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**Subject:** Q3 2020 Financial Update  
**Report to:** Corporate Services Committee  
**Report date:** Wednesday, December 9, 2020

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## Recommendations

1. That the September 30, 2020, Q3 Financial Update of the Regional Municipality of Niagara ("the Region") **BE RECEIVED** for information.

## Key Facts

- Quarterly financial 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 Q3 report provides the most recent comprehensive financial report of all Region operations in 2020 and consolidates all impacts, both COVID-19 related and non-COVID-19 related.
- Regional departments and General Government are projecting a surplus of \$19.5 million (3.51% of budget) at year-end. Levy-supported programs (Regional Departments consolidated with ABC's) are projecting a surplus of \$17.1 million (2.07% of budget) at year-end.
- Rate supported programs (Water and Wastewater Services and Waste Management Services) are projecting a surplus of \$2.0 million (1.09% of budget) at year-end.
- The above results include the Region's current estimate of the 2020 total gross cost related to the COVID-19 pandemic is \$48.6 million. Total regional gross cost (including all Local Area Municipalities, LAMS) is estimated at \$79 million.
- At the time of writing this report, the Region had submitted its application for additional Phase 2 funding through the Municipal Safe Re-start funding from the Province of Ontario based on the net COVID-19 related costs incurred, but have not received confirmation yet regarding eligibility.
- Sustainable variances identified through the quarterly reporting exercise have been considered in the development of the 2021 budget.
- The 2021 projected net budget pressure related to ongoing COVID-19 measures to date is \$19.5 million or 4.97 % for levy programs, \$0.1 million or 0.32% for waste

management, and a savings of \$0.1 million or 0.07% for water/wastewater programs. 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.

- 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.

## **Financial Considerations**

Full analysis and explanation of the levy and rate-supported program forecasts can be found in the Q3 2020 Financial Update Report on the Region's website at the link below and in 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.

### [Q3 2020 Financial Update](#)

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

Due to the COVID-19 emergency, the Region's results and forecasts 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 several 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 Q3 2020 Financial Update Report.

*Table 1: Q3 2020 Results Summary*

(in thousands)	Forecasted Surplus/(Deficit) after indirect allocations	Percent of Budget
Regional Departments and General Government	\$19,504	3.51%
NRPS	(3,103)	1.65%
NRH	1,130	1.71%
Court Services	(458)	5.64%
NPCA	0	0.00%
<b>Total Levy Supported</b>	<b>\$17,073</b>	<b>2.07%</b>
Water and Wastewater	\$1,649	1.24%
Waste Management	396	0.71%
<b>Total Rate Supported</b>	<b>\$2,045</b>	<b>1.09%</b>

Niagara Region's levy programs are operating at a forecasted surplus of \$17,073 after applying all known government funding announcements, including the Phase 1 Municipal Safe Re-start funding. Staff would recommend that all COVID-19 related funding received for 2020 be applied to 2020 COVID-19 related net costs, and that any surplus at year-end arising from strategic mitigation efforts and redeployments be allocated to the Taxpayer Relief Reserve, to then be utilized to offset 2021 budget pressures. Given unknowns around additional Public Health and Seniors Services funding, staff have prepared the following worst to best case scenarios for 2020 in Table 2 below. An application has been submitted for Phase 2 Municipal Safe Re-start funding; however, it currently unknown at the time of writing this report whether the Region will receive any additional funding.

*Table 2: Levy Funding Available for 2021*

(in thousands)	Worst Case	Likely Case	Best Case
2020 Levy Supported Programs Surplus	\$ 17,073	\$ 17,073	\$ 17,073
2020 Possible Public Health Funding	-	1,872	1,872
2020 Seniors Services Funding	-	1,711	1,711
2020 EMS Funding	-	-	2,499
Safe Restart Municipal Funding - Phase 2	-	-	Unknown
<b>Funds available for 2021 Levy Budget</b>	<b>\$ 17,073</b>	<b>\$ 20,656</b>	<b>\$ 23,155</b>

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

## **Analysis**

The Q3 2020 financial results are being driven by many different factors, which are outlined below. Since our previous report CSD 69-2020 on October 22, 2020, information has been received and assumptions have been updated. The main changes between the October report and the current analysis are due to a comprehensive Q3 analysis, which resulted in refinement of many non-COVID related items, as well as application of the Phase 1 Municipal Safe Re-start funding in the forecast.

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

Regional Departments and General Government have a forecasted year-end surplus of \$19,504 (3.51% of budget). The forecasted surplus is driven in large part by Phase 1 Municipal Safe Re-start funding from the Province of Ontario that will offset some of the COVID-19 related costs that have been incurred since the start of the pandemic. In the absence of known external funding to support incremental costs such as investments in additional staff support and supplies in Community Services and Public Health to support the COVID-19 emergency, the Region worked to mitigate these increases 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 and deferring planned work. There was also a pandemic-related hold on recruitment for staffing vacancies and reduced health and dental benefit claims due to closures and restrictions, which generated savings in compensation costs.

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.

These cost savings have been partially offset by 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 and an allocation of investment income



to the rate reserves and deferred revenues that is higher than budgeted in alignment with the reserve and reserve fund policy.

The ABCs are forecasting a year-end deficit of \$2,431 (0.91% 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 surplus at year-end of \$1,649 (1.24% of budget), which is comprised of forecasted surpluses in the water division of \$730 and in the wastewater division of \$919.

The surplus is primarily driven by savings in labour-related costs arising from a pandemic-related hold on recruitment for staffing, as well as savings in preventative maintenance and repair work and Asset Management software implementation that have been deferred due to COVID-19.

These savings are partially offset by decreased water sales in the water division due to reduced water usage combined with a wet spring, and increased sludge management and chemical costs due to increased pricing.

***Waste Management***

Waste Management Services is forecasting a surplus at year-end of \$396 (0.71% 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 \$48.6 million, with a net cost after program-specific and Phase 1 Municipal Safe Re-start funding of \$17.8 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 manage the cost of the emergency, resulting in a total net estimated surplus of \$19.1 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>	<b>46,849</b>	<b>1,016</b>	<b>692</b>	<b>48,557</b>
Less: Confirmed Funding Matched to Expenses	(30,798)	-	-	(30,798)
<b>Net Cost to Region</b>	<b>16,051</b>	<b>1,016</b>	<b>692</b>	<b>17,759</b>
Less: Strategic and Other Mitigations	(12,521)	(2,488)	(1,039)	(16,048)
Less: Redeployed resources	(20,603)	(177)	(49)	(20,829)
<b>Net budget deficit/(surplus)</b>	<b>\$ (17,073)</b>	<b>\$ (1,649)</b>	<b>\$ (396)</b>	<b>\$ (19,118)</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 \$79 million.

## Funding Announcements

The Region has received announcements of confirmed funding sources of \$37.8 million to support the COVID-19 emergency, as identified below. The funding sources will be utilized as outlined by each different agreement, with an estimated \$30.8 million (\$18.6 million in program-specific funding and \$12.2 million in Municipal Safe Re-start funding) being recognized in the 2020 operating results.

Table 4: Confirmed Funding Announcements

(in thousands)	Amount	2020 Operating	2021 Operating	Capital	To be allocated
Social Services Relief Fund - Phase 1 (Note 1)	\$ 2,408	\$ 1,859	\$ 549	\$ -	\$ -
Reaching Home Funding (Note 1)	1,253	852	401	-	-
Social Services Relief Fund - Phase 2 (Note 1)	3,014	465	548	2,000	-
Community Response Fund	63	63	-	-	-
Reaching Home Funding - Phase 2 (Note 1)	1,705	-	-	-	1,705
Childrens Services Fees Subsidy Funding Reallocation	720	720	-	-	-
School Focused Nursing Initiative (Note 2)	1,827	707	1,120	-	-
Case and contact management funding	32	11	21	-	-
Transit Bus Cleaning	27	27	-	-	-
Safe Restart - Transit Phase 1 Funding (Note 3)	-	-	-	-	-
Safe Restart - Child Care Funding	4,533	4,533	-	-	-
Long-term Care - Emergency Funding	3,071	3,071	-	-	-
Long-term Care - Infection Prevention & Control Funding	774	774	-	-	-
Long-term Care - PSW Wage Enhancement	1,297	648	648	-	-
Pandemic Pay (Note 4)	4,883	4,883	-	-	-
Sub-total of program specific funding	25,607	18,614	3,288	2,000	1,705
Safe Restart - Municipal Phase 1 Funding	12,185	12,185	-	-	-
Total	\$ 37,792	\$ 30,798	\$ 3,288	\$ 2,000	\$ 1,705
<p>Note 1: Incremental funding to cover full fiscal year of April 1, 2020 to March 31, 2021.</p> <p>Note 2: Estimated based on 20 FTE notice provided.</p> <p>Note 3: Funding allocation was \$609,693. Based on terms of funding and no net eligible expenditures, it will be returned.</p> <p>Note 4: Pandemic payments from April 24 to August 13. Including payments to 3rd party agencies.</p>					

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 \$540 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. Monthly funding allocations have been received for April through September.
- 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.

- An additional \$250 million in federal-provincial funding through the COVID-19 Resilience Infrastructure Stream to support public infrastructure, defined as tangible capital assets, including temporary infrastructure related to pandemic response, primarily for public use and/or benefit. Niagara Region will be eligible for funding up to \$2.5 million, but will need to complete applications on eligible projects to receive the funding. Staff are currently working to identify eligible projects.
- Ontario Works has been closely monitoring caseload. It is not expecting to see increased caseload in 2020 but may see increase in 2021. If increased caseloads occur the Region would expect 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 and the Region has submitted reports to the province. No details on allocation have been provided yet.

## **2021 Budget Pressures**

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.

At this time staff have been working 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 drive many of the budget impacts. At the time of this report staff have identified 2021 net budget pressures related to COVID-19 as \$19.5 million, which are summarized by program area below. In the spirit of Council's priority to minimize tax increases, staff have developed a 2021 funding strategy for COVID-19

related pressures that leverages phase 1 Safe Restart, 2020 surplus, assessment growth allocation and stabilization reserves. This will be presented to Council through the levy budget presentations in January and will ensure no increase to the tax levy for COVID-19 in 2021.

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

(in thousands)	Amount	Increase %
General Government & Corporate	\$ 1,008	0.26%
Corporate Administration	57	0.01%
Corporate Services	1,434	0.37%
Court Services	39	0.01%
Niagara Regional Housing	605	0.15%
NRPS	1,050	0.27%
Transportation	(74)	-0.02%
Public Health		
Public Health	5,615	1.43%
Emergency Medical Services	788	0.20%
Community Services		
Seniors Services	7,487	1.91%
SAEO	-	0.00%
Childrens Services	267	0.07%
Homelessness	1,230	0.31%
<b>Levy Budget Pressure</b>	<b>19,506</b>	<b>4.97%</b>
<b>Water &amp; Wastewater Services Pressure</b>	<b>(92)</b>	<b>-0.07%</b>
<b>Waste Management Pressure</b>	<b>\$ 126</b>	<b>0.32%</b>
<b>Total</b>	<b>\$ 19,540</b>	<b>4.98%</b>

To better understand the components, a summary of items by category is provided below. The following is of note:

- The most significant pressure relates to required incremental staffing across the corporation and the creation of a pandemic division within public health.
- No new funding sources (outside of the homelessness program, which has identified funding until the end of its fiscal year of March 31, 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.
- The costs assume the Region will end current redeployment between departments 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.

- We have excluded the cost of the COVID-19 vaccination program in the 2021 proposed budget. Once we have a better understanding of the cost and funding model for this program, a report will be written to Council outlining the financial implications and requesting a budget adjustment as required. Should costs for the program be incurred in advance of funding, staff will ensure they are tracked separately and can be reported on. The Region would rely on its current working capital to cash flow program purchases as required. If external funding is not sufficient to cover the costs of the program, staff would recommend drawing on the Taxpayer Relief Reserve through the 2021 year-end transfer report per the Operating Surplus/Deficit Policy C-F-022.

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

(in thousands)	Amount	Increase %
Staffing	\$ 7,789	
Pandemic Division	5,465	
Personal Protective Equipment	1,919	
Cleaning & Sanitation	1,914	
Equipment	116	
Shelter	2,440	
Agency Support	244	
Vaccination Program	Not included	
Rent Subsidy	192	
Lost Revenue - Transit	3,462	
Lost Revenue - NRPS OLG	1,050	
Lost Revenue - Taxes	1,008	
Lost Revenue - Other	303	
Cost Savings - Transit	(3,623)	
Cost Savings - Other	(284)	
Other	164	
<b>Total Gross Cost</b>	<b>22,159</b>	
Confirmed Funding	2,619	
<b>Total Net Cost</b>	<b>\$ 19,540</b>	<b>4.98%</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, and therefore the increase in rates would create a shift in the burden to the residential sector if business closures continue into 2021. The current strategy will be to maintain volumes

in the 2021 budget to minimize impact on the water/wastewater rate due to COVID-19. Should actual volumes be below budget, staff will recommend drawing on the taxpayer relief reserve in 2021 through the year-end transfer report to fund the water sales deficit.

### **Alternatives Reviewed**

Forecasts for the year are provided using the best information and estimates based on circumstances known at the time of the financial update.

Staff are working with both the area municipality treasurers within Niagara Region and with colleagues across the province (through the Ontario Regional and Single-Tier Treasurers group) to share ideas and strategies to respond to the financial and operational impacts of this pandemic.

### **Relationship to Council Strategic Priorities**

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

Supporting the COVID-19 emergency response directly supports Council's 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)
- CSD 56-2020 Q2 2020 Financial Update (CSC September 9, 2020)
- CSD 57-2020 COVID-19 Cash Flow Update (September 17, 2020)

- CSD 63-2020 COVID-19 Cash Flow Update (October 22, 2020)
- CSD 69-2020 COVID-19 Financial Impact Update (October 22, 2020)

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

**Appendices**

Appendix 1	Q3 2020 Financial Update
Appendix 2	COVID-19 2020 Financial Impact Summary
Appendix 3	COVID-19 2020 Financial Impact by Department



NIAGARA REGION

2020

Q3 FINANCIAL UPDATE  
SEPTEMBER



# Q3 Financial Update – September 2020

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# Introduction

On behalf of Niagara Region, we are pleased to provide you with the 2020 Q3 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 September 30, 2020 Niagara Region is forecasting a funding surplus of \$17,073 thousand related to the levy programs, \$1,649 thousand surplus related to Water and Wastewater programs, and a \$396 thousand surplus 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 has been put in place and continues to be refined and actioned to guide the Niagara Region through the COVID-19 pandemic.

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 surplus of \$17,073 including \$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 surplus 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.

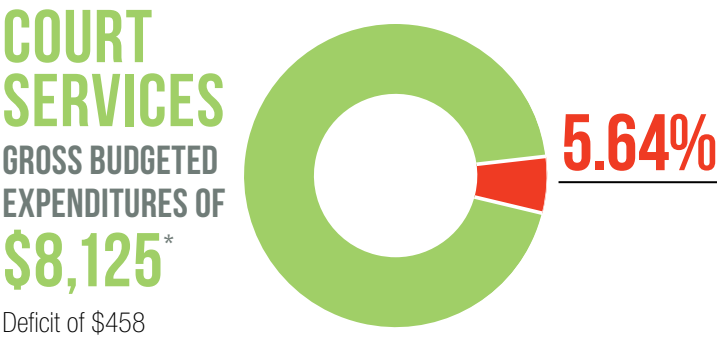
Niagara Region's levy programs excluding agencies, boards and commissions (ABCs) are operating at a forecasted surplus of \$19,504, which is largely driven by extensive mitigation efforts to manage the increased costs related to required investments in Community Services and Public Health to support the COVID-19 emergency, including the redeployment of staff resources and re-prioritizing planned work. In addition, the recovery process has been slower than anticipated, resulting in further work delays and corresponding cost deferrals. 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 ABCs are operating at a forecasted deficit of \$2,431. The 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 and the 2020 NRPA wage settlement.

LEVY DEPARTMENT AND PROGRAMS  
(Including ABC's)

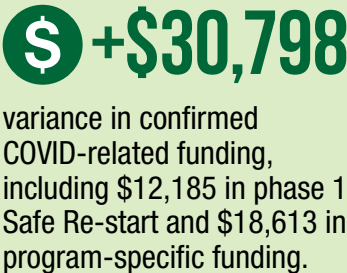
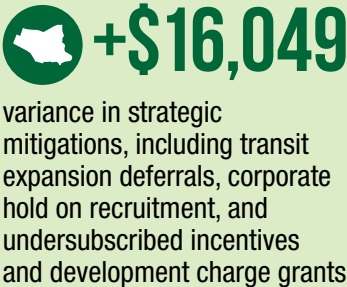
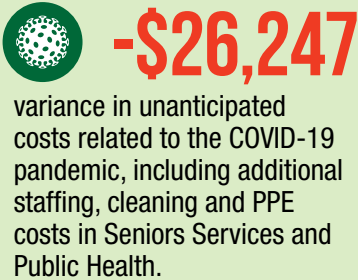


FINANCIAL RESULTS OF ABC'S



\*Includes transfer, intercompany charges and indirect allocations

FINANCIAL STATEMENT HIGHLIGHTS



CONSOLIDATED OPERATING FUNDING SURPLUS/(DEFICIT) REVIEW

# WATER & WASTEWATER

(in thousands of dollars)

Water and Wastewater Services are operating at a forecasted surplus of \$1,649, which consists of a \$919 surplus in the Wastewater division and a \$730 surplus in the Water division.

The forecasted surplus is primarily attributable to favourable variances of \$781 resulting from staffing vacancies and \$863 in allocation of business support costs, as well as \$1,336 for preventative maintenance and repair work and Asset Management software costs that have been deferred due to the COVID-19 pandemic. These favourable variances are offset by unfavourable variance in water sales of \$703 due to decreased water usage as a result of the COVID-19 pandemic, combined with a wet spring and unfavourable variances of \$390 and \$393 due to increased pricing in sludge management and chemical costs, respectively.

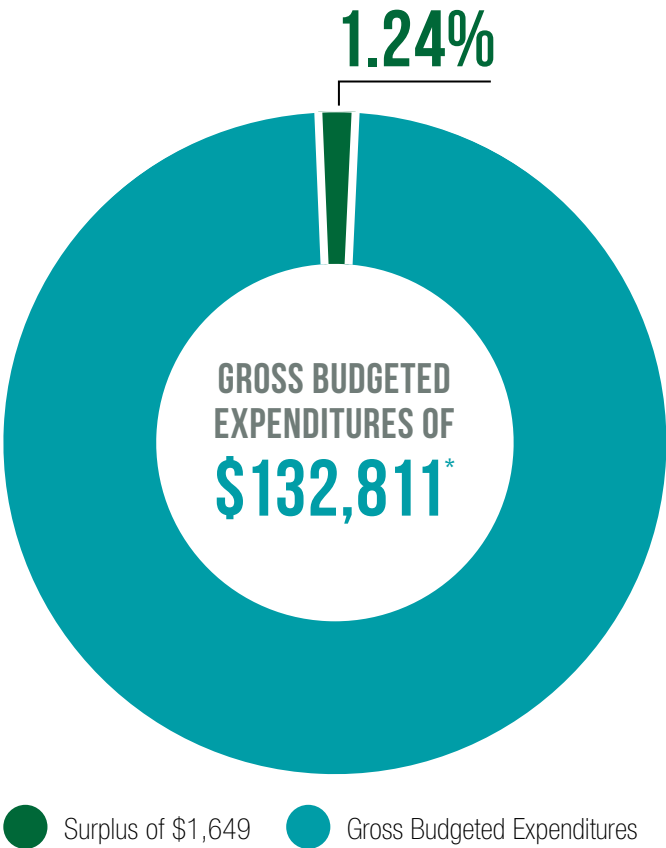
It is recommended that at year-end the projected surpluses of \$919 in the Wastewater division and \$730 in the Water division be transferred to the Wastewater Stabilization and Water Stabilization reserves, respectively.

Including forecasted surpluses, the Wastewater Stabilization Reserve and Water Stabilization reserves are forecasted to have balances of \$2,309 and \$3,794 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 slightly above the funding target. 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



**+\$781**  
**VARIANCE IN LABOUR**  
**RELATED COSTS**

due to staffing vacancies driven by pandemic-related hold on recruitment.



**+\$1,366** VARIANCE  
**IN PREVENTATIVE**  
**MAINTENANCE AND**  
**REPAIR WORK**

due to delays driven by the pandemic.

CONSOLIDATED OPERATING FUNDING SURPLUS/(DEFICIT) REVIEW

# WASTE MANAGEMENT

(in thousands of dollars)

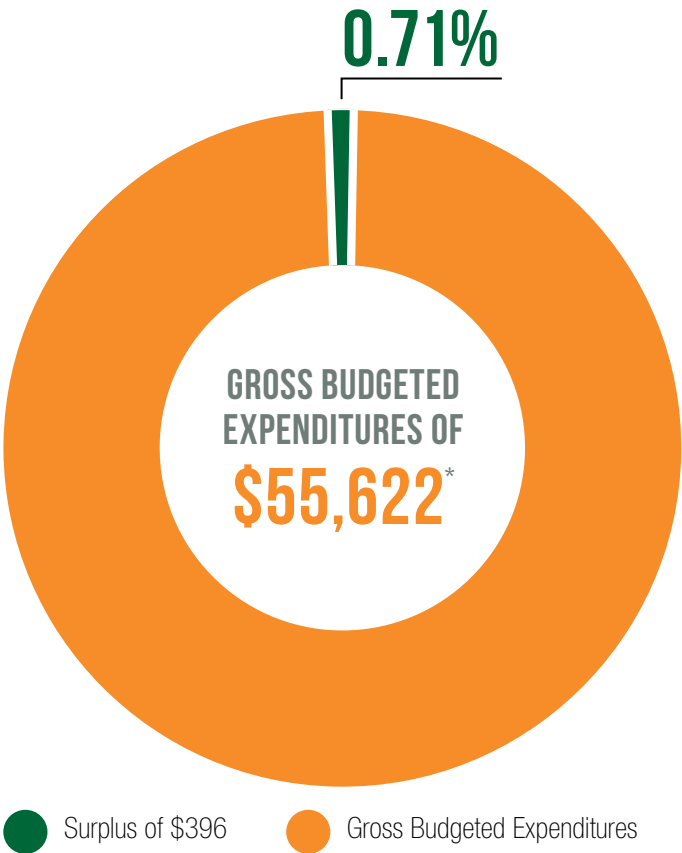
Waste Management Services are operating at a forecasted surplus of \$396.

The forecasted surplus is primarily a result of a \$374 favourable variance arising from savings in administrative costs such as training and development, as well as promotion and education, a \$504 favourable variance from lower than anticipated landfill operation and monitoring costs and collection contract adjustments, a \$367 favourable variance in labour-related cost savings attributable to the COVID-19 pandemic, as well as a \$106 favourable variance due to the reallocation of wages for staff who have been redeployed. These forecasted favourable variances are offset by forecasted unfavourable variances of \$262 from overall lower than anticipated market revenues from the sale of recyclable commodities, \$643 in reduced tipping fee revenue due to service changes as a result of the COVID-19 pandemic, and increased organic processing costs of \$294 due to increased volumes.

It is recommended that at year-end the projected funding surplus of \$396 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 \$5,344 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 above the minimum funding target.

WASTE MANAGEMENT OPERATING SURPLUS



\* Includes transfer, intercompany charges and indirect allocations

FINANCIAL STATEMENT HIGHLIGHTS



**-\$262**  
**VARIANCE IN**  
**RECYCLING REVENUE**

resulting from the continuing decline  
in the commodities market



**+\$367**  
**VARIANCE IN**  
**OPERATIONS**

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

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

	Before Indirect Allocations			After Indirect Allocations		
	Annual Budget	Annual Forecast	Q3 Forecasted Surplus/(Deficit)	Annual Budget	Annual Forecast	Q3 Forecasted Surplus/(Deficit)
<b>LEVY SUPPORTED DEPARTMENTS &amp; PROGRAMS</b>						
<b>Regional Departments</b>						
Governance	\$2,170	\$1,998	\$172	\$2,449	\$2,412	\$37
General Government	-\$320,312	-\$333,903	\$13,591	-\$397,341	-\$410,932	\$13,591
Corporate Administration	\$14,626	\$10,479	\$4,147	\$6,770	\$5,130	\$1,640
Corporate Services	\$36,378	\$39,460	-\$3,082	\$857	\$950	-\$93
Community Services	\$29,385	\$29,998	-\$613	\$50,941	\$50,148	\$793
Public Health & Emergency Services	\$26,586	\$30,957	-\$4,371	\$41,637	\$45,665	-\$4,028
Public Works - Transportation	\$38,526	\$31,029	\$7,497	\$77,854	\$70,862	\$6,992
Planning & Development	\$4,099	\$3,644	\$455	\$5,133	\$4,561	\$572
<b>Sub-Total - Regional Departments</b>	<b>-\$168,542</b>	<b>-\$186,338</b>	<b>\$17,796</b>	<b>-\$211,700</b>	<b>-\$231,204</b>	<b>\$19,504</b>
<b>Agencies, Boards &amp; Commissions</b>						
Court Services	-\$1,885	-\$1,372	-\$513	-\$734	-\$276	-\$458
Niagara Regional Housing	\$28,345	\$27,325	\$1,020	\$36,444	\$35,314	\$1,130
Niagara Regional Police	\$154,458	\$154,665	-\$207	\$170,180	\$173,283	-\$3,103
Niagara Peninsula Conservation Authority	\$5,810	\$5,810	\$0	\$5,810	\$5,810	\$0
<b>Subtotal Agencies, Boards &amp; Commissions</b>	<b>\$186,728</b>	<b>\$186,428</b>	<b>\$300</b>	<b>\$211,700</b>	<b>\$214,131</b>	<b>-\$2,431</b>
<b>Total Levy Supported Programs</b>	<b>\$18,186</b>	<b>\$90</b>	<b>\$18,096</b>	<b>\$0</b>	<b>-\$17,073</b>	<b>\$17,073</b>
<b>RATE SUPPORTED DEPARTMENTS</b>						
Public Works - Water & Wastewater	-\$15,749	-\$16,536	\$787	\$0	-\$1,649	\$1,649
Public Works - Waste Management	-\$2,437	-\$2,672	\$235	\$0	-\$396	\$396
<b>Total Rate Supported Departments</b>	<b>-\$18,186</b>	<b>-\$19,208</b>	<b>\$1,022</b>	<b>\$0</b>	<b>-\$2,045</b>	<b>\$2,045</b>
<b>TOTAL</b>	<b>\$0</b>	<b>-\$19,118</b>	<b>\$19,118</b>	<b>\$0</b>	<b>-\$19,118</b>	<b>\$19,118</b>



## Levy Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$306,038	\$304,760	\$1,278	0.4%	\$409,088	\$407,933	\$1,156	0.3%
Administrative	\$25,881	\$21,442	\$4,439	17.2%	\$34,816	\$31,238	\$3,578	10.3%
Operational & Supply	\$35,016	\$28,286	\$6,730	19.2%	\$47,135	\$40,819	\$6,315	13.4%
Occupancy & Infrastructure	\$22,099	\$21,663	\$436	2.0%	\$29,739	\$29,717	\$22	0.1%
Equipment, Vehicles, Technology	\$11,964	\$11,844	\$120	1.0%	\$16,120	\$16,368	-\$248	-1.5%
Community Assistance	\$149,496	\$133,555	\$15,941	10.7%	\$197,117	\$192,767	\$4,350	2.2%
Partnership, Rebate, Exemption	\$20,829	\$8,894	\$11,935	57.3%	\$24,823	\$16,847	\$7,976	32.1%
Financial Expenditures	\$51,685	\$42,914	\$8,771	17.0%	\$69,373	\$63,592	\$5,781	8.3%
<b>Total Expenses</b>	<b>\$623,009</b>	<b>\$573,360</b>	<b>\$49,650</b>	<b>8.0%</b>	<b>\$828,210</b>	<b>\$799,281</b>	<b>\$28,929</b>	<b>3.5%</b>
Taxation	-\$294,748	-\$288,645	-\$6,103	-2.1%	-\$409,634	-\$407,820	-\$1,814	-0.4%
Federal & Provincial Grants	-\$240,103	-\$240,881	\$778	0.3%	-\$320,029	-\$343,061	\$23,031	7.2%
By-Law Charges & Sales	-\$15,173	-\$8,409	-\$6,763	-44.6%	-\$21,427	-\$10,764	-\$10,664	-49.8%
Other Revenue	-\$54,555	-\$46,272	-\$8,282	-15.2%	-\$73,324	-\$62,604	-\$10,720	-14.6%
<b>Total Revenues</b>	<b>-\$604,578</b>	<b>-\$584,207</b>	<b>-\$20,370</b>	<b>-3.4%</b>	<b>-\$824,414</b>	<b>-\$824,248</b>	<b>-\$166</b>	<b>0.0%</b>
Intercompany Charges	-\$1,430	-\$1,211	-\$219	15.3%	-\$1,907	-\$1,688	-\$219	11.5%
<b>Total Intercompany Charges</b>	<b>-\$1,430</b>	<b>-\$1,211</b>	<b>-\$219</b>	<b>15.3%</b>	<b>-\$1,907</b>	<b>-\$1,688</b>	<b>-\$219</b>	<b>11.5%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$17,002</b>	<b>-\$12,058</b>	<b>\$29,060</b>	<b>170.9%</b>	<b>\$1,889</b>	<b>-\$26,655</b>	<b>\$28,544</b>	<b>1510.7%</b>
Transfers From Funds	-\$12,761	-\$12,761	\$0	0.0%	-\$14,424	-\$11,836	-\$2,587	-17.9%
Transfers To Funds	\$28,051	\$35,479	-\$7,429	-26.5%	\$30,860	\$38,708	-\$7,848	-25.4%
Expense Allocations To Capital	-\$105	-\$92	-\$13	-12.0%	-\$140	-\$127	-\$13	-9.0%
<b>Total Transfers</b>	<b>\$15,184</b>	<b>\$22,625</b>	<b>-\$7,441</b>	<b>-49.0%</b>	<b>\$16,297</b>	<b>\$26,745</b>	<b>-\$10,448</b>	<b>-64.1%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$32,186</b>	<b>\$10,567</b>	<b>\$21,619</b>	<b>67.2%</b>	<b>\$18,186</b>	<b>\$90</b>	<b>\$18,096</b>	<b>99.5%</b>
Indirect Allocations & Debt	-\$12,091	-\$11,274	-\$817	-6.8%	-\$18,186	-\$17,163	-\$1,023	-5.6%
<b>Total Indirect Allocations &amp; Debt</b>	<b>-\$12,091</b>	<b>-\$11,274</b>	<b>-\$817</b>	<b>-6.8%</b>	<b>-\$18,186</b>	<b>-\$17,163</b>	<b>-\$1,023</b>	<b>-5.6%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$20,095</b>	<b>-\$707</b>	<b>\$20,802</b>	<b>0.0%</b>	<b>\$0</b>	<b>-\$17,073</b>	<b>\$17,073</b>	<b>0.0%</b>



## Levy - Continued

### Variance Analysis (in thousands of dollars)

Levy is operating a year-to-date surplus after indirect allocations of \$20,802 and a forecasted surplus after indirect allocations of \$17,073. This is due to a number of factors as noted below.

The 2020 budget includes expenditures and revenues related to the implementation of the Vision Zero Road Safety program in 2020 within the Court Services and Transportation Services divisions. The work on the implementation of the program, including the proposed changes to the Niagara Region Courts Inter-municipal Agreement, has been delayed as a result of the COVID-19 pandemic. Accordingly, no expenditures are expected to be incurred or revenues realized in 2020. The program was budgeted to break even overall for the year, so while it does cause variances in expense and revenue categories, there will be no net impact on the distribution to the local area municipalities as a result of the delay.

**Compensation** - The favourable year-to-date and forecasted variances of \$1,278 and \$1,156 respectively are mainly driven by staffing vacancies across the corporation due to a corporate hold on recruitment to help mitigate COVID-19 pandemic pressures, in addition to savings in health and dental benefit costs resulting from reduced claims arising from pandemic-related closures and restrictions. These savings have been partially offset by unfavourable year-to-date and forecasted variances in Public Health due to increased Workplace Safety Insurance Board costs (\$570) and incremental staffing costs within Public Health and Community Services to address increased workload resulting from the pandemic. Forecasted savings related to Vision Zero are \$933.

**Administration** – The favourable year-to-date variances of \$4,439 and \$3,578 are primarily due to a combination of timing differences for consulting expenditures and the deferral of work plans, mostly as a result of the COVID-19 pandemic, such as the Regional Official Plan and the Human Resources Information Systems (HRIS) transition project. In addition, there have been savings realized on training and travel-related costs as a result of pandemic-related restrictions, forecasted at \$2,013. Forecasted savings related to Vision Zero are \$2,072. These savings are offset by a revision in the estimated liability accrued for insured, uninsured and construction contract claims against the Region and higher than budgeted claim payouts.

**Operational & Supply** – The favourable year-to-date and forecasted variances of \$6,730 and \$6,315 are primarily due to lower than expected Transit Services costs in both Niagara Regional Transit (NRT) services (forecasted at \$8,204) and Niagara Specialized Transit (NST) services (forecasted at \$814) as a result of COVID-19 impacts resulting in service reductions and expansion delays. Forecasted savings related to Vision Zero are \$206. These savings are offset by increased costs relating to purchases of additional personal protective equipment medical supplies within Community Services and Public Health as a result of the pandemic, as well as costs incurred in the operation of the COVID isolation centre within the Homelessness division.

**Community Assistance** – The favourable year-to-date variance of \$15,941 and forecasted year-end variances of \$4,350 are a result of delaying the timing of issuance of expansion funding to child care providers within Children's Services due to initial uncertainty arising out of the pandemic. In addition, there is a lower than expected uptake in client-related benefits such as dental, childcare and shelter, and employment-related benefits directly attributable to reduced caseload and the government's issuance of the federal CERB benefit as a result of the pandemic, which is anticipated to continue until year-end (forecasted at \$5,392). Within Niagara Regional Housing (NRH), there are additional year-to-date savings related to a delayed spend in Ministry-funded programs and K3D heat control system upgrades due to COVID-related restrictions, as well as lower than budgeted subsidy payment to non-profit and co-op providers and rent supplement to landlords (\$476). These savings are partially offset by the incremental costs of the Region's COVID shelter (\$831) and emergency provider capital repair grants that are anticipated to be issued by year-end within NRH (\$625).

**Partnership, Rebate, Exemption** – The favourable year-to-date and forecasted variances of \$11,935 and \$7,976 are primarily due to uptake being lower than anticipated for planning and economic development grants such as Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG), Public Realm Incentive Program (PRIP)

## Levy - Continued

and Gateway tax increment grants (forecasted at \$2,101), development charge grants (forecasted at \$5,138), and other regional program of Connect to Innovate (CTI) of \$600.

**Financial Expenditures** – The favourable year-to-date and forecasted variances of \$8,771 and \$5,781 are primarily due to the debt charge placeholder of \$5,620 (due to timing of actual project spending), which has been transferred to the capital levy reserve through Transfers to Funds identified below. The timing of tax write-offs of \$3,912 are another contributing factor to the year-to-date favourable variance, as the write-offs are generally received at year-end from Local Area Municipalities and are therefore expected to be fully realized by year-end.

**Taxation** – The year-to-date unfavourable variance of \$6,103 is primarily due to timing differences in the collection of payment-in-lieu of taxes, as the payments are generally received at year-end from Local Area Municipalities. The forecasted unfavourable variance of \$1,814 is primarily the result of a decrease in supplemental tax revenues of \$2,008 attributable to lower than budget growth for Niagara in 2020, which is partially offset by a forecasted favourable variance in payment-in-lieu of taxation revenue of \$194, which has been forecast based on 2019 actual amounts.

**Federal & Provincial Grants** - The favourable forecasted variance \$23,031 is mainly a result of additional COVID-related funding confirmed of \$30,798, including general Phase 1 Municipal Safe Re-start funding (\$12,185) and program-specific funding within Public Health, Seniors Services, Children's Services, Homelessness Services and Transportation (\$18,614). This additional funding is offset by lower than budgeted Ministry funding reflective of the reduction in Community Assistance expenditures in Social Assistance and Employment Opportunities (SAEO) of \$4,287 and budgeted funding within the Emergency Medical Services division that has not been announced to date.

**By-Law Charges & Sales** – The unfavourable year-to-date and forecasted variances of \$6,763 and \$10,664 relate to a number of factors, including reduced Transit fare revenue in both NRT (\$3,490) and NST (\$60) related to COVID-19 impacts and lower ridership, as well as lower than expected signs sales and signal maintenance revenue of \$950. In addition, parental fees were not collected during the emergency order when childcare centres were closed and for the provision of childcare services to emergency workers (\$1,213), and there was a loss of revenue associated with Seniors Community Programs that have not operated during the pandemic (\$491). There was also a shortfall in revenue within NRPS for reductions in third party revenue received from the City of Niagara Falls due to the casino closures, as well as reductions in fees for service, special duty and secondment revenues due to COVID-19 emergency measures (\$3,862).

**Other Revenue** – The unfavourable year-to-date and forecasted variances of \$8,282 and \$10,720 respectively are primarily related to decreased portfolio investment income due to the reinvestment of maturities and call proceeds at lower rates, as well as an increased allocation of investment income to the rate reserves and deferred revenue at the average portfolio rate (\$4,784). Also contributing to this deficit is the reduction in fine revenues within Court Services due to a significant decrease in ticket volumes processed since the start of the pandemic, and also closure of the courts and deferral of trials which has resulted in deferred convictions and corresponding delays in revenue collection. Forecasted deficit related to Vision Zero is \$3,519.

**Transfers** - The unfavourable year-to-date and forecasted variances of \$7,441 and \$10,448 are primarily due to the transfer of the debt charge placeholder of \$5,620 to the capital reserve, in addition to projected sale of surplus properties of \$320, and forecasted transfers back to reserves for encumbrances and unspent funds, largely due to deferred work resulting from the pandemic: Waterfront Improvement Projects (\$400), Public Realm Investment Programs (\$500), HRIS (\$830), Niagara Region 50<sup>th</sup> anniversary (\$35), Future Sick Benefit (\$20), community safety & well-being plan (\$130), Regional Official Plan (\$416), GO station operations (\$678), Vision Zero (\$80), airports study (\$193), Children's Services community capital builds (\$1,005) and additional supportive housing units within homelessness (\$224). The majority of these unfavourable variances have been offset by favourable variances above.

## Governance Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$1,470	\$1,413	\$57	3.9%	\$1,959	\$1,886	\$73	3.7%
Administrative	\$153	\$29	\$124	80.8%	\$205	\$66	\$139	67.8%
Operational & Supply	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A
Equipment, Vehicles, Technology	\$2	\$6	-\$4	-229.2%	\$2	\$6	-\$4	-171.9%
Partnership, Rebate, Exemption	\$2	\$0	\$2	100.0%	\$2	\$1	\$2	75.0%
Total Expenses	\$1,627	\$1,448	\$179	11.0%	\$2,168	\$1,959	\$210	9.7%
Total Revenues			\$0	0.0%		\$0	\$0	0.0%
Intercompany Charges	\$1	\$39	-\$38	N/A	\$1	\$39	-\$38	N/A
Total Intercompany Charges	\$1	\$39	-\$38	N/A	\$1	\$39	-\$38	N/A
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$1,628	\$1,487	\$141	8.7%	\$2,170	\$1,998	\$172	7.9%
Total Transfers			\$0	0.0%		\$0	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$1,628	\$1,487	\$141	8.7%	\$2,170	\$1,998	\$172	7.9%
Indirect Allocations & Debt	\$212	\$340	-\$128	-60.4%	\$279	\$414	-\$135	-48.4%
Total Indirect Allocations & Debt	\$212	\$340	-\$128	-60.4%	\$279	\$414	-\$135	-48.4%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$1,840	\$1,827	\$13	0.0%	\$2,449	\$2,412	\$37	1.5%

## Governance - Continued

### Variance Analysis (in thousands of dollars)

Governance is operating at a year-to-date surplus before indirect allocations of \$141 with a forecasted surplus of \$172 for year-end. The following factors have contributed to this surplus.

**Compensation** - The favourable year-to-date and forecasted variances of \$57 and \$73 are due to a vacancy within the Chair's Office, implementation of a new salary increase methodology for councillors and a declined salary increase for the Regional Chair.

**Administration** - The favourable year-to-date and forecasted variances of \$124 and \$139 are due to lower than anticipated travel, meals, mileage and registration fees as a result of the COVID-19 pandemic and related restrictions on travel and conferences.

**Intercompany Charges** - The unfavourable year-to-date and forecasted variance of \$38 is due to an additional staff member redeployed to the Chair's Office to support council through the COVID-19 pandemic.

### Community Impacts & Achievements

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

### Project Updates/Accomplishments

Nearly all of the resources of the Regional Chair's Office have been dedicated to managing the COVID-19 pandemic. Some of these activities have included:

- Calling a State of Emergency under the *Emergency Management and Civil Protections Act* in coordination with the 12 LAMs on April 3, 2020
- Providing political support, where required, on numerous files, including housing, homelessness and long-term care
- Connecting with provincial and federal ministries and MPPs' offices
- Developing and executing on the Region's government relations strategy in regards to COVID-19 financial relief
- Delivering the Regional Chair's 2020 State of the Region address and supporting video, which highlighted the Niagara Region's response to the pandemic
- Successfully attended the 2020 AMO conference where numerous delegations were delivered, resulting in follow up meetings and other positive dialogue
- Successfully delivered on a mandatory mask and face covering by-law to help prevent the spread of COVID-19

## General Government Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Administrative	\$4,748	\$8,293	-\$3,545	-74.7%	\$6,331	\$5,342	\$989	15.6%
Occupancy & Infrastructure	\$61	\$73	-\$12	-19.3%	\$82	\$83	-\$1	-1.7%
Partnership, Rebate, Exemption	\$14,440	\$2,809	\$11,631	80.5%	\$18,241	\$10,297	\$7,944	43.6%
Financial Expenditures	\$50,091	\$41,402	\$8,688	17.3%	\$67,247	\$61,550	\$5,697	8.5%
<b>Total Expenses</b>	<b>\$69,341</b>	<b>\$52,578</b>	<b>\$16,763</b>	<b>24.2%</b>	<b>\$91,900</b>	<b>\$77,272</b>	<b>\$14,628</b>	<b>15.9%</b>
Taxation	-\$294,748	-\$288,645	-\$6,103	-2.1%	-\$409,634	-\$407,820	-\$1,814	-0.4%
Federal & Provincial Grants	\$0	\$0	\$0	0.0%	\$0	-\$12,185	\$12,185	0.0%
By-Law Charges & Sales	-\$18	-\$31	\$13	73.4%	-\$24	-\$42	\$18	73.4%
Other Revenue	-\$11,977	-\$8,321	-\$3,656	-30.5%	-\$16,170	-\$11,588	-\$4,582	-28.3%
<b>Total Revenues</b>	<b>-\$306,743</b>	<b>-\$296,997</b>	<b>-\$9,746</b>	<b>-3.2%</b>	<b>-\$425,827</b>	<b>-\$431,633</b>	<b>\$5,806</b>	<b>1.4%</b>
Intercompany Charges	-\$80	-\$85	\$5	-6.3%	-\$107	-\$105	-\$3	2.3%
<b>Total Intercompany Charges</b>	<b>-\$80</b>	<b>-\$85</b>	<b>\$5</b>	<b>-6.3%</b>	<b>-\$107</b>	<b>-\$105</b>	<b>-\$3</b>	<b>2.3%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>-\$237,482</b>	<b>-\$244,505</b>	<b>\$7,022</b>	<b>3.0%</b>	<b>-\$334,034</b>	<b>-\$354,467</b>	<b>\$20,432</b>	<b>6.1%</b>
Transfers From Funds	-\$7,246	-\$7,246	\$0	0.0%	-\$8,115	-\$7,215	-\$900	-11.1%
Transfers To Funds	\$20,851	\$27,034	-\$6,183	-29.7%	\$21,837	\$27,778	-\$5,941	-27.2%
<b>Total Transfers</b>	<b>\$13,605</b>	<b>\$19,788</b>	<b>-\$6,183</b>	<b>-45.4%</b>	<b>\$13,723</b>	<b>\$20,563</b>	<b>-\$6,841</b>	<b>-49.9%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>-\$223,877</b>	<b>-\$224,717</b>	<b>\$839</b>	<b>0.4%</b>	<b>-\$320,312</b>	<b>-\$333,903</b>	<b>\$13,591</b>	<b>4.2%</b>
Indirect Allocations & Debt	-\$62,559	-\$63,687	\$1,129	1.8%	-\$77,030	-\$77,030	\$0	0.0%
<b>Total Indirect Allocations &amp; Debt</b>	<b>-\$62,559</b>	<b>-\$63,687</b>	<b>\$1,129</b>	<b>1.8%</b>	<b>-\$77,030</b>	<b>-\$77,030</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>-\$286,436</b>	<b>-\$288,404</b>	<b>\$1,968</b>	<b>0.0%</b>	<b>-\$397,342</b>	<b>-\$410,933</b>	<b>\$13,591</b>	<b>3.4%</b>



# General Government - Continued

## Variance Analysis (in thousands of dollars)

General Government is operating at a year-to-date surplus before indirect allocations of \$839 and is forecasting an overall surplus before indirect allocations of \$13,591 at year-end due to the following factors:

**Administration** - The unfavourable year-to-date variance of \$3,545 is primarily due to an increase of the accrual for estimated legal claims against the Region, and the favorable forecasted variance of \$989 relates to the expected change in legal liability due to the timing of anticipated payouts.

**Partnership, Rebate, Exemption** - The favourable year-to-date and forecasted variances of \$11,631 and \$7,944 are mainly due to uptake being lower than anticipated for planning and economic development grants such as Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG), Public Realm Incentive Program (PRIP) and Gateway tax increment grants, of \$6,399 and \$2,101, development charge grants of \$4,676 and \$5,138, and other regional program of Connect to Innovate (CTI) of \$600.

**Financial Expenditures** – The favourable year-to-date and forecasted variances of \$8,688 and \$5,697 are largely as a result of the debt charge placeholder of \$5,620 (due to timing of actual project spending), which has been transferred to the capital levy reserve through Transfers to Funds identified below. The timing of tax write-offs of \$3,912 are another contributing factor to the year-to-date favourable variance, as the write-offs are generally received at year-end from Local Area Municipalities and are therefore expected to be fully realized by year-end.

**Taxation** – The year-to-date unfavourable variance of \$6,103 is primarily due to timing differences in the collection of payment-in-lieu of taxes, as the payments are generally received at year-end from Local Area Municipalities. The forecasted unfavourable variance of \$1,814 is primarily the result of a decrease in supplemental tax revenues of \$2,008 attributable to lower than budget growth for Niagara in 2020, which is partially offset by a forecasted favourable variance in payment-in-lieu of taxation revenue of \$194, which has been forecast based on 2019 actual amounts.

**Federal & Provincial Grants** – The favourable forecasted variance of \$12,185 relates to the Phase 1 Safe Restart Funding received from the Ontario government to help offset the operating costs and pressures incurred due to COVID-19.

**Other Revenue** – The year-to-date unfavourable and forecasted variances of \$3,656 and \$4,582 are primarily related to decreased portfolio investment income due to the reinvestment of maturities and call proceeds at lower rates, as well as an increased allocation of investment income to the rate reserves and deferred revenue at the average portfolio rate. Offsetting the unfavourable variances in investment income is a positive variance of \$320 from the forecasted sale of surplus properties, which is to be transferred to the Capital Levy reserve, as identified in Transfer to Funds below.

**Transfers To/From Funds** – The year-to-date unfavourable variance of \$6,183 is due to the transfer of the debt charge placeholder of \$5,620 to the capital reserve, as well as the timing of transfers to the sinking fund (\$379). The forecasted unfavourable variance of \$6,841 is due to the transfer of the debt charge placeholder of \$5,620, projected sale of surplus properties of \$320, and the forecasted encumbrances for Waterfront Improvement Projects (\$400) and Public Realm Investment Programs (\$500) that are transferred back to reserves.

## Community Impacts & Achievements

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 - Continued

- Council approved 193 Capital projects for 2020, which included a \$13,967 reserve contribution to the Capital Levy reserve. Some of the significant capital projects for 2020 included LTC St.Catharines New Home (\$102,000), LTC Fort Erie New Home (\$57,365), Casablanca Boulevard (\$16,000), Port Dalhousie WasteWater Treatment Plant Upgrade (\$10,000) and Port Colborne Water Treatment Plant Upgrade (\$5,000).
- Funded 86 Capital projects and 131 Operating projects with \$11,367 and \$367 respectively of Development Charges reserves by utilizing a more streamlined and efficient funding process.
- Delivered economic incentive grant programs (Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG), Public Realm Incentive Program (PRIP) and Gateway tax increment grants), partnering with the Local Area Municipalities and not-for-profit organizations to promote culture, public realm and economic growth.
- Total of \$34,186 debentures successfully issued through the Capital Markets in July:
  - \$15,525 issued for Regional projects (Roads, Niagara Regional Housing, Police and General Government) with a term of 10 years and a rate of 1.43%
  - \$18,661 issued for Local Area Municipalities (Welland and St. Catharines) with a term of 10 years and at a rate of 1.43%.

## Corporate Administration Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$8,628	\$7,791	\$837	9.7%	\$11,465	\$8,042	\$3,422	29.9%
Administrative	\$3,128	\$1,740	\$1,388	44.4%	\$4,170	\$3,086	\$1,084	26.0%
Operational & Supply	\$135	\$22	\$113	83.6%	\$180	\$107	\$73	40.5%
Occupancy & Infrastructure	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A
Equipment, Vehicles, Technology	\$98	\$104	-\$6	-6.2%	\$131	\$137	-\$6	-4.7%
Partnership, Rebate, Exemption	\$223	\$170	\$53	23.8%	\$298	\$357	-\$59	-19.7%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
<b>Total Expenses</b>	<b>\$12,212</b>	<b>\$9,827</b>	<b>\$2,385</b>	<b>19.5%</b>	<b>\$16,243</b>	<b>\$11,729</b>	<b>\$4,514</b>	<b>27.8%</b>
Federal & Provincial Grants	-\$97	\$0	-\$97	-100.0%	-\$130	\$0	-\$130	-100.0%
By-Law Charges & Sales	-\$3	-\$3	\$0	-7.4%	-\$4	-\$3	\$0	-5.6%
Other Revenue	-\$100	-\$405	\$305	304.8%	-\$133	-\$465	\$332	248.9%
<b>Total Revenues</b>	<b>-\$200</b>	<b>-\$407</b>	<b>\$207</b>	<b>103.4%</b>	<b>-\$267</b>	<b>-\$469</b>	<b>\$202</b>	<b>75.5%</b>
Intercompany Charges	-\$46	-\$408	\$361	-780.0%	-\$62	-\$508	\$446	-722.3%
<b>Total Intercompany Charges</b>	<b>-\$46</b>	<b>-\$408</b>	<b>\$361</b>	<b>-780.0%</b>	<b>-\$62</b>	<b>-\$508</b>	<b>\$446</b>	<b>-722.3%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$11,966</b>	<b>\$9,012</b>	<b>\$2,953</b>	<b>24.7%</b>	<b>\$15,914</b>	<b>\$10,752</b>	<b>\$5,162</b>	<b>32.4%</b>
Transfers From Funds	-\$984	-\$984	\$0	0.0%	-\$1,288	-\$273	-\$1,015	-78.8%
<b>Total Transfers</b>	<b>-\$984</b>	<b>-\$984</b>	<b>\$0</b>	<b>0.0%</b>	<b>-\$1,288</b>	<b>-\$273</b>	<b>-\$1,015</b>	<b>-78.8%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$10,982</b>	<b>\$8,028</b>	<b>\$2,953</b>	<b>26.9%</b>	<b>\$14,626</b>	<b>\$10,479</b>	<b>\$4,147</b>	<b>28.4%</b>
Indirect Allocations & Debt	-\$5,878	-\$4,924	-\$954	-16.2%	-\$7,856	-\$5,349	-\$2,507	-31.9%
<b>Total Indirect Allocations &amp; Debt</b>	<b>-\$5,878</b>	<b>-\$4,924</b>	<b>-\$954</b>	<b>-16.2%</b>	<b>-\$7,856</b>	<b>-\$5,349</b>	<b>-\$2,507</b>	<b>-31.9%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$5,103</b>	<b>\$3,104</b>	<b>\$1,999</b>	<b>0.0%</b>	<b>\$6,770</b>	<b>\$5,130</b>	<b>\$1,640</b>	<b>24.2%</b>



## Corporate Administration - Continued Variance Analysis (in thousands of dollars)

Corporate Administration is operating at a year-to-date surplus before indirect allocations of \$2,953 with a forecasted surplus of \$4,147 before indirect allocations for year-end. The following factors have contributed to this surplus.

**Compensation** – The favourable year-to-date and forecasted variances of \$837 and \$3,422 are due to staffing vacancies throughout the divisions of Corporate Administration and a forecasted corporate benefit surplus. The vacancy-related year-to-date (\$837) and forecasted surplus (\$1,061) is largely driven by a COVID-19 pandemic-related hold on recruitment for roles within the newly established Corporate Strategy and Innovation team. In addition, due to pandemic-related closures and restrictions, corporate health and dental benefit claims are forecasted to be lower than budgeted (\$2,362).

**Administration** - The favourable year-to-date and forecasted variances of \$1,388 and \$1,084 are due to the delay of the Human Resources Information Systems transition project (\$830) and a repurposing of consulting expenditures due to changes in work plans as a result of the COVID-19 pandemic. Surpluses from reduced travel, meals and conference attendance in all divisions, as well as reduced consulting to support foreign direct investment activities, are offset by corporate external legal expenses related to labour relations.

**Operational & Supply** - The favourable year-to-date and forecasted variances of \$113 and \$73 are due to lower than anticipated raw data purchases and corporate training costs.

**Partnership, Rebate, Exemption** - The favourable year-to-date variance of \$53 is due to the timing of grant program awards, and the forecasted unfavourable variance of \$59 is due to increased pandemic recovery grants to be issued by Economic Development.

**Federal & Provincial Grants** - The unfavourable year-to-date and forecasted variances of \$98 and \$130 are due to reduced grants received by Economic Development.

**Other Revenue** - The favourable year-to-date and forecasted variances of \$305 and \$332 are due to revenue received for an employee seconded to the Niagara District Airports (\$104) and a previous year's grant returned to the Economic Development department (\$230).

**Intercompany Charges** - The favourable year-to-date and forecasted variances of \$361 and \$446 are reflective of the reallocation of wages for staff who have been redeployed to support other Niagara Region departments in need during the COVID-19 pandemic.

**Transfers** - The unfavourable forecasted variance of \$1,015 is due to one-time and future sick benefit funding being returned to reserves (Niagara Region 50<sup>th</sup> anniversary \$35, HRIS \$830, Future Sick Benefit \$20) and the encumbrance of the deferred community safety & well-being plan (\$130) due to the COVID-19 pandemic.

## Community Impacts & Achievements

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 Strategy & Innovation

- Kicked off research and consultation phase of Community Safety & Well-being Plan.
- Redeployed all available staff to essential services during the COVID-19 pandemic.
- Advanced corporate communications priorities and campaigns, including:
- Ongoing support of the municipality's response to the COVID-19 pandemic.
- Development, coordination and execution of *#NiagaraTogether* campaign which, in collaboration with community agencies, encouraged community members to offer donations of food, money and social supports to Niagara's vulnerable populations.
- Delivery of media training and ongoing media relations guidance and support to various client groups within the organization.

## Corporate Administration - Continued

- Supported budget process including spearheading public and media engagement, preparation of graphic design materials, social media and media releases.
- Supported Planning and Development Services in implementing a public feedback campaign for the Region's Woodland By-law Review.
- Supported Communications Strategy for launch of Every-other-Week garbage collection which started October 19 2020 – included media relations, special events, graphics, social media and website support
- Supported launch of NRT OnDemand rideshare service in West Niagara in August with communications strategy.
- Collaborated with IT, Planning and Public Works to develop guidelines and procedures for virtual public consultation as in-person public open houses are not possible during COVID-19.

## Clerks

- Continued success holding Regional Council and Standing Committee meetings by electronic participation in light of COVID-19, with scheduled sub-committee and advisory Committees being conducted electronically as well.
- Provision of guidance and development of resources and process to support the adoption of a Public Health Information Governance approach for the ongoing management of COVID-19 Public Health electronic documents.
- Provision of guidance to SAEO regarding privacy and records management implications for the implementation of the provincial Electronic Document Management and Digital Mailroom, as SAEO progresses toward full digitization of their documents and information.
- Access and Privacy staff continue to work with divisional leadership to ensure legislative compliance for the ongoing transition to work from home.

## Human Resources

- Implementation of Ontario Ombudsman Report "Inside Job" recommendations approved by Regional Council, namely creation of a CAO Recruitment, Selection, and Performance Management Policy, the amendment of our Corporate Recruitment and Selection Policy, and supporting creation of a Whistleblower Policy, all in the interest of protecting the integrity of our hiring processes and conveyance of service delivery.
- Provided corporate-wide human resources support of the COVID-19 pandemic:
  - Recruitment and selection for roles to support essential business continuity to deliver services to our most vulnerable residents
  - Supported staff working remotely from home, including considerations to support staff with child/elder care responsibilities
  - Created comprehensive manager guides, and employee communication tools
  - Creation of Health and Safety fact sheets and completion of infection control and prevention safety plan reviews of work spaces
  - Consultation & support for corporate business continuity and recovery planning
  - Salary data and analysis to support financial reporting and funding requirements

## Economic Development

- Held bi-weekly meetings to report on implementation of the Economic Recovery Plan
- ERRT update calls are being used as a communications forum for all support organizations, with an average of 30 stakeholders attending
- Economic Recovery Planning is working in collaboration with the Internal Organizational Recovery table and the Community Planning Recovery table
- Partnership with Venture Niagara to promote funding to local companies through the Regional Recovery and Relief Fund (RRRF) resulted in the funding being fully subscribed, and approximately 70 companies accessed interest-free loans of between \$4,000 and \$40,000
- Funding agreements in place with two Small Business Enterprise Centres (SBEC) in Niagara Falls and St. Catharines, enabling both SBECs to expand their services across all 12 municipalities by hiring two new advisors
- COVID-19 Impact on Investment and Development in Niagara presented to PEDC.

## Corporate Administration - Continued

- Recovery efforts supported by strategic marketing, page views of Niagara Canada website up from Q2, top page viewed is the PPE Directory
- Responded to 15 investment leads from businesses considering Niagara as a location and 14 Niagara Foreign Trade Zone inquiries
- Expanded LAM fund to include recovery related initiatives, two approved and four pending

## Corporate Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$15,578	\$14,556	\$1,022	6.6%	\$20,679	\$19,479	\$1,200	5.8%
Administrative	\$4,626	\$3,683	\$943	20.4%	\$6,164	\$9,913	-\$3,749	-60.8%
Operational & Supply	\$211	\$214	-\$3	-1.4%	\$281	\$292	-\$11	-4.0%
Occupancy & Infrastructure	\$6,260	\$5,580	\$680	10.9%	\$8,414	\$7,812	\$602	7.2%
Equipment, Vehicles, Technology	\$2,151	\$2,179	-\$29	-1.3%	\$2,989	\$3,281	-\$293	-9.8%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
<b>Total Expenses</b>	<b>\$28,826</b>	<b>\$26,213</b>	<b>\$2,613</b>	<b>9.1%</b>	<b>\$38,527</b>	<b>\$40,777</b>	<b>-\$2,251</b>	<b>-5.8%</b>
Federal & Provincial Grants	-\$51	-\$50	-\$1	-1.9%	-\$68	-\$67	-\$1	-1.4%
By-Law Charges & Sales	-\$234	-\$165	-\$70	-29.7%	-\$312	-\$164	-\$149	-47.6%
Other Revenue	-\$1,069	-\$664	-\$406	-37.9%	-\$1,429	-\$848	-\$581	-40.7%
<b>Total Revenues</b>	<b>-\$1,355</b>	<b>-\$879</b>	<b>-\$476</b>	<b>-35.1%</b>	<b>-\$1,810</b>	<b>-\$1,079</b>	<b>-\$731</b>	<b>-40.4%</b>
Intercompany Charges	\$75	-\$398	\$473	631.8%	\$100	-\$478	\$578	579.3%
<b>Total Intercompany Charges</b>	<b>\$75</b>	<b>-\$398</b>	<b>\$473</b>	<b>631.8%</b>	<b>\$100</b>	<b>-\$478</b>	<b>\$578</b>	<b>579.3%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$27,546</b>	<b>\$24,936</b>	<b>\$2,610</b>	<b>9.5%</b>	<b>\$36,817</b>	<b>\$39,220</b>	<b>-\$2,404</b>	<b>-6.5%</b>
Transfers From Funds	-\$381	-\$381	\$0	0.0%	-\$438	-\$438	\$0	0.0%
Transfers To Funds	\$0	\$0	\$0	0.0%	\$0	\$678	-\$678	0.0%
<b>Total Transfers</b>	<b>-\$381</b>	<b>-\$381</b>	<b>\$0</b>	<b>0.0%</b>	<b>-\$438</b>	<b>\$240</b>	<b>-\$678</b>	<b>-154.8%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$27,165</b>	<b>\$24,554</b>	<b>\$2,610</b>	<b>9.6%</b>	<b>\$36,379</b>	<b>\$39,461</b>	<b>-\$3,082</b>	<b>-8.5%</b>
Indirect Allocations & Debt	-\$26,516	-\$24,004	-\$2,512	-9.5%	-\$35,521	-\$38,510	\$2,989	8.4%
<b>Total Indirect Allocations &amp; Debt</b>	<b>-\$26,516</b>	<b>-\$24,004</b>	<b>-\$2,512</b>	<b>-9.5%</b>	<b>-\$35,521</b>	<b>-\$38,510</b>	<b>\$2,989</b>	<b>8.4%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$649</b>	<b>\$550</b>	<b>\$98</b>	<b>0.0%</b>	<b>\$857</b>	<b>\$950</b>	<b>-\$93</b>	<b>-10.9%</b>

Variance Analysis (in thousands of dollars)

Corporate Services is operating at a year-to-date surplus before indirect allocations of \$2,610, with a forecasted deficit of \$3,082 due to the following factors:

**Compensation** – The favourable year-to-date and forecasted variances of \$1,022 and \$1,200 are due to vacant positions arising through the year in all Corporate Services divisions that were not filled due to prioritization of COVID-19 pandemic-related work.

**Administration** - The favourable year-to-date variance of \$943 is mainly due to savings arising from delays in consulting work (\$731), phone and internet costs in the IT division (\$203), training (\$147), and third party claim payouts (\$194). These savings are partially offset by increased legal costs for non-insurable claims (\$376) and insurance premium costs (\$106). The unfavourable forecasted variance of \$3,749 is mainly due to higher than budgeted claims payouts and related costs (\$4,273) and insurance premium costs (\$202), and is partially offset by continued savings in consulting (\$780), training (\$171) and phone and internet costs (\$200).

**Occupancy & Infrastructure** - The favourable year-to-date and forecasted variances of \$680 and \$602 are due to operating savings realized by the delayed purchase of the GO stations, decreased costs associated with operating the St. Catharines Police Building and realization of utility rebates not anticipated in the budget. This is partially offset by COVID-19 related enhanced cleaning, PPE and hand sanitizer purchases, as well as increased costs for leased properties.

**Equipment, Vehicles, Technology** - The unfavourable year-to-date and forecasted variances of \$29 and \$293 are due to an increase in local area municipality participation in GIS software licensing, which is offset by revenues recovered from the participating local area municipalities.

**By-Law Charges & Sales** - The unfavourable year-to-date and forecasted variances of \$70 and \$149 are due primarily to lower than anticipated rental fees recovered for a rental property as a result of reduced operating costs.

**Other Revenue** - The unfavourable year-to-date and forecasted variances of \$406 and \$581 are due to rental revenue not realized related to GO Station operation, lower than anticipated business licensing fees and development charge (DC) funding not realized due to deferral of the DC bylaw update, but are partially offset by costs recovered from participating local area municipalities for GIS software licensing.

**Intercompany Transfers** – The favourable year-to-date and forecasted variances of \$473 and \$578 are primarily due to the reallocation of wages for staff who have been redeployed to support Niagara Region departments in need of resources due to COVID-19.

**Transfers** – The unfavourable forecasted variance of \$678 is due to operating savings realized by the delayed purchase of the GO stations being returned to reserve at year-end.

Community Impacts & Achievements  
Asset Management Office

- Continuing to collaboratively lead the Region to develop a corporate asset management system
- Established an Asset Management Working Group with cross-Region representation
- Establishing a region-wide asset management community of practice to launch in November
- Led the development of a Risk and Corporate Priority model (CAMRA). The model helps determine the best value to the Region from among the many candidate projects for the 2021 budget
- Supported departments to utilize the CAMRA model, assess, and evaluate the 2021 Capital Budget for presentation to senior management
- Planning and leading the development and submission to the Province of the 2021 Asset Management Plan in accordance with Reg. 588



## Business Licensing

- Undertook industry consultation and public consultations in January and February 2020 for business licensing by-law review
- Drafted 5 new business licensing by-laws in May 2020 for industry and legal review
- Prepare Committee report for Q4 2020 new business licensing by-laws
- Release RFP for new Incident Management Software program Q3 2020
- Undertake Provincial Order enforcement in March 2020 for COVID-19 response.
- Review COVID-19 revenue impacts 2020 and monitor

## Construction, Energy and Facilities Management

- Installation/replacement of generator systems at Region HQ, providing for continuity of services during emergencies, including critical infrastructure
- Outfitting of 5 SAEO facilities to enable face-to-face consultations with the public
- Coordinate fabrication and installation of COVID-19 barriers in Welland Courthouse for resumption of court service to public
- Procurement of critical PPE and hygiene supplies in support of EMS, Public Health, Police and Community Services for COVID-19 response
- Redeployment of staff to critical duties in support of COVID-19 response
- Procurement of janitorial services for response to COVID-19, ensuring all Region facilities have increased cleaning protocols in place
- Completion of International Plaza at Region Headquarters
- Expansion of the St. Catharines Child Care Centre
- Completion of the Campbell West lighting retrofit project, reducing electricity cost at Region Headquarters and contributing to the Region's pledge to reduce overall electricity use by 8.3% and related Greenhouse gas (GHG) emissions (2019 Conservation & Demand Management Plan)
- Completion of Business Licensing office renovations that have created a more functional workspace

## Financial Management and Planning

- Completed the 2019 year end audit;
- Submission to the Province of the 2019 Financial Information Return
- Publication of the 2019 Annual Report
- Developed 2020 tax bylaws and provided required necessary report and bylaws
- Worked with Public Works to update financial implications of South Niagara Falls waste water treatment plant for inclusion in the 2021 budget
- Publication of the 2020 Budget Summary
- 2021 budget planning and preparations
- Successful sale of \$34 million in serial debentures (\$15.5 million Regional) on July 31 at all-time historical low interest rate of 1.43% for 10 years
- Preparation of 2021 Capital and Operating Budgets timetables and planning report for Council and establishing strategies for budget preparation
- COVID-19 Emergency Operations Centre (EOC) support and reporting including tracking of incremental costs, redeployed staff, pandemic pay, collaboration with municipal treasurers, capital projects review, on-line/credit card payments for services
- Completion of Service Sustainability Review project and report to Council

## IT Solutions

- Put in place the technology and process to allow: staff to work remotely, Council and Committees to meet over video conference, facilitate public participation in Council and Committee meetings and provide opportunities for public engagement regarding planning and development activities
- Worked with Public Health to deliver comprehensive COVID-19 statistical reporting on the external website
- Implemented online payments on the external website to provide the public with alternative ways to pay for services

- Implemented online chat on the external website for Public Health to support the COVID-19 hotline
- Wireless infrastructure deployed and enhanced the WiFi coverage at all 8 Senior's facilities
- Deployed Recollect mobile application in support of the upcoming Waste Management changes in service delivery

## Legal Services

- Legal support to the Regional EOC and to all operating and service departments in response to the COVID-19 pandemic
- Legal support for land transactions that advanced various Transportation capital projects and road improvement initiatives
- Strategic advice and legal support to the GO team on the acquisition of the VIA station property in St. Catharines and the development of the Grimsby GO Station
- Legal advice on numerous capital projects affected by the Provincial Emergency Orders to enable work to advance on those projects deemed essential and assisting Project Managers to help minimize pandemic-related project costs and disruptions
- Legal assistance with formal procurements and agreements relating to: Niagara Homelessness Service System; Area Winter Maintenance; and a number of essential projects
- Successful resolution of a number of claims at mediation and otherwise on favourable terms that represented cost savings for the Region

## Procurement and Strategic Acquisitions

- Implementation of weekly meetings on Procurement Project Prioritization for review of essential capital and operational projects
- Complete transition to full electronic bidding including electronic security and surety (as required) for all Regionally issued procurements
- Facilitation of over 160 Formal Procurements resulting in approximately \$61 million in Awarded Contract value

## Community Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$78,327	\$81,984	-\$3,657	-4.7%	\$104,401	\$109,819	-\$5,418	-5.2%
Administrative	\$1,278	\$1,234	\$44	3.4%	\$1,667	\$1,847	-\$181	-10.8%
Operational & Supply	\$6,965	\$8,245	-\$1,281	-18.4%	\$8,881	\$11,731	-\$2,850	-32.1%
Occupancy & Infrastructure	\$2,659	\$3,606	-\$947	-35.6%	\$3,542	\$4,731	-\$1,189	-33.6%
Equipment, Vehicles, Technology	\$799	\$1,090	-\$292	-36.5%	\$1,039	\$1,419	-\$380	-36.6%
Community Assistance	\$126,022	\$111,543	\$14,478	11.5%	\$165,609	\$160,981	\$4,628	2.8%
Financial Expenditures	\$0	\$7	-\$7	0.0%	\$0	\$7	-\$7	0.0%
Total Expenses	\$216,049	\$207,710	\$8,339	3.9%	\$285,139	\$290,535	-\$5,397	-1.9%
Federal & Provincial Grants	-\$172,747	-\$174,412	\$1,665	1.0%	-\$230,226	-\$239,506	\$9,280	4.0%
By-Law Charges & Sales	-\$2,996	-\$1,691	-\$1,305	-43.6%	-\$3,995	-\$2,291	-\$1,704	-42.6%
Other Revenue	-\$17,822	-\$17,931	\$109	0.6%	-\$23,763	-\$24,072	\$309	1.3%
Total Revenues	-\$193,566	-\$194,034	\$468	0.2%	-\$257,984	-\$265,869	\$7,885	3.1%
Intercompany Charges	\$214	\$1,763	-\$1,549	-722.9%	\$286	\$2,158	-\$1,872	-655.2%
Total Intercompany Charges	\$214	\$1,763	-\$1,549	-722.9%	\$286	\$2,158	-\$1,872	-655.2%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$22,697	\$15,440	\$7,258	32.0%	\$27,440	\$26,824	\$616	2.2%
Transfers From Funds	-\$289	-\$289	\$0	0.0%	-\$289	-\$289	\$0	0.0%
Transfers To Funds	\$1,376	\$2,621	-\$1,245	-90.5%	\$2,234	\$3,463	-\$1,229	-55.0%
Total Transfers	\$1,086	\$2,332	-\$1,245	-114.6%	\$1,945	\$3,174	-\$1,229	-63.2%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$23,783	\$17,771	\$6,012	25.3%	\$29,385	\$29,998	-\$613	-2.1%
Indirect Allocations & Debt	\$18,161	\$17,434	\$727	4.0%	\$21,556	\$20,150	\$1,406	6.5%
Total Indirect Allocations & Debt	\$18,161	\$17,434	\$727	4.0%	\$21,556	\$20,150	\$1,406	6.5%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$41,945	\$35,206	\$6,739	0.0%	\$50,941	\$50,148	\$793	1.6%



## Community Services - Continued

### Variance Analysis (in thousands of dollars)

Community Services has a year-to-date operating surplus before indirect allocations of \$6,012, with a forecasted deficit of \$613 (2.1 per cent of the net budget) which are being driven by the timing of costs related to the COVID-19 pandemic. The following factors contribute to these variances:

**Compensation** - The unfavourable year-to-date and forecasted variances of \$3,657 and \$5,418 are primarily due to the following:

- **Childrens:** Favourable year-to-date and forecasted variances of \$285 are due to vacancies driven by an initial corporate strategy to hold recruitment for roles due to the pandemic and lower than anticipated replacement pay in the Regionally operated child care centres.
- **Homelessness:** Unfavourable year-to-date and forecasted variances of \$201 and \$507 are due to additional staffing and overtime required at the COVID shelters.
- **Seniors:** Unfavourable year-to-date and forecasted variances of \$4,026 and \$5,557 are due to additional hours, overtime and pandemic pay (100% provincially funded below) related to increased workload as a result of COVID-19.
- **SAEO:** Favourable year-to-date and forecasted variances of \$288 and \$363 respectively are due to vacancies driven by an initial corporate strategy to hold recruitment for roles due to the pandemic.

**Administration** - The unfavourable year-to-date and forecasted variances of \$44 and \$181 respectively are primarily due to the printing and signage costs for long-term care homes as a result of COVID-19.

**Operational & Supply** – The unfavourable year-to-date and forecasted variances of \$1,281 and \$2,850 are due to the following:

- **Homelessness:** The unfavourable year-to-date and forecasted variances of \$814 and \$1,627 relate to incremental costs to support agencies, food, protective personal equipment (PPE), transportation, estimated room damages, support programs, staffing by agencies at the COVID shelter and operating a housing-focused shelter pilot during COVID-19 (which also added critical enhanced bed capacity to avoid shelter overcrowding). These incremental costs are 100% provincially and/or federally funded in revenues below.
- **Seniors:** Unfavourable year-to-date and forecasted variances of \$899 and \$1,326 respectively relate primarily to increased usage of medical supplies and PPE, as well as disposable kitchen supplies as a result of COVID-19.
- **SAEO:** The favourable year-to-date variance of \$429 is due to lower than expected spend on external employment contracts due to the pandemic. There will be a purchase of IT equipment in the last quarter, further supporting increased on-line service provision, resulting in a favourable forecasted variance of \$109.

**Occupancy & Infrastructure** – The unfavourable year-to-date and forecasted variances of \$947 and \$1,189 are due to the following:

- **Homelessness:** The unfavourable forecasted variance of \$111 relates to incremental costs for cleaning services at the COVID shelters, which are fully funded in revenues below.
- **Seniors:** The unfavourable year-to-date and forecasted variances of \$823 and \$1,039 relate primarily to the increased usage of housekeeping supplies (\$286), as well as usage of contracted services to provide both supervision of high risk residents in isolation and support for screening staff at the long-term care homes (\$755) (with these costs partially mitigated with new provincial funding).

**Equipment, Vehicles, Technology** – The unfavourable year-to-date and forecasted variances of \$292 and \$380 are primarily due to the need for additional nursing, housekeeping, laundry equipment (e.g. non-contact thermometers, over-bed tables, isolation laundry carts), as well as table barriers for staff screening and resident dining.

**Community Assistance** - The favourable year-to-date and forecasted variances of \$14,478 and \$4,628 respectively are due to the following:

- **Childrens:** The favourable year-to-date variance of \$9,497 is due to initial uncertainty with provincial funding announcements and directives, resulting in a conservative approach in issuing expansion funding, mindful of the ongoing need to ensure sustainability of the child care system. The unfavourable forecasted

## Community Services - Continued

variance of \$853 is primarily due to the completion of the 100% ministry-funded community capital builds, which were not budgeted due to the uncertainty of timing and cost in 2020 as they were a multi-year construction project.

- Homelessness: The favourable year-to-date and forecasted variances of \$654 and \$93 relate to using emergency motels less than expected (\$220 and \$114) and claiming discretionary expenses budgeted in homelessness through SAEO in order to maximize subsidy funding (\$818 and \$766). Another contributing factor are the 2019 encumbered funds to allow for an increased number of supportive housing units, associated supports and housing allowances as approved by Council (report NRH 9-2019) (\$240 and \$224), offset in transfers below. These favourable variances are offset by the incremental costs of the Region's COVID shelters (\$553 and \$831).
- SAEO: The favourable year-to-date and forecasted variances of \$4,330 and \$5,392 are due to lower than expected uptake in client-related benefits, such as dental, childcare, shelter (\$3,622) and employment-related benefits (\$1,478), directly related to reduced caseload and the government's issuance of the federal CERB benefit as a result of the pandemic. This is offset by a corresponding reduction in revenues below.

**Federal & Provincial Grants** – The favourable year-to-date and forecasted variances of \$1,665 and \$9,280 are due to the following:

- Childrens: The unfavourable year-to-date variance of \$3,520 is due to timing of community assistance payments. The favourable forecasted variance of \$2,531 is due to the 100% provincially-funded St. Catharines child care centre and other community capital builds (multi-year project) not included in the budget due to the uncertainty of timing and cost.
- Homelessness: The favourable year-to-date and forecasted variances of \$2,394 and \$3,216 relate to confirmed provincial and federal funding specific to supporting incremental costs related to homelessness during the COVID-19 pandemic.
- Seniors: The favourable year-to-date and forecasted variances of \$5,898 and \$7,820 are primarily related to Long-Term Care Emergency Funding (\$2,330), Pandemic Pay funding (\$4,240 - \$4/hr for eligible staff working in long-term care/assisted living facilities) and base funding increases (\$841), including funding factor based on resident acuity, issued by the Ministry of Long-Term Care (MOLTC).
- SAEO: Unfavourable year-to-date and forecasted variances of \$3,107 and \$4,287 are primarily due to the lower than expected client benefit issuances as noted in community assistance above.

**By-Law Charges & Sales** - The unfavourable year-to-date and forecasted variances of \$1,305 and \$1,704 are due to the following:

- Childrens: The unfavourable year-to-date and forecasted variances of \$915 and \$1,213 are due to parental fees not collected during the emergency order (for both closure of operations and then provision of emergency worker child care with no parental fees), along with subsequent lower capacity, resulting in decrease in parental fees collected.
- Seniors: The unfavourable year-to-date and forecasted variances of \$391 and \$491 respectively are due to loss of fee revenue associated with Seniors Community Programs that have not operated during the COVID-19 pandemic.

**Other Revenue** - The favourable forecasted variance of \$309 is primarily due to higher than anticipated provincially established accommodation fees within long-term care.

**Intercompany Charges** – The unfavourable year-to-date and forecasted variances of \$1,549 and \$1,872 are primarily due to the reallocation of wages for staff who have been redeployed from other Niagara Region departments to support essential Community Services programs in need during the COVID-19 pandemic. These costs are supported within the base budget of the redeployed staff's home department and are not incremental costs to the Region.

## Community Services - Continued

**Transfers** – The unfavourable year-to-date and forecasted variances of \$1,245 and \$1,229 are as follows:

- Childrens: The unfavorable variance of \$1,005 is due to the completion of the St. Catharines child care centre addition, which is funded from the province and the offset is seen in the federal and provincial grant line.
- Homelessness: The unfavourable year-to-date and forecasted variances of \$240 and \$224 relate to the transfer to the 2019 encumbrance reserve to fund additional supportive housing units as previously approved by Council (report NRH 9-2019).

### Community Impacts & Achievements

#### Children Services

- As of September 30, 2020, the child care system has reopened 78% of its pre-COVID level licensed spaces, a great rebound with more growth expected in October.
- While the system is currently operating at 50% of current licensed capacity, it is only operating at 39% of the pre-COVID licensed capacity. This reduction in operational capacity is due mostly to staff shortages, lack of operating space available within schools and, as demonstrated in our own directly operated centres, the reduced demand for care for younger age groups (infant, toddler, preschool) with more families working from home.
- Children in the system were absent 3,404 days in September alone due to COVID-related testing or isolation directives while waiting for test results. None of these cases were due to a positive COVID infection.
- On August 14, 2020, the province announced \$4.533 million of Safe Restart Funding (SRF) for child care. These funds can be used for additional personal protective equipment (gloves, gowns, etc.), enhanced cleaning, additional staff to meet health and safety requirements, support for short-term vacancies as operators transition to return to full capacity, and minor capital required in accordance with the Ministry's reopening operational guidance or local public health requirements.

#### Senior Services

- Overall, three factors contributed to successful risk mitigation outcomes during the first wave of the pandemic: enhanced infection prevention and control practices, inventory of pandemic supplies in place prior to the pandemic, and building on existing practices of analytics and relational care.
- Successfully worked with families to introduce essential caregivers into the homes to support resident care.
- Progress on the redevelopment projects is ongoing. Preliminary plans for Linhaven have been submitted to the MOLTC and preliminary plans for Gilmore Lodge are being finalized.

### Homelessness and Community Engagement

- The formal procurement for the homelessness service system was completed for the funding period April 1, 2020 to March 31, 2023.
- Established a dedicated site where people experiencing homelessness can safely be isolated while waiting for COVID-19 test results and/or for those who have tested positive for the virus, in response to the COVID-19 pandemic. The Isolation Shelter has been in operation since March 30, 2020. As of September 30, 2020, the isolation shelter has had 196 intakes. Of those, 30 have moved into temporary supportive or permanent housing (includes family reunification). Of the COVID-19 swabs collected and tested on site, all results to date were negative.
- On June 1, 2020, an incubation model for a housing-focused shelter pilot was established, which supports individuals who are the most chronically homeless in Niagara. The work at the shelter pilot connects people to permanent housing solutions through Home for Good and Housing First programming. During the first 4 months of operation, the shelter has had 26 intakes with the following outcomes: 14 individuals have secured permanent housing; 1 individual has secured supportive housing and 4 others have active applications for permanent housing.
- Effective April 1, 2020, Homelessness commenced the new Niagara Assertive Street Outreach program (NASO). This enhanced outreach offering has ensured COVID

## Community Services - Continued

screening for clients living rough and has created a partnership with 211 information services where citizens can report homeless persons who need assistance. This program includes an online comprehensive mapping and geo-location model to understand and track outreach efforts, areas of encampments and gathering spots for Niagara's homeless population. This online solution has equipped the outreach team with a common tool that allows data collection in a more consistent, reliable and shared approach, giving the ability to perform deeper data analysis of where homeless encampments and unsheltered individuals are located.

### Social Assistance and Employment Opportunities

- Ontario Works caseload experienced a 0.8% decrease 2020 over 2019
- The average number of intake calls from April through August 2020 was 620 per month; compared to 1,300 in 2019
- Intake calls increased to 900 in September and October is anticipated to exceed 1,000
- Experienced a 48% decrease in the number of cases with earnings 2020 over 2019; (8.76% and 16.88% respectively)
- In September, 560 high-risk clients received in-person service and October is expected to exceed 800.

## Public Health & Emergency Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$62,375	\$65,501	-\$3,126	-5.0%	\$82,664	\$87,542	-\$4,879	-5.9%
Administrative	\$1,403	\$1,202	\$201	14.3%	\$1,889	\$1,592	\$297	15.7%
Operational & Supply	\$4,074	\$4,661	-\$587	-14.4%	\$5,414	\$5,845	-\$431	-8.0%
Occupancy & Infrastructure	\$456	\$565	-\$109	-23.9%	\$604	\$768	-\$163	-24.9%
Equipment, Vehicles, Technology	\$1,533	\$1,713	-\$180	-11.7%	\$2,042	\$2,573	-\$532	-26.0%
Financial Expenditures	\$0	\$2	-\$2	0.0%	\$0	\$2	-\$2	0.0%
<b>Total Expenses</b>	<b>\$69,841</b>	<b>\$73,645</b>	<b>-\$3,804</b>	<b>-5.4%</b>	<b>\$92,612</b>	<b>\$98,322</b>	<b>-\$5,710</b>	<b>-6.2%</b>
Federal & Provincial Grants	-\$49,669	-\$49,515	-\$154	-0.3%	-\$66,254	-\$67,907	\$1,653	2.5%
By-Law Charges & Sales	-\$97	-\$54	-\$44	-44.9%	-\$130	-\$61	-\$69	-53.3%
Other Revenue	-\$509	-\$459	-\$50	-9.8%	-\$678	-\$613	-\$65	-9.5%
<b>Total Revenues</b>	<b>-\$50,275</b>	<b>-\$50,027</b>	<b>-\$248</b>	<b>-0.5%</b>	<b>-\$67,062</b>	<b>-\$68,581</b>	<b>\$1,519</b>	<b>2.3%</b>
Intercompany Charges	\$1,153	\$1,337	-\$184	-15.9%	\$1,538	\$1,719	-\$181	-11.8%
<b>Total Intercompany Charges</b>	<b>\$1,153</b>	<b>\$1,337</b>	<b>-\$184</b>	<b>-15.9%</b>	<b>\$1,538</b>	<b>\$1,719</b>	<b>-\$181</b>	<b>-11.8%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$20,719</b>	<b>\$24,955</b>	<b>-\$4,235</b>	<b>-20.4%</b>	<b>\$27,088</b>	<b>\$31,460</b>	<b>-\$4,371</b>	<b>-16.1%</b>
Transfers From Funds	-\$585	-\$585	\$0	0.0%	-\$759	-\$759	\$0	0.0%
Transfers To Funds	\$224	\$224	\$0	0.0%	\$256	\$256	\$0	0.0%
<b>Total Transfers</b>	<b>-\$361</b>	<b>-\$361</b>	<b>\$0</b>	<b>0.0%</b>	<b>-\$503</b>	<b>-\$503</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$20,358</b>	<b>\$24,593</b>	<b>-\$4,235</b>	<b>-20.8%</b>	<b>\$26,586</b>	<b>\$30,957</b>	<b>-\$4,371</b>	<b>-16.4%</b>
Indirect Allocations & Debt	\$12,325	\$11,934	\$392	3.2%	\$15,052	\$14,708	\$344	2.3%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$12,325</b>	<b>\$11,934</b>	<b>\$392</b>	<b>3.2%</b>	<b>\$15,052</b>	<b>\$14,708</b>	<b>\$344</b>	<b>2.3%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$32,683</b>	<b>\$36,527</b>	<b>-\$3,844</b>	<b>0.0%</b>	<b>\$41,637</b>	<b>\$45,665</b>	<b>-\$4,028</b>	<b>-9.7%</b>



# Public Health & Emergency Services - Continued

## Variance Analysis (in thousands of dollars)

Public Health (PH) & Emergency Medical Services (EMS) is operating at a year-to-date unfavourable variance before indirect allocations of \$4,235, with a forecasted year-end unfavourable variance of \$4,371, due to the following factors:

**Compensation** – The unfavourable year-to-date variance of \$3,126 is primarily due to COVID-19 staffing costs of \$3,165 (\$1,385 for EMS replacement and pandemic pay, \$1,064 for approved over-complement staffing and \$716 in overtime for PH). The forecasted unfavourable variance is \$4,879 and is also primarily due to COVID-19 staffing costs of \$5,815 (\$1,425 for EMS replacement and pandemic pay, \$373 for EMS special lieu payouts, \$2,369 for approved over-complement staffing in PH, and PH overtime and time in lieu of \$1,648). As an offset to the incremental COVID-19 expenses, gapping due to staffing vacancies in PH is forecasted at \$1,400. In addition, Workplace Safety Insurance Board (WSIB) costs in EMS have unfavourable variances year-to-date and forecasted of \$443 and \$581.

**Administrative** – The favourable year-to-date and forecasted variances of \$201 and \$297 are primarily a result of staff development and conferences that have not occurred due to COVID-19.

**Operational & Supply** - The unfavourable year-to-date and forecasted variances of \$587 and \$431 are primarily due to increased personal protective equipment (PPE) purchases in EMS and Clinical services due to COVID-19 (\$914 and \$668). In addition, a budget adjustment was completed in CDIP to reallocate \$128 of operating budget to capital in order to purchase tobacco enforcement vehicles. These unfavourable variances are partially offset by savings due to delays in contracting Occupational Therapists in EMS (\$95 and \$136), and PH program mileage and supply savings (\$150 and \$191).

**Occupancy & Infrastructure** – The unfavourable year-to-date and forecasted variances of \$109 and \$163 are driven by the expansion of the EMS Westwood fleet centre, as well as the COVID-driven need to re-lease the former MIH space at EMS headquarters to facilitate training.

**Equipment, Vehicles, Technology** – The unfavourable year-to-date and forecasted variances of \$180 and \$532 are driven mainly by the purchase of laptops and technology upgrades in PH (\$21 year-to-date, \$150 forecasted), higher than anticipated vehicle and equipment repair costs in EMS (\$90 year-to-date, \$181 forecasted), and ambulance collision repair and replacement costs (\$45).

**Federal & Provincial Grants** – The unfavourable year-to-date variance of \$154 is primarily due to the timing of costs and revenue recognition in Public Health programs and is partially offset by one-time funding received for EMS dispatch for WSIB of \$452. The forecasted year-end favourable variance of \$1,653 is comprised of several factors, including favourable variances of \$452 for one-time WSIB funding in EMS Dispatch, \$707 for one-time school-focused nurse funding, \$974 for EMS pandemic pay grants received and \$202 of Dedicated Offload Nurse funding that was announced after the 2020 budget had been finalized. This additional funding is offset by funding assumptions included in the 2020 EMS budget that have not been provided by the Ministry of Health, including \$316 for increased land ambulance WSIB, \$285 for Emergency Communication Nurse (ECN) funding, and \$113 for dispatch WSIB funding.

**By-Law Charges & Sales** – The unfavourable year-to-date and forecasted variances of \$44 and \$69 are the result of lower than anticipated PH by-law related product sales to the public (vaccines, contraception, etc.) due to COVID-19.

**Intercompany Charges** - The unfavourable year-to-date and forecasted variances of \$184 and \$181 are driven by the net costs related to staffing resources who have been redeployed from other departments to support Public Health through the COVID-19 pandemic.

# Public Health & Emergency Services - Continued

## Community Impacts & Achievements

### Mandatory and Related Programs

- Reorientation of Public Health operations to focus on the COVID-19 pandemic response, with 155 staff of approximately 280 FTEs redeployed to support this effort. Core activities include outbreak management, case follow-up, contact tracing, infection prevention and control inspections, collaboration with health care providers, and communicating and informing the public.
- Success in reducing the spread of COVID-19 by early May, and slowing the pace of outbreaks, with remaining outbreaks much smaller during Q2.
- With many staff redeployed, many Public Health services were scaled back, including School Health, Dental Health, Vaccinations, Sexual Health, parenting and child health supports, and family home visiting.
- Public Health is continuing to move forward the Health Promotion Project, understanding that 75% of morbidity and mortality is due to chronic diseases (alcohol, tobacco, unhealthy eating and lack of physical activity) using Evidence-Informed Decision Making to develop the best interventions to address Niagara's biggest health priorities.

### Mental Health

- Participation in a four year project to improve evidence-based treatment protocols in the Early Intervention in Psychosis service.
- Improvements to our intake process to ensure our clients have access to the right service, at the right time, in the right place.
- Intensive training for clinical staff on evidence-based treatments and protocols, including suicide assessment and intervention, cognitive behavioural therapy and dialectical behaviour therapy.
- Participating in the Mental Health and Addictions Collaborative for system planning in Niagara.
- Working in partnership with Community Services to bring mental health services to the homelessness sector.
- Evaluation of outcomes for clients accessing various treatment modalities across mental health services shows improvement in client outcomes.

### Emergency Services

- For the duration of the COVID-19 pandemic, Niagara Emergency Medical Services (NEMS) has continued uninterrupted provision of core 911 Mobile Integrated Health (MIH) services, including land ambulance services.
- Community response to COVID-19 has had a significant impact on the delivery of EMS services
  - Provided unconventional resources such as Public Health specimen collection and PPE training to the community
  - Reductions in calls, patient transports and overall hospital utilization resulted in a decrease of ambulance offload delays by 81%
  - The recovery of emergency ambulance resources otherwise spent in offload delay has normalized system performance, demonstrating that response time performance targets can be achieved.
- Economic analysis of the EMS system transformation by McMaster University has identified significant efficiencies from this model and is informing future sustainability planning .
- The system has decreased call volumes for most municipal fire services responding to medical-related calls by approximately 50% or more, with no identifiable adverse impacts to patient outcomes as a result.
- Emergency Communications Nurse (ECN) program provided pandemic support and received Accredited Centre of Excellence designation – only the fourth service in the world to achieve this standard.

# Public Health & Emergency Services - Continued

## Emergency Management

- The Emergency Management (EM) program has provided full pandemic response support to the Region and local area municipalities in all areas of planning and response.
- Future focus is on recovery planning and preparation for second wave.

## Fire Coordinator

- Coordination of pandemic response plans related to fire tiered response.

## Chemical-Biological-Radioactive-Nuclear-Explosive (CBRNE) Response Team

- Preparing for the deployment of a revised response plan in partnership with NRPS and municipal fire services.
- Training of team members to support pandemic response.

## 911 PSAP

- Preparation for implementation of Next Generation 911 (NG911) in 2023.



## Public Works – Transportation Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$12,946	\$11,234	\$1,712	13.2%	\$17,240	\$15,465	\$1,775	10.3%
Administrative	\$2,843	\$961	\$1,881	66.2%	\$3,889	\$2,187	\$1,702	43.8%
Operational & Supply	\$20,917	\$12,474	\$8,443	40.4%	\$28,779	\$19,610	\$9,170	31.9%
Occupancy & Infrastructure	\$740	\$403	\$337	45.5%	\$987	\$595	\$392	39.7%
Equipment, Vehicles, Technology	\$1,945	\$1,540	\$406	20.8%	\$2,701	\$2,016	\$685	25.4%
Partnership, Rebate, Exemption	\$275	\$96	\$179	65.2%	\$367	\$347	\$20	5.4%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
<b>Total Expenses</b>	<b>\$39,666</b>	<b>\$26,707</b>	<b>\$12,958</b>	<b>32.7%</b>	<b>\$53,963</b>	<b>\$40,220</b>	<b>\$13,743</b>	<b>25.5%</b>
Federal & Provincial Grants	\$0	-\$27	\$27	0.0%	\$0	-\$27	\$27	0.0%
By-Law Charges & Sales	-\$5,869	-\$3,468	-\$2,401	-40.9%	-\$9,061	-\$4,511	-\$4,550	-50.2%
Other Revenue	-\$1,938	-\$453	-\$1,485	-76.6%	-\$2,696	-\$573	-\$2,124	-78.8%
<b>Total Revenues</b>	<b>-\$7,808</b>	<b>-\$3,949</b>	<b>-\$3,859</b>	<b>-49.4%</b>	<b>-\$11,757</b>	<b>-\$5,111</b>	<b>-\$6,646</b>	<b>-56.5%</b>
Intercompany Charges	-\$1,440	-\$2,004	\$563	-39.1%	-\$1,920	-\$2,593	\$673	-35.0%
<b>Total Intercompany Charges</b>	<b>-\$1,440</b>	<b>-\$2,004</b>	<b>\$563</b>	<b>-39.1%</b>	<b>-\$1,920</b>	<b>-\$2,593</b>	<b>\$673</b>	<b>-35.0%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$30,418</b>	<b>\$20,755</b>	<b>\$9,663</b>	<b>31.8%</b>	<b>\$40,286</b>	<b>\$32,516</b>	<b>\$7,770</b>	<b>19.3%</b>
Transfers From Funds	-\$1,427	-\$1,427	\$0	0.0%	-\$1,619	-\$1,359	-\$260	-16.1%
Expense Allocations To Capital	-\$105	-\$92	-\$13	-12.0%	-\$140	-\$127	-\$13	-9.0%
<b>Total Transfers</b>	<b>-\$1,532</b>	<b>-\$1,519</b>	<b>-\$13</b>	<b>-0.8%</b>	<b>-\$1,759</b>	<b>-\$1,487</b>	<b>-\$273</b>	<b>-15.5%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$28,886</b>	<b>\$19,236</b>	<b>\$9,650</b>	<b>33.4%</b>	<b>\$38,526</b>	<b>\$31,029</b>	<b>\$7,497</b>	<b>19.5%</b>
Indirect Allocations & Debt	\$32,564	\$31,907	\$657	2.0%	\$39,328	\$39,832	-\$505	-1.3%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$32,564</b>	<b>\$31,907</b>	<b>\$657</b>	<b>2.0%</b>	<b>\$39,328</b>	<b>\$39,832</b>	<b>-\$505</b>	<b>-1.3%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$61,450</b>	<b>\$51,143</b>	<b>\$10,307</b>	<b>0.0%</b>	<b>\$77,854</b>	<b>\$70,862</b>	<b>\$6,992</b>	<b>9.0%</b>

# Public Works Transportation - Continued

## Variance Analysis (in thousands of dollars)

Public Works Levy is operating at a year-to-date surplus before indirect allocations of \$9,650 and are forecasting a year-end surplus of \$7,497 due to the factors as described below.

The 2020 budget includes expenditures and revenues related to the implementation of the Vision Zero Road Safety program in 2020 in conjunction with the Court Services division. The work on the implementation of the program, including the proposed changes to the Niagara Region Courts Inter-municipal Agreement, has been delayed as a result of the COVID-19 pandemic. Accordingly, no expenditures are expected to be incurred nor revenues realized in 2020. The program was budgeted to break even overall for the year, so while it does cause variances in expense and revenue categories, there will be no net impact on the distribution to the local area municipalities as a result of the delay.

**Compensation** – The favourable year-to-date and forecasted variances of \$1,712 and \$1,775 are primarily due to delays in filling vacant positions and decreased overtime costs. Forecasted savings related to Vision Zero are \$283.

**Administration** – The favourable year-to-date and forecasted variances are \$1,881 and \$1,702, respectively. Forecasted savings related to Vision Zero are \$1,034, with the balance related to lower administrative expenses due to COVID-19 impacts.

**Operational & Supply** – The favourable year-to-date and forecasted variances are \$8,443 and \$9,170, respectively. Forecasted savings related to Vision Zero are \$100. The balance of the forecasted savings are primarily due to reduced Transit Services costs in both Niagara Region Transit (NRT) (\$8,204) and Niagara Specialized Transit (NST) (\$814) as a result of COVID-19 impacts resulting in lower ridership and schedule reductions in 2020. NRT adjusted to COVID-19 impacts by significantly reducing its service by eliminating all express routes and routes 50/55 as well as reducing its operating hours, effectively reducing forecasted service levels to approximately 55% of budget for the entire year. Similarly, NST experienced lower ridership which resulted in savings as the service operator only receives payment per trip delivered. Other operational impacts include lower than anticipated usage of winter sand, winter salt and organic de-icing material (\$140) due to mild winter conditions, and decreases in other program specific supplies and materials (\$12).

**Occupancy & Infrastructure** – The favourable year-to-date and forecasted variances of \$337 and \$392 are primarily due to lower than expected electricity costs related to delay in rollout of the Street Lighting program.

**Equipment, Vehicles, Technology** – The favourable year-to-date and forecasted variances are \$406 and \$685, respectively. Forecasted savings related to Vision Zero are \$388, with the balance related to lower fuel prices and usage (\$400) and offsetting increases in other equipment, vehicle and technology costs (\$103).

**Federal & Provincial Grants** – The favourable year-to-date and forecasted variance of \$27 is due to one-time funding received from the provincial government of Ontario, in partnership with the federal government, under the Safe Restart Agreement to assist with delivery of transit services during the COVID-19 pandemic; for example, funding to support enhanced cleaning costs of buses.

**By-Law Charges & Sales Revenue** – The unfavourable year-to-date and forecasted variances are \$2,401 and \$4,550, respectively. The forecasted unfavourable variance is primarily due to reduced Transit fare revenue in both NRT (\$3,490) and NST (\$60) related to COVID-19 impacts and lower ridership. Niagara College transitioned to an online educational model and opted to terminate the U-Pass program beginning in May 2020, thereby eliminating a significant portion of NRT revenue, as Niagara College students represented approximately 80% of NRT ridership. The remaining variance is primarily due to lower than expected signs sales and signal maintenance revenue of \$950.

**Other Revenue** – The unfavourable year-to-date and forecasted variances are \$1,485 and \$2,124, respectively. Forecasted deficit related to Vision Zero is \$1,725, with the balance of the deficit due to lower proceeds from sale of equipment (\$231) and other revenue shortfalls (\$167).

## Public Works Transportation - Continued

**Intercompany Charges** – The favourable year-to-date and forecasted variances of \$563 are largely due to the reallocation of wages for staff redeployed to support other regional divisions in need due to the COVID-19 pandemic.

**Transfers to Funds** – The unfavourable year-to-date and forecasted variances are \$13 and \$273, respectively. Forecasted deficit related to Vision Zero is \$80, with the balance of the deficit primarily due to lower one-time funding requirement for the Airports study.

### Community Impacts & Achievements

- The Regional Road Network consists of 1,732 total lane kms of road. As part of the Region's Transportation Engineering capital program, 49.22 lane kms of roadways will be resurfaced in 2020 through the annual Hot Mix Program-Phases I and II.
- The Region's Transportation Planning department has initiated the Vision Zero Road Safety Plan to enhance safety and community wellbeing for Niagara's residents and visitors. A comprehensive 5 year Action Plan is underway, focused on reducing traffic-related fatalities and serious injuries on Niagara's streets. The Plan addresses safety for the most vulnerable users of our transportation system (pedestrians, school children, older adults and cyclists) and encourages a multi-modal transportation system. Ten (10) additional community safety zones will be launched in Fall 2020 throughout the Region, in conjunction with the new school year.
- Pelham Road reconstruction (Phase 2) led by Transportation Engineering has been completed. This is the second phase of a three-phase program that will complete improvements on Pelham Road from Decew Road to Eighth Avenue, including drainage infrastructure, intersection upgrades and geometric improvements. Active transportation has been an important part of this program as the Pelham Road corridor is a highly utilized active transportation route. Phase 3 is currently in the design stage and will move to construction in the near future.
- Infrastructure Means Protection project has been completed, and an innovative approach to mitigating falls from height has been implemented.
- Regional Road 20 through Smithville in the Township of West Lincoln is now home to the Region's fourth and fifth roundabouts at the intersections of South Grimsby Road 6 and Townline Road. The implementation of these features represents a significant investment in a growing community aimed at improving traffic flow and road safety through the Township.
- Transportation Master Plan (TMP) ongoing strategic projects are underway, including St. Paul Street Bridge Environmental Assessment (EA), Bridge Street EA, Casablanca Boulevard EA and Thorold Stone Road Extension EA that support multi-modal travel demands and capacity improvements, active transportation and GO Initiatives.
- Transit Governance framework: The transit governance study, undertaken to recommend a consolidated Full Commission model for regional transit service in Niagara, was completed in Q4 2020 and brought forward to the Linking Niagara Transit Committee (LNTC). Additional feedback to be sought from local area municipalities through Q4 2020 and Q1 2021.
- Niagara Region launched NRT OnDemand - providing transit in Pelham, Lincoln, Grimsby, West Lincoln and Wainfleet - on August 17, 2020 (delayed from April due to COVID-19). The service experienced continued growth during its first 10 weeks in operation. An expansion zone is set to launch in Niagara-on-the-Lake on November 23, 2020.
- NRT made significant service-level changes due to both Brock University and Niagara College transitioning to substantially online program delivery. As approximately 80% of NRT's ridership is made of students, current ridership requirements are significantly lower than in 2019. Staff continues to monitor these events to ensure that appropriate level of service is deployed to meet demand.

## Planning & Development Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$4,400	\$3,957	\$443	10.1%	\$5,837	\$5,251	\$586	10.0%
Administrative	\$1,793	\$431	\$1,362	76.0%	\$2,391	\$1,361	\$1,030	43.1%
Operational & Supply	\$18	\$12	\$6	34.6%	\$23	\$17	\$6	25.9%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$27	\$35	-\$7	-27.5%	\$36	\$37	\$0	-1.4%
Partnership, Rebate, Exemption	\$79	\$10	\$70	87.9%	\$106	\$36	\$70	65.9%
Total Expenses	\$6,317	\$4,444	\$1,874	29.7%	\$8,394	\$6,702	\$1,692	20.2%
By-Law Charges & Sales	-\$1,373	-\$1,098	-\$276	-20.1%	-\$1,833	-\$1,486	-\$348	-19.0%
Other Revenue	-\$1,018	-\$324	-\$694	-68.2%	-\$1,358	-\$821	-\$537	-39.6%
Total Revenues	-\$2,392	-\$1,422	-\$970	-40.6%	-\$3,191	-\$2,306	-\$885	-27.7%
Intercompany Charges	-\$330	-\$385	\$55	-16.6%	-\$440	-\$500	\$60	-13.7%
Total Intercompany Charges	-\$330	-\$385	\$55	-16.6%	-\$440	-\$500	\$60	-13.7%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$3,596	\$2,638	\$958	26.7%	\$4,763	\$3,896	\$868	18.2%
Transfers From Funds	-\$664	-\$664	\$0	0.0%	-\$664	-\$252	-\$412	-62.1%
Total Transfers	-\$664	-\$664	\$0	0.0%	-\$664	-\$252	-\$412	-62.1%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$2,932	\$1,974	\$958	32.7%	\$4,099	\$3,644	\$455	11.1%
Indirect Allocations & Debt	\$817	\$690	\$127	15.6%	\$1,033	\$917	\$116	11.3%
Total Indirect Allocations & Debt	\$817	\$690	\$127	15.6%	\$1,033	\$917	\$116	11.3%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$3,749	\$2,663	\$1,086	0.0%	\$5,133	\$4,561	\$572	11.1%



## Variance Analysis (in thousands of dollars)

Planning and Development is operating at a year-to-date surplus before indirect allocations of \$958, with a forecasted surplus of \$455 before indirect allocations for year-end. The following factors have contributed to this surplus.

**Compensation** - The favourable year-to-date and forecasted variances of \$443 and \$586 are due to staff vacancies resulting from delayed recruitment due to the COVID-19 pandemic and difficulty recruiting senior professional positions.

**Administration** - The favourable year-to-date and forecasted variances of \$1,362 and \$1,030 are due to the timing of consulting expenditures involving the new Regional Official Plan (ROP) and a known surplus of consulting dollars due to prioritization of the background studies which form the ROP. The delay in ROP expenditure is a direct result of the provincial decision to release revised guidance material and the related process.

**Partnership, Rebate, Exemption** - The favourable year-to-date and forecasted variances of \$70 are due to agricultural grants not accessed due to pandemic restrictions.

**By-Law Charges & Sales** - The unfavourable year-to-date and forecasted variances of \$276 and \$348 are due to lower than anticipated application volumes within development planning. The volumes decreased significantly at the end of the first quarter as a direct result of the COVID-19 pandemic; however, development activity recovered in the third quarter.

**Other Revenue** - The unfavourable year-to-date and forecasted variances of \$694 and \$537 are due to a decreased transfer of development charge revenue. The development charge revenue is matched to expenditures to partially fund the Regional Official Plan and offsets the administration favourable forecast.

**Intercompany Charges** - The favourable year-to-date and forecasted variances of \$55 and \$60 are reflective of the reallocation of wages for staff members who have been redeployed to support essential services in Community Services during the COVID-19 pandemic.

**Transfers** - The unfavourable forecasted variance of \$412 is due to ROP project funds being encumbered into 2021 to support project completion timelines.

## Community Impacts & Achievements

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.

## Project Updates/Accomplishments

- Regional Official Plan (ROP) work is ongoing and progressing on track with attendance at all local councils and established frameworks, background studies and policy development. Public Information Centres (Open Houses), online electronic surveys, Public Meetings and social media input will be occurring in 2020 on key policy issues and draft policy.
- Supported full audit preparation for the grant and incentives review while continuing to deliver programs, future direction from Council will be required.
- Woodland By-law review is ongoing and a virtual open house was held on June 17<sup>th</sup>, 2020. Updated By-law to be presented to Council in Q4 for endorsement.

## Other Initiatives

Leading/Supporting the following Regional Council's Strategic Priorities:

- Implementing GO Hub and Transit Stations Strategy, Streamlining Process for Development Approvals, Facilitating Development Solutions, Grant and Incentive Programs, Affordable Housing and the Housing Action Plan and the Airport Strategy.

Growing Niagara

- Leading the 2021 Water & Wastewater Master Servicing Plans
- District & Secondary Plans: Brock Plan implementation, Glendale Plan ongoing and Prudhommes Plan complete

- Providing assistance with development of the Master Community Plan for Smithville
- Supporting major development initiatives and alignment with growth infrastructure
- Providing assistance for City of Welland for northwest urban boundary expansion.
- Substantive background work on the Region's new Official Plan, including separate background reports or studies on Employment, Housing, Climate Change, Aggregates, Agriculture, and Natural Environment.

## Supporting Local Communities, Fostering Great Development

- 64% increase in development application revenues between 2015-2019
- 45% increase in pre-consultations between 2015-2019
- 90% of applications satisfied review timeline targets in 2019
- Leading Environmental Planning review function
- Developing stormwater and hydrogeology guidelines for the Niagara Region
- Developing and implementing wet weather management programs and education in partnership with the Local Area Municipalities and the Combined Sewer Overflow Program.
- Advancement of Master Plan/Site Plans for LTC builds at Linhaven in St. Catharines, and Gilmore Lodge in Fort Erie. The plans for these properties, and considerations for adjacent compatible uses are advancing to the initial planning approvals stage, concurrently with architectural designs for the LTC Homes themselves.
- Establishing Joint Agency Review Teams to guide two new pending quarry applications in the City of Niagara Falls and the City of Port Colborne
- Working with the agricultural community to streamline provincial regulations related to on-farm uses.
- Updated the Regional Woodland Conservation By-law
- Working with the City of Niagara Falls in advancing infrastructure works and planning approvals for the South Niagara Falls Hospital.

## Building Great Communities - Urban Design and Landscape Architecture

- Regional facilities and streetscapes in core areas through the Public Realm Investment Program,
- Providing assistance to several communities with urban design solutions,
- Implementing the Transportation Master Plan through Complete Streets,
- Successful construction of the International Plaza
- Administration of the 2020 Niagara Biennial Design Awards (Winners to be announced in the Fall)

## Court Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$1,875	\$1,197	\$678	36.2%	\$2,570	\$1,596	\$973	37.9%
Administrative	\$2,057	\$830	\$1,227	59.6%	\$2,891	\$1,357	\$1,534	53.1%
Operational & Supply	\$826	\$404	\$422	51.1%	\$1,163	\$410	\$752	64.7%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$1	-\$1	0.0%
Equipment, Vehicles, Technology	\$0	\$10	-\$9	N/A	\$1	\$10	-\$9	N/A
Financial Expenditures	\$118	\$150	-\$31	-26.2%	\$158	\$199	-\$41	-26.0%
Total Expenses	\$4,876	\$2,590	\$2,286	46.9%	\$6,782	\$3,575	\$3,207	47.3%
By-Law Charges & Sales	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Other Revenue	-\$6,443	-\$3,861	-\$2,582	-40.1%	-\$8,860	-\$5,040	-\$3,820	-43.1%
Total Revenues	-\$6,443	-\$3,861	-\$2,582	-40.1%	-\$8,860	-\$5,040	-\$3,820	-43.1%
Intercompany Charges	-\$5	-\$81	\$76	N/A	-\$7	-\$106	\$99	N/A
Total Intercompany Charges	-\$5	-\$81	\$76	N/A	-\$7	-\$106	\$99	N/A
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	-\$1,572	-\$1,352	-\$219	-14.0%	-\$2,085	-\$1,571	-\$513	-24.6%
Transfers To Funds	\$150	\$150	\$0	0.0%	\$200	\$200	\$0	0.0%
Total Transfers	\$150	\$150	\$0	0.0%	\$200	\$200	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	-\$1,422	-\$1,202	-\$219	-15.4%	-\$1,885	-\$1,371	-\$513	-27.2%
Indirect Allocations & Debt	\$911	\$878	\$33	3.7%	\$1,150	\$1,095	\$55	4.8%
Total Indirect Allocations & Debt	\$911	\$878	\$33	3.7%	\$1,150	\$1,095	\$55	4.8%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	-\$511	-\$325	-\$186	0.0%	-\$734	-\$276	-\$458	-62.4%



## Court Services - Continued

### Variance Analysis (in thousands of dollars)

Court Services is operating at a year-to-date deficit after indirect allocations of \$186 with a forecasted deficit of \$458 due to the factors as described below.

The 2020 budget includes expenditures and revenues related to the implementation of the Vision Zero Road Safety program in 2020 in conjunction with the Transportation Services division. The work on the implementation of the program, including the proposed changes to the Niagara Region Courts Inter-municipal Agreement, has been delayed as a result of the COVID-19 pandemic. Accordingly, no expenditures are expected to be incurred or revenues realized in 2020. The program was budgeted to break even overall for the year, so while it does cause variances in expense and revenue categories, there will be no net impact on the distribution to the local area municipalities as a result of the delay.

**Distribution to Local Area Municipalities** - The total distribution to the local area municipalities and the Region for the year is forecasted to be \$458 each, a reduction from the budgeted \$734 distribution. This is due in large part to a decrease in fine payments received as a result of the impacts of the COVID-19 pandemic, such as the closure of the courthouse to the public (re-opened September 14, 2020) and adjournment of in-person court proceedings, as well as a reduction in the volume of charges that have been laid since the start of the pandemic. The revenue reductions have been partially offset by savings realized as a result of the adjournment of court matters, as well as the redeployment of staff to other departments within the Niagara Region in greater need of support through the pandemic. First and second quarter payments have been distributed based on the budgeted allocations. If the forecasted decreases are realized at year-end, they will be adjusted through the final 2020 distribution to local area municipalities in Q1 2021.

**Compensation** - The favourable year-to-date and forecasted variances are \$678 and \$973 respectively. Forecasted savings related to Vision Zero are \$650, with the balance related to vacancy management, including several staff who have taken voluntary leaves of absence due to the COVID-19 pandemic.

**Administrative** - The favourable year-to-date and forecasted variances are \$1,227 and \$1,534 respectively. Forecasted savings related to Vision Zero are \$1,038. The balance of the surplus is mainly due to savings associated with the provincial order to temporarily close the courts for the COVID-19 pandemic, such as adjudication and Part III prosecution costs, as well as reduced Victim Fine Surcharge costs as a result of reduced ticket volumes and fine payments received since the start of the pandemic.

**Operational & Supply** - The favourable year-to-date and forecasted variances are \$422 and \$752. Forecasted savings related to Vision Zero are \$106. The balance of the surplus is related to reduced payments to other POA courts for fines collected on their behalf, which is offset in reduced infraction revenues, and the estimated decrease in the net revenue distribution payment to the local area municipalities reflective of the overall net revenue for the year being less than budgeted.

**Equipment, Vehicles & Technology** – The unfavourable year-to-date and forecasted variance of \$9 is a result of higher than budgeted minor IT purchases to support virtual court proceedings and electronic COVID screenings, in addition to higher than budgeted computer software support.

**Financial Expenditures** – The unfavourable year-to-date and forecasted variances of \$31 and \$41 are a result of higher than budgeted collection charges paid to third party collection agencies at a higher rate for third placement matters.

**Other Revenue** - The unfavourable year-to-date and forecasted variances are \$2,582 and \$3,820. The forecasted revenue deficit related to Vision Zero is \$1,794, with the balance of the deficit due to a significant decrease in ticket volumes processed since the start of the COVID-19 pandemic, and also closure of the courts and deferral of trials which has resulted in deferred convictions and corresponding delays in revenue collection. It is forecasted that based on payment trends and charges laid, revenue in the last quarter is projected (less Vision Zero Impact) to reduce the unfavorable variance year-to-date.

## Court Services - Continued

**Intercompany Charges** – The favourable year-to-date and forecasted variances of \$76 and \$98 are primarily due to the reallocation of wages for staff who have been redeployed to support Region departments in need of resources due to the COVID-19 pandemic.

### Community Impacts & Achievements

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.

- After closing the courthouse building on March 16, the building reopened to the public effective September 14, 2020 for counter service only. Remote service continues to be leveraged wherever possible.
- Direction from the Ministry of the Attorney General has been received indicating that all in-person matters have been adjourned until at least January 25, 2021.
- Since July 6, judicial pre-trial matters and early resolution guilty pleas have been conducted remotely where eligible, before a Justice of the Peace via audio conference.
- Commencing October 19, 2020, all other non-trial remote matters have commenced remotely where eligible, before a Justice of the Peace via audio conference.
- Amendments to the Provincial Offences Act made pursuant to Bill 197, the COVID-19 Economic Recovery Act, 2020, came into effect July 21, 2020. These amendments have enabled Court Services, in consultation with the judiciary, to make greater use of technology to deliver justice services remotely.
- Court services is well equipped to deliver Court services remotely, and has begun to do so, based on extensive preparation for remote matters in addition to the modern technology available onsite at the courthouse facility. Further guidance is pending from the Ministry regarding electronic protocols to enable further transition to remote proceedings.
- Court Services has continued to collaborate with Facilities and Corporate Health and Safety to prepare for the re-opening of the courthouse to the public, as well as resumption of in-person court matters.
- The Court Services team has also supported Seniors Services through redeployment of staff by aiding residents, visitors and staff at Niagara Region's long-term care homes.
- While the COVID-19 pandemic has certainly changed the landscape for 2020, the Court Services team has focused their efforts on transparent, ongoing communication with stakeholders, including enforcement agencies, judiciary, and legal professionals. This helped keep all parties informed, and allowed staff to remain responsive to their needs and maintain business continuity.

## Niagara Regional Housing Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$3,924	\$3,872	\$52	1.3%	\$5,215	\$5,048	\$167	3.2%
Administrative	\$692	\$477	\$215	31.1%	\$1,007	\$918	\$89	8.8%
Operational & Supply	\$105	\$86	\$18	17.5%	\$140	\$141	-\$1	-0.6%
Occupancy & Infrastructure	\$11,652	\$11,227	\$425	3.6%	\$15,750	\$15,376	\$374	2.4%
Equipment, Vehicles, Technology	\$208	\$135	\$72	34.9%	\$277	\$219	\$58	21.0%
Community Assistance	\$23,475	\$22,012	\$1,463	6.2%	\$31,508	\$31,786	-\$278	-0.9%
Partnership, Rebate, Exemption	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Financial Expenditures	\$1,475	\$1,353	\$122	8.3%	\$1,967	\$1,834	\$133	6.8%
<b>Total Expenses</b>	<b>\$41,530</b>	<b>\$39,162</b>	<b>\$2,367</b>	<b>5.7%</b>	<b>\$55,863</b>	<b>\$55,322</b>	<b>\$541</b>	<b>1.0%</b>
Federal & Provincial Grants	-\$10,285	-\$9,638	-\$647	-6.3%	-\$13,714	-\$13,781	\$67	0.5%
Other Revenue	-\$12,039	-\$12,220	\$181	1.5%	-\$16,052	-\$16,467	\$415	2.6%
<b>Total Revenues</b>	<b>-\$22,324</b>	<b>-\$21,858</b>	<b>-\$466</b>	<b>-2.1%</b>	<b>-\$29,765</b>	<b>-\$30,248</b>	<b>\$482</b>	<b>1.6%</b>
Intercompany Charges	\$49	\$52	-\$3	-6.5%	\$65	\$69	-\$3	-4.7%
<b>Total Intercompany Charges</b>	<b>\$49</b>	<b>\$52</b>	<b>-\$3</b>	<b>-6.5%</b>	<b>\$65</b>	<b>\$69</b>	<b>-\$3</b>	<b>-4.7%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$19,255</b>	<b>\$17,356</b>	<b>\$1,898</b>	<b>9.9%</b>	<b>\$26,163</b>	<b>\$25,143</b>	<b>\$1,020</b>	<b>3.9%</b>
Transfers From Funds	-\$997	-\$997	\$0	0.0%	-\$1,002	-\$1,002	\$0	0.0%
Transfers To Funds	\$2,412	\$2,412	\$0	0.0%	\$3,183	\$3,183	\$0	0.0%
<b>Total Transfers</b>	<b>\$1,415</b>	<b>\$1,415</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$2,181</b>	<b>\$2,181</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$20,670</b>	<b>\$18,771</b>	<b>\$1,898</b>	<b>9.2%</b>	<b>\$28,345</b>	<b>\$27,324</b>	<b>\$1,020</b>	<b>3.6%</b>
Indirect Allocations & Debt	\$6,576	\$6,536	\$41	0.6%	\$8,099	\$7,990	\$109	1.3%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$6,576</b>	<b>\$6,536</b>	<b>\$41</b>	<b>0.6%</b>	<b>\$8,099</b>	<b>\$7,990</b>	<b>\$109</b>	<b>1.3%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$27,246</b>	<b>\$25,307</b>	<b>\$1,939</b>	<b>0.0%</b>	<b>\$36,444</b>	<b>\$35,314</b>	<b>\$1,130</b>	<b>3.1%</b>

# Niagara Regional Housing - Continued

## Variance Analysis (in thousands of dollars)

Niagara Regional Housing (NRH) is operating at a favourable year-to-date surplus before indirect allocations of \$1,898, with a forecasted surplus of \$1,020. The year-to-date and forecasted surplus is due to the following factors:

**Compensation** - The favourable forecasted variance of \$167 is primarily due to a health and dental benefit surplus due to lower claims resulting from COVID-19 pandemic-related closures and restrictions (\$94) and savings from not filling non-essential vacant positions due to COVID-19 (\$83).

**Administration** - The favourable forecasted variance of \$89 is primarily due to anticipated savings in consulting expenses to the end of the year.

**Occupancy & Infrastructure** - The favourable year-to-date variance of \$425 is primarily due to \$378 in deferred non-emergency maintenance costs due to COVID-19 and savings seen in utilities of \$190, mainly for natural gas due to recent upgrades in hot water systems and a mild winter. These savings are offset partially by \$166 in incremental costs associated with increased security at owned units and cleaning of high-touch surfaces and common areas due to COVID-19. These trends continue to year-end with a projected favourable variance of \$374, with \$190 related to utilities and \$441 in deferred maintenance costs, offset by \$261 forecasted additional COVID-19 cleaning and security costs.

**Community Assistance** - The favourable year-to-date variance of \$1,463 is due to delayed spend in ministry-funded programs (\$612) and K3D heat control system upgrades for providers encumbered from the 2019 budget (\$379), both delayed primarily due to COVID-19 restrictions. Also contributing to the variance is \$299 in lower than budgeted subsidy payments to non-profit and co-op housing providers. The delayed spending attributed to COVID-19 is expected to be caught up by year-end. The projected unfavourable year-end variance of \$278 is due to issuance of \$625 in emergency provider capital repair grants by year-end, and an unfavourable ministry-funded program variance of \$92, offset partially by \$476 in lower than budgeted subsidy payments to non-profit and co-op housing providers. The variance associated with ministry-funded programs is offset by a reduction in Federal & Provincial Grants, as revenue is recognized to align with timing of the programs and their related administrative costs.

**Financial Expenditures** – The year-to-date and forecasted variances of \$122 and \$133 are primarily the result of lower than anticipated write-offs on uncollectable tenant rents on owned units.

**Federal & Provincial Grants** - The unfavourable year-to-date variance of \$647 and favourable forecasted variance of \$67 is due to timing of ministry-funded programs and related administrative costs, as revenue is recognized based on actual expenses incurred.

**Other Revenue** - The favourable forecasted variance of \$415 is due primarily to \$276 in higher than anticipated rental revenues for NRH-owned units and \$66 in higher than budgeted investment income from the timing of transfers between Region and NRH bank accounts.

## Community Impacts & Achievements

Acting as Service Manager on behalf of Niagara Region, 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. Accomplishments to date in 2020 include:

- **New Units** – construction to increase the number of units on Hawkins Street in Niagara Falls is underway and estimated to be complete in December of 2021. This project includes:
  - a 55 unit, 3-storey apartment building on the corner of Dell Avenue and Hawkins Street
  - an 18 unit, 3-storey apartment building on the corner of Heximer Avenue and Hawkins Street

## Niagara Regional Housing - Continued

- *New Units* – 5 units acquired in Thorold with 2 units anticipated to be completed before the end of November 2020 and 3 units completed in Q1 2021.
- *Home Repairs* – NRH received \$545,920 through the Ontario Priorities Housing Initiative (OPHI) for all three streams of the program (Homeowner, Secondary Suite and Multi-Unit). 15 homeowners are currently approved for funding and NRH is working toward streamlining the program as we become more proficient at working under the COVID rules.
- *Homeownership* – NRH received \$200,000 through the Ontario Priorities Housing Initiative (OPHI) Year 1 and \$100,000 through OPHI Year 2. As of September 30, down payment assistance was provided to 16 households to help purchase their first home in 2020.
- *Canada Ontario Housing Benefit (COHB)* – COHB is a portable rent benefit that helps applicants on the Centralized Waiting List pay their rent to their current landlord in the private market. NRH sent out over 3,000 COHB offers to seniors on the waiting list in August. In September, 106 COHB applications were sent to the Ministry.
- *Addressed Homelessness* – Ongoing partnership with Community Services through the Housing First program to move those experiencing homelessness to their own homes with appropriate supports.
- *Housing Providers*
  - The Provider Advisory Committee held virtual meetings to allow the opportunity for ongoing discussions within the group.
  - NRH regularly communicated with Housing Providers to share COVID-related communication materials (e.g. signs/posters), updates from the Ministry of Municipal Affairs and Housing and the Landlord-Tenant Board, as well as steps NRH is taking to respond throughout the pandemic.
- *Improved Public Housing (NRH-owned) communities*
  - NRH began hearing appeals from tenants and applicants virtually
  - In-suite maintenance was re-introduced
  - RAFT summer camps were very successful, with 152 children attending and 1,350 activity kits delivered. Faith Welland camps involved an array of activities (e.g. karate, movie nights, ice cream party, etc.)
  - After School programs began again in one NRH community, while other communities that normally have these programs received weekly activity kits
  - On-site programs like BBQs, balcony bingo and porch visits were held in place of programs that were cancelled or being held virtually (with limited success)
  - Adult masks were distributed to every NRH unit, with instructions and Niagara Region Public Health contact information
  - The Landlord-Tenant Board reopened virtually and NRH was able to obtain a priority hearing
  - NRH partnered with Niagara College to have a Security student offer friendly reminders about COVID guidelines in an effort to reduce social issues resulting from accusations of non-compliance



## Niagara Regional Police Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$116,515	\$113,255	\$3,260	2.8%	\$157,060	\$153,805	\$3,255	2.1%
Administrative	\$3,160	\$2,562	\$598	18.9%	\$4,213	\$3,569	\$644	15.3%
Operational & Supply	\$1,767	\$2,169	-\$402	-22.7%	\$2,273	\$2,666	-\$393	-17.3%
Occupancy & Infrastructure	\$271	\$208	\$63	23.2%	\$361	\$350	\$10	2.9%
Equipment, Vehicles, Technology	\$5,201	\$5,032	\$169	3.3%	\$6,902	\$6,670	\$233	3.4%
Financial Expenditures	\$1	\$0	\$1	127.4%	\$1	\$0	\$1	100.0%
<b>Total Expenses</b>	<b>\$126,915</b>	<b>\$123,226</b>	<b>\$3,689</b>	<b>2.9%</b>	<b>\$170,810</b>	<b>\$167,060</b>	<b>\$3,750</b>	<b>2.2%</b>
Federal & Provincial Grants	-\$7,252	-\$7,238	-\$14	-0.2%	-\$9,637	-\$9,588	-\$49	-0.5%
By-Law Charges & Sales	-\$4,581	-\$1,900	-\$2,681	-58.5%	-\$6,068	-\$2,206	-\$3,862	-63.6%
Other Revenue	-\$1,639	-\$1,635	-\$4	-0.3%	-\$2,186	-\$2,119	-\$67	-3.1%
<b>Total Revenues</b>	<b>-\$13,473</b>	<b>-\$10,773</b>	<b>-\$2,699</b>	<b>-20.0%</b>	<b>-\$17,891</b>	<b>-\$13,913</b>	<b>-\$3,978</b>	<b>-22.2%</b>
Intercompany Charges	-\$1,021	-\$1,042	\$21	-2.1%	-\$1,361	-\$1,382	\$21	-1.5%
<b>Total Intercompany Charges</b>	<b>-\$1,021</b>	<b>-\$1,042</b>	<b>\$21</b>	<b>-2.1%</b>	<b>-\$1,361</b>	<b>-\$1,382</b>	<b>\$21</b>	<b>-1.5%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$112,422</b>	<b>\$111,411</b>	<b>\$1,011</b>	<b>0.9%</b>	<b>\$151,558</b>	<b>\$151,765</b>	<b>-\$207</b>	<b>-0.1%</b>
Transfers From Funds	-\$187	-\$187	\$0	0.0%	-\$250	-\$250	\$0	0.0%
Transfers To Funds	\$3,038	\$3,038	\$0	0.0%	\$3,150	\$3,150	\$0	0.0%
<b>Total Transfers</b>	<b>\$2,850</b>	<b>\$2,850</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$2,900</b>	<b>\$2,900</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$115,272</b>	<b>\$114,261</b>	<b>\$1,011</b>	<b>0.9%</b>	<b>\$154,458</b>	<b>\$154,665</b>	<b>-\$207</b>	<b>-0.1%</b>
Indirect Allocations & Debt	\$11,295	\$11,624	-\$329	-2.9%	\$15,723	\$18,619	-\$2,896	-18.4%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$11,295</b>	<b>\$11,624</b>	<b>-\$329</b>	<b>-2.9%</b>	<b>\$15,723</b>	<b>\$18,619</b>	<b>-\$2,896</b>	<b>-18.4%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$126,567</b>	<b>\$125,884</b>	<b>\$682</b>	<b>0.0%</b>	<b>\$170,181</b>	<b>\$173,284</b>	<b>-\$3,103</b>	<b>-1.8%</b>

# Niagara Regional Police Services - Continued

## Variance Analysis (in thousands of dollars)

For the period ending September 30, 2020 the Service's financial result was a net expenditure surplus of \$1,011. The Service is forecasting a \$207 deficit position before indirect allocations by the end of this fiscal year.

**Compensation** – At September 30, Compensation expense was below the approved budget by \$3,260. This favorable variance is primarily due to a lag in filling vacant positions, reduced employee benefit usage and savings from the 2020 NRPA wage settlement, and is partially offset by civilian staffing costs to meet operational requirements, greater than budgeted retirement sick leave payouts and increased WSIB claims experience. The Service is expecting these trends to continue to year-end. As a result of these factors, the Service is forecasting a \$3,255 surplus for Personnel Costs by year-end.

**Other Operational Expenditures** - Other Operational Expenditures are comprised of all other operating expenditures excluding Personnel Costs, Financial Expenditures and Interfunctional Transfer. For the period ending September 30, the Other Operational Expenditures was below the approved budget by \$429. This savings is mainly the result of favourable fuel rates and favourable variances in the Police Services Board external legal expenses. In addition, the Service has incurred \$430 from the implementation of COVID-19 emergency measures, mainly for the purchase of personal protective equipment and infection control supplies, which has been offset by savings in staff development, fuel and administrative travel due to COVID-19 restrictions. The Service is forecasting this favorable trend to continue to year-end resulting in a savings of \$495.

**Recoveries & Revenues** – For the period ending September 30, Gross Revenues and Recoveries were below the approved budget by \$2,699. This shortfall is mainly due to reductions in third party revenue received from the City of Niagara Falls due to the casino closures, as well as reductions in fees for service, special duty and secondment revenues due to COVID-19 emergency measures. The Service is forecasting a \$3,978 deficit for Recoveries & Revenues by year-end. This forecast is based on the assumption that emergency measures will remain in effect for the remainder of the year.

## Conclusion

The detailed variance analysis has been prepared based on results of operations at September 30, 2020. At this time, the Service is closely monitoring the potential impact of the COVID-19 pandemic on its financial position and assessing mitigation opportunities.



## NPCA Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Partnership, Rebate, Exemption	\$5,809	\$5,810	\$0	0.0%	\$5,809	\$5,810	\$0	0.0%
Total Expenses	\$5,809	\$5,810	\$0	0.0%	\$5,809	\$5,810	\$0	0.0%
Total Revenues			\$0	0.0%		\$0	\$0	0.0%
Total Intercompany Charges			\$0	0.0%		\$0	\$0	0.0%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$5,809	\$5,810	\$0	0.0%	\$5,809	\$5,810	\$0	0.0%
Total Transfers			\$0	0.0%		\$0	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$5,809	\$5,810	\$0	0.0%	\$5,809	\$5,810	\$0	0.0%
Total Indirect Allocations & Debt			\$0	0.0%		\$0	\$0	0.0%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$5,809	\$5,810	\$0	0.0%	\$5,809	\$5,810	\$0	0.0%

# Niagara Peninsula Conservation Authority - Continued

Niagara Peninsula Conservation Authority (NPCA) is a separate corporation and the Niagara Region levies the Niagara share of the NPCA levy on their behalf. The above summary shows the amount levied on behalf of the NPCA and not their operating results.

## Water & Wastewater Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$18,842	\$17,956	\$886	4.7%	\$24,852	\$24,072	\$781	3.1%
Administrative	\$2,575	\$1,246	\$1,329	51.6%	\$3,433	\$3,280	\$153	4.5%
Operational & Supply	\$9,875	\$10,831	-\$956	-9.7%	\$13,166	\$14,147	-\$981	-7.5%
Occupancy & Infrastructure	\$13,276	\$11,863	\$1,413	10.6%	\$17,700	\$17,075	\$625	3.5%
Equipment, Vehicles, Technology	\$4,941	\$3,492	\$1,450	29.3%	\$6,588	\$5,858	\$730	11.1%
Partnership, Rebate, Exemption	\$13,137	\$1,211	\$11,926	90.8%	\$17,516	\$17,499	\$16	0.1%
Financial Expenditures	\$0	\$27	-\$27	0.0%	\$0	\$27	-\$27	0.0%
Total Expenses	\$62,646	\$46,625	\$16,020	25.6%	\$83,255	\$81,958	\$1,298	1.6%
Taxation	-\$92,951	-\$92,410	-\$541	-0.6%	-\$122,942	-\$122,239	-\$703	-0.6%
By-Law Charges & Sales	-\$1,066	-\$902	-\$164	-15.3%	-\$1,421	-\$1,480	\$59	4.2%
Other Revenue	-\$6,336	-\$922	-\$5,414	-85.4%	-\$8,448	-\$8,458	\$10	0.1%
Total Revenues	-\$100,353	-\$94,235	-\$6,118	-6.1%	-\$132,811	-\$132,177	-\$634	-0.5%
Intercompany Charges	\$1,333	\$1,210	\$123	9.2%	\$1,777	\$1,654	\$123	6.9%
Total Intercompany Charges	\$1,333	\$1,210	\$123	9.2%	\$1,777	\$1,654	\$123	6.9%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	-\$36,374	-\$46,399	\$10,025	27.6%	-\$47,778	-\$48,565	\$787	1.6%
Transfers From Funds	-\$6,540	-\$1,183	-\$5,357	-81.9%	-\$8,720	-\$10,370	\$1,650	18.9%
Transfers To Funds	\$30,562	\$32,212	-\$1,650	-5.4%	\$40,749	\$42,399	-\$1,650	-4.0%
Total Transfers	\$24,022	\$31,028	-\$7,007	-29.2%	\$32,029	\$32,029	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	-\$12,353	-\$15,371	\$3,019	24.4%	-\$15,750	-\$16,536	\$787	5.0%
Indirect Allocations & Debt	\$10,033	\$9,374	\$659	6.6%	\$15,750	\$14,887	\$863	5.5%
Total Indirect Allocations & Debt	\$10,033	\$9,374	\$659	6.6%	\$15,750	\$14,887	\$863	5.5%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	-\$2,320	-\$5,997	\$3,677	0.0%	\$0	-\$1,649	\$1,649	0.0%

## Water & Wastewater - Continued

### Variance Analysis (in thousands of dollars)

Water & Wastewater services is operating at a surplus after indirect allocations of \$3,677, with a forecasted surplus of \$1,649 for year-end, due to the following factors:

**Compensation** - The favourable year-to-date and forecasted variances of \$886 and \$781 are due to delays in filling vacancies and the gapping of student positions and water wagon staff due to the COVID-19 pandemic.

**Administration** – There is a favourable year-to-date variance of \$1,329, with a forecasted favourable variance of \$153 at year-end. The year-to-date variance is primarily the result of lower than expected consulting expenses of \$1,278 due to the timing of the Master Servicing Plans (MSP), which will be encumbered into the 2021 budget. The variance in consulting is anticipated to remain favourable by \$164 at year-end due to delays associated with Regional facility lockdowns resulting in restricted access to external sites as a result of COVID-19. Due to the pandemic, the Niagara Children's Water Festival, the Water Wagon program and conferences were cancelled, which generated savings, in addition to reduced travel-related expenses such as mileage. This resulted in a favourable variance year-to-date of \$134 and it is expected that this will increase to \$184 at year-end. Partially offsetting the variances noted are increased external legal expenses for pending litigation of \$185 year-to-date, which are expected to increase to \$270 at year-end.

**Operational & Supply** – There is an unfavourable year-to-date variance of \$956, with a forecasted unfavourable variance of \$981. The year-to-date variance is primarily due to increased sludge management costs of \$530 as a result of price increases during the temporary bio-solids contract. As well, year-to-date chemical costs are unfavourable by \$280 due to increased costs and usage. Partially offsetting these variances were lower than expected training expenses year-to-date of \$149 due to delayed training as a result of COVID-19. Sludge management costs are expected to end the year at an unfavourable variance of \$390 due to a combination of temporary pricing during the year and new contract pricing. Chemicals are expected to end the year with an unfavourable variance of \$393. Training expenses are expected to remain favourable by \$161, as mandatory training deadlines have been extended due to the pandemic.

**Occupancy & Infrastructure** – There is a favourable year-to-date variance of \$1,413, with a forecasted favourable variance of \$625. The year-to-date variance is due to lower than expected electricity costs of \$168 due to timing, lower than budgeted natural gas costs of \$117 and increased utility rebates of \$298. There were also favourable variances in repairs and maintenance (R&M) of buildings of \$123 and for water and sewer mains of \$742 due to delays in completing this work due to COVID-19. The forecasted favourable variance is as a result of natural gas savings of \$120, increased utility rebates of \$312 and a favourable variance in R&M funds for water and sewer mains of \$569. This is expected to be partially offset by higher than expected costs for property taxes of \$130 and water of \$108 due to retroactive billings for the new Niagara-on-the-Lake Waste Water Treatment Plant.

**Equipment, Vehicles, Technology** – There is a favourable year-to-date variance of \$1,450, with a forecasted favourable variance of \$730. The year-to-date favourable variance is primarily due to the timing of equipment repair and maintenance costs compared to budget by \$1,316 as a result of prioritization of preventative maintenance and repairs due to COVID-19. As well, there are savings of \$157 year-to-date for computer software licensing and support due to the deferral of Asset Management software. Due to timing of spend, it is expected that equipment repairs and maintenance and minor equipment costs will end the year with a favourable variance of \$566. Software licensing and support costs are expected to be favourable at year end by \$201.

**Partnership, Rebate, Exemption** - The favourable year-to-date variance of \$11,926 is due to CSO funds committed to local area municipalities but not yet paid of \$11,909. All CSO funding not spent will be encumbered into future year budgets.

**Taxation** - The unfavourable year-to-date and forecasted variances of \$541 and \$703 are a result of decreased water sales due to reduced water usage due to the pandemic.

## Water & Wastewater - Continued

**By-Law Charges & Sales Costs** - The unfavourable year-to-date variance of \$164 is due to the timing of sewer surcharge and hauled sewage revenue. It is expected that the hauled sewage favourable variance will be \$235 for the year, which will be partially offset by reduced sewer surcharge revenue of \$174. Overall, the variance is expected to be favourable by \$59 for the year.

**Other Revenue** – There is an unfavourable year-to-date variance of \$5,414, with a forecasted favourable variance of \$10. The year-to-date variance is mainly driven by the timing of development charge revenue recognition to fund the CSO program and MSP of \$5,323.

**Transfers** - The unfavourable year-to-date variance of \$7,007 is due to previously encumbered CSO funds committed to local municipalities but not yet paid and MSP funding for costs that have not yet been incurred. The forecasted variance is \$0 as any remaining balance will be encumbered into the 2021 wastewater budget.

### Community Impacts & Achievements

- The Water and Wastewater division treated 40,556 ML of water throughout Q1 and Q2 of 2020 through six water treatment plants and 312 km of watermains, as well as 25,779 ML of wastewater through eleven plants and one biosolids storage facility, with collection through 113 pumping stations and 306 km of forcemains and gravity trunk sewers.
- Successful completion of Water Quality Management System (QMS) External Audit by a third-party auditor in July 2020. Successful external audit is required to maintain the accreditation of our Water QMS, in turn allowing us to continue to hold our Municipal Drinking Water Licenses.
- Improvements to disinfection documentation for use during capital projects.
- Piloting project to develop a Normalized Difference Vegetation Index (NDVI) to improve Harmful Algae Bloom (HAB) risk management.
- Taste and odour sampling program at all water treatment plants to develop timeline of formation for future prediction and improve GAC replacement matrix.
- Optimization of filters at Niagara Falls WTP and Rosehill WTP to support ongoing capital works construction sequencing.
- Supported pandemic response by producing hand sanitizer, which was made available to all departments within Niagara Region.
- Established a partnership with McMaster University to monitor the presence of COVID-19 (Novel Coronavirus) in wastewater.
- Enhanced odour control operation and monitoring by installing remote meters in the collection system equipped with cellular connectivity.
- 4,855 samples analyzed by the Niagara Region Environmental Lab.
- The 17th annual Niagara Children's Water Festival delivered via a virtual format this year due to COVID-19 with 1,500 page visits to the festival.
- Completion of several chemical system retrofit upgrades using internal resources, realizing significant savings and eliminating the need for inclusion in W-WW capital program.
- Administration of over 50 W-WW essential supplies and services contracts, implementing new business processes with vendors as required as part of divisional pandemic response plan.
- Transition of training sessions to virtual e-learning as part of continuing efforts to minimize dependency on in-class delivery methods.
- Re-assignment of water operations and maintenance managers to new areas to facilitate additional cross-training opportunities.
- Produced 360 view imagery to support the capital program and virtual tours in 2021.

### Capital Projects & Asset Management:

- W-WW has 153 active capital projects in 2020.
- 27 virtual tours of Water-Wastewater facilities replacing on-site tours in response to COVID-19.
- 4,996 locate requests, 11 drone flights supporting various projects.
- A Power BI Capital Project Dashboard to provide insight into the status of current capital projects.

## Waste Management Services Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$2,953	\$2,904	\$49	1.7%	\$3,923	\$3,767	\$156	4.0%
Administrative	\$1,310	\$653	\$658	50.2%	\$2,106	\$1,732	\$374	17.7%
Operational & Supply	\$30,025	\$29,472	\$553	1.8%	\$42,448	\$42,019	\$428	1.0%
Occupancy & Infrastructure	\$1,104	\$1,064	\$40	3.6%	\$1,453	\$1,438	\$15	1.1%
Equipment, Vehicles, Technology	\$915	\$828	\$88	9.6%	\$1,214	\$1,128	\$86	7.1%
Partnership, Rebate, Exemption	\$142	\$144	-\$2	-1.8%	\$189	\$191	-\$2	-1.3%
Financial Expenditures	\$0	\$29	-\$29	0.0%	\$0	\$29	-\$29	0.0%
<b>Total Expenses</b>	<b>\$36,449</b>	<b>\$35,094</b>	<b>\$1,355</b>	<b>3.7%</b>	<b>\$51,333</b>	<b>\$50,305</b>	<b>\$1,028</b>	<b>2.0%</b>
Taxation	-\$28,243	-\$28,243	\$0	0.0%	-\$38,822	-\$38,822	\$0	0.0%
By-Law Charges & Sales	-\$8,707	-\$8,119	-\$588	-6.7%	-\$11,609	-\$10,820	-\$789	-6.8%
Other Revenue	-\$3,888	-\$3,931	\$43	1.1%	-\$5,191	-\$5,234	\$43	0.8%
<b>Total Revenues</b>	<b>-\$40,837</b>	<b>-\$40,293</b>	<b>-\$544</b>	<b>-1.3%</b>	<b>-\$55,622</b>	<b>-\$54,876</b>	<b>-\$745</b>	<b>-1.3%</b>
Intercompany Charges	\$97	\$1	\$96	98.7%	\$130	\$34	\$96	74.0%
<b>Total Intercompany Charges</b>	<b>\$97</b>	<b>\$1</b>	<b>\$96</b>	<b>98.7%</b>	<b>\$130</b>	<b>\$34</b>	<b>\$96</b>	<b>74.0%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>-\$4,290</b>	<b>-\$5,198</b>	<b>\$907</b>	<b>21.1%</b>	<b>-\$4,159</b>	<b>-\$4,537</b>	<b>\$378</b>	<b>9.1%</b>
Transfers From Funds	-\$2,013	-\$2,013	\$0	0.0%	-\$2,413	-\$2,413	\$0	0.0%
Transfers To Funds	\$3,102	\$3,102	\$0	0.0%	\$4,136	\$4,278	-\$143	-3.5%
<b>Total Transfers</b>	<b>\$1,089</b>	<b>\$1,089</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$1,722</b>	<b>\$1,865</b>	<b>-\$143</b>	<b>-8.3%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>-\$3,201</b>	<b>-\$4,108</b>	<b>\$907</b>	<b>28.3%</b>	<b>-\$2,437</b>	<b>-\$2,672</b>	<b>\$235</b>	<b>9.7%</b>
Indirect Allocations & Debt	\$2,059	\$1,900	\$158	7.7%	\$2,437	\$2,276	\$161	6.6%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$2,059</b>	<b>\$1,900</b>	<b>\$158</b>	<b>7.7%</b>	<b>\$2,437</b>	<b>\$2,276</b>	<b>\$161</b>	<b>6.6%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>-\$1,143</b>	<b>-\$2,208</b>	<b>\$1,065</b>	<b>0.0%</b>	<b>\$0</b>	<b>-\$396</b>	<b>\$396</b>	<b>0.0%</b>



## Variance Analysis (in thousands of dollars)

Waste Management Services is operating at a year-to-date surplus after indirect allocations of \$1,065, with a forecasted surplus of \$396, due to the following factors:

**Compensation** – The favourable year-to-date and forecasted variances of \$49 and \$156 are due primarily to salary gapping and position vacancy management as a result of the COVID-19 pandemic.

**Administrative** – The favourable year-to date and forecasted variances of \$658 and \$374 are primarily due to the budget timing of consulting engagements related to the Long-Term Strategic Plan (LTSP) Study, the Material Recovery Facility (MRF) Opportunity Review – Phase 4, and the service level change campaign. Promotional and educational costs were also lower than anticipated due to the timing of the service level campaign and deferral of other planned campaigns as a result of the COVID-19 pandemic. A substantial portion of this campaign work is scheduled to be completed by the end of the year in alignment with the new collection contract. Staff mileage, training and development are forecasted to have a favourable variance of \$64 due to travel limitations involved with the ongoing pandemic.

**Operational & Supply** – The favourable year-to-date and forecasted variances of \$553 and \$428 are primarily due to lower than anticipated environmental monitoring and operating services for the landfill sites as well as lower annual fuel, CPI and residential unit count adjustments for the collection contracts. The COVID-19 pandemic has led to an estimated savings of \$211 for lower than anticipated labour costs at the MRF for 2020, as well as the reduction in recyclable material purchase costs from commercial businesses due to shutdowns related to the pandemic, which is offset by related decreases in recycling processing revenues. Due to stay at home orders as a result of the COVID-19 pandemic, significantly higher volumes of organics were collected than projected, leading to a forecasted unfavorable variance of \$294, which partially offsets the favourable variances noted above.

**Occupancy & Infrastructure** – The favourable year-to-date and forecasted variances of \$40 and \$15 are due to lower than anticipated property repairs & maintenance due to temporary closures of dog parks and naturalization sites during the year.

**Equipment, Vehicles, Technology** – The favourable year-to-date and forecasted variances of \$88 and \$86 are primarily due to lower than anticipated equipment repairs required at various sites and fuel savings.

**By-Law Charges & Sales** – The unfavourable year-to-date and forecasted variances of \$588 and \$789 are primarily due to overall lower than anticipated market revenues received from the sale of recyclable commodities (i.e. favourable variance forecasted for boxboard, aluminum and Eco-glass, of \$1,020, offset by an unfavourable variance from PET plastic, steel, newsprint, bulky rigid plastics and fine paper of \$1,241). Additional contributing factors to the variance are reduced tipping fee revenue due to limiting non-essential trips to the residential drop-off depots at the landfill sites and the waiving of tipping fees for large household items (\$643), as well as reduced commercial shredding and recycling revenue due to commercial business closures (\$52), both a result of the COVID-19 pandemic. These decreases are partially offset by a forecasted increase in garbage tag sales of \$131.

**Intercompany Charges** – The favourable year-to-date and forecasted variance of \$96 is primarily due to the reallocation of wages for staff who have been redeployed to support Niagara Region departments in need of resources due to the COVID-19 pandemic.

**Transfers** – The unfavourable forecasted variance of \$143 is due to unspent funds associated with the service level campaign transferred back to the Waste Management Stabilization Reserve (the original funding source of the service level campaign budget).

## Community Impacts & Achievements

Waste Management Services (WMS) is responsible for the operation of various facilities, including landfill sites, HHW depots and the Recycling Centre. WMS is also responsible for the delivery of curbside waste, recycling and organics collection and diversion programs, the management of long-term organics processing and disposal contracts, the



operations and maintenance contracts at open and closed landfill sites, the recycling processing contract, policy development, capital program delivery and supporting outreach and communications programs.

- Since January 2020, Niagara Region has been managing the implementation plan for the new waste collection contract, which commenced on October 19, 2020.
- The first phases of a multi-tiered social marketing and communication campaign across all platforms, focused on promoting and raising awareness of the new collection service level changes which began October 19, 2020 and increasing participation in the Region's recycling and organics collection programs, is complete. The campaign is now in its post launch phase which includes messages focusing on compliance and illegal dumping, while recognizing and expressing appreciation to residents and businesses that have embraced and adapted to the changes.
- Development and implementation of an online sale platform for garbage tags, curbside containers for recycling and organics programs and backyard composters.
- Implementation of a Niagara Region web and mobile app 'Niagara Region Waste', which is free for download from the Google Play and Apple App store. This tool provides an additional mechanism to communicate waste management program information, such as collection limits and collection day, and collection for special items such as Christmas trees. Other functionalities include a 'where does it go' search tool, collection reminders and related collection delay notifications.
- The terms of reference for the Niagara Region's Waste Management Long-Term Strategic Plan is in the process of being finalized and the request for proposals will be issued in Q4 2020.
- Continue to market recyclable materials despite restrictive global market conditions.
- MRF Opportunity Review Phase 4 is in progress:
  - Purpose is to identify options for the MRF considering the transition of the residential Blue Box program to extended producer responsibility.
  - Project consultant/ transaction advisor is in the process of preparing a negotiated request for proposal for issuance in Q4 2020.
- Waste Management's Condition Assessment and Asset Management project has been completed, which captures all capital assets related to the Niagara Region's 14 landfill sites. This work will help with planning for the future capital funding needs of the Waste Management division and was relied upon as part of the 2021 capital budget development process.
- Phase 2 of the upgrades at the Humberstone Landfill began in Q2 2020 and are nearing completion.
- On-going discussions are occurring with the Ministry of the Environment, Conservation and Parks (MOECP) and work is being conducted to reduce the number of monitoring wells required at both open and closed landfill sites leading to an optimization of the monitoring program and hopefully result in reduced future costs. An immediate result has been a reduction in the number of monitoring wells at the Humberstone Landfill.
- Preliminary investigation has commenced into designating the Glenridge Naturalization Site as a UNESCO Geosite, which are sites and landscapes of international geological significance and are managed with a holistic concept of protection, education and sustainable development.
- Niagara Region Waste Management Services received a silver award in the campaign category at the Municipal Waste Association Promotion and Education Awards for the 'Recycling Matters' campaign. The Recycling Matters Awareness campaign focused on educating residents on acceptable materials and proper preparation of recyclables in order to decrease contamination and improve the quality of recyclables that are sent to end market.
- Since the start of the partnership between the Broken Spoke bicycle refurbishment program and Niagara Region, a total of 7,611 bicycles have been collected at Niagara Region Drop-off Depots and provided to this program for the purpose of reuse. The program has now surpassed repairing and donating 10,000 bicycles.
- Due to COVID 19, the annual spring compost giveaway event was held from September 14 – 26. A total of 490 cars picked up compost and approximately 3,500 bags were given out. Over \$1,600 and 300 kg of food were collected for charity.

## 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 (LHIN) to support expenditures for Community Paramedicine remote patient monitoring.
Public Health and Emergency Services	\$253		To record renewed funding from the LHIN to support expenditures for the Community Paramedicine remote patient monitoring program for April to December 2020.
Public Health and Emergency Services	\$24		To record revised funding and related expenditures for annualized Mental Health LHIN revenues approved after the approval of the 2020 annual budget.
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>\$23,187</b>	
<b>December 31, 2020 Adjusted Budget</b>		<b>\$1,038,403</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 September 30, 2020 the Region's consolidated and uncommitted reserve balance (excluding commitments made with the 2021 approved budget) was \$183,484 (\$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 is 3.38 (2.07 at December 31, 2019).

Description	Balances at Dec 31, 2019	Year to Date Transfers from Operating	Year to Date Transfers to Operating	Year to Date Net Transfers from/(to) Capital	Interest	Balances at Sept 30, 2020	Forecasted Transfers from Operating	Forecasted Transfers to Operating	Forecasted Interest	Capital Commitments to Uninitiated Projects	Balances Available at Dec 31, 2020
Wastewater Capital	\$41,575	\$15,722	\$0	-\$44,715	\$618	\$13,200	\$5,241	\$0	\$165	-\$6,660	\$11,946
Water Capital	\$78,813	\$14,840	\$0	-\$30,810	\$1,525	\$64,368	\$4,946	\$0	\$408	-\$6,660	\$63,062
Waste Management	\$15,770	\$1,893	\$0	-\$8,250	\$268	\$9,681	\$631	\$0	\$72	-\$9,002	\$1,382
General Capital Levy	\$15,680	\$21,486	-\$1,659	-\$28,373	\$0	\$7,134	\$1,501	-\$533	\$0	-\$400	\$7,702
Infrastructure Deficit	\$0	\$3,657	\$0	-\$3,657	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Court Services Facility Renewal	\$2,876	\$150	\$0	\$0	\$0	\$3,026	\$50	\$0	\$0	\$0	\$3,076
Niagara Regional Housing	\$8,228	\$1,156	-\$250	-\$2,814	\$0	\$6,320	\$385	\$0	\$0	\$0	\$6,705
NRH Owned Units	\$5,988	\$1,157	\$0	-\$2,312	\$0	\$4,833	\$386	\$0	\$0	\$0	\$5,219
NRPS Long-Term Accommodation (LTA)	\$52	\$0	-\$39	\$0	\$0	\$13	\$0	-\$13	\$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	-\$1,477	\$0	\$284	\$0	\$0	\$0	\$0	\$284
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>\$62,761</b>	<b>-\$1,948</b>	<b>-\$123,908</b>	<b>\$2,411</b>	<b>\$108,992</b>	<b>\$13,140</b>	<b>-\$546</b>	<b>\$645</b>	<b>-\$22,722</b>	<b>\$99,509</b>
Wastewater Stabilization	\$1,848	\$0	-\$375	\$0	\$33	\$1,506	\$0	-\$125	\$9	\$0	\$1,390
Water Stabilization	\$2,985	\$0	\$0	\$0	\$62	\$3,047	\$0	\$0	\$17	\$0	\$3,064
Waste Management Stabilization	\$6,043	\$169	-\$1,203	\$0	\$111	\$5,120	\$199	-\$401	\$30	\$0	\$4,948
Encumbrance	\$16,377	\$1,890	-\$8,965	\$0	\$0	\$9,302	\$1,136	-\$9,302	\$0	\$0	\$1,136

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

Description	Balances at Dec 31, 2019	Year to Date Transfers from Operating	Year to Date Transfers to Operating	Year to Date Net Transfers from/(to) Capital	Interest	Balances at Sept 30, 2020	Forecasted Transfers from Operating	Forecasted Transfers to Operating	Forecasted Interest	Capital Commitments to Uninitiated Projects	Balances Available at Dec 31, 2020
Investment Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stabilization											
Taxpayer Relief	\$23,757	\$1,253	-\$2,784	\$0	\$0	\$22,226	\$1,387	-\$408	\$0	\$0	\$23,205
NRH Rent Supplements	\$266	\$0	-\$13	\$0	\$0	\$253	\$0	-\$4	\$0	\$0	\$249
Police Contingency	\$454	\$187	\$0	\$0	\$0	\$641	\$62	\$0	\$0	\$0	\$703
Police Services Board Contingency	\$242	\$0	\$0	\$0	\$0	\$242	\$0	\$0	\$0	\$0	\$242
<b>Total Corporate Stabilization Reserves</b>	<b>\$51,972</b>	<b>\$3,499</b>	<b>-\$13,340</b>	<b>\$0</b>	<b>\$206</b>	<b>\$42,337</b>	<b>\$2,784</b>	<b>-\$10,240</b>	<b>\$56</b>	<b>\$0</b>	<b>\$34,937</b>
Ambulance Communication	\$37	\$0	-\$28	\$0	\$0	\$9	\$0	-\$9	\$0	\$0	\$0
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>-\$28</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,392</b>	<b>\$0</b>	<b>-\$9</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,383</b>
Future Benefit Costs	\$24,695	\$0	-\$146	\$0	\$0	\$24,549	\$0	-\$29	\$0	\$0	\$24,520
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	\$1,040	\$0	\$979	\$195	\$10,419	\$347	\$0	\$52	\$0	\$10,818
NRH Employee future benefits	\$793	\$0	\$0	\$0	\$0	\$793	\$0	\$0	\$0	\$0	\$793
Police Accumulated Sick Leave	\$1,680	\$0	-\$187	\$0	\$0	\$1,493	\$0	-\$62	\$0	\$0	\$1,431
Police Future Benefit Cost	\$4,152	\$0	\$0	\$0	\$0	\$4,152	\$0	\$0	\$0	\$0	\$4,152
Police WSIB	\$3,270	\$150	\$0	\$0	\$0	\$3,420	\$50	\$0	\$0	\$0	\$3,470
<b>Total Future Liability Reserves</b>	<b>\$45,266</b>	<b>\$1,190</b>	<b>-\$333</b>	<b>\$979</b>	<b>\$195</b>	<b>\$47,297</b>	<b>\$397</b>	<b>-\$91</b>	<b>\$52</b>	<b>\$0</b>	<b>\$47,655</b>
<b>Total (Excluding Deferred Revenues)</b>	<b>\$268,334</b>	<b>\$67,450</b>	<b>-\$15,649</b>	<b>-\$122,929</b>	<b>\$2,812</b>	<b>\$200,018</b>	<b>\$16,321</b>	<b>-\$10,886</b>	<b>\$753</b>	<b>-\$22,722</b>	<b>\$183,484</b>

## Deferred Revenue Summary (in thousands of dollars)

Description	Balances at Dec 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 Sep 30, 2020	Forecasted Transfers from Revenues	Forecasted interest	Capital Commitments *	Balance Available at Dec 31, 2020
Development Charges-General Government	\$1,483	\$228	\$22	-\$221	\$0	\$31	\$1,543	\$83	\$8	\$0	<b>\$1,634</b>
Development Charges-Police Services	\$2,980	\$538	\$39	\$0	-\$23	\$68	\$3,602	\$192	\$18	-\$20	<b>\$3,792</b>
Development Charges-Roads	\$56,893	\$8,975	\$637	-\$49	-\$8,414	\$1,195	\$59,237	\$3,204	\$320	-\$53,799	<b>\$8,962</b>
Development Charges-Sewer	\$52,193	\$6,106	\$449	-\$412	-\$1,438	\$1,134	\$58,032	\$2,185	\$304	-\$19,644	<b>\$40,877</b>
Development Charges-Water	\$35,029	\$4,326	\$319	\$0	-\$7,748	\$696	\$32,622	\$1,548	\$186	-\$20,498	<b>\$13,858</b>
Development Charges-Emergency Medical	\$1,531	\$245	\$10	\$0	-\$53	\$34	\$1,767	\$85	\$9	-\$1,086	<b>\$775</b>
Development Charges-LT Care	\$5,727	\$1,933	\$41	\$0	-\$1,312	\$126	\$6,515	\$658	\$34	-\$23,586	<b>-\$16,379</b>
Development Charges-POA	\$315	\$75	\$3	\$0	\$0	\$7	\$400	\$26	\$2	-\$12	<b>\$416</b>
Development Charges-Health	\$768	\$219	\$9	\$0	\$0	\$18	\$1,014	\$76	\$5	\$0	<b>\$1,095</b>
Development Charges-Social Housing	\$4,370	\$1,950	\$20	\$0	-\$1,801	\$93	\$4,632	\$657	\$25	-\$13,635	<b>-\$8,321</b>
Development Charges-Waste Division	\$1,852	\$614	\$10	\$0	-\$44	\$45	\$2,477	\$208	\$12	-\$266	<b>\$2,431</b>
<b>Subtotal Development Charges</b>	<b>\$163,141</b>	<b>\$25,209</b>	<b>\$1,559</b>	<b>-\$682</b>	<b>-\$20,833</b>	<b>\$3,447</b>	<b>\$171,841</b>	<b>\$8,922</b>	<b>\$923</b>	<b>-\$132,546</b>	<b>\$49,140</b>
Federal Gas Tax	\$34,343	\$13,587	\$0	\$0	-\$16,851	\$680	\$31,759	\$0	\$182	-\$29,802	<b>\$2,139</b>
Provincial Gas Tax	\$658	\$856	\$0	-\$79	\$0	\$22	\$1,457	\$0	\$6	\$0	<b>\$1,463</b>
<b>Subtotal Gas Tax</b>	<b>\$35,001</b>	<b>\$14,443</b>	<b>\$0</b>	<b>-\$79</b>	<b>-\$16,851</b>	<b>\$702</b>	<b>\$33,216</b>	<b>\$0</b>	<b>\$188</b>	<b>-\$29,802</b>	<b>\$3,602</b>
<b>Total</b>	<b>\$198,142</b>	<b>\$39,652</b>	<b>\$1,559</b>	<b>-\$761</b>	<b>-\$37,684</b>	<b>\$4,149</b>	<b>\$205,057</b>	<b>\$8,922</b>	<b>\$1,111</b>	<b>-\$162,348</b>	<b>\$52,742</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	Actuals		Total Year-to-Date Actuals	Q4 Forecast	Annual Forecast	Annual Budget	Actual Variance
	Q1-Q2	Q3					
Other Economic Incentives:							
50% Industrial - (M)	\$49	\$26	\$75				
Brownfield - (D) <sup>2</sup>	\$0	\$0	\$0				
Smart Growth Niagara - (D)	\$0	\$174	\$174				
Long-Term Care Facility - (D)	\$0	\$0	\$0				
Board of Education - (D)	\$0	\$0	\$0				
NRH - (D)	\$706	\$0	\$706				
Parking garage - (D)	\$188	\$0	\$188				
Agriculture - (D)	\$0	\$0	\$0				
Place of Worship - (D)	\$0	\$0	\$0				
Intensification RDC Reductions - (M)	\$0	\$0	\$0				
Hotels/Motels - (D)	\$7	\$0	\$7				
Other (D)	\$85	\$0	\$85				
<b>Subtotal - Other Economic Incentives</b>	<b>\$1,036</b>	<b>\$200</b>	<b>\$1,236</b>	<b>\$132</b>	<b>\$1,368</b>	<b>\$5,668</b>	<b>\$4,300</b>
<b>Non-Profit - (D)<sup>1</sup></b>	<b>\$150</b>	<b>\$0</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>\$114</b>	<b>\$59</b>	<b>\$173</b>	<b>\$100</b>	<b>\$273</b>	<b>\$1,050</b>	<b>\$777</b>
<b>Total</b>	<b>\$1,300</b>	<b>\$259</b>	<b>\$1,559</b>	<b>\$232</b>	<b>\$1,791</b>	<b>\$6,868</b>	<b>\$5,077</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:				\$158	\$150
Q3 Applications:					
NIL				\$0	\$0
<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:				\$114	\$114
Q3 Applications:					
Glendale Developments (Niagara) Ltd.	Feb 3, 2020	Tire Refurbishment Centre	Fort Erie		
	Jul 7, 2020	Manufacturer Plant Based Foods	NOTL	\$17	\$17
Niagara Pet Nutrition	Aug 4, 2020	Pet Food Manufacturer	Thorold	\$42	\$42
<b>Total</b>				<b>\$173</b>	<b>\$173</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>-\$55,399</b>	<b>-\$11,611</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>-\$61,019</b>	<b>-\$11,611</b>	<b>-\$72,630</b>	Council approved net operating transfers
<u>Additional operating reserve transfers (to)/from reserves:</u>				
All Rate Reserves	-\$884	-\$109	<b>-\$993</b>	Interest income allocation to reserve at investment income portfolio rate in alignment with the 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	-\$842	\$9,062	<b>\$8,220</b>	2019 CSO Encumbrances (CSD 15-2020)
2019 Encumbrances	-\$240	-\$896	<b>-\$1,136</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	-\$184	-\$136	<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	-\$680	<b>-\$680</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	-\$400	<b>-\$400</b>	Transfer back to reserve for unused funds - Waterfront improvement grant deferred to 2021
Taxpayer Relief	\$0	-\$130	<b>-\$130</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	-\$35	<b>-\$35</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
Taxpayer Relief	\$0	-\$830	<b>-\$830</b>	Transfer back to reserve for unused funds - Human Resources Information Systems project deferred to 2021
Waste Management Stabilization	\$0	-\$143	<b>-\$143</b>	Transfer back to reserve for unused funds - advertising, printing, community information, and temporary staffing funding for new 2020 service level campaign
Future Benefit Costs	\$0	-\$20	<b>-\$20</b>	Transfer back to reserve for unused funds - sick leave payout
<b>Net operating transfers to reserves</b>	<b>-\$54,613</b>	<b>-\$6,188</b>	<b>-\$60,801</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
<u>Q1 and Q2 additional capital reserve transfers:</u>				
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	-\$200	\$0	<b>-\$200</b>	Budget reductions - Mountain Road Pond Expansion (-\$125), Glenridge Landfill Gas Collection Flaring System Decomission (-\$75)
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.

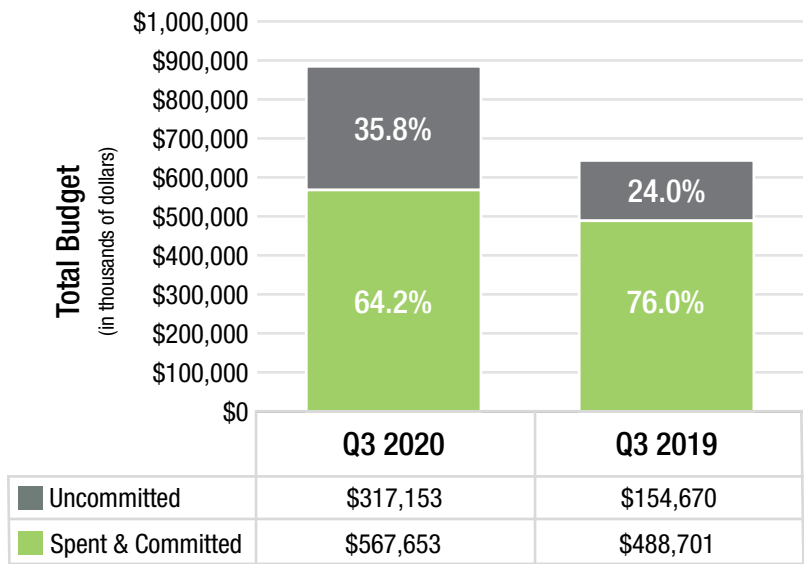
# Capital Reserve Transfer Reconciliation (in thousands of dollars) – Continued

Reserve Description	Year to Date Transfer (to)/from Reserves	Forecast Transfer (to)/from Reserves	Annual Forecast Transfer (to)/from Reserves	Transfer Description
<u>Q3 additional capital reserve transfers:</u>				
Police Capital Levy	-\$27	\$0	-\$27	Project close outs, funds returned to reserve - Niagara Regional Police Tactical Explosives Robot (-\$14), Niagara Regional Police Communications Unit Noise Reduction (-\$2), Niagara Regional Police Armor Rescue Vehicle (-\$0), Niagara Regional Police Forensic Scanner (-\$1), Niagara Regional Police Fraud Unit Scanner (-\$6), Niagara Regional Police CCTV Equipment (-\$0), Hyundai Data Collection Equipment (-\$5)
Landfill Liability	-\$91	\$0	-\$91	Project close out, funds returned to reserve - Mountain - Leachate Collection System
Niagara Regional Housing	-\$130	\$0	-\$130	Budget reduction - New Build, Carlton Street, St. Catharines (-\$90), Intensification, Welland (-\$40)
<b>Net capital transfers</b>	<b>\$122,929</b>	<b>\$22,722</b>	<b>\$145,651</b>	

# CAPITAL HIGHLIGHTS

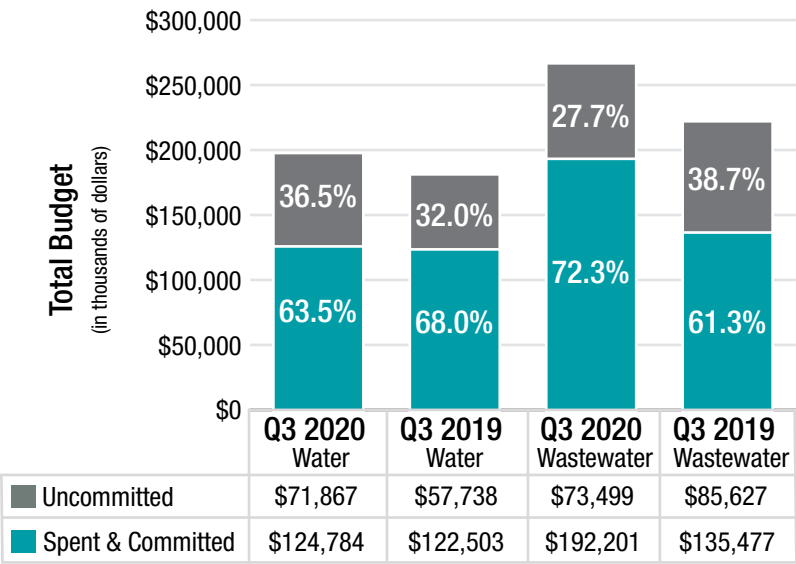
## LEVY

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END  
Active projects with budgets greater than \$1 million.



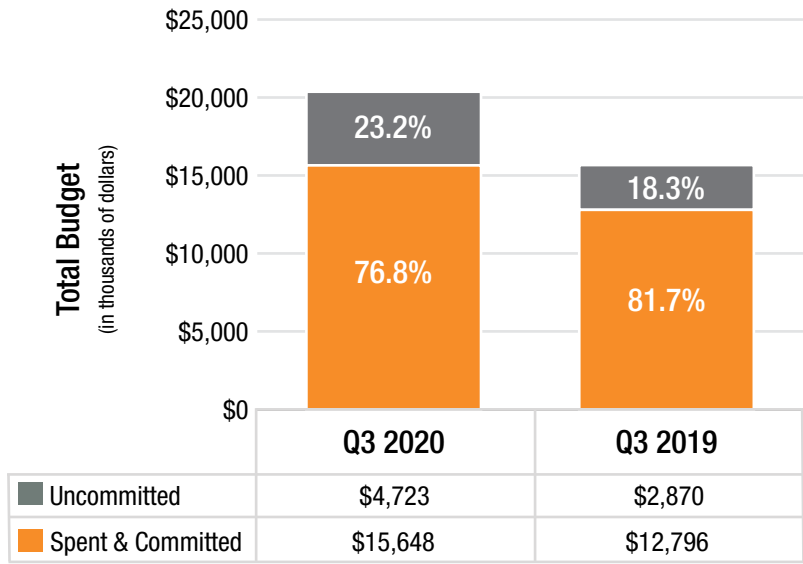
## WATER & WASTEWATER

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END  
Active projects with budgets greater than \$1 million.



## WASTE MANAGEMENT

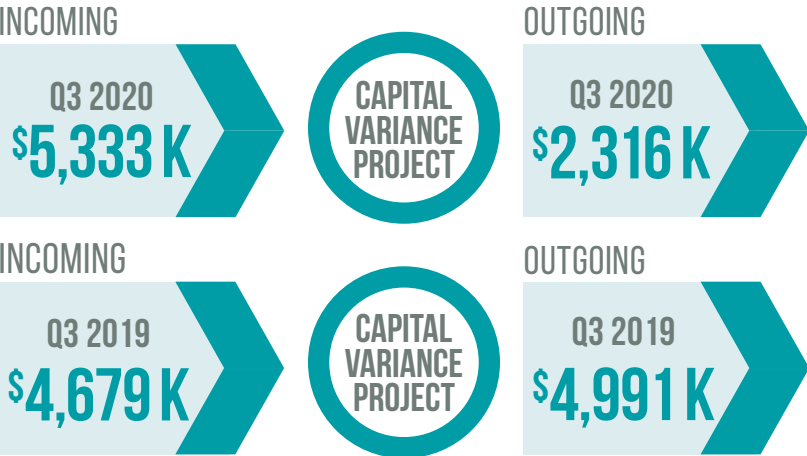
PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END  
Active projects with budgets greater than \$1 million.



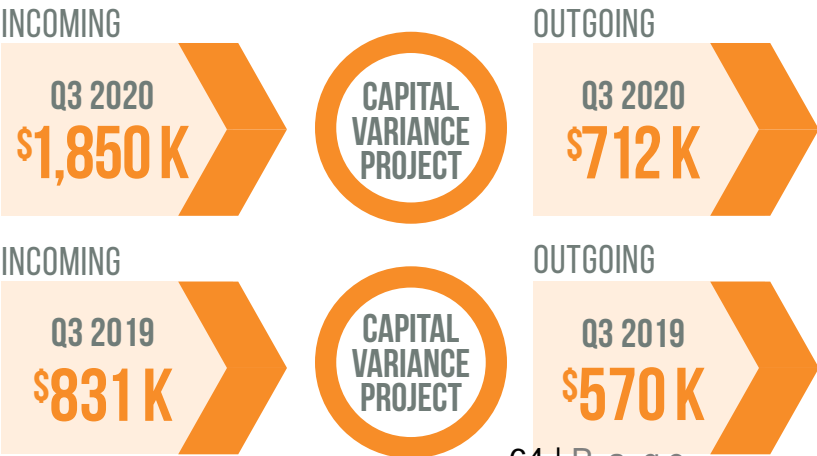
## CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



## 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 budget 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 budget managed by Niagara Region has decreased by \$19,006 since Q2 2020. This decrease is primarily caused by projects closed (\$9,893) and budget reductions (\$15,318). The decrease is offset by gross budget adjustments (\$3,656) and transfers from capital variance project (\$2,549).

Eight capital projects of the 600 capital sub-projects, with budgets totalling approximately \$37,369 (levy \$36,224 / rate \$1,145) remain uninitiated at September 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	Total 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>
Gross Budget Adjustment (including transfers from operating)	\$3,656	\$0	<b>\$3,656</b>
Transfer from Capital Variance	\$351	\$2,198	<b>\$2,549</b>
Budget Reductions on Active Capital Projects *	- \$2,018	- \$13,300	<b>- \$15,318</b>
Projects Closed	- \$7,577	- \$2,316	<b>- \$9,893</b>
<b>2020 Total Adjusted Budget (excluding Capital Variance Projects) at October 22, 2020</b>	<b>\$989,265</b>	<b>\$543,018</b>	<b>\$1,532,283</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 Q3 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
Corporate Services	2017 Data Centre Enhancement	\$450			- \$100	CVP - Levy	\$350
Corporate Services	2018 Information Technology Asset Replacement	\$3,147			- \$200	CVP - Levy	\$2,947
Corporate Services	2020 Automatic Building Redesign	\$100		\$50			\$150
Corporate Services	2020 Headquarters Security Upgrade	\$100		\$160			\$260
Community Services	2018 Long Term Care Capital Improvements	\$1,026			- \$198	CVP - Levy	\$828
Community Services	2019 Long Term Care Roof Replacement	\$531		\$8			\$539
Niagara Regional Housing	New Build, Carlton Street, St. Catharines	\$15,070			- \$90	NRH Reserve	\$14,980
Niagara Regional Housing	Intensification, Welland	\$2,758			- \$40	NRH Reserve	\$2,718
Niagara Regional Housing	Multi-Residential Intensification Welland	\$0	\$100				\$100
Public Works - Levy	Intersection - RR89 Jacobsen/Burleigh	\$6,256			- \$470	CVP - Levy \$323, DC Roads \$147	\$5,786
Public Works - Levy	Structural Rehabilitation - Reece Bridge	\$9,983			- \$250	CVP - Levy	\$9,733
Public Works - Levy	Road Reconstruction - St Davids Road East	\$6,934	\$3,290				\$10,224
Public Works - Levy	Roads Rehabilitation RR56 Glendale/St David	\$2,000			- \$670	CVP - Levy \$603, DC Roads \$67	\$1,330
Public Works - Levy	2019 Roads Resurfacing	\$8,844	\$95				\$8,939
Public Works - Levy	Capacity Improvement RR98 Montrose Road	\$1,000	\$43	\$8			\$1,051

## 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
Public Works - Levy	St.Catharines GO Precinct Capital Works	\$250		\$125			\$375
Public Works - Levy	Tobacco Enforcement Vehicles	\$0	\$128				\$128
<b>All Levy Departments</b>		<b>\$58,449</b>	<b>\$3,656</b>	<b>\$351</b>	<b>- \$2,018</b>		<b>\$60,438</b>
Waste Management	Supervisory Control and Data Acquisition	\$700		\$105			\$805
Waste Management	Mountain Rd Leachate Control System Upgrade	\$110		\$151			\$261
Waste Management	Recycling Facility Improvements	\$835			- \$450	CVP - Waste Management	\$385
Waste Management	Recycling Drum Line Feeder	\$0		\$450			\$450
Wastewater	Wastewater Treatment Plant Upgrade - Welland	\$21,821		\$552			\$22,373
Wastewater	Wastewater Treatment Plant Upgrade - Garner Road	\$6,700		\$240			\$6,940
Wastewater	Wastewater Treatment Plant Upgrade - Niagara Falls	\$2,100		\$250			\$2,350
Wastewater	Seaway Wastewater Treatment Plant Ferric Upgrade	\$200		\$250			\$450
Water	Water Treatment Plant Upgrade - Niagara Falls - 2017	\$12,752		\$200			\$12,952
Water	Niagara Falls Water Treatment Plant Intake Relocation	\$15,550			- \$12,850	External funding not received	\$2,700
<b>All Rate Departments</b>		<b>\$60,768</b>	<b>\$0</b>	<b>\$2,198</b>	<b>- \$13,300</b>		<b>\$49,666</b>
<b>All Departments</b>	<b>Total</b>	<b>\$119,217</b>	<b>\$3,656</b>	<b>\$2,549</b>	<b>- \$15,318</b>		<b>\$110,104</b>

## 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 the year-end transfer report. The following 31 projects were closed between July 28 to October 22, 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	Partial Rebuild - Gilmore Road @ Central Avenue	\$230	\$198	\$32	\$32	CVP Levy	5
Public Works - Levy	Vehicle and Equipment Replacements - 2017	\$900	\$812	\$88	\$88	CVP Levy	4
Public Works - Levy	Annual - Storm Sewer & Culvert Program - 2017	\$1,750	\$1,736	\$14	\$14	CVP Levy	4
Public Works - Levy	Annual Miscellaneous Road Properties - 2017	\$200	\$5	\$195	\$166	CVP Levy	4
Public Works - Levy	Illumination Program - 2018	\$400	\$383	\$17	\$16	CVP Levy	3
Public Works - Levy	Structural Rehabilitation - Mewburn @ CNR Tracks	\$2,500	\$1,625	\$875	\$131	CVP Levy	3
Public Works - Levy	Annual Miscellaneous Road Properties - 2018	\$200	\$3	\$197	\$197	CVP Levy	3
Community Services	Long Term Care Home Technology Improvements - 2017	\$201	\$185	\$16	\$16	CVP Levy	4
Corporate Services	IT EOC Enhancements - 2017	\$100	\$3	\$97	\$97	CVP Levy	4
Corporate Services	Regional Headquarters Space Accommodations	\$100	\$82	\$18	\$18	CVP Levy	2
Corporate Services	Welland Social Assistance & Employment Opportunities Renovations	\$220	\$130	\$90	\$90	CVP Levy	2
Corporate Services	Regional Headquarters Humidification	\$110	\$7	\$103	\$103	CVP Levy	1
Niagara Regional Police Services Board	Niagara Regional Police Tactical Explosives Robot	\$173	\$159	\$14	\$14	Police Capital Levy Reserve	3
Niagara Regional Police Services Board	Niagara Regional Police Communications Unit Noise Reduction	\$53	\$51	\$2	\$2	Police Capital Levy Reserve	3
Niagara Regional Police Services Board	Niagara Regional Police Armor Rescue Vehicle	\$300	\$300	\$0	\$0	Police Capital Levy Reserve	2
Niagara Regional Police Services Board	Niagara Regional Police Forensic Scanner	\$75	\$74	\$1	\$1	Police Capital Levy Reserve	2
Niagara Regional Police Services Board	Niagara Regional Police Fraud Unit Scanner	\$6	\$0	\$6	\$6	Police Capital Levy Reserve	2

## 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)
Niagara Regional Police Services Board	Niagara Regional Police CCTV Equipment	\$45	\$45	\$0	\$0	Police Capital Levy Reserve	2
Niagara Regional Police Services Board	Hyundai Data Collection Equipment	\$14	\$9	\$5	\$5	Police Capital Levy Reserve	1
<b>Total Levy Reporting Projects Closed and Removed from Project Listing</b>		<b>\$7,577</b>	<b>\$5,807</b>	<b>\$1,770</b>	<b>\$996</b>		
Waste Management	Mountain - Leachate Collection System	\$185	\$33	\$152	\$152	CVP WMT \$61 Landfill Liability \$91	5
Waste Management	Annual Recycling Centre Building & Equipment - 2017	\$465	\$393	\$72	\$72	CVP WMT	4
<b>Total Waste Management Projects Closed and Removed from Project Listing</b>		<b>\$650</b>	<b>\$426</b>	<b>\$224</b>	<b>\$224</b>		
Wastewater	Combined Sewer Overflow - Crescent Road	\$13	\$9	\$4	\$5	CVP SEW	8
Wastewater	Combined Sewer Overflow - Stanton Avenue	\$71	\$21	\$50	\$50	CVP SEW	7
Wastewater	Combined Sewer Overflow - Chrysler Avenue	\$11	\$8	\$3	\$3	CVP SEW	7
Wastewater	Combined Sewer Overflow - St. Lawrence Avenue	\$12	\$10	\$2	\$2	CVP SEW	7
Wastewater	Combined Sewer Overflow - Maranda Street	\$10	\$9	\$1	\$0	CVP SEW	7
Wastewater	Combined Sewer Overflow - Colborne Street	\$185	\$169	\$16	\$16	CVP SEW	7
Wastewater	Combined Sewer Overflow - Ellis Street	\$25	\$11	\$14	\$14	CVP SEW	7
Wastewater	Combined Sewer Overflow - Ralph Avenue	\$81	\$37	\$44	\$44	CVP SEW	7
Wastewater	Wastewater Treatment Plant Upgrade - Niagara Falls Primary Tank	\$598	\$586	\$12	\$12	CVP SEW	4
<b>Total Wastewater Projects Closed and Removed from Project Listing</b>		<b>\$1,006</b>	<b>\$860</b>	<b>\$146</b>	<b>\$146</b>		
Water Works	Watermain Program - Martindale Road	\$660	\$652	\$8	\$8	CVP WAT	8
<b>Total Water Projects Closed and Removed from Project Listing</b>		<b>\$660</b>	<b>\$652</b>	<b>\$8</b>	<b>\$8</b>		
<b>Total Rate Projects Closed and Removed from Project Listing</b>		<b>\$2,316</b>	<b>\$1,938</b>	<b>\$378</b>	<b>\$378</b>		
<b>Total Projects Closed</b>		<b>\$9,893</b>	<b>\$7,745</b>	<b>\$2,148</b>	<b>\$1,374</b>		

## 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 \$1,532,283 capital budget managed by Niagara Region, representing 600 sub-projects, total capital spending including commitments to date of \$966,526 and budget remaining of \$565,757, after commitments.

This chart represents (in aggregate), currently active and uninitiated projects managed by Niagara Region. Capital project detail for 189 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	\$1,675	\$1,661	\$14	99.2%
Corporate Services	\$315,513	\$136,860	\$178,653	43.4%
Niagara Regional Housing	\$68,001	\$57,776	\$10,225	85.0%
Niagara Regional Police Services Board	\$29,885	\$27,380	\$2,505	91.6%
Planning	\$3,294	\$3,279	\$15	99.5%
Public Health	\$8,164	\$6,837	\$1,327	83.7%
Public Works - Levy	\$458,274	\$333,860	\$124,414	72.9%
Waste Management	\$20,371	\$15,648	\$4,723	76.8%
Wastewater	\$265,700	\$192,201	\$73,499	72.3%
Water Works	\$196,651	\$124,784	\$71,867	63.5%
Active projects with budgets greater than \$1 million	\$1,367,528	\$900,286	\$467,242	65.8%
Uninitiated projects with budgets greater than \$1 million	\$36,869	\$0	\$36,869	0.0%
Total projects with budgets greater than \$1 million	\$1,404,397	\$900,286	\$504,111	64.1%
Active projects with budgets less than \$1 million	\$127,386	\$66,240	\$61,146	52.0%
Uninitiated projects with budgets less than \$1 million	\$500	\$0	\$500	0.0%
<b>Total Capital Projects</b>	<b>\$1,532,283</b>	<b>\$966,526</b>	<b>\$565,757</b>	<b>63.1%</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 189 projects totaling \$1,404,397 of adjusted capital budget. Project spending to date including commitments on these sub-projects amounts to \$900,286, representing 64.1 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
St. Catharines Child Care Addition		\$1,675	\$1,661	\$14	99.2%	\$39	\$0	\$0	\$0	2020
<b>Total Community Services</b>		<b>\$1,675</b>	<b>\$1,661</b>	<b>\$14</b>	<b>99.2%</b>	<b>\$39</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</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	\$677	\$323	67.7%	\$200	\$770	\$0	\$0	2021
Asset Replacement - 2018		\$2,946	\$2,860	\$86	97.1%	\$0	\$287	\$0	\$0	2021
Asset Replacement - 2019		\$2,288	\$2,145	\$143	93.8%	\$282	\$143	\$0	\$0	2021
Asset Replacement - 2020		\$1,035	\$773	\$262	74.6%	\$750	\$171	\$0	\$0	2021
Court Facilities Welland *		\$12,490	\$12,356	\$134	98.9%	\$0	\$66	\$0	\$353	2021
Customer Service Strategic Priority		\$1,685	\$165	\$1,520	9.8%	\$20	\$250	\$1,250	\$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	\$382	\$718	34.8%	\$0	\$729	\$0	\$0	2021
Environmental Centre Expansion		\$2,000	\$145	\$1,855	7.2%	\$0	\$1,862	\$0	\$0	2022
Environmental Centre Expansion	Uninitiated	\$21,177	\$0	\$21,177	0.0%		\$1,138	\$20,039	\$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
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	\$5,921	\$148	97.6%	\$50	\$0	\$0	\$98	2020
Long-term Accommodations - NRPS D1		\$20,496	\$19,744	\$752	96.3%	\$4,000	\$1,024	\$0	\$0	2021
Long-term Accommodations - NRPS Headquarters D2		\$65,627	\$65,627	\$0	100.0%	\$341	\$0	\$0	\$0	2020
Long-term Care Home Redevelopment - 2015		\$73,000	\$10,303	\$62,697	14.1%	\$694	\$3,214	\$61,237	\$0	2023
Redevelopment of Linhaven Long Term Care Home - 2020		\$102,000	\$373	\$101,627	0.4%	\$3,247	\$15,456	\$83,195	\$0	2023
Regional Headquarters Generator Replacement		\$1,990	\$1,702	\$288	85.5%	\$143	\$288	\$0	\$0	2021
<b>Total Corporate Services</b>		<b>\$340,585</b>	<b>\$136,860</b>	<b>\$203,725</b>	<b>40.2%</b>	<b>\$12,727</b>	<b>\$34,393</b>	<b>\$165,721</b>	<b>\$451</b>	
Building Capital - 2018		\$4,673	\$4,647	\$26	99.5%	\$329	\$40	\$0	\$0	2021
Building Capital - 2019		\$5,536	\$5,532	\$4	99.9%	\$548	\$500	\$0	\$0	2021
Building Capital - 2020		\$3,974	\$1,600	\$2,374	40.3%	\$904	\$2,374	\$0	\$0	2021
Expansion, Roach Avenue, Welland *		\$2,718	\$2,705	\$13	99.5%	\$4	\$0	\$0	\$13	2020
Expansion, Thorold		\$1,101	\$1,101	\$0	100.0%	\$25	\$0	\$0	\$0	2020
Grounds Capital - 2020		\$1,010	\$718	\$292	71.1%	\$579	\$291	\$0	\$0	2021
Muli-Residential Intensification - Niagara Falls - 2018		\$20,900	\$18,642	\$2,258	89.2%	\$2,896	\$14,938	\$0	\$0	2021
New Build, Carlton Street, St. Catharines *		\$14,980	\$14,968	\$12	99.9%	\$8	\$0	\$0	\$12	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
Social Housing Assistance Improvement Program - 2018		\$2,683	\$2,618	\$65	97.6%	\$164	\$0	\$0	\$0	2020
Unit Capital - 2018		\$1,600	\$1,413	\$187	88.3%	\$315	\$40	\$0	\$0	2021
Unit Capital - 2019		\$5,355	\$3,719	\$1,636	69.4%	\$876	\$1,636	\$0	\$0	2021
Unit Capital - 2020		\$3,471	\$113	\$3,358	3.3%	\$0	\$3,358	\$0	\$0	2021
<b>Total Niagara Regional Housing</b>		<b>\$68,001</b>	<b>\$57,776</b>	<b>\$10,225</b>	<b>85.0%</b>	<b>\$6,648</b>	<b>\$23,177</b>	<b>\$0</b>	<b>\$25</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%	\$100	\$397	\$0	\$0	2021
S.P.I.R.I.T. (Supporting Police in Records Information Technology)		\$8,630	\$8,482	\$148	98.3%	\$74	\$74	\$0	\$0	2021
Vehicles - 2018		\$1,386	\$1,386	\$0	100.0%	\$0	\$0	\$0	\$0	2020
Vehicles - 2019		\$1,454	\$1,430	\$24	98.4%	\$0	\$23	\$0	\$0	2021
Vehicles - 2020		\$1,500	\$805	\$695	53.6%	\$428	\$695	\$0	\$0	2021
Voice Radio System		\$13,315	\$13,200	\$115	99.1%	\$20	\$80	\$18	\$0	2022
<b>Total Niagara Regional Police Services Board</b>		<b>\$31,135</b>	<b>\$27,380</b>	<b>\$3,755</b>	<b>87.9%</b>	<b>\$653</b>	<b>\$3,519</b>	<b>\$18</b>	<b>\$0</b>	
Regional Headquarters Landscape Master Plan		\$3,294	\$3,279	\$15	99.5%	\$36	\$15	\$0	\$0	2021
<b>Total Planning</b>		<b>\$3,294</b>	<b>\$3,279</b>	<b>\$15</b>	<b>99.5%</b>	<b>\$36</b>	<b>\$15</b>	<b>\$0</b>	<b>\$0</b>	
Ambulance & Equipment - 2018		\$2,595	\$2,379	\$216	91.7%	\$0	\$278	\$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
Ambulance & Equipment - 2019		\$2,201	\$1,969	\$232	89.5%	\$0	\$801	\$0	\$0	2021
Ambulance & Equipment - 2020		\$3,368	\$2,489	\$879	73.9%	\$0	\$3,219	\$0	\$0	2021
<b>Total Public Health</b>		<b>\$8,164</b>	<b>\$6,837</b>	<b>\$1,327</b>	<b>83.7%</b>	<b>\$0</b>	<b>\$4,298</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 - 2019		\$1,000	\$958	\$42	95.8%	\$704	\$42	\$0	\$0	2021
Annual - Storm Sewer & Culvert Program - 2020		\$1,100	\$705	\$395	64.1%	\$700	\$395	\$0	\$0	2021
Annual - Traffic Signals Program - 2020		\$3,000	\$13	\$2,987	0.4%	\$60	\$2,927	\$0	\$0	2021
Capacity Improvements - Charnwood/McLeod		\$7,110	\$6,789	\$321	95.5%	\$325	\$80	\$25	\$0	2022
Capacity Improvements - New Escarpment Crossing		\$2,200	\$691	\$1,509	31.4%	\$0	\$1,000	\$509	\$0	2022
Capacity Improvements - New Escarpment Crossing	Uninitiated	\$1,000	\$0	\$1,000	0.0%	\$0	\$0	\$1,000	\$0	2021
Capacity Improvements - Reconstruct Hwy 406 @ Third Interchange		\$1,460	\$727	\$733	49.8%	\$0	\$500	\$233	\$0	2022
Capacity Improvements - Reconstruct QEW @ Glendale Ave Interchange		\$8,000	\$145	\$7,855	1.8%	\$300	\$2,500	\$5,063	\$0	2023
Capacity Improvements - Reconstruct RR49 Concession 6/Eastwest Line		\$4,575	\$3,222	\$1,353	70.4%	\$100	\$1,000	\$796	\$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
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	\$2,090	\$25,660	7.5%	\$150	\$12,000	\$14,046	\$0	2023
Capacity Improvements - RR54 Hwy 20/Merritt *		\$7,850	\$6,871	\$979	87.5%	\$800	\$357	\$0	\$500	2021
Capacity Improvements - RR98 Montrose Road		\$1,050	\$1,001	\$49	95.3%	\$400	\$441	\$0	\$0	2021
Environmental Assessment - RR 42 Ontario Street		\$1,900	\$610	\$1,290	32.1%	\$0	\$0	\$1,761	\$0	2023
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%	\$0	\$0	\$0	\$112	2020
Intersection - RR20 Industrial Park/South Grimsby Road 6		\$2,897	\$2,848	\$49	98.3%	\$101	\$0	\$0	\$0	2020
Intersection - RR20 Roundabout at S Grimsby Rd		\$5,712	\$5,356	\$356	93.8%	\$356	\$0	\$0	\$0	2020
Intersection - RR20 Industrial Park toTownline Phase 2		\$3,231	\$3,041	\$190	94.1%	\$791	\$0	\$0	\$0	2020
Intersection Improvement - RR24 Victoria Ave		\$2,200	\$1,314	\$886	59.7%	\$1,000	\$733	\$386	\$0	2022
Intersection Improvement - RR46 Geneva Street		\$1,000	\$8	\$992	0.8%	\$30	\$962	\$0	\$0	2021
Intersection Improvement - RR46 Geneva/St. Paul		\$5,750	\$5,322	\$428	92.6%	\$894	\$200	\$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 - RR89 Jacobsen/Burleigh *		\$5,786	\$5,494	\$292	95.0%	\$0	\$308	\$0	\$200	2021
Replacement of Burgoyne Bridge **		\$99,534	\$98,590	\$944	99.1%	\$101	\$0	\$0	\$879	2020
Road Equipment Upgrade - 2020		\$1,000	\$0	\$1,000	0.0%	\$100	\$500	\$400	\$0	2022
Roads Facility Program - Patrol Yard Improvement - 2019		\$1,000	\$15	\$985	1.5%	\$100	\$886	\$0	\$0	2021
Roads Facility Program - Patrol Yard Improvement - 2020		\$1,000	\$158	\$842	15.8%	\$0	\$100	\$893	\$0	2022
Roads Reconstruction - RR20 Station/Rice		\$3,793	\$3,477	\$316	91.7%	\$0	\$316	\$0	\$0	2021
Roads Reconstruction - RR38 QEW/Fourth *		\$23,156	\$19,037	\$4,119	82.2%	\$2,800	\$1,500	\$983	\$1,000	2022
Roads Reconstruction - St Davids Road East		\$10,224	\$8,459	\$1,765	82.7%	\$5,500	\$3,500	\$566	\$0	2022
Roads Rehabilitation - RR27 Prince Charles Dr to Lincoln St		\$5,750	\$4,715	\$1,035	82.0%	\$1,000	\$386	\$0	\$0	2021
Roads Rehabilitation - RR63 Baldwin/Coffee Bridge		\$3,035	\$3,018	\$17	99.5%	\$1,312	\$0	\$0	\$0	2020
Roads Rehabilitation - RR69 Wessel/Centre Phase 3		\$1,000	\$174	\$826	17.4%	\$600	\$235	\$0	\$0	2021
Roads Rehabilitation - RR1 Albert/Lakeshore		\$2,165	\$593	\$1,572	27.4%	\$10	\$1,581	\$0	\$0	2021
Roads Rehabilitation - RR1 Dominion Road, Burleigh/Buffalo		\$12,070	\$11,868	\$202	98.3%	\$0	\$779	\$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 - RR45 RR4/RR63		\$1,775	\$405	\$1,370	22.8%	\$25	\$1,000	\$421	\$0	2022
Roads Rehabilitation - RR56 Glendale to St Davids		\$1,330	\$1,325	\$5	99.6%	\$5	\$0	\$0	\$0	2020
Roads Rehabilitation - RR57 Thorold Stone Road Extension		\$25,300	\$11,125	\$14,175	44.0%	\$100	\$5,000	\$9,322	\$0	2023
Roads Rehabilitation - RR69 Effingham/Wessel Phase 2		\$9,118	\$9,116	\$2	100.0%	\$200	\$2,824	\$0	\$0	2021
Roads Rehabilitation - RR87 Townline/Four Mile Creek		\$8,500	\$5,234	\$3,266	61.6%	\$294	\$3,000	\$0	\$0	2021
Roads Rehabilitation - RR87 Third/Seventh		\$2,800	\$2,433	\$367	86.9%	\$1,401	\$0	\$0	\$0	2020
Roads Rehabilitation - RR49 Hydro Power Canal to Wilson Cres Phase 2		\$1,700	\$369	\$1,331	21.7%	\$6	\$1,500	\$0	\$0	2021
Roads Rehabilitation - RR 43 Bridge Street - 2019		\$1,250	\$386	\$864	30.9%	\$250	\$920	\$0	\$0	2021
Roads Resurfacing - 2013		\$4,933	\$4,797	\$136	97.2%	\$695	\$46	\$0	\$0	2021
Roads Resurfacing - 2018		\$9,510	\$9,439	\$71	99.3%	\$127	\$0	\$0	\$0	2020
Roads Resurfacing - 2019		\$8,939	\$8,657	\$282	96.8%	\$1,400	\$529	\$0	\$0	2021
Roads Resurfacing - 2020		\$8,345	\$8,214	\$131	98.4%	\$3,000	\$1,095	\$0	\$0	2021
Stabilization RR14 Canboro Rd at Warner		\$5,539	\$5,392	\$147	97.3%	\$149	\$0	\$0	\$0	2020
Storm Pumping Station Improvements - McLeod Rd at Stanley Ave - 2017		\$2,050	\$186	\$1,864	9.1%	\$20	\$1,860	\$0	\$0	2021
Structural Rehabilitation - 2016 Program		\$3,700	\$3,140	\$560	84.9%	\$1,800	\$553	\$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
Structural Rehabilitation - 2019 Program		\$1,000	\$971	\$29	97.1%	\$29	\$80	\$0	\$0	2021
Structural Rehabilitation - 2020 Program		\$1,000	\$0	\$1,000	0.0%	\$50	\$950	\$0	\$0	2021
Structural Rehabilitation - Main Street Bridge		\$4,703	\$4,434	\$269	94.3%	\$0	\$269	\$0	\$0	2021
Structural Rehabilitation - Ontario Power Generation Bridges over Gibson Lake		\$8,100	\$8,007	\$93	98.8%	\$108	\$0	\$0	\$0	2020
Structural Rehabilitation - Reece Bridge *		\$9,733	\$9,715	\$18	99.8%	\$50	\$100	\$0	\$400	2021
Structural Rehabilitation - RR81 St Paul West CNR Bridge		\$2,250	\$685	\$1,565	30.4%	\$200	\$1,613	\$0	\$0	2021
Structural Replacement - RR81 20 Mile Arch Bridge		\$5,020	\$445	\$4,575	8.9%	\$50	\$370	\$4,533	\$0	2024
Structure Rehabilitation - Schisler Road Bridge		\$2,000	\$327	\$1,673	16.4%	\$150	\$1,783	\$0	\$0	2021
Transportation Infrastructure Means Protection		\$4,000	\$3,088	\$912	77.2%	\$20	\$929	\$0	\$0	2021
<b>Public Works - Roads &amp; Fleet</b>		<b>\$406,962</b>	<b>\$307,608</b>	<b>\$99,354</b>	<b>75.6%</b>	<b>\$29,741</b>	<b>\$59,819</b>	<b>\$40,937</b>	<b>\$3,091</b>	
GO Transit		\$31,598	\$9,513	\$22,085	30.1%	\$500	\$21,758	\$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>\$9,513</b>	<b>\$30,487</b>	<b>23.8%</b>	<b>\$500</b>	<b>\$25,752</b>	<b>\$4,408</b>	<b>\$0</b>	
Inter-Municipal Transit Capital Acquisition - 2017		\$20,714	\$16,739	\$3,975	80.8%	\$5,672	\$2,619	\$0	\$0	2021
<b>Total IMT Transit</b>		<b>\$20,714</b>	<b>\$16,739</b>	<b>\$3,975</b>	<b>80.8%</b>	<b>\$5,672</b>	<b>\$2,619</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Public Works - Levy</b>		<b>\$467,676</b>	<b>\$333,860</b>	<b>\$133,816</b>	<b>71.4%</b>	<b>\$35,913</b>	<b>\$88,190</b>	<b>\$45,345</b>	<b>\$3,091</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
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	\$359	\$851	29.6%	\$200	\$50	\$862	\$0	2023
Humberstone - Infrastructure Upgrades		\$10,706	\$9,030	\$1,676	84.3%	\$1,500	\$765	\$1,470	\$0	2023
Niagara Road 12 - Cell 4 Construction & ManHole Rehabilitation *		\$3,455	\$3,389	\$66	98.1%	\$7	\$0	\$0	\$80	2020
Niagara Road 12 & Park Road - Pump Station Upgrades *		\$1,677	\$1,654	\$23	98.6%	\$5	\$0	\$0	\$66	2020
Recycling Centre - Facility Improvements Groundwater		\$1,123	\$1,037	\$86	92.3%	\$0	\$94	\$0	\$0	2021
Recycling Centre - Fibre Line Enhancements		\$2,200	\$179	\$2,021	8.1%	\$3	\$2,018	\$0	\$0	2021
<b>Total Waste Management</b>		<b>\$21,516</b>	<b>\$15,648</b>	<b>\$5,868</b>	<b>72.7%</b>	<b>\$1,715</b>	<b>\$3,977</b>	<b>\$2,427</b>	<b>\$146</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	\$552	\$12,148	4.3%	\$20	\$3,000	\$9,331	\$0	2023
Digester & Sludge Program - 2018		\$2,550	\$2,175	\$375	85.3%	\$750	\$637	\$0	\$0	2021
Digester & Sludge Program - 2020		\$1,250	\$560	\$690	44.8%	\$300	\$750	\$200	\$0	2022
Forcemain Replacement Bridgeport Sewage Pump Station		\$3,250	\$562	\$2,688	17.3%	\$300	\$2,400	\$220	\$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
Forcemain Replacement Jordan Valley Sewage Pump Station		\$3,175	\$272	\$2,903	8.6%	\$200	\$300	\$2,589	\$0	2023
Lagoon Upgrade program - Stevensville/Douglastown		\$4,100	\$446	\$3,654	10.9%	\$20	\$1,500	\$2,352	\$0	2022
Miscellaneous Program - Centrifuge Components		\$1,211	\$1,210	\$1	99.9%	\$0	\$991	\$0	\$0	2021
Miscellaneous Program - Chemical System Upgrades - 2017		\$1,900	\$1,625	\$275	85.5%	\$100	\$1,500	\$216	\$0	2022
Miscellaneous Program - Chemical System Upgrades - 2018		\$2,200	\$273	\$1,927	12.4%	\$0	\$101	\$2,000	\$0	2022
Miscellaneous Program - Garner Road		\$5,242	\$5,108	\$134	97.4%	\$0	\$137	\$0	\$0	2021
Miscellaneous Program - Motor Control Centres		\$2,000	\$226	\$1,774	11.3%	\$102	\$1,789	\$0	\$0	2021
Pump Station Capacity Expansion Program - Odour Control - Smithville		\$1,500	\$888	\$612	59.2%	\$100	\$559	\$0	\$0	2021
Pump Station Improvement Program - Design		\$5,711	\$5,663	\$48	99.2%	\$0	\$110	\$0	\$0	2021
Pump Station Improvement Program - Haulage Road		\$2,150	\$2,058	\$92	95.7%	\$500	\$300	\$277	\$0	2022
Pump Station Improvement Program - Lakeside		\$2,500	\$2,229	\$271	89.2%	\$400	\$1,587	\$50	\$0	2022
Pump Station Improvement Program - NOTL, Garrison Rd, William St		\$3,285	\$3,140	\$145	95.6%	\$145	\$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 - Park Lane		\$1,400	\$1,039	\$361	74.2%	\$509	\$723	\$0	\$0	2021
Pump Station Improvement Program - Riverview SPS		\$1,305	\$899	\$406	68.9%	\$700	\$131	\$0	\$0	2021
Pump Station Improvement Program - South Side High Lift		\$6,651	\$6,370	\$281	95.8%	\$100	\$181	\$0	\$0	2021
Pump Station Improvement Program - Wellandvale		\$3,445	\$3,000	\$445	87.1%	\$1,450	\$300	\$281	\$0	2022
Pump Station Improvement Program - Woodsvlew		\$5,420	\$478	\$4,942	8.8%	\$50	\$409	\$4,650	\$0	2022
Pump Station Improvement Program - Shirley Road		\$2,400	\$419	\$1,981	17.5%	\$25	\$1,250	\$797	\$0	2022
Pump Station Improvement Program - East Side Port Colborne		\$4,500	\$301	\$4,199	6.7%	\$20	\$2,500	\$1,685	\$0	2022
Pump Station Improvement Program - Laurie Ave		\$4,700	\$624	\$4,076	13.3%	\$0	\$4,000	\$465	\$0	2022
Sewer & Forcemain Program - Dain City		\$11,525	\$4,737	\$6,788	41.1%	\$1,000	\$8,177	\$500	\$0	2022
Sewer & Forcemain Program - Highway 406 Trunk		\$1,274	\$1,273	\$1	100.0%	\$0	\$1	\$0	\$0	2021
Sewer & Forcemain Program - Stamford Centre *		\$10,562	\$10,206	\$356	96.6%	\$24	\$0	\$0	\$1,100	2020
Sewer & Forcemain Program - Tupper Dr Trunk		\$2,910	\$252	\$2,658	8.7%	\$125	\$2,626	\$0	\$0	2021
Sewer Trunk Rehabilitation - Stamford - Phase 2		\$7,950	\$6,137	\$1,813	77.2%	\$0	\$7,757	\$0	\$0	2021
Sewer Relining Program		\$1,336	\$1,336	\$0	100.0%	\$3	\$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
Wastewater Treatment Plant Capacity Expansion - Niagara-on-the-Lake		\$47,895	\$47,513	\$382	99.2%	\$514	\$0	\$0	\$0	2020
Wastewater Treatment Plant Capacity Expansion - South Niagara Falls		\$4,900	\$2,870	\$2,030	58.6%	\$500	\$2,929	\$0	\$0	2021
Wastewater Treatment Plant Upgrade - Garner Road		\$6,940	\$6,657	\$283	95.9%	\$1,000	\$2,726	\$0	\$0	2021
Wastewater Treatment Plant Upgrade - Niagara Falls		\$2,350	\$1,940	\$410	82.6%	\$771	\$0	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Port Weller		\$5,900	\$3,349	\$2,551	56.8%	\$365	\$500	\$3,367	\$0	2023
Wastewater Treatment Plant Upgrade - Port Weller 2017		\$1,310	\$1,290	\$20	98.4%	\$69	\$0	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Welland		\$22,373	\$21,683	\$690	96.9%	\$200	\$4,161	\$0	\$0	2021
Wastewater Treatment Plant Upgrade - Welland Phase 2		\$2,400	\$452	\$1,948	18.8%	\$0	\$1,000	\$1,388	\$0	2024
Wastewater Treatment Plant Upgrade - Aeration - Seaway		\$1,235	\$1,228	\$6	99.5%	\$8	\$0	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Bar Screen - Port Weller		\$3,230	\$2,888	\$342	89.4%	\$1,600	\$800	\$275	\$0	2022
Wastewater Treatment Plant Upgrade - Fine Bubble Aeration - Port Dalhousie		\$39,500	\$32,971	\$6,529	83.5%	\$50	\$15,000	\$23,039	\$0	2023
Wastewater Treatment Plant Upgrade - Grit System - Grimsby		\$1,725	\$1,614	\$111	93.5%	\$213	\$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
Wastewater Treatment Plant Upgrade - Primary Digester #2 - Niagara Falls		\$1,000	\$543	\$457	54.3%	\$550	\$150	\$265	\$0	2023
Wastewater Treatment Plant Upgrade - Secondary Clarifier - Seaway *		\$3,115	\$2,923	\$192	93.8%	\$320	\$325	\$0	\$320	2021
<b>Total Wastewater</b>		<b>\$265,700</b>	<b>\$192,201</b>	<b>\$73,499</b>	<b>72.3%</b>	<b>\$13,103</b>	<b>\$71,367</b>	<b>\$55,390</b>	<b>\$1,420</b>	
Elevated Tank - New - Pelham		\$2,820	\$224	\$2,596	7.9%	\$85	\$2,616	\$0	\$0	2021
Elevated Tank - New - Fort Erie		\$1,755	\$254	\$1,501	14.5%	\$50	\$200	\$1,347	\$0	2022
Elevated Tank - Corrosion Protection - Virgil		\$3,525	\$2,843	\$682	80.6%	\$14	\$3,005	\$0	\$0	2021
Elevated Tank Rehabilitation - Thorold South *		\$2,992	\$2,796	\$196	93.4%	\$50	\$20	\$50	\$140	2022
Meter Replacement Program		\$3,550	\$2,094	\$1,456	59.0%	\$200	\$1,511	\$100	\$0	2022
Miscellaneous Program - Evalution & Replacement *		\$1,100	\$1,093	\$7	99.4%	\$2	\$0	\$0	\$35	2020
Miscellaneous Program - Granular Activated Carbon Replacement		\$4,260	\$3,287	\$973	77.2%	\$0	\$2,535	\$0	\$0	2021
Miscellaneous Program - System Storage - Grimsby		\$22,915	\$19,614	\$3,301	85.6%	\$8,969	\$8,000	\$0	\$0	2021
Miscellaneous Program - System Storage - Port Colborne		\$11,850	\$11,790	\$60	99.5%	\$203	\$0	\$0	\$0	2020
Pumping Station Upgrades - Shoalts Drive		\$1,400	\$0	\$1,400	0.0%	\$20	\$800	\$580	\$0	2023
Transmission Main over Welland River		\$4,080	\$6	\$4,074	0.1%	\$0	\$0	\$4,074	\$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
Water Treatment Plant Raw Water Intake - Niagara Falls		\$2,700	\$2,211	\$489	81.9%	\$500	\$1,926	\$0	\$0	2021
Water Treatment Plant Roadway & Parking Lot - Grimsby		\$1,880	\$882	\$998	46.9%	\$100	\$1,588	\$50	\$0	2022
Water Treatment Plant Upgrade - Decew Falls - 2016		\$22,250	\$12,004	\$10,246	54.0%	\$2,000	\$10,000	\$9,530	\$0	2022
Water Treatment Plant Upgrade - Niagara Falls - 2015		\$3,495	\$3,042	\$453	87.0%	\$0	\$3,126	\$100	\$0	2022
Water Treatment Plant Upgrade - Niagara Falls - 2017		\$12,952	\$12,609	\$343	97.3%	\$3,200	\$534	\$0	\$0	2021
Water Treatment Plant Upgrade - Port Colborne		\$13,600	\$1,120	\$12,480	8.2%	\$100	\$7,000	\$5,553	\$0	2022
Water Treatment Plant Upgrade - Rosehill		\$15,000	\$14,543	\$457	97.0%	\$1,648	\$300	\$0	\$0	2021
Water Treatment Plant Upgrade - Rosehill - 2017		\$2,686	\$303	\$2,383	11.3%	\$270	\$180	\$2,056	\$0	2024
Water Treatment Plant Upgrade - Welland - 2017		\$5,000	\$1,720	\$3,280	34.4%	\$350	\$1,000	\$3,144	\$0	2023
Water Treatment Plant Upgrade - Niagara Falls - 2018		\$4,565	\$143	\$4,422	3.1%	\$50	\$4,328	\$100	\$0	2022
Water Treatment Plant Upgrade - Decew Falls Plant 2 - 2020		\$2,000	\$0	\$2,000	0.0%	\$5	\$500	\$1,495	\$0	2023
Watermain Intake Channel Modifications - DeCew - 2017		\$1,500	\$916	\$584	61.1%	\$0	\$0	\$0	\$1,500	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
Watermain Security Study - Decew Water Treatment Plant to Townline Rd E		\$1,000	\$307	\$693	30.7%	\$10	\$500	\$488	\$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	\$12,032	\$4,793	71.5%	\$0	\$7,829	\$0	\$0	2021
Watermain Program - Barrick Road		\$1,965	\$1	\$1,964	0.0%	\$0	\$0	\$1,964	\$0	2023
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%	\$0	\$6	\$0	\$0	2021
Watermain Program - Lundy's Lane *		\$1,000	\$2	\$998	0.2%	\$100	\$0	\$0	\$898	2020
Watermain Program - Welland Canal Extension		\$4,620	\$0	\$4,620	0.0%	\$0	\$4,620	\$0	\$0	2021
Watermain Program - Welland East and West		\$6,200	\$4,801	\$1,399	77.4%	\$60	\$1,797	\$0	\$0	2021
Watermain Program - St. Davids Rd Phase 2		\$2,140	\$1,816	\$324	84.9%	\$100	\$1,924	\$100	\$0	2022
<b>Total Water Works</b>		<b>\$196,651</b>	<b>\$124,784</b>	<b>\$71,867</b>	<b>63.5%</b>	<b>\$18,186</b>	<b>\$68,445</b>	<b>\$30,731</b>	<b>\$2,950</b>	
<b>Total Projects with remaining budgets greater than \$1 million</b>		<b>\$1,404,397</b>	<b>\$900,286</b>	<b>\$504,111</b>	<b>64.1%</b>	<b>\$89,020</b>	<b>\$297,381</b>	<b>\$299,632</b>	<b>\$8,083</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 or early 2021

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

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

(\*\*\*) Project close form has been received and open commitment was cancelled subsequent to date that report was prepared, as OPG has retained this project under their management in place of providing external funding to Niagara Region to manage the project.

(\*\*\*\*) 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 to be managed by the Region is expected to be reflected in our Q4 financial report.

## 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 through 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 balances of the CVPs are monitored and, if significant excess exists, would be adjusted by transferring the excess to the respective capital reserve following Council approval.

The excess funds in the Levy and Wastewater CVPs 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 CVP 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>
Transfer to Active Capital Projects	- \$351	- \$706	- \$1,292	- \$200	- \$2,549
Budget Reductions on Active Capital Projects	\$1,674	\$450			\$2,124
Transfers (to)/from Closed Capital Projects	\$968	\$133	\$146	\$8	\$1,255
<b>Balance at October 22, 2020</b>	<b>\$6,409</b>	<b>\$1,720</b>	<b>\$4,291</b>	<b>\$725</b>	<b>\$13,145</b>
Committed to 2021 Budget request	- \$4,000		- \$3,000		- \$7,000
<b>Uncommitted Balance at October 22, 2020**</b>	<b>\$2,409</b>	<b>\$1,720</b>	<b>\$1,291</b>	<b>\$725</b>	<b>\$6,145</b>

\* Due to limited funding availability in the 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.

\*\* The balance of the Water Works CVP is expected to be replenished through project closures and/or budget reductions in Q4 2020, as indicated in the Capital Forecast report, bringing the balance up to a minimum of \$1,000.

## Investment Report (in thousands of dollars)

Investment income during Q3 on the primary portfolio amounted to \$4,934, which comprises investment portfolio income and interest on cash balances.

### Investment Performance

#### Investment Income Before Transfers to Reserves:

Unfavourable investment income in Q3 of \$505, 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. Investment income before transfers for 2020, forecast to the end of the year, is unfavourable by \$1,668 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	\$5,028	\$4,934	\$4,505	\$19,685
Variance	\$76	\$-255	\$-505	\$-984	\$-1,668

#### Year-to-date cumulative portfolio return:

Q1	Q2	Q3	Q4 Forecast
2.71%	2.62%	2.57%	2.62%

#### Investment Income After Transfers to Reserves:

Investment income after transfers in Q3 is unfavourable by \$4,695 as result of interest income transferred to development charges and rate reserves at a higher rate than budgeted in alignment with the reserve and reserve fund policy. Forecasted investment income after transfers compared to budget is unfavourable by \$4,784.

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	\$5,028	\$4,934	\$4,505	\$19,685
Net Actual Transfers	\$-1,012	\$-128	\$-5,515	\$-1,760	\$-8,415
Actual (Net)	\$4,207	\$4,900	\$-581	\$2,744	\$11,270
Variance	\$389	\$942	\$-4,695	\$-1,420	\$-4,784

Note: Staff monitor foreign exchange rates during the year to take advantage of favourable opportunities, gains of \$77 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 Equivalent<1Yr	\$38,195	4.7%
2 Year	\$18,779	2.3%
3 Year	\$28,185	3.4%
4 Year	\$26,526	3.2%
5+ Year	\$441,012	53.7%
NRH Investments	\$6,479	0.8%
Subtotal (Investments)	\$559,176	68.1%
Cash	\$243,497	29.7%
Sinking Fund (Incl.Cash)	\$18,056	2.2%
Total Portfolio	\$820,729	100.0%



Investment Detail (in thousands of dollars)

Institution	Type of Investment	Balance of Investment by Institution	Percentage Holdings *	Policy Percentage Limits
Bank of Montreal	Corporate	\$52,200	9.15%	15.00%
Bank of Nova Scotia	Corporate	\$20,000	3.50%	15.00%
Canadian Imperial Bank of Commerce	Corporate	\$36,000	6.31%	15.00%
National Bank of Canada	Corporate	\$64,500	11.30%	15.00%
Royal Bank of Canada	Corporate	\$41,500	7.27%	15.00%
<b>Total</b>	<b>Corporate</b>	<b>\$214,200</b>	<b>37.54%</b>	<b>50.00%</b>
City of Hamilton	Municipal	\$5,724	1.00%	5.00%
City of Montreal	Municipal	\$3,032	0.53%	5.00%
City of Ottawa	Municipal	\$5,342	0.94%	5.00%
City of Quebec	Municipal	\$2,303	0.40%	5.00%
City of Saskatoon	Municipal	\$3,332	0.58%	5.00%
City of Toronto	Municipal	\$8,494	1.49%	5.00%
County of Wellington	Municipal	\$852	0.15%	5.00%
Municipal Finance Authority of BC	Municipal	\$5,020	0.88%	5.00%
New Brunswick Municipal Finance Authority	Municipal	\$5,507	0.97%	5.00%
Region of Halton	Municipal	\$1,519	0.27%	5.00%
Region of Peel	Municipal	\$3,515	0.62%	5.00%
Region of Waterloo	Municipal	\$13,089	2.29%	5.00%
Region of York	Municipal	\$9,691	1.70%	5.00%
York Region District School Board	Municipal	\$4,184	0.73%	5.00%
York Sinking Fund Debenture	Municipal	\$1,793	0.31%	5.00%
<b>Total</b>	<b>Municipal</b>	<b>\$73,397</b>	<b>12.86%</b>	<b>25.00%</b>
Newfoundland and Labrador Hydro	Provincial	\$751	0.13%	25.00%
Ontario Hydro	Provincial	\$22,350	3.92%	25.00%
Province of Alberta	Provincial	\$1,348	0.24%	25.00%
Province of British Columbia	Provincial	\$7,205	1.26%	25.00%
Province of Manitoba	Provincial	\$33,701	5.91%	25.00%
Province of New Brunswick	Provincial	\$1,908	0.33%	25.00%
Province of Newfoundland	Provincial	\$60,884	10.67%	25.00%
Province of Nova Scotia	Provincial	\$17,410	3.05%	25.00%
Province of Ontario	Provincial	\$45,553	7.98%	25.00%
Province of Prince Edward Island	Provincial	\$2,833	0.50%	25.00%
Province of Quebec	Provincial	\$65,627	11.50%	25.00%
Province of Saskatchewan	Provincial	\$5,207	0.91%	25.00%
Quebec Hydro	Provincial	\$14,350	2.51%	25.00%
<b>Total</b>	<b>Provincial</b>	<b>\$279,127</b>	<b>48.91%</b>	<b>75.00%</b>
<b>Region of Niagara Debentures</b>	<b>Municipal</b>	<b>\$3,934</b>	<b>0.69%</b>	<b>100.00%</b>
<b>Total Niagara Region Investments</b>		<b>\$570,658</b>	<b>100.00%</b>	<b>100.00%</b>
<b>NRH Investments</b>		<b>\$6,479</b>		
<b>TOTAL Region (excl Cash) &amp; NRH</b>	<b>All</b>	<b>\$577,137</b>		
General Chequing **	Cash	\$88,322		
Savings	Cash	\$155,175		
Sinking Fund	Cash	\$95		
<b>Total</b>		<b>\$243,592</b>		
<b>TOTAL including Cash</b>		<b>\$820,729</b>		

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

\*\*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 1.3339.

## 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 13, 2020. 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 September 30, 2020 including Sinking Fund Assets	Forecasted Principal Payments	Unissued Debt*	Total Debt & Unissued Debt as at December 31, 2020	Annual Repayment Limits**
General Government	\$21,122	\$3,000	- \$1,988	- \$54	\$22,080	\$0	\$3,350	\$25,430	
Police	\$87,489	\$1,214	- \$3,263	- \$201	\$85,238	- \$850	\$2,250	\$86,638	
Transportation	\$131,585	\$8,011	- \$12,878	- \$232	\$126,486	- \$164	\$47,602	\$173,924	
Public Health	\$14,657	\$0	- \$1,946	\$0	\$12,711	- \$44	\$3,037	\$15,704	
Community Services	\$19,538	\$0	- \$2,608	\$0	\$16,930	\$0	\$144,522	\$161,452	
NRH	\$36,357	\$3,300	- \$4,173	\$0	\$35,484	- \$109	\$2,519	\$37,894	
Planning	\$32	\$0	- \$32	\$0	\$0	\$0	\$0	\$0	
<b>Total Levy</b>	<b>\$310,779</b>	<b>\$15,525</b>	<b>- \$26,889</b>	<b>- \$487</b>	<b>\$298,928</b>	<b>- \$1,167</b>	<b>\$203,280</b>	<b>\$501,041</b>	
Wastewater	\$56,797	\$0	- \$2,279	- \$1,029	\$53,489	- \$68	\$32,296	\$85,717	
Water	\$11,114	\$0	- \$368	- \$256	\$10,490	- \$8	\$22,249	\$32,731	
Waste Management	\$795	\$0	- \$795	\$0	\$0	\$0	\$0	\$0	
<b>Total Rate</b>	<b>\$68,706</b>	<b>\$0</b>	<b>- \$3,441</b>	<b>- \$1,286</b>	<b>\$63,979</b>	<b>- \$76</b>	<b>\$54,545</b>	<b>\$118,448</b>	
<b>Total Niagara Region</b>	<b>\$379,485</b>	<b>\$15,525</b>	<b>- \$30,330</b>	<b>- \$1,773</b>	<b>\$362,907</b>	<b>- \$1,243</b>	<b>\$257,825</b>	<b>\$619,490</b>	<b>8.06%</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 September 30, 2020 including Sinking Fund Assets	Forecasted Principal Payments	Unissued Debt*	Total Debt & Unissued Debt as at December 31, 2020	Annual Repayment Limits**
Fort Erie	\$6,333	\$0	- \$703	\$0	\$5,631	- \$106	\$0	\$5,525	2.51%
Grimsby	\$3,140	\$0	- \$176	\$0	\$2,963	- \$179	\$0	\$2,784	2.75%
Lincoln	\$6,676	\$0	- \$546	\$0	\$6,130	- \$69	\$0	\$6,061	2.59%
NOTL	\$3,609	\$0	- \$481	\$0	\$3,128	- \$50	\$0	\$3,078	1.74%
Niagara Falls	\$48,560	\$0	- \$3,341	\$0	\$45,220	- \$549	\$0	\$44,670	3.16%
Pelham	\$32,252	\$0	- \$2,137	\$0	\$30,115	- \$100	\$0	\$30,015	12.81%
Port Colborne	\$27,246	\$0	- \$1,733	\$0	\$25,513	- \$242	\$0	\$25,270	8.67%
St. Catharines	\$118,033	\$13,444	- \$12,396	- \$243	\$118,838	- \$310	\$0	\$118,528	9.44%
Thorold	\$950	\$0	- \$77	\$0	\$873	- \$43	\$0	\$830	1.60%
Wainfleet	\$1,708	\$0	- \$190	\$0	\$1,518	\$0	\$0	\$1,518	1.17%
Welland	\$49,199	\$5,217	- \$5,641	\$0	\$48,775	- \$624	\$0	\$48,151	8.82%
West Lincoln	\$18,496	\$0	- \$596	\$0	\$17,900	- \$67	\$0	\$17,834	5.30%
NPCA	\$216	\$0	- \$216	\$0	\$0	\$0	\$0	\$0	
Separate School Board	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Debt Assumed for Others (External)</b>	<b>\$316,419</b>	<b>\$18,661</b>	<b>- \$28,233</b>	<b>- \$243</b>	<b>\$306,604</b>	<b>- \$2,338</b>	<b>\$0</b>	<b>\$304,265</b>	
<b>Total Niagara Region &amp; External</b>	<b>\$695,904</b>	<b>\$34,186</b>	<b>- \$58,563</b>	<b>- \$2,016</b>	<b>\$669,510</b>	<b>- \$3,581</b>	<b>\$257,825</b>	<b>\$923,755</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

- By-law 2020-45: Capital Markets \$34,186, 10 years, 1.43% for Niagara Region and municipalities of Welland and St. Catharines

## 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 Q3 Financial Update.

Customer Name	Over 120	Explanation of Account	Status
Bell Canada	\$73	Cost sharing invoice (\$72) for work completed during the Church Street transportation project. Public Works Project Manager working with their contact to receive payment. Construction Encroachment permits (\$1); payment expected within Q4 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 St. Catharines	\$934	Balance due is related to COVID-19 concessions to local area municipalities regarding tax and water/waste water billings in CSD 31-2020 and will be paid in full by the end of 2020.	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
Town of Fort Erie	\$35	Cost sharing invoice (\$35) for Watermain project. A portion is expected to be paid at the end of October 2020 and discussions with Town Public Works staff are continuing for expected payment date of the balance.	Collection to continue
Town of Grimsby	\$401	2018 RDC invoice in dispute with developer (\$401), Grimsby to collect additional amounts outstanding through property tax (Grimsby currently proceeding with legal action). Staff will continue to work with Grimsby building staff to determine expected remittance dates.	Collection to continue
Town of Lincoln	\$726	RDC balance owing (\$275) 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 (\$451) 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

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

Customer Name	Over 120	Explanation of Account	Status
Town of NOTL	\$79	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	\$2,583		

# 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 November 6, 2020.

	Sep. 30, 2020	Dec. 31, 2019
<b>FINANCIAL ASSETS</b>		
Cash	\$ 251,148	\$ 135,681
Investments (page 88)	559,176	635,596
Accounts receivable	46,164	80,140
Other current assets	780	417
Tangible capital assets held for sale	2,178	1,760
Debt Recoverable from others (page 91)	306,604	316,419
	<b>1,116,050</b>	<b>1,170,013</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	119,801	129,782
Employee future benefits and post-employment liabilities	109,462	109,462
Deferred revenue	231,686	219,750
Landfill closure and post-closure liability	61,277	61,277
Long-term liabilities (page 91)	669,510	695,904
Capital lease obligation	4,276	4,352
	<b>1,196,012</b>	<b>1,220,527</b>
Net debt	<b>(29,962)</b>	<b>(50,514)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	1,871,670	1,823,929
Inventory	7,519	7,498
Prepaid expenses	14,275	18,609
	<b>1,893,464</b>	<b>1,850,036</b>
Accumulated surplus	<b>\$ 1,863,502</b>	<b>\$ 1,799,522</b>

## Accumulated surplus reconciliation:

	Sep. 30, 2020	Dec. 31, 2019
Invested in tangible capital assets	\$ 1,504,488	\$ 1,440,091
Capital fund – unexpended capital financing	329,264	271,407
Operating fund	(843)	(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>1,663,484</b>	<b>1,531,187</b>
Total reserves and reserves funds (page 56)	<b>200,018</b>	<b>268,335</b>
Total accumulated surplus	<b>\$ 1,863,502</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 September.

**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.

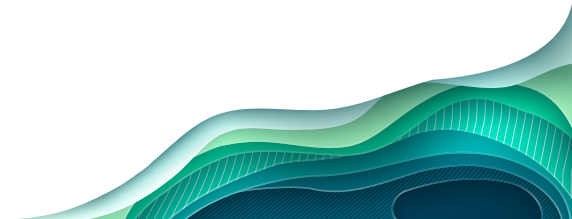
**Transfer from Reserves** – transfers of funds in the current year to the operating program from a reserve. At a corporate level the net of the transfers from reserves and the transfers to reserves represents our total contribution to reserves or draw on reserves in the year.

**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
Redeployed Resources				
EOC Dedicated Resources <sup>1</sup>	31-Oct	\$ 4,247	\$ 705	\$ 4,952
Lost Productivity – Staff Unable to Work <sup>2</sup>	17-Oct	2,628	571	3,199
Redeployed Resources <sup>3</sup>	17-Oct	9,300	2,776	12,076
Emergency Child Care Costs <sup>4</sup>	05-Oct	602	-	602
Total redeployed resources		16,777	4,052	20,829
Costs incremental to base budget				
Additional labour related costs <sup>5</sup>	17-Oct	7,351	2,509	9,860
Pandemic Pay <sup>6</sup>	17-Oct	4,558	-	4,558
Purchases made or committed <sup>7</sup>	26-Oct	9,492	7,013	16,505
Total costs incremental to base budget		21,401	9,522	30,923
Lost Revenue <sup>8</sup>		-	12,965	12,965
		-	-	-
Cost Savings <sup>9</sup>		-	(16,158)	(16,158)
		-	-	-
<b>Total Gross Cost</b>		<b>38,179</b>	<b>10,380</b>	<b>48,559</b>
		-	-	-
Confirmed Funding Matched to Expenses <sup>10</sup>		(14,908)	(15,891)	(30,799)
		-	-	-
<b>Net Cost to Region</b>		<b>23,271</b>	<b>(5,511)</b>	<b>17,760</b>
Strategic and Other Mitigations <sup>11</sup>		-	(16,049)	(16,049)
Redeployed resources		(16,777)	(4,052)	(20,829)
<b>Net Deficit/(Surplus)</b>		<b>\$ 6,494</b>	<b>\$ (25,611)</b>	<b>\$ (19,118)</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 staff redeployed from their main role to new roles to support the pandemic.
- <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 25% of the additional labour related cost which averages to an additional 21 FTE each week of the pandemic.
- <sup>6</sup> Final pandemic pay from April 24 to August 13. Pandemic pay is allocated by department as follows and does not yet include amounts flowed to third party agencies through the Homelessness program: Seniors Services \$3.5 million thousand, Homelessness Services \$0.02 million, Emergency Medical Services \$1 million, Public Health Programs \$0.04 million.
- <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 36 special circumstance purchases over \$10 thousand for a total value of \$5.3 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 \$0.45 million.
- <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)

	Redeployed Resources	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	\$ 1,668	\$ (5,077)	\$ (3,403)	\$ (12,185)	\$ (15,588)	\$ 1,997	\$ -	\$ (13,591)
Corporate Administration	1,132	530	-	(2,365)	(703)	-	(703)	(2,312)	(1,132)	(4,147)
Governance	79	2	-	(134)	(53)	-	(53)	(40)	(79)	(172)
Corporate Services	956	1,434	207	(14)	2,583	-	2,583	1,455	(956)	3,082
Court Services	15	14	915	(238)	706	-	706	(178)	(15)	513
Planning	250	4	340	-	594	-	594	(799)	(250)	(455)
Niagara Regional Housing	1	293	-	(94)	200	-	200	(1,219)	(1)	(1,020)
NRPS *	1,458	723	3,936	(1,243)	4,874	-	4,874	(3,209)	(1,458)	207
Transportation	191	58	3,625	(5,921)	(2,047)	(27)	(2,074)	(5,232)	(191)	(7,497)
Public Health										
Public Health	8,579	4,655	141	(49)	13,326	(771)	12,555	(2,104)	(8,579)	1,872
EMS	2,333	2,929	40	(238)	5,064	(974)	4,090	742	(2,333)	2,499
Sub-total Public Health	10,912	7,584	181	(287)	18,390	(1,745)	16,645	(1,362)	(10,912)	4,371
Community Services										
Childrens Services **	925	5,179	307	-	6,411	(5,253)	1,158	(238)	(925)	(5)
Seniors Services ***	4,208	10,996	9	-	15,213	(8,007)	7,206	445	(4,208)	3,443
SAEO	192	27	-	-	219	-	219	(2,093)	(192)	(2,066)
Homelessness Services	284	3,582	-	-	3,866	(3,582)	284	(759)	(284)	(759)
Sub-total Community Services	5,609	19,784	316	-	25,709	(16,842)	8,867	(2,645)	(5,609)	613
Indirect allocation levy related deficit	-	-	-	-	-	-	-	1,023	-	1,023
<b>Total Levy Supported</b>	<b>20,603</b>	<b>30,432</b>	<b>11,188</b>	<b>(15,373)</b>	<b>46,850</b>	<b>(30,799)</b>	<b>16,051</b>	<b>(12,521)</b>	<b>(20,603)</b>	<b>(17,073)</b>
Waste Management	49	178	905	(440)	692	-	692	(878)	(49)	(235)
Water/Wastewater	177	313	872	(345)	1,017	-	1,016	(1,626)	(177)	(787)
Indirect allocation rate related surplus	-	-	-	-	-	-	-	(1,023)	-	(1,023)
<b>Total Rate Supported</b>	<b>226</b>	<b>491</b>	<b>1,777</b>	<b>(785)</b>	<b>1,709</b>	<b>-</b>	<b>1,709</b>	<b>(3,528)</b>	<b>(226)</b>	<b>(2,045)</b>
<b>Total</b>	<b>\$ 20,829</b>	<b>\$ 30,923</b>	<b>\$ 12,965</b>	<b>\$ (16,158)</b>	<b>\$ 48,559</b>	<b>\$ (30,799)</b>	<b>\$ 17,760</b>	<b>\$ (16,049)</b>	<b>\$ (20,829)</b>	<b>\$ (19,118)</b>

\*NRPS figures reflect revised forecast as of September 30, 2020 to be presented to the NRPS board in November 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 results, 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 39% labour related, 32% 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 3.55 which remains under the recommended level of 4.