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**BUDGET COUNCIL MEETING**



Tuesday, January 24, 2017  
& January 27, 2017  
9:00 AM  
Council Chambers  
200 Broadway, 2<sup>nd</sup> Floor

**AGENDA**

**1. Call to Order**

**2. Adoption of Agenda**

Proposed Resolution #1

THAT the Agenda as prepared for the Budget Council meeting of January 10, 2017 & January 27, 2017, be adopted.

**3. Moment of Silence**

**4. Disclosures of Pecuniary Interest and the General Nature Thereof**

**5. Adoption of Council Minutes of Previous Meeting**

**5.1 Minutes, January 10, 2017**

[170110 Council Budget MIN](#)

Proposed Resolution #2

THAT the Minutes of the Budget Council Meeting of January 10, 2017, be approved.

**6. Finance**

**6.1. 2017 Draft Budget Package**

[Section 5 - Operations](#)

[Section 8 - Building, Planning & By-Law](#)

[Section 10 - Capital Budget Overview](#)

[Section 11 - Long Term Debt Repayment](#)

[Section 12 - Consolidated PSAB Summary](#)

[Section 4 - HR](#)

Proposed Resolution #3

THAT Council receive Section 5 (Operations), Section 8 (Building, Planning & By-Law), Section 10 (Capital Budget Overview), Section 11 (Long Term Debt Repayment), Section 12 (Consolidated PSAB Summary) and Section 4 (HR) of the 2017 Draft Budget Package, as information.

**6.2. FIN 17-03 Tax Rates Explained**

[FIN 17-03](#)

Proposed Resolution #4

THAT Council receive Report FIN 17-03, Tax Rates, as information.

**6.3. FIN 17-04 Funding the Asset Management Plan**

[FIN 17-04](#)

Proposed Resolution #5

THAT Council receive Report FIN 17-04, Funding the Asset Management Plan;  
AND THAT council directs staff to bring forward a capital budget in the fall using the amount of the increase in property value assessment (growth) towards funding the Asset Management Plan.

**6.4. FIN 17-05 Reserves**

[FIN 17-05](#)

[Reserve Policy](#)

Proposed Resolution #6

THAT Council receive Report FIN 17-05, Reserves;  
AND THAT Council directs staff to bring forward an updated reserve policy;  
AND FURTHER THAT Council accepts the general reserve fund to be reported through the use of proposed reserves.

**6.5. FIN 17-02, Building Permit Cost Stabilization Reserve Fund**

[FIN17-02 Building Permit Cost Stabilization Reserve Fund](#)

Proposed Resolution #7

THAT Council receive Report FIN 17-02, Building Permit Cost Stabilization Reserve Fund;

AND THAT Council establishes a Cost Stabilization Reserve Fund as an obligatory reserve fund and related bank account.

**6.6. RCP 17-02 Budget Issue Paper - Utility Cost Increases**

[RCP 17-02 Budget Issue Paper - Utility Cost Increases](#)

[The Mysteries of Electricity Pricing in Ontario](#)

[Guide to Electricity Pricing in Ontario](#)

Proposed Resolution #8

THAT Council receive Report RCP 17-02, Budget Issue Paper – Utility Cost Increases, as information.

**6.7. CAO-HR 17-02, Telephone System Upgrade**

[CAO-HR 17-02 – Telephone System Upgrade](#)

Proposed Resolution #9

THAT Council receive Report CAO-HR 17-02, Telephone System Upgrade, as information.

**6.8. Report CAO-HR 17-01 – Benefit Cost Summary**

[CAO-HR 17-01 Benefit Cost Summary](#)

Proposed Resolution #10

THAT Council receive Report CAO-HR 17-01, Benefit Cost Summary, as information.

**6.9. OPS 17-03 White Paper - Business Case for 1.0 FTE Mechanic**

[OPS 17-03](#)

Proposed Resolution #11

THAT Council receive Report OPS 17-03, White Paper – Business Case for 1.0 FTE Mechanic, as information.

**Procedural Motion if Required:**

THAT Council move into Closed Session to consider:

Person matters about identifiable individuals, including municipal or local board employees (Operation Services).

- 6.10. RCP 17-08 – Budget Issue Paper – Dog Park Project Update**  
[RCP 17-08 - Budget Issue Paper - Dog Park Project Update](#)  
Proposed Resolution #12  
THAT Council receive Report RCP 17-08, Budget Issue Paper – Dog Park Project Update, as information.
- 6.11. DCS 17-03, Highway 3 Business Park Update**  
[Report DCS 17-03](#)  
[Attachment - Report DCS 15-01](#)  
Proposed Resolution #13  
THAT Council receive Report DCS 17-03, Highway 3 Business Park Update, as information.
- 6.12. RCP 17-06 – Budget Issue Paper Garden Bed Maintenance – Contract vs. In-house**  
[RCP 17-06 - Budget Issue Paper Garden Bed Maintenance ? Contract vs. In-house](#)  
Proposed Resolution #14  
THAT Council receive Report RCP 17-06, Budget Issue Paper Garden Bed Maintenance – Contract vs. In-house, as information.
- 6.13. RCP 17-09 – Budget Issue Paper – Enhanced Beautification**  
[RCP 17-09 - Budget Issue Paper - Enhanced Beautification](#)  
Proposed Resolution #15  
THAT Council receive Report RCP 17-09, Budget Issue Paper – Enhanced Beautification, as information.
- 6.14. RCP 17-10 Budget Paper – Beautification – Oxford-Broadway Parkette**  
[P 17-10 Budget Paper - Beautification - Oxford-Broadway Parkette](#)  
Proposed Resolution #16  
THAT Council receive Report RCP 17-10, Budget Paper – Beautification – Oxford-Broadway Parkette, as information.

**6.15. RCP 17-07 – Budget Issue Paper – User Fee Surcharge**

[RCP 17-07 - Budget Issue Paper - User Fee Surcharge](#)

Proposed Resolution #17

THAT Council receive Report RCP 17-07, Budget Issue Paper – User Fee Surcharge, as information.

**6.16. 2017 Community Grant Request Summary**

[2017 Community Grant Request Summary](#)

Proposed Resolution #18

THAT Council receive the 2017 Community Grant Request Summary, as information.

**7. By-Laws**

**By-Laws from the Meeting of January 24, 2017 & January 27, 2017**

Proposed Resolution #19

THAT [By-Law 4075](#), To confirm the proceedings of Council at its meetings held on the 24<sup>th</sup> and 27<sup>th</sup> day of January, 2017, be read for a first, second and third and final reading and that the Mayor and the Clerk be and are hereby authorized to sign the same, and place the corporate seal thereunto.

**8. Adjournment**

Proposed Resolution #20

THAT the Budget Council Meeting of January 24, 2017 and January 27, 2017 be adjourned on January 27, 2017 at \_\_\_\_\_ p.m.

**BUDGET COUNCIL MEETING**



Tuesday, January 10, 2017

9:00 AM

Council Chambers

200 Broadway, 2<sup>nd</sup> Floor

**MINUTES**

**ATTENDANCE**

Mayor Stephen Molnar  
Councillor Maxwell Adam  
Councillor Penny Esseltine  
Councillor Chris Rosehart

Regrets: Deputy Mayor Dave Beres, Councillor Jim Hayes, Councillor Brian Stephenson

Staff:

David Calder, CAO  
Dave Rushton, Director of Finance/Treasurer  
Rick Cox, Director of Recreation, Culture & Parks  
Jeff Smith, Fire Chief  
Tricia Smith, Deputy Clerk

Regrets: Donna Wilson, Town Clerk, Kevin DeLeebeeck, Director of Operations, Geno Vanhaelewyn, Chief Building Official

**1. Call to Order**

The meeting was called to order at 9:10 a.m.

**2. Adoption of Agenda**

Agenda item 7.1 Sections 5 & 8 were deferred to the January 24, 2017 Budget Council Meeting.

Resolution #1

Moved By: Councillor Rosehart

Seconded By: Councillor Esseltine

THAT the Agenda as prepared for the Budget Council meeting of Tuesday, January 10, 2017, be adopted as amended.

Carried



**3. Moment of Silence**

**4. Disclosures of Pecuniary Interest and the General Nature Thereof**

There were no disclosures of pecuniary interest declared.

**5. Adoption of Council Minutes of Previous Meeting**

**5.1. Minutes of the Meeting of December 1, 2016**

[Minutes, December 1, 2016](#)

Resolution #2

Moved By: Councillor Esseltine

Seconded By: Councillor Rosehart

THAT the Minutes of the December 1, 2016 Budget Meeting, be approved.

Carried

**6. Overview of the 2017 Proposed Budget – David Calder, CAO**

The CAO provided an overview of the 2017 Proposed Budget.

Additional “white papers” will be coming forward for Council’s consideration.

**7. 2017 Draft Budget – Dave Rushton, Director of Finance**

**7.1. 2017 Budget Package**

[Section 1 - Introduction & Overview](#)

The Director of Finance provided an introduction and overview of the 2017 draft budget.

Staff to provide the Tax Vacancy Rebate Rate to Council.

The new carbon tax will impact upon electricity and gas rates in 2017.

Staff is recommending allocating reserve funds for ease in tracking purposes and to fund specific future projects.

Staff is recommending the liquidation of the non-cash reserve account to keep the cash received in the reserve and put unsaleable land with parks.

**Council recessed at 10:11 a.m.**

**Council resumed at 10:20 a.m.**

### Section 3 - Finance

The Manager of Finance provided a review of the Finance Department Business Plan. An increase in the availability of on-line services is being proposed.

Target date for the Debt Policy & Reserve Policy is the second quarter of 2017.

Customer Service Centre delivery model in progress. Staff will be bringing back a report for the 2017 business plan deliberations.

A joint purchase is being considered with the County of Oxford for a telephone system in order to achieve cost savings.

Staff to circulate the 2014 IT Strategic Review to Council.

Staff to provide council with historical data of Community Group Grant Requests.

Staff to provide a report to Council on the 2016 Cultural Advisory Committee financial commitments.

### Section 4 - Human Resources

The Human Resources Manager provided a review of the Human Resources Business Plan.

Staff to provide a report to Council outlining the 5-year trend on Health & Dental costs and note benefit package options.

Councillor compensation review to be included in the 2017 Human Resources Business Plan.

### Section 6 - Recreation, Culture & Parks

The Director of Recreation, Culture & Parks provided a review of the RCP Business Plan.

Staff to report additional information on the revenues projected from the proposed user fee levy surcharge to offset pool deck replacement costs and future improvements and identify the collection period.

Staff to provide a report to council on options for the Carroll Trail repairs.

Staff to provide a report on the TCC Energy Retrofit pre-tender technical design to council.

Staff to provide a report regarding the Beautification Working Group's proposed beautification efforts, as well as the analysis of costs and benefits of Town beautification by Town staff or by contracting out.

Moved By: Councillor Adam

Seconded By: Councillor Esseltine

THAT the five-year update to the Parks, Recreation & Cultural Strategic Master Plan be removed from the 2017 RCP Business Plan objectives and Budget (\$30,000).

Carried

**Council took a Lunch Break at 12:27 p.m.**

**Council resumed at 1:22 p.m.**

[Section 7 - Fire Services](#)

The Fire Chief provided a review of the Fire Services Business Plan.

Staff to provide an interim report to council on the status of the Fire Strategic Plan.

Staff to bring forward the Fire Rescue Services By-Law in Q1 for amendment.

Staff to provide a report to council on the after-hours customer service support provided by Fire Dispatch staff.

The rate of remuneration for Fire Fighters is to be circulated by staff to Council.

[Section 9 - Economic Development & Marketing](#)

The Development Commissioner provided a review of the Economic Development & Marketing Business Plan.

Staff to circulate the Downtown Revitalization Study to Council.

[Section 10 - Capital Budget Overview](#)

The Director of Finance provided a review of the proposed capital budget.

Staff to provide a further review of the draft capital budget at the January 24, 2017 Budget meeting.

Council discussed time sensitive projects that required pre-budget approval.

Moved By: Councillor Adam

Seconded By: Councillor Rosehart

THAT capital project X55 Riverview Reconstruction Stage 2 receive 2017 pre-budget approval in the amounts of \$420,000 (roads) and \$197,500 (storm sewers) to prepare tender documents in order to receive competitive pricing.

Carried

Moved By: Councillor Esseltine                      Seconded By: Councillor Adam  
THAT Council pre-approve the Indoor Pool Deck replacement and maintenance (X17 2017) in the 2017 budget and further that financing of the project be reviewed.  
Carried

Moved By: Councillor Esseltine                      Seconded By: Councillor Adam  
THAT Council defer Agenda Items 7.2, 7.3, 7.4, 7.5 and 7.6 until the Budget Meeting of January 24, 2017.  
Carried

**8. Council Budget Discussions**

**9. 2017 Tax Levy Resolution**

Resolution #8

Moved By: Councillor Esseltine                      Seconded By: Councillor Adam  
THAT Council receive the 2017 Budget Package, as information.  
Carried

**10. By-Laws**

**By-Laws from the Meeting of January 10, 2017**

Resolution #9

Moved By: Councillor Rosehart                      Seconded By: Councillor Adam  
**9.1** THAT By-Law 4073, To confirm the proceedings of Council at its meeting held on the 10th day of January, 2017, be read for a first, second and third and final reading and that the Mayor and the Clerk be and are hereby authorized to sign the same, and place the corporate seal thereunto.  
Carried

**11. Adjournment**

Resolution #10

Moved By: Councillor Esseltine                      Seconded By: Councillor Rosehart  
THAT the Council Meeting of January 10, 2017 be adjourned at 3:28 p.m.  
Carried

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**BUDGET COUNCIL MEETING**

Tuesday, January 10, 2017

9:00 AM

Council Chambers

200 Broadway, 2<sup>nd</sup> Floor



**AGENDA**

**1. Call to Order**

**2. Adoption of Agenda**

Proposed Resolution #1

THAT the Agenda as prepared for the Budget Council meeting of Tuesday, January 10, 2017, be adopted.

**3. Moment of Silence**

**4. Disclosures of Pecuniary Interest and the General Nature Thereof**

**5. Adoption of Council Minutes of Previous Meeting**

**5.1. Minutes of the Meeting of December 1, 2016**

[Minutes, December 1, 2016](#)

Proposed Resolution #2

THAT the Minutes of the December 1, 2016 Budget Meeting, be approved.

**6. Overview of the 2017 Proposed Budget – David Calder, CAO**

**7. 2017 Draft Budget – Dave Rushton, Director of Finance**

**7.1. 2017 Budget Package**

[Section 1 - Introduction & Overview](#)

[Section 3 - Finance](#)

[Section 4 - Human Resources](#)

[Section 5 - Operations](#)

[Section 6 - Recreation, Culture & Parks](#)

[Section 7 - Fire Services](#)

[Section 8 - Building, Planning & By-Law](#)

[Section 9 - Economic Development & Marketing](#)

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[Section 11 - Long Term Debt Repayment](#)

[Section 12 - Consolidated PSAB Summary](#)

**7.2. FIN 17-03, Tax Rates Explained**

[FIN 17-03](#)

[Proposed Resolution #3](#)

THAT Council receive Report FIN 17-03, Tax Rates Explained, as information.

**7.3. FIN 17-04, Funding the Asset Management Plan**

[FIN 17-04](#)

[Proposed Resolution #4](#)

THAT Council receive Report FIN 17-04, Funding the Asset Management Plan;  
AND THAT council directs staff to bring forward a capital budget in the fall using the amount of the increase in property value assessment (growth) towards funding the Asset Management Plan.

**7.4. FIN 17-05, Reserves**

[FIN 17-05](#)

[Reserve Policy](#)

[Proposed Resolution #5](#)

THAT Council receive Report FIN 17-05, Reserves;  
AND THAT Council directs staff to bring forward an updated reserve policy;  
AND FURTHER THAT Council accepts the general reserve fund to be reported through the use of proposed reserves.

**7.5. OPS 17-03, White Paper – Business Case for 1.0 FTE Mechanic**

[OPS 17-03](#)

Proposed Resolution #6

THAT Council receive Report OPS 17-03, White Paper – Business Case for 1.0 FTE Mechanic as information.

**7.6. RCP 17-02, Budget Issue Paper – Utility Cost Increases**

[RCP 17-02 - Budget Issue Paper - Utility Cost Increases](#)

[The Mysteries of Electricity Pricing in Ontario](#)

[Guide to Electricity Pricing in Ontario](#)

Proposed Resolution #7

THAT Council receive Report RCP 17-02, Budget Issue Paper – Utility Cost Increases, as information.

**8. Council Budget Discussions****9. 2017 Tax Levy Resolution**

Proposed Resolution #8

THAT Council receive the 2017 Budget Package;

AND THAT Council approve a tax levy rate increase of 3.3% and the tax supported operating budget of \$12,865,100.00 and capital budget of \$1,206,600.00.

**10. By-Laws**

**By-Laws from the Meeting of January 10, 2017**

Proposed Resolution #9

**9.1** THAT [By-Law 4073](#), To confirm the proceedings of Council at its meeting held on the 10th day of January, 2017, be read for a first, second and third and final reading and that the Mayor and the Clerk be and are hereby authorized to sign the same, and place the corporate seal thereunto.

**11. Adjournment**

Proposed Resolution #10

THAT the Council Meeting of January 10, 2017 be adjourned at \_\_\_\_\_ p.m.





## BUDGET COUNCIL MEETING

Thursday, December 01, 2016

4:00 PM

Council Chambers

200 Broadway, 2<sup>nd</sup> Floor

# MINUTES

### ATTENDANCE

Mayor Stephen Molnar  
Deputy Mayor Dave Beres  
Councillor Maxwell Adam  
Councillor Penny Esseltine  
Councillor Jim Hayes  
Councillor Chris Rosehart  
Councillor Brian Stephenson

#### Staff:

David Calder, CAO  
David Rushton, Director of Finance/Treasurer  
Janelle Costantino, Manager of Finance  
Rick Cox, Director of Recreation, Culture & Parks  
Kevin DeLeebeeck, Director of Operations  
Jeff Smith, Fire Chief  
Tricia Smith, Deputy Clerk

Regrets: Donna Wilson, Town Clerk

### 1. Call to Order

The meeting was called to order at 4:01 p.m.

### 2. Adoption of Agenda

#### Resolution #1

Moved By: Councillor Hayes

Seconded By: Councillor Rosehart

THAT the Agenda as prepared for the Council meeting of Thursday, December 1, 2016, be adopted.

Carried

**3. Moment of Silence**

**4. Disclosures of Pecuniary Interest and the General Nature Thereof**

There were no disclosures of pecuniary interest declared.

Councillor Adam joined the meeting at 6:15 p.m.

**5. Adoption of Council Minutes of Previous Meeting**

**5.1. Minutes of the Meeting of November 22, 2016**

[Minutes, November 22, 2016](#)

Resolution #2

Moved By: Councillor Hayes

Seconded By: Councillor Rosehart

THAT the Minutes of the Budget Council Meeting of November 22, 2016, be approved.

Carried

**6. Budget Requests**

**Limited to 15 minutes each**

**6.1. Tillsonburg District Chamber of Commerce Budget Request**

[2015 Financial Statements](#)

**6.2. Tillsonburg & District Multi-Service Centre Budget Request**

[Cover Letter](#)

[Multi-Service Centre Statistics: Tillsonburg](#)

[2015/16 Financial Statements](#)

**6.3. Tillsonburg Station Arts Centre Budget Request**

[Proposed Service Agreement](#)

**6.4. Town of Tillsonburg Cultural Advisory Committee Budget Request**

[Cover Letter](#)

**6.5. Big Brothers Big Sisters of Ingersoll, Tillsonburg & Area Budget Request**

[Cover Letter](#)

[Municipal Grant Request](#)

[2015 Financial Statements](#)

**6.6. Lake Lisgar Revitalization Committee Budget Request**

[2015 Financial Statements](#)

**6.7. Heritage, Beautification & Cemetery Advisory Committee Budget Request**

[Multi-Year Plan](#)

A recommendation was made for the allocation of resources to the Parks, Culture & Recreation 2017 Budget for beautification efforts in the Town.

**6.8. Upper Deck Youth Services Budget Request**

[Cover Letter](#)

[2014-2016 Financial Statements](#)

**6.9. Cross Country Jeepers Budget Request**

[Cover Letter](#)

**6.10. Tillsonburg Police Services Board Budget Request**

[2015 Financial Statements](#)

**6.11. Tillsonburg Business Improvement Area Budget Request**

[2017 BIA Business Plan](#)

[2017 Budget](#)

[2015 Financial Statements](#)

Councillor Stephenson left the meeting at 6:50 p.m.

**6.12. Tillsonburg Turtlefest Budget Request**

[2016 Financial Statements](#)

[2015 Financial Statements](#)

Applicant to provide a breakdown of the \$5000 in costs for incorporation to Council.

**6.13. Family Day Organizing Committee Budget Request**

[2016 Event Report](#)

[2015 Financial Statements](#)

**6.14. Community Transportation Steering Committee Budget Request**

[2017 Budget & 2015-16 Financial Statements](#)

MTO Community Transportation Pilot Program grant ending March 31, 2017.

A recommendation was made for the Town to apply for Provincial Gas Tax Funds to provide support for the continuation of the Community Transportation Pilot Program.

A request was made for pre-budget approval.

Council requested information on community support for the continuation of the pilot program as part of the committee's next report to council.

Staff to follow up with Council in regards to the availability of 2017 Provincial Gas Tax funding.

**Resolution #3**

Moved By: Councillor Adam                      Seconded By: Deputy Mayor Beres

Notwithstanding any circulated resolutions on the Budget Agenda of December 1, 2016, be it resolved that the Community Budget requests as presented be received as information.

Carried

**6.15. FIN16-35 2017 Community Budget Requests**

[FIN16-35 2017 Community Budget Requests](#)

[2017 Community budget request summary sheet](#)

Resolution #4

Moved By: Deputy Mayor Beres                      Seconded By: Councillor Adam

THAT Council receives FIN16-35 2017 Community Budget Requests as information;

AND THAT any received community grant requests be referred to the 2017 budget deliberations.

Carried

**7. Council Budget Discussions**

**8. By-Laws**

**By-Laws from the Meeting of December 1, 2016**

Resolution #5

Moved By: Deputy Mayor Beres                      Seconded By: Councillor Adam

**8.1**        THAT By-Law 4062, To amend Zoning By-Law Number 3295, as amended (ZN 7-16-07), be read for a first, second and third and final reading and that the Mayor and the Clerk be and are hereby authorized to sign the same, and place the corporate seal thereunto.

Carried

Resolution #6

Moved By: Deputy Mayor Beres                      Seconded By: Councillor Adam

**8.2**        THAT By-Law 4061, To confirm the proceedings of Council at its meeting held on the 1<sup>st</sup> day of December, 2016, be read for a first, second, third and final reading and that the Mayor and the Clerk be and are hereby authorized to sign the same, and place the corporate seal thereunto.

Carried

**9. Adjournment**

Resolution #7

Moved By: Councillor Hayes

Seconded By: Councillor Rosehart

THAT the Budget Council Meeting of December 1, 2016, be adjourned at 7:58 p.m.

Carried



11



## 2017 Budget and Business Plans

January 10, 2017

# 2017 Budget Assumptions

- Maintain the existing service level
- Reduce tax supported debt
- Allocate reserve funds collected for future capital and operating needs
- Use assessment growth to fund a sustainable capital plan (Asset Management Plan)
- Address key programs identified in Community Strategic Plan and Budget Plan

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# 2017 Budget Terminology

- Requirement from taxation is the amount needed to be collected from our taxpayers to fund the operating and capital programs
- Tax levy is the rate that is used to collect the required funds based on the assessed value of the property
- Operating requirements are the funds needed to run all of the departments in the town
- Capital requirements are the funds needed to add or replace the Town's Assets, Plans or Studies

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# Sources of Funds

- Taxation
- User Fees
- Reserves
- Grants
- Debt supported by users
- Debt supported by taxation
- Donations

14

# 2017 - The Big Picture

- The total operations managed by Town staff generate \$60M and offsetting expenses including THI, Water and Wastewater
- Non tax revenues amount to \$33M from utilities, \$5.2M from user fees, \$3.2M from upper orders of government, \$3.6M from reserves & debt and \$1M from gifts, donations & other sources
- This budget will focus on the impact to the taxpayers and the need to make the operations of the Town financially sustainable

# Budget Proposal

It is proposed to increase the combined operating and capital tax supported budget from \$13,468,500 to \$14,071,700. This increase of \$603,200 comes from a combination of assessment growth of 1.1% and tax levy increase of 3.3%

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# Changes to Tax Levy

Year	Levy	Change %	
2009	0.00755081	-3.3%	
2010	0.00754233	-0.1%	
2011	0.00745651	-1.1%	
2012	0.00737536	-1.1%	
2013	0.00725973	-1.6%	
2014	0.00722218	-0.5%	
2015	0.00723594	0.2%	
2016	0.00723430	0.0%	
2017	0.00747505	3.3%	proposed

# Taxation Mix

	Current Weighted Value Assessment (CVA weighted)				Year over Year	
	Mix				Change \$	Change %
	2016 Current		2017 Phase-In			
RESIDENTIAL (RT)	1,256,827,097	67.5%	1,292,511,258	68.7%	35,684,161	2.84%
NON-RESIDENTIAL	604,923,876	32.5%	589,978,046	31.3%	-14,945,830	-2.47%
Total CVA	\$ 1,861,750,973	100%	1,882,489,304	100%	20,738,331	1.11%

# Operating Budget Pressures

- \$420,600 for operations can be found in a few main activity areas
- \$ 97,600 Heat, Light & Water
- \$362,100 Inflationary Human Resource Costs
- \$ 95,000 Canada 150 celebrations
- \$ 87,500 Transit
- \$ 95,500 Increased debt principal payment
- \$ 75,000 New Staffing
- \$ 91,900 Legal and Policing
- Less \$586,900 Grant & User Fee Revenue increases

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# Capital Budget

- \$7.2 M is for capital can be found in a few main areas
- \$525k Fleet for non town
- \$100k Non tax supported projects
- \$816k Town Fleet
- \$3,275k Roads & Storm sewers
- \$785k Building Repairs
- \$171k Fire
- \$430k IT
- \$80k Airport
- \$130k Solid Waste
- \$307k Parks
- \$550k Industrial Land



# Capital Funding

Where is the \$7.2 million coming from?

- \$2.4 M Grants
- \$0.9 M Debt
- \$1.5 M Reserves
- \$0.5 M DC Reserves
- \$0.1 M Donations and Misc.
- \$0.5 M User Pay Funded Debt
- \$1.2 M Taxation

# Reserves

- Allocated reserves allow us to budget using funds specified for projects or activities
- Certain amounts are restricted on their use and others are at the discretion of council often based on certain needs
- This allows for carry-over of operating activities funded in one year and finished in the next and it allows for certain groups to raise funds in operating for future needs such as Fleet and IT

# Unrestricted Reserves - 2017

Reserve Account Name	Balance 01-Jan-17	Transfers In - 2017	Transfers Out - 2017	Investment or Other Income	Projected Balance 31-Dec-17
Income				20,000	20,000
Airport	57,450	60,000	57,400		60,050
Building	-				-
Council	13,400	10,000			23,400
CSC	32,703		32,700		3
Ec. Dev	849,271	83,500	531,500		401,271
Eng	38,156		38,100		56
Fire	14,000	45,000	14,000		45,000
Fleet	319,552		310,000		9,552
General	411,575	100,400	100,400		411,575
IT	302,192	65,000	290,000		77,192
Misc	220,000				220,000
Parking	180,214	44,000	36,000		188,214
Parks	21,918	11,000			32,918
Police	123,783		41,300		82,483
RCP	140,656		143,900		(3,244)
Roads	92,754		92,900		(146)
Roof	5,318				5,318
Museum	5,000		5,000		-
Election	44,000				44,000
Trans Stn	21,000		21,000		-
Non-cash	398,532				398,532
	3,291,474	418,900	1,714,200	20,000	2,016,174

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# Restricted Reserves and Trusts

Restricted Reserves	Balance 01-Jan-17	Transfers In - 2017	Transfers Out - 2017	Investment or Other Income	Projected Balance 31-Dec-17
<u>Development Charges Reserve</u>					
General	27,968		18,500	10,000	19,468
Fleet	448,561		25,000		423,561
Fire	168,339		17,000		151,339
Police	1,057				1,057
Parking	8,492				8,492
SanSwrs	18,481				18,481
Roads	619,439		399,700		219,739
Recreation	367,444				367,444
<u>Obligatory Reserve</u>					
Gas Tax	151,565	465,200	465,200		151,565
Building Fees	167,924		13,400		154,524
<u>Trust Funds</u>					
Parkland	44,696				44,696
Comm Trusts	52,982				52,982
Perpetual Care	866,001				866,001
Annandale House	102,660		35,000		67,660
Cemetery Mtce	33,655				33,655
Cemetery Prepaid	29,208				29,208
Scholarships	38,258				38,258
Lake Lisgar Revitalization	9,130				9,130
	3,155,861	465,200	968,900	10,000	2,657,261

# Tax Supported Debt

Tax supported debt is financed through taxation versus user fees or other sources of income

## Annual Debt Reductions

2016 \$334,626

2017 \$255,631

2018 \$269,914 \*

\* Debt is usually incurred one year after budgeting



**2017 Financial Plan**  
**Budget Summary - Taxation Requirement**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>
<b>Operating</b>				
100 Council	319,900	333,600	13,700	4.28%
110 Finance	1,839,700	1,854,600	14,900	0.81%
120 CSC	63,300	42,900	(20,400)	(32.23%)
130 Fleet	(320,300)	(234,800)	85,500	(26.69%)
145 Hyd	(270,200)	(266,200)	4,000	(1.48%)
150 Fire	1,088,900	1,118,700	29,800	2.74%
160 Police	2,825,000	2,840,900	15,900	0.56%
180 Protection	212,200	230,200	18,000	8.48%
190 Building	83,300		(83,300)	(100.00%)
200 Op Admin	218,500	223,900	5,400	2.47%
210 Engineering	267,800	274,600	6,800	2.54%
220 Roads	1,492,000	1,558,000	66,000	4.42%
225 Winter Mtce	510,600	523,400	12,800	2.51%
230 Parking	(36,400)		36,400	(100.00%)
235 Streetlights	305,100	334,500	29,400	9.64%
240 Airport	65,600	66,400	800	1.22%
260 Storm Sewers	125,000	125,000		
280 Solid Waste & Recycling	152,000	174,700	22,700	14.93%
300 Cem	184,800	129,500	(55,300)	(29.92%)
450 Parks	411,800	519,200	107,400	26.08%
455 Community Events		37,000	37,000	
460 Rec - Programs	256,400	252,800	(3,600)	(1.40%)
465 Rec - Bldg Mtce	2,094,200	2,200,800	106,600	5.09%
467 EFC	(32,400)	(32,400)		
475 Museum	261,200	308,900	47,700	18.26%
500 DCS	91,400	91,400		
505 EcDev	335,100	360,500	25,400	7.58%
600 Municipal - Taxes	(100,000)	(203,000)	(103,000)	103.00%
<b>Total Operating</b>	<b>12,444,500</b>	<b>12,865,100</b>	<b>420,600</b>	<b>3.38%</b>



**2017 Financial Plan**  
**Budget Summary - Taxation Requirement**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>
<b>Capital</b>				
110 Finance	170,000	130,000	(40,000)	(23.53%)
120 CSC		5,000	5,000	
130 Fleet				
150 Fire	60,500	114,000	53,500	88.43%
160 Police				
180 Protection				
210 Engineering		51,900	51,900	
220 Roads	344,600	244,600	(100,000)	(29.02%)
230 Parking	35,400		(35,400)	(100.00%)
235 Streetlights				
240 Airport	35,000	22,600	(12,400)	(35.43%)
260 Storm Sewers	70,000	147,500	77,500	110.71%
280 Solid Waste & Recycling	50,000	109,000	59,000	118.00%
300 Cem	32,100	67,000	34,900	108.72%
450 Parks	130,400	80,000	(50,400)	(38.65%)
460 Rec - Programs	25,000	30,000	5,000	20.00%
465 Rec - Bldg Mtce	56,000	195,000	139,000	248.21%
475 Museum	15,000	10,000	(5,000)	(33.33%)
500 DCS				
505 EcDev				
<b>Total Capital</b>	<b>1,024,000</b>	<b>1,206,600</b>	<b>182,600</b>	<b>17.83%</b>

Capital Tax Levy Increase 1.30%

**Total 2017 Taxation Requirement**

14,071,700

# TOWN OF TILLSONBURG

## 2017 Business Plan

Finance

Tuesday, January 10, 2017





# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Cash Forecasting Model Development	Manager of Finance	\$0	Q4
Investigate The One Investment Program	Manager of Finance	\$0	Q4
Monthly reporting to Management	Director & Manager of Finance	\$0	Q2
Increase customer transactions on website	Manager of Finance & Revenue/ Customer Service Manager	\$0	Ongoing
Debt Policy	Director & Manager of Finance	\$0	Q
Reserve Policy	Director & Manager of Finance	\$0	Q

# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Replace computers	IT	\$55,000 <i>R</i>	Q2
Replace Server	IT	\$10,000 <i>R</i>	Q3
Telephone System Replacement	IT	\$125,000 <i>R</i>	Q3
Contribution to Reserves – Future IT	IT	\$55,000 <i>T</i>	Q4
Website shopping cart	IT	\$8,500 <i>R</i>	Q2
Tax e-bill software	IT/ Manager of Customer Service	\$5,000 <i>T</i>	Q3
Great Plains Point of Sale/CLASS replacement	IT	\$100,000 <i>R</i>	Q4

# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Purchase Order Software	IT/Manager of Finance	\$65,000 T \$15,000 recurring	Q2
Develop plan/implement departmental overhead costs for IT	IT/Finance	\$0	Q4
Contribution to Reserves - Records management storage	Clerk	\$10,000 T	Q4
Local Government Week	Clerk	\$2,000	Q4

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# Risks

- Finance
  - Difficulty identifying accurate surplus or deficit in a timely manner could result in under/over spending
- IT
  - Computers run slower as they age, which reduces work efficiency
- Clerks
  - Records storage at multiple locations and incomplete record logs could put the municipality at risk

# Opportunities

- Finance

- Purchase Order Software and monthly reporting to managers will help to manage the annual surplus/deficit by creating a more accurate picture of the Town's revenues and expenses

- IT

- Continue to implement IT strategy to avoid duplication of software across departments

- Clerks

- Records management policies would ensure complete records are available when required

# Future Departmental Directions: 3 year outlook

- 2018
  - Continue to manage cash flows and investments to maximize interest revenue
  - With implementation of purchase order software, move to an accrual basis of accounting on a monthly basis
- 2019/2020
  - Continue to replace computers

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**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Council**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	-	(37,500)	(37,500)	100.0%	1
Contribution from Reserves	(35,000)	-	35,000	-100.0%	2
<b>Total Revenues</b>	<b>(35,000)</b>	<b>(37,500)</b>	<b>(2,500)</b>		
<b>Expenditures</b>					
Labour	148,400	153,800	5,400	3.6%	
Purchases	151,100	207,300	56,200	37.2%	3
Contribution to Reserves	55,400	10,000	(45,400)	-81.9%	4
<b>Total Expenditures</b>	<b>354,900</b>	<b>371,100</b>	<b>16,200</b>		
<b>Total Net Levy</b>	<b>319,900</b>	<b>333,600</b>	<b>13,700</b>		

**Notes**

- 1** Ontario Gas Tax Grant (estimated)
- 2** Doctor Recruitment (\$10,000) and Town Hall Space needs Study (\$25,000) paid from reserves in 2016
- 3** Increase relating to Transit program (\$87,500 - \$37,500 offset by Prov. Grant); Decrease as Town Hall studies funded in 2016 (not recurring in 2017)
- 4** Reduced election contribution (\$12,000); removed Town Hall contribution (\$25,000)



2017 Financial Plan  
 Operating Summary - Cost Code Summary  
 Finance

	2016 Budget	2017 Budget	Budget Variance	% Variance	Note Reference
<b>Revenues</b>					
Grants	(200,700)	(276,800)	(76,100)	37.9%	1
User Charges	(23,000)	(39,000)	(16,000)	69.6%	2
Other Revenue	(11,000)	(20,700)	(9,700)	88.2%	3
Contribution from Reserves	(21,000)	-	21,000	-100.0%	4
<b>Total Revenues</b>	<b>(255,700)</b>	<b>(336,500)</b>	<b>(80,800)</b>		
<b>Expenditures</b>					
Labour	1,200,000	1,249,100	49,100	4.1%	
Purchases	434,400	461,800	27,400	6.3%	5
Contracted Services	480,000	460,100	(19,900)	-4.1%	
Contribution to Reserves	54,900	100,400	45,500	82.9%	6
Interfunctional Adjustments	(188,300)	(195,800)	(7,500)	4.0%	
Debt Principal & Interest	114,400	115,500	1,100	1.0%	
<b>Total Expenditures</b>	<b>2,095,400</b>	<b>2,191,100</b>	<b>95,700</b>		
<b>Total Net Levy</b>	<b>1,839,700</b>	<b>1,854,600</b>	<b>14,900</b>		

**Notes**

- 1 OMPF Grant increase (\$30,600); OCIF Grant increase (\$45,500)
- 2 Permit fees increased (\$5,000); Tax Certificate revenue increased (\$6,000)
- 3 Increase of interest revenue on general bank account
- 4 Employee benefit increase funded by GWL refund in 2016; no such refund in 2017
- 5 Increase in Active Network transaction fees (\$12,000); Budgeting for insurance claim deductible (\$10,000)
- 6 OCIF is contributed to Reserves each year - increase attributable to increase in funding





**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Customer Service Centre**

	2016 Budget	2017 Budget	Budget Variance	% Variance	Note Reference
<b>Revenues</b>					
User Charges	(271,500)	(266,000)	5,500	-2.0%	
<b>Total Revenues</b>	<b>(271,500)</b>	<b>(266,000)</b>	<b>5,500</b>		
<b>Expenditures</b>					
Labour	431,200	442,100	10,900	2.5%	
Purchases	117,100	101,200	(15,900)	-13.6%	1
Contracted Services	22,000	18,000	(4,000)	-18.2%	
Interfunctional Adjustments	(238,600)	(255,400)	(16,800)	7.0%	2
Debt Principal & Interest	3,100	3,000	(100)	-3.2%	
<b>Total Expenditures</b>	<b>334,800</b>	<b>308,900</b>	<b>(25,900)</b>		
<b>Total Net Levy</b>	<b>63,300</b>	<b>42,900</b>	<b>(20,400)</b>		

**Notes**

- 1 Heat, Light & Water increase (\$11,000)
- 2 Directly attributed to change in Full Time Labour costs



# TOWN OF TILLSONBURG

## 2017 Business Plan

Human Resources

Tuesday, January 10, 2017





# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
1.5 % Costing of Living Increase	HR Manager	\$72,000	Q2-Q4
Health & Dental renewal increase	HR Manager	\$43,000	Q1-Q4
Payroll deduction increase (CPP, EI, WSIB)	HR Manager	\$34,000 (FT)	Q1 - Q4
Compensation Review – Pay Equity	HR Manager	\$10,000	Q4
Health and Safety/Management Training	HR Manager	\$5,000	Q1-Q4
Succession Planning Program Training and Development	HR Manager	\$2,500	Q1-Q4

# Risks

- Competitive compensation pressures.
- Changing health and safety legislation.

# Opportunities

- Increasing the cost of living supports recruitment and retention.
- Succession Planning program to provide for business continuity.
- Compensation review to ensure we are continuing to remain in compliance with the Pay Equity Act.

# Future Departmental Directions: 3 year outlook

- 2018 to 2020
  - Continuation of Succession Planning Program

# Human Resources

	2016	2017
Total FTE Requirements	127.32	130.79
Change from previous year	-	3.47

## 2017 FTE Changes by Department

Department	FTE Change
Building & By-Law	0.33
Clerk's Department	0.33
Economic Development	0.10
Hydro Operations	2.00
Operations	0.16
Recreation, Culture & Parks	0.55



# TOWN OF TILLSONBURG

## 2017 Business Plan

Operations Services

Tuesday, January 10, 2017



# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Continue H&S policy and procedure update/revisions for the Department	Director of Operations	-	Q1 - Q4
Review of Public Works and Engineering policies, procedures and records management	Director of Operations	-	Q1 - Q4
Complete Winter Maintenance Review and associated Winter Operations Plan	Manager of Public Works	-	Q1
Update Engineering Design Criteria to current industry standards & practices	Manager of Engineering	-	Q3
Revise Subdivision & Site Plan Guidelines for improved communication with development community	Manager of Engineering	-	Q4
Asset Management <ul style="list-style-type: none"> <li>➤ Develop AMP policy and procedures</li> <li>➤ Bridge &amp; Culvert Management Strategy</li> <li>➤ Expand Streetlight Inventory Attribute Data</li> </ul>	Manager of Engineering	-	Q1 - Q4

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
LED Streetlight Conversion Business Case	Manager of Public Works / Engineering	TBD for 2018	Q3/Q4
Broadway Mid-Block (Town Centre Mall) Audible and Accessibility Upgrades	Manager of Engineering	2016 CFWD \$25,000 <i>G</i>	Q2
Broadway & Glendale Pedestrian Crossing Cont'd	Manager of Engineering	\$50,000 <i>R &amp; T</i> 2016 CFWD \$40,000 <i>D</i>	Q3
Broadway & Oxford Intersection Audible and Accessibility Upgrades	Manager of Engineering	\$65,000 <i>G</i>	Q2/Q3
OSIM Biennial Bridge & Culvert Inspections (O.Reg. 104/97)	Manager of Engineering	\$40,000 <i>R &amp; T</i>	Q3
Quarter Town Line Corridor Management	Manager of Engineering	50,000 <i>DC</i>	Q2/Q3

# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Transfer Station Improvements Cont'd	Manager of Public Works / Engineering	\$130,000 <i>R &amp; T</i>	Q3
Airport Self-Serve Fuelling Conversion	Manager of Public Works	\$50,000 <i>R</i>	Q2
Airport Main Runway Crack Sealing	Manager of Public Works	\$30,000 <i>R &amp; T</i>	Q3
Paget & Rolling Meadows Drain Rehabilitation	Manager of Engineering	\$230,000 <i>G</i>	Q3/Q4
North Street Sidewalk – Phase C (Oxford County Rd 20)	Manager of Engineering	2016 CFWD 65,000 <i>DC</i>	Q3/Q4
Potters Road Sidewalk (Oxford County Rd 37)	Manager of Engineering	\$45,000 <i>T</i>	Q3/Q4

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Newell Road Reconstruction	Manager of Engineering	\$1,049,100 <i>G &amp; DC</i>	Q3/Q4
Riverview Reconstruction – Stage 2 of 2	Manager of Engineering	\$567,500 <i>G &amp; T</i>	Q2/Q3
Broadway Connecting Link Rehabilitation – Town limit to North St.	Manager of Engineering	\$928,650 <i>G &amp; R</i>	Q3/Q4
Asphalt Resurfacing Program	Manager of Engineering	\$250,000 <i>G &amp; T</i>	Q3/Q4
<b>Light Duty Replacements</b>			
➤ Facilities Unit # 29 – 2003 Pickup Truck	Manager of Public Works	\$500 (Reassign Unit 25)	Q2
➤ Roads Unit # 25 – 2007 Pickup Truck	Manager of Public Works	\$35,000 <i>R</i> (Lightly Used)	Q2

# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
<b>Medium Duty Replacements</b>			
➤ Fleet Unit #42 – 1990 Service Truck	Manager of Public Works	\$500 (Reassign Unit 44)	Q4
➤ Water Unit #44 – 2008 Service Truck	Manager of Public Works	\$160,000 <i>DE</i>	Q4
➤ Hydro Unit #41 – 2003 Utility Truck	Manager of Public Works	\$65,000 <i>DE</i>	Q4
<b>Heavy Duty Replacements</b>			
➤ Roads Unit #64 – Snowplow Truck	Manager of Public Works	\$275,000 <i>R</i>	Q4
➤ Hydro Unit #74 – Cable Truck	Manager of Public Works	\$300,000 <i>DE</i>	Q4

# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
<b>Off-Road Equipment Replacements</b>			
➤ Roads Unit #83 – 2008 Sidewalk Machine	Manager of Public Works	\$150,000 <i>DT</i>	Q4
➤ Roads Unit #85 – 2009 Street Sweeper	Manager of Public Works	\$280,000 <i>DT</i>	Q2
➤ Parks Unit #89 Upgrade – 2000 26hp Tractor	Manager of Public Works	\$75,000 <i>DC &amp; DT</i>	Q2

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# Risks

- Continue development of standardized Health and Safety operating policies and procedures to provide clear direction to staff, maintain a safe working environment and ensure compliance with the Occupational Health and Safety Act to reduce overall risk.
- Development of Asset Management policy and procedures will prevent the Plan from becoming stale and allow for standardized repeatable, updates to base data.
- Implementation of the Broadway & Glendale pedestrian crossing will mitigate future risk by supporting investigation recommendation and providing a clear identifiable location for pedestrian crossing activity along a primary arterial roadway.
- O.Reg. 104/97 made under the Public Transportation and Highway Improvement Act, requires all bridges and culverts with a span greater than 3m that are part of the road allowance to be inspected biennially under the direction of a professional engineer.

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# Risks

- Crack sealing preventative maintenance of the Airport main Runway is critical in order to achieve the service life potential of the Runway.
- The rehabilitation and realignment of the Paget and Rolling Meadows Drain will prevent future upstream flooding risks and minimize overall maintenance costs.
- Early issuance of capital reconstruction tenders is critical to obtain best pricing. Failure to complete capital reconstruction projects will delay other asset needs and increase maintenance costs.
- Annual asphalt resurfacing is vital to ensure the right pavement strategy is executed at the right time to minimize lifecycle costs, prolong asset life and maintain service levels.
- While the overall condition & performance rating for fleet & equipment has improved a significant amount assets remain in a poor state. Long-term investment is required in order to re-establish the condition of fleet.

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# Opportunities

- Comprehensive review of Public Works and Engineering polices and procedures to improve documentation, information retention and overall records management.
- Complete review of Winter Maintenance Program and finalize Winter Operations Plan to ensure compliance with the Minimum Maintenance Standards O.Reg. 239/02 and to provide additional support in claim situations.
- Modify Engineering Design Criteria of all municipal infrastructure assets to current industry standards and practices will support operational objectives and ensure compliance with changing legislative requirements.
- Revision of the Subdivision & Site Plan guidelines will improve communication with the development community by providing a clear outline of the development process and associated expectations and requirements.
- Expanding the attribute data of the streetlight inventory database will allow for the development of LED streetlight conversion business case.

# Opportunities

- Implementation of accessibility standards at the intersection of Broadway & Oxford St. would include accessible components for sidewalks, curbs and audible pedestrian signals.
- Identify and implement corridor functional improvements to support improved traffic management along Quarter Town Line (i.e. 40 km/hr flashing school crossings)
- Implementation of Transfer Station comprehensive review results will fulfill majority of community feedback, improve operational efficiency, and address compliance with ECA.
- An opportunity for operational savings can be achieved by converting to a “self-serve” fuelling system at the Airport that would essentially be open 24 hours a day.
- Historical 50/50 cost sharing arrangement with Oxford County for new sidewalk installations would continue for North Street – Phase C and Potters Road reconstruction projects.

# Opportunities

- If successful under the Connecting Link program the rehabilitation of Broadway from Town limit to North Street would be coordinated with Phase C of Oxford County's North Street Reconstruction scheduled for 2017 to reduce traffic impacts from construction.

# Future Departmental Directions: 3 year outlook

## 2018

- Rehabilitate/Replace infrastructure identified as high risk priority in the Asset Management Plan
- Continue asset condition assessment programs and adjust deterioration curves to better predict end of life scenarios and optimize lifecycle management strategies.
- Implement LED streetlight conversion (if viable)
- Continue Fleet & Equipment asset management and financing strategy to improve overall condition, operator safety and service levels.
- Implement a leak detection program to reduce costs associated with potable water losses through leaks.
- Pursue available Provincial and Federal capital funding opportunities.

# Future Departmental Directions: 3 year outlook

## 2019

- Rehabilitate/Replace infrastructure identified as high risk priority in the Asset Management Plan
- Continue asset condition assessment programs and adjust deterioration curves to better predict end of life scenarios and optimize lifecycle management strategies.
- Continue Fleet & Equipment asset management and financing strategy to improve overall condition, operator safety and service levels.
- Implement an inflow and infiltration program to identify areas to reduce flow to Sewage Treatment Plant.
- Pursue available Provincial and Federal capital funding opportunities.

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# Future Departmental Directions: 3 year outlook

## 2020

- Rehabilitate/Replace infrastructure identified as high risk priority in the Asset Management Plan
- Continue asset condition assessment programs and adjust deterioration curves to better predict end of life scenarios and optimize lifecycle management strategies.
- Continue Fleet & Equipment asset management and financing strategy to improve overall condition, operator safety and service levels.
- Comprehensive review and update to the Asset Management Plan.
- Pursue available Provincial and Federal capital funding opportunities.

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# 2017 Fleet Capital Plan

Vehicle Number	Make	Type	Description	Acquisition		Replacement Options		Km / Hrs			Lifecycle O & M		Reliability Score	Mechanical / Body Score	Probability of Failure		Consequence of Failure		Overall Asset Risk	Comments
				Year	Cost	New Unit Replacement Cost Estimate	Alternative Replacement Cost Estimate	Km	Hrs	Score	Lifecycle O & M Costs	Score			% Remaining Service Life (%RSL)	Probability of Failure	Type of Service Score	Consequence of Failure		
29	Dodge	Light Duty	Ram 1500 Pickup Truck	2003	\$23,057	\$40,000	\$0	179,016	4,150	4.5	\$40,360.88	5.0	5.0	5.0	-17%	Highly Probable	2.0	Minor	<b>High</b>	Reassign high use Unit 25 to low use Unit 29
25	Chevy	Light Duty	Silverado Pickup Truck	2007	\$33,597	\$40,000	\$35,000	124,455	4,268	3.1	\$26,842.93	4.0	1.0	2.0	31%	Likely	2.0	Minor	<b>Medium</b>	Replace with lightly used Vehicle
64	Peterbilt	Heavy Duty	330 Plow/Wing Truck	2004	\$185,142	\$275,000	\$275,000	211,243	8,376	3.5	\$195,116.66	5.0	4.0	5.0	3%	Highly Probable	4.0	Major	<b>Extreme</b>	
83	Trackless	Off Road Equipment	MT6 Sidewalk Machine	2008	\$122,710	\$150,000	\$150,000	27,779	5,710	5.0	\$68,138.19	2.8	4.0	4.0	21%	Likely	4.0	Major	<b>Extreme</b>	Refurbished units no longer available
44	Dodge	Medium Duty	4500 Truck w/ Service Body, Crane	2008	\$109,952	\$160,000	\$160,000	99,591	4,963	2.0	\$47,343.37	2.2	3.0	4.0	37%	Likely	3.0	Moderate	<b>High</b>	Reassign high use Unit 44 to low use Unit 42
42	Chevy	Medium Duty	3500 Truck w/ Service Body, Crane	1990	\$31,898	\$160,000	\$0	156,360	2,373	3.1	\$95,359.68	5.0	4.0	5.0	-38%	Highly Probable	3.0	Moderate	<b>Extreme</b>	
85	AMI	Off Road Equipment	3000 Sweeper	2009	\$153,488	\$280,000	\$280,000	18,589	4,074	2.0	\$99,275.81	3.2	3.0	3.0	34%	Likely	3.0	Moderate	<b>High</b>	
74	GMC	Heavy Duty	Topkick C8500 Truck	1997	\$179,674	\$300,000	\$300,000	56,407	1,761	1.8	\$87,683.22	2.4	1.0	5.0	26%	Likely	4.0	Major	<b>Extreme</b>	
41	Ford	Medium Duty	F350 w/ Flat Bed	2003	\$44,328	\$65,000	\$65,000	96,750	5,973	1.9	\$67,924.57	5.0	5.0	5.0	2%	Highly Probable	3.0	Moderate	<b>Extreme</b>	
89 Upgrade	John Deere	Off Road Equipment	4700 Tractor	2000	\$38,680	\$75,000	\$75,000		5,204	5.0	\$32,440.16	4.2	3.0	4.0	19%	Highly Probable	3.0	Moderate	<b>Extreme</b>	Task Specific Upgraded Fleet
<b>Existing Unit Replacement Sub-Total</b>						<b>\$1,545,000</b>	<b>\$1,340,000</b>													
<b>Savings</b>							<b>\$205,000</b>													





**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Fleet**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(1,216,800)	(1,277,500)	(60,700)	5.0%	1
<b>Total Revenues</b>	<b>(1,216,800)</b>	<b>(1,277,500)</b>	<b>(60,700)</b>		
<b>Expenditures</b>					
Labour	216,700	300,400	83,700	38.6%	2
Purchases	500,700	517,900	17,200	3.4%	
Contracted Services	5,500	5,500	-	0.0%	
Debt Principal & Interest	173,600	218,900	45,300	26.1%	3
<b>Total Expenditures</b>	<b>896,500</b>	<b>1,042,700</b>	<b>146,200</b>		
<b>Total Net Levy</b>	<b>(320,300)</b>	<b>(234,800)</b>	<b>85,500</b>		

**Notes**

- 1** Increase in interdepartmental Fleet Charge revenue
- 2** As noted in budget pressures discussion; Business case being brought forward for FTE increase
- 3** Principle & Interest on debt placed in 2016 - Fire Pumper Truck (\$23,800), Peterbilt truck (\$16,200)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Hydro**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(47,600)	(40,600)	7,000	-14.7%	1
Other Revenue	(150,000)	(150,000)	-	-	
<b>Total Revenues</b>	<b>(197,600)</b>	<b>(190,600)</b>	<b>7,000</b>		
<b>Expenditures</b>					
Labour	35,400	34,400	(1,000)	-2.8%	
Purchases	19,300	17,800	(1,500)	-7.8%	
Contracted Services	6,000	5,000	(1,000)	-16.7%	
Interfunctional Adjustments	6,700	7,200	500	7.5%	
<b>Total Expenditures</b>	<b>67,400</b>	<b>64,400</b>	<b>(3,000)</b>		
<b>Total Net Levy</b>	<b>(130,200)</b>	<b>(126,200)</b>	<b>4,000</b>		

**Notes**

**1** Reduction in revenue/cost recovery as costs decreased



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Operations Administration**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	220,100	228,900	8,800	4.0%	
Purchases	12,900	10,200	(2,700)	-20.9%	
Interfunctional Adjustments	(14,500)	(15,200)	(700)	4.8%	
<b>Total Expenditures</b>	<b>218,500</b>	<b>223,900</b>	<b>5,400</b>		
<b>Total Net Levy</b>	<b>218,500</b>	<b>223,900</b>	<b>5,400</b>		



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Engineering**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(43,000)	(42,000)	1,000	-2.3%	
<b>Total Revenues</b>	<b>(43,000)</b>	<b>(42,000)</b>	<b>1,000</b>		
<b>Expenditures</b>					
Labour	434,200	456,200	22,000	5.1%	1
Purchases	31,100	26,300	(4,800)	-15.4%	
Contracted Services	500	-	(500)	-100.0%	
Interfunctional Adjustments	(155,000)	(165,900)	(10,900)	7.0%	2
<b>Total Expenditures</b>	<b>310,800</b>	<b>316,600</b>	<b>5,800</b>		
<b>Total Net Levy</b>	<b>267,800</b>	<b>274,600</b>	<b>6,800</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Directly attributed to change in Full Time Labour costs



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Roads**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(72,300)	(73,700)	(1,400)	1.9%	
<b>Total Revenues</b>	<b>(72,300)</b>	<b>(73,700)</b>	<b>(1,400)</b>		
<b>Expenditures</b>					
Labour	608,100	641,400	33,300	5.5%	1
Purchases	239,400	242,600	3,200	1.3%	
Contracted Services	216,900	217,000	100	0.0%	
Interfunctional Adjustments	206,200	218,900	12,700	6.2%	2
Debt Principal & Interest	293,700	311,800	18,100	6.2%	3
<b>Total Expenditures</b>	<b>1,564,300</b>	<b>1,631,700</b>	<b>67,400</b>		
<b>Total Net Levy</b>	<b>1,492,000</b>	<b>1,558,000</b>	<b>66,000</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Directly attributed to change in Full Time Labour costs
- 3** Principle & Interest on debt placed in 2016 - Trottier Stage 3 (\$20,000) and Riverview Stage 1 (\$3,200)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Winter Maintenance**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	203,000	200,000	(3,000)	-1.5%	
Purchases	121,500	124,500	3,000	2.5%	
Contracted Services	4,500	3,000	(1,500)	-33.3%	
Interfunctional Adjustments	181,600	195,900	14,300	7.9%	1
<b>Total Expenditures</b>	<b>510,600</b>	<b>523,400</b>	<b>12,800</b>		
<b>Total Net Levy</b>	<b>510,600</b>	<b>523,400</b>	<b>12,800</b>		

**Notes**

- 1** Directly attributed to change in Full Time Labour costs



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Parking**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Levy, PILS	(139,200)	(141,500)	(2,300)		
<b>Total Revenues</b>	<b>(139,200)</b>	<b>(141,500)</b>	<b>(2,300)</b>		
<b>Expenditures</b>					
Labour	31,500	25,000	(6,500)	-20.6%	1
Purchases	2,000	500	(1,500)	-75.0%	
Contracted Services	25,000	25,000	-	-	
Contribution to Reserves	-	44,900	44,900	100.0%	2
Interfunctional Adjustments	29,500	31,700	2,200	7.5%	
Debt Principal & Interest	14,800	14,400	(400)	-2.7%	
<b>Total Expenditures</b>	<b>102,800</b>	<b>141,500</b>	<b>38,700</b>		
<b>Total Net Levy</b>	<b>(36,400)</b>	<b>-</b>	<b>36,400</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Change in presentation - Reserve contribution included in operating budget; was included as a capital item in 2016 and prior



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Streetlights**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	28,100	28,600	500	1.8%	
Purchases	256,200	283,700	27,500	10.7%	1
Contracted Services	3,000	3,000	-	-	
Interfunctional Adjustments	17,800	19,200	1,400	7.9%	
<b>Total Expenditures</b>	<b>305,100</b>	<b>334,500</b>	<b>29,400</b>		
<b>Total Net Levy</b>	<b>305,100</b>	<b>334,500</b>	<b>29,400</b>		

**Notes**

- 1 Increase in Heat, Light & Water - matched increase YTD actuals for 2016 and added 4% for rate increases expected in 2017





**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Airport**

	2016 Budget	2017 Budget	Budget Variance	% Variance	Note Reference
<b>Revenues</b>					
Grants	(5,000)	(5,000)	-	-	
User Charges	(509,900)	(501,900)	8,000	-1.6%	
Other Revenue	(500)	-	500	-100.0%	
<b>Total Revenues</b>	<b>(515,400)</b>	<b>(506,900)</b>	<b>8,500</b>		
<b>Expenditures</b>					
Labour	168,000	182,500	14,500	8.6%	1
Purchases	325,100	296,900	(28,200)	-8.7%	2
Contracted Services	38,500	44,800	6,300	16.4%	3
Contribution to Reserves	6,000	6,000	-	-	
Interfunctional Adjustments	3,200	4,300	1,100	34.4%	
Debt Principal & Interest	40,200	38,800	(1,400)	-3.5%	
<b>Total Expenditures</b>	<b>581,000</b>	<b>573,300</b>	<b>(7,700)</b>		
<b>Total Net Levy</b>	<b>65,600</b>	<b>66,400</b>	<b>800</b>		

**Notes**

- 1 As noted in budget pressures discussion
- 2 Decreases in Materials/Inventory (\$13,700), Meeting expense (\$7,600) and removal of Woodlot clearing expense (\$10,000)
- 3 Increases due to Office renovations (\$6,000), Hydro One Application (\$7,500) and NOTAM Tree removal (\$7,500); Decreases due to Grass cutting (\$6,000) and Crack sealing (\$4,000)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Storm Sewers**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	50,700	49,300	(1,400)	-2.8%	
Purchases	4,000	3,700	(300)	-7.5%	
Contracted Services	48,000	48,000	-	-	
Interfunctional Adjustments	22,300	24,000	1,700	7.6%	
<b>Total Expenditures</b>	<b>125,000</b>	<b>125,000</b>	<b>-</b>		
<b>Total Net Levy</b>	<b>125,000</b>	<b>125,000</b>	<b>-</b>		



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Solid Waste & Recycling**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(120,400)	(110,200)	10,200	-8.5%	1
User Charges	(114,800)	(110,500)	4,300	-3.7%	
<b>Total Revenues</b>	<b>(235,200)</b>	<b>(220,700)</b>	<b>14,500</b>		
<b>Expenditures</b>					
Labour	80,400	70,500	(9,900)	-12.3%	2
Purchases	98,200	97,000	(1,200)	-1.2%	
Contracted Services	98,500	112,500	14,000	14.2%	3
Interfunctional Adjustments	110,100	115,400	5,300	4.8%	
<b>Total Expenditures</b>	<b>387,200</b>	<b>395,400</b>	<b>8,200</b>		
<b>Total Net Levy</b>	<b>152,000</b>	<b>174,700</b>	<b>22,700</b>		

**Notes**

- 1** Decrease in County Grant funding for Large Items (Bins) (\$15,000)
- 2** As noted in budget pressures discussion
- 3** Increase in Subcontractor expense for Large Items (Bins) (\$15,000)

# TOWN OF TILLSONBURG

## 2017 Business Plan

Recreation, Culture & Parks

Tuesday, January 10, 2017



# 2017 Business Objectives

## Programs & Services Division

Item	Owner	Budget Value	Target Date
Host the 3 <sup>rd</sup> Run The Runway event to generate funds in support of the F.A.R.E. subsidy program.	Recreation Programs & Services Manager	(\$5,000)	Q2
Implementation (training) of new Recreation Management Software to replace current CLASS software in 2018.	Recreation Programs & Services Manager With IT/Finance	\$0	Q1-Q4
Grow participation and revenue with an expanded calendar of adult and youth recreation programs.	Recreation Programs & Services Manager	(\$13,000)	Q1-Q4
Implement Liquid Gym/Water Bike Program.	Recreation Programs & Services Manager	(\$15,000)	Q1-Q4
Implement capital levy surcharge on pool fees to fund pool deck replacement and future improvements.	Recreation Programs & Services Manager	(\$10,000)	Q2

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# 2017 Business Objectives

## Programs & Services Division

Item	Owner	Budget Value	Target Date
Implement capital levy surcharge on waterpark admissions to fund capital repairs and improvements.	Recreation Programs & Services Manager	(\$18,000)	Q2
Implement marketing strategy for facility rentals at the TCC.	Recreation Programs & Services Manager	Staff time	Q2
Apply for grant funding to host 3 Physical Literacy Workshops and Physical Literacy Summit.	Recreation Programs & Services Manager	(\$20,000)	Q1-Q4
Start 5-yr update to Parks, Recreation & Cultural Strategic Master Plan.	Director of Recreation, Culture & Parks	\$30,000 7	Q3-Q4
Open retail storefront for Town merchandise & select sporting goods	Recreation Programs & Services Manager	(\$10,000)	Q1

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# 2017 Business Objectives

## Culture & Heritage Division

Item	Owner	Budget Value	Target Date
Canada 150 Events – Dr. Hevenor Art Exhibition, Dominion Days, Confederation Challenge, String Fling, Canada Day. etc.	Culture & Heritage Manager/Curator	\$95,000 <i>G &amp; T</i>	Q1-Q4
Oxford Remembers – Oxford’s Own Project to commemorate 100 <sup>th</sup> Anniversary of W.W. I	Culture & Heritage Manager/Curator	\$1,500	Q2-Q4
Wilde Week – to celebrate 135 <sup>th</sup> Anniversary of Oscar Wilde’s visit to Oxford County and his influence on the decoration of Annandale NHS	Culture & Heritage Manager/Curator	\$5,000	Q2
Additional Exhibits & Events as listed in 2017 Calendar including special Exhibit and programs commemorating the 80 <sup>th</sup> Anniversary of the Great Flood	Culture & Heritage Manager/Curator	\$8,700	Q1-Q4
Continued development and growth of the Tillsonburg Cultural Improvement Alliance	Culture & Heritage Manager/Curator	\$22,600	Q1-Q4

# 2017 Business Objectives

## Parks & Facilities Division

Item	Owner	Budget Value	Target Date
Review of contracted cleaning services model	Parks & Facilities Manager	Staff time	Q3
Complete repairs of Carroll Trail	Parks & Facilities Manager	2016 CFWD \$200,000 <i>G &amp; DT</i>	Q1-Q2
Continue implementation of Cemetery Master Plan (columbaria area, road network extensions, scattering garden).	Parks & Facilities Manager	\$40,000 <i>R &amp; T</i>	Q3
Annual playground equipment replacement program	Parks & Facilities Manager	\$30,000 <i>T</i>	Q1-Q2
Continue implementation of the Memorial Park Revitalization Plan	Director of Recreation, Culture & Parks	\$276,900 <i>G, R &amp; M</i>	Q1-Q4
Roof rehabilitation, repairs and replacements at TCC	Parks & Facilities Manager	\$167,500 <i>DT</i>	Q3
TCC Fire alarm system panel and exterior door replacements	Parks & Facilities Manager	\$50,000 <i>T</i>	Q2



# 2017 Business Objectives

## Parks & Facilities Division

Item	Owner	Budget Value	Target Date
Continue implementation of the Asset Management Action Plan	Parks & Facilities Manager	\$50,000 <i>G</i>	Q1-Q4
LLWP maintenance (slide tower, basin, spray elements)	Parks & Facilities Manager	\$50,000 <i>DT &amp; R</i>	Q1-Q4
Indoor pool deck replacement and asbestos removal	Parks & Facilities Manager	\$110,000 <i>DE &amp; T</i>	Q3
TCC Lions Auditorium kitchen upgrades phase 1	Parks & Facilities Manager	\$150,000 <i>T</i>	Q2
Rink area LED light conversion	Parks & Facilities Manager	\$110,000 <i>G &amp; DT</i>	Q3
TCC Energy Retrofit pre-tender technical design (I.B. Storey)	Parks & Facilities Manager	\$65,000 <i>DT &amp; R</i>	Q2-Q3
Physical security report on all facilities	Parks & Facilities Manager	\$15,000 <i>T</i>	Q1

# 2017 Business Objectives

## Parks & Facilities Division

Item	Owner	Budget Value	Target Date
Joy Mausoleum Repairs	Parks & Facilities Manager	\$20,000 <i>T</i>	Q2
Cemetery Rear Yard Fencing	Parks & Facilities Manager	\$15,000 <i>T</i>	Q2
Replacement of Museum program room floor tile	Parks & Facilities Manager	\$15,000 <i>R &amp; T</i>	Q2
Repair of Annandale House eaves & fascia	Parks & Facilities Manager	\$35,000 <i>M</i>	Q2
Customer Service Centre Façade brick repair/restoration	Parks & Facilities Manager	\$24,700 <i>R</i>	Q2
Relocation of the water stack in the server room at the Customer Service Centre	Parks & Facilities Manager	\$8,000 <i>R</i>	Q1

# Risks

- Volunteer base is aging and not being replaced to the same level as next generation of volunteers have other/different priorities.
- Many events this year are planned as outside activities which could be negatively impacted by the effects of climate change (i.e. - extreme heat warnings advising people to stay indoors).
- Town demographics require changing focus away from traditional pool and rink programming to more varied active lifestyle programming.
- Aging work force requires effective succession planning and modifications to work processes.
- Recruitment of trained, qualified candidates for part-time staff positions is more difficult each year.

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# Opportunities

- Continued implementation of Strategic Master Plan, subordinate plans and Tillsonburg Cultural Improvement Alliance.
- Expand marketing regionally and provincially for Lake Lisgar Waterpark and Culture & Heritage Division operations & events.
- Additional Aquatics revenue and new Fitness Training options with delivery of Water Bike Program.
- Excitement over 150<sup>th</sup> Canada celebrations might renew interest in history/culture and drive up volunteerism.
- Town staff executing beautification plans with community support.

# Future Departmental Directions: 3 year outlook

## 2018

- Launch new Recreation Management Software to participants.
- Beautification initiatives continue to move forward.
- Complete update to Strategic Master Plan for RCP
- 45<sup>th</sup> anniversary of TCC

## 2019

- 45<sup>th</sup> anniversary of Tillsonburg Museum

## 2020

- Complete Cultural Master Plan



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Cemetery**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(126,600)	(129,900)	(3,300)	2.6%	
Other Revenue	(10,100)	(6,500)	3,600	-35.6%	
<b>Total Revenues</b>	<b>(136,700)</b>	<b>(136,400)</b>	<b>300</b>		
<b>Expenditures</b>					
Labour	160,600	140,200	(20,400)	-12.7%	1
Purchases	36,600	42,400	5,800	15.8%	2
Contracted Services	20,000	20,000	-	0.0%	
Interfunctional Adjustments	104,300	63,300	(41,000)	-39.3%	3
<b>Total Expenditures</b>	<b>321,500</b>	<b>265,900</b>	<b>(55,600)</b>		
<b>Total Net Levy</b>	<b>184,800</b>	<b>129,500</b>	<b>(55,300)</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Increase in Supplies (\$1,700) and Personal Protective Equipment (\$1,600)
- 3** Directly attributed to change in Full Time Labour costs



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Parks**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(10,500)	(24,300)	(13,800)	131.4%	1
Other Revenue	-	(2,600)	(2,600)	100%	
<b>Total Revenues</b>	<b>(10,500)</b>	<b>(26,900)</b>	<b>(16,400)</b>		
<b>Expenditures</b>					
Labour	99,700	146,600	46,900	47.0%	2
Purchases	89,600	97,900	8,300	9.3%	3
Contracted Services	107,500	124,300	16,800	15.6%	4
Contribution to Reserves	10,500	11,000	500	4.8%	
Interfunctional Adjustments	37,800	86,100	48,300	127.8%	5
Debt Principal & Interest	77,200	80,200	3,000	3.9%	
<b>Total Expenditures</b>	<b>422,300</b>	<b>546,100</b>	<b>123,800</b>		
<b>Total Net Levy</b>	<b>411,800</b>	<b>519,200</b>	<b>107,400</b>		

**Notes**

- 1** Implementation of chargeback to County for Trans Canada Trail maintenance
- 2** As noted in budget pressures discussion
- 3** Increase in supplies (\$8,900)
- 4** Increase in Tree work (\$7,000); Memorial Park maintenance (\$4,700); Corontation park maintenance (\$1,200); Toboggan hill fee (\$4,100)
- 5** Directly attributed to change in Full Time Labour costs



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Community Events**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	-	(73,000)	(73,000)	100%	1
<b>Total Revenues</b>	-	(73,000)	(73,000)		
<b>Expenditures</b>					
Purchases	-	110,000	110,000	100%	2
<b>Total Expenditures</b>	-	110,000	110,000		
<b>Total Net Levy</b>	-	<b>37,000</b>	<b>37,000</b>		

New Department created to keep track of Community events, such as Canada 150 Celebrations and Turtlefest. Budget dollars reallocated from other departments

**Notes**

- 1** Ontario 150 Celebration Fund Grant (\$70,000)
- 2** Ontario 150 Celebration event expenses (\$95,000); Canada Day event expenses (\$15,000)





**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Rec - Programs**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(42,700)	(42,700)	-	-	
User Charges	(1,293,300)	(1,366,200)	(72,900)	5.6%	1
Other Revenue	(45,000)	(32,000)	13,000	-28.9%	2
<b>Total Revenues</b>	<b>(1,381,000)</b>	<b>(1,440,900)</b>	<b>(59,900)</b>		
<b>Expenditures</b>					
Labour	1,373,400	1,416,900	43,500	3.2%	
Purchases	249,300	262,200	12,900	5.2%	3
Debt Principal & Interest	14,700	14,600	(100)	-0.7%	
<b>Total Expenditures</b>	<b>1,637,400</b>	<b>1,693,700</b>	<b>56,300</b>		
<b>Total Net Levy</b>	<b>256,400</b>	<b>252,800</b>	<b>(3,600)</b>		

**Notes**

- 1** Increase in revenue due to underwater bicycles (\$53,900), youth programs (\$15,000) and summer program revenue (\$28,000)  
 Decrease in revenue due to rental of Arena - GMHL (\$5,000), Minor Hockey (\$10,000) and Pool (\$9,000)
- 2** Decrease in brochure advertising
- 3** Increase in Health Club and Youth program supplies (\$5,000 each)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Building Maintenance**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(6,300)	(6,300)	-	-	
<b>Total Revenues</b>	<b>(6,300)</b>	<b>(6,300)</b>	<b>-</b>		
<b>Expenditures</b>					
Labour	776,600	806,100	29,500	3.8%	
Purchases	744,300	791,600	47,300	6.4%	1
Contracted Services	169,000	201,600	32,600	19.3%	2
Interfunctional Adjustments	18,800	19,500	700	3.7%	
Debt Principal & Interest	391,800	388,300	(3,500)	-0.9%	
<b>Total Expenditures</b>	<b>2,100,500</b>	<b>2,207,100</b>	<b>106,600</b>		
<b>Total Net Levy</b>	<b>2,094,200</b>	<b>2,200,800</b>	<b>106,600</b>		

**Notes**

- 1** Increase in Heat, Light & Water - matched increase YTD actuals for 2016 and added 4% for rate increases expected in 2017 (\$83,400), Decrease in Building Repairs & Maintenance (\$31,400)
- 2** Building maintenance contract increases - General (\$9,000) and Arena (\$21,000)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Elliot Fairburn Centre**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(82,500)	(82,500)	-	-	
<b>Total Revenues</b>	<b>(82,500)</b>	<b>(82,500)</b>	<b>-</b>		
<b>Expenditures</b>					
Purchases	14,200	15,300	1,100	7.7%	
Contracted Services	200	-	(200)	-100.0%	
Debt Principal & Interest	35,700	34,800	(900)	-2.5%	
<b>Total Expenditures</b>	<b>50,100</b>	<b>50,100</b>	<b>-</b>		
<b>Total Net Levy</b>	<b>(32,400)</b>	<b>(32,400)</b>	<b>-</b>		

No significant changes noted in 2017



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Museum**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(33,300)	(23,900)	9,400	-28.2%	1
User Charges	(29,800)	(47,200)	(17,400)	58.4%	2
Other Revenue	(39,000)	(30,000)	9,000	-23.1%	3
Contribution from Reserves	(13,600)	-	13,600	-100.0%	4
<b>Total Revenues</b>	<b>(115,700)</b>	<b>(101,100)</b>	<b>14,600</b>		
<b>Expenditures</b>					
Labour	247,400	288,200	40,800	16.5%	5
Purchases	114,500	109,800	(4,700)	-4.1%	
Contracted Services	15,000	12,000	(3,000)	-20.0%	
<b>Total Expenditures</b>	<b>376,900</b>	<b>410,000</b>	<b>33,100</b>		
<b>Total Net Levy</b>	<b>261,200</b>	<b>308,900</b>	<b>47,700</b>		

**Notes**

- 1 Decrease in exhibit sponsorship (\$6,000) and general event sponsorship (\$2,000)
- 2 Increase due to CIA program revenue (\$20,000)
- 3 Decrease in special revenue (\$8,000)
- 4 Reserves used to fund CIA program in 2016
- 5 As noted in budget pressures discussion

# TOWN OF TILLSONBURG

## 2017 Business Plan

Fire and Rescue Services

Tuesday, January 10, 2017



# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Bunker Gear Decontamination	Fire Chief	\$14,000 <i>T</i>	Q3
Gas Detection & Air Monitoring	Fire Chief	\$26,000 <i>DT</i>	Q3
Low Angle Rescue	Deputy Fire Chief	\$9,000 <i>T</i>	Q2
Fire Comm Infrastructure Reserve	Fire Chief	\$20,000 <i>T</i>	Q4
Traffic Signal Priority Control System Phase IV	Fire Chief	\$17,000 <i>DC</i>	Q3
Auto Extrication Equipment	Fire Chief	\$6,000 <i>T</i>	Q2

# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
SCBA Reserve Contribution	Fire Chief	\$25,000 <i>T</i>	Q4
Live Training Simulator Phase II	Fire Chief	\$28,000 <i>R &amp; T</i>	Q3
Fire Ground Equipment	Fire Chief	\$26,000 <i>T</i>	Q2
Strategic Planning Committee	Fire Chief	\$0	Ongoing
Succession Management (Officer Development, Reserve Program, etc.)	Deputy Chief	\$0	Ongoing
Needs assessment for Ladder 4	Fire Chief	\$0	Q4

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Fire Comm Customer Development	Deputy Chief	\$0	Ongoing
CEMP Update - Emergency Plan	Fire Chief / CEMC	\$0	Q3
Fire Underwriters Survey	Fire Chief	\$0	Q1

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# Risks

- Lack of Strategic Plan to help fire department determine how to meet current and future needs and expectations of residents.
- Pre-incident planning of high hazard and high risk occupancies in Tillsonburg not developed. Proficient pre-incident plans will help reduce risk to lives and property.
- Increased Legislated responsibilities to inspect and monitor occupancies with vulnerable occupants has had a direct impact on administrative workload.

# Risks

- Open inspection files are a significant liability.
- Officers and firefighters need to continue to be developed to meet current Provincial legislation & standards.
- Multi-gas detectors nearing end of life.
  - (devices were utilized at approximately 67% of calls in 2015)
- Higher security closures on buildings being encountered. Limited capability to force entry to these facilities.

# Risks

- Self-Contained Breathing Apparatus (SCBA) replacement predicted for 2021. Cylinder lifespan 15 years maximum.
- Fire Comm console no longer supported by manufacturer. Replacement parts no longer manufactured and future expansion capacity will be impacted.
- Gear washer approaching end of life. Unit used to wash contaminants out of firefighter PPE and equipment.

# Opportunities

- Continue the Strategic Planning process designed to ensure the fire service meets the current and forecasted needs of the community.
- Continue the Succession Management plan for firefighters, including Officer Development & officer candidate training.
- Continue reservist recruitment/retention program to develop firefighter candidates.

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# Opportunities

- Continue evolving EOC procedures to and Incident Management System based emergency response plan.
- Continue to promote a Culture of Safety within the fire department:
  - High commitment to Occupational Health & Safety Act
  - Industry best practices
- Develop & implement fire service specific Near Miss program:
  - To focus training efforts
  - To focus resource allocations

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# Opportunities

- Conduct proactive Fire & Life Safety inspections:
  - Help reduce threat to life
  - Help reduce fire loss
- Assist industrial and commercial businesses with Continuity of Operations Planning and disaster recovery planning initiatives.
- Continue to market Fire Communications.
- Develop Fire Comm partnership prospects and non-core business opportunities.

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# Future Departmental Directions: 3 year outlook

## 2018

- Implement Strategic Planning process for Fire Department.
- Convert analog radio system to narrow band digital system to meet Industry Canada standards (2002).
- Emergency Operations Centre enhancements, including telecommunications equipment and interoperability equipment.
- Fire Comm radio console replacement.

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# Future Departmental Directions: 3 year outlook

## 2018 continued

- Expansion of training facilities and equipment (such as forcible entry).
- Equipment and training for confined space operational capability.
- Equipment and training for dangerous goods incidents response capability.
- Reserve contribution for replacement of SCBA in 2021.

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# Future Departmental Directions: 3 year outlook

## 2019

- Continue to implement Strategic Planning process for Fire Department.
- Reserve contribution for SCBA replacement in 2021.
- Implement confined space operational capability.
- Implement dangerous goods incident response capability.
- Hose and equipment racking in fire station.
- Medical equipment replacement / upgrade.

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# Future Departmental Directions: 3 year outlook

## 2020

- Continue to implement Strategic Planning process for Fire Department.
- Reserve contribution for SCBA replacement in 2021.
- Training room audio/visual equipment enhancement & replacement.
- Filing system and office furniture (desks tables) enhancement & replacement.

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**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Fire**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(290,400)	(332,600)	(42,200)	14.5%	1
<b>Total Revenues</b>	<b>(290,400)</b>	<b>(332,600)</b>	<b>(42,200)</b>		
<b>Expenditures</b>					
Labour	944,400	975,900	31,500	3.3%	
Purchases	222,900	229,900	7,000	3.1%	
Contracted Services	70,400	82,100	11,700	16.6%	2
Interfunctional Adjustments	141,600	145,500	3,900	2.8%	
Debt Principal & Interest	-	17,900	17,900	100.0%	3
<b>Total Expenditures</b>	<b>1,379,300</b>	<b>1,451,300</b>	<b>72,000</b>		
<b>Total Net Levy</b>	<b>1,088,900</b>	<b>1,118,700</b>	<b>29,800</b>		

**Notes**

- 1** Increase in dispatching revenue
- 2** Increase in licencing due to increase in dispatching services
- 3** Principle & Interest on debt placed in 2016 - Fire Communications Infrastructure



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Police**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(37,800)	(45,800)	(8,000)	21.2%	1
User Charges	(316,000)	(320,400)	(4,400)	1.4%	
Contribution from Reserves	-	(41,300)	(41,300)	100.0%	2
<b>Total Revenues</b>	<b>(353,800)</b>	<b>(407,500)</b>	<b>(53,700)</b>		
<b>Expenditures</b>					
Labour	97,100	103,100	6,000	6.2%	3
Purchases	76,800	75,500	(1,300)	-1.7%	
Contracted Services	3,004,900	3,069,800	64,900	2.2%	
<b>Total Expenditures</b>	<b>3,178,800</b>	<b>3,248,400</b>	<b>69,600</b>		
<b>Total Net Levy</b>	<b>2,825,000</b>	<b>2,840,900</b>	<b>15,900</b>		

**Notes**

- 1** Prisoner Transportation grant split out from contract (\$12,000)
- 2** Prior years' PSU Credit in reserves used to offset increase in policing contract
- 3** As noted in budget pressures discussion

# TOWN OF TILLSONBURG

## 2017 Business Plan

Building/Planning/By-Law

Tuesday, January 10, 2017



# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Departmental Communications	CBO/Dev'm't Tech.	\$0	Ongoing
Departmental Records Management	CBO/Dev'm't Tech.	\$0	Q3
Uphold Efficient Application/Inspection Turnaround Times	CBO/Dev'm't Tech./County Planner	\$0	Ongoing
Façade Improvement Program	CBO/Dev'm't Tech.	\$25,000	Q4
Re-introduction of the Building Services Summer Student Assistant	CBO	\$8,500	Q2
Review Building By-Law and Implement Proposed Building Permit Fees	CBO	\$0	Q1

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Central Area Design Study Review and Recommendations	CBO/County Planner	\$5,000	Q3
Zoning By-Law Review & Housekeeping Amendments	County Planner	\$0	Q3
By-law Reviews	By-Law	\$0	Q4
Animal Control Contractor RFP	By-Law	\$0	Q2
Poster Pole Sleeves – BIA Area	By-Law	\$5,000	Q2

# Risks

- Ongoing complex development/construction projects along with increased volumes require significant amount of staff time which may result in longer turn around times
- Continuing changes and 2017 updates to the Ontario Building Code require ongoing staff training and additional time to review permit applications
- Ontario Building Code Changes cause frustration for contractors, developers and owners and requires additional staff time to educate
- Increased number of open permits increases liability
- Managing unanticipated projects



# Opportunities

- Improvement of departmental communications to community and development industry creates positive outcomes and transparency
- By-Law review provides updates and clarification that are relevant to current public needs
- Ongoing code training reduces liability and provides efficiencies
- Pursue financial self-sufficiency for the permit approval and inspection operations
- Review of Central Area Design Study will provide a framework for future opportunity and development of the downtown BIA area
- Reducing the number of open permits reduces liability

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# Future Departmental Directions: 3 year outlook

## 2018

- Central Area Design Study – Phase 2 Grant Project
- Departmental IT Review
- Crossing Guard Program Review
- Open Permit Data Review

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# Future Departmental Directions: 3 year outlook

## 2019

- Ontario Building Code – evaluate service review mandated by legislation
- Central Area Design Study
- By-Law Review

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# Future Departmental Directions: 3 year outlook

## 2020

- Central Area Design Study
- By-Law Review



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Protection**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(82,400)	(71,500)	10,900	-13.2%	1
<b>Total Revenues</b>	<b>(82,400)</b>	<b>(71,500)</b>	<b>10,900</b>		
<b>Expenditures</b>					
Labour	219,400	221,300	1,900	0.9%	
Purchases	17,400	24,000	6,600	37.9%	2
Contracted Services	37,000	35,000	(2,000)	-5.4%	
Interfunctional Adjustments	20,800	21,400	600	2.9%	
<b>Total Expenditures</b>	<b>294,600</b>	<b>301,700</b>	<b>7,100</b>		
<b>Total Net Levy</b>	<b>212,200</b>	<b>230,200</b>	<b>18,000</b>		

**Notes**

- 1** Animal Control revenue decrease (\$5,000); Parking Ticket revenue decrease (\$6,000)
- 2** Budgeting for poster pole sleeves (\$5,000)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Building**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(229,500)	(366,000)	(136,500)	59.5%	1
Contribution from Reserves	(38,900)	(4,900)	34,000	-87.4%	2
<b>Total Revenues</b>	<b>(268,400)</b>	<b>(370,900)</b>	<b>(102,500)</b>		
<b>Expenditures</b>					
Labour	278,600	295,300	16,700	6.0%	3
Purchases	42,200	43,800	1,600	3.8%	
Contracted Services	6,300	6,500	200	3.2%	
Interfunctional Adjustments	24,600	25,300	700	2.8%	
<b>Total Expenditures</b>	<b>351,700</b>	<b>370,900</b>	<b>19,200</b>		
<b>Total Net Levy</b>	<b>83,300</b>	<b>-</b>	<b>(83,300)</b>		

**Notes**

- 1** Increase in permit fees (\$136,000)
- 2** Increase in revenues results in drawing less from Building reserves and department being self-sufficient in 2017
- 3** As noted in budget pressures discussion

# TOWN OF TILLSONBURG

## 2017 Business Plan

Economic Development & Marketing

Tuesday, January 10, 2017



# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Branding Implementation (Phase 2)	Development Commissioner	\$12,000	Q2
Branding Implementation (Vehicles)	Development Commissioner	\$17,000	Q4
Downtown Revitalization	Development Commissioner/BIA	\$2,000	Q2
Community Improvement Plan	Development Commissioner	\$10,000	Q1-Q4
Chamber Sponsorship (Awards)	Development Commissioner	\$3,800	Q2
Chamber Sponsorship (Grant for Gala)	Development Commissioner	\$4,000	Q2
Mission to Asia	Development Commissioner	\$12,000	Q4
Youth Robotics Challenge	Development Commissioner	\$1,000	Q4
Residential Marketing Campaign	Marketing & Communications Officer	\$45,000	Q1-Q4



# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Downtown Parking Lot Study	Development Commissioner	\$35,000 <i>R</i>	Q2
Highway 3/Clearview Dr Intersection Improvements	Development Commissioner	\$550,000 <i>R &amp; DC</i>	Q4

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# Risks

- Disjointed corporate image due to delaying funding on branding implementation
- Loss of downtown vitality due to lack of funding in downtown revitalization
- Lost opportunities to partner with key investors in Tillsonburg if Community Improvement Plan funding is decreased
- Delaying investment in Town owned employment lands will detract from investment attraction objectives as Town is sold out of “shovel ready” lands
- Growth objectives could be jeopardized with reduced investment in resident attraction

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# Opportunities

- Improve Town image by continuing to implement new branding
- Invest in partnership with BIA to support investment attraction in the downtown
- Create an investment ready environment by investing in infrastructure to creation of “shovel ready” lands and approving funding for new CIP program
- Support Town’s investment attraction objectives by joining SOMA’s Mission to Asia including visits to Sister City
- Partner with home builders to launch new marketing campaign for Tillsonburg

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# Future Departmental Directions: 3 year outlook

- 2018
  - Economic Development Strategy Update
  - Updated Wayfinding Signage
  - Highway 3 Business Park – SWM Pond Construction
- 2019:
  - Highway 3 Business Park – Clearview Dr Construction (as needed)

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# Future Departmental Directions: 3 year outlook

- 2020:
  - Highway 3 Business Park – Clearview Dr Construction (as needed)

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**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Development & Communications Services**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(97,500)	(120,000)	(22,500)	23.1%	1
<b>Total Revenues</b>	<b>(97,500)</b>	<b>(120,000)</b>	<b>(22,500)</b>		
<b>Expenditures</b>					
Purchases	59,000	81,400	22,400	38.0%	2
Debt Principal & Interest	129,900	130,000	100	0.1%	
<b>Total Expenditures</b>	<b>188,900</b>	<b>211,400</b>	<b>22,500</b>		
<b>Total Net Levy</b>	<b>91,400</b>	<b>91,400</b>	<b>-</b>		

**Notes**

- 1** Increase in advertising revenues
- 2** Increase in advertising expenses



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Economic Development**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(3,000)	(17,800)	(14,800)	493.3%	1
User Charges	(45,000)	(101,500)	(56,500)	125.6%	2
Contribution from Reserves	(17,900)	(18,500)	(600)	3.4%	
<b>Total Revenues</b>	<b>(65,900)</b>	<b>(137,800)</b>	<b>(71,900)</b>		
<b>Expenditures</b>					
Labour	212,000	246,300	34,300	16.2%	3
Purchases	100,400	116,100	15,700	15.6%	4
Contracted Services	23,000	15,000	(8,000)	-34.8%	5
Contribution to Reserves	24,000	83,500	59,500	247.9%	2
Debt Principal & Interest	41,600	37,400	(4,200)	-10.1%	
<b>Total Expenditures</b>	<b>401,000</b>	<b>498,300</b>	<b>97,300</b>		
<b>Total Net Levy</b>	<b>335,100</b>	<b>360,500</b>	<b>25,400</b>		

**Notes**

- 1** Reimbursement of trip to Asia by SOMA
- 2** Rural Broadband contract revenue increase (\$59,500)
- 3** As noted in budget pressures discussion
- 4** SOMA Asia mission (\$11,000)
- 5** Decrease in Community Improvement Plan Rebates (\$10,000)



2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Misc	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>110 Finance</b>											
X01 Computer replacments	55,000				(55,000)					-	
X02 Replacement Server	10,000				(10,000)					-	
X03 Telephone system replacement	125,000				(125,000)					-	
X04 Future IT replacement		55,000								55,000	
X51 Records managment storage		10,000								10,000	
X78 CLASS replacement software - Complex &	100,000				(100,000)					-	
X79 Purchase Order Software	65,000									65,000	
X82 Website shopping cart	8,500				(8,500)					-	Building Permit surplus
<b>Total 110 Finance</b>	<b>363,500</b>	<b>65,000</b>	<b>-</b>	<b>-</b>	<b>(298,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>130,000</b>	
<b>120 CSC</b>											
X39 2017 - Facade brick repair/restoration/refacing	24,700				(24,700)					-	
X40 2017 - Relocate water stack from server room	8,000				(8,000)					-	
X49 E-send: Tax Bills	5,000									5,000	
<b>Total 120 CSC</b>	<b>37,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(32,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	
<b>130 Fleet</b>											
X66 Replace Unit 29 - Pickup Truck	500							(500)		-	Funded through operating budget
X67 Replace Unit 25 - Pickup Truck	35,000				(35,000)					-	
X68 Replace Unit 64 - Snowplow Truck	275,000				(275,000)					-	
X69 Replace Unit 83 - Sidewalk Machine	150,000			(150,000)						-	
X70 Replace Unit 44 - Service Truck	160,000								(160,000)	-	Funded from Oxford County
X71 Replace Unit 42 - Service Truck	500							(500)		-	Funded through operating budget
X72 Replace Unit 85 - Street Sweeper	280,000			(280,000)						-	
X73 Replace Unit 74 - Hydro Cable Truck	300,000								(300,000)	-	Funded from THI
X74 Replace Unit 41 - Hydro Service Truck	65,000								(65,000)	-	Funded from THI
X77 Service Expansion Unit 89 Updgrade - 55hp Tractor	75,000			(50,000)		(25,000)				-	
<b>Total 130 Fleet</b>	<b>1,341,000</b>	<b>-</b>	<b>-</b>	<b>(480,000)</b>	<b>(310,000)</b>	<b>(25,000)</b>	<b>-</b>	<b>(1,000)</b>	<b>(525,000)</b>	<b>-</b>	

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2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Misc	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>150 Fire</b>											
X07 Bunker Gear Decontamination	14,000									14,000	
X09 Gas Detection and Air Monitoring	26,000			(26,000)						-	
X10 Low Angle Rescue	9,000									9,000	
X30 Fire Communication Infrastructure	0	20,000								20,000	
X31 Traffic Signal Priority System	17,000					(17,000)				-	
X32 Auto Extrication Equipment	6,000									6,000	
X34 Breathing Apparatus	0	25,000								25,000	
X35 Live Fire Training Simulator - Part 2	28,000				(14,000)					14,000	
X36 Fireground Equipment	26,000									26,000	
<b>Total 150 Fire</b>	<b>126,000</b>	<b>45,000</b>	<b>-</b>	<b>(26,000)</b>	<b>(14,000)</b>	<b>(17,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114,000</b>	
<b>210 Engineering</b>											
X61 Broadway & Glendale Ped X Cont'd	50,000				(28,400)					21,600	
X62 Broadway & Oxford Audible Accessibility Upgrades	65,000		(65,000)							-	Gas Tax and County Contribution
X63 OSIM Bridge Inspections	40,000				(9,700)					30,300	
X64 Quarter Town Line Corridor Management	50,000					(50,000)				-	
<b>Total 210 Engineering</b>	<b>205,000</b>	<b>-</b>	<b>(65,000)</b>	<b>-</b>	<b>(38,100)</b>	<b>(50,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,900</b>	
<b>220 Roads</b>											
X54 Annual Paving Program	250,000		(50,400)							199,600	OCIF Formula based
X55 Riverview Reconstruction - Stage 2	420,000		(420,000)							-	Gas Tax
X56 Newell Road Reconstruction	787,500		(437,800)			(349,700)				-	Small Communities Fund
X57 Broadway Rehabilitation - Town Limit to North St.	928,700		(835,800)		(92,900)					-	Connecting Link Funding
X60 Potters Road - Sidewalk	45,000									45,000	
<b>Total 220 Roads</b>	<b>2,431,200</b>	<b>-</b>	<b>(1,744,000)</b>	<b>-</b>	<b>(92,900)</b>	<b>(349,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244,600</b>	

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**2017 Capital Project Listing - New Requests**

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Misc	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>240 Airport</b>											
X52 Self-Serve Fuelling Conversion	50,000				(50,000)					-	
X53 Main Runway Crack Sealing	30,000				(7,400)					22,600	
<b>Total 240 Airport</b>	<b>80,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(57,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,600</b>	
<b>260 Storm Sewers</b>											
X55 Riverview Reconstruction - Stage 2	147,500									147,500	
X56 Newell Road Reconstruction	261,600		(261,600)							-	Small Communities Fund
X58 Paget & Rolling Meadows Drain Rehabilitation	230,000		(230,000)							-	Clean Water and Wastewater Fund
<b>Total 260 Storm Sewers</b>	<b>639,100</b>	<b>-</b>	<b>(491,600)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>147,500</b>	
<b>280 Solid Waste &amp; Recycling</b>											
X65 Transfer Station Improvements Cont'd	130,000				(21,000)					109,000	
<b>Total 280 Solid Waste &amp; Recycling</b>	<b>130,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>109,000</b>	
<b>300 Cem</b>											
X24 2017 - Cemetery Master Plan Implementation	40,000				(8,000)					32,000	
X25 2017 - Joy Mausoleum repairs	20,000									20,000	
X41 2017 Rear Yard Fencing	15,000									15,000	
<b>Total 300 Cem</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,000</b>	
<b>450 Parks</b>											
X23 2017 - Annual playground capital replacement program	30,000									30,000	
X81 Implementation of Memorial Park	276,900		(88,000)		(88,900)		(50,000)			50,000	From Service Clubs
<b>Total 450 Parks</b>	<b>306,900</b>	<b>-</b>	<b>(88,000)</b>	<b>-</b>	<b>(88,900)</b>	<b>-</b>	<b>(50,000)</b>	<b>-</b>	<b>-</b>	<b>80,000</b>	
<b>460 Rec - Programs</b>											
X38 2017 - Update to Strategic Master Plan	30,000									30,000	
<b>Total 460 Rec - Programs</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	



2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Misc	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>465 Rec - Bldg Mtce</b>											
X12 2017 - Roof repairs	167,500			(167,500)						-	
X13 2017 - TCC Fire Panel replacement	20,000									20,000	
X14 2017 Facility Asset Management Planning	50,000		(50,000)							-	OCIF Formula based
X15 2017 - LLWP Outdoor Pool Maintenance	50,000			(25,000)	(25,000)					-	
X16 2017 - Asbestos removal at water meter	10,000									10,000	
X17 2017 - Indoor pool deck replacement and maintenance	100,000								(100,000)	-	Funded through increase in user fees
X18 2017 - TCC Exterior Door replacements	30,000			(30,000)						-	
X19 2017 - O150 Community Capacity Grant - Aud/kitchen reno	150,000									150,000	
X20 2017 - Rink LED conversion	110,000		(20,000)	(90,000)						-	Energy rebate programs
X21 2017 - Design for energy conservation project (iceplant) in 2018	65,000			(43,000)	(22,000)					-	
X22 2017 - Physical security consultant - all facilities	15,000									15,000	
<b>Total 465 Rec - Bldg Mtce</b>	<b>767,500</b>	<b>-</b>	<b>(70,000)</b>	<b>(355,500)</b>	<b>(47,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>195,000</b>	
<b>475 Museum</b>											
X45 2017 - Repair/paint ANHS eaves & fascia	35,000							(35,000)		-	From ANHS trust
X46 2017 - Replace Museum program room floor tiles	15,000				(5,000)					10,000	
<b>Total 475 Museum</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,000)</b>	<b>-</b>	<b>-</b>	<b>(35,000)</b>	<b>-</b>	<b>10,000</b>	
<b>505 EcDev</b>											
X37 Hwy#3 Business Park - Hwy3 widening	550,000				(531,500)	(18,500)				-	
X83 Downtown Parking Study	35,000				(35,000)					-	Parking Reserve
<b>Total 505 EcDev</b>	<b>585,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(531,500)</b>	<b>(18,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,000</b>	
<b>Total Project Listing</b>	<b>7,167,900</b>	<b>110,000</b>	<b>(2,458,600)</b>	<b>(861,500)</b>	<b>(1,580,000)</b>	<b>(460,200)</b>	<b>(50,000)</b>	<b>(36,000)</b>	<b>(625,000)</b>	<b>1,206,600</b>	
										-	

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2017 Capital Project Listing- CFWD from prior year

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Miscellaneous	Taxation	Comments
<b>Project Listing</b>									
<b>130 Fleet</b>									
051 Replace #70 Fire pumper truck	497,500			(497,500)					
053 Replace #023 Service truck	120,000				(120,000)				
<b>Total 130 Fleet</b>	<b>617,500</b>			<b>(497,500)</b>	<b>(120,000)</b>				
<b>150 Fire</b>									
144 Traffic Signal Priority System	15,000					(15,000)			
<b>Total 150 Fire</b>	<b>15,000</b>					<b>(15,000)</b>			
<b>210 Engineering</b>									
212 Broadway & Glendale Ped X	40,000			(40,000)					
213 Mid-Block Ped Crossing	25,000		(25,000)						
<b>Total 210 Engineering</b>	<b>65,000</b>		<b>(25,000)</b>	<b>(40,000)</b>					
<b>220 Roads</b>									
232 Trottier stage 4	217,000		(217,000)						
233 Riverview Stage 1	208,800		(142,700)	(57,300)	(8,800)				
240 North St -sidewalks	65,000					(65,000)			
<b>Total 220 Roads</b>	<b>490,800</b>		<b>(359,700)</b>	<b>(57,300)</b>	<b>(8,800)</b>	<b>(65,000)</b>			
<b>260 Storm Sewers</b>									
232 Trottier stage 4	57,500		(57,500)						
233 Riverview Stage 1	110,000			(40,000)	(70,000)				
<b>Total 260 Storm Sewers</b>	<b>167,500</b>		<b>(57,500)</b>	<b>(40,000)</b>	<b>(70,000)</b>				
<b>300 Cem</b>									
501 Columbarium	7,100						(7,100)		Niche Sales
504 Implementation of Master Plan	13,100				(13,100)				
<b>Total 300 Cem</b>	<b>20,200</b>				<b>(13,100)</b>		<b>(7,100)</b>		

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2017 Capital Project Listing- CFWD from prior year

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Miscellaneous	Taxation	Comments
<b>450 Parks</b>									
622 Update of trails masterplan	20,000				(2,000)	(18,000)			
623 Parks Building	59,900	80,100					(140,000)		Land sale proceeds
635 Coronation Park Pavilion	30,000				(30,000)				
637 Dog Park		3,500					(3,500)		A portion of Dog Tag sales
644 Carroll Trail repairs	200,000		(125,000)	(75,000)					
<b>Total 450 Parks</b>	<b>309,900</b>	<b>83,600</b>	<b>(125,000)</b>	<b>(75,000)</b>	<b>(32,000)</b>	<b>(18,000)</b>	<b>(143,500)</b>		
<b>460 Rec - Programs</b>									
411 TCC conceptual plans	25,000				(25,000)				
<b>Total 460 Rec - Programs</b>	<b>25,000</b>				<b>(25,000)</b>				
<b>505 EcDev</b>									
811 Design-Build Indust Park	75,400				(75,400)				Industrial Land Reserve
<b>Total 505 EcDev</b>	<b>75,400</b>				<b>(75,400)</b>				
<b>Total Project Listing</b>	<b>1,786,300</b>	<b>83,600</b>	<b>(567,200)</b>	<b>(709,800)</b>	<b>(344,300)</b>	<b>(98,000)</b>	<b>(150,600)</b>		

## Debt Principal

### BALANCES O/S AT DEC. 31

	TERM	Year of Completion	Interest Rate	2016 PRINCIPAL	2017 PRINCIPAL	2018 PRINCIPAL	2019 PRINCIPAL	2020 PRINCIPAL	
1	Parking Garage	25	2020	2,000%	417,393.43	317,914.42	210,235.13	93,679.61	0.00
2	Broadway - BIA	10	2014	5.001%	30,465.46	21,936.53	13,268.45	4,458.94	0.00
3	Elliot Fairbairn Centre	25	2031	5.290%	232,018.60	216,554.16	201,089.72	185,625.28	170,160.84
4	Superbuild Project	25	2031	5.290%	119,979.20	111,977.12	103,975.04	95,972.96	87,970.88
5	Arena HVAC	25	2031	5.040%	417,592.44	388,791.72	359,991.00	331,190.28	302,389.56
6	Golf Course	25	2031	5.040%	261,007.56	243,008.28	225,009.00	207,009.72	189,010.44
7	Glendale/Glenridge/Poplar	20	2026	5.220%	5,002.80	4,503.08	4,003.36	3,503.64	3,003.92
8	Glendale/Glenridge/Winona	20	2026	5.220%	80,000.80	72,000.88	64,000.96	56,001.04	48,001.12
9	Glendale/Allen	20	2026	5.220%	37,499.10	33,749.01	29,998.92	26,248.83	22,498.74
10	Elgin	20	2026	5.220%	7,207.30	6,485.23	5,763.16	5,041.09	4,319.02
11	Lisgar	20	2026	5.220%	27,140.80	24,428.28	21,715.76	19,003.24	16,290.72
12	Dereham	20	2026	5.220%	8,621.80	7,759.98	6,898.16	6,036.34	5,174.52
13	Tanager	20	2026	5.220%	7,361.10	6,624.21	5,887.32	5,150.43	4,413.54
14	Townline	20	2026	5.220%	38,916.30	35,024.33	31,132.36	27,240.39	23,348.42
15	Ford F250	10	2017	4.660%	6,030.00	0.00	0.00		
16	Ford F350	10	2017	4.660%	5,270.00	0.00	0.00		
17	Reverse Osmosis	10	2017	4.660%	3,985.00	0.00	0.00		
18	Ford Freestar	10	2017	4.660%	2,370.00	0.00	0.00		
19	Delevan Road Work	30	2037	4.950%	49,770.00	47,400.00	45,030.00	42,660.00	40,290.00
20	Roads Resurfacing	30	2037	4.950%	52,500.00	50,000.00	47,500.00	45,000.00	42,500.00
21	Edgewood Drive	30	2037	4.950%	72,610.88	69,153.20	65,695.54	62,237.88	58,780.22
22	Venison East	30	2037	4.950%	13,038.88	12,413.20	11,792.54	11,171.88	10,551.22
23	Quarterline South	30	2037	4.950%	129,500.06	123,333.40	117,166.72	111,000.04	104,833.36
24	Concession St. Bridge	30	2037	4.950%	140,000.06	133,333.40	126,666.72	120,000.04	113,333.36
25	Glendale Poplar	30	2037	4.950%	37,333.16	35,555.40	33,777.64	31,999.88	30,222.12
26	GPS Equipment	20	2027	4.850%	11,302.50	10,275.00	9,247.50	8,220.00	7,192.50
27	Airport Hanger Taxiway	20	2027	4.850%	27,500.00	25,000.00	22,500.00	20,000.00	17,500.00
28	Airport Lighting	20	2027	4.850%	4,950.00	4,500.00	4,050.00	3,600.00	3,150.00
29	Airport Taxiway	20	2027	4.850%	13,013.00	11,830.00	10,647.00	9,464.00	8,281.00
30	Arena Floor	25	2032	4.910%	242,920.32	227,737.80	212,555.28	197,372.76	182,190.24
31	Tennis Courts	25	2032	4.910%	61,440.00	57,600.00	53,760.00	49,920.00	46,080.00
32	CCC Lobby Floor	25	2032	4.910%	10,265.60	9,624.00	8,982.40	8,340.80	7,699.20
33	CSC-HVAC	20	2028	5.490%	21,600.00	19,800.00	18,000.00	16,200.00	14,400.00
34	Maple Lane	30	2038	5.770%	256,319.64	244,668.72	233,017.80	221,366.88	209,715.96
35	Lincoln Street	30	2038	5.770%	130,223.92	124,304.66	118,385.40	112,466.14	106,546.88
36	Quarterline	30	2038	5.770%	297,965.12	284,421.26	270,877.40	257,333.54	243,789.68
37	Airport Asphalt	10	2018	4.750%	1,200.00	600.00	0.00		
38	350 HP Truck Rep # 111	20	2029	4.960%	70,137.50	64,526.50	58,915.50	53,304.50	47,693.50
39	Trackless MT5	10	2019	4.000%	30,927.25	18,556.35	6,185.45	0.00	
40	Quarterline Railway Track	30	2039	5.300%	432,773.15	413,538.77	394,304.39	375,070.01	355,835.63
41	Misc Street Paving	30	2039	5.300%	285,000.05	272,333.39	259,666.73	247,000.07	234,333.41
42	Works Building Drain	30	2039	5.300%	22,500.00	21,500.00	20,500.00	19,500.00	18,500.00
43	Trail Development	30	2039	5.300%	458,493.05	438,115.59	417,738.13	397,360.67	376,983.21
44	William to Beech Blvd	30	2040	4.800%	195,151.51	186,862.05	178,572.59	170,283.13	161,993.67
45	Downtown Parking-Epple	30	2040	4.800%	160,326.68	153,489.40	146,652.12	139,814.84	132,977.56
46	Hydro Hybrid Bucket Truck	15	2025	4.330%	168,475.10	148,654.50	128,833.90	109,013.30	89,192.70
47	Hwy # 3 Ind. Park	10	2020	3.920%	35,000.00	25,000.00	15,000.00	5,000.00	0.00
48	Rokeby Road/Vodden	10	2020	3.920%	133,540.05	95,385.75	57,231.45	19,077.15	0.00
49	Hwy # 3 Graydon	10	2020	3.920%	130,011.00	92,865.00	55,719.00	18,573.00	0.00
50	Hwy # 3 Hazen	10	2020	3.920%	76,379.45	54,556.75	32,734.05	10,911.35	0.00
51	Airport Hanger Taxiway	10	2020	3.920%	16,090.20	11,493.00	6,895.80	2,298.60	0.00
52	Airport Hanger Terminal	10	2020	3.920%	13,300.00	9,500.00	5,700.00	1,900.00	0.00
53	Airport Hanger Overlay	10	2020	3.920%	22,750.00	16,250.00	9,750.00	3,250.00	0.00
54	Airport Hanger Extension	10	2020	3.920%	46,900.00	33,500.00	20,100.00	6,700.00	0.00
55	Lisgar & 4th	30	2040	4.590%	312,000.00	299,000.00	286,000.00	273,000.00	260,000.00
56	Fire Truck	15	2026	3.320%	427,333.30	384,599.96	341,866.62	299,133.28	258,399.94
57	Library Software	10	2018	4.750%	25,000.00	12,500.00	0.00	0.00	0.00
58	VOIP	15	2019	Prime - 1%	22,142.14	14,785.30	7,428.46	71.62	0.00
59	Bayham	15	2019	Prime - 1%	24,289.73	16,512.49	8,735.25	958.01	0.00
60	SEC	15	2019	Prime - 1%	276,180.16	186,216.52	96,252.88	6,289.24	0.00
61	Arena	10	2023	3.350%	1,652,283.64	1,439,283.50	1,219,038.28	991,301.55	755,911.65
62	Rural Broadband	10	2023	3.350%	146,892.80	127,967.70	108,398.88	88,164.43	67,249.99
63	Fleet - Replace #075	10	2025	2.450%	211,522.00	188,044.00	164,566.00	141,088.00	117,610.00
64	Fleet - Replace #040	10	2025	2.450%	29,689.00	26,378.00	23,067.00	19,756.00	16,445.00
65	Fleet - Replace #046	10	2025	2.450%	29,689.00	26,378.00	23,067.00	19,756.00	16,445.00
66	Health Club Equipment	5	2020	1.960%	56,182.59	42,547.03	28,641.80	14,461.57	0.00
67	TCC - Roof- Senior Centre/Auditorium	10	2025	2.450%	139,500.00	124,000.00	108,500.00	93,000.00	77,500.00
68	EFC Roof	10	2025	2.450%	54,000.00	48,000.00	42,000.00	36,000.00	30,000.00
69	Fire Comm - Dispatch	5	2021	1.970%	34,400.00	27,787.83	21,044.22	14,166.57	7,152.78
70	Trottier Stage 3	20	2036	3.200%	400,000.00	380,000.00	360,000.00	340,000.00	320,000.00
71	Replaces 1995 Freightliner FL70 (#072)	15	2031	2.920%	218,000.00	203,466.66	188,933.32	174,399.98	159,866.64
72	Fire Comm - Dispatching equipment	5	2021	2.150%	28,650.00	22,920.00	17,190.00	11,460.00	5,730.00
73	Plow truck (#062)	10	2027	2.490%	0.00	247,000.00	221,000.00	195,000.00	169,000.00
74	Riverview Stage 1	15	2035	2.900%	0.00	94,056.67	87,570.01	81,083.35	74,596.69
75	Fire Pumper Truck # 070	15	2035	2.900%	0.00	481,669.73	448,451.13	415,232.53	382,013.93
76	Capital lease- Fire Breathing Apparatus				20,354.00		0.00	0.00	0.00
<b>Ending Balance</b>					<b>\$ 9,687,178.18</b>	<b>\$ 9,431,547.71</b>	<b>\$ 8,308,870.24</b>	<b>\$ 7,187,894.38</b>	<b>\$ 6,259,068.76</b>
<b>Net Change</b>					<b>\$ 343,363.11</b>	<b>\$ 255,630.47</b>	<b>\$ 1,122,677.47</b>	<b>\$ 1,120,975.86</b>	<b>\$ 928,825.62</b>

## Principal &amp; Debt Payments Due


	2016		2017		2018		2019		2020	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
<u>201/202</u>										
1 Parking Garage	91,903.24	38,032.13	99,479.02	30,456.35	107,679.28	22,256.09	116,555.53	13,379.84	93,679.60	3,771.92
2 Broadway - BIA	8,390.28	598.90	8,528.92	460.26	8,668.08	321.10	8,809.51	179.67	4,458.46	36.13
3 Elliot Fairbairn Centre	15,464.44	12,848.16	15,464.44	12,034.57	15,464.44	11,250.13	15,464.44	10,432.06	15,464.44	9,719.33
4 Superbuild Project	8,002.08	6,648.29	8,002.08	6,227.30	8,002.08	5,821.39	8,002.08	5,398.07	8,002.08	5,029.27
5 Arena HVAC	28,800.72	22,135.24	28,800.72	20,681.70	28,800.72	19,230.14	28,800.72	17,778.58	28,800.72	16,416.50
6 Golf Course	17,999.28	16,833.63	17,999.28	12,925.22	17,999.28	12,018.05	17,999.28	11,110.89	17,999.28	10,259.65
7 Glendale/Glenridge/Poplar	499.72	279.62	499.72	253.68	499.72	228.31	499.72	202.22	499.72	178.06
8 Glendale/Glenridge/Winona	7,999.92	4,476.28	7,999.92	4,060.98	7,999.92	3,654.82	7,999.92	3,237.23	7,999.92	2,850.52
9 Glendale/Allen	3,750.09	2,098.33	3,750.09	1,903.65	3,750.09	1,713.26	3,750.09	1,517.50	3,750.09	1,336.23
10 Elgin	722.07	404.03	722.07	366.54	722.07	329.88	722.07	292.19	722.07	257.29
11 Lisgar	2,712.52	1,517.77	2,712.52	1,376.95	2,712.52	1,239.23	2,712.52	1,097.64	2,712.52	966.52
12 Dereham	861.82	482.23	861.82	437.49	861.82	393.73	861.82	348.74	861.82	307.08
13 Tanager	736.89	412.32	736.89	374.07	736.89	336.65	736.89	298.19	736.89	262.57
14 Townline	3,891.97	2,177.72	3,891.97	1,975.67	3,891.97	1,778.07	3,891.97	1,574.91	3,891.97	1,386.78
15 Ford F250	6,030.00	493.17	6,030.00	210.60						
16 Ford F350	5,270.00	430.95	5,270.00	184.01						
17 Reverse Osmosis	3,985.00	325.99	3,985.00	139.20						
18 Ford Freestar	2,370.00	193.90	2,370.00	82.79						
19 Delevan Road Work	2,370.00	3,743.68	2,370.00	2,434.28	2,370.00	2,329.50	2,370.00	1,193.71	2,370.00	2,082.33
20 Roads Resurfacing	2,500.00	2,701.11	2,500.00	2,569.80	2,500.00	2,459.17	2,500.00	2,315.82	2,500.00	2,198.24
21 Edgewood Drive	3,457.68	3,733.74	3,457.68	3,552.22	3,457.68	3,399.32	3,457.68	3,201.14	3,457.68	3,038.63
22 Venision East	620.68	671.46	620.68	638.82	620.68	620.68	620.68	575.68	620.68	546.46
23 Quarterline South	6,166.66	6,658.66	6,166.66	6,334.95	6,166.66	6,062.27	6,166.66	5,708.86	6,166.66	5,419.02
24 Concession St. Bridge	6,666.66	7,197.87	6,666.66	6,847.95	6,666.66	6,553.17	6,666.66	6,171.16	6,666.66	5,857.84
25 Glendale Poplar	1,777.76	1,920.28	1,777.76	1,826.93	1,777.76	1,748.28	1,777.76	1,646.37	1,777.76	1,562.79
26 GPS Equipment	1,027.50	587.13	1,027.50	535.65	1,027.50	488.41	1,027.50	434.83	1,027.50	386.16
27 Airport Hanger Taxiway	2,500.00	1,428.74	2,500.00	1,303.49	2,500.00	1,188.54	2,500.00	1,058.14	2,500.00	939.70
28 Airport Lighting	450.00	257.15	450.00	234.60	450.00	213.91	450.00	190.45	450.00	169.13
29 Airport Taxiway	1,183.00	676.19	1,183.00	616.90	1,183.00	562.50	1,183.00	500.79	1,183.00	444.73
30 Arena Floor	15,182.52	12,520.81	15,182.52	11,740.62	15,182.52	11,054.38	15,182.52	10,222.12	15,182.52	9,504.22
31 Tennis Courts	3,840.00	3,167.09	3,840.00	2,969.75	3,840.00	2,796.16	3,840.00	2,585.65	3,840.00	2,404.06
32 CCC Lobby Floor	641.60	530.28	641.60	497.24	641.60	468.17	641.60	432.93	641.60	402.53
33 CSC-HVAC	1,800.00	1,263.41	1,800.00	1,161.07	1,800.00	1,067.93	1,800.00	960.86	1,800.00	864.61
34 Maple Lane	11,650.92	15,357.95	11,650.92	14,642.29	11,650.92	14,044.68	11,650.92	13,259.86	11,650.92	12,622.60
35 Linkoln	5,919.26	7,781.35	5,919.26	7,418.75	5,919.26	7,115.92	5,919.26	6,718.33	5,919.26	6,395.45
36 Quarterline	13,543.86	17,815.21	13,543.86	16,985.06	13,543.86	16,291.83	13,543.86	15,381.44	13,543.86	14,642.22
37 Airport Asphalt	600.00	78.93	600.00	50.08	600.00	21.52				
38 350 HP Truck Rep # 111	5,611.00	3,677.45	5,611.00	3,409.82	5,611.00	3,131.51	5,611.00	2,853.20	5,611.00	2,596.24
39 Trackless MT5	12,370.90	1,603.81	12,370.90	1,114.40	12,370.90	619.56	12,370.90	124.73		
40 Quarterline Railway Track	19,234.38	23,635.60	19,234.38	22,683.25	19,234.38	21,663.87	19,234.38	20,644.49	19,234.38	19,787.10
41 Misc Street Paving	12,666.66	15,582.47	12,666.66	14,954.60	12,666.66	14,282.55	12,666.66	13,610.49	12,666.66	13,045.23
42 Works Building Drain	1,000.00	1,243.98	1,000.00	1,193.86	1,000.00	1,140.20	1,000.00	1,086.55	1,000.00	1,041.42
43 Trail Development	20,377.46	25,010.51	20,377.46	24,002.77	20,377.46	22,924.09	20,377.46	21,845.42	20,377.46	20,938.14
44 William to Beech Blvd	8,289.46	9,675.35	8,289.46	9,250.75	8,289.46	8,900.82	8,289.46	8,432.07	8,289.46	8,057.06
45 Downtown Parking-Epple	6,837.28	7,980.41	6,837.28	7,630.18	6,837.28	7,341.56	6,837.28	6,954.92	6,837.28	6,645.62
46 Hydro Hybrid Bucket Truck	19,820.60	7,960.39	19,820.60	7,079.82	19,820.60	6,254.51	19,820.60	5,349.25	19,820.60	4,505.13
47 Hwy # 3 Ind Park	10,000.00	1,674.09	10,000.00	1,276.41	10,000.00	887.90	10,000.00	489.69	10,000.00	97.93
48 Rokeby Road/Vodden	38,154.30	6,379.63	38,154.30	4,864.18	38,154.30	3,383.61	38,154.30	1,866.11	19,077.15	373.21
49 Hwy # 3 Graydon	37,146.00	6,198.65	37,146.00	4,726.20	37,146.00	3,287.62	37,146.00	1,813.17	18,573.00	362.63
50 Hwy # 3 Hazen	21,822.70	3,642.27	21,822.70	2,777.07	21,822.70	1,931.77	21,822.70	1,065.40	10,911.35	213.09
51 Airport Hanger Taxiway	4,597.20	769.18	4,597.20	586.46	4,597.20	407.95	4,597.20	225.00	2,298.60	44.98
52 Airport Hanger Terminal	3,800.00	633.44	3,800.00	482.97	3,800.00	335.96	3,800.00	185.28	1,900.00	37.07
53 Airport Hanger Overlay	6,500.00	1,085.90	6,500.00	827.95	6,500.00	575.94	6,500.00	317.63	3,250.00	63.51
54 Airport Hanger Extension	13,400.00	2,239.66	13,400.00	1,707.64	13,400.00	1,187.86	13,400.00	655.12	6,700.00	131.03
55 Lisgar & 4th	13,000.00	14,808.78	13,000.00	14,171.21	13,000.00	13,648.08	13,000.00	12,942.67	13,000.00	12,381.11
56 Fire Tuck	42,733.34	15,209.74	42,733.34	13,831.81	42,733.34	12,413.06	42,733.34	10,994.32	42,733.34	9,653.31
57 Library Software	12,500.00	1,636.94	12,500.00	1,038.44	12,500.00	446.44				
58 VOIP	7,251.76	602.98	7,251.76	602.98	7,251.76	602.98	958.01			
59 Bayham	7,882.32	214.78	7,882.32	214.78	7,882.32	214.78	71.62			
60 SEC	89,963.64	7,480.54	89,963.64	7,480.54	89,963.64	7,480.54	6,289.94			
61 Arena	205,824.52	61,122.62	213,000.14	53,947.00	220,245.22	46,701.92	227,736.73	39,210.42	235,389.90	31,557.24
62 Rural Broadband	18,287.54	5,430.76	18,925.10	4,793.20	19,568.82	4,149.48	20,234.45	3,483.85	20,914.44	2,803.86
63 Fleet - Replace #075	23,478.00	5,628.95	23,478.00	5,037.42	23,478.00	4,461.67	23,478.00	3,885.92	23,478.00	3,319.63
64 Fleet - Replace #040	3,311.00	790.45	3,311.00	707.38	3,311.00	626.53	3,311.00	545.68	3,311.00	466.16
65 Fleet - Replace #046	3,311.00	790.45	3,311.00	707.38	3,311.00	626.53	3,311.00	545.68	3,311.00	466.16
66 Health Club Equipment	13,367.41	1,306.87	13,635.56	1,038.72	13,905.23	769.05	14,180.23	494.05	14,459.88	214.40
67 TCC - Roof- Senior Centre/Auditorium	15,500.00	3,712.71	15,500.00	3,322.55	15,500.00	2,942.80	15,500.00	2,563.05	15,500.00	2,189.54
68 EFC Roof	6,000.00	1,437.18	6,000.00	1,286.15	6,000.00	1,139.15	6,000.00	992.15	6,000.00	847.57
69 Fire Comm - Dispatch	0.00	0.00	6,629.00	648.19	6,743.61	516.75	6,877.65	382.71	7,013.79	246.57
70 Trottier Stage 3	0.00	0.00	20,000.00	12,639.57	20,000.00	11,999.56	20,000.00	11,359.56	20,000.00	10,749.37
71 Replaces 1995 Freightliner FL70 (#072)	0.00	0.00	14,533.34	6,259.22	14,533.34	5,834.84	14,533.34	5,410.47	14,533.34	5,000.05
72 Fire Comm - Dispatching equipment	0.00	0.00	5,730.00	535.95	5,730.00	423.08	5,730.00	321.74	5,730.00	197.00
73 Plow truck (#062)	0.00	0.00	13,000.00	3,245.87	26,000.00	6,019.93	26,000.00	5,326.42	26,000.00	4,693.21
74 Riverview Stage 1	0.00	0.00	3,243.33	1,414.72	6,486.66	2,694.92	6,486.66	2,485.68	6,486.66	2,304.26
75 Fire Pumper Truck # 070	0.00	0.00	16,609.30	7,244.84	33,218.60	13,800.83	33,218.60	12,729.28	33,218.60	11,800.25
76 Capital Lease - Fire Breathing Apparatus	20,354.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<u>1,015,680.86</u>	<u>437,646.22</u>	<u>1,090,867.33</u>	<u>425,247.73</u>	<u>1,122,677.46</u>	<u>394,818.09</u>	<u>1,023,197.72</u>	<u>340,598.05</u>	<u>923,504.57</u>	<u>299,087.65</u>



**TOWN OF TILLSONBURG  
PSAB 3150 RECONCILIATION**

	2016 Budget	Sub-Total	Total	2017 Budget	Sub-Total	Total
<b>REVENUES</b>						
Operating	(\$18,815,300)			(\$19,732,342)		
Capital	(3,418,800)			(7,277,900)		
<b>LESS:</b>						
Transfer from other funds	1,111,000			2,104,900		
Proceeds on debenture issue	1,007,300			861,500		
Proceeds on user pay debenture issue				625,000		
<b>TOTAL REVENUE</b>		<b>(20,115,800)</b>			<b>(24,043,842)</b>	
<b>EXPENSES</b>						
Operating	18,675,300			19,732,443		
Non-Tangible Capital	558,700			110,000		
Capital	5,322,000			7,167,900		
<b>LESS:</b>						
Transfer to other funds	(709,500)			(365,800)		
Capital Expenses	(5,322,000)			(7,167,900)		
Debt Principal payments	(887,500)			(983,121)		
<b>TOTAL EXPENSES</b>		<b>17,637,000</b>			<b>18,493,522</b>	
<b>ANNUAL SURPLUS: before exclusions</b>		<b>(2,478,800)</b>			<b>(5,550,320)</b>	
<b>EXCLUSIONS:</b>						
Amortization of TCA	2,339,700			2,413,600		
Post Employment Benefits						
Solid Waste Landfill Closure and Post-Closures						
<b>TOTAL EXCLUSIONS</b>		<b>2,339,700</b>			<b>2,413,600</b>	
<b>ANNUAL SURPLUS: after exclusions</b>			<b><u>(139,100)</u></b>			<b><u>(3,136,720)</u></b>



	<b>Report Title</b>	Tax Rates Explained
	<b>Report No.</b>	FIN 17-03
	<b>Author</b>	Dave Rushton
	<b>Meeting Type</b>	BUDGET MEETING
	<b>Council Date</b>	JANUARY 10, 2017
	<b>Attachments</b>	

**RECOMMENDATION**

THAT Council receives report FIN 17-03 Tax Rates as information.

**EXECUTIVE SUMMARY**

To explain the difference between Tax rates and the General Levy imposed by the Town.

**BACKGROUND**

There are two factors which affect the amount of taxes paid by residents of the Town. The first is the General Levy tax rate, and the second is the change in assessment value of a property.

The General tax rate is determined through the budget process. An increase in budget dollars will result in an increase of the general levy tax rate.

The change in Current Value Assessment (CVA or growth) is determined by MPAC based on a variety of factors. MPAC performs reassessments every 4 years, in which 2017 is year one of the next reassessment cycle.

Properties with an increase in CVA will see an increase of their property value phased-in over the 4 year period. Properties with a decrease in CVA will see the decreased value in year one.

An additional impact is the weighting factor provided to each class such as multi-residential, commercial and industrial which are greater than the residential (RT) zoned properties. Farms are taxed at 25% of their value for property tax purposes.

The combination of these factors is what determines a change in tax dollars paid by a municipal taxpayer.

**2017 Impact**

An increase in the budget of \$603,200 is proposed. MPAC's reassessment has resulted in an overall average increase in weighted CVA of 1.1%. A summary of changes in the weighted CVA has been provided below. Residential class has seen growth in new homes and increased property values while non-residential have decreased. Based on last year's tax levy, this means the residents will see an increase of \$150,000, before any budgeting impact is factored in.

Since the proposed increase is \$603,200 and \$150,000 is accounted for through growth, the remaining difference of \$453,200 must be funded through a general levy increase. This will result in an overall levy increase of 3.3% over last year's tax rate.

2017 General Levy	PRELIMINARY			
			2017	2016
	2017	2017	WEIGHTED/	WEIGHTED/
	Phase - In	TAX	DISCOUNTED	DISCOUNTED
	CVA	RATIO	CVA	CVA
RESIDENTIAL	1,292,511,258	1	1,292,511,258	1,256,827,097
MULTI-RESIDENTIAL	51,345,425	2.74	140,686,465	144,847,634
COMMERCIAL	142,270,968	1.9018	270,570,927	276,357,943
COMMERCIAL NEW CONSTRUCTION	9,915,950	1.9018	18,858,154	18,103,234
VACANT UNITS/EXCESS LAND	1,046,739	1.9018	1,393,482	1,760,791
VACANT LAND	1,983,250	1.9018	2,640,221	3,007,849
COM'L NEW CONST. - EXCESS LAND	34,300	1.9018	45,662	49,257
INDUSTRIAL	29,683,125	2.63	78,066,619	81,833,055
INDUSTRIAL NEW CONSTRUCTION	1,744,750	2.63	4,588,693	4,576,200
VACANT UNITS/EXCESS LAND	597,225	2.63	1,020,956	1,422,475
VACANT LAND	719,725	2.63	1,230,370	1,006,212
LARGE INDUSTRIAL	23,542,400	2.63	61,916,512	63,305,749
VACANT UNITS/EXCESS LAND	44,400	2.63	75,902	330,571
PIPELINES	5,011,500	1.2593	6,310,982	6,086,197
FARMLAND	7,941,475	0.25	1,985,369	1,703,325
FARMLAND DEV PH 1	1,306,075	1	587,734	533,385
	1,569,698,565		1,882,489,304	1,861,750,973


### What will Residents Pay?

As you can see from the chart above, the value of residential properties has increased by almost 2%, while non-residential classes combined have decreased by 15%. Unfortunately, when the CVA of commercial, industrial, farmland or vacant land decreases, the residential class picks up the differential as this will always be our largest growing tax class.

The Median residential CVA increased from \$221,750 to \$226,000.

The average tax levy for the Median household in 2016 would have been \$1,604.21. With the proposed tax dollar increase of \$603,200, the same household will pay \$1,689.36 in 2017, a difference of \$85.15 per year, or \$7.10 per month

As discussed in the Asset Management Plan, an increase in the levy is needed to build towards a plan that will allow us to sustain the assets we have. Based on this year, \$25.86 of the median resident's tax increase of \$85.15 would go to capital.

	<b>Report Title</b>	Funding the Asset Management Plan
	<b>Report No.</b>	FIN 17-04
	<b>Author</b>	Dave Rushton
	<b>Meeting Type</b>	BUDGET MEETING
	<b>Council Date</b>	JANUARY 10, 2017
	<b>Attachments</b>	

**RECOMMENDATION**

THAT Council receives report FIN 17-04 funding the Asset Management Plan;  
 AND THAT council directs staff to bring forward a capital budget in the fall using the amount of the increase in property value assessment (growth) towards funding the Asset Management Plan.

**EXECUTIVE SUMMARY**

To explain the support in taxation for sustaining the asset management plan.

**BACKGROUND**


The Director of Operations and the Deputy Treasurer have reviewed the Asset Management Plan with council and proposed that a capital tax levy be put in place. This would work towards providing us with funding to replace assets as they wear out rather than through debenture.

We are proposing to use the growth in property value as the source for increased funding. With this plan, the funding of asset replacement would be funded through the tax on the increasing value of real estate.

The overall growth this year, after factoring in the increase in residential real estate values and the decrease in the assessed values of non-residential values, is a 1.1% increase. We would like to see this method as a consistent funding source in our plan to have a sustainable Asset Management Plan.

The benefits of this would be to allow an increase annually to the capital budget that is predictable. With this information, we could bring a capital budget before council in the fall for approval prior to the operating budget. This timing would allow us to get better pricing on our projects as we find first to market often sees better pricing in tenders. It also allows us a better schedule to start and plan work during the winter prior to busy construction seasons.

With direction from council, we can bring the capital budget forward in the fall of 2017 using the growth rate for funding.

	<b>Report Title</b>	Reserves
	<b>Report No.</b>	FIN 17- 05
	<b>Author</b>	Dave Rushton
	<b>Meeting Type</b>	BUDGET MEETING
	<b>Council Date</b>	JANUARY 10, 2017
	<b>Attachments</b>	Unrestricted Reserves and Reserve Policy

**RECOMMENDATION**

THAT Council receives report FIN 17-05 Reserves;  
 AND THAT Council directs staff to bring forward an updated reserve policy;  
 AND FURTHER THAT Council accepts the general reserve fund to be reported through the use of proposed reserves.

**EXECUTIVE SUMMARY**

To explain the value of separating the monies collected for various projects and activities.

**BACKGROUND**

“Reserves” are a provision or amount that is designated for a future purpose that extends beyond the current fiscal year. Reserves are set up or utilized by resolution.

Prior to 2009, we maintained separate general ledger accounts for various reserves. In that year, we reduced our tax rate and ended the year with a very large deficit. To assist with this, council directed that unrestricted reserves be used to offset the deficit. Since that time, funds have been put into the general reserve fund rather than specific funds.

In 2013, the attached Reserve Policy was established but general ledger accounts were not re-established. We would like to return to the practice of having unrestricted reserves maintained in the same bank account but separate general ledger accounts. This will allow us to use the funds for the purpose for which they were collected and still leave them ultimately to the direction of council to redirect them as necessary.

To demonstrate this, we have incorporated this in the 2017 Budget for information purposes.

Some operating departments such as fleet, and beginning in 2017 IT, collect monies for future capital purchases within their charges to other departments. We will be asking in the new policy for these funds to be transferred into reserves for future year’s asset replacement.

With direction from council, staff will bring forward a revised “Reserve Policy” establishing the new reserves. The policy will provide for direction of operation funds including monies collected for future projects and the use of reserves for surplus earnings or deficit.

UNRESTRICTED RESERVES

Reserve				Investment	Projected
Account	Balance	Transfers	Transfers	or Other	Balance
Name	01-Jan-17	In - 2017	Out - 2017	Income	31-Dec-17
Income				20,000	20,000
Airport	57,450		57,400		50
Building	-				-
Council	13,400				13,400
CSC	32,703		32,700		3
Ec. Dev	849,271		531,500		317,771
Eng	38,156		38,100		56
Fire	14,000	45,000	14,000		45,000
Fleet	319,552		310,000		9,552
General	411,575				411,575
IT	302,192	65,000	290,000		77,192
Misc	220,000				220,000
Parking	180,214		36,000		144,214
Parks	21,918				21,918
Police	123,783		41,000		82,783
RCP	140,656		143,900		- 3,244
Roads	92,754		92,900		- 146
Roof	5,318				5,318
Museum	5,000		5,000		-
Election	44,000				44,000
Trans Stn	21,000		21,000		-
Non-cash	398,532				398,532
	3,291,474	110,000	1,613,500	20,000	1,807,974

**THE CORPORATION OF THE TOWN OF TILLSONBURG**



**RESERVE POLICY**

<b>APPOVAL DATE:</b>	<b>REVISION DATE:</b> 11/25/2013		Page 1 of 3
<b>APPENDICES:</b>	N/A		



**BY-LAW No. 3779**  
**OF THE**  
**CORPORATION OF THE TOWN OF TILLSONBURG**

---

A BY-LAW TO ESTABLISH A RESERVE POLICY

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**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF TILLSONBURG HEREBY ENACTS AS FOLLOWS:**

**1.0 DEFINITIONS**

In this By-Law:

- a) "Reserves" is a provision or amount that is designated for a future purpose that extends beyond the current fiscal year. Reserves are set up or utilized by resolution. All related interest earnings are reported as general operating earnings.
- b) "Reserve Fund" shall mean an amount set aside by a by-law based on a statutory requirement (obligatory reserve fund) or a specific designated purpose (discretionary reserve fund). The Development Charges reserve fund, for example, is an obligatory reserve fund, required by legislation that is maintained year over year to help fund growth related capital projects. Or the Cemetery Maintenance Reserve Fund that is maintained year over year to fund Cemetery repairs and maintenance expenditures. Cash placed in a reserve fund earns interest.

**2.0 POLICY STATEMENT**

**2.1 Objectives:**

- a. To establish reserves as approved by Council for:
  - i. future capital expenditures;
  - ii. operating projects or surpluses;
  - iii. sale of fixed assets or land
  - iv. unexpected or unplanned events;
  - v. the reduction of debt financing;
  - vi. or any other purpose that Council designates;

that would otherwise cause fluctuations in the operating or capital budgets.

- b. To establish reserve funds through the adoption of a by-law for:
  - i. specific purposes as approved by Council.
- c. All reserves held in cash will be held in a separate bank account.

### 3.0 ACCOUNTABILITY

The Director of Finance or his/her designate shall maintain accountability on behalf of Council relating to the administration of reserves, including the process to transfer to and from reserves once approved by Council.

Staff provides recommendations on the transfer of funds to and from reserves.

### 4.0 PRESCRIBED COUNCIL AUTHORITY

- a. Establish new reserves;
- b. Close existing reserves;
- c. Amalgamate reserves;
- d. Transfer funds to and from reserves via the approved annual budget;
- e. Transfer funds to and from reserves through Council resolution not addressed through the budget process.

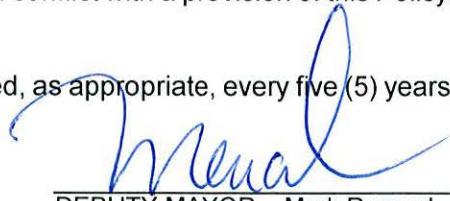
### 5.0 REPORTING

Projected contributions and uses of reserves are provided as a component on the annual budget process. Reserve and reserve fund balances are provided as a component of the annual Town financial statements.

### 6.0 OTHER

Where any other By-law exists which is in conflict with a provision of this Policy, the provision of this Policy shall be deemed to apply.


This Policy shall be reviewed and updated, as appropriate, every five (5) years, following the date of its enactment.

  
DEPUTY MAYOR – Mark Renaud

  
CLERK - Donna Wilson

Dec 9, 2013  
DATED



	<b>Report Title</b>	White Paper – Business Case for 1.0 FTE Mechanic
	<b>Report No.</b>	OPS 17-03
	<b>Author</b>	Senior Leadership Team
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 10, 2017
	<b>Attachments</b>	

**RECOMMENDATION**

**THAT Council receive Report OPS 17-03 White Paper – Business Case for 1.0 FTE Mechanic as information.**

**SUMMARY**

Fleet Services is responsible for the stewardship of the Town’s fleet of vehicles and equipment including compliance with applicable legislative requirements for various Town departments. Services and responsibilities include:

- Preventative Maintenance
- 24 hour / 7 days per week On-Call Service
- General Repairs and Documentation as per CVOR Reg 424
- Warranty Recovery & Tracking
- Recall Notification & Tracking
- Fuel Inventory Management
- Parts & Supplies Inventory Management
- Replacement Specifications and Bid Evaluation
- Surplus Vehicle Disposal Administration
- Vehicle Licensing, Registration and Insurance
- Motor Vehicle Inspection Station requirements as per HTA 601
- Annual Vehicle Inspection and Report as per HTA Reg 611
- Review all Driver Daily Inspection Reports as per HTA Reg 199
- Conduct Immediate Repairs of any critical defects reported as per HTA Reg 512
- Documentation of the Drivers Hours of Service as per HTA Reg 555
- Review Driver and Carrier Abstract as per CVOR Reg 424
- Vehicle Accident Damage Administration

The dedicated hard work of current staffing resources within Fleet Services is no longer sufficient to regain and maintain compliance with the requirements of the Commercial Vehicle Operator Registration (CVOR) Reg 424 for the Town.

The increased administrative demands as a result of changing legislative requirements to the CVOR and various regulations under the Highway Traffic Act (HTA) has not only increased the work load, but also the backlog of outstanding repairs, resulting in service level issues to user departments (i.e. Roads, THI, Fire, Parks, etc.) that provide services to the community.

Some of the risks associated with continuing status quo include:


- employee burn-out
- increased repair backlog
- increased/continued service level issues to user departments
- continued non-compliance with CVOR and HTA regulations

### **CONSULTATION / COMMUNICATION**

As part of the 2017 draft budget development Senior Leadership discussed the possibility of outsourcing mechanic services, but determined that contracting out would not alleviate the need to backfill during vacation or illness, nor assist with succession planning. In addition, due to the nature of Town business, internal prioritization, knowledge, and expertise is required to ensure operator and public safety. The Senior Leadership Team also discussed the importance of the additional staff resource within Fleet Services to help mitigate service level issues to user departments, prevent employee burn-out, and the importance of regaining CVOR compliance.

### **FUNDING IMPACT/ FUNDING SOURCE**

The associated cost of \$75,000 for the 1.0 FTE Mechanic has been included in the 2017 proposed draft budget.

	<b>Report Title</b>	Budget Issue Paper: Utilities Cost Increases
	<b>Report No.</b>	RCP 17-02
	<b>Author</b>	Rick Cox, Director of Recreation, Culture & Parks
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 10, 2017
	<b>Attachments</b>	<ul style="list-style-type: none"> <li>• The Mysteries of Electricity Pricing in Ontario</li> <li>• Guide to Electricity Pricing in Ontario</li> </ul>

## RECOMMENDATION

THAT Report RCP 17-02 – Budget Issue Paper – Utility Cost Increases be received for information.

## EXECUTIVE SUMMARY

Unit costs for utilities (electricity, gas & water) have risen over the last five years. Increases in the budget allocation for utilities have not kept up with increases in actual costs. The largest contributor to the increased cost is the increase in the unit cost of hydro.

## BACKGROUND

The combined cost to the Town for utilities continues to rise year over year. 2012 was the last year for which the annual budget allocation for utilities was not exceeded by actual utility costs.

Year	Budget	Actual*	Difference
2011	\$ 905,999	\$ 915,051	-1%
2012	\$ 935,383	\$ 881,010	6%
2013	\$ 843,630	\$ 895,679	-6%
2014	\$ 866,250	\$ 872,656	-1%
2015	\$ 949,921	\$ 966,254	-2%
2016	\$ 980,500	\$ 1,052,837	-7%

\* 2016 value is projected as Jan-Nov 2016 actual plus 105% of Dec 2015 actuals

The largest increase in cost that the Town is experiencing is for electricity. As an example, the amount the Town paid for streetlight hydro in 2012 was just over \$186,000. By 2015 that amount was almost \$237,000, an increase of 27% over that time period.

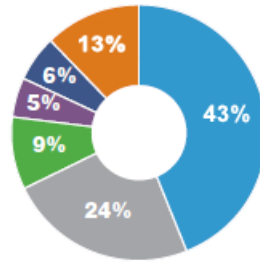
### Factors contributing to the unit rate of electricity:

The electricity price portion of the bill is broken down into two price components:

- **Electricity Price:** Also known as the spot price, the market clearing price (MCP) or the Hourly Ontario Energy Price (HEOP)
- **Global Adjustment:** The global adjustment (GA) is the difference between the market price and the electricity price contracted by the government. It is the “top-up” that most suppliers are paid when they generate electricity. This means that as the market price goes up, the global adjustment goes down because suppliers are recovering more of their

costs from the market. As a consumer, the Town pays both the electricity price and the global adjustment.

Publications prepared by the Environmental Commissioner of Ontario and Bruce Power are attached with this issue paper as additional explanation.

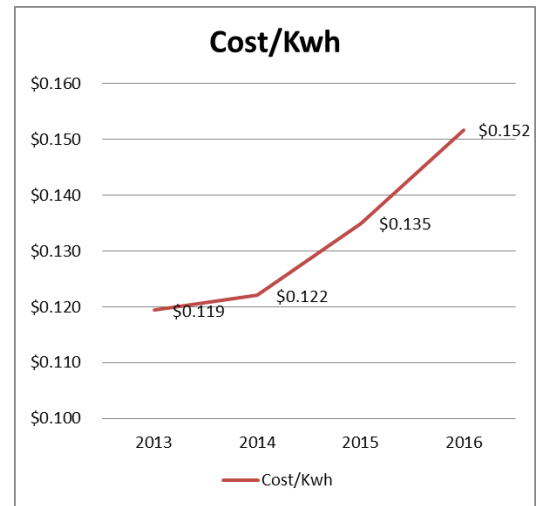


GA HOEP DELIVERY REGULATORY  
DEBT RETIREMENT CHARGE HST

This cost/kWh graph illustrates the unit cost increase that is being experienced for our largest hydro accounts at the Complex and for streetlights. For Jan-Nov this year, the cost for hydro at the Complex is approximately \$363,000 at an average unit cost of \$0.152. If the 2013 average price of \$0.119 was in effect, the same hydro would have cost approximately \$287,000.

Efforts to reduce the cost:

As per the Town’s Energy Conservation and Demand Management plan approved in 2014, there are continual efforts to reduce consumption of utilities through operational process changes and selection of new equipment. An example of a process change that results in substantial annual consumption savings was delaying the start-up of the Memorial ice rink until after the Shriners’ annual Pork BBQ. This collaboration between the Town, the Shriners and the Agricultural Society has permanently reduced the amount of hydro used at the Complex during the period of Aug-Nov by 7-9% depending on the weather. While there has been ‘cost avoidance’ this has translated into little actual cost savings, as the 2016 hydro cost for that period is 21% higher for 7% less hydro than in 2013.



Other process changes that have been implemented include:

- eliminating winter use of Summer Place (hydro savings)
- using passive solar to pre-heat water for the Waterpark (natural gas savings)

Since hydro is such a large component of the overall town utility cost it has and continues to be hydro consumption reductions that is the main focus. Further, the largest hydro account is the Complex, so the majority of interventions and changes are being made there in order to realize the largest proportional benefit.

The 2017 draft capital budget includes two energy conservation-related projects to continue efforts to reduce consumption. One will replace the high-pressure sodium lights above both rinks with new LED technology. The second is the start of implementing the energy retrofit project for the ice plant and pool HVAC that has been developed out of the I. B. Storey Inc. study. In 2017, the design will be completed and tendered to secure firm costs for construction in the summer of 2018.

**CONSULTATION/COMMUNICATION**

N/A

**FINANCIAL IMPACT/FUNDING SOURCE**

If the budget allocation for utility costs is inadequate, there is an impact on the Town's in-year financial position.

**COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

This issue paper provides information in alignment with the following Objective of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government

# The Mysteries of Electricity Pricing in Ontario

Posted on [February 20, 2013](#) by [ECO](#)

There is much confusion, misunderstanding and misrepresentation with regard to what the price of electricity in Ontario, and how we set that price. It seems to me that we must establish a clear understanding of the matter in order to have an intelligent public discussion on the topic. Accordingly, this blog will attempt to cover the basics of electricity pricing. To be clear, I'm just going to focus on the mechanism that sets the price of electricity on your bill. I am ignoring the delivery charge, the regulatory charges and debt retirement charges they tack on afterwards.

## Hourly Ontario Energy Price (HOEP)

One key element in setting the price of electricity is called the Hourly Ontario Energy Price, or HOEP (often referred to as "hope"). This price is set on a market, which works like this:

The Independent Electricity System Operator (IESO) predicts the demand of electricity for the next hour. With this information, generators (for instance natural gas plants, nuclear power plants, or wind farms) submit a bid to supply electricity to meet this demand. Also in theory, the cheapest suppliers would get contracted. As demand rises, the price would also rise, and more expensive generators would enter the market.

But this is not a free and open market that Adam Smith would recognise. The invisible hands in this market are rummaging in our pockets. Almost all the generators playing in this market have prices that are fixed or subsidized – so they will never lose money, no matter how low the market goes.

So let's look at a graph of the monthly weighted average HOEP from 2005 to 2012 to see how this works.



You can see that the highest HOEP was actually in 2005, where it touched 10¢/kWh. After that, the price went off to between 4¢ and 6¢/kWh for a few years. When the economy collapsed in 2009, demand fell and prices dropped, and has fluctuated in the 2¢ to 4¢/kWh range for the last 4 years.

The key point here is that (outside of some of our older large hydro-electric facilities), no generator can sell power at 4¢/kWh. So how is this possible?

**Global Adjustment**

This magic is done using a marvellous invention called the Global Adjustment (GA). This is an additional charge collected from consumers to pay for those fixed prices, guarantees and subsidies if the HOEP is below the fixed price. So let's plot the Global Adjustment on the same graph as above.



We see that the Global Adjustment displays an almost opposite pattern to the HOEP. With one inter-exception (when it went negative), the GA for 2005 to 2009 varied between zero and 1¢/kWh. But when the HOEP price crashed, the GA jumped up to the 4¢/kWh range – and subsequently has crept even higher on here?

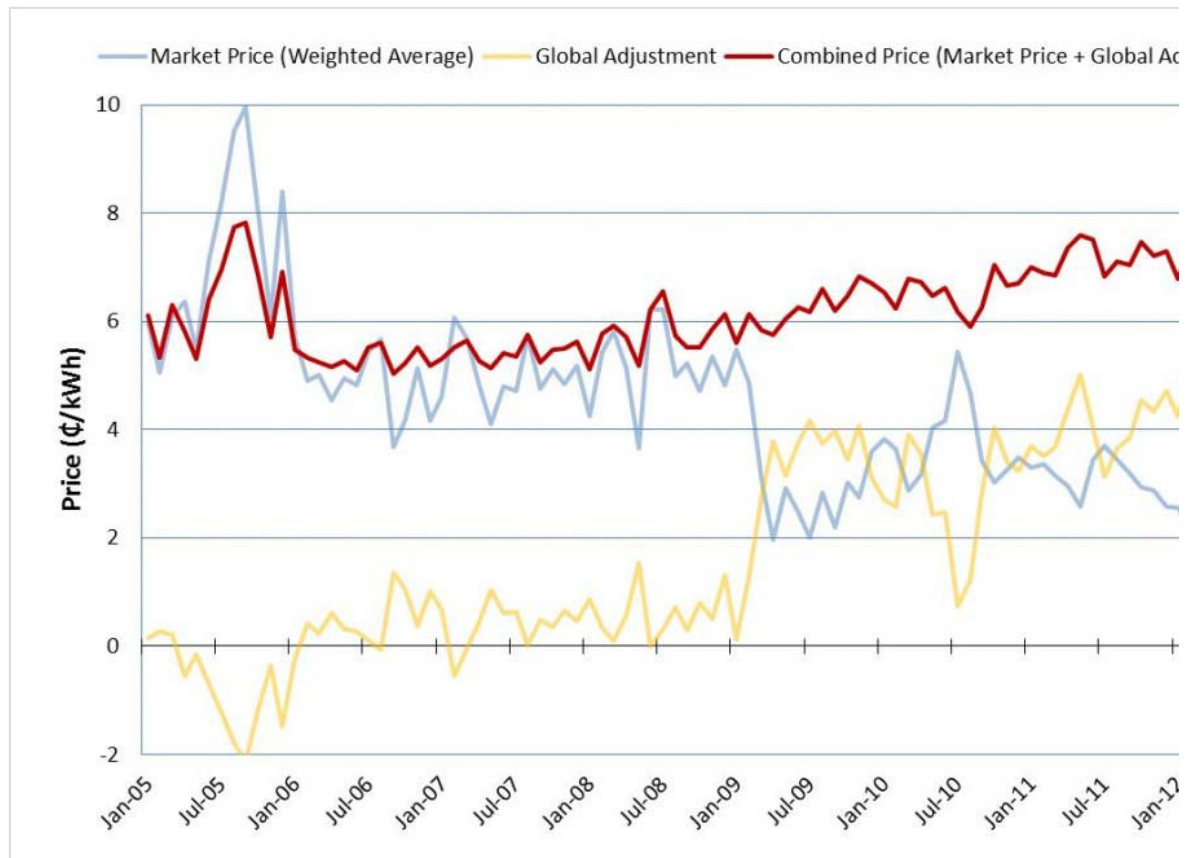
Remember that the Global Adjustment is the price guarantor for the generators. It actually went negative in 2005, when high HOEP meant that Ontario Power Generation’s nuclear and large hydro plants were getting more from the market price than their guarantee, and they had to kick back money. But for most of the 2009 period, the market HOEP was high enough to satisfy the pricing needs of the generators. It is worth noting on the graph that during that period when the HOEP hits 6¢ the Global Adjustment goes to zero.

But that was a different economy. In 2009, Ontario saw a drop in demand, largely due to the recession, and an increase in supply (from new gas plants coming into service). The change in the supply-demand balance was that almost no generator could make their money on the HOEP, so the price guarantees kicked in, and the Global Adjustment became as large and then a larger hourly charge than the HOEP.

**So what is the real price of electricity?**

So to get the real price of electricity, you have to add the HOEP and the Global Adjustment together. The result is a price that looks like on the same graph.

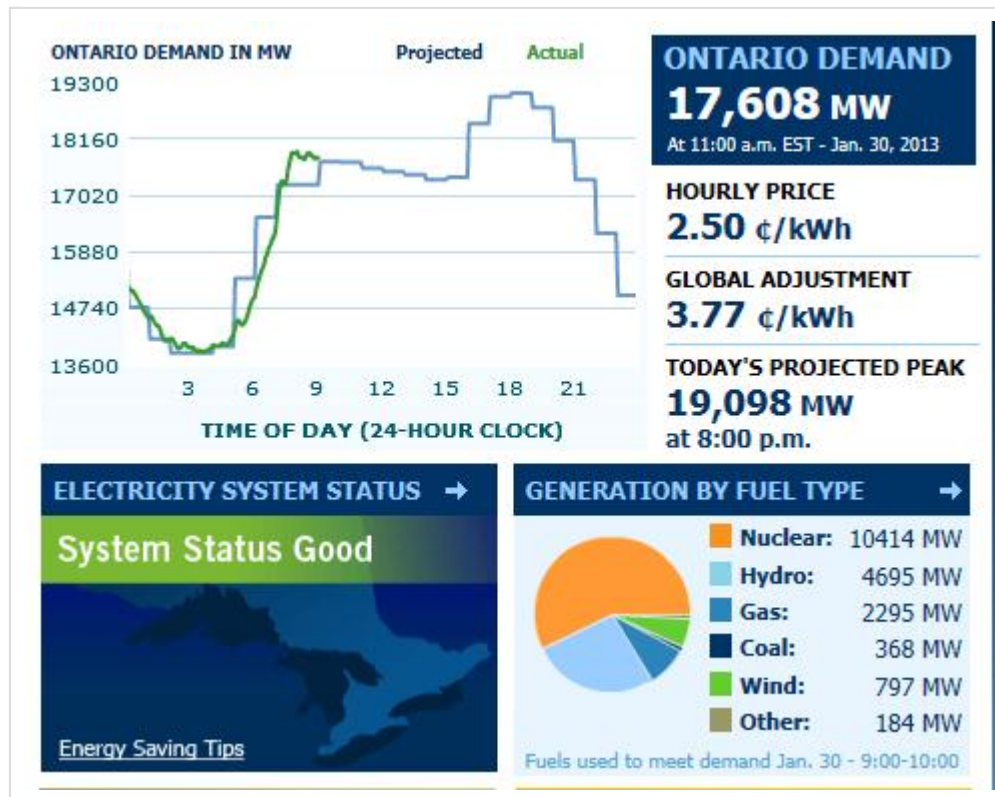




The red line is the real market electricity price for the period 2005-2012. You can see that the price almost 8¢/kWh in heady days of 2005, but then fell back to the 5¢ to 6¢/kWh range through 2006-2008. It has been gradually creeping upwards until the 2005 peak was exceeded, and it broke through 8¢/kWh in early 2011.

### Confusion reigns

This concept – that the HOEP is not the real market price, because you have to add in the Global Adjustment – is the basis of a lot of confusion in the media and in various public discussions. And this is understandable given the way the information is presented. Take for example this screen shot of the IESO website:



The site is very informative on a number of levels and you can clearly see the current level of the global adjustment. But the HOEP is presented as the “Hourly Price” and there is no attempt to add the HOEP Global Adjustment together. So in this example, the public would conclude that the market price of electricity is 2.5¢/kWh and not the correct 6.27¢/kWh.

I hope you now have a better understanding of the basis of wholesale electricity pricing – but we are not on your bill yet. To explain your bill we have to get into the intricacies of Time-of-Use pricing and the Energy Board. And those will have to be the topic of another blog posting.

RELATED POSTS

- [Consciously Uncoupling: A Short-Term Solution to a Long-Term Problem](#)
- [Reduce, Reuse, Recycle – can this mantra fit into our energy planning model?](#)
- [The Time-of-Use Conundrum](#)
- [Promoting Electricity Pricing Literacy \(Part 3 of 3\)](#)
- [Promoting Electricity Pricing Literacy \(Part 2 of 3\)](#)

This entry was posted in [ECO Commentary](#), [Energy Conservation](#) and tagged [electricity](#), [energy](#), [ECO](#). Bookmark the [permalink \[http://www.eco.on.ca/blog/2013/02/20/the-of-electricity-pricing-in-ontario/\]](#).

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# Your guide to electricity pricing in Ontario

*A guide designed to help you understand and decipher the components of your electricity bill for your Ontario-based commercial or manufacturing business.*

- Samira Viswanathan, Market Regulatory Affairs Advisor, Bruce Power Direct

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# Part 1: The Electricity Basics

## **ELECTRICITY BILLS ARE COMPLEX**

It can be frustrating to consistently pay for something you don't understand or don't have the transparency to verify. It's even more painful when your electricity bills continue to go up without a clear explanation of the cause. What is driving the electricity cost increase? How can you reduce costs in this situation?

The first step to solving a problem is understanding it. This guide will help you understand the main parts of your bill, how the electricity price is derived, and what parts of the bill you can realistically influence and control.

Eventually, you will be able to use this knowledge to help with things like reducing your demand charges, conserving electricity, making more informed investment decisions and ultimately, helping you define key performance indicators (KPIs) for your business.

## **THE DIFFERENCE BETWEEN ENERGY (kWh) AND DEMAND (kW)**

### **1 kilowatt (kW) – this is a measurement of energy**

1 kW is like saying your car can go 1 km/hr – think of it like speed. In the electricity world this is known as power, capacity or demand.

5 kWh is like saying your car went 5 km over a period of time – think of it like distance. In the electricity world this is called energy or consumption.

So, if you are a business with a 1,000 kW demand, you may consume, over the course of a month  $1,000 \text{ kW} \times 30 \text{ days per month} \times 24 \text{ hours per day} = 730,000 \text{ kWh}$  in a month.

However, you may not always be going at a speed of 1,000 kW so to accurately measure how far you have gone, your local distribution company (LDC), also called a utility, will come and read your meter. Your electricity meter is like the odometer of your car.

**Your electricity price is made up of both demand (speed) and consumption (distance) charges.**



## COMPONENTS OF YOUR ELECTRICITY BILL

Utilities vary how they display your information but generally, your bill is grouped into the categories outlined in the charts below.



BILL COMPONENT	TYPE OF CHARGE
Electricity (includes the global adjustment)	Consumption
Delivery	Demand
Regulatory Charges	Consumption
Debt Retirement Charge	Consumption
HST	Consumption and Demand (based on entire bill)

## MAJOR ENERGY PLAYERS IN ONTARIO

Prior to deregulation, the electricity sector was essentially Ontario Hydro. However, since deregulation in May 2002, the sector is now composed of:

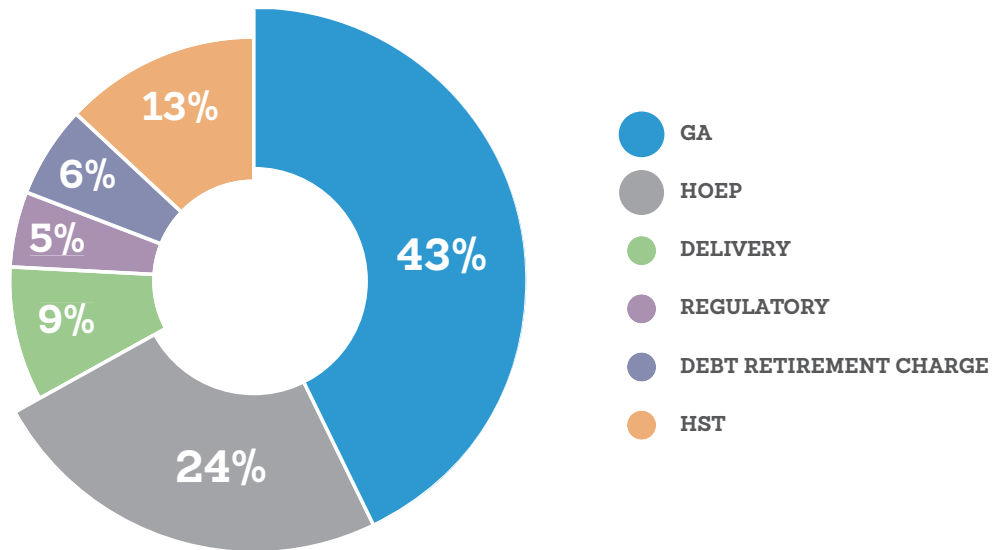
- 1. Government of Ontario:** controls overall direction and policy.
- 2. Ontario Energy Board:** regulatory body.
- 3. Ontario Power Authority:** electricity planner.
- 4. Independent Electricity System Operator (IESO):** grid operator.
- 5. Hydro One:** Transmitter and distributor. It is the only one of the 77 utilities that is entirely owned by the province.
- 6. Ontario Power Generation (OPG):** electricity generator. It is one of many generators in Ontario, but is the only one to be entirely owned by the province.
- 7. Bruce Power:** electricity generator. It is the largest nuclear plant in the world responsible for 30% of the Province's energy supply.

## Part 2: Factors that affect electricity price in Ontario

### WHAT MAKES UP THE ELECTRICITY PRICE?

This is the consumption portion of your bill where you are billed by a rate at c/kWh based on your meter reading, usually monthly.

#### ELECTRICITY PRICE BROKEN DOWN



The electricity price portion of your bill is further broken down into two price components:

1. Electricity Price: Also known as the spot price, the market clearing price (MCP), or the Hourly Ontario Energy Price (HOEP)
2. Global Adjustment: This used to be the called the Provincial Benefit

Both of these prices are constantly changing but you are charged the weighted-average price over the course of the month.

The electricity price is determined by the intersection of electricity demand and electricity supply. Both demand and supply are constantly and simultaneously varying.

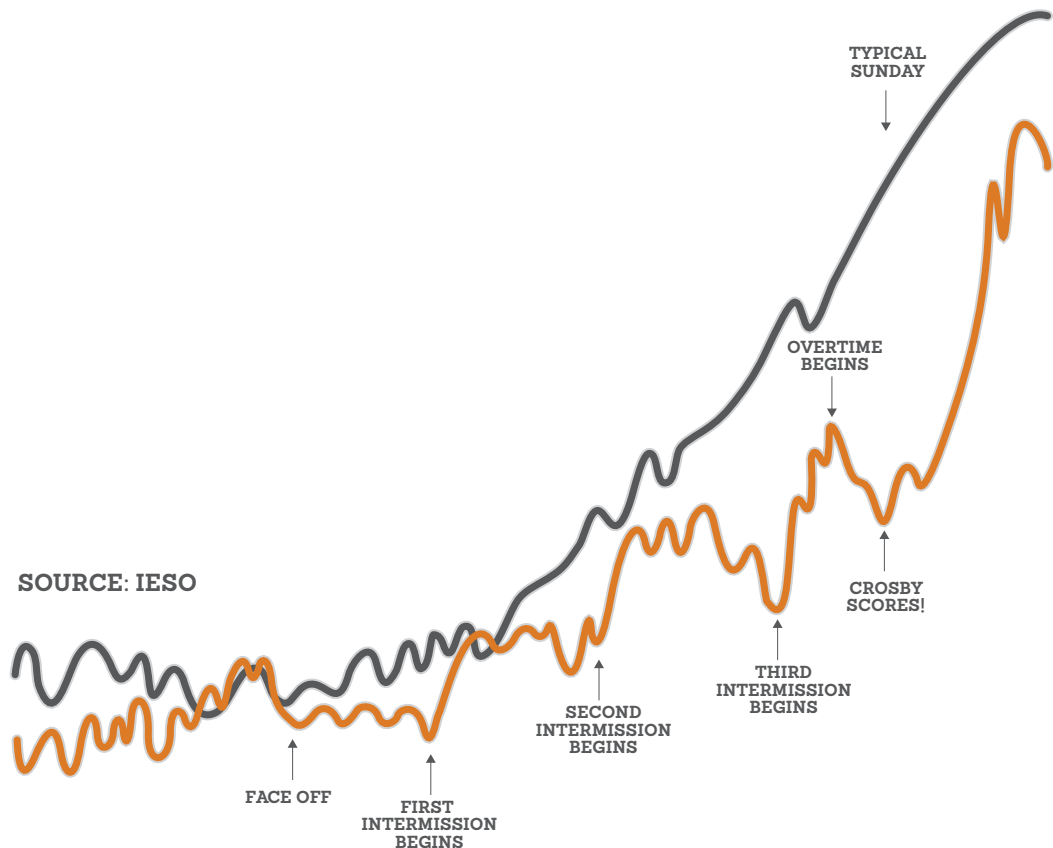


## ELECTRICITY DEMAND

Demand varies based on things like weather and economic activity. Things like air conditioning and heating increase electricity demand. In exceptional circumstances even a hockey game can influence demand.

The graph below shows electricity demand on a typical Sunday (shown in grey) and compares it to the Sunday when Canada beat the U.S. in the ice hockey 2010 Olympic finals (shown in orange). Demand during the game was overall lower than a typical Sunday, as many people were gathered together in one room to watch the game. Spikes are noted during intermissions where people left where they were gathered to cook food, turn on lights, or use the bathroom – all things which increase demand.

### ONTARIO ELECTRICITY DEMAND FEBRUARY 28, 2010



## ELECTRICITY SUPPLY































Electricity supply comes from different fuel types, like wind, solar, hydro (waterpower), natural gas, and nuclear. These fuel types have different supply characteristics, all of which are needed to meet Ontario demand:

- Base-load supply includes sources like nuclear and hydro. They are low-cost, reliable and supply electricity 24-7.
- Intermittent supply includes sources like wind and solar. They provide electricity when the wind is blowing and the sun is shining.
- Peaking supply sources like gas and peaking hydro are used when demand is at its highest – they are flexible but costly.

Different fuel types also have different trade-offs when looking at costs, environmental aspects and reliability. There is a need for different types of supply but it is important to recognize that among these sources, there are drawbacks and benefits.

The Ontario government looks at these trade-offs (shown below) to help them develop energy policy in the province.

## ONTARIO ELECTRICITY SUPPLY

ENERGY TYPE*	ELECTRICITY COSTS	CAPITAL COSTS	FLEXIBILITY	CARBON EMISSIONS	AVAILABILITY
Gas 					
Solar 					
Wind 					
Water 					
Nuclear 					

\*Denotes new generation plants

Source: Electric Power Research Institute and Ontario Ministry of Energy



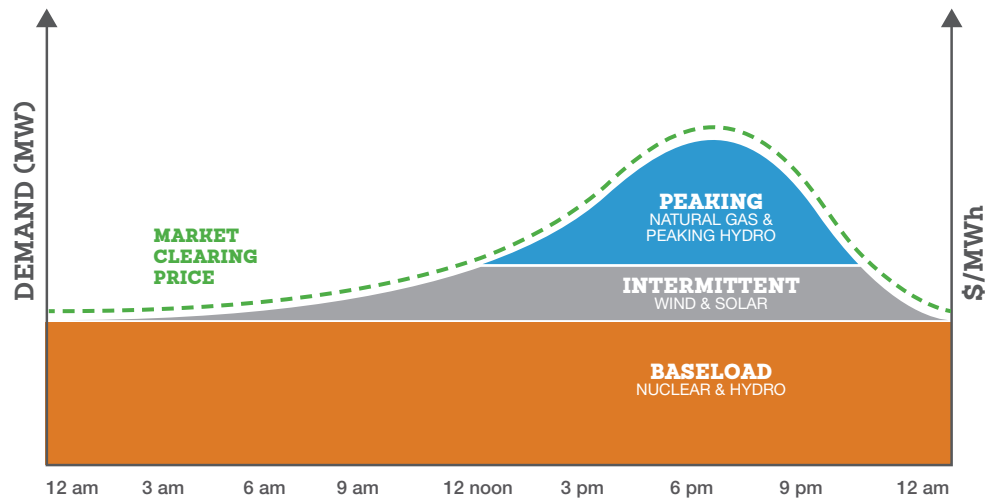
## ELECTRICITY PRICE

The price for electricity in Ontario is set every 5 minutes based on the intersection of supply and demand and fluctuates like stock prices. This is called the market clearing price (MCP). It is set in the following way:

- Electricity supply is offered into the market at its operating cost. Offers of supply are stacked up from least costly to most expensive to meet demand. Where they intersect is the market clearing price (MCP).
- In each hour there are 12 MCP's, and the hourly average of the MCP is called the Hourly Ontario Energy Price (HOEP). This is what you get charged by your local utility.

On your electricity bill you see a volume-weighted average\* HOEP, when in reality the price fluctuates on a 5 minute basis. Many large industrial users attempt to estimate upcoming hourly prices and adjust their consumption in light of changing hourly prices, to avoid the highest priced hours and reduce their costs. Is there anything you can adjust in your facility to avoid the highest priced hours of the day?

### HOURLY ONTARIO ENERGY PRICE

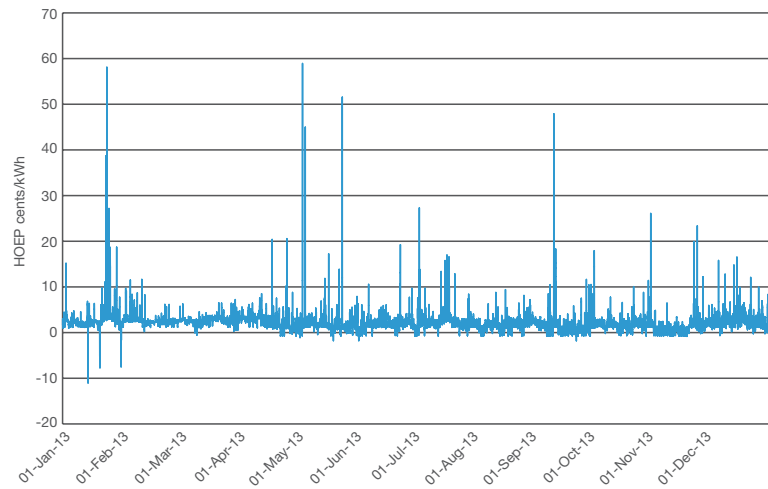


### \* WEIGHTED AVERAGE EXAMPLE

TIME	ENERGY (kWh)	HOEP (¢/kWh)	COST (\$)
9:00 AM	1400	1.43	19.95
10:00 AM	1500	1.81	27.20
11:00 AM	1600	2.38	38.05
12:00 PM	1600	3.24	51.90
1:00 PM	1500	3.35	50.27
<b>TOTAL</b>	<b>7600</b>	<b>N/A</b>	<b>187.36</b>
Weighted Average HOEP (\$187.36/7600 kWh) =		<b>2.47 ¢/kWh</b>	

**MONTHLY  
CHARGE IN  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**

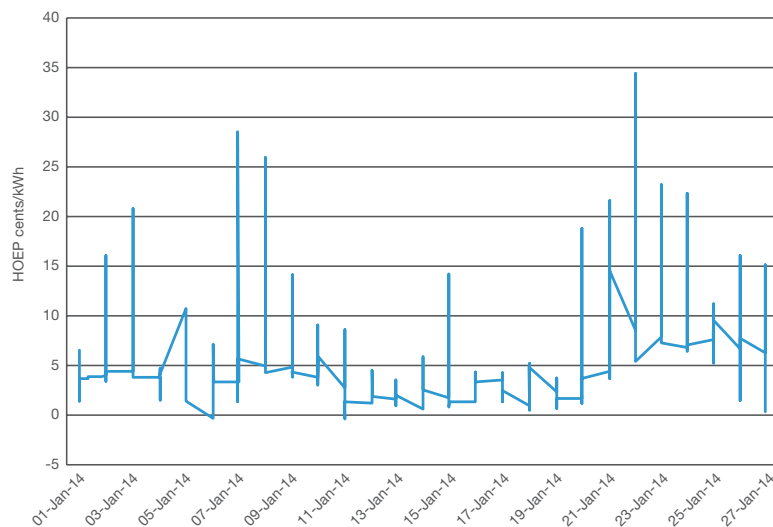
The average HOEP for 2013 was 2.5 cents/kWh, and although you don't see it reflected in your bill, this 2.5 cents average is based on a lot of volatility over the year:



If you avoided the top 100 most expensive hours in 2013 you could lower your average price by 6%.

Price volatility was recently evident in the January 2014 polar vortex which caused major price spikes.

**MONTHLY  
CHARGE IN  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**



As previously mentioned, the electricity price is derived from the intersection of supply and demand. Supply of electricity comes from different sources which have their own characteristics and trade-offs between costs, environmental friendliness, and reliability. Demand changes based on weather and economic activity. As both supply and demand are highly volatile the price fluctuates wildly on a 5 minute basis; however, the electricity price you see on your bill is the hourly weighted average over the month.

## Part 3: The Impact of the Global Adjustment on Electricity Price

Since suppliers offer their supply at their operating cost, the market clearing price can often not be high enough for them to cover all of their costs. For example, the average HOEP in 2013 was 2.5 cents/kWh, which was not enough for suppliers to cover the costs of operating their plants.

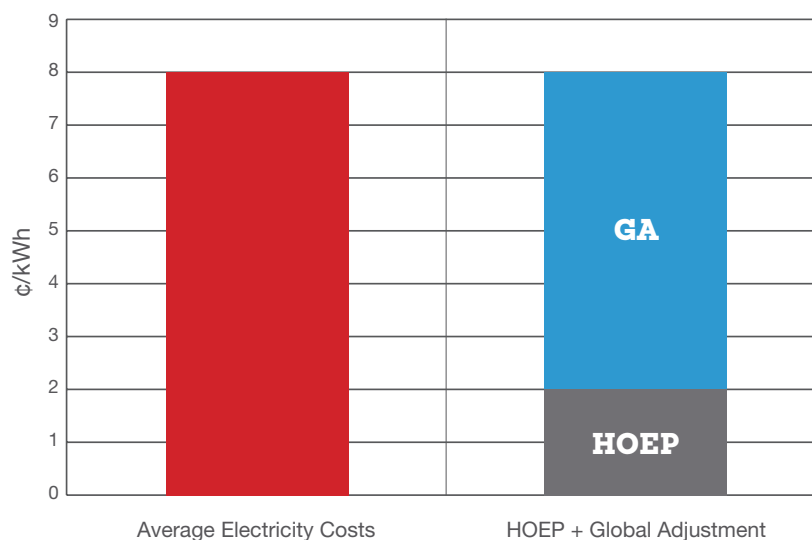
To ensure Ontario has enough electricity supply, the government has signed long-term contracts with most suppliers to make sure they will invest in Ontario, build power plants, and be paid enough to cover their costs (plus a reasonable rate of return). These costs are recovered through the global adjustment.

### WHAT IS THE GLOBAL ADJUSTMENT AND HOW DOES IT IMPACT ELECTRICITY PRICE?

The global adjustment is the difference between the market price and electricity price contracted by the government. It is the “top-up” that most suppliers are paid when they generate electricity.

This means that as the market price goes up, the global adjustment goes down as suppliers are recovering more of their costs from the market and less from the global adjustment. As a consumer, you pay both.

For example, if the Hourly Energy Ontario Price is 2 cents/kWh, and an electricity generator has a contract with the government for 8 cents/kWh, the global adjustment is 6 cents/kWh. You, as a consumer of this electricity are charged a total of 8 cents/kWh.



### GLOBAL ADJUSTMENT

Suppliers have individual contracts, so the amount of the global adjustment will change depending on which suppliers are meeting demand. One contract may be for 13 cents/kWh while another is for 5 cents/kWh. The actual payment to a supplier will be the amount of their contract multiplied by how much they generated:

**13 cents/kWh \* 300,000,000 kWh/month = \$M 39/month**

**5 cents/kWh \* 1,000,000,000 kWh/month = \$M 50/month**

Typically, the more expensive resources produce less kWh as they are used at “peak” times, when Ontario consumption is at its highest.

### **THE ROLE OF THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR (IESO)**

Ontario’s grid operator, the Independent Electricity System Operator (the IESO) calculates the monthly global adjustment which is then used to determine electricity price and billing.

#### **They make two estimates and then provide a final actual amount:**

- The 1st estimate is provided on the last business day of the month for the next month (e.g., 1st estimate for October is published on Sept 30)
- The 2nd estimate is provided on the last business day of the month for the current month (e.g. 2nd estimate for October is published on Oct 31)
- The final rate is published at the middle of the following month (e.g., the final October rate is posted around November 15).

These preliminary estimates need to be made in advance of the final so that the LDCs can bill their customers on time by using the 1st or 2nd estimate and then truing up their customer in the following bill cycle. The majority of customers in Ontario are billed using the first estimate of the global adjustment.

#### **If we look at the September 2013 1st estimate, the IESO had to:**

- Estimate the amount of supply and the “top-up” money that will be paid to suppliers (millions of dollars each month) = \$M 666.7, and divide it by;
- Estimate of monthly of all Ontario consumption = 7,647,396 MWh, to arrive at \$63.08/MWh (or 6.308 cents/kWh)

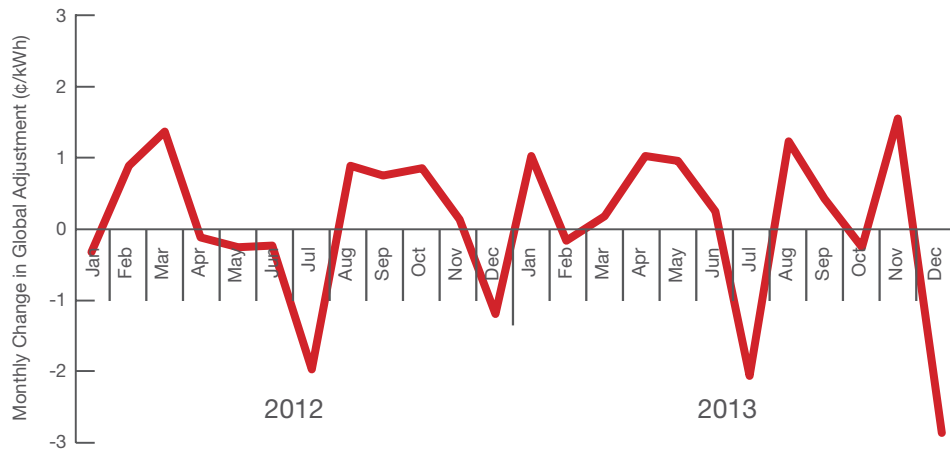
**\*Note: 1 MWh = 1000 kWh.**

This is no simple task and is why there is often a deviation between both estimates and the actual rate. You can find the IESO’s global adjustment information here.

<http://www.ieso.ca>

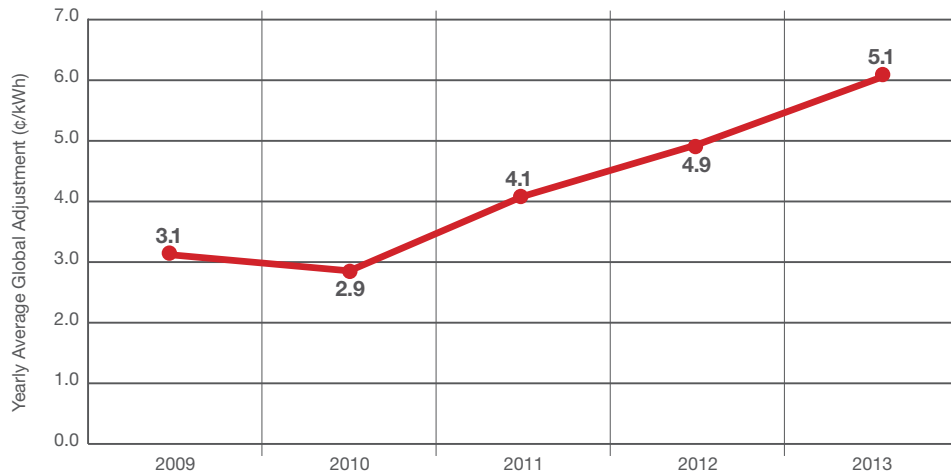
**MONTHLY  
CHANGE IN  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**

There is also variation in the global adjustment month over month, as illustrated in the graph below.



It is difficult to predict the variation in global adjustment but it is clear that the global adjustment is on the rise. It will continue to rise as suppliers with government contracts build projects that require this “top-up” to the market price. The graph below shows the increase in yearly global adjustment since 2009:

**YEARLY  
AVERAGE  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**



You pay the global adjustment based on how much you consume. This amount varies all the time as it is based on the “top-up” paid to suppliers of electricity and total amount of consumption in the province for a given month.

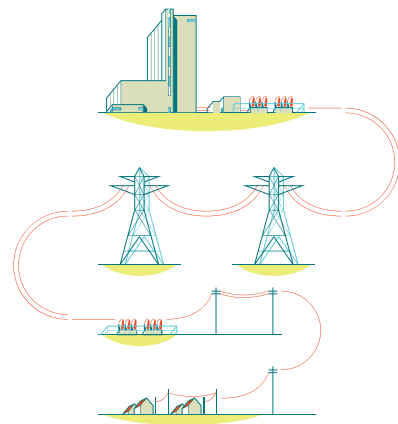
**Both the global adjustment and HOEP are energy consumption based charges. If you had a monthly January 2014 meter reading of 730,000 kWh you would get billed:**

1. Electricity Price = 730,000 kWh \* 5.7 cents/kWh (weighted average HOEP) = \$41,61
2. Global Adjustment = 1,000,000 \* 3.626 cents/kWh (GA 1st estimate) = \$26,280
3. Total Electricity Charge = \$67,890/month

## Part 4: Types of Electricity Charges on Your Bill

### 1. DELIVERY CHARGES

This is the portion of your bill that utilities charge to deliver electricity from a generator (e.g., Bruce Power’s nuclear power plant) to the transmitter’s system (e.g., Hydro One), to the distributor’s system (e.g., Toronto Hydro), then to your business, as depicted in the illustration.



There are 77 utilities that deliver electricity directly to homes and businesses in Ontario. [http://www.ieso.ca/imoweb/siteShared/local\\_dist.asp](http://www.ieso.ca/imoweb/siteShared/local_dist.asp)

The delivery charges on your bill cover the costs for a utility to build, operate and maintain infrastructure, such as transmission lines, distribution lines, towers, poles and transformers. It also includes costs that the utility needs to recover for billing, administration, day-to-day and emergency services, or any other service it provides.

The delivery charge is comprised of a fixed monthly charge and a variable charge. For business and industry, both charges are based on your demand (kW).

The rate charged by utility companies is regulated by the Ontario Energy Board (OEB), an independent government agency that serves the public interest. These rates are determined on a five-year cycle. The OEB reviews each rate application through a public process, and then sets the rates for the distributor to charge. The rate application is based on a distributor’s costs



## 2. REGULATORY CHARGES

Regulatory charges are the costs of administering the electricity system and market, maintaining the reliability of the provincial grid, and covers administration fees of the IESO and the OPA. Utilities collect this charge and pass it through to the IESO who operates the Ontario grid and the OPA who manages long term planning.

## 3. DEBT RETIREMENT CHARGE

The Debt Retirement Charge of 0.68¢ /kWh pays down the residual stranded debt of the former Ontario Hydro. Utilities collect this money and pass it through to the Ontario government. Although the debt was acquired in the past, it is paid by today's electricity customers since the electricity generation and transmission infrastructure financed by the debt continue to be used by all Ontario's electricity consumers.

By law, the Debt Retirement Charge will end when the government's assets and the estimated value of its other dedicated revenues from the electricity sector are sufficient to service and retire the remaining amount of debt and other liabilities. The government estimates that the Debt Retirement Charge will likely end between 2015 and 2018.

Click here for more information.

<http://www.fin.gov.on.ca/en/tax/drc/index.html>

## 4. ONTARIO CLEAN ENERGY BENEFIT (OCEB)

The Ontario Clean Energy Benefit takes 10% off the cost of up to 3,000 kWh/month of electricity use. A medical exemption from the 3,000 kWh/month cap is available.

Medical Exemption.

<http://www.energy.gov.on.ca/en/clean-energy-benefit/#qme#qme>

Click here for more information.

<http://www.energy.gov.on.ca/en/clean-energy-benefit>

The OCEB expires on December 31, 2015.

## Part 5: Quick tips to reduce consumption and costs

Based on the information in this guide, there are 6 things you can do to start reducing consumption and saving money for your Ontario-based business today.

- 1.** The electricity component of your bill is charged on a weighted consumption (kWh) basis, so the less you consume the lower the portion of your bill will be. However we now know that it also matters when you consume, so the best thing to do is avoid consuming in times when the price of electricity is high. This typically happens in the “peak” hours of the day from 7am to 7pm. You can also sign contracts with an electricity retailer like Bruce Power Direct for a set price of electricity over a longer period of time (e.g., 1 year).
- 2.** Similarly, consume less during peak hours of the day. The global adjustment is charged on a weighted consumption (kWh) basis, so the less you consume during peak hours of the day, the lower this portion of your bill will be.
- 3.** The delivery component of your bill is charged on a demand basis. Some utilities like Toronto Hydro charge you based on your maximum demand and your demand during peak hours (7am – 7pm on weekdays). Other utilities use your average demand. Depending on your utility, lowering your maximum, peak, or average demand will lower your delivery costs.
- 4.** The regulatory component makes up about 5% of your bill. The majority of this charge is billed on a consumption basis; therefore, the less you consume, the less you pay.
- 5.** The Debt Retirement Charge is also a consumption based charge – the less you consume, the less you pay.

## For More Information

For more information on anything included in this guide, or advice on how to reduce costs and consumption even further, please contact Bruce Power Direct:

### **CHRIS LOUGHREN**

**Manager, Commercial Energy Solutions  
Bruce Power Direct**

**Email:** [chris.loughren@brucepower.com](mailto:chris.loughren@brucepower.com)

**Phone:** 416-786-7336

**Toll Free:** 1-855-247-1122

### **BECOME AN EMPOWERED ELECTRICITY CONSUMER.**

Let us help you understand electricity pricing in Ontario and start saving today.

**THE CORPORATION OF THE TOWN OF TILLSONBURG**

**BY-LAW NUMBER 4073**

**BEING A BY-LAW to confirm the proceedings of Council at its meeting held on the 10<sup>th</sup> day of January, 2017.**

**WHEREAS** Section 5 (1) of the *Municipal Act, 2001*, as amended, provides that the powers of a municipal corporation shall be exercised by its council;

**AND WHEREAS** Section 5 (3) of the *Municipal Act, 2001*, as amended, provides that municipal powers shall be exercised by by-law;

**AND WHEREAS** it is deemed expedient that the proceedings of the Council of the Town of Tillsonburg at this meeting be confirmed and adopted by by-law;

**NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWN OF TILLSONBURG ENACTS AS FOLLOWS:**

1. All actions of the Council of The Corporation of the Town of Tillsonburg at its meeting held on January 10, 2017, with respect to every report, motion, by-law, or other action passed and taken by the Council, including the exercise of natural person powers, are hereby adopted, ratified and confirmed as if all such proceedings were expressly embodied in this or a separate by-law.
2. The Mayor and the Clerk are authorized and directed to do all the things necessary to give effect to the action of the Council of The Corporation of the Town of Tillsonburg referred to in the preceding section.
3. The Mayor and the Clerk are authorized and directed to execute all documents necessary in that behalf and to affix thereto the seal of The Corporation of the Town of Tillsonburg.
4. This by-law shall come into full force and effect on the day of passing.

**READ A FIRST AND SECOND TIME THIS 10<sup>th</sup> DAY of January, 2017.**

**READ A THIRD AND FINAL TIME AND PASSED THIS 10<sup>th</sup> DAY of January, 2017.**

---

MAYOR – Stephen Molnar

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TOWN CLERK – Donna Wilson

# TOWN OF TILLSONBURG

## 2017 Business Plan

Operations Services

Tuesday, January 10, 2017



# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Continue H&S policy and procedure update/revisions for the Department	Director of Operations	-	Q1 - Q4
Review of Public Works and Engineering policies, procedures and records management	Director of Operations	-	Q1 - Q4
Complete Winter Maintenance Review and associated Winter Operations Plan	Manager of Public Works	-	Q1
Update Engineering Design Criteria to current industry standards & practices	Manager of Engineering	-	Q3
Revise Subdivision & Site Plan Guidelines for improved communication with development community	Manager of Engineering	-	Q4
Asset Management <ul style="list-style-type: none"> <li>➤ Develop AMP policy and procedures</li> <li>➤ Bridge &amp; Culvert Management Strategy</li> <li>➤ Expand Streetlight Inventory Attribute Data</li> </ul>	Manager of Engineering	-	Q1 - Q4

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
LED Streetlight Conversion Business Case	Manager of Public Works / Engineering	TBD for 2018	Q3/Q4
Broadway Mid-Block (Town Centre Mall) Audible and Accessibility Upgrades	Manager of Engineering	2016 CFWD \$25,000 <i>G</i>	Q2
Broadway & Glendale Pedestrian Crossing Cont'd	Manager of Engineering	\$50,000 <i>R &amp; T</i> 2016 CFWD \$40,000 <i>D</i>	Q3
Broadway & Oxford Intersection Audible and Accessibility Upgrades	Manager of Engineering	\$65,000 <i>G</i>	Q2/Q3
OSIM Biennial Bridge & Culvert Inspections (O.Reg. 104/97)	Manager of Engineering	\$40,000 <i>R &amp; T</i>	Q3
Quarter Town Line Corridor Management	Manager of Engineering	50,000 <i>DC</i>	Q2/Q3

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Transfer Station Improvements Cont'd	Manager of Public Works / Engineering	\$130,000 <i>R &amp; T</i>	Q3
Airport Self-Serve Fuelling Conversion	Manager of Public Works	\$50,000 <i>R</i>	Q2
Airport Main Runway Crack Sealing	Manager of Public Works	\$30,000 <i>R &amp; T</i>	Q3
Paget & Rolling Meadows Drain Rehabilitation	Manager of Engineering	\$230,000 <i>G</i>	Q3/Q4
North Street Sidewalk – Phase C (Oxford County Rd 20)	Manager of Engineering	2016 CFWD 65,000 <i>DC</i>	Q3/Q4
Potters Road Sidewalk (Oxford County Rd 37)	Manager of Engineering	\$45,000 <i>T</i>	Q3/Q4

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Newell Road Reconstruction	Manager of Engineering	\$1,049,100 <i>G &amp; DC</i>	Q3/Q4
Riverview Reconstruction – Stage 2 of 2	Manager of Engineering	\$567,500 <i>G &amp; T</i>	Q2/Q3
Broadway Connecting Link Rehabilitation – Town limit to North St.	Manager of Engineering	\$928,650 <i>G &amp; R</i>	Q3/Q4
Asphalt Resurfacing Program	Manager of Engineering	\$250,000 <i>G &amp; T</i>	Q3/Q4
<b>Light Duty Replacements</b>			
➤ Facilities Unit # 29 – 2003 Pickup Truck	Manager of Public Works	\$500 (Reassign Unit 25)	Q2
➤ Roads Unit # 25 – 2007 Pickup Truck	Manager of Public Works	\$35,000 <i>R</i> (Lightly Used)	Q2

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
<b>Medium Duty Replacements</b>			
➤ Fleet Unit #42 – 1990 Service Truck	Manager of Public Works	\$500 (Reassign Unit 44)	Q4
➤ Water Unit #44 – 2008 Service Truck	Manager of Public Works	\$160,000 <i>DE</i>	Q4
➤ Hydro Unit #41 – 2003 Utility Truck	Manager of Public Works	\$65,000 <i>DE</i>	Q4
<b>Heavy Duty Replacements</b>			
➤ Roads Unit #64 – Snowplow Truck	Manager of Public Works	\$275,000 <i>R</i>	Q4
➤ Hydro Unit #74 – Cable Truck	Manager of Public Works	\$300,000 <i>DE</i>	Q4

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
<b>Off-Road Equipment Replacements</b>			
➤ Roads Unit #83 – 2008 Sidewalk Machine	Manager of Public Works	\$150,000 <i>DT</i>	Q4
➤ Roads Unit #85 – 2009 Street Sweeper	Manager of Public Works	\$280,000 <i>DT</i>	Q2
➤ Parks Unit #89 Upgrade – 2000 26hp Tractor	Manager of Public Works	\$75,000 <i>DC &amp; DT</i>	Q2

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# Risks

- Continue development of standardized Health and Safety operating policies and procedures to provide clear direction to staff, maintain a safe working environment and ensure compliance with the Occupational Health and Safety Act to reduce overall risk.
- Development of Asset Management policy and procedures will prevent the Plan from becoming stale and allow for standardized repeatable, updates to base data.
- Implementation of the Broadway & Glendale pedestrian crossing will mitigate future risk by supporting investigation recommendation and providing a clear identifiable location for pedestrian crossing activity along a primary arterial roadway.
- O.Reg. 104/97 made under the Public Transportation and Highway Improvement Act, requires all bridges and culverts with a span greater than 3m that are part of the road allowance to be inspected biennially under the direction of a professional engineer.

# Risks

- Crack sealing preventative maintenance of the Airport main Runway is critical in order to achieve the service life potential of the Runway.
- The rehabilitation and realignment of the Paget and Rolling Meadows Drain will prevent future upstream flooding risks and minimize overall maintenance costs.
- Early issuance of capital reconstruction tenders is critical to obtain best pricing. Failure to complete capital reconstruction projects will delay other asset needs and increase maintenance costs.
- Annual asphalt resurfacing is vital to ensure the right pavement strategy is executed at the right time to minimize lifecycle costs, prolong asset life and maintain service levels.
- While the overall condition & performance rating for fleet & equipment has improved a significant amount assets remain in a poor state. Long-term investment is required in order to re-establish the condition of fleet.

# Opportunities

- Comprehensive review of Public Works and Engineering polices and procedures to improve documentation, information retention and overall records management.
- Complete review of Winter Maintenance Program and finalize Winter Operations Plan to ensure compliance with the Minimum Maintenance Standards O.Reg. 239/02 and to provide additional support in claim situations.
- Modify Engineering Design Criteria of all municipal infrastructure assets to current industry standards and practices will support operational objectives and ensure compliance with changing legislative requirements.
- Revision of the Subdivision & Site Plan guidelines will improve communication with the development community by providing a clear outline of the development process and associated expectations and requirements.
- Expanding the attribute data of the streetlight inventory database will allow for the development of LED streetlight conversion business case.

# Opportunities

- Implementation of accessibility standards at the intersection of Broadway & Oxford St. would include accessible components for sidewalks, curbs and audible pedestrian signals.
- Identify and implement corridor functional improvements to support improved traffic management along Quarter Town Line (i.e. 40 km/hr flashing school crossings)
- Implementation of Transfer Station comprehensive review results will fulfill majority of community feedback, improve operational efficiency, and address compliance with ECA.
- An opportunity for operational savings can be achieved by converting to a “self-serve” fuelling system at the Airport that would essentially be open 24 hours a day.
- Historical 50/50 cost sharing arrangement with Oxford County for new sidewalk installations would continue for North Street – Phase C and Potters Road reconstruction projects.

# Opportunities

- If successful under the Connecting Link program the rehabilitation of Broadway from Town limit to North Street would be coordinated with Phase C of Oxford County's North Street Reconstruction scheduled for 2017 to reduce traffic impacts from construction.



# Future Departmental Directions: 3 year outlook

## 2018

- Rehabilitate/Replace infrastructure identified as high risk priority in the Asset Management Plan
- Continue asset condition assessment programs and adjust deterioration curves to better predict end of life scenarios and optimize lifecycle management strategies.
- Implement LED streetlight conversion (if viable)
- Continue Fleet & Equipment asset management and financing strategy to improve overall condition, operator safety and service levels.
- Implement a leak detection program to reduce costs associated with potable water losses through leaks.
- Pursue available Provincial and Federal capital funding opportunities.

# Future Departmental Directions: 3 year outlook

## 2019

- Rehabilitate/Replace infrastructure identified as high risk priority in the Asset Management Plan
- Continue asset condition assessment programs and adjust deterioration curves to better predict end of life scenarios and optimize lifecycle management strategies.
- Continue Fleet & Equipment asset management and financing strategy to improve overall condition, operator safety and service levels.
- Implement an inflow and infiltration program to identify areas to reduce flow to Sewage Treatment Plant.
- Pursue available Provincial and Federal capital funding opportunities.

# Future Departmental Directions: 3 year outlook

## 2020

- Rehabilitate/Replace infrastructure identified as high risk priority in the Asset Management Plan
- Continue asset condition assessment programs and adjust deterioration curves to better predict end of life scenarios and optimize lifecycle management strategies.
- Continue Fleet & Equipment asset management and financing strategy to improve overall condition, operator safety and service levels.
- Comprehensive review and update to the Asset Management Plan.
- Pursue available Provincial and Federal capital funding opportunities.

# 2017 Fleet Capital Plan

Vehicle Number	Make	Type	Description	Acquisition		Replacement Options		Km / Hrs			Lifecycle O & M		Reliability Score	Mechanical / Body Score	Probability of Failure		Consequence of Failure		Overall Asset Risk	Comments
				Year	Cost	New Unit Replacement Cost Estimate	Alternative Replacement Cost Estimate	Km	Hrs	Score	Lifecycle O & M Costs	Score			% Remaining Service Life (%RSL)	Probability of Failure	Type of Service Score	Consequence of Failure		
29	Dodge	Light Duty	Ram 1500 Pickup Truck	2003	\$23,057	\$40,000	\$0	179,016	4,150	4.5	\$40,360.88	5.0	5.0	5.0	-17%	Highly Probable	2.0	Minor	<b>High</b>	Reassign high use Unit 25 to low use Unit 29
25	Chevy	Light Duty	Silverado Pickup Truck	2007	\$33,597	\$40,000	\$35,000	124,455	4,268	3.1	\$26,842.93	4.0	1.0	2.0	31%	Likely	2.0	Minor	<b>Medium</b>	Replace with lightly used Vehicle
64	Peterbilt	Heavy Duty	330 Plow/Wing Truck	2004	\$185,142	\$275,000	\$275,000	211,243	8,376	3.5	\$195,116.66	5.0	4.0	5.0	3%	Highly Probable	4.0	Major	<b>Extreme</b>	
83	Trackless	Off Road Equipment	MT6 Sidewalk Machine	2008	\$122,710	\$150,000	\$150,000	27,779	5,710	5.0	\$68,138.19	2.8	4.0	4.0	21%	Likely	4.0	Major	<b>Extreme</b>	Refurbished units no longer available
44	Dodge	Medium Duty	4500 Truck w/ Service Body, Crane	2008	\$109,952	\$160,000	\$160,000	99,591	4,963	2.0	\$47,343.37	2.2	3.0	4.0	37%	Likely	3.0	Moderate	<b>High</b>	Reassign high use Unit 44 to low use Unit 42
42	Chevy	Medium Duty	3500 Truck w/ Service Body, Crane	1990	\$31,898	\$160,000	\$0	156,360	2,373	3.1	\$95,359.68	5.0	4.0	5.0	-38%	Highly Probable	3.0	Moderate	<b>Extreme</b>	
85	AMI	Off Road Equipment	3000 Sweeper	2009	\$153,488	\$280,000	\$280,000	18,589	4,074	2.0	\$99,275.81	3.2	3.0	3.0	34%	Likely	3.0	Moderate	<b>High</b>	
74	GMC	Heavy Duty	Topkick C8500 Truck	1997	\$179,674	\$300,000	\$300,000	56,407	1,761	1.8	\$87,683.22	2.4	1.0	5.0	26%	Likely	4.0	Major	<b>Extreme</b>	
41	Ford	Medium Duty	F350 w/ Flat Bed	2003	\$44,328	\$65,000	\$65,000	96,750	5,973	1.9	\$67,924.57	5.0	5.0	5.0	2%	Highly Probable	3.0	Moderate	<b>Extreme</b>	
89 Upgrade	John Deere	Off Road Equipment	4700 Tractor	2000	\$38,680	\$75,000	\$75,000		5,204	5.0	\$32,440.16	4.2	3.0	4.0	19%	Highly Probable	3.0	Moderate	<b>Extreme</b>	Task Specific Upgraded Fleet
<b>Existing Unit Replacement Sub-Total</b>						<b>\$1,545,000</b>	<b>\$1,340,000</b>													
<b>Savings</b>							<b>\$205,000</b>													



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Fleet**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(1,216,800)	(1,277,500)	(60,700)	5.0%	1
<b>Total Revenues</b>	<b>(1,216,800)</b>	<b>(1,277,500)</b>	<b>(60,700)</b>		
<b>Expenditures</b>					
Labour	216,700	300,400	83,700	38.6%	2
Purchases	500,700	517,900	17,200	3.4%	
Contracted Services	5,500	5,500	-	0.0%	
Debt Principal & Interest	173,600	218,900	45,300	26.1%	3
<b>Total Expenditures</b>	<b>896,500</b>	<b>1,042,700</b>	<b>146,200</b>		
<b>Total Net Levy</b>	<b>(320,300)</b>	<b>(234,800)</b>	<b>85,500</b>		

**Notes**

- 1** Increase in interdepartmental Fleet Charge revenue
- 2** As noted in budget pressures discussion; Business case being brought forward for FTE increase
- 3** Principle & Interest on debt placed in 2016 - Fire Pumper Truck (\$23,800), Peterbilt truck (\$16,200)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Hydro**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(47,600)	(40,600)	7,000	-14.7%	1
Other Revenue	(150,000)	(150,000)	-	-	
<b>Total Revenues</b>	<b>(197,600)</b>	<b>(190,600)</b>	<b>7,000</b>		
<b>Expenditures</b>					
Labour	35,400	34,400	(1,000)	-2.8%	
Purchases	19,300	17,800	(1,500)	-7.8%	
Contracted Services	6,000	5,000	(1,000)	-16.7%	
Interfunctional Adjustments	6,700	7,200	500	7.5%	
<b>Total Expenditures</b>	<b>67,400</b>	<b>64,400</b>	<b>(3,000)</b>		
<b>Total Net Levy</b>	<b>(130,200)</b>	<b>(126,200)</b>	<b>4,000</b>		

**Notes**

**1** Reduction in revenue/cost recovery as costs decreased



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Operations Administration**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	220,100	228,900	8,800	4.0%	
Purchases	12,900	10,200	(2,700)	-20.9%	
Interfunctional Adjustments	(14,500)	(15,200)	(700)	4.8%	
<b>Total Expenditures</b>	<b>218,500</b>	<b>223,900</b>	<b>5,400</b>		
<b>Total Net Levy</b>	<b>218,500</b>	<b>223,900</b>	<b>5,400</b>		



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Engineering**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(43,000)	(42,000)	1,000	-2.3%	
<b>Total Revenues</b>	<b>(43,000)</b>	<b>(42,000)</b>	<b>1,000</b>		
<b>Expenditures</b>					
Labour	434,200	456,200	22,000	5.1%	1
Purchases	31,100	26,300	(4,800)	-15.4%	
Contracted Services	500	-	(500)	-100.0%	
Interfunctional Adjustments	(155,000)	(165,900)	(10,900)	7.0%	2
<b>Total Expenditures</b>	<b>310,800</b>	<b>316,600</b>	<b>5,800</b>		
<b>Total Net Levy</b>	<b>267,800</b>	<b>274,600</b>	<b>6,800</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Directly attributed to change in Full Time Labour costs





**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Roads**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Grants	(72,300)	(73,700)	(1,400)	1.9%	
<b>Total Revenues</b>	<b>(72,300)</b>	<b>(73,700)</b>	<b>(1,400)</b>		
<b>Expenditures</b>					
Labour	608,100	641,400	33,300	5.5%	1
Purchases	239,400	242,600	3,200	1.3%	
Contracted Services	216,900	217,000	100	0.0%	
Interfunctional Adjustments	206,200	218,900	12,700	6.2%	2
Debt Principal & Interest	293,700	311,800	18,100	6.2%	3
<b>Total Expenditures</b>	<b>1,564,300</b>	<b>1,631,700</b>	<b>67,400</b>		
<b>Total Net Levy</b>	<b>1,492,000</b>	<b>1,558,000</b>	<b>66,000</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Directly attributed to change in Full Time Labour costs
- 3** Principle & Interest on debt placed in 2016 - Trottier Stage 3 (\$20,000) and Riverview Stage 1 (\$3,200)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Winter Maintenance**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	203,000	200,000	(3,000)	-1.5%	
Purchases	121,500	124,500	3,000	2.5%	
Contracted Services	4,500	3,000	(1,500)	-33.3%	
Interfunctional Adjustments	181,600	195,900	14,300	7.9%	1
<b>Total Expenditures</b>	<b>510,600</b>	<b>523,400</b>	<b>12,800</b>		
<b>Total Net Levy</b>	<b>510,600</b>	<b>523,400</b>	<b>12,800</b>		

**Notes**

- 1** Directly attributed to change in Full Time Labour costs



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Parking**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
Levy, PILS	(139,200)	(141,500)	(2,300)		
<b>Total Revenues</b>	<b>(139,200)</b>	<b>(141,500)</b>	<b>(2,300)</b>		
<b>Expenditures</b>					
Labour	31,500	25,000	(6,500)	-20.6%	1
Purchases	2,000	500	(1,500)	-75.0%	
Contracted Services	25,000	25,000	-	-	
Contribution to Reserves	-	44,900	44,900	100.0%	2
Interfunctional Adjustments	29,500	31,700	2,200	7.5%	
Debt Principal & Interest	14,800	14,400	(400)	-2.7%	
<b>Total Expenditures</b>	<b>102,800</b>	<b>141,500</b>	<b>38,700</b>		
<b>Total Net Levy</b>	<b>(36,400)</b>	<b>-</b>	<b>36,400</b>		

**Notes**

- 1** As noted in budget pressures discussion
- 2** Change in presentation - Reserve contribution included in operating budget; was included as a capital item in 2016 and prior



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Streetlights**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	28,100	28,600	500	1.8%	
Purchases	256,200	283,700	27,500	10.7%	1
Contracted Services	3,000	3,000	-	-	
Interfunctional Adjustments	17,800	19,200	1,400	7.9%	
<b>Total Expenditures</b>	<b>305,100</b>	<b>334,500</b>	<b>29,400</b>		
<b>Total Net Levy</b>	<b>305,100</b>	<b>334,500</b>	<b>29,400</b>		

**Notes**

- 1 Increase in Heat, Light & Water - matched increase YTD actuals for 2016 and added 4% for rate increases expected in 2017



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Airport**

	2016 Budget	2017 Budget	Budget Variance	% Variance	Note Reference
<b>Revenues</b>					
Grants	(5,000)	(5,000)	-	-	
User Charges	(509,900)	(501,900)	8,000	-1.6%	
Other Revenue	(500)	-	500	-100.0%	
<b>Total Revenues</b>	<b>(515,400)</b>	<b>(506,900)</b>	<b>8,500</b>		
<b>Expenditures</b>					
Labour	168,000	182,500	14,500	8.6%	1
Purchases	325,100	296,900	(28,200)	-8.7%	2
Contracted Services	38,500	44,800	6,300	16.4%	3
Contribution to Reserves	6,000	6,000	-	-	
Interfunctional Adjustments	3,200	4,300	1,100	34.4%	
Debt Principal & Interest	40,200	38,800	(1,400)	-3.5%	
<b>Total Expenditures</b>	<b>581,000</b>	<b>573,300</b>	<b>(7,700)</b>		
<b>Total Net Levy</b>	<b>65,600</b>	<b>66,400</b>	<b>800</b>		

**Notes**

- 1 As noted in budget pressures discussion
- 2 Decreases in Materials/Inventory (\$13,700), Meeting expense (\$7,600) and removal of Woodlot clearing expense (\$10,000)
- 3 Increases due to Office renovations (\$6,000), Hydro One Application (\$7,500) and NOTAM Tree removal (\$7,500); Decreases due to Grass cutting (\$6,000) and Crack sealing (\$4,000)



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Storm Sewers**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Expenditures</b>					
Labour	50,700	49,300	(1,400)	-2.8%	
Purchases	4,000	3,700	(300)	-7.5%	
Contracted Services	48,000	48,000	-	-	
Interfunctional Adjustments	22,300	24,000	1,700	7.6%	
<b>Total Expenditures</b>	<b>125,000</b>	<b>125,000</b>	<b>-</b>		
<b>Total Net Levy</b>	<b>125,000</b>	<b>125,000</b>	<b>-</b>		



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Solid Waste & Recycling**

	2016 Budget	2017 Budget	Budget Variance	% Variance	Note Reference
<b>Revenues</b>					
Grants	(120,400)	(110,200)	10,200	-8.5%	1
User Charges	(114,800)	(110,500)	4,300	-3.7%	
<b>Total Revenues</b>	<b>(235,200)</b>	<b>(220,700)</b>	<b>14,500</b>		
<b>Expenditures</b>					
Labour	80,400	70,500	(9,900)	-12.3%	2
Purchases	98,200	97,000	(1,200)	-1.2%	
Contracted Services	98,500	112,500	14,000	14.2%	3
Interfunctional Adjustments	110,100	115,400	5,300	4.8%	
<b>Total Expenditures</b>	<b>387,200</b>	<b>395,400</b>	<b>8,200</b>		
<b>Total Net Levy</b>	<b>152,000</b>	<b>174,700</b>	<b>22,700</b>		

**Notes**

- 1** Decrease in County Grant funding for Large Items (Bins) (\$15,000)
- 2** As noted in budget pressures discussion
- 3** Increase in Subcontractor expense for Large Items (Bins) (\$15,000)

# TOWN OF TILLSONBURG

## 2017 Business Plan

Building/Planning/By-Law

Tuesday, January 10, 2017





# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Departmental Communications	CBO/Dev'm't Tech.	\$0	Ongoing
Departmental Records Management	CBO/Dev'm't Tech.	\$0	Q3
Uphold Efficient Application/Inspection Turnaround Times	CBO/Dev'm't Tech./County Planner	\$0	Ongoing
Façade Improvement Program	CBO/Dev'm't Tech.	\$25,000	Q4
Re-introduction of the Building Services Summer Student Assistant	CBO	\$8,500	Q2
Review Building By-Law and Implement Proposed Building Permit Fees	CBO	\$0	Q1

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# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
Central Area Design Study Review and Recommendations	CBO/County Planner	\$5,000	Q3
Zoning By-Law Review & Housekeeping Amendments	County Planner	\$0	Q3
By-law Reviews	By-Law	\$0	Q4
Animal Control Contractor RFP	By-Law	\$0	Q2
Poster Pole Sleeves – BIA Area	By-Law	\$5,000	Q2

# Risks

- Ongoing complex development/construction projects along with increased volumes require significant amount of staff time which may result in longer turn around times
- Continuing changes and 2017 updates to the Ontario Building Code require ongoing staff training and additional time to review permit applications
- Ontario Building Code Changes cause frustration for contractors, developers and owners and requires additional staff time to educate
- Increased number of open permits increases liability
- Managing unanticipated projects

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# Opportunities

- Improvement of departmental communications to community and development industry creates positive outcomes and transparency
- By-Law review provides updates and clarification that are relevant to current public needs
- Ongoing code training reduces liability and provides efficiencies
- Pursue financial self-sufficiency for the permit approval and inspection operations
- Review of Central Area Design Study will provide a framework for future opportunity and development of the downtown BIA area
- Reducing the number of open permits reduces liability

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# Future Departmental Directions: 3 year outlook

## 2018

- Central Area Design Study – Phase 2 Grant Project
- Departmental IT Review
- Crossing Guard Program Review
- Open Permit Data Review

# Future Departmental Directions: 3 year outlook

## 2019

- Ontario Building Code – evaluate service review mandated by legislation
- Central Area Design Study
- By-Law Review

# Future Departmental Directions: 3 year outlook

## 2020

- Central Area Design Study
- By-Law Review



**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Protection**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(82,400)	(71,500)	10,900	-13.2%	1
<b>Total Revenues</b>	<b>(82,400)</b>	<b>(71,500)</b>	<b>10,900</b>		
<b>Expenditures</b>					
Labour	219,400	221,300	1,900	0.9%	
Purchases	17,400	24,000	6,600	37.9%	2
Contracted Services	37,000	35,000	(2,000)	-5.4%	
Interfunctional Adjustments	20,800	21,400	600	2.9%	
<b>Total Expenditures</b>	<b>294,600</b>	<b>301,700</b>	<b>7,100</b>		
<b>Total Net Levy</b>	<b>212,200</b>	<b>230,200</b>	<b>18,000</b>		

**Notes**

- 1** Animal Control revenue decrease (\$5,000); Parking Ticket revenue decrease (\$6,000)
- 2** Budgeting for poster pole sleeves (\$5,000)





**2017 Financial Plan**  
**Operating Summary - Cost Code Summary**  
**Building**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>Budget Variance</b>	<b>% Variance</b>	<b>Note Reference</b>
<b>Revenues</b>					
User Charges	(229,500)	(366,000)	(136,500)	59.5%	1
Contribution from Reserves	(38,900)	(4,900)	34,000	-87.4%	2
<b>Total Revenues</b>	<b>(268,400)</b>	<b>(370,900)</b>	<b>(102,500)</b>		
<b>Expenditures</b>					
Labour	278,600	295,300	16,700	6.0%	3
Purchases	42,200	43,800	1,600	3.8%	
Contracted Services	6,300	6,500	200	3.2%	
Interfunctional Adjustments	24,600	25,300	700	2.8%	
<b>Total Expenditures</b>	<b>351,700</b>	<b>370,900</b>	<b>19,200</b>		
<b>Total Net Levy</b>	<b>83,300</b>	<b>-</b>	<b>(83,300)</b>		

**Notes**

- 1** Increase in permit fees (\$136,000)
- 2** Increase in revenues results in drawing less from Building reserves and department being self-sufficient in 2017
- 3** As noted in budget pressures discussion



2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Miscellaneous	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>110 Finance</b>											
X01 Computer replacments	55,000				(55,000)					-	
X02 Replacement Server	10,000				(10,000)					-	
X03 Telephone system replacement	125,000				(125,000)					-	
X04 Future IT replacement		55,000								55,000	
X51 Records management storage		10,000								10,000	
X78 CLASS replacement software - Complex & CSC	100,000				(100,000)					-	
X79 Purchase Order Software	65,000				0					65,000	
X82 Website shopping cart	8,500				(8,500)					-	Building Permit surplus
<b>Total 110 Finance</b>	<b>363,500</b>	<b>65,000</b>			<b>(298,500)</b>					<b>130,000</b>	
<b>120 CSC</b>											
X39 2017 - Facade brick repair/restoration/refacing	24,700				(24,700)					-	
X40 2017 - Relocate water stack from server room	8,000				(8,000)					-	
X49 E-send: Tax Bills	5,000				0					5,000	
<b>Total 120 CSC</b>	<b>37,700</b>				<b>(32,700)</b>					<b>5,000</b>	
<b>130 Fleet</b>											
X66 Replace Unit 29 - Pickup Truck	500							(500)		-	Funded through operating budget
X67 Replace Unit 25 - Pickup Truck	35,000				(35,000)					-	
X68 Replace Unit 64 - Snowplow Truck	275,000				(275,000)					-	
X69 Replace Unit 83 - Sidewalk Machine	150,000			(150,000)						-	
X70 Replace Unit 44 - Service Truck	160,000								(160,000)	-	Funded from Oxford County
X71 Replace Unit 42 - Service Truck	500							(500)		-	Funded through operating budget
X72 Replace Unit 85 - Street Sweeper	280,000			(280,000)						-	
X73 Replace Unit 74 - Hydro Cable Truck	300,000								(300,000)	-	Funded from THI
X74 Replace Unit 41 - Hydro Service Truck	65,000								(65,000)	-	Funded from THI
X77 Service Expansion Unit 89 Updgrade - 55hp Tractor	75,000			(50,000)		(25,000)				-	
<b>Total 130 Fleet</b>	<b>1,341,000</b>			<b>(480,000)</b>	<b>(310,000)</b>	<b>(25,000)</b>	<b>0</b>	<b>(1,000)</b>	<b>(525,000)</b>	<b>-</b>	



### 2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Miscellaneous	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>150 Fire</b>											
X07 Bunker Gear Decontamination	14,000									14,000	
X09 Gas Detection and Air Monitoring	26,000			(26,000)						-	
X10 Low Angle Rescue	9,000									9,000	
X30 Fire Communication Infrastructure		20,000								20,000	
X31 Traffic Signal Priority System	17,000					(17,000)				-	
X32 Auto Extrication Equipment	6,000									6,000	
X34 Breathing Apparatus		25,000								25,000	
X35 Live Fire Training Simulator - Part 2	28,000				(14,000)					14,000	
X36 Fireground Equipment	26,000									26,000	
<b>Total 150 Fire</b>	<b>126,000</b>	<b>45,000</b>	<b>0</b>	<b>(26,000)</b>	<b>(14,000)</b>	<b>(17,000)</b>				<b>114,000</b>	
<b>210 Engineering</b>											
X61 Broadway & Glendale Ped X Cont'd	50,000				(28,400)					21,600	
X62 Broadway & Oxford Audible Accessibility Upgrades	65,000		(65,000)							-	Gas Tax and County Contribution
X63 OSIM Bridge Inspections	40,000				(9,700)					30,300	
X64 Quarter Town Line Corridor Management	50,000					(50,000)				-	
<b>Total 210 Engineering</b>	<b>205,000</b>		<b>(65,000)</b>		<b>(38,100)</b>	<b>(50,000)</b>				<b>51,900</b>	
<b>220 Roads</b>											
X54 Annual Paving Program	250,000		(50,400)							199,600	OCIF Formula based
**X55 Riverview Reconstruction - Stage 2	420,000		(420,000)							-	Gas Tax
X56 Newell Road Reconstruction	787,500		(437,800)			(349,700)				-	Small Communities Fund
X57 Broadway Rehabilitation - Town Limit to North St.	928,700		(835,800)		(92,900)					-	Connecting Link Funding
X60 Potters Road - Sidewalk	45,000									45,000	
<b>Total 220 Roads</b>	<b>2,431,200</b>		<b>(1,744,000)</b>		<b>(92,900)</b>	<b>(349,700)</b>				<b>244,600</b>	



### 2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Miscellaneous	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>240 Airport</b>											
X52 Self-Serve Fuelling Conversion	50,000				(50,000)					-	
X53 Main Runway Crack Sealing	30,000				(7,400)					22,600	
<b>Total 240 Airport</b>	<b>80,000</b>				<b>(57,400)</b>					<b>22,600</b>	
<b>260 Storm Sewers</b>											
**X55 Riverview Reconstruction - Stage 2	147,500									147,500	
X56 Newell Road Reconstruction	261,600		(261,600)							-	Small Communities Fund
X58 Paget & Rolling Meadows Drain Rehabilitation	230,000		(230,000)							-	Clean Water and Wastewater Fund
<b>Total 260 Storm Sewers</b>	<b>639,100</b>		<b>(491,600)</b>							<b>147,500</b>	
<b>280 Solid Waste &amp; Recycling</b>											
X65 Transfer Station Improvements Cont'd	130,000				(21,000)					109,000	
<b>Total 280 Solid Waste &amp; Recycling</b>	<b>130,000</b>				<b>(21,000)</b>					<b>109,000</b>	
<b>300 Cem</b>											
X24 2017 - Cemetery Master Plan Implementation	40,000				(8,000)					32,000	
X25 2017 - Joy Mausoleum repairs	20,000									20,000	
X41 2017 Rear Yard Fencing	15,000									15,000	
<b>Total 300 Cem</b>	<b>75,000</b>				<b>(8,000)</b>					<b>67,000</b>	
<b>450 Parks</b>											
X23 2017 - Annual playground capital replacement program	30,000									30,000	
X81 Implementation of Memorial Park	276,900		(88,000)		(88,900)		(50,000)			50,000	From Service Clubs
<b>Total 450 Parks</b>	<b>306,900</b>		<b>(88,000)</b>		<b>(88,900)</b>		<b>(50,000)</b>			<b>80,000</b>	
<b>460 Rec - Programs</b>											
X38 2017 - Update to Strategic Master Plan	30,000									30,000	
<b>Total 460 Rec - Programs</b>	<b>30,000</b>									<b>30,000</b>	



### 2017 Capital Project Listing - New Requests

Town

	Expenditures	Contribution to Reserves	Grants	Debentures	Reserves	DC Reserves	Donation	Miscellaneous	User Pay Debt	Taxation	Comments
<b>Project Listing</b>											
<b>465 Rec - Bldg Mtce</b>											
**X12 2017 - Roof repairs	167,500			(167,500)						-	
X13 2017 - TCC Fire Panel replacement	20,000									<b>20,000</b>	
X14 2017 Facility Asset Management Planning	50,000		(50,000)							-	OCIF Formula based
X15 2017 - LLWP Outdoor Pool Maintenance	50,000			(25,000)	(25,000)					-	
X16 2017 - Asbestos removal at water meter	10,000									<b>10,000</b>	
**X17 2017 - Indoor pool deck replacement and maintenance	100,000								(100,000)	-	Funded through increase in user fees
X18 2017 - TCC Exterior Door replacements	30,000			(30,000)						-	
X19 2017 - O150 Community Capacity Grant - Aud/kitchen reno	150,000									<b>150,000</b>	
X20 2017 - Rink LED conversion	110,000		(20,000)	(90,000)						-	Energy rebate programs
X21 2017 - Design for energy conservation project (iceplant) in 2018	65,000			(43,000)	(22,000)					-	
X22 2017 - Physical security consultant - all facilities	15,000									<b>15,000</b>	
<b>Total 465 Rec - Bldg Mtce</b>	<b>767,500</b>		<b>(70,000)</b>	<b>(355,500)</b>	<b>(47,000)</b>				<b>(100,000)</b>	<b>195,000</b>	
<b>475 Museum</b>											
X45 2017 - Repair/paint ANHS eaves & fascia	35,000							(35,000)		-	From ANHS trust
X46 2017 - Replace Museum program room floor tiles	15,000				(5,000)					<b>10,000</b>	
<b>Total 475 Museum</b>	<b>50,000</b>				<b>(5,000)</b>			<b>(35,000)</b>		<b>10,000</b>	
<b>505 EcDev</b>											
X37 Hwy#3 Business Park - Hwy3 widening	550,000				(531,500)	(18,500)				-	
X83 Downtown Parking Study	35,000				(35,000)					-	Parking Reserve
<b>Total 505 EcDev</b>	<b>585,000</b>				<b>(531,500)</b>	<b>(18,500)</b>				<b>35,000</b>	
<b>Total Project Listing</b>	<b>7,167,900</b>	<b>110,000</b>	<b>(2,458,600)</b>	<b>(861,500)</b>	<b>(1,580,000)</b>	<b>(460,200)</b>	<b>(50,000)</b>	<b>(36,000)</b>	<b>(625,000)</b>	<b>1,206,600</b>	

\*\* - Projects marked with "\*\*\*" are time sensitive; pre-budget approval requested to move forward with these projects specifically

## Debt Principal

### BALANCES O/S AT DEC. 31

	TERM	Year of Completion	Interest Rate	2016 PRINCIPAL	2017 PRINCIPAL	2018 PRINCIPAL	2019 PRINCIPAL	2020 PRINCIPAL	
1	Parking Garage	25	2020	2,000%	417,393.43	317,914.42	210,235.13	93,679.61	0.00
2	Broadway - BIA	10	2020	5.001%	30,465.46	21,936.53	13,268.45	4,458.94	0.00
3	Elliot Fairbairn Centre	25	2031	5.290%	232,018.60	216,554.16	201,089.72	185,625.28	170,160.84
4	Superbuild Project	25	2031	5.290%	119,979.20	111,977.12	103,975.04	95,972.96	87,970.88
5	Arena HVAC	25	2031	5.040%	417,592.44	388,791.72	359,991.00	331,190.28	302,389.56
6	Golf Course	25	2031	5.040%	261,007.56	243,008.28	225,009.00	207,009.72	189,010.44
7	Glendale/Glenridge/Poplar	20	2026	5.220%	5,002.80	4,503.08	4,003.36	3,503.64	3,003.92
8	Glendale/Glenridge/Winona	20	2026	5.220%	80,000.80	72,000.88	64,000.96	56,001.04	48,001.12
9	Glendale/Allen	20	2026	5.220%	37,499.10	33,749.01	29,998.92	26,248.83	22,498.74
10	Elgin	20	2026	5.220%	7,207.30	6,485.23	5,763.16	5,041.09	4,319.02
11	Lisgar	20	2026	5.220%	27,140.80	24,428.28	21,715.76	19,003.24	16,290.72
12	Dereham	20	2026	5.220%	8,621.80	7,759.98	6,898.16	6,036.34	5,174.52
13	Tanager	20	2026	5.220%	7,361.10	6,624.21	5,887.32	5,150.43	4,413.54
14	Townline	20	2026	5.220%	38,916.30	35,024.33	31,132.36	27,240.39	23,348.42
15	Ford F250	10	2017	4.660%	6,030.00	0.00	0.00		
16	Ford F350	10	2017	4.660%	5,270.00	0.00	0.00		
17	Reverse Osmosis	10	2017	4.660%	3,985.00	0.00	0.00		
18	Ford Freestar	10	2017	4.660%	2,370.00	0.00	0.00		
19	Delevan Road Work	30	2037	4.950%	49,770.00	47,400.00	45,030.00	42,660.00	40,290.00
20	Roads Resurfacing	30	2037	4.950%	52,500.00	50,000.00	47,500.00	45,000.00	42,500.00
21	Edgewood Drive	30	2037	4.950%	72,610.88	69,153.20	65,695.54	62,237.88	58,780.22
22	Venison East	30	2037	4.950%	13,038.88	12,413.20	11,792.54	11,171.88	10,551.22
23	Quarterline South	30	2037	4.950%	129,500.06	123,333.40	117,166.72	111,000.04	104,833.36
24	Concession St. Bridge	30	2037	4.950%	140,000.06	133,333.40	126,666.72	120,000.04	113,333.36
25	Glendale Poplar	30	2037	4.950%	37,333.16	35,555.40	33,777.64	31,999.88	30,222.12
26	GPS Equipment	20	2027	4.850%	11,302.50	10,275.00	9,247.50	8,220.00	7,192.50
27	Airport Hanger Taxiway	20	2027	4.850%	27,500.00	25,000.00	22,500.00	20,000.00	17,500.00
28	Airport Lighting	20	2027	4.850%	4,950.00	4,500.00	4,050.00	3,600.00	3,150.00
29	Airport Taxiway	20	2027	4.850%	13,013.00	11,830.00	10,647.00	9,464.00	8,281.00
30	Arena Floor	25	2032	4.910%	242,920.32	227,737.80	212,555.28	197,372.76	182,190.24
31	Tennis Courts	25	2032	4.910%	61,440.00	57,600.00	53,760.00	49,920.00	46,080.00
32	CCC Lobby Floor	25	2032	4.910%	10,265.60	9,624.00	8,982.40	8,340.80	7,699.20
33	CSC-HVAC	20	2028	5.490%	21,600.00	19,800.00	18,000.00	16,200.00	14,400.00
34	Maple Lane	30	2038	5.770%	256,319.64	244,668.72	233,017.80	221,366.88	209,715.96
35	Lincoln Street	30	2038	5.770%	130,223.92	124,304.66	118,385.40	112,466.14	106,546.88
36	Quarterline	30	2038	5.770%	297,965.12	284,421.26	270,877.40	257,333.54	243,789.68
37	Airport Asphalt	10	2018	4.750%	1,200.00	600.00	0.00		
38	350 HP Truck Rep # 111	20	2029	4.960%	70,137.50	64,526.50	58,915.50	53,304.50	47,693.50
39	Trackless MT5	10	2019	4.000%	30,927.25	18,556.35	6,185.45	0.00	
40	Quarterline Railway Track	30	2039	5.300%	432,773.15	413,538.77	394,304.39	375,070.01	355,835.63
41	Misc Street Paving	30	2039	5.300%	285,000.05	272,333.39	259,666.73	247,000.07	234,333.41
42	Works Building Drain	30	2039	5.300%	22,500.00	21,500.00	20,500.00	19,500.00	18,500.00
43	Trail Development	30	2039	5.300%	458,493.05	438,115.59	417,738.13	397,360.67	376,983.21
44	William to Beech Blvd	30	2040	4.800%	195,151.51	186,862.05	178,572.59	170,283.13	161,993.67
45	Downtown Parking-Epple	30	2040	4.800%	160,326.68	153,489.40	146,652.12	139,814.84	132,977.56
46	Hydro Hybrid Bucket Truck	15	2025	4.330%	168,475.10	148,654.50	128,833.90	109,013.30	89,192.70
47	Hwy # 3 Ind. Park	10	2020	3.920%	35,000.00	25,000.00	15,000.00	5,000.00	0.00
48	Rokeby Road/Vodden	10	2020	3.920%	133,540.05	95,385.75	57,231.45	19,077.15	0.00
49	Hwy # 3 Graydon	10	2020	3.920%	130,011.00	92,865.00	55,719.00	18,573.00	0.00
50	Hwy # 3 Hazen	10	2020	3.920%	76,379.45	54,556.75	32,734.05	10,911.35	0.00
51	Airport Hanger Taxiway	10	2020	3.920%	16,090.20	11,493.00	6,895.80	2,298.60	0.00
52	Airport Hanger Terminal	10	2020	3.920%	13,300.00	9,500.00	5,700.00	1,900.00	0.00
53	Airport Hanger Overlay	10	2020	3.920%	22,750.00	16,250.00	9,750.00	3,250.00	0.00
54	Airport Hanger Extension	10	2020	3.920%	46,900.00	33,500.00	20,100.00	6,700.00	0.00
55	Lisgar & 4th	30	2040	4.590%	312,000.00	299,000.00	286,000.00	273,000.00	260,000.00
56	Fire Truck	15	2026	3.320%	427,333.30	384,599.96	341,866.62	299,133.28	258,399.94
57	Library Software	10	2018	4.750%	25,000.00	12,500.00	0.00	0.00	0.00
58	VOIP	15	2019	Prime - 1%	22,142.14	14,785.30	7,428.46	71.62	0.00
59	Bayham	15	2019	Prime - 1%	24,289.73	16,512.49	8,735.25	958.01	0.00
60	SEC	15	2019	Prime - 1%	276,180.16	186,216.52	96,252.88	6,289.24	0.00
61	Arena	10	2023	3.350%	1,652,283.64	1,439,283.50	1,219,038.28	991,301.55	755,911.65
62	Rural Broadband	10	2023	3.350%	146,892.80	127,967.70	108,398.88	88,164.43	67,249.99
63	Fleet - Replace #075	10	2025	2.450%	211,522.00	188,044.00	164,566.00	141,088.00	117,610.00
64	Fleet - Replace #040	10	2025	2.450%	29,689.00	26,378.00	23,067.00	19,756.00	16,445.00
65	Fleet - Replace #046	10	2025	2.450%	29,689.00	26,378.00	23,067.00	19,756.00	16,445.00
66	Health Club Equipment	5	2020	1.960%	56,182.59	42,547.03	28,641.80	14,461.57	0.00
67	TCC - Roof- Senior Centre/Auditorium	10	2025	2.450%	139,500.00	124,000.00	108,500.00	93,000.00	77,500.00
68	EFC Roof	10	2025	2.450%	54,000.00	48,000.00	42,000.00	36,000.00	30,000.00
69	Fire Comm - Dispatch	5	2021	1.970%	34,400.00	27,787.83	21,044.22	14,166.57	7,152.78
70	Trottier Stage 3	20	2036	3.200%	400,000.00	380,000.00	360,000.00	340,000.00	320,000.00
71	Replaces 1995 Freightliner FL70 (#072)	15	2031	2.920%	218,000.00	203,466.66	188,933.32	174,399.98	159,866.64
72	Fire Comm - Dispatching equipment	5	2021	2.150%	28,650.00	22,920.00	17,190.00	11,460.00	5,730.00
73	Plow truck (#062)	10	2027	2.490%	0.00	247,000.00	221,000.00	195,000.00	169,000.00
74	Riverview Stage 1	15	2032	2.900%	0.00	94,056.67	87,570.01	81,083.35	74,596.69
75	Fire Pumper Truck # 070	15	2032	2.900%	0.00	481,669.73	448,451.13	415,232.53	382,013.93
76	Capital lease- Fire Breathing Apparatus				20,354.00		0.00	0.00	0.00
<b>Ending Balance</b>					<b>\$ 9,687,178.18</b>	<b>\$ 9,431,547.71</b>	<b>\$ 8,308,870.24</b>	<b>\$ 7,187,894.38</b>	<b>\$ 6,259,068.76</b>
<b>Net Change</b>					<b>\$ 343,363.11</b>	<b>\$ 255,630.47</b>	<b>\$ 1,122,677.47</b>	<b>\$ 1,120,975.86</b>	<b>\$ 928,825.62</b>

Principal & Debt Payments Due

		2016		2017		2018		2019		2020	
		PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
GENERAL PURPOSE: 201/202											
	1	91,903.24	38,032.13	99,479.02	30,456.35	107,679.28	22,256.09	116,555.53	13,379.84	93,679.60	3,771.92
3173	2	8,390.28	598.90	8,528.92	460.26	8,668.08	321.10	8,809.51	179.67	4,458.46	36.13
3179	3	15,464.44	12,848.16	15,464.44	12,034.57	15,464.44	11,250.13	15,464.44	10,432.06	15,464.44	9,719.33
3179	4	8,002.08	6,648.29	8,002.08	6,227.30	8,002.08	5,821.39	8,002.08	5,398.07	8,002.08	5,029.27
3179	5	28,800.72	22,135.24	28,800.72	20,681.70	28,800.72	19,230.14	28,800.72	17,778.58	28,800.72	16,416.50
3179	6	17,999.28	16,833.63	17,999.28	12,925.22	17,999.28	12,018.05	17,999.28	11,110.89	17,999.28	10,259.65
3166	7	499.72	279.62	499.72	253.68	499.72	228.31	499.72	202.22	499.72	178.06
3166	8	7,999.92	4,476.28	7,999.92	4,060.98	7,999.92	3,654.82	7,999.92	3,237.23	7,999.92	2,850.52
3166	9	3,750.09	2,098.33	3,750.09	1,903.65	3,750.09	1,713.26	3,750.09	1,517.50	3,750.09	1,336.23
3166	10	722.07	404.03	722.07	366.54	722.07	329.88	722.07	292.19	722.07	257.29
3166	11	2,712.52	1,517.77	2,712.52	1,376.95	2,712.52	1,239.23	2,712.52	1,097.64	2,712.52	966.52
3166	12	861.82	482.23	861.82	437.49	861.82	393.73	861.82	348.74	861.82	307.08
3166	13	736.89	412.32	736.89	374.07	736.89	336.65	736.89	298.19	736.89	262.57
3166	14	3,891.97	2,177.72	3,891.97	1,975.67	3,891.97	1,778.07	3,891.97	1,574.91	3,891.97	1,386.78
OIPC	15	6,030.00	493.17	6,030.00	210.60						
OIPC	16	5,270.00	430.95	5,270.00	184.01						
OIPC	17	3,985.00	325.99	3,985.00	139.20						
OIPC	18	2,370.00	193.90	2,370.00	82.79						
OIPC	19	2,370.00	3,743.68	2,370.00	2,434.28	2,370.00	2,329.50	2,370.00	1,193.71	2,370.00	2,082.33
OIPC	20	2,500.00	2,701.11	2,500.00	2,569.80	2,500.00	2,459.17	2,500.00	2,315.82	2,500.00	2,198.24
OIPC	21	3,457.68	3,733.74	3,457.68	3,552.22	3,457.68	3,399.32	3,457.68	3,201.14	3,457.68	3,038.63
OIPC	22	620.68	671.46	620.68	638.82	620.68	611.32	620.68	575.68	620.68	546.46
OIPC	23	6,166.66	6,658.66	6,166.66	6,334.95	6,166.66	6,062.27	6,166.66	5,708.86	6,166.66	5,419.02
OIPC	24	6,666.66	7,197.87	6,666.66	6,847.95	6,666.66	6,553.17	6,666.66	6,171.16	6,666.66	5,857.84
OIPC	25	1,777.76	1,920.28	1,777.76	1,826.93	1,777.76	1,748.28	1,777.76	1,646.37	1,777.76	1,562.79
OIPC	26	1,027.50	587.13	1,027.50	535.65	1,027.50	488.41	1,027.50	434.83	1,027.50	386.16
OIPC	27	2,500.00	1,428.74	2,500.00	1,303.49	2,500.00	1,188.54	2,500.00	1,058.14	2,500.00	939.70
OIPC	28	450.00	257.15	450.00	234.60	450.00	213.91	450.00	190.45	450.00	169.13
OIPC	29	1,183.00	676.19	1,183.00	618.90	1,183.00	562.50	1,183.00	500.79	1,183.00	444.73
OIPC	30	15,182.52	12,520.81	15,182.52	11,740.62	15,182.52	11,054.38	15,182.52	10,222.12	15,182.52	9,504.22
OIPC	31	3,840.00	3,167.09	3,840.00	2,969.75	3,840.00	2,796.16	3,840.00	2,585.85	3,840.00	2,404.06
OIPC	32	641.60	530.28	641.60	497.24	641.60	468.17	641.60	432.93	641.60	402.53
OIPC	33	1,800.00	1,263.41	1,800.00	1,161.07	1,800.00	1,067.93	1,800.00	960.86	1,800.00	864.61
OIPC	34	11,650.92	15,357.95	11,650.92	14,642.29	11,650.92	14,044.68	11,650.92	13,259.86	11,650.92	12,622.60
OIPC	35	5,919.26	7,781.35	5,919.26	7,418.75	5,919.26	7,115.97	5,919.26	6,718.33	5,919.26	6,395.45
OIPC	36	13,543.86	17,815.21	13,543.86	16,985.06	13,543.86	16,291.83	13,543.86	15,381.44	13,543.86	14,642.22
OIPC	37	600.00	78.93	600.00	50.08	600.00	21.52				
OIPC	38	5,611.00	3,677.45	5,611.00	3,409.82	5,611.00	3,131.51	5,611.00	2,853.20	5,611.00	2,596.24
OIPC	39	12,370.90	1,603.81	12,370.90	1,114.40	12,370.90	619.56	12,370.90	124.73		
OIPC	40	19,234.38	23,635.60	19,234.38	22,683.25	19,234.38	21,663.87	19,234.38	20,644.49	19,234.38	19,787.10
OIPC	41	12,666.66	15,582.47	12,666.66	14,954.60	12,666.66	14,282.55	12,666.66	13,610.49	12,666.66	13,045.23
OIPC	42	1,000.00	1,243.98	1,000.00	1,193.86	1,000.00	1,140.20	1,000.00	1,086.55	1,000.00	1,041.42
OIPC	43	20,377.46	25,010.51	20,377.46	24,002.77	20,377.46	22,924.09	20,377.46	21,845.42	20,377.46	20,938.14
OIPC	44	8,289.46	9,675.35	8,289.46	9,250.75	8,289.46	8,900.82	8,289.46	8,432.07	8,289.46	8,057.06
OIPC	45	6,837.28	7,980.41	6,837.28	7,630.18	6,837.28	7,341.56	6,837.28	6,954.92	6,837.28	6,645.62
OIPC	46	19,820.60	7,960.39	19,820.60	7,079.82	19,820.60	6,254.51	19,820.60	5,349.25	19,820.60	4,605.13
OIPC	47	10,000.00	1,674.09	10,000.00	1,276.41	10,000.00	887.90	10,000.00	489.69	10,000.00	97.93
OIPC	48	38,154.30	6,379.63	38,154.30	4,864.18	38,154.30	3,383.61	38,154.30	1,866.11	38,154.30	373.21
OIPC	49	37,146.00	6,198.65	37,146.00	4,726.20	37,146.00	3,287.62	37,146.00	1,813.17	37,146.00	362.63
OIPC	50	21,822.70	3,642.27	21,822.70	2,777.07	21,822.70	1,931.77	21,822.70	1,065.40	21,822.70	213.09
OIPC	51	4,597.20	769.18	4,597.20	586.46	4,597.20	407.95	4,597.20	225.00	4,597.20	44.98
OIPC	52	3,800.00	633.44	3,800.00	482.97	3,800.00	335.96	3,800.00	185.28	3,800.00	37.07
OIPC	53	6,500.00	1,085.90	6,500.00	827.95	6,500.00	575.94	6,500.00	317.63	6,500.00	63.51
OIPC	54	13,400.00	2,239.66	13,400.00	1,707.64	13,400.00	1,187.86	13,400.00	655.12	13,400.00	131.03
OIPC	55	13,000.00	14,808.78	13,000.00	14,171.21	13,000.00	13,648.08	13,000.00	12,942.67	13,000.00	12,381.11
OIPC	56	42,733.34	15,209.74	42,733.34	13,831.81	42,733.34	12,413.06	42,733.34	10,994.32	42,733.34	9,653.31
OIPC	57	12,500.00	1,636.94	12,500.00	1,038.44	12,500.00	446.44				
TD Float	58	7,251.76	602.98	7,251.76	602.98	7,251.76	602.98	958.01			
TD Float	59	7,882.32	214.78	7,882.32	214.78	7,882.32	214.78	71.62			
TD Float	60	89,963.64	7,480.54	89,963.64	7,480.54	89,963.64	7,480.54	6,289.94			
	61	205,824.52	61,122.62	213,000.14	53,947.00	220,245.22	46,701.92	227,736.73	39,210.42	235,389.90	31,557.24
	62	18,287.54	5,430.76	18,925.10	4,793.20	19,568.82	4,149.48	20,234.45	3,483.85	20,914.44	2,803.86
	63	23,478.00	5,628.95	23,478.00	5,037.42	23,478.00	4,461.67	23,478.00	3,885.92	23,478.00	3,319.63
	64	3,311.00	790.45	3,311.00	707.38	3,311.00	626.53	3,311.00	545.68	3,311.00	466.16
	65	3,311.00	790.45	3,311.00	707.38	3,311.00	626.53	3,311.00	545.68	3,311.00	466.16
	66	13,367.41	1,306.87	13,635.56	1,038.72	13,905.23	769.05	14,180.23	494.05	14,459.88	214.40
	67	15,500.00	3,712.71	15,500.00	3,322.55	15,500.00	2,942.80	15,500.00	2,563.05	15,500.00	2,189.54
	68	6,000.00	1,437.18	6,000.00	1,286.15	6,000.00	1,139.15	6,000.00	992.15	6,000.00	847.57
New Debt	69	0.00	0.00	6,629.00	648.19	6,743.61	516.75	6,877.65	382.71	7,013.79	246.57
New Debt	70	0.00	0.00	20,000.00	12,639.57	20,000.00	11,999.56	20,000.00	11,359.56	20,000.00	10,749.37
New Debt	71	0.00	0.00	14,533.34	6,259.22	14,533.34	5,834.84	14,533.34	5,410.47	14,533.34	5,000.05
New Debt	72	0.00	0.00	5,730.00	535.95	5,730.00	423.08	5,730.00	321.74	5,730.00	197.00
New Debt	73	0.00	0.00	13,000.00	3,245.87	26,000.00	6,019.93	26,000.00	5,326.42	26,000.00	4,693.21
New Debt	74	0.00	0.00	3,243.33	1,414.72	6,486.66	2,694.92	6,486.66	2,485.68	6,486.66	2,304.26
New Debt	75	0.00	0.00	16,609.30	7,244.84	33,218.60	13,800.83	33,218.60	12,729.28	33,218.60	11,800.25
	76	20,354.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		<u>1,015,680.86</u>	<u>437,646.22</u>	<u>1,090,867.33</u>	<u>425,247.73</u>	<u>1,122,677.46</u>	<u>394,818.09</u>	<u>1,023,197.72</u>	<u>340,598.05</u>	<u>923,504.57</u>	<u>299,087.65</u>

<b>Town of Tillsonburg - Updated Annual Debt Repayment Limit</b>	<b>Sch 81 2015 FIR</b>	<b>Updated Limit</b>
<i>Regulation. O. Reg. 403/02</i>		
Gross Debt Charges		
Principal	898,352	945,606
Interest	469,900	490,312
Subtotal	1,368,252	1,435,918
Debt Charges on OCWA Provincial Project	-	-
Payment in Respect of Long Term Commitments and Liabilities	-	-
<b>Subtotal - Debt Charges</b>	<b>1,368,252</b>	<b>1,435,918</b>
Debt Charges for Municipal Utilities	-	-
Debt Charges for Tile Drainage and Shoreline Assistance	-	-
Provincial Grant funding for repayment of long term debt	-	-
Lump sum (balloon) repayments of long term debt (SLC 74 3110 01 + SLC 74 3110 02)	572,252	572,252
<b>Subtotal - Debt Charges to be Excluded</b>	<b>572,252</b>	<b>572,252</b>
<b>Net Debt Charges</b>	<b>796,000</b>	<b>863,666</b>
Total Revenues	20,037,658	20,037,658
Grants from Government of Ontario, Government of Canada and Other Municipalities		
Ontario Grants	535,519	535,519
Canada Grants	7,300	7,300
Deferred revenue earned - Provincial Gas Tax	-	-
Deferred revenue earned - Canada Gas Tax	888,445	888,445
Revenue from other municipalities	227,289	227,289
Gain/loss on sale of land and capital assets	(628,968)	(628,968)
Deferred revenue earned - development charges	15,020	15,020
Donated Tangible Capital Assets	642,586	642,586
Subtotal	1,687,191	1,687,191
Fees and Revenues for Joint Local Boards for Homes for the Aged	-	-
<b>Net Revenue Fund Revenues</b>	<b>18,350,467</b>	<b>18,350,467</b>
<b>25% of Net Revenue Fund Revenue</b>	<b>4,587,617</b>	<b>4,587,617</b>
<b>Annual Repayment Limit</b>		
<b>25% of Net Revenue Fund Revenues less Net Debt Charges</b>	<b>3,791,617</b>	<b>3,723,951</b>

	<b>Principal</b>	<b>Interest</b>
Debt Charges from the 2015 FIR	898,352	469,900
Debt retired YTD	-	-
Principle & Interest on 2016 Brockton Fire Communications Infrastructure of \$34,400 5 year term; semi-annual payments; first payment 15-01-2017	7,260	686
Principle & Interest on 2016 Lucknow Fire Communications Infrastructure of \$28,650 5 year term; semi-annual payments; first payment 25-05-2017	5,460	614
Principle & Interest on 2016 Trottier Sudvision - Stage 3 of \$400,000 20 year term; semi-annual payments; first payment 01-06-2017	20,000	12,764
Principle & Interest on 2016 Plow Truck \$218,000 15 year term; semi-annual payments; first payment 01-06-2017	14,534	6,348
Principle & Interest on 2016 Hanover Fire Communications Infrastructure maximum amount of \$47,948 5 year term; semi-annual payments; first payment anticipated Q4 2017	-	-
<b>Updated ARL</b>	<b>945,606</b>	<b>490,312</b>

Repayment Limit      3,723,950.75  
Interest Rate            3%

Term	Principle available
5	\$17,054,604
10	\$31,766,055
15	\$44,456,282
20	\$55,402,984





**TOWN OF TILLSONBURG  
PSAB 3150 RECONCILIATION**

	2016 Budget	Sub-Total	Total	2017 Budget	Sub-Total	Total
<b>REVENUES</b>						
Operating	(\$18,815,300)			(\$19,732,342)		
Capital	(3,418,800)			(7,277,900)		
<b>LESS:</b>						
Transfer from other funds	1,111,000			2,104,900		
Proceeds on debenture issue	1,007,300			861,500		
Proceeds on user pay debenture issue				625,000		
<b>TOTAL REVENUE</b>		<b>(20,115,800)</b>			<b>(24,043,842)</b>	
<b>EXPENSES</b>						
Operating	18,675,300			19,732,443		
Non-Tangible Capital	558,700			110,000		
Capital	5,322,000			7,167,900		
<b>LESS:</b>						
Transfer to other funds	(709,500)			(365,800)		
Capital Expenses	(5,322,000)			(7,167,900)		
Debt Principal payments	(887,500)			(983,121)		
<b>TOTAL EXPENSES</b>		<b>17,637,000</b>			<b>18,493,522</b>	
<b>ANNUAL SURPLUS: before exclusions</b>		<b>(2,478,800)</b>			<b>(5,550,320)</b>	
<b>EXCLUSIONS:</b>						
Amortization of TCA	2,339,700			2,413,600		
Post Employment Benefits						
Solid Waste Landfill Closure and Post-Closures						
<b>TOTAL EXCLUSIONS</b>		<b>2,339,700</b>			<b>2,413,600</b>	
<b>ANNUAL SURPLUS: after exclusions</b>			<b><u>(139,100)</u></b>			<b><u>(3,136,720)</u></b>



# TOWN OF TILLSONBURG

## 2017 Business Plan

Human Resources

Tuesday, January 10, 2017





# 2017 Business Objectives

Item	Owner	Budget Value	Target Date
1.5 % Costing of Living Increase	HR Manager	\$72,000	Q2-Q4
Health & Dental renewal increase	HR Manager	\$43,000	Q1-Q4
Payroll deduction increase (CPP, EI, WSIB)	HR Manager	\$34,000 (FT)	Q1 - Q4
Compensation Review – Pay Equity	HR Manager	\$10,000	Q4
Compensation review - Council	HR Manager	\$0	Q2
Health and Safety/Management Training	HR Manager	\$5,000	Q1-Q4
Succession Planning Program Training and Development	HR Manager	\$2,500	Q1-Q4

# Risks

- Competitive compensation pressures.
- Changing health and safety legislation.

# Opportunities

- Increasing the cost of living supports recruitment and retention.
- Succession Planning program to provide for business continuity.
- Compensation review to ensure we are continuing to remain in compliance with the Pay Equity Act.

# Future Departmental Directions: 3 year outlook

- 2018 to 2020
  - Continuation of Succession Planning Program


# Human Resources

	2016	2017
Total FTE Requirements	127.32	130.12
Change from previous year	-	2.8

## 2017 FTE Changes by Department

Department	FTE Change
Building & By-Law	0.33
Clerk's Department	0.33
Economic Development	0.10
Hydro Operations	1.33
Operations	0.16
Recreation, Culture & Parks	0.55



	<b>Report Title</b>	Tax Rates Explained
	<b>Report No.</b>	FIN 17-03
	<b>Author</b>	Dave Rushton
	<b>Meeting Type</b>	BUDGET MEETING
	<b>Council Date</b>	JANUARY 10, 2017
	<b>Attachments</b>	

**RECOMMENDATION**

THAT Council receives report FIN 17-03 Tax Rates as information.

**EXECUTIVE SUMMARY**

To explain the difference between Tax rates and the General Levy imposed by the Town.

**BACKGROUND**

There are two factors which affect the amount of taxes paid by residents of the Town. The first is the General Levy tax rate, and the second is the change in assessment value of a property.

The General tax rate is determined through the budget process. An increase in budget dollars will result in an increase of the general levy tax rate.

The change in Current Value Assessment (CVA or growth) is determined by MPAC based on a variety of factors. MPAC performs reassessments every 4 years, in which 2017 is year one of the next reassessment cycle.

Properties with an increase in CVA will see an increase of their property value phased-in over the 4 year period. Properties with a decrease in CVA will see the decreased value in year one.

An additional impact is the weighting factor provided to each class such as multi-residential, commercial and industrial which are greater than the residential (RT) zoned properties. Farms are taxed at 25% of their value for property tax purposes.

The combination of these factors is what determines a change in tax dollars paid by a municipal taxpayer.

**2017 Impact**

An increase in the budget of \$603,200 is proposed. MPAC's reassessment has resulted in an overall average increase in weighted CVA of 1.1%. A summary of changes in the weighted CVA has been provided below. Residential class has seen growth in new homes and increased property values while non-residential have decreased. Based on last year's tax levy, this means the residents will see an increase of \$150,000, before any budgeting impact is factored in.

Since the proposed increase is \$603,200 and \$150,000 is accounted for through growth, the remaining difference of \$453,200 must be funded through a general levy increase. This will result in an overall levy increase of 3.3% over last year's tax rate.

2017 General Levy	PRELIMINARY			
			2017	2016
	2017	2017	WEIGHTED/	WEIGHTED/
	Phase - In	TAX	DISCOUNTED	DISCOUNTED
	CVA	RATIO	CVA	CVA
RESIDENTIAL	1,292,511,258	1	1,292,511,258	1,256,827,097
MULTI-RESIDENTIAL	51,345,425	2.74	140,686,465	144,847,634
COMMERCIAL	142,270,968	1.9018	270,570,927	276,357,943
COMMERCIAL NEW CONSTRUCTION	9,915,950	1.9018	18,858,154	18,103,234
VACANT UNITS/EXCESS LAND	1,046,739	1.9018	1,393,482	1,760,791
VACANT LAND	1,983,250	1.9018	2,640,221	3,007,849
COM'L NEW CONST. - EXCESS LAND	34,300	1.9018	45,662	49,257
INDUSTRIAL	29,683,125	2.63	78,066,619	81,833,055
INDUSTRIAL NEW CONSTRUCTION	1,744,750	2.63	4,588,693	4,576,200
VACANT UNITS/EXCESS LAND	597,225	2.63	1,020,956	1,422,475
VACANT LAND	719,725	2.63	1,230,370	1,006,212
LARGE INDUSTRIAL	23,542,400	2.63	61,916,512	63,305,749
VACANT UNITS/EXCESS LAND	44,400	2.63	75,902	330,571
PIPELINES	5,011,500	1.2593	6,310,982	6,086,197
FARMLAND	7,941,475	0.25	1,985,369	1,703,325
FARMLAND DEV PH 1	1,306,075	1	587,734	533,385
	1,569,698,565		1,882,489,304	1,861,750,973


### What will Residents Pay?

As you can see from the chart above, the value of residential properties has increased by almost 2%, while non-residential classes combined have decreased by 15%. Unfortunately, when the CVA of commercial, industrial, farmland or vacant land decreases, the residential class picks up the differential as this will always be our largest growing tax class.

The Median residential CVA increased from \$221,750 to \$226,000.

The average tax levy for the Median household in 2016 would have been \$1,604.21. With the proposed tax dollar increase of \$603,200, the same household will pay \$1,689.36 in 2017, a difference of \$85.15 per year, or \$7.10 per month

As discussed in the Asset Management Plan, an increase in the levy is needed to build towards a plan that will allow us to sustain the assets we have. Based on this year, \$25.86 of the median resident's tax increase of \$85.15 would go to capital.

	<b>Report Title</b>	Funding the Asset Management Plan
	<b>Report No.</b>	FIN 17-04
	<b>Author</b>	Dave Rushton
	<b>Meeting Type</b>	BUDGET MEETING
	<b>Council Date</b>	JANUARY 10, 2017
	<b>Attachments</b>	

**RECOMMENDATION**

THAT Council receives report FIN 17-04 funding the Asset Management Plan;  
 AND THAT council directs staff to bring forward a capital budget in the fall using the amount of the increase in property value assessment (growth) towards funding the Asset Management Plan.

**EXECUTIVE SUMMARY**

To explain the support in taxation for sustaining the asset management plan.

**BACKGROUND**


The Director of Operations and the Deputy Treasurer have reviewed the Asset Management Plan with council and proposed that a capital tax levy be put in place. This would work towards providing us with funding to replace assets as they wear out rather than through debenture.

We are proposing to use the growth in property value as the source for increased funding. With this plan, the funding of asset replacement would be funded through the tax on the increasing value of real estate.

The overall growth this year, after factoring in the increase in residential real estate values and the decrease in the assessed values of non-residential values, is a 1.1% increase. We would like to see this method as a consistent funding source in our plan to have a sustainable Asset Management Plan.

The benefits of this would be to allow an increase annually to the capital budget that is predictable. With this information, we could bring a capital budget before council in the fall for approval prior to the operating budget. This timing would allow us to get better pricing on our projects as we find first to market often sees better pricing in tenders. It also allows us a better schedule to start and plan work during the winter prior to busy construction seasons.

With direction from council, we can bring the capital budget forward in the fall of 2017 using the growth rate for funding.

	<b>Report Title</b>	Reserves
	<b>Report No.</b>	FIN 17- 05
	<b>Author</b>	Dave Rushton
	<b>Meeting Type</b>	BUDGET MEETING
	<b>Council Date</b>	JANUARY 10, 2017
	<b>Attachments</b>	Unrestricted Reserves and Reserve Policy

**RECOMMENDATION**

THAT Council receives report FIN 17-05 Reserves;  
 AND THAT Council directs staff to bring forward an updated reserve policy;  
 AND FURTHER THAT Council accepts the general reserve fund to be reported through the use of proposed reserves.

**EXECUTIVE SUMMARY**

To explain the value of separating the monies collected for various projects and activities.

**BACKGROUND**

“Reserves” are a provision or amount that is designated for a future purpose that extends beyond the current fiscal year. Reserves are set up or utilized by resolution.

Prior to 2009, we maintained separate general ledger accounts for various reserves. In that year, we reduced our tax rate and ended the year with a very large deficit. To assist with this, council directed that unrestricted reserves be used to offset the deficit. Since that time, funds have been put into the general reserve fund rather than specific funds.

In 2013, the attached Reserve Policy was established but general ledger accounts were not re-established. We would like to return to the practice of having unrestricted reserves maintained in the same bank account but separate general ledger accounts. This will allow us to use the funds for the purpose for which they were collected and still leave them ultimately to the direction of council to redirect them as necessary.

To demonstrate this, we have incorporated this in the 2017 Budget for information purposes. Some operating departments such as fleet, and beginning in 2017 IT, collect monies for future capital purchases within their charges to other departments. We will be asking in the new policy for these funds to be transferred into reserves for future year’s asset replacement.

With direction from council, staff will bring forward a revised “Reserve Policy” establishing the new reserves. The policy will provide for direction of operation funds including monies collected for future projects and the use of reserves for surplus earnings or deficit.

UNRESTRICTED RESERVES

Reserve				Investment	Projected
Account	Balance	Transfers	Transfers	or Other	Balance
Name	01-Jan-17	In - 2017	Out - 2017	Income	31-Dec-17
Income				20,000	20,000
Airport	57,450		57,400		50
Building	-				-
Council	13,400				13,400
CSC	32,703		32,700		3
Ec. Dev	849,271		531,500		317,771
Eng	38,156		38,100		56
Fire	14,000	45,000	14,000		45,000
Fleet	319,552		310,000		9,552
General	411,575				411,575
IT	302,192	65,000	290,000		77,192
Misc	220,000				220,000
Parking	180,214		36,000		144,214
Parks	21,918				21,918
Police	123,783		41,000		82,783
RCP	140,656		143,900		- 3,244
Roads	92,754		92,900		- 146
Roof	5,318				5,318
Museum	5,000		5,000		-
Election	44,000				44,000
Trans Stn	21,000		21,000		-
Non-cash	398,532				398,532
	3,291,474	110,000	1,613,500	20,000	1,807,974

**THE CORPORATION OF THE TOWN OF TILLSONBURG**



**RESERVE POLICY**

<b>APPOVAL DATE:</b>	<b>REVISION DATE:</b> 11/25/2013		Page 1 of 3
<b>APPENDICES:</b>	N/A		



**BY-LAW No. 3779**  
**OF THE**  
**CORPORATION OF THE TOWN OF TILLSONBURG**

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A BY-LAW TO ESTABLISH A RESERVE POLICY

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**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF TILLSONBURG HEREBY ENACTS AS FOLLOWS:**

**1.0 DEFINITIONS**

In this By-Law:

- a) "Reserves" is a provision or amount that is designated for a future purpose that extends beyond the current fiscal year. Reserves are set up or utilized by resolution. All related interest earnings are reported as general operating earnings.
- b) "Reserve Fund" shall mean an amount set aside by a by-law based on a statutory requirement (obligatory reserve fund) or a specific designated purpose (discretionary reserve fund). The Development Charges reserve fund, for example, is an obligatory reserve fund, required by legislation that is maintained year over year to help fund growth related capital projects. Or the Cemetery Maintenance Reserve Fund that is maintained year over year to fund Cemetery repairs and maintenance expenditures. Cash placed in a reserve fund earns interest.

**2.0 POLICY STATEMENT**

**2.1 Objectives:**

- a. To establish reserves as approved by Council for:
  - i. future capital expenditures;
  - ii. operating projects or surpluses;
  - iii. sale of fixed assets or land
  - iv. unexpected or unplanned events;
  - v. the reduction of debt financing;
  - vi. or any other purpose that Council designates;

that would otherwise cause fluctuations in the operating or capital budgets.

- b. To establish reserve funds through the adoption of a by-law for:
  - i. specific purposes as approved by Council.
- c. All reserves held in cash will be held in a separate bank account.

### 3.0 ACCOUNTABILITY

The Director of Finance or his/her designate shall maintain accountability on behalf of Council relating to the administration of reserves, including the process to transfer to and from reserves once approved by Council.

Staff provides recommendations on the transfer of funds to and from reserves.

### 4.0 PRESCRIBED COUNCIL AUTHORITY

- a. Establish new reserves;
- b. Close existing reserves;
- c. Amalgamate reserves;
- d. Transfer funds to and from reserves via the approved annual budget;
- e. Transfer funds to and from reserves through Council resolution not addressed through the budget process.

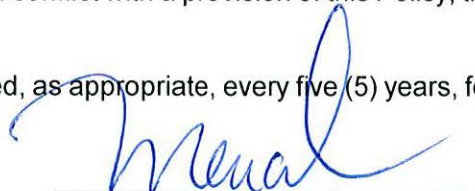
### 5.0 REPORTING

Projected contributions and uses of reserves are provided as a component on the annual budget process. Reserve and reserve fund balances are provided as a component of the annual Town financial statements.

### 6.0 OTHER

Where any other By-law exists which is in conflict with a provision of this Policy, the provision of this Policy shall be deemed to apply.


This Policy shall be reviewed and updated, as appropriate, every five (5) years, following the date of its enactment.

  
DEPUTY MAYOR – Mark Renaud

  
CLERK - Donna Wilson

Dec 9, 2013  
DATED



	<b>Report Title</b>	Building Permit Cost Stabilization Reserve Fund
	<b>Report No.</b>	FIN 17-02
	<b>Author</b>	JANELLE COSTANTINO
	<b>Meeting Type</b>	Council Meeting
	<b>Council Date</b>	JANUARY 9, 2017
	<b>Attachments</b>	None

## RECOMMENDATION

THAT Council receives report FIN 17-02 Building Permit Cost Stabilization Reserve Fund as information.

AND THAT Council acknowledges the enabling authority of the Building Code Act and establishes the Cost Stabilization Reserve Fund as an obligatory reserve fund.

## EXECUTIVE SUMMARY

As indicated on page 18 of the Tunnock Consulting Ltd Building Permit Fee Review report provided for the November 14<sup>th</sup> 2016 council meeting, Staff is requesting Council to formally recognize the current accounting reserve for building surpluses as a Cost Stabilization Reserve Fund (CSRF).

## BACKGROUND

Section 7(2) of the Ontario Building Code Act states “*The total amount of the fees authorized under clause (1) (c) must not exceed the anticipated reasonable costs of the principal authority to administer and enforce this Act in its area of jurisdiction*” meaning fees collected are to be used to administer the Act; surpluses cannot be used to fund general Town expenditures, and deficits should be funded from a Reserve Fund.

As a result of the above section, the Building department must report their surpluses and deficits to the industry as a separate entity.

For this reason, the CSRF is to be established to provide for capital expenditures and revenue stabilization, as building permit activity is highly cyclical.

Revenues to the CSRF are an annual budgeted allocation from Building Permit revenues, as well as additional revenues added from Building Permit surplus as it occurs. As recommended by Tunnock Consulting Limited, the annual budgeted allocation from building permit revenues is recommend to be 20% of the cost of a building permit fee as this reflects approximately the variation in the volume of fees over the past five year period. This allocation of

20% is still up for approval by Council. As such, the approval of this report and the CSRF does not approve the recommended allocation of building permit fees to the CSRF.

Expenditures from the CSRF are to stabilize the building permit revenue line in the Operating Budget and to fund Building department capital expenditures.

Currently, the Town has an accounting reserve in place where the annual building department surplus from 2014 and 2015 has been deposited. However, as this reserve was simply set up for accounting purposes, Staff is asking Council to formally establish this reserve through resolution in order to enable the authority of the Building Code Act.


Staff is requesting this fund to be set up as an Obligatory Reserve Fund as these types of funds, by definition, are *“monies set aside and legally restricted by provincial legislation, a municipal by-law, or agreement. The funds are raised for a specific purpose and cannot be used for any other purpose.”*

### **CONSULTATION/COMMUNICATION**

The Town has consulted with Tunnock Consulting Ltd. in order to establish the building permit revenue allocation to the CSRF.

### **FINANCIAL IMPACT/FUNDING SOURCE**

There is no financial impact as a result of formally recognizing this reserve as a CSRF.

	<b>Report Title</b>	Budget Issue Paper: Utilities Cost Increases
	<b>Report No.</b>	RCP 17-02
	<b>Author</b>	Rick Cox, Director of Recreation, Culture & Parks
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 10, 2017
	<b>Attachments</b>	<ul style="list-style-type: none"> <li>• The Mysteries of Electricity Pricing in Ontario</li> <li>• Guide to Electricity Pricing in Ontario</li> </ul>

## RECOMMENDATION

THAT Report RCP 17-02 – Budget Issue Paper – Utility Cost Increases be received for information.

## EXECUTIVE SUMMARY

Unit costs for utilities (electricity, gas & water) have risen over the last five years. Increases in the budget allocation for utilities have not kept up with increases in actual costs. The largest contributor to the increased cost is the increase in the unit cost of hydro.

## BACKGROUND

The combined cost to the Town for utilities continues to rise year over year. 2012 was the last year for which the annual budget allocation for utilities was not exceeded by actual utility costs.

Year	Budget	Actual*	Difference
2011	\$ 905,999	\$ 915,051	-1%
2012	\$ 935,383	\$ 881,010	6%
2013	\$ 843,630	\$ 895,679	-6%
2014	\$ 866,250	\$ 872,656	-1%
2015	\$ 949,921	\$ 966,254	-2%
2016	\$ 980,500	\$ 1,052,837	-7%

\* 2016 value is projected as Jan-Nov 2016 actual plus 105% of Dec 2015 actuals

The largest increase in cost that the Town is experiencing is for electricity. As an example, the amount the Town paid for streetlight hydro in 2012 was just over \$186,000. By 2015 that amount was almost \$237,000, an increase of 27% over that time period.

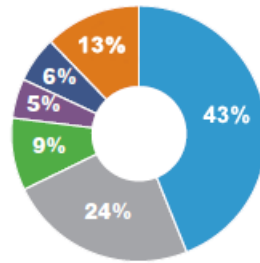
### Factors contributing to the unit rate of electricity:

The electricity price portion of the bill is broken down into two price components:

- **Electricity Price:** Also known as the spot price, the market clearing price (MCP) or the Hourly Ontario Energy Price (HEOP)
- **Global Adjustment:** The global adjustment (GA) is the difference between the market price and the electricity price contracted by the government. It is the “top-up” that most suppliers are paid when they generate electricity. This means that as the market price goes up, the global adjustment goes down because suppliers are recovering more of their

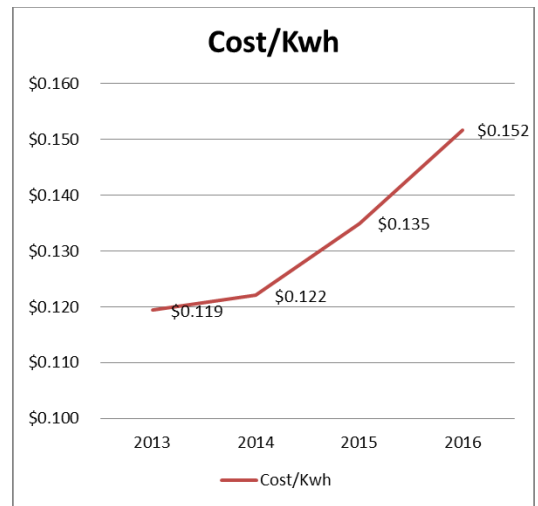
costs from the market. As a consumer, the Town pays both the electricity price and the global adjustment.

Publications prepared by the Environmental Commissioner of Ontario and Bruce Power are attached with this issue paper as additional explanation.



GA HOEP DELIVERY REGULATORY  
DEBT RETIREMENT CHARGE HST

This cost/kWh graph illustrates the unit cost increase that is being experienced for our largest hydro accounts at the Complex and for streetlights. For Jan-Nov this year, the cost for hydro at the Complex is approximately \$363,000 at an average unit cost of \$0.152. If the 2013 average price of \$0.119 was in effect, the same hydro would have cost approximately \$287,000.



Efforts to reduce the cost:

As per the Town’s Energy Conservation and Demand Management plan approved in 2014, there are continual efforts to reduce consumption of utilities through operational process changes and selection of new equipment. An example of a process change that results in substantial annual consumption savings was delaying the start-up of the Memorial ice rink until after the Shriners’ annual Pork BBQ. This collaboration between the Town, the Shriners and the Agricultural Society has permanently reduced the amount of hydro used at the Complex during the period of Aug-Nov by 7-9% depending on the weather. While there has been ‘cost avoidance’ this has translated into little actual cost savings, as the 2016 hydro cost for that period is 21% higher for 7% less hydro than in 2013.

Other process changes that have been implemented include:

- eliminating winter use of Summer Place (hydro savings)
- using passive solar to pre-heat water for the Waterpark (natural gas savings)

Since hydro is such a large component of the overall town utility cost it has and continues to be hydro consumption reductions that is the main focus. Further, the largest hydro account is the Complex, so the majority of interventions and changes are being made there in order to realize the largest proportional benefit.

The 2017 draft capital budget includes two energy conservation-related projects to continue efforts to reduce consumption. One will replace the high-pressure sodium lights above both rinks with new LED technology. The second is the start of implementing the energy retrofit project for the ice plant and pool HVAC that has been developed out of the I. B. Storey Inc. study. In 2017, the design will be completed and tendered to secure firm costs for construction in the summer of 2018.

**CONSULTATION/COMMUNICATION**

N/A

**FINANCIAL IMPACT/FUNDING SOURCE**

If the budget allocation for utility costs is inadequate, there is an impact on the Town's in-year financial position.

**COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

This issue paper provides information in alignment with the following Objective of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government

# The Mysteries of Electricity Pricing in Ontario

Posted on [February 20, 2013](#) by [ECO](#)

There is much confusion, misunderstanding and misrepresentation with regard to what the price of electricity in Ontario, and how we set that price. It seems to me that we must establish a clear understanding of the matter in order to have an intelligent public discussion on the topic. Accordingly, this blog will attempt to cover the basics of electricity pricing. To be clear, I'm just going to focus on the mechanism that sets the price of electricity on your bill. I am ignoring the delivery charge, the regulatory charges and debt retirement charges they tack on afterwards.

## Hourly Ontario Energy Price (HOEP)

One key element in setting the price of electricity is called the Hourly Ontario Energy Price, or HOEP (“hope”). This price is set on a market, which works like this:

The Independent Electricity System Operator (IESO) predicts the demand of electricity for the next hour. With this information, generators (for instance natural gas plants, nuclear power plants, or wind farms) bid to supply electricity to meet this demand. Also in theory, the cheapest suppliers would get contracted. As demand rises, the price would also rise, and more expensive generators would enter the market.

But this is not a free and open market that Adam Smith would recognise. The invisible hands in this market are rummaging in our pockets. Almost all the generators playing in this market have prices that are fixed or subsidized – so they will never lose money, no matter how low the market goes.

So let's look at a graph of the monthly weighted average HOEP from 2005 to 2012 to see how this works.



You can see that the highest HOEP was actually in 2005, where it touched 10¢/kWh. After that, the price fell off to between 4¢ and 6¢/kWh for a few years. When the economy collapsed in 2009, demand fell and prices dropped, and has fluctuated in the 2¢ to 4¢/kWh range for the last 4 years.

The key point here is that (outside of some of our older large hydro-electric facilities), no generator can sell power at 4¢/kWh. So how is this possible?

**Global Adjustment**

This magic is done using a marvellous invention called the Global Adjustment (GA). This is an additional charge collected from consumers to pay for those fixed prices, guarantees and subsidies if the HOEP falls below a certain level. So let's plot the Global Adjustment on the same graph as above.



We see that the Global Adjustment displays an almost opposite pattern to the HOEP. With one inter-exception (when it went negative), the GA for 2005 to 2009 varied between zero and 1¢/kWh. But when the HOEP price crashed, the GA jumped up to the 4¢/kWh range – and subsequently has crept even higher on here?

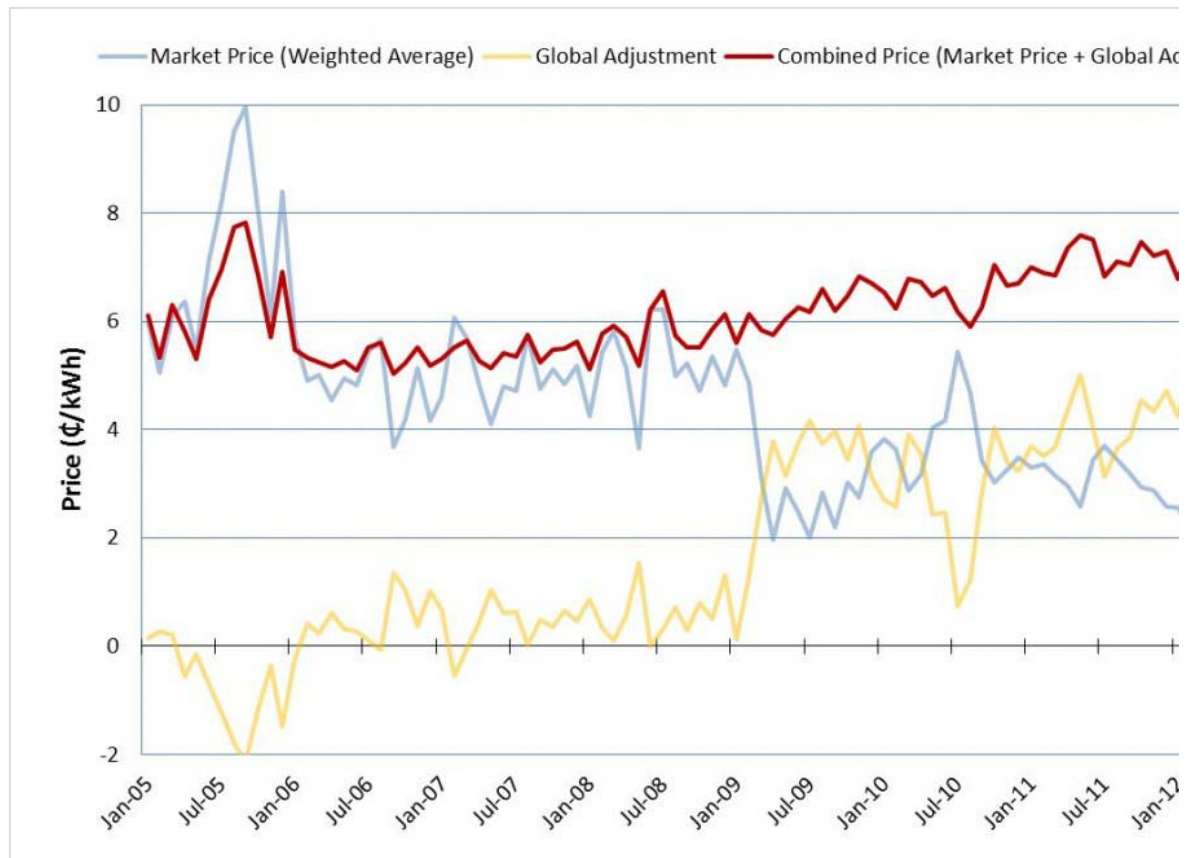
Remember that the Global Adjustment is the price guarantor for the generators. It actually went negative in 2005, when high HOEP meant that Ontario Power Generation’s nuclear and large hydro plants were more profitable than their guarantee, and they had to kick back money. But for most of the 2009 period, the market HOEP was high enough to satisfy the pricing needs of the generators. It is noted on the graph that during that period when the HOEP hits 6¢ the Global Adjustment goes to zero.

But that was a different economy. In 2009, Ontario saw a drop in demand, largely due to the recession, and an increase in supply (from new gas plants coming into service). The change in the supply-demand balance was that almost no generator could make their money on the HOEP, so the price guarantees kicked in, and the Global Adjustment became as large and then a larger hourly charge than the HOEP.

**So what is the real price of electricity?**

So to get the real price of electricity, you have to add the HOEP and the Global Adjustment together. The resulting price is what you see on the graph that looks like on the same graph.

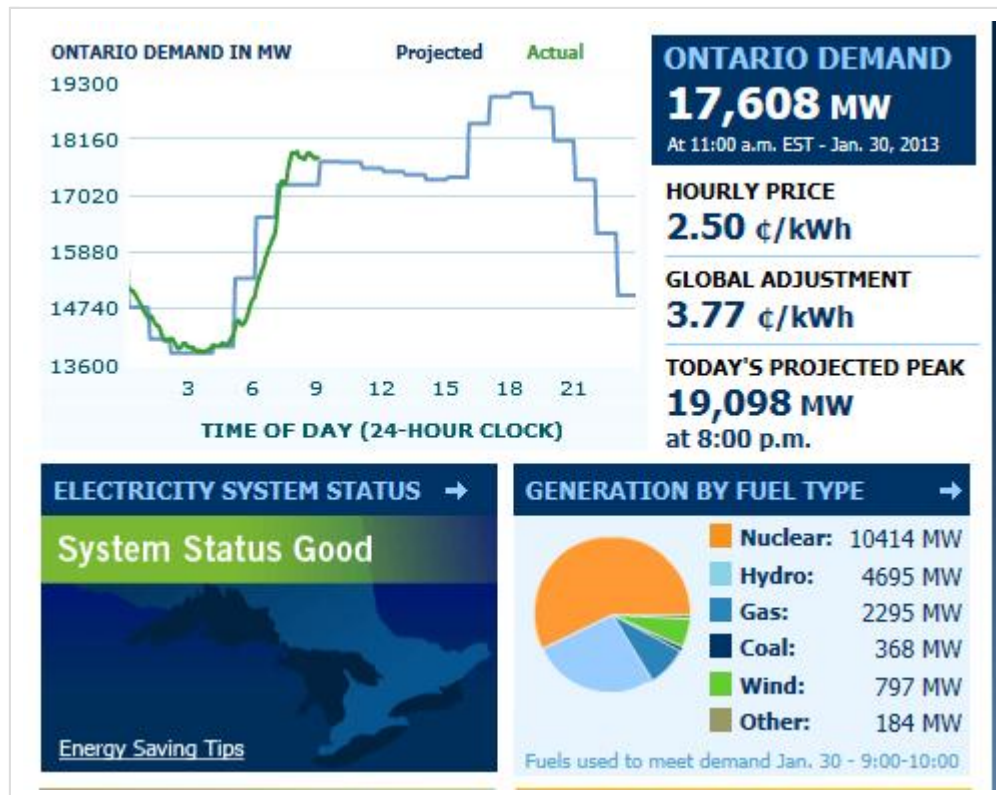




The red line is the real market electricity price for the period 2005-2012. You can see that the price almost 8¢/kWh in heady days of 2005, but then fell back to the 5¢ to 6¢/kWh range through 2006-2008. It has been gradually creeping upwards until the 2005 peak was exceeded, and it broke through 8¢/kWh in early 2012.

### Confusion reigns

This concept – that the HOEP is not the real market price, because you have to add in the Global Adjustment – is the basis of a lot of confusion in the media and in various public discussions. And this is understandable of the way the information is presented. Take for example this screen shot of the IESO website:



The site is very informative on a number of levels and you can clearly see the current level of the global adjustment. But the HOEP is presented as the “Hourly Price” and there is no attempt to add the HOEP Global Adjustment together. So in this example, the public would conclude that the market price of electricity is 2.5¢/kWh and not the correct 6.27¢/kWh.

I hope you now have a better understanding of the basis of wholesale electricity pricing – but we are not on your bill yet. To explain your bill we have to get into the intricacies of Time-of-Use pricing and the Energy Board. And those will have to be the topic of another blog posting.

RELATED POSTS

- [Consciously Uncoupling: A Short-Term Solution to a Long-Term Problem](#)
- [Reduce, Reuse, Recycle – can this mantra fit into our energy planning model?](#)
- [The Time-of-Use Conundrum](#)
- [Promoting Electricity Pricing Literacy \(Part 3 of 3\)](#)
- [Promoting Electricity Pricing Literacy \(Part 2 of 3\)](#)

This entry was posted in [ECO Commentary](#), [Energy Conservation](#) and tagged [electricity](#), [energy](#), [ECO](#). Bookmark the [permalink \[http://www.eco.on.ca/blog/2013/02/20/the-of-electricity-pricing-in-ontario/\]](http://www.eco.on.ca/blog/2013/02/20/the-of-electricity-pricing-in-ontario/).

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# Your guide to electricity pricing in Ontario

*A guide designed to help you understand and decipher the components of your electricity bill for your Ontario-based commercial or manufacturing business.*

- Samira Viswanathan, Market Regulatory Affairs Advisor, Bruce Power Direct

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## Part 1: The Electricity Basics

### **ELECTRICITY BILLS ARE COMPLEX**

It can be frustrating to consistently pay for something you don't understand or don't have the transparency to verify. It's even more painful when your electricity bills continue to go up without a clear explanation of the cause. What is driving the electricity cost increase? How can you reduce costs in this situation?

The first step to solving a problem is understanding it. This guide will help you understand the main parts of your bill, how the electricity price is derived, and what parts of the bill you can realistically influence and control.

Eventually, you will be able to use this knowledge to help with things like reducing your demand charges, conserving electricity, making more informed investment decisions and ultimately, helping you define key performance indicators (KPIs) for your business.

### **THE DIFFERENCE BETWEEN ENERGY (kWh) AND DEMAND (kW)**

#### **1 kilowatt (kW) – this is a measurement of energy**

1 kW is like saying your car can go 1 km/hr – think of it like speed. In the electricity world this is known as power, capacity or demand.

5 kWh is like saying your car went 5 km over a period of time – think of it like distance. In the electricity world this is called energy or consumption.

So, if you are a business with a 1,000 kW demand, you may consume, over the course of a month  $1,000 \text{ kW} \times 30 \text{ days per month} \times 24 \text{ hours per day} = 730,000 \text{ kWh}$  in a month.

However, you may not always be going at a speed of 1,000 kW so to accurately measure how far you have gone, your local distribution company (LDC), also called a utility, will come and read your meter. Your electricity meter is like the odometer of your car.

**Your electricity price is made up of both demand (speed) and consumption (distance) charges.**



## COMPONENTS OF YOUR ELECTRICITY BILL

Utilities vary how they display your information but generally, your bill is grouped into the categories outlined in the charts below.



BILL COMPONENT	TYPE OF CHARGE
Electricity (includes the global adjustment)	Consumption
Delivery	Demand
Regulatory Charges	Consumption
Debt Retirement Charge	Consumption
HST	Consumption and Demand (based on entire bill)

## MAJOR ENERGY PLAYERS IN ONTARIO

Prior to deregulation, the electricity sector was essentially Ontario Hydro. However, since deregulation in May 2002, the sector is now composed of:

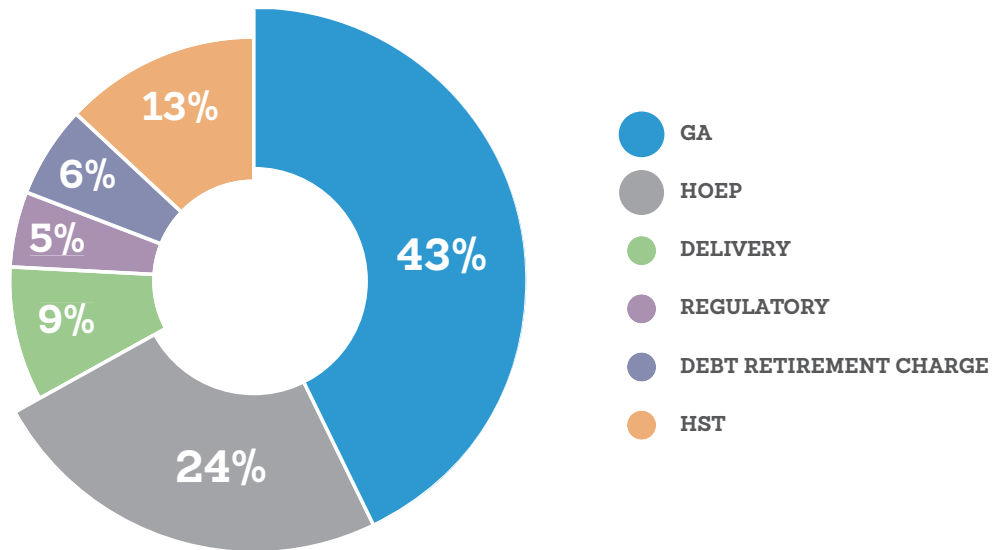
- 1. Government of Ontario:** controls overall direction and policy.
- 2. Ontario Energy Board:** regulatory body.
- 3. Ontario Power Authority:** electricity planner.
- 4. Independent Electricity System Operator (IESO):** grid operator.
- 5. Hydro One:** Transmitter and distributor. It is the only one of the 77 utilities that is entirely owned by the province.
- 6. Ontario Power Generation (OPG):** electricity generator. It is one of many generators in Ontario, but is the only one to be entirely owned by the province.
- 7. Bruce Power:** electricity generator. It is the largest nuclear plant in the world responsible for 30% of the Province's energy supply.

## Part 2: Factors that affect electricity price in Ontario

### WHAT MAKES UP THE ELECTRICITY PRICE?

This is the consumption portion of your bill where you are billed by a rate at c/kWh based on your meter reading, usually monthly.

#### ELECTRICITY PRICE BROKEN DOWN



The electricity price portion of your bill is further broken down into two price components:

1. Electricity Price: Also known as the spot price, the market clearing price (MCP), or the Hourly Ontario Energy Price (HOEP)
2. Global Adjustment: This used to be the called the Provincial Benefit

Both of these prices are constantly changing but you are charged the weighted-average price over the course of the month.

The electricity price is determined by the intersection of electricity demand and electricity supply. Both demand and supply are constantly and simultaneously varying.

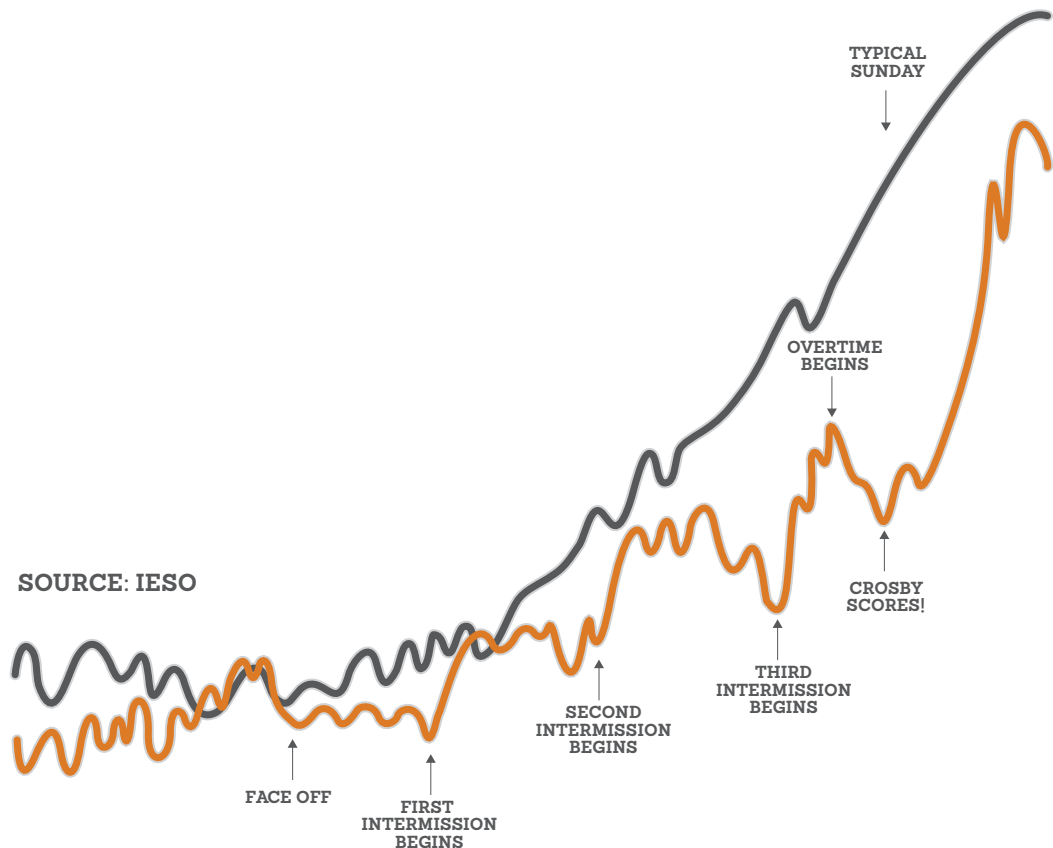


## ELECTRICITY DEMAND

Demand varies based on things like weather and economic activity. Things like air conditioning and heating increase electricity demand. In exceptional circumstances even a hockey game can influence demand.

The graph below shows electricity demand on a typical Sunday (shown in grey) and compares it to the Sunday when Canada beat the U.S. in the ice hockey 2010 Olympic finals (shown in orange). Demand during the game was overall lower than a typical Sunday, as many people were gathered together in one room to watch the game. Spikes are noted during intermissions where people left where they were gathered to cook food, turn on lights, or use the bathroom – all things which increase demand.

### ONTARIO ELECTRICITY DEMAND FEBRUARY 28, 2010



## ELECTRICITY SUPPLY































Electricity supply comes from different fuel types, like wind, solar, hydro (waterpower), natural gas, and nuclear. These fuel types have different supply characteristics, all of which are needed to meet Ontario demand:

- Base-load supply includes sources like nuclear and hydro. They are low-cost, reliable and supply electricity 24-7.
- Intermittent supply includes sources like wind and solar. They provide electricity when the wind is blowing and the sun is shining.
- Peaking supply sources like gas and peaking hydro are used when demand is at its highest – they are flexible but costly.

Different fuel types also have different trade-offs when looking at costs, environmental aspects and reliability. There is a need for different types of supply but it is important to recognize that among these sources, there are drawbacks and benefits.

The Ontario government looks at these trade-offs (shown below) to help them develop energy policy in the province.

### ONTARIO ELECTRICITY SUPPLY

ENERGY TYPE*	ELECTRICITY COSTS	CAPITAL COSTS	FLEXIBILITY	CARBON EMISSIONS	AVAILABILITY
Gas 					
Solar 					
Wind 					
Water 					
Nuclear 					

\*Denotes new generation plants

Source: Electric Power Research Institute and Ontario Ministry of Energy



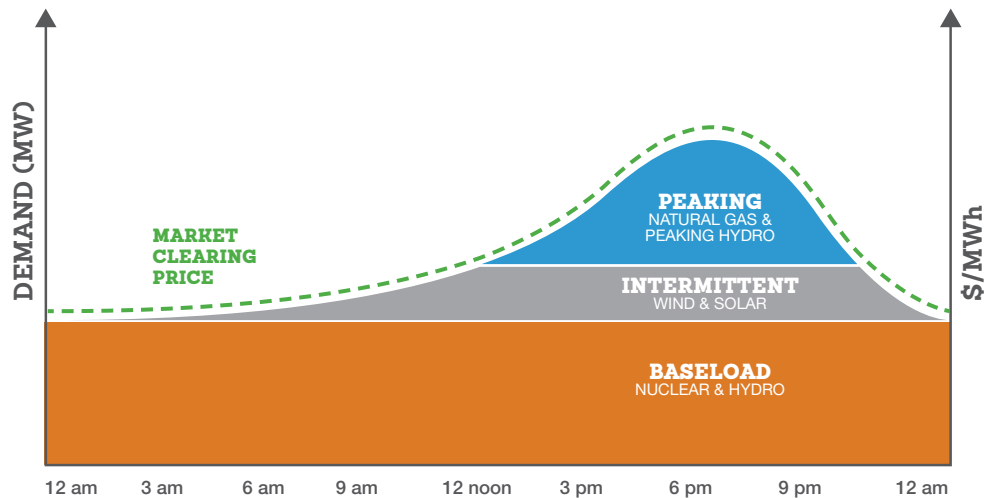
## ELECTRICITY PRICE

The price for electricity in Ontario is set every 5 minutes based on the intersection of supply and demand and fluctuates like stock prices. This is called the market clearing price (MCP). It is set in the following way:

- Electricity supply is offered into the market at its operating cost. Offers of supply are stacked up from least costly to most expensive to meet demand. Where they intersect is the market clearing price (MCP).
- In each hour there are 12 MCP's, and the hourly average of the MCP is called the Hourly Ontario Energy Price (HOEP). This is what you get charged by your local utility.

On your electricity bill you see a volume-weighted average\* HOEP, when in reality the price fluctuates on a 5 minute basis. Many large industrial users attempt to estimate upcoming hourly prices and adjust their consumption in light of changing hourly prices, to avoid the highest priced hours and reduce their costs. Is there anything you can adjust in your facility to avoid the highest priced hours of the day?

### HOURLY ONTARIO ENERGY PRICE

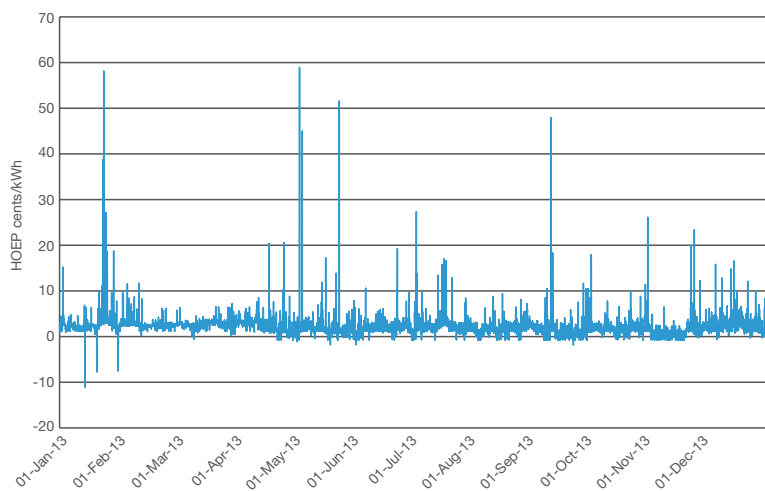


### \* WEIGHTED AVERAGE EXAMPLE

TIME	ENERGY (kWh)	HOEP (¢/kWh)	COST (\$)
9:00 AM	1400	1.43	19.95
10:00 AM	1500	1.81	27.20
11:00 AM	1600	2.38	38.05
12:00 PM	1600	3.24	51.90
1:00 PM	1500	3.35	50.27
<b>TOTAL</b>	<b>7600</b>	<b>N/A</b>	<b>187.36</b>
Weighted Average HOEP (\$187.36/7600 kWh) =		<b>2.47 ¢/kWh</b>	

**MONTHLY  
CHARGE IN  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**

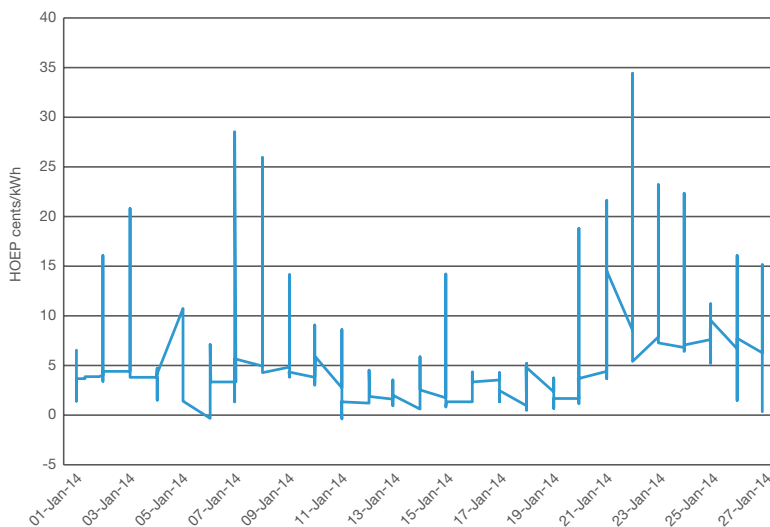
The average HOEP for 2013 was 2.5 cents/kWh, and although you don't see it reflected in your bill, this 2.5 cents average is based on a lot of volatility over the year:



If you avoided the top 100 most expensive hours in 2013 you could lower your average price by 6%.

Price volatility was recently evident in the January 2014 polar vortex which caused major price spikes.

**MONTHLY  
CHARGE IN  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**



As previously mentioned, the electricity price is derived from the intersection of supply and demand. Supply of electricity comes from different sources which have their own characteristics and trade-offs between costs, environmental friendliness, and reliability. Demand changes based on weather and economic activity. As both supply and demand are highly volatile the price fluctuates wildly on a 5 minute basis; however, the electricity price you see on your bill is the hourly weighted average over the month.

## Part 3: The Impact of the Global Adjustment on Electricity Price

Since suppliers offer their supply at their operating cost, the market clearing price can often not be high enough for them to cover all of their costs. For example, the average HOEP in 2013 was 2.5 cents/kWh, which was not enough for suppliers to cover the costs of operating their plants.

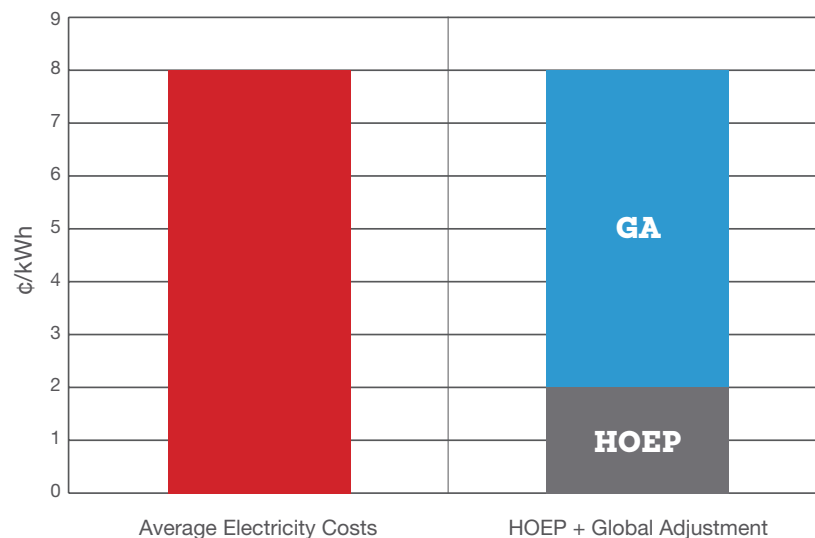
To ensure Ontario has enough electricity supply, the government has signed long-term contracts with most suppliers to make sure they will invest in Ontario, build power plants, and be paid enough to cover their costs (plus a reasonable rate of return). These costs are recovered through the global adjustment.

### WHAT IS THE GLOBAL ADJUSTMENT AND HOW DOES IT IMPACT ELECTRICITY PRICE?

The global adjustment is the difference between the market price and electricity price contracted by the government. It is the “top-up” that most suppliers are paid when they generate electricity.

This means that as the market price goes up, the global adjustment goes down as suppliers are recovering more of their costs from the market and less from the global adjustment. As a consumer, you pay both.

For example, if the Hourly Energy Ontario Price is 2 cents/kWh, and an electricity generator has a contract with the government for 8 cents/kWh, the global adjustment is 6 cents/kWh. You, as a consumer of this electricity are charged a total of 8 cents/kWh.



**GLOBAL  
ADJUSTMENT**

Suppliers have individual contracts, so the amount of the global adjustment will change depending on which suppliers are meeting demand. One contract may be for 13 cents/kWh while another is for 5 cents/kWh. The actual payment to a supplier will be the amount of their contract multiplied by how much they generated:

**13 cents/kWh \* 300,000,000 kWh/month = \$M 39/month**

**5 cents/kWh \* 1,000,000,000 kWh/month = \$M 50/month**

Typically, the more expensive resources produce less kWh as they are used at “peak” times, when Ontario consumption is at its highest.

### **THE ROLE OF THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR (IESO)**

Ontario’s grid operator, the Independent Electricity System Operator (the IESO) calculates the monthly global adjustment which is then used to determine electricity price and billing.

#### **They make two estimates and then provide a final actual amount:**

- The 1st estimate is provided on the last business day of the month for the next month (e.g., 1st estimate for October is published on Sept 30)
- The 2nd estimate is provided on the last business day of the month for the current month (e.g. 2nd estimate for October is published on Oct 31)
- The final rate is published at the middle of the following month (e.g., the final October rate is posted around November 15).

These preliminary estimates need to be made in advance of the final so that the LDCs can bill their customers on time by using the 1st or 2nd estimate and then truing up their customer in the following bill cycle. The majority of customers in Ontario are billed using the first estimate of the global adjustment.

#### **If we look at the September 2013 1st estimate, the IESO had to:**

- Estimate the amount of supply and the “top-up” money that will be paid to suppliers (millions of dollars each month) = \$M 666.7, and divide it by;
- Estimate of monthly of all Ontario consumption = 7,647,396 MWh, to arrive at \$63.08/MWh (or 6.308 cents/kWh)

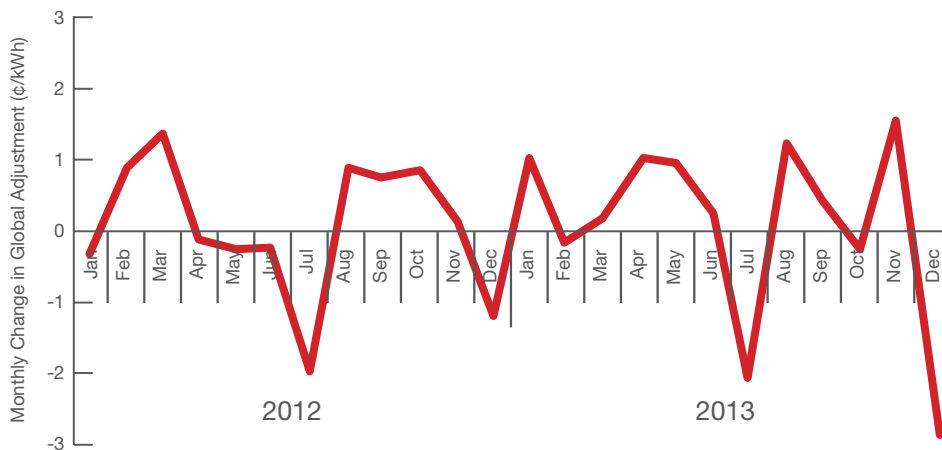
**\*Note: 1 MWh = 1000 kWh.**

This is no simple task and is why there is often a deviation between both estimates and the actual rate. You can find the IESO’s global adjustment information here.

<http://www.ieso.ca>

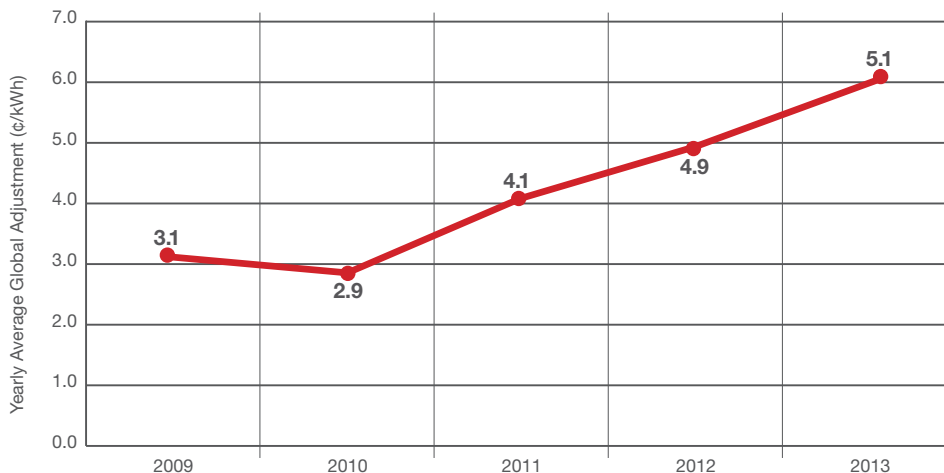
There is also variation in the global adjustment month over month, as illustrated in the graph below.

**MONTHLY  
CHANGE IN  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**



It is difficult to predict the variation in global adjustment but it is clear that the global adjustment is on the rise. It will continue to rise as suppliers with government contracts build projects that require this “top-up” to the market price. The graph below shows the increase in yearly global adjustment since 2009:

**YEARLY  
AVERAGE  
GLOBAL  
ADJUSTMENT  
(¢/kWh)**



You pay the global adjustment based on how much you consume. This amount varies all the time as it is based on the “top-up” paid to suppliers of electricity and total amount of consumption in the province for a given month.

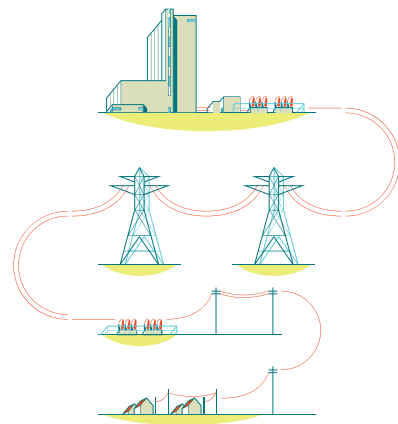
**Both the global adjustment and HOEP are energy consumption based charges. If you had a monthly January 2014 meter reading of 730,000 kWh you would get billed:**

1. Electricity Price = 730,000 kWh \* 5.7 cents/kWh (weighted average HOEP) = \$41,61
2. Global Adjustment = 1,000,000 \* 3.626 cents/kWh (GA 1st estimate) = \$26,280
3. Total Electricity Charge = \$67,890/month

## Part 4: Types of Electricity Charges on Your Bill

### 1. DELIVERY CHARGES

This is the portion of your bill that utilities charge to deliver electricity from a generator (e.g., Bruce Power’s nuclear power plant) to the transmitter’s system (e.g., Hydro One), to the distributor’s system (e.g., Toronto Hydro), then to your business, as depicted in the illustration.



There are 77 utilities that deliver electricity directly to homes and businesses in Ontario. [http://www.ieso.ca/imoweb/siteShared/local\\_dist.asp](http://www.ieso.ca/imoweb/siteShared/local_dist.asp)

The delivery charges on your bill cover the costs for a utility to build, operate and maintain infrastructure, such as transmission lines, distribution lines, towers, poles and transformers. It also includes costs that the utility needs to recover for billing, administration, day-to-day and emergency services, or any other service it provides.

The delivery charge is comprised of a fixed monthly charge and a variable charge. For business and industry, both charges are based on your demand (kW).

The rate charged by utility companies is regulated by the Ontario Energy Board (OEB), an independent government agency that serves the public interest. These rates are determined on a five-year cycle. The OEB reviews each rate application through a public process, and then sets the rates for the distributor to charge. The rate application is based on a distributor’s costs



## 2. REGULATORY CHARGES

Regulatory charges are the costs of administering the electricity system and market, maintaining the reliability of the provincial grid, and covers administration fees of the IESO and the OPA. Utilities collect this charge and pass it through to the IESO who operates the Ontario grid and the OPA who manages long term planning.

## 3. DEBT RETIREMENT CHARGE

The Debt Retirement Charge of 0.68¢ /kWh pays down the residual stranded debt of the former Ontario Hydro. Utilities collect this money and pass it through to the Ontario government. Although the debt was acquired in the past, it is paid by today's electricity customers since the electricity generation and transmission infrastructure financed by the debt continue to be used by all Ontario's electricity consumers.

By law, the Debt Retirement Charge will end when the government's assets and the estimated value of its other dedicated revenues from the electricity sector are sufficient to service and retire the remaining amount of debt and other liabilities. The government estimates that the Debt Retirement Charge will likely end between 2015 and 2018.

Click here for more information.

<http://www.fin.gov.on.ca/en/tax/drc/index.html>

## 4. ONTARIO CLEAN ENERGY BENEFIT (OCEB)

The Ontario Clean Energy Benefit takes 10% off the cost of up to 3,000 kWh/month of electricity use. A medical exemption from the 3,000 kWh/month cap is available.

Medical Exemption.

<http://www.energy.gov.on.ca/en/clean-energy-benefit/#qme#qme>

Click here for more information.

<http://www.energy.gov.on.ca/en/clean-energy-benefit>

The OCEB expires on December 31, 2015.

## Part 5: Quick tips to reduce consumption and costs

Based on the information in this guide, there are 6 things you can do to start reducing consumption and saving money for your Ontario-based business today.

- 1.** The electricity component of your bill is charged on a weighted consumption (kWh) basis, so the less you consume the lower the portion of your bill will be. However we now know that it also matters when you consume, so the best thing to do is avoid consuming in times when the price of electricity is high. This typically happens in the “peak” hours of the day from 7am to 7pm. You can also sign contracts with an electricity retailer like Bruce Power Direct for a set price of electricity over a longer period of time (e.g., 1 year).
- 2.** Similarly, consume less during peak hours of the day. The global adjustment is charged on a weighted consumption (kWh) basis, so the less you consume during peak hours of the day, the lower this portion of your bill will be.
- 3.** The delivery component of your bill is charged on a demand basis. Some utilities like Toronto Hydro charge you based on your maximum demand and your demand during peak hours (7am – 7pm on weekdays). Other utilities use your average demand. Depending on your utility, lowering your maximum, peak, or average demand will lower your delivery costs.
- 4.** The regulatory component makes up about 5% of your bill. The majority of this charge is billed on a consumption basis; therefore, the less you consume, the less you pay.
- 5.** The Debt Retirement Charge is also a consumption based charge – the less you consume, the less you pay.

## For More Information

For more information on anything included in this guide, or advice on how to reduce costs and consumption even further, please contact Bruce Power Direct:

### **CHRIS LOUGHREN**

**Manager, Commercial Energy Solutions  
Bruce Power Direct**


**Email:** [chris.loughren@brucepower.com](mailto:chris.loughren@brucepower.com)

**Phone:** 416-786-7336

**Toll Free:** 1-855-247-1122

### **BECOME AN EMPOWERED ELECTRICITY CONSUMER.**

Let us help you understand electricity pricing in Ontario and start saving today.

	<b>Report Title</b>	Telephone System Upgrade
	<b>Report No.</b>	CAO-HR 17-02
	<b>Author</b>	Ashley Andrews, Manager of Human Resources
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	JANUARY 24, 2017
	<b>Attachments</b>	N/A

**RECOMMENDATION**

THAT Council receive Report CAO-HR 17-02 – Telephone System Upgrade as information.

**BACKGROUND**


There are several reasons as to why the telephone system within the Town requires an upgrade; the most pressing of these reasons is due to the phone system being past end of life. Avaya, our current phone manufacturer stopped support in October of 2015. They have continued to provide support to third parties, such as Unity, who we currently use, until October of 2018, but because this is an aging phone system, trying to locate parts when they are required is very difficult. Due to this, should a main component breakdown, we may be looking at the phone system being down for quite some time while we try to locate the appropriate part.

Another concern with the current phone system is the way in which the phone lines work with our current hardware. We have had a number of issues over the last year or so with the number of lines available and receiving a busy signal. There are upgrades that can be done to our current system to help with this, but the cost would be significant and as stated previously, the system would continue to be unsupported.

It has been 15 years since we put our current phone system in place, along with the Business Communication Manager (BCM) and technology has changed significantly since then. Many of the features that would help to enhance customer service are just not available through our current BCM. Some of these features include receiving voicemail through email, allowing your office phone to connect to your Blackberry, enhanced VoIP features, etc.

**FINANCIAL IMPACT/FUNDING SOURCE**

The associated cost of \$125,000 has been funded through the use of IT Capital reserves and included in the 2017 proposed draft budget.

	<b>Report Title</b>	Benefit Cost Summary
	<b>Report No.</b>	CAO-HR 17-01
	<b>Author</b>	Ashley Andrews, Manager of Human Resources
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	JANUARY 24, 2017
	<b>Attachments</b>	N/A

**RECOMMENDATION**

THAT Council receive Report CAO-HR 17-01 – Benefit Cost Summary as information.

**EXECUTIVE SUMMARY**

Council requested information on the cost of benefits over a five year period.

**BACKGROUND**

A benefit cost summary for 2013 – 2017 is provided for Council's information.

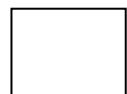
	<b>Health</b>	<b>Dental</b>	<b>Life</b>	<b>AD &amp; D</b>	<b>Dependent Life</b>	<b>Total Cost</b>
2017	291,089.64	123,374.15	43,723.17	5,313.07	3,997.19	469,514.21
2016	255,845.95	120,438.32	39,098.38	4,946.59	3,742.20	426,087.44
2015	247,675.91	127,970.94	43,017.19	5,287.83	3,545.64	429,512.50
2014	274,409.60	126,274.85	60,437.08	5,388.37	4,126.08	472,649.97
2013	298,661.64	134,700.54	56,196.89	5,471.80	3,831.62	500,875.50


The most significant increase with regard to benefits within the 2017 draft budget is for extended health benefits, which include prescription drug costs. The factors affecting this increase include both an aging workforce, as well as our experience/utilization rating. The cost and utilization of prescription drugs claimed by employees is continuing to rise.

The Senior Leadership Team has met to review options available by the plan carrier, as well as additional carriers, and recommends remaining status quo. The plan utilization and experience will continue to be monitored closely throughout the 2017 year. Options will be reviewed to determine what actions may be required going forward to reduce costs where possible.

## **FINANCIAL IMPACT/FUNDING SOURCE**

The associated cost of \$43,000 for the increased 2017 benefit premium cost has been included in the 2017 proposed draft budget.



	<b>Report Title</b>	White Paper – Business Case for 1.0 FTE Mechanic
	<b>Report No.</b>	OPS 17-03
	<b>Author</b>	Senior Leadership Team
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 10, 2017
	<b>Attachments</b>	

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**RECOMMENDATION**

**THAT Council receive Report OPS 17-03 White Paper – Business Case for 1.0 FTE Mechanic as information.**

**SUMMARY**

Fleet Services is responsible for the stewardship of the Town’s fleet of vehicles and equipment including compliance with applicable legislative requirements for various Town departments. Services and responsibilities include:

- Preventative Maintenance
- 24 hour / 7 days per week On-Call Service
- General Repairs and Documentation as per CVOR Reg 424
- Warranty Recovery & Tracking
- Recall Notification & Tracking
- Fuel Inventory Management
- Parts & Supplies Inventory Management
- Replacement Specifications and Bid Evaluation
- Surplus Vehicle Disposal Administration
- Vehicle Licensing, Registration and Insurance
- Motor Vehicle Inspection Station requirements as per HTA 601
- Annual Vehicle Inspection and Report as per HTA Reg 611
- Review all Driver Daily Inspection Reports as per HTA Reg 199
- Conduct Immediate Repairs of any critical defects reported as per HTA Reg 512
- Documentation of the Drivers Hours of Service as per HTA Reg 555
- Review Driver and Carrier Abstract as per CVOR Reg 424
- Vehicle Accident Damage Administration

The dedicated hard work of current staffing resources within Fleet Services is no longer sufficient to regain and maintain compliance with the requirements of the Commercial Vehicle Operator Registration (CVOR) Reg 424 for the Town.

The increased administrative demands as a result of changing legislative requirements to the CVOR and various regulations under the Highway Traffic Act (HTA) has not only increased the work load, but also the backlog of outstanding repairs, resulting in service level issues to user departments (i.e. Roads, THI, Fire, Parks, etc.) that provide services to the community.

Some of the risks associated with continuing status quo include:

- employee burn-out
- increased repair backlog
- increased/continued service level issues to user departments
- continued non-compliance with CVOR and HTA regulations


### **CONSULTATION / COMMUNICATION**

As part of the 2017 draft budget development Senior Leadership discussed the possibility of outsourcing mechanic services, but determined that contracting out would not alleviate the need to backfill during vacation or illness, nor assist with succession planning. In addition, due to the nature of Town business, internal prioritization, knowledge, and expertise is required to ensure operator and public safety. The Senior Leadership Team also discussed the importance of the additional staff resource within Fleet Services to help mitigate service level issues to user departments, prevent employee burn-out, and the importance of regaining CVOR compliance.

### **FUNDING IMPACT/ FUNDING SOURCE**

The associated cost of \$75,000 for the 1.0 FTE Mechanic has been included in the 2017 proposed draft budget.



	<b>Report Title</b>	Budget Issue Paper: Dog Park Project Update
	<b>Report No.</b>	RCP 17-08
	<b>Author</b>	Rick Cox, Director of Recreation, Culture & Parks
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 24, 2017
	<b>Attachments</b>	•

**RECOMMENDATION**

THAT Report RCP 17-08 – Budget Issue Paper – Dog Park Project Update be received for information.

**EXECUTIVE SUMMARY**

As part of the 2016 Budget and workplan, funds collected from late fees on dog licenses were contributed towards building a reserve to implement a dog park. This report provides Council with an update on the status of this project.

**BACKGROUND**

At the Council meeting of May 11, 2015, the following resolution was adopted.

*Moved By: Councillor Adam Seconded By: Deputy Mayor Beres  
 THAT Council receive Report RCP 15-20 - Tillsonburg Dog Park Recap as information;  
 AND THAT consideration be included in the 2016 budget deliberations;  
 AND THAT the matter be directed to the Parks and Recreation Advisory Committee.  
 Carried.*

In the 2016 budget through the the 2016 Rates & Fees By-Law, late fees collected from dog licenses were allocated to a reserve. The intent of the ongoing collection for this reserve is to assist with funding the implementation of a dog park, and then once built, to fund the maintenance costs of the dog park. The 2017 draft budget includes a continuation of this. The implementation schedule proposed in the 2016 budget was to plan for a 2018 construction project.

The Parks and Recreation Advisory Committee struck a sub-committee which has been working on the issue since late 2015, including a public consultation process in 2016. The sub-committee has been providing regular updates to the Advisory Committee and has a further report on the Committee’s agenda for an upcoming meeting.

The Dog Park project has been added to the 2017 RCP workplan as an amendment to the copy originally distributed.

**CONSULTATION/COMMUNICATION**

N/A

## **FINANCIAL IMPACT/FUNDING SOURCE**


At the end of 2016, there was \$3,425 contributed to reserves from dog licence late fees. The current development charge reserve includes \$36,000 that has been collected for implementing a dog park. The Development Charge Study assumes a \$40,000 implementation cost, of which the \$36,000 funds the eligible 90% portion.

While the implementation costs are not yet clear, the funding plan is designed to implement and maintain the dog park without use of taxation. Construction would not proceed until there are adequate reserve funds in place through multiple years of license fee contributions and potential supplementary fundraising by proponents of a dog park.

## **COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

This issue paper provides information in alignment with the following Objectives of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government
- Objective 2 – Culture & Community

	<b>Report Title</b>	Highway 3 Business Park Update
	<b>Report No.</b>	DCS 17-03
	<b>Author</b>	Cephas Panschow, Development Commissioner
	<b>Meeting Type</b>	Council Budget Meeting
	<b>Council Date</b>	January 24, 2017
	<b>Attachments</b>	Report DCS 15-01 Highway 3 Business Park Development Plan

**RECOMMENDATION**

THAT Report DCS 17-03 Highway 3 Business Park Update be received for information.

**EXECUTIVE SUMMARY**

The purpose of this report is to provide Council with an update on the development plan for the Highway 3 Business Park as part of Council’s consideration of the funding requested in the 2017 budget.

**BACKGROUND**

A number of reports have been provided to Council over the past few years; including most recently:

- Report DCS 13-44 Industrial Land Update – Highway 3 Business Park (June 13, 2013)
- Report DCS 15-01 Highway 3 Business Park Development Plan (January 22, 2015)

At the time of the last report, staff identified a number of steps to move forward with the construction of the Highway 3 Business Park:

<b>Item</b>	<b>Work Involved</b>
Final Design & Environmental Assessment	<ul style="list-style-type: none"> <li>▪ Highway 3/Clearview Drive Intersection</li> <li>▪ Storm Water Management Pond</li> <li>▪ Clearview Drive South</li> <li>▪ Street “C”</li> </ul>
Phase 1: Hwy 3 Interchange improvements	<ul style="list-style-type: none"> <li>▪ Construction of Hwy 3 Interchange Improvements</li> </ul>
Phase 2: Construction	<ul style="list-style-type: none"> <li>▪ Clearview Drive South (Partial)</li> <li>▪ SWM pond construction</li> </ul>
Phase 3: Construction	<ul style="list-style-type: none"> <li>▪ Completion of Clearview Drive South and Street “C”</li> </ul>

Progress on the development of a new business park has been stymied by a number of factors including the Highway 3 reconstruction undertaken by the Province of Ontario in 2015 and the requirement by the Ministry of Transportation that the consultant for the final design of the intersection have Ministry certification under their Registry, Appraisal and Qualification System (RAQS).

In order to meet the requirement for a RAQS approved consultant, staff released a Request for Proposal (RFP) on March 30, 2016 with a response deadline of May 31, 2016. However, despite providing the RFP to the complete list of RAQS approved consultants in the Province of Ontario, the Town did not receive any proposals by the deadline. This left the Town in the unfortunate position of not being able to move forward due to the lack of a suitably qualified consultant.

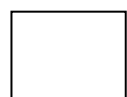
In order to move forward staff have been working with the Town's existing Engineering Consultant, CJD Engineering, to find a RAQS certified consultant. In that regard, staff is anticipating a proposal shortly and anticipate moving forward with the final design and environmental assessment for the intersection in the near future.

The 2017 budget contains funds to move forward with the construction of the Highway 3/ Clearview Drive intersection once the final design and environmental assessment is completed. The completion of the intersection upgrades to Ministry of Transportation requirements will essentially remove any barriers to marketing the business park to investors as, once a land sale occurs, the construction of Clearview Drive South and the Storm Water Management (SWM) Pond could proceed in conjunction with any new developments (although they would be required to be completed prior to occupancy of any new building). The Town could also decide expedite the next phases of the project in order to improve the marketability of the business park. This would be subject to Council approval at a later date.

Report DCS 15-01 recommended that Council move forward with the development of the Highway 3 Business Park for the following reasons:

- Industrial vacancy rates across Southwestern Ontario are declining and this will lead to increased interest in Greenfield development opportunities;
- Manufacturing employment is increasing and this points to decreased capacity within existing manufacturer facilities in the region;
- Some local manufacturers have been contemplating expansions to meet demand;
- Improving the "shovel-ready" status of these lands will make these lands more attractive to prospective purchasers and improve the likelihood that the Town will be successful in attracting investment and in a shorter timeframe.

These reasons are still valid and, in fact, even more so as industrial vacancy has continued to decline, manufacturing employment has continued to grow and many local manufacturers are approaching capacity. Further, the Town of Tillsonburg realized the sale of its shovel ready industrial lands in 2016 resulting in the construction of two new industrial buildings totalling over 86,000 square feet and 56 jobs initially and increasing to over 100 jobs in the future.



CAO

Increasing the supply of shovel ready lands will enable the Town of Tillsonburg to remain competitive in terms of attracting investment and building the Tillsonburg economy.

**CONSULTATION/COMMUNICATION**

The Town's Development Committee has discussed the supply of shovel ready industrial lands on a number of occasions and is strongly supportive of moving forward with this project.

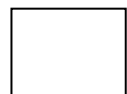
**FINANCIAL IMPACT/FUNDING SOURCE**

The 2017 draft budget contains \$550,000 for the Highway 3/Clearview Drive intersection with \$531,500 in funding from the Industrial Land Reserve and \$18,500 in funding from the Development Charge Reserve. There is no impact to taxation for this phase of the project.

**COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

The development of a new business park is in keeping with the vision of the Community Strategic Plan theme of Economic Sustainability as outlined in Goal 2.1:

- Support new and existing businesses and provide a variety of employment opportunities





**STAFF REPORT  
DEVELOPMENT & COMMUNICATIONS SERVICES**

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**Report Title:** HIGHWAY 3 BUSINESS PARK DEVELOPMENT PLAN  
**Report No.:** DCS 15-01  
**Author:** CEPHAS PANSCHOW  
**Meeting Type:** COUNCIL BUDGET MEETING  
**Council Date:** JANUARY 22, 2015  
**Attachments:**

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**RECOMMENDATION:**

***“THAT Council receive Report DCS 15-01 Highway 3 Business Park Development Plan;***

***AND THAT the development plan as outlined in Report DCS 15-01 be considered as part of the 2015 budget discussions.”***

**EXECUTIVE SUMMARY**

The purpose of this report is to seek Council approval through the 2015 budget process to move forward with a development plan for the Highway 3 Business Park with the goal of facilitating investment in Tillsonburg and creating jobs and tax revenue. These lands have been in the Town’s ownership for decades although constrained until 2012 by a restrictive covenant in favour of the County of Oxford due to the former landfill located to the rear of these lands. Two residential properties were acquired in 2008/2009 in order to enable full ownership of the property. Although the acquisition costs for the subject property were zero as the property was already owned by the Town, there have been expenditures of \$827,636 incurred to date for the development of the business park due to the purchase of two corner residential properties as well as costs for the preliminary design and approval processes (Plan of Subdivision).

**BACKGROUND INFORMATION**

On June 13, 2013 staff provided Report DCS 13-44 Industrial Land Update – Highway 3 Business Park to Council for information purposes. The report provided an overview of the actions undertaken with respect to the development of the Highway 3 Business Park.

On February 27, 2014 the following motion regarding an extension in the period to obtain plan registration was approved by Town Council and subsequently provided by Oxford County:

*That Tillsonburg Council advise Oxford County that the Town supports a 3 year extension to the draft approval of the Town Industrial Plan of Subdivision, (32T-09004), for lands described as Part Lots 1 & 2, Concession 5 (Middleton), Town of Tillsonburg, to March 9, 2017.*

Staff is recommending that Council move forward with the development of the Highway 3 Business Park for the following reasons:

- Industrial vacancy rates across Southwestern Ontario are declining and this will lead to increased interest in Greenfield development opportunities;
- Manufacturing employment is increasing and this points to decreased capacity within existing manufacturer facilities in the region;
- Some local manufacturers have been contemplating expansions to meet demand;
- Improving the “shovel-ready” status of these lands will make these lands more attractive to prospective purchasers and improve the likelihood that the Town will be successful in attracting investment and in a shorter timeframe.

With the extension in the draft plan approval, the Town has an additional three years to obtain registration of the plan. Registration of the plan typically requires the installation of all roads/services. The cost estimate for the construction of the Highway 3 Business Park (2009 prices), including Highway 3 improvements and costs incurred to date, is \$2,862,626.

As this is a significant financial outlay with no offsetting revenue from land sales at this time, staff is recommending that the Business Park be constructed in phases as follows:

<b>Phase</b>	<b>Steps</b>	<b>Timeline</b>
Final Design	▪ Engineering Department to complete road/services design	Q1
	▪ CJDL to complete Stormwater Design & Servicing Report	Q1
Marketing	▪ Obtain design/build options for speculative industrial building construction through RFQ process	Q2
	▪ Obtain appraisal of value for lands	Q3 2015
	▪ Reface existing sign on site	Q4 2015
Hwy 3 Interchange improvements	▪ Monitor status of Ministry of Transportation Hwy improvements and timing	Q1 – Q2
	▪ Release of Tender for Town led Hwy 3 Interchange Improvements	Q3
	▪ Construction of Hwy 3 Interchange Improvements	Q3 – Q4
Phase 1:	▪ Release of Tender for Partial Construction	2016

  
**CAO**

Construction	▪ Partial road/SWM pond construction	
Phase 2: Construction	▪ Completion of Construction	2017

The following steps have been identified for 2015:

<b>Step</b>	<b>Timeline</b>	<b>Comment</b>
Confirm financing plan for Final Design and Construction	Q4 14	Funded primarily through Debentures with design funded by Industrial Land Reserve. Goal is for all costs to be offset by future land sales.
Obtain Council approval for financing	Q1 15	As per Report DCS 15-01
Final design of Stormwater Pond and updated Servicing Report	Q1 15	CJDL Engineering to handle Stormwater pond revisions and servicing report
Final design of road/services	Q1 15	Engineering Department to schedule in-house completion of final design for road/services
Develop Phasing Plan	Q1 15	Based on revised servicing report
Hwy 3 improvements	Q3 – Q4	Engineering to prepare and manage tenders for both road and pond and also do contraction administration and inspection (with some CJDL support for SWM pond as needed). Savings estimated at \$80,000.
Cost-sharing through Local Improvement Bylaw	Q1 – Q2 15	Process for cost sharing with adjacent property owners to be determined

The cost estimate originally prepared for the Highway 3 Business Park construction is from 2009 and staff will be requesting an updated estimate from CJDL Engineering Limited based on the final servicing report.

Staff are also recommending that the Town obtain an appraisal on the value of land in the Business Park, and specifically, land parcels of different sizes and locations within the park.

One issue relating to the attractiveness of municipal industrial land sales in Southwestern Ontario is the low gross commission payable to a real estate broker/agent who brings a client to the Town. A comparable sale in a larger city would result in a commission that is much higher than in Tillsonburg. An example of this is shown in the below table.

As one can see in this illustration, commercial real estate brokers are incentivized by an difference of \$115,000 to prefer larger communities over smaller communities based on the simple fact that prices per acre are higher in larger communities. One of Tillsonburg's competitive advantages (low prices) is potentially reduced by this disincentive. One way that Tillsonburg can overcome this disincentive is to pay a higher commission on land sale transactions.

  
**CAO**



<b>Community</b>	<b>Size of Parcel</b>	<b>Price/Acre</b>	<b>Total Price</b>	<b>Commission Payable @ 5%</b>
<b>Tillsonburg</b>	10 Acres	\$70,000	\$700,000	\$35,000
<b>Larger City</b>	10 Acres	\$300,000	\$3,000,000	\$150,000

Instead of lowering the asking price/acre to generate interest in the Highway 3 Business Park, Council could approve an increased commission rate for land sales and, by so doing, generate increased interest from the broker/agent community.

If Council were to approve an increased commission rate as follows, the overall impact would be slightly higher costs, but also increased sales and revenue. Council may want to consider the following criteria:

- Increased commission for first 10 acres purchased only;
- 10% commission rate (would result in commission of \$70,000 in above example instead of \$35,000 – almost half of larger city example);
- Applicable to first few land sales only.

**CONSULTATION/COMMUNICATION**

The recently approved Community (Based) Strategic Plan identifies the value of promoting environmentally sustainable living (Culture and Community Goal 4.3). Although this particular goal relates to public transportation, staff has investigated what other communities are doing in terms of incorporating sustainability into the development of new business and industrial parks. Although there are not a lot of examples of this yet, they have been able to find some information on environmental features that are incorporated into either the development of the park or in the actual buildings within the park.

  
**CAO**

	<b>Boxwood Business Park</b>	<b>David Johnston Research &amp; Technology Park (University of Waterloo)</b>	<b>McMaster Innovation Park</b>
<b>Environmental Features</b>	<ul style="list-style-type: none"> <li>▪ Conducted public workshop to collect ideas on how to incorporate green or sustainable features into infrastructure and building design</li> <li>▪ Protection of trees/vegetation</li> <li>▪ LED Street Lighting</li> <li>▪ Future Transit stop</li> <li>▪ Trails</li> <li>▪ Large buffer zones from natural features</li> <li>▪ Accommodation for passive solar</li> <li>▪ Included corridor for future district energy system</li> <li>▪ Improved Stormwater Mgmt</li> <li>▪ Use existing topography where possible</li> </ul>	<ul style="list-style-type: none"> <li>▪ 109 hectare (269 acre) Environmental Reserve along Laurel Creek</li> <li>▪ Provide a rehabilitation and management plan for the preservation and enhancement of environmental functions of the reserve</li> <li>▪ Bicycle lanes incorporated into road structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ Permeable hard surfaces to increase water infiltration and reduce runoff</li> <li>▪ Rainwater collection for grey water and irrigation use</li> <li>▪ Drainage swales where needed</li> <li>▪ Walking paths (future)</li> </ul>
<b>Sustainable Features in Buildings</b>	<ul style="list-style-type: none"> <li>▪ Optimize building to street ratio</li> <li>▪ Water conservation features</li> <li>▪ Increased vegetation for aesthetics and site energy</li> </ul>	Buildings are encouraged to make use of environmental best practices such as passive and active solar technology, green roofs and environmental	<ul style="list-style-type: none"> <li>▪ Utilize a ground source heat pump system with eco chillers and boilers to heat and cool the entire park (three buildings so far) with a district energy</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Maximize natural light</li> <li>▪ Provide green areas between lots and pedestrian linkages</li> <li>▪ Financial incentives for green building features including fast track permits, reduced development charges, and rebates</li> </ul>	<p>wastewater processing systems</p> <p>Primary landscape areas should convey a strong sense of environmental responsibility and corporate image</p>	<p>system.</p> <ul style="list-style-type: none"> <li>▪ Two of the buildings have been built to LEED Silver and one to LEED Platinum standards.</li> <li>▪ Several features of the park and buildings incorporate locally sources products, or health and vitality to our tenants (such as an onsite fitness centre)</li> </ul>
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Although there are not a lot of examples of sustainable business parks in Ontario, a number of Ontario municipalities provide for new development to include sustainable design features above and beyond the building code. For example, Toronto has a green strategy for commercial buildings, Caledon has a development charge incentive for green design, Hamilton has a green Tax Incentive Grant program, and East Gwillumbury has an extensive list of features that are incorporated into plans during the Site Plan Review process. Typically the goal is to create commercial or industrial areas that are more efficient and raise the standard of sustainability, which ultimately reduces the impact on the natural environment. Other benefits include lower costs to operate the building, greater employee comfort/productivity/satisfaction.

Tillsonburg could proceed with the development of the park in keeping with the principles of Low Impact Development, or LID, which has emerged as a highly effective and attractive approach to controlling stormwater pollution and protecting watersheds. LID stands apart from other approaches through its emphasis on cost-effective, lot-level strategies that natural processes and reduce the impacts of development. By addressing runoff close to the source, LID can enhance the local environment and protect public health while saving developers and local government money.

It is staff's intention to work with the Long Point Region Conservation Authority to incorporate as many practical features related to Low Impact Development as possible in the new business park subject to meeting satisfactory cost/benefit analysis. These features would then be incorporated into the final design of the industrial park.

It may also be desirable to engage the community in the naming of a business park that will ultimately benefit the whole community. In this regard, one suggestion that Council



may want to consider is a naming contest for the overall Business Park. Currently, the Town has two business parks (the VanNorman and Forest Hill) with the VanNorman Industrial Park being named after one of the founding families of Tillsonburg. The Town could lead a process to have an open competition for the business park naming, and in so doing, engage the community in this significant project. An additional benefit could be the marketing coverage obtained through this unique initiative.

**FINANCIAL IMPACT/FUNDING SOURCE**

The estimated construction costs for the Highway 3 Business Park are as follows:

<b>Item</b>	<b>Cost</b>
Earth Grading & Site Preparation	\$365,000
Storm Water Pond	\$100,000
Sanitary Sewer	\$142,000
Storm Sewer	\$269,000
Watermain	\$117,000
Roadwork	\$417,000
Detailed Design	\$75,000
Tendering, Inspection, Supervision & Administration (Third Party)**	\$80,000
<b>SUBTOTAL</b>	<b>\$1,575,000</b>
<b>MTO Required Improvements to Highway 3**</b>	<b>\$460,000</b>
<b>TOTAL</b>	<b>\$2,035,000</b>

\*Cost estimate from July 1, 2009 and does not take into account any changes in prices nor impact of reduced Storm Water Management requirement due to development of 1 Clearview Dr site.

\*\*Third party engineering/inspection costs included in these figures

The 2015 draft Economic Development capital budget contains a plan to fund these works over the next three years with completion in 2017 and full registration of the plan of subdivision. Debentures would be used to fund the works in 2015 and 2016 with Phase 3 being financed by land sales once development is able to proceed in the business park. Overall, the goal is to recoup all or a significant portion of these costs through future land sales. The benefit of developing these lands is the generation of new tax revenues once development occurs.

In terms of alternative financing, a portion of these costs could possibly be financed through the Industrial Land Reserve although proceeding in this regard should be considered cautiously as the current balance of the account is \$495,960.21 (2014) and there are other commitments on these funds.

Costs incurred to date for land acquisition, design, and approvals total \$827,626. When construction costs are added to this, the estimated grand total to develop these lands is \$2,862,626 or \$78,001 per developable acre.

**APPROVALS**

**Author  
Name/Signature**

**CEPHAS PANSCHOW**

**Date: JAN 2,  
2015**

**Chief  
Administrative  
Officer  
Name/Signature**


**DAVID CALDER**

**Date:**

**Finance  
Name/Signature**

**DARRELL EDDINGTON**

**Date:**

	<b>Report Title</b>	Budget Issue Paper: Garden Bed Maintenance – Contract vs In-house
	<b>Report No.</b>	RCP 17-06
	<b>Author</b>	Corey Hill, Manager of Parks & Facilities
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 24, 2017
	<b>Attachments</b>	•

## RECOMMENDATION

THAT Report RCP 17-09 – Budget Issue Paper Garden Bed Maintenance – Contract vs In-house be received for information.

## EXECUTIVE SUMMARY

Council requested an analysis be completed that compared the current budget for contracted out garden bed maintenance work versus the cost of providing those services by Town Staff.

## BACKGROUND

Through pre-budget Council tasked RCP Staff to report on the cost of managing and executing the scope of work that is currently contracted out for garden bed maintenance, and an analysis of costs for contracting the work versus doing it in-house.

The contract for garden bed maintenance was awarded in 2014 and expires at the end of 2018. The contract consists of a flat rate for a spring clean-up of specific garden areas, optional weeding throughout the season and an hourly rate for additional duties as requested (i.e. clean-up/maintenance of areas not listed in the contract). It is important to note that this contracted out work consists of basic garden bed clean-up/weeding. There is no planting of new flowers/shrubs/beautification within the scope of work of the contract unless authorized by staff on an individual basis and those costs are billed at an extra hourly rate plus mulch/planting material. The following is a list of all the garden bed locations listed within the scope of the current contract:

Town Gateways (Hwy 3 & 19)	Oxford & Broadway St Parkette
Customer Service Centre	Trottier Park Gateway
Fire Hall	Station Arts (west of building)
OPP Station	Veterans Memorial Walkway Gateway
LLWP & Summer Place	Bidwell St (along municipal lots)
Participark Gateway	Corner of Concession St & Park St
Coronation Park Gateway	Gibson House
Westmount Park Gateway	Concession St E & Maple Lane Triangle
Glendale Park Gateway	Annandale Diamonds (by building)
Cranberry Park Gateway	Skatepark
Southridge Park Gateway	Fourth to North TCT Gateway
Mineral Springs	Carroll Trail Gateway

The annual spending on the garden bed maintenance contract is as follows (including extra work as authorized by the Town):

Year	Spring Clean-up	Weeding	Additional Hourly Work	Total Spend
2014	\$2,960.00	\$800.00	\$4,070.00	<b>\$7,830.00</b>
2015	\$2,960.00	\$1,600.00	\$5,620.00	<b>\$10,180.00</b>
2016	\$3,256.00	\$0.00	\$6,022.00	<b>\$9,278.00</b>

The next step was to determine the approximate cost of performing this same scope of work utilizing Town Staff. Hourly calculations were done per location at a base rate of approximately \$20/hr, referencing current costs for the supply and delivery of black gardening mulch at \$800/15 yd. load as well as utilizing existing Parks vehicles and equipment. The following shows the base contract pricing for 2017 and the corresponding in-house costs.

CONTRACT COSTS			IN-HOUSE COSTS		
Spring Clean-up (includes mulch)	Bed Weeding	Extra Hrly Rate (+ materials)	Spring Clean-up (includes mulch)	Bed Weeding	Extra Hrly Rate (+ materials)
\$3,256	\$880	\$40	\$3,000	\$720	\$20

*Note - The final year of the contract (2018) includes increases to the all contracted rates (\$3,581 for spring clean-up, \$968 for weeding and \$45/hour rate).*

## CONSULTATION/COMMUNICATION

N/A

## FINANCIAL IMPACT/FUNDING SOURCE


The above calculations show that performing the contracted scope of work, assuming it could be provided within existing Parks staffing levels and utilizing current Parks vehicles/equipment, the overall cost would be lower utilizing Town staff. Additionally, having Town staff manage and perform this work would gain more control over the quality and thoroughness of the work.

There is no penalty clause in the existing contract for terminating the contract. However, there are specific reasons that would enable termination and a change in service delivery model is not one of them.

## COMMUNITY STRATEGIC PLAN (CSP) IMPACT

This issue paper provides information in alignment with the following Objectives of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government
- Objective 2 – Economic Sustainability
- Objective 4 – Culture & Community

	<b>Report Title</b>	Budget Issue Paper: Enhanced Beautification
	<b>Report No.</b>	RCP 17-09
	<b>Author</b>	Corey Hill – Manger of Parks & Facilities Rick Cox – Director of Recreation, Culture & Parks
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 24, 2017
	<b>Attachments</b>	•

**RECOMMENDATION**

THAT Report RCP 17-09 – Budget Issue Paper – Enhanced Beautification be received for information.

**EXECUTIVE SUMMARY**

An enhanced town-wide in-house beautification program is a service level increase that was recommended by the Heritage, Beautification & Cemetery Advisory Committee (HBCAC) to be included in the 2017 budget. The initiative is not included in the draft presented to Council. This report outlines a service level increase that could be implemented as a trial for a 2 year period (2017 – 2018) and then be re-evaluated for future viability. The proposed program would also assist with the celebration of Canada’s 150<sup>th</sup> by implementing a red and white theme to town-wide beautification initiatives in 2017.

**BACKGROUND**

Through presentations from the HBCAC, consideration of implementing an enhanced Town-wide in-house beautification program through the 2017 budget process was requested. This program would include the base scope of work currently contracted out as a part of the garden bed maintenance contract plus enhanced services as outlined in this report. RCP staff, with the assistance of Operations staff, prepared an implementation estimate that includes the operational and capital impact of the enhanced program.

The contracted garden bed maintenance consists of basic garden bed clean-up and weeding. There is no planting of new flowers/shrubs/beautification within the scope of work of the contract unless authorized by staff on a case-by-case basis and billed at an hourly rate plus the cost for supplies. The following is a list of all the garden bed locations listed within the scope of the current garden bed maintenance contract:

Town Gateways (Hwy 3 & 19)	Oxford & Broadway St Parkette
Customer Service Centre	Trottier Park Gateway
Fire Hall	Station Arts (west of building)
OPP Station	Veterans Memorial Walkway Gateway
LLWP & Summer Place	Bidwell St (along municipal lots)
Participark Gateway	Corner of Concession St & Park St
Coronation Park Gateway	Gibson House
Westmount Park Gateway	Concession St E & Maple Lane Triangle



Glendale Park Gateway	Annandale Diamonds (by building)
Cranberry Park Gateway	Skatepark
Southridge Park Gateway	Fourth to North TCT Gateway
Mineral Springs	Carroll Trail Gateway

The proposed in-house Town-wide beautification initiative would redeploy the approximate \$10,000 annual spend on contracted garden bed maintenance. The contract with Natures Choice expires at the end of the 2018 season. The proposed program includes an enhanced level of service and adds locations that are not included in the garden bed maintenance contract. The expanded list of locations includes all areas listed in the garden bed maintenance contract plus the following areas:

Cranberry TCT Gateway	Memorial Trees
Bert Newman Park	Keep Tillsonburg Beautiful Tree Sites
Library Parkette	Clock Tower
Gyulveszi Park Gateway	Public Works
Bloomer St Bridge (Van St)	Elliot Fairbairn
Pumptrack	Cemetery

In addition to the above, the downtown flower urn initiative would be within the scope of work. In 2016, 8 large flower urns were placed in the downtown area as a trial by the Beautification Working Group. The urns were well received and their presence enhanced the beautification of Broadway Street. As a result, the urn program is planned to increase to 22 large pots in year 1 (2017) and another 22 medium sized pots in year 2 (2018).

To determine the overall operational impact of the proposed program, hours and supplies were allocated for year 1 (2017) and year 2 (2018) for the expanded locations list (including the capital and operational cost of the downtown flower urns) including

- a start of season clean-up/bed preparation/planting of annuals/perennials/shrubs/grasses etc.,
- ongoing watering/bed maintenance, and
- an end of season clean-up.

It quickly became clear that it was not possible to deliver this new level of service with the current Parks staff team. Staff calculated that at minimum, a new horticultural seasonal staff position from mid-March through mid-October would be required, supplemented by one additional summer student position for May through August.

In addition to the staff, there would be costs for plant and landscaping materials, mulch, and some additional small equipment. There are additional costs to secure an appropriate used 1 ton truck and watering trailer (exists within Town Fleet) to deliver watering at the various sites around town and to take on the downtown flower urn watering duties as recommended by the HBCAC.

The following costs have been developed by RCP and Operations staff:

<b>Year 1 - 2017</b>			
	<b>Expense Item</b>	<b>Operations</b>	<b>Capital</b>
	Supplies (flowers/landscaping/mulch/urn flowers)	\$30,000	
	Downtown - 22 large flower urns		\$6,160
	Fleet Costs (water trailer)	\$500	
	Fleet Costs (used truck)	\$8,500	
	Commercial gardening equipment	\$2,500	
	Seasonal and summer staff	\$43,000	
	1-ton truck (used)		\$40,000
	<b>Total</b>	<b>\$84,500</b>	<b>\$46,160</b>
	<b>Revenue sources</b>		
	BIA/Hort contributions (assumed reallocation)	-\$9,500	
	Reduction in contracted services spending	-\$10,000	
	Reallocation of Strategic Master Plan funding		-\$30,000
	<b>Net 2017 budget impact (from current draft)</b>	<b>\$65,000</b>	<b>\$16,160</b>
<b>Year 2 - 2018</b>			
	<b>Expense Item</b>	<b>Operations</b>	<b>Capital</b>
	Supplies (flowers/landscaping/mulch/urn flowers)	\$31,210	
	Downtown - 22 medium flower urns		\$3,520
	Fleet Costs (water trailer)	\$500	
	Fleet Costs (used truck)	\$8,500	
	Seasonal and summer staff	\$43,000	
	<b>Total</b>	<b>\$83,210</b>	<b>\$3,520</b>
	<b>Revenue sources</b>		
	BIA/Hort contributions (assumed reallocation)	-\$9,500	
	Reduction in contracted services spending	-\$10,000	
	<b>2018 budget requirement</b>	<b>\$63,710</b>	<b>\$3,520</b>

An assumption was made that Town would be able to negotiate a contribution from the BIA and the Horticultural Society equivalent to their current spend on watering downtown flowers. The recommendation in consideration of the idea that the program will be a 2 year trial is to utilize an existing older water trailer and purchase a used truck to minimize upfront start-up costs. If the program is extended beyond 2018, the water trailer and truck should be incorporated into the Fleet life cycle replacement program. The estimated cost of the used truck was selected anticipating an approximate life cycle of 4-5 years before replacement is required.

The combined operational and capital implementation cost was included in the initial preliminary draft budget. Subsequent discussions by SLT resulted in the decision to remove the initiative from the draft budget presented to Council due to the significant cost and the associated FTE increase which SLT felt are lower on the list relative to other priorities.

### **CONSULTATION/COMMUNICATION**

The Fleet requirements referenced within this report were developed in consultations with Town Operations staff.

### **FINANCIAL IMPACT/FUNDING SOURCE**

The new impact to taxation of the proposed enhanced beautification program would be \$111,160 in year 1 (2017) and \$67,230 in year 2 (2018). If the program was extended beyond 2018, the expenses would be reduced to similar operational expenses as shown for year 2 (2018) until such time as the water trailer and truck are identified for life-cycle replacement.


The revenue sources identified in year 1 (2017) and year 2 (2018) tables include:

- \$9,500 re-negotiation of BIA/Horticultural Society funding (2017 and 2018)
- \$10,000 re-allocation of the current garden bed maintenance contract (2017 and 2018)
- \$30,000 re-allocation of Capital funding from Strategic Master Plan update (2017 only)

### **COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

This issue paper provides information in alignment with the following Objectives of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government
- Objective 2 – Economic Sustainability
- Objective 4 – Culture & Community

	<b>Report Title</b>	Budget Paper – Beautification - Oxford-Broadway Parkette
	<b>Report No.</b>	RCP 17-10
	<b>Author</b>	Corey Hill, Manager of Parks & Facilities
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 24, 2017
	<b>Attachments</b>	•

**RECOMMENDATION**

THAT Report RCP 17-10 Budget Paper – Beautification – Oxford-Broadway Parkette be received for information.

**EXECUTIVE SUMMARY**

The Heritage, Beautification & Cemetery Advisory Committee (HBCAC) recommended 2017 operational funding be allocated to the Recreation, Culture & Parks Department for the re-design of the parkette located at Oxford & Broadway Streets.

**BACKGROUND**

The HBCAC presented a multi-year plan for Town-wide beautification to Council in November 2016. Within this plan, there was a specific recommendation for a maximum of \$8,000 to be allocated to the Recreation, Culture & Parks Department’s 2017 operational budget for the design phase of the redevelopment of the parkette located at Oxford & Broadway Streets (informally known as the Sears Parkette). The HBCAC feels the current parkette is not being utilized to its full potential and is inconsistent with the desired look and heritage feel of the downtown area. As such, the HBCAC recommends creating a new amenity space within this area that is more useable to the public while adhering to downtown Tillsonburg’s character. The parkette would be designed for pedestrian use, but be visually appealing to passing motorists as a gateway to the downtown core.

This project was not included in the draft 2017 Parks budget and workplan.

**CONSULTATION/COMMUNICATION**

Ron Koudys Landscape Architects Inc. was consulted to identify the design scope of work and related costs which was the basis for the requested budget.


**FINANCIAL IMPACT/FUNDING SOURCE**

The cost for the proposed beautification design work would be a maximum of \$8,000. The actual design work would be issued in compliance with the Town of Tillsonburg’s Purchasing Policy so financial efficiencies may be achieved through the competitive pricing process.

## **COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

This issue paper provides information in alignment with the following Objectives of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government
- Objective 2 – Economic Sustainability
- Objective 4 – Culture & Community

	<b>Report Title</b>	Budget Issue Paper – User Fee Surcharge
	<b>Report No.</b>	RCP 17-07
	<b>Author</b>	Rick Cox, Director of Recreation, Culture & Parks
	<b>Meeting Type</b>	Budget Meeting
	<b>Council Date</b>	January 24, 2017
	<b>Attachments</b>	•

## RECOMMENDATION

THAT Report RCP 17-07 – Budget Issue Paper – User Fee Surcharge be received for information.

## EXECUTIVE SUMMARY

As part of the 2017 draft Budget and draft Schedule of Rates & Fees, a user fee surcharge on pool and waterpark admissions, lessons and memberships is proposed as a mechanism to fund capital repairs and improvements in those facilities.

## BACKGROUND

In the fall of 2016, RCP staff became aware of other municipalities in South-Western Ontario that charge a user fee surcharge (UFS) on a variety of user fees. A similar model has been implemented in Tillsonburg to collect monies for a dog park by allocating a portion of late fees from dog licenses to a reserve for the future construction and maintenance of the dog park.

The proposed flat-fee UFS of \$1 for Tillsonburg residents and \$1.50 for non-residents continues the approach implemented in 2014 for resident and non-resident waterpark passes of charging non-residents more than residents.

The proposed UFS would be applied to swimming lessons, pool and waterpark bookings, public admissions and passes, water-based fitness classes, and pool memberships. Each registration or admission would have the levy applied.

The fee would be collected and placed in a designated reserve to fund capital repairs and improvements, either directly or by contributing to the financing costs of debentures taken out for repairs and improvements.

If a UFS of this type had been in place for 2016, approximately \$33,000 could have been collected. The calculation of this assumes that all single public swim and LLWP admissions are residents because home address information is not tracked for those fees. Based on the residency of participants, over half of this money would come from non-residents.

Rate	Resident	Non-Resident
Aqua Memberships	\$254	\$258
Swim Registrations	\$1,984	\$2,922
Aquatics advanced	\$123	\$188
Public Swim Admissions	\$3,130	\$3,130
Pool Rentals	\$27	\$35
LLWP Season passes	\$351	\$3
LLWP Admissions*	\$10,180	\$10,180
<b>2016 Total</b>	<b>\$16,049</b>	<b>\$16,715</b>
* not applied to Town camp program admissions		

**CONSULTATION/COMMUNICATION**

RCP staff reviewed the UFS implementations in St. Marys and Elmira.

**FINANCIAL IMPACT/FUNDING SOURCE**

Implementing the proposed UFS will provide a source of funds for a designated reserve to make improvements and repairs to Tillsonburg's aquatic facilities. There is a chance that the increased cost may cause some to look elsewhere for their pool bookings and lessons.

**COMMUNITY STRATEGIC PLAN (CSP) IMPACT**

This issue paper provides information in alignment with the following Objectives of the Community Strategic Plan:

- Objective 1 – Excellence in Local Government
- Objective 2 – Economic Sustainability
- Objective 4 – Culture & Community

### Council Grant Request summary

Group	2017 Request	2016 Grant	2016 Request
Tillsonburg & District Multi-Service Centre	39,022	10,000	10,000
Tillsonburg Station Arts Centre	35,000	35,000	35,000
Town of Tillsonburg Cultural Advisory Committee*	10,000	10,000	10,000
Big Brothers Big Sisters of Ingersoll, Tillsonburg & Area	4,000	3,000	3,000
Lake Lisgar Revitalization Committee	4,000	-	-
Heritage, Beautification & Cemetery Advisory Committee	8,000	-	-
Upper Deck Youth Centre	7,000	2,000	2,000
Cross Country Jeepers	5,000	-	-
Tillsonburg Turtlefest	25,000	10,000	10,000
Family Day Organizing Committee	2,500	-	-
Tillsonburg Fair	12,000	-	-
Christmasfest	-	3,000	3,000
Special awards	-	300	-
Tillsonburg & District Historical Society	-	-	22,100
<b>Total requests for Council deliberation</b>	<b>151,522</b>	<b>73,300</b>	<b>95,100</b>
Tillsonburg Business Improvement Area - tax levy	123,900	117,500	112,350
Tillsonburg Business Improvement Area - FIP	25,000	25,000	-
Tillsonburg Police Services Board	13,500	8,500	13,500
Community Transportation Steering Committee	50,000	-	-
Tillsonburg District Chamber of Commerce (in EcDev budget)	4,000	4,000	4,000
Canada Day Fireworks *Included as part of Dept 455 in 2017	-	-	5,000
<b>Total requests already in budget</b>	<b>216,400</b>	<b>155,000</b>	<b>134,850</b>

**\* 2016 Cultural Advisory Committee Grants - These 3 were the only applications the committee received and granted**

Optimist Club	3,300	bands in the parade
The Family Day Committee**	2,500	Carnival Zone 2017
The Craft Guild/Station Arts Center	250	Caricaturist for the March 2017 event
	<u>6,050</u>	

\*\*Please note that the Family Day Committee was granted \$2,200 at the December meeting in 2015 for Family Day 2016



## Historical grants

Group	Has the Town Granted funds in the past 3 years?
Big Brothers Big Sisters of Ingersoll, Tillsonburg & Area	Yes, \$3,000 in 2014, 2015 and 2016 for mentoring programs
Tillsonburg District Chamber of Commerce	Yes, \$4,000 in 2014, 2015 and 2016 to share the direct event costs
Town of Tillsonburg Cultural Advisory Committee	Yes, \$10,000 in 2014, 2015 and 2016 for to support cultural initiatives in Tillsonburg
Lake Lisgar Revitalization Committee	No
Tillsonburg & District Multi-Service Centre	Yes, \$10,000 in 2014, 2015 and 2016 for to support literacy program and volunteers, as well as purchase of materials and technology.
Tillsonburg Station Arts Centre	Yes, \$35,000 in 2014, 2015 and 2016 through a Service Agreement with the Town-services and amenities
Upper Deck Youth Centre	Yes \$2,000 in 2014, 2015 and 2016 towards monthly facility costs (utilities, taxes, insurance, maintenance)
Heritage, Beautification & Cemetery Advisory Committee	No
Cross Country Jeepers	No
Tillsonburg Turtlefest	Yes, \$3,000 in 2014, \$10,000 in 2015 and 2016 for general event funding
Family Day Organizing Committee	Yes, \$1,500 in 2014 and 2015; \$2,200 in 2016 for Facility rental costs *Granted from the Cultural Advisory Committee funds

**THE CORPORATION OF THE TOWN OF TILLSONBURG**

**BY-LAW NUMBER 4075**

**BEING A BY-LAW to confirm the proceedings of Council at its meetings held on the 24<sup>th</sup> and 27th day of January, 2017.**

**WHEREAS** Section 5 (1) of the *Municipal Act, 2001*, as amended, provides that the powers of a municipal corporation shall be exercised by its council;

**AND WHEREAS** Section 5 (3) of the *Municipal Act, 2001*, as amended, provides that municipal powers shall be exercised by by-law;

**AND WHEREAS** it is deemed expedient that the proceedings of the Council of the Town of Tillsonburg at this meeting be confirmed and adopted by by-law;

**NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWN OF TILLSONBURG ENACTS AS FOLLOWS:**

1. All actions of the Council of The Corporation of the Town of Tillsonburg at its meetings held on January 24, 2017 and January 27, 2017 with respect to every report, motion, by-law, or other action passed and taken by the Council, including the exercise of natural person powers, are hereby adopted, ratified and confirmed as if all such proceedings were expressly embodied in this or a separate by-law.
2. The Mayor and the Clerk are authorized and directed to do all the things necessary to give effect to the action of the Council of The Corporation of the Town of Tillsonburg referred to in the preceding section.
3. The Mayor and the Clerk are authorized and directed to execute all documents necessary in that behalf and to affix thereto the seal of The Corporation of the Town of Tillsonburg.
4. This by-law shall come into full force and effect on the day of passing.

**READ A FIRST AND SECOND TIME THIS 27th DAY of January, 2017.**

**READ A THIRD AND FINAL TIME AND PASSED THIS 27<sup>th</sup> DAY of January, 2017.**

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MAYOR – Stephen Molnar

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TOWN CLERK – Donna Wilson