



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

Appendix C



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

	2012	2012	2013	CHANGE		CHANGE	
	RESTATED BUDGET	PROJECTED ACTUAL	REQUESTED BUDGET	2012 PROJECTED / 2012 RESTATED	ACTUAL BUDGET	2013 REQUESTED / 2012 RESTATED	BUDGET
	\$	\$	\$	\$	%	\$	%
<u>OPERATING EXPENDITURES:</u>							
<u>Environmental Services</u>							
Divisional Administration & Support	1,099,710	1,039,067	1,011,110	60,643	5.5%	(88,600)	(8.1%)
Customer Service & Community Outreach	609,490	548,580	620,730	60,910	10.0%	11,240	1.8%
Service Co-ordination	1,243,480	1,247,860	1,266,810	(4,380)	(0.4%)	23,330	1.9%
Engineering Systems & Data Collection	621,200	493,389	644,300	127,811	20.6%	23,100	3.7%
Compliance & Regulations	309,710	251,010	315,630	58,700	19.0%	5,920	1.9%
Laboratory Services	1,074,260	1,125,900	1,091,460	(51,640)	(4.8%)	17,200	1.6%
Environmental Monitoring & Enforcement	1,370,380	1,195,500	1,423,330	174,880	12.8%	52,950	3.9%
Water Distribution & Wastewater Collection	2,578,950	2,485,120	2,603,880	93,830	3.6%	24,930	1.0%
Plant Operations & Maintenance	16,440,440	16,395,230	16,610,900	45,210	0.3%	170,460	1.0%
Water & Wastewater Engineering	1,230,750	1,230,750	1,203,750	-	0.0%	(27,000)	(2.2%)
Infrastructure & Source Water Planning	323,540	323,540	337,090	-	0.0%	13,550	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	2,738,150	2,738,150	2,865,460	-	0.0%	127,310	4.6%
Utilities Arrears Program	175,000	63,920	175,000	111,080	63.5%	-	0.0%
Financial Charges	188,910	188,910	205,000	-	0.0%	16,090	8.5%
Capital and Reserve Recoveries	(2,138,891)	(2,101,950)	(2,095,555)	(36,941)	1.7%	43,336	(2.0%)
Sub-Total Environmental Services	29,918,580	29,278,476	30,432,395	640,104	2.1%	513,816	1.7%
<u>Capital and Reserve Impacts on Operating</u>							
<u>Contributions to Capital</u>							
Wastewater	23,170,000	23,170,000	30,110,000	-	0.0%	6,940,000	30.0%
Sub-Total Contributions to Capital	23,170,000	23,170,000	30,110,000	-	0.0%	6,940,000	30.0%
<u>Contributions for DC Exemptions</u>							
Wastewater	2,395,253	2,395,253	2,395,253	-	0.0%	-	0.0%
Sub-Total Contributions for DC Exemptions	2,395,253	2,395,253	2,395,253	-	0.0%	-	0.0%
<u>Debt Charges</u>							
Wastewater	7,777,391	1,350,000	5,772,342	6,427,391	82.6%	(2,005,049)	(25.8%)
DC Debt Charges Recoveries	(3,048,783)	-	(1,876,082)	(3,048,783)	100.0%	1,172,701	(38.5%)
Sub-Total Debt Charges	4,728,608	1,350,000	3,896,260	3,378,608	71.5%	(832,348)	(17.6%)
Sub-Total Capital Financing	30,293,861	26,915,253	36,401,513	3,378,608	11.2%	6,107,652	20.2%
Transfer to Reserves	2,537,237	9,707,959	1,430,291	(7,170,722)	(282.6%)	(1,106,946)	(43.6%)
Sub-Total Capital and Reserve Impacts on Operating	32,831,098	36,623,212	37,831,804	(3,792,114)	(11.6%)	5,000,706	15.2%
TOTAL EXPENDITURES	62,749,677	65,901,688	68,264,199	(3,152,011)	(5.%)	5,514,522	8.8%

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

	2012	2012	2013	CHANGE		CHANGE	
	RESTATED BUDGET	PROJECTED ACTUAL	REQUESTED BUDGET	2012 PROJECTED / 2012 RESTATED BUDGET	ACTUAL	2013 REQUESTED / 2012 RESTATED BUDGET	
	\$	\$	\$	\$	%	\$	%
REVENUES:							
Rate Revenue							
Residential	26,542,970	28,769,387	29,868,195	2,226,417	8.4%	3,325,225	12.5%
ICI	30,123,054	29,877,480	32,020,280	(245,574)	(.8%)	1,897,226	6.3%
Non-Metered	217,523	221,529	229,320	4,006	1.8%	11,797	5.4%
Hauler / 3rd Party Sales	600,000	683,900	625,000	83,900	14.0%	25,000	4.2%
Wastewater Abatement Program	(460,000)	(475,434)	(440,000)	(15,434)	3.4%	20,000	(4.3%)
Overstrength Agreements	1,940,000	1,717,520	1,600,000	(222,480)	(11.5%)	(340,000)	(17.5%)
Sewer Surcharge Agreements	2,620,000	3,640,540	3,200,000	1,020,540	39.0%	580,000	22.1%
Sub-Total Utility Rates	61,583,546	64,434,923	67,102,795	2,851,377	4.6%	5,519,248	9.0%
Non-Rate Revenue							
Subdivider Contributions	112,000	186,060	112,000	74,060	66.1%	-	0.0%
Local Improvement Recoveries	265,850	358,170	265,850	92,320	34.7%	-	0.0%
Permits / Leases / Agreements	402,880	448,503	400,000	45,623	11.3%	(2,880)	(.7%)
General Fees and Recoveries	385,401	474,031	383,554	88,630	23.0%	(1,847)	(.5%)
Sub-Total Non-Rate Revenue	1,166,131	1,466,765	1,161,404	300,634	25.8%	(4,727)	(.4%)
TOTAL REVENUES	62,749,677	65,901,688	68,264,199	3,152,011	5.0%	5,514,522	8.8%

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

	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	2014 PROJECTED / 2013 REQUESTED BUDGET	2015 PROJECTED / 2014 PROJECTED BUDGET	2015 PROJECTED / 2014 PROJECTED BUDGET	2015 PROJECTED / 2014 PROJECTED BUDGET
	\$	\$	\$	\$	\$	%	\$	%	\$	%
OPERATING EXPENDITURES:										
Environmental Services										
Divisional Administration & Support	1,099,710	1,011,110	1,041,443	1,072,687	(88,600)	(8.1%)	30,333	3.0%	31,243	3.0%
Customer Service & Community Outreach	609,490	620,730	639,352	658,532	11,240	1.8%	18,622	3.0%	19,181	3.0%
Service Co-ordination	1,243,480	1,266,810	1,304,814	1,343,959	23,330	1.9%	38,004	3.0%	39,144	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	309,710	315,630	325,099	334,852	5,920	1.9%	9,469	3.0%	9,753	3.0%
Laboratory Services	1,074,260	1,091,460	1,124,204	1,157,930	17,200	1.6%	32,744	3.0%	33,726	3.0%
Environmental Monitoring & Enforcement	1,370,380	1,423,330	1,466,030	1,510,011	52,950	3.9%	42,700	3.0%	43,981	3.0%
Water Distribution & Wastewater Collection	2,578,950	2,603,880	2,681,996	2,762,456	24,930	1.0%	78,116	3.0%	80,460	3.0%
Plant Operations & Maintenance	16,440,440	16,610,900	17,109,227	17,622,504	170,460	1.0%	498,327	3.0%	513,277	3.0%
Water & Wastewater Engineering	1,230,750	1,203,750	1,239,863	1,277,058	(27,000)	(2.2%)	36,113	3.0%	37,196	3.0%
Infrastructure & Source Water Planning	323,540	337,090	347,203	357,619	13,550	4.2%	10,113	3.0%	10,416	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	2,738,150	2,865,460	2,951,424	3,039,967	127,310	4.6%	85,964	3.0%	88,543	3.0%
Utilities Arrears Program	175,000	175,000	175,000	175,000	-	0.0%	-	0.0%	-	0.0%
Financial Charges	188,910	205,000	211,150	217,485	16,090	8.5%	6,150	3.0%	6,335	3.0%
Capital and Reserve Recoveries	(2,138,891)	(2,095,555)	(2,158,422)	(2,223,174)	43,336	(2.0%)	(62,867)	3.0%	(64,753)	3.0%
Sub-Total Environmental Services	29,918,580	30,432,395	31,340,117	32,275,070	513,816	1.7%	907,722	3.0%	934,954	3.0%
Capital and Reserve Impacts on Operating										
Contributions to Capital										
Wastewater	23,170,000	30,110,000	31,280,000	40,910,000	6,940,000	30.0%	1,170,000	3.9%	9,630,000	30.8%
Sub-Total Contributions to Capital	23,170,000	30,110,000	31,280,000	40,910,000	6,940,000	30.0%	1,170,000	3.9%	9,630,000	30.8%
Contributions for DC Exemptions										
Wastewater	2,395,253	2,395,253	2,395,253	2,059,978	-	0.0%	-	0.0%	(335,275)	(14.0%)
Sub-Total Contributions for DC Exemptions	2,395,253	2,395,253	2,395,253	2,059,978	-	0.0%	-	0.0%	(335,275)	(14.0%)
Debt Charges										
Wastewater	7,777,391	5,772,342	14,051,847	26,543,694	(2,005,049)	(25.8%)	8,279,505	143.4%	12,491,847	88.9%
DC Debt Charges Recoveries	(3,048,783)	(1,876,082)	(5,500,131)	(9,811,218)	1,172,701	(38.5%)	(3,624,049)	193.2%	(4,311,086)	78.4%
Sub-Total Debt Charges	4,728,608	3,896,260	8,551,715	16,732,476	(832,348)	(17.6%)	4,655,455	119.5%	8,180,760	95.7%
Sub-Total Capital Financing	30,293,861	36,401,513	42,226,968	59,702,454	6,107,652	20.2%	5,825,455	16.0%	17,475,485	41.4%
Transfer to Reserves	2,537,238	1,430,291	(2,274,955)	(17,524,560)	(1,106,947)	(43.6%)	(3,705,245)	(259.1%)	(15,249,605)	670.3%
Sub-Total Capital and Reserve Impacts on Operating	32,831,099	37,831,804	39,952,013	42,177,894	5,000,705	15.2%	2,120,210	5.6%	2,225,880	5.6%
TOTAL EXPENDITURES	62,749,678	68,264,199	71,292,130	74,452,964	5,514,521	8.8%	3,027,932	4.4%	3,160,834	4.4%

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

	2012 RESTATED BUDGET	2013 REQUESTED BUDGET	2014 PROJECTED BUDGET	2015 PROJECTED BUDGET	CHANGE 2013 REQUESTED / 2012 RESTATED BUDGET		CHANGE 2014 PROJECTED / 2013 REQUESTED BUDGET		CHANGE 2015 PROJECTED / 2014 PROJECTED BUDGET	
	\$	\$	\$	\$	\$	%	\$	%	\$	%
REVENUES:										
Rate Revenue										
Residential	26,542,970	29,868,195	31,362,396	32,926,599	3,325,225	12.5%	1,494,201	5.0%	1,564,203	5.0%
ICI	30,123,054	32,020,280	33,380,954	34,799,337	1,897,226	6.3%	1,360,674	4.2%	1,418,383	4.2%
Non-Metered	217,523	229,320	229,320	229,320	11,797	5.4%	-	0.0%	-	0.0%
Hauler / 3rd Party Sales	600,000	625,000	643,750	663,063	25,000	4.2%	18,750	3.0%	19,313	3.0%
Wastewater Abatement Program	(460,000)	(440,000)	(453,200)	(466,796)	20,000	(4.3%)	(13,200)	3.0%	(13,596)	3.0%
Overstrength Agreements	1,940,000	1,600,000	1,648,000	1,697,440	(340,000)	(17.5%)	48,000	3.0%	49,440	3.0%
Sewer Surcharge Agreements	2,620,000	3,200,000	3,296,000	3,394,880	580,000	22.1%	96,000	3.0%	98,880	3.0%
Sub-Total Utility Rates	61,583,547	67,102,795	70,107,220	73,243,842	5,519,248	9.0%	3,004,425	4.5%	3,136,622	4.5%
Non-Rate Revenue										
Subdivider Contributions	112,000	112,000	112,000	112,000	-	0.0%	-	0.0%	-	0.0%
Local Improvement Recoveries	265,850	265,850	265,850	265,850	-	0.0%	-	0.0%	-	0.0%
Permits/Leases/Agreements	402,880	400,000	412,000	424,360	(2,880)	(0.7%)	12,000	3.0%	12,360	3.0%
General Fees and Recoveries	385,401	383,554	395,061	406,912	(1,847)	(0.5%)	11,507	3.0%	11,852	3.0%
Sub-Total Non-Rate Revenue	1,166,131	1,161,404	1,184,911	1,209,122	(4,727)	(0.4%)	23,507	2.0%	24,212	2.0%
TOTAL REVENUES	62,749,678	68,264,199	71,292,130	74,452,964	5,514,521	8.8%	3,027,932	4.4%	3,160,834	4.4%

CITY OF HAMILTON
2013-2022 WATER, WASTEWATER & STORM OPERATING BUDGET
WASTEWATER
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	2012 Restated	2013 Requested	2014 Forecast	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
OPERATING EXPENDITURES											
OPERATING COSTS	29,919	30,432	31,340	32,275	33,243	34,241	38,564	43,017	44,307	45,636	47,006
TERTIARY TREATMENT COSTS	-	-	-	-	-	3,200	3,200	-	-	-	-
TOTAL OPERATING COSTS	29,919	30,432	31,340	32,275	33,243	37,441	41,764	43,017	44,307	45,636	47,006
CAPITAL & RESERVE IMPACTS ON OPERATING											
Contributions to Capital											
Wastewater	23,170	30,110	31,280	40,910	35,970	32,110	50,470	56,340	62,330	69,770	78,490
Sub-total Contributions to Capital	23,170	30,110	31,280	40,910	35,970	32,110	50,470	56,340	62,330	69,770	78,490
Contributions for DC Exemptions											
Wastewater	2,395	2,395	2,395	2,060	2,009	2,069	2,131	2,195	2,261	2,329	2,399
Sub-total Contributions to Capital	2,395	2,395	2,395	2,060	2,009	2,069	2,131	2,195	2,261	2,329	2,399
Debt Charges											
Wastewater	7,777	5,772	14,052	26,544	36,015	38,317	38,624	38,578	38,535	38,764	39,263
DC Debt Charges Recoveries	(3,049)	(1,876)	(5,500)	(9,811)	(13,041)	(13,814)	(13,827)	(13,835)	(13,843)	(14,123)	(14,675)
Sub-total Debt Charges	4,729	3,896	8,552	16,732	22,974	24,504	24,797	24,743	24,692	24,641	24,588
Transfer to Reserves	2,537	1,430	(2,275)	(17,525)	(16,394)	(14,866)	(34,297)	(37,627)	(40,992)	(45,677)	(51,502)
Sub-Total Capital & Reserve Impacts on Operating	32,831	37,832	39,952	42,178	44,558	43,817	43,101	45,651	48,291	51,063	53,975
TOTAL EXPENDITURES	62,750	68,264	71,292	74,453	77,802	81,258	84,865	88,668	92,598	96,699	100,980
REVENUES											
Residential	26,543	29,868	31,362	32,927	34,564	36,277	38,071	39,947	41,911	43,965	46,114
ICI	30,123	32,020	33,381	34,799	36,278	37,819	39,426	41,101	42,849	44,670	46,569
Non-Metered	218	229	229	229	268	268	268	306	306	306	306
Hauler / 3rd Party Sales	600	625	644	663	683	703	725	746	769	792	815
Wastewater Abatement Program	(460)	(440)	(453)	(467)	(481)	(495)	(510)	(525)	(541)	(557)	(574)
Overstrength Agreements	1,940	1,600	1,648	1,697	1,748	1,801	1,855	1,910	1,968	2,027	2,088
Sewer Surcharge Agreements	2,620	3,200	3,296	3,395	3,497	3,602	3,710	3,821	3,936	4,054	4,175
Non-Rate Revenue	1,166	1,161	1,185	1,209	1,245	1,283	1,321	1,361	1,402	1,444	1,487
TOTAL REVENUES	62,750	68,264	71,292	74,453	77,802	81,258	84,865	88,668	92,598	96,699	100,980
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.)	\$ 577.80	\$ 602.40	\$ 628.00	\$ 654.70	\$ 682.50	\$ 711.50	\$ 741.70	\$ 773.30	\$ 806.10	\$ 840.40	\$ 876.10