



## **Ad Hoc Budget Advisory Committee Agenda**

**Monday February 14, 2022**

**Virtual**

**5:00 P.M.**

This meeting is open to the public and is available through an online platform. Please subscribe to the [Township of Wilmot You Tube Channel](#) to watch the live stream or view after the meeting.

Delegations must register with the [Information and Legislative Services Department](#). The only matters being discussed at this meeting will be those on the Agenda.

- 1. MOTION TO CONVENE INTO CLOSED MEETING**
- 2. MOTION TO RECONVENE IN OPEN MEETING**
- 3. MOMENT OF SILENCE**
- 4. TERRITORIAL ACKNOWLEDGEMENT – Councillor J. Gerber**
- 5. ADDITIONS TO THE AGENDA**
- 6. ADOPTION OF THE AGENDA**

### **RECOMMENDATION**

THAT the Agenda for the ad hoc Budget Advisory Committee meeting, as presented, for February 14, 2022, be adopted.

- 7. DISCLOSURE OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT**
- 8. MINUTES OF PREVIOUS MEETINGS**

That the minutes of the following meetings be adopted as presented:

Ad hoc Budget Advisory Committee Meeting February 7, 2022

**9. PRESENTATIONS**

**10. REPORTS**

**10.1 CORPORATE SERVICES**

**10.1.1 REPORT NO. COR 2022-007  
2022 Proposed Operating Budget**

**RECOMMENDATION**

That the 2022 Operating Budget, as prepared by the Director of Corporate Services / Treasurer and Manager of Finance / Deputy Treasurer, be endorsed in principle.

**10.1.2 REPORT NO. COR 2022-008  
2022 Municipal Budget Package**

**RECOMMENDATION**

That the 2022 Municipal Budget, as prepared by the Director of Corporate Services / Treasurer, be endorsed and recommended to Council on February 28, 2022.

**11. ADJOURNMENT**

**RECOMMENDATION**

THAT we do now adjourn to meet again at the call of the Mayor.



## **Ad hoc Budget Minutes**

February 7, 2022, 5:00 P.M.

Virtual Location

Members Present: Mayor L. Armstrong  
Councillor A. Hallman  
Councillor C. Gordijk  
Councillor B. Fisher  
Councillor J. Gerber  
Councillor J. Pfenning

Staff Present: Chief Administrative Officer S. Chambers  
Director of Information and Legislative Services / Municipal Clerk D. Mittelholtz  
Director of Corporate Services / Treasurer P. Kelly  
Director of Development Services H. O'Krafka  
Director of Parks, Facilities and Recreation Services S. Jackson  
Director of Public Works and Engineering J. Molenhuis  
Director / Curator Castle Kilbride T. Loch  
Fire Chief R. Leeson  
Manager of Information and Legislative Services / Deputy Clerk T. Murray  
Manager of Finance / Deputy Treasurer A. Romany  
Manager of Engineering B. Bishop  
Manager of Parks and Facilities G. Dubrick  
Manager of Planning/EDO A. Martin

1. **MOTION TO CONVENE INTO CLOSED MEETING**
2. **MOTION TO RECONVENE IN OPEN MEETING**
3. **MOMENT OF SILENCE**
4. **TERRITORIAL ACKNOWLEDGEMENT – Councillor A. Hallman**
5. **ADDITIONS TO THE AGENDA**
6. **ADOPTION OF THE AGENDA**

**RESOLUTION NO. AHB 2022-08**

**Moved by: Councillor J. Pfenning      Seconded by: Councillor A. Hallman**

THAT the Agenda for the ad hoc Budget Advisory Committee meeting, as presented, for February 7, 2022, be adopted.

CARRIED.

7. **DISCLOSURE OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT**

None disclosed.

8. **MINUTES OF PREVIOUS MEETINGS**

**RESOLUTION NO. AHB 2022-09**

**Moved by: Councillor A. Hallman      Seconded by: Councillor J. Pfenning**

That the Minutes of the following meetings be adopted as presented:

ad hoc Budget Advisory Committee Meeting January 24, 2022.

CARRIED.

9. **PRESENTATIONS**
10. **REPORTS**
  - 10.1 **CORPORATE SERVICES**

**10.1.1           REPORT NO. COR 2022-005**  
**2022 Capital Program**

**RESOLUTION NO. AHB 2022-10**

Moved by: Councillor B. Fisher   Seconded by: Councillor J. Gerber

That the 2022 Capital Budget, as prepared by the Director of Corporate Services / Treasurer, be endorsed in principle.

CARRIED.

The Director of Corporate Services / Treasurer outlined the report.

The CAO provided an overview of the new initiatives outlined in the Capital Budget, for Corporate Communications, advising that a Digital Media Coordinator / Website Administrator Role is anticipated to start within a month and that Redbrick Communications will continue to provide strategic communications support.

The CAO provided an overview of the Organizational Structure Review and People Plan. The Director of Information and Legislative Services advised that a Ward Boundary Review would not be feasible for the 2022 Municipal Election; however, could be completed in the next term of Council and confirmed that an overview of the Ward Boundary Review process, including dates and estimated costs, can be included in a future report to Council for their consideration.

The CAO provided an overview of Phase II of the Prime Ministers Path Consultation, taking the “substantive action” of creating a Citizen Lead Focus Group. The CAO advised that a report will be presented to Council in March that will outline the process for that next phase.

The Director of Corporate Services / Treasurer advised that an update on the status of potential grant funding for Phase 2 of the Prime Ministers Path Consultation is expected within this quarter.

The Director of Corporate Services / Treasurer advised that calculations of development charges, based upon municipal growth projections and growth-related capital expenditures, are used to determine rates that will be applied to residential, commercial, and industrial development, ensuring that growth pays for growth. It was noted that rates were structured to include debt related charges, to allow for the developer to bear those charges.

The Director of Corporate Services / Treasurer advised that the reserve fund strategy will be updated in an effort to shift away from reserves for specific infrastructure categories, to a setup that distinguishes based upon replacement infrastructure and new infrastructure. It was clarified that fundraising initiatives are allocated to trust funds and any specific donations would have a specific trust fund for their project.

The Director of Corporate Services / Treasurer advised that staff continue to place a high priority in seeking grant funding for all Capital Budget projects.

The Director of Corporate Services / Treasurer advised that the building permit software is an additional module and there is an annual maintenance fee included.

The Director of Corporate Services / Treasurer and Director of Parks, Facilities and Recreation Services advised that the security at the New Dundee Community Centre is to update the locking mechanisms and that will eliminate the need for keys.

The Director of Corporate Services / Treasurer advised that 2022 will begin the shift to electric vehicles where possible, noting that total cost of ownership is a key piece of the updated fleet replacement strategy. The Director of Corporate Services / Treasurer noted that every new vehicle purchase will take into consideration the possibility of electric vehicles.

The Director of Engineering and Public Works advised that the recycled asphalt that had been used previously did not perform as expected; however, in some cases recycled asphalt is a viable solution.

The Director of Engineering and Public Works advised that the space needs study focuses on the needs of staff; however, where there is opportunity to include sustainability initiatives, it will be investigated through the design process.

#### **Resolution No. AHB 2022-11**

Moved by: Councillor J. Gerber    Seconded by: Councillor B. Fisher

THAT Council suspend the rules of procedure to continue the ad hoc Budget Advisory Committee Meeting and convene into Closed Session following the Regular Council Meeting.

CARRIED.

The Director of Engineering and Public Works confirmed that the potential flooding on Milton Street would be considered for the existing station, noting that a solution at this point is not in place but will be looked at.

The Director of Engineering and Public Works advised that Sanitary Sewer I&I initially identified high level recommendations during the first study, in subsequent years, common issues within the system will be identified through this process.

The Director of Parks, Facilities and Recreation confirmed there are 3 locations where the Molok Systems will be installed and rollout for other areas will be monitored, noting that installation timing has not been determined.

The Director of Parks, Facilities and Recreation noted that staff are investigating an anchor tenant for the New Hamburg Arena and that the Third Ice Pad Design focuses on including that in the design and that the consultant will be presenting on that report February 28, 2022, which can include an outline of the consultations that the consultant did.

The Director of Parks, Facilities and Recreation advised that adding a parking lot entrance through the back of the existing Administration Complex parking lot will allow tour buses and large delivery vehicles easier access. It was noted that the laneway will be controlled by a locked gate.

The Director of Parks, Facilities and Recreation noted there was discussion with neighbouring property owners regarding the potential for ball diamond netting at Sir Adam Beck Park, with no consistent consensus, therefore was not included as part of this project.

The Director of Parks, Facilities and Recreation advised that the rubberized surface at Norm Hill Park is not permeable but designed to allow for run off, noting that due to the amount of flooding in the area, this material is ideal.

The Director of Parks, Facilities and Recreation clarified that the repairs to the façade are for the Baden Library.

The Director of Parks, Facilities and Recreation advised that staff will discuss potential programming for beautification of the Nith River Pathway with the MTO.

**Resolution No. AHB 2022-12**

Moved by: Councillor J. Gerber    Seconded by: Councillor J. Pfenning

THAT Council defer the remaining portion of the ad hoc Budget Advisory Committee Meeting until following the Announcement portion of the Regular Council Meeting

CARRIED.

**10.1.2            REPORT NO. COR 2022-006**  
**Ten-Year Capital Forecast (2022-2031)**

**RESOLUTION NO. AHB 2022-13**

Moved by: Councillor A. Hallman            Seconded by: Councillor C. Gordijk

That the 10-Year Capital Forecast, as prepared by the Director of Corporate Services / Treasurer, be endorsed in principle.

CARRIED.

The Director of Corporate Services / Treasurer outlined the report.

In response to a question from Council, the Director of Corporate Services / Treasurer was advised that while \$5,000,000 in development charges would be contributed to the third ice pad leaves, the remaining funding of approximately \$7,000,000 would be required to be debt financed.

The Director of Public Works and Engineering confirmed that the hot mix paving program includes Beck Street from Mill Street to Foundry Street for completion in 2028, and that decisions on when road work is scheduled include determining which assets require maintenance to remain in good condition and the prioritizing other repairs. It was also advised there are plans to do underground work on the streets noted in the report.

The Director / Curator of Castle Kilbride provided an overview of what the mural restoration project entails and noted that the program can be explored with Heritage Wilmot to provide further insight on the history of the Township, including pre-settler history, and consultations through the Mural Art Policy that is being developed.

The Director of Corporate Services / Treasurer advised that long term debenture requirements within year one of the capital forecast are reflective of the downward trend in rural-provincial transfers. He noted that the use of parkland dedication funds towards large scale parks and facilities projects will be looked into further as part of the forthcoming reserve fund strategy.

## **11. ADJOURNMENT**

### **RESOLUTION NO. AHB 2022-14**

Moved by: Councillor A. Hallman

Seconded by: Councillor B. Fisher

THAT we do now adjourn to meet again at the call of the Mayor.

CARRIED.



## CORPORATE SERVICES

### *Staff Report*

---

REPORT NO: COR 2022-007

TO: Ad Hoc Budget Advisory Committee

SUBMITTED BY: Patrick Kelly, CPA, CMA, Director of Corporate Services / Treasurer

PREPARED BY: Patrick Kelly, CPA, CMA, Director of Corporate Services / Treasurer  
Ashton Romany CPA, Manager of Finance / Deputy Treasurer

REVIEWED BY: Sharon Chambers, Chief Administrative Officer

DATE: February 14, 2022

SUBJECT: 2022 Proposed Operating Budget

---

#### RECOMMENDATION:

That the 2022 Operating Budget, as prepared by the Director of Corporate Services / Treasurer and Manager of Finance / Deputy Treasurer, be endorsed in principle.

#### SUMMARY:

The 2022 Operating Budget is being presented for committee approval, based upon the direction provided from the first meeting of the ad hoc Budget Advisory Committee. The proposed budget is inclusive of an inflationary levy increase of 2.90%, and a dedicated infrastructure levy of 2.00% and a special levy of 2.83% for increased levels of service.

The inflationary levy adjustment of 2.90% was endorsed at the committee meeting held in mid-December. Through a continued commitment to a variety of cost containment strategies during the on-going pandemic and carry-over of un-utilized COVID Relief funding, staff were able to meet the guideline without drawing on additional reserve funding or cutting back existing levels of services.

Staff were able to include provisions for additional levels of service to be on-boarded in 2022 with the additional special levy adjustment 2.83%, as endorsed by committee in December.

---

\*\*\*This information is available in accessible formats upon request\*\*\*

Attached to this report is the operating budget detail, with supporting commentary to justify the allocations for the 2022 fiscal year.

### BACKGROUND:

In preparing the annual operating budget, staff apply consistent methodologies across departments and divisions. Budget estimates incorporate any new legislative requirements and initiatives from senior levels of government.

Staff look to historical trends in projecting costs and revenues, recognizing any economic impacts for the current year (i.e. COVID-19). Unit rates are adjusted based upon economist predictions for commodity items such as fuel, natural gas and hydro.

Finally, priorities are weighed to determine which minor capital items are of immediate need, in order to meet the target levy increase established by the committee.

### REPORT:

#### *Target Inflationary Levy Increase*

As per direction from the committee, an inflationary levy increase of 2.90% has been achieved through the proposed operating budget. This target is based upon the Bank of Canada Core Inflation rate, and when coupled with modest assessment growth, provides necessary funding levels to ensure consistent service is provided to the community.

#### *COVID-19 Impacts*

The near-term impacts of COVID-19 are becoming somewhat clearer for the 2022 budget; however, the length and severity of impacts continue to be relatively unknown.

The proposed budget is based upon a full closure of in-person services for the month of January, with a gradual re-opening under with limited capacity from February to the spring of 2022. Staff are optimistic that activities in outdoor spaces and amenities will pick up on the summer, with activity levels returning to somewhat “normal” levels in the fall of 2022.

Budget provisions and estimates throughout the proposed operating budget are based on these timing expectations and have been adjusted accordingly.

#### *Service Level Increases*

The proposed budget is inclusive of the Level of Service increases, endorsed under Reports COR 2021-047; COR 2021-048; CAO 2021-005; PWE 2021-021; PWE 2021-022; PWE 2021-023; PWE 2021-024; PFRS 2021-020; PFRS 2021-021; ILS 2021-045 and FD 2021-007.

These new service levels were provided for within the budget through a one-time, special levy adjustment of 2.83%. Staff have also identified some cost efficiencies and alternate revenue opportunities within the proposed budget, to help achieve the overall special levy requirement.

In addition, Part-Time staffing hours were reduced in conjunction with the additional FTE's within Parks, Facilities, Recreation Services, and Public Works and Engineering.

### *Ontario Municipal Partnership Fund (OMPF)*

In the fall of 2017, Township staff were notified of a significant change in the level of funding from the Province via the OMPF transfer. Transitional assistance is provided annually under the OMPF program, to ensure the direct impact to municipalities is spread over a longer term. This limits claw backs of funding to a maximum of 15% from the previous years' allocation. Accordingly, the OMPF funding provided to Wilmot in 2022 will be \$605,500, representing a reduction of \$106,800.

Staff continue to advocate for a review of the on-going reductions in OMPF funding support of operations in rural farming communities across Ontario.

### *Transfer to Infrastructure Reserve Funds*

The proposed budget includes a levy funded transfer to Infrastructure Reserve Funds of \$520,760. This transfer includes the Council endorsed continuation of a 2.0% Infrastructure Levy.

Infrastructure Reserve allocations, and their continued growth are critical to ensuring the sustainability of the Township's long-term infrastructure planning and 10-year Capital program. Staff will continue to review future capital requirements and Infrastructure Reserve Fund balances to determine infrastructure levy requirements going forward.

## **Level of Service Adjustments**

In addition to staffing Level of Service adjustments, the operating budget includes new operating requirements for: Artificial Turf Field Maintenance Program, Culvert Repair/Maintenance Program, Municipal Drain Maintenance, and SCBA Cylinder Replacements.

The Artificial Turf Field Maintenance requirements are cost-shared between the Township and the Waterloo Region District School Board as per the agreement established in 2021. Municipal Drain Maintenance continues to see increased activity levels in rural farming communities across Southwestern Ontario, while the Township's asset management activities have identified a number of smaller culverts, under the threshold for OSIM reporting, that require repairs and/or replacement. This budget also includes the introduction of a multi-year operating expense to purchase SCBA air bottles to maintain a sufficient supply of spare bottles across the entire service.

## Operating Budget Highlights

The following is a brief summary of other key elements of the proposed operating budget. Notes to the attached operating statement provide further detail on a line-by-line basis.

### *Operating Revenue Improvements over 2021*

- Revenue estimates have incorporated the Council approved fees and charges (Report COR 2021-045), and projected a continuation of activity levels below regular levels, to arrive at current year projections
- Overall operating revenues from rental activities and admissions are anticipated to decrease continue to be approximately 20% below the usual activity levels, due to COVID-19 regulations and limitations on in-person gatherings
- Fees for development applications and activities have been incorporated based on subdivision activity expectations for 2022.
- Overall Operating Revenues are projected to improve in 2022, but are still approximately \$300,000 short of levels budgeted before the pandemic

### *COLA, Grid Movement and Part-Time Staffing*

- A cost-of-living adjustment of 1.95% and grid movements have been included within budget estimates across all departments
- Part-time staffing requirements have been adjusted with an anticipated return to “normal” activity levels in the summer months, and with the transition of some part-time staffing duties to new full-time levels of service
- Additional part-time staffing hours have been included for Admin/Castle Grounds Maintenance and Tree Maintenance efforts throughout the Township

### *Payroll Remittances, and Benefits*

- All payroll remittance rates for OMERS, CPP, EI, EHT, WSIB and Group Benefits have been updated, and are reflected within the proposed budget
- Overall payroll related costs, or Mandatory Employee Remittance Costs (MERCs) are projected to grow by \$241,220 in 2022. This is mainly driven by the new levels of services and increased premiums and source deduction rates for CPP and Group Benefits

### *Minor Capital Initiatives*

- Several initiatives that are one-time/minor capital in nature are included within the proposed budget, as referenced in accompanying notes. These one-time projects are below the capitalization threshold of \$10,000
- The aggregate sum of Minor Capital items within the proposed operating budget is \$118,150

- Community Parks and Facilities have over \$45,750 in combined initiatives planned for 2022, including a Duct Cleaning Program to improve air quality across all Township owned facilities

### *Commodity Pricing Adjustments*

- Staff worked with consultants and reviewed various economic forecasts to generate estimates for commodity pricing including hydro, natural gas and fuel
- Commodity rates are anticipated to remain relatively stable in 2022, with the exception of Natural Gas prices which are predicted to increase at rate well above inflation
- With consumption continued below historical levels in most facilities under COVID-19 restriction. The combined cost of heat, hydro and water across all facilities is projected at approximately \$660,000 in 2022

### *Health, Safety and Security*

- Provisions have been incorporated within the budget proposal for additional PPE across Township operations, and additional funding has been included for the initiation of a corporate-wide Job Hazard Assessment Program. The budget continues to provide for health and safety related training, JHSC certifications, and participation the Health and Safety Excellence Program. The overall health and safety budget within operating totals \$73,765, with additional funding under Minor Capital and the 2022 Capital Program to promote a healthy and safe work environment

## **User Pay Operations**

### *Cemetery Operations*

- The proposed budget projects a surplus of \$2,930 for Cemetery Operations
- A three (3) year average was used to project revenues from burials and sale of plots, which offset the continuation of lower investment returns on Cemetery Reserve Funds
- A net transfer to/from Reserve Funds will occur at the conclusion of 2022, based on actual operating results
- The accumulated deficit within the Cemetery Infrastructure Reserve Fund as of December 31, 2021 was just over \$60,000

### *Building Services*

- The proposed budget for the Building Division of Development Services will require a draw from reserves of \$75,225 to balance operating requirements
- The Building Reserve Fund was established as per Bill 124 legislation which requires the Building Division to be separated from the general levy
- Though permit fees are projected to increase slightly over the 2021 budget estimates, operating expenses continue to exceed the projected fees

- The accumulated deficit within the Building (Bill 124) Reserve Fund as of December 31, 2021 was just over \$1.28M. As noted in Report COR 2022-003, the building industry is cyclical in nature, and future growth projections including industrial and residential subdivisions, and annual fee updates will help to eliminate the existing deficit and bring this reserve fund back into a positive status

### *Water and Sanitary*

- The proposed 2022 Water & Sanitary Operating Budget was established based on the legislative requirements under the *Sustainable Water and Sewage Systems Act, 2002* (SWSS), and the *Safe Drinking Water Act, 2002* (SDWA)
- Water loss and Inflow/Infiltration (I&I) rates are two (2) projections that are utilized in determining budget estimates annually for the utility
- Water conservation continues to be a major consideration for municipalities when reviewing system operations and usage rates. It is projected that average consumption will continue on a decreasing trend over the long term. As a reference, in the Township of Wilmot, the average consumption per account, including Residential, Commercial and Industrial accounts, was 261 cubic meters per year in 2007 and was 195 cubic meters in 2021.
- The proposed operating budget considers a slight reduction in billable sanitary volumes conveyed to Regional Treatment plant. This is partly attributable to continued investments in the I&I reduction programs
- Taking into consideration the legislative, capital and operating requirements placed upon the Township's water and sanitary systems, the committee endorsed an increase of 2.90% to the Township's water and sanitary volumetric rates under Report COR 2021-045
- The proposed operating budget, in conjunction with the proposed rate changes, is projected to generate a combined transfer to reserve funds of \$1,065,490. These funds will be distributed across the Utilities three (3) infrastructure reserve funds, and are critical to the continuing efforts of ensuring the long-term financial sustainability of the Township owned water and sanitary systems.

### ALIGNMENT WITH THE TOWNSHIP OF WILMOT STRATEGIC PLAN:

This report is aligned with several of the goals and strategies within the Township Strategic Plan.

The proposed budget will help the community to further enjoy quality of life through active transportation (Maintaining Trails, Safe and Efficient Roads), arts, culture and heritage (Castle Kilbride), health and wellbeing (PPE, Health and Safety Training), and recreation and leisure opportunities (Parks and Facilities Minor Capital).

This budget also promotes community engagement through supporting Community Groups / Volunteers and Youth (Municipal Grants and Youth Action Council).

Furthermore, this budget will help maintain economic prosperity through supporting the Waterloo Region Economic Development Corporation (WREDC), and working with Regional and local stakeholders on economic recovery planning and resiliency.

Finally, the budget will promote responsible governance through active communications, fiscal responsibility and investments in on-going infrastructure maintenance.

### ACTIONS TOWARDS UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

This report is aligned with several of the UN Sustainable Development Goals:

- Goal 3 – Good Health and Well-Being
- Goal 6 – Clean Water and Sanitation
- Goal 7 – Affordable and Clean Energy
- Goal 8 – Decent Work and Economic Growth
- Goal 9 – Industry, Innovation and Infrastructure
- Goal 11 – Sustainable Cities and Communities
- Goal 16 – Peace, Justice and Strong Institutions

### FINANCIAL CONSIDERATIONS:

The summary page outlines how net operating expenditures, combined with previously endorsed capital expenditures and dedicated transfers to infrastructure reserve funds, will be funded through Provincial Grants, Investment Income, Assessment growth of 1.34%, an inflationary levy increase of 2.90%, a dedicated Infrastructure Levy of 2.00%, and a Special Levy for Levels of Service of 2.83% to reach a balanced budget for fiscal 2022.

Provincial Grant Funding towards 2022 is anticipated at \$1.07M, due to the carry forward of remaining Safe Restart and COVID Recovery Funding. In reconciling 2021 Operating and Capital, the update of remaining funding from Safe Restart is \$467,200. This funding is critical to offset the operating pressures and prolonged revenue impacts of COVID-19, and allows the Township to maintain service levels within the previously endorsed targets.

Investment Income is projected below 2021, due to lower yields in a COVID-19 environment. This investment income is inclusive of dividends and interest on investment in Kitchener-Wilmot Hydro.

Staff are pleased to present this progressive and fiscally responsible budget for approval. The proposed budget will allow Wilmot to continue meeting service levels expectations of a growing community throughout COVID-19, while continuing our focus on core mandates and strategic priorities.

The 2022 budget meets the target levy guideline provided by the ad hoc Budget Advisory Committee under Report COR 2021-043.

### ATTACHMENTS: 2020 Operating Budget Detail

**TOWNSHIP OF WILMOT  
2022 PROPOSED OPERATING BUDGET SUMMARY**

		2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>EXPENDITURES</u></b>				
OPERATING (EXCLUDING USER-PAY DIVISIONS)		11,385,255	10,884,668	12,669,925
TRANSFER TO CAPITAL PROGRAM <sup>1</sup>		1,513,500	1,636,222	1,402,400
TRANSFER TO INFRASTRUCTURE RESERVE FUNDS <sup>2</sup>		336,530	336,530	520,760
<b><u>TOTAL EXPENDITURES FROM GENERAL LEVY</u></b>		<b>13,235,285</b>	<b>12,857,420</b>	<b>14,593,085</b>
<b><u>REVENUES</u></b>				
TAXATION	2021 GENERAL LEVY	8,646,811	8,646,811	9,087,346
	ASSESSMENT GROWTH (1.34%)	99,438	99,438	121,771
	TAX INCREASE (COLA) (2.90%)	166,176	166,172	267,065
	INFRASTRUCTURE LEVY (2.00%)	174,925	174,925	184,182
	SPECIAL LEVEL OF SERVICE LEVY (2.83%)	-	-	260,626
		<b>9,087,350</b>	<b>\$ 9,087,346</b>	<b>\$ 9,920,990</b>
OPERATING (EXCLUDING USER-PAY DIVISIONS)		2,044,420	1,766,144	2,613,370
PAYMENTS IN LIEU OF TAXES		199,200	198,966	199,100
SUPPLEMENTARY TAXES (NET OF WRITE-OFFS) <sup>3</sup>		80,000	117,321	94,225
GRANTS <sup>4</sup>		1,121,615	1,046,009	1,072,700
INVESTMENT INCOME <sup>5</sup>		702,700	641,634	692,700
<b><u>TOTAL REVENUES TO GENERAL LEVY</u></b>		<b>13,235,285</b>	<b>12,857,420</b>	<b>14,593,085</b>

**NOTES:**

- 1 Represents the portion of Capital Program funded from General Levy, as per report COR 2022-005. Year-over-year budget reduction associated with the transfer of a number of capital program items to the annual operating budget, including Sidewalk Maintenance, Gravel Crushing, Traffic Counts and Drain Maintenance Activities.
- 2 Represents the dedicated infrastructure levy approved under COR 2021-041.
- 3 Represents anticipated supplementary taxes, net of write-offs in 2022.
- 4 Includes 15% decrease in OMPF Funding (\$605,500) and remaining allocation of Safe Restart Funding (\$467,200) to offset impact of COVID-19 on 2022 operations.
- 5 Represents dividends (\$370,000) and investment income (\$192,700) from Kitchener-Wilmot Hydro, and general bank investment income (\$130,000).

**TOWNSHIP OF WILMOT  
PROPOSED 2022 OPERATING BUDGET**

	2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>GENERAL GOVERNMENT</u></b>			
<b><u>REVENUE</u></b>			
Administration Fees / Sale of Surplus Assets <sup>1</sup>	(87,000)	(119,247)	(100,000)
Grant Funding - General Government <sup>2</sup>	(48,000)	(43,600)	(35,000)
Licenses and Fines <sup>3</sup>	(77,250)	(68,858)	(83,000)
Penalties & Interest Revenue <sup>4</sup>	(246,500)	(229,343)	(231,500)
	<b><u>(458,750)</u></b>	<b><u>(461,048)</u></b>	<b><u>(449,500)</u></b>
<b><u>EXPENSES</u></b>			
Council <sup>5</sup>	176,310	150,169	177,950
Municipal Grants Program <sup>6</sup>	58,245	58,246	65,600
Office of the CAO <sup>7</sup>	267,040	276,436	426,495
Information and Legislative Services <sup>8</sup>	277,420	283,370	284,000
Insurance & Legal Expenses <sup>9</sup>	278,050	294,884	325,225
Municipal Law Enforcement/Animal Control <sup>10</sup>	170,745	170,311	202,245
Crossing Guards Operating Expenses <sup>11</sup>	48,340	32,136	56,100
Municipal Election <sup>12</sup>	22,500	22,500	22,500
Corporate Services <sup>13</sup>	860,175	845,624	960,860
IT Services <sup>14</sup>	370,880	369,473	456,880
	<b><u>2,529,705</u></b>	<b><u>2,503,147</u></b>	<b><u>2,977,855</u></b>
<b><u>FIRE SERVICES</u></b>			
<b><u>REVENUE</u></b>			
Fire Services Revenues <sup>15</sup>	(43,870)	(20,998)	(80,080)
Grant Funding - Fire Services <sup>16</sup>	-	(9,600)	-
	<b><u>(43,870)</u></b>	<b><u>(30,598)</u></b>	<b><u>(80,080)</u></b>
<b><u>EXPENSES</u></b>			
Fire Services Administration <sup>17</sup>	1,037,980	972,615	1,106,460
Fire Services Operating Expenses <sup>18</sup>	392,690	362,278	405,875
	<b><u>1,430,670</u></b>	<b><u>1,334,893</u></b>	<b><u>1,512,335</u></b>

**TOWNSHIP OF WILMOT  
PROPOSED 2022 OPERATING BUDGET**

	2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>PUBLIC WORKS AND ENGINEERING</u></b>			
<b><u>REVENUE</u></b>			
Roads/Engineering Service Charges <sup>19</sup>	(118,000)	(146,907)	(251,500)
Aggregate Resource Fees <sup>20</sup>	(174,000)	(173,106)	(175,000)
Grant Funding - Public Works <sup>21</sup>	(30,000)	(28,930)	(23,000)
	<b><u>(322,000)</u></b>	<b><u>(348,943)</u></b>	<b><u>(449,500)</u></b>
<b><u>EXPENSES</u></b>			
Public Works and Engineering Administration <sup>22</sup>	296,430	250,752	420,070
Roads Administration <sup>23</sup>	674,850	700,415	733,085
Roads Operating Expenses <sup>24</sup>	607,450	617,585	763,900
Winter Control Expenses <sup>25</sup>	795,640	795,640	776,310
Municipal Drainage Operating Expenses <sup>26</sup>	58,250	56,427	57,000
Street Lighting Operating Expenses <sup>27</sup>	145,000	145,000	130,000
	<b><u>2,577,620</u></b>	<b><u>2,565,820</u></b>	<b><u>2,880,365</u></b>

**TOWNSHIP OF WILMOT  
PROPOSED 2022 OPERATING BUDGET**

	2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>PARKS, FACILITIES AND RECREATION SERVICES</u></b>			
<b><u>REVENUE</u></b>			
Wilmot Recreation Complex Revenues <sup>28</sup>	(833,590)	(639,367)	(1,136,920)
Grant Funding - Parks Facilities and Recreation <sup>29</sup>	-	(22,817)	(3,750)
Park, Facility and Community Centre Rental Revenue <sup>30</sup>	(101,150)	(54,115)	(149,550)
	<b><u>(934,740)</u></b>	<b><u>(716,299)</u></b>	<b><u>(1,290,220)</u></b>
<b><u>EXPENSES</u></b>			
Recreation Administration <sup>31</sup>	766,455	733,624	830,970
Wilmot Recreation Complex Administration <sup>32</sup>	1,336,300	1,101,926	1,446,820
Wilmot Recreation Complex Operating Expenses <sup>33</sup>	790,560	703,378	742,600
Parks & Facilities Administration <sup>34</sup>	941,090	934,299	1,159,725
Parks and Community Centre Operating Expenses <sup>35</sup>	271,310	282,710	278,100
Municipal Facilities Operating Expenses <sup>36</sup>	123,080	106,838	152,830
Abandoned Cemetery Operating Expenses	3,570	3,570	3,670
	<b><u>4,232,365</u></b>	<b><u>3,866,344</u></b>	<b><u>4,614,715</u></b>

**TOWNSHIP OF WILMOT  
PROPOSED 2022 OPERATING BUDGET**

	2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>CULTURAL SERVICES</u></b>			
<b><u>REVENUE</u></b>			
Castle Kilbride Admissions & Events <sup>37</sup>	(20,000)	(14,274)	(26,825)
Grant Funding - Castle Kilbride <sup>38</sup>	(23,910)	(31,874)	(25,005)
	<b><u>(43,910)</u></b>	<b><u>(46,147)</u></b>	<b><u>(51,830)</u></b>
<b><u>EXPENSES</u></b>			
Castle Kilbride Administration <sup>39</sup>	269,440	275,200	310,840
Castle Kilbride Operating Expenses <sup>40</sup>	24,605	15,756	23,050
Archives Operating Expenses	1,600	1,390	1,830
Heritage Wilmot Operating Expenses	6,540	6,134	8,940
	<b><u>302,185</u></b>	<b><u>298,480</u></b>	<b><u>344,660</u></b>
<b><u>DEVELOPMENT SERVICES</u></b>			
<b><u>REVENUE</u></b>			
Planning Application Fees <sup>41</sup>	(238,650)	(157,317)	(287,240)
Business Licensing	(2,500)	(5,792)	(5,000)
	<b><u>(241,150)</u></b>	<b><u>(163,109)</u></b>	<b><u>(292,240)</u></b>
<b><u>EXPENSES</u></b>			
Planning <sup>42</sup>	247,710	254,487	269,995
Economic Development <sup>43</sup>	65,000	61,496	70,000
	<b><u>312,710</u></b>	<b><u>315,983</u></b>	<b><u>339,995</u></b>
<b><u>TOTAL OPERATING</u></b>			
<b><u>REVENUES</u></b>	<b><u>(2,044,420)</u></b>	<b><u>(1,766,144)</u></b>	<b><u>(2,613,370)</u></b>
<b><u>EXPENSES</u></b>	<b><u>11,385,255</u></b>	<b><u>10,884,668</u></b>	<b><u>12,669,925</u></b>
<b><u>NET GENERAL LEVY EXPENDITURE</u></b>	<b><u>9,340,835</u></b>	<b><u>9,118,524</u></b>	<b><u>10,056,555</u></b>

**NOTES:**

- 1 Includes administrative fees associated with tax certificates; NSF payments; account balance transfer fees; tax sale and sale of surplus
- 2 Includes OCIF formula funding towards the Asset Management Coordinator role (\$35,000).
- 3 Includes Dog and Kennel Licences (\$54,000); Parking Fines (\$8,000); Marriage Licences (\$13,000); Property Standards Fees (\$1,500); Lottery Licences (\$4,500); Provincial Offences (\$2,000).
- 4 Includes penalty and interest on overdue water accounts (\$16,500) and taxes receivable (\$215,000).
- 5 Includes final stage increase of Council remuneration, as approved under report FIN 2019-25.
- 6 Municipal Grant Program allocations were approved under Report COR 2021-046.
- 7 Includes direct and indirect staffing costs associated with the Office of the CAO. Budget also includes additional level of service for the Executive Assistant to the CAO as per report CAO 2021-005.
- 8 Includes direct and indirect staffing costs associated with Information and Legislative Services.
- 9 Includes estimated increase in Waterloo Region Municipal Insurance Pool Premiums (\$223,775); Provision for Self-Insured Claims (\$60,000); and Provisions for external Legal Expenses (\$70,000). Budgeted expenditures are net of allocations from user-pay operations.
- 10 Includes direct and indirect staffing costs associated with Municipal Law Enforcement Officers and contracted services for Animal Control. Budget also includes additional level of service for the part-time By-Law Officer as per report ILS 2021-045.
- 11 Includes direct and indirect staffing costs associated with crossing guards.
- 12 Budget is net of \$8,700 transfer from the elections reserve fund to cover Contracted Services and Training Development costs associated with 2022 municipal election.
- 13 Includes direct and indirect staffing costs for Corporate Services net of cost allocations from user-pay divisions. Budget also includes additional level of service for the Sustainability Coordinator / Grants Administrator as per report COR 2021-048.
- 14 Includes direct and indirect staffing costs for IT Services, support contracts and web service charges. Minor Capital Includes: BlueBeam Licences (\$4,350); Radio System Cabinet (\$2,000).
- 15 Includes anticipated revenue from Fire Permits (\$40,000); billable calls/activities (\$34,500) and Boundary Service Agreement with Blandford-Blenheim (\$5,580).
- 16 2021 included one-time funding received from the Ontario Fire Marshall towards fire services training costs.
- 17 Includes direct and indirect staffing costs for Fire Services, including Practices, Fire Calls and other VFF activities. Budget also includes additional level of service for the part-time Public Educator/Fire Prevention Officer as per report FD 2021-007.
- 18 Includes non-staffing related costs to maintain an effective Fire Services such as vehicle repairs and maintenance, clothing/PPE, dispatch fees and utilities. Minor Capital includes: Particulate Hoods (\$1,200); Central Vac Replacement at Station 2 (\$1,200); Flag Poles at Station 1 and 2 (\$5,000).

- 19 Services Fees are based upon anticipated development activity in 2022, as per adjusted rates approved under the Fees and Charges By-Law. Service fees pertaining to development are staged over the course of development. Additional engineering fees are anticipated for 2022 based on subdivision developments and commercial/industrial development applications.
- 20 Ontario Aggregate Resources Corporation (OARC) fees are based upon actual tonnage extracted from private pits within the Township from the preceding fiscal year, at a rate of \$0.12 per tonne.
- 21 Revenues represent OMAFRA funding for Municipal Drainage Superintendent Services for 2022 (\$23,000).
- 22 Includes direct and indirect staffing costs for Public Works and Engineering Administration net of cost allocation to Water/Sanitary. Budget includes additional levels of service for Development Engineering Technologist (PWE 2021-023); Infrastructure GIS Analyst (PWE 2021-021); and Public Works Licensing Coordinator (PWE 2021-022). Increases associated with transfer of capital costs for Traffic Counts (\$15,000).
- 23 Includes direct and indirect staffing costs for Roads Operations excluding Winter Control. Budget includes additional level of service for Equipment Operator endorsed under Report (PWE 2021-024).
- 24 Includes maintenance of Hardtop and Loosetop Roads, Boundary Roads, Roadside, and Safety (Signage, Line Painting, etc.). Increases are associated with transfer of capital costs for Gravel Resurfacing Program (\$40,000); Sidewalk Repairs/Replacements (\$67,500) and OSIM Inspections (\$20,000), new provision within operating program for Culvert Repairs (\$20,000), and an increase in line painting program (\$30,000).
- 25 Includes works required to meet winter maintenance standards (\$543,310); billing associated with winter maintenance on boundary roads (\$48,000) and contracted services at municipal facilities / parking lots (\$185,000).
- 26 Includes estimated Draining Superintendent Consulting Services (\$46,000) and provision for Township portion of Municipal Drain Maintenance costs (\$11,000). Annual consulting fees are funded 50% of from OMAFRA.
- 27 Reflects anticipated costs for hydro service and on-going maintenance/repairs on Wilmot's Street Lighting network. Budget includes final repayment to Street Lighting Reserve Fund for LED Capital Works (\$42,000).
- 28 Revenues estimates include: Aquatics (\$378,400); Ice Pads/Arena Floor (\$582,400); Concession (\$36,000); Programming (\$40,000); Room/Field Rentals (\$39,120); Rink Board Advertising (\$42,000); Other (\$19,000). Revenues at the WRC are projected to be 20% below 2020 budget expectations due to impacts of COVID-19.
- 29 Represents funding contribution from the Horticultural Society towards an irrigation system on Castle Kilbirde grounds, minor capital initiative identified in note 35.
- 30 Revenues include: NH Arena/CC (\$24,800); Baden (\$15,160); Haysville (\$15,600); Mannheim (\$15,920); New Dundee (\$22,800); New Hamburg Parks (\$24,000); Petersburg (\$10,720); St Agatha (\$13,400); Other (\$7,150). Revenues are projected to be 20% below 2020 budget expectations due to impacts of COVID-19.
- 31 Costs include direct and indirect staffing costs for Recreation Administration, Scheduling and Customer Service personnel. Budget includes additional level of service for the Customer Service Representative as per report PFRS 2021-020.
- 32 Costs include direct and indirect, full-time and part-time, staffing costs for the Wilmot Recreation Complex. Year-over-year budget increase primarily associated with additional PT staffing hours to support gradual reopening under COVID-19.

- 33 Costs include Building/Grounds Maintenance, Utility Costs, Equipment Repairs and Maintenance at the WRC. Year-over-year budget decrease associated with the anticipation of lower utility usage under COVID-19. Minor Capital Includes: Concession Floor Resurfacing (\$5,500); Pool Deck Stanchions (\$4,500); Ice Resurfacer Tire Replacement (\$4,000); AED (\$1,900).
- 34 Costs include direct and indirect staffing costs for all Parks and Facilities staff excluding the WRC. Budget also includes additional level of service for the Parks and Facilities Technician as per report PFRS 2021-021 and an annual provision to the Township's Reserve Funds of \$40,000 towards the replacement of the artificial turf field. Minor Capital Includes: Senior's Woodworking Building Overhead Door Replacement (\$8,000) and Roof Scans (\$6,000).
- 35 Costs include Building/Grounds Maintenance, Utility Costs, Equipment Repairs and Maintenance at the parks and community centres. Minor Capital Includes: **New Hamburg and Baden Library:** Duct Cleaning (\$6,500); **Administration Complex/Castle Kilbride:** CPTED Landscaping (\$5,000); Accessible Button Replacements (\$6,000); Upper Gallery Glass Replacement (\$4,000); Irrigation System (\$7,500).
- 36 Costs include Building/Grounds Maintenance, Utility Costs, Equipment Repairs and Maintenance at the Municipal Facilities. Minor Capital Includes: **New Hamburg Arena:** Duct Cleaning (\$5,000); AED (\$1,900); **Mannheim:** Duct Cleaning (\$1,250); AED (\$1,900); **New Dundee:** Bandshell Landscaping (\$4,000); Duct Cleaning (\$4,000); AED (\$1,900); **New Hamburg:** Pickleball & Tennis Line Painting (\$2,000); **Petersburg:** Underfloor Leak Repair (\$3,000); **St Agatha:** Steel Door Replacement (\$2,700).
- 37 Revenue includes: Admission (\$16,000); Giftshop (\$900); Programs & Workshops (\$2,325); Special Events (\$7,500) and Other (\$100). Castle Kilbride revenue increases associated with gradual reopening for public admissions and events under COVID-19.
- 38 Revenue includes Federal/Provincial Grants for Part-Time Staffing (\$5,040); CMOG (\$16,615); and Heritage Student Grant (\$3,350).
- 39 Costs reflect direct and indirect staffing costs for Castle Kilbride Administration. Includes annualized staffing costs for Museum Assistant role.
- 40 Budget includes marketing and promotional expenses, memberships and special events. Includes Minor Capital: Lure Cards (\$2,500).
- 41 Reflects anticipated development applications to occur in 2022, based upon Fees and Charges By-Law.
- 42 Costs include direct and indirect staffing costs for Planning, net of cost allocations from Building Services.
- 43 Expenditures include Waterloo Region Economic Development Corporation (WREDC) membership (\$50,000), Waterloo Region Tourism Marketing Corporation (\$10,000), and provision of \$10,000 for community Economic Development supports.

**TOWNSHIP OF WILMOT  
PROPOSED 2022 OPERATING BUDGET (USER-PAY)**

	2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>WATER/SANITARY</u></b>			
<b><u>REVENUE</u></b>			
Utility User Fees <sup>1</sup>	(6,338,000)	(6,144,030)	(6,381,810)
Utilities Sales, Service Charges <sup>2</sup>	(59,390)	(30,319)	(59,390)
	<b><u>(6,397,390)</u></b>	<b><u>(6,174,350)</u></b>	<b><u>(6,441,200)</u></b>
<b><u>EXPENSES</u></b>			
Water/Sanitary Administration <sup>3</sup>	582,830	574,341	618,050
Water/Sanitary Operating Expenses <sup>4</sup>	1,167,910	1,131,553	1,385,830
Water Regional Charges <sup>5</sup>	1,465,000	1,472,154	1,517,000
Sanitary Regional Charges <sup>5</sup>	1,926,871	1,846,349	1,854,830
	<b><u>5,142,611</u></b>	<b><u>5,024,397</u></b>	<b><u>5,375,710</u></b>
<b><u>TRANSFER (TO)/FROM RESERVE FUNDS <sup>6</sup></u></b>	<b><u>(1,254,779)</u></b>	<b><u>(1,149,953)</u></b>	<b><u>(1,065,490)</u></b>
<b><u>CEMETERY</u></b>			
<b><u>REVENUE</u></b>			
Cemetery User Fees <sup>7</sup>	(73,440)	(78,955)	(80,300)
Cemetery Investment Income <sup>8</sup>	(4,000)	(2,597)	(3,000)
	<b><u>(77,440)</u></b>	<b><u>(81,552)</u></b>	<b><u>(83,300)</u></b>
<b><u>EXPENSES</u></b>			
Cemetery Administration <sup>9</sup>	21,890	19,190	22,200
Cemetery Operating Expenses <sup>10</sup>	55,550	56,088	58,170
	<b><u>77,440</u></b>	<b><u>75,279</u></b>	<b><u>80,370</u></b>
<b><u>TRANSFER (TO)/FROM RESERVE FUNDS <sup>11</sup></u></b>	<b><u>-</u></b>	<b><u>(6,273)</u></b>	<b><u>(2,930)</u></b>

**TOWNSHIP OF WILMOT (USER-PAY)**  
**PROPOSED 2022 OPERATING BUDGET (USER-PAY)**

	2021 Budget	2021 Actual	2022 Proposed Budget
<b><u>BUILDING</u></b>			
<b><u>REVENUE</u></b>			
Building Permit Fees <sup>12</sup>	(669,750)	(450,877)	(671,500)
	<b>(669,750)</b>	<b>(450,877)</b>	<b>(671,500)</b>
<b><u>EXPENSES</u></b>			
Building Administration <sup>13</sup>	453,150	454,423	468,210
Building Operating Expenses <sup>14</sup>	278,680	275,013	278,515
	<b>731,830</b>	<b>729,436</b>	<b>746,725</b>
<b><u>TRANSFER (TO)/FROM RESERVE FUNDS</u> <sup>15</sup></b>	<b>62,080</b>	<b>278,559</b>	<b>75,225</b>

**NOTES:**

- 1 Represents anticipated billing for water/sanitary services at 2022 rates approved under report COR 2022-045.
- 2 Budget includes sales of water meters based on anticipated building activity and average bill-out for other water/sanitary services.
- 3 Includes direct and indirect staffing costs for Water and Sanitary system operators.
- 4 Includes allocation to General levy for services provided, as well as Contracted Services, Fuel, Equipment/Vehicle Repairs and Maintenance, etc. Minor capital includes Flusher Truck Tire Replacement (\$2,000); Lift Station 2 Lighting Upgrade (\$2,000); Generator Replacement
- 5 Reflects anticipated flows to/from Region of Waterloo.
- 6 Transfer to Reserve Funds is directed towards the Township's three (3) Utility Reserve Funds Water (\$388,460); Water Meter (\$126,040); Sanitary (\$550,990). These transfers continue to work towards full system sustainability for both water and sanitary systems (as required by Provincial Legislation).
- 7 Cemetery User Fees include Sale of Plots (\$46,000); Grave Openings (\$23,200); Superintendent Charges (\$3,600); and Foundations (\$7,500).
- 8 Investment income lower than anticipated due to lower rates of return in 2021 on care and maintenance trust funds.
- 9 Costs reflect direct and indirect staffing costs for Cemetery Operations.
- 10 Cemetery Operating expenses include Grave Opening, Foundations, Buildings/Grounds Maintenance, Allocation to General Levy for administrative support. Includes unbudgeted minor capital: Hazardous Tree Removal (\$3,358).
- 11 Represents the anticipated transfer to the Cemetery Reserve Fund. These funds are used to fund capital requirements at Riverside Cemetery.
- 12 Includes anticipated building permit activities for 2022.

- 13 Includes direct and indirect staffing costs for Building Services Operations.
- 14 Includes operating expenses include Allocation to General Levy, Contracted Services, Vehicle Repairs/Maintenance, etc.
- 15 Represents the anticipated transfer from the Building Reserve Fund to sustain operations. Future growth projections will assist in eliminating the existing deficit in this reserve fund.



## CORPORATE SERVICES

### *Staff Report*

---

REPORT NO: COR 2022-008

TO: Ad Hoc Budget Advisory Committee

SUBMITTED BY: Patrick Kelly, CPA, CMA, Director of Corporate Services / Treasurer

PREPARED BY: Patrick Kelly, CPA, CMA, Director of Corporate Services / Treasurer  
Ashton Romany CPA, Manager of Finance / Deputy Treasurer

REVIEWED BY: Sharon Chambers, Chief Administrative Officer

DATE: February 14, 2022

SUBJECT: 2022 Municipal Budget Package

---

#### RECOMMENDATION:

That the 2022 Municipal Budget, as prepared by the Director of Corporate Service / Treasurer be endorsed and recommended to Council on February 28, 2022.

#### SUMMARY:

The 2022 Municipal Budget has been prepared in accordance with the historical practice of establishing a target levy adjustment in mid-December and building a Capital and Operating program that meet that target.

The budget guideline, endorsed at the committee meeting held in mid-December noted an inflationary levy increase of 2.90%, a Dedicated Infrastructure Levy of 2.00%, and a Special Levy for Levels of Service of 2.83%. Through the 2022 Capital Program and 2022 Operating Budget, and external funding assistance under the Safe Restart Agreement / COVID Recovery Funding, staff were able to achieve the target levy increase.

This budget is indicative of the collaborative efforts of staff and Members of Council in meeting the needs of Wilmot in 2022. The organization continues to adapt to COVID-19, while focusing on core mandates and strategic priorities, and continuing our commitment to fiscal responsibility.

---

\*\*\*This information is available in accessible formats upon request\*\*\*

## BACKGROUND:

The ad hoc Budget Advisory Committee commenced the 2022 Municipal Budget process in December 2021. The Budget process included a review/update of fees and charges, consideration of 2022 Municipal Grants, a review of 2021 fiscal results, endorsement of the 2022 Capital Program and updated 10-year capital forecast, approval of Level of Service adjustments, and endorsement of the proposed operating budgets for general levy and user-pay funded departments.

## REPORT:

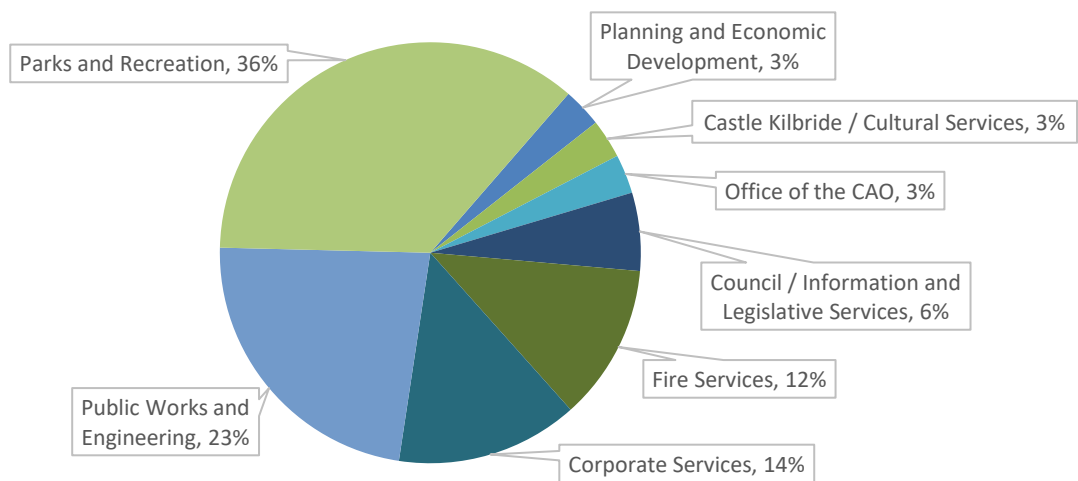
The proposed 2022 budget includes \$12.7M in operating expenditures, a \$14M capital program (\$1.4M in levy funding) and allocations to Infrastructure Reserve Funds of \$520,760 (2021 - \$336,530) from the Township's dedicated Infrastructure Levy.

All of the highlights above were achieved amidst a year of relatively low assessment growth (1.34%), a 15% reduction in funding under the Ontario Municipal Partnership Fund (OMPF), and non-staff service levels enhancements to several service areas, including artificial turf field maintenance, culvert repairs/maintenance and SCBA Cylinder program.

In addition, the program budgets for Building Services Division, the Water and Sanitary Division and Cemetery Services total \$6.2M, with a net combined allocation of \$993K to dedicated user pay reserve funds.

Members of the community often are looking for additional information on where their tax dollars go. The graphic below provides a visual representation of how Wilmot Township tax dollars work for the average property owner.

Where Does the Average Wilmot Tax Dollar Go?



### ALIGNMENT WITH THE TOWNSHIP OF WILMOT STRATEGIC PLAN:

This report is aligned in many ways with each of the five (5) main goal areas, and corresponding strategies within the Township Strategic Plan. The strategic alignment was outlined in detail throughout each of the preceding budget reports

### ACTIONS TOWARDS UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

This report is aligned with several of the UN Sustainable Development Goals:

- Goal 3 – Good Health and Well-Being
- Goal 6 – Clean Water and Sanitation
- Goal 7 – Affordable and Clean Energy
- Goal 8 – Decent Work and Economic Growth
- Goal 9 – Industry, Innovation and Infrastructure
- Goal 11 – Sustainable Cities and Communities
- Goal 16 – Peace, Justice and Strong Institutions

### FINANCIAL CONSIDERATIONS:

The proposed increase will generate a total levy of \$9,920,990, or an increase of approximately \$833,640 over the 2021 levy, factoring in assessment growth.

Assessment growth of 1.34% represents \$121,771 of the additional levy funds.

The inflationary adjustment to the general levy of 2.90% will generate \$267,065 of the additional levy funding. This adjustment will add \$29.51 in annual Township taxes to the average residential property owner.

The Dedicated Infrastructure Levy of 2.00% will generate \$184,182 of the additional levy funding. This adjustment will add \$20.34 in Township taxes to the average residential property owners.

The Special Levy for increased levels of service of 2.83% will generate \$260,626 of the additional levy funding. This adjustment will add \$28.78 in annual Township taxes to the average residential property owner.

In 2021, \$1,017.09 of the average residential property taxes were remitted for Township of Wilmot services, with the remainder allocated to the Region of Waterloo (\$2,063.44 and area school boards (\$624.24). The combined impact of inflationary adjustments, and the dedicated infrastructure levy, will add \$78.63 to the Township portion of annual taxes for the average residential property owner.

A review of general levy increases across Region of Waterloo municipalities indicates a range of 1.90% to 4.69%, excluding special levies and infrastructure levies.

For every 1.0% increase in the general levy, an additional \$92,091 in funding is generated for Township services in 2022.

ATTACHMENTS: None