



Niagara  Region

# 2019

Q2 FINANCIAL UPDATE | JUNE

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# Introduction

On behalf of Niagara Region, we are pleased to provide you with the 2019 Q2 financial update.

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

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

As of June 30, 2019 Niagara Region is forecasting a funding deficit of \$747 thousand related to the levy programs, \$737 thousand deficit related to Water and Wastewater programs, and a \$1.26 million deficit related to the Waste Management Program.

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

*Certain assumptions and estimates are required when forecasting results. The assumptions and estimates made have been done so with information available at the time of writing this financial update. The following is an unaudited report which has been prepared and reviewed by the Financial Management & Planning teams in Enterprise Resource Management Services.*

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

## Water & Wastewater

Water and Wastewater Services has a projected net deficit of \$737. The water division has a forecasted surplus of \$272 and the wastewater division has a forecasted deficit of \$1,009.

The forecasted net deficit in Water and Wastewater is due to lower than budgeted water sales as a result of cool and wet weather in the first half of 2019, higher than anticipated equipment repairs and unanticipated costs of emergency sewer repairs. The deficit has been partially mitigated by forecasted savings in compensation as a result of vacancies and higher than budgeted revenues for hauled sewage and tower telecom rental revenue.

It is recommended that at year-end the projected funding surplus of \$272 for water be transferred to the water capital reserve and the project deficit of \$1,009 for wastewater be transferred from the Wastewater Stabilization Reserve.

### Forecasted Deficit Including Indirect Allocations

Total Deficit	\$(737)
% of total budget	0.85%
% of rate revenue	0.63%

## Waste Management

Waste Management Services has a projected deficit of \$1,259 which is primarily due to declining market revenues received from the sale of recyclable commodities which has been partially offset by lower than anticipated costs of purchasing commodities under contracts with Waterloo, Haldimand and commercial businesses.

It is recommended that at year-end the deficit of \$1,259 be transferred from the Waste Management Stabilization Reserve.

### Forecasted Deficit Including Indirect Allocations

Total Deficit	\$(1,259)
% of total budget	2.48%
% of rate revenue	3.56%

## Levy

Regional Departments and General Government has a forecasted year-end deficit of \$747. The forecasted deficit is driven by \$4,917 in development charge (DC) exemptions as well as increased Workplace Safety Insurance Board (WSIB) costs in the Emergency Medical Services (EMS) division. This is offset by savings in compensation as a result of vacancies throughout the corporation, higher than anticipated supplemental tax revenue and forecasted savings for utilities.

A surplus is forecasted in Agencies & Boards of \$1,663 is primarily from Niagara Regional Housing (NRH) due to lower than budgeted subsidy payments to providers, in addition to increased collection enforcement activity and larger fine payments within Court Services. These forecasted surplus have been reduced by lower than budgeted Provincial grant funding and an increase in self-insurance claim payouts in Niagara Regional Police Services (NRPS).

### Forecasted Surplus/ (Deficit) Forecasted Including Indirect Allocations

Regional Departments and General Government	\$(747)
Niagara Regional Police Service	\$(438)
Court Services	\$363
Niagara Regional Housing	\$1,735
Niagara Peninsula Conservation Authority	\$3
Total Surplus	\$916
% of total budget	0.12%
% of levy revenue	0.24%

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

	Annual Adjusted Net Budget	Annual Net Forecast	Q2 Projected Funding Surplus/(Deficit) including allocations
<b>LEVY SUPPORTED DEPARTMENTS</b>			
<b>Regional Departments</b>			
Corporate Administration	\$5,736	\$5,172	\$564
Corporate Services	\$1,783	\$1,664	\$119
Enterprise Resource Management Services	\$0	\$0	\$0
Community Services	\$43,829	\$43,949	-\$120
Public Works - Transportation	\$72,966	\$73,161	-\$194
Governance	\$2,413	\$2,290	\$123
Planning & Development	\$4,400	\$4,211	\$189
Public Health	\$38,675	\$39,806	-\$1,131
<b>Sub-Total - Regional Departments</b>	<b>\$169,802</b>	<b>\$170,253</b>	<b>-\$451</b>
General Government	-\$370,336	-\$370,040	-\$296
<b>Subtotal - General Government</b>	<b>-\$370,336</b>	<b>-\$370,040</b>	<b>-\$296</b>
<b>Total Levy Supported Departments</b>	<b>-\$200,534</b>	<b>-\$199,787</b>	<b>-\$747</b>
<b>Agencies, Boards &amp; Commissions</b>			
Court Services	-\$605	-\$968	\$363
Niagara Regional Housing	\$35,405	\$33,670	\$1,735
Niagara Regional Police	\$161,528	\$161,966	-\$438
Niagara Peninsula Conservation Authority	\$4,206	\$4,203	\$3
<b>Subtotal Agencies, Boards &amp; Commissions</b>	<b>\$200,534</b>	<b>\$198,871</b>	<b>\$1,663</b>
<b>Total Levy Supported Programs</b>	<b>\$0</b>	<b>-\$916</b>	<b>\$916</b>
<b>RATE SUPPORTED DEPARTMENTS</b>			
Public Works - Water & Wastewater	\$0	\$737	-\$737
Public Works - Waste Management	\$0	\$1,259	-\$1,259
<b>Total Rate Supported Departments</b>	<b>\$0</b>	<b>\$1,996</b>	<b>-\$1,996</b>
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,080</b>	<b>-\$1,080</b>

## 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	\$11,848	\$11,298	\$549	4.6%	\$23,724	\$23,254	\$470	2.0%
Administrative	\$1,009	\$995	\$13	1.3%	\$2,017	\$2,313	-\$295	-14.6%
Operational & Supply	\$6,355	\$5,230	\$1,124	17.7%	\$12,709	\$12,903	-\$194	-1.5%
Occupancy & Infrastructure	\$9,495	\$9,216	\$279	2.9%	\$17,950	\$18,135	-\$184	-1.0%
Equipment, Vehicles, Technology	\$3,071	\$3,024	\$47	1.5%	\$6,143	\$6,661	-\$518	-8.4%
Community Assistance	\$0	\$1	-\$1	0.0%	\$0	\$1	-\$1	0.0%
Partnership, Rebate, Exemption	\$16,219	\$3,376	\$12,843	79.2%	\$18,227	\$18,198	\$29	0.2%
Financial Expenditures	\$0	\$31	-\$31	0.0%	\$0	\$31	-\$31	0.0%
<b>Total Expenses</b>	<b>\$47,996</b>	<b>\$33,172</b>	<b>\$14,824</b>	<b>30.9%</b>	<b>\$80,771</b>	<b>\$81,496</b>	<b>-\$725</b>	<b>-0.9%</b>
Taxation	-\$58,459	-\$57,276	-\$1,183	2.0%	-\$116,919	-\$116,316	-\$603	-0.5%
By-Law Charges & Sales	-\$679	-\$770	\$91	-13.4%	-\$1,358	-\$1,489	\$131	9.6%
Other Revenue	-\$5,793	-\$1,275	-\$4,519	78.0%	-\$7,034	-\$7,294	\$260	3.7%
<b>Total Revenues</b>	<b>-\$64,932</b>	<b>-\$59,321</b>	<b>-\$5,611</b>	<b>8.6%</b>	<b>-\$125,311</b>	<b>-\$125,099</b>	<b>-\$212</b>	<b>-0.2%</b>
Intercompany Charges	\$912	\$828	\$84	9.2%	\$1,824	\$1,743	\$81	4.4%
<b>Total Intercompany Charges</b>	<b>\$912</b>	<b>\$828</b>	<b>\$84</b>	<b>9.2%</b>	<b>\$1,824</b>	<b>\$1,743</b>	<b>\$81</b>	<b>4.4%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>-\$16,024</b>	<b>-\$25,321</b>	<b>\$9,297</b>	<b>-58.0%</b>	<b>-\$42,716</b>	<b>-\$41,859</b>	<b>-\$857</b>	<b>-2.0%</b>
Transfers From Funds	-\$9,659	-\$2,530	-\$7,129	73.8%	-\$9,659	-\$9,659	\$0	0.0%
Transfers To Funds	\$18,519	\$19,519	-\$1,000	-5.4%	\$37,038	\$37,038	\$0	0.0%
<b>Total Transfers</b>	<b>\$8,860</b>	<b>\$16,989</b>	<b>-\$8,129</b>	<b>-91.7%</b>	<b>\$27,379</b>	<b>\$27,379</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>-\$7,164</b>	<b>-\$8,332</b>	<b>\$1,168</b>	<b>-16.3%</b>	<b>-\$15,338</b>	<b>-\$14,481</b>	<b>-\$857</b>	<b>-5.6%</b>
Indirect Allocations & Debt	\$7,525	\$7,400	\$125	1.7%	\$15,338	\$15,218	\$120	0.8%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$7,525</b>	<b>\$7,400</b>	<b>\$125</b>	<b>1.7%</b>	<b>\$15,338</b>	<b>\$15,218</b>	<b>\$120</b>	<b>0.8%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$362</b>	<b>-\$932</b>	<b>\$1,293</b>	<b>357.7%</b>	<b>\$0</b>	<b>\$737</b>	<b>-\$737</b>	<b>N/A</b>



# Water & Wastewater - Continued

## Variance Analysis (in thousands of dollars)

Water & Wastewater services is operating at a surplus after indirect allocations of \$1,293, with a forecasted deficit of \$737 for year end, due to the following factors:

**Compensation** - The favourable year-to-date and forecasted variances of \$549 and \$470 are due to temporary staffing vacancies, which are anticipated to be filled by September.

**Administration** – There is a favourable year-to-date variance of \$13, with a forecasted unfavourable variance of \$295 at year-end. The year-to-date variance is primarily due to lower than expected consulting expenses of \$348 due to timing, which are partially offset by higher costs for energy efficiency consulting of \$124, legal expenses of \$92 and \$44 in staff development due to increased training required to meet legislation. The unfavourable forecasted variance is a result of higher than anticipated costs for energy efficiency consulting of \$220, legal expenses of \$92 and staff development of \$53.

**Operational & Supply** – There is a favourable year-to-date variance of \$1,124, with a forecasted unfavourable variance of \$194. The year-to-date variance is primarily due to the timing of actual sludge management expenses and chemicals compared to the budget, which represent a favourable variance of \$1,075 and \$106 respectively. Wet weather to date has delayed sludge management land application, however, as the expenses are incurred in the last half of the year, this favourable variance is expected to decrease to \$88 by the end of the year. The cost of chemicals are expected to be higher than anticipated by \$136 for the year, as a result of new contract pricing for phosphate removal chemicals.

**Occupancy & Infrastructure** – There is a favourable year-to-date variance of \$279, with a forecasted unfavourable variance of \$184. The year-to-date variance is due to lower than expected electricity costs of \$1,056, with total forecasted savings for 2019 of \$1,544. Also contributing to the favourable variance is the timing of property tax expenses compared to budget of \$355, which are expected to be incurred by the end of the year, and watermain repairs, which are lower than anticipated by \$168. These savings are partially offset by higher than expected costs for grounds maintenance of \$163, which are forecasted to increase to \$294, and unanticipated costs of emergency sewer repairs for Dain City of \$1,113. There are also additional building repairs and maintenance of \$340 forecasted in the second half of the year.

**Equipment, Vehicles, Technology** –There is a favourable year-to-date variance of \$47, with a forecasted unfavourable variance of \$518. The year-to-date favourable variance is due to the timing of IT licenses and support costs compared to budget of \$173, which are expected to be incurred in the second half of the year. These year-to date savings are partially offset by a higher than expected costs for equipment repairs of \$72, which are forecasted to increase to \$474 maintenance costs.

**Partnership, Rebate, Exemption** - The favourable year-to-date variance of \$12,843 is due to CSO funds committed to local area municipalities but not yet paid. All CSO funding not spent will be encumbered into future year budgets.

**Taxation** - The unfavourable year-to-date and forecasted variances of \$1,183 and \$603 are a result of decreased water sales due to cool and wet weather in the first half of 2019, with the anticipation of higher sales in the second half of the year as the summer weather has been drier and warmer.

**By-Law Charges & Sales Costs** - The favourable year-to-date and forecasted variances of \$91 and \$131 are due to increased hauled sewage revenue.

**Other Revenue** – There is an unfavourable year-to-date variance of \$4,519, with a forecasted favourable variance of \$260. The year-to-date variance is mainly driven by the timing of development charge revenue recognition to fund the CSO program of \$4,686, which will be encumbered into the 2020 budget. This year-to-date variance is partially offset by higher than budgeted water tower telecom rental revenue of \$53, which is forecasted to be \$109 by the end of the year and a pre-billing for CSO work of \$150 to Grimsby, West Lincoln and Lincoln.

# Water & Wastewater - Continued

**Transfers** - The unfavourable year-to-date variance of \$8,129 is due to previously encumbered CSO funds committed to local municipalities but not yet paid. The forecasted variance is \$0 as any remaining balance will be encumbered into the 2020 wastewater budget.

## Community Impacts & Achievements

- The Water and Wastewater Operations Divisions treated 58.49 billion liters of water in 2018 through six water treatment plants and 316 km of water mains, as well as 76.14 billion liters of wastewater through eleven plants and one biosolids storage facility, with collection through 123 pump stations and 283 km of forcemains and gravity sewers.
- The new AD of Asset Management and Energy PM have been hired and will start in September.
- The Children’s Water Festival was a success in May of 2019, with over 3,600 students, 170 teachers and approximately 400 parents attending over 4 days. In addition, the sponsorship program was re-developed in 2019, which resulted in additional funding for the festival along with a grant from the TD Friends of the Environment Fund.
- The new water wagon was unveiled in 2019 enhancing the existing wagon program.
- Construction is continuing for the Rosehill Water Treatment Plant Upgrade.
- The NOTL WWTP has successfully completed water commissioning and a 30-day sewage start up. The biosolids process 30-day commissioning will commence in Q3.
- Phase 1 of the Dain City forcemain break repairs have been awarded. Design for the rest of the forcemain is underway for installation in 2020.
- The project for the new South Niagara Falls Wastewater Treatment Plant is now underway. The Environmental Assessment commenced in 2018 and is anticipated to be completed by Fall 2020.



## 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	\$1,827	\$1,662	\$166	9.1%	\$3,686	\$3,550	\$136	3.7%
Administrative	\$701	\$350	\$351	50.0%	\$1,994	\$1,702	\$292	14.6%
Operational & Supply	\$20,110	\$18,661	\$1,450	7.2%	\$40,864	\$38,995	\$1,869	4.6%
Occupancy & Infrastructure	\$747	\$666	\$81	10.8%	\$1,438	\$1,426	\$12	0.9%
Equipment, Vehicles, Technology	\$527	\$638	-\$111	-21.1%	\$1,053	\$1,196	-\$142	-13.5%
Partnership, Rebate, Exemption	\$98	\$84	\$14	13.8%	\$196	\$182	\$14	6.9%
Financial Expenditures	\$0	-\$1	\$1	0.0%	\$0	-\$1	\$1	0.0%
<b>Total Expenses</b>	<b>\$24,011</b>	<b>\$22,061</b>	<b>\$1,950</b>	<b>8.1%</b>	<b>\$49,231</b>	<b>\$47,051</b>	<b>\$2,180</b>	<b>4.4%</b>
Taxation	-\$17,301	-\$17,301	\$0	0.0%	-\$35,328	-\$35,328	\$0	0.0%
By-Law Charges & Sales	-\$6,964	-\$5,691	-\$1,272	18.3%	-\$14,588	-\$11,129	-\$3,459	-23.7%
Other Revenue	-\$2,195	-\$2,206	\$11	-0.5%	-\$4,431	-\$4,458	\$27	0.6%
<b>Total Revenues</b>	<b>-\$26,460</b>	<b>-\$25,199</b>	<b>-\$1,261</b>	<b>4.8%</b>	<b>-\$54,347</b>	<b>-\$50,915</b>	<b>-\$3,432</b>	<b>-6.3%</b>
Intercompany Charges	\$64	\$63	\$2	2.5%	\$129	\$128	\$1	0.7%
<b>Total Intercompany Charges</b>	<b>\$64</b>	<b>\$63</b>	<b>\$2</b>	<b>2.5%</b>	<b>\$129</b>	<b>\$128</b>	<b>\$1</b>	<b>0.7%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>-\$2,385</b>	<b>-\$3,075</b>	<b>\$691</b>	<b>-29.0%</b>	<b>-\$4,988</b>	<b>-\$3,736</b>	<b>-\$1,251</b>	<b>-25.1%</b>
Transfers From Funds	-\$1,221	-\$1,221	\$0	0.0%	-\$1,511	-\$1,511	\$0	0.0%
Transfers To Funds	\$2,068	\$2,068	\$0	0.0%	\$4,136	\$4,136	\$0	0.0%
<b>Total Transfers</b>	<b>\$846</b>	<b>\$846</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$2,624</b>	<b>\$2,624</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>-\$1,538</b>	<b>-\$2,229</b>	<b>\$691</b>	<b>-44.9%</b>	<b>-\$2,364</b>	<b>-\$1,112</b>	<b>-\$1,251</b>	<b>-52.9%</b>
Indirect Allocations & Debt	\$1,580	\$1,591	-\$10	-0.6%	\$2,363	\$2,371	-\$8	-0.3%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$1,580</b>	<b>\$1,591</b>	<b>-\$10</b>	<b>-0.6%</b>	<b>\$2,363</b>	<b>\$2,371</b>	<b>-\$8</b>	<b>-0.3%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$42</b>	<b>-\$638</b>	<b>\$680</b>	<b>N/A</b>	<b>\$0</b>	<b>\$1,259</b>	<b>-\$1,259</b>	<b>N/A</b>

# Waste Management Services - Continued

## Variance Analysis (in thousands of dollars)

Waste Management Services is operating at a year-to-date surplus after indirect allocations of \$680, with a forecasted deficit of \$1,259, due to the following factors:

**Compensation** – The favourable year-to-date and forecasted variances of \$166 and \$136 are due primarily to salary gapping and position vacancy management.

**Administration** – The favourable year-to-date and forecasted variances of \$351 and \$292 are primarily due to the deferral of consulting related to the Long-Term Strategic Plan (LTSP) Study, the Material Recovery Facility (MRF) Opportunity Review – Phase 4, the service level change campaign, and completion of the Asset Inventory & Condition Assessment (AICA), until the fourth quarter of 2019, as well as reduced consulting expenditures for 2019. Lower promotional and educational costs are also contributing to the surplus, resulting from the utilization of existing communication pieces and Region services, as well as the reprioritization of planned promotion and education campaigns.

**Operational & Supply** – The favourable year-to-date and forecasted variances of \$1,450 and \$1,869 are primarily due to lower than anticipated commodity prices for the purchase of recyclable materials under contracts with Waterloo, Haldimand and commercial businesses (forecasted annual variance of \$1,618) which are offset by related decreases to recycling processing revenues. The other main contributor to the surplus is the issuance of liquidated damages under contract 2009-RFP-44 to date for breaches of contractual performance standards (\$187).

**Occupancy & Infrastructure** – The favourable year-to-date variance of \$81 is due to the timing of property tax expenses, as well as utility and maintenance costs.

**Equipment, Vehicles, Technology** – The unfavourable year-to-date and forecasted variances of \$111 and \$142 are due to higher than anticipated equipment repairs required at the various sites.

**By-Law Charges & Sales Costs** – The unfavourable year-to-date and forecasted variances of \$1,272 and \$3,459 are primarily due to lower than anticipated and continually decreasing market revenues received from the sale of recyclable commodities (i.e. forecasted annual unfavourable variance for fibres, including boxboard, newsprint and cardboard, of \$3,295, from containers such as PET plastic, aluminum, and steel of \$434, and from other recyclables, such as bulky rigid plastics and fine paper, of \$95). These decreases are partially offset by increased garbage tag sales of \$35 and tipping fee revenues of \$373 from the additional landfill tonnages received at the landfill sites.

## Community Impacts & Achievements

Waste Management Services (WMS) is responsible for the operation of various facilities, including landfill sites, HHW depots and the Recycling Centre (a net revenue generator). 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.

- Negotiations with Emterra Environmental to ensure performance and adherence to the terms and conditions of Contract 2009-RFP-44, which included removing work from their Contract. The tender for Waste Collection Services for the Lincoln and West Lincoln area was awarded to Canadian Waste Management Inc., with a start date of January 2, 2019.
- Completion of targeted and broad-based consultation and engagement for the proposed service level collection options, which are included for pricing in the next collection contract.
- Development of the Negotiated RFP for the next waste collection contract on an accelerated schedule for release in Q3 2019.
- Continue to market recyclable materials despite restrictive global market conditions.
- Recycling Centre Opportunity Review (identification of options considering the potential impact of the new extended producer responsibility legislation):

## Waste Management Services - Continued

- Phase One – complete – MRF market appraisal of buildings and land complete;
  - Phase Two – complete – MRF processing lines and systems, rolling stock and equipment state of repair assessment and valuation;
  - Phase Three – complete - MRF business valuation, strategic option evaluation and market analysis;
  - Phase Four – in progress – retained Fairness Advisor, and RFP finalized to engage project consultant and transaction advisory services
- Continue to investigate, assess and mitigate any environmental impacts related to the two open and twelve closed landfill sites.
- Issued, awarded and started work on Waste Management's Condition Assessment and Asset Management project, which includes all 14 landfill sites. This work will help the Region plan for the funding necessary to maintain its capital assets, and allow for effective decision making and a proactive approach to managing the assets.
- Construction of Cell 4 at the Niagara Road 12 Landfill Site in West Lincoln will be completed in July 2019. This cell will provide waste disposal capacity at the NR-12 Landfill for approximately 9-10 years.
- Tendered, awarded and in the process of constructing Phase 1 of the Humberstone Landfill Infrastructure Upgrades required for the landfill expansion. Construction work continues and is expected to be completed in the third quarter 2019.
- Tendered, awarded and constructed the Passive Venting System along the east side of the Glenridge Quarry Naturalization Site to prevent migration of gas beyond the eastern property boundary.
- Recipient of three awards:
  - Gold award received from the Municipal Waste Association in the print tool category for the 'Recycle your textiles' door hanger used to promote the Textile Diversion Pilot program.
  - Bronze award received from the Municipal Waste Association in the campaign category for the 'Let's Talk Waste Niagara' campaign as part of the extensive public consultation with various stakeholder groups to obtain input on the proposed waste collection service options being considered for the next curbside waste collection contract.
  - Engineering Award of Merit for the Niagara Road 12 Landfill Cell 4 Construction and Manhole Rehabilitation

## 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	\$195,568	\$192,515	\$3,052	1.6%	\$394,132	\$393,770	\$362	0.1%
Administrative	\$16,605	\$12,745	\$3,859	23.2%	\$30,996	\$30,097	\$899	2.9%
Operational & Supply	\$21,705	\$18,020	\$3,685	17.0%	\$41,011	\$40,703	\$308	0.8%
Occupancy & Infrastructure	\$13,774	\$13,322	\$452	3.3%	\$27,466	\$26,429	\$1,036	3.8%
Equipment, Vehicles, Technology	\$7,712	\$7,632	\$81	1.0%	\$15,332	\$16,113	-\$781	-5.1%
Community Assistance	\$98,984	\$94,412	\$4,572	4.6%	\$203,291	\$198,997	\$4,294	2.1%
Partnership, Rebate, Exemption	\$13,136	\$9,460	\$3,675	28.0%	\$22,019	\$26,845	-\$4,826	-21.9%
Financial Expenditures	\$17,197	\$14,803	\$2,394	13.9%	\$68,609	\$69,077	-\$467	-0.7%
<b>Total Expenses</b>	<b>\$384,681</b>	<b>\$362,910</b>	<b>\$21,770</b>	<b>5.7%</b>	<b>\$802,856</b>	<b>\$802,032</b>	<b>\$824</b>	<b>0.1%</b>
Taxation	-\$173,974	-\$172,284	-\$1,690	1.0%	-\$380,993	-\$383,302	\$2,309	0.6%
Federal & Provincial Grants	-\$154,370	-\$150,703	-\$3,667	2.4%	-\$324,308	-\$321,293	-\$3,016	-0.9%
By-Law Charges & Sales	-\$9,399	-\$8,389	-\$1,010	10.7%	-\$19,285	-\$18,304	-\$981	-5.1%
Other Revenue	-\$31,946	-\$33,141	\$1,195	-3.7%	-\$65,698	-\$69,285	\$3,587	5.5%
<b>Total Revenues</b>	<b>-\$369,688</b>	<b>-\$364,516</b>	<b>-\$5,172</b>	<b>1.4%</b>	<b>-\$790,284</b>	<b>-\$792,185</b>	<b>\$1,901</b>	<b>0.2%</b>
Intercompany Charges	-\$976	-\$891	-\$85	8.7%	-\$1,952	-\$1,871	-\$81	-4.2%
<b>Total Intercompany Charges</b>	<b>-\$976</b>	<b>-\$891</b>	<b>-\$85</b>	<b>8.7%</b>	<b>-\$1,952</b>	<b>-\$1,871</b>	<b>-\$81</b>	<b>-4.2%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$14,016</b>	<b>-\$2,497</b>	<b>\$16,513</b>	<b>117.8%</b>	<b>\$10,620</b>	<b>\$7,976</b>	<b>\$2,644</b>	<b>24.9%</b>
Transfers From Funds	-\$14,738	-\$12,914	-\$1,824	12.4%	-\$23,308	-\$23,284	-\$24	-0.1%
Transfers To Funds	\$25,904	\$26,231	-\$327	-1.3%	\$30,530	\$32,063	-\$1,533	5.0%
Expense Allocations To Capital	-\$70	-\$40	-\$30	43.5%	-\$140	-\$82	-\$58	-41.4%
<b>Total Transfers</b>	<b>\$11,096</b>	<b>\$13,277</b>	<b>-\$2,182</b>	<b>-19.7%</b>	<b>\$7,082</b>	<b>\$8,697</b>	<b>-\$1,615</b>	<b>-22.8%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$25,111</b>	<b>\$10,780</b>	<b>\$14,331</b>	<b>57.1%</b>	<b>\$17,701</b>	<b>\$16,673</b>	<b>\$1,028</b>	<b>5.8%</b>
Indirect Allocations & Debt	-\$9,106	-\$8,991	-\$115	1.3%	-\$17,701	-\$17,589	-\$112	-0.6%
<b>Total Indirect Allocations &amp; Debt</b>	<b>-\$9,106</b>	<b>-\$8,991</b>	<b>-\$115</b>	<b>1.3%</b>	<b>-\$17,701</b>	<b>-\$17,589</b>	<b>-\$112</b>	<b>-0.6%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$16,006</b>	<b>\$1,789</b>	<b>\$14,216</b>	<b>88.8%</b>	<b>\$0</b>	<b>-\$916</b>	<b>\$916</b>	<b>N/A</b>

## Variance Analysis (in thousands of dollars)

Levy is operating a year-to-date surplus before indirect allocations of \$14,331 and a forecasted surplus before indirect allocations of \$1,028. This is due to the following factors:

**Compensation** - The favourable year-to-date and forecasted variances of \$3,052 and \$362 respectively are mainly driven by vacancies across the corporation. These savings have been offset by unfavourable year-to-date and forecasted variances related to increased compensation costs in the Senior Services and Childrens Services divisions of Community Services as a result of increased funding (\$2,034), increased Workplace Safety Insurance Board (WSIB) costs (\$784) in the Emergency Medical Services (EMS) division and an unfavourable variance in labour relations costs.

**Administration** – The favourable year-to-date variance of \$3,859 is primarily a result of the timing delay of consulting work throughout the corporation (such as the new Regional official plan; one-time consulting spends to develop stormwater management and hydrogeological studies; trade and investment and strategic marketing and government relation activities), as well as a decrease of the estimated claims accrual (net of claim payouts greater than budget). The forecasted favourable variance of \$899 continues to be driven by a decrease of the estimated claims accrual (net of claim payouts greater than budget) and is offset by increased consulting costs forecasted for the remainder of the year.

**Operational & Supply** – The favourable year-to-date variance of \$3,685 is primarily due to the transfer of a portion of the 2018 year end surplus to the 2019 budget for new housing initiatives in Niagara Regional Housing (NRH) (\$1,224), lower than budgeted expenditures for Niagara Regional Transit (NRT) services due to rollout of increased service in the second half of the year (\$1,474) and timing differences for hired equipment expected to occur in the second half of the year (\$797). The forecasted favourable variance of \$308 is a result of sustained savings in NRT (\$250). A portion of the 2018 year end surplus transferred to the 2019 budget for new housing initiatives (\$924) is forecasted to be transferred to reserve which is shown under transfer section below.

**Occupancy & Infrastructure** - The favourable year-to-date and forecasted variances of \$452 and \$1,036 are due to lower than expected utility costs (\$744 and \$1,022, respectively), as well as a reduction in property taxes on buildings with that have been repurposed for Regional department use. Also contributing to the favourable variance is lower than expected repairs and maintenance costs (\$488 and \$752, respectively) which are partially offset by higher than expected costs for snow removal (\$580 and \$580, respectively).

**Equipment, Vehicles, Technology** – the forecasted unfavourable variance of \$781 is a result of higher than budgeted repairs and maintenance costs and furniture and fridge replacements in Public Health. These higher than anticipated forecasted costs have been partially offset by increased fuel savings (\$344).

**Community Assistance** – The favourable year-to-date and forecasted variances of \$4,572 and \$4,294 respectively are a result of lower than budgeted Ontario Works (OW) caseload resulting in a reduced number of benefit issuances fully funded by the Province, timing of expansion funding payments to childcare provided, lower than budgeted subsidy payments to non-profit and co-op providers in NRH and timing of spending for Ministry-funded programs within (NRH). The favourable variances largely relate to Ministry funded programs, as such, result in less Ministry funding being received which is described further in the Federal & Provincial Grants section.

**Partnership, Rebate, Exemption** – The favourable year-to-date variance of \$3,675 is primarily due to timing of Planning grants amounting to \$3,974 (Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG) and Public Realm Incentive Program (PRIP)) as well as \$302 relating to the Gateway TIG which has been partially offset by unfavourable variances of \$604 in mandatory and non-mandatory exemptions as per the adopted Development Charges By-law 2017-88. The unfavourable forecasted variance of \$4,826 is due to forecasted Development Charge exemptions (\$4,917) and Commercial Vacancy Rebates (\$473), partially offset by forecasting savings of in Planning Grants (SNIP, TIG and PRIP) (\$415).



## Levy - Continued

**Financial Expenditures** – The favourable year-to-date variance of \$2,394 is mainly due to timing differences of \$2,578 in tax write offs offset by unrealized foreign exchange losses on US currency of \$119. The unfavourable forecasted variance of \$467 is primarily due to tax write offs (\$259) and foreign exchange losses on US currency (\$119).

**Taxation** - The unfavourable year-to-date variance of \$1,690 is due to timing differences for the collection of payment-in-lieu (PIL) taxes (\$593) and timing of receipt of supplemental taxes accrued at the end of 2018 (\$1,098). The favourable forecasted variance of \$2,309 is due to forecasted increases in supplemental tax revenue attributable to growth mainly in St. Catharine's, Niagara Falls and Niagara on the Lake.

**Federal & Provincial Grants** - The unfavourable year-to-date and forecasted variances of \$3,667 and \$3,016 respectively are a result of timing in Ministry-funded programs within NRH, lower than budgeted Ministry funding reflective of the reduction in Community Assistance expenditures in Social Assistance and Employment Opportunities (SAEO) and Childrens Services and OW program administration funding received from the Ministry at an amount less than budgeted (\$455).

**By-Law Charges & Sales** - The unfavourable year-to-date and forecasted variances of \$1,010 and \$981 are due to lower than expected signal maintenance and signs revenues (\$403 and \$476 respectively), reduced NRT fare revenue on fewer trips (\$204 and \$149 respectively); and timing differences associated with various by-law charges and other sales. Also contributing to the unfavourable variance is lower than anticipated application volumes within development planning and lower than anticipated Regional share of business licensing fees. These overages are offset by increases in childcare parent fees which have been used to offset the increase in staffing costs at the directly operated childcare centres (\$372 and \$658, respectively).

**Other Revenue** – The favourable year-to-date and forecasted variances of \$1,195 and \$3,587 respectively are related to an increase in collection enforcement activity and larger fine payments in Court Services division (\$341 and \$391), higher than anticipated provincially established accommodation fees within the long term care (LTC) homes (\$458 and \$736), unbudgeted revenues for EMS services at the St. Catharines Consumption Treatment site (\$277 and \$532), higher than budgeted union billings throughout the Region for employees' time spent on union business as well as unbudgeted proceeds from sale of assets forecasted for the second half of the year (\$684). Proceeds from sale of assets are transferred to the capital levy reserve, as noted below.

**Transfers** - The unfavourable year-to-date and forecasted variances of \$2,182 is primarily due to timing of reserve transfer to NRH relating to the 2018 year-end surplus transfer to the 2019 budget for new housing initiatives (\$1,224) (noted in Operational & Supply above), timing differences on reserve funding for Planning Grants (\$596). The unfavourable forecasted variance of \$1,615 is a result of unbudgeted proceeds from sale of assets being transferred to capital levy reserve (\$684) as well as the portion of the 2018 surplus transfer that is being transferred to reserves to partially fund a new multi-residential build in Niagara Falls, which staff are recommended in the 2020 capital budget.



# 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	\$954	\$860	\$94	9.8%	\$1,910	\$1,820	\$90	4.7%
Administrative	\$110	\$63	\$47	42.9%	\$220	\$172	\$47	21.5%
Operational & Supply	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A
Equipment, Vehicles, Technology	\$1	\$0	\$1	57.8%	\$2	\$2	\$1	28.9%
Partnership, Rebate, Exemption	\$1	\$0	\$1	100.0%	\$2	\$1	\$1	50.0%
Total Expenses	\$1,067	\$924	\$143	13.4%	\$2,134	\$1,996	\$139	6.5%
Other Revenue	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Revenues	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Intercompany Charges	\$1	\$1	\$0	25.9%	\$2	\$1	\$0	12.9%
Total Intercompany Charges	\$1	\$1	\$0	25.9%	\$2	\$1	\$0	12.9%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$1,067	\$924	\$143	13.4%	\$2,136	\$1,997	\$139	6.5%
Total Transfers			\$0	0.0%		\$0	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$1,067	\$924	\$143	13.4%	\$2,136	\$1,997	\$139	6.5%
Indirect Allocations & Debt	\$139	\$154	-\$14	-10.3%	\$277	\$293	-\$16	-5.7%
Total Indirect Allocations & Debt	\$139	\$154	-\$14	-10.3%	\$277	\$293	-\$16	-5.7%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$1,207	\$1,078	\$129	10.7%	\$2,413	\$2,290	\$123	5.1%

# Governance - Continued

## Variance Analysis (in thousands of dollars)

Governance is operating a year-to-date surplus before indirect allocations of \$143 with a forecasted surplus of \$139 before indirect allocations for year end. The following factors have contributed to this surplus.

**Compensation** - The favourable year-to-date and forecasted variance of \$94 and \$90 are due to vacancies within the Chair's Office and deferred or declined salary increases.

**Administration** - The favourable year-to-date and forecasted variance of \$47 is due to lower than anticipated advertising and travel costs.

## 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

- Continued work on the Region's Official Plan
- Stabilized the composition of the NPCA Board of Directors
- Successfully passed the Region's 2019 operating and capital budget that provided more appropriate levels of funding for many critical programs, projects and services
- Approved the 2018 – 2022 Council Business Plan, including the organization's strategic priorities for the next four years
- Continued to support the successful delivery of the 2021 Canada Summer Games, including advocacy to senior levels of government
- Support the proposed long-term care campus model and redevelopment project
- Continued to provide active support for the expansion of GO train commuter service to Niagara Region
- Began work on the 2020 Regional budget that will ensure affordability for Niagara's tax payers while providing responsible funding for vital public services and infrastructure

## 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	\$3,121	\$1,906	\$1,216	38.9%	\$6,243	\$3,811	\$2,432	39.0%
Operational & Supply	\$114	\$0	\$114	100.0%	\$228	\$228	\$0	0.0%
Occupancy & Infrastructure	\$47	\$28	\$19	39.8%	\$95	\$98	-\$4	-4.0%
Partnership, Rebate, Exemption	\$9,718	\$6,218	\$3,499	36.0%	\$15,414	\$20,353	-\$4,939	-32.0%
Financial Expenditures	\$16,029	\$13,563	\$2,466	15.4%	\$66,273	\$66,644	-\$371	-0.6%
Total Expenses	\$29,030	\$21,716	\$7,314	25.2%	\$88,252	\$91,134	-\$2,882	-3.3%
Taxation	-\$173,974	-\$172,284	-\$1,690	-1.0%	-\$380,993	-\$383,302	\$2,309	0.6%
By-Law Charges & Sales	-\$27	-\$16	-\$11	-40.3%	-\$55	-\$33	-\$22	-40.3%
Other Revenue	-\$7,037	-\$7,167	\$130	1.9%	-\$15,771	-\$16,758	\$988	6.3%
Total Revenues	-\$181,038	-\$179,467	-\$1,571	-0.9%	-\$396,818	-\$400,093	\$3,275	0.8%
Intercompany Charges	-\$314	-\$293	-\$20	-6.4%	-\$367	-\$216	-\$151	-41.0%
Total Intercompany Charges	-\$314	-\$293	-\$20	-6.4%	-\$367	-\$216	-\$151	-41.0%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	-\$152,322	-\$158,045	\$5,723	3.8%	-\$308,933	-\$309,175	\$242	0.1%
Transfers From Funds	-\$5,174	-\$4,574	-\$600	-11.6%	-\$11,234	-\$11,234	\$0	0.0%
Transfers To Funds	\$20,065	\$20,060	\$4	0.0%	\$21,031	\$21,569	-\$539	-2.6%
Total Transfers	\$14,890	\$15,486	-\$596	-4.0%	\$9,797	\$10,335	-\$539	-5.5%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	-\$137,432	-\$142,559	\$5,127	-3.7%	-\$299,136	-\$298,840	-\$296	-0.1%
Indirect Allocations & Debt	-\$30,821	-\$30,821	\$0	0.0%	-\$71,200	-\$71,200	\$0	0.0%
Total Indirect Allocations & Debt	-\$30,821	-\$30,821	\$0	0.0%	-\$71,200	-\$71,200	\$0	0.0%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	-\$168,252	-\$173,380	\$5,127	3.0%	-\$370,336	-\$370,040	-\$296	-0.1%

# General Government - Continued

## Variance Analysis (in thousands of dollars)

General Government is operating at a year-to-date surplus before indirect allocations of \$5,127 and is forecasting an overall deficit before indirect allocations of \$296 at the end of the year due to the following factors:

**Administration** - The favourable year-to-date and forecasted variances of \$1,216 and \$2,432 are primarily due to a reduction in the estimated claims accrual related to insured, uninsured and construction contract claims against the Region. This favourable variance has been partially offset by actual claim payouts greater than budget, which are recorded in the ERMS operating statement.

**Operational and Supply** – The favourable year-to-date and forecasted variances of \$114 and \$0 relate to timing differences on expenditures incurred for the new Council’s strategic priorities.

**Partnership, Rebate, Exemption** - The favourable year-to-date variance of \$3,499 is mainly due to the timing of payments of Planning grants amounting to \$3,974 (Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG), and Public Realm Incentive Program (PRIP)) as well as \$302 relating to the Gateway tax increment grants. This is offset by unfavourable variances of \$604 in mandatory and non-mandatory exemptions as per the adopted Development Charges By-law 2017-88 in addition to \$150 in Commercial Vacancy Rebates.

The unfavourable forecasted variance of \$4,939 is primarily the result of \$4,917 in Development Charges exemptions as well as \$473 in Commercial Vacancy Rebates as a result of vacancies that have occurred in previous years that are not subject to the reduced rebate percentage, as approved by Council through CSD 3-2019 Vacancy Program Revisions to the Ministry of Finance. This is offset by savings of \$415 in Planning grants (SNIP, TIG and PRIP).

**Financial Expenditures** – The favourable year-to-date variance of \$2,466 is primarily due to timing differences of \$2,578 in tax write offs offset by unrealized foreign exchange losses on USD of \$119.

The unfavourable forecasted variance of \$371 is mainly due to tax write offs of \$259 and unrealized foreign exchange losses on USD of \$119.

**Taxation** – The unfavourable year-to-date variance of \$1,690 is due to \$593 in timing differences on the collection of payment-in-lieu of taxes (PIL) and \$1,098 in supplemental taxes accrued at the end of 2018 which were not received by June 30th. These supplemental taxes are forecasted to be collected by the end of the year.

The favourable forecasted variance of \$2,309 is due to forecasted increases in supplemental tax revenue attributable to growth.

**Other Revenue** – The favourable year-to-date and forecasted variances of \$130 and \$988 relates to investment income of \$31 and \$106 as well as favourable proceeds from billboard sign rentals, telecom tower rentals and VISA rebates of \$92 and \$185. Net proceeds from the sale of surplus properties is favourably forecasted at \$684 which is fully offset by transfers to the General Capital Levy reserve identified in transfers below.

**Intercompany Charges** – The unfavourable forecasted variance of \$151 is mainly due to a change in the budgeted funding source from provincial funding to capital variance (CV) project for the roof replacement at Peer Street, Niagara Falls. Provincial funding was expected to be received to fund this capital project, however the application for funding was denied after the budget was finalized. The roof replacement has been funded from surplus funds available from other completed capital projects (CV project).

**Transfers** – The unfavourable year-to-date variance of \$596 is due to timing differences on the transfer from reserve funds for Planning grants. The unfavourable forecasted variance of \$539 mainly relates to the transfer to reserve funds, from the sale of surplus properties to the General Capital Levy as identified above.

# General Government - Continued

## 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 Youth Retention Program, 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.

- Successfully funded 56 Capital projects for 2019 through a \$14 million reserve contribution to the Capital Levy reserve.
- Successfully funded 85 Capital projects with \$6.7 million of Development Charges reserves by utilizing a more streamlined and efficient funding process.
- Delivered grant programs partnering with the Local Area Municipalities and Non for Profit Organizations to promote culture, public realm and economic growth.
- Continued work to finalize the outcomes of the grants and incentives review resulting from the internal audit of current programs.
- Funding of \$0.2 million related to the ‘Connect to Innovate’ program which seeks to improve the digital infrastructure by bringing broadband internet to rural and remote communities across the Region.
- Funding of \$0.1 million to Niagara College for in support of the Region’s agri-business sector through targeted investments in new laboratories, specialized teaching and applied research infrastructure, and agri-business incubation space.
- Contribution of \$0.5 million towards activities involved in hosting the 2021 Canada Summer Games (CSG) which is expected to attract over 4,600 athletes across 17 sporting disciplines. In addition to welcoming over 30,000 visitors to the Region, the CSG is anticipated to generate an economic impact of \$200 million and 1,100 jobs for the Region.
- Successfully invested over \$110 million of Regional idle funds with an overall portfolio rate of 3.13%.
- Debentures successfully issued for \$63.4 million in the Capital markets at a rate of 2.371%, one of the lowest cost of borrowing achieved to date.

## 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	\$2,252	\$2,064	\$188	8.3%	\$4,507	\$4,237	\$270	6.0%
Administrative	\$1,099	\$418	\$680	61.9%	\$1,943	\$1,698	\$244	12.6%
Operational & Supply	\$8	\$2	\$7	79.3%	\$17	\$10	\$7	39.6%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$6	\$9	-\$3	-57.4%	\$12	\$16	-\$4	-32.9%
Partnership, Rebate, Exemption	\$414	\$520	-\$106	-25.5%	\$628	\$570	\$58	9.2%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Expenses	\$3,779	\$3,013	\$766	20.3%	\$7,106	\$6,532	\$574	8.1%
Federal & Provincial Grants	-\$100	-\$44	-\$56	-55.6%	-\$200	-\$74	-\$126	-62.8%
Other Revenue	\$0	-\$69	\$69	0.0%	\$0	-\$131	\$131	0.0%
Total Revenues	-\$100	-\$113	\$13	13.3%	-\$200	-\$205	\$5	2.5%
Intercompany Charges	\$6	\$4	\$2	28.7%	\$11	\$10	\$2	14.4%
Total Intercompany Charges	\$6	\$4	\$2	28.7%	\$11	\$10	\$2	14.4%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$3,685	\$2,904	\$781	21.2%	\$6,917	\$6,336	\$581	8.4%
Transfers From Funds	-\$421	-\$421	\$0	0.0%	-\$421	-\$421	\$0	0.0%
Transfers To Funds	\$0	\$13	-\$13	0.0%	\$0	\$0	\$0	0.0%
Total Transfers	-\$421	-\$408	-\$13	-3.0%	-\$421	-\$421	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$3,264	\$2,496	\$768	23.5%	\$6,496	\$5,915	\$581	8.9%
Indirect Allocations & Debt	-\$372	-\$404	\$32	8.7%	-\$761	-\$743	-\$17	-2.3%
Total Indirect Allocations & Debt	-\$372	-\$404	\$32	8.7%	-\$761	-\$743	-\$17	-2.3%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$2,892	\$2,092	\$800	27.7%	\$5,736	\$5,172	\$564	9.8%



# Corporate Administration - Continued

## Variance Analysis (in thousands of dollars)

Corporate Administration is operating a year-to-date surplus before indirect allocations of \$768 with a forecasted surplus of \$581 before indirect allocations for year end. The following factors have contributed to this surplus.

**Compensation** - The favourable year-to-date and forecasted variance of \$188 and \$270 is due to staffing vacancies throughout the divisions of Corporate Administration. The variance is lowered due to a seconded position at the Niagara District Airports, which is offset by increased revenues.

**Administration** - The favourable year-to-date and forecasted variance of \$680 and \$244 is due to timing of consulting expenditures related to trade and investment and strategic marketing; government relations activities; and internal project management work. The deferred spend is directly linked to the staffing vacancies throughout the department.

**Partnership, Rebate, Exemption** - The unfavourable year-to-date variance of \$106 is due to the timing of grant program awards and the forecasted favourable variance of \$58 is due to anticipated decreased grant funding issued by Economic Development.

**Federal & Provincial Grants** - The unfavourable year-to-date and forecasted variance of \$56 and \$126 is due to decreased funding available for Economic Development activities.

**Other Revenue** - The favourable year-to-date and forecasted variance of \$69 and \$131 is due to revenue received for an employee seconded to the Niagara District Airports.

## Community Impacts & Achievements

Corporate Administration includes the Chief Administrative Officer's Office, Internal Control & Organizational Performance and Strategic Communications & Public Affairs whose main focus is the general management/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.

### Strategic Communications and Public Affairs

Advanced corporate communications priorities and campaigns, including:

- Completed resident telephone survey and focus groups on communications preferences and customer engagement.
- Public engagement on Industrial and Commercial excess land policies
- Internal and external communications related to Alternative Service Delivery in long-term Care and affordable housing
- Public engagement for “Point in Time Count” to ensure excellent homelessness data
- Managing communications for inter-municipal transit and GO transit related project
- Provide ongoing communications support for Long-term Care redevelopment project including development of branding, public engagement, media opportunities, project external landing page and newsletter updates.
- Supporting Children’s Services through promotional materials such as benefits of licenced childcare, EarlyON Centres, tuition and child care financial support.
- Ongoing strategic communications support for Senior Services Community programming, including Adult Day and Niagara Gatekeepers program brochures, Respite care video and brand refresh.
- Provide communications support for transportation related infrastructure projects including the launch of new branding (Moving Roads Forward) and web components
- Provided support and advice regarding the engagement and roll out of the Region’s updated development charges program
- Provide ongoing communications support on Region’s Official Plan process, including the development of branding, media and public engagement strategy
- Provide ongoing support related to corporate-wide sustainability review
- Providing key support & counsel for 2 major Economic Development projects: 100-minutes of promotional videos, 4 new websites, branding and print products
- Ongoing communications support to Waste Management regarding collection delays including customer service messaging on social media feeds
- Collaborated with all departments to create a fulsome Council orientation package

## Corporate Administration - Continued

- Creation of sponsor kit which included a video for Niagara Children's Water Festival which generated \$27,750 in sponsorships. Coordinated media engagement and organized the main sponsor event

### Internal Control & Organizational Performance

- Made major progress towards the 2019 Internal Audit Plan; specifically: Homelessness Service Providers Contract Compliance Review, Waste Management Contract Compliance Audit (Phase 1 RFP Review), and Employee Benefits Audit. ICOP has provided recommendations to assist program staff to improve operations and their respective internal controls environments
- Designed a risk-based 2019 Annual Audit Plan and received approval from Audit Committee to proceed with eight new audit projects
- Completed the second and third phase of 'Shape Niagara' (a broad public engagement initiative to inform Council's strategic plan). Held a strategic planning workshop with Council on May 11, 2019 where Council identified their draft strategic priorities, and identified a new mission, vision and values statements. These were presented back in a report to Council on June 20, 2019 and approved unanimously
- Acting as project manager, ICOP worked with the Business Licensing division, successfully launched the Business Licensing & Enforcement program to the public effective June 4, 2019. ICOP was project manager for the transition of the business unit from NRPS back to Niagara Region until operationalized.
- Continued work as Project Manager for NRH Alternate Service Delivery project including developing a future state organizational structure, reporting to NRH Board of Directors and developing a business case for full integration to be presented to Regional Council on August 15, 2019
- Completed lean process reviews in 3 business areas: Court Services Administration (documentation), Niagara Specialized Transit (measuring performance) and Seniors Recruitment (capacity). Currently managing projects in multiple other business units to improve operations, identify efficiencies and/or reduce waste using Lean & Six Sigma methodology
- Continued work as Project Manager/Facilitator for Airport Project including a report to update Regional Council on April 18, 2019 and organizing/facilitating negotiations to build a business case to present back to Regional Council for approval in the fall
- The Project Management Office (PMO) delivered a PM methodology and toolkit to project managers across the organization based on best-in-class principles from global Project Management Institute. In addition, the PMO team was deployed to work on two major cross-functional projects: Bill 142 Compliance and NOTL W/WW Plant project documentation

### Economic Development

#### Project Updates/Accomplishments

- Niagara Economic Development entered into an MOU to become a referral partner in the Global Skills Strategy program which expedites the approval process for highly skilled foreign workers
- Issued an RFP for Niagara's Airports' Feasibility and Future Business Modelling.
- Niagara Gateway Information Centre Q1 2019: 6519 visitors to kiosk and 120 buses signed in with guests
- Agriculture Policy Brief developed and released in partnership with Niagara Community Observatory
- Annual Niagara Economic Update developed and presented to PEDC in May
- NFTZ seminars held in St. Catharines, May 29<sup>th</sup> and Niagara Falls, June 26<sup>th</sup>
- The second meeting of the NFTZ Taskforce was held on April 19<sup>th</sup>
- Meetings with overseas consulates (Poland, Hungary, Germany, Netherlands and British) in Toronto held in April
- Three Industrial Development Charge applications approved supporting \$3.4 million investment and 18 new jobs
- Participated in Niagara Region draft Employment Lands Strategy Background Report
- Total of 52 meetings held with potential investors: 12 in UK, 21 in Europe & 19 in US
- Launched the Niagara Economic Development e-newsletter in May
- Launched the Niagara Ambassador Program in May, 45 sign ups in first month
- Supported Public Work's Expression of Interest to the National Trade Corridors Fund

Enterprise Resource Mgmt. Serv. 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	\$4,987	\$4,485	\$501	10.1%	\$9,984	\$9,223	\$761	7.6%
Administrative	\$1,843	\$1,871	-\$28	-1.5%	\$3,548	\$4,542	-\$994	-28.0%
Operational & Supply	\$22	\$25	-\$3	-14.3%	\$42	\$56	-\$14	-34.2%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$4	-\$1	\$5	121.3%	\$8	\$8	\$0	5.4%
Financial Expenditures	\$0	\$5	-\$5	0.0%	\$0	\$5	-\$5	0.0%
Total Expenses	\$6,856	\$6,386	\$470	6.9%	\$13,583	\$13,834	-\$251	-1.9%
Federal & Provincial Grants	-\$34	-\$34	\$0	0.0%	-\$67	-\$67	\$0	0.0%
By-Law Charges & Sales	-\$5	-\$5	\$0	0.7%	-\$10	-\$5	-\$5	-49.7%
Other Revenue	-\$10	-\$40	\$30	299.4%	-\$20	-\$40	\$20	99.7%
Total Revenues	-\$49	-\$79	\$30	61.8%	-\$97	-\$112	\$15	15.4%
Intercompany Charges	\$11	\$10	\$1	9.6%	\$23	\$21	\$1	4.8%
Total Intercompany Charges	\$11	\$10	\$1	9.6%	\$23	\$21	\$1	4.8%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$6,819	\$6,318	\$501	7.4%	\$13,508	\$13,744	-\$235	-1.7%
Transfers From Funds	-\$580	-\$580	\$0	0.0%	-\$580	-\$580	\$0	0.0%
Transfers To Funds	\$0	\$290	-\$290	0.0%	\$0	\$94	-\$94	0.0%
Total Transfers	-\$580	-\$290	-\$290	50.0%	-\$580	-\$485	-\$94	-16.3%
Net Expenditure (Revenue) Before Indirect Allocations	\$6,239	\$6,028	\$211	3.4%	\$12,928	\$13,258	-\$330	-2.6%
Indirect Allocations & Debt	-\$6,234	-\$6,028	-\$206	-3.3%	-\$12,928	-\$13,258	\$330	2.6%
Total Indirect Allocations & Debt	-\$6,234	-\$6,028	-\$206	-3.3%	-\$12,928	-\$13,258	\$330	2.6%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$5	\$0	\$5	100.0%	\$0	\$0	\$0	N/A

# Enterprise Resource Management Services - Continued

## Variance Analysis (in thousands of dollars)

Enterprise Resource Management Services is operating a year-to-date surplus before indirect allocations of \$211 with a forecasted \$330 deficit, due to the following factors:

**Compensation** - The favourable year-to-date and forecasted variances of \$501 and \$761 respectively are due to temporary staffing vacancies in Financial Management and Planning, Procurement and Strategic Acquisitions, Legal Services and the Asset Management Office.

**Administration** - The unfavourable year-to-date and forecasted variances of \$28 and \$994 are due to higher than budgeted claim payouts offset by timing of corporate sustainability review expenses which were encumbered at 2018 year-end.

**Other Revenues** – The favourable year-to-date and forecasted variances of \$30 and \$20 are due to legal costs recovered related to claims management.

**Transfers** – The unfavourable year-to-date and forecasted variances of \$290 and \$94 relate to unspent reserve funding for the corporate sustainability review, which will be transferred back to reserves at year end.

## Community Impacts & Achievements

### Financial Management and Planning

- 2018 Financial Statement audit completed with unmodified opinion and no management letter points.
- Asset Management Plan governance strategy completed and approved by Council in January 2019.
- Public engagement completed for change in tax policy regarding proposed vacancy rebates and vacancy rebate changes subsequently approved by Council in January 2019.
- Successfully completed additional development charge training to the Local Area Municipalities including Planning, Building and Finance staff.
- Collaborated with Social Assistance and Employment Opportunities and the Regional Enterprise Resource Planning teams to create a SAMS daily load interface which greatly reduced time required to reconcile bank statements
- Supported major cross functional corporate initiatives such as Niagara Regional Housing Governance, Canada Summer Games, GO implementation, Airport study, impacts of Bill 108, and reporting on Provincial budget implications.

## 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	\$8,578	\$8,005	\$573	6.7%	\$17,212	\$17,167	\$44	0.3%
Administrative	\$1,990	\$1,772	\$218	11.0%	\$3,618	\$3,640	-\$22	-0.6%
Operational & Supply	\$161	\$154	\$7	4.4%	\$322	\$366	-\$44	-13.8%
Occupancy & Infrastructure	\$3,589	\$3,254	\$335	9.3%	\$7,223	\$6,715	\$508	7.0%
Equipment, Vehicles, Technology	\$1,251	\$1,309	-\$57	-4.6%	\$2,639	\$2,896	-\$257	-9.7%
Partnership, Rebate, Exemption	\$2	\$2	\$0	17.8%	\$5	\$4	\$0	8.9%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
<b>Total Expenses</b>	<b>\$15,571</b>	<b>\$14,495</b>	<b>\$1,076</b>	<b>6.9%</b>	<b>\$31,018</b>	<b>\$30,789</b>	<b>\$229</b>	<b>0.7%</b>
By-Law Charges & Sales	-\$472	-\$128	-\$343	-72.8%	-\$943	-\$263	-\$681	-72.2%
Other Revenue	-\$246	-\$343	\$97	39.3%	-\$492	-\$918	\$426	86.5%
<b>Total Revenues</b>	<b>-\$718</b>	<b>-\$471</b>	<b>-\$247</b>	<b>-34.4%</b>	<b>-\$1,436</b>	<b>-\$1,181</b>	<b>-\$255</b>	<b>-17.7%</b>
Intercompany Charges	\$141	\$87	\$54	38.2%	\$168	\$175	-\$7	-4.2%
<b>Total Intercompany Charges</b>	<b>\$141</b>	<b>\$87</b>	<b>\$54</b>	<b>38.2%</b>	<b>\$168</b>	<b>\$175</b>	<b>-\$7</b>	<b>-4.2%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$14,995</b>	<b>\$14,111</b>	<b>\$884</b>	<b>5.9%</b>	<b>\$29,750</b>	<b>\$29,783</b>	<b>-\$33</b>	<b>-0.1%</b>
Transfers From Funds	-\$314	-\$314	\$0	0.0%	-\$389	-\$389	\$0	0.0%
Transfers To Funds	\$0	\$29	-\$29	0.0%	\$0	\$0	\$0	0.0%
<b>Total Transfers</b>	<b>-\$314</b>	<b>-\$285</b>	<b>-\$29</b>	<b>-9.2%</b>	<b>-\$389</b>	<b>-\$389</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$14,681</b>	<b>\$13,826</b>	<b>\$855</b>	<b>5.8%</b>	<b>\$29,361</b>	<b>\$29,394</b>	<b>-\$33</b>	<b>-0.1%</b>
Indirect Allocations & Debt	-\$13,640	-\$12,893	-\$748	-5.5%	-\$27,578	-\$27,730	\$152	0.6%
<b>Total Indirect Allocations &amp; Debt</b>	<b>-\$13,640</b>	<b>-\$12,893</b>	<b>-\$748</b>	<b>-5.5%</b>	<b>-\$27,578</b>	<b>-\$27,730</b>	<b>\$152</b>	<b>0.6%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$1,041</b>	<b>\$934</b>	<b>\$107</b>	<b>10.3%</b>	<b>\$1,783</b>	<b>\$1,664</b>	<b>\$119</b>	<b>6.7%</b>



# Corporate Services - Continued

## Variance Analysis (in thousands of dollars)

Corporate Services is operating a year-to-date surplus before indirect allocations of \$855 with a forecasted \$33 deficit, due to the following factors:

**Compensation** – The favourable year-to-date and forecasted variances of \$573 and \$44 are due to vacancies in the General Manager’s Office, Human Resources, Clerks Administration, IT Solutions, Construction, Energy and Facilities Management and Business Licensing Admin partially offset by an unfavourable variance in labour relations.

**Administration** - The favourable year-to-date variance of \$218 is mainly due to lower than anticipated consulting services, partially offset by higher than anticipated external legal fees and payroll processing fees. The unfavourable forecasted variance of \$22 is mainly due to upgrading the payroll processing system, offset by lower than anticipated consulting services and training costs.

**Occupancy & Infrastructure** - The favourable year-to-date and forecasted variances of \$335 and \$508 are due to lower than anticipated costs for electricity and natural gas utilities as well as a reduction in property taxes on buildings with that have been repurposed for Regional department use.

**Equipment, Vehicles, Technology** - The unfavourable year-to-date and forecasted variances of \$57 and \$257 are due to an increase in software license costs and one-time cost of Business Licensing administration vehicles.

**Revenues** - The unfavourable year-to-date and forecasted variances of \$247 and \$255 are due primarily to the timing of business licensing fee revenue between the Region and the NRPS.

## Community Impacts & Achievements

### Business Licensing

- Responsibility for licensing, governance and enforcement of all business licenses was successfully transferred back to the Niagara Region from Niagara Regional Police on June 1, 2019.

### Construction, Energy and Facilities Management

- Ground breaking ceremony held on June 4, 2019 for the new 1 District Niagara Regional Police Station in St. Catharines.
- New Public Health building in Niagara Falls nearing substantial completion in August 2019.
- Approval of Energy Conservation and Demand Management Plan for Region on June 12, 2019.



## 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	\$50,204	\$50,770	-\$567	-1.1%	\$101,567	\$103,601	-\$2,034	-2.0%
Administrative	\$882	\$870	\$12	1.4%	\$1,617	\$1,736	-\$120	-7.4%
Operational & Supply	\$4,483	\$4,702	-\$219	-4.9%	\$8,951	\$9,319	-\$368	-4.1%
Occupancy & Infrastructure	\$1,896	\$1,651	\$245	12.9%	\$3,691	\$3,456	\$235	6.4%
Equipment, Vehicles, Technology	\$620	\$611	\$9	1.5%	\$1,158	\$1,205	-\$47	-4.0%
Community Assistance	\$83,194	\$80,222	\$2,972	3.6%	\$171,611	\$169,350	\$2,262	1.3%
Financial Expenditures	\$0	\$1	-\$1	0.0%	\$0	\$1	-\$1	0.0%
Total Expenses	\$141,278	\$138,827	\$2,452	1.7%	\$288,595	\$288,668	-\$73	0.0%
Federal & Provincial Grants	-\$110,303	-\$108,324	-\$1,979	-1.8%	-\$236,626	-\$234,785	-\$1,840	-0.8%
By-Law Charges & Sales	-\$1,765	-\$2,137	\$372	21.1%	-\$3,530	-\$4,188	\$658	18.6%
Other Revenue	-\$11,519	-\$11,976	\$458	4.0%	-\$23,038	-\$23,773	\$736	3.2%
Total Revenues	-\$123,587	-\$122,438	-\$1,149	-0.9%	-\$263,193	-\$262,747	-\$446	-0.2%
Intercompany Charges	\$314	\$350	-\$36	-11.4%	\$484	\$337	\$147	30.3%
Total Intercompany Charges	\$314	\$350	-\$36	-11.4%	\$484	\$337	\$147	30.3%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$18,005	\$16,739	\$1,267	7.0%	\$25,885	\$26,258	-\$373	-1.4%
Transfers From Funds	-\$36	-\$36	\$0	0.0%	-\$36	-\$36	\$0	0.0%
Transfers To Funds	\$914	\$914	\$0	0.0%	\$1,829	\$1,829	\$0	0.0%
Total Transfers	\$878	\$878	\$0	0.0%	\$1,793	\$1,793	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$18,884	\$17,617	\$1,267	6.7%	\$27,678	\$28,050	-\$373	-1.3%
Indirect Allocations & Debt	\$7,889	\$7,118	\$771	9.8%	\$16,151	\$15,899	\$252	1.6%
Total Indirect Allocations & Debt	\$7,889	\$7,118	\$771	9.8%	\$16,151	\$15,899	\$252	1.6%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$26,773	\$24,734	\$2,038	7.6%	\$43,829	\$43,949	-\$120	-0.3%

# Community Services - Continued

## Variance Analysis (in thousands of dollars)

Community Services' year-to-date operating surplus of \$1,267 is primarily the result of deferred spending as a result of delayed provincial funding announcements received in-year. Community Services is forecasting a year-end operating deficit before indirect allocations of \$373 (1.3 per cent of the net budget) primarily related to lower than anticipated ministry funding in Social Assistance & Employment Opportunities (SAEO). The following factors contribute to these variances:

**Compensation** - The unfavourable year-to-date and forecasted variances of \$567 and \$2,034 are primarily due to one to one staffing for residents with high intensity needs in long-term care (LTC) which are substantially funded by the Ministry (95%) (\$1,522) as well as an increase in directly operated childcare staff which is offset by an increase in parent fees (\$474).

**Administration** - The unfavourable forecasted variance of \$120 is primarily due to higher than anticipated expenditures associated with staff training in response to system level changes (clinical capacity building i.e. enhanced wound care, responsive behaviours and safety, LTC performance assessment i.e. level of care documentation)

**Operational & Supply** – The unfavourable year-to-date and forecasted variances of \$219 and \$368 are primarily due to higher than anticipated medical supplies and transportation expenditures for high intensity needs residents in LTC, which are substantially funded by the Ministry (95%).

**Occupancy & Infrastructure** – The favourable year-to-date and forecasted variances of \$245 and \$235 are primarily due to lower than anticipated utility costs at the LTC homes.

**Community Assistance** - The favourable year-to-date variance of \$2,972 is primarily due to: a lower than budgeted Ontario Works caseload resulting in a reduced number of benefit issuances fully funded by the Province (\$1,103); the timing of expansion funding payments to childcare providers (\$2,531); offset by the timing of employment and discretionary benefit issuances to social assistance recipients (\$601). The lower than budgeted Ontario Works (OW) benefit issuances are anticipated to continue to year-end resulting in a forecasted favourable variance of \$2,262.

**Federal & Provincial Grants** – The unfavourable forecasted variance of \$1,840 is primarily due to lower than budgeted Ministry funding reflective of the reduction in Community Assistance expenditures in SAEO and lower than anticipated OW program administration funding received from the Ministry, offset by a nominal increase to funding in Seniors Services and funding related specifically to HIN expenditures.

**By-Law Charges & Sales** - The favourable year-to-date and forecasted variances of \$372 and \$658 are primarily due to increase in childcare parent fees to offset the increase in staffing costs at the directly operated childcare centres.

**Other Revenue** - The favourable year-to-date and forecasted variances of \$458 and \$736 are primarily due to higher than anticipated provincially established accommodation fees within LTC.

## Community Impacts & Achievements

### Children Services

- Continuing to provide child care fee subsidy without a waitlist.
- Provide additional funding to service providers to sustain a local level expansion plan and ministry target of 584 and to maintain affordable rates for childcare.
- Five Community capital builds are progressing with 230 new spaces to be open by December 2020.

# Community Services - Continued

## Senior Services

- Annual satisfaction survey issued to residents and families showed an overall satisfaction rate of 95% which is consistent with the last three years.
- Niagara Region Long-Term Care homes have received Best Practices Spotlight Organization (BPSO) designation with the Registered Nurses Association of Ontario (RNAO). This designation is awarded to organizations who, upon successful application and completion of a competitive three-year program, leverage best practices, strive for continuous improvement and provide the highest level of care for residents.
- Through a holistic master plan and site design exercise, Seniors Services has finalized its proposed master plans to support Niagara Region’s vision of a long-term care home and campus in Fort Erie and St. Catharines. Each campus will provide outreach, wellness and long-term care services for an aging population, attract new investment and provide housing for families and long-time community members alike.

## Homelessness and Community Engagement

- Launched a youth shelter diversion pilot.
- Conducted a survey of vulnerable persons in downtown St. Catharines to better understand breadth of needs, to inform future outreach efforts.
- Application submitted to become a member of Built For Zero – Canada, subsequently successful.
- Supported the data gathering efforts of the Affordable Housing Steering Committee in partnership with CANCEA to better understand the depth of core housing need in Niagara.

## Social Assistance and Employment Opportunities

- OW caseload tracking less than the projected two per cent caseload increase.
- Number of new job starts are on track to meet and surpass 2019 targets; 866 new job starts captured year-to-date (2019 target - 1,350) with 576 unique local employers (2019 target – 650).
- Over 12,500 employment assessments have been completed with OW clients in BENN system which is designed to match clients with jobs and training.

## 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	\$39,811	\$40,169	-\$357	-0.9%	\$79,509	\$80,625	-\$1,116	-1.4%
Administrative	\$1,330	\$1,490	-\$160	-12.0%	\$2,309	\$2,582	-\$273	-11.8%
Operational & Supply	\$2,199	\$2,052	\$147	6.7%	\$4,150	\$4,123	\$28	0.7%
Occupancy & Infrastructure	\$334	\$323	\$11	3.2%	\$677	\$663	\$14	2.1%
Equipment, Vehicles, Technology	\$1,253	\$1,188	\$65	5.2%	\$2,442	\$2,629	-\$187	-7.7%
Community Assistance	\$0	\$2	-\$2	0.0%	\$0	-\$17	\$17	0.0%
Financial Expenditures	\$0	\$5	-\$5	0.0%	\$0	\$5	-\$5	0.0%
<b>Total Expenses</b>	<b>\$44,927</b>	<b>\$45,229</b>	<b>-\$302</b>	<b>-0.7%</b>	<b>\$89,088</b>	<b>\$90,610</b>	<b>-\$1,522</b>	<b>-1.7%</b>
Federal & Provincial Grants	-\$32,039	-\$31,200	-\$839	-2.6%	-\$63,627	-\$63,595	-\$33	-0.1%
By-Law Charges & Sales	-\$120	-\$89	-\$31	-25.5%	-\$240	-\$209	-\$31	-12.7%
Other Revenue	-\$149	-\$426	\$277	186.8%	-\$297	-\$829	\$532	179.3%
<b>Total Revenues</b>	<b>-\$32,307</b>	<b>-\$31,716</b>	<b>-\$592</b>	<b>-1.8%</b>	<b>-\$64,164</b>	<b>-\$64,633</b>	<b>\$469</b>	<b>0.7%</b>
Intercompany Charges	\$770	\$775	-\$5	-0.6%	\$1,540	\$1,545	-\$5	-0.3%
<b>Total Intercompany Charges</b>	<b>\$770</b>	<b>\$775</b>	<b>-\$5</b>	<b>-0.6%</b>	<b>\$1,540</b>	<b>\$1,545</b>	<b>-\$5</b>	<b>-0.3%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$13,390</b>	<b>\$14,288</b>	<b>-\$898</b>	<b>-6.7%</b>	<b>\$26,463</b>	<b>\$27,521</b>	<b>-\$1,058</b>	<b>-4.0%</b>
Transfers From Funds	-\$1,479	-\$1,479	\$0	0.0%	-\$1,641	-\$1,641	\$0	0.0%
Transfers To Funds	\$43	\$43	\$0	0.0%	\$85	\$85	\$0	0.0%
<b>Total Transfers</b>	<b>-\$1,436</b>	<b>-\$1,436</b>	<b>\$0</b>	<b>0.0%</b>	<b>-\$1,555</b>	<b>-\$1,555</b>	<b>\$0</b>	<b>0.0%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$11,954</b>	<b>\$12,852</b>	<b>-\$898</b>	<b>-7.5%</b>	<b>\$24,908</b>	<b>\$25,966</b>	<b>-\$1,058</b>	<b>-4.2%</b>
Indirect Allocations & Debt	\$6,137	\$5,987	\$149	2.4%	\$13,767	\$13,840	-\$73	-0.5%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$6,137</b>	<b>\$5,987</b>	<b>\$149</b>	<b>2.4%</b>	<b>\$13,767</b>	<b>\$13,840</b>	<b>-\$73</b>	<b>-0.5%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$18,091</b>	<b>\$18,839</b>	<b>-\$749</b>	<b>-4.1%</b>	<b>\$38,675</b>	<b>\$39,806</b>	<b>-\$1,131</b>	<b>-2.9%</b>

# Public Health & Emergency Services - Continued

## Variance Analysis (in thousands of dollars)

Public Health (PH) & Emergency Medical Services (EMS) is operating a year-to-date unfavourable variance before indirect allocations of \$898 with a forecasted unfavourable variance of \$1,058, due to the following factors:

**Compensation** – The unfavourable year-to-date and forecasted variances of \$357 and \$1,116 are primarily due to Workplace Safety Insurance Board (WSIB) costs in EMS (\$350 YTD, \$784 forecasted), and paramedic salaries (\$256 YTD, \$551 forecasted). These unfavourable variances are partially offset by temporary staffing vacancies within various PH programs, as well as in Other Revenues (described below) as the majority of the paramedic salary variance is for EMS service provided at the St. Catharines Consumption Treatment site on a cost recovery basis.

**Administrative** – The unfavourable year-to-date variance of \$160 is a result of external consultant costs for a one-time Business Intelligence initiative funded 100% by the Ministry of Health & Long Term Care (MOHLTC). The forecasted unfavourable variance at year-end increases to \$273 due to the redirecting of compensation related vacancy savings to increased consulting services costs relating to current strategic health initiatives as well as unanticipated workspace redesign costs, within the Medical and Organizational and Foundational Standards divisions of PH.

**Operational & Supply** - The favourable year-to-date and forecasted variances of \$147 and \$28 are primarily due to lower than anticipated PH by-law related product sales to the public (vaccines, contraception, etc.) and therefore fewer purchased goods for resale. The forecasted favourable variance is offset by lower related by-law sales.

**Equipment, Vehicles, Technology** – The forecasted unfavourable variance of \$187 is due primarily to furniture replacements in Mental Health (\$77) and the purchase of vaccine fridges in Clinical Services (\$85).

**Federal & Provincial Grants** – The unfavourable year-to-date variance of \$839 is due primarily to the timing of anticipated funding increases from the MOHLTC for Land Ambulance in EMS. This timing difference is expected to be eliminated by year-end once funding announcements for 2019 are made.

**By-Law Charges & Sales** – The unfavourable year-to-date and forecasted variances of \$31 and \$31 are the result of lower than anticipated PH by-law related product sales to the public (vaccines, contraception, etc.). This unfavourable variance is offset by lower Operational & Supply costs given reduced inventory required.

**Other Revenue** - The favourable year-to-date and forecasted variances of \$277 and \$532 are due mainly to unbudgeted revenue for EMS services provided at the St. Catharines Consumption Treatment site (\$160 YTD, \$415 forecasted).

## Community Impacts & Achievements

### Mandatory and Related Programs

- Vision screening completed in all regional schools for SK students in collaboration with Lions Club Volunteers.
- 26 community agencies have successfully on-boarded with the Ontario Naloxone Program and are training clients in the community on how to avoid, recognize and ultimately respond to an opioid overdose with free take home naloxone.
- Sexually transmitted infection (STI) Quick Screen testing offered by Sexual Health Outreach Nurses in collaboration with Brock University.
- Collaborated with Public Health Agency of Canada (PHAC) to secure funding for a Group A strep research study in marginalized populations that will inform public health intervention.
- Worked collaboratively with Niagara Health and West Lincoln hospitals to improve screening for risk to child development and appropriate follow-up – resulting in more than 95% uptake by families.

# Public Health & Emergency Services - Continued

## Mental Health

- Enhanced funding from the HNHB LHIN for Early Intervention in Psychosis.
- Enhanced capacity to our intake process to ensure our clients have access to the right service, at the right time, in the right place.
- Evaluation of outcomes for clients accessing Dialectical Behavioral Therapy and Prolonged Exposure treatment for trauma showed positive results.
- Trained staff on evidence-based treatments and protocols including suicide intervention, cognitive behavioural therapy, dialectical behaviour therapy and treatment for trauma.
- Collaboratively working across Public Health divisions to ensure messaging to our clients, staff and public is consistent and aligned with research.

## Emergency Services

- Phase 1 of the EMS system transformation has been operational for 12 months
- Year end 2018 resulted in 2.6% volume increase compared to 6.6% yearly average from 2011-2017.
- YTD 2019 (Q1 & 2) has experienced 0.22% in volume increase
- Despite the increase in volumes, overall reduction in number of patients transported to hospital.
- New clinical response plan to be launched in Q3 will decrease the number of ambulance lights and siren responses and also reduce the response volumes for municipal fire services.
- New secondary nurse triage system to go-live in Q3 to further reduce ambulance response for low acuity patients.
- All of this will increase ambulance availability and response time reliability of paramedics to care for the most critically ill patients.



## 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	\$7,950	\$7,143	\$807	10.2%	\$15,999	\$15,210	\$790	4.9%
Administrative	\$1,353	\$707	\$646	47.7%	\$2,606	\$2,946	-\$340	-13.0%
Operational & Supply	\$11,875	\$9,155	\$2,720	22.9%	\$22,809	\$22,606	\$203	0.9%
Occupancy & Infrastructure	\$458	\$273	\$184	40.3%	\$869	\$540	\$329	37.9%
Equipment, Vehicles, Technology	\$1,142	\$1,174	-\$32	-2.8%	\$2,283	\$2,417	-\$134	-5.9%
Community Assistance	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Partnership, Rebate, Exemption	\$183	-\$56	\$239	130.6%	\$367	\$308	\$58	15.9%
Financial Expenditures	\$0	-\$3	\$3	0.0%	\$0	-\$3	\$3	0.0%
<b>Total Expenses</b>	<b>\$22,961</b>	<b>\$18,393</b>	<b>\$4,568</b>	<b>19.9%</b>	<b>\$44,933</b>	<b>\$44,024</b>	<b>\$909</b>	<b>2.0%</b>
Federal & Provincial Grants	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
By-Law Charges & Sales	-\$2,665	-\$2,049	-\$616	-23.1%	-\$6,229	-\$5,628	-\$601	-9.6%
Other Revenue	-\$417	-\$233	-\$184	-44.2%	-\$834	-\$680	-\$155	-18.5%
<b>Total Revenues</b>	<b>-\$3,082</b>	<b>-\$2,282</b>	<b>-\$800</b>	<b>-26.0%</b>	<b>-\$7,064</b>	<b>-\$6,308</b>	<b>-\$756</b>	<b>-10.7%</b>
Intercompany Charges	-\$1,035	-\$892	-\$142	-13.8%	-\$2,069	-\$1,977	-\$92	-4.4%
<b>Total Intercompany Charges</b>	<b>-\$1,035</b>	<b>-\$892</b>	<b>-\$142</b>	<b>-13.8%</b>	<b>-\$2,069</b>	<b>-\$1,977</b>	<b>-\$92</b>	<b>-4.4%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$18,844</b>	<b>\$15,219</b>	<b>\$3,625</b>	<b>19.2%</b>	<b>\$35,800</b>	<b>\$35,739</b>	<b>\$61</b>	<b>0.2%</b>
Transfers From Funds	-\$2,610	-\$2,610	\$0	0.0%	-\$4,235	-\$4,235	\$0	0.0%
Transfers To Funds	\$2,179	\$2,179	\$0	0.0%	\$2,179	\$2,179	\$0	0.0%
Expense Allocations To Capital	-\$70	-\$40	-\$30	-43.5%	-\$140	-\$82	-\$58	-41.4%
<b>Total Transfers</b>	<b>-\$501</b>	<b>-\$470</b>	<b>-\$30</b>	<b>-6.1%</b>	<b>-\$2,196</b>	<b>-\$2,138</b>	<b>-\$58</b>	<b>-2.6%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$18,344</b>	<b>\$14,749</b>	<b>\$3,595</b>	<b>19.6%</b>	<b>\$33,604</b>	<b>\$33,601</b>	<b>\$3</b>	<b>0.0%</b>
Indirect Allocations & Debt	\$18,526	\$18,533	-\$7	0.0%	\$39,362	\$39,560	-\$197	-0.5%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$18,526</b>	<b>\$18,533</b>	<b>-\$7</b>	<b>0.0%</b>	<b>\$39,362</b>	<b>\$39,560</b>	<b>-\$197</b>	<b>-0.5%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$36,870</b>	<b>\$33,282</b>	<b>\$3,588</b>	<b>9.7%</b>	<b>\$72,966</b>	<b>\$73,161</b>	<b>-\$194</b>	<b>-0.3%</b>

# Public Works Transportation - Continued

## Variance Analysis (in thousands of dollars)

Public Works Levy is operating a year-to-date surplus before indirect allocations of \$3,595, and forecasting to come in on budget for year-end, due to the following factors:

**Compensation** – The favourable year-to-date and forecasted variances of \$807 and \$790 are primarily due to delays in filling vacant positions and decreased overtime costs.

**Administration** – The favourable year-to-date variance of \$646 is primarily due to timing differences in consulting (\$463) and other professional services. The unfavourable forecasted variance of \$340 is directly associated with increased consulting services in Transportation Engineering and Transportation Planning expected to occur in second half of the year.

**Operational & Supply** – The favourable year-to-date variance of \$2,720 is due to timing differences related to rollout of increased Niagara Regional Transit (NRT) services expected to occur in second half of year (\$1,434), hired equipment (\$797), signal maintenance, sign and pavement marking material (\$307) and other program specific supplies and material (\$182). The favourable forecasted variance of \$203 is primarily due to savings in NRT services (\$250).

**Occupancy & Infrastructure** – The favourable year-to-date and forecasted variances of \$184 and \$329 are primarily due to lower than expected electricity costs related to delay in rollout of the Street Lighting program (\$230 and \$375, respectively).

**Equipment, Vehicles, Technology** – The unfavourable year-to-date and forecasted variances of \$32 and \$134 are due to higher than expected vehicle repairs on aging fleet vehicles offset by lower than expected fuel prices.

**Partnership, Rebate, Exemption** – The favourable year-to-date variance of \$239 is a result of timing differences related to external grant funding. The favourable forecasted variance is due to a reduction in grant funding to the city of Niagara Falls for Computer Aided Dispatch / Automated Vehicle Location (CAD/AVL) systems for the existing NRT fleet (\$58).

**By-Law Charges & Sales Costs** – The unfavourable year-to-date and forecasted variances of \$616 and \$601 are largely due to: lower than expected signal maintenance and signs revenues (\$403 and \$476 respectively), reduced NRT fare revenue on fewer trips (\$204 and \$149 respectively) and timing differences associated with various by-law charges and other sales.

**Other Revenue** – The unfavourable year-to-date and forecasted variances of \$184 and \$155 are primarily due to lower than expected development charges related to delays in consulting assignments that are development charge eligible.

## 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, 34.6 lane kms of roadways will be resurfaced or reconstructed in 2019 through annual Hot Mix Program-Phases I and II. To date, the Region’s Transportation Operations division has applied 10,690 tonnes of salt on regional roads as part of our winter maintenance program, 1,156 trees were removed as part of the Emerald Ash Borer tree removal program and 108 culverts have been repaired or replaced in 2019.

Martindale Road reconstruction (Phase 2) led by Transportation Services has commenced. This is the second phase of a two-phase program that will complete improvements on Martindale Road from the QEW to Fourth Avenue, including new signals, signal upgrades, illumination upgrades and geometric improvements. Active transportation has been an important part of this program as the Martindale Road corridor is a highly utilized active transportation route.

Reece Bridge reconstruction led by Transportation Services is a bridge reconstruction/re-alignment. This project will address severe horizontal alignment issues north and south

## Public Works Transportation - Continued

of the bridge structure. Staff have taken a progressive approach of selecting an alignment that provides an added level of safety when crossing the structure as well as providing construction benefits. The new alignment allows for complete construction in its final location, which maintains traffic on Regional Road 69. This innovative approach has allowed for a smooth construction process along with the long-term benefits of alignment improvements. The project is on track to be completed in September, three months ahead of schedule.

- Other achievements include:
  - Successful completion of the Hot Mix Phase 1 contract
  - Successful tender award of Montrose Road from McLeod to Charnwood
  - Successful conversion to two way traffic in downtown St. Catharines
  - Successful award and commencement of the 2019 Crack Sealing program
- Ongoing strategic projects out of the Transportation Master Plan (TMP) are underway such as the Casablanca Boulevard Environmental Assessment (EA), the St. Paul Street Bridge EA, the Thorold Stone Road Extension and Bridge Street EAs, that will help support efficient traffic, active transportation and GO Initiatives.
- Working towards implementation of Safety Initiatives towards Vision Zero, such as Red Light Cameras, Community Safety Zones and Automated Speed Enforcement in 2019.
- Weekday GO Train service started in January 2019, four years in advance of projected opening day, with one a.m. and one p.m. stop in St. Catharines and Niagara Falls.
- GO Rail Stations:
  - Niagara Falls and St. Catharines: Metrolinx initiated the station design work with the GO Implementation Office coordinating inputs from Local and Regional staff. An MOU for creation of a new local road connecting station to Ridley Rd is approved, and the right of way incorporated in the design. Niagara Falls, in coordination with the Region, has submitted an application for ICIP (Investing in Canada Infrastructure Program) funding to establish a transit hub at the station.
  - Grimsby: Following new direction from Metrolinx on funding of future stations based on market driven Transit Oriented Development (TOD) approach, options are being developed for potentially advancing the Grimsby station under an alternative delivery model.
- Transit Governance framework: critical studies related to transit governance are underway, including the specialized transit study and the transit governance study. The latter will develop a business case for selecting a consolidated transit model, with a decision point expected in Q2 2020.
- Since the unanimous approval of the Transit Memorandum of Understanding between Niagara Region, Niagara Falls, St. Catharines and Welland in December 2017, work is progressing rapidly towards implementation of recommendations in the Niagara Transit Service Delivery and Governance Strategy, 2017, including:
  - Three-year NRT Operating Agreement;
  - Customer service and operational improvements to integrate the rider experience such as uniform transit customer service policies, universal support person pass, and common trip planning app;
  - Development of fare harmonization strategy, upload of link routes and ongoing development of West Niagara transit opportunities.
- Completed the consolidation of the remaining duplicate routes and renegotiated U-Pass agreements to improve transit services.
- Renegotiation of an extension of the NST Service Delivery Agreement has resulted in a favourable change in cost per trip. This combined with a fixed cap on service delivery levels has stabilized the budget and provided consistency to the service.

## 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	\$2,836	\$2,485	\$352	12.4%	\$5,673	\$5,118	\$556	9.8%
Administrative	\$1,413	\$379	\$1,034	73.2%	\$2,261	\$2,330	-\$69	-3.0%
Operational & Supply	\$12	\$5	\$6	55.4%	\$23	\$20	\$4	15.8%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$18	\$35	-\$16	-89.9%	\$36	\$39	-\$2	-6.4%
Partnership, Rebate, Exemption	\$75	\$34	\$41	54.4%	\$120	\$124	-\$4	-3.5%
Total Expenses	\$4,354	\$2,938	\$1,416	32.5%	\$8,114	\$7,630	\$484	6.0%
By-Law Charges & Sales	-\$870	-\$645	-\$225	-25.9%	-\$1,740	-\$1,440	-\$300	-17.2%
Other Revenue	-\$568	-\$210	-\$358	-63.1%	-\$1,136	-\$1,129	-\$7	-0.6%
Total Revenues	-\$1,438	-\$854	-\$583	-40.6%	-\$2,876	-\$2,569	-\$307	-10.7%
Intercompany Charges	-\$247	-\$247	-\$1	-0.3%	-\$494	-\$456	-\$38	-7.7%
Total Intercompany Charges	-\$247	-\$247	-\$1	-0.3%	-\$494	-\$456	-\$38	-7.7%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$2,669	\$1,837	\$832	31.2%	\$4,744	\$4,605	\$139	2.9%
Transfers From Funds	-\$1,882	-\$1,882	\$0	0.0%	-\$1,882	-\$1,882	\$0	0.0%
Total Transfers	-\$1,882	-\$1,882	\$0	0.0%	-\$1,882	-\$1,882	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$786	-\$46	\$832	105.8%	\$2,862	\$2,722	\$139	4.9%
Indirect Allocations & Debt	\$1,057	\$982	\$75	7.1%	\$1,539	\$1,489	\$50	3.3%
Total Indirect Allocations & Debt	\$1,057	\$982	\$75	7.1%	\$1,539	\$1,489	\$50	3.3%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$1,843	\$937	\$907	49.2%	\$4,400	\$4,211	\$189	4.3%

# Planning & Development - Continued

## Variance Analysis (in thousands of dollars)

Planning and Development is operating a year-to-date surplus before indirect allocations of \$832 with a forecasted surplus of \$139 before indirect allocations for year end. The following factors have contributed to this surplus.

**Compensation** - The favourable year-to-date and forecasted variance of \$352 and \$556 is due to vacancies and difficulty recruiting senior professional positions.

**Administration** - The favourable year-to-date variance of \$1,034 is due to the timing of consulting expenditures involving the new Regional official plan and one-time consulting spends to develop stormwater management and hydrogeological study guidelines. The unfavourable forecasted variance of \$69 is due to the ongoing outsourcing of the tree by-law enforcement which is offset by a compensation surplus.

**Partnership, Rebate, Exemption** - The favourable year-to-date variance of \$41 is due to timing of grant awards. The unfavourable forecasted variance of \$4 is due to timing of the completion of the 2018 Niagara in Culture program.

**Revenue** - The unfavourable year-to-date and forecasted variance of \$583 and \$307 is due to a lower transfer of development charge revenue, which is matched to expenditures to partially fund the Official Plan and lower than anticipated application volumes within development planning.

## Community Impacts & Achievements

Planning & Development provides land use planning and development review including natural heritage, 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

The "Niagara 2041" growth strategy involves the following primary components:

- The Transportation Master Plan (TMP) and Water and Wastewater Master Servicing Plan (MSP), and the Municipal Comprehensive Review (MCR), which are complete.
- Initiated Regional Official Plan (ROP) attending all local councils and establishing frameworks, background studies and policy development.
- Supported full audit preparation for the grant and incentives review while continuing to deliver programs, future direction from Council will be required.

### Other Initiatives

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

- Finalized GO Hub and Transit Stations Study, Expedited Process for Development, Global Attractiveness, Facilitating Development Solutions and Grant and Incentive Programs

Growing Niagara

- District & Secondary Plans: Brock Plan in implementation, Glendale Plan initiated and Prudhommes Plan complete
- Providing assistance with development of the Master Community Plan for Smithville
- Supporting major development initiatives and alignment with growth infrastructure

Building Great Communities - Urban Design (Public Realm Investment Program)

- Regional facilities and streetscapes in core areas
- Providing assistance to several communities with urban design solutions

Supporting Local Communities, Fostering Great Development

- 74% increase in development application revenues between 2015-2018
- 29% increase in pre-consultations between 2015-2018
- 95% of applications satisfied review timeline targets in 2018
- Updating Memorandum of Understanding with our Local Area Municipalities and the Niagara Peninsula Conservation Authority
- Leading Environmental Planning review function



## 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	\$1,012	\$804	\$208	20.5%	\$2,039	\$1,673	\$366	18.0%
Administrative	\$919	\$874	\$45	4.9%	\$1,834	\$1,795	\$39	2.1%
Operational & Supply	\$464	\$821	-\$357	-77.0%	\$929	\$1,319	-\$391	-42.1%
Equipment, Vehicles, Technology	\$0	\$0	\$0	N/A	\$1	\$0	\$0	23.9%
Financial Expenditures	\$54	\$135	-\$81	-149.9%	\$108	\$189	-\$81	-75.0%
Total Expenses	\$2,448	\$2,633	-\$185	-7.6%	\$4,910	\$4,976	-\$66	-1.3%
By-Law Charges & Sales	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Other Revenue	-\$3,370	-\$3,711	\$341	10.1%	-\$6,740	-\$7,131	\$391	5.8%
Total Revenues	-\$3,370	-\$3,711	\$341	10.1%	-\$6,740	-\$7,131	\$391	5.8%
Intercompany Charges	-\$5	-\$2	-\$3	-64.2%	-\$9	-\$6	-\$3	-32.1%
Total Intercompany Charges	-\$5	-\$2	-\$3	-64.2%	-\$9	-\$6	-\$3	-32.1%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	-\$926	-\$1,080	\$153	16.6%	-\$1,839	-\$2,161	\$322	17.5%
Total Transfers			\$0	0.0%		\$0	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	-\$926	-\$1,080	\$153	16.6%	-\$1,839	-\$2,161	\$322	17.5%
Indirect Allocations & Debt	\$446	\$445	\$1	0.1%	\$1,234	\$1,194	\$40	3.3%
Total Indirect Allocations & Debt	\$446	\$445	\$1	0.1%	\$1,234	\$1,194	\$40	3.3%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	-\$481	-\$635	\$154	32.0%	-\$605	-\$968	\$363	60.0%



# Court Services - Continued

## Variance Analysis (in thousands of dollars)

Court Services is operating at a year-to-date surplus before indirect allocations of \$153 with a forecasted surplus of \$322 due to the following factors:

**Distribution to Local Area Municipalities** - The total year distribution to local area municipalities and Region is forecasted to be \$968 each, due in part to an increase in collection enforcement activity and fine payments received, as well as savings due to vacancy management. First and second quarter payments have been distributed based on the budgeted allocations. If the forecasted increases are realized at year-end, they will be distributed to local area municipalities in Q1 2020.

**Compensation** - The favourable year-to-date and forecasted variances of \$208 and \$366 are due to vacancy management.

**Operational & Supply** - The unfavourable year-to-date and forecasted variances of \$357 and \$391 are mainly due to the estimated increase in the net revenue distribution payment to the local area municipalities reflective of the overall net revenue for the year being more than budgeted.

**Financial Expenditures** – The unfavourable year-to-date and forecasted variance of \$81 is a result of higher collection charges paid to third party collection agencies as a result of increased delinquent fines recovered in the first half of the year.

**Other Revenue** - The favourable year-to-date and forecasted variances of \$341 and \$391 are due to an increase in collection enforcement activity and larger fine payments received in the first half of the year.

## 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.

- The Prosecution team organized and presented a training session to the enforcement members at the Local Area Municipalities (LAMs). The session served as an informative event, providing information on how to prepare a file for trial, as well as a networking opportunity. The Prosecution team has also implemented a pre-consultation service with the LAMs, assisting with inquiries on a file prior to it appearing in Court.
- Court Services continues to leverage technology with our law enforcement agencies through e-ticketing. In tracking the filing of e-tickets by Niagara Regional Police compared to paper tickets, on average in the first half of the 2019, 95% of tickets issued were e-tickets. Court Services will continue to work with other law enforcement agencies to implement e-ticketing.
- Court Services is undergoing an internal strategic review to ensure that we are continually improving the access to justice services we provide. We are working closely with the LAMs and other stakeholders to ensure our two year strategic plan provides organizational excellence and exceptional service delivery, as well as internal process improvements through an engaged and empowered workforce.
- Court Services is working through vacancy management, but is utilizing this time to provide internal employees with acting positions to ensure that growth opportunities are provided to increase skills and exposure within Court Services.
- Court Services engaged with the City of Niagara Falls to add outstanding or delinquent fines to the tax roll. At present, all LAMs are participants of this initiative, which is a collaboration between the Niagara Region and the LAMs, and derives additional net revenue distributions for each.
- Court Services successfully prepared a report to Council to close the St. Catharines Courthouse, allowing for all Court matters to be streamlined to the Welland Courthouse as of October 31, 2019. The consolidation has been consistently supported by the primary stakeholders, including enforcement agencies and the Local Administrative Justice of the Peace. As a result of the concentration of judicial and administrative services, there will be an improved level of service to the public as well as a benefit to Court Services from operational efficiencies. Court Services is working closely with other departments in the Region to ensure a seamless transition.

## 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	\$2,532	\$2,517	\$15	0.6%	\$5,105	\$5,041	\$64	1.3%
Administrative	\$611	\$337	\$274	44.9%	\$938	\$923	\$16	1.7%
Operational & Supply	\$1,241	\$43	\$1,198	96.5%	\$1,289	\$370	\$919	71.3%
Occupancy & Infrastructure	\$7,302	\$7,660	-\$358	-4.9%	\$14,613	\$14,658	-\$45	-0.3%
Equipment, Vehicles, Technology	\$210	\$122	\$89	42.1%	\$337	\$363	-\$26	-7.6%
Community Assistance	\$15,790	\$14,188	\$1,602	10.1%	\$31,679	\$29,664	\$2,015	6.4%
Financial Expenditures	\$1,112	\$1,094	\$18	1.6%	\$2,225	\$2,230	-\$5	-0.2%
<b>Total Expenses</b>	<b>\$28,798</b>	<b>\$25,961</b>	<b>\$2,837</b>	<b>9.9%</b>	<b>\$56,186</b>	<b>\$53,249</b>	<b>\$2,937</b>	<b>5.2%</b>
Federal & Provincial Grants	-\$6,890	-\$6,218	-\$672	-9.8%	-\$13,781	-\$13,120	-\$660	-4.8%
Other Revenue	-\$7,607	-\$7,764	\$156	2.1%	-\$15,324	-\$15,636	\$312	2.0%
<b>Total Revenues</b>	<b>-\$14,498</b>	<b>-\$13,982</b>	<b>-\$516</b>	<b>-3.6%</b>	<b>-\$29,105</b>	<b>-\$28,757</b>	<b>-\$348</b>	<b>-1.2%</b>
Intercompany Charges	\$29	\$30	-\$1	-4.2%	\$58	\$59	-\$1	-2.1%
<b>Total Intercompany Charges</b>	<b>\$29</b>	<b>\$30</b>	<b>-\$1</b>	<b>-4.2%</b>	<b>\$58</b>	<b>\$59</b>	<b>-\$1</b>	<b>-2.1%</b>
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	<b>\$14,329</b>	<b>\$12,009</b>	<b>\$2,321</b>	<b>16.2%</b>	<b>\$27,139</b>	<b>\$24,552</b>	<b>\$2,588</b>	<b>9.5%</b>
Transfers From Funds	-\$1,600	-\$376	-\$1,224	-76.5%	-\$1,606	-\$1,582	-\$24	-1.5%
Transfers To Funds	\$1,128	\$1,128	\$0	0.0%	\$2,256	\$3,156	-\$900	-39.9%
<b>Total Transfers</b>	<b>-\$472</b>	<b>\$752</b>	<b>-\$1,224</b>	<b>-259.2%</b>	<b>\$650</b>	<b>\$1,574</b>	<b>-\$924</b>	<b>-142.3%</b>
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	<b>\$13,857</b>	<b>\$12,761</b>	<b>\$1,096</b>	<b>7.9%</b>	<b>\$27,789</b>	<b>\$26,125</b>	<b>\$1,664</b>	<b>6.0%</b>
Indirect Allocations & Debt	\$1,916	\$1,863	\$52	2.7%	\$7,616	\$7,544	\$72	0.9%
<b>Total Indirect Allocations &amp; Debt</b>	<b>\$1,916</b>	<b>\$1,863</b>	<b>\$52</b>	<b>2.7%</b>	<b>\$7,616</b>	<b>\$7,544</b>	<b>\$72</b>	<b>0.9%</b>
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	<b>\$15,773</b>	<b>\$14,624</b>	<b>\$1,149</b>	<b>7.3%</b>	<b>\$35,405</b>	<b>\$33,670</b>	<b>\$1,735</b>	<b>4.9%</b>

# Niagara Regional Housing - Continued

## Variance Analysis (in thousands of dollars)

Niagara Regional Housing (NRH) is operating a favourable year-to-date and forecasted surplus before indirect allocations of \$1,096 and \$1,663. The year-to-date and forecasted surplus is due to the following factors:

**Administration** - The favourable year-to-date variance of \$274 is due to the timing of executive-office initiatives and building condition assessments for housing providers which was encumbered into the 2019 budget and expected to be completed by year-end.

**Operational & Supply** – The favourable year-to-date and forecasted variance of \$1,198 and \$919 is due to the inclusion of the 2018 year end surplus transfer of \$1,224 into the 2019 budget, with Council direction that it be utilized for new housing, new social housing and new community services housing initiatives. This budget has been identified as a partial funding source for a multi-residential build in Niagara Falls and is subject to 2020 budget approval. The favourable variance is offset in transfers as described below.

**Occupancy & Infrastructure** - The unfavourable year-to-date variance of \$358 is due to higher than budgeted utility costs in the first half of the year due to natural gas consumption in the winter months; preventative maintenance not included in the budget; and higher than budgeted ground maintenance due to snow removal in the first half of the year. The unfavourable forecasted variance of \$45 is a result of preventative maintenance not included in budget.

**Equipment, Vehicles, Technology** - The favourable year-to-date variance of \$89 is due to timing of housing provider software implementation, offset by higher than budgeted appliance repair and replacement costs in NRH-owned units. Phased completion of the software implementation expected in Q4 2019 in addition to the timing of appliance replacement costs continue to drive an unfavourable forecasted variance of \$26.

**Community Assistance** - The favourable year-to-date and forecasted variance of \$1,602 and \$2,015 are due to lower than budgeted subsidy payments to non-profit and co-op providers, in addition to the timing of spending for Ministry-funded programs. This variance is partially offset by the Federal & Provincial Grants as revenue is deferred to align with timing of Ministry-funded programs and related administrative costs.

**Federal & Provincial Grants** - The unfavourable year-to-date and forecasted variance of \$672 and \$660 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 year-to-date and forecasted variance of \$156 and \$312 is due to higher than budgeted investment income as a result of the timing of transfers between Region and NRH bank accounts and rental revenues for NRH-owned units.

**Transfers** – The unfavourable year-to-date variance of \$1,224 is a result of the timing of the transfer from reserve related to the 2018 year-end surplus to the NRH 2019 budget for to new housing, new social housing and community services housing initiatives. The unfavourable forecasted variance of \$924 primarily relates to the portion of the 2018 surplus transfer that is being transferred to reserves to partially fund a new multi-residential build in Niagara Falls, subject to 2020 budget approval. These variances are offset by the favourable variance in operational and supply above.

## 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 2019 include:

- *New Units:*
  - Completion and occupancy of the \$15.8 million, 85-unit Carlton Street development, addressing the need for affordable rental units in St. Catharines.
  - Construction continues on the 2018 Multi-residential intensification in Welland on Roach Street increasing by 8 net new owned units ready for occupancy in October 2019
  - Purchased two buildings in Thorold for intensification increasing owned units by 6 with an additional 4-5 to be constructed

## Niagara Regional Housing - Continued

- *Home Repairs* – NRH received \$600,000 through the Investment in Affordable Housing-Extension (IAH-E) program for homeowner and secondary suite repairs and \$311,015 for multi-unit repairs, totaling \$911,015 for the 2019/2020 period. As of June 30, 2019, 35 homeowners had been approved for funding.
- *Homeownership* – NRH received \$180,000 through the Investment in Affordable Housing-Extension (IAH-E) program for the 2019/2020 period. As of June 30, 2019, down payment assistance was provided to 4 households to help purchase their first home.
- *Help For Survivors Of Domestic Violence* – Continue accepting applications for recommendation to the Province to provide Portable Rent Benefits and prevent at-risk households from unsafe situations or the move to shelters
- *Addressed Homeless* – Ongoing partnership with Community Services through the Housing First program to move those experiencing homelessness to their own homes with appropriate supports
- *Rent Supplement* - Advertisements for new rent supplement agreements in order to expand units available with subsidies in private buildings
- *Housing Providers:*
  - Semiannual provider forums to ensure continued engagement of housing providers
  - Provider Advisory Committee gathers regularly for consultation
  - NRH is working with service managers across the province to advocate for a funding solution that will ensure providers remain viable due to end of mortgages
  - Introduced Pilot Community Programs Coordinator to assist Housing Providers with eviction prevention
- *Improved Public Housing (NRH-owned) communities*
  - Partner with more than 40 agencies across Niagara to link vulnerable tenants with appropriate supports and provide community programs to build better communities
  - Began a new Social Enterprise Pilot with Niagara Resource Service for Youth (“RAFT”) to train at-risk youth to complete work needed for unit turnovers in NRH communities. This is the fourth NRH-RAFT partnership which employs tenants and RAFT youth in NRH communities.

## 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	\$74,452	\$73,213	\$1,239	1.7%	\$150,626	\$150,055	\$571	0.4%
Administrative	\$1,934	\$2,060	-\$126	-6.5%	\$3,860	\$3,922	-\$63	-1.6%
Operational & Supply	\$1,125	\$1,061	\$64	5.7%	\$2,251	\$2,286	-\$35	-1.6%
Occupancy & Infrastructure	\$149	\$132	\$17	11.2%	\$298	\$298	\$0	0.0%
Equipment, Vehicles, Technology	\$3,207	\$3,185	\$21	0.7%	\$6,414	\$6,539	-\$125	-2.0%
Financial Expenditures	\$2	\$2	-\$1	-38.2%	\$4	\$5	-\$1	-39.9%
Total Expenses	\$80,869	\$79,653	\$1,215	1.5%	\$163,453	\$163,105	\$347	0.2%
Federal & Provincial Grants	-\$5,004	-\$4,882	-\$122	-2.4%	-\$10,008	-\$9,651	-\$357	-3.6%
By-Law Charges & Sales	-\$3,475	-\$3,319	-\$156	-4.5%	-\$6,538	-\$6,539	\$1	0.0%
Other Revenue	-\$1,023	-\$1,202	\$179	17.5%	-\$2,046	-\$2,258	\$212	10.4%
Total Revenues	-\$9,502	-\$9,403	-\$99	-1.0%	-\$18,592	-\$18,448	-\$144	-0.8%
Intercompany Charges	-\$648	-\$714	\$66	10.1%	-\$1,297	-\$1,363	\$66	5.1%
Total Intercompany Charges	-\$648	-\$714	\$66	10.1%	-\$1,297	-\$1,363	\$66	5.1%
<b>Net Expenditure (Revenue) Before Transfers &amp; Indirect Allocations</b>	\$70,718	\$69,537	\$1,182	1.7%	\$143,564	\$143,295	\$269	0.2%
Transfers To Funds	\$1,575	\$1,575	\$0	0.0%	\$3,150	\$3,150	\$0	0.0%
Total Transfers	\$1,575	\$1,575	\$0	0.0%	\$3,150	\$3,150	\$0	0.0%
<b>Net Expenditure (Revenue) Before Indirect Allocations</b>	\$72,293	\$71,112	\$1,182	1.6%	\$146,714	\$146,445	\$269	0.2%
Indirect Allocations & Debt	\$5,848	\$6,072	-\$224	-3.8%	\$14,814	\$15,521	-\$708	-4.8%
Total Indirect Allocations & Debt	\$5,848	\$6,072	-\$224	-3.8%	\$14,814	\$15,521	-\$708	-4.8%
<b>Net Expenditure (Revenue) After Transfers &amp; Indirect Allocations</b>	\$78,141	\$77,183	\$958	1.2%	\$161,528	\$161,966	-\$438	-0.3%



# Niagara Regional Police Services - Continued

## Variance Analysis (in thousands of dollars)

For the period ending June 30 2019, the Service's financial result was a gross expenditure surplus of \$1,182. The Service is forecasting a \$269 surplus position before indirect allocation by end of this fiscal year. The forecast includes changes to Provincial grant applications which will result in a funding shortfall of \$357 for the 2019 year; however the Service is currently forecasting savings within Personnel Costs which may mitigate the impact.

**Compensation** – At June 30, 2019, there was a favourable variance in \$1,239 Personnel Costs (representing 1.5% of the total Personnel budget), which is primarily due to favourable benefit premium costs and savings in uniform salaries due to a lag in filling vacant positions from retirements; offset by increased pay-out for sick leave resulting from greater than budgeted retirements.

Despite this favorable position at year-to-date, the Service is forecasting personnel costs to be under budget by \$571 by year end. The forecast is based on the continued favorable trend in employee benefit premium costs and claims experience offset by the increase to sick leave payments. Although the Service is currently experiencing a favorable trend to uniform salaries, the forecast is anticipating an increased spending in overtime during the summer period due to staffing vacancies.

**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 June 30, 2019, the Other Operational Expenditures resulted in a balanced budget position. This is mainly due to savings to fuel as a result of the lower than budgeted fuel rate during the first half of the year. Other savings in operational supplies is the result of timing between the planned and actual purchase of supplies.

The Service is forecasting other supply accounts due to result in a slight deficit of \$52 by year end.

**Recoveries & Revenues** – For the period ending June 30, 2019, Gross Revenues and Recoveries were \$29 above budget levels mainly due to other revenues from fleet services provided to other agencies such as CBSA, Welland Fire and Grimsby Fire.

The Service has forecasted a shortfall from provincial grant funding by \$357 as a result of the latest announcement by the Ministry of Community Safety and Correctional Services. The 2019 budget included \$2.2M (\$2.9M annualized) for 2019/20 Policing Effectiveness and Modernization (PEM) Grant however under the new Community Safety and Policing (CSP) Grant the Service's allotment for 2019 has been reduced to \$1.65M (\$2.2M annualized) to fund local priorities.

There is a potential to secure further funds of \$ 286 through the CSP Provincial Priorities funding stream however these funds will be disbursed to Services using a competitive application process. At this time, the Service is anticipating the approval of the project under the provincial priorities; this has been reflected in the forecast for grant revenues.

## Conclusion

The detailed variance analysis has been prepared based on results of operations at June 30, 2019. At this time, the Service anticipates offsetting the funding shortfall with anticipated savings from employee benefits.



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	\$2,742	\$2,742	\$0	0.0%	\$5,484	\$5,484	\$0	0.0%
Total Expenses	\$2,742	\$2,742	\$0	0.0%	\$5,484	\$5,484	\$0	0.0%
Other Revenue	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Revenues	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Intercompany Charges			\$0	0.0%		\$0	\$0	0.0%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$2,742	\$2,742	\$0	0.0%	\$5,484	\$5,484	\$0	0.0%
Transfers From Funds	-\$642	-\$642	\$0	0.0%	-\$1,284	-\$1,284	\$0	0.0%
Total Transfers	-\$642	-\$642	\$0	0.0%	-\$1,284	-\$1,284	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$2,100	\$2,100	\$0	0.0%	\$4,200	\$4,200	\$0	0.0%
Indirect Allocations & Debt	\$3	\$0	\$3	100.0%	\$6	\$3	\$3	50.1%
Total Indirect Allocations & Debt	\$3	\$0	\$3	100.0%	\$6	\$3	\$3	50.1%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$2,103	\$2,100	\$3	0.1%	\$4,206	\$4,203	\$3	0.1%

# 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.

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

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

<b>Original Budget Revenue &amp; Expenditures</b>		<b>973,894</b>	
<b>Total Budget Amendment</b>		<b>-</b>	
Corporate	19,494		To record the 2018 Encumbrance budget adjustment as detailed in the 2018 Year-End Results & Transfer report (CSD 21-2019).
General Government	600		To utilize 2018 surplus to fund the Smarter Niagara Incentive Program per Committee (CSC 3-2019).
Community Services	317		To record revenue and related expenditures due to additional annual funding received from the pharmaceutical industry.
Community Services	183		To record revenue and related expenditures from the Government of Canada's Reaching Home program (formerly Homelessness Partnering Strategy).
Community Services	83		To record revenue and related expenditures from the Local Health Integration Network (LHIN) for the Senior Services division.
Community Services	550		To record revenue and related expenditures related to increased fee subsidy for Children's Services.
Community Services	2,293		To record revenue and related expenditures related to in-year funding announcement from the Ministry of Education for Children's Services per report (COM 31-2019).
Planning and Development	480		To record the unused development charge funding and related expenditures for the Regional Official Plan in relation to the 2018 Year-End Results & Transfer report (CSD 21-2019).
Public Health and Emergency Services	106		To record revenue and related expenditures from the Local Health Integrated Network (LHIN) to support a Mental Health and Addictions Project Manager.
Public Health and Emergency Services	239		To record revenue and related expenditures from the Local Health Integrated Network (LHIN) to support the Community Paramedicine Program.
Wastewater	4,553		To record unused development charge funding and related expenditures for the Combined Sewer Overflow program from 2018 in relation to the 2018 Year-End Results & Transfer report (CSD 21-2019).
Transportation	250		To record revenue and related expenditures for the annual Crack Sealing program as a result of moving from capital budget to operating budget.
Niagara Regional Housing	1,224		To utilize 2018 Niagara Regional Housing surplus to fund 2019 housing programs per Committee (CSC 3-2019).
Niagara Regional Housing	55		To record revenue and related expenditures related on two newly purchased properties.
Niagara Regional Housing	100		To record budgeted revenue and expenditures related to the Niagara Home Ownership program.
<b>Total Budget Adjustment</b>		<b>30,527</b>	
<b>December 31, 2019 Adjusted Budget</b>		<b>1,004,421</b>	

# Reserve Summary (in thousands of dollars)

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

At June 30, 2019 the Region’s consolidated and uncommitted reserve balance was \$214,059 (\$295,018 at December 31, 2018). 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 2.35 (1.68 at December 31, 2018).

Description	Balances at December 31, 2018	Year to Date Transfers from Operating	Year to Date Transfers to Operating	Year to Date Net Transfers from/(to) Capital	Interest	Balance at June 30, 2019	Forecasted Transfers from Operating	Forecasted Transfers to Operating	Forecasted Interest	Capital Commitments to uninitiated projects	Balances Available at December 31, 2019
Wastewater Capital	\$43,246	\$9,306	\$0	- \$24,443	\$357	\$28,466	\$9,306	\$0	\$357	- \$6,660	\$31,469
Water Capital	\$88,488	\$9,213	\$0	- \$31,828	\$772	\$66,645	\$9,213	\$0	\$772	- \$6,660	\$69,970
Waste Management	\$16,903	\$800	\$0	- \$3,665	\$155	\$14,193	\$800	\$0	\$155	- \$9,452	\$5,696
General Capital Levy	\$26,221	\$17,201	- \$1,134	- \$41,540	\$0	\$748	\$1,644	- \$1,114	\$0	- \$400	\$878
Infrastructure Deficit	\$241	\$3,468	\$0	- \$3,709	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Court Services Facility Renewal	\$1,650	\$0	\$0	\$0	\$0	\$1,650	\$0	\$0	\$0	\$0	\$1,650
Niagara Regional Housing	\$6,040	\$637	\$0	- \$410	\$0	\$6,267	\$637	\$0	\$0	\$0	\$6,904
NRH Owned Units	\$4,121	\$491	\$0	- \$796	\$0	\$3,815	\$1,391	\$0	\$0	\$0	\$5,207
NRPS Long-Term Accommodation (LTA) *	\$52	\$0	\$0	\$0	\$0	\$52	\$0	\$0	\$0	\$0	\$52
Ontario Police Video Training Alliance	\$61	\$0	\$0	\$0	\$0	\$61	\$0	\$0	\$0	\$0	\$61
Police Capital Levy	\$719	\$600	\$0	- \$1,389	\$0	- \$70	\$600	\$0	\$0	- \$250	\$280
Police Vehicle and Equipment Replacement	\$224	\$750	\$0	- \$1,700	\$0	- \$726	\$750	\$0	\$0	\$0	\$24
<b>Total Capital Reserves</b>	<b>\$187,967</b>	<b>\$42,466</b>	<b>- \$1,134</b>	<b>-\$109,480</b>	<b>\$1,284</b>	<b>\$121,102</b>	<b>\$24,341</b>	<b>- \$1,114</b>	<b>\$1,283</b>	<b>- \$23,422</b>	<b>\$122,191</b>
Wastewater Stabilization	\$2,982	\$0	\$0	\$0	\$30	\$3,012	\$0	\$0	\$30	\$0	\$3,042
Water Stabilization	\$3,442	\$0	\$0	\$0	\$34	\$3,477	\$0	\$0	\$34	\$0	\$3,510
Waste Management Stabilization	\$7,427	\$124	- \$290	\$0	\$73	\$7,334	\$124	- \$290	\$73	\$0	\$7,241
Encumbrance	\$21,322	\$1,333	- \$12,365	\$0	\$0	\$10,290	\$0	- \$10,167	\$0	\$0	\$123

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

Description	Balances at December 31, 2018	Year to Date Transfers from Operating	Year to Date Transfers to Operating	Year to Date Net Transfers from/(to) Capital	Interest	Balance at June 30, 2019	Forecasted Transfers from Operating	Forecasted Transfers to Operating	Forecasted Interest	Capital Commitments to uninitiated projects	Balances Available at December 31, 2019
Investment Income Stabilization	\$19	\$0	- \$9	\$0	\$0	\$9	\$0	- \$9	\$0	\$0	\$1
Taxpayer Relief	\$24,710	\$425	- \$2,324	\$0	\$0	\$22,811	\$425	- \$2,304	\$0	\$0	\$20,932
NRH Rent Supplements	\$278	\$0	- \$6	\$0	\$0	\$272	\$0	- \$6	\$0	\$0	\$266
Police Contingency	\$0	\$125	\$0	\$0	\$0	\$125	\$125	\$0	\$0	\$0	\$250
Police Services Board Contingency	\$153	\$0	\$0	\$0	\$0	\$153	\$0	\$0	\$0	\$0	\$153
<b>Total Corporate Stabilization Reserves</b>	<b>\$60,334</b>	<b>\$2,007</b>	<b>- \$14,994</b>	<b>\$0</b>	<b>\$137</b>	<b>\$47,483</b>	<b>\$674</b>	<b>- \$12,776</b>	<b>\$137</b>	<b>\$0</b>	<b>\$35,518</b>
Ambulance Communication	\$37	\$0	\$0	\$0	\$0	\$37	\$0	\$0	\$0	\$0	\$37
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>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,420</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,420</b>
Future Benefit Costs	\$24,845	\$0	- \$75	\$0	\$0	\$24,770	\$0	- \$75	\$0	\$0	\$24,695
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	\$8,288	\$1,144	\$0	- \$2,490	\$76	\$7,018	\$1,144	\$0	\$76	\$0	\$8,238
NRH Employee future benefits	\$793	\$0	\$0	\$0	\$0	\$793	\$0	\$0	\$0	\$0	\$793
Police Accumulated Sick Leave	\$1,680	\$0	\$0	\$0	\$0	\$1,680	\$0	\$0	\$0	\$0	\$1,680
Police Future Benefit Cost	\$4,152	\$0	\$0	\$0	\$0	\$4,152	\$0	\$0	\$0	\$0	\$4,152
Police WSIB	\$3,070	\$100	\$0	\$0	\$0	\$3,170	\$100	\$0	\$0	\$0	\$3,270
<b>Total Future Liability Reserves</b>	<b>\$45,298</b>	<b>\$1,244</b>	<b>- \$75</b>	<b>- \$2,490</b>	<b>\$76</b>	<b>\$44,054</b>	<b>\$1,244</b>	<b>- \$75</b>	<b>\$76</b>	<b>\$0</b>	<b>\$45,299</b>
<b>Total (Excluding Deferred Revenues)</b>	<b>\$295,018</b>	<b>\$45,717</b>	<b>- \$16,203</b>	<b>- \$111,970</b>	<b>\$1,497</b>	<b>\$214,059</b>	<b>\$26,259</b>	<b>- \$13,965</b>	<b>\$1,497</b>	<b>- \$23,422</b>	<b>\$204,428</b>

## Deferred Revenue Summary (in thousands of dollars)

Description	Balances at December 31, 2018	Year to Date Transfers from Revenues	Year to Date Transfers from Revenues (DC Grants)	Year to Date Transfers to Operating	Year to Date Transfers from/(to) Capital	Interest allocation	Balance at June 30, 2019	Forecasted Transfers from Revenues	Forecasted interest	Capital Commitments *	Balance Available at December 31, 2019
Development Charges-General Government	\$1,265	\$141	\$28	-\$205	\$0	\$13	\$1,243	\$497	\$13	-\$1,141	\$612
Development Charges-Police Services	\$1,884	\$245	\$49	\$0	\$0	\$20	\$2,199	\$838	\$20	-\$38	\$3,019
Development Charges-Roads	\$50,883	\$4,077	\$816	\$0	-\$2,919	\$519	\$53,376	\$13,925	\$519	-\$57,364	\$10,455
Development Charges-Sewer	\$43,822	\$2,785	\$557	-\$867	-\$1,913	\$441	\$44,824	\$9,418	\$441	-\$10,857	\$43,826
Development Charges-Water	\$28,296	\$1,964	\$392	\$0	-\$1,927	\$285	\$29,010	\$6,613	\$285	-\$26,592	\$9,317
Development Charges-Emergency Medical	\$1,140	\$69	\$58	\$0	-\$1	\$12	\$1,277	\$260	\$12	-\$953	\$597
Development Charges-LT Care	\$3,076	\$279	\$783	\$0	\$0	\$36	\$4,175	\$1,481	\$36	\$0	\$5,692
Development Charges-POA	\$181	\$23	\$22	\$0	\$0	\$2	\$227	\$101	\$2	\$0	\$330
Development Charges-Health	\$415	\$61	\$45	\$0	\$0	\$5	\$525	\$239	\$5	\$0	\$769
Development Charges-Social Housing	\$2,609	\$144	\$707	\$0	-\$9	\$30	\$3,482	\$1,363	\$30	-\$2,241	\$2,635
Development Charges-Waste Division	\$959	\$58	\$320	\$0	\$76	\$12	\$1,424	\$460	\$12	-\$417	\$1,478
<b>Subtotal Development Charges</b>	<b>\$134,530</b>	<b>\$9,846</b>	<b>\$3,777</b>	<b>-\$1,072</b>	<b>-\$6,694</b>	<b>\$1,376</b>	<b>\$141,762</b>	<b>\$35,194</b>	<b>\$1,376</b>	<b>-\$99,602</b>	<b>\$78,730</b>
Federal Gas Tax	\$19,724	\$0	\$0	\$0	-\$4,713	\$174	\$15,186	\$27,326	\$174	-\$40,942	\$1,743
Provincial Gas Tax	\$508	\$761	\$0	-\$61	\$0	\$9	\$1,216	\$0	\$9	\$0	\$1,225
<b>Subtotal Gas Tax</b>	<b>\$20,232</b>	<b>\$761</b>	<b>\$0</b>	<b>-\$61</b>	<b>-\$4,713</b>	<b>\$182</b>	<b>\$16,402</b>	<b>\$27,326</b>	<b>\$182</b>	<b>-\$40,942</b>	<b>\$2,967</b>
<b>Total</b>	<b>\$154,762</b>	<b>\$10,607</b>	<b>\$3,777</b>	<b>-\$1,133</b>	<b>-\$11,407</b>	<b>\$1,558</b>	<b>\$158,163</b>	<b>\$62,520</b>	<b>\$1,558</b>	<b>-\$140,545</b>	<b>\$81,697</b>



# Operating 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 not approved in the initial annual budget.

Reserve Description	Year to Date Transfer (to)/from Reserves	July - December Forecast	Annual Forecast Transfer to Reserves	Transfer Description
<b>Council approved net operating transfers, per 2019 budget</b>	<b>- \$41,793</b>	<b>- \$22,258</b>	<b>- \$64,051</b>	Operating transfers to Reserves
<i>Additional operating reserve transfers (to)/from reserves:</i>				
All Rate Reserves	- \$255	- \$255	- \$509	Interest income allocation to reserve above budget - Per Reserve policy
Capital Levy	\$6	- \$690	- \$684	Proceeds on Sale of Surplus Properties
Capital Levy	\$0	\$145	\$145	Reduction in transfer to reserve to offset funding not received from Ministry for Peer Street roof replacement. Funding has been replaced by capital variance.
NRH Owned Units	\$0	- \$900	- \$900	Transfer back to reserve for 2020 Niagara Falls Multi Residential Intensification Capital Project. (NRH 9-2019)
2018 Encumbrance	\$12,365	\$7,129	\$19,494	2018 Encumbrances (CSD 21-2019)
Encumbrance	- \$333	\$238	- \$94	Timing delay related to the use of encumbrance funds
Encumbrance	- \$1,000	\$1,000	\$0	Timing delay related to CSO Program
Encumbrance	\$0	\$1,800	\$1,800	2018 Operating Surplus Transfer (CSD 21-2019)
<b>Net operating transfers to reserves</b>	<b>- \$31,010</b>	<b>- \$13,790</b>	<b>- \$44,800</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	July - December Forecast (to)/from Reserves	Annual Forecast Transfer (to)/from Reserves	Transfer Description
<b>Council approved net capital transfers per 2019 Budget</b>	<b>\$112,110</b>	<b>\$21,777</b>	<b>\$133,887</b>	Reserve Transfers to capital projects
Capital reserve transfer commitments from prior to 2019 Budget	\$175	\$1,645	<b>\$1,820</b>	
<i>Additional capital reserve transfers:</i>				
NRH Owned Units	- \$316	\$0	<b>- \$316</b>	Project close out - Funds returned to reserve
<b>Net capital transfers</b>	<b>\$111,969</b>	<b>\$23,422</b>	<b>\$135,391</b>	

# Capital Summary (in thousands of dollars)

The Enterprise Resource Management Services (ERMS) 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 ERMS 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 Budget Reconciliation

The capital budget managed by Niagara Region has increased by \$218,645 since Q4 2018. The reasons for the increase from Q4 2018 are broken down in the table below. Thirteen capital projects of the 553 capital sub-projects, with budgets totalling approximately \$69,819 (levy \$68,167 / rate \$1,645) remain uninitiated at Jun 30, 2019. A summary of the levy and rate impact of Niagara Regions total capital budget during the year is presented below:

Capital Budget Reconciliation	Levy Programs	Rate Programs	Adjusted Budget
<b>2018 Total Adjusted Budget (excluding Capital Variance Projects) at December 31, 2018</b>	<b>\$682,337</b>	<b>\$362,614</b>	<b>\$1,044,952</b>
Council Approved 2019 Budget	\$151,936	\$122,348	<b>\$274,284</b>
Gross Budget Adjustment (including transfers from operating)	\$2,394	\$559	<b>\$2,953</b>
Transfer from Capital Variance	\$5,326	\$2,632	<b>\$7,957</b>
Budget Reductions on Active Capital Projects *	- \$7,309	- \$407	<b>- \$7,716</b>
Projects Closed	- \$53,064	- \$12,562	<b>- \$65,626</b>
Closed projects reactivated	\$0	\$200	<b>\$200</b>
Closed projects included in project summary reporting	\$0	\$0	<b>\$0</b>
<b>2019 Total Adjusted Budget (excluding Capital Variance Projects) at July 24, 2019</b>	<b>\$788,213</b>	<b>\$475,384</b>	<b>\$1,257,004</b>

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

# Capital Budget Adjustments (in thousands of dollars)

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

Department	Project Description	Total Budget	Gross Budget Adjustment	Transfer from Capital Variance	Budget Reduction	Treatment of Reduction	Adjusted Budget
Community Services	Annual - Machinery & Equipment - 2017	\$339			- \$30	CV - Levy	\$309
Community Services	Annual - Residential Care Equipment - 2017	\$727			- \$46	CV - Levy	\$680
Community Services	Annual - Roof Replacement - 2017	\$275			- \$1	CV - Levy	\$274
Community Services	St. Catharines Child Care Addition	\$1,275	\$400				\$1,675
Corporate Services	Long-term Accommodations - NRPS D1	\$15,861		\$2,896			\$18,757
Corporate Services	Niagara Region Police Welland Building Foundation	\$25		\$5			\$30
Corporate Services	SAEO Office Niagara Falls Building Renovations	\$0	\$190				\$190
Niagara Regional Housing	Social Housing Assistance Improvement Program - 2018	\$2,558	\$125				\$2,683
Planning	Regional Headquarters Landscape Master Plan	\$3,044		\$250			\$3,294
Public Works - Levy	Capacity Improvements - Charnwood/McLeod	\$5,380	\$970	\$850			\$7,200
Public Works - Levy	Capacity Improvements - RR54 Hwy 20/Merritt	\$8,600			- \$250	\$37.5K CV - Levy, \$212.5 DCs	\$8,350
Public Works - Levy	Roads Rehabilitation - RR87-Lakeport/Lake St	\$5,638	\$41	\$122			\$5,801
Public Works - Levy	Intersection Improvement - RR12 Christie/Olive	\$230			- \$230	CV - Levy	\$0
Public Works - Levy	Intersection Improvement - RR46 Geneva/St. Paul	\$7,000			- \$500	\$276K debt, \$224K DCs	\$6,500
Public Works - Levy	Intersection Improvement - RR50 Glenridge @John MacDonnell	\$0		\$230			\$230
Public Works - Levy	Intersection Improvement - RR57 Cardinal	\$150		\$150	- \$150	Funding correction from DCs to Levy	\$150
Public Works - Levy	Replacement of Burgoyne Bridge	\$89,111	\$641		- \$641	CV - Levy	\$89,111
Public Works - Levy	Roads Crack Sealing - 2019	\$250			- \$250	Transfer to operating	\$0
Public Works - Levy	Roads Reconstruction - RR38 QEW/Fourth	\$28,090	\$26		- \$4,960	\$733K CV - Levy , \$4.23M DCs	\$23,156
Public Works - Levy	Roads Resurfacing - 2013	\$2,823		\$616			\$3,439

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	Roads Resurfacing - 2016	\$7,791			- \$250	CV - Levy	\$7,541
Public Works - Levy	Structural Engineering - 2018	\$200		\$200			\$400
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #588	\$50		\$7			\$57
All Levy Departments		\$179,417	\$2,394	\$5,326	- \$7,309		\$179,828
Waste Management	Humberstone - Infrastructure Upgrades	\$5,736		\$570			\$6,306
Wastewater	Pump Station Improvement Program - Cole Farm	\$200		\$65			\$265
Wastewater	Forcemain Replacement Beaverdams Sewage Pump Station	\$215	\$200	\$50			\$465
Wastewater	Forcemain Replacement St.Davids Sewage Pump Station	\$750		\$25			\$775
Wastewater	Pump Station Improvement Program - Old Orchard	\$2,050			- \$85	CV - Wastewater	\$1,965
Wastewater	Pump Station Improvement Program - Design	\$5,550			- \$80	CV - Wastewater	\$5,470
Wastewater	Sewer & Forcemain Program - Oaks Park Trunk	\$2,264			- \$118	CV - Wastewater	\$2,145
Wastewater	Sewer & Forcemain Program - Highway 406 Trunk	\$1,450	- \$176				\$1,274
Wastewater	Wastewater Treatment Plant Capacity Expansion - Niagara-on-the-Lake	\$47,132	\$343	\$420			\$47,895
Wastewater	Wastewater Treatment Plant Upgrade - Welland	\$21,166		\$655			\$21,821
Water Works	Elevated Tank Rehabilitation - Thorold South	\$2,365		\$627			\$2,992
Water Works	Miscellaneous Program - System Storage - Port Colborne	\$11,650		\$200			\$11,850
Water Works	Miscellaneous Program - Pressure Booster	\$1,158			- \$108	CV - Water	\$1,050
Water Works	Water Treatment Plant Upgrade - Welland	\$23,608	\$15		- \$15	Funding swap of from rate to external sources	\$23,608
Water Works	Watermain Program - Hwy406 Cross Trans	\$1,731	\$160	\$20			\$1,911
Water Works	Watermain Program - Hwy406 Cross Trans	\$1,895	\$16				\$1,911
All Rate Departments		\$128,921	\$559	\$2,632	- \$407		\$131,705
Corporate Services	Region Wide - Code & Legislation Compliance - 2018	\$270	- \$270				\$0

## 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
Corporate Services	Niagara Regional Police Headquarters Compressor	\$0	\$30				\$30
Corporate Services	Niagara Region Police Welland Building Foundation	\$5	\$25				\$30
Corporate Services	Region Wide Building Condition Assessments	\$0	\$100				\$100
Corporate Services	Regional Headquarters Chair Lift	\$0	\$145				\$145
Corporate Services	Region Wide Code & Legislation Compliance - 2019	\$100	- \$30				\$70
Niagara Regional Police Services	Conducted Energy Weapon Replacement - 2018	\$24	- \$3				\$21
Niagara Regional Police Services	Conducted Energy Weapon Replacement - 2019	\$24	\$3				\$27
Niagara Regional Police Services	Vehicles - 2018	\$1,468	- \$14				\$1,454
Niagara Regional Police Services	Vehicles - 2019	\$1,400	\$14				\$1,414
Public Works - Levy	Fleet & Vehicle Replacement Program - 2019	\$800	- \$800				\$0
Public Works - Levy	Small Tools & Equipment Program - 2019	\$0	\$80				\$80
Public Works - Levy	Road Equipment Upgrade - 2018	\$200	- \$20				\$180
Public Works - Levy	Road Equipment Upgrade - 2018	\$0	\$20				\$20
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #190	\$0	\$55				\$55
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #191	\$0	\$55				\$55
Public Works - Levy	Vehicle Extended Cargo Van 8600 Unit #192	\$0	\$55				\$55
Public Works - Levy	Vehicle Extended Cab Pickup 4X4 Unit #193	\$0	\$35				\$35
Public Works - Levy	Vehicle Skid Steer Mower Unit #825	\$0	\$20				\$20
Public Works - Levy	Vehicle Vacuum Truck Unit #196	\$0	\$500				\$500
Wastewater	Miscellaneous Program - Chemical System Upgrades - 2019	\$900	- \$900				\$0
Wastewater	Miscellaneous Program - Chemical System Upgrades - 2017	\$500	\$900				\$1,400
Wastewater	Digester & Sludge Program - 2018	\$500	\$2,050				\$2,550
Wastewater	Digester & Sludge Program - 2019	\$2,050	- \$2,050				\$0



Capital Budget Adjustments (in thousands of dollars) – Continued

Department	Project Description	Total Budget	Gross Budget Adjustment	Transfer from Capital Variance	Budget Reduction	Treatment of Reduction	Adjusted Budget
Water Works	Watermain Program - St. Davids Rd Phase 1	\$775	- \$775				\$0
Water Works	Watermain Program - St. Davids Rd Phase 2	\$125	\$775				\$900
Water Works	Watermain Program - Welland Canal Extension	\$0	\$4,620				\$4,620
Water Works	Watermain Program - Welland East and West	\$10,820	- \$4,620				\$6,200
All Inter-Project Transfers		\$19,961	\$0	\$0	\$0		\$19,961
All Departments	Total	\$328,299	\$2,953	\$7,957	- \$7,716		\$331,494

## Capital Project Closures (in thousands of dollars)

Projects are closed throughout the year. Projects are closed upon completion of the project and in line with the Capital Asset Management (CAM) Policy. The CAM Policy states that recurring capital projects will be recommended for closure 12 months after the year for which they were approved, and inactive projects will be closed when there have been no transactions within the project per a period of 24 months. When projects are closed, surplus funds are transferred to Capital Variance Projects that have been set up in various functional areas (levy supported and water / wastewater / waste management capital projects). For projects that are not funded from the general capital levy or rate reserves, any surpluses identified through the closeout report would be returned to the specific source reserve for future use, and reported as part of year-end transfer report. The following 60 projects were closed during January 1 to July 24, 2019.

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Community Services	Annual - Machinery & Equipment - 2017	\$309	\$309	\$0	\$0	CV Levy	2
Community Services	Annual - Residential Care Equipment - 2017	\$680	\$680	\$0	\$0	CV Levy	2
Community Services	Annual - Roof Replacement - 2017	\$274	\$274	\$0	\$0	CV Levy	2
Community Services	Child Care Centres - Equipment & Renovations	\$260	\$246	\$14	- \$27	CV Levy	3
Community Services	Naturalized Playground Installation Port Colborne	\$160	\$147	\$13	\$0	CV Levy	2
Corporate Services	Aerial Photography	\$211	\$211	\$0	- \$127	CV Levy	2
Corporate Services	Child Care Centres - Building Exteriors	\$327	\$195	\$132	- \$132	CV Levy	2
Corporate Services	Court Facilities St.Catharines	\$13,210	\$0	\$13,210	\$0	CV Levy	Uninitiated
Corporate Services	Emergency Medical Services Building Systems - Niagara Falls Natural Gas Conversion	\$45	\$18	\$27	- \$27	CV Levy	3
Corporate Services	Emergency Medical Services Building Systems - Welland HVAC	\$12	\$0	\$12	- \$12	CV Levy	3
Corporate Services	Northland Pointe Siding Renovation	\$3,344	\$3,246	\$98	- \$98	CV Levy	5
Corporate Services	Procurement Electronic Bidding System	\$100	\$0	\$100	\$0	CV Levy	Uninitiated
Corporate Services	Public Health Facilities	\$860	\$0	\$860	\$0	CV Levy	Uninitiated
Corporate Services	Public Health Facilities - Fort Erie	\$286	\$147	\$140	- \$140	CV Levy	5
Corporate Services	Region Wide Roof Condition Assessments	\$75	\$27	\$48	- \$48	CV Levy	2
Corporate Services	Region Wide Uninterrupted Power Supply Replacement	\$50	\$36	\$14	- \$14	CV Levy	2
Corporate Services	Region Wide Building Equipment Replacement Program	\$79	\$76	\$3	- \$3	CV Levy	2
Corporate Services	SAEO Office Niagara Falls Roof Replacement	\$15	\$12	\$3	- \$3	CV Levy	2
Corporate Services	Support Services HVAC Upgrade	\$50	\$7	\$43	- \$43	CV Levy	5
Public Works - Levy	Annual - Development Projects - 2016	\$850	\$0	\$850	\$0	CV Levy	3
Public Works - Levy	Annual - Development Projects - 2017	\$840	\$0	\$840	\$0	CV Levy	Uninitiated
Public Works - Levy	Annual - Development Projects - 2018	\$800	\$0	\$800	\$0	CV Levy	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)
Public Works - Levy	Annual - Engineering for Future Projects - 2016	\$200	\$156	\$44	- \$44	CV Levy	3
Public Works - Levy	Annual - Engineering for Future Projects - 2017	\$200	\$62	\$138	- \$138	CV Levy	2
Public Works - Levy	Annual - Guide Rail Program - 2017	\$350	\$13	\$337	- \$337	CV Levy	3
Public Works - Levy	Annual - Railway Crossing Improvements - 2017	\$100	\$100	\$0	\$0	CV Levy	3
Public Works - Levy	Annual - Railway Crossing Improvements - 2018	\$100	\$27	\$73	- \$73	CV Levy	2
Public Works - Levy	Annual - Traffic Signals Program - 2017	\$355	\$355	\$0	\$0	CV Levy	2
Public Works - Levy	Inter-Municipal Transit Capital Acquisition - 2016	\$450	\$0	\$450	\$0	CV Levy	Uninitiated
Public Works - Levy	Intersection Intelligent Transportation System - 2016	\$356	\$355	\$1	- \$1	CV Levy	3
Public Works - Levy	Intersection RR41 Woodlawn / Hwy406	\$810	\$0	\$810	\$0	CV Levy	6
Public Works - Levy	Intersection RR54 @ Broadway St - Welland	\$230	\$212	\$18	- \$18	CV Levy	3
Public Works - Levy	Intersection RR81 @ Nelles Rd - Grimsby	\$215	\$176	\$39	- \$39	CV Levy	3
Public Works - Levy	Intersection Signal Upgrade Program - 2016	\$314	\$305	\$9	- \$9	CV Levy	3
Public Works - Levy	Structural Rehabilitation - RR77 4th Ave Bridge / 9th to 11th	\$50	\$45	\$5	- \$5	CV Levy	7
Public Works - Levy	Structural Rehabilitation - RR89 Dick's Creek Bridge	\$50	\$37	\$13	- \$13	CV Levy	6
Public Works - Levy	Road Equipment Upgrade - 2016	\$200	\$33	\$167	- \$167	CV Levy	3
Public Works - Levy	Roads Rehabilitation - RR87-Lakeport/Lake St	\$5,801	\$5,584	\$217	\$0	CV Levy	7
Public Works - Levy	Roads Resurfacing - 2017	\$11,783	\$9,595	\$2,188	- \$2,192	CV Levy	2
Public Works - Levy	Vehicle Skid Steer Mower Unit #825	\$20	\$18	\$2	- \$2	CV Levy	1
Public Works - Levy	Vehicle GMC Savana 2500 Unit #589	\$50	\$50	\$0	\$0	CV Levy	1
<b>Total Levy Projects Closed</b>		<b>\$44,472</b>	<b>\$22,755</b>	<b>\$21,716</b>	<b>- \$3,711</b>	<b>CV Levy</b>	
Niagara Regional Housing	Annual - Emergency Capital Program - 2018	\$300	\$9	\$291	- \$291	Reserve	2
Niagara Regional Housing	Building Capital - 2017	\$1,828	\$1,814	\$13	- \$16	Reserve	2
Niagara Regional Housing	Unit Capital - 2017	\$4,465	\$4,457	\$8	- \$8	Reserve	2
<b>Total Levy Reserve Projects Closed</b>		<b>\$6,593</b>	<b>\$6,280</b>	<b>\$313</b>	<b>- \$316</b>	<b>Reserve</b>	
Corporate Services	Thorold EMS Construction (Removed from project listing, CV Levy Funds returned December 31, 2017)	\$2,000	\$1,671	\$329	\$0		
<b>Total Levy Reporting Projects removed from Project Listing</b>		<b>\$2,000</b>	<b>\$1,671</b>	<b>\$329</b>	<b>\$0</b>		
<b>Total Levy and Levy Reserve Projects Closed and Removed from Project Listing</b>		<b>\$53,065</b>	<b>\$30,706</b>	<b>\$22,358</b>	<b>-\$4,027</b>		
Waste Management	Annual - Property Acquisition - 2018	\$110	\$0	\$110	- \$110	CV WMT	2
Waste Management	Centre St - Groundwater Remediation	\$300	\$0	\$300	- \$300	CV WMT	3

## Capital Project Closures (in thousands of dollars) – continued

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Waste Management	Maintenance Management System	\$700	\$0	\$700	\$0	CV WMT	Uninitiated
Waste Management	Quarry Rd - Stream C Remediation	\$75	\$0	\$75	- \$75	CV WMT	3
<b>Total Waste Management Projects Closed and removed from Project Listing</b>		<b>\$1,185</b>	<b>\$0</b>	<b>\$1,185</b>	<b>- \$485</b>		
Wastewater	Combined Sewer Overflow - Chippewa Sewer Relief Study	\$50	\$50	\$0	\$0	CV SEW	6
Wastewater	Combined Sewer Overflow - Michigan Ave	\$100	\$100	\$0	\$0	CV SEW	6
Wastewater	Miscellaneous Program - Hardware & Software Upgrades - 2018	\$140	\$39	\$101	- \$101	CV SEW	2
Wastewater	Sewer & Forcemain Program - Victoria Ave	\$3,750	\$3,696	\$54	- \$33	CV SEW	3
Wastewater	Pump Station Improvement Program - Old Orchard	\$1,965	\$1,940	\$25	- \$25	CV SEW	6
Wastewater	Pump Station Improvement Program - Carleton St	\$1,503	\$1,475	\$28	- \$28	CV SEW	6
Wastewater	Wastewater Treatment Plant Upgrade - Clarifier - Port Weller	\$120	\$0	\$120	- \$120	CV SEW	2
<b>Total Wastewater Projects Closed and removed from Project Listing</b>		<b>\$7,628</b>	<b>\$7,300</b>	<b>\$328</b>	<b>- \$306</b>		
Water Works	Elevated Tank Miscellaneous Program - Painting	\$2,780	\$233	\$2,547	- \$2,547	CV WAT	4
Water Works	Miscellaneous Program - Chemical System Upgrades - 2017	\$350	\$48	\$302	- \$302	CV WAT	2
Water Works	Miscellaneous Program - Hardware & Software Upgrades - 2018	\$140	\$12	\$128	- \$128	CV WAT	2
Water Works	Water Treatment Plant Upgrade - Grimsby	\$479	\$448	\$31	- \$31	CV WAT	6
<b>Total Water Projects Closed and Removed from Project Listing</b>		<b>\$3,749</b>	<b>\$741</b>	<b>\$3,008</b>	<b>- \$3,008</b>		
<b>Total Rate Projects Closed and Removed from Project Listing</b>		<b>\$12,562</b>	<b>\$8,041</b>	<b>\$4,521</b>	<b>- \$3,799</b>		
<b>Total Projects Closed</b>		<b>\$65,626</b>	<b>\$38,747</b>	<b>\$26,879</b>	<b>- \$7,826</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 \$1,257,004 capital budget managed by Niagara Region, representing 553 sub-projects, total capital spending including commitments to date of \$719,109 and budget remaining of \$537,896, after commitments.

This chart represents (in aggregate), currently active and uninitiated projects managed by Niagara Region. Capital project detail for 165 projects with budgets greater than \$1 million are discussed on subsequent pages.

Departments and Boards with projects with budgets greater than \$1 million	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed
Community Services	\$1,026	\$454	\$571	44.3%
Corporate Services	\$154,536	\$131,489	\$23,047	85.1%
Enterprise Resource Management Services	\$1,750	\$0	\$1,750	0.0%
Niagara Regional Housing	\$40,530	\$32,797	\$7,732	80.9%
Niagara Regional Police Services Board	\$32,913	\$29,446	\$3,467	89.5%
Planning	\$3,294	\$3,288	\$6	99.8%
Public Health	\$6,608	\$4,333	\$2,276	65.6%
Public Works - Levy	\$412,327	\$273,763	\$138,564	66.4%
Waste Management	\$20,340	\$16,989	\$3,351	83.5%
Wastewater	\$221,104	\$121,680	\$99,423	55.0%
Water Works	\$178,243	\$57,358	\$120,885	32.2%
Active projects with budgets greater than \$1 million	\$1,072,670	\$671,598	\$401,072	
Uninitiated projects with budgets greater than \$1 million	\$68,569	\$0	\$68,569	
Total projects with budgets greater than \$1 million	\$1,141,239	\$671,598	\$469,641	58.8%
Active projects with budgets less than \$1 million	\$114,515	\$47,511	\$67,005	41.5%
Uninitiated projects with budgets less than \$1 million	\$1,250	\$0	\$1,250	
<b>Total Capital Projects</b>	<b>\$1,257,004</b>	<b>\$719,109</b>	<b>\$537,896</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 165 projects totaling \$1,141,240 of adjusted capital budget. Project spending to date including commitments on these sub-projects amounts to \$671,598, representing 58.8 per cent of the adjusted capital budget on these active and uninitiated sub-projects.

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Annual - Capital Improvement - 2018		\$1,026	\$454	\$571	\$250	\$134	\$22	\$0	2021
<b>Total Community Services</b>		<b>\$1,026</b>	<b>\$454</b>	<b>\$571</b>	<b>\$250</b>	<b>\$134</b>	<b>\$22</b>	<b>\$0</b>	
Asset Replacement - 2017		\$1,900	\$1,820	\$80	\$80	\$0	\$0	\$0	2019
Asset Replacement - 2018		\$3,147	\$2,335	\$811	\$1,021	\$0	\$0	\$0	2019
Asset Replacement - 2019		\$2,288	\$346	\$1,942	\$1,659	\$553	\$0	\$0	2020
St. Catharines Child Care Addition		\$1,675	\$133	\$1,542	\$1,100	\$485	\$0	\$0	2020
Court Facilities Welland		\$13,390	\$12,318	\$1,072	\$446	\$0	\$0	\$0	2019
Customer Service Strategic Priority		\$1,685	\$150	\$1,535	\$759	\$388	\$389	\$0	2021
Emergency Medical Services Central Hub	Uninitiated	\$3,895	\$0	\$3,895	\$0	\$3,895	\$0	\$0	2020
Emergency Medical Services Facility Welland		\$1,100	\$254	\$846	\$0	\$870	\$0	\$0	2020
Environmental Centre Expansion		\$2,000	\$144	\$1,856	\$1,000	\$5,000	\$17,053	\$0	2021
Environmental Centre Expansion	Uninitiated	\$21,177	\$0	\$21,177	\$0	\$0	\$0	\$0	2021
Financial Management System		\$12,640	\$12,429	\$211	\$202	\$50	\$0	\$0	2020
Health Facilities - Niagara Falls		\$7,019	\$5,521	\$1,497	\$2,307	\$0	\$0	\$0	2020
Information Technology Server Building		\$3,945	\$3,906	\$39	\$124	\$0	\$0	\$0	2019
Long-term Accommodations - NRPS D1		\$20,116	\$19,498	\$617	\$10,000	\$4,996	\$0	\$0	2020
Long-term Accommodations - NRPS Headquarters D2		\$66,007	\$65,521	\$486	\$0	\$660	\$0	\$0	2020
Long-term Care Home Redevelopment - 2015		\$15,635	\$7,047	\$8,588	\$4,639	\$5,000	\$0	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Regional Headquarters Generator Replacement		\$1,990	\$64	\$1,926	\$972	\$972	\$0	\$0	2020
<b>Total Corporate Services</b>		<b>\$179,608</b>	<b>\$131,489</b>	<b>\$48,120</b>	<b>\$24,310</b>	<b>\$20,870</b>	<b>\$18,442</b>	<b>\$1,000</b>	
2021 Canada Summer Games	Uninitiated	\$9,700	\$0	\$9,700	\$3,000	\$0	\$6,700	\$0	2021
Expansion of Social Housing Units (Alternative Service Delivery Model)		\$1,750	\$0	\$1,750	\$0	\$1,750	\$0	\$0	2020
<b>Total Enterprise Resource Management Services</b>		<b>\$11,450</b>	<b>\$0</b>	<b>\$11,450</b>	<b>\$3,000</b>	<b>\$1,750</b>	<b>\$6,700</b>	<b>\$0</b>	
Building Capital - 2018		\$4,673	\$4,613	\$60	\$1,185	\$0	\$0	\$0	2019
Building Capital - 2019		\$5,536	\$2,203	\$3,333	\$3,763	\$1,500	\$0	\$0	2020
Expansion, Roach Avenue, Welland		\$2,758	\$2,620	\$138	\$1,121	\$0	\$0	\$0	2019
Expansion, Thorold		\$1,101	\$989	\$112	\$114	\$0	\$0	\$0	2019
Grounds Capital - 2017		\$1,053	\$1,047	\$6	\$17	\$0	\$0	\$0	2019
New Build, Carlton Street, St. Catharines		\$15,771	\$15,039	\$732	\$250	\$0	\$0	\$0	2019
Social Housing Assistance Improvement Program - 2018		\$2,683	\$2,459	\$224	\$648	\$0	\$0	\$0	2019
Unit Capital - 2018		\$1,600	\$1,226	\$374	\$1,229	\$0	\$0	\$0	2019
Unit Capital - 2019		\$5,355	\$2,602	\$2,753	\$3,707	\$1,500	\$0	\$0	2020
<b>Total Niagara Regional Housing</b>		<b>\$40,530</b>	<b>\$32,797</b>	<b>\$7,732</b>	<b>\$12,033</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>	
Communications Unit Back-up		\$1,000	\$0	\$1,000	\$0	\$1,000	\$0	\$0	2020
Communications Unit Back-up	Uninitiated	\$1,250	\$0	\$1,250	\$0	\$1,250	\$0	\$0	2020
Communications Unit Equipment		\$4,500	\$4,472	\$28	\$0	\$0	\$0	\$0	2019
Information Technology & Equipment Replacement		\$1,100	\$655	\$445	\$558	\$62	\$0	\$0	2020
Information Technology Continuity Plan		\$1,500	\$566	\$934	\$467	\$467	\$0	\$0	2020
S.P.I.R.I.T. (Supporting Police in Records Information Technology)		\$8,630	\$8,431	\$199	\$199	\$0	\$0	\$0	2020
Vehicles - 2018		\$1,454	\$1,414	\$40	\$40	\$0	\$0	\$0	2019

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

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Vehicles - 2019		\$1,414	\$785	\$630	\$863	\$0	\$0	\$0	2019
Voice Radio System		\$13,315	\$13,124	\$190	\$190	\$0	\$0	\$0	2019
<b>Total Niagara Regional Police Services</b>		<b>\$34,163</b>	<b>\$29,446</b>	<b>\$4,717</b>	<b>\$2,318</b>	<b>\$2,779</b>	<b>\$0</b>	<b>\$0</b>	
Regional Headquarters Landscape Master Plan		\$3,294	\$3,288	\$6	\$2,294	\$0	\$0	\$0	2019
<b>Total Planning</b>		<b>\$3,294</b>	<b>\$3,288</b>	<b>\$6</b>	<b>\$2,294</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
Ambulance & Equipment - 2017		\$1,812	\$1,802	\$10	\$0	\$0	\$0	\$0	2019
Ambulance & Equipment - 2018		\$2,595	\$2,235	\$360	\$300	\$409	\$0	\$0	2020
Ambulance & Equipment - 2019		\$2,201	\$296	\$1,905	\$1,500	\$603	\$0	\$0	2020
<b>Total Public Health</b>		<b>\$6,608</b>	<b>\$4,333</b>	<b>\$2,276</b>	<b>\$1,800</b>	<b>\$1,012</b>	<b>\$0</b>	<b>\$0</b>	
Annual - Storm Sewer & Culvert Program - 2017		\$1,750	\$1,254	\$496	\$516	\$0	\$0	\$0	2019
Annual - Storm Sewer & Culvert Program - 2019		\$1,000	\$2	\$998	\$500	\$498	\$0	\$0	2020
Annual - Development Projects - 2019	Uninitiated	\$1,000	\$0	\$1,000	\$500	\$500	\$0	\$0	2020
Annual - Traffic Signals Program - 2019		\$2,100	\$2	\$2,098	\$798	\$1,100	\$200	\$0	2021
Capacity Improvements - Charnwood/McLeod		\$7,200	\$6,313	\$887	\$6,100	\$800	\$262	\$0	2021
Capacity Improvements - New Escarpment Crossing		\$2,200	\$691	\$1,509	\$1,000	\$1,509	\$0	\$0	2020
Capacity Improvements - New Escarpment Crossing	Uninitiated	\$1,000	\$0	\$1,000	\$0	\$0	\$0	\$0	2020
Capacity Improvements - Reconstruct Hwy 406 @ Third Interchange		\$1,460	\$727	\$733	\$0	\$0	\$733	\$0	2021
Capacity Improvements - Reconstruct QEW @ Glendale Ave Interchange		\$7,000	\$12	\$6,988	\$988	\$6,000	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Capacity Improvements - Reconstruct RR49 Concession 6/Eastwest Line		\$4,591	\$2,752	\$1,839	\$200	\$770	\$1,000	\$0	2021
Capacity Improvements - Reconstruct RR49 McLeod, Montrose to Stanley		\$7,838	\$7,757	\$81	\$81	\$0	\$0	\$0	2019
Capacity Improvements - RR10 Livingston/QEW-GR		\$11,750	\$1,211	\$10,539	\$2,000	\$8,884	\$0	\$0	2020
Capacity Improvements - RR54 Hwy 20/Merritt		\$8,350	\$6,772	\$1,578	\$3,796	\$0	\$0	\$0	2019
Interchange Sir Isaac Brock Way @ 406 Hwy		\$2,800	\$0	\$2,800	\$1,400	\$1,400	\$0	\$0	2020
Intersection - RR20 Industrial Park/South Grimsby Road 6		\$2,898	\$2,679	\$218	\$130	\$153	\$0	\$0	2020
Intersection - RR20 Industrial Park to Townline Phase 2		\$3,600	\$0	\$3,600	\$0	\$3,600	\$0	\$0	2020
Intersection - RR20 Roundabout at S Grimsby Rd		\$3,800	\$160	\$3,640	\$1,000	\$2,695	\$0	\$0	2020
Intersection Improvement - RR46 Geneva/St. Paul		\$6,500	\$5,046	\$1,454	\$3,600	\$197	\$0	\$0	2020
Intersection - RR89 Jacobsen/Burleigh		\$6,500	\$5,492	\$1,008	\$741	\$0	\$0	\$0	2019
Replacement of Burgoyne Bridge		\$93,344	\$93,342	\$2	\$1,177	\$0	\$0	\$0	2019
Roads Facility Program - Patrol Yard Improvement - 2018		\$1,000	\$0	\$1,000	\$500	\$500	\$0	\$0	2020
Roads Facility Program - Patrol Yard Improvement - 2019		\$1,000	\$0	\$1,000	\$0	\$1,000	\$0	\$0	2020
Roads Reconstruction - RR20 Station/Rice		\$3,793	\$3,477	\$316	\$0	\$316	\$0	\$0	2020
Roads Reconstruction - RR38 QEW/Fourth		\$23,156	\$9,247	\$13,909	\$8,000	\$6,412	\$0	\$0	2020
Roads Reconstruction - RR50 Thorold/Riverbank		\$2,400	\$2,197	\$203	\$0	\$203	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Roads Reconstruction - St Davids Road East		\$6,934	\$561	\$6,373	\$1,300	\$4,900	\$500	\$52	2022
Roads Rehabilitation - RR27 Prince Charles Dr to Lincoln St		\$5,750	\$614	\$5,136	\$5,000	\$439	\$0	\$0	2020
Roads Rehabilitation - RR63 Baldwin/Coffee Bridge		\$3,035	\$295	\$2,740	\$1,780	\$950	\$50	\$0	2021
Roads Rehabilitation - RR69 Wessel/Centre Phase 3		\$1,000	\$165	\$835	\$250	\$595	\$0	\$0	2020
Roads Rehabilitation - RR1 Albert/Lakeshore		\$2,165	\$570	\$1,595	\$13	\$1,595	\$0	\$0	2020
Roads Rehabilitation - RR1 Dominion Road, Burleigh/Bufalo		\$12,070	\$11,270	\$800	\$900	\$731	\$0	\$0	2020
Roads Rehabilitation - RR45 RR4/RR63		\$1,775	\$404	\$1,371	\$200	\$1,261	\$0	\$0	2020
Roads Rehabilitation - RR49 Hydro Power Canal to Wilson Cres Phase 2		\$1,050	\$344	\$706	\$200	\$831	\$0	\$0	2020
Roads Rehabilitation - RR56 Glendale to St Davids		\$2,000	\$185	\$1,815	\$1,843	\$0	\$0	\$0	2019
Roads Rehabilitation - RR57 Thorold Stone Road Extension		\$19,300	\$8,519	\$10,781	\$200	\$551	\$10,000	\$0	2021
Roads Rehabilitation - RR57 Stanley Whirlpool/Valleyway		\$15,233	\$14,851	\$382	\$454	\$0	\$0	\$0	2019
Roads Rehabilitation - RR69 Effingham/Wessel Phase 2		\$9,118	\$8,078	\$1,040	\$5,000	\$2,580	\$0	\$0	2020
Roads Rehabilitation - RR87 Lake/Geneva		\$6,841	\$6,663	\$179	\$335	\$0	\$0	\$0	2019
Roads Rehabilitation - RR87 Third/Seventh		\$1,500	\$1,156	\$344	\$1,028	\$0	\$0	\$0	2019
Roads Rehabilitation - RR87 Townline/Four Mile Creek		\$8,500	\$5,203	\$3,297	\$2,680	\$1,000	\$0	\$0	2020
Roads Resurfacing - 2013		\$4,933	\$4,189	\$744	\$400	\$224	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Roads Resurfacing - 2016		\$7,541	\$7,262	\$280	\$282	\$0	\$0	\$0	2019
Roads Resurfacing - 2018		\$9,510	\$9,383	\$127	\$540	\$200	\$0	\$0	2020
Roads Resurfacing - 2019		\$8,844	\$4,412	\$4,432	\$6,732	\$1,000	\$0	\$0	2020
Stabilization RR14 Canboro Rd at Warner		\$5,339	\$5,315	\$24	\$272	\$0	\$0	\$0	2019
Structural Rehabilitation - 2016 Program		\$3,700	\$1,416	\$2,284	\$2,000	\$1,475	\$0	\$0	2020
Structural Rehabilitation - 2019 Program		\$1,000	\$0	\$1,000	\$0	\$1,000	\$0	\$0	2020
Structural Rehabilitation - Main Street Bridge		\$4,703	\$4,516	\$187	\$0	\$0	\$0	\$0	2019
Structural Rehabilitation - Mewburn @ CNR Tracks		\$2,500	\$0	\$2,500	\$1,250	\$1,250	\$0	\$0	2020
Structural Rehabilitation - Ontario Power Generation Bridges over Gibson Lake		\$8,100	\$8,006	\$94	\$50	\$61	\$0	\$0	2020
Structural Rehabilitation - Reece Bridge		\$9,983	\$9,815	\$168	\$2,400	\$50	\$0	\$0	2020
Structural Rehabilitation - RR81 St Paul West CNR Bridge		\$2,250	\$331	\$1,919	\$1,038	\$1,038	\$0	\$0	2020
Structural Replacement - RR81 20 Mile Arch Bridge		\$5,020	\$366	\$4,654	\$350	\$3,000	\$1,500	\$136	2022
Transportation Infrastructure Means Protection		\$4,000	\$0	\$4,000	\$0	\$3,000	\$1,000	\$0	2021
Vehicles - 2016		\$3,465	\$3,464	\$1	\$0	\$0	\$0	\$0	2019
Public Works - Roads & Fleet		\$385,189	\$266,487	\$118,702	\$69,525	\$64,268	\$15,245	\$189	
GO Transit		\$10,598	\$5,593	\$5,005	\$3,300	\$1,818	\$0	\$0	2024
GO Transit	Uninitiated	\$29,402	\$0	\$29,402	\$0	\$10,932	\$7,250	\$11,220	2024
Total GO Transit		\$40,000	\$5,593	\$34,407	\$3,300	\$12,750	\$7,250	\$11,220	

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Inter-Municipal Transit Capital Acquisition - 2015		\$1,340	\$1,330	\$10	\$67	\$0	\$0	\$0	2019
Inter-Municipal Transit Capital Acquisition - 2017		\$17,200	\$353	\$16,847	\$13,900	\$3,018	\$0	\$0	2020
<b>Total IMT Transit</b>		<b>\$18,540</b>	<b>\$1,684</b>	<b>\$16,856</b>	<b>\$13,967</b>	<b>\$3,018</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Public Works - Levy</b>		<b>\$443,729</b>	<b>\$273,763</b>	<b>\$169,966</b>	<b>\$86,792</b>	<b>\$80,036</b>	<b>\$22,495</b>	<b>\$11,408</b>	
Bridge St - Public Drop Off Depot Improvement	Uninitiated	\$1,145	\$0	\$1,145	\$0	\$1,050	\$75	\$0	2022
Glenridge - Leachate Collection System		\$1,210	\$38	\$1,172	\$100	\$50	\$1,000	\$0	2022
Humberstone - Infrastructure Upgrades		\$6,306	\$6,229	\$77	\$2,500	\$400	\$0	\$0	2022
Humberstone - Passive Gas Collection		\$4,674	\$4,356	\$319	- \$11	\$0	\$0	\$0	2019
Line 5 - Lechate Collection System		\$1,020	\$1	\$1,019	\$100	\$100	\$800	\$0	2022
Niagara Road 12 - Cell 4 Construction & ManHole Rehabilitation		\$3,930	\$3,783	\$147	\$1,000	\$100	\$0	\$0	2020
Niagara Road 12 & Park Road - Pump Station Upgrades		\$2,077	\$1,600	\$477	\$1,250	\$0	\$0	\$0	2020
Recycling Centre - Facility Improvements Groundwater		\$1,123	\$983	\$140	\$40	\$60	\$40	\$0	2021
<b>Total Waste Management</b>		<b>\$21,485</b>	<b>\$16,989</b>	<b>\$4,496</b>	<b>\$4,979</b>	<b>\$1,760</b>	<b>\$1,915</b>	<b>\$0</b>	
Combined Sewer Overflow - Grimsby		\$1,725	\$222	\$1,503	\$0	\$0	\$1,503	\$0	2021
Decommissioning Wastewater Treatment Plant - Niagara-on-the-Lake		\$12,700	\$413	\$12,287	\$200	\$600	\$4,000	\$7,564	2024
Lagoon Upgrade program - Stevensville/Douglastown		\$4,100	\$331	\$3,769	\$500	\$3,000	\$573	\$0	2021
Miscellaneous Program - Centrifuge Components		\$1,560	\$0	\$1,560	\$0	\$1,560	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Miscellaneous Program - Chemical System Upgrades - 2017		\$1,400	\$93	\$1,307	\$77	\$1,307	\$0	\$0	2021
Miscellaneous Program - Garner Road		\$5,242	\$4,688	\$554	\$2,500	\$574	\$0	\$0	2020
Miscellaneous Program - Motor Control Centres		\$2,000	\$174	\$1,826	\$250	\$1,826	\$0	\$0	2020
Pump Station Capacity Expansion Program - Odour Control - Smithville		\$1,500	\$912	\$588	\$691	\$0	\$0	\$0	2019
Pump Station Improvement Program - Design		\$5,470	\$5,367	\$103	\$100	\$59	\$0	\$0	2020
Pump Station Improvement Program - Haulage Road		\$2,150	\$184	\$1,966	\$300	\$1,667	\$0	\$0	2020
Pump Station Improvement Program - Lakeside		\$2,500	\$278	\$2,222	\$100	\$2,250	\$0	\$0	2020
Pump Station Improvement Program - NOTL, Garrison Rd, William St		\$3,285	\$3,140	\$145	\$145	\$0	\$0	\$0	2019
Pump Station Improvement Program - Park Lane		\$1,400	\$215	\$1,185	\$800	\$500	\$0	\$0	2020
Pump Station Improvement Program - Riverview SPS		\$1,305	\$121	\$1,184	\$500	\$688	\$0	\$0	2020
Pump Station Improvement Program - South Side High Lift		\$6,651	\$6,515	\$136	\$100	\$181	\$0	\$0	2019
Pump Station Improvement Program - Wellandvale		\$2,146	\$1,406	\$740	\$0	\$250	\$534	\$0	2021
Pump Station Improvement Program - Woodsville		\$5,420	\$476	\$4,944	\$250	\$600	\$4,289	\$0	2021
Sewer & Forcemain Program - Dain City		\$6,025	\$420	\$5,605	\$4,818	\$1,000	\$0	\$0	2020
Sewer & Forcemain Program - Highway 406 Trunk		\$1,274	\$1,273	\$0	\$0	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Sewer & Forcemain Program - Oaks Park Trunk		\$2,145	\$2,098	\$47	\$30	\$0	\$0	\$0	2019
Sewer & Forcemain Program - Stamford Centre		\$10,562	\$9,999	\$563	\$9,423	\$563	\$0	\$0	2019
Sewer & Forcemain Program - Tupper Dr Trunk		\$2,910	\$123	\$2,787	\$770	\$2,000	\$0	\$0	2020
Sewer Relining Program		\$1,453	\$1,336	\$118	\$120	\$0	\$0	\$0	2019
Wastewater Treatment Plant Capacity Expansion - Niagara-on-the-Lake		\$47,895	\$47,484	\$411	\$200	\$481	\$0	\$0	2020
Wastewater Treatment Plant Capacity Expansion - South Niagara Falls		\$4,900	\$2,120	\$2,780	\$3,000	\$1,452	\$0	\$0	2020
Wastewater Treatment Plant Digester/Sludge Management - 2013 Program		\$1,000	\$932	\$68	\$0	\$0	\$0	\$0	2019
Digester & Sludge Program - 2018		\$2,550	\$278	\$2,272	\$400	\$1,932	\$0	\$0	2019
Wastewater Treatment Plant Upgrade - Garner Road		\$4,500	\$170	\$4,330	\$1,000	\$2,000	\$1,348	\$0	2020
Wastewater Treatment Plant Upgrade - Niagara Falls		\$2,100	\$949	\$1,151	\$600	\$558	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Port Weller		\$9,900	\$514	\$9,386	\$50	\$2,000	\$500	\$6,881	2023
Wastewater Treatment Plant Upgrade - Port Weller 2017		\$1,310	\$1,285	\$25	\$154	\$0	\$0	\$0	2019
Wastewater Treatment Plant Upgrade - Welland		\$21,821	\$21,254	\$567	\$4,400	\$867	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Welland Phase 2		\$2,400	\$0	\$2,400	\$100	\$1,200	\$1,100	\$0	2021
Wastewater Treatment Plant Upgrade - Aeration - Seaway		\$1,236	\$1,132	\$103	\$796	\$0	\$0	\$0	2019
Wastewater Treatment Plant Upgrade - Bar Screen - Port Weller		\$1,230	\$193	\$1,037	\$90	\$1,037	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Wastewater Treatment Plant Upgrade - Fine Bubble Aeration - Port Dalhousie		\$29,500	\$1,253	\$28,247	\$300	\$20,000	\$7,947	\$0	2024
Wastewater Treatment Plant Upgrade - Grit System - Grimsby		\$1,725	\$1,606	\$119	\$0	\$488	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Primary Digester #2 - Niagara Falls		\$1,000	\$0	\$1,000	\$500	\$500	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Secondary Clarifier - Seaway		\$3,115	\$2,727	\$388	\$2,000	\$873	\$0	\$0	2020
<b>Total Wastewater</b>		<b>\$221,104</b>	<b>\$121,680</b>	<b>\$99,423</b>	<b>\$35,265</b>	<b>\$52,014</b>	<b>\$21,795</b>	<b>\$14,445</b>	
Elevated Tank - New - Pelham		\$1,620	\$180	\$1,440	\$85	\$62	\$1,440	\$0	2021
Elevated Tank Rehabilitation - Thorold South		\$2,992	\$2,714	\$278	\$2,647	\$278	\$0	\$0	2020
Meter Replacement Program		\$3,550	\$1,939	\$1,611	\$1,300	\$1,750	\$0	\$0	2020
Miscellaneous Program - Evaluation & Replacement		\$1,100	\$1,093	\$7	\$0	\$0	\$0	\$0	2019
Miscellaneous Program - Granular Activated Carbon Replacement		\$2,260	\$1,336	\$924	\$1,036	\$0	\$0	\$0	2019
Miscellaneous Program - Pressure Booster		\$1,050	\$1,030	\$20	\$59	\$0	\$0	\$0	2019
Miscellaneous Program - System Storage - Grimsby		\$26,889	\$902	\$25,987	\$7,000	\$18,000	\$1,226	\$0	2021
Miscellaneous Program - System Storage - Port Colborne		\$11,850	\$11,795	\$55	\$200	\$35	\$0	\$0	2020
Transmission Main over Welland River		\$4,080	\$5	\$4,075	\$40	\$100	\$50	\$3,885	2023
Water Treatment Plant Raw Water Intake - Niagara Falls		\$15,550	\$260	\$15,290	\$100	\$900	\$14,305	\$0	2021
Water Treatment Plant Roadway & Parking Lot - Grimsby		\$1,180	\$144	\$1,036	\$30	\$1,038	\$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	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 Forecasted Expenditures	2022 and Beyond Forecasted Expenditures	Estimated Year of Completion
Water Treatment Plant Upgrade - Decew Falls - 2016		\$22,250	\$996	\$21,254	\$100	\$16,000	\$4,254	\$1,000	2022
Water Treatment Plant Upgrade - Niagara Falls - 2015		\$3,495	\$264	\$3,231	\$150	\$3,044	\$50	\$0	2021
Water Treatment Plant Upgrade - Niagara Falls - 2017		\$10,115	\$215	\$9,900	\$2,000	\$7,906	\$0	\$0	2020
Water Treatment Plant Upgrade - Port Colborne		\$8,600	\$708	\$7,892	\$150	\$4,873	\$3,000	\$0	2021
Water Treatment Plant Upgrade - Rosehill		\$15,000	\$14,460	\$540	\$2,000	\$4,332	\$0	\$0	2020
Water Treatment Plant Upgrade - Rosehill - 2017		\$1,950	\$136	\$1,814	\$100	\$400	\$1,314	\$0	2021
Water Treatment Plant Upgrade - Welland - 2017		\$5,000	\$1,419	\$3,581	\$782	\$3,975	\$0	\$0	2020
Watermain Program - Along CNR Grimsby		\$13,400	\$718	\$12,682	\$6,000	\$7,000	\$0	\$0	2020
Watermain Program - Barrick Road		\$1,965	\$1	\$1,964	\$0	\$960	\$1,000	\$0	2021
Watermain Program - Fort Erie, Dominion Road		\$10,615	\$10,413	\$202	\$875	\$102	\$0	\$0	2020
Watermain Program - Hwy406 Cross Trans		\$1,911	\$1,905	\$6	\$0	\$6	\$0	\$0	2020
Watermain Program - Lundy's Lane		\$1,000	\$0	\$1,000	\$10	\$490	\$500	\$0	2021
Watermain Program - Welland Canal Extension		\$4,620	\$0	\$4,620	\$1,500	\$3,120	\$0	\$0	2020
Watermain Program - Welland East and West		\$6,200	\$4,725	\$1,475	\$100	\$1,867	\$0	\$0	2020
Total Water Works		\$178,243	\$57,358	\$120,885	\$26,264	\$76,241	\$27,139	\$4,885	
Total Projects with remaining budgets greater than \$1 million		\$1,141,240	\$671,598	\$469,642	\$199,306	\$239,596	\$98,508	\$31,738	

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

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

Transfers to the CV do not require approval. Requests less than \$250, one-time or cumulative on a project, may be approved by the departmental Commissioner or Director, in combination with the Commissioner of Corporate Services. Requests in excess of \$250, one-time or cumulative on a project, require Council approval. Throughout the year, the balance of CVs 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 CV project have been identified as a funding source for the 2019 Capital Budget and will be transferred to the reserve at year end. The excess funds in the Waste Management, Wastewater and Water Works CV projects will be transferred to the respective capital reserves for use in the long-term capital affordability strategy. Approximately \$4,000 in the Levy Programs CV project has been committed for the forecasted 2020 Capital Budget or a priority project.

Capital Variance Project Reconciliation	Levy Programs	Waste Management	Wastewater	Water Works	Total Programs
<b>Balance at December 31, 2018</b>	<b>\$4,435</b>	<b>\$1,421</b>	<b>\$2,078</b>	<b>\$1,000</b>	<b>\$8,935</b>
Transfer to Active Capital Projects	- \$5,326	- \$570	- \$1,215	- \$847	- \$7,957
Budget Reductions on Active Capital Projects	\$1,970	\$0	\$283	\$124	\$2,377
Transfers from Closed Capital Projects	\$3,712	\$485	\$306	\$3,007	\$7,511
Adjustments to Previously Closed Projects	- \$1	\$0	\$0	\$0	- \$1
<b>Balance at July 24, 2019</b>	<b>\$4,791</b>	<b>\$1,336</b>	<b>\$1,453</b>	<b>\$3,284</b>	<b>\$10,865</b>
Committed to future requests/budget	- \$4,000	\$0	\$0	\$0	- \$4,000
<b>Uncommitted Balance at July 24, 2019</b>	<b>\$791</b>	<b>\$1,336</b>	<b>\$1,453</b>	<b>\$3,284</b>	<b>\$6,865</b>

# Investment Report (in thousands of dollars)

Investment income during Q2 on the primary portfolio amounted to \$4,726, which comprises investment portfolio income and interest on cash balances.

## Investment Performance

### Investment income before transfers to reserves:

Unfavorable year to date forecasted investment income of \$347, is a result of right-sizing a prior year investment transaction and also includes the unrealized exchange losses of \$88 explained below. Forecasted investment income before transfers for 2019 is favourable when compared to budget by \$25.

Budget vs Actual/Forecast before Reserve Transfers	YTD Actuals		Forecast		Total
	Q1	Q2	Q3	Q4	
Portfolio Return	2.88%	2.85%	n/a	n/a	
Budget	\$4,557	\$5,072	\$5,566	\$5,761	\$20,956
Actual	\$4,835	\$4,726	\$5,655	\$5,766	\$20,982
Variance	\$278	\$-347	\$89	\$5	\$25

### Investment income after transfers to reserves:

The unfavourable variance is driven by the transfers to Development Charge/Rate Reserves being \$38 greater than budget, which is due to growth in the development charge reserve balances being higher than anticipated. Forecasted investment income after transfers compared to budget is unfavourable by \$13.

Budget vs Actual/Forecast after Reserve Transfers	YTD Actuals		Forecast		Total
	Q1	Q2	Q3	Q4	
Budget	\$4,557	\$5,072	\$5,566	\$5,761	\$20,956
Net Budget Transfers	\$-1,408	\$-1,408	\$-1,408	\$-1,408	\$-5,630
Budget (Net)	\$3,150	\$3,665	\$4,159	\$4,353	\$15,326
Actual	\$4,835	\$4,726	\$5,655	\$5,766	\$20,982
Net Actual Transfers	\$-1,050	\$-1,784	\$-1,417	\$-1,417	\$-5,668
Actual (Net)	\$3,785	\$2,942	\$4,238	\$4,349	\$15,314
Variance	\$635	\$-723	\$79	\$-4	\$-13

Note: Staff monitor foreign exchange rates during the year to take advantage of favourable opportunities, unrealized exchange losses of \$88 are included in Q2 investment income. Amounts reflected in this report do not include the NRH investment portfolio.

## Investment Term Holdings

Funds	Book Value	Weight
Cash	\$84,516	11.6%
Cash Equivalents < 1 Year	\$46,580	6.4%
2 Year	\$30,850	4.2%
3 Year	\$23,297	3.2%
4 Year	\$30,541	4.2%
5+ Year	\$495,138	68.1%
Sinking Fund (Incl. Cash)	\$15,909	2.2%
Total Portfolio	\$726,831	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	\$55,200	8.59%	15.00%
Bank of Nova Scotia	Corporate	\$86,500	13.47%	15.00%
Canadian Imperial Bank of Commerce	Corporate	\$25,000	3.89%	15.00%
HSBC Bank Canada	Corporate	\$7,300	1.14%	15.00%
National Bank of Canada	Corporate	\$51,500	8.02%	15.00%
Royal Bank of Canada	Corporate	\$58,500	9.11%	15.00%
<b>Total</b>	<b>Corporate</b>	<b>\$284,000</b>	<b>44.22%</b>	<b>50.00%</b>
City of Hamilton	Municipal	\$5,722	0.89%	5.00%
City of London	Municipal	\$1,000	0.16%	5.00%
City of Montreal	Municipal	\$3,066	0.48%	5.00%
City of Ottawa	Municipal	\$5,657	0.88%	5.00%
City of Quebec	Municipal	\$2,295	0.36%	5.00%
City of Saskatoon	Municipal	\$3,332	0.52%	5.00%
City of Toronto	Municipal	\$11,605	1.81%	5.00%
County of Wellington	Municipal	\$852	0.13%	5.00%
District of Mun of Muskoka	Municipal	\$0	0.00%	5.00%
Municipal Finance Authority of BC	Municipal	\$5,028	0.78%	5.00%
New Brunswick Municipal Finance Authority	Municipal	\$5,505	0.86%	5.00%
Region of Halton	Municipal	\$1,519	0.24%	5.00%
Region of Peel	Municipal	\$3,518	0.55%	5.00%
Region of Waterloo	Municipal	\$15,092	2.35%	5.00%
Region of York	Municipal	\$9,670	1.51%	5.00%
York Region District School Board	Municipal	\$4,310	0.67%	5.00%
York Sinking Fund Debenture	Municipal	\$1,797	0.28%	5.00%
<b>Total</b>	<b>Municipal</b>	<b>\$79,966</b>	<b>12.45%</b>	<b>25.00%</b>
Newfoundland and Labrador Hydro	Provincial	\$720	0.11%	25.00%
Ontario Hydro	Provincial	\$21,581	3.36%	25.00%
Province of Alberta	Provincial	\$1,302	0.20%	25.00%
Province of British Columbia	Provincial	\$6,937	1.08%	25.00%
Province of Manitoba	Provincial	\$35,235	5.49%	25.00%
Province of New Brunswick	Provincial	\$1,796	0.28%	25.00%
Province of Newfoundland	Provincial	\$51,420	8.01%	25.00%
Province of Nova Scotia	Provincial	\$16,753	2.61%	25.00%
Province of Ontario	Provincial	\$51,334	7.99%	25.00%
Province of Prince Edward Island	Provincial	\$2,742	0.43%	25.00%
Province of Quebec	Provincial	\$63,487	9.88%	25.00%
Province of Saskatchewan	Provincial	\$5,197	0.81%	25.00%
Quebec Hydro	Provincial	\$13,818	2.15%	25.00%
<b>Total</b>	<b>Provincial</b>	<b>\$272,320</b>	<b>42.40%</b>	<b>75.00%</b>
<b>Region of Niagara Debentures</b>	<b>Municipal</b>	<b>\$5,969</b>	<b>0.93%</b>	<b>100.00%</b>
<b>TOTAL excluding Cash</b>	<b>All</b>	<b>\$642,255</b>	<b>100.00%</b>	<b>100.00%</b>
General Chequing **	Cash	\$19,757		
Savings	Cash	\$64,759		
Sinking Fund	Cash	\$60		
<b>Total</b>		<b>\$84,575</b>		
<b>TOTAL including Cash</b>		<b>\$726,831</b>		

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

\*\*Cash balances shown are the amounts held by the financial institution at the end of the quarter and do not include adjustments for outstanding payments or deposits. Balances include USD funds converted at quarter-end spot rate of 1.3087.

# Debt Report (in thousands of dollars)

S&P (Standard & Poor's) has had Niagara rated AA with a 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 10, 2018. The ratings reflect S&P's opinion of Niagara's exceptional liquidity, very strong budgetary performance, strong financial management, and moderate debt burden. The stable outlook reflects S&P's expectations that Niagara will post near-balanced after-capital budgetary results; its tax-supported debt will be about 77% of consolidated operating revenues, and its liquidity will remain exceptional in the next two years. 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.

Key Rating Factors	Standard & Poor's Assessment	Key Rating Factors	Standard & Poor's Assessment
Institutional Framework Economy Financial Management Budgetary Flexibility	<b>Very Predictable and well-balanced</b>  <b>Average</b>  <b>Strong</b>  <b>Average</b>	Budgetary Performance Liquidity Debt Burden Contingent Liabilities	<b>Very Strong</b>  <b>Exceptional</b>  <b>Moderate</b>  <b>Very Low</b>

Department	Total Debt as at December 31, 2018 including Sinking Fund Assets	Year to Date Debt Issued	Year to Date Principal Payments	Sinking Fund Contributions and Asset Earnings	Total Debt as at June 30, 2019 including Sinking Fund Assets	Forecasted Principal Payments	Unissued Debt*	Total Debt & Unissued Debt As at December 31, 2019	Annual Repayment Limits
General Government Total	\$23,098	\$0	- \$523	- \$40	\$22,535	- \$1,856	\$6,350	\$27,029	
Police	\$82,982	\$0	- \$908	- \$151	\$81,923	- \$3,753	\$11,080	\$89,250	
Roads	\$121,568	\$0	- \$762	- \$174	\$120,631	- \$15,042	\$69,096	\$174,686	
Public Health	\$14,318	\$0	- \$36	\$0	\$14,282	- \$2,265	\$5,677	\$17,694	
Community Services	\$22,049	\$0	- \$759	\$0	\$21,290	- \$1,752	\$15,335	\$34,873	
NRH	\$24,205	\$0	- \$483	\$0	\$23,722	- \$2,536	\$15,171	\$36,357	
Planning	\$63	\$0	- \$31	\$0	\$32	\$0	\$0	\$32	
<b>Total Levy</b>	<b>\$288,283</b>	<b>\$0</b>	<b>- \$3,501</b>	<b>- \$366</b>	<b>\$284,415</b>	<b>- \$27,204</b>	<b>\$122,709</b>	<b>\$379,920</b>	
Wastewater	\$55,898	\$0	- \$2,013	- \$773	\$53,111	- \$108	\$36,376	\$89,380	
Water	\$11,245	\$0	- \$276	- \$192	\$10,776	- \$71	\$22,729	\$33,434	
Waste Management	\$1,558	\$0	- \$763	\$0	\$795	\$0	\$0	\$795	
<b>Total Rate</b>	<b>\$68,700</b>	<b>\$0</b>	<b>- \$3,052</b>	<b>- \$966</b>	<b>\$64,682</b>	<b>- \$179</b>	<b>\$59,105</b>	<b>\$123,609</b>	
<b>Total Niagara Region</b>	<b>\$356,983</b>	<b>\$0</b>	<b>- \$6,554</b>	<b>- \$1,332</b>	<b>\$349,097</b>	<b>- \$27,383</b>	<b>\$181,814</b>	<b>\$503,530</b>	<b>7.03%</b>

Department	Total Debt as at December 31, 2018 including Sinking Fund Assets	Year to Date Debt Issued	Year to Date Principal Payments	Sinking Fund Contributions and Asset Earnings	Total Debt as at June 30, 2019 including Sinking Fund Assets	Forecasted Principal Payments	Unissued Debt*	Total Debt & Unissued Debt As at December 31, 2019	Annual Repayment Limits
Fort Erie	\$7,383	\$0	- \$205	\$0	\$7,178	- \$844	\$0	\$6,333	2.52%
Grimsby**	\$3,485	\$0	- \$172	\$0	\$3,314	- \$174	\$0	\$3,140	1.69%
Lincoln**	\$4,485	\$0	- \$34	\$0	\$4,451	- \$436	\$0	\$4,015	2.75%
NOTL	\$2,225	\$0	- \$253	\$0	\$1,972	- \$168	\$0	\$1,804	1.51%
Niagara Falls**	\$48,219	\$0	- \$1,610	\$0	\$46,608	- \$2,148	\$0	\$44,460	3.02%
Pelham	\$30,089	\$0	- \$221	\$0	\$29,868	- \$1,634	\$0	\$28,234	13.40%
Port Colborne**	\$28,749	\$0	- \$658	\$0	\$28,091	- \$846	\$0	\$27,246	8.32%
St. Catharines	\$113,948	\$0	- \$1,397	- \$190	\$112,362	- \$10,405	\$0	\$101,957	7.72%
Thorold	\$1,065	\$0	- \$57	\$0	\$1,008	- \$58	\$0	\$950	0.55%
Wainfleet**	\$266	\$0	- \$5	\$0	\$261	- \$48	\$0	\$213	0.81%
Welland**	\$50,046	\$0	- \$1,502	\$0	\$48,544	- \$4,532	\$0	\$44,011	9.34%
West Lincoln**	\$15,025	\$0	- \$264	\$0	\$14,761	- \$264	\$0	\$14,496	5.71%
NPCA	\$700	\$0	- \$208	\$0	\$492	- \$276	\$0	\$216	
Separate School Board	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Debt Assumed for Others (External)</b>	<b>\$305,684</b>	<b>\$0</b>	<b>- \$6,585</b>	<b>- \$190</b>	<b>\$298,909</b>	<b>- \$21,835</b>	<b>\$0</b>	<b>\$277,075</b>	
<b>Total Niagara Region &amp; External</b>	<b>\$662,667</b>	<b>\$0</b>	<b>- \$13,139</b>	<b>- \$1,521</b>	<b>\$648,006</b>	<b>- \$49,218</b>	<b>\$181,814</b>	<b>\$780,604</b>	

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

\*\*Calculated with 2018 FIR data (\*\*2017 used where 2018 not available) and 2019 debt servicing charges.

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

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

Customer Name	Over 120	Explanation of Account	Status
Bell Canada	\$375	2017 Project Cost Sharing for Burgoyne Bridge. Public Works entered into discussions with customer regarding costs, which were revised in July to \$213.	Collection to continue
City of Niagara Falls	\$60	2018 RDC invoice in dispute with developer, applied for NFP grant, which was denied. Collection to continue which may include collecting through property tax.	Collection to continue
City of Welland	\$113	2013-T-123 Project Cost Sharing for East Main Street. Original invoice issued in May 2017 and revised September 2018. City has advised that a report is being brought forward to Council in August and payment should follow by end of month.	Collection to continue
Merritton Mills Redevelopment Corp	\$500	2007 Landfill tipping fees related to three redevelopment sites. Niagara Region will offset these with the Tax Increment Grants (TIG) as the agreements between the City of St. Catharines and the developer are signed. The Niagara Region has a Letter of Credit (LOC) for \$472 related to the receivable for one site and the other two sites now have active tax increment grants starting in 2017 for 2016 tax year.	Pending 2018 TIG agreements
Seniors Resident 12006	\$25	Resident still active. Public Guardian and Trustee have taken over financial responsibility for current and future charges. Many attempts have been made to the family to collect. On-going efforts to mitigate risk.	Collection to continue
Seniors Resident 11338	\$52	Resident still active. Many attempts have been made to the family to collect. On-going efforts to mitigate risk.	Collection to continue
Town of Grimsby	\$843	2018 RDC invoice in dispute with developer, Grimsby to collect additional amounts outstanding through property tax (with Grimsby legal).	Collection to continue
Trisura Guarantee Insurance Company	\$30	This 2018 invoice is requesting payment for work completed by our Completion Contractor in accordance with our contract with them and the payment terms with the Bonding Co. In-house legal department working with staff and Insurance Company to negotiate final settlement.	Collection to continue
<b>Total</b>	<b>\$1,998</b>		

# 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”). This includes all unfunded liabilities, impacts of amortization and capital fund activity. The Consolidated Statement of Financial Positon for June 30, 2019 is prepared with information as at August 8, 2019.

	June 30, 2019	Dec. 31, 2018
<b>FINANCIAL ASSETS</b>		
Cash	\$ 83,121	\$ 106,902
Investments	632,743	585,420
Accounts receivable	48,287	80,713
Other current assets	381	329
Tangible capital assets held for sale	756	756
Debt Recoverable from others	298,909	305,684
	<b>1,064,197</b>	<b>1,079,804</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	106,972	114,195
Employee future benefits and post-employment liabilities	104,421	104,421
Deferred revenue	181,857	178,320
Landfill closure and post-closure liability	61,397	61,397
Long-term liabilities	648,411	662,658
	<b>1,103,058</b>	<b>1,120,991</b>
Net debt	<b>(38,861)</b>	<b>(41,187)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	1,764,681	1,755,117
Inventory	8,013	7,360
Prepaid expenses	19,934	20,836
	<b>1,792,628</b>	<b>1,783,313</b>
Accumulated surplus	\$ 1,753,767	\$ 1,742,126

## Accumulated surplus reconciliation:

	June 30, 2019	Dec. 31, 2018
Operating surplus (deficit)	(\$ 219)	(\$ 5,458)
Invested in tangible capital assets	1,415,178	1,398,144
Capital fund – unexpended capital financing	301,757	226,159
Operating fund	(12,499)	(7,228)
Unfunded landfill closure & post-closure liability	(61,397)	(61,397)
Unfunded employee future benefits & post-employment liabilities	(103,112)	(103,112)
Total surplus	<b>1,539,708</b>	<b>1,447,108</b>
Total reserves and reserves funds (page 48)	<b>214,059</b>	<b>295,018</b>
Total accumulated surplus	<b>\$ 1,753,767</b>	<b>\$ 1,742,126</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, 2019. These statements have been compiled by Enterprise Resource Management 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 September. 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 October to December. It is intended to project expected organization results at the end of the current year based on information available at September 30, 2018. 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 though 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). 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.



## Q2 FINANCIAL UPDATE | JUNE 2019

**Niagara**  **Region**

1815 SIR ISAAC BROCK WAY THOROLD, ON L2V 4T7