

MEETING NO: # 02 19 Finance & Audit Committee
DATE: June 13, 2019
TIME: 9:30 a.m. – 11:00 a.m.
PLACE: CH Admin. Office, 2596 Britannia Road West, Burlington ON
905.336.1158 x 2236

AGENDA

PAGE

1. **Acceptance of Agenda as distributed**
 2. **Disclosure of Pecuniary Interest for the Finance & Audit Committee**
 3. **Consent Items**
Roll Call & Mileage
 4. **Action Items**
 - 4.1 2020 Preliminary Budget
Report #: FA 02 19 01
 5. **Other Business**
 6. **Adjournment**
- 2-28

REPORT TO: Finance & Audit Committee

REPORT NO: # 02 19 01

FROM: Marnie Piggot, Director Finance

DATE: June 13, 2019

SUBJECT: 2020 Preliminary Budget

Recommendation

That the Finance and Audit Committee **recommend to the Conservation Halton Board of Directors that the attached 2020 preliminary budget be approved for budget discussion purposes with funding watershed municipalities that include the Region of Halton, City of Hamilton, Region of Peel and Township of Puslinch.**

Executive Summary

Conservation Halton staff have prepared the 2020 preliminary budget for review by the Finance & Audit Committee and the Conservation Halton Board of Directors prior to budget submissions and staff meetings with the Regions of Halton and Peel. Meetings with Regional staff usually occur between July and September.

A preliminary 2020 Budget & Business Plan book will be developed for the final 2020 budget review and approval in October by the Finance & Audit Committee and the Board of Directors in November. There is the potential for further changes to the 2020 budget with the current provincial reviews that are underway. Attachments to this report include the 2020 preliminary budget summary, ten-year forecasts and reserve continuity schedule.

The 2020 preliminary budget of \$37.6 million will allow Conservation Halton to continue to provide its core programs and services and includes a \$30.2 million operating budget and \$7.4 million capital budget. Municipal funding included in the 2020 preliminary budget totals \$10.5 million.

While the overall increase in municipal funding is 5.2% staff have limited the increase to operating funding to 2.6% including the State of Good Repair Levy.

Funding cuts in the 2020 preliminary budget at the moment stand at \$467,000 consisting of:

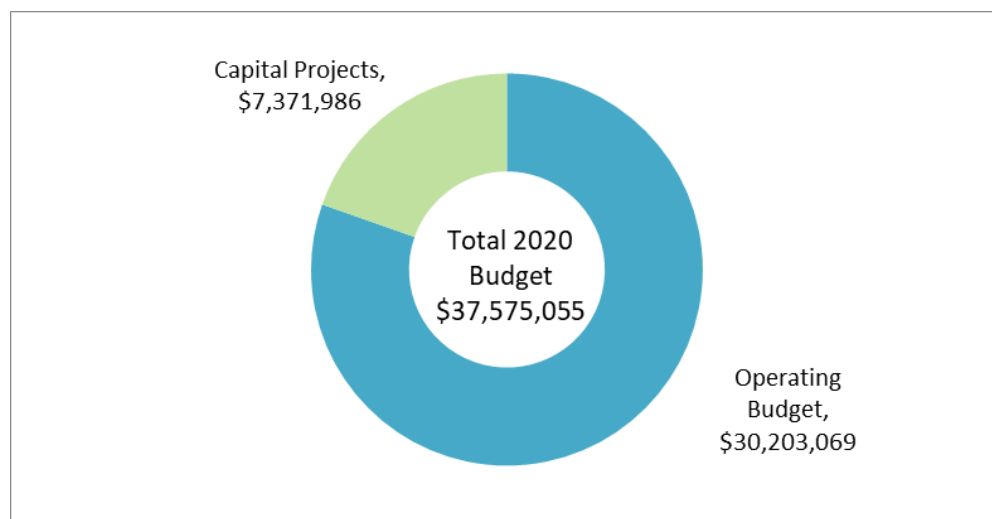
- \$145,000 in provincial transfer payments designated primarily for flood prevention operations
- \$30,000 estimated provincial funding cut net impact to the tree planting program
- \$50,000 in provincial funding eliminated for the Hamilton Harbour Remedial Action Plan (HHRAP)
- \$242,000 in National Disaster Mitigation Program (NDMP) federal funding discontinued for the multi-year Flood Plain Mapping capital project.

The cumulative impact of the funding cuts of \$467,000 is 4.6%. Staff have been able to limit the overall impact of those cuts on municipal funding to 5.2%. The cuts have been absorbed through operational

efficiencies achieved including a net reduction of 4.1 total full time equivalent staff positions that are currently vacant or staff program reallocations and other expense reductions.

One of the key service targets in Conservation Halton's Strategic Plan is to limit operating and capital municipal funding increases to regional budget guidelines to maintain service levels with inflation and growth. Halton Region staff typically provide their Budget Directions report to Council in July including the guideline for boards and agencies. The Halton Region guideline provided for the 2019 budget was 3.5% based on 2% inflation and 1.5% assessment growth. The Region of Peel has established a guideline of 3.4% for 2020.

The 2020 preliminary budget is comprised of:



	Budget 2020	Budget 2019	\$ Increase (Decrease)	% Increase
Total Municipal Funding:				
Operating	\$ 9,130,512	\$ 8,916,785	\$ 213,727	2.4%
Capital	929,000	647,013	281,987	43.6%
	10,059,512	9,563,798	495,714	
State of Good Repair (SOGR) Levy - Dams & Channels; Buildings	439,200	414,200	25,000	6.0%
Municipal Funding	\$ 10,498,712	\$ 9,977,998	\$ 520,714	5.2%

The operating and capital ten-year forecast has been prepared with municipal funding increases ranging from 3% to 4.5% annually including the phase in of the State of Good Repair Levy consistent with the 2019 budget forecast.

Report

Conservation Halton has established two primary budget categories in its Budget Principles, Watershed Management and Support Services (WMSS) and the Conservation Areas, based on the funding sources for these programs. The WMSS program receives funding from municipal funding whereas the Conservation Areas are self sufficient in funding sources through program fees charged to park visitors. Annual Park operating surpluses are transferred to the Conservation Area capital reserve to fund park capital project expenditures. The parks do not receive municipal funding for the recreation programs provided with the exception of education programs.

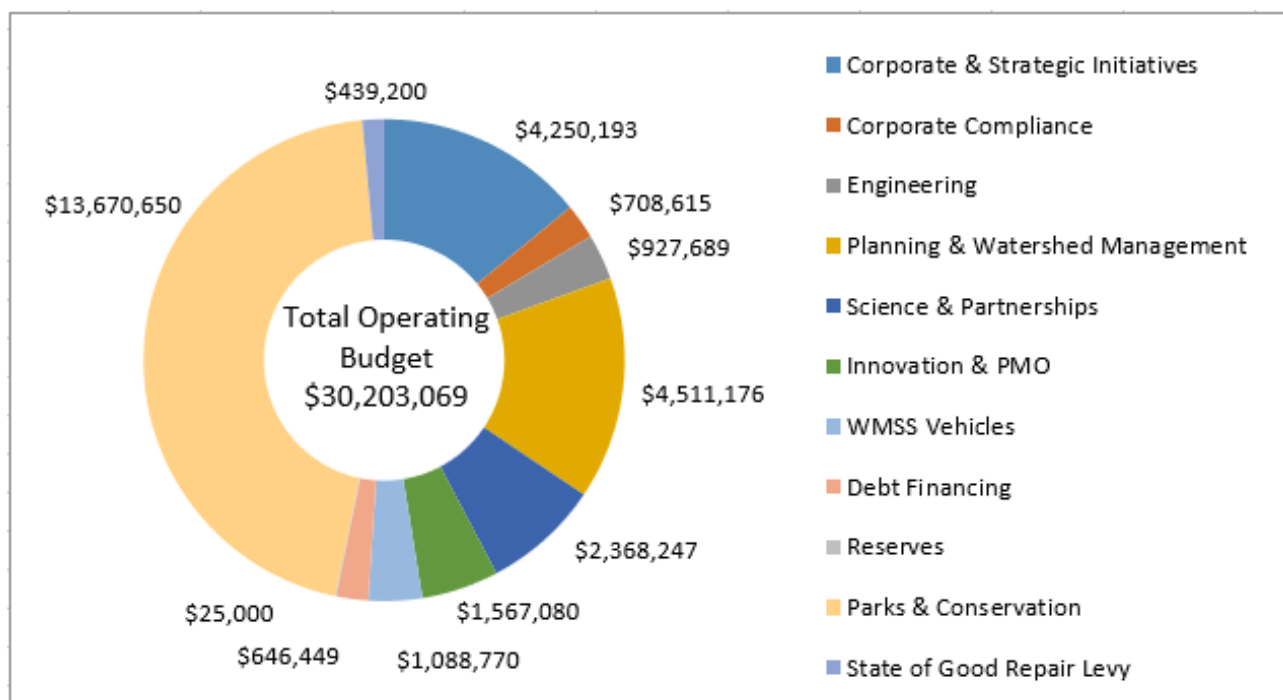
For comparison purposes, the 2019 budget has been restated based on the current organization structure.

Assumptions Used in Preparing the 2020 Preliminary Operating Budget

- Inflation has been assumed at 1.75% to 2%. The Bank of Canada expects inflation to average 2% in 2020 and the Royal Bank of Canada Forecast for inflation in 2019 is 1.8%. According to Statistics Canada, the Consumer Price Index as of April 2019 for Ontario is at 2%.
- Staff salary bands for 2020 are proposed to increase by 1.75%. Salaries are based on 91% and 94% of the top of the salary band for Conservation Areas and Watershed Management and Support Services (WMSS) staff respectively. These percentages are consistent with the 2019 Budget and represent the proportion of actual salaries to the top of the band. The staff salary bands take into account the compensation review completed in March.

2020 Preliminary Operating Budget

The operating budget of \$30.2 million provides for an investment of \$16.5 million in Watershed Management and Support Services programs and an investment of \$13.7 million into the Conservation Areas. The following chart shows the distribution of the operating budget by department.



Although the 2020 preliminary budget expenditures are increasing by 3.5% over the 2019 budget, staff have been proactive in achieving operational efficiencies through reductions in expenses and other sources of funding so that the overall increase in municipal funding is minimized to 2.4% for operating 2.6% including the State of Good Repair Levy.

Investing in Watershed Management & Support Services

The WMSS 2020 preliminary operating budget expenses have increased by \$148,943 over the 2019 operating budget, including the State of Good Repair Levy. This increase is partially funded by program revenue, grants, reserves and chargebacks. Municipal operating funding for WMSS programs is proposed to increase by \$213,727 for programs and services and by \$25,000 to fund an increase to the State of Good Repair Levy for Buildings.

Major drivers of the WMSS operating budget increase include:

WMSS staff salaries and benefits		\$532,854
Decrease in 3.6 FTE staff positions		(221,839)
Decrease in materials and supplies		(211,993)
Increase in purchased services – IT & partnership projects		96,938
Transfer to Stewardship and Restoration Reserve		11,388
Other decreases in expenses		(8,215)
Municipal Debt Financing Charges decrease		(50,190)
Transfer to Vehicle & Equipment Reserve		(25,000)
State of Good Repair Levy		25,000
Total increase in 2020 preliminary WMSS operating budget		\$148,943

Proposed enhancements in Information Technology purchased services of almost \$33,000 will continue to facilitate the digital transformation process. The increase in IT expenses is also related to the centralizing of the IT budget under this department rather than expenses allocated through various departments.

Municipal debt financing charges will decrease in 2020 by (\$70,190) based on the amount included in the 2019 budget forecast provided by Halton Region Staff. The amount is offset by an increase of \$20,000 in debt charges for the Hamilton Community Foundation loan related to Cootes to Escarpment EcoPark land acquisition in December 2015 and principal payments starting in 2019. The loan with the Hamilton Foundation matures in December 2020 and it has been assumed for budget purposes this loan will be renewed at that time.

Investing in our Parks

The Conservation Areas 2020 operating budget provides for an investment of \$13,67,650 into the Conservation Areas.

Operating expenses have increased in the Conservation Areas 2020 operating budget by \$871,000. The increase in expenses is funded entirely by increased program revenue.

Increases in expenses of almost \$497,000 are largely related to staffing. Two full time positions included in the 2019 budget that are currently vacant are being offset with the reallocation of staff positions from the WMSS budget. The budget also includes increased part time staffing and increased costs partly due to the 22% minimum wage increase that occurred January 2018.

The Conservation Areas operating budget includes enhancements to the Visitor Impact Monitoring and Management program that is identified as a Strategic Plan initiative for 2020.

The chargeback to the Conservation Areas for support services has increased slightly in the 2020 operating budget by \$2,800 to \$1,040,900. The increase is the net impact of the third year of a phased increase to the park's chargeback offset by a reduction for WMSS positions not being replaced in 2020 that were included in the 2019 Budget.

Program and other funding revenue have increased by \$871,000 to \$13,430,650 from the 2019 Budget amount of \$12,559,650. Program revenue increases include adjustments based on the three-year average of historical actual amounts, new program offerings and proposed 2020 fee increases. The proposed increases assume average fee increases of 2 to 5% and continuing to transition to full cost recovery that was included in the Rates & Fees reports provided by Watson & Associates in February 2019.

Staff Complement Changes

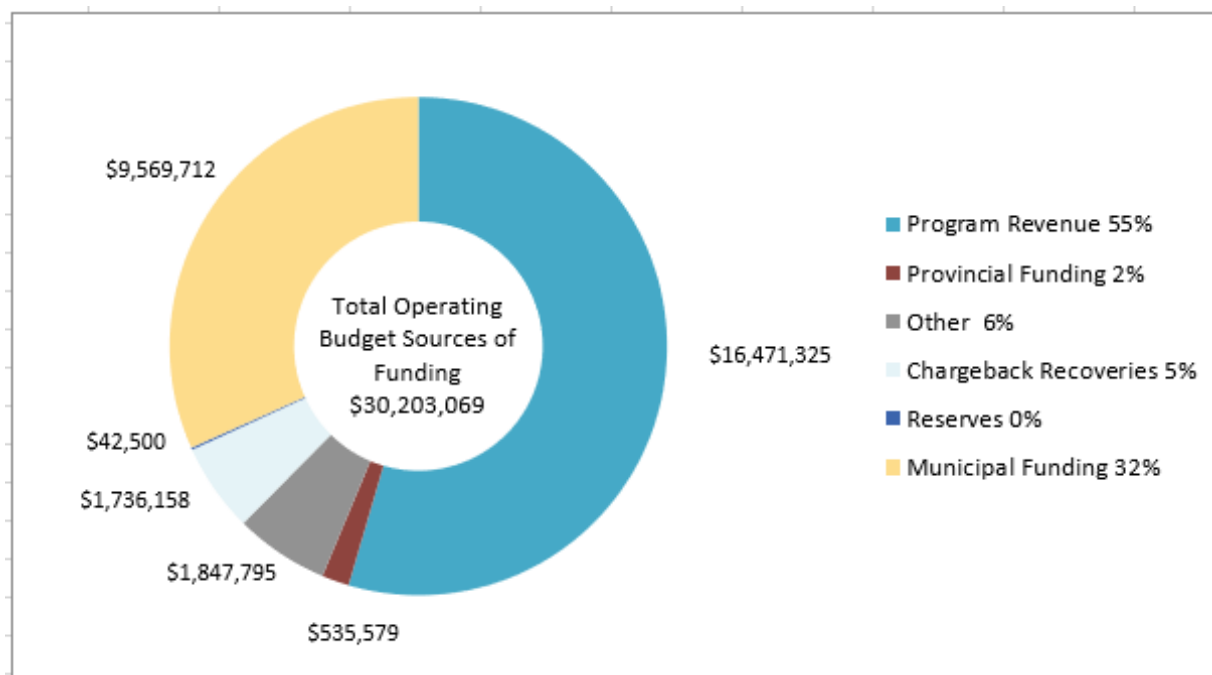
The 2020 operating budget provides for a net decrease of 4.1 full time equivalent (FTE) positions made up of 3.6 FTE in Watershed Management and Support Services and 0.5 FTE in the Conservation Areas. A summary of the changes is provided below.

Staffing Overview Summary					
	2019 Approved FTE	2020 Service Adjustment	2020 Reallocation of Staff	2020 Total FTE	Net Change 2020 vs 2019
Watershed Management & Support Services (WMSS)					
Full-time	106.0	-1.6	-2.0	102.4	-3.6
Part-time/Contract	7.6	0.0	0.0	7.6	0.0
Total WMSS	113.6	-1.6	-2.0	110.0	-3.6
Conservation Areas					
Full-time	38.7	-2.0	2.0	38.7	0.0
Part-time/Contract	97.0	-0.5	0.0	96.5	-0.5
Total Conservation Areas	135.7	-2.5	2.0	135.2	-0.5
Total Full-time	144.7	-3.6	0.0	141.1	-3.6
Total Part-time/Contract	104.6	-0.5	0.0	104.1	-0.5
Total Staff FTE's	249.3	-4.1	0.0	245.2	-4.1

Sources of Budget Funding

Conservation Halton is proactive at generating funding through sources, such as self-generated revenues, to mitigate the financial impact to our funding municipalities. The 2020 operating budget funding sources are consistent with prior years with the majority of funding being derived from self-generated revenues and only one-third of the budget funded by the municipal operating funding of \$9.6 million.

Program revenue included in the operating budget has been assumed to increase based on inflationary increases, growth and some increases identified in the Watson Rates & Fees report to transition to full cost recovery.



Apportionment of Municipal Funding

Municipal funding for operating, capital and State of Good Repair levy totals \$10,498,711. Municipal funding is apportioned to the Region of Halton, City of Hamilton, Region of Peel and Township of Puslinch according to the area and proportional current value assessment (CVA) of the municipality falling within the Conservation Halton watershed.

Updated current value assessment data will be received from the Province in early September. For purposes of allocating the 2020 preliminary budget, the 2019 municipal apportionment percentages have been used in the 2020 preliminary budget summary as follows:

Municipality:	Apportionment % 2020	Municipal Funding 2020	Apportionment % 2019	Municipal Funding 2019	% Increase
Region of Halton	87.6577%	9,202,929	87.6577%	8,746,484	5.2%
Region of Peel	4.8745%	511,760	4.8745%	486,378	5.2%
City of Hamilton	7.2456%	760,695	7.2456%	722,966	5.2%
Township of Puslinch	0.2222%	23,327	0.2222%	22,170	5.2%
	100.0000%	10,498,711	100.0000%	9,977,998	

State of Good Repair Levy

Conservation Halton owns a variety of assets with a net book value at December 31, 2018 of \$66.1 million based on historical costs. The largest asset owned is land at \$35.5 million and 54% of the total net book value. After land, infrastructure that includes dams and channels, buildings and machinery & equipment account for \$27.2 million of the net book value or 41%.

An Asset Management Plan (AMP) for Dams and Channels was completed in 2017. An Asset Management Plan for Buildings is expected to be completed in 2019, and a plan for the balance of assets planned for 2020 to complete the comprehensive AMP.

The Dams and Channels AMP identified a total annual investment of \$1.5 million to maintain these assets in a state of good repair with 50% proposed to be municipally funded. The State of Good Repair Levy for dams and channels was first implemented in the 2018 budget and is included in the forecast as being fully phased in by 2026.

Included in the operating budget is a request for a State of Good Repair (SOGR) Levy of \$439,200, an increase of \$25,000 over the 2019 amount of \$414,200. The 2020 State of Good Repair Levy consists of \$339,200 for dams and channels assets that is the same as the 2019 amount and \$100,000 for buildings and facility assets, an increase of \$25,000. The Building SOGR levy for 2019 was based on facility condition assessments completed by a consultant in late 2018 and has been increased due to estimated required capital work. The State of Good Repair Levy will be transferred to the Watershed Management Capital and Building Reserve to fund 2020 and future capital works.

Debt Financing and Debt Capacity

Municipal debt financing included in the 2020 preliminary budget of \$176,430 is related to 50% of the Scotch Block dam and channel capital projects that were established in the 2019 budget forecast to be debt financed as the Watershed Management Capital reserve balance is not sufficient to fund the municipal portion of these projects. The reserve is funded by the State of Good Repair Levy of \$339,200 for 2020 that is being phased in to an estimated amount required of \$750,000.

The Debt Financing Charges included in the 2020 preliminary operating budget of \$646,449 includes \$596,449 municipal debt financing charges and \$50,000 for estimated principal and interest payments on the land acquisition loan with the Hamilton Community Foundation.

Municipal debt financing charges are based on the amount included in the 2019 budget forecast for 2020 that was provided by Halton Region staff. Debt financing charges included in the budget and forecast will be updated by Halton Region staff after the preliminary budget amounts are submitted in July. Debt financing charges are calculated based on Halton Region's actual investment earning rate estimated at 3.2% for 2019, with repayment over thirty years for the Kelso Dam Capital Project debt financing and twenty years for other projects. Projects that have been debt financed include significant dams and channels capital projects and the Administration Office major renovations.

The total long-term debt balance is currently \$4,828,211. This amount includes 50% Kelso Dam capital project financing for costs incurred to March 31, 2019. Combining this amount with the remaining municipal debt financing amount approved for the Kelso Dam rehabilitation capital project, long term debt is expected to increase to \$7,203,500 by the end of 2019. The increase in debt charges related to the Kelso Dam debt financing was included in the 2019 budget and 2020 forecast so that the increased long-term debt should not impact the debt capacity ratio estimated for 2020 of 4.8% based on estimated own source revenues excluding Conservation Areas program revenue. Under Ontario Regulation 403/02, municipalities are permitted to borrow up to 25% of own source revenues and Conservation Halton has approved a debt capacity ratio of 10% in its Budget Principles.

Reserve Funding

The reserve funding transfer to the Vehicle and Equipment Reserve funding of \$25,000 has been eliminated in the 2020 preliminary budget from the 2019 budget amount of \$25,000. The annual reserve contribution is based on the planned ten-year average of the WMSS vehicle and equipment replacements. With the reduction in vehicle replacements and vehicle fleet in recent years the Vehicle and Equipment Reserve balance has grown in excess of current needs. Vehicle replacements and reserve funding have been reassessed in the budget and forecast to bring this Reserve balance to a more appropriate level.

A transfer of \$25,000 to the Land Securement Reserve is proposed in the 2020 budget. The transfer will help to ensure funds are available to respond to opportunities that meet the guidelines established in the Land Securement Strategy approved in 2018.

The reserve summary below lists the projected reserve balances at December 31, 2020 and the proposed transfers to and from reserves in the 2019 budget. A reserve continuity schedule with reserve balances to 2029 is also provided in the attachments.

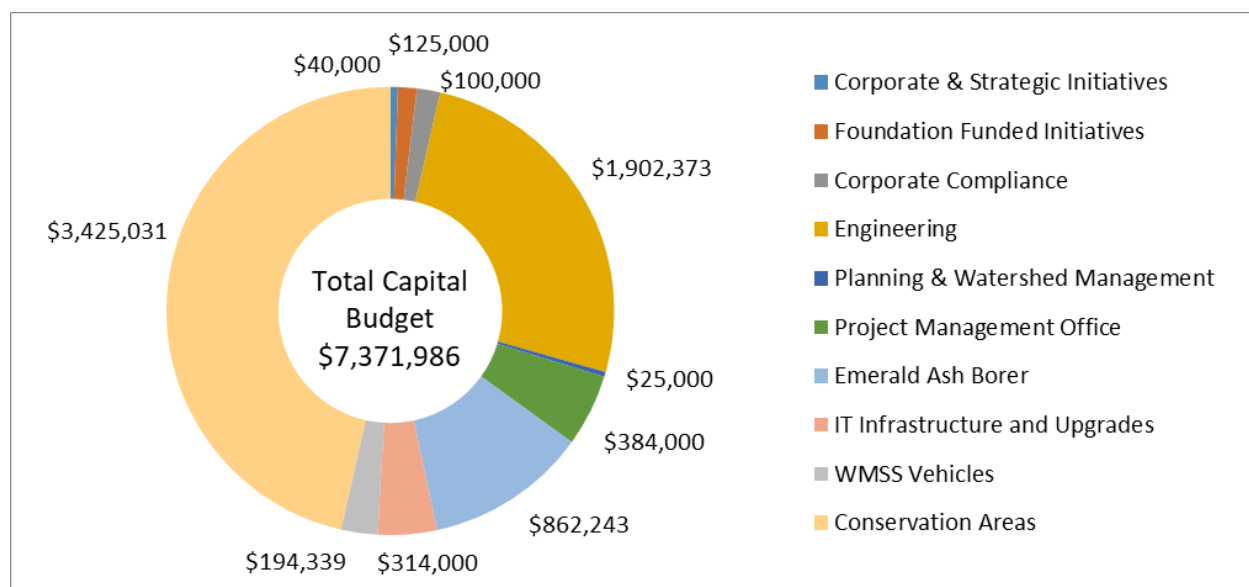
Name of Reserve	Reserves Projected Balance Dec. 31, 2019	Contribution from Municipal Funding	Contribution from Surplus	State of Good Repair Levy	Contribution to Capital Projects	Contribution to Operating Expenses	Reserves Projected Balance Dec. 31, 2020
Watershed Management & Support Services							
Vehicle & Equipment	954,010				(194,339)		759,671
Building	307,308			100,000	(352,000)		55,308
Watershed Management Capital - Municipal Funds and Self Generated Funds	891,237			339,200	(479,756)		750,681
Watershed Management & Support Services Stabilization	674,413						674,413
Capital Projects - Debt Financing Charges	335,081						335,081
Legal - Planning & Watershed Management	258,891						258,891
Legal - Corporate	200,000						200,000
Water Festival	166,791				(15,000)	(15,000)	136,791
Land Securement	34,036	25,000					59,036
Property Management	95,040						95,040
Stewardship and Restoration	388,060				(32,000)	(27,500)	328,560
Conservation Areas							
Capital	1,917,645		941,396		(720,556)		2,138,485
Stabilization	936,568						936,568
Total Reserves	7,159,079	25,000	941,396	439,200	(1,793,651)	(42,500)	6,728,524

2020 Capital Budget Summary

The 2020 preliminary capital budget represents an investment of almost \$7.4 million into infrastructure and studies to provide programs and services in the watershed of \$3.95 million and conservation areas of \$3.4 million.

The capital budget provides funding for projects such as the rehabilitation of flood control infrastructure, updating of flood plain mapping, investments in digital transformation and technology upgrades, vehicle and equipment replacements, development of studies and plans, managing the impacts of Emerald Ash Borer, land management initiatives and infrastructure improvements at the Conservation Areas.

The capital budget is increasing by \$1.8 million over the 2019 budget for Watershed Management and Support Services and Conservation Areas projects with the largest increase in the park's developer contribution works of \$2.2 million. The Emerald Ash Borer (EAB) capital project is decreasing by almost \$300,000 consistent with the EAB project business plan prepared in 2017.



The municipal capital funding required for WMSS capital projects of \$929,000 has increased by \$281,987 or 43.6%. The increased municipal capital funding is as a result of additional funding required of almost \$242,000 for the multi year Flood Plain Mapping capital project with federal funding no longer available through the National Disaster Mitigation Program (NDMP) that was received in 2018 and 2019.

The WMSS 2020 preliminary capital budget consists of the following department project costs:

	2019 Budget	2020 Preliminary Budget
<u>Corporate & Strategic Initiatives</u>		
Otho Imagery	60,000	-
Lidar Imagery	-	40,000
IT Infrastructure & Digital Transformation	238,700	214,000
Websites Upgrade	-	100,000
<u>Corporate Compliance</u>		
Giant's Rib Geopark	100,000	100,000
Clappison & Waterdown Woods	-	25,000
<u>Engineering</u>		
Dams & Channels Maintenance Projects	1,387,516	1,312,373
Flood Forecasting & Warning Program	115,000	115,000
Flood Plain Mapping Update	466,626	475,000
<u>Planning & Watershed Management</u>		
Municipal Natural Assets Initiative	-	25,000
<u>Project Management Office</u>		
Administration Office Renovations	150,000	150,000
Facility Major Maintenance	-	102,000
Operations Centre - Capacity Study/Design	-	100,000
Glenorchy	15,151	-
Speyside Weir Removal	-	32,000
<u>Emerald Ash Borer</u>	1,154,000	862,243
<u>Vehicle and Equipment Replacement</u>	200,212	194,339
<u>Other Foundation Funded Projects</u>	100,000	100,000
TOTAL CAPITAL WMSS	3,987,205	3,946,955

Investing in our Parks

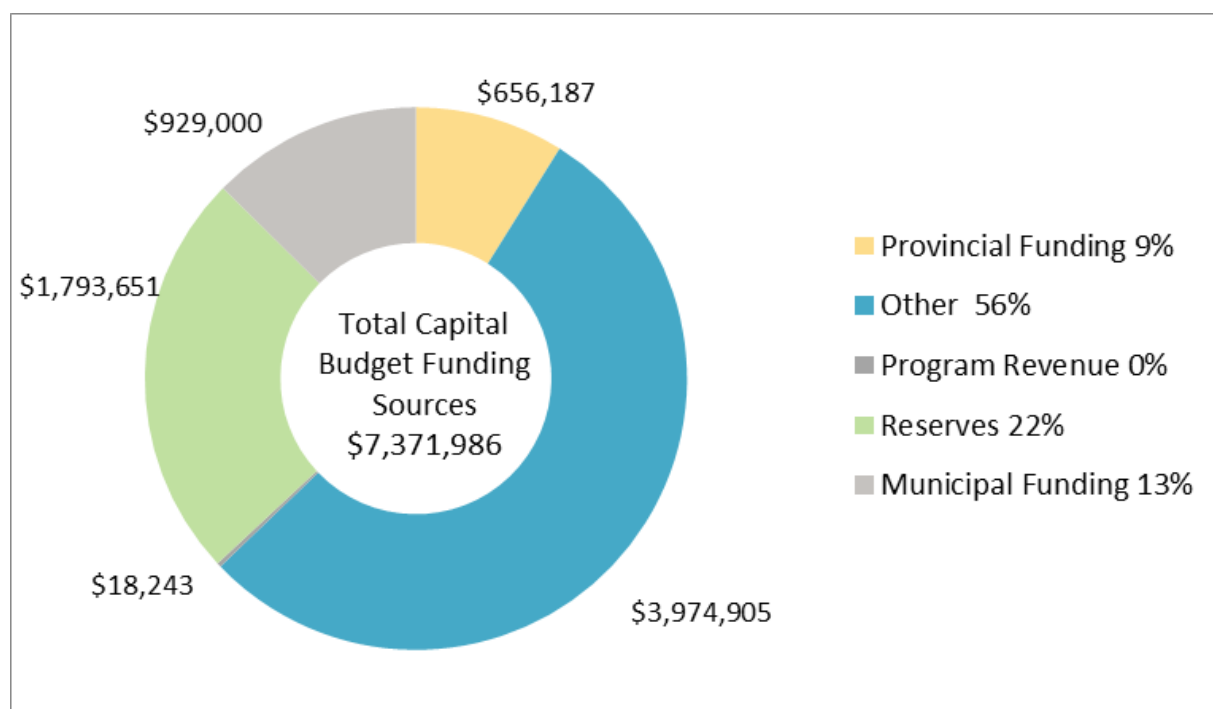
The proposed capital budget provides for an investment of \$3.4 million into the Conservation Areas. Capital project expenditures are funded by the Conservation Areas Capital Reserve and developer contributions collected by Halton Region. The parks Capital Reserve is funded through the transfer of annual park operating surplus to the Reserve.

The Conservation Area 2020 preliminary capital budget includes:

	2019 Budget	2020 Preliminary Budget
Skihill Improvements	-	100,000
Facility Major Maintenance	996,000	405,000
Vehicle and Equipment Replacement	108,500	165,556
Developer Contribution Works	500,000	2,754,475
TOTAL CAPITAL CONSERVATION AREAS	1,604,500	3,425,031

Sources of Capital Budget Funding

A summary of the funding sources is provided in the chart below.



Other funding includes municipal debt financing from the Halton Region for Scotch Block dam and Milton & Morrison Wedgewood channel repairs. It is important to note that approval of debt financing for this project commits future operating budget increases for the repayment of principal and interest on the financing.

2020 Preliminary Budget and Operating Forecast 2021-2029

The State of Good Repair (SOGR) Levy amounts for Dams and Channels are based on the forecast amounts developed with Halton Region for the 2019 budget with the exception of a \$25,000 increase

in the SOGR for Buildings based on updated estimated needs. Key assumptions and drivers included in the operating forecast are as follows:

The addition of two new staff positions per year have been assumed in the Watershed Management and Support Services (WMSS) operating forecast. The estimated staffing additions reflect future growth and maintaining existing program service levels. Program service level reviews are completed annually as part of the budget process to reflect service level changes.

Compensation and other expenses in the forecast have been assumed to increase annually at the estimated rate of inflation of 2%.

Watershed Management and Support Services program revenues have been assumed to increase annually by a 2% inflationary rate.

Chargebacks for support services provided to internal programs take into account future compensation increases, the proportion of staffing allocated to these programs and the phasing in of Support Service staff allocations to the Conservation Areas over three years with 2020 being the final year of the phase in.

The operating forecast includes the estimated costs of servicing existing debt and new debt financing for anticipated capital projects. Debt financing has been primarily received in the past through the Region of Halton to assist with partially financing the 50% municipal portion of dams and channels capital projects. The estimated debt financing charges included in the operating forecast related to municipal debt financing have been provided by Region of Halton staff.

The operating cost impacts related to the Developer Contribution works will be included at a later date once these costs are assessed through the work included in the 2019 budget for design, cost certainty and regulatory needs.

2020 Budget and Capital Forecast 2021-2029

The 2020 preliminary capital budget, forecast for 2021-2029 and financing strategy has been developed by taking into account strategic initiatives in Conservation Halton's Strategic Plan 2020, Metamorphosis. Capital priorities identified in the Asset Management Plan for Dams and Channels, the Facility Condition Assessment on buildings, the Emerald Ash Borer Business Plan, Park Master Plans and Business Plans for Conservation Areas capital projects were also considered to ensure assets are maintained in a state of good repair and address the impact of significant population growth in the region on Conservation Halton's infrastructure. The capital forecast incorporates the initiatives outlined in these documents while ensuring long-term fiscal sustainability.

The largest portion of the Watershed Management and Support Services capital budget are related to dams and channels rehabilitation and replacement capital projects. The dams and channels capital projects are based on information prepared by Conservation Halton's Engineering staff. Dams and channels capital projects are generally assumed to be funded 50% municipally through the State of Good Repair Levy reserve funding and debt financing for Channel and Scotch Block Dam repairs and 50% provincially through Ministry of Natural Resources and Forestry funding, which is still to be approved as part of a grant application process.

Conservation Areas capital projects in the forecast include three projects totalling \$24.8 million that will be partly funded by developer contributions received by the Region of Halton. The capital projects and contributions collected are related to growth in Conservation Halton services; including recreation centres, water distribution and sewer collection systems. The 2020 capital budget includes funding for the start of the Kelso Water Distribution and Collection Servicing capital project with design work to be completed in 2019. The Kelso Servicing project has an estimated total cost of \$8.3 million to be completed over three years. This project has been in development for over ten years with the assistance of consultants and in collaboration with Region of Halton staff for regional plan amendments and Niagara Escarpment Commission for permit requirements.

The Strategic Plan initiatives included in the capital forecast will enable Conservation Halton to invest in innovative ideas and technologies that will continue to modernize operations, streamline service delivery and improve resource management. Initiatives included in the 2020 preliminary budget and 2021 – 2029 capital forecast include the continuation of:

- Modernizing our flood forecasting and operations
- Improving floodplain mapping across the watershed
- Investing in digital transformation across our systems to manage, analyze and share data
- Mitigating the impacts of Emerald Ash Borer on our forests
- Enhancing environmental restoration and stewardship programs
- Revitalizing greenspaces through efforts including the Giant's Rib GeoPark project
- Expanding the current Asset Management Plan for Dams and Channels and the plan being developed for Buildings in 2019 to include the remaining assets owned by Conservation Halton. The Asset Management Plans will identify the investment required to maintain infrastructure in a good state of repair and allow needs to be prioritized over wants
- Creating the capacity to offer sustainable outdoor recreation and eco-tourism experiences to over one million annual visitors to our network of parks that is increasing as a result of population growth
- Increasing self-generated revenue by 2-5% annually

Municipal funding forecast

Based on the attached total operating and capital forecast, the proposed municipal funding for the 2020 to 2024 is as follows:

	BUDGET	FORECAST			
	2020	2021	2022	2023	2024
Municipal Levy					
Operating	\$ 9,130,512	\$ 9,506,045	\$ 9,932,218	\$ 10,409,267	\$ 10,848,594
Capital	929,000	982,000	1,031,000	1,007,000	1,063,500
State of Good Repair (SOGR) Levy	\$ 439,200	\$ 478,500	\$ 480,500	\$ 494,400	\$ 521,200
Municipal Funding - Total including SOGR Levy	\$ 10,498,712	\$ 10,966,545	\$ 11,443,718	\$ 11,910,667	\$ 12,433,294
% Change	5.2%	4.5%	4.4%	4.1%	4.4%

The State of Good Repair long-term financing strategy developed in the 2019 budget proposed a municipal funding increase in the 2019 budget and operating forecast between 4 – 4.5% annually. These annual increases will ensure funds are available to meet current programming needs,

future needs for growth in services are addressed to avoid fluctuations and planning for maintaining assets in the future is prioritized.

Impact on Strategic Goals

This report supports the Metamorphosis strategic theme of Striving for service excellence and efficiency. This theme is supported by the objective to provide clear financial data and analysis to support informed strategic and operational decision-making for budget development and long-term planning.

Financial Impact

Conservation Halton is faced with delivering core services to an increasing number of residents in the watershed and visitors to its Conservation Areas, in addition to enhancing programs and services to meet mandated timelines and service delivery objectives outlined in Conservation Halton's Strategic Plan Metamorphosis.

The 2020 preliminary operating budget continues to focus on meeting service level targets and the initiatives required to meet the key objectives in the strategic plan. The 2020 preliminary budget has been able to offset provincial funding reductions of almost \$225,000 through operational efficiencies. The 2020 preliminary budget continues to provide for investments in our programs to enhance service delivery, digital transformation, watershed planning, greenspace revitalization, floodplain mapping, flood forecasting, and park experiences. The municipal funding increase requested in the 2020 Preliminary Budget for operating expenses and State of Good Repair Levy of 2.6% is within the regional guidelines assumed for 2020.

Signed & respectfully submitted:



Marnie Piggot
Director, Finance

Approved for circulation:



Hassaan Basit
CAO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

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Conservation Halton 2020 Preliminary Budget Summary

Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Preliminary Budget Expenses	Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
WATERSHED MANAGEMENT & SUPPORT SERVICES PROGRAMS									
CORPORATE SERVICES									
Office of the CAO		568,217	599,830				16,600		583,230
Conservation Halton Foundation Administration		137,148	142,847			-	15,000		127,847
Finance		749,130	789,142	62,000			228,649		498,493
General Corporate Services		50,000	-						-
Information Technology		446,792	559,217				103,800		455,417
Geographical Information Systems		684,100	642,135	8,000					634,135
Digital Transformation		99,309	119,546				35,900		83,646
Human Resources		659,774	701,320				169,500		531,820
Marketing & Communications		757,964	696,156				178,900	10,000	507,256
2.4%		4,152,434	4,250,193	70,000	-	-	748,349	10,000	3,421,844
CORPORATE COMPLIANCE									
Corporate Compliance		285,563	298,073				97,600		200,473
Risk & Lands		396,089	410,542				79,300		331,242
4.0%		681,652	708,615	-	-	-	176,900	-	531,715
ENGINEERING									
Engineering		346,608	333,963	3,000			131,200		199,763
Flood Forecasting		649,758	593,726		155,034	4,000			434,692
(6.9%)		996,366	927,689	3,000	155,034	4,000	131,200	-	634,455
PLANNING & WATERSHED MANAGEMENT									
Planning & Regulations		3,562,997	3,779,501	2,542,400			8,700		1,228,401
Regional Infrastructure Team		460,922	476,130			488,003			(11,873)
Source Protection		322,166	255,545		255,545		-		-
3.8%		4,346,085	4,511,176	2,542,400	255,545	488,003	8,700	-	1,216,528

Conservation Halton 2020 Preliminary Budget Summary

Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Preliminary Budget Expenses	2020 Preliminary Budget Funding Sources					
				Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
5 SCIENCE & PARTNERSHIPS									
Ecology		573,573	490,888	15,860			9,055		465,973
Stewardship		463,848	560,450	51,125			157,330	17,500	334,495
Outreach		284,428	321,839	191,930				15,000	114,909
HHRAP		303,421	272,922			273,750			(828)
Forestry Tech Team		406,894	377,020	80,800			127,500		168,720
Partnership Projects		226,800	345,128			345,128			-
	4.8%	2,258,964	2,368,247	339,715	-	618,878	293,885	32,500	1,083,269
6 PROJECT MANAGEMENT OFFICE									
Administration Office Facility		257,382	204,994						204,994
Project Management		118,321	221,409				37,900		183,509
Restoration		548,134	323,328	25,560			182,924		114,844
Construction		308,262	115,435				-		115,435
Partnership Projects		452,163	701,914			701,914			-
	(7.0%)	1,684,262	1,567,080	25,560	-	701,914	220,824	-	618,782
7 WMSS OPERATIONS									
Vehicles and Equipment		192,939	157,589						157,589
Property Management		118,800	92,100	33,000	125,000				(65,900)
Security		288,197	321,097				121,300		199,797
Forestry Operations		502,938	517,984	62,000			35,000		420,984
	(1.3%)	1,102,874	1,088,770	95,000	125,000	-	156,300	-	712,470
8 DEBT FINANCING CHARGES	(7.2%)	696,639	646,449						646,449
TRANSFER TO RESERVE - VEHICLE & EQUIPMENT	(100.0%)	25,000	-						-
10 TRANSFER TO RESERVE - WATER CAPITAL		-	-						-
TRANSFER TO RESERVE - STATE OF GOOD									
11 REPAIR (SOG) LEVY	6.0%	414,200	439,200						439,200
TRANSFER TO RESERVE - LAND									
12 SECUREMENT	0.0%	25,000	25,000						25,000
TOTAL WATERSHED MGMT & SUPPORT SERVICES (WMSS)	0.9%	16,383,476	16,532,419	3,075,675	535,579	1,812,795	1,736,158	42,500	9,329,712

Conservation Halton 2020 Preliminary Budget Summary

Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Preliminary Budget Expenses	Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
CONSERVATION AREAS									
Conservation Areas									
Conservation Areas Administration		809,643	771,624	990,400					
Vehicle and Equipment Operations - Conservation Areas		109,890	104,390						
Kelso/Glen Eden		7,452,164	7,876,750	9,399,250					
Crawford Lake/Mountsberg/Robert Edmondson		2,178,023	2,185,959	2,018,000		35,000			240,000
Rattlesnake Point/Hilton Falls/Mount Nemo		733,130	749,631	988,000					
Transfer Surplus to Conservation Area reserves		478,700	941,396						
SUBTOTAL CONSERVATION AREAS - OPERATING	7.4%	11,761,550	12,629,750	13,395,650	-	35,000	-	-	240,000
Support Services Chargeback	0.3%	1,038,100	1,040,900						
TOTAL CONSERVATION AREAS	6.8%	12,799,650	13,670,650	13,395,650	-	35,000	-	-	240,000
TOTAL OPERATING PROGRAMS	3.5%	29,183,126	30,203,069	16,471,325	535,579	1,847,795	1,736,158	42,500	9,569,712

Conservation Halton 2020 Preliminary Budget Summary

Conservation Halton 2020 Preliminary Budget Summary				2020 Preliminary Budget Funding Sources					
Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Preliminary Budget Expenses	Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
CAPITAL									
Capital - Watershed Management & Support									
14a Services (WMSS)									
<u>Corporate & Strategic Initiatives</u>									
Otho Imagery		60,000	-						-
Lidar Imagery		-	40,000						40,000
IT Infrastructure & Digital Transformation		238,700	214,000						214,000
Website Upgrade		-	100,000					65,000	35,000
<u>Corporate Compliance</u>									
Giant's Rib Geopark		100,000	100,000			100,000			-
Clappison & Waterdown Woods		-	25,000						25,000
<u>Engineering</u>									
Dams & Channels Maintenance Projects		1,387,516	1,312,373		656,187	176,430		479,756	-
Flood Forecasting & Warning Program		115,000	115,000						115,000
Flood Plain Mapping Update		466,626	475,000			-			475,000
<u>Planning & Watershed Management</u>									
Municipal Natural Assets Initiative		-	25,000						25,000
<u>Project Management Office</u>									
Administration Office Renovations		150,000	150,000					150,000	-
Facility Major Maintenance		-	102,000					102,000	-
Operations Centre - Capacity Study/Design		-	100,000					100,000	-
Glenorchy		15,151	-						-
Speyside Weir Removal		-	32,000					32,000	-
<u>Emerald Ash Borer</u>		1,154,000	862,243	18,243		844,000			-
<u>Vehicle and Equipment Replacement</u>		200,212	194,339					194,339	-
<u>Other Foundation Funded Projects</u>		100,000	100,000			100,000			-
TOTAL CAPITAL WMSS	(1.0%)	3,987,205	3,946,955	18,243	656,187	1,220,430	-	1,123,095	929,000
14b Capital - Conservation Areas									
Skihill Improvements		-	100,000					100,000	-
Facility Major Maintenance		996,000	405,000					405,000	-
Vehicle and Equipment Replacement		108,500	165,556					165,556	-
Developer Contribution Works		500,000	2,754,475			2,754,475			-
TOTAL CAPITAL CONSERVATION AREAS	113.5%	1,604,500	3,425,031	-	-	2,754,475	-	670,556	-
TOTAL CAPITAL PROJECTS	31.8%	5,591,705	7,371,986	18,243	656,187	3,974,905	-	1,793,651	929,000

Conservation Halton 2020 Preliminary Budget Summary				2020 Preliminary Budget Funding Sources					
Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Preliminary Budget Expenses	Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
TOTAL OPERATING PROGRAMS		29,183,126	30,203,069						
TOTAL CAPITAL PROJECTS		5,591,705	7,371,986						
TOTAL	8.1%	34,774,831	37,575,055	16,489,568	1,191,766	5,822,700	1,736,158	1,836,151	10,498,712

Municipal Apportionment

	Budget 2020	Budget 2019	\$ Increase (Decrease)	% Increase
Total Municipal Funding:				
Operating	9,130,512	8,916,785	213,727	2.4%
Capital	929,000	647,013	281,987	43.6%
	10,059,512	9,563,798	495,714	5.2%
State of Good Repair (SOGR) Levy - Dams & Channels; Buildings	439,200	414,200	25,000	6.0%
Municipal Funding	10,498,712	9,977,998	520,714	5.2%

Municipality:	Apportion- ment % 2020	Municipal Funding 2020	Apportion- ment % 2019	Municipal Funding 2019	% Increase
Region of Halton	87.6577%	9,202,929	87.6577%	8,746,484	5.2%
Region of Peel	4.8745%	511,760	4.8745%	486,378	5.2%
City of Hamilton	7.2456%	760,695	7.2456%	722,966	5.2%
Township of Puslinch	0.2222%	23,327	0.2222%	22,170	5.2%
	100.0000%	10,498,711	100.0000%	9,977,998	

Operating WMSS Expenditures

Ten Year Operating Expenditures and Funding Forecast - Watershed Management & Support Services (WMSS)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Salaries & Benefits										
Balance, beginning of year restated	11,743,405	12,054,420	12,477,420	12,913,420	13,362,420	13,823,420	14,297,420	14,785,420	15,288,420	15,806,420
Staffing increase/decrease (2020 3.6 FTE decrease; 2 FTE staff 2021-29)	(221,839)	163,000	166,000	169,000	172,000	175,000	179,000	183,000	187,000	191,000
Compensation Increases (2020 1.75%, 2021-29 2% inflation; 94% of range)	506,371	192,000	197,000	204,000	211,000	218,000	225,000	233,000	241,000	249,000
Increase in benefits (2021-2029 2% inflation)	26,483	68,000	73,000	76,000	78,000	81,000	84,000	87,000	90,000	93,000
Balance, end of year	12,054,420	12,477,420	12,913,420	13,362,420	13,823,420	14,297,420	14,785,420	15,288,420	15,806,420	16,339,420
Materials & Supplies										
Balance, beginning of year restated	1,008,431	796,438	812,338	828,538	845,138	862,038	879,238	896,838	914,738	933,038
HR program cost decrease	(9,611)									
Information Technology program supplies decrease	(17,000)									
Engineering and Flood Forecasting & Operations program costs decrease	(25,000)									
Planning & Watershed Management program supplies decrease	(34,366)									
Science & Partnerships program supplies decrease	(18,286)									
Project Management Office (PMO) program costs decrease	(84,230)									
WMSS operation costs decrease	(25,500)									
General Increases (Assumed 2020-2029 2% inflation)	2,000	15,900	16,200	16,600	16,900	17,200	17,600	17,900	18,300	18,700
Balance, end of year	796,438	812,338	828,538	845,138	862,038	879,238	896,838	914,738	933,038	951,738
Purchased Services										
Balance, beginning of year restated	2,390,041	2,486,979	2,536,979	2,587,979	2,639,979	2,692,979	2,746,979	2,801,979	2,857,979	2,914,979
Corporate Services Payroll processing system service cost increase	19,100									
IT improvements and centralization of IT budget from other departments	106,830									
Marketing costs reallocated to Conservation Areas	(36,375)									
Engineering and Flood Forecasting & Operations program costs decrease	(15,000)									
Planning & Watershed Management program cost decrease	(35,340)									
Science & Partnerships - Partnership Projects cost increase	48,000									
Science & Partnerships - HHRAP cost decrease	(61,500)									
Project Management Office (PMO) program costs increase	70,147									
General Increases (Assumed 2020-2029 2% inflation)	1,076	50,000	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000
Balance, end of year	2,486,979	2,536,979	2,587,979	2,639,979	2,692,979	2,746,979	2,801,979	2,857,979	2,914,979	2,972,979
Financial and Rent Expense										
Balance, beginning of year (restated)	73,760	83,933	85,633	87,333	89,033	90,833	92,633	94,533	96,433	98,333
General Increases (2020-2029 Assumed 2.0% inflation)	10,173	1,700	1,700	1,700	1,800	1,800	1,900	1,900	1,900	2,000
Balance, end of year	83,933	85,633	87,333	89,033	90,833	92,633	94,533	96,433	98,333	100,333
Debt Financing Charges (Hamilton Community Fdn & Halton Region)										
Balance, beginning of year	696,639	646,449	634,009	690,282	756,031	803,358	729,795	647,901	617,317	605,588
Increase/(decrease) in debt financing charges - Ham. Comm. Foundation	20,000	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt financing charges - Halton Region	(70,190)	(12,440)	56,273	65,749	47,327	(73,563)	(81,894)	(30,584)	(11,729)	-
Total Debt Financing Charges	646,449	634,009	690,282	756,031	803,358	729,795	647,901	617,317	605,588	605,588

Ten Year Operating Expenditures and Funding Forecast - Watershed Management & Support Services (WMSS)

Operating WMSS Expenditures

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Transfer to Reserves - Partnership Projects										
Transfer to Reserves - State of Good Repair Levy (Dams and Channels)	339,200	376,500	376,500	388,300	413,000	585,400	765,800	997,700	1,102,800	1,124,900
Transfer to Reserves - State of Good Repair Levy (Buildings)	100,000	102,000	104,000	106,100	108,200	110,400	112,600	114,900	117,200	119,500
Transfer to Reserves - Land Securement	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Transfers to Reserves - Motor Pool	-	-	-	-	-	50,000	50,000	100,000	100,000	100,000
TOTAL OPERATING EXPENDITURES - WATERSHED MGMT & SUPPORT SERVICES	16,532,419	17,049,879	17,613,052	18,212,001	18,818,828	19,516,865	20,180,071	21,012,487	21,703,358	22,339,458

Funding of Operating Expenditures

Program Revenue	3,075,675	3,137,200	3,199,900	3,263,900	3,329,200	3,395,800	3,463,700	3,533,000	3,603,700	3,675,800
Ministry of Natural Resources & Forestry Grant	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034
Municipal Funding - Operating (Total incl. Education)	9,130,512	9,506,045	9,932,218	10,409,267	10,848,594	11,228,431	11,562,537	12,193,953	12,629,324	13,089,924
Municipal State of Good Repair Levy	439,200	478,500	480,500	494,400	521,200	695,800	878,400	1,112,600	1,220,000	1,244,400
Other Grants & Program Funding	2,193,340	2,234,800	2,277,100	2,320,200	2,364,100	2,408,900	2,454,500	2,501,200	2,548,800	2,597,200
Internal Chargebacks	1,496,158	1,508,300	1,538,300	1,569,200	1,600,700	1,632,900	1,665,900	1,516,700	1,546,500	1,577,100
Transfers from Reserves - Water Festival, Stewardship & Outreach	42,500	30,000	30,000	-	-	-	-	-	-	-
TOTAL OPERATING FUNDING - WATERSHED MANAGEMENT & SUPPORT SERVICES	16,532,419	17,049,879	17,613,052	18,212,001	18,818,828	19,516,865	20,180,071	21,012,487	21,703,358	22,339,458

CONSERVATION AREAS EXPENDITURES	2020 Budget & 2021-2029 Operating Expenditures and Funding Forecast - Conservation Areas									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Salaries & Benefits	7,836,002	8,167,522	8,330,872	8,497,490	8,667,440	8,970,800	9,284,778	9,609,745	9,946,086	10,294,199
Materials & Supplies	1,682,189	1,715,833	1,750,149	1,785,152	1,820,855	1,884,585	1,950,546	2,018,815	2,089,474	2,162,605
Purchased Services	1,877,963	1,915,522	1,953,833	1,992,909	2,032,768	2,103,914	2,177,551	2,253,766	2,332,648	2,414,290
Financial & Rent Expense	292,200	298,044	304,005	310,085	316,287	327,357	338,814	350,673	362,946	375,649
Internal Chargebacks	1,040,900	1,043,926	1,075,243	1,107,501	1,140,726	1,197,762	1,257,650	1,320,533	1,386,559	1,428,155
Transfer to Reserve - Operating Surplus	941,396	915,721	1,294,506	1,698,342	2,128,591	2,942,553	3,230,772	3,538,378	3,867,524	4,246,159
TOTAL OPERATING EXPENDITURES	13,670,650	14,056,568	14,708,609	15,391,480	16,106,666	17,426,972	18,240,111	19,091,909	19,985,237	20,921,058
REVENUES										
Program Fees	13,395,650	13,811,568	14,458,609	15,136,480	15,846,666	17,161,972	17,970,111	18,816,909	19,704,237	20,634,058
Other Grants and Funding	35,000	-	-	-	-	-	-	-	-	-
Municipal Funding - Conservation Areas Education	240,000	245,000	250,000	255,000	260,000	265,000	270,000	275,000	281,000	287,000
TOTAL FUNDING - CONSERVATION AREAS	13,670,650	14,056,568	14,708,609	15,391,480	16,106,666	17,426,972	18,240,111	19,091,909	19,985,237	20,921,058

Capital Expenditures	2020 Budget & 2021-2029 Capital Expenditures and Funding Forecast - Watershed Management & Support Services									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Engineering, Flood Forecasting & Operations										
Scotch Block Major Maintenance	246,738	625,130	-	-	-	-	-	-	98,923	-
Hilton Falls Major Maintenance	909,514	86,118	130,105	-	62,856	-	-	-	-	-
Morrison-Wedgewood major maintenance	106,121	52,996	689,211	-	-	-	-	-	-	-
Kelso Dam Major Maintenance	-	86,118	-	161,627	-	-	-	-	-	-
Mountsberg Major Maintenance	-	148,076	-	-	-	-	-	-	-	-
Dams and Channels Maintenance Projects	50,000	-	525,000	1,230,000	1,290,000	1,350,000	1,410,000	1,470,000	1,530,000	1,590,000
Dam Public Safety Projects	-	233,845	-	-	-	87,768	86,047	-	-	-
Flood Forecasting	115,000	120,000	125,000	25,000	27,500	30,000	32,500	35,000	37,500	40,000
Flood Plain Mapping	475,000	500,000	525,000	550,000	500,000	525,000	240,000	95,000	100,000	105,000
	1,902,373	1,852,283	1,994,316	1,966,627	1,880,356	1,992,768	1,768,547	1,600,000	1,766,423	1,735,000
Corporate & Strategic Initiatives										
Asset Management Plan Consulting	-	-	-	-	75,000	-	-	-	-	75,000
Program Rates & Fees Review	-	-	-	60,000	-	-	-	-	60,000	-
Strategic Plan Updates	-	-	-	-	-	-	-	-	-	-
Engagement Survey	-	31,000	-	15,000	-	31,000	-	15,000	-	35,000
Compensation Review	-	-	30,000	-	-	-	-	35,000	-	-
Ortho Imagery	-	30,000	-	30,000	-	30,000	-	30,000	-	-
Satellite Imagery	40,000	-	40,000	-	40,000	-	40,000	-	40,000	-
Lidar	-	-	40,000	-	40,000	-	40,000	-	40,000	-
Website Upgrade	100,000	-	-	-	-	-	100,000	-	-	-
IT Infrastructure - upgrades - WMSS	214,000	226,000	156,000	202,000	256,000	290,000	216,000	166,000	198,000	211,000
	354,000	287,000	266,000	307,000	411,000	351,000	396,000	246,000	338,000	321,000
Corporate Compliance										
Giant's Rib GeoPark	100,000	100,000	100,000	100,000	-	-	-	-	-	-
Clappison & Waterdown Woods	25,000	50,000	50,000	50,000	50,000	50,000	50,000	25,000	25,000	25,000
	125,000	150,000	150,000	150,000	50,000	50,000	50,000	25,000	25,000	25,000
Planning & Watershed Management										
Municipal Natural Assets Initiative	25,000	-	-	-	-	-	-	-	-	-
Integrated Watershed Management Initiatives	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Science & Partnerships										
Watershed Implementation Plan	-	-	40,000	50,000	50,000	50,000	150,000	200,000	75,000	-
Emerald Ash Borer (EAB) Management	862,243	804,000	804,000	834,000	834,000	794,000	794,000	-	-	-
Conservation Halton Foundation funded projects	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-
	962,243	904,000	944,000	984,000	984,000	944,000	1,044,000	300,000	175,000	-

Capital Expenditures	2020 Budget & 2021-2029 Capital Expenditures and Funding Forecast - Watershed Management & Support Services									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Project Management Office										
Administration Office & Other Facility Renovations	352,000	170,136	155,000	530,000	207,851	7,403	395,000	5,500	125,000	5,500
Speyside Weir Removal	32,000	144,000	12,200	3,000	3,500	-	2,100	-	-	-
Operations Centre	-	500,000	500,000	1,000,000	-	-	-	-	-	-
	384,000	814,136	667,200	1,533,000	211,351	7,403	397,100	5,500	125,000	5,500
WMSS Operations										
Vehicle & Equipment Replacement	194,339	166,637	146,774	156,920	122,412	64,498	61,841	128,974	123,792	112,118
	194,339	166,637	146,774	156,920	122,412	64,498	61,841	128,974	123,792	112,118
Total Capital Expenditures										
	3,946,955	4,199,056	4,193,290	5,122,547	3,684,119	3,434,669	3,742,488	2,330,474	2,578,215	2,223,618
Capital - Funding										
Provincial Grants	656,187	616,142	672,158	695,814	676,428	718,884	748,024	735,000	814,462	795,000
Municipal Funding	929,000	982,000	1,031,000	1,007,000	1,063,500	1,031,000	893,500	626,000	600,500	516,000
Municipal Funding - EAB	844,000	804,000	804,000	834,000	834,000	794,000	794,000	-	-	-
Other Funding Grants and Program Fees	250,243	344,000	212,200	203,000	103,500	100,000	102,100	100,000	100,000	-
Transfer from Reserves	1,091,096	513,851	479,327	882,734	911,691	790,785	1,204,865	869,474	1,013,792	912,618
Municipal Debt Financing	176,430	939,063	994,606	1,500,000	95,000	-	-	-	49,462	-
Total Capital Funding										
	3,946,955	4,199,056	4,193,290	5,122,547	3,684,119	3,434,669	3,742,488	2,330,474	2,578,215	2,223,618

Capital Expenditures	2020 Budget & 2021 - 2029 Capital Expenditures & Funding Forecast - Conservation Areas									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Capital Expenditures Conservation Areas										
Expenditures funds by Capital Reserve										
Vehicle and equipment replacement	165,556	127,278	147,494	131,856	99,605	98,497	115,364	53,062	90,780	108,500
Facility and Infrastructure Major Maintenance	330,000	370,000	-	250,000	175,000	250,000	180,000	470,000	-	800,000
Ski/Snowboarding Capital Expenditures	100,000	500,000	875,000	800,000	1,700,000	-	2,000,000	775,000	2,200,000	-
Park Master Plans	-	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-
Information Technology Infrastructure	75,000	75,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Subtotal Capital Expenditures Conservation Areas	670,556	1,122,278	1,222,494	1,381,856	2,174,605	548,497	2,495,364	1,448,062	2,440,780	1,058,500
Conservation Area - Developer Contribution Works										
Projects funded by Development fees collected by Region of Halton:										
Kelso/Glen Eden Water Distribution and Collection	2,754,475	2,754,475	2,754,475							
Kelso Recreation and Trail Centre		500,000	2,259,900	3,259,900	1,159,900					
Crawford Lake Visitor Centre and Education Facility					1,000,000	3,000,000	3,000,000	1,000,000	1,367,050	-
Subtotal Costs - Developer Contribution Works	2,754,475	3,254,475	5,014,375	3,259,900	2,159,900	3,000,000	3,000,000	1,000,000	1,367,050	-
Total Conservation Areas Capital Expenditures	3,425,031	4,376,753	6,236,869	4,641,756	4,334,505	3,548,497	5,495,364	2,448,062	3,807,830	1,058,500
Funding - Developer Contribution Works										
Developer Contributions - Region of Halton	2,754,475	2,747,375	4,595,275	2,987,800	1,983,400	2,887,000	644,675	-		
Interest on Developer Contributions - Region of Halton		507,100	419,100	272,100	176,500	113,000	20,600	-	-	-
Conservation Halton Foundation & Other Funding							2,334,725	1,000,000	1,367,050	-
Subtotal Funding-Developer Contribution Works	2,754,475	3,254,475	5,014,375	3,259,900	2,159,900	3,000,000	3,000,000	1,000,000	1,367,050	-
Funding - Capital Expenditures Conservation Areas										
Conservation Halton Foundation & Other Grant Funding										
Transfer from Reserves	670,556	1,122,278	1,222,494	1,381,856	2,174,605	548,497	2,495,364	1,448,062	2,440,780	1,058,500
Total Conservation Areas Capital Funding	3,425,031	4,376,753	6,236,869	4,641,756	4,334,505	3,548,497	5,495,364	2,448,062	3,807,830	1,058,500

	Projected 2019	RESERVE CONTINUITY									
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Watershed Management and Support Services											
Vehicle and Equipment	\$ 954,010	\$ 759,671	\$ 593,034	\$ 446,260	\$ 289,340	\$ 166,928	\$ 152,430	\$ 140,589	\$ 111,615	\$ 87,823	\$ 187,823
Building Reserve	\$ 307,308	55,308	87,172	186,172	262,272	257,621	360,618	78,218	187,618	179,818	293,818
Watershed Management - Capital Projects	891,237	750,680	850,101	899,049	591,535	328,107	194,623	212,400	475,100	812,900	1,142,800
Watershed Mgmt - Revenue Stabilization	674,413	674,413	674,413	674,413	674,413	674,413	674,413	674,413	674,413	674,413	674,413
Debt Financing Charges	335,081	335,081	335,081	335,081	335,081	335,081	335,081	335,081	335,081	335,081	335,081
Legal - Planning & Watershed Management	258,891	258,891	258,891	258,891	258,891	258,891	258,891	258,891	258,891	258,891	258,891
Legal - Corporate	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Water Festival	166,791	136,791	121,791	106,791	106,791	106,791	106,791	106,791	106,791	106,791	106,791
Land Securement	34,036	59,036	84,036	109,036	134,036	159,036	184,036	209,036	234,036	259,036	284,036
Property Management	95,040	95,040	95,040	95,040	95,040	95,040	95,040	95,040	95,040	95,040	95,040
Stewardship & Restoration	388,060	328,560	313,560	298,560	298,560	298,560	298,560	298,560	298,560	298,560	298,560
Conservation Areas											
Conservation Areas - Revenue Stabilization	936,568	936,568	936,568	936,568	936,568	936,568	936,568	936,568	936,568	936,568	936,568
Conservation Areas - Capital Reserve	1,917,645	2,138,485	1,931,928	2,003,940	2,320,426	2,274,412	4,668,469	5,403,876	7,494,192	8,920,937	12,108,596
TOTAL RESERVES	\$ 7,159,079	\$ 6,728,523	\$ 6,481,615	\$ 6,549,801	\$ 6,502,954	\$ 6,091,448	\$ 8,465,519	\$ 8,949,463	\$ 11,407,905	\$ 13,165,857	\$ 16,922,416