

2021 Draft Operating Budget

Water

Township of Hamilton

2021 Draft Operating Budget

WATER

OVERVIEW

The Water Operations Department is responsible for the treatment and distribution of potable water through compliance with all relevant Ontario legislation. The department is committed to continuous improvement initiatives and preventative maintenance to enhance the operation of our systems.

2020 ACCOMPLISHMENTS

- Devise and execute a plan to protect workforce during Covid which ensures the Township can continue to provide safe and secure water operations
- Completion of a third-party Water Rate Study in preparation of our Drinking Water License renewal in 2021
- Overhaul of DWQMS to bring up to Standard 2.0
- Replacement of a Distribution mainline valve on County Rd 45
- Emergency replacement of corroded coupling in the Camborne Clearwell
- Emergency well rehabilitation for Camborne Water System due to catastrophic failure of both wells. Operations ensured uninterrupted supply to Camborne water users
- Hiring of new Water Operations Manager

2021 PRIORITIES

- Repair/replace a section of Creighton Heights Highlift Discharge Header due to leak at flange. We have to construct a temp header as this plant's Highlift system supplies pressure and flow 24/7
- Completion of rehabilitation of Well 1A and 2A at Camborne to secure the water supply for Camborne
- Pending Budget approval, we will be pursuing the following projects:
- Creighton Heights Well Inspection and Upgrades
- Replacement of Camborne's flow control valves and one pressure tank
- Continue with water meter upgrades in both Towns
- MCC maintenance at both plants to ensure continued reliable operation

- Mainline and hydrant valve turning in Creighton Heights. At least 1/3 to 1/2 of all valves.

TOWNSHIP OF HAMILTON

2021 Draft Operating Budget

2021 Budget Highlights - WATER

	2020 Budget	2021 Draft Budget	Variance (Fav)/Unfav	Variance %
Expenditures				
Personnel	250,100	270,000	19,900	8.0%
Contribution to Reserve	46,147	86,628	40,481	87.7%
Other Expenditure	277,163	244,018	(33,145)	-12.0%
Total Expenditures	573,410	600,646	27,236	4.7%
Revenues				
Contribution from Reserve	(93,473)	(10,000)	83,473	-89.3%
Other Revenue	(479,938)	(590,647)	(110,709)	23.1%
Total Revenue	(573,411)	(600,647)	(27,236)	4.7%
Net Budget	(0)	(0)	(0)	

	2020 Approved Budget	Base	New	Annualization	Council Targeted Initiatives	2021 Draft Budget
Expenditures						
Personnel	250,100	7,600	-	12,300	-	270,000
Contribution to Reserve	46,147	40,481	-	-	-	86,628
Other Expenditure	277,163	(33,145)	-	-	-	244,018
Total Expenditures	573,410	14,936	0	12,300	0	600,646
Revenues						
Contribution from Reserve	(93,473)	83,473	-	-	-	(10,000)
Other Revenue	(479,938)	(110,709)	-	-	-	(590,647)
Total Revenue	(573,411)	(27,236)	0	0	0	(600,647)
Net Budget	(0)	(12,300)	0	12,300	0	(0)

TOWNSHIP OF HAMILTON
2021 Draft Operating Budget Pressures

WATER - DEPARTMENTAL SUMMARY OF BUDGET PRESSURES

Budget Variance Explanations	2019 Actual	2020 Preliminary Actual	2019 Budget	2020 Budget	2021 Draft Budget	Incremental Changes	% Change Over Prior Year	Explanation
2020 Net Budget						0		
EXPENDITURES								
Personnel	211,636	237,211	211,374	250,100	257,700	7,600	3.0%	Due to step and benefit rate increases, as well as general cost of living increases
Contribution to Reserve								
<u>Water Admin</u>								
TRANSFER TO CAPITAL RESERVE	-	-	-	-	38,275	38,275		To fund Capital Projects
TRANSFER TO LUSI CAPITAL RESERVE	22,064	-	-	22,064	24,270	2,206	10.0%	
Other Expenditure								
<u>Water Admin</u>								
TRAINING	3,911	1,176	6,900	6,900	4,500	(2,400)	-34.8%	Aligned with actual + contingency
MEMBERSHIPS	559	823	900	500	800	300	60.0%	Aligned with actual
MILEAGE & FUEL	2,751	1,657	3,000	3,000	2,500	(500)	-16.7%	Aligned with actual
LAB SUPPLIES	3,389	5,615	4,245	4,245	5,000	755	17.8%	Aligned with actual
TELEPHONE	1,065	565	4,500	1,000	750	(250)	-25.0%	Aligned with actual
DISPATCHING SERVICES	642	826	750	1,000	850	(150)	-15.0%	Aligned with actual
VEHICLE REPAIRS	1,623	3,567	-	10,000	5,000	(5,000)	-50.0%	Aligned with actual + contingency + proposed new vehicle in 2021 capital budget
CONSULTANT GENERAL	-	39,419	-	63,200	10,000	(53,200)		2022 Rate Study
COMPUTER HARDWARE	-	-	-	-	7,000	7,000		SCADA and Neptune Software
SOFTWARE AND INTERNET SUPPORT								
<u>Camborne</u>								
HYDRO	6,847	6,357	10,000	9,000	7,000	(2,000)	-22.2%	Aligned with Actual
HEATING FUEL	1,191	1,182	1,800	1,800	1,300	(500)	-27.8%	Aligned with Actual + contingency
TELEPHONE	2,578	1,220	-	1,000	1,300	300		Aligned with Actual
LINE MAINTENANCE	22,571	24,440	7,500	7,500	20,000	12,500	166.7%	Aligned with actual (proactive/preventative maintenance)
<u>Creighton Heights</u>								
LINE MAINTENANCE	22,148	50,476	20,000	20,000	30,000	10,000	50.0%	Aligned with actual (proactive/preventative maintenance)
Total Expenditures Variance						14,936	4.7%	

TOWNSHIP OF HAMILTON
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WATER - DEPARTMENTAL SUMMARY OF BUDGET PRESSURES

Budget Variance Explanations	2019 Actual	2020 Preliminary Actual	2019 Budget	2020 Budget	2021 Draft Budget	Incremental Changes	% Change Over Prior Year	Explanation
REVENUES								
Contribution from Reserve								
<u>Water Admin</u>								
TRANSFERS FROM RESERVES	-	-	-	(93,473)	(10,000)	83,473	-89.3%	To fund rate study in 2021
Other Revenue								
METER SALES	(3,593)	(2,053)	(2,000)	(2,000)	(3,500)	(1,500)	75.0%	Aligned with actual
LUSI COST RECOVERIES	(22,064)	(22,261)	-	(22,064)	(24,270)	(2,206)	10.0%	
WATER BILLING	(342,960)	(256,495)	(317,153)	(323,496)	(419,457)	(95,961)	29.7%	Rate Increase and Volume
CAPITAL COST RECOVERY	(109,926)	(110,123)	(134,228)	(109,926)	(120,968)	(11,042)	10.0%	Rate Increase
Total Revenues Variance						(27,236)	4.7%	
BASE BUDGET INCREASE						(12,300)		
ANNUALIZATION								
Heavy Equipment Operator					12,300	12,300		
Incremental Change						(0)		
Net Budget						(0)		

TOWNSHIP OF HAMILTON						
2021 BUDGET WORKING DOCUMENT						
	2019 Actuals	2020 Actuals As of Dec 15, 2020	2019 Budget	2020 Budget	2021 Draft Budget	% Increase
Water						
Water Admin Revenues						
TRANSFERS FROM RESERVES	0	0	0	(93,473)	(10,000)	83,473 -89.3%
Total Contribution from Reserve	0	0	0	(93,473)	(10,000)	83,473 -89.3%
PENALTIES & INTEREST	(1,296)	(859)	(2,000)	(2,000)	(2,000)	0 0.0%
MISC. REVENUE	(17)	0	0	0	0	0 0.0%
METER SALES	(3,593)	(2,053)	(2,000)	(2,000)	(3,500)	(1,500) 75.0%
OTHER RECOVERIES	(59)	(1,259)	(2,000)	(2,000)	(2,000)	0 0.0%
LUSI COST RECOVERIES	(22,064)	(22,261)	(22,064)	(22,064)	(24,270)	(2,206) 10.0%
Total Other Revenue	(27,029)	(26,432)	(6,000)	(28,064)	(31,770)	(3,706) 13.2%
Total Water Admin Revenues	(27,029)	(26,432)	(6,000)	(121,537)	(41,770)	79,767 -65.6%
Water Admin Expenditures						
Total Water Salaries and Benefit Exp	211,636	237,211	211,374	250,100	270,000	19,900 8.0%
TRANSFER TO WATER RESERVE	8,107	0	17,485	0	0	0 0.0%
TRANSFER TO WATER RATE STUDY RESERV	10,000	32,261	10,000	10,000	10,000	0 0.0%
TRANSFER TO CAPITAL RESERVE	0	0	0	0	38,275	38,275 10.0%
TRANSFER TO LUSI CAPITAL RESERVE	22,064	0	0	22,064	24,270	2,206 10.0%
Total Contribution to Reserve	40,171	32,261	27,485	32,064	72,545	40,481 126.3%
TRAINING	3,911	1,176	6,900	6,900	4,500	(2,400) -34.8%
MEMBERSHIPS	559	823	900	500	800	300 60.0%
MILEAGE & FUEL	2,751	1,657	3,000	3,000	2,500	(500) -16.7%
STAFF APPRECIATION	291	0	0	500	500	0 0.0%
OFFICE SUPPLIES	2,053	1,010	1,275	1,300	1,300	0 0.0%
LAB SUPPLIES	3,389	5,615	4,245	4,245	5,000	755 17.8%

TOWNSHIP OF HAMILTON							
2021 BUDGET WORKING DOCUMENT							
	2019 Actuals	2020 Actuals As of Dec 15, 2020	2019 Budget	2020 Budget	2021 Draft Budget	% Increase	
INSURANCE	18,669	20,144	20,000	20,400	20,400	0	0.0%
AUDIT - DWQMS	5,309	4,109	7,075	4,000	4,000	0	0.0%
TELEPHONE	1,065	565	4,500	1,000	750	(250)	-25.0%
DISPATCHING SERVICES	642	826	750	1,000	850	(150)	-15.0%
SAMPLING	496	333	650	750	750	0	0.0%
CONTRACTED OUT	14,530	22,273	17,500	25,000	25,000	0	0.0%
MINOR CAPITAL	1,238	1,664	600	1,500	1,500	0	0.0%
VEHICLE REPAIRS	1,623	3,567	0	10,000	5,000	(5,000)	-50.0%
LINE MAINTENANCE	13,332	62	0	0	0	0	
WRITE OFFS	2,555	67	0	500	500	0	0.0%
WATER METER REPLACEMENT	6,716	0	10,000	0	0	0	
LINE VALVE REPLACEMENT	10,644	0	15,000	0	0	0	
GIS MAPPING	0	0	0	5,000	5,000	0	
CONSULTANT GENERAL	0	39,419	0	63,200	10,000	(53,200)	100.0%
COMPUTER HARDWARE, SOFTWARE AND INTERNET SUPPORT					7,000	7,000	
Total Other Expenditure	89,774	103,309	92,395	148,795	95,350	(53,445)	-35.9%
Total Water Admin Operating Expenditures	341,580	372,781	331,254	430,959	437,895	6,936	1.6%
Net Water Admin	314,551	346,349	325,254	309,422	396,125	86,703	28.0%

TOWNSHIP OF HAMILTON

2021 BUDGET WORKING DOCUMENT

	2019 Actuals	2020 Actuals As of Dec 15, 2020	2019 Budget	2020 Budget	2021 Draft Budget	\$ Increase	% Increase
Creighton Heights Revenues							
WATER BILLING	(301,730)	(222,921)	(277,239)	(282,784)	(369,474)	(86,690)	30.7%
CAPITAL COST RECOVERY	(96,727)	(96,924)	(131,616)	(96,727)	(106,449)	(9,722)	10.1%
Total Creighton Heights Water Revenue	(398,457)	(319,845)	(408,855)	(379,511)	(475,923)	(96,412)	25.4%
Creighton Heights Expenditures							
CHEMICALS	12,729	13,049	11,675	12,000	12,000	0	0.0%
HYDRO	56,485	47,482	58,500	58,500	58,500	0	0.0%
TELEPHONE	2,727	567	1,600	1,000	1,000	0	0.0%
SAMPLING	5,208	4,312	6,000	6,000	6,000	0	0.0%
LINE MAINTENANCE	22,148	50,476	20,000	20,000	30,000	10,000	50.0%
SCADA NETWORK	0	672	0	2,000	2,000	0	
HOLDING TANK	1,749	519	2,125	1,500	1,500	0	0.0%
Total Creighton Heights Water Expenditures	101,046	117,078	99,900	101,000	111,000	10,000	9.9%
Net Creighton Heights Water	(297,411)	(202,768)	(308,955)	(278,511)	(364,923)	(86,412)	31.0%

TOWNSHIP OF HAMILTON						
2021 BUDGET WORKING DOCUMENT						
	2019 Actuals	2020 Actuals As of Dec 15. 2020	2019 Budget	2020 Budget	2021 Draft Budget	% Increase
Hydrants						
AREA CHARGE HYDRANTS	(18,276)	(18,936)	(18,090)	(18,451)	(18,451)	0
Total Revenue	(18,276)	(18,936)	(18,090)	(18,451)	(18,451)	0
TRANSFER TO HYDRANT RESERVE	14,537	14,083	13,722	14,083	14,083	0
Total Contribution to Reserve	14,537	14,083	13,722	14,083	14,083	0
HYDRANT INSPECTIONS	3,739	6,435	4,368	4,368	4,368	0
Total Other Expenditure	3,739	6,435	4,368	4,368	4,368	0
Total Hydrants	(0)	1,582	0	(0)	(0)	0