



Region of Waterloo

**2021 PRELIMINARY
USER RATE
PROGRAM
BUDGET &
CAPITAL BUDGET
SUMMARIES**

November 2020

**The Regional Municipality of Waterloo
2021 Preliminary Budget - User Rates
Table of Contents**

<u>Service Area</u>	<u>Page #</u>
Water Supply	1
Wastewater Treatment	12
Water Distribution	20
Wastewater Collection	24



THE REGIONAL MUNICIPALITY OF WATERLOO

2021 Operating Budget (\$ thousands)

Water Supply

	2020 Budget (Restated)	2020 Estimated Actuals	2020 Estimated Variance	2021 Budget	Budget Change \$	Budget Change %
Expenditure						
Compensation	7,843	7,549	294	7,779	(64)	(0.8%)
Benefits & Allowances	2,302	2,387	(85)	2,271	(31)	(1.3%)
Supplies	1,721	1,686	35	1,690	(31)	(1.8%)
Maintenance	3,294	2,908	386	3,206	(88)	(2.7%)
Utilities	6,792	6,476	316	6,367	(425)	(6.3%)
Equipment	118	149	(31)	118		
Construction		10	(10)			
Professional Fees & Services	1,061	891	170	1,039	(22)	(2.1%)
Property Taxes	1,436	1,480	(44)	1,347	(89)	(6.2%)
Rents	7	7		7		
Grants	57	57		57		
Financial Expenses	20	50	(30)	20		
Communications	690	595	95	673	(17)	(2.5%)
Travel	87	38	49	52	(35)	(40.2%)
Insurance	349	349		367	18	5.2%
Transfer to Corporate Reserves	286	286		288	2	0.7%
Grand River Conservation Authority	2,776	2,749	27	2,802	26	0.9%
Central Administration Charges	2,090	2,090		2,090		
Interdepartmental Charges	3,017	2,980	37	3,109	92	2.4%
Subtotal - Operating	33,946	32,736	1,210	33,280	(666)	(1.9%)
Debt Servicing	463	463		463		
Transfers to Capital Reserve	24,115	24,115		24,585	470	1.9%
Prior Year Oversizing	4,231	4,231		4,231		
Discretionary DC Exemptions	866	866		1,491	625	
Subtotal - Capital Financing	29,675	29,675		30,770	1,095	3.8%
Gross Expenditure	63,621	62,411	1,210	64,050	429	0.7%
Interdepartmental Recoveries	(1,028)	(969)	(59)	(1,013)	15	(1.5%)
Contribution from RDC Reserve Funds	(4,231)	(4,231)		(4,231)		
Net Expenditure	58,362	57,212	1,150	58,806	444	0.8%
Revenue						
Fees & Charges	30	25	5	45	15	(50.0%)
Subtotal - Non-Rate Revenue	30	25	5	45	15	(50.0%)
Rate Revenue	58,332	60,013	(1,681)	58,761	429	(0.7%)
Operating Surplus / (Shortfall)		2,826	2,826			

Water Summary

Ten Year Capital Budget & Forecast (Thousands) 2021 - 2030

	Previous Unspent Approvals (Estimated)	2021 New Request	2021 Total	2022	2023	2024	2025	2021-2025 Subtotal	2026-2030 Subtotal	2021-2030 Total
Summary										
Expenditure										
Planning & Studies	1,336	3,195	4,531	5,079	5,135	4,220	3,660	22,625	26,720	49,345
Asset Management	5,330	11,105	16,435	19,452	15,690	19,075	18,215	88,867	78,000	166,867
Upgrades, Expansion & New Facilities	146	28,561	28,707	27,292	24,090	21,340	29,515	130,944	124,855	255,799
Watermains	954	7,846	8,800	9,150	7,720	5,950	6,855	38,475	23,750	62,225
Facilities Managed Capital Renewal	38	335	373	778	624	1,026	367	3,168	3,576	6,744
Total Expenditure	7,803	51,043	58,846	61,751	53,259	51,611	58,612	284,079	256,901	540,980
Funding & Financing										
Grants and Recoveries	-	-	-	-	-	-	-	-	-	-
Development Charge										
Development Charge - Water	4,267	10,631	14,764	13,640	9,375	9,464	13,320	60,563	59,392	119,955
Development Charge - Wastewater	-	553	553	391	363	363	363	2,031	2,013	4,044
Debentures - Development Charge	-	8,466	8,600	12,297	14,052	7,236	7,500	49,685	38,750	88,435
User Rates										
Water Capital Reserve	3,537	31,332	34,869	34,956	28,469	30,125	33,330	161,749	142,011	303,760
Wastewater Capital Reserve	-	-	-	-	-	-	-	-	-	-
Vehicle & Equipment Reserve	-	60	60	467	15	35	100	677	1,736	2,413
Debentures - User Rates	-	-	-	-	986	4,387	4,000	9,373	13,000	22,373
Total Funding & Financing	7,803	51,043	58,846	61,751	53,259	51,611	58,612	284,079	256,901	540,980

NOTES:

(1) Funding from Regional Development Charges (RDC) reflects the Region's RDC By-law #19-037.

RDC funding available beyond the expiry of the current by-law will depend on the outcome of future background studies and by-law reviews.

Water
Ten Year Capital Budget & Forecast (Thousands)
2021-2030

	TYPE	RDC	Previous Unspent	2021 New	2021					2021-2025	2026-2030	2021-2030	
	(1)	SHARE	Approvals (Estimated)	Request	Total	2022	2023	2024	2025	Subtotal	Subtotal	Total	
<u>100-PLANNING & STUDIES</u>													
Hydrogeology & Source Water:													
4001	Groundwater Modelling	W2	27.0%	100	-	100	550	400	250	150	1,450	800	2,250
4005	MOE Source Water Assessment	W2	27.0%	-	-	-	-	100	50	150	-	150	
4124	Source Protection Planning & Programs	W2	27.0%	53	547	600	670	530	545	420	2,765	8,300	11,065
4125	Source Protection Assessment	W2	27.0%	419	1,086	1,505	1,508	1,695	1,555	1,370	7,633	7,100	14,733
4149	GW/SW Assessments	W2	27.0%	464	31	495	370	445	120	220	1,650	1,270	2,920
4165	Clean Water Act Implementation	W2	27.0%	3	77	80	230	200	200	200	910	1,000	1,910
4169	Clean Water Act Incentives	W2	0.0%	95	-	95	100	100	225	225	745	1,125	1,870
4170	Monitoring System Management	W2	27.0%	27	348	375	390	290	500	300	1,855	1,850	3,705
				-	-	-	-	-	-	-	-	-	-
Water Efficiency:													
4090	Water Efficiency - Research & Development	W1	100.0%	-	75	75	75	75	75	75	375	375	750
4183	Residential Water Efficiency Initiatives	W1	100.0%	-	245	245	245	245	245	245	1,225	1,225	2,450
4864	Water Efficiency - ICI Programs	W1	100.0%	-	225	225	225	225	225	225	1,125	1,125	2,250
4943	Water Efficiency - Outdoor Water Use	W1	100.0%	-	180	180	180	180	180	180	900	900	1,800
				-	-	-	-	-	-	-	-	-	-
Studies/Masterplans:													
4007	Water Supply Master Plan	W1	100.0%	50	-	50	300	200	-	-	550	650	1,200
4157	Water Distribution Master Plan	W2	27.0%	125	-	125	130	450	-	-	705	600	1,305
4190	Baden & New Hamburg Comprehensive Servicing Master Plan	W2	100.0%	-	381	381	56	-	-	-	437	400	837
4193	Wellesley Water Supply Master Plan	W2	100.0%	-	-	-	50	100	-	-	150	-	150
				-	-	-	-	-	-	-	-	-	-
TOTAL PLANNING & STUDIES				1,336	3,195	4,531	5,079	5,135	4,220	3,660	22,625	26,720	49,345

Water
Ten Year Capital Budget & Forecast (Thousands)
2021-2030

	TYPE	RDC	Previous Unspent	2021 New	2021					2021-2025	2026-2030	2021-2030	
	(1)	SHARE	Approvals (Estimated)	Request	Total	2022	2023	2024	2025	Subtotal	Subtotal	Total	
<u>200-ASSET MANAGEMENT</u>													
4087	Fleet Replacements	W2	0.0%	-	60	60	467	15	35	100	677	1,736	2,413
4097	Water Supply Upgrades	W2	27.0%	82	68	150	150				300	-	300
4135	Well Optimization & Upgrades	W2	27.0%	-	-							-	-
4159	Asset Management	W2	27.0%	625	435	1,060	925	600	600	600	3,785	3,000	6,785
4171	Mannheim Plate Settlers Upgrades	W2	25.1%	-	-						-	-	-
4172	Distribution Decision Support System	W2	27.0%	-	-			200	300	500	1,500	2,000	
4184	Connection of New Wells to Water Supply System	W2	27.0%	262	522	260	2,550	950	550	750	5,060	3,600	8,660
4185	Voice Radio Equipment	W2	0.0%	17	-	17					17	249	266
4186	Mannheim Reservoir Inlet Piping Upgrades	W2	27.0%	-	-						-	-	-
4188	Water Asset Management Systems	W2	27.0%	188	-	188	100	100	100	100	588	500	1,088
4893	Facilities Upgrades	W2	27.0%	3,772	5,228	9,000	10,700	10,000	11,000	10,500	51,200	58,700	109,900
4903	Pumping Stn & Reservoir Decommissioning	W2	27.0%	41	150	191					191	-	191
4911	Regulatory Requirements Upgrades	W2	27.0%	24	-	24	10	-	-	-	34	-	34
4964	Steel Reservoirs Inspections & Recoating	W2	0.0%	44	1,711	1,755	820	295	2,860	235	5,965	4,715	10,680
4969	SCADA Communications Strategy & Upgrade	W2	27.0%	799	2,931	3,730	3,730	3,730	3,730	5,630	20,550	4,000	24,550
TOTAL INFRASTRUCTURE REPLACEMENT				5,330	11,105	16,435	19,452	15,690	19,075	18,215	88,867	78,000	166,867

Water
Ten Year Capital Budget & Forecast (Thousands)
2021-2030

	TYPE	RDC	Previous Unspent	2021 New	2021					2021-2025	2026-2030	2021-2030	
	(1)	SHARE	Approvals (Estimated)	Request	Total	2022	2023	2024	2025	Subtotal	Subtotal	Total	
<u>300-UPGRADES, EXPANSIONS & NEW FACILITIES</u>													
4014	Integrated Urban System Groundwater Supply		100.0%	-	-					-	-	-	
4015	Laurel Tank WTP	W1	100.0%	134	4,311	4,445	3,645	3,500		11,590	2,500	14,090	
4024	Mannheim WTP RMP Supernatant	W2	26.4%	24	2,176	2,200	545	2,000	2,000	6,745	-	6,745	
4044	Production Treatment Facilities Sys Expansion	W1	100.0%	-	-					-	5,000	5,000	
4051	Pumping and Storage Facilities Sys Expansion	W1	100.0%	-	-					-	10,000	10,000	
4132	Brownfields Redevelopment Strategy (990xx)	W2	0.0%	-	-					-	-	-	
4134	Maple Grove Area Water Supply System	W1	100.0%	-	-		200	200	100	500	2,180	2,680	
4160	William St. & Strange St. Upgrades	W2	26.4%	2,083	9,910	7,827	6,647	340	800	15,614	-	15,614	
4173	Conestoga Plains and West Montrose System Upgrades	W2	26.4%	391	821	430	-			430	-	430	
4175	New Hamburg Reservoir Expansion	W1	36.3%	-	-		100	500	1,000	3,100	1,500	4,600	
4181	Cambridge Water Distribution Upgrades	W2	26.4%	1,684	9,851	11,535	5,550	6,750	6,680	38,915	23,100	62,015	
4187	Manganese Treatment Upgrades	W2	27.0%	279	714	435	1,070	1,350	6,010	19,580	39,510	59,090	
4189	Elmira and St. Jacobs Water Supply Optimization	W1	100.0%	277	173	450	2,250	4,100	1,000	7,800	-	7,800	
4904	LTWS ASR Stages 1 + 2	W1	100.0%	430	-	430	1,630		500	4,560	8,000	12,560	
4191	Manheim WTP Optimization	W2	26.4%	250	450	700	5,300	4,800	2,700	19,800	28,315	48,115	
4192	Emerging Water Treatment Requirements	W2	27.0%	100	-	100	50	100	100	850	4,750	5,600	
4194	Heidelberg Water Supply Optimization	W2	34.7%	-	155	155	505	450	350	1,460	-	1,460	
TOTAL UPGRADES, EXPANSIONS & NEW FACILITIES				146	28,561	28,707	27,292	24,090	21,340	29,515	130,944	124,855	255,799

Water
Ten Year Capital Budget & Forecast (Thousands)
2021-2030

	TYPE	RDC	Previous Unspent	2021 New	2021						2021-2025	2026-2030	2021-2030	
	(1)	SHARE	Approvals (Estimated)	Request	Total	2022	2023	2024	2025	Subtotal	Subtotal	Total		
<u>400-WATERMAINS</u>														
4082	Watermain Upgrades	W2	27.0%	-	1,167	4,567	3,400	3,985	3,500	3,000	2,205	16,090	10,800	26,890
4083	New Watermain	W1	100.0%		336	2,264	2,600	1,300	1,000	1,950	3,400	10,250	10,050	20,300
4086	Baden New Hamburg Watermains	W1	100.0%		200	-	200	1,900	1,950			4,050	-	4,050
4155	Tri City Distribution Upgrades	W1	100.0%		135	365	500	900	570	900	1,250	4,120	2,900	7,020
4156	Kitchener Zone(s) 2/4 Distribution Upgrades	W1	100.0%		850	-	850	600	700	100		2,250	-	2,250
4161	Kitchener Zone 4 Trunk Watermain	W1	100.0%		600	650	1,250	465				1,715	-	1,715
4178	Weber St. - Connection Kitchener to Waterloo	W1	100.0%		-							-	-	-
4179	Charles St. - LRT Replacement Cost Sharing	W2	25.1%		-							-	-	-
TOTAL WATERMAINS					954	7,846	8,800	9,150	7,720	5,950	6,855	38,475	23,750	62,225
<u>FACILITIES MANAGED CAPITAL RENEWAL</u>														
78040	Water Building Renewal	W2	27.0%		38	335	373	778	624	1,026	367	3,168	3,576	6,744
TOTAL FACILITIES MANAGED CAPITAL RENEWAL					38	335	373	778	624	1,026	367	3,168	3,576	6,744
TOTAL EXPENDITURE					7,803	51,043	58,846	61,751	53,259	51,611	58,612	284,079	256,901	540,980

(1) W1 - Projects related to quantitative level of service.
W2 - Projects related to qualitative level of service.

Notes:

Term of debentures for Water capital projects not to exceed twenty (20) years unless otherwise approved by Regional Council.

Water Supply
2021 Capital Budget Funding & Financing Summary (Thousands)

Project Number Description	Type	RDC Share	Total 2020 Expenditures	User Rates		Development Charges			
				Water Capital Reserve	Vehicle/ Equipment Reserve	Water RDC Reserve	Wastewater RDC Reserve	Debenture Fund	Fund
<u>100-PLANNING & STUDIES</u>									
Hydrogeology & Source Water:									
4001	Groundwater Modelling	W2	27.0%	100	73		27	-	
4124	Source Protection Planning & Pr	W2	27.0%	600	438		162	-	
4125	Source Protection Assessment	W2	27.0%	1,505	1,099		406	-	
4149	GW/SW Assessments	W2	27.0%	495	361		134	-	
4165	Clean Water Act Implementatio	W2	27.0%	80	58		22	-	
4169	Clean Water Act Incentives	W2	0.0%	95	95		-	-	
4170	Monitoring System Managemen	W2	27.0%	375	274		101	-	
Water Efficiency:									
4090	Water Efficiency - Research & De	W1	100.0%	75	-		38	38	
4183	Residential Water Efficiency Init	W1	100.0%	245	-		123	123	
4864	Water Efficiency - ICI Programs	W1	100.0%	225	-		113	113	
4943	Water Efficiency - Outdoor Wate	W1	100.0%	180	-		90	90	
Studies/Masterplans:									
4007	Water Supply Master Plan	W1	100.0%	50	-		50	-	
4157	Water Distribution Master Plan	W2	27.0%	125	91		34	-	
4190	Baden & New Hamburg Comprel	W2	100.0%	381	-		191	191	
TOTAL 100-PLANNING & STUDIES				4,531	2,489	-	-	1,489	553

Water Supply
2021 Capital Budget Funding & Financing Summary (Thousands)

Project Number Description	Type	RDC Share	Total 2020 Expenditures	User Rates		Development Charges		
				Water Capital Reserve	Vehicle/ Equipment Reserve	Water RDC Reserve	Wastewater RDC Reserve	Debenture Fund
<u>200-ASSET MANAGEMENT</u>								
4087 Fleet Replacements	W2	0.0%	60	-	60	-	-	-
4097 Water Supply Upgrades	W2	27.0%	150	110		41	-	
4159 Asset Management	W2	27.0%	1,060	774		286	-	
4184 Connection of New Wells to Wa	W2	27.0%	260	190		70	-	
4185 Voice Radio Equipment	W2	0.0%	17	17		-	-	
4188 Water Asset Management System	W2	27.0%	188	137		51	-	
4893 Facilities Upgrades	W2	27.0%	9,000	6,570		2,430	-	
4903 Pumping Stn & Reservoir Decom	W2	27.0%	191	139		52	-	
4911 Regulatory Requirements Upgrade	W2	27.0%	24	18		6	-	
4964 Steel Reservoirs Inspections & Re	W2	0.0%	1,755	1,755		-	-	
4969 SCADA Communications Strategy	W2	27.0%	3,730	2,723		1,007	-	
TOTAL 200-ASSET MANAGEMENT			16,435	12,432	60	-	3,943	-
<u>300-UPGRADES, EXPANSIONS & NEW FACILITIES</u>								
4015 Laurel Tank WTP	W1	100.0%	4,445	-		4,000	445	-
4024 Mannheim WTP RMP Supernata	W2	26.4%	2,200	1,619			581	-
4160 William St. & Strange St. Upgrade	W2	26.4%	7,827	5,761		2,000	66	-
4173 Conestoga Plains and West Mon	W2	26.4%	430	316			114	-
4181 Cambridge Water Distribution U	W2	26.4%	11,535	8,490		2,600	445	-
4187 Manganese Treatment Upgrade	W2	27.0%	435	318			117	-
4189 Elmira and St. Jacobs Water Sup	W1	100.0%	450	-			450	-
4904 LTWS ASR Stages 1 + 2	W1	100.0%	430	-		-	430	-
4191 Manheim WTP Optimization	W2	26.4%	700	515			185	-
4192 Emerging Water Treatment Req	W2	27.0%	100	73			27	-
4194 Heidelberg Water Supply Optimi	W2	34.7%	155	101			54	-
TOTAL 300-UPGRADES, EXPANSIONS & NEW FACILITIES			28,707	17,193	-	8,600	2,914	-

Water Supply
2021 Capital Budget Funding & Financing Summary (Thousands)

Project Number Description	Type	RDC Share	Total 2020 Expenditures	User Rates		Development Charges			
				Water Capital Reserve	Vehicle/ Equipment Reserve	Water RDC Reserve	Wastewater RDC Reserve	Debenture Fund	Fund
<u>400-WATERMAINS</u>									
4082	Watermain Upgrades	W2	27.0%	3,400	2,482		918	-	
4083	New Watermain	W1	100.0%	2,600	-		2,600	-	
4086	Baden New Hamburg Watermair	W1	100.0%	200	-		200	-	
4155	Tri City Distribution Upgrades	W1	100.0%	500	-		500	-	
4156	Kitchener Zone(s) 2/4 Distributic	W1	100.0%	850	-		850	-	
4161	Kitchener Zone 4 Trunk Waterm;	W1	100.0%	1,250	-		1,250	-	
TOTAL	TOTAL WATERMAINS			8,800	2,482	-	6,318	-	
<u>FACILITIES MANAGED CAPITAL RENEWAL</u>									
78040	Water Building Renewal	W2	27.0%	373	272		101	-	
TOTAL	FACILITIES MANAGED CAPITAL RENEWAL			373	272	-	101	-	
TOTAL PROPOSED EXPENDITURES				58,846	34,869	60	8,600	14,764	553

**The Regional Municipality of Waterloo
Water Supply User Rate Model for 2021-2030 (Thousands)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Compensation	9,899	10,097	10,298	10,504	10,715	10,929	11,147	11,370	11,598	11,830
Other expenses	8,360	8,485	8,612	8,741	8,873	9,006	9,141	9,278	9,417	9,558
Utilities	6,367	6,685	7,019	7,370	7,739	8,126	8,532	8,959	9,407	9,877
GRCA	2,802	2,872	2,943	3,017	3,092	3,170	3,249	3,330	3,413	3,499
Central admin charges	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090
System expansion	-	450	937	1,010	1,034	1,259	1,388	1,470	1,503	1,537
Transfer to/(from) Rate Stabilization Reserve	-	-	-	-	0	0	0	0	0	0
Interdepartmental charges	3,109	3,155	3,203	3,251	3,300	3,349	3,399	3,450	3,502	3,555
Transfer to corporate reserves	655	665	675	685	695	705	716	727	738	749
Total Operating Expenses	33,280	34,498	35,777	36,668	37,537	38,633	39,663	40,674	41,667	42,694
Debt Charges - Non Growth	463	0	0	111	606	1,057	1,847	2,523	2,523	2,523
Debt Charges - RDCs	0	578	1,405	2,349	2,836	3,340	4,156	4,694	5,084	5,474
Transfer to Capital Reserve	24,585	24,582	25,272	26,302	27,037	27,655	28,758	30,115	32,295	34,577
Prior Year Oversizing (to Capital Reserve)	4,231	4,231	4,231	786	786	786	786	786	786	786
RDC Exemption Funding	1,491	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075
Capital Financing	30,770	31,466	32,982	31,623	33,339	34,912	37,621	40,193	42,763	45,435
Gross Expenditure	64,050	65,964	68,760	68,291	70,876	73,546	77,284	80,867	84,430	88,129
Interdepartmental recoveries	(1,013)	(1,028)	(1,044)	(1,059)	(1,075)	(1,091)	(1,108)	(1,124)	(1,141)	(1,158)
Prior Year Oversizing (from DC Reserve Fund)	(4,231)	(4,231)	(4,231)	(786)	(786)	(786)	(786)	(786)	(786)	(786)
Transfer from RDC Reserve Fund	0	(578)	(1,405)	(2,349)	(2,836)	(3,340)	(4,156)	(4,694)	(5,084)	(5,474)
Subtotal Recoveries	(5,244)	(5,837)	(6,679)	(4,194)	(4,696)	(5,217)	(6,050)	(6,604)	(7,011)	(7,418)
Net Expenditure	58,806	60,127	62,080	64,097	66,179	68,329	71,234	74,263	77,420	80,711
Non-Rate Revenue										
Fees	(45)	(46)	(46)	(47)	(48)	(48)	(49)	(50)	(51)	(51)
Total Non-Rate Revenue	(45)	(46)	(46)	(47)	(48)	(48)	(49)	(50)	(51)	(51)
Surplus/(Shortfall) - Stabilization Reserve										
RATE REVENUE	58,761	60,081	62,034	64,050	66,132	68,281	71,185	74,213	77,369	80,660
Rate (\$)	\$ 1.0953	\$ 1.1161	\$ 1.1485	\$ 1.1818	\$ 1.2161	\$ 1.2513	\$ 1.3001	\$ 1.3508	\$ 1.4035	\$ 1.4582
Rate increase (%)	0.0%	1.9%	2.9%	2.9%	2.9%	2.9%	3.9%	3.9%	3.9%	3.9%
Volume (m3 million)	53.649	53.649	53.831	54.014	54.198	54.382	54.567	54.752	54.939	55.125

**The Regional Municipality of Waterloo
Water Capital Reserve Projection (Thousands)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	67,500	62,737	56,763	57,192	52,147	43,060	36,464	40,050	37,617	41,343
Contribution from Operating	24,585	24,582	25,272	26,302	27,037	27,655	28,758	30,115	32,295	34,577
Contribution from RDC Reserve - prior oversizing	4,231	4,231	4,231	786	786	786	786	786	786	786
Net Transfer to Capital	(34,869)	(35,970)	(30,202)	(33,216)	(37,852)	(35,823)	(26,716)	(34,102)	(30,137)	(49,717)
Interest	1,289	1,183	1,128	1,083	943	787	758	769	782	683
Capital Reserve Closing Balance	62,737	56,763	57,192	52,147	43,060	36,464	40,050	37,617	41,343	27,671

Water Stabilization Reserve Projection (Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	9,983	9,983	9,983	9,983	9,983	9,983	9,983	9,983	9,983	9,983
Stabilization Reserve Closing Balance	9,983	9,983	9,983	9,983	9,983	9,983	9,983	9,983	9,983	9,983



THE REGIONAL MUNICIPALITY OF WATERLOO

2021 Operating Budget (\$ thousands)

Wastewater Treatment

	2020 Budget (Restated)	2020 Estimated Actuals	2020 Estimated Variance	2021 Budget	Budget Change \$	Budget Change %
Expenditure						
Compensation	5,489	5,374	115	5,464	(25)	(0.5%)
Benefits & Allowances	1,512	1,536	(24)	1,533	21	1.4%
Supplies	559	545	14	568	9	1.6%
Maintenance	321	295	26	318	(3)	(0.9%)
Utilities	7,451	6,840	611	6,547	(904)	(12.1%)
Equipment	99	97	2	99		
Professional Fees & Services	4,380	4,276	104	4,360	(20)	(0.5%)
Property Taxes	1,452	1,500	(48)	1,376	(76)	(5.2%)
Financial Expenses	70	70		70		
Communications	188	175	13	184	(4)	(2.1%)
Travel	62	24	38	38	(24)	(38.7%)
Ontario Clean Water Agency	11,727	11,527	200	13,200	1,473	12.6%
Insurance	260	260		276	16	6.2%
Transfer to Corporate Reserves	62	62		60	(2)	(3.2%)
Transfer to Stabilization Reserve	4,559	4,559		500	(4,059)	(89.0%)
Grand River Conservation Authority	3,350	3,316	34	3,381	31	0.9%
Central Administration Charges	1,756	1,756		1,756		
Interdepartmental Charges	1,854	1,832	22	1,946	92	2.6%
Subtotal - Operating	45,149	44,042	1,107	41,677	(3,472)	(7.4%)
Debt Servicing	18,940	18,940		19,510	570	3.0%
Transfers to Capital Reserve	24,531	24,531		26,038	1,507	6.1%
Prior Year Oversizing	1,837	1,837		1,837		
Discretionary DC Exemptions	1,709	1,709		2,584	875	
Subtotal - Capital Financing	47,018	47,018		49,969	2,951	6.5%
Gross Expenditure	92,167	91,060	1,107	91,646	(521)	(0.6%)
Interdepartmental Recoveries	(2,178)	(2,026)	(152)	(2,228)	(50)	2.3%
Prior Year Oversizing	(1,837)	(1,837)		(1,837)		
Contribution from RDC Reserve Funds	(8,481)	(8,481)		(9,056)	(575)	6.8%
Net Expenditure	79,672	78,716	956	78,525	(1,147)	(1.4%)
Revenue						
Over Strength Surcharge	970	855	115	970		
Septage	155	155		155		
Fees & Charges	508	485	23	521	13	(2.6%)
Subtotal - Non-Rate Revenue	1,633	1,495	138	1,646	13	(0.8%)
Rate Revenue	78,039	75,455	2,584	76,879	(1,160)	1.5%
Operating Surplus / (Shortfall)		(1,767)	(1,767)			

WasteWater Summary
Ten Year Capital Budget & Forecast (Thousands)
2021 - 2030

	Previous Unspent Approvals	2021 New Request	2021 Total	2022	2023	2024	2025	2021-2025 Subtotal	2026-2030 Subtotal	2021-2030 Total
Summary										
Expenditure										
Planning & Studies	240	675	915	815	1,165	1,500	1,210	5,605	4,140	9,745
Asset Management	6,850	10,213	17,063	15,550	12,664	11,200	12,650	69,127	71,090	140,217
Upgrades, Expansion & New Facilities	2,109	25,957	28,066	26,645	26,025	28,800	36,565	146,101	161,950	308,051
Biosolids	(4,837)	7,033	2,196	6,325	8,000	3,110		19,631	2,000	21,631
Total Expenditure	4,362	43,878	48,240	49,335	47,854	44,610	50,425	240,464	239,180	479,644
Funding & Financing										
Grants and Recoveries		1,150	1,150	1,309	-	-	-	2,459	-	2,459.250
Development Charge										
Development Charge Reserve Fund	348	10,826	11,175	7,773	8,125	8,284	8,985	44,341	51,947	96,288
Debentures - Development Charge	-	1,315	1,315	6,150	5,800	4,400	5,650	23,315	53,600	76,915
User Rates										
Wastewater Reserve Fund	4,014	30,587	34,600	34,103	33,665	31,926	35,790	170,085	133,493	303,578
Vehicle & Equipment Reserve	-	-	-	-	264	-	-	264	140	404
Debentures - User Rates	-	-	-	-	-	-	-	-	-	-
Total Funding & Financing	4,362	43,878	48,240	49,335	47,854	44,610	50,425	240,464	239,180	479,644

Notes:

(1) Funding from Regional Development Charges (RDC) reflects the Region's RDC By-law #19-037.

RDC funding available beyond the expiry of the current by-law will depend on the outcome of future background studies and by-law reviews.

Wastewater
Ten Year Capital Budget & Forecast (Thousands)
2021 - 2030

	TYPE (1)	RDC SHARE	Previous Unspent Approvals (Estimated)	2021 New Request	2021 Total	2022	2023	2024	2025	2021-2025 Subtotal	2026-2030 Subtotal	2021-2030 Total	
<u>PLANNING & STUDIES</u>													
8270	Biosolids Masterplan Update	WW2	27%	-	-	-	-	400	400	800	-	800	
8281	River Sampling Program	WW2	27%	60	320	380	385	415	450	2,090	2,390	4,480	
8286	Baden & New Hamburg MP Update	WW1	100%	80	105	185	30	-	-	215	-	215	
8288	Other Studies	WW2	27%	30	50	80	100	100	100	480	500	980	
8311	Spills Clean-up/Site Remediation (100% recovery)	WW2	0%	50	-	50	50	50	50	250	250	500	
8337	Wellesley Wastewater Master Plan	WW1	100%	20	-	20	50	100	-	170	-	170	
8738	WWTP Operating Agreement	WW2	0%	-	-	-	-	-	-	-	-	-	
8750	Rural Water Quality Program	WW2	27%	-	200	200	200	200	200	1,000	1,000	2,000	
8779	Wastewater Master Plan	WW1	100%	-	-	-	300	300	-	600	-	600	
TOTAL PLANNING & STUDIES				240	675	915	815	1,165	1,500	1,210	5,605	4,140	9,745
<u>ASSET MANAGEMENT</u>													
8277	Fleet Replacements	WW2	0%	-	-	-	264	-	-	264	140	404	
8305	Wastewater Treatment Upgrades	WW2	27%	13	427	440	300	300	300	1,640	1,500	3,140	
8307	Kitchener & Waterloo Infrastructure Upgrades	WW2	26%	1,755	3,000	4,755	5,500	4,750	4,050	23,555	24,175	47,730	
8308	Cambridge Infrastructure Upgrades	WW2	24%	1,367	2,353	3,720	3,100	3,200	3,400	16,820	20,025	36,845	
8309	Rural Infrastructure Upgrades	WW2	42%	889	3,061	3,950	3,000	2,250	2,000	14,200	15,000	29,200	
8310	Sewage PSs Infrastructure Upgrades	WW2	27%	1,911	739	2,650	2,300	900	500	6,850	5,500	12,350	
8327	Wastewater Asset Management	WW2	27%	600	410	1,010	900	550	500	3,460	2,500	5,960	
8332	Wastewater Asset Management Systems	WW2	27%	188	-	188	100	100	100	588	500	1,088	
8801	Laboratory Equipment & Upgrades	WW2	0%	127	223	350	350	350	350	1,750	1,750	3,500	
TOTAL INFRASTRUCTURE REPLACEMENT				6,850	10,213	17,063	15,550	12,664	11,200	12,650	69,127	71,090	140,217
<u>UPGRADES, EXPANSIONS & NEW FACILITIES</u>													
8242	Hespeler Expansion	WW1	28%	6,849	13,449	6,600	3,100	-	-	9,700	-	9,700	
8267	Wellesley Expansion	WW1	100%	-	-	-	-	-	-	-	4,400	4,400	
8279	SCADA System	WW2	27%	298	1,473	1,175	850	750	1,000	4,775	5,000	9,775	
8289	Galt Process Upgrades	WW2	25%	7,494	3,646	11,140	8,260	9,895	13,440	51,660	6,225	57,885	
8301	St. Jacobs Upgrade	WW1	31%	30	223	253	130	2,410	560	3,353	-	3,353	
8302	East Side Final PS & Force Main	WW1	100%	-	-	-	-	-	-	-	450	450	
8315	Elmira Upgrades	WW2	51%	211	244	455	1,945	1,350	200	3,950	-	3,950	
8316	Waterloo Expansion	WW1	100%	67	78	145	135	305	180	1,275	29,900	31,175	
8317	Baden/New Hamburg Expansion	WW1	100%	564	664	100	100	200	100	550	4,300	4,850	
8323	Preston Treatment Upgrades	WW2	18%	80	-	80	50	-	-	130	8,000	8,130	
8324	Southern Ayr Wastewater System	WW1	100%	133	-	133	-	-	-	133	-	133	

Wastewater
Ten Year Capital Budget & Forecast (Thousands)
2021 - 2030

	TYPE (1)	RDC SHARE	Previous Unspent Approvals (Estimated)	2021 New Request	2021 Total	2022	2023	2024	2025	2021-2025 Subtotal	2026-2030 Subtotal	2021-2030 Total	
8325 Heidelberg Upgrades	WW2	0%	45	-	45					45	-	45	
8326 Foxboro Upgrades	WW2	0%	39	89	50					50	-	50	
8328 Kitchener WWTP Influent Channel Twinning	WW2	29%	75	25	100					100	-	100	
8329 Spring Valley PS Upgrades	WW2	27%	20	480	460	830	805	500	4,750	7,345	12,600	19,945	
8330 Septage Receiving Facility	WW2	0%	1,934	1,516	3,450	895	350			4,695	-	4,695	
8333 Waterloo WWTP Outfall Upgrade	WW2	21%	-	50	50	100	100	200	100	550	11,000	11,550	
8334 St. Jacobs Expansion	WW1	100%	-	-	-		100	100	200	400	6,650	7,050	
8335 Elmira Expansion	WW1	100%	-	-	-			200	200	400	12,900	13,300	
8336 Waterloo Upgrades	WW2	21%	-	-	-	-	180	355	480	1,015	29,775	30,790	
8797 Kitchener Process Upgrades	WW2	29%	310	3,390	3,700	10,250	9,580	11,965	20,350	55,845	30,750	86,595	
8809 Waterloo Process Upgrade	WW2	21%	500	630	130					130	-	130	
TOTAL UPGRADES, EXPANSIONS & NEW FACILITIES			2,109	25,957	28,066	26,645	26,025	28,800	36,565	146,101	161,950	308,051	
BIOSOLIDS													
8275 Biosolids Management Facility	WW2	27%	-	655	655	4,850	8,000	3,110		16,615	1,000	17,615	
8322 Cogeneration & Other Biosolids Upgrades	WW2	27%	4,837	6,378	1,541	1,475	-			3,016	-	3,016	
8331 Biosolids Class EA	WW2	27%	-	-	-					-	1,000	1,000	
TOTAL BIOSOLIDS			-	4,837	7,033	2,196	6,325	8,000	3,110	-	19,631	2,000	21,631
TOTAL EXPENDITURE			4,362	43,878	48,240	49,335	47,854	44,610	50,425	240,464	239,180	479,644	

(1) WW1 - Projects related to quantitative level of service.

(2) WW2 - Projects related to qualitative level of service.

Notes:

(1) Term of debentures not to exceed twenty (20) years unless otherwise approved by Regional Council.

(2) Funding from Regional Development Charges (RDC) reflects the Region's RDC By-law #19-037.

RDC funding available beyond the expiry of the current by-law will depend on the outcome of future background studies and by-law reviews.

Wastewater Treatment
2021 Capital Budget Funding & Financing Summary (Thousands)

Project Number	Description	Type	RDC Share	2021 Total	User Rates		Development Charges	
					Grants and Recoveries	Wastewater Capital Reserve	Reserve Fund	Debenture
<u>PLANNING & STUDIES</u>								
8281	River Sampling Program	WW2	27%	380	-	277	103	-
8286	Baden & New Hamburg MP Update	WW1	100%	185	-	-	185	-
8288	Other Studies	WW2	27%	80	-	58	22	-
8311	Spills Clean-up/Site Remediation (100% recoverable)	WW2	0%	50	-	50	-	-
8337	Wellesley Wastewater Master Plan	WW1	100%	20	-	-	20	-
8750	Rural Water Quality Program	WW2	27%	200	-	146	54	-
TOTAL PLANNING & STUDIES				915	-	532	383	-
<u>ASSET MANAGEMENT</u>								
8305	Wastewater Treatment Upgrades	WW2	27%	440	-	321	119	-
8307	Kitchener & Waterloo Infrastructure Upgrades	WW2	26%	4,755	-	3,514	1,241	-
8308	Cambridge Infrastructure Upgrades	WW2	24%	3,720	-	2,816	904	-
8309	Rural Infrastructure Upgrades	WW2	42%	3,950	-	2,287	1,663	-
8310	Sewage PSs Infrastructure Upgrades	WW2	27%	2,650	-	1,935	716	-
8327	Wastewater Asset Management	WW2	27%	1,010	-	737	273	-
8332	Wastewater Asset Management Systems	WW2	27%	188	-	137	51	-
8801	Laboratory Equipment & Upgrades	WW2	0%	350	-	350	-	-
TOTAL INFRASTRUCTURE REPLACEMENT				17,063	-	12,097	4,966	-

Wastewater Treatment
2021 Capital Budget Funding & Financing Summary (Thousands)

					<u>User Rates</u>		<u>Development Charges</u>	
Project Number	Description	Type	RDC Share	2021 Total	Grants and Recoveries	Wastewater Capital Reserve	Reserve Fund	Debenture
<u>UPGRADES, EXPANSIONS & NEW FACILITIES</u>								
8242	Hespeler Expansion	WW1	28%	6,600	-	4,765	1,835	-
8279	SCADA System	WW2	27%	1,175	-	858	317	-
8289	Galt Process Upgrades	WW2	25%	11,140	-	8,388	1,952	800
8301	St. Jacobs Upgrade	WW1	31%	253	-	175	78	-
8315	Elmira Upgrades	WW2	51%	455	-	224	231	-
8316	Waterloo Expansion	WW1	100%	145	-	-	145	-
8317	Baden/New Hamburg Expansion	WW1	100%	100	-	-	100	-
8323	Preston Treatment Upgrades	WW2	18%	80	-	66	14	-
8324	Southern Ayr Wastewater System	WW1	100%	133	-	-	133	-
8325	Heidelberg Upgrades	WW2	0%	45	-	45	-	-
8326	Foxboro Upgrades	WW2	0%	50	-	50	-	-
8328	Kitchener WWTP Influent Channel Twinning	WW2	29%	100	-	71	29	-
8329	Spring Valley PS Upgrades	WW2	27%	460	-	336	124	-
8330	Septage Receiving Facility	WW2	0%	3,450	-	3,450	-	-
8333	Waterloo WWTP Outfall Upgrade	WW2	21%	50	-	39	11	-
8797	Kitchener Process Upgrades	WW2	29%	3,700	-	2,638	547	515
8809	Waterloo Process Upgrade	WW2	21%	130	-	103	27	-
TOTAL UPGRADES, EXPANSIONS & NEW FACILITIES				28,066	-	21,208	5,543	1,315
<u>BIOSOLIDS</u>								
8275	Biosolids Management Facility	WW2	27.0%	655	-	478	177	-
8322	Cogeneration & Other Biosolids Upgrades	WW2	27.0%	1,541	1,150	285	106	-
8331	Biosolids Class EA	WW2	27.0%	-	-	-	-	-
TOTAL BIOSOLIDS				2,196	1,150	764	282	-
TOTAL				48,240	1,150	34,600	11,175	1,315

The Regional Municipality of Waterloo
Wastewater Treatment User Rate Model for 2021-2030 (Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Compensation	6,969	7,108	7,250	7,395	7,543	7,694	7,848	8,005	8,165	8,328
Utilities	6,547	6,874	7,218	7,579	7,957	8,355	8,773	9,212	9,672	10,156
OCWA	13,200	13,398	13,599	13,803	14,010	14,220	14,433	14,650	14,870	15,093
GRCA	3,381	3,466	3,552	3,641	3,732	3,826	3,921	4,019	4,120	4,223
Central admin charges	1,756	1,756	1,756	1,756	1,756	1,756	1,756	1,756	1,756	1,756
Other expenses	6,972	7,077	7,183	7,291	7,400	7,511	7,624	7,738	7,854	7,972
System expansion	0	(70)	476	1,012	1,568	2,545	3,150	3,778	4,429	5,106
Interdepartmental charges	1,946	1,975	2,005	2,035	2,065	2,096	2,128	2,159	2,192	2,225
Transfer to corporate reserves	336	341	347	352	357	362	368	373	379	385
Transfer to/(from) Rate Stabilization Reserve	500	500	500	500	500	500	500	500	500	500
Total Operating Expenses	41,607	42,425	43,886	45,364	46,890	48,866	50,501	52,191	53,937	55,743
Debt Charges - Non Growth	10,525	10,742	10,822	10,815	10,593	10,585	10,118	8,049	6,835	6,829
Debt Charges - RDCs	9,056	9,154	9,582	9,985	10,289	10,289	10,370	10,479	11,312	12,584
Prior Year Oversizing (to Capital Reserve)	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837
DC Exemption Cost	2,584	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400
Transfer to Capital Reserve	26,038	26,471	28,352	30,446	32,858	34,761	36,690	40,267	43,034	44,640
Impact of Capital Program	50,039	51,604	53,993	56,484	58,977	60,873	62,415	64,032	66,418	69,290
Base Expenditure	91,646	94,030	97,879	101,847	105,867	109,739	112,916	116,223	120,355	125,033
Interdepartmental recoveries	(2,228)	(2,262)	(2,296)	(2,330)	(2,365)	(2,401)	(2,437)	(2,473)	(2,510)	(2,548)
Prior Year Oversizing (from DC Reserve Fund)	(1,837)	(1,837)	(1,837)	(1,837)	(1,837)	(1,837)	(1,837)	(1,837)	(1,837)	(1,837)
Transfer from RDC Reserve	(9,056)	(9,154)	(9,582)	(9,985)	(10,289)	(10,289)	(10,370)	(10,479)	(11,312)	(12,584)
Subtotal Recoveries	(13,121)	(13,253)	(13,715)	(14,152)	(14,491)	(14,527)	(14,643)	(14,790)	(15,660)	(16,969)
Net Base Expenditure	78,525	80,777	84,164	87,695	91,376	95,212	98,273	101,433	104,696	108,064
Non-Rate Revenue										
Fees	(521)	(529)	(537)	(545)	(553)	(561)	(570)	(578)	(587)	(596)
Over Strength Surcharge	(970)	(985)	(999)	(1,014)	(1,030)	(1,045)	(1,061)	(1,077)	(1,093)	(1,109)
Other revenue - Septage	(155)	(155)	(155)	(155)	(155)	(155)	(155)	(155)	(155)	(155)
Total Non-Rate Revenue	(1,646)	(1,668)	(1,691)	(1,714)	(1,737)	(1,761)	(1,785)	(1,810)	(1,835)	(1,860)
Surplus/(Shortfall) from Stabilization Reserve										
BASE RATE REVENUE	76,879	79,109	82,473	85,981	89,638	93,451	96,488	99,623	102,861	106,204
Rate (\$)	\$ 1.3051	\$ 1.3429	\$ 1.3953	\$ 1.4497	\$ 1.5063	\$ 1.5650	\$ 1.6104	\$ 1.6571	\$ 1.7052	\$ 1.7546
Rate increase (%)	0.0%	2.9%	3.9%	3.9%	3.9%	3.9%	2.9%	2.9%	2.9%	2.9%
Volume (m3 million)	58.907	58.907	59.108	59.309	59.510	59.712	59.916	60.119	60.324	60.529

**The Regional Municipality of Waterloo
Wastewater Capital Reserve Projection (Thousands)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	39,516	33,694	27,669	22,835	20,873	15,897	24,550	35,730	49,334	59,553
Contribution from Operating	26,038	26,471	28,352	30,446	32,858	34,761	36,690	40,267	43,034	44,640
Contribution from RDC Reserve - prior oversizing	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837
Net transfer to capital	(34,600)	(35,092)	(35,646)	(34,785)	(40,126)	(28,445)	(28,092)	(29,550)	(35,996)	(41,834)
Interest	904	758	624	540	454	499	744	1,050	1,344	1,547
Capital Reserve Closing Balance	33,694	27,669	22,835	20,873	15,897	24,550	35,730	49,334	59,553	65,743

Wastewater Stabilization Reserve Projection (\$Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	8,496	8,996	9,496	9,996	10,496	10,996	11,496	11,996	12,496	12,996
Transfer (to)/from Operating	500	500	500	500	500	500	500	500	500	500
Stabilization Reserve Closing Balance	8,996	9,496	9,996	10,496	10,996	11,496	11,996	12,496	12,996	13,496



THE REGIONAL MUNICIPALITY OF WATERLOO

2021 Operating Budget (\$ thousands)

Water Distribution Systems

	2020 Budget (Restated)	2020 Estimated Actuals	2021 Estimated Variance	2021 Budget	Budget Change \$	Budget Change %
Expenditure						
Compensation	264	264		268	4	1.5%
Benefits & Allowances	81	82	(1)	80	(1)	(1.2%)
Supplies	19	18	1	18	(1)	(5.3%)
Maintenance	302	286	16	311	9	3.0%
Professional Fees & Services	67	138	(71)	87	20	29.9%
Communications	1	1		2	1	100.0%
Travel	1		1	1		
Insurance	5	5		5		
Wholesale Water Purchases	1,175	1,129	46	1,155	(20)	(1.7%)
Transfer to Stabilization Reserve	284	284		50	(234)	(82.4%)
Transfer to Corporate Reserves	11	11		11		
Interdepartmental Charges	206	210	(4)	208	2	1.0%
Subtotal - Operating	2,417	2,429	(12)	2,195	(222)	(9.2%)
Debt Servicing	25	25			(25)	(100.0%)
Transfers to Capital Reserve	419	419		707	288	68.7%
Subtotal - Capital Financing	443	443		707	264	59.6%
Gross Expenditure	2,860	2,873	(13)	2,902	42	1.5%
Interdepartmental Recoveries	(114)	(114)		(114)		
Net Expenditure	2,747	2,759	(12)	2,788	41	1.5%
Revenue						
Fees & Charges	18	11	7	18		
Subtotal Non-Rate Revenue	18	11	7	18		
Monthly Fixed Fee	455	476	(21)	478	23	(5.1%)
Rate Revenue	2,273	2,397	(124)	2,292	19	(0.8%)
Subtotal Rate Revenue	2,729	2,873	(144)	2,770	41	(1.5%)
Operating Surplus / (Shortfall)		124	124			

Water Distribution

Ten Year Capital Budget and Forecast (Thousands) 2021 - 2030

	Previous Unspent Approvals	2021 New Request	2021 Total	2022	2023	2024	2025	2021 - 2025 Subtotal	2026 - 2030 Subtotal	2021 - 2030 Total
EXPENDITURE										
02003 Leak Detection and Remedial Work	350	100	450	100	100	60	60	770	220	990
02007 Distribution Studies and Upgrades	30	60	90	40	40	65	40	275	250	525
02009 Meter Replacement						600	600	1,200		1,200
02012 Fleet Replacements Water Distn				38				38	88	126
TOTAL EXPENDITURE	380	160	540	178	140	725	700	2,283	558	2,841
FUNDING & FINANCING										
Property Taxes										
Reserves and Reserve Funds										
3982160 Corporate Fleet Replacement Reserve				38				38	88	126
User Rates										
Reserves and Reserve Funds										
3980550 Water Distribution Reserve	380	160	540	140	140	425	400	1,645	470	2,115
3980560 Wastewater Collection Reserve						300	300	600		600
TOTAL FUNDING & FINANCING	380	160	540	178	140	725	700	2,283	558	2,841

The Regional Municipality of Waterloo
Water Distribution User Rate Model for 2021-2030 (\$ Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Compensation	346	360	374	389	405	421	438	455	473	492
Other expenses	420	426	433	439	446	453	459	466	473	480
Transfer to/(from) Rate Stabilization Reserve	50	50	50	0	0	0	0	0	0	0
Interdepartmental charges	208	211	214	217	221	224	227	231	234	238
Wholesale Water Purchases	1,155	1,212	1,271	1,333	1,399	1,467	1,539	1,614	1,694	1,776
Transfer to corporate reserves	16	16	17	17	17	17	18	18	18	18
Total Operating Expenditure	2,195	2,275	2,359	2,396	2,487	2,582	2,681	2,784	2,892	3,005
Debt Charges - Non Growth	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	707	735	778	845	905	921	982	997	1,064	1,064
Impact of Capital Program	707	735	778	845	905	921	982	997	1,064	1,064
Gross Expenditure	2,902	3,010	3,136	3,241	3,392	3,503	3,663	3,782	3,957	4,069
Interdepartmental recoveries	(114)	(116)	(117)	(119)	(121)	(123)	(125)	(126)	(128)	(130)
Subtotal Recoveries	(114)	(116)	(117)	(119)	(121)	(123)	(125)	(126)	(128)	(130)
Net Expenditure	2,788	2,895	3,019	3,121	3,271	3,380	3,538	3,655	3,828	3,939
Revenue										
Monthly Fees	(478)	(528)	(579)	(580)	(630)	(632)	(682)	(684)	(734)	(736)
Fees and Charges	(18)	(18)	(19)	(19)	(19)	(19)	(20)	(20)	(20)	(21)
Total Revenue	(496)	(546)	(597)	(599)	(649)	(651)	(702)	(704)	(755)	(757)
Surplus/(Shortfall) from Stabilization Reserve										
RATE REVENUE	2,292	2,348	2,422	2,522	2,622	2,729	2,836	2,951	3,074	3,182
Rate (\$)	\$3.14	\$3.20	\$3.29	\$3.42	\$3.55	\$3.69	\$3.83	\$3.98	\$4.14	\$4.30
Rate increase (%)	0.0%	1.9%	2.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Monthly Rate	\$ 10.00	\$ 11.00	\$ 12.00	\$ 12.00	\$ 13.00	\$ 13.00	\$ 14.00	\$ 14.00	\$ 15.00	\$ 15.00

The Regional Municipality of Waterloo
Water Distribution Capital Reserve Projection (Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	850	1,040	1,665	2,344	2,789	3,322	4,192	5,195	6,205	7,336
Transfer from Operating	707	735	778	845	905	921	982	997	1,064	1,064
Capital Project Commitment	(540)	(140)	(140)	(425)	(400)	(125)	(80)	(105)	(80)	(80)
Capital Inflation	2.9% 0	(4)	(8)	(38)	(48)	(19)	(15)	(23)	(21)	(23)
Total Transfer to Capital	(540)	(144)	(148)	(463)	(448)	(144)	(95)	(128)	(101)	(103)
Interest	23	33	50	64	76	93	116	141	167	196
Capital Reserve Closing Balance	1,040	1,665	2,344	2,789	3,322	4,192	5,195	6,205	7,336	8,493

Water Distribution Stabilization Reserve Projection (\$ Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	492	542	592	642	642	642	642	642	642	642
Transfer (to)/from Operating	50	50	50	0	0	0	0	0	0	0
Operating Shortfall/Surplus	0	0	0	0	0	0	0	0	0	0
Stabilization Reserve Closing Balance	542	592	642	642	642	642	642	642	642	642



THE REGIONAL MUNICIPALITY OF WATERLOO

2021 Operating Budget (\$ thousands)

Wastewater Collection Systems

	2020 Budget (Restated)	2020 Estimated Actuals	2021 Estimated Variance	2021 Budget	Budget Change \$	Budget Change %
Expenditure						
Maintenance		1	(1)			
Professional Fees & Services	5		5	30	25	500.0%
Property Taxes	5	5		4	(1)	(20.0%)
Contracts	36	36		36		
Insurance	4	4		4		
Wholesale Wastewater Fees	1,056	1,054	2	1,028	(28)	(2.7%)
Interdepartmental Charges	124	124		124		
Subtotal - Operating	1,229	1,221	8	1,225	(4)	(0.3%)
Debt Servicing	33	33			(33)	(100.0%)
Transfers to Capital Reserve	208	208		300	92	44.2%
Subtotal - Capital Financing	241	241		300	59	24.5%
Gross Expenditure	1,470	1,462	8	1,525	55	3.7%
Net Expenditure	1,470	1,462	8	1,525	55	3.7%
Revenue						
Monthly Fixed Fee	285	294	(9)	298	13	(4.6%)
Rate Revenue	1,185	1,337	(152)	1,227	42	(3.5%)
Subtotal Rate Revenue	1,470	1,631	(161)	1,525	55	(3.7%)
Operating Surplus / (Shortfall)		169	169			

Wastewater Collection

Ten Year Capital Budget and Forecast (Thousands) 2021 - 2030

	Previous Unspent Approvals	2021 New Request	2021 Total	2022	2023	2024	2025	2021 - 2025 Subtotal	2026 - 2030 Subtotal	2021 - 2030 Total
EXPENDITURE										
02033 Replacement & Upgrade Collection Mains		180	180	170	170	170	75	765	495	1,260
02035 Collection Studies and Upgrades		75	75	75	75	75	75	375	375	750
TOTAL EXPENDITURE		255	255	245	245	245	150	1,140	870	2,010
FUNDING & FINANCING										
User Rates										
Reserves and Reserve Funds										
3980560 Wastewater Collection Reserve		255	255	245	245	245	150	1,140	870	2,010
TOTAL FUNDING & FINANCING		255	255	245	245	245	150	1,140	870	2,010

**The Regional Municipality of Waterloo
Wastewater Collection Rate Model for 2021 - 2030 (Thousands)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Other expenses	70	71	72	73	74	75	76	77	79	80
Transfer to/(from) Rate Stabilization Reserve	-	-	-	-	-	-	0	-	-	-
Interdepartmental charges	124	126	128	130	132	134	136	138	140	142
Wholesale Water Purchases	1,028	1,079	1,131	1,187	1,245	1,306	1,370	1,437	1,508	1,581
Transfer to corporate reserves	4	4	4	4	4	4	4	4	4	4
Total Operating Expenditure	1,226	1,279	1,335	1,393	1,455	1,519	1,586	1,656	1,730	1,807
Debt Charges - Non Growth	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	299	314	340	334	346	341	353	343	320	295
Impact of Capital Program	299	314	340	334	346	341	353	343	320	295
Gross Expenditure	1,525	1,593	1,675	1,728	1,800	1,859	1,938	1,999	2,050	2,102
Net Expenditure	1,525	1,593	1,675	1,728	1,800	1,859	1,938	1,999	2,050	2,102
Revenue										
Monthly Fees	(298)	(327)	(367)	(378)	(408)	(418)	(448)	(459)	(461)	(462)
Total Revenue	(298)	(327)	(367)	(378)	(408)	(418)	(448)	(459)	(461)	(462)
Surplus/(Shortfall) from Stabilization Reserve										
RATE REVENUE	1,227	1,266	1,307	1,350	1,393	1,441	1,490	1,540	1,589	1,640
Rate (\$)	\$2.32	\$2.39	\$2.46	\$2.53	\$2.60	\$2.68	\$2.76	\$2.84	\$2.92	\$3.00
Rate increase (%)	0.0%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
Monthly Rate	\$ 8.00	\$ 9.00	\$ 10.00	\$ 10.00	\$ 11.00	\$ 11.00	\$ 12.00	\$ 12.00	\$ 12.00	\$ 12.00

**The Regional Municipality of Waterloo
Wastewater Collection Capital Reserve Projection (Thousands)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	3,348	3,476	3,626	3,798	3,630	3,560	3,819	4,091	4,355	4,597
Transfer from Operating	299	314	340	334	346	341	353	343	320	295
Transfer to Capital	(255)	(245)	(245)	(545)	(450)	(150)	(150)	(150)	(150)	(270)
Capital Inflation	0	(7)	(14)	(49)	(55)	(23)	(28)	(33)	(39)	(79)
	(255)	(252)	(259)	(594)	(505)	(173)	(178)	(183)	(189)	(349)
Interest	84	88	92	92	89	91	98	104	111	114
Ending Balance	3,476	3,626	3,798	3,630	3,560	3,819	4,091	4,355	4,597	4,657

Wastewater Collection Stabilization Reserve Projection (Thousands)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Opening Balance	590	590	590	590	590	590	590	590	590	590
Operating Shortfall/Surplus	0	0	0	0	0	0	0	0	0	0
Ending Balance	590	590	590	590	590	590	590	590	590	590