



250 Thorold Road West, 3rd Floor, Welland, Ontario L3C 3W2
Telephone 905.788.3135 | Facsimile 905.788.1121 | www.npca.ca

Thursday February 28th, 2019

Ms. Ann-Marie Norio, Regional Clerk
Mr. Todd Harrison, Commissioner, Enterprise Resource Management Services/ Treasurer
Ms. Helen Chamberlain, Director, Financial Management & Planning/ Deputy Treasurer
Niagara Region
1815 Sir Issac Brock Way, P.O. Box 1042
Thorold, ON, L2V 4T7

RE: NPCA Response to Request for Information (CSD 22-2019)

Ms. Norio, Mr. Harrison, and Ms. Chamberlain:

On behalf of Mayor Bylsma, Chair of the Niagara Peninsula Conservation Authority (NPCA), the NPCA would like to respectfully submit our responses to your request, dated February 15th, 2019, for more information on the NPCA 2019 Levy Operating Budget, item #2. (CSD 22-2019).

Please see the attached PowerPoint presentation that itemizes each bullet point.

Thank you for this opportunity.

Most Sincerely,

A handwritten signature in black ink, appearing to read "Gregg Furtney". The signature is stylized with a large, looping initial "G".

Gregg Furtney
Interim Senior Director, Corporate Resources
Niagara Peninsula Conservation Authority



NIAGARA PENINSULA
CONSERVATION
AUTHORITY

BRC-C 08-2019

NPCA Response

2019 Levy Operating Budget (CSD 22-2019)

February 14, 2019

Niagara Region Budget Review Committee of the Whole
February 28, 2019



2.) That staff BE DIRECTED to request the Niagara Peninsula Conservation Authority Board provide the following information (as requested during the NPCA Presentation provided on January 31, 2019):

- Details respecting the 2018 and 2019 budget including operating expenditures
- Information respecting legal expenses from the last two years
- Status of the boat purchased for Binbrook Conservation Area
- The amount of severances paid in 2018 and anticipated amount for 2019
- Information regarding debt charges
- The 2018 audited financial statements including capital project details
- Information respecting the special levy to Niagara Region for contribution to Land Acquisition Reserve including how long the contribution has been made by the NPCA, what is the balance in the Reserve and how the money is being utilized



Bullet #1

Details respecting the 2018 and 2019 budget including operating expenditures: - Overall Picture

2018 Budget		2019 Budget	
Sources of funds		Sources of funds	
Regular Levy	6,246,118	Regular Levy	6,416,084
Special Levy	2,252,166	Special Levy	635,001
Federal Grant	155,000	Federal Grant	100,000
Provincial Grant	473,996	Provincial Grant	476,996
Park Operations/Strat Init.	1,660,350	Park Operations/Strat Init.	1,916,600
Admin Fees	367,500	Admin Fees	314,850
Fees for Service(Municipal)	185,000	Fees for Service(Municipal)	170,000
Other	136,000	Other	101,200
Opg Funds	275,000	Opg Funds	
Approved from Reserves	204,000	Approved from Reserves	1,151,120
Total Sources of funds	11,955,130	Operating Budget Funding Total	11,281,851
Uses of Funds		Uses of Funds	
Board/Administration	1,775,035	Board/Administration	1,816,912
Watershed	2,578,492	Watershed	2,412,194
Corporate Resources	4,517,065	Corporate Resources	4,728,645
Operating Expenditure Total	8,870,592	Operating Expenditure Total	8,957,751
Loan Principal	760,429	Loan Principal	483,705
Capital Expenditure	1,283,731	Capital Expenditure	1,600,306
Directly to Reserve	1,040,378	Directly to Reserve	240,089
Total Uses of Funds	11,955,130	Total Uses of Funds	11,281,851



Bullet #1 Continued – Funding Allocation

2018 Funding Allocation		2019 Funding Allocation	
Allocated to Operating Budget		Allocated to Operating Budget	
Regular Levy	5,805,740	Regular Levy	5,826,809
Special Levy	87,006	Special Levy	51,296
Federal Grant	155,000	Federal Grant	100,000
Provincial Grant	473,996	Provincial Grant	476,996
Park Operations/Strat Init.	1,660,350	Park Operations/Strat Init.	1,916,600
Admin Fees	367,500	Admin Fees	314,850
Fees for Service(Municipal)	185,000	Fees for Service(Municipal)	170,000
Other	136,000	Other	101,200
Opg Funds		Opg Funds	
Operating Budget Funding Total	8,870,592	Operating Budget Funding Total	8,957,751
Expenditure		Expenditure	
Board/Administration	1,775,035	Board/Administration	1,816,912
Watershed	2,578,492	Watershed	2,412,194
Corporate Resources	4,517,065	Corporate Resources	4,728,645
Operating Expenditure Total	8,870,592	Operating Expenditure Total	8,957,751
Surplus/(Deficit)	0	Surplus/(Deficit)	0
Allocated to Loan Principal		Allocated to Loan Principal	
Special Levy (Niagara)	760,429	Special Levy (Niagara)	483,705
Allocated to Capital Budget		Allocated to Capital Budget	
Regular Levy		Regular Levy	449,186
Special Levy	804,731	Special Levy	
Federal Grant		Federal Grant	
Reserves	204,000	Reserves	1,151,120
Opg Funds	275,000	Opg Funds	
Capital Budget Total	1,283,731	Capital Budget Total	1,600,306
Allocated Directly to Reserves		Allocated Directly to Reserves	
Regular Levy (Niagara Differential)	440,378	Regular Levy (Operating/Capital)	140,089
Special Levy (Land Acquisition)	600,000	Special Levy (Land Acquisition)	100,000
Reserve Total	1,040,378	Reserve Total	240,089
Grand Total	11,955,130	Grand Total	11,281,851



Bullet #1 Continued – Projected Levies

2018		2019 (Using 2019 Apportionment)		Inc/(Dec)	Inc/(Dec) %		
Region of Niagara		Region of Niagara					
Regular Levy	4,848,695	Regular Levy	4,972,722	124,027	2.6%		
Special Levy	2,128,851	Special Levy	511,686	-1,617,165	-76.0%	511,686	Debt only
Total Region of Niagara	6,977,546	Total Region of Niagara	5,484,408	-1,493,138	-21.4%		
City of Hamilton		City of Hamilton					
Regular Levy	1,282,780	Regular Levy	1,324,928	42,148	3.3%		
Special Levy	123,315	Special Levy	123,315	0	0.0%	100,000 + 23,315	
Total City of Hamilton	1,406,095	Total City of Hamilton	1,448,243	42,148	3.0%		
Haldimand County		Haldimand County					
Regular Levy	114,643	Regular Levy	118,434	3,791	3.3%		
Total Municipalities		Total Municipalities					
Regular Levy	6,246,118	Regular Levy	6,416,084	169,966	2.7%		
Special Levy	2,252,166	Special Levy	635,001	-1,617,165	-71.8%		
Total Municipal Levy	<u>8,498,284</u>	Total Municipal Levy	<u>7,051,085</u>	<u>-1,447,199</u>	<u>-17.0%</u>		
2% - \$169,966		2019 Total Levy \$7,051,085					
		Regular \$6,416,084					
		Special \$635,001					

Bullet #1 Continued – “Hole”

	2018 Budgeted Expenditure		2019 Budgeted Expenditure			
	Expenditure	%	Expenditure	%		
Total Operating	8,870,592	100.0	8,957,751	100.0		
Category						
Full Time Salary/Benefits	5,059,006	57.0%	5,327,271	59.5%		
Student Wages	435,498	4.9%	411,319	4.6%		
Debt Servicing	63,691	0.7%	27,980	0.3%		
Occupancy	507,000	5.7%	540,000	6.0%		
HR/Othr Staff Expenses	283,245	3.2%	247,150	2.8%		
Total	6,348,440	71.6%	6,553,720	73.2%		
Remaining "Hole"	2,522,152	28.4%	2,404,031	26.8%		
Human Resource Related Not included above	30,000	0.3%	30,000	0.3%		
Board & Volunteer	93,250	1.1%	89,900	1.0%		
Professional Fees	794,565	9.0%	746,920	8.3%		
Vehicle & Equipment Maint.	224,500	2.5%	195,200	2.2%		
Park Maintenance	385,600	4.3%	395,500	4.4%		
Contractor Services	321,900	3.6%	298,500	3.3%		
Materials & Supplies	150,745	1.7%	112,930	1.3%		
Marketing & Promotion	130,000	1.5%	113,000	1.3%		
Other Expenses	391,592	4.4%	422,081	4.7%		
*Other Expenses include items such as Information Technology Software License Fees, Conservation Ontario Membership, Bank Service Charges (Moneris). etc.						



Bullet #2

Information respecting legal expenses from the last two years:

The following is a summation of all legal expenses across all internal control accounts for:

2017 - \$ 481,804.45

2018 - \$ 211,505.89 (pending final year end audit)



Bullet #3

Status of the boat purchased for Binbrook Conservation Area:

The boat has been winterized for the season and remains in the Central Workshop's Works Compound. It will remain there until May when it is then moored in Lake Niapenco (Binbrook Conservation Area) for seasonal use by licensed and trained NPCA and Emergency Services staff.

This item is included in the NPCA Asset Ledger and the Auditor General of Ontario verified its existence.



Bullet #4

The amount of severances paid in 2018 and the anticipated amount for 2019:

Total Paid Out in 2018 as a result of termination (including severance, salary continuance, damages): \$ 199,976.70

2019: Unknown at present



Bullet #5

Information respecting debt charges:

	NPCA Budget	Actual Debt Charges	Difference	
2020	221,355	221,355	0	*2020 Budget not yet produced
2019	511,686	511,686	0	
2018	1,628,852	824,120	804,732	*See 2018 tab
2017	1,563,133	1,092,262	470,871	*See 2017 tab
2016	1,563,133	1,342,388	220,745	
2015	1,563,133	1,507,824	55,309	
2014	1,563,133	1,563,133	0	
2013	1,628,852	1,629,744	-892	
2012	1,628,852	1,628,852	0	
Total	11,872,129	10,321,364	1,550,765	

Original Budget for 2019 was \$1,628,852 , Difference between actual Debt Charge was \$1,117,166 which represents Capital Works Budget for Niagara (see tab 2019 for detail). These expenditures will be funded through the use of Reserve Funds as per NPCA Board.

The "surplus" from 2018 and 2017 was used to fund Capital Works Projects as detailed on 2018 and 2017 tab



Bullet # 5 Continued — 2017 Capital Projects

2017 Capital Works Projects (Niagara)	
Balls Falls	
Ball Home Porch Replacement , Outbuilding Refurbishment	\$50,000
Septic System Replacement - (Lower Comfort Station)	\$70,000
	\$120,000
Central Workshop	
Jordan Harbour - Pedestrian Bridge	\$15,000
Jordan Harbour - Eavestrough Replacement Main Building	\$15,000
	\$30,000
Long Beach	
Electrical Upgrades	\$100,000
Water Treatment Upgrades	\$75,000
Replace Gate System	\$70,000
	\$245,000
Watershed Management	
Monitoring & Conductivity Loggers	\$26,000
Water Quality Stereo Microscope	\$10,000
Flood Forecasting Telemetry & Water Sensor Upgrades	\$10,000
	\$46,000
Corporate Resources/Information Technology	
Data Centre Maintenance	\$30,000
	\$30,000
Total Funded by Niagara Special Levy	\$471,000



Bullet #5 Continued — 2018 Capital Projects

2018 Capital Works Projects (Niagara)	
Balls Falls	
Refurbishment Big Barn & Field Centre	\$25,000
St. Georges Church Upgrades	\$45,000
Centre for Conservation Upgrade	\$50,201
Furry Cabin Repair	\$40,000
Monitoring Well - CFC Septic System	\$8,000
	\$168,201
Central Workshop	
Jordan Harbour Building Upgrades	\$50,000
Gord Harry Trail Gate Refurbishment	\$30,000
Wainfleet Wetlands Parking Lot	\$15,000
	\$95,000
Chippawa Creek	
Main Washroom (Comfort Station #1) Interior Renovation	\$75,000
	\$75,000
Long Beach	
Lagoon Empty/New Gate Valve/Integrity Evaluation	\$150,000
Electrical Upgrade North Side	\$100,000
Playground South Side	\$80,000
	\$330,000
Watershed Management	
Cityview Upgrade	\$20,000
Telemetry Sensors	\$10,000
Groundwater Instrumentation	\$10,000
	\$40,000
Corporate Resources/Information Technology	
Eye Wash Stations	\$6,500
Annual Computer Replacements	\$30,000
Records Management Solution	\$50,000
External Data Centre Maintenance	\$10,000
	\$96,500
Total Funded by Niagara Special Levy	
	\$804,701



Bullet #6

The 2018 Audited Financial Statements including capital project details:

KPMG will commence their audit of NPCA 2018 Financial Statements in March of 2019 with a final report going to the NPCA Board of Directors in April 2019.

A copy of the Audited Financial Statements will be circulated to each participating Municipality as per the Conservation Authorities Act.

Bullet #7

Information respecting the special levy to Niagara Region for contribution to Land Acquisition Reserve including how long the contribution has been made by the NPCA, what is the balance in the Reserve and how the money is being utilized:

Total Land Additions 2008 - 2017						5,008,724.28
Less Donated Properties						-1,350,000.00
						-67,000.00
						-225,000.00
Total Out of Pocket Acquisition						3,366,724.28
Cost to Subsidize St. Johns Operation 2012 - 2014						375,807.00
Total Acquisition Costs (out of pocket)						3,742,531.28
Niagara Land Reserve Special Levy Collected						5,000,000.00
Balance in Reserve per 2017 Audited Financial Statements						1,298,174.00
Niagara Land Special Levy used						3,701,826.00
Difference (from other funding sources)						40,705.28
\$40,705.28 came from a funding source other than the Niagara Special Levy for Land Acquisition since the out of pocket acquisition costs exceeds the uses of these funds by \$40,705.28						

