

Wastewater - 1, 3 & 10 Year Operating Budget Forecast



Appendix C

*Upgrades of the Biogas and
Digester at the Wastewater
Treatment Plant*

CITY OF HAMILTON
2012 WATER, WASTEWATER AND STORM OPERATING BUDGET
WASTEWATER

	2011 RESTATED BUDGET	2011 PROJECTED ACTUAL	2012 MAINTENANCE BUDGET	2012 REQUESTED BUDGET	CHANGE 2012 MAINTENANCE 2011 RESTATED BUDGET	CHANGE 2012 REQUESTED / 2011 RESTATED BUDGET		
	\$	\$	\$	\$	\$	%	\$	%
<u>OPERATING EXPENDITURES:</u>								
<u>Environmental Services</u>								
Divisional Administration & Support	1,211,243	1,184,414	1,094,890	1,094,890	(116,353)	(9.6%)	(116,353)	(9.6%)
Customer Service & Community Outreach	602,568	592,113	607,644	607,644	5,076	0.8%	5,076	0.8%
Service Co-ordination	1,290,245	1,235,656	1,242,730	1,242,730	(47,515)	(3.7%)	(47,515)	(3.7%)
Engineering Systems & Data Collection	530,713	536,877	620,380	620,380	89,667	16.9%	89,667	16.9%
Compliance & Regulations	317,468	309,116	307,910	307,910	(9,558)	(3.0%)	(9,558)	(3.0%)
Laboratory Services	1,037,346	1,049,346	1,071,800	1,071,800	34,454	3.3%	34,454	3.3%
Environmental Monitoring & Enforcement	1,360,541	1,371,827	1,368,740	1,368,740	8,199	0.6%	8,199	0.6%
Water Distribution & Wastewater Collection	2,606,515	2,560,651	2,577,330	2,577,330	(29,185)	(1.1%)	(29,185)	(1.1%)
Plant Operations & Maintenance	15,718,328	15,697,631	16,437,942	16,437,942	719,614	4.6%	719,614	4.6%
Water & Wastewater Engineering	1,077,564	1,067,317	1,225,460	1,225,460	147,896	13.7%	147,896	13.7%
Hydro Billing Contract	2,003,500	2,003,500	2,053,500	2,053,500	50,000	2.5%	50,000	2.5%
Corporate & Departmental Support Services	2,554,437	2,624,224	2,738,150	2,738,150	183,713	7.2%	183,713	7.2%
Utilities Arrears Program	250,000	150,000	175,000	175,000	(75,000)	(30.0%)	(75,000)	(30.0%)
Financial Charges	87,222	61,783	205,000	205,000	117,778	135.0%	117,778	135.0%
Capital and Reserve Recoveries	(1,656,744)	(1,655,489)	(1,807,897)	(1,807,897)	(151,153)	9.1%	(151,153)	9.1%
Sub-Total Environmental Services	28,990,947	28,788,966	29,918,579	29,918,579	927,632	3.2%	927,632	3.2%
<u>Capital and Reserve Impacts on Operating</u>								
<u>Contributions to Capital</u>								
Wastewater	39,094,000	39,094,000	23,170,000	23,170,000	(15,924,000)	(40.7%)	(15,924,000)	(40.7%)
Sub-Total Contributions to Capital	39,094,000	39,094,000	23,170,000	23,170,000	(15,924,000)	(40.7%)	(15,924,000)	(40.7%)
<u>Contributions for DC Exemptions</u>								
Wastewater	2,395,253	2,395,250	2,395,253	2,395,253	-	0.0%	-	0.0%
Sub-Total Contributions for DC Exemptions	2,395,253	2,395,250	2,395,253	2,395,253	-	0.0%	-	0.0%
<u>Debt Charges</u>								
Wastewater	4,670,855	3,070,855	7,777,391	7,777,391	3,106,536	66.5%	3,106,536	66.5%
DC Debt Charges Recoveries	(1,575,927)	(1,575,930)	(3,048,783)	(3,048,783)	(1,472,856)	93.5%	(1,472,856)	93.5%
Sub-Total Debt Charges	3,094,928	1,494,925	4,728,608	4,728,608	1,633,680	52.8%	1,633,680	52.8%
Sub-Total Capital Financing	44,584,181	42,984,175	30,293,861	30,293,861	(14,290,320)	(32.1%)	(14,290,320)	(32.1%)
Transfer to Reserves	(10,419,104)	(10,419,101)	2,537,238	2,537,238	12,956,342	(124.4%)	12,956,342	(124.4%)
Sub-Total Capital and Reserve Impacts on Operating	34,165,077	32,565,074	32,831,099	32,831,099	(1,333,978)	(3.9%)	(1,333,978)	(3.9%)
TOTAL EXPENDITURES	63,156,024	61,354,040	62,749,678	62,749,678	(406,346)	(0.6%)	(406,346)	(0.6%)

CITY OF HAMILTON
2012 WATER, WASTEWATER AND STORM OPERATING BUDGET
WASTEWATER

	2011 RESTATED BUDGET	2011 PROJECTED ACTUAL	2012 MAINTENANCE BUDGET	2012 REQUESTED BUDGET	CHANGE		CHANGE	
					2012 MAINTENANCE 2011 RESTATED BUDGET	%	2012 REQUESTED / 2011 RESTATED BUDGET	%
	\$	\$	\$	\$	\$	%	\$	%
REVENUES:								
Rate Revenue								
Residential	27,295,222	25,097,876	26,542,970	26,542,970	(752,252)	(2.8%)	(752,252)	(2.8%)
ICI	29,908,863	28,511,256	30,123,054	30,123,054	214,191	0.7%	214,191	0.7%
Non-Metered	107,273	218,256	217,523	217,523	110,250	102.8%	110,250	102.8%
Hauler / 3rd Party Sales	550,000	550,000	600,000	600,000	50,000	9.1%	50,000	9.1%
Wastewater Abatement Program	(478,000)	(478,000)	(460,000)	(460,000)	18,000	(3.8%)	18,000	(3.8%)
Overstrength Agreements	1,900,000	1,900,000	1,940,000	1,940,000	40,000	2.1%	40,000	2.1%
Sewer Surcharge Agreements	2,500,000	2,500,000	2,620,000	2,620,000	120,000	4.8%	120,000	4.8%
Sub-Total Utility Rates	61,783,358	58,299,388	61,583,547	61,583,547	(199,811)	(0.3%)	(199,811)	(0.3%)
Non-Rate Revenue								
Subdivider Contributions	105,000	110,183	112,000	112,000	7,000	6.7%	7,000	6.7%
Local Improvement Recoveries	339,000	337,639	265,850	265,850	(73,150)	(21.6%)	(73,150)	(21.6%)
Permits / Leases / Agreements	431,880	448,503	402,880	402,880	(29,000)	(6.7%)	(29,000)	(6.7%)
General Fees and Recoveries	496,786	474,031	385,401	385,401	(111,385)	(22.4%)	(111,385)	(22.4%)
Sub-Total Non-Rate Revenue	1,372,666	1,370,357	1,166,131	1,166,131	(206,535)	(15.0%)	(206,535)	(15.0%)
TOTAL REVENUES	63,156,024	59,669,745	62,749,678	62,749,678	(406,346)	(0.6%)	(406,346)	(0.6%)
NET EXPENDITURES	-	1,684,295	-	-	-	-	-	-

CITY OF HAMILTON
2012 - 2014 WATER, WASTEWATER AND STORM OPERATING BUDGET
WASTEWATER

	2011 RESTATED BUDGET	2012 REQUESTED BUDGET	2013 PROJECTED BUDGET	2014 PROJECTED BUDGET	CHANGE 2012 REQUESTED / 2011 RESTATED BUDGET	CHANGE 2013 PROJECTED / 2012 REQUESTED BUDGET	CHANGE 2014 PROJECTED / 2013 PROJECTED BUDGET			
	\$	\$	\$	\$	\$	%	\$	%	\$	%
OPERATING EXPENDITURES:										
Environmental Services										
Divisional Administration & Support	1,211,243	1,094,890	1,127,737	1,161,569	(116,353)	(9.6%)	32,847	3.0%	33,832	3.0%
Customer Service & Community Outreach	602,568	607,644	625,873	644,650	5,076	0.8%	18,229	3.0%	18,776	3.0%
Service Co-ordination	1,290,245	1,242,730	1,280,012	1,318,412	(47,515)	(3.7%)	37,282	3.0%	38,400	3.0%
Engineering Systems & Data Collection	530,713	620,380	638,991	658,161	89,667	16.9%	18,611	3.0%	19,170	3.0%
Compliance & Regulations	317,468	307,910	317,147	326,662	(9,558)	(3.0%)	9,237	3.0%	9,514	3.0%
Laboratory Services	1,037,346	1,071,800	1,103,954	1,137,073	34,454	3.3%	32,154	3.0%	33,119	3.0%
Environmental Monitoring & Enforcement	1,360,541	1,368,740	1,409,802	1,452,096	8,199	0.6%	41,062	3.0%	42,294	3.0%
Water Distribution & Wastewater Collection	2,606,515	2,577,330	2,654,650	2,734,289	(29,185)	(1.1%)	77,320	3.0%	79,639	3.0%
Plant Operations & Maintenance	15,718,328	16,437,942	16,931,080	17,439,012	719,614	4.6%	493,138	3.0%	507,932	3.0%
Water & Wastewater Engineering	1,077,564	1,225,460	1,262,224	1,300,091	147,896	13.7%	36,764	3.0%	37,867	3.0%
Hydro Billing Contract	2,003,500	2,053,500	2,115,105	2,178,558	50,000	2.5%	61,605	3.0%	63,453	3.0%
Corporate & Departmental Support Services	2,554,437	2,738,150	2,820,295	2,904,903	183,713	7.2%	82,145	3.0%	84,609	3.0%
Utilities Arrears Program	250,000	175,000	175,000	175,000	(75,000)	(30.0%)	-	0.0%	-	0.0%
Financial Charges	87,222	205,000	211,150	217,485	117,778	135.0%	6,150	3.0%	6,335	3.0%
Capital and Reserve Recoveries	(1,656,744)	(1,807,897)	(1,862,134)	(1,917,998)	(151,153)	9.1%	(54,237)	3.0%	(55,864)	3.0%
Sub-Total Environmental Services	28,990,947	29,918,579	30,810,886	31,729,963	927,632	3.2%	892,307	3.0%	919,077	3.0%
Capital and Reserve Impacts on Operating										
Contributions to Capital										
Wastewater	39,094,000	23,170,000	30,110,000	31,280,000	(15,924,000)	(40.7%)	6,940,000	30.0%	1,170,000	3.9%
Sub-Total Contributions to Capital	39,094,000	23,170,000	30,110,000	31,280,000	(15,924,000)	(40.7%)	6,940,000	30.0%	1,170,000	3.9%
Contributions for DC Exemptions										
Wastewater	2,395,253	2,395,253	2,395,253	2,395,253	-	0.0%	-	0.0%	-	0.0%
Sub-Total Contributions for DC Exemptions	2,395,253	2,395,253	2,395,253	2,395,253	-	0.0%	-	0.0%	-	0.0%
Debt Charges										
Wastewater	4,670,855	7,777,391	14,881,384	21,229,244	3,106,536	66.5%	7,103,993	91.3%	6,347,860	42.7%
DC Debt Charges Recoveries	(1,575,927)	(3,048,783)	(8,050,509)	(11,874,274)	(1,472,856)	93.5%	(5,001,726)	164.1%	(3,823,765)	47.5%
Sub-Total Debt Charges	3,094,928	4,728,608	6,830,875	9,354,970	1,633,680	52.8%	2,102,267	44.5%	2,524,095	37.0%
Sub-Total Capital Financing	44,584,181	30,293,861	39,336,128	43,030,223	(14,290,320)	(32.1%)	9,042,267	29.8%	3,694,095	9.4%
Transfer to Reserves	(10,419,104)	2,537,238	(847,420)	(4,205,563)	12,956,342	(124.4%)	(3,384,659)	(133.4%)	(3,358,142)	396.3%
Sub-Total Capital and Reserve Impacts on Operating	34,165,077	32,831,099	38,488,708	38,824,660	(1,333,978)	(3.9%)	5,657,608	17.2%	335,953	0.9%
TOTAL EXPENDITURES	63,156,024	62,749,678	69,299,594	70,554,623	(406,346)	(0.6%)	6,549,916	10.4%	1,255,029	1.8%

CITY OF HAMILTON
2012 - 2014 WATER, WASTEWATER AND STORM OPERATING BUDGET
WASTEWATER

	2011 RESTATED BUDGET	2012 REQUESTED BUDGET	2013 PROJECTED BUDGET	2014 PROJECTED BUDGET	CHANGE 2012 REQUESTED / 2011 RESTATED BUDGET		CHANGE 2013 PROJECTED / 2012 REQUESTED BUDGET		CHANGE 2014 PROJECTED / 2013 PROJECTED BUDGET	
	\$	\$	\$	\$	\$	%	\$	%	\$	%
REVENUES:										
Rate Revenue										
Residential	27,295,222	26,542,970	30,182,512	30,883,578	(752,252)	(2.8%)	3,639,542	13.7%	701,066	2.3%
ICI	29,908,863	30,123,054	32,876,719	33,258,658	214,191	0.7%	2,753,665	9.1%	381,939	1.2%
Non-Metered	107,273	217,523	209,583	212,019	110,250	102.8%	(7,940)	(3.6%)	2,436	1.2%
Hauler / 3rd Party Sales	550,000	600,000	618,000	636,540	50,000	9.1%	18,000	3.0%	18,540	3.0%
Wastewater Abatement Program	(478,000)	(460,000)	(473,800)	(488,014)	18,000	(3.8%)	(13,800)	3.0%	(14,214)	3.0%
Overstrength Agreements	1,900,000	1,940,000	1,998,200	2,058,146	40,000	2.1%	58,200	3.0%	59,946	3.0%
Sewer Surcharge Agreements	2,500,000	2,620,000	2,698,600	2,779,558	120,000	4.8%	78,600	3.0%	80,958	3.0%
Sub-Total Utility Rates	61,783,358	61,583,547	68,109,814	69,340,486	(199,811)	(0.3%)	6,526,267	10.6%	1,230,672	1.8%
Non-Rate Revenue										
Subdivider Contributions	105,000	112,000	112,000	112,000	7,000	6.7%	-	0.0%	-	0.0%
Local Improvement Recoveries	339,000	265,850	265,850	265,850	(73,150)	(21.6%)	-	0.0%	-	0.0%
Permits/Leases/Agreements	431,880	402,880	414,966	427,415	(29,000)	(6.7%)	12,086	3.0%	12,449	3.0%
General Fees and Recoveries	496,786	385,401	396,963	408,872	(111,385)	(22.4%)	11,562	3.0%	11,909	3.0%
Sub-Total Non-Rate Revenue	1,372,666	1,166,131	1,189,779	1,214,137	(206,535)	(15.%)	23,648	2.0%	24,358	2.0%
TOTAL REVENUES	63,156,024	62,749,678	69,299,594	70,554,623	(406,346)	(0.6%)	6,549,916	10.4%	1,255,029	1.8%
NET EXPENDITURES	-	-	-	-	-	-	-	-	-	-

CITY OF HAMILTON
2012-2021 WATER, WASTEWATER & STORM OPERATING BUDGET
WASTEWATER
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	2011 Restated	2012 Requested	2013 Forecast	2014 Forecast	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast
OPERATING EXPENDITURES											
OPERATING COSTS	28,991	29,919	30,811	31,730	32,999	34,319	36,108	37,552	39,054	47,584	49,488
OPERATING COSTS FOR EXPANSION	-	-	-	-	-	400	-	-	6,700	-	-
TOTAL OPERATING COSTS	28,991	29,919	30,811	31,730	32,999	34,719	36,108	37,552	45,754	47,584	49,488
CAPITAL & RESERVE IMPACTS ON OPERATING											
Contributions to Capital											
Wastewater	39,094	23,170	30,110	31,280	27,840	40,970	46,935	64,600	60,390	71,250	74,979
Sub-total Contributions to Capital	39,094	23,170	30,110	31,280	27,840	40,970	46,935	64,600	60,390	71,250	74,979
Contributions for DC Exemptions											
Wastewater	2,395	2,395	2,395	2,395	2,060	2,009	2,069	2,131	2,195	2,261	2,329
Sub-total Contributions to Capital	2,395	2,395	2,395	2,395	2,060	2,009	2,069	2,131	2,195	2,261	2,329
Debt Charges											
Wastewater	4,671	7,777	14,881	21,229	25,203	26,579	32,173	41,154	46,801	49,011	49,356
DC Debt Charges Recoveries	(1,576)	(3,049)	(8,051)	(11,874)	(14,644)	(16,088)	(19,138)	(24,503)	(29,031)	(31,196)	(31,607)
Sub-total Debt Charges	3,095	4,729	6,831	9,355	10,558	10,491	13,035	16,651	17,770	17,816	17,749
Transfer to Reserves	(10,419)	2,537	(847)	(4,206)	910	(8,738)	(13,863)	(26,127)	(26,254)	(31,816)	(33,133)
Sub-Total Capital & Reserve Impacts on Operating	34,165	32,831	38,489	38,825	41,369	44,732	48,175	57,255	54,101	59,510	61,923
TOTAL EXPENDITURES	63,156	62,750	69,300	70,555	74,368	79,451	84,283	94,807	99,855	107,095	111,411
REVENUES											
Residential	27,295	26,543	30,183	30,884	32,786	35,344	37,802	43,080	45,702	49,435	51,738
ICI	29,909	30,123	32,877	33,259	34,911	37,163	39,255	44,188	46,310	49,495	51,182
Hauler / 3rd Party Sales	550	600	618	637	662	688	716	745	774	805	838
Non-metered and other metered	107	218	210	212	223	237	250	282	295	316	326
Non-Rate Revenue	1,373	1,166	1,190	1,214	1,263	1,313	1,366	1,420	1,477	1,536	1,598
Wastewater Abatement	(478)	(460)	(474)	(488)	(508)	(528)	(549)	(571)	(594)	(617)	(642)
Overstrength Agreements	1,900	1,940	1,998	2,058	2,140	2,226	2,315	2,408	2,504	2,604	2,708
Sewer Surcharge Agreements	2,500	2,620	2,699	2,780	2,891	3,006	3,127	3,252	3,382	3,517	3,658
TOTAL REVENUES	63,156	62,750	69,300	70,555	74,368	79,451	84,283	94,807	99,855	107,095	111,411
Rate Increase	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
RESIDENTIAL BILL (220m³ p.a.)	\$ 554.30	\$ 577.80	\$ 602.40	\$ 628.00	\$ 654.70	\$ 682.50	\$ 711.50	\$ 741.70	\$ 773.30	\$ 806.10	\$ 840.40