
Subject: Q3 2019 Financial Update

Report to: Corporate Services Committee

Report date: Wednesday, December 4, 2019

Recommendations

That the September 30, 2019 (Q3) Quarterly Financial Update of the Regional Municipality of Niagara ("the Region") **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to summarize the quarterly financial results which are updated as of June, September and December each year and include; forecasted operating results; capital project reporting; reserves and deferred revenue; investments; debt; consolidated statement of financial position and accounts receivable.
- Departments prepare forecasts using assumptions and estimates based on information available at the time of writing the quarterly financial update. Forecasts contain certain inherent risks and as such actual results may differ.
- Operating results will be reported for the remainder of 2019 based on the reporting structure in place prior to the reorganization of Corporate Services, the revised Corporate Services structure will be reflected in financial reports beginning with the 2020 budget.
- The Regional Departments and General Government are projecting a surplus of \$698 (0.14% of budget) at year end.
- Levy supported programs (Regional Departments consolidated with the ABCs (Niagara Regional Police (NPRS), Niagara Regional Housing (NRH), Niagara Peninsula Conservations Authority (NPCA) and Court Services)) are projecting a surplus of \$1,152 (0.15% of budget) at year end.
- Rate supported programs (Water and Wastewater Services and Waste Management) are projecting a net deficit of \$2,423 (1.75% of budget) at year end.
- Sustainable variances identified through the quarterly reporting exercise have been considered in the development of the 2020 budget.

Financial Considerations

Full analysis and explanation of the levy and rate supported programs can be found in the Q3 2019 Quarterly Financial Update Report on the Region's website – <https://www.niagararegion.ca/business/finance/quarterly-reports/default.aspx>

The Quarterly Financial Update Report is compliant under the Accessibility for Ontarians with Disability Act. Hard copies of the report can be made available upon request.

Levy Supported Programs

	Surplus / (Deficit), after indirect allocations (in thousands)	Percentage of Budget
Regional Departments and General Government	\$698	0.14%
NRPS	(177)	0.10%
NRH	265	0.46%
Court Services	362	6.48%
NPCA	4	0.08%
Total Levy Supported	<u>\$1,152</u>	<u>0.15%</u>

A high level analysis of the financial results for Levy supported programs is provided in the analysis section below. For further details please refer to the Q3 2019 Financial Update Report in the “Consolidated Statement of Operations – levy” section.

Rate Supported Programs

	Surplus / (Deficit), after indirect allocations (in thousands)	Percentage of Budget
Water and Wastewater	(\$1,171)	0.85%
Waste Management	(1,252)	2.46%
Total Rate Supported	<u>(\$2,423)</u>	<u>1.76%</u>

A high level analysis of the financial results for Rate supported programs is provided in the analysis section below. For further details please refer to the Q3 2019 Financial Update Report in the “Consolidated Statement of Operations – Water and Wastewater and Waste Management” sections.

Analysis

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

Regional Departments and General Government (not including ABCs) have forecasted a year-end surplus of \$698 (0.14% of budget). The forecasted surplus is driven primarily by savings in compensation and labour related costs as a result of vacancies throughout the corporation, higher than anticipated supplemental tax revenues and

forecasted savings for utilities. The surplus is partially offset by higher than anticipated Workplace Safety Insurance Board (WSIB) costs in the Emergency Medical Services (EMS) division, an unanticipated decreases in provincial funding as well as development charge (DC) grants higher than budgeted.

The surplus is further increased by the forecasted net surplus in the ABCs of \$454 (0.19% of total budget for ABC's). The forecasted net surplus in the ABCs is primarily a result of lower than budgeted compensation costs, increased collection enforcement activity in Court Services as well as lower than budgeted subsidy payments to providers and rent supplement landlords in Niagara Regional Housing (NRH). These surpluses have been partially offset by increased repair and maintenance costs in NRH owned units in addition to the NRH Board's direction to provide funding to providers for heat control system upgrades.

Recommendations to address surplus (deficits) will be brought forward to Council as part of the Year-End Transfer report.

Rate Supported Programs (all amounts in thousands of dollars):

Water and Wastewater

Water and Wastewater Services has a projected net deficit at year end of \$1,171 (1.35% of budget) which is comprised of a forecasted surplus in the Water division of \$155, offset by a forecasted deficit of \$1,326 in the Wastewater division.

The forecasted net deficit in Water and Wastewater Services is due to lower than budgeted water sales as a result of cool weather in 2019, higher than anticipated equipment repairs, grounds and building repairs and unanticipated costs for emergency sewer repairs. The deficit has been partially mitigated by forecasted savings in utilities and compensation as a result of staff vacancies.

Recommendations to address surplus (deficits) will be brought forward to Council as part of the Year-End Transfer report.

Waste Management

Waste Management Services has a projected deficit of \$1,252 (2.46% of budget). The forecasted deficit 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 Region, Haldimand County and commercial businesses.

Recommendations to address deficits will be brought forward to Council as part of the Year-End Transfer report.

Comparison of Q2 to Q3 Forecasted Results:

The following table shows the changes in the forecasted surpluses/deficits between Q2 and Q3.

	Forecasted Surplus / (Deficit) After Indirect Allocations (in thousands)		Change from Q2
	Q2	Q3	
Regional Departments and General Government	(\$747)	\$698	\$1,445
ABCs	\$1,663	\$454	(\$1,209)
Total Levy Supported	\$916	\$1,152	\$236
Water and Wastewater	(\$737)	(\$1,171)	(\$434)
Waste Management	(\$1,259)	(\$1,252)	\$7
Total Rate Supported	(\$1,996)	(\$2,423)	(\$427)

Levy Supported Programs

The change in the forecasted results for Regional Departments and General Government are due to higher than anticipated Niagara Regional Transit (NRT) revenue, lower than anticipated NRT service costs due to the delay of the rollout of NRT services to West Niagara and increased salary gapping.

The change in the forecasted surplus in the ABCs is primarily driven by increased repair and maintenance costs in NRH owned units in addition to the NRH Board's direction to provide funding to providers for heat control system upgrades and is offset by lower than budgeted subsidy payments to rent supplement landlords in Niagara Regional Housing (NRH).

Rate Supported Programs

The change in the forecasted net deficit in Water and Wastewater is primarily driven by higher than anticipated chemical costs and additional costs incurred for emergency sewer repairs, offset by lower than budgeted spending on repair and maintenance costs for buildings and equipment.

The forecast in Waste Management has remained consistent between Q2 and Q3.

Alternatives Reviewed

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

Relationship to Council Strategic Priorities

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

Other Pertinent Reports

CSD 49-2019	Q1 Financial Update
CSD 63-2019	Q2 Financial Update

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

Appendices

Appendix 1	Q3 2019 Quarterly Financial Update
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Niagara  Region

2019

Q3 FINANCIAL UPDATE | SEPTEMBER

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Introduction

On behalf of Niagara Region, we are pleased to provide you with the 2019 Q3 financial update.

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

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

As of September 30, 2019 Niagara Region is forecasting a funding surplus of \$1.15 million related to the levy programs, \$1.17 million deficit related to Water and Wastewater programs, and a \$1.25 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.

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 Corporate Services.

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

Water & Wastewater

Water and Wastewater Services has a projected net deficit of \$1,171. The water division has a forecasted surplus of \$155 and the wastewater division has a forecasted deficit of \$1,326.

The forecasted surplus in the water division is a result of lower than budgeted compensation costs due to vacancies and a savings in electricity costs, offset by lower than budgeted water sales as a result of cool and wet weather in 2019. The forecasted deficit in the wastewater division is due to unanticipated emergency sewer repair costs and higher than budgeted chemical costs. The forecasted deficit has been partially offset by savings in electricity and compensation costs as a result of actual expenditures being less than budgeted.

It is recommended that at year-end the projected funding surplus of \$155 for water be transferred to the Water Capital Reserve and the project deficit of \$1,326 for wastewater be transferred from the Wastewater Stabilization Reserve.

Forecasted Deficit Including Indirect Allocations

Total Deficit	\$(1,171)
% of total budget	1.35%
% of rate revenue	1.00%

Waste Management

Waste Management Services has a projected deficit of \$1,252 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 \$1,252 be transferred from the Waste Management Stabilization Reserve.

Forecasted Deficit Including Indirect Allocations

Total Deficit	\$(1,252)
% of total budget	2.46%
% of rate revenue	3.54%

Levy

Regional Departments and General Government has a forecasted year-end surplus of \$698. The forecasted surplus is largely driven by savings in compensation costs as a result of vacancies throughout the corporation, higher than anticipated supplemental tax revenue and forecasted savings for utilities. This is offset by higher than anticipated costs related to Workplace Safety Insurance Board (WSIB) in the Emergency Medical Services (EMS) division, an unanticipated decrease in Provincial funding as well as in development charge (DC) grant exemptions (\$4,766).

The surplus forecasted in Agencies & Boards of \$454 is a result of lower than budgeted compensation costs and increased collection enforcement activity in Court Services as well as lower than budgeted subsidy payments to providers and rent supplement landlords in Niagara Regional Housing (NRH). These surpluses have been offset by higher than budgeted distribution to the Local Area Municipalities (LAMs) in Court Services, and increased repairs and maintenance costs in NRH owned units in addition to the NRH Boards direction to provide funding to providers for heat control system upgrades.

Forecasted Surplus/ (Deficit) Forecasted Including Indirect Allocations

Regional Departments and General Government	\$698
Niagara Regional Police Service	\$(177)
Court Services	\$362
Niagara Regional Housing	\$265
Niagara Peninsula Conservation Authority	\$4
Total Surplus	\$1,152
% of total budget	0.15%
% of levy revenue	0.30%

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

	Before Indirect Allocations			After Indirect Allocations		
	Annual Budget	Annual Forecast	Q3 Forecasted Surplus / (Deficit)	Annual Budget	Annual Forecast	Q3 Forecasted Surplus / (Deficit)
LEVY SUPPORTED DEPARTMENTS & PROGRAMS						
Regional Departments						
Governance	\$2,136	\$1,973	\$163	\$2,413	\$2,261	\$152
General Government	-\$299,136	-\$298,208	-\$929	-\$370,366	-\$369,408	-\$929
Corporate Administration	\$6,496	\$5,622	\$874	\$5,736	\$5,103	\$632
Enterprise Resource Management Services	\$12,928	\$13,253	-\$325	\$0	\$0	\$0
Corporate Services	\$29,361	\$28,692	\$669	\$1,783	\$1,508	\$274
Community Services	\$27,640	\$27,987	-\$347	\$43,791	\$43,435	\$356
Public Health & Emergency Services	\$24,908	\$26,526	-\$1,618	\$38,675	\$40,178	-\$1,503
Public Works – Transportation	\$33,604	\$32,109	\$1,495	\$72,966	\$71,456	\$1,511
Planning & Development	\$2,899	\$2,795	\$104	\$4,438	\$4,235	\$203
Sub-Total - Regional Departments	-\$159,163	-\$159,251	\$87	-\$200,534	-\$201,231	\$698
Agencies, Boards & Commissions						
Court Services	-\$1,839	-\$2,145	\$306	-\$605	-\$967	\$362
Niagara Regional Housing	\$27,789	\$27,623	\$166	\$35,405	\$35,140	\$265
Niagara Regional Police	\$146,714	\$146,215	\$499	\$161,528	\$161,705	-\$177
Niagara Peninsula Conservation Authority	\$4,200	\$4,200	\$0	\$4,206	\$4,202	\$4
Subtotal Agencies, Boards & Commissions	\$176,864	\$175,893	\$972	\$200,534	\$200,079	\$455
Total Levy Supported Programs	\$17,701	\$1,642	\$1,059	\$0	-\$1,152	\$1,152
RATE SUPPORTED DEPARTMENTS						
Public Works - Water & Wastewater	-\$15,338	-\$14,209	-\$1,129	\$0	\$1,171	-\$1,171
Public Works - Waste Management	-\$2,364	-\$1,162	-\$1,201	\$0	\$1,252	-\$1,252
Total Rate Supported Departments	-\$17,701	-\$15,371	\$2,330	\$0	\$2,423	-\$2,423
TOTAL	\$0	\$12,71	-\$1,271	\$0	\$1,271	-\$1,271

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	\$17,966	\$17,288	\$679	3.8%	\$23,724	\$23,176	\$548	2.3%
Administrative	\$1,513	\$1,435	\$78	5.2%	\$2,017	\$2,243	-\$225	-11.2%
Operational & Supply	\$9,532	\$9,173	\$359	3.8%	\$12,709	\$13,372	-\$662	-5.2%
Occupancy & Infrastructure	\$13,477	\$13,150	\$327	2.4%	\$17,950	\$17,953	-\$2	0.0%
Equipment, Vehicles, Technology	\$4,607	\$4,631	-\$23	-0.5%	\$6,143	\$6,399	-\$256	-4.2%
Community Assistance	\$0	\$1	-\$1	0.0%	\$0	\$1	-\$1	0.0%
Partnership, Rebate, Exemption	\$17,223	\$3,538	\$13,685	79.5%	\$18,227	\$18,204	\$23	0.1%
Financial Expenditures	\$0	\$31	-\$31	0.0%	\$0	\$31	-\$31	0.0%
Total Expenses	\$64,318	\$49,245	\$15,073	23.4%	\$80,771	\$81,378	-\$607	-0.8%
Taxation	-\$87,689	-\$87,582	-\$107	-0.1%	-\$116,919	-\$116,132	-\$786	-10.7%
By-Law Charges & Sales	-\$1,019	-\$1,126	\$107	10.5%	-\$1,358	-\$1,475	\$117	8.6%
Other Revenue	-\$6,414	-\$1,327	-\$5,086	-79.3%	-\$7,034	-\$7,038	\$4	0.1%
Total Revenues	-\$95,121	-\$90,035	-\$5,086	-5.3%	-\$125,311	-\$124,645	-\$666	-0.5%
Intercompany Charges	\$1,368	\$1,220	\$148	10.8%	\$1,824	\$1,679	\$145	7.9%
Total Intercompany Charges	\$1,368	\$1,220	\$148	10.8%	\$1,824	\$1,679	\$145	7.9%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	-\$29,436	-\$39,570	\$10,134	34.4%	-\$42,716	-\$41,588	-\$1,129	-2.6%
Transfers From Funds	-\$9,659	-\$2,619	-\$7,039	-72.9%	-\$9,659	-\$9,659	\$0	0.0%
Transfers To Funds	\$27,778	\$29,278	-\$1,500	-5.4%	\$37,038	\$37,038	\$0	0.0%
Total Transfers	\$18,119	\$26,659	-\$8,539	-47.1%	\$27,379	\$27,379	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	-\$11,316	-\$12,911	\$1,595	14.1%	-\$15,338	-\$14,209	-\$1,129	-7.4%
Indirect Allocations & Debt	\$9,787	\$9,764	\$23	0.2%	\$15,338	\$15,380	-\$43	-0.3%
Total Indirect Allocations & Debt	\$9,787	\$9,764	\$23	0.2%	\$15,338	\$15,380	-\$43	-0.3%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	-\$1,529	-\$3,147	\$1,618	105.8%	\$0	\$1,171	-\$1,171	N/A

Water & Wastewater - Continued

Variance Analysis (in thousands of dollars)

Water & Wastewater services operated with a favourable variance after indirect allocations of \$1,618 with a forecasted unfavourable variance of \$1,171 for year end. The following factors have contributed to these variances.

Compensation - The favourable year-to-date variance of \$679 and forecasted favourable variance of \$548 is due to temporary staffing vacancies that were filled by September.

Administration - The favourable year-to-date variance of \$78 is primarily due to unspent consulting budget (\$337). This is partially offset by unfavourable variances in legal expenses (\$136) and staff development due to increased training required to meet legislation (\$44). The unfavourable year-end forecast of \$225 is a result of anticipated consulting costs in the last quarter which are expected to reduce the favourable variance to \$18, offset by unfavourable forecasted variances in legal expenses (\$136) and staff development (\$48).

Operational & Supply - The favourable year-to-date variance of \$359 is primarily due to the timing of spend in sludge management which has a favourable variance of \$779. This is partially offset by unfavourable chemical costs (\$271) due to higher contract prices and increased usage. Overall, the forecasted variance for the year is unfavourable by \$662. The favourable variance in sludge management is forecasted to decrease to \$79 by year end and chemical costs are projected to be in excess of budget (\$546).

Occupancy & Infrastructure - The favourable year-to-date variance of \$327 is due to lower than expected electricity costs (\$1,360) and the timing of actual versus budgeted expenditures for property taxes (\$252). This is partially offset by unfavourable variances in repairs and maintenance grounds (\$148) and emergency sewer repairs for Dain City (\$1,227). The forecasted unfavourable variance of \$2 is as a result of costs in excess of budget for the Dain City repair (\$1,414) combined with unfavourable variances in repairs and maintenance buildings (\$104) and repairs and maintenance grounds costs (\$238). These variances are expected to be offset by a forecasted favorable variance in electricity of \$1,691.

Equipment, Vehicles, Technology –The unfavourable year-to-date variance of \$23 is due to timing differences creating a favourable variance in IT licenses and support costs (\$133) and lower than expected repairs and maintenance equipment costs (\$90). This is partially offset by unfavourable variances in minor equipment (\$155) and vehicle repairs and maintenance costs (\$91). The forecasted variance is projected to be unfavourable by \$256. Repairs and maintenance equipment and IT licenses and support budgets are expected to be fully spent by year end. Minor equipment and vehicle costs are expected to continue to be unfavourable by \$156 and \$98 respectively.

Partnership, Rebate, Exemption - The favourable year-to-date variance of \$13,685 is due to CSO funds committed to local area municipalities but not yet paid of \$13,662. All CSO funding not spent will be encumbered into future year budgets. As a result the favourable variance is projected to reduce to \$23.

Taxation - The unfavourable year-to-date variance of \$107 is due to decreased water sales due to cool and wet weather in the first half of 2019. The projected year-end unfavourable variance is expected to increase to \$786 as low water sales are anticipated to continue in the last quarter of the year.

By-Law Charges & Sales Costs - The favourable year-to-date variance of \$107 is due to increased hauled sewage revenue (\$168) and fees (\$77) being partially offset by lower than expected sewer surcharge revenue (\$126). The forecasted year-end favourable variance is expected to increase slightly to \$117 as favourable variances are expected to increase for hauled sewage (\$179) and fees (\$92). This is expected to be partially offset by lower than anticipated sewer surcharge revenue (\$160).

Other Revenue - The unfavourable year-to-date variance of \$5,086 is mainly driven by the timing of development charge revenue recognition to fund the CSO program (\$5,124). The development charge revenue will be encumbered into the 2020 budget resulting in an expected favourable variance at year-end of \$4.

Transfers - The unfavourable year-to-date variance of \$8,539 is due to previously encumbered CSO funds committed to local municipalities but not yet paid. The

Water & Wastewater - Continued

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.
- 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. The water wagon attended 55 events between May-October
- There have been 11 community organizations/international delegations hosted for tours at our Water/Wastewater Treatment plants (Jan.-Nov.)
- Construction for the Rosehill Water Treatment Plant Upgrades is well underway and is anticipated to be completed by summer 2020. The work includes sustainability upgrades to each major plant process.
- The NOTL WWTP has successfully completed the 30-day sewage start up on process treatment.
- Phase 1 of the Dain City forcemain replacement is currently being constructed.
- Construction for the Niagara Falls Water Treatment Plant Phase II Upgrades has been awarded to Maple Reinders. This sustainability work includes filter rehabilitation and miscellaneous building repairs. The project is eligible for CWWF funding and is anticipated to be completed by summer 2020.
- Planning for the new South Niagara Falls Wastewater Treatment Plant is underway. The Environmental Assessment commenced in 2018 and is anticipated to be completed by fall 2020. There is a Public Information Centre scheduled for November 20, 2019 where the public will have the opportunity to review and comment on the evaluation criteria, approach and methodology that will be used for selecting the preferred site, collection system and outfall location which will be presented in winter 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	\$2,779	\$2,581	\$198	7.1%	\$3,686	\$3,525	\$161	4.4%
Administrative	\$986	\$499	\$487	49.4%	\$1,994	\$1,651	\$343	17.2%
Operational & Supply	\$30,475	\$28,551	\$1,925	6.3%	\$40,864	\$38,472	\$2,392	5.9%
Occupancy & Infrastructure	\$1,081	\$1,022	\$59	5.5%	\$1,438	\$1,387	\$51	3.5%
Equipment, Vehicles, Technology	\$782	\$960	-\$178	-22.8%	\$1,053	\$1,293	-\$240	-22.8%
Partnership, Rebate, Exemption	\$147	\$142	\$5	3.1%	\$196	\$191	\$5	2.3%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Expenses	\$36,250	\$33,755	\$2,495	6.9%	\$49,231	\$46,519	\$2,712	5.5%
Taxation	-\$26,315	-\$26,315	\$0	0.0%	-\$35,328	-\$35,328	\$0	0.0%
By-Law Charges & Sales	-\$10,942	-\$8,384	-\$2,558	-23.4%	-\$14,588	-\$10,673	-\$3,915	-26.8%
Other Revenue	-\$3,333	-\$3,325	-\$8	-0.2%	-\$4,431	-\$4,431	\$0	0.0%
Total Revenues	-\$40,589	-\$38,024	-\$2,566	-6.3%	-\$54,347	-\$50,432	-\$3,916	-7.2%
Intercompany Charges	\$96	\$93	\$3	3.2%	\$129	\$126	\$2	1.8%
Total Intercompany Charges	\$96	\$93	\$3	3.2%	\$129	\$126	\$2	1.8%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	-\$4,243	-\$4,175	-\$68	-1.6%	-\$4,988	-\$3,786	-\$1,201	-24.1%
Transfers From Funds	-\$1,366	-\$1,366	\$0	0.0%	-\$1,511	-\$1,511	\$0	0.0%
Transfers To Funds	\$3,102	\$3,102	\$0	0.0%	\$4,136	\$4,136	\$0	0.0%
Total Transfers	\$1,735	\$1,735	\$0	0.0%	\$2,624	\$2,624	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	-\$2,508	-\$2,440	-\$68	-2.7%	-\$2,364	-\$1,162	-\$1,201	-50.8%
Indirect Allocations & Debt	\$1,981	\$2,010	-\$29	-1.4%	\$2,363	\$2,414	-\$51	-2.1%
Total Indirect Allocations & Debt	\$1,981	\$2,010	-\$29	-1.4%	\$2,363	\$2,414	-\$51	-2.1%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	-\$526	-\$430	-\$96	-18.3%	\$0	\$1,252	-\$1,252	N/A

Waste Management Services - Continued

Variance Analysis (in thousands of dollars)

Waste Management Services is operating at a year-to-date deficit after indirect allocations of \$96, with a forecasted deficit of \$1,252, due to the following factors:

Compensation – The favourable year-to-date and forecasted variances of \$198 and \$161 are due primarily to salary gapping and position vacancy management.

Administration – The favourable year-to-date and forecasted variances of \$487 and \$343 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 \$1,925 and \$2,392 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 \$1,807) which are offset by related decreases to recycling processing revenues. There is also a forecasted savings of approximately \$200 for lower than anticipated labour costs at the MRF in 2019. In the first three quarters of the year, liquidated damages in amount of \$246 were issued under contract 2009-RFP-44 for breaches of contractual performance standards.

Occupancy & Infrastructure – The favourable year-to-date and forecasted variances of \$59 and \$51 are due to the timing of property tax expenses, as well as lower than anticipated utility and maintenance costs.

Equipment, Vehicles, Technology – The unfavourable year-to-date and forecasted variances of \$178 and \$240 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 \$2,558 and \$3,915 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 \$3,304, from containers such as PET plastic, aluminum, and steel of \$713, and from other recyclables, such as bulky rigid plastics and fine paper, of \$99). These decreases are partially offset by increased garbage tag sales of \$59 and tipping fee revenues of \$174 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.

- On-going negotiations with Emterra Environmental to ensure performance and adherence to the terms and conditions of Contract 2009-RFP-44, which includes changes to collection days in Wainfleet effective November 4, 2019. This change will help optimize collection fleet on Mondays and reduce delays throughout the week.
- Negotiated RFP for the next waste collection contract:
 - Released August 1, 2019;
 - Closed September 17, 2019; and
 - To be awarded in November 2019.
- Continue to market recyclable materials despite restrictive global market conditions.

Waste Management Services - Continued

- Recycling Centre Opportunity Review (identification of options considering the potential impact of the new extended producer responsibility legislation):
 - Phase Four – in progress – Fairness Advisor retained, and RFP for the engagement of the project consultant and transaction advisory services awarded.
- Continue to investigate, assess and mitigate any environmental impacts related to the two open and twelve closed landfill sites.
- Continued 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. Project is on schedule to be completed by end of November 2019.
- Construction of Cell 4 at the Niagara Road 12 Landfill Site in West Lincoln was completed in September 2019. This cell will provide waste disposal capacity at the NR-12 Landfill for approximately 9-10 years.
- Application submitted to MECP, with an anticipated response by end of 2019, for Phase 2 of the upgrades at Humberstone, with construction scheduled to begin in 2020.
- Completed the construction of the Passive Venting System along the east side of the Glenridge Quarry Naturalization Site to prevent migration of gas beyond the eastern property boundary.
- In July 2019, introduced the mattress recycling program at the Region's three recycling depots and have recycled and shipped out 26 tonnes, or approximately 1,450 mattresses to date.
- During course of 2019, work has been progressing to reduce the number of monitoring wells required at both open and closed landfills, resulting in fewer monitoring wells at the Humberstone Landfill.

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	\$294,096	\$290,343	\$3,754	1.3%	\$394,344	\$392,184	\$2,160	0.5%
Administrative	\$23,833	\$18,820	\$5,013	21.0%	\$31,011	\$29,767	\$1,244	4.0%
Operational & Supply	\$30,334	\$25,070	\$5,264	17.4%	\$41,116	\$39,630	\$1,486	3.6%
Occupancy & Infrastructure	\$20,601	\$19,767	\$834	4.0%	\$27,468	\$26,932	\$535	1.9%
Equipment, Vehicles, Technology	\$11,456	\$11,442	\$14	0.1%	\$15,374	\$15,824	-\$450	-2.9%
Community Assistance	\$149,571	\$148,653	\$918	0.6%	\$204,529	\$201,641	\$2,888	1.4%
Partnership, Rebate, Exemption	\$18,456	\$16,369	\$2,087	11.3%	\$22,019	\$26,428	-\$4,409	-20.0%
Financial Expenditures	\$49,502	\$45,974	\$3,528	7.1%	\$68,609	\$69,099	-\$490	-0.7%
Total Expenses	\$597,848	\$576,437	\$21,411	3.6%	\$804,469	\$801,506	\$2,964	0.4%
Taxation	-\$271,369	-\$270,340	-\$1,029	-0.4%	-\$380,993	-\$382,516	\$1,523	0.4%
Federal & Provincial Grants	-\$238,119	-\$236,601	-\$1,518	-0.6%	-\$326,812	-\$322,483	-\$4,329	-1.3%
By-Law Charges & Sales	-\$14,158	-\$12,489	-\$1,668	-11.8%	-\$19,285	-\$18,959	-\$326	-1.7%
Other Revenue	-\$48,825	-\$50,038	\$1,213	2.5%	-\$65,848	-\$68,523	\$2,675	4.1%
Total Revenues	-\$572,470	-\$569,468	-\$3,002	-0.5%	-\$792,938	-\$792,481	-\$457	-0.1%
Intercompany Charges	-\$1,464	-\$1,313	-\$151	-10.3%	-\$1,952	-\$1,806	-\$147	-7.5%
Total Intercompany Charges	-\$1,464	-\$1,313	-\$151	-10.3%	-\$1,952	-\$1,806	-\$147	-7.5%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$23,913	\$5,656	\$18,258	76.3%	\$9,579	\$7,219	\$2,360	24.6%
Transfers From Funds	-\$16,598	-\$20,224	\$3,626	21.8%	-\$23,308	-\$23,009	-\$299	-1.3%
Transfers To Funds	\$29,257	\$28,402	\$855	2.9%	\$31,570	\$32,544	-\$974	3.1%
Expense Allocations To Capital	-\$105	-\$70	-\$35	-33.6%	-\$140	-\$112	-\$28	-19.9%
Total Transfers	\$12,554	\$8,108	\$4,445	35.4%	\$8,122	\$9,423	-\$1,301	-16.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$36,467	\$13,764	\$22,703	62.3%	\$17,701	\$16,642	\$1,059	6.0%
Indirect Allocations & Debt	-\$11,768	-\$11,774	\$6	0.0%	-\$17,701	-\$17,794	\$93	0.5%
Total Indirect Allocations & Debt	-\$11,768	-\$11,774	\$6	0.0%	-\$17,701	-\$17,794	\$93	0.5%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$24,699	\$1,990	\$22,709	91.9%	\$0	-\$1,152	\$1,152	N/A

Levy - Continued

Variance Analysis (in thousands of dollars)

Levy is operating a year-to-date surplus before indirect allocations of \$22,703 and a forecasted surplus before indirect allocations of \$1,059. This is due to the following factors:

Compensation - The favourable year-to-date and forecasted variances of \$3,754 and \$2,160 respectively are mainly driven by vacancies across the corporation. These savings have been reduced by higher than anticipated Workplace Safety Insurance Board (WSIB) (\$951) within the Emergency Medical Services (EMS) division.

Administration – The favourable year-to-date variance of \$5,013 is due to the timing of consulting expenditures as well as a decrease of the estimated claims accrual (net of claim payouts greater than budget). The forecasted variable variance of \$1,244 continues to be driven by a forecasted decrease of the estimated claims accrual.

Operational & Supply – The favourable year-to-date and forecasted variances of \$5,264 and \$1,486 respectively is due to timing differences in the rollout of increased Niagara Regional Transit (NRT) services (\$2,697 and \$809 respectively), lower than budgeted expenditures on hired equipment in the Transportation division (\$1,328 and \$315 respectively), as well as a delay in the launch of the Ontario Senior Dental Care Program (OSDCP) within the Public Health Department (\$513 and \$684 respectively).

Community Assistance – The favourable year-to-date variance of \$918 is a result of lower than budgeted Ontario Works (OW) caseload expenditures resulting in a reduced number of benefit issuances (\$2,127) and lower than budgeted subsidy payments to providers and rent supplement landlords in Niagara Regional Housing (NRH) (\$1,340), offset by timing of expansion funding payments to childcare providers (\$2,800). The favourable forecasted variance of \$2,888 is a result of lower than budgeted OW caseload expenditures resulting in a reduced number of benefit issuances (\$2,758). The NRH board approved the use of the forecasted surplus associated with lower than budgeted subsidy payments to providers and rent supplement landlords for provider heat control system upgrades. Ontario Works (OW) caseload expenditures are fully funded by the Province, as such surpluses identified in this section are offset by less Provincial funding being received, which is described further in the Federal & Provincial Grants section.

Partnership, Rebate, Exemption – The favourable year-to-date variance of \$2,087 is mainly due to the timing of payments of Planning Grants amounting to \$3,998 (Smarter Niagara Incentive Program (SNIP), Waterfront Investment Program (WIP), Tax Increment Grants (TIG), and Public Realm Incentive Program (PRIP)) as well as the Gateway Tax Increment Grants (\$363). This variance has been partially offset by unfavourable year-to-date variances in mandatory and non-mandatory Development Charge grants as per the Development Charges By-law 2017-88 (\$2,622) in addition to higher than budgeted commercial vacancy rebates and tax rebates to charitable organizations (\$563).

The unfavourable forecasted variance of \$4,409 is primarily a result of mandatory and non-mandatory Development Charge grants as per the Development Charges By-law 2017-88 (\$4,521) and commercial vacancy rebates (\$555).

Taxation – The unfavourable year-to-date variance of \$1,029 is due to the timing of the collection of payment-in-lieu of taxes (PIL) (\$899) and supplemental tax revenue (\$131). The forecasted favourable variance of \$1,523 is due to forecasted increases in supplemental tax revenue, attributable to growth mainly in St. Catharines, Niagara Falls and Niagara-on-the-Lake.

Federal & Provincial Grants - The unfavourable year-to-date and forecasted variances of \$1,518 and \$4,329 respectively are a result of the discontinuation of the annual inflationary increase in Land Ambulance funding in Emergency Medical Services (EMS) (\$314 and \$444 respectively), the delayed launch of the new Ontario Senior Dental Care Program (OSDCP) in Public Health (\$578 and \$798 respectively), lower than budgeted Ministry funding reflective of the reduction in expenditures in SAEO due a slightly lower than budgeted Ontario Works (OW) caseload (\$2,127 and \$2,758 respectively) and a lower than anticipated OW program administration funding received from the Ministry (\$455 and \$326 respectively).

Other Revenue – The favourable year-to-date and forecasted variances of \$1,213 and \$2,675 respectively is primarily due to an increase in the collection enforcement activity

Levy - Continued

and larger fine payments in Court Services division (\$410 and \$435 respectively), higher than anticipated provincially established fees within the Long Term Care (LTC) Homes (\$415 and \$565 respectively), unbudgeted revenue for EMS services provided at the St. Catharine’s Consumption Treatment site (\$286 and \$414 respectively) as well as higher than anticipated rental revenues for NRH-owned units (\$270 and \$355 respectively).

Transfers – The favourable year-to-date variance of \$4,445 is primarily due to a timing difference on the transfer of funds related to debt issuances which was budgeted to occur in the fourth quarter (\$4,850). The unfavourable variance at year-end of \$1,301 is largely a result of an unbudgeted transfer to reserve related to unspent NRT transit services budget, which was funded from reserve. The surplus is a result from the delayed rollout of NRT services to West Niagara (\$821).

Governance Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$1,433	\$1,329	\$104	7.3%	\$1,910	\$1,808	\$102	5.4%
Administrative	\$165	\$105	\$60	36.2%	\$220	\$161	\$59	26.9%
Operational & Supply	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A
Equipment, Vehicles, Technology	\$2	\$2	\$0	-9.8%	\$2	\$2	\$0	-7.3%
Partnership, Rebate, Exemption	\$2	\$0	\$2	97.6%	\$2	\$1	\$2	73.2%
Total Expenses	\$1,602	\$1,436	\$166	10.3%	\$2,134	\$1,971	\$163	7.6%
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	14.7%	\$2	\$2	\$0	11.0%
Total Intercompany Charges	\$1	\$1	\$0	14.7%	\$2	\$2	\$0	11.0%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$1,603	\$1,437	\$166	10.3%	\$2,136	\$1,973	\$163	7.6%
Total Transfers	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$1,603	\$1,437	\$166	10.3%	\$2,136	\$1,973	\$163	7.6%
Indirect Allocations & Debt	\$210	\$215	-\$5	-2.5%	\$277	\$288	-\$11	-3.8%
Total Indirect Allocations & Debt	\$210	\$215	-\$5	-2.5%	\$277	\$288	-\$11	-3.8%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$1,813	\$1,653	\$160	8.8%	\$2,413	\$2,261	\$152	6.3%

Governance - Continued

Variance Analysis (in thousands of dollars)

Governance is operating a year-to-date surplus before indirect allocations of \$166 with a forecasted surplus of \$163 before indirect allocations for year end. The following factors have contributed to this surplus.

Compensation - The favourable year-to-date and forecasted variance of \$104 and \$102 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 \$60 and \$59 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

- Attended the annual AMO conference and delivered numerous delegations on important Regional issues and projects, including long-term care homes redevelopment, housing and homelessness, childcare subsidy, GO train service and homelessness.
- Continued to 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
- In close collaboration with the 2021 Canada Summer Games board, secured required funding from the provincial and federal governments
- Provided to active government relations support for important projects such as daily GO train service and long-term care home redevelopment
- Continued work on the Region's Official Plan

General Government Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Administrative	\$4,682	\$3,598	\$1,084	23.2%	\$6,243	\$3,795	\$2,448	39.2%
Operational & Supply	\$171	\$0	\$171	100.0%	\$228	\$0	\$228	100.0%
Occupancy & Infrastructure	\$71	\$59	\$12	16.9%	\$95	\$94	\$1	0.6%
Partnership, Rebate, Exemption	\$11,668	\$10,363	\$1,305	11.2%	\$15,414	\$19,917	-\$4,503	-29.2%
Financial Expenditures	\$47,750	\$44,151	\$3,599	7.5%	\$66,273	\$66,608	-\$335	-0.5%
Total Expenses	\$64,342	\$58,172	\$6,171	9.6%	\$88,252	\$90,413	-\$2,161	-2.4%
Taxation	-\$271,369	-\$270,340	-\$1,029	-0.4%	-\$380,993	-\$382,516	\$1,523	0.4%
By-Law Charges & Sales	-\$41	-\$21	-\$20	-49.9%	-\$55	-\$29	-\$26	-47.5%
Other Revenue	-\$11,306	-\$11,059	-\$247	-2.2%	-\$15,771	-\$15,720	-\$51	-0.3%
Total Revenues	-\$282,717	-\$281,420	-\$1,297	-0.5%	-\$396,818	-\$398,264	\$1,446	0.4%
Intercompany Charges	-\$340	-\$188	-\$152	-44.7%	-\$367	-\$211	-\$156	-42.5%
Total Intercompany Charges	-\$340	-\$188	-\$152	-44.7%	-\$367	-\$211	-\$156	-42.5%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	-\$218,715	-\$223,436	\$4,722	2.2%	-\$308,933	-\$308,062	-\$870	-0.3%
Transfers From Funds	-\$5,779	-\$10,629	\$4,850	83.9%	-\$11,234	-\$11,234	\$0	0.0%
Transfers To Funds	\$20,548	\$20,327	\$221	1.1%	\$21,031	\$21,089	-\$58	0.3%
Total Transfers	\$14,768	\$9,698	\$5,071	34.3%	\$9,797	\$9,855	-\$58	-0.6%
Net Expenditure (Revenue) Before Indirect Allocations	-\$203,946	-\$213,738	\$9,792	4.8%	-\$299,136	-\$298,208	-\$929	0.3%
Indirect Allocations & Debt	-\$60,096	-\$55,600	-\$4,496	-7.5%	-\$71,200	-\$71,200	\$0	0.0%
Total Indirect Allocations & Debt	-\$60,096	-\$55,600	-\$4,496	-7.5%	-\$71,200	-\$71,200	\$0	0.0%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	-\$264,042	-\$269,339	\$5,297	2.0%	-\$370,336	-\$369,408	-\$929	-0.3%

General Government - Continued

Variance Analysis (in thousands of dollars)

General Government is operating at a year-to-date surplus before indirect allocations of \$9,792 and is forecasting an overall deficit before indirect allocations of \$929 at the end of the year due to the following factors:

Administration - The favourable year-to-date and forecasted variances of \$1,084 and \$2,448 are primarily due a decrease of the estimated claims accrual (\$1,270 and \$2,625 respectively). This is offset by unfavourable year-to-date and forecasted regional development charges complaints resolved by Council of \$246.

Operational and Supply – The favourable year-to-date and forecasted variances of \$171 and \$228 relate to budgeted expenditures not incurred for the new Council’s strategic priorities.

Partnership, Rebate, Exemption - The favourable year-to-date variance of \$1,305 is mainly due to the timing of payments of Planning grants amounting to \$3,998 (Smarter Niagara Incentive Program (SNIP), Tax Increment Grants (TIG), and Public Realm Incentive Program (PRIP)) as well as \$363 relating to the Gateway tax increment grants. This is offset by unfavourable variances of \$2,622 in mandatory and non-mandatory development charge grants as per the Development Charges By-law 2017-88 in addition to unfavourable variances in commercial vacancy rebates and tax rebates to charitable organizations (\$563).

The unfavourable forecasted variance of \$4,503 is primarily the result of \$4,766 in development charges grants as well as \$555 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 \$575 in Planning grants (SNIP, TIG and PRIP).

Financial Expenditures – The favourable year-to-date variance of \$3,599 is primarily due to timing differences of \$4,029 in tax write offs offset by unfavourable \$354 in debenture interest charges and issuance costs accrued as well as \$73 in unrealized foreign exchange losses on USD.

The unfavourable forecasted variance of \$335 is mainly due to tax write offs of \$259 and unrealized foreign exchange losses on USD of \$73.

Taxation – The unfavourable year-to-date variance of \$1,029 is due to \$899 in timing differences on the collection of payment-in-lieu of taxes (PIL) and \$131 in supplemental tax revenue.

The favourable forecasted variance of \$1,523 is due to forecasted increases in supplemental tax revenue attributable to growth mainly in St. Catharines, Niagara Falls and Niagara on the Lake.

Other Revenue – The unfavourable year-to-date and forecasted variances of \$247 and \$51 relate to investment income of \$426 and \$554, offset by favourable \$256 and \$301 from cannabis legalization implementation funding, billboard sign rentals, telecom tower rentals and VISA rebates. Unfavourable year-to-date net proceeds from the sale of surplus properties is \$77 but is favourably forecasted at \$202 which is fully offset by transfers to the General Capital Levy reserve identified in transfers below.

Intercompany Charges – The unfavourable year-to-date and forecasted variance of \$152 and \$156 is mainly relates to \$145 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). This unfavourable variance is fully offset by transfers to the General Capital Levy reserve identified in transfers below.

Transfers – The favourable year-to-date variance of \$5,071 is mainly due to a timing difference on the transfer from funds related to debt issuances which was originally planned to occur in Q4. The unfavourable forecasted variance of \$58 relates to transfers to the General Capital Levy reserve as identified above (\$202 from the sale of

General Government - Continued

surplus properties offset by \$145 change in budgeted funding source for the Peer Street roof replacement).

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 72 Capital projects with \$10.1 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 \$0.3 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 \$0.15 million to Niagara College 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 \$0.75 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 \$165 million of Regional idle funds with an overall portfolio rate of 3.11%.
- 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	\$3,391	\$3,127	\$265	7.8%	\$4,507	\$4,177	\$330	7.3%
Administrative	\$1,521	\$651	\$869	57.2%	\$1,943	\$1,464	\$479	24.6%
Operational & Supply	\$13	\$3	\$10	76.4%	\$17	\$8	\$9	51.4%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$9	\$20	-\$11	-121.7%	\$12	\$23	-\$11	-93.4%
Partnership, Rebate, Exemption	\$521	\$540	-\$19	-3.7%	\$628	\$590	\$38	6.0%
Financial Expenditures	\$0	\$1	-\$1	0.0%	\$0	\$1	-\$1	0.0%
Total Expenses	\$5,454	\$4,341	\$1,113	20.4%	\$7,106	\$6,263	\$843	11.9%
Federal & Provincial Grants	-\$150	-\$44	-\$106	-70.4%	-\$200	-\$98	-\$102	-50.8%
Other Revenue	\$0	-\$100	\$100	0.0%	\$0	-\$131	\$131	0.0%
Total Revenues	-\$150	-\$144	-\$6	-3.9%	-\$200	-\$229	\$29	14.5%
Intercompany Charges	\$8	\$6	\$2	28.0%	\$11	\$9	\$2	21.0%
Total Intercompany Charges	\$8	\$6	\$2	28.0%	\$11	\$9	\$2	21.0%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$5,313	\$4,203	\$1,110	20.9%	\$6,917	\$6,043	\$874	12.6%
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%
Net Expenditure (Revenue) Before Indirect Allocations	\$4,892	\$3,795	\$1,097	22.4%	\$6,496	\$5,622	\$874	13.5%
Indirect Allocations & Debt	-\$529	-\$316	-\$213	-40.3%	-\$761	-\$519	-\$242	-31.8%
Total Indirect Allocations & Debt	-\$529	-\$316	-\$213	-40.3%	-\$761	-\$519	-\$242	-31.8%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$4,363	\$3,479	\$884	20.3%	\$5,736	\$5,103	\$632	11.0%

Corporate Administration - Continued

Variance Analysis (in thousands of dollars)

Corporate Administration is operating a year-to-date surplus before indirect allocations of \$1,110 with a forecasted surplus of \$874 before indirect allocations for year end. The following factors have contributed to this surplus.

Compensation - The favourable year-to-date and forecasted variance of \$265 and \$330 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 \$869 and \$479 is due to timing of consulting expenditures and changes in work plans 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 \$19 is due to the timing of grant program awards and the forecasted favourable variance of \$38 is due to anticipated decreased grant funding issued by Economic Development.

Federal & Provincial Grants - The unfavourable year-to-date and forecasted variance of \$106 and \$102 is due to decreased funding available for Economic Development activities.

Other Revenue - The favourable year-to-date and forecasted variance of \$100 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:

- Public engagement on Industrial and Commercial excess land policies
- Executed communications plan for Niagara Region Transit fall service changes including radio advertising, social media, billboards, and other tactics
- Provided communications support to Niagara Specialized Transit on service changes to current operations and public consultation on future direction
- Delivered communications plan for the launch of Community Safety Zones on regional roads at two schools with events held at both schools
- Green Scene distributed to 160,000 residences prior to Waste Reduction Week
- 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
- Supported launch of new urban design awards program including providing branding and print products, video, event planning and coordinating media coverage.
- Provide ongoing communications support on construction of new International Plaza including facilitating media coverage, organizing public events and providing regular updates internally to staff on progress of work
- Ongoing support to Asset Management strategy including developing communication plan
- Provide key support related to transition of business licensing from police service, opening of new licensing office and ongoing support to process to update bylaws
- Supported Waste Management on communications element of Waste Collection RFP and change to Every-Other-Week garbage collection
- **Seniors Services:** Support Senior services in implementing a fall assist device in all Long-Term Care (LTC) Homes. Development of Code Green information package and supporting video to help LTC homes staff execute their most critical code.

Corporate Administration - Continued

Launched automated shift callout in order to automate the back-fill shifts. Developed a series (6) of educational booklets for Seniors Core Services for residents, families and caregivers to understand the complex care services offered at our LTC Homes. Ongoing communications support for LTC redevelopment project.

- **Children's Services:** Specialized campaign for Canada Learning Bond's partnership with Niagara Region to get as many eligible Niagara families registered to receive up to \$2000 towards a Registered Education Savings Plan
- **HR:** Worked in collaboration with Human Resources and Seniors Services to create a marketing campaign to showcase Niagara Region as a top employer for Personal Support Workers. Included Spotify ads, posters, brochures and more. Supported Employment Engagement by creating a project brand and toolkit for managers as well as all communication pieces to support promotion of the survey and its results.
- **ICOP:** Full support in communicating and creation of Council Strategic Priorities

Internal Control & Organizational Performance

- Made major progress towards the 2019 Internal Audit Plan; completed Homelessness Service Providers Contract Review, Single/Sole-Sourced Procurement Audit, while making progress against the Employee Benefits Audit. ICOP has provided recommendations to assist program staff to improve operations and their respective internal controls environments.
- Completed the last phase of 'Shape Niagara' (Regional Council's strategic plan for 2019-2022). A new mission, vision and values statements as well as four strategic priorities with objectives were presented to Council on June 20, 2019 and approved unanimously. A Strategic project-based implementation plan was also approved by Council on August 15, 2019.
- 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 Regional Council who approved the new model on August 15, 2019.
- Completed work as Project Manager/Facilitator for Airport, resulting in Regional Council's approval of continued review of a potential transfer of ownership on September 19, 2019. This included organizing/facilitating negotiations between Local Area Municipal CAO's and other stakeholders to build a business case for transfer.
- The Project Management Office (PMO) delivered multiple training events for project managers across the organization based on best-in-class principles from the 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

- Industry 4.0 Study with Niagara College completed.
- NFTZ seminars held at Niagara Region HQ September 4th and Lincoln 25th.
- NFTZ program now has 96 clients, an additional 18 since Q2.
- RFP released to undertake a review of current foreign direct investment trends to inform strategy for 2020.
- Lead generation contract awarded to develop program of meetings in the U.S. in Q4.
- Two Industrial Development Charge applications approved. This program has supported \$2.9 million in new investment and the creation of 30 jobs this quarter.
- Three applications to the Niagara Gateway Economic Zone and Centre Community Improvement Plan, attracting \$19 million in new investment. On completion will create an estimated 55 new jobs and support the retention of 32 jobs.
- Nine site selection requests were received and one site tour facilitated.
- Collaborated with Planning and Development on a Niagara Employment Lands Strategy.
- Advertising for business attraction started in September including sponsored content and digital advertising, National Post and Financial Post in September.
- Contract for Niagara's Airports' Feasibility and Future Business Modelling was awarded, onsite inspections and stakeholder engagement completed.
- Niagara Gateway Information Centre Q2 2019: 13,269 visitors to kiosk between April and June. This is an increase of 4500 visitors from the same period in 2018.

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	\$7,513	\$6,667	\$845	11.3%	\$9,984	\$9,077	\$907	9.1%
Administrative	\$2,668	\$2,347	\$322	12.1%	\$3,548	\$4,689	-\$1,141	-32.1%
Operational & Supply	\$32	\$38	-\$6	-19.1%	\$42	\$57	-\$15	-36.0%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$6	-\$1	\$8	120.1%	\$8	\$10	-\$1	-13.2%
Financial Expenditures	\$0	\$4	-\$4	0.0%	\$0	\$4	-\$4	0.0%
Total Expenses	\$10,219	\$9,054	\$1,165	11.4%	\$13,583	\$13,836	-\$253	-1.9%
Federal & Provincial Grants	-\$50	-\$50	\$0	0.0%	-\$67	-\$67	\$0	0.0%
By-Law Charges & Sales	-\$7	-\$8	\$1	-8.8%	-\$10	-\$8	-\$2	-18.4%
Other Revenue	-\$15	-\$16	\$1	-3.6%	-\$20	-\$44	\$24	120.1%
Total Revenues	-\$73	-\$74	\$1	-1.6%	-\$97	-\$119	\$22	22.8%
Intercompany Charges	\$17	\$16	\$1	6.3%	\$23	\$21	\$1	4.7%
Total Intercompany Charges	\$17	\$16	\$1	6.3%	\$23	\$21	\$1	4.7%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$10,163	\$8,996	\$1,167	11.5%	\$13,508	\$13,738	-\$230	-1.7%
Transfers From Funds	-\$580	-\$580	\$0	0.0%	-\$580	-\$580	\$0	0.0%
Transfers To Funds	\$0	\$224	-\$224	0.0%	\$0	\$95	-\$95	0.0%
Total Transfers	-\$580	-\$356	-\$224	38.7%	-\$580	-\$485	-\$95	-16.3%
Net Expenditure (Revenue) Before Indirect Allocations	\$9,584	\$8,641	\$943	9.8%	\$12,928	\$13,253	-\$325	-2.5%
Indirect Allocations & Debt	-\$9,584	-\$8,641	-\$943	9.8%	-\$12,928	-\$13,253	\$325	2.5%
Total Indirect Allocations & Debt	-\$9,584	-\$8,641	-\$943	9.8%	-\$12,928	-\$13,253	\$325	2.5%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$0	\$0	\$0	N/A	\$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 \$943 with a forecasted \$325 deficit, due to the following factors:

Compensation - The favourable year-to-date and forecasted variances of \$845 and \$907 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 favourable year-to-date variance of \$322 is due to timing of corporate sustainability review expenses which were encumbered at 2018 year-end. The unfavourable forecasted variance of \$1,141 is due to higher than budgeted claim payouts, partially offset by timing of corporate sustainability review expenses.

Other Revenues – The favourable forecasted variance \$24 is due to legal costs recovered related to claims management.

Transfers – The unfavourable year-to-date and forecasted variances of \$224 and \$95 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.
- Public engagement completed for change in tax policy regarding proposed vacancy rebates and vacancy rebate changes subsequently approved by Council in January 2019.
- 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 109, and reporting on Provincial budget implications.
- Approval of the new Budget Planning By-law based on principles of sustainability, transparency and affordability to replace the former Budget Affordability Guidance Policy.
- Approval of the Capital Financing Policy which provides a framework and long-term strategy for sustainable capital financing.

Procurement and Strategic Acquisitions

- Utilized negotiated RFP for Early On Childcare providers, Social Housing Alternative Service Delivery, Waste Management Collection contract, Homelessness service providers.
- A number of formal procurements have utilized eBidding system, approved in 2018.

Asset Management Office

- Asset Management Plan governance strategy completed and approved by Council in January 2019. Asset Management Office currently engaged in collaborative work with all Regional departments around asset management.

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	\$12,952	\$12,234	\$719	5.5%	\$17,212	\$16,574	\$638	3.7%
Administrative	\$2,703	\$2,658	\$44	1.6%	\$3,478	\$3,668	-\$190	-5.5%
Operational & Supply	\$241	\$209	\$33	13.5%	\$322	\$355	-\$33	-10.3%
Occupancy & Infrastructure	\$5,403	\$4,937	\$466	8.6%	\$7,223	\$6,719	\$505	7.0%
Equipment, Vehicles, Technology	\$1,862	\$1,941	-\$79	-4.3%	\$2,639	\$2,774	-\$135	-5.1%
Partnership, Rebate, Exemption	\$3	\$3	\$1	24.4%	\$5	\$4	\$1	18.3%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Expenses	\$23,165	\$21,981	\$1,183	5.1%	\$30,878	\$30,092	\$785	2.5%
By-Law Charges & Sales	-\$707	-\$192	-\$516	-72.9%	-\$943	-\$256	-\$687	-72.8%
Other Revenue	-\$369	-\$562	\$193	52.2%	-\$492	-\$1,017	\$524	106.4%
Total Revenues	-\$1,077	-\$754	-\$323	-30.0%	-\$1,436	-\$1,273	-\$163	-11.4%
Intercompany Charges	\$155	\$88	\$66	42.8%	\$168	\$121	\$47	27.8%
Total Intercompany Charges	\$155	\$88	\$66	42.8%	\$168	\$121	\$47	27.8%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$22,242	\$21,316	\$926	4.2%	\$29,610	\$28,941	\$669	2.3%
Transfers From Funds	-\$351	-\$351	\$0	0.0%	-\$389	-\$389	\$0	0.0%
Transfers To Funds	\$140	\$169	-\$29	-20.7%	\$140	\$140	\$0	0.0%
Total Transfers	-\$211	-\$182	-\$29	-13.7%	-\$249	-\$249	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$22,031	\$21,134	\$897	4.1%	\$29,361	\$28,692	\$669	2.3%
Indirect Allocations & Debt	-\$20,533	-\$19,766	-\$768	-3.7%	-\$27,578	-\$27,184	-\$394	-1.4%
Total Indirect Allocations & Debt	-\$20,533	-\$19,766	-\$768	-3.7%	-\$27,578	-\$27,184	-\$394	-1.4%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$1,498	\$1,368	\$130	8.7%	\$1,783	\$1,508	\$274	15.4%

Corporate Services - Continued

Variance Analysis (in thousands of dollars)

Corporate Services is operating a year-to-date surplus before indirect allocations of \$897 with a forecasted \$669 surplus, due to the following factors:

Compensation – The favourable year-to-date and forecasted variances of \$719 and \$638 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 and actual health and dental claims experienced in the year being less than budgeted, partially offset by an unfavourable variance in labour relations.

Administration - The favourable year-to-date variance of \$44 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 \$190 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 \$466 and \$505 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, partially offset by a higher than anticipated increase in building lease costs.

Equipment, Vehicles, Technology - The unfavourable year-to-date and forecasted variances of \$79 and \$135 are due to an increase in software license costs.

Revenues - The unfavourable year-to-date and forecasted variances of \$323 and \$163 are due primarily to lower than anticipated Regional share of business licensing fees.

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.
- Undertook extensive review of license fee structure to better align fees with administrative costs.

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.
- Achieved substantial completion of New Public Health building in September 2019.
- Approval of Energy Conservation and Demand Management Plan for Region on June 12, 2019.

Clerks

- The Clerk’s Office hired a new Manager of Records and Information Management Services who is undertaking a fulsome look at our corporate records. In collaboration with IT, we are starting the process to embark on an electronic records management system that will include a review of records across the Corporation. The onboarding of a Policy Advisor is allowing for the opportunity to review all corporate policies and make updates as required.

IT Solutions

- Councillor expense reporting was added to Niagara Region website making it easier for the public to access this information. This information is directly connected to the information published on the niagaraopendata.ca web portal.
- Updated Aerial Photography – This project delivered a new set of air photos, digital elevation model and building footprints for the Niagara Region. The project included the participation of the majority of lower tier municipalities in funding and quality control. The collected data is now available for all Niagara related projects as well as on the Niagara Navigator mapping website (maps.niagararegion.ca).

Corporate Services - Continued

- Homeless Services and Community Engagement - In concert with Community Services we created a Street Outreach Service Mapping solution to identify and monitor homeless individuals. This initiative will help inform part of the solution supporting our Build for Zero program efforts.
- eRegistration for Parenting - Enhanced the ability to book classes on line, notifications, and ability to cancel.
- Tick reporting (barcoding) - Implemented the online capability for residents to track the results of their tick testing.
- Enhanced Health Inspection Reporting:
 - Added Drinking Water to the services reported on so that residents can now see inspection results of wells, public water fountains/etc.
 - Added Water haulers so residents can now view results of hauled water inspections.
 - Added the functionality for users to select 'near me' for all inspections. This enables residents to find restaurants, tattoo parlours and various services near them to quickly see the inspection results.

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	\$75,915	\$76,955	-\$1,040	-1.4%	\$101,567	\$103,167	-\$1,600	-1.6%
Administrative	\$1,249	\$1,327	-\$78	-6.2%	\$1,617	\$1,797	-\$181	-11.2%
Operational & Supply	\$6,716	\$6,886	-\$170	-2.5%	\$8,951	\$9,192	-\$241	-2.7%
Occupancy & Infrastructure	\$2,812	\$2,566	\$246	8.7%	\$3,691	\$3,377	\$314	8.5%
Equipment, Vehicles, Technology	\$889	\$981	-\$92	-10.3%	\$1,158	\$1,318	-\$160	-13.9%
Community Assistance	\$125,886	\$127,127	-\$1,241	-1.0%	\$171,911	\$169,956	\$1,956	1.1%
Partnership, Rebate, Exemption	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Financial Expenditures	\$0	\$9	-\$9	0.0%	\$0	\$9	-\$9	0.0%
Total Expenses	\$213,467	\$215,851	-\$2,384	-1.1%	\$288,895	\$288,816	\$79	0.0%
Federal & Provincial Grants	-\$171,603	-\$172,404	\$801	-0.5%	-\$236,588	-\$234,629	-\$1,959	0.8%
By-Law Charges & Sales	-\$2,648	-\$3,359	\$712	-26.9%	-\$3,530	-\$4,377	\$847	-24.0%
Other Revenue	-\$17,278	-\$17,984	\$705	-4.1%	-\$23,038	-\$23,893	\$855	-3.7%
Total Revenues	-\$191,529	-\$193,747	\$2,218	-1.2%	-\$263,156	-\$262,899	-\$257	0.1%
Intercompany Charges	\$343	\$294	\$49	14.3%	\$409	\$303	\$106	25.9%
Total Intercompany Charges	\$343	\$294	\$49	14.3%	\$409	\$303	\$106	25.9%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$22,281	\$22,398	-\$117	-0.5%	\$26,147	\$26,220	-\$72	-0.3%
Transfers From Funds	-\$336	-\$36	-\$300	89.2%	-\$336	-\$61	-\$275	81.8%
Transfers To Funds	\$1,372	\$1,372	\$0	0.0%	\$1,829	\$1,829	\$0	0.0%
Total Transfers	\$1,035	\$1,335	-\$300	-29.0%	\$1,493	\$1,768	-\$275	-18.4%
Net Expenditure (Revenue) Before Indirect Allocations	\$23,317	\$23,733	-\$417	-1.8%	\$27,640	\$27,987	-\$347	-1.3%
Indirect Allocations & Debt	\$12,867	\$11,936	\$931	7.2%	\$16,151	\$15,448	\$704	4.4%
Total Indirect Allocations & Debt	\$12,867	\$11,936	\$931	7.2%	\$16,151	\$15,448	\$704	4.4%

Community Services - Continued

Variance Analysis (in thousands of dollars)

Community Services' year-to-date and forecasted deficit before indirect allocations of \$417 and \$347 (1.3 per cent of the net budget) is primarily related to lower than anticipated ministry funding in Social Assistance & Employment Opportunities (SAEO). The following factors contribute to these variances in addition to funding announcements being made after the creation of the budget:

Compensation - The unfavourable year-to-date and forecasted variances of \$1,040 and \$1,600 are primarily due to required one to one staffing for residents with high intensity needs in long-term care (LTC) 95% of which is offset by ministry funding (\$1,224) as well as an increase in directly operated childcare staff which is offset by an increase in parent fees (\$370).

Administration - The unfavourable forecasted variance of \$181 is primarily due to higher than anticipated expenditures associated with necessary staff training (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 \$170 and \$241 are primarily due to higher than anticipated medical supplies and transportation expenditures for high intensity needs residents in LTC, 95% of which is offset by ministry funding.

Occupancy & Infrastructure – The favourable year-to-date and forecasted variances of \$246 and \$314 are primarily due to lower than anticipated utility costs at the LTC homes.

Community Assistance - The unfavourable year-to-date variance of \$1,241 is primarily due to the timing of expansion funding payments to childcare providers (\$2,800) and the timing of employment and discretionary benefit issuances to social assistance recipients (\$577). A lower than budgeted Ontario Works (OW) caseload expenditures resulting in a reduced number of benefit issuances fully funded by the Province (\$2,127) offsets these timing variances (this is due to a lower caseload size than forecasted). The lower than budgeted (OW) benefit issuances is anticipated to continue to year-end resulting in a forecasted favourable variance of \$1,956.

Federal & Provincial Grants – The unfavourable forecasted variance of \$1,959 is primarily due to lower than budgeted Ministry funding reflective of the reduction in expenditures in SAEO due to a slightly lower OW caseload (than budgeted) and a lower than anticipated OW program administration funding received from the Ministry. This is offset by a nominal increase to funding in Seniors Services and funding related specifically to high intensity needs expenditures.

By-Law Charges & Sales - The favourable year-to-date and forecasted variances of \$712 and \$847 are primarily due to an increase in childcare parental fees to be in line with Niagara Region childcare parental fee averages, along with higher than anticipated childcare fee subsidy parental fees, which flow directly to childcare centres.

Other Revenue - The favourable year-to-date and forecasted variances of \$705 and \$855 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 expansion plan and ministry target of 584 new spaces and to maintain affordable rates for childcare.
- Five Community capital builds are progressing with 230 new spaces anticipated to be open by December 2020.

Community Services - Continued

Senior Services

- Successfully launched a new system that has helped LTC scheduling modernization through the use of automated call outs to employees with shift offers by text, phone and email.
- Collaborated on successful readiness submission for Ontario Health Team in Niagara (as part of a provincial health service restructuring).

Homelessness and Community Engagement

- Conducted enhanced outreach in Niagara Falls, Welland and Port Colborne to inform preparations for seasonal shelters.
- Launch Built-For-Zero campaign with all homeless agencies.
- Completed the five-year Housing and Homeless Action Plan update, including presentation to Public Health and Social Services Committee, received Council approval and submission to Ministry of Municipal Affairs and Housing was completed.

Social Assistance and Employment Opportunities

- OW caseload tracking less than the projected two per cent caseload increase.
- Number of new job starts exceed 2019 targets; 1414 new job starts captured year-to-date (2019 target - 1,350) with 793 unique local employers (2019 target – 650).
- Successful in submission to the Ministry Request for Qualification related to Employment Services Transformation and invited to compete to become the Service System Manager for Employment Services in the newly defined catchment area of Hamilton, Niagara, Norfolk and Brantford.

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	\$59,906	\$60,711	-\$805	-1.3%	\$79,758	\$80,630	-\$871	-1.1%
Administrative	\$1,814	\$1,974	-\$161	-8.9%	\$2,314	\$2,646	-\$332	-14.4%
Operational & Supply	\$3,697	\$3,046	\$650	17.6%	\$5,455	\$4,976	\$479	8.8%
Occupancy & Infrastructure	\$502	\$483	\$19	3.7%	\$679	\$682	-\$2	-0.3%
Equipment, Vehicles, Technology	\$1,864	\$1,835	\$29	1.6%	\$2,484	\$2,653	-\$170	-6.8%
Community Assistance	\$0	\$2	-\$2	0.0%	\$0	\$2	-\$2	0.0%
Financial Expenditures	\$0	\$4	-\$4	0.0%	\$0	\$4	-\$4	0.0%
Total Expenses	\$67,782	\$68,056	-\$274	-0.4%	\$90,690	\$91,593	-\$902	-1.0%
Federal & Provincial Grants	-\$48,474	-\$47,299	-\$1,175	-2.4%	-\$65,230	-\$64,080	-\$1,150	-1.8%
By-Law Charges & Sales	-\$180	-\$142	-\$38	21.2%	-\$240	-\$185	-\$55	-22.9%
Other Revenue	-\$223	-\$611	\$389	174.4%	-\$297	-\$778	\$481	161.9%
Total Revenues	-\$48,877	-\$48,052	-\$825	-1.7%	-\$65,767	-\$65,044	-\$724	-1.1%
Intercompany Charges	\$1,155	\$1,147	\$8	0.7%	\$1,540	\$1,532	\$8	0.5%
Total Intercompany Charges	\$1,155	\$1,147	\$8	0.7%	\$1,540	\$1,532	\$8	0.5%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$20,060	\$21,151	-\$1,091	-5.4%	\$26,463	\$28,081	-\$1,618	-6.1%
Transfers From Funds	-\$1,560	-\$1,560	\$0	0.0%	-\$1,641	-\$1,641	\$0	0.0%
Transfers To Funds	\$64	\$64	\$0	0.0%	\$85	\$85	\$0	0.0%
Total Transfers	-\$1,496	-\$1,496	\$0	0.0%	-\$1,555	-\$1,555	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$18,564	\$19,655	-\$1,091	-5.9%	\$24,908	\$26,526	-\$1,618	-6.5%
Indirect Allocations & Debt	\$11,386	\$11,073	\$314	2.8%	\$13,767	\$13,652	\$115	0.8%
Total Indirect Allocations & Debt	\$11,386	\$11,073	\$314	2.8%	\$13,767	\$13,652	\$115	0.8%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$29,951	\$30,728	-\$777	-2.6%	\$38,675	\$40,178	-\$1,503	-3.9%

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 \$1,091 with a forecasted unfavourable variance of \$1,618, due to the following factors:

Compensation – The unfavourable year-to-date and forecasted variances of \$805 and \$871 are primarily due to higher than anticipated Workplace Safety Insurance Board (WSIB) costs in EMS (\$707 YTD, \$951 forecasted), and paramedic salaries (\$478 YTD, \$511 forecasted). These unfavourable variances are partially offset by temporary staffing vacancies within various PH programs, as well as in Other Revenues as the majority of the paramedic salary variance is for EMS service provided at the St. Catharine’s Consumption Treatment site on a cost recovery basis (as described below).

Administrative – The unfavourable year-to-date variance of \$161 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 \$332 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 divisions of PH.

Operational & Supply - The favourable year-to-date and forecasted variances of \$650 and \$479 are primarily due to the introduction of a new MOHLTC Ontario Senior Dental Care Program (OSDCP) in-year. The delayed launch of the program has limited PHs ability to utilize all of the available funding in the program’s first year (as described below).

Equipment, Vehicles, Technology – The forecasted unfavourable variance of \$170 is primarily due to replacement furniture and equipment in Mental Health (\$98) and the purchase of vaccine fridges in Clinical Services that MOHLTC has announced in-year that they will fund (\$85).

Federal & Provincial Grants – The unfavourable year-to-date and forecasted variances of \$1,175 and \$1,150 are primarily due to the discontinuation of annual inflationary increase in Land Ambulance funding in EMS (\$314 YTD, \$444 forecasted), as well as the delayed launch of the new MOHLTC OSDCP (\$578 YTD, \$798 forecasted). The OSDCP provided funding effective April 1, 2019, however since this funding was not announced until August 20, 2019, Council acceptance of funding and establishment of budget did not occur until September 19, 2019. This has limited the ability to expend the full budget this year.

Other Revenue - The favourable year-to-date and forecasted variances of \$389 and \$481 are due mainly to unbudgeted revenue for EMS services provided at the St. Catharine’s Consumption Treatment site to offset the related costs (\$286 YTD, \$414 forecasted).

Community Impacts & Achievements

Mandatory and Related Programs

- As a consequence of ongoing work on Business Intelligence, new work is launching to improve information governance within Public Health & Emergency Services to enable more timely and targeted delivery of service to the public
- The Provincial Government’s delay in allocating funding to launch the Senior’s Dental Program has resulted in a 7 month delay in delivering this new service to the public
- 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
- Participating in the Mental Health and Addictions Collaborative for system planning in Niagara

Emergency Services

- All phases of the EMS system transformation have now been implemented
- Includes the introduction of a new clinical response plan and the emergency nurse communications system on September 24, 2019
- This new system reduces the amount of lights and siren responses which decreases risk to the community and responders
- This also decreases call volume for municipal fire services responding to medical related calls
- Service delivery changes have resulted in improved patient access to health care resources to best meet their needs and overall reduction in number of patients transported to hospital
- The new system is expected to provide faster response time for the most critically ill or injured patients and improved working conditions for all staff
- 2019 year to date call volume is 0.6%, down from 6.6% yearly average from 2011-2017
- An economic evaluation of the new system is being reviewed by McMaster University
- Placement of paramedics with full cost recovery in the local Consumption and Treatment Services site has enabled better support for substance-using clients, while also integrating paramedic services more deeply into the community response to opioid overdoses

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

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$12,022	\$10,666	\$1,356	11.3%	\$15,999	\$14,606	\$1,394	8.7%
Administrative	\$1,999	\$1,005	\$994	49.7%	\$2,606	\$2,797	-\$191	-7.3%
Operational & Supply	\$16,980	\$11,947	\$5,033	29.6%	\$22,809	\$21,372	\$1,436	6.3%
Occupancy & Infrastructure	\$632	\$401	\$231	36.5%	\$869	\$558	\$311	35.8%
Equipment, Vehicles, Technology	\$1,712	\$1,718	-\$5	-0.3%	\$2,283	\$2,405	-\$122	-5.3%
Community Assistance	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Partnership, Rebate, Exemption	\$275	-\$56	\$331	120.4%	\$367	\$309	\$58	15.8%
Financial Expenditures	\$0	-\$3	\$3	0.0%	\$0	-\$3	\$3	0.0%
Total Expenses	\$33,621	\$25,677	\$7,943	23.6%	\$44,933	\$42,043	\$2,890	6.4%
Federal & Provincial Grants	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
By-Law Charges & Sales	-\$4,263	-\$2,788	-\$1,475	-34.6%	-\$6,229	-\$6,214	-\$15	-0.2%
Other Revenue	-\$626	-\$543	-\$83	-13.3%	-\$834	-\$527	-\$307	-36.8%
Total Revenues	-\$4,889	-\$3,331	-\$1,558	-31.9%	-\$7,064	-\$6,741	-\$323	-4.6%
Intercompany Charges	-\$1,552	-\$1,302	-\$250	-16.1%	-\$2,069	-\$1,847	-\$222	-10.8%
Total Intercompany Charges	-\$1,552	-\$1,302	-\$250	-16.1%	-\$2,069	-\$1,847	-\$222	-10.8%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$27,180	\$21,044	\$6,136	22.6%	\$35,800	\$33,455	\$2,344	6.5%
Transfers From Funds	-\$3,422	-\$3,422	\$0	0.0%	-\$4,235	-\$4,235	\$0	0.0%
Transfers To Funds	\$2,179	\$2,179	\$0	0.0%	\$2,179	\$3,000	-\$821	-37.7%
Expense Allocations To Capital	-\$105	-\$70	-\$35	-33.6%	-\$140	-\$112	-\$28	19.9%
Total Transfers	-\$1,348	-\$1,313	-\$35	-2.6%	-\$2,196	-\$1,347	-\$849	-38.7%
Net Expenditure (Revenue) Before Indirect Allocations	\$25,832	\$19,731	\$6,100	23.6%	\$33,604	\$32,109	\$1,495	4.5%
Indirect Allocations & Debt	\$35,765	\$31,291	\$4,473	12.5%	\$39,362	\$39,347	\$15	0.0%
Total Indirect Allocations & Debt	\$35,765	\$31,291	\$4,473	12.5%	\$39,362	\$39,347	\$15	0.0%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$61,596	\$51,022	\$10,574	17.2%	\$72,966	\$71,456	\$1,511	2.1%

Public Works Transportation - Continued

Variance Analysis (in thousands of dollars)

Public Works Levy is operating a year-to-date surplus before indirect allocations of \$6,100, and forecasting a surplus of \$1,495 for year-end, due to the following factors:

Compensation – The favourable year-to-date and forecasted variances of \$1,356 and \$1,394 are primarily due to delays in filling vacant positions and decreased overtime costs.

Administration – The favourable year-to-date variance of \$994 is primarily due to timing differences in consulting (\$619), training (\$147) and information and promotions (\$136). The unfavourable forecasted variance of \$191 is directly associated with increased consulting services in Transit and Transportation Services expected to occur in final quarter of the year.

Operational & Supply – The favourable year-to-date variance of \$5,033 is due to timing differences in rollout of increased Niagara Regional Transit (NRT) services (\$2,697), Niagara Specialized Transit (NST) services (\$240K), hired equipment (\$1,328), signal maintenance, sign and pavement marking material (\$476) and other program specific supplies and material (\$278). The favourable forecasted variance of \$1,436 is primarily due to savings in delayed rollout of NRT services to West Niagara (\$809), signal maintenance, sign and pavement marking material (\$308) and hired equipment (\$315).

Occupancy & Infrastructure – The favourable year-to-date and forecasted variances of \$231 and \$311 are primarily due to lower than expected electricity costs of \$297 and \$398, respectively, related to delay in rollout of the Street Lighting program, offset by \$73 and \$89, respectively, in higher repairs & maintenance of railway crossings.

Equipment, Vehicles, Technology – The unfavourable year-to-date and forecasted variances of \$5 and \$122 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 \$331 is a result of timing differences related to distribution of external grant funding. The favourable forecasted variance of \$58 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.

By-Law Charges & Sales Costs – The unfavourable year-to-date variance of \$1,475 is largely due to lower than expected signal maintenance, signs and lane marking revenues (\$759) and timing differences in NRT fare revenue (\$793) offset by higher Ministry of Natural Resources (MNR) revenue (\$67). The unfavourable forecasted variance of \$15 is primarily due to lower than expected signal maintenance, signs and lane marking revenues (\$870) offset by higher NRT fare revenue (\$860).

Other Revenue – The unfavourable year-to-date and forecasted variances of \$83 and \$307 are primarily due to lower than expected development charges related to delays in consulting assignments that are development charge eligible and lower than expected proceeds from sale of fleet vehicles and equipment.

Transfers – The unfavourable forecasted variance of \$849 relates primarily to return of \$821 to reserve fund from delayed rollout of NRT services to West Niagara.

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, 1,282 trees were removed as part of the Emerald Ash Borer tree removal program and 194 culverts have been repaired or replaced in 2019.

Public Works Transportation - Continued

- 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 project was completed in September, three months ahead of schedule. Led by Transportation Services, this bridge reconstruction/re-alignment project addressed severe horizontal alignment issues north and south of the bridge structure. Staff took a progressive approach of selecting an alignment that provided an added level of safety when crossing the structure as well as providing construction benefits. This innovative approach has allowed for a smooth construction process along with the long-term benefits of alignment improvements.
- 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 and the Thorold Stone Road Extension and Bridge Street EAs that will help support efficient traffic, active transportation and GO Initiatives.
- 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 services 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.
- September 2019 saw a significant accelerated increase in NRT service hours outline in the IMT Service Plan. Completed the consolidation of 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	\$4,245	\$3,794	\$451	10.6%	\$5,636	\$5,094	\$541	9.6%
Administrative	\$1,987	\$550	\$1,437	72.3%	\$2,411	\$2,322	\$90	3.7%
Operational & Supply	\$18	\$9	\$8	46.9%	\$23	\$17	\$7	29.2%
Occupancy & Infrastructure	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Equipment, Vehicles, Technology	\$27	\$41	-\$14	-50.3%	\$36	\$43	-\$7	-18.5%
Partnership, Rebate, Exemption	\$97	\$34	\$63	65.0%	\$120	\$124	-\$4	-3.5%
Financial Expenditures	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Total Expenses	\$6,374	\$4,428	\$1,947	30.5%	\$8,227	\$7,599	\$627	7.6%
By-Law Charges & Sales	-\$1,305	-\$934	-\$371	-28.4%	-\$1,740	-\$1,313	-\$426	-24.5%
Other Revenue	-\$1,002	-\$210	-\$792	-79.0%	-\$1,286	-\$1,190	-\$96	-7.5%
Total Revenues	-\$2,307	-\$1,144	-\$1,163	-50.4%	-\$3,026	-\$2,503	-\$523	-17.3%
Intercompany Charges	-\$315	-\$371	\$56	17.8%	-\$419	-\$419	\$0	0.1%
Total Intercompany Charges	-\$315	-\$371	\$56	17.8%	-\$419	-\$419	\$0	0.1%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$3,753	\$2,913	\$840	22.4%	\$4,782	\$4,677	\$104	2.2%
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%
Net Expenditure (Revenue) Before Indirect Allocations	\$1,871	\$1,031	\$840	44.9%	\$2,899	\$2,795	\$104	3.6%
Indirect Allocations & Debt	\$1,348	\$1,224	\$123	9.1%	\$1,539	\$1,440	\$98	6.4%
Total Indirect Allocations & Debt	\$1,348	\$1,224	\$123	9.1%	\$1,539	\$1,440	\$98	6.4%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$3,218	\$2,255	\$963	29.9%	\$4,438	\$4,235	\$203	4.6%

Planning & Development - Continued

Variance Analysis (in thousands of dollars)

Planning and Development is operating a year-to-date surplus before indirect allocations of \$840 with a forecasted surplus of \$104 before indirect allocations for year end. The following factors have contributed to this surplus.

Compensation - The favourable year-to-date and forecasted variance of \$451 and \$541 is due to vacancies and difficulty recruiting senior professional positions.

Administration - The favourable year-to-date and forecasted variance of \$1,437 and \$90 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. Changes to timing of secondary plan development provides the forecasted favourable variance.

Partnership, Rebate, Exemption - The favourable year-to-date variance of \$63 is due to timing of grant awards. The grant awards will be fully spent by end of year.

Revenue - The unfavourable year-to-date and forecasted variance of \$1,163 and \$523 is due to a lower transfer of development charge revenue and lower than anticipated application volumes within development planning. The development charge revenue is matched to expenditures to partially fund the Regional Official Plan and secondary plans and offsets the administration favourable forecast.

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

- Regional Official Plan (ROP) is ongoing and progressing on track with attendance at all local councils and established frameworks, background studies and policy development. Public Information Centres will be occurring across the Niagara Region throughout the remainder of 2019.
- 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:

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

Growing Niagara

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

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
- Leading Environmental Planning review function
- Developing stormwater and hydrogeology guidelines for the Niagara Region
- Developing and implementing wet weather management programs and education in partnership with the Local Area Municipalities and the Combined Sewer Overflow Program.

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
- Implementing the Transportation Master Plan

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	\$1,528	\$1,229	\$300	19.6%	\$2,039	\$1,677	\$362	17.7%
Administrative	\$1,376	\$1,331	\$45	3.3%	\$1,834	\$1,794	\$41	2.2%
Operational & Supply	\$697	\$1,032	-\$335	-48.0%	\$929	\$1,350	-\$421	-45.3%
Equipment, Vehicles, Technology	\$0	\$6	-\$6	N/A	\$1	\$8	-\$8	N/A
Financial Expenditures	\$81	\$182	-\$101	-124.9%	\$108	\$209	-\$101	-93.7%
Total Expenses	\$3,683	\$3,780	-\$97	-2.6%	\$4,910	\$5,038	-\$128	-2.6%
By-Law Charges & Sales	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Other Revenue	-\$5,055	-\$5,465	\$410	-8.1%	-\$6,740	-\$7,175	\$435	6.5%
Total Revenues	-\$5,055	-\$5,465	\$410	8.1%	-\$6,740	-\$7,175	\$435	6.5%
Intercompany Charges	-\$7	-\$6	-\$1	-19.6%	-\$9	-\$8	-\$1	-14.7%
Total Intercompany Charges	-\$7	-\$6	-\$1	-19.6%	-\$9	-\$8	-\$1	-14.7%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	-\$1,379	-\$1,691	\$312	22.6%	-\$1,839	-\$2,145	\$306	16.7%
Total Transfers			\$0	0.0%		\$0	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	-\$1,379	-\$1,691	\$312	22.6%	-\$1,839	-\$2,145	\$306	16.7%
Indirect Allocations & Debt	\$975	\$954	\$21	2.2%	\$1,234	\$1,179	\$56	4.5%
Total Indirect Allocations & Debt	\$975	\$954	\$21	2.2%	\$1,234	\$1,179	\$56	4.5%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	-\$404	-\$737	\$334	82.6%	-\$605	-\$967	\$362	59.8%

Court Services - Continued

Variance Analysis (in thousands of dollars)

Court Services is operating at a year-to-date surplus before indirect allocations of \$312 with a forecasted surplus of \$306 due to the following factors:

Distribution to Local Area Municipalities - The total year distribution to local area municipalities and Region is forecasted to be \$967 each, due in part to an increase in collection enforcement activity and fine payments received, as well as savings due to vacancy management. First, second and third 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 \$300 and \$362 are due to vacancy management.

Operational & Supply - The unfavourable year-to-date and forecasted variances of \$335 and \$421 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 \$101 is a result of higher collection charges paid to third party collection agencies as a result of increased delinquent fines recovered in the first three quarters of the year.

Other Revenue - The favourable year-to-date and forecasted variances of \$410 and \$435 are due to an increase in collection enforcement activity and larger fine payments received in the first three quarters 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.

- Courts Administration staff participated in an operational review and brainstormed ideas to deal with workflow after the closure of the St. Catharines courthouse. Staff worked together to create possible models to incorporate process improvements, increase employee morale and foster working as a team. Court Services Management Team will be seeking input from Human Resources on the feasibility of implementing one of the models in Q4.
- To reduce the number of charges withdrawn or dismissed due to a lack of reasonable prospect of conviction and/or because of errors in charging documents, the Prosecution Team worked with the LAMs and Regional enforcement departments providing pre-consultation services, which included assistance with inquiries on files prior to their appearance in Court.
- Court Services Collections Team led an RFP, on behalf of the Niagara Region and a number of participating agencies, to solicit proposals from Collection Agencies to collect outstanding POA fines. The RFP was completed ahead of schedule, and contracts are being executed.
- Court Services completed an internal strategic review to ensure continual improvement to the access to justice services provided. We have worked 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. Roll-out is expected to occur in Q4 of 2019.
- Court Services are working through vacancy management, utilizing this time to provide internal employees with acting positions to providing growth opportunities and increasing skills and exposure within Court Services.

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

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Compensation	\$3,832	\$3,795	\$38	1.0%	\$5,105	\$5,048	\$57	1.1%
Administrative	\$773	\$501	\$272	35.2%	\$938	\$864	\$74	7.9%
Operational & Supply	\$81	\$58	\$23	28.7%	\$89	\$72	\$17	19.2%
Occupancy & Infrastructure	\$10,957	\$11,118	-\$160	-1.5%	\$14,613	\$15,228	-\$615	-4.2%
Equipment, Vehicles, Technology	\$274	\$216	\$58	21.1%	\$337	\$296	\$41	12.1%
Community Assistance	\$23,684	\$21,523	\$2,161	9.1%	\$32,617	\$31,683	\$934	2.9%
Financial Expenditures	\$1,668	\$1,624	\$45	2.7%	\$2,225	\$2,263	-\$38	-1.7%
Total Expenses	\$41,270	\$38,834	\$2,436	5.9%	\$55,924	\$55,455	\$469	0.8%
Federal & Provincial Grants	-\$10,336	-\$9,537	-\$799	-7.7%	-\$14,719	-\$13,957	-\$762	-5.2%
Other Revenue	-\$11,416	-\$11,762	\$346	3.0%	-\$15,324	-\$15,810	\$486	3.2%
Total Revenues	-\$21,751	-\$21,299	-\$453	-2.1%	-\$30,043	-\$29,767	-\$276	-0.9%
Intercompany Charges	\$43	\$46	-\$2	-5.8%	\$58	\$60	-\$2	-4.3%
Total Intercompany Charges	\$43	\$46	-\$2	-5.8%	\$58	\$60	-\$2	-4.3%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$19,562	\$17,581	\$1,981	10.1%	\$25,939	\$25,749	\$191	0.7%
Transfers From Funds	-\$1,303	-\$379	-\$924	-70.9%	-\$1,306	-\$1,282	-\$24	-1.9%
Transfers To Funds	\$2,592	\$1,692	\$900	34.7%	\$3,156	\$3,156	\$0	0.0%
Total Transfers	\$1,289	\$1,313	-\$24	-1.9%	\$1,850	\$1,874	-\$24	-1.3%
Net Expenditure (Revenue) Before Indirect Allocations	\$20,851	\$18,894	\$1,957	9.4%	\$27,789	\$27,623	\$166	0.6%
Indirect Allocations & Debt	\$5,110	\$5,172	-\$63	-1.2%	\$7,616	\$7,517	\$99	1.3%
Total Indirect Allocations & Debt	\$5,110	\$5,172	-\$63	-1.2%	\$7,616	\$7,517	\$99	1.3%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$25,960	\$24,066	\$1,894	7.3%	\$35,405	\$35,140	\$265	0.7%

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 \$1,957 and \$166. The year-to-date and forecasted surplus is due to the following factors:

Administration - The favourable year-to-date variance of \$272 is due to the timing of executive-office initiatives and the designated substance survey reports for housing providers which was encumbered into the 2019 budget and will be completed by year-end. In addition to lower than anticipated consulting and registration costs which are expected to continue to year-end, resulting in a favourable forecasted variance of \$74.

Occupancy & Infrastructure - The unfavourable year-to-date variance of \$160 is a result of an expanded preventative maintenance program and higher than budgeted snow removal costs in the first half of the year; offset by lower than budgeted utility costs. The unfavourable forecasted variance of \$615 continues to result from the expanded preventative maintenance program, in addition to higher than budgeted repairs and maintenance costs based on current year trends for the remainder of the year.

Community Assistance - The favourable year-to-date variance of \$2,161 is due to lower than budgeted subsidy payments to non-profit and co-op providers and rent supplement landlords (\$1,340), in addition to the timing differences in Ministry-funded programs (\$711). The favourable forecasted variance of \$934 reflects the Board's direction to utilize forecasted surplus in subsidy payments for provider heat control system upgrades (\$1,200) offset with timing differences related to Ministry-funded programs expected to continue to year-end. Ministry-funded program variances are partially offset by the unfavourable variance in 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 \$799 and \$762 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 \$346 and \$486 is due to higher than budgeted investment income from the timing of transfers between Region and NRH bank accounts (\$150 YTD - \$180 forecast) and higher than anticipated rental revenues for NRH-owned units (\$270 YTD - \$355 forecast).

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 almost complete on the 2018 Multi-residential intensification in Welland on Roach Street increasing by 8 net new owned units ready for occupancy in November 1, 2019
 - Purchased two buildings in Thorold for intensification increasing owned units by 6 with an additional 4-5 units currently under construction
 - Planning for the construction of the Hawkins redevelopment in Niagara Falls has commenced
- *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. In addition, \$176,370 was received from Ontario Priorities Housing Initiative (OPHI) and Canada-Ontario Community Housing Initiative (COCHI) for 2019. As of September 30, 2019, 46 homeowners had been approved for funding.
- *Homeownership* – NRH received \$180,000 through the Investment in Affordable Housing-Extension (IAH-E) and \$200,000 from the Ontario Priorities Housing Initiative (OPHI) program for the 2019/2020 period. As of September 30, 2019,

Niagara Regional Housing - Continued

down payment assistance was provided to 10 households to help purchase their first home. Funds were also allocated to 3 Habitat for Humanity Niagara Homes that will close this year.

- *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	\$111,358	\$109,837	\$1,521	1.4%	\$150,626	\$150,326	\$300	0.2%
Administrative	\$2,897	\$2,774	\$123	4.3%	\$3,860	\$3,771	\$88	2.3%
Operational & Supply	\$1,688	\$1,842	-\$154	-9.1%	\$2,251	\$2,232	\$19	0.9%
Occupancy & Infrastructure	\$224	\$202	\$22	9.7%	\$298	\$275	\$23	7.8%
Equipment, Vehicles, Technology	\$4,810	\$4,685	\$126	2.6%	\$6,414	\$6,292	\$122	1.9%
Financial Expenditures	\$3	\$3	-\$1	-31.1%	\$4	\$6	-\$2	-58.5%
Total Expenses	\$120,980	\$119,343	\$1,637	1.4%	\$163,453	\$162,902	\$551	0.3%
Federal & Provincial Grants	-\$7,506	-\$7,267	-\$239	-3.2%	-\$10,008	-\$9,651	-\$357	-3.6%
By-Law Charges & Sales	-\$5,006	-\$5,046	\$39	0.8%	-\$6,538	-\$6,577	\$39	0.6%
Other Revenue	-\$1,534	-\$1,727	\$193	12.6%	-\$2,046	-\$2,239	\$193	9.4%
Total Revenues	-\$14,047	-\$14,040	-\$7	-0.1%	-\$18,592	-\$18,467	-\$125	-0.7%
Intercompany Charges	-\$973	-\$1,045	\$73	7.5%	-\$1,297	-\$1,369	\$73	5.6%
Total Intercompany Charges	-\$973	-\$1,045	\$73	7.5%	-\$1,297	-\$1,369	\$73	5.6%
Net Expenditure (Revenue) Before Transfers & Indirect Allocations	\$105,961	\$104,258	\$1,702	1.6%	\$143,564	\$143,065	\$499	0.3%
Transfers To Funds	\$2,363	\$2,363	\$0	0.0%	\$3,150	\$3,150	\$0	0.0%
Total Transfers	\$2,363	\$2,363	\$0	0.0%	\$3,150	\$3,150	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$108,323	\$106,621	\$1,702	1.6%	\$146,714	\$146,215	\$499	0.3%
Indirect Allocations & Debt	\$11,309	\$10,683	\$626	5.5%	\$14,814	\$15,490	-\$676	-4.6%
Total Indirect Allocations & Debt	\$11,309	\$10,683	\$626	5.5%	\$14,814	\$15,490	-\$676	-4.6%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$119,632	\$117,303	\$2,328	1.9%	\$161,528	\$161,705	-\$177	-0.1%

Niagara Regional Police Services - Continued

Variance Analysis (in thousands of dollars)

For the period ending September 30 2019, the Service's financial result was a gross expenditure surplus of \$1,702 before indirect allocations. The Service is forecasting a \$499 surplus position before indirect allocations by the end of this fiscal year.

Compensation – At September 30, the Compensation expense was below the approved budget by \$1,521. This favorable variance is primarily due to a lag in filling vacant positions; offset by greater than budgeted retirement sick leave payouts. Although the Service realized a significant surplus in the nine month period, this trend is not expected to continue to year-end. There continues to be a high demand for civilian replacement staff to meet operational needs, and a number of high profile investigations that have placed on-going pressure on uniform resources. As a result of these factors, the Service is forecasting a \$300 surplus for Personnel Costs by year-end.

Other Operational Expenditures - Other Operational Expenditures are comprised of all other operating expenditures excluding Personnel Costs, Financial Expenditures and Interfunctional Transfer. For the period ending September 30, the Other Operational Expenditures resulted in a favorable position when compared to budget. This is mainly due to savings to fuel rates, telecommunication costs and intercompany Regional chargebacks for vehicle maintenance. The Service is forecasting this favorable trend to continue to year-end resulting in a savings of \$324.

Recoveries & Revenues – For the period ending September 30, Gross Revenues and Recoveries were \$7 below budget levels mainly due to a shortfall to Provincial grant funding offset by additional revenue from cost recovery services. At year-end the grant funding deficit of \$357 will be offset by the additional cost recovery revenue received to-date resulting in an overall revenue shortfall of \$125.

Conclusion

The detailed variance analysis has been prepared based on results of operations at September 30. At this time, the Service anticipates a year-end surplus position based on the nine months actual and current operational pressures. The Service will continue to monitor the financial results and address any risks that could impact the forecasted results.

NPCA Statement of Operations (in thousands of dollars)

	Year to Date Budget	Year to Date Actual	Year to Date Budget vs Actual Variance Amount	Year to Date Budget vs Actual Variance Percentage	Annual Budget	Annual Forecast	Annual Budget vs Forecast Variance Amount	Annual Budget vs Forecast Variance Percentage
Partnership, Rebate, Exemption	\$5,889	\$5,484	\$404	6.9%	\$5,484	\$5,484	\$0	0.0%
Total Expenses	\$5,889	\$5,484	\$404	6.9%	\$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	\$5,889	\$5,484	\$404	6.9%	\$5,484	\$5,484	\$0	0.0%
Transfers From Funds	-\$963	-\$963	\$0	0.0%	-\$1,284	-\$1,284	\$0	0.0%
Total Transfers	-\$963	-\$963	\$0	0.0%	-\$1,284	-\$1,284	\$0	0.0%
Net Expenditure (Revenue) Before Indirect Allocations	\$4,926	\$4,521	\$404	8.2%	\$4,200	\$4,200	\$0	0.0%
Indirect Allocations & Debt	\$4	\$0	\$4	100.0%	\$6	\$1	\$4	74.6%
Total Indirect Allocations & Debt	\$4	\$0	\$4	100.0%	\$6	\$1	\$4	74.6%
Net Expenditure (Revenue) After Transfers & Indirect Allocations	\$4,930	\$4,521	\$408	8.3%	\$4,206	\$4,202	\$4	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.

Original Budget Revenue & Expenditures		973,894	
Total Budget Amendment		-	
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)
Planning and Development	(38)		To record reduction in funding from the Ministry of Community and Social Services in relation to an employment survey
Planning and Development	150		To record funding and related expenditures in connection with hiring an aggregates advisor
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
Public Health and Emergency Services	1,603		To record revenue and related expenditures related to the Ontario Seniors Dental Care program from the Ministry of Health and Long Term Care (PHD 16-2019)
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
Niagara Regional Housing	938		To record revenue and related expenditures related to the Canada-Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI) (NRH 8-2019)
Total Budget Adjustment		33,180	
December 31, 2019 Adjusted Budget		1,007,074	

Reserve Summary (in thousands of dollars)

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

At September 30, 2019 the Region's consolidated and uncommitted reserve balance was \$205,317 (\$204,428 at June 30, 2019). The ratio of debt to reserves is an important marker of fiscal sustainability. A ratio of less than 1 shows that if revenues were to decline, the Region would have other resources to meet its obligations. Conversely, if the ratio is greater than 1, it can indicate vulnerability to economic downturns. The Region's debt to reserve ratio, including unissued debt is 2.26 (2.46 at June 30, 2019).

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 September 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	\$13,959	\$0	-\$24,443	\$570	\$33,332	\$4,653	\$0	\$190	-\$6,660	\$31,515
Water Capital	\$88,488	\$13,819	\$0	-\$31,828	\$1,192	\$71,671	\$4,606	\$0	\$397	-\$6,660	\$70,014
Waste Management	\$16,903	\$1,200	\$0	-\$4,115	\$232	\$14,220	\$400	\$0	\$77	-\$9,002	\$5,695
General Capital Levy	\$26,221	\$17,535	-\$1,691	-\$41,395	\$0	\$670	\$829	-\$557	\$0	-\$400	\$542
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	\$956	\$0	-\$410	\$0	\$6,586	\$319	\$0	\$0	\$0	\$6,905
NRH Owned Units	\$4,121	\$736	\$0	-\$795	\$0	\$4,062	\$1,145	\$0	\$0	\$0	\$5,207
NRPS Long-Term Accomodation (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	\$900	\$0	-\$1,358	\$0	\$261	\$300	\$0	\$0	-\$250	\$311
Police Vehicle and Equipment Replacement	\$224	\$1,125	\$0	-\$1,700	\$0	-\$351	\$375	\$0	\$0	\$0	\$24
Total Capital Reserves	\$187,966	\$53,698	-\$1,691	-\$109,753	\$1,994	\$132,214	\$12,627	-\$557	\$664	-\$22,972	\$121,976
Wastewater Stabilization	\$2,982	\$0	\$0	\$0	\$45	\$3,027	\$0	\$0	\$15	\$0	\$3,042
Water Stabilization	\$3,442	\$0	\$0	\$0	\$52	\$3,494	\$0	\$0	\$17	\$0	\$3,511
Waste Management Stabilization	\$7,427	\$186	-\$435	\$0	\$110	\$7,288	\$62	-\$145	\$37	\$0	\$7,240
Encumbrance	\$21,322	\$1,767	-\$13,054	\$0	\$0	\$10,035	-\$1,671	-\$7,964	\$0	\$0	\$399

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 September 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	-\$14	\$0	\$0	\$5	\$0	-\$5	\$0	\$0	\$0
Taxpayer Relief	\$24,710	\$637	-\$3,476	\$0	\$0	\$21,871	\$1,034	-\$1,152	\$0	\$0	\$21,753
NRH Rent Supplements	\$278	\$0	-\$9	\$0	\$0	\$269	\$0	-\$3	\$0	\$0	\$266
Police Contingency	\$0	\$187	\$0	\$0	\$0	\$187	\$62	\$0	\$0	\$0	\$250
Police Services Board Contingency	\$153	\$0	\$0	\$0	\$0	\$153	\$0	\$0	\$0	\$0	\$153
Total Corporate Stabilization Reserves	\$60,333	\$2,777	-\$16,988	\$0	\$207	\$46,329	-\$513	-\$9,269	\$69	\$0	\$36,615
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
Total Specified Contribution Reserves	\$1,420	\$0	\$0	\$0	\$0	\$1,420	\$0	\$0	\$0	\$0	\$1,420
Future Benefit Costs	\$24,845	\$0	-\$113	\$0	\$0	\$24,732	\$0	-\$38	\$0	\$0	\$24,694
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	\$1,716	\$0	-\$2,490	\$119	\$7,633	\$572	\$0	\$40	\$0	\$8,245
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	\$150	\$0	\$0	\$0	\$3,220	\$50	\$0	\$0	\$0	\$3,270
Total Future Liability Reserves	\$45,299	\$1,866	-\$113	-\$2,490	\$119	\$44,681	\$622	-\$38	\$40	\$0	\$45,305
Total (Excluding Deferred Revenues)	\$295,018	\$58,341	-\$18,792	-\$112,243	\$2,320	\$224,644	\$12,736	-\$9,864	\$773	-\$22,972	\$205,317

(*) Balance available does not include amounts which will be transferred to/from the reserves as a result of year end surplus/deficits.

Deferred Revenue Summary (in thousands of dollars)

Description	Balances at December 31, 2018	Year to Date Transfers from Revenues (Collections)	Year to Date Transfers from Revenues (DC Grants)	Year to Date Transfers to Operating	Year to Date Transfers from/(to) Capital	Interest Allocation	Balance at September 30, 2019	Forecasted Transfers from Revenues	Forecasted Interest	Capital Commitments (*)	Balance Available at December 31, 2019
DC-General Government	\$1,265	\$314	\$100	-\$205	\$0	\$21	\$1,495	\$252	\$10	\$0	\$1,757
DC-Police Services	\$1,884	\$548	\$175	\$0	\$5	\$34	\$2,645	\$409	\$17	-\$43	\$3,029
DC-Roads	\$50,883	\$9,272	\$2,867	\$0	-\$6,351	\$832	\$57,503	\$6,678	\$416	-\$48,999	\$15,599
DC-Sewer	\$43,822	\$6,220	\$2,026	-\$929	-\$2,716	\$698	\$49,120	\$4,515	\$349	-\$10,072	\$43,911
DC-Water	\$28,296	\$4,303	\$1,439	\$0	-\$2,032	\$453	\$32,460	\$3,227	\$227	-\$26,428	\$9,485
DC-Emergency Medical	\$1,140	\$223	\$37	\$0	-\$14	\$19	\$1,405	\$126	\$9	-\$81	\$1,459
DC-LT Care	\$3,076	\$1,718	\$163	\$0	\$0	\$58	\$5,015	\$663	\$29	\$0	\$5,706
DC-POA	\$181	\$79	\$16	\$0	\$0	\$3	\$278	\$51	\$2	\$0	\$331
DC-Health	\$415	\$204	\$34	\$0	\$0	\$8	\$660	\$108	\$4	\$0	\$772
DC-Social Housing	\$2,609	\$1,326	\$69	\$0	-\$58	\$47	\$3,993	\$820	\$24	-\$2,192	\$2,645
DC-Waste Division	\$959	\$568	\$49	\$0	\$70	\$19	\$1,664	\$220	\$9	-\$412	\$1,482
Subtotal DC's	\$134,530	\$24,774	\$6,975	-\$1,135	-\$11,096	\$2,191	\$156,239	\$17,068	\$1,096	-\$88,227	\$86,175
Federal Gas Tax	\$19,724	\$0	\$0	\$0	-\$9,833	\$376	\$10,267	\$27,326	\$125	-\$36,022	\$1,697
Provincial Gas Tax	\$508	\$761	\$0	-\$92	\$0	\$13	\$1,190	\$0	\$4	-\$500	\$694
Subtotal Gas Tax	\$20,232	\$761	\$0	-\$92	-\$9,833	\$389	\$11,457	\$27,326	\$130	-\$36,522	\$2,391
Total	\$154,762	\$25,535	\$6,975	-\$1,226	-\$20,930	\$2,580	\$167,695	\$44,394	\$1,225	-\$124,749	\$88,566

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

Deferred Revenue Summary (in thousands of dollars) - continued

The following chart provides a summary the grants awarded to date, the Q4 forecast as well as the forecasted year-end grant expenditures against the available budget. Details of amounts paid to date for specific grant programs including the Non-Profit, Discretionary Industrial and Brownfield Remedication Reduction program grants have been broken out in more detail below the summary chart.

Grant Category	Year-to-Date Actuals	Q4 Forecast	Total	Annual Budget	Forecasted Variance
Other Economic Incentives:					
50% Industrial - (M)	\$218	\$109	\$327		
Phase in costs - (D)	\$2,672	\$0	\$2,672		
Brownfield - (D)	\$831	\$1,662	\$2,493		
Smart Growth Niagara - (D)	\$0	\$100	\$100		
Board of Education - (D)	\$0	\$0	\$0		
NRH - (D)	\$0	\$0	\$0		
Parking garage - (D)	\$0	\$0	\$0		
Agriculture - (D)	\$179	\$358	\$536		
Place of Worship - (D)	\$384	\$192	\$575		
Intensification RDC Reductions - (M)	\$25	\$50	\$75		
Hotels/Motels - (D)	\$1,582	\$250	\$1,832		
Other (D)	\$246	\$0	\$246		
Subtotal - Other Economic Incentives	\$6,135	\$2,720	\$8,856	\$4,089	-\$4,767
Non-Profit - (D)	\$150	\$0	\$150	\$150	\$0
Industrial and Gateway - (D)	\$690	\$360	\$1,050	\$1,050	\$0
Total	\$6,975	\$3,080	\$10,056	\$5,289	-\$4,767

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

Deferred Revenue Summary (in thousands of dollars) - continued

Non-Profit Grant Applicants and Approved Amounts					
Organization	Application Date	Development Description	Municipality	Grant Requested	Grant Approved
Q1-Q2 Applications				\$171	\$150
Q3 Applications: Nil				\$0	\$0
Total				\$171	\$150

Brownfield Reduction Program Applicants and Approved Amounts						
Address	Application Date	Development Description	Municipality	Approved Eligible Costs	Grants Paid Prior to Date	Grants Paid 2019
574 King St	Apr 25, 2018	Apartment complex	Welland	\$63	\$63	\$63
181 Queen St	May 2, 2018	Residential Subdivision	Thorold	\$27,869	\$852	\$684
105 Highway 20	Sep 4, 2018	Mixed use multi-res/commercial	Pelham	\$308	\$268	\$0
Hibbard St	Oct 5, 2018	Condominium complex	Fort Erie	\$153	\$149	\$84
Robinson Rd	Oct 11, 2018	Townhouse complex	Niagara Falls	Pending	Pending	Pending
27 John St	Oct 22, 2018	Condominium complex	Grimsby	Pending	Pending	Pending
405 Merritt St	Dec 9, 2018	Conversion of former institutional site to apartment/condos	St. Catharines	Pending	Pending	Pending
439 King St ¹	Mar 8, 2019	Retirement complex	Welland	\$798	\$0	\$0
Total				\$29,192	\$1,332	\$831

Note: 1 Conditional grant awarded pending submission of final information from applicant.

Industrial (I) and Gateway (G) Grant Applicants and Approved Amounts					
Address	Application Date	Development Description	Municipality	Grant Requested	Grant Approved
Q1-Q2 Applications				\$508	\$508
Q3 Applications: Montrose Business Park (I)	Aug 19, 2019	Brewery	Niagara Falls	\$182	\$182
Total				\$690	\$690

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	October - December Forecast	Annual Forecast Transfer to Reserves	Transfer Description
Council approved net operating transfers to reserves, including interest allocation to reserves	-\$52,922	-\$11,129	-\$64,051	
<i>Additional operating reserve transfers (to)/from reserves:</i>	\$0	\$0	\$0	
All Rate Reserves	-\$455	-\$152	-\$606	Interest income allocation to reserve above budget - Per Reserve policy
Capital Levy	\$77	-\$279	-\$202	Proceeds on Sale of Surplus Properties
Capital Levy	\$145	\$0	\$145	Transfer from reserve to offset funding not received from Ministry for Peer Street roof replacement
Taxpayer Relief	\$0	-\$821	-\$821	Transfer of surplus back to reserve due to delays in Niagara West service expansions and delays in Sunday service expansions due to insufficient capital resources
NRH Owned Units	\$0	-\$900	-\$900	Transfer from encumbrance reserve to owned units reserve base on COM-C 3 - 2019/NRH 9-2019
2018 Encumbrance	\$12,454	\$7,039	\$19,494	2018 Encumbrances (CSD 21-2019)
Encumbrance	-\$267	\$171	-\$96	Timing delay related to the use of encumbrance funds
Encumbrance	-\$1,500	\$1,500	\$0	Timing delay related to CSO Program
Encumbrance	\$600	\$925	\$1,525	2018 Operating Surplus Transfer (CSD 21-2019) net of amounts that will not be spent during the year.
Net operating transfers to reserves	-\$41,868	-\$3,646	-\$45,512	

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.

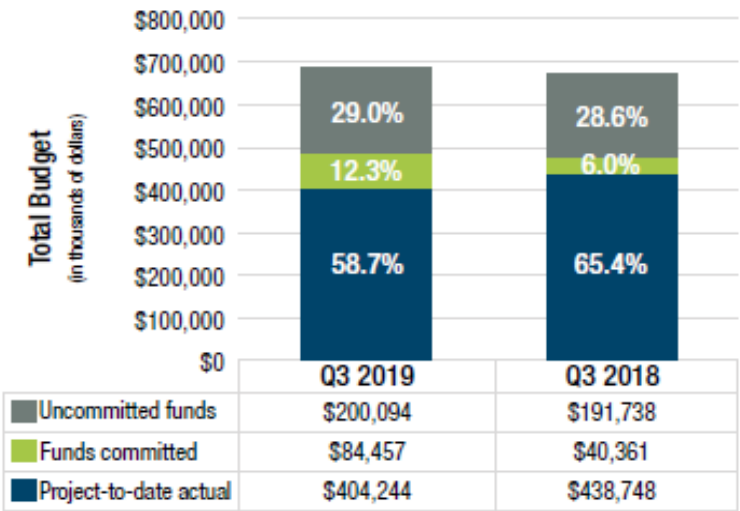
Reserve Description	Year to Date Transfer (to)/from Reserves	October - December Forecast (to)/from Reserves	Annual Forecast Transfer (to)/from Reserves	Transfer Description
Council approved net capital transfers per 2019 Budget	\$112,415	\$21,327	\$133,742	Reserve Transfers to capital projects
Capital reserve transfer commitments from prior to 2019 Budget	\$175	\$1,645	\$1,820	
<i>Additional capital reserve transfers:</i>				
NRH Owned Units	- \$317	\$0	- \$317	Project close out - Funds returned to reserve
NRPS	- \$30	\$0	- \$30	Project close out - Funds returned to reserve
Net capital transfers	\$112,242	\$22,972	\$135,214	

Capital Highlights

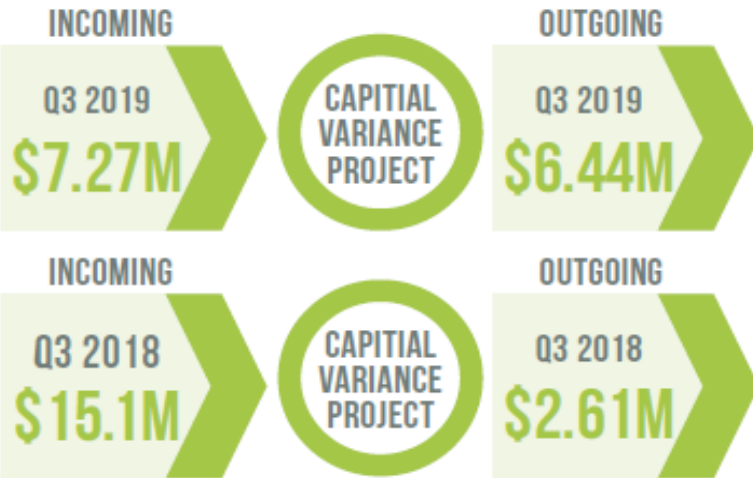
LEVY

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END

Total projects with remaining budgets greater than \$1M.



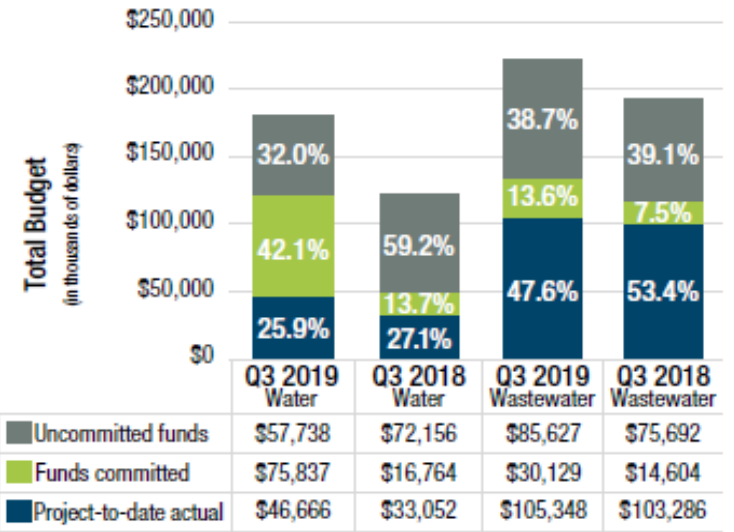
CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



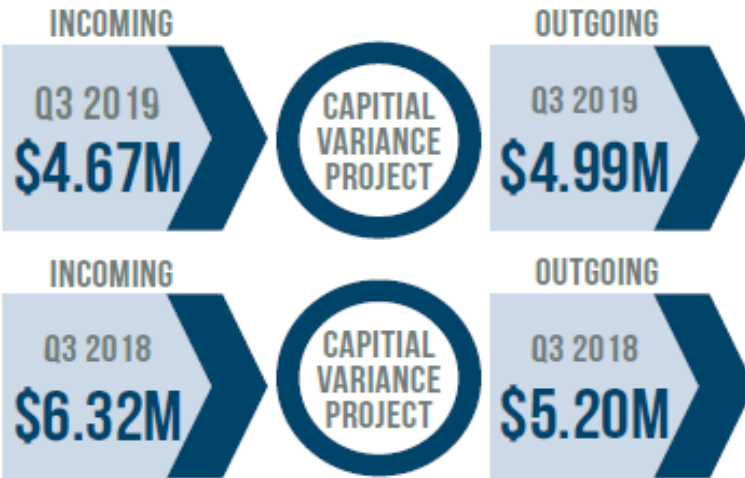
WATER & WASTEWATER

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END

Total projects with remaining budgets greater than \$1M.



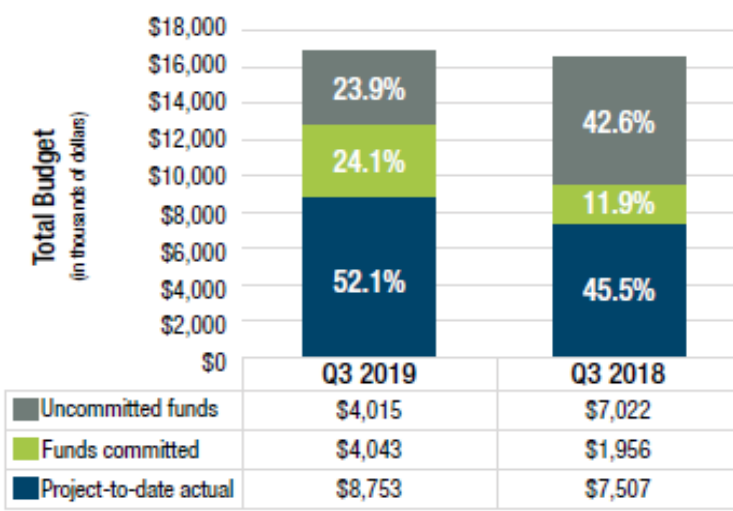
CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



WASTE MANAGEMENT

PROJECT BUDGETS SPENT AND/OR COMMITTED AT QUARTER END

Total projects with remaining budgets greater than \$1M.



CAPITAL VARIANCE PROJECT TRANSFERS AT QUARTER END



Capital Summary (in thousands of dollars)

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

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

Capital Budget Reconciliation

The capital budget managed by Niagara Region has decreased by \$33,836 since Q2 2019. The reasons for the decrease from Q2 2019 are broken down in the table below.

Eleven capital projects of the 537 capital sub-projects, with budgets totalling approximately \$48,293 (levy \$47,148 / rate \$1,145) remain uninitiated at September 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
2018 Total Adjusted Budget (excluding Capital Variance Projects) at December 31, 2018	\$682,337	\$362,614	\$1,044,952
Council Approved 2019 Budget	\$151,936	\$122,348	\$274,284
Gross Budget Adjustment (including transfers from operating)	\$2,394	\$559	\$2,953
Transfer from Capital Variance	\$5,326	\$2,632	\$7,957
Budget Reductions on Active Capital Projects *	- \$7,309	- \$407	- \$7,716
Projects Closed	- \$53,064	- \$12,562	- \$65,626
Closed projects reactivated	\$0	\$200	\$200
Closed projects included in project summary reporting	\$0	\$0	\$0
2019 Total Adjusted Budget (excluding Capital Variance Projects) at July 24, 2019	\$781,620	\$475,384	\$1,257,004
Gross Budget Adjustment (including transfers from operating)	\$4,070	- \$46	\$4,024
Transfer from Capital Variance	\$1,385	\$2,929	\$4,314
Budget Reductions on Active Capital Projects *	- \$1,701	- \$575	- \$2,276
Projects Closed	- \$27,052	- \$5,549	- \$32,601
Transfer between Levy/Rate Programs	\$195	- \$195	\$0
Previously closed projects removed from project reporting	- \$7,298	\$0	- \$7,298
2019 Total Adjusted Budget (excluding Capital Variance Projects) at October 23, 2019	\$751,219	\$471,948	\$1,223,168

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

Capital Budget Adjustments (in thousands of dollars)

The chart below identifies the projects which have received gross budget adjustments (from external revenue sources), transfers from the capital variance project, budget reductions and transfer to operations during Q3 per the budget control policy 2017-63.

Department	Project Description	Total Budget	Gross Budget Adjustment	Transfer from Capital Variance	Budget Reduction	Treatment of Reduction	Adjusted Budget
Corporate Services	Information Technology Server Building	\$3,945			- \$43	CV - Levy	\$3,903
Corporate Services	Emergency Medical Services Generators	\$298			- \$13	CV - Levy	\$285
Corporate Services	Emergency Medical Services Generators Phase 2	\$518			- \$39	CV - Levy	\$479
Corporate Services	Council Chambers Renovation	\$62			- \$31	CV - Levy	\$31
Corporate Services	Region Wide Code & Legislation Compliance - 2019	\$70			- \$70	CV - Levy	\$0
Corporate Services	68 Church Street Roof	\$0		\$220			\$220
Public Works - Levy	Intersection - RR14 Warner Road	\$4,871	\$200				\$5,071
Public Works - Levy	Intersection - RR89 Jacobsen/Burleigh	\$6,500	\$256				\$6,756
Public Works - Levy	Intersection - RR20 Roundabout at S Grimsby Rd	\$3,800	\$1,012	\$900			\$5,712
Public Works - Levy	Interchange St Davids at 406	\$2,800	\$2,517		- \$1,046	\$627K CV - Levy, \$418K DCs	\$4,271
Public Works - Levy	Annual Roads Engineering Program - 2018	\$300		\$70			\$370
Public Works - Levy	Intersection - RR20 Industrial Park to Townline Phase 2	\$3,600	\$91		- \$460	200K CV - Levy, 259K Federal Gas Tax	\$3,231
Public Works - Levy	Annual - Development Projects - 2019	\$1,000	- \$26				\$974
Public Works - Levy	SAEO Niagara Falls Roof	\$290	- \$145	\$145			\$290
Public Works - Levy	RR 81 Emergency Retaining Wall Evaluation	\$0		\$50			\$50
Public Works - Levy	Four Mile Creek Road	\$0	\$26				\$26
Public Works - Levy	Annual Fleet Vehicles Program - 2019	\$0	\$140				\$140
All Levy Departments		\$23,811	\$4,070	\$1,385	- \$1,701		\$31,809
Water	Water Treatment Plant Upgrade -Rosehill Intake	\$1,950	- \$64				\$1,886
Water	Water Treatment Plant Upgrade - Niagara Falls - 2017	\$10,115		\$2,637			\$12,752
Water	Watermain Program - Along CNR Grimsby	\$13,400			- \$575	CV - Water	\$12,825
Wastewater	Decommission Old Central Sewage Pump Station	\$90	\$18	\$42			\$150

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
Wastewater	Elm Street Forcemain Replacement	\$580		\$250			\$830
All Rate Departments		\$26,135	- \$46	\$2,929	- \$575		\$28,443
Public Works - Levy	Annual - Traffic Signals Program - 2019	\$2,100	- \$2,100				\$0
Public Works - Levy	RR24Victoria @ RR63 Canborough	\$10	\$275				\$285
Public Works - Levy	RR36 South Pelham @ Thorold Rd	\$10	\$275				\$285
Public Works - Levy	Annual - Traffic Signals Design Program - 2019	\$0	\$50				\$50
Public Works - Levy	Annual - Traffic Intelligent Transport Program - 2019	\$0	\$300				\$300
Public Works - Levy	Annual - Traffic Signal Equipment Program - 2019	\$0	\$650				\$650
Public Works - Levy	RR91 Westchester Ave @ Blain	\$0	\$275				\$275
Public Works - Levy	RR41 Woodlawn Ave @ Seaway	\$0	\$275				\$275
Niagara Regional Police	NRPS Coherent Lighting Detecting and Ranging Units	\$14	- \$14				\$0
Niagara Regional Police	Hyundai Data Collection Equipment	\$0	\$14				\$14
Public Works - Levy	Annual Fleet Vehicles W/WW Program - 2019	\$0	\$345				\$345
Water	Valve Turning & Pickup Truck	\$345	- \$345				\$0
Public Works - Levy	Stork Bridge	\$955	- \$150				\$805
Water	Watermain Replacement Stork Bridge	\$0	\$150				\$150
All Inter-Project Transfers		\$3,434	\$0	\$0	\$0		\$3,434
All Departments	Total	\$53,380	\$4,024	\$4,314	- \$2,276		\$63,686

Capital Project Closures (in thousands of dollars)

Projects are closed throughout the year. When projects are closed, surplus funds are transferred to Capital Variance Projects that have been set up in various functional areas (levy supported and water / wastewater / waste management capital projects). For projects that are not funded from the general capital levy or rate reserves, any surpluses identified through the closeout report would be returned to the specific source reserve for future use, and reported as part of year-end transfer report. The following 20 projects were closed during July 25 to October 23, 2019.

Department	Project Description	Adjusted Budget	Project-to-date Actuals	Variance	Surplus	Destination of Transfer	Project Duration (Years)
Corporate Services	Asset Replacement - 2017	\$1,900	\$1,820	\$80	\$80	CV Levy	3
Corporate Services	Emergency Medical Services - Generators	\$285	\$270	\$15	\$15	CV Levy	5
Niagara Regional Police Services Board	Communications Unit Equipment	\$4,500	\$4,472	\$28	\$27	POCL Levy	4
Niagara Regional Police Services Board	Service Equipment - SIS Software	\$9	\$8	\$0	\$0	POCL Levy	1
Niagara Regional Police Services Board	Service Equipment - Protection	\$36	\$36	\$0	\$0	POCL Levy	1
Niagara Regional Police Services Board	Marine Sonar	\$118	\$117	\$1	\$1	POCL Levy	4
Niagara Regional Police Services Board	Marine Zodiac	\$500	\$498	\$2	\$2	POCL Levy	3
Niagara Regional Police Services Board	Vehicle Recognition Software	\$36	\$36	\$0	\$0	POCL Levy	3
Niagara Regional Police Services Board	Conducted Energy Weapon Replacement - 2018	\$21	\$21	\$0	\$0	POCL Levy	2
Niagara Regional Police Services Board	Service Equipment - Video	\$21	\$21	\$0	\$0	POCL Levy	2
Niagara Regional Police Services Board	Service Equipment - Bomb Suit	\$40	\$40	\$0	\$0	POCL Levy	2
Public Works - Levy	Roads Facility Program - Thorold Yard Upgrades - 2017	\$56	\$31	\$25	\$25	CV Levy	2
Public Works - Levy	2017 Illumination Program	\$410	\$357	\$53	\$53	CV Levy	3
Public Works - Levy	Structural Rehabilitation - RR38 JR Stork Bridge	\$805	\$756	\$49	\$49	CV Levy	2
Public Works - Levy	Roads Reconstruction - RR102/Valley way	\$7,935	\$7,482	\$454	\$460	CV Levy	7
Public Works - Levy	Roads Rehabilitation - RR87 Lake/Geneva	\$6,841	\$6,435	\$406	\$123	CV Levy	7

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	Intersection Improvement - Killaly St @ Mellanby Ave	\$75	\$0	\$75	\$37	CV Levy	4
Public Works - Levy	Vehicles - 2016	\$3,465	\$3,464	\$1	\$1	CV Levy	4
Total Levy Reporting Projects removed from Project Listing		\$27,052	\$25,863	\$1,190	\$843	CV Levy	
Waste Management	Humberstone - Passive Gas Collection	\$4,674	\$4,321	\$353	\$344	CV WMT	11
Total Waste Management Projects Closed and removed from Project Listing		\$4,674	\$4,321	\$353	\$344		
Water	Decommissioning Crescent Park	\$875	\$432	\$443	\$384	CV WAT	7
Total Water Projects Closed and removed from Project Listing		\$875	\$432	\$443	\$384		
Total Rate Projects Closed and removed from Project Listing		\$5,549	\$4,753	\$796	\$728		
Total Projects Closed		\$32,601	\$30,616	\$1,986	\$1,571		

Capital Project Closures by Transfer (in thousands of dollars)

To assist with the management of approved capital projects, some capital projects may be separated into multiple sub-projects. The separation of projects allows staff to better fiscally manage the project initiative and scope through the procurement and reporting process. Transfers to projects are shown on the Capital Budget Adjustment page.

Illustrated in the chart below are previously closed projects, which have been required to be re-opened to complete subsequent transactions received for invoices or accounting adjustments.

Department	Project Description	Total Budget	Closure	Transfers	Adjusted Budget	Surplus (Deficit)	Destination of Transfer
Corporate Services	Region Wide Code & Legislation Compliance - 2019	\$100	- \$100		\$0	\$0	CV LEVY
Corporate Services	68 Church Street Roof Replacement	\$0		\$70	\$70		
Corporate Services	Niagara Regional Police Headquarters Compressor	\$0		\$30	\$30		
Public Works - Levy	Annual - Traffic Signals Program - 2019	\$2,100	- \$2,100		\$0	\$0	CV LEVY
Public Works - Levy	Intersection Improvement - RR24 Victoria @ RR63 Canborough	\$0		\$275	\$275		
Public Works - Levy	Intersection Improvement - RR36 South Pelham @ Thorold Rd	\$0		\$275	\$275		
Public Works - Levy	Annual - Traffic Signals Desgin Program - 2019	\$0		\$50	\$50		
Public Works - Levy	Annual - Intelligent Transportation System Program - 2019	\$0		\$300	\$300		
Public Works - Levy	Annual - Traffic Signal Equipment Program - 2019	\$0		\$650	\$650		
Public Works - Levy	Intersection Improvement - RR91 Westchester Av @ Blain	\$0		\$275	\$275		
Public Works - Levy	Intersection Improvement - RR41 Woodlawn Av @ Seaway	\$0		\$275	\$275		
Public Works - Levy	Roads Crack Sealing - 2019	\$250	- \$250		\$0	\$0	CV LEVY
Public Works - Levy	Roads Routing & Crack Sealing - 2019	\$0		\$250	\$250		
Public Works - Levy	Intersection Improvement - RR12 Christie/Olive	\$230	- \$230		\$0	\$0	CV LEVY
Public Works - Levy	Intersection Improvement - RR50 Glenridge @John MacDonnell	\$0		\$230	\$230		
Public Works - Rate	Watermain Program - St. Davids Rd Phase 1	\$775	- \$775		\$0	\$0	CV LEVY
Public Works - Rate	Watermain Program - St. Davids Rd Phase 2	\$0		\$775	\$775		
Public Works - Rate	Watermain Program - Valve Upgrade	\$345	- \$345		\$0	\$0	CV LEVY
Public Works - Rate	19 Ann-Fleet Vehicle-WWW	\$0		\$345	\$345		
Public Works - Rate	Miscellaneous Program - Chemical System Upgrades - 2019	\$900	- \$900		\$0	\$0	CV LEVY
Public Works - Rate	Miscellaneous Program - Chemical System Upgrades - 2017	\$0		\$900	\$900		
Public Works - Rate	Digester & Sludge Program - 2019	\$2,050	- \$2,050		\$0	\$0	CV LEVY
Public Works - Rate	Digester & Sludge Program - 2018	\$0		\$2,050	\$2,050		
Capital Projects Closed Upon Transfers & Capital Project Adjustments		\$6,750	- \$6,750	\$6,750	\$6,750		

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 \$1,223,168 capital budget managed by Niagara Region, representing 537 sub-projects, total capital spending including commitments to date of \$818,935 and budget remaining of \$404,233, after commitments.

This chart represents (in aggregate), currently active and uninitiated projects managed by Niagara Region. Capital project detail for 164 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	\$505	\$521	49.2%
Corporate Services	\$152,594	\$134,903	\$17,691	88.4%
Enterprise Resource Management Services	\$1,750	\$0	\$1,750	0.0%
Niagara Regional Housing	\$40,530	\$35,139	\$5,391	86.7%
Niagara Regional Police Services Board	\$28,413	\$25,678	\$2,735	90.4%
Planning	\$3,294	\$3,291	\$3	99.9%
Public Health	\$6,608	\$4,387	\$2,221	66.4%
Public Works - Levy	\$409,157	\$284,799	\$124,358	69.6%
Waste Management	\$15,666	\$12,796	\$2,870	81.7%
Wastewater	\$221,104	\$135,477	\$85,627	61.3%
Water Works	\$180,241	\$122,503	\$57,738	68.0%
Active projects with budgets greater than \$1 million	\$1,060,382	\$759,478	\$300,904	71.6%
Uninitiated projects with budgets greater than \$1 million	\$46,569	\$0	\$46,569	0.0%
Total projects with budgets greater than \$1 million	\$1,106,951	\$759,478	\$347,474	68.6%
Active projects with budgets less than \$1 million	\$114,492	\$59,457	\$55,035	51.9%
Uninitiated projects with budgets less than \$1 million	\$1,724	\$0	\$1,724	0.0%
Total Capital Projects	\$1,223,168	\$818,935	\$404,233	67.0%

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 164 projects totaling \$1,106,951 of adjusted capital budget. Project spending to date including commitments on these sub-projects amounts to \$759,478, representing 68.6 per cent of the adjusted capital budget on these active and uninitiated sub-projects.

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

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Annual - Capital Improvement - 2018		\$1,026	\$505	\$521	49.2%	\$25	\$288	\$106	\$198	2021
Total Community Services		\$1,026	\$505	\$521	49.2%	\$25	\$288	\$106	\$198	
Asset Replacement - 2018		\$3,147	\$2,351	\$795	74.7%	\$904	\$0	\$0	\$0	2019
Asset Replacement - 2019		\$2,288	\$1,585	\$703	69.3%	\$976	\$703	\$0	\$0	2020
St. Catharines Child Care Addition		\$1,675	\$1,567	\$108	93.5%	\$500	\$920	\$0	\$0	2020
Court Facilities Welland		\$13,390	\$12,322	\$1,068	92.0%	\$402	\$0	\$0	\$1,000	2019
Customer Service Strategic Priority		\$1,685	\$152	\$1,533	9.0%	\$383	\$767	\$383	\$0	2021
Emergency Medical Services Central Hub	Uninitiated	\$3,895	\$0	\$3,895	0.0%	\$0	\$3,895	\$0	\$0	2020
Emergency Medical Services Facility Welland		\$1,100	\$277	\$823	25.2%	\$0	\$834	\$0	\$0	2020
Environmental Centre Expansion		\$2,000	\$144	\$1,856	7.2%	\$200	\$1,676	\$0	\$0	2021
Environmental Centre Expansion	Uninitiated	\$21,177	\$0	\$21,177	0.0%	\$0	\$4,124	\$17,053	\$0	2021
Financial Management System		\$12,640	\$12,452	\$188	98.5%	\$69	\$160	\$0	\$0	2020

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Health Facilities - Niagara Falls		\$7,019	\$5,853	\$1,166	83.4%	\$701	\$0	\$0	\$954	2020
Information Technology Server Building		\$3,903	\$3,826	\$76	98.0%	\$56	\$20	\$0	\$0	2019
Long-term Accommodations - NRPS D1		\$20,116	\$19,511	\$605	97.0%	\$5,000	\$9,214	\$0	\$0	2020
Long-term Accommodations - NRPS Headquarters D2		\$66,007	\$65,436	\$571	99.1%	\$0	\$745	\$0	\$0	2020
Long-term Care Home Redevelopment - 2015		\$15,635	\$7,821	\$7,814	50.0%	\$4,500	\$3,000	\$2,011	\$0	2022
Regional Headquarters Generator Replacement		\$1,990	\$1,605	\$385	80.7%	\$200	\$1,735	\$0	\$0	2020
Total Corporate Services		\$177,666	\$134,903	\$42,763	75.9%	\$13,892	\$27,793	\$19,447	\$1,954	
2021 Canada Summer Games	Uninitiated	\$9,700	\$0	\$9,700	0.0%	\$3,000	\$6,700	\$0	\$0	2021
Expansion of Social Housing Units (Alternative Service Delivery Model)		\$1,750	\$0	\$1,750	0.0%	\$0	\$1,750	\$0	\$0	2020
Total Enterprise Resource Management Services		\$11,450	\$0	\$11,450	0.0%	\$3,000	\$8,450	\$0	\$0	
Building Capital - 2018		\$4,673	\$4,618	\$55	98.8%	\$664	\$0	\$0	\$55	2019
Building Capital - 2019		\$5,536	\$4,318	\$1,218	78.0%	\$1,000	\$3,702	\$0	\$0	2020
Expansion, Roach Avenue, Welland		\$2,758	\$2,620	\$138	95.0%	\$622	\$0	\$0	\$0	2019
Expansion, Thorold		\$1,101	\$989	\$112	89.8%	\$112	\$0	\$0	\$0	2019
Grounds Capital - 2017		\$1,053	\$1,047	\$6	99.4%	\$6	\$0	\$0	\$6	2019
New Build, Carlton Street, St. Catharines		\$15,771	\$15,062	\$709	95.5%	\$100	\$0	\$0	\$736	2019

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Social Housing Assistance Improvement Program - 2018		\$2,683	\$2,547	\$136	94.9%	\$535	\$136	\$0	\$0	2019
Unit Capital - 2018		\$1,600	\$1,240	\$360	77.5%	\$145	\$360	\$0	\$0	2019
Unit Capital - 2019		\$5,355	\$2,699	\$2,657	50.4%	\$2,000	\$2,792	\$0	\$0	2020
Total Niagara Regional Housing		\$40,530	\$35,139	\$5,391	86.7%	\$5,185	\$6,990	\$0	\$797	
Communications Unit Back-up		\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2020
Communications Unit Back-up	Uninitiated	\$1,250	\$0	\$1,250	0.0%	\$0	\$0	\$1,250	\$0	2020
Information Technology & Equipment Replacement		\$1,100	\$734	\$366	66.8%	\$200	\$230	\$0	\$0	2020
Information Technology Continuity Plan		\$1,500	\$637	\$863	42.5%	\$0	\$863	\$0	\$0	2020
S.P.I.R.I.T. (Supporting Police in Records Information Technology)		\$8,630	\$8,431	\$199	97.7%	\$100	\$99	\$0	\$0	2020
Vehicles - 2018		\$1,454	\$1,384	\$70	95.2%	\$70	\$0	\$0	\$0	2019
Vehicles - 2019		\$1,414	\$1,352	\$62	95.6%	\$296	\$0	\$0	\$0	2019
Voice Radio System		\$13,315	\$13,141	\$174	98.7%	\$16	\$174	\$0	\$0	2019
Total Niagara Regional Police Services Board		\$29,663	\$25,678	\$3,985	86.6%	\$682	\$2,367	\$1,250	\$0	
Regional Headquarters Landscape Master Plan		\$3,294	\$3,291	\$3	99.9%	\$754	\$0	\$0	\$0	2019
Total Planning		\$3,294	\$3,291	\$3	99.9%	\$754	\$0	\$0	\$0	
Ambulance & Equipment - 2017		\$1,812	\$1,800	\$12	99.3%	\$0	\$0	\$0	\$11	2019

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Ambulance & Equipment - 2018		\$2,595	\$2,291	\$304	88.3%	\$0	\$614	\$0	\$0	2020
Ambulance & Equipment - 2019		\$2,201	\$296	\$1,905	13.5%	\$0	\$2,103	\$0	\$0	2020
Total Public Health		\$6,608	\$4,387	\$2,221	66.4%	\$0	\$2,717	\$0	\$11	
Annual - Storm Sewer & Culvert Program - 2017		\$1,750	\$1,750	\$0	100.0%	\$510	\$0	\$0	\$0	2019
Annual - Storm Sewer & Culvert Program - 2019		\$1,000	\$307	\$693	30.7%	\$298	\$693	\$0	\$0	2020
Capacity Improvements - Charnwood/McLeod		\$7,200	\$6,413	\$787	89.1%	\$4,600	\$125	\$546	\$0	2021
Capacity Improvements - New Escarpment Crossing		\$2,200	\$691	\$1,509	31.4%	\$0	\$1,509	\$0	\$0	2020
Capacity Improvements - New Escarpment Crossing	Uninitiated	\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2019
Capacity Improvements - Reconstruct Hwy 406 @ Third Interchange		\$1,460	\$727	\$733	49.8%	\$0	\$0	\$733	\$0	2021
Reconstruct QEW @ Glendale Ave Interchange		\$7,000	\$57	\$6,943	0.8%	\$500	\$6,482	\$0	\$0	2020
Reconstruct RR49 Concession 6/Eastwest Line		\$4,591	\$2,753	\$1,839	60.0%	\$100	\$1,000	\$870	\$0	2021
Capacity Improvements - Reconstruct RR49 McLeod, Montrose to Stanley		\$7,838	\$7,780	\$57	99.3%	\$650	\$0	\$0	- \$593	2019
Capacity Improvements - RR10 Livingston/QEW-GR		\$11,750	\$1,235	\$10,515	10.5%	\$1,500	\$9,099	\$0	\$0	2020
Capacity Improvements - RR54 Hwy 20/Merritt		\$8,350	\$6,812	\$1,538	81.6%	\$1,508	\$500	\$0	\$500	2019

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Interchange Sir Isaac Brock Way @ 406 Hwy		\$4,271	\$0	\$4,271	0.0%	\$4,271	\$0	\$0	\$0	2020
Intersection - RR20 Industrial Park/South Grimsby Road 6		\$2,898	\$2,768	\$130	95.5%	\$30	\$175	\$0	\$0	2020
Intersection - RR20 Industrial Park toTownline Phase 2		\$3,231	\$2,655	\$575	82.2%	\$1,000	\$2,224	\$0	\$0	2020
Intersection - RR20 Roundabout at S Grimsby Rd		\$5,712	\$5,031	\$681	88.1%	\$0	\$5,607	\$0	\$0	2020
Intersection Improvement - RR46 Geneva/St. Paul		\$6,500	\$5,073	\$1,427	78.0%	\$2,200	\$671	\$0	\$750	2020
Intersection - RR89 Jacobsen/Burleigh		\$6,756	\$5,492	\$1,264	81.3%	\$994	\$0	\$0	\$500	2019
Replacement of Burgoyne Bridge		\$93,344	\$93,342	\$2	100.0%	\$0	\$1,127	\$0	\$0	2019
Roads Facility Program - Patrol Yard Improvement - 2018		\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2020
Roads Facility Program - Patrol Yard Improvement - 2019		\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2020
Roads Reconstruction - RR20 Station/Rice		\$3,793	\$3,477	\$316	91.7%	\$0	\$200	\$116	\$0	2020
Roads Reconstruction - RR38 QEW/Fourth		\$23,156	\$17,784	\$5,373	76.8%	\$6,000	\$7,366	\$0	\$0	2020
Roads Reconstruction - RR50 Thorold/Riverbank		\$2,400	\$2,238	\$162	93.3%	\$0	\$162	\$0	\$0	2020

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Roads Reconstruction - St Davids Road East		\$6,934	\$564	\$6,370	8.1%	\$1,500	\$5,000	\$117	\$0	2022
Roads Rehabilitation - RR27 Prince Charles Dr to Lincoln St		\$5,750	\$4,798	\$952	83.4%	\$393	\$5,000	\$0	\$0	2020
Roads Rehabilitation - RR63 Baldwin/Coffee Bridge		\$3,035	\$2,740	\$295	90.3%	\$2,000	\$771	\$0	\$0	2020
Roads Rehabilitation - RR69 Wessel/Centre Phase 3		\$1,000	\$174	\$826	17.4%	\$236	\$600	\$0	\$0	2020
Roads Rehabilitation - RR1 Albert/Lakeshore		\$2,165	\$574	\$1,591	26.5%	\$200	\$0	\$1,398	\$0	2020
Roads Rehabilitation - RR1 Dominion Road, Burleigh/Buffalo		\$12,070	\$11,797	\$273	97.7%	\$800	\$262	\$0	\$0	2020
Roads Rehabilitation - RR45 RR4/RR63		\$1,775	\$404	\$1,371	22.8%	\$200	\$1,260	\$0	\$0	2020
Roads Rehabilitation - RR49 Hydro Power Canal to Wilson Cres Phase 2		\$1,050	\$346	\$704	32.9%	\$50	\$870	\$50	\$0	2020
Roads Rehabilitation - RR56 Glendale to St Davids		\$2,000	\$186	\$1,814	9.3%	\$1,819	\$0	\$0	\$0	2019
Roads Rehabilitation - RR57 Thorold Stone Road Extension		\$19,300	\$9,135	\$10,165	47.3%	\$200	\$2,000	\$8,517	\$0	2023
Roads Rehabilitation - RR69 Effingham/Wessel Phase 2		\$9,118	\$9,059	\$59	99.4%	\$200	\$5,362	\$2,000	\$0	2020

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Roads Rehabilitation - RR87 Third/Seventh		\$1,500	\$1,484	\$16	98.9%	\$16	\$985	\$0	\$0	2021
Roads Rehabilitation - RR87 Townline/Four Mile Creek		\$8,500	\$5,207	\$3,293	61.3%	\$294	\$0	\$3,293	\$0	2020
Roads Resurfacing - 2013		\$4,933	\$4,190	\$743	84.9%	\$100	\$643	\$0	\$0	2020
Roads Resurfacing - 2016		\$7,541	\$7,262	\$280	96.3%	\$12	\$270	\$0	\$0	2019
Roads Resurfacing - 2018		\$9,510	\$9,400	\$110	98.8%	\$200	\$534	\$0	\$0	2020
Roads Resurfacing - 2019		\$8,844	\$8,382	\$462	94.8%	\$4,000	\$1,315	\$0	\$0	2020
Stabilization RR14 Canboro Rd at Warner		\$5,539	\$5,386	\$153	97.2%	\$81	\$150	\$0	\$0	2020
Structural Rehabilitation - 2016 Program		\$3,700	\$1,496	\$2,204	40.4%	\$100	\$2,634	\$0	\$0	2020
Structural Rehabilitation - 2019 Program		\$1,000	\$0	\$1,000	0.0%	\$0	\$600	\$400	\$0	2021
Structural Rehabilitation - Main Street Bridge		\$4,703	\$4,516	\$187	96.0%	\$0	\$0	\$269	\$0	2019
Structural Rehabilitation - Mewburn @ CNR Tracks		\$2,500	\$0	\$2,500	0.0%	\$500	\$2,000	\$0	\$0	2020
Structural Rehabilitation - Ontario Power Generation Bridges over Gibson Lake		\$8,100	\$8,006	\$94	98.8%	\$50	\$61	\$0	\$0	2020
Structural Rehabilitation - Reece Bridge		\$9,983	\$9,824	\$158	98.4%	\$800	\$59	\$0	\$0	2020
Structural Rehabilitation - RR81 St Paul West CNR Bridge		\$2,250	\$405	\$1,845	18.0%	\$150	\$1,807	\$0	\$0	2020
Structural Replacement - RR81 20 Mile Arch Bridge		\$5,020	\$420	\$4,600	8.4%	\$100	\$1,500	\$3,367	\$0	2022

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Transportation Infrastructure Means Protection		\$4,000	\$3,703	\$297	92.6%	\$0	\$4,000	\$0	\$0	2021
Public Works - Roads & Fleet		\$360,019	\$275,846	\$84,173	76.6%	\$38,163	\$77,621	\$21,675	\$1,157	
GO Transit		\$31,598	\$5,761	\$25,837	18.2%	\$5,000	\$15,000	\$5,950	\$0	2024
GO Transit	Uninitiated	\$8,402	\$0	\$8,402	0.0%	\$0	\$0	\$8,402	\$0	2024
Total GO Transit		\$40,000	\$5,761	\$34,239	14.4%	\$5,000	\$15,000	\$14,352	\$0	
Inter-Municipal Transit Capital Acquisition - 2015		\$1,340	\$1,330	\$10	99.3%	\$0	\$0	\$0	\$220	2019
Inter-Municipal Transit Capital Acquisition - 2017		\$17,200	\$1,862	\$15,338	10.8%	\$66	\$15,338	\$0	\$0	2020
Total IMT Transit		\$18,540	\$3,192	\$15,348	17.2%	\$66	\$15,338	\$0	\$220	
Total Public Works - Levy		\$418,559	\$284,799	\$133,760	68.0%	\$43,228	\$107,959	\$36,027	\$1,378	
Bridge St - Public Drop Off Depot Improvement	Uninitiated	\$1,145	\$0	\$1,145	0.0%	\$0	\$1,050	\$75	\$20	2022
Glenridge - Leachate Collection System		\$1,210	\$122	\$1,088	10.1%	\$100	\$50	\$1,000	\$15	2022
Humberstone - Infrastructure Upgrades		\$6,306	\$6,255	\$51	99.2%	\$1,750	\$500	\$0	\$52	2022
Line 5 - Lechate Collection System		\$1,020	\$1	\$1,019	0.1%	\$100	\$100	\$800	\$19	2022
Niagara Road 12 - Cell 4 Construction & Man Hole Rehabilitation		\$3,930	\$3,795	\$135	96.6%	\$450	\$0	\$0	\$142	2020
Niagara Road 12 & Park Road - Pump Station Upgrades		\$2,077	\$1,608	\$469	77.4%	\$1,250	\$0	\$0	\$447	2020

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Recycling Centre - Facility Improvements Groundwater		\$1,123	\$1,015	\$109	90.3%	\$40	\$60	\$40	\$0	2021
Total Waste Management		\$16,811	\$12,796	\$4,015	76.1%	\$3,690	\$1,760	\$1,915	\$694	
Combined Sewer Overflow - Grimsby		\$1,725	\$222	\$1,503	12.9%	\$0	\$0	\$1,503	\$0	2022
Decommissioning Wastewater Treatment Plant - Niagara-on-the-Lake		\$12,700	\$337	\$12,363	2.7%	\$0	\$400	\$11,963	\$0	2024
Lagoon Upgrade program - Stevensville/Douglastown		\$4,100	\$437	\$3,663	10.7%	\$200	\$2,500	\$1,320	\$0	2021
Miscellaneous Program - Centrifuge Components		\$1,560	\$87	\$1,473	5.6%	\$85	\$1,475	\$0	\$0	2020
Miscellaneous Program - Chemical System Upgrades - 2017		\$1,400	\$93	\$1,307	6.6%	\$35	\$820	\$523	\$0	2021
Miscellaneous Program - Garner Road		\$5,242	\$4,698	\$543	89.6%	\$1,000	\$477	\$0	\$0	2020
Miscellaneous Program - Motor Control Centres		\$2,000	\$176	\$1,824	8.8%	\$0	\$1,965	\$0	\$0	2020
Pump Station Capacity Expansion Program - Odour Control - Smithville		\$1,500	\$884	\$616	59.0%	\$200	\$472	\$0	\$0	2019
Pump Station Improvement Program - Design		\$5,470	\$5,369	\$101	98.2%	\$100	\$42	\$0	\$0	2020
Pump Station Improvement Program - Haulage Road		\$2,150	\$1,647	\$503	76.6%	\$250	\$1,715	\$0	\$0	2020
Pump Station Improvement Program - Lakeside		\$2,500	\$2,011	\$489	80.4%	\$250	\$2,091	\$0	\$0	2020

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Pump Station Improvement Program - NOTL, Garrison Rd, William St		\$3,285	\$3,138	\$147	95.5%	\$0	\$145	\$0	\$0	2019
Pump Station Improvement Program - Park Lane		\$1,400	\$854	\$546	61.0%	\$0	\$1,305	\$0	\$0	2020
Pump Station Improvement Program - Riverview SPS		\$1,305	\$556	\$749	42.6%	\$100	\$1,084	\$0	\$0	2020
Pump Station Improvement Program - South Side High Lift		\$6,651	\$6,383	\$267	96.0%	\$0	\$281	\$0	\$0	2019
Pump Station Improvement Program - Wellandvale		\$2,146	\$2,067	\$79	96.3%	\$0	\$700	\$84	\$0	2021
Pump Station Improvement Program - Woodsville		\$5,420	\$478	\$4,942	8.8%	\$100	\$550	\$4,459	\$0	2021
Sewer & Forcemain Program - Dain City		\$6,025	\$1,849	\$4,176	30.7%	\$3,500	\$2,272	\$0	\$0	2020
Sewer & Forcemain Program - Highway 406 Trunk		\$1,274	\$1,273	\$1	100.0%	\$0	\$1	\$0	\$0	2020
Sewer & Forcemain Program - Oaks Park Trunk		\$2,145	\$2,121	\$25	98.9%	\$102	\$0	\$0	\$150	2019
Sewer & Forcemain Program - Stamford Centre		\$10,562	\$10,017	\$545	94.8%	\$2,000	\$4,142	\$0	\$0	2019
Sewer & Forcemain Program - Tupper Dr Trunk		\$2,910	\$143	\$2,767	4.9%	\$0	\$0	\$3,300	- \$502	2021
Sewer Relining Program		\$1,453	\$1,336	\$118	91.9%	\$0	\$120	\$0	\$0	2020
Wastewater Treatment Plant Capacity Expansion - Niagara-on-the-Lake		\$47,895	\$47,493	\$402	99.2%	\$500	\$59	\$0	\$0	2020

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Wastewater Treatment Plant Capacity Expansion - South Niagara Falls		\$4,900	\$2,132	\$2,768	43.5%	\$1,000	\$3,265	\$0	\$0	2020
Wastewater Treatment Plant Digester/Sludge Management - 2013 Program		\$1,000	\$932	\$68	93.2%	\$0	\$68	\$0	\$0	2019
Digester & Sludge Program - 2018		\$2,550	\$325	\$2,225	12.8%	\$150	\$1,800	\$364	\$0	2019
Wastewater Treatment Plant Upgrade - Garner Road		\$4,500	\$3,969	\$531	88.2%	\$600	\$2,000	\$1,746	\$0	2020
Wastewater Treatment Plant Upgrade - Niagara Falls		\$2,100	\$1,637	\$463	78.0%	\$300	\$841	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Port Weller		\$9,900	\$2,729	\$7,171	27.6%	\$150	\$1,750	\$7,500	\$0	2023
Wastewater Treatment Plant Upgrade - Port Weller 2017		\$1,310	\$1,285	\$25	98.1%	\$100	\$54	\$0	\$0	2019
Wastewater Treatment Plant Upgrade - Welland		\$21,821	\$21,606	\$215	99.0%	\$100	\$4,350	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Welland Phase 2		\$2,400	\$0	\$2,400	0.0%	\$100	\$1,200	\$1,100	\$0	2021
Wastewater Treatment Plant Upgrade - Aeration - Seaway		\$1,236	\$1,136	\$99	92.0%	\$150	\$145	\$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	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Wastewater Treatment Plant Upgrade - Bar Screen - Port Weller		\$1,230	\$195	\$1,035	15.8%	\$65	\$984	\$52	\$0	2021
Wastewater Treatment Plant Upgrade - Fine Bubble Aeration - Port Dalhousie		\$29,500	\$1,308	\$28,192	4.4%	\$0	\$14,145	\$14,145	\$0	2024
Wastewater Treatment Plant Upgrade - Grit System - Grimsby		\$1,725	\$1,607	\$118	93.1%	\$200	\$52	\$0	\$0	2020
Wastewater Treatment Plant Upgrade - Primary Digester #2 - Niagara Falls		\$1,000	\$24	\$976	2.4%	\$23	\$975	\$0	\$1	2020
Wastewater Treatment Plant Upgrade - Secondary Clarifier - Seaway		\$3,115	\$2,923	\$192	93.8%	\$50	\$2,395	\$0	\$0	2020
Total Wastewater		\$221,104	\$135,477	\$85,627	61.3%	\$11,411	\$56,638	\$48,058	- \$351	
Elevated Tank - New - Pelham		\$1,620	\$184	\$1,436	11.4%	\$36	\$1,520	\$0	\$0	2021
Elevated Tank Rehabilitation - Thorold South		\$2,992	\$2,717	\$275	90.8%	\$1,103	\$523	\$28	\$0	2021
Meter Replacement Program		\$3,550	\$1,944	\$1,606	54.7%	\$400	\$2,246	\$0	\$0	2020
Miscellaneous Program - Evalution & Replacement		\$1,100	\$1,093	\$7	99.4%	\$0	\$0	\$0	\$37	2019
Miscellaneous Program - Granular Activated Carbon Replacement		\$2,260	\$1,928	\$332	85.3%	\$650	\$374	\$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	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Miscellaneous Program - Pressure Booster		\$1,050	\$991	\$59	94.4%	\$0	\$0	\$0	\$59	2019
Miscellaneous Program - System Storage - Grimsby		\$26,889	\$23,784	\$3,105	88.5%	\$200	\$20,000	\$5,963	\$0	2021
Miscellaneous Program - System Storage - Port Colborne		\$11,850	\$11,792	\$58	99.5%	\$40	\$187	\$0	\$0	2020
Transmission Main over Welland River		\$4,080	\$6	\$4,074	0.1%	\$200	\$2,874	\$1,000	\$0	2023
Water Treatment Plant Raw Water Intake - Niagara Falls		\$15,550	\$261	\$15,289	1.7%	\$0	\$1,500	\$13,797	\$0	2021
Water Treatment Plant Roadway & Parking Lot - Grimsby		\$1,180	\$145	\$1,035	12.3%	\$15	\$2,300	\$0	- \$1,255	2020
Water Treatment Plant Upgrade - Decew Falls - 2016		\$22,250	\$19,318	\$2,932	86.8%	\$0	\$12,000	\$9,558	\$0	2022
Water Treatment Plant Upgrade - Niagara Falls - 2015		\$3,495	\$3,038	\$457	86.9%	\$50	\$3,400	\$0	- \$210	2021
Water Treatment Plant Upgrade - Niagara Falls - 2017		\$12,752	\$8,972	\$3,780	70.4%	\$3,000	\$9,534	\$0	\$0	2020
Water Treatment Plant Upgrade - Port Colborne		\$8,600	\$810	\$7,790	9.4%	\$60	\$7,962	\$0	\$0	2021
Water Treatment Plant Upgrade - Rosehill		\$15,000	\$14,481	\$519	96.5%	\$1,500	\$3,913	\$0	\$0	2020
Water Treatment Plant Upgrade - Rosehill - 2017		\$1,886	\$383	\$1,503	20.3%	\$45	\$200	\$1,500	\$2	2021

Capital Project Forecast (in thousands of dollars) – Continued

Department Total Projects	Project Status	Adjusted Budget	Project-to-date Actuals and Commitments	Budget Remaining	Percentage of Budget Spent and/or Committed	2019 Forecasted Expenditures	2020 Forecasted Expenditures	2021 and Beyond Forecasted Expenditures	Forecasted Surplus/ (Deficit)	Estimated Year of Completion
Water Treatment Plant Upgrade - Welland - 2017		\$5,000	\$1,678	\$3,322	33.6%	\$90	\$4,652	\$0	\$0	2020
Watermain Program - Along CNR Grimsby		\$12,825	\$11,917	\$908	92.9%	\$200	\$11,000	\$1,220	\$0	2020
Watermain Program - Barrick Road		\$1,965	\$1	\$1,964	0.0%	\$0	\$0	\$1,964	\$0	2021
Watermain Program - Fort Erie, Dominion Road		\$10,615	\$10,425	\$190	98.2%	\$550	\$158	\$0	\$0	2020
Watermain Program - Hwy406 Cross Trans		\$1,911	\$1,905	\$6	99.7%	\$0	\$6	\$0	\$0	2020
Watermain Program - Lundy's Lane		\$1,000	\$0	\$1,000	0.0%	\$0	\$1,000	\$0	\$0	2021
Watermain Program - Welland Canal Extension		\$4,620	\$0	\$4,620	0.0%	\$0	\$4,620	\$0	\$0	2020
Watermain Program - Welland East and West		\$6,200	\$4,730	\$1,470	76.3%	\$100	\$1,700	\$0	\$5	2020
Total Water Works		\$180,241	\$122,503	\$57,738	68.0%	\$8,239	\$91,669	\$35,030	- \$1,363	
Total Projects with remaining budgets greater than \$1 million		\$1,106,951	\$759,478	\$347,474	68.6%	\$90,105	\$306,631	\$141,833	\$3,316	

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. Requested transfers from the CV 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. Requested transfers from the CV 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 and \$1,100 in the Waste Management 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
Balance at December 31, 2018	\$4,435	\$1,421	\$2,078	\$1,000	\$8,935
Transfer to Active Capital Projects	- \$5,326	- \$570	- \$1,215	- \$847	- \$7,957
Budget Reductions on Active Capital Projects	\$1,970		\$283	\$124	\$2,377
Transfers (to)/from Closed Capital Projects	\$3,712	\$485	\$306	\$3,007	\$7,511
Adjustments to Previously Closed Projects	- \$1				- \$1
Balance at July 24, 2019	\$4,791	\$1,336	\$1,453	\$3,284	\$10,865
Transfer to Active Capital Projects	- \$1,385		- \$292	- \$2,637	- \$4,314
Budget Reductions on Active Capital Projects	\$1,023			\$575	\$1,598
Transfers (to)/from Closed Capital Projects	\$843	\$346		\$384	\$1,573
Balance at October 23, 2019	\$5,272	\$1,683	\$1,161	\$1,606	\$9,721
Committed to future requests/budget	- \$4,000	- \$1,100			- \$5,100
Uncommitted Balance at October 23, 2019	\$1,272	\$583	\$1,161	\$1,606	\$4,621

Investment Report (in thousands of dollars)

Investment income during Q3 on the primary portfolio amounted to \$5,481, which comprises investment portfolio income and interest on cash balances. Amounts reflected in this report do not include the NRH investment portfolio.

Investment Performance

Investment Income:

The unfavorable investment income at Q3 of \$85, is a result of the declining bond yield environment and the Region choosing to maintain higher cash balances in high-interest savings accounts as a mitigating strategy. Forecasted investment income before transfers for 2019 is unfavourable when compared to budget by \$167.

Budget vs Actual/Forecast before Reserve Transfers	Actuals			Forecasted	Total
	Q1	Q2	Q3	Q4	
Budget	\$4,557	\$5,072	\$5,566	\$5,761	\$20,956
Actual	\$4,835	\$4,726	\$5,481	\$5,747	\$20,789
Variance	\$278	-\$346	-\$85	-\$14	-\$167

Year to date portfolio return:

Q1	Q2	Q3	Q4
2.88%	2.85%	2.95%	n/a

Investment income after transfers to reserves:

The unfavourable variance is driven by the transfers to Development Charge/Rate Reserves being \$457 greater than budget, which is due to growth in the Rate reserve balances being higher than anticipated. Forecasted investment income after transfers compared to budget is unfavourable by \$624.

Budget vs Actual/Forecast after Reserve Transfers	Actuals			Forecasted	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	-\$5,632
Budget (Net)	\$3,149	\$3,664	\$4,158	\$4,353	\$15,324
Actual	\$4,835	\$4,726	\$5,481	\$5,747	\$20,789
Net Actual Transfers	-\$1,050	-\$1,784	-\$1,733	-\$1,522	-\$6,089
Actual (Net)	\$3,785	\$2,942	\$3,748	\$4,225	\$14,700
Variance	\$636	-\$722	-\$410	-\$128	-\$624

Note: Staff monitor foreign exchange rates during the year to take advantage of favourable opportunities, unrealized exchange gains of \$46 are included in Q3 investment income.

Investment Term Holdings

Funds	Book Value	Weight
Cash	\$137,866	17.9%
Cash Equivalents < 1 Year	\$39,895	5.2%
2 Year	\$37,797	4.9%
3 Year	\$23,399	3.0%
4 Year	\$27,879	3.6%
5+ Year	\$486,659	63.2%
Sinking Fund (Incl. Cash)	\$15,966	2.1%
Total Portfolio	\$769,461	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	\$70,200	11.12%	15.00%
Bank of Nova Scotia	Corporate	\$71,500	11.32%	15.00%
Canadian Imperial Bank of Commerce	Corporate	\$40,000	6.33%	15.00%
HSBC Bank Canada	Corporate	\$7,300	1.16%	15.00%
National Bank of Canada	Corporate	\$41,500	6.57%	15.00%
Royal Bank of Canada	Corporate	\$48,500	7.68%	15.00%
Total	Corporate	\$279,000	44.18%	50.00%
City of Hamilton	Municipal	\$5,722	0.91%	5.00%
City of London	Municipal	\$1,000	0.16%	5.00%
City of Montreal	Municipal	\$3,059	0.48%	5.00%
City of Ottawa	Municipal	\$5,340	0.85%	5.00%
City of Quebec	Municipal	\$2,297	0.36%	5.00%
City of Saskatoon	Municipal	\$3,332	0.53%	5.00%
City of Toronto	Municipal	\$11,576	1.83%	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	\$5,026	0.80%	5.00%
New Brunswick Municipal Finance Authority	Municipal	\$5,505	0.87%	5.00%
Region of Halton	Municipal	\$1,519	0.24%	5.00%
Region of Peel	Municipal	\$3,517	0.56%	5.00%
Region of Waterloo	Municipal	\$15,091	2.39%	5.00%
Region of York	Municipal	\$9,674	1.53%	5.00%
York Region District School Board	Municipal	\$4,284	0.68%	5.00%
York Sinking Fund Debenture	Municipal	\$1,797	0.28%	5.00%
Total	Municipal	\$79,591	12.60%	25.00%
Newfoundland and Labrador Hydro	Provincial	\$726	0.11%	25.00%
Ontario Hydro	Provincial	\$21,735	3.44%	25.00%
Province of Alberta	Provincial	\$1,311	0.21%	25.00%
Province of British Columbia	Provincial	\$6,991	1.11%	25.00%
Province of Manitoba	Provincial	\$35,516	5.62%	25.00%
Province of New Brunswick	Provincial	\$1,819	0.29%	25.00%
Province of Newfoundland	Provincial	\$51,833	8.21%	25.00%
Province of Nova Scotia	Provincial	\$16,885	2.67%	25.00%
Province of Ontario	Provincial	\$45,470	7.20%	25.00%
Province of Prince Edward Island	Provincial	\$2,760	0.44%	25.00%
Province of Quebec	Provincial	\$63,917	10.12%	25.00%
Province of Saskatchewan	Provincial	\$5,199	0.82%	25.00%
Quebec Hydro	Provincial	\$13,925	2.20%	25.00%
Total	Provincial	\$268,087	42.45%	75.00%
Region of Niagara Debentures	Municipal	\$4,846	0.77%	100.00%
TOTAL excluding Cash	All	\$631,524	100.00%	100.00%
General Chequing **	Cash	\$42,501		
Savings	Cash	\$95,365		
Sinking Fund	Cash	\$71		
Total		\$137,937		
TOTAL including Cash		\$769,461		

* 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 1.3243.

Debt Report (in thousands of dollars)

S&P (Standard & Poor's) has had Niagara rated AA with stable outlook since April 5, 2001 when S&P and CBRS (Canadian Bond Rating Service) merged their ratings. S&P affirmed Niagara’s AA rating with stable outlook on October 8, 2019. The ratings reflect S&P's opinion of Niagara's exceptional liquidity and budgetary performance, strong financial management, and moderate debt burden. The stable outlook reflects S&P's expectations that Niagara will increase its capital spending, which will cause its after-capital surpluses posted in 2017 and 2018 to weaken to a near-balanced position, on average, 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.

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

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

Department	Total Debt as at December 31, 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 September 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	\$23,098	\$458	-\$2,378	-\$40	\$21,137	\$0	\$6,350	\$27,487	
Police	\$82,982	\$608	-\$3,983	-\$151	\$79,457	-\$678	\$11,080	\$89,859	
Transportation	\$121,568	\$16,210	-\$15,804	-\$174	\$121,799	\$0	\$56,670	\$178,470	
Public Health	\$14,318	\$0	-\$2,301	\$0	\$12,017	\$0	\$5,677	\$17,694	
Community Services	\$22,049	\$0	-\$2,511	\$0	\$19,538	\$0	\$15,335	\$34,873	
NRH	\$24,205	\$15,171	-\$2,914	\$0	\$36,462	-\$105	\$0	\$36,357	
Planning	\$63	\$0	-\$31	\$0	\$32	\$0	\$0	\$32	
Total Levy	\$288,283	\$32,447	-\$29,922	-\$366	\$290,441	-\$784	\$95,113	\$384,770	
Wastewater	\$55,898	\$0	-\$2,121	-\$773	\$53,004	\$0	\$36,376	\$89,380	
Water	\$11,245	\$0	-\$347	-\$192	\$10,705	\$0	\$22,729	\$33,434	
Waste Management	\$1,558	\$0	-\$763	\$0	\$795	\$0	\$0	\$795	
Total Rate	\$68,700	\$0	-\$3,231	-\$966	\$64,504	\$0	\$59,105	\$123,609	
Total Niagara Region	\$356,983	\$32,447	-\$33,153	-\$1,332	\$354,945	-\$784	\$154,218	\$508,379	7.08%

Accounts Receivable Aging Report (in thousands of dollars)

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 September 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	-\$943	\$0	\$6,439	-\$106	\$0	\$6,333	2.52%
Grimsby**	\$3,485	\$0	-\$172	\$0	\$3,314	-\$174	\$0	\$3,140	1.69%
Lincoln	\$4,485	\$0	-\$468	\$0	\$4,017	-\$2	\$0	\$4,015	2.54%
NOTL	\$2,225	\$0	-\$420	\$0	\$1,805	-\$1	\$0	\$1,804	1.51%
Niagara Falls**	\$48,219	\$4,100	-\$3,227	\$0	\$49,092	-\$532	\$0	\$48,560	3.02%
Pelham	\$30,089	\$4,018	-\$1,758	\$0	\$32,349	-\$97	\$0	\$32,252	13.40%
Port Colborne**	\$28,749	\$0	-\$1,268	\$0	\$27,481	-\$235	\$0	\$27,246	8.32%
St. Catharines	\$113,948	\$16,144	-\$11,504	-\$190	\$118,398	-\$298	\$0	\$118,100	7.72%
Thorold	\$1,065	\$0	-\$74	\$0	\$991	-\$42	\$0	\$950	0.55%
Wainfleet**	\$266	\$1,496	-\$53	\$0	\$1,708	\$0	\$0	\$1,708	0.81%
Welland	\$50,046	\$5,188	-\$5,412	\$0	\$49,822	-\$622	\$0	\$49,199	8.71%
West Lincoln	\$15,025	\$0	-\$529	\$0	\$14,496	\$0	\$0	\$14,496	7.63%
NPCA	\$700	\$0	-\$484	\$0	\$216	\$0	\$0	\$216	
Separate School Board	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Assumed for Others (External)	\$305,684	\$30,945	-\$26,311	-\$190	\$310,128	-\$2,109	\$0	\$308,019	
Total Niagara Region & External	\$662,667	\$63,392	-\$59,464	-\$1,521	\$665,073	-\$2,893	\$154,218	\$816,398	

*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.

2019 Debt Issuances

- By-law 2019-59: Capital Markets \$63,392, 10 years, 2.371% for Niagara Region and municipalities of Niagara Falls, Welland, St. Catharines, Pelham, and Wainfleet

Accounts Receivable Aging Report (in thousands of dollars)

The accounts receivable aging report reflects all unpaid accounts greater than 120 days and greater than \$25. Listing does not include outstanding invoices at quarter-end where payments have been received prior to finalization of the Q3 Financial Update.

Customer Name	Over 120	Explanation of Account	Status
City of Niagara Falls	\$73	2018 RDC invoice in dispute with developer (\$60), applied for NFP grant, which was denied. Collection to continue which may include collecting through property tax. 2019 RDC's (\$13) for one multiple permit and City will advise once collected from the permit holder.	Collection to continue
City of Port Colborne	\$35	2019 RDC balances due to permit information being sent monthly and payment being remitted quarterly. \$16 to be included with Q4 payment, which should be received in early 2020. \$19 for one SFD and one multiple permit and City will advise once collected from the permit holder.	Collection to continue
Merritton Mills Redevelopment Corp	\$386	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 \$386 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.	2018 TIG agreements Collection to continue
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 and on-going efforts continue to mitigate risk.	Collection to continue
Seniors Resident 11338	\$56	Resident still active. Many attempts have been made to the family to collect and on-going efforts continue to mitigate risk.	Collection to continue
Town of Fort Erie	\$40	2019 RDC's to be included with Q4 payment, which should be received in early 2020.	Collection to continue

Accounts Receivable Aging Report (in thousands of dollars)

Customer Name	Over 120	Explanation of Account	Status
Town of Grimsby	\$845	2018 RDC invoice in dispute with developer (\$843), Grimsby to collect additional amounts outstanding through property tax (with Grimsby legal). 2019 RDC's (\$2) to be included with Q4 payment, which should be received in early 2020.	Collection to continue
Town of Lincoln	\$428	2018 RDC building permits on hold as a result of archeological findings on-site. Collection to be made once site has been released from the archeological hold.	Collection to continue
Town of NOTL	\$264	2019 RDC balances due to permit information being sent monthly and payment being remitted quarterly. \$264 to be included with Q4 payment, which should be received in early 2020.	Collection to continue
Total	\$2,152	\$692 of the outstanding RDC's relate to timing differences between billing and collection as a result of revised Regional processes for collection and accounting for RDC's. Region to review for further enhancements.	

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 Position for September 30, 2019 is prepared with information as at November 4, 2019.

	Sept. 30, 2019	Dec. 31, 2018
FINANCIAL ASSETS		
Cash	\$ 138,590	\$ 106,902
Investments	622,100	585,420
Accounts receivable	49,223	80,713
Other current assets	462	329
Tangible capital assets held for sale	756	756
Debt Recoverable from others	310,128	305,684
	1,121,259	1,079,804
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	103,601	114,195
Employee future benefits and post-employment liabilities	104,421	104,421
Deferred revenue	214,449	178,320
Landfill closure and post-closure liability	61,397	61,397
Long-term liabilities	665,354	662,658
	1,149,222	1,120,991
Net debt	(27,963)	(41,187)
NON-FINANCIAL ASSETS		
Tangible capital assets	1,784,526	1,755,117
Inventory	7,969	7,360
Prepaid expenses	16,593	20,836
	1,809,088	1,783,313
Accumulated surplus	\$ 1,781,125	\$ 1,742,126

Accumulated surplus reconciliation:

	Sept. 30, 2019	Dec. 31, 2018
Operating surplus	(\$ 1,587)	(\$ 5,458)
Invested in tangible capital assets	1,413,876	1,398,144
Capital fund – unexpended capital financing	317,933	226,159
Operating fund	(9,231)	(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	1,556,482	1,447,108
Total reserves and reserves funds (page 48)	224,643	295,018
Total accumulated surplus	\$ 1,781,125	\$ 1,742,126

Explanation of Statement of Operations

The statements of operations provided in the preceding pages summarize the Niagara Region’s financial activity as of September 30, 2019. These statements have been compiled by Corporate Services and the departments have validated the information and provided commentary.

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

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

Definition of Column Headings

Year to date Budget - the portion of the annual budget expected to be realized from January through September.

Year to date Actual - actual costs incurred and revenues earned from January to 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, 2019. 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.



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Niagara  **Region**

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