

DATE: March 19, 2018
REPORT NO: RFD-T-07-18
SUBJECT: **2018 Operating and Capital Budget**
CONTACT: Donna DeFilippis, Treasurer/Director of Finance

OVERVIEW:

- Council is presented with a Draft 2018 Operating and Capital Budget which results in a general tax levy of \$6,259,300, which would result in an approximate **increase** of \$26.13 (2.30%) to the Township portion of taxes to an average homeowner.
- The Draft 2018 Operating and Capital Budget includes the second allocation towards the MURS (Multi-Use Recreational Site) project of \$298,000.
- Every \$59,000 of additional expenditure added to this Draft Budget equates to a 1% general tax levy adjustment which represents an \$11.00 increase in taxes to the average homeowner
- Council is presented with three service level requests which, if approved, would increase the operating budget by \$155,100 resulting in a general tax levy of \$6,414,400. This would result in a \$54.91 (4.84%) increase to the Township portion of taxes to an average homeowner.
- Capital and Special Project requests for 2018 total \$4,568,800

RECOMMENDATION:

1. That, Report RFD-T-07-18, regarding the “2018 Operating and Capital Budget”, dated March 19th, 2018 be received; and,
2. That, a tax levy of \$6,259,300, which represents a 2.30% increase to West Lincoln taxes for an average residential property owner, be approved; and,
3. That, the Service Level Change Request to hire two additional truck drivers, resulting in an additional levy requisition of \$109,400 be approved; and,
4. That, the Service Level Change Request to allocate an additional \$40,000 to the Community Improvement Program, resulting in an additional levy requisition of \$40,000 be approved; and,
5. That, the Service Level Change Request to hire a full-time By-Law Officer, resulting in an additional levy requisition of \$5,800 be approved; and,

6. That, the Detailed 2018 Capital Program, attached as Schedule B to this report, totaling \$4,568,800 be approved with the following amendments:
 - (a) That, the fire capital budget be amended to reflect Option 2 (Chart 11) as outlined on page 11 of this report; and,
 - (b) That a transfer of \$598,974 be made from the Road Settlement Agreement to fund the Road Resurfacing projects currently funded through the Capital Reserve and as outlined on page 9 (Chart 8) of this report; and,
7. That, water and wastewater user fees increase by 5% effective July 1, 2018; and,
8. That, as required by the Ontario Community Infrastructure Fund (OCIF) Formula Component Contribution Agreement, the Treasury Department be authorized to submit Section A of the required Project Report by the deadline of March 31, 2017, indicating that the 2018 funding of \$172,526 be allocated towards the Surface Treatment on Twenty Road, from Abingdon Road to Westbrook Road; and,
9. That, the balance of Capital projects for the years 2019 to 2027 as outlined on Schedule C to this report be approved in principle; and,
10. That, tangible capital asset amortization expense estimated at \$2,215,086 and post-employment expenses estimated at \$37,500 be and are hereby excluded from the 2018 Draft Operating and Capital Budget as permitted through regulation 248/09.

ATTACHMENTS:

- **Schedule A** 2018 Budget Summary
- **Schedule B** 2018 Summary of Capital and Special Projects
- **Schedule C** 2018 Service Level Change Requests
- **Schedule D** Summary of Ten Year Capital Plans
- **Schedule E** Detailed Revenue & Expenditure Analysis
- **Schedule F** Summary of Reserve Transfers
- **Schedule G** Estimated Reserve Balances as of December 31, 2018

BACKGROUND:

The overall 2018 base budget totals \$7,797,300 and represents a 4.14% increase over the 2017 Operating Budget. A tax levy of \$6,259,300 is required in order to meet the requirements of this operating budget. This represents an increase of \$363,300 (6.16%) over the 2017 levy requirement of \$5,896,000.

The tax levy of \$6,259,300 includes an allocation of \$298,000 which is required for the second year of the MURS (Multi-Use Recreational Site) financing. The 2017 Budget

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included a \$283,500 allocation for the MURS financing and the 2019 Budget has a planned additional increase of \$307,000 for the final MURS allocation. These allocations for MURS and the financing for this project was outlined in the 2017 Budget Approval report RFD-T-33-16 dated December 5, 2016. The total three year MURS allocation is \$888,500.

An important factor in determining the impact of the tax levy to homeowners is to determine the average residential assessment. In 2017, the average residential assessment was \$326,794, whereas in 2018 it is \$345,042. The 2018 figure will be used in any analysis into the impacts of the budget to homeowners. This average assessment is for a single detached residential property.

Departmental staff will be available to respond to questions regarding their budget requirements. It is important for Council to realize that every \$59,000 increase or decrease in the tax funded budget equates to a 1% general tax levy adjustment. The increase in the amount needed from the tax base does not directly relate to an increase in taxes on a residential home, but rather it is the increase in the overall tax levy required year over year. A 1% increase to the tax levy equates to approximately an additional \$11.00 in property taxes. Every \$10,000 of expenditure added to this budget will result in an approximate increase of \$1.85 to the property taxes paid by the average residential homeowner. This information should assist Council in understanding the estimated effects of the draft budget as presented and alternatively how adjustments to the amount needed from the tax base impacts the average residential property owner.

Council is reminded that this budget is being presented using the Township's new chart of accounts structure. The 2018 Budget is the first financial report being presented to Council in this format. In 2017, while staff implemented a new Financial Software platform a complete redesign of the Chart of Accounts was also undertaken. This redesign was necessary to align all of the various reporting requirements the Township has and will also provide more detailed information going forward. However, for 2018 only, prior year comparisons on a line-by-line basis is challenging. Therefore, staff will be providing details as to the significant driving factors impacting the 2018 budget, as opposed to a detailed variance analysis that was provided in the past. Again, this will only be the case for the 2018 Budget, going forward, detailed variance analysis will be delivered.

A Budget Open House was held on Thursday, February 22nd as an opportunity for staff to discuss the 2018 Budget with members of the public. After a brief presentation from the Director of Finance the floor was open to questions from the public. There were five members of the general public in attendance at the meeting and four members of Council were also in the audience. Discussion took place regarding various aspects of the Budget and Township services in general. Discussion included the following topics:

- Winter Control Services

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- Road Maintenance and Repair
- State of Township Reserves
- Wellandport Library
- Fire Services

Comment sheets received indicated that Gravel Roads need attention and that Urban Storm Sewer costs should be added to Urban Service Area rates.

2018 Levy Request:

The 2018 Base Budget represents a total expenditure of \$7,797,300 which requires a tax levy of \$6,259,300. This tax levy is a 6.16 % (\$363,300) increase over the 2017 levy and results in a **\$26.13 increase** to the lower tier taxes paid by an average homeowner. Although the total tax levy is increasing by 6.16%, the impact to the property taxes paid is not a 6.16% increase, but a 2.30% increase. Assessment growth assists to lower the impact of levy increases on property taxes. It represents the tax dollars that can be raised with a zero percent levy change. The Chart below highlights the impact of growth on the tax levy:

Chart 1: Impact of Growth on the Tax Levy

	2018	2017	\$ Change	% Change
General Levy Requirement	\$6,259,300	\$5,896,000	\$363,300	6.16%
Less: Assessment Growth	\$ 222,000	\$ -	\$222,000	
Net Levy Requirement	\$6,037,300	\$5,896,000	\$141,300	2.40%
Township Taxes for Average Residential Property	\$ 1,161	\$ 1,135	\$ 26	2.30%
Average Assessment for a single detached residential property	\$ 345,042	\$ 326,794		

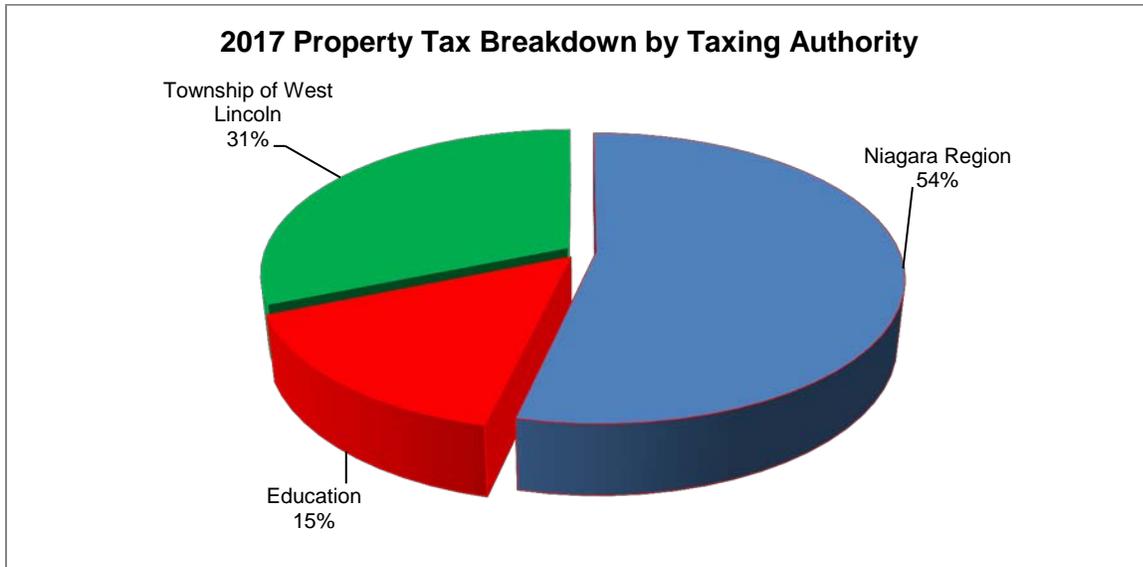
In 2017, the average home in the urban area paid \$75.00 for streetlight and sidewalk services. The 2018 Budget is indicating that the amount paid for streetlight and sidewalk services for an average homeowner will be \$80.00 annually (a \$5 increase). This would result in an annual increase in taxes of approximately **\$31.00 (\$26.13 plus \$5)** for those living in the urban service area. The 2018 Budget has a total urban service area levy of \$186,900 compared to a total levy of \$165,000 in 2017. The increase in the 2018 Budget is attributable to higher allocations for program support, in particular, staffing costs and corporate insurance. In prior year budgets, the allocation to the Sidewalk budget was not reflective of its proportionate share of the Township's total infrastructure costs and insurance costs. Any changes to the urban sidewalk or urban streetlight budgets will alter the amount above.

The municipal tax bill has three portions which need to be explained. The municipality

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collects taxes for itself, the Niagara Region, and the School Boards. The Township has no control over the Region or School Board rates. We bill, collect and then remit their portions to them. In 2017, the portion of the total tax billing related to the Township's budget was approximately 31%, the Regional portion was 54% and Education was 15%. This distribution has not varied significantly over past years. The chart below highlights the allocation of taxes.

Chart 2: Breakdown of 2017 Property Tax Bill



At the time of preparation of this report, the 2018 Niagara Region tax rates have not been determined, however, the Region has approved a 2% tax increase. However, it is likely that the increase in Regional taxes to the average homeowner in West Lincoln will be higher than 2% given the fact that West Lincoln's assessment growth relative to the other Niagara Municipalities assessment growth is on the high end. This results in West Lincoln paying a proportionately higher amount of Regional Taxes. For the purpose of this report, it is being assumed that Niagara Region taxes will actually increase 3%. The education rates for 2018 have been released from the Province. The Residential Education rate is .00170000 in 2018 as opposed to .00179000 in 2017.

The chart below is an **estimate** of the impact of all three taxing authorities to the average homeowner in 2018. Please note that the chart below is **based on the 2017 tax ratios**. Any changes to the tax ratios made in 2018 will impact the residential tax rate. Tax ratios are established by the Upper Tier municipality after consultation with the Lower Tier municipalities. At the time of preparation of this report, there has been some discussion regarding adjustments to the Multi-Residential Tax Ratio which currently has a weighting of 2.00. If the ratio is reduced for this tax class, the residential tax class will see an increase.

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Chart 3: Estimated Impact to 2018 Property Tax Bill

	2018 Total Taxes	2017 Total Taxes	\$ Change	% Change
Assessed Value	\$ 345,042.00	\$ 326,794.00	\$ 18,248.00	5.58%
Municipal	\$ 1,160.68	\$ 1,134.55	\$ 26.13	2.30%
Street Lights	\$ 40.84	\$ 44.92	-\$ 4.08	-9.08%
Sidewalks	\$ 38.77	\$ 30.10	\$ 8.67	28.80%
Total Township	\$ 1,240.29	\$ 1,209.57	\$ 30.72	2.54%
			\$ -	
Region*	\$ 2,113.10	\$ 2,051.55	\$ 61.55	3.00%
Education	\$ 586.57	\$ 584.96	\$ 1.61	0.28%
			\$ -	
TOTAL	\$ 3,939.96	\$ 3,846.08	\$ 93.88	2.44%
* assume 3% increase to Niagara Region portion of taxes				

SERVICE LEVEL CHANGES:

The 2018 Draft Operating Budget was developed based on taking 2017 service levels and making adjustments based on any information which would impact the budget numbers. These adjustments include changes stemming from updated contracts, new benefit costs, inflation and the collective agreement.

The three items listed in Chart 4 are new services that were not part of the 2017 Budget and reflect an enhanced level of service from the Municipality. These items are not included in the 2018 Budget. Detailed justification sheets are provided in Schedule C. The chart below indicates what the new tax levy would be and the new average amount of taxes paid for each item. The increase to taxes prior to any service level change approvals is \$26.13 or 2.30%.

Chart 4: Impact of Service Level Change Requests

Request	Impact to Operating Fund Annual	Impact to Operating Fund 2018	Incremental Increase to Taxes	Revised Total Increase to Taxes	Revised Total % Increase to Taxes
Addition of 2 Truck Drivers	\$ 164,000	\$ 109,400	\$ 20.29	\$ 46.42	4.09%
Increased Allocation for CIP (Community Improvement Program)	\$ 40,000	\$ 40,000	\$ 7.42	\$ 33.55	2.96%
Addition of a new Bylaw Officer	\$ 5,800	\$ 5,800	\$ 1.08	\$ 27.21	2.40%
Total	\$ 209,800	\$ 155,200	\$ 28.78	\$ 54.91	4.84%

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The Column "Impact to Operating Fund 2018" takes the annualized cost of two truck drivers and prorates that cost based on an actual hire date of May 2018.

OVERALL 2018 BUDGET OVERVIEW:

Attached to this report as Schedule E is a detailed analysis of the Budget Binder. This schedule outlines departmental Operating and Capital Budgets for 2018. This portion of the budget report will highlight high level items impacting the budget as a whole.

MURS allocation:

The second year of the MURS allocation is increasing the operating budget by \$298,000.

Labour Costs/Benefits:

Salary and Benefit costs comprise approximately 69% of the total Township Operating Budget. Total Salary and Benefit Costs in 2018 total \$5,402,600 compared to a total of \$5,066,900 in 2017 (\$335,700 increase). This represents a 6.6% increase over 2017. Factors contributing to this increase are as follows:

- \$76,000 increase for an addition to the Planning department approved in 2017
- \$40,000 increase to account for compliance with Bill 148 legislation
- \$43,000 increase to account for Library pay equity adjustments
- \$176,700 increase to account for the overall increase budgeted for salaries and benefits which represents a 3.5% increase over the 2017 salary and benefits budget. Benefit costs include WSIB, CPP, EI, EHT, OMERS and Group Benefits.

Insurance:

Corporate Insurance is allocated among various departments and has an overall budget of \$192,600 compared to \$173,400 in 2017, which equates to an increase of \$19,200. Staff have increased the 2018 insurance budget by \$16,200 in anticipation of the higher asset values that will result from the construction of the new MURS facility. The balance of the insurance premium increase is a result of anticipated premium increases as a result of inflationary factors.

In 2018 staff also reviewed the allocations among departments and determined based on departmental budgets, asset values and claim experience that the allocation needed to be updated. This has resulted in a larger portion of the insurance costs to be allocated towards Transportation Services.

Reserve Increases:

The following departments had significant increases made to their reserve transfers as compared to 2017:

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Chart 5: Reserves with significant increases in 2018

Reserve	2018 Contribution	2017 Contribution	Difference
Fire Equipment	\$ 300,000	\$ 250,000	\$ 50,000
Road Equipment	\$ 350,000	\$ 237,000	\$ 113,000
Bridges	\$ 130,000	\$ 55,600	\$ 74,400
Total	\$ 780,000	\$ 542,600	\$ 237,400

Funding from Operating Fund for Special Projects:

In 2018, \$154,000 is budgeted for as funding from the Operating Fund for the financing of special projects. This represents an increase of \$118,750 over 2017, where \$35,250 was funded from the Operating Fund. The chart below outlines the projects funded through the Operating Fund. If any projects are removed from this list, it will have an impact on the Operating Fund.

Chart 6: Special Projects funded through Operating Fund

	Expenditure	Development Charges	Operating Fund	Grants Provincial
2018 - Website Refresh	\$ 18,000		-\$ 18,000	
2018 - Townhall - Replace Old Fire Hall Windows	\$ 3,500		-\$ 3,500	
2018 - Townhall - Repair Old Fire Hall Bathrooms	\$ 6,000		-\$ 6,000	
2018 - Town hall - Parking Lot Spot Repairs	\$ 20,000		-\$ 20,000	
Traffic Safety Study	\$ 10,000		-\$ 10,000	
2018 - PW Building - Building interior upgrades	\$ 10,000		-\$ 10,000	
2018 - Oakdale Blvd: Storm Pond Maintenance	\$ 25,000		-\$ 25,000	
Tree planting new & replacement	\$ 5,000		-\$ 5,000	
2018 - Urban Boundary Expansion	\$ 100,000	-\$ 60,000	-\$ 40,000	
2018 - Bike Trails Master Plan	\$ 25,000	-\$ 3,800	-\$ 2,500	-\$ 18,700
2018 - Wellandport Streetscape Master Plan	\$ 10,000	-\$ 2,000	-\$ 8,000	
2018 - Railroad Crossing Justification Study	\$ 30,000	-\$ 24,000	-\$ 6,000	
Grand Total	\$ 262,500	-\$ 89,800	-\$ 154,000	-\$ 18,700

The above expenditure increases total \$1,009,050.

Mitigating Factors:

The following items reflect increases in revenues which help to offset the operating increases outlined above. They are summarized below and total \$676,700:

- \$319,000 increase in PIL (Payments in Lieu)
- \$82,400 increase to OMPF (Ontario Municipal Partnership Fund)
- \$187,000 increase in Planning Department Revenues
- \$88,000 in new revenue for transportation services which represents the Road Use Agreement funds

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CAPITAL RESERVE:

The 2018 Budget recommends a transfer to the Capital Reserve of \$177,000. This represents 3% of the 2017 tax levy, which is higher than the recommended 2% that is outlined in the Township’s Reserve Policy. This higher transfer is being proposed in light of the demands from the Capital Reserve in 2018 and over the period of the ten-year capital plan. The chart below outlines the forecasted transfers to and from the Capital Reserve over a period of ten years. The assumption is being made that the transfer to the Capital Reserve would increase by 10% annually.

Chart 7: Capital Reserve Forecast 2018 to 2027 Based on Ten Year Capital Plan

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Opening Reserve Balance	951,043	32,969	(744,991)	(2,717,425)	(3,825,505)	(4,241,355)	(4,791,165)	(4,673,345)	(5,545,447)	(6,528,267)
Transfer to Reserve	177,000	194,700	214,200	235,700	259,300	285,300	313,900	345,300	379,900	417,900
Transfer from Reserve	1,095,074	972,660	2,186,634	1,343,780	675,150	835,110	196,080	1,217,402	1,362,720	2,173,790
Closing Reserve Balance	32,969	(744,991)	(2,717,425)	(3,825,505)	(4,241,355)	(4,791,165)	(4,673,345)	(5,545,447)	(6,528,267)	(8,284,157)

The projected negative balances in the Capital Reserve for the years 2019 to 2027 will require Capital projects to be deferred, or the Township will have to incur long-term debt in the form of a debenture in order to complete the projects as proposed. Staff is recommending for 2018 that some of the projects funded from the Capital Reserve be financed through a transfer from the Reserve set up for the Settlement Road Agreement Funds.

In 2017, Council approved projects totalling \$4,637,368 to be financed with the funds received through the Settlement related to the Wind Turbine Road Agreement Funds. After the 2017 approval, the balance remaining in this reserve is \$1,462,632. It is being recommended by staff that the road resurfacing projects funded through a transfer from the Capital Reserve be funded alternatively through a transfer from the Settlement Road Agreement Reserve (see Chart 8). If approved, this reserve would have a closing balance of \$863,658 at the end of 2018. If approved, this recommendation would result in the Capital Reserve having a balance of \$631,943 at the end of 2018.

Chart 8: Proposed Projects to be financed with the Settlement Road Agreement Reserve

	Expenditure	Capital Reserve	Development Charges	Gas Tax	OCIF
2018 - Twenty Rd : Pulverize & DST - From: Abingdon Rd To: Westbrook Rd	\$ 370,000	-\$ 197,474			-\$172,526
2018 - Twenty Rd : Pulverize & DST - From: RR 14 To: South Grimsby Rd 8	\$ 70,000	-\$ 64,000	-\$ 6,000		
2018 - South Chippawa Rd : Pulverize & DST - From: North Chippawa Road To: RR 14 (Smithville Rd)	\$ 370,000	-\$ 337,500	-\$ 32,500		
Grand Total	\$ 810,000	-\$ 598,974	-\$ 38,500	\$ -	-\$172,526

If Council chooses not to approve the use of the Settlement Road Agreement Reserve, these projects would be funded through a debenture issue. It is estimated that a ten-year

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debenture at a rate of 3.5% would result in a debenture payback of \$80,000 in 2019. Alternatively, Council could defer the completion of other Capital projects funded by the Capital Reserve.

FIRE RESERVE:

Based on the 2018 Fire Capital requests and the Fire Ten Year Capital Plan, there is pressure being placed on the Fire Reserve. The chart below outlines the projected balances in the Fire Reserve if the Ten-Year Capital Plan is completed as submitted. In light of this pressure, the transfer to the Fire Reserve has increased by \$50,000 in 2018 to a total of \$300,000 annually. However, the pressure on the reserve still exists even after this increased allocation. The two charts below outline the Ten-Year Capital Plan for fire and the resulting impact to the Fire Reserve. The chart below is based on an **annual 7% increase** being made to the annual transfer to the Fire Reserve.

Chart 9: Fire Ten Year Capital Plan- OPTION 1:

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
2018 - New Hose Replacement	\$ 5,000										\$ 5,000
2018 - Portable, Base and Truck Radios_replacement and additions	\$ 278,600										\$ 278,600
Bunker Gear	\$ 17,000	\$ 17,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 20,000	\$ 20,000	\$ 185,000
Extracation Equipment - New				\$ 80,000							\$ 80,000
Equipment & Gear for 10 additional Firefighters				\$ 136,300							\$ 136,300
2020 - Caistor Fire Hall - Replacement			\$ 1,880,000								\$ 1,880,000
2018 - New Pumper Rescue Station # 2	\$ 550,000										\$ 550,000
2019 - New Tanker Station #1		\$ 450,000									\$ 450,000
2020 - New Tanker Station #2			\$ 450,000								\$ 450,000
2018 - Chief's vehicle	\$ 40,000										\$ 40,000
2026 - New Pumper Station # 1								\$ 650,000			\$ 650,000
2019 - Deputy Chief's vehicle		\$ 40,000									\$ 40,000
2024 - New Aerial Truck							\$ 1,000,000				\$ 1,000,000
Grand Total	\$ 890,600	\$ 507,000	\$ 2,348,000	\$ 234,300	\$ 18,000	\$ 19,000	\$ 1,019,000	\$ 19,000	\$ 670,000	\$ 20,000	\$ 5,744,900

Chart 10: Fire Equipment Reserve Balances from 2018 to 2027 based on OPTION 1

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Opening Reserve Balance	-\$ 36,463	-\$ 376,323	-\$ 562,323	-\$ 686,823	-\$ 385,223	-\$ 9,823	\$ 392,177	-\$ 176,323	\$ 286,777	\$ 132,677
Transfer to Reserve	\$ 300,000	\$ 321,000	\$ 343,500	\$ 367,600	\$ 393,400	\$ 421,000	\$ 450,500	\$ 482,100	\$ 515,900	\$ 552,100
Transfer from Reserve	\$ 639,860	\$ 507,000	\$ 468,000	\$ 66,000	\$ 18,000	\$ 19,000	\$ 1,019,000	\$ 19,000	\$ 670,000	\$ 20,000
Closing Reserve Balance	-\$ 376,323	-\$ 562,323	-\$ 686,823	-\$ 385,223	-\$ 9,823	\$ 392,177	-\$ 176,323	\$ 286,777	\$ 132,677	\$ 664,777

Based on the current Fire Ten Year Capital Plan the Fire Reserve would be in a negative balance for the years 2018-2022 and 2024. This would require internal borrowing from another Township reserve, with the Industrial Park Reserve being suggested as it has a projected closing balance of approximately \$842,000 at the end of 2017. It is to be noted that the Industrial Park Reserve would not be replenished fully until 2025. Alternatively,

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outside borrowing through the issuance of a debenture could be utilized.

At the Preliminary Budget meeting held on February 20, 2018, it was suggested by Councillor Ganann to consider moving the projects in the Fire Ten Year Capital Plan out by one year. Staff reviewed this suggestion and below is a Revised Fire Ten Year Capital Plan with projects moved in such a manner as to ensure the Fire Reserve is never in a large negative balance.

Chart 11: Revised Fire Ten Year Capital Plan- OPTION 2

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
2018 - New Hose Replacement	\$ 5,000										\$ 5,000
2018 - Portable, Base and Truck Radios_replacement and additions	\$ 278,600										\$ 278,600
Bunker Gear	\$ 17,000	\$ 17,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 20,000	\$ 20,000	\$ 185,000
Extraction Equipment - New				\$ 80,000							\$ 80,000
Equipment & Gear for 10 additional Firefighters				\$ 136,300							\$ 136,300
2020 - Caistor Fire Hall - Replacement			\$ 1,880,000								\$ 1,880,000
2018 - New Pumper Rescue Station # 2	\$ -	\$ 550,000									\$ 550,000
2021 - New Tanker Station #1		\$ -		\$ 450,000							\$ 450,000
2022 - New Tanker Station #2			\$ -		\$ 450,000						\$ 450,000
2020 - Chief's vehicle	\$ -		\$ 40,000								\$ 40,000
2026 - New Pumper Station # 1									\$ 650,000		\$ 650,000
2020 - Deputy Chief's vehicle		\$ -	\$ 40,000								\$ 40,000
2026 - New Aerial Truck							\$ -	\$ 1,000,000			\$ 1,000,000
Grand Total	\$ 300,600	\$ 567,000	\$ 1,978,000	\$ 684,300	\$ 468,000	\$ 19,000	\$ 19,000	\$ 1,019,000	\$ 670,000	\$ 20,000	\$ 5,744,900

Under this scenario, the Fire Equipment Reserve would only be in a negative position for the years 2019 and 2022 with the negative balances significantly smaller. No internal borrowing would be required.

Chart 12: Fire Equipment Reserve Balances from 2018 to 2027 based on OPTION 2

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Opening Reserve Balance	-\$ 36,463	\$ 213,677	-\$ 32,323	\$ 213,177	\$ 64,777	-\$ 9,823	\$ 392,177	\$ 823,677	\$ 286,777	\$ 132,677
Transfer to Reserve	\$ 300,000	\$ 321,000	\$ 343,500	\$ 367,600	\$ 393,400	\$ 421,000	\$ 450,500	\$ 482,100	\$ 515,900	\$ 552,100
Transfer from Reserve	\$ 49,860	\$ 567,000	\$ 98,000	\$ 516,000	\$ 468,000	\$ 19,000	\$ 19,000	\$ 1,019,000	\$ 670,000	\$ 20,000
Closing Reserve Balance	\$ 213,677	-\$ 32,323	\$ 213,177	\$ 64,777	-\$ 9,823	\$ 392,177	\$ 823,677	\$ 286,777	\$ 132,677	\$ 664,777

It is recommended that the Revised Fire Ten Year Capital Plan be approved by Council. It is also important to note that in order for the Fire Reserve to remain for the most part in a positive balance, the annual contribution to the Fire Reserve will have to increase by 7% on an annual basis commencing in 2019.

WATER & WASTEWATER BUDGETS:

Both the Water and Sewer Department budgets are self-funding, meaning that all costs

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are off-set by user fees and not property taxes. The 2018 budget is proposing a 5% increase to water and wastewater rates as outlined in the 2016 Water and Wastewater Rate Study and Financial Plan. The rate change would be effective July 1, 2018 and would impact the September 2018 and December 2018 billings. The water consumptive rate would increase to \$1.28 from \$1.22 and the fixed quarterly rate for a ¾ service would increase to \$35.81 from \$34.10. Bulk water would see its per cubic meter rate increase to \$1.72 from \$1.64. The wastewater consumptive rate would increase to \$1.65 from \$1.57 and the fixed quarterly rate for a ¾ service would increase to \$82.55 from \$78.62. The impact to an average quarterly water bill is outlined below:

Chart 13: Impact of Proposed 5% Increase to Quarterly Water & Wastewater Bill

Impact of Proposed Water & Wastewater Rates				
Based on an average consumption of 45 cubic meters per quarter,				
or 180 cubic meters annually				
		Quarterly Charge		
		Current	July 2018	
Water Consumptive		\$ 55	\$	58
Sewer Consumptive		\$ 71	\$	74
Water Base		\$ 34	\$	36
Sewer Base		\$ 79	\$	83
Total		\$ 238	\$	250

ONTARIO REGULATION 284/09 REQUIRED REPORTING:

As a municipality, the Township is required to follow the accounting standards established by the Public Sector Accounting Board (PSAB). The PSAB standards do not require municipal budgets be prepared on a fully accrual basis. The Township of West Lincoln, like most Ontario Municipalities, continues to prepare budgets on a cash basis. A key outcome of the annual budget is a tax rate. The tax rate is based on annual cash requirements and therefore does not include the PSAB requirements around accrual accounting and accounting for “non-financial assets and liabilities”

Ontario Regulation 284/09 allows a municipality to exclude from its annual budget estimated expenses related to the following:

- i. Amortization expenses
- ii. Post-Employment Benefit Expenses
- iii. Solid waste landfill closure and post-closure expenses – N/A to our Township

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The regulation however does require that the municipality report on the impact of these excluded costs. In particular, reporting is required to estimate the impact on the accumulated surplus and the impact on the future tangible capital asset funding requirements from resulting from the exclusion of any of the expenses listed above.

i. Amortization Expense:

Amortization expense represents the reduction in the economic benefits realized by the Township's Tangible Capital Assets during the fiscal period. Amortization expense should not be used to determine the impairment of an asset; however, it is a good tool to predict the future annual financial commitment required for asset rehabilitation or replacement. The 2018 Draft Operating and Capital Budget excludes \$2,215,086 of estimated amortization expense, which would reduce the Township's accumulated surplus. The 2018 Budget does include total transfers to reserves relating to Tangible Capital Assets of \$906,200. In 2018, \$2,721,800 is being transferred from Reserves to finance Capital expenditures. It should also be noted that the 2018 Budget includes \$4,057,300 in recommended Tangible Capital Asset Investments. These investments are treated as expenditures in the 2018 Budget; however, in accrual accounting they are Tangible Capital Additions and are not expensed, resulting in an increase to the accumulated surplus.

ii. Post-employment Benefits:

Post-employment benefits are non-pension benefits provided to employees that met specific criteria upon retirement. The 2018 Draft Operating Budget excludes an estimated \$37,500 of post-employment benefits expense which has the impact of decreasing the accumulated surplus. The 2018 Budget does include \$24,600 of the current year's post-employment benefit costs paid out to current eligible retired employees, offsetting the liability.

Impact on Accumulated Surplus:

The accumulated surplus shown in the Township's Financial Statements represents the net resources available to provide future services. It does not represent surplus cash. The Township's accumulated surplus as calculated using PSAB policies was \$72.8 million as of December 31, 2016. The closing balance as of December 31, 2017 is not yet available. Chart 8 below outlines the estimated impact of excluding the above two expenses:

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Chart 14: Impact of Excluding Amortization and Post-Employment Benefits on the Accumulated Surplus

Tangible Capital Asset Amortization	2,215,086
Reserve Financing for Tangible Capital Assets	2,721,800
Post Employment Benefits	37,500
Total Decrease to Accumulated Surplus	4,974,386
Investment in Tangible Capital Assets	4,057,300
Reserve contributions related to Tangible Capital Assets	906,200
Total Increase to Accumulated Surplus	4,963,500
	- 10,886

INTER-DEPARTMENTAL COMMENTS:

Department Heads have all been involved in the creation of their own budget documents. Department Heads worked with their staff to send in initial budget plans which have undergone some change through meetings with the Treasurer and CAO to get to the final draft document as presented to Council.

CONCLUSION:

It is concluded that the 2018 Operating and Capital Budget report and recommendations be approved as presented.

Prepared by:



**Donna DeFilippis, CPA,CA
Treasurer/Director of Finance**

Approved by:



**Carolyn Langley
Acting CAO/Clerk**

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TOWNSHIP OF WEST LINCOLN
2018 Budget
General Revenues & Expenditures

		2018 Budget	2017 Budget	Difference	Difference
		\$	\$	\$	%
General					
Operating					
Taxation Revenue					
TAX LEVY	1-00-00000-405110	6,259,300	5,896,000	363,300	6.16%
SUPPLEMENTAL TAX LEVY RESIDENT	1-00-00000-405410	50,000	65,000	(15,000)	-23.08%
		6,309,300	5,961,000	348,300	5.84%
Payments in Lieu of Taxation					
PILS COMMERCIAL	1-00-00000-405730	697,000	377,200	319,800	84.78%
		697,000	377,200	319,800	84.78%
Licenses & Permits					
GF-TRAILER LICENSES	1-00-00000-410331	600	600	-	0.00%
GF-HUNTING LICENSES	1-00-00000-410332	400	400	-	0.00%
GF-LOTTERY LICENSES	1-00-00000-410334	3,500	3,700	(200)	-5.41%
		4,500	4,700	(200)	-4.26%
Rents & Concessions					
GF-PROPERTY RENTAL	1-00-00000-410501	46,400	48,500	(2,100)	-4.33%
		46,400	48,500	(2,100)	-4.33%
Government Transfers					
GF-OMPF	1-00-00000-415202	954,800	872,400	82,400	9.45%
		954,800	872,400	82,400	9.45%
Penalty & Interest Revenue					
GF-P&I TAXES	1-00-00000-420101	325,000	380,000	(55,000)	-14.47%
GF-PARKING TICKETS	1-00-00000-420202		27,000	(27,000)	-100.00%
		325,000	407,000	(82,000)	-20.15%
Investment Income					
GF-CIBC INTEREST	1-00-00000-420301	65,000	89,000	(24,000)	-26.97%
GF-MERIDIAN INTEREST	1-00-00000-420302	5,000	-	5,000	100.00%
GF-RBC DOMINION INTEREST	1-00-00000-420303	70,000	76,000	(6,000)	-7.89%
		140,000	165,000	(25,000)	-15.15%
Other Revenue					
GF-DONATIONS	1-00-00000-420401	420,000		420,000	100.00%
GF-MISCELLANEOUS	1-00-00000-420402	5,000	5,100	(100)	-1.96%
		425,000	5,100	419,900	8233.33%
Funding From Accumulated Surplus					
GF-TRSF FROM PY SURPLUS	1-00-00000-460101	100,000	100,000	-	0.00%
GF-TSFR FROM WORKING FUNDS	1-00-00000-460126	45,000	45,000	-	0.00%
		145,000	145,000	-	0.00%
Total General Revenue		9,047,000	7,985,900	1,061,100	13.29%
General Expenses					
GF-INT DEBENT #2018-13	1-00-00000-510002	262,600		262,600	100.00%
GF-PRNCPLE DEBENTURE #2018-13	1-00-00000-555002	250,000		250,000	100.00%
		512,600		512,600	100.00%
Reserve Contributions					
GF-CONTRIB TO CAPITAL	1-00-00000-560105	177,000	177,300	(300)	-0.17%
GF-CONTRIB TO CONTINGENCY	1-00-00000-560107		37,200	(37,200)	-100.00%
GF-CONTRIB TO FACILITIES	1-00-00000-560110	125,100	284,000	(158,900)	-55.95%
GF-CONTRIB TO TECHNOLOGY	1-00-00000-560123	15,000		15,000	100.00%
GF-CONTRIB TO WT COM FUND RESERVE	1-00-00000-560127	420,000		420,000	100.00%
		737,100	498,500	238,600	47.86%
Total General Expenses		1,249,700	498,500	751,200	150.69%
Financing for Service Areas		7,797,300	7,487,400	309,900	4.14%

TOWNSHIP OF WEST LINCOLN
2018 Budget
Operating Expenditures

	2018 Budget	2017 Budget	Difference	Difference
	\$	\$	\$	%
General Government				
Governance	241,700	192,300	49,400	25.69%
Corporate Management	1,629,800	1,522,400	107,400	7.05%
Total General Government	1,871,500	1,714,700	156,800	9.14%
Protection Services				
Fire	1,138,500	1,037,300	101,200	9.76%
Building Permit & Inspection Services and Protective Inspection & Parking	88,600	94,300	(5,700)	-6.04%
Provincial Offences Act (POA)	(18,500)	-	(18,500)	
Animal Control	20,300	18,300	2,000	10.93%
Total Protection Services	1,228,900	1,149,900	79,000	14.64%
Transportation Services				
Roads - Paved & Unpaved Operating	1,835,400	2,081,700	(246,300)	-11.83%
Traffic Operations & Roadside Maintenance Services Operating	194,900	7,700	187,200	2431.17%
Winter Control	542,500	612,100	(69,600)	-11.37%
Crossing Guards	80,000	67,200	12,800	19.05%
Streetlights	45,200	48,900	(3,700)	-7.57%
Bridges	200,900	124,600	76,300	61.24%
Total Transportation Services	2,898,900	2,942,200	(43,300)	-1.47%
Environmental Services				
Storm Sewer	112,300	-	112,300	100.00%
Total Environmental Services	112,300	-	112,300	100.00%
Health Services				
Cemetery	68,400	70,800	(2,400)	-3.39%
Total Health Services	68,400	70,800	(2,400)	-3.39%
Library Services	510,500	418,500	92,000	21.98%
Recreational and Cultural Services				
Rec Facilities	288,700	408,000	(119,300)	-29.24%
Parks	369,200	299,300	69,900	100.00%
Rec Programming	241,400	123,200	118,200	100.00%
Total Recreational and Cultural Services	899,300	830,500	68,800	8.28%
Planning and Development				
Planning and Heritage	171,600	197,900	(26,300)	-13.29%
Drainage	35,900	45,500	(9,600)	-21.10%
Total Planning and Development	207,500	243,400	(35,900)	-14.75%
Facilities	-	117,400	(117,400)	-100.00%
(in 2018 Facilities are budgeted within appropriate service area)				
TOTAL 2018 OPERATING EXPENDITURE	7,797,300	7,487,400	309,900	4.14%

2018 CAPITAL BUDGET - TANGIBLE CAPITAL ASSETS	2018														
	Expenditure	Development Charges	Bridge Reserve	Building Dept. Reserve	Capital Reserve	Equipment Reserve	Facilities Reserve	Fire Reserve	Gas Tax	In Lieu of Parkland	IT Reserve	Library Reserve	Planning Reserve	Sewer Reserve	Water Reserve
_02500 Corporate Mangement	\$ 176,100				-\$ 103,000						-\$ 73,100				
Miscellaneous equipment	\$ 3,000				-\$ 3,000										
2018 - Microsoft Exchange Server & Migration	\$ 52,000										-\$ 52,000				
2018 - Miscellaneous Network Hardware	\$ 13,100										-\$ 13,100				
2018 - Replacement Phone System	\$ 100,000				-\$ 100,000										
New Computers	\$ 8,000										-\$ 8,000				
_04100 Fire	\$ 890,600							-\$ 639,860							
2018 - New Hose Replacement	\$ 5,000							-\$ 5,000							
2018 - Portable, Base and Truck Radios replacement and additions	\$ 278,600							-\$ 27,860							
Bunker Gear	\$ 17,000							-\$ 17,000							
2018 - New Pumper Rescue Station # 2	\$ 550,000							-\$ 550,000							
2018 - Chief's vehicle	\$ 40,000							-\$ 40,000							
_06000 Transportation Services General	\$ 484,500	-\$ 57,600			-\$ 14,400	-\$ 412,500									
Miscellaneous road equipment	\$ 6,000					-\$ 6,000									
2018 - Roadside Rear/Side Mower for Kubota Tractor - To replace 2009 Tiger	\$ 26,000					-\$ 26,000									
Plow Blade for Kubota Tractor	\$ 16,000					-\$ 16,000									
2018 - Vehicle Hoist	\$ 8,000					-\$ 8,000									
2018 - Pickup Truck 12 - To replace 2005 Chevrolet	\$ 36,000					-\$ 36,000									
2018 - Tractor - To replace 2004 Kubota	\$ 92,000					-\$ 92,000									
2018 - Backhoe with hoe ram & packer - To replace 2006 John Deere	\$ 192,500					-\$ 192,500									
2018 - Pickup Truck 14 - To replace 2008 Ford	\$ 36,000					-\$ 36,000									
2018 - Pickup Truck - New to fleet	\$ 72,000	-\$ 57,600			-\$ 14,400										
_06110 Roads Paved	\$ 940,000	-\$ 49,500			-\$ 598,974			-\$ 119,000							
2018 - Abingdon Rd : Pulverize & DST - From: South Chippawa Rd To: North Chippawa Rd	\$ 130,000	-\$ 11,000						-\$ 119,000							
2018 - Twenty Rd : Pulverize & DST - From: Abingdon Rd To: Westbrook Rd	\$ 370,000				-\$ 197,474										
2018 - Twenty Rd : Pulverize & DST - From: RR 14 To: South Grimsby Rd 8	\$ 70,000	-\$ 6,000			-\$ 64,000										
2018 - South Chippawa Rd : Pulverize & DST - From: North Chippawa Road To: RR 14 (Smithville Rd)	\$ 370,000	-\$ 32,500			-\$ 337,500										
_06130 Bridges Culverts	\$ 590,000	-\$ 73,100	-\$ 196,350					-\$ 320,550							
2018 - Boyle Rd - From: East Chippawa (WL) To: River Road (W) SDR	\$ 360,000	-\$ 39,450						-\$ 320,550							
2018 - Caistor-Gainsborough Townline Rd - From: South Chippawa To: RR 63 SDR	\$ 30,000	-\$ 2,850	-\$ 27,150												
2018 - Patterson Rd - From: Sixteen Rd To: RR 20 SDR	\$ 30,000	-\$ 2,800	-\$ 27,200												
Guardrail Replacement	\$ 130,000		-\$ 130,000												
Guard Rail Replacement - various bridges	\$ 130,000		-\$ 130,000												
2018 - - Pedestrian Trail Bridge - Forestview	\$ 40,000	-\$ 28,000	-\$ 12,000												
_06140 Traffic Ops Roadside Services	\$ 205,600	-\$ 18,000			-\$ 187,600										
Railroad Crossing Unopened Roads - various locations	\$ 15,000				-\$ 15,000										
Signs - New & Replacment	\$ 10,600				-\$ 10,600										
Sidewalk Replacement 2018 - Wade Rd (West side) - From: Colver St To: RR 14 - 362m	\$ 180,000	-\$ 18,000			-\$ 162,000										
_08110 Wastewater Collection Conveyance	\$ 5,000													-\$ 5,000	
Miscellaneous Wastewater Equipment	\$ 5,000													-\$ 5,000	
_08210 Urban Storm System	\$ 20,000				-\$ 20,000										
2018 - Colver St: Canborough St to Wade Rd Refurbishment	\$ 20,000				-\$ 20,000										
_08320 Water Distribution Transmission	\$ 125,000	-\$ 20,000													-\$ 105,000
Miscellaneous Water Equipment	\$ 5,000														-\$ 5,000
Water Meters Replacement Program	\$ 50,000														-\$ 50,000
Water Meters New Installation	\$ 30,000														-\$ 30,000
2018 - West St - From: South Grimsby Rd 5 To: Wade Rd Design Main Replacement	\$ 40,000	-\$ 20,000													-\$ 20,000
_16100 Parks	\$ 419,700	-\$ 48,000			-\$ 117,000	-\$ 51,700	-\$ 16,000			-\$ 21,000			-\$ 5,000		
Miscellaneous recreation equipment	\$ 6,000					-\$ 6,000									
2018 - - Heritage Committee Mural Project	\$ 12,500												-\$ 5,000		
2018 - Leisureplex - Works building upgrades	\$ 16,000						-\$ 16,000								
2018 - Streamside Playground - New playground equipment	\$ 32,000	-\$ 23,000								-\$ 9,000					
2018 - Abingdon Baseball Diamond Lights	\$ 40,000				-\$ 40,000										
2018 - Leisureplex - New Green Space	\$ 12,000									-\$ 12,000					
2018 - - Smithville Square Parkette	\$ 250,000	-\$ 25,000			-\$ 77,000										
2018 - : Wellandport Park Upgrades - From: To:	\$ 5,500														
2018 - Front mount mower - To replace 2008 John Deere	\$ 21,500					-\$ 21,500									
2018 - Landscape Trailer - To replace 2005 NandO	\$ 20,000					-\$ 20,000									
2018 - Field Paint Liner	\$ 4,200					-\$ 4,200									
_16340 Recreation Facilities	\$ 24,500					-\$ 7,500	-\$ 17,000								
2018 - Floor Cleaning Machine	\$ 7,500					-\$ 7,500									
2018 - Wellandport Hall - New Steel Roof, Facia & Soffit	\$ 17,000						-\$ 17,000								
_16402 Library Smithville	\$ 23,300	-\$ 4,800										-\$ 18,500			
2018 - Photocopier	\$ 5,000											-\$ 5,000			
Replacement Computers	\$ 1,500											-\$ 1,500			
Addition to printed collection	\$ 13,500	-\$ 4,800										-\$ 8,700			
Addition to audio visual collection	\$ 3,300											-\$ 3,300			
_16403 Library Caistorville	\$ 11,500	-\$ 4,800										-\$ 6,700			
Addition to printed collection	\$ 7,200	-\$ 4,800										-\$ 2,400			
Addition to audio visual collection	\$ 4,300											-\$ 4,300			
_16404 Library Wellandport	\$ 116,500	-\$ 4,800										-\$ 101,700			
2018 - Wellandport Addition Furniture and Fixtures	\$ 100,000											-\$ 90,000			
2018 - Computers-New	\$ 5,000											-\$ 5,000			
Addition to printed collection	\$ 8,700	-\$ 4,800										-\$ 3,900			
Addition to audio visual collection	\$ 2,800											-\$ 2,800			
_04450 Building Permit Inspection Services	\$ 25,000														
2018 - New Vehicle - 2nd in fleet	\$ 25,000			-\$ 25,000											
Grand Total	\$ 4,057,300	-\$ 280,600	-\$ 196,350	-\$ 25,000	-\$ 1,040,974	-\$ 471,700	-\$ 33,000	-\$ 639,860	-\$ 439,550	-\$ 21,000	-\$ 73,100	-\$ 126,900	-\$ 5,000	-\$ 5,000	-\$ 105,000

2018 CAPITAL BUDGET - TANGIBLE CAPITAL ASSETS	2018							
	Expenditure	Inter-Municipal Loan	Grant Regional	Grant Community	Grant Provincial	OCIF	Donations	
_02500_Corporate_Mangement	\$ 176,100							
Miscellaneous equipment	\$ 3,000							
2018 - Microsoft Exchange Server & Migration	\$ 52,000							
2018 - Miscellaneous Network Hardware	\$ 13,100							
2018 - Replacement Phone System	\$ 100,000							
New Computers	\$ 8,000							
_04100_Fire	\$ 890,600	-\$ 250,740						
2018 - New Hose Replacement	\$ 5,000							
2018 - Portable, Base and Truck Radios replacement and additions	\$ 278,600	-\$ 250,740						
Bunker Gear	\$ 17,000							
2018 - New Pumper Rescue Station # 2	\$ 550,000							
2018 - Chief's vehicle	\$ 40,000							
_06000_Transportation_Services_General	\$ 484,500							
Miscellaneous road equipment	\$ 6,000							
2018 - Roadside Rear/Side Mower for Kubota Tractor - To replace 2009 Tiger	\$ 26,000							
Plow Blade for Kubota Tractor	\$ 16,000							
2018 - Vehicle Hoist	\$ 8,000							
2018 - Pickup Truck 12 - To replace 2005 Chevrolet	\$ 36,000							
2018 - Tractor - To replace 2004 Kubota	\$ 92,000							
2018 - Backhoe with hoe ram & packer - To replace 2006 John Deere	\$ 192,500							
2018 - Pickup Truck 14 - To replace 2008 Ford	\$ 36,000							
2018 - Pickup Truck - New to fleet	\$ 72,000							
_06110_Roads_Paved	\$ 940,000					-\$ 172,526		
2018 - Abingdon Rd : Pulverize & DST - From: South Chippawa Rd To: North Chippawa Rd	\$ 130,000							
2018 - Twenty Rd : Pulverize & DST - From: Abingdon Rd To: Westbrook Rd	\$ 370,000					-\$ 172,526		
2018 - Twenty Rd : Pulverize & DST - From: RR 14 To: South Grimsby Rd 8	\$ 70,000							
2018 - South Chippawa Rd : Pulverize & DST - From: North Chippawa Road To: RR 14 (Smithville Rd)	\$ 370,000							
_06130_Bridges_Culverts	\$ 590,000							
2018 - Boyle Rd - From: East Chippawa (WL) To: River Road (W) SDR	\$ 360,000							
2018 - Caistor-Gainsborough Townline Rd - From: South Chippawa To: RR 63 SDR	\$ 30,000							
2018 - Patterson Rd - From: Sixteen Rd To: RR 20 SDR	\$ 30,000							
Guardrail Replacement	\$ 130,000							
Guard Rail Replacement - various bridges	\$ 130,000							
2018 - - Pedestrian Trail Bridge - Forestview	\$ 40,000							
_06140_Traffic_Ops_Roadside_Services	\$ 205,600							
Railroad Crossing Unopened Roads - various locations	\$ 15,000							
Signs - New & Replacment	\$ 10,600							
Sidewalk Replacement 2018 - Wade Rd (West side) - From: Colver St To: RR 14 - 362m	\$ 180,000							
_08110_Wastewater_Collection_Conveyance	\$ 5,000							
Miscellaneous Wastewater Equipment	\$ 5,000							
_08210_Urban_Storm_System	\$ 20,000							
2018 - Colver St: Canborough St to Wade Rd Refurbishment	\$ 20,000							
_08320_Water_Distribution_Transmission	\$ 125,000							
Miscellaneous Water Equipment	\$ 5,000							
Water Meters Replacement Program	\$ 50,000							
Water Meters New Installation	\$ 30,000							
2018 - West St - From: South Grimsby Rd 5 To: Wade Rd Design Main Replacement	\$ 40,000							
_16100_Parks	\$ 419,700	-\$ 105,000	-\$ 8,000	-\$ 48,000				
Miscellaneous recreation equipment	\$ 6,000							
2018 - - Heritage Committee Mural Project	\$ 12,500		-\$ 5,000	-\$ 2,500				
2018 - Leisureplex - Works building upgrades	\$ 16,000							
2018 - Streamside Playground - New playground equipment	\$ 32,000							
2018 - Abingdon Baseball Diamond Lights	\$ 40,000							
2018 - Leisureplex - New Green Space	\$ 12,000							
2018 - - Smithville Square Parkette	\$ 250,000	-\$ 100,000			-\$ 48,000			
2018 - : Wellandport Park Upgrades - From: To:	\$ 5,500			-\$ 5,500				
2018 - Front mount mower - To replace 2008 John Deere	\$ 21,500							
2018 - Landscape Trailer - To replace 2005 NandO	\$ 20,000							
2018 - Field Paint Liner	\$ 4,200							
_16340_Recreation_Facilities	\$ 24,500							
2018 - Floor Cleaning Machine	\$ 7,500							
2018 - Wellandport Hall - New Steel Roof, Facia & Soffit	\$ 17,000							
_16402_Library_Smithville	\$ 23,300							
2018 - Photocopier	\$ 5,000							
Replacement Computers	\$ 1,500							
Addition to printed collection	\$ 13,500							
Addition to audio visual collection	\$ 3,300							
_16403_Library_Caistorville	\$ 11,500							
Addition to printed collection	\$ 7,200							
Addition to audio visual collection	\$ 4,300							
_16404_Library_Wellandport	\$ 116,500						-\$ 10,000	
2018 - Wellandport Addition Furniture and Fixtures	\$ 100,000						-\$ 10,000	
2018 - Computers-New	\$ 5,000							
Addition to printed collection	\$ 8,700							
Addition to audio visual collection	\$ 2,800							
_04450_Building_Permit_Inspection_Services	\$ 25,000							
2018 - New Vehicle - 2nd in fleet	\$ 25,000							
Grand Total	\$ 4,057,300	-\$ 250,740	-\$ 105,000	-\$ 8,000	-\$ 48,000	-\$ 172,526	-\$ 10,000	

2018 CAPITAL BUDGET - SPECIAL PROJECTS	2018							
	Expenditure	Development Charges	Operating Fund	Capital Reserve	Facilities Reserve	Sewer Reserve	Water Reserve	Grants Provincial
_02500_Corporate_Mangement	\$ 71,500		-\$ 47,500	-\$ 24,000				
2018 - Website Refresh	\$ 18,000		-\$ 18,000					
2018 - Townhall - Replace Old Fire Hall Windows	\$ 3,500		-\$ 3,500					
2018 - Townhall - Paint Lobby	\$ 24,000			-\$ 24,000				
2018 - Townhall - Repair Old Fire Hall Bathrooms	\$ 6,000		-\$ 6,000					
2018 - Town hall - Parking Lot Spot Repairs	\$ 20,000		-\$ 20,000					
_06000_Transportation_Services_General	\$ 85,000	-\$ 34,900	-\$ 20,000	-\$ 30,100				
Traffic Master Plan	\$ 65,000	-\$ 34,900		-\$ 30,100				
Traffic Safety Study	\$ 10,000		-\$ 10,000					
2018 - PW Building - Building interior upgrades	\$ 10,000		-\$ 10,000					
_08110_Wastewater_Collection_Conveyance	\$ 75,000	-\$ 19,000				-\$ 56,000		
Sanitary Sewer Master Plan	\$ 75,000	-\$ 19,000				-\$ 56,000		
_08210_Urban_Storm_System	\$ 25,000		-\$ 25,000					
2018 - Oakdale Blvd: Storm Pond Maintenance	\$ 25,000		-\$ 25,000					
_08320_Water_Distribution_Transmission	\$ 75,000	-\$ 56,200					-\$ 18,800	
2018 - Water Master Plan	\$ 75,000	-\$ 56,200					-\$ 18,800	
_16100_Parks	\$ 5,000		-\$ 5,000					
Tree planting new & replacement	\$ 5,000		-\$ 5,000					
_16340_Recreation_Facilities	\$ 10,000				-\$ 10,000			
2018 - Wellandport Hall - Point & Paint	\$ 10,000				-\$ 10,000			
_18100_Planning_Development	\$ 165,000	-\$ 89,800	-\$ 56,500					-\$ 18,700
2018 - Urban Boundary Expansion	\$ 100,000	-\$ 60,000	-\$ 40,000					
2018 - Bike Trails Master Plan	\$ 25,000	-\$ 3,800	-\$ 2,500					-\$ 18,700
2018 - Wellandport Streetscape Master Plan	\$ 10,000	-\$ 2,000	-\$ 8,000					
2018 - Railroad Crossing Justification Study	\$ 30,000	-\$ 24,000	-\$ 6,000					
Grand Total	\$ 511,500	-\$ 199,900	-\$ 154,000	-\$ 54,100	-\$ 10,000	-\$ 56,000	-\$ 18,800	-\$ 18,700



2018

SERVICE AREA

Building & Enforcement Department

SERVICE CHANGE

Hiring of New Full Time By-Law Enforcement Officer
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JUSTIFICATION

The ability for both by-law enforcement and building inspection to be conducted by the same resource has been challenged and is effecting the provision of service in these areas. To address these challenges thus ensuring that mandatory service levels are met in both areas of jurisdiction an additional human resource is required to divide the work thus allowing for both primary functions, building and by-law enforcement, to be handled appropriately. Through the addition of the new enforcement officer position the necessary time can be spent resolving enforcement matters while leaving the building inspector to conduct the mandated construction inspection as required through the building code act. This position will only be added when it is determined as necessary in order to maintain proper service levels. The need will be monitored and hiring will only take place once an increased need is evident.

BUDGET IMPACT

The analysis below is based on the assumption that a new ByLaw Officer would be in a similar salary grid as the Building Inspection position. In addition, the analysis below has been annualized.		
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The analysis below is based on the assumption that a new ByLaw Officer would be in a similar salary grid as the Building Inspection position. In addition, the analysis below has been annualized.		
Department	Increase	Impact
Building Inspection	\$ 73,400	Decrease to Building Department Reserve which may lead to increase in Building Department User Fees
ByLaw Enforcment	\$ 5,800	Increase to the tax levy



2018

SERVICE AREA

Transportation Services

SERVICE CHANGE

Staffing Level Change Request - Roads

JUSTIFICATION

<p>Public Works is requesting a staffing level change, being the addition of two (2) truck driver positions to manage the increased service level demands associated with the on-going and significant growth experienced by the Township as well as increased regulatory requirements. Those regulatory requirements include but are not limited to the new Provincial Legislation that regulates minimum operational service delivery (Provincial Minimum Maintenance Standards (MMS). O.Reg. 232/02) and numerous water regulations.</p> <p>The addition of the two positions will provide the required resources to properly address road and sidewalk infrastructure as well as sub-surface infrastructure works (i.e.. water, wastewater, drainage, guard rails, etc.).</p> <p>It is important to note that the current compliment of 8 full time operators has not increased in many years although demands are continually increasing. It is very difficult to maintain current service levels and we are dealing with deficiencies during all seasons. It is noted that water department staff often have to work for the roads department to meet the demands which takes them away from their duties ans we are often called upon to assist other departments.</p> <p>Staff advises that given the significant growth that the Township's transportation network has experienced, at minimum, an increase of two (2) full-time truck driver positions is required to address the operational requirements for the public works department.</p>

BUDGET IMPACT

The analysis below is based on the annualized costs. A Mitigating factor is that Transportation Services has a new Revenue Stream called Road Allowance License of \$88,000		
Department	Increase	Impact
Transportation Services	\$164,000	Increase to the Tax Levy.



2018

SERVICE AREA

_18100_Planning_Development

SERVICE CHANGE

CIP - Community Improvement Fund

JUSTIFICATION

This account is important to assist with redevelopment opportunities within Downtown and Brownfield sites. Infill and intensification is critical to future growth and development of Smithville and West Lincoln. There are matching dollars available from the Region. This proposal is to top up an existing account. At the end of 2017, there is \$69,937 committed to this fund in the Planning Reserve. This request is for an additional \$40,000 to be added to this fund, resulting in a balance of \$109,937.
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BUDGET IMPACT

Department	Increase	Impact
Planning	\$40,000	Increase to the Tax Levy

Township of West Lincoln
Ten Year Capital Plan - Expenditure
Tangible Capital Assets

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
_02500_Corporate_Mangement	\$ 176,100	\$ 176,360	\$ 83,620	\$ 43,880	\$ 35,150	\$ 14,410	\$ 54,680	\$ 15,050	\$ 55,420	\$ 3,590	\$ 658,260
_04100_Fire	\$ 890,600	\$ 507,000	\$ 2,348,000	\$ 234,300	\$ 18,000	\$ 19,000	\$ 1,019,000	\$ 19,000	\$ 670,000	\$ 20,000	\$ 5,744,900
_06000_Transportation_Services_General	\$ 484,500	\$ 572,500	\$ 448,500	\$ 465,000	\$ 857,500	\$ 518,200	\$ 203,500	\$ 411,500	\$ 289,000	\$ 2,296,000	\$ 6,546,200
_06110_Roads_Paved	\$ 940,000	\$ 740,000	\$ 1,155,500	\$ 1,075,000	\$ 960,000	\$ 5,556,000	\$ 771,000	\$ 455,000	\$ 1,484,000		\$ 13,136,500
_06130_Bridges_Culverts	\$ 590,000	\$ 677,000	\$ 130,000	\$ 490,000	\$ 265,000	\$ 3,225,000	\$ 1,200,000	\$ 230,000	\$ 340,000	\$ 267,000	\$ 7,414,000
_06140_Traffic_Ops_Roadside_Services	\$ 205,600	\$ 830,900	\$ 345,200	\$ 576,600	\$ 251,900	\$ 2,096,700	\$ 357,700	\$ 843,000	\$ 991,200	\$ 2,207,800	\$ 8,706,600
_06210_Winter_Control_Roads									\$ 17,000		\$ 17,000
_06500_Street_Lighting			\$ 115,000								\$ 115,000
_08110_Wastewater_Collection_Conveyanc	\$ 5,000	\$ 790,000	\$ 5,000	\$ 9,200	\$ 5,000	\$ 62,000	\$ 520,000	\$ 335,000	\$ 27,000	\$ 315,000	\$ 2,073,200
_08210_Urban_Storm_System	\$ 20,000				\$ 19,000	\$ 305,000	\$ 12,000	\$ 103,000			\$ 459,000
_08320_Water_Distribution_Transmission	\$ 125,000	\$ 635,900	\$ 101,800	\$ 562,800	\$ 275,100	\$ 2,302,150	\$ 709,950	\$ 1,042,000	\$ 85,200	\$ 1,024,100	\$ 6,864,000
_10400_Cemeteries		\$ 6,000	\$ 6,000						\$ 22,000		\$ 34,000
_16100_Parks	\$ 419,700	\$ 182,400	\$ 510,000	\$ 414,200	\$ 255,500	\$ 253,300	\$ 152,100	\$ 358,000	\$ 712,000	\$ 65,000	\$ 3,322,200
_16340_Recreation_Facilities	\$ 24,500	\$ 18,000	\$ 16,000	\$ 40,000				\$ 952,000	\$ 157,000		\$ 1,207,500
_16402_Library_Smithville	\$ 23,300	\$ 25,800	\$ 26,800	\$ 22,800	\$ 20,300	\$ 80,300	\$ 18,300	\$ 16,800	\$ 22,800	\$ 45,300	\$ 302,500
_16403_Library_Caistorville	\$ 11,500	\$ 11,500	\$ 22,500	\$ 11,500	\$ 12,000	\$ 14,500	\$ 11,500	\$ 44,500	\$ 11,500	\$ 12,000	\$ 163,000
_16404_Library_Wellandport	\$ 116,500	\$ 28,500	\$ 11,500	\$ 11,500	\$ 14,000	\$ 11,500	\$ 16,000	\$ 51,500	\$ 11,500	\$ 14,000	\$ 286,500
_16401_Library_Admin				\$ 25,000							\$ 25,000
_04450_Building_Permit_Inspection_Service	\$ 25,000								\$ 18,500		\$ 43,500
Grand Total	\$ 4,057,300	\$ 5,201,860	\$ 5,325,420	\$ 3,981,780	\$ 2,988,450	\$ 14,458,060	\$ 5,045,730	\$ 4,876,350	\$ 4,914,120	\$ 6,269,790	\$ 57,118,860

Township of West Lincoln
Ten Year Capital Plan - Financing
Tangible Capital Assets

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
Bridge Reserve	-\$ 196,350	-\$ 625,300	-\$ 130,000	-\$ 454,000	-\$ 193,700	-\$ 216,500	-\$ 1,076,900	-\$ 230,000	-\$ 340,000	-\$ 267,000	-\$ 3,729,750
Building Dept. Reserve	-\$ 25,000								-\$ 18,500		-\$ 43,500
Capital Reserve	-\$ 1,040,974	-\$ 837,660	-\$ 2,060,334	-\$ 1,343,780	-\$ 675,150	-\$ 835,110	-\$ 196,080	-\$ 1,217,402	-\$ 1,330,720	-\$ 2,141,790	-\$ 11,679,000
Cemetery Reserve		-\$ 6,000	-\$ 6,000						-\$ 22,000		-\$ 34,000
Development Charges	-\$ 280,600	-\$ 889,700	-\$ 934,900	-\$ 700,600	-\$ 768,300	-\$ 11,970,200	-\$ 1,175,250	-\$ 1,836,148	-\$ 713,500	-\$ 2,529,100	-\$ 21,798,298
Equipment Reserve	-\$ 471,700	-\$ 514,200	-\$ 483,900	-\$ 485,200	-\$ 525,000	-\$ 475,000	-\$ 440,000	-\$ 494,500	-\$ 693,000	-\$ 361,000	-\$ 4,943,500
Facilities Reserve	-\$ 33,000	-\$ 51,000	-\$ 16,000	-\$ 70,000	-\$ 21,000	-\$ 125,200		-\$ 27,000	-\$ 40,000		-\$ 383,200
Fire Reserve	-\$ 639,860	-\$ 507,000	-\$ 468,000	-\$ 66,000	-\$ 18,000	-\$ 19,000	-\$ 1,019,000	-\$ 19,000	-\$ 670,000	-\$ 20,000	-\$ 3,445,860
Gas Tax	-\$ 439,550	-\$ 408,319	-\$ 392,200	-\$ 385,000	-\$ 388,000	-\$ 455,000	-\$ 591,000	-\$ 455,000	-\$ 365,000		-\$ 3,879,069
In Lieu of Parkland	-\$ 21,000	-\$ 138,200	-\$ 396,600	-\$ 89,400	-\$ 177,000	-\$ 137,300	-\$ 62,600	-\$ 285,500	-\$ 596,000		-\$ 1,903,600
IT Reserve	-\$ 73,100	-\$ 90,300	-\$ 30,500	-\$ 10,700	-\$ 10,900	-\$ 11,100	-\$ 51,300	-\$ 11,600	-\$ 11,900		-\$ 301,400
Library Reserve	-\$ 126,900	-\$ 51,300	-\$ 46,300	-\$ 56,300	-\$ 31,800	-\$ 91,800	-\$ 31,300	-\$ 71,300	-\$ 31,300	-\$ 56,800	-\$ 595,100
Planning Reserve	-\$ 5,000										-\$ 5,000
Sewer Reserve	-\$ 5,000	-\$ 437,500	-\$ 5,000	-\$ 5,000	-\$ 5,000	-\$ 25,000	-\$ 289,000	-\$ 187,000	-\$ 17,100	-\$ 175,000	-\$ 1,150,600
Sidewalk Reserve					-\$ 1,000	-\$ 17,800	-\$ 2,500		-\$ 1,000		-\$ 22,300
Water Reserve	-\$ 105,000	-\$ 350,900	-\$ 82,900	-\$ 295,800	-\$ 173,600	-\$ 79,050	-\$ 110,800	-\$ 41,900	-\$ 64,100	-\$ 719,100	-\$ 2,023,150
Inter-Municipal Loan	-\$ 250,740										-\$ 250,740
Grant Regional	-\$ 105,000	-\$ 25,000									-\$ 130,000
Grant Community	-\$ 8,000										-\$ 8,000
Grant Provincial	-\$ 48,000										-\$ 48,000
Contribution from Developer				-\$ 20,000							-\$ 20,000
OCIF	-\$ 172,526	-\$ 269,481	-\$ 272,786								-\$ 714,793
Donations	-\$ 10,000										-\$ 10,000
Grand Total	-\$ 4,057,300	-\$ 5,201,860	-\$ 5,325,420	-\$ 3,981,780	-\$ 2,988,450	-\$ 14,458,060	-\$ 5,045,730	-\$ 4,876,350	-\$ 4,914,120	-\$ 6,269,790	-\$ 57,118,860

Township of West Lincoln
Ten Year Capital Plan - Expenditures & Financing
Special Projects

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
_02500_Corporate_Mangement	\$ 71,500	\$ 60,000				\$ 50,000				\$ 100,500	\$ 282,000
_06000_Transportation_Services_General	\$ 85,000	\$ 22,000	\$ 76,300					\$ 85,500		\$ 80,000	\$ 348,800
_06140_Traffic_Ops_Roadside_Services		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000						\$ 200,000
_08110_Wastewater_Collection_Conveyance	\$ 75,000		\$ 200,000	\$ 100,000	\$ 215,000	\$ 270,000	\$ 100,000		\$ 100,000		\$ 1,060,000
_08210_Urban_Storm_System	\$ 25,000	\$ 195,000	\$ 50,000	\$ 20,000			\$ 30,000	\$ 30,000	\$ 92,000	\$ 32,000	\$ 474,000
_08320_Water_Distribution_Transmission	\$ 75,000		\$ 65,000				\$ 50,000	\$ 195,000	\$ 125,000	\$ 100,000	\$ 610,000
10400_Cemeteries			\$ 5,000					\$ 10,000			\$ 15,000
_16100_Parks	\$ 5,000	\$ 5,000	\$ 5,000	\$ 6,000	\$ 16,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000		\$ 55,000
_16340_Recreation_Facilities	\$ 10,000					\$ 7,000					\$ 17,000
_18100_Planning_Development	\$ 165,000	\$ 215,000	\$ 200,000	\$ 120,000	\$ 50,000	\$ 35,000	\$ 50,000	\$ 50,000			\$ 885,000
_16401_Library_Admin		\$ 30,000									\$ 30,000
Grand Total	\$ 511,500	\$ 577,000	\$ 651,300	\$ 296,000	\$ 331,000	\$ 368,000	\$ 236,000	\$ 376,500	\$ 317,000	\$ 312,500	\$ 3,976,800
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
Capital Reserve	-\$ 54,100	-\$ 135,000	-\$ 126,300						-\$ 32,000	-\$ 32,000	-\$ 379,400
Cemetery Reserve			-\$ 5,000								-\$ 5,000
Development Charges	-\$ 199,900	-\$ 92,625	-\$ 90,000	-\$ 79,750	-\$ 27,900	-\$ 116,500	-\$ 10,000		-\$ 10,000	-\$ 108,000	-\$ 734,675
Facilities Reserve	-\$ 10,000					-\$ 7,000				-\$ 40,500	-\$ 57,500
In Lieu of Parkland					-\$ 10,000						-\$ 10,000
IT Reserve		-\$ 20,000									-\$ 20,000
Library Reserve		-\$ 30,000									-\$ 30,000
Operating Fund	-\$ 154,000	-\$ 299,375	-\$ 165,000	-\$ 126,250	-\$ 88,100	-\$ 46,000	-\$ 86,000	-\$ 181,500	-\$ 60,000	-\$ 32,000	-\$ 1,238,225
Sewer Reserve	-\$ 56,000		-\$ 200,000	-\$ 90,000	-\$ 205,000	-\$ 198,500	-\$ 90,000		-\$ 90,000		-\$ 929,500
Water Reserve	-\$ 18,800		-\$ 65,000				-\$ 50,000	-\$ 195,000	-\$ 125,000	-\$ 100,000	-\$ 553,800
Grants Provincial	-\$ 18,700										-\$ 18,700
Grand Total	-\$ 511,500	-\$ 577,000	-\$ 651,300	-\$ 296,000	-\$ 331,000	-\$ 368,000	-\$ 236,000	-\$ 376,500	-\$ 317,000	-\$ 312,500	-\$ 3,976,800

2018 TOWNSHIP OF WEST LINCOLN DRAFT OPERATING AND CAPITAL BUDGET

The following analysis is intended to be used alongside the 2018 Township of West Lincoln Draft Operating and Capital Budget Binder.

Page 1 of the binder provides a summary of the Operating Expenditures. Pages 2 and 3 outline the 2018 proposed Tangible Capital Asset purchases. Page 4 outlines the 2018 proposed special projects. In all cases, the expenditure and proposed funding is outlined. These budgets are accounted for by Service Area. Page 5 represents the Ten-Year Capital Tangible Capital Asset expenditures and page 6 outlines the financing of these expenditures. Page 7 outlines the Ten-Year Capital Plan for Special Projects and the corresponding financing. The balance of this report will provide additional analysis of departmental budgets.

Council is reminded that the Chart of Accounts was redesigned in 2017 to be more reflective of mandatory reporting requirements. This has resulted in line by line variance analysis by General Ledger account of the 2018 budget to be challenging. Detailed variance sheets have not been provided in 2018, however they will once again be provided in 2019.

General Revenues & Expenditures, pages 8 & 9

General Revenues are increasing by \$1,061,100 in 2018 as compared to 2017. The overall tax levy is increasing by \$363,300, or 6.16%. The total levy requirement for 2018 is \$6,259,300 versus \$5,896,000 in 2017. This equates to the West Lincoln portion of the tax bill for an average home (assessed at \$345,042) to be \$1,160.68. This represents an increase of \$26.13 or 2.30% over 2017. Staff presented at the February 20th Administrative meeting a preliminary tax levy increases of 3.91%. The updated figure is derived after reviewing in fine detail all calculations used in developing the draft budget.

Other factors contributing to the increase in General Revenues is higher budgeted revenue for the OMPF grant and the Payments in Lieu funds which represent a \$402,200 increase over 2017. Finally, the 2018 budget includes a budget line called "donation" of \$420,000 which represents the Wind Turbine Community Fund donation. These are the major contributors to the overall increase in General Revenues. General Expenditures are increasing by \$751,200, or 151%. The main contributor to this increase is the first debenture payment for the Multi Use Recreational Site (MURS) which totals \$512,600. Further analysis of this budget area is provided below.

In 2018, the Township will take advantage of two positive impacts to its general revenues. The Ontario Municipal Partnership Fund (OMPF) has increased to \$954,800 in 2018, resulting in an increase in revenue of \$82,400. The Township receives funding from the OMPF through two allocations: Rural Communities Grant and Northern and Rural Fiscal Circumstances Grant. The Rural Communities Grant recognizes the unique challenges of municipalities with rural farming communities. The 2018 Payments in Lieu (PIL) have a

higher amount budgeted of approximately \$319,000 compared to prior year. This is a result of a correction to the sharing provisions with the upper tier and education.

Offsetting these positive revenue items is a decrease of \$55,000 in penalty revenue and a decrease of \$25,000 in investment revenue. Penalty revenue is being decreased since staff's efforts in collections is resulting in less properties in arrears. Investment revenue is being reduced as the Township will be using reserves and development charges to fund Capital projects, thus lowering the amount of funds available for investment.

Also included in General Revenues is the anticipated contribution from the Wind Turbine Community Fund. These funds are directly transferred into the Wind Turbine Community Fund Reserve under the General Expenditure area of the budget, resulting in no impact to the budget. The funds will be used to fund the MURS debt repayment as previously approved by Council.

In 2018, the Urban Service Area Tax Levy revenue for Street lights and Sidewalks will be reported within the appropriate operating budget, it is no longer part of General Revenues.

In 2017 the Township budgeted for Parking Ticket Revenue of \$27,000 under General Revenues. In 2018 the corresponding budgets are located within Protective Inspection and Control Services, account 1-04-04403-420202 of \$6,000 (page 36) and within Provincial Offenses Act, account 1-04-04600-410980 of \$19,000 (page 39).

It is wise financial planning to ensure that adequate balances are available within the Township's reserves. The 2018 Draft Budget includes the following contribution to reserves under General Expenditures:

Capital Reserve:	\$177,000
Technology Reserve:	\$ 15,000
Facility Reserve:	\$ 56,000 and \$69,000

The amounts being transferred to the above three reserves are following the guidelines set out in the Township's Reserve Policy. The Capital Reserve requires a minimum contribution of 2% of the previous year's tax levy. The allocation of \$177,000 represents approximately 3% of the previous year tax levy. Staff is recommending that this higher allocation to the Capital Reserve be made in light of the number of projects that require funding from the Capital Reserve over the next ten years.

Also included under General Expenditures is the first re-payment towards the MURS debt totalling \$512,600. In February 2018, The Township received \$15 million as the first debenture drawn for this project. The first payment of interest and principal will be due in August 2018. The remaining amount of the debt will be requisitioned closer to project completion.

The difference between the total MURS requisition in the levy of \$581,600 and the amount required for the debt repayment of \$512,600, being \$69,000 will be transferred to the

Facility Reserve so it is available for future debt payments.

Additional reserve transfers are made within specific departmental budgets.

Governance, pages 10 & 11

The department called Governance includes the expenditures related to the Mayor and Councillors as well as Election Management.

The total Governance budget for 2018 is \$241,700 which represents a **\$49,400 increase** over the 2017 budget of \$192,300. The main factors contributing to this increase are the following:

- \$36,800 of net election costs not included in the 2017 budget. The 2017 budget included a transfer to the election reserve of \$15,000, however this was budgeted for under Corporate Services. Based on the estimated costs of running the 2018 election, the annual contribution to the Election Reserve will have to increase to approximately \$20,000 annually from the 2017 amount of \$15,000.
- \$7,000 increase to protocol accounts as approved at the February 20th, 2018 Administration Meeting.
- \$2,100 increase to Corporate Liability Insurance as a result of the review and updating of allocation methods and anticipated increase in premiums

Corporate Management, pages 12 to 25

The Corporate Management department represents the services provided through the Office of the CAO, Clerks, Treasury and Information Technology. New in 2018, this service area will also account for the portion of staff time related to the maintenance and repair of Town Hall. In the past, these salary costs were charged to the Recreation and Arena departments. No longer reported in this area is Crossing Guards and Animal Control. These two service areas will now have their own budgets.

The Corporate Management Budget will be first reviewed prior to the addition of any Special Projects and Capital. The analysis of Special Projects and Capital will follow.

The Overall operating budget has increased to \$1,629,800 from \$1,522,400 in 2017 which represents a **\$107,400 increase or 7%**.

The following are some of the significant items both increasing the budget and also mitigating factors which lower the budget:

- Allocation of a portion of the wages and benefits of the Supervisor, Arena & Parks and the Properties and Facilities Staff member have resulted in an approximate \$60,000 increase to the Corporate Management Budget over 2017

- Salary and Wages as a whole are budgeted to increase by approximately 5% or \$60,800 as a result of anticipated increases to statutory and group benefit plans and salary adjustments. Also included in the above amount is the impact of Bill 148 to part time staff as it relates to vacation entitlement and statutory holiday pay calculations.
- Advertising budget increased by \$14,100 based on past expenditures and increased advertising costs
- Consultant Budget increased by \$15,900 due to anticipated costs related to staff recruitment
- \$47,500 of special projects are being funded through the operating fund, and are outlined under the Capital section below

Mitigating Items are as follows:

- \$11,100 decrease in Information Technology and Software Expenditure
- \$6,200 decrease in Hydro/Gas Expenditure
- \$34,300 increase in the Allocation of Program Support to other Service Areas which reduces operating costs within Corporate Management
- \$14,000 savings as a result of no funds being allocated to Records Management. At the end of 2017, approximately \$38,000 has been committed to Records Management within the Capital Reserve
- \$15,000 reduction as a result of the Transfer to the Election Reserve now being budgeted under Governance
- \$15,000 reduction as a result of the Transfer to the Information Technology Reserve now being budgeted under General Expenditures

Corporate Management Capital:

The chart below outlines the Capital and Special Projects under the Corporate Management Service Level, indicating the gross cost and the financing.

	Expenditure	Capital Reserve	Operating Fund	IT Reserve
Miscellaneous equipment	\$ 3,000	-\$ 3,000		
Replacement Computers	\$ 8,000			-\$ 8,000
2018 - Microsoft Exchange Server & Migration	\$ 52,000			-\$ 52,000
2018 - Miscellaneous Network Hardware	\$ 13,100			-\$ 13,100
2018 - Replacement Phone System	\$ 100,000	-\$ 100,000		
Total Capital	\$ 176,100	-\$ 103,000	\$ -	-\$ 73,100
2018 - Website Refresh	\$ 18,000		-\$ 18,000	
2018 - Townhall - Replace Old Fire Hall Windows	\$ 3,500		-\$ 3,500	
2018 - Townhall - Paint Lobby	\$ 24,000	-\$ 24,000		
2018 - Townhall - Repair Old Fire Hall Bathrooms	\$ 6,000		-\$ 6,000	
2018 - Town hall - Parking Lot Spot Repairs	\$ 20,000		-\$ 20,000	
Total Special Projects	\$ 71,500	-\$ 24,000	-\$ 47,500	\$ -
Grand Total	\$ 247,600	-\$ 127,000	-\$ 47,500	-\$ 73,100

Budgeted Capital and Special Projects total \$247,600, with a requirement of \$47,500 from the operating fund. Pages 16 to 25 provide the individual justification sheet for each project. The detail Corporate Management budget sheet has been updated with the Special Projects funded through the Operating Fund. The result is a total contribution of \$1,629,800 from the Operating Fund towards Corporate Management.

Fire Services, pages 26 to 34

The total 2018 operating budget for Fire Services is \$1,138,500 which represents a \$101,200 (9.76%) increase over the 2018 budget of \$1,037,300. The main increase to this operating budget is the result of the items below:

- \$50,000 increase to the Transfer to the Fire Reserve. This increase was deemed necessary based on the projected Capital Expenditure over the next ten years.
- \$30,000 increase to Outside Services as a result of the new radio license annual support fees
- \$11,000 increase to vehicle and equipment repairs in recognition of the actual expenditures over the past few years
- \$16,000 increase in salary and wages over 2017 which represents a 3% increase

Fire Services Capital:

	Expenditure	Fire Reserve	Inter-Municipal Loan
2018 - New Hose Replacement	\$ 5,000	-\$ 5,000	
2018 - Portable, Base and Truck Radios_replacement and additions	\$ 278,600	-\$ 27,860	-\$ 250,740
Bunker Gear	\$ 17,000	-\$ 17,000	
2018 - New Pumper Rescue Station # 2	\$ 550,000	-\$ 550,000	
2018 - Chief's vehicle	\$ 40,000	-\$ 40,000	
Grand Total	\$ 890,600	-\$ 639,860	-\$ 250,740

Based on the above request, and the Fire Ten Year Capital Plan there is pressure being placed on the Fire Reserve. The chart below outlines the projected balances in the Fire Reserve if the Ten-Year Capital Plan is completed as submitted. In light of this pressure, the transfer to the Fire Reserve has increased by \$50,000 in 2018 to a total of \$300,000 annually. However, the pressure on the reserve still exists even after this increased allocation. The two charts below outline the Ten-Year Capital Plan for fire and the resulting impact to the Fire Reserve. The chart below is based on an **annual 7% increase** being made to the annual transfer to the Fire Reserve.

Fire Ten Year Capital Plan- OPTION 1:

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
2018 - New Hose Replacement	\$ 5,000										\$ 5,000
2018 - Portable, Base and Truck Radios_replacement and additions	\$ 278,600										\$ 278,600
Bunker Gear	\$ 17,000	\$ 17,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 20,000	\$ 20,000	\$ 185,000
Extracation Equipment - New				\$ 80,000							\$ 80,000
Equipment & Gear for 10 additional Firefighters				\$ 136,300							\$ 136,300
2020 - Caistor Fire Hall - Replacement			\$ 1,880,000								\$ 1,880,000
2018 - New Pumper Rescue Station # 2	\$ 550,000										\$ 550,000
2019 - New Tanker Station #1		\$ 450,000									\$ 450,000
2020 - New Tanker Station #2			\$ 450,000								\$ 450,000
2018 - Chief's vehicle	\$ 40,000										\$ 40,000
2026 - New Pumper Station # 1								\$ 650,000			\$ 650,000
2019 - Deputy Chief's vehicle		\$ 40,000									\$ 40,000
2024 - New Aerial Truck							\$ 1,000,000				\$ 1,000,000
Grand Total	\$ 890,600	\$ 507,000	\$ 2,348,000	\$ 234,300	\$ 18,000	\$ 19,000	\$ 1,019,000	\$ 19,000	\$ 670,000	\$ 20,000	\$ 5,744,900

Fire Equipment Reserve Balances from 2018 to 2027 based on an annual 7% increase to the transfer to the Fire Reserve:

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Opening Reserve Balance	-\$ 36,463	-\$ 376,323	-\$ 562,323	-\$ 686,823	-\$ 385,223	-\$ 9,823	\$ 392,177	-\$ 176,323	\$ 286,777	\$ 132,677
Transfer to Reserve	\$ 300,000	\$ 321,000	\$ 343,500	\$ 367,600	\$ 393,400	\$ 421,000	\$ 450,500	\$ 482,100	\$ 515,900	\$ 552,100
Transfer from Reserve	\$ 639,860	\$ 507,000	\$ 468,000	\$ 66,000	\$ 18,000	\$ 19,000	\$ 1,019,000	\$ 19,000	\$ 670,000	\$ 20,000
Closing Reserve Balance	-\$ 376,323	-\$ 562,323	-\$ 686,823	-\$ 385,223	-\$ 9,823	\$ 392,177	-\$ 176,323	\$ 286,777	\$ 132,677	\$ 664,777

Based on the current Fire Ten Year Capital Plan the Fire Reserve would be in a negative balance for the years 2018-2022 and 2024. This would require internal borrowing from another Township reserve, with the Industrial Park Reserve being suggested as it has a projected closing balance of approximately \$842,000 at the end of

2017. It is to be noted that the Industrial Park Reserve would not be replenished fully until 2025.

At the Preliminary Budget meeting held on February 20, 2018 it was suggested by Councillor Ganann to consider moving the projects in the Fire Ten Year Capital Plan out by one year. Staff reviewed this suggestion and below is a Revised Fire Ten Year Capital Plan with projects moved in such a manner as to ensure the Fire Reserve is never in a large negative balance.

Revised Fire Ten Year Capital Plan- OPTION 2:

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
2018 - New Hose Replacement	\$ 5,000										\$ 5,000
2018 - Portable, Base and Truck Radios replacement and additions	\$ 278,600										\$ 278,600
Bunker Gear	\$ 17,000	\$ 17,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 20,000	\$ 20,000	\$ 185,000
Extraction Equipment - New Equipment & Gear for 10 additional Firefighters				\$ 80,000							\$ 80,000
2020 - Caistor Fire Hall - Replacement			\$ 1,880,000								\$ 1,880,000
2018 - New Pumper Rescue Station # 2	\$ -	\$ 550,000									\$ 550,000
2021 - New Tanker Station #1		\$ -		\$ 450,000							\$ 450,000
2022 - New Tanker Station #2			\$ -		\$ 450,000						\$ 450,000
2020 - Chief's vehicle	\$ -		\$ 40,000								\$ 40,000
2026 - New Pumper Station # 1									\$ 650,000		\$ 650,000
2020 - Deputy Chief's vehicle		\$ -	\$ 40,000								\$ 40,000
2026 - New Aerial Truck							\$ -	\$ 1,000,000			\$ 1,000,000
Grand Total	\$ 300,600	\$ 567,000	\$ 1,978,000	\$ 684,300	\$ 468,000	\$ 19,000	\$ 19,000	\$ 1,019,000	\$ 670,000	\$ 20,000	\$ 5,744,900

Under this scenario, the Fire Equipment Reserve would only be in a negative position for the years 2019 and 2022 with the negative balances significantly smaller. No internal borrowing would be required.

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Opening Reserve Balance	-\$ 36,463	\$ 213,677	-\$ 32,323	\$ 213,177	\$ 64,777	-\$ 9,823	\$ 392,177	\$ 823,677	\$ 286,777	\$ 132,677
Transfer to Reserve	\$ 300,000	\$ 321,000	\$ 343,500	\$ 367,600	\$ 393,400	\$ 421,000	\$ 450,500	\$ 482,100	\$ 515,900	\$ 552,100
Transfer from Reserve	\$ 49,860	\$ 567,000	\$ 98,000	\$ 516,000	\$ 468,000	\$ 19,000	\$ 19,000	\$ 1,019,000	\$ 670,000	\$ 20,000
Closing Reserve Balance	\$ 213,677	-\$ 32,323	\$ 213,177	\$ 64,777	-\$ 9,823	\$ 392,177	\$ 823,677	\$ 286,777	\$ 132,677	\$ 664,777

It is recommended that the Revised Fire Ten Year Capital Plan be approved by Council. It is also important to note that in order for the Fire Reserve to remain for the most part in a positive balance, the annual contribution to the Fire Reserve will have to increase by 7% on an annual basis commencing in 2019.

Capital justification sheets can be found on pages 30 to 34 for the Fire Services department.

Building, By-law Enforcement and Parking, pages 35 to 38

Building Permit and Inspection Services expenditures are funded through Building Permit Fees. Any annual surplus in this department is transferred into the Building

Department Reserve. The projected Balance of the Building Department Reserve at the end of 2017 is \$1,099,000. Within the Ten-Year Capital Plan is a request to purchase an additional vehicle for this department, which would be financed through a transfer from the Building Department Reserve.

The other service areas in this heading include By Law Enforcement and Parking Enforcement. Overall these budget areas have decreased by \$5,700 in 2018 over 2017. This is a result in a change in the allocation of staff between the Building Department and By-law Enforcement.

A request has been made for a full time By Law Enforcement Officer which represents a service level change request. At the current time the department operates without a full-time by-law officer. Staff is allocated between Building and By-law based on instructions from the Chief Building Official as to where staff mainly work. Presently 1.0 FTE is charged to By Law and 2.3 FTE is charged to Building. The proposed position is projected to have salary and benefit costs on an annualized basis of \$79,200. If hired, staff responsibilities would be redistributed resulting in an FTE of 1.1 to By-law and 3.2 to Building. Thus, the impact to the actual By-Law budget is estimated to be \$5,800, whereas the impact to the Building Department is estimated to be a \$73,400 increase. The increase to the Building Department does not impact the tax levy as it is funded from Building Permit Fees. However, it may lead to an increase in Building Department User Fees in the future.

The 2018 budget includes a Capital request for the purchase of an additional enforcement vehicle for this service area. The justification sheet can be found on page 38.

Provincial Offences Act (POA), page 39

The Provincial Offences Act handles non-criminal offences, such as Highway Traffic Act offences. The Region of Niagara administers these Courts and distributes the fine payments to the local municipalities based on assessment. In 2017 this was budgeted under General Revenues.

Animal Control, page 40

This service was budgeted under Corporate Services in 2017. The increase is reflective of the costs outlined in the new contract signed with the Welland & District Humane Society which was approved as part of report RFD-C-07-2018 on February 20, 2018.

Transportation Services

The next six service level areas discussed fall under the broader category of Transportation Services. For these service areas, line by line analysis is difficult since in 2017 they were reported quite differently. For example, the 2017 budget had two large accounts under Roads Maintenance - \$317,100 for Roads Material and \$439,300 for Roads Contract. These accounts have now been broken down to be reflective of the service area the costs represent. A portion of the budgets have also been allocated to Rural Storm Sewer which is under Environmental Services, as rural ditching was once charged to Roads, when it actually relates to Rural Storm.

Overall, Transportation Services has a 2018 budget of \$2,898,900, which represents a \$43,300 decrease (1.47%) from the 2017 budget of \$2,942,200.

There is a service level change request to hire two new truckdrivers. The annualized cost of two truck drivers, including salary and benefits is \$164,000. The cost in 2018 is anticipated to be \$109,300 based on a May 2018 hiring date. The annualized cost to hire one new truck driver is \$82,000. Based on a May 2018 hiring date, the 2018 cost would be approximately \$54,700 for one truck driver.

Roads – Paved and Unpaved, pages 41 to 48

Paved roads are defined as roads with a hard top such as asphalt, concrete, or surface treatment. Unpaved roads are defined as loose top with a gravel, stone or other loose travelling surface.

For the purposes of this budget, all of the Overhead or Administrative Costs related to Transportation services have been budgeted under Roads Paved. There is an allocation out of Roads Paved totalling \$189,000 which is then allocated towards the following service areas:

Streetlights, Sidewalks, Wastewater, Water and Roads-Unpaved.

This is consistent with where the overhead was charged in prior years. We use the proportionate Net Book Value of assets as our allocation method. As our Financial Reporting system evolves, we hope to base these allocations on staff time.

A new revenue stream is included in this Service Area for 2018. It is \$88,000 related to the Wind Turbine Road Use Allowance License.

The Operating Budget for Roads Paved and Unpaved is \$1,835,400. Included in this service area under Roads Paved is \$202,000 for street sweeping, hot mix and surface treatment spot repairs. Also budgeted is \$74,700 for asphalt and cold mix material. Included under Unpaved Roads is \$153,000 for Gravel Resurfacing Material and \$135,700 for outside contractors to provide Dust Control and Gravel Resurfacing.

Roads Paved and Unpaved Capital:

	Expenditure	Capital Reserve	Development Charges	Gas Tax	OCIF	Grand Total
Surface Treatment	\$ 940,000	-\$ 598,974	-\$ 49,500	-\$ 119,000	-\$ 172,526	\$ -
2018 - Abingdon Rd : Pulverize & DST - From: South Chippawa Rd To: North Chippawa Rd	\$ 130,000		-\$ 11,000	-\$ 119,000		\$ -
2018 - Twenty Rd : Pulverize & DST - From: Abingdon Rd To: Westbrook Rd	\$ 370,000	-\$ 197,474			-\$ 172,526	\$ -
2018 - Twenty Rd : Pulverize & DST - From: RR 14 To: South Grimsby Rd 8	\$ 70,000	-\$ 64,000	-\$ 6,000			\$ -
2018 - South Chippawa Rd : Pulverize & DST - From: North Chippawa Road To: RR 14 (Smithville)	\$ 370,000	-\$ 337,500	-\$ 32,500			\$ -
Grand Total	\$ 940,000	-\$ 598,974	-\$ 49,500	-\$ 119,000	-\$ 172,526	\$ -

The above chart outlines the 2018 Capital projects and justification sheets can be found on pages 45 to 48.

Traffic Operations and Roadside Maintenance, pages 49 to 67

This is a new reporting area for the Township in 2018. In prior years costs in this category were mainly charged to Roads and Sidewalks. General Maintenance includes the costs related to the following items:

- Line painting on roads
- Railroad crossings and signals maintenance
- Traffic studies
- Curb and gutter maintenance
- Drainage work under the Drainage Act that benefits municipal roads
- Roadside mowing, weed control, tree planting and removal and tree trimming

Also included in this area are sidewalks, including the costs related to Winter Control of sidewalks. Council is reminded that sidewalks are divided between Urban and Rural, as Urban Sidewalk Costs are funded through an Urban Service Area Levy. In 2018, this Levy is increasing from \$66,200 in 2017 to \$88,100 in 2018. This increase is largely attributable to the allocation of program support to Urban Sidewalks which increased from \$16,300 to \$35,900. This allocation takes the overhead costs under Roads Paved and allocates out to other Service Areas as discussed under Roads – Paved and Unpaved. One of the driving factors of this increased allocation is the result of a larger portion of the Corporate Insurance premiums being allocated to Transportation services which is more reflective of premium coverage and claims.

Traffic Operations and Roadside Maintenance Capital:

We have divided this service into two Capital areas. The first is Transportation Services General, which is used for Capital items that are used by many areas within Transportation Services. The second area is Traffic Operations and Roadside Services,

which includes items that are more specific to the services provided under Traffic Operations and Roadside Maintenance, such as sidewalks and ditching.

Transportation Services General Capital is found on pages 51 to 62. The chart below is a summary of the 2018 projects. Of significance is the request to add two new pickup trucks to the overall fleet at a cost of \$72,000 which will be partially funded with Development Charges. Also, there is a transfer from the Operating Fund to finance two expenditures, a Traffic Safety Study and repairs and maintenance to the Public Works' Building. The total from the Operating fund is \$20,000 and has been included in the Operating Budget.

_06000_Transportation_Services_General					
	Expenditure	Capital Reserve	Development Charges	Equipment Reserve	Operating Fund
Equipment	\$ 56,000			-\$ 56,000	
Miscellaneous road equipment	\$ 6,000			-\$ 6,000	
2018 - Roadside Rear/Side Mower for Kubota Tractor - To replace 2009 Tiger	\$ 26,000			-\$ 26,000	
Plow Blade for Kubota Tractor	\$ 16,000			-\$ 16,000	
2018 - Vehicle Hoist	\$ 8,000			-\$ 8,000	
Operating-Study	\$ 75,000	-\$ 30,100	-\$ 34,900		-\$ 10,000
Traffic Master Plan	\$ 65,000	-\$ 30,100	-\$ 34,900		
Traffic Safety Study	\$ 10,000				-\$ 10,000
Rolling Stock	\$ 428,500	-\$ 14,400	-\$ 57,600	-\$ 356,500	
2018 - Pickup Truck 12 - To replace 2005 Chevrolet	\$ 36,000			-\$ 36,000	
2018 - Tractor - To replace 2004 Kubota	\$ 92,000			-\$ 92,000	
2018 - Backhoe with hoe ram & packer - To replace 2006 John Deere	\$ 192,500			-\$ 192,500	
2018 - Pickup Truck 14 - To replace 2008 Ford	\$ 36,000			-\$ 36,000	
2018 - Pickup Truck - New to fleet	\$ 72,000	-\$ 14,400	-\$ 57,600		
Operating-Facility	\$ 10,000				-\$ 10,000
2018 - PW Building - Building interior upgrades	\$ 10,000				-\$ 10,000
Grand Total	\$ 569,500	-\$ 44,500	-\$ 92,500	-\$ 412,500	-\$ 20,000

Capital pertaining to Traffic Operations and Roadside Services is found on pages 63 to 67. Below is a summary of the 2018 projects.

_06140_Traffic_Ops_Roadside_Services			
Project Year	2018		
	Expenditure	Capital Reserve	Development Charges
Railroad Crossing	\$ 15,000	-\$ 15,000	
Unopened Roads - various locations	\$ 15,000	-\$ 15,000	
Signs - Street & Traffic	\$ 10,600	-\$ 10,600	
Signs - New & Replacment	\$ 10,600	-\$ 10,600	
Sidewalk Replacement	\$ 180,000	-\$ 162,000	-\$ 18,000
2018 - Wade Rd (West side) - From: Colver St To: RR 14 - 362m	\$ 180,000	-\$ 162,000	-\$ 18,000
Grand Total	\$ 205,600	-\$ 187,600	-\$ 18,000

Winter Control, pages 68 & 69

This Service Area is for the expenses related to Winter Control, excluding the clearing of sidewalks. The budgeted figures for 2018 are lower than 2017 because of a change in the allocation of the truck drivers between Winter Control, Roads and Sidewalks. In 2017 23% of their salary was budgeted to Winter Control and 75% to Roads. For 2018, 12% is allocated to Winter Control, with 56% allocated to Paved Roads and 30% for Unpaved Roads. The actual allocation between these service areas fluctuate dependent on the level of winter events. The Sidewalks have consistently been allocated 2% of the Truck Drivers Salaries and Wages.

Crossing Guards, page 70

This service area was previously budgeted for under Corporate Services. This service area is experiencing a \$12,800 increase over the 2017 budget. The following are the significant items accounting for this increase:

- \$6,900 towards completion of a warrant to determine the requirement of new school crossings as a result of the opening of the New Smithville Public School. The intersections being assessed are Oakdale & Georgakakos; Oakdale & Golden Acres and Townline Road between Shurie Rd and Canborough Street.
- \$5,850 increase in salary and wages as a result of budgeting for three new Crossing Guards if the above warrant deems them necessary.

Street Lights, pages 71 & 72

Street lights are divided between urban and rural. The urban street light expenditures are funded through an Urban Service Area levy, similar to urban sidewalks. In 2018, the levy for urban streetlights is \$92,800, as compared to \$98,800 in 2017. The Township continues to see the benefit in lower electricity costs that has resulted from the conversion to LED lights.

Bridges & Culverts, pages 73 to 80

The budget for bridges and culverts has increased by \$76,300 in 2018 over 2017. The main factor driving this increase was the Transfer to the Bridge Reserve which has increased to \$130,000 in 2018 as opposed to \$55,600 in 2017, an increase of \$74,400. This was necessary in light of the anticipated expenditures within the ten-year capital plan.

Bridges & Culverts Capital:

The chart below is a summary of the 2018 Capital for this service area. Justification sheets for each item are found on pages 76 to 80.

Project Year	2018			
	Expenditure	Bridge Reserve	Development Charges	Gas Tax
Deck Betterment - Construction	\$ 360,000		-\$ 39,450	-\$ 320,550
2018 - Boyle Rd - From: East Chippawa (WL) To: River Road (W) SDR	\$ 360,000		-\$ 39,450	-\$ 320,550
Deck Betterment - Design	\$ 60,000	-\$ 54,350	-\$ 5,650	
2018 - Caistor-Gainsborough Townline Rd - From: South Chippawa To: RR 63 SDR	\$ 30,000	-\$ 27,150	-\$ 2,850	
2018 - Patterson Rd - From: Sixteen Rd To: RR 20 SDR	\$ 30,000	-\$ 27,200	-\$ 2,800	
Guard Rail Replacement - various bridges	\$ 130,000	-\$ 130,000		
Bridge New	\$ 40,000	-\$ 12,000	-\$ 28,000	
2018 - - Pedestrian Trail Bridge - Forestview	\$ 40,000	-\$ 12,000	-\$ 28,000	
Grand Total	\$ 590,000	-\$ 196,350	-\$ 73,100	-\$ 320,550

Storm Sewer Services, pages 81 to 84

This service area incorporates budgets related to both urban and rural storm systems. In 2017, the maintenance of rural storm systems was budgeted for under Roads Maintenance. In 2018, the budget of \$63,700 is for the purchase of culverts and for the annual ditching contract. The budget of \$23,600 for the urban storm systems is to cover the costs related to the purchase of culverts and general maintenance.

Storm Sewer Capital:

The charts below are a summary of the 2018 Storm Sewer Capital budget. Included in this budget is \$25,000 for maintenance of the Oakdale Boulevard Storm Pond which is funded through the Operating Fund.

_08210_Urban_Storm_System-Tangible Capital Assets		
Project Year	2018	
	Expenditure	Capital Reserve
Storm Sewer - Refurbishment	\$ 20,000	-\$ 20,000
2018 - Colver St: Canborough St to Wade Rd	\$ 20,000	-\$ 20,000
Grand Total	\$ 20,000	-\$ 20,000

_08210_Urban_Storm_System-Projects		
Project Year	2018	
	Expenditure	Operating Fund
2018 - Oakdale Blvd: Storm Pond Maintenance	\$ 25,000	-\$ 25,000
Grand Total	\$ 25,000	-\$ 25,000

Water Distribution Services, pages 85 to 92

The costs related to the distribution of water is funded through user fees. The 2018 budget is proposing a 5% increase to water rates as outlined in the 2016 Water and Wastewater Rate Study and Financial Plan. The rate change would be effective July 1, 2018 and would impact the September and December billings. The water consumptive rate would increase to \$1.28 from \$1.22 and the fixed quarterly rate for a ¾ service would increase to \$35.81 from \$34.10. Bulk water would see its per cubic meter rate increase to \$1.72 from \$1.64. The chart below summarizes the impact to an average customer's quarterly invoice.

Impact of Proposed Water & Wastewater Rates			
Based on an average consumption of 45 cubic meters per quarter, or 180 cubic meters annually			
Quarterly Charge			
		Current	July 2018
Water Consumptive		\$ 55	\$ 58
Sewer Consumptive		\$ 71	\$ 74
Water Base		\$ 34	\$ 36
Sewer Base		\$ 79	\$ 83
Total		\$ 238	\$ 250

The transfer to the water reserve is budgeted at \$221,200 which is a \$69,200 increase over the 2017 transfer of \$152,000. It is anticipated that the closing balance in the Water Reserve would be approximately \$534,600 at the end of 2018.

Water Distribution Capital:

The charts below summarize the 2018 planned capital items:

08320 Water Distribution Transmission-Tangible Capital Assets			
Project Year	2018		
	Expenditure	Development Charges	Water Reserve
Miscellaneous Water Equipment	\$ 5,000		-\$ 5,000
Water Meters Replacement Program	\$ 50,000		-\$ 50,000
Water Meters New Installation	\$ 30,000		-\$ 30,000
Main - Replace - Design	\$ 40,000	-\$ 20,000	-\$ 20,000
Water Main Replace-Design - West St - From: South Grimsby Rd 5 To: Wade Rd	\$ 40,000	-\$ 20,000	-\$ 20,000
Grand Total	\$ 125,000	-\$ 20,000	-\$ 105,000

08320 Water Distribution Transmission-Special Projects			
Project Year	2018		
	Expenditure	Development Charges	Water Reserve
2018 - Water Master Plan	\$ 75,000	-\$ 56,200	-\$ 18,800
Grand Total	\$ 75,000	-\$ 56,200	-\$ 18,800

Justification sheets are found on pages 89 to 92.

Wastewater Services, pages 93 to 96

Like Water Distribution, Wastewater Services are funded through user fees. It is proposed that wastewater rates increase by 5% effective July 1, 2018. The wastewater consumptive rate would increase to \$1.65 from \$1.57 and the fixed quarterly rate for a ¾ service would increase to \$82.55 from \$78.62. The impact to an average quarterly invoice was illustrated under Water Distribution on the previous page.

The transfer to the Wastewater reserve is budgeted at \$186,900, which is lower than the 2017 transfer of \$195,600 by \$8,700. It is anticipated that the closing balance in the Wastewater Reserve would be approximately \$765,700 at the end of 2018.

Wastewater Services Capital:

The charts below summarize the 2018 planned capital items:

08110_Wastewater_Collection_Conveyance - Tangible Capital Assets			
Project Year	2018		
	Expenditure	Sewer Reserve	
Miscellaneous Wastewater Equipment	\$ 5,000	-\$	5,000
Grand Total	\$ 5,000	-\$	5,000

08110_Wastewater_Collection_Conveyance - Special Projects			
Project Year	2018		
	Expenditure	Development Charges	Sewer Reserve
Sanitary Sewer Master Plan	\$ 75,000	-\$ 19,000	-\$ 56,000
Grand Total	\$ 75,000	-\$ 19,000	-\$ 56,000

Cemetery Services, pages 97 & 98

There has been a decrease of \$2,400 in this budget, with \$68,400 budgeted for in 2018 versus \$70,800 in 2017.

Library Services, pages 99 to 114

The 2018 budget is \$510,500 compared to a 2017 budget of \$418,500, which is an increase of \$92,000 (22%). Significant items impacting the library budget are as follows:

- The transfer to the Library Reserve has increased by \$38,700, with the 2018 budget requesting a \$50,000 contribution to the Library Reserve as opposed to the request of \$11,300 in 2017.

- Anticipated Pay Equity salary adjustments have resulted in an approximate increase to the Library budget totalling \$43,000.
- Bill 148 has impacted this budget due to the mandated increase in minimum wage, resulting in a \$10,000 increase.

It is important to make note of a new reporting practice that is impacting the 2018 Library Budget. This new practice has no effect on the bottom -line but requires clarification. In 2017, and prior years, the addition to the Library collections through the purchase of books and audio visuals was treated as an operating expense. These purchases were funded through the operating fund. However, at each year end, Finance staff were required to re-state these items as Tangible Capital Assets as per the Township's Tangible Capital Asset Policy. Commencing in 2018, these items are now being classified as Capital. In order to continue to fund them through the operating fund a transfer to the Library Reserve (\$25,400) which equates to the amount being funded from the operating fund is necessary. This transfer to the Library Reserve is then transferred out as a source of funding for the Capital Purchase (account 3-16-16400-460115). In order to provide further clarity, this transfer to the Library Reserve is shown separately from the request from the Library to increase their transfer to the Library Reserve to \$50,000 (see page 99).

The 2018 Library Capital requests are outlined in the chart below, with justification sheets found on pages 105 to 114.

Project Year	2018			
	Expenditure	Development Charges	Library Reserve	Donations
16402 Library Smithville	\$ 23,300	-\$ 4,800	-\$ 18,500	
2018 - Photocopier	\$ 5,000		-\$ 5,000	
Replacement Computers	\$ 1,500		-\$ 1,500	
Addition to printed collection	\$ 13,500	-\$ 4,800	-\$ 8,700	
Addition to audio visual collection	\$ 3,300		-\$ 3,300	
16403 Library Caistorville	\$ 11,500	-\$ 4,800	-\$ 6,700	
Addition to printed collection	\$ 7,200	-\$ 4,800	-\$ 2,400	
Addition to audio visual collection	\$ 4,300		-\$ 4,300	
16404 Library Wellandport	\$ 116,500	-\$ 4,800	-\$ 101,700	-\$ 10,000
2018 - Wellandport Addition Furniture and Fixtures	\$ 100,000		-\$ 90,000	-\$ 10,000
2018 - Computers-New	\$ 5,000		-\$ 5,000	
Addition to printed collection	\$ 8,700	-\$ 4,800	-\$ 3,900	
Addition to audio visual collection	\$ 2,800		-\$ 2,800	
Grand Total	\$ 151,300	-\$ 14,400	-\$ 126,900	-\$ 10,000

Recreational & Cultural Services

The reporting for this service area has been greatly impacted by the Township's change in the Chart of Accounts and reporting structure. In 2017 and prior years this service area was budgeted for through the following: Recreation, Arena and Facilities (partial). Within the Arena budget was the salary and benefits of staff working in parks. This is

one example of how the previous reporting structure did not make sense. For 2018, this service area is divided between Recreation Facilities, Parks and Recreational Programming.

Recreation Facilities Services, pages 115 to 120

In 2018, the 3 full time recreation staff are being allocated 50% to the Arena and 50% to Parks. As discussed previously, in 2017, 100% of their salaries was charged to Arena. In addition, the full-time facilities staff person is being charged 50% to Corporate Services and 50% to General Recreational Facilities. In 2017, 100% of this position was charged to Arena. Finally, the Supervisor of Parks & Facilities is being allocated between Corporate Services, Parks and General Recreational Facilities. In 2017 and prior years, 100% of this position was charged to Recreation. These salary allocations have been developed to represent more accurately where staff time is being expended.

An amount of \$18,000 has been budgeted for in account 1-16-16340-515430 under General Facilities and represents the anticipated cost of water related to the new Splash pad that is scheduled to open in the summer of 2018. This budget has been developed in consultation with other municipalities with similar facilities.

Recreation Facilities Capital:

The charts below is a summary of the 2018 Capital projects for this service area. Detailed justification sheets can be found on pages 118 to 120.

Project Year	2018		
_16340 Recreation Facilities			
	Expenditure	Equipment Reserve	Facilities Reserve
2018 - Floor Cleaning Machine	\$ 7,500	-\$ 7,500	
2018 - Wellandport Hall - New Steel Roof, Facia & Soffit	\$ 17,000		-\$ 17,000
Grand Total	\$ 24,500	-\$ 7,500	-\$ 17,000

Project Year	2018		
	Expenditure	Facilities Reserve	
2018 - Wellandport Hall - Point & Paint	\$ 10,000	-\$ 10,000	
Grand Total	\$ 10,000	-\$ 10,000	

Parks Services, pages 121 to 136

This service area includes amounts related to the following services:

- Parks & parkettes

- Playgrounds
- Public Squares
- Skateboard Parks
- Sports Fields
- Trails
- Flower gardens, displays and Horticultural areas

In past years, these budgets were allocated between Recreation, Arena and Facilities, as outlined earlier. Staff have also created accounts specifically for Leisureplex as this is the Township's largest park. Line by line analysis for this service area is difficult as there are no comparators in the 2017 budget. It should be noted that this service area is impacted by Bill 148 legislation as it impacts the part time staff employed here. Part-time wages budgets have increased by approximately \$7,100 as a result.

Parks Services Capital:

The charts below outline both the Tangible Capital Assets and the Special Projects being budgeted for under Parks. Detailed justification sheets are found on pages 125 to 136. There is \$5,000 of funding coming from the Operating fund and is reflected in the operating budget.

_16100_Parks - Tangible Capital Assets										
Project Year	2018									
	Expenditure	Capital Reserve	Development Charges	Equipment Reserve	Facilities Reserve	In Lieu of Parkland	Planning Reserve	Grant Regional	Grant Community	Grant Provincial
Miscellaneous recreation equipment	\$ 6,000			-\$ 6,000						
2018 - Heritage Committee Mural Project	\$ 12,500						-\$ 5,000	-\$ 5,000	-\$ 2,500	
2018 - Leisureplex - Works building upgrades	\$ 16,000				-\$16,000					
2018 - Streamside Playground - New playground equipment	\$ 32,000		-\$ 23,000			-\$ 9,000				
2018 - Abingdon Baseball Diamond Lights	\$ 40,000	-\$ 40,000								
2018 - Leisureplex - New Green Space	\$ 12,000					-\$12,000				
2018 - Smithville Square Parkette	\$ 250,000	-\$ 77,000	-\$ 25,000					-\$100,000		-\$ 48,000
2018 - Wellandport Park Upgrades	\$ 5,500								-\$ 5,500	
2018 - Front mount mower - To replace 2008 John Deere	\$ 21,500			-\$ 21,500						
2018 - Landscape Trailer - To replace 2005 Nando	\$ 20,000			-\$ 20,000						
2018 - Field Paint Liner	\$ 4,200			-\$ 4,200						
Grand Total	\$ 419,700	-\$117,000	-\$ 48,000	-\$ 51,700	-\$16,000	-\$21,000	-\$ 5,000	-\$105,000	-\$ 8,000	-\$ 48,000

_16100_Parks - Special Projects		
Project Year	2018	
	Expenditure	Operating Fund
Operating-Land Improvement	\$ 5,000	-\$ 5,000
Tree planting new & replacement	\$ 5,000	-\$ 5,000
Grand Total	\$ 5,000	-\$ 5,000

Recreation Program Services, pages 137 & 138

This service area includes the costs related to the following items:

- Community and recreation programs
- Public Celebrations

The Christmas light program is now budgeted under this area as it is being considered a public celebration. Programming has been distinguished between General, Youth and Adult. In addition, specific budgets have been outlined for Canada Day and Harvest Routes.

This department employs a large amount of part-time staff which are impacted by Bill 148 legislation. An additional \$22,000 has been budgeted to take into account the impacts of this legislation. The net cost of Canada Day celebrations has increased by \$12,000 in 2018 due to the loss of a grant that was available in 2017.

Planning Services, pages 139 to 144

The Planning budget for 2018 is \$171,600, which is \$26,300 lower than the 2017 budget of \$197,900. The planning department is anticipating a significant increase in revenues compared to 2017. Significant increases in revenue in 2018 are below:

- Rezoning fee revenue increasing by \$34,500
- Sub divider & Condo fee revenue increasing by \$51,200
- Subdivision Admin fee revenue increasing by \$99,000

This increase in revenues is partially offset by an increase in expenditures as follows:

- Salaries and benefits budget is higher in 2018 by \$77,700 which is mainly attributable to the costs of an additional staff position approved in 2017.
- Other expenses are impacted by anticipated increases in legal and OMB defence cost which total \$60,000 in 2018 as opposed to \$15,000 in 2017, an increase of \$45,000.
- A larger amount of Special Projects are being funded through the Operating Fund in 2018 as compared to 2017. In 2018, \$56,500 is being financed through the Operating Fund, as opposed to \$23,250 in 2017, an increase of \$33,250.

Planning services has made a service level request for 2018. The department is requesting that a transfer of \$40,000 be made to the Community Improvement Fund. At the end of 2017 there is a balance of \$69,937 committed to this in the Planning Reserve. This fund is used to provide grants to qualified property owners within Downtown and Brownfield sites.

Planning Services Capital:

The chart below summarizes the 2018 Planning Special Projects. All of these amounts have been incorporated into the Planning Operating budget, with the expenditure and corresponding funding budgeted. \$56,500 is being funded through the Operating Fund. Justification sheets are found on pages 141 to 144.

18100 Planning Development				
Project Year	2018			
	Expenditure	Development Charges	Operating Fund	Grants Provincial
2018 - Bike Trails Master Plan	\$ 25,000	-\$ 3,800	-\$ 2,500	-\$ 18,700
2018 - Railroad Crossing Justification Study	\$ 30,000	-\$ 24,000	-\$ 6,000	
2018 - Urban Boundary Expansion	\$ 100,000	-\$ 60,000	-\$ 40,000	
2018 - Wellandport Streetscape Master Plan	\$ 10,000	-\$ 2,000	-\$ 8,000	
Grand Total	\$ 165,000	-\$ 89,800	-\$ 56,500	-\$ 18,700

Drainage Services, page 145

This service area captures the revenue and expenditures related to the work done under the Drainage Act. The portion of drainage work done under the Drainage Act which benefits municipal roads is budgeted under Traffic Operations and Roadside Assistance.

Equipment and Facilities, page 146

The equipment budget includes the cost of equipment and vehicle repairs and maintenance for assets used by Transportation Services, Water, Wastewater and Parks. Also included in this budget is the transfer to the Equipment Reserve. This transfer has been increased to \$350,000 from \$237,000 in 2017, representing an \$113,000 increase. This was deemed necessary in light of the requirements of this reserve over the next ten years.

The costs budgeted in this area total \$640,700 and are allocated to the following budgets:

- \$333,700 Roads Paved
- \$179,200 Winter Control
- \$49,500 Parks
- \$28,700 Arena
- \$20,900 Water
- \$18,600 Urban Sidewalks
- \$8,500 Sewers
- \$1,600 Bulk Water

This allocation is based on the same proportions employed in 2016 and 2017 which is based on asset values.

In 2018, the Township no longer has a single Facilities Budget. Instead, each departmental budget includes the facility costs that are required to effectively provide the required services.

TOWNSHIP OF WEST LINCOLN
2018 Budget
SUMMARY OF RESERVE TRANSFERS

RFD-T-07-18
Schedule F

	Transfer to (from) Reserve	PAGE #	Use of Reserve
Transfer from Working Fund Reserve	\$ (45,000)	8	
Contribution to Capital Reserve	\$ 177,000	9	
Contribution to Facility Reserve	\$ 125,100	9	
Contribution to Information Technology Reserve	\$ 15,000	9	
Contribution to Community Fund Reserve	\$ 420,000	9	
Transfer from Election Reserve	\$ (76,100)	10	
Contribution to Election Reserve	\$ 36,500	11	
Transfer from Capital Reserve	\$ (3,000)	16	Small Equipment Purchases - Corp. Mgmt
Transfer from Technology Reserve	\$ (8,000)	17	New Computers - Corp. Mgmt
Transfer from Technology Reserve	\$ (52,000)	18	Exchange Server Upgrade - Corp. Mgmt
Transfer from Technology Reserve	\$ (13,100)	19	Hardware Replacement - Corp. Mgmt
Transfer from Capital Reserve	\$ (100,000)	20	Phone System Replacement - Corp. Mgmt
Transfer from Capital Reserve	\$ (24,000)	23	Paint Town Hall Lobby
Contribution to Fire Reserve	\$ 300,000	26	
Transfer from Fire Reserve	\$ (5,000)	30	Hose Replacement
Transfer from Fire Reserve	\$ (27,860)	31	Portable Base and Truck Radios
Transfer from Fire Reserve	\$ (17,000)	32	Bunker Gear
Transfer from Fire Reserve	\$ (550,000)	33	Replacement Pumper Rescue Truck Station #2
Transfer from Fire Reserve	\$ (40,000)	34	Replacement Fire Chief's Vehicle
Transfer from Building Department Reserve	\$ (13,400)	35	
Transfer from Building Department Reserve	\$ (25,000)	38	New Vehicle
Transfer from Capital Reserve	\$ (197,474)	46	Twenty Road Rehabilitation
Transfer from Capital Reserve	\$ (64,000)	47	Twenty Road Rehabilitation
Transfer from Capital Reserve	\$ (337,500)	48	South Chippawa Road Rehabilitation
Contribution to Sidewalk Reserve	\$ 6,000	49	
Transfer from Road Equipment Reserve	\$ (6,000)	53	Miscellaneous Equipment
Transfer from Road Equipment Reserve	\$ (134,000)	54	Kubota Tractor and Attachments
Transfer from Road Equipment Reserve	\$ (8,000)	55	Vehicle Hoist
Transfer from Capital Reserve	\$ (30,100)	56	Traffic Master Servicing Plan
Transfer from Road Equipment Reserve	\$ (36,000)	58	Replacement of Pickup Truck
Transfer from Road Equipment Reserve	\$ (192,500)	59	Backhoe & Attachments
Transfer from Road Equipment Reserve	\$ (36,000)	60	Replacement of Pickup Truck
Transfer from Capital Reserve	\$ (14,400)	61	New Pickup Trucks
Transfer from Capital Reserve	\$ (15,000)	65	Railway Crossing Upgrades
Transfer from Capital Reserve	\$ (10,600)	66	Signs
Transfer from Capital Reserve	\$ (162,000)	67	Wade Rd Sidewalk Replacement
Contribution to Winter Control Reserve	\$ 61,300	68	
Contribution to Contingency Reserve	\$ 38,000	71	
Contribution to Contingency Reserve	\$ 20,200	71	
Contribution to Bridge Reserve	\$ 130,000	73	
Transfer from Bridge Reserve	\$ (27,150)	77	Bridge 28 - Deck Betterment Design
Transfer from Bridge Reserve	\$ (27,200)	78	Bridge 16 - Design
Transfer from Bridge Reserve	\$ (130,000)	79	Guardrail Replacement
Transfer from Bridge Reserve	\$ (12,000)	80	Forestview Trail Bridge
Transfer from Capital Reserve	\$ (20,000)	83	Colver St. Storm Assessment
Contribution to Water Reserve	\$ 221,200	85	
Transfer from Water Reserve	\$ (30,000)	87	Water Meters New Installations
Transfer from Water Reserve	\$ (5,000)	89	Miscellaneous Equipment
Transfer from Water Reserve	\$ (50,000)	90	Water Meter Replacements
Transfer from Water Reserve	\$ (20,000)	91	West St. Water Main Upsize - design
Transfer from Water Reserve	\$ (18,800)	92	Water Master Servicing Plan
Contribution to Wastewater Reserve	\$ 186,900	93	
Transfer from Wastewater Reserve	\$ (5,000)	95	Miscellaneous Equipment
Transfer from Wastewater Reserve	\$ (56,000)	96	Wastewater Master Servicing Plan
Contribution to Cemetery Reserve	\$ 2,000	97	
Contribution to Library Reserve	\$ 50,000	99	
Contribution to Library Reserve	\$ 25,400	99	
Transfer from Library Reserve	\$ (25,400)	101	Library Collections
Transfer from Library Reserve	\$ (5,000)	105	Photocopier - Smithville Branch
Transfer from Library Reserve	\$ (1,000)	106	Replacement Computers - Smithville Branch
Transfer from Library Reserve	\$ (90,000)	111	Furniture - Wellandport Branch
Transfer from Library Reserve	\$ (5,000)	112	New Computers - Wellandport Branch
Contribution to Arena Reserve	\$ 8,500	116	
Transfer from Road Equipment Reserve	\$ (7,500)	118	Floor Cleaning Machine
Transfer from Facilities Reserve	\$ (17,000)	119	Wellandport Hall Roof
Transfer from Facilities Reserve	\$ (10,000)	120	Wellandport Hall Point & Paint

TOWNSHIP OF WEST LINCOLN
2018 Budget
SUMMARY OF RESERVE TRANSFERS

RFD-T-07-18
Schedule F

	Transfer to (from)		
	Reserve	PAGE #	Use of Reserve
Transfer from Road Equipment Reserve	\$ (6,000)	125	Miscellaneous Equipment
Transfer from Planning Reserve	\$ (5,000)	126	Mural Project
Transfer from Facilities Reserve	\$ (16,000)	127	Leisureplex Barn Upgrades
Transfer from Capital Reserve	\$ (40,000)	129	Abingdon Ball Diamond Lights
Transfer from Capital Reserve	\$ (77,000)	131	Smithville Square Parkette
Transfer from Road Equipment Reserve	\$ (21,500)	133	Front Mount Mower
Transfer from Road Equipment Reserve	\$ (20,000)	134	Landscape Trailer
Transfer from Road Equipment Reserve	\$ (4,200)	135	Field Paint Liner
Contribution to Equipment Reserve	\$ 350,000	146	
Total Transfer (from) to Reserve	<u>\$ (821,684)</u>		
Total Transfer from Reserve	\$ (2,994,784)		
Total Transfer to Reserve	\$ 2,173,100		
Net	<u>\$ (821,684)</u>		

RESERVE FUND AND RESERVE BALANCES PROJECTED TO DECEMBER 31, 2018

	Estimated Balance December 31, 2017	2018 Contributions to Reserves	2018 Use of Reserves and Reserve Funds	Prior Year Approvals Use of Reserves and Reserve Funds	Estimated Balance December 31, 2018
RESERVE FUNDS:					
BUILDING REVENUES RESERVE	\$ 1,212,305		\$ 38,400		\$ 1,173,905
CASH-IN-LIEU OF PARKLAND	\$ 216,687		\$ 21,000		\$ 195,687
DEVELOPMENT CHARGES (CONSOLIDATED)- see note below	\$ 2,885,113	\$ 454,905	\$ 480,500		\$ 2,859,518
LIBRARY	\$ 96,647	\$ 75,400	\$ 126,400		\$ 45,647
TOTAL RESERVE FUNDS	\$ 4,410,752	\$ 530,305	\$ 666,300		\$ 4,274,757
RESERVES:					
RECREATION	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
CEMETARIES	\$ 23,000	\$ 2,000	\$ -	\$ -	\$ 25,000
ELECTION EXPENSE	\$ 39,633	\$ 36,500	\$ 76,100	\$ -	\$ 33
ACCESSIBILITY RESERVE	\$ 26,964		\$ -	\$ -	\$ 26,964
STREET LIGHTS	\$ 35,983		\$ -	\$ -	\$ 35,983
RATE STABILIZATION RESERVE	\$ 59,000		\$ -	\$ -	\$ 59,000
WIND TURBINE COMMUNITY FUND RESERVE	\$ 74,219	\$ 420,000	\$ -	\$ -	\$ 494,219
BRIDGES	\$ 89,129	\$ 130,000	\$ 196,350	\$ -	\$ 22,779
SIDEWALKS	\$ 107,153	\$ 6,000	\$ -	\$ -	\$ 113,153
FACILITY RESERVE	\$ 136,616	\$ 125,100	\$ 43,000	\$ -	\$ 218,716
ARENA BUILDING FUND	\$ -	\$ 8,500	\$ -	\$ -	\$ 8,500
INSURANCE	\$ 187,655		\$ -	\$ -	\$ 187,655
FIRE TRUCKS	\$ (36,463)	\$ 300,000	\$ 639,860	\$ -	\$ (376,323)
ROADS-WINTER CONTROL	\$ 294,800	\$ 61,300	\$ -	\$ -	\$ 356,100
TECHNOLOGY	\$ 114,559	\$ 15,000	\$ 73,100	\$ 20,000	\$ 36,459
WORKING FUNDS	\$ 225,159		\$ 45,000	\$ -	\$ 180,159
PLANNING RESERVE	\$ 197,720		\$ 5,000	\$ 190,793	\$ 1,927
ROAD EQUIPMENT	\$ 487,380	\$ 350,000	\$ 471,700	\$ -	\$ 365,680
CONTINGENCIES	\$ 794,000	\$ 58,200	\$ -	\$ -	\$ 852,200
WATER DEPT. PROJECTS	\$ 437,300	\$ 221,200	\$ 123,800	\$ -	\$ 534,700
SEWER PROJECTS	\$ 639,851	\$ 186,900	\$ 61,000	\$ -	\$ 765,751
INDUSTRIAL PARK	\$ 840,000		\$ -	\$ -	\$ 840,000
CAPITAL	\$ 951,043	\$ 177,000	\$ 1,095,074	\$ -	\$ 32,969
HOSPITAL RESERVE	\$ 1,250,000		\$ -	\$ -	\$ 1,250,000
SETTLEMENT ROAD AGREEMENT RESERVE	\$ 5,858,073		\$ -	\$ 3,868,941	\$ 1,989,132
TOTAL RESERVES	\$ 12,833,773	\$ 2,097,700	\$ 2,829,984	\$ 4,079,734	\$ 8,021,756
TOTAL RESERVE FUNDS AND RESERVES	\$ 17,244,525	\$ 2,628,005	\$ 3,496,284	\$ 4,079,734	\$ 12,296,513

Note:

For 2018 the contribution to the Development Charge Reserve will be based on 55 builds