$50	\$300	\$650	\$0	2022
Watermain Replacement - Vineland 19th Street and Glen Road		\$2,500	\$0	\$2,500	0.0%	\$0	\$2,500	\$0	\$0	2021
Watermain Program - Along CNR Grimsby		\$16,825	\$12,027	\$4,798	71.5%	\$5,640	\$4,798	\$0	\$0	2021
Watermain Program - Barrick Road		\$1,965	\$1	\$1,964	0.0%	\$100	\$1,200	\$664	\$0	2022
Watermain Program - Fort Erie, Dominion Road *		\$10,615	\$10,426	\$189	98.2%	\$100	\$100	\$0	\$377	2021
Watermain Program - Hwy406 Cross Trans		\$1,911	\$1,905	\$6	99.7%	\$6	\$0	\$0	\$0	2020
Watermain Program - Lundy's Lane *		\$1,000	\$1	\$999	0.1%	\$100	\$0	\$0	\$899	2020
Watermain Program - Welland Canal Extension		\$4,620	\$0	\$4,620	0.0%	\$2,000	\$2,620	\$0	\$0	2021

## Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Forecasted Surplus/Deficit	Estimated Year of Completion
Watermain Program - Welland East and West		\$6,200	\$4,796	\$1,404	77.4%	\$1,862	\$0	\$0	\$0	2020
Watermain Program - St. Davids Rd Phase 2		\$2,140	\$1,816	\$324	84.8%	\$1,800	\$326	\$0	\$0	2021
<b>Total Water Works</b>		<b>\$209,299</b>	<b>\$124,021</b>	<b>\$85,278</b>	<b>59.3%</b>	<b>\$43,378</b>	<b>\$59,337</b>	<b>\$25,518</b>	<b>\$14,227</b>	
<b>Total Projects with remaining budgets greater than \$1 million</b>		<b>\$1,419,568</b>	<b>\$870,773</b>	<b>\$548,795</b>	<b>61.3%</b>	<b>\$189,795</b>	<b>\$280,474</b>	<b>\$258,676</b>	<b>\$18,884</b>	

\* At the time of report preparation, the surplus either has been returned or is anticipated to be returned to respective reserves or CVP in 2020.

\*\* Project close form has been received subsequent to date that report was prepared. Project to be closed and surplus transferred back to CVP in Q3 2020.

\*\*\* Request for additional funding from CVP has been made.

\*\*\*\* Gross expenditure surplus on this project will be used to offset external revenue shortfall.

\*\*\*\*\* The budget for this project is to be reduced in Q3 to reflect the lower external funding received compared to original budgeted funding.

## Capital Variance Project Summary (in thousands of dollars)

Capital projects sometimes require more or less than the approved budget. Throughout the year, project variances are managed though either requesting extra budget dollars from the Capital Variance Project (CVP), or by transferring excess capital project budget dollars to the CVP through a budget reduction.

Transfers to the CVP do not require approval. Requests less than \$250, one-time or cumulative on a project, may be approved by the departmental Commissioner or Director, in combination with the Commissioner of Corporate Services. Requests in excess of \$250, one-time or cumulative on a project, require Council approval. Throughout the year, the balance of CVPs are monitored and, if significant excess exists, would be adjusted by transferring the excess to the respective capital reserve in accordance with the Capital Asset Management Policy C-F003.

The excess funds in the CVP have been identified as a funding source for the 2021 Capital Budget and will be transferred to the reserve at year end. The excess funds in the Waste Management, Wastewater and Water Works CVPs will be transferred to the respective capital reserves for use in the long-term capital affordability strategy.

Capital Variance Project Reconciliation	Levy Programs	Waste Management	Wastewater	Water Works	Total Programs
<b>Balance at December 31, 2019*</b>	<b>\$1,000</b>	<b>\$582</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$3,582</b>
Transfer to Active Capital Projects	- \$584	- \$6	- \$388	- \$436	- \$1,414
Budget Reductions on Active Capital Projects	\$1,261	\$975	\$4,561	\$150	\$6,947
Transfers (to)/from Closed Capital Projects	\$2,400	\$292	\$264	\$203	\$3,159
Adjustments to Previously Closed Projects	\$41				\$41
<b>Balance at July 27, 2020</b>	<b>\$4,118</b>	<b>\$1,843</b>	<b>\$5,437</b>	<b>\$917</b>	<b>\$12,315</b>

\*Due to limited funding availability in Waste Management Capital reserve for the 2020 budget, funds were committed from the CVP, drawing it below \$1,000. As expected, it was replenished with project closures in early 2020.

# Investment Report (in thousands of dollars)

Investment income during Q2 on the primary portfolio amounted to \$5,233, which consists of investment portfolio income and interest on cash balances.

## Investment Performance

### Investment Income Before Transfers to Reserves:

Unfavorable investment income of \$50, is a result of the declining bond yield environment, investment calls from corporate bonds and the Region choosing to maintain higher cash balances in high-interest savings accounts as a mitigation strategy. Forecasted investment income before transfers is unfavourable by \$1,034 when compared to budget as the bond yield environment is expected to remain low.

Budget vs Actual/Forecast before Reserve Transfers	YTD Actuals		Forecast		Total
	Q1	Q2	Q3	Q4	
Budget	\$5,143	\$5,283	\$5,439	\$5,489	\$21,354
Actual	\$5,219	\$5,233	\$4,818	\$5,050	\$20,320
Variance	\$76	\$-50	\$-621	\$-439	\$-1,034

### Year to date portfolio return:

Q1	Q2	Q3	Q4
2.71%	2.62%	n/a	n/a

### Investment Income After Transfers to Reserves:

The 2020 year to date actuals plus forecasted investment income before and after transfers is lower than budget by \$1,034. Forecasted year to date transfers to reserves has been done at a rate of 2% and equals budget.

Budget vs Actual/Forecast after Reserve Transfers	YTD Actuals		Forecast		Total
	Q1	Q2	Q3	Q4	
Budget	\$5,143	\$5,283	\$5,439	\$5,489	\$21,354
Net Budget Transfers	\$-1,325	\$-1,325	\$-1,325	\$-1,325	\$-5,299
Budget (Net)	\$3,818	\$3,958	\$4,114	\$4,164	\$16,054
Actual	\$5,219	\$5,233	\$4,818	\$5,050	\$20,320
Net Actual Transfers	\$-1,012	\$-128	\$-2,080	\$-2,080	\$-5,299
Actual (Net)	\$4,207	\$5,105	\$2,739	\$2,970	\$15,021
Variance	\$389	\$1,147	\$-1,376	\$-1,193	\$-1,034

Note: Staff monitor foreign exchange rates during the year to take advantage of favourable opportunities, gains of \$108 are included in year to date investment income. Amounts reflected in this report for investment performance above do not include the NRH investment portfolio since these are managed separately.

For completeness, the value of the NRH investments is shown in the total investment holdings.

## Investment Term Holdings

Funds	Book Value	Weight
Cash Equivalents < 1 Yr	\$33,232	4.1%
2 Year	\$16,506	2.0%
3 Year	\$31,039	3.8%
4 Year	\$25,639	3.2%
5+ Year	\$458,823	56.4%
NRH (Cash & Cash Eq)	\$6,430	0.8%
Subtotal	\$571,670	70.3%
Cash	\$224,061	27.5%
Sinking Fund (Incl.Cash)	\$17,983	2.2%
<b>Total Portfolio</b>	<b>\$813,714</b>	<b>100.0%</b>

## Investment Detail (in thousands of dollars)

Institution	Type of Investment	Balance of Investment by Institution	Percentage Holdings *	Policy Percentage Limits
Bank of Montreal	Corporate	\$46,200	7.92%	15.00%
Bank of Nova Scotia	Corporate	\$56,000	9.60%	15.00%
Canadian Imperial Bank of Commerce	Corporate	\$35,000	6.00%	15.00%
National Bank of Canada	Corporate	\$54,500	9.35%	15.00%
Royal Bank of Canada	Corporate	\$41,500	7.12%	15.00%
<b>Total</b>	<b>Corporate</b>	<b>\$233,200</b>	<b>39.99%</b>	<b>50.00%</b>
City of Hamilton	Municipal	\$5,723	0.98%	5.00%
City of Montreal	Municipal	\$3,038	0.52%	5.00%
City of Ottawa	Municipal	\$5,341	0.92%	5.00%
City of Quebec	Municipal	\$2,301	0.39%	5.00%
City of Saskatoon	Municipal	\$3,332	0.57%	5.00%
City of Toronto	Municipal	\$8,512	1.46%	5.00%
County of Wellington	Municipal	\$852	0.15%	5.00%
Municipal Finance Authority of BC	Municipal	\$5,021	0.86%	5.00%
New Brunswick Municipal Finance Authority	Municipal	\$5,507	0.94%	5.00%
Region of Halton	Municipal	\$1,519	0.26%	5.00%
Region of Peel	Municipal	\$3,516	0.60%	5.00%
Region of Waterloo	Municipal	\$13,090	2.24%	5.00%
Region of York	Municipal	\$9,687	1.66%	5.00%
York Region District School Board	Municipal	\$4,209	0.72%	5.00%
York Sinking Fund Debenture	Municipal	\$1,794	0.31%	5.00%
<b>Total</b>	<b>Municipal</b>	<b>\$73,443</b>	<b>12.59%</b>	<b>25.00%</b>
Newfoundland and Labrador Hydro	Provincial	\$745	0.13%	25.00%
Ontario Hydro	Provincial	\$22,195	3.81%	25.00%
Province of Alberta	Provincial	\$1,339	0.23%	25.00%
Province of British Columbia	Provincial	\$7,151	1.23%	25.00%
Province of Manitoba	Provincial	\$33,438	5.73%	25.00%
Province of New Brunswick	Provincial	\$1,886	0.32%	25.00%
Province of Newfoundland	Provincial	\$54,953	9.42%	25.00%
Province of Nova Scotia	Provincial	\$17,278	2.96%	25.00%
Province of Ontario	Provincial	\$45,224	7.75%	25.00%
Province of Prince Edward Island	Provincial	\$2,815	0.48%	25.00%
Province of Quebec	Provincial	\$65,197	11.18%	25.00%
Province of Saskatchewan	Provincial	\$5,205	0.89%	25.00%
Quebec Hydro	Provincial	\$14,243	2.44%	25.00%
<b>Total</b>	<b>Provincial</b>	<b>\$271,671</b>	<b>46.59%</b>	<b>75.00%</b>
<b>Region of Niagara Debentures</b>	<b>Municipal</b>	<b>\$4,847</b>	<b>0.83%</b>	<b>100.00%</b>
<b>Total Niagara Region Investments</b>		<b>\$583,161</b>	<b>100.00%</b>	<b>100.00%</b>
<b>NRH Investments</b>		<b>\$6,430</b>		
<b>TOTAL Region &amp; NRH excl Cash</b>	<b>All</b>	<b>\$589,591</b>		
General Chequing **	Cash	\$88,882		
Savings	Cash	\$135,179		
Sinking Fund	Cash	\$62		
<b>Total</b>		<b>\$224,123</b>		
<b>TOTAL including Cash</b>		<b>\$813,714</b>		

\* Note: Holdings by security percentages exclude cash balances.

\*\*Cash balances shown are the amounts held by the financial institution at the end of the quarter and do not include adjustments for outstanding payments or deposits or the NRH general operating account and payroll trust accounts. Balances include USD funds converted at quarter-end spot rate of 1.3628.

## Debt Report (in thousands of dollars)

S&P (Standard & Poor's) has had Niagara rated AA with stable outlook since April 5, 2001 when S&P and CBRS (Canadian Bond Rating Service) merged their ratings. S&P affirmed Niagara's AA rating with stable outlook on October 8, 2019. The ratings reflect S&P's opinion of Niagara's exceptional liquidity and budgetary performance, strong financial management, and moderate debt burden. Niagara continually strives to improve our credit rating, as it sends a strong, positive message to investors, and directly impacts our cost of borrowing in the capital markets.

Standard and Poor uses an assessment scale of 1 to 5, with an assessment score of 1 being exceptional and 5 being the weakest score.

Key Rating Factor	Institutional Framework	Economy	Financial Management	Budgetary Performance	Liquidity	Debt Burden
Standard & Poor's Assessment	2	3	2	1	1	3

Department	Total Debt as at December 31, 2019 including Sinking Fund Assets	Year to Date Debt Issued	Year to Date Principal Payments	Sinking Fund Contributions and Asset Earnings	Total Debt as at June 30, 2020 including Sinking Fund Assets	Unissued Debt*	Total Debt & Unissued Debt As at December 31, 2020	Annual Repayment Limits**
General Government	\$21,122	\$0	- \$549	- \$49	\$20,524	\$6,350	\$25,434	
Police	\$87,489	\$0	- \$1,088	- \$185	\$86,216	\$2,464	\$85,655	
Transportation	\$131,585	\$0	- \$959	- \$213	\$130,412	\$55,614	\$173,943	
Public Health	\$14,657	\$0	- \$80	\$0	\$14,576	\$3,037	\$15,704	
Community Services	\$19,538	\$0	- \$800	\$0	\$18,737	\$144,522	\$161,452	
NRH	\$36,357	\$0	- \$502	\$0	\$35,854	\$5,819	\$37,894	
Planning	\$32	\$0	- \$32	\$0	\$0	\$0	\$0	
<b>Total Levy</b>	<b>\$310,779</b>	<b>\$0</b>	<b>- \$4,012</b>	<b>- \$447</b>	<b>\$306,320</b>	<b>\$217,806</b>	<b>\$500,082</b>	
Wastewater	\$56,797	\$0	- \$2,167	- \$945	\$53,685	\$32,296	\$85,802	
Water	\$11,114	\$0	- \$296	- \$235	\$10,583	\$22,249	\$32,752	
Waste Management	\$795	\$0	- \$795	\$0	\$0	\$0	\$0	
<b>Total Rate</b>	<b>\$68,706</b>	<b>\$0</b>	<b>- \$3,258</b>	<b>- \$1,180</b>	<b>\$64,269</b>	<b>\$54,545</b>	<b>\$118,554</b>	
<b>Total Niagara Region</b>	<b>\$379,485</b>	<b>\$0</b>	<b>- \$7,269</b>	<b>- \$1,627</b>	<b>\$370,589</b>	<b>\$272,351</b>	<b>\$618,636</b>	<b>7.30%</b>

## Debt Report (in thousands of dollars) - Continued

Department	Total Debt as at December 31, 2019 including Sinking Fund Assets	Year to Date Debt Issued	Year to Date Principal Payments	Sinking Fund Contributions and Asset Earnings	Total Debt as at June 30, 2020 including Sinking Fund Assets	Unissued Debt*	Total Debt & Unissued Debt As at December 31, 2020	Annual Repayment Limits**
Fort Erie	\$6,333	\$0	- \$209	\$0	\$6,124	\$0	\$5,525	1.98%
Grimsby	\$3,140	\$0	- \$176	\$0	\$2,963	\$0	\$2,784	1.69%
Lincoln	\$6,676	\$0	- \$102	\$0	\$6,574	\$0	\$6,061	3.39%
NOTL	\$3,609	\$0	- \$311	\$0	\$3,298	\$0	\$3,078	1.88%
Niagara Falls	\$48,560	\$0	- \$1,665	\$0	\$46,896	\$0	\$44,670	3.05%
Pelham	\$32,252	\$0	- \$228	\$0	\$32,024	\$0	\$30,015	14.54%
Port Colborne	\$27,246	\$0	- \$1,164	\$0	\$26,082	\$0	\$25,270	8.84%
St. Catharines	\$118,033	\$0	- \$1,457	- \$185	\$116,392	\$0	\$105,107	8.18%
Thorold	\$950	\$0	- \$59	\$0	\$890	\$0	\$830	0.55%
Wainfleet	\$1,708	\$0	- \$5	\$0	\$1,703	\$0	\$1,518	3.52%
Welland	\$49,199	\$0	- \$1,545	\$0	\$47,655	\$0	\$42,934	8.88%
West Lincoln	\$18,496	\$0	- \$331	\$0	\$18,165	\$0	\$17,834	9.28%
NPCA	\$216	\$0	- \$216	\$0	\$0	\$0	\$0	
Separate School Board	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Debt Assumed for Others (External)</b>	<b>\$316,419</b>	<b>\$0</b>	<b>- \$7,469</b>	<b>- \$185</b>	<b>\$308,766</b>	<b>\$0</b>	<b>\$285,627</b>	
<b>Total Niagara Region &amp; External</b>	<b>\$695,904</b>	<b>\$0</b>	<b>- \$14,738</b>	<b>- \$1,812</b>	<b>\$679,354</b>	<b>\$272,351</b>	<b>\$904,299</b>	

\*Unissued debt information from the local area municipalities is not provided to Niagara Region

\*\*2019 FIR data used for ARL calculation for Niagara Region, NOTL and Pelham all others used 2018 FIR with the exception of Grimsby and Niagara Falls that relied on 2017 FIR data

### 2020 Debt Issuances

- None issued as at June 30, 2020

## Accounts Receivable Aging Report (in thousands of dollars)

The accounts receivable aging report reflects all unpaid accounts greater than 120 days and greater than \$25. Listing does not include outstanding invoices at quarter-end where payments have been received prior to finalization of the Q2 Financial Update.

Customer Name	Over 120	Explanation of Account	Status
Bell Canada	\$73	Cost sharing invoice (\$72) for work completed during the reconstruction of Church Street. Public Works Project Manager working with their contact to receive payment. Construction Encroachment permits (\$1); payment expected in August 2020.	Collection to continue
Brock University	\$25	Invoice for sidewalk crack repairs (\$18) has some outstanding deficiencies that need to be addressed before making payment. Public Works staff will meet with Brock and Contractor once COVID-19 protocols allow. Invoice for cost sharing of expenses (\$7) related to Canada Summer Games; payment expected in August 2020.	Collection to continue
City of Niagara Falls	\$73	2018 RDC invoice in dispute with developer (\$60), applied for NFP grant, which was denied. Collection efforts to continue, which may include collecting through property tax. 2019 RDC's (\$13) for one multiple permit for which staff have followed up with the City building department on status.	Collection to continue
City of Port Colborne	\$54	2019 RDC balances due to permit information that is sent monthly, with payment remitted quarterly; to be included with future payment and staff will follow up with LAM building staff. This includes three Single Family Dwelling (\$44) and one multiple permit (\$10). Region has requested that RDC be remitted to the Region monthly instead of quarterly, which will address outstanding balances in a more timely manner.	Collection to continue
Merritton Mills Redevelopment Corp	\$262	Receivable of 2007 tipping fees for the last of four redeveloped brownfield sites. Niagara Region will offset the tipping fees against the Tax Increment Grant (TIG) being paid on the development, which was initiated in 2019 and is expected to be fully recovered by 2024. In the interim, the Niagara Region is holding a Letter of Credit (LOC) as security for the full amount of the receivable.	2019 TIG agreements Collection to continue
Ministry of Transportation	\$145	Invoices for August and September 2019 signal billing (\$42), 2019 Electrical Safety Agreement (ESA) invoice (\$15) and cost sharing invoice (\$88); MTO contact following up with accounts payable to determine expected payment date.	Collection to continue
Niagara Parks Commission	\$32	Monthly signal billings from July 2019; payment expected in September 2020.	Collection to continue

## Accounts Receivable Aging Report (in thousands of dollars) - Continued

Customer Name	Over 120	Explanation of Account	Status
Re-Poly	\$33	End Market account for the sale of scrap metal; financial restructuring with possibility of payments later this year. Amount has been fully provisioned for in 2019.	Collection to continue
Town of Fort Erie	\$91	2019 RDC invoice (\$56), which should be received with future remittance and staff will continue to follow up with LAM building staff. Region has requested that RDC be remitted to the Region monthly instead of quarterly which will address outstanding balances in a more timely manner. Staff will continue to work with FE building staff to determine expected remittance dates. Cost sharing invoice (\$35) for Watermain project is currently in discussions with Town Public Works staff for expected payment date.	Collection to continue
Town of Grimsby	\$845	2018 RDC invoice in dispute with developer (\$843), Grimsby to collect additional amounts outstanding through property tax (with Grimsby legal). 2019 RDCs (\$2) to be included with future payment. Staff will continue to work with Grimsby building staff to determine expected remittance dates.	Collection to continue
Town of Lincoln	\$289	RDC balance owing (\$29) from developer that made payment at prior year rates. Lincoln building staff have followed up with the developer and Region will take necessary corrective action if not received. Timing difference (\$260) between when Region receives permit information and when permit is issued and payment made by developer. Region staff will continue to work with Lincoln staff to create a better process flow for permit and remittance information.	Collection to continue
Town of NOTL	\$173	2019 RDC balances due to permit information that is sent monthly, with payment remitted quarterly. Amounts will be included in future payment. Region has requested that RDC be remitted to the Region monthly instead of quarterly which will address outstanding balances in a more timely manner. Staff will continue to work with NOTL building staff to determine expected remittance dates.	Collection to continue
TOTAL	\$2,095		

# Consolidated Statement of Financial Position (in thousands of dollars)

The consolidated statement of financial position is prepared in accordance with Canadian public sector accounting standards ("PSAS") and includes all unfunded liabilities, impacts of amortization and capital fund activity. This report is unaudited and prepared with information as at August 11, 2020.

	Jun. 30, 2020	Dec. 31, 2019
<b>FINANCIAL ASSETS</b>		
Cash	\$ 228,374	\$ 135,681
Investments (page 52)	571,670	635,596
Accounts receivable	47,945	80,140
Other current assets	559	417
Tangible capital assets held for sale	2,178	1,760
Debt Recoverable from others (page 55)	308,766	316,419
	<b>1,159,492</b>	<b>1,170,013</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	115,213	129,782
Employee future benefits and post-employment liabilities	109,462	109,462
Deferred revenue	233,163	219,750
Landfill closure and post-closure liability	61,277	61,277
Long-term liabilities	679,318	695,904
Capital lease obligation	4,290	4,352
	<b>1,202,723</b>	<b>1,220,527</b>
Net debt	<b>(43,231)</b>	<b>(50,514)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	1,846,511	1,823,929
Inventory	7,886	7,498
Prepaid expenses	17,992	18,609
	<b>1,872,389</b>	<b>1,850,036</b>
Accumulated surplus	<b>\$ 1,829,158</b>	<b>\$ 1,799,522</b>

## Accumulated surplus reconciliation:

	Jun. 30, 2020	Dec. 31, 2019
Invested in tangible capital assets	\$ 1,471,669	\$ 1,440,091
Capital fund – unexpended capital financing	345,644	271,407
Operating fund	(4,911)	(10,886)
Unfunded landfill closure & post-closure liability	(61,277)	(61,277)
Unfunded employee future benefits & post-employment liabilities	(108,148)	(108,148)
Total surplus	<b>1,642,977</b>	<b>1,531,187</b>
Total reserves and reserves funds (page 17)	<b>186,181</b>	<b>268,335</b>
Total accumulated surplus	<b>\$ 1,829,158</b>	<b>\$ 1,799,522</b>

# Explanation of Statement of Operations

The statements of operations provided in the preceding pages summarize the Niagara Region's financial activity as of June 30, 2020. These statements have been compiled by Corporate Services and the departments have validated the information and provided commentary.

These statements present the net funding position of Niagara Region's operating budget and do not include Public Sector Accounting (PSA) adjustments for amortization, employee future benefits and landfill liability.

Approved and/or expected unbudgeted transfers to/from reserves can offset other variances and impact net surplus/deficit reported by departments. These statements do not include capital activity. Capital activity is summarized by project in the capital reports section.

## Definition of Column Headings

**Year to Date Budget** - the portion of the annual budget expected to be realized from January through June.

**Year to Date Actual** - actual costs incurred and revenues earned from January to June. Departments have accrued for goods or services received but not yet paid for and revenues earned but not yet received.

**Year to Date Budget vs Actual Variance Favourable/(Unfavourable)** - the difference between the year to date budget and the year to date actual. An unfavourable variance (i.e. actual expenditures are greater than budgeted or actual revenues are less than budgeted) is shown as a negative and a favourable variance (i.e. actual expenditures are less than budgeted or actual revenues are greater than budgeted) is shown as a positive.

**Annual Budget** - the annual budget approved by council with budget adjustments as explained on the Operating Budget Amendments & Adjustment Summary.

**Annual Forecast** - the year to date actual plus the year to go forecast for July to December. It is intended to project expected organization results at the end of the current year based on information available at June 30, 2020. As noted, actual operating results may vary from the forecasted information presented.

**Annual Budget vs Forecast Variance Favourable/(Unfavourable)** - the difference between the annual budget and the annual forecast. An unfavourable variance (i.e. forecasted expenditures are greater than budgeted or forecasted revenues are less than budgeted) is shown as a negative and a favourable variance (i.e. forecasted expenditures are less than budgeted or forecasted revenues are greater than budgeted) is shown as a positive.

## Definition of Report Rows – Expenditures

**Compensation** – salaries, benefits and personnel-related allowances (meals, clothing, training, etc).

**Administration** – costs for audit, advertising, consulting, insurance, contracted services, Court Services expenses, allowances (car, mileage, etc.), telephone, training and related expenses, office supplies, memberships and other miscellaneous expenses.

**Operational & Supply** – program specific costs including: chemical, medical, waste management supplies and purchased services.

**Occupancy & Infrastructure** – costs to repair or maintain property and infrastructure, property tax, leases and all utilities.

**Equipment, Vehicles, Technology** – costs to repair or maintain equipment and vehicles, minor equipment purchases, computer licenses and support.

**Community Assistance** – Ontario Works allowances and benefits program costs, rent supplements and the use of all housing related subsidies.

**Financial Expenditures** – interest charges, principal debt payments, tax write-offs, and bad debt expense. The debt related charges included in this section are allocated to departments through indirect allocations & debt.

**Partnership, Rebate, Exemption** – grants, rebates and exemptions provided to local area municipalities and/or other organizations to support projects within the region.

# Explanation of Statement of Operations - Continued

## Definition of Report Rows – Revenues

**Taxation** – revenues received from local area municipalities including payment-in-lieu, supplemental and power dams revenue; as well as funds received to support waste management, water and wastewater operations.

**Federal & Provincial Grants** – funds received from the provincial and federal governments.

**By-law Charges & Sales** – shared services revenue (without shared services agreement), licenses, permits and approvals, and fees and service charges on the User Fee By-Law such as child care fees, health fees, police fees (i.e. accident reports, etc), seniors homes fees (i.e. long term care accommodations fees), road fees and other miscellaneous fees (i.e. zoning).

**Other Revenue** – shared services revenue (with shared services agreement), investment income, Court Services revenue, recycling revenue, housing revenue and other miscellaneous revenue.

## Definition of Report Rows – Intercompany Charges

**Intercompany Charges** – direct rate-based costs that are allocated to the beneficial recipient by the department providing the service or goods and calculated based on a pre-established rate (i.e. fleet, fuel, photocopiers, and print shop). This includes the allocation of the costs of staffing resources that have been strategically redeployed due to the COVID-19 pandemic from one department to another. The pre-established rate is intended to recover the costs incurred by the service providing department (time and material).

## Definition of Report Rows – Transfers

**Transfer to Reserves** – includes all transfers of funds in the current year from the operating program to a reserve. At a corporate level the net of the transfers to reserves and the transfers from reserves represents our total contribution to reserves or draw on reserves in the year.

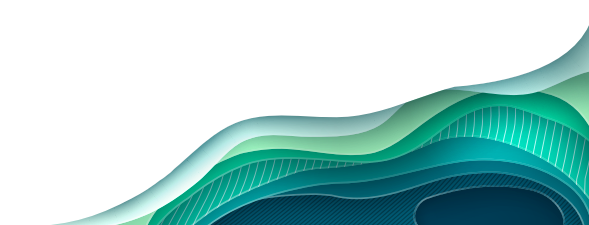
**Transfer from Reserves** – transfers of funds in the current year to the operating program from a reserve. At a corporate level the net of the transfers from reserves and the transfers to reserves represents our total contribution to reserves or draw on reserves in the year.

**Expense Allocation to Capital** – eligible costs recorded and managed in the operating program allocated to the capital program.

## Definition of Report Rows – Indirect Allocation & Debt

**Indirect Allocation** – costs that are not directly traceable to a specific program or department (i.e. HR, finance, procurement, legal, IT, properties, and communications). Indirect costs are common resources shared by several programs and services that require an allocation to determine full cost of the program or service.

**Capital Financial Allocation** – allocations of all debt charges incurred to programs and services based on projects the debt is issued to fund.



## Appendix 2: COVID-19 2020 Financial Impact Summary (in thousands)

The information available and estimated to date has been summarized into the following key categories.

1. Total Gross Cost: This category represents all costs tracked and associated with the emergency response including costs that can be accommodated within our approved 2020 budget. It is important to note that while the Region does have an established base budget to support some of these expenditures, it is not what was originally contemplated in the base budget and may result in delays in work plans and/or backlogs after the emergency is complete.
2. Total Net Cost: This category considers confirmed funding sources that have been matched to eligible expenditures.
3. Net Deficit/(Surplus): This category removes the costs that can be supported by our approved base budget. It also considers strategic and other mitigations (offset by other non-COVID pressures) the Region has been able to identify and put in place to help manage the cost of the emergency.

	Spent & Committed As of Date	Spent & committed	Projected to Dec 31	Total
Costs supported by our approved base budget				
EOC Dedicated Resources <sup>1</sup>	10-Aug	\$ 3,260	\$ 1,712	\$ 4,972
Lost Productivity – Staff Unable to Work <sup>2</sup>	25-Jul	1,747	707	2,454
Redeployed Resources <sup>3</sup>	25-Jul	5,641	4,798	10,439
Emergency Child Care Costs <sup>4</sup>	10-Aug	602	-	602
Total costs supported by our approved base budget		11,250	7,217	18,467
Costs incremental to base budget				
Additional labour related costs <sup>5</sup>	25-Jul	4,878	4,578	9,456
Pandemic Pay <sup>6</sup>	11-Jul	2,974	1,599	4,573
Purchases made or committed <sup>7</sup>	10-Aug	6,511	9,834	16,345
Total costs incremental to base budget		14,363	16,011	30,374
Lost Revenue <sup>8</sup>		-	11,667	11,667
Cost Savings <sup>9</sup>		-	(5,203)	(5,203)
<b>Total Gross Cost</b>		<b>25,613</b>	<b>29,692</b>	<b>55,305</b>
Confirmed Funding Matched to Expenses <sup>10</sup>		(12,785)	(3,969)	(16,754)
<b>Net Cost to Region</b>		<b>12,828</b>	<b>25,723</b>	<b>38,551</b>
Strategic and Other Mitigations <sup>11</sup>		-	(12,453)	(12,453)
Cost supported by our approved base budget		(11,250)	(7,218)	(18,468)
<b>Net Deficit/(Surplus)</b>		<b>\$ 1,578</b>	<b>\$ 6,052</b>	<b>\$ 7,630</b>

- <sup>1</sup> Mar 13 to June 29 - Assumes 100% of salary and benefit costs to any staff member fully activated in the Regional EOC, Public Health EOC, and EMS EOC . As of June 30<sup>th</sup> all EOC members have estimated their ongoing time commitment and costs have been projected accordingly.
- <sup>2</sup> Staff unable to work due to self-isolation, needing to care for family members or being sick directly associated with COVID-19
- <sup>3</sup> Corporate cost of redeployed resources.
- <sup>4</sup> Emergency child care services were provided as requested by the province. Cost include base staffing and supplies used while delivering emergency childcare in April through June.
- <sup>5</sup> Additional salary, benefits and overtime costs related to managing the emergency. Overtime (banked and paid) to date represent 27% of the additional labour related cost which averages to an additional 25 FTE each week of the pandemic.
- <sup>6</sup> Pandemic pay estimates from April 24 to August 13. Pandemic pay is allocated by department as follows and does not yet include amounts that will be flowed to third party agencies through the Homelessness program: Seniors Services \$3,532 thousand, Homelessness Services \$27 thousand, Emergency Medical Services \$974 thousand, Public Health Programs \$40 thousand.
- <sup>7</sup> Additional purchase commitments made to directly support the emergency (e.g. cleaning supplies and services, personal protective equipment, emergency shelter, screening, advertising). Included in the purchases the Region has executed 33 special circumstance purchases over \$10,000 for a total value of \$4.2 million. These purchase consist mainly of personal protective equipment, cleaning supplies/services, emergency shelter, homelessness agency support and screening services. Staff will continue to rely on the special circumstance provisions in the procurement by-law on an as-required basis and report back to Council as needed.
- <sup>8</sup> Estimated loss of expected revenue sources (e.g. rental income on owned units, transit fare revenue, business licensing revenue, development applications, parental fees, POA infraction revenue, investment income).
- <sup>9</sup> Estimated cost savings directly related to the COVID measures (e.g. reduced travel costs, reduced electricity, cancelled events). Fuel savings in EMS and transportation estimated at \$295 thousand.
- <sup>10</sup> Funding received has been matched to eligible expenditures.
- <sup>11</sup> Strategic mitigations put in place by the Region (e.g. gapping of vacant positions, reduced non-emergency repair work, reduced transit service costs, other non-COVID related savings). This category is offset by other non-COVID related pressures.

### Appendix 3: COVID-19 2020 Financial Impact by Department (in thousands)

	Costs supported by our approved base budget	Costs incremental to base budget	Lost Revenue	Cost savings	Total Gross Cost	Confirmed Funding Matched to Expenses	Net Cost to Region	Strategic & Other Mitigations	Costs supported by our base budget	Net Deficit/ (Surplus)
General Government	\$ -	\$ 6	\$ 1,034	\$ (1,272)	\$ (232)	\$ -	\$ (232)	\$ (1,984)	\$ -	\$ (2,216)
Corporate Administration	1,089	519	-	(1,592)	17	-	17	(2,129)	(1,089)	(3,201)
Governance	79	4	-	(105)	(22)	-	(22)	(77)	(79)	(178)
Corporate Services	881	1,314	162	(14)	2,343	-	2,343	3,937	(881)	5,399
Court Services	15	2	1,135	(190)	961	-	961	(11)	(15)	935
Planning	275	8	300	-	583	-	583	(707)	(275)	(399)
Niagara Regional Housing	1	228	-	(134)	95	-	95	(946)	(1)	(852)
NRPS *	1,149	585	3,650	(751)	4,632	-	4,632	(2,563)	(1,149)	920
Transportation	164	139	3,031	(249)	3,084	(637)	2,448	(6,340)	(164)	(4,056)
Public Health										
Public Health	6,967	4,816	149	(49)	11,883	(590)	11,293	(546)	(6,967)	3,780
EMS	1,978	2,464	40	(238)	4,244	(974)	3,271	862	(1,978)	2,154
Sub-total Public Health	8,946	7,280	189	(288)	16,127	(1,563)	14,564	316	(8,946)	5,934
Community Services										
Childrens Services **	922	5,055	340	-	6,318	(5,395)	922	-	(922)	-
Seniors Services ***	4,081	11,784	6	-	15,872	(6,143)	9,728	(1,170)	(4,081)	4,477
SAEO	159	28	-	-	187	-	187	(807)	(159)	(778)
Homelessness Services	510	3,015	-	-	3,525	(3,015)	510	-	(510)	-
Sub-total Community Services	5,672	19,882	346	-	25,901	(14,553)	11,348	(1,977)	(5,672)	3,699
Indirect allocation levy related deficit	-	-	-	-	-	-	-	1,085	-	1,085
<b>Total Levy Supported</b>	<b>18,271</b>	<b>29,965</b>	<b>9,847</b>	<b>(4,594)</b>	<b>53,489</b>	<b>(16,754)</b>	<b>36,735</b>	<b>(11,395)</b>	<b>(18,271)</b>	<b>7,069</b>
Waste Management	49	145	883	(361)	717	-	717	(667)	(49)	0
Water/Wastewater	147	264	936	(248)	1,099	-	1,099	694	(147)	1,646
Indirect allocation rate related surplus	-	-	-	-	-	-	-	(1,085)	-	(1,085)
<b>Total Rate Supported</b>	<b>197</b>	<b>409</b>	<b>1,819</b>	<b>(609)</b>	<b>1,816</b>	<b>-</b>	<b>1,816</b>	<b>(1,058)</b>	<b>(197)</b>	<b>561</b>
<b>Total</b>	<b>\$ 18,467</b>	<b>\$ 30,374</b>	<b>\$ 11,667</b>	<b>\$ (5,203)</b>	<b>\$ 55,305</b>	<b>\$ (16,754)</b>	<b>\$ 38,551</b>	<b>\$ (12,453)</b>	<b>\$ (18,467)</b>	<b>\$ 7,630</b>

\*NRPS figures reflect revised forecast to be presented to the NRPS board in September 2020.

\*\* Confirmed funding matched to expense in Childrens Services is a reallocation of existing funding and not incremental funding. The MOE has advised service providers it will allow them to be flexible in how they apply their existing grants against their costs to minimize or eliminate any deficits. As a result, the division is confident it will be able to use its current grant to support COVID related items.

\*\*\* The incremental costs in seniors services is 41% labour related, 30% pandemic pay related and 29% supplies/PPE/screening related. While there has been incremental staffing needs in the long-term care homes, the hours per bed per day is 3.62 which remains under the recommended level of 4.