



CAPITAL & OPERATING BUDGET

LOYALIST TOWNSHIP 2017

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1. 2017 BUDGET

1. 2017 Budget

1.1 BUDGET OVERVIEW

The proposed 2017 budget for Loyalist Township includes a 2% increase to the Township portion of the property tax rate which **balances the general rate operating and capital budgets**. The 2017 net general rate budget is \$13.2 million which includes \$2.4 million in contributions to capital. Departmental budgets and explanations are in [section 4](#). The 2017 general rate capital budget is \$5.4 million and is fully funded. General rate capital budgets and write ups are in [section 6](#).

The Utilities budget includes an 8% rate increase for water and sewer per the Council approved four-year rate study. The fixed portion of the Bath sewer rate remains the same as 2016 due to the plan to harmonize rates. It will increase by 2% in 2018 when the rates will become fully harmonized. The 2017 utilities operating and capital budgets are balanced within this projected revenue. Please refer to [section 3](#) for further information on the utilities budget.

The driving force again in the 2017 budget is the funding of capital infrastructure, both in the general rate and utilities budgets. The transfer from operating to capital has increased by \$335,600 (16%) for general rate and \$251,900 for Utilities (44%). The increase in contributions to capital accounts for half the increase in the 2017 levy requirement as compared to 2016.

GENERAL RATE BUDGET SUMMARY

	2017	2016	Change
Levy Requirement	\$13,236,500	\$12,571,500	\$665,000
Non-Departmental Net Budget	(\$542,000)	(\$555,600)	\$13,600
Departmental Net Budget	\$13,778,500	\$13,127,100	\$651,400

In late 2016, the Township borrowed \$5 million to fund 2016 projects as well as reduce the Unfinanced Capital Outlay (UFCO) balance. The projected UFCO balance at the end of 2016 for both general rate and utilities is \$444,400 down from \$4.4 million at the end of 2015.

The revision of the Township Asset Management Plan is providing staff an opportunity to do a comprehensive review of the Township's asset inventory and future capital budgets, as well as provide a solid foundation to develop long range financial plans.

The general rate levy requirement results in a 2% increase in the Loyalist Township property tax rate from 0.00663426 in 2016 to 0.00676695 proposed for 2017.

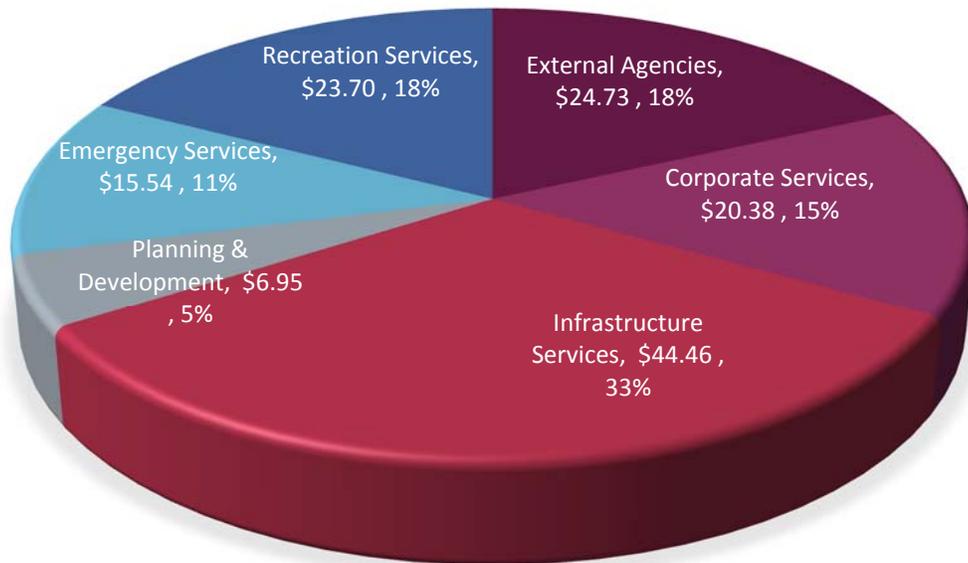
1. 2017 BUDGET

PROPERTY TAX RATE

Tax Rate	Increase	2017 Proposed	2016 Tax Rate
Loyalist Township	2% increase	0.00676695	0.00663426
Education	Assume no increase	0.00188000	0.00188000
L&A County	Assume no increase	0.00489800	0.00489800
TOTAL	1% increase	0.01354495	0.01341226

For an average residential property in Loyalist Township, the average assessment is expected to be \$240,750 (2016 = \$239,000). The average monthly residential bill included \$132.13 for the Township portion in 2016 compared with \$135.76 in 2017. This means an increase of \$3.63 per month for the average Loyalist Township residential customer.

GENERAL RATE, AVERAGE RESIDENTIAL BILL MONTHLY TOWNSHIP PORTION \$135.76



1. 2017 BUDGET

Property tax bill increases/(decreases) will vary by taxpayer depending on the assessed value of the property as determined by the Municipal Property Assessment Corporation (MPAC), the property tax classification, and the property tax rate which is made up of three components:

- Loyalist Township portion
- County of Lennox and Addington portion
- Education portion



1. 2017 BUDGET

1.2 FINANCIAL PLANNING

Developing a municipal budget is a challenging balancing act. There are many operational pressures which staff have little control over such as rising hydro costs, policing costs, insurance and salaries and wage costs that are dictated by union agreements.

In addition to these operational pressures is the astounding amount of capital work that is projected to be required over the next ten years. Staff from departments across the Township spent substantial time during 2016 revising the Asset Management Plan data. This included inventorying all assets including recreation, emergency services and all facility assets which had not been included in the last version presented to Council in September 2014. Departments then assessed condition, risk, useful life and replacement costs for their assets. All this information has been captured in our asset management database (CityWide).

As with past years, the development of the annual capital budget means that many projects have been deferred by one, two or three years. Therefore, the **general rate** capital budget in each of the next five years is projected to grow in the following manner:

- 2017 = \$5.4 million
- 2018 = \$9.9 million
- 2019 = \$5.7 million
- 2020 = \$15 million
- 2021 = \$24.7 million

These budget amounts are not achievable. Staff will be working through these budgets in the next month or so to create a 10 year budget that is manageable from a resourcing capacity as well as funding ability. Based on this longer term budget, finance will draft the revised asset management plan and will present it to Council in 2017.

Another corporate initiative that all departments have been involved with over the last year has been the development of customer service standards. A committee was formed and has worked over the last year to capture departmental service standards, develop tracking mechanisms, and engage staff across the organization to understand the benefit of tracking these service standards that were approved by Council in June 2016.

As depicted by the diagram on the next page, the development of service standards, the capital and operating budgets, as well as the asset management plan are integral aspects in the ongoing effective and transparent management of Loyalist Township. The Strategic Plan, as adopted by Council, forms the basis of the direction in which staff allocates time and resources on an annual basis in their budgets. The service levels determine the level of service required by Township assets which also drives the budgets.

1. 2017 BUDGET

The delivery of yearend financial statements and regular reporting of the service standard levels will provide Council with the results of what has been achieved as compared with their strategic initiatives.



1. 2017 BUDGET

ASSESSMENT AND PROPERTY TAX RATES

The notional tax rate is the rate which would raise the same amount of taxes as the previous year while using updated assessment roll information. Based on the notional tax rate of 0.00660097, the 2017 tax rate is an increase of 2.5%.

Property Assessments are updated every four years and the 2016 Assessment update reflects the valuation date of January 1, 2016 for the 2017-2020 property tax years. The Municipal Property Assessment Corporation (MPAC) undertook a comprehensive review with increased assessment quality and improved valuation methods and models to deliver assessed values for the 2016 Assessment Update.



MPAC has strengthened the accuracy and equity of farm valuations for the 2016 Assessment Update. Property Assessment Notices were delivered starting October 11, 2016, with an average annual provincial increase of 16% since 2012. Over the next four years, the average farm property will increase by 64%.

MPAC has changed the way multi-residential properties are assessed and used the Direct Capitalization Approach for the 2016 Assessment Update. These changes were implemented as a result of feedback received during consultations with the Federation of Rental-Housing Providers of Ontario (FRPO), the Co-operative Housing Federation of Canada (Ontario Region Office) and the Ontario Non-Profit Housing Association. Provincially, multi-residential property values have increased on average by 7% annually since 2012. Over the next four years, the average multi-residential property will increase by 28%.

How multi-residential properties are assessed



www.mpac.ca

1. 2017 BUDGET

The following chart provides a comparison of the total assessment for 2012 and 2016 base years, as well as a comparison of the assessment change for year one of the four year phase in (2017 property tax year), by property class. The most significant increases for 2017 phased in assessment as compared with 2012 are in the residential (\$10,902,000) and farm (\$9,273,000) classes.

ASSESSMENT CHANGE SUMMARY BY PROPERTY CLASS – LOYALIST TOWNSHIP

Property Class/Realty Tax Class	2012 Full CVA	2016 Full CVA	Percent Change 2012 to 2016	2017 Phased-in CVA	Percent Change 2012 to 2017
R Residential	1,575,580,734	1,679,159,600	6.6%	1,586,482,868	0.7%
M Multi-Residential	37,534,000	41,300,000	10.0%	38,206,250	1.8%
C Commercial	36,393,576	39,646,600	8.9%	35,473,488	-2.5%
S Shopping Centre	2,075,850	2,366,000	14.0%	2,148,388	3.5%
X Commercial (New Construction)	7,338,800	8,347,100	13.7%	7,546,100	2.8%
I Industrial	12,448,219	14,905,800	19.7%	12,270,731	-1.4%
L Large Industrial	19,125,121	17,514,600	-8.4%	17,386,350	-9.1%
J Industrial (New Construction)	2,970,300	4,344,600	46.3%	3,296,475	11.0%
H Landfill	1,200	9,400	683.3%	3,250	170.8%
P Pipeline	26,063,000	29,054,000	11.5%	26,810,750	2.9%
F Farm	47,987,600	85,123,500	77.4%	57,260,550	19.3%
T Managed Forests	601,400	763,100	26.9%	624,950	3.9%
(PIL) R Residential	1,695,700	1,671,500	-1.4%	1,625,750	-4.1%
(PIL) C Commercial	59,713,000	60,640,700	1.6%	59,755,700	0.1%
(PIL) X Commercial (New Construction)	4,624,000	4,675,000	1.1%	4,636,750	0.3%
(PIL) I Industrial	1,009,700	1,008,800	-0.1%	1,008,800	-0.1%
(PIL) H Landfill	84,300	47,000	-44.2%	47,000	-44.2%
E Exempt	56,324,100	61,205,300	8.7%	54,055,325	-4.0%
TOTAL	1,891,570,600	2,051,782,600	8.47%	1,908,639,475	0.90%

*Please note there is a new class for landfill for 2017 in the chart above.

1. 2017 BUDGET

The chart below provides a comparison of the distribution of the total assessment for the 2012 and 2016 base years, which includes the percentage of the total assessment base by property class. Residential assessment continues to make up the largest portion of the Loyalist Township assessment at 83%, while Farm assessment had a significant increase.

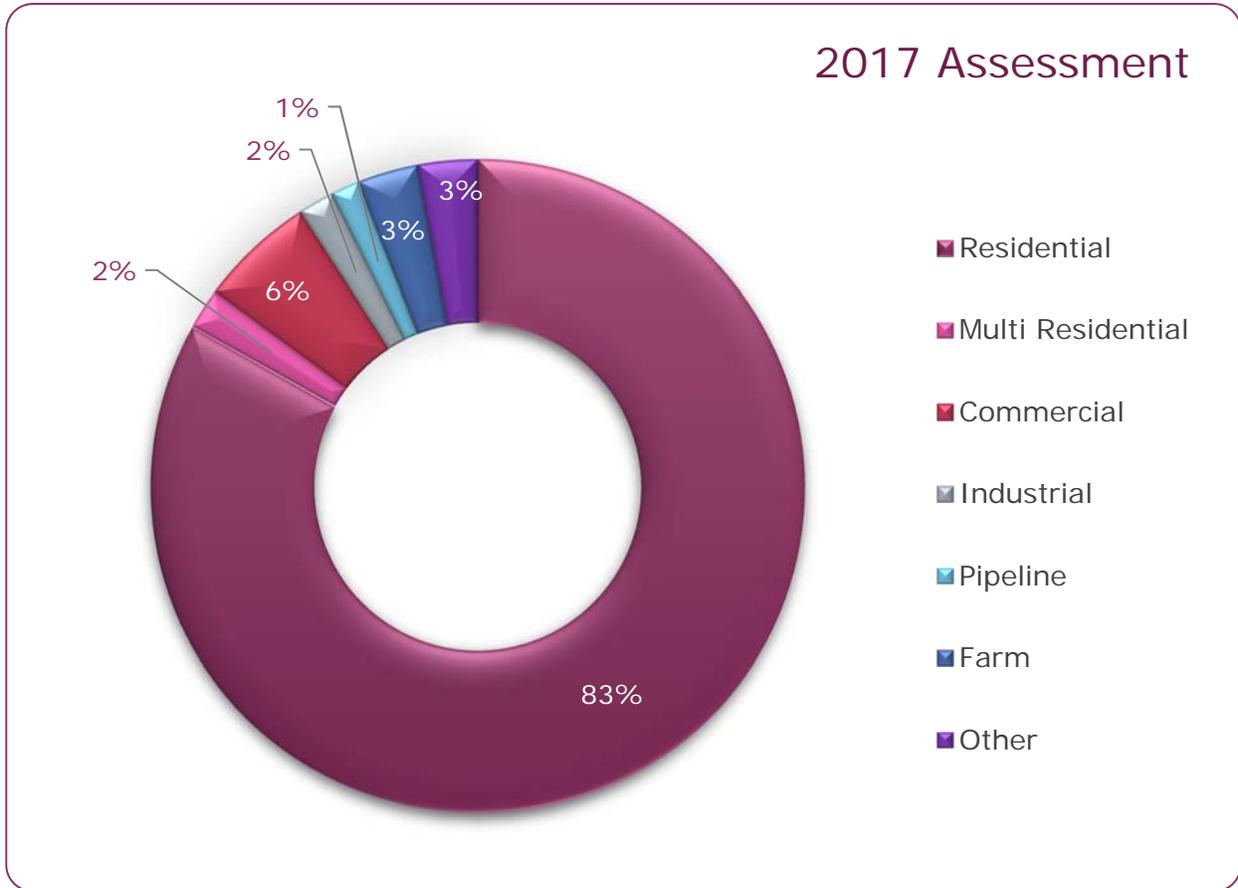
ASSESSMENT BASE DISTRIBUTION SUMMARY BY PROPERTY CLASS LOYALIST TOWNSHIP

Property Class/Realty Tax Class	2012 Full CVA	Percentage of Total 2012 CVA	2016 Full CVA	Percentage of Total 2016 CVA	2017 Phased-in CVA	Percentage of Total 2017 CVA
R Residential	1,575,580,734	83.3%	1,679,159,600	81.8%	1,586,482,868	83.1%
M Multi-Residential	37,534,000	2.0%	41,300,000	2.0%	38,206,250	2.0%
C Commercial	36,393,576	1.9%	39,646,600	1.9%	35,473,488	1.9%
S Shopping Centre	2,075,850	0.1%	2,366,000	0.1%	2,148,388	0.1%
X Commercial (New Construction)	7,338,800	0.4%	8,347,100	0.4%	7,546,100	0.4%
I Industrial	12,448,219	0.7%	14,905,800	0.7%	12,270,731	0.6%
L Large Industrial	19,125,121	1.0%	17,514,600	0.9%	17,386,350	0.9%
J Industrial (New Construction)	2,970,300	0.2%	4,344,600	0.2%	3,296,475	0.2%
H Landfill	1,200	0.0%	9,400	0.0%	3,250	0.0%
P Pipeline	26,063,000	1.4%	29,054,000	1.4%	26,810,750	1.4%
F Farm	47,987,600	2.5%	85,123,500	4.1%	57,260,550	3.0%
T Managed Forests	601,400	0.0%	763,100	0.0%	624,950	0.0%
(PIL) R Residential	1,695,700	0.1%	1,671,500	0.1%	1,625,750	0.1%
(PIL) C Commercial	59,713,000	3.2%	60,640,700	3.0%	59,755,700	3.1%
(PIL) X Commercial (New)	4,624,000	0.2%	4,675,000	0.2%	4,636,750	0.2%
(PIL) I Industrial	1,009,700	0.1%	1,008,800	0.0%	1,008,800	0.1%
(PIL) H Landfill	84,300	0.0%	47,000	0.0%	47,000	0.0%
E Exempt	56,324,100	3.0%	61,205,300	3.0%	54,055,325	2.8%
TOTAL	1,891,570,600	100.0%	2,051,782,600	100.0%	1,908,639,475	100.0%



1. 2017 BUDGET

The chart below depicts a high level overview of the township's assessment base.



Residential is the main assessment class for the Township.

DEBT

Additional debt was issued in 2016 in the amount of \$5 million which funded several utilities and general rate projects, as approved in the 2016 budget. The reduction to prior years Unfinanced Capital Outlay (UFCO) was \$1.8 million for general rate and \$1.2 million for utilities.

Some of the larger projects funded by the debt included:

- Vehicles \$317,000
- Odessa Fire Hall Renovations \$311,000
- Two Fire Pumpers \$490,000
- Bath Main Street Watermain Replacement \$964,000
- Construction financing for Briscoe Street, McIntyre Road and Wetland projects totaling \$1.8 million

1. 2017 BUDGET

The total debt owing as at the end of 2016 is \$15 million compared with \$11 million at the end of 2015.

DEBT SERVICE COST BUDGET TABLE

Lender	Maturity (Renewal Date)	Amortization Period (Years)	Original Principal	Interest Rate	Opening 2016	Closing 2016	Closing 2017
Royal Bank of Canada	June 2021	7.5	539,000	3.14%	435,000	356,000	277,000
Royal Bank of Canada	Renewal Sept 2017	9	1,194,000	5.07%	966,000	846,000	720,000
Toronto Dominion	Renewal Mar 2020	15	2,457,000	1.94%	2,149,000	1,993,000	1,835,000
Toronto Dominion	Renewal Jan 2025	17	1,750,000	2.81%	1,663,000	1,565,000	1,465,000
Canada Housing and Mortgage Corporation	May 2025	15	782,000	4.15%	677,000	621,000	562,000
Royal Bank of Canada	March 2024	10	2,063,000	2.35%	1,890,000	1,658,000	1,426,000
Toronto Dominion	March 2025	15	1,518,000	2.50%	1,330,000	1,237,000	1,142,000
Infrastructure Ontario	August 2025	15	931,000	4.06%	776,000	699,000	621,000
Infrastructure Ontario	August 2030	20	1,477,000	4.35%	1,303,000	1,216,000	1,129,000
Infrastructure Ontario	December 2031	15	418,000	2.95%	-	418,000	395,000
Infrastructure Ontario	December 2036	20	1,225,000	3.24%	-	1,225,000	1,181,000
Infrastructure Ontario	December 2041	25	1,574,000	3.42%	-	1,574,000	1,534,000
Construction Loans (Debenture June 2017)	June 2017		1,836,000	1.01%		1,836,000	1,836,000
Infrastructure Ontario							1,084,000
Infrastructure Ontario							1,300,000
			17,764,000		11,189,000	15,244,000	16,507,000

*The new debt amounts are highlighted in the chart above.

Debt Service Costs

The 2017 budget for debt service costs reflects the principal and interest components for all the debt currently issued as well as projections for an additional \$3 million of borrowings in June of 2017.

The 2017 budget for debt service costs has decreased by approximately \$140,000 from 2016 levels. This is because the 2016 budget included debt service costs for a projected \$8 million in additional borrowings to occur in 2016. In practice, only \$3.2 million of this projected \$8 million was borrowed in 2016 along with an additional \$1.8 million in temporary borrowing, occurring at the end of December. The \$1.8 million in temporary borrowing will be converted to debentures along with an additional \$1.1 million in June 2017. In total, approximately \$6.1 million in borrowing will occur between December 2016 and June 2017, \$1.9 million lower than the projected \$8 million that was included in the 2016 budget. It is projected that an additional \$1.3 million will be borrowed near the end of 2017, bringing the total to \$7.4 million of the \$8 million originally approved in the 2016 budget, however, this \$1.3 million will not impact debt service costs until 2018. Thus, the debt service costs in 2017 are budgeted to decrease \$140,000.

1. 2017 BUDGET

The Township's level of debt service cost (annual total payments) cannot exceed a Provincially Mandated threshold of 25% of own source revenue, or about \$4.4 million. This determination is made annually by the Province and reported to Council.



The projected debt payments of \$1.6 million will remain within the annual debt repayment limit of \$4.4 million.

The chart below shows principal and interest debt payments including proposed debt for 2017.

1. 2017 BUDGET

PRINCIPAL & INTEREST DEBT PAYMENTS

	2017 Budget	2016 Budget	Change
EMERGENCY SERVICES*	184,300	210,200	(25,900)
ROADS - GENERAL OVERHEAD	117,800	98,000	19,800
DEBT SERVICE - SEWAGE - ODESS.AMH.BATH	147,700	146,600	1,100
AMHERSTVIEW SEPTAGE FACILITY	46,400	41,600	4,800
PARKS	28,600	57,000	(28,400)
INDUSTRIAL DEV.-LOY. EAST BUSINESS PARK	94,900	97,700	(2,800)
TOTAL GENERAL RATE	\$ 619,700	\$ 651,100	-\$ 31,400
LOYALIST EAST SEWER GENERAL	0	113,000	(113,000)
LOYALIST EAST SEWER PLANT- OPERATIONS	259,300	200,800	58,500
LOYALIST EAST SEWER COLLECTION SYSTEM	107,300	85,700	21,600
BATH SEWER PLANT- OPERATIONS	143,100	143,100	0
FAIRFIELD WATER GENERAL	0	60,000	(60,000)
FAIRFIELD WATER PLANT - OPERATIONS	273,200	262,200	11,000
FWA-DISTR-BOOSTER PUMP STN & RESERVOIR	188,300	191,000	(2,700)
BATH WATER GENERAL	55,700	87,000	(31,300)
BATH WATER PLANT - OPERATIONS	3,500	0	3,500
TOTAL UTILITIES	\$ 1,030,400	\$ 1,142,800	-\$ 112,400
TOTAL DEBT PAYMENTS	\$ 1,650,100	\$ 1,793,900	-\$ 143,800

*Debt related to the Amherstview Fire Station is funded 71% by Development Charges



UNFINANCED CAPITAL OUTLAY

Based on direction from Council through the 2016 budget process, staff have been able to significantly reduce the level of Unfinanced Capital Outlay (UFCO). In doing so, the Township has taken on more debt as described in the previous section. The UFCO is projected to be \$444,400 at the end of 2016 and \$1 million at the end of 2017.

1. 2017 BUDGET

UFCO BALANCE

Unfinanced Capital Outlay Balance (UFCO)*	General Rate	Utilities	Total
UFCO Dec 31, 2015	2,267,300	2,158,000	4,425,300
2016 capital spending	4,067,300	2,577,900	6,645,200
Total Capital Spending to be Funded	6,334,600	4,735,900	11,070,500
Debt Issued in December 2016	- 2,005,800	- 1,211,900	- 3,217,700
Temporary Borrowing - Construction Loan	- 769,200	- 1,066,800	- 1,836,000
2016 Funding	- 3,524,000	- 2,048,400	- 5,572,400
Projected UFCO Dec 31, 2016	35,600	408,800	444,400
2016 Capital Carry Over to 2017	1,465,500	1,510,000	2,975,500
2017 Debt to be Issued	- 1,019,300	- 1,364,000	- 2,383,300
2017 Capital Budget as Proposed	5,387,000	2,610,000	7,997,000
2017 Capital Revenue	- 5,406,200	- 2,621,500	- 8,027,700
Projected UFCO Dec 31, 2017	462,600	543,300	1,005,900

*The above table does not include internal borrowing (\$1 million at Dec 31, 2016).

The Asset Management Plan and long term financial plan will continue to address and minimize the UFCO. For Utilities capital budgeting and financial planning, the next rate study will be key in ensuring that the rates are sufficient to pay for the Utilities capital requirements over the next five to ten years (or more), to avoid using the UFCO account.



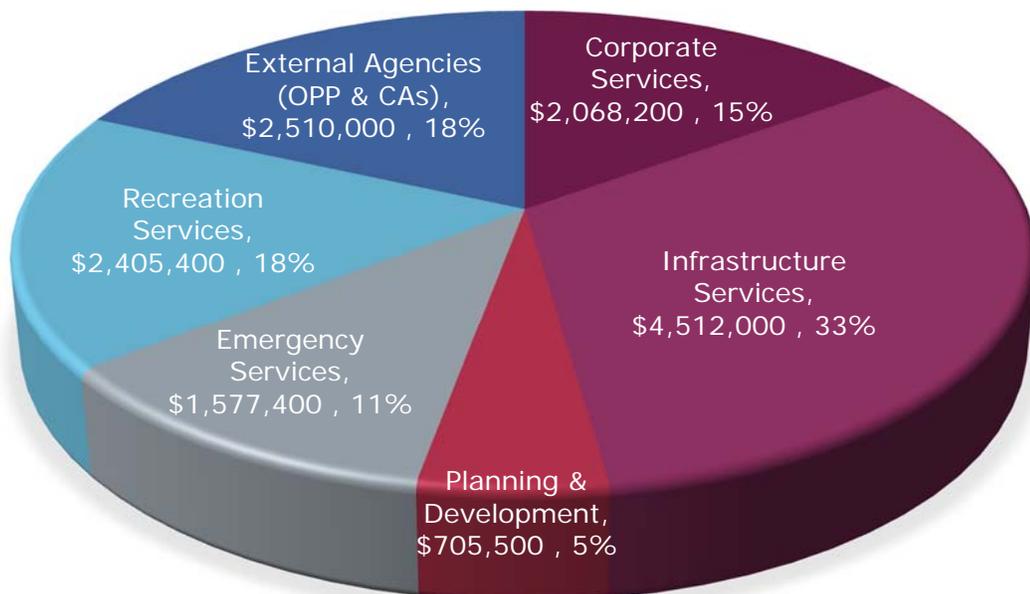
2. OPERATING BUDGET SUMMARY

2. Operating Budget Summary

NET OPERATING BUDGET BY DEPARTMENT

The following net operating budget breakdown illustrates the breakdown in priorities within the Township operating budget. The top three areas being Infrastructure Services at \$4.5 million, External Agencies at \$2.5 million and Recreation Services at \$2.4 million. Note the Township has no control over the External Agencies budget which is comprised of the OPP and the Conservation Authority budgets.

NET OPERATING BUDGET BY DEPARTMENT TOTAL \$13,778,500



The net departmental general rate budget for 2017 is proposed at \$13.8 million as compared with 2016 which was \$13.1 million. This represents an increase of \$651,400 or 5%. The largest variance is due to increases in contributions to capital of \$315,600.

2. OPERATING BUDGET SUMMARY

Salaries, wages, and benefits continue to represent a significant portion of the Loyalist Township budget (42%) and is essentially a non-discretionary expense in nature due to union contracts and employment agreements. This makes up much of the non-discretionary expenses in the Departmental 2017 Operating Budget table. Staff have little control over almost 70% of the operating budget due to the nature of the expenses incurred. The discretionary expenses make up approximately \$5.6 million or 32% of the budget. This proportion of discretionary versus non-discretionary is consistent with last year's budget.

DEPARTMENTAL 2017 OPERATING BUDGET

DEPARTMENTAL - 2017 OPERATING BUDGET							
	Corporate Services	Infrastructure Services	Planning & Development	Emergency Services	Recreation Services	External Agencies	Total
Revenue							
Grants	-	25,000	-	-	5,500	10,900	41,400
Fees & User Charges	12,700	623,800	76,000	-	616,300	-	1,328,800
Licenses, Permits	45,300	99,000	572,000	-	-	-	716,300
Rents	18,300	-	-	-	418,000	-	436,300
Other Revenue	339,400	734,200	255,400	41,900	18,700	-	1,389,600
From Reserves/Reserve Funds	-	-	-	94,700	-	-	94,700
2017 Budgeted Revenue	415,700	1,482,000	903,400	136,600	1,058,500	10,900	4,007,100
Expenses							
Salaries, Wages & Benefits	1,616,800	2,299,100	999,100	920,100	2,036,300	-	7,871,400
Debt Principal & Interest	-	311,900	94,900	184,300	28,600	-	619,700
Insurance	72,000	217,900	9,300	29,900	74,900	-	404,000
Utilities	61,900	223,100	-	62,300	380,700	-	728,000
OPP/Conservation Authority	-	-	-	-	-	2,519,200	2,519,200
Non-Discretionary Expenses	1,750,700	3,052,000	1,103,300	1,196,600	2,520,500	2,519,200	12,142,300
% of Total Expenses	70%	51%	69%	70%	73%	100%	68%
Contracted Services	60,600	984,300	47,300	20,000	56,300	-	1,168,500
Supplies, Materials & Other	1,358,400	1,255,400	148,700	302,100	505,700	1,700	3,572,000
Contribution to Capital	281,000	958,000	29,800	172,000	330,000	-	1,770,800
Contribution to Reserve Funds	325,100	-	-	-	6,600	-	331,700
Internal Allocations	1,291,900	255,700	279,800	23,300	44,800	-	1,199,700
Discretionary Expenses	733,200	2,942,000	505,600	517,400	943,400	1,700	5,643,300
% of Total Expenses	30%	49%	31%	30%	27%	0%	32%
2017 Budgeted Expenses	2,483,900	5,994,000	1,608,900	1,714,000	3,463,900	2,520,900	17,785,600
2017 Net Budget	2,068,200	4,512,000	705,500	1,577,400	2,405,400	2,510,000	13,778,500

Contribution to capital is categorized as a discretionary expense as staff have control over the level of contribution. However, the level of contribution directly impacts the amount of capital work that can be funded in the given year as the Township has little in the way of reserves and reserve funds. Therefore, most of the capital work is being funded by "pay as you go" (PAYG), direct contribution from operating. Per Council direction, the Unfinanced

2. OPERATING BUDGET SUMMARY

Capital Outlay balance will not be a catch all for funding capital projects. Using debt to fund capital also impacts the operating budget as increased debt in turn means increased operating costs to service debt payments.

The 2017 budget again includes a concerted effort to increase the contributions to capital from the operating budget for general rate and utilities. The contributions to capital have tripled from 2015 to 2017.

2017 Contribution to Capital from Operating Budget					
	2017 Budget	Increase PY	2016 Budget	Increase PY	2015 Budget
Administrative Services	160,000		102,500		104,400
Finance	0		0		4,600
Information Technology	90,000		85,000		98,000
Cemeteries	31,000		33,000		0
Corporate Services	281,000	27%	220,500	7%	207,000
Emergency Services	172,000		143,200		51,600
Emergency Services	172,000	20%	143,200	178%	51,600
Transportation Services	885,000		771,000		486,500
Storm water	60,000		56,000		0
Street lighting	13,000		6,500		6,000
Infrastructure Services	958,000	15%	833,500	69%	492,500
Recreation Services	30,000		25,000		200,000
Arena	90,000		75,000		0
Pool	60,000		50,000		0
Parks	120,000		60,000		0
Sports Fields	20,000		15,000		0
Leisure & Activity Centre	6,000		5,000		0
Community Buildings	4,000		3,000		0
Recreation Services	330,000	42%	233,000	17%	200,000
Planning	27,000		25,000		10,000
Development	2,800		0		0
Planning & Development	29,800	19%	25,000	150%	10,000
Total Departmental	1,770,800	22%	1,455,200	11%	961,100
Non Departmental	665,000		645,000		0
TOTAL GENERAL RATE	2,435,800	16%	2,100,200	119%	961,100
Loyalist East Sewage	66,300		100,000		9,100
Fairfield Water Area	617,900		375,800		72,800
Bath Water Area	93,500		50,000		0
Bath Sewer Area	50,000		50,000		0
TOTAL UTILITIES	827,700	44%	575,800	603%	81,900
TOTAL CONTRIBUTION	3,263,500	22%	2,676,000	157%	1,043,000

2. OPERATING BUDGET SUMMARY

The Township has entered into a number of significant contracts which make up approximately 25% of the net departmental budget.

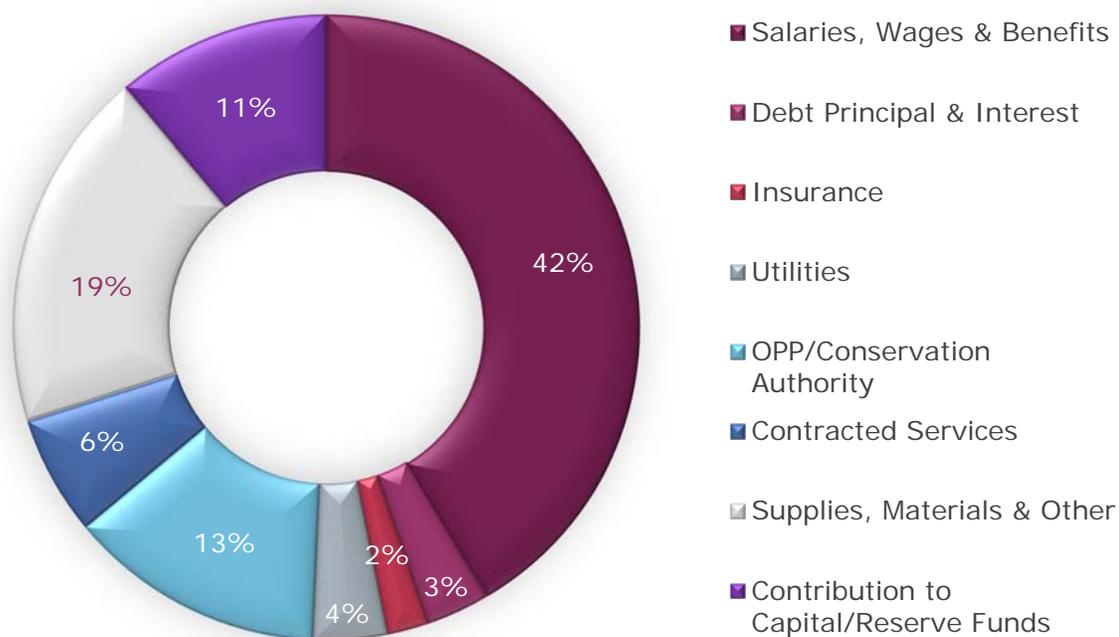
MAJOR CONTRACTS

	2017 Budget	2016 Budget	2016 Actual - Estimated
Policing Services*	\$ 2,341,800	\$ 2,285,600	\$ 2,285,628
Garbage collection	\$ 306,000	\$ 300,000	\$ 291,419
Curbside - Recycling	\$ 410,000	\$ 400,000	\$ 438,900
Liability Insurance	\$ 493,500	\$ 490,700	\$ 468,695
Total	\$ 3,551,300	\$ 3,476,300	\$ 3,484,642

*The Township technically no longer has a contract with the OPP

The gross general rate operating expenses (excluding departmental revenue and internal allocations) is \$19 million, up from \$18.1 million in 2016, an increase of 3.8%. The proportion of expenses is generally in line with 2016. Contribution to capital continues to increase and is 11% of total expenses compared with 9% in 2016.

GROSS GENERAL RATE OPERATING EXPENSES \$19 MILLION



2. OPERATING BUDGET SUMMARY

COMMUNITY GRANTS 2017



Nine organizations submitted 2017 Community Grant Applications. The following summary indicates the grant amounts recommended by the Director of Recreation Services. Grant dollars total \$6,250 for 2017 and is provided in the Recreation Services budget line 1.6.740.8500. A standing \$4,500 grant outside of the community grant policy is provided annually to the Amherst Island Recreation Association for Canada Day events and is provided for in budget line 1.6.740.3107

COMMUNITY GRANTS

	2016 Approved	2017 Recommended
Fairfield Homestead Heritage Association	\$1,000	\$1,000
Amherst Island Men's Society	\$1,000	\$1,000
Amherstview Lion's Club	\$1,000	\$1,000
Bath Gardening Club	\$500	\$500
Bath Hospitality Club	\$500	\$500
Emerald Music Festival (Amherst Island)	\$500	\$500
Gibson Family Health Care Charitable Foundation	\$500	\$500
Amherst Island Community Café	-	\$1,000
Amherst Island Women's Institute	-	\$250
Total Community Grants	\$5,000	\$6,250

The following table includes other grant programs administered by Loyalist Township that are not specified in the Community Grant Policy. The 2016 amounts paid are draft amounts.

2. OPERATING BUDGET SUMMARY

OTHER GRANT PROGRAMS ADMINISTERED BY LOYALIST TOWNSHIP

	2016 Approved	2016 Paid	2017 Proposed
Seniors Tax Assistance Program	12,000	12,000	12,000
Council Ad Hoc Grants	1,000	300	1,000
Recreation Rental Charges Waived (not a cash expenditure, represents foregone revenue)	32,500	30,879	30,500
Bag Tags for Medical Purposes	1,000	1,100	1,000
	46,500	44,279	44,500
Development and Other Planning Grants			
Development Grants	5,000	1,300	1,300
Bath Community Revitalization	3,700	-	3,700
Heritage Grant Program	7,000	1,750	10,000
Heritage Property Tax Reduction	1,000	438	2,000
	16,700	3,488	17,000
	63,200	47,767	61,500



3. UTILITIES BUDGET

3. Utilities Budget

3.1 SUMMARY

The 2017 Utilities operating and capital budgets are balanced based on the 2017 projected revenue for water and sewer. The revenue projections are derived on the rates from the rate study and related financial plan which were approved by Council in 2014. The rates are increasing 8% as of January 1, 2017, except for the Bath sewer flat rate portion. This rate will remain consistent with 2016. In 2018, the rate will increase slightly and all components of the water and sewer rates will be harmonized at that time.

The 2017 budget includes an additional full time operator to provide necessary resources to be able to operate and maintain all utilities' facilities. The number of full time operators has not increased since 2003. In that timeframe, the water distribution system has increased by 33% and the sanitary collection system has increased by 44%. The estimated number of hours required to complete the Utilities workload is 21,570 hours. The number of hours available currently is 17,836 creating a deficit of approximately 3,700 hours. The inclusion of an additional operator position is included in the 2017 proposed balanced utilities budget. Further details on the operating budgets for water and sewer are contained in Utilities, [section 3.2](#).

The 2017 water and sewer capital budget totals \$2.6 million. The capital budget is funded mainly by grants and contributions from operating. If the grants are not approved for 2017 capital spending, the related projects will not move forward. The capital projects are fully funded as proposed in the 2017 budget.

BACKGROUND

Loyalist Township provides water and sanitary sewer service to the communities of Amherstview, Odessa, and Bath, and water service to Harewood and Brooklands Subdivisions.

The mission of the Loyalist Township Utilities Division is to operate the Township's water and sanitary sewer infrastructure to protect the health of all users, and to mitigate negative impact upon our environment by ensuring compliance with applicable Regulations.

The Bath and Fairfield drinking water systems are managed and operated in accordance with the provincial Drinking Water Quality Management Standard. As per the Quality Management System (QMS) policy approved by Council, Loyalist Township is committed to comply with all applicable legislative and regulatory requirements, as it relates to drinking water quality, to supply our customers with safe drinking water and is committed to the maintenance and continual improvement of the QMS.

3. UTILITIES BUDGET

The Utilities operations run 24 hours a day, seven days a week:

1. Fairfield Water System which provides treated drinking water to Amherstview, Odessa, and Harewood and Brooklands Subdivisions. System includes treatment plant, two water towers, booster station and distribution piping.
2. Bath Water System which provides drinking water to Village of Bath and Millhaven and Bath Institutions. System includes treatment plant, water tower and distribution piping.
3. Loyalist East Sanitary Sewer System which receives sanitary sewage from Amherstview and Odessa. System includes treatment plant, four pumping stations, and collection piping.
4. Bath Sanitary Sewer System which receives sanitary sewage from the Village of Bath, and from the Millhaven and Bath Institutions. System includes treatment plant, four pumping stations and collection piping.

The Utilities division at Loyalist Township is unique in that it is responsible for the operation and maintenance of two separate water systems and two separate sanitary sewer systems. The operation and maintenance of the systems includes the following responsibilities:

- Daily equipment and data monitoring, for all treatment plants, pumping stations, booster stations, and tower operations
- Regulatory sampling
- Lab analysis
- Treatment process analysis and adjustments
- Dead end flushing
- Distribution system maintenance and collection system maintenance
- Reporting and responding to non-conformance, non-compliance and adverse water quality issues
- Responsible for responding to customer inquiries such as water quality complaints, watermain breaks, sewage back ups, and all water meter work
- Assisting engineering with new development tie ins and inspections as required by development agreements
- Assisting engineering with capital improvements of the watermains and sewer mains by operating and testing the system as required throughout capital projects
- Facility equipment maintenance and capital equipment replacement
- Tank cleaning, inspections, and maintenance

3. UTILITIES BUDGET

3.2 OPERATING SUMMARY

In accordance with the Council approved four year rate increases, User Charges for water and sewer have been increased 8% for 2017 based on the rate study completed in 2014. In accordance with the rate study, 2017 is the last year that the fixed portion of sewer rate for Bath will remain constant. 2018 will be the first year that rates in both service areas will be fully harmonized and a rate increase will be applied to both the fixed and variable portions of the water and sewer rates.

The projected 2017 revenue is based on a three year average consumption flow rate. The dry summer this past year created a temporary increase in consumption and staff felt that using a three-year average would produce a more accurate depiction of expected revenue.

The total operating budget for the water and sewer systems is \$7.6 million, including debt and contributions to capital and reserve funds. The main cost drivers in the 2017 operating budget are increased fixed operating costs, one additional staff operator, and increased capital contributions.

The development of the most recent asset management plan has further highlighted the need to increase capital contributions to fund the required capital asset replacements that are forecasted over the next five to 10 years. Currently the Utilities reserve funds contain impost fees and are therefore dedicated to growth projects. Only a small portion of the 2017 capital projects can be funded utilizing these reserve funds. Most of the planned capital work must be funded through grants and/or contributions from operating and/or debt.

Water Service Areas Operating

REVENUE

The total water service area revenue of \$4.1 million has been budgeted for 2017. Analysis of the 2016 consumption data reveals that weather does have a significant impact on water usage in different areas of the Township. As a result of the dry summer, staff feel that the consumption numbers for 2016 are falsely elevated and the weather impact should be taken into consideration when reviewing the data from 2016 for future consumption estimations.



Correctional Services Canada (CSC) revenue is at 51% of their share of eligible operating costs. This percentage represents a return to historical levels. Based on recent information provided by CSC personnel, these current percentages are expected to remain stable, and remain closely monitored by staff.

3. UTILITIES BUDGET

WATER SYSTEM OPERATING SUMMARY TABLE

Expense Description	2015 Actual Values	2016 YTD Actual Values	2016 Revised Budget	2017 1st Draft	Change from 2016 Budget
Revenue	- 3,548,508	- 3,258,368	- 3,787,500	- 4,145,100	- 357,600
Salaries and Wages	567,942	571,451	677,700	558,500	- 119,200
Internal Allocations	716,031	485,172	646,900	845,300	198,400
Debt, Principal and Interest	452,135	428,096	600,200	520,700	- 79,500
Contracted Services	36,385	11,579	20,400	23,400	3,000
Insurance	8,059	9,023	8,600	10,400	1,800
Utilities	86,263	41,879	64,000	65,000	1,000
All Other Materials, Supplies and Expenses	682,244	631,990	657,200	726,500	69,300
Contributions to Capital	72,800	425,800	425,800	711,400	285,600
Transfer to Reserve/Reserve Fund	586,326	298,732	686,700	683,900	- 2,800
TOTAL	- 340,323	- 354,646	-	-	-

* 2016 YTD Actual Values as of Dec 28, 2016; Missing year end entries and allocations.

WATER SYSTEM OPERATING SUMMARY

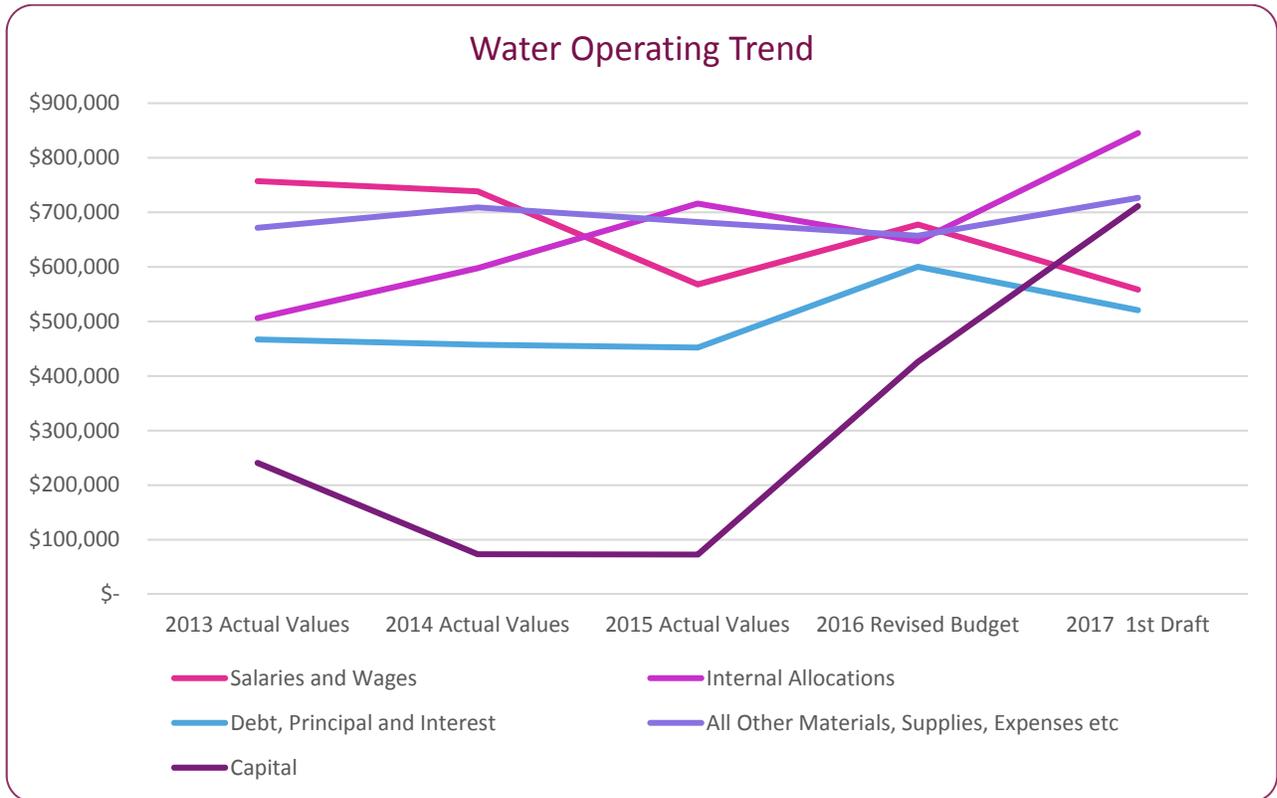
The water operating budget includes a decrease in salaries and wages (\$119,200) and a corresponding increase in internal allocations (\$198,400). This is due to a change in the accounting of the supervisors' salary costs which are now being allocated to the various utilities facilities through the internal allocation entries.

Materials, supplies and other expenses have increased approximately by \$69,000 due to the change in practice of how the SCADA maintenance costs are budgeted. In previous years, these costs were approved as part of the capital budget. The programming changes and maintenance of the SCADA systems do not meet the criteria for a capital expense. During previous year end entries, the costs were being expensed against the operating budget. For 2017, the costs are being budgeted in the operating budget.

Debt payments have decreased slightly as the interest expense on the debt slowly decreases while the contributions to capital have increased (\$286,000). The contributions to capital have the largest variance and are on a steady increase since 2015. This will need to continue so that the capital budget can be fully funded.



3. UTILITIES BUDGET



Sewer Service Areas Operating Summary

REVENUE

The total sewer service area revenue of \$3.5 million has been budgeted in 2017. The sanitary revenue is lower than water revenue as there are fewer sanitary connections as well as owing to the flat rate not increasing for Bath residents. This is the final year that the Bath flat rate will not increase in accordance with the plan to harmonize rates. 2018 will be the first fully harmonized rate year.



CSC revenue is 54% of their share of eligible operating costs. This percentage represents a return to historical levels. Based on recent information provided by CSC personnel these current percentages are expected to remain stable, and remain closely monitored by staff.

3. UTILITIES BUDGET

SEWER SYSTEM OPERATING SUMMARY TABLE

SEWER						
Expense Description	2015 Actual Values	2016 YTD Actual Values	2016 Revised Budget	2017 1st Draft	Change from 2016 Budget	
Revenue	- 3,509,687	- 2,825,628	- 3,347,500	- 3,493,700	-	146,200
Salaries and Wages	497,511	480,112	576,900	470,900	-	106,000
Internal Allocations	564,410	449,181	598,900	774,000		175,100
Debt, Principal and Interest	449,010	429,633	542,600	509,700	-	32,900
Contracted Services	34,254	13,780	12,000	12,000		-
Insurance	6,992	8,092	7,900	9,400		1,500
Utilities	194,544	193,824	175,500	193,500		18,000
All Other Materials, Supplies and Expenses	902,098	857,281	814,700	967,700		153,000
Contributions to Capital	9,100	150,000	150,000	116,300	-	33,700
Transfer to Reserve/Reserve Fund	356,792	291,067	469,000	440,200	-	28,800
						-
TOTAL	- 494,975	47,343	-	-		-

* 2016 YTD Actual Values as of Dec 28, 2016; Missing year end entries and allocations.

SEWER SYSTEM OPERATING SUMMARY

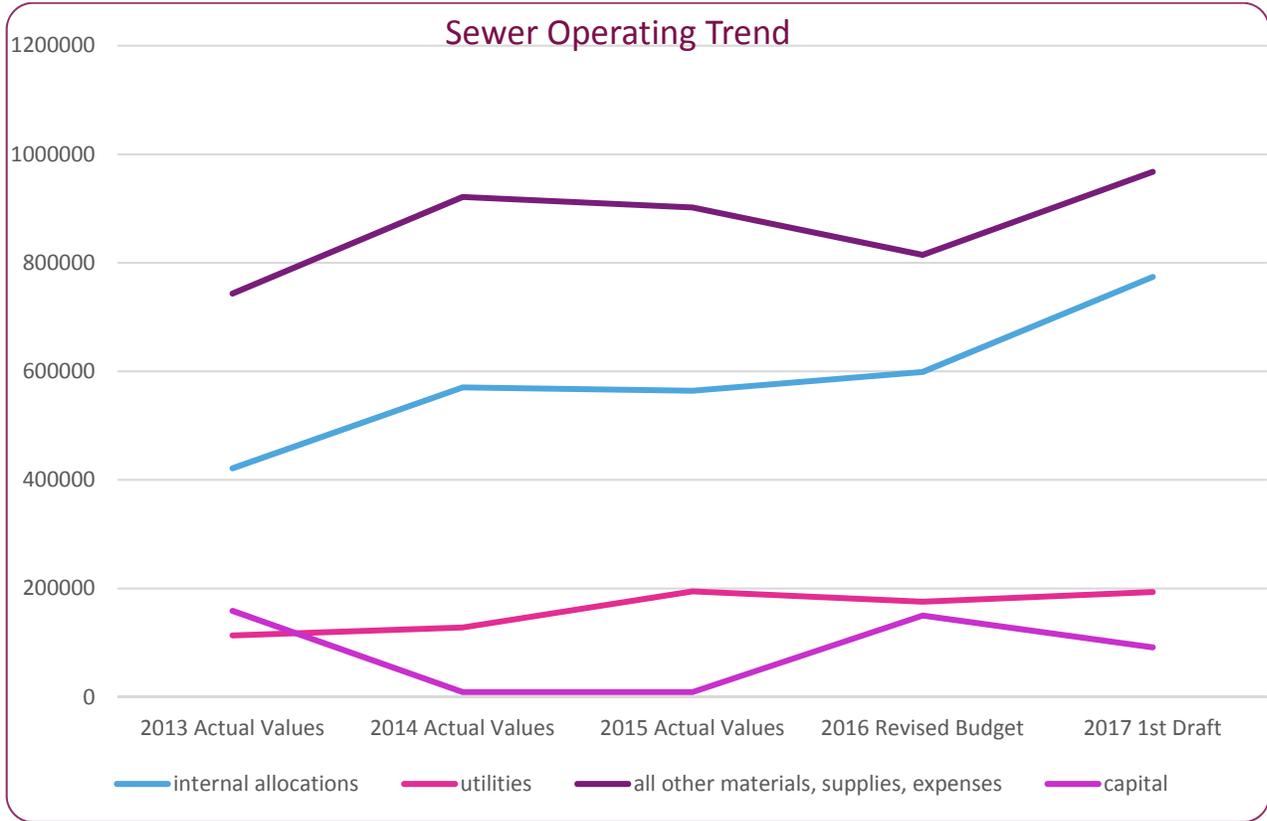
Operating costs for the sewer system also include a decrease in salaries and wages (\$106,000) and a corresponding increase in internal allocations (\$175,100). This is for the same reason as mentioned above; the accounting of the supervisors' salaries is now being distributed through the internal allocation process.

Materials, supplies and other expenses have increased by approximately \$153,000 over the previous year's budget due to several factors. One of the largest impacts is the most recent property tax reassessment for Township properties. This resulted in substantial increases in the Loyalist East Sewer System expense, increasing property taxes at several locations totaling approximately \$40,000. Staff have contacted MPAC regarding some of the significant increases in assessment values and, at time of writing, are awaiting their response. Sewer flushing costs in both service areas and plant sludge removal costs, as well as increased needs for safety equipment requirements per new safety regulations are driving the increase in the sewer operating expenses

Unfortunately, the transfer to capital has decreased by about 20% in order to balance the Sewer budget.

The sanitary system has the added cost of digested sludge disposal that the water system doesn't have, which is reflected in the Sewer Operating Trend line chart. You will note the largest expense is the materials, supplies and expenses line which is higher than the water expense above.

3. UTILITIES BUDGET



Sewer has less revenue generated and additional operating costs which means the sanitary system has fewer funds to contribute to capital asset replacement (see the purple line above in the Sewer Operating Trend chart). This will need to be addressed in the next rate study. Historically the amount of money being contributed to capital from operating is only covering a portion of the sewer capital budget.



3. UTILITIES BUDGET

3.3 CAPITAL SUMMARY

The current capital asset replacement program has been established through the development of the revised asset management plan that includes condition and risk assessments of all water and sanitary assets. This allows staff to plan more accurately for the capital budget planning period and will provide a better picture of the state of the assets currently in place. This will assist the Township in completing more accurate financial planning moving forward to ensure that our planned revenues can sustain the required asset improvements and replacements.

The Utilities Department has spent significant staff time updating the asset information including assessing condition, risk and useful life for all the Utilities assets.

The Utilities five year capital budget totals \$10 million with the 2017 capital budget totaling \$2.6 million.

FIVE YEAR UTILITIES CAPITAL BUDGET

	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Buildings	14,841	80,000	228,452	-	-
Fleet	-	58,185	26,850	-	108,116
Furniture, Fixtures & Office Equipment	-	7,996	-	-	-
Machinery & Equipment	15,000	8,037	-	-	67,288
Sanitary System	586,101	446,812	56,550	428,179	106,547
Water System	1,993,813	1,338,049	2,075,761	1,472,965	753,146
Grand Total	2,609,755	1,939,079	2,387,613	1,901,144	1,035,097

The 2017 Utilities capital budget is funded by developer contributions, a variety of federal and provincial grants, impost fees and contributions from the operating fund. There are \$1.9 million of projects from the approved 2016 capital budget which are being carried over for completion in 2017. Therefore, total capital spending for 2017 is projected to be \$4.5 million (\$2.6 million plus \$1.9 million).



3. UTILITIES BUDGET

2017 UTILITIES CAPITAL BAND FUNDING SOURCES

2017 Utilities Capital and Funding Sources	WATER	SANITARY	TOTAL
Water Capital Budget	1,993,800		1,993,800
Sanitary Capital Budget		586,100	586,100
Shared Capital Budget	14,900	14,900	29,800
	2,008,700	601,000	2,609,700
Funding Sources			
Development Charges (100%)	-	100,000	100,000
Sanitary CSC funded (54%)	-	53,474	53,474
Water CSC funded (51%)	77,489	-	77,489
Water Other Grants (75%)	460,500	-	460,500
Water OCIF Grant (90%)	835,200	-	835,200
Sanitary Other Grants (75%)	-	43,511	43,511
Sanitary OCIF Grant (90%)	-	223,650	223,650
Contributions from Operating	711,400	116,300	827,700
(Overfunded)/Underfunded for 2017	75,889	64,065	11,825
2016 Capital Carry Forward Amounts	874,600	1,011,600	1,886,200
To be funded by Debt (Per Council approval during 2016 Budget)	798,700	1,075,700	1,874,400

CAPITAL PROJECTS SUMMARY

Due to the need to focus staff resources on operational maintenance activities to ensure compliance at the Bath Sewage Plant, as well as staff shortages, many capital projects were not completed in 2016. The development of the new asset management program gave staff the opportunity to perform an in-depth review of the current planned capital asset replacement schedule in comparison to the new schedule produced by the asset review. Based on this information staff could make informed decisions regarding the timing of asset replacements thereby producing an improved capital plan.

To simplify the overall presentation of the capital budget, the large linear infrastructure projects typically consisting of road, water and sewer assets have been detailed in Infrastructure Services, [section 6.2](#), of this document.

The large linear projects comprise the bulk of the utilities capital projects planned for 2017. Throughout the four service areas there are several smaller life cycle equipment replacement projects. This includes significant instrumentation/controls and process upgrades at the Lakeview Pumping Station.

Replacement of the Programmable Logic Controller (PLC), the brain of the treatment plant, at both Bath Water and Amherstview Sewage Treatment plants, is scheduled in 2017.

3. UTILITIES BUDGET

The unplanned replacement and refurbishment of smaller plant equipment that fails in 2017 will be completed, as necessary, using the Equipment Replacement Reserve Funds.

LAKEVIEW SPS UPGRADES

The fire that occurred at the Lakeview Sewage Pumping Station in 2016 delayed the planned upgrades to the instrumentation and controls system. Now that the damage sustained by the fire has been repaired, the planned upgrades can move forward. This project will be completed in 2017.

ODESSA WEST SANITARY IMPROVEMENTS – GROWTH RELATED

The 10 year capital budget includes two new projects: the Odessa West Sanitary Interceptor and the oversizing of the Odessa West Sanitary Collector.

The interceptor project would provide capacity relief to Main Street and Bridge Street sewer mains by diverting sewage from 70 properties through new piping. This would allow more connections to be served by these mains in the future. The oversizing of the Odessa West sanitary collector allows for long term growth to the west of the Babcock Mills development. Both projects are driven by development and therefore funded by impost fees.

WATERMAIN REPLACEMENT PROGRAM

Most of the metallic pipes in Bath have been replaced or relined over the past decade. Odessa was serviced almost exclusively with a light grade PVC pipe. The older areas of Amherstview have a high percentage of ductile iron pipe with approximately 17 km expected to be replaced or relined in the next twenty years. The watermain replacement program is on-track based on the proposed budget since approximately 1420 m of watermain will be replaced/relined under the Ontario Community Infrastructure (OCIF) program. If the Township receives approval on the Clean Water and Wastewater Fund (CWWF) application another 480m of watermain will be upgraded in 2017.

The watermain upgrades require various staff for operational duties, inspection and project administration. Due to the heavy staff demands for these types of projects it is important that they be staged as evenly as possible and coordinated with other projects over the course of the construction season and that the municipality completes some watermain replacement work every year. For operations staff, these remedial projects often coincide with the work being completed by the local developers increasing their duties during the summer.

The following capital budget table shows that the largest dollar amount is budgeted in Fairfield Water Distribution for 2017, 2018 and 2019.

3. UTILITIES BUDGET

UTILITIES 2017 CAPITAL BUDGET BY AREA

	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
401- Loyalist East Sewage Treatment Plant	80,560	62,147	9,314	-	106,547
402 - Loyalist East Sewer Collection System	406,515	-	-	20,000	-
403- Lakeview Sewage Pumping Station	-	-	-	301,437	-
404- Islandview Sewage Pumping Station	-	17,856	-	-	-
405 - Bridge Street Pumping Station	-	-	-	-	-
406- Taylor Kidd Sewage Pumping Station	-	-	-	-	-
411- Bath Sewage Treatment Plant	99,026	366,809	275,688	19,681	-
412 - Bath Sewer Collection System	-	-	-	-	-
413- Bath Sewage Pumping Station #1	-	-	-	87,061	-
414- Bath Sewage Pumping Station #2	-	-	-	-	-
415- Bath Sewage Pumping Station #3	-	-	-	-	-
416- Bath Sewage Pumping Station #4	-	-	-	-	-
431- Fairfield Water Treatment Plant	97,947	-	397,341	150,101	511,991
432 - Fairfield Water Distribution	1,705,400	1,084,221	1,596,404	379,291	24,117
433- Fairfield Distr Booster Station	-	-	-	331,130	-
434- Odessa Water Tower	38,526	64,472	-	96,708	-
435- Amherstview Water Tower	-	90,509	-	120,311	-
436- Fairfield Distr Reservoir	-	-	-	-	-
441- Bath Water Treatment Plant	151,940	59,591	71,588	153,169	-
442 - Bath Water Distribution	-	39,256	10,428	110,804	217,038
443- Bath Water Tower	-	-	-	131,451	-
451- Utilities Vehicles/Equipment	15,000	74,218	26,850	-	175,404
452 - Millhaven Garage	14,841	80,000	-	-	-
Grand Total	2,609,755	1,939,079	2,387,613	1,901,144	1,035,097

4. GENERAL RATE OPERATING BUDGETS

4. General Rate Operating Budgets

4.1 EMERGENCY SERVICES

SUMMARY

EMERGENCY SERVICES - 2017 OPERATING BUDGET									
	Emerg. Services	Training	Fire Prevention	Odessa Fire Stn.	Amherstview Fire Stn.	Bath Fire Stn.	Amherst Island Fire Stn.	Fleet Maint.	Total
Revenue									
Grants	-	-	-	-	-	-	-	-	-
Fees & User Charges	-	-	-	-	-	-	-	-	-
Licenses, Permits	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-
Other Revenue	38,500	-	3,400	-	-	-	-	-	41,900
From Reserves/Reserve Funds	94,700	-	-	-	-	-	-	-	94,700
2017 Budgeted Revenue	133,200	-	3,400	-	-	-	-	-	136,600
Expenses									
Salaries, Wages & Benefits	532,400	279,500	33,400	600	1,300	-	2,000	70,900	920,100
Debt Principal & Interest	184,300	-	-	-	-	-	-	-	184,300
Insurance	10,300	-	-	1,400	2,000	1,200	400	14,600	29,900
Utilities	3,300	-	-	19,500	18,500	10,500	10,500	-	62,300
Non-Discretionary Expenses	730,300	279,500	33,400	21,500	21,800	11,700	12,900	85,500	1,196,600
% of Total Expenses	66%	94%	75%	51%	61%	55%	80%	58%	70%
Contracted Services	-	-	-	-	-	-	-	20,000	20,000
Supplies, Materials & Other	184,100	16,600	11,200	20,700	13,700	9,500	3,300	43,000	302,100
Contribution to Capital	172,000	-	-	-	-	-	-	-	172,000
Contribution to Reserve Funds	-	-	-	-	-	-	-	-	-
Internal Allocations	23,300	-	-	-	-	-	-	-	23,300
Discretionary Expenses	379,400	16,600	11,200	20,700	13,700	9,500	3,300	63,000	517,400
% of Total Expenses	34%	6%	25%	49%	39%	45%	20%	42%	30%
2017 Budgeted Expenses	1,109,700	296,100	44,600	42,200	35,500	21,200	16,200	148,500	1,714,000
2017 Net Budget	976,500	296,100	41,200	42,200	35,500	21,200	16,200	148,500	1,577,400

The Emergency Services operating budget is \$1.6 million or approximately 11% of the net general rate budget.



4. GENERAL RATE OPERATING BUDGETS

EMERGENCY SERVICES - TRENDING REPORT						
2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Emergency Services	(133,200)	1,109,700	976,500	3.5%	9.3%	10.1%
Training	0	296,100	296,100	-	5.9%	5.9%
Fire Prevention	(3,400)	44,600	41,200	-	74.2%	60.9%
Odessa Fire Station	0	42,200	42,200	-	2.4%	2.4%
Amherstview Fire Station	0	35,500	35,500	-	6.3%	6.3%
Bath Fire Station	0	21,200	21,200	-	-0.5%	-0.5%
Amherst Island Fire Station	0	16,200	16,200	-	5.2%	5.2%
Fleet Maintenance	0	148,500	148,500	-	1.3%	1.3%
	(136,600)	1,714,000	1,577,400	6.1%	8.6%	8.8%
2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Emergency Services	(128,700)	1,015,500	886,800	1,954	1,071,892	1,073,846
Training	0	279,600	279,600	(17,400)	240,420	223,020
Fire Prevention	0	25,600	25,600	(3,423)	26,347	22,924
Odessa Fire Station	0	41,200	41,200	0	31,408	31,408
Amherstview Fire Station	0	33,400	33,400	0	33,370	33,370
Bath Fire Station	0	21,300	21,300	0	19,447	19,447
Amherst Island Fire Station	0	15,400	15,400	0	12,730	12,730
Fleet Maintenance	0	146,600	146,600	0	101,042	101,042
	(128,700)	1,578,600	1,449,900	(18,869)	1,536,656	1,517,786
2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Emergency Services	(40,500)	850,400	809,900	- 207,128	813,472	606,344
Training	0	250,400	250,400	-	280,934	280,934
Fire Prevention	(1,800)	9,100	7,300	- 675	25,137	24,462
Odessa Fire Station	0	33,200	33,200	0	32,459	32,459
Amherstview Fire Station	0	26,400	26,400	0	34,270	34,270
Bath Fire Station	0	21,200	21,200	0	19,833	19,833
Amherst Island Fire Station	0	15,400	15,400	0	16,121	16,121
Fleet Maintenance	0	142,900	142,900	0	136,151	136,151
	- 42,300	1,349,000	1,306,700	- 207,803	1,358,378	1,150,575

The Emergency Services budget has increased by approximately \$270,000 since 2015. This is mainly driven by increased salary and wage costs.

The Emergency Services Department provides both emergency and public safety responses within Loyalist Township. As our municipality continues to grow, so do the requirements of the Emergency Services department. We are very fortunate to be able to

4. GENERAL RATE OPERATING BUDGETS

continue to provide this service by utilizing part time volunteer firefighting personnel in conjunction with our full time staff.

The 2017 budget will allow the Emergency Services department to provide our residents with a quality and efficient service while providing our firefighters with the required level of training and appropriate equipment.

OPERATING HIGHLIGHTS

The 2017 Operating Budget amount is 1,577,400. This is an increase of \$127,500 or 8.79% over 2016:

- The increase in the general accounts of \$89,700 is largely related to both full time wages as well as the volunteer wages associated with emergency responses. Emergency responses continue to increase every year as does equipment maintenance costs.
- Included in the general account is \$10,000 for an update to the 2000 Master Fire Plan.
- The Volunteer Firefighter Retention initiatives, as approved by Council in Resolution 2016.20.7 for a total of \$13,000, are included in the general account increase.
- Wages associated with Training have increased \$16,500. Firefighters are required to attend a minimum of 60 hours of training per year. Special training for services such as Water and Ice Rescue are over and above the mandated 60 hours.
- Demands on Fire Inspections and Public Education require us to increase the hours for Fire Inspection to 21 hours per week from the 2016 level of 14 hours per week over 40 weeks. This resulted in an increase of \$15,000.
- The “Wake up Loyalist” campaign to ensure compliance with both Smoke and CO Alarm regulations will continue again in 2017.
- Budgets associated with Fire Station maintenance have increased slightly based on hydro and gas rates. The Amherstview Station maintenance budget increased by \$2,000 or 20% due to the increased level of usage at this station by both Fire Department as well as municipal staff.
- The Fleet Maintenance budget increase was wage related.

2017 KEY INITIATIVES

The Emergency Services Department continues to grow and adapt to the needs and requirements of the community. 50% of our personnel have less than 10 years of experience so our main focus continues to be training and development. This is critical to ensure the safety and wellbeing of our personnel as well as the residents of Loyalist Township.

4. GENERAL RATE OPERATING BUDGETS

The addition of a shore based, Water and Ice Rescue program in Loyalist Township greatly enhanced our service level in 2016. This program will be expanded in 2017 to ensure both equipment and trained personnel are available on Amherst Island. The 2017 Recruit



Program will be conducted in conjunction with the other three Fire Departments in Lennox and Addington. Our goal is to train an additional eight personnel in 2017.

The Volunteer Firefighter Retention initiative as approved by Council in November of 2016 will have a very positive impact on our ability to maintain personnel past the seven-year period. Firefighters will have the opportunity to attend an annual recognition event and can proudly attend in an official uniform.



Our current Master Fire Plan was produced in 2000. With the help of the Ontario Fire Marshall's Office, we will work throughout 2017 to compile information and conduct risk assessments for Loyalist Township. Our goal is to be able to deliver a new Master Fire Plan for Council's approval in January of 2018.

Over the last two years, Loyalist Township Emergency Services have visited over 1,500 single family dwellings in Loyalist Township to educate and ensure homes are in compliance with the Smoke and CO Alarm legislation. In 2017 we will once again conduct this program with the goal of visiting all homes within the municipality every four years.

4. GENERAL RATE OPERATING BUDGETS

4.2 INFRASTRUCTURE SERVICES

SUMMARY

INFRASTRUCTURE SERVICES - 2017 OPERATING BUDGET									
	Transp. Services - County	Transp. Services	Winter Control	Storm Water	Street Lighting	Sidewalks	Loyalist Solid Waste	Other	Total
Revenue									
Grants	-	-	-	25,000	-	-	-	-	25,000
Fees & User Charges	-	-	-	-	-	-	623,800	-	623,800
Licenses, Permits	-	99,000	-	-	-	-	-	-	99,000
Rents	-	-	-	-	-	-	-	-	-
Other Revenue	675,000	1,000	-	-	-	-	4,000	54,200	734,200
From Reserves/Reserve Funds	-	-	-	-	-	-	-	-	-
2017 Budgeted Revenue	675,000	100,000	-	25,000	-	-	627,800	54,200	1,482,000
Expenses									
Salaries, Wages & Benefits	303,400	911,800	271,800	111,300	16,100	73,900	251,600	359,200	2,299,100
Debt Principal & Interest	-	117,800	-	-	-	-	-	194,100	311,900
Insurance	-	212,100	-	-	-	-	5,800	-	217,900
Utilities	-	63,500	-	-	150,000	-	9,600	-	223,100
Non-Discretionary Expenses	303,400	1,305,200	271,800	111,300	166,100	73,900	267,000	553,300	3,052,000
% of Total Expenses	41%	53%	40%	33%	74%	66%	22%	216%	51%
Contracted Services	45,000	103,000	1,000	6,000	40,000	2,000	787,000	300	984,300
Supplies, Materials & Other	383,600	102,100	409,000	147,100	2,800	34,500	144,500	31,800	1,255,400
Contribution to Capital	-	885,000	-	60,000	13,000	-	-	-	958,000
Contribution to Reserve Funds	-	-	-	-	-	-	-	-	-
Internal Allocations	-	48,800	-	9,500	3,600	1,900	9,300	328,800	255,700
Discretionary Expenses	428,600	1,138,900	410,000	222,600	59,400	38,400	940,800	296,700	2,942,000
% of Total Expenses	59%	47%	60%	67%	26%	34%	78%	-116%	49%
2017 Budgeted Expenses	732,000	2,444,100	681,800	333,900	225,500	112,300	1,207,800	256,600	5,994,000
2017 Net Budget	57,000	2,344,100	681,800	308,900	225,500	112,300	580,000	202,400	4,512,000

The Infrastructure Services Trending Report (see following page) shows an increase of approximately \$243,000 since 2015, an increase of 5.7% over the two years. Increased contributions to capital has been the biggest increase in this budget. For the 2017 budget, the contribution to capital has increased by 15% or \$124,500 compared with last year. This increase is part of the overall financial plan to reduce the unfinanced capital outlay and to be able to fund the current annual capital budget.

Other costs drivers such as insurance, electricity and other utility costs, are impacting the operating budget.

Salary and wage costs for staff time worked on capital projects is capitalized when possible.

4. GENERAL RATE OPERATING BUDGETS

INFRASTRUCTURE SERVICES - TRENDING REPORT						
2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Transportation Services - Cty	(675,000)	732,000	57,000	22.4%	0.9%	-67.2%
Transportation Services	(100,000)	2,444,100	2,344,100	0.9%	7.9%	8.2%
Winter Control	0	681,800	681,800	-	-3.2%	-3.2%
Storm water	(25,000)	333,900	308,900	-	31.6%	21.8%
Street lighting	0	225,500	225,500	-	9.1%	9.1%
Sidewalks	0	112,300	112,300	-	4.2%	4.2%
Loyalist Solid Waste	(627,800)	1,207,800	580,000	1.0%	3.1%	5.6%
Other	(54,200)	256,600	202,400	5.7%	8.5%	9.3%
	(1,482,000)	5,994,000	4,512,000	12.0%	5.7%	3.8%
2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Transportation Services - Cty	(551,300)	725,300	174,000	(401,624)	568,546	166,922
Transportation Services	(99,100)	2,265,300	2,166,200	(39,201)	1,850,305	1,811,104
Winter Control	0	704,100	704,100	0	585,518	585,518
Storm water	0	253,700	253,700	(5,716)	252,153	246,437
Street lighting	0	206,600	206,600	0	175,111	175,111
Sidewalks	0	107,800	107,800	0	84,716	84,716
Loyalist Solid Waste	(621,800)	1,171,300	549,500	(796,456)	891,864	95,408
Other	(51,300)	236,500	185,200	(70,915)	426,991	356,075
	(1,323,500)	5,670,600	4,347,100	(1,313,912)	4,835,203	3,521,291
2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Transportation Services - Cty	(540,400)	669,100	128,700	- 550,862	710,100	159,239
Transportation Services	(128,100)	2,417,200	2,289,100	- 170,488	2,024,865	1,854,377
Winter Control	0	549,900	549,900	-	706,544	706,544
Storm water	(1,000)	270,900	269,900	0	159,422	159,422
Street lighting	0	176,800	176,800	0	205,909	205,909
Sidewalks	0	85,500	85,500	0	99,291	99,291
Loyalist Solid Waste	(592,000)	1,192,500	600,500	(656,772)	1,139,251	482,478
Other	(26,300)	195,200	168,900	(19,677)	217,904	198,227
	- 1,287,800	5,557,100	4,269,300	- 1,397,799	5,263,284	3,865,485

4. GENERAL RATE OPERATING BUDGETS

Infrastructure Services is made up of the Public Works and Utilities Divisions as well as the Engineering Division which provides support to other township departments. Primary functions include:

- Utilities operations, details can be found in the Utilities Budget, [section 3.2](#).
- Delivery of design and project management functions for capital projects for all Township departments
- Public Works Division's primary responsibilities for Roads maintenance, Stormwater maintenance, Street lights, Sidewalks, and Solid Waste as well as operations of the Amherst Island Ferry and Amherstview Transit
- Operational support for the Township's external parks and sports field facilities
- Provision of technical support such as research, mapping and designing/drafting standards and completing infrastructure grant applications
- Review and administration of the Township's development agreements
- Asset management activities for both departmental and corporate requirements
- Administering the Ontario One Call obligations on behalf of the Township
- Acting as Corporate lead by liaising with other levels of government, local agencies, industries and external utilities regarding various local infrastructure and environmental initiatives

There are a few variances in the 2017 budget as compared with 2016 and these are outlined below. The other budget increases reflect the general increases for labour, energy and insurance.

TRANSPORTATION SERVICES FOR THE COUNTY OF LENNOX & ADDINGTON

Compensation in 2017 will be cash flowed to all municipalities based on a rate of \$5,800/km. Each municipality will submit a summary of eligible costs incurred during the previous year on forms supplied by the County. If actual costs are greater than 110% of the cash flow allocation, the County will pay 100% of the excess greater than 110%, to the local municipality. Conversely, if actual costs are less than 90% of the cash flow allocation, the local municipality will pay 100% of the savings less than 90%, to the County.

The County will assume financial responsibility for the following services over and above the compensation rate of \$5,800/km. These services were included as part of the maintenance compensation rate in the previous agreement:

- Local drainage ditching upgrades and improvements
- Annual location specific major right-of-way vegetation clearing and brushing
- Traffic line painting

4. GENERAL RATE OPERATING BUDGETS

- Maintenance/operational costs for all electrical infrastructure
- Guiderail repairs and upgrades including rotted wood post replacement
- Shoulder rehabilitation including berm removal and edge of pavement repairs
- Vegetation and brush control and clearing beyond the 2.0m established grass line.

QUARRY

The existing aggregate extraction agreement for the Amherst Island Quarry is set to expire on May 28, 2017. If the agreement is not extended, the Township will be responsible for the rehabilitation of the quarry site, in accordance with the provisions of the *Aggregate Resources Rehabilitation Act*, R.S.O. 1990, c. A.8, the regulations made thereunder, and the terms of the Quarry License.

The Township has established a closure fund so that in the future, when the quarry rehabilitation is required, the full expense will not have to be covered in one budget year.

For several years, the township has contributed \$42,000 to the closure fund. We are proposing that the contribution of \$42,000 remain the same for the 2017 budget.

If the agreement is not renewed than gravel material will need to be imported to Amherst Island from the mainland. This cost has been accounted for in the loose top material budget.

WINTER CONTROL

The first half of the 2016 winter control season (January to April) was warmer than the average winter season: if the last half of the 2016 winter control season (Mid November to January 1st) is seasonally normal or warmer, then the winter control budget could have a surplus.

If there is a surplus in the winter control budget at the end of 2016 winter control season, this money will be set aside in a winter control reserve fund for future years to cover overages when there is more severe winter season.

STORMWATER

Millhaven Creek is prone to the production of frazil ice during cold weather and related ice jams has frequently caused localized flooding. Due to the proximity of housing in Odessa there are approximately a dozen homes that have the potential to be effected. It was suggested by CRCA that



4. GENERAL RATE OPERATING BUDGETS

the Township submit an application to the National Disaster Mitigation fund for funding to look at a long term solution to the flooding concerns.

The CRCA was aware of the Township's consideration to re-establish some of the old water level control structures in the area. The project has an estimated cost of \$50,000 and the level of funding is 50%. This funding has not been approved to date.

STREET LIGHTING

The County of Lennox & Addington owns approximately 116 streetlights within the Township, of which 64 meet County lighting warrants. Staff have been advised by representatives of the County of Lennox & Addington that the County will fund the conversion of the County-owned streetlights undertaken by Loyalist Township which meet County warrants for lighting.

OTHER

There are no specific budget lines that are solely used for engineering operations. Operations expenses for this division are charged directly to the utilities, public works or other operating accounts as well as to capital and recoverable development accounts, therefore the expenses are not highlighted at first glance.

Infrastructure staff are managing smaller projects such as the recreation park projects where typically a tender process is used to select the contractor. Depending on the scope of the project, these assignments are often completed over multiple years and sometimes require assistance from outside consultants. Over the past few years, the Township has been moving toward completing all inspection and contract administration activities for Township projects in-house with successful outcomes, both financially, and due to increased ownership over the project by internal staff.



The division also reviews development plans and development capital works undertaken by area developers and the engineering side of the business and industrial parks. For developments, since the municipality will eventually assume the infrastructure in these areas, they are reviewed and inspected by Township staff to ensure that the works are constructed to the Township's requirements.

4. GENERAL RATE OPERATING BUDGETS

4.3 RECREATION SERVICES

SUMMARY

RECREATION SERVICES - 2017 OPERATING BUDGET										
	Rec. Services	Arena	Pool	Parks	Sports Fields	Rec. Programs	Leisure & Activity Centre	Libraries	Commyty Bldgs	Total
Revenue										
Grants	-	-	-	-	-	2,500	3,000	-	-	5,500
Fees & User Charges	10,600	22,700	302,500	-	6,500	48,000	226,000	-	-	616,300
Licenses, Permits	-	-	-	-	-	-	-	-	-	-
Rents	-	324,100	1,500	-	45,000	-	10,000	2,000	35,400	418,000
Other Revenue	8,000	2,000	-	1,200	-	6,000	-	-	1,500	18,700
From Reserves/Reserve Funds	-	-	-	-	-	-	-	-	-	-
2017 Budgeted Revenue	18,600	348,800	304,000	1,200	51,500	56,500	239,000	2,000	36,900	1,058,500
Expenses										
Salaries, Wages & Benefits	692,900	277,800	287,800	304,400	105,400	104,300	208,600	14,500	40,600	2,036,300
Debt Principal & Interest	-	-	-	28,600	-	-	-	-	-	28,600
Insurance	18,300	15,500	15,000	8,700	-	-	-	5,700	11,700	74,900
Utilities	-	145,000	138,000	9,100	6,500	-	11,500	37,700	32,900	380,700
Non-Discretionary Expenses	711,200	438,300	440,800	350,800	111,900	104,300	220,100	57,900	85,200	2,520,500
% of Total Expenses	82%	69%	74%	62%	70%	68%	83%	69%	58%	73%
Contracted Services	11,500	10,000	1,000	16,000	8,000	-	6,500	1,300	2,000	56,300
Supplies, Materials & Other	73,800	89,300	91,300	70,000	21,000	49,100	32,200	24,400	54,600	505,700
Contribution to Capital	30,000	90,000	60,000	120,000	20,000	-	6,000	-	4,000	330,000
Contribution to Reserve Funds	-	6,600	-	-	-	-	-	-	-	6,600
Internal Allocations	38,900	-	-	5,900	-	-	-	-	-	44,800
Discretionary Expenses	154,200	195,900	152,300	211,900	49,000	49,100	44,700	25,700	60,600	943,400
% of Total Expenses	18%	31%	26%	38%	30%	32%	17%	31%	42%	27%
2017 Budgeted Expenses	865,400	634,200	593,100	562,700	160,900	153,400	264,800	83,600	145,800	3,463,900
2017 Net Budget	846,800	285,400	289,100	561,500	109,400	96,900	25,800	81,600	108,900	2,405,400

The Recreation budget is \$2.4 million, an increase of almost \$100,000 over 2016. This is mainly due to an increased contribution to capital. The Recreation budget represents about 18% of the total general rate operating budget.

As you will see in the following table, the Recreation Services budget has increased approximately \$195,000 from 2015 to the proposed 2017 budget. Of this increase, \$130,000 is due to increased contributions to capital from operating.



4. GENERAL RATE OPERATING BUDGETS

RECREATION SERVICES - TRENDING REPORT						
2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Recreation Services	(18,600)	865,400	846,800	-59.0%	-0.9%	2.3%
Arena	(348,800)	634,200	285,400	1.1%	-6.6%	-14.5%
Pool	(304,000)	593,100	289,100	-0.2%	9.5%	22.0%
Parks	(1,200)	562,700	561,500	-78.2%	12.1%	13.1%
Sports Fields	(51,500)	160,900	109,400	-1.3%	-7.4%	-10.0%
Recreation Programs	(56,500)	153,400	96,900	-13.1%	2.4%	14.3%
Leisure & Activity Centre	(239,000)	264,800	25,800	11.4%	15.2%	67.5%
Libraries	(2,000)	83,600	81,600	-80.0%	-10.5%	-2.2%
Community Buildings	(36,900)	145,800	108,900	24.7%	5.6%	0.4%
	(1,058,500)	3,463,900	2,405,400	-1.2%	2.5%	4.2%
2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Recreation Services	(45,400)	873,500	828,100	(64,883)	740,532	675,648
Arena	(345,100)	678,800	333,700	(238,519)	586,964	348,445
Pool	(304,500)	541,500	237,000	(254,787)	515,848	261,062
Parks	(5,500)	501,900	496,400	(2,993)	612,147	609,154
Sports Fields	(52,200)	173,700	121,500	(46,183)	121,718	75,535
Recreation Programs	(65,000)	149,800	84,800	(47,189)	105,641	58,452
Leisure & Activity Centre	(214,500)	229,900	15,400	(198,902)	227,510	28,608
Libraries	(10,000)	93,400	83,400	(2,028)	64,337	62,309
Community Buildings	(29,600)	138,100	108,500	(30,570)	125,533	94,963
	(1,071,800)	3,380,600	2,308,800	(886,054)	3,100,230	2,214,176
2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Recreation Services	(89,400)	919,900	830,500	- 94,991	898,769	803,777
Arena	(342,100)	693,800	351,700	- 291,733	525,286	233,553
Pool	(298,500)	552,100	253,600	- 265,880	578,705	312,825
Parks	(6,300)	367,400	361,100	(4,171)	429,828	425,658
Sports Fields	(46,200)	159,100	112,900	(44,828)	139,443	94,615
Recreation Programs	(42,000)	145,200	103,200	(60,410)	148,463	88,052
Leisure & Activity Centre	(231,000)	243,200	12,200	(160,730)	225,667	64,936
Libraries	(12,000)	92,100	80,100	(6,879)	85,198	78,319
Community Buildings	(35,100)	140,100	105,000	(34,244)	185,716	151,473
	- 1,102,600	3,312,900	2,210,300	- 963,866	3,217,074	2,253,208

4. GENERAL RATE OPERATING BUDGETS

MASTER PLAN

A complete Recreation Master Plan review is currently underway which is an exciting and significant time for the department. This review will provide a road map for the department for the next 10 years in terms of service delivery, programs, events, parks, trails and facilities. The research, scope of project, terms of reference and RFP were developed in the spring/summer of 2016. Consultants were engaged in September and immediately commenced the project.



RECREATION MASTER PLAN PROJECT PHASES - 2017

Phase 1	Analysis and Review	✓
Phase 2	Community Consultation / engagement	✓
Phase 3	Key Findings/Strategic Direction/Recommendations Draft Master Plan presented to Council/RAC	April 3
Phase 4	Draft Report to Community	April
Phase 5	Final Master Plan presented to Council/RAC for approval	May 1

Once the Master Plan has received final approval, the planning of the implementation/recommendations phase of the project will take place in the remainder of 2017.

SPECIAL EVENTS

The Recreation Services Department continues to diversify and expand programs and services delivered to the public. Our staff team directly delivers seven special events over the course of the year and these events attract approximately 4,000 people. The “Dog Days of Summer” event was introduced in 2016 as well as a summer concert in Fairfield Park which will lead into a series of concerts in the summer of 2017. Another new initiative in 2017 will be the implementation of a Corporate Volunteer recognition event scheduled for May. Our capacity to support community initiatives and events has significantly increased with the addition of our Community Development Coordinator. This past year our department supported 27 different community organizations with various community

4. GENERAL RATE OPERATING BUDGETS

events/projects. Support varied from logistical planning, marketing, graphic design and serving as a single point of contact for residents requiring multi departmental support. Staff were also key stakeholders on the Bath Canada Day Committee and provided various support throughout the event planning process.



Our sponsorship and advertising packages continue to evolve and over \$12,000 in sponsorship revenue was secured in 2016. This coming year will see more focus on this initiative and as such, a sponsorship goal of \$23,000 has been set for the 2017 budget.

Recreation Services also implemented the Township's first ever professional development Leadercast event in 2016 with 112 attendees. This event provided the opportunity to showcase our Recreation Centre as a viable conference and trade show host site as our skilled staff transformed the arena into an ideal location for such an event. Our attendance target for 2017 is 125-150 in addition to securing increased sponsorship. Staff also went above and beyond to provide a Township venue for the Memorial Service in honour of our fallen Loyalist firefighter. With 3,000 people in attendance our department was proud to assist the Township in hosting such an important event in our own community.

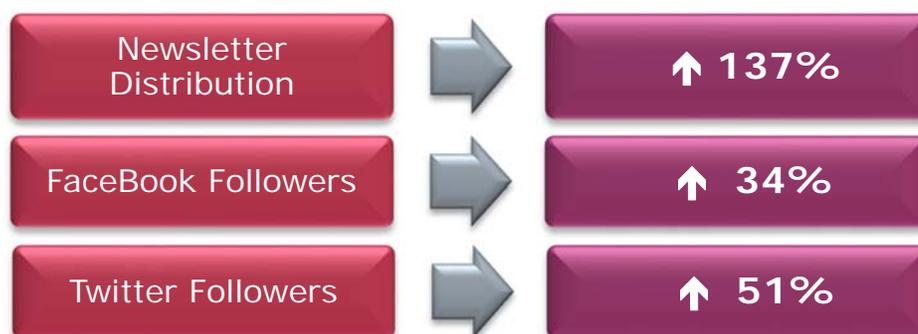


COMMUNITY ENGAGEMENT

Community engagement and communication also continue to be a priority in our department and we achieved significant improvements in 2016 with the addition of our Marketing & Customer Relations Coordinator. The introduction of a monthly Recreation newsletter in 2016 saw a **55%** increase in voluntary circulation. We started the year with a distribution list of 1,150 and ended the year with 2,730 – a **137%** increase.

4. GENERAL RATE OPERATING BUDGETS

The Township's water bills over 2016 included 24,000 recreation flyers and 4,000 flyers were also distributed among students at local schools. The Recreation Guide is distributed to 32,000 homes in the Township and surrounding areas three times a year. The results from the extensive social media campaigns on Facebook with our followers growing 34% from 1,089 to 1,475 followers by the end of 2016. A peak post on September 2, 2016 reached 4,523 people and numbered 5,700 likes. Twitter follower numbers also increased 51% in 2016 with total impressions of 104,457 and 2,571 engagements, up from 52,100 and 1,152 respectively from the start of 2016. Radio advertising campaigns were secured to promote events including two live remote broadcasts.



Our Marketing & Customer Relations Coordinator has also made significant strides on Corporate initiatives with the development of a Social Media Policy and Corporate Communication Policy. This position continues to support the corporation by assuming the role of Emergency Information Officer and to this end will be attending provincial training in 2017. The position will also continue to enhance corporate marketing tools/resources and advise and assist on cross departmental marketing strategies.

PROGRAMMING

The aquatics and land programming continues to evolve and grow to meet the everchanging needs of our clients. The aquatics class schedule was overhauled in 2016 to provide more popular classes in the weekly schedule. In addition, the Red Cross Aquatic Instructor course was implemented to allow candidates to complete classroom training online. Programming at the Leisure & Activity Centre saw success in the FITPASS initiative with the sale of over 600 passes over the year. Cycling bikes were purchased and the introduction of spinning classes was introduced to the programming schedule as well as many new trending styles of fitness classes. Our programming caters to preschool, youth, adults and seniors with a wide variety of classes that focus on both fitness and recreational special interest. Theme based birthday party packages and senior's day trips were also introduced in 2016.

4. GENERAL RATE OPERATING BUDGETS



We continue to offer March Break and summer camps with the addition of a new hockey camp in partnership with the Jets this year. Due to the opening of the West End Boys & Girls Club, our summer camp attendance and revenue has declined significantly since 2015. A senior's club (Interesting Years) with 100+ members now calls the Leisure & Activity Centre home every afternoon for various activities and rental revenue is received for this use. Programming will continue to evolve in 2017 as trends and needs change. Staff will be focusing on youth and senior programming as a priority.

Facility related improvements in 2016 at the WJ Henderson Recreation Centre included lifeguard guard office renovations, complete network cable re-wiring, and installation of new interior security cameras. The site also hosted a new summer Lacrosse League and has engaged new canteen operators.

Recreation Services will be moving to a new registration software platform in the spring of 2017 which will improve our front-line customer service and on line registration efficiency for both staff and clients.

Last year was an exciting and busy time in our parks. We opened the Sand Beach conservation property for passive recreation after the completion of numerous projects in partnership with



the Ontario Heritage Trust. The Township, in partnership with the Odessa Lions Club, also opened its first Natural Playground, situated in the Babcock Mill Park. The design and

4. GENERAL RATE OPERATING BUDGETS

planning phase began for a complete playground reconstruction at Lakeview Park with funds from a Canada 150 Grant. Construction is scheduled for spring of 2017. Loyalist Park saw the next phase of scheduled development with the addition of trees, lighting, and the amphitheater. In 2017, the next phase of development for this park will be a paved parking lot, paved pathways, and the installation of Frisbee Golf. Our summer beautification team continues to make significant enhancements within our Township with much favorable feedback received from appreciative residents.

The NET operating budget increase for Recreation Services from 2016 to 2017 is \$96,600 which represents a 4.2% increase. However, of this 4.2% increase, the departmental net operating budget is only **1.2%**; the remaining 3% represents a significant increase to contribution to Capital & Debt Payments



4. GENERAL RATE OPERATING BUDGETS

4.4 PLANNING & DEVELOPMENT SERVICES

SUMMARY

PLANNING & DEVELOPMENT - 2017 OPERATING BUDGET						
	Planning	Development	Building	Property Standards	Heritage	Total
Revenue						
Grants	-	-	-	-	-	-
Fees & User Charges	- 68,000	- 8,000	-	-	-	- 76,000
Licenses, Permits	-	- 20,000	- 552,000	-	-	- 572,000
Rents	-	-	-	-	-	-
Other Revenue	- 6,000	- 249,400	-	-	-	- 255,400
From Reserves/Reserve Funds	-	-	-	-	-	-
2017 Budgeted Revenue	- 74,000	- 277,400	- 552,000	-	-	- 903,400
Expenses						
Salaries, Wages & Benefits	394,600	152,000	416,800	12,500	23,200	999,100
Debt Principal & Interest	-	94,900	-	-	-	94,900
Insurance	-	-	9,300	-	-	9,300
Utilities	-	-	-	-	-	-
Non-Discretionary Expenses	394,600	246,900	426,100	12,500	23,200	1,103,300
% of Total Expenses	70%	56%	80%	81%	39%	69%
Contracted Services	-	44,500	800	2,000	-	47,300
Supplies, Materials & Other	32,600	33,100	46,000	1,000	36,000	148,700
Contribution to Capital	27,000	2,800	-	-	-	29,800
Contribution to Reserve Funds	-	-	-	-	-	-
Internal Allocations	107,100	115,400	57,300	-	-	279,800
Discretionary Expenses	166,700	195,800	104,100	3,000	36,000	505,600
% of Total Expenses	30%	44%	20%	19%	61%	31%
2017 Budgeted Expenses	561,300	442,700	530,200	15,500	59,200	1,608,900
2017 Net Budget	487,300	165,300	- 21,800	15,500	59,200	705,500

The Planning & Development budget is \$705,500 compared with \$773,800 in 2016. This budget has decreased due to a decrease in department salaries and resulting from vacancies and increased revenue from building permits.

4. GENERAL RATE OPERATING BUDGETS

PLANNING & DEVELOPMENT - TRENDING REPORT						
2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Planning	(74,000)	561,300	487,300	-7.6%	-4.9%	-4.5%
Development	(277,400)	442,700	165,300	16.8%	-6.6%	-30.1%
Building	(552,000)	530,200	(21,800)	2.5%	-4.2%	-249.3%
Property Standards	0	15,500	15,500	-	23.0%	23.0%
Heritage	0	59,200	59,200	-	-	-
	(903,400)	1,608,900	705,500	5.5%	-1.3%	-8.8%
2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Planning	(80,100)	590,100	510,000	(69,783)	491,402	421,619
Development	(237,400)	474,000	236,600	(139,590)	356,937	217,346
Building	(538,700)	553,300	14,600	(359,479)	500,144	140,665
Property Standards	0	12,600	12,600	0	4,048	4,048
Heritage	0	0	0	0	0	0
	(856,200)	1,630,000	773,800	(568,852)	1,352,530	783,678
2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Planning	(96,600)	504,500	407,900	- 93,144	469,328	376,184
Development	(257,100)	458,500	201,400	- 210,495	377,439	166,943
Building	(510,600)	534,700	24,100	- 367,394	562,355	194,961
Property Standards	0	14,300	14,300	0	10,167	10,167
Heritage	0	0	0	0	0	0
	- 864,300	1,512,000	647,700	- 671,034	1,419,288	748,255

Planning Department

The Planning Department is responsible primarily for the following services:

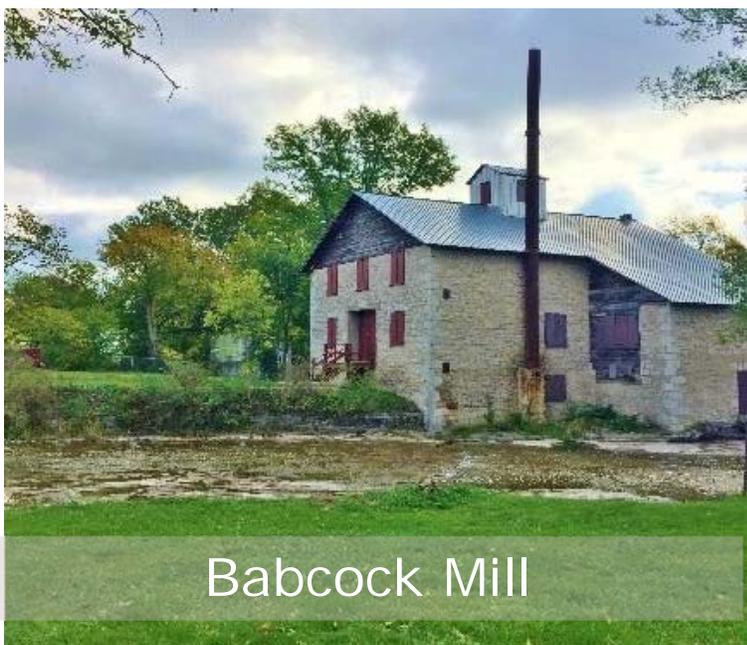
1. Long Range Planning
2. Development Review and Approvals
3. Zoning By-law review
4. Geographic Information Services (GIS)
5. Built Heritage

In 2017 development activity is expected to increase slightly over the past two years. Demand for multi-family residential units should be strong but the construction of other dwelling types is expected to be less than previous years (pre 2016) based on forecasts by the Canadian Mortgage and Housing Corporation and interviews with builders. Developers have indicated a desire to continue with the planning and detailed design of their projects

4. GENERAL RATE OPERATING BUDGETS

in Bath, Amherstview and Odessa, meaning there will continue to be demand for approvals, but servicing may be delayed until market conditions improve for single unit dwellings. The first phase of the Brookland Square commercial project that was scheduled for 2015 should commence in 2017 based on conversations with the developer, and a new commercial development of over 9,000 square feet is expected in Bath.

It is expected that some staff time will be devoted to the Windlectric Inc. project to review the studies that must be submitted under the implementing road use agreement.



Babcock Mill

The Loyalist Heritage Committee is proposing to update ten (10) outdated designation by-laws to ensure they are compliant with the *Ontario Heritage Act* and to clearly articulate what are the cultural heritage value or interest attributes of the affected buildings. Due to advertising rates, this will consume about \$20,000. The recently retained Heritage Assistant is providing crucial support for this project, along with enhancing the current registry of property having cultural heritage value or

interest. The Committee is also organizing a workshop for owners of heritage properties. These various tasks meet the Strategic Plan goal of “Promote Healthy Lifestyles, Culture, Heritage and Sports” and specifically the objective of “Encourage the preservation and maintenance of heritage buildings and sites.”

The GIS system is the base corporate software for integration of departmental applications (e.g. Cartegraph, Building Permit Software), providing the location information for up to 80% of managed Township assets and activities. Used differently by each department, the GIS plays a role in land use analysis, asset monitoring, tracking landfill visits and Emergency Services Management to name a few. In the future, the GIS will be the catalyst for providing pertinent data to field staff as well as providing quicker access to information for the public and potential investors.

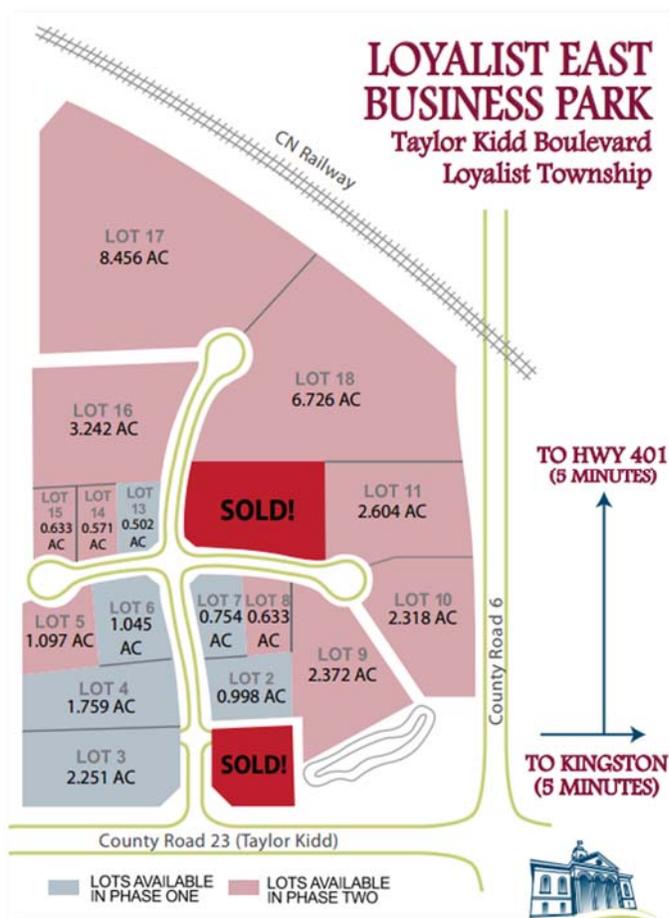
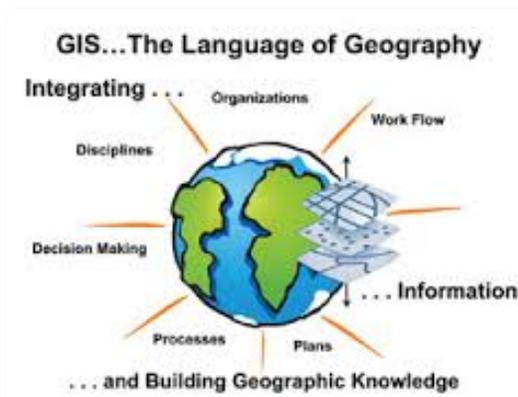
4. GENERAL RATE OPERATING BUDGETS

2017 GIS related projects include:

- Enhanced GIS public website
- GIS services to field staff
- IT Infrastructure Design
- Data Policy

These projects meet the Strategic Plan goal of "Provide a Well-Managed and Effective Municipal Government".

Other projects the Department will be involved with include long range planning studies such as the Official Plan Review and the Urban/Rural Design Guidelines



The Official Plan review is well underway and is targeted for the completion towards the end of 2017 or early 2018. This activity is primarily being accomplished in house.

The urban/rural design guidelines should be underway by March/April 2017, once Council has approved the overall budget.

These two initiatives implement the Strategic Plan. Conformity with this Plan and changes to the Provincial Policy Statement, 2014 will be two key themes, coupled with local and strategic plan initiatives to ensure sufficient designated land is available to accommodate future growth in an environmentally sustainable manner.

Overall the Planning Department Budget will not have any significant increase from 2016, except for Heritage which is a one time cost to address older by-laws, as described above. The Approvals Planner,

currently a contract position, is budgeted to become a permanent position in 2017.

4. GENERAL RATE OPERATING BUDGETS

ECONOMIC & INDUSTRIAL DEVELOPMENT

This budget area has been traditionally devoted to the Loyalist East Business Park, the Taylor Kidd Industrial Park, general economic development enquiries (those not occurring on Township owned land).

Other special economic development initiatives such as Leadercast and Tourism Destination Signs (blue tourism attraction signs along Highway 401 highlighting Bath Attractions) are also budgeted in this area. The 2017 theme of Leadercast is **Powered by Purpose** and is to be held on May 5, 2017.



One land sale is expected in the Loyalist East Business Park which is listed as other revenue in the Operating Budget Chart. The fees and user charges also listed under the chart recover the direct costs to administer site plan and subdivision developments.

Building Department

The Building Department is responsible for building permit issuance and inspection services and the enforcement of by-laws related to construction and development. Many of these requirements are governed by statutory deadlines.

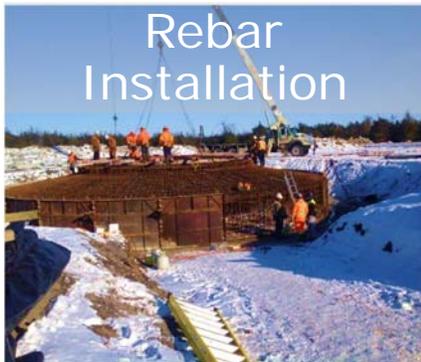
In 2017 development activity in terms of overall level of permits is expected to be modestly higher than 2016 at around 360 permits, with increased revenue due to the new value of proposed projects and adjustment in fee rates.



The vacant serviced lot inventory in Amherstview and Bath communities will be similar to 2016. The commencement of the first phase of Brookland Square is expected in the first half of 2017, which comprises commercial floor space (about 12,000 square feet) and 20 residential apartment units. A 9,000 square foot commercial building is expected in Bath, and one to two smaller industrial buildings are expected in the Loyalist East Business Park.

If the Windlectric Inc. wind energy project on Amherst Island proceeds, this will consume a great deal of staff time in the latter half of 2017 and revenue targets would be exceeded. The budget does not assume any revenue from this project in 2017.

4. GENERAL RATE OPERATING BUDGETS



The Chief Building Official will continue to implement procedures in the department to improve customer service with the aim of meeting the Strategic Plan goal of “Develop service standards for each municipal department to continually improve operational efficiencies.” Early in 2017, a proposal will be brought forward to investigate a fee increase to offset deficits experienced in 2015 and 2016 (refer Planning & Development Trending Report table earlier in this section). The intent is to recover the shortfall over five years, with the permit rates increases graduated over several years.

4. GENERAL RATE OPERATING BUDGETS

4.5 CORPORATE SERVICES

SUMMARY

CORPORATE SERVICES - 2017 OPERATING BUDGET						
	Council	Admin. Services	IT	Corp. Facility Maint.	Cemeteries	Total
Revenue						
Grants	-	-	-	-	-	-
Fees & User Charges	-	3,500	-	-	9,200	12,700
Licenses, Permits	-	45,300	-	-	-	45,300
Rents	-	2,700	-	15,600	-	18,300
Other Revenue	200	338,000	-	-	1,200	339,400
From Reserves/Reserve Funds	-	-	-	-	-	-
2017 Budgeted Revenue	200	389,500	-	15,600	10,400	415,700
Expenses						
Salaries, Wages & Benefits	149,600	1,211,900	127,300	115,500	12,500	1,616,800
Debt Principal & Interest	-	-	-	-	-	-
Insurance	-	71,100	-	900	-	72,000
Utilities	-	-	-	61,900	-	61,900
Non-Discretionary Expenses	149,600	1,283,000	127,300	178,300	12,500	1,750,700
% of Total Expenses	65%	81%	40%	75%	10%	70%
Contracted Services	-	40,200	-	1,400	19,000	60,600
Supplies, Materials & Other	71,900	770,900	413,300	40,000	62,300	1,358,400
Contribution to Capital	-	160,000	90,000	-	31,000	281,000
Contribution to Reserve Funds	-	307,600	-	17,500	-	325,100
Internal Allocations	7,800	984,300	315,400	-	-	1,291,900
Discretionary Expenses	79,700	294,400	187,900	58,900	112,300	733,200
% of Total Expenses	35%	19%	60%	25%	90%	30%
2017 Budgeted Expenses	229,300	1,577,400	315,200	237,200	124,800	2,483,900
2017 Net Budget	229,100	1,187,900	315,200	221,600	114,400	2,068,200

The 2017 Corporate Services budget totals \$2 million which is an increase of \$273,000 or 15% over the 2016 net budget. The main reason behind this variance is an increase in capital contributions of \$57,500 and an increase to reserves of \$130,000 to allow for contingencies in future years. Additional costs include customer service training and projected increased costs for lawncare at Township cemeteries.

4. GENERAL RATE OPERATING BUDGETS

CORPORATE SERVICES - TRENDING REPORT

2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Council	-200	229,300	229,100	-	11.2%	11.1%
Election	0	19,400	19,400	-	0.0%	0.0%
Administrative Services	-328,400	595,000	266,600	10.6%	41.4%	115.3%
Bylaw & Animal Control	-61,100	128,200	67,100	-19.5%	-0.8%	25.9%
Crossing Guards	0	75,200	75,200	-	0.8%	0.8%
Finance	0	759,600	759,600	-100.0%	3.6%	11.0%
Information Technology	0	315,200	315,200	-	6.8%	6.8%
Odessa Office Maintenance	0	109,500	109,500	-	11.7%	11.7%
Facility Maintenance	0	102,100	102,100	-	-29.1%	-29.1%
Miscellaneous	-15,600	25,600	10,000	0.0%	-13.8%	-29.1%
Cemeteries	-10,400	124,800	114,400	-42.5%	24.1%	38.7%
	-415,700	2,483,900	2,068,200	-8.7%	10.4%	15.2%

2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Council	0	206,200	206,200	-248	204,880	204,632
Election	0	19,400	19,400	0	19,566	19,566
Administrative Services	-296,900	420,700	123,800	-328,020	480,388	152,368
Bylaw & Animal Control	-75,900	129,200	53,300	-49,957	127,372	77,415
Crossing Guards	0	74,600	74,600	0	65,178	65,178
Finance	-49,000	733,100	684,100	-12,704	607,088	594,384
Information Technology	0	295,200	295,200	0	312,403	312,403
Odessa Office Maintenance	0	98,000	98,000	0	105,874	105,874
Facility Maintenance	0	144,100	144,100	0	113,950	113,950
Miscellaneous	-15,600	29,700	14,100	-17,201	24,948	7,747
Cemeteries	-18,100	100,600	82,500	-6,969	58,735	51,766
	-455,500	2,250,800	1,795,300	-415,100	2,120,382	1,705,283

2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Council	0	200,200	200,200	25	214,504	214,479
Election	0	20,000	20,000	-	20,000	20,000
Administrative Services	-330,600	439,500	108,900	358,598	580,045	221,447
Bylaw & Animal Control	-70,600	114,700	44,100	-49,753	100,621	50,869
Crossing Guards	0	88,500	88,500	0	85,662	85,662
Finance	0	657,300	657,300	-18,668	639,509	620,841
Information Technology	0	295,200	295,200	0	243,889	243,889
Odessa Office Maintenance	0	82,200	82,200	0	94,346	94,346
Facility Maintenance	0	84,000	84,000	0	127,846	127,846
Miscellaneous	-15,600	22,400	6,800	-14,095	30,738	16,643
Cemeteries	-5,900	90,700	84,800	-5,236	46,248	41,012
	-422,700	2,094,700	1,672,000	-446,375	2,183,409	1,737,034

4. GENERAL RATE OPERATING BUDGETS

The Corporate Services Trending Report shows increases in administration services, Finance, the Odessa office and facility maintenance. When comparing 2017 to 2015, there is an increase of almost \$350,000 in transfers to capital and reserve funds since 2015.

COUNCIL

Council's budget for 2017 includes increases for internet expenses and committee honorariums. Otherwise the 2017 budget is line with 2016.

ADMINISTRATIVE SERVICES

As mentioned previously, the administrative services budget has increased primarily due to capital contribution increases and allocating money to a contingency reserve fund. The Clerk's department worked on improving the agenda and report writing processes in 2016 by leveraging the capabilities within iCompass. This has allowed staff to efficiently create, review and approve Council reports. Staff can access iCompass remotely from their phone, tablet or laptop.

Bylaw Department

As the Township operates without an OPP contract, staff are required to make alternative arrangements for the enforcement of the Township's mainland Parking By-laws and Trailer By-laws on Amherst Island as well as the various Property and Building Standards By-laws.

Staff have budgeted for no significant increases in the costs of By-law enforcement however we concede that a more realistic expectation of fine revenues must be projected. To this end, we have reduced the revenues anticipated from fines owing to the "Toys for Fines" program and the historical knowledge that fines will only marginally exceed by-law enforcement expenditures.

Crossing Guards

The Township employs eight Crossing Guards in Odessa and Amherstview working varying shifts during the morning, noontime, and late afternoon. In 2016 the Township realized cost saving due to changes to work schedules. In 2017 staff expect expenditures to increase only by a standard payroll increment.

FINANCE

The Finance budget has increased due primarily to annual wage adjustments and the addition of one full time employee moved from Administrative Services to Finance during 2016. The addition of the reception position into the finance department allows a more focused effort on providing excellent customer service at the front counter. The management of front counter staff and coverage for vacations etc. is now coordinated within one department.

4. GENERAL RATE OPERATING BUDGETS

During 2016, finance also realigned work within the rest of the department to ensure greater transparency, segregation of duties and cross training. Strengthening our internal control processes continues to drive change, as well as streamlining processes and procedures.

Vadim also known as iCity was upgraded to a new web based forward facing module during 2016. It includes enhanced reporting, inquiry and maintenance features. Finance staff rolled out the use of electronic purchase orders in 2016 which improves internal controls, streamlines the accounts payable process, and allows for better reporting from the financial software. Finance is in the process of implementing iCity Online which will allow our residents to access their property tax and utility billing information online. Finance also plans to implement the pet licensing module in 2017 which will also provide the opportunity for online capabilities.

The finance team also worked on a number of key initiatives during 2016:

- Analysis of the Road Maintenance Agreement with the County of Lennox and Addington;
- Compilation of the asset data need for the revision to the asset management plan;
- Development of customer service standards;
- Implementation of software to streamline year end working paper and financial statement preparation;
- Issuance of additional debt to reduce the unfinanced capital outlay balance and fund 2016 capital projects; and
- Revisions to accounting procedures, financial policies, and reporting.

Finance staff will continue to enhance financial services through the use of technology and software during 2017. Leveraging the online modules available in Vadim will provide improved customer service to residents and customers of Loyalist Township.

INFORMATION TECHNOLOGY



2016 was a year of transition for the Information Technology team. An IT Support Technician was hired in the fall of 2016. After several months and several rounds of interviews, a new Information Systems and Project Manager was recruited and started in November 2016. A third-party IT Consultant continues to be engaged to provide managed services which includes managing the Township's backend infrastructure.

4. GENERAL RATE OPERATING BUDGETS

During 2016, the following work was completed:

- Retirement of old servers
- New SQL upgrade
- Office 365 Migration
- New iPads deployed to Council
- Redesign of IP scheme to accommodate flatter network
- Expansion of wide area network to Bath Fire Hall and Amherst Island Garage
- Upgrade of wireless network at Odessa Admin Office and Amherstview Fire Hall

Some of the projects scheduled for 2017 include:

- Retirement of Class server at WJ Henderson Recreation Center
- Clean up of Archive and Public folders
- Work on disaster recovery solution at Amherstview Fire Hall
- Continued expansion of Wide Area Network

In addition to the above, there will be significant software projects that the IT team will be involved with including the implementation of Cartegraph OMS, transition of recreation software to a new web based version and continued work and upgrades in the financial software.

 The increase in the operating budget is mainly due to increased software costs. The Township is paying monthly subscription costs for Office 365 instead of capitalizing the purchase of the software upfront. This gives us greater flexibility in managing the number of licenses we have and ensures that we are always up to date with versions. This change in the way we manage the licenses increases our operating budget, but means this cost is no longer included in the capital budget. As we acquire and upgrade software and/or add staff, our annual software maintenance costs will continue to increase.

CORPORATE FACILITY MAINTENANCE

Facility Maintenance

The Facilities Maintenance Division tackles both small and medium sized projects. Some challenges have been faced as we attempt to fully service all departments. For 2017, the focus will be on improving internal customer service.

The Division completed installation of several new heating units throughout the Township. Consistent with the Township's Strategic Plan, all current projects have a focus on energy conservation and demand management where applicable. The 2017 budget includes

4. GENERAL RATE OPERATING BUDGETS

allowances for detailed Energy Conservation and Demand Management Plans for key Township facilities to be completed using external resources.

For 2017 staff are proposing to implement better documentation of facility inspections, with the objective of being better able to respond to the needs of Township staff and public users of Township facilities. This meets two strategic objectives: “Strengthen the Township’s Financial Position”, by closely monitoring facility assets; and “Provide a Well-Managed and Effective Municipal Government.”

The Facilities Maintenance training budget has been enhanced primarily for safety training.

Loyalist Administrative Office, Odessa

The Facilities Maintenance budget for the Municipal Office at 263 Main Street, Odessa, has increased by 25%, or \$20,300, with approximately \$13,000 of this increase related to increased custodial duties. Due to the importance of this facility, relevant to the Township’s operations, this site has a high maintenance priority with the Facilities Maintenance Division. The increased number of employees at this facility requires steady maintenance activity to accommodate employee needs.



4. GENERAL RATE OPERATING BUDGETS

CEMETERIES

The municipality is responsible for the operation of eight (8) cemeteries (which includes three small abandoned cemeteries). Staff anticipate that Morven Cemetery will be transferred to the Township at some point in 2017.

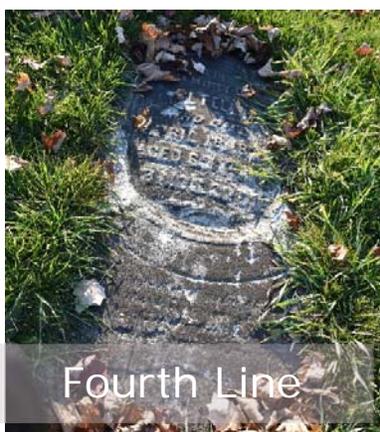
In anticipation of acquiring a new Cemetery and because the current maintenance contract for the five main cemeteries has expired (and with the knowledge that the current contract holder has advised the Township that he will not be bidding on the contract renewal), staff have increased the maintenance budget by \$40,000.

CEMETERIES CURRENTLY MAINTAINED BY THE TOWNSHIP IN 2016

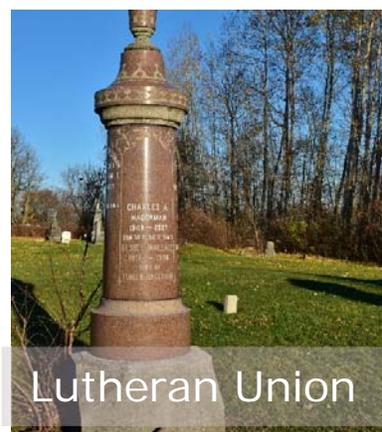
Bayview Pioneer Cemetery	NE side of Bayview Pioneer Park
Burleigh Family Plot	Adjacent to 2052 Withers Road
Fourth Line Fellows Cemetery	County Road 2, East of Violet Road
Glenwood Cemetery	2052 Stella Forty Foot Road, Amherst Island
Lutheran Union Cemetery	1506 Ham Road
McIntyre (Bells) Cemetery	1865 McIntyre Road
Pentland Cemetery	1652 Front Road, Amherst Island
Switzerville Cemetery	1911 Switzerville Road



Switzerville



Fourth Line



Lutheran Union

4. GENERAL RATE OPERATING BUDGETS

4.6 EXTERNAL AGENCIES

SUMMARY

EXTERNAL AGENCIES - 2017 OPERATING BUDGET				
	Police Services	Conservation Authority	Total	
Revenue				
Grants	- 10,900	- -	10,900	
Fees & User Charges	-	-	-	
Licenses, Permits	-	-	-	
Rents	-	-	-	
Other Revenue	-	-	-	
From Reserves/Reserve Funds	-	-	-	
2017 Budgeted Revenue	- 10,900	- -	10,900	
Expenses				
Salaries, Wages & Benefits	-	-	-	
Debt Principal & Interest	-	-	-	
Insurance	-	-	-	
Utilities	-	-	-	
OPP/Conservation	2,341,800	177,400	2,519,200	
Non-Discretionary Expenses	2,341,800	177,400	2,519,200	
% of Total Expenses	100%	100%	100%	
Contracted Services	-	-	-	
Supplies, Materials & Other	1,700	-	1,700	
Contribution to Capital	-	-	-	
Contribution to Reserve Funds	-	-	-	
Internal Allocations	-	-	-	
Discretionary Expenses	1,700	-	1,700	
% of Total Expenses	0%	0%	0%	
2017 Budgeted Expenses	2,343,500	177,400	2,520,900	
2017 Net Budget	2,332,600	177,400	2,510,000	

The external agencies budget is \$2.5 million, which is a slight increase over 2016. The external agencies budget represents about 18% of the total general rate operating budget. As you will see in the following table, the External Agencies budget has decreased approximately \$250,000 from 2015 to the proposed 2017 budget. This is a result of lower policing costs compared to 2015 levels.

4. GENERAL RATE OPERATING BUDGETS

EXTERNAL AGENCIES - TRENDING REPORT						
2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Police Services	(10,900)	2,343,500	2,332,600	-27.3%	2.0%	2.2%
Conservation Authority	0	177,400	177,400	-	4.4%	4.4%
	(10,900)	2,520,900	2,510,000	-27.3%	2.2%	2.4%
2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Police Services	(15,000)	2,297,300	2,282,300	0	1,705,448	1,705,448
Conservation Authority	0	169,900	169,900	0	173,396	173,396
	(15,000)	2,467,200	2,452,200	0	1,878,844	1,878,844
2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Police Services	(15,700)	2,616,600	2,600,900	- 11,442	2,466,086	2,454,644
Conservation Authority	0	165,800	165,800	-	165,095	165,095
	- 15,700	2,782,400	2,766,700	- 11,442	2,631,181	2,619,739

CONSERVATION AUTHORITY



The Township provides for levy requests received from the Cataraqui Conservation Authority and the Quinte Conservation Authority, both of whom have jurisdiction within the Township's municipal boundaries.

The 2017 budget for the Cataraqui Conservation Authority is based on the information provided in the request from the Cataraqui Conservation Authority. The 2017 levy is for a total of \$169,400. The breakdown for the 2017 operating levy is \$104,400 compared to \$98,600 in 2016 and the 2017 capital levy is \$28,300 compared to \$29,200 in 2016. The Special Conservation levy request of \$36,700 includes a provision for Parrot's Bay Development (\$34,200) and Dam Major Maintenance Funding (\$2,500).

The Quinte Conservation Authority has not provided their levy request as of this publishing. It is expected to be received in January 2017. Based on prior years, a total amount of \$8,000 was included in the 2017 budget for the Quinte Conservation Authority levy. This includes a portion for the operating levy and the capital levy which is for on-going support of two Special Program Levies; the first to support a Climate Change Study and the second to support the Third Depot (Napanee Watershed). Both projects are at a minimal cost historically and are included in the 2017 budget.

4. GENERAL RATE OPERATING BUDGETS

POLICE



Policing in Loyalist Township is provided by the Ontario Provincial Police (OPP). The 2017 billing statement provided to Loyalist was prepared in accordance with a revised municipal policing cost-recovery billing methodology approved by Treasury Board/Management Board of Cabinet on August 13, 2014.

Policing fees calculated under this billing model are calculated by the base fee for service per household multiplied by the number of households in the community in addition to the community portion of the cost for OPP calls for service in the Province. For 2017 billing purposes the allocation of the municipal workload has been calculated to be 57.9% (2016 58.7%) Base Service and 42.1% (2016 41.3%) Calls for Service. The Base Service costs represent municipal costs related to proactive policing services such as routine patrols, crime prevention, training, administration etc. The Calls for Service costs represent the municipal costs related to policing services that are typically reactive in nature and usually require a police officer's attendance. A municipality's proportionate share of the costs is based on weighted time standards applied to the historical calls for service. The municipality's total weighted time is calculated as a percentage of the total of all municipalities.

OPP SERVICE COSTS

		2017		2016	
Base Service	Number of properties	6,887		6,798	
	Cost per property	\$ 191.84	\$ 1,321,202	\$ 193.07	\$ 1,312,490
Calls for Service	Total:	\$ 148,109,469		\$ 143,818,773	
	Loyalist Portion	0.6111%	\$ 905,114	0.6054%	\$ 870,683
Overtime			\$ 66,184		\$ 62,366
Prisoner Transportation	Per property cost:	\$ 2.30	\$ 15,840	\$ 2.20	\$ 14,956
Accommodation/Cleaning Services	Per property cost:	\$ 4.86	\$ 33,471	\$ 4.73	\$ 32,155
Court Security Prisoner Transport Grant			\$ -		\$ 7,027
Total Billing			\$ 2,341,811		\$ 2,285,622
Monthly Billing Amount			\$ 195,151		\$ 190,469

There are also some additional RIDE costs budgeted in the Police Services line item.

5. GENERAL RATE CAPITAL BUDGET OVERVIEW

5. General Rate Capital Budget Overview

Departments	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Building Services	-	21,461	36,947	36,840	-
Cemetery Services	30,000	-	-	-	-
Corporate Services	762,000	83,405	12,569	141,422	-
Environmental Services	-	-	-	-	-
Planning and Development	-	-	1,307,000	-	-
Protection Services	1,307,307	314,328	988,375	457,279	374,330
Recreation & Cultural Services	440,019	2,318,084	106,095	3,640,092	597,626
Transportation Services	2,847,439	7,166,212	3,229,136	10,793,755	23,680,063
Grand Total	5,386,765	9,903,490	5,680,122	15,069,388	24,652,019

SUMMARY & HIGHLIGHTS

The 2017 general rate capital budget is \$5.4 million. the capital budget is contingent on receiving grant monies. If the grants are not approved, the related capital projects will not be undertaken in 2017.

The budget as proposed including the capital projects and related grant funding is balanced for 2017 using development charges, contributions from operating and grants.

ASSET MANAGEMENT

Staff spent much of 2016 working on the asset data for the revised Asset Management Plan. A committee was formed and staff were delegated from each area to gather an inventory of all the assets, the conditions for each asset, the risk of failure for each asset and the useful lives for all the assets. This information has been input into CityWide, the Township's asset database software. This software uses the risk, condition, age and other factors to determine the replacement date and cost.

The database lists every asset with detailed information. For example, the roads are broken down by segment and broken down by base and top. One of the projects budgeted for 2017 which impacts both the Utilities and General Rate budgets is Frink Avenue.



5. GENERAL RATE CAPITAL BUDGET OVERVIEW

The screenshot shows a web application interface for 'CityWide' with a search bar and filters. Below the filters is a table of assets. The table has columns for Asset ID, Rate Group, Category, Asset Class, Asset Type, Asset Sub-Type, Profile, Name, Planned Replacement Date, Description, and In-Service Date. The assets are sorted by 'Frink' in the Name column. The first few rows are highlighted in green.

Asset ID	Rate Group	Category	Asset Class	Asset Type	Asset Sub-Type	Profile	Name	Planned Replacement D...	Description	In-Service C
128	Utilities Service Rate	Environmental Services	Water System	432 - Fairfield Water Dist...	7403 - Water Pipes (100mm - 15...	Water Utilities	Water Pipe on Frink	2017-01-01	150mm, CI pipe	1957-01-01
972	Utilities Service Rate	Environmental Services	Sanitary System	402 - Loyalist East Sewer ...	7476 - Sanitary Sewer Pipes (20...	Sewer Utilities	Sanitary Main on Frink	2017-01-01	200mm, AC pipe	1969-01-01
973	Utilities Service Rate	Environmental Services	Sanitary System	402 - Loyalist East Sewer ...	7476 - Sanitary Sewer Pipes (20...	Sewer Utilities	Sanitary Main on Frink	2017-01-01	200mm, AC pipe	1969-01-01
2715	General Rate	Transportation Services	Bridges & Culverts	341- Bridges & Culverts	7452 - Cross-Road Culverts- St...	Bridges and Culverts	Frink Avenue CSP Culvert	2017-01-01	500 mm CSP	2006-01-01
3582	General Rate	Transportation Services	Roads	340- Roads Hardtop	7457 - Road Surface - Paved	Roads	Frink Avenue	2017-01-01	High Class Bit-Asphalt	1888-01-01
3668	General Rate	Transportation Services	Roads	340- Roads Hardtop	7455 - Road Base	Roads	Frink Avenue	2017-01-01	High Class Bit-Asphalt	1969-01-01
8184	General Rate	Transportation Services	Stormwater System	350- Storm Sewer System...	No Asset Sub-Type	Storm Water	2017 New Storm on Frink	2017-01-01	new storm system on Fr...	2017-01-01

Assets sorted by "Frink"

The asset inventory is sorted above to include the assets with "Frink" in the name. The planned replacement for these assets is 2017-01-01, and the project includes water pipe, sewer pipe, road work and storm sewer. Drilling down to look at asset ID 128, Water Pipe on Frink, we can see that the risk rating is 8 – very high and that the age based condition is 1 – very poor. (See figure below)

The screenshot shows the detailed view for Asset ID 128, 'Water Pipe on Frink'. The interface includes a sidebar with navigation options like Summary, Details, Attributes, Notes, and Attached Files. The main content area is divided into several sections: Overview, Condition/Risk, and Brief. The Overview section displays key data points such as Name, In-Service Date, Historical Cost, Replacement Cost, Description, Estimated Useful Life, Adjusted Cost, and Planned Replacement Date. The Condition/Risk section shows the Overall Condition Rating as 'Unknown', Risk Rating as '8 - Very High', and Asset Age as 60 years. The Brief section indicates it is a Primary Asset and includes a Summary Report button. A map section is present but shows 'Unable to map record'.

Asset ID 128, Water Pipe on Frink

The system allows staff to track detailed information, attributes (such as the funding source), notes, additions, disposals, write-downs, and attachments. As we assess the condition of certain groups of assets, the system can be updated to reflect the revised condition, and the replacement date and/or cost will automatically be revised. Staff can also enter a "planned replacement date" based on capacity to complete the project and/or available funding.

5. GENERAL RATE CAPITAL BUDGET OVERVIEW

Through the 2017 budget process, many projects were deferred. Unfortunately, this results in general rate capital budgets in future years being unreasonably high. The total five year budget is about \$60 million. (2018 = \$9.9 million, 2019 = \$5.7 million, 2020 = 15.1 million, 2021 = \$24.7 million). Early in 2017, staff will be reviewing the asset data in CityWide to re-evaluate the replacement information.

Staff will need to come up with a ten-year plan that is reflective of what is reasonable to complete in terms of resources and funding. Based on the revised longer term budget numbers, finance will complete the revised asset management plan for Council's approval. This will include a financial plan which will provide a road map of how the Township will pay for the capital work.



5. GENERAL RATE CAPITAL BUDGET OVERVIEW

GENERAL RATE CAPITAL SUMMARY TABLE

Departments	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Building Services	-	21,461	36,947	36,840	-
Fleet	-	21,461	36,947	36,840	-
Cemetery Services	30,000	-	-	-	-
Buildings	30,000	-	-	-	-
Land Improvements	-	-	-	-	-
Corporate Services	762,000	83,405	12,569	141,422	-
Buildings	500,000	27,112	-	-	-
Furniture, Fixtures & Office Equipment	-	-	-	-	-
IT Hardware & Software	242,000	56,293	12,569	114,759	-
Land Improvements	20,000	-	-	26,663	-
Planning and Development	-	-	1,307,000	-	-
Roads	-	-	1,307,000	-	-
Protection Services	1,307,307	314,328	988,375	457,279	374,330
Buildings	353,500	-	22,205	23,613	-
Fleet	850,000	290,744	966,170	398,807	344,532
Furniture, Fixtures & Office Equipment	-	23,584	-	-	-
Land Improvements	20,000	-	-	34,859	-
Machinery & Equipment	83,807	-	-	-	29,798
Recreation & Cultural Services	440,019	2,318,084	106,095	3,640,092	597,626
Buildings	117,000	1,989,051	32,137	3,527,601	568,987
Fleet	33,000	-	41,047	-	26,385
Furniture, Fixtures & Office Equipment	6,000	11,398	-	-	-
Land Improvements	284,019	311,635	26,833	31,159	2,254
Machinery & Equipment	-	6,000	6,078	81,332	-
Transportation Services	2,847,439	7,166,212	3,229,136	10,793,755	23,680,063
Bridges & Culverts	47,646	152,189	520,803	1,655,731	1,135,579
Buildings	-	138,694	95,478	-	28,684
Fleet	270,000	606,970	598,063	507,465	380,876
Furniture, Fixtures & Office Equipment	-	-	-	-	-
Land Improvements	-	-	-	-	-
Machinery & Equipment	160,000	522,433	61,880	641,203	64,383
Roads	1,844,793	1,711,280	1,948,857	7,955,827	22,070,541
Stormwater System	525,000	4,034,646	4,055	33,529	-
Grand Total	5,386,765	9,903,490	5,680,122	15,069,388	24,652,019

In addition to the \$5.4 million budgeted for 2017, staff are projecting to carry over \$1.5 million in projects that were not completed in 2015. This brings the total general rate capital work to be completed in 2017 to \$6.9 million.

The 2017 general rate capital budget is projected to be fully funded based on receiving all of the grants that the Township has applied for. The grants, development charges, and contributions from operating total slightly more than the budget. Any extra funding would

5. GENERAL RATE CAPITAL BUDGET OVERVIEW

be applied to the carryover balances which at this point, have been approved to be funded by debt through the 2016 budget process.

FUNDING SOURCES FOR 2017

Funding Sources for 2017	
Contribution from Operating	- 2,435,800
Development Charges for Fire Fleet (100%)	- 850,000
Development Charges for Loyalist Park Development (90%)	- 67,500
Development Charges for Transportation Work	- 45,000
Ontario Community Infrastructure Funding	- 765,000
Other Grant Funding	- 942,900
Bath Road Project (Need approval in 2017, spending in 2018)	- 300,000
Grand Total, Funding	- 5,406,200
Net, to be Applied to UFCO	- 19,435

While the 2017 budget is fully funded, the long term ability of the Township to pay for the capital requirements is a significant pressure on the Township's budget. Staff continue to employ strategies such as increasing the annual contribution from operating to capital and leveraging transfers to reserves and reserve funds to try to become more financially sustainable. The goal is to have a relatively consistent annual capital budget that is funded fully by contributions from operating (pay as you go), and any larger projects would be funded by reserve funds and/or debt and/or grants. Maintaining consistency in the amount of capital funding required from the tax levy alleviates pressure on property tax rate increases.

The five year general rate capital budget numbers shown previously are not sustainable. The Township does not have the capacity nor the money to pay for that much capital work. The revision of the Asset Management Plan and the ongoing management of the asset data is required to ensure staff are accurately projecting capital budgets. A 10 to 20 year capital plan is required so that we can plan sufficiently to be able to pay for all of the capital work. Given the useful life of some of our assets, the Township would ideally be employing a long range financial plan of 40 or 50 years.



5. GENERAL RATE CAPITAL BUDGET OVERVIEW

RESERVE FUNDS

Reserve Funds Projection								
	Total Reserve Funds	Development Charges	Other Obligatory	Other Restricted	Impost Fees	Other Special Area	Contingency	Asset Replacement
Projected Balance Dec 31, 2016	7,863,800	1,753,900	190,200	1,437,900	3,582,300	391,800	196,700	311,000
Revenue								
Interest Income	64,200	15,000	6,000	8,600	27,000	3,000	1,800	2,800
Development/Impost Fees	1,280,000	400,000	-	-	880,000	-	-	-
Contribution From Operating	350,000	-	-	-	-	-	10,000	340,000
Other Income	797,400	-	653,400	137,400	-	-	-	6,600
Internal Interest	12,500	-	-	6,100	6,400	-	-	-
	2,504,100	415,000	659,400	152,100	913,400	3,000	11,800	349,400
Expenditures								
Expenditures	2,500	-	-	2,500	-	-	-	-
Transfer To Operating	463,100	90,200	99,500	-	-	273,400	-	-
Contribution to Capital	1,721,500	962,500	659,000	-	100,000	-	-	-
	2,187,100	1,052,700	758,500	2,500	100,000	273,400	-	-
Projected Balance Dec 31, 2017	8,180,800	1,116,200	91,100	1,587,500	4,395,700	121,400	208,500	660,400

Adequate reserves/reserve funds are important to mitigate the Township's financial risk and to strengthen the Township's ability to withstand unforeseen expenditure requirements and negative impacts on revenue sources. Reserves and reserve funds are accumulated net revenues set aside for future expenditure. Planning for adequate reserve fund levels will benefit the Township by:

- Providing stability of property tax levy requirements and user rates
- Providing financing for one time or short term requirements
- Making provisions for acquisition and replacement of assets and infrastructure that are currently being consumed and depreciated
- Avoiding spikes in funding requirements and reducing reliance on long term debt financing
- Providing a source of internal financing
- Ensuring adequate cash flows

It is projected that Loyalist Township will have a balance of approximately \$7.9 million in reserve funds at the end of 2016. This is expected to increase to approximately \$8.2 million by the end of 2017 based on revenues of \$2.5 million against \$2.2 million in expenditures over 2017.

5. GENERAL RATE CAPITAL BUDGET OVERVIEW

Internally, we have also borrowed money from the reserve funds. We have used the cash available in the reserve funds internally to fund capital projects, and that money is being returned over several years with interest. The balance of these internal loans is approximately \$1.1 million as at December 31, 2016.

Development Charges

Development Charges are an obligatory reserve fund that is regulated through the *Development Charges Act, 1997*. The Township collects Development Charges on new development for the purposes of recovering growth-related capital costs.

Other Obligatory

Obligatory reserve funds are those funds established pursuant to legislative requirements such as Provincial/Federal gas tax funding legislation and the *Building Code Act*. The Provincial Gas Tax funds are used to help fund transit in Amherstview, and the Federal Gas Tax funds are used towards capital projects.

Restricted

Restricted reserve funds are those funds whose use is constrained in some way. Included in restricted reserve funds is the Community Vibrancy Fund which was established because of contributions from solar projects in the Township. This fund is projected to have a balance of approximately \$238,000 in 2017 that can be used towards eligible capital projects in the designated area.

Impost Fees

Impost Fees are special area reserve funds that the Township collects for the purposes of funding future growth related infrastructure costs for the water and sewer works.

Other Special Area

Special Area reserve funds are those funds established to stabilize user rates and/or provide capital funding for a specific area. This includes such funds as the Amherstview Transit Operations and Ferry Operations.

Contingency

Contingency reserve funds are established to accommodate contingent, unfunded or known liabilities for current and/or future years. Currently there is one contingency fund, the Workers Compensation Fund, which is intended to assist in funding WSIB claims up to the deductible of the stop loss insurance.

Asset Replacement

Asset Replacement reserve funds are established to smooth the spikes in operating budgets and provide funding for emergency asset replacement. Funds in this area include

5. GENERAL RATE CAPITAL BUDGET OVERVIEW

equipment replacement funds for utilities, an ice resurfacer fund, the fire training centre, as well as a municipal capital reserve fund that was established in 2016.

There is no right or wrong level of contribution to make to Township reserve funds. Currently most the reserve funds are designated or restricted and therefore not available to fund general projects. It is a balancing act in terms of the level of contribution to capital, the level of transfer to reserve funds to plan for future capital projects, while minimizing the impact on the tax levy and the resulting tax rate increase.

Contributions to Reserve Funds

The 2017 budget includes \$314,200 in contributions to reserve funds for general rate compared with \$189,200 in 2016.

The utilities contributions to reserve funds are mainly impost fee transfers. Revenue is received into the operating fund and expensed when it's transferred to the reserve fund having no net impact on the operating budget. Utilities is also transferring money annually to equipment replacement reserve funds. So far the amounts are small (\$50,000 budgeted to be transferred in 2017), however the intent is to have funds set aside for emergency repairs and/or longer term large capital replacements.



6. GENERAL RATE CAPITAL BUDGET SUMMARIES

6. General Rate Capital Budget Summaries

6.1 EMERGENCY SERVICES

Asset Class	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Buildings	353,500	-	22,205	23,613	-
Fleet	850,000	290,744	966,170	398,807	344,532
Furniture, Fixtures & Office Equipment	-	23,584	-	-	-
Land Improvements	20,000	-	-	34,859	-
Machinery & Equipment	83,807	-	-	-	29,798
Grand Total	1,307,307	314,328	988,375	457,279	374,330

CAPITAL SUMMARY

The 2017 Capital Budget for Emergency Services will allow us to complete two large projects that have been in the planning stages for over five years.

Also, included in this year's budget are amounts for Firefighter Bunker Gear replacements to ensure that we are in compliance with the 10 year replacement recommendations as well as continue to replace fire hose, portable pumps and generators in a timely fashion to ensure both safety and reliability.



HIGHLIGHTS

The 2017 Emergency Services Capital Budget is 1,307,307:

- \$850,000 for the purchase of an Aerial Device to operate out of the Amherstview Fire Station. This device was identified in 2012 during the Insurance Underwriters Audit. At that time, we were given five years to place in service, which will protect our insurance rating. This is fully funded by development charges.
- \$332,000 for the completion of the addition to the Amherst Island Fire Station. This project started in 2016 with the evaluation and design of the septic and water system.
- \$28,000 to replace the Medtronic Defibrillators currently in service. These units are at the end of their 10 year life span and require replacement. Replacement units have no mandated service life.
- \$30,000 for bunker gear replacement.
- \$25,000 for the general replacement of equipment. This includes fire hose, pumps, and generators.
- \$20,000 for the repairs of curbs and sidewalks at the Bath Fire Station.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

KEY INITIATIVES

The addition of an Aerial device in Amherstview will greatly enhance our response capability as well as protect our insurance rating. Fire Underwriters identified the need for this equipment in 2012 during our audit, which was undertaken prior to qualifying for the Superior Water Shuttle Program. The renewal for this program will be sometime in 2017 and Insurance Underwriters will once again visit us to ensure compliance with their program and recommendations.

The addition to the Amherst Island Fire Station will allow this station to meet the needs of this community for at least the next 15 years. It will also address the health and safety issues of potable water and showers for the staff working out of that station.



Our Medtronic Defibrillators have reached their 10-year replacement date. The newer equipment available today does not have a replacement date and much lower maintenance costs. Training costs associated with putting the new units in service will be included with the annual recertification process.

Asset Type	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
210- Emergency Services	933,807	314,328	966,170	398,807	374,330
212 - Fire Training Classroom Facility	-	-	-	-	-
217 - Odessa Fire Station	7,500	-	-	34,859	-
218 - Amherstview Fire Station	-	-	-	-	-
219 - Bath Fire Station	34,000	-	-	12,511	-
220 - Amherst Island Fire Station	332,000	-	22,205	11,102	-
224 - Fire Training Ground Facility	-	-	-	-	-
Grand Total	1,307,307	314,328	988,375	457,279	374,330
2016 Capital Budget Carry Over	73,000				
	1,380,307				

The \$73,000 carry over budget is mainly for the Amherst Island Fire Station project.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

6.2 INFRASTRUCTURE SERVICES

The 2017 capital budget includes a number of projects which are coordinated to complete work to water, sewer, storm, road and sidewalk assets. Staff endeavor to plan capital projects such that all of the capital infrastructure can be replaced/rehabilitated/repared at once. The management of capital projects in this manner provides efficiencies internally and fewer disruptions for residents.

The following projects make up much of the 2017 general rate capital budget and are managed by the engineering group.

2017 PROJECTS

Project	Budget	Department
A.I. Fire Station	\$332,000	Emergency Services
Tandem Plow	\$270,000	Public Works
Sidewalk Plow	\$160,000	Public Works
Municipal Building	\$500,000	Corporate Services
Bath Road Sidewalk	\$300,000	Infrastructure Services
Morden Crescent	\$580,000	Infrastructure Services
Davy Street	\$750,000	Infrastructure Services
Fralick Road	\$425,000	Infrastructure Services
	\$3,317,000	

Staff have applied for several grant applications and are awaiting approval on some. If the grant applications are not approved, the related capital projects will not move forward in 2017.



6. GENERAL RATE CAPITAL BUDGET SUMMARIES

LOYALIST TOWNSHIP – GRANT SUMMARY 2017

Loyalist Township - Grant Summary - 2017			Asset Type				
Grant	Status	Project	Water	Sewer	Storm	Road	Sidewalk
OCIF - Application Based	Secured	Sherwood Avenue watermain relining	X				
		Fairfield Boulevard watermain relining	X				
		Watermain installation at Fairfield and Highway #33	X				
		Morden Crescent reconstruction	X	X		X	
Green Municipal Fund	Secured	AWPCP wetland construction and monitoring		X			
Clean Water and Wastewater Fund	Awaiting results	Davy Street watermain replacement and storm sewer installation	X		X	X	X
		Clairton Place watermain relining	X				
		Compton Court and Edgewood road watermain replacement and drainage improvement - design only	X			X	
		Cambridge Crescent watermain relining - design only	X				
		Odessa West stormwater drainage - design and survey only			X	X	
		Frink Avenue reconstruction	X	X	X	X	
Connecting Links	Awaiting results	Davy Street watermain replacement and storm sewer installation at Highway #33 intersection	X		X	X	X
National Disaster Mitigation Program	Awaiting results	Millhaven Creek frazil ice flooding - study only			X		

Note: National Disaster Mitigation funding is covered in the storm water operating budget section

ONTARIO COMMUNITIES INFRASTRUCTURE FUND (OCIF) APPLICATION BASED GRANT

The Small Communities Fund (SCF) program provided funding for the Briscoe-Hyland reconstruction project in 2015-16, and the application based portion of the Ontario Community Infrastructure Fund (OCIF) project will fund similar projects in 2017.

The primary focus of OCIF work in Amherstview is the replacement of ductile iron water mains. The Township has had some success with watermain structural lining technology, and is increasingly planning to use this approach when the road surface asset still has remaining life. Projects funded by this grant include watermain relining on Sherwood Avenue and Fairfield Boulevard, and a full reconstruction of Morden Crescent. Morden Crescent will retain its semi urban cross-section which relies on roadside ditches to convey stormwater. Staff have not included new sidewalks in this design primarily because it is difficult to introduce sidewalks to areas serviced by ditch drainage systems without also installing expensive storm sewers.

This OCIF application based grant has been approved.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

CLEAN WATER AND WASTEWATER FUND

The Township has made applications under the Clean Water and Wastewater Fund (CWWF) which, if successful, will fund several construction and design assignments. Due to the large value of this application (\$1.4 million) and the full slate of projects, this application included allowances for an external project administration and inspection team for the construction projects, and all the design to be completed by consultants. It should be noted that one of the important requirements of the CWWF program is that all projects must “demonstrate incrementality”, meaning that the Municipality would not be able to complete these projects in 2017 without receiving funding from CWWF program.

Other than projects tied to other grant programs there are no other road/water/sewer type projects in the 2017 capital budget. Therefore, if the funding for the CWWF project is not approved then these projects must be deferred.

The CWWF application includes:

- the relining of the Clairton Place Watermain,
- the reconstruction of Davy Street, Bath, from Queen Street to Lake Ontario. including a new storm sewer, does not include Hwy 33 crossing – see Connecting Link grant
- the design only of Compton Court and upper Edgewood Road watermain replacement and road improvements
- the design only - Cambridge Crescent water main relining
- Odessa West (Bridge St., Cross St., South St. Battery St.) storm drainage and road improvements -design only
- The reconstruction of road and waterworks and some storm sewer on Frink Ave.

This grant has not been approved and funding confirmations are expected in January 2017 with work to be completed for early 2018.

CONNECTING LINKS PROGRAM

The Township has applied for the Davy St. - Highway 33 intersection portion of Davy Street project under this provincial program. This funding (\$80,300) has not been secured as of mid December.

GREEN MUNICIPAL FUND

The Township was successful with an application to the Green Municipal Fund (GMF) for additional funds in the amount of \$285,700 for construction and monitoring of the new treatment wetland at the Amherstview Water Pollution Control Plant. The majority of work on the wetland was completed in 2016 but the facility is not yet fully operational.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

OCIF FORMULA BASED FUNDING

The Department has proposed that this funding be extended to cover the reconstruction of the full length of Fralick Road in the amount of \$340,000 with a total project cost \$415,000.

Asset Class	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Bridges & Culverts	47,646	152,189	520,803	1,655,731	1,135,579
Buildings	-	138,694	95,478	-	28,684
Fleet	270,000	606,970	598,063	507,465	380,876
Machinery & Equipment	160,000	522,433	61,880	641,203	64,383
Roads	1,844,793	1,711,280	1,948,857	7,955,827	22,070,541
Stormwater System	525,000	4,034,646	4,055	33,529	-
Grand Total	2,847,439	7,166,212	3,229,136	10,793,755	23,680,063

FLEET AND EQUIPMENT REPLACEMENT

There is \$430,000 allocated for capital equipment in 2017. The plan includes the replacement of a tandem plow truck, a sidewalk plow for the Public Works (Roads Operations), and a new ½ ton truck for the Public Works (parks operations).

ROADS, SIDEWALKS

There is \$55,000 allocated for new sidewalk connecting the existing sidewalk on Guildersleeve Blvd. and the existing sidewalk on Somerset Avenue. This project will be included in the next development charges study.

There is \$25,000 allocated for new sidewalk on the north side of Amherst Drive between County Road #6 and Pratt Drive. This project will be funded by the Amherst Drive frontage fees that have been collected from the local developers.

The new sidewalk to be constructed by MTO along Highway 33 will not be invoiced until 2018. MTO will require a formal agreement for this expenditure which is expected to be presented to Council in early 2017. Therefore the budget is included in the 2017 capital amount, but the funding has not been included as a requirement for 2017.

STORM WATER

All of the proposed 2017 stormwater capital projects are components of the Canada Water and Wastewater Fund (CWWF) program. The total value of these projects is \$525,000. The projects listed below are all priority projects based on the asset management plan and have been brought forward for consideration on the basis that they will not proceed unless funding is available.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

Stormwater improvements under this program are planned for Davy Street, and Frink Avenue, with new sewers tentatively planned to be installed in 2017.

The CWWF application also includes design allowances for two other projects with stormwater components:

- Design of Battery, South, Bridge and Cross Streets
- Design of Compton Court and upper Edgewood Road -watermain and road improvements

The scope of the stormwater improvements for the “design only” projects includes improved ditching and culvert replacements but does not include storm sewers being installed in these areas.

The asset management plan currently indicates a total of \$4 million in capital projects for 2018. This value consists of \$2.9 million for driveway culvert replacements and \$1.1 million for the Odessa West Stormwater Management Facility. Staff will be redistributing the value of the driveway culverts early in 2017 as not all assets will be replaced in the same year, and amending the capital budget accordingly. The annual requirements for driveway culvert replacements are much lower and are only considered significant when completing projects of similar scope as the recently completed Briscoe/Hyland project.

The timing of the Odessa West project is subject to the rate of the development in the Odessa West neighbourhood and is to be funded by the local developers.

Construction of the Odessa West Storm Water Management Facility has been deferred to 2018 based on the current status of the two developments in the area. The majority of the budget for this project has been moved deferred. It is expected that the two Developers will utilize an interim stormwater management facility within the Baycreek (Babcock Mills) property. The interim facility allows for the deferral of the construction of the final facility.

This project should be 100% funded by developer contributions. Staff and the developers continue to work toward a Cost-Sharing Agreement to ensure that this project can move forward.

WATER HAULER'S FACILITY

After the experience of the 2016 summer drought Council asked staff to report on costs for a bulk water dispenser similar to the unit employed in Napanee.

In developing a response to this inquiry, the Utilities Manager raised some concerns with the number of large trucks which currently drive through tight areas at the current bulk water dispenser at County Road 6 adjacent to the blue reservoir. It was also noted that the Township could eliminate a high volume of water flushing if the bulk water dispenser

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

was located close to the Bombardier site on Taylor Kidd Boulevard near the end of the watermain.

Staff have developed the following high level estimates for both a low volume and a large volume facility. Both options are essentially the same cost of \$145,000 as most of the expense is for supply piping and roadworks. Actual budget requirements would be very sensitive to location.

Low Volume station → \$145,000

High Volume station → \$145,000

The 2017 budget currently does **not** include an allowance for either low or high volume setup as there has not been an opportunity to fully evaluate where this type of facility is best located. Ideally this facility would be in a location that assists the Township in maintaining good water quality and is accessible to the rural users. In the short term plumbing was altered so that the public could fill smaller containers at the municipal office during the warmer months at an exterior location. The County Roads bulk station continues to service the local commercial water haulers. The current bulk water hauler's facility has dispensed an average of 26,325 cubic metres of water per annum over the last three years. Current 2017 rate is 2.65/m³ (\$67,900/annum)

Asset Type	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
332 - Township Safety Devices	10,000	-	-	-	-
333- Transportation Services	-	-	-	-	-
337 - Amherst Island Garage	-	-	66,930	-	28,684
338 - Transportation Vehicles & Equ	270,000	606,970	598,063	507,465	380,876
339- Bath Public Works Garage	-	-	-	-	-
340- Roads Hardtop	1,479,793	927,290	1,374,640	4,729,372	6,177,863
341- Bridges & Culverts	47,646	152,189	520,803	1,655,731	1,135,579
343- Roads Loosetop	-	121,837	99,932	2,955,601	15,831,882
345- Roads Equipment	160,000	514,630	61,880	641,203	-
347- County Road 6 Garage	-	138,694	-	-	-
348 - County Rd 6 Sand and Salt Sto	-	-	28,548	-	-
349- Millhaven Salt Dome and Shed	-	-	-	-	-
350- Storm Sewer System- Urban	525,000	-	4,055	33,529	-
351 - Storm Sewer System - Rural	-	2,934,646	-	-	-
362 - Streetlights	-	612,000	-	2,384	-
366- Sidewalks/ Curbs	355,000	50,153	474,285	268,470	60,796
465- Violet Landfill	-	7,803	-	-	64,383
485 - Amherst Island Landfill	-	-	-	-	-
710 - Recreation Services	-	-	-	-	-
Grand Total	2,847,439	6,066,212	3,229,136	10,793,755	23,680,063
2016 Capital Budget Carry Over	429,000				
	3,276,439				

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

6.3 RECREATION SERVICES

Asset Class	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Buildings	117,000	1,989,051	32,137	3,527,601	568,987
Fleet	33,000	-	41,047	-	26,385
Furniture, Fixtures & Office Equipment	6,000	11,398	-	-	-
Land Improvements	284,019	311,635	26,833	31,159	2,254
Machinery & Equipment	-	6,000	6,078	81,332	-
Grand Total	440,019	2,318,084	106,095	3,640,092	597,626

CAPITAL SUMMARY

The department will be focusing on the completion of the Recreation Master Plan review in the first quarter of 2017 and will commence the planning of the implementation phase of the project for the remainder of the year.

An extensive review of capital assets was completed in 2016 of all recreational facilities and parks as part of the Township's Asset Management Plan. This was the first time recreational infrastructure assets were included in this plan. Significant staff resources were spent on assessing all recreational assets on condition, expected useful life, risk, expected level of service, and probability of failure. The outcome of this exercise identified a number of backlog projects as well as required priority lifecycle replacements that needed to be addressed in this year's Capital budget.

Lifecycle improvements to parking lots and walkways at a number of locations is required as well as parking lot surveys/design for some of our larger park parking lots (**\$62,000**). Sport fields require some annual maintenance projects in terms of lighting upgrades and timers, and netting replacement as well as a Willie Pratt score board refurbishment and a drainage design completed (**\$49,000**). Lifecycle projects specifically related to our parks include memorial bench replacement, sporting goals replacement, electrical upgrades, barbecue pits and pavilion refurbishment, and pedestrian bridge assessments (**\$54,000**).



Loyalist Park
Amphitheatre Construction



Frisbee Golf

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

Park development projects in 2017 include the playground replacement project at Lakeview Park as part of the Canada 150 Infrastructure grant program **(\$60,000)**. Loyalist Park will also see it's next phase of development in 2017 with paved walkways and parking lot, additional trees, and the installation of the amenity Frisbee Golf **(\$75,000)**.

Recreational facilities require some lifecycle projects in 2017. The pool change rooms require locker replacement, dehumidifiers, and a full diagnostic on the pool HVAC system. The library requires an HVAC replacement, and the Community Hall requires insulation and moisture protection in the roof **(\$81,000)**. Health & safety for our staff and clients at the Recreation Centre needs to be improved with additional outdoor lighting and security cameras installed **(\$20,000)**.

Recreational programs maintain an annual capital budget for equipment purchases **(\$6,000)**.

The carry over budget of \$319,500 (refer Asset Type table on following page) includes money for the master plan, Amherst Drive Park and Lakeview Park in Amherstview.

Proposed Playground Equipment



6. GENERAL RATE CAPITAL BUDGET SUMMARIES

6.4 PLANNING & DEVELOPMENT SERVICES

Asset Class	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Fleet	-	21,461	36,947	36,840	-
Grand Total	-	21,461	36,947	36,840	-

CAPITAL SUMMARY

The building department has vehicles budgeted in future years.

Planning and Development also has \$1.3 million budgeted in 2019 related to services for Jack Davey Drive.



6. GENERAL RATE CAPITAL BUDGET SUMMARIES

6.5 CORPORATE SERVICES

Asset Class	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Buildings	500,000	27,112	-	-	-
Furniture, Fixtures & Office Equipment	-	-	-	-	-
IT Hardware & Software	242,000	56,293	12,569	114,759	-
Land Improvements	20,000	-	-	26,663	-
Grand Total	762,000	83,405	12,569	141,422	-

Asset Type	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
120 - Odessa Admin Office	520,000	27,112	-	26,663	-
123- Corporate IT Support	242,000	56,293	12,569	114,759	-
128 - Odessa Garage (FM)	-	-	-	-	-
Grand Total	762,000	83,405	12,569	141,422	-
2016 Capital Budget Carry Over	514,000				
	1,276,000				

CAPITAL SUMMARY

Regarding Council Minute 2016.21.9 where Council instructed staff to begin investigating options for the construction of a new municipal building as well as identifying potential locations for a new municipal office, staff have proposed a budget of \$500,000 for the preliminary costs of this project. Based on decisions of Council to be made in early 2017, staff expect to secure a site, commence various site investigations, and commence the design process of a new administrative facility. This budget will address the strategic action of addressing the space issues within the Odessa Municipal Building to enhance operations and productivity of staff. A plan to accommodate the current staff plus 20% for growth will be completed in Phase 1 (2017). Phase 2 will be the implementation of the Phase 1 Plan and will immediately follow Phase 1 (also 2017).

The 2017 IT budget is \$242,000 plus carry forward budget of \$514,000 for a total budget of \$756,000 to be spent in 2017.

- \$35,000 for 2017 computer replacement program;
- \$35,000 for 2017 replacement of printers, photocopiers and a new plotter;
- \$30,000 for 2017 for Vadim/iCity financial software; includes second installment of RIM upgrade and additional module for pet licensing;
- \$30,000 for GPS equipment;
- \$20,000 for 2017 plus \$15,000 carry over for upgrade of recreation software;
- Carry over of approximately \$245,000 for Cartegraph OMS implementation.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

The 2016 carry over budget also includes money for a new file management system (~\$30k), potential accessibility initiatives (\$10k), internal website upgrading (~\$24k) and funding for capital infrastructure projects, both identified but not completed, and a portion for contingency work (~\$65k).

The Cartegraph OMS implementation is underway with initial implementation of the service request module scheduled for the first half of January 2017. OMS will be the central point for front line staff to track incoming calls, complaints, and inquiries. As this was one of the service standards approved by Council, staff plan to roll OMS out to the organization as the central tracking mechanism.

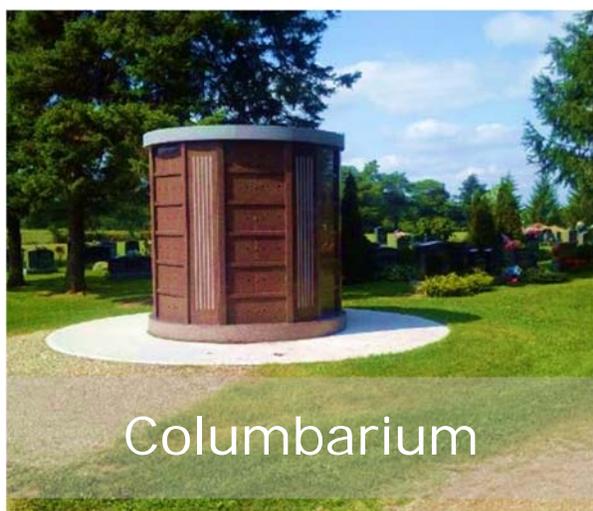
Several implementation phases will occur throughout 2017 with the implementation of asset data, ability to use tasks and work orders to assign work, and functionality to allow staff to access OMS in the field and access and update live information.

The Cartegraph OMS project is a significant undertaking which will require resources from all departments across the organization as well as strong leadership to ensure change management is effectively managed. There are many benefits that can be realized from employing this type of software package. The key is to engage and empower staff and to spend the time upfront with set up and configuration. The resulting streamlined processes for tracking work and asset information will be hugely beneficial to the Township.

CEMETERIES

Asset Type	Amount
500 – Cemeteries 2017	\$30,000
Carry over from 2016	\$30,000
Total Budget	\$60,000

The only capital budget item for Cemeteries is the columbarium. Council approved \$30,000 in 2016 and staff are proposing an additional \$30,000 in 2017. A design architect



Columbarium



Examples

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

may be employed to plan the Columbaria Garden and install the foundations needed for the installations at the designated locations.

7. Other Service Areas

7.1 OPERATING BUDGET SUMMARY

SUMMARY

OTHER SERVICE AREAS - 2017 OPERATING BUDGET				
	Amherstview Transit	Amherst Island Ferry	Total	
Revenue				
Grants	- 121,500	- 2,231,000	-	2,352,500
Fees & User Charges	- 90,000	- 310,000	-	400,000
Licenses, Permits	-	-	-	-
Rents	-	-	-	-
Other Revenue	- 39,300	- 24,000	-	63,300
Area Rates	- 420,000	-	-	420,000
From Reserves/Reserve Funds	-	- 273,400	-	273,400
2017 Budgeted Revenue	- 670,800	- 2,838,400	-	3,509,200
Expenses				
Salaries, Wages & Benefits	20,700	1,941,000		1,961,700
Debt Principal & Interest	-	-		-
Insurance	400	25,600		26,000
Utilities	-	3,000		3,000
Non-Discretionary Expenses	21,100	1,969,600		1,990,700
% of Total Expenses	3%	69%		57%
Contracted Services	590,000	35,000		625,000
Supplies, Materials & Other	5,300	595,200		600,500
Contribution to Capital	-	-		-
Contribution to Reserve Funds	-	-		-
Internal Allocations	54,400	238,600		293,000
Discretionary Expenses	649,700	868,800		1,518,500
% of Total Expenses	97%	31%		43%
2017 Budgeted Expenses	670,800	2,838,400		3,509,200
2017 Net Budget	-	-		-

The Amherstview Transit and Amherst Island Ferry are not funded by property taxes but by passenger fares, grants and other sources of revenue.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

OTHER SERVICE AREAS - TRENDING REPORT						
2017	2017 Budget			Budget % Change Over 2016		
	Revenue	Expense	Net	Revenue	Expense	Net
Amherstview Transit	(670,800)	670,800	0	-6.9%	-6.9%	-
Amherst Island Ferry	(2,838,400)	2,838,400	0	1.2%	1.2%	-
	(3,509,200)	3,509,200	0	-0.5%	-0.5%	-
2016	2016 Budget			2016 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Amherstview Transit	(720,500)	720,500	0	(494,768)	605,128	110,360
Amherst Island Ferry	(2,804,700)	2,804,700	0	(2,130,188)	2,175,613	45,425
	(3,525,200)	3,525,200	0	(2,624,956)	2,780,741	155,785
2015	2015 Budget			2015 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Amherstview Transit	(831,700)	831,700	0	- 812,119	823,080	10,962
Amherst Island Ferry	(2,681,200)	2,681,200	0	- 2,669,122	2,669,122	- 0
	- 3,512,900	3,512,900	-	- 3,481,240	3,492,202	10,962

TRANSIT

Background

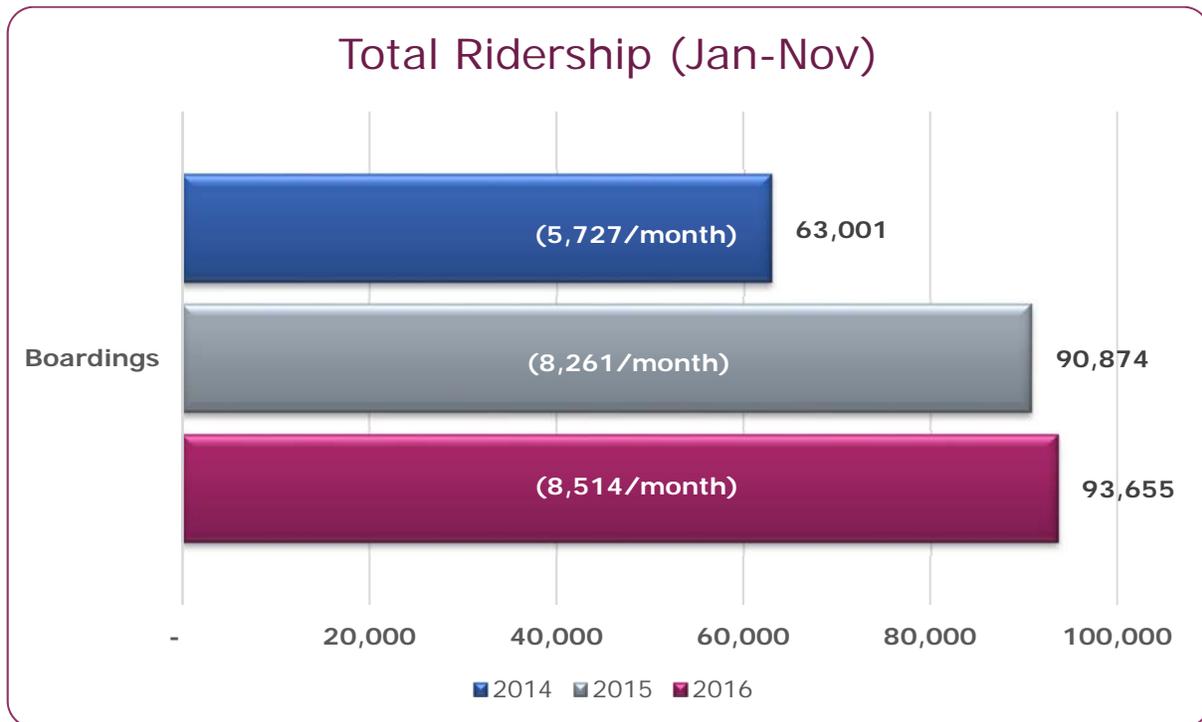
The Amherstview Transit System (Route 10) is operated by Kingston Transit on behalf of Loyalist Township. This route runs to the Cataraqui Centre by way of Collins Bay and the Bayridge Centre where it connects with express and other routes through the Cataraqui Centre Transfer Point. As of May 2, 2016, the half-hour service during peak times was eliminated from Route 10 as it was determined ridership revenue was not sufficient to financially sustain the thirty-minute service.



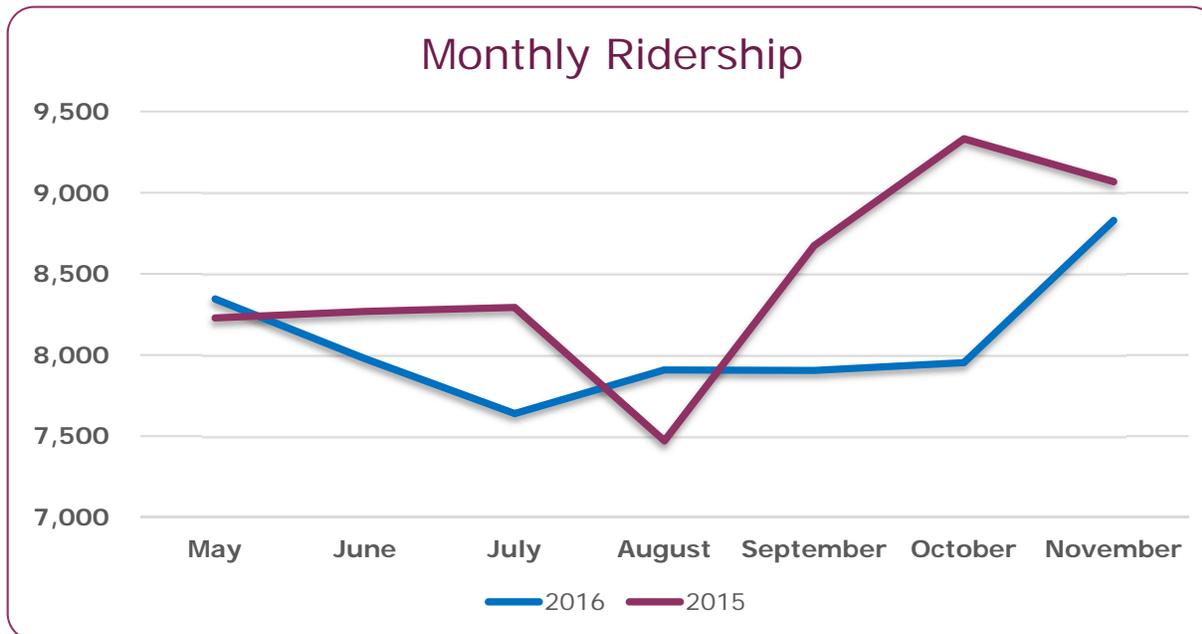
Ridership

Through November of 2016 the route's ridership has shown a slight increase in the average month for the year of 250 riders over 2015. Passenger Fare revenue has also surpassed the budgeted amount for 2016.

6. GENERAL RATE CAPITAL BUDGET SUMMARIES



However, to assess the impact of the change in service (half-hour to hour service), it is beneficial to compare from May onwards when the change came into effect.



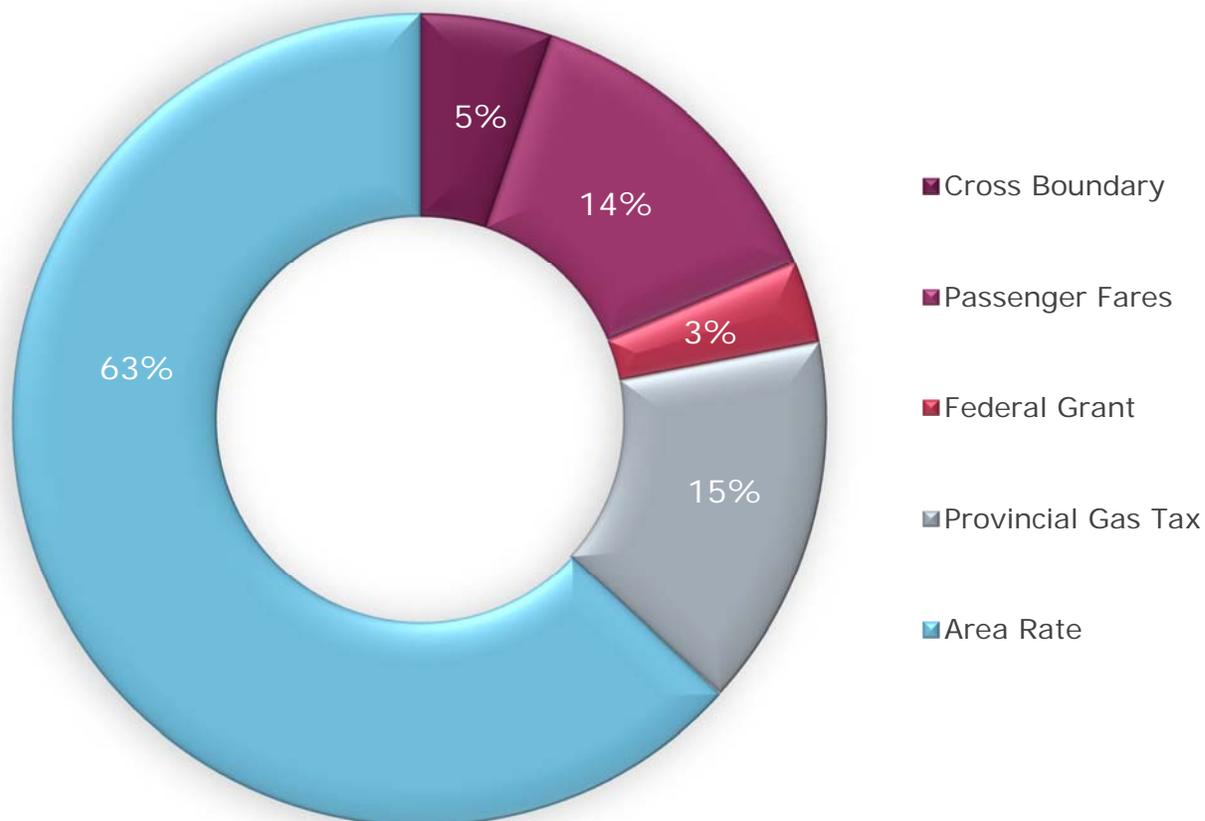
6. GENERAL RATE CAPITAL BUDGET SUMMARIES

Since the change came into effect, there has been a slight decrease in the average monthly ridership of about 400 riders, going from an average of 8,476 riders a month in 2015 for this period to 8,080 in 2016.

Financial

Funding for Transit comes from a variety of sources, with most it coming from the area rate levied on the property tax bill. The breakdown of the budgeted funding sources for 2017 can be found in the chart below.

TRANSIT FUNDING SOURCES



6. GENERAL RATE CAPITAL BUDGET SUMMARIES

FERRY

The passenger fare revenue for 2017 is budgeted at \$310,000 compared with \$300,000 in 2016. The increase is due to the amount of construction traffic expected related to projects planned on Amherst Island in 2017. The 2017 fuel budget is \$560,000 which reflects the cost of having the Frontenac II in service for the full year.

Amherst Island Ferry Docks Improvements

Rankin Construction Inc. and consultant Morrison Hershfield (MH) have recently been selected by the Ministry of Transportation (MTO) to construct the Amherst Island ferry docks improvements. The End Loading Dock Project will provide increased access to and from the island, better accommodation for increasing number of large commercial trucks and farm equipment. This project will also provide new terminal buildings with public restrooms and staff offices.

The proposed project timing details:

1. Design phase to be completed in mid-2017;
2. Construction phase to begin in late summer 2017;
3. New end-loading docks in-service June 2019; and
4. Project completion summer 2020.

New Ferry for Amherst Island

In 2017 the Ministry of Transportation (MTO) will be starting the procurement process for a new ferry which will service Amherst Island. The preliminary design work for the new ferry will be undertaken in early 2017 **and will have no direct impact on the Township budget.**



MV Frontenac II



Docking at Millhaven

6. GENERAL RATE CAPITAL BUDGET SUMMARIES

7.2 CAPITAL BUDGET SUMMARY

TRANSIT

There is no new capital budget for 2017 for transit. However, there is a capital budget carry over of \$30,000 from 2016. This carry over amount will be used for new bus shelters at high-use bus stops. The new bus shelters will provide passengers with protection from the weather while waiting for a bus.



8. REPORT TO COUNCIL

8. Report to Council

Loyalist Township Staff Report
Loyalist Township 2017 Budget
Report
Budget Meeting

Report Number: SR- 176



Meeting:	2017 Budget - 24 Jan 2017
Type:	Budget
Department:	Finance
Report Date:	January 12, 2017
Author:	Kate Tindal, Director of Finance
Attachments:	Yes
Number of Attachments:	4

Executive Summary:

Township staff has completed the 2017 budget in draft for Council's review. Both the Operating and Capital budgets for General Tax Rate Supported and Service Area budgets together with information on reserve fund balances, assessment changes and other relevant information have been included in the budget binder.

Recommendation:

1. That any surplus from the 2016 General Rate year end operating budget be applied to the unfinanced capital outlay balance.
2. That the General Tax Rate Supported Operating budget reflecting
 - a. net operating departmental budget of \$13,778,500;
 - b. net non departmental budget of (\$542,000);
 - c. resulting in a net General Tax Rate levy requirement of \$13,236,500 with a tax rate of 0.00676695 which is a 2% increase over the 2016 Township tax rate and a 1% increase in the overall Loyalist Township tax rate assuming that the County and Education portions remain the same as last year;be received.
3. That Service Area Operating budgets reflecting Gross operating expenses of
 - a. \$670,800 for Transit;
 - b. \$2,838,400 for Amherst Island Ferry;
 - c. \$4,148,500 for Water;
 - d. \$3,497,100 for Sewer;be received.
4. That the 2017 Amherstview Transit area tax rate remain the same as 2016 at 0.000589.
5. That the 2017 General Tax Rate Supported Capital Budget in the amount of \$5,386,800, be received.

F05

8. REPORT TO COUNCIL

6. That the 2017 Service Area Rate Supported Capital Budgets in the amount of \$2,610,000 for Water and Sewer be received.
7. That Public Notice of Intention to adopt the 2017 budget be posted on the March 13, 2017 Council agenda and advertised in a local newspaper.
8. That the 2017 Budget as presented be referred to March 27, 2017 Council agenda for adoption.
9. That staff be authorized to proceed with the implementation of programs and projects reflected in the 2017 General Tax Rate Supported and Service Area Rate Supported Capital and Operating budgets, subject to incorporation of changes resulting from Council's review of these budgets.

Background:

The 2017 Township budget, prepared by staff, has been referred to Council for consideration for meetings to be held on January 24 through February 16, 2017.

Status:

The proposed 2017 budget for Loyalist Township includes a 2% increase to the Township portion of the property tax rate which **balances the general rate operating and capital budgets**. The 2017 net general rate budget is \$13.2 million which includes \$2.4 million in contributions to capital. The 2017 general rate capital budget is \$5.4 million and is fully funded.

The Utilities budget includes an 8% rate increase for water and sewer per the Council approved four-year rate study. The fixed portion of the Bath sewer rate remains the same as 2016 due to the plan to harmonize rates. It will increase by 2% in 2018 when the rates will become fully harmonized. The 2017 utilities operating and capital budgets are balanced within this projected revenue.

The driving force again in the 2017 budget is the funding of capital infrastructure, both in the general rate and utilities budgets. The transfer from operating to capital has increased by \$335,600 (16%) for general rate and \$251,900 for Utilities (44%). The increase in contributions to capital accounts for half the increase in the 2017 levy requirement as compared to 2016.

	2017	2016	Change
Levy Requirement	\$13,236,500	\$12,571,500	\$665,000
Non-Departmental Net Budget	(\$542,000)	(\$555,600)	\$13,600
Departmental Net Budget	\$13,778,500	\$13,127,100	\$651,400

In late 2016, the Township borrowed \$5 million to fund 2016 projects as well as reduce the Unfinanced Capital Outlay (UFCO) balance. The projected UFCO balance at the end of 2016 for both general rate and utilities is \$444,400, down from \$4.4 million at the end of 2015.

Loyalist Township

8. REPORT TO COUNCIL

The revision of the Township Asset Management Plan is providing staff an opportunity to do a comprehensive review of the Township's asset inventory and future capital budgets, as well as provide a solid foundation to develop long range financial plans.

The general rate levy requirement results in a 2% increase in the Loyalist Township property tax rate from 0.00663426 in 2016 to 0.00676695 proposed for 2017.

Please see the attached table, Departmental 2017 Operating Budget for further details.

Financial Considerations:

For an average residential property in Loyalist Township, the average assessment is expected to be \$240,750 (2016 = \$239,000). The average monthly residential bill included \$132.13 for the Township portion in 2016 compared with \$135.76 in 2017. This means an increase of \$3.63 per month for the average Loyalist Township residential customer.

Property tax bill increases/(decreases) will vary by taxpayer depending on the assessed value of the property as determined by the Municipal Property Assessment Corporation (MPAC), the property tax classification, and the property tax rate which is made up of three components:

- Loyalist Township portion
- County of Lennox and Addington portion
- Education portion

Consultation:

The 2017 budget has been developed with the input of all departments.

Other Considerations:

Development of an annual fiscal plan that anticipates operational and capital requirements meets the strategic goal of providing a well-managed municipal government

Link to Strategic Plan:

Provide a Well-Managed and Effective Municipal Government, Strengthen the Township's Financial Position

Attachments:

[2017 Operating Budget by Department Summary](#)

[2017 General Rate Capital Summary](#)

[2017 Utilities Operating Budget](#)

[Utilities Capital Budget 2017](#)

[Trending Data by Department](#)

Approved By:

Status:

Loyalist Township

8. REPORT TO COUNCIL

Kerry Roussele, Executive Assistant
Bob Maddocks, Chief Administrative Officer

Approved - 16 Jan 2017
Approved - 17 Jan 2017

Loyalist Township

8. REPORT TO COUNCIL

DEPARTMENTAL - 2017 OPERATING BUDGET

	Corporate Services	Infrastructure Services	Planning & Development	Emergency Services	Recreation Services	External Agencies	Total
Revenue							
Grants	-	25,000	-	-	5,500	10,900	41,400
Fees & User Charges	12,700	623,800	76,000	-	616,300	-	1,328,800
Licenses, Permits	45,300	99,000	572,000	-	-	-	716,300
Rents	18,300	-	-	-	418,000	-	436,300
Other Revenue	339,400	734,200	255,400	41,900	18,700	-	1,389,600
From Reserves/Reserve Funds	-	-	-	94,700	-	-	94,700
2017 Budgeted Revenue	415,700	1,482,000	903,400	136,600	1,058,500	10,900	4,007,100
Expenses							
Salaries, Wages & Benefits	1,616,800	2,299,100	999,100	920,100	2,036,300	-	7,871,400
Debt Principal & Interest	-	311,900	94,900	184,300	28,600	-	619,700
Insurance	72,000	217,900	9,300	29,900	74,900	-	404,000
Utilities	61,900	223,100	-	62,300	380,700	-	728,000
OPP/Conservation Authority	-	-	-	-	-	2,519,200	2,519,200
Non-Discretionary Expenses	1,750,700	3,052,000	1,103,300	1,196,600	2,520,500	2,519,200	12,142,300
% of Total Expenses	70%	51%	69%	70%	73%	100%	68%
Contracted Services	60,600	984,300	47,300	20,000	56,300	-	1,168,500
Supplies, Materials & Other	1,358,400	1,255,400	148,700	302,100	505,700	1,700	3,572,000
Contribution to Capital	281,000	958,000	29,800	172,000	330,000	-	1,770,800
Contribution to Reserve Funds	325,100	-	-	-	6,600	-	331,700
Internal Allocations	1,291,900	255,700	279,800	23,300	44,800	-	1,199,700
Discretionary Expenses	733,200	2,942,000	505,600	517,400	943,400	1,700	5,643,300
% of Total Expenses	30%	49%	31%	30%	27%	0%	32%
2017 Budgeted Expenses	2,483,900	5,994,000	1,608,900	1,714,000	3,463,900	2,520,900	17,785,600
2017 Net Budget	2,068,200	4,512,000	705,500	1,577,400	2,405,400	2,510,000	13,778,500

8. REPORT TO COUNCIL

2017 General Rate Capital Budget

Departments	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Building Services	-	21,461	36,947	36,840	-
Fleet	-	21,461	36,947	36,840	-
Cemetery Services	30,000	-	-	-	-
Buildings	30,000	-	-	-	-
Land Improvements	-	-	-	-	-
Corporate Services	762,000	83,405	12,569	141,422	-
Buildings	500,000	27,112	-	-	-
Furniture, Fixtures & Office Equipment	-	-	-	-	-
IT Hardware & Software	242,000	56,293	12,569	114,759	-
Land Improvements	20,000	-	-	26,663	-
Planning and Development	-	-	1,307,000	-	-
Roads	-	-	1,307,000	-	-
Protection Services	1,307,307	314,328	988,375	457,279	374,330
Buildings	353,500	-	22,205	23,613	-
Fleet	850,000	290,744	966,170	398,807	344,532
Furniture, Fixtures & Office Equipment	-	23,584	-	-	-
Land Improvements	20,000	-	-	34,859	-
Machinery & Equipment	83,807	-	-	-	29,798
Recreation & Cultural Services	440,019	2,318,084	106,095	3,640,092	597,626
Buildings	117,000	1,989,051	32,137	3,527,601	568,987
Fleet	33,000	-	41,047	-	26,385
Furniture, Fixtures & Office Equipment	6,000	11,398	-	-	-
Land Improvements	284,019	311,635	26,833	31,159	2,254
Machinery & Equipment	-	6,000	6,078	81,332	-
Transportation Services	2,847,439	7,166,212	3,229,136	10,793,755	23,680,063
Bridges & Culverts	47,646	152,189	520,803	1,655,731	1,135,579
Buildings	-	138,694	95,478	-	28,684
Fleet	270,000	606,970	598,063	507,465	380,876
Furniture, Fixtures & Office Equipment	-	-	-	-	-
Land Improvements	-	-	-	-	-
Machinery & Equipment	160,000	522,433	61,880	641,203	64,383
Roads	1,844,793	1,711,280	1,948,857	7,955,827	22,070,541
Storm water System	525,000	4,034,646	4,055	33,529	-
Grand Total	5,386,765	9,903,490	5,680,122	15,069,388	24,652,019

Funding Sources for 2017

Contribution from Operating	- 2,435,800
Development Charges for Fire Fleet (100%)	- 850,000
Development Charges for Loyalist Park Development (90%)	- 67,500
Development Charges for Transportation Work	- 45,000
Ontario Community Infrastructure Funding	- 765,000
Other Grant Funding	- 942,900
Bath Road Project (Approval in 2017, spending in 2018)	- 300,000
Grand Total, Funding	- 5,406,200
Net, to be Applied to UFCO	- 19,435

8. REPORT TO COUNCIL

2017 Utilities Operating Budget

WATER

Expense Description	2014 Actual Values	2015 Actual Values	2016 YTD Actual Values	2016 Revised Budget	2017 1st Draft
Revenue	3,239,709	3,548,508	3,258,368	3,787,500	4,145,100
Salaries and Wages	738,372	567,942	571,451	677,700	558,500
Internal Allocations	597,648	716,031	485,172	646,900	845,300
Debt, Principal and Interest	457,399	452,135	428,096	600,200	520,700
Contracted Services	14,540	36,385	11,579	20,400	23,400
Insurance	8,397	8,059	9,023	8,600	10,400
Utilities	52,786	86,263	41,879	64,000	65,000
All Other Materials, Supplies and Expenses	709,059	682,244	631,990	657,200	726,500
Contributions to Capital	73,300	72,800	425,800	425,800	711,400
Transfer to Reserve/Reserve Fund	737,973	586,326	298,732	686,700	683,900
Amortization	910,450	-	-	-	-
Loss/gain on Disposal of Asset	11,681	-	-	-	-
TOTAL	1,071,896	340,323	354,646	-	-

SEWER

Expense Description	2014 Actual Values	2015 Actual Values	2016 YTD Actual Values	2016 Revised Budget	2017 1st Draft
Revenue	3,317,333	3,509,687	2,825,628	3,347,500	3,493,700
Salaries and Wages	548,677	497,511	480,112	576,900	470,900
Internal Allocations	570,503	564,410	449,181	598,900	774,000
Debt, Principal and Interest	280,844	449,010	429,633	542,600	509,700
Contracted Services	20,322	34,254	13,780	12,000	12,000
Insurance	7,440	6,992	8,092	7,900	9,400
Utilities	128,092	194,544	193,824	175,500	193,500
All Other Materials, Supplies and Expenses	921,266	902,098	857,281	814,700	967,700
Contributions to Capital	9,100	9,100	150,000	150,000	116,300
Transfer to Reserve/Reserve Fund	602,576	356,792	291,067	469,000	440,200
Amortization	887,091	-	-	-	-
Loss/gain on Disposal of Asset	44,991	-	-	-	-
TOTAL	703,569	494,975	47,343	-	-

* 2016 YTD Actual Values as of Dec 28, 2016; Missing year end entries and allocations.

8. REPORT TO COUNCIL

2017 Utilities Capital Budget

Row Labels	Sum of 2017	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021
Buildings	14,841	80,000	228,452	-	-
Fleet	-	58,185	26,850	-	108,116
Furniture, Fixtures & Office Equipment	-	7,996	-	-	-
Machinery & Equipment	15,000	8,037	-	-	67,288
Sanitary System	586,101	446,812	56,550	428,179	106,547
Water System	1,993,813	1,338,049	2,075,761	1,472,965	753,146
Grand Total	2,609,755	1,939,079	2,387,613	1,901,144	1,035,097

8. REPORT TO COUNCIL

Loyalist Township	2014 Actuals			2015 Actuals			2016 YTD Actuals			2016 RB Budget			2017 1D Budget		
	revenue	expense	net												
Property Tax & Other Revenue															
New Depreciation	-21,808,414	15,050	-24,286,361	-25,587,698	12,000	-25,675,698	-26,815,037	11,550	-26,803,487	-26,936,100	12,000	-26,914,100	-13,875,500	12,000	-13,863,500
Supplementary Taxes	-402,332	0	-402,332	-504,574	0	-504,574	-1,343,301	0	-1,343,301	-150,000	0	-150,000	0	0	-150,000
Tax and W/S Write offs	0	84,640	84,640	0	86,668	86,668	0	169,741	169,741	0	100,000	100,000	0	100,000	100,000
Grants in Lieu	-710,295	86,409	-623,886	-640,053	99,300	-540,753	-631,960	645,000	13,040	-645,000	745,000	100,000	-630,000	765,000	135,000
Tax Omits & Accruals	-76,256	0	-76,256	-10,044	0	-10,044	86,300	0	86,300	0	0	0	0	0	0
Prior Year Property Tax Adjustment	0	0	0	-14,844	0	-14,844	0	0	0	0	0	0	0	0	0
County & School Boards	0	13,162,419	13,162,419	0	13,530,085	13,530,085	0	14,080,636	14,080,636	0	13,737,000	13,737,000	0	0	0
	25,998,297	13,356,517	12,641,780	26,856,543	13,728,253	13,128,290	28,703,998	14,906,928	13,797,070	27,721,100	14,594,000	13,127,100	14,655,500	877,000	13,778,500
Corporate Services															
Council	-66	194,376	194,309	-25	214,504	214,479	-248	217,714	217,466	0	206,200	206,200	100%	-200	228,300
Election	-58,000	62,660	7,560	0	20,000	20,000	0	19,871	19,871	0	19,400	19,400	100%	0	19,400
Administrative Services	-461,568	1,150,763	689,195	-358,588	580,045	221,457	-355,128	557,065	201,936	-286,800	420,700	123,800	183%	-328,400	595,000
Bylaw & Animal Control	-56,170	103,782	47,611	-49,753	100,621	50,869	-54,342	163,049	108,707	-75,900	129,200	53,300	204%	-61,100	128,200
Crossing Guards	0	95,065	95,065	0	85,662	85,662	0	72,289	72,289	0	74,600	74,600	97%	0	75,200
Finance	0	36,811	36,811	-18,668	639,509	620,841	12,704	663,451	650,747	-49,000	733,100	684,100	95%	0	759,600
Information Technology	0	211,265	211,265	0	243,889	243,889	0	372,318	372,318	0	295,200	295,200	138%	0	315,200
Odessa Office Maintenance	0	86,063	86,063	0	94,346	94,346	0	114,075	114,075	0	98,000	98,000	119%	0	109,500
Facility Maintenance	0	120,161	120,161	0	127,816	127,816	0	129,448	129,448	0	144,100	144,100	90%	0	102,100
88 Main Street Bash	-3,900	43,842	40,040	-14,095	30,738	16,643	-17,201	25,052	7,851	-15,600	29,700	14,100	55%	-15,600	25,600
Cemeteries	8,425	38,831	30,406	5,236	46,248	41,012	6,969	64,156	57,187	-18,100	100,600	82,500	69%	10,400	124,800
	585,130	2,143,718	1,558,588	-446,375	2,183,409	1,737,034	-446,594	2,399,480	1,951,897	-455,500	2,250,800	1,795,300	109%	-415,700	2,483,800
Infrastructure Services															
Transportation Services - County	531,389	691,381	159,993	550,862	710,100	159,239	535,224	685,301	150,077	551,300	725,300	174,000	85%	-675,000	732,300
Transportation Services	-127,054	1,702,439	1,575,385	-170,488	2,024,865	1,854,377	-40,786	1,873,318	1,823,032	-49,100	2,245,300	2,165,200	85%	-100,000	2,444,100
Winter Control	0	868,518	868,518	0	706,544	706,544	0	761,365	761,365	0	701,100	701,100	109%	0	681,800
Storm water	-50	310,438	310,389	0	159,422	159,422	-5,716	257,056	251,340	0	293,700	253,700	89%	-25,000	333,800
Street lighting	-680	222,844	222,264	0	205,909	205,909	0	187,117	187,117	0	206,600	206,600	91%	0	225,500
Sidewalks	0	81,244	81,244	0	99,291	99,291	0	99,957	99,957	0	107,800	107,800	93%	0	112,300
Loyalist Solid Waste	583,174	1,172,729	589,555	656,772	1,139,251	482,479	853,210	1,011,814	158,605	621,800	1,171,300	549,500	29%	-627,800	1,207,800
Other	-26,391	214,966	188,575	-16,677	217,304	199,227	-70,815	500,272	433,359	-31,300	246,500	185,200	234%	-64,200	266,600
	-1,268,696	5,266,618	3,995,956	-1,397,739	5,263,284	3,865,485	-1,505,351	5,383,203	3,877,852	-1,323,500	5,670,600	4,347,100	89%	-1,882,000	5,994,000
Planning & Development Services															
Planning	-62,187	387,222	325,035	-83,144	468,328	376,184	-72,783	526,787	454,014	-80,100	580,100	510,000	89%	-74,000	561,300
Development	-544,219	763,525	219,310	-210,495	377,439	166,943	-140,610	374,634	234,023	-237,400	474,000	236,800	59%	-277,400	442,700
Building	-432,838	438,232	5,394	-367,394	562,355	194,961	-385,840	530,603	144,759	538,700	583,300	14,600	323%	-592,000	530,200
Property Standards	0	5,532	5,532	0	10,167	10,167	0	4,451	4,451	0	12,600	12,600	39%	0	15,500
Heritage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	-1,038,244	1,594,515	555,271	-671,034	1,419,288	748,255	-609,237	1,436,481	827,248	-856,200	1,680,000	773,800	107%	-803,400	1,608,900

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8. REPORT TO COUNCIL

	revenue	expense	net	revenue	expense	net										
Emergency Services																
Emergency Services	-62,170	852,012	789,842	-207,128	813,472	606,344	-73,611	1,158,055	1,084,444	-128,700	1,015,500	886,800	122%	-133,200	1,109,700	976,500
Training	0	295,667	295,667	0	280,934	280,934	-17,400	269,643	252,243	0	279,600	279,600	90%	0	296,100	296,100
Fire Prevention	-1,125	9,580	8,455	-675	25,137	24,462	-3,633	27,041	23,408	0	25,600	25,600	91%	-3,400	44,600	41,200
Odeete Fire Station	0	35,760	35,760	0	32,458	32,458	0	35,715	35,715	0	41,200	41,200	87%	0	42,200	42,200
Amherstview Fire Station	0	37,084	37,084	0	34,270	34,270	0	35,500	35,500	0	33,400	33,400	100%	0	35,500	35,500
Bath Fire Station	0	22,924	22,924	0	19,833	19,833	0	27,989	27,989	0	21,300	21,300	131%	0	21,200	21,200
Amherst Island Fire Station	0	17,161	17,161	0	16,121	16,121	0	16,320	16,320	0	15,400	15,400	106%	0	16,200	16,200
Fleet Maintenance	0	138,800	138,800	0	136,151	136,151	0	108,169	109,169	0	146,600	146,600	74%	0	148,500	148,500
	-63,295	1,408,988	1,345,693	-207,803	1,358,378	1,150,575	-96,674	1,678,433	1,583,759	-128,700	1,578,600	1,449,900	109%	-136,600	1,714,000	1,577,400
Recreation Services																
Recreation Services	-86,249	541,929	455,680	-94,991	898,769	803,777	-66,216	806,547	740,331	-45,400	873,500	828,100	89%	-18,600	865,400	846,800
Arena	-289,837	675,142	375,305	-291,733	525,286	233,553	-276,011	661,857	385,847	-345,100	678,800	333,700	116%	-348,800	634,200	285,400
Pool	-254,676	571,645	316,969	-265,880	578,705	312,825	-263,912	554,083	290,171	-304,500	541,500	237,000	122%	-304,000	593,100	289,100
Parks	-2,258	444,799	442,542	-4,171	429,828	425,658	-2,983	644,356	641,363	-5,500	501,800	496,400	129%	-1,200	562,700	561,500
Sports Fields	-40,881	133,000	92,109	-44,828	138,443	94,615	-46,183	125,346	79,163	-52,200	173,700	121,500	69%	-51,500	160,900	109,400
Recreation Programs	-45,059	269,764	224,705	-60,410	148,463	88,052	-46,931	118,662	71,731	-65,000	149,800	84,800	89%	-86,500	153,400	96,900
Liaison & Activity Centre	-108,081	170,456	62,409	-160,730	275,667	64,936	-220,173	243,743	43,570	-214,500	279,800	15,400	203%	-239,000	264,800	25,800
Libraries	-10,354	92,794	82,430	-6,879	85,199	78,319	-2,028	66,093	64,265	-10,000	93,400	83,400	77%	-2,000	83,600	81,600
Community Buildings	-32,991	139,152	106,161	-34,244	185,716	151,473	-32,219	133,676	101,456	-29,600	138,100	108,500	94%	-36,900	145,800	108,900
	-880,365	3,038,672	2,158,307	-963,866	3,217,074	2,253,208	-936,616	3,354,364	2,417,747	-1,071,800	3,380,600	2,308,800	100%	-1,058,500	3,463,900	2,405,400
External Agencies																
Police Services	-37,411	2,810,863	2,805,452	-11,442	2,466,086	2,454,644	-9,225	1,805,177	1,895,952	-15,000	2,297,300	2,282,300	83%	-10,900	2,343,500	2,332,600
Conservation Authority	0	156,935	156,935	0	165,095	165,095	0	173,996	173,996	0	169,800	169,800	100%	0	177,400	177,400
Total Departmental	-3,874,141	16,450,341	12,576,200	-3,698,319	16,072,615	12,574,296	-3,601,697	16,329,548	12,727,850	-3,850,700	16,977,800	13,127,100	99%	-4,007,100	17,785,600	13,778,500
Total General Rate	-29,872,438	29,806,858	-65,580	-30,554,862	29,800,668	-754,194	-32,305,635	31,236,475	-1,069,220	-31,571,800	31,571,800	0		-18,662,800	18,662,800	0
Utilities																
Loyalist East Sewage	2,249,318	1,978,073	271,245	2,239,769	1,845,958	393,812	2,049,995	1,700,641	349,354	-2,254,800	2,124,200	-130,600	267%	-2,368,400	2,239,400	129,000
Utilities Overhead	6,977	6,977	0	-7,436	6,142	-1,293	-4,952	187,628	182,677	6,700	6,700	-	-	6,700	6,700	-
Fairfield Water Area	-2,281,148	2,534,936	253,788	-2,314,036	2,414,362	100,328	-2,615,765	2,187,208	-416,556	-2,798,300	2,774,800	-24,500	1700%	-2,977,600	3,106,600	129,000
Bath Water Area	-958,561	854,539	-104,023	-1,234,473	793,822	-440,651	-883,011	741,739	-241,272	-888,200	1,112,700	24,500	-385%	-1,167,500	1,048,500	129,000
Bath Sewer Area	-1,058,015	1,110,747	52,732	-1,269,918	1,168,754	-101,164	-1,071,464	1,217,966	146,502	-1,052,700	1,273,800	130,600	110%	-1,125,300	1,254,300	129,000
	-4,564,013	6,485,272	1,921,259	-7,065,630	6,228,039	-837,592	-6,725,187	6,045,184	-679,003	-2,141,700	2,141,700	0		-2,645,500	2,645,500	0
Other Service Areas																
Amherstview Transit	-814,887	814,886	-1	-812,119	823,080	10,962	-502,388	705,091	202,703	-720,500	720,500	-	-	-670,800	670,800	-
Amherst Island Ferry	2,699,073	2,618,585	80,488	2,669,122	2,668,122	0	2,156,623	2,391,557	234,935	-2,804,700	2,804,700	-	-	-2,838,400	2,838,400	-

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