

July 12, 2022

Colleen Rollings, P.Eng., Chair  
Halifax Water  
Halifax, Nova Scotia

The Annual General Meeting of the Halifax Water Board will be held virtually on July 14, 2022 at 4:00 p.m. Visit [www.halifaxwater.ca](http://www.halifaxwater.ca) to register to attend the meeting.

## AGENDA

### Regular Business

1. Chair's Opening Remarks
2. Approval of Agenda
3. Approval of Minutes of the 2021 Annual General Meeting, held on Thursday, July 15, 2021  
*Motion: That the Halifax Water Board approve the minutes of the July 15, 2021 Annual General Meeting.*
4. Strategic Initiatives Overview
  - 2021/22 Accomplishments
  - 2022/23 Goals
5. Year End Financial Results for 2021/22
6. Major Capital Initiatives for 2022/23

### Other Business

7. Question and Answer Forum
8. Chair's Closing Remarks

Heidi  
Schedler

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Heidi Schedler  
Secretary

## HALIFAX WATER BOARD – ANNUAL GENERAL MEETING

Date: July 15, 2021	Meeting Time: 10:00 a.m. Adj: 11:10 a.m.
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<b>Attendees:</b>	Commissioner Craig McMullin, Chair
	Commissioner Becky Kent, Vice Chair
	Commissioner Colleen Rollings
	Commissioner Cathy Deagle-Gammon
	Commissioner Ted Farquhar
	Commissioner Patty Cuttell
	Commissioner Pamela Lovelace
<b>Regrets:</b>	Commissioner Brad Anguish
<b>Staff:</b>	Cathie O'Toole, General Manager
	Louis de Montbrun, Director, Corporate Services/Treasurer
	Heidi Schedler, General Counsel and Corporate Secretary
	Reid Campbell, Director, Engineering & Technology Services
	Kenda MacKenzie, Director, Regulatory Services
	Susheel Arora, Director, Operations
	Lorna Skinner, Administrative Assistant

The following does not represent a verbatim record of the proceedings of this meeting.

The agenda and any supporting documents are available online at [www.halifaxwater.ca](http://www.halifaxwater.ca)

### Agenda Items

#### CALL TO ORDER

The Chair called the meeting to order at 10:00.

### AGENDA ITEMS

#### 1. THE CHAIR'S OPENING REMARKS

The Chair introduced himself and welcomed the attendees to the Annual General Meeting of Halifax Water. He acknowledged that the meeting is being held on the ancestral and unceded territory of the Mi'kmaq people.

<b>2.a) APPROVAL OF MINUTES OF THE 2020 ANNUAL GENERAL MEETING DATED JULY 15, 2020.</b>	
Discussion Notes	MOVED BY Commissioner Farquhar, seconded by Commissioner Rollings that the Halifax Regional Water Commission Board approve the minutes of the 2020 Annual General Meeting dated July 15, 2020.
Decision	MOTION PUT AND PASSED.
<b>2.b) APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS.</b>	
Discussion Notes	MOVED BY Commissioner Deagle-Gammon, seconded by Commissioner Farquhar that the Halifax Regional Water Commission Board approve the order of business and approve additions and deletions.
Decision	MOTION PUT AND PASSED.

<b>3. STRATEGIC INITIATIVES OVERVIEW</b>	
<b>a) 2020/21 Accomplishments</b>	
Discussion Notes	Cathie O'Toole thanked the staff of Halifax Water for their hard work and dedication during the 2020/21 fiscal year. Ms. O'Toole gave a presentation on the accomplishments and goals of 2020/21.
<b>b) 2021/2022 Goals</b>	
Discussion Notes	Cathie O'Toole gave a presentation on the organization's goals and objectives for 2021/22.

<b>4. MAJOR CAPITAL INITIATIVES FOR 2021/22</b>	
Discussion Notes	Reid Campbell gave a presentation on the 2021/22 major capital initiatives.

<b>5. YEAR-END FINANCIAL RESULTS – 2020/21</b>	
Discussion Notes	Louis de Montbrun gave a presentation on the year-end results for 2020/21.

<b>6. QUESTION AND ANSWER FORUM</b>	
Discussion Notes	None.

<b>7. CHAIR'S CLOSING REMARKS</b>	
The Chair thanked all those who participated in the meeting as well as those attending.	



# Safety Message





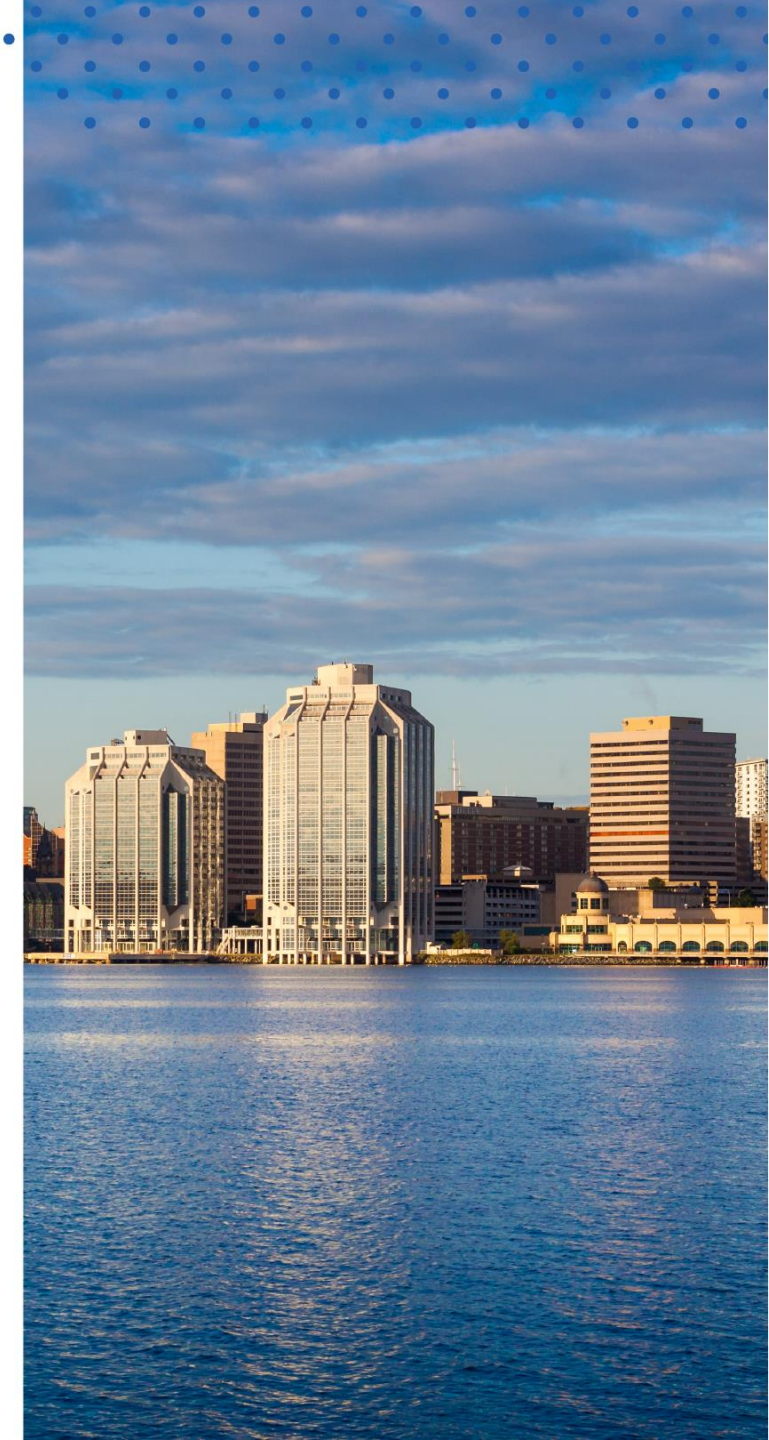


# Strategic Initiatives Overview

Annual General Meeting  
July 14, 2022

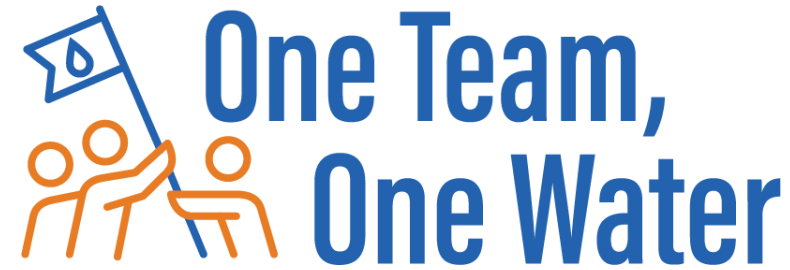
Cathie O'Toole  
General Manager

**STRAIGHT from  
the SOURCE**



## Our Mission

To provide world-class services for our customers and our environment.



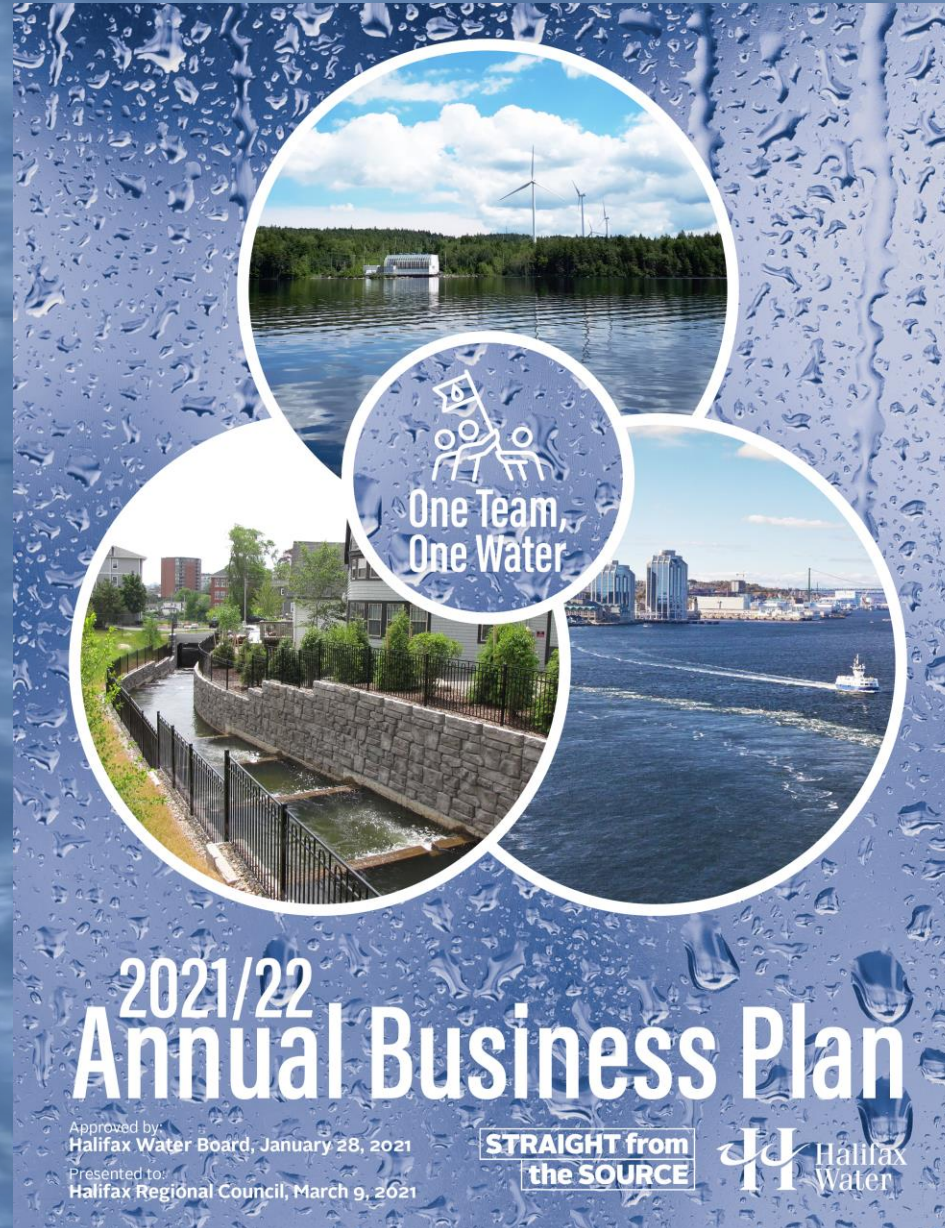
## Our Vision

We will provide our customers with high-quality water, wastewater, and stormwater services. Through adoption of best practices, we will place the highest value on public health, customer service, fiscal responsibility, workplace safety and security, asset management, regulatory compliance, and stewardship of the environment. We will fully engage employees through teamwork, innovation, and professional development.





# Achievements in 2021/22



## 2021/22 Annual Business Plan

Approved by:  
Halifax Water Board, January 28, 2021  
Presented to:  
Halifax Regional Council, March 9, 2021

**STRAIGHT from  
the SOURCE**

**Halifax  
Water**

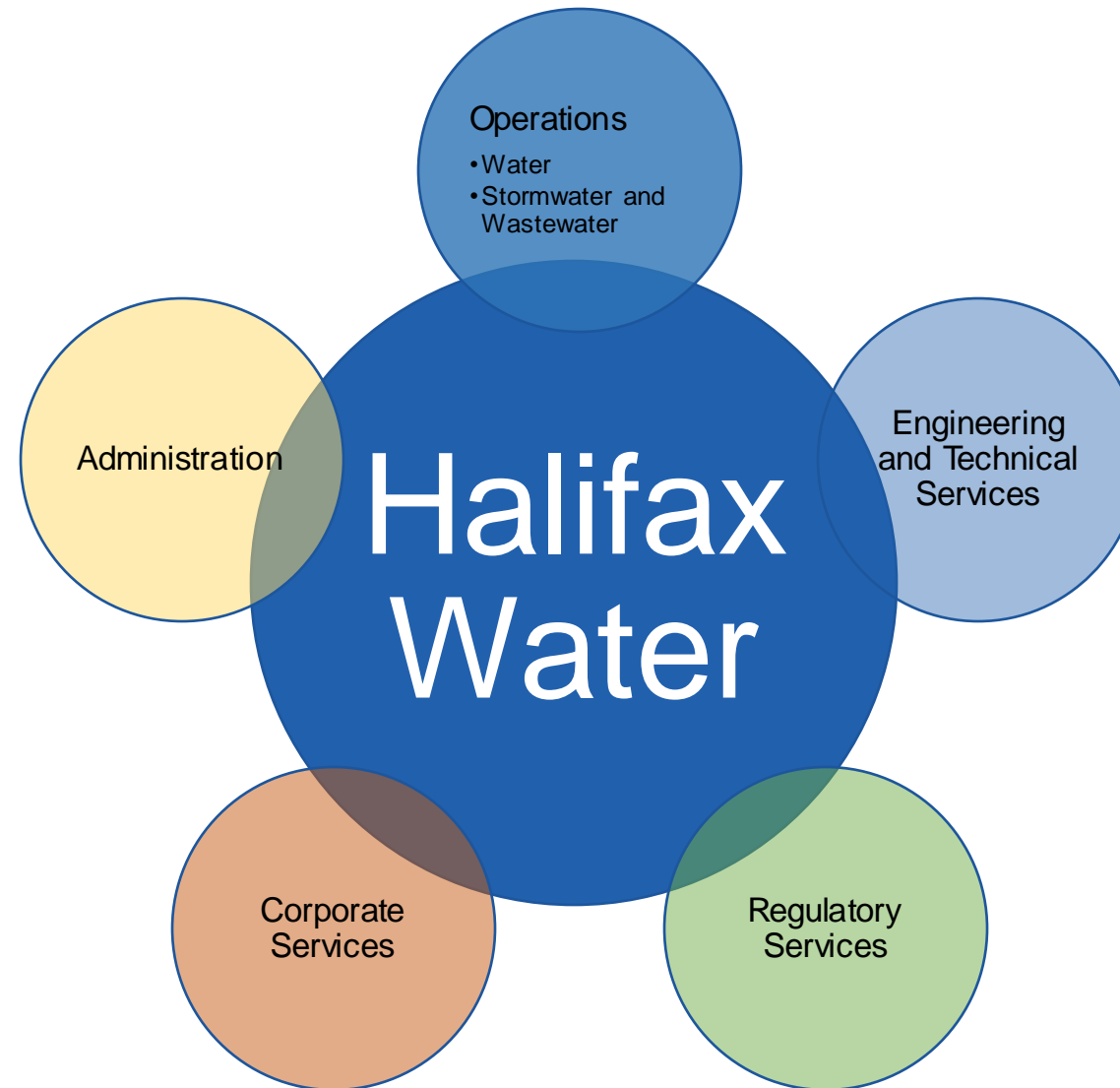
# Critical Success Factors



Corporate Balanced Scorecard results in 2021/22 were better than the prior year, with 20 out of 30 organizational indicators achieved.



# Update: Goals and Objectives of the Organization



# Operations - Water Services

Complete Water Quality Master Plan Version 4	Commenced
Secure approval for Water Supply Enhancement Program (WSEP)	Included in 2022/23 business plan and budgets, and first projects initiated
Fully implement enhanced algal monitoring as a permanent program	This program is now fully operationalized
Launch and successfully implement year 1 of the new Lead Service Line (LSL) replacement program	First year was successful with goals exceeded
Implement findings from the dam safety review	Implemented and projects are included within business plan and budgets
Recommend next steps for Water Loss Control program	Carries forward as a goal within Operations

# Wastewater & Stormwater Services

Complete Biosolids Facility upgrade plan and progress procurement for Capital and Operating contracts	Planning and procurement activities commenced
Continue to implement wastewater research program as per plan submitted to the National Sciences and Engineering Research Council (NSERC)	Year two activities completed
Consult stakeholders on the plan for Halifax Harbour Solutions Plant (HHSP) upgrades to meet 2040 compliance	Terms of reference for a Wastewater Treatment Facility Planning Study approved and process initiated
Complete Wet Weather Management projects and initiate any changes required to enable an effective private side I&I reduction program	21/22 projects completed
Implement actions from the odour strategy	completed



# Engineering & Technology Services

Optimize capital project delivery and improve percentage of annual capital budget spent	Optimization work commenced but % of capital budget spent has not increased
Complete design and tender process for Burnside Depot construction	Preliminary design completed, procurement method selected, and RFP will commence in July
HRM Cogswell Redevelopment infrastructure relocation	Cost sharing agreements need to be finalized and submitted to the NSUARB and this will occur in 2022/23
Promote the multi-year Water Supply Enhancement Program (WSEP) and implement year-1 Clarifier Design Phase	The year-1 Clarifier Design Process was successfully implemented with minimal impact on customers.
Develop a road map for data intelligent water and deliver key IT projects (Cyber Security and ERP)	Cyber security projects and ERP are underway, high-level road map for the intelligent water strategy was developed
Finalize levels of service for asset management (AM), and evaluation of AM Program	Evaluation was completed. Level of service work carries forward
Monitor & report on Integrated Resource Plan progress	NSUARB approved timelines for various reporting requirements, and a structure was established to track IRP progress

# Regulatory Services

Implement an annual Regional Development Charge stakeholder consultation process	Consultant engaged, and process commenced
Phase corporate implementation of the Environmental Management System (EMS)	Phased implementation started and is on track.
Maintain regulatory compliance and enhance reporting	Regulatory compliance was maintained in 2021/22.
Launch new service account compliance program	Program was scoped and discussion was initiated with Halifax Water Board EHS Committee regarding how it could be delivered. This goal carries forward.
Evaluate ISO45001 (safety) certification and complete a physical security audit	Initiative paused and deferred to future years due to lack of internal capacity.
Enhance the stormwater credit program and support stormwater billing	Stormwater processes were reviewed in advance of stormwater service expansion, information available on Halifax Water's website was updated.
Develop a Climate Action Plan for Halifax Water that supports HalifACT 2050 and enhances coordination and reporting of climate change adaptation and mitigation initiatives	Climate Resiliency Committee established, and RFP issued to engage a consultant to help develop the plan. This goal carries forward.

# Corporate Services

Analyze impervious area data and apply to adjust rates for stormwater service	Application submitted to the NSUARB in February 2022
Integrate the Customer Connect portal and increase customer utilization	Leak alerts and notifications for both portal and non-portal customers and increased the number of customers signed up for the portal to 28%.
Commence ERP design	Project is underway and is on budget, but slightly behind schedule.
Update procurement policy and processes	Implementation began 4 <sup>th</sup> quarter with improved procurement templates and contract language. Work carries forward into the 2022/23 fiscal year.
Improve financial forecasting and reporting	Year-end operating results were within 4% of budget. Capital reporting continued to improve throughout the year.
Update Cost of Service (COS) Manual and apply for NSUARB approval	Submitted as part of a General Rate Application
Implement new bill design, monthly billing, and improve collection process	Some improvements made in the collection process. Monthly billing and new bill design deferred.



# Administration

Obtain approval for regulations governing the Cogswell District Energy System.	Approval initiated for the capital expenditures and operation of the DES. The regulations and rates will be established when construction is nearing completion.
Update Service Level Agreement with HRM	Halifax Water initiated discussions in December 2022 and this work carries forward to 2022/23.
Roll out updated Code of Conduct to all employees	Complete, however discussions are on-going with the two union locals regarding the Code of Conduct, interpretation and how it applies.
Roll out Risk Management Policy and update risk registers	Complete. Policy was rolled out and risk registers updated.
Engage next Dispute Resolution Officer for NSUARB approval, and plan transition	Complete
Enhanced stormwater customer communication & education	Complete. Website updated, new story boards and education material developed, and a combination of virtual and in-person workshops were conducted.
Complete unconscious bias training for managers and align Halifax Water with HRM culture & diversity initiatives	Completed unconscious bias training and Indigenous Ally training, and developed a Diversity, Equity and Inclusion framework.

# 2022/23 Strategic Initiatives

## 2022-23 Annual Business Plan



Working together with mutual trust, respect and shared values that focus on our commitment to customers, community, and the environment.



**People**



**Health, Safety  
& Environment**



**Financial &  
Regulatory Accountability**



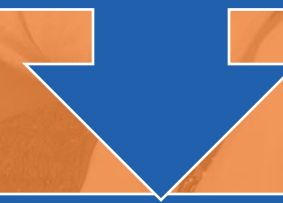
**Operational  
Excellence**

Approved by the Halifax Water Board  
January 27, 2022

Presented to Halifax Regional Council  
February 15, 2022



Halifax Water is constrained by limited financial and human resources



The plan for 2022/23 reflects the requirement to:

Maintain service

Meet regulatory obligations

Address capacity gaps (that are hindering our ability to proceed with initiatives)

Keep the most important and strategic initiatives moving forward

Promote a safety-first culture

Maintain team morale and guard against burn-out

This document is available at:  
[halifaxwater.ca/publications-reports](https://halifaxwater.ca/publications-reports)

# Success through Teamwork



## One Team, One Water

- Part of the solution is to maximize the use of our existing resources. This means getting better at working collaboratively in teams, using capacity where it exists, and not working in silos.
- The 2022/23 proposed business plan will help focus our employees on what is important and reinforce the necessity of working as a team toward these goals.
- There are fewer strategic objectives, and they are organized by four common pillars rather than by business units.







### People

We attract and retain high-quality team members in an inclusive and respectful work environment. We are committed to our customers and the communities where we live and work, determined to provide a high level of service and sustainable future through on-going engagement.



### Health, Safety & Environment

The health and safety of our employees, contractors, and the public is our top priority. Our safety-first culture, and our respect for the environment, enables us to provide healthy, reliable and sustainable services to our customers.

## The Four Pillars



### Financial & Regulatory Accountability

It is fundamental to ensure that Halifax Water has capacity to fund existing and future infrastructure. We prudently manage assets and operate our business by balancing value and customer service.



### Operational Excellence

We are committed to service, reliability, and quality for our customers. Focused on safety and efficiently building, operating, and maintaining our critical infrastructure, we ensure a more sustainable community.

# People



- Enhance workforce planning (talent management, meeting staff resource requirements and training)
- Build a positive & diverse workplace (carry out formalized DEI plan)
- Increase stakeholder & customer engagement
- Support transition of Halifax Water Board through development of new members
- Ensure that major initiatives have communication and stakeholder engagement plans
- Enhance information available to customers through Customer Connect and bill redesign

# Health, Safety & Environment

- Continue to enhance safety & security culture starting with Safety Leadership training
- Gain approval for new biosolids strategy & execute a contract for the new biosolids processing facility (BPF)
- Develop a Climate Action Plan
- Align green initiatives for fleet and buildings with the Climate Action Plan
- Maintain regulatory compliance & enhance reporting
- Launch a new service compliance program
- Implement corporate Environmental Management System (EMS)





# Financial & Regulatory Accountability



- Improve financial position & update the long-range financial plan
- Optimize capital project planning & delivery
- Progress asset management and infrastructure planning initiatives
- Complete & implement an actuarial valuation of the Halifax Water employees' pension plan
- Complete a cost-of-service/rate application process
- Complete water system assessment reports and a Water Safety Plan
- Secure regulatory approvals for key projects
  - Cogswell DES
  - Cogswell Redevelopment Infrastructure Relocation
  - Burnside Operations Depot
  - Biosolids Processing Facility (BPF)
  - Mill Cove WWTF Upgrade



# Operational Excellence

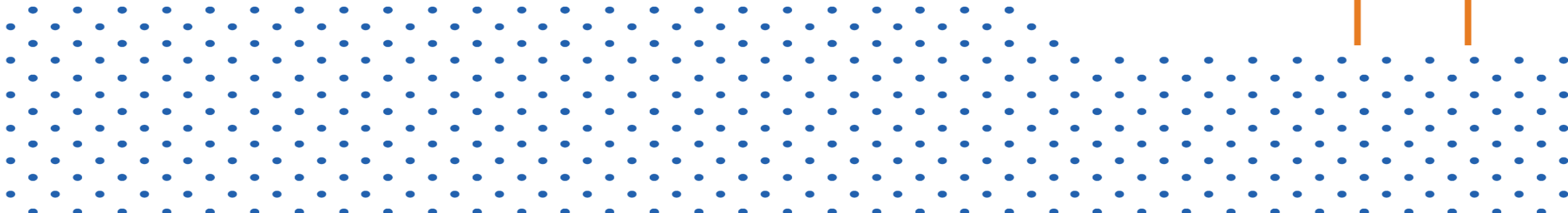
- Implement expanded stormwater service in June 2022
- Develop an operating plan for the Burnside Operations Depot
- Year 2: Water Supply Enhancement Program
- Optimize WSP and WWTF processes through Dalhousie research partnership
- Incorporate the Digital Water Strategy in the Five-Year IT Strategic Plan
- Implement corporate ERM & improve cyber security maturity
- Implement ERP project to improve operational efficiency
- Maintain a high level of day-to-day service that our customers have come to expect



# Year End Results 2021-22

Halifax Water Annual General Meeting

July 14, 2022



# Year End Results 2021-22: Highlights

- Clean audit opinion
- Comprehensive earnings of \$45.6M based on International Financial Reporting Standards (IFRS) accounting and loss of \$(6.4)M based on NSUARB Water Utility Accounting and Reporting Handbook (NSUARB Handbook).
  - Financial Statements and notes are based on IFRS.
  - Schedules A to E of audited statements are based on NSUARB Handbook (for rate setting).
- No major changes to financial statements or reporting this year.
- Depreciation on contributed stormwater assets at a rate of 25% was included within the NSUARB results in the current fiscal year with the comparatives adjusted.





# Statement of Financial Position: Assets

March 31 (in thousands)	From Prior Year			
	2022	2021	\$ Change	% Change
Total current assets	\$ 105,625	\$ 89,913	\$ 15,712	17.5%
Total non-current assets	1,351,606	1,334,399	17,207	1.3%
<b>Total assets and regulatory deferral account</b>	<b>\$ 1,457,231</b>	<b>\$ 1,424,312</b>	<b>\$ 32,919</b>	<b>2.3%</b>

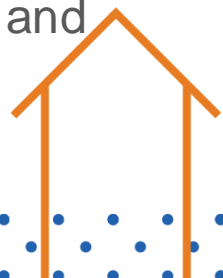
- Cash and cash equivalents increased \$17.4M mostly related to increase in RDC received.
- Customer charges and contractual receivables have decreased \$1.3M due to timing of billing cycles and reduction in accrued receivables.
- Capital work in progress increased \$20.1M due to capital expenditures during the year of \$61.7M.
- Utility Plant in Service and Intangible Assets have decreased by \$2.7M. Additions of \$48.9M less depreciations.



# Statement of Financial Position: Liabilities

March 31 (in thousands)	From Prior Year			
	2022	2021	\$ Change	% Change
Total current liabilities	\$ 94,024	\$ 58,260	\$ 35,764	61.4%
Total long term liabilities	1,113,835	1,162,274	(48,439)	-4.2%
Total liabilities	1,207,859	1,220,534	(12,675)	-1.0%
Total equity	249,372	203,778	45,594	22.4%
<b>Total liabilities and equity</b>	<b>\$ 1,457,231</b>	<b>\$ 1,424,312</b>	<b>\$ 32,919</b>	<b>2.3%</b>

- Current liabilities increased due to higher capital spend, holdbacks, and accruals for completed capital projects, the timing of payroll and current portion of long term debt.
- Long term liabilities increased due to contributed asset, collection of CCCs, RDCs, offset by decrease in long term debt.
- The employee benefit obligation decreased \$31.8M due to increase in value of pension plan assets and discount rate used to measure the employee benefit obligation

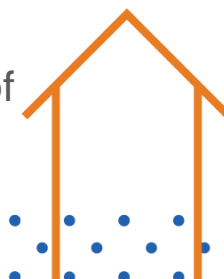


# Summarized Comprehensive Earnings - IFRS

24

Summarized Comprehensive Earnings				
	2021/22 '000	2020/21 '000	\$ Change	% Change
Operating revenues	\$ 150,502	\$ 136,569	\$ 13,933	10.2%
Operating expenditures	151,548	141,973	9,575	6.7%
Loss from operations before financial and other revenues and expenditures	(1,046)	(5,404)	4,358	(80.6%)
Financial and other revenues	19,607	21,254	(1,647)	(7.7%)
Financial and other expenditures	13,682	13,348	334	2.5%
Earnings for the year before regulatory deferral				
account depreciation	4,879	2,502	2,377	95.0%
Regulatory deferral account depreciation	(192)	(192)	-	0.0%
Earnings for the year	4,687	2,310	2,377	102.9%
Other comprehensive earnings (loss)	40,907	(3,229)	44,136	(1366.9%)
Total comprehensive earnings (loss) for the year	\$ 45,594	\$ (919)	\$ 46,513	(5061.3%)

- The regulatory deferral account represents the deferral of depreciation on HHSP assets.
- Other comprehensive earnings (loss) relates to accrued benefit obligation including the Pension Plan. Increase of \$40.9M due to the actuarial valuation.



# Operating Revenues

Operating Revenues									
	Budget 2021/22 '000	Actual 2021/22 '000	Actual 2020/21 '000	From Prior Year		Actual to Forecast		Budget to Forecast	
				\$ Change	% Change	\$ Remaining	% Remaining	\$ Change	% Change
Consumption revenue	\$ 96,526	\$ 96,497	\$ 84,538	\$ 11,959	14.15%	\$ (576)	(0.59%)	\$ 547	0.57%
Base charge revenue	34,003	33,635	33,544	91	0.27%	(545)	(1.59%)	177	0.52%
Wastewater rebate	(1,488)	(1,297)	(846)	(451)	53.31%	53	(3.93%)	138	(9.27%)
Metered sales total	129,041	128,835	117,236	11,599	9.89%	(1,068)	(0.82%)	862	0.67%
Stormwater site generated charge	6,051	6,294	5,127	1,167	22.76%	(243)	(3.72%)	486	8.03%
Stormwater right of way	3,835	3,835	3,835	-	0.00%	-	0.00%	-	0.00%
Public fire protection	7,628	7,628	7,336	292	3.98%	-	0.00%	-	0.00%
Private fire protection	1,312	1,270	1,001	269	26.87%	(65)	(4.87%)	23	1.75%
Other operating revenue	2,600	2,640	2,034	606	29.79%	91	3.57%	(51)	(1.96%)
Operating revenue total	\$ 150,467	\$ 150,502	\$ 136,569	\$ 13,933	10.20%	\$ (1,285)	(0.85%)	\$ 1,320	0.88%

- Water consumption increase by 1.2% from prior year.
- Wastewater and fire protection rate increased April 1, 2021.
- Fewer customers than budgeted.
- Stormwater was higher as new satellite imagery and adjustments in prior year.





# Operating Expenditures

Operating Expenditures											
	Budget 2021/22 '000	Forecast 2020/21 '000	Actual 2021/22 '000	Actual 2020/21 '000	From Prior Year		Actual to Forecast		Budget to Forecast		
					\$ Change	% Change	\$ Remaining	% Remaining	\$ Change	% Change	
Water supply and treatment	\$ 10,778	\$ 10,723	\$ 10,760	\$ 9,987	\$ 773	7.74%	\$ 37	0.35%	\$ (55)	(0.51%)	
Water transmission and distribution	11,876	11,862	11,316	10,960	356	3.25%	(546)	(4.60%)	(14)	(0.12%)	
Wastewater collection	12,604	12,348	12,988	12,710	278	2.19%	640	5.18%	(256)	(2.03%)	
Stormwater collection	5,885	5,037	4,566	4,700	(134)	(2.85%)	(471)	(9.35%)	(848)	(14.41%)	
Wastewater treatment	22,071	21,378	21,774	20,623	1,151	5.58%	396	1.85%	(693)	(3.14%)	
Engineering and technology services	12,931	13,421	13,719	11,172	2,547	22.80%	298	2.22%	490	3.79%	
Regulatory services	4,472	4,312	4,392	3,981	411	10.32%	80	1.86%	(160)	(3.58%)	
Customer services	5,837	4,996	4,811	5,081	(270)	(5.31%)	(185)	(3.70%)	(841)	(14.41%)	
Corporate services	2,863	2,878	3,062	-	3,062	0.00%	184	6.39%	15	0.52%	
Administration services	5,189	4,995	5,359	7,067	(1,708)	(24.17%)	364	7.29%	(194)	(3.74%)	
Pension services	8,837	8,837	9,229	7,086	2,143	30.24%	392	4.44%	-	0.00%	
Depreciation and amortization	48,737	47,775	49,764	48,799	965	1.98%	1,989	4.16%	(962)	(1.97%)	
	\$ 152,080	\$ 148,562	\$ 151,740	\$ 142,166	\$ 9,574	6.73%	\$ 3,178	2.14%	\$ (3,518)	(2.31%)	

- Operating expenditures of \$151.7M are \$9.6M higher than the prior year.
  - Increases in chemical costs and usage.
  - Increases in salaries and benefits, union and non-union and new positions.
  - Increase in lead service line replacement costs.
  - Consulting, and software licenses.
  - Pension costs increased due to actuarial valuation.
  - Depreciation increased as a result of additions to utility plant in service.



# IFRS vs NSUARB Net Income: Reconciliation

Reconcile IFRS to NSUARB		
	2021/22	2020/21
	'000	'000
IFRS comprehensive earnings (loss)	\$ 45,594	\$ (919)
Add non-cash pension expense	9,229	7,086
Subtract debt principal payments	(21,477)	(20,379)
Add depreciation expense on contributed assets	18,592	18,810
Subtract amortization of contributed capital	(18,592)	(18,810)
Add various depreciation adjustments	1,179	412
Add (subtract) OCI loss (gain)	(40,907)	3,229
NSUARB Loss	\$ (6,382)	\$ (10,571)

- Accrued pension is not an expense for NSUARB.
- Principal payments on long term debt are an expense for NSUARB.
- Depreciation expense on contributed assets is not an expense for NSUARB, offset by the removal of the amortization of contributed capital.
- Various depreciation adjustments.



# NSUARB Handbook Results

27

Summarized Statement of Earnings								
	Budget 2021/22 '000	Forecast 2021/22 '000	YTD Actual 2021/22 '000	PYTD Actual 2020/21 '000	From Prior Year \$ Change    % Change		Budget to Forecast \$ Change    % Change	
Operating revenues	\$ 150,467	\$ 151,787	\$ 150,502	\$ 136,569	\$ 13,933	10.20%	\$ 1,320	0.87%
Operating expenditures	125,379	121,861	122,521	114,376	8,145	7.12%	(3,518)	(2.81%)
Earnings from operations before financial and other revenues and expenditures	25,088	29,926	27,981	22,193	5,788	26.08%	4,838	19.28%
Financial and other revenues	722	783	796	963	(167)	(17.34%)	61	8.45%
Financial and other expenditures	37,460	35,396	35,159	33,727	1,432	4.25%	(2,064)	(5.51%)
Loss for the year	\$ (11,650)	\$ (4,687)	\$ (6,382)	\$ (10,571)	\$ 4,189	(39.63%)	\$ 6,963	(59.77%)

- Loss for the year was \$5.3 million lower than budget and \$4.2 million lower than last year.



# NSUARB Handbook Results

Operating Results by Service											
	Budget 2021/22 '000	Forecast 2021/22 '000	Actual 2021/22 '000	Actual 2020/21 '000	From Prior Year		Actual to Forecast		Budget to Forecast		
					\$ Change	% Change	\$ Remaining	% Remaining	\$ Change	% Change	
Water	\$ (5,221)	\$ (2,598)	\$ (3,428)	\$ 493	\$ (3,921)	(795.33%)	\$ (830)	31.95%	\$ 2,623	(50.24%)	
Wastewater	(1,517)	1,490	389	(7,110)	7,499	(105.47%)	(1,101)	(73.89%)	3,007	(198.22%)	
Stormwater	(4,912)	(3,579)	(3,343)	(3,954)	611	(15.45%)	236	(6.59%)	1,333	(27.14%)	
Loss	\$ (11,650)	\$ (4,687)	\$ (6,382)	\$ (10,571)	\$ 4,189	(39.63%)	(1,695)	36.16%	\$ 6,963	(59.77%)	

- Revenue increased due to new customers and consumption charges.
- Fire protection charges and wastewater rates were increased April 1, 2021.
- Stormwater revenues increased due to satellite imagery update and prior year adjustment.
- Increase in operating expenditures including increases in salaries and benefits, chemical costs and depreciation.
- Increase in financial and other expenditures due to higher debt servicing costs and dividend/grant in lieu of taxes paid to HRM increased as wastewater and stormwater assets are included in the calculation and overall assets increased.





# NSUARB Handbook Results

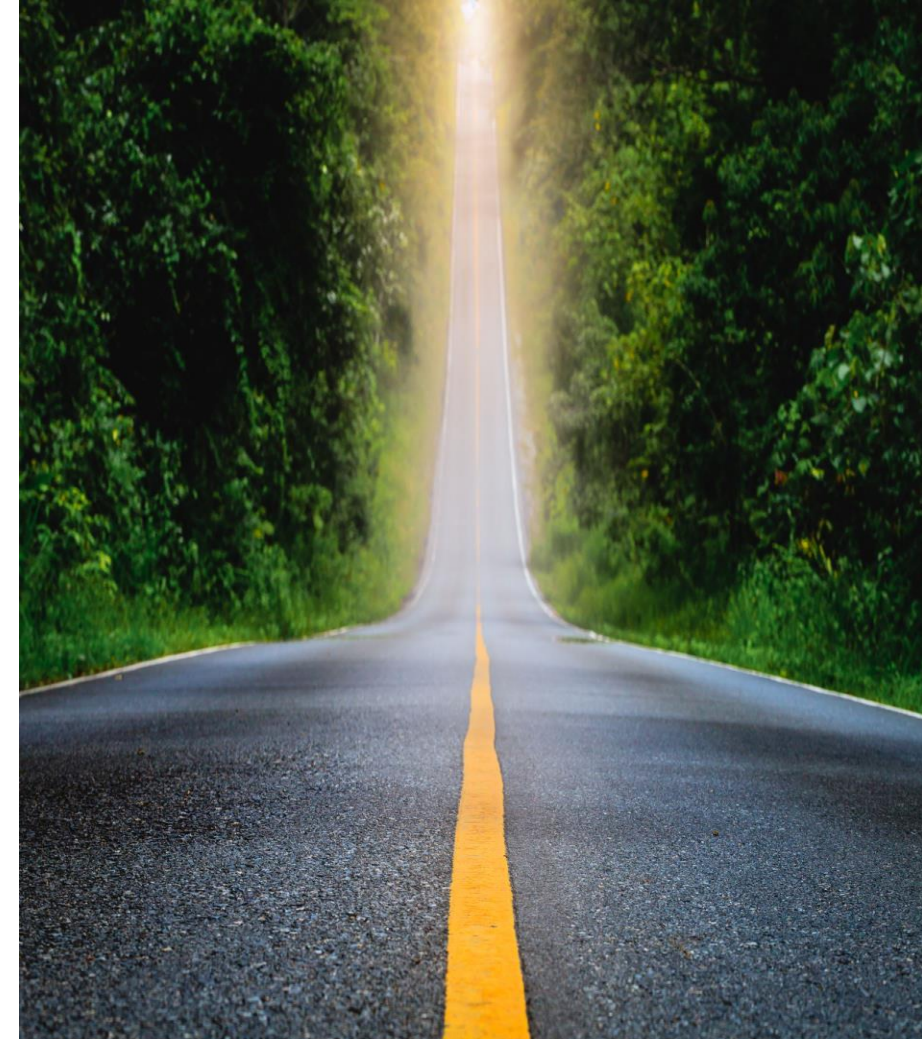
Operating Results by Activity										
	Budget 2021/22 '000	Forecast 2021/22 '000	Actual 2021/22 '000	Actual 2020/21 '000	From Prior Year		Actual to Forecast		Budget to Forecast	
					\$ Change	% Change	\$ Remaining	% Remaining	\$ Change	% Change
Regulated activities	\$ (12,175)	\$ (5,124)	\$ (6,889)	\$ (11,397)	\$ 4,508	(39.55%)	\$ (1,765)	34.45%	\$ 7,051	(57.91%)
Unregulated activities	525	437	507	826	(319)	(38.62%)	70	16.02%	(88)	(16.76%)
Loss	\$ (11,650)	\$ (4,687)	\$ (6,382)	\$ (10,571)	\$ 4,189	(39.63%)	\$ (1,695)	36.16%	\$ 6,963	(59.77%)

- Regulated activities loss has decreased from the prior year loss by \$4.5M due to the factors as previously explained.
- Unregulated activities earnings of \$0.5M have decreased \$0.3M from the prior year due to an increase in operating costs for wastewater treatment and allocation of administrative costs.



# Challenges – 2022/23 and beyond

- Final stage of the rate application process - rate increases are required to offset deficits.
- Significant increase in costs due to global factors and inflation.
- Savings will need to be identified to reduce expected deficits.
- Organization capacity will increase and expect an increase in capital spend.
- Stormwater service expansion has been approved and will generate increases in revenues and expenses.



# Questions?

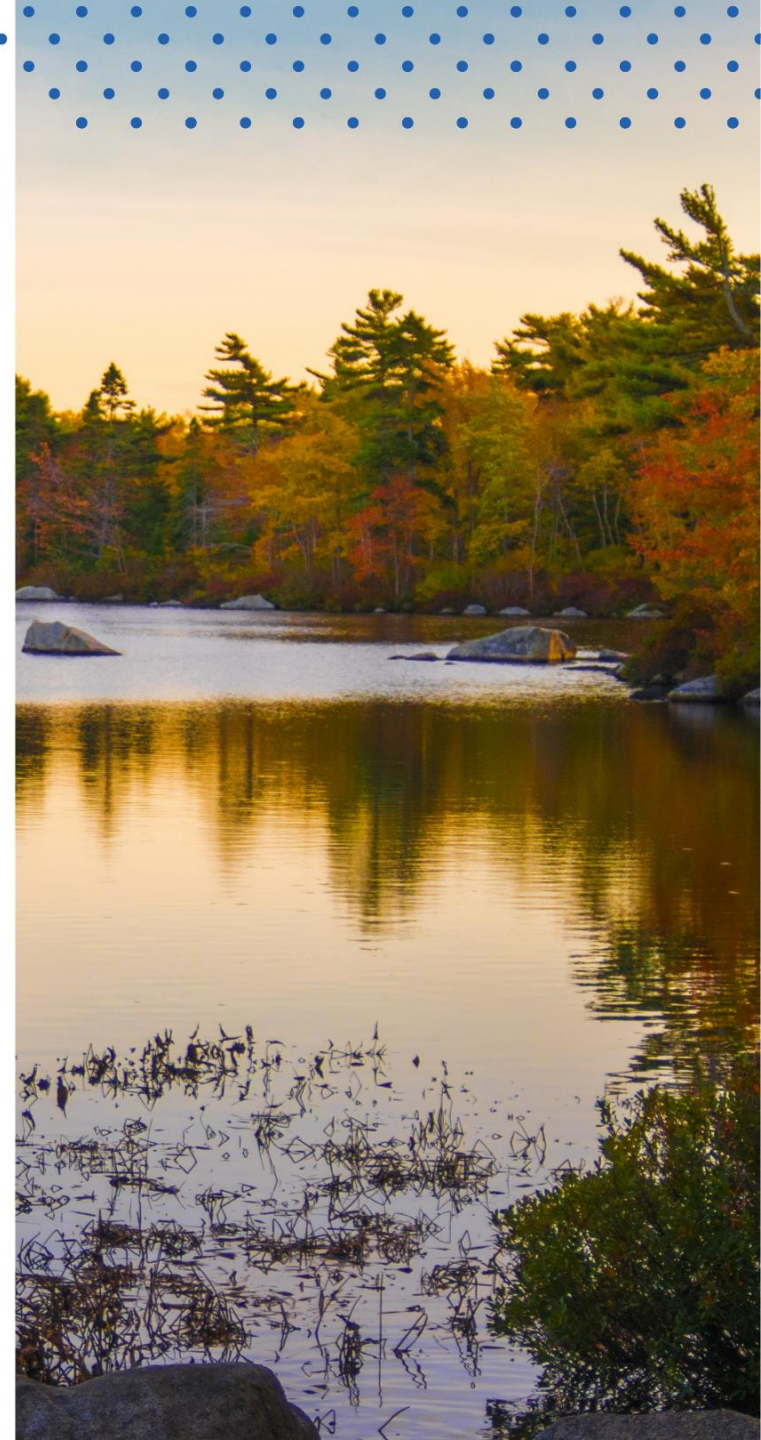




# 2022/23 Major Capital Initiatives

Reid Campbell  
Director of Engineering & Technology  
Services

**STRAIGHT from  
the SOURCE**



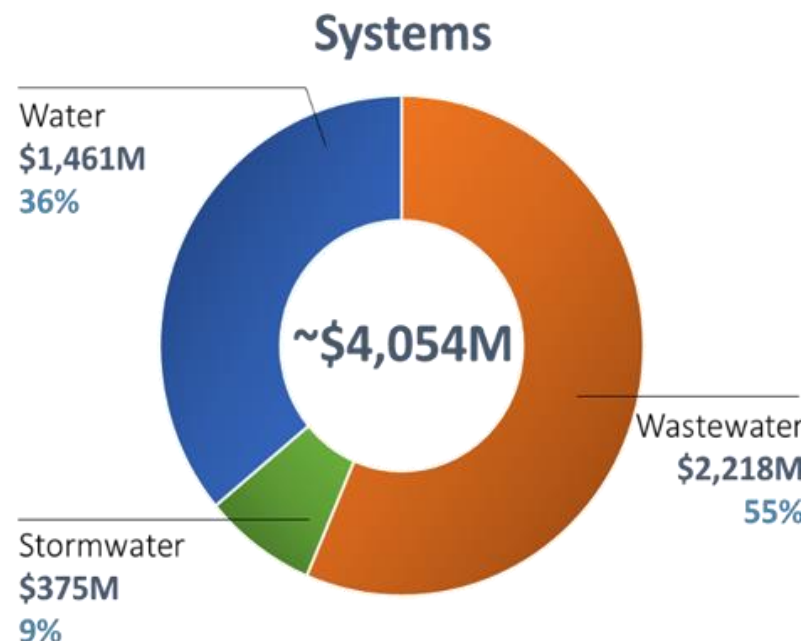
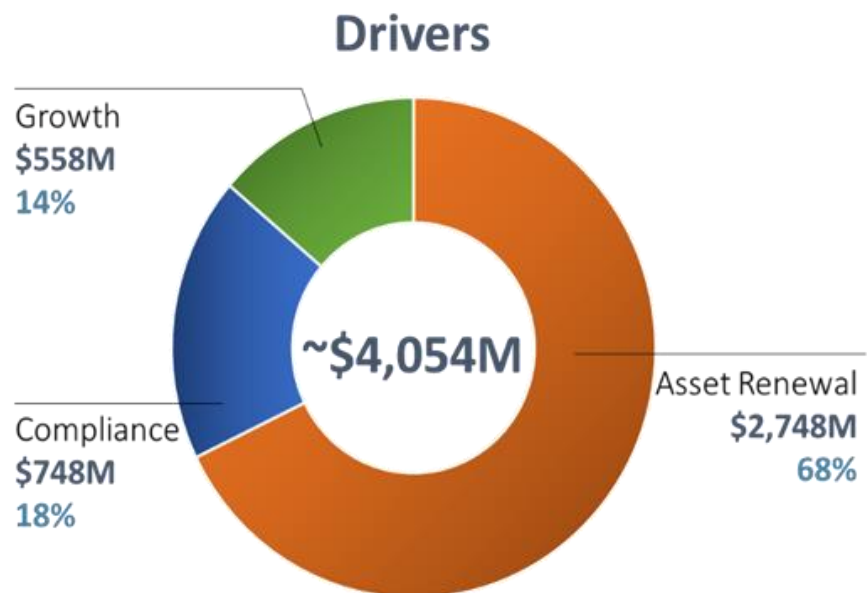
# The Path to Sustainability

- As a regulated utility, Halifax Water must recover its capital and operating costs in conformance with the Public Utilities Act of Nova Scotia.
- Ensure a continued or enhanced level of service to customers.
- Halifax Water must renew aging water, wastewater and stormwater infrastructure, maintain compliance with new federal wastewater regulations and facilitate growth.
- The latest Integrated Resource Plan (IRP) completed in 2019 indicates investments over 30-year period in the order of \$4.0 Billion.





# Recommended IRP Expenditures by Driver over 30 Years



# Halifax Water 2022/23 Capital Budget

## 2022/2023 Capital Budget by Asset Class All Divisions



**Total:**  
**\$106,485,000**



# Halifax Water 2022/23 Capital Budget

## Asset Category

### Water - \$52,393,500

- Major Projects:
  - Churchill Corridor Transmission Main Renewal
  - Water Distribution – Main Renewal Program
  - Lead Service Line Replacement Program
  - Water Supply Enhancement Program
  - Akerley Reservoir – Rehabilitation
  - HRM Cogswell Redevelopment – Water Transmission Main Relocation

# Halifax Water 2022/23 Capital Budget

## Asset Category

### Wastewater - \$45,554,000

- Major Projects:
  - Wastewater System – Trenchless Rehabilitation Program
  - Integrated Wastewater Collection Projects
  - Bissett Road PS Upgrade
  - Wastewater Lateral Replacements
  - South Park Street Area Sewer Separation Program
  - Halifax and Herring Cove Fine Screen and Lamella Replacements
  - HRM Cogswell Redevelopment – Wastewater Sewer Relocation

# Halifax Water 2022/23 Capital Budget

## Asset Category

### Stormwater - \$8,537,500

- Major Projects:
  - Integrated Stormwater Collection Projects
  - Driveway and Cross Culvert Renewal Program
  - HRM Cogswell Redevelopment – Storm Sewer Relocation



# Halifax Water 2022/23 Capital Budget

## Asset Category

### Corporate Projects - \$27,419,000

- IT Strategic Plan Implementation Year 5
- Corporate Flow Monitoring Program
- Burnside Operations Facility Development
- Fleet Upgrade Program

# Summary - Capital Project Highlights

- Churchill Corridor Transmission Main Renewal
- Water Distribution – Main Renewal Program
- Lead Service Line Replacement Program
- Water Supply Enhancement Program
- Akerley Reservoir – Rehabilitation
- HRM Cogswell Development – Infrastructure Relocation
- Wastewater System - Trenchless Rehabilitation Program
- Integrated Wastewater Collection Projects
- Bissett Road PS Upgrade
- Wastewater Lateral Replacements
- South Park Street Area Sewer Separation Program
- Halifax and Herring Cove Fine Screen and Lamella Replacements
- Integrated Stormwater Collection Projects
- Driveway and Cross Culvert - Renewal Program
- IT Strategic Plan Implementation Year 5
- Corporate Flow Monitoring Program
- Burnside Operations Facility Development
- Fleet Upgrade Program



Questions or  
Comments?

