

**REPORT TO:** Chair and Members of the Administration/Finance/Fire Committee  
**FROM:** Donna DeFilippis, Treasurer/Director of Finance  
**DATE:** March 23, 2015  
**REPORT NO:** RFD-T-02-15  
**SUBJECT:** **2015 BUDGET**

**OVERVIEW:**

- **Council received the 2015 Draft Operating and Capital budget for review on Friday, March 13, 2015**
- **General tax levy increase in draft budget – 6.90%**
- **Under the 2015 Draft Budget, an average residential home will see an annual increase to the West Lincoln portion of their taxes of approximately \$67.00.**
- **Every \$47,965 of expenditure equates to a 1% general tax levy adjustment**
- **Budget discussions are set for Monday, March 23, 2015 (and March 24, 2015, if needed)**

**RECOMMENDATION:**

1. That, the Treasurer/ Director of Finance Report RFD-T-02-15, regarding the “2015 Budget”, dated March 23, 2015 be received; and,
2. That, the tax levy increase for general purposes be approved at 6.90%; and,
3. That the 2015 Capital Program, attached as Schedule A to this report, be approved; and,
4. That, the 2015 projects proposed in the Ten Year Capital Plans be approved and the balance of projects for the years 2016 to 2024, be approved in principle; and,
5. That, the Treasury Department be authorized to submit the 2015 Capital Roads and Bridges Projects to AMO as required under Schedule C of the Federal Gas Tax Revenue Program; and,
6. That, as required by the Ontario Community Infrastructure Fund (OCIF) Formula Component Contribution Agreement, the Treasury Department be authorized to submit Section A of the required Project Report by the deadline of March 31, 2015, indicating that the 2015 funding of \$64,013 be allocated towards the Young Street resurfacing project; and,
7. That internal borrowing from the Industrial Park Reserve of \$655,300 be approved in 2015 with an annual payback to the Industrial Park Reserve of \$65,530 for ten years commencing in 2016 in order to finance the following projects:

- i. Caistor Centre Rd., from Concession 5 Rd. to Sixteen Rd. resurfacing \$295,000
- ii. Port Davidson Rd., from Regional Rd. 14 to Sixteen Rd. resurfacing \$286,100
- iii. Road Model for Road Master Plan \$11,000
- iv. Station St. Sidewalk (east side) from RR tracks to 330 Station St. \$63,200

**ATTACHMENTS:**

- **Schedule A** 2015 Summary of Capital and Special Projects
- **Schedule B** Summary of Ten Year Capital Plans
- **Schedule C** Summary of Reserve Transfers
- **Schedule D** Estimated Reserve Balances as of December 31, 2014
- **Schedule E** Additional Items to be Considered by Council

**BACKGROUND:**

A Budget Open House was held on March 11<sup>th</sup>, 2015 in the Council Chambers. This was the first time a Budget Open House was offered to residents. At the Open House, a presentation outlining the 2015 Draft Budget was made. In addition, there was an opportunity for the audience to ask questions. The Budget Open House was intended as an information session only, and the audience was encouraged to attend the March 23<sup>rd</sup> budget meeting where Council would discuss the budget. Final approval of the 2015 budget will take place at the March 30<sup>th</sup>, 2015 Council meeting. Two days have been set aside to deal with the 2015 Budget, being Monday, March 23, 2015 and Tuesday, March 24, 2015, if required. The notice for all budget meetings was advertised in the local paper on February 25<sup>th</sup> and March 4<sup>th</sup>, as well as on the Township website.

Departmental staff will be available to respond to questions regarding their budget requirements. It is important for Council to realize that every \$47,965 increase or decrease in the tax funded budget equates to a 1% general tax levy adjustment. The increase in the amount needed from the tax base does not directly relate to an increase in taxes on a residential home, but rather it is the increase in the overall tax levy required year over year.

When calculating the 2015 Draft Budget impact on property taxes, the value of an average residential home is used. In 2015, the value of an average residential assessment is \$303,103. In 2014, the value of an average residential assessment was \$294,488. This is an increase of 2.9%. If the Township's tax levy remained at the 2014 level, and a property owner's home increased by 2.9% or less, the taxes paid in 2015 would actually be lower than those paid in 2014.

The 2015 draft budget document has been prepared to provide a variance-based budget. Summary sheets are found at the front of each department's detailed operating budget. The summary page shows the variance year over year and highlights sources of change and categorizes these into legislative, commitments, growth or inflationary adjustments.

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This also shows areas of mitigation and any deferred projects. The summary of variances **will not** always match to the exact dollar difference year over year, as the summary of variances by department is only meant to highlight key changes within the department's operating budget.

The establishment of ten year capital plans is a new initiative that was introduced with the 2015 budget process. The creation of these plans required significant contributions from Department Heads and their staff. Each individual ten year plan is found within the appropriate department budget, and Schedule B to this report provides a summary. The future capital needs for our Township are significant as we deal with an aging infrastructure. This is not something that is unique to only our municipality. All municipalities in Ontario are faced with this infrastructure challenge.

**CURRENT SITUATION:**

This section of the report will highlight key differences or general information as it relates to the operations of the Township and items funded from operating revenues.

**Municipal Tax Bill:**

The municipal tax bill has three portions which need to be explained. The municipality collects taxes for itself, the Niagara Region, and the School Boards. The Township has no control over the Region or School Board rates. We bill, collect and then remit their portions to them. In 2014, the portion of the total tax billing related to the Township's budget was approximately 29%, the Regional portion was 54% and Education was 17%. This distribution has not varied significantly over past years. The Region's 2015 budget was approved on February 19, 2015 and represented a net levy increase of 1.92%. This increase is estimated to have an impact of approximately \$35 on the average residential property with an assessed value of \$303,103. Only an estimate can be made at the present time as actual tax rates are not yet available. The Education Tax Rates were issued on Friday, March 13<sup>th</sup>, 2015. The impact to the average residential property is estimated as a decrease of \$7.00.

The draft budget presented to Council proposes a municipal tax levy increase of **6.90%** which is an increase in net tax revenue requirements of **\$346,250** year over year. This equates to an estimated annual increase of approximately **\$67.00** to the West Lincoln portion of taxes for an average assessed home (not including the urban service area charges for sidewalk and streetlights). In 2014, the average home in the urban area paid \$76.80 for streetlight and sidewalk services. In 2015, the additional amount paid in the urban area will be \$69.37. Any changes to the urban sidewalk or urban streetlight budgets will alter this amount.

West Lincoln's average assessed value for a residential property for 2015 is \$303,103 versus the 2014 amount of \$294,488. As such, calculations for 2015 will reflect the new assessed values to keep the comparisons consistent. For such a home in 2014, the

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Township general taxes would have been \$967.57. The same home with the new average assessed value would see their West Lincoln taxes at \$1,034.99 in 2015 with the current proposed levy increase. Given that reassessments occur across the tax classes and the general levy is charged to all classes, it should be noted that the first \$25,000 in increase to the general tax levied amount has no net effect on the average **residential** tax bill. The increase in the levy above \$25,000 equates to approximately a \$2 increase in taxes required by the average assessed home per \$10,000 increase in the amount levied. This information should assist Council in understanding the estimated effects of the draft budget as presented and alternatively how adjustments to the amount needed from the tax base impacts the average residence.

**Operating Costs/Commitments:**

The following section highlights some specific items and departmental operations. Department changes discussed below are reflective of the variance analysis summaries. A review of capital items is contained in a further section of this report, following the operations review.

- **LABOUR COSTS/ BENEFITS:**

**Group Benefits** costs are projected to increase by 13% on renewal later in 2015. The dollar value of this increase is approximately \$38,300. The municipal sector was faced with higher WSIB rates for 2015, as a result of expanded coverage under the presumptive legislation for firefighters. The increase in WSIB rates equates to \$18,600. On April 1, 2014 staff received a 2% increase to wages. The 2015 salary budget represents an annualization of these rates for the entire year. The current collective agreement with CUPE expires March 31, 2015.

- **HYDRO/INSURANCE/NATURAL GAS:**

**Insurance** premiums are expected to rise by 7% over the 2014 rates. Compared to the 2014 budget, the increase is \$10,700. Corporate insurance is allocated between several departmental budgets, based on staffing and assets assigned to the department. **Hydro** costs are anticipated to rise by approximately 9%, equating to an additional \$11,000 in the annual expense. We have also budgeted for a 50% increase in **natural gas** rates. This equates to an increase of \$17,500 over the 2014 budget. Increases to utilities are based on prior year actual values, not budgeted values.

- **CONTRIBUTION TO WEST NIAGARA YMCA**

At the June 21, 2010 Administrative meeting, item A58-10 was received and supported which indicated that a capital contribution of \$420,000 to the YMCA will be paid over a five-year period in equal instalments commencing on a date which is to be established by the municipality. In early 2015, the Township's CAO discussed this item with the CEO of the West Niagara YMCA and was able to negotiate payment over a term of eight years, commencing in 2015. The annual contribution will be \$52,500 and is shown on page 6 of the 2015 Draft Budget Binder.

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- **COMMITMENTS**

The 2015 Draft Budget includes commitments made through prior year budgets. These commitments relate to the payback to various reserves that were used for internal borrowing in the past. This payback is made through the operating fund. The YMCA contribution has also been included in this section.

<b>Project</b>	<b>Annual Amount</b>	<b>Payback Period</b>
Repayment for Fire Hall Land(pg. 27)	\$18,600	2015-2021
Repayment for Northridge Dr.(pg. 54)	\$56,000	2015-2023
Repayment for Canborough St.(pg. 53)	\$91,100	2015-2022
Contribution to YMCA(pg. 6)	<u>\$52,500</u>	2015-2022
Total	\$218,200	
Summary by Year:	\$218,200	2015-2021
	\$199,600	2022
	\$ 56,000	2023

**Revenue:**

The following section of the report will review the significant revenue items included in the 2015 budget.

- **ONTARIO MUNICIPAL PARTNERSHIP FUND (OMPF):**

The Ontario Municipal Partnership Fund (OMPF) is a significant revenue source for our Township and is shown on page 3 under the heading Support Grants – Municipal Support. Since 2010, the Township has been faced with a substantial reduction in this grant. In 2009, the grant allocation to our municipality was \$1,154,000, whereas in 2015 it is \$721,600, which equates to a difference of \$432,400.

- **PRIOR YEAR SURPLUS:**

The 2014 approved budget provided for the inclusion of prior year surpluses totalling \$713,000. This amount was the accumulation of surpluses from 2006 to 2010. In 2014, the prior year surplus was used to finance the following:

- \$62,000 towards a contract planner position
- \$108,000 towards one-time corporate projects
- \$31,100 towards the Arena Engineering Study
- \$145,000 towards Road Maintenance Material
- \$145,000 towards Road Maintenance Contract
- \$3,900 towards Library Operations
- \$5,000 towards the Library Operations Review
- \$213,000 towards Reserves

The amount of prior year surpluses used in 2014 was significant and unfortunately, this level of financing is not available to be used in the 2015 budget.

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At this point, Treasury staff estimate a 2014 operating surplus of \$217,000. This amount is being brought into 2015 as revenue. Main contributors to the 2014 surplus are an increase in penalty revenue on property taxes (\$82,000), an increase in investment income ( \$84,500) and an overall savings in expenditures of approximately \$50,500. Council will see the final 2014 results when they approve the draft financial statements later in the year, after completion of the year-end audit.

- **CHANGES TO TAX AND INTEREST REVENUE:**

The Township continues to benefit from more tax revenues as a result of actual growth (not related to reassessments). However the estimated growth in the 2015 draft budget is 0.963%, which is lower than that realized in the 2014 budget which was 2.24%. The Niagara Region, as a whole saw assessment growth of 1.15%, which is largely attributable to the construction of the Niagara Outlet Mall in Niagara on the Lake.

The Treasury department tends to budget for penalty revenue from taxes on a conservative basis. This is a revenue stream that is difficult to forecast. Staff looks at past trends, however, one cannot predict the timeliness of tax payments. The past five year average is higher than our estimated budget. Treasury staff plan to begin the tax registration process on several properties in 2015. The tax sale process often prompts payment of large amounts, which will reduce outstanding balances and penalty revenue.

The Township's investments are doing well, considering the trend in low interest rates. We are projecting a slight increase in this revenue stream. The Township's annual budget does not include any potential dividend income that may be issued by Peninsula West Power Inc., of which the Township has a 24% interest in. Dividend income is not guaranteed and is difficult to estimate.

- **OTHER REVENUES**

We are not projecting any significant changes in other revenue streams that the Township collects. Senior Management has committed to reviewing the existing fee by-law and will bring forward to Council in future, reports and recommendations to change specific user fees.

- **TRANSFER FROM RESERVE**

As part of the budget process, all reserve funds are reviewed to determine how they can be used to finance various expenditures within the budget. At the end of 2014, the Working Fund reserve had a balance of \$363,159. The Treasurer is recommending that this reserve be used to assist in mitigating the increase to the tax levy. The 2015 budget is utilizing **\$48,000** as revenue from this reserve. The plan is to recognize an additional \$48,000 in each year from **2016 to 2021**. In 2022,

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the balance of the reserve, being \$27,159, will be brought into revenue. In 2022, the payback to the Industrial Park Reserve for the building of the Fire hall will be complete and it will also be the final year that a payment will be made towards the West Niagara YMCA and the payback to the Industrial Park Reserve for the Canborough Street Project.

**General Expenditures:**

- **CONTRIBUTIONS TO RESERVES:**

It is wise financial planning to ensure that adequate balances are available within the Township's reserves. The 2015 draft budget includes a \$96,000 transfer to the Capital Reserve which represents approximately 2% of a levy increase. In addition, a 1% levy increase, equating to \$48,000 is being recommended as a transfer to the Contingency Reserve. Finally, the draft budget is recommending a transfer to the Winter Control Reserve of \$55,000. In 2014, the Winter Control Reserve was drawn down by \$69,500 in order to finance cost overages as a result of the Winter Events that occurred in 2014.

Additional reserve transfers are made within specific departmental budgets. Attached as **Schedule C** to this report is a summary of Transfers To and From Reserves as presented in the 2015 draft budget. Overall, this budget includes a net draw-down in reserves totalling \$714,580. **Schedule D** provides Council with a summary of estimated reserves as of December 31, 2014.

- **CORPORATE EXPENDITURES:**

These are projects that impact the Township as a whole and are not tied to one department in particular. They are found on pages 6 to 9 in the budget binder. The payment to the YMCA of \$52,500 is included in this area. Two of the projects, Places to Grow – Amendment 2 and the North West Smithville Secondary Plan, are funded through Development Charges and the Planning Reserve and have no impact on the tax base.

**Library Board:**

Under the Ontario's Public Libraries Act ( PLA), public libraries in Ontario must be operated under the management and control of a public library board. The Library Board is responsible for the operation of its library system. The Municipality has the role of annually approving the board's estimates of amounts required for the year. In the case of West Lincoln, the head librarian prepares the draft budget and the Treasury department completes certain line items such as utilities, insurance and benefit costs to ensure consistency throughout the entire budget.

The draft 2015 budget is projecting a contribution to the West Lincoln Public Library of \$386,950 (see pages 11-15). In general, the Library receives a small amount of funding in provincial grants and the remainder is a municipal contribution. Accounting, payroll, IT

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services and facilities maintenance are provided by the Township and no allocations are made to the Library budget for these costs. In 2013, a Job Class Evaluation Study was completed for Library Staff. The 2015 draft budget reflects year one and two of the three year implementation plan outlined in that study that was presented to Council in October 2013. In 2014, the salary reclassification costs were mitigated through a reduction in the Contribution to the Library reserve totalling \$25,000. The 2015 budget presents the Contribution to the Library reserve at \$50,000, back to the level of funding provided in 2013.

The 2015 Draft Library Budget also includes an increase in staffing hours between all three branches totalling approximately 325 hours for the year. The Library budget includes the costs related to the completion of the Library Service Review Study estimated at \$15,000. Development Charge Revenue is allocated annually to the Library to assist with the purchase of new collections. In 2015, this revenue is \$12,600, an increase of \$2,600 over 2014.

**Departmental Budgets:**

- MAYOR/COUNCIL(pages 16-17):  
The most significant change to this departmental budget is the addition of \$7,000 towards training/conferences.
  
- CORPORATE SERVICES/FINANCE(pages 18-23):  
This departmental budget is increasing 2%. As discussed earlier in this report, rising utility and benefit costs are impacting this department. The draft budget is recommending increases to staff training and memberships. This investment helps to ensure that Township employees remain knowledgeable in their fields, which is essential as legislation and regulations change. It has also been recognized by senior management that training is essential to assist with succession planning. Building Maintenance costs are projected to increase as the Township office ages. Finally, banking service charges are projected to increase as the Township makes use of electronic services provided by the banking institution that save staff time. The above increases have been mitigated through projected savings in other line items. Funds have once again been allocated towards a Ward Boundary Review, with 2015 being the final year an allocation will be needed.
  
- CEMETERY(pages 24 – 25):  
There are no special capital projects requested in the 2015 budget. This, along with a reduction in the overhead allocation has resulted in a decrease in this departmental budget.
  
- FIRE(pages 26-28):  
The Fire Department budget is increasing by 4%. The largest contributing factor

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towards this increase is the estimated costs for volunteer firefighters. The volunteer firefighter salary cost is difficult to estimate as it is dependent on the number and severity of calls in a year, and varies year to year. The draft 2015 budget for volunteer firefighters is based on each firefighter attending all drill nights (approximately 40 per year) and looks at past actual expenses as a basis for estimating 2015 costs. Vehicle Maintenance and Repairs are budgeted to increase as a result both aging equipment and inflation.

The Fire Operating budget includes a contribution to the Fire Reserve of \$219,000 which will ensure there are adequate funds in the Fire Reserve to meet future anticipated capital requirements.

- BUILDING/PROPERTY STANDARDS DEPARTMENT(pages 34-36):  
Council is reminded that Building Department revenues can only be used to cover the direct and indirect costs of the Building Department as the department is to be self-funded. The Building Department is responsible for their own capital needs and department surpluses are transferred to the Building Revenues reserve for future use. The Building Department has no effect on the operating budget as long as revenues match expenses or the building reserve covers the differences. The Building Department is projecting a slight transfer from reserves of \$50.

The Septic, Property Standards and By-law Enforcement budget line has decreased by \$13,700, which is mainly attributable to a decrease in the projected costs related to parking enforcement. 2014 was the first year the Township took over parking enforcement and the 2015 budget is based on that experience.

- PLANNING DEPARTMENT(pages 37-39):  
Planning Department revenues are projected to increase by approximately \$27,700. This is as a result of an anticipated increase in the Subdivision Admin. Fee revenue and Re-zoning revenue. Planning department fees will be reviewed in 2015 and the Director of Planning will be bringing a report to Council later in the year providing for a new fee schedule effective July 1<sup>st</sup>, 2015. New rates are not included in the 2015 draft budget, however it has been anticipated that revenues may increase by an additional \$900 based on a 2% increase.

The 2014 budget included the contract Planner position which was shown in Labour and offset from a prior year surplus which was brought into this department's revenue. This position is not included in the 2015 Draft budget. It is listed on Schedule E for Council's consideration. OMB Defence costs have been increased, and will be funded from the Contingency Reserve. OMB defence costs will be monitored throughout the year and the Director of Planning and Building will report back to Council periodically.

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- RECREATION AND ARENA(pages 40-46):

The Recreation Department has increased its budget by 3% as outlined on pages 40-42. Youth Program Revenue is anticipated to increase. The Recreation Department has seen a rise in popularity in their youth programming, particularly summer camps. This anticipated increase in programming demand has resulted in a slight increase in wages for recreation programs as staffing needs are proportionate to enrolment.

The Healthy Kids Community Challenge is a prior commitment made by Council. This new program has a \$2,700 impact on the 2015 draft budget. Another new project suggested in the budget is an expansion of Harvest Routes into the rural areas of West Lincoln. The Township has applied to the Region of Niagara for a grant to assist in offsetting some of the costs. The net additional cost (after adding the anticipated grant) to the Township for the expanded program is \$5,970.

The Recreation Department has requested that facility scheduling software be included as an item for consideration in the 2015 budget. This software is anticipated to have a cost of \$17,000 and will be funded through the Capital Reserve. It is anticipated that such software would enhance the effectiveness and efficiency of the current booking process for both field rentals and arena rentals. If approved, the Recreation Department will review various software options and will present a final report to Council with a recommended vendor.

The Arena operating budget is increasing by 9%. The Arena budget is impacted by rising utility and insurance costs and decreased arena revenues. In addition, building maintenance costs are budgeted to increase as the facility is aging.

- ROADS ADMINISTRATION & MAINTENANCE(pages 47 -50):

The Roads Administration budget is increasing by 6%. Items putting pressure in this department include utilities and insurance. In addition, it is recommended that additional funds be allocated to Training and Consultant/Legal. The overall increase to this budget is \$15,000.

Roads Maintenance is faced with a 2% budget increase (\$40,700). This area is where the bulk of road department staff salary and benefits are charged. This department thus absorbs a large percentage of the overall increase in benefit costs. The Roads Maintenance budget was developed to ensure the same level of service would be provided as that which was provided in 2014. Costs for repair and maintenance are anticipated to increase by approximately \$14,600 due to inflation.

- WINTER CONTROL (pages 51-52):

The labour costs in Winter Control are based on estimates of the portion of staff's time that will be spent in a year on this area (winter events). The annual labour

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costs are split between Roads Maintenance, Winter Control and Sidewalks, based on prior years' experience. Therefore, an overage that might occur in labour in one area should be offset by a decrease in the other areas. This budget and the corresponding actual charges are dependent on the number of snow events in a given year. This department is budgeted to have a 3% increase ( \$13,000) which is attributable to increased benefit costs and increased costs of materials.

- **FACILITIES(pages 64-65):**

This budget includes the cost of both the on-going maintenance of Township Facilities, as well as Capital Improvements related to the Facilities. In 2015, \$21,700 of operating funds are being used to finance capital related items, namely the Christmas Lights program. In 2014, \$111,000 was financed from the operating fund for capital improvements. Discussion regarding anticipated capital improvements to Facilities will be discussed further in this report in the Capital section.

- **STREET LIGHTS AND SIDEWALKS ( pages 83-87:**

Both the Street Light and Sidewalk budgets are separated into Urban and Rural. Urban Service Area (USA) tax levies are paid for by ratepayers within the Smithville Urban area only. This is reflected in the summary on page 3 of the draft budget book. The cost of providing street lighting and sidewalks in the urban are for 2015 and 2014 is as follows:

	<b>2015</b>	<b>2014</b>
<u>Street Lights</u>		
Street Light Requirement	<u>78,100</u>	<u>72,200</u>
<u>Sidewalks</u>		
Sidewalks Requirement	<u>62,900</u>	<u>82,700</u>
<b>Total Net Urban Service Budget</b>	<b><u>141,000</u></b>	<b><u>154,900</u></b>

Expenditures for the urban service area (USA) are lower by \$13,900. For a property with an average assessed value of \$303,103 (as discussed earlier in report); the charge for USA tax increases from \$76.80 (2014) to \$69.37 (2015) which equates to a \$7.43 decrease.

The overall Street Light budget is increasing by 7% as a result of increased electricity costs. Staff is exploring the possibility of converting all street lights to LED, however, that will be discussed under the Capital portion of this report.

Sidewalk expenditure has decreased in 2015 due to an anticipated reduction in the contract costs related to sidewalk maintenance in the rural areas. In addition, under the urban area, there is no anticipated contribution from the operating

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funds towards sidewalk capital works. In 2014, \$20,000 was allocated from operating towards sidewalk capital works in the urban area. It should be noted that the costs related snow removal on sidewalks in both the urban and rural areas of the Township are reported under the Sidewalk budget, and not Winter Control.

- FUEL AND EQUIPMENT (pages 91-92)  
Costs for fuel and equipment repairs are allocated to various departments as indicated on page 91. Included in this budget and allocation to various departments is a contribution to the Equipment Reserve for \$207,900.
- DRAINAGE (pages 97-98):  
The Township employs a Drainage Superintendent to oversee the maintenance and construction of the drains within the municipality. In the past, the Drainage Superintendent was shared among three municipalities: West Lincoln, Pelham and Wainfleet. Pelham has chosen to opt out of the shared service agreement. As a result, the Township share of the Drainage Superintendent will increase to one-half from one-third for a portion of the year.

The actual maintenance and construction of drains are not a direct cost to the Township. The property owner that benefits from the drainage works is charged for the cost in accordance with the Drainage Act. In 2015, we are budgeting for anticipated maintenance on drains within the municipality that are on Township owned property.

The overall Drainage budget is anticipated to increase by \$22,200 as a result of the increase in the Drainage Superintendent hours as well as the anticipated drainage maintenance costs related to Township owned lands.

- WATER/SEWER RATES (pages 102-103 and 112-114):  
Both the Water and Sewer departmental budgets are self-funding, meaning that all costs are off-set by user fees and not property taxes. The 2015 Water and Sewer budgets are based on the rates passed by Council in 2014, which were effective July 1, 2014. The 2015 Budget does not factor in any changes to user rates. Municipalities are required under the Safe Water Drinking Act to produce a water financial plan every 6 years. Incorporated in that plan will be a rate study. Staff will not change any water or sewer rates until the recommendations from the proposed study are reviewed by Council.

The 2015 Sewer Budget is recommending that \$82,200 be transferred into the Sewer Reserve for future Capital works. The 2015 Water budget is anticipating a \$63,300 transfer into the Water Reserve for future Capital works. Staff has noted that the trend in lower water consumption is continuing. Treatment costs are tied to

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consumption. However, many of the costs within the water and sewer costs are not tied to consumption. For that reason, the current water and sewer rate structure is a blend of both consumptive and fixed rates.

**Capital Program (Schedule A):**

The 2015 Capital Program has been summarized in Schedule “A” which is attached to this report. All funding sources have been outlined in this schedule. Detailed ten year plans are included in the draft budget book under the relevant sections (page numbers indicated in parentheses): Fire (29), Roads (55-56), Bridges (61), Facilities (66-67), Sidewalks (88), Equipment (93), Storm Sewers (99), Sanitary Sewers/Wastewater (104), and Water (115). Schedule B to this report provides a summary of the ten year capital plans and related financing. In accepting this 2015 budget, Council is approving the 2015 expenditures and the balance of projects for 2016-2024 are approved in principle, but subject to final approval in later budgets.

**Corporate Expenditure/Projects:**

The projects in this category impact the Township as a whole and are considered corporate priorities. The two projects considered for 2015 are the Place to Grow\_Amendment 2 and the North West Smithville Secondary Plan. These projects total \$90,000 and are financed through Development Charges and the Planning Reserve.

**Library**

The planned purchase of \$39,800 in books for all branches, and \$1,600 in chairs for the Smithville branch comprise the Library Capital Budget. \$27,200 of this Capital expenditure is financed through the operating fund, with the balance of funding from Development Charges, donations and the Library Reserve.

**Corporate Services:**

The Corporate Services department is requesting \$5,000 for office furniture/equipment replacement and \$6,000 for Records Management. Total request of \$11,000 is consistent with the 2014 budget allocation. The Records Management project is a multi-year project that has seen the consolidation of corporate records into one central location. Measures have been taken to ensure the records are properly secured and are organized in a proper manner. Also included within Corporate Services is \$27,300 requested for on-going Information Technology hardware needs.

**Cemetery:**

The Cemetery department has not requested any funds for specific capital projects in the 2015 budget.

**Fire Department:**

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The Ten Year Capital Plan for Fire is found on page 29. The Fire Operating Budget includes a contribution to the Fire Reserve of \$219,000. This level of contribution must be sustained in order to ensure adequate funds are available in the Fire Reserve to finance the total purchases contemplated in the ten year fire capital plan which total approximately \$2.4 million.

Projects for 2015 include \$13,000 for capital equipment replacements funded through the operating fund (Fire Station 1- \$8,000) and (Fire Station 2 - \$5,000). Additional projects found on pages 30-33 total \$558,000 and are funded through the Fire Reserve, with the largest purchase being the replacement of the Pumper Rescue Truck at \$500,000.

Recreation:

The Recreation Department is requesting to purchase Facility Scheduling and Program Registration Software (page 44). The estimated cost for this software is \$17,000 and will be financed through the Capital Reserve. This software will enhance the efficiency and effectiveness of booking both field time and ice time.

Roads and Bridge Construction:

The Ten Year Capital Plan for **Road Work** is found on pages 55 to 56. The total infrastructure requirement over the next ten years has been estimated at approximately \$17 million. The only dedicated source of funding that has been traditionally applied to Road Construction is the Gas Tax Grant, which is approximately \$400,000 annually. There is no doubt that the Township is faced with a funding deficit if it were to finance all of the projects contemplated in the ten year plan. This is a situation that all municipalities are faced with, and is not unique to West Lincoln. Staff will continue to work on sound long-term financial planning to address this funding deficit.

The Director of Public Works has identified the resurfacing of Young Street between South Grimsby Rd 6 and Regional Rd 12 as the highest priority project for 2015 (page 60). The estimated cost of \$410,000 will be financed with Gas Tax funds, the Ontario Community Infrastructure Grant (OCIF) and development charges.

The following projects also require immediate actions, however are currently unfunded within the 2015 Budget:

Caistor Centre Road Resurfacing (page 57)	\$295,000
Port Davidson Road Resurfacing (page 58)	\$286,100
Traffic Modelling Study (page 59)	\$ 11,000

A possible source of funding for the above three projects will be discussed later in this report.

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The Ten Year **Bridge** Capital Plan is found on page 61. The total infrastructure needs over the next ten years is estimated at \$7.1 million. Similar to Road Infrastructure, a funding deficit is also impacting the Township's Bridge Infrastructure.

Bridge #12 on South Grimsby Road 6 (page 62) is due to be replaced; however the project has been **deferred** at this time. The total anticipated cost of this Bridge Replacement is \$900,000. This bridge will continue to have load restrictions in place and monthly inspections will continue to be conducted until the funds are in place to replace this bridge. Staff is hopeful that Provincial or Federal Grants may be available to assist with the completion of this project.

2015 Bridge projects include required bi-annual bridge and culvert inspections totalling \$27,500 which will be funded through the operating fund. Guard Rail replacements totalling \$110,000 will be funded with Gas Tax and the Bridge Reserve.

Facilities:

The Ten Year Facility Capital Plan is found on pages 66 to 67. Total projected needs over the next ten years total \$19.3 million. Included in the ten-year plan is the new arena and recreation center, the replacement of the Wellandport Library and the Wellandport Hall and a new Smithville Library branch.

The projects requested in 2015 are found on pages 68 to 82. The project pages include a description of the works, the estimated cost and the funding source. These projects total \$312,700.

Streetlights:

On page 85 a project request sheet for the conversion of our current street light fixtures to LED fixtures is presented. This project is **deferred** and not included in the 2015 budget. Staff is still in the process of reviewing costs and possible rebates and calculating the payback period and return on investment. A full report to Council requesting their approval to proceed would be presented before any action is taken on this project.

Sidewalks:

The ten year capital program for Sidewalks can be found on page 88. It is estimated that total Sidewalk infrastructure needs over the next ten years will be \$2.5 million, with \$2.1 million currently unfunded.

Two projects are suggested for 2015 and the project sheets can be found on pages 89 and 90. The request to reconstruct the sidewalk on Station Street (east side) from the Railway Tracks to 330 Station Street is estimated to cost \$126,500, with \$63,200 currently unfunded.

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**Equipment:**

The ten year equipment capital plan is found on page 93. Total required investment in equipment is estimated to be approximately \$3.5 million over the period 2015 to 2024. The 2015 budget includes a contribution to the Equipment Reserve of \$207,900 which is funded through the operating fund. This annual contribution will have to be increased in future budgets to ensure adequate funding for the proposed investments that are outlined in the ten year plan.

2015 equipment investments are found on pages 94 to 96 and all being financed through the Equipment Reserve.

**Storm Sewer:**

The ten year capital plan for Storm Sewers, which is found on page 99, indicates that a \$680,000 investment will be required over ten years. Of this required investment, approximately \$640,000 is unfunded. The 2015 proposed projects can be found on pages 100 to 101 and total \$11,000.

**Sanitary Sewer and Water:**

The Ten Year Capital Plan for Sanitary Sewer/Wastewater is found on page 104 and the ten year capital plan for Water is found on page 115. The total required investment in sanitary sewer and water over the next ten years is approximately \$7 million. A portion of this investment will be funded with Development Charge revenue, with the balance of \$5.8 million required from the Sanitary Sewer Reserve and the Water Reserve. Both of these reserves are funded through user fees. The establishment of sanitary sewer rates and water rates must not only cover operating costs, but must be sufficient to ensure adequate funds are being contributed to these reserves.

The 2015 Sanitary Sewer projects can be found on pages 105 to 111. The 2015 Water projects can be found on pages 116 to 117.

**Unfunded Projects:**

As outlined above, the following projects are currently unfunded in the 2015 budget:

Caistor Centre Road – mill & pave	\$295,000	page 57
Port Davidson Road – mill & pave	\$286,100	page 58
Road Model for Master Plan	\$ 11,000	page 59
Station Street Sidewalk	<u>\$ 63,200</u>	page 90
Total	<b>\$655,300</b>	

It would be wise to address these projects in the current year as they have been identified as being of high need. In order to proceed with these projects, financing could be obtained through internal borrowing from the Industrial Park Reserve. The annual payback over a ten year term, commencing in 2016 would be \$65,530. This annual

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payback would be funded through the operating fund.

**FINANCIAL IMPLICATIONS:**

The Budget is the guiding financial management tool for the year 2015. It sets departmental spending and revenue guidelines; additionally, budget status is reported back to Council to convey financial results. The 2015 proposed Draft budget reflects a 6.9% general tax levy increase. This equates to an increase to the West Lincoln portion of property taxes for the average residential homeowner of \$67.00.

**INTER-DEPARTMENTAL COMMENTS:**

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

**CONCLUSION:**

It is concluded that the 2015 Budget be approved as presented.

**Prepared by:**

**Approved by:**

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

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**Chris Carter  
CAO**

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**Township of West Lincoln  
2015  
Capital and Special Projects**

Schedule A to RFD-T-02-15

	<u>Gross Cost</u>	<u>Revenue Fund</u>	<u>Reserves</u>	<u>Gas Tax</u>	<u>DCA/Cash in Lieu</u>	<u>Other Grants/Donations</u>	<u>UnFunded</u>
Corporate Expenditures	90,000		9,000		81,000		
Library	41,400	27,200	600		12,600	1,000	
Corporate Services	38,300	38,300					
Fire	571,000	13,000	558,000				
Recreation	17,000		17,000				
Roads Construction	1,002,100		-	317,300	28,700	64,000	592,100
Bridge Construction	137,500	27,500	26,700	83,300			
Capital Facilities	312,700	-	162,080		100,620	50,000	
Sidewalks	146,500	-	65,300		18,000		63,200
Equipment	326,000		326,000		-		
Storm Sewer	11,500	-	5,000		6,500		
Sewers	262,000		249,850		12,150		
Waterworks	105,000		105,000				
<b>TOTAL CAPITAL</b>	<b>3,061,000</b>	<b>106,000</b>	<b>1,524,530</b>	<b>400,600</b>	<b>259,570</b>	<b>115,000</b>	<b>655,300</b>
<b>2014 CAPITAL</b>	<b>2,849,950</b>	<b>511,500</b>	<b>1,431,200</b>	<b>743,250</b>	<b>89,000</b>	<b>75,000</b>	<b>-</b>

**Township of West Lincoln  
10 Year Capital Plan  
as at February 2015**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
ADMINISTRATIVE/PLANNING STUDIES	\$ 90,000	\$ 100,000	\$ 70,000	\$ -	\$ 40,000	\$ -	\$ -	\$ 120,000	\$ -	\$ 65,000	\$ 485,000
BRIDGES	\$ 1,037,500	\$ 318,000	\$ 1,057,760	\$ 768,750	\$ 810,600	\$ 857,700	\$ 1,472,100	\$ 231,100	\$ 483,000	\$ 125,000	\$ 7,161,510
EQUIPMENT	\$ 326,000	\$ 399,700	\$ 375,200	\$ 244,560	\$ 484,000	\$ 310,650	\$ 253,780	\$ 400,300	\$ 319,700	\$ 424,900	\$ 3,538,790
FACILITIES AND PARKS	\$ 312,700	\$ 14,430,000	\$ 162,500	\$ 452,400	\$ 70,000	\$ 112,000	\$ 1,987,000	\$ 1,660,500	\$ 63,000	\$ 76,600	\$ 19,326,700
FIRE EQUIPMENT	\$ 558,000	\$ 71,000	\$ 342,000	\$ 422,000	\$ 17,000	\$ 293,000	\$ 18,000	\$ 418,000	\$ 19,000	\$ 319,000	\$ 2,477,000
ROADS - STUDIES	\$ 11,000	\$ 60,000	\$ -	\$ -	\$ -	\$ 76,300	\$ -	\$ -	\$ -	\$ -	\$ 147,300
ROADS-HOT MIX	\$ 581,100	\$ 595,000	\$ 572,000	\$ 2,080,000	\$ 896,000	\$ 415,000	\$ 667,000	\$ 1,390,000	\$ 1,016,300	\$ 300,000	\$ 8,512,400
ROADS-SURFACE TREATMENT	\$ 410,000	\$ 1,541,000	\$ 1,019,500	\$ 1,188,000	\$ 774,000	\$ 1,185,000	\$ 861,000	\$ 232,000	\$ 638,000	\$ 662,000	\$ 8,510,500
SANITARY SEWER(WASTEWATER)	\$ 262,000	\$ 989,000	\$ 664,000	\$ 644,000	\$ 215,000	\$ 336,000	\$ 425,000	\$ 495,000	\$ 315,000	\$ 940,000	\$ 5,285,000
SIDEWALKS	\$ 146,500	\$ 418,500	\$ 177,000	\$ 302,500	\$ 338,000	\$ 368,000	\$ 198,100	\$ 176,500	\$ 195,500	\$ 195,000	\$ 2,515,600
STORM SEWER	\$ 11,500	\$ 72,700	\$ 6,900	\$ 47,200	\$ 35,350	\$ 389,540	\$ 27,770	\$ 29,000	\$ 29,750	\$ 30,500	\$ 680,210
STREETLIGHTS -LED CONVERSION	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
WATER	\$ 105,000	\$ 50,000	\$ 81,000	\$ 525,000	\$ 540,000	\$ 115,000	\$ 50,000	\$ 50,000	\$ 117,000	\$ 50,000	\$ 1,683,000
<b>TOTAL</b>	<b>\$ 4,251,300</b>	<b>\$ 19,044,900</b>	<b>\$ 4,527,860</b>	<b>\$ 6,674,410</b>	<b>\$ 4,219,950</b>	<b>\$ 4,458,190</b>	<b>\$ 5,959,750</b>	<b>\$ 5,202,400</b>	<b>\$ 3,196,250</b>	<b>\$ 3,188,000</b>	<b>\$ 60,723,010</b>

**Township of West Lincoln  
10 Year Capital Plan - Financing  
as at February 2015**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
DEVELOPMENT CHARGES	\$ 152,450	\$ 8,221,680	\$ 93,509	\$ 435,876	\$ 350,421	\$ 136,250	\$ 162,726	\$ 254,950	\$ 89,633	\$ 211,600	\$ 10,109,095
IN LIEU OF PARKLAND	\$ 94,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,520
FIRE RESERVE	\$ 558,000	\$ 49,500	\$ 342,000	\$ 422,000	\$ 17,000	\$ -	\$ -	\$ 120,000	\$ -	\$ 65,000	\$ 1,573,500
FACILITY RESERVE	\$ 62,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,080
SIDEWALK RESERVE	\$ 65,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,300
EQUIPMENT RESERVE	\$ 326,000	\$ 989,000	\$ 664,000	\$ 644,000	\$ 215,000	\$ 336,000	\$ 425,000	\$ 495,000	\$ 310,100	\$ 940,000	\$ 5,344,100
SANITARY SEWER RESERVE	\$ 249,850	\$ 839,800	\$ 634,750	\$ 566,800	\$ 202,850	\$ 305,050	\$ 425,000	\$ 409,150	\$ 264,000	\$ 772,000	\$ 4,669,250
WATER RESERVE	\$ 105,000	\$ 50,000	\$ 81,000	\$ 284,824	\$ 270,679	\$ 115,000	\$ 50,000	\$ 50,000	\$ 83,267	\$ 50,000	\$ 1,139,770
PLANNING RESERVE	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000
ARENA RESERVE	\$ -	\$ 114,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,000
LIBRARY RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 416,000	\$ -	\$ -	\$ -	\$ 416,000
CAPITAL RESERVE	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,000
BRIDGE RESERVE	\$ 26,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,700
GAS TAX	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 400,600	\$ 4,006,000
OPERATING FUND	\$ 27,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,500
OTHER GRANTS	\$ 114,000	\$ 114,000	\$ 64,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292,000
UNFUNDED	\$ 1,955,300	\$ 8,266,320	\$ 2,248,001	\$ 3,920,310	\$ 2,763,400	\$ 3,165,290	\$ 4,080,424	\$ 3,472,700	\$ 2,048,650	\$ 748,800	\$ 32,669,195
<b>TOTAL</b>	<b>\$ 4,251,300</b>	<b>\$ 19,044,900</b>	<b>\$ 4,527,860</b>	<b>\$ 6,674,410</b>	<b>\$ 4,219,950</b>	<b>\$ 4,458,190</b>	<b>\$ 5,959,750</b>	<b>\$ 5,202,400</b>	<b>\$ 3,196,250</b>	<b>\$ 3,188,000</b>	<b>\$ 60,723,010</b>

**TOWNSHIP OF WEST LINCOLN  
2015 BUDGET  
SUMMARY OF RESERVE TRANSFERS**

**RFD-T-02-15  
SCHEDULE C**

**2015 Summary of Reserve Transfers**

	Transfer to (from)	Reserve	PAGE #
Transfer from Working Fund Reserve	\$	(48,000)	4
Contribution to Capital Reserve	\$	96,000	6
Contribution to Contingency Reserve	\$	48,000	6
Contribution to Winter Control Reserve	\$	55,000	6
Transfer from Planning Reserve	\$	(4,500)	7 Places to Grow-Amendment 2
Transfer from Planning Reserve	\$	(4,500)	9 North West Smithville Secondary Plan
Contribution to Library Reserve	\$	50,000	13
Transfer from Library Reserve	\$	(600)	13 New Chairs
Contribution to Election Reserve	\$	10,000	20
Contribution to Cemetery Reserve	\$	2,000	25
Contribution to Fire Reserve	\$	219,000	27
Payback to Industrial Park Reserve	\$	18,600	27 Land Purchase
Transfer from Fire Reserve	\$	(16,000)	30 10 sets of bunker gear
Transfer from Fire Reserve	\$	(500,000)	31 Pumper/Rescue Truck replacement
Transfer from Fire Reserve	\$	(27,000)	32 Firecon Headsets
Transfer from Fire Reserve	\$	(15,000)	33 Firehouse Business Management System
Transfer from Building Reserve	\$	(50)	35
Transfer from Contingency Reserve	\$	(150,000)	39 OMB Defense
Transfer from Capital Reserve	\$	(17,000)	44 Facility Scheduling & Program Registration Software
Contribution to Facility Reserve	\$	500	46
Contribution to Arena Building Fund	\$	8,400	46
Contribution to Industrial Park Reserve	\$	91,100	53 Canborough St. Payback
Contribution to Capital Reserve	\$	56,000	54 Northridge Dr. Payback
Transfer from Bridge Reserve	\$	(26,700)	61 Guard Rail Replacements
Transfer from Contingency Reserve	\$	(100,000)	68 Project Manager Contract-new arena
Transfer from Facility Reserve	\$	(62,080)	Various Facility Improvements , pages 69-71,75,79-81)
Transfer from Sidewalk Reserve	\$	(65,300)	90 Station Street
Contribution to Equipment Reserve	\$	207,900	92
Transfer from Equipment Reserve	\$	(197,000)	94 Replacement of Tandem
Transfer from Equipment Reserve	\$	(107,000)	95 Replacement of Ice Resurfacer
Transfer from Equipment Reserve	\$	(12,000)	96 Electronic Speed Board
Transfer from Equipment Reserve	\$	(5,000)	93 Misc. Rec. Equipment
Transfer from Equipment Reserve	\$	(5,000)	93 Misc. PW Equipment
Transfer from Capital Reserve	\$	(5,000)	100 McMurchie Lane Catch Basin Installation
Contribution to Sewer Reserve	\$	82,200	103
Transfer from Sewer Reserve	\$	(249,850)	105-111 Various Works
Contribution to Water Reserve	\$	63,300	114
Transfer from Water Reserve	\$	(50,000)	116 Water Loss Program
Transfer from Water Reserve	\$	(55,000)	117 Water Financial Plan and Rate Study
<b>Total Transfer (from) to Reserve</b>	<b>\$</b>	<b>(714,580)</b>	

Total Transfer from Reserve	\$	(1,722,580)	
Total Transfer to Reserve	\$	1,008,000	
			<b>2014 Comparitor</b>
			\$ (1,465,000.00)
			\$ 1,182,950.00
			<u>\$ (282,050.00)</u> Total Transfer from Reserve

**TOWNSHIP OF WEST LINCOLN**  
**SUMMARY OF RESERVES AND DEVELOPMENT CHARGES**  
**AS AT DECEMBER 31, 2014**

**RESERVES**

	Estimated Balance as of December 31, 2014	Committed Funds	Uncommitted Funds	Receivable/(Payable) to Reserves
<b>Working Funds</b>	\$ 363,159	\$ -	\$ 363,159	
<b>Accessibility</b>	\$ 34,764		\$ 34,764	
<b>Rate Stabilization</b>	\$ 59,000	\$ -	\$ 59,000	
<b>Contingencies</b>	\$ 1,122,034	\$ (244,439)	\$ 877,595	\$ -
<b>Insurance</b>	\$ 137,655	\$ -	\$ 137,655	
<b>Election Exp</b>	\$ 6,106	\$ -	\$ 6,106	
<b>Recreation</b>	\$ 11,598	\$ (10,595)	\$ 1,003	
<b>Winter Control</b>	\$ 105,500	\$ -	\$ 105,500	
<b>Hospital</b>	\$ 1,250,000	\$ (1,250,000)	\$ -	
<b>Capital</b>	\$ 1,125,221	\$ (909,542)	\$ 215,679	\$ 504,000
<b>Fire Trucks</b>	\$ 277,381	\$ -	\$ 277,381	\$ (130,424)
<b>Road Equipment</b>	\$ 648,106	\$ (76,922)	\$ 571,184	
<b>Industrial Park</b>	\$ 1,658,480	\$ (637,700)	\$ 1,020,780	\$ 768,124
<b>Bridges</b>	\$ 68,468	\$ -	\$ 68,468	
<b>Planning</b>	\$ 171,524	\$ (165,597)	\$ 5,927	
<b>Cemeteries</b>	\$ 26,614	\$ (6,000)	\$ 20,614	
<b>Technology</b>	\$ 230,855	\$ (213,207)	\$ 17,648	
<b>Facilities Reserve</b>	\$ 214,822	\$ (138,463)	\$ 76,359	
<b>Arena Building</b>	\$ 114,855		\$ 114,855	
<b>Building Revenues</b>	\$ 358,083		\$ 358,083	
<b>Sidewalks</b>	\$ 251,635	\$ (126,000)	\$ 125,635	
<b>Street Lights</b>	\$ 12,205	\$ -	\$ 12,205	
<b>Sewer Projects</b>	\$ 747,839	\$ (269,023)	\$ 478,816	
<b>Water Department</b>	\$ 877,697	\$ (665,457)	\$ 212,240	
<b>Library</b>	\$ 729,575	\$ (416,000)	\$ 313,575	
<b>Total</b>	<b>\$ 10,603,175</b>	<b>\$ (5,128,945)</b>	<b>\$ 5,474,230</b>	<b>\$ 1,141,700</b>

**DEVELOPMENT CHARGES**

	December 31, 2014	Committed Funds	Uncommitted Funds
<b>Protection</b>	\$ 163,407		163,407
<b>Roads</b>	\$ 672,508		672,508
<b>Parks &amp; Recreation</b>	\$ 1,602,279		1,602,279
<b>Libraries</b>	\$ 19,106		19,106
<b>Administration</b>	\$ 59,146		59,146
<b>Water</b>	\$ 90,378		90,378
<b>Storm Water Mgmt.</b>	\$ 37,330		37,330
<b>Sewers</b>	\$ 345,599		345,599
<b>In Lieu of Parkland</b>	\$ 258,275		258,275
<b>Total</b>	<b>\$ 3,248,028</b>	<b>\$ -</b>	<b>\$ 3,248,028</b>

**2015 Draft Budget  
Additional Items to be Considered by Council**

The following items are **not** included in the 2015 Draft budget. They are presented to Council for their consideration. If Council chooses to include any of these item as part of the 2015 Budget, an amendment to the Recommendation presented in Report RFD-T-02-15 will have to be made.

Request from WLGWAG and MAWT Inc. For Funding

A request under the sponsorship policy was requested from the above groups totalling \$1,000. Their request was denied as it did not meet the guidelines under the Sponsorship policy. Council passed a resolution at the February 17, 2015 Council meeting to refer this matter for consideration to the 2015 budget deliberations.

Additional Seasonal Help-Roads Department

A request has been made from the Director of Public Works for seasonal summer road staff totalling \$37,500. The staffing level in the roads department is reduced in the summer as a result of full-time staff taking their vacation allotments and accumulated overtime from Winter Events. This has an impact on the service level provided in the summer. In order to maintain appropriate service levels, the addition of two temporary seasonal staff is being requested for 17 weeks, from the beginning of May to the end of August.

Additional Planning Staff

A request has been made from the Director of Planning and Building for a second Planner II position. This position would be required as of October 2015. The impact to the 2015 budget is estimated at \$18,450 and the annualized cost for salary and benefits is \$73,800. The Director of Planning and Building has indicated that the second Planner II position would be necessary to complete numerous projects some of which include the Secondary Plan for West Smithville Expansion Area; work with Director on Township Municipal Comprehensive Review; Complete review of Official Plan Amendment and Implementation of Residential Infill, Intensification and Employment Strategy Report. In 2013 and 2014 the Planning Department was provided with a contract planner position that was funded through prior year surplus.

Mayor's Youth Advisory Council

This request has been made by Mayor Joyner to establish a Mayor's Youth Advisory Council. \$5,000 in funding is requested that will be allocated towards advertisement, promotion and establishment of terms of reference. The goal is that the Youth Advisory Council would provide a voice for the youth of the Township and will advise Council of important issues concerning the youth of West Lincoln.