


  
 FOR INFORMATION
   
 905-546-CITY (2489)
   
**RCH RD. W. &**
  
**ATER PUMPING**
  
**(6A) UPGRADES**
  
 GERRY DAVIS
   
 GENERAL MANAGER
   
 PUBLIC WORKS DEPARTMENT



*Water - 1, 3 & 10 Year*
  
*Operating Budget Forecast*

# *Appendix B*



**CITY OF HAMILTON**  
**2013 WATER, WASTEWATER AND STORM OPERATING BUDGET**  
WATER

	2012 RESTATED BUDGET	2012 PROJECTED ACTUAL	2013 REQUESTED BUDGET	CHANGE 2012 PROJECTED ACTUAL / 2012 RESTATED BUDGET	CHANGE 2013 REQUESTED / 2012 RESTATED BUDGET		
	\$	\$	\$	\$	%	\$	%
<b><u>OPERATING EXPENDITURES:</u></b>							
<b><u>Environmental Services</u></b>							
Divisional Administration & Support	1,047,220	986,577	957,210	60,643	5.8%	(90,010)	(8.6%)
Customer Service & Community Outreach	677,210	609,540	689,690	67,670	10.0%	12,480	1.8%
Service Co-ordination	1,381,640	1,386,510	1,407,570	(4,870)	(0.4%)	25,930	1.9%
Engineering Systems & Data Collection	621,200	493,389	644,300	127,811	20.6%	23,100	3.7%
Compliance & Regulations	344,120	278,900	350,700	65,220	19.0%	6,580	1.9%
Laboratory Services	1,742,040	1,825,780	1,769,935	(83,740)	(4.8%)	27,895	1.6%
Water Distribution & Wastewater Collection	12,303,110	11,865,144	12,443,290	437,967	3.6%	140,180	1.1%
Plant Operations & Maintenance	15,433,880	15,391,430	15,593,900	42,450	0.3%	160,020	1.0%
Water & Wastewater Engineering	984,590	984,590	963,000	-	0.0%	(21,590)	(2.2%)
Infrastructure & Source Water Planning	970,620	970,620	1,011,260	-	0.0%	40,640	4.2%
Horizon Utilities Service Contract	2,053,500	2,053,500	2,153,500	-	0.0%	100,000	4.9%
Corporate & Departmental Support Services	2,549,160	2,632,910	2,761,490	(83,750)	(3.3%)	212,330	8.3%
Utilities Arrears Program	175,000	63,920	175,000	111,080	63.5%	-	0.0%
Financial Charges	139,580	11,000	111,000	128,580	92.1%	(28,580)	(20.5%)
Capital and Reserve Recoveries	(2,801,089)	(2,766,398)	(2,788,582)	(34,691)	1.2%	12,507	(0.4%)
<b>Sub-Total Environmental Services</b>	<b>37,621,782</b>	<b>36,787,412</b>	<b>38,243,263</b>	<b>834,370</b>	<b>2.2%</b>	<b>621,482</b>	<b>1.7%</b>
<b><u>Capital and Reserve Impacts on Operating</u></b>							
<b><u>Contributions to Capital</u></b>							
Water Quality Initiatives	35,800,000	35,800,000	36,930,000	-	0.0%	1,130,000	3.2%
<b>Sub-Total Contributions to Capital</b>	<b>35,800,000</b>	<b>35,800,000</b>	<b>36,930,000</b>	<b>-</b>	<b>0.0%</b>	<b>1,130,000</b>	<b>3.2%</b>
<b><u>Contributions for DC Exemptions</u></b>							
Water Quality Initiatives	3,559,445	3,559,445	3,559,445	-	0.0%	-	0.0%
<b>Sub-Total Contributions for DC Exemptions</b>	<b>3,559,445</b>	<b>3,559,445</b>	<b>3,559,445</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>
<b><u>Debt Charges</u></b>							
Water Quality Initiatives	5,287,352	2,000,000	6,317,464	3,287,352	62.2%	1,030,112	19.5%
DC Debt Charges Recoveries	(654,508)	-	(1,347,918)	(654,508)	100.0%	(693,410)	105.9%
<b>Sub-Total Debt Charges</b>	<b>4,632,844</b>	<b>2,000,000</b>	<b>4,969,546</b>	<b>2,632,844</b>	<b>56.8%</b>	<b>336,702</b>	<b>7.3%</b>
<b>Sub-Total Capital Financing</b>	<b>43,992,289</b>	<b>41,359,445</b>	<b>45,458,991</b>	<b>2,632,844</b>	<b>6.0%</b>	<b>1,466,702</b>	<b>3.3%</b>
<b>Transfer to Reserves</b>	<b>275,125</b>	<b>3,263,319</b>	<b>2,398,184</b>	<b>(2,988,195)</b>	<b>(1086.1%)</b>	<b>2,123,059</b>	<b>771.7%</b>
<b>Sub-Total Capital and Reserve Impacts on Operating</b>	<b>44,267,414</b>	<b>44,622,764</b>	<b>47,857,175</b>	<b>(355,351)</b>	<b>(0.8%)</b>	<b>3,589,761</b>	<b>8.1%</b>
<b>TOTAL EXPENDITURES</b>	<b>81,889,195</b>	<b>81,410,176</b>	<b>86,100,438</b>	<b>479,019</b>	<b>0.6%</b>	<b>4,211,243</b>	<b>5.1%</b>

**CITY OF HAMILTON**  
**2013 WATER, WASTEWATER AND STORM OPERATING BUDGET**  
**WATER**

	2012 RESTATED BUDGET	2012 PROJECTED ACTUAL	2013 REQUESTED BUDGET	CHANGE 2012 PROJECTED ACTUAL / 2012 RESTATED BUDGET		CHANGE 2013 REQUESTED / 2012 RESTATED BUDGET	
	\$	\$	\$	\$	%	\$	%
<b>REVENUES:</b>							
<b>Rate Revenue</b>							
Residential	36,548,687	37,636,561	39,074,039	1,087,874	3.0%	2,525,352	6.9%
ICI	40,861,972	39,086,185	41,889,429	(1,775,787)	(4.3%)	1,027,457	2.5%
Haldimand / Halton	2,564,938	2,586,597	2,643,984	21,659	0.8%	79,046	3.1%
Non-Metered	299,950	289,808	300,000	(10,142)	(3.4%)	50	0.0%
Private Fire Lines	200,000	75,000	400,000	(125,000)	(62.5%)	200,000	100.0%
Hauler / 3rd Party Sales	185,000	507,910	415,550	322,910	174.5%	230,550	124.6%
<b>Sub-Total Utility Rates</b>	<b>80,660,546</b>	<b>80,182,061</b>	<b>84,723,002</b>	<b>(478,485)</b>	<b>(.6%)</b>	<b>4,062,455</b>	<b>5.0%</b>
<b>Non-Rate Revenue</b>							
Subdivider Contributions	11,000	35,690	11,000	24,690	224.5%	-	0.0%
Local Improvement Recoveries	5,155	8,911	5,160	3,756	72.9%	5	0.1%
Permits / Leases / Agreements	731,260	639,065	880,960	(92,195)	(12.6%)	149,700	20.5%
General Fees and Recoveries	481,234	544,449	480,316	63,215	13.1%	(918)	(.2%)
<b>Sub-Total Non-Rate Revenue</b>	<b>1,228,649</b>	<b>1,228,115</b>	<b>1,377,436</b>	<b>(534)</b>	<b>(.%)</b>	<b>148,787</b>	<b>12.1%</b>
<b>TOTAL REVENUES</b>	<b>81,889,195</b>	<b>81,410,176</b>	<b>86,100,438</b>	<b>(479,019)</b>	<b>(.6%)</b>	<b>4,211,243</b>	<b>5.1%</b>

**CITY OF HAMILTON**  
**2013 - 2015 WATER, WASTEWATER AND STORM OPERATING BUDGET**  
**WATER**

	2012	2013	2014	2015	CHANGE		CHANGE		CHANGE	
	RESTATED BUDGET	REQUESTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	2013 REQUESTED / 2012 RESTATED BUDGET	%	2014 PROJECTED / 2013 REQUESTED BUDGET	%	2015 PROJECTED / 2014 PROJECTED BUDGET	%
	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b><u>OPERATING EXPENDITURES:</u></b>										
<b><u>Environmental Services</u></b>										
Divisional Administration & Support	1,047,220	957,210	985,926	1,015,504	(90,010)	(8.6%)	28,716	3.0%	29,578	3.0%
Customer Service & Community Outreach	677,210	689,690	710,381	731,692	12,480	1.8%	20,691	3.0%	21,311	3.0%
Service Co-ordination	1,381,640	1,407,570	1,449,797	1,493,291	25,930	1.9%	42,227	3.0%	43,494	3.0%
Engineering Systems & Data Collection	621,200	644,300	663,629	683,538	23,100	3.7%	19,329	3.0%	19,909	3.0%
Compliance & Regulations	344,120	350,700	361,221	372,058	6,580	1.9%	10,521	3.0%	10,837	3.0%
Laboratory Services	1,742,040	1,769,935	1,823,033	1,877,724	27,895	1.6%	53,098	3.0%	54,691	3.0%
Water Distribution & Wastewater Collection	12,303,110	12,443,290	12,816,589	13,201,086	140,180	1.1%	373,299	3.0%	384,498	3.0%
Plant Operations & Maintenance	15,433,880	15,593,900	16,061,717	16,543,569	160,020	1.0%	467,817	3.0%	481,852	3.0%
Water & Wastewater Engineering	984,590	963,000	991,890	1,021,647	(21,590)	(2.2%)	28,890	3.0%	29,757	3.0%
Infrastructure & Source Water Planning	970,620	1,011,260	1,041,598	1,072,846	40,640	4.2%	30,338	3.0%	31,248	3.0%
Horizon Utilities Service Contract	2,053,500	2,153,500	2,218,105	2,284,648	100,000	4.9%	64,605	3.0%	66,543	3.0%
Corporate & Departmental Support Services	2,549,160	2,761,490	2,844,335	2,929,665	212,330	8.3%	82,845	3.0%	85,330	3.0%
Utilities Arrears Program	175,000	175,000	175,000	175,000	-	0.0%	-	0.0%	-	0.0%
Financial Charges	139,580	111,000	114,330	117,760	(28,580)	(20.5%)	3,330	3.0%	3,430	3.0%
Capital and Reserve Recoveries	(2,801,089)	(2,788,582)	(2,872,239)	(2,958,407)	12,507	(0.4%)	(83,657)	3.0%	(86,167)	3.0%
<b>Sub-Total Environmental Services</b>	<b>37,621,782</b>	<b>38,243,263</b>	<b>39,385,311</b>	<b>40,561,620</b>	<b>621,482</b>	<b>1.7%</b>	<b>1,142,048</b>	<b>3.0%</b>	<b>1,176,309</b>	<b>3.0%</b>
<b><u>Capital and Reserve Impacts on Operating</u></b>										
<b><u>Contributions to Capital</u></b>										
Water Quality Initiatives	35,800,000	36,930,000	31,210,000	17,870,000	1,130,000	3.2%	(5,720,000)	(15.5%)	(13,340,000)	(42.7%)
<b>Sub-Total Contributions to Capital</b>	<b>35,800,000</b>	<b>36,930,000</b>	<b>31,210,000</b>	<b>17,870,000</b>	<b>1,130,000</b>	<b>3.2%</b>	<b>(5,720,000)</b>	<b>(15.5%)</b>	<b>(13,340,000)</b>	<b>(42.7%)</b>
<b><u>Contributions for DC Exemptions</u></b>										
Water Quality Initiatives	3,559,445	3,559,445	3,559,445	3,061,213	-	0.0%	-	0.0%	(498,232)	(14.0%)
<b>Sub-Total Contributions for DC Exemptions</b>	<b>3,559,445</b>	<b>3,559,445</b>	<b>3,559,445</b>	<b>3,061,213</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>	<b>(498,232)</b>	<b>(14.0%)</b>
<b><u>Debt Charges</u></b>										
Water Quality Initiatives	5,287,352	6,317,464	12,000,987	16,528,610	1,030,112	19.5%	5,683,524	90.0%	4,527,623	37.7%
DC Debt Charges Recoveries	(654,508)	(1,347,918)	(3,354,651)	(4,780,428)	(693,410)	105.9%	(2,006,733)	148.9%	(1,425,777)	42.5%
<b>Sub-Total Debt Charges</b>	<b>4,632,844</b>	<b>4,969,546</b>	<b>8,646,336</b>	<b>11,748,182</b>	<b>336,702</b>	<b>7.3%</b>	<b>3,676,790</b>	<b>74.0%</b>	<b>3,101,846</b>	<b>35.9%</b>
<b>Sub-Total Capital Financing</b>	<b>43,992,289</b>	<b>45,458,991</b>	<b>43,415,781</b>	<b>32,679,395</b>	<b>1,466,702</b>	<b>3.3%</b>	<b>(2,043,210)</b>	<b>(4.5%)</b>	<b>(10,736,386)</b>	<b>(24.7%)</b>
<b>Transfer to Reserves</b>	<b>275,126</b>	<b>2,398,184</b>	<b>7,211,772</b>	<b>20,858,054</b>	<b>2,123,058</b>	<b>771.7%</b>	<b>4,813,588</b>	<b>200.7%</b>	<b>13,646,282</b>	<b>189.2%</b>
<b>Sub-Total Capital and Reserve Impacts on Operating</b>	<b>44,267,415</b>	<b>47,857,175</b>	<b>50,627,553</b>	<b>53,537,450</b>	<b>3,589,760</b>	<b>8.1%</b>	<b>2,770,379</b>	<b>5.8%</b>	<b>2,909,896</b>	<b>5.7%</b>
<b>TOTAL EXPENDITURES</b>	<b>81,889,196</b>	<b>86,100,438</b>	<b>90,012,864</b>	<b>94,099,070</b>	<b>4,211,242</b>	<b>5.1%</b>	<b>3,912,427</b>	<b>4.5%</b>	<b>4,086,205</b>	<b>4.5%</b>

**CITY OF HAMILTON**  
**2013 - 2015 WATER, WASTEWATER AND STORM OPERATING BUDGET**  
**WATER**

	<b>2012 RESTATED BUDGET</b>	<b>2013 REQUESTED BUDGET</b>	<b>2014 PROJECTED BUDGET</b>	<b>2015 PROJECTED BUDGET</b>	<b>CHANGE 2013 REQUESTED / 2012 RESTATED BUDGET</b>		<b>CHANGE 2014 PROJECTED / 2013 REQUESTED BUDGET</b>		<b>CHANGE 2015 PROJECTED / 2014 PROJECTED BUDGET</b>	
	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b>REVENUES:</b>										
<b>Rate Revenue</b>										
Residential	36,548,687	39,074,039	41,028,776	43,075,090	2,525,352	6.9%	1,954,737	5.0%	2,046,314	5.0%
ICI	40,861,972	41,889,429	43,669,484	45,525,035	1,027,457	2.5%	1,780,055	4.2%	1,855,551	4.2%
Haldimand / Halton	2,564,938	2,643,984	2,756,314	2,873,390	79,046	3.1%	112,330	4.2%	117,076	4.2%
Non-Metered	299,950	300,000	300,000	300,000	50	0.0%	-	0.0%	-	0.0%
Private Fire Lines	200,000	400,000	412,000	424,360	200,000	100.0%	12,000	3.0%	12,360	3.0%
Hauler / 3rd Party Sales	185,000	415,550	428,017	440,857	230,550	124.6%	12,467	3.0%	12,840	3.0%
<b>Sub-Total Utility Rates</b>	<b>80,660,547</b>	<b>84,723,002</b>	<b>88,594,590</b>	<b>92,638,732</b>	<b>4,062,455</b>	<b>5.0%</b>	<b>3,871,588</b>	<b>4.6%</b>	<b>4,044,142</b>	<b>4.6%</b>
<b>Non-Rate Revenue</b>										
Subdivider Contributions	11,000	11,000	11,000	11,000	-	0.0%	-	0.0%	-	0.0%
Local Improvement Recoveries	5,155	5,160	5,160	5,160	5	0.1%	-	0.0%	-	0.0%
Permits/Leases/Agreements	731,260	880,960	907,389	934,610	149,700	20.5%	26,429	3.0%	27,222	3.0%
General Fees and Recoveries	481,234	480,316	494,725	509,567	(918)	(0.2%)	14,409	3.0%	14,842	3.0%
<b>Sub-Total Non-Rate Revenue</b>	<b>1,228,649</b>	<b>1,377,436</b>	<b>1,418,274</b>	<b>1,460,338</b>	<b>148,787</b>	<b>12.1%</b>	<b>40,838</b>	<b>3.0%</b>	<b>42,063</b>	<b>3.0%</b>
<b>TOTAL REVENUES</b>	<b>81,889,196</b>	<b>86,100,438</b>	<b>90,012,864</b>	<b>94,099,070</b>	<b>4,211,242</b>	<b>5.1%</b>	<b>3,912,427</b>	<b>4.5%</b>	<b>4,086,205</b>	<b>4.5%</b>

**CITY OF HAMILTON**  
**2013-2022 WATER, WASTEWATER & STORM OPERATING BUDGET**  
**WATER**  
**(\$ 000'S)**

	2012 Restated	2013 Requested	2014 Forecast	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
<b>OPERATING EXPENDITURES</b>											
OPERATING COSTS	37,622	38,243	39,385	40,562	41,778	43,032	44,323	45,652	47,022	48,433	49,886
<b>TOTAL OPERATING COSTS</b>	<b>37,622</b>	<b>38,243</b>	<b>39,385</b>	<b>40,562</b>	<b>41,778</b>	<b>43,032</b>	<b>44,323</b>	<b>45,652</b>	<b>47,022</b>	<b>48,433</b>	<b>49,886</b>
<b>CAPITAL &amp; RESERVE IMPACTS ON OPERATING</b>											
<b>Contributions to Capital</b>											
<i>Water</i>	35,800	36,930	31,210	17,870	24,130	21,200	15,170	15,170	14,700	17,210	15,220
<b>Sub-total Contributions to Capital</b>	<b>35,800</b>	<b>36,930</b>	<b>31,210</b>	<b>17,870</b>	<b>24,130</b>	<b>21,200</b>	<b>15,170</b>	<b>15,170</b>	<b>14,700</b>	<b>17,210</b>	<b>15,220</b>
<b>Contributions for DC Exemptions</b>											
<i>Water</i>	3,559	3,559	3,559	3,061	2,985	3,075	3,167	3,262	3,360	3,461	3,565
<b>Sub-total Contributions to Capital</b>	<b>3,559</b>	<b>3,559</b>	<b>3,559</b>	<b>3,061</b>	<b>2,985</b>	<b>3,075</b>	<b>3,167</b>	<b>3,262</b>	<b>3,360</b>	<b>3,461</b>	<b>3,565</b>
<b>Debt Charges</b>											
<i>Water</i>	5,287	6,317	12,001	16,529	20,190	22,298	23,041	23,670	24,369	24,745	25,114
<i>DC Debt Charges Recoveries</i>	(655)	(1,348)	(3,355)	(4,780)	(6,422)	(7,795)	(8,426)	(9,126)	(9,890)	(10,328)	(10,762)
<b>Sub-total Debt Charges</b>	<b>4,633</b>	<b>4,970</b>	<b>8,646</b>	<b>11,748</b>	<b>13,768</b>	<b>14,503</b>	<b>14,614</b>	<b>14,544</b>	<b>14,480</b>	<b>14,416</b>	<b>14,352</b>
<b>Transfer to Reserves</b>	<b>275</b>	<b>2,398</b>	<b>7,212</b>	<b>20,858</b>	<b>15,755</b>	<b>21,065</b>	<b>30,255</b>	<b>33,812</b>	<b>37,957</b>	<b>39,299</b>	<b>45,333</b>
<b>Sub-Total Capital &amp; Reserve Impacts on Operating</b>	<b>44,267</b>	<b>47,857</b>	<b>50,628</b>	<b>53,537</b>	<b>56,638</b>	<b>59,843</b>	<b>63,207</b>	<b>66,788</b>	<b>70,496</b>	<b>74,387</b>	<b>78,469</b>
<b>TOTAL EXPENDITURES</b>	<b>81,889</b>	<b>86,100</b>	<b>90,013</b>	<b>94,099</b>	<b>98,417</b>	<b>102,875</b>	<b>107,530</b>	<b>112,441</b>	<b>117,518</b>	<b>122,819</b>	<b>128,355</b>
<b>REVENUES</b>											
Residential	36,549	39,074	41,029	43,075	45,217	47,459	49,805	52,260	54,829	57,516	60,328
ICI	40,862	41,889	43,669	45,525	47,459	49,476	51,578	53,770	56,055	58,438	60,922
Haldimand / Halton	2,565	2,644	2,756	2,873	2,996	3,123	3,256	3,394	3,538	3,689	3,845
Non-Metered	300	300	300	300	350	350	350	400	400	400	400
Private Fire Lines	200	400	412	424	437	450	464	478	492	507	522
Hauler / 3rd Party Sales	185	416	428	441	454	468	482	496	511	526	542
Non-Rate Revenue	1,229	1,377	1,418	1,460	1,504	1,549	1,596	1,644	1,693	1,744	1,796
<b>TOTAL REVENUES</b>	<b>81,889</b>	<b>86,100</b>	<b>90,013</b>	<b>94,099</b>	<b>98,417</b>	<b>102,875</b>	<b>107,530</b>	<b>112,441</b>	<b>117,518</b>	<b>122,819</b>	<b>128,355</b>
<b>Rate Increase</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>	<b>4.25%</b>
<b>RESIDENTIAL BILL (220m<sup>3</sup> p.a.)</b>	<b>\$ 577.80</b>	<b>\$ 602.40</b>	<b>\$ 628.00</b>	<b>\$ 654.70</b>	<b>\$ 682.50</b>	<b>\$ 711.50</b>	<b>\$ 741.70</b>	<b>\$ 773.30</b>	<b>\$ 806.10</b>	<b>\$ 840.40</b>	<b>\$ 876.10</b>