



Township of
Leeds and the
Thousand Islands

**Township of Leeds and the
Thousand Islands**

Proposed 2022 Budget
Working Document

November 18, 2021

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2022 Proposed Budget Overview

The 2022 municipal operating budget for Leeds and the Thousand Islands is proposed at \$14.3 million compared with \$13.8 million in 2021. The net levy requirement is \$10.8 million. This is an increase of approximately \$352,000 over the 2021 levy requirement. The budget for Casino revenue remains significantly lower than historical values, being \$400,000 for 2022.

The 2022 capital budget is proposed at \$5,673,600. This includes \$865,000 in carryforward projects, meaning new capital funding required is \$4,808,600. Staff are proposing to fund the 2022 capital budget from capital reserve funds, grant revenue and debt. The capital budget and financing strategy are explained in detail in the Capital Budget and Financial Planning section of this document.

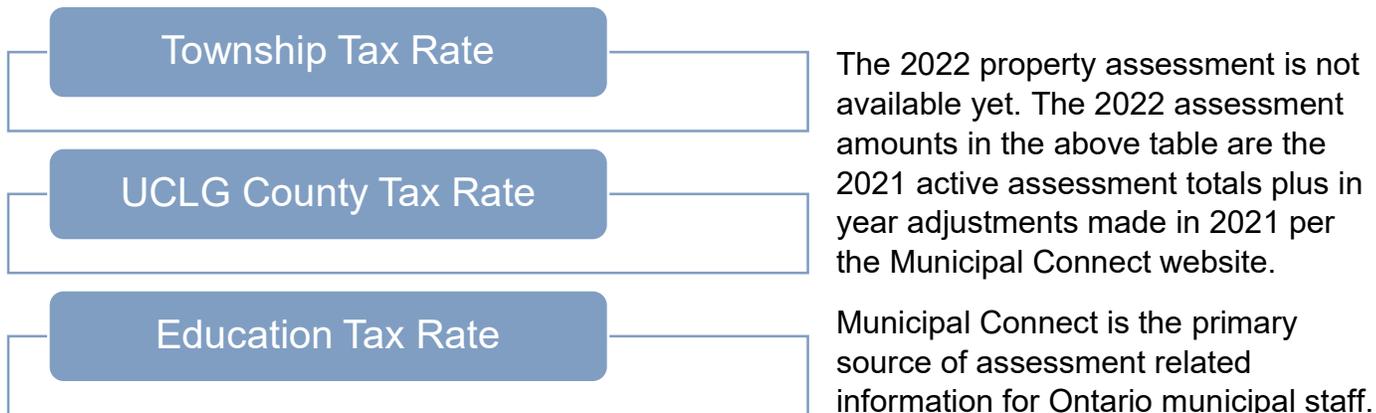


The following is a comparison of the 2022 proposed operating budget versus previous years. The proposed 2022 operating budget is significantly lower than the pre-pandemic budget in 2020.

Description	2020	2021	Proposed 2022	2022 Increase
Total Gross Municipal Budget*	\$14,930,471	\$13,799,620	\$14,271,400	3.4%
Levy Requirement	\$9,977,100	\$10,447,440	\$10,799,400	3.4%
Current Value Assessment (CVA) (excluding exempt)	2,364,286,800	2,345,087,009	\$2,361,221,909	.7%
Estimated Weighted CVA	2,360,742,900	2,332,234,392	\$2,345,523,497	.6%
Township portion of tax rate	0.00422624	0.00447958	0.00460426	2.8%
Total Township tax rate**	0.00945273	0.00970433	0.00982901	1.3%

* Excludes building department which is funded separately

** Assumes County and Education rates remain the same as 2021



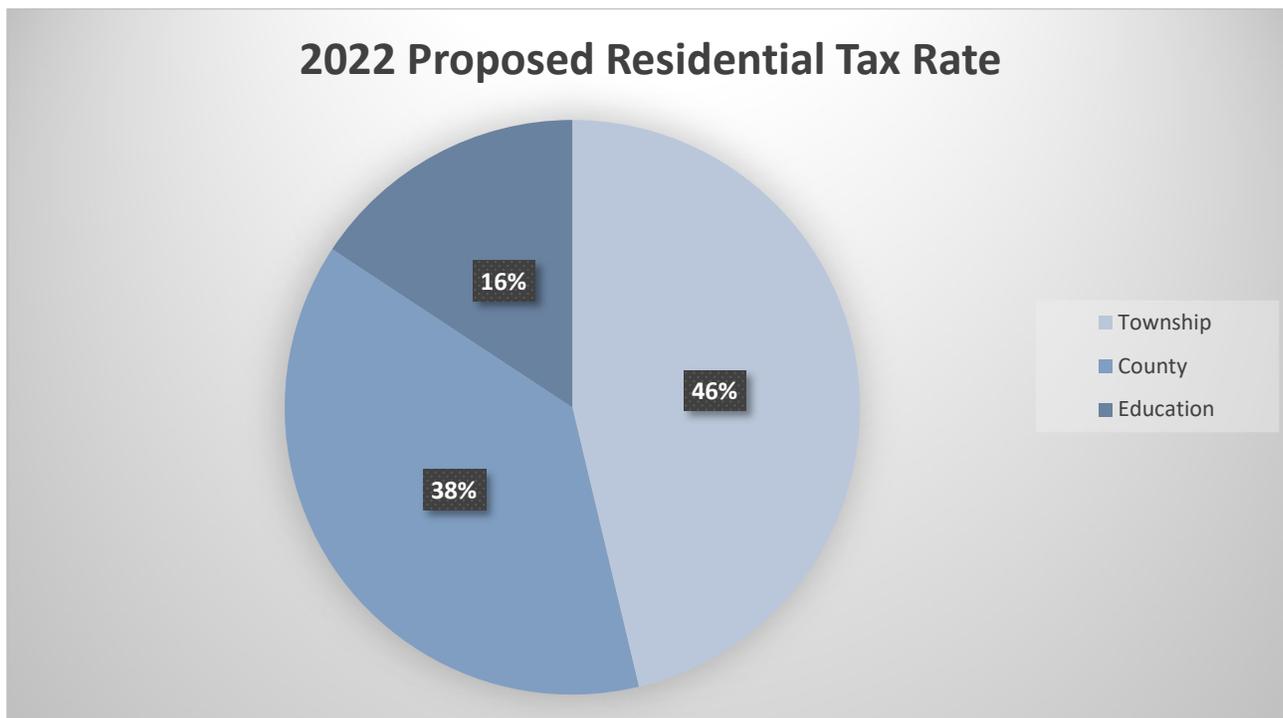
It is not expected that the assessment amounts will change significantly given that there is no province-wide assessment update and therefore no quarterly phase in amount.

The January 1, 2016, valuation date was phased in over 2017 to 2020. The January 1, 2020, valuation date was deferred due to COVID-19 so the 2022 assessment will continue to be based on the January 1, 2016 valuation date plus in-year updates based on any changes to a property such as an addition, renovation or change in classification.

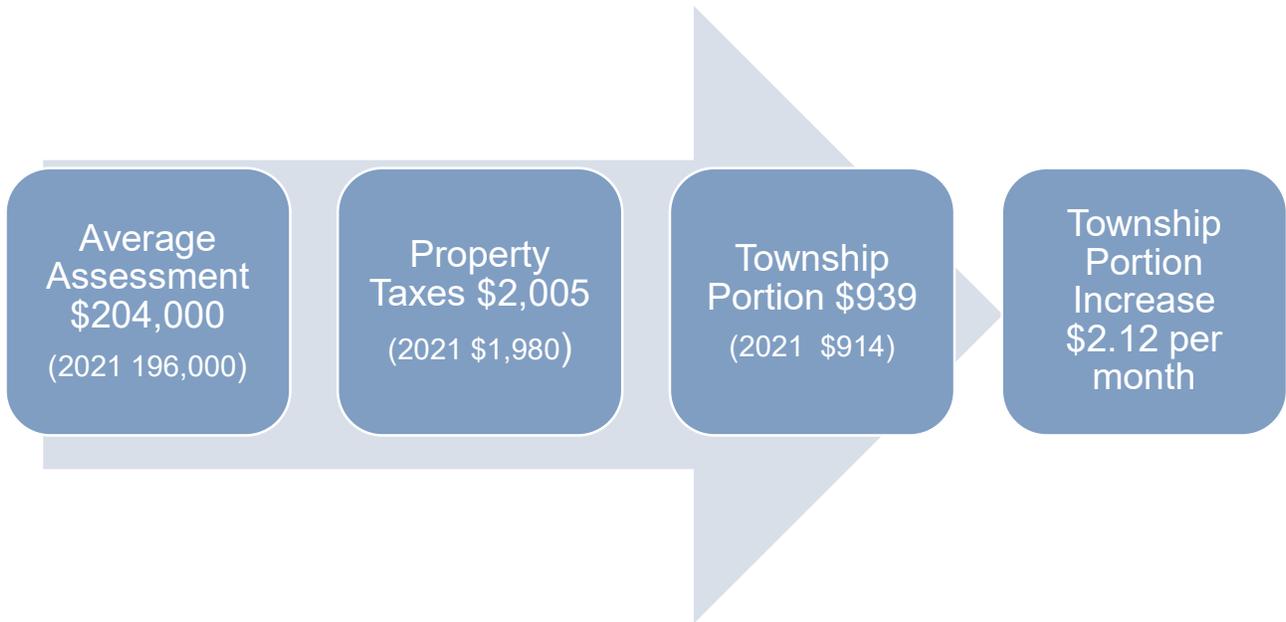
Based on the levy requirement, and the estimated assessment value, the Township portion of the tax rate will be 0.00460426 for 2022, compared with 0.00447958 in 2021, **a 2.8% increase**.

There are three components to the tax rate that the Township levies on residents: Education, County and Township tax rates.

The 2022 proposed residential tax rate, assuming the County and Education portions remain the same as 2021, results in the following breakdown:



Assuming a median residential assessment of \$204,000, and assuming the County and Education portions of the tax rate remain the same as 2021, the following applies for 2022 residential properties:



Please note that the residential tax calculation is an estimate only and subject to change.

This is based on assumptions: finalized 2022 assessment values and 2022 County and Education tax rates are not currently available.

Property Tax Rate Analysis

The Education tax rate is not anticipated to increase in 2022.

Year	Residential Education Tax Rate
2017	0.00179
2018	0.00170
2019	0.00161
2020	0.00153
2021	0.00153

Assuming that the Education tax rate remains the same for 2022, the County tax rate could increase up to 3% and the overall property tax rate increase would be under 2.5%

Township tax rate	Township Increase	Education Increase	County Increase	Overall Rate Increase
0.00460426	2.8%	0%	0%	1.3%
0.00460426	2.8%	0%	1%	1.7%
0.00460426	2.8%	0%	2%	2.0%
0.00460426	2.8%	0%	3%	2.4%

As the 2022 assessment values have not been received, and the County and Education tax rates are not known, Staff are proposing to approve the 2022 budget outlined in this document based on the total gross budget of \$14,271,400 and the net levy requirement of \$10,799,400. Based on actual assessment values, the property tax rate may change, however, should there be any material change to the assessment and the resulting tax rates, that would negatively impact residents, Staff would prepare a report with mitigating strategies for Council approval.

The assessment values are not expected to change significantly. Minor in-year adjustments to assessment values may occur during November and December 2021.

The estimated Township tax rate increase of 2.8%, and the possibility of an up to 3% tax rate increase by the County results in an overall tax rate increase of up to 2.4%. Should the Education tax rate and the County tax rate have a combined increase for 2022 that exceeds an overall tax rate increase of 2.5%, Staff are proposing to draw on the Tax Stabilization Reserve Fund (projected balance \$177,500) and/or the Contingency Reserve Fund (balance \$134,416) to maintain an overall tax rate increase of 2.5% or less.

Staff do not anticipate that County or Education tax rate would increase such that the total property tax rate increase would exceed 2.5% and require a withdrawal from a reserve fund. However, in the event that the overall tax rate exceeds 2.5%, Staff feel it appropriate to draw on a reserve fund to maintain the budget as proposed. The 2022 budget is conservative and attempts to support post pandemic operations to ensure that municipal services meet community expectations. Reductions to the proposed 2022 budget will have adverse effects on municipal services and/or result in reductions in transfers to reserve funds.

Tax Rate Comparison

Compared with the 2021 Residential Property Tax Rates, the 2022 proposed tax rate for residential properties results in the Township remaining second lowest across the other lower tiers in the United Counties of Leeds and Grenville.

Mun Id	Municipality	Rate Type	Class	Subclass	Value
0842	Westport Village	Lower General	Residential	Occupied	0.00923763
0714	Merrickville-Wolford Village	Lower General	Residential	Occupied	0.00810911
0701	Edwardsburgh/Cardinal Township	Lower General	Residential	Occupied	0.00673294
0706	Augusta Township	Lower General	Residential	Occupied	0.00623639
0719	North Grenville Municipality	Lower General	Residential	Occupied	0.00600138
0801	Elizabethtown-Kitley Township	Lower General	Residential	Occupied	0.00584632
0806	Front of Yonge Township*	Lower General	Residential	Occupied	0.00515151
0831	Rideau Lakes Township	Lower General	Residential	Occupied	0.00481107
	TLTI 2022 Proposed	Lower General	Residential	Occupied	0.00460426
0812	Leeds & the Thousand Islands Township	Lower General	Residential	Occupied	0.00447958
0819	Athens Township*	Lower General	Residential	Occupied	0.00426960

* Front of Yonge and Athens have special area rates which are higher than the general lower tier rate and are not included above.

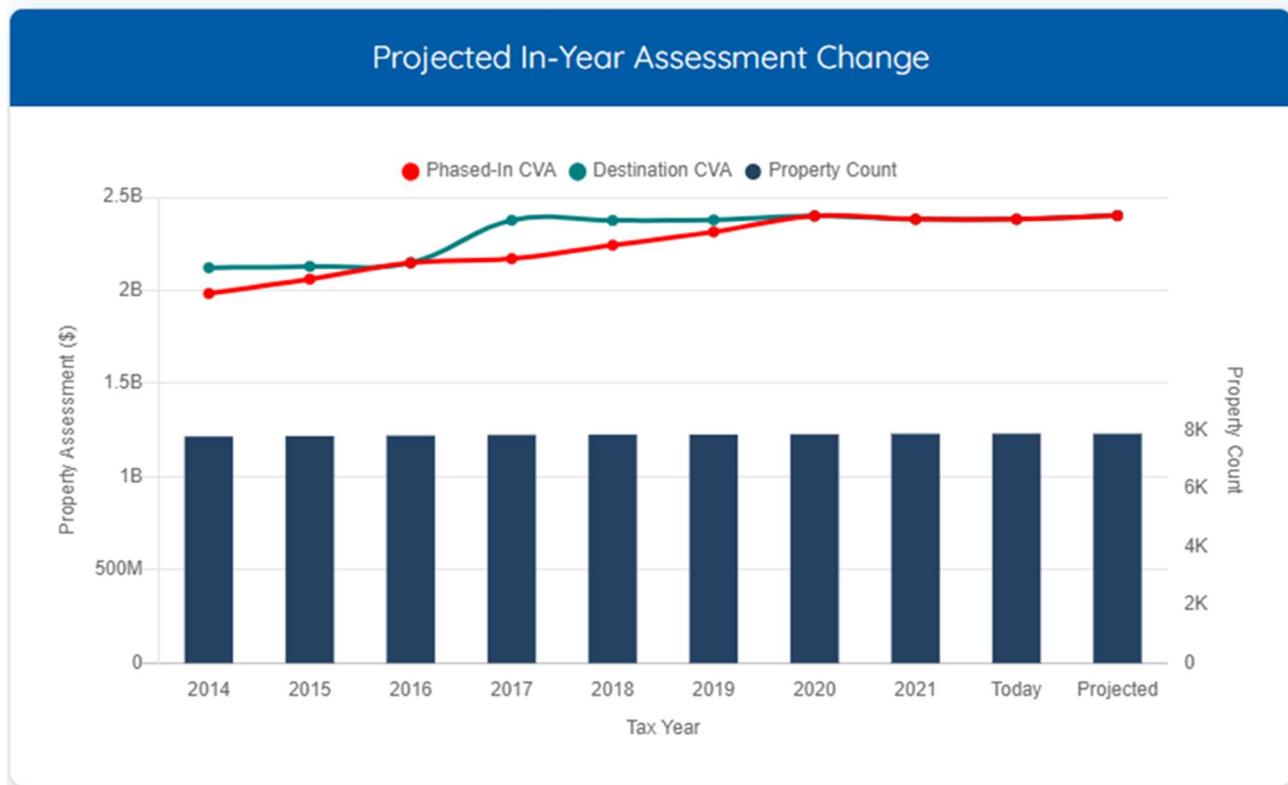
Property Taxes

The Municipal Property Assessment Corporation (MPAC) is an independent, not for profit corporation funded by all Ontario Municipalities and is accountable to the Province, municipalities and property taxpayers through its 13-member Board of Directors. MPAC's role is to accurately assess and classify all properties in Ontario in compliance with the Assessment Act and regulations set by the Government of Ontario. MPAC is responsible for providing assessment values for all properties in the Township and provides annual assessment rolls used by the Township to calculate property taxes.

Property Assessments are updated every four years. The 2016 Assessment update reflects the valuation date of January 1, 2016 for the 2017 to 2020 property tax years. Because of the COVID-19 pandemic, there is no new assessment valuation for properties. The 2022 tax year will be based on the same assessment information used in 2021, adjusted for any supplemental or other in year changes to assessment, but there is no phase-in of assessment that normally happens within the four-year cycle.

2022 Estimated Assessment

At the time of preparing this document, the assessment remains consistent over previous years. While the 2022 tax roll has not been provided by MPAC yet, the assessment is not expected to change significantly.



The following assessment information is as of October 12, 2021 and the "During Tax Year 2021" includes in-year updates to assessment values. These values have been used for estimates for the 2022 assessment values to determine the 2022 property tax rates.

Tax Class	Categ	2020 Roll For Tax Year 2021	During Tax Year 2021	Tax Ratio	Tax Rate	Weighted Assessment	Township Tax Revenue
Residential Full	RT	2,022,610,009	2,029,835,109	1.00000000	0.00460426	2,029,835,109	9,345,888.59
Residential Farmland 1	R1	14,300	14,300	1.00000000	0.00460426	14,300	65.84
Multi Residential	MT	1,666,000	1,666,000	1.00000000	0.00460426	1,666,000	7,670.70
Commercial: Farmland 1	C1	83,000	83,000	0.40000000	0.0018417	33,200	152.86
Commercial: General	CM	1,432,000	1,432,000	1.34640000	0.00619918	1,928,045	8,877.22
Commercial: Full	CT	101,581,900	103,933,500	1.34640000	0.00619918	139,936,064	644,302.02
Commercial: Excess Land	CU	1,002,400	953,300	0.94248000	0.00433942	898,466	4,136.77
Commercial: Vacant Land	CX	698,600	667,100	0.94248000	0.00433942	628,728	2,894.83
Industrial: Full	IT	3,208,200	3,208,200	1.81140000	0.00834016	5,811,333	26,756.89
Industrial: Excess Land	IU	66,400	66,400	1.17741000	0.0054211	78,180	359.96
Industrial: Vacant Land	IX	104,000	98,000	1.17741000	0.0054211	115,386	531.27
Industrial (New Construction): Full	JT	818,300	818,300	1.81140000	0.00834016	1,482,269	6,824.75
Industrial (New Construction): Excess Land	JU	42,800	42,800	1.17741000	0.0054211	50,393	232.02
Farm: Full	FT	106,768,000	112,194,700	0.25000000	0.00115106	28,048,675	129,143.39
Pipeline: Full	PT	29,241,000	29,241,000	1.65510000	0.00762051	48,396,779	222,831.35
Managed Forest: Full	TT	5,130,300	5,174,700	0.25000000	0.00115106	1,293,675	5,956.42
Commercial (New Construction): Full	XT	14,909,000	16,063,600	1.34640000	0.00619918	21,628,031	99,581.08
Commercial (New Construction): Excess Lan	XU	83,800	83,800	0.94248000	0.00433942	78,980	363.64
						-	-
Residential PIL: Full	RF	29,337,000	29,337,000	1.00000000	0.00460426	29,337,000	135,075.18
Residential PIL: General	RG	3,069,500	2,992,500	1.00000000	0.00460426	2,992,500	13,778.25
Residential Full, Shared PIL	RH	85,500	85,500	1.00000000	0.00460426	85,500	393.66
Residential PIL: Full Taxable Tenant of Provi	RP	253,500	260,600	1.00000000	0.00460426	260,600	1,199.87
Commercial PIL: Full	CF	2,313,000	2,313,000	1.34640000	0.00619918	3,114,223	14,338.69
Commercial PIL: General	CG	20,012,000	20,101,000	1.34640000	0.00619918	27,063,986	124,609.63
Commercial PIL: Full, Taxable Tenant of Pro	CP	416,000	416,000	1.34640000	0.00619918	560,102	2,578.86
Commercial PIL: Full, Vacant Land	CY	23,000	23,000	0.94248000	0.00433942	21,677	99.81
Landfill PIL: Full	HF	104,400	104,400	1.34640000	0.00619918	140,564	647.19
Industrial: Full, Shared PIL	IH	13,100	13,100	1.81140000	0.00834016	23,729	109.26
						-	-
Exempt	E-	36,570,500	35,981,200				
Total		2,381,657,509	2,397,203,109			2,345,523,497	10,799,400

The Exempt properties include Township owned properties, churches and cemeteries.

The estimated *weighted assessment* is the assessment value multiplied by the tax ratio. For example, the tax ratio for farmland is 0.2500. The value of farmland assessment that is taxed is one quarter of the assessment value.

Payment in Lieu assessment are properties owned by other government bodies and ministries. These properties include the Charleston Lake Provincial Park, the International Bridge property, and numerous islands in the St. Lawrence River.

The tax ratios are set by the County and are not expected to change for 2022.

The appeal process for the Casino property, a special purpose property that was assessed at \$87,000,000, is ongoing. While the appeal is still outstanding, the parties involved have determined an estimated valuation and the Municipal Property Assessment Corporation (MPAC) completed a market adjustment that reflects a value of \$59,000,000. The 2021 and 2022 budget calculations are based on the reduced value of \$59,000,000. Please note that the revised amount of \$59,000,000 is not the settled valuation for the appeal. MPAC has set \$59,000,000 in order to mitigate further tax losses to the municipality. If successful in the appeal at this estimated amount, the loss in tax revenue would be approximately \$410,000 for the Township for the years 2016 through 2020.

The following table summarizes the potential loss in revenue for the Township portion of the property taxes, which is split in half with the Town of Gananoque:

Loss in Revenue for Township					
Year	Original Assessment	Estimated Assessment	Reduction in Assessment	Lost Revenue	Township portion
2016	104,441,000	59,000,000	45,441,000	\$223,642	\$111,821
2017	87,000,000	59,000,000	28,000,000	\$141,552	\$70,776
2018	87,000,000	59,000,000	28,000,000	\$143,310	\$71,655
2019	87,000,000	59,000,000	28,000,000	\$148,056	\$74,028
2020	87,000,000	59,000,000	28,000,000	\$159,326	\$79,663
TOTAL			157,441,000	\$815,886	\$407,943

The Township has recognized \$280,000 of expenses related to this appeal and set this amount up as an accrued liability on the balance sheet. Once the appeal is finalized, the loss will be offset against this accrual thereby avoiding the entire amount being expensed in the year the appeal is complete. The Tax Stabilization Reserve is expected to be \$177,500 at the end of 2022 and can also be drawn upon, with Council approval, to help offset this appeal, as well as the operating budget line for tax write offs, which is budgeted at \$100,000 for 2022.

Estimated write off for Casino property tax revenue	\$407,943
Expense already recognized	(\$280,000)
Balance to be funded by tax stabilization reserve fund or operating budget line for tax write offs	\$127,943

The amount available within the operating budget line item for tax write offs will be used to offset the potential write off, to the extent that this budgeted amount has not already been used for in year tax write offs. The remaining balance of the Casino write off may be funded by the Tax Stabilization Reserve Fund pursuant to Council approval, through a Council report.

2022 Proposed Operating Budget Summary

The proposed 2022 municipal gross revenue and expenditure budget amounts are \$14,271,400 (plus building department of \$504,400) compared with \$13,799,620 (plus building department of \$383,500) in 2021. The gross budget has increased \$471,780 or 3.4%. This includes a cost-of-living increase of 4% to non-union staff wages, which were frozen in 2021.

The 2022 budget includes limited spending in many areas such as training and development, mileage and other discretionary spending as the Township continues to be challenged in developing a balanced budget with moderate revenue projections from the Casino while mitigating increases to the property tax rate.

Casino Revenue

Year	Budget	Year to Date Actuals
2022	\$400,000	
2021	\$100,000	\$310,274
2020	\$1,500,000	\$688,272
2019	\$1,500,000	\$1,450,629
2018	\$1,750,000	\$1,501,485
2017	\$1,675,000	\$1,683,499

To provide a sustainable source of capital funding for future investment requirements, it is prudent to build adequate transfers to reserves within the operating budget **while avoiding reliance on revenue sources such as the Casino funds**, which can be uncertain as demonstrated during the recent pandemic.

The 2021 budget included a reduction in transfers to reserves to offset the decrease in Casino revenue projections. Staff are proposing to continue to increase these transfers over the coming years to ensure adequate funding is available for capital investment as capital requirements are identified through the asset management program.

Transfers to Reserves

Transfers to reserves were reduced significantly in 2021 to compensate for an anticipated loss in Casino revenue. Transfers to capital reserve funds were reduced by approximately \$869,000, as well as the elimination of the transfer to the Grants Reserve to fund the Community Grant program.

The proposed 2022 budget includes an increase of \$323,000 to \$1,915,000 in transfers to capital reserves. However, this is still less than the pre-pandemic budget of \$2.5 million. It will be critical to build these transfers up over the next few years to ensure the financial sustainability of the capital requirements.

Transfers to capital reserve funds		2019	2020	2021	2022
		Actual	Actual	Actual	Budget
6205	Reserves - Bridges & Culverts	0	0	0	0
6206	Reserves - Fire Services	270,000	290,974	235,000	0
6207	Reserves - Buildings & Facilities	434,334	240,000	170,000	430,000
6211	Reserves - Road network & storm sewer	1,027,500	990,000	816,999	700,000
6212	Reserves - Fleet, Machinery & Equipment	345,000	556,983	240,000	660,000
6213	Reserves - Parks & Land Improvements	100,000	350,000	100,000	125,000
6221	Reserves - IT	25,000	33,211	30,000	0
Total Transfers to Capital Reserve Funds		2,201,834	2,461,168	1,591,999	1,915,000

Transfers to other discretionary reserve funds are summarized below.

Transfers to other reserve funds		2019	2020	2021	2022
		Actual	Actual	Actual	Budget
6204	Modernization Funding	632,832			
6208	Reserves - Special Projects	83,156	83,156	55,000	25,000
6215	Reserves - Grants	75,000	125,000	0	0
6219	Reserves - Tax Stabilization	42,500	45,000	45,000	45,000
[6232,6214]	Reserves - Heritage Conservation & Celebration Grant Reserve Fund	10,000	10,000	5,713	10,000
6210	Reserves CIP	52,500	41,250	30,000	
6210	Reserves - Election	16,250	16,250	16,250	16,250
6210	Sale of fire truck (200-2000)		10,547		
Total Transfers to Other reserve funds		912,238	331,212	152,515	96,250

Community Grants

With Council's approval, the Community Grant program was eliminated for 2021 thereby reducing the expense budget by \$125,000 as the transfer to the reserve fund was zero. In the Community Grants area, there was also a reduction in revenue as there was no draw on the reserve fund to fund the grants, and no expense to pay out the community grants. Staff propose to reinstate a Community Grant budget for 2022.

Based on discussion at the Committee of the Whole meeting on November 1, 2021, Staff are proposing to allocate \$50,000 in 2021 from Casino revenue to the Community Grants Reserve Fund and draw down this reserve fund a further \$75,000 in 2022 to provide a Community Grant budget of \$125,000 in 2022.

The following table outlines the activity in the Community Grants Reserve Fund including the proposed allocations:

Dec. 31, 2018, reserve fund balance	\$31,806
2019 contribution from operating budget to reserve fund	\$75,000
2019 funding allocated to Community Grant applicants	(\$83,404)
Dec. 31, 2019, reserve fund balance	\$23,402
2020 contribution from operating budget to reserve fund	\$125,000
2020 funding allocated to Community Grant applicants*	(\$72,717)

Dec. 31, 2020, reserve fund balance	\$75,684
2021 proposed contribution to reserve fund from Casino revenue	\$50,000
Dec. 31, 2021, reserve fund balance (pending approval by Council re: transfer of Casino funds)	\$125,684
2022 budgeted Community Grant funding for applications	(\$125,000)
Dec 31, 2022, reserve fund balance (estimated)	\$684

*COVID-19 impacted a number of the Community Grant applications and the related activities and community events which were planned. Therefore, the funding allocated in 2020 was significantly lower than budget.

While the Township, residents and the entire community continue to be challenged by the impacts of COVID-19, it is important to provide the Community Grant program to support community groups.

Insurance

Insurance costs continue to increase and create pressure on the municipal budget. The insurance provider has estimated that the 2022 premium will be 15% to 20% higher than 2021. The following summary outlines the insurance costs for the last several years. These numbers include insurance related to library services, building department and water and wastewater. Staff anticipate allocating a portion of the contingency budget line amount to help offset the actual 2022 insurance costs based on the premium percentage increase provided by the insurance provider.

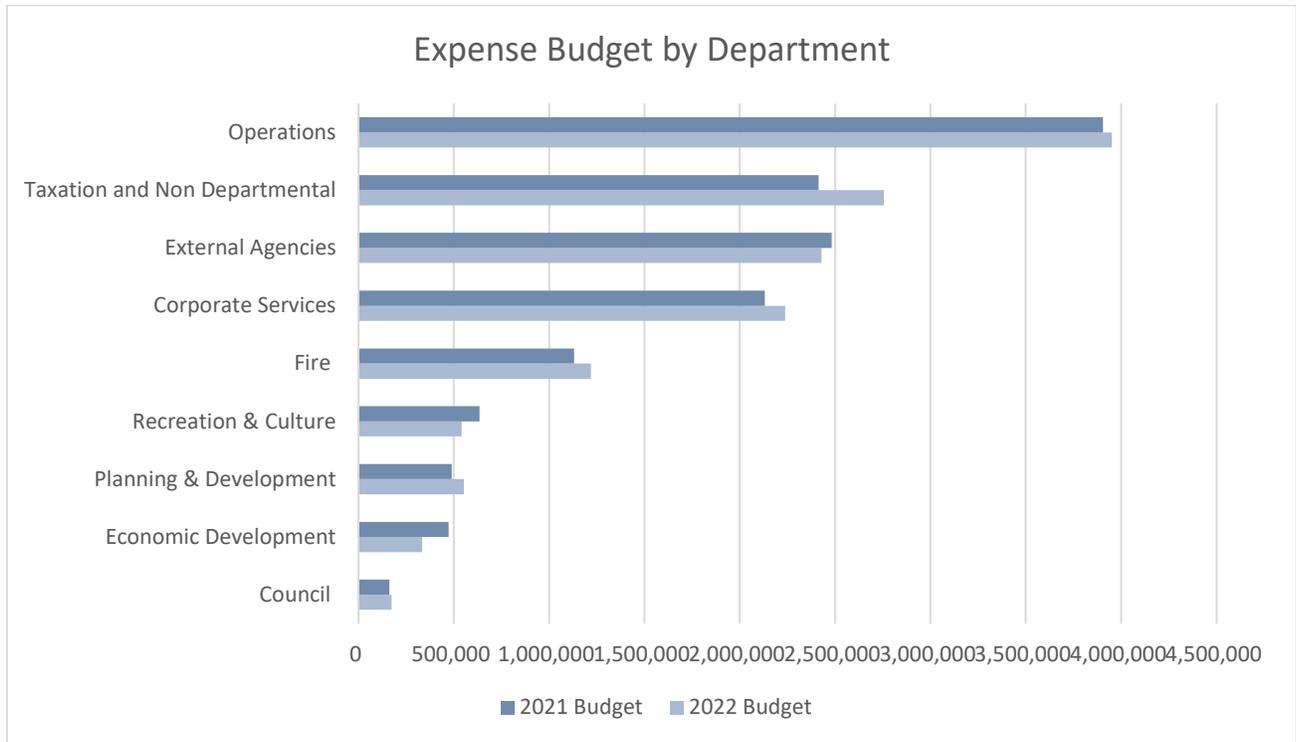
Year	Budget	Actual
2022	\$460,800	
2021	\$367,500	\$416,508
2020	\$329,900	\$342,053
2019	\$286,185	\$282,819
2018	\$264,740	\$252,318

In 2010, the annual insurance cost was approximately \$205,000 and the budgeted amount for 2022 is \$460,800. The insurance premiums have more than doubled during this time. Insurance rates are increasing for all municipalities across the province.

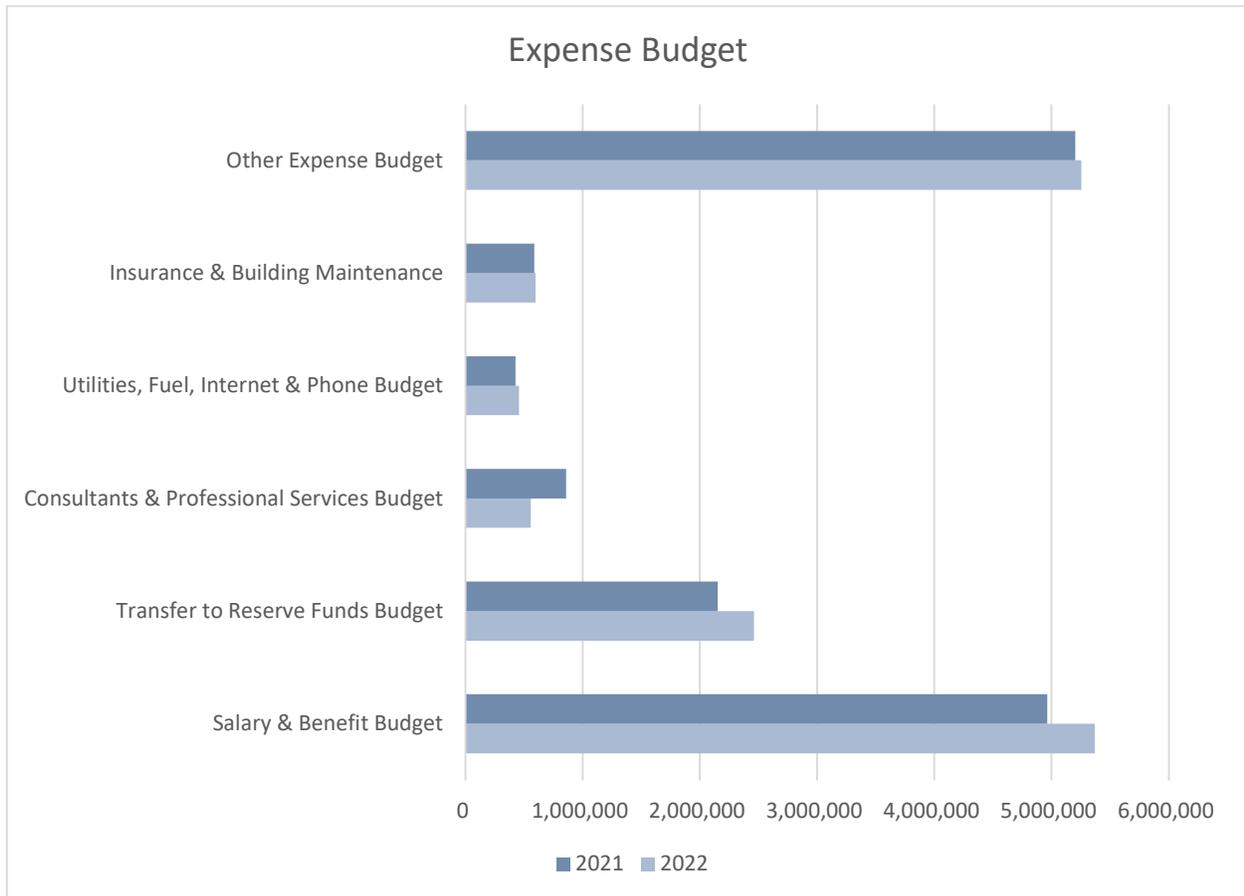
The Association of Municipalities Ontario released a submission to the Attorney General of Ontario, "*Towards a Reasonable Balance: Addressing growing municipal liability and insurance costs.*" Joint and several liability means higher insurance costs and diverts property tax dollars from delivering public services. As public organizations with taxation power and perceived "deep pockets", municipalities have become focal points for litigation when other defendants do not have the means to pay. Despite enormous improvements to safety, including new standards for playgrounds, pool safety, and better risk management practices, municipal insurance premiums and liability claims continue to increase.

Expense Summary

The following table illustrates expense budgets year over year by area. The largest increase is in the Taxation and Non-Departmental area which includes an increase of \$263,000 to transfers to capital and other discretionary reserve funds.



Most budgets are in line with prior years budgets and are explained in more detail in the Department Summaries section of this budget document.

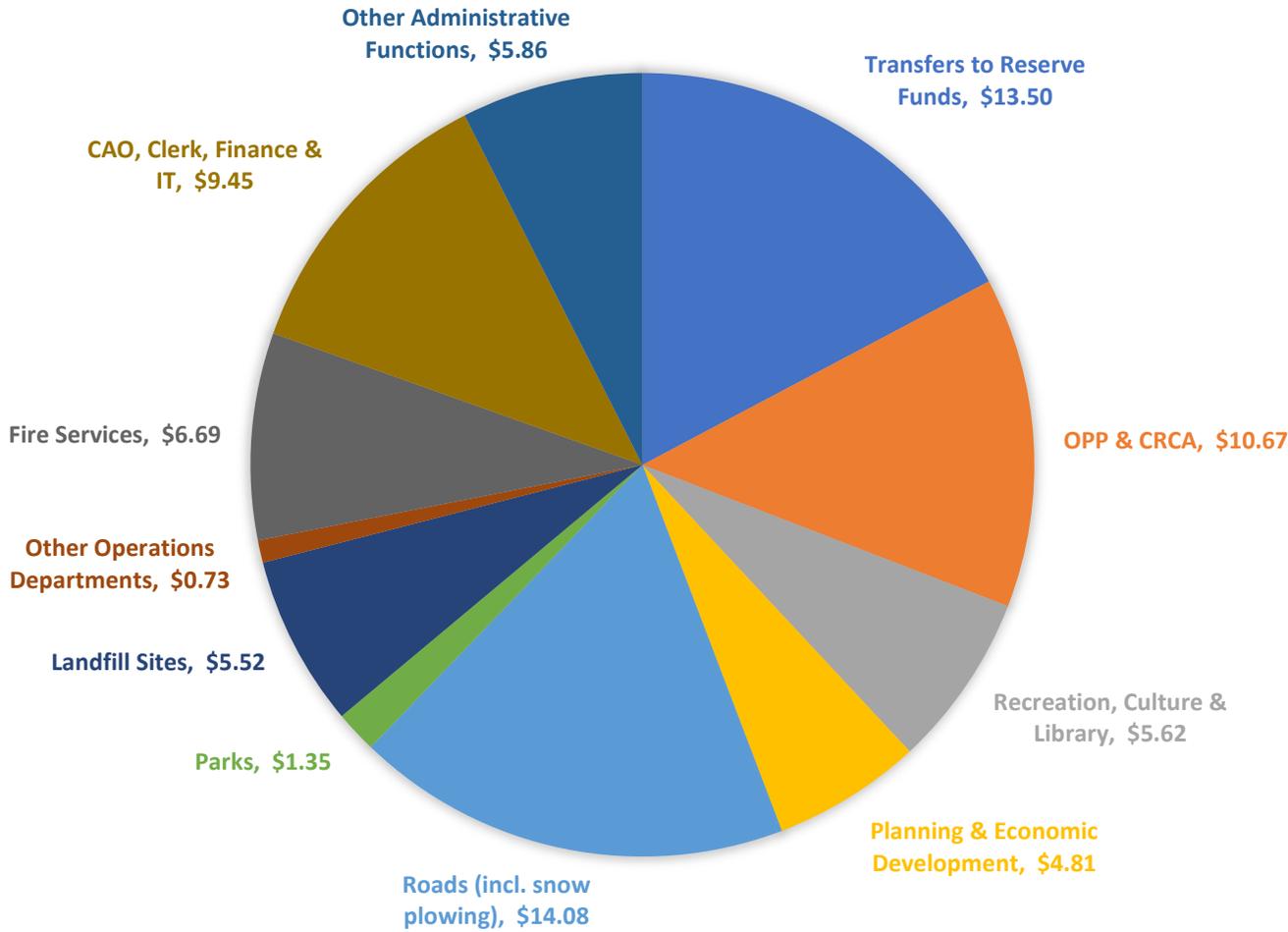


The 'other' category of expenses is significant at approximately \$5.2 million. Included in this is \$2 million which is required for external agencies. The largest portion being \$1.8 million for policing. The 'other' expenses include:

-
- \$1.8 million Policing
 - \$250,000 Payment to Gananoque for portion of Casino property tax revenue
 - \$375,000 Public Works supplies for gravel resurfacing and salt and sand
 - \$165,000 Cataraqui Region Conservation Authority Levy
 - \$148,000 Shared arena costs with Gananoque
 - \$140,000 Recycling
-

The salary and benefit budget category includes Council and firefighter honoraria, overtime salaries and other benefits such as self-funded reimbursements for glasses.

2022 AVERAGE RESIDENTIAL PROPERTY TAX MONTHLY BILL - TOWNSHIP PORTION



The following table provides the 2022 proposed budget compared with the 2021 budget:

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	CHANGE	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
101	Taxation - Township	10,899,400	100,000	-10,799,400	-351,960	10,547,440	100,000	-10,447,440
103	Casino	400,000	2,160,000	1,760,000	-21,999	100,000	1,881,999	1,781,999
105	Non Departmental	1,467,600	495,200	-972,400	58,600	1,463,000	432,000	-1,031,000
	Taxation and Non Departmental	12,767,000	2,755,200	-10,011,800	-315,359	12,110,440	2,413,999	-9,696,441
111	Governance & Political Support	0	174,000	174,000	11,350	0	162,650	162,650
Council		0	174,000	174,000	11,350	0	162,650	162,650
112	Election	0	21,250	21,250	1,000	0	20,250	20,250
113	CAO, Clerk & HR	1,500	715,600	714,100	60,600	35,600	689,100	653,500
114	Finance & IT	489,000	1,036,800	547,800	81,300	539,000	1,005,500	466,500
115	Donations	125,000	125,000	0	0	0	0	0
116	Health and Safety Committee	0	1,600	1,600	0	0	1,600	1,600
117	Municipal Building & Garage	4,000	319,300	315,300	59,900	4,000	259,400	255,400
205	Emergency Preparedness	0	30,000	30,000	-34,000	0	64,000	64,000
270	Livestock	5,000	5,000	0	-1,300	3,000	4,300	1,300
280	Fenceviewers	100	500	400	-450	100	950	850
500	Health Services	0	36,000	36,000	0	0	36,000	36,000
510	Cemeteries	100	13,500	13,400	3,100	0	10,300	10,300
830	Tile Drainage	8,500	8,500	0	0	40,000	40,000	0
	Corporate Services	633,200	2,313,050	1,679,850	170,150	621,700	2,131,400	1,509,700
200	Fire	60,500	1,000,600	940,100	66,000	60,500	934,600	874,100
201	Fire Station #3	0	39,800	39,800	8,800	0	31,000	31,000
202	Fire Station #2	0	26,700	26,700	500	0	26,200	26,200
203	Fire Training	80,000	105,000	25,000	-33,800	56,400	115,200	58,800
204	Fire Station #4	0	47,450	47,450	23,250	0	24,200	24,200
Fire		140,500	1,219,550	1,079,050	64,750	116,900	1,131,200	1,014,300
210	Police	0	1,780,000	1,780,000	-48,500	0	1,828,500	1,828,500
420	CRCA	0	165,000	165,000	3,500	0	161,500	161,500
730	Library Services	46,700	483,300	436,600	3,499	59,124	492,225	433,101
730	Library Facilities	0	0	0				
	External Agencies	46,700	2,428,300	2,381,600	-41,501	59,124	2,482,225	2,423,101
300	Public Works	11,000	2,566,600	2,555,600	94,400	61,000	2,522,200	2,461,200
310	Parks	24,200	246,600	222,400	45,100	24,200	201,500	177,300
400	Garbage Collection	42,000	42,000	0	0	42,000	42,000	0
410	Landfill Sites	410,200	1,006,800	596,600	-11,900	460,200	1,068,700	608,500
415	Source Water Protection	0	25,000	25,000	5,000	0	20,000	20,000
840	Municipal Drain	25,000	65,300	40,300	14,300	25,000	51,000	26,000
	Operations	512,400	3,952,300	3,439,900	146,900	612,400	3,905,400	3,293,000
700	Recreation & Culture	77,800	541,400	463,600	-86,050	84,550	634,200	549,650
	Recreation & Culture	77,800	541,400	463,600	-86,050	84,550	634,200	549,650
820	Economic Development	30,100	334,500	304,400	-24,900	144,100	473,400	329,300
	Economic Development	30,100	334,500	304,400	-24,900	144,100	473,400	329,300
220	By-law	1,500	130,000	128,500	4,310	630	124,820	124,190
260	Dogs	3,200	3,700	500	-500	2,700	3,700	1,000
800	Planning	59,000	329,000	270,000	69,300	70,700	271,400	200,700
810	Committee of Adjustment	0	75,300	75,300	1,550	0	73,750	73,750
710	Historical Committee	0	15,100	15,100	0	0	15,100	15,100
	Planning & Development	63,700	553,100	489,400	74,660	74,030	488,770	414,740
	Total Municipal Fund	14,271,400	14,271,400	0	0	13,823,244	13,823,244	0

The following tables compares the 2022 proposed budget with 2021 actuals year to date as of October 25, 2021. The actuals are estimates and do not include accruals and entries normally completed at year end.

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
101	Taxation - Township	10,899,400	100,000	-10,799,400	-10,381,613	43,182	-10,338,431
103	Casino	400,000	2,160,000	1,760,000	-310,274	1,375,332	1,065,058
105	Non Departmental	1,467,600	495,200	-972,400	-1,590,296	710,057	-880,239
Taxation and Non Departmental		12,767,000	2,755,200	-10,011,800	-12,282,183	2,128,572	-10,153,611
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
111	Governance & Political Support	0	174,000	174,000	0	129,329	129,329
Council		0	174,000	174,000	0	129,329	129,329
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
112	Election	0	21,250	21,250	0	21,033	21,033
113	CAO, Clerk & HR	1,500	715,600	714,100	-11,245	381,358	370,114
114	Finance & IT	489,000	1,036,800	547,800	-434,212	845,598	411,386
115	Donations	125,000	125,000	0	0	0	0
116	Health and Safety Committee	0	1,600	1,600	0	0	0
117	Corporate Facilities	4,000	319,300	315,300	-3,206	183,666	180,459
205	Emergency Preparedness	0	30,000	30,000	0	43,627	43,627
270	Livestock	5,000	5,000	0	-4,684	6,977	2,293
280	Fenceviewers	100	500	400	0	0	0
500	Health Services	0	36,000	36,000	0	28,165	28,165
510	Cemeteries	100	13,500	13,400	-89	15,047	14,958
830	Tile Drainage	8,500	8,500	0	-8,315	13,111	4,796
Corporate Services		633,200	2,313,050	1,679,850	-461,752	1,538,581	1,076,830
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
200	Fire	60,500	1,000,600	940,100	-12,043	472,986	460,943
201	Fire Station #3	0	39,800	39,800	0	33,047	33,047
202	Fire Station #2	0	26,700	26,700	0	47,307	47,307
203	Fire Training	80,000	105,000	25,000	-75,958	88,365	12,407
204	Fire Station #4	0	47,450	47,450	0	26,092	26,092
Fire		140,500	1,219,550	1,079,050	-88,001	667,797	579,796

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
210	Police	0	1,780,000	1,780,000	0	1,057,008	1,057,008
420	CRCA	0	165,000	165,000	0	161,655	161,655
	Library Services	46,700	483,300	436,600	-5,589	333,590	328,001
730	Library Facilities	0	0	0	0	18,043	18,043
	External Agencies	46,700	2,428,300	2,381,600	-5,589	1,570,297	1,564,708
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
300	Public Works	11,000	2,566,600	2,555,600	-15,384	1,781,629	1,766,245
310	Parks	24,200	246,600	222,400	-42,012	146,812	104,800
400	Garbage Collection	42,000	42,000	0	-42,042	32,054	-9,988
410	Landfill Sites	410,200	1,006,800	596,600	-292,228	769,918	477,690
415	Source Water Protection	0	25,000	25,000	0	26,507	26,507
840	Municipal Drain	25,000	65,300	40,300	-2,918	137,534	134,616
	Operations	512,400	3,952,300	3,439,900	-394,584	2,894,454	2,499,870
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
700	Recreation & Culture	77,800	541,400	463,600	-36,984	331,996	295,013
	Recreation & Culture	77,800	541,400	463,600	-36,984	331,996	295,013
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
820	Economic Development	30,100	334,500	304,400	-26,195	205,503	179,308
	Economic Development	30,100	334,500	304,400	-26,195	205,503	179,308
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
220	By-law	1,500	130,000	128,500	-1,646	86,975	85,329
260	Dogs	3,200	3,700	500	-4,115	3,079	-1,036
800	Planning	59,000	329,000	270,000	-79,478	217,922	138,443
810	Committee of Adjustment	0	75,300	75,300	0	51,664	51,664
710	Historical Committee	0	15,100	15,100	0	5,928	5,928
	Planning & Development	63,700	553,100	489,400	-85,239	365,568	280,329
	Total Municipal Fund	14,271,400	14,271,400	0	-13,380,526	9,832,096	-3,548,430
Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Oct 25, 2021 Actual Revenue	Oct 25, 2021 Actual Expense	Oct 25, 2021 Net Actuals
230	Building	504,400	504,400	0	-433,028	326,712	-106,317

Strategic Objectives

This section provides an overview of several documents that provide strategic direction and priorities for the Township.

Strategic Plan

(Deferred from 2020)

The Township of Leeds and the Thousand Islands' previous strategic plan expired in 2019. Due to resource allocation constraints and the global pandemic, work on a new plan was deferred until 2021. StrategyCorp Inc. was retained to facilitate the development of a new strategic plan. Council, Township staff, and more than 400 members of the public participated in the process.

The strategic plan sets out Council's priorities for the next ten years in support of the Township being a "future-oriented and progressive community, surrounded in natural beauty, true to its rural values where people, the economy and nature flourish together."

The plan includes four main themes or pillars:

Delivering Effective and Accountable Government	Promoting Quality of Life and Environmental Stewardship	Growing a Livable Community with Great Services	Fostering Jobs and Economic Development
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For each pillar, a series of action items were identified by senior staff in support of the theme throughout the duration of the strategic plan.

With a new strategic plan in place, Township staff are now positioned to advance the Township's long-term vision and goals. Work plans for each department can be created that align service delivery levels and budget requirements with strategic priorities.

Fire Service Review and Modernization Plan

In March 2020, the Township received funding of \$85,000 from the Ontario Government's Municipal Modernization Funding Program to complete a Fire Service Review and Modernization Plan as well as a Community Risk Assessment. This was completed and received by Council on February 1, 2021. The purpose of this plan was to review all relevant regulatory and policy requirements, assess capital requirements, examine operational processes and complete an evaluation of the Training Center to complete a Fire Master Plan with short-, medium-, and long-term recommendations. This document was to provide clear direction regarding technology integration, service delivery efficiency, and cost savings. The report included 12 recommendations which are included in an appendix to this document. The 2022 budget includes many items based on these recommendations including mandatory vehicle replacement, portable radios for communications, increase in training budget for Officer development, increase in honorarium for organizational changes and additional staffing, funding toward Station 2 replacement and retro fit and purchase of sea containers for the Training Center to increase course deliverables.

Asset Management Plan

Asset management is the coordinated activity of an organization to realize value from its assets. This requires an integrated approach to gathering data, managing workflow through proper systems and processes, optimizing the lifecycle cost of assets, and aligning all levels of the organization to meet levels of service as set through strategic plans and other organizational goals.

One of the most significant legislated requirements faced by municipalities across Ontario is the new asset management regulation. The Infrastructure of Jobs and Prosperity Act, 2015, includes Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure which provides legislated requirements for asset management planning. The requirements include:

- Every municipality shall prepare a strategic asset management policy by July 1, 2019 and shall review and update if necessary, at least every five years.
- Every municipality shall prepare an asset management plan in respect of its core infrastructure (water, wastewater, stormwater, road, bridge or culvert) by July 1, 2022.
- Every municipality shall prepare an asset management plan in respect of all its assets by July 1, 2024 (need to include fire, recreation, facilities and all other assets).
- Asset management plan will require more comprehensive levels of service information and management strategies covering a ten-year period.

Council received the updated 2020 Asset Management Plan in October 2021 which satisfied the legislated requirement due by July 1, 2022.

The effective integration of gathering meaningful operational and capital data by asset facilitates the effective and efficient operation of the Township. The asset management plan with integrated work management processes, financial planning and other functionalities will allow staff and Council to make evidence-based decisions based on data. Decisions related to budget and other operational issues will be based on a risk-based approach to managing assets, which provide municipal services. Risk management is an integral part of asset management.

The Director of Finance and the Director of Operations and Infrastructure are the leads on the project with the Senior Management Team being part of the governance structure for the implementation. The 2022 capital budget has been compiled integrating the data from the asset management software. Further information is provided in the Capital and Financial Planning section of this document.

Service Delivery Review

The Township secured funding through the provincial Municipal Modernization Program to conduct a service delivery review. MNP LLP was contracted to complete the review and deliver its report in late November 2021. The goal of this work is to identify inefficiencies, barriers, poor processes with corresponding recommendations for cost savings and efficiencies. The areas of focus for the review are:

- Finance
- Human Resources
- Records Management
- Information Technology
- Planning and Development
- Communications

The work of MNP LLP will be the basis for Township staff to seek further grant funding through the Municipal Modernization Program to offset costs of implementation of the recommendations.

The service delivery review supports the “Continue Continuous Improvement” segment of the “Delivering Effective and Accountable Government” pillar of the new strategic plan.

Building Condition Assessments

The Municipality currently owns 25 buildings. The current estimated value of these buildings is in excess of \$25 million, making them the second most valuable asset category after roads. Similar to roads, facilities require a plan for systematic maintenance to extend the life of the asset and eventual planned replacement. Building Condition Assessments provide the framework for this systematic plan. UL Business Solutions Inc. was contracted to complete the Building Condition Assessment and deliver their report in November 2021.

The work of UL Business Solutions Inc. will feed into the Asset Management Plan, aligning with the July 1, 2024, Provincial deadline, and providing the required data to seek further grant funding going forward.

The Building Condition Assessment supports the “Commit to AMP and Prudent Funding” segment of the “Delivering Effective and Accountable Government” pillar of the new strategic plan.

Other Plans and Studies

The 2022 operating budget includes \$50,000 for a waste management plan to be funded from the Special Projects reserve, employing Municipal Modernization funding. This is a carryover project from 2021 and has been reduced from \$100,000 to \$50,000.

The following items were included in the 2021 operating budget.

Plans & Studies for 2021			
Dept	Description	Amount	Status
800	Community Improvement Plan	\$30,000	Not completed
820	Sports Tourism Strategy	\$30,000	Not completed
410	Comprehensive Waste Management Plan	\$100,000	Deferred to 2022
113	Strategic Planning Exercise	\$30,000	Complete
820	Broadband Project	\$70,000	Funding program cancelled
300	Facilities Condition Assessment	\$50,000	Complete
	Total Funded by Reserve Funds	\$310,000	

Community Improvement Plan for the Township (Deferred from 2020)

The community improvement plan for the Township was not completed in 2021 due to pandemic restrictions that would limit meaningful public consultation as well as resourcing constraints in the Planning department. Staff are reviewing resources and workplans and hope to complete this plan in the next few years.

Sports Tourism Strategy (Deferred from 2020)

Based on further research and discussions with resource agencies in 2021, Staff have decided to defer the Sports Tourism Strategy at this time. In 2022, Staff will advance background work including policy development and inventorying of assets to prepare for the strategy to be completed at a future date.

Comprehensive Waste Management Plan (Deferred from 2020)

The Township has made significant progress in the implementation of the Ministry of the Environment, Conservation and Parks (MECP) approved Solid Waste Workplan over the last few years. As most of the compliance and technical aspects of the waste disposal sites are now better understood, the Township is now in the position to move forward with the development of a Comprehensive Waste Management Plan. It is envisioned that this study will establish a series of recommendations for the management of solid waste in the Township over a 15 to 20 year horizon.

Broadband Project

In 2021, staff worked with Nordicity Group Limited to advance the Broadband Business Plan. A business plan would be required as part of the application process for grant funding. The budget for this work was \$25,000 and was funded from Municipal Modernization funding. The sum of \$70,000 was included in the 2021 operating budget for the broadband project to include the business plan work and additional budget not allocated to a specific task.

Due to a change in the provincial government's funding model, the Township was no longer eligible to apply for grants to build broadband infrastructure. With provincial funding now only available to established internet service providers, the creation of a broadband network built by the Township became financially unviable.

Accordingly, Council approved the cancellation of the Township's procurement process seeking a partner to construct and manage the broadband network and the balance of this budget line was not spent. No funds have been allocated in the 2022 budget for broadband. Staff are continuing to monitor opportunities to advance broadband in the Township and will report to Council should an opportunity be identified.

Department Summaries

Taxation and Non-Departmental

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
101	Taxation - Township	10,899,400	100,000	-10,799,400	-351,960	10,547,440	100,000	-10,447,440
103	Casino	400,000	2,160,000	1,760,000	-21,999	100,000	1,881,999	1,781,999
105	Non Departmental	1,467,600	495,200	-972,400	58,600	1,463,000	432,000	-1,031,000
Taxation and Non Departmental		12,767,000	2,755,200	-10,011,800	-315,359	12,110,440	2,413,999	-9,696,441

The non-departmental budget includes revenue and expenses not tied to any operational department. Provincial funding and related transfers are included in this budget.

Revenue

Dept.	Description	2022 Grant Revenue Budget	2022 From Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget	Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
101	Taxation - Township	0	0	10,899,400	10,899,400	351,960	0	0	10,547,440	10,547,440
103	Casino	0	0	400,000	400,000	300,000	0	0	100,000	100,000
105	Non Departmental	1,467,600	0	0	1,467,600	4,600	1,463,000	0	0	1,463,000
Taxation and Non Departmental		1,467,600	0	11,299,400	12,767,000	656,560	1,463,000	0	10,647,440	12,110,440

The Taxation department includes the Township's portion of the tax levy and a budget for supplemental tax revenue. The 2022 Casino revenue budget is estimated at \$400,000 compared with \$100,000 in 2021. This revenue is highly dependent on COVID-19 restrictions making it very difficult to estimate.

Expenses

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance Budget	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
101	Taxation - Township	0	0	0	0	0	100,000	100,000	0
103	Casino	0	1,910,000	0	0	0	250,000	2,160,000	278,001
105	Non Departmental	0	495,200	0	0	0	0	495,200	63,200
Taxation and Non Departmental		0	2,405,200	0	0	0	350,000	2,755,200	341,201

The Casino department includes transfers to reserve funds and payment to the Town of Gananoque for their share of the Casino property tax revenue received.

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget
101	Taxation - Township	0	0	0	0	0	100,000	100,000
103	Casino	0	1,646,999	0	0	0	235,000	1,881,999
105	Non Departmental	0	432,000	0	0	0	0	432,000
Taxation and Non Departmental		0	2,078,999	0	0	0	335,000	2,413,999

Council

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
111	Governance & Political Support	0	174,000	174,000	11,350	0	162,650	162,650
Council		0	174,000	174,000	11,350	0	162,650	162,650

The 2022 budget for Council is in line with the previous year. There is an additional \$5,000 included for volunteer recognition. At the end of each term of Council, members of Council host an event to recognize the contribution of their volunteers (Committees of Council, Library Board members, and others). The event includes dinner for each volunteer and a guest, presentations, and a small gift. The 2022 event would take place during the fall and would be hosted at a local venue.

Revenue

Dept.	Description	2022 Grant Revenue Budget	2022 From Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget	Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
111	Governance & Political Support	0	0	0	0	0	0	0	0	0
Council		0	0	0	0	0	0	0	0	0

There is no revenue budgeted in this department.

Expenses

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance Budget	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
111	Governance & Political Support	146,500	0	0	2,000	0	25,500	174,000	11,350
Council		146,500	0	0	2,000	0	25,500	174,000	11,350

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget
111	Governance & Political Support	139,800	0	0	2,000	0	20,850	162,650
Council		139,800	0	0	2,000	0	20,850	162,650

Corporate Services

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
112	Election	0	21,250	21,250	1,000	0	20,250	20,250
113	CAO, Clerk & HR	1,500	715,600	714,100	60,600	35,600	689,100	653,500
114	Finance & IT	489,000	1,036,800	547,800	81,300	539,000	1,005,500	466,500
115	Donations	125,000	125,000	0	0	0	0	0
116	Health and Safety Committee	0	1,600	1,600	0	0	1,600	1,600
117	Corporate Facilities	4,000	319,300	315,300	59,900	4,000	259,400	255,400
205	Emergency Preparedness	0	30,000	30,000	-34,000	0	64,000	64,000
270	Livestock	5,000	5,000	0	-1,300	3,000	4,300	1,300
280	Fenceviewers	100	500	400	-450	100	950	850
500	Health Services	0	36,000	36,000	0	0	36,000	36,000
510	Cemeteries	100	13,500	13,400	3,100	0	10,300	10,300
830	Tile Drainage	8,500	8,500	0	0	40,000	40,000	0
Corporate Services		633,200	2,313,050	1,679,850	170,150	621,700	2,131,400	1,509,700

The 2022 Corporate Services net budget has increased \$170,150. This is mainly due to increases in the CAO, Clerk & HR, finance and information technology, and the corporate facilities budgets.

Revenue

Dept.	Description	2022 From				Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From		
		2022 Grant Revenue Budget	Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget			Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
112	Election	0	0	0	0	0	0	0	0	0
113	CAO, Clerk & HR	0	0	1,500	1,500	-34,100	0	30,000	5,600	35,600
114	Finance & IT	0	0	489,000	489,000	-50,000	0	50,000	489,000	539,000
115	Donations	0	125,000	0	125,000	125,000	0	0	0	0
116	Health and Safety Committee	0	0	0	0	0	0	0	0	0
117	Corporate Facilities	0	0	4,000	4,000	0	0	0	4,000	4,000
205	Emergency Preparedness	0	0	0	0	0	0	0	0	0
270	Livestock	0	0	5,000	5,000	2,000	0	0	3,000	3,000
280	Fenceviewers	0	0	100	100	0	0	0	100	100
500	Health Services	0	0	0	0	0	0	0	0	0
510	Cemeteries	0	0	100	100	100	0	0	0	0
830	Tile Drainage	0	0	8,500	8,500	-31,500	0	0	40,000	40,000
Corporate Services		0	125,000	508,200	633,200	11,500	0	80,000	541,700	621,700

The 2021 revenue budget included \$80,000 of transfers from reserve funds. There was \$30,000 budgeted from the Special Projects Reserve Fund for work on the Strategic Plan and \$50,000 in funding from the Modernization money (Working Fund Reserve) to cover a portion of the new Deputy Treasurer's salary. There are no corresponding transfers in 2022.

The 2022 budget includes \$125,000 from the Community Grant Reserve Fund as the Community Grant program budget has been reinstated for 2022.

Tile Drainage revenue has been decreased, but the net budget for this area is zero in each of 2021 and 2022. The 2022 budget is more reflective of expected actuals.

Expense

Dept	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
112	Election	0	16,250	0	0	0	5,000	21,250	1,000
113	CAO, Clerk & HR	504,000	0	57,500	1,400	60,000	92,700	715,600	26,500
114	Finance & IT	643,000	30,000	120,000	10,000	13,800	220,000	1,036,800	31,300
115	Donations	0	0	0	0	0	125,000	125,000	125,000
116	Health and Safety Committee	0	0	0	0	0	1,600	1,600	0
117	Corporate Facilities	126,900	0	0	93,300	62,300	36,800	319,300	59,900
205	Emergency Preparedness	0	0	0	0	0	30,000	30,000	-34,000
270	Livestock	0	0	0	0	0	5,000	5,000	700
280	Fenceviewers	0	0	0	0	0	500	500	-450
500	Health Services	0	0	0	0	0	36,000	36,000	0
510	Cemeteries	5,500	0	0	0	8,000	0	13,500	3,200
830	Tile Drainage	0	0	0	0	0	8,500	8,500	-31,500
Corporate Services		1,279,400	46,250	177,500	104,700	144,100	561,100	2,313,050	181,650

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance	2021 Other Expense Budget	2021 Expense Budget
112	Election	0	16,250	0	0	0	4,000	20,250
113	CAO, Clerk & HR	405,000	0	125,000	0	70,300	88,800	689,100
114	Finance & IT	661,000	30,000	79,500	20,500	7,000	207,500	1,005,500
115	Donations	0	0	0	0	0	0	0
116	Health and Safety Committee	0	0	0	0	0	1,600	1,600
117	Municipal Building & Garage	105,100	0	0	62,000	56,400	35,900	259,400
205	Emergency Preparedness	21,500	0	0	0	0	42,500	64,000
270	Livestock	0	0	800	0	0	3,500	4,300
280	Fenceviewers	250	0	100	0	0	600	950
500	Health Services	0	0	0	0	0	36,000	36,000
510	Cemeteries	3,300	0	0	0	6,000	1,000	10,300
830	Tile Drainage	0	0	0	0	0	40,000	40,000
Corporate Services		1,196,150	46,250	205,400	82,500	139,700	461,400	2,131,400

The election budget remains consistent with previous years, however with the election scheduled in 2022, there is a projected reserve fund balance of \$85,000 which will be available to fund election costs.

The Corporate Services salaries and benefits budget has increased mainly due to the addition of a Human Resources position in the CAO, Clerk & HR department.

Ongoing and new initiatives in the CAO & HR department will focus on enhanced accountability, customer service, and in-house training and development. Key human resources initiatives planned for 2022 include review of the performance management process, updating of job descriptions, review of employee records, and updating of HR policies.

The Finance and Information Technology budget has increased partly due to decreased revenue. The 2021 budget included a \$50,000 transfer from reserves to fund a portion of the deputy treasurer position using Municipal Modernization funding. No transfer is budgeted in 2022. There are also increased software costs and Information Technology project costs as several initiatives are planned for 2022.

The Community Grants budget has been reinstated for 2022 in the amount of \$125,000 (department 115 Donations). The net budget for this department is zero as the funding is withdrawn from the reserve fund and then paid out to the Community Grant applicants. The 2022 proposed budget includes no transfer to this reserve fund (in the Casino department).

The Emergency Preparedness departmental budget will be a transitional year as most of the team are recently appointed to their rolls and the focus will be on training and compliance monitoring. It is expected that the Emergency Management team will continue to respond to the COVID-19 pandemic as well as prepare for potential issues such as changing water levels on the St. Lawrence River or monitoring for drought conditions and/or high water/flooding as reported by the Conservation Authority. The net budget for this area has decreased as staff expect lower COVID-19 related expenditures in 2022.

Facilities

The Corporate Facilities budget (formerly called Municipal Building & Garage) has increased in 2022 due to increasing costs in insurance, utilities and building maintenance related to the Administration office and Public Works/ Fire complex at 1233 Prince Street. This budget also includes administrative costs and a portion of the salary costs for the Manager of Infrastructure and Environmental Services and the Facilities Maintenance/Public Works Operator 2, who are responsible for managing the Township's 25 buildings.

Fire

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
200	Fire	60,500	1,000,600	940,100	66,000	60,500	934,600	874,100
201	Fire Station #3	0	39,800	39,800	8,800	0	31,000	31,000
202	Fire Station #2	0	26,700	26,700	500	0	26,200	26,200
203	Fire Training	80,000	105,000	25,000	-33,800	56,400	115,200	58,800
204	Fire Station #4	0	47,450	47,450	23,250	0	24,200	24,200
Fire		140,500	1,219,550	1,079,050	64,750	116,900	1,131,200	1,014,300

The fire budget has increased \$64,750, mainly in the fire administration area to increase from part-time to full-time the Fire Prevention Officer ('FPO') position. In addition to fire prevention and public education duties, the FPO will also assist in the administration of the Regional Training Center.

Revenue

Dept.	Description	2022 Grant Revenue Budget	2022 From Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget	Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
200	Fire	0	0	60,500	60,500	0	0	0	60,500	60,500
201	Fire Station #3	0	0	0	0	0	0	0	0	0
202	Fire Station #2	0	0	0	0	0	0	0	0	0
203	Fire Training	0	0	80,000	80,000	23,600	0	0	56,400	56,400
204	Fire Station #4	0	0	0	0	0	0	0	0	0
Fire		0	0	140,500	140,500	23,600	0	0	116,900	116,900

Expense

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance Budget	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
200	Fire	615,600	0	4,600	11,000	60,500	308,900	1,000,600	66,000
201	Fire Station #3	0	0	0	25,300	14,400	100	39,800	8,800
202	Fire Station #2	0	0	0	9,600	17,000	100	26,700	500
203	Fire Training	0	0	40,000	0	9,000	56,000	105,000	-10,200
204	Fire Station #4	0	0	0	13,850	12,700	20,900	47,450	23,250
Fire		615,600	0	44,600	59,750	113,600	386,000	1,219,550	88,350

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget
200	Fire	566,000	0	600	11,800	60,000	296,200	934,600
201	Fire Station #3	0	0	0	17,900	13,100	0	31,000
202	Fire Station #2	0	0	0	12,200	14,000	0	26,200
203	Fire Training	0	0	35,000	7,000	10,500	62,700	115,200
204	Fire Station #4	0	0	0	13,000	11,200	0	24,200
Fire		566,000	0	35,600	61,900	108,800	358,900	1,131,200

The honorarium budget has increased \$15,000 due to changes in the fire department chain of command, the addition of two District Chief's, and the addition of the current probationary and next recruit class. The honorarium needs to increase to support the increase in paid on-call staff. This is in line with the current FMP (Fire Master Plan 2021) recommendation number 10.

The 2022 salaries and benefit budget has increased due to:

- Fire Chief position changed from part time to full time,
- Deputy Fire Chief eliminated, and
- Fire Prevention Officer position changed from part-time to full-time.

Other expenses have increased to address the following:

- Uniforms for firefighters to ensure that each firefighter is sized and outfitted in station wear to be worn during training and in the community during events as well as dress uniforms.
- Radio maintenance budget has increased because current digital pagers are beginning to fail.
- Protective equipment budget has increased to provide for the ongoing purchase of new helmets, gloves, balaclavas, boots and other protective gear. Increased staffing means increased costs for protective equipment.
- Medical costs increased as medicals are required for current and new members in the fire service. Every firefighter in the service that has a DZ license must have a current medical.

Fire Prevention has been separated into a separate category within the Fire budget (dept 200). This will facilitate enhanced reporting and accounting for fire prevention costs. This budget area includes honorarium for firefighters performing fire prevention activities, a full-time fire prevention officer position and costs related to inspections, investigations, and public education activities. These changes are intended to help address several recommendations made in the Fire Master Plan (#3, 4, 5, 7, and 8).

Regional Training Center

The year 2021 was a marked improvement over 2020 for training center operations.

COVID-19 continues to pose challenges in conducting courses at the Regional Training Center (RTC) with an overall negative impact on the number of course registrants. Adjustments were made to modify operations so that courses could resume, following COVID-19 protocols for safe distancing, masking, and hygiene. Such measures entailed the need to reduce class sizes as well as change the location of the in-class portions to the apparatus bays at Station #4 and to hold driver training courses in the larger room at Station # 1.

Repairs and recertifications to the Draeger Unit were completed in the spring and fuel was delivered to the site in time for the opening of the outdoor units. As the year went on and COVID-19 measures eased, there was an increase in course attendance. Eleven multiple weekend courses were conducted through the RTC in 2021, as well as offsite deliveries of courses to neighbouring fire departments. Multiple RTC ground rentals were also completed. Further, training of Township recruits and a five-week rotation of Monday night training was carried out using the RTC. Driver Training on-site and off-site also continued through 2021.

In 2022, there is a full calendar and multiple off-site requests. The course calendar for 2022 has been approved by the Ontario Fire College (OFC) and includes sixteen OFC courses.

The instructor group at the RTC has been busy during 2021 building capacity within both its ranks and from qualified individuals outside the Fire Service. Such action increases the capacity of the RTC to train to the NFPA standards under the OFC banner. It also increases the ability to fulfill offsite course requests. Currently, the RTC has received nine requests to teach various courses offsite.

With the closure of the Ontario Fire College grounds and the upcoming certification of Firefighters to a basic level, the RTC is receiving many calls for training of Firefighters. Multiple avenues of revenue generation are being explored.

Upon examination of the budget for the RTC, Finance and the Fire Chief have changed some of the lines in the budget to facilitate reporting and tracking of costs against associated revenues.

Most of the props on-site are original from the date of opening. A RTC working group has been created and consists of five Fire Services members to address the needs of the RTC. The working group, with the assistance of others, are willing to do some much needed maintenance and painting of the current props to ensure their longevity. Also planned is an install of a prop fire hydrant that will facilitate tanker connection training. The expertise is resident within the group to carry out the installation and the maintenance on these props and the associated costs have been included in the 2022 budget.

The Fire Master Plan identified the need to fund the RTC to a level to enable a properly maintained and serviceable facility. The recommendation was to spend \$50,000 in 2022 on RTC maintenance. The sum of \$18,000 is included in the operating budget to address the supplies and maintenance costs as well as the costs associated with the disposable supplies such as plywood and drywall that are used on courses. The cost of these supplies is recovered in the associated course fees. The capital budget includes \$25,000 to replace and build a Class A unit using the sea containers purchased in 2021.

The work continues to get proper funding and “buy in” from the County fire services and the OFC. Currently, the Fire College has agreed to cover the cost of instructors for all OFC driven courses. Should the Fire College withdraw such support, the Township will seek other financial assistance regarding instructor costs from the provincial government or offset such costs from RTC revenues.

Facilities

The Fire Stations are managed by the Township’s facilities staff. These facility budgets are in line with prior years, other than an increase in station #4, the Lyndhurst station. The 2022 budget includes the loan payments related to the Lyndhurst property being allocated 50% to the fire training center budget and 50% to the fire station #4 budget. This has resulted in a reduction in the fire training center budget and a corresponding increase in the station #4 budget. Staff discussion resulted in this allocation as a more equitable means of allocating the costs for this loan.

External Agencies

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
210	Police	0	1,780,000	1,780,000	-48,500	0	1,828,500	1,828,500
420	CRCA	0	165,000	165,000	3,500	0	161,500	161,500
	Library Services	46,700	483,300	436,600	3,499	59,124	492,225	433,101
730	Library Facilities	0	0	0				
External Agencies		46,700	2,428,300	2,381,600	-41,501	59,124	2,482,225	2,423,101

The external agencies budget is made up of the Police, Cataraqui Regional Conservation Area and Library Services budgets. The total budget for this area has decreased due to a reduction in the OPP costs.

Revenue

Dept.	Description	2022 Grant Revenue Budget	2022 From Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget	Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
210	Police	0	0	0	0	0	0	0	0	0
420	CRCA	0	0	0	0	0	0	0	0	0
	Library Services	28,500	12,500	5,700	46,700	-12,424	29,639	0	29,485	59,124
730	Library	0	0	0	0					
External Agencies		28,500	12,500	5,700	46,700	-12,424	29,639	0	29,485	59,124

The revenue budgets are in line with the previous year.

Expense

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance Budget	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
210	Police	0	0	0	0	0	1,780,000	1,780,000	-48,500
420	CRCA	0	0	0	0	0	165,000	165,000	3,500
	Library Services	331,500	0	6,500	15,500	13,300	116,500	483,300	-8,925
External Agencies		331,500	0	6,500	15,500	13,300	2,061,500	2,428,300	-53,925

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget
210	Police	0	0	0	0	0	1,828,500	1,828,500
420	CRCA	0	0	0	0	0	161,500	161,500
	Library	317,600	0	31,000	16,800	13,300	113,525	492,225
External Agencies		317,600	0	31,000	16,800	13,300	2,103,525	2,482,225

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	2022	2021	2020
Base Service (\$172.07 x 6254)	\$1,076,135	\$1,109,224	\$1,139,882
Calls for Service	609,384	609,017	610,856
Overtime	50,939	53,163	53,148
Prisoner Transportation	10,694	13,188	12,380
Accommodation/Cleaning Services	30,207	29,250	29,736
Total Estimated Cost	\$1,777,360	\$1,813,841	\$1,858,432
Number of Properties	6,254	6,250	6,221
Average Cost Per Property	\$284.20	\$290.21	\$298.74

The Leeds and the Thousand Islands 2022 budget includes \$172.07 per property (2021 \$177.48) for base services. Based on total properties of 6,254, this totals \$1,076,135 compared with \$1,109,224 in 2021.

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

The OPP 2022 Annual Billing Statement is included in a later section of this binder.

Cataraqui Region 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. General Levy from eleven member municipalities will provide \$2.4 million toward a proposed \$5.3 million Cataraqui Conservation 2022 budget, supplemented by revenues from government grants, fees and partnerships.

The CRCA budget is \$2,740 higher than the 2021 levy and is made up of the following:

Description	2022	2021	2020
General Levy	156,420	153,797	150,499
Special Levy – Properties (Outlet Boat Ramp)	2,538	2,500	2,500
Special Levy – Water Control Structures (2 dams)	5,437	5,358	5,280
Total	\$164,395	\$161,655	\$158,279

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

Public Library Services, submitted by the Library Board

The Leeds and the Thousand Islands Public Library Board is presenting a budget that anticipates a return to more traditional in-person library services and programs for 2022. The Library Board is looking forward to resuming community-based programming and reestablishing partnerships with community groups and organizations.

The 2022 budget maintains the staffing levels presented in the revised 2021 budget and anticipates a return to full operating hours (service hours were reduced throughout COVID-19). The Library Board and staff are currently evaluating library use and staffing requirements to develop a plan for post-COVID-19 service hours, which will include weekly evening hours in all three branches.

In 2021, the Library Board moved financial processing to the Township's Finance department, including accounts payable and financial reporting. The Library Board will continue building close ties with the Township and has budgeted for information technology (IT) expenses that will allow the Library to join the Township's agreement with the IT managed service provider. The 2022 budget also proposes an investment of \$12,500 from the Library's technology reserve, to upgrade and replace staff workstations in all three branches. Support for this project will be provided by the IT managed service provider.

The Library Board continues to participate in consortia purchasing to affordably access software and library resources. Interest in digital library services continues to be strong, and the Board is excited to announce that, in partnership with the Ontario Library Download Centre Consortium, the Library will be able to make a large selection of digital magazines available to patrons beginning in 2022 at an excellent value. The Library is also an associate member of the Ontario Library Consortium (OLC), which provides cataloguing and circulation software.

In recognition of the ongoing impacts of COVID-19 on municipal finances, the Library Board has worked to maintain an overall status quo budget for 2022. While costs have risen in a few areas of the budget, ways have been sought to offset those expenses within regular operations.

Account	Description	2022 Budget	2021 BudgetRev	2021 Actual
4203	Conditional Provincial Grants - Library	28,500	28,494	0
4321	Library - Own Source Revenues	0	0	0
4204	Conditional Provincial Grants	0	0	0
4253	Grants - Provincial	0	1,145	-3,466
	GRANTS	28,500	29,639	-3,466
4256	Community Fund Raising	2,000	500	-458
4410	Sundry	0	0	0
4380	Photocopy - Fax - Maps	200	75	-46
4305	Administration Fees	0	200	-106
4325	Fines	100	50	113
4345	Interest Earned	2,900	2,500	-1,214
4335	Book Sales	500	160	-22
	LIBRARY GENERATED	5,700	3,485	-1,732
[4920,45]	From Library Reserve	12,500	26,000	0
4556	From Library Reserve	0	0	0
	TOTAL REVENUE	46,700	59,124	-5,198

Account	Description	2022 Budget	2021 BudgetRev	2021 Actual
6005	Salaries	277,000	261,100	190,612
[6010,60	Benefits	54,500	56,500	34,871
6153	Staff Events	400	400	0
6110	Meetings	500	300	0
6150	Training and Development	3,500	3,500	610
	STAFFING	335,900	321,800	226,093
6122	Software licencing costs	8,000	8,000	2,189
6124	Information technology costs	10,000	10,000	1,285
6490	Archives	3,000	3,000	-150
6149	Library Books	28,000	28,000	19,762
6483	Multimedia	8,000	8,000	5,148
6482	E-resources	8,000	8,500	2,883
6147	Subscription & Publications	3,000	3,000	799
6126	Internet Connection Expense	4,700	5,000	3,071
6130	Postage / Courier	11,700	11,125	8,477
6131	Postage & Inter-library loan	800	800	59
6148	Programs	4,000	4,000	164
	SERVICE DELIVERY	89,200	89,425	43,687
6155	Advertising	3,000	4,000	911
6180	Memberships / Licenses	1,000	550	2,015
6200	Auditors	6,500	5,000	6,614
6103	Bank Charges	100	100	232
6195	Solicitors	0	0	0
6190	Consultants	0	26,000	25,952
6113	Office Equipment	700	700	205
6105	Office Supplies	2,000	4,500	2,708
6125	Telephone	4,300	5,000	2,830
6265	Miscellaneous	500	250	70
	ADMINISTRATION	18,100	46,100	41,538
6165	Building Maintenance	2,000	2,000	423
6170	Janitorial Supplies / Maintenance	5,300	5,300	2,630
6350	Grounds Maintenance	1,700	1,700	0
6270	Supplies	1,100	1,100	245
6135	Heat / Hydro	6,500	6,800	1,889
6136	Heat	0	0	2,133
6160	Insurance	6,000	6,000	5,733
6250	Equipment & Tools	5,000	12,000	2,477
	ENVIRONMENT & EQUIPMENT	27,600	34,900	15,530
6325	Levy	0	0	0
6162	Special Projects	12,500	0	0
[6207,62	Transfer to reserve/RF	0	0	616
	OTHER EXPENSES	12,500	0	616
	TOTAL EXPENSES	483,300	492,225	327,463
	NET MUNICIPAL BUDGET	436,600	433,101	322,264

Operations

The Operations department is responsible for public services including operation, maintenance, and improvements within the following portfolio:

- 163 km of hard surfaced and 148 km of gravel roads
- 16 OSIM bridges and culverts
- 25 municipally-owned facilities
- 8 municipal drains
- Fleet and equipment
- Drinking water treatment and distribution
- Wastewater collection and treatment
- Solid waste management
- Parks including play structures, sports fields, and tennis courts
- Boat Ramps, Docks, and Water Access Points

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
300	Public Works	11,000	2,566,600	2,555,600	94,400	61,000	2,522,200	2,461,200
310	Parks	24,200	246,600	222,400	45,100	24,200	201,500	177,300
400	Garbage Collection	42,000	42,000	0	0	42,000	42,000	0
410	Landfill Sites	410,200	1,006,800	596,600	-11,900	460,200	1,068,700	608,500
415	Source Water Protection	0	25,000	25,000	5,000	0	20,000	20,000
840	Municipal Drain	25,000	65,300	40,300	14,300	25,000	51,000	26,000
Operations		512,400	3,952,300	3,439,900	146,900	612,400	3,905,400	3,293,000

The largest component of the Operations budget of \$3.4 million is Public Works at \$2.6 million. The Operations budget was reduced in 2021 by \$101,550 from 2020 because of COVID-19. The Operations budget for 2022 has increased \$146,900 compared with 2021 bringing it closer in-line with pre-COVID-19 budgets.

Revenue

Dept.	Description	2022 Grant Revenue Budget	2022 From Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget	Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
300	Public Works	0	0	11,000	11,000	-50,000	0	50,000	11,000	61,000
310	Parks	5,000	0	19,200	24,200	0	5,000	0	19,200	24,200
400	Garbage Collection	0	0	42,000	42,000	0	0	0	42,000	42,000
410	Landfill Sites	0	50,000	360,200	410,200	-50,000	0	100,000	360,200	460,200
415	Source Water Protection	0	0	0	0	0	0	0	0	0
840	Municipal Drain	25,000	0	0	25,000	0	25,000	0	0	25,000
Operations		30,000	50,000	432,400	512,400	-100,000	30,000	150,000	432,400	612,400

The 2021 budget included \$50,000 funding from the Special Projects Reserve Fund for the Building Condition Assessment and \$100,000 for the Waste Management Study. The Waste Management Study was deferred to 2022 and the budget reduced to \$50,000.

Expense

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
300	Public Works	1,340,000	0	0	180,500	136,000	910,100	2,566,600	44,400
310	Parks	168,200	0	0	22,200	13,500	42,700	246,600	45,100
400	Garbage Collection	0	0	0	0	0	42,000	42,000	0
410	Landfill Sites	294,000	0	195,000	4,500	16,000	497,300	1,006,800	-61,900
415	Source Water Protection	0	0	25,000	0	0	0	25,000	5,000
840	Municipal Drain	14,300	0	50,000	0	0	1,000	65,300	14,300
Operations		1,816,500	0	270,000	207,200	165,500	1,493,100	3,952,300	46,900

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance	2021 Other Expense Budget	2021 Expense Budget
300	Public Works	1,254,100	0	50,000	156,700	108,500	952,900	2,522,200
310	Parks	115,500	0	0	28,500	27,500	30,000	201,500
400	Garbage Collection	0	0	0	0	0	42,000	42,000
410	Landfill Sites	357,000	0	252,000	4,600	38,300	416,800	1,068,700
415	Source Water Protection	0	0	20,000	0	0	0	20,000
840	Municipal Drain	0	0	50,000	0	0	1,000	51,000
Operations		1,726,600	0	372,000	189,800	174,300	1,442,700	3,905,400

The private road grant is proposed at \$25,000, which is unchanged from 2021.

Solid waste management continues to create budget pressures as consultant costs to monitor the waste disposal sites and recycling expenses are significant. The 2021 budget included \$100,000 for a comprehensive waste management plan, to be funded from Modernization money. This amount has been reduced to \$50,000 for 2022 to align with anticipated actual costs.

With respect to municipal drains, Council approved a 12-month extension in 2021 to allow time for Staff to work with consultants on the draft reports. 2022 will see the finalization of drainage reports and public meetings with an opportunity for the public to file appeals. The reports and related documentation will be presented to Council with a bylaw. If applicable, maintenance of the drains will begin in accordance with the drainage reports.

The Operations department provides extensive maintenance services related to the maintenance of the Township's approximately 311 kilometer road network. The expense budgets are summarized as follows and include 2021 actuals as of October 25:

Category	Description	2022	2021	2021
		Budget	Budget	Actual
3000	Roads Administration	754,100	597,100	688,711
3010	Bridges and Culverts	101,600	102,500	38,248
3012	Brushing	-	114,000	54,276
3013	Ditching	82,200	45,900	12,546
3020	Roadside Maintenance	116,000	79,500	34,138
3030	Hardtop Maintenance	100,900	109,000	26,842
3040	Dust Layer & Priming	144,400	147,500	78,704
3041	Patching & Washouts	28,900	34,100	7,913
3042	Grading & Scarifying	105,200	108,600	41,844
3043	Gravel Resurfacing	232,600	207,500	184,164
3050	Culvert Thawing	9,100	3,200	2,058
3051	Winter Patrol	38,300	38,100	20,624
3052	Snowplowing/Sanding/Salting	445,100	550,000	166,841
3060	Safety Devices	43,600	35,700	32,517
3065	Signage	32,600	32,500	17,266
3070	Street Lights	15,000	13,000	7,764
3300	Fleet Maintenance	317,000	304,000	347,357
	TOTAL	2,566,600	2,522,200	1,761,813

The Roads Administration budget has been increased to align with the 2021 actual costs. The Fleet Maintenance budget has increased slightly with the anticipated addition of a mechanic to the Staff. With the proposed addition of a mechanic and the ability to perform most repairs and scheduled maintenance in house, the budget for external services has been reduced to reflect an overall lower cost to maintain the fleet. However, other costs such as fuel and supplies continue to increase.

The category of Brushing has been removed from the 2022 Operating Budget. The intent is to combine Brushing and Roadside Maintenance as a single category. This will provide staff the flexibility to shift efforts between the two tasks as required.

Category	Description	2022	2021	2021
		Budget	Budget	Actual
3100	Parks Administration	159,500	105,800	18,010
3101	Kendrick's Park	32,100	28,800	35,253
3102	Centennial Park	6,000	6,500	15,633
3103	Furnace Falls Park	1,500	4,500	8,857
3104	Jerry Park	20,000	29,300	25,114
3105	Bay of St. Lawrence Park	2,500	2,500	6,816
3106	Rockport Community Hall Grounds	-	-	1,554
3107	Horticulture Program	5,000	10,000	17,667
3108	Lyndhurst Office Grounds	-	-	19
3109	Seeley's Bay Marina	19,600	10,600	12,504
3110	Ivy Lea Dock & Ramp	400	1,000	997
3111	Rockport Ramp	-	500	50
3300	Fleet Maintenance	-	2,000	7,562
	TOTAL	246,600	201,500	150,036

The table shows that the overall parks budget has been increased by approximately \$45,000 to bring the Parks budget back in-line with the pre-COVID-19 budget.

Increased maintenance levels at the parks by seasonal Staff and daily inspections on playground structures by Municipal Staff for risk management / maintenance purposes contribute to the increased costs to Parks Administration.

Recreation and Community Partnerships

Dept.	Description	2022 Revenue	2022 Expense	2022 Net	Net Increase/ (Decrease)	2021 Revenue	2021 Expense	2021 Net
		Budget	Budget	Budget		Budget	Budget	Budget
700	Recreation & Culture	77,800	541,400	463,600	-86,050	84,550	634,200	549,650
	Recreation & Culture	77,800	541,400	463,600	-86,050	84,550	634,200	549,650

In anticipation of continued easing of COVID-19 restrictions, the Township plans to increase the number of recreation and leisure programs available to residents. In pre-pandemic years, the Township offered a robust programming line-up that included fencing, fitness programs, babysitter courses, pickleball, basketball, soccer, sewing, and painting, etc. It is the goal of the recreation department to begin to move to pre-pandemic levels of programming.

Staff will work to ensure that all COVID-19 protocols are followed (such as masking, physical distancing, and contact tracing). Staff are also prepared to shift when required to respond to emerging issues.

Key projects and initiatives for 2022 include: updating the Facility Rental Policy, developing an Affordable Access to Recreation Policy, updating the Recreation Policy, finding alternatives to the swim program that was offered at Landon Bay and assisting with community engagement services.

Revenue

Dept.	Description	2022 Grant	2022 From	2022 Other	2022 Total	Net Increase/ (Decrease)	2021 Grant	2021 From	2021 Other	2021 Total
		Revenue	Reserve Funds	Revenue	Revenue		Revenue	Revenue	Reserve Funds	Revenue
		Budget	Budget	Budget	Budget		Budget	Budget	Budget	Budget
700	Recreation & Culture	0	0	77,800	77,800	-6,750	0	0	84,550	84,550
	Recreation & Culture	0	0	77,800	77,800	-6,750	0	0	84,550	84,550

Expense

Dept.	Description	2022 Salary &	2022 Transfer	2022 Consultants &	2022 Utilities,	2022 Insurance	2022 Other	2022 Expense	Net Increase/ (Decrease)
		Benefit	to Reserve	Professional	Fuel, Internet	& Building	Expense		
		Budget	Funds Budget	Services Budget	& Phone Budget	Maintenance	Budget	Budget	
700	Recreation & Culture	130,700	0	22,500	64,000	95,900	228,300	541,400	-92,800
	Recreation & Culture	130,700	0	22,500	64,000	95,900	228,300	541,400	-92,800

Dept.	Description	2021 Salary &	2021 Transfer	2021 Consultants &	2021 Utilities,	2021 Insurance	2021 Other	2021 Expense
		Benefit	to Reserve	Professional	Fuel, Internet	& Building	Expense	
		Budget	Funds Budget	Services Budget	& Phone Budget	Maintenance	Budget	Budget
700	Recreation & Culture	150,000	0	47,500	68,900	120,300	247,500	634,200
	Recreation & Culture	150,000	0	47,500	68,900	120,300	247,500	634,200

Impacting the budget is the new cost sharing agreement with Gananoque for the Lou Jeffries Recreation Centre; the annual contribution to operating and capital has increased \$5,000 (or 4%) for 2022.

Category	Description	2022	2021	2021
		Budget	Budget	Actual
7000	Recreation	400,000	392,800	184,188
7005	Children & Youth Program	6,400	41,800	2,001
7006	Adult & Senior Program	23,000	23,500	19,702
7100	Lansdowne Community Building	56,500	71,200	43,453
7175	Escott Hall	13,500	45,400	10,080
7180	Springfield House	8,900	4,400	8,302
7190	Seeley's Bay Community Building	29,500	37,700	41,994
7195	Rockport Recreation Centre	-	3,200	12,012
7196	Rockport Customs Building	600	10,300	7,803
7197	Lyndhurst Storage Building (Jonas St)	1,000	1,900	900
7199	Community Room/Hall/Space	2,000	2,000	-
	TOTAL	541,400	634,200	330,433

Please note that 2021 Actuals as of October 25, 2021.

The Township will not be offering a swim program in 2022. This is largely owing to the cost to open the pool (the liner would need to be replaced at an estimated \$12,000 - \$15,000), as well as a new agreement to be negotiated with Thousand Islands National Park, and lingering uncertainty related to COVID-19 which may impact the ability to hold courses or limit the number of participants. This impacts both revenue and expenses for youth programming.

Facilities

The budgets for the various community buildings and halls include insurance, utilities, cleaning, contracted services, and materials to maintain these facilities. The 2021 budget included more than \$35,000 for studies related to Springfield House and Escott Hall. Given the progress made under the Building Condition Assessment and heritage structural review, these budgets were not carried over for 2022. A one-time cost associated with the Rockport Customs House (2021) was also eliminated in the 2022 budget reducing overall departmental expenses

Economic Development

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
820	Economic Development	30,100	334,500	304,400	-24,900	144,100	473,400	329,300
	Economic Development	30,100	334,500	304,400	-24,900	144,100	473,400	329,300

Service delivery for Economic Development is shared between the Director of Community and Business Services and the Director of Planning and Development and includes both Economic Development and Community Engagement.

In November 2020, Council passed a resolution based on the recommendation of the Economic Development Committee that the Economic Development Strategy for the Township should include the following 3 priority actions:

1. Support existing businesses in the Township (Secure the core)
2. Undertake initiatives that foster the sustainability and expansion of the Township's existing economic base and businesses (Sustain the core)
3. Build on new opportunities to expand the Township's economic base (Grow the core)

In support of the three actions, economic development in the following sectors is to be prioritized:

- Agriculture – including farming, agri-services and value-added products;
- Hospitality – building on the natural, cultural and recreational attributes of the Township as well as the sub-sectors of accommodation, food and beverage; and
- Housing – to include a mix of housing that meets the needs of current Township residents and attracts a diverse expanded population.

As part of the above noted resolution, the Economic Development Committee was tasked to develop an Implementation Plan that included the execution of at least one priority initiative in each sector of focus before October 2022.

The Economic Development Budget for 2022 has been structured to align with the priorities identified by the Committee and supported by Council and the pillar of Fostering Jobs and Sustainable Economic Development in the Strategic Plan.

The 2022 budget includes projects that will support the approved economic development priorities which includes:

- events including small business showcase, agriculture summit and business & developer engagement/showcase
- matching funds for grant projects: Pop-up Markets, Wayfinding signage and the tentative tourism marketing initiative (application pending)
- tourism and visitor services (including RFP for physical presence, and use of mobile app)
- update / develop inventories to support sport tourism readiness, tourism product development, agricultural sector and priorities
- additional work to advance the Housing priority will be addressed through the Planning and Development Department.

To advance these projects, Staff will engage local organizations such as: United Counties Economic Development, Thousand Islands Gananoque Chamber of Commerce, Lyndhurst, Seeley's Bay and Area Chamber of Commerce, KEYS, Town of Gananoque, Township of Front of Yonge, Employment and Education Centre, etc.

Revenue

Dept.	Description	2022 Grant Revenue Budget	2022 From Reserve Funds Budget	2022 Other Revenue Budget	2022 Total Revenue Budget	Net Increase/ (Decrease)	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget
820	Economic Development	30,100	0	0	30,100	-114,000	23,400	100,000	20,700	144,100
Economic Development		30,100	0	0	30,100	-114,000	23,400	100,000	20,700	144,100

Included in the 2021 budget, were funds to develop the Community Improvement Plan (CIP) program (\$30,000) and to complete a Sport Tourism Strategy/Business Plan (\$70,000). Both items, while not completed, are not being carried over to the 2022 budget. This has resulted in reduced revenue (special project reserve) and expenses.

Expense

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance	2022 Other Expense Budget	2022 Expense Budget	Net Increase/ (Decrease)
820	Economic Development	158,500	0	5,000	0	0	171,000	334,500	-138,900
Economic Development		158,500	0	5,000	0	0	171,000	334,500	-138,900

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance	2021 Other Expense Budget	2021 Expense Budget
820	Economic Development	186,500	0	105,000	800	0	181,100	473,400
Economic Development		186,500	0	105,000	800	0	181,100	473,400

Community Engagement

The Community Engagement budget is included within the economic development budget and was developed with two key priorities

1. Enhancing/improving communications
2. Community capacity building

Staff will be reviewing communication processes, and best practices to improve messaging to the community. This will include the semi-annual community recreation guide, bi-monthly print newsletters, regular social media posts across various platforms, and review/update of website content. The goal is to be prepared to begin to implement recommendations resulting from the service delivery review.

The budget and corresponding workplan also focuses on COVID-19 recovery. In consulting with PEER groups and other local non-profit organizations, there are some significant challenges that need to be overcome. Volunteerism is declining, knowledge and awareness of COVID-19 safety protocols is limited, and funding opportunities are dwindling. Staff will be working closely to respond to organizational needs to help overcome these challenges and set local community groups up for success. This may include supporting volunteer recruitment and training and assisting with fundraising efforts. This year, as a one-time support mechanism, Staff have proposed an increase in the contribution to the four village improvements groups from \$2,000 to \$3,000. This will support their rebuilding.

Staff will also be working closely with community groups as it relates to the draft Special Events policy that will be proposed to Council before the end of 2021. This will be a change for regular event organizers and staff want to make the transition as seamless as possible.

Planning and Development

Dept.	Description	2022 Revenue	2022 Expense	2022 Net	Net Increase/ (Decrease)	2021 Revenue	2021 Expense	2021 Net
		Budget	Budget	Budget		Budget	Budget	
220	By-law	1,500	130,000	128,500	4,310	630	124,820	124,190
260	Dogs	3,200	3,700	500	-500	2,700	3,700	1,000
800	Planning	59,000	329,000	270,000	69,300	70,700	271,400	200,700
810	Committee of Adjustment	0	75,300	75,300	1,550	0	73,750	73,750
710	Historical Committee	0	15,100	15,100	0	0	15,100	15,100
Planning & Development		63,700	553,100	489,400	74,660	74,030	488,770	414,740

The Planning and Development department includes the Building Division, Planning Division and By-law Enforcement Services. The department is responsible for guiding development proposals to achieve the Township vision in accordance with the Provincial Policy Statement, Planning Act, Heritage Act and Building Code Act, Township and County Official Plans, and the Corporate Strategic Plan.

The main increase in the budget for 2022 is the addition of a contract Planner position.

Revenue

Dept.	Description	2022 Grant	2022 From	2022 Other	2022 Total	Net Increase/ (Decrease)	2021 Grant	2021 From	2021 Other	2021 Total
		Revenue Budget	Reserve Funds Budget	Revenue Budget	Revenue Budget		Revenue Budget	Revenue Budget	Reserve Funds Budget	Revenue Budget
220	By-law	0	0	1,500	1,500	870	0	0	630	630
260	Dogs	0	0	3,200	3,200	500	0	0	2,700	2,700
800	Planning	0	0	59,000	59,000	-11,700	0	30,000	40,700	70,700
810	Committee of Adjustment	0	0	0	0	0	0	0	0	0
710	Historical Committee	0	0	0	0	0	0	0	0	0
Planning & Development		0	0	63,700	63,700	-10,330	0	30,000	44,030	74,030

Expense

Dept.	Description	2022 Salary &	2022 Transfer	2022 Consultants &	2022 Utilities,	2022 Insurance	2022 Other	2022 Expense	Net Increase/ (Decrease)
		Benefit Budget	to Reserve Funds Budget	Professional Services Budget	Fuel, Internet & Phone Budget	& Building Maintenance	Expense Budget	Expense Budget	
220	By-law	121,000	0	2,000	900	0	6,100	130,000	5,180
260	Dogs	0	0	0	0	0	3,700	3,700	0
800	Planning	285,000	0	20,000	700	0	23,300	329,000	57,600
810	Committee of Adjust	72,500	0	0	0	0	2,800	75,300	1,550
710	Historical Committee	0	10,000	0	0	0	5,100	15,100	0
Planning & Development		478,500	10,000	22,000	1,600	0	41,000	553,100	64,330

Dept.	Description	2021 Salary &	2021 Transfer	2021 Consultants &	2021 Utilities,	2021 Insurance	2021 Other	2021 Expense
		Benefit Budget	to Reserve Funds Budget	Professional Services Budget	Fuel, Internet & Phone Budget	& Building Maintenance	Expense Budget	Expense Budget
220	By-law	116,000	0	2,000	820	0	6,000	124,820
260	Dogs	0	0	0	0	0	3,700	3,700
800	Planning	193,500	0	50,000	700	3,300	23,900	271,400
810	Committee of Adjustment	70,000	0	0	0	0	3,750	73,750
710	Historical Committee	0	0	0	0	0	15,100	15,100
Planning & Development		379,500	0	52,000	1,520	3,300	52,450	488,770

The work of the Planning and Development Department advances all four pillars of the 2021 Council 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 the work of the Planning Division. The Building Division is committed to the administration and enforcement of the Building Code and related legislation for new construction and development. By-law Enforcement Services administers municipal by-laws such as property standards, yards, and parking enforcement.

The Planning and Development operating budget for 2022 is similar to previous years however additional staff resources have been included in the operating budget to address the high volume of work that was experienced over the past year. A contract planner position has been added to the staffing budget for the Planning Division to assist in addressing the volume of work and backlog that the department experienced in 2021 which is expected to continue into 2022.

The operating budget for 2022 does not include special projects or consulting costs. There are a number of initiatives that need to be advanced by staff including consolidation of the Comprehensive Zoning By-law and mapping to prepare for an overall update in 2023. There are several by-laws that require updating and processes to be reviewed and mapped to streamline service delivery and better integrate the work of the Planning and Development department with other Township departments.

Building Department

The Building Division is self-funded by building-related revenue and does not impact the municipal tax levy requirement.

Dept.	Description	2022 Revenue Budget	2022 Expense Budget	2022 Net Budget	Net Increase/ (Decrease)	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget
230	Building	504,400	504,400	0		383,500	383,500	0

Revenue

The 2022 budgeted revenue has increased building revenue of \$423,500 compared with \$383,500 in 2021. Revenue projections continue to be conservative but have been slightly increased to be more consistent with the actuals year to date for 2021. To balance the 2022 budget, the budgeted revenue also includes a draw from the Building Division reserve of \$80,900. The estimated balance of the reserve fund at the end of 2022, after the allocation to balance the 2022 budget, is \$128,500.

Year to date actuals have surpassed budget as of the end of October 2021. The number of overall permits is consistent with previous years, but the value of permits has increased resulting in higher revenue.

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual
Revenues				
10-230-2300-4375 Permit Fees	\$ 0.00	\$ 0.00	\$ 380,000.00	\$ 402,231.30
10-230-2300-4377 Building Permit Renewal Fees	0.00	0.00	2,500.00	380.00
10-230-2300-4470 Work Order Letters	0.00	0.00	1,000.00	1,050.00
10-230-2300-4903 From Working Fund Reserve	0.00	0.00	0.00	1,440.00
Total General Municipal Fund Revenues	\$ 0.00	\$ 0.00	\$ 383,500.00	\$ 405,101.30

Expense

Dept.	Description	2022 Salary & Benefit Budget	2022 Transfer to Reserve Funds Budget	2022 Consultants & Professional Services Budget	2022 Utilities, Fuel, Internet & Phone Budget	2022 Insurance & Building Maintenance Budget	2022 Other Expense Budget	2022 Expense Budget
230	Building	413,000	0	10,000	1,200	65,000	15,200	504,400

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget
230	Building	303,500	26,100	10,000	1,200	27,000		383,500

In 2021 the Building Inspector position transitioned from part time to full time. For 2022 a new full time building official has been added to allow for succession planning in the Building Division. The 2022 budget also includes a significant increase to insurance costs to reflect actual expenditures.

Capital Budget and Financial Planning

The proposed 2022 capital budget is \$5,723,600 including \$865,000 in carry over projects from 2021. A significant portion of the 2022 capital budget is based on the asset inventory data in the Township's asset management software program. While staff continue to refine the data and include additional information, the 2022 capital budget has been prepared based on the latest available asset management data.

The asset data includes updated information based on the 2020 Roads Needs Study. Staff are waiting for final Building Condition Assessment reports which will also be incorporated into the asset inventory and provide more reliable estimates for future capital investment requirements. The 2022 budget includes a \$500,000 budget intended to address the 2022 capital projects resulting from the Building Condition Assessment reports.

The Asset Management Program at the Township continues to evolve and expand as staff continue to:

- work on enhancements to the asset data,
- leverage the asset management and maintenance manager software to be able to schedule and track operating and capital work by asset,
- set up maintenance plans and schedules for assets such as playground equipment and facilities which provides a central repository of documentation, and
- leverage other functionality within the software program to streamline and automate processes.

The following risk matrix is a graphical representation of the municipally tax funded asset inventory (excludes water and wastewater) from the asset management software, CityWide. The horizontal axis, range of one to five is the probability of failure. The vertical axis, range of one to five is the consequence of failure. Asset risk is measured by consequence of failure and probability of failure. The highest risk assets are the assets with a five for each metric and represented in the red square in the top right corner of the graph, which includes eleven assets with a replacement value of \$7,446,888. All eleven assets are in the Fire Services department. The following sections of the Capital Budget and Financial Planning section include a risk matrix for each asset category and an explanation of the assets in the high-risk category.



Many of the asset condition ratings are based on age, which can be misleading. Staff continue to work on providing more valuable condition data for the various asset categories to increase the reliability of the asset information.

The following sections include the capital projects planned for 2022 with corresponding capital reserve fund schedules. The reserve fund schedules include 2021 funding amounts based on budget. Actuals will likely differ from budget so the projected **ending 2022 reserve fund balances are estimates**. Actual balances may change based on 2021 funding entries completed at this year end.

Buildings & Facilities

The total budget for Buildings and Facilities is \$1,230,000. Included is \$400,000 for land acquisition and design of a new fire station #2 in Seeley’s Bay. This budget plus the cost to build the facility is being proposed to be funded by debt. The remaining 2022 capital projects related to buildings and facilities are proposed to be funded from the reserve fund.

Project Type	Asset # and Name	Department	AMP Segment	2022
2022 New capital project	Building Condition Assessments recommended work	Operations	All	500,000
2022 New capital project	Design and Land for new fire station #2 Seeley's Bay	Operations	Fire Stations	400,000
2021 carry forward project	Municipal Building, beam work, humidification	Operations	Offices, Storage & Garages	200,000
2022 New capital project	1233 Prince Street - Oil Grit Separator in PW Garage	Operations	Offices, Storage & Garages	20,000
2022 New capital project	1233 Prince Street - Design for site works (includes dome exp	Operations	Offices, Storage & Garages	50,000
2022 New capital project	Staff trailer for Lansdowne WDS	Operations	Offices, Storage & Garages	20,000
2022 New capital project	Staff trailer for Briar Hill WDS including Electrical service	Operations	Offices, Storage & Garages	40,000

Based on the proposed capital projects and the budgeted contributions to the Buildings and Facilities Reserve Fund, the projected balance at the end of 2022 is \$397,776.

The 2021 budgeted withdrawal of \$50,000 is to fund the purchase of land for the Leeds landfill site.

Buildings & Facilities Reserve Fund				
10-000-0000-2601				
	2019	2020	2021	2022
Opening Balance	(186,692.55)	(419,863.86)	(604,587.06)	(797,775.50)
Contributions from operating	(240,000.00)	(240,000.00)	(170,000.00)	(430,000.00)
Library return of funds	(194,334.00)			
Reallocation of funds in capital reserves to align with AMP			86,985.56	
Funding projects	201,162.69	55,276.80	50,000.00	830,000.00
Allocation of 2021 Casino revenue pending Council approval			(160,174.00)	
Ending balance	(419,863.86)	(604,587.06)	(797,775.50)	(397,775.50)

Consequence	5	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$2,481,623.00	1 Asset 1.00 unit(s) \$1,916,000.00	0 Assets - \$0.00	2 Assets 2.00 unit(s) \$4,400,600.00
	4	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$8,546,094.00	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$2,652,817.00	1 Asset 1.00 unit(s) \$1,085,800.00
	3	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$256,000.00	0 Assets - \$0.00	0 Assets - \$0.00	2 Assets 2.00 unit(s) \$1,743,445.00
	2	1 Asset 1.00 unit(s) \$127,904.00	4 Assets 4.00 unit(s) \$913,196.00	2 Assets 2.00 unit(s) \$758,615.00	2 Assets 2.00 unit(s) \$503,872.00	0 Assets - \$0.00
	1	3 Assets 3.00 unit(s) \$203,777.00	5 Assets 5.00 unit(s) \$192,734.00	2 Assets 1.00 unit(s) \$68,658.00	0 Assets - \$0.00	0 Assets - \$0.00
		1	2	3	4	5
		Probability				

Within the Buildings and Facilities asset category, the two assets with the highest probability of failure and highest consequence of failure are the Seeley’s Bay Fire Station #2 and the Training Center/Fire Station # 4. Initial design work and land acquisition for Fire Station #2 is being addressed in the 2022 proposed capital budget and the Fire Training Center/Fire Station #4 requirements will be reviewed based on the Building Condition Assessment Report.

There is one asset with a probability of failure of 5 and a consequence of failure of 4. This is the Escott Hall and Garage facility. The Lansdowne Community Building is currently at a rating of 4 for probability and consequence of failure (replacement cost \$2.7 million).

An amount of \$500,000 has been included as an estimate based on the draft Building Condition Assessments (BCA) received in advance of this document. This amount accounts for recommended Capital expenditures for the 17 facilities included within the BCA.

An amount of \$400,000 has been included for land acquisition and design of a new fire station #2 in Seeley’s Bay. This facility has reached the end of its useful life in Citywide, requiring replacement. The land acquisition and design costs are proposed to be funded by debt as well as the construction costs in due time. The remaining 2022 capital projects related to buildings and facilities are proposed to be funded from the reserve fund.

An amount of \$20,000 has been included to retrofit the Oil/Grit Separator in the Operations garage. The access grate has currently failed resulting in staff installing a road plate as an interim measure for safety and to keep the bay operational. Quotes for the repair work have been received and work will be ready to start in 2022.

An amount of \$50,000 has been included for site works at 1233 Prince Street. This item includes expanding the existing sand dome, relocating the fueling station currently located behind the dome, and other site works.

Amounts of \$20,000 and \$40,000 has been included for the Lansdowne and Briar Hill Waste Disposal Site staff facilities respectively. Additional funds have been included for the Briar Hill WDS to allow for hydro to be run to the new staff facility. These trailer facilities are to replace the existing staff facilities that have exceeded their life expectancy.

Bridges & Culverts

There is one capital project in 2022 to be funded from the reserve fund: Kidd Road North Bridge Assessment.

Project Type	Asset # and Name	Department	AMP Segment	2022
2021 carry forward project	Kidd Road North Bridge Assessment	Operations	Bridges	20,000

The projected balanced of the Bridges and Culverts reserve fund at the end of 2022 is \$390,475

Bridges & Culverts Reserve Fund				
10-000-0000-2602				
	2019	2020	2021	2022
Opening Balance	-	-	-	(410,475.35)
Contributions from operating				-
Reallocation of funds in capital reserves to align with AMP			(410,475.35)	
Funding projects				20,000.00
Ending balance	-	-	(410,475.35)	(390,475.35)



The Bridges and Culverts category currently has no high-risk assets. The one asset with a probability of failure of 5 and consequence of failure of 3 is Kidd Rd North which is included in 2022 for assessment.

Fleet, Machinery & Equipment

The total Fleet budget is \$1,105,000 and the Machinery and Equipment budget is \$313,800 for a total budget of \$1,418,800. Included is replacement of a fire pumper truck for \$700,000 which is proposed to be funded by debt.

Project Type	Asset # and Name	Department	AMP Category	AMP Segment	2022
2022 New capital project	Boat and trailer	Planning	Fleet	Administrative	20,000
CityWide asset	221 - #20 2000 GMC CSR Pumper	Fire	Fleet	Fire & Emergency	700,000
CityWide asset	78 - #2 2010 Chev Silverado 1/2 ton red	Fire	Fleet	Fire & Emergency	50,000
CityWide asset	116 - #38 2012 Canada 22' Trailer UT7	Operations	Fleet	Public Works	12,000
CityWide asset	118 - #24 2012 Ford F150	Operations	Fleet	Public Works	45,000
CityWide asset	122 - #36 KM International Hot-Box	Operations	Fleet	Public Works	40,000
CityWide asset	457 - #50 2009 Chevrolet Silverado 1500 (fac mail	Operations	Fleet	Public Works	45,000
CityWide asset	458 - #33 2004 Chevrolet Silverado 2500HD (fire s	Operations	Fleet	Public Works	70,000
CityWide asset	461 - #19 1998 ACGO ALLIS 2025 Tractor	Operations	Fleet	Public Works	18,000
2021 carry forward project	3/4 ton truck with plow and sander	Operations	Fleet	Public Works	65,000
2022 New capital project	Light Duty 4x4 Vehicle (Director of Operations)	Operations	Fleet	Public Works	40,000
2022 New capital project	Station 3 Generator (Pad, electrical, etc.)	Operations	Machinery & Equipm	Fire & Emergency	20,000
2022 New capital project	10 sets of bunker gear	Fire	Machinery & Equipm	Fire & Emergency	30,000
2022 New capital project	3 portable radios	Fire	Machinery & Equipm	Fire & Emergency	25,000
2022 New capital project	2 Thermal imaging cameras	Fire	Machinery & Equipm	Fire & Emergency	13,000
2022 New capital project	1 spreader tool battery operated to add to 2021	Fire	Machinery & Equipm	Fire & Emergency	20,000
2022 New capital project	retrofit of Class A burn containers/paving of pac	Fire	Machinery & Equipm	Fire & Emergency	25,000
2022 New capital project	3 Sea Containers for future structural search an	Fire	Machinery & Equipm	Fire & Emergency	16,000
2021 carry forward project	Picnic tables	Operations	Machinery & Equipm	Furniture & Fixtures	5,000
2022 New capital project	1233 Prince Street - Fire Kitchen Storage system	Operations	Machinery & Equipm	Furniture & Fixtures	5,000
CityWide asset	788 - LTI-4M4XV12	Corporate Services	Machinery & Equipm	Information Technology	900
CityWide asset	790 - LTI-FR4K0M2	Corporate Services	Machinery & Equipm	Information Technology	2,200
CityWide asset	791 - LTI-LT-1801	Corporate Services	Machinery & Equipm	Information Technology	1,650
CityWide asset	792 - LTI-LT-1803	Corporate Services	Machinery & Equipm	Information Technology	1,650
CityWide asset	793 - LTI-LT-1804	Corporate Services	Machinery & Equipm	Information Technology	1,650
CityWide asset	794 - LTI-LT-1805	Corporate Services	Machinery & Equipm	Information Technology	1,650
CityWide asset	795 - LTI-LT-1806	Corporate Services	Machinery & Equipm	Information Technology	1,650
CityWide asset	796 - LTI-LT-1807	Corporate Services	Machinery & Equipm	Information Technology	1,650
CityWide asset	815 - LTI-LT-STATION1	Corporate Services	Machinery & Equipm	Information Technology	1,800
2022 New capital project	Portable Hoists	Operations	Machinery & Equipm	Public Works	65,000
2022 New capital project	Tandem Axle Tag Trailer	Operations	Machinery & Equipm	Public Works	60,000
2022 New capital project	Diesel Plate Packer	Operations	Machinery & Equipm	Public Works	15,000

The remaining projects are to be funded from the reserve fund in the amount of \$718,800, resulting in a 2022 year-end projected balance of \$170,773 in the reserve fund.

Fleet, Machinery & Equipment Reserve Fund				
10-000-0000-2603				
	2019	2020	2021	2022
Opening Balance	(304,606.40)	(456,079.12)	(556,202.09)	(229,573.04)
Contributions from operating	(345,000.00)	(343,749.83)	(240,000.00)	(660,000.00)
Insurance proceeds, stole equipment		(213,233.00)		
Reallocation of funds in capital reserves to align with AMP			441,629.05	
Funding projects	193,527.28	456,859.86	125,000.00	718,800.00
Ending balance	(456,079.12)	(556,202.09)	(229,573.04)	(170,773.04)

The 2021 budget includes funding of \$110,000 for a mower retrofit and \$15,000 for a trailer for parks.

Fleet:



The above matrix is for all Township fleet assets. The eight assets with the highest probability of failure and consequence of failure are:

Asset ID	Name	Historical Cost	Replacement Cost	Scheduled Replacement...	Estimated Useful Life
65	#14 2007 International/Pierce Pumper Tanker	\$250,000.00	\$387,586.00		20 Years
67	#21 2005 Ford Mini Pumper	\$139,200.00	\$229,415.00		20 Years
68	#42 2007 International/Pierce Model 70S	\$245,000.00	\$379,834.00		20 Years
69	#32 1995 GMC tanker	\$150,000.00	\$351,250.00	2024-01-01	20 Years
70	#12 2004 GMC Tanker Topkick	\$159,630.00	\$279,913.00		20 Years
71	#47 2003 GMC Aft Rescue Vehicle	\$169,216.00	\$319,662.00	2023-01-01	20 Years
72	#40 2004 Freightliner 4 door pumper	\$235,608.00	\$431,308.00	2023-01-01	20 Years
220	#16 1997 GMC CSR Tanker Topkick	\$0.00	\$300,000.00	2025-01-01	20 Years

These assets will all be due for replacement in 2023 to 2027. The fleet asset condition ratings are based on age which is not always indicative of when replacement is required. Staff have identified other fleet replacements as higher priority which are described in further detail below.

Planning and Development Fleet

The 2022 capital budget includes \$20,000 for the Building Division to acquire a boat for the purposes of inspections and enforcement. Currently, Building Officials depend on property owners to provide transportation to island properties for inspections or require a fire fighter to transport them in a fire boat. The acquisition of a boat for the Building Division will allow for enforcement of illegal construction on island properties and better access to properties for inspections. This will also assist Planning staff and the Committee of Adjustment when there is an application regarding an island property.

Fire Fleet

Engine 20 (asset #221) is a 2000 GMC topkick pumper that is currently two years out of date to qualify for front-line service. Fire Service Underwriters ('FUS') require pumper trucks used for front line service to be under 20 years old. FUS has continued to recognize Engine 20 for front line service. However, as Engine 20's age increases, so will the likelihood that FUS will disqualify it for front line service. Should FUS take such action, there would be an immediate impact on insurance rates for residents and businesses in and around Seeley's Bay. If Fire Station #2 does not have a front-line pumper truck, it will not qualify as a Fire Station therefore losing the accreditation of the station as well as the Tanker Shuttle standing. In the 2021 capital budget, \$100,000 was allocated for the purchase of a used pumper truck. Staff were unsuccessful in locating a used vehicle that would meet the requirements and fall within the budget. The 2022 capital budget includes \$700,000 for the purchase of a new pumper.

Truck 2 (asset #78) is a 2010 Chev Silverado with 222,000km in mileage and used by the Fire Prevention officer in carrying out daily duties. This model year of vehicle is known for rust and even with regular washing and maintenance, has become very rusted. The vehicle has developed other mechanical issues that are making it expensive to maintain (transmission, air conditioning). The 2022 capital budget includes \$50,000 for the purchase of a new truck.

Operations Fleet

All fleet identified above as Citywide Assets that are due for replacement have been generated automatically by the asset management program. These assets are scheduled replacements utilizing the prescribed life expectancies that staff applied to the fleet categories.

A carry forward fleet project has been included in the 2022 Capital Budget. This item is the $\frac{3}{4}$ Ton Truck with plow and sander. The procurement of this vehicle has been delayed due to shortages in computer chips. This is a nation-wide issue resulting in more than half a million vehicles being delayed for delivery. It is anticipated this issue will be resolved in early 2022 and delivery of vehicles will commence.

A 2022 New Capital Project item has been included in the 2022 Capital Budget being a new light duty 4x4 vehicle for the Director of Operations. The existing vehicle for the Director's use was provided to the new Manager of Roads when he was hired. The Director has been using a rental vehicle in the interim, at a cost of \$1,000/month. The acquisition of a new vehicle will allow for the return of the rental.

Machinery & Equipment

Consequence	5	0 Assets - \$0.00	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$409,579.00	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$367,320.00
	4	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$152,587.00	0 Assets - \$0.00
	3	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$71,171.00	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$51,654.00	2 Assets 2.00 unit(s) \$183,805.00
	2	1 Asset 1.00 unit(s) \$12,795.00	9 Assets 4.00 unit(s) \$194,232.00	3 Assets 1.00 unit(s) \$120,801.00	2 Assets 2.00 unit(s) \$38,320.00	8 Assets 5.00 unit(s) \$194,706.00
	1	2 Assets 2.00 unit(s) \$3,100.00	6 Assets 4.00 unit(s) \$72,882.00	6 Assets 3.00 unit(s) \$40,979.00	16 Assets 16.00 unit(s) \$63,909.00	37 Assets 37.00 unit(s) \$124,652.00
		1	2	3	4	5
		Probability				

There is one asset within Machinery and Equipment that is at high probability of failure and high consequence of failure. This is the Fire radio dispatch system. The replacement of the system is expected at the end of the useful life, being 2024.

Fire Machinery and Equipment

Three portable radios are included as a new budget item (\$25,000). Communications is a critical aspect of Fire Services. The current radio system and portable radios are beginning to fail. Two portable radios were replaced in 2021. However, the number of portable radios available for supply on trucks is low. The standard in the Fire Service is that each firefighter on scene is equipped with a portable radio for safety and in case there is a need for an emergency call out. The current inventory does not meet this standard. The addition of three radios will not allow every firefighter to have a radio on scene but will ensure that there is a radio for every crew of firefighters entering a structure.

Fire Services has identified the need in 2022 for ten sets of bunker gear and has budgeted \$30,000. 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 2022, represents the commencement of a plan to replace eight to ten sets of bunker gear each year in order to manage end of life replacement and growth.

The current inventory of thermal imaging cameras is past their useful life and lack the functionality available on newer units. Thermal imaging cameras are used on all fires, CO alarms, and fire alarms as well as for search and rescue in outdoor situations. Staff propose an allocation of \$13,000 for the purchase of two new thermal imaging cameras.

The 2022 proposed capital budget includes \$20,000 for the purchase of a battery powered spreader tool (also known as a “jaws of life”). The tool is used in motor vehicle accidents as well as agricultural incidents. The change to battery operated tools helps with versatility on calls and the ability to move vehicle to vehicle without the need to manage a hydraulic pump and hoses at a scene.

The sum of \$25,000 is included in the budget to refit and expand the Class A burn containers and surrounding pavement and pad at the Regional Training Center. The existing Class A burn container has reached its end of life. The unit is essentially a sea container in which wood and hay are burned to simulate a structure on fire. The existing burn container was not designed to withstand the damage to its structure caused by repeated burns over a period of years. The proposed refit will implement design changes to increase the longevity of the container. In addition to refitting the existing container, two new containers will also be deployed. The new containers will increase throughput and improve efficiency in training as recommended in the Fire Master Plan.

The sum of \$16,000 is budgeted for the purchase of three sea containers to augment structural search training. The new sea containers will increase functionality and expand the number of course deliverables offered at the Regional Training Center. Such action supports the recommendation in the Fire Master Plan to increase capacity at the Regional Training Center.

Operations Machinery and Equipment

A carry forward machinery and equipment project has been included in the 2022 Capital Budget. This item is the replacement of picnic tables. Staff reached out to suppliers who were unable to source replacements in 2021 due to the pandemic. It is anticipated this issue will be resolved in 2022.

Several 2022 New Capital Project items have been included in the 2022 Capital Budget. These items include:

- 1) A generator pad and electrical service for the Fire Station #3. Currently the emergency generator is mounted on a trailer that Fire Service volunteers pull out of the station to operate. Efficiencies will be found by mounting the generator on a pad and hardwiring the electrical into the building.
- 2) A storage system in the kitchen of Fire Station 1. The creation of office space has reduced the overall storage area available. By installing cabinets with storage, health and safety concerns are addressed.
- 3) Portable hoists for the Operations garage. These hoists will support in-house maintenance of both Operations and Fire fleet. Efficiencies will be found by providing a safe working environment for staff when servicing and maintaining fleet.
- 4) Tandem axle tag trailer. This item will reduce wear and tear on construction fleet that are not intended to drive long distances on roads. Staff have been engaging local contractors to float equipment for a fee when available.
- 5) Diesel plate packer. This item will support staff in the installation of culverts both for Operating and Capital projects by ensuring they are installed with sufficient compaction to reduce settlement, erosion, and depressions in the road where drainage culverts are installed. In 2021 staff rented a diesel plate packer for Operating and Capital projects at a rate of \$550/week for approximately 4 months.

Parks & Land Improvements

The total Parks and Land Improvements budget is \$1,620,000, with the majority of this budget being \$1,500,000 for the Ivy Lea Pier. Funding for the Ivy Lea project is proposed to be funded by \$1,500,000 in debt, and \$120,000 from the reserve fund.

Project Type	Asset # and Name	Department	AMP Segment	2022
CityWide asset	1668 - Ivy Lea Wharf	Operations	Docks & Piers	1,000,000
2021 carry forward project	Ivy Lea Pier - original budget \$500,000	Operations	Docks & Piers	500,000
2022 New capital project	Ball Diamond infield resurfacing, fencing, and benches	Operations	Site Works	20,000
2022 New capital project	Staff Shelter at Seeley's Bay Marina	Operations	Site Works	10,000
2022 New capital project	Wetland Viewing Platform	Operations	Site Works	25,000
2022 New capital project	Paving Accessible Lot at Seeley's Bay Marina	Operations	Site Works	15,000
2022 New capital project	Centennial Park Gazebo	Operations	Site Works	40,000
2022 New capital project	Trails (Centennial Park and Bateau Channel)	Operations	Trails	10,000

The projected 2022 ending balance for the Parks and Land Improvements reserve fund is \$93,185.

	2019	2020	2021	2022
Opening Balance	(236,832.09)	(75,133.09)	(561,918.77)	(88,184.89)
Contributions from operating	(100,000.00)	(350,000.04)	(100,000.00)	(125,000.00)
Grant money		(22,670.01)		
Transfer from Heritage reserve per council report FN-025-20		(123,742.13)		
Reallocation of funds in capital reserves to align with AMP			573,733.88	
Funding projects	261,699.00	9,626.50	-	120,000.00
Ending balance	(75,133.09)	(561,918.77)	(88,184.89)	(93,184.89)

The approved 2021 capital budget included the following:

- \$5,000 for picnic tables which have been carried over and will be funded from the Fleet, Machinery and Equipment Reserve Fund.
- \$75,000 for a play structure at Centennial Park in Seeley's Bay, which is no longer required as grant funding was secured for this project.
- \$500,000 for Ivy Lea Pier which is being carried forward and proposed to be funded from debt.

There are no anticipated withdrawals from this reserve fund in 2021.

Consequence	5	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00
	4	1 Asset 1.00 unit(s) \$205,499.00	2 Assets 2.00 unit(s) \$528,508.00	0 Assets - \$0.00	0 Assets - \$0.00	2 Assets 2.00 unit(s) \$1,200,000.00
	3	0 Assets - \$0.00	1 Asset 1.00 unit(s) \$108,400.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00
	2	3 Assets 3.00 unit(s) \$201,419.00	2 Assets 2.00 unit(s) \$154,985.00	0 Assets - \$0.00	2 Assets 2.00 unit(s) \$119,551.00	6 Assets 10.00 unit(s) \$375,699.00
	1	0 Assets - \$0.00	2 Assets 2.00 unit(s) \$38,031.00	2 Assets 2.00 unit(s) \$39,801.00	0 Assets - \$0.00	2 Assets 2.00 unit(s) \$34,827.00
		1	2	3	4	5
		Probability				

The risk matrix above includes no assets at high consequence of failure and high probability of failure. However, there is \$1,200,000 at high risk of probability and 4 for consequence of failure. This includes \$200,000 for Rockport Boat Ramp which is being completed in 2021. \$1,000,000 for Ivy Lea Pier which is included in the 2022 budget.

Road Network & Storm Sewer

The total Road Network and Storm Sewer budget is proposed at \$1,434,800.

Funding for the Boundary Road project includes \$152,500 of Ontario Community Infrastructure Funding.

Funding for the Taylor Road West project includes \$300,200 of Canada Community Building Fund funding (formerly Federal Gas Tax).

The total amount to be funded from the reserve fund is \$982,100.

Project Type	Asset # and Name	Department	AMP Category	AMP Segment	2022
CityWide asset	1415 - Boundary Road	Operations	Road Network	HCB Roads	165,000
CityWide asset	1511 - Rocklind Close Ln	Operations	Road Network	HCB Roads	7,000
CityWide asset	1519 - Stanton Street	Operations	Road Network	HCB Roads	17,500
CityWide asset	1524 - Taylor Road West	Operations	Road Network	HCB Roads	400,000
CityWide asset	1590 - Sweets Corners Rd	Operations	Road Network	HCB Roads	108,500
CityWide asset	1626 - Bay Street	Operations	Road Network	HCB Roads	9,800
CityWide asset	1418 - Red Horse Lake Rd	Operations	Road Network	LCB Roads	40,000
CityWide asset	1513 - Sand Bay Road	Operations	Road Network	LCB Roads	87,000
CityWide asset	1594 - Big Hill Road	Operations	Road Network	LCB Roads	66,000
CityWide asset	1622 - Dulcemanie Rd.	Operations	Road Network	LCB Roads	90,000
CityWide asset	1638 - Railway Street	Operations	Road Network	LCB Roads	27,000
CityWide asset	1639 - Railway Street	Operations	Road Network	LCB Roads	27,000
2021 carry forward project	Road work contingency fund	Operations	Road Network	Roads	75,000
2022 New capital project	Speed signs	Operations	Road Network	Roadside Appurtenance	15,000
2022 New capital project	Illumination Seeley's bay	Operations	Road Network	Streetlights	100,000
2022 New capital project	Stormwater Master Plan and Village Revitalization Design for Lansdowne village	Operations	Storm Sewer System	Mains	150,000
2022 New capital project	Storm pipe on Bay Street, Seeley's Bay	Operations	Storm Sewer System	Mains	50,000

The projected 2022 year-end balance in the reserve fund is estimated at \$3,272,630.

Road Network Reserve Fund (includes Storm Sewer) 10-000-0000-2614	2019	2020	2021	2022
Opening Balance	(1,620,436.40)	(2,145,198.30)	(2,192,639.28)	(3,554,729.52)
Contributions from operating	(1,027,500.00)	(990,000.00)	(816,999.00)	(700,000.00)
OCIF funding	(143,462.00)			
reverse funding of WIP amounts in previous year	(36,174.23)			
SR-086-21 Finance - Use of DC reserve for unplanned road work			(6,418.22)	
Reallocation of funds in capital reserves to align with AMP			(1,218,373.02)	
Funding projects	682,374.33	942,559.02	679,700.00	982,100.00
Ending balance	(2,145,198.30)	(2,192,639.28)	(3,554,729.52)	(3,272,629.52)

The 2021 budget includes various roads projects and stormwater planning for Lansdowne. Further details on the projects are included in the 2021 Capital Budget Update schedule in the following section.

Road Network Risk Matrix

Consequence	5	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00
	4	1 Asset 5,000.00 m \$750,000.00	14 Assets 49,260.00 m \$12,654,000.00	10 Assets 27,000.00 m \$11,580,000.00	1 Asset 2,600.00 m \$780,000.00	0 Assets - \$0.00
	3	4 Assets 2,802.00 unit(s), m \$932,568.00	18 Assets 30,420.00 m \$6,696,000.00	9 Assets 5,401.00 unit(s), m \$3,184,070.00	4 Assets 3,051.00 unit(s), m \$1,269,278.00	0 Assets - \$0.00
	2	8 Assets 3,751.00 unit(s), m \$1,074,367.00	26 Assets 18,350.00 m \$4,327,500.00	19 Assets 6,472.00 unit(s), m \$3,363,526.00	9 Assets 5,600.00 m \$1,650,000.00	0 Assets - \$0.00
	1	4 Assets 6,600.00 m \$0.04	75 Assets 111,430.00 m \$154,500.71	15 Assets 26,900.00 m \$180,000.13	8 Assets 6,920.00 m \$456,000.02	0 Assets - \$0.00
		1	2	3	4	5
		Probability				

All roads identified above as Citywide Asset have been generated automatically by the asset management program. These assets are scheduled replacements utilizing the prescribed life expectancies that staff applied to the road and storm sewer categories. The current road network matrix does not identify any road segments having a high risk. While the roads are in poor condition, they do not exceed the associated risk thresholds that would necessitate action. Determining the risk level of the road network takes into account several factors including traffic count, resident impact, and economic impact if failure were to occur are considered.

Several 2022 New Capital Project items have been included in the 2022 Capital Budget. These items include:

- 1) Speed signs. Digital feedback signs notifying the travelling public of their speed while recording the data. As requested by Council.
- 2) Illumination Study for the Seeleys Bay intersections at Provincial Highway 15.
- 3) Stormwater Master Plan and village revitalization study for the Village of Lansdowne.

Storm Sewer System Risk Matrix



The current asset inventory for storm sewers is limited to newly installed sewers in the villages of Seeley’s Bay and Lyndhurst. A segment of storm sewer has been identified as requiring replacement on Bay Street in Seeley’s Bay. This segment was not identified in the asset inventory and has reached the end of its useful life.

Staff intend to build on the inventory and asset lifecycle information for this category to be able to more proactively manage these assets going forward as they are critical to maintenance of roads and other municipal infrastructure.

A 2022 New Capital Project item has been included in the 2022 Capital Budget. This item is the replacement of the storm drainage pipe that runs under Bay Street in Seeley’s Bay. Investigative work in 2021 brought light to its poor condition, and measures were put in place to stabilize the pipe for the short term. This pipe has reached the end of its useful life and requires replacement.

2021 Capital Budget Update

The 2021 actuals spent compared with budget is as follows as at October 21, 2021:

Township of Leeds and the Thousand Islands - Capital Budget to Actual 2021				Budget	
Dept	Category	Account	Description	Amount	YTD Spent
905	9007	[*,/4*]	Municipal Building, beam work, humidification	200,000	0
907	9101	8110	Fire halls - firewall refresh	20,000	15,799
907	9101	8100	laptop/computer/IT equipment	6,000	2,544
920	9200	8070	\$20k E-Draulics Comb Tool; \$8k 2 sea containers	28,000	7,174
920	9200	8080	Replace unit 20 with used pumper	100,000	0
920	9203	[*,/4*]	11 sets of turnout gear	30,000	0
930	9300	8400	Escott Yonge Townline Road (50% share with Front of Yonge)	150,000	134,805
930	9300	8410	Guide rail on Sandbay	40,000	0
930	9300	8850	Road work contingency fund	75,000	0
930	9312	[*,/4*]	Single Surface Treatments– Blue Mountain Road (Union to Rockfield), Kerry Poi	250,000	23,916
930	9345	8070	Mower retrofit	110,000	79,984
930	9345	8080	3/4 ton truck with plow and sander	65,000	0
930	9358	[*,/4*]	Junetown Road – County Road 4 to Escott Yonge Townline Road	275,000	200,013
932	9300	8460	Kidd Road North Bridge Assessment	20,000	0
933	9300	8530	Signs - see note below*	17,000	0
940	9345	8070	trailer for parks	15,000	0
940	9421	8250	Picnic tables	5,000	0
942	9421	8250	play structure for Centennial park	75,000	0
948	9476	8020	Ivy Lea Pier	500,000	0
950	9521	8000	Land purchase for 9 acres for Leeds landfill site	50,000	0
930	9303	*	Unplanned road repairs - Marble Rock, Thomas and Slack Roads	205,000	209,855
980	9474	8020	Rockport Boat Ramp	125,000	0
				2,361,000	674,090

As mentioned previously, the following projects are being carried forward to 2022.

Municipal Building, beam work, humidification	\$200,000
3/4 ton truck with plow and sander	\$65,000
Kidd Road North Bridge Assessment	\$20,000
Picnic tables	\$5,000
Ivy Lea Pier	\$500,000
Road work contingency fund	\$75,000

Staff have engaged J.L. Richards for the Municipal Building Timber Structure Investigation. A report is anticipated shortly detailing required works to address distresses to the timber frame.

Council awarded the ¾ ton truck tender to Myers Automotive in the spring of 2021 for the acquisition of a ¾ ton truck complete with plow and sander. Unexpected delays to delivery have been experienced in the automotive industry as a whole due to a shortage of computer chips. It is anticipated that the ¾ ton truck will be delivered in 2022 when the chip shortage is addressed. Myers has committed that they will honour their agreement with the Municipality when stock becomes available.

The Kidd Road North Bridge Assessment was put on hold in 2021 as the Municipality was completing the required biennial bridge inspections as required through the Ontario Structure Inspection Manual (OSIM). The final report is to arrive shortly and staff will reference the updated information to procure a design firm.

Staff were unable to purchase the planned picnic tables in 2021 as a result of an industry shortage. It is anticipated this shortage will be rectified in 2022.

In addition to acquiring land for parking for the Ivy Lea Pier, Staff have engaged JML Engineering to undertake an investigation and design to reconstruct the pier. It is anticipated the reconstruction of the pier will occur in the late summer/early fall of 2022. An additional \$1,000,000 has been included in the proposed 2022 Capital Budget for this purpose.

The Road contingency fund has been established within the Capital Budget to support the approved projects should any unforeseen expenditures arise. As this was not required in 2021 Staff recommend carrying over to 2022.

Debt

The Township has one capital related loan that was issued in 2010 in the amount of \$1,166,670. The loan balance on September 30, 2021 was \$540,657. The monthly payments are posted to the operating budget and the loan will be paid off in approximately ten years.

Staff are proposing to borrow money to pay for three large capital projects planned for 2022 and 2023.

- Ivy Lea Pier \$1.5 million
- Fire Pumper truck \$700,000
- Fire Station #2, Seeley's Bay \$2.5 million; \$400,000 included in 2022 capital budget

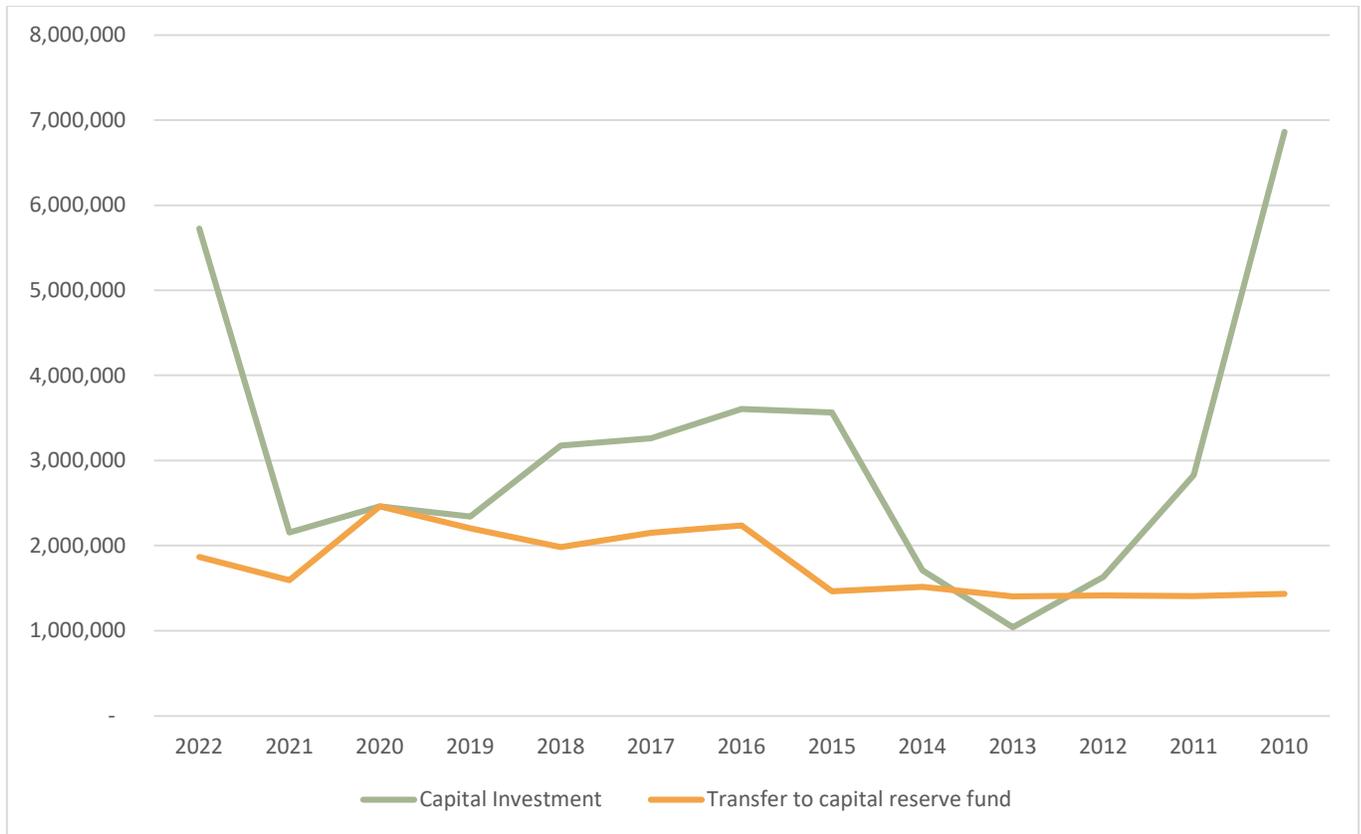
This is a total of \$4.7 million to be funded by debt. The loan payments will need to be included in future operating budgets. Based on current interest rates provided by Infrastructure Ontario, the debt payments are estimated at the following for the first year and will gradually reduce over the term of the loan.

Principal	Interest Rate	Loan Term (year)	Estimated Annual Loan Payment Year 1	Total Interest Over Term of Loan
\$4,700,000	2.49%	15	\$426,800	\$883,243
\$4,700,000	2.71%	20	\$359,500	\$1,279,923
\$4,700,000	2.93%	30	\$292,300	\$2,072,847

These amounts are estimates and will change as interest rates change and as actual project costs are finalized. Should staff be able to source any other revenue, such as grants, the amount to be funded by debt would be reduced accordingly.

The Ministry of Municipal Affairs and Housing calculates an Annual Repayment Limit for all municipalities based on prior year Financial Information Return data. This limit represents the maximum amount which the municipality had available as of December 31, 2019 to commit to payments relating to debt and financial obligation. The Township's estimated 2021 Annual Repayment Limit is \$3,131,569, which is 25% of net revenues less net debt charges. The debt charges included in this calculation were \$105,117. There has been no additional debt issued since this time. The additional debt being proposed in the 2022 proposed budget is well within this Annual Repayment Limit.

The following graph illustrates the transfers to capital reserve funds and the capital investment over the last several years.



The 2022 numbers in the graph are budget. The rest are actuals.

The transfers to the capital reserve funds are not a sustainable way to fund all capital requirements each year. Transfers to capital reserves have slowly increased from 2010 to 2020, when \$2.5 million was transferred to capital. However, 2021 realized a significant decrease in transfers during the pandemic, which staff now intend to try to get to pre-pandemic levels as soon as feasibly possible.

The average capital investment spent between 2010 and 2020 was \$3 million. The annual contributions to capital reserve funds was \$1.8 million. Other funding sources like grants help alleviate some of this shortfall (Federal Gas Tax and OCIF). However, the updated Asset Management Plan as at Dec. 31, 2020, identified almost \$4 million in annual capital requirements. Such amount does not incorporate the Building Condition Assessment Report recommendations for all the Township facilities.

As staff work on the asset management program, the goal is to smooth out the capital budgets in such a way as to make them more balanced from a management of work lens, as well as more consistent for financial planning. There will undoubtedly be large projects that create spikes in the capital budget, but proper planning and structured replacement schedules can help provide some consistency in the annual capital requirement.

Reserve Funds

The capital reserve fund models have been included in the capital section of the budget document.

The following tables include all reserve funds and projected balances as of December 31, 2022.

Account	Description	2022 Projected	2021	2020	2019
Discretionary Funds					
Discretionary - Capital Funds					
2601	Buildings & Facilities Reserve	- 397,776	- 687,602	- 604,587	- 419,864
2602	Bridges & Culverts Reserve	- 390,475	- 410,475	-	-
2603	Fleet, Machinery & Equipment Reserve	- 170,773	- 354,573	- 556,202	- 456,079
2605	Parks & Land Improvements Reserve	- 93,185	- 88,185	- 561,919	- 75,133
2610	Fire Services Reserve	-	- 0	- 257,026	- 450,312
2611	Greening Reserve	-	-	- 4,474	- 26,865
2614	Road Network & Storm Reserve	- 3,272,630	- 4,234,430	- 2,192,639	- 2,145,198
		- 4,324,838	- 5,775,264	- 4,176,847	- 3,573,451
Discretionary - Other Funds					
2607	Contingency Reserve	- 134,416	- 134,416	- 102,850	- 102,850
2612	Working Fund Reserve	- 1,019,738	- 1,261,960	- 1,459,924	- 1,361,375
2608	Tax Stabilization Reserve	- 177,500	- 132,500	- 87,500	- 42,500
2615	Elections Reserve	- 85,759	- 69,509	- 53,259	- 37,009
2604	Heritage Conservation & Celebration Gra	- 17,705	- 17,705	- 17,705	- 133,742
2606	Grants & Donations Reserve	- 684	- 75,684	- 75,684	- 23,402
2631	Community Improvement Plan Reserve	- 189,657	- 189,657	- 159,657	- 118,407
2616	Special Projects/studies Reserve	- 594,165	- 529,165	- 343,995	- 341,029
	Reserve Lansdowne	-	-	-	-
	Reserve - Insurance Deductibles	-	-	-	-
	Reserve Winter Control	-	-	-	-
		- 2,219,625	- 2,410,597	- 2,300,575	- 2,160,314
Discretionary - Specific Area of Business					
2620	Building Dept Reserve	- 128,476	- 209,376	- 209,376	- 210,699
2821	Reserves Water and Sewer	-	-	- 858,612	- 750,384
2653	Water Reserve	- 429,306	- 429,306	-	-
2654	Wastewater Reserve	- 429,306	- 429,306	-	-
		- 987,088	- 1,067,988	- 1,067,988	- 961,083
Total Discretionary Funds		- 7,531,551	- 9,253,850	- 7,545,410	- 6,694,848

This table shows projected reserve fund balances up to the end of 2022 based on budgeted transfers to reserve funds and withdrawals to fund proposed capital projects. The estimates will change as entries are booked to fund the 2021 capital projects at year end. (The 2021 actual balances include transfers to reserve funds, but not budgeted withdrawals for capital funding of 2021 projects.)

The 2019 Working Fund Reserve balance includes \$632,832 of Municipal Modernization funding which was received in 2019. Subsequently, pursuant to Council approval, unspent funding is being held within the Special Projects Reserve Fund.

Account	Description	2022 Projected	2021	2020	2019
Obligatory Funds					
2630	Federal Gas Tax Reserve Fund	- 319,377	- 594,393	- 5,633	- 3,979
2632	Development Charges Reserve Fund	-	-	- 6,418	- 6,418
2633	Park Land Reserve Fund	- 227,511	- 247,114	- 227,511	- 212,681
2634	OCIF Ontario Comm Infrastructure Fund	- 581	- 76,782	- 484	-
		- 547,468	- 918,288	- 240,046	- 223,078
TOTAL Municipal Funds		- 8,079,020	- 10,172,138	- 7,785,457	- 6,917,926
Trust Funds					
2640	Fox Run by the River, In Trust	- 107,624	- 107,624	- 99,525	- 90,756
2641	Fox Run, Garden Home Trust Fund	- 101,532	- 101,532	- 87,326	- 70,972
		- 209,157	- 209,157	- 186,851	- 161,729
Library Funds (Discretionary)					
2625	Library Literacy Reserve	- 67,366	- 67,406	- 67,057	- 67,057
2626	Library IT Reserve	- 72,636	- 85,186	- 84,742	- 84,742
	Library building and capital reserve	-	-	-	-
2627	Library working fund reserve	- 30,364	- 56,364	- 56,364	- 62,568
		- 170,366	- 208,956	- 208,163	- 214,367

The transfers to the reserve funds are lower than the pre-pandemic transfers. Staff plan to increase the transfers to previous levels and ensure reserve funds are maintained to provide a valuable funding source for capital investment requirements.

Other Discretionary Reserve Funds

There are eight discretionary reserve and reserve funds identified in the reserve fund policy (and discussed below), established to allocate funds for purposes as directed by Council through the policy. Contributions and withdrawals are in accordance with Council approval through the annual budget process or through approved Council report recommendations.

Date	Description	Contingency Reserve 10-000-0000-2607	Working Fund Reserve 10-000-0000-2612	Tax Stabilization Reserve 10-000-0000-2608	Elections Reserve 10-000-0000-2615
31-Dec-18	balance	(87,849.98)	(853,568.30)	-	(20,759.30)
2019	contribution from operating	(15,000.00)		(42,500.00)	(16,250.00)
2019	Modernization Funding Received		(632,832.00)		
2019	Modernization Funding allocated		16,881.00		
2019	2018 deficit		108,145.00		
2019	Funding allocated				
31-Dec-19	balance	(102,849.98)	(1,361,374.30)	(42,500.00)	(37,009.30)
2020	Surplus from prior year		(242,747.00)		
2020	Contribution from operating			(45,000.00)	(16,250.00)
2020	Modernization funding allocated		144,197.00		
2020	Rename reserve and transfer money to Recreation Reserve				
2020	Funding allocated				
31-Dec-20	balance	(102,849.98)	(1,459,924.30)	(87,500.00)	(53,259.30)
2021	Contribution from operating			(45,000.00)	(16,250.00)
2021	surplus from previous year	(31,566.00)	(31,567.39)		
2021	Modernization funding allocated (budgeted - entries not booked yet)		171,584.00		
2021	Allocation of Modernization funding to Special Projects Reserve		130,170.00		
2021	Allocation of funding (budgeted - entries not booked yet)				
2021	Proposed allocation of unspent Modernization Funding		170,000.00		
31-Dec-21	balance	(134,415.98)	(1,019,737.69)	(132,500.00)	(69,509.30)
2022	Budgeted contributions			(45,000.00)	(16,250.00)
2022	budgeted withdrawals				
31-Dec-22	ESTIMATED Balance based on budget	(134,415.98)	(1,019,737.69)	(177,500.00)	(85,759.30)

The Contingency Reserve generally does not have activity and is in place to offset impacts of unexpected revenue decreases or increased operating expenditures.

The Working Fund Reserve helps to ensure adequate cash flow requirements are met and also can be employed to mitigate unexpected budgetary impacts. This reserve included the Modernization funding received in 2019, and the remaining funds are being allocated to the Special Projects Reserve Fund, which is better aligned with the intent of this funding.

The Tax Stabilization Reserve Fund and Elections Reserve fund receive annual contributions from the operating budget. The Elections Reserve Fund will be drawn upon to fund the 2022 election; the total estimated cost is unknown at this time.

Date	Description	Heritage Conservation & Celebration Grant Reserve 10-000-0000-2604	Grants & Donations Reserve 10-000-0000-2606	Community Improvement Plan Reserve 10-000-0000-2631	Special Projects Reserve 10-000-0000-2616
31-Dec-18	balance	(123,742.13)	(31,805.92)	(80,907.11)	(257,873.09)
2019	contribution from operating	(10,000.00)	(75,000.00)	(37,500.00)	(83,156.00)
2019	Modernization Funding Received				
2019	Modernization Funding allocated				
2019	2018 deficit				
2019	Funding allocated		83,404.34		
31-Dec-19	balance	(133,742.13)	(23,401.58)	(118,407.11)	(341,029.09)
2020	Surplus from prior year				
2020	Contribution from operating	(7,705.00)	(125,000.00)	(41,250.00)	(83,156.00)
2020	Modernization funding allocated				
2020	Rename reserve and transfer money to Recreation	123,742.00			
2020	Funding allocated		72,717.22		80,190.11
31-Dec-20	balance	(17,705.13)	(75,684.36)	(159,657.11)	(343,994.98)
2021	Contribution from operating			(30,000.00)	(55,000.00)
2021	surplus from previous year				
2021	Allocation of Modernization funding to Special Projects Reserve				(130,170.00)
2021	Allocation of funding (budgeted - entries not booked yet)				80,000.00
2021	Proposed allocation of unspent Modernization Funding				(170,000.00)
2021	Proposed allocation of 2021 Casino revenue		(50,000.00)		
31-Dec-21	balance	(17,705.13)	(125,684.36)	(189,657.11)	(619,164.98)
2022	Budgeted contributions			-	(25,000.00)
2022	budgeted withdrawals		125,000.00		50,000.00
31-Dec-22	ESTIMATED Balance based on budget	(17,705.13)	(684.36)	(189,657.11)	(594,164.98)

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 of funds 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 this 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 proposed 2022 budget includes \$125,000 to be distributed through the Community Grants program.

The Community Improvement Plan Reserve Fund was established to create and administer the Community Improvement Plan (CIP) of the Township. There is no budgeted contribution in 2022. Staff expect to develop the CIP in 2023 which will help form future budget requirements and will assist in establishing future budget contributions to the reserve fund.

The Special Projects Reserve Fund is intended to support studies, master plans, strategic plans, and other onetime or periodic expenditures. The reserve fund helps to alleviate budget pressures and related tax rate impacts resulting from these types of operating expenditures. The Special Projects Reserve Fund also includes the unspent portion of the Municipal Modernization Funding received in 2019.

The 2022 budget includes an allocation of Municipal Modernization funding from the Special Projects Reserve Fund for the Waste Management Study. This budget has been reduced from \$100,000 included in the 2021 budget, to \$50,000, proposed in the 2022 budget.

Municipal Modernization Funding

The Municipal Modernization funding has been spent or allocated as follows:

Date	Description	Amount	Balance	Details
2019	Modernization money received	632,832		
2019	Funding allocated for IT related work	(16,881)		
Dec 31, 2019			615,951	
2020	Asset management software	(106,848)		
2020	Broadband study	(37,349)		
Dec 31, 2020			471,754	
2021	Broadband business plan	(25,000)		Budgeted amount
2021	Asset management software	(34,252)		
2021	Funding for portion of Deputy Treasurer	(50,000)		
2021	Consulting re: Asset Management Plan Update	(42,332)		
2021	Broadband study (\$70,000 budgeted)			Program cancelled
2021	Waste Management Study (\$100,000 budgeted)			Deferred to 2022
2021	Mobile device purchases (report SR-023-21)	(20,000)		Budgeted amount
Dec 31, 2021			300,170	Estimate: will change once actual funding entries booked
2022	Waste Management Study (carry over)	(50,000)		
Dec 31, 2022			\$250,170	Estimated Balance

In March 2021, Council approved three recommendations regarding the Municipal Modernization Funding.

THAT Committee of the Whole recommends that Council approve the allocation of \$42,332 of Municipal Modernization Funding from the Working Fund Reserve for the Public Sector Digest (PSD) contract to develop a compliant Asset Management Plan;

AND THAT Committee of the Whole recommends that Council approve the allocation of \$20,000 of Municipal Modernization Funding from the Working Fund Reserve for the purchase of mobile devices;

AND THAT Committee of the Whole recommends that Council approve the transfer of the balance of the Municipal Modernization Funding of approximately \$130,170, from the Working Fund Reserve to the Special Projects Reserve Fund for future modernization related projects.

At that time, the estimated balance of the Municipal Modernization funds was \$130,170. However, the Waste Management Study budget has been reduced by \$50,000 and the Broadband project has been cancelled (budget of \$70,000).

Staff are proposing to transfer any unspent Municipal Modernization funding from the Working Fund Reserve to the Special Projects Reserve Fund at the end of 2021.

- \$130,170 Municipal Modernization funding transferred per March 2021 Council report;
- Unspent Municipal Modernization funding, *estimated* at \$170,000, to be transferred at the end of December, 2021;

The estimated funding amount of \$300,170 will be reduced by \$50,000 in 2022 for the waste management study leaving a total estimated funding balance of \$250,170. In addition, the purchase of mobile devices to date has been approximately \$7,060 compared with the \$20,000 approved allocation, so the actual allocation entry at the end of 2021 will likely be higher than \$170,000.

Staff anticipate that the Service Delivery Review currently being completed by a third party will result in several recommendations in a number of areas in the Township. These recommendations will potentially include new software, leveraging existing technologies, third party consulting services and/or other project type work that will require funding. The Service Delivery Review report will position the Township well to apply for future intakes of Municipal Modernization funding or other similar funding programs should they become available. Where funding programs are not available, Staff will seek Council approval to complete the recommended work with funding from the unspent Municipal Modernization funding in the Special Projects Reserve Fund. Depending on other available funding, Staff anticipate requiring funding of at least \$250,170 to complete the necessary work in the focused areas:

- Finance
- Human Resources
- Records Management
- Information Technology
- Planning and Development
- Communications

Work focused on the recommendations resulting from the Service Delivery Review will help to automate and streamline business processes, ensure compliance with policies, legislation, and industry best practices, create efficiencies and ensure delivery of optimal customer service to residents and stakeholders. Any allocation of the Municipal Modernization Funding will be dependent on prior Council approval.

Discretionary Funds – Specific Area of Business

The Township has established three reserve funds related to services that are self-funded by those rates or fees charged for the services.

Date	Description	Building Department 10-000-0000-2620	Reserves Water and Sewer 30-000-000-2821	Water Reserve 30-000-0000-2653	Wastewater Reserve 30-000-0000-2654
31-Dec-18	balance	(73,453.61)	(1,404,720.90)		
2019	contribution from operating	(137,245.59)	(157,380.33)		
2019	Funding allocated				
2019	Capital funding allocated		811,716.98		
31-Dec-19	balance	(210,699.20)	(750,384.25)	-	-
2020	Contribution from operating		(142,679.22)		
2020	Funding allocated	1,322.72			
2020	Partial funding for Lansdowne Servicing Area Study		34,451.53		
31-Dec-20	balance	(209,376.48)	(858,611.94)	-	-
2021	Contribution from operating				
2021	Allocation of funding				
2021	Combined reserve split into two reserves by utility		858,611.94	(429,305.97)	(429,305.97)
31-Dec-21	balance	(209,376.48)	-	(429,305.97)	(429,305.97)
2022	Budgetted contributions				
2022	budgeted withdrawals	80,900.00			
31-Dec-22	ESTIMATED Balance based on budget	(128,476.48)	-	(429,305.97)	(429,305.97)

In accordance with the Building Code Act, the fees collected are to be used to administer the Act. Any surplus is transferred to the Building Reserve Fund and any deficit is funded from the Building Reserve Fund. The proposed 2022 budget includes a budgeted withdrawal from the reserve of \$80,900 to balance the budget.

The water and wastewater utilities are funded by user rates and the revenue received is intended to fund the respective operating and capital budgets of these utilities. The 2022 budget has not been compiled at the time of preparing this budget document so expected transfers to or from the water and wastewater reserve funds are not included but will be included as part of the water and wastewater budget report.

Obligatory Reserve Funds

The Township has three Obligatory Reserve Funds which are reported as deferred revenue on the year-end financial statements. These reserve funds are established through the terms of an agreement with a higher level of government or through legislation.

Date	Description	CCBF (Fed Gas Tax) 10-000-0000-2630	OCIF 10-000-0000-2634	Parkland 10-000-0000-2633
31-Dec-18	balance	(40,034.98)	-	(259,016.10)
2019	funding received	(287,132.45)		(18,183.00)
2019	top up funding	(300,984.49)		
2019	Capital funding allocated	624,173.30		70,212.53
2019	interest			(5,695.00)
31-Dec-19	balance	(3,978.62)	-	(212,681.57)
2020	funding received	(287,132.45)	(152,597.00)	(12,387.50)
2020	Capital funding allocated	290,000.00	152,598.00	
2020	interest	(4,522.33)	(484.69)	(2,442.00)
31-Dec-20	balance	(5,633.40)	(483.69)	(227,511.07)
2021	funding received	(300,183.93)	(152,597.00)	
2021	top up funding	(288,575.33)		
2021	Capital funding allocated (Budgeted)	275,000.00	152,500.00	
2021	interest			
31-Dec-21	balance	(319,392.66)	(580.69)	(227,511.07)
2022	Budgeted contributions	(300,183.93)	(152,500.00)	
2022	budgeted withdrawals	300,200.00	152,500.00	
31-Dec-22	ESTIMATED Balance based on budget	(319,376.59)	(580.69)	(227,511.07)

Please note, the Federal Gas Tax Fund has been renamed the Canada Community Building Fund (CCBF).

As explained in the Road Network & Storm Sewer section of this document, the following projects are proposed to be funded in 2022:

- CCBF, \$300,200 funding towards Taylor Road West project.
- OCIF, \$152,500 funding towards Boundary Road project.

The 2021 budget included \$275,000 of CCBF funding for work to Junetown Road and \$152,500 for work to Blue Mountain Road, Kerry Point Road, Narrows Lane Road and Thomas Road.

The Township received a top up funding amount of \$288,575 in 2021 which was unbudgeted. Staff are anticipating allocating this funding to the Lansdowne Village project being planned. The design for this project is anticipated to begin in 2022 followed by staged multi-year construction completed thereafter.

Library Reserve Funds

Library Services has three Discretionary Reserves.

Date	Description	Library Literacy Reserve 40-000-0000-2625	Library IT Reserve 40-000-0000-2626	Library Working Reserve 40-000-0000-2627
31-Dec-18	balance	(61,475.00)	(84,742.00)	(62,568.00)
2019	funding received	(5,582.00)		
2019	funding allocated			
2019	interest			
31-Dec-19	balance	(67,057.00)	(84,742.00)	(62,568.00)
2020	funding received			
2020	funding allocated			6,204.00
2020	interest			
31-Dec-20	balance	(67,057.00)	(84,742.00)	(56,364.00)
2021	funding received			
2021	funds allocated (budgeted)			26,000.00
2021	interest	(309.26)	(393.61)	
31-Dec-21	balance	(67,366.26)	(85,135.61)	(30,364.00)
2022	Budgeted contributions			
2022	budgeted withdrawals	-	12,500.00	
31-Dec-22	ESTIMATED Balance based on budget	(67,366.26)	(72,635.61)	(30,364.00)

The 2021 revised Library budget includes a budgeted withdrawal of \$26,000 from the Working Reserve to fund a portion of the transition expenses related to the transition to a new CEO.

The 2022 proposed budget includes an allocation of \$12,500 from the IT reserve to purchase replacement computers for all library branches. This will ensure all laptops and desktops are up to date and functioning properly as many of the current devices are out of date.

Summary

The sustainability of the reserve funds and related shortfalls will be more clearly identified as the asset management program continues to progress. The 2022 budget represents the first budget that includes capital projects based on data from the Township's asset management plan. Such data will be the basis, now and in the future, for decisions effecting the sustainability of reserve funds and other financing sources. Going forward, the asset management plan will inform future capital investment requirements and funding needs.

In 2021, taking into consideration the uncertainties surrounding the impact of COVID-19, Council approved a very conservative budget. While there has been significant progress made in fighting COVID-19 in Ontario, in general, the Leeds Grenville Lanark Public Health Unit catchment in particular, the situation can quickly change as has been demonstrated in other areas of the world. Staff continue to recommend a conservative approach to estimating Casino revenue for 2022, close control of costs and a modest increase in the Township's portion of the property tax rate. The Township of Leeds and the Thousand Islands continues to have one of the lowest property tax rates of the lower tiers in the United Counties of Leeds and Grenville.

