

Township of Leeds and the Thousand Islands

2023 Proposed Budget - Working Document



Please note that after the preparation of this document, the 2023 assessment roll was received, and the estimated property tax rate was recalculated.

The budget as proposed, based on the 2023 assessment roll results in a residential property tax rate of 0.00486383 which is an increase of 0.0002757 or \$27.57 for every \$100,000 of assessment.

December 15, 2022

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2023 Township of Leeds and the Thousand Islands Budget

The 2023 municipal budget is a challenging budget due to various reasons:

- Increasing operating costs such as insurance, fuel, and other supplies.
- Continued deferral of the property assessment update. The 2023 property tax year continues to be based on the fully phased-in January 1, 2016 current values.
- Capital infrastructure deficit which means that there are significant capital requirements needed to maintain infrastructure with not enough funding available. The Building Condition Assessments completed in 2022 include significant work (capital and operating) required over the next several years. This data has been incorporated into the asset management system and included in the 2023 proposed budget, as well as the financial plan.

The 2023 budget document layout includes some changes compared with previous years to better reflect the budgetary responsibilities of the Senior Management Team and to improve reporting and accountability. The facility and parks budgets are more thoroughly detailed and explained as these budgets represent a significant portion of the Township's operating and capital budgets.

The budget document includes tables to breakdown budget areas by:

- Revenue
- Salaries, Benefits and Honorarium
- Consulting and Contracted Services
- Insurance, Utilities and Facility Maintenance
- Transfers to Reserve Funds
- Loan payments
- Other expenses

Prior year budget and historical actuals are provided for reference. Staff have endeavoured to provide explanations and descriptions of the budget areas including variances, anomalies, and new initiatives.

Gross Revenue & Expenses increase of \$1.2 million

Net Levy increase of \$696,600

Increase in transfers to capital reserve funds of \$640,000

The main reason for the increase in the 2023 operating budget is the increase to the transfers to capital reserve funds. This is necessary to balance the financial plan and fund the capital investments required in 2023 and beyond. This will be explained more fully in the Capital Budget and Financial Plan sections of this document.

Other factors including an estimated 20% increase in insurance premiums, increasing fuel and diesel costs and other inflationary increases, have contributed to the \$1.2 million increase in the gross budget. After accounting for other revenue sources, the increase to the net levy requirement – the amount needed to be raised by property taxes, is \$696,600.

Description	2022	Proposed 2023	2023 Increase
Total Gross Municipal Budget	\$14,271,400	\$15,515,800	\$1,244,400
Net Levy Requirement	\$10,779,400	\$11,476,000	\$696,600
Current Value Assessment	\$2,399,241,109	\$2,410,033,809	\$21,257,139
Township Property Tax Rate	0.00458810	0.00488460	0.0002965



The estimated tax rate increase is based on the same assessment as 2022 because the 2023 assessment roll has not been provided by MPAC at the time of writing this report. When the 2023 assessment roll is received, the property tax rate calculation will be updated and provided to Council. Staff do not anticipate that the 2023 assessment roll will be significantly higher than the current assessment values.

The total revenue and total expenses have increased by \$1,244,400 respectively. The increase in revenue is mainly due to an increase in the Casino revenue budget of \$300,000 and an increase in the property tax levy of \$696,600. Revenues in several areas across the Township have been budgeted higher in 2023 based on year-to-date actuals for 2022. These increases are explained in the Departmental Budget section. There are also some withdrawals from operating reserves to fund one-time projects that are increases in revenue when comparing year over year.

- \$40,000 from the Special Projects Reserve Fund in the CAO, Clerk, HR area for the non-union compensation review
- \$76,000 from the Special Projects Reserve Fund for the CRCA Flood Hazard Identification and Mapping Program.
- \$35,000 from the Community Improvement Plan Reserve Fund for work on a Community Improvement Plan in 2023.

The largest increase to expenses is the increase in transfers to capital reserve funds. The following table summarizes the budget increase/decrease by category (excluding the building division and water and wastewater). The Departmental Budget section provides more detailed explanations of variances by department.

Category	Increase/ (decrease)	%	Description
Salaries, benefits, and honorariums	\$80,900	1.6%	1% increase to non union staff wages Step increases where applicable New Information Technology Manager New Corporate Communications and Community Engagement Supervisor Reduction of one Director position

			Second Facilities Maintenance/Operator position
Consulting, contracted services	\$31,900	1.2%	
Insurance, utilities, and facility maintenance	\$140,250	10.3%	Insurance costs are budgeted \$111,300 higher in 2023 at a total of \$485,100 Heat and hydro budgets have also increased
Transfers to reserve funds	\$743,750	30.2%	\$640,000 of this is an increase to capital reserve funds. \$100,000 is contribution to Community Grants Reserve Fund
Loan payments	(\$1,300)	(1.6%)	Some tile drainage loans have been paid in full resulting in a slight decrease to this budget
Other expenses	\$248,900	8.9%	Planning department 2 initiatives under Studies and Master Plans – Community Improvement Plan (\$35,000) and CRCA study (\$76,000) Fuel up \$30,000, Diesel up \$65,000, Truck maintenance up \$50,000

Property Assessment and Tax Rates

The 2022 current value assessment of \$2,399,241,109 is the 2022 roll return amount. This includes approximately \$36 million in exempt assessment. The 2023 current value assessment is the 2022 active current value assessment at the time of writing this document (including approximately \$36 million in exempt assessment). The exempt assessment includes Township owned properties, cemeteries, and churches.

Due to the COVID-19 pandemic, the Ontario government postponed the 2020 Assessment Update. The last assessment update was at a valuation date of January 1, 2016, which was phased in over four years, being 2017 to 2020. The government has indicated that property assessments for the 2022 and 2023 property tax years will continue to be based on the fully phased-in January 1, 2016 current values. This means the property assessment for the 2023 property tax year will be the same as the 2022 tax year unless there have been changes to a property.

In 2016, the Municipal Property Assessment Corporation (MPAC) mailed Property Assessment Notices to every property owner in the province, assessing more than five million properties in Ontario. The 2016 Notice reflected the assessed value and classification of the property as of January 1, 2016, which was phased in over four years (2017 to 2020). This valuation is the basis for calculating the 2023 property taxes.

MPAC continues to review properties during non-Assessment Update years as new homes are built, owners renovate, structures are demolished, and properties change use.

Property owners may receive a notice from MPAC if there has been a change to a property including:

- Change to property ownership, legal description, or school support.
- Change to the property's value resulting from a Request for Reconsideration, or an Assessment Review Board decision.

- Property value increase/decrease reflecting a change to the property; for example, a new structure, addition, or removal of an old structure.
- Change in the classification or tax liability of the property.

The following table summarizes the assessment information for the Township at the time of writing this document.

Category	2021 Roll For Tax Year 2022	Frequency of RTC/RTQ at Time of Roll	Total Assessment (%) as Time of Roll	During Tax Year 2022	Frequency of RTC/RTQ In-Year Changes	Total Assessment (%) In-Year Changes	Variance	Variance (%)
Broad Tax Class								
Commercial	144,489,100	278	6.02	138,824,500	274	5.76	- 5,664,600	-3.92
Exempt	35,878,800	238	1.5	34,157,100	221	1.42	- 1,721,700	-4.8
Farmland	109,657,802	694	4.57	110,269,202	692	4.58	611,400	0.56
Industrial	4,834,400	38	0.2	4,834,400	38	0.2	-	0
Managed Forests	5,221,000	74	0.22	5,302,400	75	0.22	81,400	1.56
Multi-Residential	1,733,000	2	0.07	1,733,000	2	0.07	-	0
Pipeline	29,241,000	7	1.22	29,241,000	7	1.21	-	0
Residential	2,068,186,007	7228	86.2	2,085,672,207	7265	86.54	17,486,200	0.85
Grand Total	2,399,241,109	8559	100	2,410,033,809	8574	100	10,792,700	0.45

The Commercial class has decreased by \$5.7 million. This includes a \$7 million decrease in the assessment for the Casino property.

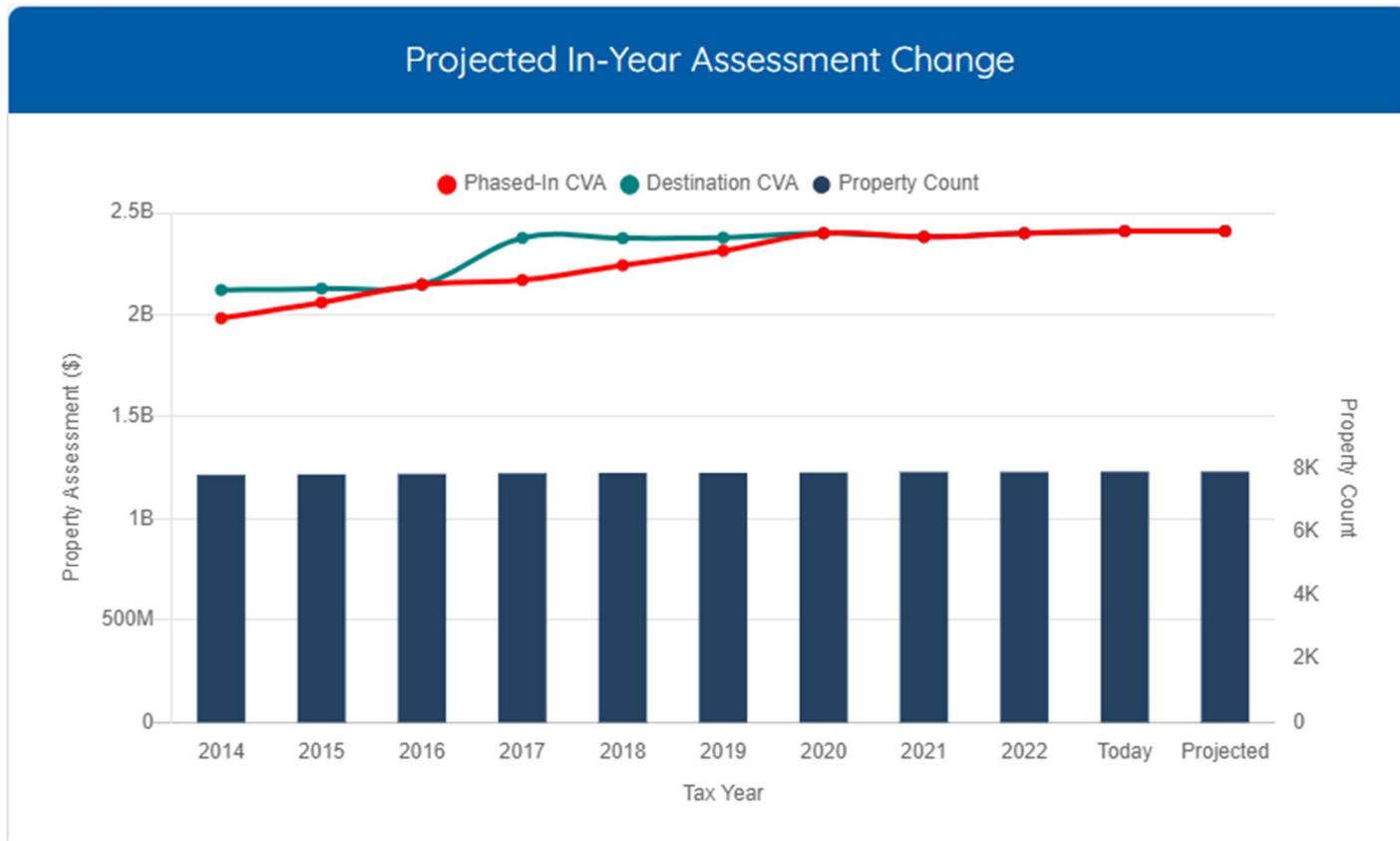
Casino

The appeal for the Casino property has been ongoing for many years. At the time of writing this document, Staff are awaiting the signed Minutes of Settlement from the Municipal Property Assessment Corporate (MPAC) which will bring resolution to this outstanding appeal. The total impact to the Township is approximately \$412,883. However, Staff have been accruing the estimated impact of this appeal over the last several years so that the full impact of the loss in revenue would not impact one single year.

The accrued liability set up for this appeal is \$407,943 resulting in an estimated expense of \$4,940 when the appeal is processed, which is expected to be before the end of 2022. The following table summarizes the estimated impact of the reduction in assessment for this property.

Tax Year	Assessment	Lower Tier	Upper Tier	Education	Total
2017	87,000,000	439,823	434,424	1,138,541	2,012,788
	52,000,000	262,883	259,656	680,507	1,203,046
Potential Loss	35,000,000	176,940	174,768	458,034	809,742
2018	87,000,000	445,283	434,424	1,124,307	2,004,015
	52,000,000	266,146	259,656	672,000	1,197,802
Potential Loss	35,000,000	179,137	174,768	452,307	806,213
2019	87,000,000	460,033	434,424	1,110,242	2,004,698
	52,000,000	274,962	259,656	663,593	1,198,211
Potential Loss	35,000,000	185,071	174,768	446,649	806,488
2020	87,000,000	495,048	432,995	1,087,500	2,015,543
	52,000,000	295,891	258,801	650,000	1,204,692
Potential Loss	35,000,000	199,157	174,193	437,500	810,851
2021	59,000,000	355,847	293,503	519,200	1,168,550
	52,000,000	313,628	258,680	457,600	944,287
	7,000,000	42,219	34,822	61,600	224,263
2022	59,000,000	364,468	300,519	519,200	1,184,187
	52,000,000	321,226	264,864	457,600	956,823
	7,000,000	43,242	35,655	61,600	227,363
TOTAL		\$ 825,766	\$ 768,975	\$ 1,917,690	\$ 3,684,920
		\$ 412,883.15	split 50/50 TLTI and Gananoque		

The following graph shows the relatively consistent level of assessment in the Township. The assessment base continues to be approximately the same amount as it has been for many years.



Building Permits vs. Assessment Increases

While the Building Division is facing increasing demands as the number of permits increases, the impact to the overall assessment in the Township depends on the value of work being completed through the permits. The year-to-date number of building permits in 2022 is 302, compared with a total of 234 in 2021. The work value of these permits in 2022 is \$27,708,696. For simplicity, assuming all the permits are in the residential tax class, using the 2022 Township tax rate, this equals an additional \$127,130 of revenue for the Township ($27,708,696 \times 0.00458810$).

MPAC has multiple triggers for reassessing properties, that include but are not limited to, municipal occupancy/final permits and, MPAC predicted completion date of permits (which is based on previous years' data analysis of the average time for a permit to be complete). Once a trigger flags a permit as ready, per the Service Level Agreement (SLA) with MPAC, MPAC is to capture 85% of growth for a Municipality within one year. In other words, once a permit is finished, MPAC endeavours to reassess the property within a year. The Township receives a supplemental assessment notice which is processed, and supplemental property tax bills are sent to the property owner.

A property owner will receive a Property Assessment Change Notice from MPAC for supplementary or omitted assessment. These notices are due to a change in a property's assessed value or classification change because of improvements to the property or change in use. Supplementary assessments are also issued by MPAC when "change events" result in the property being assessed in a different property class. A supplementary assessment is issued when:

- Increases in assessment result from an improvement to a property or a change in property classification (i.e. a change from a residential to commercial property).
- A property or a portion of it is no longer exempt from taxation, because of a change in its ownership or use (i.e. a church changes to a residential property).
- A property or a portion of it is no longer eligible to be included in the farm or managed forests property class.
- A property or a portion of it is no longer eligible to be included in the commercial or industrial vacant or excess land sub-classes.

The process of MPAC issuing the supplementary assessment notice and the Township processing these notices through the property tax billing system, is how the additional value of a property captured through the building permit process, is added to the tax roll, and invoiced to the property owner.

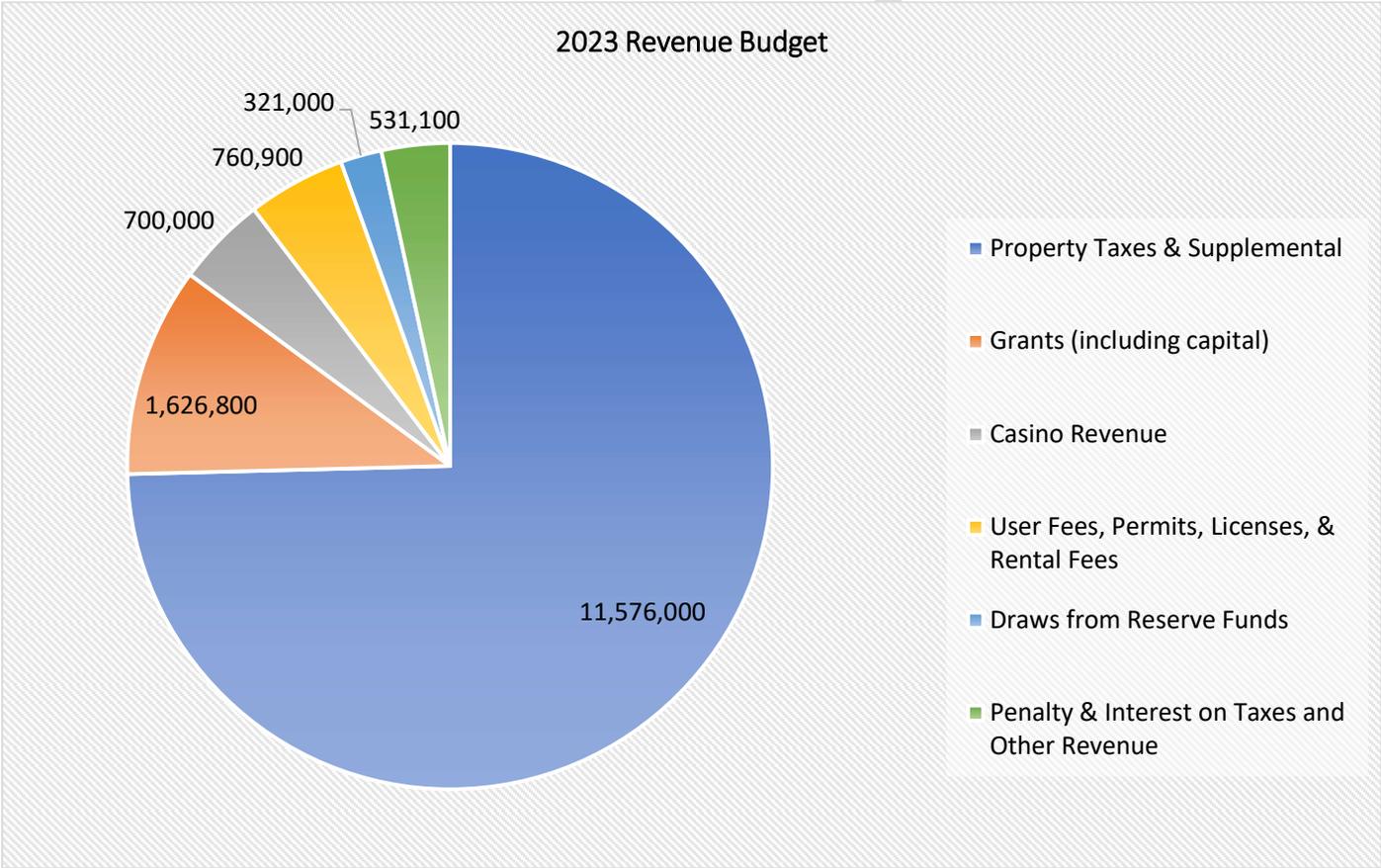
Tax Rate Comparison

The proposed, estimated tax rate of 0.00488460 for 2023 remains the second lowest lower tier tax rate in the United Counties of Leeds and Grenville, when comparing to **2022** residential tax rates.

Municipality	Rate	Class	Subclass	Value
Westport Village	Lower General	Residential	Occupied	0.00954247
Merrickville-Wolford Village	Lower General	Residential	Occupied	0.00834578
Edwardsburgh/Cardinal Township	Lower General	Residential	Occupied	0.00692223
Augusta Township	Lower General	Residential	Occupied	0.00641309
North Grenville Municipality	Lower General	Residential	Occupied	0.00604579
Elizabethtown-Kitley Township	Lower General	Residential	Occupied	0.00602863
Front of Yonge Township	Lower General	Residential	Occupied	0.00529970
Rideau Lakes Township	Lower General	Residential	Occupied	0.00494049
2023 Proposed TLTI	Lower General	Residential	Occupied	0.00488460
Leeds & the Thousand Islands Town	Lower General	Residential	Occupied	0.00458810
Athens Township	Lower General	Residential	Occupied	0.00435499

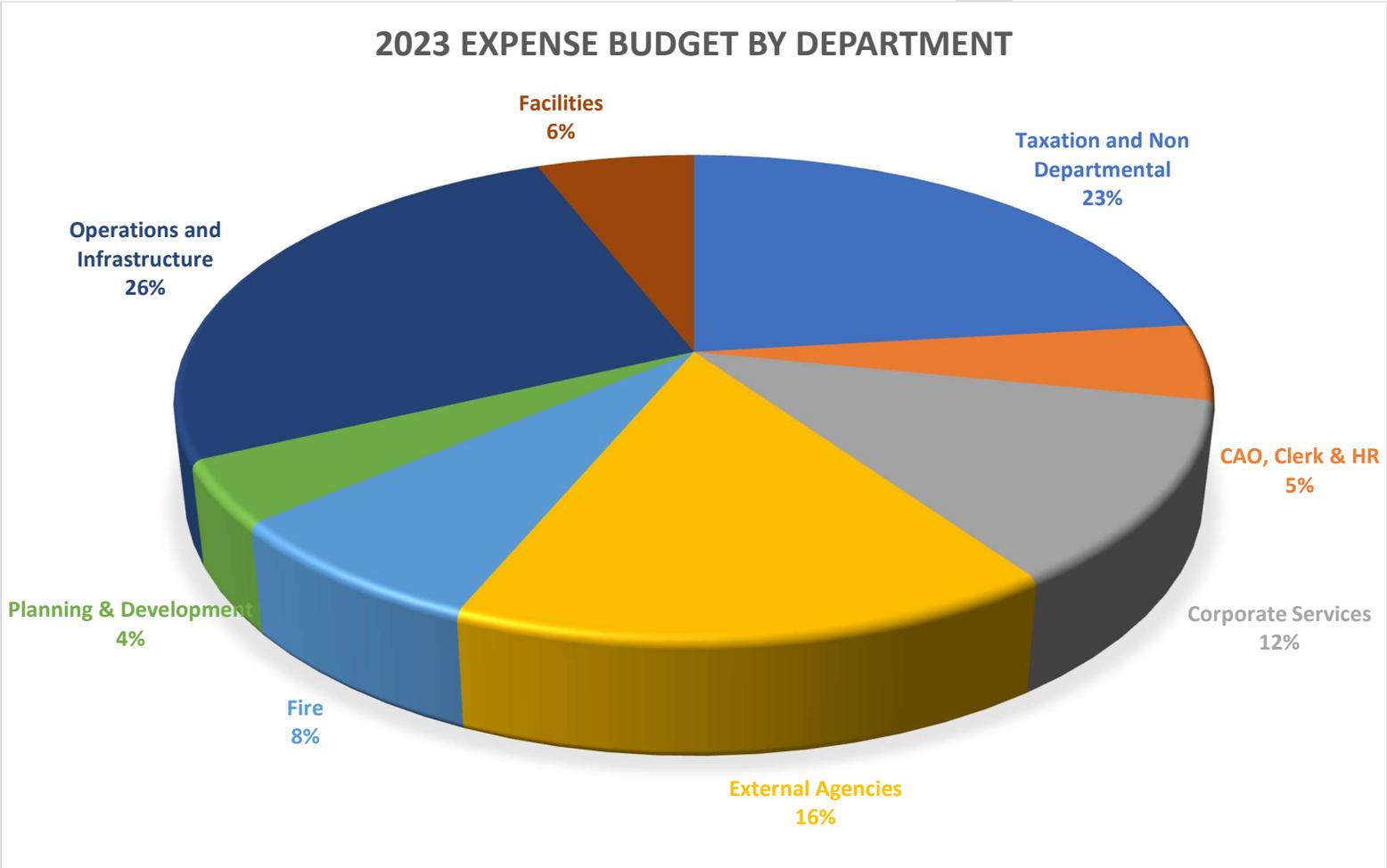
2023 Operating Budget Overview

The majority of the revenue budget is property tax revenue of \$11.6 million. The breakdown of the 2023 revenue budget is as follows:



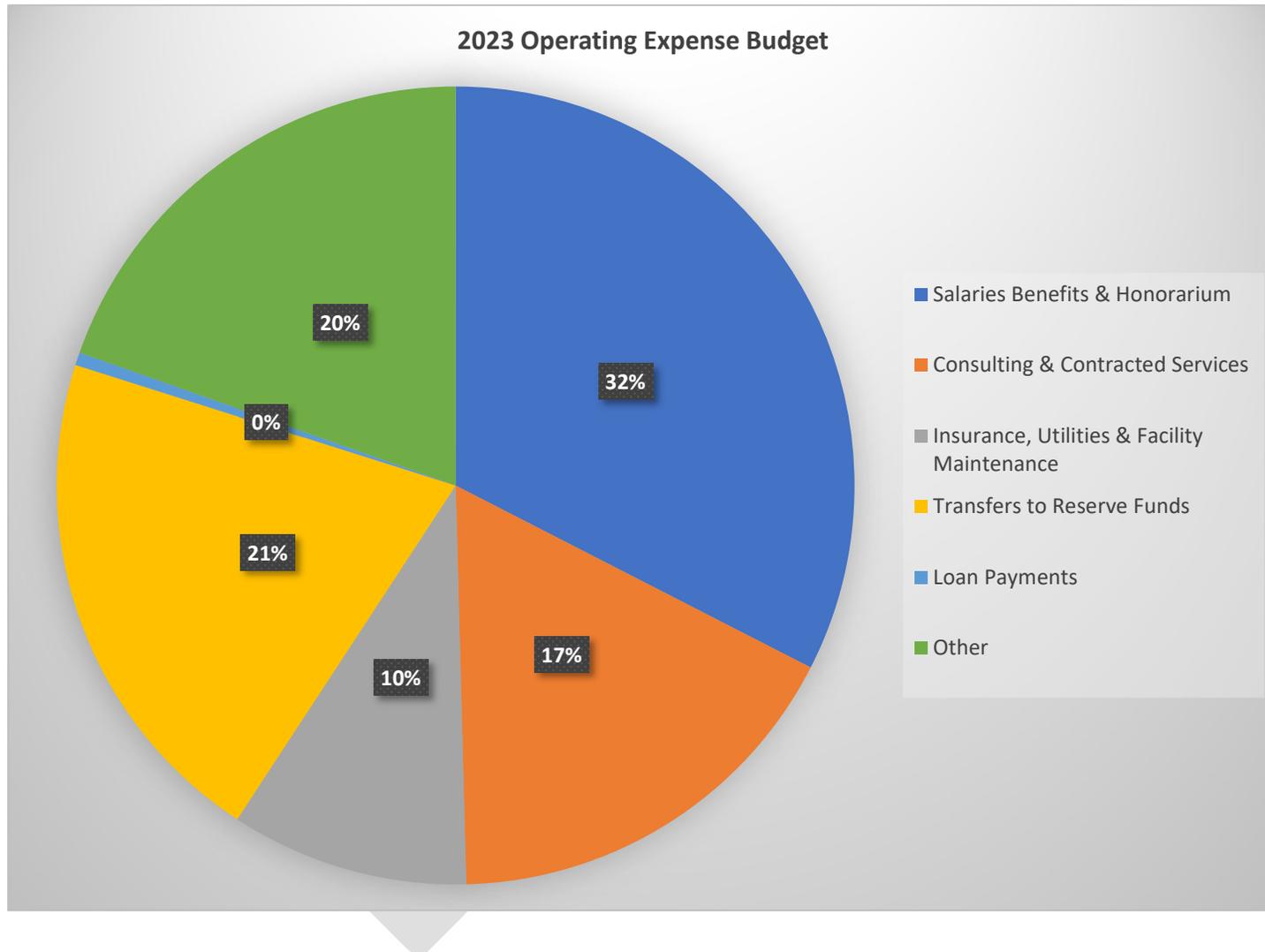
The \$1.6 million in grants includes the Ontario Municipal Partnership funding (OMPF) of \$1,005,100, Ontario Community Infrastructure Fund (OCIF) of \$150,000 and Canada Community Building Fund of \$300,200. The OCIF and Canada Community Building Fund grants are capital and flow through to the respective obligatory reserve funds.

The 2023 operating expense budget totals \$15,515,800. Taxation and Non Departmental includes transfers to reserve funds which makes up the majority of this \$3.6 million budget. The largest expense budget is in Operations and Infrastructure at \$4 million. Each of the departmental operating budgets are explained in greater detail in the Department Budget section of this document.



External Agencies consists of OPP, CRCA and Library

The following pie chart shows the 2023 operating budget by expense category.



Expense Category	Increase/ (Decrease)	2023	2022
Salaries Benefits & Honorarium	80,900	5,048,100	4,967,200
Consulting & Contracted Services	31,900	2,644,500	2,612,600
Insurance, Utilities & Facility Maintenance	140,250	1,496,800	1,356,550
Transfers to Reserve Funds	743,750	3,205,200	2,461,450
Loan Payments	-1,300	80,600	81,900
Other	248,900	3,040,600	2,791,700
Total Expense	1,244,400	15,515,800	14,271,400

The variances when comparing the 2023 budget to the 2022 budget, are explained below and in greater detail by department in the Departmental Budgets section.

Salary and Benefits

The following table summarizes the total salary and benefits budget.

Description	Total 2022	Total 2023	2023 Municipally Funded	2023 Self Funded – Building Division
Salary	3,782,200	3,911,700	3,491,700	420,000
Benefits	1,120,600	1,204,100	1,074,100	130,000
Overtime	60,000	37,000	37,000	
Honorarium	401,000	428,000	428,000	
Other benefits – self funded	16,400	18,800	17,300	1,500
TOTAL	5,380,200	5,599,600	5,048,100	551,500

The total salary and benefits budget has increased \$219,400 with the Building Division budgeted at an increase of \$138,500 which includes the additional two full time permanent positions approved by Council in 2022.

The changes to staff positions in the 2023 budget are:

- Addition of Information Technology Manager approved by Council in 2022.
- Reduction of Accounting Supervisor/Tax Collector position due to retirement.
- Addition of Corporate Communications and Community Engagement Supervisor
- Addition of a second Facilities Maintenance/Operator position
- Reduction of one Department Head position
- Contract planner position proposed to become permanent
- Addition of part time position at the waste disposal sites

IT Manager, Corporate Communications and Community Engagement Supervisor, Reduction of one Department Head

In late 2022 the Township realigned some services to merge responsibilities of the Community and Business Services Department with those of the Finance Department which is now known as the Corporate Services Department. This department includes finance, information technology, communications, recreation, and community engagement. The alignment of these areas into one department facilitates leveraging technology and streamlining processes and will create efficiencies to better serve staff, residents, and other stakeholders. This realignment of structure is reflected in some of position changes in the 2023 budget.

To meet the increasing demands of online and real time information, communications and information technology resources will be leveraged to enhance internal and external communication channels. The creation of the Corporate Services Department is intended to enhance the customer service experience through a more responsive, multi-faceted communications strategy and community outreach strategy that uses technology where appropriate. The change in the organizational structure aligns with Strategic Plan Pillar #1 - Delivering Effective and Accountable Government and the underlying objectives to Continue Continuous Improvement, Invest in a Communications Strategy and Capacity, and Enhance Customer Service Experience. The organizational change also supports the recommendations from the Service Delivery Review.

Permanent Planner

A one-year contract planner position was included in the 2022 operating budget for the Planning Department. This position was recruited in May 2022. The 2023 budget proposes to make the planner position a permanent full-time position. The volume of applications and policy work to be completed has continued to increase and the additional resourcing is required to allow staff to maintain service levels, process applications in accordance with provincially mandated timelines and address policy work and service delivery recommendations required to support the work of the department.

Facilities Maintenance/Operator

In the winter of 2021-22, the Operations and Infrastructure Department secured a grant for a temporary part time position in the parks. This position was responsible for maintaining the outdoor rink in Jerry Park, and trash receptacles in Municipally owned parks. In addition to these duties, this person assisted with the winter maintenance of sidewalks at the Municipally owned facilities. This position was received as a success both internally and by the public as it provided consistent service for the mentioned duties. The intent of the second Facilities Maintenance/Operator position is to carry on with the duties performed the previous season, while also being able to plow Municipal parking lots and waste sites in the winter, maintain park infrastructure working with the students in the summer, and assist the existing Facilities Maintenance/Operator for Municipal Facilities as a member of the Union. This will allow the existing Facilities Maintenance/Operator to focus more on the workload identified in the Building Condition Assessment review for the facilities. This additional position is vital in addressing the increasing demands at our parks and facilities and long-standing needs.

Waste Site Staffing

The current waste site hours do not align with the Collective Agreement in terms of hours of work for waste site attendants. The hours of work identified in the Collective agreement are for 40 hours per week, 8:30am – 4:30pm, while the waste site hours are 8:30am-4:45pm, with staff on site until 5:00pm to close the site. To address this issue, the number of part time staff has increased from one to two, in addition to the complement of three full time waste site staff. This provides flexibility to fill the additional required hours and to provide coverage for vacations and sickness as it arises.

The honorarium budget is broken down as follows:

Honorarium Budget	2023 Proposed Budget	2022 Budget	Increase
Council	\$140,000	\$138,000	\$2,000
Fire	\$280,000	\$255,000	\$25,000
Fire Prevention	\$3,000	\$3,000	
Committee of Adjustment	\$5,000	\$5,000	
TOTAL	\$428,000	\$401,000	\$27,000

The benefits budget includes the employer portion of CPP, EI and other statutory deductions. This also includes the employee health and benefit program which provides coverage for life, long term disability, dependent life, health, and dental benefits.

Non-Union Wage Increase

Because of the many competing budget pressures that the Township faces for 2023, Staff are proposing a modest non-union salary increase of 1%. The 2023 budget includes significant increases in insurance costs, fuel costs and transfers to capital reserve funds. It is imperative that the transfers to the reserve funds are increased to ensure longer term sustainability as significant capital investment is required over the next several years. Balancing the

increases in operating costs with the need to set aside money for capital funding means the rest of the operating budget has been scrutinized carefully to mitigate the overall tax rate increase required. This has resulted in the proposed 1% increase to non union salaries.

Union Wage Increase

In accordance with the terms of the collective agreement between the Township and The Canadian Union of Public Employees and Its Local 5397, unionized employees will receive a 1% increase in salaries effective January 1, 2023. The term of the collective agreement runs from July 1, 2021, to June 30, 2024.

OMERs Eligibility for Non-Full-Time Employees

Effective January 1, 2023, OMERS will allow immediate eligibility to join the OMERS pension plan to all existing and newly hired Non Full-Time (NFT) employees who are not currently plan members. NFT employees are referred to as “other than continuous full-time” (OTCFT) employees under the Plan. An OTCFT employee is any employee who is working for and paid directly by an OMERS employer on a less than continuous full-time (CFT) basis. As of January 1, 2023, an NFT employee does not need to be employed for a minimum number of hours to join the Plan.

Examples of OTCFT employees include those who:

- work less than the employer’s normal full work week (must be a minimum of 32 hours/week);
- work a full work week, but less than 12 months per year (e.g., employees employed in seasonal employment or employed by a school board over the 10-month period covering the school year);
- are hired on contract for less than a year.
- work as temporary replacements for CFT employees who are on leave from their permanent
- positions; or
- are summer students.

Consulting and Contracted Services

The Consulting and Contracted Services budget is \$2.6 million This includes \$1,760,900 for OPP services. This budget also includes legal fees, external auditor fees, recycling costs, and consulting related to the waste disposal sites.

Insurance, Utilities and Facility Maintenance

The 2023 insurance, utilities and facility maintenance budget is \$1.5 million. This includes expense budgets for \$485,100 for municipal insurance (plus \$90,600 for insurance for the building division), \$218,200 for heat and hydro, \$146,000 for building maintenance and \$150,000 for the cost sharing agreement with Gananoque for the arena.

Insurance

The Township's insurance costs will continue to increase in 2023. The total insurance budget for 2023 excluding the Building Division, and water and wastewater is \$485,100 compared with a budget of \$373,800 in 2022, and year-to-date actuals of \$406,967 in 2022. This is a 20% increase over the 2022 actuals as recommended by the insurance provider.

Description	Municipal Insurance	Building Division Insurance	Water & Wastewater	Total Insurance Costs
2023 Proposed budget	\$485,100	\$90,600	\$26,400	\$602,100
2022 Budget	\$373,800	\$65,000	\$22,000	\$460,800
2022 Actuals Spent to date	\$406,967	\$75,532	\$21,926	\$504,425
2021 Actuals	\$338,804	\$63,898	\$18,408	\$421,110
2020 Actuals	\$308,048	\$19,259	\$14,747	\$342,053
2019 Actuals	\$265,067	\$2,650	\$11,400	\$279,117

The insurance provider has advised that the following factors will impact the 2023 premiums:

- At renewal Intact Insurance is integrating – for all risks - 2021 Census of Population conducted by Statistics Canada. In 2021, the Township had a population of 9,804, which represents an increase of 3.6% from the 2016 population of 9,465. Such increase will impact all liability lines because a growth in population equates to an increased demand on municipal services which in turn equates to increased risk or claims potential.
- A new Abuse coverage line has been introduced that results in a premium increase under Municipal Liability. Townships tend to have an increase of between \$1,000 - \$5,000 depending upon the abuse risk determined by population and services.
- Intact Insurance has introduced geomapping re: flood and earthquake which is putting further pressure on property rating.
- Intact Insurance is adjusting property rates with 9% inflation on all buildings and structures.
- New services like the addition of septic inspections will increase costs.
- Additional claims in 2022

Staff continue to follow and support efforts by organizations such as the Association of Municipalities of Ontario (AMO), to lobby for changes to municipal insurance as the current joint and several liability structure means that municipalities are responsible for significant claims, even when found only 1% liable.

Reserve Fund Transfers

The transfers to reserve funds have increased \$743,750 over the 2022 budget. This is mainly due to the significant increase in transfers to capital reserve funds.

Capital Reserve Funds

The proposed 2023 operating budget includes significant increases to transfers to reserve funds including an additional \$640,000 to capital reserve funds. Staff recognize the importance of funding capital considering the significant capital work required in the coming years. The increase in the 2023 transfers is necessary to balance the financial plan. Significant increases to these transfers will be required for the next few years to be sustainable. This is explained more fully in the Capital Budget and Financial Plan section.

Reserve Fund	2021 Budget	2022 Budget	2023 Budget
Bridges & Culverts			\$300,000
Fire Services	\$235,000		
Buildings & Facilities	\$170,000	\$430,000	\$530,000
Road Network	\$800,000	\$700,000	\$600,000
Fleet, Machinery & Equipment	\$240,000	\$660,000	\$1,000,000
Parks and Land Improvements	\$100,000	\$125,000	\$125,000
Information Technology	\$30,000		
Total to Capital Reserve Funds	\$1,575,000	\$1,915,000	\$2,555,000

There is an additional \$30,000 transferred to the Fleet, Machinery and Equipment reserve fund from the IT budget for computer replacement bringing this total to \$2,585,000.

The 2021 actual transfers to reserve funds were higher than budget mainly due to Casino revenue received that was not budgeted and was approved to be transferred to the capital reserve funds. An additional \$381,536 was transferred to the Buildings and Facilities Reserve Fund in 2021.

It is expected that the 2022 transfers to capital reserve funds will also be higher than budgeted as it is projected that the Casino revenue received in 2022 will surpass budget. Staff will be seeking Council approval to transfer any funds beyond budget to the capital reserve funds.

The transfers to reserve funds also include a budget of \$450,200. This is the transfer of Canada Community Building Fund and OCIF revenue to the respective obligatory reserve funds. These amounts flow in and out in the operating budget. The money received is transferred to the reserve fund and withdrawals are made to fund capital projects based on Council approval of funding the capital budget.

Operating Reserve Funds

The transfers to operating reserve funds have also increased in the proposed 2023 operating budget.

Reserve Fund	2021 Budget	2022 Budget	2023 Budget
Special Projects	\$55,000	\$25,000	
Community Grants			\$100,000
Tax Stabilization	\$45,000	\$45,000	\$45,000
Heritage Conservation & Celebration Grant	\$10,000	\$10,000	\$10,000
Community Improvement Plan	\$30,000		
Election	\$16,250	\$16,250	\$15,000
Total to Operating Reserve Funds	\$156,250	\$96,250	\$170,000

In November 2021, Council approved \$50,000 of Casino money received in excess of budget, to be transferred to the Community Grants Reserve Fund. Such amount combined with the balance in the reserve fund allowed for the 2022 operating budget to include \$125,000 to be provided through the Community Grant program with no in year contribution to the reserve fund required. For 2023, Staff are proposing to provide \$100,000 for Community Grants which results in an increase in the transfer to the reserve fund.

Given the current balances in the Special Projects and Community Improvement Plan Reserve Funds, Staff are not proposing to make contributions to these reserve funds in 2023.

The transfer to the Election Reserve Fund has decreased slightly based on the estimated costs for the 2022 municipal election and the balance in the reserve fund. Staff will monitor and adjust transfers to this reserve fund as required in future operating budgets.

Special Projects Reserve Fund

The Special Projects Reserve Fund includes the balance of Municipal Modernization funding received in 2019. The following table summarizes how the Municipal Modernization money has been spent and the remaining balance:

Year	Description	Amount
2019	Receive funding	632,832
2019	Information technology related projects	(16,881)
2020	Asset management software – Citywide	(106,848)
2020	Broadband design study	(37,349)
2021	Asset management software – Citywide	(34,000)

2021	Consultant to help with Asset Management Plan update	(42,300)
2021	Purchase of mobile devices	(7,061)
2022	Waste management study – being deferred to 2023 (\$50,000)	
2022	New finance software – being deferred to 2023 (\$150,000)	
2022	Document management system implementation	(81,917)
2022	Estimated balance at Dec 31, 2022	306,476
2023	Budget- Waste management study	(50,000)
2023	Budget – Finance software	TBD
2023	Estimated balance at Dec 31, 2023	\$256,476

The document management system implementation project is estimated to come in under budget meaning less than the \$81,917 will likely be withdrawn to fund this project.

Staff have been very challenged to find new finance software that will meet the needs of the Township now and into the future. In addition to the basic functionality required in a system (property taxes, utility billing, general ledger, accounts payable, payroll etc.), Staff are looking for a system that will provide an online portal for taxpayers and customers to receive online invoices as well as be able to make payments online. Staff are also looking for a system that includes electronic timesheet processing and other automated processes related to payroll.

Many of the municipal finance software solutions available have been purchased by one vendor who has historically provided unsatisfactory customer service.

The Request for Proposal for finance software that was issued earlier in 2022 was terminated as none of the proposals received met the Township’s requirements. Staff continue to research and connect with other software vendors in an attempt to find a suitable solution. Many of the options cost more than the originally approved budget of \$150,000. Staff hope to present a report to Council in early 2023 asking for approval based on an updated budget estimate, and approval to fund from the remaining Municipal Modernization funding.

In addition to the Municipal Modernization funding held in the Special Projects Reserve Fund, there is also approximately \$427,000 in available funds estimated at the end of 2022. The non-union compensation review and the CRCA study are proposed to be funded from this portion of the Special Projects Reserve Funds as shown below:

Year	Description	Amount
Dec 31, 2020	Balance	\$343,995
2021	Contribution from operating	\$55,000
2021	Interest	\$3,162
2022	Contribution from operating	\$25,000
Dec 31, 2022	Estimated ending year balance	\$427,157
2023	Budgeted – non union compensation revenue	(\$40,000)
2023	Budgeted - CRCA flood hazard identification and mapping project	(\$76,000)
Dec 31, 2023	Estimated ending year balance	\$311,157

The following summarizes the balances in the Special Projects Reserve Fund.

	Modernization Funding	Other Funds	Total Reserve Fund
Dec 31, 2021	\$388,393	\$402,157	\$790,550
2022 budgeted contribution		\$25,000	
2022 budgeted withdrawal	(\$81,917)		
Dec 31, 2022	\$306,476	\$427,157	\$733,633
2023 budgeted withdrawal	(\$50,000)	(\$116,000)	
Dec 31, 2023 estimated	\$256,476	\$311,157	\$567,633

Other Discretionary Reserve Funds

The following table summarizes the other discretionary operating reserve funds.

Date	Description	Contingency Reserve 10-000-0000-2607	Contingency - COVID-19 10-000-0000-2609	Working Fund Reserve 10-000-0000-2612	Tax Stabilization Reserve 10-000-0000-2608	Elections Reserve 10-000-0000-2615	Heritage Conservation & Celebration Grant Reserve 10-000-0000-2604	Grants & Donations Reserve 10-000-0000-2606	Community Improvement Plan Reserve 10-000-0000-2631
31-Dec-21	balance	(135,255.49)	(135,017.00)	(1,028,596.69)	(133,312.50)	(69,943.51)	(19,607.47)	(126,203.39)	(190,800.51)
	2021 Surplus	(9,443.15)		(9,443.14)					
2022	Budgeted contributions				(45,000.00)	(16,250.00)	(10,000.00)		-
2022	budgeted withdrawals		20,000.00					125,000.00	
31-Dec-22	ESTIMATED Balance based on budget	(144,698.64)	(115,017.00)	(1,038,039.83)	(178,312.50)	(86,193.51)	(29,607.47)	(1,203.39)	(190,800.51)
	2022 surplus								
2023	budgeted contributions				(45,000.00)	(15,000.00)	(10,000.00)	(100,000.00)	
2023	budget withdrawals		20,000.00					100,000.00	35,000.00
31-Dec-23	Estimated balanced based on budget	(144,698.64)	(95,017.00)	(1,038,039.83)	(223,312.50)	(101,193.51)	(39,607.47)	(1,203.39)	(155,800.51)

- Contingency Reserve Fund and Working Reserve Fund receive allocations based on year end surpluses or are used to fund any year end deficits.
- Contingency- COVID-19 Reserve Fund is funding received in 2021 that has been allocated to a reserve fund to fund future COVID-19 expenses. Withdrawals from this reserve fund will be based on actual expenditures incurred during the year.
- Tax Stabilization Reserve Fund continues to increase as annual contributions are budgeted in the operating budget. This reserve fund can be a source of funding to mitigate future tax rate increases.
- Elections reserve will decrease by the end of 2022 as the reserve fund will be drawn upon to fund the 2022 municipal election.
- The Heritage Conservation and Celebration Grant Program assists in the revitalization and conservation of heritage properties within the Township. The operating budget includes an annual allocation which funds 50% of costs of eligible projects up to a maximum of \$2,500. Any unused operating budget in any given year, is allocated to the reserve fund.
- The Grants and Donations Reserve Fund provides funding for the Community Grant program in accordance with the Community Grants Policy. Any money not allocated through the grant program within a budget year remains in the reserve fund. The 2023 budget includes \$100,000 to be allocated to the reserve fund and \$100,000 to be distributed through the grant program.
- The Community Improvement Plan Reserve Fund was established to create and administer the Community Improvement Plan (CIP) of the Township. The 2023 budget includes the withdrawal of \$35,000 in funding to develop a CIP.

The following table summarizes the discretionary reserve funds with historical balances for reference. Please note that many of the 2022 budgeted entries to draw from the reserve funds have not been made at the time of preparing this report.

Account	Description	2023 Projected	2022	2021	2020	2019
Discretionary Funds						
Discretionary - Other Funds						
2607	Contingency Reserve	- 144,699	- 144,699	- 135,255	- 102,850	- 102,850
2609	COVID-19 Funds Contingency Reserve	- 95,017	- 135,017	- 135,017	-	
2612	Working Fund Reserve	- 1,038,040	- 1,038,040	- 1,028,597	- 1,459,924	- 1,361,375
2608	Tax Stabilization Reserve	- 223,313	- 178,313	- 133,313	- 87,500	- 42,500
2615	Elections Reserve	- 101,194	- 86,194	- 69,944	- 53,259	- 37,009
2604	Heritage Conservation & Celebration Grant Reserve	- 39,607	- 19,607	- 19,607	- 17,705	- 133,742
2606	Grants & Donations Reserve	- 1,203	- 126,203	- 126,203	- 75,684	- 23,402
2631	Community Improvement Plan Reserve	- 155,801	- 190,801	- 190,801	- 159,657	- 118,407
2616	Special Projects/studies Reserve	- 567,633	- 815,550	- 790,550	- 343,995	- 341,029
		- 2,366,505	- 2,734,423	- 2,629,286	- 2,300,575	- 2,160,314

Other Expenses

The Other expense category budget is \$3 million. Operations and Infrastructure includes Other budget of \$1.6 million which includes the following budgeted amounts:

- \$90,000 for annual accrual of closure and post closure landfill costs
- \$192,000 for equipment rentals at the landfill sites
- \$50,000 for waste management study (to be funded from Municipal Modernization funding)
- \$500,000 in supplies for Public Works related mainly to gravel resurfacing, dust layer & priming, and for salt and sand for snowplowing
- \$175,000 diesel (this budget includes diesel that is used by other departments in addition to Operations and Infrastructure)
- \$100,000 truck maintenance
- \$80,000 fuel (this budget includes fuel that is used by other departments in addition to Operations and Infrastructure)

Private Road Grant

Also included in the other category is the Private Road Grant. In June 2022, Council approved a by-law to enact the Private Road Grant (Capital Stream) and Standard. The purpose of the Private Road Grant (Capital Stream) is to address accessibility issues for emergency services as well as implement a

standard for constructability or cross-section requirements for private roads. Through the Private Road Grant Policy, capital investment (e.g. gravel resurfacing, rock removal, culvert installation, brushing, ditching) to advance the condition of a lane to comply with the standard is the goal of the program.

The Private Road Grant (Capital Stream) provides funding for capital improvement projects be limited to a maximum of 50% of the total eligible costs and capped at a maximum grant of \$5,000 per application. The Private Road Grant (Capital Stream) is a stand-alone funding opportunity in addition to the existing Private Road Grant (Maintenance Stream). Further, each private road association would be limited to one application per year.

With the addition of the capital stream grant program, the private road grant budget has doubled for 2023. The proposed budget is \$50,000 compared to \$25,000 in 2022 (10-300-3000-6292).

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Departmental Budgets

The following is a high-level summary of the proposed 2023 operating budget compared to the 2022 budget and year to date 2022 actuals at October 31, 2022.

Fund Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Taxation and Non Departmental												
*	101	* Taxation - Township	- 11,576,000	100,000	- 11,476,000	- 696,600	- 10,879,400	100,000	- 10,779,400	- 10,698,921	32,297	- 10,666,624
*	103	* Casino & Reserve Transfers	- 700,000	2,820,000	2,120,000	360,000	- 400,000	2,160,000	1,760,000	- 805,782	1,461,250	655,468
*	105	* Non Departmental	- 1,502,300	495,200	- 1,007,100	- 34,700	- 1,467,600	495,200	- 972,400	- 1,331,958	353,021	- 978,937
*	111	* Council	-	174,400	174,400	400	-	174,000	174,000	-	138,618	138,618
*	Total Taxation and Non Departmental		- 13,778,300	3,589,600	- 10,188,700	- 370,900	- 12,747,000	2,929,200	- 9,817,800	- 12,836,661	1,985,186	- 10,851,475
CAO, Clerk & HR												
*	112	* Election	-	15,000	15,000	- 6,250	-	21,250	21,250	- 1,600	54,828	53,228
*	113	* CAO, Clerk & HR	- 40,900	699,000	658,100	- 56,000	- 1,500	715,600	714,100	- 107,434	550,291	442,857
*	116	* Health and Safety Committee	-	5,200	5,200	3,600	-	1,600	1,600	-	122	122
*	205	* Emergency Preparedness	- 20,000	32,500	12,500	2,500	- 20,000	30,000	10,000	-	8,910	8,910
*	270	* Livestock	- 8,000	8,000	-	-	5,000	5,000	-	- 8,380	10,187	1,807
*	280	* Fenceviewers	- 100	500	400	-	100	500	400	-	-	-
*	510	* Cemeteries	-	25,500	25,500	12,100	- 100	13,500	13,400	- 191	15,899	15,708
*	Total CAO, Clerk & HR		- 69,000	785,700	716,700	- 44,050	- 26,700	787,450	760,750	- 117,605	640,238	522,633
Corporate Services												
*	114	* Finance & IT	- 504,500	1,041,700	537,200	- 10,600	- 489,000	1,036,800	547,800	- 534,318	807,075	272,757
*	120	* Communications	- 6,000	102,100	96,100	96,100	-	-	-	-	-	-
*	115	* Community Grants	- 100,000	100,000	-	-	- 125,000	125,000	-	-	117,769	117,769
*	500	* Health Services	-	37,000	37,000	1,000	-	36,000	36,000	-	29,795	29,795
*	700	00.70 Recreation & Culture	- 30,000	370,500	340,500	- 21,100	- 67,800	429,400	361,600	- 46,333	405,350	359,017
*	820	* Economic Development	- 7,200	231,100	223,900	- 80,500	- 30,100	334,500	304,400	- 15,608	235,219	219,611
*	830	* Tile Drainage	- 7,200	7,200	-	-	- 8,500	8,500	-	- 8,315	8,315	-
*	Total Corporate Services		- 654,900	1,889,600	1,234,700	- 15,100	- 720,400	1,970,200	1,249,800	- 604,574	1,603,522	998,949
External Agencies												
*	210	* Police	-	1,760,900	1,760,900	- 19,100	-	1,780,000	1,780,000	-	1,319,159	1,319,159
*	420	* CRCA	-	175,000	175,000	10,000	-	165,000	165,000	-	164,395	164,395
*	730	7500 Library	- 68,500	534,200	465,700	29,100	- 46,700	483,300	436,600	- 46,525	359,266	312,741
*	Total External Agencies		- 68,500	2,470,100	2,401,600	20,000	- 46,700	2,428,300	2,381,600	- 46,525	1,842,820	1,796,295

Fund Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Fire												
*	200 001,3	Fire	- 20,500	865,200	844,700	105,200	- 60,500	800,000	739,500	- 88,340	550,478	462,138
*	200 2001	Fire Prevention	-	112,000	112,000	- 20,500	-	132,500	132,500	-	62,409	62,409
*	200 3300	Fleet Maintenance	-	72,100	72,100	4,000	-	68,100	68,100	-	73,485	73,485
*	203 *	Fire Training	- 95,000	116,200	21,200	- 3,800	- 80,000	105,000	25,000	- 112,470	124,575	12,104
		Total Fire	- 115,500	1,165,500	1,050,000	84,900	- 140,500	1,105,600	965,100	- 200,810	810,946	610,136
Planning & Development												
*	220 *	By-law	- 2,500	134,300	131,800	3,300	- 1,500	130,000	128,500	- 2,140	96,105	93,965
*	260 *	Dogs	- 3,700	3,600	- 100	- 600	- 3,200	3,700	500	- 4,157	3,792	- 364
*	800 *	Planning	- 183,000	481,700	298,700	28,700	- 59,000	329,000	270,000	- 102,709	214,920	112,211
*	810 *	Committee of Adjustment	-	8,800	8,800	- 66,500	-	75,300	75,300	-	60,149	60,149
*	710 *	Historical Committee	-	15,100	15,100	-	-	15,100	15,100	-	2,702	2,702
		Total Planning & Development	- 189,200	643,500	454,300	- 35,100	- 63,700	553,100	489,400	- 109,006	377,668	268,663
Operations and Infrastructure												
*	300 *	Public Works	- 14,000	2,858,200	2,844,200	288,600	- 11,000	2,566,600	2,555,600	- 35,074	2,468,609	2,433,535
*	400 *	Garbage Collection	- 42,000	42,000	-	-	- 42,000	42,000	-	- 42,042	35,648	- 6,394
*	410 *	Landfill Sites	- 435,200	1,068,100	632,900	36,300	- 410,200	1,006,800	596,600	- 393,637	790,753	397,116
*	415 *	Source Water Protection	-	25,000	25,000	-	-	25,000	25,000	-	30,870	30,870
*	840 *	Municipal Drain	- 50,000	65,700	15,700	- 24,600	- 25,000	65,300	40,300	- 2,770	18,107	15,337
		Facilities	- 64,000	641,400	577,400	46,150	- 14,000	545,250	531,250	- 16,464	543,508	527,044
		Parks	- 35,200	271,400	236,200	13,800	- 24,200	246,600	222,400	- 40,970	178,232	137,263
		Total Operations and Infrastructure	- 640,400	4,971,800	4,331,400	360,250	- 526,400	4,497,550	3,971,150	- 530,958	4,065,728	3,534,771
		Total Property Tax Funded	- 15,515,800	15,515,800	-	-	- 14,271,400	14,271,400	-	- 14,446,139	11,326,110	- 3,120,029

The 2023 proposed operating budget expenses have increased \$1.2 million. The largest increases to the 2023 proposed operating budget expenses are:

- Increase in transfers to reserve funds of \$743,750, which is made up of an increase of \$640,000 to capital reserve funds, an increase of \$100,000 to the Community Grants Reserve Fund and a slight decrease to the transfer to the Election Reserve Fund.
- Increase in municipal insurance costs of \$111,300 compared with 2022 budget.
- Increase in fuel and diesel costs of \$98,900 compared with 2022 budget.
- An increase in the operating expenses for the Planning and Development budget to complete a Community Improvement Plan (\$35,000) and a study by the CRCA (\$76,000). These costs are proposed to be funded by reserve funds and will not impact the net levy requirement.

Taxation and Non-Departmental

Fund Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Taxation and Non Departmental												
*	101	* Taxation - Township	- 11,576,000	100,000	- 11,476,000	- 696,600	- 10,879,400	100,000	- 10,779,400	- 10,698,921	32,297	- 10,666,624
*	103	* Casino & Reserve Transfers	- 700,000	2,820,000	2,120,000	360,000	- 400,000	2,160,000	1,760,000	- 805,782	1,461,250	655,468
*	105	* Non Departmental	- 1,502,300	495,200	- 1,007,100	- 34,700	- 1,467,600	495,200	- 972,400	- 1,331,958	353,021	- 978,937
*	111	* Council	-	174,400	174,400	400	-	174,000	174,000	-	138,618	138,618
*	Total Taxation and Non Departmental		- 13,778,300	3,589,600	- 10,188,700	- 370,900	- 12,747,000	2,929,200	- 9,817,800	- 12,836,661	1,985,186	- 10,851,475

The Taxation and Non Departmental includes the property tax levy revenue which has increased \$696,600. This is mainly due to the increase in transfers to reserves. The estimated revenue from the Casino is also budgeted to increase from \$400,000 to \$700,000 based on current year actuals to date.

2023 Proposed Operating Budget				Revenue	Salaries Benefits & Honorarium	Consulting	Insurance, Utilities & Facility Maintenance	Transfers to Reserve Funds	Loan Payments	Other	Total Expense	2023 Net Budget
				2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 NET Budget
Taxation and Non Departmental												
*	101	* Taxation - Township		-11,576,000	0	0	0	0	0	100,000	100,000	-11,476,000
*	103	* Casino & Reserve Transfers		-700,000	0	0	165,000	2,655,000	0	0	2,820,000	2,120,000
*	105	* Non Departmental		-1,502,300	0	0	0	495,200	0	0	495,200	-1,007,100
*	111	* Council		0	149,500	0	0	0	0	24,900	174,400	174,400
*	Total Taxation and Non Departmental			-13,778,300	149,500	0	165,000	3,150,200	0	124,900	3,589,600	-10,188,700

Revenue				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Taxation and Non Departmental							
*	101	* Taxation - Township		-11,576,000	-10,879,400	-10,698,921	-10,515,853
*	103	* Casino & Reserve Transfers		-700,000	-400,000	-805,782	-531,536
*	105	* Non Departmental		-1,502,300	-1,467,600	-1,331,958	-1,503,333
*	111	* Council		0	0	0	0
*	Total Taxation and Non Departmental			-13,778,300	-12,747,000	-12,836,661	-12,550,722

The Non Departmental revenue is made up of:

- Ontario Municipal Partnership Fund (OMPF) revenue of \$1,005,100. The OMPF provides operating support from the province intended to support areas with limited property assessment and assist municipalities with year over year funding changes.
- Canada Community Building Fund (formerly Federal Gas Tax) and Ontario Community Infrastructure Funding totalling \$450,200 which are amounts transferred to obligatory reserve funds. These are capital funding amounts, and the net effect of these amounts is zero, offset by the transfers to reserve funds.
- Aggregate Resources Act funding budgeted at \$47,000.

Salaries, Benefits and Honoariums				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Taxation and Non Departmental							
*	101	*	Taxation - Township	0	0	0	0
*	103	*	Casino & Reserve Transfers	0	0	0	0
*	105	*	Non Departmental	0	0	0	0
*	111	*	Council	149,500	146,500	121,912	140,922
*	Total Taxation and Non Departmental			149,500	146,500	121,912	140,922

Council salaries have been budgeted at a proposed increase of 1% along with non-union staff.

Insurance, Utilities and Facility Maintenance				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Taxation and Non Departmental							
*	101	*	Taxation - Township	0	0	0	0
*	103	*	Casino & Reserve Transfers	165,000	250,000	0	177,924
*	105	*	Non Departmental	0	0	0	0
*	111	*	Council	0	0	0	0
*	Total Taxation and Non Departmental			165,000	250,000	0	177,924

The Casino & Reserve Transfers department includes the payment made to the Town of Gananoque for half of the Casino property taxes, being an estimated \$165,000. This is lower than 2022 based on the expected Minutes of Settlement for the appeal on this property which will result in a lower annual property tax bill for this property.

Transfers to Reserve Funds				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Taxation and Non Departmental							
*	101	*	Taxation - Township	0	0	0	0
*	103	*	Casino & Reserve Transfers	2,655,000	1,910,000	1,940,000	2,078,535
*	105	*	Non Departmental	495,200	495,200	353,021	921,373
*	111	*	Council	0	0	0	0
*	Total Taxation and Non Departmental			3,150,200	2,405,200	2,293,021	2,999,908

The transfers to capital reserve funds have increased in an attempt to provide a more sustainable level of capital funding as the Township's financial plan requires. The Non Departmental transfers are a transfer of \$45,000 to the Tax Stabilization Reserve Fund and \$450,200 to obligatory reserve funds.

Other Expenses				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Taxation and Non Departmental							
*	101	*	Taxation - Township	100,000	100,000	28,219	184,070
*	103	*	Casino & Reserve Transfers	0	0	0	0
*	105	*	Non Departmental	0	0	0	0
*	111	*	Council	24,900	27,500	18,956	14,054
*	Total Taxation and Non Departmental			124,900	127,500	47,175	198,124

The Taxation area includes \$100,000 budget for tax write offs while the Council budget includes estimates for training, meals, mileage, and other expenses.

CAO, Clerk & HR

FuncDept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual	
CAO, Clerk & HR													
*	112	* Election	-	15,000	15,000	- 6,250	-	21,250	21,250	-	1,600	46,497	44,897
*	113	* CAO, Clerk & HR	- 40,900	699,000	658,100	- 56,000	- 1,500	715,600	714,100	-	90,917	505,125	414,207
*	116	* Health and Safety Committ	-	5,200	5,200	3,600	-	1,600	1,600	-	-	122	122
*	205	* Emergency Preparedness	- 20,000	32,500	12,500	2,500	- 20,000	30,000	10,000	-	-	8,910	8,910
*	270	* Livestock	- 8,000	8,000	-	-	- 5,000	5,000	-	-	7,255	7,992	737
*	280	* Fenceviewers	- 100	500	400	-	- 100	500	400	-	-	-	-
*	510	* Cemeteries	-	25,500	25,500	12,100	- 100	13,500	13,400	-	90	15,259	15,169
*	Total CAO, Clerk & HR		- 69,000	785,700	716,700	- 44,050	- 26,700	787,450	760,750	-	99,862	583,905	484,043

The CAO, Clerk & HR proposed budget is slightly lower than 2022.

An ongoing initiative in the CAO, Clerk & HR department is the implementation of an electronic records and document management system. The project aligns with Pillar #1: Delivering Effective and Accountable Government of the Strategic Plan. The goals of this project are saving staff time through more accessible document retrieval and realizing cost savings through reduced paper costs and storage.

2023 Proposed Operating Budget			Revenue	Salaries Benefits & Honorarium	Consulting	Insurance, Utilities & Facility Maintenance	Transfers to Reserve Funds	Loan Payments	Other	Total Expense	2023 Net Budget
			2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 NET Budget
CAO, Clerk & HR											
*	112	* Election	0	0	0	0	15,000	0	0	15,000	15,000
*	113	* CAO, Clerk & HR	-40,900	473,700	83,000	82,400	0	0	59,900	699,000	658,100
*	116	* Health and Safety Committee	0	0	0	0	0	0	5,200	5,200	5,200
*	205	* Emergency Preparedness	-20,000	0	0	0	0	0	32,500	32,500	12,500
*	270	* Livestock	-8,000	0	0	0	0	0	8,000	8,000	0
*	280	* Fenceviewers	-100	0	0	0	0	0	500	500	400
*	510	* Cemeteries	0	11,600	1,000	12,900	0	0	0	25,500	25,500
*	Total CAO, Clerk & HR		-69,000	485,300	84,000	95,300	15,000	0	106,100	785,700	716,700

Revenue			2023 Budget	2022 Budget	2022 Actual	2021 Actual
CAO, Clerk & HR						
*	112	* Election	0	0	-1,600	0
*	113	* CAO, Clerk & HR	-40,900	-1,500	-90,917	-74,908
*	116	* Health and Safety Committee	0	0	0	0
*	205	* Emergency Preparedness	-20,000	-20,000	0	0
*	270	* Livestock	-8,000	-5,000	-7,255	-8,791
*	280	* Fenceviewers	-100	-100	0	-100
*	510	* Cemeteries	0	-100	-90	-177
*	Total CAO, Clerk & HR		-69,000	-26,700	-99,862	-83,976

This budget includes \$40,000 in revenue as a transfer from the Special Projects Reserve to fund a non-union compensation review.

The \$20,000 in revenue in Emergency Preparedness is a withdrawal from the COVID Contingency Reserve Fund to fund any anticipated COVID expenses in 2023. Only those funds required to offset actual expenditures will be drawn from the reserve fund.

Salaries, Benefits and Honoariums			2023 Budget	2022 Budget	2022 Actual	2021 Actual
CAO, Clerk & HR						
*	112	* Election	0	0	0	0
*	113	* CAO, Clerk & HR	473,700	514,000	369,628	377,944
*	116	* Health and Safety Committee	0	0	0	0
*	205	* Emergency Preparedness	0	0	0	28,286
*	270	* Livestock	0	0	0	0
*	280	* Fenceviewers	0	0	0	325
*	510	* Cemeteries	11,600	5,500	5,489	7,357
*	Total CAO, Clerk & HR		485,300	519,500	375,117	413,912

Consulting and Contracted Services				2023 Budget	2022 Budget	2022 Actual	2021 Actual
CAO, Clerk & HR							
*	112	*	Election	0	0	0	1,068
*	113	*	CAO, Clerk & HR	83,000	67,000	18,169	108,407
*	116	*	Health and Safety Committee	0	0	0	0
*	205	*	Emergency Preparedness	0	0	0	0
*	270	*	Livestock	0	0	0	0
*	280	*	Fenceviewers	0	0	0	0
*	510	*	Cemeteries	1,000	0	0	1,560
*	Total CAO, Clerk & HR			84,000	67,000	18,169	111,036

The increase in consulting and contracted services is mainly due to the budgeted non union compensation review. The last such review was completed in 2016. Staff will be engaging a consultant to complete a review which will ensure equitable wages within the municipality and ensure competitive wages when compared to the market to ensure the Township can attract and retain high valued employees. The review will also ensure compliance with pay equity legislation.

Insurance, Utilities and Facility Maintenance				2023 Budget	2022 Budget	2022 Actual	2021 Actual
CAO, Clerk & HR							
*	112	*	Election	0	0	0	0
*	113	*	CAO, Clerk & HR	82,400	60,000	90,230	56,007
*	116	*	Health and Safety Committee	0	0	0	0
*	205	*	Emergency Preparedness	0	0	0	0
*	270	*	Livestock	0	0	0	0
*	280	*	Fenceviewers	0	0	0	0
*	510	*	Cemeteries	12,900	8,000	9,771	6,997
*	Total CAO, Clerk & HR			95,300	68,000	100,000	63,003

The increase in insurance, utilities and facility maintenance category is mainly the increased insurance budget for 2023.

Transfers to Reserve Funds			2023 Budget	2022 Budget	2022 Actual	2021 Actual
CAO, Clerk & HR						
*	112	* Election	15,000	16,250	16,250	16,250
*	113	* CAO, Clerk & HR	0	0	0	0
*	116	* Health and Safety Committee	0	0	0	0
*	205	* Emergency Preparedness	0	0	0	0
*	270	* Livestock	0	0	0	0
*	280	* Fenceviewers	0	0	0	0
*	510	* Cemeteries	0	0	0	0
*	Total CAO, Clerk & HR		15,000	16,250	16,250	16,250

The transfer to the Election Reserve Fund has decreased slightly based on the actual estimated expense of the 2022 election and the balance of the reserve fund. This will be monitored and adjusted as necessary.

Other Expenses			2023 Budget	2022 Budget	2022 Actual	2021 Actual
CAO, Clerk & HR						
*	112	* Election	0	5,000	30,247	4,783
*	113	* CAO, Clerk & HR	59,900	74,600	27,097	54,354
*	116	* Health and Safety Committee	5,200	1,600	122	1,351
*	205	* Emergency Preparedness	32,500	30,000	8,910	47,735
*	270	* Livestock	8,000	5,000	7,992	9,053
*	280	* Fenceviewers	500	500	0	0
*	510	* Cemeteries	0	0	0	0
*	Total CAO, Clerk & HR		106,100	116,700	74,368	117,276

The Other Expense budget has decreased for 2023 mainly due to a decrease in the amount budgeted for contingency (\$20,000 in 2023 compared with \$45,000 in 2022).

Corporate Services

Func	Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Corporate Services													
*	114	*	Finance & IT	- 504,500	1,041,700	537,200	- 10,600	- 489,000	1,036,800	547,800	- 433,826	768,816	334,990
*	120	*	Communications	- 6,000	102,100	96,100	96,100	-	-	-	-	-	-
*	115	*	Community Grants	- 100,000	100,000	-	-	- 125,000	125,000	-	-	73,862	73,862
*	500	*	Health Services	-	37,000	37,000	1,000	-	36,000	36,000	-	29,795	29,795
*	700	00.70	Recreation & Culture	- 30,000	370,500	340,500	- 21,100	- 67,800	429,400	361,600	- 39,617	401,953	362,336
*	820	*	Economic Development	- 7,200	231,100	223,900	- 80,500	- 30,100	334,500	304,400	- 11,513	219,916	208,403
*	830	*	Tile Drainage	- 7,200	7,200	-	-	- 8,500	8,500	-	- 8,315	8,315	-
Total Corporate Services				- 654,900	1,889,600	1,234,700	- 15,100	- 720,400	1,970,200	1,249,800	- 493,271	1,502,657	1,009,386

The Corporate Services Department is a newly created department aligning finance, information technology, communications, recreation, and community engagement into one department. The overall budget for this department has decreased slightly compared with the 2022 departmental budgets. A new communications department has been created (120), reallocating budget that was previously included in other departments.

There are several initiatives in accordance with the Township's strategic priorities, that the Corporate Services Department will be working on in 2023:

- Implementation of a new finance software package that includes an online portal for residents and online payment capabilities/integration.
- Conduct an IT strategy review and implementation plan to improve service delivery and streamline business processes through technology.
- Continue work on the asset management program and Township financial plan to enhance strategies for long term sustainability.
- Review, update and develop where necessary, policies, procedures, and processes to improve and enhance external and internal communications.
- Work with community groups to identify strategies for improving Township support, communications, and assistance as it relates to events, programming, and other initiatives.

2023 Proposed Operating Budget				Revenue	Salaries Benefits & Honorarium	Consulting	Insurance, Utilities & Facility Maintenance	Transfers to Reserve Funds	Loan Payments	Other	Total Expense	2023 Net Budget
				2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 NET Budget
Corporate Services												
*	114	*	Finance & IT	-504,500	646,700	171,000	8,600	30,000	0	185,400	1,041,700	537,200
*	120	*	Communications	-6,000	66,000	0	0	0	0	36,100	102,100	96,100
*	115	*	Community Grants	-100,000	0	0	0	0	0	100,000	100,000	0
*	500	*	Health Services	0	0	0	0	0	0	37,000	37,000	37,000
*	700	0.7006	Recreation & Culture	-30,000	82,100	7,000	207,600	0	0	73,800	370,500	340,500
*	820	*	Economic Development	-7,200	150,000	4,500	0	0	0	76,600	231,100	223,900
*	830	*	Tile Drainage	-7,200	0	0	0	0	7,200	0	7,200	0
Total Corporate Services				-654,900	944,800	182,500	216,200	30,000	7,200	508,900	1,889,600	1,234,700

Revenue				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services							
*	114	*	Finance & IT	-504,500	-489,000	-433,826	-627,748
*	120	*	Communications	-6,000	0	0	0
*	115	*	Community Grants	-100,000	-125,000	0	0
*	500	*	Health Services	0	0	0	0
*	700	0.7006	Recreation & Culture	-30,000	-67,800	-39,617	-41,230
*	820	*	Economic Development	-7,200	-30,100	-11,513	-25,437
*	830	*	Tile Drainage	-7,200	-8,500	-8,315	-8,315
Total Corporate Services				-654,900	-720,400	-493,271	-702,729

Budgeted finance revenue has increased modestly based on year-to-date actuals for 2022. The Community Grants revenue is a withdrawal from the reserve fund. An offsetting contribution to the reserve fund is included in the Casino and Reserve Transfers department.

Salaries, Benefits and Honoariums				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services							
*	114	*	Finance & IT	646,700	643,000	515,607	666,972
*	120	*	Communications	66,000	0	0	0
*	115	*	Community Grants	0	0	0	0
*	500	*	Health Services	0	0	0	0
*	700	7000.7006	Recreation & Culture	82,100	130,700	101,699	147,728
*	820	*	Economic Development	150,000	158,500	129,183	132,628
*	830	*	Tile Drainage	0	0	0	0
Total Corporate Services				944,800	932,200	746,489	947,328

The salaries and benefits budget has increased slightly and includes the non-union annual increase as well as any applicable step increases. The 2023 budget includes the new Information Technology Manager position and the reduction of the Accounting Supervisor position due to the staff member retirement in November 2022.

Consulting and Contracted Services				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services							
*	114	*	Finance & IT	171,000	165,000	67,082	136,882
*	120	*	Communications	0	0	0	0
*	115	*	Community Grants	0	0	0	0
*	500	*	Health Services	0	0	0	0
*	700	7000.7006	Recreation & Culture	7,000	0	0	0
*	820	*	Economic Development	4,500	3,000	1,097	4,375
*	830	*	Tile Drainage	0	0	0	0
Total Corporate Services				182,500	168,000	68,179	141,257

The Consulting and Contracted Services budget is made up mainly of information technology costs and the annual external financial audit. The 2022 actuals appear low currently, but Staff expect to receive invoicing for a number of IT related projects before the end of 2022. Additionally, the 2022 external audit costs have not been incurred yet.

Insurance, Utilities and Facility Maintenance				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services							
*	114	*	Finance & IT	8,600	13,800	7,155	29,190
*	120	*	Communications	0	0	0	0
*	115	*	Community Grants	0	0	0	0
*	500	*	Health Services	0	0	0	0
*	700	7000.7006	Recreation & Culture	207,600	196,000	202,227	186,136
*	820	*	Economic Development	0	0	0	0
*	830	*	Tile Drainage	0	0	0	0
Total Corporate Services				216,200	209,800	209,382	215,326

The recreation budget of \$207,600 is for the annual payment for the Gananoque Arena cost sharing agreement and for insurance costs.

Transfers to Reserve Funds				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services							
*	114	*	Finance & IT	30,000	30,000	30,000	30,000
*	120	*	Communications	0	0	0	0
*	115	*	Community Grants	0	0	0	0
*	500	*	Health Services	0	0	0	0
*	700	7000.7006	Recreation & Culture	0	0	0	0
*	820	*	Economic Development	0	0	0	0
*	830	*	Tile Drainage	0	0	0	0
Total Corporate Services				30,000	30,000	30,000	30,000

The information technology budget includes a transfer of \$30,000 to the capital reserve fund to help fund future replacement of information technology assets including laptops and desktop computers which are managed through the asset management program.

Loan Payments			2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services						
*	114	* Finance & IT	0	0	0	0
*	120	* Communications	0	0	0	0
*	115	* Community Grants	0	0	0	0
*	500	* Health Services	0	0	0	0
*	700 7000.7006	* Recreation & Culture	0	0	0	0
*	820	* Economic Development	0	0	0	0
*	830	* Tile Drainage	7,200	8,500	8,315	8,315
Total Corporate Services			7,200	8,500	8,315	8,315

The Township administers loans for Tile Drainage. Amounts are collected on the respective property tax bills and remitted to the provincial government. There is no net impact to the municipally funded operating budget.

Other Expenses			2023 Budget	2022 Budget	2022 Actual	2021 Actual
Corporate Services						
*	114	* Finance & IT	185,400	185,000	148,972	254,627
*	120	* Communications	36,100	0	0	0
*	115	* Community Grants	100,000	125,000	73,862	0
*	500	* Health Services	37,000	36,000	29,795	33,819
*	700 7000.7006	* Recreation & Culture	73,800	102,700	98,028	49,122
*	820	* Economic Development	76,600	173,000	89,636	133,074
*	830	* Tile Drainage	0	0	0	0
Total Corporate Services			508,900	621,700	440,292	470,640

The Other Expenses category includes various expenditures including software licensing costs, which are increasing due to the continued implementation and roll out of several key software packages such as the new document management system and the asset management/work order management software. Staff continue to streamline and automate processes where possible to find efficiencies, to improve customer service for residents and to centralize data for ease of use and reporting. This budget category also includes postage, office supplies and equipment, training, advertising, recreation instructors, and other expenses.

The Health Services budget is for the health benefit coverage provided to doctors working in the Township.

The 2023 Economic Development budget has been reduced by \$96,400. Staff have reduced several budget items including advertising, marketing, memberships, and studies, as Staff will be doing a thorough review, evaluation, and update to the strategies employed in these areas. Staff have reduced the budget for the Community Recreation Guide and will be reevaluating the strategies for communicating this content.

The new Corporate Communications and Community Engagement Supervisor will be a key point of contact for residents, community groups and other stakeholders. Staff will be focused on advancing work on many of the initiatives outlined in the Strategic Plan, the Service Delivery Review, and addressing the recommendations from the 2020 Communications Audit.

- Develop protocols for social media that identifies the purpose for communication over each platform and what info should be shared
- Revamp the website and remove redundancies, shorten subpages
- Create a communications plan that clearly outlines responsibilities and processes
- Standardize frequency and method of external communications
- Develop strategies for external and internal communications
- Leverage the recreation programming and facility rental software to streamline business processes and ensure efficient and effective delivery of municipal services.

Much of this work will be achieved through a collaborative, integrated approach working with all departments internally, as well as engaging with external stakeholders to assess, evaluate and update communication channels and strategies. The Corporate Services team is well positioned to enhance communications and engagement with residents, businesses, community groups and other stakeholders.

External Agencies

Func Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
External Agencies												
*	210	* Police	-	1,760,900	1,760,900	- 19,100	-	1,780,000	1,780,000	-	1,174,867	1,174,867
*	420	* CRCA	-	175,000	175,000	10,000	-	165,000	165,000	-	164,395	164,395
*	730	7500 Library	- 68,500	534,200	465,700	29,100 -	46,700	483,300	436,600	- 46,525	339,142	292,617
Total External Agencies			- 68,500	2,470,100	2,401,600	20,000 -	46,700	2,428,300	2,381,600	- 46,525	1,678,404	1,631,879

The proposed 2023 budget has increased slightly for external agencies as the Library returns to pre-COVID service levels. The library budget is more fully explained below.

2023 Proposed Operating Budget	Revenue 2023 Budget	Salaries Benefits & Honorarium 2023 Budget	Consulting 2023 Budget	Insurance, Utilities & Facility Maintenance 2023 Budget	Transfers to Reserve Funds 2023 Budget	Loan Payments 2023 Budget	Other 2023 Budget	Total Expense 2023 Budget	2023 Net Budget 2023 NET Budget
External Agencies									
* 210 * Police	0	0	1,760,900	0	0	0	0	1,760,900	1,760,900
* 420 * CRCA	0	0	0	175,000	0	0	0	175,000	175,000
40 730 7500 Library	-68,500	366,700	6,500	19,400	0	0	141,600	534,200	465,700
Total External Agencies	-68,500	366,700	1,767,400	194,400	0	0	141,600	2,470,100	2,401,600

The majority of the External Agencies budget is the cost for policing at almost \$1.8 million.

Revenue	2023 Budget	2022 Budget	2022 Actual	2021 Actual
External Agencies				
* 210 * Police	0	0	0	0
* 420 * CRCA	0	0	0	0
40 730 7500 Library	-68,500	-46,700	-46,525	-480,112
Total External Agencies	-68,500	-46,700	-46,525	-480,112

The increase in library revenue is a grant being carried over from 2022 which will be used in 2023 to fund furnishings and equipment in the library branches.

Salaries, Benefits and Honoariums				2023 Budget	2022 Budget	2022 Actual	2021 Actual
External Agencies							
*	210	*	Police	0	0	0	0
*	420	*	CRCA	0	0	0	0
40	730	7500	Library	366,700	331,500	222,606	315,881
Total External Agencies				366,700	331,500	222,606	315,881
Consulting and Contracted Services				2023 Budget	2022 Budget	2022 Actual	2021 Actual
External Agencies							
*	210	*	Police	1,760,900	1,780,000	1,174,867	1,811,733
*	420	*	CRCA	0	0	0	0
40	730	7500	Library	6,500	6,500	2,597	35,567
Total External Agencies				1,767,400	1,786,500	1,177,464	1,847,300
Insurance, Utilities and Facility Maintenance				2023 Budget	2022 Budget	2022 Actual	2021 Actual
External Agencies							
*	210	*	Police	0	0	0	0
*	420	*	CRCA	175,000	165,000	164,395	161,655
40	730	7500	Library	19,400	21,500	18,037	19,390
Total External Agencies				194,400	186,500	182,432	181,045
Transfers to Reserve Funds				2023 Budget	2022 Budget	2022 Actual	2021 Actual
External Agencies							
*	210	*	Police	0	0	0	0
*	420	*	CRCA	0	0	0	0
40	730	7500	Library	0	0	1,703	10,977
Total External Agencies				0	0	1,703	10,977

Other Expenses				2023 Budget	2022 Budget	2022 Actual	2021 Actual
External Agencies							
*	210	*	Police	0	0	0	0
*	420	*	CRCA	0	0	0	0
40	730	7500	Library	141,600	123,800	80,679	56,488
Total External Agencies				141,600	123,800	80,679	56,488

The Other Expenses category for the library includes books and resources, postage, computer costs, subscriptions, advertising, and other costs.

Police

The OPP introduced a new billing model on January 1, 2015, O. Reg 267/14 of the Police Services Act. Under this OPP billing model, all municipalities are paying the same base service cost per property, plus an additional cost for calls for service as well as other charges, such as overtime, accommodation, cleaning services, court security, etc. The latter are added to the municipal bill only if applicable and/or are specified in the contract.

Description	2023	2022	2021
Base Service (\$165.66 x 6281)	1,040,523	1,076,135	1,109,224
Calls for Service	581,660	609,384	609,017
Overtime	58,528	50,939	53,163
Prisoner Transportation	7,349	10,694	13,188
Accommodation/Cleaning Services	30,588	30,207	29,250
Total Estimated Cost	\$1,718,648	\$1,777,360	\$1,813,841
Number of Properties	6,281	6,254	6,250
Average Cost Per Property	\$273.63	\$284.20	\$290.21

The costs allocated to municipalities are determined based on the costs assigned to the detachment staff performing municipal policing activities across the province. A statistical analysis of activity in detachments is used to determine the municipal policing workload allocation of all detachment-based staff as well as the allocation of the municipal workload between base services and calls for service activity. For 2023 billing purposes, the allocation of the municipal workload in detachments has been calculated to be 50.5 % Base Services and 49.5 % Calls for Service

Base Services - The cost to each municipality is determined by the number of properties in the municipality and the standard province-wide average cost per property of \$165.66 estimated for 2023.

Calls for Service - The municipality's Calls for Service cost is a proportionate share of the total cost of municipal calls for service costs calculated for the province. A municipality's proportionate share of the costs is based on weighted time standards applied to the historical billable calls for service. The municipality's total weighted time is calculated as a percentage of the total of all municipalities.

The OPP 2023 Annual Billing Statement is included in this budget binder for reference.

Cataraqui Regional Conservation Authority (CRCA)

CRCA provides a wide range of programs and services that benefit eleven member municipalities. The CRCA works with municipalities and other partners to protect life and property from flooding and other hazards, conserve lakes, forests and other natural resources, and enhance the health and quality of life of local communities. The 2023 CRCA budget (\$175,000) is proposed at an increase of \$10,000 compared with the 2022 budget (\$165,000).

The budget breakdown provided by CRCA is:

Description	2023	2022	2021
General Levy	162,005	156,420	153,797
Special Levy – Properties (Outlet Boat Ramp)	2,590	2,538	2,500
Special Levy – Water Control Structures (2 dams)	5,574	5,437	5,358
Total	\$170,169	\$164,395	\$161,655

Special levies support specific programs and initiatives, such as the Outlet Boat Ramp and Marsh Bridge Dam.

The budget documentation provided by the CRCA has been provided in the budget binder for your reference.

2021 - 2022 Regulatory Proposals Consultation

The Province conducted a two-phase consultation process on the proposed regulations to support the Conservation Authorities Act. The final Phase 1 regulations were released in October 2021. All conservation authorities (CAs) submitted their Transition Plans to the Ministry of the Environment, Conservation and Parks and participating municipalities by December 31, 2021.

The final Phase 2 regulations were released April 22, 2022, including four regulations:

- Budget and Apportionment
- Determining Amounts Owed by Specified Municipalities
- Information Requirements
- Amending Regulation for the Transition Plans regulation re: fees in cost apportioning agreements (Category 3)

The “Phase 2” proposals are required to implement the legislative changes previously made to the Conservation Authorities (CAs) Act, including those changes made through Bill 229 Protect, Support and Recover from COVID-19 Act (Budget Measures), 2021. The Phase 2 proposals are focused on regulatory and policy changes intended to provide direction to CAs as they transition to the new budget framework by January 1, 2024.

The Phase 2 regulations focus on ongoing consultation with municipalities on the inventory of programs and services prepared by CAs; negotiations with municipalities regarding municipal and other programs (Category 2 and 3); and, regular reporting to MECP via quarterly progress reports and a final report.

- *Category 1: Mandatory programs and services (defined in regulation; where municipal levy could be used without any agreement)*
- *Category 2: Municipal programs and services provided at the request of a municipality (with municipal funding through an MOU/agreement)*
- *Category 3: Other programs and services an authority determines are advisable (use of municipal levy requires an MOU/agreement with participating municipalities)*

Library

The Leeds and the Thousand Islands Public Library Board is presenting a budget that continues to move the Library toward a full recovery from the COVID-19 pandemic. This budget reflects the return to regular morning and evening hours at all three library branches, which will allow for extended programming and provide more flexibility for residents who are working/commuting to access the Library outside of regular business hours.

To facilitate the change in hours the 2023 budget includes an increase to the Library’s staffing and benefits budget. This includes increased Library Clerk and casual hours to accommodate the evening schedule, as well as the addition of a part-time student position for weekend and evening work. The budget also reflects the permanent staffing of the Seeley’s Bay Branch Manager position (which was vacant during the 2022 budget process). The Library has also budgeted for an increase in benefits costs to accommodate the expansion of the OMERS pension plan to cover part-time employees.

The 2023 budget includes an exciting project funded through the Ontario Trillium Foundation’s Resilient Communities Fund. This project will dedicate \$34,000 toward upgrades to furnishings and equipment across the branches. This is a fully funded project which will help rejuvenate some of the Library’s furnishings, fixtures, and signage.

The Library continues to work with public libraries across Ontario to take part in consortia purchasing, which allows us to access high quality digital resources and software at a fraction of the cost we would pay as an individual library.

Apart from salaries and benefits, the Library’s budget reflects status quo spending. Spending from prior years was evaluated, and the Library was able to cover expected increases in areas such as programming, hydro and internet costs by reallocating funds from areas of the budget that have been underspent over the past few years.

The following table is the detailed budget for Library for 2023.

Library Services				
Account	Description	2023 Budget	2022 Budget	2022 Actual
4203	Conditional Provincial Grants - Library	-28,500	-28,500	0
4321	Library - Own Source Revenues	0	0	0
4253	Grants - Provincial	-34,000	0	-39,660
	GRANTS	-62,500	-28,500	-39,660
4256	Community Fund Raising	-2,000	-2,000	-3,344
4410	Sundry	0	0	0
4380	Photocopy - Fax - Maps	-300	-200	-475
4305	Administration Fees	-200	0	-254
4325	Fines	-100	-100	-87
4345	Interest Earned	-2,900	-2,900	-2,431
4335	Book Sales	-500	-500	-251
	LIBRARY GENERATED	-6,000	-5,700	-6,843
4920	From Library Reserve	0	-12,500	0
[4556,45]	From Library Reserve	0	0	-23
	TOTAL REVENUE	-68,500	-46,700	-46,525
6005	Salaries	304,000	277,000	175,324
[6010,60]	Benefits	62,700	54,500	47,282
6153	Staff Events	400	400	289
6110	Meetings	300	500	0
6150	Training and Development	3,500	3,500	308
	STAFFING	370,900	335,900	223,202

Account	Description	2023 Budget	2022 Budget	2022 Actual
6122	Software licencing costs	8,000	8,000	521
6124	Information technology costs	10,000	10,000	5,953
6490	Archives	3,000	3,000	4,187
6149	Library Books	28,000	28,000	21,122
6483	Multimedia	8,000	8,000	3,150
6482	E-resources	8,000	8,000	6,134
6147	Subscription & Publications	2,500	3,000	1,918
6126	Internet Connection Expense	5,500	4,700	5,198
6130	Postage / Courier	11,700	11,700	9,807
6131	Postage & Inter-library loan	800	800	464
6148	Programs	6,000	4,000	3,756
	SERVICE DELIVERY	91,500	89,200	62,209
6155	Advertising	1,500	3,000	609
6180	Memberships / Licenses	800	1,000	357
6200	Auditors	6,500	6,500	2,597
6103	Bank Charges	100	100	50
6195	Solicitors	0	0	0
6190	Consultants	0	0	0
6113	Office Equipment	700	700	264
6105	Office Supplies	2,000	2,000	1,545
6125	Telephone	4,300	4,300	4,228
6265	Miscellaneous	500	500	0
	ADMINISTRATION	16,400	18,100	9,650
6165	Building Maintenance	2,000	2,000	39
6170	Janitorial Supplies / Maintenance	5,300	5,300	5,430
6350	Grounds Maintenance	500	1,700	0
6270	Supplies	500	1,100	109
6135	Heat / Hydro	7,000	6,500	2,664
6136	Heat	0	0	3,304
6160	Insurance	4,600	6,000	6,601
6250	Equipment & Tools	1,500	5,000	184
	ENVIRONMENT & EQUIPMENT	21,400	27,600	18,330
6162	Special Projects	34,000	12,500	12,218
[6207,62	Transfer to reserve/RF	0	0	1,703
	OTHER EXPENSES	34,000	12,500	13,921
	TOTAL EXPENSES	534,200	483,300	327,312
	NET MUNICIPAL BUDGET	465,700	436,600	280,787

2023 TLTI Budget

The 2023 budget does not include any budgeted withdrawals from or contributions to the library reserve funds. The 2022 budget includes a withdrawal of \$12,500 from the Library IT reserve for the purchase of replacement computers for the library branches. The reserve fund continuities are below:

Library Funds (Discretionary)					
Date	Description	Library Literacy Reserve 40-000-0000-2625	Library IT Reserve 40-000-0000-2626	Library Working Reserve 40-000-0000-2627	Library Archives Reserve 40-000-0000-2627
31-Dec-20	balance	(67,057.00)	(84,742.00)	(56,364.00)	
	2021 funding received				(10,000.00)
	2021 funds allocated (budgeted)				
	2021 interest	(429.95)	(546.82)		
31-Dec-21	balance	(67,486.95)	(85,288.82)	(56,364.00)	(10,000.00)
	2022 Budgetted contributions				
	2022 budgetted withdrawals	-	12,500.00		
31-Dec-22	ESTIMATED Balance based on budget	(67,486.95)	(72,788.82)	(56,364.00)	(10,000.00)

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Fire

Func Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Fire												
*	200 001, /	Fire	- 20,500	865,200	844,700	105,200 -	60,500	800,000	739,500 -	39,780	526,342	486,562
*	200 2001	Fire Prevention	-	112,000	112,000	- 20,500	-	132,500	132,500	-	58,552	58,552
*	200 3300	Fleet Maintenance	-	72,100	72,100	4,000	-	68,100	68,100	-	73,153	73,153
*	203 *	Fire Training	- 95,000	116,200	21,200	- 3,800 -	80,000	105,000	25,000 -	112,470	119,029	6,558
Total Fire			- 115,500	1,165,500	1,050,000	84,900 -	140,500	1,105,600	965,100 -	152,250	777,074	624,825

2023 Proposed Operating Budget		Revenue	Salaries Benefits & Honorarium	Consulting	Insurance, Utilities & Facility Maintenance	Transfers to Reserve Funds	Loan Payments	Other	Total Expense	2023 Net Budget
		2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 NET Budget
Fire										
*	200 001, /	Fire Administration	-20,500	513,000	4,000	116,500	0	231,700	865,200	844,700
*	200 2001	Fire Prevention	0	95,000	0	0	0	17,000	112,000	112,000
*	200 3300	Fleet Maintenance	0	0	100	0	0	72,000	72,100	72,100
*	203 *	Fire Training Center	-95,000	6,400	0	9,000	20,800	80,000	116,200	21,200
Total Fire		-115,500	614,400	4,100	125,500	0	20,800	400,700	1,165,500	1,050,000

Proposed budget numbers for 2023 show an increase in revenue for the Regional Training Center (RTC) due to increased training requirements. An increase to the training budget of \$30,000 is to accommodate certification requirements for existing firefighters and officers as well as training of new recruits to be onboarded in 2023. Other increases include memberships for the District Chief's in the Ontario Association of Fire Chiefs (O AFC). Membership provides the Chief Officers access to news, information, industry trends and best practices regarding fire services in the Province of Ontario. Membership also provides discounts on conferences and education.

Currently Station #3 refuels at the gas station (Pioneer fuels). Staff are working with Operations to install a diesel pump at Station #3 to enable this station to receive fuel at the same rate as the other Township fuel sites.

Revenue				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/33		Fire Administration	-20,500	-60,500	-39,780	-60,853
*	200	2001	Fire Prevention	0	0	0	0
*	200	3300	Fleet Maintenance	0	0	0	0
*	203	*	Fire Training Center	-95,000	-80,000	-112,470	-104,089
Total Fire				-115,500	-140,500	-152,250	-164,941

The revenue budget for fire administration is lower in 2023 because the rental revenue for the Fire Station #3 is now being budgeted within that facility instead of under Fire Administration.

Fire revenues for 2022 include the disposal of three surplus assets. The Fire Service was able to transfer \$33,291 to the reserves with the sale of a 2005 Ford Mini-pumper, a breathing air compressor, and a large trailer once used for Fire Prevention duties.

The largest increase in revenue was the RTC with \$95,000 being budgeted for 2023. For 2022, there are three courses remaining which will increase 2022 year to date actual revenue amount.

In 2022 the Fire Service donated the surplus RTC pumper truck, out of date bunker gear and some miscellaneous surplus equipment to communities in need through Firefighters without Borders Canada.

Salaries, Benefits and Honoariums				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/33		Fire Administration	513,000	500,100	197,737	536,910
*	200	2001	Fire Prevention	95,000	115,500	48,609	0
*	200	3300	Fleet Maintenance	0	0	0	0
*	203	*	Fire Training Center	6,400	0	1,904	1,336
Total Fire				614,400	615,600	248,250	538,246

The honorarium budget has increased \$25,000 due to increased training and calls. With an increase of approximately 60 calls this year compared with last year at this time, and increased training requirements for certification, the firefighters will earn less money for better attendance. This trend is due to the system that is currently in use (points system). Staff are investigating other municipalities pay and compensation structures to look for alternatives. Firefighters currently receive their honorarium based on calls and training attended and do not currently receive any pay for courses attended at the RTC. Firefighters require 180 hours of courses to obtain mandatory certification, not including additional specialized training or medical

training. Recruitment for new firefighters will begin early 2023, this aligns with recommendation number 10 of the Fire Master Plan (FMP) from 2021 “To improve firefighter response reliability, expectations, retention, succession planning: Consider hiring to maintain an overall roster to 100

Consulting and Contracted Services				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/33		Fire Administration	4,000	4,500	4,115	3,562
*	200	2001	Fire Prevention	0	0	0	0
*	200	3300	Fleet Maintenance	100	100	0	0
*	203	*	Fire Training Center	0	0	0	0
Total Fire				4,100	4,600	4,115	3,562

Due to changes at the MTO auditing group we must be audited again to remain compliant with the accredited driver training program that is provided through the RTC.

Insurance, Utilities and Facility Maintenance				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/33		Fire Administration	116,500	95,500	119,703	89,868
*	200	2001	Fire Prevention	0	0	0	0
*	200	3300	Fleet Maintenance	0	0	0	0
*	203	*	Fire Training Center	9,000	9,000	23,063	8,394
Total Fire				125,500	104,500	142,766	98,261

This budget category has increased due to increased insurance costs.

Transfers to Reserve Funds				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/33		Fire Administration	0	0	33,291	6,487
*	200	2001	Fire Prevention	0	0	0	0
*	200	3300	Fleet Maintenance	0	0	0	0
*	203	*	Fire Training Center	0	0	0	0
Total Fire				0	0	33,291	6,487

Loan Payments				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/330		Fire Administration	0	0	0	0
*	200	2001	Fire Prevention	0	0	0	0
*	200	3300	Fleet Maintenance	0	0	0	0
*	203	*	Fire Training Center	20,800	20,800	27,183	41,385
	Total Fire			20,800	20,800	27,183	41,385

The loan for the RTC has been divided between the training center and Station #4 to reflect the improvements done at Station #4 when the RTC was established. This was broken down to provide a clearer picture of actuals between Station 4 and the RTC. However, there are additional operating costs such as salaries and overhead costs that are currently not expensed in the training center budget.

Other Expenses				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Fire							
*	200/2001,/330		Fire Administration	231,700	199,900	171,495	171,591
*	200	2001	Fire Prevention	17,000	17,000	9,943	0
*	200	3300	Fleet Maintenance	72,000	68,000	73,153	57,205
*	203	*	Fire Training Center	80,000	75,200	66,879	63,978
	Total Fire			400,700	360,100	321,470	292,774

Due to the aging fleet, maintenance costs increased during 2022. With the addition of the mechanic position in the Operations department, the fleet can be maintained inhouse and in station, only having to be pulled out of service to be repaired.

Fire Prevention

The Fire Prevention budget generally remains unchanged from 2022. During 2022 a Fire Prevention Officer/ Training Center Programs Coordinator was hired. In 2022, fire staff worked on several initiatives including the open-air burn bylaw, and Fire Prevention and Public Education teams have been visiting schools and attending events to provide Public Education. Inspections are ongoing. In addition, Fire Service has been actively involved in site plan review, routine inspections, licensing, complaints, and requests over the past year. Fire Prevention crews have been going door to door for in-home smoke and CO alarm programming. The Fire Prevention Policy has been updated and will be presented to Council in early 2023. Moving into 2023, staff will continue to identify occupancies within the municipality, as well as development of the inspection program.

Fire Training Center

At the beginning of 2022, the Ontario Fire College directed that no OFC courses could be held due to Covid-19 concerns. Such direction impacted two courses which were deferred and delivered later in 2022. In 2022, the RTC has delivered a total of 30 courses including, OFC courses, off-site deliveries, and driver training. Fire Service made extensive use of the RTC during 2022, including a recruit class and multiple regular Monday trainings. With Firefighter Certification due within the next 3.5 years, the RTC will continue to be well used over the next few years. There have been some extra expenses with stationary, and printer costs due to the increase in training and printing needs.

Improvements to the facilities at the RTC have been completed as approved in the 2022 budget, including paving and the retrofit of the sea containers. The activation of the sea containers as Class A fire props will be a great addition to the courses for live fire training going forward.

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Planning & Development

The Planning and Development Department includes the Building Division, Planning Division and By-law Enforcement Services. The department is responsible for guiding development proposals and implementing policy to achieve the Township's Vision in accordance with the Township and County Official Plans, the Provincial Policy Statement, and Council Strategic Plan.

The work of the Planning and Development Department advances all four pillars of the 2021 Strategic Plan. The following is the established goal of the Official Plan:

The Township of Leeds and the Thousand Islands recognizes the fundamental importance of, and inextricable link between environmental protection and community economic development. The overall goal of the Official Plan is to satisfy the community's economic needs and desires, while maintaining or enhancing the environment and the historic and natural beauty of the area.

This goal directly aligns with providing accountable public service and improving the quality of life for residents and visitors to the Township. The work of Planning, Building and By-law Enforcement staff promotes a safe, healthy community with new residential and business growth.

Civic Addressing, the Municipal Heritage Committee and Committee of Adjustment are included in work of the Planning Division.

By-law Enforcement Services administers municipal by-laws including property standards, yards, canine control, and parking enforcement. In 2022 Council approved the Administrative Monetary Penalty By-law which will provide better options for enforcement at the local level.

The Planning operating budget for 2023 includes \$35,000 for a Township Community Improvement Plan. A consultant will be retained to complete this plan and this work is proposed to be funded from the Community Improvement Plan Reserve Fund. The proposed budget also includes \$76,000 as the Township portion of a Cataraqui Region Conservation Authority Flood Hazard Identification and Mapping Program, to be funded from the Special Projects Reserve Fund. The CRCA study will update flood hazard information and mapping for the St. Lawrence River shoreline from Kingston to Brockville. The existing flood risk mapping was developed in 1985 and updated with wave uprush information in 1993; the best available information is almost 30 years old. Climate change was not considered as part of the currently available mapping. The preparation of up-to-date digital flood risk information is integral to protecting people and property from flood risk, will contribute to updating official plan mapping, preparing for a new Township zoning by-law and will contribute to a climate change plan for the Township.

The CRCA has applied for a grant to receive 50% funding for this project and is asking member municipalities to pay for the balance of the study calculated based on the amount of shoreline within their municipal boundaries. The \$76,000 included in the budget is the cost attributed to the Township based on the kilometers of shoreline in the municipality. This study will be led by the CRCA. The resulting information will be used to assist in the development review process and will inform the zoning by-law review and update that is tentatively planned for 2024.

Staff will continue with the update of a number of by-laws for consolidation into the Administrative Monetary Penalty By-law approved in 2022. Staff will also be advancing the review of internal processes to be assessed and mapped to streamline service delivery and better integrate the work of the Planning and Development Department with other township departments. This includes the review of software options for a public portal for application submission and processing/review as recommended in the Township Service Delivery review that was completed in 2021.

With respect to policy work, staff will be bringing forward recommendations regarding regulating short term rentals in 2023. In addition, Planning staff will be advancing the policy recommendations of the Rockport Strategic Plan and bringing forward a number of reports regarding Official Plan requirements to be implemented through the zoning by-law. Given the application volume of the past few years, staff have not had the resources to complete this work. There is a significant amount of policy work required to be completed to provide the foundation for a new zoning by-law and digital mapping that is in the workplan to commence in 2024.

As the province enacts new legislation to support the Ontario Housing Supply Action Plan there is work that is required to be completed at the local level and new timelines being established for the processing of development applications. Bill 109- More Homes For Everyone, passed in April 2022, changed the approval process for site plan control and zoning by-law amendment applications to require municipalities to refund applications fees if a decision is not made within the legislative timelines. This change applies to applications made on or after January 1, 2023.

On October 25, 2022, the Province posted proposed changes to a number of provincial acts on the Environmental Registry of Ontario as part of the Proposed More Homes Built Faster Act, 2022, to support the More Homes Built Faster: Ontario's Supply Action Plan 2022-23. Bill 23 was approved on November 28, 2022. This legislation will require additional work to be completed at the Township level to ensure local policies and processes are consistent with approved requirements and timelines. Of note, is a proposed change to the Heritage Act that would require that non-designated (listed) properties on the Township Heritage Register be removed from the register if Council does not issue a notice of intent to designate within two years of the amendment coming into force. This will require a detailed review and assessment of each listed property on the Heritage register. There are currently 83 listed properties that will need to be assessed for designation or removal from the Heritage register.

A one-year contract planner position was included in the 2022 operating budget for planning. This position was recruited in May 2022. The 2023 budget proposes to make the planner position a permanent full-time position. The volume of applications and policy work to be completed has continued to increase and the additional resourcing is required to allow staff to maintain service levels, process applications in an expedient manner and address policy work and service delivery recommendations required to be completed to support the work of the department.

Func Dept	Cat	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Planning & Development												
*	220	* By-law	- 2,500	134,300	131,800	3,300	- 1,500	130,000	128,500	- 2,140	91,509	89,369
*	260	* Dogs	- 3,700	3,600	- 100	- 600	- 3,200	3,700	500	- 3,982	3,400	- 582
*	800	* Planning	- 183,000	481,700	298,700	28,700	- 59,000	329,000	270,000	- 94,652	206,183	111,531
*	810	* Committee of Adjustment	-	8,800	8,800	- 66,500	-	75,300	75,300	-	57,451	57,451
*	710	* Historical Committee	-	15,100	15,100	-	-	15,100	15,100	-	2,702	2,702
Total Planning & Development			- 189,200	643,500	454,300	- 35,100	- 63,700	553,100	489,400	- 100,773	361,245	260,472

2023 Proposed Operating Budget		Revenue 2023 Budget	Salaries Benefits & Honorarium 2023 Budget	Consulting 2023 Budget	Insurance, Utilities & Facility Maintenance 2023 Budget	Transfers to Reserve Funds 2023 Budget	Loan Payments 2023 Budget	Other 2023 Budget	Total Expense 2023 Budget	2023 Net Budget
Planning & Development										
*	220	* By-law	-2,500	123,000	5,000	0	0	6,300	134,300	131,800
*	260	* Dogs	-3,700	0	3,500	0	0	100	3,600	-100
*	800	* Planning	-183,000	329,500	20,000	0	0	132,200	481,700	298,700
*	810	* Committee of Adjustment	0	5,000	0	0	0	3,800	8,800	8,800
*	710	* Historical Committee	0	0	2,000	0	10,000	3,100	15,100	15,100
Total Planning & Development			-189,200	457,500	30,500	0	10,000	145,500	643,500	454,300

Revenue				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Planning & Development							
*	220	* By-law		-2,500	-1,500	-2,140	-1,646
*	260	* Dogs		-3,700	-3,200	-3,982	-4,315
*	800	* Planning		-183,000	-59,000	-94,652	-101,718
*	810	* Committee of Adjustment		0	0	0	0
*	710	* Historical Committee		0	0	0	0
Total Planning & Development				-189,200	-63,700	-100,773	-107,679

Revenues for Planning have increased which include transfers from the Special Projects Reserve Fund and the Community Improvement Plan Reserve Fund as well as increases to fee revenues based on year-to-date actuals for 2022.

Salaries, Benefits and Honoariums				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Planning & Development							
*	220	*	By-law	123,000	121,000	86,167	109,236
*	260	*	Dogs	0	0	0	0
*	800	*	Planning	329,500	285,000	181,431	227,111
*	810	*	Committee of Adjustment	5,000	72,500	55,143	63,284
*	710	*	Historical Committee	0	0	0	0
Total Planning & Development				457,500	478,500	322,741	399,631

Consulting and Contracted Services				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Planning & Development							
*	220	*	By-law	5,000	2,500	2,506	2,367
*	260	*	Dogs	3,500	3,500	3,400	3,427
*	800	*	Planning	20,000	20,000	4,986	47,522
*	810	*	Committee of Adjustment	0	0	0	0
*	710	*	Historical Committee	2,000	2,000	0	0
Total Planning & Development				30,500	28,000	10,892	53,317

Transfers to Reserve Funds				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Planning & Development							
*	220	*	By-law	0	0	0	0
*	260	*	Dogs	0	0	0	0
*	800	*	Planning	0	0	0	0
*	810	*	Committee of Adjustment	0	0	0	0
*	710	*	Historical Committee	10,000	10,000	0	1,787
Total Planning & Development				10,000	10,000	0	1,787

Other Expenses				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Planning & Development							
*	220	*	By-law	6,300	6,500	2,837	2,823
*	260	*	Dogs	100	200	0	231
*	800	*	Planning	132,200	24,000	19,685	20,544
*	810	*	Committee of Adjustment	3,800	2,800	2,308	5,774
*	710	*	Historical Committee	3,100	3,100	202	270
Total Planning & Development				145,500	36,600	25,032	29,640

Building Division

The Building Division is committed to administering and enforcement of the Building Code and related legislation for new construction and development. On October 1, 2022, the Township Building Division was transferred responsibility for septic permitting and review by the Health Unit.

Also in 2022, Council approved the addition of two new full time permanent building inspectors and a contract planner position to address the high volume of work in the Planning and Building Divisions.

The two new full time building officials were recruited to allow for succession planning in the Building Division, address the volume of work and provide resources for the septic permitting and enforcement.

There are increased costs in the operating budget for salaries and benefits with the increase of two new building inspectors. The budget lines for training, and uniforms have also been increased to facilitate the onboarding of new employees and ensuring continuing education for the inspectors to ensure staff have all of the required qualifications under the Building Code Act. A new budget line has been added to the operating budget to account for the lease of two vehicles for the building officials. The budget for solicitors for the Building Division has also been increased for 2023 to address the legal costs associated with a higher volume of enforcement actions.

The Building Code Act and the Building Code authorize municipalities to charge fees for building permit applications and related activity. Such services should be self-funded through fees charged. Permit application fees should be set at an amount that covers the cost to operate the Building Division.

The delivery of building services should not affect the municipal budget. The fees collected for building permits are not permitted to exceed the anticipated reasonable costs of the municipality to enforce the Act.

A portion of the building permit fees can also be designated for a reserve fund. The building reserve fund is intended to ensure that, if building activity in a municipality decreases, building department services can continue to be provided for a time without affecting the municipality’s finances or staffing. The reserve fund can only be used for costs of delivering services related to the administration and enforcement of the Act.

The 2023 operating budget includes overhead costs allocated proportionately to the Building Division including heat, hydro, building maintenance. These costs have not previously been allocated to the building service which has resulted in operating costs that are lower than the actual cost of operating. For 2023, this has been budgeted at \$31,300 based on analysis of 2022 actual costs. This results in an offsetting reduction of expenses in the municipal budget.

The table below provides a summary of the number of building permits issued each year, the value of the construction and the fees paid to the Township. While the number of permits fluctuates from year to year, the value of work and fee calculations is dependent on the type of construction proposed. It is estimated based on information provided from the LGL District Health Unit, that the addition of septic review, commencing October 1, 2022, will result in approximately 150 additional permit applications annually.

Year	# of Permits	Work Value	Fees
2018	257	\$21,917,563.43	\$386,026.74
2019	236	\$26,359,122.81	\$439,215.52
2020	250	\$17,299,273.40	\$338,183.67
2021	234	\$22,069,861.81	\$440,879.18
2022 to date	302	\$27,708,696.00	\$594,976.47

In 2018 the fee schedule for the Building Division was updated and was not subject to any further increases until October 2022. To prepare for assuming septic permitting, and to recover the costs of enforcement for construction without permits, a review of the building permit fee schedule was completed and presented to Council. The amendments to the fee schedule implemented fees for septic review and permitting, updated the values for determining the cost of construction, established fees for administrative work that requires staff time and removed the cap of the doubling of the cost of a permit for construction commenced prior to obtaining a building permit.

Revenue projections have been increased for the Building Division to be consistent with the revenues from 2022 and additional projected revenue to be generated through septic permit review. In addition, the amendments to the fee schedule for the Building Division will result in additional revenues that are more consistent with the current cost of construction. The revenues from the Building Division will be monitored in 2023 to determine if the amendments to the fee schedule are adequate to cover the actual cost of the delivering the building service. If it is determined additional revenue is required, staff will further review the fee schedule and bring forward any required amendments.

Building Department						
Account	Account Description	2023	2022	2022	2021	2020
		Budget	Budget	Actual	Actual	Actual
4305	Administration Fees	-1,500	0	-1,010	360	-45
4375	Permit Fees	-520,000	-420,000	-496,084	-543,699	-324,632
4377	Building Permit Renewal Fees	-2,500	-2,500	-3,540	-520	-3,600
4470	Work Order Letters	-2,000	-1,000	-3,345	-1,450	-1,100
4903	From Working Fund Reserve	0	0	0	-1,440	0
4907	From Building Dept Reserve	-209,300	-80,900	0	0	-1,323
		-735,300	-504,400	-503,979	-546,749	-330,700
6005	Salaries	420,000	320,000	262,499	263,580	224,039
6010	Benefits	130,000	93,000	81,877	69,846	64,069
6011	Benefits Other (boots, clothing, glasses etc.)	1,500	0	1,117	700	485
6105	Office Supplies	1,500	1,000	1,245	237	174
6113	Office Equipment	1,500	500	0	0	60
6122	Software licencng costs	3,000	3,000	2,727	2,727	2,727
6123	Computer Maintenance -internal allocation	10,600	5,700	5,700	5,300	5,000
6125	Telephone	3,000	1,200	2,509	781	1,648
6130	Postage / Courier	0	200	0	14	30
6147	Subscriptions, Magazines, Newspapers	0	200	0	152	0
6150	Training and Development	4,000	1,000	728	284	657
6160	Insurance	90,600	65,000	75,532	63,898	19,259
6155	Advertising	0	0	875	0	0
6176	Leases - vehicle	14,400	0	0	0	0
6180	Memberships / Licenses	1,200	900	1,172	899	679
6185	Uniforms	2,000	700	712	1,017	0
6195	Solicitors	15,000	10,000	29,966	6,269	10,538
6204,6210	Transfer to reserve/RF	0	0	0	128,074	0
6240	Fuel	0	0	263	0	68
6245	Truck Maintenance	4,000	1,500	2,545	2,801	1,229
6250	Equipment & Tools	1,500	100	1,364	57	0
6255	Mileage	0	200	0	0	39
6265	Miscellaneous	0	0	0	0	0
6270	Supplies	200	200	69	115	0
6290	Contracted Jobs	0	0	33	0	0
6460	Program Support Costs - internal reallocation	31,300	0	0	0	0
		735,300	504,400	470,932	546,749	330,700

The 2023 budget includes a budgeted transfer of \$209,300 from the Building Division Reserve Fund to balance the budget. The 2022 budget also included a budgeted withdrawal from the reserve fund. However, based on the year-to-date actuals, the amount needed to fund the 2022 actuals will likely be less than budgeted. The following table outlines the activity in this reserve fund.

Discretionary - Specific Area of Business		
Date	Description	Building Division 10-000-0000-2620
31-Dec-19	balance	(210,699.20)
2020	Contribution from operating	
2020	Funding allocated	
2020	Partial funding for Lansdowne Servicing Area Study	
2021	(Surplus)/Deficit	1,322.72
31-Dec-20	balance	(209,376.48)
2021	Combined reserve split into two reserves by utility	
2021	Contribution from operating	
2021	Allocation of funding	
2021	Interest	(1,360.95)
2021	(Surplus)/Deficit	(128,073.80)
31-Dec-21	balance -estimated	(338,811.23)
2022	Budgeted contributions	
2022	budgeted withdrawals	80,900.00
31-Dec-22	ESTIMATED Balance based on budget	(257,911.23)
2023	Budgeted withdrawal	209,300.00
31-Dec-23	ESTIMATED Balance based on budget	(48,611.23)

Operations and Infrastructure

Func Dept	Cat	Description	Revenue	Expense	Net	NET	Revenue	Expense	Net	Revenue	Expense	Net	
			2023 Budget	2023 Budget	2023 Budget	CHANGE	2022 Budget	2022 Budget	2022 Budget	2022 Actual	2022 Actual	2022 Actual	
Operations and Infrastructure													
*	300	*	Public Works	- 14,000	2,858,200	2,844,200	288,600	- 11,000	2,566,600	2,555,600	- 35,074	2,400,520	2,365,446
*	400	*	Garbage Collection	- 42,000	42,000	-	-	- 42,000	42,000	-	- 42,042	35,648	- 6,394
*	410	*	Landfill Sites	- 435,200	1,068,100	632,900	36,300	- 410,200	1,006,800	596,600	- 386,260	764,789	378,529
*	415	*	Source Water Protection	-	25,000	25,000	-	-	25,000	25,000	-	30,870	30,870
*	840	*	Municipal Drain	- 50,000	65,700	15,700	- 24,600	- 25,000	65,300	40,300	- 2,770	17,372	14,602
			Facilities	- 64,000	641,400	577,400	46,150	- 14,000	545,250	531,250	- 11,531	528,627	517,095
			Parks	- 35,200	271,400	236,200	13,800	- 24,200	246,600	222,400	- 40,970	173,876	132,906
Total Operations and Infrastructure			- 640,400	4,971,800	4,331,400	360,250	- 526,400	4,497,550	3,971,150	- 518,647	3,951,701	3,433,054	

2023 Proposed Operating Budget			Revenue	Salaries Benefits & Honorarium	Consulting	Insurance, Utilities & Facility Maintenance	Transfers to Reserve Funds	Loan Payments	Other	Total Expense	2023 Net Budget
			2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2023 NET Budget
Operations and Infrastructure											
*	300	*	Public Works	-14,000	1,359,400	153,000	182,000	0	0	1,163,800	2,844,200
*	400	*	Garbage Collection	-42,000	0	42,000	0	0	0	42,000	0
*	410	*	Landfill Sites	-435,200	346,000	290,500	22,300	0	0	409,300	632,900
*	415	*	Source Water Protection	0	0	25,000	0	0	0	25,000	25,000
*	840	*	Municipal Drain	-50,000	14,400	50,000	0	0	1,300	65,700	15,700
Total Operations and Infrastructure			-541,200	1,719,800	560,500	204,300	0	0	1,574,400	4,059,000	3,517,800
Facilities											
*	117	*	Corporate Facilities	-4,000	126,700	0	168,000	0	31,800	-8,100	314,400
*	201	*	Fire Station #3	-50,000	2,200	0	33,900	0	0	5,600	-8,300
*	202	*	Fire Station #2	0	0	0	30,100	0	0	31,700	31,700
*	204	*	Fire Station #4	0	0	0	31,000	0	20,800	54,900	54,900
*	303	*	Public Works Facilities	0	0	0	11,000	0	0	11,000	11,000
*	700	000.7	Recreation & Culture	-10,000	3,000	0	153,100	0	0	166,100	154,600
10	730	*	Library	0	2,900	0	16,200	0	0	19,100	19,100
*	310	*	Parks	-35,200	175,300	15,500	52,800	0	0	27,800	236,200
Total Facilities			-99,200	310,100	15,500	496,100	0	52,600	38,500	912,800	813,600

Revenue			2023 Budget	2022 Budget	2022 Actual	2021 Actual	
Operations and Infrastructure							
*	300	*	Public Works	-14,000	-11,000	-33,014	-87,870
*	400	*	Garbage Collection	-42,000	-42,000	-42,042	-42,042
*	410	*	Landfill Sites	-435,200	-410,200	-375,719	-404,044
*	415	*	Source Water Protection	0	0	0	0
*	840	*	Municipal Drain	-50,000	-25,000	-2,770	-120,023
Total Operations and Infrastructure			-541,200	-488,200	-453,545	-653,979	
Facilities							
*	117	*	Corporate Facilities	-4,000	-4,000	-3,168	-4,023
*	201	*	Fire Station #3	-50,000	0	0	0
*	202	*	Fire Station #2	0	0	0	0
*	204	*	Fire Station #4	0	0	0	0
*	303	*	Public Works Facilities	0	0	0	0
*	700	7000.700	Recreation & Culture	-10,000	-10,000	-7,493	-37,206
10	730	*	Library	0	0	0	0
*	310	*	Parks	-35,200	-24,200	-40,970	-52,171
Total Facilities			-99,200	-38,200	-51,631	-93,400	

The 2023 revenue budget includes the carryover of a \$50,000 withdrawal from the Special Projects Reserve Fund to pay for the waste management study, included as a \$50,000 expense in the Other Category.

Fire Station #3 includes \$50,000 in rental revenue which was previously included in the fire administration budget.

Parks revenue is expected to increase based on year-to-date actuals for the Seeley's Bay Harbour docking fees.

Salaries, Benefits and Honoariums				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Operations and Infrastructure							
*	300	*	Public Works	1,359,400	1,340,000	947,045	1,206,699
*	400	*	Garbage Collection	0	0	32	0
*	410	*	Landfill Sites	346,000	294,000	210,126	267,968
*	415	*	Source Water Protection	0	0	0	0
*	840	*	Municipal Drain	14,400	14,300	8,992	0
Total Operations and Infrastructure				1,719,800	1,648,300	1,166,196	1,474,668
Facilities							
*	117	*	Corporate Facilities	126,700	126,900	84,426	51,784
*	201	*	Fire Station #3	2,200	0	3,320	3,159
*	202	*	Fire Station #2	0	0	498	760
*	204	*	Fire Station #4	0	0	2,991	1,920
*	303	*	Public Works Facilities	0	0	0	0
*	700	*	Recreation & Culture	3,000	0	10,372	8,934
10	730	*	Library	2,900	0	14,091	1,766
*	310	*	Parks	175,300	168,200	90,524	77,655
Total Facilities				310,100	295,100	206,222	145,978

The 2023 salaries and benefits budget has increased for Landfill sites due to additional part time staffing requirements as explained in the Salary and Benefits section of this document.

The Parks staffing budget includes an allocation of full-time staffing costs. Staff calculated the student staffing costs based on an analysis of the various tasks within the park. This calculation is on page 75.

Consulting and Contracted Services				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Operations and Infrastructure							
*	300	*	Public Works	153,000	120,000	167,186	142,330
*	400	*	Garbage Collection	42,000	42,000	35,616	42,739
*	410	*	Landfill Sites	290,500	299,000	275,420	385,607
*	415	*	Source Water Protection	25,000	25,000	30,870	43,923
*	840	*	Municipal Drain	50,000	50,000	8,379	181,886
Total Operations and Infrastructure				560,500	536,000	517,471	796,485
Facilities							
*	117	*	Corporate Facilities	0	0	0	496
*	201	*	Fire Station #3	0	0	0	0
*	202	*	Fire Station #2	0	0	0	13,535
*	204	*	Fire Station #4	0	0	0	0
*	303	*	Public Works Facilities	0	0	0	0
*	700 / 7000.700	*	Recreation & Culture	0	0	712	20,913
10	730	*	Library	0	0	0	0
*	310	*	Parks	15,500	22,500	5,489	0
Total Facilities				15,500	22,500	6,201	34,944

Insurance, Utilities and Facility Maintenance				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Operations and Infrastructure							
*	300	*	Public Works	182,000	155,700	163,703	151,640
*	400	*	Garbage Collection	0	0	0	0
*	410	*	Landfill Sites	22,300	19,000	16,779	31,160
*	415	*	Source Water Protection	0	0	0	0
*	840	*	Municipal Drain	0	0	0	0
Total Operations and Infrastructure				204,300	174,700	180,481	182,800
Facilities							
*	117	*	Corporate Facilities	168,000	144,300	165,688	173,223
*	201	*	Fire Station #3	33,900	32,900	41,177	33,224
*	202	*	Fire Station #2	30,100	25,100	27,429	36,030
*	204	*	Fire Station #4	31,000	23,850	19,316	28,630
*	303	*	Public Works Facilities	11,000	0	0	0
*	700 /7000.700	*	Recreation & Culture	153,100	102,400	103,758	108,404
10	730	*	Library	16,200	0	2,134	5,981
*	310	*	Parks	52,800	34,500	55,137	42,338
Total Facilities				496,100	363,050	414,638	427,830

The increase in this expense category for Public Works is mainly due to increased insurance costs.

The facility maintenance budget was developed based on data from the asset management software, which includes information from the Building Condition Assessments.

The following table is the budget for account 6165 – building maintenance.

Account 6165			
<i>Dept</i>	<i>Category</i>	<i>Facility</i>	<i>Budget Amount</i>
117	1171	Municipal Office Building	15,000
117	1172	Municipal Garage	15,000
201	2000	Fire Station #3	10,000
202	2000	Fire Station #2	10,000
204	2000	Fire Station #4	10,000
310	3101	Kendrick's Park	1,000
310	3102	Centennial Park	2,500
310	3120	Centennial Park Canteen	8,000
410	4300	Waste sites	7,000
700	7100	Lansdowne Community Building	25,000
700	7180	Springfield House	10,000
700	7190	Seeley's Bay Hall	14,000
700	7195	Rockport Recreation Center	1,000
700	7197	Lyndhurst Storage Building	500
730	7502	Lyndhurst Library	10,000
730	7504	Seeley's Bay Library	5,000
			144,000

The following table is the Operating Report from Citywide for the facilities. Many of the amounts budgeted in the facility maintenance account (table on previous page) relate directly to this data in Citywide.

	Backlog	Event Cost
Buildings & Facilities		
Centennial Park Canteen	-	\$8,000.00
Fire Station 1 & Municipal Garage	-	\$15,000.00
Fire Station 4	-	\$10,000.00
Kendrick's Park Canteen and, Washroom	-	\$0.00
Lansdowne Community Hall & Library	-	\$25,000.00
Lyndhurst Library Branch	-	\$10,000.00
Municipal Office	-	\$15,000.00
Seeley's Bay Community Hall & Fire Station 2	-	\$38,500.00
Seeley's Bay Library Branch	-	\$0.00
Springfield House	-	\$5,000.00
Buildings & Facilities Total	-	\$126,500.00
Cumulative Total	-	\$126,500.00

Loan Payments			2023 Budget	2022 Budget	2022 Actual	2021 Actual
Operations and Infrastructure						
*	300	* Public Works	0	0	0	0
*	400	* Garbage Collection	0	0	0	0
*	410	* Landfill Sites	0	0	0	0
*	415	* Source Water Protection	0	0	0	0
*	840	* Municipal Drain	0	0	0	0
Total Operations and Infrastructure			0	0	0	0
Facilities						
*	117	* Corporate Facilities	31,800	31,800	20,506	31,293
*	201	* Fire Station #3	0	0	0	0
*	202	* Fire Station #2	0	0	0	0
*	204	* Fire Station #4	20,800	20,800	0	0
*	303	* Public Works Facilities	0	0	0	0
*	700 / 7000.700	* Recreation & Culture	0	0	0	0
10	730	* Library	0	0	0	0
*	310	* Parks	0	0	0	0
Total Facilities			52,600	52,600	20,506	31,293

The loan payments are for the 2010 loan which funded work at the Municipal Office building and at Fire Station #4 / Fire Training Center.

Other Expenses				2023 Budget	2022 Budget	2022 Actual	2021 Actual
Operations and Infrastructure							
*	300	*	Public Works	1,163,800	950,900	1,112,535	1,108,621
*	400	*	Garbage Collection	0	0	0	0
*	410	*	Landfill Sites	409,300	394,800	247,486	524,724
*	415	*	Source Water Protection	0	0	0	0
*	840	*	Municipal Drain	1,300	1,000	0	0
Total Operations and Infrastructure				1,574,400	1,346,700	1,360,021	1,633,345
Facilities							
*	117	*	Corporate Facilities	-8,100	16,300	26,416	8,154
*	201	*	Fire Station #3	5,600	6,900	3,099	4,993
*	202	*	Fire Station #2	1,600	1,600	816	1,359
*	204	*	Fire Station #4	3,100	2,800	3,383	2,828
*	303	*	Public Works Facilities	0	0	0	0
*	700	*	Recreation & Culture	8,500	9,600	11,061	38,685
10	730	*	Library	0	0	77	0
*	310	*	Parks	27,800	21,400	22,417	29,536
Total Facilities				38,500	58,600	67,269	85,554

The increase in the Other Expense category is mainly driven by increase fuel, diesel, and truck maintenance costs. The Private Road Grant budget has also increased from \$25,000 in 2022 to \$50,000 in 2023 because of the additional capital stream grant program.

The negative budget of \$8,100 in corporate facilities is the result of an internal reallocation of costs to the Building Division. The total allocation amount is included in the Other expense category, but relates to expenses throughout the budget for this facility which are included in various expense categories. The offsetting expense is included in the Building Division to more accurately reflect the true cost of operating the Building Division.

Facilities and Parks

Func Dept	Cat.	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Facilities												
*	117	1170 Corporate Facilities	-	158,900	158,900	- 4,100	-	163,000	163,000	-	126,922	126,922
*	117	1171 1233 Prince Street Office Bldg	4,000	56,800	52,800	- 26,900	4,000	83,700	79,700	3,168	58,349	55,182
*	117	1172 1233 Prince Street Garage	-	102,700	102,700	30,100	-	72,600	72,600	-	111,104	111,104
*	201	* Fire Station #3	50,000	41,700	8,300	- 48,100	-	39,800	39,800	-	47,428	47,428
*	202	* Fire Station #2	-	31,700	31,700	5,000	-	26,700	26,700	-	28,743	28,743
*	204	* Fire Station #4	-	54,900	54,900	7,450	-	47,450	47,450	-	25,468	25,468
*	303	3310 Cold Storage Dome, Prince S	-	1,400	1,400	1,400	-	-	-	-	-	-
*	303	3311 Salt & Sand Dome, Prince S	-	2,500	2,500	2,500	-	-	-	-	-	-
*	303	3312 Escott Garage	-	3,000	3,000	3,000	-	-	-	-	-	-
*	303	3313 Sand Dome, Escott	-	1,400	1,400	1,400	-	-	-	-	-	-
*	303	3314 Salt & Sand Dome, Lyndhurst	-	2,700	2,700	2,700	-	-	-	-	-	-
*	700	7100 Lansdowne Community Building	7,500	73,600	66,100	17,100	7,500	56,500	49,000	6,731	55,272	48,541
*	700	7175 Escott Hall	-	18,600	18,600	5,100	-	13,500	13,500	-	11,889	11,889
*	700	7180 Springfield House	-	36,600	36,600	27,700	-	8,900	8,900	-	23,959	23,959
*	700	7190 Seeley's Bay Community Building	2,500	30,000	27,500	500	2,500	29,500	27,000	762	22,226	21,464
*	700	7195 Rockport Recreation Centre	-	1,000	1,000	1,000	-	-	-	-	810	810
*	700	7196 Rockport Customs Building	-	1,700	1,700	1,100	-	600	600	-	7,997	7,997
*	700	7197 Lyndhurst Storage Building	-	2,600	2,600	1,600	-	1,000	1,000	-	1,160	1,160
*	700	7199 Community Room/Hall/Space	-	-	-	- 2,000	-	2,000	2,000	-	70	70
*	700	7160 Water access points (boat ramp)	-	500	500	500	-	-	-	-	2,025	2,025
*	730	7501 Library - Lansdowne	-	-	-	-	-	-	-	-	732	732
*	730	7502 Library - Lyndhurst	-	12,700	12,700	12,700	-	-	-	-	1,724	1,724
*	730	7504 Library - Seeley's Bay	-	6,400	6,400	6,400	-	-	-	-	326	326
*	Total Facilities		64,000	641,400	577,400	46,150	14,000	545,250	531,250	10,661	526,204	515,543

Func	Dept	Cat.	Description	Revenue 2023 Budget	Expense 2023 Budget	Net 2023 Budget	NET CHANGE	Revenue 2022 Budget	Expense 2022 Budget	Net 2022 Budget	Revenue 2022 Actual	Expense 2022 Actual	Net 2022 Actual
Parks													
*	310	3100	Parks Administration	- 5,000	111,200	106,200	- 48,300	- 5,000	159,500	154,500	- 6,300	44,894	38,594
*	310	3101	Kendrick's Park	- 10,000	33,900	23,900	- 1,200	- 7,000	32,100	25,100	- 13,065	29,476	16,410
*	310	3122	Kendrick's Park Facilities	-	2,200	2,200	2,200	-	-	-	-	-	-
*	310	3102	Centennial Park	-	15,500	15,500	9,500	-	6,000	6,000	-	19,252	19,252
*	310	3120	Centennial Park Canteen	-	9,100	9,100	9,100	-	-	-	-	-	-
*	310	3103	Furnace Falls Park	-	5,300	5,300	3,800	-	1,500	1,500	-	8,300	8,300
*	310	3121	Furnace Falls Park Washroc	-	1,000	1,000	1,000	-	-	-	-	-	-
*	310	3104	Jerry Park	- 200	30,900	30,700	10,900	- 200	20,000	19,800	- 448	24,710	24,262
*	310	3105	Bateau Channel Park	-	9,700	9,700	7,200	-	2,500	2,500	-	6,406	6,406
*	310	3106	Rockport Community Hall C	-	2,500	2,500	2,500	-	-	-	-	925	925
*	310	3107	Horticultural Program	-	23,500	23,500	18,500	-	5,000	5,000	-	13,944	13,944
*	310	3108	Lyndhurst Office Grounds	-	-	-	-	-	-	-	-	-	-
*	310	3109	Seeleys Bay Marina	- 20,000	24,300	4,300	- 3,300	- 12,000	19,600	7,600	- 21,157	18,869	- 2,288
*	310	3110	Ivy Lea Dock/Ramp	-	200	200	- 200	-	400	400	-	1,457	1,457
*	310	3111	Rockport Ramp	-	1,000	1,000	1,000	-	-	-	-	4,082	4,082
*	310	3123	Haskin's Point Park	-	1,100	1,100	1,100	-	-	-	-	-	-
*	310	3300	Fleet Maintenance	-	-	-	-	-	-	-	-	1,051	1,051
Total Parks				- 35,200	271,400	236,200	13,800	- 24,200	246,600	222,400	- 40,970	173,366	132,396

Staff undertook a detailed analysis for the parks budget for 2023. The following table calculates the staffing costs by park/facility based on the number of times specific duties are performed. Grass cutting is shown, with the frequency for each facility. Also included in the calculation, but not shown below for simplicity, are additional tasks such as waste pickup, park and playground inspections, and staffing of the Kendrick's Park canteen and Seeley's Bay Harbour. The 2023 student staffing requirements are directly tied to the work required as calculated through this reconciliation. Should Council wish to change a level of service, like the frequency of grass cutting, staff can easily calculate the staffing cost impacts.

There are additional costs not included in this analysis such as equipment, machinery and fleet costs, fuel, insurance, and other overhead costs.

TLTI Parks and Outdoor Spaces		Grass Cutting				5	# of mths					
Village	Location	On Site Hours	# of Staff	Total Man Hours	Frequency	# of times per year	Cost/Cut	Annual Staff Cost - grass cutting	Total Staff Cost	Salary budget 6005		
Lansdowne	1 Jessie St (Jerry Park/Library/LCH)	4	3	12	Weekly	20	186.00	3,720.00	4,474.40	4,500.00		
Lansdowne	TIES Ditch (beside 83 King St	2	3	6	Weekly	20	93.00	1,860.00	1,860.00	1,900.00		
Lansdowne	1233 Prince St (Admin/PW/Stn 1)	4	3	12	Weekly	20	186.00	3,720.00	3,720.00	3,700.00		
Rockport	Rockport Recreation Hall	2	3	6	Weekly	20	93.00	1,860.00	2,211.40	2,200.00		
Rockport	Bay of St Lawrence	5	3	15	Weekly	20	232.50	4,650.00	5,001.40	5,000.00		
Rockport	Stn 3 (Gananoque)	2	3	6	Weekly	20	93.00	1,860.00	1,860.00	1,900.00		
Rockport	Springfield/Archives	2	3	6	Biweekly	10	93.00	930.00	930.00	900.00		
Ivy Lea	Ivy Lea Pier								175.70	200.00		
Lyndhurst	Stn 4/Training Centre	6	3	18	Weekly	20	279.00	5,580.00	5,580.00	5,600.00		
Lyndhurst	Kendricks Park	5	3	15	Weekly	20	232.50	4,650.00	21,917.20	21,900.00		
Lyndhurst	Furnace Falls/405 Lynd Rd	2	3	6	Weekly	20	93.00	1,860.00	2,459.40	2,500.00		
Lyndhurst	Jonas St Park/Lynd Library	1	3	3	Weekly	20	46.50	930.00	1,684.40	1,700.00		
Lyndhurst	Bottom of Ford Street & Turkey Buildin	1	3	3	Weekly	20	46.50	930.00	930.00	900.00		
Seeleys Bay	Stn 2/ SBay Hall 151 Main	1	3	3	Weekly	20	46.50	930.00	930.00	900.00		
Seeleys Bay	Harbour	1	3	3	Biweekly	10	46.50	465.00	11,732.90	11,700.00		
Seeleys Bay	Centennial Park	5	3	15	Weekly	20	232.50	4,650.00	6,132.30	6,100.00		
Seeleys Bay	Haskins Point	1	3	3	Biweekly	10	46.50	465.00	713.00	700.00		
Seeleys Bay	Seeleys Bay Library	1	3	3	Weekly	20	46.50	930.00	930.00	900.00		
Cemeteries	Lansdowne	6	3	18	Weekly	20	279.00	5,580.00	5,580.00	5,600.00		
Cemeteries	Pinehill	4	3	12	Biweekly	10	186.00	1,860.00	1,860.00	1,900.00		
Cemeteries	Soperton	4	3	12	Biweekly	10	186.00	1,860.00	1,860.00	1,900.00		
Cemeteries	Warburton	1	3	3	Monthly	5	46.50	232.50	232.50	200.00		
Cemeteries	Taylor Rd	1	3	3	Monthly	5	46.50	232.50	232.50	200.00		
Cemeteries	Buell	1	3	3	Monthly	5	46.50	232.50	232.50	200.00		
Cemeteries	La Rue Mills	1	3	3	Monthly	5	46.50	232.50	232.50	200.00		
							2,929.50	50,220.00	83,472.10	83,400.00		

Blue highlighted facility indicates waste pickup. Light orange highlighted facility indicates no park/playground inspection required.

2023 Capital Budget and Financial Plan

The 2023 capital budget of \$7.5 million has been developed from the capital replacement report in the asset management software. There are only a few budget items totalling \$185,000 that have been included in the budget that are not directly derived from the asset management program. The 2023 budget document includes a financial plan outlining the funding strategy for the annual capital investment from 2023 to 2030. This is a living document and will be continually reviewed and updated as additional information is received and/or changes are made to the capital budget. The financial plan will be presented annually with the capital budget for Council approval.

The financial plan includes continuity schedules for all capital reserve funds as well as estimated debt needed to fund several larger projects. The plan also incorporates annual percentage increases to transfers to capital reserve funds and the resulting estimated impacts to the property tax rate. This plan is an estimate of projected capital investment requirements and funding sources. If other funding sources become available, the plan will be updated. If additional capital projects are approved by Council, then additional funding will be required – likely from debt or increased transfers to capital reserve funds. Any changes to the transfers to capital reserve funds or changes to debt repayment amounts will affect the operating budget.

2022 Capital Budget and Actuals

As of November 23, 2022, approximately \$3 million has been spent compared to the 2022 capital budget of \$5,723,600. Staff are proposing to carry forward approximately \$1.9 million in budget to 2023 to complete various projects. The estimated carry forward amounts will change if additional invoices are processed and posted in 2022 thereby reducing the carry forward amount available.

Description	Budget	Year to Date Spent	Estimated Carry Forward
Projects completed or expected to be completed by year end	\$2,969,600	\$2,148,596	
Projects requiring carry forward budget	\$754,000	\$229,239	\$501,864
Projects requiring carry forward budget and new additional budget in 2023	\$2,000,000	\$577,373	\$1,422,627
TOTAL	\$5,723,600	\$2,955,208	\$1,924,491

The following table lists the 2022 capital projects completed or expected to be completed by the end of 2022.

Description	2022 Budget	2022 Actual	Status
1233 Prince Street - Oil Grit Separator in PW Garage	20,000	17,452	complete
computers	14,800	21,573	complete
1233 Prince Street - Fire Kitchen Storage system	5,000	2,964	complete
10 sets of bunker gear	30,000	27,429	complete
221 - #20 2000 GMC CSR Pumper and asset 78 - # 2 2010 chev silverado 1/2 ton rec	750,000	753,806	complete
Portable Hoists	65,000	50,880	complete
Building Condition Assessments recommended work	500,000	38,261	2023 budget based on asset mgmt
118 - #24 2012 Ford F150; 122 - #36 KM International Hot-Box; #457 - #50 2009 Ch	305,000	173,422	expect to be complete by year end
1511 - Rocklind Close Ln; 1519 - Stanton Street; 1626 - Bay Street	34,300	46,785	expect to be complete by year end
1590 - Sweets Corners Rd	108,500	196,741	expect to be complete by year end
1638 - Railway Street and 1639 Railway Street	54,000	49,027	complete
1513 - Sand Bay Road	87,000	86,068	complete
1622 - Dulcemanie Rd. (Being replaced by Blue Mountain)	90,000	51,989	expect to be complete by year end
1594 - Big Hill Road	66,000	38,147	expect to be complete by year end
1415 - Boundary Road	165,000	51,503	expect to be complete by year end
1524 - Taylor Road West	400,000	405,391	expect to be complete by year end
Road work contingency fund	75,000	-	expect to be complete by year end
Illumination Seeley's bay	100,000	8,081	complete
Kidd Road North Bridge Assessment	20,000	23,702	complete
Speed signs	15,000	14,043	complete
Boundary signs	-	13,127	complete
Storm pipe on Bay Street, Seeley's Bay	50,000	56,553	complete
Picnic tables	5,000	5,368	complete
Trails (Centennial Park and Bateau Channel)	10,000	16,282	complete
	<u>2,969,600</u>	<u>2,148,596</u>	

The following 2022 projects include carry forward budget:

Description	2022 Budget	2022 Actual	Estimated Carry Forward at Nov 23, 2022	Status
116 - #38 2012 Canada 22' Trailer UT7; 461 - #19 1998 ACGO ALLIS 2025 Tractor; T	105,000	68,399	20,000	carry forward - diesel plate packer
Municipal Building beam work, humidification	200,000	42,061	157,939	carry over (AODA funding)
1233 Prince Street - Design for site works (includes dome expansion, fuel tank reloc	50,000	-	50,000	carry forward
Station 3 Generator (Pad, electrical, etc.)	20,000	61	20,000	carry forward
3 portable radios, 2 imaging cameras, 1 spreader tool, retrofit of burn container, 3 s	99,000	82,643	10,000	carry forward - 2 thermal imaging camer
Stormwater Master Plan and Village Revitalization Design for Lansdowne village	150,000	17,861	132,139	carry forward
Ball Diamond infield resurfacing, fencing, and benches	20,000	967	19,033	carry forward
Wetland Viewing Platform	25,000	-	25,000	carry forward
Staff Shelter at Seeley's Bay Marina and paving accessible lot at SB Marina	25,000	17,248	7,752	carry forward
Staff trailer for Lansdowne WDS	20,000	-	20,000	carry forward
Staff trailer for Briar Hill WDS including Electrical service	40,000	-	40,000	carry forward
	754,000	229,239	501,864	

Diesel Plate Packer

Staff were unable to secure a diesel plate packer in 2022 due to shortage of supply. A packer has now been sourced and expected for arrival in March of 2023.

Municipal Building Beam Work

Staff have been working with J.L. Richards to address the deficient structural beams at the Municipal Building. This work is expected to be completed by spring of 2023. In addition, staff were successful in receiving grant funding of approximately \$63,000 for the AODA work being completed at the Municipal office building. Staff have been working with Shoalts and Zaback for the AODA upgrades to 12 access doors and reconfiguration of the office to accommodate additional staff. The design work is nearly finalized and expected to be constructed once the beam work has been completed. This will address staff space requirements for the foreseeable future.

1233 Prince Street

G.D. Jewell Engineering has been engaged for this project. Topographical surveying has been completed and historical design drawings of the sand dome are currently being reviewed. Approvals from the Ministry of the Environment, Conservation and Parks (MECP) will be required for storm drainage as the property is located within the Source Water Protection (SWP) zone for the municipal drinking water system. This design is expected to be completed in 2023 with cost estimates for future construction.

Station #3 Generator

Staff are currently working with electricians to properly place the generator and connect it with an automatic switch. This will allow for the generator to turn on automatically when the Hydro One service is offline and turn off when service is back online. This will be completed in 2023.

Lansdowne Stormwater Master Plan and Village Revitalization

This project has been postponed until further information is obtained from the Class EA process being undertaken by J.L. Richards, given the potential need to relocate Municipal infrastructure. Staff anticipate this project to commence in 2023 with completion of design phase in 2024.

Ball Diamond infield resurfacing, fencing, and bench repairs

Minor repairs to fencing have been completed. Materials for infield surfacing have been sourced and will be delivered in the spring of 2023. Repairs to the bleachers will be completed in advance of the 2023 baseball season.

Wetland Viewing Platform

Quotations for design have been requested. Geotechnical investigation, detailed design, and permit approval will be completed during the winter months with construction completed within the allowable in-water window with completion anticipated in the fall of 2023.

Staff shelter and accessible parking lot paving in Seeley's Bay

Drainage issues have been addressed and the parking lot was paved in 2022. Staff intend to finalize the project with the purchase of the staff shelter in 2023.

Staff Trailers at Lansdowne and Briar Hill Waste Disposal Sites

With the elevated costs of trailers in 2022, staff have secured shipping containers with fully functional offices and storage areas for hydro service. These units are slated for delivery in mid January – early February 2023.

The following projects include carry forward budget as well as new budget proposed for 2023:

Description	2022 Budget	2022 Actual	Estimated Carry Forward at Nov 23, 2022	2023 Additional Budget Proposed	Status
Design and Land for new fire station #2 Seeley's Bay	400,000	245,790	154,210	2,000,000	carry forward and new budget
1668 - Ivy Lea Wharf	1,500,000	331,583	1,168,417	1,100,000	carry forward and new budget
Boat and trailer	20,000	-	20,000	20,000	carry forward and new budget
1418 - Red Horse Lake Rd	40,000	-	40,000	25,000	carry forward and new budget
Centennial Park Gazebo	40,000	-	40,000	25,000	carry forward and new budget
	2,000,000	577,373	1,422,627	3,170,000	

New Fire Station #2 Seeley's Bay

With the land successfully secured, geotechnical investigation complete, and IDEA engaged to complete the design of the new fire hall in 2022, staff anticipate a mid 2023 start date for construction of the Seeley's Bay Fire Hall at County Road 32 and Hwy 15. This project is anticipated to take 12-16 months from start to finish resulting in a late 2024 completion.

Ivy Lea Wharf

JML Engineering is currently in the process of finalizing the design for the Ivy Lea Wharf. As this is a Municipal Class EA - Schedule B project, a Public Information Centre (PIC) will be held on December 7, 2022 for public input. Staff anticipate this project will go to tender in late January 2023 subject to budget approval. The construction will commence in July of 2023 and be completed by year end.

Boat and trailer

The 2022 budget of \$20,000 for a boat and trailer for the Planning & Development department was not sufficient to make this purchase in 2022. The budget is being carried forward and an additional \$20,000 is being proposed to be able to buy the boat and trailer in 2023.

Red Horse Lake Road

An amount of \$40,000 was included in the 2022 Capital budget to pave the hill from County Road 3 easterly 200m. With the escalating prices of asphalt, staff postponed this project with the hopes of reduced prices in 2023. This segment has been identified in the asset management program as being in poor condition requiring replacement. And additional \$25,000 has been included in 2023 to cover the estimated increases in material costs.

Centennial Park Gazebo

An amount of \$40,000 was included in the 2022 Capital budget to construct a gazebo at Centennial Park. With the escalating prices of materials, staff postponed this project with the hopes of reduced prices in 2023. And additional \$25,000 has been included in 2023 to cover the estimated increases in material costs.

2023 Capital Budget

The 2023 proposed capital budget totals \$7.5 million. This includes the following significant capital projects:

- \$785,000 Kidd Road North bridge
- \$800,000 replacement of fire pumper truck
- \$1.1 million new budget and carry forward budget of approximately \$1.2 million for Ivy Lea Wharf
- \$2 million new budget and carry forward budget of approximately \$154,000 for Fire Station #2 in Seeley's Bay. This project continues into 2024 with a further estimated budget of \$2 million resulting in a total project cost of \$4.4 million.

The 2023 capital budget is outlined by asset class in the following sections.

Bridges and Culverts

There are two projects budgeted for this asset category in 2023. The proposed budget includes \$370,000 in Ontario Community Infrastructure Fund to fund a portion of the Kidd Road North bridge project. The remaining \$460,000 will be funded from the capital reserve fund.

Asset	Category	Segment	Department	2023
1657 - Covey Bridge	Bridges & Culverts	Bridges	Operations	45,000
1663 - Kidd Rd North (North Bridge)	Bridges & Culverts	Structural Culverts	Operations	785,000

All bridges in Ontario are inspected every 2 years using the Ontario Structure Inspection Manual (OSIM) format. The weighted condition of all elements is summarized in the Bridge Condition Index (BCI). The BCI rating is a planning tool developed by the Ontario Ministry of Transportation that helps the Township schedule maintenance and rehabilitation work.

The most recent OSIM inspection for the Kidd Rd North (North Bridge) stated that the structure is generally in poor condition. Evidence of severe separation between barrel wall and top slab with potential foundation issues was noted. The 2022 budget included the detailed design for this bridge and the 2023 budget includes \$785,000 for bridge replacement.

Buildings and Facilities

The asset management software has been updated to incorporate the data from the Building Condition Assessments (BCAs). The 2022 capital budget included \$500,000 to deal with recommendations based on the BCAs. However, much of the work identified in the assessments was operating and therefore not accounted for in the 2022 capital spending.

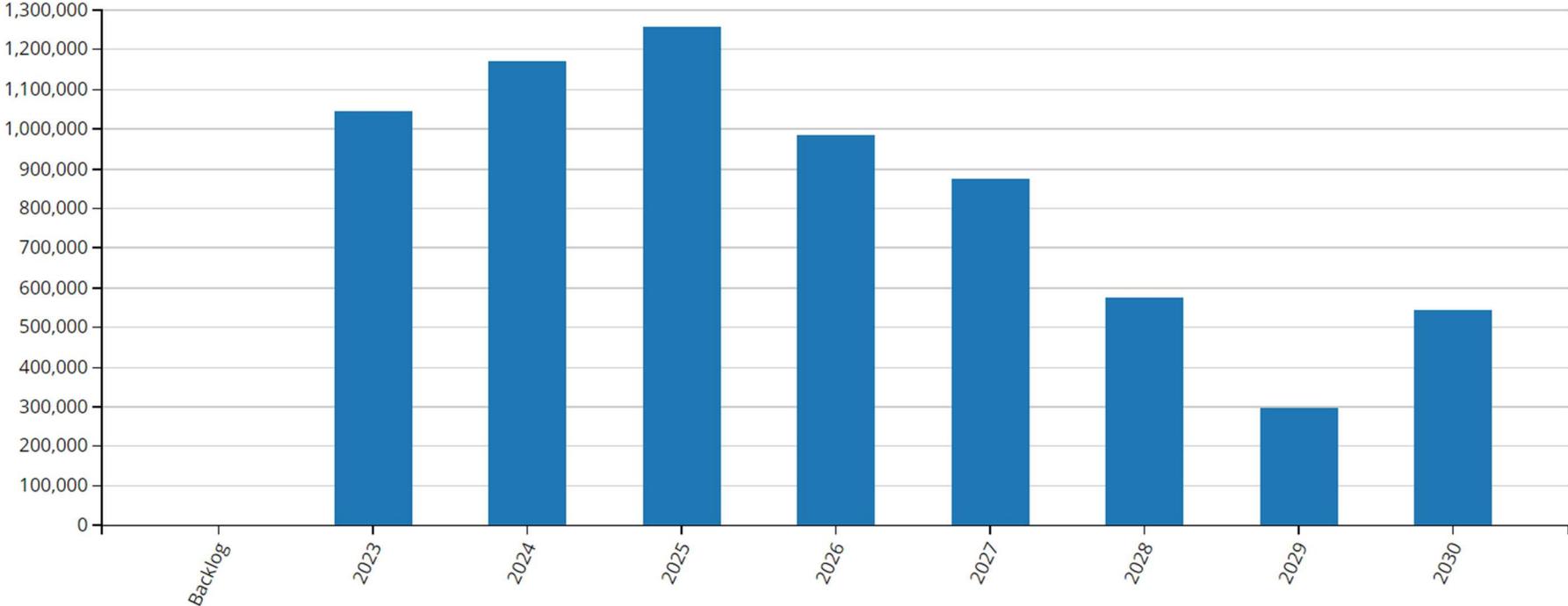
There is a significant backlog of work for the facility assets. The 2023 budget includes work at the following facilities totalling \$917,715:

Facility	Budget	Work Required
Centennial Park Canteen	\$20,504	Plumbing repairs and septic review
Escott Garage	\$6,500	Electrical service review
Escott Hall/Archives	\$172,025	Foundation, flooring, exterior walls, windows, doors, plumbing
Fire Station #3	\$84,542	Flooring, plumbing, HVAC
Fire Station #4	\$21,893	Exterior walls, flooring
Kendrick's Park Canteen	\$42,339	Accessible washrooms, concrete floor finish, plumbing
Lansdowne Community Hall	\$36,000	Roof repairs, flooring, fire safety plan
Lyndhurst Library Branch	\$9,556	Plumbing, HVAC, fire safety plan
Municipal Office building	\$138,163	Flooring, lighting, plumbing, fire safety plan
Rockport Customs House	\$5,533	Plumbing
Salt & Sand Dome	\$135,000	Concrete walls
Salt Shed	\$75,000	Roofing
Seeley's Bay Community Hall/Fire Station #2	\$43,395	Lighting upgrades, fire, CO detection
Seeley's Bay Library Branch	\$16,665	Flooring, plumbing, fire safety plan
Springfield House	\$110,600	Exterior windows, roof repairs, flooring
Total	\$917,715	

This work is proposed to be funded from the Buildings and Facilities reserve fund.

In addition to the work outlined above, there is \$2,000,000 budgeted for the design and build of Fire Station #2 in Seeley's Bay. This project is estimated at \$4.4 million, and staff are proposing to borrow to fund this project. This project is currently in the design phase. The geotechnical investigation, topographical and legal survey are completed, and the designers (IDEA) are currently working on the spatial requirements based on specifications provided by staff.

The following chart represents the total facility related work required over the next eight years, including operating and capital costs. This is based on current asset data, using a 2% annual inflationary factor. The total estimated work required for Township facilities over the next eight years is \$6.7 million.



The following table lists the costs (includes operating and capital) by facility, by year.

Buildings & Facilities	Event Cost	2023	2024	2025	2026	2027	2028	2029	2030
Centennial Park Canteen	71,611	28,504	5,988	8,065	4,113	-	23,849	1,091	-
Cold Storage Dome	52,000	-	52,000	-	-	-	-	-	-
Escott Garage	142,304	6,500	11,000	70,241	17,618	26,945	5,000	-	5,000
Escott Hall/Archives	616,762	172,025	291,284	-	53,915	83,467	-	-	16,072
Fire Station 1 & Municipal Garage	983,162	15,000	284,548	492,125	3,642	3,715	51,684	108,791	23,655
Fire Station 3	660,782	84,542	103,504	77,634	245,130	47,376	55,693	11,496	35,408
Fire Station 4	203,493	31,893	-	5,000	76,500	52,063	-	38,036	-
Furnace Falls Park Washrooms	15,677	-	-	5,000	5,000	5,677	-	-	-
Kendrick's Park Canteen and, Washroom	47,339	42,339	5,000	-	-	-	-	-	-
Lansdowne Community Hall & Library	1,182,393	61,000	55,000	-	385,062	430,000	154,216	55,902	41,213
Lyndhurst Library Branch	57,059	19,556	-	10,000	-	26,023	1,479	-	-
Lyndhurst Storage Facility	5,000	-	-	-	-	5,000	-	-	-
Municipal Office	1,016,660	153,163	-	426,182	-	44,000	-	-	393,315
Recreation Shed (ice rink)	12,988	-	-	7,571	3,147	-	-	-	2,271
Rockport Customs House	69,689	5,533	-	1,535	12,828	33,327	16,466	-	-
Salt & Sand Dome	215,400	135,000	30,400	50,000	-	-	-	-	-
Salt Shed	80,000	75,000	-	5,000	-	-	-	-	-
Seeley's Bay Community Hall & Fire Station 2	668,815	81,895	131,492	12,877	84,225	43,000	264,283	51,044	-
Seeley's Bay Library Branch	167,969	16,665	45,610	4,278	50,449	16,750	3,783	30,434	-
Springfield House	477,336	115,600	155,000	80,000	45,001	56,439	-	-	25,296
Buildings & Facilities Total	6,746,439	1,044,215	1,170,826	1,255,508	986,630	873,782	576,453	296,794	542,230

The following table lists the average annual cost by facility based on the asset data, and when added to the 2023 budgeted operating costs for insurance, heat, and hydro, provides a total annual estimated cost by facility. It is estimated that over the next eight years, the Township will spend approximately \$1.1 million annually on facilities. These are high level estimates.

Buildings & Facilities	Average	2023 budget insurance, heat & hydro	Total Estimated Annual Cost
Centennial Park Canteen	8,951	2,100	11,051
Cold Storage Dome	6,500	1,400	7,900
Escott Garage	17,788	3,000	20,788
Escott Hall/Archives	77,095	17,600	94,695
Fire Station 1 & Municipal Garage	122,895	74,500	197,395
Fire Station 3	82,598	19,200	101,798
Fire Station 4	25,437	16,200	41,637
Furnace Falls Park Washrooms	1,960	1,000	2,960
Kendrick's Park Canteen and, Washroom	5,917	2,900	8,817
Lansdowne Community Hall & Library	147,799	34,600	182,399
Lyndhurst Library Branch	7,132	6,000	13,132
Lyndhurst Storage Facility	625	1,100	1,725
Municipal Office	127,082	36,700	163,782
Recreation Shed (ice rink)	1,624		1,624
Rockport Customs House	8,711	1,700	10,411
Salt & Sand Dome	26,925	2,500	29,425
Salt Shed	10,000	2,700	12,700
Seeley's Bay Community Hall & Fire Station 2	83,602	24,500	108,102
Seeley's Bay Library Branch	20,996	2,400	23,396
Springfield House	59,667	9,100	68,767
Buildings & Facilities Total	843,305	259,200	1,102,505

Fleet and Machinery & Equipment

The following table identifies 2023 capital budget items.

Asset	Category	Segment	Department	2023
127 - #54 2015 Chevrolet Silverado 1500 (Building)	Fleet	Administrative	Planning & Development	50,000
72 - #40 2004 Freightliner 4 door pumper	Fleet	Fire & Emergency	Fire	800,000
115 - #23 2004 John Deere Loader 544H	Fleet	Public Works	Operations	250,000
124 - #31 2014 Ford F550 4WD Reg Cab (10' Plow 4 yard Sander)	Fleet	Public Works	Operations	125,000
126 - #26 2015 Chev Silverado 2500HD	Fleet	Public Works	Operations	100,000
82 - fire hoses	Machinery & Equipment	Fire & Emergency	Fire	31,603
Furniture & fixtures	Machinery & Equipment	Furniture & Fixtures	Operations	61,519
Computer replacement	Machinery & Equipment	Information Technology	Corporate Services	49,471
131 - #17 2016 Thompson Steamer	Machinery & Equipment	Public Works	Operations	19,591
463 - #22 2008 Parks Black Trailer	Machinery & Equipment	Public Works	Operations	10,404
NEW Light Duty Van	Fleet	Facilities	Operations	40,000
Tandem water tank	Fleet		Operations	40,000
Bunker gear replacement	Machinery & Equipment	Fire & Emergency	Fire	35,000
Additional New budget -Boat and trailer (plus \$20k carry forward)	Fleet		Planning & Development	20,000
TOTAL 2023 Budget				\$1,632,588

The replacement of the fire pumper truck (\$800,000) is proposed to be funded from debt leaving a total of \$832,588 to be funded from the Fleet, Machinery & Equipment Reserve Fund.

Asset #72 2004 Freightliner 4 door pumper (#40)

Engine 20 (asset #72) (old Engine 40) is a 2004 Freightliner midship Pumper. Engine 20 has almost reached the end of its 20 year front-line life span and, once replaced, will become a reserve pumper to be used as a water supply/training center unit. The 2000 GMC pumper currently serving such purpose will be sold as surplus. Due to possible shortage of apparatus and current build times and delivery being into late 2024, the pumper needs to be ordered early to be in the queue for deliveries. The Township will seek to purchase an in stock demonstration pumper, if one is available. The 2023 capital budget includes \$800,000 for the purchase of a new pumper.

Asset #115 - #23 2004 John Deere Loader 544H

While this loader has been identified for replacement based on age, Staff have engaged Brandt (John Deere) over the last two years to perform condition inspections and correct any deficiencies identified. With the deficiencies rectified, the loader is currently in good condition. In addition, this loader has been utilized in the Lyndhurst patrol yard during the winter operation season for loading tandem trucks, and a loader rented for the main patrol yard. This has provided greater response over the historic practice of using a backhoe to load trucks. At a cost of \$6,000/month for a rental unit in the winter months, Staff feel it would be beneficial to keep the existing loader and cease renting an additional loader for winter operations.

Asset #82 Fire Hoses

Based on the asset management plan there is a requirement to upgrade hoses in the amount of \$30,000 which will replace a large amount of front-line hose. This amount has been included in the capital budget.

NEW Light Duty Van

The Facilities Department has identified a need for a van style unit. Currently, the Facilities Operator is using a pick-up truck. With the acquisition of this vehicle, the Facilities Operator will be better equipped to transport tools and materials required to carry out their duties. The existing pickup truck, previously driven by the Director of Operations, will be returned for work related transportation only.

Boat and trailer (new budget plus \$20k carry forward)

The Planning and Development Department requires a boat to complete inspections and undertake enforcement activities relating to properties that are only accessible by water. Currently, Fire Staff transport Planning and Development staff using fire marine units. The 2022 budget included \$20,000 which is being carried forward to 2023 with an additional \$20,000 being budgeted to result in a total budget of \$40,000 for a new boat, motor, and trailer. This

new boat will allow for better enforcement of illegal construction on island properties and access to properties for building and septic inspections. This will also assist Planning staff and the Committee of Adjustment when there is an application in respect of an island property

Bunker Gear Replacement

Fire Services has identified the need for bunker gear and has budgeted \$35,000. Bunker gear is the protective clothing worn by firefighters when responding to calls. The new sets will be used to outfit new firefighters as well as for replacement for worn and out of date gear. The proposed purchase of gear in 2023 represents the continuation of a plan to replace eight to ten sets of bunker gear each year to manage end of life replacement and growth.

Tandem Dump Truck – to be delivered in 2024

A tandem dump truck has been identified for replacement in 2024. With a projected lead time for delivery of 14-16 months, staff wish to proceed with tendering for this tandem in 2023 with expected delivery in 2024. This project has not been included in the proposed 2023 capital budget as it will not be funded in 2023, but Staff are seeking Council approval to order the truck with expected delivery and funding to be in 2024. The truck has been included in the financial plan in 2024.

DRAFT

Parks & Land Improvements

The Parks and Land Improvements budget totals \$1,195,000 which includes \$1.1 million for Ivy Lea Wharf to be funded by debt. The remaining projects (\$95,000) are to be funded by the Parks & Land Improvements Reserve Fund.

Asset	Category	Segment	Department	20
1668 - Ivy Lea Wharf	Parks & Land Improvements	Docks & Piers	Operations	1,100,000
99 - Rockport Boat Ramp	Parks & Land Improvements	Docks & Piers	Operations	30,000
98 - Haskins Point Swim Area/Seeley's Bay Project	Parks & Land Improvements	Site Works	Operations	40,000
Additional New budget -Centennial Park Gazebo	Parks & Land Improvements			25,000

The Ivy Lea Wharf project is budgeted at an estimated \$2.6 million. The 2022 budget included \$1.5 million and the 2023 budget includes \$1.1 million. The unused 2022 budget will be carried forward to 2023. Per Operations Report SR-045-22 Ivy Lea Wharf Design, this project is proceeding per Council approval for replacement and reconfiguration of the wharf.

The Centennial Park gazebo was budgeted in 2022 in the amount of \$40,000. This project is being carried forward and an additional \$25,000 is being budgeted in 2023 to complete this project.

Road Network

The total 2023 Road Network budget is \$891,255 to be funded from the Road Network Reserve Fund.

Road	Segment	Budget	Work Required
Burtch's Lane	HCB Roads	25,000	Design
Island View Drive	HCB Roads	47,338	Crack seal, micro-surface
Kidd Road South	HCB Roads	21,848	Crack seal, micro-surface
Tumbledown Road	HCB Roads	50,980	Crack seal, micro-surface
Old River Road W	HCB Roads	50,000	Design
Red Horse Lake Road *	LCB Roads	46,879	HCB paving
La Rue Mills Road	LCB Roads	156,060	Single surface treatment
Kyes Road	LCB Roads	187,272	Single surface treatment
Fairfax Road	LCB Roads	156,060	Single surface treatment
Cliffe Road	LCB Roads	46,818	Single surface treatment
Roads Contingency		103,000	
TOTAL		\$891,255	

*Red Horse Lake Road also has carry forward budget of \$25,000.

Burtch's Lane and Old River Road West

Burtch's Lane and Old River Road have been identified for replacement in the asset management program like for like. As these assets are located within the urban boundary of the Village of Rockport, staff feel it important that they be upgraded to a semi-urban cross-section at minimum. This would allow for safe pedestrian access, provide an environment that will promote reduced speeds, and infrastructure for stormwater management. It is proposed that the money budgeted for these two segments be applied toward design in 2023 with additional funds for construction following in 2024.

The following table summarizes the 2023 capital budget and funding sources.

Asset Category	Total Budget	Capital Reserve Fund	OCIF	Debt	Notes
Bridges & Culverts	\$830,000	\$460,000	\$370,000		
Buildings & Facilities	\$2,917,715	\$917,715		\$2,000,000	Fire station #2
Fleet, Machinery & Equipment	\$1,632,588	\$832,588		\$800,000	Fire pumper truck
Parks & Land Improvements	\$1,195,000	\$95,000		\$1,100,000	Ivy Lea Wharf
Road Network	\$891,255	\$891,255			
TOTAL	\$7,466,558	\$3,196,558	\$370,000	\$3,900,000	

Staff have not included the Canada Community Building Fund as a funding source in the 2023 municipal capital budget. This funding source has been included in the 2023 water and wastewater capital budget and financial plan as there is significant capital investment required in the utility infrastructure.

In addition to the capital projects outlined previously, staff received requests to budget the following items. While these projects are not included in the proposed capital budget and financial plan because of challenges with balancing the financial plan, the projects are listed below for Council’s consideration.

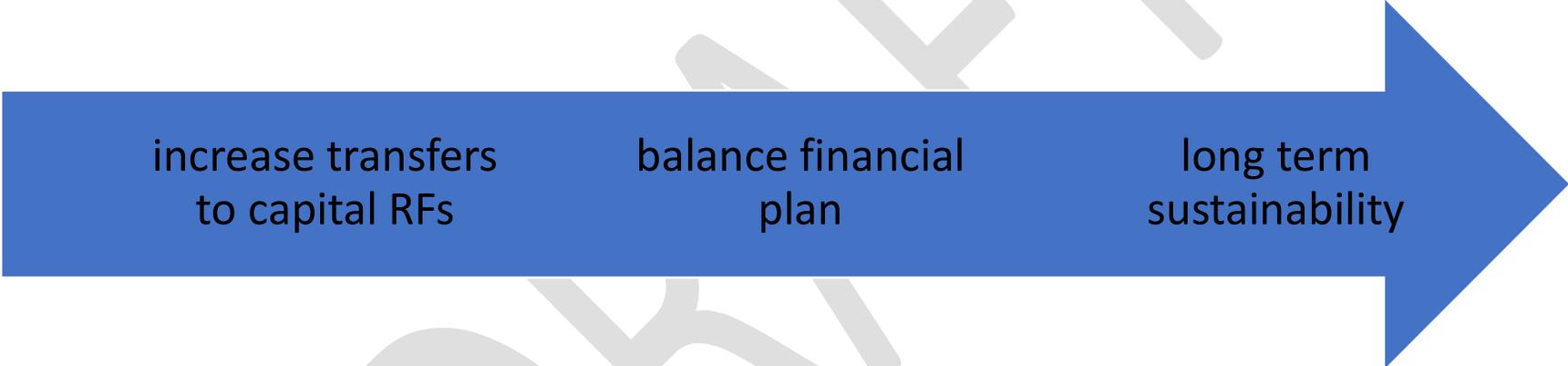
Capital Requests	
NEW Deryaw Road upgrade (LCB)	1,100,000
NEW Washburn Road upgrade (HCB)	500,000
NEW Digital Signs for Lyndhurst and Seeleys Bay	100,000
NEW Permanent barriers for Rockport	20,000
NEW Re-Surface Lansdowne Pickleball Courts	30,000
	1,750,000

Should Council direct staff to include any of the above noted projects, or add further projects, Council will need to provide direction with respect to what funding source to increase to cover these costs.

Financial Plan

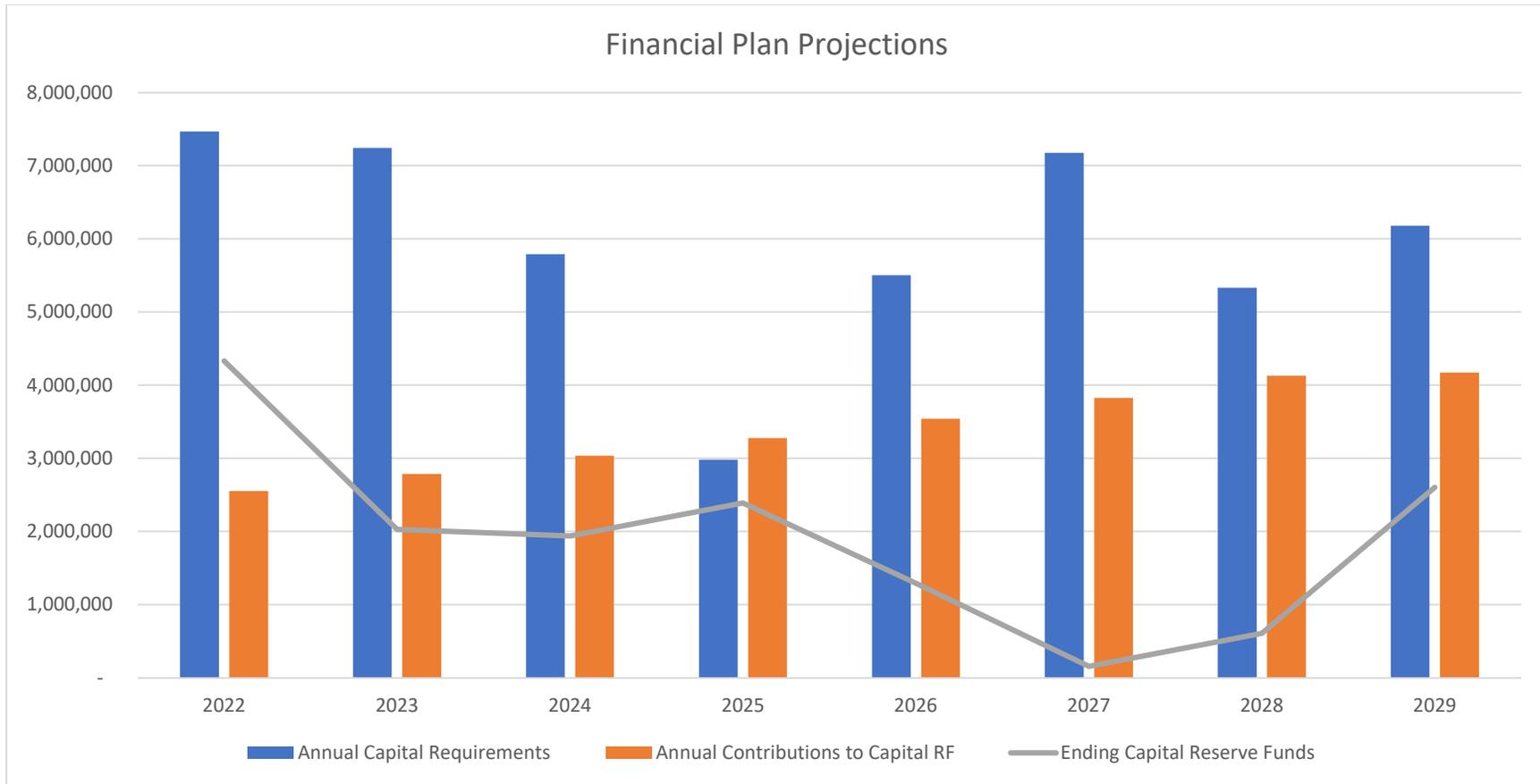
Staff have developed a financial plan with funding strategies to address capital infrastructure requirements for the next eight years. This is a living document and will be continually reviewed and updated as additional information is received and/or changes are made to the asset management system thereby changing the capital requirements.

The financial plan includes continuity schedules for all capital reserve funds as well as estimated debt needed to fund several larger projects. The plan also incorporates annual percentage increases to transfers to capital reserve funds and the resulting estimated impacts to the property tax rate. This plan is an estimate of projected capital investment requirements and funding sources. If other funding sources become available, the plan will be updated. If additional capital projects are included, then additional funding will be required – likely from debt or increased transfers to capital reserve funds. Any changes to the transfers to capital reserve funds or changes to debt repayment amounts will affect the operating budget.



The 2023 budget contains significant increases to the transfers to capital reserve funds. This is required to balance the financial plan and to ensure sustainability over the longer term based on projections over the next eight years.

Staff are working with a financial plan that extends much longer than the eight years included in this document as future capital costs and funding requirements are considered. However, eight years are provided here for simplicity and ease of use. Estimates and projections made farther into the future carry greater uncertainty as the likelihood of variances to the underlying assumptions increases. The capital budget requirements are continually updated through the asset management program as new data becomes available.



The financing strategy in the financial plan attempts to match the annual contributions to the capital reserves more closely to the annual capital spending required. If the annual contributions to the capital reserve funds are not increased to a level that generally matches the annual capital spending, the reserve funds will be depleted, and the Township will either have to reduce capital budgets or increase the amount to be funded by debt.

The financial plan projects that the total capital reserve funds will decrease to a level of approximately \$157,000 in 2027.

With the projected annual increases to contributions to capital reserve funds, the intent is get to a point where the Township can generally fund annual capital spending through a “pay as you go” approach going forward, and any larger projects (like a new pumper truck or new facility) will need to be funded by debt.

The financial plan is a complex spreadsheet with six main sections:

- 1. Annual capital requirements which are based on the asset management program. These annual capital budget amounts are likely to change as asset data is updated, levels of service change or other factors impact requirements.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Capital Requirements									
Bridges & Culverts Total	20,000	830,000	275,000	50,000	-	-	-	-	-
Buildings & Facilities Total	730,000	2,000,000	2,000,000	-	-	-	-	1,500,000	3,500,000
Buildings & Facilities - BCA Total	40,000	917,715	945,342	1,073,331	929,930	788,782	494,953	214,758	522,230
Fleet Total	980,000	1,425,000	1,361,004	1,139,121	1,290,026	1,123,229	1,360,096	708,609	614,637
Machinery & Equipment Total	488,800	207,588	596,197	297,946	67,493	566,629	146,156	438,420	275,558
Parks & Land Improvements Total	1,620,000	1,195,000	93,996	297,669	-	-	87,504	183,168	-
Road Network Total	1,384,800	891,255	1,970,442	2,932,517	692,811	3,024,144	5,086,988	2,285,087	1,266,341
Storm Sewer System Total	50,000	-	-	-	-	-	-	-	-
Total	5,313,600	7,466,558	7,241,981	5,790,585	2,980,260	5,502,783	7,175,697	5,330,042	6,178,766

The capital replacement report has been produced using an annual inflationary factor of 2%.

2. Summary of funding sources by asset category. The Ontario Community Infrastructure Fund (OCIF) is applied to a bridge project in 2023 and then applied to road projects in subsequent years to try to balance the individual reserve funds.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Funding									
Bridges & Culverts									
Draw from reserve fund	20,000	460,000	275,000	50,000	-	-	-	-	-
Canada Community Build Fund (Fed Gas Tax)									
OCIF		370,000							
Debt									
Grant									
Total	20,000	830,000	275,000	50,000	-	-	-	-	-
Buildings & Facilities									
Draw from reserve fund	370,000	917,715	945,342	1,073,331	929,930	788,782	294,953	214,758	522,230
Debt	400,000	2,000,000	2,000,000				200,000	1,500,000	3,500,000
Grant									
Total	770,000	2,917,715	2,945,342	1,073,331	929,930	788,782	494,953	1,714,758	4,022,230
Fleet, Machinery & Equipment									
Draw from reserve fund	768,800	832,588	1,957,202	1,437,067	1,357,519	1,689,858	1,506,252	1,147,029	890,194
Debt	700,000	800,000							
Grant									
Total	1,468,800	1,632,588	1,957,202	1,437,067	1,357,519	1,689,858	1,506,252	1,147,029	890,194

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Parks & Land Improvements									
Draw from reserve fund	120,000	95,000	93,996	216,486	-	-	87,504	183,168	-
Cash in Lieu of Parkland RF				81,182					
Debt	1,500,000	1,100,000							
Grant									
Total	1,620,000	1,195,000	93,996	297,669	-	-	87,504	183,168	-
Road Network									
Draw from reserve fund	1,434,800	891,255	1,818,442	746,418	540,811	2,160,012	3,070,063	2,133,087	762,843
Canada Community Build Fund (Fed Gas Tax)									
OCIF			152,000	152,000	152,000	152,000	152,000	152,000	152,000
Debt									
Grant - Lansdowne Village				2,034,099		712,132	1,864,925		351,498
Total	1,434,800	891,255	1,970,442	2,932,517	692,811	3,024,144	5,086,988	2,285,087	1,266,341
TOTAL									
Draw from reserve fund	2,713,600	3,196,558	5,089,981	3,523,303	2,828,260	4,638,651	4,958,772	3,678,042	2,175,268
Cash in Lieu of Parkland	-	-	-	81,182	-	-	-	-	-
Canada Community Build Fund	-	-	-	-	-	-	-	-	-
OCIF	-	370,000	152,000	152,000	152,000	152,000	152,000	152,000	152,000
Debt	2,600,000	3,900,000	2,000,000	-	-	-	200,000	1,500,000	3,500,000
Grant - Lansdowne Village	-	-	-	2,034,099	-	712,132	1,864,925	-	351,498
Total	5,313,600	7,466,558	7,241,981	5,790,585	2,980,260	5,502,783	7,175,697	5,330,042	6,178,766

The redesign and reconstruction of Lansdowne Village is budgeted as a multi year project totaling \$7 million. It is the intention of staff to complete the design in 2023/24 as identified in the 2023 Capital Budget. Staff are proposing to seek grant funding for this project.

3. Debt projections based on 4% interest rate and a 30-year term.

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Debt										
Budgeted Debt	2,600,000	3,900,000	2,000,000	-	-	-	200,000	1,500,000	3,500,000	-
Ivy Lea Pier		2,600,000								
2022 Pumper truck purchase		700,000								
Borrow Jan 1 2024 30 year at 4%		3,300,000	190,775	190,775	190,775	190,775	190,775	190,775	190,775	190,775
Fire Station # 2			4,400,000							
2023 pumper truck purchase			800,000							
Borrow Jan 1, 2025 30 year at 4%			5,200,000	297,907	297,907	297,907	297,907	297,907	297,907	297,907
Fire Station #4									5,200,000	
Borrow Jan 1 , 2031 30 year at 4%									5,200,000	286,449
TOTAL Debt Payments			190,775	488,682	488,682	488,682	488,682	488,682	488,682	775,131
Impact to operating budget			190,775	297,907	-	-	-	-	-	286,449

The interest rate is estimated at 4%, however this may be low given current trends in interest rates.

4. Reserve Fund Continuities for each capital reserve fund. The plan attempts to balance the total capital reserve fund balance; some capital reserve funds are overdrawn in some years.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Reserve Fund Continuities									
Bridges	410,698	890,698	730,698	782,698	1,089,128	1,474,072	1,889,812	2,338,812	2,823,731
Contribution from operating	-	300,000	327,000	356,430	384,944	415,740	448,999	484,919	489,768
Withdrawal to fund capital	- 20,000	- 460,000	- 275,000	- 50,000	-	-	-	-	-
2022 additional Casino revenue	500,000								
Ending reserve fund balance	890,698	730,698	782,698	1,089,128	1,474,072	1,889,812	2,338,812	2,823,731	3,313,499
Buildings & Facilities	1,104,099	1,164,099	776,384	408,742	365,104	115,242	60,934	559,213	1,201,146
Contribution from operating	430,000	530,000	577,700	629,693	680,068	734,474	793,232	856,690	865,257
Withdrawal to fund capital	- 370,000	- 917,715	- 945,342	- 1,073,331	- 929,930	- 788,782	- 294,953	- 214,758	- 522,230
Sale of asset				400,000					
Ending reserve fund balance	1,164,099	776,384	408,742	365,104	115,242	60,934	559,213	1,201,146	1,544,173
Fleet, Machinery & Equipment	206,971	98,171	265,583	- 601,619	- 850,586	- 924,957	- 1,229,015	- 1,238,603	- 769,235
Contribution from operating	660,000	1,000,000	1,090,000	1,188,100	1,283,148	1,385,800	1,496,664	1,616,397	1,632,561
Withdrawal to fund capital	- 768,800	- 832,588	- 1,957,202	- 1,437,067	- 1,357,519	- 1,689,858	- 1,506,252	- 1,147,029	- 890,194
Sale of asset									
Ending reserve fund balance	98,171	265,583	- 601,619	- 850,586	- 924,957	- 1,229,015	- 1,238,603	- 769,235	- 26,868
Parks and Land Improvements	38,432	43,432	73,432	115,686	47,712	208,106	381,331	480,910	499,791
Contribution from operating	125,000	125,000	136,250	148,513	160,394	173,225	187,083	202,050	204,070
Withdrawal to fund capital	- 120,000	- 95,000	- 93,996	- 216,486	-	-	- 87,504	- 183,168	-
Ending reserve fund balance	43,432	73,432	115,686	47,712	208,106	381,331	480,910	499,791	703,861
Road Network (incl. storm)	3,511,803	2,777,003	2,485,748	1,321,306	1,287,748	1,516,826	188,294	- 1,983,771	- 3,147,020
Contribution from operating	700,000	600,000	654,000	712,860	769,889	831,480	897,998	969,838	979,537
Withdrawal to fund capital	- 1,434,800	- 891,255	- 1,818,442	- 746,418	- 540,811	- 2,160,012	- 3,070,063	- 2,133,087	- 762,843
Ending reserve fund balance	2,777,003	2,485,748	1,321,306	1,287,748	1,516,826	188,294	- 1,983,771	- 3,147,020	- 2,930,326

Adjustments can be made to reserve fund contributions to the respective capital reserve funds each year through the annual budget process to mitigate the individual negative ending reserve fund balances.

The current financial plan results in a positive total capital reserve fund balance over the eight years with the total balance falling to \$156,561 in 2028. The “other” line item in 2022 is \$500,000 in estimated Casino revenue in addition to what was budgeted in 2022. Staff will seek Council approval to move any additional Casino revenue received in 2022 to the capital reserve funds. In 2025 the “other” amount of \$400,000 is the estimated proceeds from the sale of the Fire Station #2/Seeley’s Bay Community building based on completion of the new Fire Station #2.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total opening balance	5,272,003	4,973,403	4,331,845	2,026,814	1,939,106	2,389,289	1,291,357	156,561	608,413
contributions to reserve funds	1,915,000	2,555,000	2,784,950	3,035,596	3,278,443	3,540,719	3,823,976	4,129,894	4,171,193
withdrawals to fund capital	- 2,713,600	- 3,196,558	- 5,089,981	- 3,523,303	- 2,828,260	- 4,638,651	- 4,958,772	- 3,678,042	- 2,175,268
Other	500,000	-	-	400,000	-	-	-	-	-
Total ending balance	4,973,403	4,331,845	2,026,814	1,939,106	2,389,289	1,291,357	156,561	608,413	2,604,338

The obligatory reserve fund continuity schedules are also included in the financial plan.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Cash in Lieu of Parkland	260,338	292,526	292,526	292,526	211,344	211,344	211,344	211,344	211,344
contribution from development	32,188								
withdrawal to fund capital		-	-	81,182	-	-	-	-	-
Ending reserve fund balance	292,526	292,526	292,526	211,344	211,344	211,344	211,344	211,344	211,344
OCIF	617	217,742	242	742	1,242	1,742	2,242	2,742	3,242
grant received (<i>estimates</i>)	369,625	152,500	152,500	152,500	152,500	152,500	152,500	152,500	152,500
withdrawal to fund capital	- 152,500	- 370,000	- 152,000	- 152,000	- 152,000	- 152,000	- 152,000	- 152,000	- 152,000
Ending reserve fund balance	217,742	242	742	1,242	1,742	2,242	2,742	3,242	3,742

5. Contributions from Operating to Capital Reserve Funds. Staff are proposing a significant increase in capital reserve fund transfers in 2023. The increase is \$640,000 or 33% higher than the 2022 budget. This is needed to balance the financial plan and provide sustainability over the longer term.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Contributions from Operating to Reserve Funds									
Bridges 10-103-1030-6205	-	300,000	327,000	356,430	384,944	415,740	448,999	484,919	489,768
Building & facilities 10-103-1030-6	430,000	530,000	577,700	629,693	680,068	734,474	793,232	856,690	865,257
Fleet Machinery & Equipment 10-1	660,000	1,000,000	1,090,000	1,188,100	1,283,148	1,385,800	1,496,664	1,616,397	1,632,561
Parks and land Improvements 10-1	125,000	125,000	136,250	148,513	160,394	173,225	187,083	202,050	204,070
Road Network 10-103-1030-6211	700,000	600,000	654,000	712,860	769,889	831,480	897,998	969,838	979,537
	1,915,000	2,555,000	2,784,950	3,035,596	3,278,443	3,540,719	3,823,976	4,129,894	4,171,193
		640,000	229,950	250,646	242,848	262,275	283,257	305,918	41,299
Annual % increase		33.4%	9.0%	9.0%	8.0%	8.0%	8.0%	8.0%	1.0%

The annual increases to the capital reserve fund transfers required to balance the financial plan are 8% to 9% for the next several years. Based on the capital budget requirements, by 2030 the capital reserve fund transfers appear to be at a level to sufficient to meet funding needs. In 2030 the estimated transfers to capital reserve funds are \$4 million which provides a more stable and consistent pay as you go funding stream. In other words, based on current projections, \$4 million per year in capital funding will generally fund the annual capital budgets in 2030 and beyond. However, there are likely to be changes and unanticipated impacts to the financial plan that will affect these future projections. Staff will be monitoring and updating this financial plan annually and provide updates through the budget process.

6. Impact to Operating Budget estimates the annual property tax rate impact based on the increases to the transfers to the capital reserve funds and the addition of debt repayments. These are high level estimates as each year the tax levy changes and the resulting budget impact will change. The 2023 operating budget is estimated at a 6.5% increase to the Township portion of the property tax rate. This is mainly made up of estimated 5.8% increase related to the increase to capital reserve fund transfers.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Impact to Operating Budget									
increase in transfers to reserve funds		640,000	229,950	250,646	242,848	262,275	283,257	305,918	41,299
increase in debt payments			190,775	297,907	-	-	-	-	-
		640,000	420,725	548,553	242,848	262,275	283,257	305,918	41,299
estimated tax rate impact	110,000	5.8	3.8	5.0	2.2	2.4	2.6	2.8	0.4

The financial plan is a complex reconciliation which includes various assumptions and estimates. The plan relies on the capital investment requirements based on the asset management data. Staff continue to update and enhance this data which will impact the financial plan. Currently, the financial plan does **not** account for new assets needed due to growth. Further enhancements and adjustments to the plan will be ongoing to provide a consistent, reliable and sustainable plan for the Township over the long term.