Capital & Operating Budgets 2019

Loyalist Township

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Cover – F. Schamehorn

1. Budget Overview & Financial Planning

Overview

The 2019 Loyalist Township proposed budget for council consideration includes $15.5 million in net general rate operating expenses and $6.4 million in new general rate capital projects.

Based on the general rate budget, the net increase to the levy requirement is $1,029,900. The Loyalist Township portion of the property tax rate is proposed to increase 2%, which makes up $303,100 of this increase, while the remaining $726,800 is due to the increase in assessment values. This increase in assessment includes year three of the four year phase in of the current values from the 2016 market valuation done by the Municipal Provincial Assessment Corporation on all municipal properties, as well as annualized taxes from new assessment added in 2018.

Based on an average assessed residential property of $253,000, the average monthly bill would increase by approximately $6 per month over 2018.

2019 Tax

The Loyalist Township portion of the property tax rate is proposed to increase by 2%.

GENERAL RATE BUDGET SUMMARY

	2019	2018	CHANGE
DEPARTMENTAL NET BUDGET	$16,164,400	$14,443,900	$1,720,500
NON-DEPARTMENTAL NET BUDGET	($703,800)	($13,200)	($690,600)
LEVY REQUIREMENT	$15,460,600	$14,430,700	$1,029,900

The general rate net departmental budget increased by $1,720,500 over the 2018 budget. Of this increase, the contributions to capital and reserve funds are a significant component of the 2019 general rate with increases of $68,000 and $778,000 respectively. The draft budget proposes a good portion of the taxes from assessment growth be transferred to reserve funds to plan for shortfalls in financing in future year capital plans. The other major contributor to this increase is the projected changing salary and benefits by approximately $870,000 due to a number of factors including normal union and inflationary salary increases, increases from the non-union compensation review approved by council in 2018, staff increases in the area of fire and corporate communications and other adjustments as outlined in this document.

At a high level, the increases in operating costs, excluding capital and reserve fund transfers are as follows:

2019 GENERAL RATE OPERATING DEPARTMENTAL NET BUDGET BEFORE CAPITAL & RESERVE FUND TRANSFERS				
	2019 Adjusted Net Budget	2018 Adjusted Net Budget	$ Change	% Change
Corporate Services	1,642,200	1,515,900	126,300	8.3%
Infrastructure Services	4,135,200	3,601,800	533,400	14.8%
Planning & Development	875,700	714,000	161,700	22.6%
Emergency Services	1,770,900	1,539,300	231,600	15.0%
Recreation Services	2,280,300	2,257,200	23,100	1.0%
External Agencies	2,572,600	2,490,400	82,200	3.3%
	13,276,900	12,118,600	1,158,300	9.6%

More detailed discussion of departmental budget changes and rationale are discussed in Section 4.

The 2019 non-departmental net budget is higher than 2018 as the previous year included a significant capital distribution from this program to all departments. This program primarily includes the education portion of PIL billed to the Federal government, projected to be approximately 800K in 2019, which the Township is able to retain as revenue to cover general operating expenses of the corporation.

UTILITIES RATE

The utilities budget totals $9.3 million in operating and $2.6 million in new capital work. Operating expenditures overall have increased by approximately 2% over 2018 before considering capital and reserve fund transfers. The proposed budget includes an increase in transfers to reserve funds by $154,000 over 2018 levels for a total of $1,595,000, which will be needed to fund future work on the facilities, some of which has been deferred from 2018. A rate study being undertaken in 2019 will provide required information for council in assessing appropriate utility rates for 2020 and subsequent years. More detail on utility budgets and proposed projects is included in Section 3.

Financial Planning

Financial Planning involves the development of long-term tools and plans used to aid council in balancing todays needs while ensuring the longer-term financial sustainability of the municipality. Financial plans incorporate:

- Asset management plans
- Medium to long term funding plans to support asset maintenance and replacement
- Bank balance projections tracking the current and future cash impact
- Debt levels and repayment costs

The Township Asset Management Plan presented to Council in November 2017, includes generally all Township owned assets, including general rate and utility assets. On an ongoing basis, these plans are updated for new studies, condition assessments and new information as it comes available.

Asset management will be a focused area for 2019 and beyond due to new Ontario Regulation 588/17. The first step to adhering to the regulation is to develop an Asset Management Policy to be completed by July 1, 2019. The Township's Asset Management Plan will be

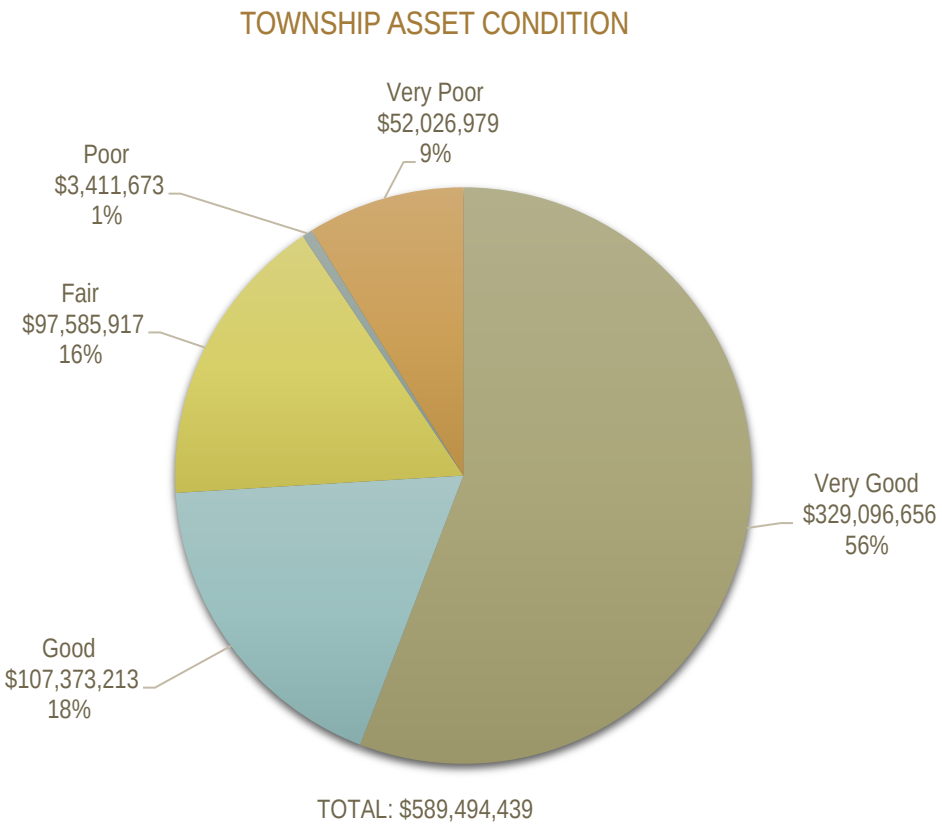
Assets

Of the $589 million in replacement costs for all Township owned assets, approximately 9% or $52 million are in very poor condition, however, this is prior to any replacements and/or improvements being adjusted for in 2018.

completely re-issued by 2024. Details on this plan are included in Section 4 within Corporate and Infrastructure Services.

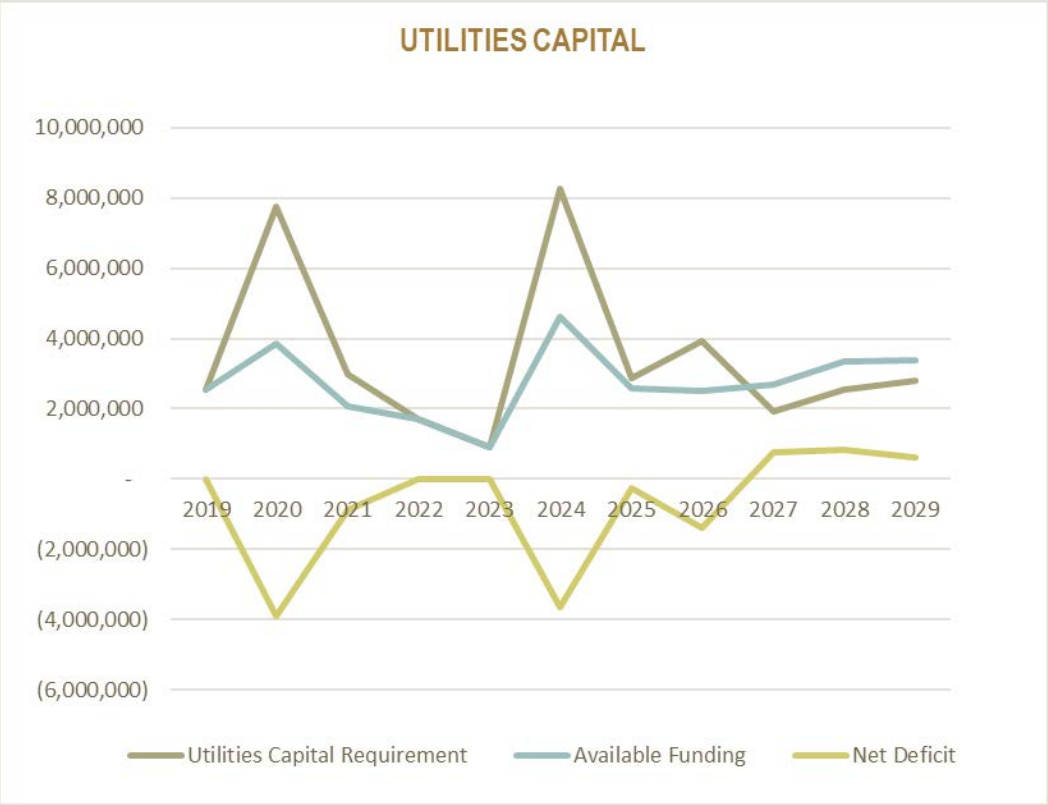
The asset inventory gathered, reviewed and revised that formed the basis for the asset management plan forms the basis for the annual capital budget as presented to Council. The current asset management plan outlines the condition and risk related to the various asset classes and this sets the priority for asset replacement. The engineering division also undertook a comprehensive review of linear assets to align useful lives and defer complete reconstruction of assets where possible. Staff are focused on optimizing the use of linear assets, keeping roads in good condition and the safe drinking water system in good condition, to ensure levels of service are met, while protecting the environment and the public through potable water, sanitary and storm sewer design and maintenance.

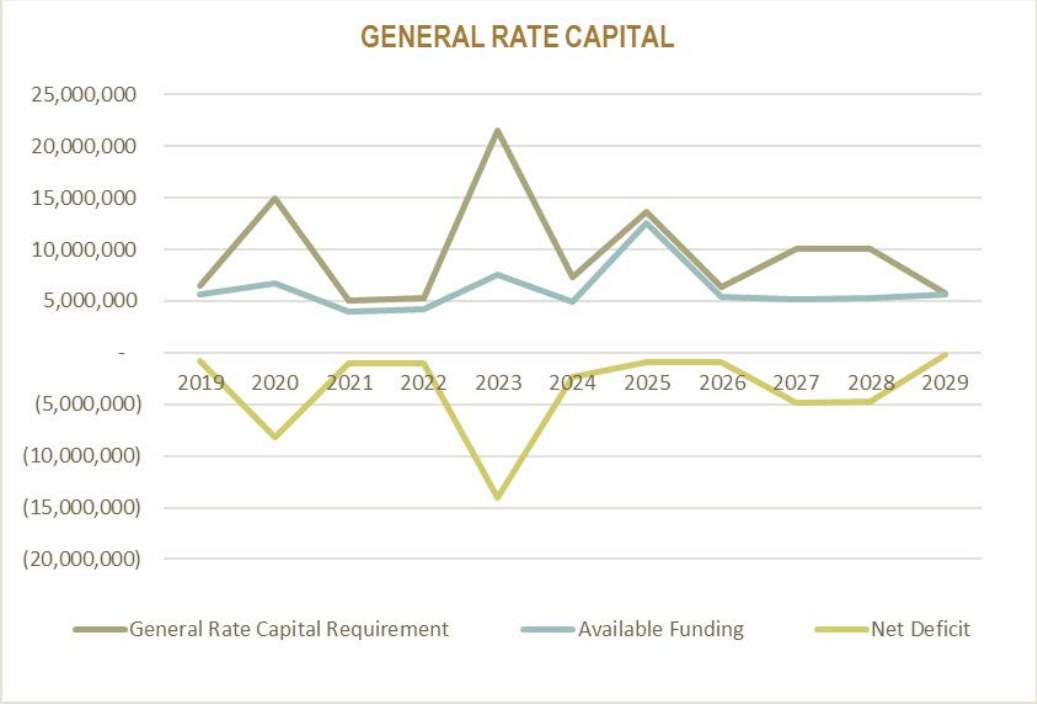
Of the $589 million in replacement costs for all Township owned assets, approximately 9% or $52 million are in very poor condition, however, this is prior to any replacements and/or improvements being adjusted for in 2018. The asset management plan outlines the assets included in this condition and the time frame for replacement. Further details on the 2019 capital budget are explained in Section 3 (Utilities) and Section 6 (General Rate Capital Budget Summaries).



Staff continue to be diligent in focusing on capital contributions and contributions to reserves/reserve funds in the annual budget preparation, to plan for future capital replacement and acquisition. However, the Township faces a significant infrastructure deficit for both general rate and utilities capital.

The ten-year outlook for general rate capital is illustrated in the following graph. The peak in 2020 includes significant road, bridges and culvert re-construction totaling $8 million, $900,000 for phase 2 of the County Rd. 6 Garage expansion (funded by development charges), and significant life cycle replacements to the W.J. Henderson Centre. Additionally, 2023 includes $9 million (funded 90% by Development Charges, of which the majority can only be recognized post 2024) for an expansion to the Recreation Centre, as well as $4.6 million for required lifecycle replacement due to aging infrastructure. There are smaller peaks in 2025, 2027, and 2028; these years include significant road work.





DEBT

Below is the summary of debt currently outstanding as of December 31, 2019:

LOYALIST TOWNSHIP SCHEDULE OF DEBT 2018 - 2019

Lender	Maturity (Renewal Date)	Amort. Period (Years)	Original Principal	Interest Rate	Opening 2018	Closing 2018	Closing 2019
Royal Bank of Canada	May 2021	7.5	539,000	3.14%	277,000	198,000	119,000
Toronto Dominion	Mar 2028	15	2,457,000	1.94%	1,832,000	1,670,000	1,505,000
Toronto Dominion	Jan 2030	17	1,750,000	2.81%	1,465,000	1,362,000	1,255,000
Canada Housing and Mortgage Corporation	May 2025	15	782,000	4.15%	562,000	502,000	438,000
Royal Bank of Canada	Mar 2025	10	2,063,000	2.35%	1,426,000	1,194,000	963,000
Toronto Dominion	Mar 2028	15	1,518,000	2.50%	1,140,000	1,042,000	942,000
Infrastructure Ontario	Aug 2025	15	931,000	4.06%	621,000	543,000	466,000
Infrastructure Ontario	Aug 2030	20	1,477,000	4.35%	1,129,000	1,042,000	956,000
Infrastructure Ontario	Dec 2031	15	418,000	2.95%	395,000	372,000	348,000
Infrastructure Ontario	Dec 2036	20	1,225,000	3.24%	1,181,000	1,135,000	1,088,000
Infrastructure Ontario	Dec 2041	25	1,574,000	3.42%	1,534,000	1,492,000	1,448,000
Toronto Dominion	Oct 2022	5	757,000	2.60%	734,000	591,000	445,000
Infrastructure Ontario	Sep 2037	20	1,441,000	3.28%	1,441,000	1,389,000	1,336,000
Infrastructure Ontario	Sep 2042	25	1,495,000	3.42%	1,495,000	1,456,000	1,416,000
					15,232,000	**13,988,000**	**12,725,000**

The 2019 debt servicing cost budget has slightly decreased from 2018 as all but $796,100 of the general rate and utilities budget is proposed to be funded through contributions from capital, government grants and other revenue sources. For the $796,100 for required work on Amherst Island for road rehabilitation, the current plan proposes 10-year debt be issued to pay for this tentatively. Prior to the completion of this work, staff will continue to look for other sources, surpluses in other projects, etc. and, as well, funding for this work may be an option for consideration for the committee tasked with administering community vibrancy funds. Should this debt be issued by the end of 2019, annual debt service payments of approximately $96,000 would be included in annual budget requirements beginning in 2020.

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 $5.5 million per the 2017 Financial Information Return (FIR). This determination is made annually by the Province and reported to Council.

Debt Level

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

PRINCIPAL AND INTEREST DEBT PAYMENTS FOR 2019			
	2019 Budget	2018 Budget	Change
EMERGENCY SERVICES*	191,600	191,600	-
ROADS - GENERAL OVERHEAD	64,800	64,400	400
TRANSPORTATION VEHICLES & EQUIPMENT	41,300	41,300	-
STORM WATER SYSTEM	36,300	35,400	900
DEBT SERVICE - SEWAGE - ODESS.AMH.BATH	146,600	147,100	(500)
AMHERSTVIEW SEPTAGE FACILITY	44,300	45,400	(1,100)
PARKS	29,600	26,900	2,700
INDUSTRIAL DEV.-LOY. EAST BUSINESS PARK	89,300	92,000	(2,700)
TOTAL GENERAL RATE	643,800	644,100	(300)
LOYALIST EAST SEWER GENERAL	-	-	-
LOYALIST EAST SEWER PLANT- OPERATIONS	263,500	268,200	(4,700)
LOYALIST EAST SEWER COLLECTION SYSTEM	133,500	135,700	(2,200)
BATH SEWER PLANT- OPERATIONS	143,100	143,100	-
FAIRFIELD WATER GENERAL	-	-	-
FAIRFIELD WATER PLANT - OPERATIONS	261,100	263,600	(2,500)
FWA-DISTR-BOOSTER PUMP STN & RESERVOIR	180,700	185,600	(4,900)
BATH WATER GENERAL	-	-	-
BATH WATER PLANT - OPERATIONS	3,600	3,600	-
	57,700	51,300	6,400
TOTAL UTILITIES	1,043,200	1,051,100	(7,900)
TOTAL DEBT PAYMENTS	1,687,000	1,695,200	(8,200)

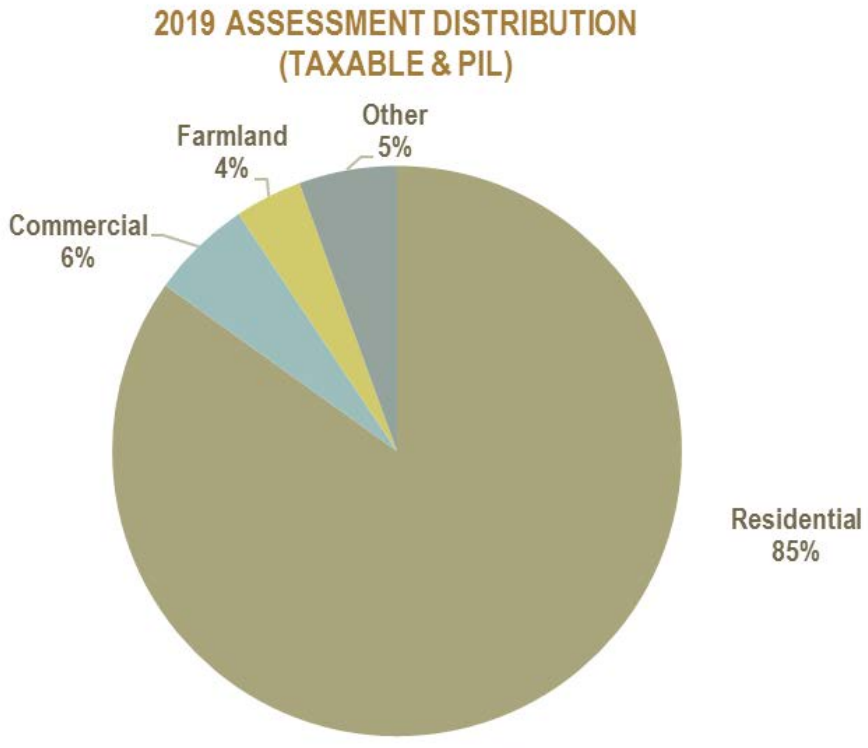
**Debt related to the Amherstview Fire Station is funded 71% by Development Charges*

If the Township follows the current 10-year capital plan as outlined in both general and utility rate graphs and is not able to obtain additional funding through capital contributions, grants, reserves, etc., it is possible that the Township could reach over half of their threshold of the annual repayment limit by 2027 including existing debt servicing costs.

Assessment & Property Taxes

PROPERTY TAX ASSESSMENT

The Municipal Property Assessment Corporation (MPAC) is responsible for assessing the value of all properties in Ontario. 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 total taxable and PIL assessment for 2019 is $2,023,737,177. That is an increase of approximately $98,562,000 or 5% from 2018. As with prior years, the assessment is primarily residential, as demonstrated in the chart below:



***Other** includes Multi-Residential, Industrial, Large Ind, Landfill, Pipeline*

The following tables outline the change in assessment over the last few years.

Property Class		2017 Current Value Assessment	2018 Current Value Assessment	2019 Current Value Assessment
Residential	RT	1,586,482,868	1,640,288,241	1,715,866,748
Multi / Residential	MT	38,206,250	39,237,500	40,268,750
New Multi / Residential	NT		-	
Commercial - Occupied	CT	33,328,517	33,284,748	34,266,589
Commercial - Excess Land	CU	499,071	518,098	491,214
Commercial - Vacant Land	CX	1,645,900	1,826,100	2,023,800
Commercial - Office Building	DT		-	
Commercial - New Construction	XT	7,519,900	9,233,282	11,420,792
Commercial - New Construction Excess Land	XU/XX	26,200	30,831	82,301
Shopping Centre - Occupied	ST	2,148,388	2,220,925	2,291,438
Shopping Centre - Excess Land	SU		-	
Industrial - Occupied	IT	9,524,706	11,144,977	11,270,077
Industrial - Excess and Vacant Land	IU/IX	2,638,075	3,979,650	4,540,043
Industrial - Full Support	IH	107,950	116,207	129,454
Industrial- Vacant Shared	IJ		7,723	10,412
Industrial - New Construction	JT	2,785,536	4,637,607	10,665,640
Industrial - New Construction - Vac/Exc	JU/JX	510,939	1,117,170	1,168,535
Large Industrial - Occupied	LT	16,220,850	15,282,000	15,324,750
Large Industrial - Excess and Vacant Land	LU/LX	1,165,500	-	
Large Industrial - New Construction	KT		-	
Landfill Taxable Full	HT	3,250	-	
Pipelines	PT	26,810,750	27,580,000	28,415,960
Farmlands	FT	57,260,550	66,409,277	76,299,485
Managed Forests	TT	624,950	837,323	895,482
Sub-Total: Levy		1,787,510,150	1,857,751,659	1,955,431,470

Property Class		2017 Current Value Assessment	2018 Current Value Assessment	2019 Current Value Assessment
Payment in Lieu				
Residential - Full support	RF	681,300	681,300	681,300
Residential - No Support	RG	934,250	949,500	964,750
Commercial - Full Support	CF	59,178,050	59,370,500	60,114,707
Commercial - Excess Land Rate, Full Support	CQ		-	
Commercial - No School Support	CG	346,750	425,500	504,250
Industrial - NO Support	IF	1,008,800	1,008,800	1,008,800
Payments in Lieu - Taxable Tenants				
Residential - Full Support	RP	10,200	10,200	10,200
Commercial - no Support	CP	230,900	275,900	320,900
Commercial - Vacant Land	CR		-	
Commercial - New Construction Excess Land	XQ	59,675	65,350	71,025
Commercial - New Construction	XP	4,577,075	4,584,150	4,591,225
Landfill Payment in Lieu - Full	HF	47,000	52,300	38,550
Industrial - Full Support	IP		-	
Sub-Total: Payment in Lieu		67,074,000	67,423,500	68,305,707
Exempt		54,055,325	57,450,589	59,830,779
Total		1,908,639,475	1,982,625,748	2,083,567,956

PROPERTY TAX RATES

The County of Lennox and Addington is responsible for setting the tax policy and tax ratios. Until they have presented and received approval, the Loyalist Township tax levy amount is an estimate. Based on a 2% increase to the Township portion of the tax rate, the estimated levy will cover the general rate budget. Should there be changes to the transition ratios and/or other tax policy that would affect the total amount levied by Loyalist, staff propose to fund any shortfall or allocate any surplus to the working fund reserve transfer budgeted for 2019. This amount is currently budgeted at $150,000.

The notional tax rate is the rate which would raise the same amount of taxes as last year's levy while using updated 2019 assessment data.

The proposed 2019 residential tax rate (0.00730374) is 2% higher than 2018 (0.00716053). The proposed 2019 tax rate (0.00730374) is 7% higher than the notional tax rate (0.00681719). If the tax rate remained the same as the 2018 rate, then the Township would collect approximately $15,157,500 based on the 2019 assessment.

However, the levy requirement is $15,460,600 which requires a 2% increase to the Loyalist portion of the tax rate.

	WEIGHTED ASSESSMENT	LEVY	TAX RATE
2019	2,116,809,314	$15,460,600	0.00730374
2018	2,015,320,359	$14,430,700	0.00716053
NOTIONAL RATE	2,116,809,314	$14,430,700	0.00681719

2. Operating Budget Summary

Net Operating Budget by Department

The total 2019 general rate operating budget is $15.5 million. The net departmental budget equals $16.2 million. The difference is due to net non-departmental revenue.

The net departmental budget is a 11.9% or $1,720,500 increase over 2018. When analyzed by type of expenditure, the largest increase is in salaries, wages and benefits and contributions to reserves and reserve funds.

Salaries, wages and benefits represents the largest portion of the municipal budget, accounting for 58.6% of the total net departmental budget or $9.5 million. A portion of this is beyond the Township's control as there are two collective agreements in place which determine the salaries for all unionized employees. Additionally, a non-union compensation review was conducted and applied in July 2018, resulting in increased employee rates and updated salary grids. As a result of this review, many employees were moved within the grid allowing for further step increases in the future. The estimated impact of this non-union compensation review for 2019 is $273,000 including benefits. This excludes any allocations to capital projects.

Furthermore, contributions to reserves and reserve funds have increased from 2018 in order to:

- Replenish the working capital reserve subsequent to Council approved usage on December 10, 2018, for a total contribution of $150,000
- Build up future asset replacement reserve funds including general municipal capital and fleet for a total contribution of $766,200
- Transfer estimated net proceeds of land sales in Business Park to the Industrial Park Reserve Fund for future capital costs of servicing land

DEPARTMENTAL - 2019 OPERATING BUDGET										
	Corporate Services	Infrastructure Services	Planning & Development	Emergency Services	Recreation Services	External Agencies	Total	Total 2018 Budget	$ Change	% Change
Revenue										
Grants	(17,500)	-	-	-	(12,500)	(12,000)	(42,000)	(23,500)	(18,500)	78.7%
Fees & User Charges	(10,000)	(694,900)	(70,000)	-	(650,900)	-	(1,425,800)	(1,431,000)	5,200	-0.4%
Licenses, Permits	(44,500)	(219,000)	(520,100)	-	-	-	(783,600)	(826,600)	43,000	-5.2%
Rents	(19,200)	-	-	-	(434,900)	-	(454,100)	(461,600)	7,500	-1.6%
Other Revenue	(489,800)	(1,356,600)	(601,400)	(59,500)	(46,500)	-	(2,553,800)	(1,622,900)	(930,900)	57.4%
From Reserves/Reserve Funds	-	-	(40,500)	(90,200)	-	-	(130,700)	(149,900)	19,200	-12.8%
2019 Budgeted Revenue	**(581,000)**	**(2,270,500)**	**(1,232,000)**	**(149,700)**	**(1,144,800)**	**(12,000)**	**(5,390,000)**	**(4,515,500)**	**(874,500)**	**19.4%**
Expenses										
Salaries, Wages & Benefits	2,169,100	2,623,400	1,231,400	1,207,400	2,237,400	-	9,468,700	8,598,900	869,800	10.1%
Debt Principal & Interest	-	333,300	89,300	191,600	29,600	-	643,800	644,100	(300)	0.0%
Insurance	87,800	236,900	9,100	30,500	77,900	-	442,200	424,200	18,000	4.2%
Utilities	63,000	156,700	-	61,500	373,600	-	654,800	669,200	(14,400)	-2.2%
OPP/Conservation Authority	-	-	-	-	-	2,584,100	2,584,100	2,501,900	82,200	3.3%
Non-Discretionary Expenses	2,319,900	3,350,300	1,329,800	1,491,000	2,718,500	2,584,100	13,793,600	12,838,300	955,300	7.4%
Contracted Services	93,200	1,711,900	2,300	20,000	184,500	-	2,011,900	1,466,300	545,600	37.2%
Supplies, Materials & Other	1,333,300	1,360,600	199,600	351,000	435,100	500	3,680,100	3,398,700	281,400	8.3%
Contribution to Capital	225,000	1,015,000	33,000	251,500	404,600	-	1,929,100	1,861,000	68,100	3.7%
Contribution to Reserve Fund	461,400	267,000	294,000	143,000	77,000	-	1,242,400	464,300	778,100	167.6%
Internal Allocations	(1,523,200)	(17,100)	292,000	58,600	87,000	-	(1,102,700)	(1,069,200)	(33,500)	3.1%
Discretionary Expenses	589,700	4,337,400	820,900	824,100	1,188,200	500	7,760,800	6,121,100	1,639,700	26.8%
2019 Budgeted Expenses	**2,909,600**	**7,687,700**	**2,150,700**	**2,315,100**	**3,906,700**	**2,584,600**	**21,554,400**	**18,959,400**	**2,595,000**	**13.7%**
2019 Net Budget	**2,328,600**	**5,417,200**	**918,700**	**2,165,400**	**2,761,900**	**2,572,600**	**16,164,400**	**14,443,900**	**1,720,500**	**11.9%**

The OPP and Conservation Authority requested budgets represent 16% of the total net departmental budget or $2.6 million.

DEPARTMENT - TRENDING REPORT

2019	2019 Budget			Budget % Change Over 2018		
	Revenue	Expense	Net	Revenue	Expense	Net
Corporate Services	(581,000)	2,909,600	2,328,600	19.7%	12.8%	11.2%
Infrastructure Services	(2,270,500)	7,687,700	5,417,200	35.4%	20.7%	15.5%
Planning & Development	(1,232,000)	2,150,700	918,700	17.8%	19.3%	21.4%
Emergency Services	(149,700)	2,315,100	2,165,400	8.0%	20.7%	21.7%
Recreation Services	(1,144,800)	3,906,700	2,761,900	-1.1%	3.1%	4.9%
External Agencies	(12,000)	2,584,600	2,572,600	0.0%	3.3%	3.3%
	(5,390,000)	**21,554,400**	**16,164,400**	**19.4%**	**13.7%**	**11.9%**

2018	2018 Budget			2018 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Corporate Services	(485,200)	2,578,400	2,093,200	(748,053)	2,386,223	1,638,170
Infrastructure Services	(1,677,100)	6,368,900	4,691,800	(1,615,156)	6,007,053	4,391,896
Planning & Development	(1,045,400)	1,802,400	757,000	(726,352)	1,672,672	946,320
Emergency Services	(138,600)	1,917,900	1,779,300	(70,517)	1,722,571	1,652,054
Recreation Services	(1,157,200)	3,789,400	2,632,200	(936,802)	3,478,629	2,541,826
External Agencies	(12,000)	2,502,400	2,490,400	(14,077)	1,924,072	1,909,995
	(4,515,500)	**18,959,400**	**14,443,900**	**(4,110,958)**	**17,191,220**	**13,080,261**

2017	2017 Budget			2017 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Corporate Services	(415,700)	2,417,900	2,002,200	(599,126)	2,464,399	1,865,273
Infrastructure Services	(1,482,000)	6,061,500	4,579,500	(2,075,672)	6,696,318	4,620,646
Planning & Development	(903,400)	1,608,900	705,500	(1,155,657)	1,656,428	500,771
Emergency Services	(136,600)	1,714,000	1,577,400	(263,926)	1,848,724	1,584,799
Recreation Services	(1,058,500)	3,463,900	2,405,400	(1,067,658)	3,956,306	2,888,648
External Agencies	(10,900)	2,519,800	2,508,900	(20,672)	2,518,297	2,497,625
	(4,007,100)	**17,786,000**	**13,778,900**	**(5,182,712)**	**19,140,473**	**13,957,761**

The largest increases are in Infrastructure Services, Emergency Services, and Corporate Services by $725,400, $386,100, and $235,400 respectively, over 2018 budget amounts. These are mainly due to increased operating allocations of salaries versus capital, general inflationary and increases in employee rates, new full-time positions, and increased reserve fund contributions as mentioned. Further details on these increases are outlined in Section 4 of this binder.

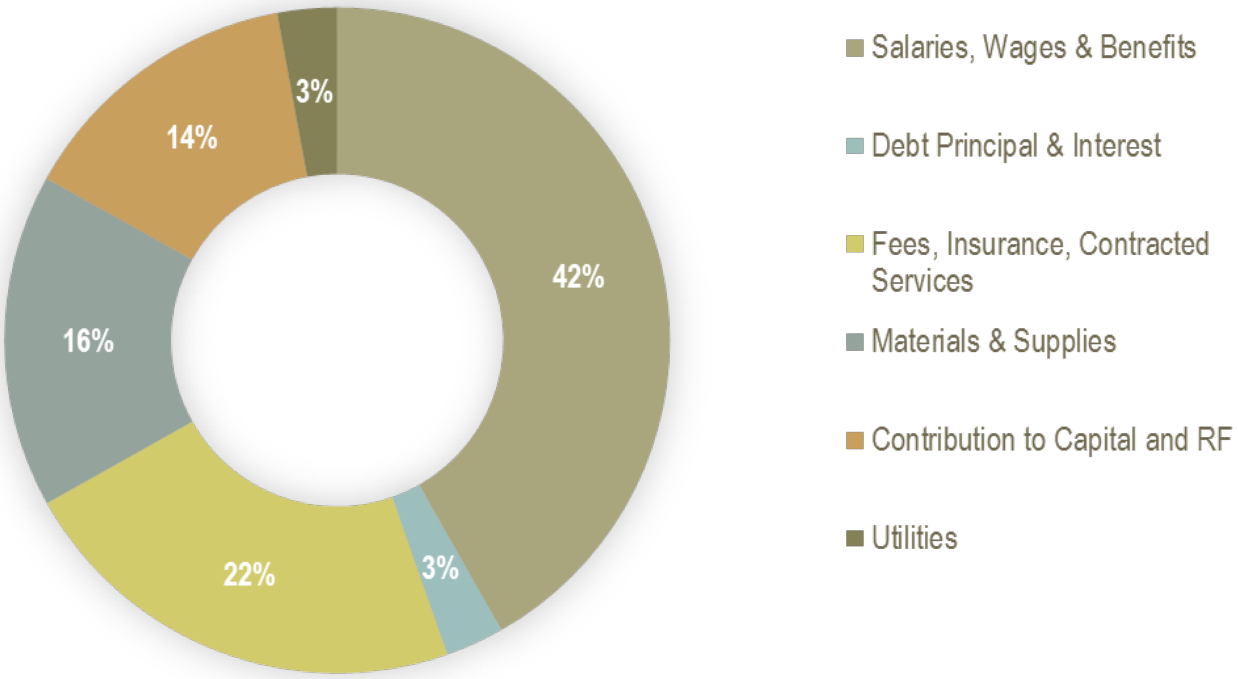
There are several services that the Township contracts out. The four most significant contracts are listed in the following table and account for approximately 22.8% of the net departmental budget.

	2019 BUDGET	2018 BUDGET	2018 ACTUAL- ESTIMATED
POLICING SERVICES	$ 2,375,700	$ 2,310,600	$ 2,342,000
GARBAGE COLLECTION	$ 300,000	$ 312,200	$ 299,000
CURBSIDE - RECYCLING	$ 475,000	$ 450,000	$ 373,000
LIABILITY INSURANCE	$ 534,300	$ 515,100	$ 512,000
TOTAL	$ 3,685,000	$ 3,587,900	$ 3,526,000

The contributions to capital have increased 3.2% over the 2018 budget, including both general rate and utilities, and non-departmental contributions. These contributions make up approximately 11.9% of the general rate net departmental budget and approximately 19.2% of the utilities expense budget. The intent is to continue to increase contributions to capital as significant capital projects are planned over the next 10 years.

CONTRIBUTIONS TO CAPITAL FROM OPERATING			
	2019	2018	2017
Non-departmental	506,600	1,215,400	665,000
Corporate Services	225,000	275,000	281,000
Emergency Services	251,500	190,000	172,000
Infrastructure Services	1,015,000	1,015,000	958,000
Recreation Services	404,600	348,000	330,000
Planning & Development Services	33,000	33,000	29,800
	2,435,700	3,076,400	2,435,800
Utilities	1,796,900	1,023,700	827,700
2019 Total Contributions to Capital	4,232,600	4,100,100	3,263,500

GROSS GENERAL RATE OPERATING EXPENSES



COMMUNITY GRANTS 2019

Seven organizations submitted 2019 Community Grant Applications. The following summary table indicates the grant amounts recommended by the Recreation Services Director. Grant dollars total $7,000 for 2019 and are provided for in Recreation Services budget line 1.6.740.8500. A standing $5,500 grant outside of the community grant policy is provided annually to the Amherst Island Recreation Association for Canada Day events and is also included in budget line 1.6.740.8500. A similar grant will be reconsidered for Bath Canada Day celebrations annually should the committee ever be in a position where they do not receive anticipated external grants and/or do not have enough funds available in the committee's Reserve.

COMMUNITY GRANT RECOMMENDATIONS		
	2018 Approved	2019 Recommended
Fairfield Homestead Heritage Association	1,000	1,000
Amherst Island Men's Society		2,000
Amherstview Lion's Club	1,000	1,000
Bath Gardening Club	1,000	1,000
Bath Hospitality Club	500	No application
Emerald Music Festival (Amherst Island)	1,000	500
Amherst Island Community Cafe	1,000	500
Amherst Island Women's Institute	250	No application
Bath Lion's Club		1,000
	5,750	7,000

The table below includes other grant programs administered by Loyalist Township that are not specified in the Community Grant Policy.

OTHER GRANT PROGRAMS			
	2018 Approved	2018 Paid	2019 Proposed
Seniors Tax Assistance Program	12,000	12,000	12,000
Council Ad Hoc Grants	1,000	1,700	4,000
Recreation Rental Charges Waived (not a cash expenditure, represents foregone revenue)	32,000	40,900	34,000
Bag Tags for Medical Purposes	1,000	1,900	2,000
	46,000	56,500	52,000
Development and Other Planning Grants:			
Development Grants	1,300	1,300	1,300
Heritage Grant Program	10,000	7,100	10,000
Heritage Property Tax Reduction	3,000	2,000	3,000
	14,300	10,400	14,300
	60,300	66,900	66,300

3. Utilities Budget

3.1 Operating Highlights

EXECUTIVE SUMMARY

Loyalist Township's Utilities budget is developed to cover operating expenses while optimizing contributions to capital and reserve funds, thereby ensuring the long-term sustainability of the water and sanitary systems. The total operating budget for the water and sanitary systems is approximately $9.33 million, which includes both debt payments and contributions to capital and reserve funds. This represents approximately a $1 million, or 12% increase from 2018, split between operating expenditures (2%) and contributions to capital and reserve funds (10%).

Overall, operating expenses and contributions to capital and reserve funds increased by $118,500 and $927,200, respectively, relative to 2018. It should, however, be noted that, despite this significant increase in contributions to Capital Funds, significant planned capital asset replacement has had to be deferred to future years in order to fully fund the 2019 Capital budget without increasing debt levels.

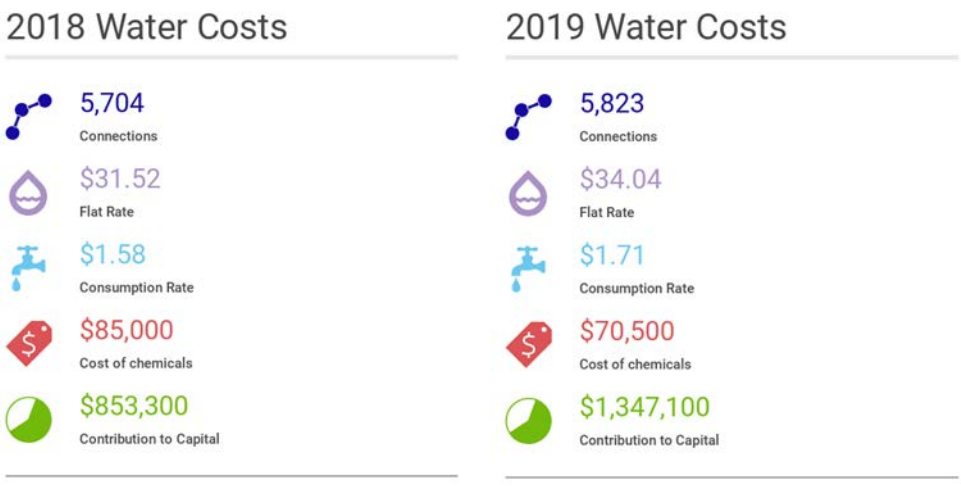
TOTAL UTILITIES					
	2017 Actual Values	2018 YTD Actual Values	2018 Budget	2019 1st Draft	2019 1D vs. 2018 Budget
Revenue	(8,344,268)	(8,567,105)	(8,281,900)	(9,327,600)	(1,045,700)
Salaries and Wages	881,121	902,676	1,066,900	1,110,000	43,100
Internal Allocations	1,496,335	1,610,961	1,610,300	1,637,000	26,700
Debt, Principal & Interest	978,284	1,051,656	1,051,100	1,043,200	(7,900)
Contracted Services	93,250	60,557	56,900	69,900	13,000
Insurance	18,761	21,512	19,400	23,900	4,500
Utilities	320,682	341,929	280,500	310,500	30,000
All Other Materials, Supplies, and Expenses	1,567,355	1,422,288	1,731,600	1,740,700	9,100
Capital	827,700	1,023,700	1,023,700	1,796,900	773,200
Transfer to Reserves/Reserve Funds	1,580,219	913,508	1,441,500	1,595,500	154,000
	(580,561)	(1,218,317)	-	-	-

WATER SERVICE AREAS OPERATING

WATER SYSTEM OPERATING TABLE					
	2017 Actual Values	2018 YTD Actual Values	2018 Budget	2019 1st Draft	2019 1D vs. 2018 Budget
Revenue	(4,434,155)	(4,599,328)	(4,496,100)	(5,102,900)	(606,800)
Salaries and Wages	431,039	476,641	544,600	617,100	72,500
Internal Allocations	807,120	857,000	857,000	869,100	12,100
Debt, Principal & Interest	493,133	506,871	504,100	503,100	(1,000)
Contracted Services	68,752	34,371	40,400	40,400	-
Insurance	9,843	11,126	10,200	12,200	2,000
Utilities	67,255	34,363	69,000	69,000	-
All Other Materials, Supplies, and Expenses	590,783	624,269	782,600	716,800	(65,800)
Capital	711,400	853,500	853,500	1,347,100	493,600
Transfer to Reserves/Reserve Funds	905,128	555,447	834,700	928,100	93,400
	(349,703)	(645,739)	-	-	-

Increases in the 2019 operating budget for the water service area are minimal, excluding capital and reserve fund contributions, and can primarily be attributed to salaries and wages, internal allocations, and insurance costs. These expense lines increase the Water Service Area by $86,600, a figure which primarily represents labour costs.

Higher revenue, combined with a projected increase in housing development, allows for a contribution to Capital and Reserve funds of $2,275,200; $1,347,100 of which is a Capital contribution.



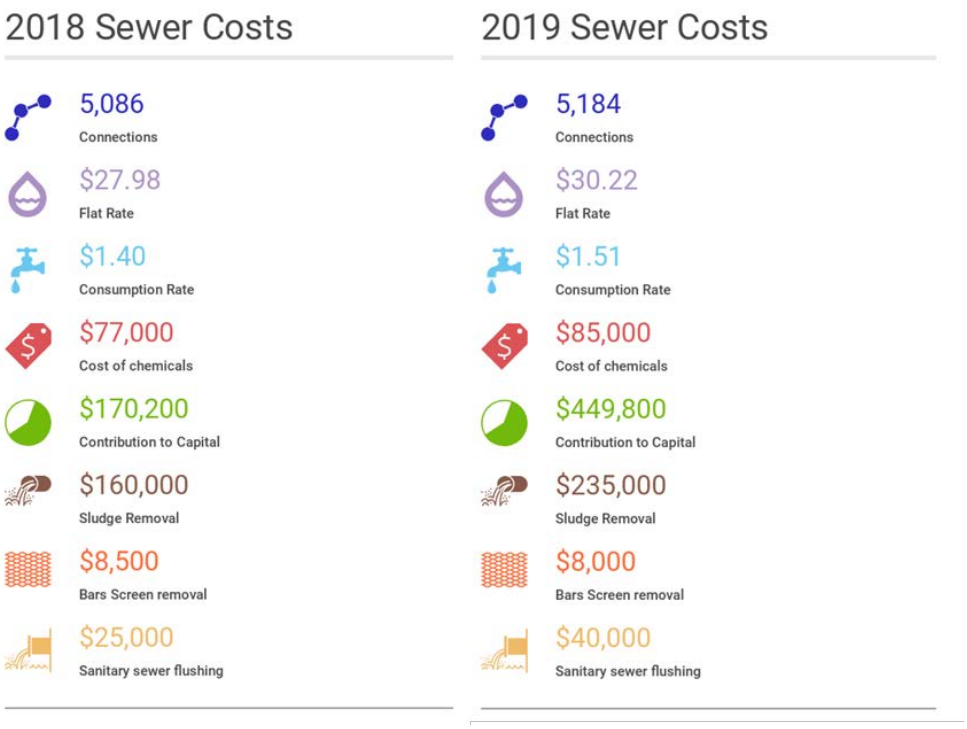
SANITARY SERVICE AREAS OPERATING

SEWER SYSTEM OPERATING TABLE					
	2017 Actual Values	2018 YTD Actual Values	2018 Budget	2019 1st Draft	2019 1D vs. 2018 Budget
Revenue	(3,910,113)	(3,967,777)	(3,785,800)	(4,224,700)	(438,900)
Salaries and Wages	450,082	426,035	522,300	492,900	(29,400)
Internal Allocations	689,215	753,962	753,300	767,900	14,600
Debt, Principal & Interest	485,152	544,785	547,000	540,100	(6,900)
Contracted Services	24,498	26,186	16,500	29,500	13,000
Insurance	8,918	10,386	9,200	11,700	2,500
Utilities	253,427	307,566	211,500	241,500	30,000
All Other Materials, Supplies, and Expenses	976,572	798,019	949,000	1,023,900	74,900
Capital	116,300	170,200	170,200	449,800	279,600
Transfer to Reserves/Reserve Funds	675,091	358,060	606,800	667,400	60,600
	(230,858)	(572,578)	-	-	-

The operating expenditure budget for the sanitary service area has increased in the 2019 budget year. This is a result of increased costs across most operating parameters, except for salaries and wages, as well as debt principal and interest. The increase, not including capital and reserve fund contributions for the Sanitary Service Area, is $98,700 compared to 2018.

For example, Total Suspended Solids compliance issues during the winter months continue to present a challenge at the Bath Sewage Treatment Plant. New operating strategies implemented during the Fall and Winter of 2018 have been successful at maintaining compliance to date but have resulted in an increase in operating expenditures. These revised operational strategies have been factored into the 2019 budget, and, as a result, the sanitary operating expenditure budget increase is higher than the water operating expenditure budget.

Revenue increases, combined with a projected increase in housing development, result in combined contributions to Capital and Reserve funds of $1,117,200, of which $449,800 is capital contribution. It should be noted that less revenue is available for contributions to Capital and Reserve funds due to the higher costs associated with operating the sanitary system. For example, the sanitary system requires sludge removal and sanitary sewer flushing, which are activities not required to operate the Water Service Area. This combined with the relatively fewer sanitary connections, results in higher costs and less revenue being available to operate all aspects of the sanitary system.



2019 KEY INITIATIVES/PLANS

USER RATE STUDY

A comprehensive rate review study will be conducted in 2019. This will include analyzing all aspects of the sanitary and water systems to ensure their long-term sustainability. The study will include reviewing revenue structures; comparison of various rates in accordance with Ontario industry standards; resources required to operate and maintain the system; and funding requirements to ensure asset replacement is sustainable in future years. The recent in-depth asset review which was conducted for the updated asset management plan will provide an accurate basis for this study. This review will need to be completed, and new user rates approved, prior to submitting the required Financial Plan for the Water system in accordance with Ontario Regulation 453/07 by December of 2019. An approved financial plan is a requirement for the Township's water license, which is to be renewed in 2019. A new plan must therefore be submitted in the same year of the license renewal.

3.2 Capital Summary

EXECUTIVE SUMMARY

The 2019 capital budget for water and sewer is $2.6 million. A large portion of this figure, $1 million, represents work required at the Bath Water Treatment Plant. The Project involves a Design-Build for Filter Upgrades at the Plant, which will occur in 2019-2020. Funding is proposed to be spread over two years. Based on a preliminary schedule, staff anticipate expenses of $1 million in 2019 and $1.7 million in 2020. Staff will therefore be seeking a commitment from Council for the complete project once proposals for the project have been reviewed.

Watermain relining at Park Crescent in Amherstview, as well as watermain replacement for the upper half of Edgewood Road and Compton Court, are also planned for 2019.

The sanitary portion of the capital budget is $667,600 and primarily consists of $350,000 in equipment replacement at the Bath Sewage Treatment Plant.

UTILITIES 2019 CAPITAL BUDGET BY AREA

	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
401- Loyalist East Sewage Treatment Plant	-	-	107,690	9,414	-
402 - Loyalist East Sewer Collection System	234,608	1,165,735	-	-	30,000
403- Lakeview Sewage Pumping Station	15,000	446,405	-	-	-
411- Bath Sewage Treatment Plant	398,590	21,129	-	441,653	46,158
413- Bath Sewage Pumping Station #1	10,800	359,391	-	11,609	-
431- Fairfield Water Treatment Plant	103,000	652,776	968,868	8,000	258,136
432 - Fairfield Water Distribution	741,330	2,038,499	1,290,152	18,641	433,859
433- Fairfield Distr Booster Station	-	-	-	331,130	-
434- Odessa Water Tower	-	-	-	83,150	82,342
435- Amherstview Water Tower	-	-	115,596	79,331	-
441- Bath Water Treatment Plant	1,000,000	1,773,503	-	693,413	-
442 - Bath Water Distribution	32,194	651,097	345,450	684	11,794
443- Bath Water Tower	14,000	134,968	-	-	-
451- Utilities Vehicles/Equipment	-	52,361	140,951	31,694	57,577
452 - Millhaven Garage	-	144,697	-	-	-
870- Loyalist East Business Park	8,590	319,500	-	-	-
Grand Total	**2,558,112**	**7,760,061**	**2,968,707**	**1,708,719**	**919,866**

2019 UTILITIES CAPITAL BUDGET FUNDING SOURCES

The 2019 capital budget for Utilities is fully funded. The operating budget includes $1,796,932 of capital contribution. As per Correctional Services Canada (CSC) service agreements contribution to capital projects are based on the percentage of potable water received, and wastewater treated. The estimated CSC capital contribution for 2019 is $722,589. An application for funding to assist with the filter

upgrades at the Bath Water Plant has been submitted to the Top-Up component of the Ontario Community Infrastructure Fund, and staff are awaiting news of the application's status. Should the Township's application be successful, funds will be distributed over the course of the project proposed to be funded over 2019 and 2020.

Currently the Utilities reserve funds contain impost fees which, by definition, are to be dedicated to fund growth related projects, however, only a small portion of the 2019 capital projects, $30,000, can be funded through these funds. Most of the planned capital work must be funded through grants and/or contributions from operating funds.

2019 UTILITIES CAPITAL FUNDING	
Pay As You Go (PAYG)	1,796,932
Impost Fees	30,000
Reserve Funds	8,590
CSC Water	527,280
CSC Sewer	195,309
Total	2,558,112

2019 KEY INITIATIVES/PLANS

DESIGN-BUILD BATH WATER TREATMENT PLANT FILTER UPGRADES PROJECT 2019 $1MILLION – 2020 $1.7 MILLION.

The current filter process at the water plant was not designed to treat water during high raw water turbidity (cloudiness due to level of suspended solids in lake water) events, or to provide complete redundancy for water production. To achieve the full rated capacity of the plant both filters must be operating. As the average day flows for the plant have been above 50% of the plant capacity recently for sustained periods there is a big concern should either of the filters require a shutdown of more than a few hours. Filter backwash frequencies must be increased during high turbidity events, further reducing the net amount of potable water produced by the plant.

Changing weather patterns and increases in the number of connections to the system further contribute to the risks associated with these deficiencies. Addressing these risks has been identified in the Asset Management Plan, which identifies this project as being "critical to the reliability and safety of the water system". The proposed project will provide full redundancy and mitigate health risks, achieving the service levels established in the Township's Asset Management Plan.

WATER RELINING PROJECT PARK CRESCENT $231,182

The watermain being relined in this project is among the highest priorities for the Fairfield Water Distribution System and has been identified in the Asset Management Plan as a poor-condition, high-risk asset. The watermain's age, combined with its break history confirm the high priority of this Project. The decision to extend the watermain's useful life through relining was made with the intent of optimizing the life-cycle of the road.

In 2017 the Township entered into a multi-year contract with the water main relining company Fer-Pal. This project will be the 2019 project completed by Fer-Pal as part of the current multi-year plan.

EQUIPMENT REPLACEMENT BATH SEWAGE TREATMENT PLANT $350,000

The Bath Sewage Plant continues to experience compliance issues with the Federal limits for Total Suspended Solids during winter months. Staff have been working with an external Consultant to develop different short and long-term solutions to address this situation and have identified the aeration system as a potential area for improvement. This system is due to be replaced in 2019, and staff are working to determine the best possible replacement technologies to address the aeration needs of the plant prior to procuring equipment.

CAPITAL PROJECTS DEFERRED TO FUTURE YEARS

Recommendations for the replacement of Capital Assets are based on a significant amount of financial and operational information collected and analyzed by staff. Each year, many projects are either deferred or accelerated in order to: coordinate the replacement of underground and roads infrastructure to minimize costs and maximize efficiency; minimize disruptions to

Raw Water

Is water found in the environment that has not been treated and does not have any of its minerals, ions, particles, bacteria or parasites removed.

residents; maintain the Levels of Service endorsed by Council; and ensure fiscal responsibility.

The 2019 Utilities Capital Project budget has been substantially reduced to avoid incurring any debt. For example, a large portion of Sherwood Avenue and Manitou Crescent West were originally to be included in the 2019 Watermain Relining Contract. However, staff ascertained that the risk associated with deferring work on these watermains was manageable and elected to postpone the project to 2021. This resulted in $1,208,152 being deferred from the 2019 to 2021, thereby alleviating financial stress from this year's budget. Similarly, two back-up generators for the Sanitary Service Areas need replacement due to their age and scarcity of replacement parts. The replacement of these generators was moved to 2020, with design and permitting scheduled for 2019, thereby deferring $625,000 from the 2019 Sanitary Capital Budget. The risk associated with deferring the replacement of these generators was also deemed to be manageable based on available inspection records, maintenance information, and their current condition.

Turbidity

Is the cloudiness or haziness of a water caused by large numbers of individual particles. High amounts of turbidity can be due to heavy rainfall, spring water flows, erosion, sediment, microorganisms, or algae blooms.

4. General Rate Operating Budgets

4.1 Emergency Services

EXECUTIVE SUMMARY

The 2019 Operating Budget for Emergency Services is $2,165,400. This is an increase of $386,100 or 21.7% over 2018.

- The increase in the Emergency Services items of $227,800 or 21.9% is mainly due to salary increases and capital contributions. Also included in these accounts is the salary amount for a new full-time firefighter position (6 months only in 2019).
- A 20% increase in call volume during 2018 forced Emergency Services to increase operational budgets for volunteer wages by $38,000 in 2019.
- Fire Prevention increase of 36% is due to a full year of salary included in the 2019 budget for the Fire Inspector. This position was changed from part time to full time part way thru 2018.
- Station maintenance and operating costs continue to increase. An increase in call volume has some impact on these figures based on heating and electricity usage.
- Fleet Maintenance increase of $97,100 or 46.8% is due to wages, maintenance and contributions to Capital

ACCOUNT	AMOUNT	%	COMMENTS
Emergency Services	$227,800	21.9%	Salary increases – New full-time firefighter position and increased capital contributions of $86,500
Emergency Services	$38,000		Wages associated with emergency responses – 20% increase in call volume in 2018. Included in the 21.9% listed above
Training	$21,800	6.4%	Wage increase & PTSD Training Requirement
Fire Prevention	$28,000	36%	12-month salary adjustment for Fire Prevention Officer and Public Education program increase
Fire Stations (4)	$11,400		Increase to hydro, gas as well as cleaning and maintenance. Increase of 24.9% listed for Amherst Island is an estimate based on operating costs for the new station addition.
Fleet Maintenance	$97,100	46.8%	Increase to wages and maintenance / fuel costs as well as a $93,000 increase in contributions to capital

EMERGENCY SERVICES - 2019 OPERATING BUDGET												
	Emerg. Services	Training	Fire Prevention	Odessa Fire Stn.	Amherstview Fire Stn.	Bath Fire Stn.	Amherst Island Fire Stn.	Fleet Maint..	Total	Total 2018 Budget	$ Change	% Change
Revenue												
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Fees & User Charges	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, Permits	-	-	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	(55,000)	-	(4,500)	-	-	-	-	-	(59,500)	(43,900)	(15,600)	35.5%
From Reserves/Reserve Funds	(90,200)	-	-	-	-	-	-	-	(90,200)	(94,700)	4,500	-4.8%
2019 Budgeted Revenue	**(145,200)**	**-**	**(4,500)**	**-**	**-**	**-**	**-**	**-**	**(149,700)**	**(138,600)**	**(11,100)**	**8.0%**
Expenses												
Salaries, Wages & Benefits	693,900	335,500	97,100	800	1,500	1,900	2,500	74,200	1,207,400	1,029,400	178,000	17.3%
Debt Principal & Interest	191,600	-	-	-	-	-	-	-	191,600	191,600	-	-
Insurance	11,200	-	-	1,400	1,800	1,200	700	14,200	30,500	31,200	(700)	-2.2%
Utilities	3,400	-	-	18,300	19,000	10,800	10,000	-	61,500	59,900	1,600	2.7%
Non-Discretionary Expenses	900,100	335,500	97,100	20,500	22,300	13,900	13,200	88,400	1,491,000	1,312,100	178,900	**13.6%**
Contracted Services	-	-	-	-	-	-	-	20,000	20,000	20,000	-	-
Supplies, Materials & Other	203,300	27,800	13,100	22,800	15,600	11,500	3,900	53,000	351,000	319,900	31,100	9.7%
Contribution to Capital	251,500	-	-	-	-	-	-	-	251,500	190,000	61,500	32.4%
Contribution to Reserve Fund	-	-	-	-	-	-	-	143,000	143,000	50,000	93,000	186.0%
Internal Allocations	58,600	-	-	-	-	-	-	-	58,600	25,900	32,700	126.3%
Discretionary Expenses	513,400	27,800	13,100	22,800	15,600	11,500	3,900	216,000	824,100	605,800	218,300	**36.0%**
2019 Budgeted Expenses	**1,413,500**	**363,300**	**110,200**	**43,300**	**37,900**	**25,400**	**17,100**	**304,400**	**2,315,100**	**1,917,900**	**397,200**	**20.7%**
2019 Net Budget	**1,268,300**	**363,300**	**105,700**	**43,300**	**37,900**	**25,400**	**17,100**	**304,400**	**2,165,400**	**1,779,300**	**386,100**	**21.7%**

EMERGENCY SERVICES - TRENDING REPORT						
2019	**2019 Budget**			**Budget % Change Over 2018**		
	Revenue	Expense	Net	Revenue	Expense	Net
Emergency Services	(145,200)	1,413,500	1,268,300	7.4%	20.2%	21.9%
Training	0	363,300	363,300	-	6.4%	6.4%
Fire Prevention	(4,500)	110,200	105,700	32.4%	35.9%	36.0%
Odessa Fire Station	0	43,300	43,300	-	3.6%	3.6%
Amherstview Fire Station	0	37,900	37,900	-	9.5%	9.5%
Bath Fire Station	0	25,400	25,400	-	14.4%	14.4%
Amherst Island Fire Station	0	17,100	17,100	-	24.8%	24.8%
Fleet Maintenance	0	304,400	304,400	-	46.8%	46.8%
	(149,700)	**2,315,100**	**2,165,400**	**8.0%**	**20.7%**	**21.7%**
2018	**2018 Budget**			**2018 YTD Actuals (as of Nov. 30)**		
	Revenue	Expense	Net	Revenue	Expense	Net
Emergency Services	(135,200)	1,175,700	1,040,500	(64,374)	1,126,281	1,061,907
Training	0	341,500	341,500	0	295,324	295,324
Fire Prevention	(3,400)	81,100	77,700	(6,143)	30,855	24,712
Odessa Fire Station	0	41,800	41,800	0	32,818	32,818
Amherstview Fire Station	0	34,600	34,600	0	29,456	29,456
Bath Fire Station	0	22,200	22,200	0	21,429	21,429
Amherst Island Fire Station	0	13,700	13,700	0	11,902	11,902
Fleet Maintenance	0	207,300	207,300	0	174,506	174,506
	(138,600)	**1,917,900**	**1,779,300**	**(70,517)**	**1,722,571**	**1,652,054**
2017	**2017 Budget**			**2017 Actuals**		
	Revenue	Expense	Net	Revenue	Expense	Net
Emergency Services	(133,200)	1,109,700	976,500	- 258,327	1,280,571	1,022,244
Training	0	296,100	296,100	- 940	276,415	275,475
Fire Prevention	(3,400)	44,600	41,200	- 4,658	41,437	36,779
Odessa Fire Station	0	42,200	42,200	0	32,505	32,505
Amherstview Fire Station	0	35,500	35,500	0	29,463	29,463
Bath Fire Station	0	21,200	21,200	0	20,218	20,218
Amherst Island Fire Station	0	16,200	16,200	0	15,496	15,496
Fleet Maintenance	0	148,500	148,500	0	152,618	152,618
	- 136,600	**1,714,000**	**1,577,400**	**- 263,926**	**1,848,724**	**1,584,799**

2019 KEY INITIATIVES / PLANS

In 2017, a need was identified to potentially start staffing during the daytime hours with full-time fire personnel to supplement the part-time volunteer personnel. Although a crew of four was discussed, moving forward, our proposal would be one additional person for three years. These full-time personnel will fill the identified shortage of

personnel we continually encounter during the day, Monday through Friday. Full time firefighters would work out of the Amherstview Fire Station. Included in the budget are wages associated with a full-time position for six months in 2019.

Costs associated with a substantial increase in call volume have impacted the 2019 budget in multiple areas. Although call volume increases wages, it also impacts vehicle operating costs, maintenance, wear and tear of equipment, as well as costs associated with operating fire stations.

PTSD

Training to all emergency personnel (TWMFR)

The Ontario Ministry of Labour has regulated training for First Responders to include Post-traumatic Stress Disorder (PTSD). Loyalist Township participates in a program through the Ontario Association of Fire Chiefs - **The Working Mind First Responders** program (TWMFR). We completed the supervisor's training requirements in 2018. In 2019, all personnel will be required to attend a 4-hour training program to meet the legislative requirements.

Firefighter retention programs have proven to be very worthwhile over the last few years. The initiatives that Council have previously approved have been very beneficial. As we continue to grow, responding personnel continually deal with traffic issues. We believe that the green lights firefighters can utilize in their personnel vehicles should be provided by the municipality. Moving forward, any new personnel or current personnel who do not have a light will be provided with a light by Loyalist Township. This initiative would be capped at $2,500 per year maximum.

In 2018, Council approved a change in working hours for the Fire Inspector to 35 hours per week (full-time) from the 21 hour part-time position. This change impacted the 2019 budget as the 2018 budget only included eight months of full-time salary for this new position.

Public Education programs are being expanded to include our seniors as well as to provide legislated

training sessions to persons in the care and control of our vulnerable occupancies (nursing homes and schools).

Our “WAKE UP LOYALIST” Smoke and CO Alarm program will continue in 2019. Over the last four years we have visited over 3,000 residents to ensure compliance and occupant safety. This annual program gets our people out in the community and has been very well received.

In 2018 we had five personnel leave for various reasons. As of December 31, 2018, we have a roster of 94. We have identified an additional three that are retiring. On January 5th, 2019, the 2019 Lennox and Addington Recruit Program started. We have approved nine personnel to participate in the program for 2019. If all are successful, and we lose no further personnel, our roster will be at the maximum allowed of 100.

Wake Up Loyalist

Smoke & CO Alarm Program will continue to ensure compliance and occupant safety

Fire Inspector

Full-time position fully budgeted for in 2019.

4.2 Infrastructure Services

EXECUTIVE SUMMARY

The proposed 2019 Infrastructure Services - Public Works, Engineering & Overhead operating budget is approximately 33% of the Township's net departmental budget. The 2019 Operating Budget amount is $5,417,200. This is an increase of $725,400 or 15.5% over 2018. The entire Infrastructure Services Department includes Public Works, Utilities, and Engineering divisions which includes staff allocations in Recreation Services, Planning & Building Services as well as capital.

PUBLIC WORKS LABOUR

A complete review of the Public Works Operating budget was completed this year. Work plans and staffing levels were updated based on five years of actual values (2014 – 2018). It was found that the allocation to capital works being budgeted as part of the labour allocation was higher than the actuals. This results in an increase in operating labour for 2019.

EQUIPMENT RATE CHANGES (SUPPLIES, MATERIALS & OTHER)

In 2017 the County of Lennox and Addington agreed to new equipment rates that all lower tier municipalities agreed to use. This was not updated for the 2018 budget year and, as such, has increased Supplies, Material and Other by 21% in 2019. This also has a significant budgetary impact on County Services and Winter Control budgets. This does net out internally, however, it will have an impact on an account basis.

ENGINEERING ALLOCATIONS

Engineering allocations consist of administrative salaries and benefits within the engineering department that are proportionately expensed to various other departments based on historical time spent. Administrative salaries have increased overall mainly due to the non-union compensation review held in 2018. These higher rates are reflected in both day to day operating costs as well as in salary costs allocated to capital projects as part of the capital plan. The "Other" line item in the Infrastructure Services budget has increased with a maternity leave and a contracted replacement. Both salaries need to be budgeted in 2019. Staff time allocation has been increased in Transportation Services operations with a significant amount of Asset Management work planned for 2019 to meet the Ontario Regulation 588 requirements.

INFRASTRUCTURE SERVICES - 2019 OPERATING BUDGET												
	Transp. Services - County	Transp. Services	Winter Control	Storm Water	Street Lighting	Sidewalks	Loyalist Solid Waste	Other	Total	Total 2018 Budget	$ Change	% Change
Revenue												
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Fees & User Charges	-	-	-	-	-	-	(694,900)	-	(694,900)	(680,300)	(14,600)	2.1%
Licenses, Permits	-	(219,000)	-	-	-	-	-	-	(219,000)	(205,000)	(14,000)	6.8%
Rents	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	(793,500)	(10,000)	-	-	-	-	(4,500)	(548,600)	(1,356,600)	(791,800)	(564,800)	71.3%
From Reserves/Reserve Funds	-	-	-	-	-	-	-	-	-	-	-	-
2019 Budgeted Revenue	**(793,500)**	**(229,000)**	**-**	**-**	**-**	**-**	**(699,400)**	**(548,600)**	**(2,270,500)**	**(1,677,100)**	**(593,400)**	**35.4%**
Expenses												
Salaries, Wages & Benefits	250,200	1,005,500	295,000	112,100	13,400	86,600	275,800	584,800	2,623,400	2,324,300	299,100	12.9%
Debt Principal & Interest	-	106,100	-	36,300	-	-	-	190,900	333,300	333,600	(300)	-0.1%
Insurance	-	230,800	-	-	-	-	6,100	-	236,900	229,300	7,600	3.3%
Utilities	-	64,500	-	-	80,000	-	12,200	-	156,700	202,200	(45,500)	-22.5%
Non-Discretionary Expenses	250,200	1,406,900	295,000	148,400	93,400	86,600	294,100	775,700	3,350,300	3,089,400	260,900	8.4%
Contracted Services	78,300	220,100	2,000	21,500	25,000	2,000	862,700	500,300	1,711,900	1,177,000	534,900	45.4%
Supplies, Materials & Other	509,300	(82,900)	554,000	149,100	3,600	61,300	130,700	35,500	1,360,600	1,127,000	233,600	20.7%
Contribution to Capital	-	935,000	-	65,000	15,000	-	-	-	1,015,000	1,015,000	-	-
Contribution to Reserve Fund	-	267,000	-	-	-	-	-	-	267,000	75,000	192,000	256.0%
Internal Allocations	-	117,100	-	5,800	2,700	1,000	10,300	(154,000)	(17,100)	(114,500)	97,400	-85.1%
Discretionary Expenses	587,600	1,456,300	556,000	241,400	46,300	64,300	1,003,700	381,800	4,337,400	3,279,500	1,057,900	32.3%
2019 Budgeted Expenses	**837,800**	**2,863,200**	**851,000**	**389,800**	**139,700**	**150,900**	**1,297,800**	**1,157,500**	**7,687,700**	**6,368,900**	**1,318,800**	**20.7%**
2019 Net Budget	**44,300**	**2,634,200**	**851,000**	**389,800**	**139,700**	**150,900**	**598,400**	**608,900**	**5,417,200**	**4,691,800**	**725,400**	**15.5%**

INFRASTRUCTURE SERVICES - TRENDING REPORT						
2019	**2019 Budget**			**Budget % Change Over 2018**		
	Revenue	Expense	Net	Revenue	Expense	Net
Transportation Services - Cty	(793,500)	837,800	44,300	16.1%	13.4%	-20.0%
Transportation Services	(229,000)	2,863,200	2,634,200	11.5%	6.0%	5.6%
Winter Control	-	851,000	851,000	-	39.7%	39.7%
Storm water	-	389,800	389,800	-	22.8%	22.8%
Street lighting	-	139,700	139,700	-	-30.0%	-30.0%
Sidewalks	-	150,900	150,900	-	-1.4%	-1.4%
Loyalist Solid Waste	(699,400)	1,297,800	598,400	2.2%	4.5%	7.4%
Other	(548,600)	1,157,500	608,900	428.5%	183.4%	99.8%
	(2,270,500)	**7,687,700**	**5,417,200**	**35.4%**	**20.7%**	**15.5%**
2018	**2018 Budget**			**2018 YTD Actuals (as of Nov. 30)**		
	Revenue	Expense	Net	Revenue	Expense	Net
Transportation Services - Cty	(683,700)	739,100	55,400	(592,101)	685,088	92,987
Transportation Services	(205,300)	2,700,800	2,495,500	(68,302)	2,035,399	1,967,097
Winter Control	-	609,000	609,000	-	867,380	867,380
Storm water	-	317,400	317,400	(1,000)	216,696	215,696
Street lighting	-	199,700	199,700	-	189,538	189,538
Sidewalks	-	153,000	153,000	-	154,058	154,058
Loyalist Solid Waste	(684,300)	1,241,400	557,100	(617,994)	962,737	344,744
Other	(103,800)	408,500	304,700	(335,760)	896,156	560,396
	(1,677,100)	**6,368,900**	**4,691,800**	**(1,615,156)**	**6,007,053**	**4,391,896**
2017	**2017 Budget**			**2017 Actuals**		
	Revenue	Expense	Net	Revenue	Expense	Net
Transportation Services - Cty	(675,000)	732,000	57,000	(646,868)	714,791	67,923
Transportation Services	(100,000)	2,485,300	2,385,300	(151,601)	2,681,890	2,530,289
Winter Control	-	708,100	708,100	-	761,261	761,261
Storm water	(25,000)	333,900	308,900	(1,650)	268,006	266,356
Street lighting	-	225,500	225,500	(115)	237,512	237,397
Sidewalks	-	112,300	112,300	-	130,296	130,296
Loyalist Solid Waste	(627,800)	1,207,800	580,000	(697,424)	1,064,861	367,437
Other	(54,200)	256,600	202,400	(578,014)	837,701	259,687
	(1,482,000)	**6,061,500**	**4,579,500**	**(2,075,672)**	**6,696,318**	**4,620,646**

2019 KEY INITIATIVES / PLANS

Ontario MINISTRY OF TRANSPORTATION

EDGEWOOD MUNICIPAL DRAIN

The Ministry of Transportation (MTO) petitioned the Township in 2018 for a drainage study through the *Drainage Act*. It is anticipated that a 900mm storm sewer will be constructed down Edgewood Road in 2019. There is a nominal amount included in other revenue and contracted services of $500,000. The MTO is covering all design and construction costs for the project.

WILTON OLD CULVERT DEMOLITION

In the roadway near the Wilton Bridge there is an old culvert or spillway under the road. This is a very large void under the road that needs to be addressed. This was identified originally as an infrastructure deficiency and, if not addressed, could result in safety concerns due to undermining of the road surface. Coordination with the Conservation Authority to determine the best approach to address this is also necessary.

GRAVEL ROAD RESURFACING

The gravel roads in the Township have a schedule for their maintenance and rehabilitation. They are all grated at least annually, and additional gravel is added every other year. In 2019 there are several roads that require additional attention while still ensuring the maintenance schedule is maintained. The focus for 2019 is for half the Township's gravel roads to be rehabilitated to a good condition level.

STAFF TRAINING

Developing a staff training plan is a key initiative for 2019. Identifying new training opportunities as well as refresher training for staff will ensure Township staff are up to date on key regulations, health & safety as well as key equipment training. Ensuring staff are receiving technical training that maintains or enhances their skills or knowledge levels benefits the Township in many ways, including promoting a learning culture, improving motivation and staff engagement.

2019

Focus is for half the Township's gravel roads to be rehabilitated to a "good condition" level.

4.3 Recreation Services

EXECUTIVE SUMMARY

The net operating budget increase for Recreation Services from 2018 to 2019 is $129,700 which represents an overall departmental increase of 4.9%. Projected 2019 departmental revenue remains generally consistent from 2018 for a total of $1.15 million.

4.9%
Operating budget increase for Recreation Services

The key departmental variances lie within the four following areas: Salaries and wages decreased over last year due to significant dollars being added to the 2018 budget for new required ESA Regulations. As these requirements have now changed, our salary and wages budget reflects only the annual and step increases. Utility budget lines have increased by $29,700 to address traditional annual service rate increases.

The departmental contribution to the Capital/Reserve Fund increased by $106,600 and Contracted Services increased by $55,500 to address required investments in aging facility infrastructure.

Each year, as Township recreation facilities continue to age, best efforts are made to balance priorities to ensure a minimal net increase in operating budgets year over year. This puts significant pressure on our programs to generate additional revenue to compensate for increasing operating expenses due to infrastructure that is at/or nearing end of life. With many of our programs reaching capacity, it is challenging for our operations to maintain a minimal annual increase year over year, when infrastructure costs on the 45-year-old WJ Henderson Recreation Centre continue to rise in disproportionate amounts. Programming is also challenged by this aging infrastructure, with increased down time and repairs causing program cancellations, and facilities that lack modern amenities which jeopardize client retention.

RECREATION SERVICES - 2019 OPERATING BUDGET

	Rec. Services	Arena	Pool	Parks	Sports Fields	Rec. Programs	Leisure & Activity Centre	Libraries	Commty Bldgs	Total	Total 2018 Budget	$ Change	% Change
Revenue													
Grants	(6,000)	(1,000)	-	-	-	(2,500)	(3,000)	-	-	(12,500)	(11,500)	(1,000)	8.7%
Fees & User Charges	(11,100)	(25,000)	(322,500)	-	(4,700)	(40,000)	(247,500)	-	(100)	(650,900)	(656,300)	5,400	-0.8%
Licenses, Permits	-	-	-	-	-	-	-	-	-	-	-	-	-
Rents	(5,000)	(341,500)	(5,000)	-	(40,000)	-	(8,000)	(2,000)	(33,400)	(434,900)	(442,400)	7,500	-1.7%
Other Revenue	(37,500)	(1,000)	-	(1,500)	-	(5,000)	-	-	(1,500)	(46,500)	(47,000)	500	-1.1%
From Reserves/Reserve Funds	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
2019 Budgeted Revenue	**(59,600)**	**(368,500)**	**(327,500)**	**(1,500)**	**(44,700)**	**(47,500)**	**(258,500)**	**(2,000)**	**(35,000)**	**(1,144,800)**	**(1,157,200)**	**12,400**	**-1.1%**
Expenses													
Salaries, Wages & Benefits	819,400	270,000	317,400	367,000	72,500	108,600	232,000	6,800	43,700	2,237,400	2,288,200	(50,800)	-2.2%
Debt Principal & Interest	-	-	-	29,600	-	-	-	-	-	29,600	26,900	2,700	10.0%
Insurance	19,300	16,400	16,000	7,900	-	-	-	6,100	12,200	77,900	75,900	2,000	2.6%
Utilities	-	155,000	135,000	6,000	6,000	-	11,500	29,900	30,200	373,600	343,900	29,700	8.6%
Non-Discretionary Expenses	838,700	441,400	468,400	410,500	78,500	108,600	243,500	42,800	86,100	2,718,500	2,734,900	(16,400)	-0.6%
Contracted Services	51,900	30,000	35,000	32,000	10,600	-	10,000	-	15,000	184,500	129,000	55,500	43.0%
Supplies, Materials & Other	(46,000)	66,100	67,500	179,100	38,400	43,500	30,700	13,600	42,200	435,100	469,600	(34,500)	-7.3%
Contribution to Capital	66,600	115,000	65,000	125,000	22,000	-	6,000	-	5,000	404,600	348,000	56,600	16.3%
Contribution to Reserve Fund	20,000	7,000	50,000	-	-	-	-	-	-	77,000	27,000	50,000	185.2%
Internal Allocations	62,800	-	-	9,800	14,400	-	-	-	-	87,000	80,900	6,100	7.5%
Discretionary Expenses	155,300	218,100	217,500	345,900	85,400	43,500	46,700	13,600	62,200	1,188,200	1,054,500	133,700	12.7%
2019 Budgeted Expenses	**994,000**	**659,500**	**685,900**	**756,400**	**163,900**	**152,100**	**290,200**	**56,400**	**148,300**	**3,906,700**	**3,789,400**	**117,300**	**3.1%**
2019 Net Budget	**934,400**	**291,000**	**358,400**	**754,900**	**119,200**	**104,600**	**31,700**	**54,400**	**113,300**	**2,761,900**	**2,632,200**	**129,700**	**4.9%**

RECREATION SERVICES - TRENDING REPORT

2019	2019 Budget			Budget % Change Over 2018		
	Revenue	Expense	Net	Revenue	Expense	Net
Recreation Services	(59,600)	994,000	934,400	1.7%	-3.3%	-3.6%
Arena	(368,500)	659,500	291,000	-2.5%	6.5%	20.6%
Pool	(327,500)	685,900	358,400	-1.1%	17.3%	41.2%
Parks	(1,500)	756,400	754,900	-	3.1%	3.1%
Sports Fields	(44,700)	163,900	119,200	-	-5.6%	-7.6%
Recreation Programs	(47,500)	152,100	104,600	-14.4%	-2.7%	3.7%
Leisure & Activity Centre	(258,500)	290,200	31,700	3.0%	4.3%	16.1%
Libraries	(2,000)	56,400	54,400	-	-13.9%	-14.3%
Community Buildings	(35,000)	148,300	113,300	0.3%	-1.2%	-1.6%
	(1,144,800)	3,906,700	2,761,900	-1.1%	3.1%	4.9%

2018	2018 Budget			2018 YTD Actuals (as of Nov. 30)		
	Revenue	Expense	Net	Revenue	Expense	Net
Recreation Services	(58,600)	1,027,400	968,800	(54,350)	761,808	707,458
Arena	(378,000)	619,200	241,200	(284,594)	643,871	359,277
Pool	(331,000)	584,900	253,900	(247,074)	565,127	318,053
Parks	(1,500)	733,900	732,400	(6,012)	751,326	745,314
Sports Fields	(44,700)	173,700	129,000	(38,153)	171,862	133,709
Recreation Programs	(55,500)	156,400	100,900	(45,018)	125,888	80,870
Leisure & Activity Centre	(251,000)	278,300	27,300	(246,208)	264,270	18,062
Libraries	(2,000)	65,500	63,500	-	62,113	62,113
Community Buildings	(34,900)	150,100	115,200	(15,393)	132,363	116,970
	(1,157,200)	3,789,400	2,632,200	(936,802)	3,478,629	2,541,826

2017	2017 Budget			2017 Actuals		
	Revenue	Expense	Net	Revenue	Expense	Net
Recreation Services	(18,600)	865,400	846,800	(76,143)	882,907	806,764
Arena	(348,800)	634,200	285,400	(360,062)	823,360	463,298
Pool	(304,000)	593,100	289,100	(299,155)	785,240	486,085
Parks	(1,200)	562,700	561,500	(3,618)	722,947	719,328
Sports Fields	(51,500)	160,900	109,400	(40,386)	146,780	106,394
Recreation Programs	(56,500)	153,400	96,900	(43,743)	137,620	93,877
Leisure & Activity Centre	(239,000)	264,800	25,800	(210,827)	253,043	42,216
Libraries	(2,000)	83,600	81,600	(2,779)	62,013	59,234
Community Buildings	(36,900)	145,800	108,900	(30,945)	142,396	111,451
	(1,058,500)	3,463,900	2,405,400	(1,067,658)	3,956,306	2,888,648

2019 KEY INITIATIVES / PLANS

RECREATIONAL FACILITIES

The operating budget for the pool was impacted significantly in 2018 due to extensive repairs, closures, and aging infrastructure. The 41% increase in the expense lines for 2019 reflects the ongoing costs required to operate ineffective, inefficient, and outdated equipment. A reserve fund transfer of $50,000 has been budgeted in 2019 for any required emergency plumbing repairs to the pool and/or arena.

Contracted Service budget lines have been streamlined to more accurately reflect the overall costs of external trades expertise required for aging facilities such as plumbing, electrical, and HVAC contractors.

Staff anticipate a decrease in utilities consumption at the Recreation Centre in 2019 due to recent repairs and capital projects completed in 2018. Water usage at the pool has dropped by approximately 25% since the repairs to the pool basin; gas usage has also decreased by approximately 12,000 cubic meters per year since the installation of the new pool boiler and the purchase of the new arena chiller. This evidence suggests the potential for greater savings in the future with the installation of modern energy efficient systems.

Operational staff schedules at the Recreation Centre have been updated to reflect the operational needs of the department, accounting for the trends in ice utilization that have occurred over the last decade. Significant reductions in part-time labor have also been realized from allocating our existing human resources more effectively.

Due to ongoing vandalism at Babcock Mill, increases to the operating budget are required for this site to install more lighting, replace the metal cladding on the pump house, and additional resources to deal with such matters.

The floor at Neilson Store on Amherst Island will be refinished in 2019, creating a renewed look for this historical property on Amherst Island.

PROGRAMS & SERVICES

National Youth Week

- The Recreation Department will coordinate and promote a variety of youth-related activities taking place across the community during National Youth Week (May 1-7)
- Current discussions regarding a partnership with Ernestown Secondary School, local businesses, and Lennox and Addington County to offer a one-day workshop to promote youth retention and entrepreneurship in Loyalist Township

National Youth Week

Volunteer Recognition 2019 Plan

- Individuals or groups who have made a significant volunteer contribution to Loyalist Township will be acknowledged during National Volunteer Week, (April 7-13)
- Nominees will be invited to attend a catered reception and receive official recognition from Mayor/Council preceding the Council Meeting on April 8, 2019
- Opportunity for Council to provide input into this event will take place prior to the event

Summer Arts and Culture Series

- Expanding on the existing successful summer concert series will be a focus in 2019 to include children's entertainment and art/cultural components
- Increased promotion of local art shows, music festivals, and implementation of a Museum tour package
- Some identified partners to date for this initiative include: Bath Sunday Market, Wilton Community Association, Odessa Agricultural Society, and Bath Artisans

Mayor's Breakfasts

- Hosting of two events annually (spring/fall) that provide an opportunity for Mayor/Council to host and engage directly with Township community and business leaders
- These events will provide the engagement opportunities with stakeholders that were previously provided by Leadercast

Cross Program Marketing

- Programming team will continue to build on the success of the summer swim camp and the inclusion of Aquafit with the FIT Pass
- Provide the opportunity to introduce new programs and facilities to participants who typically only attend single classes in one location
- Enables the sharing of staff resources between land and aquatics programs

PerfectMind Registration Software

- With the recent full implementation of this new software, the project team continues in depth staff training in order to utilize the full capacity and capabilities of this updated technology
- New software provides the platform for increased efficient marketing and communication with clients

Sponsorship Opportunities

- Continue to build on the successful sponsorships created in 2018 to develop more opportunities that are tailored to different businesses throughout the community.
- Expand on advertising opportunities throughout the WJ Henderson Recreation Centre to include the pool and lobby areas

Community Partnerships

- Partnerships with Community Organizations at the Leisure & Activity Centre include
  - Loyalist Health Team offering the Metabolic Change Program
  - Victorian Order of Nurses (VON) offering free Falls Prevention Workshops
  - The Interesting Years senior's organization hosting monthly meetings and weekly card games
- Continue to strengthen the partnerships with Volunteer Organizations:
  - Lions Clubs (Amherstview, Bath, Odessa)
  - Wilton Community Association
  - Odessa Agricultural Society
  - Fairfield Homestead Association
  - Minor Sports Organizations
  - Bath Museum Committee
  - Neilson Store & Cultural Centre Committee
  - Amherst Island Recreation Committee (*new*)
  - Bath Gardening Club
  - Bath Canada Day Committee

Fitness Programs at the Leisure & Activity Centre

- Revised staffing structure has improved staffing consistency, enhanced programming and decreased cancellation of day time fitness classes
- Flexibility provided by the FIT Pass continues to be very successful
- Mid-Morning and senior fitness classes are at capacity with users requesting larger space
- Clients must reserve spots for several FIT Pass classes to help alleviate some of the capacity issues

Satellite Programming

- Continue to build on the success of our programming on Amherst Island, Bath, and Odessa

Volunteers

Individuals or groups who have made a significant volunteer contribution to Loyalist Township will be acknowledged during National Volunteer Week, (April 7-13)

Staffing

- With the potential movement of the Recreation Department's Customer Relations & Marketing Coordinator to a Corporate Communications Officer, this vacancy will need to be filled in 2019. This position's responsibilities will be revised to address the need for increased Customer Service and the streamlining of supervision of front-line clerical staff. Part-time existing positions will be reassigned in order to dedicate time solely to marketing and sponsorship initiatives. The above resource updates will all be completed within existing staffing budgets.

Parks & Sport Fields:

Although the outside operational responsibilities for parks and sport fields lie within Public Works, the operational priorities, seasonal work plans, and capital projects take place under a matrix model between Recreation Services, Public Works, and Infrastructure Services. Due to this collaborative structure, budgets for parks and sport fields are submitted jointly.

- Installation of sport field lighting timers at all fields will continue to reduce hydro costs
- Enhancing beautification initiatives by both the addition and expansion of flower displays and flowerbeds throughout the Township
- Staff to focus on professional development in Turf Management and ensuring best management practices are in place
- Continuing focus on providing well maintained, safe, pest free parks by way of geese and noxious weed management

4.4 Planning & Development Services

EXECUTIVE SUMMARY

The 2019 net Operating Budget for Planning and Development is $918,700. This is an increase of $161,700 or 21.4% over 2018.

There is no material change in service level, and no increase in the number of staff in the various departments. The primary reasons for increases in the respective budget areas are as follows:

Planning

- Expenses up due to preparation of studies (largely offset by development charge revenue - net $10,000)
- Salary adjustments based on 2018 management compensation review
- Application revenue down $12,000 (reduced number of applications going before Committee of Adjustment)

Development

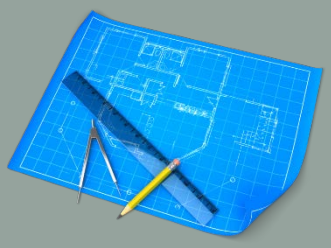
- Increases primarily due to increases in staff time devoted to the two industrial areas (Engineering & Planning)

Building

- Conservative revenue projection (reduced by about $54,000 from 2018 budget figures)
- Some addtional software ($30,000)

21.4%

Increase in Planning Operating Budget



PLANNING & DEVELOPMENT - 2019 OPERATING BUDGET									
	Planning	Development	Building	Property Standards	Heritage	Total	Total 2018 Budget	$ Change	% Change
Revenue									
Grants	-	-	-	-	-	-	-	-	
Fees & User Charges	(70,000)	-	-	-	-	(70,000)	(82,000)	12,000	-14.6%
Licenses, Permits	-	(20,000)	(500,100)	-	-	(520,100)	(574,500)	54,400	-9.5%
Rents	-	-	-	-	-	-	-	-	-
Other Revenue	(4,500)	(596,900)	-	-	-	(601,400)	(388,900)	(212,500)	54.6%
From Reserves/Reserve Funds	(40,500)	-	-	-	-	(40,500)	-	(40,500)	100.0%
2019 Budgeted Revenue	**(115,000)**	**(616,900)**	**(500,100)**	**-**	**-**	**(1,232,000)**	**(1,045,400)**	**(186,600)**	**17.8%**
Expenses									
Salaries, Wages & Benefits	443,800	286,000	467,900	9,200	24,500	1,231,400	1,176,200	55,200	4.7%
Debt Principal & Interest	-	89,300	-	-	-	89,300	92,000	(2,700)	-2.9%
Insurance	-	-	9,100	-	-	9,100	9,300	(200)	-2.2%
Utilities	-	-	-	-	-	-	-	-	-
Non-Discretionary Expenses	443,800	375,300	477,000	9,200	24,500	1,329,800	1,277,500	52,300	4.1%
Contracted Services	-	2,000	300	-	-	2,300	71,100	(68,800)	-96.8%
Supplies, Materials & Other	87,500	37,900	44,200	1,000	29,000	199,600	126,300	73,300	58.0%
Contribution to Capital	-	3,000	30,000	-	-	33,000	33,000	-	100.0%
Contribution to Reserve Fund	-	284,000	10,000	-	-	294,000	10,000	284,000	2840.0%
Internal Allocations	147,100	80,100	64,800	-	-	292,000	284,500	7,500	2.6%
Discretionary Expenses	234,600	407,000	149,300	1,000	29,000	820,900	524,900	296,000	56.4%
2019 Budgeted Expenses	**678,400**	**782,300**	**626,300**	**10,200**	**53,500**	**2,150,700**	**1,802,400**	**348,300**	**19.3%**
2019 Net Budget	**563,400**	**165,400**	**126,200**	**10,200**	**53,500**	**918,700**	**757,000**	**161,700**	**21.4%**

PLANNING & DEVELOPMENT - TRENDING REPORT						
2019	**2019 Budget**			**Budget % Change Over 2018**		
	Revenue	Expense	Net	Revenue	Expense	Net
Planning	(115,000)	678,400	563,400	47.4%	12.9%	7.7%
Development	(616,900)	782,300	165,400	49.4%	39.9%	13.1%
Building	(500,100)	626,300	126,200	-9.8%	8.1%	408.9%
Property Standards	-	10,200	10,200	-	13.3%	13.3%
Heritage	-	53,500	53,500	-	-	-
	(1,232,000)	**2,150,700**	**918,700**	**17.8%**	**19.3%**	**21.4%**
2018	**2018 Budget**			**2018 YTD Actuals (as of Nov. 30)**		
	Revenue	Expense	Net	Revenue	Expense	Net
Planning	(78,000)	601,000	523,000	(52,552)	559,576	507,023
Development	(412,900)	559,100	146,200	(250,823)	470,332	219,509
Building	(554,500)	579,300	24,800	(422,977)	560,530	137,553
Property Standards	-	9,000	9,000	-	53,923	53,923
Heritage	-	54,000	54,000	-	28,311	28,311
	(1,045,400)	**1,802,400**	**757,000**	**(726,352)**	**1,672,672**	**946,320**
2017	**2017 Budget**			**2017 Actuals**		
	Revenue	Expense	Net	Revenue	Expense	Net
Planning	(74,000)	561,300	487,300	(119,820)	553,689	433,869
Development	(277,400)	442,700	165,300	(225,558)	527,084	301,526
Building	(552,000)	530,200	(21,800)	(810,279)	535,535	(274,744)
Property Standards	-	15,500	15,500	-	5,425	5,425
Heritage	-	59,200	59,200	-	34,696	34,696
	(903,400)	**1,608,900**	**705,500**	**(1,155,657)**	**1,656,428**	**500,771**

2019 KEY INITIATIVES / PLANS

PLANNING

- Population/growth study (supports development charge study and infrastructure master planning)
- Development charge study (required by legislation every five years and needed to protect Township's revenue source)
- Finalize Official Plan update (required by *Planning Act* plus meet Township and Council directions)

DEVELOPMENT

- Sale of 100 acres of land should be closing

Planning

- Population growth study
- Development charge study
- Official Plan update

BUILDING

- Implementation of new departmental software (old software not supported after end of 2019)

HERITAGE

- Plaque/recognition program
- Heritage designations (Hawley House, Loyalist Parkway gates and Babcock Mill - updated description)
- More outreach and communications to public about heritage – could be subject to some change as there are new members on the Committee

OTHER

New subdivision applications are expected in 2019 (unit yields are in brackets):

- Bath (250-300 units),
- Amherstview (40 units)
- Odessa (24 units

Site servicing of lots to occur in:

- Bath (38)
- Amherstview (40 to 140)
- Odessa (162)

These applications are processed by the Planning Department.

In terms of Geographic Information System (GIS) services, the system is being upgraded to facilitate asset management, and apps are being developed for field workers to collect data/information.

4.5 Corporate Services

EXECUTIVE SUMMARY

The 2019 Operating Budget for Corporate Services is $2,328,600. This is an increase of $235,400 or 11.2% over 2018.

One of the areas of increase relates to salaries, wages and benefits, which have increased by $388,000. In addition to normal escalation, salary grid movement and changes approved from the 2018 non-union compensation review, other factors include:

$35,000

- Increase in Councillors' salaries and related benefits to reflect loss of tax-free allowance

$170,000

- Increase related to CAO compensation, previously budgeted in professional fees

$40,000

- Increase in IT salaries applied to operations rather than to capital projects

$35,000

- Related to increasing communications staff from half time to full-time to augment community communication and engagement efforts

$55,000

- For facility maintenance staff reallocated from other departments to reflect expected work at corporate facilities

$21,000

- For health and safety training budgeted in Human Resources

$30,000

- For legal fees budgeted in Human Resources - previously in Administrative Services

Property Tax 2019

The Loyalist Township portion of the property tax rate is proposed to increase by 2%.

Other significant changes include the following:

Revenues:

o $144,000 increase in expected interest earned on bank accounts

o $55,000 reduction in transfer from reserve funds, as the prior year include a transfer from the elections reserve to fund the costs for the 2018 municipal election

Expenses:

o $180,000 reduction in professional fees to offset increased salary and benefit budget for CAO as noted above

o $50,000 reduction in costs for IT capital

o $159,000 increase in transfers to reserves/reserve funds – $10,000 for IT capital, $20,000 set aside for the next election, and increased working capital and other municipal asset replacement reserve contributions.

CORPORATE SERVICES - 2019 OPERATING BUDGET									
	Council	Admin. Services	IT	Corp. Facility Maint.	Cemeteries	Total	Total 2018 Budget	$ Change	% Change
Revenue									
Grants	-	(17,500)	-	-	-	(17,500)	-	(17,500)	100.0%
Fees & User Charges	-	(3,900)	-	-	(6,100)	(10,000)	(12,400)	2,400	-19.4%
Licenses, Permits	-	(44,500)	-	-	-	(44,500)	(47,100)	2,600	-5.5%
Rents	-	(3,000)	-	(16,200)	-	(19,200)	(19,200)	-	-
Other Revenue	-	(488,500)	-	-	(1,300)	(489,800)	(351,300)	(138,500)	39.4%
From Reserves/Reserve Funds	-	-	-	-	-	-	(55,200)	55,200	-100.0%
2019 Budgeted Revenue	**-**	**(557,400)**	**-**	**(16,200)**	**(7,400)**	**(581,000)**	**(485,200)**	**(95,800)**	**19.7%**
Expenses									
Salaries, Wages & Benefits	180,600	1,609,500	182,300	196,700	-	2,169,100	1,780,800	388,300	21.8%
Debt Principal & Interest	-	-	-	-	-	-	-	-	-
Insurance	-	86,500	-	1,300	-	87,800	78,500	9,300	11.8%
Utilities	-	-	-	63,000	-	63,000	63,200	(200)	-0.3%
Non-Discretionary Expenses	180,600	1,696,000	182,300	261,000	-	2,319,900	1,922,500	397,400	20.7%
Contracted Services	-	59,500	-	10,700	23,000	93,200	69,200	24,000	34.7%
Supplies, Materials & Other	100,000	582,300	558,300	31,100	55,600	1,327,300	1,355,400	(28,100)	-2.1%
Contribution to Capital	-	-	225,000	-	-	225,000	275,000	(50,000)	-18.2%
Contribution to Reserve Fund	-	439,200	10,000	18,200	-	467,400	302,300	165,100	54.6%
Internal Allocations	10,800	(1,024,700)	(509,300)	-	-	(1,523,200)	(1,346,000)	(177,200)	13.2%
Discretionary Expenses	110,800	56,300	284,000	60,000	78,600	589,700	655,900	(66,200)	-10.1%
2019 Budgeted Expenses	**291,400**	**1,752,300**	**466,300**	**321,000**	**78,600**	**2,909,600**	**2,578,400**	**331,200**	**12.8%**
2019 Net Budget	**291,400**	**1,194,900**	**466,300**	**304,800**	**71,200**	**2,328,600**	**2,093,200**	**235,400**	**11.2%**

CORPORATE SERVICES - TRENDING REPORT						
2019	**2019 Budget**			**Budget % Change Over 2018**		
	Revenue	Expense	Net	Revenue	Expense	Net
Council	0	291,400	291,400	-	25.9%	25.9%
Election	0	20,000	20,000	-	-67.5%	212.5%
Administrative Services	(498,400)	592,800	94,400	45.9%	13.9%	-47.1%
Bylaw & Animal Control	(59,000)	134,600	75,600	-4.4%	0.7%	5.1%
Crossing Guards	0	81,200	81,200	-	-3.2%	-3.2%
Human Resources	0	81,600	81,600	-	150.3%	150.3%
Finance	0	842,100	842,100	-	1.7%	1.7%
Information Technology	0	466,300	466,300	-	37.9%	37.9%
Odessa Office Maintenance	0	112,800	112,800	-	-9.1%	-9.1%
Facility Maintenance	0	183,000	183,000	-	71.8%	71.8%
88 Main Street Bath	(16,200)	25,200	9,000	-	-1.2%	-3.2%
Cemeteries	(7,400)	78,600	71,200	-28.8%	-15.4%	-13.7%
	(581,000)	**2,909,600**	**2,328,600**	**19.7%**	**12.8%**	**11.2%**
2018	**2018 Budget**			**2018 YTD Actuals (as of Nov. 30)**		
	Revenue	Expense	Net	Revenue	Expense	Net
Council	-	231,400	231,400	(3,155)	219,663	216,508
Election	(55,200)	61,600	6,400	(55,200)	40,667	(14,533)
Administrative Services	(341,700)	520,300	178,600	(547,461)	547,401	(60)
Bylaw & Animal Control	(61,700)	133,600	71,900	(46,964)	125,770	78,806
Crossing Guards	-	83,900	83,900	-	68,259	68,259
Human Resources	-	32,600	32,600	-	46,254	46,254
Finance	-	827,900	827,900	(75,000)	728,400	653,400
Information Technology	-	338,100	338,100	-	287,679	287,679
Odessa Office Maintenance	-	124,100	124,100	-	100,649	100,649
Facility Maintenance	-	106,500	106,500	-	159,116	159,116
88 Main Street Bath	(16,200)	25,500	9,300	(15,832)	27,589	11,756
Cemeteries	(10,400)	92,900	82,500	(4,442)	34,775	30,334
	(485,200)	**2,578,400**	**2,093,200**	**(748,053)**	**2,386,223**	**1,638,170**
2017	**2017 Budget**			**2017 Actuals**		
	Revenue	Expense	Net	Revenue	Expense	Net
Council	(200)	229,300	229,100	(164)	210,683	210,518
Election	-	19,400	19,400	-	20,079	20,079
Administrative Services	(328,400)	548,300	219,900	(521,308)	603,137	81,829
Bylaw & Animal Control	(61,100)	128,200	67,100	(52,895)	116,645	63,750
Crossing Guards	-	75,200	75,200	-	73,299	73,299
Human Resources	-	33,700	33,700	-	23,532	23,532
Finance	-	751,600	751,600	-	715,586	715,586
Information Technology	-	323,200	323,200	(1,558)	382,129	380,570
Odessa Office Maintenance	-	109,500	109,500	-	113,836	113,836
Facility Maintenance	-	49,100	49,100	-	104,552	104,552
88 Main Street Bath	(15,600)	25,600	10,000	(15,922)	41,377	25,455
Cemeteries	(10,400)	124,800	114,400	(7,279)	59,546	52,267
	(415,700)	**2,417,900**	**2,002,200**	**(599,126)**	**2,464,399**	**1,865,273**

2019 KEY INITIATIVES / PLANS

CORPORATE STRATEGIC INITIATIVES

- Employee Engagement Project
- New Strategic Plan
- Organizational Review

ADMINISTRATIVE SERVICES - CLERK

Work will continue on the development of a new document management system to improve the organization, security, access and storage of current and archived documents. Staff will be reviewing the current structure and will be recommending and trialing changes throughout 2019.

Additional costs of $30,000 have been included for the Integrity Commissioner hired by the Township.

A full review of several bylaws and policies will take place, including the implementation of a complaint protocol.

ADMINISTRATIVE SERVICES - COMMUNICATIONS

For 2019, the plans include a full-time communications officer, previously half-time. This additional service will enhance communications in the following ways:

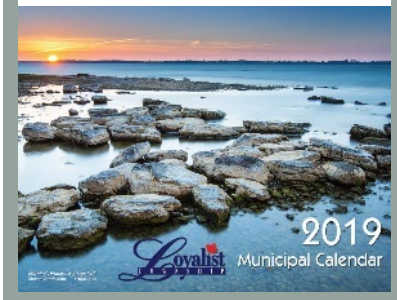
- Developing a community which is well informed about Township matters and feels engaged in decision making
- Improving coordination amongst departments to deliver information to residents
- Increasing the frequency and quality of proactive and professional communications

This expanded position will work on:

- New Township website development
- Development of a corporate feedback page on the website
- Council media releases
- Calendar coordination
- Annual report card of accomplishments to the public
- Streaming and tweeting of council meetings
- Economic Development communiques

New in 2019

- (County) Integrity Commissioner
- Communications Officer



HUMAN RESOURCES

- New collective agreements will be negotiated for both CUPE and OPSEU, as the previous agreements expired December 31, 2018.
- Recruitment of new CAO for the Township
- Review and update of human resources policies

FINANCE

- Working with Utilities and Engineering staff to complete a water rate study to enable Council to set rate beginning for 2020
- The current Development Charges by-law expires in 2020. In 2019, staff will be hiring a consultant to begin to perform the required background study
- The current Vendor of Record list is currently being reviewed and will be updated through 2019. This will include initiating competitive procurement processes for common goods and services used by the municipality.
- Continue to fine tune payroll processes and controls with the introduction of automated time entry for 2019

Finance will work closely with Engineering to update the asset management plan. New requirements over the next five years include:

INFORMATION TECHNOLOGY

- Continue with annual computer replacement program. There are 38 computers eligible for replacement though staff will look for opportunities to defer replacements where possible to reduce overall expense.
- Annual printer replacements for the larger footprint Multifunction printers in Odessa Office and WJ Henderson Centre.
- Working with our managed IT Service partner to upgrade our Windows Servers to Windows 2016, up from Windows 2008/2012.
- Assisting Emergency Services where necessary with new RMS Software
- Security Camera installation for Babcock Mill
- Additional Wi-Fi installed at WJ Henderson Centre and Amherst Island Firehall/Roads Garage to allow for stronger and larger coverage areas, plus additional security.
- Implementation of software to provide enhanced security for email systems.

FACILITY MAINTENANCE

The Facility Maintenance department consists of administrative salaries for the Superintendent and the Supervisor of Facilities and Operations, which are shared with the Recreation Department in a 60/40 split. In addition, a portion of the salaries and benefits of two Facility Maintenance Attendants are coded to this department when they spend time performing administrative tasks, attending training, working on health and safety items, and completing corporate projects, etc. Since 2017, staff have been more accurately allocating the salaries of Facility Maintenance staff across all departments to reflect their actual time spent in the facilities in which they work.

Staff training budget in this department for 2019 allows for additional health & safety training, DZ licensing, welding and electrical training, and reflects our investment in the skill development of the Facility Maintenance Attendants.

Costs have been included in 2019 to purchase required tools and other operational equipment to further enable the Facilities Maintenance Attendants to complete more maintenance work in house.

4.6 External Agencies

EXTERNAL AGENCIES - 2019 OPERATING BUDGET						
	Police Services	Conservation Authority	Total	Total 2018 Budget	$ Change	% Change
Revenue						
Grants	(12,000)	-	(12,000)	(12,000)	-	-
Fees & User Charges	-	-	-	-	-	-
Licenses, Permits	-	-	-	-	-	-
Rents	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
From Reserves/Reserve Funds	-	-	-	-	-	-
2019 Budgeted Revenue	**(12,000)**	**-**	**(12,000)**	**(12,000)**	**-**	**-**
Expenses						
Salaries, Wages & Benefits	-	-	-	-	-	-
Debt Principal & Interest	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
OPP/Conservation	2,375,700	208,400	2,584,100	2,501,900	82,200	3.3%
Non-Discretionary Expenses	2,375,700	208,400	2,584,100	2,501,900	82,200	3.3%
Contracted Services	-	-	-	-	-	-
Supplies, Materials & Other	500	-	500	500	-	-
Contribution to Capital	-	-	-	-	-	-
Contribution to Reserve Funds	-	-	-	-	-	-
Internal Allocations	-	-	-	-	-	-
Discretionary Expenses	500	-	500	500	-	-
2019 Budgeted Expenses	**2,376,200**	**208,400**	**2,584,600**	**2,502,400**	**82,200**	**3.3%**
2019 Net Budget	**2,364,200**	**208,400**	**2,572,600**	**2,490,400**	**82,200**	**3.3%**

EXTERNAL AGENCIES - TRENDING REPORT						
2019	**2019 Budget**			**Budget % Change Over 2018**		
	Revenue	Expense	Net	Revenue	Expense	Net
Police Services	(12,000)	2,376,200	2,364,200	-	2.8%	2.8%
Conservation Authority	0	208,400	208,400	-	8.9%	8.9%
	(12,000)	**2,584,600**	**2,572,600**	**0.0%**	**3.3%**	**3.3%**
2018	**2018 Budget**			**2018 YTD Actuals (as of Nov. 30)**		
	Revenue	Expense	Net	Revenue	Expense	Net
Police Services	(12,000)	2,311,100	2,299,100	(14,077)	1,733,342	1,719,265
Conservation Authority	-	191,300	191,300	-	190,730	190,730
	(12,000)	**2,502,400**	**2,490,400**	**(14,077)**	**1,924,072**	**1,909,995**
2017	**2017 Budget**			**2017 Actuals**		
	Revenue	Expense	Net	Revenue	Expense	Net
Police Services	(10,900)	2,343,500	2,332,600	(20,672)	2,342,229	2,321,557
Conservation Authority	-	176,300	176,300	-	176,068	176,068
	(10,900)	**2,519,800**	**2,508,900**	**(20,672)**	**2,518,297**	**2,497,625**

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.

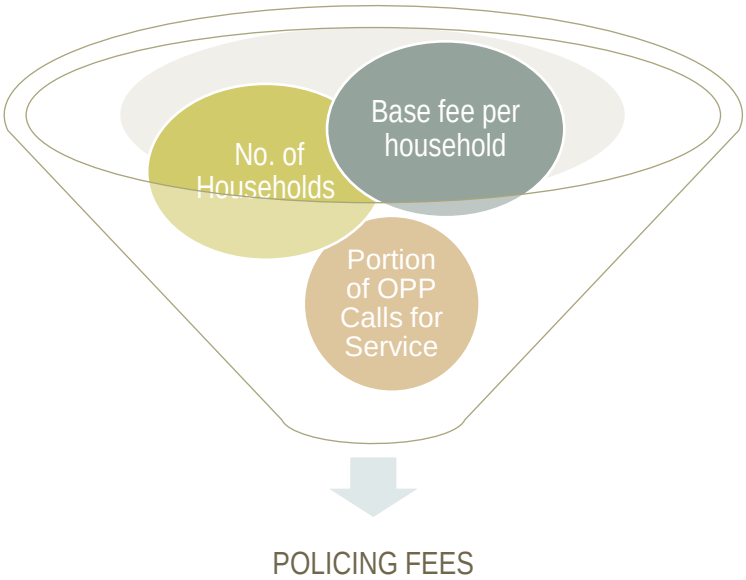
The 2019 budget for the Cataraqui Conservation Authority is based on the information provided in the request from the Cataraqui Conservation Authority as forwarded to the municipality and presented to Council at the January 14, 2019 open session. The 2019 levy requested totals $201,820, an overall increase of $17,420 or approximately 9.4% over 2018. The overall budget highlights outlining the increases are as follows:

- 3.8% increase in expenses
- Addresses revenue challenges and uncontrollable costs
- Delayed implementation of staff wage adjustments
- Maintaining reserve transfers for capital projects
- Process improvements undertaken in 2018
- 27 capital projects proposed totaling $832,600

The Quinte Conservation Authority has not provided their levy request as of this publishing. It is expected to be received soon. Based on prior years, a total amount of $6,500 was included in the 2019 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 various capital projects. All projects are at a minimal cost historically and are included in the 2019 budget.

POLICE

Policing in Loyalist Township is provided by the Ontario Provincial Police (OPP). The 2019 billing statement provided to Loyalist was prepared in accordance with the municipal policing cost-recovery billing methodology approved by the Treasury Board / Management Board of Cabinet on August 13, 2014. The 2019 policing calculation includes an adjustment of $32,609 related to the 2017 Year-end to account for the variance between total Annual Billing Statement estimated costs and Reconciled Year-end Summary costs. This adjustment includes any differences between the amounts billed by the police based on the estimated costs, and the reconciled actual year-end cost calculated. After incorporating this one-time adjustment, the total 2019 police charges have increased by 2.8% over 2018.



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

9.4%
Increase to Conservation Authority over 2018.

2.8%
Increase to Police Charges over 2018.

community in addition to the community portion of the cost for OPP calls for service in the Province.

For 2019 billing purposes the allocation of the municipal workload has been calculated to be 56.2% (2018 57.4%) Base Service and 43.8% (2018 42.6%) 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					
		2019		2018	
Base Service	Number of properties	7,016		6,942	
	Cost per property	$ 189.54	$ 1,329,813	$ 191.35	$ 1,328,352
Calls for Service	Total:	$ 156,778,914		$ 150,757,055	
	Loyalist Portion	0.6148%	$ 963,841	0.6041%	$ 910,680
Overtime			$ 63,872		$ 63,502
Prisoner Transportation	Per property cost:	$ 2.27	$ 15,926	$ 2.19	$ 15,203
Accommodation/Cleaning Services	Per property cost:	$ 4.90	$ 34,378	$ 4.77	$ 33,113
Total Billing			$ 2,407,830		$ 2,341,811
2015 Year-end Adjustment			$ -		-$ 43,576
2016 Year-End Adjustment			$ -		$ 3,335
2017 Year-End Adjustment			-$ 32,609		$ -
Adjusted Total Billing			$ 2,375,221		$ 2,310,609
Monthly Billing Amount			$ 197,935		$ 192,551

5. General Rate Capital Budget Overview

EXECUTIVE SUMMARY

The 2019 General Rate capital budget is proposed at $6.4 million. The five-year capital plan for 2019 to 2023 currently in the asset management plan approximates $53.2 million. The driving force behind the annual capital budget continues to be the corporate Asset Management Plan. The plan presented to Council in November 2017 continues to be updated and expanded.

The total replacement cost of all Township assets is $589 million. Approximately 48% of the total Township assets are Sewer and Water assets. Approximately $55.4 million of Township assets (general rate and utilities) are in poor and very poor condition, a slight improvement from $69.9 million as of December 31, 2017. These figures are all prior to any 2018 additions or adjustments, and thus, will be further improved once these adjustments are made at year-end completion.

The review, analysis and assessment of the asset's condition, consequence of failure and associated risk, determine which assets are critical and require replacement, as well as their priority.

Engineering staff continue to review and update the expected replacement dates for the Township's linear assets. A plan was implemented to, where possible, schedule work that will extend the life of some assets so that major replacement of linear assets can be coordinated and replaced at the same time. For example, resurfacing roads can extend the useful life so that it matches the end of life for the linear assets under the road. Alternatively, staff can reline a watermain to greatly extend its useful life if the related sections of

Assets

The total replacement cost of all Township assets is $589 million; of which $55.4 million is in poor and very poor condition, a slight improvement from $69.9 million as of December 31, 2017.

road do not require replacement or only the road surface requires replacement.

Future asset management planning is a key initiative for 2019. Staff are currently focused on obtaining training and utilizing existing technological resources to update data in order to adhere to the new Ontario Regulation 588/17. This plan is, and will continue to be, an excellent tool for staff to use to set capital priorities and maximize the capital asset value over its useful life.

Currently, there is a significant funding deficit in both the general and utility rate long term capital budgets. Staff will need to be diligent in exploring all possible grants and other revenue generating opportunities. As with most Ontario municipalities, sound program and financial planning will be required to provide information that is needed to support council decisions in balancing the need to invest in and replace capital infrastructure while maintaining moderate increases in the Township property tax rate.

2019 GENERAL RATE CAPITAL BUDGET TABLE					
	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
120 - Odessa Admin Office	-	156,927	-	-	5,661
123- Corporate IT Support	233,590	156,449	68,672	163,474	435,053
210- Emergency Services	630,680	560,000	728,841	935,000	710,000
217 - Odessa Fire Station	-	137,048	-	7,441	285,149
218 - Amherstview Fire Station	-	-	-	-	93,579
219 - Bath Fire Station	-	37,782	-	211,442	104,428
240- Building Inspection	30,000	-	-	-	-
332 - Township Safety Devices	-	-	-	110,537	63,989
337 - Amherst Island Garage	20,000	-	-	-	33,359
338 - Transportation Vehicles & Equipment	302,612	478,903	494,832	118,219	-
339- Bath Public Works Garage	-	300,000	-	-	25,023
340- Roads Hardtop	2,124,827	6,515,229	1,987,349	2,445,475	4,394,502
341- Bridges & Culverts	140,000	1,531,016	1,153,498	290,874	548,820
343- Roads Loosetop	720,000	57,666	-	347,252	-
345- Roads Equipment	16,500	389,913	338,932	167,178	287,683
347- County Road 6 Garage	583,500	900,000	-	19,494	383,702
348 - County Rd 6 Sand and Salt Storage Facility	-	-	-	27,610	-
350- Storm Sewer System- Urban	25,600	263,826	5,600	54,037	55,300
351 - Storm Sewer System - Rural	525,423	-	-	-	-
361 - Streetlights	-	162,448	-	-	-
366- Sidewalks/ Curbs	15,000	-	-	-	-
432 - Fairfield Water Distribution	38,100	-	-	-	-
465- Violet Landfill	-	-	64,594	-	-
701 - Bath Centennial Park South	225,000	-	-	-	-
703 - Bath Park	22,000	15,000	-	-	-
707 - Briscoe Park	82,835	-	-	-	-
709 - Odessa Centennial Park	30,000	-	-	7,520	-
710 - Recreation Services	54,210	72,880	68,895	123,993	31,391
712 - Amherstview Centennial Park	-	-	2,303	-	-
715 - W.J. Henderson Rec Centre	112,000	1,638,710	8,443	73,768	13,590,790
718 - Jessup Lane Park	-	-	-	-	1,147
719 - Finkle's Shore Park	97,000	-	8,000	-	-
724 - J. Earl Burt Memorial Park	-	30,000	-	-	-
725 - Kilminster Park	30,000	31,792	-	-	-
726 - Lakeview Park	-	-	6,861	-	-
728 - Loyalist park	80,000	-	-	-	-
732- Millcreek Park	11,590	-	-	-	-
736 - Sk8er Park	-	50,000	-	-	-
739 - Willie Pratt Sports Field	-	5,000	-	66,467	277,180
742 - Leisure and Activity Centre	53,000	6,000	9,060	27,769	-
750 - Parks	100,000	-	-	-	-
753 - Sportsfields	5,000	-	-	-	-
754 - Sand Beach	10,000	-	-	-	-
760 - Babcock Mill & Park	5,000	-	-	-	-
761 - Fairfield House & Park	15,000	127,000	-	-	-
771 - Amherstview Community Hall	35,000	16,388	-	42,120	174,530
774 - Neilson Store & Stella Bay Park	-	15,000	-	-	-
776 - Wilton Hall	-	100,000	-	-	-
810- Planning and Development Services	-	-	99,012	-	-
870- Loyalist East Business Park	56,000	1,240,000	-	-	-
No Asset Type	-	-	-	-	10
Grand Total	**6,429,467**	**14,994,977**	**5,044,892**	**5,239,671**	**21,501,296**

Extensive capital projects are proposed for 2020 and 2023 relating mainly to major road reconstructions, emergency fleet replacement, rehabilitation to the W.J. Henderson Recreation Centre and its subsequent expansion. Although a large portion of these projects will be funded through development charges, other reserves, and grants, there are still short and long-term deficits.

The following table includes pay as you go (PAYG) funding, which is contributions from operating to capital of $1.9 million plus another $506,000 included in provincial grants from non-departmental income.

2019 GENERAL RATE CAPITAL FUNDING	
Pay As You Go (PAYG)	1,929,100
Grants	2,466,600
Federal Gas Tax	515,000
Development Charges	666,700
Other Reserves	56,000
Debt	796,100
Total Funding	6,429,500

The 2019 capital budget is fully funded, including debt financing of $796,100. This debt is associated with road surfacing work to be completed on Amherst Island.

In order to fully fund the 2019 budget, 15 capital projects totaling approximately $1,769,500 were deferred to future years including the following:

- Outbuilding for fixed generator at Bath Fire station
- Odessa office roof and curb
- Various IT reductions including deferral of SCADA network for Utilities
- Odessa West Drainage Phase 1 construction
- Bath Garage expansion for Facilities Maintenance
- Other less significant parks and siteworks within Recreation Services

RESERVE FUNDS

Reserves and reserve funds are important financial management tools that are an essential part of a sound fiscal policy to address long term capital needs of the municipality. They are also beneficial in mitigating the Township's financial risk and strengthening the Township's ability to withstand unforeseen expenditure requirements and negative impacts on revenue sources.

The Township reserve funds have increased to approximately $11.9 million at the end of 2018. The reserve funds are broken down into five different categories:

TYPE	BALANCE	DESCRIPTION
OBLIGATORY RESERVE FUNDS	$2.3 million	Development charges, Gas Tax, etc.
RESTRICTED RESERVE FUNDS	$2.2 million	Landfill, Industrial Park, Community Vibrancy Fund etc.
SPECIAL AREA RESERVE FUNDS	$6.1 million	Impost fees, Ferry operations, etc.
CONTINGENCY RESERVE FUNDS	$223,000	Worker's Compensation
ASSET REPLACEMENT RESERVE FUND	$1.1 million	Fire Training Centre, equipment replacement, etc.

The biggest portion of Township reserve funds is made up of development charges and impost fees. This accounts for approximately $7.4 million or about 61%. These funds are available for growth projects only, meaning this money is not available to fund capital replacement.

To help plan for non-growth-related future capital plans, the draft budget proposes that the level of reserve fund transfers for 2019 increase to $1,337,800, not including impost fees, using some of the extra funds available from higher than average tax growth from 2018 to increase reserve fund balances. Setting some of this growth aside will establish some funds to be available for future priorities as set by council. These increased transfers consist of the following:

- Proposed transfers to reserve funds for 2019 of $413,100 to build on the strategy approved by council in 2018 whereby allocations from vehicle-utilizing departments are budgeted to the Municipal Capital Reserve Fund for the future replacement of fleet. The Township currently separates the cost of vehicles and in some cases, charges operating and other costs through charge back rates. These rates and/or other cost recovery means should be capturing a component for capital replacement and as such, staff are looking into incorporating this in the internal allocations with future budgets.

- Proposed transfers for specific municipal capital including the Recreation Centre, emergency repairs/replacement to the existing recreation arena, utilities capital replacement, and information technology totaling $403,700.

- Proposed transfers for other items such as transferring $50,000 fees to reserve funds for future quarry roads rehabilitation totaling $50,000 and capital costs associated with business park servicing, contingent on net proceeds of corresponding land sales.

Total proposed reserve and reserve fund contributions for 2019 are as follows:

2019 RESERVE FUND CONTRIBUTIONS							
2019 Contributions:	Reserves	Restricted Reserve Funds	Special Area Reserve Funds	Municipal Capital Reserve Fund	Asset Replacement - Fleet	Contingency Reserve Fund	Total
Emergency Services	-	-	-	-	143,000	-	143,000
Infrastructure Services	-	-	-	50,000 (2)	217,000	-	267,000
Recreation Services	-	-	-	50,000	27,000	-	77,000
Planning & Development Services	-	284,000 (1)	-	-	10,000	-	294,000
Corporate Services	170,000	-	-	263,200	-	10,000	443,200
Total General Rate	170,000	284,000	-	363,200	397,000	10,000	1,224,200
Total Utility Rate			1,312,900	90,500	23,100		1,426,500
Total 2019 Contributions	170,000	284,000	1,312,900	453,700	420,100	10,000	2,650,700
Total 2019 Contributions excluding impost fees							1,337,800
(1) Contingent on net proceeds of land sales in business park							
(2) Derived from royalties to be used for general road work							

UNFINANCED CAPITAL OUTLAY

The unfinanced capital outlay ("UFCO") balance was $1,079,223 as of December 31, 2017. This has decreased significantly in the last five years when comparing the $8.6 million UFCO in 2014 including internal financing. The 2019 draft budget currently does not include funding to reduce this UFCO nor does it increase this balance. The 2018 budget included an additional UFCO however, due to timing of capital projects as of December 31, 2018, there will be no significant change anticipated to this balance.

2018 CAPITAL PROJECT UPDATE

The table on the following page is an update of significant projects from the 2018 capital budget. This does not include any 2017 capital projects carried forward.

It is anticipated that excess funding from McIntyre & Fred Brown roads will be moved to Princeton Reconstruction. Princeton has been deferred from 2018 due to cost savings identified and has since been deferred.

Watermain extension on Taylor Kidd Boulevard, water pipe replacement on Tower Road, and Amherst Dr. urbanization are all dependent on the developer and therefore have been included to be carried forward. Taylor Kidd Boulevard has been identified as fully recoverable from impost fees.

Utilities storage and workshop has been deferred in the past but is considered a priority to complete in 2019.

Arena chiller is complete; however, it is over budget. Movement of other unused recreation budget items will be requested to council to cover these costs.

The fire pumper is currently over budget; however, it is anticipated that the proceeds of the existing pumper will reduce this UFCO as approved by council resolution 2018.10.6.

CAPITAL PROJECT STATUS TABLE

Project	2018 Budget	Actuals YTD	Carry Forward	Status/Comment
McIntyre & Fred Brown Roads	1,556,700	1,334,930	No	Complete
Taylor Kidd - Development Oversizing & Modelling	1,163,000	27,166	Yes	Developer dependent
Princeton Reconstruction	727,700	48,080	Yes	In progress
LED Streetlight Conversion	458,000	239,974	Yes	Substantially completed
Breathing Appartatus - AJ Stone	425,000	423,214	No	Complete
Amherstview Water Tower Relining	382,900	377,438	No	Complete
HP Water Pipe on Tower Rd.	300,000	840	Yes	Developer dependent
Pool Equipment	225,000	189,952	No	Complete
Utilities Storage & C&D Workshop	185,000	-	Yes	To be completed in 2019
Arena Chiller	150,000	166,936	No	Complete
New Servers and server room work	140,000	120,381	Yes	In progress
Amherst Dr Urbanization	100,000	-	Yes	Developer dependent
Fleet and Equipment - Fire pick up truck	40,000	41,931	No	Complete
Fleet and Equipment - Fire pumper	374,400	397,678	No	Complete
Fleet and Equipment - Winter control pick up truck/plow	93,900	72,910	Yes	Delivered in 2019
Fleet and Equipment - Tandem plow	270,000	-	Yes	Ordered, delivery in 2019
Fleet and Equipment - Roads excavator	400,000	-	Yes	Ordered, delivery in 2019
Fleet and Equipment - Utilities pick up truck	37,000	37,520	No	Complete

$6.9 Million

in projects to be carried forward from 2017 and 2018.

2018 CAPITAL BUDGET CARRY FORWARD

As of the writing of this document, staff have reviewed the 2018 capital budget and 2017 carried forward projects with actuals spent to date and estimate that there is approximately $6.9 million to carry forward to 2019.

Identified in the above table is $3.3 million included in the above figure, of which $692,000 relates to fleet delivered or to be delivered in 2019, and $1.5 million that is contingent based on the developer.

Additionally, significant projects approved in 2016 and 2017 to be carried forward are estimated as follows:

- $713,700 - various projects at the Bath Water and Sewage Treatment Plants
- $425,800 - IT CityWide implementation & ongoing building software
- $223,500 - Water & sewer work on new Amherst Island Fire Station
- $262,500 - Municipal Office
- $229,400 - Water main relining (Cambridge/Kildare) & road design (Compton/Edgewood)
- $279,400 Bath Road sidewalks
- $100,000 Odessa West trunk pipe oversizing that is developer dependent

The total of all projects not yet completed will be carried forward to the 2019 budget year. Finalized 2018 capital numbers will be presented to Council in early 2019 which will provide the projects that have been capitalized, budget amounts that have been released, and final carry forward amounts.

6. General Rate Capital Budget Summaries

6.1 Emergency Services

EXECUTIVE SUMMARY

The 2019 Emergency Services Capital Budget requirements amount to $630,680. All the projects identified below are categorized as Lifecycle Maintenance as per Council Minute 2019.21.18 – Prioritization of Capital Projects.

CAPITAL SUMMARY - EMERGENCY SERVICES

	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
210- Emergency Services	630,680	560,000	728,841	935,000	710,000
217 - Odessa Fire Station	-	137,048	-	7,441	285,149
218 - Amherstview Fire Station	-	-	-	-	93,579
219 - Bath Fire Station	-	37,782	-	211,442	104,428
Grand Total	**630,680**	**734,830**	**728,841**	**1,153,883**	**1,193,156**

FIRE TANKER REPLACEMENT - $400,000

This tanker was identified in the Fire Service Underwriters documentation sent to Council in November of 2017 regarding the age of the Bath Station tanker as it relates to our Superior Water Shuttle Program. The current 1999 unit will be maintained until 2020 when the second 2,500-gallon life cycle replacement unit is required under our replacement policy. This will allow Emergency Services to meet the increase in minimum residential fire flows for rural residences of 300 gallons per minute, a 100 gallon per minute increase over the current requirements.

EXTRICATION EQUIPMENT - $60,679

This is life cycle replacements to change out our older Hurst Jaws of Life equipment. The set being replaced was purchased in 1994 and upgraded in 1998. All the equipment is well past its recommended 10-year life cycle.

Fire Tanker

Replacement will allow Emergency Services to meet the increase in minimum residential fire flows for rural residences of 300 gallons per minute

½ TON TRUCK - $40,000

This unit will replace the 2006 Equinox that is assigned to our Fire Inspector. The 2006 Equinox will be maintained by our Fleet Manager to be utilized by other departments as needed. This unit was scheduled for replacement in 2016 but based on condition was maintained for an additional three years.

RADIO REPEATER - $30,000

Our current Radio Repeating equipment located at the Bath Water tower was purchased at amalgamation to allow us to ensure communications across the entire municipality on a newly assigned frequency. This project was scheduled in 2018 but has been moved forward to accommodate budget issues identified in 2018 as well as licensing requirements from Industry Canada.

MAINTENANCE VAN - $40,000

Our Firefighter Mechanic currently drives a 2003 GMC Van that we inherited from Loyalist Utilities when they replaced it in 2013. We have been able to extend the life of this unit by an additional five years but unfortunately the time has come to replace this unit. We have projected some major cost associated with continuation of use of this unit.

GENERAL EQUIPMENT LIFE CYCLE REPLACEMENTS - $30,000

This account is used to allow us to replace our pooled assets such as generators, portable pumps, water supply equipment, mobile lighting, ladders and fire hose.

BUNKER GEAR LIFE CYCLE REPLACEMENT - $30,000

The *Occupational Health and Safety Act* requires firefighter protective clothing to be replaced every 10 years. We currently have 103 sets of bunker gear in service and this requires us to replace a minimum of 10 sets per year.

6.2 Infrastructure Services

EXECUTIVE SUMMARY

The 2019 Infrastructure Services Capital Budget requirements amount to just over $4.47M. The planned projects are described in detail below.

CAPITAL SUMMARY - INFRASTRUCTURE SERVICES

	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
332 - Township Safety Devices	-	-	-	110,537	63,989
337 - Amherst Island Garage	20,000	-	-	-	33,359
338 - Transportation Vehicles & Equipment	302,612	478,903	494,832	118,219	-
339- Bath Public Works Garage	-	-	-	-	25,023
340- Roads Hardtop	2,124,827	6,515,229	1,987,349	2,445,475	4,394,502
341- Bridges & Culverts	140,000	1,531,016	1,153,498	290,874	548,820
343- Roads Loosetop	720,000	57,666	-	347,252	-
345- Roads Equipment	16,500	389,913	338,932	167,178	287,683
347- County Road 6 Garage	583,500	900,000	-	19,494	383,702
348 - County Rd 6 Sand and Salt Storage Facility	-	-	-	27,610	-
350- Storm Sewer System- Urban	25,600	263,826	5,600	33,089	55,300
351 - Storm Sewer System - Rural	525,423	-	-	-	-
361 - Streetlights	-	162,448	-	-	-
366- Sidewalks/ Curbs	15,000	-	-	-	-
465- Violet Landfill	-	-	64,594	-	-
Grand Total	**4,473,462**	**10,299,001**	**4,044,805**	**3,559,729**	**5,792,378**

SURFACE TREATMENT PLAN
COUNTY CONTRACT COORDINATION - $1,580,000

Clark Road, Lucas Road, Wilson Road, Shorey Road, Fred Brown Road & Front Road

This project includes a combination of asset management techniques to optimize the costs and life cycle of surface treated rural roads. From an asset perspective, these road segments are identified as the priority sections for rehabilitation. They are all in suitable condition where only resurfacing is required to extend the life of the road without having to completely rebuild the road sections. The roads identified will see a combination of surface capping and complete surface replacement.

The Township should be resurfacing approximately 11 kilometers per year in order to manage the life cycle of the surface in the surface treated roads program. This year's program is estimated at a higher level of 15 kilometers; this increase is to catch up on deferred rehabilitation of roads identified in previous years.

FLEET REPLACEMENT - $302,000

2008 Chevrolet Silverado Pickup & 2008 Sterling Tandem Plow Truck

The two truck replacements are to manage transportation services risk levels for Winter Control as well as general operations.

RECONSTRUCTION PROJECT $388,500 + $371,700

Edgewood Road & Compton Court

This project includes replacement of the road surface and water system on Compton Court as well as the replacement of the water system servicing the north portion of residents on Edgewood Road. The remaining section not completed in the 2005 construction. This project is being coordinated with the Municipal Drain Project that is being funded by the Ministry of Transportation to limit the disruption for residents. Upon completion this will result in new asphalt surface, water system and storm system.

CROSS - CULVERT REPLACEMENT - $140,000

Maple Road, Fred Brown Road, Howes Road & Violet Road

Public works staff will be completing the cross-culvert replacement with internal resources. This is a trial to be completed in 2019 to compare internal construction costs with contractor costing. Working on developing internal expertise as well as developing responsiveness internally for emergency repairs.

ROAD RECONSTRUCTION DESIGN - $170,000 + $167,300

Tareyton Road, Bakers Lane, Chesterfield Drive, Scotland Road & Stella 40-foot

The design for the replacement of these roads will be undertaken in 2019 for potential complete reconstruction in 2020. The combination of high priority watermain replacement (urban streets) with poor road base condition (rural roads) at the end of their life expectancy makes these projects a priority. The condition assessment to be undertaken as part of design activities will determine whether sanitary mains also need to be replaced under urban streets included in this project. Funded by both the general and utilities rates.

2017 FLOOD DAMAGE REPAIRS - $1,131,800

Front Road, South Shore Road, Second Concession Road and Third Concession Road

Restoration of approximately 2,075 meters of shoreline roads on Amherst Island damaged by the 2017 flood. This project is partially funded through the Municipal Disaster Recovery Assistance Program. Legal survey work is continuing from 2018 to

determine the ownership of properties along the eroded shoreline. Some of the private property adjacent to the road has been completely eroded and there may be a need to negotiate land acquisition to restore the road embankment. In that case, an Environmental Assessment may be required. The cost of the assessment and land acquisition is not included in this budget. Repairs include the re-establishment of shoulders lost to erosion and varied degree of road surface work to fix minor rutting and more extensive damage caused by flood water.

COUNTY RD 6 GARAGE EXPANSION PHASE 1 - $583,500

Second Floor & Bay Expansion Design and Second Floor Construction

The renovation and expansion of the Public Works Garage has been identified in the development charges report. The expansion is to provide additional bays for maintenance work and vehicle storage as well as the development of the office area's second floor for additional administrative space. The expanded office area will serve as the temporary overflow for the Odessa Office. Phase 1 is the construction of administrative space on the second floor and Phase 2 is the construction of 6 additional vehicle bays. A budget was approved in 2018 for the design of both phases. The 2019 budget is for the construction of Phase 1 only. This project is 100% funded by development charges.

2017 Flood Damage Repairs

Restoration of approximately 2075 meters of shoreline roads on Amherst Island damaged by the 2017 flood. This project is partially funded through the Municipal Disaster Recovery Assistance Program.

6.3 Recreation Services

EXECUTIVE SUMMARY

The total Capital budget for Recreation Services in 2019 is $1,005,735. This budget encompasses requirements for recreational facilities, parks, sports fields, and community buildings. Projects identified are a combination of accessibility and Health & Safety requirements, life cycle items identified through our asset management plan, implementation of Recreation Master Plan recommendations, and community partnership initiatives.

CAPITAL SUMMARY - RECREATION SERVICES

	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
339 - Bath Public Works Garage	-	300,000	-	-	-
432 - Fairfield Water Distribution	38,100				
701 - Bath Centennial Park South	225,000	-	-	-	-
703 - Bath Park	22,000	15,000	-	-	-
707 - Briscoe Park	82,835	-	-	-	-
709 - Odessa Centennial Park	30,000	-	-	7,520	-
710 - Recreation Services	54,210	72,880	68,895	123,993	31,391
712 - Amherstview Centennial Park	-	-	2,303	-	-
715 - W.J. Henderson Rec Centre	112,000	1,638,710	8,443	73,768	13,590,790
718 - Jessup Lane Park	-	-	-	-	1,147
719 - Finkle's Shore Park	97,000	-	8,000	-	-
724 - J. Earl Burt Memorial Park	-	30,000	-	-	-
725 - Kilminster Park	30,000	31,792	-	-	-
726 - Lakeview Park	-	-	6,861	-	-
728 - Loyalist park	80,000	-	-	-	-
732- Millcreek Park	11,590	-	-	-	-
736 - Sk8er Park	-	50,000	-	-	-
739 - Willie Pratt Sports Field	-	5,000	-	66,467	277,180
742 - Leisure and Activity Centre	53,000	6,000	9,060	27,769	-
750 - Parks	100,000	-	-	-	-
753 - Sportsfields	5,000	-	-	-	-
754 - Sand Beach	10,000	-	-	-	-
760 - Babcock Mill & Park	5,000	-	-	-	-
761 - Fairfield House & Park	15,000	127,000	-	-	-
771 - Amherstview Community Hall	35,000	16,388	-	42,120	174,530
774 - Neilson Store & Stella Bay Park	-	15,000	-	-	-
776 - Wilton Hall	-	100,000	-	-	-
Grand Total	**1,005,735**	**2,407,770**	**103,562**	**341,637**	**14,075,038**

BRISCOE PARK - $83,000
KILMINSTER SPORTSFIELD - $30,000
VARIOUS PARKS - FLOOR SURFACING, SIGNAGE & BLEACHER REPLACEMENTS - $35,000

Important accessibility improvements to parks and facilities are included in the 2019 capital budget. Briscoe Park will become more accessible, with several added features and walkways. Money will be allocated annually to increasing the Fibar surfacing in existing playground structures and transitioning parks with the historical pea stone over to Fibar, all of which increases safety and accessibility. Kilminster sports field in Wilton will have the fence replaced in 2019, improving safety at the ball diamond for players and spectators alike. Budget has also been set aside for signage upgrades and bleacher replacements at all Township parks and sports fields and will be allocated annually based on need.

FINKLE'S SHORE PARK - $97,000

One of the flagship waterfront parks in the Township, Finkle's Shore Park, will have its parking lot resurfaced to accommodate increased use from both tourists and residents in the area. The Hineman Pavilion also at Finkle Shore Park will be resurfaced, painted, and weather proofed to extend the life of the asset. This pavilion has become a popular destination for summer wedding ceremonies and group photography sessions.

WJ HENDERSON RECREATION CENTRE - $112,000

The WJ Henderson Recreation Centre, at 45 years old, continues to have a significant number of critical assets nearing, or at the end of useful life. Significant Investments in 2019 will be made to the arena which include upgrades to the dehumidification system, the header pipes for the ice system, a portion of the rink boards, and the roof over the compressor room. Some continued replacements are required to critical components of the Dectron HVAC unit that controls the air quality in the pool. Various accessibility features will also be added to washrooms at the Recreation Centre.

LEISURE & ACTIVITY CENTRE ROOF - $50,000 AMV COMMUNITY HALL ROOF & FLOOR - $25,000

The Leisure Centre requires a new roof in 2019, which will be replaced in conjunction with remedial work to the roof of the Community Hall building. The Community Hall will receive a new floor in the main hall area, to better service the different types of activities and user groups that use the space regularly.

Gazebo

Construction of a Gazebo in Bath Centennial Park in partnership with the Bath Canada Day Committee and a committed AMO Grant.

Dog Park

Funds allocated in budget for development once a suitable site has been approved.

FAIRFIELD HOUSE FENCING $15,000
BABCOCK MILL - $5,000

The cedar fence at Fairfield House in Amherstview is at the end of its life and requires work from skilled heritage carpenters and stone masons to maintain the historical integrity of the site and repair it to its original splendour. Babcock Mill, our flagship park in Odessa, continues to experience vandalism and therefore budget has been allocated for increased security measures as well as replacement of the metal cladding on the pump building, which has been damaged extensively by vandals.

NEW FACILITY MAINTENANCE TRUCK $48,000

A new truck will be purchased for Facility Maintenance, 90% funded by development charges, so staff are better equipped to service all Township facilities with increased mobility, greater capacity for snow clearing, and increased efficiencies with ready access tools and materials from a dedicated vehicle. A cost analysis has been completed and the purchase of this vehicle is a better investment compared to the on-going mileage reimbursement to staff who presently must use their personal vehicle for Township work.

LOYALIST PARK COMPLETION - $80,000

Loyalist Park will see its final phase of development with the planting of remaining planned trees, installation of benches, garbage receptacles, and Frisbee Golf.

BATH CENTENNIAL PARK GAZEBO $225,000
BATH PARK PICKLEBALL POSTS - $10,000 SAND BEACH WASHROOMS - $10,000

Community projects include the construction of a Gazebo in Bath Centennial Park in partnership with the Bath Canada Day Committee and a committed AMO Grant.

As mentioned, Briscoe Park will receive some safety/accessibility improvements in partnership with the Bath Lions Club, and the Bath Pickle Ball Club would like to partner on the installation of permanent court posts. Additional funds are also required for the

carry forward partnership project for the washroom on Sand Beach which was approved in 2018 with donated funds form the Amherst Island Women's Institute.

DOG PARK - $75,000

The development of the Township's first Dog Park was a prominent public request through the Recreation Master Plan's public consultation and as such one of the top recommendations coming from the plan. Staff are in the midst of researching and exploring suitable locations within the Township and a report will be coming to Council in the New Year for consideration. Funds have been allocated to this project in 2019 for development to be completed once Council has approved a suitable site.

DEFERRED CAPITAL PROJECTS

Significant required capital asset replacement for the pool and arena infrastructure has been deferred in order to align direction with the potential Community Hub and Recreation Centre Retrofits/Expansion. Keeping the pool efficiently operational until a firm direction is in place will be challenging. Retrofits to the Bath Public Works Garage were planned to accommodate a work shop space for the Facility Maintenance work group. This has also been deferred awaiting direction on the Recreation Centre expansion and a decision on whether these dollars would be better suited to expand the existing garage at this facility for this purpose.

The following list of projects have been deferred in order to assist in fully funding the Townships 2019 Capital budget and avoid increased debt levels.

DEFERRED PROJECTS	AMOUNT
Retrofit Bath Garage – FM Work Shop	$300,000
Fairfield Park Parking Lot Paving	$87,000
Fairfield Park Washroom Improvements	$10,000
Finkle's Shore limestone screenings	$8,000
Pool – women's lockers	$15,000
Bath Park Conceptual Design	$15,000
Handrails in Arena Stands	$6,000
Neilson Store Roof	$15,000
Concrete repairs in Arena Zamboni floor	$20,000
J Earl Burt Park fencing	$30,000
TOTAL	$506,000

6.4 Planning & Development Services

EXECUTIVE SUMMARY

The Building Department has allocated $30,000 for software. Software was budgeted in 2018 and the project came in over budget; this additional funding will allow the Department to fully implement the new software that is replacing Cartegraph Navigator, which will not be supported beyond 2019.

The funding for Loyalist East Business Park for preparation of the detail design for the next phase in order to have it ready for servicing. Construction is tentatively slated for 2020 at an approximate cost of $1,240,000. It is anticipated that these costs will be funded through future net sales proceeds in the business park.

CAPITAL SUMMARY - PLANNING & DEVELOPMENT SERVICES

	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
240- Building Inspection	30,000	-	-	-	-
810- Planning and Development Services	-	-	99,012	-	-
870- Loyalist East Business Park	56,000	1,240,000	-	-	-
Grand Total	**86,000**	**1,240,000**	**99,012**	**-**	**-**

6.5 Corporate Services

EXECUTIVE SUMMARY

The 2019 Corporate Services Capital Budget requirements are $233,590 as summarized below. Due to current discussions underway by Council on the future of the Municipal Administrative Head Office, non-essential work on the Odessa office is being deferred until 2020, where work will be required on the building's roof as well as curbing.

CAPITAL SUMMARY - CORPORATE SERVICES

	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
120 - Odessa Admin Office	-	156,927	-	-	5,661
123- Corporate IT Support	233,590	156,449	68,672	163,474	435,053
Grand Total	**233,590**	**313,376**	**68,672**	**163,474**	**440,714**

For 2019, the corporate services capital proposed includes several IT projects. Details of the more significant projects can be found below.

$50,000

- To upgrade all the Township's server software to Windows 2016 (currently Windows 2008 & 2012)

$42,000

- To complete the annual computer replacement program

$15,000

- To install a security camera system at the Babcock Mill

$15,000

- To purchase WaterGEMs software for the Utilities Department

$15,000

- To complete the annual printer replacement program; this will included the replacement of a larger multi-function printer

The balance of the capital budget will be used to complete several smaller software and infrastructure projects.

7. Other Service Areas

7.1 Operating Budget Summary

EXECUTIVE SUMMARY

AMHERST ISLAND FERRY

Budget for Amherst Island Ferry operations was kept to minimal increases for non labour items. A review of the labour budget suggested that recent past budgets were a little higher than necessary and a reduction in labour budget was possible. Management have also started a program with the objective of reducing overtime for the crew by hiring additional part time staff and encouraging more staff to obtain marine licensing.

Unlike past years there is minimal pressure on the fuel budget, but fuel consumption is up as crews attempt to maintain schedule while being hindered by unusually high traffic volumes and large construction vehicles. Fuel costs have traditionally been a major driver of operational cost increases.

A modest increase in fares was budgeted as 2018 traffic volumes are not expected to be maintained.

The 2019 budget includes an allowance for a new contract staff person to assist with several one-time issues facing the ferry operation. Loyalist Township needs to negotiate a new operating agreement with MTO that covers all aspects of the new docks and ancillary features. Similarly, our crews need to be trained to new standards for electric ferries which likely are not developed yet by Transport Canada. A general review of our operations tied into all aspects of the new docks, dock and ramp equipment, IT needs, public spaces, fare collection, signage protocols, parking area maintenance, training and commissioning of all new equipment and crew scheduling will need to be completed so that our crews and, suppliers and contractors are well prepared for the new docks and vessel.

MV FRONTENAC II

Ferry

Management have started a program with the objective of reducing overtime for the crew by hiring additional part time staff and encouraging more staff to obtain marine licensing.

Transit

Two new bus stops have been added to the Route 10 service in Amherstview this year.

TRANSIT

The Amherstview Route 10 transit bus is not funded by the general rate tax assessments. The community of Amherstview is defined by the special service area. All properties in this service area pay a special levy to support local transit. Additional revenue is gained by bus fares and passes and the Provincial Gas Tax for Transit.

Operating hours for Route 10 were decreased in 2016 and a drop in fares was observed. For 2019 fares have been reduced to match recently observed fare revenue levels. An increased levy on the special area rate is due to growth in assets and values as levy rates have remained constant.

Most of the expenses are related to the service contract with Kingston transit where a bus and transit support services are supplied on an hourly basis to the Township. Increases for this service are tied to inflation index. It appears that the 2018 budget included insufficient operational hours and the 2019 budget has increased slightly to accommodate both the additional hours and the inflationary increase.

The rationalization of the overall 2019 Public Works budgeted has resulted in a reduction of Township's internal expenses for the operation of the system.

The fact that this community is serviced by transit brings a responsibility for meeting accessible transit requirements. These obligations are a topic of a separate report.

1910-1912 Early Transit - Ontario

OTHER SERVICE AREAS - 2019 OPERATING BUDGET						
	Amherstview Transit	Amherst Island Ferry	Total	Total 2018 Budget	$ Change	% Change
Revenue						
Grants	(106,000)	(2,483,400)	(2,589,400)	(2,504,700)	(84,700)	3.4%
Fees & User Charges	(80,000)	(320,000)	(400,000)	(395,000)	(5,000)	1.3%
Licenses, Permits	-	-	-	-	-	-
Rents	-	-	-	-	-	-
Other Revenue	(40,500)	(70,700)	(111,200)	(86,600)	(24,600)	28.4%
Area Rates	(476,400)	-	(476,400)	(447,200)	(29,200)	6.5%
From Reserves/Reserve Funds	-	(18,600)	(18,600)	(121,200)	102,600	-84.7%
2019 Budgeted Revenue	**(702,900)**	**(2,892,700)**	**(3,595,600)**	**(3,554,700)**	**(40,900)**	**1.2%**
Expenses						
Salaries, Wages & Benefits	11,400	1,962,100	1,973,500	2,028,400	(54,900)	-2.7%
Debt Principal & Interest	-	-	-	-	-	-
Insurance	200	25,600	25,800	26,000	(200)	-0.8%
Utilities	-	3,000	3,000	3,000	-	-
Non-Discretionary Expenses	11,600	1,990,700	2,002,300	2,057,400	(55,100)	-2.7%
Contracted Services	630,000	78,300	708,300	657,000	51,300	7.8%
Supplies, Materials & Other	6,500	563,800	570,300	546,800	23,500	4.3%
Contribution to Capital	-	-	-	-	-	-
Contribution to Reserve Fund	-	-	-	-	-	-
Internal Allocations	54,800	259,900	314,700	293,500	21,200	7.2%
Discretionary Expenses	691,300	902,000	1,593,300	1,497,300	96,000	6.4%
2019 Budgeted Expenses	**702,900**	**2,892,700**	**3,595,600**	**3,554,700**	**40,900**	**1.2%**
2019 Net Budget	-	-	-	-	-	-

OTHER SERVICE AREAS - TRENDING REPORT						
2019	**2019 Budget**			**Budget % Change Over 2018**		
	Revenue	Expense	Net	Revenue	Expense	Net
Amherstview Transit	(702,900)	702,900	-	3.2%	3.2%	-
Amherst Island Ferry	(2,892,700)	2,892,700	-	0.7%	0.7%	-
	(3,595,600)	**3,595,600**	**-**	**1.2%**	**1.2%**	**-**
2018	**2018 Budget**			**2018 YTD Actuals (as of Nov. 30)**		
	Revenue	Expense	Net	Revenue	Expense	Net
Amherstview Transit	(681,000)	681,000	-	(515,141)	611,005	95,864
Amherst Island Ferry	(2,873,700)	2,873,700	-	(2,668,792)	2,438,052	(230,740)
	(3,554,700)	**3,554,700**	**-**	**(3,183,933)**	**3,049,057**	**(134,876)**
2017	**2017 Budget**			**2017 Actuals**		
	Revenue	Expense	Net	Revenue	Expense	Net
Amherstview Transit	(670,800)	670,800	-	(646,631)	646,631	0
Amherst Island Ferry	(2,838,400)	2,838,400	-	(2,528,032)	2,575,118	47,086
	(3,509,200)	**3,509,200**	**-**	**(3,174,663)**	**3,221,749**	**47,086**

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8. Report to Council

Loyalist Township Staff Report
2019 Proposed Budget
Committee of the Whole Meeting
Report Number: SR- 889

Meeting:	Committee of the Whole - Budget - 19 Feb 2019
Type:	Committee of the Whole
Department:	Finance
Report Date:	February 1, 2019
Author:	Stephen Dickey
Attachments:	Yes
Number of Attachments:	5

Executive Summary:
Staff have prepared the 2019 budget in draft for Council's review. The general rate supported draft budget of $15.5M, which incorporates a 2% tax rate increase for the Township's operating purposes and a total capital budget of $6.4M. For Township utilities, a total operating budget of $9.33M is proposed, fully funded from utility rates, as well as a $2.6M capital budget. The operating and capital budgets for general rate and the service area budgets, together with information on reserve fund balances, assessment changes and other relevant financial information has been compiled in the budget binders.

Recommendation:
1. That any surplus from the 2018 general rate year end operating budget, be applied to the capital program.
2. That the general tax rate supported operating budget reflecting:
   a. Net operating departmental budget of $16,164,400;
   b. Net non-departmental budget of ($703,800);
   c. Net general tax rate levy requirement of $15,460,600;
   d. Loyalist Township portion of the tax rate increase by 2%, which equals 0.00730374;
   e. Any fluctuation in the actual taxes levied, due to changes in tax policy and/or finalized assessment calculations shall be added to or subtracted from the budgeted transfer to the Working Fund Reserve;
be received.
3. That the service area operating budgets, reflecting gross operating expenses of:
   a. $702,900 for Transit;
   b. $2,892,700 for Amherst Island Ferry;
   c. $9,334,400 for Utilities;
be received.
4. That the 2019 Amherstview Transit special area tax rate remain the same as 2018 at 0.000589.

F05 Budget

5. That the 2019 general tax rate supported capital budget in the amount of $6,429,500, be received.
6. That the 2019 service area rate supported capital budget in the amount of $2,558,112, be received.
7. That Public Notice of Intention to adopt the 2019 budget, be posted on the February 25, 2019 Council agenda and advertised in a local newspaper.
8. That the 2019 budget, as presented, be referred to the March 25, 2019 Council agenda for adoption.
9. That staff be authorized to proceed with the implementation of programs and projects reflected in the 2019 budgets, subject to incorporation of changes resulting from Council's review of these budgets.
10. That pre-budget approval of $70,000 the Bath Gazebo project, be approved.
11. That Pre-Budget approval for $1.7 million for funding in 2020 for the Bath Water Plant filter upgrades, with 2020 funding to be determined as part of the overall 2020 capital budget submission, be approved.

Background:
The 2019 Loyalist Township budget has been prepared by staff and referred to Council for consideration at two budget meetings to be held on February 19, 2019 and February 21, 2019.

Status:
The proposed 2019 general rate budget for Loyalist Township includes a 2% increase to the Township portion of the property tax rate. The 2019 levy requirement is $15.5 million, which includes $2.4 million in contributions to capital. The 2019 general rate capital budget is $6.4 million.

The 2019 general rate operating budget has increased $1.0 million over the 2018 general rate operating budget. They key contributors to this increase include additional contributions to capital and reserves and reserve funds over 2018, as well as increases in salaries and benefits of $870K. This is due to a number of factors including normal salary escalation, implementation of the non-union compensation review approved by Council, increase in salaries allocated to operating as opposed to capital, budgeting of the CAO compensation as staff, instead of contracted services, as previously budgeted, and some staff changes proposed related to increased service levels.

The general rate capital budget includes funding sources from federal gas tax, other government grants, development charges, debt and "pay as you go" funding (PAYG), which are contributions from the operating budget to the capital budget. All capital budgeted items are funded as part of this submission. Staff intend to monitor the capital program closely and report to Council regularly on the status of the capital projects. Funding for the capital budget is proposed as follows:

2019 GENERAL RATE CAPITAL FUNDING	
Pay As You Go (PAYG)	1,929,100
Grants	2,466,600
Federal Gas Tax	515,000
Development Charges	666,700
Other Reserves	56,000
Debt	796,100
Total Funding	6,429,500

The Utilities budget includes an 8% rate increase for water and sewer as per Council approval. A water and wastewater study will be undertaken in 2019, to propose a rate structure beginning in 2020. The 2019 utilities operating and capital budgets are generally balanced within this projected revenue. Currently, the 2019 proposed capital budget of $2.58M is fully funded, however, significant capital projects are planned for 2020, including a $1.7 million commitment at the Bath Water Treatment Plant. Approval of this project in 2019 will create a financial commitment of an additional $1.7 million in 2020. A summary of funding proposed is included below:

2019 UTILITIES CAPITAL FUNDING	
Pay As You Go (PAYG)	1,796,932
Impost Fees	30,000
Reserve Funds	8,590
CSC Water	527,280
CSC Sewer	195,309
Total	2,558,112

Pre-budget approval has previously been approved by Council for the following projects:

1. $40,000 required for procurement of expedited design services for the Public Works Garage renovation/expansion, as per resolution 2018.21.7.
2. $63,000 required for Bath Gazebo project, as per resolution 2018.9.4.

Staff are also requesting pre-budget approval of an additional $70,000 for the Bath Gazebo project through this report. This project is funded partly by the Association of Municipalities of Ontario. This project needs to proceed immediately in order to have the project completed by its target date of July 1st, 2019.

Financial Considerations:

For an average residential property in Loyalist Township, with an assessment of $253,250, under the proposed budget, the average monthly residential bill would be $154, compared with $148 last year. 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

The upper tier level of government, the County of Lennox and Addington, sets the tax ratios and policy.

Consultation:
All departments have been involved in the preparation of the proposed 2019 budget.

Link to Strategic Plan:
Strengthen the Township's Financial Position

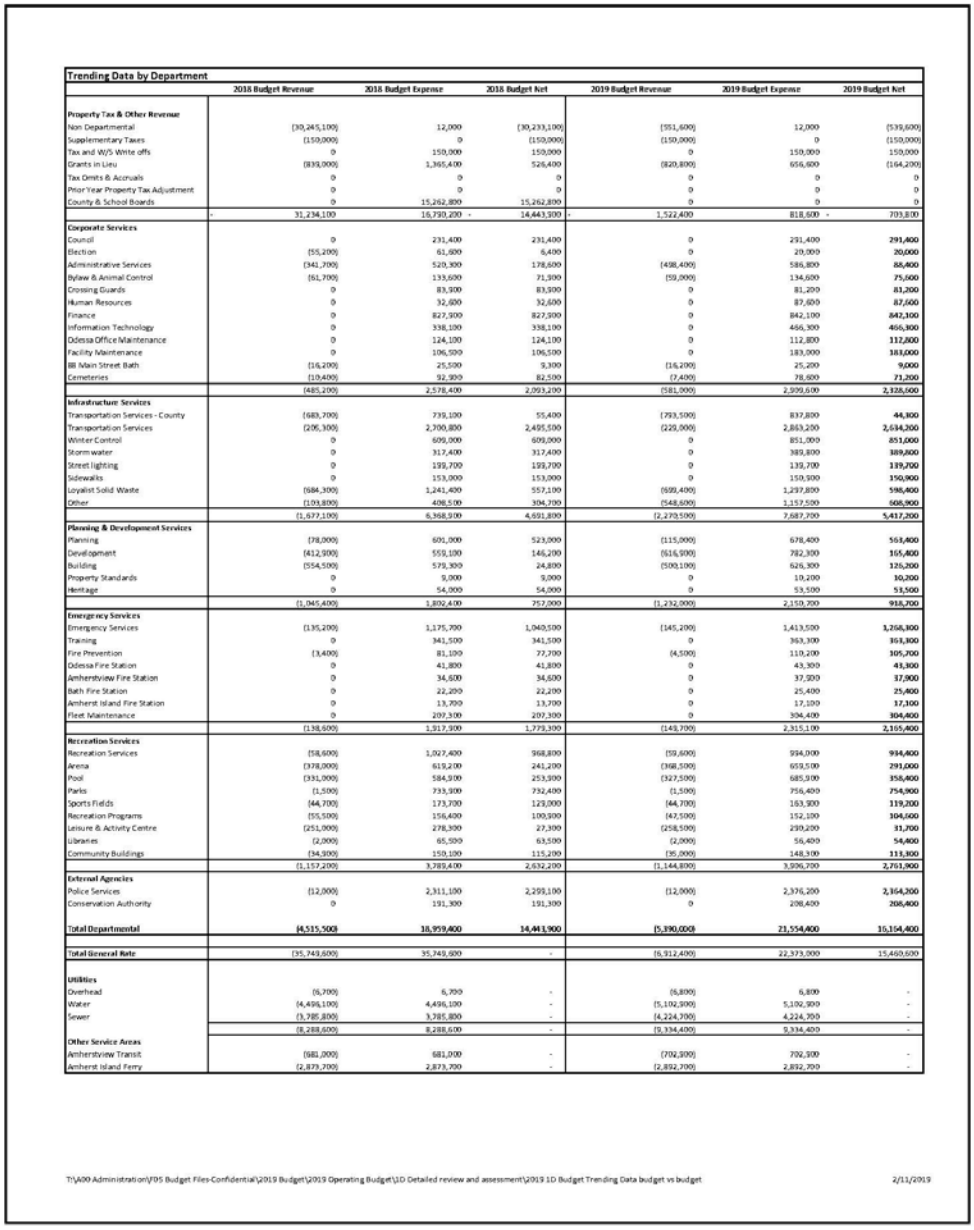
Attachments:
2019 Operating Budget by Department Summary
Trending Data By Department
2019 General Rate Capital Budget
2019 Utilities Operating Budget
2019 Utilities Capital Budget

Approved By:	Status:
Stephen Dickey, Director of Finance	Approved - 13 Feb 2019
Philip Reniers, Deputy Treasurer/Finance Supervisor	Approved - 13 Feb 2019
Lorie McFarland, Utilities Manager	Approved - 14 Feb 2019
Fred Stephenson, Fire Chief	Approved - 14 Feb 2019
Murray Beckel, Director of Planning & Development Services	Approved - 14 Feb 2019
Dave Thompson, Director of Infrastructure Services	Approved - 14 Feb 2019
Andree Ferris, Director of Recreation	Approved - 14 Feb 2019
Kerry Rousselle, Executive Assistant	Approved - 14 Feb 2019
Debbie Chapman, Township Clerk	Approved - 14 Feb 2019
Steven Silver, Chief Administrative Officer	Approved - 14 Feb 2019

DEPARTMENTAL - 2019 OPERATING BUDGET

	Corporate Services	Infrastructure Services	Planning & Development	Emergency Services	Recreation Services	External Agencies	Total	Total 2018 Budget	$ Change	% Change
Revenue										
Grants	(17,500)	-	-	-	(12,500)	(12,000)	(42,000)	(23,500)	(18,500)	78.7%
Fees & User Charges	(10,000)	(694,900)	(70,000)	-	(650,900)	-	(1,425,800)	(1,431,000)	5,200	-0.4%
Licenses, Permits	(44,500)	(219,000)	(520,100)	-	-	-	(783,600)	(826,600)	43,000	-5.2%
Rents	(19,200)	-	-	-	(434,900)	-	(454,100)	(461,600)	7,500	-1.6%
Other Revenue	(489,800)	(1,356,600)	(601,400)	(59,500)	(46,500)	-	(2,553,800)	(1,622,900)	(930,900)	57.4%
From Reserves/Reserve Funds	-	-	(40,500)	(90,200)	-	-	(130,700)	(149,900)	19,200	-12.8%
2019 Budgeted Revenue	**(581,000)**	**(2,270,500)**	**(1,232,000)**	**(149,700)**	**(1,144,800)**	**(12,000)**	**(5,390,000)**	**(4,515,500)**	**(874,500)**	**19.4%**
Expenses										
Salaries, Wages & Benefits	2,169,100	2,623,400	1,231,400	1,207,400	2,237,400	-	9,468,700	8,598,900	869,800	10.1%
Debt Principal & Interest	-	333,300	89,300	191,600	29,600	-	643,800	644,100	(300)	0.0%
Insurance	87,800	236,900	9,100	30,500	77,900	-	442,200	424,200	18,000	4.2%
Utilities	63,000	156,700	-	61,500	373,600	-	654,800	669,200	(14,400)	-2.2%
OPP/Conservation Authority	-	-	-	-	-	2,584,100	2,584,100	2,501,900	82,200	3.3%
Non-Discretionary Expenses	2,319,900	3,350,300	1,329,800	1,491,000	2,718,500	2,584,100	13,793,600	12,838,300	955,300	7.4%
Contracted Services	93,200	1,711,900	2,300	20,000	184,500	-	2,011,900	1,466,300	545,600	37.2%
Supplies, Materials & Other	1,333,300	1,360,600	199,600	351,000	435,100	500	3,680,100	3,398,700	281,400	8.3%
Contribution to Capital	225,000	1,015,000	33,000	251,500	404,600	-	1,929,100	1,861,000	68,100	3.7%
Contribution to Reserve Funds	461,400	267,000	294,000	143,000	77,000	-	1,242,400	464,300	778,100	167.6%
Internal Allocations	(1,523,200)	(17,100)	292,000	58,600	87,000	-	(1,102,700)	(1,069,200)	(33,500)	3.1%
Discretionary Expenses	589,700	4,337,400	820,900	824,100	1,188,200	500	7,760,800	6,121,100	1,639,700	26.8%
2019 Budgeted Expenses	**2,909,600**	**7,687,700**	**2,150,700**	**2,315,100**	**3,906,700**	**2,584,600**	**21,554,400**	**18,959,400**	**2,595,000**	**13.7%**
2019 Net Budget	**2,328,600**	**5,417,200**	**918,700**	**2,165,400**	**2,761,900**	**2,572,600**	**16,164,400**	**14,443,900**	**1,720,500**	**11.9%**

T:\F05 Budget 2019\2 - Operating Budget Summary\Linked working papers\2019 Operating Budget by Department Summary



Trending Data by Department	2018 Budget Revenue	2018 Budget Expense	2018 Budget Net	2019 Budget Revenue	2019 Budget Expense	2019 Budget Net
Property Tax & Other Revenue						
Non Departmental	(30,245,100)	12,000	(30,233,100)	(551,600)	12,000	(539,600)
Supplementary Taxes	(150,000)	0	(150,000)	(150,000)	0	(150,000)
Tax and W/S Write offs	0	150,000	150,000	0	150,000	150,000
Grants in Lieu	(839,000)	1,365,400	526,400	(820,800)	656,600	(164,200)
Tax Omits & Accruals	0	0	0	0	0	0
Prior Year Property Tax Adjustment	0	0	0	0	0	0
County & School Boards	0	15,262,800	15,262,800	0	0	0
	(31,234,100)	16,790,200	(14,443,900)	(1,522,400)	818,600	(703,800)
Corporate Services						
Council	0	231,400	231,400	0	291,400	**291,400**
Election	(55,200)	61,600	6,400	0	20,000	**20,000**
Administrative Services	(341,700)	520,300	178,600	(498,400)	586,800	**88,400**
Bylaw & Animal Control	(61,700)	133,600	71,900	(59,000)	134,600	**75,600**
Crossing Guards	0	83,900	83,900	0	81,200	**81,200**
Human Resources	0	32,600	32,600	0	87,600	**87,600**
Finance	0	827,900	827,900	0	842,100	**842,100**
Information Technology	0	338,100	338,100	0	466,300	**466,300**
Odessa Office Maintenance	0	124,100	124,100	0	112,800	**112,800**
Facility Maintenance	0	106,500	106,500	0	183,000	**183,000**
88 Main Street Bath	(16,200)	25,500	9,300	(16,200)	25,200	**9,000**
Cemeteries	(19,400)	92,900	82,500	(7,400)	78,600	**71,200**
	(485,200)	2,578,400	2,093,200	(581,000)	2,909,600	**2,328,600**
Infrastructure Services						
Transportation Services - County	(683,700)	739,100	55,400	(793,500)	837,800	**44,300**
Transportation Services	(206,300)	2,700,800	2,495,500	(229,000)	2,863,200	**2,634,200**
Winter Control	0	609,000	609,000	0	851,000	**851,000**
Storm water	0	317,400	317,400	0	389,800	**389,800**
Street lighting	0	193,700	193,700	0	139,700	**139,700**
Sidewalks	0	153,000	153,000	0	150,900	**150,900**
Loyalist Solid Waste	(684,300)	1,241,400	557,100	(699,400)	1,297,800	**598,400**
Other	(103,800)	408,500	304,700	(548,600)	1,157,500	**608,900**
	(1,677,100)	6,368,900	4,691,800	(2,270,500)	7,687,700	**5,417,200**
Planning & Development Services						
Planning	(78,000)	601,000	523,000	(115,000)	678,400	**563,400**
Development	(412,900)	559,100	146,200	(616,900)	782,300	**165,400**
Building	(554,500)	579,300	24,800	(500,100)	626,300	**126,200**
Property Standards	0	9,000	9,000	0	10,200	**10,200**
Heritage	0	54,000	54,000	0	53,500	**53,500**
	(1,045,400)	1,802,400	757,000	(1,232,000)	2,150,700	**918,700**
Emergency Services						
Emergency Services	(135,200)	1,175,700	1,040,500	(145,200)	1,413,500	**1,268,300**
Training	0	341,500	341,500	0	363,300	**363,300**
Fire Prevention	(3,400)	81,100	77,700	(4,500)	119,200	**105,700**
Odessa Fire Station	0	41,800	41,800	0	43,300	**43,300**
Amherstview Fire Station	0	34,600	34,600	0	37,900	**37,900**
Bath Fire Station	0	22,200	22,200	0	25,400	**25,400**
Amherst Island Fire Station	0	13,700	13,700	0	17,100	**17,100**
Fleet Maintenance	0	207,300	207,300	0	304,400	**304,400**
	(138,600)	1,917,900	1,779,300	(149,700)	2,315,100	**2,165,400**
Recreation Services						
Recreation Services	(58,600)	1,027,400	968,800	(59,600)	994,000	**934,400**
Arena	(378,000)	619,200	241,200	(368,500)	659,500	**291,000**
Pool	(331,000)	584,900	253,900	(327,500)	685,900	**358,400**
Parks	(1,500)	733,900	732,400	(1,500)	756,400	**754,900**
Sports Fields	(44,700)	173,700	129,000	(44,700)	163,900	**119,200**
Recreation Programs	(55,500)	156,400	100,900	(42,500)	152,100	**104,600**
Leisure & Activity Centre	(251,000)	278,300	27,300	(258,500)	289,200	**31,700**
Libraries	(2,000)	65,500	63,500	(2,000)	56,400	**54,400**
Community Buildings	(34,900)	150,100	115,200	(35,000)	148,300	**113,300**
	(1,157,200)	3,789,400	2,632,200	(1,144,800)	3,906,700	**2,761,900**
External Agencies						
Police Services	(12,000)	2,311,100	2,299,100	(12,000)	2,376,200	**2,364,200**
Conservation Authority	0	191,300	191,300	0	208,400	**208,400**
Total Departmental	**(4,515,500)**	**18,959,400**	**14,443,900**	**(5,390,000)**	**21,554,400**	**16,164,400**
Total General Rate	(35,749,600)	35,749,600	-	(6,912,400)	22,373,000	15,460,600
Utilities						
Overhead	(6,700)	6,700	-	(6,800)	6,800	-
Water	(4,496,100)	4,496,100	-	(5,102,900)	5,102,900	-
Sewer	(3,785,800)	3,785,800	-	(4,224,700)	4,224,700	-
	(8,288,600)	8,288,600	-	(9,334,400)	9,334,400	-
Other Service Areas						
Amherstview Transit	(681,000)	681,000	-	(702,300)	702,300	-
Amherst Island Ferry	(2,873,700)	2,873,700	-	(2,892,700)	2,892,700	-

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2019 General Rate Capital Budget

Department	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
120 - Odessa Admin Office	-	156,927	-	-	5,661
123- Corporate IT Support	233,590	156,449	68,672	163,474	435,053
210- Emergency Services	630,680	560,000	728,841	935,000	710,000
217 - Odessa Fire Station	-	137,048	-	7,441	285,149
218 - Amherstview Fire Station	-	-	-	-	93,579
219 - Bath Fire Station	-	37,782	-	211,442	104,428
240- Building Inspection	30,000	-	-	-	-
332 - Township Safety Devices	-	-	-	110,537	63,989
337 - Amherst Island Garage	20,000	-	-	-	33,359
338 - Transportation Vehicles & Equipment	302,612	478,903	494,832	118,219	-
339- Bath Public Works Garage	-	300,000	-	-	25,023
340- Roads Hardtop	2,124,827	6,515,229	1,987,349	2,445,475	4,394,502
341- Bridges & Culverts	140,000	1,531,016	1,153,498	290,874	548,820
343- Roads Loosetop	720,000	57,666	-	347,252	-
345- Roads Equipment	16,500	389,913	338,932	167,178	287,683
347- County Road 6 Garage	583,500	900,000	-	19,494	383,702
348 - County Rd 6 Sand and Salt Storage Facility	-	-	-	27,610	-
350- Storm Sewer System- Urban	25,600	263,826	5,600	54,037	55,300
351 - Storm Sewer System - Rural	525,423	-	-	-	-
361 - Streetlights	-	162,448	-	-	-
366- Sidewalks/ Curbs	15,000	-	-	-	-
432 - Fairfield Water Distribution	38,100	-	-	-	-
465- Violet Landfill	-	-	64,594	-	-
701 - Bath Centennial Park South	225,000	-	-	-	-
703 - Bath Park	22,000	15,000	-	-	-
707 - Briscoe Park	82,835	-	-	-	-
709 - Odessa Centennial Park	30,000	-	-	7,520	-
710 - Recreation Services	54,210	72,880	68,895	123,993	31,391
712 - Amherstview Centennial Park	-	-	2,303	-	-
715 - W.J. Henderson Rec Centre	112,000	1,638,710	8,443	73,768	13,590,790
718 - Jessup Lane Park	-	-	-	-	1,147
719 - Finkle's Shore Park	97,000	-	8,000	-	-
724 - J. Earl Burt Memorial Park	-	30,000	-	-	-
725 - Kilminster Park	30,000	31,792	-	-	-
726 - Lakeview Park	-	-	6,861	-	-
728 - Loyalist park	80,000	-	-	-	-
732- Millcreek Park	11,590	-	-	-	-
736 - Sk8er Park	-	50,000	-	-	-
739 - Willie Pratt Sports Field	-	5,000	-	66,467	277,180
742 - Leisure and Activity Centre	53,000	6,000	9,060	27,769	-
750 - Parks	100,000	-	-	-	-
753 - Sportsfields	5,000	-	-	-	-
754 - Sand Beach	10,000	-	-	-	-
760 - Babcock Mill & Park	5,000	-	-	-	-
761 - Fairfield House & Park	15,000	127,000	-	-	-
771 - Amherstview Community Hall	35,000	16,388	-	42,120	174,530
774 - Neilson Store & Stella Bay Park	-	15,000	-	-	-
776 - Wilton Hall	-	100,000	-	-	-
810- Planning and Development Services	-	-	99,012	-	-
870- Loyalist East Business Park	56,000	1,240,000	-	-	-
No Asset Type	-	-	-	-	10
Grand Total	**6,429,467**	**14,994,977**	**5,044,892**	**5,239,671**	**21,501,296**

2019 Utilities Operating Budget

WATER	2017 Actual Values	2018 YTD Actual Values	2018 Budget	2019 1st Draft	2019 1D vs. 2018 Budget
Revenue	(4,434,155)	(4,599,328)	(4,496,100)	(5,102,900)	(606,800)
Salaries and Wages	431,039	476,641	544,600	617,100	72,500
Internal Allocations	807,120	857,000	857,000	869,100	12,100
Debt, Principal & Interest	493,133	506,871	504,100	503,100	(1,000)
Contracted Services	68,752	34,371	40,400	40,400	-
Insurance	9,843	11,126	10,200	12,200	2,000
Utilities	67,255	34,363	69,000	69,000	-
All Other Materials, Supplies, and Expenses	590,783	624,269	782,600	716,800	(65,800)
Capital	711,400	853,500	853,500	1,347,100	493,600
Transfer to Reserves/Reserve Funds	905,128	555,447	834,700	928,100	93,400
Total	(349,703)	(645,739)	-	-	-

SEWER	2017 Actual Values	2018 YTD Actual Values	2018 Budget	2019 1st Draft	2019 1D vs. 2018 Budget
Revenue	(3,910,113)	(3,967,777)	(3,785,800)	(4,224,700)	(438,900)
Salaries and Wages	450,082	426,035	522,300	492,900	(29,400)
Internal Allocations	689,215	753,962	753,300	767,900	14,600
Debt, Principal & Interest	485,152	544,785	547,000	540,100	(6,900)
Contracted Services	24,498	26,186	16,500	29,500	13,000
Insurance	8,918	10,386	9,200	11,700	2,500
Utilities	253,427	307,566	211,500	241,500	30,000
All Other Materials, Supplies, and Expenses	976,572	798,019	949,000	1,023,900	74,900
Capital	116,300	170,200	170,200	449,800	279,600
Transfer to Reserves/Reserve Funds	675,091	358,060	606,800	667,400	60,600
Total	(230,858)	(572,578)	-	-	-

2019 Utilities Capital Budget

Department	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023
401- Loyalist East Sewage Treatment Plant	-	-	107,690	9,414	-
402 - Loyalist East Sewer Collection System	234,608	1,165,735	-	-	30,000
403- Lakeview Sewage Pumping Station	15,000	446,405	-	-	-
411- Bath Sewage Treatment Plant	398,590	21,129	-	441,653	46,158
413- Bath Sewage Pumping Station #1	10,800	359,391	-	11,609	-
431- Fairfield Water Treatment Plant	103,000	652,776	968,868	8,000	258,136
432 - Fairfield Water Distribution	741,330	2,038,499	1,290,152	18,641	433,859
433- Fairfield Distr Booster Station	-	-	-	331,130	-
434- Odessa Water Tower	-	-	-	83,150	82,342
435- Amherstview Water Tower	-	-	115,596	79,331	-
441- Bath Water Treatment Plant	1,000,000	1,773,503	-	693,413	-
442 - Bath Water Distribution	32,194	651,097	345,450	684	11,794
443- Bath Water Tower	14,000	134,968	-	-	-
451- Utilities Vehicles/Equipment	-	52,361	140,951	31,694	57,577
452 - Millhaven Garage	-	144,697	-	-	-
870- Loyalist East Business Park	8,590	319,500	-	-	-
Grand Total	**2,558,112**	**7,760,061**	**2,968,707**	**1,708,719**	**919,866**