

MEETING NO: # 03 19 Finance & Audit Committee Meeting
DATE: October 24, 2019
TIME: 1:30 p.m. – 2:30 p.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 Finance & Audit Committee Members**
3. **Consent Items**
Roll Call & Mileage
4. **Action Items**
 - 4.1 Approval of 2020 Budget Report # FA 03 19 01 2-28
5. **Other Business**
6. **Adjournment**

REPORT TO: Finance & Audit Committee

REPORT NO: # FA 03 19 01

FROM: Marnie Piggot, Director Finance

DATE: October 24, 2019

SUBJECT: 2020 Budget

Recommendation

That the Finance and Audit Committee **recommend to the Conservation Halton Board of Directors:**

THAT Municipal funding of \$10,124,318 in the 2020 budget be approved by a weighted vote by the Conservation Halton Board of Directors at the November 21, 2019 meeting;

AND

THAT Municipal funding of \$155,034 being the Provincial funding matching portion included in the 2020 budget be approved;

AND

THAT other municipal funding of \$330,000 be approved in the 2020 budget for the Floodplain Mapping capital project;

AND

THAT Transfers to and from Reserves be approved as outlined in this report;

AND

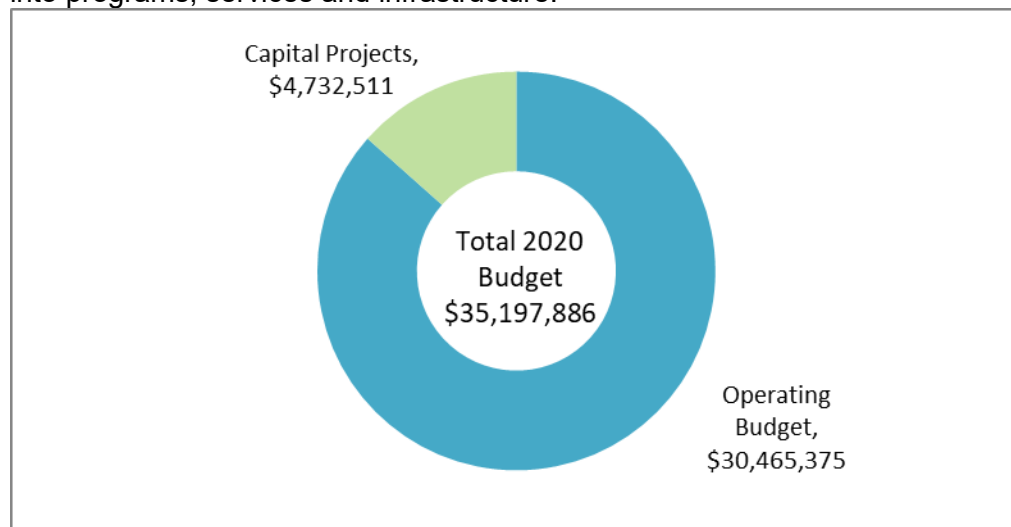
THAT The 2020 budget be approved as presented.

Executive Summary

The 2020 budget is being considered by the Finance and Audit Committee to recommend approval by the Conservation Halton Board of Directors at the November 21, 2019 meeting. The 2020 budget will also be included in the detailed 2020 Budget and Business Plan to be provided at the November 21, 2019 Board of Directors meeting.

Conservation Halton's 2020 operating and capital budget and 2021-2029 forecast will allow Conservation Halton to continue to meet its strategic plan priorities. The 2020 operating budget of

\$30.5 million and the capital budget of \$4.7 million provide for a combined investment of \$35.2 million into programs, services and infrastructure.



Municipal levies of \$10,124,318 are contained in the 2020 budget and are increasing in total by \$146,320 or 1.5%. In addition to this increase, the 2020 budget includes a new funding request of \$330,000 for other municipal funding from Halton Region for the multi-year Floodplain Mapping Update capital project.

Total Municipal Funding:	Budget 2020	Budget 2019	\$ Increase (Decrease)	% Increase
Operating	\$9,221,118	\$8,916,785	\$304,333	3.4%
Capital	464,000	647,013	(183,013)	-28.3%
	9,685,118	9,563,798	121,320	1.3%
State of Good Repair (SOGR) Levy - Dams & Channels; Buildings	439,200	414,200	25,000	6.0%
Municipal Funding total	\$10,124,318	\$9,977,998	\$146,320	1.5%

The 2020 budget addresses the following significant budget pressures in a financially sustainable manner:

- \$145,000 cut to the Provincial transfer payment designated primarily for flood prevention and operations;
- Discontinuation of the National Disaster Mitigation Program (NDMP) funding of 50% for the Floodplain Mapping capital project that was \$233,000 in the 2019 budget; and
- Compensation increase adjustments from a compensation review completed in 2019 and the annualization of the revised salary bands.

The funding reductions and increases in expenses have been mitigated through departmental reviews resulting in a decrease of 2.6 staff FTE's, decreases in other expenses as well as increases in program revenue and chargebacks to the Parks and Capital programs.

The Conservation Areas operating surplus included in the 2020 budget is \$968,411 and represents an increase of almost \$490,000 over the 2019 budget amount primarily as a result of revenue growth.

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

2020 Budget Revisions

Revisions have been made in the 2020 budget from the 2020 preliminary budget submitted in June.

The increase in municipal funding for operating and capital programs is now \$121,320 or 1.3%. The balance of the municipal funding increase of \$25,000 is an increase to the State of Good Repair Levy for buildings.

A key service target in Conservation Halton's Strategic Plan is to limit operating and capital municipal funding increases to regional budget guidelines. The operating and capital increase of 1.3% is within the Region of Halton guideline of 3.7%, Peel Region's guideline of 3.4% and the City of Hamilton guideline of 2.0%.

A summary of the 2020 budget revisions include:

- Updated municipal apportionment percentages were received from the province and have been included in the 2020 budget and budget submissions to Halton and Peel Regions.
- Staffing levels were further reviewed resulting in an overall decrease of 2.6 FTE's. The preliminary budget presented in June included an overall decrease of 4.1 FTE's. The impact on municipal funding for the staff changes offset by increased chargebacks to the parks was an increase of approximately \$105,000 and an increase in the parks operating surplus of \$27,015.
- Debt financing charges provided by Region of Halton staff have been updated and have increased slightly from the preliminary budget by \$2,562. Total municipal debt financing charges in the 2020 budget are \$599,011. The 2020 budget also includes capital program funding through municipal debt financing for 50% of Scotch Block and Channel project costs of \$176,430.
- Tree planting program revenue was increased by \$25,000 and various operating expenses were increased by \$7,206
- WMSS Capital expenses were decreased by \$135,000. This decrease is largely related to the Floodplain Mapping capital project decrease of \$145,000. A business case on the Floodplain Mapping Update project will be presented to the Board of Directors in November. Increased municipal funding is needed for this project with the discontinuation of the National Disaster Mitigation Program funding in March 2020. The business case will request approval from the Region of Halton for other municipal funding for 2020 of \$330,000 and annual estimated costs are included in the capital forecast to 2026. The watershed areas in need of mapping updates fall predominantly within the Halton Region portion of the Conservation Halton watershed making it difficult to apportion these costs to other municipalities.
- Conservation Area capital budget expenses for projects that are partly funded by the Developer Contributions were reduced in the 2020 budget to \$250,000 from the preliminary budget amount of \$2.7 million. The Developer Contribution Works projects were reviewed with Halton Region staff during budget discussions.

2020 Budget Report

Highlights from the 2020 budget are provided in this report that will be included in the 2020 Budget and Business Plan.

Conservation Halton has established Budget Principles for the preparation of its annual budget. Two primary budget categories are included in the Budget Principles, Watershed Management and Support Services (WMSS) and the Conservation Areas, based on the funding sources for these programs. The WMSS program receives some municipal funding. Conservation Areas recreation programs receive revenue through park program fees that generate an operating surplus. Annual Park operating surpluses are transferred to the Conservation Area capital reserve to fund park capital project expenditures. Conservation Halton receives municipal funding for education programs offered at Mountsberg and Crawford Lake of \$240,000.

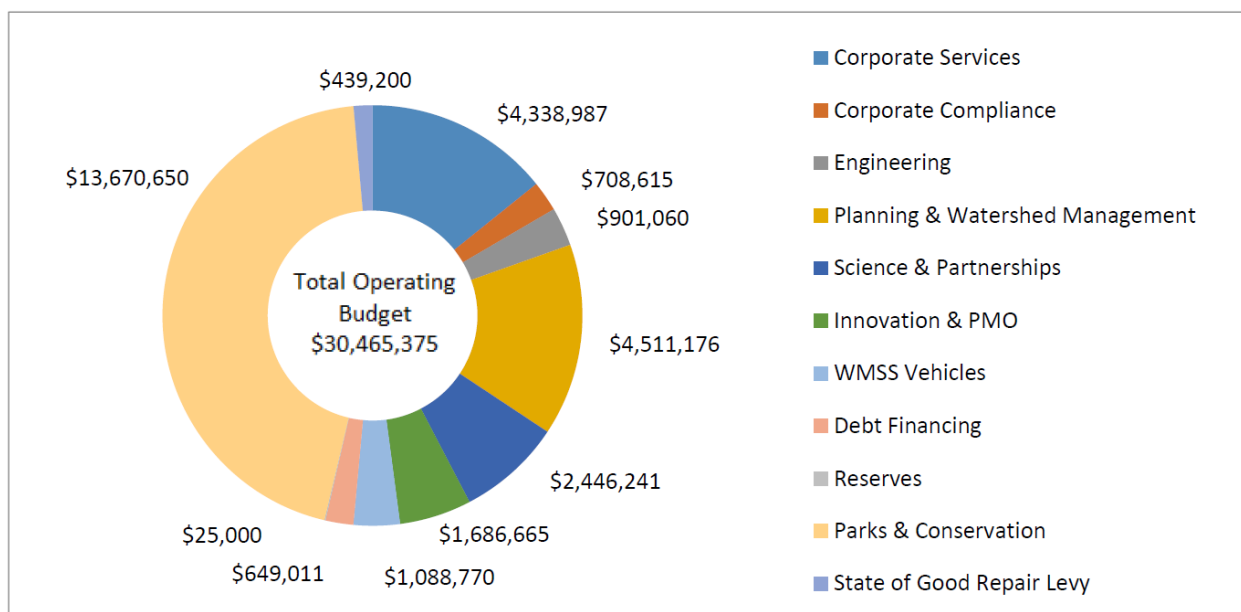
For comparison purposes, the 2019 budget has been restated based on the current organization structure.

Assumptions Used in Preparing the 2020 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 2020 is 1.8%. According to Statistics Canada, the Consumer Price Index as of August 2019 for Ontario is at 1.9%.
- 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 2019.

2020 Operating Budget

The operating budget of \$30.5 million provides for an investment of \$16.8 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.



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 3.4% for operating expenses.

Investing in Watershed Management & Support Services

The WMSS 2020 operating budget expenses have increased by \$418,249 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 \$304,333 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				\$599,604
Staff decrease - .4 FTE				(78,845)
Decrease in materials and supplies				(212,198)
Increase in purchased services - IT & Partnership Projects				223,837
Transfer to Stewardship and restoration reserve				11,388
Chargeback expense decrease				(76,694)
Decrease in other expenses				(1,215)
Debt financing charges decrease				(47,628)
Transfer to Vehicle & equipment reserve				(25,000)
State of Good Repair Levy				25,000
Total increase in the 2020 WMSS operating budget expenses				\$418,249

Municipal debt financing charges will decrease in 2020 by (\$67,628) based on updated debt financing charges provided by Halton Region staff. This decrease is offset by an increase of \$20,000 in debt charges for the Hamilton Community Foundation loan for the 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 \$13,670,650 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 \$318,000 are related to staffing. Two full time positions included in the 2019 budget that are currently vacant will be filled by part time seasonal staff in the 2020 budget. The budget also includes higher costs for part time staffing 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 \$155,300 to \$1,193,400. The chargeback increase is the net impact of the third year of a phased increase to the parks chargeback and changes in the allocation of staff.

Parks program revenue has increased by \$828,000 to \$13,340,250 from the 2019 Budget amount of \$12,512,050. Program revenue increases include adjustments based on the three-year average of historical actual amounts, new program offerings and proposed 2020 fee increases.

The parks revenue increase assumes average fee increases of 2 to 5% and continuing to transition to full cost recovery included in the Rates & Fees report provided by Watson & Associates in February 2019.

Staff Complement Changes

The 2020 operating budget provides for a net decrease of 2.6 full time equivalent (FTE) positions made up of .4 FTE decrease in Watershed Management and Support Services and 2.2 FTE decrease in the Conservation Areas. A summary of the changes is provided below.

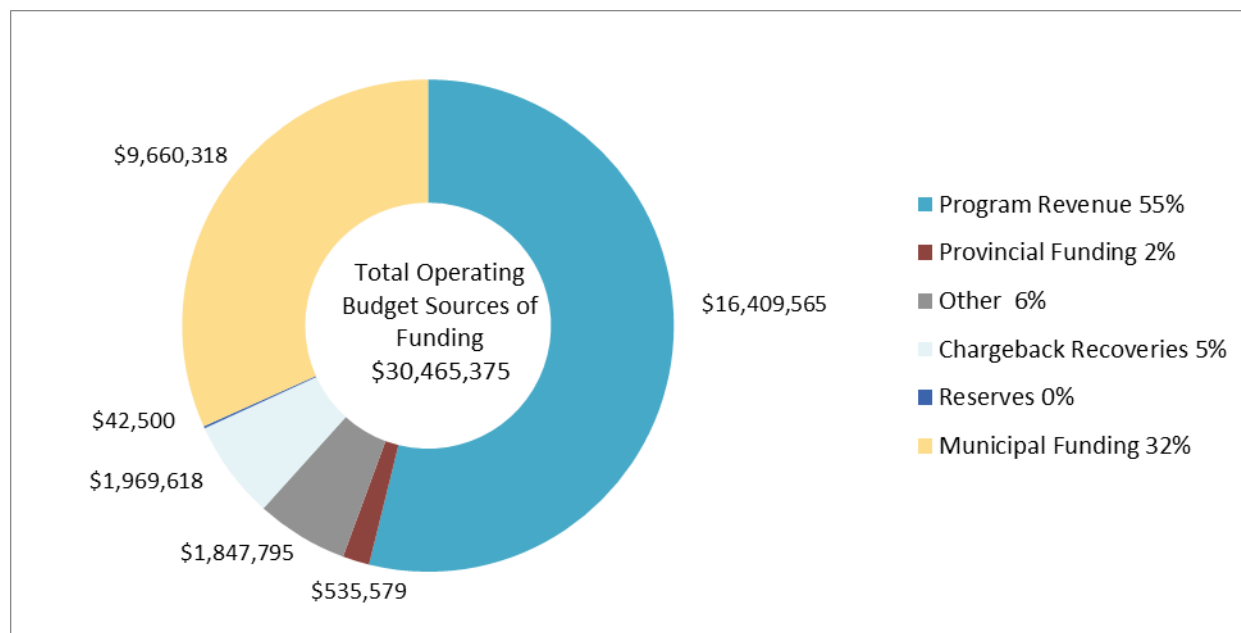
Staffing Overview Summary

	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	-0.4	0.0	105.6	-0.4
Part-time/Contract	7.6	0.0	0.0	7.6	0.0
Total WMSS	113.6	-0.4	0.0	113.2	-0.4
Conservation Areas					
Full-time	38.7	-1.7	0.0	37.0	-1.7
Part-time/Contract	97.0	-0.5	0.0	96.5	-0.5
Total Conservation Areas	135.7	-2.2	0.0	133.5	-2.2
Total Full-time	144.7	-2.1	0.0	142.6	-2.1
Total Part-time/Contract	104.6	-0.5	0.0	104.1	-0.5
Total Staff FTE's	249.3	-2.6	0.0	246.7	-2.6

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 less than one-third of the budget funded by the municipal operating funding of \$9.66 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 \$10,124,318. 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.

Based on updated current value assessment data and apportionment percentages received from the Province in early September, the apportioned municipal funding amounts are as follows:

Municipality:	Apportionment % 2020	Municipal Funding 2020	Apportionment % 2019	Municipal Funding 2019	% Increase
Region of Halton	87.7576%	\$8,884,859	87.6577%	\$8,746,484	1.6%
Region of Peel	4.8142%	487,405	4.8745%	486,378	0.2%
City of Hamilton	7.2109%	730,054	7.2456%	722,966	1.0%
Township of Puslinch	0.2173%	22,000	0.2222%	22,170	(0.8%)
	100.0000%	\$10,124,318	100.0000%	\$9,977,998	

State of Good Repair Levy

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. Based on the Facilities Asset Management Plan being presented to the Board, the recommended contribution amount is \$159,000. Conservation Halton staff will work towards phasing in the shortfall the 2021 budget to minimize the municipal funding impact.

Debt Financing and Debt Capacity

Municipal debt financing included in the 2020 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. These projects will be partly funded by municipal debt financing as the Watershed Management Capital reserve balance is not sufficient to fund the 50% municipal portion. The reserve is funded by the State of Good Repair Levy of \$339,200 for 2020. The State of Good Repair Levy is being phased in to an estimated amount of \$750,000 according to the Dams & Channels Asset Management Plan completed in 2017.

The Debt Financing Charges included in the 2020 operating budget of \$649,011 includes \$599,011 municipal debt financing charges and \$50,000 for estimated principal and interest payments on the land acquisition loan with the Hamilton Community Foundation.

Debt financing charges are calculated based on Halton Region's estimated investment earning rate of 3.2%, 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 debt capacity ratio estimated for 2020 of 4.8% is based on estimated own source revenues excluding Conservation Areas program revenue. 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 budget. 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 included 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.

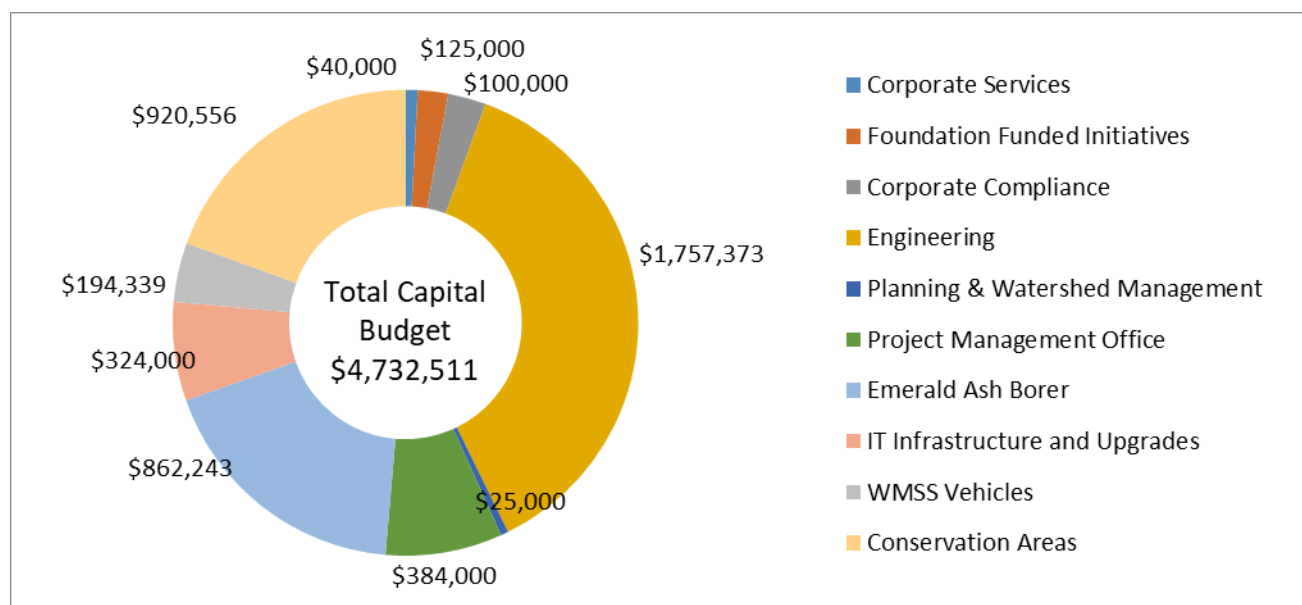
	Reserves Projected Balance Dec. 31, 2019	Contribution from Municipal Funding	Contribution from Surplus	State of Good Repair Levy	Contribution to Capital Projects	Contribution to Operating Expenses	Reserves Projected Balance Dec. 31, 2020
Conservation Halton Reserves							
Watershed Management & Support 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)	(16,112)	339,948
Conservation Areas							
Capital	1,917,645		968,411		(720,556)		2,165,500
Stabilization	936,568						936,568
Total Reserves	7,159,079	25,000	968,411	439,200	(1,793,651)	(31,112)	6,766,927

2020 Capital Budget Summary

The 2020 capital budget represents an investment of almost \$4.7 million into infrastructure and studies to provide programs and services in the watershed of \$3.8 million and conservation areas of \$921,000.

The capital budget provides funding for projects such as the rehabilitation of flood control infrastructure, updating of floodplain 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 total capital budget is decreasing by almost \$860,000. Conservation Areas infrastructure projects have been reduced in the 2020 budget by approximately \$684,000 based on proposed capital project work in the parks. The Emerald Ash Borer (EAB) capital project is decreasing by almost \$300,000 consistent with the EAB project business plan prepared in 2017. Floodplain mapping project cost is decreasing by \$136,000 based on reduced funding sources and the areas proposed for updating in 2020.



WMSS 2020 Capital Budget

The municipal capital funding required for WMSS capital projects of \$464,000 has decreased by \$183,013. The decreased municipal capital funding is a largely the result of a new request for other municipal funding from the Region of Halton for the Floodplain Mapping Update project in 2020 and future years.

The Floodplain Mapping Update project was identified as a priority in the strategic plan. The program commenced in 2018 and was included in the 2018 and 2019 budgets. The projects currently being completed are funded 50% through the National Disaster Mitigation Program (NDMP) and 50% municipal capital funding that was apportioned to all municipalities in the Conservation Halton watershed.

With NDMP funding ending in March 2020 there is currently no federal or provincial funding program to replace this funding. As such, increased municipal funding is needed for the floodplain mapping update. The remaining watershed areas to be updated fall predominantly within the Halton Region portion of the Conservation Halton watershed making it difficult to apportion these costs to other municipalities. A business case will be provided to the Board of Directors in conjunction with the 2020 budget approval to approve the continuation of this multi-year program funded through this funding source.

The WMSS 2020 capital budget consists of the following projects by department:

Capital - Watershed Management & Support Services (WMSS)	2019 Budget	2020 Budget
<u>Corporate Services</u>		
Otho Imagery	60,000	-
Lidar Imagery	-	40,000
IT Infrastructure & Digital Transformation	238,700	224,000
Website 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
Floodplain Mapping Update	466,626	330,000
<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	3,811,955

Investing in our Parks

The proposed capital budget provides for an investment of \$920,556 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 capital budget includes:

Capital - Conservation Areas	2019 Budget	2020 Budget
Skihill Improvements	-	100,000
Facility Major Maintenance & IT Infrastructure	996,000	405,000
Vehicle and Equipment Replacement	108,500	165,556
Developer Contribution Works	500,000	250,000
TOTAL CAPITAL CONSERVATION AREAS	1,604,500	920,556

2020 Budget and Operating Forecast 2021-2029

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 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 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 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
- Completing the third and final phase of the Asset Management Plan process for remaining assets. The Asset Management Plans 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 2020 to 2024 is as follows:

	BUDGET	FORECAST			
Municipal Levy	2020	2021	2022	2023	2024
Operating	\$ 9,221,118	\$ 9,577,251	\$ 10,004,782	\$ 10,452,644	\$ 10,935,221
Capital	464,000	482,000	506,000	494,500	526,000
State of Good Repair (SOGR) Levy	\$ 439,200	\$ 478,500	\$ 480,500	\$ 494,400	\$ 521,200
Municipal Funding - Total including SOGR Levy	\$ 10,124,318	\$ 10,537,750	\$ 10,991,282	\$ 11,441,544	\$ 11,982,421
% Change	1.5%	4.1%	4.3%	4.1%	4.7%

The State of Good Repair long-term financing strategy developed for the 2019 budget proposed a municipal funding increase in the 2020 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

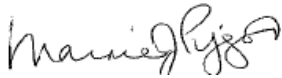
This report supports the Metamorphosis strategic theme of Striving for service excellence and efficiency. This theme is supported by the objective to provide clear financial data and analysis to

support informed strategic and operational decision-making for budget development and long-term planning.

Financial Impact

The 2020 budget continues to focus on meeting service level targets and the initiatives required to meet the key objectives in the strategic plan. The 2020 budget has been able to offset provincial funding reductions through operational efficiencies. The 2020 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 budget for operating and capital expenses and State of Good Repair Levy of 1.5% is within the regional guidelines received for 2020.

Signed & respectfully submitted:



Marnie Piggot
Director, Finance

Approved for circulation:



Hassaan Basit
CAO/Secretary-Treasurer



Lawrence Wagner
Senior Director, Corporate Services

FOR QUESTIONS ON CONTENT:

Marnie Piggot, Director, Finance;
905-336-1158, ext. 2240; mpiggot@hrca.on.ca

Conservation Halton 2020 Budget Summary

2020 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

WATERSHED MANAGEMENT & SUPPORT SERVICES (WMSS) PROGRAMS									
1 CORPORATE SERVICES									
Office of the CAO		568,217	609,830				16,600		593,230
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	774,950				257,700	10,000	507,250
4.5%		4,152,434	4,338,987	70,000	-	-	827,149	10,000	3,431,838
2 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
3 ENGINEERING									
Engineering		346,608	333,963	3,000			131,200		199,763
Flood Forecasting		649,758	567,097		155,034	4,000			408,063
(9.6%)		996,366	901,060	3,000	155,034	4,000	131,200	-	607,826
4 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		315,166	255,545		255,545		-		-
4.0%		4,339,085	4,511,176	2,542,400	255,545	488,003	8,700	-	1,216,528

Conservation Halton 2020 Budget Summary				2020 Budget Funding Sources					
Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Budget Expenses	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	577,476	15,860			9,055		552,561
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	368,426	100,000			127,500		140,926
Partnership Projects		226,800	345,128			345,128			-
									-
	8.3%	2,258,964	2,446,241	358,915	-	618,878	293,885	32,500	1,142,063
6 PROJECT MANAGEMENT OFFICE									
Administration Office Facility		257,382	204,994						204,994
Project Management		118,321	221,409				63,800		157,609
Restoration		548,134	323,328	-			208,484		114,844
Construction		308,262	235,020				47,800		187,220
Partnership Projects		452,163	701,914			701,914			-
	0.1%	1,684,262	1,686,665	-	-	701,914	320,084	-	664,667
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									
	(6.8%)	696,639	649,011						649,011
TRANSFER TO RESERVE - VEHICLE & EQUIPMENT									
	(100.0%)	25,000	-						-
10 TRANSFER TO RESERVE - WATER CAPITAL									
TRANSFER TO RESERVE - STATE OF GOOD									
11 REPAIR (SOGR) LEVY									
TRANSFER TO RESERVE - LAND									
12 SECUREMENT									
	0.0%	25,000	25,000						25,000
TOTAL WATERSHED MGMT & SUPPORT SERVICES (WMSS)									
	2.6%	16,376,476	16,794,725	3,069,315	535,579	1,812,795	1,914,218	42,500	9,420,318

Conservation Halton 2020 Budget Summary

Conservation Halton 2020 Budget Summary				2020 Budget Funding Sources					
Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 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	565,451	935,000			55,400		
Vehicle and Equipment Operations - Conservation Areas		109,890	104,390						
Kelso/Glen Eden		7,452,164	7,903,408	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	968,411						
SUBTOTAL CONSERVATION AREAS - OPERATING	6.1%	11,761,550	12,477,250	13,340,250	-	35,000	55,400	-	240,000
Support Services Chargeback	15.0%	1,038,100	1,193,400						
TOTAL CONSERVATION AREAS	6.8%	12,799,650	13,670,650	13,340,250	-	35,000	55,400	-	240,000
TOTAL OPERATING PROGRAMS	4.4%	29,176,126	30,465,375	16,409,565	535,579	1,847,795	1,969,618	42,500	9,660,318

Conservation Halton 2020 Budget Summary

Conservation Halton 2020 Budget Summary				2020 Budget Funding Sources					
Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 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 Services</u>									
Otho Imagery		60,000	-						-
Lidar Imagery		-	40,000						40,000
IT Infrastructure & Digital Transformation		238,700	224,000						224,000
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
Floodplain Mapping Update		466,626	330,000			330,000			-
<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	(4.4%)	3,987,205	3,811,955	18,243	656,187	1,550,430	-	1,123,095	464,000
14b Capital - Conservation Areas									
Skihill Improvements		-	100,000					100,000	-
Facility Major Maintenance & IT Infrastructure		996,000	405,000					405,000	-
Vehicle and Equipment Replacement		108,500	165,556					165,556	-
Developer Contribution Works		500,000	250,000			250,000			-
TOTAL CAPITAL CONSERVATION AREAS	(42.6%)	1,604,500	920,556	-	-	250,000	-	670,556	-
TOTAL CAPITAL PROJECTS	(15.4%)	5,591,705	4,732,511	18,243	656,187	1,800,430	-	1,793,651	464,000

Conservation Halton 2020 Budget Summary

Description	% Increase (decrease) over 2019 Budget	2019 Budget Expenses	2020 Budget Expenses	2020 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
TOTAL OPERATING PROGRAMS		29,176,126	30,465,375						
TOTAL CAPITAL PROJECTS		5,591,705	4,732,511						
TOTAL	1.2%	34,767,831	35,197,886	16,427,808	1,191,766	3,648,225	1,969,618	1,836,151	10,124,318

Municipal Apportionment

Total Municipal Funding:	Budget 2020	Budget 2019	\$ Increase (Decrease)	% Increase
Operating	\$9,221,118	\$8,916,785	\$304,333	3.4%
Capital	464,000	647,013	(183,013)	-28.3%
	9,685,118	9,563,798	121,320	1.3%
State of Good Repair (SOGR) Levy - Dams & Channels; Buildings	439,200	414,200	25,000	6.0%
Municipal Funding total	\$10,124,318	\$9,977,998	\$146,320	1.5%

Municipality:

	Apportion- ment % 2020	Municipal Funding 2020	Apportion- ment % 2019	Municipal Funding 2019	% Increase
Region of Halton	87.7576%	\$8,884,859	87.6577%	\$8,746,484	1.6%
Region of Peel	4.8142%	487,405	4.8745%	486,378	0.2%
City of Hamilton	7.2109%	730,054	7.2456%	722,966	1.0%
Township of Puslinch	0.2173%	22,000	0.2222%	22,170	(0.8%)
	100.0000%	\$10,124,318	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	11,375,265	11,896,024	12,316,024	12,748,024	13,193,024	13,650,024	14,120,024	14,605,024	15,104,024	15,618,024
Staffing increase/decrease (2020 -.4 FTE decrease; 2 FTE staff 2021-29)	(78,845)	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)	546,708	190,000	194,000	201,000	208,000	215,000	223,000	230,000	238,000	246,000
Increase in benefits (2021-2029 2% inflation)	52,896	67,000	72,000	75,000	77,000	80,000	83,000	86,000	89,000	92,000
Balance, end of year	11,896,024	12,316,024	12,748,024	13,193,024	13,650,024	14,120,024	14,605,024	15,104,024	15,618,024	16,147,024
Materials & Supplies										
Balance, beginning of year restated	965,758	753,560	771,160	786,560	802,260	818,260	834,660	851,360	868,360	885,760
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	(33,460)									
Science & Partnerships program supplies decrease	(23,397)									
Project Management Office (PMO) program costs decrease	(84,230)									
WMSS operation costs decrease	(25,500)									
General Increases (Assumed 2020-2029 2% inflation)	6,000	17,600	15,400	15,700	16,000	16,400	16,700	17,000	17,400	17,700
Balance, end of year	753,560	771,160	786,560	802,260	818,260	834,660	851,360	868,360	885,760	903,460
Purchased Services										
Balance, beginning of year restated	2,271,642	2,495,479	2,542,979	2,593,979	2,645,979	2,698,979	2,752,979	2,807,979	2,863,979	2,920,979
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	188,546									
General Increases (Assumed 2020-2029 2% inflation)	9,576	47,500	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000
Balance, end of year	2,495,479	2,542,979	2,593,979	2,645,979	2,698,979	2,752,979	2,807,979	2,863,979	2,920,979	2,978,979
Financial and Rent Expense										
Balance, beginning of year (restated)	73,760	72,545	85,633	87,333	89,033	90,833	92,633	94,533	96,433	98,333
General Increases (2020-2029 Assumed 2.0% inflation)	(1,215)	13,088	1,700	1,700	1,800	1,800	1,900	1,900	1,900	2,000
Balance, end of year	72,545	85,633	87,333	89,033	90,833	92,633	94,533	96,433	98,333	100,333
Chargeback Expense										
Beginning of year	529,212	452,518	458,656	469,456	479,256	490,056	500,756	510,556	521,356	532,156
General Increases	(76,694)	6,138	10,800	9,800	10,800	10,700	9,800	10,800	10,800	10,900
Balance, end of year	452,518	458,656	469,456	479,256	490,056	500,756	510,556	521,356	532,156	543,056
Debt Financing Charges (Hamilton Community Fdn & Halton Region)										
Balance, beginning of year	696,639	649,011	618,333	673,464	708,626	796,903	731,140	649,303	618,777	607,106
Increase/(decrease) in debt financing charges - Ham. Comm. Foundation	20,000	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt financing charges - Halton Region	(67,628)	(30,678)	55,131	35,162	88,277	(65,763)	(81,837)	(30,527)	(11,671)	(7,194)
Total Debt Financing Charges	649,011	618,333	673,464	708,626	796,903	731,140	649,303	618,777	607,106	599,912

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
Transfer to Reserves - Partnership Projects (Stewardship & Restoration)	11,388	-	-	-	-	-	-	-	-	-
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	16,794,725	17,296,285	17,864,316	18,437,578	19,091,255	19,802,992	20,472,155	21,310,529	22,007,358	22,642,164
Funding of Operating Expenditures										
Program Revenue	3,069,315	3,130,700	3,193,300	3,257,200	3,322,300	3,388,700	3,456,500	3,525,600	3,596,100	3,668,000
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)	9,221,118	9,577,251	10,004,782	10,452,644	10,935,221	11,325,158	11,661,321	12,294,895	12,732,324	13,187,630
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	1,674,218	1,690,000	1,723,600	1,758,100	1,793,400	1,829,400	1,866,400	1,721,200	1,755,100	1,789,900
Transfers from Reserves - Water Festival, Stewardship & Outreach	42,500	30,000	30,000	-	-	-	-	-	-	-
TOTAL OPERATING FUNDING - WATERSHED MANAGEMENT & SUPPORT SERVICES	16,794,725	17,296,285	17,864,316	18,437,578	19,091,255	19,802,992	20,472,155	21,310,529	22,007,358	22,642,164

	2020 Budget & 2021-2029 Operating Expenditures and Funding Forecast - Conservation Areas									
CONSERVATION AREAS EXPENDITURES	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Salaries & Benefits	7,656,487	7,984,417	8,144,105	8,306,987	8,473,127	8,769,686	9,076,625	9,394,307	9,723,108	10,063,417
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	1,193,400	1,217,300	1,241,600	1,266,400	1,291,700	1,317,500	1,343,900	1,370,800	1,398,200	1,426,200
Transfer to Reserve - Operating Surplus	968,411	867,282	1,253,839	1,665,813	2,104,590	2,953,223	3,278,433	3,625,595	3,997,011	4,392,953
TOTAL OPERATING EXPENDITURES	13,670,650	13,998,398	14,647,531	15,327,347	16,039,327	17,356,266	18,165,870	19,013,956	19,903,386	20,835,115
REVENUES										
Program Fees	13,340,250	13,753,398	14,397,531	15,072,347	15,779,327	17,091,266	17,895,870	18,738,956	19,622,386	20,548,115
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	13,615,250	13,998,398	14,647,531	15,327,347	16,039,327	17,356,266	18,165,870	19,013,956	19,903,386	20,835,115

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	330,000	500,000	525,000	550,000	500,000	525,000	240,000	95,000	100,000	105,000
	1,757,373	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	-	-	-	37,500	37,500	-	-	-	-	75,000
Program Rates & Fees Review	-	-	-	60,000	-	-	-	-	60,000	-
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	224,000	226,000	156,000	202,000	256,000	290,000	216,000	166,000	198,000	211,000
	364,000	287,000	266,000	344,500	373,500	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	100,000	25,000	75,000	100,000
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	100,000
	962,243	904,000	944,000	984,000	984,000	944,000	994,000	125,000	175,000	200,000

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	3,811,955	4,199,056	4,193,290	5,160,047	3,646,619	3,434,669	3,692,488	2,155,474	2,578,215	2,423,618
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	464,000	482,000	506,000	494,500	526,000	506,000	553,500	451,000	600,500	616,000
Municipal Funding - EAB	844,000	804,000	804,000	834,000	834,000	794,000	794,000	-	-	-
Municipal Funding - Floodplain Mapping	330,000	500,000	525,000	550,000	500,000	525,000	240,000	-	-	-
Other Funding Grants and Program Fees	218,243	344,000	212,200	203,000	103,500	100,000	102,100	100,000	100,000	100,000
Transfer from Reserves	1,123,096	513,851	479,327	882,734	911,691	790,785	1,254,865	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	3,811,955	4,199,056	4,193,290	5,160,047	3,646,619	3,434,669	3,692,488	2,155,474	2,578,215	2,423,618

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	250,000	250,000				500,000	3,000,000	3,000,000	1,000,000	1,367,050
Subtotal Costs - Developer Contribution Works	250,000	250,000	2,754,475	3,254,475	5,014,375	3,759,900	4,159,900	3,000,000	1,000,000	1,367,050
Total Conservation Areas Capital Expenditures	920,556	1,372,278	3,976,969	4,636,331	7,188,980	4,308,397	6,655,264	4,448,062	3,440,780	2,425,550
Funding - Developer Contribution Works										
Developer Contributions - Region of Halton	250,000	250,000	2,175,275	2,744,875	4,592,575	3,485,100	3,996,600	1,105,575		
Interest on Developer Contributions - estimate Halton Region			579,200	509,600	421,800	274,800	163,300	35,400	-	-
Conservation Halton Foundation & Other Funding								1,859,025	1,000,000	1,367,050
Subtotal Funding-Developer Contribution Works	250,000	250,000	2,754,475	3,254,475	5,014,375	3,759,900	4,159,900	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	920,556	1,372,278	3,976,969	4,636,331	7,188,980	4,308,397	6,655,264	4,448,062	3,440,780	2,425,550

	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	339,948	324,948	309,948	309,948	309,948	309,948	309,948	309,948	309,948	309,948	
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	2,165,500	1,910,504	1,941,848	2,225,805	2,155,791	4,560,517	5,343,586	7,521,119	9,077,350	12,411,804	
TOTAL RESERVES	\$ 7,159,079	\$ 6,766,926	\$ 6,471,579	\$ 6,499,097	\$ 6,419,721	\$ 5,984,215	\$ 8,368,956	\$ 8,900,561	\$ 11,446,220	\$ 13,333,659	\$ 17,237,012	