



**Township of Leeds and the Thousand Islands  
Proposed 2021 Budget**

*Working Document*

*December 2020*

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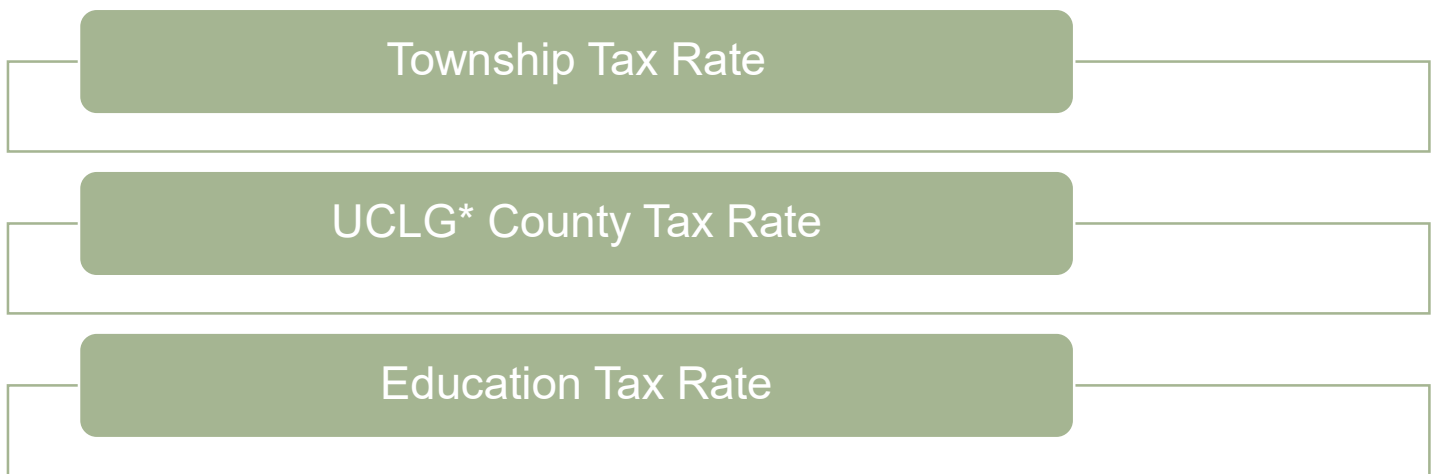
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## 2021 Proposed Operating Budget Overview

The 2021 municipal operating budget for Leeds and the Thousand Islands is proposed at \$13.8 million compared with \$14.9 million in 2020. Staff have reduced budgets in many areas to mitigate lost revenue due to the COVID-19 pandemic. The net levy requirement is \$10,519,440. This is an increase of approximately \$542,000 over the 2020 levy requirement. The gross budget has decreased but the net levy requirement has increased because of the anticipated decrease in revenue from the Casino and other user fees and charges.

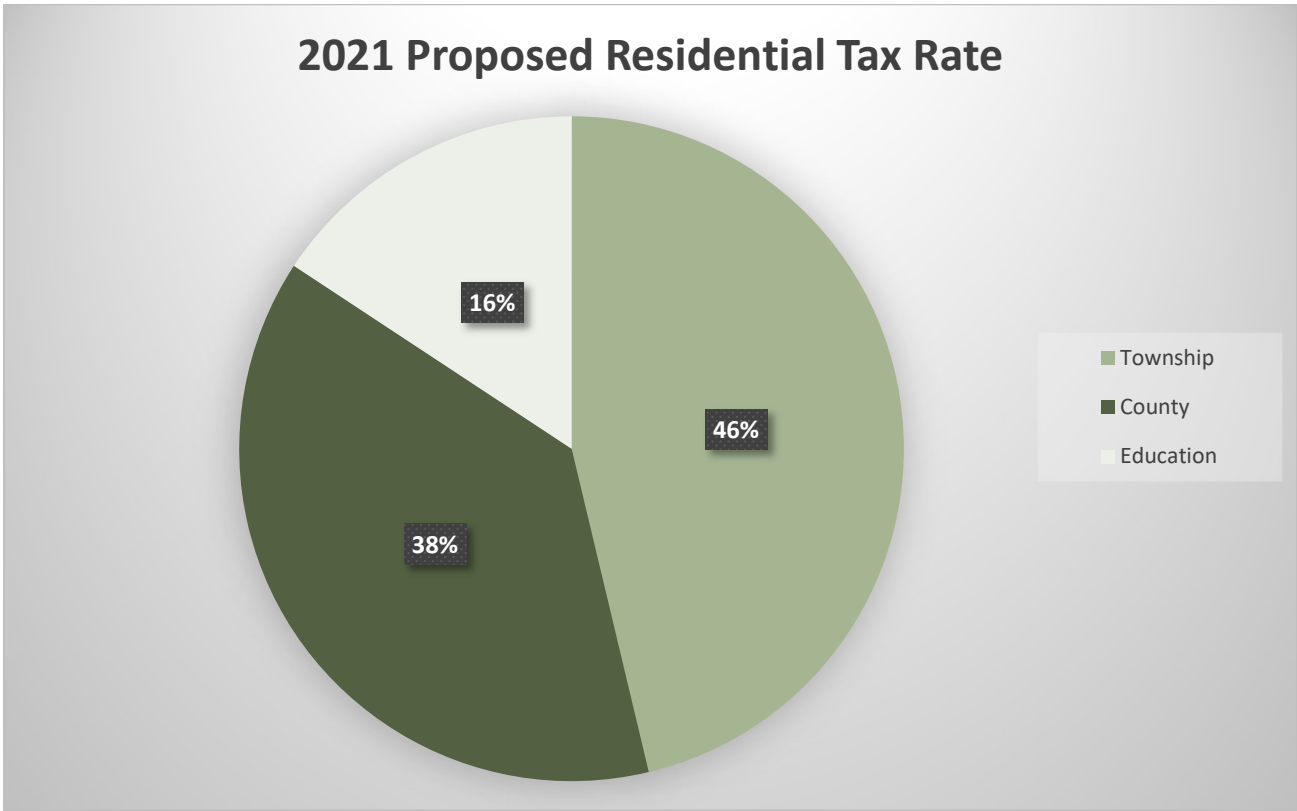
Based on the levy requirement, and the estimated assessment value, the Township portion of the tax rate will be 0.00451046 for 2021, compared with 0.00422624 in 2020, a **6.7% increase**.

There are three components to the tax rate that the Township levies on residents:



*\*UCLG - United Counties of Leeds Grenville.*

The 2021 proposed residential tax rate, assuming the County and Education portions remain the same as 2020, results in the following breakdown:



### Scenario 1

For a residential customer, assuming the County portion of the rate and the Education portion remains the same, the overall tax rate increases 3%.

Rate	2020	2021	Increase
Township	0.00422624	0.00451046	6.7%
County	0.00369649	0.00369649	0.0%
Education	0.00153000	0.00153000	0.0%
TOTAL	0.00945273	0.00973695	3.0%

### Scenario 2

For a residential customer, assuming the County portion of the rate increases 1.0% and the Education portion remains the same, the overall tax rate increases 3.4%.

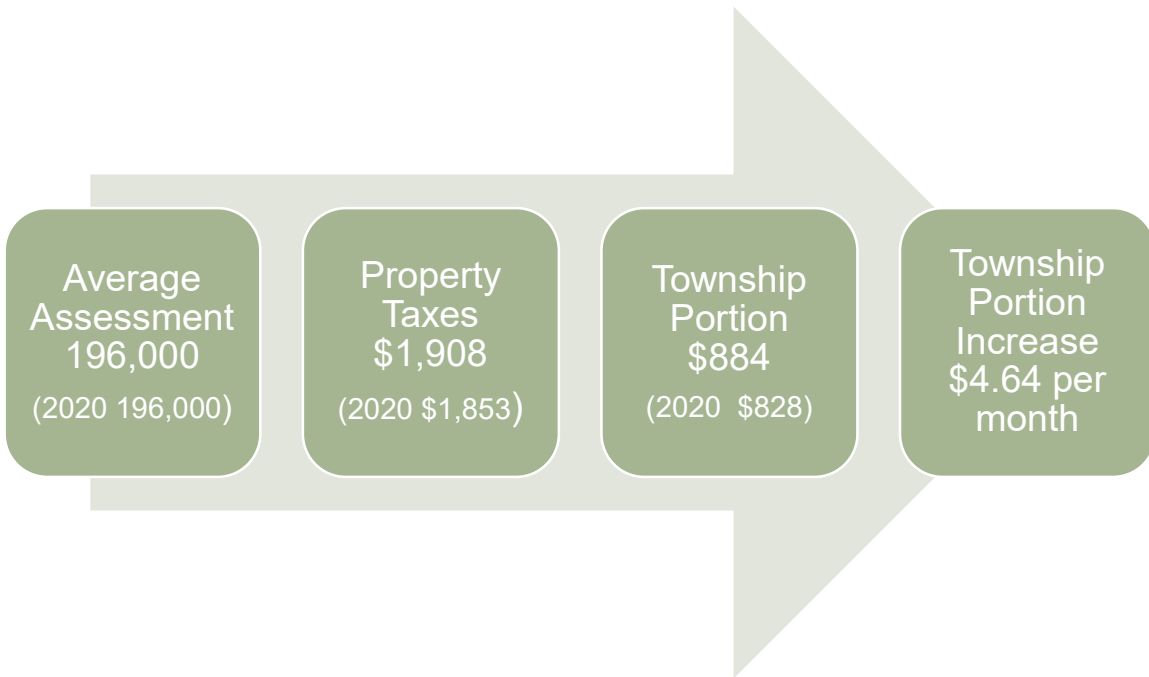
Rate	2020	2021	Increase
Township	0.00422624	0.00451046	6.7%
County	0.00369649	0.00373345	1.0%
Education	0.00153000	0.00153000	0.0%
TOTAL	0.00945273	0.00977391	3.4%

### Scenario 3

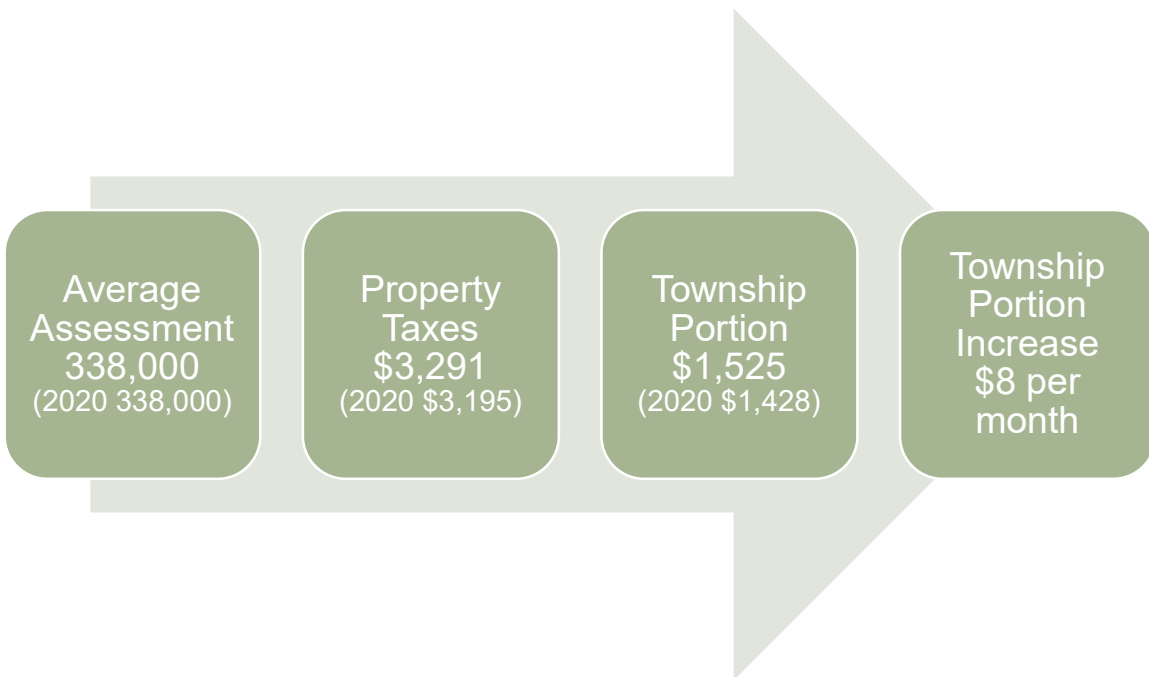
For a residential customer, assuming the County portion of the rate increases 1.5% and the Education portion remains the same, the overall tax rate increases 3.6%.

Rate	2020	2021	Increase
Township	0.00422624	0.00451046	6.7%
County	0.00369649	0.00375194	1.5%
Education	0.00153000	0.00153000	0.0%
TOTAL	0.00945273	0.00979239	3.6%

Assuming an average residential assessment of \$196,000, and assuming Scenario 1, with a tax rate of 0.00973695, the annual property tax increase will be:



Assuming an average seasonal recreation dwelling assessment of \$338,000, and assuming Scenario 1, the annual property tax increase will be:



**Please note that the residential tax calculations are estimates only and subject to change.**

They are based on assumptions. Finalized rates will become available in 2021:

- 2021 UCLG County tax rate is not currently known.
- 2021 Education tax rate is not currently known.

The following summarizes the 2020 Property Tax Rates for the lower tiers in the County. TLTI is the lowest tax rate in the County. The 2021 proposed property tax rate is 0.00451046 which when compared with 2020 tax rates, is the second lowest tax rate compared with the other lower tier 2020 tax rates.



*Front of Yonge and Athens have special area rates which are higher than the general lower tier rate, and are not included above.*



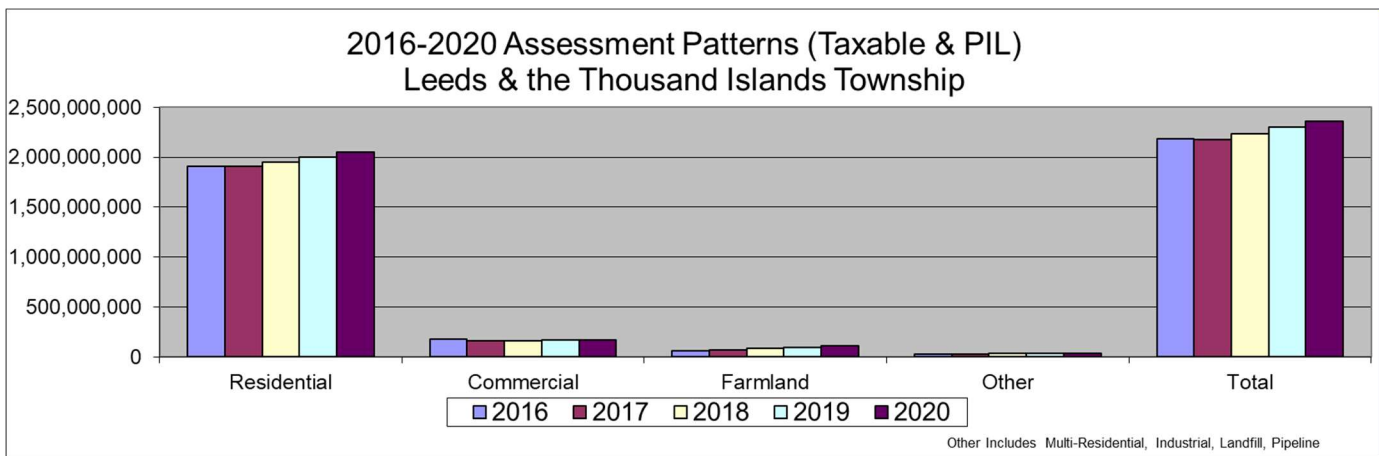
In summary, below is a comparison of the 2021 proposed budget versus 2020:

Description	2020	2021	Increase/Decrease
Total Gross Municipal Budget*	\$14,930,471	\$13,799,620	(7.6%)
Levy Requirement	\$9,977,100	\$10,519,440	5.4%
Current Value Assessment (CVA) (excluding exempt)	2,364,286,800	2,345,087,009	(1%)
Estimated Weighted CVA	2,360,742,900	2,332,234,392	(1%)
Township portion of tax rate	0.00422624	0.00451046	6.7%
Total Township tax rate (Scenario 1)	0.00945273	0.00973695	3.0%

\*excludes building department which is funded separately

The 2021 assessment is not available yet. The 2021 assessment amounts above are the 2020 active assessment totals per the Municipal Connect website. Municipal Connect is the primary source of assessment related information for Ontario municipal staff. It is not expected that the assessment amounts will change significantly given that there was no valuation at January 1, 2020 and no quarterly phase in amount.

The January 1, 2016 valuation date was phased in over 2017 to 2020. The January 1, 2020 valuation date was deferred due to COVID-19 so the 2021 assessment will continue to be based on the January 1, 2016 valuation date.



This graph remains unchanged since the 2021 assessment values are not available at the time of writing this document.

## 2021 Proposed Operating Budget Summary

The proposed 2021 municipal gross revenue and expenditure budget amounts are \$13,799,620 (plus building department of \$383,500) compared with \$14,930,471 (plus building department of \$385,000) in 2020. The gross budget has decreased \$1 million mainly due to the expected loss of Casino revenue. The reduction in revenue has meant that expenses have been reduced to try to mitigate the property tax rate increase. The reduction in Casino revenue has reduced the available funds to transfer to the reserve funds. Further detail on the reserve funds is provided starting on page 55.

Staff have reduced budgets in many areas such as training and development, mileage and other discretionary spending. The budget for contingency expenses has been reduced to \$50,000 compared with \$125,000 in 2020.

Staff have also eliminated the Community Grant program in 2021 reducing the expense budget by \$125,000 with a corresponding reduction in revenue as there is no draw on the reserve fund to fund the grants.

There are other pressures on the 2021 budget such as increasing software costs, increased insurance expenses which are budgeted \$52,000 more than 2020 and cleaning and PPE expenses related to the COVID-19 pandemic.

The proposed 2021 budget is a very conservative budget with very little room for any unexpected costs in 2021. Further reductions to the proposed 2021 budget can be made to the transfers to reserve funds or will need to be as a result of a reduction in a service level and/or staffing.

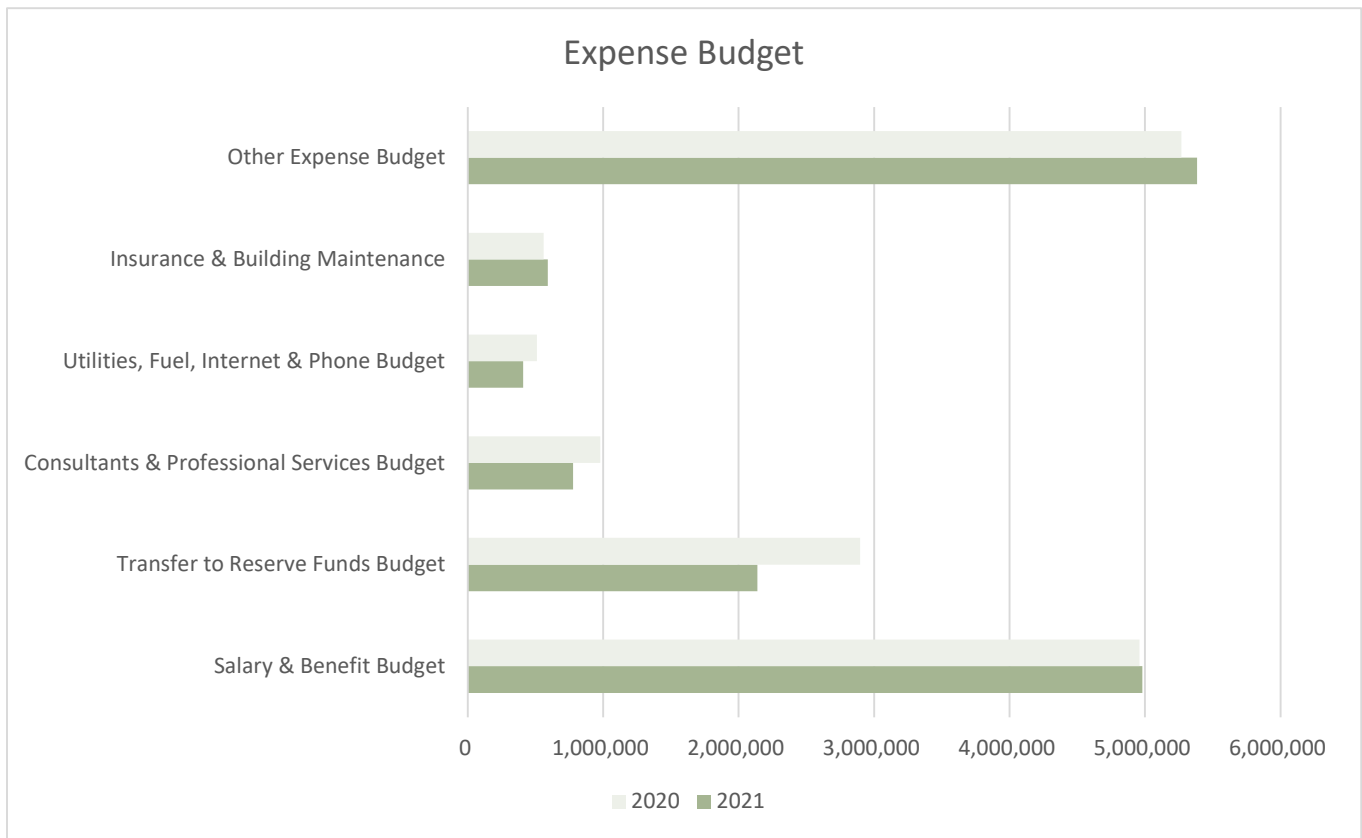
### Levy Requirement Options

This table provides options to reduce the budget as proposed in this document and the related changes in tax rates.

	Option 1	Option 2	Option 3	Option 4
change in levy requirement	as presented	\$ (100,000)	\$ (200,000)	\$ (500,000)
levy requirement	\$ 10,519,440	\$ 10,419,440	\$ 10,319,440	\$ 10,019,440
proposed township tax rate	0.00451046	0.00446758	0.00442470	0.00429607
Township rate increase	6.7%	5.7%	4.7%	1.7%
County Tax Rate	0.00369649	0.00369649	0.00369649	0.00369649
Eduacation Tax Rate	0.00153	0.00153	0.00153	0.00153
2021 Proposed Total Tax Rate	0.009736946	0.009694068	0.009651191	0.009522559
2020 Total Tax Rate	0.00945273	0.00945273	0.00945273	0.00945273
Total tax rate increase	0.000284216	0.000241338	0.000198461	6.98291E-05
Total tax rate % increase	3.0%	2.6%	2.1%	0.7%

These option calculations assume that the County and Education portions of the tax rate remain the same as 2020.

The following table illustrates that the most significant reduction in the 2021 budget compared with the previous year is in the transfers to reserve funds which were decreased to offset the reduction in Casino revenue.



*Note: Expense budget graph includes building department expenses.*

The salary and benefit budget is \$5 million or approximately 35% of the total budget. The proposed 2021 salary budget includes no increases for management, supervisory and non-union staff. The wages have been frozen, and the total salary and benefit budget is approximately \$15,500 higher than 2020.

The 'other' category of expenses is significant at approximately \$5.4 million. Included in this is \$2.1 million which is required for external agencies. The largest portion being \$1.8 million for policing. The 'other' expenses include:

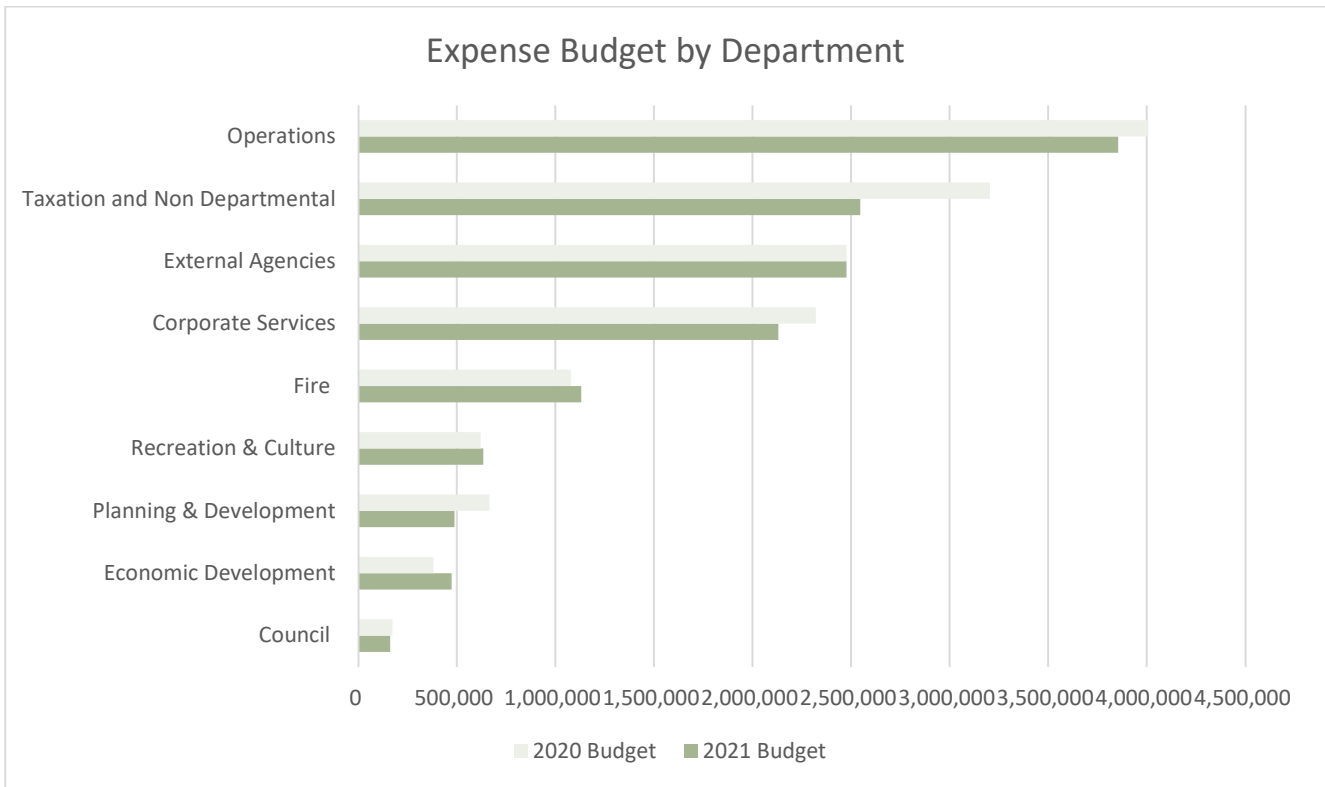
- 
- \$1.8 million Policing
  - \$235,000 Payment to Gananoque for portion of Casino property tax revenue
  - \$400,000 Public works supplies for gravel resurfacing and salt and sand
  - \$161,500 Cataraqui Region Conservation Authority Levy
  - \$160,000 Recycling
  - \$135,100 Library services
  - \$143,000 Shared arena costs with Gananoque
- 

The utilities, fuel, internet and phone budget has been reduced slightly based on year to date actuals and due to the cancellation of some telecommunication accounts that were no longer being used. Refinement of these budget items continues as costs were tracked per facility effective 2020.

Insurance costs continue to increase and create pressure on the municipal budget. In 2010, the annual cost was approximately \$205,000 and the budgeted amount for 2021 is \$370,000. This is an 80% increase over the last 10 years. Insurance rates are increasing for all municipalities across the Province.

The Association of Municipalities Ontario released a submission to the Attorney General of Ontario, "*Towards a Reasonable Balance: Addressing growing municipal liability and insurance costs.*" Joint and several liability means higher insurance costs and diverts property tax dollars from delivering public services. As public organizations with taxation power and perceived "deep pockets", municipalities have become focal points for litigation when other defendants do not have the means to pay. Despite enormous improvements to safety, including new standards for playgrounds, pool safety, and better risk management practices, municipal insurance premiums and liability claims continue to increase.

The largest variance by budget area is in the non-departmental area because of the reduction in transfers to reserve funds.



The Operations budget is \$3.8 million or about 28% of the total budget. It is slightly lower than 2020 due to budget reductions in discretionary spending, reductions in utilities based on year to date actuals in 2020, reduced spending in parks based on potential COVID-19 restrictions, and reduced spending on municipal drains.

Further details on these budgets are provided starting on page 25.

The following table provides the 2021 proposed budget compared with the 2020 budget.

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
101	Taxation - Township	10,619,440	100,000	-10,519,440	10,127,071	150,000	-9,977,071
103	Casino	100,000	1,865,000	1,765,000	1,500,000	2,678,156	1,178,156
105	Non Departmental	1,391,000	432,000	-959,000	1,286,000	376,600	-909,400
Taxation and Non Departmental		12,110,440	2,397,000	-9,713,440	12,913,071	3,204,756	-9,708,315
111	Governance & Political Support	0	162,650	162,650	0	173,900	173,900
Council		0	162,650	162,650	0	173,900	173,900
112	Election	0	20,250	20,250	0	17,950	17,950
113	CAO, Clerk & HR	35,600	689,100	653,500	5,700	832,300	826,600
114	Finance & IT	539,000	1,005,500	466,500	626,000	968,600	342,600
115	Donations	0	0	0	125,000	125,000	0
116	Health and Safety Committee	0	1,600	1,600	0	1,600	1,600
117	Municipal Building & Garage	4,000	259,400	255,400	5,000	199,700	194,700
205	Emergency Preparedness	0	64,000	64,000	0	42,600	42,600
270	Livestock	3,000	4,300	1,300	3,000	3,800	800
280	Fenceviewers	100	950	850	100	500	400
500	Health Services	0	36,000	36,000	0	36,000	36,000
510	Cemeteries	0	10,300	10,300	0	10,200	10,200
830	Tile Drainage	40,000	40,000	0	83,000	83,000	0
Corporate Services		621,700	2,131,400	1,509,700	847,800	2,321,250	1,473,450
200	Fire	60,500	934,600	874,100	62,500	848,650	786,150
201	Fire Station #3	0	31,000	31,000	0	31,925	31,925
202	Fire Station #2	0	26,200	26,200	0	32,425	32,425
203	Fire Training	56,400	115,200	58,800	55,200	135,500	80,300
204	Fire Station #4	0	24,200	24,200	0	29,925	29,925
Fire		116,900	1,131,200	1,014,300	117,700	1,078,425	960,725
210	Police	0	1,828,500	1,828,500	10,000	1,858,500	1,848,500
420	CRCA	0	161,500	161,500	0	158,300	158,300
730	Library	35,500	485,600	450,100	36,000	459,400	423,400
External Agencies		35,500	2,475,600	2,440,100	46,000	2,476,200	2,430,200
300	Public Works	61,000	2,522,200	2,461,200	60,500	2,587,550	2,527,050
310	Parks	24,200	201,500	177,300	34,100	252,200	218,100
400	Garbage Collection	42,000	42,000	0	30,000	30,000	0
410	Landfill Sites	460,200	1,068,700	608,500	450,200	1,012,200	562,000
415	Source Water Protection	0	20,000	20,000	0	25,000	25,000
840	Municipal Drain	25,000	51,000	26,000	38,000	100,000	62,000
Operations		612,400	3,905,400	3,293,000	612,800	4,006,950	3,394,150
700	Recreation & Culture	84,550	634,200	549,650	84,250	621,220	536,970
Recreation & Culture		84,550	634,200	549,650	84,250	621,220	536,970
820	Economic Development	144,100	473,400	329,300	93,000	381,950	288,950
Economic Development		144,100	473,400	329,300	93,000	381,950	288,950
220	By-law	630	124,820	124,190	1,700	146,020	144,320
260	Dogs	2,700	3,700	1,000	3,700	3,700	0
800	Planning	70,700	271,400	200,700	190,450	411,600	221,150
810	Committee of Adjustment	0	73,750	73,750	20,000	75,750	55,750
710	Historical Committee	0	15,100	15,100	0	28,750	28,750
Planning & Development		74,030	488,770	414,740	215,850	665,820	449,970
Total Municipal Fund		13,799,620	13,799,620	0	14,930,471	14,930,471	0
230	Building	383,500	383,500	0	385,000	385,000	0

The following table provides year to date actuals up to October 31, 2020 compared with the 2021 proposed budget.

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Oct 31, 2020 Actual Revenue	Oct 31, 2020 Actual Expense	Oct 31, 2020 Net Actuals
101	Taxation - Township	10,619,440	100,000	-10,519,440	9,762,730	100,392	-9,662,338
103	Casino	100,000	1,865,000	1,765,000	814,646	1,832,367	1,017,721
105	Non Departmental	1,391,000	432,000	-959,000	1,376,061	647,096	-728,965
Taxation and Non Departmental		12,110,440	2,397,000	-9,713,440	11,953,437	2,579,855	-9,373,582
111	Governance & Political Support	0	162,650	162,650	0	136,106	136,106
Council		0	162,650	162,650	0	136,106	136,106
112	Election	0	20,250	20,250	0	16,250	16,250
113	CAO, Clerk & HR	35,600	689,100	653,500	1,231	550,667	549,436
114	Finance & IT	539,000	1,005,500	466,500	443,267	782,598	339,331
115	Donations	0	0	0	0	67,358	67,358
116	Health and Safety Committee	0	1,600	1,600	0	453	453
117	Municipal Building & Garage	4,000	259,400	255,400	3,905	141,516	137,610
205	Emergency Preparedness	0	64,000	64,000	43,000	87,430	44,430
270	Livestock	3,000	4,300	1,300	0	4,082	4,082
280	Fenceviewers	100	950	850	0	0	0
500	Health Services	0	36,000	36,000	0	30,579	30,579
510	Cemeteries	0	10,300	10,300	97	8,589	8,492
830	Tile Drainage	40,000	40,000	0	46,331	46,431	100
Corporate Services		621,700	2,131,400	1,509,700	537,831	1,735,952	1,198,121
200	Fire	60,500	934,600	874,100	76,106	534,713	458,606
201	Fire Station #3	0	31,000	31,000	0	29,082	29,082
202	Fire Station #2	0	26,200	26,200	0	19,329	19,329
203	Fire Training	56,400	115,200	58,800	27,482	65,882	38,400
204	Fire Station #4	0	24,200	24,200	0	18,563	18,563
Fire		116,900	1,131,200	1,014,300	103,589	667,569	563,980
210	Police	0	1,828,500	1,828,500	10,953	1,238,952	1,227,999
420	CRCA	0	161,500	161,500	0	158,279	158,279
730	Library	35,500	485,600	450,100	0	266,793	266,793
External Agencies		35,500	2,475,600	2,440,100	10,953	1,664,023	1,653,070
300	Public Works	61,000	2,522,200	2,461,200	5,645	1,715,230	1,709,585
310	Parks	24,200	201,500	177,300	20,536	101,687	81,151
400	Garbage Collection	42,000	42,000	0	28,980	27,984	-996
410	Landfill Sites	460,200	1,068,700	608,500	357,279	776,090	418,810
415	Source Water Protection	0	20,000	20,000	0	4,110	4,110
840	Municipal Drain	25,000	51,000	26,000	21,142	116,078	94,937
Operations		612,400	3,905,400	3,293,000	433,582	2,741,178	2,307,596
700	Recreation & Culture	84,550	634,200	549,650	27,458	469,359	441,901
Recreation & Culture		84,550	634,200	549,650	27,458	469,359	441,901
820	Economic Development	144,100	473,400	329,300	20,118	193,345	173,228
Economic Development		144,100	473,400	329,300	-20,118	193,345	173,228
220	By-law	630	124,820	124,190	861	84,311	83,450
260	Dogs	2,700	3,700	1,000	2,801	3,344	543
800	Planning	70,700	271,400	200,700	34,801	268,819	234,018
810	Committee of Adjustment	0	73,750	73,750	16,268	54,192	37,924
710	Historical Committee	0	15,100	15,100	0	157	157
Planning & Development		74,030	488,770	414,740	54,732	410,822	356,091
Total Municipal Fund		13,799,620	13,799,620	0	13,101,464	10,598,211	-2,543,488
230	Building	383,500	383,500	0	292,319	252,873	-39,446

October 31, 2020 year to date actuals are at a \$2.5 million surplus. The property tax revenue has been recognized for the year while there are two months of expenses still to be processed for 2020 which contributes to the surplus recognized at October 31.

Revenues are at 88% of budget, the total revenue budget being \$14,930,471. Expenses are at 72% of budget, the total expense budget being \$14,930,471. Many costs have been deferred or reduced in 2020 due to the COVID-19 pandemic. Service levels in public works, parks and recreation were reduced resulting in lower costs and some related revenues. Staffing costs are also lower than budget, in part due to the reduction in summer student hires in 2020 as well as some vacancies in permanent positions (i.e. Director of Operations, Facilities Maintenance).

The Township received \$361,300 in Phase 1 of the Safe Restart Funding program - Municipal Operating Funding. This was received in October and reflected in the above results.



## Background

The 2021 budget year is a particularly challenging year due to many factors including the impact of COVID-19 on residents, businesses, the Township and the economy in general.

### *COVID-19*

The COVID-19 outbreak continues to evolve, and scientific evidence rapidly expands making it challenging for government to respond in a proactive manner. The economy has been significantly impacted as many businesses have had to close and/or reduce service levels to remain within COVID-19 restrictions. This has hurt the financial well being of many Township taxpayers.

As of the time of writing this budget document, The Township of Leeds and the Thousand Islands is in Stage 3 of Reopening in Ontario. The administrative office is currently open regular office hours. Many service levels were reduced and/or continue to be reduced as municipal staff work within Health Unit directives and staff attempt to reduce spending where possible. The Casino closed earlier this year and reopened at reduced capacity in late September; this has significantly reduced the revenue the Township has and expects to receive for the 2020 year. Accordingly, staff have taken steps to reduce costs and defer work where possible.

### *Asset Management*

One of the most significant legislated requirements faced by municipalities across Ontario is the new asset management regulation. The Infrastructure of Jobs and Prosperity Act, 2015, includes Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure which provides legislated requirements for asset management planning. The requirements include:

- Every municipality shall prepare a strategic asset management policy by July 1, 2019 and shall review and update if necessary, at least every five years.
- Every municipality shall prepare an asset management plan in respect of its core infrastructure (water, wastewater, stormwater, road, bridge or culvert) by July 1, 2021.
- Every municipality shall prepare an asset management plan in respect of all its assets by July 1, 2023 (need to include fire, recreation, facilities and all other assets).

## Asset Management Plans (core assets 2021, all assets 2023)

Current levels of service defined;
Current performance of each asset category;
Detailed asset inventory including: a.replacement costs b.average useful life c.condition d.approach to assessing the condition
Estimated cost and life cycle activities to maintain current levels of service and documented associated risks;
Impacts of growth on current levels of service;

By 2024, the Township's asset management plan will require more comprehensive levels of service information and management strategies including ten year plans. Every municipal Council shall review its asset management progress annually beginning in 2025.

Per Council approval, the implementation of a new asset management and maintenance manager software system is in progress. The software will facilitate the update to the Township's asset management plan to meet the legislated requirements above. The successful completion of this project will also provide efficiencies and streamline processes.

Asset management is the coordinated activity of an organization to realize value from its assets. This requires an integrated approach to gathering data, managing work flow through proper systems and processes, optimizing the lifecycle cost of assets, and aligning all levels of the organization to meet levels of service as set through strategic plans and other organizational goals.

The effective integration of gathering meaningful operational and capital data by asset facilitates the effective and efficient operation of the Township. The asset management plan with integrated work management processes, financial planning and other functionalities will allow staff and Council to make evidence-based decisions based on data. The future decisions related to budget and other operational issues will be based on a risk-based approach to managing assets, which provide municipal services. Risk management is an integral part of asset management.



The asset management data still requires refinement and will be improved on an ongoing basis. There is significant work required and next steps include:

Set up of asset profiles in the CityWide software program to manage the assessment of risk and condition on groups of assets;

Incorporate the results of the Roads Needs Study into the asset data;

Where possible, incorporate the Lansdowne Serviced Area Infrastructure Assessment and Growth Readiness Study into the asset management program and future budgeting requirements;

Meet with all departments across the Township to gather information and facilitate buy in for the new software;

Understand and document current business processes for work orders and tracking of operating and capital work;

Set up software to meet the business needs of staff, streamline and automate business processes and eliminate manual and duplicate systems;

Train staff as required;

Go live with ongoing support and follow up to make improvements and enhancements to the software and business process;

The Director of Finance and the Director of Operations and Infrastructure are the leads on the project with the entire Senior Management Team being part of the governance structure for the implementation. Meetings are scheduled in November to begin educating all staff on asset management and explain the intent of the new software program.

## Property Taxes

The Municipal Property Assessment Corporation (MPAC) is an independent, not for profit corporation funded by all Ontario Municipalities and is accountable to the Province, municipalities and property taxpayers through its 13 member Board of Directors. MPAC's role is to accurately assess and classify all properties in Ontario in compliance with the Assessment Act and regulations set by the Government of Ontario. MPAC is responsible for providing assessment values for all of the properties in the Township and provides annual assessment rolls used by the Township to calculate property taxes.

Property Assessments are updated every four years. The 2016 Assessment update reflects the valuation date of January 1, 2016 for the 2017 to 2020 property tax years. Because of the COVID-19 pandemic, there is no new assessment valuation for properties. The 2021 tax year will be based on the same assessment information used in 2020, adjusted for any supplemental or other in year changes to assessment. But there is no phase in of assessment that normally happens within the four-year cycle.

### 2021 Estimated Assessment- 2020 In-Year Assessment

Leeds & Thousand Islands - 2020 (In-Year) Assessments by TAX CLASSIFICATION						
RTC	Description	RTC Count	Phased CVA	Change	Dest CVA	Change
C	Commercial	240	104,810,900	-22.23%	104,810,900	-22.23%
E	Exempt	239	36,570,500	4.06%	36,570,500	4.06%
F	Farm	667	106,768,000	0.23%	106,768,000	0.23%
I	Industrial	32	3,378,600	-0.50%	3,378,600	-0.50%
J	Industrial New	5	861,100	0.00%	861,100	0.00%
M	Multi-Residential	2	1,666,000	0.00%	1,666,000	0.00%
P	Pipeline	7	29,241,000	0.00%	29,241,000	0.00%
R	Residential	7,143	2,023,276,609	0.29%	2,023,276,609	0.29%
T	Managed Forest	73	5,135,000	12.37%	5,135,000	12.37%
W	Railway Right-of-Way	2	0	0.00%	0	0.00%
X	Commercial New	17	14,992,800	51.46%	14,992,800	51.46%
	Payment in Lieu	123	55,165,400	-1.17%	55,165,400	-1.17%
	Shared Payment in Lieu	4	98,600	0.00%	98,600	0.00%
		8,554	2,381,964,509	-0.73%	2,381,964,509	-0.73%

*The information contained on this record (the "Information") is provided "as is" by the Municipal Property Assessment Corporation ("MPAC") to the municipality or school board (the "Institution"). The Institution assumes all risks and liabilities from the use of the Information, and may only use the Information for planning purposes or the issuing of tax bills in accordance with the Municipal License Agreement and applicable Product Use Sheets entered into by MPAC and the Institution.*

The Exempt properties are Township owned properties.

The estimated weighted current value assessment (CVA) is the assessment value multiplied by the tax ratio. For example, the tax ratio for farmland is 0.2500. The value of farmland assessment that is taxed is one quarter of the assessment value.

Payment in Lieu assessment are properties owned by other government bodies and ministries. These properties include the Charleston Lake Provincial Park, the International Bridge property, and numerous islands in the St. Lawrence.

The tax ratios are set by the County and are not expected to change for 2021.

### *Outstanding Appeals*

There are five outstanding assessment appeals within the Township.

<b>Leeds &amp; Thousand Islands Properties Under Appeal</b>				
<b>Prop. Series</b>	<b>Prop. Code</b>	<b>RTC/RTQ</b>	<b>Phased CVA</b>	<b>Dest CVA</b>
Special Purpose	713	CT	59,000,000	59,000,000
Farm	262	FT, RT	8,170,000	8,170,000
Farm	243	RT, TT	5,832,000	5,832,000
Commercial	493	XT, XU	3,017,000	3,017,000
Residential	391	RT	560,000	560,000

The largest property assessment appeal currently outstanding is for the Casino property, a special purpose property that was assessed at \$87,000,000. While the appeal is still outstanding, the parties involved have determined an estimated valuation and the Municipal Property Assessment Corporation (MPAC) completed a market adjustment that reflects a value of \$59,000,000. The 2021 budget calculations are based on the reduced value of \$59,000,000. Please note that the revised amount of \$59,000,000 is not the settled valuation for the appeal. MPAC has set \$59,000,000 in order to mitigate further tax losses to the municipality. If successful in the appeal at this estimated amount, the loss in tax revenue would be approximately \$410,000 for the Township for the years 2016 through 2020.

The following table summarizes the potential loss in revenue for the Township portion of the property taxes, which is split in half with the Town of Gananoque:

<b>Loss in Revenue for Township</b>					
<b>Year</b>	<b>Original Assessment</b>	<b>Estimated Assessment</b>	<b>Reduction in Assessment</b>	<b>Lost Revenue</b>	<b>Township portion</b>
2016	104,441,000	59,000,000	45,441,000	\$223,642	\$111,821
2017	87,000,000	59,000,000	28,000,000	\$141,552	\$70,776
2018	87,000,000	59,000,000	28,000,000	\$143,310	\$71,655
2019	87,000,000	59,000,000	28,000,000	\$148,056	\$74,028
2020	87,000,000	59,000,000	28,000,000	\$159,326	\$79,663
<b>TOTAL</b>			157,441,000	\$815,886	\$407,943

The tax stabilization reserve fund is projected to be at \$132,500 at the end of 2021 and staff will endeavor to set additional funds aside during the remainder of 2020 and into 2021 to mitigate this potential write off.



## One Time Expenses

There are a number of one-time expenses that are related to studies and plans required to move the organization forward operationally and strategically. These costs are included in the operating budget but are funded by reserve funds. The \$310,000 total noted in the table does not impact the tax levy. However, these amounts are included in the expense and revenue budgets.

The following work was completed in 2020:

- Roads inventory and needs study in progress (Council Report FN-028-20 Roads Need Study);
- Asset management software implementation, asset manager module and maintenance manager module implementation in progress;
- Lansdowne modeling and growth study for water and sewer complete (Council Report PL-039-20 Lansdowne Serviced Area Infrastructure Assessment and Growth Readiness Study);
- Rockport Village Study complete; (presentation to Council Dec. 7, 2020)
- Broadband Design Study complete; (Council Report PL-028-20 Broadband Working Group Update)

The remaining items budgeted in 2020 were deferred due to COVID-19 and are budgeted in 2021. The following table summarizes the studies and plans included in the proposed budget:

Plans & Studies for 2021			
Dept	Description	Amount	Funding
800	Community Improvement Plan	\$30,000	Community Improvement Plan Reserve Fund
820	Sports Tourism Strategy	\$30,000	Special Projects Reserve
410	Comprehensive Waste Management Plan	\$100,000	Modernization Funding (Working Fund Reserve)
113	Strategic planning exercise	\$30,000	Special Projects Reserve
820	Broadband Project	\$70,000	Modernization Funding (Working Fund Reserve)
300	Facilities Condition Assessment	\$50,000	Special Projects Reserve
	<b>Total Funded by Reserve Funds</b>	<b>\$310,000</b>	

### *Community Improvement Plan for the Township (Deferred from 2020)*

The purpose of this project is to create a Community Improvement Plan (CIP) for the Township that identifies local needs and priorities that will have the most value or benefit in assisting with economic development in the local context. The Community Improvement Plan will be a tool to identify local priorities and corresponding levels of municipal assistance to achieve the objectives in the improvement of the areas. The CIP will assist in facilitating community change in a consistent, coordinated approach and identify resource requirements and opportunities for the local residents/businesses which will provide an incentive for improved local investment, and new private sector investment in the municipality.

*Sports Tourism Strategy (Deferred from 2020)*

Sport tourism has become increasingly valuable in terms of its ability to attract people to a region to attend a sporting event or sport related meetings. Several municipalities see this as a critical part of their tourism attraction strategy and a means to generate new revenue. The Township of Leeds and the Thousand Islands is rich in outdoor or green infrastructure - its trail systems, open spaces, waterways and more. These features draw a number of visitors to the region; yet there remain untapped opportunities associated with these amenities that the Township could further investigate. The intent is to focus on opportunities that align with existing infrastructure and resources; this might include, for example, paddling events or duathlons.

Development of a Sports Tourism Strategy would include establishing a Steering Committee to guide and inform the planning process. The document will include:



The economic benefit to the municipality will come in the form of spending from out of town visitors, expenditures from event organizers in producing the event, and capital construction costs that are attributed to hosting an event. The intent is to be ready to pitch opportunities, in partnership with key local and regional stakeholders, in spring of 2022 at the Sport Events Congress. This aligns with the recently adopted Economic Development Strategy (Nov. 2020)

*Comprehensive Waste Management Plan (Deferred from 2020)*

The Township has made significant progress in the implementation of the Ministry of the Environment, Conservation and Parks (MECP) approved Solid Waste Workplan over the last few years. As most of the compliance and technical aspects of the waste disposal sites are now better understood, the Township is now in the position to move forward with the development of a Comprehensive Waste Management Plan. It is envisioned that this study will establish a series of succinct and achievable recommendations for the management of solid waste in the Township over a 15 to 20 year horizon.



### *Strategic Plan (Deferred from 2020)*

The Township of Leeds and the Thousand Islands had a Community Strategic Plan for the period of 2015-2019. The plan was commissioned by the last Council (2014 – 2018) and was intended to guide the allocation of municipal resources to achieve strategic goals as identified within the plan.

McSweeney was contracted to facilitate the process. More than 500 members of the public engaged in the process and the draft plan, when circulated, achieved a 93% approval rating.

The plan, '*Moving Forward, Together*' set out the vision "The Township of Leeds and the Thousand Islands is, and will continue to be a friendly and historic rural community surrounded in natural beauty where the economy, nature and or people flourish together". The plan included three main themes or pillars:



For each thematic area, a series of action items was identified for each year from 2015 through 2019.

Township staff and Council are now positioned to develop a new plan to guide and focus efforts over the next five years (2021 – 2025). The goal is to move through a process that will help determine the Township's long-term vision and goals; along with corresponding actions to achieve those goals. This will be particularly important as staff and Council respond to COVID-19 in terms of providing direction for each department so that they can align service delivery levels and budget requirements with strategic priorities.

### *Broadband Project*

The TLTI Broadband Initiative is continuing to advance. Staff are continuing to pursue funding options to advance this project and build the business case to support the implementation of a TLTI broadband network. \$70,000 has been included in the budget from Modernization Funding (Working Fund Reserve) to provide a working budget line to advance this work. Should additional budget be required, a report will be brought forward to Council to identify the purpose and amount of additional funds required.

### *Facilities Condition Assessment*

The facilities condition assessment will include an analysis of the condition, age, construction and materials for each Township owned facility. This study will provide the necessary information for long term capital and operating budget plans and asset management compliance.

## Departmental Summaries

### Taxation and Non-Departmental

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
101	Taxation - Township	10,619,440	100,000	-10,519,440	-542,369	10,127,071	150,000	-9,977,071
103	Casino	100,000	1,865,000	1,765,000	586,844	1,500,000	2,678,156	1,178,156
105	Non Departmental	1,391,000	432,000	-959,000	-49,600	1,286,000	376,600	-909,400
Taxation and Non Departmental		12,110,440	2,397,000	-9,713,440	-5,125	12,913,071	3,204,756	-9,708,315

The non-departmental budget includes revenue and expenses not tied to any operational department. Provincial funding and related transfers are budgeted here.

### Revenue

Dept.	Description	2021 From				Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From		
		2021 Grant Revenue Budget	Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget			Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
101	Taxation - Township	0	0	10,619,440	10,619,440	492,369	0	0	10,127,071	10,127,071
103	Casino	0	0	100,000	100,000	-1,400,000	0	0	1,500,000	1,500,000
105	Non Departmental	1,391,000	0	0	1,391,000	105,000	1,286,000	0	0	1,286,000
Taxation and Non Departmental		1,391,000	0	10,719,440	12,110,440	-802,631	1,286,000	0	11,627,071	12,913,071

The Taxation department includes the Township's portion of the tax levy. The most significant change in the 2021 budget is the reduction in Casino revenue. The 2021 budget is estimated at \$100,000 compared with \$1.5 million in 2020. This revenue is highly dependent on COVID-19 restrictions making it very difficult to estimate for 2021.

### Expenses

Dept	Description	2021							Net Increase/ (Decrease)
		2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Internet & Fuel, Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget	
101	Taxation - Townshi	0	0	0	0	0	100,000	100,000	-50,000
103	Casino	0	1,630,000	0	0	0	235,000	1,865,000	-813,156
105	Non Departmental	0	432,000	0	0	0	0	432,000	55,400
Taxation and Non Depart		0	2,062,000	0	0	0	335,000	2,397,000	-807,756

The Casino department includes transfers to reserve funds and payment to the Town of Gananoque for their share of the Casino property tax revenue received.

Dept.	Description	2020 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Fuel, Internet & Phone Budget	2020 Insurance & Building Maintenance	2020 Other Expense Budget	2020 Expense Budget
101	Taxation - Township	0	0	0	0	0	150,000	150,000
103	Casino	0	2,443,156	0	0	0	235,000	2,678,156
105	Non Departmental	0	376,600	0	0	0	0	376,600
Taxation and Non Departmental		0	2,819,756	0	0	0	385,000	3,204,756

The transfers to reserve funds have been significantly reduced due to the expected loss in Casino revenue for 2021. The following table details the transfers to reserve funds within the Casino department.

Description	2021 Budget	2020 Budget	2019 Actual	2018 Actual
Transfer to fire services RF	235,000	270,000	270,000	270,000
Transfer to facilities RF	170,000	240,000	240,000	240,000
Transfer to special projects RF	55,000	83,156	83,156	83,156
Transfer to CIP RF	30,000	41,250	52,500	15,015
Transfer to capital RF	800,000	990,000	1,027,500	1,028,517
Transfer to equipment RF	240,000	343,750	345,000	345,342
Transfer to rec/cultural RF	100,000	350,000	100,000	100,000
Transfer to community grants RF	-	125,000	75,000	75,074
	1,630,000	2,443,156	2,193,156	2,157,104

The community grants program has been removed from the 2021 budget due to budget constraints and COVID-19 impacts. The transfer to this reserve fund is not included in the 2021 budget as noted in the above table. Department 115 under Corporate Services is budgeted at zero revenue and expense for 2021. This eliminates the draw from the reserve fund and the corresponding expense of providing money to community organizations based on their applications. Council continues to have the authority to approve disbursement of funds to community groups on an ad hoc basis.

Reserve funds and the projected fund balances are explained in more detail in the Reserve Fund section on page 56.

## Council

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
111	Governance & Political Support	0	162,650	162,650	-11,250	0	173,900	173,900
Council		0	162,650	162,650	-11,250	0	173,900	173,900

The 2021 budget for Council is in line with previous year.

## Revenue

Dept.	Description	2021 From				Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From			2020 Total Revenue Budget
		2021 Grant Revenue Budget	Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget			Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget	
111	Governance & Political Support	0	0	0	0	0	0	0	0	0	0
Council		0	0	0	0	0	0	0	0	0	0

There is no revenue budgeted in this department.

## Expenses

Dept.	Description	2021								Net Increase/ (Decrease)
		2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance	2021 Other Expense Budget	2021 Expense Budget	2021 Expense Budget	
111	Governance & Political Support	139,800	0	0	2,000	0	20,850	162,650	-11,250	
Council		139,800	0	0	2,000	0	20,850	162,650	-11,250	

Dept.	Description	2020							
		2020 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Fuel, Internet & Phone Budget	2020 Insurance & Building Maintenance	2020 Other Expense Budget	2020 Expense Budget	2020 Expense Budget
111	Governance & Political Support	138,400	0	0	2,000	0	33,500	173,900	
Council		138,400	0	0	2,000	0	33,500	173,900	

The salary and benefit costs for Council remain consistent with the 2020 budget. The largest decrease in the Council budget is in training and development, consistent with departments across the Township. Training and travel will be limited due to budget constraints and due to potential COVID-19 restrictions.

## Corporate Services

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
112	Election	0	20,250	20,250	2,300	0	17,950	17,950
113	CAO, Clerk & HR	35,600	689,100	653,500	-173,100	5,700	832,300	826,600
114	Finance & IT	539,000	1,005,500	466,500	123,900	626,000	968,600	342,600
115	Donations	0	0	0	0	125,000	125,000	0
116	Health and Safety Committee	0	1,600	1,600	0	0	1,600	1,600
117	Municipal Building & Garage	4,000	259,400	255,400	60,700	5,000	199,700	194,700
205	Emergency Preparedness	0	64,000	64,000	21,400	0	42,600	42,600
270	Livestock	3,000	4,300	1,300	500	3,000	3,800	800
280	Fenceviewers	100	950	850	450	100	500	400
500	Health Services	0	36,000	36,000	0	0	36,000	36,000
510	Cemeteries	0	10,300	10,300	100	0	10,200	10,200
830	Tile Drainage	40,000	40,000	0	0	83,000	83,000	0
Corporate Services		621,700	2,131,400	1,509,700	36,250	847,800	2,321,250	1,473,450

The 2021 Corporate Services net budget has increased \$36,250 or 2.5%.

## Revenue

Dept.	Description	2021 From				Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From		
		2021 Grant Revenue Budget	Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget			Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
112	Election	0	0	0	0	0	0	0	0	0
113	CAO, Clerk & HR	0	30,000	5,600	35,600	29,900	0	0	5,700	5,700
114	Finance & IT	0	50,000	489,000	539,000	-87,000	0	116,000	510,000	626,000
115	Donations	0	0	0	0	-125,000	0	125,000	0	125,000
116	Health and Safety Committee	0	0	0	0	0	0	0	0	0
117	Municipal Building & Garage	0	0	4,000	4,000	-1,000	0	0	5,000	5,000
205	Emergency Preparedness	0	0	0	0	0	0	0	0	0
270	Livestock	0	0	3,000	3,000	0	0	0	3,000	3,000
280	Fenceviewers	0	0	100	100	0	0	0	100	100
500	Health Services	0	0	0	0	0	0	0	0	0
510	Cemeteries	0	0	0	0	0	0	0	0	0
830	Tile Drainage	0	0	40,000	40,000	-43,000	0	0	83,000	83,000
Corporate Services		0	80,000	541,700	621,700	-226,100	0	241,000	606,800	847,800

The revenue budget includes \$80,000 of transfers from reserve funds. There is \$30,000 budgeted from the Special Projects Reserve Fund for work on the Strategic Plan and \$50,000 in funding from the Modernization money (Working Fund Reserve) to cover a portion of a new Deputy Treasurer per approval in Council Report FN-006-20 dated March 2, 2020. As mentioned previously, there is no budget for the Community Grant program this year (department 115 Donations).

Other revenue is projected lower in 2021 as penalty and interest revenue on property taxes is budgeted more conservatively in 2021. The 2020 revenue is down due to the change in property tax bill due dates during the COVID-19 pandemic.

Expense

Dept	Description	2021 Salary & Benefit		2021 Transfer to Reserve		2021 Utilities, Consultants & Professional Services		2021 Fuel, Internet & Phone		2021 Insurance & Building Maintenance		2021 Other Expense		2021 Expense Budget	2021 Expense Budget	Net Increase/ (Decrease)
		Budget	Funds	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
112	Election	0		16,250		0		0		0		4,000		20,250		2,300
113	CAO, Clerk & HR	405,000		0		125,000		0		70,300		88,800		689,100		-143,200
114	Finance & IT	661,000		30,000		79,500		20,500		7,000		207,500		1,005,500		36,900
115	Donations	0		0		0		0		0		0		0		0
116	Health and Safety Committee	0		0		0		0		0		1,600		1,600		0
117	Municipal Building & Garage	105,100		0		0		62,000		56,400		35,900		259,400		59,700
205	Emergency Preparedness	21,500		0		0		0		0		42,500		64,000		21,400
270	Livestock	0		0		800		0		0		3,500		4,300		500
280	Fenceviewers	250		0		100		0		0		600		950		450
500	Health Services	0		0		0		0		0		36,000		36,000		0
510	Cemeteries	3,300		0		0		0		6,000		1,000		10,300		100
830	Tile Drainage	0		0		0		0		0		40,000		40,000		-43,000
Corporate Services		1,196,150		46,250		205,400		82,500		139,700		461,400		2,131,400		-64,850

Dept.	Description	2020 Salary & Benefit		2020 Transfer to Reserve		2020 Utilities, Consultants & Professional Services		2020 Fuel, Internet & Phone		2020 Insurance & Building Maintenance		2020 Other Expense		2020 Expense Budget	2020 Expense Budget
		Budget	Funds	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget		
112	Election	0		16,250		0		0		0		1,700		17,950	
113	CAO, Clerk & HR	457,300		0		135,000		0		56,000		184,000		832,300	
114	Finance & IT	625,000		25,000		76,000		21,200		5,500		215,900		968,600	
115	Donations	0		0		0		0		0		0		0	
116	Health and Safety Committee	0		0		0		0		0		1,600		1,600	
117	Municipal Building & Garage	62,100		0		0		61,100		46,000		30,500		199,700	
205	Emergency Preparedness	35,100		0		0		0		0		7,500		42,600	
270	Livestock	0		0		800		0		0		3,000		3,800	
280	Fenceviewers	250		0		100		0		0		150		500	
500	Health Services	0		0		0		0		0		36,000		36,000	
510	Cemeteries	3,700		0		0		0		6,100		400		10,200	
830	Tile Drainage	0		0		0		0		0		83,000		83,000	
Corporate Services		1,183,450		41,250		211,900		82,300		113,600		563,750		2,196,250	

The 2021 expense budget for Corporate Services is slightly less than the 2020 budget. The only two departments to see an increase for 2021 are Finance & IT (114) and the Municipal Building & Garage (117). The main increase in Finance & IT is software costs for 2021. The addition of CityWide asset manager and maintenance manager software and virtual meeting licenses are the main drivers in this increase. The 2020 actual software costs are also coming in over budget and the 2021 software budget is more reflective of actual costs.

The Municipal Building & Garage budget increase is mainly due to increased budget for a full-time facility maintenance/operator 2 position and the inclusion of a portion of the Manager of Infrastructure and Environmental Services salary and benefit costs. The facility maintenance position will code their time to whichever facilities they work on, but the entire budget is included in this department.

The Emergency Preparedness (205) 'other' budget has increased to prepare for COVID-19 related health and safety measures that will likely continue in 2021.

## Finance

Finance staff plan a more comprehensive approach to property tax administration and collection in 2021. The recruitment for a new Deputy Treasurer is ongoing which will provide much needed resources and capacity. Finance staff continue to play a lead in the implementation of CityWide as well as the development of the asset management data, condition and risk information in accordance with O. Reg 588/17 Asset Management Planning for Municipal Infrastructure.

## Information Technology

The Information Technology (IT) Budget includes expenses for photo copiers, telephone, Fibre, monthly IT support services, software and a number of initiatives in consultation with the Township's information technology managed services provider.

Offsite Cloud disaster recovery and backup  
\$3,700;

Antivirus annual cost \$2,000;

Software costs are budgeted at \$63,400 to cover various software packages including Office 365 licensing, CityWide, iCompass software and other corporate software and licensing costs. The line item was budgeted at \$40,000 in 2020 which was underbudgeted in error.

## CAO & Human Resources

Ongoing and new initiatives in the CAO & HR department will focus on enhanced accountability, customer service, and in-house training and development. Key human resources initiatives planned for 2021 are:

Review of managerial and non-union staff job descriptions;

Completion of performance evaluations;

Review of employee records for accuracy and completeness;

Review of human resources policies

During 2021, the Procurement Policy will also be reviewed.

## Fire

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
200	Fire	60,500	934,600	874,100	87,950	62,500	848,650	786,150
201	Fire Station #3	0	31,000	31,000	-925	0	31,925	31,925
202	Fire Station #2	0	26,200	26,200	-6,225	0	32,425	32,425
203	Fire Training	56,400	115,200	58,800	-21,500	55,200	135,500	80,300
204	Fire Station #4	0	24,200	24,200	-5,725	0	29,925	29,925
Fire		116,900	1,131,200	1,014,300	53,575	117,700	1,078,425	960,725

The fire budget has increased \$53,575 or about 5.6%. This is mainly in the administrative area; the fire stations budgets have decreased as 2020 was the first year to isolate facility costs by fire hall and staff have refined the 2021 budget based on actual expenses.

## Revenue

Dept.	Description	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget	Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
200	Fire	0	0	60,500	60,500	-2,000	0	0	62,500	62,500
201	Fire Station #3	0	0	0	0	0	0	0	0	0
202	Fire Station #2	0	0	0	0	0	0	0	0	0
203	Fire Training	0	0	56,400	56,400	1,200	0	0	55,200	55,200
204	Fire Station #4	0	0	0	0	0	0	0	0	0
Fire		0	0	116,900	116,900	-800	0	0	117,700	117,700

Fire revenue is generally in line with the 2020 budget. A large component is fire calls with the Ministry of Transportation. This is based on the number of accidents that may occur and is therefore difficult to predict. Due to COVID-19 there has been a large decrease in traffic through the Township and therefore a lower reportable incident rate. The 2020 actuals for Training Center revenue was also affected due to the cancelling of courses and Fire Ground rentals. 2021 revenue projections are optimistic but could be significantly impacted due to the unknown restrictions on indoor gatherings going forward.

## Expense

Dept	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Internet & Phone Budget	2021 Insurance & Building Maintenance	2021 Other Expense Budget	2021 Expense Budget	Net Increase/ (Decrease)
200	Fire	566,000	0	600	11,800	60,000	296,200	934,600	85,950
201	Fire Station #3	0	0	0	17,900	13,100	0	31,000	-925
202	Fire Station #2	0	0	0	12,200	14,000	0	26,200	-6,225
203	Fire Training	0	0	35,000	7,000	10,500	62,700	115,200	-20,300
204	Fire Station #4	0	0	0	13,000	11,200	0	24,200	-5,725
Fire		566,000	0	35,600	61,900	108,800	358,900	1,131,200	52,775



Dept.	Description	2020 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Fuel, Internet & Phone Budget	2020 Insurance & Building Maintenance	2020 Other Expense Budget	2020 Expense Budget
200	Fire	507,700	0	700	13,000	56,000	271,250	848,650
201	Fire Station #3	0	0	0	20,875	11,050	0	31,925
202	Fire Station #2	0	0	0	20,875	11,550	0	32,425
203	Fire Training	0	0	50,000	11,000	10,500	64,000	135,500
204	Fire Station #4	0	0	0	20,875	9,050	0	29,925
Fire		507,700	0	50,700	86,625	98,150	335,250	1,078,425

The Fire Department has endeavored to mitigate increases in the operating budget while maintaining funding for necessities such as vehicle maintenance, tools, and personal protective equipment. The 2021 increase in the operating budget is mainly to cover increasing costs of aging fleet, mandatory testing and maintenance of vehicles and equipment, required training and records management initiatives, and advertising for Fire Prevention and Public Education. Public Prevention and Fire Education was outlined in the Fire Service Review as something that the public would like to see more of. In addition, inspections conducted under Fire Prevention, mitigate fire risk to residents and businesses.

Staff included an increase in the Training Center Budget for Advertising to assist with other ways to market the training center other than through Facebook or the initial course calendar distributed to the regional Chiefs. Several areas of the budget have also been decreased to assist with cost savings, including supplies, fuel and postage and courier.

The Fire Service salaries and benefits budget has increased because the prior year budget did not include WSIB premiums for volunteer firefighters, which was an error. Previously there was an allocation of some fire staff salary costs to Emergency Preparedness, which is not budgeted in 2021. Therefore, the Emergency Preparedness budget has a corresponding decrease in the salaries budget.

## External Agencies

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
210	Police	0	1,828,500	1,828,500	-20,000	10,000	1,858,500	1,848,500
420	CRCA	0	161,500	161,500	3,200	0	158,300	158,300
730	Library	35,500	485,600	450,100	26,700	36,000	459,400	423,400
External Agencies		35,500	2,475,600	2,440,100	9,900	46,000	2,476,200	2,430,200

The external agencies budget is made up of the Police, Cataraqui Regional Conservation Area and Library Services budgets. The total budget for this area is approximately the same as 2020 at \$2.4 million. The external agencies budget represents about 17% of the total municipal budget, the majority of this is the budget for policing costs at \$1.8 million.

## Revenue

Dept.	Description	2021 From				Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From		
		2021 Grant Revenue Budget	Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget			Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
210	Police	0	0	0	0	-10,000	10,000	0	0	10,000
420	CRCA	0	0	0	0	0	0	0	0	0
730	Library	28,500	0	7,000	35,500	-500	28,500	0	7,500	36,000
External Agencies		28,500	0	7,000	35,500	-10,500	38,500	0	7,500	46,000

The revenue budgets are in line with the previous year.

## Expense

Dept.	Description	2021							Net Increase/ (Decrease)
		2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Internet & Fuel, Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget	
210	Police	0	0	0	0	0	1,828,500	1,828,500	-30,000
420	CRCA	0	0	0	0	0	161,500	161,500	3,200
730	Library	333,000	0	0	0	17,500	135,100	485,600	26,200
External Agencies		333,000	0	0	0	17,500	2,125,100	2,475,600	-600

Dept.	Description	2020							2020 Expense Budget
		2020 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Internet & Fuel, Phone Budget	2020 Insurance & Building Maintenance Budget	2020 Other Expense Budget	2020 Expense Budget	
210	Police	0	0	0	0	0	1,858,500	1,858,500	
420	CRCA	0	0	0	0	0	158,300	158,300	
730	Library	313,300	0	0	0	16,500	129,600	459,400	
External Agencies		313,300	0	0	0	16,500	2,146,400	2,476,200	

## Police

The OPP introduced a new billing model on January 1, 2015, O. Reg 267/14 of the Police Services Act. Under this OPP billing model, all municipalities are paying the same base service cost per property, plus an additional cost for calls for service as well as other charges, such as overtime, accommodation, cleaning services, court security, etc. The latter are added to the municipal bill only if applicable and/or are specified in the contract.

Description	2021	2020	2019
Base Service (\$177.48 x 6250)	\$1,109,224	\$1,139,882	\$1,178,181
Calls for Service	609,017	610,856	582,603
Overtime	53,163	53,148	50,904
Prisoner Transportation	13,188	12,380	14,110
Accommodation/Cleaning Services	29,250	29,736	30,458
Total Estimated Cost	\$1,813,841	\$1,858,432	\$1,856,256
Number of Properties	6,250	6,221	6,216
Average Cost Per Property	\$290.21	\$298.74	\$298.63

The Leeds and the Thousand Islands 2021 budget includes \$177.48 per property (2020 \$183.23) for base services. Based on total properties of 6,250, this totals \$1,109,224 compared with \$1,139,900 in 2020.

The calls for service amount is a proportionate share of the total cost of municipal calls for services costs calculated for the province. The municipality's proportionate share of the costs is based on weighted time standards applied to the historical calls for service. The total weighted time is calculated as a percentage of the total of all municipalities.

The OPP 2021 Annual Billing Statement is included in a later section of this binder.

## Cataraqui Region Conservation Authority (CRCA)

CRCA provides a wide range of programs and services that benefit eleven member municipalities. The CRCA works with municipalities and other partners to protect life and property from flooding and other hazards, conserve lakes, forests and other natural resources, and enhance the health and quality of life of local communities.

The CRCA budget is \$3,377 higher than the 2020 levy and is made up of the following:

Description	2021	2020
General Levy	153,797	150,499
Special Levy – Properties (Outlet Boat Ramp)	2,500	2,500
Special Levy – Water Control Structures (2 dams)	5,358	5,280
Total	\$161,655	\$158,279

## Public Library Services, submitted by the Library Board

The library has undertaken careful steps to ensure the 2021 budget falls below the budgeted amount for 2019 (the last full year of library services). The library will continue to build on its success in responding to emerging community needs. The library is currently in Stage 3 of Re-opening. The library provided ongoing community support throughout all Provincial Pandemic Stages including circulation of over 10,000 hardcopy materials and ongoing technology support. The library entered Stage 3 of the Covid Plan and reopened across all branches in early August. Since the reopening, library use continues to increase, in September the library visits were increasing to the number of users pre-Covid.

All three branches pivoted to Curbside services within four days of Provincial shutdown highlighting the library's commitment to continuity of service.

Throughout 2020 and into 2021 library services have witnessed an emergence of new trends and community dynamics. The increased demand for digital resources has not offset the ongoing demand for in house materials. In 2020 the library webpage underwent an upgrade to comply with provincial standards and meet WCAG criteria to ensure accessibility.

Library programs and program demand have continued throughout 2020 and increased demand for 2021 is anticipated. In support of community resources, the library will continue community partnerships and work with community resources such as Rollaid, and local schools to ensure library services are accessible to all.

2021 will see the library work within the framework of the 2020-2021 Business plan in the development of the 2021-2025 Library Strategic Plan. The following tables provide more detailed library budget information.

	Oct. 2020	Budget	
	YTD actual	Budget 2020	Request 2021
<b>Revenues</b>			
<b>Township of LTI</b>	235,801	423,401	448,291
<b>Province of Ontario</b>	28,493	28,494	28,494
Archives	1,000	-	
<b>Other Grants</b>	5,622	1,145	1,145
<b>Donations and Fundraising</b>	165	1,455	2,000
Fundraising	53		
Interest	873	-	
<b>Self Generated Revenue</b>	1,535	3,500	3,855
Miscellaneous	-	-	
<b>TOTAL</b>	273,542	457,995	483,785

The Township levy amount budgeted for 2021 is \$448,291 compared with \$450,100 in the summary table on page 33. The difference is due to rounding.

Expenses	Oct. 2020	Budget 2020	Budget
	YTD actual		Request 2021
Salaries/Wages/Benefits	202,901	313,300	333,000
Books/Periodicals/AudioVisual	34,587	44,500	47,430
Internet	4,175	5,500	4,710
Cataloguing/Library Supplies	1,851	2,000	2,000
Photocopier	434	700	700
Water	138	200	100
Heat/Hydro	4,120	6,300	6,800
Telephone	4,342	8,300	4,370
Building-Maintenance	1,075	1,500	2,000
Building-Janitorial	2,920	3,948	5,300
Building-Grounds	1,795	1,700	1,700
Building-Supplies	744	-	1,000
Insurance	-	16,500	17,500
Memberships	332	500	550
Professional Development	2,974	3,500	3,000
Staff Recognition	153	200	400
Mileage	-	350	50
Meetings	110	350	250
Courier	4,958	8,747	11,125
Postage/Freight	58	400	400
Programs	1,918	3,800	4,000
Publicity	2,348	2,500	3,000
Automation/Computer	6,091	10,000	10,000
Database: Consortium-OLC	-	6,200	6,000
Auditor/IT Contract	2,150	2,700	2,200
Consulting Fees	-	-	
Miscellaneous	-	100	100
Bank charges	25	100	100
Equipment & Furnishings	6,934	10,000	12,000
Archives Partnership	2,032	3,000	3,000
Fundraising	109	100	
Other Grant Expenses	2,133	-	
Marketing	852	1,000	1,000
<b>TOTAL EXPENSES</b>	<b>292,258</b>	<b>457,995</b>	<b>483,785</b>

## Operations

The Operations Division is responsible for the provision of a wide range of forward-facing public services including operation, maintenance and improvements within the following portfolio:

- Roads, bridges and roadside drainage (including winter control);
- Drainage Act drains;
- Fleet and equipment;
- Drinking water treatment and distribution;
- Wastewater collection and treatment;
- Solid waste management;
- Parks, grounds, open space and water access; and,
- Corporate facilities.

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
300	Public Works	61,000	2,522,200	2,461,200	-65,850	60,500	2,587,550	2,527,050
310	Parks	24,200	201,500	177,300	-40,800	34,100	252,200	218,100
400	Garbage Collection	42,000	42,000	0	0	30,000	30,000	0
410	Landfill Sites	460,200	1,068,700	608,500	46,500	450,200	1,012,200	562,000
415	Source Water Protection	0	20,000	20,000	-5,000	0	25,000	25,000
840	Municipal Drain	25,000	51,000	26,000	-36,000	38,000	100,000	62,000
Operations		612,400	3,905,400	3,293,000	-101,150	612,800	4,006,950	3,394,150

The largest component of the Operations budget of \$3.3 million is Public Works at \$2.5 million. The Operations budget has decreased \$101,150 or 3% compared with 2020.

## Revenue

Dept.	Description	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget	Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
300	Public Works	0	50,000	11,000	61,000	500	0	50,000	10,500	60,500
310	Parks	5,000	0	19,200	24,200	-9,900	5,000	0	29,100	34,100
400	Garbage Collection	0	0	42,000	42,000	12,000	0	0	30,000	30,000
410	Landfill Sites	0	100,000	360,200	460,200	10,000	0	100,000	350,200	450,200
415	Source Water Protection	0	0	0	0	0	0	0	0	0
840	Municipal Drain	25,000	0	0	25,000	-13,000	38,000	0	0	38,000
Operations		30,000	150,000	432,400	612,400	-400	43,000	150,000	419,800	612,800

The 2020 Public Works revenue budget included \$50,000 funding from the reserve fund for the Roads Needs Study. The 2021 budget includes \$50,000 funding from the Special Projects Reserve Fund for the Facilities Condition Assessment. Parks revenue is down about \$10,000 due to COVID-19 restrictions and conservative estimates of the levels of service that will be provided in 2021.

Garbage collection has increased with a corresponding increase in the cost of picking the garbage up, resulting in a zero net effect to the overall budget.

Landfill Sites includes a transfer from reserve funds of \$100,000 to fund the cost of a comprehensive waste management plan to be completed in 2021 which was deferred from 2020.

## Expense

Dept	Description	2021							Net Increase/ (Decrease)
		Salary & Benefit Budget	Transfer to Reserve Funds Budget	Consultants & Professional Services Budget	Utilities, Fuel, Internet & Phone Budget	Insurance & Building Maintenance	Other Expense Budget	2021 Expense Budget	
300	Public Works	1,254,100	0	50,000	156,700	108,500	952,900	2,522,200	-65,350
310	Parks	115,500	0	0	28,500	27,500	30,000	201,500	-50,700
400	Garbage Collection	0	0	0	0	0	42,000	42,000	12,000
410	Landfill Sites	357,000	0	252,000	4,600	38,300	416,800	1,068,700	56,500
415	Source Water Protection	0	0	20,000	0	0	0	20,000	-5,000
840	Municipal Drain	0	0	50,000	0	0	1,000	51,000	-49,000
Operations		1,726,600	0	372,000	189,800	174,300	1,442,700	3,905,400	-101,550

Dept.	Description	2020							2020 Expense Budget
		Salary & Benefit Budget	Transfer to Reserve Funds Budget	Consultants & Professional Services Budget	Utilities, Fuel, Internet & Phone Budget	Insurance & Building Maintenance	Other Expense Budget	2020 Expense Budget	
300	Public Works	1,297,000	0	55,000	216,000	100,500	919,050	2,587,550	
310	Parks	163,700	0	0	31,800	29,700	27,000	252,200	
400	Garbage Collection	0	0	0	0	0	30,000	30,000	
410	Landfill Sites	356,200	0	220,000	4,000	61,000	371,000	1,012,200	
415	Source Water Protection	0	0	25,000	0	0	0	25,000	
840	Municipal Drain	0	0	100,000	0	0	0	100,000	
Operations		1,816,900	0	400,000	251,800	191,200	1,347,050	4,006,950	

The Public Works budget is in line with the previous year. Costs have been reduced where possible to mitigate COVID-19 pressures. The salaries and benefits budget is reduced slightly as some salaries have been reallocated due to restructuring in Operations. The budget includes ten full time operators, the same as 2020, and 2 temporary part time staff to provide extra resources from November to April. Utilities, internet and phone budget amounts are based on actuals year to date. Some savings have been realized due to cancellation of telecommunication lines no longer being used. Training and development, mileage and other discretionary spending has been cut.

The private road grant budget has been increased from \$20,000 in 2020 to \$25,000 in 2021.

The Roads Department provides a number of programs related to the maintenance of the Township's approximately 330 kilometer road network. The expense budgets are summarized as follows:

Category	Description	2021 Budget	2020 Budget	2020 YTD Actual
3000	Roads Administration	597,100	651,050	745,585
3010	Bridges and Culverts	102,500	101,900	41,877
3012	Brushing	114,000	109,300	36,691
3013	Ditching	45,900	45,800	19,741
3020	Roadside Maintenance	79,500	69,900	53,501
3030	Hardtop Maintenance	109,000	99,500	47,829
3040	Dust Layer & Priming	147,500	136,600	120,785
3041	Patching & Washouts	34,100	34,100	11,527
3042	Grading & Scarifying	108,600	102,200	50,525
3043	Gravel Resurfacing	207,500	227,100	37,959
3050	Culvert Thawing	3,200	2,800	337
3051	Winter Patrol	38,100	37,100	16,914
3052	Snowplowing/Sanding/Salting	550,000	534,500	218,851
3060	Safety Devices	35,700	32,700	26,223
3065	Signage	32,500	27,500	13,578
3070	Street Lights	13,000	17,500	9,125
3300	Fleet Maintenance	304,000	358,000	264,178
	<b>TOTAL</b>	<b>2,522,200</b>	<b>2,587,550</b>	<b>1,715,230</b>

The decrease in budget in Roads Administration is partly due to a reallocation of salary and benefit costs to other areas including parks, facility maintenance and solid waste.

The Parks Department is budgeted at total expenses of \$201,500. The Township is responsible for several parks and smaller public spaces. The plan for 2021 is to ensure that public spaces are clean, well maintained and accessible. Staff will continue to address regular maintenance items and address any risk management related items. The budget includes a reduced complement of summer/seasonal positions. Staff are anticipating reduced service levels may continue in 2021 due to the COVID-19 pandemic.

A new system for parks management has been established that should reduce costs while improving overall service delivery. To this end, parks will be maintained 7 days per week from mid-May to end of August with some services continuing to mid-October. The horticulture program will once again be delivered in partnership with the village improvement groups. All maintenance will be focused on risk management and risk mitigation.



Category	Description	2021 Budget	2020 Budget	YTD 2020 Actual
3100	Parks Administration	105,800	47,800	5,153
3101	Kendrick's Park	28,800	39,600	23,559
3102	Centennial Park	6,500	16,700	9,707
3103	Furnace Falls Park	4,500	9,700	5,169
3104	Jerry Park	29,300	48,900	23,971
3105	Bay of St. Lawrence Park	2,500	12,800	6,076
3106	Rockport Community Hall Grounds	-	-	2,167
3107	Horticultlure Program	10,000	34,200	6,665
3108	Lyndhurst Office Grounds	-	-	2,530
3109	Seeley's Bay Marina	10,600	39,400	13,472
3110	Ivy Lea Dock & Ramp	1,000	1,000	681
3111	Rockport Ramp	500	500	348
3300	Fleet Maintenance	2,000	1,600	2,190
	TOTAL	201,500	252,200	101,687

The table shows that the overall parks budget has been reduced by approximately \$50,000. There are some realignments within the departmental budget, for example, almost ALL staffing has been allocated to Administration, and through 2021 with proper tracking, salaries will be distributed among the parklands to determine actual time allotments. Of note:

- Two summer staff will be retained for Kendrick's park operations (canteen sales, park admission and pavilion rentals)
- Slips will be allocated on a 'seasonal' basis thereby reducing staff requirements at the Seeley's Bay Harbour
  - A self-check in will be instituted for the few transient slips that will be made available
  - A donation box will also be installed onsite

Daily inspections will be completed for risk management / maintenance purposes.

Garbage collection has increased due to increased contracted services costs which are expected to continue in 2021. This is offset by revenue that is billed to the Lansdowne Village residents who receive the garbage collection service.

Solid waste management continues to create budget pressures as consultant costs to monitor the waste sites and recycling expenses are significant. The 2021 budget includes \$100,000 for a comprehensive waste management plan, to be funded from Modernization money. Staff will be training to take a more active role in monitoring which will reduce costs in the future.

With respect to municipal drains, 2021 will see the finalization of drainage reports and public meetings with an opportunity for the public to file appeals. The reports and related documentation will be presented to Council with a bylaw. If applicable, maintenance of the drains will begin in accordance with the drainage reports.

## Recreation and Community Partnerships

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
700	Recreation & Culture	84,550	634,200	549,650	12,680	84,250	621,220	536,970
	Recreation & Culture	84,550	634,200	549,650	12,680	84,250	621,220	536,970

This budget supports the vision of enhancing the quality of life in the Township of Leeds and the Thousand Islands by providing high-quality recreational facilities, services, and natural and cultural environments that encourage healthy lifestyles.

There is an increasing body of evidence that supports the benefit of recreation. Benefits can be broken into the following categories:

1. Individual benefits such as short and long-term health, improved self esteem and confidence, stress reduction, and prevention of chronic disease
2. Community benefits including connectivity and social cohesion, cleaner and safer neighbourhoods, increases to property values and to an area's desirability.
3. Economic benefits such as reduced health care costs, increased tax base, tourism stimulation, festivals and events, program registrations and facility rentals
4. Environmental benefits including active transportation planning and programming, and parks and open spaces help mitigate water run-off, and contribute to the preservation of plants, wildlife and their habitat.

## Revenue

Dept.	Description	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget	Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
700	Recreation & Culture	0	0	84,550	84,550	300	0	0	84,250	84,250
	Recreation & Culture	0	0	84,550	84,550	300	0	0	84,250	84,250

## Expense

Dept.	Description	2021 Salary & Benefit Budget	2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Internet & Fuel, Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2021 Expense Budget	Net Increase/ (Decrease)
700	Recreation & Culture	150,000	0	47,500	68,900	120,300	247,500	634,200	12,980
	Recreation & Culture	150,000	0	47,500	68,900	120,300	247,500	634,200	12,980

Dept.	Description	2020 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Internet & Fuel, Phone Budget	2020 Insurance & Building Maintenance Budget	2020 Other Expense Budget	2020 Expense Budget
700	Recreation & Culture	164,450	0	35,250	82,020	116,700	222,800	621,220
	Recreation & Culture	164,450	0	35,250	82,020	116,700	222,800	621,220

The Recreation budget includes: Administration, Programming and Facilities. Most of the administrative budget is comprised of salaries and arena contributions (to both Athens and Gananoque).

Programming takes into account recreation and leisure programming for children, youth, adults and seniors. Staff have been working continuously to ensure programming protocol and processes follow current (and changing) COVID recommendations to protect staff and public health. The 2021 budget has been created to offer affordable recreational opportunities, and staff have been conservative in revenue projections, owing again to COVID-19 and the potential for reduced class sizes. Staff will continue to look for grant funding to augment is programming line-up.

The budget also includes hydro, insurance, maintenance and supplies for each of the public buildings (two community halls, and several meeting rooms, Escott complex, and other public spaces). Note: The Township does not own the Rockport Recreation Hall; however, under agreement with the Hall Committee, the Township maintains the grounds and water treatment centre in exchange for having a play structure located on the property so as to offer outdoor recreational opportunities to the residents of Rockport.

Within the Recreation budget, key differences or variances from 2020 to 2021 include:

- Proper allocation of salaries (F/T Recreation Coordinator and 1/3 FTE Director)
- Inclusion of grant funding (revenue and expenses) for the PLAY project
- An increase of \$10,000 in arena contributions
- Allocation of funds to complete any required studies or reports as it relates to the Escott complex

Category	Description	2021 Budget	2020 Budget	YTD 2020 Actual
7000	Recreation	392,800	367,200	357,242
7005	Children & Youth Program	41,800	39,670	2,105
7006	Adult & Senior Program	23,500	36,500	7,536
7100	Lansdowne Community Building	71,200	75,900	42,881
7175	Escott Hall	45,400	32,200	10,529
7180	Springfield House	4,400	10,250	7,753
7190	Seeley's Bay Community Building	37,700	41,850	39,232
7195	Rockport Recreation Centre	3,200	3,100	-
7196	Rockport Customs Building	10,300	10,100	1,034
7197	Lyndhurst Storage Building (Jonas St)	1,900	2,450	780
7199	Community Room/Hall/Space	2,000	2,000	45
	TOTAL	634,200	621,220	469,359

## Economic Development

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
820	Economic Development	144,100	473,400	329,300	40,350	93,000	381,950	288,950
	Economic Development	144,100	473,400	329,300	40,350	93,000	381,950	288,950

Service delivery for Economic Development is shared between the Director of Community and Business Services and the Director of Planning and Development and includes both Economic Development and Community Engagement. Work in 2021 will continue to be focused on partnerships and capacity building to address and mitigate the impacts of COVID-19. Funding has been included for additional work to advance the Broadband Design and a Business Case for Sports Tourism.

## Revenue

Dept.	Description	2021 Grant Revenue Budget	2021 From Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget	Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
820	Economic Development	23,400	100,000	20,700	144,100	51,100	0	80,000	13,000	93,000
	Economic Development	23,400	100,000	20,700	144,100	51,100	0	80,000	13,000	93,000

Grant funded work to be completed in 2021 includes matching funds that have been budgeted for work on Pop-up Farmers Markets through a partnership between TLTI and Mallorytown. In addition, the Township will continue to work with local businesses to create and adapt to online marketing through the Digital Main Street program.



Expense

Dept Description	2021 Salary & Benefit Budget		2021 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Fuel, Internet & Phone Budget	2021 Insurance & Building Maintenance	2021 Other Expense Budget	2021 Expense Budget	Net Increase/ (Decrease)
	820 Economic Development	186,500		0	105,000	800	0	181,100	473,400
Economic Development	186,500		0	105,000	800	0	181,100	473,400	91,450

Dept. Description	2020 Salary & Benefit Budget		2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Fuel, Internet & Phone Budget	2020 Insurance & Building Maintenance	2020 Other Expense Budget	2020 Expense Budget
	820 Economic Development	125,800		0	80,000	800	0	175,350
Economic Development	125,800		0	80,000	800	0	175,350	381,950

The Economic Development Budget for 2021 has been modified from the 2020 budget to reduce expenses as much as possible and maintain the ability to work with partner institutions such as our local chambers to provide services and training for new and existing businesses in the Township. For 2021, the budget has been amended to include a portion of the salary for the Director of Community and Business Services. The budget includes SLCEDC membership fees as well as funds for the visitors centre agreement that is presently under review. Key changes – year over year – within the Economic Development budget are within the salary/benefits line (again, owing to a realignment of salaries), grant funded projects, and continued work on the Broadband initiative including the Business Planning.

## Planning and Development

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
220	By-law	630	124,820	124,190	-20,130	1,700	146,020	144,320
260	Dogs	2,700	3,700	1,000	1,000	3,700	3,700	0
800	Planning	70,700	271,400	200,700	-20,450	190,450	411,600	221,150
810	Committee of Adjustment	0	73,750	73,750	18,000	20,000	75,750	55,750
710	Historical Committee	0	15,100	15,100	-13,650	0	28,750	28,750
Planning & Development		74,030	488,770	414,740	-35,230	215,850	665,820	449,970

The Planning and Development Department includes the Building Division, Planning Division and By-law Enforcement Services. The department is responsible for guiding development proposals to achieve the Township vision in accordance with the Township and County Official Plans, and the Provincial Policy Statement. Civic Addressing, the Municipal Heritage Committee and Committee of Adjustment are included in the work of the Planning Division. The Building Division is committed to administration and enforcement of the Building Code and related legislation. By-law Enforcement Services administers municipal by-laws including property standards, yards, and parking enforcement.

## Revenue

Dept.	Description	2021 From				Net Increase/ (Decrease)	2020 Grant Revenue Budget	2020 From		
		2021 Grant Revenue Budget	Reserve Funds Budget	2021 Other Revenue Budget	2021 Total Revenue Budget			Reserve Funds Budget	2020 Other Revenue Budget	2020 Total Revenue Budget
220	By-law	0	0	630	630	-1,070	0	0	1,700	1,700
260	Dogs	0	0	2,700	2,700	-1,000	0	0	3,700	3,700
800	Planning	0	30,000	40,700	70,700	-119,750	0	169,000	21,450	190,450
810	Committee of Adjustment	0	0	0	0	-20,000	0	0	20,000	20,000
710	Historical Committee	0	0	0	0	0	0	0	0	0
Planning & Development		0	30,000	44,030	74,030	-141,820	0	169,000	46,850	215,850

The budget for 2021 is very similar to previous years however revenue projections have been reduced to be more conservative and consistent with 2020 revenue levels resulting from COVID-19 impacts.

## Expense

Dept	Description	2021							2021 Expense Budget	Net Increase/ (Decrease)
		2021 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2021 Consultants & Professional Services Budget	2021 Utilities, Internet & Fuel, Phone Budget	2021 Insurance & Building Maintenance Budget	2021 Other Expense Budget	2020 Expense Budget		
220	By-law	116,000	0	2,000	820	0	6,000	124,820	-21,200	
260	Dogs	0	0	0	0	0	3,700	3,700	0	
800	Planning	193,500	0	50,000	700	3,300	23,900	271,400	-140,200	
810	Committee of Adjustment	70,000	0	0	0	0	3,750	73,750	-2,000	
710	Historical Committee	0	10,000	0	0	0	5,100	15,100	-13,650	
Planning & Development		379,500	10,000	52,000	1,520	3,300	42,450	488,770	-177,050	

Dept.	Description	2020 Salary & Benefit Budget	2020 Transfer to Reserve Funds Budget	2020 Consultants & Professional Services Budget	2020 Utilities, Fuel, Internet & Phone Budget	2020 Insurance & Building Maintenance	2020 Other Expense Budget	2020 Expense Budget
220	By-law	135,500	0	2,000	1,720	0	6,800	146,020
260	Dogs	0	0	0	0	0	3,700	3,700
800	Planning	194,500	0	189,000	1,000	3,000	24,100	411,600
810	Committee of Adjustment	70,000	0	0	0	0	5,750	75,750
710	Historical Committee	8,500	0	0	0	0	20,250	28,750
Planning & Development		408,500	0	191,000	2,720	3,000	60,600	665,820

With respect to staffing the By-law Enforcement, Heritage and Planning budgets have been reduced to remove funds for summer students and a part time enforcement officer. The revenue line for Minor Variance applications has been moved from the Committee of Adjustment account into Planning so all application revenues are located in the departmental budget. Funds have been included to advance a Community Improvement Plan for the Township in 2021. The cost of this will be offset by contributions from the reserve fund for Community Improvement Planning.

## Building Department

Dept.	Description	2021 Revenue Budget	2021 Expense Budget	2021 Net Budget	Net Increase/ (Decrease)	2020 Revenue Budget	2020 Expense Budget	2020 Net Budget
230	Building	383,500	383,500	0		385,000	385,000	0

### Revenue

The revenue budgeted for 2021 is in line with the previous year. The main source of revenue is building permits budgeted at \$380,000 with small amounts budgeted for building permit renewal fees and work order letters.

### Expense

Dept.	Description	2021							2021 Expense Budget	Net Increase/ (Decrease)
		Salary & Benefit Budget	Transfer to Reserve Funds Budget	Professional Services Budget	Utilities, Internet & Phone Budget	Insurance & Building Maintenance Budget	Other Expense Budget			
230	Building	303,500	26,100	10,000	1,200	27,000	15,700	383,500		

The only increase in budgeted costs is for insurance. This increase has been offset by reductions in other areas including the transfer to the building department reserve fund.

Dept.	Description	2020							2020 Expense Budget
		Salary & Benefit Budget	Transfer to Reserve Funds Budget	Professional Services Budget	Utilities, Internet & Phone Budget	Insurance & Building Maintenance Budget	Other Expense Budget		
230	Building	302,000	36,500	10,000	1,300	20,000		385,000	



## Capital Budget and Financial Planning

The proposed 2021 capital budget is \$2,031,000. This is a very conservative budget as the effects of COVID-19 continue to be felt and staff are aware of the reductions in reserve fund balances as financial resources are stretched due to the loss in Casino revenue. The addition of a new Director of Operations and Infrastructure in late 2020 and the additional asset management work that will be completed in 2021 will facilitate a more comprehensive overview of the capital budget requirements during next year's budget deliberations.

Staff have made a lot of progress on the Township's asset management program over the last year:

- Asset data input into CityWide asset manager software program;
- Roads Needs Study in progress;
- Lansdowne Serviced Area Infrastructure Assessment and Growth Readiness Study completed;
- Rockport Village Study completed;

The data from the studies need to be incorporated into the asset management software to update condition, risk and replacement values. Therefore, staff feel it prudent to propose a minimal capital budget for 2021 until better data is available, staffing resources are in place and equipped to make better decisions and the longer-term financial impacts of COVID-19 are known.

The Director of Operations and Infrastructure will finalize the Roads Needs Study and present it to Council in early 2021. Based on the study, he will identify the specific roads to be included in the 2021 capital project amount of \$750,000 and will receive Council approval on this work.

The replacement values in CityWide need to be vetted and updated based on information such as the studies above. Currently CityWide reports are generated based on estimated useful life information where no other condition data is available. Based on this very baseline data which is known to need some updating, the system currently shows:

	Replacement Cost
Backlog	\$33,515,960
2020	\$330,220
2021	\$189,410
2022	\$635,307

The \$33.5 million backlog amount includes \$6.3 million in water and sewer pipes. All the pipes were installed in 1976 with a useful life of 40 years so they are now at the end of their useful life, at least from an accounting perspective. Operationally, all these pipes do not need to be replaced immediately. Depending on the size and material of the pipes, they have different useful lives. Based on the condition and risk of the pipes, a plan should be developed to replace the pipes over time. If there is going to be road work done in the area, the pipes should be replaced at the same time as the road is excavated.

This is the type of review, analysis and updating of information that needs to occur to refine the asset data to facilitate decision making. This type of work needs to be undertaken with all of the asset data and will take significant time and resources because the base asset data that staff are working from is based on the tangible capital asset information that was historically captured by the external auditors.

## - Overview


Name	Water and Sewer Pipes		
In-Service Date	1976-01-01		
Historical Cost	\$1,375,079.00		
Replacement Cost	\$6,190,125.00		

## - Condition/Risk

Overall Projected Condition	0 - Very Poor			
Risk Rating	20 - Very High			
Asset Age	45	Year(s)	0	Month(s)
Projected Age	0	Year(s)	0	Month(s)


## - Brief

Is a Primary Asset  
Is Year-End Locked as of 2019

 [Summary Report](#)

Description	fully amortized			
Estimated Useful Life	40	Year(s)	0	Month(s)
Adjusted Cost	\$1,375,079.00			

Age-Based Condition	0 - Very Poor			
Fully Amortized Date (EOL)	2016-01-01			
Service Life Remaining	(5)	Year(s)	(0)	Month(s)
Projected Service Life Remaining	0	Year(s)	0	Month(s)

Thumbnail 

## 2021 Capital Budget

The 2021 proposed capital budget and related funding is:

Department	Item	Amount	Funding Source
Fire	11 sets of turnout gear	30,000	Fire Services Reserve Fund
Fire	2 sea containers for live fire training	8,000	Fire Services Reserve Fund
Fire	2000 GMC CSR Pumper UNIT 20; replace with used pumper	100,000	Fire Services Reserve Fund
Fire	E-Draulics Combination Tool, Station 4	20,000	Fire Services Reserve Fund
Corporate Services	fire halls - firewall refresh	20,000	Information Technology Reserve Fund
Corporate Services	laptop/computer/ IT equipment	6,000	Information Technology Reserve Fund
Corporate Services	Municipal Building beam work; humidification etc.	200,000	Facilities Reserve Fund
Operations	Land purchase 9 acres for Leeds landfill site	50,000	Facilities Reserve Fund
Operations	traffic signage to be installed for alignment Tower Road	2,000	Capital Infrastructure RF
Operations	traffic signage and speed signs to be added Berryton Road	5,000	Capital Infrastructure RF
Operations	signage	10,000	Capital Infrastructure RF
Operations	road projects	750,000	Capital Infrastructure RF/ Fed Gas Tax/OCIF
Operations	Mower retrofit	110,000	Equipment Reserve Fund
Operations	trailer for parks	15,000	Equipment Reserve Fund
Operations	3/4 ton truck with plow and sander	65,000	Equipment Reserve Fund
Operations	Guide rail on Sandbay (refer to Kidd Rd N 2019)	40,000	Capital Infrastructure RF
Operations	Kidd Rd North Bridge Assessment	20,000	Capital Infrastructure RF
Community & Bus Services	Picnic tables	5,000	Recreation and Culture Reserve Fund
Community & Bus Services	Play structure, Centennial Park, Seeley's Bay	75,000	Recreation and Culture Reserve Fund
Community & Bus Services	Ivy Lea Pier	500,000	Recreation and Culture Reserve Fund
		<b>2,031,000</b>	

Fire

The 2021 budget includes items due for replacement as well as new items in order to ensure firefighter safety in all aspects of the job. Bunker gear which has expired due to being ten years old must be replaced per industry standards, and gear for the new recruit class is required at this time in order to engage these individuals in full deployment at scenes.

The sea-can used for live fire training at the training center has deteriorated to the point where unsafe conditions exist when instructing in this prop due to lack of control with the fire inside. A second can is also needed due to increased requests for the rental of the Fire Training Centre and the use of the Live Fire props.

The possibility exists to retain Tanker Shuttle Accreditation at Station 2 however it is necessary to replace the 20 year old pumper. Suitable used units are available for a fraction of the cost of new and could provide years of service to Seeley's Bay and area.

Downsizing the older hydraulic rescue equipment on some of the trucks could be accomplished with the purchase of eDraulic combination tools. This purchase would begin the process of updating to more portable rescue gear as well as freeing up much needed space in the trucks.

#### *Corporate Services*

The 2021 budget includes a project to upgrade the firewalls at the firehalls to improve wireless internet at the halls. Also budgeted is \$6,000 for replacement and/or new desktops, laptops and other information technology infrastructure. Work is ongoing at the Municipal office building to deal with interior abatement, interior post/beam replacement, installation of a humidification system and any other work required. Staff are proposing a budget of \$200,000 for 2021.

#### *Operations*

The most significant budget item in the 2021 capital budget is the road work project at \$750,000. The specific roads to be worked on will be determined by the new Director of Operations and Infrastructure in conjunction with public works staff and the Roads Needs Study. The approval of this funding envelope will be further refined and presented in a Council report in early 2021.

The budget also includes three projects dealing with signage totaling \$17,000 that were identified in the draft Roads Needs Study.

Another significant project is the design / build of the Ivy Lea Pier. This item, budgeted at \$500,000 will include an engineered solution that will address changing water levels, security, fire boat dockage, and a layout that is effective for permitted uses.

A few parks projects are planned and include replacement of the play structure at Centennial Park in Seeley's Bay (as informed by a comprehensive playground inspection), and purchase of new picnic tables (as part of an ongoing replacement program).

Finally, of note, is funding to purchase property adjacent to the Leeds landfill as part of long-term compliance monitoring and environmental stewardship.

## *Future Capital Budgets*

Staff are also anticipating the following capital projects to be proposed in the next few years:

- Ladder fire truck estimated at \$1.3 million required to deal with structures with more than two stories. A ladder truck is often required for agricultural rescues (silos), structure fires involving barns or large storage facilities, hazmat incidents, train derailments and other calls. The purchase of a ladder truck would enhance response time certain incidents which are currently assisted by a neighboring municipality to provide a ladder truck.
- Implementation of recommendations from Rockport Strategic Plan Update. The recommendations include short, medium and long term improvements including signage, curbing, speed cushions, pedestrian crossings of the Parkway and streetscape improvements. When the study is accepted by Council, staff will use the study to budget and plan for the capital improvements for the Front Street right of way.
- Stormwater management plan per the Lansdowne Servicing Study which will be funded by operating budget, but will provide direction for future capital work;
- Rockport Parking Area north of the 1000 Islands Parkway. A preliminary design has been completed which will be presented to Council and used for discussions with the St. Lawrence Parks Commission to determine the requirements to advance the concept. The timing for improvements for this work will be coordinated with the implementations of recommendations resulting from the Rockport Strategic Plan Update.
- Rockport Boat Ramp Improvements have been planned and designed. Regulatory approvals were obtained in 2019-2020 for this work however the work was deferred due to COVID-19 budget constraints. The timing for these improvements will be reviewed in 2021.
- The Director of Operations will review the Roads Needs Study and present it to Council in early 2021. This completed study will help form the roads capital budget for 2021 and beyond.
- Lansdowne Community Building: unfortunately, the Township was not successful in its application through the ICIP program. Staff will work through 2021 to develop a new strategy for the facility, including full costing, and taking into account other facilities (e.g. other urgent capital repairs, surplus properties, etc.)
- Projected need to replace other play structures within the next three to five years, as prioritized within TLTI's larger AM program
- Various municipal lots require resurfacing over the next few years (Seeley's Bay Community Hall, Administration Complex, Lansdowne Community Hall, Rockport Customs House)

As referenced previously in this document, staff are working through the asset management program and this will be used to inform future capital budgets.

## 2020 Budget Update

Dept	Cat.	Description	2020 YTD Actual	2020 Budget	Notes
905	9007	Capital - Facilities - New Municipal Bldg.	50,993	195,000	
910	9101	Capital - Administration - Network/Desktop Upgrade	55,507	30,000	
914	9200	Capital - Fire - Equipment	7,221	15,000	
915	9200	Capital - Fire - Equipment	26,980	30,000	
920	9202	Capital - Fire - Tanker	422,557	430,000	
920	9213	Capital - Fire - Coveralls	22,074	20,000	
930	9299	Capital - Roads - Tandem Dump/Plow Truck	162,278	350,000	
930	9300	Capital - Roads - Kyes Road, Haig Road, Cliffe Road	336,065	420,000	
930	9345	Capital - Roads - Equipment (lifts, trailer, fuel dispenser system	17,473	120,000	
930	9351	Capital - Roads - La Rue Mills	241,401	245,000	
930	9355	Capital - Roads - Sand Bay Road	-	35,000	Project deferred
930	9362	Capital - Roads - Chisamore Point Road	28,186	85,000	
930	9380	Capital - Roads - Bridges - Wiltse Creek Bridge	769,993	800,000	
930	9494	Capital - Community Signage	-	30,000	\$7,500 deferred due to COVID-19
940	9420	Capital - Parks - Signs	-	25,000	
950	9521	Capital - Waste Site - Leeds Landfill	-	103,000	Project deferred
963	9008	Capital - Facilities - Lansdowne Community Buildin	-	100,000	Project deferred
			2,140,728	3,033,000	
920	9203	Capital - Fire - Turnout Gear	-	30,000	Deferred due to COVID-19
920	9208	Capital - Fire - Vehicle	-	100,000	Deferred due to COVID-19
930	9352	Capital - Roads - Lansdowne Main Streets	-	65,000	Deferred due to COVID-19
930	9372	Capital - Roads - Gananoque Lake Road	-	53,900	Deferred due to COVID-19
930	9396	Capital - Street lights	2,669	60,000	Deferred due to COVID-19
930	9397	Capital - Roads - Lekx Road	-	60,000	Deferred due to COVID-19
930	9478	Capital - Lyndhurst Pedestrian Bridge	-	100,000	Deferred due to COVID-19
948	9476	Capital - Ivy Lea Pier	-	40,000	Deferred due to COVID-19
949	9474	Capital - Rockport Boat Ramp	4,284	100,000	Deferred due to COVID-19
980	9479	Capital - Rockport (Parking Area)	9,627	100,000	Deferred due to COVID-19
			16,580	708,900	
		Total 2021 Capital	2,157,308	3,741,900	

The 2020 capital budget was approved at \$3.7 million. Approximately \$715,000 was deferred due to the COVID-19 pandemic. Three other projects were deferred as noted in the table.

There are no carry forward budget balances being proposed to be brought forward to the 2021 capital budget. However, the 2021 budget does include ongoing work at the municipal office building that continues from 2020.

## Debt

The Township has one capital related loan that was issued in 2010 in the amount of \$1,166,670. The loan balance at September 30, 2020 was \$590,718. The monthly payments are posted to the operating budget and the loan will be paid off in approximately ten years.

The Township will likely need to borrow additional funds within the next five years given the reduction in Casino revenue and the projected capital requirements that are anticipated. The asset management plan will facilitate the long term financial planning for future capital budgets. Mitigating increases to the property tax rate will likely result in borrowing to fund significant capital work.

## Reserve Funds

Council approved an updated Reserve and Reserve Fund Policy in October 2020. The policy is included in Appendix A of this budget document.

The expected loss of Casino revenue has negatively impacted the transfers to reserve funds for 2021. The budgeted transfers are approximately \$897,000 lower in 2021 compared with 2020. Part of this decrease is the elimination of the \$125,000 transfer to the Community Grant Reserve Fund as this program has not been budgeted in 2021. Also, \$44,600 budgeted to be transferred to the Contingency Reserve in 2020 but not budgeted in 2021 was related to the late reduction in library budget which was then reallocated to this line item in 2020.

The Ontario Community Infrastructure Fund (OCIF) reserve fund is a new reserve fund to be able to accurately flow the money through the operating fund and transfer the revenue to the reserve fund per the Financial Information Return (FIR) requirements. There was no budget in 2020, but the actuals include the OCIF money flowing through the operating fund and to the reserve funds.

Account	Description	2021 Budget	2020 Budget	2019 Actual	2018 Actual
6204	Transfer Modernization funding			632,832	
6204	Transfer OCIF funding to RF	100,000			
6204	Transfer Federal Gas Tax funding to RF	287,000	287,000	143,462	0
6204	Transfer to building dept RF	26,100	36,500		
6206	Transfer to fire services RF	235,000	270,000	270,000	270,000
6207	Transfer to facilities RF	170,000	240,000	434,334	240,000
6208	Transfer to special projects RF	55,000	83,156	83,156	83,156
6210	Transfer to RF	46,250	191,100	363,376	467,650
6211	Transfer to capital RF	800,000	990,000	1,027,500	1,028,517
6212	Transfer to equipment RF	240,000	343,750	345,000	345,342
6213	Transfer to rec/cultural RF	100,000	350,000	100,000	100,000
6215	Transfer to community grants RF	0	125,000	75,000	75,074
6216	Transfer to contingency RF	0	44,600	0	0
6219	Transfer to tax stabilization RF	45,000	45,000	42,500	25,000
6221	Transfer to information technology RF	30,000	25,000	25,000	0
6232	Transfer to heritage conservation & celebration grant reserve fund	10,000	10,000	10,000	5,200
		2,144,350	3,041,106	3,552,160	2,639,938



This table shows projected reserve fund balances up to the end of 2021 based on budgeted transfers to reserve funds and withdrawals to fund proposed capital projects.

Year	2021 Projected	2020 Projected	2019	2018
Account				
2601 Facilities Reserve	384,864	464,864	-419,864	-186,693
2603 Equipment Reserve	465,829	415,829	-456,079	-304,606
2604 Heritage Reserve	21,435	20,000	-133,742	-123,742
2605 Recreation & Culture Reserve	43,875	523,875	-75,133	-236,832
2606 Grants & Donations Reserve	73,402	73,402	-23,402	-31,806
2607 Contingency Reserve	102,850	102,850	-102,850	-87,850
2608 Tax Stabilization Reserve	132,500	87,500	-42,500	0
2610 Fire Services Reserve	307,738	230,738	-450,312	-448,846
2611 Greening Reserve	365	(3,635)	-26,865	-74,865
2612 Working Fund Reserve	1,168,021	1,399,221	-1,361,375	-853,568
2614 Capital Infrastructure Reserve	2,417,979	1,992,198	-2,145,198	-1,620,436
2615 Elections Reserve	69,509	53,259	-37,009	-20,759
2616 Special Projects/studies Reserve	274,185	279,185	-341,029	-257,873
2620 Building Dept Reserve	210,700	210,700	-210,699	-73,454
2630 Federal Gas Tax Reserve Fund	9061	9,061	-3,979	-40,035
2631 Community Improvement Plan Reserve Fund	159,657	159,657	-118,407	-80,907
2632 Development Charges Reserve Fund	6,418	6,418	-6,418	-6,361
2633 Park Land Reserve Fund	215,871	215,871	-212,681	-259,016
2634 OCIF Funding		-	0	0
2640 Fox Run by the River, In Trust	90,756	90,756	-90,756	-81,137
2641 Fox Run, Garden Home Trust Fund	70,972	70,972	-70,972	-57,370
	6,225,987.82	6,402,721.76	-6,329,270	-4,846,157
2821 Reserves Water and Sewer	883,984.25	883,984.25	-750,384	-1,404,721
	7,109,972.07	7,286,706.01	-7,079,654	-6,250,878
Discretionary Municipal RF total balance	5,462,551.95	5,639,285.82	-5,615,357	-4,247,876

The large increase in the Working Fund Reserve from 2018 to 2019 is \$632,832 of Modernization funding.

While the transfers to the reserve funds are lower due to the reduced Casino revenue, the projected reserve fund balances are fairly consistent through to the end of 2021 because the 2021 capital budget is conservative with most capital work being deferred. The current balances in the reserve funds will assist with funding capital projects going forward. However, any significant road or facility projects will likely need to be funded by other revenue sources including debt.

More detailed reserve fund schedules follow which include the capital projects being funded from each fund.

Facilities Reserve Fund

Township of Leeds and the Thousand Islands							
Facilities Reserve							
10-000-0000-2601							
previously 2801							
		2017	2018	2019	2020	2021	2022
Contributions:							
Transfers from operating		240,000.00	240,000.00	240,000.00	240,000.00	170,000.00	
Interest		20,282.66					
Library return facility related money				194,334.00			
		<u>260,282.66</u>	<u>240,000.00</u>	<u>434,334.00</u>	<u>240,000.00</u>	<u>170,000.00</u>	<u>-</u>
Expenditures:							
Capital Funding		500,279.29	360,406.65	201,162.69	195,000.00	250,000.00	
		<u>500,279.29</u>	<u>360,406.65</u>	<u>201,162.69</u>	<u>195,000.00</u>	<u>250,000.00</u>	<u>-</u>
Ending balance:	547,095.83	307,099.20	186,692.55	419,863.86	464,863.86	384,863.86	384,863.86
				-419,863.86			
		Year	Amount	Capital Account	Capital Category Description		
		2019	83,522	10-900-9007-4900	Capital - Facilities - New Municipal Bldg. exterior cladding		
		2019	29,988	10-900-9007-4900	Capital - Facilities - New Municipal Bldg. LED sign		
		2019	15,534	10-900-9008-4900	LCB electric range		
		2019	30,274	fund WIP	LCB Shoalts & Zaback costs to WIP		
		2019	7,846	fund WIP	Rockport Boat Ramp HP engineering Costs to WIP		
		2019	34,000	fund WIP	payment to FORC to WIP		
		2020	195,000	10-900-9007-4900	Capital - Facilities - New Municipal Bldg.		
		2020		10-900-9008-	\$100,000 Capital - Facilities - Lansdowne Comm Buildin		
		2020		10-950-9521-	\$103,000 capital waste site Leeds Landfill		
		2021	50,000		Land purchase 9 acres for Leeds landfill site		
		2021	200,000		Municipal Building beam work; humidification etc.		

# Equipment Reserve Fund

Township of Leeds and the Thousand Islands			2017	2018	2019	2020	2021	2022
Equipment Reserve								
10-000-0000-2603								
previously 2803								
Contributions:								
Transfers from operating			387,204.77	345,342.00	345,000.00	343,750.00	240,000.00	
Interest								
proceeds of disposal of surplus fleet assets				135,945.77				
			387,204.77	481,287.77	345,000.00	343,750.00	240,000.00	-
Expenditures:								
Capital Funding			635,039.47	350,465.21	193,527.28	384,000.00	190,000.00	
				20,071.08				
			635,039.47	370,536.29	193,527.28	384,000.00	190,000.00	-
Ending balance:								
		441,689.62	193,854.92	304,606.40	456,079.12	415,829.12	465,829.12	465,829.12
					(456,079.12)			
	Year	Amount	Capital Account	Capital Category Description				
	2019	28,595	9345	\$50,000 AVL/GPS upgrade				
	2019	59,570	9345	\$80,000 Vehicle Replacement - 2012 Dodge Ram 5500 (Unit 39)				
	2019	48,425	9345	\$55,000 Equipment Replacement - roadside mower5				
	2019	51,500		new kubota tractor - replacement of tractor stolen from landfill site				
	2019	5,438		fuel system costs to WIP				
	2019 CF	24,000	9345	\$50,000 Fuel dispenser electronic management system replacement				
	2020		9345	\$60,000 Hydraulic vehicle lifts <b>Council cancelled</b>				
	2020	10,000	9345	Fleet Utility trailer - tandem axle				
	2020	350,000	9299	Fleet Tandem Dump/plow truck replacement of unit 12				
	2021	110,000		Mower retrofit				
	2021	15,000		trailer for parks				
	2021	65,000		3/4 ton truck with plow and sander				

### Recreation & Culture Reserve Fund

Township of Leeds and the Thousand Islands							
Recreation & Culture Reserve							
10-000-0000-2605							
previously 2805							
		2017	2018	2019	2020	2021	2022
<b>Contributions:</b>							
Transfers from operating		100,000.00	100,000.00	100,000.00	350,000.00	100,000.00	
Interest							
recognize grant money		34,017.34					
Transfer from Heritage RF per council report FN-025-20					123,742.13		
		<b>134,017.34</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>473,742.13</b>	<b>100,000.00</b>	<b>-</b>
<b>Expenditures:</b>							
Capital Funding		96,114.52	129,524.32	261,699.26	25,000.00	580,000.00	
		21,279.29	4,596.19				
			71,202.03				
Ending balance:			117,393.81	205,322.54	261,699.26	25,000.00	580,000.00
		<b>325,531.10</b>	<b>342,154.63</b>	<b>236,832.09</b>	<b>75,132.83</b>	<b>523,874.96</b>	<b>43,874.96</b>
					<b>-75,132.83</b>		<b>43,874.96</b>
	Year	Amount	Capital Account	Capital Category Description			
budgeted	2019	199,648	9412	Capital - Parks - Jerry Park			
budgeted	2019	9,444	9420	Capital - Parks - Waste Receptacle Replace't Prog			
budgeted	2019	52,607	9475	Capital - Seeley's Bay Harbour Improvements			
proposed 2019 carry forward project	2020		9474	Capital - Rockport Boat Rar <b>\$100,000 Deferred - COVID</b>			
proposed 2019 carry forward project	2020		9479	Capital - Rockport (Parking) <b>\$100,000 Deferred - COVID</b>			
proposed 2019 \$20k CF project + \$20k	2020		9476	Capital - Ivy Lea Pier <b>\$100,000 Deferred - COVID</b>			
proposed 2020 new project	2020	25,000	9420	Sign prog parks - park entrance signs & rule signs			
	2021	5,000		Picnic tables, Kendrick's Park			
	2021	75,000		Play structure Centennial Park, Seeley's Bay			
	2021	500,000		Ivy Lea Pier			

The funding of the Ivy Lea Pier project in 2021 will greatly deplete this reserve fund leaving a balance of approximately \$44,000 at the end of 2021.

## Fire Services Reserve Fund

Township of Leeds and the Thousand Islands								
Fire Services Reserve								
10-000-0000-2610								
previously 2810								
			2017	2018	2019	2020	2021	2022
<b>Contributions:</b>								
Transfers from operating			270,000.00	270,000.00	270,000.00	270,000.00	235,000.00	
Interest								
MTO fire calls #154840			166,180.58					
			436,180.58	270,000.00	270,000.00	270,000.00	235,000.00	-
<b>Expenditures:</b>								
Capital Funding			51,893.54	38,094.88	268,533.94	489,574.00	158,000.00	
			313,958.09	590,269.06				
			365,851.63	628,363.94	268,533.94	489,574.00	158,000.00	-
Ending balance:								
		736,880.65	807,209.60	448,845.66	450,311.72	230,737.72	307,737.72	307,737.72
					(450,311.72)			
	Year	Amount	Capital Account	Capital Category Description				
	2019	30,390		9200	hose replacement			
	2019	40,542		9200	breathing app fill station			
	2019	13,655		9200	breathing app fit tester			
	2019	5,431		9200	fund dry hydrant			
	2019	54,057		9202	repairs to pumper/tanker #22 per Council report FI-002			
	2019	69,145		9203	Capital - Fire - Turnout Gear			
	2019	55,313		9208	Capital - Fire - Vehicle			
					Fire - bunker gear replacement - 10 sets			
					Fire -Three 3/4 ton crew cab pickup trucks			
		22,074			Fire - Coveralls - wildland/exctrication			
		30,000			Fire - Electronic props for training centre			
		7,500			Fire - Cascade system at Station 4/ Training Centre (t			
		430,000			Fire - tank truck			
		30,000			11 sets of turnout gear			
		8,000			2 sea containers for live fire training			
		100,000			1GDP7H1C3YJ503086 PLATE DZ2455; replace with			
		20,000			E-Draulics Combination Tool			



## Capital Infrastructure Reserve Fund

Township of Leeds and the Thousand Islands								
Capital Infrastructure Reserve - roads bridges sidewalks etc.								
10-000-0000-2614								
previously 2826								
			2017	2018	2019	2020	2021	2022
<b>Contributions:</b>								
Transfers from operating -			1,153,196.82	1,028,517.00	1,027,500.00	990,000.00	800,000.00	
Interest								
correct funding for 1233 Princess street			41,723.46					
OCIF Funding					143,462.00			
Reverse funding of WIP amounts in previous years					36,174.23			
			1,194,920.28	1,028,517.00	1,207,136.23	990,000.00	800,000.00	-
<b>Expenditures:</b>								
Capital Funding			1,692,862.22	1,218,698.98	682,374.33	1,143,000.00	374,219.07	
			1,692,862.22	1,218,698.98	682,374.33	1,143,000.00	374,219.07	-
Ending balance:								
		2,308,560.32	1,810,618.38	1,620,436.40	2,145,198.30	1,992,198.30	2,417,979.23	2,417,979.23
	Year	Amount	Capital Account	Capital Category Description				
	31-Dec-19	27,614.11	9304	kidd road guide rail				
	31-Dec-19	139,623.92	9305	Sweets Corners micro surface work				
	31-Dec-19	11,362.13	9320	Lansdowne drainage - new inlet				
	31-Dec-19	189,239.80	9351	La Rue Mills Road project (OCIF funding 143,462)				
	31-Dec-19	118,921.71	9364	Cunningham Road				
	31-Dec-19	30,267.58	9371	Black Rapids Bridge				
	31-Dec-19	76,892.15	9395	LED Street lights				
	31-Dec-19	45,129.08	9393	crack sealing work - moved to operating				
	31-Dec-19	30,258.34		Wiltse Creek Bridge fund - WIP				
	31-Dec-19	6,950.21		LED street light design work fund - WIP				
	31-Dec-19	6,115.30		Gan Lake Road work fund - WIP				
	31-Dec-19	18,315.57	9343	Mountain St Bridge work				
	31-Dec-19	17,858.66	9344	Pelow Rd Bridge work				
	31-Dec-20	95,000	9351	capital roads La Rue Mills Road \$245,000 less \$150,000 OCIF funding				
	31-Dec-20		9355	\$35,000 capital roads Sand Bay Road; not doing this project				
	31-Dec-20	85,000	9362	capital roads Chisamore Point Road				
	31-Dec-20	513,000	9380	capital roads bridges Wiltse Creek Bridge less \$287,000 Federal Gas Tax				
	31-Dec-20	30,000	9494	capital community signage				
	31-Dec-20	420,000	9300	road resurfacing program multiple roads				
			9352	65,000	Lansdowne Main St	Deferred due to COVID		
			9372	53,900	Gananoque Lake R	Deferred due to COVID		
			9396	60,000	Street Lights	Deferred due to COVID		
			9397	60,000	Lekx Road	Deferred due to COVID		
			9478	100,000	Lyndhurst Ped Brid	Deferred due to COVID		
	31-Dec-21	2,000		traffic signage to be installed for alignment Tower Road Union Road to County Road 3				
	31-Dec-21	5,000		traffic signage and speed signs to be added Berryton Road Cty Rd 32 to Bill Hill Road				
	31-Dec-21	10,000		signage				
	31-Dec-21	40,000		Guide rail on Sandbay (refer to Kidd Rd N 2019)				
	31-Dec-21	20,000		Kidd Rd North Bridge Assessment				
	31-Dec-21	297,219		surface treatment pr \$750k budget less fund with OCIF & Federal Gas Tax				

*Working Fund Reserve*

The following schedule for the Working Fund Reserve includes Modernization funding and the related costs that have been funded by this revenue. Council approved funding a portion of a position to assist with asset management. This has not happened to date so none of this money has been allocated from the reserve fund for staffing.

The 2021 proposed budget includes \$50,000 in funding for a deputy treasurer to assist with asset management, dependent on a successful recruitment process.

Based on the estimates provided for in the budget, there will be approximately \$180,000 in Modernization funding left at the end of 2021.

Township of Leeds and the Thousand Islands								
Working Fund Reserve	2612	annual surplus						
2825 old account number	10-000-0000-2612							
			2017	2018	2019	2020	2021	2022
Contributions:								
Transfers from operating								
Interest surplus			356,546			242,747		
<b>Modernization funding</b>					632,832			
			356,546	-	632,832	242,747	-	-
Expenditures:								
Funding			102,000					
			681,348					
2018 deficit					108,145			
<b>Modernization Funding</b>					16,881	204,900	231,200	
			783,348	-	125,026	204,900	231,200	-
Ending balance:								
	1,280,370	853,568	853,568	1,361,375	1,399,221	1,168,021	1,168,021	
	<b>Year</b>	<b>Amount</b>	<b>Capital Account</b>	<b>Capital Category Description</b>				
	2017	102,000		allocated to policing 10-210-2100-4210				
	2017	681,348		moved to capital infrastructure reserve fund				
	2019	16,881		AD-005-19 fund \$21,200 computer repl't project # 9101 \$11,100 for email migration project & cyber security audit				
	2020	50,000		modernization funding - asset management software				
	2020	79,900		modernization funding - additional money for software Council report FN-006-2				
	2020			\$66,000 modernization funding - asset management person				
	2020			\$6,825 modernization funding - asset mgmt person per Council report FN-006-				
	2020	50,000	10-820-8600-6190	\$50,000 Broadband Design Study				
	2020	25,000		Council report PL-032-20 Township Broadband Business Plan				
	2021	11,200		modernization funding - additional money for software Council report FN-006-2				
	2021	50,000		\$49,550 modernization funding - add'l money for staff person Council report FN				
	2021	100,000		Modernization funding for waste site study (10-410-4300-6272)				
	2021	70,000		Modernization Funding for Broadband study				



## Special Projects Reserve Fund

Township of Leeds and the Thousand Islands Special Projects Reserve Fund 10-000-0000-2616 previously 2832			2017	2018	2019	2020	2021	2022
<b>Contributions:</b>								
Transfers from operating			83,156	83,156	83,156	83,156	55,000	
Interest								
			<b>83,156</b>	<b>83,156</b>	<b>83,156</b>	<b>83,156</b>	<b>55,000</b>	<b>-</b>
<b>Expenditures:</b>								
Funding			16,233	7,541		145,000	110,000	
			<b>16,233</b>	<b>7,541</b>	<b>-</b>	<b>145,000</b>	<b>110,000</b>	<b>-</b>
<b>Ending balance:</b>								
		115,335	182,258	257,873	341,029	279,185	224,185	224,185
					-341,029.09			
	<b>Year</b>	<b>Amount</b>	<b>Capital Account</b>	<b>Capital Category Description</b>				
	2017	16,233.27	9103	Capital - Administration - Computer Archiving Sys.				
	2018	5,505.73	9103	Capital - Administration - Computer Archiving Sys.				
	2018	2,035.20	9494	Capital - Community Signage				
budgeted	2020	50,000.00		roads inventory and needs study				
budgeted	2020	25,000.00		partial funding for modeling & growth study for water & sewer				
budgeted	2020	70,000.00		Rockport village design study				
	2020			Waste Mgmt Plan \$100k deferred to 2021 & fund from Modernization \$				
defer to 2021	2021	30,000.00	10-820-8600-4922	Sports Tourism Business Development Plan				
proposed budget	2021	30,000.00	10-113-1160-4922	Strategic Plan				
proposed budget	2021	50,000.00	10-300-3000-6272	Facilities Condition Assessment				



## Community Grant Reserve Fund

Township of Leeds and the Thousand Islands		2017	2018	2019	2020	2021
Community Grant Reserve Fund						
10-000-0000-2606						
previously 2806						
Contributions:						
Transfers from operating		84,174.95	75,074.00	75,000.00	125,000.00	-
Interest						
		84,174.95	75,074.00	75,000.00	125,000.00	-
Expenditures:						
Capital Funding						
transfer to operating to cover grant costs per policy		64,819.00	83,750.00	83,404.34	75,000.00	-
10-115-1175-4911						
		64,819.00	83,750.00	83,404.34	75,000.00	-
Ending balance:						
	21,125.97	40,481.92	31,805.92	23,401.58	73,401.58	73,401.58
				(23,401.58)		

The Community Grant Program was eliminated for the 2021 budget year due to budget constraints.

*Elections Reserve Fund*

Township of Leeds and the Thousand Islands									
Elections Reserve fund									
10-000-0000-2615									
Previously 2827									
				2017	2018	2019	2020	2021	2022
Contributions:									
	Transfers from operating Interest			16,250	16,250	16,250	16,250	16,250	
				16,250	16,250	16,250	16,250	16,250	-
Expenditures:									
	Funding for Election				44,716				
				-	44,716	-	-	-	-
Ending balance:									
		32,975	49,225	20,759	37,009	53,259	69,509	69,509	
					(37,009)				
	Year	Amount	Capital Category Description						

*Tax Stabilization Reserve Fund*

Township of Leeds and the Thousand Islands								
Tax Stabilization Reserve Fund								
10-000-0000-2608								
previously 2808								
			2017	2018	2019	2020	2021	2022
Contributions:								
	Transfers from operating				42,500	45,000	45,000	
	Interest							
			-	-	42,500	45,000	45,000	-
Expenditures:								
	Capital Funding							
			-	-	-	-	-	-
	Ending balance:		0.00	-	-	42,500	87,500	132,500
					-42,500.00			
	Year	Amount	Capital Account	Capital Category Description				



## Summary

The sustainability of the reserve funds and related shortfalls will be more clearly identified as the asset management program continues to progress. The asset management plan will form future capital budget requirements and allow staff to model financial plans which identify funding shortfalls. These shortfalls will need to be addressed through other sources of revenue including debt.

The 2021 budget is a very conservative budget. 2021 will be a transition year in which the full effects and lasting impacts of COVID-19 are realized and better understood. While the 2021 budget includes a tax rate increase to offset the loss in Casino revenue, this budget should form a good baseline to work from in future years. Any additional Casino revenue in future years should be transferred to reserve funds to fund capital projects. The Township of Leeds and the Thousand Islands continues to have one of the lowest property tax rates of the lower tiers in the United Counties of Leeds and Grenville.

