



**City of Hamilton**  
**GENERAL ISSUES COMMITTEE**  
**AGENDA**

**Meeting #:** 22-002  
**Date:** January 14, 2022  
**Time:** 9:30 a.m.  
**Location:** Due to the COVID-19 and the Closure of City Hall (CC)

All electronic meetings can be viewed at:

City's Website:  
<https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas>

City's YouTube Channel:  
<https://www.youtube.com/user/InsideCityofHamilton> or Cable 14

Stephanie Paparella, Legislative Coordinator (905) 546-2424 ext. 3993

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1. APPROVAL OF AGENDA	
2. DECLARATIONS OF INTEREST	
3. APPROVAL OF MINUTES OF PREVIOUS MEETING	
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## INFORMATION REPORT

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	January 14, 2022
<b>SUBJECT/REPORT NO:</b>	2022 Budget Overview (FCS22002) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Kayla Petrovsky (905) 546-2424 Ext. 1335 Duncan Robertson (905) 546-2424 Ext. 4744
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
<b>SIGNATURE:</b>	

### COUNCIL DIRECTION

N/A

### INFORMATION

At the General Issues Committee (GIC) meeting on October 6, 2021, Council approved the 2022 Budget Guidelines, Outlook and Process (Report FCS21057(a)). The 2022 Budget Overview (Report FCS22002) provides a summary of the 2022 Budget Process and Schedule. Preliminary budget information will be provided to GIC in a staff presentation.

The 2022 Budget Process incorporates the following components:

#### A. Tax Supported Capital Budget

The City of Hamilton's multi-year Capital Budget supports the City's planned investment in capital infrastructure and capital assets. The Tax Supported Capital Budget Financing Plan supports the ongoing capital financing required to maintain the City's capital infrastructure in a state-of-good-repair, support growth and economic development and term of Council priorities.

The 2022 Tax Supported Capital Budget (Report FCS21096) was approved by Council on December 15, 2021.

**SUBJECT: 2022 Budget Overview (FCS22002) (City Wide) – Page 2 of 3**

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**B. Rate Supported Budget**

The City of Hamilton's Rate Supported Operating Budget provides the cost and ongoing financial obligations to deliver water, wastewater and stormwater programs and services to ratepayers. The City of Hamilton's Rate Supported Capital Budget supports the City's investment in capital infrastructure and capital assets. The cost for water, wastewater and stormwater programs are almost entirely funded from user fees and, therefore, do not principally affect municipal property taxes.

The 2022 Recommended Water, Wastewater and Stormwater Budget (Report FCS20073) was approved by Council on November 24, 2021.

**C. Tax Supported Operating Budget**

The City of Hamilton's Tax Supported Operating Budget provides the costs and ongoing financial obligations to deliver programs and services to taxpayers.

The 2022 Budget Overview (Report FCS22002) is submitted for Council's consideration with the overview to be presented at GIC on January 14, 2022. This includes a preliminary budget book in the form of Appendix "A", 2022 Preliminary Tax Supported Operating Budget Report, which was released to Council and the public on December 20, 2021.

Included in the City's Tax Supported Operating Budget are budget requests for City and external Boards and Agencies. In preparation of the 2022 Preliminary Tax Supported Operating Budget Report, budget requests were included for amounts confirmed by the external board at the time of publishing (Hamilton Public Library, the Hamilton Farmers' Market, the City Enrichment Fund and the Municipal Property Assessment Corporation (MPAC)) while all others were assumed at the 2.0% increase guideline approved by Council.

All Boards and Agencies have now submitted their 2022 budget requests, which are provided in Appendix "B" to Report FCS22002. All stakeholders within Boards and Agencies, with the exception of the City Enrichment Fund and MPAC, will present their budgets at GIC on January 18 and 20, 2022.

**D. Tax Supported User Fees**

The City of Hamilton's User Fees represent charges to individual users of specific municipal services and are an integral part of the annual budget process. Revenue estimates for the current budget year are based on the fees contained in Report FCS21115, 2022 Tax Supported User Fees and are included in the Tax Supported Operating Budget.

The 2022 Tax Supported User Fees (Report FCS21115) were approved by Council on December 15, 2021.

Table 1 summarizes the schedule for upcoming budget meetings for the General Issues Committee.

**Table 1**

<b>ITEM</b>	<b>DATE</b>
Tax Supported Operating Budget Overview	January 14, 2022
Boards and Agencies Presentation	January 18 and 20, 2022
Departmental Budget Presentations	January 25, 26, 27, and February 4, 2022
Public Delegations	February 7, 2022
GIC Budget Deliberations	February 10, 22, 25 and March 1, 3, 2022
Council Budget Approval	March 30, 2022

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS22002 – 2022 Preliminary Tax Supported Operating Budget Report

Appendix “B” to Report FCS22002 – 2022 Operating Budget Information Package for City and External Boards and Agencies

DR/KP/dt



Hamilton

**PRELIMINARY**



# 2022 TAX SUPPORTED OPERATING BUDGET REPORT



# CONTENT

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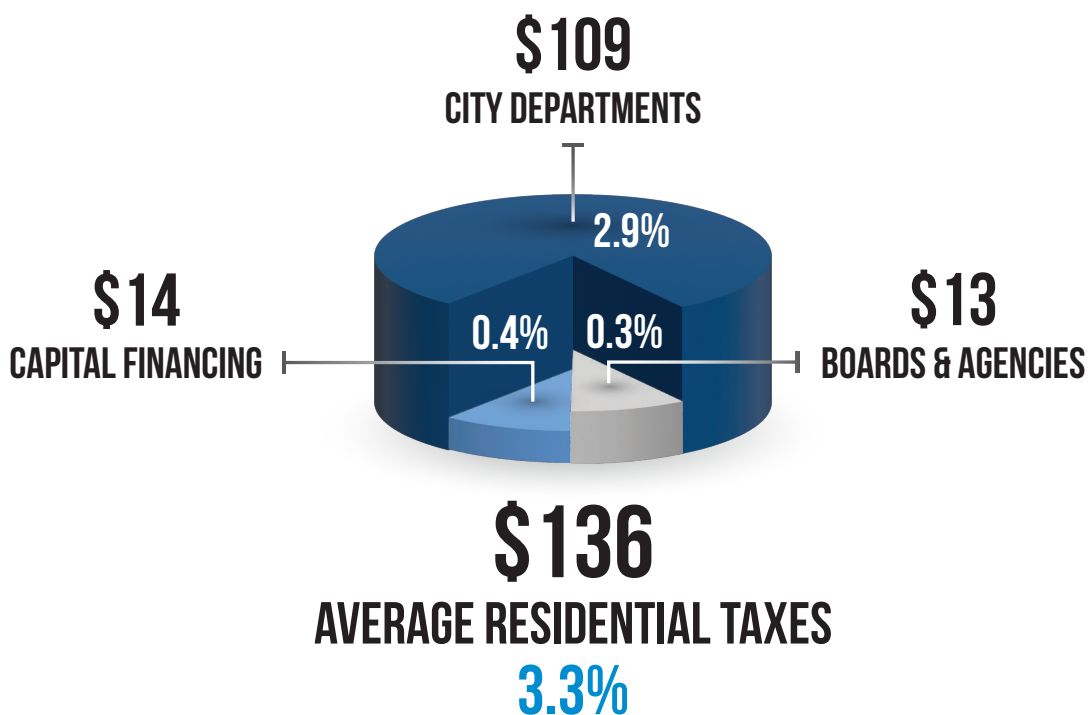


# 2022 TAX OPERATING BUDGET OVERVIEW

The City of Hamilton’s 2022 Preliminary Tax Supported Operating Budget is proposed at \$997M, representing an increase in the net tax levy of 4.5% or \$43M, which translates to an estimated average residential property tax increase of 3.3% or \$136 for the average residential property assessed at \$381,000. In setting the net tax levy, the City first considers all other revenue sources available to the municipality, such as user fees and subsidies from senior levels of government, and levies the remaining funds required to deliver services at a balanced budget in accordance with The Municipal Act, 2001.

The net levy increase of \$43M, or 4.5%, is the estimated cost required to continue service delivery for City Departments, Boards & Agencies and delivery of the 2022 Tax Supported Capital Budget, as well as to advance strategic priorities that were previously approved in 2021. An estimated assessment growth benefit of (1.0%), property class levy restrictions of 0.1%, estimated Education benefit of (0.3%) and no reassessment impact for 2022 reduces the initial levy increase of 4.5% to a total estimated average residential tax impact of 3.3%.

## 2022 MUNICIPAL PRELIMINARY TAX IMPACT FOR THE AVERAGE RESIDENTIAL PROPERTY TAX BILL



• Anomalies due to rounding • Assumes (1.0%) benefit for growth and no reassessment impact  
 • Average residential assessment: \$381,000 • Assumes (0.3%) benefit for Education impact



The 2022 Preliminary Tax Supported Operating Budget would result in an average residential tax impact of approximately 3.3%, which is required to support the delivery of all City provided services, the City's Strategic Plan and the City's vision to be the best place to raise a child and age successfully. The recommended levy increase includes inflation and non-discretionary contractual increases required to maintain services at current levels, as well as strategic investments and service continuity for services that continue to be affected by changes in Provincial Funding Agreements:

- **Multi-Modal Transportation, Equity Diversity & Inclusion (EDI) and Climate Change:** The 2022 budget includes significant investment in Transit Services to support Council's multi-modal transportation strategic goals and the implementation of year six of the 10-Year Local Transit Strategy. Council approved enhancements to the level of service for sidewalk snow removal along bus routes on April 28, 2021 through Report PW19022(c) to promote equitable access to public transit. In addition to working towards the multi-modal transportation and EDI goals, these investments help to support the City's climate action goals and move towards a net zero municipality.
- **Affordable Housing and Homelessness:** Strategic investments for 2022 include additional contributions to the Rent Remy Program, loan repayments for the Canadian Mortgage Housing Corporation National Housing Strategy Co-Investment Fund, continuation of the Roxborough Housing Incentive Program (RHIPP) and ensuring continuity of service by providing the required increases in benchmark funding and replacing decreased revenues from Federal subsidy. As detailed in Report HSC20020(d), the City of Hamilton is committed to continue building on COVID-19 emergency supports to a more responsive, resilient, sustainable and housing-focused homeless serving system. The expenses for the operation of isolation services, drop-ins and hotel rooms for expanded temporary sheltering have been included in the 2022 Preliminary Budget with dedicated funding up to March 31, 2022.

- **Fiscal Health and Financial Management:** A key priority of the annual budget process is to ensure appropriate and financially sustainable investment in asset replacement to ensure infrastructure is maintained in a state-of-good-repair. The 2022 Preliminary Budget includes a net levy increase of 0.5% (\$4.8M) dedicated to asset renewal to support sound stewardship of existing assets by providing sufficient funding to maintain the desired condition and service levels of critical infrastructure. Additionally, through the 2022 Tax Supported Capital Budget deliberations, Council approved a 0.15% net levy increase for debt servicing requirements related to the Investing in Canada Infrastructure Program – Transit Stream and West Harbour strategic initiatives. It is important to increase the capital levy in direct proportion to the increase in debt servicing requirements at a minimum in order to maintain the ratio between City own source revenues and annual debt obligations so that the City’s AA+ credit rating is maintained.
- **Provincial Funding:** Changes in Provincial Funding Agreements continues to represent a significant budget pressure for 2022. The funding for mandatory programs and the mitigation funding received is based on 2018 expenses. Even with the one-time mitigation funding for Public Health in 2022, the Ministry of Health funding will only be approximately 70% of total costs as a result of cost increases since 2018. In 2022, the transition funding for Children’s Services comes to an end, as well as the long-standing High Wage Transition Funding for Long-Term Care and the Household Hazardous Waste Program. In order to ensure service continuity, the City of Hamilton has absorbed the \$2.6M of lost annual funding for these programs.

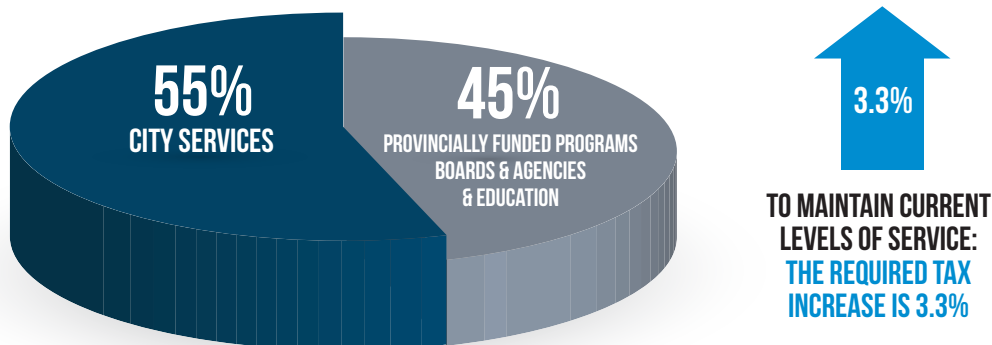
The COVID-19 pandemic response will continue to have many financial pressures on City services in 2022 including the loss of revenue from transit operations and recreation user fees, as well as, increased costs for Public Health response and vaccination programs and emergency shelters for housing the community’s most vulnerable. The City has some capacity to fund the forecasted pressures through previous funding announcements from senior levels of government and eligibility to carry funds into 2022. However, there have been no announcements related to continued funding to address pressures specifically related to 2022 operations and the City’s forecast currently exceeds total funding available.

In development of the 2022 Preliminary Tax Operating Budget, staff have assumed that all pressures related to COVID-19 will be funded from senior levels of government. It is essential that the City continue to pursue advocacy efforts with other municipal partners for relief funding and potential economic stimulus funding programs to address the shortfall.

Property taxes support City Services, as well as Provincially Funded Programs, such as Public Health and Ontario Works, Boards and Agencies, such as the Hamilton Police Service and Conservation Authorities, and Education. City Services make up approximately 55% of the total property tax bill. Tax supported City Services are largely comprised of roads, sidewalks and streetlighting operations and maintenance, waste management services, parks operations and maintenance, fire services, transit services and recreation services.

An average residential tax impact of 3.3% is required to maintain current levels of service including pre-approved and legislated service level impacts. City Council has the legislated authority over approximately 55% of the total budget. Provincially Funded Programs, Boards and Agencies and Education are either governed by authorities other than City Council or are supported through Funding Agreements that limit City Council’s ability to affect the overall tax rate by changes to these programs. Therefore, in order to maintain the current 2021 tax rate, City Services would require service level reductions of 5.8% to mitigate the estimated 3.3% overall tax impact.

## 2022 PROPERTY TAX BREAKDOWN



**0%**  
 TO MAINTAIN 2021 TAX LEVY:  
 CITY COUNCIL HAS FULL CONTROL TO  
 REDUCE OR ADJUST SERVICE LEVELS  
 THAT MAKE UP 55% OF THE TAX LEVY

**5.8%**  
 5.8% SERVICE LEVEL  
 REDUCTION IN CITY SERVICES:  
 IS REQUIRED TO MAINTAIN THE  
 CURRENT TAX RATE

### CITY SERVICES

-  ROADS, SIDEWALKS AND STREETLIGHTING
-  TRANSIT
-  WASTE MANAGEMENT
-  RECREATION
-  PARKS
-  PLANNING AND ECONOMIC DEVELOPMENT
-  FIRE SERVICES

# 2022 TAX SUPPORTED OPERATING BUDGET

## BUDGET PROCESS

The 2022 Preliminary Tax Supported Operating Budget is a collaborative process undertaken by City staff throughout 2021. The Tax Supported Operating Budget is one component of the City's overall annual budget and supports the delivery of all the City's services with the exception of Water, Wastewater and Stormwater services, which are supported through rate revenues. Both the tax and rate supported service groups have infrastructure and facility requirements that are funded by their respective capital budgets. The 2022 Rate Supported Operating and Capital Budget and the 2022 Tax Supported Capital Budget were submitted separately for Council's consideration on November 22, 2021 and November 26, 2021 respectively. The 2022 Tax Supported User Fees were submitted for Council's consideration on December 8, 2021.

The 2022 Preliminary Tax Supported Operating Budget overview will be presented to the General Issues Committee (GIC) on January 14, 2022 and the Departmental presentations will begin on January 25, 2022. The deliberation process and final budget approval is expected to be completed by late March 2022.

City Council amended the budget directions in deliberation of the 2022 Budget Guidelines, Outlook and Process Report FCS21057(a) with the following recommendations:

- a. That City Departments be directed to prepare the 2022 Tax Operating Budget at an increase required to maintain current service levels with a 2% guideline and report back through the 2022 budget process;
- b. That staff be directed to increase user fees at the rate of inflation and that any user fee increases below the guideline be forwarded for consideration with appropriate explanation;

- c. That Boards and Agencies be directed to prepare their 2022 Tax Operating Budget submissions at an increase required to maintain current service levels with a 2% guideline and that any increase beyond the guideline be forwarded for consideration with appropriate explanation;
- d. That staff be directed to prepare the 2022 Tax Capital Budget with a 0.6% municipal tax levy increase for capital financing of discretionary block funded projects and debt servicing requirements for the Investing in Canada Infrastructure Program – Transit Stream and West Harbour Redevelopment strategic initiatives;
- e. That staff be directed to prepare the 2022 Rate Supported Budget at a rate increase required to maintain current service levels and priority infrastructure;
- f. That the Mayor provide correspondence to the local MPs and MPPs thanking senior levels of government for past and continued support in navigating through the COVID-19 pandemic; and,
- g. That staff be directed to enhance the public delegation opportunity to the 2022 Budget by adding a date between Feb 10th to March 3rd, 2022.

The 2022 Preliminary Tax Operating Budget was prepared in consideration of this direction while also balancing requirements with the following principles:

## COUNCIL REFERRED ITEMS

Items that Council has referred by motion or through the approval of staff recommendations to the 2022 Tax Supported Operating Budget process will be vetted at GIC through deliberations in February 2022. There are currently no Council Referred Items included in the preliminary budget totals – these items are included in Appendix 6 “Council Referred Items”.

## BUSINESS CASES

Business Cases can be found in Appendix 7 “Business Cases”. The proposal of new revenue, request for additional resources to deliver services or any recommended changes to staffing levels are summarized in business cases for Council’s consideration. These items are not included in the preliminary budget totals.

## MULTI-YEAR BUDGETS

Multi-Year budgeting strengthens the link between budgeting and strategic priorities and enables Council to implement a multi-year vision, assessing the long-term financial implications of current and proposed Operating and Capital Budgets, budget policies, investment policies, tax policies and assumptions.

A three-year outlook for 2023-2025 is summarized in Appendix 8 “Multi-Year Outlook” for the City. Three-year outlooks for 2023-2025 will also be presented by the General Managers during their departmental budget presentations. Making the multi-year budgets more prominent will assist towards approval in principle of these budgets in the upcoming years.

## BUSINESS PLANS

Multi-year business planning serves as a roadmap for municipalities to ensure Council’s priorities, as outlined in the City’s Strategic Plan, are converted into action. Each City department prepares multi-year business plans to identify and align departmental and divisional initiatives to the City’s vision “to be the best place to raise a child and age successfully,” with the Strategic Plan front and centre. The City does not have the financial resources or the organizational capacity to do everything at once. By establishing our priorities, creating achievable initiatives, and tracking progress with meaningful performance measurement, the City will realize its mission of providing high quality, cost conscious public service that contributes to a healthy, safe and prosperous community.

Departmental and divisional initiatives are communicated during the departmental budget presentations as well as summarized in the Corporate Plan. The Corporate Plan is issued upon approval of all three budgets: Rate Supported Operating and Capital, Tax Supported Capital and Tax Supported Operating.

## 2022 CONSOLIDATED BUDGET

Table 1 highlights the consolidated gross expenditure preliminary budgets for the City combining Tax and Rate supported services:

Table 1

<b>2022 Preliminary Consolidated City Budget</b>			
<b>Gross Expenditures</b>			
(\$000's)	Rate	Tax	Total
<b>Operating</b>	257,851	1,473,384	1,731,235
<b>Capital</b>	310,436	386,102	696,538
<b>Total</b>	<b>568,287</b>	<b>1,859,485</b>	<b>2,427,772</b>
Note: Does not include Council Referred Items or Business Cases			

This document provides detailed information in respect of the 2022 Preliminary Tax Supported Operating Budget. As mentioned, the 2022 Rate Supported Operating and Capital Budget and the 2022 Tax Supported Capital Budget were submitted separately for Council’s consideration on November 22, 2021 and November 26, 2021 respectively.

During the 2021 Tax Supported Operating Budget process, staff prepared a 2022 - 2024 Multi-year Outlook based on assumptions and known increases. The initial Outlook for 2022 was a projected levy increase of \$37.7M and a 3.4% tax increase. Based on updated information, the initial projection has been revised to a levy increase of \$42.9M and a 3.3% tax increase. The 2022 Preliminary Tax Supported Operating Budget, as submitted, does not include any measures that would adversely impact programs and services.

### 2022 PRELIMINARY TAX SUPPORTED OPERATING BUDGET - TAX IMPACT

The submitted 2022 Preliminary Tax Supported Operating Budget requires a levy increase of \$42.9M. This increase would result in an estimated average residential tax increase of 3.3% or \$136 for the average residential home assessed at \$381,000.

Table 2 highlights the tax increase by major component:

Table 2

2022 Average Residential Tax Impact (Per \$381,000 Current Value Assessment)				
	2021	2022	\$	%
Municipal Taxes				
City Departments	\$ 2,527	\$ 2,636	\$ 109	2.9%
Boards & Agencies	\$ 875	\$ 888	\$ 13	0.3%
Capital Financing	\$ 373	\$ 387	\$ 14	0.4%
<b>Municipal Taxes</b>	<b>\$ 3,775</b>	<b>\$ 3,911</b>	<b>\$ 136</b>	<b>3.6%</b>
Education Impact				(0.3%)
<b>Total Average Residential Tax Impact</b>				<b>3.3%</b>

Notes:

- 1) Anomalies due to rounding
- 2) Assumes growth benefit of (1.0%). The final tax roll from MPAC will be confirmed in February 2022
- 3) Assumes 0% for 2022 reassessment as announced by the Province
- 4) Assumes no Tax Policy impacts for Small Business subclass in 2022
- 5) Assumes levy restriction impact of 0.01% based on historical trends
- 6) Assumes 0.3% benefit for Education based on historical trends. The final education impact will be confirmed in February 2022



As indicated in Table 2, the tax impact attributable to City departments is about 2.9%. The Boards and Agencies tax impact is 0.3%, subject to any changes that may occur through the deliberation of the budgets submitted by the various Boards and Agencies. Currently, the budgets for Boards and Agencies assume a 2.0% net levy increase, with the exception of Hamilton Public Library, Hamilton Farmer’s Market and the City Enrichment Fund which have been included at their respective budget submissions, in line with the Council directed target approved on October 13, 2021. An increase of 0.65% to the Capital Levy has been included as approved through the 2022 Tax Supported Capital Budget deliberations and Report FCS21096 on December 15, 2021. Additional details can be found in the “Summary” section of the Report.

Also submitted are any applicable Council Referred Items and Business Cases to be considered during the budget process. If approved as submitted, the Council Referred Items and Business Cases will add 0.02% and 0.16% to the tax impact respectively, resulting in a total combined impact of 0.18%.

City of Hamilton residents in all communities pay the same rate for general City services, such as police, public health, roads, waste management, libraries, parks and City administration.

Area rating is a municipal property taxation policy tool intended to account for either significant differences in service levels or differences in the cost of providing services across different parts of the City (Municipal Act, 2001, Section 326).

The current area rating model has been in effect since it was approved in 2011. In order to ensure that the area rating methodology aligns with the projected growth and related service delivery strategies and to respond to specific Council direction (sidewalk snow removal), staff are conducting a review of the following area rated services:

- Fire;
- Sidewalk snow removal;
- Parkland purchases; and,
- Recreation.

Preliminary findings of the area rating review, proposed changes and options will be presented in January 2022. Final recommendations will be presented by mid-February / early March 2022 in order to be included in the total tax impact to be approved by Council as part of 2022 budget deliberations.



## 2022 PRELIMINARY TAX SUPPORTED OPERATING BUDGET - SUMMARY

The 2022 Preliminary Tax Supported Operating Budget identifies a levy requirement of \$997.4M, which represents an increase of \$42.9M, or 4.5%, over 2021. An estimated assessment growth benefit of (1.0%), no reassessment impact, property class restrictions of 0.1%, and an education benefit of (0.3%) reduce the projected average residential tax impact to 3.3%.

The 2022 Preliminary Tax Supported Budget is detailed in Table 3. The projected costs to maintain current service levels (Maintenance Budget) is \$15.5M for City departments or approximately 36% of the total projected net levy increase. The Maintenance Budget results in an average residential property tax increase of approximately 0.4%. Other strategic investments in the 2022 Preliminary Tax Supported Operating Budget total \$27.4M and account for the remainder of the estimated tax increase to arrive at the projected 3.3%. The majority of the budget pressures are comprised of enhancements and service level adjustments with significant planned and pre-approved investments in capital infrastructure, transit and housing. Additional detail on the 2022 Preliminary Tax Supported Budget is provided in Appendix 1 “Net Levy Summary”, Appendix 2 “Gross and Net Expenditures Summary” and Appendix 3 “Cost Category Summary”.

Table 3

(\$000's)	2021	2022			Change			
	Restated	Maintenance	Strategic Priorities	Preliminary	Maintenance vs. Restated		Preliminary vs. Restated	
City Departments	583,674	594,693	21,250	615,942	11,019	1.9%	32,268	5.5%
Boards & Agencies	231,203	235,733	-	235,733	4,530	2.0%	4,530	2.0%
Capital Financing*	139,542	139,490	6,198	145,688	(52)	0.0%	6,146	4.4%
<b>Total Levy Requirement</b>	<b>954,419</b>	<b>969,916</b>	<b>27,448</b>	<b>997,363</b>	<b>15,497</b>	<b>1.6%</b>	<b>42,945</b>	<b>4.5%</b>
Assessment Growth						(1.0%)		(1.0%)
Reassessment						0.0%		0.0%
Levy Restrictions						0.1%		0.1%
Tax Policy						0.0%		0.0%
Education Impact						(0.3%)		(0.3%)
<b>Total Average Residential Tax Impact</b>						<b>0.4%</b>		<b>3.3%</b>

\* Capital Financing includes the Area Rating Special Capital Reinvestment provision allocated to the pre-amalgamated City of Hamilton through the Tax Operating Budget

### City Departments

The 2022 Preliminary Tax Supported Operating Budget for City Departments is proposed at a \$32.3M increase, or 5.5%. This contributes to the average residential tax increase by 2.9% or \$109 for the average home assessed at \$381,000. The preliminary budget includes all costs required to continue the delivery of services provided by the City of Hamilton, as well as strategic investments to advance the Term of Council priorities. Throughout the Budget Process, City staff, in consultation with Council, investigate all grants and other revenues available to municipalities, as well as generate efficiencies in service delivery and operations in an effort to reduce the impact on taxes. Table 4 provides a breakdown of the \$32.3M increase for City Departments, as well as the overall net levy increase of \$42.9M.

Table 4

(\$000's)	2021	2022	Change	
	Restated	Preliminary	Preliminary vs. Restated	
Planning and Economic Development	30,390	30,980	590	1.9%
Healthy and Safe Communities	255,190	268,870	13,681	5.4%
Public Works	266,574	279,668	13,094	4.9%
Legislative	5,171	5,285	113	2.2%
City Manager	13,022	13,616	594	4.6%
Corporate Services	37,673	38,381	708	1.9%
Corporate Financials / Non Program Revenues	(28,383)	(25,046)	3,337	-11.8%
Hamilton Entertainment Facilities	4,037	4,188	151	3.7%
<b>Total City Expenditures</b>	<b>583,674</b>	<b>615,942</b>	<b>32,268</b>	<b>5.5%</b>
Hamilton Police Services	176,587	180,153	3,566	2.0%
Other Boards and Agencies	48,528	49,492	964	2.0%
City Enrichment Fund	6,088	6,088	-	0.0%
<b>Total Boards and Agencies</b>	<b>231,203</b>	<b>235,733</b>	<b>4,530</b>	<b>2.0%</b>
Capital Financing	139,542	145,688	6,146	4.4%
<b>Total Levy Requirement</b>	<b>954,419</b>	<b>997,363</b>	<b>42,945</b>	<b>4.5%</b>
Assessment Growth				(1.0%)
Reassessment				0.0%
Levy Restrictions				0.1%
Tax Policy				0.0%
Education Impact				(0.3%)
<b>Total Average Residential Tax Impact</b>				<b>3.3%</b>

Table 5 summarizes the individual maintenance items that are having a significant impact in the City departments. Additional information on City department budgets can be found in Appendix 5 “Departmental Budget Summaries”.

Table 5

<b>Budget Drivers - Maintenance</b>	
(\$000's)	2022 Budget Impact
Salaries, Wages and Benefits (net of Funding Agreements)	14,887
Contributions to Reserves	2,194
Curbside Waste Collection	1,969
Social Housing Provider Benchmarks	1,780
Fuel and Energy	750
Recycling Processing & Transfer Station / Community Recycling	540
Tim Hortons Field Contractual Agreement	487
PRESTO Operating Agreement	381
Confederation Park Contractual Agreement	165
User Fees	(7,206)
Miscellaneous	(450)
<b>Total Maintenance</b>	<b>15,497</b>

- **\$14.9M** for employee related expenses, primarily salaries, wages and benefits comprise approximately 45% of the City’s gross operating expenses excluding Boards & Agencies. The net increase of \$14.9M is due to contractual settlements, cost of living adjustments (COLA) of 1.60%, increases in premiums for employer provided benefits, Canada Pension Plan, Employment Insurance and Workers’ Safety and Insurance Board and the annualization of staffing changes approved in the 2021 Tax Supported Operating Budget such as the ambulance enhancement to Paramedic Services;
- **\$2.2M** in additional contributions to reserves for inflationary pressures related to vehicle and fleet replacement. It is important to ensure that contributions to capital reserves increase in line with inflation in order to meet long-term asset replacement obligations;

- **\$2.0M** has been included as a budget pressure for year two of the curbside waste collection contract negotiated in late 2020;
- **\$1.8M** pressure related to Provincial benchmarks for Social Housing providers. The benchmark increases are largely driven by substantial year-over-year increases in hydro, fuel and insurance.
- **\$0.8M** net inflationary pressure for energy and fuel. The 2022 Preliminary Tax Operating Budget includes a \$0.4M contribution from the Tax Stabilization Reserve to offset perceived one-time fluctuations in current market rates for fuel. The net pressure of \$0.8M reflects the estimated ongoing pressure;
- **\$0.6M** in additional expenditures is projected for the recycling facility processing and Transfer Stations / Community Recycling Centres contracts, which reflect 2% inflationary increases, as well as a 4% increases due to volume;
- **\$0.5M** in contractual obligations for Tim Hortons Field;
- **\$0.4M** forecasted pressure in the PRESTO Operating Agreement based on current user estimates;
- **\$0.2M** in contractual pressures for Confederation Beach Park related to insurance and the increase in seasonal wages;
- **(\$7.2M)** in additional revenues from user fees based on the fees contained in the 2022 Tax Supported User Fees Report (FCS21115) ratified by Council on December 15, 2021. User fees were increased at the rate of inflation in accordance with the Council approved guideline; and,
- **(\$0.5M)** in net reductions for all other items as a result of efficiencies realized in the review of all City provided services.

The 2022 Preliminary Tax Supported Operating Budget also includes strategic investments that advance Term of Council priorities that were previously approved through Strategic or Master Plans or other in-year staff reports. The Strategic Priorities impacting the 2022 budget are highlighted in Table 6.

Table 6

<b>Strategic Priorities</b>	
(\$000's)	2022 Budget Impact
<b>Fiscal Health and Financial Management</b>	<b>10,427</b>
Capital Levy Increase	6,198
Insurance	2,829
Area Rating for Fire Services	1,400
<b>Multi-Modal Transportation, EDI and Climate Change</b>	<b>5,370</b>
10-Year Local Transit Strategy	4,144
Sidewalk Snow Clearing	936
Equity, Diversity and Inclusion Roadmap and Implementation	290
<b>Affordable Housing and Homelessness</b>	<b>4,362</b>
Rent Ready Program	1,483
National Housing Strategy	1,264
Subsidy for Social Housing Providers - Federal "Gazette" funding	1,215
Roxborough Housing Incentive Program	400
<b>COVID-19 Resilience</b>	<b>1,281</b>
Macassa Lodge Redevelopment	900
Area Rating for Parkland Purchases	381
<b>Operating Impacts from Capital</b>	<b>3,372</b>
Information Technology	1,121
Forestry, Parks and Open Space	666
Hamilton Fire Department	463
Recreation	250
West Harbour & Waterfront Strategic Initiative	190
Multi-Modal Transportation	180
Hamilton Paramedic Service	177
Roads	74
Others	251
<b>Provincial Funding</b>	<b>2,635</b>
Public Health Services - Provincial Funding Agreement	2,025
Children's Services - Provincial Funding Agreement	206
Long-Term Care - High Wage Transition Funding	202
Waste Management - Household Hazardous Waste Program	202
<b>Total Strategic Priorities</b>	<b>27,448</b>

(\*) Anomalies due to rounding

- **Fiscal Health and Financial Management (\$10.4M):** as approved through the 2022 Tax Supported Capital Budget (Report FCS21096), the operating budget includes a \$4.8M increase in the Capital Levy for discretionary block funding for the dedicated purpose of asset rehabilitation, as well as an additional \$1.4M for annual debt repayments related to ICIP – Transit and West Harbour investments. The 2022 budget also reflects the phase-in for the impact of rural fire area rating (\$1.4M). The phase-in was approved through the 2021 budget process on May 12, 2021 in order to soften the immediate impact in the 2021 budget;
- **Multi-Modal Transportation, Equity Diversity and Inclusion, and Climate Change (\$5.4M):** the proposed 2022 budget includes the financial impact of year 6 of the implementation of the 10-Year Local Transit Strategy (\$4.1M), as well as the sidewalk snow clearing enhancement along bus routes that was approved by Council on April 28, 2021. The total cost of the enhancement is estimated at \$4.4M annually with an impact of \$0.9M in 2022 and \$3.5M in 2023. As approved through Report HUR19019(b), the 2022 budget includes \$0.3M for the Equity, Diversity and Inclusion Roadmap and Implementation Plan;
- **Affordable Housing and Homelessness (\$4.4M):** Strategic investments for 2022 include additional contributions to the Rent Ready Program (\$1.5M), loan repayments for the Canadian Mortgage Housing Corporation National Housing Strategy Co-Investment Fund (\$1.3M), continuation of the Roxborough Housing Incentive Program (\$0.4M) and ensuring continuity of service by replacing decreased revenues from Federal subsidy (\$1.2M). Further to the investments impacting the net levy in 2022, the City of Hamilton is committed to continue building on COVID-19 emergency supports to a more responsive, resilient, sustainable and housing-focused homeless serving system, as detailed in Report HSC20020(d). The expenses for the operation of isolation services, drop-ins and hotel rooms for expanded temporary sheltering have been included in the 2022 Preliminary Budget with dedicated funding up to March 31, 2022.
- **COVID-19 Resilience (\$1.3M):** through Report HSC20050(b), Council approved the financing plan for the redevelopment of Macassa Lodge. The total project cost of \$27.8M was funded through a \$19.3M loan from the Unallocated Capital Levy Reserve, \$7.3M from development charges and \$1.3M from grants from the Ministry of Long-Term Care. A \$0.9M pressure has been included in the 2022 budget, representing the first annual loan repayment to the Unallocated Capital Levy Reserve. The Macassa Lodge redevelopment is a 20 bed addition, as well as the enhancement of 44 beds from 2-person rooms to single occupancy. The 2022 budget also includes \$0.4M for loan repayments related to additional park space that was purchased in response to rising demand for outdoor recreation space;
- **Operating Impacts from Capital (\$3.4M):** the budget includes \$3.4M of operating impacts for approved capital projects through the 2021 Capital Budget (Report FCS20101), as well as, operating impacts that were previously approved but deferred to 2022. The \$3.4M budget pressure includes the addition of 13.3 full-time equivalent staff positions;



- Provincial Funding Agreements (\$2.6M):** changes in Provincial Funding Agreements continues to represent a significant budget pressure for 2022. The funding for mandatory programs and the mitigation funding received is based on 2018 expenses. Even with the one-time mitigation funding for Public Health in 2022, the Ministry of Health funding will only be approximately 70% of total costs as a result of cost increases since 2018. In 2022, the transition funding for Children's Services comes to an end, as well as the long-standing High Wage Transition Funding for Long-Term Care and the Household Hazardous Waste Program. In order to ensure service continuity, the City of Hamilton has absorbed the \$2.6M of lost annual funding for these programs.

### Boards & Agencies

The 2022 Boards and Agencies budget is projected to increase by \$4.5M or 2.0% (excluding capital financing), which represents a tax impact for the average residential property of 0.3% or \$13 for the average home assessed at \$381,000. Table 6 summarizes the Boards and Agencies budgets.

Table 7

2022 Boards & Agencies Preliminary Budgets (\$000's)					
Board/Agency	2021	2022 NET		Change	
	Budget	Preliminary		\$	%
	Net \$	Budget \$			
Conservation Authorities	\$ 8,460	\$ 8,627	\$ 167	2.0%	
MPAC	\$ 6,980	\$ 6,980	\$ -	0.0%	
Hamilton Beach Rescue Unit	\$ 132	\$ 134	\$ 3	2.0%	
Hamilton Farmers' Market	\$ 115	\$ 242	\$ 127	110.6%	
Royal Botanical Gardens	\$ 647	\$ 660	\$ 13	2.0%	
Hamilton Police Services	\$ 175,352	\$ 178,884	\$ 3,532	2.0%	
Hamilton Public Library	\$ 32,028	\$ 32,682	\$ 654	2.0%	
City Enrichment Fund	\$ 6,088	\$ 6,088	\$ -	0.0%	
<b>Total for Above Items</b>					
<i>excluding Capital Financing</i>	<b>\$ 229,802</b>	<b>\$ 234,298</b>	<b>\$ 4,496</b>	<b>2.0%</b>	

The budget pressure for the Hamilton Police Service of \$3.5M is based on Council's directed target levy increase of 2.0%. The Hamilton Police Service budget submission will be presented to the Police Services Board in December 2021. Any increase beyond the 2.0% guideline will be presented to the General Issues Committee for consideration with an appropriate explanation in January 2022. The Hamilton Public Library has submitted a budget within the 2.0% guideline at a \$0.7M (2.0%) increase from 2021 for consideration of the General Issues Committee.

Similar to the Hamilton Police Service, Conservation Authorities, Hamilton Beach Rescue Unit and the Royal Botanical Gardens operating budgets have been included at Council’s guideline of a 2.0% increase. Any increase beyond the 2.0% guideline will be presented to the General Issues Committee for consideration with an appropriate explanation in January 2022. The Municipal Property Assessment Corporation (MPAC) budget has been confirmed at a zero increase for 2022. The Hamilton Farmers’ Market and City Enrichment Fund budgets have been included at their requested increases for General Issues Committee consideration.

All stakeholders within Boards and Agencies, with the exception of the City Enrichment Fund and the MPAC, will present their budgets at General Issues Committee on January 18th and 20th, 2022. Additional budget information can be found in Appendix 5 “Departmental Budget Summaries - Other Programs”.

**Capital Financing**

The operating budget portion of the 2022 Tax Supported Capital Budget is increasing by \$6.2M representing a net tax impact of 0.4% (or \$14) for the average residential property assessed at \$381,000 after considering assessment growth. Table 8 outlines the components contributing to the additional investment.

Table 8

<b>Capital Financing</b>		
	<b>2022</b>	
	<b>Change (\$000's)</b>	<b>Net Levy %</b>
Capital Tax Levy - Discretionary Blocks	4,800	0.5%
Investing in Canada Infrastructure Program - Transit	1,024	0.1%
West Harbour Strategic Initiatives	374	0.0%
Internal Loan Repayments	(18)	0.0%
<b>Total</b>	<b>6,180</b>	<b>0.6%</b>

A \$4.8M increase (0.50% net levy increase) to the Capital Levy has been included in 2022 to fund discretionary block funded projects as approved by Council on December 15, 2021 through Report FCS21096. In addition, debt financing requirements have resulted in a further net levy increase of \$1.2M, or 0.15%, for the debt related financing of the municipal share for the Investing in Canada Infrastructure Program ICIP – Public Transit Stream and West Harbour strategic initiatives.

The 2022 Tax Supported Capital Budget was presented to Council for consideration on November 26, 2021. The City of Hamilton’s 2022 Tax Supported Capital Budget and 10-year Tax Supported Capital Program supports the City’s Strategic Plan and Long-Term Capital Financing Plan. The approved 2022 Tax-Supported Capital Projects align with the following City objectives:



- Maintaining existing assets in a state-of-good-repair and a commitment to asset stewardship best practices;
- Resiliency and economic recovery in response to the COVID-19 global pandemic;
- Leveraging funding programs from senior levels of government for transit, culture and recreation, affordable housing, disaster mitigation and adaptation, long-term care and climate change initiatives;
- Continuation of year six of the 10-Year Local Transit Strategy, as well as, other commitments to support multi-modal transportation options across the municipality;
- Providing affordable housing and capacity building across the community; and
- Supporting integrated growth and development to ensure long-term sustainability and opportunities for residential and business development in the City.

## COVID-19 ECONOMIC RECOVERY AND FINANCIAL PRESSURES

The COVID-19 pandemic has resulted in many changes affecting human behavior and impacting the world's economic condition. Municipalities were hit particularly hard as they managed service continuity for essential services and infrastructure during the lockdown period. While financial pressures for municipalities in 2020 and 2021 are expected to be fully mitigated through the historic Safe Restart Agreement, Social Services Relief Fund and many other funding announcements, it is anticipated that health risks will continue to remain on an ongoing basis and economic activity is not expected to return to pre-COVID-19 levels beyond 2021.

As the economy reopens, municipalities will play a crucial role in implementing public health safeguards and community support for the most vulnerable. It is essential that municipalities continue to provide service continuity for front-line workers and to play a key role in local economic recovery through rebuilding growth and providing stimulus.

The City will continue to face many financial pressures in 2022 including the loss of revenue from transit operations and recreation user fees, as well as, increased costs for Public Health response and vaccination programs and emergency shelters for housing the most vulnerable. In accordance with existing funding agreements, the City will have approximately \$38.2M in remaining eligible funds that can be carried over into 2022 to address its COVID-19 related financial pressures, as well as reasonable assurance that the Ministry of Health will continue fund the response and vaccination programs dollar for dollar. However, there have been no announcements related to continued funding to address pressures in 2022 and the City's forecast currently exceeds total funding available.

Based on current information, staff project financial pressures of \$92.9M in 2022 related to the COVID-19 pandemic. It is forecasted that the City of Hamilton will have \$38.2M remaining in eligible funds from the Safe Restart Agreement – Transit, Social Services Relief Fund and Recovery Funding for Municipalities Program to address ongoing pressures. The 2022 Preliminary Tax Operating Budget assumes that all pressures related to COVID-19 will be funded from senior levels of government and staff will continue to pursue advocacy efforts for relief funding and potential economic stimulus funding programs to address the shortfall.

Table 9 provides a breakdown of the financial pressures related to the COVID-19 pandemic projected in 2022.

<b>COVID-19 Financial Pressures (\$000's)</b>	
<b>Department</b>	<b>2022 Fore cast</b>
Planning and Economic Development	4,700
Healthy and Safe Communities	79,929
Public Works	5,681
Corporate Financials and Non-Program Revenues	2,600
<b>Subtotal</b>	<b>92,910</b>
Safe Restart Agreement - Transit	(4,495)
Recovery Funding for Municipalities Program	(16,780)
Social Services Relief Fund	(16,900)
Ministry of Health	(46,158)
Uncommitted (City of Hamilton Reserves)	(8,577)
<b>Net Levy Impact</b>	<b>-</b>

## STAFF COMPLEMENT

The 2022 Preliminary Tax Supported Operating Budget is submitted with a staff complement net increase of 73.8 full-time equivalent staff positions (FTE), excluding Boards and Agencies, compared to the 2021 Restated Complement. Table 10 illustrates the changes from 2021.

Table 10

<b>2022 Preliminary Complement (FTE) (exclusive of Boards &amp; Agencies)</b>		
		<b>Change</b>
<b>2021 Approved</b>	<b>5,886.6</b>	
<b>2021 Restated</b>	<b>5,892.0</b>	<b>5.4</b>
<b>Impacts from Capital</b>		<b>13.3</b>
<b>Other Complement Change</b>		<b>60.5</b>
<b>2022 Preliminary</b>	<b>5,965.8</b>	<b>73.8</b>

\* - Anomalies due to rounding

The difference of 5.4 FTE between the 2021 Approved and 2021 Restated is the result of additional positions added in-year through Reports PED21151 and BOH21010, as well as the annualization of previously approved operating impacts of capital.

The total increase of 73.8 FTE in the 2022 submission is inclusive of 13.3 FTE for operating impacts of previously approved capital works, 43.0 FTE for the implementation of year 6 of the Ten-Year Local Transit Strategy, 5.0 FTE for property and liability insurance approved through Report LS21027, 4.0 FTE for the Rental Housing Pilot Project approved through Report PED21097/LS21022, and 2.0 FTE for the Equity, Diversity and Inclusion Framework approved through Report HUR19019(b).

A detailed complement summary is provided in Appendix 4 “Complement Summary”, which includes footnotes explaining the changes in staff complement. Departmental presentations to GIC will provide additional information with respect to complement changes.

## COUNCIL REFERRED ITEMS & BUSINESS CASES

Not included in the 2022 Preliminary Tax Supported Operating Budget are any items that were considered at Council via staff report or Councillor’s Motion and referred to the budget process for further discussion. Business Cases submitted by departments for Council’s consideration have also been excluded from the preliminary budget.

There are currently six Council Referred Items included in Appendix 6 “Council Referred Items” for Council’s consideration with a net impact of \$0.2M or 0.02% tax impact. Any items that are referred to the budget process in the coming weeks will be compiled and added to an appendix to the 2022 Tax Supported Operating Budget – Recommendations Report and discussed during deliberations at GIC in February, 2022.

All Business Cases submitted for Council’s consideration in the 2022 Budget Process have been included in Appendix 7 “Business Cases”. There are a total of eleven submissions representing a net levy increase of \$1.2M and 27.80 FTE. If approved, the impact on the average residential tax bill would be an additional 0.16%.

## MULTI-YEAR BUDGET OUTLOOK

The initial outlook for 2023 and 2024 prepared during the 2021 budget process resulted in projected tax increases of 2.5% and 3.0% respectively. However, these projections have been re-evaluated based on current information including known factors such as contractual agreements and operating impacts from capital projects, as well as service adjustments approved by Council.

The multi-year outlook for 2023-2025 is provided in Appendix 8 “Multi-Year Outlook”. Table 11 shows the projected levy and tax increases for the 2023-2025 period.

Table 11

2023 - 2025 Multi-Year Outlook						
(\$000's)	2023		2024		2025	
	\$	%	\$	%	\$	%
Total City Departments	\$ 26,021,800	4.2%	\$ 23,733,800	2.3%	\$ 24,420,030	2.9%
Boards & Agencies	\$ 5,170,349	2.2%	\$ 4,890,083	2.0%	\$ 4,914,228	2.0%
Capital Financing	\$ 5,471,000	3.8%	\$ 6,629,000	4.4%	\$ 4,854,000	3.1%
<b>Total Preliminary Operating Budget</b>	<b>\$ 36,663,149</b>	<b>3.7%</b>	<b>\$ 35,252,883</b>	<b>3.4%</b>	<b>\$ 34,188,258</b>	<b>3.2%</b>
<b>Residential Average Property Tax Impact</b>		<b>3.5%</b>		<b>3.0%</b>		<b>2.8%</b>

Significant increases in future budgets are the result of service enhancements in Transit, both as a result of the continuation of the 10-Year Local Transit Strategy and increases in the DARTS contract with projected increases in ridership.

Additionally, a standard Capital Levy increase of 0.5% has been included in years 2023-2025 for the purposes of funding discretionary block funded projects and addressing Asset Management Planning requirements. Increases to the Capital Levy for debt servicing requirements for the municipal share of the Investing in Canada Infrastructure – Public Transit Stream and West Harbour Waterfront Strategic Initiatives have been included as well. The corporate financials section includes increases resulting from the operating impacts of capital projects.

Actions taken to mitigate the pressures in the 2022 budget should not include postponing expenditures to future years but rather, they should be geared towards finding sustainable solutions.

For every year, the residential tax increase assumes a growth benefit of (1.0%) based on historical results and a reassessment impact of 0.5%. These assumptions, as well as all the other assumptions used in the preparation of the outlook such as the rate of inflation and the utility guidelines will be revised annually.

The multi-year budgets will be included in the departmental presentations, which are scheduled to begin on January 25, 2022.

**APPENDIX 1**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Net Levy  
Summary**

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# NET LEVY SUMMARY

	2021		2022 Preliminary Budget vs. 2021 Restated
	Restated Budget	Projected Actual	
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>			
General Manager	1,058,110	797,688	(2,710) (0.3)%
Transportation, Planning & Parking Building	2,068,200	2,037,841	168,120 8.1%
Economic Development	617,440	1,161,083	(9,820) (1.6)%
Growth Management	5,584,010	5,312,761	84,060 1.5%
Licensing & By-Law Services	490,160	25,553	(463,430) (5.5)%
Planning	6,801,670	6,267,011	141,850 2.1%
Tourism & Culture	4,280,610	3,425,263	21,300 0.5%
<b>TOTAL PLANNING &amp; ECONOMIC DEVELOPMENT</b>	<b>30,389,730</b>	<b>28,333,847</b>	<b>590,330</b> <b>1.9%</b>
<b>HEALTHY &amp; SAFE COMMUNITIES</b>			
HSC Administration	3,363,130	3,388,620	226,850 6.7%
Children's Services & Neighbourhood Dev.	10,439,330	10,542,420	43,180 0.4%
Ontario Works	12,321,930	10,327,420	520,210 4.2%
Housing Services	47,325,860	43,215,360	6,611,640 14.0%
Long Term Care	11,524,860	9,447,360	243,460 2.1%
Recreation	35,319,640	35,263,950	668,930 1.9%
Hamilton Fire Department	93,288,450	93,073,770	4,237,990 4.5%
Hamilton Paramedic Service	28,102,490	30,317,930	292,900 1.0%
Public Health Services	13,503,920	13,099,630	835,380 6.2%
<b>TOTAL HEALTHY &amp; SAFE COMMUNITIES</b>	<b>255,189,610</b>	<b>248,676,460</b>	<b>13,680,540</b> <b>5.4%</b>



# NET LEVY SUMMARY

	2021		2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual		
		2022 Preliminary Budget	\$ Change	% Change
<b>PUBLIC WORKS</b>				
PW-General Administration	634,870	634,870	24,030	3.8%
Energy Fleet & Facilities	13,273,690	13,761,440	1,002,400	7.6%
Engineering Services	1,060	(450,000)	(1,060)	(100.0)%
Environmental Services	44,239,840	43,028,770	1,342,470	3.0%
Transit	80,834,700	79,958,980	7,137,310	8.8%
Transportation Operations & Maintenance	83,485,680	77,739,010	748,440	0.9%
Waste Management	44,104,610	42,071,880	2,840,210	6.4%
<b>TOTAL PUBLIC WORKS</b>	<b>266,574,450</b>	<b>256,744,950</b>	<b>13,093,800</b>	<b>4.9%</b>
<b>LEGISLATIVE</b>				
Legislative General	(379,020)	(255,910)	17,040	(4.5)%
Mayors Office	1,192,900	1,152,450	18,520	1.6%
Volunteer Committee	120,650	120,650	0	0.0%
Ward Budgets	4,236,600	4,236,600	77,820	1.8%
<b>TOTAL LEGISLATIVE</b>	<b>5,171,130</b>	<b>5,253,790</b>	<b>113,380</b>	<b>2.2%</b>
<b>CITY MANAGER</b>				
Office of the City Auditor	1,175,130	1,189,360	26,110	2.2%
CMO - Admin	209,270	349,780	24,250	11.6%
Communication & Strategic Initiatives	2,421,370	2,318,340	95,690	4.0%
Digital & Innovation Office	201,620	409,040	4,630	2.3%
Government & Community Relations	851,540	864,580	16,960	2.0%
Human Resources	8,163,030	7,544,990	426,460	5.2%
<b>TOTAL CITY MANAGER</b>	<b>13,021,960</b>	<b>12,676,090</b>	<b>594,100</b>	<b>4.6%</b>

# NET LEVY SUMMARY

	2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	\$ Change	% Change	
<b>CORPORATE SERVICES</b>						
City Clerk's Office	2,995,070	3,061,105	3,168,430	173,360	5.8%	
Customer Service, POA and Fin'l Integration	5,824,460	5,793,566	5,959,640	135,180	2.3%	
Financial Serv., Taxation & Corp Controller	4,085,540	3,577,383	4,284,990	199,450	4.9%	
Legal Services & Risk Management	4,008,810	3,730,333	3,939,580	(69,230)	(1.7)%	
Corporate Services - Administration	328,010	332,838	331,740	3,730	1.1%	
Financial Planning, Admin & Policy	5,219,620	5,016,164	5,371,300	151,680	2.9%	
Information Technology	15,211,770	14,568,249	15,325,680	113,910	0.7%	
<b>TOTAL CORPORATE SERVICES</b>	<b>37,673,280</b>	<b>36,079,638</b>	<b>38,381,360</b>	<b>708,080</b>	<b>1.9%</b>	
<b>CORPORATE FINANCIALS - EXPENDITURES</b>						
Corporate Initiatives	3,354,610	5,897,210	7,639,770	4,285,160	127.7%	
Corporate Pensions, Benefits & Contingency	15,653,960	19,653,960	15,785,390	131,430	0.8%	
<b>TOTAL CORPORATE FINANCIALS - EXPENDITURES</b>	<b>19,008,570</b>	<b>25,551,170</b>	<b>23,425,160</b>	<b>4,416,590</b>	<b>23.2%</b>	
<b>HAMILTON ENTERTAINMENT FACILITIES</b>						
Operating	4,037,180	5,373,640	4,187,710	150,530	3.7%	
<b>TOTAL HAMILTON ENTERTAINMENT FACILITIES</b>	<b>4,037,180</b>	<b>5,373,640</b>	<b>4,187,710</b>	<b>150,530</b>	<b>3.7%</b>	
<b>TOTAL CITY EXPENDITURES</b>	<b>631,065,910</b>	<b>618,689,585</b>	<b>664,413,260</b>	<b>33,347,350</b>	<b>5.3%</b>	

# NET LEVY SUMMARY

	2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget		\$ Change	% Change
<b>CAPITAL FINANCING</b>						
Debt-Healthy & Safe Communities	3,546,160	3,029,000	2,309,070	(1,237,090)		(34.9)%
Debt-Infrastructure Renewal Levy	13,428,870	13,429,000	13,428,870	0		0.0%
Debt-Corporate Financials	89,959,980	86,657,000	92,884,930	2,924,950		3.3%
Debt-Planning & Economic Development	1,563,290	26,000	1,168,790	(394,500)		(25.2)%
Debt-Public Works	31,043,560	26,372,000	35,896,650	4,853,090		15.6%
<b>TOTAL CAPITAL FINANCING</b>	<b>139,541,860</b>	<b>129,513,000</b>	<b>145,688,310</b>	<b>6,146,450</b>		<b>4.4%</b>
<b>BOARDS &amp; AGENCIES</b>						
<b>Police Services</b>						
Operating	175,352,230	175,760,000	178,883,970	3,531,740		2.0%
Capital Financing	1,234,790	296,000	1,269,000	34,210		2.8%
<b>Total Police Services</b>	<b>176,587,020</b>	<b>176,056,000</b>	<b>180,152,970</b>	<b>3,565,950</b>		<b>2.0%</b>
<b>Other Boards &amp; Agencies</b>						
Library	32,027,990	29,060,000	32,682,020	654,030		2.0%
Conservation Authorities	8,459,770	8,459,770	8,627,130	167,360		2.0%
MPAC	6,979,670	6,979,670	6,979,670	0		0.0%
Hamilton Beach Rescue Unit	131,570	131,570	134,200	2,630		2.0%
Royal Botanical Gardens	647,410	647,410	660,360	12,950		2.0%
Farmers Market	115,060	172,310	242,360	127,300		110.6%
<b>Total Other Boards &amp; Agencies</b>	<b>48,361,470</b>	<b>45,450,730</b>	<b>49,325,740</b>	<b>964,270</b>		<b>2.0%</b>

# NET LEVY SUMMARY

	2021		2022 Preliminary Budget vs. 2021 Restated	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated
	Restated Budget	Projected Actual			
<b>Capital Financing - Other Boards &amp; Agencies</b>	166,280	0	(280)	166,000	(0.2)%
<b>City Enrichment Fund</b>	6,088,340	6,088,340	0	6,088,340	0.0%
<b>TOTAL BOARDS &amp; AGENCIES</b>	231,203,110	227,595,070	4,529,940	235,733,050	2.0%
<b>TOTAL EXPENDITURES</b>	1,001,810,880	975,797,655	44,023,740	1,045,834,620	4.4%
<b>NON PROGRAM REVENUES</b>					
Payment In Lieu	(16,399,700)	(16,399,700)	(708,740)	(17,108,440)	4.3%
Penalties and Interest	(11,000,000)	(11,000,000)	(400,000)	(11,400,000)	3.6%
Right of Way	(3,227,000)	(3,227,000)	(1,880)	(3,228,880)	0.1%
Senior Tax Credit	537,000	537,000	(7,170)	529,830	(1.3)%
Supplementary Taxes	(9,925,000)	(9,925,000)	(205,000)	(10,130,000)	2.1%
Tax Remissions and Write Offs	9,570,000	9,570,000	180,000	9,750,000	1.9%
Hydro Dividend and Other Interest	(5,281,480)	(5,281,480)	0	(5,281,480)	0.0%
Investment Income	(4,100,000)	(4,100,000)	0	(4,100,000)	0.0%
Slot Revenues	(5,200,000)	(5,200,000)	0	(5,200,000)	0.0%
POA Revenues	(2,365,770)	(4,736,430)	63,550	(2,302,220)	(2.7)%
<b>TOTAL NON PROGRAM REVENUES</b>	(47,391,950)	(49,762,610)	(1,079,240)	(48,471,190)	2.3%
<b>TOTAL LEVY REQUIREMENT</b>	954,418,930	926,035,045	42,944,500	997,363,430	4.5%



**APPENDIX 2**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Gross and Net  
Expenditures  
Summary**

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# GROSS AND NET EXPENDITURES SUMMARY

	Gross Expenses			Gross Revenues			Net Operating Budget			
	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated Change \$	Change %
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>										
General Manager	1,044,630	1,055,400	1.0%	13,480	0	100.0%	1,058,110	1,055,400	(2,710)	(0.3)%
Transportation, Planning & Parking	16,889,770	17,082,940	1.1%	(14,821,570)	(14,846,220)	(0.2)%	2,068,200	2,236,320	168,120	8.1%
Building	15,228,660	15,634,620	2.7%	(14,611,220)	(15,027,000)	(2.8)%	617,440	607,620	(9,820)	(1.6)%
Economic Development	7,576,380	7,692,260	1.5%	(1,992,370)	(2,024,190)	(1.6)%	5,584,010	5,668,070	84,060	1.5%
Growth Management	6,706,040	7,256,930	8.2%	(6,215,880)	(6,793,500)	(9.3)%	490,160	463,430	(26,730)	(5.5)%
Licensing & By-Law Services	13,177,530	13,402,310	1.7%	(6,375,860)	(6,458,790)	(1.3)%	6,801,670	6,943,520	141,850	2.1%
Planning	8,945,810	9,568,480	7.0%	(4,665,200)	(5,266,570)	(12.9)%	4,280,610	4,301,910	21,300	0.5%
Tourism & Culture	10,527,190	10,719,240	1.8%	(1,037,660)	(1,015,450)	2.1%	9,489,530	9,703,790	214,260	2.3%
<b>TOTAL PLANNING &amp; ECONOMIC DEVELOPMENT</b>	<b>80,096,010</b>	<b>82,411,780</b>	<b>2.9%</b>	<b>(49,706,280)</b>	<b>(51,431,720)</b>	<b>(3.5)%</b>	<b>30,389,730</b>	<b>30,980,060</b>	<b>590,330</b>	<b>1.9%</b>
<b>HEALTHY &amp; SAFE COMMUNITIES</b>										
HSC Administration	3,836,940	4,044,840	5.4%	(473,810)	(454,860)	4.0%	3,363,130	3,589,980	226,850	6.7%
Children's Services & Neighbourhood Dev.	93,083,390	95,869,880	3.0%	(82,644,060)	(85,387,370)	(3.3)%	10,439,330	10,482,510	43,180	0.4%
Ontario Works	145,377,470	145,674,520	0.2%	(133,055,540)	(132,832,380)	0.2%	12,321,930	12,842,140	520,210	4.2%
Housing Services	97,654,960	120,331,290	23.2%	(50,329,100)	(66,393,790)	(31.9)%	47,325,860	53,937,500	6,611,640	14.0%
Long Term Care	44,818,490	47,010,500	4.9%	(33,293,630)	(35,242,180)	(5.9)%	11,524,860	11,768,320	243,460	2.1%
Recreation	54,777,680	55,975,450	2.2%	(19,458,040)	(19,986,880)	(2.7)%	35,319,640	35,988,570	668,930	1.9%
Hamilton Fire Department	95,338,160	99,031,680	3.9%	(2,049,710)	(1,505,240)	26.6%	93,288,450	97,526,440	4,237,990	4.5%
Hamilton Paramedic Service	61,497,880	64,184,740	4.4%	(33,395,390)	(35,789,350)	(7.2)%	28,102,490	28,395,390	292,900	1.0%
Public Health Services	68,774,000	101,606,170	47.7%	(55,270,080)	(87,266,870)	(57.9)%	13,503,920	14,339,300	835,380	6.2%
<b>TOTAL HEALTHY &amp; SAFE COMMUNITIES</b>	<b>665,168,970</b>	<b>733,729,070</b>	<b>10.3%</b>	<b>(409,969,360)</b>	<b>(464,868,920)</b>	<b>(13.4)%</b>	<b>255,189,610</b>	<b>268,870,150</b>	<b>13,680,540</b>	<b>5.4%</b>



# GROSS AND NET EXPENDITURES SUMMARY

	Gross Expenses			Gross Revenues			Net Operating Budget			
	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated Change \$	Change %
<b>PUBLIC WORKS</b>										
PW-General Administration	634,870	658,900	3.8%	0	0	0.0%	634,870	658,900	24,030	3.8%
Energy Fleet & Facilities	20,591,760	21,946,740	6.6%	(7,318,070)	(7,670,650)	(4.8)%	13,273,690	14,276,090	1,002,400	7.6%
Engineering Services	4,385,940	4,641,230	5.8%	(4,384,880)	(4,641,230)	(5.8)%	1,060	0	(1,060)	(100.0)%
Environmental Services	47,124,380	48,556,680	3.0%	(2,884,540)	(2,974,370)	(3.1)%	44,239,840	45,582,310	1,342,470	3.0%
Transit	141,598,570	150,197,660	6.1%	(60,763,870)	(62,225,650)	(2.4)%	80,834,700	87,972,010	7,137,310	8.8%
Transportation Operations & Maintenance	90,581,310	91,441,190	0.9%	(7,095,630)	(7,207,070)	(1.6)%	83,485,680	84,234,120	748,440	0.9%
Waste Management	58,942,610	62,013,470	5.2%	(14,838,000)	(15,068,650)	(1.6)%	44,104,610	46,944,820	2,840,210	6.4%
<b>TOTAL PUBLIC WORKS</b>	<b>363,859,440</b>	<b>379,455,870</b>	<b>4.3%</b>	<b>(97,284,990)</b>	<b>(99,787,620)</b>	<b>(2.6)%</b>	<b>266,574,450</b>	<b>279,668,250</b>	<b>13,093,800</b>	<b>4.9%</b>
<b>LEGISLATIVE</b>										
Legislative General	(379,020)	(361,980)	(4.5)%	0	0	0.0%	(379,020)	(361,980)	17,040	(4.5)%
Mayors Office	1,192,900	1,211,420	1.6%	0	0	0.0%	1,192,900	1,211,420	18,520	1.6%
Volunteer Committee	124,650	124,650	0.0%	(4,000)	(4,000)	0.0%	120,650	120,650	0	0.0%
Ward Budgets	4,236,600	4,314,420	1.8%	0	0	0.0%	4,236,600	4,314,420	77,820	1.8%
<b>TOTAL LEGISLATIVE</b>	<b>5,175,130</b>	<b>5,288,510</b>	<b>2.2%</b>	<b>(4,000)</b>	<b>(4,000)</b>	<b>0.0%</b>	<b>5,171,130</b>	<b>5,284,510</b>	<b>113,380</b>	<b>2.2%</b>
<b>CITY MANAGER</b>										
Office of the City Auditor	1,205,130	1,231,240	2.2%	(30,000)	(30,000)	0.0%	1,175,130	1,201,240	26,110	2.2%
CMO - Admin	209,270	233,520	11.6%	0	0	0.0%	209,270	233,520	24,250	11.6%
Communication & Strategic Initiatives	2,451,370	2,547,060	3.9%	(30,000)	(30,000)	0.0%	2,421,370	2,517,060	95,690	4.0%
Digital & Innovation Office	850,110	858,810	1.0%	(648,490)	(652,560)	(0.6)%	201,620	206,250	4,630	2.3%
Government & Community Relations	851,540	868,500	2.0%	0	0	0.0%	851,540	868,500	16,960	2.0%
Human Resources	10,196,740	10,541,910	3.4%	(2,033,710)	(1,952,420)	4.0%	8,163,030	8,589,490	426,460	5.2%
<b>TOTAL CITY MANAGER</b>	<b>15,764,160</b>	<b>16,281,040</b>	<b>3.3%</b>	<b>(2,742,200)</b>	<b>(2,664,980)</b>	<b>2.8%</b>	<b>13,021,960</b>	<b>13,616,060</b>	<b>594,100</b>	<b>4.6%</b>

# GROSS AND NET EXPENDITURES SUMMARY

	Gross Expenses			Gross Revenues			Net Operating Budget			
	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated Change \$	Change %
<b>CORPORATE SERVICES</b>										
City Clerk's Office	3,580,670	3,800,800	6.1%	(585,600)	(632,370)	(8.0)%	2,995,070	3,168,430	173,360	5.8%
Customer Service, POA and Fin <sup>1</sup> Integration	12,395,640	12,606,240	1.7%	(6,571,180)	(6,646,600)	(1.1)%	5,824,460	5,959,640	135,180	2.3%
Financial Serv, Taxation & Corp Controller	6,890,270	7,129,190	3.5%	(2,804,730)	(2,844,200)	(1.4)%	4,085,540	4,284,990	199,450	4.9%
Legal Services & Risk Management	4,164,670	4,097,440	(1.6)%	(155,860)	(157,860)	(1.3)%	4,008,810	3,939,580	(69,230)	(1.7)%
Corporate Services - Administration	328,010	345,520	5.3%	0	(13,780)	0.0%	328,010	331,740	3,730	1.1%
Financial Planning, Admin & Policy	6,729,220	6,885,630	2.3%	(1,509,600)	(1,514,330)	(0.3)%	5,219,620	5,371,300	151,680	2.9%
Information Technology	15,980,480	16,095,210	0.7%	(768,710)	(769,530)	(0.1)%	15,211,770	15,325,680	113,910	0.7%
<b>TOTAL CORPORATE SERVICES</b>	<b>50,068,960</b>	<b>50,960,030</b>	<b>1.8%</b>	<b>(12,395,680)</b>	<b>(12,578,670)</b>	<b>(1.5)%</b>	<b>37,673,280</b>	<b>38,381,360</b>	<b>708,080</b>	<b>1.9%</b>
<b>CORPORATE FINANCIALS - EXPENDITURES</b>										
Corporate Initiatives	3,997,920	7,826,370	95.8%	(643,310)	(186,600)	71.0%	3,354,610	7,639,770	4,285,160	127.7%
Corporate Pensions, Benefits & Contingency	15,653,960	15,785,390	0.8%	0	0	0.0%	15,653,960	15,785,390	131,430	0.8%
<b>TOTAL CORPORATE FINANCIALS - EXPENDITURES</b>	<b>19,651,880</b>	<b>23,611,760</b>	<b>20.2%</b>	<b>(643,310)</b>	<b>(186,600)</b>	<b>71.0%</b>	<b>19,008,570</b>	<b>23,425,160</b>	<b>4,416,590</b>	<b>23.2%</b>
<b>HAMILTON ENTERTAINMENT FACILITIES</b>										
Operating	4,402,950	4,578,480	4.0%	(365,770)	(390,770)	(6.8)%	4,037,180	4,187,710	150,530	3.7%
<b>TOTAL HAMILTON ENTERTAINMENT FACILITIES</b>	<b>4,402,950</b>	<b>4,578,480</b>	<b>4.0%</b>	<b>(365,770)</b>	<b>(390,770)</b>	<b>(6.8)%</b>	<b>4,037,180</b>	<b>4,187,710</b>	<b>150,530</b>	<b>3.7%</b>
<b>TOTAL CITY EXPENDITURES</b>	<b>1,204,177,500</b>	<b>1,296,316,540</b>	<b>7.6%</b>	<b>(573,111,590)</b>	<b>(631,903,280)</b>	<b>(10.3)%</b>	<b>631,065,910</b>	<b>664,413,260</b>	<b>33,347,350</b>	<b>5.3%</b>

# GROSS AND NET EXPENDITURES SUMMARY

	Gross Expenses			Gross Revenues			Net Operating Budget			
	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated Change \$	Change %
<b>CAPITAL FINANCING</b>										
Debt-Healthy & Safe Communities	5,712,040	5,491,550	(3.9)%	(2,165,880)	(3,182,480)	(46.9)%	3,546,160	2,309,070	(1,237,090)	(34.9)%
Debt-Infrastructure Renewal Levy	13,428,870	13,428,870	0.0%	0	0	0.0%	13,428,870	13,428,870	0	0.0%
Debt-Corporate Financials	89,959,980	92,884,930	3.3%	0	0	0.0%	89,959,980	92,884,930	2,924,950	3.3%
Debt-Planning & Economic Development	1,624,470	1,229,970	(24.3)%	(61,180)	(61,180)	0.0%	1,563,290	1,168,790	(394,500)	(25.2)%
Debt-Public Works	38,876,010	43,640,650	12.3%	(7,832,450)	(7,744,000)	1.1%	31,043,560	35,896,650	4,853,090	15.6%
<b>TOTAL CAPITAL FINANCING</b>	<b>149,601,370</b>	<b>156,675,970</b>	<b>4.7%</b>	<b>(10,059,510)</b>	<b>(10,987,660)</b>	<b>(9.2)%</b>	<b>139,541,860</b>	<b>145,688,310</b>	<b>6,146,450</b>	<b>4.4%</b>
<b>BOARDS &amp; AGENCIES</b>										
<b>Police Services</b>										
Operating	187,503,130	191,034,870	1.9%	(12,150,900)	(12,150,900)	0.0%	175,352,230	178,883,970	3,531,740	2.0%
Capital Financing	1,534,790	1,713,000	11.6%	(300,000)	(444,000)	(48.0)%	1,234,790	1,269,000	34,210	2.8%
<b>Total Police Services</b>	<b>189,037,920</b>	<b>192,747,870</b>	<b>2.0%</b>	<b>(12,450,900)</b>	<b>(12,594,900)</b>	<b>(1.2)%</b>	<b>176,587,020</b>	<b>180,152,970</b>	<b>3,565,950</b>	<b>2.0%</b>
<b>Other Boards &amp; Agencies</b>										
Library	33,676,680	34,502,410	2.5%	(1,648,690)	(1,820,390)	(10.4)%	32,027,990	32,682,020	654,030	2.0%
Conservation Authorities	8,459,770	8,627,130	2.0%	0	0	0.0%	8,459,770	8,627,130	167,360	2.0%
MPAC	6,979,670	6,979,670	0.0%	0	0	0.0%	6,979,670	6,979,670	0	0.0%
Hamilton Beach Rescue Unit	131,570	134,200	2.0%	0	0	0.0%	131,570	134,200	2,630	2.0%
Royal Botanical Gardens	647,410	660,360	2.0%	0	0	0.0%	647,410	660,360	12,950	2.0%
Farmers Market	811,160	804,860	(0.8)%	(696,100)	(562,500)	19.2%	115,060	242,360	127,300	110.6%

# GROSS AND NET EXPENDITURES SUMMARY

	Gross Expenses			Gross Revenues			Net Operating Budget			
	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated Change \$	Change %
Capital Financing - Other Boards & Agencies	447,770	447,500	(0.1)%	(281,490)	(281,500)	(0.0)%	166,280	166,000	(280)	(0.2)%
City Enrichment Fund	6,088,340	6,088,340	0.0%	0	0	0.0%	6,088,340	6,088,340	0	0.0%
<b>TOTAL BOARDS &amp; AGENCIES</b>	<b>246,280,290</b>	<b>250,992,340</b>	<b>1.9%</b>	<b>(15,077,180)</b>	<b>(15,259,290)</b>	<b>(1.2)%</b>	<b>231,203,110</b>	<b>235,733,050</b>	<b>4,529,940</b>	<b>2.0%</b>

	Gross Expenses			Gross Revenues			Net Operating Budget			
	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	% Change	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated Change \$	Change %
<b>TOTAL EXPENDITURES</b>	<b>1,600,059,160</b>	<b>1,703,984,850</b>	<b>6.5%</b>	<b>(598,248,280)</b>	<b>(658,150,230)</b>	<b>(10.0)%</b>	<b>1,001,810,880</b>	<b>1,045,834,620</b>	<b>44,023,740</b>	<b>4.4%</b>
<b>NON PROGRAM REVENUES</b>										
Payment In Lieu	500,000	400,000	(20.0)%	(16,899,700)	(17,508,440)	(3.6)%	(16,399,700)	(17,108,440)	(708,740)	4.3%
Penalties and Interest	0	0	0.0%	(11,000,000)	(11,400,000)	(3.6)%	(11,000,000)	(11,400,000)	(400,000)	3.6%
Right of Way	0	0	0.0%	(3,227,000)	(3,228,880)	(0.1)%	(3,227,000)	(3,228,880)	(1,880)	0.1%
Senior Tax Credit	635,000	609,000	(4.1)%	(98,000)	(79,170)	19.2%	537,000	529,830	(7,170)	(1.3)%
Supplementary Taxes	100,000	70,000	(30.0)%	(10,025,000)	(10,200,000)	(1.7)%	(9,925,000)	(10,130,000)	(205,000)	2.1%
Tax Remissions and Write Offs	9,570,000	9,750,000	1.9%	0	0	0.0%	9,570,000	9,750,000	180,000	1.9%
Hydro Dividend and Other Interest	9,562,120	9,562,120	0.0%	(14,843,600)	(14,843,600)	0.0%	(5,281,480)	(5,281,480)	0	0.0%
Investment Income	0	0	0.0%	(4,100,000)	(4,100,000)	0.0%	(4,100,000)	(4,100,000)	0	0.0%
Slot Revenues	0	0	0.0%	(5,200,000)	(5,200,000)	0.0%	(5,200,000)	(5,200,000)	0	0.0%
POA Revenues	0	0	0.0%	(2,365,770)	(2,302,220)	2.7%	(2,365,770)	(2,302,220)	63,550	(2.7)%
<b>TOTAL NON PROGRAM REVENUES</b>	<b>20,367,120</b>	<b>20,391,120</b>	<b>0.1%</b>	<b>(67,759,070)</b>	<b>(68,862,310)</b>	<b>(1.6)%</b>	<b>(47,391,950)</b>	<b>(48,471,190)</b>	<b>(1,079,240)</b>	<b>2.3%</b>

<b>TOTAL LEVY REQUIREMENT</b>	<b>1,620,426,280</b>	<b>1,724,375,970</b>	<b>6.4%</b>	<b>(666,007,350)</b>	<b>(727,012,540)</b>	<b>(9.2)%</b>	<b>954,418,930</b>	<b>997,363,430</b>	<b>42,944,500</b>	<b>4.5%</b>
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**APPENDIX 3**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Cost Category  
Summary**

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# COST CATEGORY SUMMARY

	2021		2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Projected Actual	Preliminary Budget	Change \$	Change %	Change \$	Change %
EMPLOYEE RELATED COST	644,693,840	652,224,264	652,224,264	686,771,300	42,077,460	6.5%	42,077,460	6.5%
MATERIAL & SUPPLY	53,897,840	55,882,456	55,882,456	57,354,020	3,456,180	6.4%	3,456,180	6.4%
VEHICLE EXPENSES	36,028,620	36,599,444	36,599,444	38,761,700	2,733,080	7.6%	2,733,080	7.6%
BUILDING & GROUND	40,243,220	41,355,097	41,355,097	43,081,270	2,838,050	7.1%	2,838,050	7.1%
CONSULTING	927,530	1,099,878	1,099,878	1,484,130	556,600	60.0%	556,600	60.0%
CONTRACTUAL	117,876,400	106,422,428	106,422,428	126,115,640	8,239,240	7.0%	8,239,240	7.0%
AGENCIES & SUPPORT PAYMENTS	295,040,940	275,413,383	275,413,383	312,711,480	17,670,540	6.0%	17,670,540	6.0%
RESERVES/RECOVERIES	35,921,070	42,971,157	42,971,157	46,380,770	10,459,700	29.1%	10,459,700	29.1%
COST ALLOCATIONS	(7,225,070)	(7,095,318)	(7,095,318)	(7,678,480)	(453,410)	6.3%	(453,410)	6.3%
FINANCIAL	44,340,290	43,516,283	43,516,283	48,706,780	4,366,490	9.8%	4,366,490	9.8%
CAPITAL FINANCING	147,074,670	137,518,507	137,518,507	152,898,530	5,823,860	4.0%	5,823,860	4.0%
CAPITAL EXPENDITURES	4,730	119,872	119,872	4,730	0	0.0%	0	0.0%
RECOVERIES FROM CAPITAL	(34,678,090)	(33,270,457)	(33,270,457)	(33,208,230)	1,469,860	(4.2)%	1,469,860	(4.2)%
<b>TOTAL EXPENSES</b>	<b>1,374,145,990</b>	<b>1,352,756,994</b>	<b>1,352,756,994</b>	<b>1,473,383,640</b>	<b>99,237,650</b>	<b>7.2%</b>	<b>99,237,650</b>	<b>7.2%</b>
FEES & GENERAL	(197,560,950)	(184,332,911)	(184,332,911)	(208,040,780)	(10,479,830)	5.3%	(10,479,830)	5.3%
TAX & RATES	(30,769,700)	(30,921,700)	(30,921,700)	(31,555,320)	(785,620)	2.6%	(785,620)	2.6%
GRANTS & SUBSIDIES	(368,881,510)	(404,661,131)	(404,661,131)	(372,745,920)	(3,864,410)	1.0%	(3,864,410)	1.0%
RESERVES	(53,718,010)	(34,401,277)	(34,401,277)	(99,411,240)	(45,693,230)	85.1%	(45,693,230)	85.1%
<b>TOTAL REVENUES</b>	<b>(650,930,170)</b>	<b>(654,317,019)</b>	<b>(654,317,019)</b>	<b>(711,753,260)</b>	<b>(60,823,090)</b>	<b>9.3%</b>	<b>(60,823,090)</b>	<b>9.3%</b>
<b>NET LEVY</b>	<b>723,215,820</b>	<b>698,439,975</b>	<b>698,439,975</b>	<b>761,630,380</b>	<b>38,414,560</b>	<b>5.3%</b>	<b>38,414,560</b>	<b>5.3%</b>





**APPENDIX 4**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Complement  
Summary**

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# COMPLEMENT SUMMARY

	2021 Approved Budget	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary vs. 2021 Restated	
				FTE	%
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>					
General Manager	7.00	7.00	7.00	0.00	0.0%
Transportation, Planning and Parking Building <sup>2</sup>	139.24	140.24	140.24	0.00	0.0%
Economic Development	110.32	101.32	101.32	0.00	0.0%
Growth Management <sup>4</sup>	46.99	46.99	46.99	0.00	0.0%
Licensing & By-Law Services <sup>5</sup>	56.88	56.88	59.88	3.00	5.3%
Planning <sup>1,2,3,5</sup>	110.15	110.15	113.15	3.00	2.7%
Tourism & Culture	78.00	93.00	96.00	3.00	3.2%
	72.79	72.79	72.79	0.00	0.0%
<b>Total Planning &amp; Economic Development</b>	<b>621.37</b>	<b>628.37</b>	<b>637.37</b>	<b>9.00</b>	<b>1.4%</b>

1. Approved to Restated: Planning Technologist (1 FTE) transferred from the Planning Division to the Transportation Planning & Parking Division Report # PED21151 approved at Council on July 9, 2021 as per Recommendation (c)

2. Approved to Restated: Transfer from Building to Planning : 15 FTEs (14 Zoning Examiner/Code Correlator, 1 Zoning Supervisor) as per PED21151, added 6 FTE in Building Enterprise under blanket authority (1 SPM, 1 Enf Building Inspector, 1 Bldg Engineer, 2 Supervisors and 1 Plans Examiner)

3. Approved to Restated: Added 1 FTE (SPM Digital Planning Applications) in Planning Division as per PED 21151 recommendation b)

4. Restated to Preliminary: Added 3 new FTEs (PM Construction, PM Development Eng, Development Coord) as per PED 21151 recommendation d) to f)

5. Restated to Preliminary: Added 3 FTEs in LBS (1 Licensing Administrator & 2 LCOs) & 3 FTEs in Planning (3 Zoning Exam/Code Corrltrts) as per PED21097(a)

# COMPLEMENT SUMMARY

	2021 Approved Budget	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary vs. 2021 Restated	
				FTE	%
<b>HEALTHY AND SAFE COMMUNITIES</b>					
HSC Administration <sup>1,6</sup>	32.50	35.50	36.50	1.00	2.8%
Children's Services & Neighbourhood Dev. <sup>1,2</sup>	94.00	87.00	87.00	0.00	0.0%
Ontario Works	210.00	210.00	210.00	0.00	0.0%
Housing Services <sup>2,7</sup>	54.00	58.00	58.00	0.00	0.0%
Long Term Care	451.55	451.55	451.55	0.00	0.0%
Recreation <sup>8</sup>	449.23	449.24	448.98	(0.26)	(0.1)%
Hamilton Fire Department <sup>9</sup>	595.30	595.30	599.30	4.00	0.7%
Hamilton Paramedic Service	358.36	358.36	358.36	0.00	0.0%
Public Health Services <sup>3,4,5,10,11,12,13</sup>	394.89	392.75	390.75	(2.00)	(0.5)%
<b>Total Healthy and Safe Communities</b>	<b>2,639.83</b>	<b>2,637.70</b>	<b>2,640.44</b>	<b>2.74</b>	<b>0.1%</b>

- Approved to Restated: Transfer of 1.00 FTE Student Community Initiatives, 1.00 FTE Manager Indigenous Relations and 1.00 FTE Project Manager Indigenous Initiative from Children's Services & Neighbourhood Development to General Manager's Office.
  - Approved to Restated: Transfer of 4.00 FTE from Children's Services and Neighbourhood Development to Housing Services per HSC21032, 1.00 FTE Manager, 2.00 FTE Project Managers, and 1.00 FTE Program Secretary Pol/Prog Dev.
  - Approved to Restated: Decrease (2.25) FTE overall relating to decreases in Alcohol, Drug & Gambling Services, Mental Health and other funding sources as per BOH19001, BOH20016 and BOH21008. Balance adjusted to agree the final report BOH21008.
  - Approved to Restated: Increase of 0.61 FTE for Clinical Therapist in Child and Adolescent Services per BOH21010. FTE changes include (0.28) FTE reduction of receptionist and increase of 0.89 FTE clinical therapist.
  - Approved to Restated: 0.50 FTE is being transferred from Healthy Environments to Government Relations & Community Engagement division within CMO. This 0.50 FTE is from the one time Raccoon Rabies program (See Note 10).
  - Restated to Preliminary: Increase 1.00 FTE HSC19032(b) Senior Project Manager to lead a collaborative and coordinated community-wide implementation of Hamilton's Community Safety and Well-Being Plan.
  - Restated to Preliminary: Increase 1.00 FTE HSC21019 Status Change of Housing programs Officer Position and decrease (1.00) FTE HSC21032 Human Service Integration.
  - Restated to Preliminary: Decrease due to transfer of (0.26) FTE via base budget transfer to distribute the dual position FTE evenly between Recreation & Energy, Fleet & Facilities per FCS21070.
  - Restated to Preliminary: Increase 4.00 FTE Fire Inspectors for Rental Housing Pilot Project per PED 21097/LS21022. These are temporary FTEs.
  - Restated to Preliminary: Decrease (1.50) FTE One time Raccoon Rabies program no longer funded by ministry and will not be operating in 2022 (See Note 5).
  - Restated to Preliminary: Decrease (0.50) FTE due to termination of secondment agreement between Hamilton Family Health Team and PHS for a PHN ending January 8, 2021 confirmed in BOH13002(b).
- COVID TEMPORARY FTE NOT INCLUDED IN ABOVE COMPLEMENT**
- 2021 Council approved and 2021 Restated: Excludes 110.24 Temporary COVID19 Response Related FTE funded through senior levels of government. Note: 287.60 FTE were added after 2021 budget was approved for COVID19 Vaccine program.
  - 2022 Preliminary: Excludes 484.70 temporary COVID19 Response Related FTE funded through senior levels of government

# COMPLEMENT SUMMARY

	2021 Approved Budget	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary vs. 2021 Restated	
				FTE	%

	2021 Approved Budget	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary vs. 2021 Restated FTE	2022 Preliminary vs. 2021 Restated %
<b><u>PUBLIC WORKS</u></b>					
PW-General Administration	7.30	7.30	7.30	0.00	0.0%
Energy Fleet & Facilities <sup>1</sup>	181.95	181.95	182.21	0.26	0.1%
Engineering Services	123.33	123.33	123.33	0.00	0.0%
Environmental Services	394.64	394.64	394.64	0.00	0.0%
Transit <sup>2</sup>	782.41	782.41	825.41	43.00	5.5%
Transportation Operations & Maintenance	406.71	406.71	406.71	0.00	0.0%
Waste Management	117.01	117.01	117.01	0.00	0.0%
<b>Total Public Works</b>	<b>2,013.35</b>	<b>2,013.35</b>	<b>2,056.61</b>	<b>43.26</b>	<b>2.1%</b>

1. Restated to Preliminary: Increase 0.26 FTE from HS&C to EFFM (approved under report FCS21070)

2. Restated to Preliminary: Increase by 43.0 FTE (Year 6 of Transit Strategy- Report PW14015(a) )

## **LEGISLATIVE**

Mayors Office	6.00	6.00	6.00	0.00	0.0%
Ward Budgets	16.00	16.00	16.00	0.00	0.0%
<b>Total Legislative</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>	<b>0.00</b>	<b>0.0%</b>

## **CITY MANAGER**

Office of the City Auditor	7.00	7.00	7.00	0.00	0.0%
CMO - Admin	2.00	2.00	2.00	0.00	0.0%
Communication & Strategic Initiatives	22.00	22.00	22.00	0.00	0.0%
Digital & Innovation Office	5.00	5.00	5.00	0.00	0.0%
Government & Community Relations <sup>1</sup>	4.00	5.00	5.00	0.00	0.0%
Human Resources <sup>2,3,4</sup>	79.00	78.50	79.00	0.50	0.6%
<b>Total City Manager</b>	<b>119.00</b>	<b>119.50</b>	<b>120.00</b>	<b>0.50</b>	<b>0.4%</b>

1. 2021 Restated for Govt & Community Relations (FTE transfer from HR & HSC) to transfer the responsibilities to support equity seeking Council advisory groups to Gov't & Community Relations as per the recommendations from the external review of the City Manager's Office

2. 2021 Restated for HR (1/2 FTE transfer to Govt & Comm Relations)

3. 2022 Preliminary reduction due to end to temp program (HR Transgender Training)

4. 2022 Preliminary addition of 2.0 FTE for Equity, Diversity and Inclusion Framework per Report HUR19019(b)

# COMPLEMENT SUMMARY

	2021 Approved Budget	2021 Restated Budget	2022 Preliminary Budget	2022 Preliminary vs. 2021 Restated	
				FTE	%
<b><u>CORPORATE SERVICES</u></b>					
City Clerk's Office	29.00	29.00	29.00	0.00	0.0%
Customer Service, POA and Fin'l Integration	93.47	93.47	93.47	0.00	0.0%
Financial Serv, Taxation and Corp Controller	80.00	80.00	80.00	0.00	0.0%
Legal Services and Risk Management <sup>1</sup>	67.00	67.00	72.00	5.00	7.5%
Corporate Services - Administration	2.00	2.00	2.00	0.00	0.0%
Financial Planning, Admin & Policy	83.58	83.58	83.58	0.00	0.0%
Information Technology	116.00	116.00	116.00	0.00	0.0%
<b>Total Corporate Services</b>	<b>471.05</b>	<b>471.05</b>	<b>476.05</b>	<b>5.00</b>	<b>1.1%</b>

1. 2022 Approved increase of 5 FTE based on report '2021 Property and Liability Insurance Renewal Report LS21027' to mitigate insurance costs

<b>Corporate Financials - Expenditures<sup>1</sup></b>	<b>0.00</b>	<b>0.00</b>	<b>13.30</b>	<b>13.30</b>	<b>0.0%</b>
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1. Operating Impacts from Capital. 6.45 relates to Public Works, 5.5 FTE relates to Corporate Services, and 1.25 to Planning and Economic Development.

<b>TOTAL CITY COMPLEMENT</b>	<b>5,886.60</b>	<b>5,891.97</b>	<b>5,965.77</b>	<b>73.80</b>	<b>1.3%</b>
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<b><u>BOARDS &amp; AGENCIES</u></b>					
Library <sup>1</sup>	291.61	291.61	297.00	5.39	1.8%
Police Services <sup>2</sup>	1,180.50	1,180.50	1,180.50	0.00	0.0%
Farmers' Market	4.40	4.40	4.40	0.00	0.0%
<b>Total Boards &amp; Agencies</b>	<b>1,476.51</b>	<b>1,476.51</b>	<b>1,481.90</b>	<b>5.39</b>	<b>0.4%</b>

1. Per Library Board approval.

2. The Police Services budget is approved by the Police Services Board. The Budget is scheduled to be submitted to the Board on December 16th, 2021.

<b>TOTAL COMPLEMENT</b>	<b>7,363.11</b>	<b>7,368.48</b>	<b>7,447.67</b>	<b>79.19</b>	<b>1.1%</b>
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**APPENDIX 5**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Departmental  
Budget  
Summaries**

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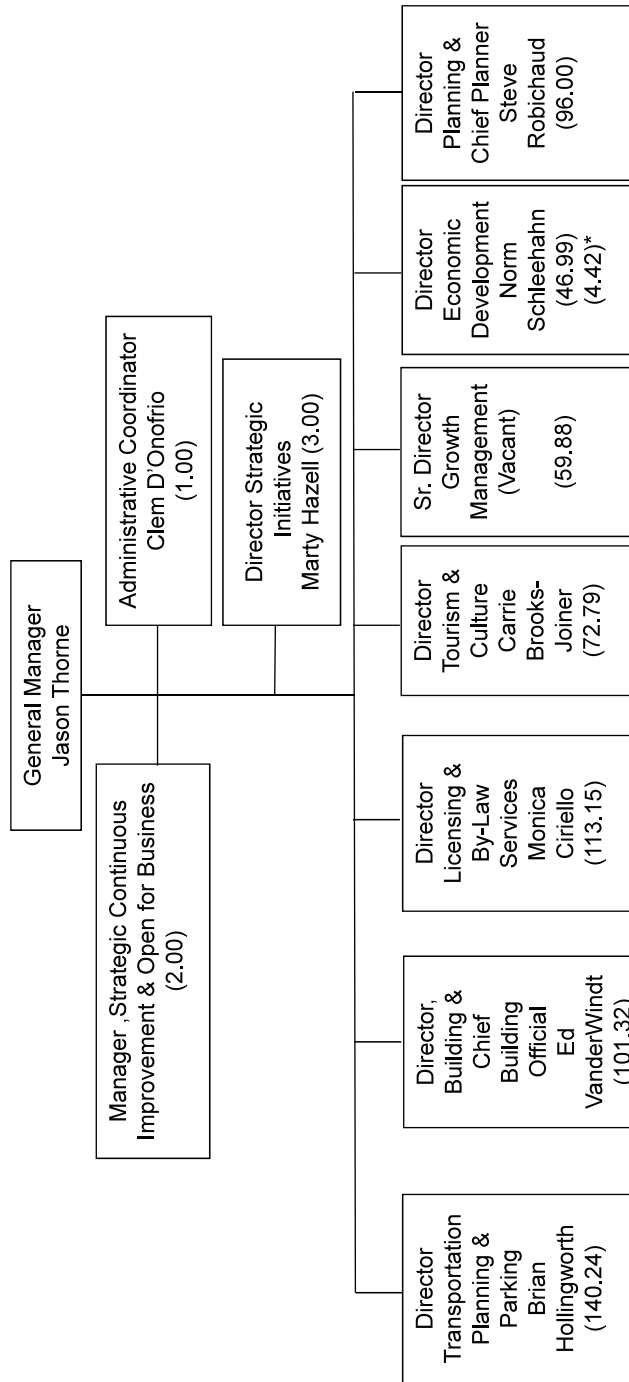
# PLANNING AND ECONOMIC DEVELOPMENT

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# DEPARTMENT STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	* DISTRIBUTED MANAGEMENT	OTHER	* DISTRIBUTED OTHER	TOTAL	STAFF/MGT RATIO
2021	36.00	0.00	592.37	0.00	628.37	16.45:1
2022	37.00	1.00	604.79	3.42	646.21	16.00:1
CHANGE	1.00	1.00	12.42	3.42	17.84	0.45:1

\* Denotes positions included in the complement, funded by the operating departments and appear in their budget

# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
General Manager PED	1,044,630	1,058,110	797,688	1,055,400	1,055,400	(2,710)	(0.3)%
Transportation, Planning and Parking Building	16,889,770	2,068,200	2,037,841	17,082,540	2,236,320	168,120	8.1%
Economic Development	15,228,660	617,440	1,161,083	15,634,620	607,620	(9,820)	(1.6)%
Growth Management	7,576,380	5,584,010	5,312,761	7,692,260	5,668,070	84,060	1.5%
Licensing & By-Law Services	6,706,040	490,160	25,553	7,256,930	463,430	(26,730)	(5.5)%
Planning	13,177,530	6,801,670	6,267,011	13,402,310	6,943,520	141,850	2.1%
Tourism & Culture	8,945,810	4,280,610	3,425,263	9,568,480	4,301,910	21,300	0.5%
Total Planning & Economic Development	10,527,190	9,489,530	9,306,647	10,719,240	9,703,790	214,260	2.3%
	<b>80,096,010</b>	<b>30,389,730</b>	<b>28,333,847</b>	<b>82,411,780</b>	<b>30,980,060</b>	<b>590,330</b>	<b>1.9%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	64,268,320	62,094,957	66,192,840	1,924,520	3.0%
MATERIAL & SUPPLY	2,164,880	2,110,363	2,261,380	96,500	4.5%
VEHICLE EXPENSES	558,500	591,934	592,980	34,480	6.2%
BUILDING & GROUND	2,247,050	2,232,984	2,178,670	(68,380)	(3.0)%
CONSULTING	251,530	362,838	248,130	(3,400)	(1.4)%
CONTRACTUAL	3,365,270	3,541,652	3,482,450	117,180	3.5%
AGENCIES & SUPPORT PAYMENTS	1,338,850	1,524,913	1,336,790	(2,060)	(0.2)%
RESERVES/RECOVERIES	6,030,680	13,211,653	5,989,720	(40,960)	(0.7)%
COST ALLOCATIONS	1,562,010	1,913,971	1,650,450	88,440	5.7%
FINANCIAL	2,336,750	2,349,080	2,337,920	1,170	0.1%
CAPITAL FINANCING	0	35,347	60,000	60,000	0.0%
CAPITAL EXPENDITURES	4,730	1,622	4,730	0	0.0%
RECOVERIES FROM CAPITAL	(4,032,560)	(3,036,517)	(3,924,280)	108,280	(2.7)%
<b>TOTAL EXPENSES</b>	<b>80,096,010</b>	<b>86,934,797</b>	<b>82,411,780</b>	<b>2,315,770</b>	<b>2.9%</b>
FEES & GENERAL	(42,494,800)	(43,971,781)	(49,311,610)	(6,816,810)	16.0%
GRANTS & SUBSIDIES	(1,241,510)	(12,350,581)	(874,690)	366,820	(29.5)%
RESERVES	(5,969,970)	(2,278,588)	(1,245,420)	4,724,550	(79.1)%
<b>TOTAL REVENUES</b>	<b>(49,706,280)</b>	<b>(58,600,950)</b>	<b>(51,431,720)</b>	<b>(1,725,440)</b>	<b>3.5%</b>
<b>NET LEVY</b>	<b>30,389,730</b>	<b>28,333,847</b>	<b>30,980,060</b>	<b>590,330</b>	<b>1.9%</b>

# 2023 To 2025 Multi-Year Outlook Gross and Net Operating Budget

## BY DIVISION

	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2023 Preliminary Gross	2023 Preliminary Net	2024 Preliminary Gross	2024 Preliminary Net	2025 Preliminary Gross	2025 Preliminary Net
General Manager PED	1,055,400	1,055,400	1,083,540	1,083,540	1,106,520	1,106,520	1,125,140	1,125,140
Transportation, Planning and Parking	17,082,540	2,236,320	17,470,660	2,151,490	17,805,760	2,152,290	18,168,010	2,210,090
Building	15,634,620	607,620	16,076,400	645,090	16,464,300	668,070	16,790,170	697,370
Economic Development	7,692,260	5,668,070	7,856,120	5,824,690	7,996,730	5,960,180	8,105,790	6,076,650
Growth Management	7,256,930	463,430	7,500,450	593,810	7,699,960	676,400	7,864,040	736,310
Licensing & By-Law Services	13,402,310	6,943,520	13,702,940	7,201,880	13,702,860	7,418,990	13,978,890	7,638,470
Planning	9,568,480	4,301,910	9,867,160	4,478,780	9,809,020	4,607,900	9,960,460	4,688,730
Tourism & Culture	10,719,240	9,703,790	10,993,530	9,940,550	11,165,270	10,097,430	11,333,600	10,250,550
<b>Total Planning &amp; Economic Development</b>	<b>82,411,780</b>	<b>30,980,060</b>	<b>84,550,800</b>	<b>31,919,830</b>	<b>85,750,420</b>	<b>32,687,780</b>	<b>87,326,100</b>	<b>33,423,310</b>

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION - GENERAL MANAGER

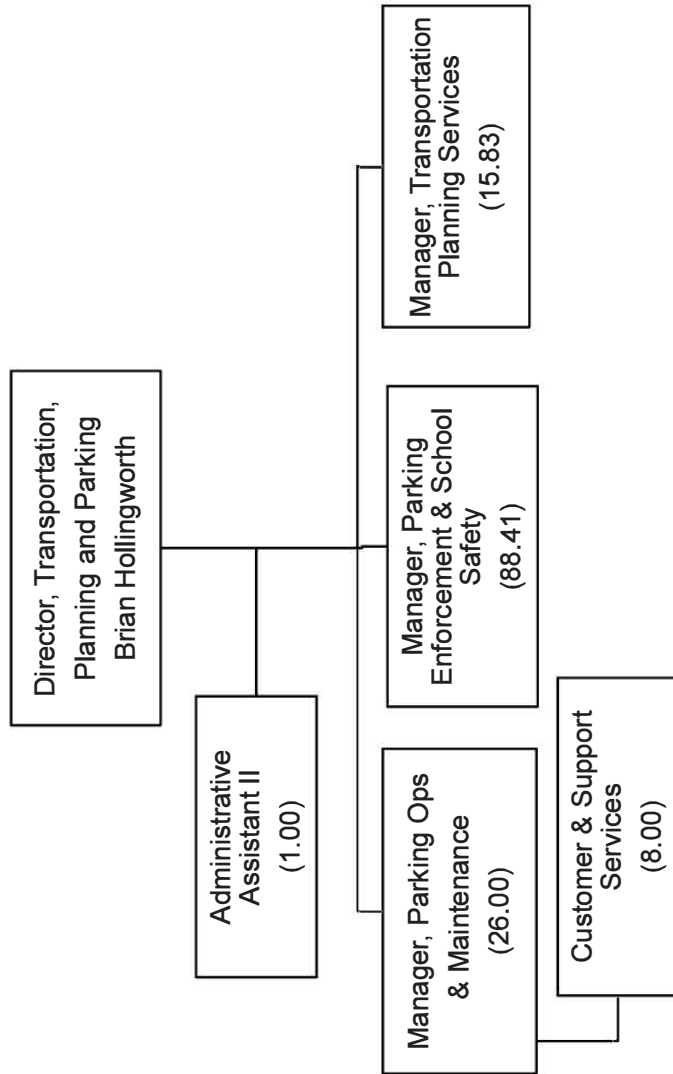
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Strategic Initiatives	385,190	385,190	276,748	388,370	388,370	3,180	0.8%
GM Office	659,440	672,920	520,940	667,030	667,030	(5,890)	(0.9)%
<b>Total General Manager PED</b>	<b>1,044,630</b>	<b>1,058,110</b>	<b>797,688</b>	<b>1,055,400</b>	<b>1,055,400</b>	<b>(2,710)</b>	<b>(0.3)%</b>

## BY COST CATEGORY - GENERAL MANAGER

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	1,068,820	839,923	1,117,590	48,770	4.6%
MATERIAL & SUPPLY	27,680	12,212	54,200	26,520	95.8%
BUILDING & GROUND	1,600	1,600	1,640	40	2.5%
CONTRACTUAL	13,520	6,673	13,520	0	0.0%
RESERVES/RECOVERIES	118,430	112,741	53,870	(64,560)	(54.5)%
COST ALLOCATIONS	(190,150)	(190,517)	(190,150)	0	0.0%
CAPITAL EXPENDITURES	4,730	1,576	4,730	0	0.0%
<b>TOTAL EXPENSES</b>	<b>1,044,630</b>	<b>784,208</b>	<b>1,055,400</b>	<b>10,770</b>	<b>1.0%</b>
RESERVES	13,480	13,480	0	(13,480)	(100.0)%
<b>TOTAL REVENUES</b>	<b>13,480</b>	<b>13,480</b>	<b>0</b>	<b>(13,480)</b>	<b>(100.0)%</b>
<b>NET LEVY</b>	<b>1,058,110</b>	<b>797,688</b>	<b>1,055,400</b>	<b>(2,710)</b>	<b>(0.3)%</b>

**TRANSPORTATION  
PLANNING AND PARKING**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	4.00	136.24	140.24	34.06:1
2022	4.00	136.24	140.24	34.06:1
CHANGE	0.00	0.00	0.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

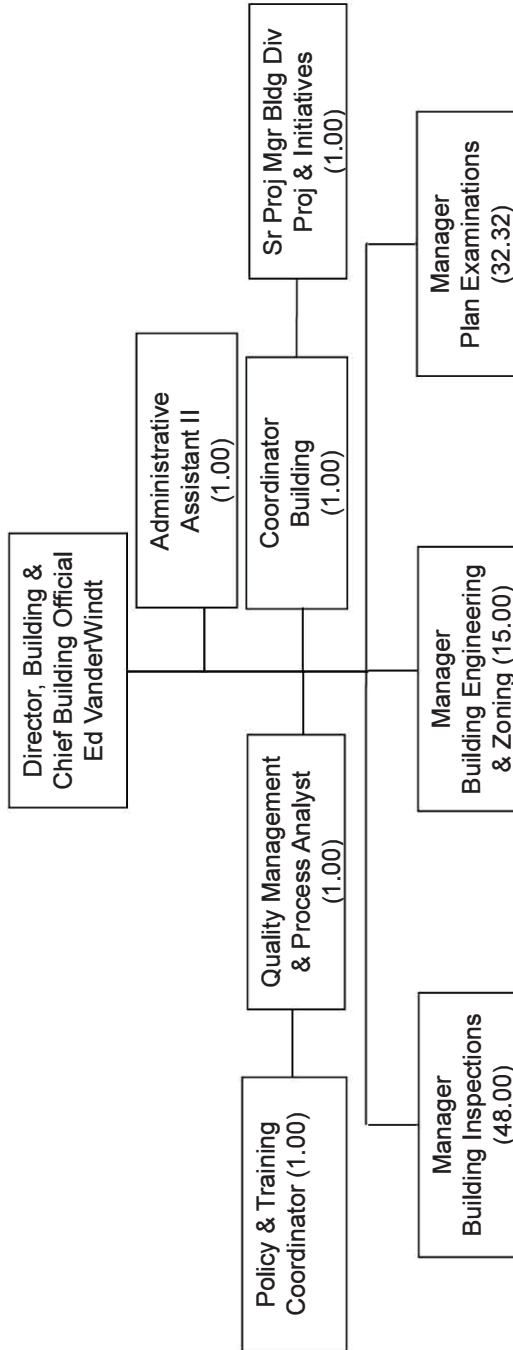
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Transportation Planning	1,850,910	1,462,730	1,435,049	1,871,600	1,474,900	12,170	0.8%
Directors Office TPP	166,470	166,470	408,662	168,080	168,080	1,610	1.0%
Hamilton Municipal Parking System	12,959,320	(1,474,070)	(1,735,086)	13,058,400	(1,391,120)	82,950	(5.6)%
School Crossing	1,913,070	1,913,070	1,929,216	1,984,460	1,984,460	71,390	3.7%
<b>Total Transportation Planning and Parking</b>	<b>16,889,770</b>	<b>2,068,200</b>	<b>2,037,841</b>	<b>17,082,540</b>	<b>2,236,320</b>	<b>168,120</b>	<b>8.1%</b>

## BYCOSTCATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		10,160,280	10,298,008	10,302,040	141,760	1.4%
MATERIAL & SUPPLY		338,910	415,001	358,410	19,500	5.8%
VEHICLE EXPENSES		189,410	220,278	205,090	15,680	8.3%
BUILDING & GROUND		791,900	804,595	682,570	(109,330)	(13.8)%
CONSULTING		0	227	0	0	0.0%
CONTRACTUAL		1,600,150	1,585,513	1,679,090	78,940	4.9%
RESERVES/RECOVERIES		1,645,840	1,648,962	1,714,760	68,920	4.2%
COST ALLOCATIONS		749,960	756,617	792,580	42,620	5.7%
FINANCIAL		1,530,100	1,606,265	1,467,340	(62,760)	(4.1)%
RECOVERIES FROM CAPITAL		(116,780)	(70,729)	(119,340)	(2,560)	2.2%
<b>TOTAL EXPENSES</b>		<b>16,889,770</b>	<b>17,264,737</b>	<b>17,082,540</b>	<b>192,770</b>	<b>1.1%</b>
FEES & GENERAL		(11,754,240)	(5,719,199)	(14,846,220)	(3,091,980)	26.3%
RESERVES		(3,067,330)	(9,507,697)	0	3,067,330	(100.0)%
<b>TOTAL REVENUES</b>		<b>(14,821,570)</b>	<b>(15,226,896)</b>	<b>(14,846,220)</b>	<b>(24,650)</b>	<b>0.2%</b>
<b>NET LEVY</b>		<b>2,068,200</b>	<b>2,037,841</b>	<b>2,236,320</b>	<b>168,120</b>	<b>8.1%</b>

**BUILDING**

# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2020	4.00	97.32	101.32	24.33:1
2022	4.00	97.32	101.32	24.33:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

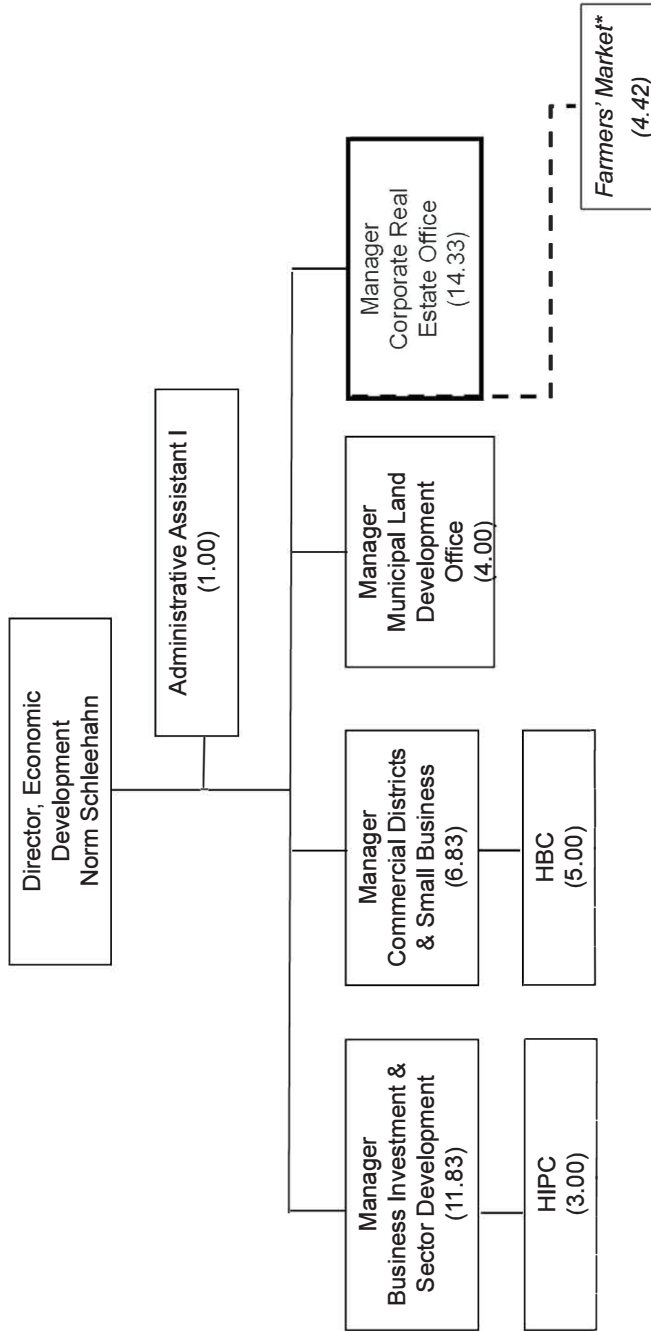
	2021	2021	2021	2022	2022	2022 Preliminary
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Residual Change \$
ation - Building Serv	302,600	298,600	315,451	264,260	260,180	(38,420)
Inspections	628,510	628,510	621,600	649,190	649,190	20,680
ing & Zoning Services	121,210	(541,440)	0	131,460	(532,700)	8,740
ie Model	13,953,220	8,650	2	14,358,760	0	(8,650)
mination	223,120	223,120	224,030	230,950	230,950	7,830
<b>ilding</b>	<b>15,228,660</b>	<b>617,440</b>	<b>1,161,083</b>	<b>15,634,620</b>	<b>607,620</b>	<b>(9,820)</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	12,148,310	12,938,065	12,414,930	266,620	2.2%
MATERIAL & SUPPLY	186,770	182,201	186,770	0	0.0%
VEHICLE EXPENSES	119,890	117,910	123,300	3,410	2.8%
BUILDING & GROUND	16,510	20,420	18,790	2,280	13.8%
CONSULTING	0	52,000	0	0	0.0%
CONTRACTUAL	54,890	103,110	54,890	0	0.0%
RESERVES/RECOVERIES	1,126,510	1,353,080	1,234,370	107,860	9.6%
COST ALLOCATIONS	1,524,280	1,345,020	1,550,070	25,790	1.7%
FINANCIAL	51,500	162,210	51,500	0	0.0%
RECOVERIES FROM CAPITAL	0	(260)	0	0	0.0%
<b>TOTAL EXPENSES</b>	<b>15,228,660</b>	<b>16,273,756</b>	<b>15,634,620</b>	<b>405,960</b>	<b>2.7%</b>
FEES & GENERAL	(14,469,100)	(15,112,673)	(15,027,000)	(557,900)	3.9%
RESERVES	(142,120)	0	0	142,120	(100.0)%
<b>TOTAL REVENUES</b>	<b>(14,611,220)</b>	<b>(15,112,673)</b>	<b>(15,027,000)</b>	<b>(415,780)</b>	<b>2.8%</b>
<b>NET LEVY</b>	<b>617,440</b>	<b>1,161,083</b>	<b>607,620</b>	<b>(9,820)</b>	<b>(1.6)%</b>

ECONOMIC DEVELOPMENT

# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	* DISTRIBUTED MANAGEMENT	OTHER	* DISTRIBUTED OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	0.00	41.99	0.00	46.99	8.40:1
2022	5.00	1.00	41.99	3.42	51.41	7.57:1
CHANGE	0.00	1.00	0.00	3.42	4.42	0.83:1

\*Distributed staff represent a direct reporting structure to Chief Corporate Real Estate Officer (Ray Kessler) of Hamilton Market employees. Hamilton Market budget resides in Boards and Agencies

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

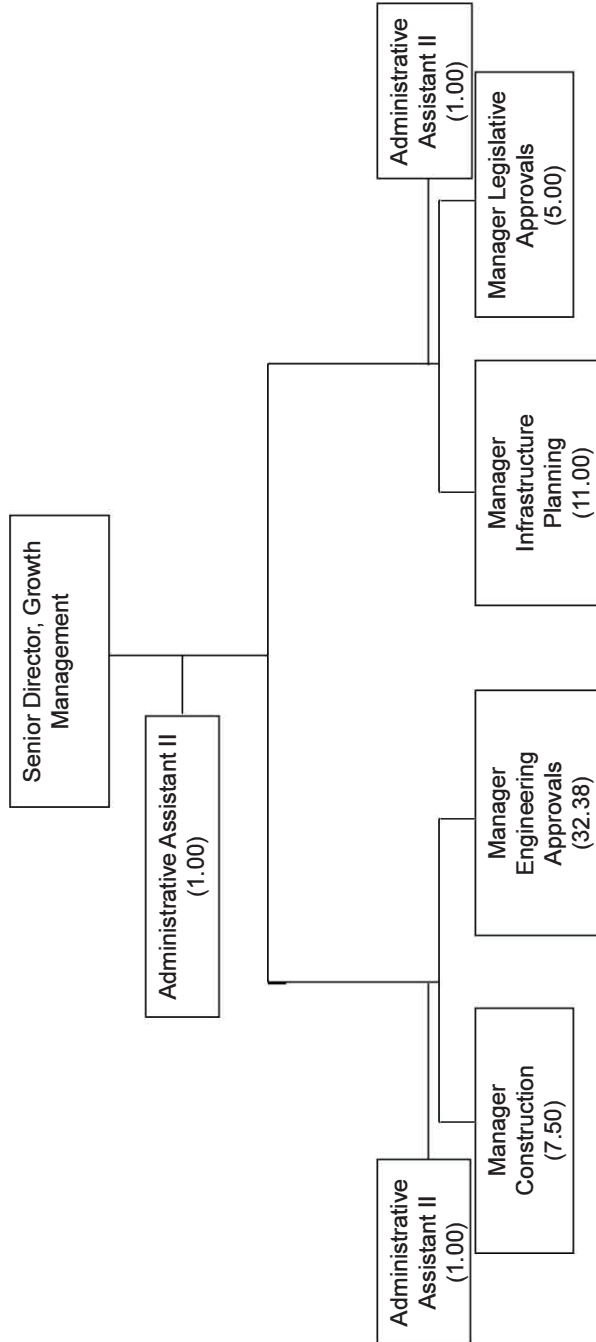
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Corporate Real Estate Office	728,160	725,820	726,012	782,970	780,630	54,810	7.6%
Commercial Districts and Small Business	3,240,650	1,636,620	1,639,618	3,305,560	1,700,020	63,400	3.9%
Municipal Land Development	229,570	229,570	178,626	225,040	225,040	(4,530)	(2.0)%
Business Development	3,378,000	2,992,000	2,768,505	3,378,690	2,962,380	(29,620)	(1.0)%
<b>Total Economic Development</b>	<b>7,576,380</b>	<b>5,584,010</b>	<b>5,312,761</b>	<b>7,692,260</b>	<b>5,668,070</b>	<b>84,060</b>	<b>1.5%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		6,316,880	5,908,598	6,551,640	234,760	3.7%
MATERIAL & SUPPLY		254,670	244,459	261,020	6,350	2.5%
BUILDING & GROUND		11,190	19,653	12,850	1,660	14.8%
CONSULTING		19,650	39,788	23,900	4,250	21.6%
CONTRACTUAL		448,270	455,061	439,690	(8,580)	(1.9)%
AGENCIES & SUPPORT PAYMENTS		1,058,600	1,325,635	1,058,600	0	0.0%
RESERVES/RECOVERIES		323,750	1,038,759	279,650	(44,100)	(13.6)%
COST ALLOCATIONS		352,470	333,595	356,190	3,720	1.1%
FINANCIAL		501,420	300,986	486,690	(14,730)	(2.9)%
RECOVERIES FROM CAPITAL		(1,710,520)	(917,966)	(1,777,970)	(67,450)	3.9%
<b>TOTAL EXPENSES</b>		<b>7,576,380</b>	<b>8,748,568</b>	<b>7,692,260</b>	<b>115,880</b>	<b>1.5%</b>
FEES & GENERAL		(274,960)	(785,051)	(276,470)	(1,510)	0.5%
GRANTS & SUBSIDIES		(624,250)	(763,033)	(654,560)	(30,310)	4.9%
RESERVES		(1,093,160)	(1,887,723)	(1,093,160)	0	0.0%
<b>TOTAL REVENUES</b>		<b>(1,992,370)</b>	<b>(3,435,807)</b>	<b>(2,024,190)</b>	<b>(31,820)</b>	<b>1.6%</b>
<b>NET LEVY</b>		<b>5,584,010</b>	<b>5,312,761</b>	<b>5,668,070</b>	<b>84,060</b>	<b>1.5%</b>

GROWTHMANAGEMENT

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/AMGT RATIO
2021	6.00	50.88	56.88	8.48:1
2022	6.00	53.88	59.88	8.98:1
CHANGE	0.00	3.00	3.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

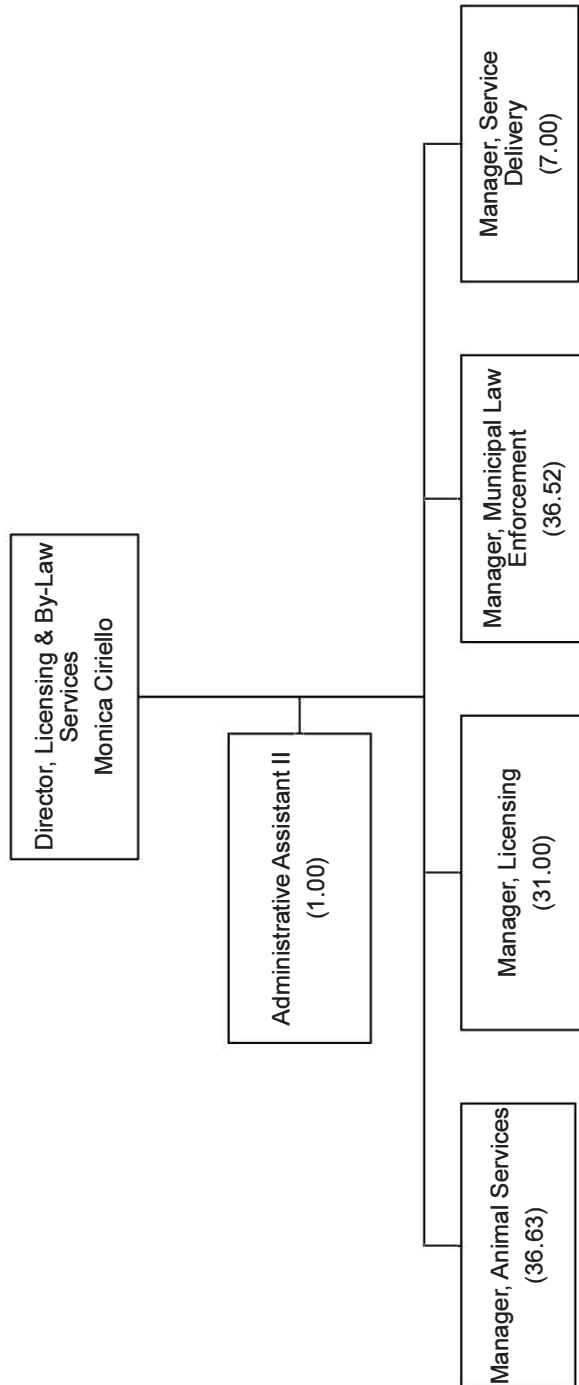
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Director & Admin Growth Management	(92,820)	(92,820)	(163,547)	(13,440)	(13,440)	79,380	(85.5)%
Development Engineering	3,958,080	(632,830)	(1,259,180)	4,169,670	(736,640)	(103,810)	16.4%
Grading & Construction	765,520	150,550	131,370	962,380	135,190	(15,360)	(10.2)%
Infrastructure Planning	1,510,990	500,990	741,210	1,510,430	450,430	(50,560)	(10.1)%
Legislative Approvals	564,270	564,270	575,700	627,890	627,890	63,620	11.3%
<b>Total Growth Management</b>	<b>6,706,040</b>	<b>490,160</b>	<b>25,553</b>	<b>7,256,930</b>	<b>463,430</b>	<b>(26,730)</b>	<b>(5.5)%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	6,660,780	6,260,280	7,134,160	473,380	7.1%
MATERIAL & SUPPLY	156,320	80,333	156,320	0	0.0%
VEHICLE EXPENSES	30,500	26,550	35,310	4,810	15.8%
BUILDING & GROUND	9,560	9,560	9,410	(150)	(1.6)%
CONSULTING	70,000	108,980	70,000	0	0.0%
CONTRACTUAL	10,270	77,240	11,580	1,310	12.8%
RESERVES/RECOVERIES	641,660	4,983,460	706,230	64,570	10.1%
COST ALLOCATIONS	(564,910)	(664,910)	(563,510)	1,400	(0.2)%
FINANCIAL	17,170	30,210	28,170	11,000	64.1%
CAPITAL FINANCING	0	30,000	0	0	0.0%
RECOVERIES FROM CAPITAL	(325,310)	(325,310)	(330,740)	(5,430)	1.7%
<b>TOTAL EXPENSES</b>	<b>6,706,040</b>	<b>10,616,393</b>	<b>7,256,930</b>	<b>550,890</b>	<b>8.2%</b>
FEES & GENERAL	(5,720,380)	(10,039,190)	(6,793,500)	(1,073,120)	18.8%
RESERVES	(495,500)	(551,650)	0	495,500	(100.0)%
<b>TOTAL REVENUES</b>	<b>(6,215,880)</b>	<b>(10,590,840)</b>	<b>(6,793,500)</b>	<b>(577,620)</b>	<b>9.3%</b>
<b>NET LEVY</b>	<b>490,160</b>	<b>25,553</b>	<b>463,430</b>	<b>(26,730)</b>	<b>(5.5)%</b>

LICENSING AND BY-LAW SERVICES

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	105.15	110.15	21.03:1
2022	5.00	108.15	113.15	21.63:1
CHANGE	0.00	3.00	3.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

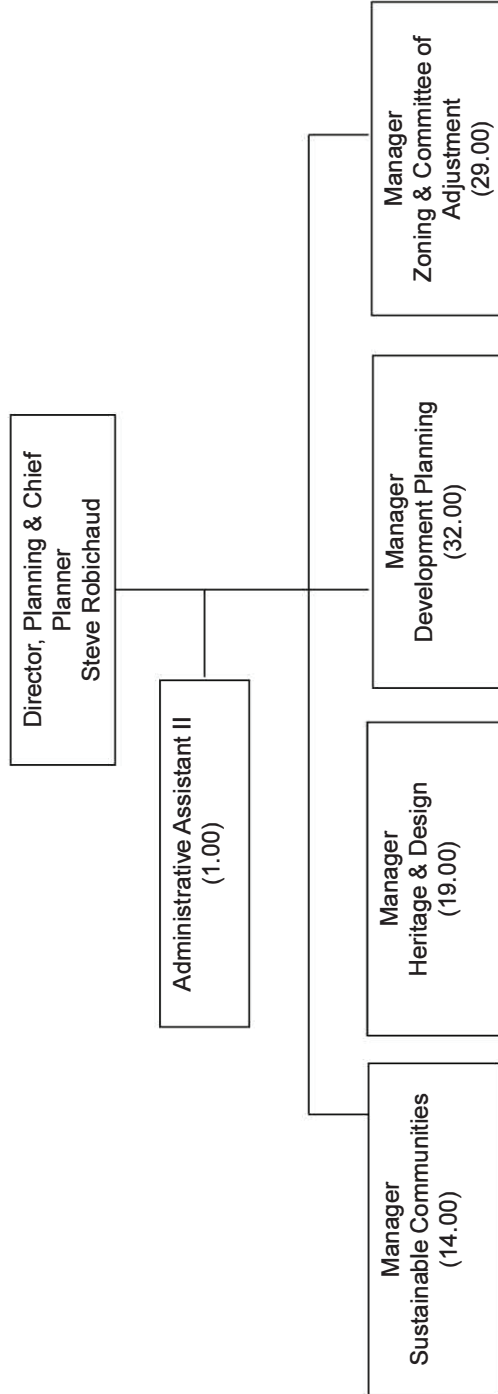
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Service Delivery	671,910	671,910	677,136	669,320	669,320	(2,590)	(0.4)%
Animal Services	4,631,850	2,954,840	2,934,793	4,712,890	3,002,420	47,580	1.6%
Directors Office L&BL	591,460	599,570	761,715	594,300	594,300	(5,270)	(0.9)%
Licensing	3,195,810	(516,830)	(938,703)	3,224,700	(529,300)	(12,470)	2.4%
Municipal Law Enforcement	4,086,500	3,092,180	2,832,070	4,201,100	3,206,780	114,600	3.7%
<b>Total Licensing &amp; By-Law Services</b>	<b>13,177,530</b>	<b>6,801,670</b>	<b>6,267,011</b>	<b>13,402,310</b>	<b>6,943,520</b>	<b>141,850</b>	<b>2.1%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST		10,569,890	10,654,518	10,523,620	(46,270) (0.4)%
MATERIAL & SUPPLY		385,650	406,546	405,300	19,650 5.1%
VEHICLE EXPENSES		212,850	223,095	223,320	10,470 4.9%
BUILDING & GROUND		499,550	495,678	502,950	3,400 0.7%
CONSULTING		28,500	41,988	30,350	1,850 6.5%
CONTRACTUAL		158,390	358,565	163,430	5,040 3.2%
RESERVES/RECOVERIES		820,880	837,345	958,980	138,100 16.8%
COST ALLOCATIONS		411,020	411,164	408,860	(2,160) (0.5)%
FINANCIAL		90,800	118,721	125,500	34,700 38.2%
CAPITAL FINANCING		0	0	60,000	60,000 0.0%
<b>TOTAL EXPENSES</b>		<b>13,177,530</b>	<b>13,547,620</b>	<b>13,402,310</b>	<b>224,780 1.7%</b>
FEES & GENERAL		(5,924,830)	(5,860,297)	(6,454,790)	(529,960) 8.9%
GRANTS & SUBSIDIES		(403,130)	(1,252,115)	(4,000)	399,130 (99.0)%
RESERVES		(47,900)	(168,197)	0	47,900 (100.0)%
<b>TOTAL REVENUES</b>		<b>(6,375,860)</b>	<b>(7,280,609)</b>	<b>(6,458,790)</b>	<b>(82,930) 1.3%</b>
<b>NET LEVY</b>		<b>6,801,670</b>	<b>6,267,011</b>	<b>6,943,520</b>	<b>141,850 2.1%</b>

PLANNING

# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	4.00	89.00	93.00	22.25:1
2022	4.00	92.00	96.00	23.00:1
CHANGE	0.00	3.00	3.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

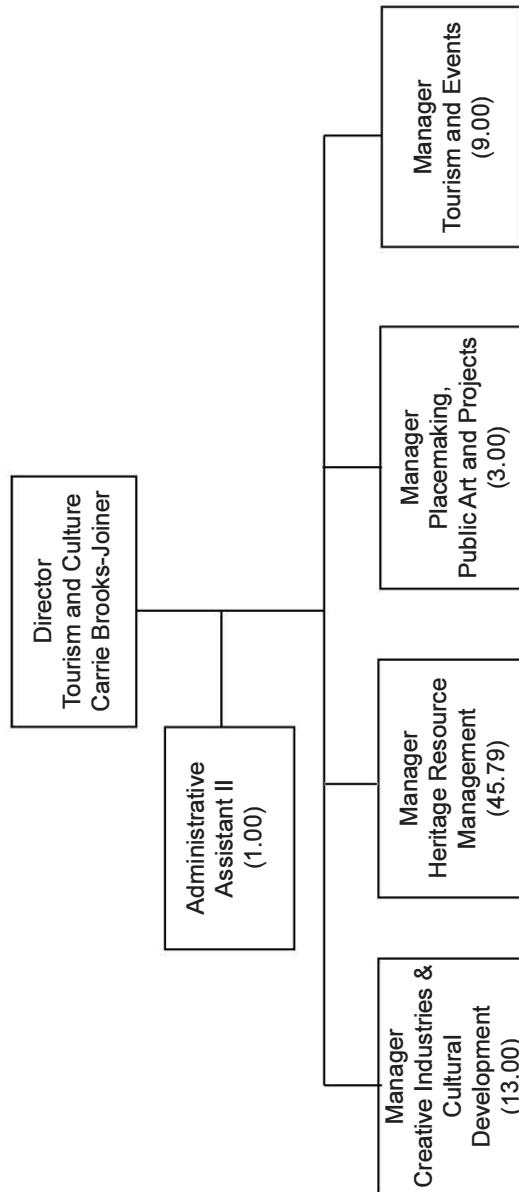
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Sustainable Communities	951,380	951,380	809,700	983,060	983,060	31,680	3.3%
Zoning & Committee of Adjmt	1,426,430	552,600	(698,110)	1,874,440	306,320	(246,280)	(44.6)%
Development Planning	3,680,530	(106,840)	1,383,818	3,489,940	(204,430)	(97,590)	91.3%
Director & Admin Planning	975,500	975,500	1,147,945	1,052,600	1,052,600	77,100	7.9%
Heritage & Urban Design	1,911,970	1,907,970	781,910	2,168,440	2,164,360	256,390	13.4%
<b>Total Planning</b>	<b>8,945,810</b>	<b>4,280,610</b>	<b>3,425,263</b>	<b>9,568,480</b>	<b>4,301,910</b>	<b>21,300</b>	<b>0.5%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	9,577,810	7,542,392	10,292,790	714,980	7.5%
MATERIAL & SUPPLY	219,020	285,040	223,200	4,180	1.9%
VEHICLE EXPENSES	1,500	-	1,500	0	0.0%
BUILDING & GROUND	17,180	14,780	17,530	350	2.0%
CONSULTING	114,380	100,000	114,380	0	0.0%
CONTRACTUAL	73,140	94,610	72,620	(520)	(0.7)%
AGENCIES & SUPPORT PAYMENTS	93,000	18,000	90,940	(2,060)	(2.2)%
RESERVES/RECOVERIES	844,620	2,729,320	566,660	(277,960)	(32.9)%
COST ALLOCATIONS	(774,780)	(140,340)	(786,590)	(11,810)	1.5%
FINANCIAL	56,770	37,000	62,770	6,000	10.6%
RECOVERIES FROM CAPITAL	(1,276,830)	(1,054,349)	(1,087,320)	189,510	(14.8)%
<b>TOTAL EXPENSES</b>	<b>8,945,810</b>	<b>9,626,453</b>	<b>9,568,480</b>	<b>622,670</b>	<b>7.0%</b>
FEES & GENERAL	(3,778,350)	(6,177,190)	(5,242,570)	(1,464,220)	38.8%
RESERVES	(886,850)	(24,000)	(24,000)	862,850	(97.3)%
<b>TOTAL REVENUES</b>	<b>(4,665,200)</b>	<b>(6,201,190)</b>	<b>(5,266,570)</b>	<b>(601,370)</b>	<b>(12.9)%</b>
<b>NET LEVY</b>	<b>4,280,610</b>	<b>3,425,263</b>	<b>4,301,910</b>	<b>21,300</b>	<b>0.5%</b>

**TOURISMANDCULTURE**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	67.79	72.79	13.56:1
2022	5.00	67.79	72.79	13.56:1
CHANGE	0.00	0.00	0.00	

## 2022 Preliminary Tax Supported Operating Budget

### BY SECTION

	2021	2021	2021	2022	2022	2022 Preliminary vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Gross	Preliminary Net	Change \$	Change %
Place Making, Public Arts and Projects	695,290	682,990	8,751,160	698,740	683,840	850	0.1%
Creative Industries and Cultural Development	1,828,970	1,749,500	0	1,820,390	1,740,920	(8,580)	(0.5)%
Heritage Resource Management	5,704,420	4,884,890	0	5,860,440	5,066,190	181,300	3.7%
Tourism	1,592,830	1,466,470	0	1,623,370	1,496,530	30,060	2.0%
Directors Office T&C	705,680	705,680	634,860	716,310	716,310	10,630	1.5%
<b>Total Tourism &amp; Culture</b>	<b>10,527,190</b>	<b>9,489,530</b>	<b>9,386,020</b>	<b>10,719,250</b>	<b>9,703,790</b>	<b>214,260</b>	<b>2.3%</b>

### BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	7,765,550	7,653,164	7,856,060	90,510	1.2%
MATERIAL & SUPPLY	595,860	484,571	616,160	20,300	3.4%
VEHICLE EXPENSES	4,350	4,100	4,460	110	2.5%
BUILDING & GROUND	899,560	866,698	932,930	33,370	3.7%
CONSULTING	19,000	19,000	9,500	(9,500)	(50.0)%
CONTRACTUAL	1,006,640	861,734	1,047,630	40,990	4.1%
AGENCIES & SUPPORT PAYMENTS	187,250	181,278	187,250	0	0.0%
RESERVES/RECOVERIES	508,990	(64,469)	475,200	(33,790)	(6.6)%
COST ALLOCATIONS	54,120	63,341	83,010	28,890	53.4%
FINANCIAL	88,990	93,687	115,950	26,960	30.3%
RECOVERIES FROM CAPITAL	(603,120)	(90,055)	(608,910)	(5,790)	1.0%
<b>TOTAL EXPENSES</b>	<b>10,527,190</b>	<b>10,073,049</b>	<b>10,719,240</b>	<b>192,050</b>	<b>1.8%</b>
FEES & GENERAL	(572,940)	(278,181)	(671,060)	(98,120)	17.1%
GRANTS & SUBSIDIES	(214,130)	(474,671)	(216,130)	(2,000)	0.9%
RESERVES	(250,590)	(13,550)	(128,260)	122,330	(48.8)%
<b>TOTAL REVENUES</b>	<b>(1,037,660)</b>	<b>(766,402)</b>	<b>(1,015,450)</b>	<b>22,210</b>	<b>(2.1)%</b>
<b>NET LEVY</b>	<b>9,489,530</b>	<b>9,306,647</b>	<b>9,703,790</b>	<b>214,260</b>	<b>2.3%</b>

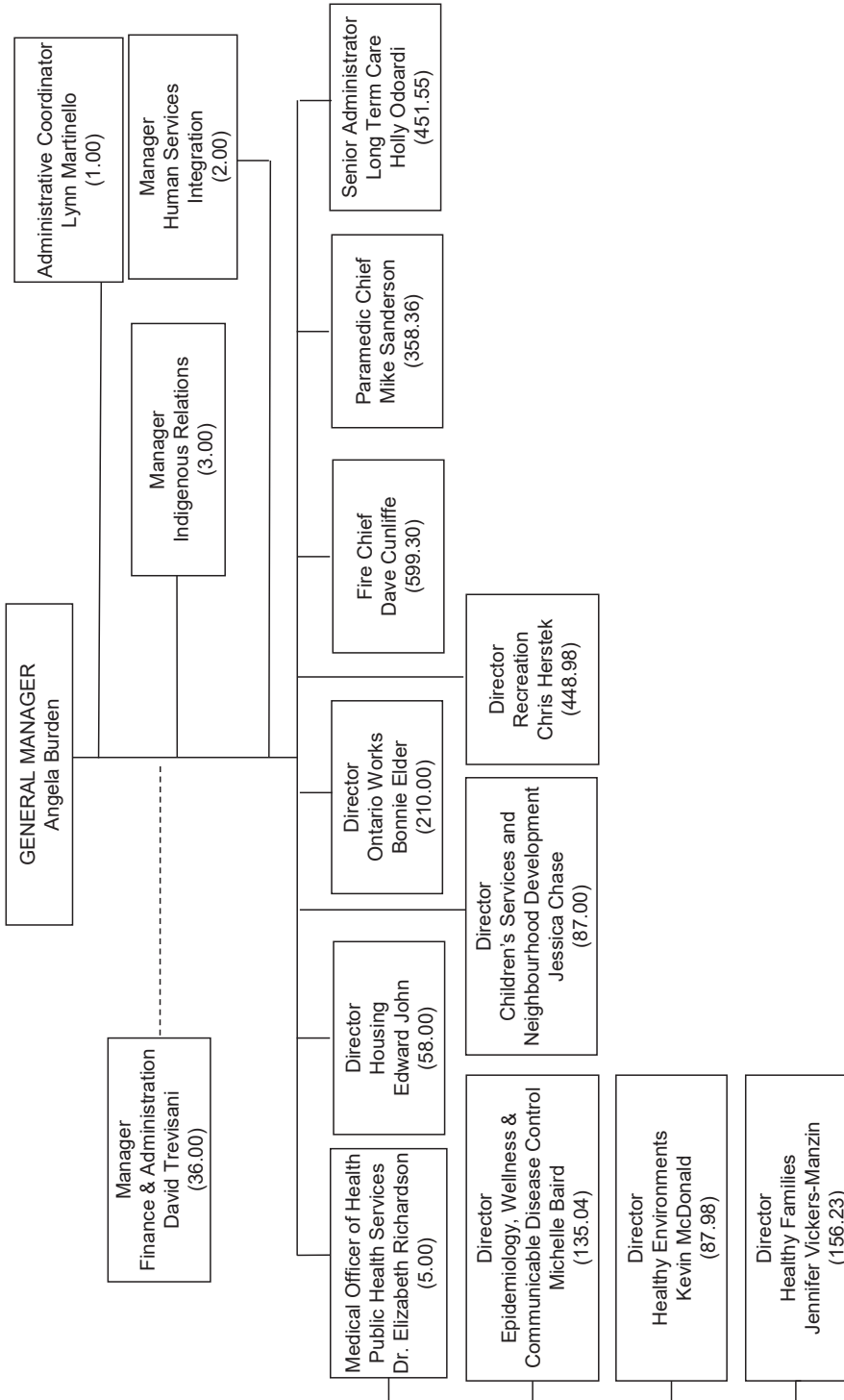
# HEALTHY AND SAFE COMMUNITIES

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# DEPARTMENT STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	83.00	2,554.70	2,637.70	30.78:1
2022	84.00	2,556.44	2,640.44	30.43:1
CHANGE	1.00	1.74	2.74	



# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
HSC Administration	3,836,940	3,363,130	3,388,620	4,044,840	3,589,980	226,850	6.7%
Childrens Services and Neighbourhood Dev.	93,083,390	10,439,330	10,542,420	95,869,880	10,482,510	43,180	0.4%
Ontario Works	145,377,470	12,321,930	10,327,420	145,674,520	12,842,140	520,210	4.2%
Housing Services	97,654,960	47,325,860	43,215,360	120,331,290	53,937,500	6,611,640	14.0%
Long Term Care	44,818,490	11,524,860	9,447,360	47,010,500	11,768,320	243,460	2.1%
Recreation	54,777,680	35,319,640	35,263,950	55,975,450	35,988,570	668,930	1.9%
Hamilton Fire Department	95,338,160	93,288,450	93,073,760	99,031,680	97,526,440	4,237,990	4.5%
Hamilton Paramedic Service	61,497,880	28,102,490	30,317,940	64,184,740	28,395,390	292,900	1.0%
Public Health Services	68,774,000	13,503,920	13,099,630	101,606,170	14,339,300	835,380	6.2%
<b>Total Healthy &amp; Safe Communities</b>	<b>665,158,970</b>	<b>255,189,610</b>	<b>248,676,460</b>	<b>733,729,070</b>	<b>268,870,150</b>	<b>13,680,540</b>	<b>5.4%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	304,092,680	316,211,820	340,166,040	36,073,360	11.9%
MATERIAL & SUPPLY	14,264,280	17,341,710	18,575,950	4,311,670	30.2%
VEHICLE EXPENSES	2,755,920	2,840,420	3,117,900	361,980	13.1%
BUILDING & GROUND	13,869,250	14,924,540	16,343,090	2,473,840	17.8%
CONSULTING	55,790	79,050	615,790	560,000	1003.8%
CONTRACTUAL	8,734,210	9,318,860	8,777,570	43,360	0.5%
AGENCIES & SUPPORT PAYMENTS	293,633,540	273,827,420	311,306,140	17,672,600	6.0%
RESERVES/RECOVERIES	19,351,670	19,030,060	22,827,320	3,475,650	18.0%
COST ALLOCATIONS	5,896,160	6,056,540	6,373,610	477,450	8.1%
FINANCIAL	2,923,200	2,967,220	4,112,230	1,189,030	40.7%
CAPITAL FINANCING	1,018,740	1,018,750	2,269,530	1,250,790	122.8%
CAPITAL EXPENDITURES	0	118,250	0	0	0.0%
RECOVERIES FROM CAPITAL	(1,436,450)	(1,069,950)	(756,100)	680,350	47.4%
<b>TOTAL EXPENSES</b>	<b>665,158,990</b>	<b>662,664,690</b>	<b>733,729,070</b>	<b>68,570,080</b>	<b>10.3%</b>
FEES & GENERAL	(30,828,780)	(34,256,300)	(31,681,450)	(852,670)	(2.8)%
GRANTS & SUBSIDIES	(348,730,120)	(364,711,100)	(353,163,350)	(4,433,230)	(1.3)%
RESERVES	(30,410,460)	(15,020,830)	(80,014,130)	(49,603,670)	(163.1)%
<b>TOTAL REVENUES</b>	<b>(409,969,360)</b>	<b>(413,988,230)</b>	<b>(464,858,930)</b>	<b>(54,889,570)</b>	<b>(13.4)%</b>
<b>NET LEVY</b>	<b>255,189,630</b>	<b>248,676,460</b>	<b>268,870,140</b>	<b>13,680,510</b>	<b>5.4%</b>

# 2022 Preliminary Tax Supported Operating Budget Multi-Year Budget Outlook

## BY DIVISION

	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2023 Preliminary Gross	2023 Preliminary Net	2024 Preliminary Gross	2024 Preliminary Net	2025 Preliminary Gross	2025 Preliminary Net
HSC Administration	4,044,840	3,589,980	3,966,890	3,567,520	4,034,330	3,674,340	4,127,010	3,766,810
Childrens Services and Neighbourhood Dev.	95,869,880	10,482,510	98,282,780	12,121,770	98,515,750	12,354,420	98,734,620	12,573,290
Ontario Works	145,674,520	12,842,140	146,171,810	13,446,470	146,737,970	14,012,040	147,287,060	14,560,500
Housing Services	120,331,290	53,937,500	97,997,040	56,832,580	99,772,210	59,711,490	101,478,920	63,267,860
Long Term Care	47,010,500	11,768,320	46,644,540	11,675,830	47,336,910	12,539,890	48,105,330	13,284,700
Recreation	55,975,450	35,988,570	56,819,430	36,382,710	57,721,260	36,796,270	58,747,510	37,321,850
Hamilton Fire Department	99,031,680	97,526,440	101,540,140	100,436,130	104,221,920	103,564,410	107,527,460	106,850,450
Hamilton Paramedic Service	64,184,740	28,395,390	63,200,900	29,006,660	63,111,120	29,704,010	64,029,820	30,444,390
Public Health Services	101,606,170	14,339,300	104,029,960	17,528,130	57,352,630	18,431,130	58,247,080	19,327,510
<b>Total Healthy &amp; Safe Communities</b>	<b>733,729,070</b>	<b>268,870,150</b>	<b>718,653,490</b>	<b>280,997,800</b>	<b>678,804,100</b>	<b>290,788,000</b>	<b>688,284,810</b>	<b>301,397,360</b>

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION - ADMINISTRATION

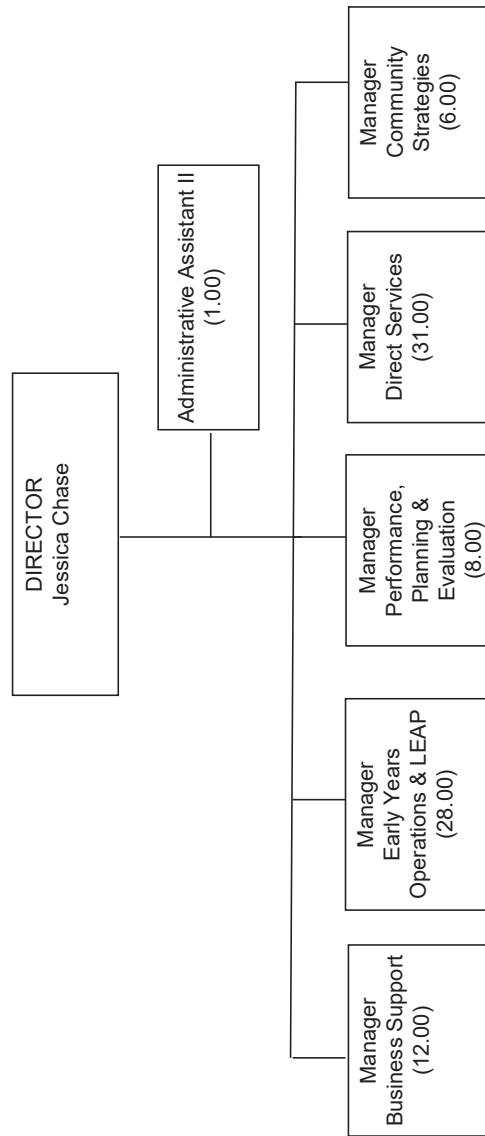
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
HSC - Finance & Administration	2,593,580	2,155,820	2,087,320	2,623,490	2,204,680	48,860	2.3%
General Managers Office	1,243,360	1,207,310	1,301,300	1,421,350	1,385,300	177,990	14.7%
<b>Total HSC Administration</b>	<b>3,836,940</b>	<b>3,363,130</b>	<b>3,388,620</b>	<b>4,044,840</b>	<b>3,589,980</b>	<b>226,850</b>	<b>6.7%</b>

## BY COST CATEGORY - ADMINISTRATION

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	3,214,580	3,247,860	3,433,550	218,970	6.8%
MATERIAL & SUPPLY	226,100	193,540	226,110	10	0.0%
BUILDING & GROUND	6,240	6,670	6,720	480	7.7%
CONSULTING	0	14,250	0	0	0.0%
CONTRACTUAL	7,550	11,180	8,340	790	10.5%
AGENCIES & SUPPORT PAYMENTS	152,700	151,700	152,700	0	0.0%
RESERVES/RECOVERIES	194,150	189,040	181,170	(12,980)	(6.7)%
COST ALLOCATIONS	31,320	31,320	31,950	630	2.0%
FINANCIAL	4,300	4,150	4,300	0	0.0%
<b>TOTAL EXPENSES</b>	<b>3,836,940</b>	<b>3,849,710</b>	<b>4,044,840</b>	<b>207,900</b>	<b>5.4%</b>
GRANTS & SUBSIDIES	(348,490)	(461,090)	(349,110)	(620)	(0.2)%
RESERVES	(125,320)	0	(105,750)	19,570	15.6%
<b>TOTAL REVENUES</b>	<b>(473,810)</b>	<b>(461,090)</b>	<b>(454,860)</b>	<b>18,950</b>	<b>4.0%</b>
<b>NET LEVY</b>	<b>3,363,130</b>	<b>3,388,620</b>	<b>3,589,980</b>	<b>226,850</b>	<b>6.7%</b>

**CHILDREN'S SERVICES  
AND NEIGHBOURHOOD  
DEVELOPMENT**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	6.00	81.00	87.00	13.50:1
2022	6.00	81.00	87.00	13.50:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

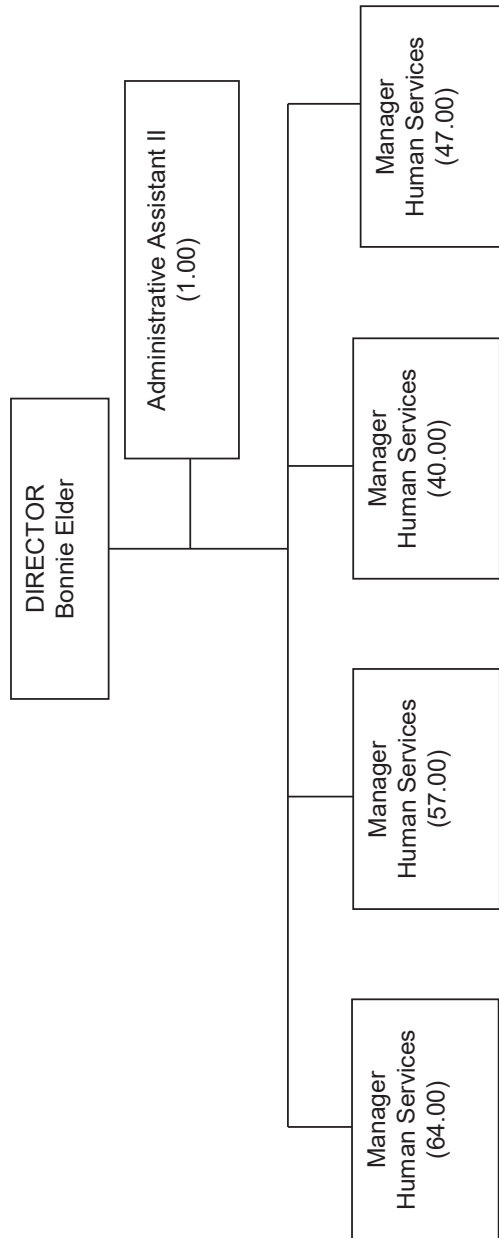
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Neighbourhoods & Community	940,230	907,980	1,470,800	952,190	919,940	11,960	1.3%
CSND Administration	(15,680)	(15,680)	(260,890)	(15,680)	(15,680)	0	0.0%
Early Years & Child Care	90,489,770	9,076,180	9,045,660	93,248,540	9,091,640	15,460	0.2%
Home Management	1,669,070	470,850	286,850	1,684,830	486,610	15,760	3.3%
<b>Total Children's Services and Neighbourhood Dev.</b>	<b>93,083,390</b>	<b>10,439,330</b>	<b>10,542,420</b>	<b>95,869,880</b>	<b>10,482,510</b>	<b>43,180</b>	<b>0.4%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		9,423,030	9,151,820	9,514,420	91,390	1.0%
MATERIAL & SUPPLY		737,310	439,510	742,470	5,160	0.7%
BUILDING & GROUND		45,100	219,330	45,950	850	1.9%
CONTRACTUAL		428,790	397,410	443,780	14,990	3.5%
AGENCIES & SUPPORT PAYMENTS		81,689,070	81,374,440	84,355,310	2,666,240	3.3%
RESERVES/RECOVERIES		335,620	(781,030)	338,410	2,790	0.8%
COST ALLOCATIONS		377,330	369,360	384,900	7,570	2.0%
FINANCIAL		47,140	41,490	44,640	(2,500)	(5.3)%
<b>TOTAL EXPENSES</b>		<b>93,083,390</b>	<b>91,212,330</b>	<b>95,869,880</b>	<b>2,786,490</b>	<b>3.0%</b>
FEES & GENERAL		(3,316,520)	(2,472,170)	(3,316,520)	0	0.0%
GRANTS & SUBSIDIES		(79,117,540)	(78,197,740)	(81,598,150)	(2,480,610)	(3.1)%
RESERVES		(210,000)	0	(472,700)	(262,700)	(125.1)%
<b>TOTAL REVENUES</b>		<b>(82,644,060)</b>	<b>(80,669,910)</b>	<b>(85,387,370)</b>	<b>(2,743,310)</b>	<b>(3.3)%</b>
<b>NET LEVY</b>		<b>10,439,330</b>	<b>10,542,420</b>	<b>10,482,510</b>	<b>43,180</b>	<b>0.4%</b>

ONTARIOWORKS

# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	205.00	210.00	41:1
2022	5.00	205.00	210.00	41:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

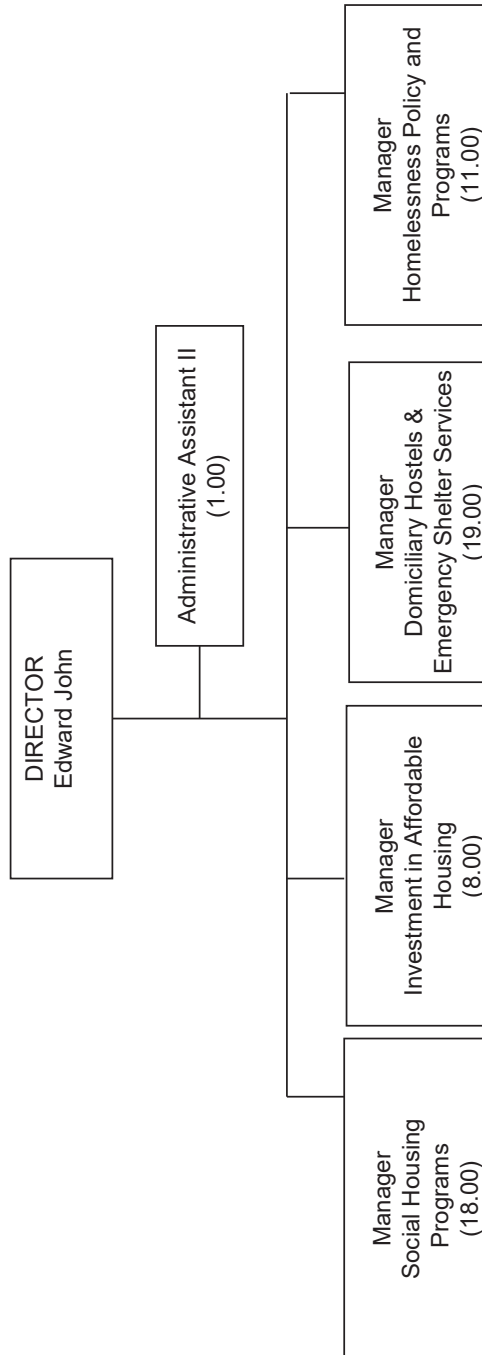
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
Client Benefits/Spec Supports	119,928,100	1,091,660	575,870	119,815,840	1,222,200	130,540	12.0%
OW Admin	25,449,370	11,230,270	9,751,550	25,858,680	11,619,940	389,670	3.5%
<b>Total Ontario Works</b>	<b>145,377,470</b>	<b>12,321,930</b>	<b>10,327,420</b>	<b>145,674,520</b>	<b>12,842,140</b>	<b>520,210</b>	<b>4.2%</b>

## BY COST CATEGORY

	2021 Restated	2021 Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated		
					Change \$	Change %	
EMPLOYEE RELATED COST			20,409,620	19,882,450	20,848,420	438,800	2.2%
MATERIAL & SUPPLY			679,010	396,540	673,570	(5,440)	(0.8)%
BUILDING & GROUND			1,756,040	2,043,900	1,763,840	7,800	0.4%
CONTRACTUAL			203,120	233,150	273,870	70,750	34.8%
AGENCIES & SUPPORT PAYMENTS			120,718,120	101,268,760	120,595,140	(122,980)	(0.1)%
RESERVES/RECOVERIES			559,350	634,830	459,320	(100,030)	(17.9)%
COST ALLOCATIONS			751,390	739,180	767,540	16,150	2.1%
FINANCIAL			300,820	200,090	292,820	(8,000)	(2.7)%
<b>TOTAL EXPENSES</b>			<b>145,377,470</b>	<b>125,398,900</b>	<b>145,674,520</b>	<b>297,050</b>	<b>0.2%</b>
FEES & GENERAL			(1,888,470)	(1,885,010)	(1,923,040)	(34,570)	(1.8)%
GRANTS & SUBSIDIES			(131,078,520)	(113,065,470)	(130,801,720)	276,800	0.2%
RESERVES			(88,550)	(121,000)	(107,620)	(19,070)	(21.5)%
<b>TOTAL REVENUES</b>			<b>(133,055,540)</b>	<b>(115,071,480)</b>	<b>(132,832,380)</b>	<b>223,160</b>	<b>0.2%</b>
<b>NET LEVY</b>			<b>12,321,930</b>	<b>10,327,420</b>	<b>12,842,140</b>	<b>520,210</b>	<b>4.2%</b>

HOUSING SERVICES

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	53.00	58.00	10.60:1
2022	5.00	53.00	58.00	10.60:1
CHANGE	0.00	0.00	0.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

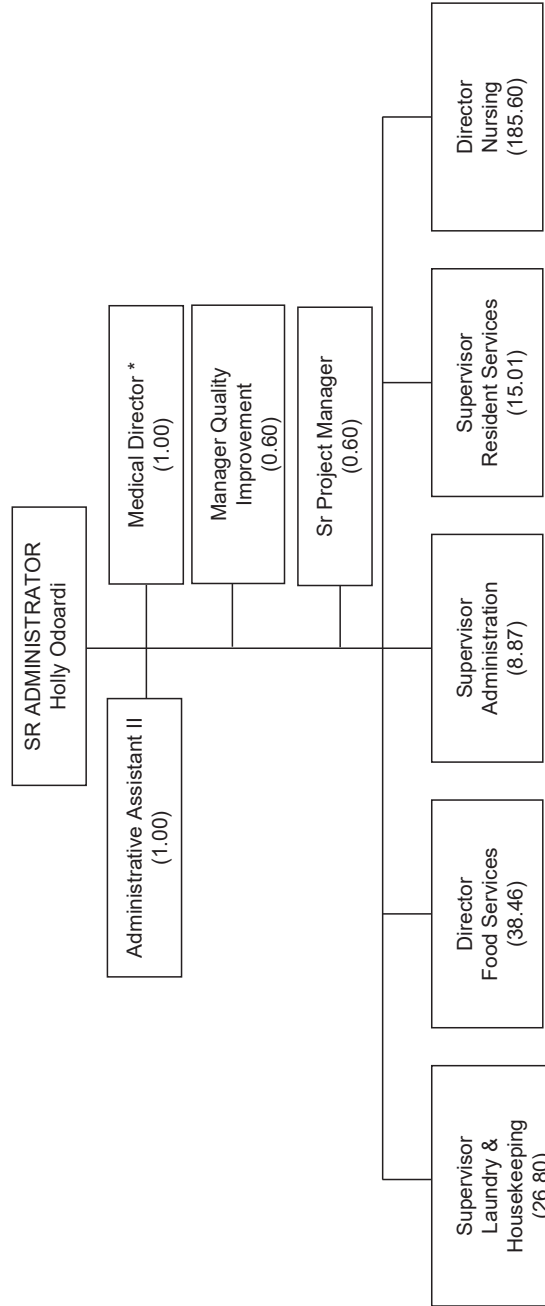
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Housing Services Administration	6,310,250	603,070	682,030	23,218,230	689,230	86,160	14.3%
Affordable Housing	9,180,990	6,655,380	5,882,160	10,772,440	7,199,830	544,450	8.2%
Homelessness Policy & Program	33,271,880	5,807,390	3,366,000	34,976,387	7,349,567	1,542,177	26.6%
Social Housing	48,891,840	34,260,020	33,285,170	51,364,233	38,698,873	4,438,853	13.0%
<b>Total Housing Services</b>	<b>97,654,960</b>	<b>47,325,860</b>	<b>43,215,360</b>	<b>120,331,290</b>	<b>53,937,500</b>	<b>6,611,640</b>	<b>14.0%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		6,552,700	5,860,900	6,971,010	418,310	6.4%
MATERIAL & SUPPLY		695,330	691,500	3,936,250	3,240,920	466.1%
BUILDING & GROUND		271,030	486,420	1,005,240	734,210	270.9%
CONSULTING		800	800	800	0	0.0%
CONTRACTUAL		477,190	293,930	528,940	51,750	10.8%
AGENCIES & SUPPORT PAYMENTS		89,916,400	89,489,380	104,681,230	14,764,830	16.4%
RESERVES/RECOVERIES		288,860	651,790	771,880	483,020	167.2%
COST ALLOCATIONS		(245,110)	(99,190)	(239,960)	5,150	2.1%
FINANCIAL		1,134,210	1,116,110	2,181,210	1,047,000	92.3%
CAPITAL FINANCING		0	0	1,250,790	1,250,790	100.0%
CAPITAL EXPENDITURES		0	10,200	0	0	0.0%
RECOVERIES FROM CAPITAL		(1,436,450)	(1,069,950)	(756,100)	680,350	47.4%
<b>TOTAL EXPENSES</b>		<b>97,654,960</b>	<b>97,431,890</b>	<b>120,331,290</b>	<b>22,676,330</b>	<b>23.2%</b>
FEES & GENERAL		(100,000)	(525,120)	(100,000)	0	0.0%
GRANTS & SUBSIDIES		(44,354,470)	(43,865,970)	(42,550,340)	1,804,130	4.1%
RESERVES		(5,874,630)	(9,825,440)	(23,743,450)	(17,868,820)	(304.2)%
<b>TOTAL REVENUES</b>		<b>(50,329,100)</b>	<b>(54,216,530)</b>	<b>(66,393,790)</b>	<b>(16,064,690)</b>	<b>(31.9)%</b>
<b>NET LEVY</b>		<b>47,325,860</b>	<b>43,215,360</b>	<b>53,937,500</b>	<b>6,611,640</b>	<b>14.0%</b>

**LONG TERM CARE  
– Macassa Lodge**

**DIVISION STRUCTURE**

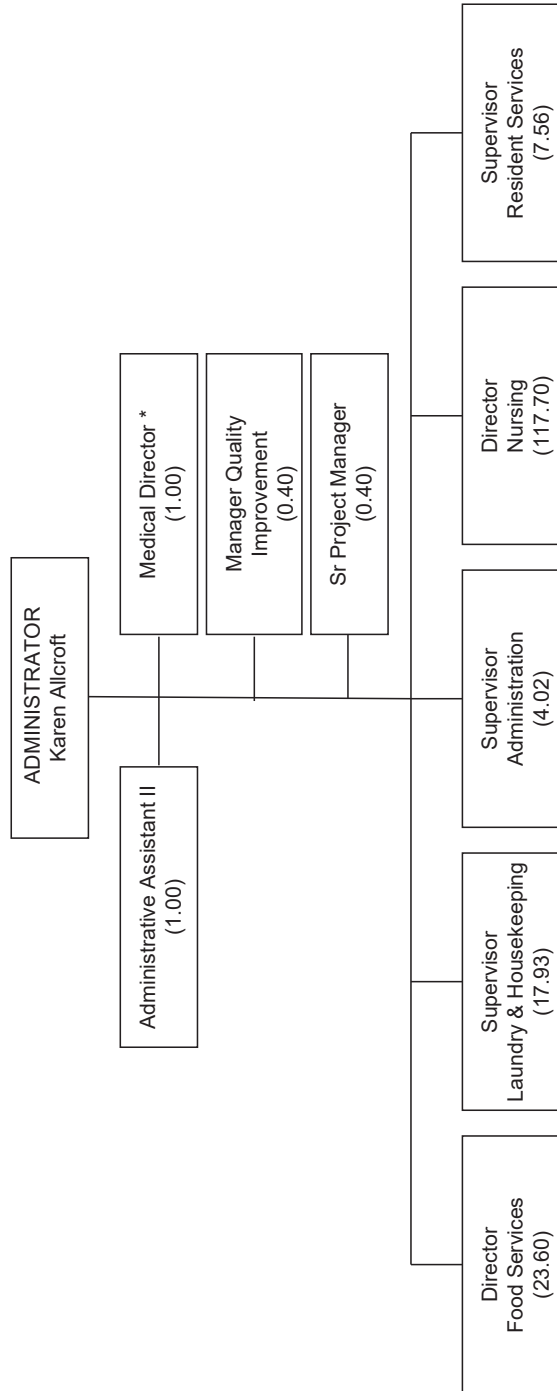


\* Not included in complement

COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	7.00	270.94	277.94	38.71:1
2022	7.00	270.94	277.94	38.71:1
CHANGE	0.00	0.00	0.00	

**LONG TERM CARE  
-WentworthLodge**

**DIVISION STRUCTURE**



\* Not included in complement

COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	168.61	173.61	33.72:1
2022	5.00	168.61	173.61	33.72:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

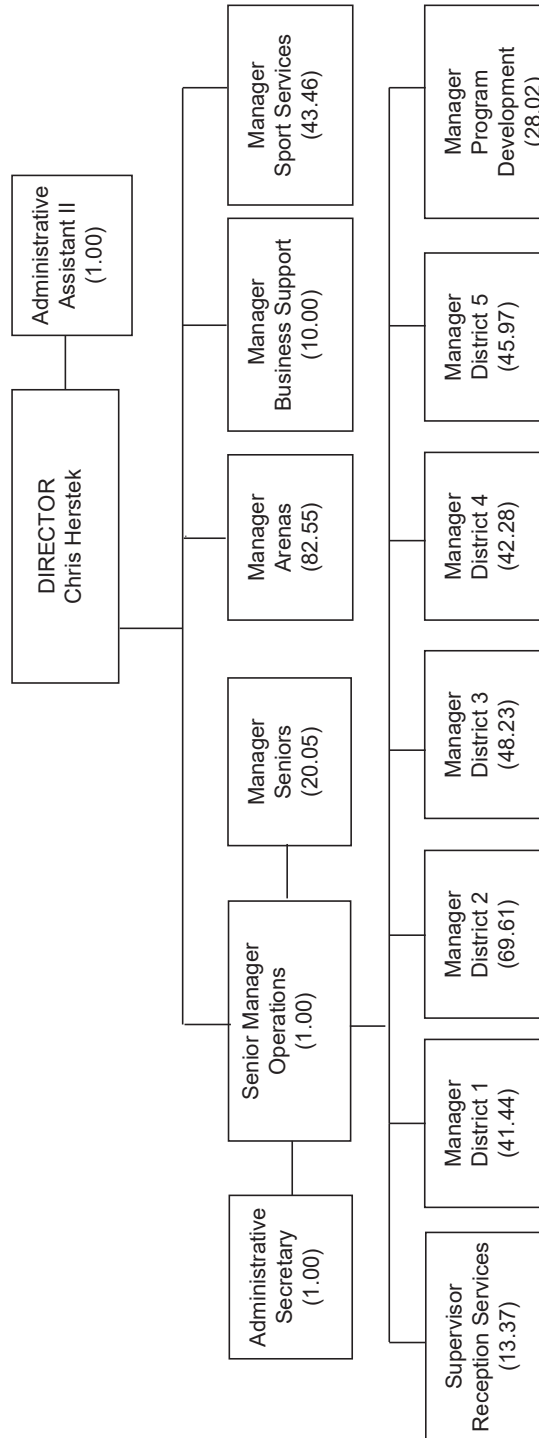
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Macassa Lodge	27,605,380	6,498,060	5,129,990	28,970,690	6,919,430	421,370	6.5%
Wentworth Lodge	17,213,110	5,026,800	4,317,370	18,039,810	4,848,890	(177,910)	(3.5)%
<b>Total Long Term Care</b>	<b>44,818,490</b>	<b>11,524,860</b>	<b>9,447,360</b>	<b>47,010,500</b>	<b>11,768,320</b>	<b>243,460</b>	<b>2.1%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	40,488,610	43,187,980	41,532,210	1,043,600	2.6%
MATERIAL & SUPPLY	3,336,330	4,570,160	3,245,430	(90,900)	(2.7)%
VEHICLE EXPENSES	0	120	0	0	0.0%
BUILDING & GROUND	31,390	31,690	31,770	380	1.2%
CONTRACTUAL	565,130	719,270	608,170	43,040	7.6%
AGENCIES & SUPPORT PAYMENTS	111,900	127,140	121,900	10,000	8.9%
RESERVES/RECOVERIES	220,290	204,170	1,373,980	1,153,690	523.7%
COST ALLOCATIONS	2,950	2,950	2,950	0	0.0%
FINANCIAL	61,890	55,890	94,090	32,200	52.0%
<b>TOTAL EXPENSES</b>	<b>44,818,490</b>	<b>48,899,370</b>	<b>47,010,500</b>	<b>2,192,010</b>	<b>4.9%</b>
FEES & GENERAL	(11,556,970)	(10,560,260)	(11,473,070)	83,900	0.7%
GRANTS & SUBSIDIES	(21,328,430)	(28,040,100)	(23,219,320)	(1,890,890)	(8.9)%
RESERVES	(408,230)	(851,650)	(549,790)	(141,560)	(34.7)%
<b>TOTAL REVENUES</b>	<b>(33,293,630)</b>	<b>(39,452,010)</b>	<b>(35,242,180)</b>	<b>(1,948,550)</b>	<b>(5.9)%</b>
<b>NET LEVY</b>	<b>11,524,860</b>	<b>9,447,360</b>	<b>11,768,320</b>	<b>243,460</b>	<b>2.1%</b>

RECREATION

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	12.00	437.24	449.24	36.44:1
2022	12.00	436.98	448.98	36.42:1
CHANGE	0.00	(0.26)	(0.26)	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

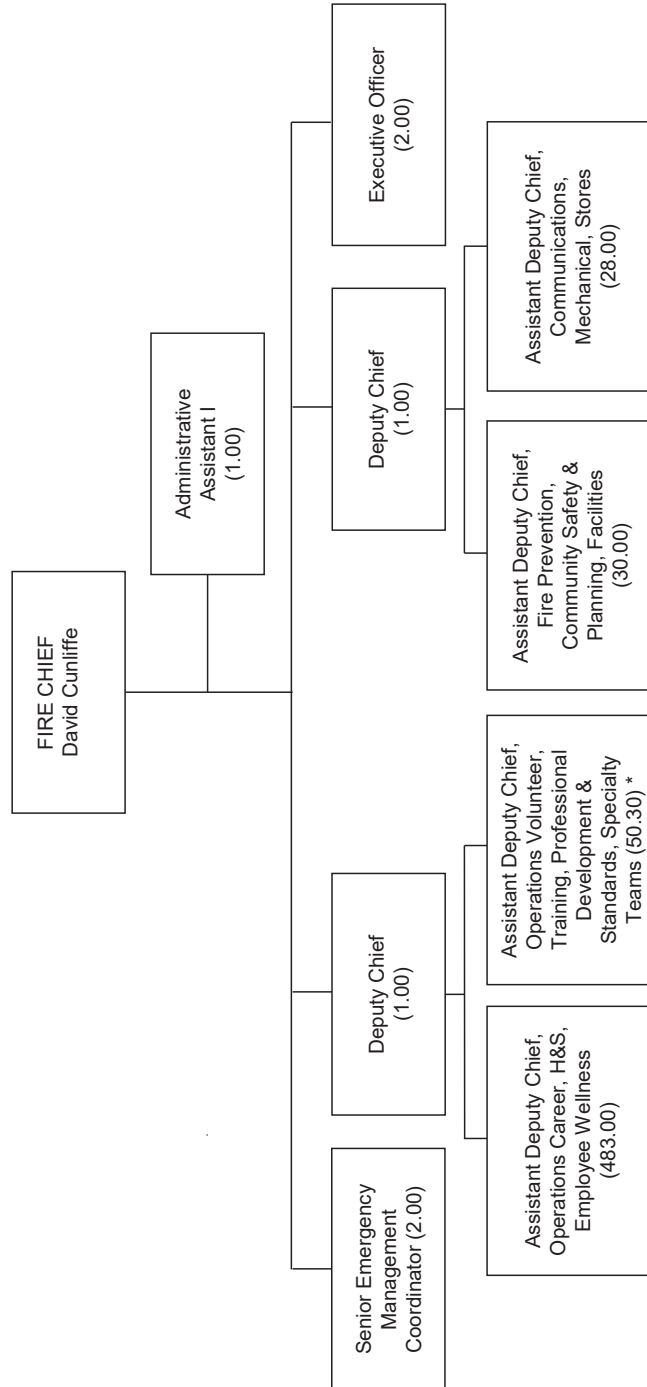
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
City Wide Services & Programs	9,053,950	4,014,370	5,630,430	9,402,490	4,392,680	378,310	9.4%
Recreation Administration	52,910	(63,090)	(1,060,170)	(42,360)	(56,690)	6,400	10.1%
Recreation District Operations	45,670,820	31,368,360	30,693,690	46,615,320	31,652,580	284,220	0.9%
<b>Total Recreation</b>	<b>54,777,680</b>	<b>35,319,640</b>	<b>35,263,950</b>	<b>55,975,450</b>	<b>35,988,570</b>	<b>668,930</b>	<b>1.9%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		32,017,140	30,918,020	32,561,920	544,780	1.7%
MATERIAL & SUPPLY		1,985,250	2,954,530	1,879,780	(105,470)	(5.3)%
VEHICLE EXPENSES		643,680	583,270	630,030	(13,650)	(2.1)%
BUILDING & GROUND		8,208,530	7,056,400	8,342,140	133,610	1.6%
CONTRACTUAL		2,551,890	3,027,440	2,670,330	118,440	4.6%
AGENCIES & SUPPORT PAYMENTS		977,160	955,440	986,660	9,500	1.0%
RESERVES/RECOVERIES		7,308,690	7,326,730	7,536,760	228,070	3.1%
COST ALLOCATIONS		28,700	37,130	274,430	245,730	856.2%
FINANCIAL		571,680	652,930	608,440	36,760	6.4%
CAPITAL FINANCING		484,960	484,960	484,960	0	0.0%
<b>TOTAL EXPENSES</b>		<b>54,777,680</b>	<b>53,996,850</b>	<b>55,975,450</b>	<b>1,197,770</b>	<b>2.2%</b>
FEES & GENERAL		(11,737,570)	(16,708,510)	(12,305,660)	(568,090)	(4.8)%
GRANTS & SUBSIDIES		(427,000)	(855,730)	(427,000)	0	0.0%
RESERVES		(7,293,470)	(1,168,660)	(7,254,220)	39,250	0.5%
<b>TOTAL REVENUES</b>		<b>(19,458,040)</b>	<b>(18,732,900)</b>	<b>(19,986,880)</b>	<b>(528,840)</b>	<b>(2.7)%</b>
<b>NET LEVY</b>		<b>35,319,640</b>	<b>35,263,950</b>	<b>35,988,570</b>	<b>668,930</b>	<b>1.9%</b>

# HAMILTON FIRE DEPARTMENT

## DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/AMGT RATIO
2021	9.00	586.30	595.30	65.14:1
2022	9.00	590.30	599.30	65.59:1
CHANGE	0.00	4.00	4.00	

\* includes 40.30 FTE Volunteer Firefighters = 280 Head Count

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Emergency Management	445,970	445,970	412,850	437,730	437,730	(8,240)	(1.8)%
Fire Administration	1,903,170	1,903,170	1,765,310	1,902,130	1,902,130	(1,040)	(0.1)%
Fire Operations	92,989,020	90,939,310	90,895,600	96,691,820	95,186,580	4,247,270	4.7%
<b>Total Hamilton Fire Department</b>	<b>95,338,160</b>	<b>93,288,450</b>	<b>93,073,760</b>	<b>99,031,680</b>	<b>97,526,440</b>	<b>4,237,990</b>	<b>4.5%</b>

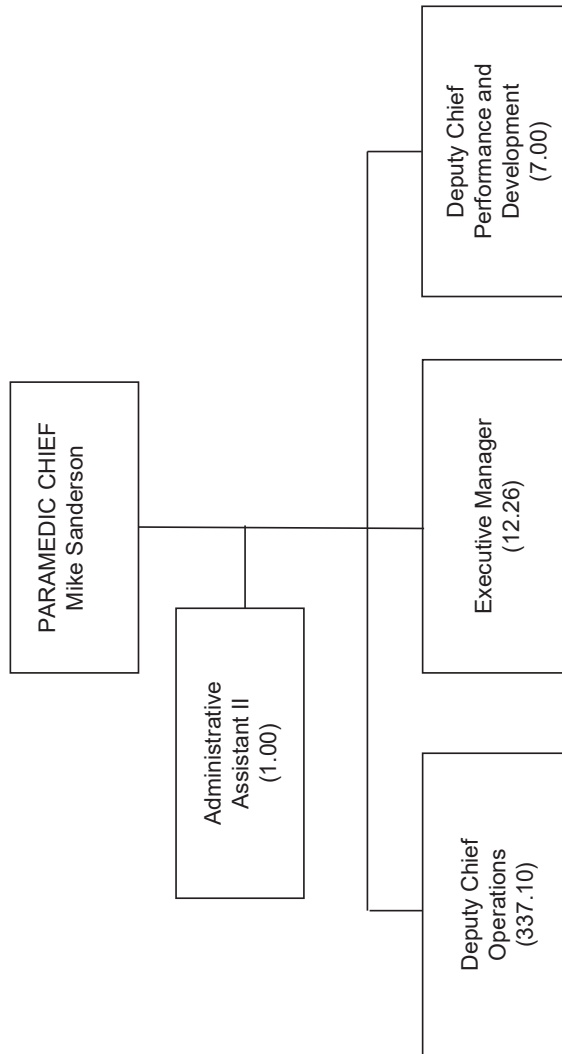
## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	84,667,960	84,990,920	87,165,860	2,497,900	3.0%
MATERIAL & SUPPLY	1,618,660	2,186,690	1,792,820	174,160	10.8%
VEHICLE EXPENSES	1,029,150	1,135,610	1,178,690	149,540	14.5%
BUILDING & GROUND	1,057,060	1,130,270	1,074,640	17,580	1.7%
CONSULTING	15,000	(5,090)	0	(15,000)	(100.0)%
CONTRACTUAL	201,680	294,290	286,660	84,980	42.1%
RESERVES/RECOVERIES	6,321,280	6,402,100	6,996,410	675,130	10.7%
COST ALLOCATIONS	78,270	80,150	184,550	106,280	135.8%
FINANCIAL	349,100	362,030	352,050	2,950	0.8%
<b>TOTAL EXPENSES</b>	<b>95,338,160</b>	<b>96,576,970</b>	<b>99,031,680</b>	<b>3,693,520</b>	<b>3.9%</b>
FEES & GENERAL	(594,710)	(512,130)	(1,043,400)	(448,690)	(75.4)%
GRANTS & SUBSIDIES	0	(137,000)	0	0	0.0%
RESERVES	(1,455,000)	(2,854,080)	(461,840)	993,160	68.3%
<b>TOTAL REVENUES</b>	<b>(2,049,710)</b>	<b>(3,503,210)</b>	<b>(1,505,240)</b>	<b>544,470</b>	<b>26.6%</b>
<b>NET LEVY</b>	<b>93,288,450</b>	<b>93,073,760</b>	<b>97,526,440</b>	<b>4,237,990</b>	<b>4.5%</b>



HAMILTON PARAMEDIC SERVICE

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	8.00	350.36	358.36	43.80:1
2022	8.00	350.36	358.36	43.80:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

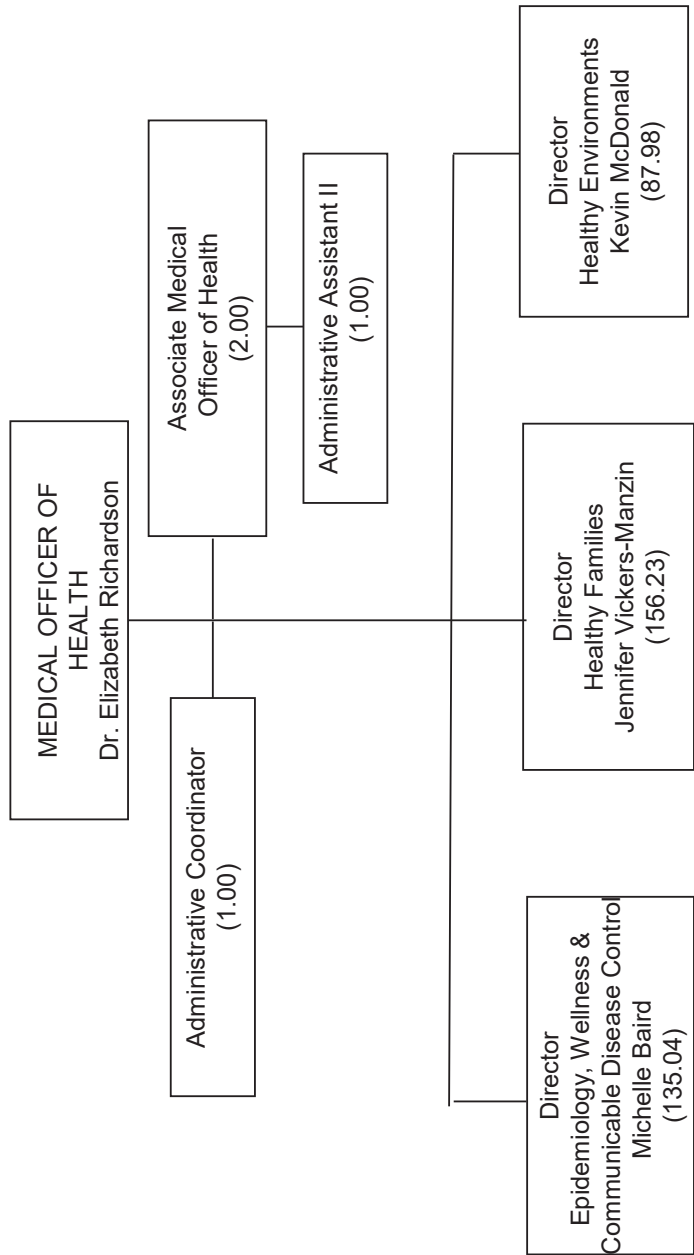
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Paramedic Service Admin	2,959,220	2,959,220	3,102,980	2,991,370	2,991,370	32,150	1.1%
Paramedic Service Operations	58,538,660	51,211,830	53,283,520	61,193,370	53,624,210	2,412,380	4.7%
Paramedic Service Provincial Funding	0	(26,068,560)	(26,068,560)	0	(28,220,190)	(2,151,630)	(8.3)%
<b>Total Hamilton Paramedic Service</b>	<b>61,497,880</b>	<b>28,102,490</b>	<b>30,317,940</b>	<b>64,184,740</b>	<b>28,395,390</b>	<b>292,900</b>	<b>1.0%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated			
	Restated	Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST			50,290,900	51,451,610	52,460,670	2,169,770	4.3%
MATERIAL & SUPPLY			2,891,020	3,060,250	2,602,110	(288,910)	(10.0)%
VEHICLE EXPENSES			1,026,710	1,037,580	1,199,800	173,090	16.9%
BUILDING & GROUND			349,020	389,650	367,190	18,170	5.2%
CONTRACTUAL			1,672,990	1,730,160	1,693,530	20,540	1.2%
RESERVES/RECOVERIES			3,603,510	3,633,160	4,179,490	575,980	16.0%
COST ALLOCATIONS			1,578,490	1,578,910	1,596,710	18,220	1.2%
FINANCIAL			85,240	88,380	85,240	0	0.0%
CAPITAL EXPENDITURES			0	108,050	0	0	0.0%
<b>TOTAL EXPENSES</b>			<b>61,497,880</b>	<b>63,077,750</b>	<b>64,184,740</b>	<b>2,686,860</b>	<b>4.4%</b>
FEES & GENERAL			(84,790)	(152,820)	(87,420)	(2,630)	(3.1)%
GRANTS & SUBSIDIES			(30,995,780)	(32,606,990)	(33,207,110)	(2,211,330)	(7.1)%
RESERVES			(2,314,820)	0	(2,494,820)	(180,000)	(7.8)%
<b>TOTAL REVENUES</b>			<b>(33,395,390)</b>	<b>(32,759,810)</b>	<b>(35,789,350)</b>	<b>(2,393,960)</b>	<b>(7.2)%</b>
<b>NET LEVY</b>			<b>28,102,490</b>	<b>30,317,940</b>	<b>28,395,390</b>	<b>292,900</b>	<b>1.0%</b>

**PUBLIC HEALTH SERVICES**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/AMGT RATIO
2021	23.00	363.25	386.25 <sup>1,2</sup>	15.79:1
2022	23.00	361.25	384.25 <sup>1,2</sup>	15.71:1
CHANGE	0.00	(2.00)	(2.00)	

<sup>1</sup> Excludes 6.50 (2021 – 6.50) Finance & Administration FTE – Included in Overall Departmental Org Chart.

<sup>2</sup> Excludes 484.70 Temporary COVID19 Response Related FTE funded through senior levels of government.

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Medical Officer of Health & Provincial Subsidy	3,374,750	(26,561,330)	(26,391,780)	3,932,550	(26,518,150)	43,180	0.2%
Epidemiology Wellness and Communicable Disease Control	30,781,720	15,297,280	26,600,530	61,790,060	15,618,770	321,490	2.1%
Healthy Environments	12,606,950	11,802,750	5,671,990	12,629,180	11,977,540	174,790	1.5%
Healthy Families	22,010,580	12,965,220	7,218,890	23,254,380	13,261,140	295,920	2.3%
<b>Total Public Health Services</b>	<b>68,774,000</b>	<b>13,503,920</b>	<b>13,099,630</b>	<b>101,606,170</b>	<b>14,339,300</b>	<b>835,380</b>	<b>6.2%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		57,028,110	67,520,210	85,677,980	28,649,870	50.2%
MATERIAL & SUPPLY		2,095,270	2,848,990	3,477,410	1,382,140	66.0%
VEHICLE EXPENSES		56,380	83,850	109,370	52,990	94.0%
BUILDING & GROUND		2,144,830	3,560,220	3,705,600	1,560,770	72.8%
CONSULTING		39,990	69,090	614,990	575,000	1437.9%
CONTRACTUAL		2,625,880	2,612,030	2,263,950	(361,930)	(13.8)%
AGENCIES & SUPPORT PAYMENTS		68,190	460,560	413,190	345,000	505.9%
RESERVES/RECOVERIES		519,930	769,270	989,920	469,990	90.4%
COST ALLOCATIONS		3,292,820	3,316,740	3,370,540	77,720	2.4%
FINANCIAL		368,820	446,160	449,440	80,620	21.9%
CAPITAL FINANCING		533,780	533,790	533,780	0	0.0%
<b>TOTAL EXPENSES</b>		<b>68,774,000</b>	<b>82,220,910</b>	<b>101,606,170</b>	<b>32,832,170</b>	<b>47.7%</b>
FEES & GENERAL		(1,549,750)	(1,440,280)	(1,432,330)	117,420	7.6%
GRANTS & SUBSIDIES		(41,079,890)	(67,481,000)	(41,010,590)	69,300	0.2%
RESERVES		(12,640,440)	(200,000)	(44,823,950)	(32,183,510)	(254.6)%
<b>TOTAL REVENUES</b>		<b>(55,270,080)</b>	<b>(69,121,280)</b>	<b>(87,266,870)</b>	<b>(31,996,790)</b>	<b>(57.9)%</b>
<b>NET LEVY</b>		<b>13,503,920</b>	<b>13,099,630</b>	<b>14,339,300</b>	<b>835,380</b>	<b>6.2%</b>



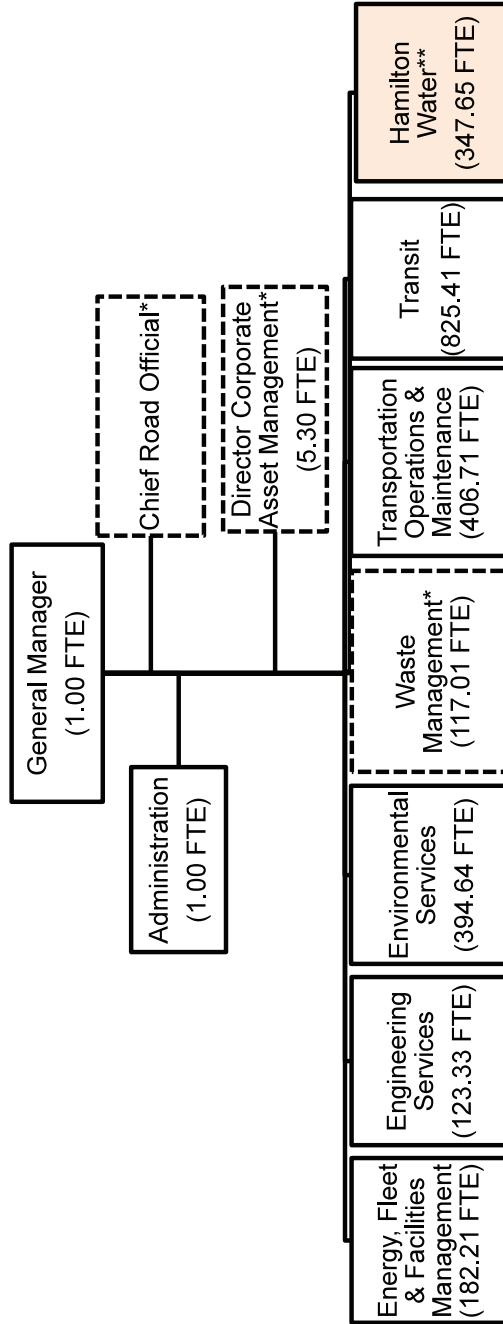
# PUBLIC WORKS

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# DEPARTMENT STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	33.00	1980.35	2013.35	60.01:1
2022	33.00	2023.61	2056.61	61.32:1
CHANGE	0.00	43.26	43.26	

\* 3.0 Director positions are excluded from the 2022 Budgeted Complement count. The positions are currently temporary and not counted as part of the permanent FTE Complement. If positions were included the Staff to Mgt Ratio would be 56.21 :1

\*\* Complement excludes Hamilton Water



# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
PW-General Administration	634,870	634,870	634,870	658,900	658,900	24,030	3.8%
Energy Fleet and Facilities	20,591,760	13,273,690	13,761,440	21,946,740	14,276,080	1,002,390	7.6%
Engineering Services	4,384,880	0	(450,000)	4,641,230	0	0	0.0%
Environmental Services	47,125,440	44,240,900	43,028,770	48,556,680	45,582,310	1,341,410	3.0%
Transit	141,598,570	80,834,700	79,958,980	150,197,660	87,972,010	7,137,310	8.8%
Transportation Operations & Maintenance	90,581,310	83,485,680	77,739,010	91,441,190	84,234,120	748,440	0.9%
Waste Management	58,942,610	44,104,610	42,071,880	62,013,470	46,944,820	2,840,210	6.4%
<b>Total Public Works</b>	<b>363,859,440</b>	<b>266,574,450</b>	<b>256,744,950</b>	<b>379,455,870</b>	<b>279,668,240</b>	<b>13,093,790</b>	<b>4.9%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	194,315,490	189,187,740	201,488,940	7,173,450	3.7%
MATERIAL & SUPPLY	25,511,100	24,275,960	24,061,790	(1,449,310)	(5.7)%
VEHICLE EXPENSES	32,693,830	33,146,720	35,025,680	2,331,850	7.1%
BUILDING & GROUND	21,092,200	21,280,520	21,441,450	349,250	1.7%
CONSULTING	179,470	179,470	179,470	0	0.0%
CONTRACTUAL	97,997,830	85,038,930	102,517,710	4,519,880	4.6%
AGENCIES & SUPPORT PAYMENTS	29,480	29,480	29,480	0	0.0%
RESERVES/RECOVERIES	8,510,040	8,610,600	10,483,340	1,973,300	23.2%
COST ALLOCATIONS	3,070,490	3,160,410	2,491,610	(578,880)	(18.9)%
FINANCIAL	5,869,040	3,440,890	6,460,320	591,280	10.1%
CAPITAL FINANCING	1,650,000	1,650,000	1,650,000	0	0.0%
RECOVERIES FROM CAPITAL	(27,059,530)	(27,014,440)	(26,373,930)	685,600	(2.5)%
<b>TOTAL EXPENSES</b>	<b>363,859,440</b>	<b>342,986,280</b>	<b>379,455,860</b>	<b>15,596,420</b>	<b>4.3%</b>
FEES & GENERAL	(76,144,580)	(57,401,350)	(80,466,960)	(4,322,380)	5.7%
GRANTS & SUBSIDIES	(17,458,380)	(26,147,950)	(17,256,380)	202,000	(1.2)%
RESERVES	(3,682,030)	(2,692,030)	(2,064,280)	1,617,750	(43.9)%
<b>TOTAL REVENUES</b>	<b>(97,284,990)</b>	<b>(86,241,330)</b>	<b>(99,787,620)</b>	<b>(2,502,630)</b>	<b>2.6%</b>
<b>NET LEVY</b>	<b>266,574,450</b>	<b>256,744,950</b>	<b>279,668,240</b>	<b>13,093,790</b>	<b>4.9%</b>

# 2022 Preliminary Tax Supported Operating Budget Multi-Year Budget Outlook

## BY DIVISION

	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2023 Preliminary Gross	2023 Preliminary Net	2024 Preliminary Gross	2024 Preliminary Net	2025 Preliminary Gross	2025 Preliminary Net
PW-General Administration	658,900	658,900	678,380	678,380	696,120	696,120	711,660	711,660
Energy Fleet and Facilities	21,946,740	14,276,080	22,138,580	14,485,690	22,371,500	14,634,330	22,537,780	14,727,860
Engineering Services	4,641,230	0	4,482,450	0	4,519,170	0	4,552,470	0
Environmental Services	48,556,680	45,582,310	49,468,000	46,473,640	50,346,300	47,295,320	51,124,380	48,073,400
Transit	150,197,660	87,972,010	158,421,510	93,682,440	168,535,710	100,912,540	179,015,740	108,809,480
Transportation Operations & Maintenance	91,441,190	84,234,120	96,171,250	88,836,070	97,570,930	90,112,380	98,810,390	91,351,840
Waste Management	62,013,470	46,944,820	63,638,560	48,500,590	65,493,200	50,268,210	67,227,380	52,002,390
<b>Total Public Works</b>	<b>379,455,870</b>	<b>279,668,240</b>	<b>394,998,730</b>	<b>292,656,810</b>	<b>409,532,930</b>	<b>303,918,900</b>	<b>423,979,800</b>	<b>315,676,630</b>

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION - GENERAL ADMINISTRATION

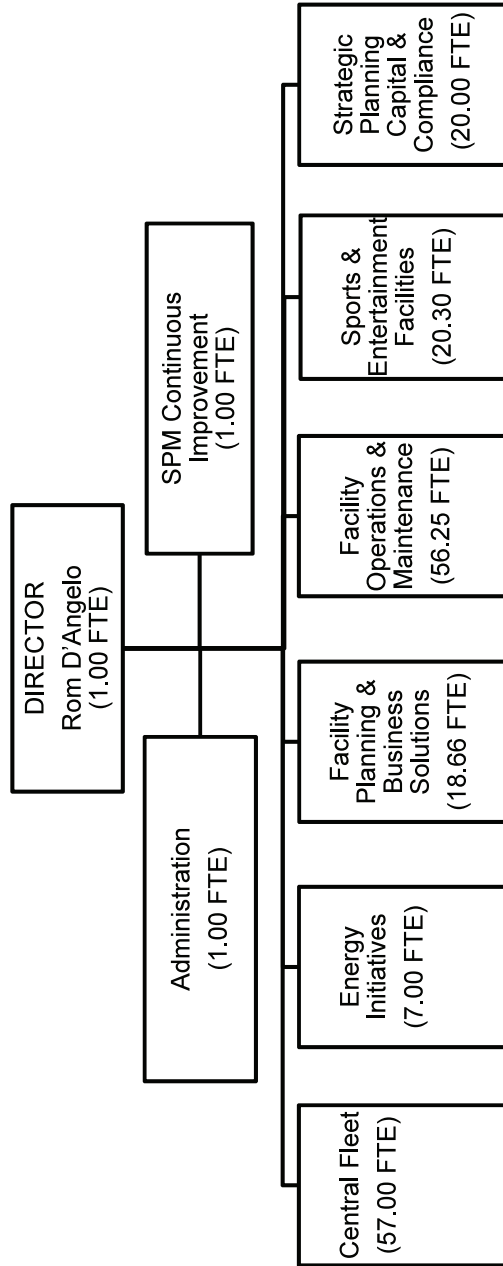
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
PW General Managers Office	634,870	634,870	634,870	658,900	658,900	24,030	3.8%
<b>Total PW-General Administration</b>	<b>634,870</b>	<b>634,870</b>	<b>634,870</b>	<b>658,900</b>	<b>658,900</b>	<b>24,030</b>	<b>3.8%</b>

## BY COST CATEGORY - GENERAL ADMINISTRATION

	2021 Restated	2021 Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
					Change \$	Change %
EMPLOYEE RELATED COST		1,023,090	1,023,090	1,048,510	25,420	2.5%
MATERIAL & SUPPLY		43,130	43,130	43,130	0	0.0%
BUILDING & GROUND		159,340	159,340	159,470	130	0.1%
CONSULTING		30,000	30,000	30,000	0	0.0%
CONTRACTUAL		73,190	73,190	76,410	3,220	4.4%
RESERVES/RECOVERIES		84,820	84,820	123,470	38,650	45.6%
COST ALLOCATIONS		(778,700)	(778,700)	(822,090)	(43,390)	5.6%
<b>TOTAL EXPENSES</b>		<b>634,870</b>	<b>634,870</b>	<b>658,900</b>	<b>24,030</b>	<b>3.8%</b>
<b>TOTAL REVENUES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>NET LEVY</b>		<b>634,870</b>	<b>634,870</b>	<b>658,900</b>	<b>24,030</b>	<b>3.8%</b>

**ENERGY, FLEET AND FACILITIES**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	7.00	174.95	181.95	24.99:1
2022	7.00	175.21	182.21	25.03:1
CHANGE	0.00	0.26	0.26	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

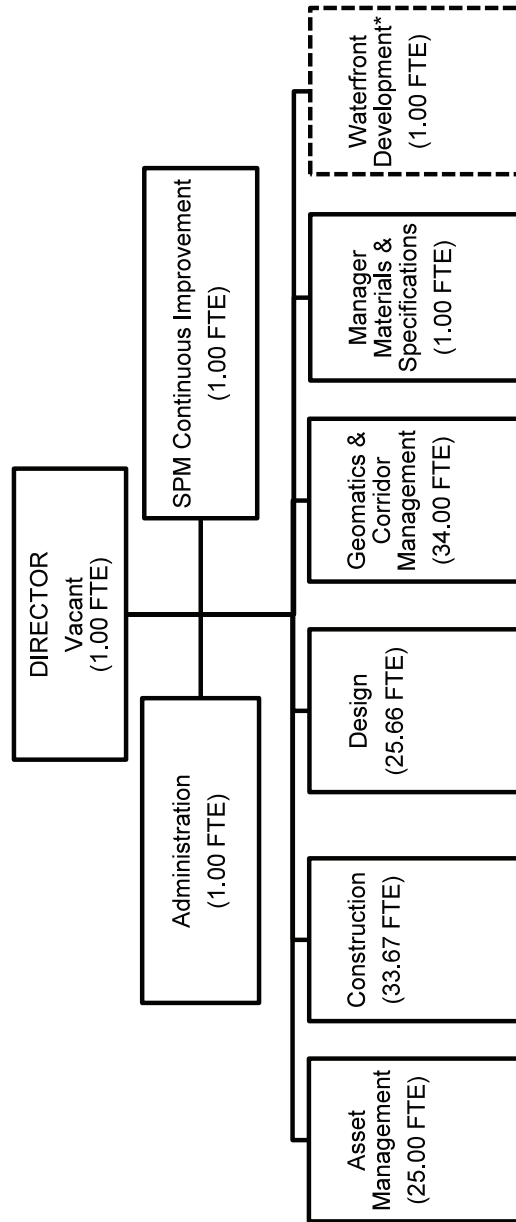
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
Fleet Services	1,488,390	62,630	317,630	1,652,400	147,780	85,150	136.0%
Corporate Facility Ops & Tech	3,091,580	2,000,660	2,090,150	2,964,940	1,813,140	(187,520)	(9.4)%
Facilities Planning and Business Solutions	1,543,950	948,010	942,270	1,807,310	1,218,840	270,830	28.6%
Community Facility Ops & Tech Serv	6,609,990	6,609,990	6,609,990	6,572,820	6,551,310	(58,680)	(0.9)%
Sports & Entertainment Facilities	6,329,710	3,097,410	3,459,910	6,778,240	3,696,350	598,940	19.3%
Director EFF	335,390	312,560	99,050	488,750	465,550	152,990	48.9%
Energy Initiatives	950,320	0	0	1,366,530	0	0	100.0%
Strategic Plan & Capital Compliance	242,430	242,430	242,440	315,750	383,110	140,680	58.0%
<b>Total Energy Fleet and Facilities</b>	<b>20,591,760</b>	<b>13,273,690</b>	<b>13,761,440</b>	<b>21,946,740</b>	<b>14,276,080</b>	<b>1,002,390</b>	<b>7.6%</b>

## BY COST CATEGORY

	2021 Restated Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
				Change \$	Change %
EMPLOYEE RELATED COST	20,281,350	20,371,030	20,834,780	553,430	2.7%
MATERIAL & SUPPLY	1,637,660	1,821,410	1,649,790	12,130	0.7%
VEHICLE EXPENSES	6,653,430	6,653,430	6,885,820	232,390	3.5%
BUILDING & GROUND	13,783,450	13,971,770	14,096,270	312,820	2.3%
CONSULTING	30,000	30,000	30,000	0	0.0%
CONTRACTUAL	8,200,350	8,455,860	8,684,750	484,400	5.9%
RESERVES/RECOVERIES	(27,893,030)	(27,659,630)	(27,924,450)	(31,420)	0.1%
COST ALLOCATIONS	(289,350)	(289,350)	(876,600)	(587,250)	203.0%
FINANCIAL	578,250	578,250	572,000	(6,250)	(1.1)%
CAPITAL FINANCING	750,000	750,000	750,000	0	0.0%
RECOVERIES FROM CAPITAL	(3,140,350)	(3,095,260)	(2,755,630)	384,720	(12.3)%
<b>TOTAL EXPENSES</b>	<b>20,591,760</b>	<b>21,587,510</b>	<b>21,946,730</b>	<b>1,354,970</b>	<b>6.6%</b>
FEES & GENERAL	(6,206,790)	(5,739,290)	(6,493,770)	(286,980)	4.6%
GRANTS & SUBSIDIES	0	(975,500)	0	0	0.0%
RESERVES	(1,111,280)	(1,111,280)	(1,176,880)	(65,600)	5.9%
<b>TOTAL REVENUES</b>	<b>(7,318,070)</b>	<b>(7,826,070)</b>	<b>(7,670,650)</b>	<b>(352,580)</b>	<b>4.8%</b>
<b>NET LEVY</b>	<b>13,273,690</b>	<b>13,761,440</b>	<b>14,276,080</b>	<b>1,002,390</b>	<b>7.6%</b>

**ENGINEERING SERVICES**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	6.00	117.33	123.33	19.56:1
2022	6.00	117.33	123.33	19.56:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

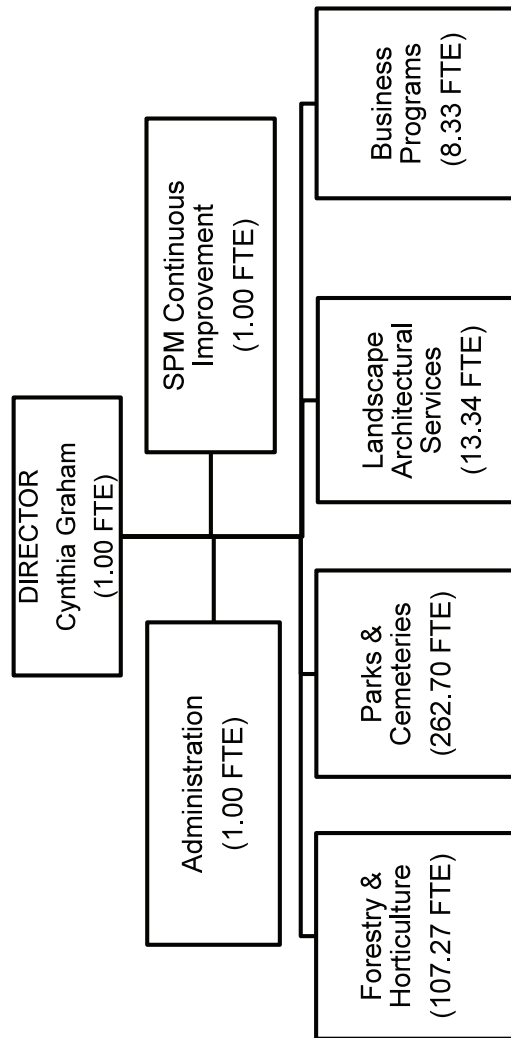
	2021		2021	2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated	Gross	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Asset Management	0	0	0	0	0	0	0.0%
Construction	0	0	0	0	0	0	0.0%
Design Services	0	0	0	0	0	0	0.0%
Director of Engineering Services	0	0	0	0	0	0	0.0%
Geomatics and Corridor Management	4,384,880	0	(450,000)	4,641,230	0	0	0.0%
Waterfront Development	0	0	0	0	0	0	0.0%
<b>Total Engineering Services</b>	<b>4,384,880</b>	<b>0</b>	<b>(450,000)</b>	<b>4,641,230</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

## BY COST CATEGORY

	2021		2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated	Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST			14,640,710	14,640,710	15,135,140	494,430	3.4%
MATERIAL & SUPPLY			178,620	178,620	178,620	0	0.0%
VEHICLE EXPENSES			97,070	97,070	102,020	4,950	5.1%
BUILDING & GROUND			729,000	729,000	728,610	(390)	(0.1)%
CONTRACTUAL			2,287,560	2,287,560	2,287,560	0	0.0%
RESERVES/RECOVERIES			606,430	606,430	636,050	29,620	4.9%
COST ALLOCATIONS			1,620,810	1,620,810	1,685,050	64,240	4.0%
FINANCIAL			90,900	90,900	90,900	0	0.0%
CAPITAL FINANCING			900,000	900,000	900,000	0	0.0%
RECOVERIES FROM CAPITAL			(16,766,220)	(16,766,220)	(17,102,720)	(336,500)	2.0%
<b>TOTAL EXPENSES</b>			<b>4,384,880</b>	<b>4,384,880</b>	<b>4,641,230</b>	<b>256,350</b>	<b>5.8%</b>
FEES & GENERAL			(4,384,880)	(4,834,880)	(4,641,230)	(256,350)	5.8%
<b>TOTAL REVENUES</b>			<b>(4,384,880)</b>	<b>(4,834,880)</b>	<b>(4,641,230)</b>	<b>(256,350)</b>	<b>5.8%</b>
<b>NET LEVY</b>			<b>0</b>	<b>(450,000)</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**ENVIRONMENTAL SERVICES**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	389.64	394.64	77.93:1
2022	5.00	389.64	394.64	77.93:1
CHANGE	0.00	0.00	0.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

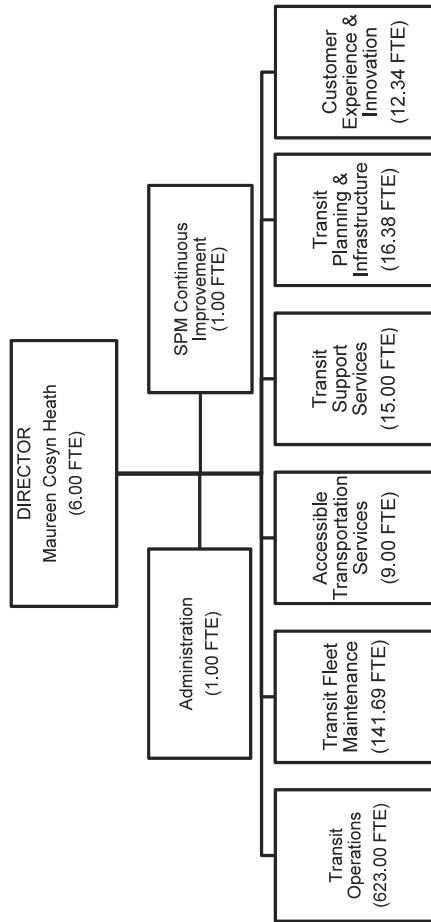
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Business Programs	994,170	994,170	832,310	1,187,170	1,187,170	193,000	19.4%
Director Environ Services	(551,070)	(551,070)	(866,070)	(551,070)	(551,070)	0	0.0%
Forestry & Horticulture	14,621,560	14,175,850	14,082,000	14,852,830	14,399,710	223,860	1.6%
Landscape & Architectural Serv	119,590	119,590	104,050	274,350	274,350	154,760	129.4%
Parks & Cemeteries	31,941,190	29,502,360	28,876,480	32,793,400	30,272,150	769,790	2.6%
<b>Total Environmental Services</b>	<b>47,125,440</b>	<b>44,240,900</b>	<b>43,028,770</b>	<b>48,556,680</b>	<b>45,582,310</b>	<b>1,341,410</b>	<b>3.0%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	31,497,980	30,239,460	32,483,150	985,170	3.1%
MATERIAL & SUPPLY	2,637,350	2,887,840	2,593,290	(44,060)	(1.7)%
VEHICLE EXPENSES	3,220,780	3,218,430	3,402,880	182,100	5.7%
BUILDING & GROUND	3,359,740	3,485,170	3,386,060	26,320	0.8%
CONSULTING	17,000	17,000	17,000	0	0.0%
CONTRACTUAL	4,753,370	4,754,860	4,756,560	3,190	0.1%
AGENCIES & SUPPORT PAYMENTS	12,000	12,000	12,000	0	0.0%
RESERVES/RECOVERIES	4,342,540	4,335,400	4,295,110	(47,430)	(1.1)%
COST ALLOCATIONS	332,760	(63,770)	330,200	(2,560)	(0.8)%
FINANCIAL	86,810	86,810	86,810	0	0.0%
RECOVERIES FROM CAPITAL	(3,134,890)	(3,134,890)	(2,806,380)	328,510	(10.5)%
<b>TOTAL EXPENSES</b>	<b>47,125,440</b>	<b>45,838,310</b>	<b>48,556,680</b>	<b>1,431,240</b>	<b>3.0%</b>
FEES & GENERAL	(2,884,540)	(2,809,540)	(2,938,890)	(54,350)	1.9%
RESERVES	0	0	(35,480)	(35,480)	0.0%
<b>TOTAL REVENUES</b>	<b>(2,884,540)</b>	<b>(2,809,540)</b>	<b>(2,974,370)</b>	<b>(89,830)</b>	<b>3.1%</b>
<b>NET LEVY</b>	<b>44,240,900</b>	<b>43,028,770</b>	<b>45,582,310</b>	<b>1,341,410</b>	<b>3.0%</b>

**TRANSIT**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	7.00	775.41	782.41	110.77:1
2022	7.00	818.41	825.41	116.92:1
CHANGE	0.00	43.00	43.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

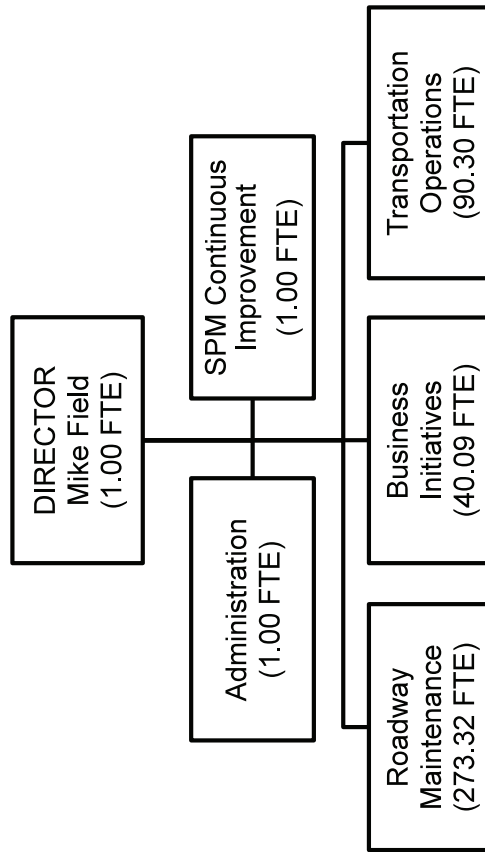
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Customer Experience and Innovation	1,639,560	1,639,560	1,639,560	1,841,070	1,841,070	201,510	12.3%
Transit Planning and Infrastructure	3,110,870	3,110,870	2,978,840	3,161,870	3,161,870	51,000	1.6%
Support Services	1,802,990	1,801,990	1,801,990	1,785,830	1,784,810	(17,180)	(1.0)%
Director Of Transit	140,730	140,730	(7,289,270)	627,860	627,860	487,130	346.1%
Financial Charges & General Revenue	17,669,230	(33,457,140)	(13,634,890)	17,999,300	(34,474,040)	(1,016,900)	3.0%
Operations HSR	58,255,830	51,355,470	51,355,450	62,760,350	55,859,980	4,504,510	8.8%
Transit Fleet	32,148,140	31,938,300	31,435,580	35,112,400	34,787,780	2,849,480	8.9%
ATS	26,831,220	24,304,920	11,671,720	26,908,980	24,382,680	77,760	0.3%
<b>Total Transit</b>	<b>141,598,570</b>	<b>80,834,700</b>	<b>79,958,980</b>	<b>150,197,660</b>	<b>87,972,010</b>	<b>7,137,310</b>	<b>8.8%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	76,561,230	76,127,740	81,102,610	4,541,380	5.9%
MATERIAL & SUPPLY	2,161,680	1,980,030	2,205,350	43,670	2.0%
VEHICLE EXPENSES	12,912,000	12,999,740	14,308,970	1,396,970	10.8%
BUILDING & GROUND	1,000,510	1,000,510	999,270	(1,240)	(0.1)%
CONSULTING	51,880	51,880	51,880	0	0.0%
CONTRACTUAL	27,512,340	14,952,250	27,812,840	300,500	1.1%
RESERVES/RECOVERIES	16,841,220	16,709,190	18,464,320	1,623,100	9.6%
COST ALLOCATIONS	496,010	520,670	603,690	107,680	21.7%
FINANCIAL	4,061,700	1,617,220	4,648,730	587,030	14.5%
<b>TOTAL EXPENSES</b>	<b>141,598,570</b>	<b>125,959,230</b>	<b>150,197,660</b>	<b>8,599,090</b>	<b>6.1%</b>
FEES & GENERAL	(48,874,870)	(27,598,140)	(51,211,940)	(2,337,070)	4.8%
GRANTS & SUBSIDIES	(10,899,000)	(18,402,110)	(10,899,000)	0	0.0%
RESERVES	(990,000)	0	(114,710)	875,290	(88.4)%
<b>TOTAL REVENUES</b>	<b>(60,763,870)</b>	<b>(46,000,250)</b>	<b>(62,225,650)</b>	<b>(1,461,780)</b>	<b>2.4%</b>
<b>NET LEVY</b>	<b>80,834,700</b>	<b>79,958,980</b>	<b>87,972,010</b>	<b>7,137,310</b>	<b>8.8%</b>

**TRANSPORTATION,  
OPERATIONS AND  
MAINTENANCE**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	4.00	402.71	406.71	100.68:1
2022	4.00	402.71	406.71	100.68:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

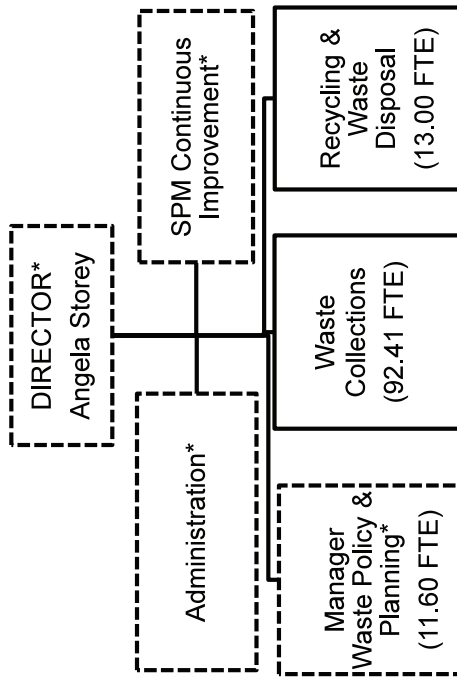
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
Roadway Maintenance	65,568,220	63,784,480	59,349,670	65,856,280	63,876,850	92,370	0.1%
Director – Trans Ops & Mtce	(629,950)	(629,950)	(629,950)	(622,000)	(622,000)	7,950	(1.3)%
Transportation Operations	21,095,690	15,843,200	14,885,070	21,534,130	16,367,080	523,880	3.3%
Business Initiatives	4,547,350	4,487,950	4,134,220	4,672,780	4,612,190	124,240	2.8%
<b>Total Transportation Operations &amp; Maintenance</b>	<b>90,581,310</b>	<b>83,485,680</b>	<b>77,739,010</b>	<b>91,441,190</b>	<b>84,234,120</b>	<b>748,440</b>	<b>0.9%</b>

## BY COST CATEGORY

	2021 Restated Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
				Change \$	Change %
EMPLOYEE RELATED COST	38,739,510	35,100,560	39,181,680	442,170	1.1%
MATERIAL & SUPPLY	18,371,750	16,879,510	16,915,500	(1,456,250)	(7.9)%
VEHICLE EXPENSES	7,602,540	7,817,680	8,005,820	403,280	5.3%
BUILDING & GROUND	931,650	931,650	943,620	11,970	1.3%
CONSULTING	49,500	49,500	49,500	0	0.0%
CONTRACTUAL	14,601,370	13,896,060	15,762,370	1,161,000	8.0%
RESERVES/RECOVERIES	12,552,790	12,552,790	12,778,910	226,120	1.8%
COST ALLOCATIONS	1,419,460	1,488,780	1,275,130	(144,330)	(10.2)%
FINANCIAL	227,360	243,690	237,860	10,500	4.6%
RECOVERIES FROM CAPITAL	(3,914,620)	(3,914,620)	(3,709,200)	205,420	(5.2)%
<b>TOTAL EXPENSES</b>	<b>90,581,310</b>	<b>85,045,600</b>	<b>91,441,190</b>	<b>859,880</b>	<b>0.9%</b>
FEES & GENERAL	(6,386,190)	(6,386,190)	(6,504,790)	(118,600)	1.9%
GRANTS & SUBSIDIES	0	(210,960)	0	0	0.0%
RESERVES	(709,440)	(709,440)	(702,280)	7,160	(1.0)%
<b>TOTAL REVENUES</b>	<b>(7,095,630)</b>	<b>(7,306,590)</b>	<b>(7,207,070)</b>	<b>(111,440)</b>	<b>1.6%</b>
<b>NET LEVY</b>	<b>83,485,680</b>	<b>77,739,010</b>	<b>84,234,120</b>	<b>748,440</b>	<b>0.9%</b>

WASTE MANAGEMENT

# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	2.00	115.01	117.01	57.51:1
2022	2.00	115.01	117.01	57.51:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Recycling & Waste Disposal	21,726,710	6,944,210	3,628,610	22,452,140	7,431,960	487,750	7.0%
Waste Collections	35,806,650	35,764,650	36,798,960	38,100,000	38,065,070	2,300,420	6.4%
Waste Policy & Planning	1,559,250	1,545,750	1,644,310	1,611,330	1,597,790	52,040	3.4%
Director Waste	(150,000)	(150,000)	0	(150,000)	(150,000)	0	0.0%
<b>Total Waste Management</b>	<b>58,942,610</b>	<b>44,104,610</b>	<b>42,071,880</b>	<b>62,013,470</b>	<b>46,944,820</b>	<b>2,840,210</b>	<b>6.4%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	11,571,600	11,685,140	11,703,030	131,430	1.1%
MATERIAL & SUPPLY	480,910	485,420	476,110	(4,800)	(1.0)%
VEHICLE EXPENSES	2,208,010	2,360,360	2,320,180	112,170	5.1%
BUILDING & GROUND	1,128,520	1,003,080	1,128,150	(370)	(0.0)%
CONSULTING	1,090	1,090	1,090	0	0.0%
CONTRACTUAL	40,569,650	40,619,160	43,137,230	2,567,580	6.3%
AGENCIES & SUPPORT PAYMENTS	17,480	17,480	17,480	0	0.0%
RESERVES/RECOVERIES	1,975,280	1,981,610	2,109,930	134,650	6.8%
COST ALLOCATIONS	269,500	661,970	296,250	26,750	9.9%
FINANCIAL	824,020	824,020	824,020	0	0.0%
RECOVERIES FROM CAPITAL	(103,450)	(103,450)	0	103,450	(100.0)%
<b>TOTAL EXPENSES</b>	<b>58,942,610</b>	<b>59,535,880</b>	<b>62,013,470</b>	<b>3,070,860</b>	<b>5.2%</b>
FEES & GENERAL	(7,407,310)	(10,033,310)	(8,676,340)	(1,269,030)	17.1%
GRANTS & SUBSIDIES	(6,559,380)	(6,559,380)	(6,357,380)	202,000	(3.1)%
RESERVES	(871,310)	(871,310)	(34,930)	836,380	(96.0)%
<b>TOTAL REVENUES</b>	<b>(14,838,000)</b>	<b>(17,464,000)</b>	<b>(15,068,650)</b>	<b>(230,650)</b>	<b>1.6%</b>
<b>NET LEVY</b>	<b>44,104,610</b>	<b>42,071,880</b>	<b>46,944,820</b>	<b>2,840,210</b>	<b>6.4%</b>

# CITY MANAGER'S OFFICE

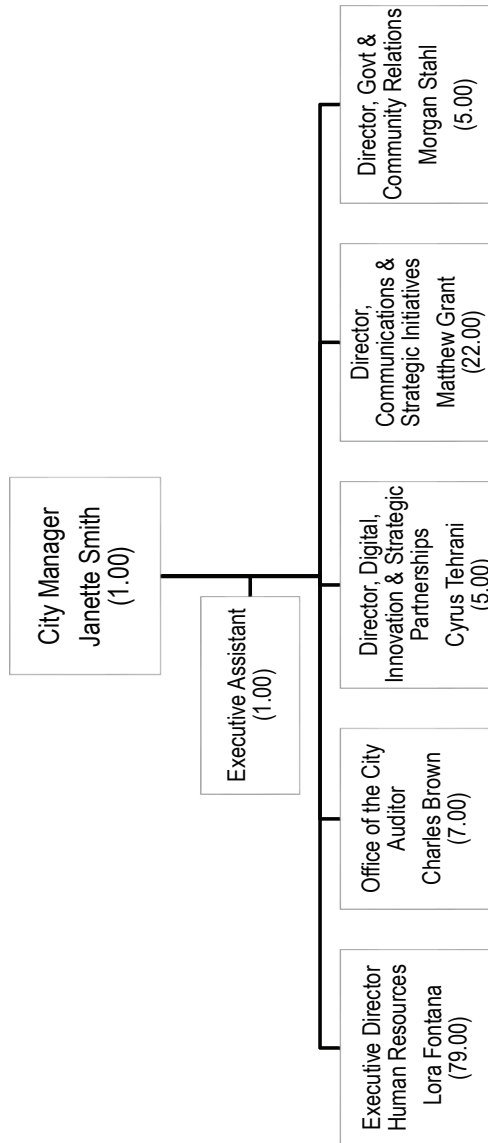
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# DEPARTMENT STRUCTURE



Complement (FTE)	Management	Other	Total	Staff to Management Ratio
2021	18.00	101.50	119.50	5.64:1
2022	21.00	99.00	120.00	4.71:1
Change	3.00	(2.50)	0.50	

COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	18.00	101.50	119.50	5.64:1
2022	21.00	99.00	120.00	4.71:1
CHANGE	3.00	(2.50)	0.50	

# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Office of the City Auditor	1,205,130	1,175,130	1,189,360	1,231,240	1,201,240	26,110	2.2%
CMO - Admin	209,270	209,270	349,780	233,520	233,520	24,250	11.6%
Communication & Strategic Initiatives	2,451,370	2,421,370	2,318,340	2,547,060	2,517,060	95,690	4.0%
Digital & Innovation Office	850,110	201,620	409,040	858,810	206,250	4,630	2.3%
Government & Community Relations	851,540	851,540	864,580	868,500	868,500	16,960	2.0%
Human Resources	10,196,740	8,163,030	7,544,990	10,541,910	8,589,490	426,460	5.2%
<b>Total City Manager</b>	<b>15,764,160</b>	<b>13,021,960</b>	<b>12,676,090</b>	<b>16,281,040</b>	<b>13,616,060</b>	<b>594,100</b>	<b>4.6%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	15,823,490	15,175,650	16,332,570	509,080	3.2%
MATERIAL & SUPPLY	628,210	614,810	628,210	0	0.0%
BUILDING & GROUND	468,230	286,280	507,370	39,140	8.4%
CONSULTING	320,790	378,570	320,790	0	0.0%
CONTRACTUAL	853,670	923,920	861,900	8,230	1.0%
RESERVES/RECOVERIES	441,470	436,430	466,420	24,950	5.7%
COST ALLOCATIONS	(3,478,510)	(3,478,510)	(3,543,020)	(64,510)	(1.9)%
FINANCIAL	680,600	681,150	680,600	0	0.0%
CAPITAL FINANCING	56,210	251,260	56,210	0	0.0%
RECOVERIES FROM CAPITAL	(30,000)	(30,000)	(30,000)	0	0.0%
<b>TOTAL EXPENSES</b>	<b>15,764,160</b>	<b>15,239,560</b>	<b>16,281,050</b>	<b>516,890</b>	<b>3.3%</b>
FEES & GENERAL	(682,990)	(504,270)	(687,060)	(4,070)	(0.6)%
RESERVES	(2,059,210)	(2,059,210)	(1,977,920)	81,290	3.9%
<b>TOTAL REVENUES</b>	<b>(2,742,200)</b>	<b>(2,563,480)</b>	<b>(2,664,980)</b>	<b>77,220</b>	<b>2.8%</b>
<b>NET LEVY</b>	<b>13,021,960</b>	<b>12,676,080</b>	<b>13,616,070</b>	<b>594,110</b>	<b>4.6%</b>

# 2022 Preliminary Tax Supported Operating Budget Multi-Year Budget Outlook

## BY DIVISION

	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2023 Preliminary Gross	2023 Preliminary Net	2024 Preliminary Gross	2024 Preliminary Net	2025 Preliminary Gross	2025 Preliminary Net
Office of the City Auditor	1,231,240	1,201,240	1,259,040	1,229,040	1,284,370	1,254,370	1,306,480	1,276,480
CMO - Admin	233,520	233,520	243,810	243,810	252,810	252,810	262,760	262,760
Communication & Strategic Initiatives	2,547,060	2,517,060	2,617,490	2,587,490	2,681,960	2,651,960	2,740,340	2,710,340
Digital & Innovation Office	858,810	206,250	876,640	217,790	892,800	228,000	906,730	237,440
Government & Community Relations	868,500	868,500	884,650	884,650	899,330	899,330	911,950	911,950
Human Resources	10,541,910	8,589,490	10,743,340	8,776,680	10,921,990	8,941,120	11,075,480	9,094,610
<b>Total City Manager</b>	<b>16,281,040</b>	<b>13,616,060</b>	<b>16,624,970</b>	<b>13,939,460</b>	<b>16,933,260</b>	<b>14,227,590</b>	<b>17,203,740</b>	<b>14,493,580</b>

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION - ADMIN AND DIGITAL OFFICE

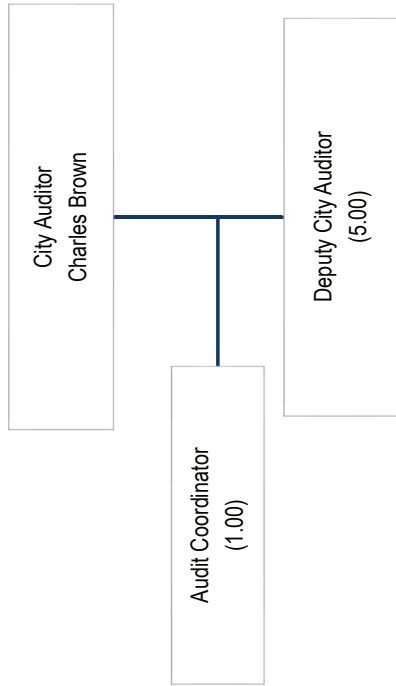
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
City Manager Administration	209,270	209,270	349,780	233,520	233,520	24,250	11.6%
<b>Total CMO - Admin</b>	<b>209,270</b>	<b>209,270</b>	<b>349,780</b>	<b>233,520</b>	<b>233,520</b>	<b>24,250</b>	<b>11.6%</b>

## BY COST CATEGORY - ADMIN AND DIGITAL OFFICE

	2021 Restated	2021 Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
					Change \$	Change %
EMPLOYEE RELATED COST		473,740	572,360	493,210	19,470	4.1%
MATERIAL & SUPPLY		17,250	17,640	17,250	0	0.0%
BUILDING & GROUND		960	2,060	820	(140)	(14.6)%
CONTRACTUAL		1,240	42,790	1,240	0	0.0%
RESERVES/RECOVERIES		65,670	63,970	73,790	8,120	12.4%
COST ALLOCATIONS		(319,590)	(319,590)	(322,790)	(3,200)	(1.0)%
FINANCIAL		0	550	0	0	0.0%
RECOVERIES FROM CAPITAL		(30,000)	(30,000)	(30,000)	0	0.0%
<b>TOTAL EXPENSES</b>		<b>209,270</b>	<b>349,780</b>	<b>233,520</b>	<b>24,250</b>	<b>11.6%</b>
<b>NET LEVY</b>		<b>209,270</b>	<b>349,780</b>	<b>233,520</b>	<b>24,250</b>	<b>11.6%</b>

OFFICE OF THE  
CITY AUDITOR

# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	2.00	5.00	7.00	2.50:1
2022	2.00	5.00	7.00	2.50:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

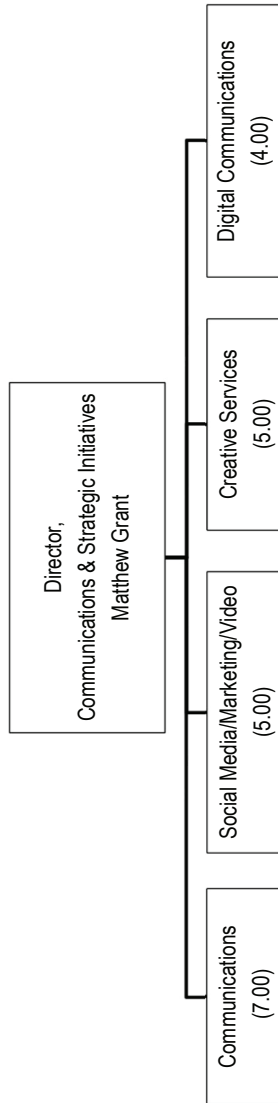
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
Audit Services	1,205,130	1,175,130	1,189,360	1,231,240	1,201,240	26,110	2.2%
<b>Total Office of the City Auditor</b>	<b>1,205,130</b>	<b>1,175,130</b>	<b>1,189,360</b>	<b>1,231,240</b>	<b>1,201,240</b>	<b>26,110</b>	<b>2.2%</b>

## BY COST CATEGORY

	2021 Restated Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
				Change \$	Change %
EMPLOYEE RELATED COST	1,038,170	1,052,400	1,063,270	25,100	2.4%
MATERIAL & SUPPLY	2,390	2,390	2,390	0	0.0%
BUILDING & GROUND	1,770	1,770	1,640	(130)	(7.3)%
CONSULTING	30,000	30,000	30,000	0	0.0%
CONTRACTUAL	1,000	1,000	1,000	0	0.0%
RESERVES/RECOVERIES	74,590	74,590	75,730	1,140	1.5%
FINANCIAL	1,000	1,000	1,000	0	0.0%
CAPITAL FINANCING	56,210	56,210	56,210	0	0.0%
<b>TOTAL EXPENSES</b>	<b>1,205,130</b>	<b>1,219,360</b>	<b>1,231,240</b>	<b>26,110</b>	<b>2.2%</b>
RESERVES	(30,000)	(30,000)	(30,000)	0	0.0%
<b>TOTAL REVENUES</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>0</b>	<b>0.0%</b>
<b>NET LEVY</b>	<b>1,175,130</b>	<b>1,189,360</b>	<b>1,201,240</b>	<b>26,110</b>	<b>2.2%</b>

**COMMUNICATIONS & STRATEGIC INITIATIVES**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	2.00	20.00	22.00	10.00:1
2022	4.00	18.00	22.00	4.50:1
CHANGE	2.00	(-2.00)	0.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

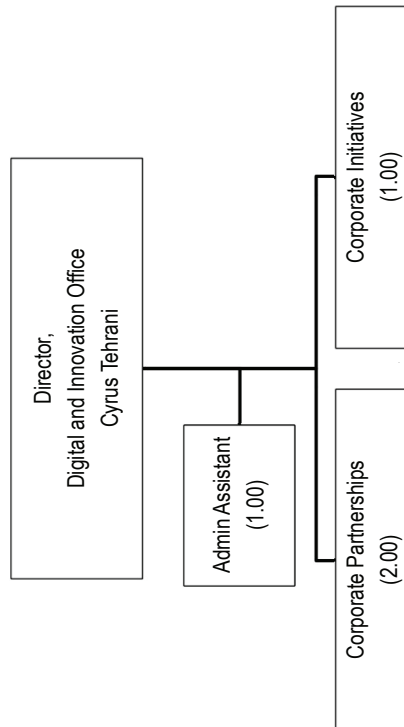
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
Communications	2,451,370	2,421,370	2,318,340	2,547,060	2,517,060	95,690	4.0%
<b>Total Communication &amp; Strategic Initiatives</b>	<b>2,451,370</b>	<b>2,421,370</b>	<b>2,318,340</b>	<b>2,547,060</b>	<b>2,517,060</b>	<b>95,690</b>	<b>4.0%</b>

## BY COST CATEGORY

	2021 Restated Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
				Change \$	Change %
EMPLOYEE RELATED COST	2,604,280	2,519,250	2,703,180	98,900	3.8%
MATERIAL & SUPPLY	68,340	54,560	68,340	0	0.0%
BUILDING & GROUND	6,780	18,780	7,530	750	11.1%
CONSULTING	18,920	2,700	18,920	0	0.0%
CONTRACTUAL	24,690	24,690	24,690	0	0.0%
RESERVES/RECOVERIES	93,340	93,340	94,840	1,500	1.6%
COST ALLOCATIONS	(366,480)	(366,480)	(371,940)	(5,460)	(1.5)%
FINANCIAL	1,500	1,500	1,500	0	0.0%
<b>TOTAL EXPENSES</b>	<b>2,451,370</b>	<b>2,348,340</b>	<b>2,547,060</b>	<b>95,690</b>	<b>3.9%</b>
FEES & GENERAL	(30,000)	(30,000)	(30,000)	0	0.0%
<b>TOTAL REVENUES</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>0</b>	<b>0.0%</b>
<b>NET LEVY</b>	<b>2,421,370</b>	<b>2,318,340</b>	<b>2,517,060</b>	<b>95,690</b>	<b>4.0%</b>

## DIGITAL &amp; INNOVATION OFFICE

## DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	2.00	3.00	5.00	1.50:1
2022	2.00	3.00	5.00	1.50:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

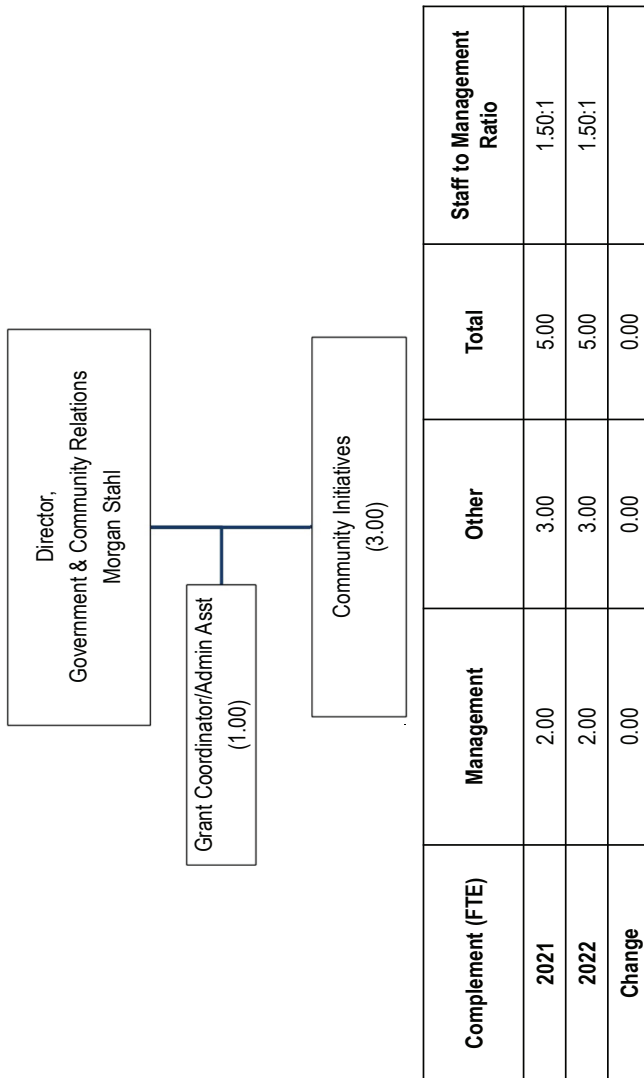
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Corporate Initiatives	283,350	283,350	283,350	285,190	285,190	1,840	0.6%
Corporate Partnership	248,490	(400,000)	(192,580)	252,560	(400,000)	0	0.0%
Digital & Innovation Office Admin	318,270	318,270	318,270	321,060	321,060	2,790	0.9%
<b>Total Digital &amp; Innovation Office</b>	<b>850,110</b>	<b>201,620</b>	<b>409,040</b>	<b>858,810</b>	<b>206,250</b>	<b>4,630</b>	<b>2.3%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	691,130	691,130	699,740	8,610	1.2%
MATERIAL & SUPPLY	18,010	18,010	18,010	0	0.0%
BUILDING & GROUND	1,120	1,120	1,310	190	17.0%
CONSULTING	20,760	20,760	20,760	0	0.0%
CONTRACTUAL	68,670	97,370	68,670	0	0.0%
RESERVES/RECOVERIES	21,970	21,970	21,870	(100)	(0.5)%
FINANCIAL	28,450	28,450	28,450	0	0.0%
<b>TOTAL EXPENSES</b>	<b>850,110</b>	<b>878,810</b>	<b>858,810</b>	<b>8,700</b>	<b>1.0%</b>
FEES & GENERAL	(648,490)	(469,770)	(652,560)	(4,070)	(0.6)%
<b>TOTAL REVENUES</b>	<b>(648,490)</b>	<b>(469,770)</b>	<b>(652,560)</b>	<b>(4,070)</b>	<b>(0.6)%</b>
<b>NET LEVY</b>	<b>201,620</b>	<b>409,040</b>	<b>206,250</b>	<b>4,630</b>	<b>2.3%</b>

**GOVERNMENT & COMMUNITY RELATIONS**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	2.00	3.00	5.00	1.50:1
2022	2.00	3.00	5.00	1.50:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

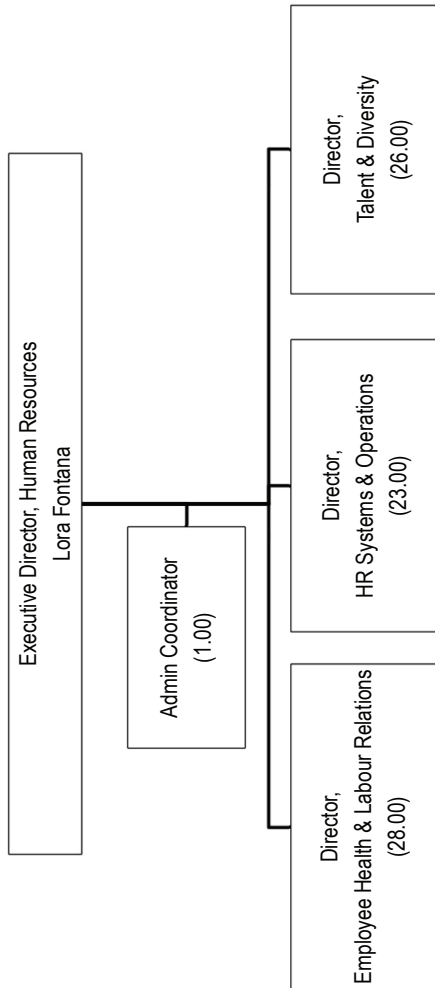
	2021		2021	2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Government & Community Relations	530,460	530,460	415,150	542,470	542,470	12,010	2.3%
Community Initiatives	321,080	321,080	449,430	326,030	326,030	4,950	1.5%
<b>Total Government &amp; Community Relations</b>	<b>851,540</b>	<b>851,540</b>	<b>864,580</b>	<b>868,500</b>	<b>868,500</b>	<b>16,960</b>	<b>2.0%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	610,530	552,800	622,900	12,370	2.0%
MATERIAL & SUPPLY	4,550	4,550	4,550	0	0.0%
BUILDING & GROUND	970	970	660	(310)	(32.0)%
CONSULTING	0	74,000	0	0	0.0%
CONTRACTUAL	213,380	213,380	213,380	0	0.0%
RESERVES/RECOVERIES	22,110	18,880	27,010	4,900	22.2%
<b>TOTAL EXPENSES</b>	<b>851,540</b>	<b>864,580</b>	<b>868,500</b>	<b>16,960</b>	<b>2.0%</b>
<b>NET LEVY</b>	<b>851,540</b>	<b>864,580</b>	<b>868,500</b>	<b>16,960</b>	<b>2.0%</b>

HUMAN RESOURCES

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	9.00	69.50	78.50	7.72:1
2022	10.00	69.00	79.00	6.90:1
CHANGE	1.00	(-0.50)	0.50	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Employee Health & Labour Relations	4,273,300	3,030,850	2,908,370	4,370,550	3,088,010	57,160	1.9%
HR Systems & Operations	2,887,170	2,260,270	1,889,110	2,956,730	2,312,470	52,200	2.3%
Human Resources Admin	265,910	245,050	405,340	260,020	238,890	(6,160)	(2.5)%
Talent & Diversity	2,770,360	2,626,860	2,342,170	2,954,620	2,950,120	323,260	12.3%
<b>Total Human Resources</b>	<b>10,196,740</b>	<b>8,163,030</b>	<b>7,544,990</b>	<b>10,541,920</b>	<b>8,589,490</b>	<b>426,460</b>	<b>5.2%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	10,405,640	9,787,710	10,750,260	344,620	3.3%
MATERIAL & SUPPLY	517,670	517,670	517,670	0	0.0%
BUILDING & GROUND	456,630	261,580	495,420	38,790	8.5%
CONSULTING	251,110	251,110	251,110	0	0.0%
CONTRACTUAL	544,690	544,690	552,920	8,230	1.5%
RESERVES/RECOVERIES	163,790	163,680	173,180	9,390	5.7%
COST ALLOCATIONS	(2,792,440)	(2,792,440)	(2,848,300)	(55,860)	(2.0)%
FINANCIAL	649,650	649,650	649,650	0	0.0%
CAPITAL FINANCING	0	195,050	0	0	0.0%
<b>TOTAL EXPENSES</b>	<b>10,196,740</b>	<b>9,578,700</b>	<b>10,541,910</b>	<b>345,170</b>	<b>3.4%</b>
FEES & GENERAL	(4,500)	(4,500)	(4,500)	0	0.0%
RESERVES	(2,029,210)	(2,029,210)	(1,947,920)	81,290	4.0%
<b>TOTAL REVENUES</b>	<b>(2,033,710)</b>	<b>(2,033,710)</b>	<b>(1,952,420)</b>	<b>81,290</b>	<b>4.0%</b>
<b>NET LEVY</b>	<b>8,163,030</b>	<b>7,544,990</b>	<b>8,589,490</b>	<b>426,460</b>	<b>5.2%</b>

# CORPORATE SERVICES

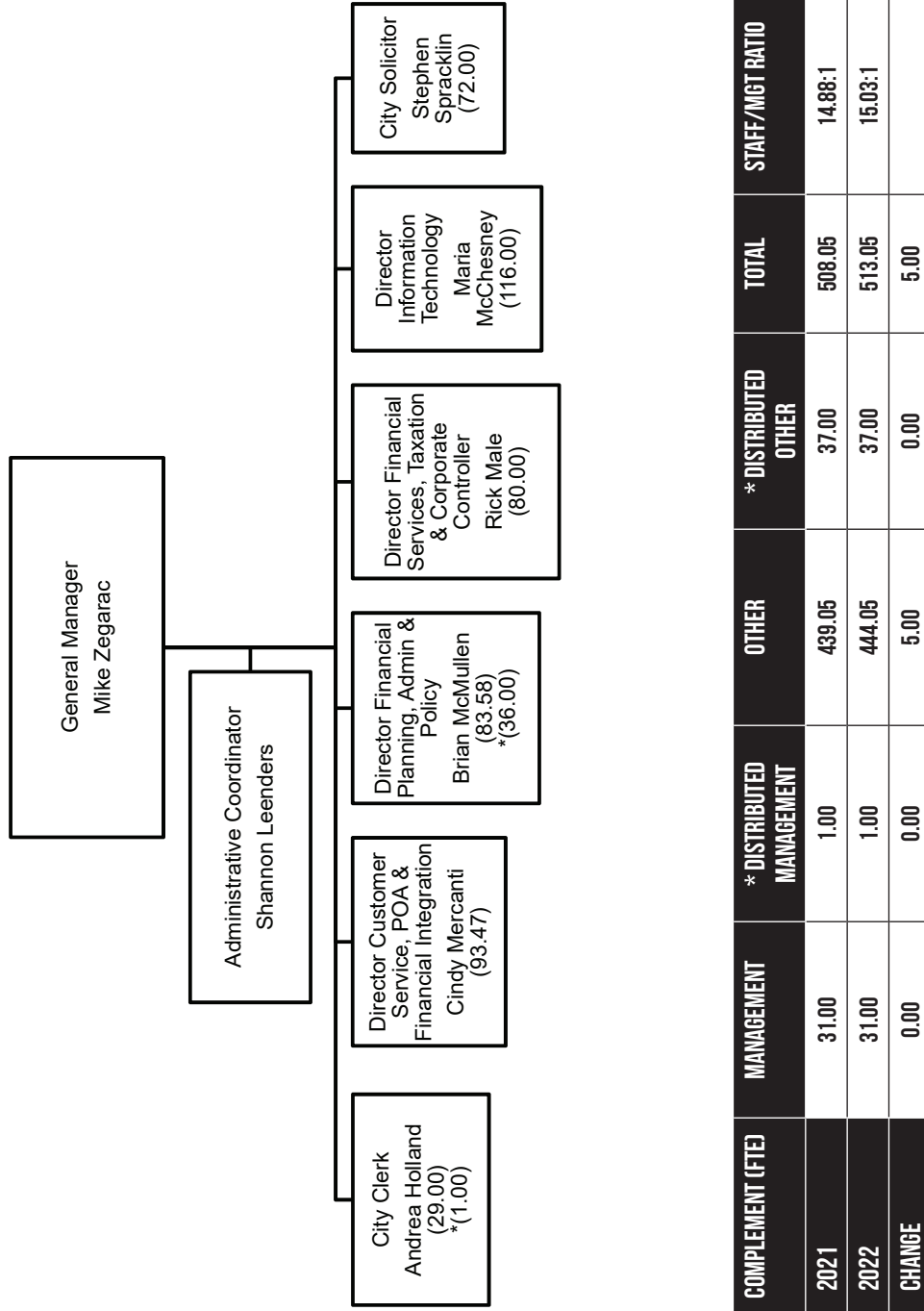
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# DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	* DISTRIBUTED MANAGEMENT	OTHER	* DISTRIBUTED OTHER	TOTAL	STAFF/MGT RATIO
2021	31.00	1.00	439.05	37.00	508.05	14.88:1
2022	31.00	1.00	444.05	37.00	513.05	15.03:1
CHANGE	0.00	0.00	5.00	0.00	5.00	

\* Represents distributed staff whose budget are in operating departments.

# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
City Clerk's Office	3,580,670	2,995,070	3,061,105	3,800,800	3,168,430	173,360	5.8%
Customer Service POA and Finl Integration	12,395,640	5,824,460	5,793,566	12,606,240	5,959,640	135,180	2.3%
Financial Serv Taxation and Corp Controller	6,890,270	4,085,540	3,577,383	7,129,190	4,284,990	199,450	4.9%
Legal Services and Risk Management	4,164,670	4,008,810	3,730,333	4,097,440	3,939,580	(69,230)	(1.7)%
Corporate Services Administration	328,010	328,010	332,838	345,520	331,740	3,730	1.1%
Financial Planning Admin & Policy	6,729,220	5,219,620	5,016,164	6,885,630	5,371,300	151,680	2.9%
Information Technology	15,980,480	15,211,770	14,568,249	16,095,210	15,325,680	113,910	0.7%
<b>Total Corporate Services</b>	<b>50,068,960</b>	<b>37,673,280</b>	<b>36,079,638</b>	<b>50,960,030</b>	<b>38,381,360</b>	<b>708,080</b>	<b>1.9%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual Net	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	48,565,020	47,898,397	50,251,660	1,686,640	3.5%
MATERIAL & SUPPLY	10,220,610	10,400,743	10,735,920	515,310	5.0%
VEHICLE EXPENSES	16,310	16,310	21,000	4,690	28.8%
BUILDING & GROUND	463,770	461,143	470,460	6,690	1.4%
CONSULTING	65,760	55,760	65,760	0	0.0%
CONTRACTUAL	4,591,970	4,583,896	4,753,100	161,130	3.5%
RESERVES/RECOVERIES	(3,723,390)	(3,590,026)	(4,812,360)	(1,088,970)	29.2%
COST ALLOCATIONS	(13,315,680)	(13,792,969)	(13,686,820)	(371,140)	2.8%
FINANCIAL	3,344,520	2,770,763	3,344,420	(100)	(0.0)%
CAPITAL FINANCING	1,959,620	1,959,620	1,959,620	0	0.0%
RECOVERIES FROM CAPITAL	(2,119,550)	(2,119,550)	(2,142,730)	(23,180)	1.1%
<b>TOTAL EXPENSES</b>	<b>50,068,960</b>	<b>48,644,087</b>	<b>50,960,030</b>	<b>891,070</b>	<b>1.8%</b>
FEES & GENERAL	(10,851,850)	(10,356,630)	(11,034,840)	(182,990)	1.7%
TAX & RATES	(618,000)	(770,000)	(618,000)	0	0.0%
RESERVES	(925,830)	(1,437,819)	(925,830)	0	0.0%
<b>TOTAL REVENUES</b>	<b>(12,395,680)</b>	<b>(12,564,449)</b>	<b>(12,578,670)</b>	<b>(182,990)</b>	<b>1.5%</b>
<b>NET LEVY</b>	<b>37,673,280</b>	<b>36,079,638</b>	<b>38,381,360</b>	<b>708,080</b>	<b>1.9%</b>

# 2022 Preliminary Tax Supported Operating Budget Multi-Year Budget Outlook

## BY DIVISION

	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2023 Preliminary Gross	2023 Preliminary Net	2024 Preliminary Gross	2024 Preliminary Net	2025 Preliminary Gross	2025 Preliminary Net
City Clerk's Office	3,800,800	3,168,430	3,870,250	3,236,490	3,947,800	3,312,620	4,019,140	3,383,960
Customer Service POA and Finl Integration	12,606,240	5,959,640	12,854,410	6,122,340	13,066,180	6,260,330	13,259,090	6,384,540
Financial Serv Taxation and Corp Controller	7,129,190	4,284,990	7,283,770	4,419,730	7,424,680	4,529,810	7,561,320	4,637,100
Legal Services and Risk Management	4,097,440	3,939,580	4,247,520	4,087,620	4,355,620	4,193,640	4,429,280	4,267,300
Corporate Services Administration	345,520	331,740	354,090	340,310	360,610	346,830	365,420	351,640
Financial Planning Admin & Policy	6,885,630	5,371,300	7,130,260	5,611,080	7,287,660	5,763,740	7,469,870	5,943,850
Information Technology	16,095,210	15,325,680	16,555,800	15,785,440	16,776,620	16,005,400	16,953,400	16,182,180
<b>Total Corporate Services</b>	<b>50,960,030</b>	<b>38,381,360</b>	<b>52,296,100</b>	<b>39,603,010</b>	<b>53,219,170</b>	<b>40,412,370</b>	<b>54,057,520</b>	<b>41,150,570</b>

## 2022 Preliminary Tax Supported Operating Budget

### BY SECTION - ADMINISTRATION

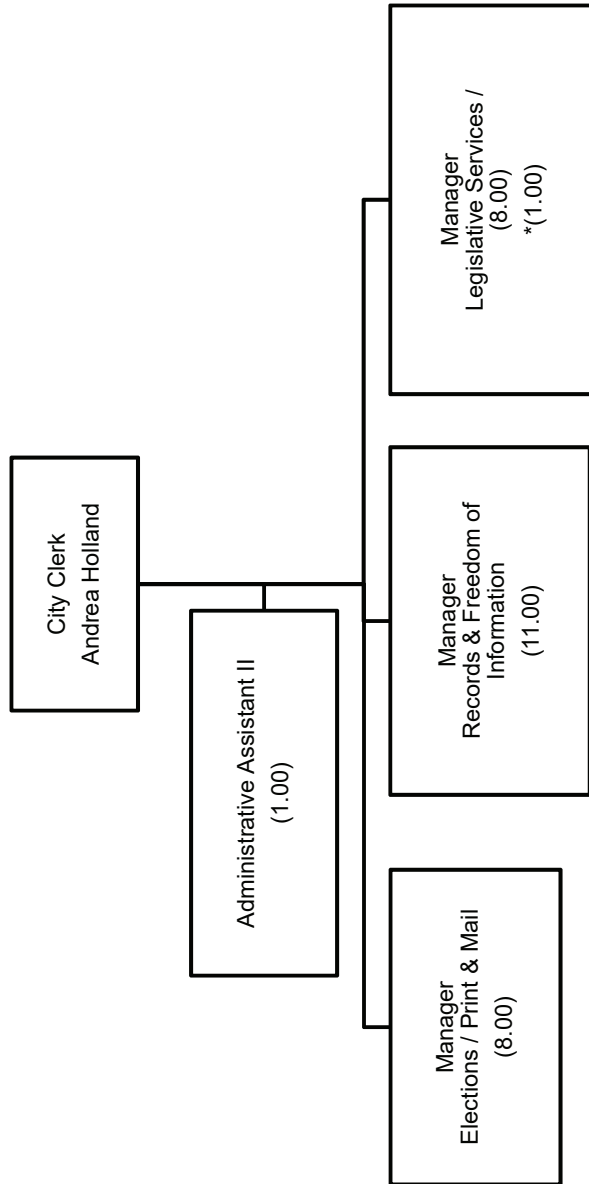
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
General Manager's Office	328,010	328,010	332,838	345,520	331,740	3,730	1.1%
<b>Total Corporate Services Administration</b>	<b>328,010</b>	<b>328,010</b>	<b>332,838</b>	<b>345,520</b>	<b>331,740</b>	<b>3,730</b>	<b>1.1%</b>

### BY COST CATEGORY - ADMINISTRATION

	2021 Restated Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
				Change \$	Change %
EMPLOYEE RELATED COST	404,170	419,288	424,100	19,930	4.9%
MATERIAL & SUPPLY	3,430	3,430	3,430	0	0.0%
BUILDING & GROUND	320	320	330	10	3.1%
CONSULTING	25,000	15,000	25,000	0	0.0%
CONTRACTUAL	5,900	5,900	5,900	0	0.0%
RESERVES/RECOVERIES	15,160	14,870	15,910	750	4.9%
COST ALLOCATIONS	(133,970)	(133,970)	(136,650)	(2,680)	2.0%
FINANCIAL	8,000	8,000	7,500	(500)	(6.3)%
<b>TOTAL EXPENSES</b>	<b>328,010</b>	<b>332,838</b>	<b>345,520</b>	<b>17,510</b>	<b>5.3%</b>
FEES & GENERAL	0	0	(13,780)	(13,780)	100.0%
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>(13,780)</b>	<b>(13,780)</b>	<b>100.0%</b>
<b>NET LEVY</b>	<b>328,010</b>	<b>332,838</b>	<b>331,740</b>	<b>3,730</b>	<b>1.1%</b>

CITY CLERK'S OFFICE

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	* OTHER DISTRIBUTED	TOTAL	STAFF/MGT RATIO
2021	4.00	25.00	1.00	30.00	6.50:1
2022	4.00	25.00	1.00	30.00	6.50:1
CHANGE	0.00	0.00	0.00	0.00	

\* Represents distributed staff whose budget are in operating departments.

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

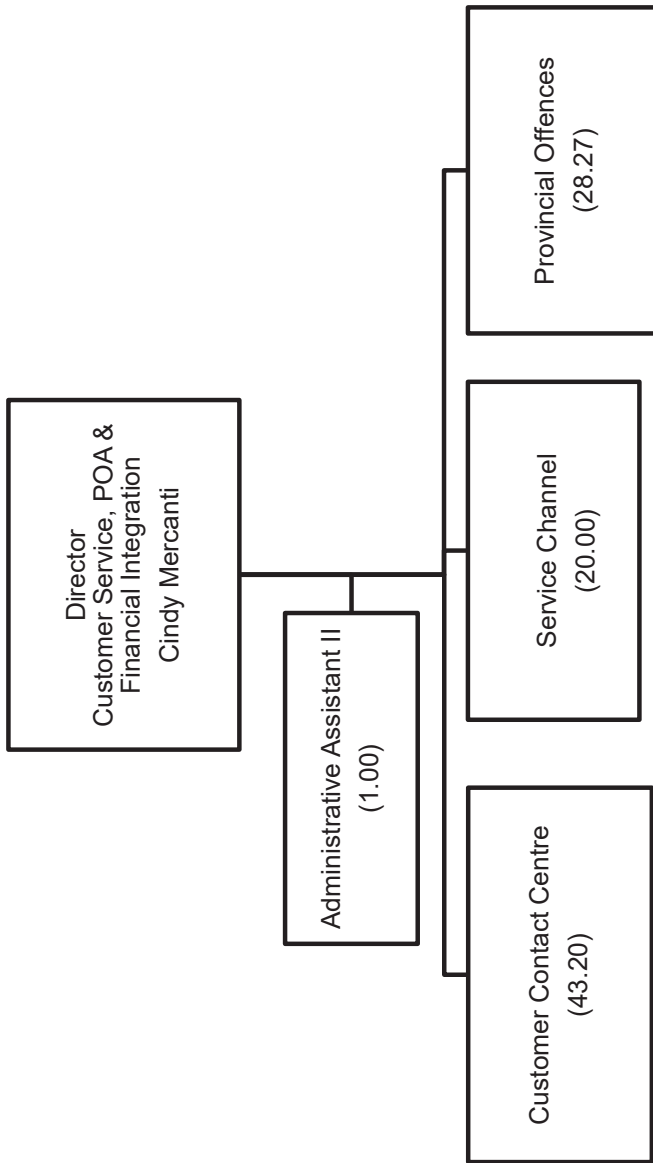
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
City Clerk - Admin	425,050	425,050	448,421	450,650	450,650	25,600	6.0%
Elections	711,480	711,480	711,480	822,890	822,890	111,410	15.7%
Legislative Support	905,650	855,650	866,994	917,200	866,140	10,490	1.2%
Print & Mail	400,940	400,940	504,210	420,710	420,710	19,770	4.9%
Records	1,137,550	601,950	530,000	1,189,350	608,040	6,090	1.0%
<b>Total City Clerk's Office</b>	<b>3,580,670</b>	<b>2,995,070</b>	<b>3,061,105</b>	<b>3,800,800</b>	<b>3,168,430</b>	<b>173,360</b>	<b>5.8%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST		2,756,240	2,691,594	2,814,130	57,890	2.1%
MATERIAL & SUPPLY		836,270	914,004	849,770	13,500	1.6%
VEHICLE EXPENSES		10,590	10,590	11,870	1,280	12.1%
BUILDING & GROUND CONTRACTUAL		5,300	5,300	5,410	110	2.1%
RESERVES/RECOVERIES		131,530	131,788	131,530	0	0.0%
RESERVES/RECOVERIES		233,750	219,631	389,110	155,360	66.5%
COST ALLOCATIONS		(393,010)	(393,010)	(401,020)	(8,010)	2.0%
<b>TOTAL EXPENSES</b>		<b>3,580,670</b>	<b>3,579,897</b>	<b>3,800,800</b>	<b>220,130</b>	<b>6.1%</b>
FEES & GENERAL RESERVES		(585,600)	(515,600)	(632,370)	(46,770)	8.0%
RESERVES		0	(3,192)	0	0	0.0%
<b>TOTAL REVENUES</b>		<b>(585,600)</b>	<b>(518,792)</b>	<b>(632,370)</b>	<b>(46,770)</b>	<b>8.0%</b>
<b>NET LEVY</b>		<b>2,995,070</b>	<b>3,061,105</b>	<b>3,168,430</b>	<b>173,360</b>	<b>5.8%</b>

CUSTOMER SERVICE

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	89.47	93.47	17.69:1
2022	5.00	89.47	93.47	17.69:1
CHANGE	0.00	0.00	0.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

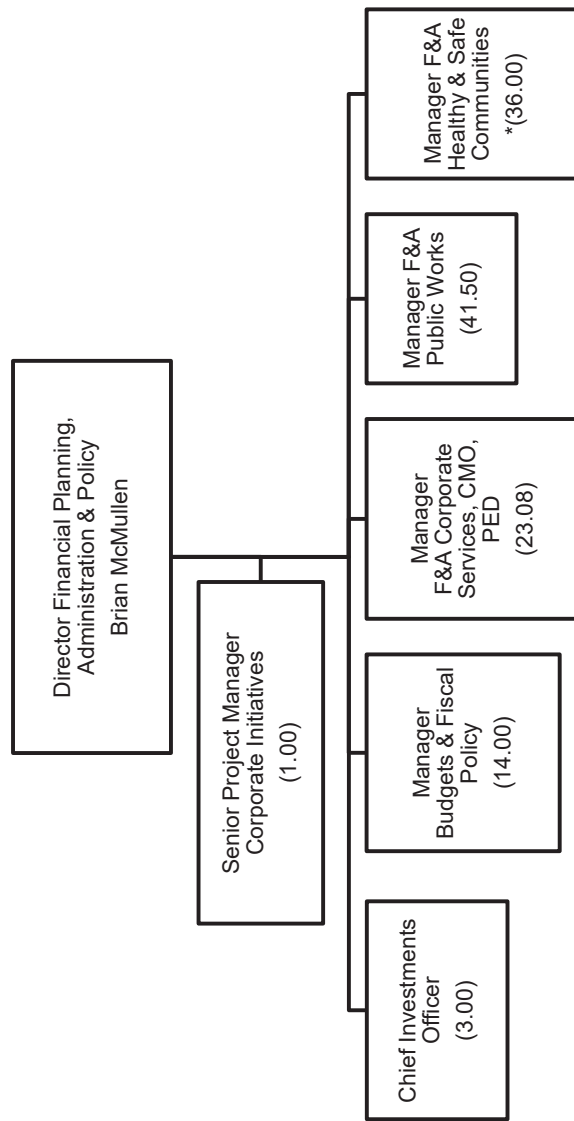
	2021		2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Customer Contact Centre	3,488,800	3,488,800	3,438,111	3,438,111	3,567,800	3,567,800	79,000	2.3%
Customer Service - Administration	266,870	266,870	338,392	338,392	293,070	293,070	26,200	9.8%
Provincial Offences Administration	6,571,180	0	0	0	6,646,600	0	0	0.0%
Service Channel	2,068,790	2,068,790	2,017,063	2,017,063	2,098,770	2,098,770	29,980	1.4%
<b>Total Customer Service POA and Finl Integration</b>	<b>12,395,640</b>	<b>5,824,460</b>	<b>5,793,566</b>	<b>5,793,566</b>	<b>12,606,240</b>	<b>5,959,640</b>	<b>135,180</b>	<b>2.3%</b>

## BY COST CATEGORY

	2021		2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated	Budget	Projected Actual	Projected Actual	Preliminary Budget	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST			8,155,200	8,075,159	8,386,470	8,386,470	231,270	2.8%
MATERIAL & SUPPLY			187,140	326,269	187,140	187,140	0	0.0%
BUILDING & GROUND			262,930	260,930	265,100	265,100	2,170	0.8%
CONSULTING			3,000	3,000	3,000	3,000	0	0.0%
CONTRACTUAL			313,810	319,542	313,810	313,810	0	0.0%
RESERVES/RECOVERIES			2,215,300	2,327,291	2,276,930	2,276,930	61,630	2.8%
COST ALLOCATIONS			(1,742,670)	(1,889,867)	(1,827,140)	(1,827,140)	(84,470)	4.8%
FINANCIAL			1,425,930	785,882	1,425,930	1,425,930	0	0.0%
CAPITAL FINANCING			1,575,000	1,575,000	1,575,000	1,575,000	0	0.0%
<b>TOTAL EXPENSES</b>			<b>12,395,640</b>	<b>11,783,206</b>	<b>12,606,240</b>	<b>12,606,240</b>	<b>210,600</b>	<b>1.7%</b>
FEES & GENERAL			(6,571,180)	(5,989,640)	(6,646,600)	(6,646,600)	(75,420)	1.1%
<b>TOTAL REVENUES</b>			<b>(6,571,180)</b>	<b>(5,989,640)</b>	<b>(6,646,600)</b>	<b>(6,646,600)</b>	<b>(75,420)</b>	<b>1.1%</b>
<b>NET LEVY</b>			<b>5,824,460</b>	<b>5,793,566</b>	<b>5,959,640</b>	<b>5,959,640</b>	<b>135,180</b>	<b>2.3%</b>

**FINANCIAL PLANNING,  
ADMIN & POLICY**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	*MANAGEMENT DISTRIBUTED	OTHER	* OTHER DISTRIBUTED	TOTAL	STAFF/MGT RATIO
2021	5.00	1.00	78.58	35.00	119.58	18.93:1
2022	5.00	1.00	78.58	35.00	119.58	18.93:1
CHANGE	0.00	0.00	0.00	0.00	0.00	

\* Represents distributed staff whose budget are in operating departments

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

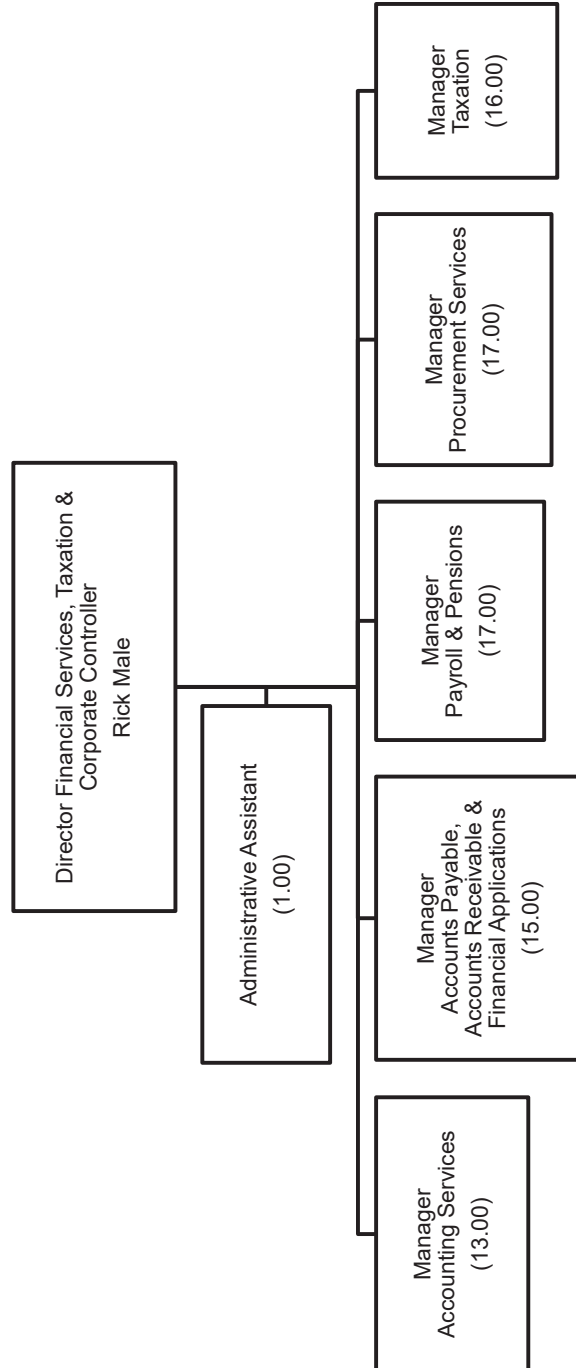
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Budgets & Fiscal Policy	866,490	622,990	623,184	835,570	592,070	(30,920)	(5.0)%
Admin Financial Policy & Planning	87,610	87,610	196,658	90,320	90,320	2,710	3.1%
Finance	4,720,220	4,625,660	4,316,122	4,891,020	4,794,230	168,570	3.6%
Investments	1,054,900	(116,640)	(119,800)	1,068,720	(105,320)	11,320	(9.7)%
<b>Total Financial Planning Admin &amp; Policy</b>	<b>6,729,220</b>	<b>5,219,620</b>	<b>5,016,164</b>	<b>6,885,630</b>	<b>5,371,300</b>	<b>151,680</b>	<b>2.9%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated			
	Restated	Budget	Projected Actual	Preliminary Budget	Change \$	Change %	
EMPLOYEE RELATED COST			8,570,510	8,414,536	8,855,380	284,870	3.3%
MATERIAL & SUPPLY			38,480	33,835	38,380	(100)	(0.3)%
BUILDING & GROUND			39,550	39,550	40,350	800	2.0%
CONSULTING			20,700	20,700	20,700	0	0.0%
CONTRACTUAL			110,950	107,418	110,980	30	0.0%
RESERVES/RECOVERIES			240,610	234,452	246,590	5,980	2.5%
COST ALLOCATIONS			(1,774,340)	(1,674,514)	(1,885,580)	(111,240)	6.3%
FINANCIAL			304,310	322,310	304,310	0	0.0%
RECOVERIES FROM CAPITAL			(821,550)	(821,550)	(845,480)	(23,930)	2.9%
<b>TOTAL EXPENSES</b>			<b>6,729,220</b>	<b>6,676,737</b>	<b>6,885,630</b>	<b>156,410</b>	<b>2.3%</b>
FEES & GENERAL			(1,404,100)	(1,404,100)	(1,408,830)	(4,730)	0.3%
RESERVES			(105,500)	(256,473)	(105,500)	0	0.0%
<b>TOTAL REVENUES</b>			<b>(1,509,600)</b>	<b>(1,660,573)</b>	<b>(1,514,330)</b>	<b>(4,730)</b>	<b>0.3%</b>
<b>NET LEVY</b>			<b>5,219,620</b>	<b>5,016,164</b>	<b>5,371,300</b>	<b>151,680</b>	<b>2.9%</b>

FINANCIAL SERVICES

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	6.00	74.00	80.00	12.33:1
2022	6.00	74.00	80.00	12.33:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

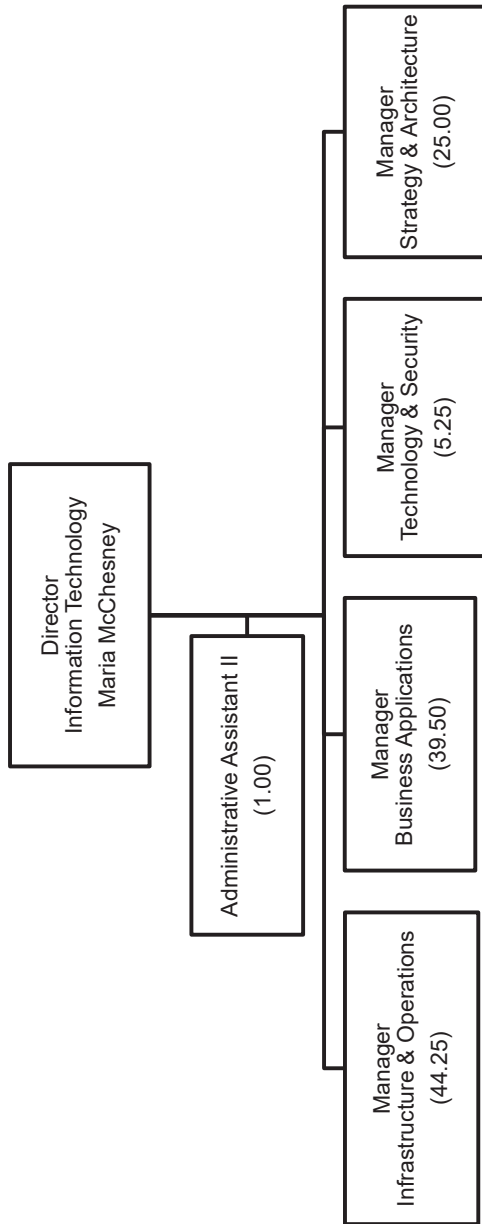
	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Accounts Payable	453,960	412,960	410,960	364,250	322,430	(90,530)	(21.9)%
Accounts Receivable	177,180	177,180	175,180	175,010	175,010	(2,170)	(1.2)%
Financial Accounting Services	770,720	725,100	669,041	800,100	754,480	29,380	4.1%
Financial Application Support	360,350	360,350	360,350	494,780	494,780	134,430	37.3%
Financial Services Admin	354,520	354,520	468,749	368,130	368,130	13,610	3.8%
Payroll and Pensions	1,094,050	967,160	977,957	1,132,990	1,005,500	38,340	4.0%
Procurement	1,161,320	902,750	818,425	1,213,470	949,730	46,980	5.2%
Taxation	2,518,170	185,520	(303,279)	2,580,460	214,930	29,410	15.9%
<b>Total Financial Serv Taxation and Corp Controller</b>	<b>6,890,270</b>	<b>4,085,540</b>	<b>3,577,383</b>	<b>7,129,190</b>	<b>4,284,990</b>	<b>199,450</b>	<b>4.9%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	7,708,610	7,552,833	7,937,140	228,530	3.0%
MATERIAL & SUPPLY	632,650	613,642	636,000	3,350	0.5%
BUILDING & GROUND	17,620	16,993	18,230	610	3.5%
CONTRACTUAL	98,330	74,844	98,330	0	0.0%
RESERVES/RECOVERIES	489,930	478,680	508,920	18,990	3.9%
COST ALLOCATIONS	(2,013,590)	(1,992,760)	(2,027,290)	(13,700)	0.7%
FINANCIAL	64,800	54,281	65,200	400	0.6%
CAPITAL FINANCING	303,000	303,000	303,000	0	0.0%
RECOVERIES FROM CAPITAL	(411,080)	(411,080)	(410,340)	740	(0.2)%
<b>TOTAL EXPENSES</b>	<b>6,890,270</b>	<b>6,690,433</b>	<b>7,129,190</b>	<b>238,920</b>	<b>3.5%</b>
FEES & GENERAL	(2,043,110)	(2,199,430)	(2,082,580)	(39,470)	1.9%
TAX & RATES	(618,000)	(770,000)	(618,000)	0	0.0%
RESERVES	(143,620)	(143,620)	(143,620)	0	0.0%
<b>TOTAL REVENUES</b>	<b>(2,804,730)</b>	<b>(3,113,050)</b>	<b>(2,844,200)</b>	<b>(39,470)</b>	<b>1.4%</b>
<b>NET LEVY</b>	<b>4,085,540</b>	<b>3,577,383</b>	<b>4,284,990</b>	<b>199,450</b>	<b>4.9%</b>

**INFORMATION TECHNOLOGY**

**DIVISION STRUCTURE**



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	111.00	116.00	22.2:1
2022	5.00	111.00	116.00	22.2:1
CHANGE	0.00	0.00	0.00	

# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

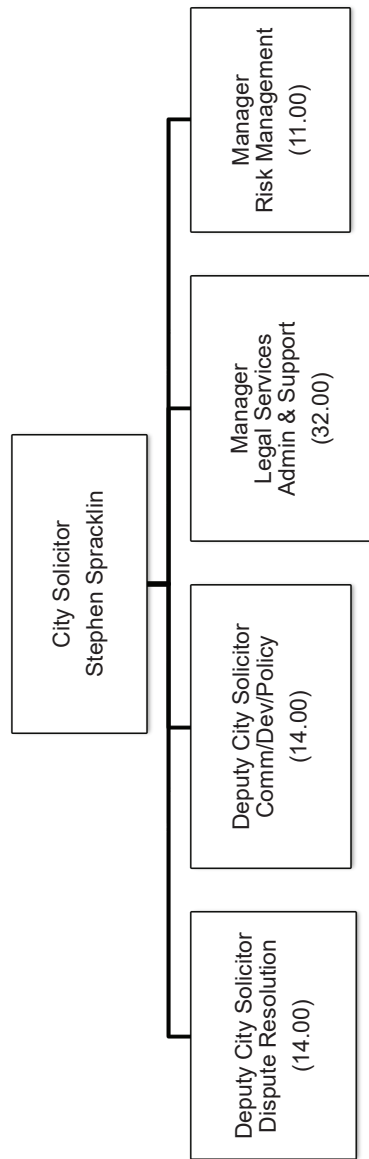
	2021		2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %	
Business Applications	8,148,580	8,143,020	8,073,191	7,772,300	7,766,630	(376,390)	(4.6)%	
Equipment & Maintenance	165,150	0	0	165,150	0	0	0.0%	
Infrastructure & Operations	10,691,570	10,095,010	9,440,271	11,247,490	10,650,230	555,220	5.5%	
IP Telephony	1,170	0	0	1,170	0	0	0.0%	
IT - Admin	(4,137,850)	(4,138,120)	(3,986,674)	(4,226,430)	(4,226,710)	(88,590)	2.1%	
Technology & Security	1,111,860	1,111,860	1,041,461	1,135,530	1,135,530	23,670	2.1%	
<b>Total Information Technology</b>	<b>15,980,480</b>	<b>15,211,770</b>	<b>14,568,249</b>	<b>16,095,210</b>	<b>15,325,680</b>	<b>113,910</b>	<b>0.7%</b>	

## BY COST CATEGORY

	2021		2021		2022		2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Projected Actual	Preliminary Budget	Change \$	Change %		
EMPLOYEE RELATED COST		12,502,110	12,180,543	12,635,380	133,270	1.1%		
MATERIAL & SUPPLY		8,387,690	8,377,538	8,848,780	461,090	5.5%		
VEHICLE EXPENSES		5,720	5,720	9,130	3,410	59.6%		
BUILDING & GROUND		121,780	121,780	124,200	2,420	2.0%		
CONSULTING		12,060	12,060	12,060	0	0.0%		
CONTRACTUAL		3,885,650	3,889,134	4,043,020	157,370	4.1%		
RESERVES/RECOVERIES		(3,754,110)	(3,746,910)	(4,307,230)	(553,120)	14.7%		
COST ALLOCATIONS		(6,518,940)	(6,518,940)	(6,608,650)	(89,710)	1.4%		
FINANCIAL		1,338,520	1,338,520	1,338,520	0	0.0%		
<b>TOTAL EXPENSES</b>		<b>15,980,480</b>	<b>15,659,445</b>	<b>16,095,210</b>	<b>114,730</b>	<b>0.7%</b>		
FEES & GENERAL		(92,000)	(92,000)	(92,820)	(820)	0.9%		
RESERVES		(676,710)	(999,196)	(676,710)	0	0.0%		
<b>TOTAL REVENUES</b>		<b>(768,710)</b>	<b>(1,091,196)</b>	<b>(769,530)</b>	<b>(820)</b>	<b>0.1%</b>		
<b>NET LEVY</b>		<b>15,211,770</b>	<b>14,568,249</b>	<b>15,325,680</b>	<b>113,910</b>	<b>0.7%</b>		

LEGAL SERVICES

DIVISION STRUCTURE



COMPLEMENT (FTE)	MANAGEMENT	OTHER	TOTAL	STAFF/MGT RATIO
2021	5.00	62.00	67.00	12.6:1
2022	5.00	67.00	72.00	13.4:1
CHANGE	0.00	5.00	5.00	



# 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

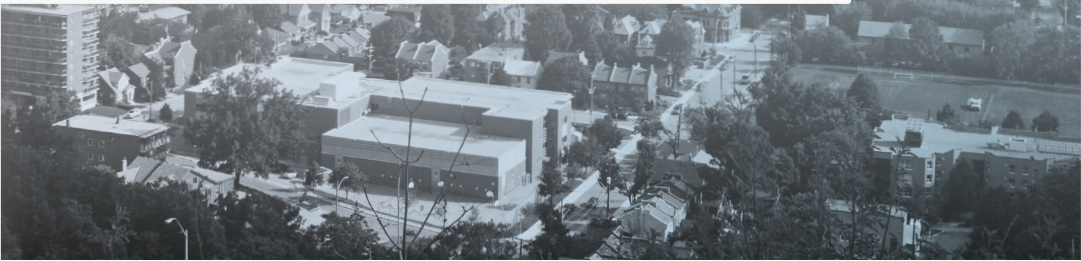
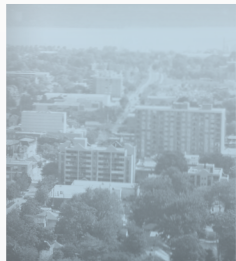
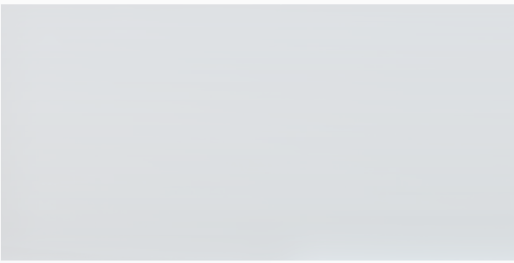
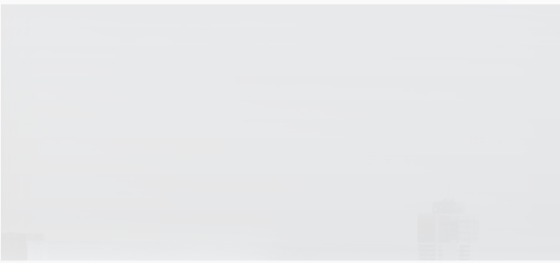
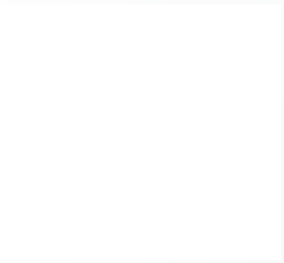
	2021 Restated Gross	2021 Restated Net	2021 Projected Actual Net	2022 Preliminary Budget Gross	2022 Preliminary Budget Net	2022 Preliminary Budget vs. 2021 Restated	
						Change \$	Change %
Legal Services	4,083,260	3,927,400	3,730,333	4,097,440	3,939,580	12,180	0.3%
Risk Management	81,410	81,410	0	0	0	(81,410)	(100.0)%
<b>Total Legal Services and Risk Management</b>	<b>4,164,670</b>	<b>4,008,810</b>	<b>3,730,333</b>	<b>4,097,440</b>	<b>3,939,580</b>	<b>(69,230)</b>	<b>(1.7)%</b>

## BY COST CATEGORY

	2021 Restated Budget	2021 Projected Actual	2022 Preliminary Budget	2022 Preliminary Budget vs. 2021 Restated	
				Change \$	Change %
EMPLOYEE RELATED COST	8,468,190	8,564,444	9,199,080	730,890	8.6%
MATERIAL & SUPPLY	134,950	132,025	172,430	37,480	27.8%
BUILDING & GROUND	16,270	16,270	16,840	570	3.5%
CONSULTING	5,000	5,000	5,000	0	0.0%
CONTRACTUAL	45,800	55,270	49,530	3,730	8.1%
RESERVES/RECOVERIES	(3,164,040)	(3,118,040)	(3,942,600)	(778,560)	24.6%
COST ALLOCATIONS	(739,160)	(1,170,260)	(800,500)	(61,340)	8.3%
FINANCIAL	202,960	261,770	202,960	0	0.0%
CAPITAL FINANCING	81,620	81,620	81,620	0	0.0%
RECOVERIES FROM CAPITAL	(886,920)	(886,920)	(886,920)	0	0.0%
<b>TOTAL EXPENSES</b>	<b>4,164,670</b>	<b>3,941,179</b>	<b>4,097,440</b>	<b>(67,230)</b>	<b>(1.6)%</b>
FEES & GENERAL	(155,860)	(155,860)	(157,860)	(2,000)	1.3%
RESERVES	0	(54,986)	0	0	0.0%
<b>TOTAL REVENUES</b>	<b>(155,860)</b>	<b>(210,846)</b>	<b>(157,860)</b>	<b>(2,000)</b>	<b>1.3%</b>
<b>NET LEVY</b>	<b>4,008,810</b>	<b>3,730,333</b>	<b>3,939,580</b>	<b>(69,230)</b>	<b>(1.7)%</b>

# OTHERS

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## LEGISLATIVE

## 2022 Preliminary Tax Supported Operating Budget

### BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Legislative General	(379,020)	(379,020)	(255,910)	(361,980)	(361,980)	17,040	(4.5)%
Mayors Office	1,192,900	1,192,900	1,152,450	1,211,420	1,211,420	18,520	1.6%
Volunteer Committee	124,650	120,650	120,650	124,650	120,650	0	0.0%
Ward Budgets	4,236,600	4,236,600	4,236,600	4,314,420	4,314,420	77,820	1.8%
<b>Total Legislative</b>	<b>5,175,130</b>	<b>5,171,130</b>	<b>5,253,790</b>	<b>5,288,510</b>	<b>5,284,510</b>	<b>113,380</b>	<b>2.2%</b>

### BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated		
	Restated	Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST		4,214,900	4,241,730	4,317,170	102,270	2.4%
MATERIAL & SUPPLY		974,860	1,008,860	960,760	(14,100)	(1.4)%
VEHICLE EXPENSES		4,060	4,060	4,140	80	2.0%
BUILDING & GROUND		81,780	126,720	81,970	190	0.2%
CONSULTING		54,190	44,190	54,190	0	0.0%
CONTRACTUAL		219,530	203,530	219,530	0	0.0%
AGENCIES & SUPPORT PAYMENTS		19,070	11,570	19,070	0	0.0%
RESERVES/RECOVERIES		406,250	395,640	440,740	34,490	8.5%
COST ALLOCATIONS		(954,760)	(954,760)	(964,310)	(9,550)	(1.0)%
FINANCIAL		155,250	176,250	155,250	0	0.0%
<b>TOTAL EXPENSES</b>		<b>5,175,130</b>	<b>5,257,790</b>	<b>5,288,510</b>	<b>113,380</b>	<b>2.2%</b>
RESERVES		(4,000)	(4,000)	(4,000)	0	0.0%
<b>TOTAL REVENUES</b>		<b>(4,000)</b>	<b>(4,000)</b>	<b>(4,000)</b>	<b>0</b>	<b>0.0%</b>
<b>NET LEVY</b>		<b>5,171,130</b>	<b>5,253,790</b>	<b>5,284,510</b>	<b>113,380</b>	<b>2.2%</b>

## CORPORATE FINANCIALS

## 2022 Preliminary Tax Supported Operating Budget

## BY SECTION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Corporate Initiatives	3,997,920	3,354,610	5,897,210	7,826,370	7,639,770	4,285,160	127.7%
Corporate Pensions Benefits & Contingency	15,653,960	15,653,960	19,653,960	15,785,390	15,785,390	131,430	0.8%
<b>Total Non Program Expenditures</b>	<b>19,651,880</b>	<b>19,008,570</b>	<b>25,551,170</b>	<b>23,611,760</b>	<b>23,425,160</b>	<b>4,416,590</b>	<b>23.2%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	13,413,960	17,413,960	8,040,880	(5,373,080)	(40.1)%
MATERIAL & SUPPLY	133,900	130,010	130,010	(3,890)	(2.9)%
CONTRACTUAL	487,740	487,740	3,877,200	3,389,460	694.9%
AGENCIES & SUPPORT PAYMENTS	20,000	20,000	20,000	0	0.0%
RESERVES/RECOVERIES	(13,542,470)	(13,542,470)	(10,160,970)	3,381,500	(25.0)%
COST ALLOCATIONS	(4,780)	0	0	4,780	(100.0)%
FINANCIAL	18,225,930	20,325,930	20,787,040	2,561,110	14.1%
CAPITAL FINANCING	917,600	917,600	917,600	0	0.0%
<b>TOTAL EXPENSES</b>	<b>19,651,880</b>	<b>25,752,770</b>	<b>23,611,760</b>	<b>3,959,880</b>	<b>20.2%</b>
FEES & GENERAL	(628,310)	(186,600)	(186,600)	441,710	(70.3)%
RESERVES	(15,000)	(15,000)	0	15,000	(100.0)%
<b>TOTAL REVENUES</b>	<b>(643,310)</b>	<b>(201,600)</b>	<b>(186,600)</b>	<b>456,710</b>	<b>(71.0)%</b>
<b>NET LEVY</b>	<b>19,008,570</b>	<b>25,551,170</b>	<b>23,425,160</b>	<b>4,416,590</b>	<b>23.2%</b>

# OPERATING IMPACTS OF CAPITAL (2022 AND PRIOR)

	FCS20101		UPDATED		FTE
	(\$ 000's)	FTE's	Annualized	2022	
			(\$ 000's)		
<b>Corporate Services</b>					
<b>Information Technology (IT)</b>					
3502157101 Next Generation 9-1-1 (nG 9-1-1)	312.5	-	312.5	312.5	-
3502157202 IT Asset Management Program	357.0	2.0	357.0	357.0	2.0
3502157907 Business Systems and Services Continuity Plan	96.0	1.0	96.0	96.0	1.0
3502057203 Payment Card Systems Review	100.0	1.0	100.0	100.0	1.0
3501957906 IT Strategy - Strategic Theme IT Optimization	-	-	15.0	15.0	-
3501957910 Messaging (Email) Platform Migration	-	-	100.0	100.0	-
3502257203 Information Security Program	-	-	140.0	140.0	1.0
<b>Corporate Services Administration</b>					
2052255201 Administrative Penalties Expansion and Operational Enhancement Review	-	-	50.0	50.0	0.5
<b>Customer Service &amp; Provincial Offenses Office</b>					
2052157002 Replacement of Integrated Court Offences Network and Collections	-	-	45	45	-
<b>Total Corporate Services</b>	<b>865.50</b>	<b>4.00</b>	<b>1,215.50</b>	<b>1,215.50</b>	<b>5.50</b>
<b>Healthy and Safe Communities</b>					
<b>Hamilton Fire Department</b>					
7402151102 SCBA Complete Unit Replacement	363.0	-	363.0	363.0	-
7401841801 Waterdown New Station	-	15.0	-	-	-
7402251102 HFD Technology	-	-	100.0	100.0	-
<b>Hamilton Paramedic Service</b>					
7642151102 Automated CPR Units	177	-	177	177	-
<b>Recreation</b>					
7102154701 Pickleball Courts at the Ancaster Senior Achievement Centre	-	-	2.5	2.5	-
<b>Total Healthy and Safe Communities</b>	<b>540.00</b>	<b>15.00</b>	<b>642.50</b>	<b>642.50</b>	<b>-</b>

# OPERATING IMPACTS OF CAPITAL (2022 AND PRIOR)

	FCS20101		UPDATED		FTE
	(\$ 000's)	FTE's	Annualized	2022	
			(\$ 000's)		
<b><i>Planning &amp; Economic Development</i></b>					
<b>Commercial Districts and Small Business</b>					
8201703706 Community Downtowns and BIAs	7.2	-	7.2	6.2	-
<b>Transportation, Planning and Parking</b>					
4032155744 TMP Modelling & Monitoring	-	-	30.0	30.0	0.25
4032155820 Sustainable Mobility Program	-	-	60.0	60.0	0.5
4032255242 Transportation Network Review and Implementation Plan	-	-	30.0	30.0	0.25
<b>Tourism and Culture</b>					
7202058201 Monument Restoration	-	-	27.1	27.1	.25
<b>Total Planning &amp; Economic Development</b>	<b>7.20</b>	<b>-</b>	<b>154.30</b>	<b>153.30</b>	<b>1.25</b>
<b><u>Public Works Tax Funded</u></b>					
<b>Corporate Facilities</b>					
3541849003 Backflow Prevention for Various Facilities	120.0	-	-	-	-
<b>Forestry &amp; Horticulture</b>					
4452153444 Tree Planting Program	21.2	-	21.2	21.2	-
<b>O &amp; M - Parks &amp; Cemeteries</b>					
4402156001 Leash Free Dog Park Program	2.0	-	2.0	2.0	-
4402151601 Equipment Acquisition (DC) Program	76.0	-	76.0	76.0	-
4402149003 Backflow Prevention for Various Parks Facilities	135.0	-	135.0	135.0	-
<b>Open Space Development</b>					
4401356801 Confederation Park Redevelopment	271.1	1.3	271.1	271.1	1.3
4401956906 Gatesbury Park	5.0	-	5.0	5.0	-
4402156002 Ryckman's Park Pathway	2.0	-	2.0	2.0	-
4402156111 Lancaster Heights - Developer Build	47.5	0.5	-	-	-
4401858800 Skatepark Facility - Recreation study implementation	11.0	-	11.0	11.0	-
4401956929 HRTMP Initiative 7-1 - Limeridge Mall Hydro Corridor Trail	35.0	-	35.0	35.0	-

# OPERATING IMPACTS OF CAPITAL (2022 AND PRIOR)

	FCS20101		UPDATED		FTE
	(\$ 000's)	FTE's	Annualized	2022	
			(\$ 000's)		
<b>Recreation Facilities</b>					
7102054002 Confederation Park Sports Park Buildings	-	0.5	-	100.0	0.5
7101754706 Valley Park Community Centre Fit-up	150.0	1.0	150.0	150.0	1.0
7101754805 Sir Wilfrid Laurier Gymnasium Addition.	260.0	-	-	-	-
<b>Roads</b>					
4032119111 Highway 8 - Bond to Woodleys Lane	4.0	-	4.0	4.0	-
4662120531 APS - Accessible Pedestrian Signals	16.8	0.2	16.8	16.8	0.2
4662120126 New Traffic Signal - Nebo @ Twenty Rd	13.6	0.1	-	-	-
4662117124 On Street Bike Facilities	100.0	-	100.0	100.0	-
4662220223 New Traffic Signal - York @ Old Guelph	-	-	-	-	-
<b>Transit Services</b>					
5301785701 Transit Maintenance and Storage Facility (Cash Flow Project)	-	21.0	-	-	-
5302184102 Real-Time Operations Management	100.0	-	-	-	-
5302185803 Operator Washroom Conveniences and End of Line Rehab	310.0	-	-	-	-
5302249001 Operator Washroom Conveniences	-	-	-	-	-
5302185902 Transit Shelter Expansion Program	80.0	-	80.0	80.0	-
5301783700 HSR Bus Expansion Program - 10 Year Plan	1,190.0	14.0	-	-	-
5302083001 HSR Expansion Buses - Modal Split	2,143.0	21.0	-	-	-
<b>West Harbour &amp; Waterfront Strategic Initiatives</b>					
4411606102 Pier 5-7 Boardwalk	-	0.3	-	-	0.3
<b>Total Public Works Tax Funded</b>	<b>5,093.20</b>	<b>59.86</b>	<b>909.09</b>	<b>1,009.09</b>	<b>3.31</b>
<b>Total (FCS20101)</b>	<b>6,505.9</b>	<b>78.86</b>	<b>2,921.4</b>	<b>3,020.4</b>	<b>10.06</b>



# OPERATING IMPACTS OF CAPITAL (2022 AND PRIOR)

	FCS20101		UPDATED	
	(\$ 000's)	FTE's	Annualized	2022
			(\$ 000's)	FTE
<b>2021 impacts (from 2020 Capital) Deferred to 2022:</b>				
<b>Healthy and Safe Communities</b>				
<b>Long Term Care Homes</b>				
6301941003 WL - Radiant Heating Panel/Thermostat Controls	(6.0)	0.00	0.0	0.0
<b>Public Works Tax Funded</b>				
<b>O &amp; M - Parks &amp; Cemeteries</b>				
4402049004 Parkside Cemetery Development	73	0.83	73	73
<b>Open Space Development</b>				
4401756706 Roxborough Park Redevelopment	5.00	0.0	-	-
4402056010 Highland Road Park (Proposed) - Central Park Development	35.00	0.25	35.00	35.00
44020566918 Beasley Park Rehabilitation Phase 2 - Kelly Street Pedestrianization	12.00	0.1	-	-
4241409341 W4 Pipeline Trail	24.00	0.2	-	-
4401756703 Mountain Brow Path	32.00	0.2	-	-
<b>Roads, Bridges, Sidewalks, Traffic</b>				
4042057014 Drive Cam	95.00	-	-	-
4662020020 New Traffic Signal - Rymal Road at Arrowhead Drive	13.40	.05	13.40	13.40
4662020021 New Traffic Signal - Center Road at Concession 8	13.40	.05	-	-
4662020023 New Traffic Signal - King at Kenilworth North Bound Off Ramp	13.40	.05	-	-
New Traffic Signal - 36 Dundas St E (Waterdown) 300m w/o Clappison Ave	13.40	.05	13.40	13.40
New Traffic Signal - Lawrence @ Kenilworth Ramp - 652 Lawrence	13.40	.05	-	-
4662020027 Ave	13.40	.05	13.40	13.40
4662020028 New Traffic Signal - Stone Church at Chesley	13.40	.05	13.40	13.40
New Traffic Signal - Bernie Custis Secondary School Crosswalk - Cannon at Melrose Ave	13.40	.05	13.40	13.40

# OPERATING IMPACTS OF CAPITAL (2022 AND PRIOR)

	FCS20101		UPDATED		FTE
	(\$ 000's)	FTE's	Annualized	2022	
			(\$ 000's)		
<u>2020 impacts (from 2019 Capital) Deferred to 2021:</u>					
<b>Roads, Bridges, Sidewalks, Traffic</b>					
4661920921 New Traffic Signal - Waterdown Rd/Mill St @ Mountain	30.0	.20	-	-	-
<u>2019 impacts (from 2018 Capital) Deferred to 2020 - FURTHER deferred to 2021:</u>					
<b>West Harbour &amp; Waterfront Strategic Initiatives</b>					
4411606104 Pier 7 Commercial Village	139.2	1.26	139.2	139.2	1.26
4411806201 Central Park Redevelopment	51.0	0.66	51.0	51.0	0.66
<u>2017 Impacts (from 2016 Capital) Deferred to 2018:</u>					
<b>Recreation Facilities</b>					
7101654609 Greensville Recreation Centre/School	53.0	0.0	0.0	0.0	0.0
<u>2016 Impacts (from 2015 Capital) Deferred to 2017:</u>					
<b>Roads</b>					
4041520510 Traffic Management System - Lincoln Alexander Parkway	90.0	1.00	0.0	0.0	0.0
<u>2015 Impacts (from 2014 Capital) Deferred to 2016:</u>					
<b>Roads</b>					
4041420110 Traffic Management System - Lincoln Alexander Parkway	160.0	2.00	0.0	0.0	0.0
<b>Total Deferred from Previous Years</b>	<b>887.0</b>	<b>7.1</b>	<b>351.8</b>	<b>351.8</b>	<b>3.2</b>
<b>GRAND TOTAL</b>	<b>7,392.9</b>	<b>85.9</b>	<b>3,273.2</b>	<b>3,372.2</b>	<b>13.3</b>

# HAMILTON ENTERTAINMENT FACILITIES

## 2022 Preliminary Tax Supported Operating Budget

### BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Hamilton Entertainment Facilities	4,402,950	4,037,180	5,373,640	4,578,480	4,187,710	150,530	3.7%
<b>Total Hamilton Entertainment Facilities</b>	<b>4,402,950</b>	<b>4,037,180</b>	<b>5,373,640</b>	<b>4,578,480</b>	<b>4,187,710</b>	<b>150,530</b>	<b>3.7%</b>

### BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
BUILDING & GROUND	2,020,940	2,042,910	2,058,260	37,320	1.8%
CONTRACTUAL	1,467,000	2,164,720	1,467,000	0	0.0%
RESERVES/RECOVERIES	915,010	887,460	1,053,220	138,210	15.1%
<b>TOTAL EXPENSES</b>	<b>4,402,950</b>	<b>5,095,090</b>	<b>4,578,480</b>	<b>175,530</b>	<b>4.0%</b>
FEES & GENERAL	(365,770)	278,550	(390,770)	(25,000)	(6.8)%
<b>TOTAL REVENUES</b>	<b>(365,770)</b>	<b>278,550</b>	<b>(390,770)</b>	<b>(25,000)</b>	<b>(6.8)%</b>
<b>NET LEVY</b>	<b>4,037,180</b>	<b>5,373,640</b>	<b>4,187,710</b>	<b>150,530</b>	<b>3.7%</b>

## CAPITAL FINANCING

# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Debt-Healthy & Safe Communities	5,712,040	3,546,160	3,029,000	5,491,550	2,309,070	(1,237,090)	(34.9)%
Debt-Infrastructure Renewal Levy	13,428,870	13,428,870	13,429,000	13,428,870	13,428,870	0	0.0%
Debt-Corporate Financials	89,959,980	89,959,980	86,657,000	92,884,930	92,884,930	2,924,950	3.3%
Debt-Planning & Economic Development	1,624,470	1,563,290	26,000	1,229,970	1,168,790	(394,500)	(25.2)%
Debt-Public Works	38,876,010	31,043,560	26,372,000	43,640,650	35,896,650	4,853,090	15.6%
<b>Total City Depts Capital Financing</b>	<b>149,601,370</b>	<b>139,541,860</b>	<b>129,513,000</b>	<b>156,675,970</b>	<b>145,688,310</b>	<b>6,146,450</b>	<b>4.4%</b>
<b>Boards &amp; Agencies</b>							
Debt - Library	447,770	166,280	0	447,493	166,000	(280)	-0.2%
Debt - Police	1,477,080	1,234,790	296,000	1,713,000	1,269,000	34,210	2.8%
<b>Total City Depts Capital Financing</b>	<b>151,526,220</b>	<b>140,942,930</b>	<b>129,809,000</b>	<b>158,836,463</b>	<b>147,123,310</b>	<b>6,180,380</b>	<b>4.4%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
RESERVES/RECOVERIES	13,428,870	13,428,870	15,990,400	2,561,530	19.1%
CAPITAL FINANCING	138,097,350	126,681,930	142,846,060	4,748,710	3.4%
<b>TOTAL EXPENSES</b>	<b>151,526,220</b>	<b>140,110,800</b>	<b>158,836,460</b>	<b>7,310,240</b>	<b>4.8%</b>
GRANTS & SUBSIDIES	(408,000)	(408,000)	(408,000)	0	0.0%
RESERVES	(10,175,290)	(9,893,800)	(11,305,150)	(1,129,860)	11.1%
<b>TOTAL REVENUES</b>	<b>(10,583,290)</b>	<b>(10,301,800)</b>	<b>(11,713,150)</b>	<b>(1,129,860)</b>	<b>10.7%</b>
<b>NET LEVY</b>	<b>140,942,930</b>	<b>129,809,000</b>	<b>147,123,310</b>	<b>6,180,380</b>	<b>4.4%</b>

## LIBRARY

## 2022 Preliminary Tax Supported Operating Budget

### BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Digital Technology & Creation	4,324,690	4,128,390	4,128,390	4,816,210	4,619,910	491,520	11.9%
Human Resources & Information Services	2,557,310	2,479,310	2,479,310	2,655,130	2,577,130	97,820	3.9%
Collections & Program Development	5,191,990	4,818,540	4,818,540	5,266,890	4,880,440	61,900	1.3%
Finance & Facilities	3,215,170	3,215,170	3,215,170	3,274,480	3,274,480	59,310	1.8%
Library Administration	834,620	834,620	836,680	837,930	837,930	3,310	0.4%
Library System	4,402,710	3,419,250	3,419,250	4,285,220	3,145,760	(273,490)	(8.0)%
Public Service - Branches	13,150,190	13,132,710	13,132,710	13,366,550	13,346,370	213,660	1.6%
<b>Total Hamilton Public Library</b>	<b>33,676,680</b>	<b>32,027,990</b>	<b>32,030,050</b>	<b>34,502,410</b>	<b>32,682,020</b>	<b>654,030</b>	<b>2.0%</b>

### BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	22,502,530	22,502,530	23,071,440	568,910	2.5%
MATERIAL & SUPPLY	3,751,280	3,751,280	3,751,280	0	0.0%
VEHICLE EXPENSES	101,360	101,360	108,540	7,180	7.1%
BUILDING & GROUND	2,553,660	2,553,660	2,604,130	50,470	2.0%
CONTRACTUAL	1,672,710	1,672,710	1,696,770	24,060	1.4%
RESERVES/RECOVERIES	2,485,410	2,485,410	2,495,190	9,780	0.4%
COST ALLOCATIONS	234,310	236,370	399,640	165,330	70.6%
FINANCIAL	375,420	375,420	375,420	0	0.0%
<b>TOTAL EXPENSES</b>	<b>33,676,680</b>	<b>33,678,740</b>	<b>34,502,410</b>	<b>825,730</b>	<b>2.5%</b>
FEES & GENERAL	(382,240)	(382,240)	(380,940)	1,300	0.3%
GRANTS & SUBSIDIES	(1,266,450)	(1,266,450)	(1,279,450)	(13,000)	(1.0)%
RESERVES	0	0	(160,000)	(160,000)	(100.0)%
<b>TOTAL REVENUES</b>	<b>(1,648,690)</b>	<b>(1,648,690)</b>	<b>(1,820,390)</b>	<b>(171,700)</b>	<b>(10.4)%</b>
<b>NET LEVY</b>	<b>32,027,990</b>	<b>32,030,050</b>	<b>32,682,020</b>	<b>654,030</b>	<b>2.0%</b>

## BOARDS AND AGENCIES

## 2022 Preliminary Tax Supported Operating Budget

### BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Conservation Authorities	8,459,770	8,459,770	8,459,770	8,627,130	8,627,130	167,360	2.0%
Other Boards & Agencies	8,569,810	7,873,710	7,930,960	8,579,090	8,016,590	142,880	1.8%
<b>Total Boards &amp; Agencies</b>	<b>17,029,580</b>	<b>16,333,480</b>	<b>16,390,730</b>	<b>17,206,220</b>	<b>16,643,720</b>	<b>310,240</b>	<b>1.9%</b>

### BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
EMPLOYEE RELATED COST	325,440	263,960	339,800	14,360	4.4%
MATERIAL & SUPPLY	16,040	17,610	21,040	5,000	31.2%
BUILDING & GROUND	165,760	203,940	195,110	29,350	17.7%
CONSULTING	0	0	3,000	3,000	0.0%
CONTRACTUAL	7,061,930	7,059,130	7,058,190	(3,740)	(0.1)%
AGENCIES & SUPPORT PAYMENTS	9,081,960	9,081,960	9,263,600	181,640	2.0%
RESERVES/RECOVERIES	276,900	274,890	259,790	(17,110)	(6.2)%
COST ALLOCATIONS	86,100	121,750	50,240	(35,860)	(41.6)%
FINANCIAL	10,450	9,780	10,450	0	0.0%
CAPITAL EXPENDITURES	5,000	2,920	5,000	0	0.0%
<b>TOTAL EXPENSES</b>	<b>17,029,580</b>	<b>17,035,940</b>	<b>17,206,220</b>	<b>176,640</b>	<b>1.0%</b>
FEES & GENERAL	(666,100)	(615,210)	(562,500)	103,600	(15.6)%
GRANTS & SUBSIDIES	(30,000)	(30,000)	0	30,000	(100.0)%
<b>TOTAL REVENUES</b>	<b>(696,100)</b>	<b>(645,210)</b>	<b>(562,500)</b>	<b>133,600</b>	<b>(19.2)%</b>
<b>NET LEVY</b>	<b>16,333,480</b>	<b>16,390,730</b>	<b>16,643,720</b>	<b>310,240</b>	<b>1.9%</b>

## CITY ENRICHMENT FUND

## 2022 Preliminary Tax Supported Operating Budget

### BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Administration CEF	50,000	50,000	50,000	50,000	50,000	0	0.0%
Agriculture	143,360	143,360	143,360	143,360	143,360	0	0.0%
Arts	2,770,540	2,770,540	2,770,540	2,770,540	2,770,540	0	0.0%
Culture & Heritage	567,700	567,700	567,700	567,700	567,700	0	0.0%
Community Services	2,164,360	2,164,360	2,164,360	2,164,360	2,164,360	0	0.0%
Environment	146,390	146,390	146,390	146,390	146,390	0	0.0%
Sports & Active Lifestyles	245,990	245,990	245,990	245,990	245,990	0	0.0%
<b>Total City Enrichment Fund</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>0</b>	<b>0.0%</b>

### BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
MATERIAL & SUPPLY	50,000	50,000	50,000	0	0.0%
AGENCIES & SUPPORT PAYMENTS	6,038,340	6,038,340	6,038,340	0	0.0%
<b>TOTAL EXPENSES</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>0</b>	<b>0.0%</b>
<b>NET LEVY</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>6,088,340</b>	<b>0</b>	<b>0.0%</b>

## NON PROGRAM REVENUES

# 2022 Preliminary Tax Supported Operating Budget

## BY DIVISION

	2021	2021	2021	2022	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Gross	Restated Net	Projected Actual Net	Preliminary Budget Gross	Preliminary Budget Net	Change \$	Change %
Payment In Lieu	500,000	(16,399,700)	(16,399,700)	400,000	(17,108,440)	(708,740)	4.3%
Penalties and Interest	0	(11,000,000)	(11,000,000)	0	(11,400,000)	(400,000)	3.6%
Right of Way	0	(3,227,000)	(3,227,000)	0	(3,228,880)	(1,880)	0.1%
Senior Tax Credit	635,000	537,000	537,000	609,000	529,830	(7,170)	(1.3)%
Supplementary Taxes	100,000	(9,925,000)	(9,925,000)	70,000	(10,130,000)	(205,000)	2.1%
Tax Remissions and Write Offs	9,570,000	9,570,000	9,570,000	9,750,000	9,750,000	180,000	1.9%
Hydro Dividend and Other Interest	9,562,120	(5,281,480)	(5,281,480)	9,562,120	(5,281,480)	0	0.0%
Investment Income	0	(4,100,000)	(4,100,000)	0	(4,100,000)	0	0.0%
Slot Revenues	0	(5,200,000)	(5,200,000)	0	(5,200,000)	0	0.0%
POA Revenues	0	(2,365,770)	(4,736,430)	0	(2,302,220)	63,550	(2.7)%
<b>Total NON PROGRAM REVENUES</b>	<b>20,367,120</b>	<b>(47,391,950)</b>	<b>(49,762,610)</b>	<b>20,391,120</b>	<b>(48,471,190)</b>	<b>(1,079,240)</b>	<b>2.3%</b>

## BY COST CATEGORY

	2021	2021	2022	2022 Preliminary Budget vs. 2021 Restated	
	Restated Budget	Projected Actual	Preliminary Budget	Change \$	Change %
CONTRACTUAL	159,180	159,180	159,180	0	0.0%
RESERVES/RECOVERIES	4,102,940	4,102,940	4,102,940	0	0.0%
FINANCIAL	10,805,000	10,805,000	10,829,000	24,000	0.2%
CAPITAL FINANCING	5,300,000	5,300,000	5,300,000	0	0.0%
<b>TOTAL EXPENSES</b>	<b>20,367,120</b>	<b>20,367,120</b>	<b>20,391,120</b>	<b>24,000</b>	<b>0.1%</b>
FEES & GENERAL	(35,563,870)	(37,934,530)	(34,281,490)	1,282,380	3.6%
TAX & RATES	(30,151,700)	(30,151,700)	(30,937,320)	(785,620)	(2.6)%
GRANTS & SUBSIDIES	(1,043,500)	(1,043,500)	(1,043,500)	0	0.0%
RESERVES	(1,000,000)	(1,000,000)	(2,600,000)	(1,600,000)	(160.0)%
<b>TOTAL REVENUES</b>	<b>(67,759,070)</b>	<b>(70,129,730)</b>	<b>(68,862,310)</b>	<b>(1,103,240)</b>	<b>(1.6)%</b>
<b>NET LEVY</b>	<b>(47,391,950)</b>	<b>(49,762,610)</b>	<b>(48,471,190)</b>	<b>(1,079,240)</b>	<b>(2.3)%</b>





**APPENDIX 6**

**2022  
Preliminary  
Tax Supported  
Operating  
Budget Council  
Referred Items**

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# COUNCIL REFERRED ITEMS SUMMARY

## SUMMARY

FORM #	DIVISION	SERVICE / PROGRAM	DESCRIPTION OF REFERRED ITEM	2022 IMPACT		FTE Impact
				\$ GROSS	\$ NET	
<b>Public Works</b>						
CRI-01	Environmental Services	Forestry	City-Wide Private Tree Giveaway	\$ 45,000	\$ 45,000	0.00
<b>Public Works SUBTOTAL</b>				<b>\$ 45,000</b>	<b>\$ 45,000</b>	<b>0.00</b>
<b>CORPORATE SERVICES</b>						
CRI-02	Information Technology	Information Technology	Canada Healthy Communities Initiative Intake Two (FCS21020(a)) - The Public Space and Park Wi-Fi Connectivity Project	\$ 30,000	\$ 30,000	0.00
CRI-03	City Clerk's Office	Election Services	2022 Municipal Election: Communication Plan (FCS21071)	\$ 14,000	\$ 14,000	0.00
CRI-04	City Clerk's Office	Election Services	City Clerk's Vote by Mail	\$ 31,300	\$ 31,300	0.00
<b>CORPORATE SERVICES SUBTOTAL</b>				<b>\$ 75,300</b>	<b>\$ 75,300</b>	<b>0.00</b>
<b>City Manager</b>						
CRI-05	Digital and Innovation Office	Community Engagement	Transitioning CityLAB from pilot to permanent program	\$ 141,300	\$ 36,900	2.00
<b>City Manager SUBTOTAL</b>				<b>\$ 141,300</b>	<b>\$ 36,900</b>	<b>2.00</b>
<b>TOTAL</b>				<b>\$ 261,600</b>	<b>\$ 157,200</b>	<b>2.00</b>



# CITY OF HAMILTON 2022 OPERATING BUDGET COUNCIL REFERRED ITEM

COUNCIL REFERRED ITEM CRI #: 1

OVERVIEW	
<b>Request Title</b>	City-Wide Private Tree Giveaway
<b>Department</b>	Public Works - Tax
<b>Division</b>	Environmental Services
<b>Service</b>	Forestry
<b>Proposed Start Date</b>	1-Jan-22
<b>Strategic Plan Priorities</b>	Clean and Green

2020 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	<b>45,000</b>	<b>45,000</b>
<b>Total Revenue</b>	<b>0</b>	<b>0</b>
<b>Net Levy</b>	<b>45,000</b>	<b>45,000</b>
<b>Full Time Equivalent (FTE)</b>	<b>0.00</b>	<b>0.00</b>
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	<b>0</b>	<b>0</b>

## COUNCIL REFERRED ITEM CRI #: 1

**BACKGROUND**

On August 13, 2021, Council Approved Report PW21044:

(a) That staff be directed to plan and execute a City Wide Private Tree Giveaway Program for the remainder of 2021 and on an annual basis from 2022 and beyond, subject to the approval of the following:

- (i) That \$15,000 be allocated from the 2021 Forestry tax operating budget to fund the 2021 Fall Private Tree Giveaway Program; and,
- (ii) That the 2022 Private Tree Giveaway Program annual operating budget request of \$45,000 be referred to the 2022 tax operating budget process for consideration.

In 2021, successful Ward specific Private Tree Giveaways were executed by staff for Wards 2, 3, 5, 6, 7, and 8. Overall, 756 trees were requested and delivered. This Program was positively received by residents of participating Wards and significant interest was received from other Wards. Additional trees were requested from residents in other Wards who did not have a Ward specific Tree Giveaway Program in place. As a result, it is being recommended that a permanent program be created.

**DESCRIPTION**

This request is to provide funding for the procurement and distribution of 3,000 trees to City of Hamilton residents. The CioH Corporate Climate Change Task Force and the draft Urban Forest Strategy have both identified tree planting as a key action to aid in the efforts of offsetting the City's carbon footprint and many other environmental and social benefits. The current urban tree canopy coverage for the City is 21.2%, with a draft future target of 30%. Significant increases in tree planting are critical in meeting the 30% tree canopy coverage target. Based on the success of the Ward specific programs, it is recommended that this be implemented City Wide as a core service.

# CITY OF HAMILTON

## 2022 OPERATING BUDGET COUNCIL REFERRED ITEM

COUNCIL REFERRED ITEM CRI #: 2

OVERVIEW	
<b>Request Title</b>	Canada Healthy Communities Initiative Intake Two (FCS21020(a)) -The Public Space and Park Wi-Fi Connectivity Project
<b>Department</b>	Corporate Services
<b>Division</b>	Information Technology
<b>Service</b>	Information Technology
<b>Proposed Start Date</b>	1-Jan-22
<b>Strategic Plan Priorities</b>	Built Environment and Infrastructure

2020 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	<b>30,000</b>	<b>30,000</b>
<b>Total Revenue</b>	<b>0</b>	<b>0</b>
<b>Net Levy</b>	<b>30,000</b>	<b>30,000</b>
<b>Full Time Equivalent (FTE)</b>	<b>0.00</b>	<b>0.00</b>
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	<b>0</b>	<b>0</b>



## COUNCIL REFERRED ITEM CRI #: 2

**BACKGROUND**

The Public Space and Park Wi-Fi Connectivity Project, with a total project cost of up to \$250K, would involve the installation of Wi-Fi in public spaces across the city. Potential locations include the City Hall Courtyard, Bus Terminals, as well as, City parks possibly with a focus on areas in Code Red Neighbourhoods and lower income Census tracts.

There is possibility of potential partnerships with the Hamilton Public Library (HPL) and the Boards of Education on this initiative as several schools have existing connectivity and, in many cases, are adjacent to parks. Complexity increases with additional partners. However, the likelihood of successful outcomes is enhanced.

It is estimated that the cost of a Wi-Fi connection per park would be approximately \$10 to \$15 K (excludes future operating costs). The scope of target parks and public spaces has not been completed. There may also be the opportunity to include smart benches that could be deployed in the City's Business Improvement Areas (BIAs) to improve connectivity. Smart benches are urban furniture that use solar energy to power environmental sensors and to provide free device charging for citizens. Project scope development contemplates assessing various factors to ensure the greatest benefit for the community is realized given the amount of the potential CHCI grant.

**DESCRIPTION**

Provide Wi-Fi within public spaces and parks within the City

# CITY OF HAMILTON

## 2022 OPERATING BUDGET COUNCIL REFERRED ITEM

COUNCIL REFERRED ITEM CRI #: 3

OVERVIEW	
<b>Request Title</b>	2022 Municipal Election: Communication Plan (FCS21071)
<b>Department</b>	Corporate Services
<b>Division</b>	City Clerk's Office
<b>Service</b>	Election Services
<b>Proposed Start Date</b>	1-Jan-22
<b>Strategic Plan Priorities</b>	

2020 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
Total Expenditures	14,000	14,000
Total Revenue	0	0
Net Levy	14,000	14,000
Full Time Equivalent (FTE)	0.00	0.00
	2022 Capital Funding	Total Capital Funding
Capital Budget Impact	0	0

## COUNCIL REFERRED ITEM CRI #: 3

**BACKGROUND**

2022 Municipal Election: Communication Plan (FCS21071) (City Wide) (Item 10.7)  
(b) That an annual increase of \$14,000 for the Election Expense Reserve (112206), to cover the increased costs to deliver an enhanced communications strategy regarding Municipal Elections for the City of Hamilton, be referred to the 2022 Operating Budget (GIC) deliberations for consideration;

**DESCRIPTION**

An annual increase of \$14,000 for the Election Expense Reserve (112206) to cover enhanced communications

# CITY OF HAMILTON

## 2022 OPERATING BUDGET COUNCIL REFERRED ITEM

COUNCIL REFERRED ITEM CRI #: 4

OVERVIEW	
<b>Request Title</b>	City Clerk's Vote by Mail
<b>Department</b>	Corporate Services
<b>Division</b>	City Clerk's Office
<b>Service</b>	Election Services
<b>Proposed Start Date</b>	1-Jan-22
<b>Strategic Plan Priorities</b>	Community Engagement and Participation

2020 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	<b>31,300</b>	<b>31,300</b>
<b>Total Revenue</b>	<b>0</b>	<b>0</b>
<b>Net Levy</b>	<b>31,300</b>	<b>31,300</b>
<b>Full Time Equivalent (FTE)</b>	<b>0.00</b>	<b>0.00</b>
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	<b>0</b>	<b>0</b>

## COUNCIL REFERRED ITEM CRI #: 4

**BACKGROUND**

Governance Review Sub-Committee Report 21-005 - July 14, 2021 (Item 10.2)

(iii) That the annual contribution to the Election Expense Reserve (112206) be increased by \$31,250 to cover the increased costs to deliver a special vote-by-mail for future municipal elections, be referred to the 2022 Operating Budget deliberations for consideration.

**DESCRIPTION**

Increasing the annual contribution to the Election Expense Reserve (112206) be increased by \$31,250

# CITY OF HAMILTON

## 2022 OPERATING BUDGET COUNCIL REFERRED ITEM

COUNCIL REFERRED ITEM CRI #: 5

OVERVIEW	
<b>Request Title</b>	Transitioning CityLAB from pilot to permanent program
<b>Department</b>	City Manager
<b>Division</b>	Digital and Innovation Office
<b>Service</b>	Community Engagement
<b>Proposed Start Date</b>	1-Jun-22
<b>Strategic Plan Priorities</b>	Community Engagement and Participation

2020 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	<b>141,300</b>	<b>241,000</b>
<b>Total Revenue</b>	<b>(104,400)</b>	<b>(178,000)</b>
<b>Net Levy</b>	<b>36,900</b>	<b>63,000</b>
<b>Full Time Equivalent (FTE)</b>	<b>2.00</b>	<b>2.00</b>
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	<b>0</b>	<b>0</b>

## COUNCIL REFERRED ITEM CRI #: 5

**BACKGROUND**

CityLAB is an innovation hub that brings together student, academic, and civic leaders to co-create a better Hamilton for all. This partnership between McMaster University, Mohawk College, Redeemer University, and the City of Hamilton matches students and faculty with City staff to develop innovative solutions to city-identified projects that align with the City's Strategic and Term of Council Priorities. CityLAB began as a 3 year pilot project in 2017. In 2019, the academic partners and the City extended CityLAB's Program and Licence Agreement until May 31, 2022. Staff are recommending that the program move from a pilot to a regularly funded, fully-operational program.

**DESCRIPTION**

Transitioning CityLAB Hamilton from a pilot project funded by the Tax Stabilization Reserve to a regularly funded program through the general levy.

**APPENDIX 7**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Business Cases**

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# BUSINESS CASES SUMMARY

FORM #	DIVISION	SERVICE / PROGRAM	DESCRIPTION	2022 IMPACT		FTE Impact
				\$ GROSS	\$ NET	
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>						
BC-01	Tourism & Culture	Citizen and Customer Service	Film Production Facilitation	\$ 77,720	\$ -	1.00
BC-02	Growth Management	Citizen and Customer Service	Infrastructure Planning Project Manager - in support of PW/EcDev/Corporate storm water management initiatives	\$ 101,000	\$ -	1.00
<b>PLANNING &amp; ECONOMIC DEVELOPMENT SUBTOTAL</b>				<b>\$ 178,720</b>	<b>\$ -</b>	<b>2.00</b>
<b>HEALTHY AND SAFE COMMUNITIES</b>						
BC-03	Hamilton Paramedic Service	Hamilton Paramedic Service	Hamilton Paramedic Service 2022-2025 Enhancement (Ambulance)	\$ 1,082,000	\$ 541,000	10.00
BC-04	Public Health Services	Healthy Families	OSDCP Service Delivery	\$ -	\$ -	0.80
<b>HEALTHY AND SAFE COMMUNITIES SUBTOTAL</b>				<b>\$ 1,082,000</b>	<b>\$ 541,000</b>	<b>10.80</b>

# BUSINESS CASES SUMMARY

FORM #	DIVISION	SERVICE / PROGRAM	DESCRIPTION	2022 IMPACT		FTE Impact
				\$ GROSS	\$ NET	
<b>CORPORATE SERVICES</b>						
BC-05	Customer Service, POA and Fin'l Integration	Provincial Offences Administration	POA Virtual Court	\$ 604,900	\$ -	8.00
BC-06	Financial Planning, Admin & Policy	Financial Management	Development Finance Analysis and Support	\$ 70,700	\$ 70,700	1.00
BC-07	Information Technology	Information Technology	Additional FTEs for Information Technology	\$ 183,100	\$ 183,100	2.00
BC-08	Information Technology	Information Technology	Additional FTE for Senior Contract Specialist	\$ 82,900	\$ 82,900	1.00
BC-09	Information Technology	Information Technology	IT Security FTE	\$ 115,300	\$ 115,300	1.00
BC-10	Information Technology	Information Technology	Strategy & Architecture FTEs	\$ 86,600	\$ 86,600	1.00
BC-11	Legal Services and Risk Management	Legal Services	Administrative Assistant to City Solicitor	\$ 72,000	\$ 72,000	1.00
<b>CORPORATE SERVICES SUBTOTAL</b>				<b>\$ 1,215,500</b>	<b>\$ 610,600</b>	<b>15.00</b>
<b>TOTAL</b>				<b>\$ 2,476,220</b>	<b>\$ 1,151,600</b>	<b>27.80</b>

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

## BUSINESS CASE BC #: 1

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Film Production Facilitation
<b>Department</b>	Planning & Economic Development
<b>Division</b>	Tourism & Culture
<b>Service</b>	Citizen and Customer Service
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Economic Prosperity and Growth

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	77,720	99,300
<b>Total Revenue</b>	(77,720)	(99,300)
<b>Net Levy</b>	0	0
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
	2022 Capital Funding	0.0
<b>Capital Budget Impact</b>	\$0	\$0

## BUSINESS CASE BC #: 1

**BACKGROUND**

Film and television production in Hamilton has increased exponentially since 2018, bringing in direct spending in the community of over \$50M annually. Hamilton is one of Ontario's busiest areas for filming, attracts prestige foreign and domestic productions, and was recently recognized at the international level with a nomination for "Outstanding Film Commission" at the 2021 Location Manager's Guild International awards.

The combination of increased filming activity as well as targeted efforts by staff to maximize revenue opportunities has led to increased City revenues year over year, with fee and rental revenues climbing from a \$203,836 in 2017 to a YTD total of \$921,180 in 2021.

In addition to these positive impacts, increased filming also leads to the growth of local brick and mortar businesses that support the industry, including studio investment.

The Film Office (Tourism and Culture Division) contributes to this growth by providing a one-stop shop for productions filming in Hamilton, including coordination of all City services, site rentals, and permits. This has become increasingly challenging in recent years as the volume and complexity of filming requests continue to increase. In order to keep pace with the demand and continue to foster growth, the Film Office must be adequately resourced.

**DESCRIPTION**

The addition of 1 permanent FTE (Business Development Officer – Film) will allow the film office meet the demand for film permits and continue to grow opportunities for City revenue and spending in the local economy. The additional position will be funded through film-related revenues and will have zero net levy impact.

The role of the Business Development Officer – Film is to facilitate film and television production in Hamilton. Business Development Officers (BDOs) work with productions to match them with locations and local businesses that support their needs, liaise with community stakeholders to minimize negative impacts, coordinate all necessary City permissions and issue film permits, and manage any issues that arise during filming.

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

## BUSINESS CASE BC #: 2

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Infrastructure Planning Project Manager - in support of PW/ EcDev/Corporate storm water management initiatives
<b>Department</b>	Planning & Economic Development
<b>Division</b>	Growth Management
<b>Service</b>	Citizen and Customer Service
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Built Environment and Infrastructure

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	101,000	134,000
<b>Total Revenue</b>	(101,000)	(134,000)
<b>Net Levy</b>	0	0
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 2

**BACKGROUND**

The Infrastructure Planning (IP) SWM team is a group of 3 water resource specialists (1 SPM and 2PMs). Current activity levels in this group leave no redundancy when dealing with typical staff absences (sickness, maternity leaves, and vacation). Driven in part by the increasing interest in stormwater and climate change issues across the corporation, this team is experiencing a significant increase in workloads affecting service levels.

Increased activity levels have, and will, result from: realignment of the Development Engineering team to improve approval efficiencies, expediting the employment strategy, changing legislation, and participation in cross department initiatives concerning stormwater matters and climate change (flooding, LIDs, master planning, and regulatory compliance).

**DESCRIPTION**

New PM to address emerging resourcing issues:

1. DevEng restructure to improve service levels adds pressure to IP SWM team
2. In 2022, staff to process SWM ECAs per Cons.Lin.Infras. ECA -more tech review required
3. IP SWM staff has increasing role in the following:
  - UBEs (eg GRIDs, UWS)
  - Facilitating SWSs/MDPs/Block Servicing
  - Updating SWSs/MDPs and address site constraints
  - SWM review with aggressive deadlines to expedite employment initiative
  - Growth policy/criteria instituted internally / provincially (e.g. MECP/EA/CA Act changes),
  - New policies/documents for OPs/SPs/NPs, Participating in PW initiatives (FDMSS & W/WW/SWM
  - MPs

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

## BUSINESS CASE BC #: 3

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Hamilton Paramedic Service 2022-2025 Enhancement (Ambulance)
<b>Department</b>	Healthy and Safe Communities
<b>Division</b>	Hamilton Paramedic Service
<b>Service</b>	Hamilton Paramedic Service
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Healthy and Safe Communities

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	1,082,000	1,436,060
<b>Total Revenue</b>	(541,000)	(718,030)
<b>Net Levy</b>	541,000	718,030
<b>Full Time Equivalent (FTE)</b>	10.00	10.00
<b>Capital Budget Impact</b>	340,790	340,790
	2022 Capital Funding	Total Capital Funding



## BUSINESS CASE BC #: 3

**BACKGROUND**

As identified in the 2017, 2018, 2019 and 2020 Annual Reports (HSC18020, HSC19035, HSC20021, HSC21018) the Service continues to experience service demand growth at a rate greater than overall population growth. While 2020 saw a slight decline due to the early COVID period the growth in demand in 2021 has resumed at a higher than average rate. We anticipate continued growth in demand of 4%, an average of 12 responses per day, thus necessitating this service capacity enhancement.

The strategy to mitigate the adverse impact of increased call demand is to increase resources at a level commensurate with the increase in demand. While the impact of COVID is expected to decrease in 2022 we will have to continue with enhanced safety precautions including additional call preparation and cleaning activity. Additional pressure from the return and escalation of long hospital offload delays is anticipated to continue as the Hamilton area hospitals continue to be faced with significant patient flow and capacity challenges. With the addition of the historical daily response increase of 12 per day combined with increases in the average time it takes to complete a call additional resources are required to meet the demand while maintaining current levels of performance.

**DESCRIPTION**

We are requesting one additional ambulance with ancillary equipment and 10 additional FTE's to provide emergency response 24 hours per day, 7 days per week. Provincial funding according to the current Provincial funding methodologies will cover approximately 50% of the operating expenses in Year 2 (2023) of the enhancement. With approval, additional one-time capital funding of an ambulance and ancillary equipment is required amounting to \$340,790 in gross costs to be funded from Development Charge Reserves (\$306,710) and the Unallocated Capital Levy Reserve (\$34,080).

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 4

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	OSDCP Service Delivery
<b>Department</b>	Healthy and Safe Communities
<b>Division</b>	Public Health Services
<b>Service</b>	Healthy Families
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Healthy and Safe Communities

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	0	0
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	0	0
<b>Full Time Equivalent (FTE)</b>	0.80	0.80
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 4

**BACKGROUND**

The Ontario Seniors Dental Care Program (OSDCP) is a 100% Ministry funded program that provides dental care for eligible low-income seniors. Denturist and dental specialist services are covered services under the OSDCP schedule of services.

We have been unsuccessful in establishing service level agreements with dental specialists (e.g. oral surgeon, endodontist, periodontist, prosthodontist) to provide services outside of our Public Health Dental Clinic (PHDC). We would be reengaging dental specialists so they will provide their services at our PHDC. Our staff would be responsible for booking and confirming client appointments, reprocessing instruments, invoicing for services, turnover of the room and providing clinical support. The dental specialists would attend the clinic for the day to provide services to OSDCP clients and be reimbursed for their time spent. We are reducing the amount of staff time needed in the dental specialists' office and increasing the amount of staff time needed at our PHDC. The OSDCP has also greatly increased the workload for our Dental Clinic reception staff. The volume of OSDCP related calls and the extra time required to support these OSDCP clients is much greater than initially anticipated. An increase in receptionist fte is required in order for us to manage the work resulting from the implementation of the OSDCP.

**DESCRIPTION**

Request is to Redistribute funding within the 100% Ministry funded Ontario Seniors Dental Care Program (OSDCP) budget to support an increase in 0.8 permanent FTE (0.4 dental receptionist and 0.4 CDA). As this is a redistribution within a 100% Ministry funded program there is no levy impact. A 0.4 FTE dental receptionist is required to support the increased volume of work at the PHDC reception resulting from the OSDCP. The 0.4 FTE CDA is needed to support in-house dental specialist appointments at the PHDC. We will decrease the amount previously assigned to specialist services and increase the staffing funds to support the new approach we are taking to secure specialist services in-house.

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 5

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	POA Virtual Court
<b>Department</b>	Corporate Services
<b>Division</b>	Customer Service, POA and Fin'l Integration
<b>Service</b>	Provincial Offences Administration
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Healthy and Safe Communities

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	604,900	802,804
<b>Total Revenue</b>	(604,900)	(802,804)
<b>Net Levy</b>	0	0
<b>Full Time Equivalent (FTE)</b>	8.00	8.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 5

**BACKGROUND**

The pandemic has resulted in the Ministry of the Attorney General (MAG) directing that all Provincial courts implement the introduction of virtual early resolution meetings and trials. Early resolution refers to a designated court date created to allow a defendant and a prosecutor in a provincial offence case to meet and attempt to resolve their case. In April 2021, Regional Senior Justice of the Peace provided her approval for Hamilton POA to begin setting virtual trials to commence in the fall. Supporting the implementation of virtual trials, the City of Hamilton will require 2 court reporters that will provide support in the moderation and management of the virtual trial and early resolution processes as well as 1 administrative clerk to support the processing of court information from paper to electronic as well as support the management of increased court filings.

Similarly, POA Legal will require 3 prosecutors that will support the implementation of both early resolution meetings and virtual trials as well as 2 administrative assistant that will provide support in the preparation of electronic early resolution and trial documentation. With court operations being suspended for over a year, and the introduction of additional provincial and municipal charges, there is a significant case volume that requires management in order to ensure cases can be heard within the required period. Without the above resources, the ability to effectively support the implementation of virtual early resolution and trials will be heavily constrained.

**DESCRIPTION**

Ministry of the Attorney General (MAG) has directed all Provincial courts to implementation of virtual early resolution meetings and trials due to the Pandemic

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 6

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Development Finance Analysis and Support
<b>Department</b>	Corporate Services
<b>Division</b>	Financial Planning, Admin & Policy
<b>Service</b>	Financial Management
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Our People and Performance

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	70,700	93,777
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	70,700	70,700
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 6

**BACKGROUND**

A 2019 Report, prepared by BMA Consulting, recommended “that the City consider the hiring of a Senior Financial Analyst to potentially reduce the cost of outside consultants in the preparation of the DC Background Study and the CBC Study subject to additional clarity once the new regulations are enacted” The legislative changes that have since occurred have significantly increased the volume and complexity of rules that municipalities must adhere to. In addition there has been a significant increase in development activity in the City over the last number of years increasing the volume of DC estimates, and related analysis and tracking

**DESCRIPTION**

Prior to the 2019 DC Background Study, a full time temporary FTE was hired for up to 24 months. With the legislated changes, a full time temporary Senior Financial Analyst was subsequently hired. This proposal converts the temporary FTE to a permanent FTE. There is no NET impact as this position is being funded from Capital projects.

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 7

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Additional FTEs for Information Technology
<b>Department</b>	Corporate Services
<b>Division</b>	Information Technology
<b>Service</b>	Information Technology
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Our People and Performance

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	183,100	243,000
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	183,100	243,000
<b>Full Time Equivalent (FTE)</b>	2.00	2.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0



## BUSINESS CASE BC #: 7

**BACKGROUND**

The IT division engaged an independent consultant to review and make recommendations required to:

- ensure stability of the city's use of technology and applications
- ensure the stability of underlying software, hardware and network infrastructure
- review our processes and resources for vendor and financial management including providing consideration for contractual complexities especially with cloud deployment
- conduct a review of our security policies, processes and resources to ensure we continue to protect ourselves from cyber security violations
- review our future skillsets of IT professionals focusing on cloud deployment
- Review of our IT disciplines and processes identifying any gaps.

**DESCRIPTION**

Six additional FTEs are required at a total annual operating cost of \$728,000, to be phased in as follows:

2021 – 2 FTEs, \$243,000  
2022 – 2 FTEs, \$243,000  
2023 – 2 FTEs, \$242,000

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 8

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Additional FTE for Senior Contract Specialist
<b>Department</b>	Corporate Services
<b>Division</b>	Information Technology
<b>Service</b>	Information Technology
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Built Environment and Infrastructure

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	82,900	110,000
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	82,900	110,000
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 8

**BACKGROUND**

Senior Contract Specialist is required in order to manage technology related contracts made with vendors and partners as well as internal city agreements between IT and business lines city wide. To ensure alignment with IT Security Policies, contractual obligations, and IT operational requirements and capabilities.

To provide expert support and guidance for the development, management and administration of contracts for spending on technology services and products across the City's divisions.

**DESCRIPTION**

One additional FTE is required at a total annual operating cost of \$110,000.

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 9

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	IT Security FTE
<b>Department</b>	Corporate Services
<b>Division</b>	Information Technology
<b>Service</b>	Information Technology
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Our People and Performance

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	115,300	153,000
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	115,300	153,000
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 9

**BACKGROUND**

The Supervisor, IT Security and Risk Management position will work with Manager, IT Security in order to meet the information security requirements in alignment with IT Security Policies, contractual obligations, legislations (MFIPPA and PHIPA) and industry standards (PCI DSS, NIST CSF).

This position will help develop information security risk assessment methodology for technology related projects and initiatives.

The IT Security Team is committed to implement recommendations of Cybersecurity Audit, PCI DSS Review project and existing contractual obligations and aligning with known security frameworks and standards.

This position is required to position the team for success and work with Manager, IT Security on building cybersecurity culture, manage security risks and adopting “security by design” methodology.

**DESCRIPTION**

One additional FTE is required at a total annual operating cost of \$153,000.

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 10

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Strategy & Architecture FTEs
<b>Department</b>	Corporate Services
<b>Division</b>	Information Technology
<b>Service</b>	Information Technology
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Our People and Performance

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	86,600	115,000
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	86,600	115,000
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
	2022 Capital Funding	Total Capital Funding
<b>Capital Budget Impact</b>	0	0

## BUSINESS CASE BC #: 10

**BACKGROUND**

The changing Information Technology landscape has shown a dramatic shift to Cloud based software architecture and business solution implementations. In order for the Information Technology division to meet business demand and support the evolving Cloud landscape we need new roles experienced in Cloud base technologies to support project and operational work from the business.

**DESCRIPTION**

The Information Technology (IT) division requires two additional FTEs in 2022 in order to fulfill the new skills required for Cloud Enablement and increasing demand of workload on IT Staff.

2022 – 1 FTEs:

1 – Cloud Architect: \$115,000

Responsibilities: Design and implement Cloud based architectures to support business demand.

# CITY OF HAMILTON 2022 OPERATING BUDGET BUSINESS CASES

BUSINESS CASE BC #: 11

BUSINESS CASE OVERVIEW	
<b>Request Title</b>	Administrative Assistant to City Solicitor
<b>Department</b>	Corporate Services
<b>Division</b>	Legal Services and Risk Management
<b>Service</b>	Legal Services
<b>Proposed Start Date</b>	1-Apr-22
<b>Strategic Plan Priorities</b>	Our People and Performance

2022 OPERATING BUDGET FINANCIAL IMPACTS		
DESCRIPTION	2022 AMOUNT	ANNUALIZED AMOUNT
<b>Total Expenditures</b>	72,000	95,600
<b>Total Revenue</b>	0	0
<b>Net Levy</b>	72,000	95,600
<b>Full Time Equivalent (FTE)</b>	1.00	1.00
<b>Capital Budget Impact</b>	0	0
	2022 Capital Funding	Total Capital Funding



## BUSINESS CASE BC #: 11

**BACKGROUND**

Currently, the Administrative Assistant (AA) to the City Solicitor is a temporary position established in 2020 through an EOI. Prior to this, there was no dedicated AA; the City Solicitor was supported by multiple Legal Assistants (who also supported other Solicitors), resulting in individuals with minimal capacity to provide basic administrative duties (ex. coordinating calendar of appointments, setting up meetings, handling email, preparation of documentation/Committee & Council reports).

In addition, when the temporary Administrative Assistant was created it was graded at a pay grade level 2, which was in line with Legal Assistants. However, the role of Administrative Assistant has considerably higher level of complex duties which include the coordination of the overall administration services of the Legal & Risk Management Services Division and involvement in implementing strategic initiatives. The job description is currently under review/revision and will be under going a job evaluation through Human Resources with the intent of increasing the pay grade to level 3.

**DESCRIPTION**

Permanent AA is required to support the following:

- Dedicated AA allows for consistent/efficient delivery of duties, greater accountability, decreased risk exposure in having fewer individual's privy to confidential City information
- Increase productivity of City Solicitor. Admin tasks will be delegated to the AA allowing for City Solicitor to focus on critical tasks/decisions impacting the City
- Expansion of duties: AA is responsible for overall admin. services of the div. and involved in implementing strategic initiatives
- Provide extra level of customer service to City staff, Council, external counsel/agencies, etc. AA is the main point of contact to ensure timely communication between all parties

**APPENDIX 8**

**2022  
Preliminary  
Tax Supported  
Operating Budget  
Multi-Year  
Budget Outlook**

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# MULTI-YEAR OUTLOOK

	2023		2024		2025	
	Change 2023 vs 2022		Change 2024 vs 2023		Change 2025 vs 2024	
	\$	%	\$	%	\$	%
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>						
General Manager	1,083,540		1,106,520	22,980	1,125,140	18,620
Transportation, Planning & Parking	2,151,490	2.7%	2,152,290	800	2,210,090	57,800
Building	645,080	(3.8)%	668,070	22,990	697,370	29,300
Economic Development	5,824,690	2.8%	5,960,180	135,490	6,076,660	116,480
Growth Management	593,820	28.1%	676,390	82,570	736,310	59,920
Licensing & By-Law Services	7,201,880	3.7%	7,418,990	217,110	7,638,470	219,480
Planning	4,478,780	4.1%	4,607,910	129,130	4,688,730	80,820
Tourism & Culture	9,940,550	2.4%	10,097,430	156,880	10,250,550	153,120
<b>TOTAL PLANNING &amp; ECONOMIC DEVELOPMENT</b>	<b>31,919,830</b>	<b>3.0%</b>	<b>32,687,780</b>	<b>767,950</b>	<b>33,423,320</b>	<b>735,540</b>
<b>HEALTHY &amp; SAFE COMMUNITIES</b>						
HSC Administration	3,567,520		3,674,340	106,820	3,766,810	92,470
Children's Services & Neighbourhood Dev.	12,121,770	(0.6)%	12,354,430	232,660	12,573,290	218,860
Ontario Works	13,446,470	15.6%	14,012,040	565,570	14,560,500	548,460
Housing Services	56,832,580	4.7%	59,711,490	2,878,910	63,267,860	3,556,370
Long Term Care	11,675,820	5.4%	12,539,890	864,070	13,284,700	744,810
Recreation	36,382,710	(0.8)%	36,796,270	413,560	37,321,850	525,580
Hamilton Fire Department	100,436,130	1.1%	103,564,410	3,128,280	106,850,450	3,286,040
Hamilton Paramedic Service	29,006,670	3.0%	29,704,000	697,330	30,444,390	740,390
Public Health Services	17,528,130	2.2%	18,431,130	903,000	19,327,510	896,380
<b>TOTAL HEALTHY &amp; SAFE COMMUNITIES</b>	<b>280,997,800</b>	<b>4.5%</b>	<b>290,788,000</b>	<b>9,790,200</b>	<b>301,397,360</b>	<b>10,609,360</b>

# MULTI-YEAR OUTLOOK

	2023		2024		2025	
	\$	%	\$	%	\$	%
	Change 2023 vs 2022		Change 2024 vs 2023		Change 2025 vs 2024	
<b>PUBLIC WORKS</b>						
PW-General Administration	678,380	3.0%	696,120	2.6%	711,660	2.2%
Energy Fleet & Facilities	14,485,690	1.5%	14,634,330	1.0%	14,727,860	0.6%
Engineering Services	0	0.0%	0	0.0%	0	0.0%
Environmental Services	46,473,640	2.0%	47,295,320	1.8%	48,073,400	1.6%
Transit	93,682,440	6.5%	100,912,540	7.7%	108,809,480	7.8%
Transportation Operations & Maintenance	88,836,070	5.5%	90,112,380	1.4%	91,351,840	1.4%
Waste Management	48,500,590	3.3%	50,268,210	3.6%	52,002,390	3.4%
<b>TOTAL PUBLIC WORKS</b>	<b>292,656,810</b>	<b>4.6%</b>	<b>303,918,900</b>	<b>3.8%</b>	<b>315,676,630</b>	<b>3.9%</b>
<b>LEGISLATIVE</b>						
Legislative General	(365,210)	0.9%	(368,690)	1.0%	(362,560)	(1.7)%
Mayors Office	1,235,830	2.0%	1,258,260	1.8%	1,278,570	1.6%
Volunteer Committee	120,650	0.0%	120,650	0.0%	120,650	0.0%
Ward Budgets	4,397,740	1.9%	4,474,380	1.7%	4,546,010	1.6%
<b>TOTAL LEGISLATIVE</b>	<b>5,389,010</b>	<b>2.0%</b>	<b>5,484,600</b>	<b>1.8%</b>	<b>5,582,670</b>	<b>1.8%</b>
<b>CITY MANAGER</b>						
Office of the City Auditor	1,229,040	2.3%	1,254,370	2.1%	1,276,480	1.8%
CMO - Admin	243,810	4.4%	252,810	3.7%	262,760	3.9%
Communication & Strategic Initiatives	2,587,490	2.8%	2,651,960	2.5%	2,710,340	2.2%
Digital & Innovation Office	217,790	5.6%	228,000	4.7%	237,440	4.1%
Government & Community Relations	884,650	1.9%	899,330	1.7%	911,950	1.4%
Human Resources	8,776,670	2.2%	8,941,120	1.9%	9,094,610	1.7%
<b>TOTAL CITY MANAGER</b>	<b>13,939,450</b>	<b>2.4%</b>	<b>14,227,590</b>	<b>2.1%</b>	<b>14,493,580</b>	<b>1.9%</b>

# MULTI-YEAR OUTLOOK

	2023		2024		2025	
	Change 2023 vs 2022		Change 2024 vs 2023		Change 2025 vs 2024	
	\$	%	\$	%	\$	%
<b>CORPORATE SERVICES</b>						
City Clerk's Office	3,236,490		68,060	2.1%	3,383,960	2.2%
Customer Service, POA and Fin'l Integration	6,122,340		162,700	2.7%	6,384,540	2.0%
Financial Serv, Taxation & Corp Controller	4,419,730		134,740	3.1%	4,637,100	2.4%
Legal Services & Risk Management	4,087,620		148,040	3.8%	4,267,300	1.8%
Corporate Services - Administration	340,310		8,570	2.6%	351,640	1.4%
Financial Planning, Admin & Policy	5,611,080		239,780	4.5%	5,943,850	3.1%
Information Technology	15,785,440		459,760	3.0%	16,182,180	1.1%
<b>TOTAL CORPORATE SERVICES</b>	<b>39,603,010</b>		<b>1,221,650</b>	<b>3.2%</b>	<b>40,412,370</b>	<b>2.0%</b>
					<b>809,360</b>	
						<b>738,200</b>
						<b>41,150,570</b>
						<b>148,070</b>
						<b>26,666,510</b>
						<b>702,360</b>
						<b>(554,290)</b>
						<b>71,340</b>
						<b>124,210</b>
						<b>107,290</b>
						<b>73,660</b>
						<b>4,810</b>
						<b>180,110</b>
						<b>176,780</b>
						<b>738,200</b>
						<b>1.8%</b>
<b>CORPORATE FINANCIALS - EXPENDITURES</b>						
Corporate Initiatives	7,476,250		(163,520)	(2.1)%	7,484,240	0.1%
Corporate Pensions, Benefits & Contingency	18,385,000		2,599,610	16.5%	19,034,200	3.5%
<b>TOTAL CORPORATE FINANCIALS - EXPENDITURES</b>	<b>25,861,250</b>		<b>2,436,090</b>	<b>10.4%</b>	<b>26,518,440</b>	<b>2.5%</b>
						<b>148,070</b>
						<b>26,666,510</b>
<b>HAMILTON ENTERTAINMENT FACILITIES</b>						
Operating	0		(4,187,710)	(100.0)%	0	0.0%
<b>TOTAL HAMILTON ENTERTAINMENT FACILITIES</b>	<b>0</b>		<b>(4,187,710)</b>	<b>(100.0)%</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL CITY EXPENDITURES</b>	<b>690,367,160</b>		<b>25,953,900</b>	<b>3.6%</b>	<b>714,037,680</b>	<b>3.4%</b>
						<b>24,352,960</b>
						<b>3.4%</b>

# MULTI-YEAR OUTLOOK

	2023		2024		2025	
	Change 2023 vs 2022		Change 2024 vs 2023		Change 2025 vs 2024	
	\$	%	\$	%	\$	%

	2023	2023 vs 2022	2024	2024 vs 2023	2025	2025 vs 2024
	\$	%	\$	%	\$	%
<b>CAPITAL FINANCING</b>						
Debt-Healthy & Safe Communities	2,309,070	0	2,309,070	0	2,309,070	0
Debt-Infrastructure Renewal Levy	13,428,870	0	13,428,870	0	13,428,870	0
Debt-Corporate Financials	98,355,930	5,471,000	104,984,930	6,629,000	109,838,930	4,854,000
Debt-Planning & Economic Development	1,168,790	0	1,168,790	0	1,168,790	0
Debt-Public Works	35,896,650	0	35,896,650	0	35,896,650	0
<b>TOTAL CAPITAL FINANCING</b>	<b>151,159,310</b>	<b>5,471,000</b>	<b>157,788,310</b>	<b>6,629,000</b>	<b>162,642,310</b>	<b>4,854,000</b>
		<b>3.8%</b>		<b>4.4%</b>		<b>3.1%</b>

	2023	2023 vs 2022	2024	2024 vs 2023	2025	2025 vs 2024
	\$	%	\$	%	\$	%
<b>BOARDS &amp; AGENCIES</b>						
<b>Police Services</b>						
Operating	182,461,650	3,577,679	186,110,883	3,649,233	189,833,100	3,722,218
Capital Financing	1,234,790	(34,210)	1,234,790	0	1,234,790	0
<b>Total Police Services</b>	<b>183,696,440</b>	<b>3,543,469</b>	<b>187,345,673</b>	<b>3,649,233</b>	<b>191,067,890</b>	<b>3,722,218</b>
		<b>2.0%</b>		<b>2.0%</b>		<b>2.0%</b>

	2023	2023 vs 2022	2024	2024 vs 2023	2025	2025 vs 2024
	\$	%	\$	%	\$	%
<b>Other Boards &amp; Agencies</b>						
Library	33,963,950	1,281,930	34,857,960	894,010	35,699,310	841,350
Conservation Authorities	8,797,840	170,710	8,971,960	174,120	9,149,560	177,600
MPAC	7,119,260	139,590	7,261,650	142,390	7,406,880	145,230
Hamilton Beach Rescue Unit	136,890	2,690	139,620	2,730	142,420	2,800
Royal Botanical Gardens	673,570	13,210	687,040	13,470	700,780	13,740
Farmers Market	261,110	18,750	275,240	14,130	286,530	11,290
<b>Total Other Boards &amp; Agencies</b>	<b>50,952,620</b>	<b>1,626,880</b>	<b>52,193,470</b>	<b>1,240,850</b>	<b>53,385,480</b>	<b>1,192,010</b>
		<b>3.3%</b>		<b>2.4%</b>		<b>2.3%</b>

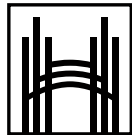
# MULTI-YEAR OUTLOOK

	2023		2024		2025	
	Change 2023 vs 2022		Change 2024 vs 2023		Change 2025 vs 2024	
	\$	%	\$	%	\$	%
Capital Financing - Other Boards & Agencies	166,000	0.0%	166,000	0.0%	166,000	0.0%
City Enrichment Fund	6,088,340	0.0%	6,088,340	0.0%	6,088,340	0.0%
<b>TOTAL BOARDS &amp; AGENCIES</b>	<b>240,903,400</b>	<b>2.2%</b>	<b>245,793,483</b>	<b>2.0%</b>	<b>250,707,710</b>	<b>2.0%</b>

<b>TOTAL EXPENDITURES</b>	<b>1,082,429,870</b>	<b>36,595,249</b>	<b>1,117,619,473</b>	<b>3.3%</b>	<b>1,151,740,660</b>	<b>34,121,188</b>	<b>3.1%</b>
<b>NON PROGRAM REVENUES</b>							
Payment In Lieu	(17,108,440)	0.0%	(17,108,440)	0.0%	(17,108,440)	0.0%	
Penalties and Interest	(11,400,000)	0.0%	(11,400,000)	0.0%	(11,400,000)	0.0%	
Right of Way	(3,228,880)	0.0%	(3,228,880)	0.0%	(3,228,880)	0.0%	
Senior Tax Credit	529,830	0.0%	529,830	0.0%	529,830	0.0%	
Supplementary Taxes	(10,130,000)	0.0%	(10,130,000)	0.0%	(10,130,000)	0.0%	
Tax Remissions and Write Offs	9,750,000	0.0%	9,750,000	0.0%	9,750,000	0.0%	
Hydro Dividend and Other Interest	(5,281,480)	0.0%	(5,281,480)	0.0%	(5,281,480)	0.0%	
Investment Income	(4,100,000)	0.0%	(4,100,000)	0.0%	(4,100,000)	0.0%	
Slot Revenues	(5,200,000)	0.0%	(5,200,000)	0.0%	(5,200,000)	0.0%	
POA Revenues	(2,234,320)	(2.9)%	(2,171,040)	(2.8)%	(2,103,970)	(3.1)%	
<b>TOTAL NON PROGRAM REVENUES</b>	<b>(48,403,290)</b>	<b>(0.1)%</b>	<b>(48,340,010)</b>	<b>(0.1)%</b>	<b>(48,272,940)</b>	<b>(0.1)%</b>	

<b>TOTAL LEVY REQUIREMENT</b>	<b>1,034,026,580</b>	<b>36,663,149</b>	<b>1,069,279,463</b>	<b>3.4%</b>	<b>1,103,467,720</b>	<b>34,188,258</b>	<b>3.2%</b>
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Hamilton



**City of Hamilton**

# **INFORMATION PACKAGE**

**CITY & EXTERNAL BOARDS AND AGENCIES**

**funded under**

**Operating Budget for 2022**

*Data provided in this document is accurate as of December 11, 2021*



<b>INFORMATION PACKAGE: CITY &amp; EXTERNAL BOARDS AND AGENCIES</b>			
<b>Operating Budget for 2022</b>			
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## City of Hamilton 2022 Preliminary Operating Budget for City and External Boards and Agencies

<b>Summary of Preliminary Operating Budget for 2022 for Boards and Agencies Per 2022 Tax Supported Operating Budget Report</b>						
#	Board/Agency	2021 Budget	2022 NET Preliminary Budget \$	% Change	Adjust: Capital Financing	2022 Total Preliminary Budget
<b>City Boards:</b>						
1	Hamilton Police Services	175,352,230	178,883,970	2.01%	1,269,000	180,152,970
2	Hamilton Public Library	32,030,050	32,682,012	2.04%	166,010	32,848,022
3	Farmers' Market	115,060	242,360	110.64%		242,360
	<b>Sub Total</b>	<b>207,497,340</b>	<b>211,808,341</b>	<b>2.08%</b>	<b>1,435,010</b>	<b>213,243,351</b>
<b>Conservation Authorities (CA) Levies:</b>						
4	Niagara Peninsula Conservation Authority	1,506,750	1,536,885	2.00%		1,536,885
	NPCA Binbrook Capital Improvements	91,790	91,790	0.00%		91,790
5	Grand River Conservation Authority	1,519,510	1,549,900	2.00%		1,549,900
6	Conservation Halton	749,720	764,714	2.00%		764,714
7	Hamilton Conservation Authority	3,978,000	4,057,560	2.00%		4,057,560
8	HCA: Westfield Heritage Village	614,000	626,280	2.00%		626,280
	<b>Sub Total</b>	<b>8,459,770</b>	<b>8,627,129</b>	<b>1.98%</b>		<b>8,627,129</b>
<b>Grants:</b>						
9	Hamilton Beach Rescue Unit	131,570	134,201	2.00%		134,201
10	Royal Botanical Gardens	647,410	660,358	2.00%		660,358
	<b>Sub Total</b>	<b>778,980</b>	<b>794,560</b>	<b>2.00%</b>		<b>794,560</b>
<b>Other Items:</b>						
11	MPAC	6,979,668	6,979,670	0.00%		6,979,670
<b>Total for All Boards and Agencies</b>		<b>223,715,758</b>	<b>228,209,700</b>	<b>2.01%</b>	<b>1,435,010</b>	<b>229,644,710</b>
<i>Date: Dec 11, 2021</i>						
<b>NOTE:</b>						
1. The 2022 budget is based on the City guideline of 2021 Budget + 2%, except for Library, Farmers' Market and MPAC which are per request. The 2022 budget is subject to revision based on actual budget requests received.						
2. This report is based on information available as of Dec 11, 2021						
3. The Binbrook capital financing approved by Council in 2020, is related to septic system and other capital improvements to be financed up to \$1.21 M from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over 15 years at an interest rate of 1.66% for an annual payment of \$91,790.31 per Appendix "A" of Report FCS20096.						





## City of Hamilton

<b>SUMMARY NET BUDGET INFORMATION: Years 2021 and 2022</b>				
<b>Per 2022 Tax Supported Operating Budget Report</b>				
<b>Board/Agency</b>	<b>2021 Budget Net</b>	<b>2022 NET Preliminary Budget \$</b>	<b>Change \$</b>	<b>Change %</b>
Conservation Authorities	8,459,770	8,627,129	167,359	2.0%
Grants - Other Boards and Agencies	778,980	794,560	15,580	2.0%
<b>City Boards: <u>Excluding Capital Financing</u></b>				
Hamilton Police Services	175,352,230	178,883,970	3,531,740	2.0%
Hamilton Public Library	32,030,050	32,682,012	651,962	2.0%
Hamilton Farmers' Market - Net	115,060	242,360	127,300	110.6%
<b>Sub Total City Boards</b>	<b>207,497,340</b>	<b>211,808,341</b>	<b>4,311,001</b>	<b>2.1%</b>
MPAC	6,979,668	6,979,670	2	0.0%
<b>Total for Above Items excluding Capital Financing</b>	<b>223,715,758</b>	<b>228,209,700</b>	<b>4,493,942</b>	<b>2.0%</b>
<b>Add Capital Financing for:</b>				
Police	1,234,790	1,269,000	34,210	2.8%
Library	166,280	166,010	-270	-0.2%
<b>Sub Total Capital Financing</b>	<b>1,401,070</b>	<b>1,435,010</b>	<b>33,940</b>	<b>2.4%</b>
<b>Total for Above Items including Capital Financing</b>	<b>225,116,828</b>	<b>229,644,710</b>	<b>4,527,882</b>	<b>2.0%</b>
This report is based on information available as of Dec 11, 2021				







City of Hamilton

City and External BOARDS AND AGENCIES										
BUDGET INFORMATION: 10 Year Summary - 2013 to 2022										
Per 2022 Tax Supported Operating Budget Report										
Board/Agency	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 Preliminary Budget \$
<b>Conservation Authorities</b>										
Niagara Peninsula Conservation Authority	513,470	513,473	534,010	539,350	549,060	557,300	565,660	1,477,210	1,506,750	1,536,885
% Increase YoY - Requested Levy	0.0%	0.0%	4.0%	1.0%	1.8%	1.5%	1.5%	161.1%	2.0%	2.0%
NPCA - Binbrook Capital Improvements									91,790	91,790
Grand River Conservation Authority	243,115	246,875	251,180	256,500	263,510	271,570	275,640	1,471,640	1,519,510	1,549,900
% Increase YoY	2.1%	1.5%	1.7%	2.1%	2.7%	3.1%	1.5%	433.9%	3.3%	2.0%
Conservation Halton	183,700	176,398	183,030	191,610	202,030	209,100	212,240	730,060	749,720	764,714
% Increase YoY	2.2%	-4.0%	3.8%	4.7%	5.4%	3.5%	1.5%	244.0%	2.7%	2.0%
Hamilton Conservation Authority	3,569,320	3,569,310	3,638,400	3,674,625	3,851,470	3,781,460	3,853,830	3,914,800	3,978,000	4,057,560
% Increase YoY - Requested Levy	0.0%	0.0%	1.9%	1.0%	4.8%	-1.8%	1.9%	1.6%	1.6%	2.0%
HCA: Westfield Heritage Village	546,554	546,600	557,500	563,100	560,200	581,800	590,530	602,300	614,000	626,280
% Increase YoY	0.0%	0.0%	2.0%	1.0%	-0.5%	3.9%	1.5%	2.0%	1.9%	2.0%
<b>Total for All Conservation Authorities - Gross</b>	<b>5,056,159</b>	<b>5,052,656</b>	<b>5,164,120</b>	<b>5,225,185</b>	<b>5,426,270</b>	<b>5,401,230</b>	<b>5,497,900</b>	<b>8,196,010</b>	<b>8,459,770</b>	<b>8,627,129</b>
\$ Gross Increase YoY	8,995	-3,503	111,464	61,065	201,085	-25,040	96,670	2,698,110	263,760	167,359
% Gross Increase YoY	0.2%	-0.1%	2.2%	1.2%	3.8%	-0.5%	1.8%	49.1%	3.2%	2.0%



City of Hamilton

City and External BOARDS AND AGENCIES										
BUDGET INFORMATION: 10 Year Summary - 2013 to 2022										
Per 2022 Tax Supported Operating Budget Report										
Board/Agency	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 Preliminary Budget \$
<b>Grants - Other Boards and Agencies</b>										
Hamilton Beach Rescue Unit Inc. - Net	126,810	126,810	126,810	128,080	130,390	132,360	134,340	134,340	131,570	134,201
% Increase YoY	0.0%	0.0%	0.0%	1.0%	1.8%	1.5%	1.5%	0.0%	-2.1%	2.0%
Royal Botanical Gardens - Net	599,206	599,206	599,210	605,200	616,090	625,340	634,720	634,720	647,410	660,358
% Increase YoY	0.0%	0.0%	0.0%	1.0%	1.8%	1.5%	1.5%	0.0%	2.0%	2.0%
<b>Total - All Grants</b>	<b>726,016</b>	<b>726,016</b>	<b>726,020</b>	<b>733,280</b>	<b>746,480</b>	<b>757,700</b>	<b>769,060</b>	<b>769,060</b>	<b>778,980</b>	<b>794,560</b>
\$ Gross increase YoY	0	0	4	7,260	13,200	11,220	11,360	0	9,920	15,580
% Gross increase YoY	0.00%	0.00%	0.00%	1.00%	1.80%	1.50%	1.50%	0.00%	1.29%	2.00%
<b>City Boards:</b>										
Hamilton Farmers' Market - Net			167,699	107,509	109,450	111,100	112,800	112,800	115,060	242,360
% Increase YoY			-2.1%	-35.9%	1.8%	1.5%	1.5%	0.0%	2.0%	110.6%
Hamilton Public Library - Operating Funding - excluding Capital Financing	28,038,610	28,082,440	28,513,728	28,815,880	29,443,440	29,981,000	30,700,190	31,577,600	32,030,050	32,682,012
% Increase YoY	0.0%	0.2%	1.5%	1.1%	2.2%	1.8%	2.4%	2.9%	1.4%	2.0%



City of Hamilton

City and External BOARDS AND AGENCIES										
BUDGET INFORMATION: 10 Year Summary - 2013 to 2022										
Per 2022 Tax Supported Operating Budget Report										
Board/Agency	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 Preliminary Budget \$
										<b>DRAFT</b>
<b>Hamilton Police Services - excluding Capital Financing</b>	139,701,970	143,880,230	148,376,580	152,533,891	156,616,870	160,470,610	164,290,320	170,815,160	175,352,230	178,883,970
<i>% Increase YoY</i>	3.7%	3.0%	3.1%	2.8%	2.7%	2.5%	2.4%	4.0%	2.7%	2.0%
<b>Total - City Boards</b>	<b>167,740,580</b>	<b>171,962,670</b>	<b>177,058,008</b>	<b>181,457,280</b>	<b>186,169,760</b>	<b>190,562,710</b>	<b>195,103,310</b>	<b>202,505,560</b>	<b>207,497,340</b>	<b>211,808,341</b>
\$ increase YoY	4,989,650	4,222,090	5,095,338	4,399,272	4,712,480	4,392,950	4,540,600	7,402,250	4,991,780	4,311,001
% increase YoY	3.07%	2.52%	2.96%	2.48%	2.60%	2.36%	2.38%	3.79%	2.47%	2.08%
<b>OTHER Payments</b>										
<b>MPAC</b>	6,216,500	6,215,950	6,227,680	6,251,460	6,417,100	6,587,150	6,715,220	6,842,810	6,979,668	6,979,670
<i>% Increase YoY</i>	0.2%	0.0%	0.2%	0.4%	2.6%	2.6%	1.9%	1.9%	2.0%	0.0%
<b>Total - OTHER Payments</b>	<b>6,216,500</b>	<b>6,215,950</b>	<b>6,227,680</b>	<b>6,251,460</b>	<b>6,417,100</b>	<b>6,587,150</b>	<b>6,715,220</b>	<b>6,842,810</b>	<b>6,979,668</b>	<b>6,979,670</b>
\$ increase YoY	10,910	-550	11,730	23,780	165,640	170,050	128,070	127,590	136,858	2
% increase YoY	0.18%	-0.01%	0.19%	0.38%	2.65%	2.65%	1.94%	1.90%	2.00%	0.00%



City of Hamilton

City and External BOARDS AND AGENCIES										
BUDGET INFORMATION: 10 Year Summary - 2013 to 2022										
Per 2022 Tax Supported Operating Budget Report										
Board/Agency	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 Preliminary Budget \$
<b>GROSS Expenditure Totals - All Grants &amp; Boards &amp; Agencies Excluding Capital Financing</b>	179,739,255	183,957,292	189,175,828	193,667,205	198,759,610	203,308,790	208,085,490	218,313,440	223,715,758	228,209,700
\$ increase YoY	5,009,555	4,218,037	5,218,536	4,491,377	5,092,405	4,549,180	4,776,700	10,227,950	5,402,318	4,493,942
% increase YoY	2.87%	2.35%	2.84%	2.37%	2.63%	2.29%	2.35%	4.92%	2.47%	2.01%
<b>Note:</b>										
1. The 2022 Preliminary Budget in this report reflects the 2021 Budget + 2% per City guidelines and is subject to change based on budget requests received. Only the Library budget is per Library request.										
2. The Binbrook capital financing for approved by Council in 2020, is related to septic system and other capital improvements to be financed up to \$1.21 M from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over 15 years at an interest rate of 1.66% for an annual payment of \$91,790.31 per Appendix "A" of Report FCS20096.										
3. This report is based on information available as of Dec 4, 2021, and is subject to change based on information received subsequently.										

<b>City &amp; External Boards &amp; Agencies Potential Adjustments to 2022 Preliminary Budget</b>				
<b>This Table summarizes additional 2022 Budget Funding Request compared to City Budget Guidelines</b>				
<b>Board/Agency</b>	<b>2021 Budget Net</b>	<b>2022 NET Preliminary Budget \$</b>	<b>2022 NET Budget Request Received</b>	<b>Additional Budget Requested</b>
<b>Conservation Authorities</b>		<i>Limited to Council Guideline of 2%</i>		
Niagara Peninsula Conservation Authority	1,506,750	1,536,885	1,574,269	37,384
NPCA - Binbrook Capital Improvements	91,790	91,790	91,790	0
Grand River Conservation Authority	1,519,510	1,549,900	1,557,692	7,792
Conservation Halton	749,720	764,714	776,249	11,535
Hamilton Conservation Authority	3,978,000	4,057,560	4,060,000	2,440
HCA: Westfield Heritage Village	614,000	626,280	624,000	(2,280)
<b>Sub Total Conservation Authorities</b>	<b>8,459,770</b>	<b>8,627,129</b>	<b>8,684,000</b>	<b>56,871</b>
<b>Other Agencies</b>				
Hamilton Beach Rescue Unit Operating	66,570	67,901	67,870	(31)
Hamilton Beach Rescue Unit Capital	65,000	66,300	65,000	(1,300)
Royal Botanical Gardens - Net	647,410	660,358	647,408	(12,950)
<b>Sub Total Other Agencies</b>	<b>778,980</b>	<b>794,560</b>	<b>780,278</b>	<b>(14,282)</b>
<b>City Boards</b>				
Hamilton Police Services -Operating	175,352,230	178,883,970	182,273,539	3,389,569
Hamilton Police Services -Capital Financing	1,234,790	1,269,000	1,269,000	0
Library - Operating	32,030,050	32,682,012	32,682,012	0
Library - Capital Financing	166,280	166,010	166,010	0
Farmers' Market	115,060	242,360	242,360	0
<b>Sub Total City Boards</b>	<b>208,898,410</b>	<b>213,243,351</b>	<b>216,632,920</b>	<b>3,389,569</b>
MPAC	6,979,668	6,979,670	6,979,670	0
<b>Totals</b>	<b>225,116,828</b>	<b>229,644,710</b>	<b>233,076,868</b>	<b>3,432,158</b>



# Conservation Authorities

**Conservation Authorities**







## City of Hamilton

### Conservation Authorities (CA) Municipal Levy Budgeted for 2022

#### SUMMARY NET BUDGET INFORMATION: Years 2021 and 2022 Per 2022 Tax Supported Operating Budget Report

Board/Agency	2021 Budget Net	2022 NET Preliminary Budget \$	Change \$	Change %
	Per Regulation 670/00	Per Regulation 670/00		
Niagara Peninsula Conservation Authority	1,506,750	1,536,885	30,135	2.0%
NPCA - Binbrook Capital Improvements	91,790	91,790	0	0.0%
Grand River Conservation Authority	1,519,510	1,549,900	30,390	2.0%
Conservation Halton	749,720	764,714	14,994	2.0%
Hamilton Conservation Authority	3,978,000	4,057,560	79,560	2.0%
HCA: Westfield Heritage Village	614,000	626,280	12,280	2.0%
<b>Total for ALL Conservation Authorities</b>	<b>8,459,770</b>	<b>8,627,129</b>	<b>167,359</b>	<b>2.0%</b>

**Notes:**

**1** The 2022 Preliminary Budget in this report reflects the 2021 Budget + 2% per City guidelines and is subject to change based on budget requests received.



# **Niagara Peninsula Conservation Authority (NPCA)**

**Niagara**





# City of Hamilton

## NIAGARA PENINSULA CONSERVATION AUTHORITY (NPCA)

BUDGET INFORMATION: 10 Year Summary			APPEAL PERIOD - Budget Per Old Agreement					Per Regulation 670/00		
Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
Operating Levy	230,396	220,443	229,261	231,550	235,720	239,256	242,845	1,273,650	1,307,247	1,303,899
Special Levy	283,074	293,030	304,749	307,800	313,340	318,044	322,815	203,560	199,503	232,986
Binbrook - Contribution to Capital Reserve									91,790	91,790
<b>Total Budgeted Levy</b>	513,470	513,473	534,010	539,350	549,060	557,300	565,660	1,477,210	1,598,540	1,628,675
\$ Increase Year over Year	0	3	20,537	5,340	9,710	8,240	8,360	911,550	121,330	30,135
% Increase Year over Year	0.0%	0.0%	4.0%	1.0%	1.8%	1.5%	1.5%	161.1%	8.2%	1.9%
During the appeal period, the budget represents City estimates based on previous cost sharing formula.										
<b>HISTORICAL % APPORTIONMENTS of the OPERATING LEVY</b>										
			<b>APPEAL PERIOD</b>							
<b>Municipality</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>% Apportionment</b>										
Niagara Region	94.83%	94.94%	78.15%	78.15%	78.08%	77.63%	77.50%	77.25%	76.98%	76.97%
City of Hamilton	4.02%	3.99%	19.92%	19.92%	20.01%	20.54%	20.65%	20.90%	21.16%	21.16%
Haldimand County	1.15%	1.07%	1.93%	1.93%	1.91%	1.84%	1.85%	1.85%	1.86%	1.87%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<i>Please refer to notes on next page</i>										



## City of Hamilton

### NIAGARA PENINSULA CONSERVATION AUTHORITY (NPCA)

**Notes:**

1. Commencing 2003, the capital development and operations of conservation areas are levied directly to the municipality in which the conservation is located. For Hamilton, these special levies mostly pertain to the Binbrook Conservation Area and the Binbrook Tract.
2. During the period 2004-2014, NPCA apportioned the levy between the supporting municipalities based on a Modified Local Agreement between the parties involved. This agreement was designed to address apparent inequities that would arise after the Hamilton amalgamation if the levy was apportioned simplistically based on a proposed interpretation of Section 2(1)(b) of Ontario Regulation 670/00, made under the *Conservation Authorities Act*, that would calculate the City's levy apportionment based on assessment values of all properties found in the new City and not just assessment values of those properties found only in the NPCA watershed.
3. In 2015, NPCA abrogated the funding formula used in previous years and imposed the 2015 levy based on its interpretation of Section 2(1)(b) of Ontario Regulation 670/00, made under the *Conservation Authorities Act*, in the amount of \$1,317,020. The City filed an appeal with the Mining and Lands Commissioner protesting the 2015 levy apportionment; in Dec 2017, the Mining and Lands Commissioner ruled in favour of NPCA.
4. For the period 2015 to 2019, the NPCA levies were budgeted by the City based on it's estimates of the apportionment based on the 2004 agreement. However, per legal obligations, the amounts levied by NPCA have been paid in full under protest by the City for the years 2015-2019.
5. 2020 Onwards, the levy has been budgeted per Regulation 670/00 of the Conservation Authorities Act.
6. The Binbrook capital project related to septic system and other capital improvements is to be financed up to \$1.21 M from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over 15 years at an interest rate of 1.66% for an annual payment of \$91,790.31 as outlined in Appendix "A" of Report FCS20096;
7. **The 2022 budget above is shown at 2021 budget + 2% based on City guidelines.  
A budget adjustment will be required based on the actual levy imposed by the Conservation Authority.**



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**Report To: Board of Directors**

**Subject: 2022 Draft Budgets and Municipal Levies**

**Report No: FA-70-21**

**Date: November 19, 2021**

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**Recommendation:**

1. **THAT** Report No. FA-70-21 RE: 2022 Draft Budgets and Municipal Levies **BE RECEIVED**.
2. **THAT** the 2022 Draft Budgets and Municipal Levies **BE APPROVED** for discussion with participating municipal staff, in accordance with Board approved Budget Assumptions.
3. **THAT** Staff **CONTINUE** to discuss the possibility of reinstating the Land Acquisition Reserve contributions with municipal funding partners.
4. **THAT** the list of 2022 unfunded pressures **BE APPROVED** and **PROVIDED** to partner municipalities for any future opportunities outside the 2022 budget through collaborative projects or external funding.
5. **AND FURTHER THAT** the final 2022 Budget **BE BROUGHT** back to the Finance Committee and Board of Directors meetings for approval.

**Purpose:**

The purpose of this report is to provide the Board of Directors with:

2022 General Levy Apportionment  
2022 Draft Budgets & Municipal Levies (General and Special)  
2022 Unfunded Pressures

**Background:**

In September 2021, the Board of Directors approved the Budget Assumptions for 2022 (Resolution No. FA-158-2021). In the development of the recommended budget assumptions for the 2022 budget process, Staff has reviewed and considered the following:



- Cost of living adjustments (COLA) and grid step increases
- Inflation (Consumer price index – CPI)
- Multi-year contractual obligations, including OPSEU collective agreement provisions
- Operating and capital unfunded pressures
- Operational impact of the Covid-19 pandemic
- Budget guidelines from municipal partners
- General economic outlook and political climate
- Future service delivery capacity and standard
- Conservation Act Regulations
- Asset management, state of good repair for asset base, capital funding gaps, deferred capital projects and building a sustainable capital plan
- New programs and growth initiatives/pressures
- Board approved Strategic Plan 2021 -2031

The NPCA has received 2022 budget guidance from both Niagara Region and the City of Hamilton, which includes a provision for a 2% increase over 2021. Budget guidelines from Haldimand County have not been received yet. As such, NPCA Staff have applied a 2% consolidated strategy for all partner municipalities in the preparation of the 2022 municipal General Levy.

Please note that, as previously reported in 2021, expenses budgeted in 2022 specific to the Covid-19 Pandemic have been presented as a separate line item, in accordance with budget guidelines from Niagara Region.

On November 4, 2021, the Finance Committee approved the 2022 Draft Budgets & Municipal Levies Report No. FC-16-21 (Resolution No. FC-27-2021).

**Discussion:**

**2022 Draft Operating Budgets**

Summary of Operating Budget Revenues and Expenses:

<b>Operating Budget - Revenues</b>	<b>2022 Budget</b>	<b>2021 Budget</b>	<b>Variance</b>
Municipal Funding	6,337,748	6,213,479	124,269
Provincial Funding	391,978	383,594	8,384
Federal Funding	120,000	70,000	50,000
Program Revenue	3,443,838	2,681,045	762,793
Other	564,485	517,000	47,485
<b>Total - Operating Revenues</b>	<b>10,858,049</b>	<b>9,865,118</b>	<b>992,931</b>
<b>Operating Budget - Expenses</b>	<b>2022 Budget</b>	<b>2021 Budget</b>	<b>Variance</b>
Salaries and benefits, Employee Related	7,475,602	6,861,705	613,897
Governance	57,600	63,600	- 6,000
Professional Fees, Contractor Services	514,500	555,343	- 40,843
Materials & Supplies, Vehicles & Equipment	575,250	491,930	83,320
Occupancy Costs	540,460	493,250	47,210
Park Maintenance	580,300	514,890	65,410
Information Management/GIS	418,037	340,500	77,537
Marketing, Advertising, Printing, Signs	111,000	160,500	- 49,500
Special Events (Festival, Holiday Trail)	315,600	161,100	154,500
Flood Forecasting	127,000	127,000	-
Miscellaneous	142,700	95,300	47,400
<b>Total - Operating Expenses</b>	<b>10,858,049</b>	<b>9,865,118</b>	<b>992,931</b>

Overall, the operating volume in this zero-based budget is projected to increase by 10.2% (\$993K) attributed to a 2% increase to the Municipal General Levy, and 8.2% resulting from increases in Authority Generated Funds. As noted in the “Summary – 2022 Draft Municipal Levy” section on page 4, the Municipal General Levy increase is in compliance with municipal guidelines at 2% over the 2021 fiscal year and represents a consolidated increase of \$123,311.

**Salaries and Benefits:** the variance of \$614K over 2021 is due to an anticipated COLA increase to existing salary complement, augmented by an addition to FTE complement of 4 permanent positions to address the growing pressures in Planning and Development as well as CA Act requirements for Land Management Planning.

**Special Events:** 2022 includes a provision for the Holiday Trail initiative (unbudgeted for 2021). Increase in expenses is offset by event revenues.

Full details of the 2022 Draft Operating Budget are outlined in Appendix 1.

## 2022 Draft Capital and Special Projects Budget

Summary of Capital and Special Projects:

Capital and Special Projects	2022 Budget	2021 Budget	Variance
Corporate Services	218,469	452,000	- 233,531
Land Operations - Balls Falls	174,564	152,500	22,064
Land Operations - Binbrook	52,898	1,210,000	- 1,157,102
Land Operations - Chippawa Creek	195,723	100,000	95,723
Land Operations - Long Beach	105,796	-	105,796
Land Operations - Passive Parks	457,040	580,586	- 123,546
Watershed	550,140	530,000	20,140
<b>Total - Capital &amp; Special Projects</b>	<b>1,754,630</b>	<b>3,025,086</b>	<b>- 1,270,456</b>

The 2022 Draft Capital and Special Projects budget represents past backlog and current critical priorities. Further to discussion with Niagara Region municipal staff, and in consideration of current pressures on municipal budgets, Staff is recommending a very conservative budget increase over 2021 for Capital and Special Projects of \$289,415 (excluding \$1.21M from the City of Hamilton for Binbrook projects).

Full details of the 2022 Draft Capital and Special Projects Budget are outlined in Appendix 1.

### Summary - 2022 Draft Municipal Levy

The General Levy Apportionment for 2022 breaks down as follows:

2022 Levy Apportionment			
	2022	2021	Variance
Niagara	76.9681%	76.9811%	-0.0130%
Hamilton	21.1634%	21.1565%	0.0069%
Haldimand	1.8685%	1.8624%	0.0061%
<b>Total</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>0.0000%</b>

In keeping with prior years, the levy apportionment ratios are calculated from assessment data provided by MPAC, and further revised based on the Conservation Authority Levies Regulation.

### General Levy

	General	Pandemic	Total	General	Pandemic	Total	Levy Variance	
	Levy - 2021	Funding	2021	Levy - 2022	Funding	2022	Amount	%
Niagara	4,684,681	109,464	4,794,145	4,767,623	110,422	4,878,044	82,942	1.8%
Hamilton	1,307,257	-	1,307,257	1,341,283	-	1,341,283	34,026	2.6%
Haldimand	112,077	-	112,077	118,421	-	118,421	6,344	5.7%
<b>TOTAL</b>	<b>6,104,015</b>	<b>109,464</b>	<b>6,213,479</b>	<b>6,227,326</b>	<b>110,422</b>	<b>6,337,748</b>	<b>123,311</b>	<b>2.0%</b>

## Municipal Levy Summary - 2022

LEVY SUMMARY - 2022					
				Variance	
	2022	2021		Amount	%
<b>NIAGARA</b>					
General Levy	4,767,623	4,684,681		82,942	
Special Levy	1,505,490	1,241,073		264,417	
<b>TOTAL</b>	<b>6,273,113</b>	<b>5,925,754</b>		<b>347,359</b>	<b>5.86%</b>
Pandemic Funding	110,422	109,464		958	
<b>Total</b>	<b>6,383,535</b>	<b>6,035,218</b>		<b>348,317</b>	
<b>HAMILTON</b>					
General Levy	1,341,283	1,307,251		34,032	
Special Levy	232,986	199,503		33,483	
<b>TOTAL</b>	<b>1,574,269</b>	<b>1,506,754</b>		<b>67,515</b>	<b>4.48%</b>
<b>HALDIMAND</b>					
General Levy	118,420	112,077		6,343	
Special Levy	12,697	24,640	-	11,943	
<b>TOTAL</b>	<b>131,117</b>	<b>136,717</b>	-	<b>5,600</b>	<b>-4.10%</b>
<b>CONSOLIDATED</b>					
General Levy	6,227,326	6,104,009		123,317	
Special Levy	1,751,173	1,465,216		285,957	
<b>TOTAL</b>	<b>7,978,499</b>	<b>7,569,225</b>		<b>409,274</b>	<b>5.41%</b>
Pandemic Funding	110,422	109,464		958	
<b>Total</b>	<b>8,088,921</b>	<b>7,678,689</b>		<b>410,232</b>	

## Land Acquisition Reserve Contributions

### Niagara

From 2016 to 2018, Niagara Region contributed \$500,000 annually to a Land Acquisition Reserve, adding \$1.5M to an opening balance of \$298,176. The reserve balance as of December 31, 2020, is \$1.798M. This reserve balance will be reduced by the acquisition cost of a parcel of land on Morgan's Point Road in Wainfleet in the amount of \$750K plus closing and legal fees.

Staff would like to continue discussions with Niagara Region Staff on the feasibility of a Land Acquisition Reserve contribution in the amount of \$500,000.

## Hamilton

From 2016 to 2020, the City of Hamilton contributed \$100,000 annually to a Land Acquisition Reserve. The reserve balance as of December 31, 2020, is \$994,152.

Staff would like to continue discussions with Hamilton Staff on the feasibility of a Land Acquisition Reserve contribution in the amount of \$100,000.

### 2022 Unfunded Budget Priorities

In the last several years, NPCA's ability to undertake both operating special projects and capital investments have been significantly impacted by a lack of financial resources. The following issues contributed in part:

- a) The COVID 19 Pandemic has exerted a great deal of pressure on NPCA's Greenspace and Parks. NPCA needs to make significant investments in infrastructure upgrades and staffing resources to safely serve our communities.
- b) Staff anticipates significant planning and growth pressures in the coming years in the NPCA's jurisdiction requiring NPCA to proactively invest in science and information to support decision making.
- c) NPCA's assets and infrastructure have a significant state-of good repair backlog and gaps that needs to be addressed.
- d) Completion of NPCA 10 Year Strategic Plan has identified several gaps and priorities that NPCA must address in the coming years.
- e) Conservation Authority Act update and associated regulations requires several transition priorities to be completed in 2022 and beyond.

An assessment of current unfunded pressures was prioritized by Staff, summarized below. These initiatives (\$7.723M), classified in 4 categories outlined below, are detailed in Appendix 1.

2022 Unfunded Budget Priorities					
Classification	Niagara	Hamilton	Haldimand	External	TOTAL
Restoration & Shoreline Resiliency	324,182	72,640	6,413	0	403,236
Planning and Growth Pressures	620,176	82,537	7,287	0	710,000
Conservation Authority Act Transition	115,452	31,745	2,803	0	150,000
State of Good Repair/Health and Safety	4,955,836	1,353,528	50,636	100,000	6,460,000
	<b>6,015,645</b>	<b>1,540,451</b>	<b>67,140</b>	<b>100,000</b>	<b>7,723,236</b>

### Financial Implications:

The NPCA's 2022 Budgets and Municipal Levies have been developed in accordance with the existing levy guidelines of *The Conservation Authorities Act (CAA)*.

Updated Levy Regulations are anticipated to be released by the Province of Ontario later in 2021 and may impact future budgets (2024) to meet the requirements of the CA Act updates.

Unfunded pressures are currently not included in the 2022 Budget. A diverse range of strategies will be deployed to address these gaps. Staff will investigate external funding sources and liaise with

external stakeholders and all levels of governments to look for collaborative opportunities outside the existing budget processes.

**Related Reports and Appendices:**

Appendix 1: NPCA 2022 Draft Budgets & Municipal Levies

**Authored by:**

*Original Signed by:*

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Lise Gagnon, CPA, CGA  
Director, Corporate Services

**Submitted by:**

*Original Signed by:*

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Chandra Sharma, MCIP, RPP  
Chief Administrative Officer/Secretary-Treasurer

Niagara Peninsula Conservation Authority

# 2022 DRAFT BUDGETS & MUNICIPAL LEVIES

November 2021



Appendix 1 - Report No. FA-70-21

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**2022 DRAFT BUDGET SUMMARY**

<b>Operating Budget - Revenues</b>	<b>2022 Budget</b>	<b>2021 Budget</b>
Municipal Funding	6,337,748	6,213,479
Provincial Funding	391,978	383,594
Federal Funding	120,000	70,000
Program Revenue	3,443,838	2,681,045
Other	564,485	517,000
<b>Total - Operating Revenues</b>	<b>10,858,049</b>	<b>9,865,118</b>
<b>Operating Budget - Expenses</b>	<b>2022 Budget</b>	<b>2021 Budget</b>
Salaries and benefits, Employee Related	7,475,602	6,861,705
Governance	57,600	63,600
Professional Fees, Contractor Services	514,500	555,343
Materials & Supplies, Vehicles & Equipment	575,250	491,930
Occupancy Costs	540,460	493,250
Park Maintenance	580,300	514,890
Information Management/GIS	418,037	340,500
Marketing, Advertising, Printing, Signs	111,000	160,500
Special Events (Festival, Holiday Trail)	315,600	161,100
Flood Forecasting	127,000	127,000
Miscellaneous	142,700	95,300
<b>Total - Operating Expenses</b>	<b>10,858,049</b>	<b>9,865,118</b>
<b>Capital and Special Projects</b>	<b>2022 Budget</b>	<b>2021 Budget</b>
Corporate Services	218,469	452,000
Land Operations - Balls Falls	174,564	152,500
Land Operations - Binbrook	52,898	1,210,000
Land Operations - Chippawa Creek	195,723	100,000
Land Operations - Long Beach	105,796	-
Land Operations - Passive Parks	457,040	580,586
Watershed	550,140	530,000
<b>Total - Capital &amp; Special Projects</b>	<b>1,754,630</b>	<b>3,025,086</b>
<b>Total Operating, Capital &amp; Special Projects</b>	<b>12,612,679</b>	<b>12,890,204</b>

**2022 DRAFT OPERATING BUDGET**

Description	2021 Approved Budget	2022 Draft Budget	2022 Draft Operating Budget Funding Sources				
			Program Revenue	Provincial Funding	Federal Funding	Municipal Funding	Other
<b>CAO and Governance</b>							
- CAO and Office Expenses, Governance	496,944	546,039		32,377		513,662	
- Human Resources / Health and Safety	444,314	427,906				427,906	
- Strategic Planning, Innovation & Community Relations	622,290	546,958				546,958	
<b>Total - CAO and Governance</b>	<b>1,563,548</b>	<b>1,520,903</b>	<b>-</b>	<b>32,377</b>	<b>-</b>	<b>1,488,526</b>	<b>-</b>
<b>Corporate Services</b>							
- Management, General Corporate Services and Administration	395,821	374,006		11,265		286,356	76,385
- Occupancy Costs	493,250	540,460				540,460	
- Financial Services and Procurement	438,594	471,380				471,380	
- Information Management and GIS	587,847	721,179				721,179	
- Niagara River Remedial Action Plan	173,823	173,964		103,964	70,000		
- Riparian Buffers	-	50,000			50,000		
- Restoration and Integrated Watershed Management	640,305	627,448				396,348	231,100
- Fleet and Equipment Management	234,240	253,000				253,000	
<b>Total - Corporate Services</b>	<b>2,963,880</b>	<b>3,211,437</b>	<b>-</b>	<b>115,229</b>	<b>120,000</b>	<b>2,668,723</b>	<b>307,485</b>
<b>Land Operations</b>							
- Management and Land Care Passive Parks	349,351	369,781					51,500
- Balls Falls Conservation Area	390,090	395,489	435,500				
- Binbrook Conservation Area	409,417	487,420	621,900				
- Chippawa Creek Conservation Area	339,120	345,661	420,404				
- Long Beach Conservation Area	394,876	446,669	588,500				
- Special Events	149,106	314,202	515,000				
- Land Care - Passive Parks	575,440	445,819				172,237	
- Educational Programming	131,491	313,534	313,534				
<b>Total - Land Operations</b>	<b>2,738,891</b>	<b>3,118,575</b>	<b>2,894,838</b>	<b>-</b>	<b>-</b>	<b>172,237</b>	<b>51,500</b>
<b>Watershed</b>							
- Management - Watershed	964,676	966,154		64,206		886,948	15,000
- Source Water Protection	120,082	128,466		128,466			
- Water Resources Engineering	543,519	758,066		36,200		531,366	190,500
- Planning and Permitting / Compliance and Enforcement	655,726	861,436	549,000	15,500		296,936	
- Planning Ecology	314,796	293,012				293,012	
<b>Total - Watershed</b>	<b>2,598,799</b>	<b>3,007,134</b>	<b>549,000</b>	<b>244,372</b>	<b>-</b>	<b>2,008,262</b>	<b>205,500</b>
<b>TOTAL OPERATING PROGRAMS</b>	<b>9,865,118</b>	<b>10,858,049</b>	<b>3,443,838</b>	<b>391,978</b>	<b>120,000</b>	<b>6,337,748</b>	<b>564,485</b>

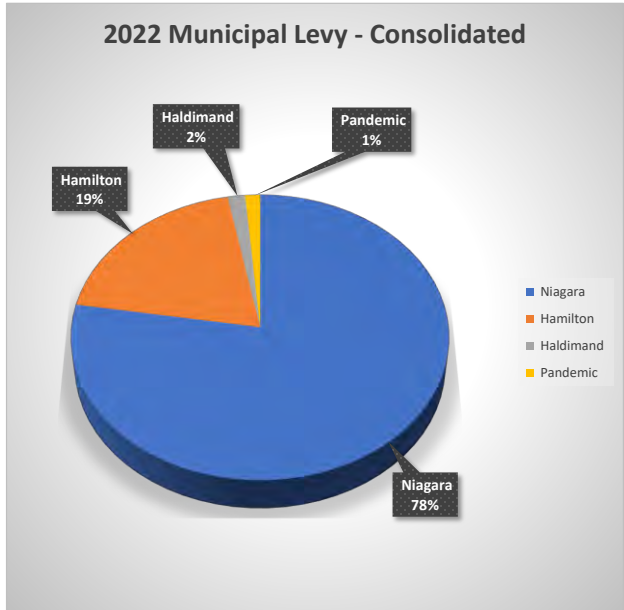
2022 DRAFT CAPITAL AND SPECIAL PROJECTS								
Description	2021 Approved Budget	2022 Draft Budget	2022 Draft Capital and Special Projects Budget Funding Sources					
			Provincial Funding	Federal Funding	Niagara Municipal Funding	Hamilton Haldimand	Other	
<b>Corporate Services</b>								
- Annual PC Replacements	45,000	69,102			52,615	15,072	1,415	
- Information Technology Infrastructure	37,000	21,262			16,189	4,638	435	
- Digital Terrain Model Update	150,000	-						
- Natural Areas ELC Mapping Update	150,000	-						
- Large Scale Surface Water Inventory Mapping Update	-	106,311			80,946	23,188	2,176	
- Asset Management and Capital Planning	30,000	22,857			17,403	4,985	468	
- Electronic Content Management/Records Management	40,000	-						
- Internet Upgrade - Balls Falls	40,000	-						
<b>Total - Corporate Services</b>	<b>492,000</b>	<b>219,532</b>	<b>-</b>	<b>-</b>	<b>167,153</b>	<b>47,883</b>	<b>4,494</b>	<b>-</b>
<b>Land Operations</b>								
- Balls Falls - Centre for Conservation Gallery Upgrades	65,000							
- Balls Falls - Heritage Building Restoration	47,500	147,236			147,236			
- Balls Falls - Pedestrian Path Upgrades (Accessibility)	-	26,292			26,292			
- Binbrook - Parking Infrastructure Pavilion 2	-	54,784				54,784		
- Binbrook - Septic, Water System, TTT Building	1,210,000	-						
- Chippawa Creek - Roads Infrastructure	100,000	157,753			157,753			
- Chippawa Creek - Comfort Station Tanks	-	36,809			36,809			
- St. John's Conservation Area - Heritage Building Restoration	130,000	-						
- Cave Springs Conservation Area - Exterior Infrastructure	105,000	131,461			131,461			
- Long Beach - Electrical & Water Services - Ridge (Phase 3)	-	105,169			105,169			
- Equipment Sustainment	345,586	220,063			167,561	48,000	4,506	
- Hazard Tree Removal and Reforestation	-	106,003			80,946	23,189	-	1,868
<b>Total - Land Operations</b>	<b>2,003,086</b>	<b>985,570</b>	<b>-</b>	<b>-</b>	<b>853,227</b>	<b>125,973</b>	<b>4,506</b>	<b>1,868</b>
<b>Watershed</b>								
- Floodplain Mapping - Beaver Creek	150,000							
- Floodplain Mapping - Big Forks Creek	150,000							
- Floodplain Mapping - Coyle and Drapers Creek		120,944			120,944			
- Virgil Dam - Remedial Measures	200,000							
- Dam Safety Review (Binbrook and Welland River)		132,889			101,183	28,985	2,720	
- Shoreline Mapping Update - Lake Erie		157,753			157,753			
- Karst Void Mapping		90,102			68,804	19,710		1,587
- Sustainment - Stream Gauge Equipment	10,000	21,262			16,189	4,638	435	
- Sustainment - Water Quality Monitoring Equipment	20,000	26,578			20,237	5,797	544	
<b>Total - Watershed</b>	<b>530,000</b>	<b>549,528</b>	<b>-</b>	<b>-</b>	<b>485,110</b>	<b>59,130</b>	<b>3,699</b>	<b>1,587</b>
<b>TOTAL CAPITAL AND SPECIAL PROJECTS - 2022</b>	<b>3,025,086</b>	<b>1,754,630</b>	<b>-</b>	<b>-</b>	<b>1,505,490</b>	<b>232,986</b>	<b>12,699</b>	<b>3,455</b>

**2022 MUNICIPAL LEVY SUMMARY**

**Levy Apportionment - 2022**

The levy apportionment ratios are calculated from assessment data provided by MPAC, and further revised based on the Conservation Authority Levies Regulation.

Municipality	% in CA	Municipal Population	Municipal Population in CA	Prior Year CVA in CA	2022 Levy Apportionment	2021 Levy Apportionment	Variance
Haldimand	25%	40,523	10,009	\$1.778B	1.8685%	1.8624%	0.0061%
Hamilton	21%	449,877	94,924	\$20.141B	21.1634%	21.1565%	0.0069%
Niagara	100%	369,284	369,284	\$73.251B	76.9681%	76.9811%	-0.0130%
<b>Total</b>		<b>859,684</b>	<b>474,217</b>	<b>\$95.170B</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>0.0000%</b>



LEVY SUMMARY - 2022				
	2022	2021	Variance	
			Amount	%
<b>NIAGARA</b>				
General Levy	4,767,623	4,684,681	82,942	
Special Levy	1,505,490	1,241,073	264,417	
<b>TOTAL</b>	<b>6,273,113</b>	<b>5,925,754</b>	<b>347,359</b>	<b>5.86%</b>
Pandemic Funding	110,422	109,464	958	
<b>Total</b>	<b>6,383,535</b>	<b>6,035,218</b>	<b>348,317</b>	
<b>HAMILTON</b>				
General Levy	1,341,283	1,307,251	34,032	
Special Levy	232,986	199,503	33,483	
<b>TOTAL</b>	<b>1,574,269</b>	<b>1,506,754</b>	<b>67,515</b>	<b>4.48%</b>
<b>HALDIMAND</b>				
General Levy	118,420	112,077	6,343	
Special Levy	12,697	24,640	- 11,943	
<b>TOTAL</b>	<b>131,117</b>	<b>136,717</b>	<b>- 5,600</b>	<b>-4.10%</b>
<b>CONSOLIDATED</b>				
General Levy	6,227,326	6,104,009	123,317	
Special Levy	1,751,173	1,465,216	285,957	
<b>TOTAL</b>	<b>7,978,499</b>	<b>7,569,225</b>	<b>409,274</b>	<b>5.41%</b>
Pandemic Funding	110,422	109,464	958	
<b>Total</b>	<b>8,088,921</b>	<b>7,678,689</b>	<b>410,232</b>	

**2022 UNFUNDED BUDGET PRIORITIES**

Description	2022 Unfunded Priority	2022 Unfunded Budget Priorities - Proposed Funding Sources			
		Municipal Funding			Other
		Niagara	Hamilton	Haldimand	
<b>RESTORATION</b>					
Water Quality Non-Point Source Modelling	80,000	61,574	16,931	1,495	
Conservation Authority Lands Restoration Inventory	173,236	133,336	36,663	3,237	
Welland River SWAT Decision Support Model	60,000	60,000			
Natural Asset Management - Phase 1 (carbon sequestration)	60,000	46,181	12,698	1,121	
Restoration Warranty Provision - plant material	30,000	23,090	6,349	561	
<b>Total - Restoration and Shoreline Resiliency</b>	<b>403,236</b>	<b>324,182</b>	<b>72,640</b>	<b>6,413</b>	<b>-</b>
<b>PLANNING AND GROWTH PRESSURES</b>					
Watershed/sub-watershed Data Update - growth/intensification	100,000	76,968	21,163	1,869	
Shoreline Management & Resiliency Update (Lake Ontario)	220,000	220,000			
Sustainable Technologies and Green Infrastructure	90,000	69,271	19,047	1,682	
Climate Risk and Vulnerable Action Plan	50,000	38,484	10,582	934	
Terrestrial and Aquatic monitoring	100,000	76,968	21,163	1,869	
City View Reconfiguration	50,000	38,484	10,582	934	
Upper Virgil Dam Erosion Protection	100,000	100,000			
<b>Total - Planning and Growth Pressures</b>	<b>710,000</b>	<b>620,176</b>	<b>82,537</b>	<b>7,287</b>	<b>-</b>
<b>CONSERVATION AUTHORITY ACT TRANSITION</b>					
Watershed Based Resource Management Strategy	25,000	19,242	5,291	467	
Land Management Plan Updates	125,000	96,210	26,454	2,336	
<b>Total - Conservation Authority Act Transition</b>	<b>150,000</b>	<b>115,452</b>	<b>31,745</b>	<b>2,803</b>	<b>-</b>

... / continued

**2022 UNFUNDED BUDGET PRIORITIES**

Description	2022 Unfunded Priority	2022 Unfunded Budget Priorities - Proposed Funding Sources			
		Municipal Funding			Other
		Niagara	Hamilton	Haldimand	
<b>STATE OF GOOD REPAIR / HEALTH AND SAFETY</b>					
Internet Upgrade	50,000	38,484	10,582	934	
Asset replacement and sustainment (amortization)	875,000	673,471	185,180	16,349	
Speed Bumps - All Parks (Phase 2)	100,000	76,968	21,163	1,869	
Barn Storage Facility	50,000	50,000			
Argo (Bog & Wainfleet Wetlands)	20,000	20,000			
Passive Parks Gates	330,000	330,000			
Centre for Conservation Upgrades (gift Shop)	50,000	50,000			
Furniture	25,000	19,242	5,291	467	
Lime Restoration	40,000	40,000			
New Metal Stairs for Bruce Trail	100,000				100,000
Info Signs / Kiosk	300,000	230,904	63,490	5,606	
Pavilion 1 Demolition	50,000		50,000		
Playground Upgrade	300,000		300,000		
New Washroom Facility	300,000		300,000		
Main Boat Launch Upgrade	100,000		100,000		
Northside Playground	125,000	125,000			
Drainage South Side	100,000	100,000			
Rebuild Comfort station #2 South Side	400,000	400,000			
Beach Washroom Renovations	15,000	15,000			
Electrical Upgrades	1,000,000	1,000,000			
New Pavilion	125,000	125,000			
New Playground Equipment	150,000	150,000			
Tile Drain in Day Use	125,000	125,000			
Roadway Improvements	965,000	742,742	204,227	18,031	
St. Johns Valley Centre Septic System	225,000	225,000			
St. Johns Valley Centre Post Office & House Restoration	115,000	115,000			
Fencing for All Parks	170,000	130,846	35,978	3,176	
Waste bins for All Parks	30,000	23,090	6,349	561	
Picnic tables for passive parks	15,000	11,545	3,175	280	
Work Vehicles	150,000	115,452	31,745	2,803	
New AED Units (H&S)	30,000	23,090	6,349	561	
Equipment for Glanbrook Conservation Committee	30,000		30,000		
<b>Total - State of Good Repair / Health and Safety</b>	<b>6,460,000</b>	<b>4,955,836</b>	<b>1,353,528</b>	<b>50,636</b>	<b>100,000</b>
<b>TOTAL 2022 UNFUNDED BUDGET PRIORITIES</b>	<b>7,723,236</b>	<b>6,015,645</b>	<b>1,540,451</b>	<b>67,140</b>	<b>100,000</b>

Financial Statements of

**NIAGARA PENINSULA  
CONSERVATION AUTHORITY**

And Independent Auditors' Report thereon

Year ended December 31, 2020



KPMG LLP  
80 King Street, Suite 620  
St. Catharines ON L2R 7G1  
Canada  
Tel 905-685-4811  
Fax 905-682-2008

## INDEPENDENT AUDITORS' REPORT

To the Board of Niagara Peninsula Conservation Authority

### **Opinion**

We have audited the financial statements of Niagara Peninsula Conservation Authority (the Entity), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

St. Catharines, Canada  
May 21, 2021

# NIAGARA PENINSULA CONSERVATION AUTHORITY

## Statement of Financial Position

As at December 31, 2020, with comparative information for 2019

	2020	2019
<b>Financial assets</b>		
Cash and cash equivalents	\$ 4,079,157	\$ 3,454,034
Investments	4,467,229	4,381,512
Accounts receivable	732,551	666,214
	<u>9,278,937</u>	<u>8,501,760</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,655,408	1,389,998
Employee future benefits (note 2)	74,200	66,300
Deferred revenue (note 4)	1,966,299	1,521,047
Long-term debt (note 3)	-	216,325
	<u>3,695,907</u>	<u>3,193,670</u>
Net financial assets	5,583,030	5,308,090
<b>Non-financial assets</b>		
Prepaid expenses	37,163	36,797
Tangible capital assets (note 5)	21,329,536	21,008,145
	<u>21,366,699</u>	<u>21,044,942</u>
Accumulated surplus (note 6)	<u>\$ 26,949,729</u>	<u>\$ 26,353,032</u>

See accompanying notes to financial statements



Brenda Johnson, Chair



Chandra Sharma, CAO/Secretary-Treasurer

Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	Budget (note 9)	2020 Actual	2019 Actual
<b>Revenues:</b>			
<b>Government transfers</b>			
Province of Ontario – Ministry of Natural Resources and Forestry ("MNR")	\$ 90,000	\$ 90,083	\$ 90,083
Province of Ontario - Other	259,185	264,520	223,482
Government of Canada	100,000	54,195	100,000
<b>Municipal levies</b>			
General	6,092,656	6,092,753	6,416,084
Special	2,776,265	1,453,445	635,001
<b>Authority generated</b>			
User fees, sales and admissions	2,016,850	1,421,260	2,148,195
Administration fees	387,108	439,317	401,000
Interest	90,000	108,624	214,063
Other	337,101	601,723	445,261
OPG - Welland river watershed	-	45,916	195,432
	12,149,165	10,571,836	10,868,601
<b>Expenses:</b>			
CAO and Administration	1,875,025	1,709,181	3,068,776
Watershed	2,380,944	2,080,522	1,868,308
Corporate Resources	5,826,481	6,185,436	7,121,476
	10,082,450	9,975,139	12,058,560
Annual surplus (deficit)	2,066,715	596,697	(1,189,959)
Accumulated surplus, beginning of year	26,353,032	26,353,032	27,542,991
Accumulated surplus, end of year	\$ 28,419,747	\$26,949,729	\$26,353,032

See accompanying notes to financial statements

Statement of Change in Net Financial Assets

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Annual surplus (deficit)	\$ 596,697	\$ (1,189,959)
Acquisition of tangible capital assets	(1,407,844)	(1,744,615)
Fair value of tangible capital assets assumed	(650)	-
Amortization of tangible capital assets	897,530	864,071
Proceeds on disposal of tangible capital assets	45,900	47,569
Loss (gain) on disposal of tangible capital assets	143,673	(30,003)
Increase in prepaid expenses	(366)	(3,688)
	274,940	(2,056,625)
Net financial assets, beginning of year	5,308,090	7,364,715
Net financial assets, end of year	\$ 5,583,030	\$ 5,308,090

See accompanying notes to financial statements

Statement of Changes in Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operations:		
Annual surplus (deficit)	\$ 596,697	\$ (1,189,959)
Item not involving cash:		
Amortization of tangible capital assets	897,530	864,071
Fair value of tangible capital assets assumed	(650)	-
Loss (gain) on disposal of tangible capital assets, net	143,673	(30,003)
Employee future benefits	7,900	(6,900)
Accrued interest on investments	2,452	1,961
Change in non-cash operating working capital:		
Accounts receivable	(66,337)	(387,228)
Prepaid expenses	(366)	(3,688)
Accounts payable and accrued liabilities	265,410	630,923
Deferred revenue	445,252	(255,932)
<b>Net change in cash and cash equivalents from operations</b>	<b>2,291,561</b>	<b>(376,755)</b>
Capital activities:		
Purchases of tangible capital assets	(1,407,844)	(1,744,615)
Proceeds from disposal of tangible capital assets	45,900	47,569
<b>Net change in cash and cash equivalents from capital activities</b>	<b>(1,361,944)</b>	<b>(1,697,046)</b>
Investing activities:		
Proceeds from sale of investments	4,377,200	4,250,000
Purchases of investments	(4,465,369)	(4,377,200)
<b>Net change in cash and cash equivalents from investing activities</b>	<b>(88,169)</b>	<b>(127,200)</b>
Financing activities:		
Repayment of long-term debt	(216,325)	(483,705)
<b>Net change in cash and cash equivalents</b>	<b>625,123</b>	<b>(2,684,706)</b>
Cash and cash equivalents, beginning of year	3,454,034	6,138,740
<b>Cash and cash equivalents, end of year</b>	<b>\$ 4,079,157</b>	<b>\$ 3,454,034</b>

See accompanying notes to financial statement.

## Notes to Financial Statements

Year ended December 31, 2020

---

The Niagara Peninsula Conservation Authority ("the Authority") is established under The Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources within the watershed boundary established for the Authority.

**1. Significant accounting policies:**

The financial statements of Niagara Peninsula Conservation Authority (the "Authority") are prepared by management in accordance with Public Sector Accounting Standards ("PSAS"). Significant accounting policies adopted by the Authority are as follows:

**(a) Basis of accounting:**

Revenues and expenses are reported on the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

**(b) Cash and cash equivalents:**

Cash and cash equivalents include cash on hand, balances with banks and guaranteed investment certificates that mature within three months.

**(c) Investments:**

Investments consist of term deposits and are recorded at amortized cost. Investments held by the Authority have a market value that approximates cost given their fixed interest rate nature and maturity date within one year. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss. Investment income earned on investments are reported as revenue in the period earned.

**(d) Deferred revenue:**

Deferred revenues represent government transfers and user fees which have been collected but for which related expenses or related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

**(e) Non-financial assets:**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. Tangible capital assets have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

**1. Significant accounting policies (continued):**

(e) Non-financial assets (continued):

(i) Tangible capital assets:

Tangible capital assets are recorded at cost. Cost includes all directly attributable expenses in the acquisition, construction, development and/or betterment of the asset. The Authority does not capitalize interest costs associated with the acquisition or construction of tangible capital assets.

Cost, less residual value of tangible capital assets are amortized on a straight line basis over their estimated useful life. Land is considered to have an infinite life without amortization. Full year amortization is charged in the year of acquisition. Work-in-progress assets are not amortized until the asset is available for productive use.

Amortization is based on the following classifications and useful lives:

<b>Asset</b>	<b>Useful Life - Years</b>
Land Improvements	20 years
Buildings	30 years
Dams	15 to 100 years
Gauge stations	15 to 30 years
Equipment	10 years
Vehicles	5 years
Office equipment	5 years

Contributed tangible capital assets are capitalized at their estimated fair value upon acquisition and recognized as revenue in the year of contribution.



**1. Significant accounting policies (continued):**

(f) Revenue recognition:

i) Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except when, and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

ii) Municipal levies

Municipal levies are recognized as revenue in the year in which they meet the definition of an asset, the levy is authorized and the levy event has occurred.

iii) Authority generated

User fees, sales and admissions and other income is reported as revenue in the period earned.

(g) Employee future benefits:

The Authority provides certain employee benefits which will require funding in future periods. These benefits include extended health and dental benefits for early retirees to age 65. The employee future benefits represent management's best estimates of the cost of premiums on benefits up to the date of retirement.

(h) Use of estimates:

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in future. Significant estimates include assumptions used in the estimation of employee future benefits.

**2. Employee future benefits:**

The Authority provides extended life, health and dental benefits to a closed group of early retirees to age 65 which will require funding in future periods. The Authority recognizes these retirement benefit costs in the period in which the service is rendered. The accrued benefit liability at December 31, 2020 was estimated by management to be \$74,200 (2019 - \$66,300). Information about the Authority's benefit plan is as follows:

	2020	2019
Accrued benefit obligation:		
Balance, beginning of year	\$ 66,300	\$ 73,200
Current benefit cost	20,913	14,195
Benefits paid	(13,013)	(21,095)
Accrued benefit obligation, end of year	\$ 74,200	\$ 66,300

**3. Long-term debt:**

	2020	2019
The Authority has assumed responsibility for the payment of principal and interest charges on long-term debt issued by the Region of Niagara	\$ -	\$ 216,325
	\$ -	\$ 216,325

Long-term debt bears interest at rates ranging from 4.5% - 4.8%. Long-term debt was fully repaid during the year.

The Authority paid \$5,030 (2019 - \$27,980) in interest on long-term debt during the year.

**4. Deferred revenue:**

Deferred revenues consist of the following:

	Balance at December 31, 2019	Externally restricted inflows	Revenue earned	Balance at December 31, 2020
User fees and other	\$ 199,980	\$ 66,392	\$ (42,837)	\$ 223,535
Government grants	254,157	6,126	(37,018)	223,265
Canada Emergency Wage Subsidy	-	494,365	-	494,365
Welland river watershed- Ontario Power Generation ("OPG")	1,066,910	-	(45,916)	1,020,994
Other	-	4,140	-	4,140
Total	\$ 1,521,047	\$ 571,023	\$ (125,771)	\$ 1,966,299

**5. Tangible capital assets:**

Cost	Balance at December 31, 2019	Additions	Transfers/ Disposals	Balance at December 31, 2020
Land	\$ 9,192,450	\$ 650	\$ (9,062)	\$ 9,184,038
Land improvements	6,340,128	244,353	(1,263,685)	5,320,796
Buildings	6,061,641	200,631	(275,513)	5,986,759
Dams	4,986,642	177,688	-	5,164,330
Gauge stations	403,351	-	-	403,351
Equipment	2,300,540	766,386	(582,318)	2,484,608
Vehicles	284,696	-	(101,878)	182,818
Office equipment	970,672	-	(262,308)	708,364
Work-in-progress	512,258	1,407,844	(1,389,058)	531,044
<b>Total</b>	<b>\$ 31,052,378</b>	<b>\$ 2,797,552</b>	<b>\$ (3,883,822)</b>	<b>\$ 29,966,108</b>

Accumulated Amortization	Balance at December 31, 2019	Additions	Transfers/ Disposals	Balance at December 31, 2020
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	3,242,907	255,693	(1,136,055)	2,362,545
Buildings	2,498,325	198,600	(275,681)	2,421,244
Dams	1,772,126	73,891	-	1,846,017
Gauge stations	224,955	20,128	89	245,172
Equipment	1,291,092	243,454	(529,358)	1,005,188
Vehicles	243,066	20,816	(101,878)	162,004
Office equipment	771,762	84,948	(262,308)	594,402
<b>Total</b>	<b>\$ 10,044,233</b>	<b>\$ 897,530</b>	<b>\$ (2,305,191)</b>	<b>\$ 8,636,572</b>

**5. Tangible capital assets (continued):**

	Net Book Value December 31, 2019	Net Book Value December 31, 2020
Land	\$ 9,192,450	\$ 9,184,038
Land improvements	3,097,221	2,958,251
Buildings	3,563,316	3,565,515
Dams	3,214,516	3,318,313
Gauge stations	1,009,448	158,179
Equipment	178,396	1,479,420
Vehicles	41,630	20,814
Office equipment	198,910	113,962
Work-in-progress	512,258	531,044
<b>Total</b>	<b>\$ 21,008,145</b>	<b>\$ 21,329,536</b>

Work-in-process, having a value of \$531,044 (2019 - \$512,258) has not been amortized. Amortization of these assets will commence when the asset is put into service.

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The fair value of contributed assets received during the year is \$650 (2019 - \$ nil) comprised of land) and has been recognized as revenue in the Statement of Operations. Tangible capital assets recognized at nominal value include land used in the operations and conservation management. There were no amounts recognized at nominal value during the year or 2019.

During the year, the Authority recognized write-downs of tangible capital assets no longer in service. The loss on write-downs have been recognized in the Statement of Operations in Corporate Resources in the amount of \$166,007 (2019 - \$nil). During the year, the Authority also disposed of assets in the normal course of operations, recognizing a gain on disposal of \$22,334 (2019 - \$30,003).

**6. Accumulated surplus:**

Accumulated surplus consists of the following:

	2020	2019
Invested in tangible capital assets	\$ 21,329,536	\$ 20,791,820
Reserves set aside by the Board of the Authority for specific purpose	5,694,393	5,627,512
Unfunded employee future benefits liability	(74,200)	(66,300)
	<b>\$ 26,949,729</b>	<b>\$ 26,353,032</b>

**6. Accumulated surplus (continued):**

Reserves set aside by the Board of the Authority for specific purpose consists of the following:

	2020	2019
General capital	\$ 557,530	\$ 548,734
Operating reserve	1,426,539	1,507,903
Equipment	-	-
Flood protection	307,705	281,773
Levy differential	32,126	31,619
Land acquisitions	2,972,934	2,926,032
Restoration	318,809	251,038
Tree by-law	78,750	80,413
	<b>\$ 5,694,393</b>	<b>\$ 5,627,512</b>

**7. Credit facility:**

The Authority's credit facility includes an overdraft lending account of \$765,000 bearing interest at prime. As at December 31, 2020, \$nil (2019 - \$nil) was drawn on this facility. As at December 31, 2020, \$23,333 (2019 - \$35,000) was issued by way of a letter of credit to a municipality for which the Authority receives levies in exchange for construction work on-going within the municipal boundaries.

**8. Pension plan:**

The Authority makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of the 55 (2019 – 56) members of its staff. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

Since OMERS is a multi-employer pension plan, the Authority does not recognize any share of the pension plan deficit of \$3.2 billion (2019 - \$3.4 billion) based on the fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipal entities and their employees. Contributions were made in the 2020 calendar year at rates ranging from 9.3% to 14.6% depending on the member's designated retirement age and level of earnings. Employer contributions for current and past service are included as an expense in the Statement of Operations. Employer contributions to OMERS for 2020 current and past service was \$442,787 (2019 - \$394,201) and were matched by employee contributions.

**9. Budget data:**

The budget data presented in these financial statements is based upon the 2020 operating budget approved by the Board of the Authority on September 11, 2019 and capital budget approved October 16, 2019. Amortization was not incorporated in the development of the budget and, as such, were not provided on the statement of changes in net financial assets. The chart below reconciles the approved budget to the budget figures reported in these financial statements:

	Budget Amount
Revenues	
Operating	
Approved budget	\$ 9,401,245
Capital	3,852,780
Less:	
Transfers from reserves	(1,104,860)
<b>Total revenues</b>	<b>\$ 12,149,165</b>
Expenses:	
Operating	
Approved budget	9,401,245
Capital	
Approved budget	3,852,780
Add:	
Amortization	897,530
Less:	
Tangible capital assets included in operating expense	(3,852,780)
Debt principal payments	(216,325)
<b>Total expenses</b>	<b>10,082,450</b>
<b>Annual surplus</b>	<b>\$ 2,066,715</b>

**10. Contingencies:**

The Authority is involved from time to time in litigation, which arises in the normal course of business. The exact outcome of these actions is not determinable as at the date of reporting. In respect of certain outstanding claims, the Authority believes that insurance coverage is adequate and that no material exposure exists on the eventual settlement of such litigation, therefore no provision has been made in the accompanying financial statements.

**11. Related party transactions:**

During the year, the Authority incurred \$36,273 (2019 - \$67,184) in expenditures for per diems, honorariums, and mileage which was paid to and on behalf of members of the Board of Directors for the Authority.

## **12. Contractual rights:**

The Authority has contractual rights under contract with various Ministry agencies to receive funds in exchange for services to be provided under those contracts. The Authority is expecting up to \$81,194 in future revenues based on anticipated services to be performed.

## **13. Segmented information:**

The Authority provides a wide range of services which are categorized by department. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### **CAO and Administration**

CAO and administration services is comprised of the administration services of the Authority.

### **Watershed**

The watershed department is the umbrella for three divisions dedicated to monitoring, regulating, protecting and improving the health and safety of our watersheds.

### **Corporate Resources**

The corporate resources department is the umbrella for three divisions dedicated to conservation land management, conservation land programming and development and managing the Authority's vehicles and equipment. Conservation land management is the administration department for the conservation areas. Conservation land programming and development is responsible for maintenance and improvements to the conservation areas. The vehicles and equipment department accounts for the cost of maintaining the vehicles and equipment.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Municipal levies have been allocated to the segments based upon budgeted levies for the segment. Interest earned on investments has been allocated to the corporate resources segment.

Notes to Financial Statements (continued)

Year ended December 31, 2020

**13. Segmented information (continued):**

<b>2020</b>				
	<b>CAO and Administration</b>	<b>Watershed</b>	<b>Corporate Resources</b>	<b>Total</b>
<b>Revenues:</b>				
MNRF transfers	\$ 15,200	\$ 74,883	\$ -	\$ 90,083
Government transfers	8,513	119,260	190,942	318,715
Municipal levies	1,698,820	1,618,657	4,228,721	7,546,198
User fees, sales and administration	-	-	1,421,260	1,421,260
Administration fees	-	439,317	-	439,317
Interest	-	-	108,624	108,624
Other	19,579	290,133	269,027	578,739
Land acquisition (note 5)	-	650	-	650
Gain on disposal	-	-	22,334	22,334
OPG – Welland River Watershed	-	45,916	-	45,916
<b>Total revenues</b>	<b>1,742,112</b>	<b>2,588,816</b>	<b>6,240,908</b>	<b>10,571,836</b>
<b>Expenses:</b>				
Salaries and benefits	1,171,905	1,672,549	3,035,204	5,879,658
Materials and supplies	120,934	58,831	1,273,650	1,453,415
Contracted services	-	28,107	274,057	302,164
Professional fees	144,835	170,058	249,093	563,987
Rent and financial expenses	-	-	538,365	538,365
Debt service	-	-	5,030	5,030
Marketing and promotion	110,498	-	58,486	168,983
Loss on disposal	-	-	166,007	166,007
Amortization	161,009	150,977	585,544	897,530
<b>Total expenses</b>	<b>1,709,181</b>	<b>2,080,522</b>	<b>6,185,436</b>	<b>9,975,139</b>
<b>Annual surplus</b>	<b>\$ 32,931</b>	<b>\$ 508,294</b>	<b>\$ 55,472</b>	<b>\$ 596,697</b>
<b>2019</b>				
	<b>CAO and Administration</b>	<b>Watershed</b>	<b>Corporate Resources</b>	<b>Total</b>
<b>Revenues:</b>				
MNRF transfers	\$ 15,200	\$ 74,883	\$ -	\$ 90,083
Government transfers	21,975	152,529	148,978	323,482
Municipal levies	1,754,956	1,207,344	4,088,785	7,051,085
User fees, sales and administration	-	-	2,148,195	2,148,195
Administration fees	-	401,000	-	401,000
Interest	-	-	214,063	214,063
Other	14,796	299,223	101,239	415,258
Gain on disposal	-	-	30,003	30,003
OPG - Welland river watershed	-	195,432	-	195,432
<b>Total revenues</b>	<b>1,806,927</b>	<b>2,330,411</b>	<b>6,731,263</b>	<b>10,868,601</b>
<b>Expenses:</b>				
Salaries and benefits	2,033,528	1,525,625	2,983,445	6,542,598
Materials and supplies	382,887	152,303	1,429,125	1,964,315
Contracted services	89,542	44,151	392,862	526,555
Professional fees	363,597	66,518	108,507	538,622
Rent and financial expenses	13,458	-	296,723	310,181
Debt service	-	-	27,980	27,980
Government transfer – levy differential	-	-	1,284,238	1,284,238
Amortization	185,764	79,711	598,596	864,071
<b>Total expenses</b>	<b>3,068,776</b>	<b>1,868,308</b>	<b>7,121,476</b>	<b>12,058,560</b>
<b>Annual surplus</b>	<b>\$ (1,261,849)</b>	<b>\$ 462,103</b>	<b>\$ (390,213)</b>	<b>\$ (1,189,959)</b>





# **Grand River Conservation Authority (GRCA)**

**Grand River**



GRAND RIVER CONSERVATION AUTHORITY										
BUDGET INFORMATION: 10 Year Summary										
Description	2013	2014	2015	2016	2017	Appeal Period		Per Regulation 670/00		
						2018	2019	2020	2021	2022 NET Preliminary Budget \$
<b>Levy</b>	243,115	246,875	251,180	256,500	263,510	271,570	275,640	1,471,640	1,519,510	1,549,900
\$ Increase Year over Year	4,955	3,760	4,305	5,320	7,010	8,060	4,070	1,196,000	47,870	30,390
% Increase Year over Year	2.1%	1.5%	1.7%	2.1%	2.7%	3.1%	1.5%	433.9%	3.3%	2.0%
<b>GENERAL LEVY % APPORTIONMENT* (Includes Special Levies)</b>										
Municipality	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County of Brant	3.2%	3.1%	3.1%	3.1%	3.2%	2.9%	2.8%	2.8%	2.8%	2.9%
City of Brantford	8.8%	8.3%	8.3%	8.2%	8.1%	7.2%	7.4%	7.4%	7.4%	7.4%
County of Haldimand	1.8%	1.7%	1.7%	1.7%	1.7%	1.4%	1.4%	1.4%	1.4%	1.4%
Region of Halton	2.2%	2.3%	2.4%	2.4%	2.5%	2.2%	2.3%	2.4%	2.4%	2.4%
<b>City of Hamilton</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>12.2%</b>	<b>12.5%</b>	<b>12.3%</b>	<b>12.4%</b>	<b>12.4%</b>
Region of Waterloo	56.7%	57.0%	56.9%	57.0%	57.0%	51.2%	51.1%	50.9%	50.6%	50.5%
Township of Centre Wellington	2.8%	2.8%	2.8%	2.8%	2.8%	2.5%	2.5%	2.5%	2.5%	2.6%
City of Guelph	14.7%	14.8%	14.9%	14.9%	14.9%	13.5%	13.6%	13.6%	13.7%	13.6%
Other (less than 1% each)	7.4%	7.6%	7.5%	7.5%	7.5%	6.7%	6.5%	6.8%	6.9%	6.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Note</b>										
1. 2020 Onwards, the levy has been budgeted per Regulation 670/00 of the Conservation Authorities Act.										
2. The 2022 budget above is shown at 2021 budget + 2% based on City guidelines. A budget adjustment will be required based on the actual levy imposed by the Conservation Authority.										



# Grand River Conservation Authority

**Report number:** GM-09-21-64

**Date:** September 24, 2021

**To:** Members of the Grand River Conservation Authority

**Subject:** Budget 2022 – Draft #1

## Recommendation:

THAT Report Number 09-21-64 - Budget 2022 - Draft #1 be received as information.

## Summary:

This report summarizes the first draft of the 2022 Budget which shows breakeven results. Overall the 2022 Budget includes \$30,922,188 in expenditures (Budget 2021: \$31,973,429) and Municipal General Levy is budgeted to increase by \$305,000 (or 2.5%) to \$12,530,000.

The budget outlines revenue and expenses for current GRCA Programs which have been categorized as:

- Operating
- Capital Maintenance
- Special projects

GRCA programs are funded by:

- Municipal General Levy
- Other Municipal Funding (by special agreements)
- Provincial and Federal Grants
- Self-Generated Revenue
- Funding from Reserves

The operating budget assumes the continuation of current GRCA programs and their associated funding sources. To date, there have been no changes to provincial legislation and accompanying regulations pertaining to mandatory versus non-mandatory programs. As a result, this draft assumes Municipal General Levy will continue to apply as in the past. The government has indicated that once regulations are released there will be a transition period over which to adopt the regulations. To date, the government has indicated that the transition period will end December 31, 2022.

This draft 2022 budget assumes that the \$449,688 provincial section 39 grant will be the same as the 2021 grant amount. The special projects category represents spending on projects where special funding is received and does not rely on Municipal General Levy for funding.

	2022	2021	Increase/(decrease)
<b><u>EXPENDITURES</u></b>			
Operating Expenses	\$25,800,188	\$25,178,429	\$621,759
Capital Expenses	\$3,642,000	\$3,757,000	(\$115,000)
Special Projects	<u>\$1,480,000</u>	<u>\$3,038,000</u>	<u>(\$1,558,000)</u>
<b>Total</b>	<b><u>\$30,922,188</u></b>	<b><u>\$31,973,429</u></b>	<b><u>(\$1,051,241)</u></b>

Note: Use of the term capital expenses for spending that is funded with municipal general levy refers to major maintenance, water control structure studies, or water management equipment.

## Report:

### A. OPERATING BUDGET

#### (a) Mandatory vs Non-Mandatory Program Mandate

This draft assumes no change to current program delivery for 2022 except the following:

- Continuation of the wind-down of the residential property rental program that was approved by the General Membership on July 22, 2016.
- Conservation Area budget will be based on 2021 activity. Continue to set target of breakeven result for Conservation Area Operations.
- Resource Planning fee revenue experiencing significant increases over the past couple years. This budget draft assumes that this trend will continue into 2022 and staffing has been increased to help address the increased demand.
- Outdoor Education budget will assume that only school program contracts will be in place. There is no activity assumed for community programs and no day camp activity.

#### (b) Section 39 Funding

- It is assumed that there will no further cutbacks in the provincial Section 39 grant for the period April 1, 2022 to March 31, 2023 and therefore the Section 39 grant amount will remain at \$449,688.

#### (c) Municipal General Levy

- The 2022 Budget includes \$12,530,000 in municipal general levy, a \$305,000 (or 2.5%) increase, which represents an increase of \$305,000 to operating levy component and no change to major maintenance levy component.

#### (d) Surplus Assumption

- The budget draft assumes a \$100,000 surplus carry forward from 2021.

#### (e) Transition Reserve

- This budget draft includes a transfer of \$181,900 to the transition reserve.
- As part of the 2021 budget, a transition reserve was established in accordance with the GRCA's Reserve Policy.
- The rationale (purpose) for the reserve is to fund expenditures related to the transitioning of GRCA to new provincial regulations requirements and/or fund costs related to managing expenses impacted by COVID-19 or revenue losses due to COVID-19. The uncertainty created by COVID-19 and the pending provincial regulations hamper the ability to identify and quantify expenses and revenue impacts which in turn make budgeting challenging. By establishing this reserve, as events unfold, appropriate forecast adjustments can be introduced and the reserve accessed as necessary. As at December 31, 2021 the reserve balance is \$860,000.
- The strategy for Budget 2022 draft #1 is to increase municipal general levy by 2.5%. Any resulting net surplus will be transferred into the transition reserve. Budget 2022 draft #1 includes a transfer of \$181,900 into the transition reserve. This amount is basically a result of compensation cost savings originating in 2020 with staff departures and vacancies and offset by 2021 and 2022 increases in staffing. A staffing plan is somewhat contingent on uncertain events driven by the status of COVID-19 and the transition to the new regulations.

#### (f) Compensation and Benefits and Staffing Comments:

- The 2022 draft budget includes a 3% increase for compensation and benefits which allows for a general wage increase, grid steps and benefit cost increases. Staffing reduction savings that originated during 2020 are being offset by staffing increases

included in budget 2022. Any net savings due to vacancies and staff departures from 2021 are being placed into the transition reserve.

- Non-union salary adjustments are required to be approved by the General Membership via a separate report presented in November or December of the current year. The current four year Collective Agreement expires December 31, 2021.

(g) COVID Costs

- The first draft of the budget assumes that incremental COVID-19 costs (i.e. cleaning, information systems and other equipment, supplies, motor pool charges) are offset by discretionary cost savings such as staff development and travel.

(h) Residential Rental Program

- The Residential Rental Program is in the process of winding down. The budgeted 2022 revenue of \$105,000 assumes no decrease in occupancy during 2022.
- The budgeted net result for this program is a \$25,000 deficit.

(i) Environmental Education

- At present, negotiations with school boards for 2021/22 contracts are in progress. The first draft of the budget assumes that school contracts will be finalized, and that there will not be any community or day camp program delivery. Decisions regarding the future format and scope of the outdoor education program will be incorporated into future budget drafts as applicable.

(j) Conservation Areas

- Conservation Area 2022 budgeted revenue of \$8,500,000 is approximately \$500,000 less than the most recent forecast for 2021. Actual 2021 revenue is projected to exceed \$9,000,000. The 2022 budget assumes no closures, but does reflect sales volume impacted by capacity limits, no boating and no concession sales.
- Operating expenses are being increased to correspond with the increase in revenue.
- The program is budgeted to break even. The revenue and cost assumptions will be revisited once actuals for the full 2021 season are available.

## **B. CAPITAL & MAJOR MAINTENANCE BUDGET**

a) Major Maintenance Spending Water Control Structures

- The budget is set at \$1,500,000. Any demands that arise in excess of that amount can be funded with the Water Control Structures reserve and/or the Land Sale Proceeds reserve. Staff continue to seek funding to repair and update the water control infrastructure from provincial and federal government. Current government funding opportunities includes the Disaster Mitigation and Adaptation Fund (DMAF), the National Damage Mitigation Program (NDMP), and the Provincial Water and Erosion Control Infrastructure (WECI) Program.

b) Capital Spending Conservation Areas

- The budget is set at \$1,500,000. This spending is budgeted to be funded with \$900,000 of fee revenue and \$600,000 from the conservation area reserve. Future budget drafts will be revised as capital projects are prioritized.

c) Water Monitoring Equipment and Flood Forecasting and Warning Expenses

- The budget is being held constant at \$300,000. The gauge reserve will be used to fund \$100,000 of total costs and the remaining costs will be funded with Municipal General Levy.



### C. SPECIAL PROJECTS

- a) Special projects do not rely on Municipal General Levy for funding.
- b) This draft of the budget only includes items that are highly likely to be undertaken and a cost can be estimated. At present, the budget includes \$1,480,000 in spending. By the time the 2022 budget is finalized special project spending, along with matching revenue, is expected to increase substantially as projects are approved and carryover amounts are confirmed.
- c) The \$1,480,000 in special projects included in this draft budget are:
  - \$800,000 Rural Water Quality Capital Grants
  - \$640,000 Source Protection Program
  - \$40,000 Species at Risk Program
- d) Source Protection Program
  - The province has indicated that this program will be considered a core program mandated to be delivered by Conservation Authorities. Funding to March 2022 was secured. The province has not guaranteed funding for future years, nor has it announced an end to program funding.

### D. RESERVES

- For 2022, reserves are budgeted to decrease by \$485,600. The most significant budgeted drawdown to reserves is \$600,000 for Conservation Area capital projects. See attached table for details of reserve movements budgeted for 2022. The use of reserves is integral to GRCA operations. GRCA sets aside certain funds to reserves (i.e. Land Sale Proceeds, Hydro Revenue, Interest Earned on Reserves) in order to be able to draw upon these reserves at a later date in accordance with either legislative mandates and/or board approved uses.
- Reserves can be viewed as:
  - Planned savings set aside for future capital projects (facilitates smoothing of funding requests)
  - Surpluses set aside for future operating or capital needs (i.e. Park Revenue in excess of budget)
  - Contingency funds for unplanned expenditures
  - Legislated amounts to be used in accordance with regulations (i.e. land sale proceeds)
- A detailed report on reserves will be presented at the November 26, 2021 general meeting.

### E. GENERAL MUNICIPAL LEVY ALLOCATION

- The General Municipal Levy is allocated to participating municipalities based on Modified Current Value Assessment (CVA), which the Ministry of Environment Conservation and Parks (MECP) provides to Conservation Authorities. The methodology for calculating the Modified CVA and distributing the levy is outlined in Ontario Regulation 670/00. The distribution of the 2022 levy (budget draft #1) is outlined in September 24, 2021 board report entitled 'Budget 2022 - Draft #1 - General Municipal Levy Apportionment'.

### F. OTHER MAJOR ASSUMPTIONS

- a) MECP Operating Grants to remain at \$449,688 - the same amount as 2020.
- b) Permit Fees, Planning Fees and Solicitor Inquiries increased by \$150,000 to reflect 2021 activity.

- c) Property Rental income set to be equal to 2021 forecast income along with a 1% increase to the Cottage Lot Rental Program.
- d) Watershed studies funded 50% by GRCA and 50% via special levy are budgeted for \$100,000 annually.
- e) Total Insurance expense increased by \$107,000 to reflect 2021 rate increases.
- f) Total Property Tax expense held constant for draft #1 and will be adjusted in future drafts as necessary.
- g) Other Operating expense increases held constant.
- h) Motor Pool charge out rates held constant.
- i) Computer charge out rates held constant.

**G. SIGNIFICANT OUTSTANDING BUDGET ITEMS**

- (a) Year 2021 Carry forward Adjustments
  - 2021 Surplus carry forward - this draft of the 2022 Budget assumes a \$100,000 surplus carry over from year 2021. The actual “2021 Net Surplus” will be incorporated into the 2022 budget.
- (b) 2021 Special Projects carry forward
  - Any projects commenced in year 2021 and not completed by December 31, 2021 will be carried forward and added to Budget 2022 (i.e. both the funding and the expense will be added to Budget 2022 and therefore these adjustments will have no impact on the breakeven net result).
- (c) Water Control Structures Major Maintenance Expenditures
  - A final determination of the amount of spending to be added to the Budget 2022 (i.e. unspent amounts from 2021, new projects) will be made, including use of reserves for 2022 projects. Any decisions to increase spending should not impact the general municipal levy request, but would be funded with reserves, WECl funding, and/or new funding sources, as applicable.
- (d) Conservation Area Revenue and Expenses
  - Final revenue, operating and capital expense figures to be determined following year-end actuals review.
- (e) Outdoor Education
  - Final revenue and operating expense figures to be determined following further information on school contracts and COVID-19 developments (in-class vs virtual classes).
- (f) Source Protection Program
  - The current budget draft includes \$640,000 in spending. The final version of the GRCA 2022 Budget will be adjusted to reflect any anticipated funding approvals. Expenses for this program are funded 100% by a provincial grant.

The following statements and schedules are attached:

- Budget 2022 Timetable
- Summary Reserve Report – Budget 2022
- Preliminary Budget 2022

## **Financial Implications:**

Budgeted spending for 2022 is \$30,922,188 including transfers to reserves. This first draft of the budget includes a municipal general levy increase of \$305,000 (or 2.5%). The GRCA will continue to work with Conservation Ontario and the province to provide input to proposed provincial legislative changes.

The main budgetary challenges faced by the GRCA are:

- Uncertainty created by the COVID-19 pandemic.
- Uncertainty regarding changes to the Conservation Authorities Act and the accompanying regulations.
- Uncertainty for the Outdoor Education program given COVID-19 protocols and outstanding school contracts.
- Conservation Area operating revenue is impacted by the pandemic and weather conditions which are difficult to predict.
- An aging infrastructure in the Conservation Areas and Nature Centres.
- Managing the costs of severe weather events

## **Other Department Considerations:**

None

### **Prepared by:**

Sonja Radoja  
Manager of Corporate Services

### **Approved by:**

Karen Armstrong  
Deputy CAO/Secretary-Treasurer

Budget 2022 Timetable

September 24, 2021

- Sept 24, 2021: Draft #1 to General Meeting
- October 22, 2021: Draft #2 to General Meeting (as required)
- November 26, 2021: Draft #3 to General Meeting (as required)
- December 17, 2021: Status Report to General Meeting (if necessary)
- Oct/21-Feb/22: Presentations to municipal councils
- Jan 21, 2022: Draft #4 to General Meeting
- Jan 26, 2022: Official Notice to Municipalities of Budget Vote
- Feb 25, 2022: Board Approval, Final 2021 Budget & Levy

**Grand River Conservation Authority**  
**SUMMARY RESERVE REPORT - BUDGET 2022**

General Meeting - September 24, 2021

	BUDGET 2021	"NET CHANGE" INCREASE/(DECREASE) 2021 VS 2022	DETAILS OF "NET CHANGE" BUDGET 2022			BUDGET 2022
			Transfer In (Interest Income)	Transfer In	Transfer Out Description of Transfer	
<b>Type A: GRCA Controlled</b>						
<b>Operating Reserves (designated)</b>						
Property & Liability Insurance	270,383	0	0			270,383
Building & Mechanical Equipment	1,141,833	0	0			1,141,833
Small Office Equipment	7,720	0	0			7,720
Personnel	1,234,112	(15,000)	0		(15,000) OUT- Vacation Accrual	1,219,112
Transition	860,000	191,900	10,000	181,900		1,051,900
Forestry	899,703	15,000	15,000			914,703
Information Systems and Technology	1,190,357	(108,000)	22,000	1,307,000	(1,437,000) IN-Chargebacks; OUT-Operating/Capital costs	1,082,357
Cottage Operations	843,776	15,000	15,000			858,776
Grand River Watershed Management Plan	111,763	2,000	2,000			113,763
Planning Enforcement	451,713	8,000	8,000			459,713
Property Rental Expenses	689,789	15,000	15,000			704,789
Watershed Restoration	119,452	2,000	2,000			121,452
Master Planning	227,096	3,000	3,000			230,096
Motor Pool Equipment	1,682,024	(172,000)	40,000	1,174,000	(1,386,000) IN-Chargebacks;OUT-Operating/Capital costs	1,510,024
Motor Pool Insurance	89,689	1,000	1,000			90,689
<b>Capital Reserves (designated)</b>						
Water Control Structures	3,180,003	10,000	60,000		(50,000) OUT-Water Control Structures major repairs	3,190,003
Cambridge Desiltation Pond	5,694	(1,000)	0		(1,000) OUT-Cambridge Desiltation Pond costs	4,694
Completion of Capital Projects	162,000	0	0			162,000
Conservation Areas-Capital	-102,000	102,000	0	102,000	IN-To adjust reserve to NIL	0
Conservation Areas-Stabilization/Capital	1,759,448	(647,000)	55,000		(702,000) OUT-Cons Area Capital costs \$600K, AJE Cons Area Capital \$102K	1,112,448
Gauges	807,326	(85,000)	15,000		(100,000) OUT-Gauge Expenses	722,326
<b>Capital Reserves (undesignated)</b>						
General Capital Reserve	1,177,059	131,500	15,000	116,500	IN-Hydro Generation Revenue	1,308,559
<b>Total Type A: GRCA Controlled</b>	<b>16,808,940</b>	<b>(531,600)</b>	<b>278,000</b>	<b>2,881,400</b>	<b>(3,691,000)</b>	<b>16,277,340</b>
<b>Type B: Reserves with Outside Control</b>						
<b>With MNRF Interest (Capital Reserves)</b>						
Gravel	253,198	3,000	4,000		(1,000) OUT-Gravel Pit License	256,198
Land Sale Proceeds Reserve	7,135,688	38,500	138,500	0	(100,000) OUT-Demolitions \$100K	7,174,188
<b>With School Board Interest (Operating Reserves)</b>						
App's Nature Centre	54,219	1,000	1,000			55,219
Laurel Creek Nature Centre	100,103	1,500	1,500			101,603
Guelph Lake Nature Centre	117,786	1,000	1,000			118,786
Taquanyah Nature Centre	3,795	0	0			3,795
Shade's Mills Nature Centre	58,397	1,000	1,000			59,397
<b>Total Type B: Outside Control</b>	<b>7,723,186</b>	<b>46,000</b>	<b>147,000</b>	<b>0</b>	<b>(101,000)</b>	<b>7,769,186</b>
<b>TOTAL</b>	<b>\$24,532,126</b>	<b>(485,600)</b>	<b>\$425,000</b>	<b>\$2,881,400</b>	<b>(\$3,792,000)</b>	<b>\$24,046,526</b>

GRAND RIVER CONSERVATION AUTHORITY

**BUDGET 2022 - Summary of Revenue and Expenditures**

FUNDING		Actual 2020	Budget 2021	Budget 2022	Budget Incr/(decr)
Municipal General Levy Funding		11,927,000	12,225,000	12,530,000	305,000 2.49%
Other Government Grants		3,058,703	3,502,188	2,747,188	(755,000) -21.6%
Self-Generated Revenue		15,869,456	13,577,241	14,436,000	858,759 6.3%
Funding from Reserves		788,467	2,669,000	1,209,000	(1,460,000) -54.7%
<b>TOTAL FUNDING</b>		<b>31,643,626</b>	<b>31,973,429</b>	<b>30,922,188</b>	<b>(1,051,241)</b> -3.3%
EXPENDITURES		Actual 2020	Budget 2021	Budget 2022	Budget Incr/(decr)
Base Programs - Operating includes funding to reserves	SECTION A	26,583,370	25,178,429	25,800,188	621,759 2.47%
Base Programs - Capital	SECTION B	2,450,132	3,757,000	3,642,000	(115,000) -3.06%
Special Projects	SECTION C	2,293,883	3,038,000	1,480,000	(1,558,000) -51.3%
<b>TOTAL EXPENDITURES</b>		<b>31,327,385</b>	<b>31,973,429</b>	<b>30,922,188</b>	<b>(1,051,241)</b> -3.3%
<b>NET RESULT</b>		<b>316,241</b>	<b>-</b>	<b>-</b>	

## SECTION A - Operating Budget

GRAND RIVER CONSERVATION AUTHORITY

### Budget 2022 vs Budget 2021

	Actual 2020	Budget 2021	Budget 2022	Incr/(Decr)	%age change
<b>EXPENDITURES</b>					
OPERATING EXPENSES	26,583,370	25,178,429	25,800,188	621,759	2.42%
<b>Total Expenses</b>	<b>26,583,370</b>	<b>25,178,429</b>	<b>25,800,188</b>	<b>621,759</b>	<b>2.42%</b>
<b>SOURCES OF FUNDING</b>					
MUNICIPAL GENERAL LEVY (NOTE)	10,628,727	11,275,000	11,580,000	305,000	2.96%
MUNICIPAL SPECIAL LEVY	13,135	50,000	50,000	-	0.00%
OTHER GOVT FUNDING	744,029	517,188	517,188	-	0.00%
SELF-GENERATED	14,758,775	12,903,000	13,436,000	533,000	3.85%
RESERVES	61,417	117,000	117,000	-	0.00%
SURPLUS CARRYFORWARD	377,287	316,241	100,000	(216,241)	-52.45%
<b>Total BASE Funding</b>	<b>26,583,370</b>	<b>25,178,429</b>	<b>25,800,188</b>	<b>621,759</b>	<b>2.42%</b>

NOTE: See "Summary of Revenue, Expenditures and Changes in Municipal Levy" for details of \$305,000 levy increase.

## SECTION B - Capital Budget

GRAND RIVER CONSERVATION AUTHORITY

### Budget 2022

	Water Resources Planning & Environment	FFW	Flood Control Expenses	Conservation Land Management (Sch 4)	Conservation Areas	Corporate Services	BUDGET TOTAL
<b>Expenses:</b>							
WQ Monitoring Equipment & Instruments	110,000						110,000
Flood Forecasting Warning Hardware and Gauges		190,000					190,000
Flood Control Structures-Major Maintenance			1,500,000				1,500,000
Conservation Areas Capital Projects					1,500,000		1,500,000
Net IT/MP Capital Spending not allocated to Departments						342,000	342,000
<b>TOTAL EXPENSE</b>	<b>110,000</b>	<b>190,000</b>	<b>1,500,000</b>	<b>-</b>	<b>1,500,000</b>	<b>342,000</b>	<b>3,642,000</b>
<b>Funding</b>							
Prov & Federal Govt			700,000				700,000
Self Generated					900,000		900,000
Funding from Reserves	75,000	25,000	50,000		600,000	342,000	1,092,000
<b>TOTAL FUNDING</b>	<b>75,000</b>	<b>25,000</b>	<b>750,000</b>	<b>-</b>	<b>1,500,000</b>	<b>342,000</b>	<b>2,692,000</b>
<b>Net Funded by General CAPITAL Levy</b>	<b>35,000</b>	<b>165,000</b>	<b>750,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>950,000</b>

### Budget 2021

	Water Resources Planning & Environment	FFW	Flood Control Expenses	Conservation Land Management (Sch 4)	Conservation Areas	Corporate Services	BUDGET TOTAL
<b>Expenses:</b>							
WQ Monitoring Equipment & Instruments	110,000						110,000
Flood Forecasting Warning Hardware and Gauges		190,000					190,000
Flood Control Structures-Major Maintenance			1,500,000				1,500,000
Conservation Areas Capital Projects					1,500,000		1,500,000
Net IT/MP Capital Spending not allocated to Departments						457,000	457,000
<b>TOTAL EXPENSE</b>	<b>110,000</b>	<b>190,000</b>	<b>1,500,000</b>	<b>-</b>	<b>1,500,000</b>	<b>457,000</b>	<b>3,757,000</b>
<b>Funding</b>							
Prov & Federal Govt			700,000				700,000
Self Generated							-
Funding from Reserves	75,000	25,000	50,000		1,500,000	457,000	2,107,000
<b>TOTAL FUNDING</b>	<b>75,000</b>	<b>25,000</b>	<b>750,000</b>	<b>-</b>	<b>1,500,000</b>	<b>457,000</b>	<b>2,807,000</b>
<b>Net Funded by General CAPITAL Levy</b>	<b>35,000</b>	<b>165,000</b>	<b>750,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>950,000</b>

### ACTUAL 2020 - CAPITAL

	Water Resources Planning & Environment	FFW	Flood Control Expenses	Conservation Land Management (Sch 4)	Conservation Areas	Corporate Services	ACTUAL TOTAL
<b>Expenses:</b>							
WQ Monitoring Equipment & Instruments	5,932						5,932
Flood Forecasting Warning Hardware and Gauges		298,606					298,606
Flood Control Structures-Major Maintenance			1,365,239				1,365,239
Conservation Areas Capital Projects					795,020		795,020
Funding to Reserves	30,000	45,000					75,000
Net IT/MP Expenses in excess of chargebacks						(89,665)	(89,665)
<b>TOTAL EXPENSE</b>	<b>35,932</b>	<b>343,606</b>	<b>1,365,239</b>	<b>-</b>	<b>795,020</b>	<b>(89,665)</b>	<b>2,450,132</b>
<b>Funding</b>							
Prov & Federal Govt			585,745				585,745
Self Generated					658,020		658,020
Funding from Reserves		147,000	30,000		137,000	(89,665)	224,335
<b>TOTAL FUNDING</b>	<b>-</b>	<b>147,000</b>	<b>615,745</b>	<b>-</b>	<b>795,020</b>	<b>(89,665)</b>	<b>1,468,100</b>
<b>Net Funded by General CAPITAL Levy</b>	<b>35,932</b>	<b>196,606</b>	<b>749,494</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>982,032</b>



## SECTION C - Special Projects Budget

GRAND RIVER CONSERVATION AUTHORITY

### Budget 2022

EXPENDITURES	ACTUAL 2020	BUDGET 2021	BUDGET 2022
Subwatershed Plans - City of Kitchener	58,808	80,000	-
Dunnville Fishway Study	7,052	-	-
Waste Water Optimization Program	175,998	140,000	-
Floodplain Mapping	214,001	360,000	-
RWQP - Capital Grants	623,109	800,000	800,000
Brant/Brantford Children's Water Festival	5,583	-	-
Haldimand Children's Water Festival	5,254	-	-
Species at Risk	12,107	40,000	40,000
Ecological Restoration	25,635	100,000	-
AGGP-UofG Research Buffers	7,727	30,000	-
Great Lakes Agricultural Stewardship Initiative	9,381	-	-
Precision Agriculture-OMFRA	-	90,000	-
Great Lakes Protection Initiative	-	100,000	-
Trails Capital Maintenance	55,944	258,000	-
Emerald Ash Borer	298,063	400,000	-
Lands Mgmt - Land Purchases/Land Sale Expenses	59,047	-	-
Guelph Lake Nature Centre	54,753	-	-
<b>Total SPECIAL Projects 'Other'</b>	<b>1,612,462</b>	<b>2,398,000</b>	<b>840,000</b>
<b>Source Protection Program</b>	<b>681,421</b>	<b>640,000</b>	<b>640,000</b>
<b>Total SPECIAL Projects Expenditures</b>	<b>2,293,883</b>	<b>3,038,000</b>	<b>1,480,000</b>
<b>SOURCES OF FUNDING</b>			
Provincial Grants for Source Protection Program	681,421	640,000	640,000
OTHER GOVT FUNDING	1,034,395	1,595,000	840,000
SELF-GENERATED	75,352	358,000	-
FUNDING FROM/(TO) RESERVES	502,715	445,000	-
<b>Total SPECIAL Funding</b>	<b>2,293,883</b>	<b>3,038,000</b>	<b>1,480,000</b>

GRAND RIVER CONSERVATION AUTHORITY

**Budget 2022 - Summary of Expenditures, Funding and Change in Municipal Levy**

		TABLE 1	TABLE 2	TABLE 3	TABLE 4	TABLE 5	TABLE 6	TABLE 7	TABLE 8	TABLE 9	TABLE 9	TABLE 10	TABLE 10	TABLE 10	TOTAL
		Water Resources Planning & Environment	Flood Forecasting & Warning	Water Control Structures	Resource Planning	Forestry & Conservation Land Taxes	Conservation Services	Communications & Foundation	Environmental Education	Corporate Services	Loss/(Surplus) Impact on Municipal Levy Increase	Conservation Land and Rental Management and Misc	Hydro Production	Conservation Areas	
<b>2022 OPERATING</b>															
TOTAL EXPENSES	A	2,252,400	843,000	1,822,700	2,351,200	1,380,500	586,200	577,500	784,600	3,626,288		3,765,800	210,000	7,600,000	25,800,188
TOTAL OTHER FUNDING	B	87,500	164,338	285,350	1,044,000	577,000	31,000	0	500,000	85,000		3,216,000	530,000	7,600,000	14,120,188
"Other Programs" Surplus/(Loss)	B less A														
Loss to be offset with Surplus	C														
Surplus 2021 carried forward to 2022															
2022 Levy	A less B less C	2,164,900	678,662	1,537,350	1,307,200	803,500	555,200	577,500	284,600	3,541,288	129,800	0	0	0	11,580,000
<b>NET RESULT</b>															
<b>0</b>															
<b>Levy Increase:</b>															
2022 Levy		2,164,900	678,662	1,537,350	1,307,200	803,500	555,200	577,500	284,600	3,541,288	129,800				11,580,000
2021 Levy		2,158,200	664,462	1,500,350	1,223,200	788,000	671,200	579,500	340,600	3,612,629	(263,141)				11,275,000
Levy Increase over prior year		6,700	14,200	37,000	84,000	15,500	(116,000)	(2,000)	(56,000)	(71,341)	392,941	n/a	n/a	n/a	305,000
<b>2022 CAPITAL</b>															
TOTAL EXPENSES	A	110,000	190,000	1,500,000							342,000			1,500,000	3,642,000
TOTAL OTHER FUNDING	B	75,000	25,000	750,000							342,000			1,500,000	2,692,000
2022 Levy	A less B	35,000	165,000	750,000							-			-	950,000
<b>Levy Increase:</b>															
2022 Levy		35,000	165,000	750,000							-			-	950,000
2021 Levy		35,000	165,000	750,000							-			-	950,000
Levy Increase/(decrease) over prior year		-	-	-							-			-	-
<b>2022 SPECIAL</b>															
TOTAL EXPENSES	A	-	-	640,000				840,000						-	1,480,000
TOTAL OTHER FUNDING	B	-	-	640,000				840,000						-	1,480,000
2022 Levy	A less B	-	-	-				-						-	-
														TOTAL EXPENSES	30,922,188
														TOTAL FUNDING	30,922,188
														NET RESULT	-

**TABLE 1**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Water Resources Planning & Environment**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget Change</b>
<b>Expenses:</b>				<b>incr/(decr)</b>
Salary and Benefits	1,225,680	1,519,000	1,684,000	165,000
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	240,903	268,300	268,300	0
Insurance	102,144	107,300	135,000	27,700
Other Operating Expenses	49,269	165,100	165,100	0
Amount set aside to Reserves	515,000	186,000	-	(186,000)
<b>TOTAL EXPENSE</b>	<b>2,132,996</b>	<b>2,245,700</b>	<b>2,252,400</b>	<b>6,700</b>
<b>Funding</b>				<b>(incr)/decr</b>
Municipal Special/Other	13,135	50,000	50,000	0
Prov & Federal Govt	-	37,500	37,500	0
Funds taken from Reserves	-	-	-	0
<b>TOTAL FUNDING</b>	<b>13,135</b>	<b>87,500</b>	<b>87,500</b>	<b>-</b>
<b>Net Funded by General Municipal Levy</b>	<b>2,119,861</b>	<b>2,158,200</b>	<b>2,164,900</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>6,700</b>

**TABLE 2**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Flood Forecasting & Warning**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				<b>incr/(decr)</b>
Salary and Benefits	360,568	484,800	499,000	14,200
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	250,650	236,000	236,000	-
Other Operating Expenses	47,494	108,000	108,000	-
Amount set aside to Reserves	95,000	-	-	-
<b>TOTAL EXPENSE</b>	<b>753,712</b>	<b>828,800</b>	<b>843,000</b>	<b>14,200</b>
<b>Funding</b>				<b>(incr)/decr</b>
MNR Grant	164,338	164,338	164,338	-
<b>TOTAL FUNDING</b>	<b>164,338</b>	<b>164,338</b>	<b>164,338</b>	<b>-</b>
<b>Net Funded by General Municipal Levy</b>	<b>589,374</b>	<b>664,462</b>	<b>678,662</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>14,200</b>

**TABLE 3**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Water Control Structures**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				incr/(decr)
Salary and Benefits	1,089,653	1,241,000	1,278,000	37,000
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	8,654	29,200	29,200	-
Property Taxes	169,112	170,700	170,700	-
Other Operating Expenses	323,236	344,800	344,800	-
Amount set aside to Reserves	159,000	-	-	-
<b>TOTAL EXPENSE</b>	<b>1,749,655</b>	<b>1,785,700</b>	<b>1,822,700</b>	<b>37,000</b>
<b>Funding</b>				(incr)/decr
MNR Grant	285,350	285,350	285,350	-
<b>TOTAL FUNDING</b>	<b>285,350</b>	<b>285,350</b>	<b>285,350</b>	<b>-</b>
<b>Net Funded by General Municipal Levy</b>	<b>1,464,305</b>	<b>1,500,350</b>	<b>1,537,350</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>37,000</b>

**TABLE 4**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Resource Planning**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				incr/(decr)
Salary and Benefits	1,666,157	1,805,000	2,074,000	269,000
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	183,640	222,500	222,500	-
Other Operating Expenses	134,734	54,700	54,700	-
Amount set aside to Reserves	-	35,000	-	(35,000)
	<b>1,984,531</b>	<b>2,117,200</b>	<b>2,351,200</b>	<b>234,000</b>
<b>Funding</b>				incr/(decr)
Self Generated	976,626	894,000	1,044,000	(150,000)
<b>TOTAL FUNDING</b>	<b>976,626</b>	<b>894,000</b>	<b>1,044,000</b>	<b>(150,000)</b>
<b>Net Funded by General Municipal Levy</b>	<b>1,007,905</b>	<b>1,223,200</b>	<b>1,307,200</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>84,000</b>

**TABLE 5**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Forestry & Conservation Land Taxes**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				incr/(decr)
Salary and Benefits	383,527	515,500	531,000	15,500
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	46,884	54,300	54,300	0
Property Taxes	172,924	183,200	183,200	0
Other Operating Expenses	255,321	612,000	612,000	0
<b>TOTAL EXPENSE</b>	<b>858,656</b>	<b>1,365,000</b>	<b>1,380,500</b>	<b>15,500</b>
<b>Funding</b>				(incr)/decr
Donations	10,609	27,000	27,000	-
Self Generated	186,295	550,000	550,000	-
<b>TOTAL FUNDING</b>	<b>196,904</b>	<b>577,000</b>	<b>577,000</b>	<b>0</b>
<b>Net Funded by General Municipal Levy</b>	<b>661,752</b>	<b>788,000</b>	<b>803,500</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>15,500</b>

**TABLE 6**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Conservation Services**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				incr/(decr)
Salary and Benefits	603,645	527,000	478,000	(49,000)
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	79,225	86,200	86,200	-
Other Operating Expenses	2,467	22,000	22,000	-
Amount set aside to Reserves	-	67,000	-	(67,000)
<b>TOTAL EXPENSE</b>	<b>685,337</b>	<b>702,200</b>	<b>586,200</b>	<b>(116,000)</b>
<b>Funding</b>				(incr)/decr
Prov & Federal Govt	-	30,000	30,000	-
Donations/Other	6,478	-	-	-
Funds taken from Reserves	552	1,000	1,000	-
<b>TOTAL FUNDING</b>	<b>7,030</b>	<b>31,000</b>	<b>31,000</b>	<b>-</b>
<b>Net Funded by General Municipal Levy</b>	<b>678,307</b>	<b>671,200</b>	<b>555,200</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>(116,000)</b>



**TABLE 7**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Communications & Foundation**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				incr/(decr)
Salary and Benefits	498,265	439,000	492,000	53,000
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	59,534	62,000	62,000	-
Other Operating Expenses	7,211	23,500	23,500	-
Amount set aside to Reserves	-	55,000	-	(55,000)
<b>TOTAL EXPENSE</b>	<b>565,010</b>	<b>579,500</b>	<b>577,500</b>	<b>(2,000)</b>
<b>Funding</b>				
Net Funded by General Municipal Levy	565,010	579,500	577,500	
<b>Net incr/(decr) to Municipal Levy</b>				<b>(2,000)</b>

**TABLE 8**  
 GRAND RIVER CONSERVATION AUTHORITY  
**Environmental Education**

<b>OPERATING</b>	<b>Actual 2020</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget change</b>
<b>Expenses:</b>				incr/(decr)
Salary and Benefits	357,754	610,000	553,000	(57,000)
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	80,272	57,000	57,000	0
Insurance	15,623	16,000	17,000	1,000
Property Taxes	12,007	14,000	14,000	0
Other Operating Expenses	136,668	143,600	143,600	0
<b>TOTAL EXPENSE</b>	<b>602,324</b>	<b>840,600</b>	<b>784,600</b>	<b>(56,000)</b>
<b>Funding</b>				(incr)/decr
Provincial & Federal Grants	0	0	0	0
Donations	9,675	0	0	-
Self Generated	234,044	500,000	500,000	0
<b>TOTAL FUNDING</b>	<b>243,719</b>	<b>500,000</b>	<b>500,000</b>	<b>0</b>
<b>Net Funded by General Municipal Levy</b>	<b>358,605</b>	<b>340,600</b>	<b>284,600</b>	
<b>Net incr/(decr) to Municipal Levy</b>				<b>(56,000)</b>

**TABLE 9**  
**GRAND RIVER CONSERVATION AUTHORITY**  
**Corporate Services**

<b>Budget 2022</b>		<b>Deficit to be funded with Municipal Levy</b>
<b>Expenses:</b>		
Salary and Benefits	2,051,000	
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	359,000	
Insurance	93,000	
Other Operating Expenses	941,388	
Amount set aside to Reserves	181,900	
<b>TOTAL EXPENSE</b>	<b>3,626,288</b>	
<b>Funding</b>		
Recoverable Corporate Services Expenses	70,000	
Funds taken from Reserves	15,000	
<b>TOTAL FUNDING</b>	<b>85,000</b>	
<b>Net Result before surplus adjustments</b>	<b>3,541,288</b>	
Deficit from Other Programs offset by 2020 Surplus Carryforward		(229,800)
2020 Surplus Carried Forward to 2021 used to reduce Levy		100,000
<b>Net Funded by General Municipal Levy</b>	<b>3,541,288</b>	<b>(129,800)</b>

<b>Budget 2021</b>		<b>Surplus available to offset Municipal Levy Increase</b>
<b>Expenses:</b>		
Salary and Benefits	2,011,000	
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	379,000	
Insurance	70,000	
Other Operating Expenses	1,237,629	
<b>TOTAL EXPENSE</b>	<b>3,697,629</b>	
<b>Funding</b>		
Recoverable Corporate Services Expenses	70,000	
Funds taken from Reserves	15,000	
<b>TOTAL FUNDING</b>	<b>85,000</b>	
<b>Net Result before surplus adjustments</b>	<b>3,612,629</b>	
Deficit from Other Programs offset by 2020 Surplus Carryforward		(53,100)
2020 Surplus Carried Forward to 2021 used to reduce Levy		316,241
<b>Net Funded by General Municipal Levy</b>	<b>3,612,629</b>	<b>263,141</b>

<b>ACTUAL 2020</b>		<b>Surplus available to offset Municipal Levy</b>
<b>Expenses:</b>		
Salary and Benefits	2,335,913	
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	239,501	
Insurance	66,784	
Other Operating Expenses	906,035	
Amount set aside to Reserves	242,000	
<b>TOTAL EXPENSE</b>	<b>3,790,233</b>	
<b>Funding</b>		
Federal Grant	25,000	
Donations/Other	(34)	
Recoverable Corporate Services Expenses	57,186	
<b>TOTAL FUNDING</b>	<b>82,152</b>	
<b>Net Result before surplus/(deficit) adjustments</b>	<b>3,708,081</b>	
2020 Surplus from Other Programs used to reduce Levy		147,186
2019 Surplus Carried Forward to 2020 used to reduce Levy		377,287
<b>Net Funded by General Municipal Levy</b>	<b>3,708,081</b>	<b>524,473</b>

**TABLE 10**  
 GRAND RIVER CONSERVATION AUTHORITY  
**OTHER PROGRAMS - OPERATING - SUMMARY of Results**

	Conservation Lands	Property Rentals	MISC	(a) Cons Lands, Rental, Misc	(b) Hydro Production	(c) Conservation Areas	TOTAL Other Programs
<b>Budget 2022 - OPERATING</b>							
<b>Expenses:</b>							
Salary and Benefits	1,248,000	658,000	-	1,906,000	68,000	4,476,000	
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	152,600	74,500	-	227,100	-	195,000	
Insurance	209,000	28,000	-	237,000	-	-	
Property Taxes	-	88,000	-	88,000	-	65,000	
Other Operating Expenses (consulting etc)	576,000	701,700	30,000	1,307,700	25,500	2,864,000	
Amount set aside to Reserves	-	-	-	-	116,500	-	
<b>TOTAL EXPENSE</b>	<b>2,185,600</b>	<b>1,550,200</b>	<b>30,000</b>	<b>3,765,800</b>	<b>210,000</b>	<b>7,600,000</b>	<b>11,575,800</b>
<b>Funding</b>							
Self Generated	86,000	2,921,000	108,000	3,115,000	530,000	7,600,000	
Funds taken from Reserves	1,000	100,000	-	101,000	-	-	
<b>TOTAL FUNDING</b>	<b>87,000</b>	<b>3,021,000</b>	<b>108,000</b>	<b>3,216,000</b>	<b>530,000</b>	<b>7,600,000</b>	<b>11,346,000</b>
<b>NET Surplus/(Deficit) for programs not funded by general levy</b>	<b>(2,098,600)</b>	<b>1,470,800</b>	<b>78,000</b>	<b>(549,800)</b>	<b>320,000</b>	<b>-</b>	<b>(229,800)</b>
<b>Budget 2021 - OPERATING</b>							
<b>Expenses:</b>							
Salary and Benefits	1,163,000	590,000	-	1,753,000	66,500	4,200,000	
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	152,600	74,500	-	227,100	-	195,000	
Insurance	157,300	24,000	-	181,300	-	-	
Property Taxes	-	88,000	-	88,000	-	65,000	
Other Operating Expenses (consulting etc)	576,000	701,700	70,000	1,347,700	25,500	2,740,000	
Amount set aside to Reserves	7,000	-	-	7,000	120,000	-	
<b>TOTAL EXPENSE</b>	<b>2,055,900</b>	<b>1,478,200</b>	<b>70,000</b>	<b>3,604,100</b>	<b>212,000</b>	<b>7,200,000</b>	<b>11,016,100</b>
<b>Funding</b>							
Self Generated	86,000	2,898,000	148,000	3,132,000	530,000	7,200,000	
Funds taken from Reserves	1,000	100,000	-	101,000	-	-	
<b>TOTAL FUNDING</b>	<b>87,000</b>	<b>2,998,000</b>	<b>148,000</b>	<b>3,233,000</b>	<b>530,000</b>	<b>7,200,000</b>	<b>10,963,000</b>
<b>NET Surplus/(Deficit) for programs not funded by general levy</b>	<b>(1,968,900)</b>	<b>1,519,800</b>	<b>78,000</b>	<b>(371,100)</b>	<b>318,000</b>	<b>-</b>	<b>(53,100)</b>
<b>Actual 2020 - OPERATING</b>							
<b>Expenses:</b>							
Salary and Benefits	1,128,138	473,235	-	1,601,373	60,790	2,920,276	
Travel, Motor Pool, Expenses, Telephone, Training and Development, IT	117,149	65,204	-	182,353	-	192,530	
Insurance	151,506	19,956	-	171,462	-	-	
Property Taxes	-	122,933	-	122,933	-	59,463	
Other Expenses	417,420	537,374	30,321	985,115	53,639	2,400,949	
Amount set aside to Reserves	3,554,766	275,000	-	3,829,766	585,267	295,000	
<b>TOTAL EXPENSE</b>	<b>5,368,979</b>	<b>1,493,702</b>	<b>30,321</b>	<b>6,893,002</b>	<b>699,696</b>	<b>5,868,218</b>	<b>13,460,916</b>
<b>Funding</b>							
Provincial/Federal	-	-	-	-	220,267	49,074	
Donations	835	-	-	835	-	8,188	
Self Generated	3,533,308	3,041,678	82,224	6,657,210	799,841	5,811,822	
Funds taken from Reserves	-	60,865	-	60,865	-	-	
<b>TOTAL FUNDING</b>	<b>3,534,143</b>	<b>3,102,543</b>	<b>82,224</b>	<b>6,718,910</b>	<b>1,020,108</b>	<b>5,869,084</b>	<b>13,608,102</b>
<b>NET Surplus/(Deficit) for programs not funded by general levy</b>	<b>(1,834,836)</b>	<b>1,608,841</b>	<b>51,903</b>	<b>(174,092)</b>	<b>320,412</b>	<b>866</b>	<b>147,186</b>

# Grand River Conservation Authority

**Report number:** GM-09-21-68

**Date:** September 24, 2021

**To:** Members of the Grand River Conservation Authority

**Subject:** Budget 2022 – Draft #1– General Municipal Levy Apportionment

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## **Recommendation:**

THAT Report GM-09-21-68 – Budget 2022 – Draft #1 – General Municipal Levy Apportionment be received as information.

## **Summary:**

The distribution of the proposed 2022 Municipal Levy to participating municipalities is attached, based on the first draft of the 2022 Budget

## **Report:**

The General Municipal Levy is allocated to participating municipalities based on Modified Current Value Assessment, which the Ministry of Environment, Conservation and Parks (MECP) provides to Conservation Authorities each year. The methodology for calculating the Modified Current Value Assessment and distributing the levy is outlined in Ontario Regulation 670/000, which is appended to this report. Grand River Conservation Authority recently received the Modified Current Value Assessment figures to be used for the 2022 Budget (2021 assessment) and the resulting allocation of the proposed 2022 General Levy based on the first draft of the 2022 budget is attached.

## **Financial Implications:**

The first draft of the 2022 Budget proposes a Municipal Levy of \$12,530,000, which represents an increase of \$305,000, or 2.5%, over 2021. After allocating this amount in accordance with Regulation 670/00, individual municipalities will experience increases ranging from 0.7% to 4.6% compared to 2021.

## **Other Department Considerations:**

Not applicable

## **Prepared by:**

Karen Armstrong  
Deputy CAO/ Secretary-Treasurer

## **Approved by:**

Samantha Lawson  
Chief Administrative Officer

**Conservation Authorities Act  
 ONTARIO REGULATION 670/00  
 CONSERVATION AUTHORITY LEVIES**

**1.** In this Regulation,

“current value assessment” means the current value assessment of land, determined under the provisions of the *Assessment Act*, for a given year;

“property class” means a class of real property prescribed under the *Assessment Act*. O. Reg. 670/00, s. 1.

**2.** (1) In determining the levy payable by a participating municipality to an authority for maintenance costs pursuant to subsection 27 (2) of the Act, the authority shall apportion such costs to the participating municipalities on the basis of the benefit derived or to be derived by each participating municipality determined,

(a) by agreement among the authority and the participating municipalities; or

(b) by calculating the ratio that each participating municipality’s modified assessment bears to the total authority’s modified assessment. O. Reg. 670/00, s. 2 (1).

(2) In determining the levy payable by a participating municipality to an authority for administration costs pursuant to subsection 27 (3) of the Act, the authority shall apportion such costs to the participating municipalities on the basis of the ratio that each participating municipality’s modified assessment bears to the total authority’s modified assessment. O. Reg. 670/00, s. 2 (2).

**3.** The following rules apply for the purposes of section 2:

1. The modified current value assessment is calculated by adding the current value assessments of all lands within a municipality all or part of which are within an authority’s jurisdiction and by applying the following factors to the current value assessment of the land in the following property classes:

Property Class	Factor
Residential/Farm	1
Multi-Residential	2.1
Commercial	2.1
Industrial	2.1
Farmlands	0.25
Pipe Lines	1.7
Managed Forests	0.25
New Multi-Residential	2.1
Office Building	2.1
Shopping Centre	2.1
Parking Lots and Vacant Land	2.1
Large Industrial	2.1

2. A participating municipality’s modified assessment is the assessment calculated by dividing the area of the participating municipality within the authority’s jurisdiction by its total area and multiplying that ratio by the modified current value assessment for that participating municipality.

3. The total authority’s modified assessment is calculated by adding the sum of all of the participating municipalities’ modified assessments for that authority. O. Reg. 670/00, s. 3.

**4.** An authority may establish a minimum sum that may be levied against a participating municipality within the authority’s jurisdiction. O. Reg. 670/00, s. 4.

### Grand River Conservation Authority Summary of Municipal Levy - 2022 Budget

*DRAFT - September 24, 2021*

	% CVA in Watershed	2021 CVA (Modified)	CVA in Watershed	CVA-Based Apportionment	2022 Budget Matching & Maintenance Levv	2022 Budget Admin & Maintenance Levv	2022 Budget Non-Matching Admin & Maintenance Levv	2022 Budget Capital Maintenance*	2022 Budget Total Levy	Actual 2021 Levy	% Change
Brant County	82.9%	7,152,903,252	5,929,756,796	2.89%	12,982	321,325	27,426	361,733	346,966	4.3%	
Brantford C	100.0%	15,171,006,775	15,171,006,775	7.39%	33,214	822,096	70,168	925,478	900,728	2.7%	
Amaranth Twp	82.0%	805,874,920	660,817,435	0.32%	1,447	35,809	3,056	40,312	39,382	2.4%	
East Garafraxa Twp	80.0%	636,291,613	509,033,291	0.25%	1,114	27,584	2,354	31,052	30,223	2.7%	
Town of Grand Valley	100.0%	572,436,944	572,436,944	0.28%	1,253	31,020	2,648	34,921	33,396	4.6%	
Melancthon Twp	56.0%	596,750,730	334,180,409	0.16%	732	18,109	1,546	20,387	19,819	2.9%	
Southgate Twp	6.0%	1,069,060,421	64,143,625	0.03%	140	3,476	297	3,913	3,742	4.6%	
Haldimand County	41.0%	7,199,269,194	2,951,700,369	1.44%	6,462	159,949	13,652	180,063	175,140	2.8%	
Norfolk County	5.0%	9,741,823,806	487,091,190	0.24%	1,066	26,395	2,253	29,714	28,914	2.8%	
Halton Region	10.5%	47,621,739,315	4,993,025,690	2.43%	10,931	270,565	23,093	304,589	291,881	4.4%	
Hamilton City	26.8%	95,456,549,475	25,534,626,985	12.43%	55,904	1,383,687	118,101	1,557,692	1,519,505	2.5%	
Oxford County	36.6%	4,499,227,699	1,647,153,567	0.80%	3,606	89,257	7,618	100,481	97,921	2.6%	
North Perth T	2.0%	2,277,397,479	45,547,950	0.02%	100	2,468	211	2,779	2,686	3.5%	
Perth East Twp	40.0%	2,032,561,232	813,024,493	0.40%	1,780	44,057	3,760	49,597	49,250	0.7%	
Waterloo Region	100.0%	103,684,590,749	103,684,590,749	50.48%	227,002	5,618,527	479,556	6,325,085	6,182,792	2.3%	
Centre Wellington Twp	100.0%	5,241,852,365	5,241,852,365	2.55%	11,476	284,049	24,244	319,769	308,584	3.6%	
Erin T	49.0%	2,579,400,498	1,263,906,244	0.62%	2,767	68,489	5,846	77,102	75,545	2.1%	
Guelph C	100.0%	27,911,493,324	27,911,493,324	13.59%	61,108	1,512,486	129,094	1,702,688	1,668,479	2.1%	
Guelph Eramosa Twp	100.0%	2,893,069,163	2,893,069,163	1.41%	6,334	156,771	13,381	176,486	171,662	2.8%	
Mapleton Twp	95.0%	1,838,975,064	1,747,026,311	0.85%	3,825	94,669	8,080	106,574	103,123	3.3%	
Wellington North Twp	51.0%	1,776,628,376	906,080,472	0.44%	1,984	49,099	4,191	55,274	53,744	2.8%	
Puslinch Twp	75.0%	2,717,055,073	2,037,791,305	0.99%	4,461	110,425	9,425	124,311	121,518	2.3%	
<b>Total</b>		<b>343,475,957,466</b>	<b>205,399,355,452</b>	<b>100.00%</b>	<b>449,688</b>	<b>11,130,312</b>	<b>950,000</b>	<b>12,530,000</b>	<b>12,225,000</b>	<b>2.5%</b>	

\*Capital Maintenance Levy represents levy allocated to maintenance of capital infrastructure, studies, and/or equipment.

**GRAND RIVER CONSERVATION AUTHORITY**  
**AUDITED FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORT THEREON**  
**DECEMBER 31, 2020**



**GRAND RIVER CONSERVATION AUTHORITY**

**INDEX TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

Independent Auditors' Report

**Statements**

1. Statement of Financial Position
2. Statement of Operations and Change in Accumulated Surplus
3. Statement of Cash Flows
4. Statement of Change in Net Financial Assets

Notes to the Financial Statements



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## INDEPENDENT AUDITORS' REPORT

To the Members of Grand River Conservation Authority

### ***Opinion***

We have audited the financial statements of Grand River Conservation Authority (the Authority), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations and change in accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report.

We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



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We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada

February 26, 2021

**STATEMENT 1**

**GRAND RIVER CONSERVATION AUTHORITY**  
 (Established by the Conservation Authorities Act)

**Statement of Financial Position**

**As at December 31, 2020**  
 (with comparative figures for 2019)

	<u>2020</u>	<u>2019</u>
<b>Financial Assets</b>		
Cash	\$ 11,038,977	\$ 2,396,323
Investments (Note 2)	21,320,137	23,918,709
Accounts Receivable - Government Grants	344,276	574,031
Accounts Receivable - Municipal Levies and Other	254,037	239,621
Other Receivables	1,063,762	1,486,031
	<u>34,021,189</u>	<u>28,614,715</u>
<b>Financial Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	3,201,743	3,661,736
Deferred Revenue (Note 3)	4,101,608	3,662,640
Deposits	341,774	270,663
	<u>7,645,125</u>	<u>7,595,039</u>
<b>Net Financial Assets</b>	<u>26,376,064</u>	<u>21,019,676</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 4)	92,143,963	92,652,712
Prepaid Expenses and Inventory	246,302	249,540
	<u>92,390,265</u>	<u>92,902,252</u>
<b><u>ACCUMULATED SURPLUS</u></b>	<u>\$ 118,766,329</u>	<u>\$ 113,921,928</u>

**ACCUMULATED SURPLUS COMPRISED OF**

<b>Accumulated Surplus - Reserves - Operating</b>	(Note 9)	\$ 8,195,497	\$ 6,986,035
<b>Accumulated Surplus - Reserves - Capital</b>	(Note 9)	16,167,916	12,078,154
<b>Accumulated Surplus - Reserves - Motor Pool</b>	(Note 9)	1,942,713	1,827,741
<b>Accumulated Surplus - Other</b>		316,240	377,286
<b>Accumulated Surplus - Tangible Capital Assets</b>		92,143,963	92,652,712
<b><u>ACCUMULATED SURPLUS</u></b>		<u>\$ 118,766,329</u>	<u>\$ 113,921,928</u>

Commitments and Contingencies (Notes 7 and 8)

(see accompanying notes to the financial statements)

**GRAND RIVER CONSERVATION AUTHORITY**  
**STATEMENT OF OPERATIONS AND CHANGE IN ACCUMULATED SURPLUS**  
**For the Year Ended December 31, 2020**  
 (with comparative figures for 2019)

**STATEMENT 2**

	<b>Budget 2020</b>	<b>Actual 2020</b>	<b>Actual 2019</b>
	Note 6		
<b>Revenue</b>			
<b>Municipal</b>			
Grants:			
<i>General-Operating</i>	\$ 10,977,000	\$ 10,977,000	\$ 10,586,000
<i>General-Capital</i>	950,000	950,000	1,050,000
<i>Special</i>	150,000	71,943	118,292
Other	813,000	639,589	956,144
<b>Total Municipal Revenue</b>	<b>12,890,000</b>	<b>12,638,532</b>	<b>12,710,436</b>
<b>Government Grants</b>			
MNR Transfer Payments	449,688	449,688	449,688
Source Protection Program-Provincial	720,000	681,421	1,083,095
Other Provincial	1,564,500	863,182	1,201,774
Federal	335,000	352,880	317,025
<b>Total Government Grants</b>	<b>3,069,188</b>	<b>2,347,171</b>	<b>3,051,582</b>
<b>Self-Generated</b>			
User Fees and Sales:			
<i>Enquiries and Permits</i>	494,000	565,822	493,601
<i>Plan Input and Review</i>	400,000	410,804	398,599
<i>Nursery and Woodlot Management</i>	465,000	174,627	565,592
<i>Conservation Lands Income</i>	71,000	78,542	64,309
<i>Conservation Areas User Fees</i>	9,000,000	6,124,125	9,382,428
<i>Nature Centres and Camps</i>	1,018,000	234,044	1,016,191
Property Rentals	2,873,000	3,041,678	2,898,664
Hydro Generation	515,000	799,841	556,791
Grand River Conservation Foundation	522,000	161,820	557,000
Donations	126,000	-	123,674
Landowner Contributions	200,000	47,289	192,807
Investment Income	490,000	488,691	662,026
Miscellaneous Income	8,000	295,185	69,450
Gain on Sale of Tangible Capital Assets	-	3,385,680	-
<b>Total Self-Generated Revenue</b>	<b>16,182,000</b>	<b>15,808,148</b>	<b>16,981,132</b>
<b>Total Revenue</b>	<b>\$ 32,141,188</b>	<b>\$ 30,793,851</b>	<b>\$ 32,743,150</b>
<b>Expenditures</b>			
Watershed Management and Monitoring	7,261,520	6,401,293	7,480,166
Source Protection Program	720,525	681,946	1,083,935
Resource Planning	2,063,800	1,984,531	1,831,122
Watershed Stewardship	4,047,249	2,813,848	3,895,445
Conservation Land Management	4,647,766	3,721,414	4,362,311
Recreation and Education	10,065,525	6,930,485	10,063,264
Corporate Services / Information Systems and Motor Pool	3,862,947	3,415,933	3,000,218
<b>Total Expenditures</b>	<b>\$ 32,669,332</b>	<b>25,949,450</b>	<b>\$ 31,716,461</b>
<b>Annual Surplus</b>	<b>(528,144)</b>	<b>4,844,401</b>	<b>1,026,689</b>
<b>Accumulated Surplus, Beginning of Year</b>		<b>113,921,928</b>	<b>112,895,239</b>
<b>Accumulated Surplus, End of Year</b>		<b>\$ 118,766,329</b>	<b>\$ 113,921,928</b>

**STATEMENT 3**

**GRAND RIVER CONSERVATION AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2020**  
 (with comparative figures for 2019)

	<u>Actual 2020</u>	<u>Actual 2019</u>
<b><u>Operating Activities</u></b>		
Annual surplus	\$ 4,844,401	\$ 1,026,689
Items not involving cash:		
Amortization	3,224,718	3,181,613
Loss (gain) on sale of tangible capital assets	(3,385,679)	41,721
Change in non-cash operating assets and liabilities:		
Accounts receivable	637,608	181,832
Prepaid expenses and inventory	3,238	(9,619)
Accounts payable and accrued liabilities	(459,993)	39,565
Deferred revenue and deposits	510,079	(881,006)
Net change in cash from operating activities	<u>5,374,372</u>	<u>3,580,795</u>
<b><u>Capital Activities</u></b>		
Cash used to acquire tangible capital assets	(2,758,862)	(7,164,759)
Proceeds on sale of tangible capital assets	3,428,572	37,242
Net change in cash from capital activities	<u>669,710</u>	<u>(7,127,517)</u>
<b><u>Investing Activities</u></b>		
Change in investments	2,598,572	3,599,288
Net change in cash from investing activities	<u>2,598,572</u>	<u>3,599,288</u>
<b>Net change in cash</b>	<b><u>8,642,654</u></b>	<b><u>52,566</u></b>
Cash, beginning of year	2,396,323	2,343,757
<b>Cash, end of the year</b>	<b>\$ <u>11,038,977</u></b>	<b>\$ <u>2,396,323</u></b>

(see accompanying notes to the financial statements)

**STATEMENT 4**

**GRAND RIVER CONSERVATION AUTHORITY  
 STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
 For the Year Ended December 31, 2020  
 (with comparative figures for 2019)**

	<u>Actual 2020</u>	<u>Actual 2019</u>
Annual surplus	\$ 4,844,401	\$ 1,026,689
Acquisition of tangible capital assets	(2,758,862)	(7,164,759)
Amortization of tangible capital assets	3,224,718	3,181,613
Loss (gain) on sale of tangible capital assets	(3,385,679)	41,721
Proceeds on sale of tangible capital assets	<u>3,428,572</u>	<u>37,242</u>
	5,353,150	(2,877,494)
 Net changes in prepaid expenses and inventory	 3,238	 (9,619)
 <b>Net change in financial assets</b>	 <u>5,356,388</u>	 <u>(2,887,113)</u>
 <b>Net financial assets, beginning of year</b>	 <b>21,019,676</b>	 <b>23,906,789</b>
 <b>Net financial assets, end of year</b>	 <b>\$ <u>26,376,064</u></b>	 <b>\$ <u>21,019,676</u></b>

(see accompanying notes to the financial statements)



**GRAND RIVER CONSERVATION AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**(1) Summary of Significant Accounting Policies**

The financial statements of Grand River Conservation Authority (the "Authority") are prepared by management in accordance with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook. Significant aspects of the accounting policies adopted by the Authority are as follows:

**(a) Basis of Accounting**

The Authority follows the accrual method of accounting for revenues and expenditures. Revenues are normally recognized in the year in which they are earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

**(b) Deferred Revenue and Deposits**

Balance includes funds that have been advanced to the Authority from government agencies and/or the general public and as at year end the funds have not been expended for the purpose for which they were received. In most instances, service and/or product delivery is anticipated to be performed in the following fiscal period. Typical balances include tree planting cash receipts, rural water quality program funding from municipalities, advance payments on conservation area camping reservations and special projects funding that has been paid in advance of project completion. These amounts will be recognized as revenues in the fiscal year the services are performed.

(c) **Classification of Expenditures**

Expenditures are reported in nine main categories, which follow the format adopted by Conservation Ontario. By following these guidelines, there will be consistency of reporting by all Conservation Authorities in Ontario. These are further explained as follows:

**Watershed Management and Monitoring**

Watershed Management and Monitoring includes expenditures and revenues for programs which provide the information required to develop appropriate resource management strategies and to identify priority actions to maintain a healthy watershed. Also included are the maintenance and operations of all Flood and Erosion Control Structures and the operations of the Flood Forecasting and Warning system.

**Source Protection Program**

The Source Protection Program includes expenditures and revenues for the development of a "Drinking Water Source Protection" plan for the Lake Erie Source Protection Region (includes Grand River, Long Point Region, Kettle Creek, and Catfish Creek Conservation Authorities).

**Resource Planning**

Resource Planning includes expenditures and revenues associated with reviewing official plans, zoning bylaws, development plans and other planning proposals, in accordance with Conservation Authority and Municipal Agreements. It also includes, administration of floodplain regulations and watershed management consulting outside of the Grand River watershed, which is performed on a fee-for-service basis and generates a profit.

### **Watershed Stewardship**

Watershed Stewardship includes those activities associated with providing service and/or assistance to private and public landowners, and community groups on sound environmental practices that will enhance, restore or protect natural heritage features on their properties.

### **Conservation Land Management**

Conservation Land Management includes all expenditures and revenues associated with the acquisition and management of land owned/managed by the Authority. This includes the protection of provincially significant conservation lands, woodlot management, rental/lease agreements and other revenues generated from managing lands and facilities. These expenditures do not include those associated with recreation and education programs on Authority lands.

### **Recreation and Education**

Recreation and Education includes expenditures and revenues associated with delivering recreational and educational programs on Authority lands at a number of active conservation areas and nature centres.

### **Corporate Services**

Corporate services include the costs associated with head office facilities and functions other than technical staff and associated programs.

### **Information Systems and Motor Pool**

Net Information Systems and Motor Pool usage charges includes the support areas that are charged out to other cost centres on an "as used" basis. Information Systems consists of the head office, conservation area and nature centre computer systems. User cost centres incur a charge for their computer use. Motor Pool is the vehicles and equipment that are used for operations and capital projects by other cost centres. When equipment or vehicles are used, the cost centre is charged for the use of the asset.

(d) **Investments**

Investments include term deposits and Federal and Provincial Government bonds in accordance with the investment policy that was approved by the general membership. Investments are carried at the redemption amount adjusted for unamortized purchase premiums or discounts. Premiums and discounts are amortized on an effective-yield basis over the term to maturity. Interest income is recorded as it accrues. When the value of any investment is identified as impaired, the carrying amount is adjusted to the estimated realizable value and any adjustments are included in investment income in the year the impairment is recognized.

(e) **Accounts Receivable**

Accounts Receivable is reported net of any allowance for doubtful accounts.

(f) **Inventory**

Inventory is valued at the lower of cost or replacement cost.

(g) **Interest Allocation**

The Authority follows the policy of consolidating funds on hand for investment purposes. Interest income is generally recognized into income unless the provisions of a relevant agreement or legislation require that the income be restricted, then restricted interest income is recognized in deferred revenue until used for the purpose or purposes specified.

(h) **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accrued liabilities, contaminated site liability, contingencies and tangible capital assets. Actual results could differ from estimates.

(i) **Tangible Capital Assets**

Tangible capital assets are recorded at cost which include amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized in a straight line basis over their estimated useful lives as follows:

<b>Asset</b>	<b>Useful Life - Years</b>
Site Improvements	10 - 50
Buildings	10 - 50
Furniture and Equipment	10 - 15
Motor Pool	5 - 10
Communications and Computer	5
Water Control Structures	20 - 80

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(i) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(ii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iii) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in the financial statements.

(j) **Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(k) **Contaminated Sites**

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- a) An environmental standard exists
- b) Contamination exceeds the environmental standard
- c) The Authority is directly responsible or accepts responsibility for the liability
- d) Future economic benefits will be given up, and
- e) A reasonable estimate of the liability can be made.

**(2) Investments**

Investments include the following amounts:

	<b>2020</b>	<b>2019</b>
Bonds maturing within one year (Interest rates vary between 1.61% and 2.788%) Market value at December 31, 2020 - \$3,940,257 (2019 - \$6,179,727)	\$ 3,892,000	\$ 6,180,000
Bonds maturing within one to five years (Interest rates vary between 2.25% and 3.45%) Market value at December 31, 2020 - \$10,594,201 (2019 - \$11,081,299)	10,131,000	11,023,000
Bonds maturing within six to ten years Market Value at December 31, 2020 - nil (2019 - \$1,973,552)	-	2,000,000
High interest savings account (Interest rates vary between 0.25% and 0.915%) Market value at December 31, 2020 - \$7,211,042 (2019 - \$4,614,405)	7,211,042	4,614,405
<b>Sub-Total</b>	<b>\$ 21,234,042</b>	<b>\$ 23,817,405</b>
<b>Plus: Unamortized purchase net premiums and discounts</b>	<b>86,095</b>	<b>101,304</b>
<b>Total</b>	<b>\$ 21,320,137</b>	<b>\$ 23,918,709</b>

(3) **Deferred Revenue**

	<b>2020</b>	<b>2019</b>
<b>Balance, end of year:</b>		
Source Protection Program	\$ 194,481	\$ 173,946
Rural Water Quality Program	970,780	841,762
Water and Erosion Control Infrastructure	92,297	2,319
Other Watershed Programs	1,583,376	1,553,208
Cottage Rent	485,114	419,229
Other Miscellaneous	775,560	672,176
<b>Total Deferred Revenue</b>	<b>\$ 4,101,608</b>	<b>\$ 3,662,640</b>
<b>Balance, beginning of year:</b>		
Source Protection Program	\$ 173,946	\$ 571,875
Rural Water Quality Program	841,762	952,810
Water and Erosion Control Infrastructure	2,319	252,298
Other Watershed Programs	1,553,208	1,570,839
Cottage Rent	419,229	479,048
Other Miscellaneous	672,176	695,962
	<b>\$ 3,662,640</b>	<b>\$ 4,522,832</b>
Grant Contributions	3,121,562	3,477,524
Interest	-	61
Other	1,631,349	1,361,753
<b>Total Contributions Received</b>	<b>\$ 4,752,911</b>	<b>\$ 4,839,338</b>
Contributions Used	4,313,943	5,699,530
<b>Balance, end of year</b>	<b>\$ 4,101,608</b>	<b>\$ 3,662,640</b>



**(4) Tangible Capital Assets**

<b>Cost</b>	<b>Balance at 31-Dec-19</b>	<b>Additions</b>	<b>Disposals/ Transfers</b>	<b>Balance at 31-Dec-20</b>
Land and Land Improvements	\$ 30,918,348	\$ -	\$ (8)	\$ 30,918,340
Site Improvements	15,630,909	1,230,604	(20,211)	16,841,302
Buildings	16,686,535	1,231,942	(163,556)	17,754,921
Furniture and Equipment	1,985,769	255,535	(20,945)	2,220,359
Motor Pool	4,814,692	503,859	(94,255)	5,224,296
Communications and Computers	1,768,102	14,565	-	1,782,667
Water Control Structures	99,392,068	846,160	-	100,238,228
Assets Under Construction	5,538,031	1,515,309	(2,839,112)	4,214,228
	<u>\$ 176,734,454</u>	<u>\$ 5,597,974</u>	<u>\$ (3,138,087)</u>	<u>\$ 179,194,341</u>

<b>Accumulated Amortization</b>	<b>Balance at 31-Dec-19</b>	<b>Disposals</b>	<b>Amortization Expense</b>	<b>Balance at 31-Dec-20</b>
Site Improvements	\$ 9,457,439	\$ (11,128)	\$ 414,936	\$ 9,861,247
Buildings	9,921,362	(130,263)	382,580	10,173,679
Furniture and Equipment	977,335	(20,439)	164,940	1,121,836
Motor Pool	3,352,291	(94,252)	325,573	3,583,612
Communications and Computers	1,443,650	-	117,527	1,561,177
Water Control Structures	58,929,665	-	1,819,162	60,748,827
	<u>\$ 84,081,742</u>	<u>\$ (256,082)</u>	<u>\$ 3,224,718</u>	<u>\$ 87,050,378</u>

	<b>Net Book Value 31-Dec-19</b>	<b>Net Book Value 31-Dec-20</b>
Land and Land Improvements	\$ 30,918,348	\$ 30,918,340
Site Improvements	6,173,470	6,980,055
Buildings	6,765,173	7,581,242
Furniture and Equipment	1,008,434	1,098,523
Motor Pool	1,462,401	1,640,684
Communications and Computers	324,452	221,490
Water Control Structures	40,462,403	39,489,401
Assets Under Construction	5,538,031	4,214,228
	<u>\$ 92,652,712</u>	<u>\$ 92,143,963</u>

<b>Cost</b>	<b>Balance at 31-Dec-18</b>	<b>Additions</b>	<b>Disposals/ Transfers</b>	<b>Balance at 31-Dec-19</b>
Land and Land Improvements	\$ 30,892,713	\$ 42,155	\$ (16,520)	\$ 30,918,348
Site Improvements	15,268,433	397,512	(35,036)	15,630,909
Buildings	16,291,817	625,322	(230,604)	16,686,535
Furniture and Equipment	1,975,333	141,084	(130,648)	1,985,769
Motor Pool	4,517,000	483,240	(185,548)	4,814,692
Communications and Computers	1,747,995	30,466	(10,359)	1,768,102
Water Control Structures	97,587,164	1,804,904	-	99,392,068
Assets Under Construction	1,897,955	3,842,392	(202,316)	5,538,031
	<u>\$ 170,178,410</u>	<u>\$ 7,367,075</u>	<u>\$ (811,031)</u>	<u>\$ 176,734,454</u>

<b>Accumulated Amortization</b>	<b>Balance at 31-Dec-18</b>	<b>Disposals</b>	<b>Amortization Expense</b>	<b>Balance at 31-Dec-19</b>
Site Improvements	\$ 9,078,295	\$ (35,037)	\$ 414,181	\$ 9,457,439
Buildings	9,709,822	(169,512)	381,052	9,921,362
Furniture and Equipment	955,852	(130,648)	152,131	977,335
Motor Pool	3,253,915	(184,195)	282,571	3,352,291
Communications and Computers	1,314,491	(10,360)	139,519	1,443,650
Water Control Structures	57,117,506	-	1,812,159	58,929,665
	<u>\$ 81,429,881</u>	<u>\$ (529,752)</u>	<u>\$ 3,181,613</u>	<u>\$ 84,081,742</u>

	<b>Net Book Value 31-Dec-18</b>	<b>Net Book Value 31-Dec-19</b>
Land and Land Improvements	\$ 30,892,713	\$ 30,918,348
Site Improvements	6,190,138	6,173,470
Buildings	6,581,995	6,765,173
Furniture and Equipment	1,019,481	1,008,434
Motor Pool	1,263,085	1,462,401
Communications and Computers	433,504	324,452
Water Control Structures	40,469,658	40,462,403
Assets Under Construction	1,897,955	5,538,031
	<u>\$ 88,748,529</u>	<u>\$ 92,652,712</u>

**Assets Under Construction**

Assets under construction having a value of \$4,214,228 (2019 - \$5,538,031) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**Write-down of Tangible Capital Assets**

The write-down of tangible capital assets during the year was \$nil (2019 - \$nil).

**(5) Contaminated Site Liability**

The Authority has an estimated liability of \$812,912 as at December 31, 2020 (2019 - \$844,912) for future remediation of two of its properties. During the year the Authority expensed \$22,813 net of insurance proceeds of \$34,068 (2019 - \$364,864 net of insurance proceeds of \$290,000) related to contaminated site costs. The properties include a former landfill site in the City of Brantford, and a former residential site in the City of Cambridge. The properties were purchased by the Authority in the 1970s under flood control projects. The Ministry of the Environment, Conservation and Parks has requested remediation on the Brantford and Cambridge properties. The estimated future cost of the work at Brantford is based on a detailed remediation plan prepared by a qualified external consultant. Staff have estimated the future cost of remediation for the Cambridge property based on preliminary investigations carried out by an environmental consulting firm.

**(6) 2020 Budget**

The budget figures are those adopted at the General Meeting of the Authority held February 28, 2020. The Authority only prepares a budget for the statement of operations, the budget figures in the statement of change in net financial assets has not been provided.

(7) **Commitments**

The Authority is committed under contracts for various infrastructure projects. The amount expected to be incurred in 2021 under contracts is approximately \$1,236,602.

(8) **Contingencies**

The Authority recognizes that liabilities may arise due to certain contract and labour relations matters that were outstanding at year end, in the normal course of business. Legal action may be taken against the Authority for personal injury claims, property damage and other contractual matters. The outcome of these actions is not presently determinable. It is management's opinion that the Authority's insurance coverage and/or accumulated surplus will adequately cover any potential liabilities arising from these matters.

**(9) Accumulated Surplus**

Accumulated surplus consists of tangible capital asset and other surplus and reserve funds. Details of the reserve funds are as follows:

	<b>2020</b>	<b>2019</b>
<b>Operating</b>		
Property and Liability Insurance	\$ 270,383	\$ 270,383
Building and Mechanical Equipment	1,141,833	976,833
Small Office Equipment	7,720	7,562
Personnel	1,249,112	1,172,112
Transition	500,000	-
Apps' Mill Nature Centre	53,219	52,129
Laurel Creek Nature Centre	98,603	96,584
Guelph Lake Nature Centre	116,786	168,026
Shade's Mills Nature Centre	57,397	56,222
Taquanyah Nature Centre	3,795	3,717
Computer Replacement	1,413,357	1,368,619
Forestry Management	884,703	831,696
Cottage Operations	828,776	723,648
Property Rental	674,789	479,760
Planning Enforcement	443,713	434,627
Master Plan	224,096	121,555
Grand River Management Plan	109,763	107,515
Watershed Restoration	117,452	115,047
<b>Total Operating Reserves</b>	<b>\$ 8,195,497</b>	<b>\$ 6,986,035</b>
<b>Capital</b>		
Completion of Capital Projects	\$ 162,000	\$ 147,000
Cambridge Desiltation Pond	6,694	7,098
Gravel	250,198	245,075
General Capital	1,042,059	642,243
Major Dam Maintenance	3,170,003	2,978,733
Gauges	892,326	851,525
Conservation Area	3,102,448	2,884,155
Land Reserves	7,542,188	4,322,325
<b>Total Capital Reserves</b>	<b>\$ 16,167,916</b>	<b>\$ 12,078,154</b>
<b>Motor Pool</b>		
Motor Pool Equipment Replacement	\$ 1,854,024	\$ 1,740,868
Vehicle Insurance	88,689	86,873
<b>Total Motor Pool Reserves</b>	<b>\$ 1,942,713</b>	<b>\$ 1,827,741</b>
<b>Total Reserves</b>	<b>\$ 26,306,126</b>	<b>\$ 20,891,930</b>

Land reserves represent the net proceeds of land sales and are available for approved projects including purchases of conservation lands within the Watershed in accordance with Authority policies and Provincial Regulations.

**(10) Pension and Retirement Benefits**

The Authority makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all eligible members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are the joint responsibility of Ontario municipal organizations and their employees. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit.

The latest available report for the OMERS plan was December 31, 2019. At that time the plan reported a \$3.4 billion actuarial deficit (2018 - \$4.2 billion deficit), based on actuarial liabilities of \$106.4 billion (2018 - \$99.1 billion) and actuarial assets of \$103.0 billion (2018 - \$94.9 billion). Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements.

In 2020, the Authority's contribution to OMERS was \$1,168,083 (2019 - \$1,199,314).

**(11) Related Entity**

The Grand River Conservation Foundation ("the Foundation") is an independent organization and a Registered Charity that raises funds to finance selected operating and capital expenditures of the Authority. Although the Foundation disburses funds at the discretion of its own Board of Directors, it only funds approved projects of the Authority and the Chair of the Authority is a permanent

member of the Foundation Board. The accounts of The Grand River Conservation Foundation are not included in these financial statements.

During 2020, the Foundation contributed \$161,820 (2019 - \$557,000) to fund projects carried out by the Authority. At December 31, 2020, the amount due from the Foundation to the Authority is \$141,654 (2019 - \$151,992). This receivable is included in "Other Receivables" on the Statement of Financial Position.

**(12) Public Sector Salary Disclosure**

Grand River Conservation Authority is subject to The Public Sector Salary Disclosure Act, 1996.

Salaries and benefits that have been paid by the Authority and reported to the Province of Ontario in compliance with this legislation are listed on the Ontario Ministry of Finance website at

<https://www.ontario.ca/page/public-sector-salary-disclosure#section-0> or can be provided in an

alternate format upon request from the Authority.

**(13) Implications Due to COVID-19**

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

During the year, the Authority has experienced the following in relation to the pandemic:

- Reduction in self-generated revenue (Conservation Areas User Fees, Nature Centres and Camps, Nursery and Woodlot Management) and donations;
- Temporary and permanent layoffs; and
- Mandatory working from home requirements for those able to do so.

The Authority has applied for funding through the Canada Emergency Wage Subsidy (CEWS) program. The claim for 2020 is estimated to be \$3,100,000. The authority continues to determine if it meets all of the eligibility requirements under the CEWS program, therefore these financial statements have not recorded this potential funding source as revenue in 2020.

The ultimate duration and magnitude of the COVID-19 pandemic's impact on the Authority's operations and financial position is not known at this time. There remains uncertainty for the upcoming year regarding the aforementioned items. These impacts could include a decline in future cash flows, changes to the value of financial assets and liabilities, and the use of accumulated surplus to sustain operations. An estimate of the financial effect of the pandemic on the Authority is not practicable at this time.



**(14) Segmented Information**

<b>2020</b>								
	<b>Watershed Management and Monitoring</b>	<b>Source Protection Program</b>	<b>Resource Planning</b>	<b>Watershed Stewardship</b>	<b>Conservation Land Management</b>	<b>Recreation and Education</b>	<b>Corporate Services/IS and Motor Pool</b>	<b>Total</b>
<b>Revenue:</b>								
Levies	\$ 5,224,855	\$ -	\$ 1,169,800	\$ 2,200,200	\$ -	\$ 308,600	\$ 3,095,488	\$ 11,998,943
Grants	1,340,264	681,421	-	670,734	220,267			2,986,760
User fees and						49,074	25,000	74,074
Other			976,626	185,795	7,341,361	6,653,725	488,821	15,646,328
Donations	1,368							1,368
<b>Total revenue</b>	<b>6,566,487</b>	<b>681,421</b>	<b>2,146,426</b>	<b>3,092,378</b>	<b>7,618,407</b>	<b>7,079,423</b>	<b>3,609,309</b>	<b>16,982,851</b>
<b>Expenses:</b>								
Salaries, Wages								15,305,821
and Benefits	3,041,541	465,268	1,666,157	1,492,253	1,717,467	3,308,899	3,614,236	9,982,398
Operating								
Expenses	1,643,445	216,153	318,374	1,305,546	1,771,238	3,003,578	1,724,064	6,415,333
Amortization	1,716,307						641,120	3,224,718
Less:				16,049	232,709	618,008	(2,563,487)	(2,563,487)
Chargebacks		525						525
<b>Total expenses</b>	<b>6,401,293</b>	<b>681,946</b>	<b>1,984,531</b>	<b>2,813,848</b>	<b>3,721,414</b>	<b>6,930,485</b>	<b>3,415,933</b>	<b>25,949,450</b>
<b>Annual surplus/ (deficit)</b>	<b>\$ 165,194</b>	<b>\$ (525)</b>	<b>\$ 161,895</b>	<b>\$ 278,530</b>	<b>\$ 3,896,993</b>	<b>\$ 148,938</b>	<b>\$ 193,376</b>	<b>\$ 4,844,401</b>

2019								
	Watershed Management and Monitoring	Source Protection Program	Resource Planning	Watershed Stewardship	Conservation Land Management	Recreation and Education	Corporate Services/IS and Motor Pool	Total
<b>Revenue:</b>								
Levies	\$ 5,152,387	\$ -	\$ 1,051,032	\$ 2,175,500	\$ -	\$ 331,900	\$ 3,043,473	\$ 11,754,292
Grants	1,725,111							4,007,726
User fees and	56,670	1,083,095	58,988	1,030,778		64,652	45,102	16,300,458
Other					3,642,088	10,399,665		
Donations	18,632		892,200	647,175	-		662,660	
<b>Total revenue</b>	<b>6,952,800</b>	<b>-</b>	<b>2,002,220</b>	<b>258,256</b>	<b>142,548</b>	<b>233,037</b>	<b>28,201</b>	<b>680,674,150</b>
		1,083,095		4,111,709	3,784,636	11,029,254	3,779,436	
<b>Expenses:</b>								
Salaries, Wages	3,508,155	491,580	1,543,228	1,820,211	1,841,397	5,332,680	3,037,915	17,575,166
and Benefits								
Operating	2,270,928	591,515	287,894	2,058,152		4,118,357		13,478,087
Expenses								
Amortization	1,701,083	840		17,082	2,288,093	232,821	612,227	3,181,613
							1,863,148	
Less:							(2,518,405)	(2,518,405)
Chargebacks								
<b>Total expenses</b>	<b>7,480,166</b>	<b>1,083,935</b>	<b>1,831,122</b>	<b>3,895,445</b>		<b>10,063,264</b>	<b>3,000,218</b>	<b>31,716,461</b>
<b>Annual surplus/ (deficit)</b>	<b>\$ (527,366)</b>	<b>\$ (840)</b>	<b>\$ 171,098</b>	<b>\$ 216,264</b>	<b>\$ (577,675)</b>	<b>\$ 965,990</b>	<b>\$ 779,218</b>	<b>\$ 1,026,689</b>
				4,362,311				



# **Halton Region Conservation Authority (HRCOA)**

**Halton**





# City of Hamilton

## HALTON CONSERVATION AUTHORITY

### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	APPEAL PERIOD		Per Regulation 670/00		2022 NET Preliminary Budget \$
						2018	2019	2020	2021	
<b>Budgeted Levy</b>	183,700	176,398	183,030	191,610	202,030	209,100	212,240	730,060	749,720	764,714
\$ Increase Year over Year	4,040	(7,302)	6,632	8,580	10,420	7,070	3,140	517,820	19,660	14,994
% Increase Year over Year	2.2%	(4.0%)	3.8%	4.7%	5.4%	3.5%	1.5%	244.0%	2.7%	2.0%

### HISTORICAL % APPORTIONMENTS of the MUNICIPAL LEVY

Municipality	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Region of Halton	91.85%	92.10%	92.16%	92.22%	92.36%	87.48%	87.70%	87.76%	87.85%	87.84%
Region of Peel	5.51%	5.44%	5.37%	5.33%	5.21%	4.94%	4.87%	4.81%	4.75%	4.75%
Town of Puslinch	0.24%	0.24%	0.25%	0.25%	0.24%	0.23%	0.18%	0.21%	0.22%	0.22%
City of Hamilton	2.40%	2.22%	2.21%	2.20%	2.19%	7.35%	7.25%	7.22%	7.18%	7.19%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Note**

1. 2020 Onwards, the levy has been budgeted per Regulation 670/00 of the Conservation Authorities Act.
2. The 2022 budget above is shown at 2021 budget + 2% based on City guidelines.  
A budget adjustment will be required based on the actual levy imposed by the Conservation Authority.



# 2022 BUDGET & BUSINESS PLAN



# FOREWORD

**Submitted by:**

Hassaan Basit  
President & CEO

**Prepared by:**

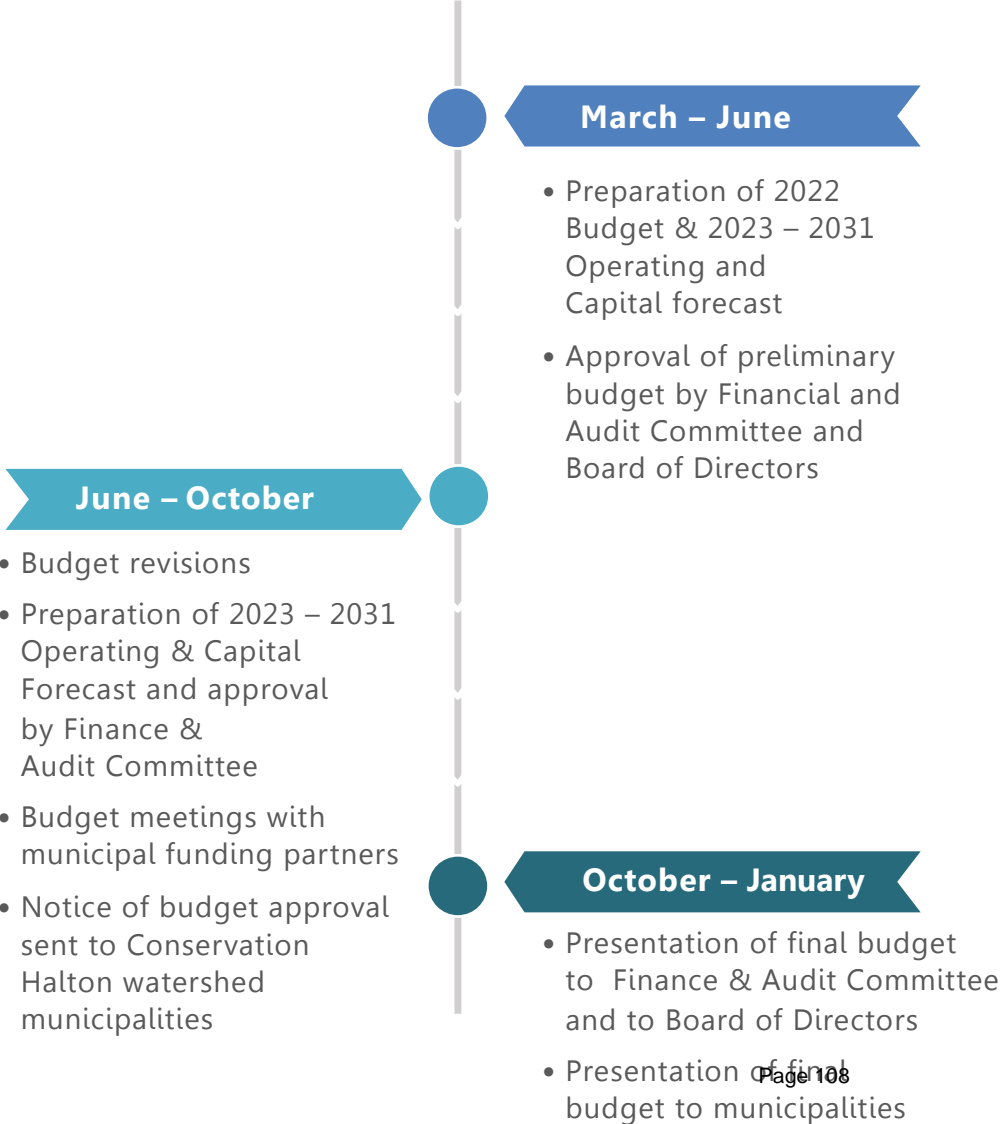
Marnie Piggot, CPA, CA  
Director, Finance

Kimberly O'Malley, CPA, CGA  
Senior Accountant & Budget Coordinator

**In Collaboration with Senior Leadership Team and Staff From:**

- Corporate Services
- Corporate Compliance
- Flood Forecasting & Operations
- Planning & Watershed Management
- Project Management Office
- Operations
- Parks & Recreation

## 2022 BUDGET PREPARATION TIMELINE



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# INTRODUCTION





# WELCOME MESSAGE

The 2022 budget of \$40.2 million continues to build on our success through the completion of the strategic plan, Metamorphosis, and positions Conservation Halton to further advance our goals into the future with the launch of the new strategic plan, Momentum.

---

*Through a transparent reporting process, we will monitor and share our progress towards achieving our strategic objectives*

---

The proposed 2022 budget and forecast allows for sustainable growth, staffing and other costs, including significant increases in legal and insurance expenses. The budget increase has been achieved through a focus on operating efficiencies, which have had a positive impact on service levels, and other funding, such as grants, to minimize the impact on municipal partners. The 2022 budget continues to be funded primarily through self-generated revenue, and municipal funding remains at less than 28% of total funding sources.

The overall municipal funding increase of 3.5% in the 2022 budget continues to remain within Halton Region guidelines of 3.7%. The municipal funding increase for the funding municipalities ranges from 2.2% to 3.6% based on apportionment data.



**Hassaan Basit** at Terra Firma Gala



**Terra Firma Gala** September 2021

# WELCOME MESSAGE

The continuing challenges of the COVID-19 pandemic on our park programs have been successfully managed through the control of expenses and new park revenue opportunities. Conservation Halton remains in good financial condition. The pandemic has highlighted the increased need for greenspace, and we will continue to respond to this demand, and plan for the future.

The 2022 budget includes significant new capital projects that will improve park infrastructure, increase park accessibility, and enable the creation of new greenspace. Conservation Halton was successful in obtaining infrastructure grant funding for the replacement of the Crawford Lake Boardwalk, estimated to cost \$2,280,000.

Kelso Quarry Park, also known as Area 8, will open to the public in late 2021. The 2022 budget and forecast include capital infrastructure improvements at Kelso Quarry Park that are outlined in the park master plan. The Conservation Halton Foundation has launched its new capital fundraising campaign to partially fund the capital costs at our newest park.

The review of the Conservation Authority Act is currently underway by the Ministry of the Environment, Conservation and Parks (MECP), with advice from the Provincial CA Act Working Group. This review will lead to revisions in the regulations related to municipal levies and new requirements for certain categories of programs and services. These changes will impact the budget process for 2024 and beyond, although the risk to service levels remains low at this stage.

Conservation Halton is grateful for the continued support of our municipal partners, and especially that of our largest funding partner, Halton Region, and we look forward to serving our watershed residents together.

On behalf of everyone at Conservation Halton and our Board of Directors, I would like to thank all our funders, supporters, customers, and volunteers for their support over the last year. We remain committed to serving our communities!



**Hassaan Basit**  
President & CEO



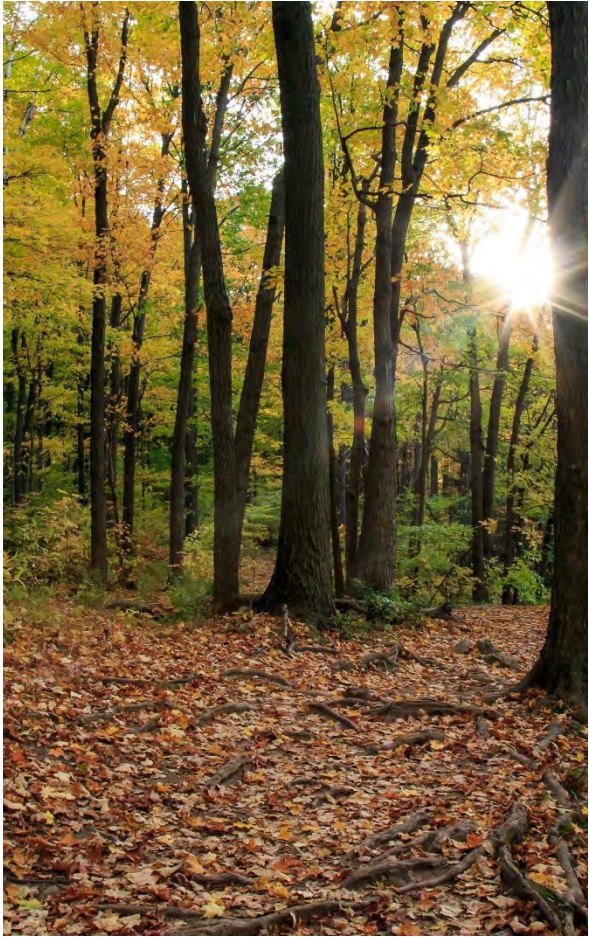
**Gerry Smallegange**  
Chair, Board of Directors

# ABOUT CONSERVATION HALTON

Conservation Halton was established more than 60 years ago to protect our communities from flooding and erosion and manage and restore natural resources of the watershed. We have grown to become so much more.

Today, it is our responsibility to prepare our communities for the impacts of climate change, support our partners in creating more sustainable communities, manage our natural areas and resources within the watershed, monitor and enhance the environmental health of our watershed and create opportunities to connect with nature through recreation and education.

Here at Conservation Halton, you will find highly skilled, competent and professional staff. Together, we are working to ensure a healthy watershed with clean streams, abundant forests and natural habitats that are in balance with our growing communities, and engage residents.



**Rattlesnake Point** in Fall

# MOMENTUM STRATEGIC PLAN SUMMARY



## NATURAL HAZARDS AND WATER

Protect people, property, drinking water sources and natural resources to support development that is in balance with the environment



## SCIENCE, CONSERVATION AND RESTORATION

Use environmental science, collaborative research and collective data to protect the integrity and strengthen the resilience of our ecosystems



## EDUCATION, EMPOWERMENT AND ENGAGEMENT

Inspire action by fostering an appreciation of our environment and heritage through leading edge educational programming and outdoor experiences with the environment



## NATURE AND PARKS

Grow our network of parks and greenspaces to promote equitable access and provide unique experiences that connect people with nature and heritage



## ORGANIZATIONAL SUSTAINABILITY

Implement organizational practices that support the social, environmental and economic dimensions of sustainability



## DIGITAL TRANSFORMATION AND INNOVATION

Integrate digital technologies, processes, and mindsets to strengthen adaptability and problem-solving capabilities



## PEOPLE AND TALENT

Attract, support and invest in the brightest and most passionate people to collectively achieve our ambition

# BOARD OF DIRECTORS

## REGIONAL MUNICIPALITY OF HALTON

BURLINGTON  
Mayor Marianne Meed Ward  
Councillor Rory Nisan  
Mr. Gerry Smallegange, **Chair**  
Mr. Jim Sweetlove

HALTON HILLS  
Councillor Moya Johnson, **Vice-Chair**  
Councillor Bryan Lewis

MILTON  
Mayor Gordon Krantz  
Councillor Mike Cluett  
Councillor Rick Di Lorenzo  
Councillor Zeeshan Hamid

OAKVILLE  
Mayor Rob Burton  
Councillor Cathy Duddeck  
Councillor Allan Elgar  
Councillor Dave Gittings

## REGIONAL MUNICIPALITY OF PEEL

MISSISSAUGA  
Mr. Hamza Ansari  
Mrs. Jean Williams

## CITY OF HAMILTON

Ms. Joanne DiMaio  
Dr. Zobia Jawed

## TOWNSHIP OF PUSLINCH

Mr. Stephen Gilmour



# SENIOR LEADERSHIP TEAM



**President & Chief Executive Officer**  
Hassaan Basit



**Director, Finance**  
Marnie Piggot



**Chief Operating Officer**  
Mark Vytvytskyy



**Director, Human Resources**  
Plezzie Ramirez



**Director, Planning & Watershed Management**  
Barb Veale

**Director, Communications**  
Vacant



**Director, Corporate Compliance**  
Jill Ramseyer



**Director, Park and Operations**  
Craig Machan



**Executive Director, Foundation**  
Garner Beckett



**Associate Director, Science & Partnerships**  
Kim Barrett



**Associate Director, Planning & Regulations**  
Kellie McCormack

# EXECUTIVE SUMMARY





# EXECUTIVE SUMMARY

Conservation Halton’s 2022 budget of \$40.2 million and 2023-2031 forecast provides the resources needed to protect, restore and manage the natural assets in the watershed, and continued improvement to programs, services, and infrastructure.

Like other public service bodies, the preparation of the budget and forecast requires thoughtful consideration to balance inflationary and growth-related pressures within funding guidelines provided by our municipal partners.

Conservation Halton has approved Budget Principles for the preparation of its annual budget. The two primary budget categories, Watershed Management & Support Services (WMSS) and Conservation Areas, are based on the funding sources for these programs. Conservation Area recreation programs receive revenue through park program fees that generate an operating surplus, which is transferred to the Conservation Area capital reserve to fund park capital project expenditures. The 2022 budget proposes an operating surplus for the parks of \$372,118.

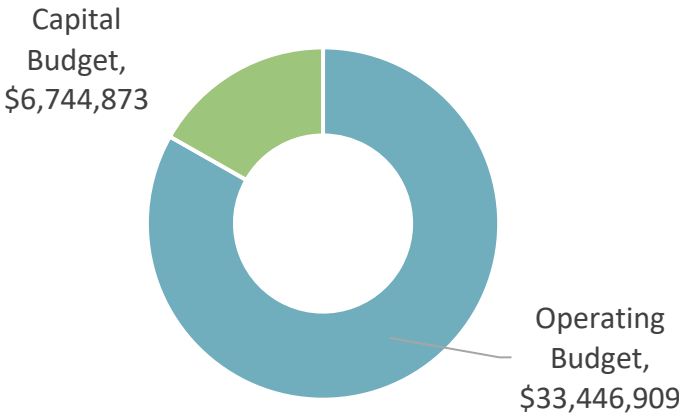
The 2022 budget has increased by \$3.4 million over the 2021 budget of \$36.8 million. This increase has been achieved through operating efficiencies and the obtainment of grants and other funding to minimize the impact on municipal partners. Most of the 2022 budget continues to be funded through self-generated revenues with municipal funding remaining at less than 28% of total funding sources.

Funding for Conservation Authorities is derived from a variety of sources. Conservation Halton has been proactive in using self-generated revenue to mitigate the financial impact to our funding municipalities. Conservation Halton strives to limit municipal funding increases to regional budget guidelines. The 2022 increase in municipal funding of 3.5% is within the guideline of 3.7% provided by the Region of Halton. The municipal funding increase of \$364,757 addresses requirements for operating, capital and the State of Good Repair levy for dams, channels and building assets.

Staffing is determined by the Senior Leadership Team through a review of program service delivery needs. The 2022 budget includes 251 Full Time Equivalent (FTE) staff that are comprised of 116 FTE in Watershed Management & Support Services (WMSS) programs and 135 FTE in the Conservation Areas. While there is no overall increase in FTE staff, there is an increase of 2.8 FTE staff in the WMSS program and a decrease of 3 staff in the Conservation Areas. The increase in WMSS staff is funded primarily by program and other revenues.

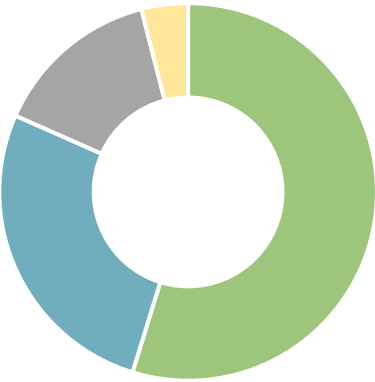
In summary, the 2022 budget continues to provide important services in a growing watershed, accounts for the needs of the increasing number of visitors at our Conservation and reflects enhancements to program and service delivery objectives.

## TOTAL 2022 BUDGET \$40,191,782



# EXECUTIVE SUMMARY

## TOTAL BUDGET FUNDING SOURCES \$40,191,782



- Program Revenue, Chargebacks & Reserves 55%
- Municipal Funding 27%
- Other Funding 14%
- Provincial Funding 4%

Operating Budget	2022 Budget	2021 Budget
Corporate Services	4,507,336	4,432,544
Corporate Compliance	866,507	774,777
Flood Forecasting & Operations	608,217	508,284
Planning & Watershed Management	7,267,890	6,886,134
Project Management Office	2,985,409	2,721,509
Operations	1,700,236	1,623,476
Debt Financing	620,551	619,245
Reserves	25,000	25,000
Conservation Areas	14,385,263	13,843,514
State of Good Repair Levy	480,500	478,500
	<b>33,446,909</b>	<b>31,912,983</b>

Capital Budget	2022 Budget	2021 Budget
Corporate Services	322,000	137,000
Other Foundation Funded Projects	100,000	100,000
Corporate Compliance	-	25,000
Flood Forecasting & Operations	790,970	1,273,000
Planning & Watershed Management	580,000	525,000
Project Management Office	200,000	714,136
Operations	939,000	987,562
Conservation Areas	3,812,903	1,143,412
	<b>6,744,873</b>	<b>4,905,110</b>

**Total Operating & Capital Budget**      **\$ 40,191,782**      **\$ 36,818,093**



# OPERATING BUDGET





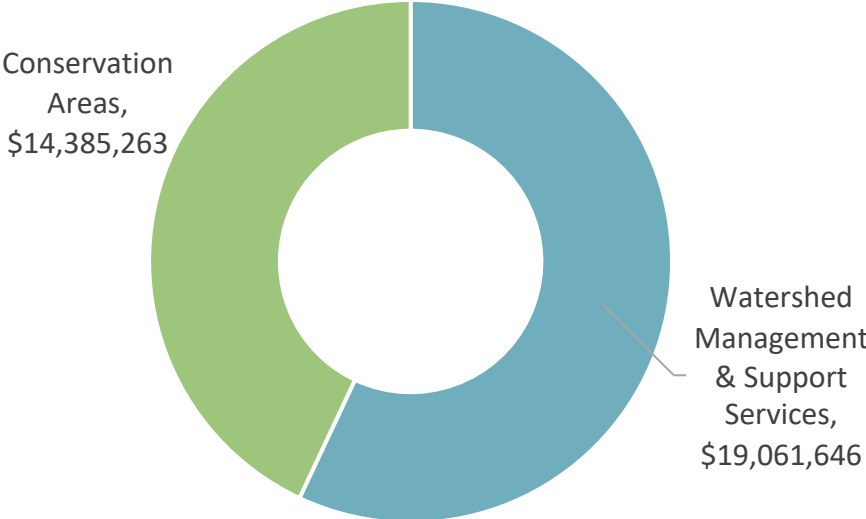
# 2022 OPERATING BUDGET

Conservation Halton works to protect, restore and manage the natural resources in its watershed and provide recreational and education opportunities to residents and visitors to the area.

Located in one of the fastest growing regions in Canada, Conservation Halton is faced with the challenge of delivering services to an increasing number of watershed residents and park visitors. In addition to addressing the impacts of growth, Conservation Halton is committed to enhancing programs and services to meet timelines and objectives outlined in the Conservation Halton strategic plan, Momentum.

The 2022 operating budget of \$33.4 million provides for an investment of \$19.1 million in Watershed Management and Support Services (WMSS) programs and an investment of \$14.4 million in the Conservation Areas.

## TOTAL OPERATING BUDGET \$33,446,909



# 2022 OPERATING BUDGET SUMMARY

The operating budget has been prepared according to the following budget categories and organization department structure, including the programs and services provided by those departments.

### CORPORATE SERVICES

Office of the President & CEO; Conservation Halton Foundation Administration; Finance; Digital Transformation; Information Technology (IT); Geographic Information Systems (GIS); Human Resources; Marketing & Communications

### CORPORATE COMPLIANCE

Procurement; Ethics & Compliance; Health & Safety; Risk & Lands

### FLOOD FORECASTING & OPERATIONS

Flood forecasting and warning program; Emergency Management; Dams and Channels operations and capital projects

### PLANNING & WATERSHED MANAGEMENT

Planning & Regulations; Flood Plain Mapping; Source Water Protection; Science & Partnerships – Monitoring Ecology; Landowner Outreach & Restoration; Hamilton Harbour Remedial Action Plan (HHRAP); Partnership Projects

### PROJECT MANAGEMENT OFFICE (PMO)

Administration Office Facility; Project Management; Restoration; Construction; Partnership Projects

### OPERATIONS

Forestry Operations; Forestry Tech. Team; Property Management; Security; Vehicle & Equipment WMSS Operations

### CONSERVATION AREAS

Vehicle & equipment Park Operations; Kelso/ Glen Eden; Crawford Lake / Mountsberg / Robert Edmondson; Rattlesnake Point / Hilton Falls / Mount Nemo; Education and Community Outreach

Further details of the operating budget for each department are provided in the Departmental Business Plans.

### Assumptions Used in Preparing the 2022 Operating Budget

Inflation has been assumed generally at a rate of 1.75% to 2.0% for 2022. The Bank of Canada aims to keep inflation at the 2 per cent midpoint of an inflation-control target range of 1% to 3%.

Staff salary bands for 2022 are proposed to increase by 1.75% for inflation. Salaries are based on 96% of the top of the salary bands that approximate actual salary levels.

# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2022 OPERATING BUDGET SUMMARY

The operating budget provides for an investment of \$19.1 million into Watershed Management & Support Services (WMSS) programs. Conservation Halton prepares a budget that balances expenses with sources of revenue for the Watershed Management & Support Services programs. The operating budget increase of almost \$1 million is funded by program revenue, grants, reserves, municipal funding and chargebacks.

- Major drivers of the WMSS operating budget increase include:
- \$710,229 increased staff salary and benefits costs;
  - \$100,000 in legal expenses related to Planning & Regulation activities and
  - \$50,000 in insurance expenses based on 2021 insurance premiums increases.

*WMSS operating budget expense and funding amounts are summarized in the chart.*

Watershed Management & Support Services (WMSS)	2022 Budget	2021 Budget	Increase / Decrease
<b>Operating Expenses:</b>			
Staff Salary & Benefits	\$ 13,191,614	\$ 12,481,385	\$ 710,229
Materials & Supplies	\$ 1,119,146	\$ 713,842	\$ 405,304
Purchased Services	\$ 2,885,184	\$ 3,124,481	\$ (239,297)
Financial	\$ 79,000	\$ 74,045	\$ 4,955
Internal Chargebacks	\$ 660,651	\$ 552,972	\$ 107,679
Debt Financing Charges	\$ 620,551	\$ 619,245	\$ 1,306
Transfer to Reserves - Land Securement	\$ 25,000	\$ 25,000	\$ -
Transfer to Reserves - SOGR Levy Dams & Channels	\$ 316,500	\$ 376,500	\$ (60,000)
Transfer to Reserves - SOGR Levy Buildings	\$ 164,000	\$ 102,000	\$ 62,000
<b>Total Operating Expenses - WMSS</b>	<b>\$ 19,061,646</b>	<b>\$ 18,069,470</b>	<b>\$ 992,176</b>

Watershed Management & Support Services (WMSS)	2022 Budget	2021 Budget	Increase / Decrease
<b>Funding of Operating Expenses:</b>			
Program Revenue	\$ 3,192,120	\$ 2,691,458	\$ 500,662
Ministry of Natural Resources & Forestry - Operating Grant	\$ 155,034	\$ 155,034	\$ -
Municipal Funding	\$ 9,691,673	\$ 9,340,100	\$ 351,573
Municipal Funding - State of Good Repair Levies Dams & Channels and Buildings	\$ 480,500	\$ 478,500	\$ 2,000
Other Grants & Program Funding	\$ 3,142,438	\$ 3,231,098	\$ (88,660)
Internal Chargeback Recoveries	\$ 2,206,381	\$ 2,145,780	\$ 60,601
Transfers from Reserves - WMSS Stabilization, Water Festival, Landowner Outreach & Restoration	\$ 193,500	\$ 27,500	\$ 166,000
<b>Total Operating Funding - WMSS</b>	<b>\$ 19,061,646</b>	<b>\$ 18,069,470</b>	<b>\$ 992,176</b>



# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2022 OPERATING BUDGET SUMMARY

### Staff Salary & Benefits increases include:

- 2.75 FTE staff changes costing \$275,542 added through staff realignments and service delivery reviews, funded primarily by program revenue and other grants;
- Increased staff compensation of \$296,652 based on a 1.75% inflationary increase to the staff salary bands; and
- Benefit expense increases estimated to cost \$138,035.

### Materials & Supplies and Purchased Services

A large part of the changes in these categories are the result of shifts between supplies and services for the Partnership Projects planned for 2022 that are fully funded by project grants and internal chargebacks to the projects.

Purchased Services also includes increased WMSS insurance costs and Planning & Regulation legal budget based on current increased activities. The \$100,000 increase in legal budget for 2022 is funded by a transfer from the WMSS Stabilization Reserve to assess whether a long-term legal budget increase is required.

### Internal Chargebacks

Chargeback expenses are included in Partnership Projects, Source Protection and WMSS Operations related to staff in other departments allocating time on these programs. The chargeback amounts are increasing in total by \$100,454 based on the estimated amount of staff time to be spent on the respective projects and programs.

### Debt Financing Charges

Debt Financing Charges in the 2022 preliminary operating budget of \$620,551 includes \$570,551 municipal debt financing charges and \$50,000 for principal and interest payments on a property acquisition loan from the Hamilton Community Foundation (HCF). The original property loan received in 2015 of \$858,000 is anticipated to be repaid by July 2025.

Charges related to debt financing received through Halton Region are calculated based on interest rates ranging between 3.0%-3.2%. Repayment of the debt financing is over thirty years for the Kelso Dam Capital Project and twenty years for other projects. Projects that have been debt financed to date include major dam and channel capital projects and Administration Office renovations.

The total long-term debt balance is currently \$5,406,229 including debt financing received in 2021. The debt capacity ratio estimate of 4.2% for 2022 is based on estimated own source revenues, excluding Conservation Areas program revenue. Conservation Halton has approved a debt capacity ratio of 10% in its Budget Principles.

# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2022 OPERATING BUDGET SUMMARY

### State of Good Repair Levy and Transfer to SOGR Reserves

An increase of \$2,000 in the SOGR Levy is included in the 2022 budget for Facilities. The 2022 budget also provides for a reallocation of \$60,000 from the Dams & Channels SOGR levy to the Facilities SOGR levy to meet the annual reserve level funding target in the Facilities Asset Management Plan.

The State of Good Repair Levy amounts are transferred to the Watershed Management Capital and Building SOGR Reserve to fund future capital works.

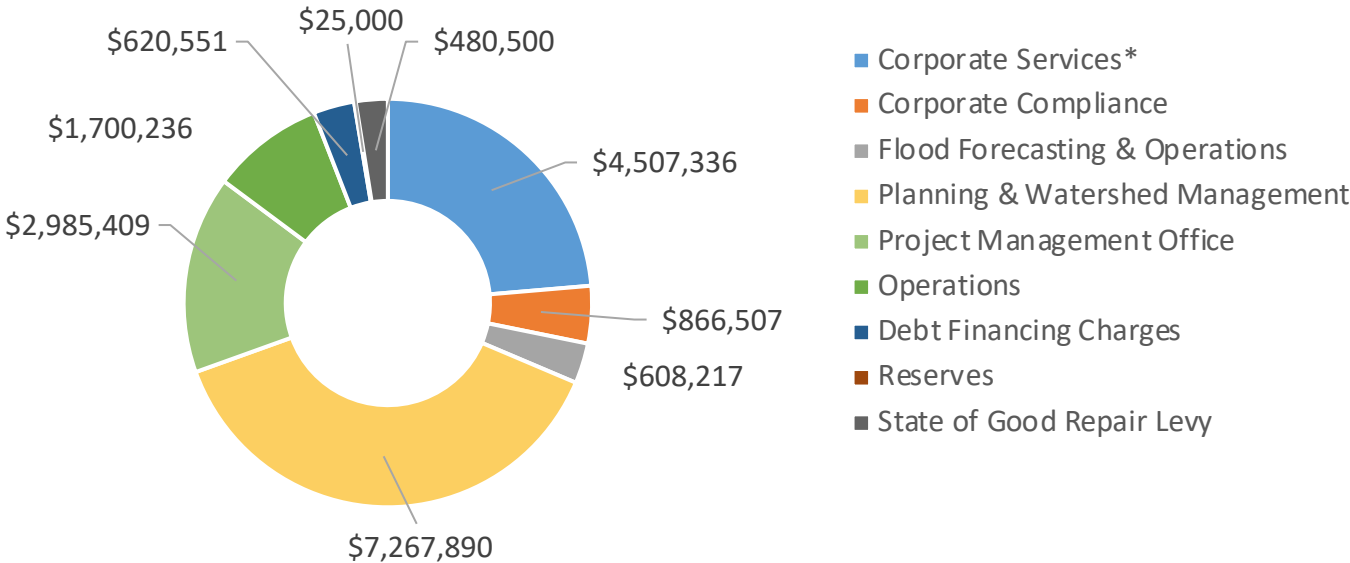
### Program Revenue

The majority of the \$500,662 program revenue increase is related to planning and permit fees based on significantly increased recent activity and projected trends related to the Halton Region allocation program.

### Municipal Funding

Municipal operating funding for WMSS programs increase of \$353,573 is related to programs and services and to fund increases to the State of Good Repair Levies for dams, channels, and facilities.

### TOTAL WMSS OPERATING BUDGET \$19,061,646



# CONSERVATION AREAS

## 2022 OPERATING BUDGET SUMMARY

The operating budget provides for an investment of \$14.4 million into Conservation Area programs and services. Operating expenses have increased by \$541,749 as summarized in the chart.

**Staff Salary & Benefits** decrease by (\$46,244) due to reduction in 3.0 FTE positions offset by increased seasonal salaries and benefits.

**Internal Chargebacks** to the Conservation Areas for support services decrease in the 2022 operating budget by (\$29,100) related to staffing changes and time spent on park programs.

**Purchased Services** increase of \$291,545 includes insurance cost increases of \$100,000 based on 2021 premiums, and \$105,000 in services related to Digital Transformation.

**Financial** expense increase of \$175,000 is attributed to credit card fees and point of sales system fees with more online sales. These expense increases are offset by increased park program fees.

**Program fees** have been increased by \$530,100. This revenue increase is based on continued growth in park visitation and the implementation of fee increases in spring 2021, as parks revenue continues to transition to full cost recovery.

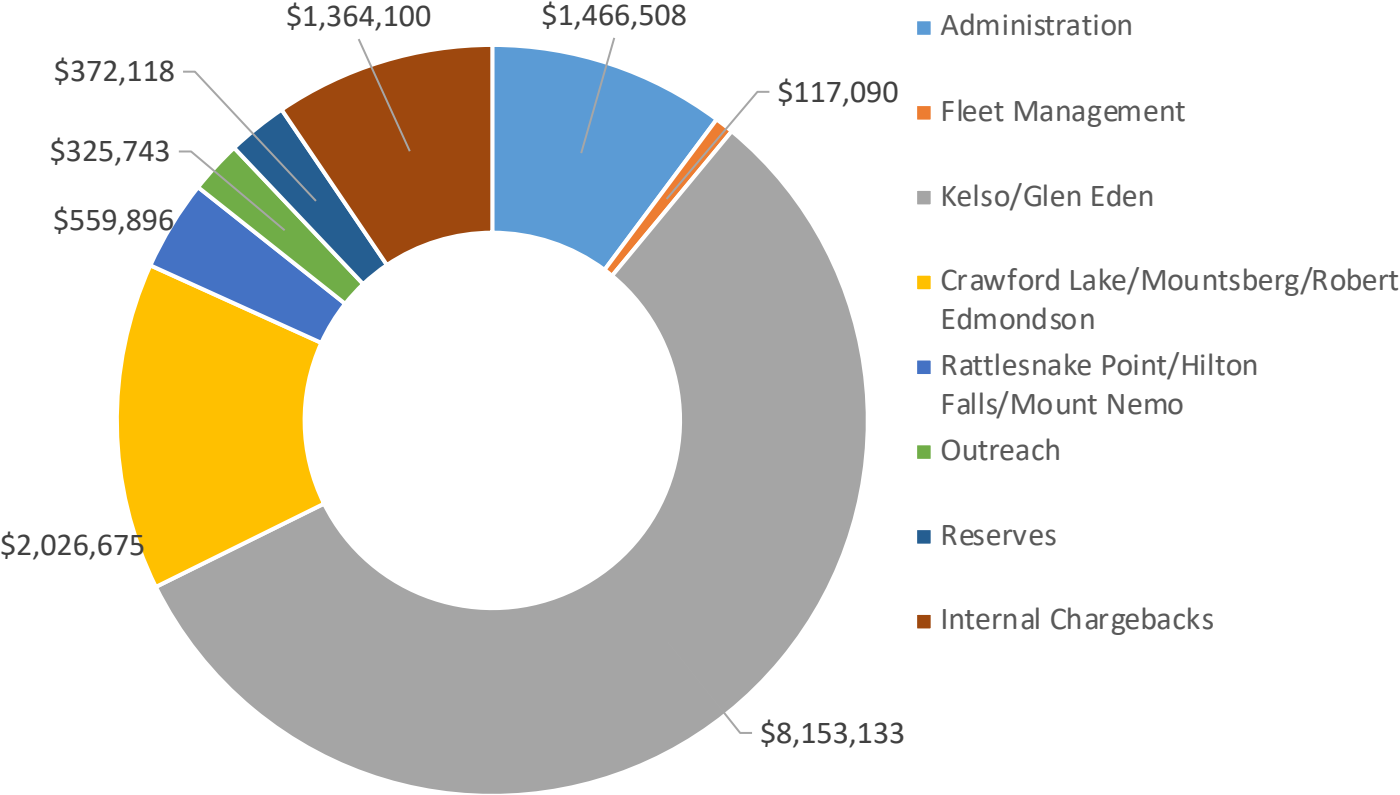
Conservation Areas	2022 Budget	2021 Budget	Increase / Decrease
<b>Operating Expenses:</b>			
Staff Salary & Benefits	\$ 8,057,964	\$ 8,104,208	\$ (46,244)
Materials & Supplies	\$ 1,874,353	\$ 1,844,639	\$ 29,714
Purchased Services	\$ 2,245,528	\$ 1,953,983	\$ 291,545
Financial	\$ 471,200	\$ 296,200	\$ 175,000
Internal Chargebacks	\$ 1,364,100	\$ 1,393,200	\$ (29,100)
Transfer to Reserve - Operating Surplus	\$ 372,118	\$ 251,284	\$ 120,834
<b>Total Operating Expenses - Conservation Areas</b>	<b>\$ 14,385,263</b>	<b>\$ 13,843,514</b>	<b>\$ 541,749</b>

Conservation Areas	2022 Budget	2021 Budget	Increase / Decrease
<b>Funding of Operating Expenses:</b>			
Program Fees	\$ 13,946,430	\$ 13,416,330	\$ 530,100
Municipal Funding - Park Education programs & Outreach	\$ 361,463	\$ 355,279	\$ 6,184
Internal Chargeback Recoveries	\$ 77,370	\$ 63,290	\$ 14,080
Transfer from Reserves	\$ -	\$ 8,615	\$ (8,615)
<b>Total Operating Funding - Conservation Areas</b>	<b>\$ 14,385,263</b>	<b>\$ 13,843,514</b>	<b>\$ 541,749</b>

# CONSERVATION AREAS

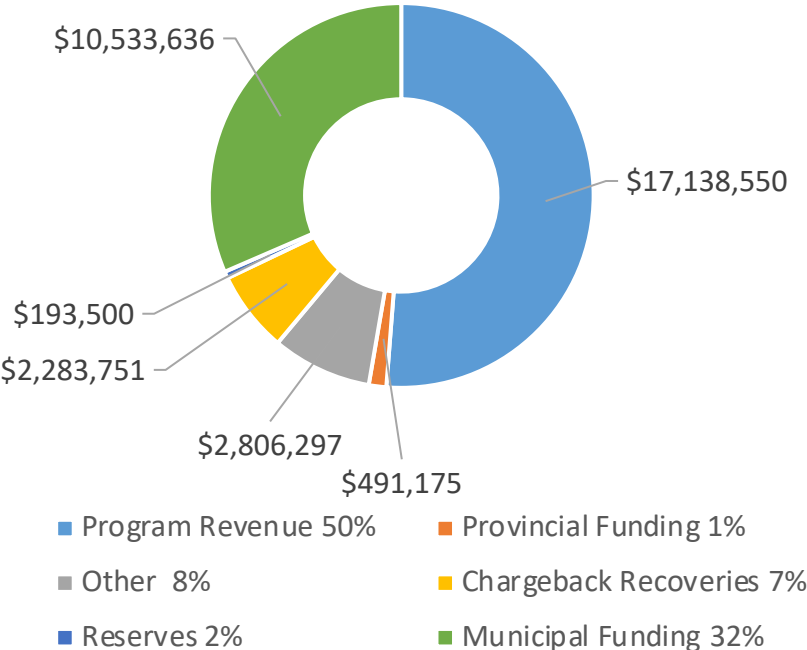
## 2022 OPERATING BUDGET SUMMARY

### TOTAL CONSERVATION AREAS OPERATING BUDGET \$14,385,263



# SOURCES OF OPERATING BUDGET FUNDING

## TOTAL OPERATING BUDGET FUNDING SOURCES \$33,446,909



Conservation Halton has been proactive in generating funding through various sources to mitigate the financial impact to its funding municipalities. The 2022 operating budget funding sources are consistent with prior years, with the majority of funding derived from self-generated revenues and less than one third of the operating budget funded by municipal operating funding of \$10.5 million.

Program revenue included in the operating budget is assumed to increase based on inflation, growth and increases identified through the Rates & Fees model to transition to full cost recovery. The fees model will ensure that fees are phased in to recover costs of providing services and will benchmark fees against other similar service providers to ensure equity to the consumers of the services.

Municipal funding is provided by the Region of Halton, City of Hamilton, Region of Peel and Township of Puslinch. Municipal funding is apportioned according to the area and current value assessment of the municipality within the Conservation Halton watershed, as detailed in the Municipal Funding section of the 2022 Budget & Business Plan.

# SOURCES OF OPERATING BUDGET FUNDING

## STATE OF GOOD REPAIR LEVY

The operating budget includes a request for a State of Good Repair (SOGR) Levy of \$480,500, an increase of \$2,000 over the 2021 budget amount. This increase is consistent with the 2022 forecast amount included in the 2021 budget. The 2021 State of Good Repair Levy consists of \$316,500 for dams and channels assets and \$164,000 for buildings and facility assets. The State of Good Repair Levy amounts will be transferred to the Watershed Management Capital and the Building SOGR Reserve to fund 2022 and future capital works.

Asset Management Plans have been completed for all Conservation Halton assets including Dams and Channels, Facilities and remaining capital assets, and have identified that most Conservation Halton assets are in good condition. The last Asset Management Plan noted that reserve levels for some assets, such as vehicles, are inadequate in the later years of the ten-year forecast and will be addressed in future budgets.

The Asset Management Plans provide the annual investment required to maintain these assets in a state of good repair. Based on the phase-in of the State of Good Repair levy amounts, some municipal debt financing is still required over the ten-year forecast period until the SOGR levy reaches target levels established in the Asset Management Plans. Conservation Halton staff will work towards phasing in the shortfall in future budgets to minimize the municipal funding impact.

## RESERVE FUNDING AND TRANSFERS

In addition to Watershed Management Capital and Building reserve funding from the State of Good Repair levy amounts, there is a transfer of \$25,000 to the Land Securement Reserve included in the 2022 budget. The transfer will help to ensure funds are available to respond to opportunities that meet the guidelines established in the Land Securement Strategy.

Transfers from the Stabilization, Water Festival, Landowner Outreach & Restoration reserves totaling \$193,500 are included in program funding in the 2022 budget to meet operating expense needs.

The Reserve section of the 2022 Budget & Business Plan provides the projected reserve balances at December 31, 2021 and the proposed transfers to and from reserves in the 2022 budget. A reserve continuity schedule with reserve balances to 2031 is also provided in this section.

# STAFF COMPLEMENT CHANGES

The 2022 operating budget provides for a net decrease of .2 full time equivalent (FTE) staff positions made up of 2.8 FTE increase in Watershed Management & Support Services and 3.0 FTE decrease in the Conservation Areas.

A summary of the changes is provided below.

<b>Staffing Overview Summary</b>				
	<b>2021 Approved FTE</b>	<b>Service Adjustment</b>	<b>2022 Total FTE</b>	<b>Net Change 2022 vs 2021</b>
<b>Watershed Management &amp; Support Services (WMSS)</b>				
Full-time	105.5	2.8	108.3	2.8
Part-time/Contract	7.8	0.0	7.8	0.0
<b>Total WMSS</b>	<b>113.3</b>	<b>2.8</b>	<b>116.1</b>	<b>2.8</b>
<b>Conservation Areas</b>				
Full-time	34.3	-3.0	31.3	-3.0
Part-time/Contract	103.4	0.0	103.4	0.0
<b>Total Conservation Areas</b>	<b>137.7</b>	<b>-3.0</b>	<b>134.7</b>	<b>-3.0</b>
<b>Total Full-time</b>	<b>139.8</b>	<b>-0.2</b>	<b>139.6</b>	<b>-0.2</b>
<b>Total Part-time/Contract</b>	<b>111.2</b>	<b>0.0</b>	<b>111.2</b>	<b>0.0</b>
<b>Total Staff FTE's</b>	<b>251.0</b>	<b>-0.2</b>	<b>250.8</b>	<b>-0.2</b>

# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2022 OPERATING BUDGET SUMMARY

Description	%Increase (decrease) over 2021 Budget	2020 Actual	2021 Budget Expenses	2022 Budget Expenses	2022 Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>WATERSHED MANAGEMENT &amp; SUPPORT SERVICES (WMSS) PROGRAMS</b>										
<b>1 CORPORATE SERVICES</b>										
Office of the President & CEO		681,369	665,847	711,907				22,500		689,407
Conservation Halton Foundation Administration		151,555	148,504	153,015				30,000		123,015
Finance		810,766	809,270	779,944	80,500			238,300		461,144
General Corporate Services		25,109	-	-						-
Information Technology		641,375	500,021	477,979				61,000		416,979
Geographical Information Systems (GIS)		439,150	496,844	526,918	6,500					520,418
Chief Operating Officer / Digital Transformation		178,650	355,507	299,847				58,400		241,447
Human Resources		497,007	677,743	747,866				206,700	20,000	521,166
Marketing		496,262	427,019	438,225				168,200	10,000	260,025
Communications		138,512	351,789	371,635				136,800		234,835
	1.7%	4,059,755	4,432,544	4,507,336	87,000	-	-	921,900	30,000	3,468,436
<b>2 CORPORATE COMPLIANCE</b>										
Corporate Compliance		716,109	774,777	866,507				197,300		669,207
	11.8%	716,109	774,777	866,507	-	-	-	197,300	-	669,207
<b>3 FLOOD FORECASTING &amp; OPERATIONS</b>										
Flood Forecasting		471,778	508,284	608,217		155,034	-	36,000		417,183
	19.7%	471,778	508,284	608,217	-	155,034	-	36,000	-	417,183



# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2022 OPERATING BUDGET SUMMARY

Description	%Increase (decrease) over 2021 Budget	2020 Actual	2021 Budget Expenses	2022 Budget Expenses	2022 Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>4 PLANNING &amp; WATERSHED MANAGEMENT</b>										
<b>Planning &amp; Regulations</b>										
Planning & Regulations		3,300,433	3,885,613	4,410,991	2,890,600			39,500	100,000	1,380,891
Floodplain Mapping (prev. Engineering)		324,632	239,437	246,492	-			-		246,492
Regional Infrastructure Team		441,752	495,154	509,902			522,650			(12,748)
<b>Science &amp; Partnerships</b>										
Monitoring Ecology		452,293	636,555	630,848	7,840			21,670		601,338
Stewardship		452,111	575,773	619,394	70,680			170,177	22,500	356,037
HHRAP		262,249	338,004	289,092			300,000			(10,908)
Partnership Projects		237,350	442,134	350,030			350,030			-
<b>Watershed Planning &amp; Source Protection</b>										
Source Protection		238,272	273,464	211,141		211,141		-		-
	5.5%	5,709,092	6,886,134	7,267,890	2,969,120	211,141	1,172,680	231,347	122,500	2,561,102
<b>6 PROJECT MANAGEMENT OFFICE</b>										
Administration Office Facility		176,052	197,468	199,840						199,840
Project Management		356,503	456,415	434,469			50,000	129,200		255,269
Restoration		252,181	356,569	486,395	-			356,934		129,461
Construction		241,663	249,544	282,088				51,300		230,788
Partnership Projects		461,997	1,461,513	1,582,617			1,541,617		41,000	-
	9.7%	1,488,397	2,721,509	2,985,409	-	-	1,591,617	537,434	41,000	815,358

# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2022 OPERATING BUDGET SUMMARY

Description	%Increase (decrease) over 2021 Budget	2020 Actual	2021 Budget Expenses	2022 Budget Expenses	2022 Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>7 OPERATIONS</b>										
Fleet Management		147,007	160,589	160,589						160,589
Property Management		41,179	91,770	118,890	36,000	125,000				(42,110)
Security		409,947	445,307	449,070				172,400		276,670
Forestry Operations		379,398	548,347	585,421	-		42,000	10,000		533,421
Forestry Tech. Team		283,195	377,463	386,266	100,000			100,000		186,266
	4.7%	1,260,726	1,623,476	1,700,236	136,000	125,000	42,000	282,400	-	1,114,836
<b>8 DEBT FINANCING CHARGES</b>	0.2%	744,009	619,245	620,551						620,551
<b>TRANSFER TO RESERVES - WMSS STABILIZATION, PROPERTY MANAGEMENT, STEWARDSHIP AND RESTORATION;</b>										
<b>9 ALLOCATED SURPLUS</b>		1,183,900	-	-						-
<b>TRANSFER TO RESERVES - STATE OF GOOD</b>										
<b>10a REPAIR (SOGR) LEVY</b>	0.4%	439,200	478,500	480,500						480,500
<b>TRANSFER TO RESERVE - LAND</b>										
<b>10b SECUREMENT</b>	0.0%	25,000	25,000	25,000						25,000
<b>TOTAL OPERATING WATERSHED MGMT &amp; SUPPORT SERVICES (WMSS)</b>	5.5%	<b>16,097,967</b>	<b>18,069,470</b>	<b>19,061,646</b>	<b>3,192,120</b>	<b>491,175</b>	<b>2,806,297</b>	<b>2,206,381</b>	<b>193,500</b>	<b>10,172,173</b>

# CONSERVATION AREAS

## 2022 OPERATING BUDGET SUMMARY

Description	%Increase (decrease) over 2021 Budget	2020 Actual	2021 Budget Expenses	2022 Budget Expenses	2022 Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>CONSERVATION AREAS</b>										
<b>11 Conservation Areas</b>										
Conservation Areas Administration		1,198,921	1,094,102	1,466,508	1,165,000			71,770		
Fleet Management		108,850	105,090	117,090						
Kelso/Glen Eden		6,096,461	8,011,909	8,153,133	9,589,250					
Crawford Lake/Mountsberg/Robert Edmondson		1,739,503	2,039,720	2,026,675	1,793,000		-			240,000
Rattlesnake Point/Hilton Falls/Mount Nemo		547,519	630,735	559,896	1,200,500					
Outreach		126,510	317,474	325,743	198,680			5,600	-	121,463
Transfer Surplus to Conservation Area reserves		1,072,029	251,284	372,118						
<b>SUBTOTAL CONSERVATION AREAS - OPERATING BEFORE SUPPORT SERVICES CHARGEBACK</b>	4.6%	10,889,793	12,450,314	13,021,163	13,946,430	-	-	77,370	-	361,463
Support Services Chargeback	(2.1%)	926,900	1,393,200	1,364,100						
<b>TOTAL OPERATING CONSERVATION AREAS</b>	3.9%	<b>11,816,693</b>	<b>13,843,514</b>	<b>14,385,263</b>	<b>13,946,430</b>	<b>-</b>	<b>-</b>	<b>77,370</b>	<b>-</b>	<b>361,463</b>
<b>TOTAL OPERATING PROGRAMS</b>	4.8%	<b>27,914,660</b>	<b>31,912,984</b>	<b>33,446,909</b>	<b>17,138,550</b>	<b>491,175</b>	<b>2,806,297</b>	<b>2,283,751</b>	<b>193,500</b>	<b>10,533,636</b>

# CAPITAL BUDGET



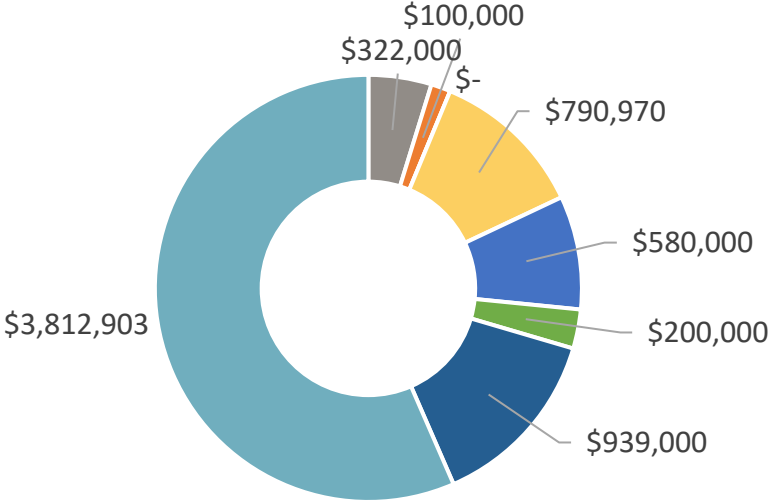


# 2022 CAPITAL BUDGET SUMMARY CHANGES

The 2022 capital budget will invest a total of \$6.7 million into infrastructure and technology to enhance programs and services in the watershed and Conservation Areas.

The capital budget provides funding for projects such as the rehabilitation of flood control infrastructure, updating of flood plain mapping, investments in digital transformation and technology upgrades, vehicle and equipment replacements, managing the impacts of Emerald Ash Borer, land management initiatives and infrastructure improvements at the Conservation Areas.

**TOTAL CAPITAL BUDGET \$6,744,873**



- Corporate Services
- Foundation Funded Initiatives
- Corporate Compliance
- Flood Forecasting & Operations
- Planning & Watershed Management
- Project Management Office
- Operations
- Conservation Areas

# 2022 CAPITAL BUDGET SUMMARY

## WATERSHED MANAGEMENT & SUPPORT SERVICES

### INVESTING IN THE WATERSHED

The 2022 capital budget provides for an investment of \$2,931,970 in the Conservation Halton watershed.

*The WMSS 2022 capital budget includes:*

### CORPORATE SERVICES

The Asset Management Plan - Dams and Channels in the 2022 budget for \$40,000 is scheduled to be updated in 2022. Asset Management Plans have been completed for all Conservation Halton assets and are planned to be updated every five years.

A compensation review is planned in 2022 at an estimated cost of \$30,000. Staff compensation and market reviews are completed every five years.

Information Technology infrastructure capital costs of \$52,000 include new and replacement computer equipment and software.

Digital Transformation initiatives of \$200,000 in 2022 include the implementation of a digital file management system. Project expenses for 2022 are proposed to be funded by a transfer from the Digital Transformation Reserve.

### FLOOD FORECASTING & OPERATIONS

Dams and channels SOGR Maintenance costs of \$700,970 are based on staff assessments of capital work priorities according to consulting engineering studies, such as dam safety reviews.

These costs are assumed to be funded 50% provincially and 50% municipally through the State of Good Repair Levy reserve funding. The amount in the 2022 budget and forecast has been reduced compared to prior budget capital forecasts as a result of estimates in updated Dam Safety Reviews and Channels Study.

Flood Forecasting & Warning Program costs of \$90,000 are related to equipment and services for the development of watershed Flood Forecasting & Warning models and tools.

### PLANNING & WATERSHED MANAGEMENT

The \$55,000 capital budget for Watershed Planning will continue to guide Conservation Halton and partner municipalities in identifying natural assets and developing sustainable, cost-effective and climate-resilient infrastructure. This project aligns with Conservation Halton’s strategic plan objective to increase climate resilience by promoting natural solutions.

The Floodplain Mapping update project, with costs of \$525,000 in the 2022 budget is a multi-year capital project identified through the Strategic Plan. This project is funded through Halton Region other municipal funding. The remaining watershed areas to be updated are predominantly within the Halton Region portion of the Conservation Halton watershed, making it difficult to apportion these costs to other municipalities.

# 2022 CAPITAL BUDGET SUMMARY

## PROJECT MANAGEMENT OFFICE (PMO)

Administration Office capital works for \$100,000 support office renovations, infrastructure and landscape improvements, including recommendations in the landscape master plan. Office renovations will consider the impact of the virtual office continuing, in some form. The building improvements in the master plan are to be implemented over a phased period..

Facility State of Good Repair costs of \$100,000 includes maintenance work identified in the Facilities Asset Management Plan and Facility Condition Assessment report to maintain WMSS buildings in a state of good repair.

## OPERATIONS

Emerald Ash Borer (EAB) treatment has been included at a cost of \$820,000 funded by Region of Halton according to the amount outlined in the Business Plan approved in 2017.

Property Management capital costs of \$25,000 are related primarily to property and risk management issues on properties owned by Conservation Halton. These funds will address Conservation Halton owned properties being accessed by the public without a formal management program.

Vehicle and equipment replacements planned for 2022 of \$94,000 for WMSS programs will be funded by a transfer from the Vehicle and Equipment Reserve.

Other Foundation funded projects of \$100,000 is an estimated amount to recognize annual fundraising by the Conservation Halton Foundation for park capital projects that typically support the education program.

## CONSERVATION AREAS

### INVESTING IN OUR PARKS

The 2022 capital budget provides for an investment of \$3,812,903 into the Conservation Areas.

The Conservation Area 2022 capital budget includes: Facility, Infrastructure & Ski Hill costs of \$1,432,903, including \$213,000 in State of Good Repair work and IT infrastructure, \$950,000 for improvements in snowmaking and facilities, ski rental fleet and snow groomer replacements, and \$269,903 in vehicle and equipment replacements.

The Crawford Lake Boardwalk replacement project, with an estimated cost of \$2,280,000 is being completed through a grant from the Investing in Canada Infrastructure Program (ICIP), which will provide federal and provincial funding totaling \$1,671,924, with the balance of \$608,076 to be funded by Conservation Halton. The Conservation Halton Board approved the use of Developer Contributions collected by Halton Region to fund Conservation Halton's portion of the project. This project will include improvements to extend the lifespan of the boardwalk and meet accessibility requirements and is expected to be completed by late 2024.

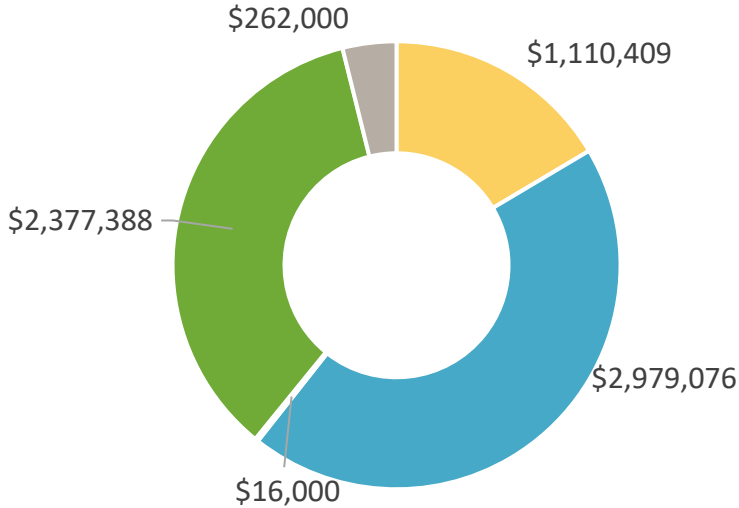
# 2022 CAPITAL BUDGET SUMMARY

## INVESTING IN OUR PARKS CON'T

Kelso Quarry Park, also known as Area 8, capital work in the 2022 budget will allow for infrastructure improvements at the new park. Increased public demand for greenspace, as a result of COVID-19 and community growth, has been a driver in advancing the enhancements to Kelso Quarry Park. The Kelso Master Plan approved in fall 2020 contains improvements at Kelso Quarry Park of approximately \$7 million, including trails, boardwalk, seasonal activities and visitor centre. The Conservation Halton Foundation launched a capital fundraising campaign in 2021, in addition to proposed funding from Developer Contributions collected by Halton Region.

Conservation Area capital projects funded partly by Developer Contributions identified in previous budgets are currently being re-assessed based on potential changes to park priorities as a result of provincial requirements and impacts of COVID-19 on park programs. These projects are on hold until further assessments can be completed.

## TOTAL CAPITAL BUDGET FUNDING SOURCES \$6,744,873



- Provincial Funding 16%
- Other Municipal, Debt Financing & Foundation 44%
- Program Revenue 1%
- Reserves 35%
- Municipal Funding 4%



# 2022 CAPITAL BUDGET SUMMARY

Description	%Increase (decrease) over 2021 Budget	2020 Actual	2021 Budget Expenses	2022 Budget Expenses	2022 Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>CAPITAL</b>										
<b>Capital - Watershed Management &amp; Support</b>										
<b>12a Services (WMSS)</b>										
<u>Corporate Services</u>										
Asset Management Plan		39,987	-	40,000						40,000
Compensation review		-	-	30,000						30,000
Ortho Imagery		-	15,000	-						-
IT Infrastructure		89,883	122,000	52,000						52,000
Digital Transformation		23,953	-	200,000					200,000	-
Website Upgrade		-	-	-					-	-
<u>Corporate Compliance</u>										
Clappison & Waterdown Woods		-	25,000	-						-
Land Acquisition		488,411	-	-						-
<u>Flood Forecasting &amp; Operations</u>										
Dams & Channels SOGR Maintenance		956,221	1,203,000	700,970		350,485	-		350,485	-
Flood Forecasting & Warning Program		157,969	70,000	90,000						90,000
<u>Planning &amp; Watershed Management</u>										
Watershed Planning		31,500	25,000	55,000			30,000			25,000
Flood Plain Mapping Update		220,118	500,000	525,000			525,000			-
<u>Project Management Office</u>										
Administration Office Renovations		-	500,000	100,000			-		100,000	-
Facilities - State of Good Repair		169,573	70,136	100,000			-		100,000	-
Operations Centre		-	-	-			-		-	-
Speyside Weir Removal		-	144,000	-					-	-
<u>Operations WMSS</u>										
Property Management Projects		-	-	25,000						25,000
Emerald Ash Borer		928,231	820,000	820,000	16,000		804,000			-
Vehicle and Equipment Replacement		242,475	167,562	94,000					94,000	-
<u>Other Foundation Funded Projects</u>										
		-	100,000	100,000			100,000			-
<b>TOTAL CAPITAL WMSS</b>	(22.1%)	<b>3,348,322</b>	<b>3,761,698</b>	<b>2,931,970</b>	<b>16,000</b>	<b>350,485</b>	<b>1,459,000</b>	<b>-</b>	<b>844,485</b>	<b>262,000</b>
<b>12b Capital - Conservation Areas</b>										
Skillhill Improvements		-	500,000	950,000					950,000	-
Facility Major Maintenance & IT Infrastructure		47,000	370,000	213,000					213,000	-
Vehicle and Equipment Replacement		588,291	148,412	269,903					269,903	-
Developer Contribution Projects		116,082	-	-					-	-
-Crawford Lake Boardwalk		-	-	2,280,000		759,924	1,520,076		-	-
-Kelso Quarry Park / Site 8		-	125,000	100,000					100,000	-
<b>TOTAL CAPITAL CONSERVATION AREAS</b>	233.5%	<b>751,372</b>	<b>1,143,412</b>	<b>3,812,903</b>	<b>-</b>	<b>759,924</b>	<b>1,520,076</b>	<b>-</b>	<b>1,532,903</b>	<b>-</b>
<b>Boards &amp; Agencies Information Package</b>	37.5%	<b>4,099,694</b>	<b>4,905,110</b>	<b>6,744,873</b>	<b>16,000</b>	<b>1,110,409</b>	<b>2,979,076</b>	<b>-</b>	<b>2,377,388</b>	<b>262,000</b>
<b>2022 Operating Budget</b>										

# OPERATING BUDGET & FORECAST 2023-2031





# 2022 OPERATING BUDGET & FORECAST

The 2022 Budget and 2023-2031 Operating Forecast considers anticipated service levels, future obligations, and inflationary impacts. Key assumptions and drivers included in the operating forecast are as follows:

The addition of two new staff positions per year have been assumed in the Watershed Management & Support Services (WMSS) operating forecast to reflect future growth and maintenance of service levels. Program service level reviews are completed annually as part of the budget process.

Compensation and other expenses in the forecast have been assumed to increase annually at the estimated rate of 2%.

Watershed Management & Support Services program revenues in the forecast have been assumed to increase annually by 2%.

Chargebacks for support services provided to internal programs consider future compensation increases and the proportion of staffing allocated to these programs. The operating forecast includes on-going debt servicing costs and new debt financing for anticipated capital projects. Debt financing has been primarily received through the Region of Halton to assist with partially financing the 50% municipal portion of dams and channels capital projects. The estimated debt financing charges included in the operating forecast related to municipal debt financing have been provided by Region of Halton staff.

The operating forecast includes the impact of capital projects once the assets become operational, excluding the Conservation Area capital projects that are partly funded by Developer Contributions. The cost impacts related to the Developer Contribution works will be assessed through the development of project designs, cost estimates and regulatory requirements.

**A summary of the 2022 operating budget and 2023– 2031 forecast is as follows:**

*(See chart on proceeding page)*

# 2022 OPERATING BUDGET & FORECAST

Conservation Halton WMSS Operating Expenditures	Ten Year Operating Expenditures and Funding Budget & Forecast - Watershed Management & Support Services (WMSS)									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Salaries &amp; Benefits</b>										
Balance, beginning of year	12,481,385	13,191,614	13,629,614	14,079,614	14,542,614	15,018,614	15,507,614	16,009,614	16,525,614	17,055,614
Staffing changes (2022 2.75 FTE increase; 2 FTE 2023-2031)	275,542	153,000	156,000	159,000	162,000	165,000	168,000	171,000	174,000	177,000
Compensation Increases (2022 1.75%, 2022-30 2% inflation; 96% of range)	296,651	209,000	216,000	223,000	230,000	238,000	245,000	253,000	261,000	270,000
Increase in benefits (2022 5%; 2023-2031 2% inflation)	138,036	76,000	78,000	81,000	84,000	86,000	89,000	92,000	95,000	98,000
<b>Balance, end of year</b>	<b>13,191,614</b>	<b>13,629,614</b>	<b>14,079,614</b>	<b>14,542,614</b>	<b>15,018,614</b>	<b>15,507,614</b>	<b>16,009,614</b>	<b>16,525,614</b>	<b>17,055,614</b>	<b>17,600,614</b>
<b>Materials &amp; Supplies</b>										
Balance, beginning of year in 2020 budget	-									
Less: Restatement of Outreach to Conservation Areas	713,842									
Balance, beginning of year	713,842	1,119,146	1,130,346	1,152,946	1,176,046	1,199,546	1,223,546	1,248,046	1,273,046	1,298,546
Science & Partnerships program materials	(31,330)									
Project Management Office (PMO) program materials	450,284									
General decrease and increases (Assumed 2022-2031 2% inflation)	(13,650)	11,200	22,600	23,100	23,500	24,000	24,500	25,000	25,500	26,000
<b>Balance, end of year</b>	<b>1,119,146</b>	<b>1,130,346</b>	<b>1,152,946</b>	<b>1,176,046</b>	<b>1,199,546</b>	<b>1,223,546</b>	<b>1,248,046</b>	<b>1,273,046</b>	<b>1,298,546</b>	<b>1,324,546</b>
<b>Purchased Services</b>										
Balance, beginning of year in 2020 budget	-									
Less: Restatement of Outreach to Conservation Areas	3,124,481									
Balance, beginning of year	3,124,481	2,885,184	2,928,184	2,972,184	3,017,184	3,062,184	3,116,184	3,178,184	3,242,184	3,307,184
Corporate Services - Virtual office expenses	44,000									
Corporate Compliance - Insurance and Legal cost increases	65,000									
COO / Digital Transformation program services	105,000									
Planning & Watershed Management - Legal and consulting increase	100,000									
Science & Partnerships - HHRAP and Partnership Projects services	(142,633)									
Project Management Office (PMO) - Restoration Partnership Projects	(436,501)									
WMSS Operations program services	24,000									
General increases (Assumed 2022-2031 2% inflation)	1,837	43,000	44,000	45,000	45,000	54,000	62,000	64,000	65,000	66,000
<b>Balance, end of year</b>	<b>2,885,184</b>	<b>2,928,184</b>	<b>2,972,184</b>	<b>3,017,184</b>	<b>3,062,184</b>	<b>3,116,184</b>	<b>3,178,184</b>	<b>3,242,184</b>	<b>3,307,184</b>	<b>3,373,184</b>
<b>Financial</b>										
Balance, beginning of year	74,045	79,000	80,600	82,200	83,800	85,500	87,200	88,900	90,700	92,500
General increases (2022-2031 Assumed 2.0% inflation)	4,955	1,600	1,600	1,600	1,700	1,700	1,700	1,800	1,800	1,900
<b>Balance, end of year</b>	<b>79,000</b>	<b>80,600</b>	<b>82,200</b>	<b>83,800</b>	<b>85,500</b>	<b>87,200</b>	<b>88,900</b>	<b>90,700</b>	<b>92,500</b>	<b>94,400</b>
<b>Internal Chargebacks</b>										
Beginning of year	552,972	660,651	673,864	687,341	701,088	715,110	729,412	744,000	758,880	774,058
General increases	107,679	13,213	13,477	13,747	14,022	14,302	14,588	14,880	15,178	15,481
<b>Balance, end of year</b>	<b>660,651</b>	<b>673,864</b>	<b>687,341</b>	<b>701,088</b>	<b>715,110</b>	<b>729,412</b>	<b>744,000</b>	<b>758,880</b>	<b>774,058</b>	<b>789,539</b>

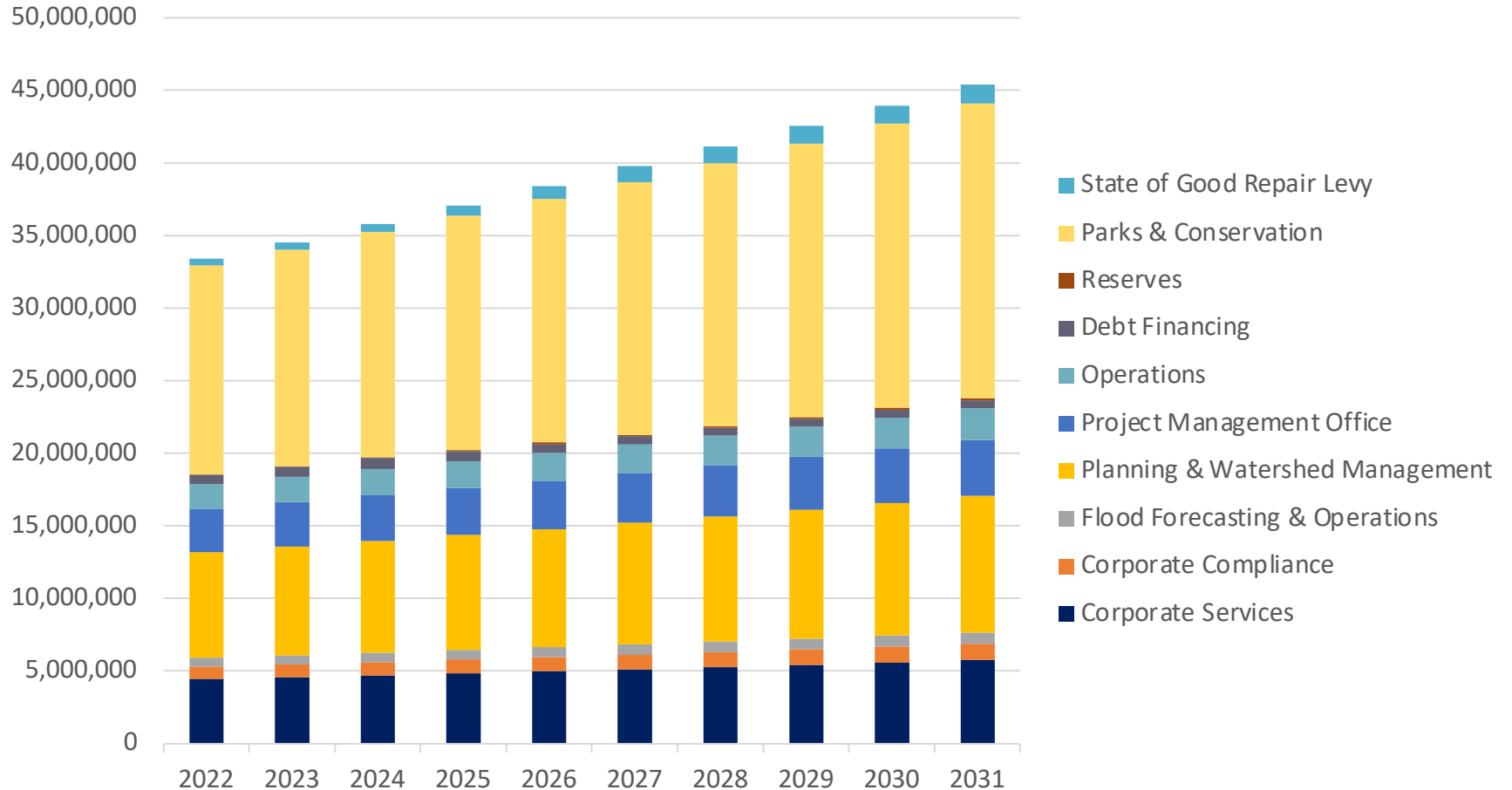
# 2022 OPERATING BUDGET & FORECAST

<b>Ten Year Operating Expenditures and Funding Budget &amp; Forecast - Watershed Management &amp; Support Services (WMSS)</b>										
<b>Conservation Halton WMSS Operating Expenditures</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
<b>Debt Financing Charges (Hamilton Community Fdn &amp; Halton Region)</b>										
Balance, beginning of year	619,245	620,551	577,116	643,857	636,408	530,977	501,857	491,592	481,847	472,102
Decrease in debt financing charges - Ham. Comm. Foundation	-	-	-	(25,000)	(25,000)	-	-	-	-	-
Increase/(decrease) in debt financing charges - Halton Region	1,306	(43,435)	66,741	17,551	(80,431)	(29,120)	(10,265)	(9,745)	(9,745)	(9,745)
<b>Total Debt Financing Charges</b>	<b>620,551</b>	<b>577,116</b>	<b>643,857</b>	<b>636,408</b>	<b>530,977</b>	<b>501,857</b>	<b>491,592</b>	<b>481,847</b>	<b>472,102</b>	<b>462,357</b>
Transfer to Reserves - State of Good Repair Levy (Dams and Channels)	316,500	327,100	350,600	466,800	645,900	856,500	873,600	891,100	908,900	927,100
Transfer to Reserves - State of Good Repair Levy (Buildings)	164,000	167,300	170,600	174,000	177,500	181,100	184,700	188,400	192,200	196,000
Transfer to Reserves - Land Securement	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Transfers to Reserves - Motor Pool	-	-	-	50,000	125,000	75,000	100,000	100,000	125,000	125,000
<b>Total Operating Expenses - WMSS</b>	<b>19,061,646</b>	<b>19,539,124</b>	<b>20,164,342</b>	<b>20,872,940</b>	<b>21,585,331</b>	<b>22,303,413</b>	<b>22,943,636</b>	<b>23,576,771</b>	<b>24,251,104</b>	<b>24,917,740</b>
<b>Funding of Operating Expenditures</b>										
Program Revenue	3,192,120	3,351,700	3,519,300	3,589,700	3,661,500	3,844,600	3,921,500	3,999,900	4,079,900	4,161,500
Ministry of Natural Resources & Forestry - Operating Grant	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034
Municipal Funding - Operating (Total incl. Education)	10,053,136	10,408,282	10,739,574	11,186,493	11,540,856	11,756,063	12,190,968	12,738,544	13,201,682	13,652,788
Municipal State of Good Repair Levies - Dams & Channels and Buildings	480,500	494,400	521,200	640,800	823,400	1,037,600	1,058,300	1,079,500	1,101,100	1,123,100
Other Grants & Program Funding	3,142,438	3,202,800	3,264,400	3,327,300	3,391,400	3,456,800	3,523,500	3,591,500	3,660,900	3,731,600
Internal Chargeback Recoveries	1,844,918	1,896,908	1,934,834	1,973,613	2,013,141	2,053,316	2,094,334	2,012,293	2,052,488	2,093,718
Transfers from Reserves - WMSS Stabilization, Water Festival, Stewardship and Restoration	193,500	30,000	30,000	-	-	-	-	-	-	-
<b>Total Operating Funding - WMSS</b>	<b>19,061,646</b>	<b>19,539,124</b>	<b>20,164,342</b>	<b>20,872,940</b>	<b>21,585,331</b>	<b>22,303,413</b>	<b>22,943,636</b>	<b>23,576,771</b>	<b>24,251,104</b>	<b>24,917,740</b>

# 2022 OPERATING BUDGET & FORECAST

<b>Ten Year Operating Expenditures and Funding Budget &amp; Forecast - Conservation Areas</b>										
<b>Conservation Halton Conservation Areas Operating Expenditures</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
Salaries & Benefits	8,057,964	8,219,123	8,383,506	8,551,176	8,722,199	9,027,476	9,343,438	9,670,458	10,008,924	10,359,237
Materials & Supplies	1,874,353	1,911,840	1,950,077	1,989,078	2,028,860	2,099,870	2,173,366	2,249,433	2,328,163	2,409,649
Purchased Services	2,245,528	2,290,439	2,336,247	2,382,972	2,430,632	2,515,704	2,603,753	2,694,885	2,789,206	2,886,828
Financial	471,200	480,624	490,236	500,041	510,042	527,894	546,370	565,493	585,285	605,770
Internal Chargebacks	1,364,100	1,391,400	1,419,200	1,447,600	1,476,600	1,506,100	1,536,200	1,566,900	1,598,200	1,630,200
Transfer to Reserve - Operating Surplus	372,118	651,180	946,859	1,259,848	1,590,973	1,735,818	1,889,264	2,051,772	2,223,824	2,405,827
<b>Total Operating Expenses - Conservation Areas</b>	<b>14,385,263</b>	<b>14,944,606</b>	<b>15,526,126</b>	<b>16,130,716</b>	<b>16,759,306</b>	<b>17,412,862</b>	<b>18,092,391</b>	<b>18,798,941</b>	<b>19,533,602</b>	<b>20,297,510</b>
<b>Operating Funding - Conservation Areas</b>										
Program Fees	13,946,430	14,496,996	15,069,564	15,665,023	16,284,299	16,928,355	17,598,194	18,294,860	19,019,439	19,773,064
Municipal Funding - Park Education programs & Outreach	361,463	368,692	376,066	383,587	391,259	399,084	407,066	415,207	423,512	431,982
Internal Chargeback Recoveries	77,370	78,917	80,496	82,106	83,748	85,423	87,131	88,874	90,651	92,464
<b>Total Operating Funding - Conservation Areas</b>	<b>14,385,263</b>	<b>14,944,606</b>	<b>15,526,126</b>	<b>16,130,716</b>	<b>16,759,306</b>	<b>17,412,862</b>	<b>18,092,391</b>	<b>18,798,941</b>	<b>19,533,602</b>	<b>20,297,510</b>

# 2022 OPERATING BUDGET & FORECAST





# CAPITAL BUDGET & FORECAST 2023-2031





# 2022 CAPITAL BUDGET & FORECAST

Conservation Halton provides services that are essential to the safety and well-being of the residents in its watershed. These services rely on well-planned and maintained infrastructure. Through capital budgeting, Conservation Halton can plan for future priorities, and the impact on operating programs and expenses, while ensuring long term fiscal sustainability.

Development of the 2022 capital budget and the 2023-2031 forecast includes Momentum strategic plan initiatives, Asset Management Plan capital priorities, Emerald Ash Borer business plans, Floodplain Mapping projects, and Park Master Plan initiatives. The capital budget, as proposed, will ensure assets are maintained in a State of Good Repair and address the impact of growth in the region on Conservation Halton infrastructure.

A significant portion of the Watershed Management & Support Services capital budget are related to dams, channels and facility capital projects. These capital projects are funded by transfers from the respective reserves, partly funded through State of Good Repair Levies based on a long-term financing strategy.

Conservation Areas capital projects in the 2022 budget and forecast are funded by the park capital reserve, capital infrastructure grants and other funding. Capital projects include on-going ski hill, facility, and infrastructure improvement projects to maintain assets in a State of Good Repair, and information technology enhancements. New Conservation Area capital projects will include infrastructure improvements to the Crawford Lake Boardwalk to extend its lifespan and meet accessibility requirements, and the

expansion of park greenspace with the opening of Kelso Quarry Park. Conservation Areas projects in the capital forecast continue to include three projects totaling approximately \$24 million based on business cases previously provided to the Board of Directors. The capital projects are related to recreation centres and water distribution and sewer collection systems, partly funded by developer contributions received by Halton Region. These projects will be re-assessed with a new lens in light of the impacts of COVID-19 on park operations and visitor demands. This re-assessment will ensure Conservation Halton is making wise capital investments that are financially sustainable and leverages available infrastructure grant funding.

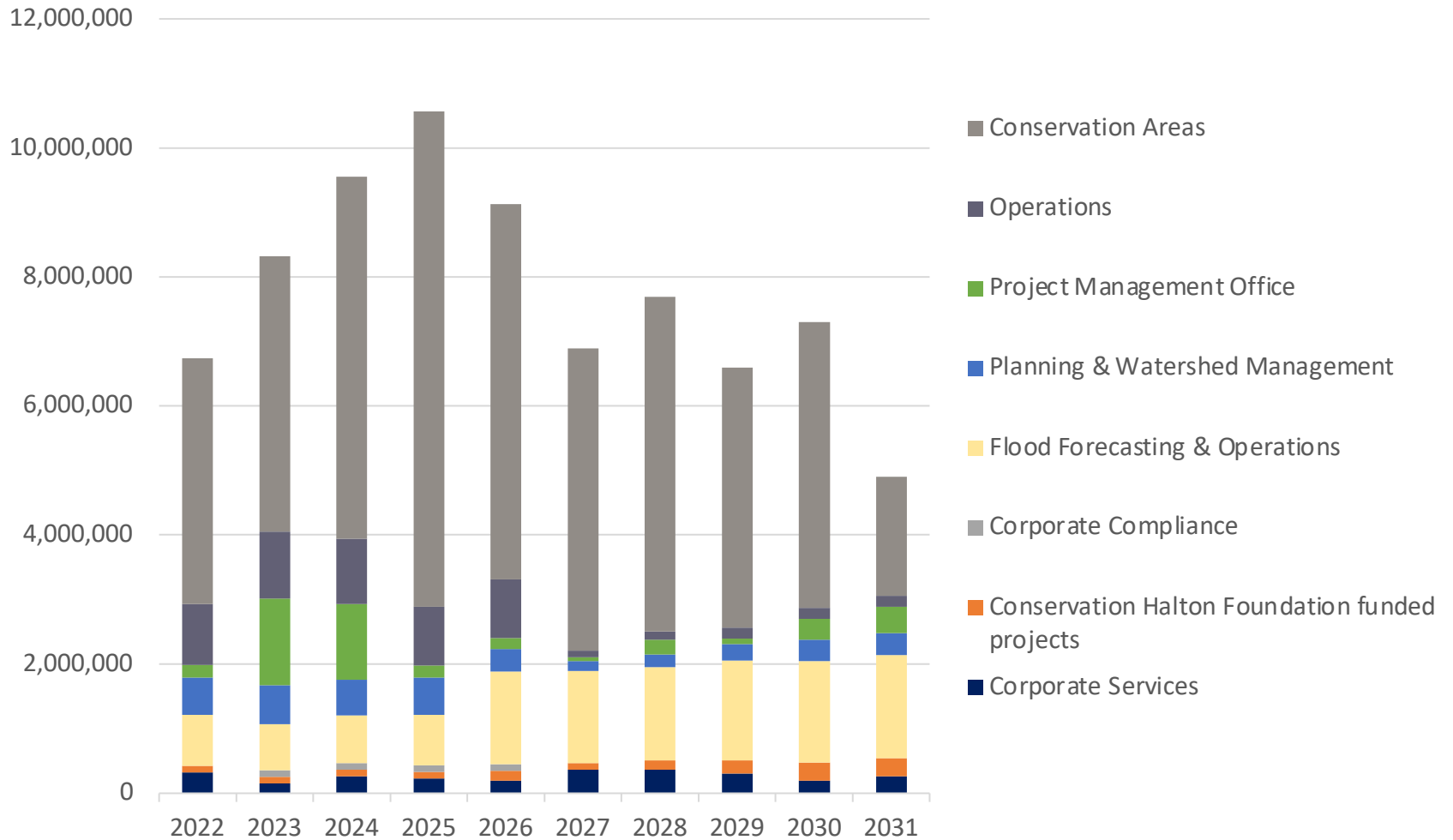
Strategic plan initiatives included in the capital forecast will enable Conservation Halton to continue to invest in innovation and technologies to further modernize operations, streamline service delivery and improve resource management.

Initiatives included in the 2022 budget and 2023 – 2031 capital forecast include the continuation of:

- Modernizing flood forecasting and operations
- Improving floodplain mapping across the watershed
- Investing in digital transformation across all systems
- Mitigating impacts of Emerald Ash Borer on our forests
- Enhancing environmental restoration and stewardship
- Expanding sustainable outdoor recreation experiences

**A summary of the 2022 capital budget and 2023 – 2031 capital forecast by department is as follows:**

# 2022 OPERATING BUDGET & FORECAST



# 2022 OPERATING BUDGET & FORECAST

Conservation Halton WMSS Capital Expenditures	Ten Year Capital Expenditures and Funding Budget & Forecast - Watershed Management & Support Services									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Flood Forecasting &amp; Operations</b>										
Flood Forecasting	90,000	80,000	75,000	70,000	70,000	40,000	40,000	40,000	40,000	32,500
Scotch Block Major Maintenance	25,000	53,000	169,000	91,000	-	-	115,000	-	-	-
Hilton Falls Major Maintenance	130,000	-	228,000	-	-	-	-	118,000	-	-
Morrison-Wedgewood major maintenance	-	-	-	51,000	668,000	400,000	587,000	599,000	477,000	623,000
Kelso Dam Major Maintenance	275,970	240,000	-	-	-	-	-	118,000	-	-
Mountsberg Major Maintenance	80,000	112,000	-	-	-	-	-	-	-	-
Dams and Channels Maintenance Projects	190,000	234,000	270,000	530,000	705,000	927,000	704,000	671,000	1,056,000	941,000
Dam Public Safety Projects	-	-	-	43,000	-	58,000	-	-	-	-
	790,970	719,000	742,000	785,000	1,443,000	1,425,000	1,446,000	1,546,000	1,573,000	1,596,500
<b>Corporate Services</b>										
Asset Management Plan Consulting	40,000	25,000	25,000	-	-	-	75,000	25,000	-	-
Program Rates & Fees Review	-	-	30,000	30,000	-	-	-	60,000	-	-
Engagement Survey	-	31,000	-	15,000	-	-	35,000	-	-	-
Compensation Review	30,000	-	-	-	-	35,000	-	-	-	-
GIS Data Acquisition	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Website Upgrade	-	-	-	-	-	100,000	-	-	-	-
Digital Document Management System	200,000	-	-	-	-	-	-	-	-	-
IT Infrastructure - Digital Transformation	-	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
IT Infrastructure - upgrades - WMSS	52,000	98,000	97,000	72,000	82,000	117,000	144,000	107,000	82,000	152,000
	322,000	154,000	267,000	232,000	197,000	367,000	369,000	307,000	197,000	267,000
<b>Corporate Compliance</b>										
Giant's Rib GeoPark	-	100,000	100,000	100,000	100,000	-	-	-	-	-
	-	100,000	100,000	100,000	100,000	-	-	-	-	-
<b>Planning &amp; Watershed Management</b>										
Watershed Planning	55,000	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000
Flood Plain Mapping (Updates; 2027 & on ongoing maintenance)	525,000	550,000	500,000	525,000	240,000	100,000	102,000	104,000	106,000	108,000
Watershed Implementation Plan	-	-	-	-	50,000	-	40,000	100,000	175,000	175,000
	580,000	601,000	552,000	578,000	344,000	155,000	198,000	261,000	339,000	342,000

# 2022 OPERATING BUDGET & FORECAST

	Ten Year Capital Expenditures and Funding Budget & Forecast - Watershed Management & Support Services									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Conservation Halton WMSS Capital Expenditures</b>										
<b>Conservation Halton Foundation funded projects</b>										
Conservation Halton Foundation funded projects	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>Project Management Office</b>										
Administration Office & Other Facility Renovations	200,000	316,505	157,011	184,468	170,595	60,633	225,179	84,936	316,413	406,574
Speyside Weir Removal	-	30,000	12,000	5,000	-	-	-	-	-	-
Operations Centre	-	1,000,000	1,000,000	-	-	-	-	-	-	-
	200,000	1,346,505	1,169,011	189,468	170,595	60,633	225,179	84,936	316,413	406,574
<b>Operations</b>										
Vehicle & Equipment Replacement	94,000	174,500	158,500	82,500	87,500	98,000	78,000	143,000	126,000	125,000
Emerald Ash Borer (EAB) Management	820,000	834,000	834,000	794,000	794,000	-	-	-	-	-
Property Management Projects	25,000	25,000	25,000	25,000	25,000	-	50,000	25,000	50,000	50,000
	939,000	1,033,500	1,017,500	901,500	906,500	98,000	128,000	168,000	176,000	175,000
<b>Total Capital Expenditures - WMSS</b>	<b>2,931,970</b>	<b>4,054,005</b>	<b>3,947,511</b>	<b>2,885,968</b>	<b>3,261,095</b>	<b>2,205,633</b>	<b>2,466,179</b>	<b>2,466,936</b>	<b>2,701,413</b>	<b>2,887,074</b>
<b>Capital - Funding</b>										
Provincial Grants	350,485	319,500	333,500	357,500	686,500	692,500	703,000	753,000	766,500	782,000
Municipal Funding	262,000	284,000	392,000	352,000	367,000	482,000	626,000	601,000	593,000	657,500
Municipal Funding Other - EAB	804,000	834,000	834,000	794,000	794,000	-	-	-	-	-
Municipal Funding Other - Flood Plain Mapping	525,000	550,000	500,000	525,000	240,000	-	-	-	-	-
Other Funding Grants and Program Funding	146,000	226,000	227,000	228,000	229,000	130,000	131,000	132,000	133,000	134,000
Transfer from Reserves	844,485	640,505	561,011	629,468	944,595	901,133	1,006,179	980,936	1,208,913	1,313,574
Municipal Debt Financing	-	1,200,000	1,100,000	-	-	-	-	-	-	-
<b>Total Capital Funding - WMSS</b>	<b>2,931,970</b>	<b>4,054,005</b>	<b>3,947,511</b>	<b>2,885,968</b>	<b>3,261,095</b>	<b>2,205,633</b>	<b>2,466,179</b>	<b>2,466,936</b>	<b>2,701,413</b>	<b>2,887,074</b>

# 2022 OPERATING BUDGET & FORECAST

Conservation Halton Conservation Areas Operating Expenditures	Ten Year Operating Expenditures and Funding Budget & Forecast - Conservation Areas									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Salaries & Benefits	8,057,964	8,219,123	8,383,506	8,551,176	8,722,199	9,027,476	9,343,438	9,670,458	10,008,924	10,359,237
Materials & Supplies	1,874,353	1,911,840	1,950,077	1,989,078	2,028,860	2,099,870	2,173,366	2,249,433	2,328,163	2,409,649
Purchased Services	2,245,528	2,290,439	2,336,247	2,382,972	2,430,632	2,515,704	2,603,753	2,694,885	2,789,206	2,886,828
Financial	471,200	480,624	490,236	500,041	510,042	527,894	546,370	565,493	585,285	605,770
Internal Chargebacks	1,364,100	1,391,400	1,419,200	1,447,600	1,476,600	1,506,100	1,536,200	1,566,900	1,598,200	1,630,200
Transfer to Reserve - Operating Surplus	372,118	651,180	946,859	1,259,848	1,590,973	1,735,818	1,889,264	2,051,772	2,223,824	2,405,827
<b>Total Operating Expenses - Conservation Areas</b>	<b>14,385,263</b>	<b>14,944,606</b>	<b>15,526,126</b>	<b>16,130,716</b>	<b>16,759,306</b>	<b>17,412,862</b>	<b>18,092,391</b>	<b>18,798,941</b>	<b>19,533,602</b>	<b>20,297,510</b>
<b>Operating Funding - Conservation Areas</b>										
Program Fees	13,946,430	14,496,996	15,069,564	15,665,023	16,284,299	16,928,355	17,598,194	18,294,860	19,019,439	19,773,064
Municipal Funding - Park Education programs & Outreach	361,463	368,692	376,066	383,587	391,259	399,084	407,066	415,207	423,512	431,982
Internal Chargeback Recoveries	77,370	78,917	80,496	82,106	83,748	85,423	87,131	88,874	90,651	92,464
<b>Total Operating Funding - Conservation Areas</b>	<b>14,385,263</b>	<b>14,944,606</b>	<b>15,526,126</b>	<b>16,130,716</b>	<b>16,759,306</b>	<b>17,412,862</b>	<b>18,092,391</b>	<b>18,798,941</b>	<b>19,533,602</b>	<b>20,297,510</b>

# MUNICIPAL FUNDING



# 2022 MUNICIPAL FUNDING

Municipal funding is increasing by 3.5% for the 2022 budget for a total amount of \$10,795,636. This increase is within the Region of Halton guideline of 3.7%. A key service target in

Conservation Halton’s Strategic Plan is to limit operating and capital municipal funding increases to at or below regional budget guidelines.

Budget Category	2022 Budget	2022 Municipal Funding	2021 Municipal Funding	Municipal Funding % Increase
Operating (excl. SOGR levy)	\$32,966,409	\$10,053,136	\$9,695,379	3.7%
Capital	6,744,873	262,000	257,000	1.9%
	39,711,282	10,315,136	9,952,379	3.6%
State of Good Repair (SOGR) Levy - Dams & Channels; Buildings	480,500	480,500	478,500	0.4%
<b>Total</b>	<b>\$40,191,782</b>	<b>\$10,795,636</b>	<b>\$10,430,879</b>	<b>3.5%</b>



# 2022 MUNICIPAL APPORTIONMENT

**Apportionment refers to the proportion of funding allocated to the municipalities within the Conservation Halton watershed as outlined in Ontario Regulation 670/00. The municipal apportionment percentages are provided annually to Conservation Authorities by the Ontario Ministry of the Environment, Conservation and Parks.**

Municipal funding of \$10,795,636 in the 2022 budget is apportioned to the Region of Halton, City of Hamilton, Region of Peel and Township of Puslinch.

Under the legislation, Conservation Authorities apportion costs to the participating municipalities based on the benefit derived by each participating municipality, which is determined by calculating the ratio that each participating municipality's

current value assessment, modified for the area of the municipality that lies within the watershed, to the total modified current value assessment in the Conservation Authority's watershed.

Based on updated current value assessment data and apportionment percentages received from the Province, the apportioned municipal funding amounts are as follows:

<b>Municipality:</b>	<b>Apportionment % 2022</b>	<b>Municipal Funding 2022</b>	<b>Apportionment % 2021</b>	<b>Municipal Funding 2021</b>	<b>% Increase</b>
Region of Halton	87.8985%	\$9,489,202	87.8421%	\$9,162,704	3.6%
City of Hamilton	7.1904%	776,249	7.1875%	749,719	3.5%
Region of Peel	4.6944%	506,791	4.7534%	495,821	2.2%
Township of Puslinch	0.2167%	23,394	0.2170%	22,635	3.4%
	<b>100.0000%</b>	<b>\$10,795,636</b>	<b>100.0000%</b>	<b>\$10,430,879</b>	



# 2022 MUNICIPAL FUNDING FORECAST

The State of Good Repair long-term financing strategy developed in the 2019 budget proposed a municipal funding increase in the budget and operating forecast between 4 – 4.5% annually.

The annual increases will ensure funds are available to meet both current and future program and organization needs.

	BUDGET	FORECAST			
	2022	2023	2024	2025	2026
<b>Municipal Funding</b>					
Operating	\$ 10,053,136	\$ 10,408,282	\$ 10,739,574	\$ 11,186,493	\$ 11,540,856
Capital	\$ 262,000	\$ 284,000	\$ 392,000	\$ 352,000	\$ 367,000
<b>Municipal Funding - Total excluding SOGR Levy</b>	<b>\$ 10,315,136</b>	<b>\$ 10,692,282</b>	<b>\$ 11,131,574</b>	<b>\$ 11,538,493</b>	<b>\$ 11,907,856</b>
State of Good Repair (SOGR) Levy	\$ 480,500	\$ 494,400	\$ 521,200	\$ 640,800	\$ 823,400
<b>Municipal Funding - Total including SOGR Levy</b>	<b>\$ 10,795,636</b>	<b>\$ 11,186,682</b>	<b>\$ 11,652,774</b>	<b>\$ 12,179,293</b>	<b>\$ 12,731,256</b>
<b>%Change</b>	<b>3.5%</b>	<b>3.6%</b>	<b>4.2%</b>	<b>4.5%</b>	<b>4.5%</b>

# RESERVES



# RESERVES

	Reserves Projected Balance Dec. 31, 2021	Contribution from Municipal Funding	Contribution from Surplus	State of Good Repair Levy	Contribution to Capital Projects	Contribution to Operating Expenses	Reserves Projected Balance Dec. 31, 2022
<b>Conservation Halton Reserves</b>							
<b>Watershed Management &amp; Support Services</b>							
Vehicle and Equipment	625,967				(94,000)		531,967
Building	153,470				(100,000)		53,470
Building - State of Good Repair	299,757			164,000	(100,000)		363,757
Watershed Management Capital - Municipal Funds and Self Generated Funds	1,028,080			316,500	(350,485)		994,095
Watershed Management & Support Services Stabilization	1,789,212					(120,000)	1,669,212
Capital Projects - Debt Financing Charges	425,564						425,564
Digital Transformation	254,900				(200,000)		54,900
Legal - Planning & Watershed Management	258,891						258,891
Legal - Corporate	200,000						200,000
Water Festival	170,296					(10,000)	160,296
Land Securement	85,437	25,000					110,437
Property Management	901,116						901,116
Landowner Outreach & Restoration	259,011					(63,500)	195,511
<b>Conservation Areas</b>							
Capital	2,402,091		372,118		(1,532,903)		1,241,306
Stabilization	1,000,568						1,000,568
<b>Total Reserves</b>	<b>9,854,360</b>	<b>25,000</b>	<b>372,118</b>	<b>480,500</b>	<b>(2,377,388)</b>	<b>(193,500)</b>	<b>8,161,090</b>

# RESERVE CONTINUITY

Conservation Halton	Projected 2021	RESERVE CONTINUITY										
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
<b>Watershed Management &amp; Support Services Reserves</b>												
Vehicle and Equipment, beginning	\$ 723,967	\$ 625,967	\$ 531,967	\$ 357,467	\$ 198,967	\$ 166,467	\$ 203,967	\$ 180,967	\$ 202,967	\$ 159,967	\$ 158,967	\$ 158,967
Transfer to Reserve - Reserve funding (municipal)	-	-	-	-	50,000	125,000	75,000	100,000	100,000	125,000	125,000	125,000
Transfer from Reserve - Capital expenditures	(98,000)	(94,000)	(174,500)	(158,500)	(82,500)	(87,500)	(98,000)	(78,000)	(143,000)	(126,000)	(125,000)	(125,000)
<b>Vehicle and Equipment</b>	<b>\$ 625,967</b>	<b>\$ 531,967</b>	<b>\$ 357,467</b>	<b>\$ 198,967</b>	<b>\$ 166,467</b>	<b>\$ 203,967</b>	<b>\$ 180,967</b>	<b>\$ 202,967</b>	<b>\$ 159,967</b>	<b>\$ 158,967</b>	<b>\$ 158,967</b>	<b>\$ 158,967</b>
Building, beg. of year	\$ 373,137	\$ 153,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470	\$ 53,470
Transfer from Reserve - Capital expenditures	(219,667)	(100,000)	-	-	-	-	-	-	-	-	-	-
<b>Building</b>	<b>\$ 153,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>	<b>\$ 53,470</b>
Building - State of Good Repair, beginning of year	\$ 315,611	\$ 299,757	\$ 363,757	\$ 414,552	\$ 528,141	\$ 517,673	\$ 524,578	\$ 645,045	\$ 604,566	\$ 708,030	\$ 583,817	\$ 583,817
Transfer to Reserve - SOGR Levy	102,000	164,000	167,300	170,600	174,000	177,500	181,100	184,700	188,400	192,200	196,000	196,000
Transfer from Reserve - Capital expenditures	(117,854)	(100,000)	(116,505)	(57,011)	(184,468)	(170,595)	(60,633)	(225,179)	(84,936)	(316,413)	(406,574)	(406,574)
<b>Building - State of Good Repair</b>	<b>\$ 299,757</b>	<b>\$ 363,757</b>	<b>\$ 414,552</b>	<b>\$ 528,141</b>	<b>\$ 517,673</b>	<b>\$ 524,578</b>	<b>\$ 645,045</b>	<b>\$ 604,566</b>	<b>\$ 708,030</b>	<b>\$ 583,817</b>	<b>\$ 373,243</b>	<b>\$ 373,243</b>
Watershed Mgmt Cap.-Municipal & Self Generated	1,200,892	\$ 1,028,080	\$ 994,095	\$ 1,001,695	\$ 1,018,795	\$ 1,128,095	\$ 1,087,495	\$ 1,251,495	\$ 1,422,095	\$ 1,560,195	\$ 1,702,595	\$ 1,702,595
Transfer to Reserves - SOGR Levy	376,500	316,500	327,100	350,600	466,800	645,900	856,500	873,600	891,100	908,900	927,100	927,100
Transfer from Reserves - Capital expenditures	(549,312)	(350,485)	(319,500)	(333,500)	(357,500)	(686,500)	(692,500)	(703,000)	(753,000)	(766,500)	(782,000)	(782,000)
<b>Watershed Management Capital - Municipal</b>	<b>\$ 1,028,080</b>	<b>\$ 994,095</b>	<b>\$ 1,001,695</b>	<b>\$ 1,018,795</b>	<b>\$ 1,128,095</b>	<b>\$ 1,087,495</b>	<b>\$ 1,251,495</b>	<b>\$ 1,422,095</b>	<b>\$ 1,560,195</b>	<b>\$ 1,702,595</b>	<b>\$ 1,847,695</b>	<b>\$ 1,847,695</b>
Watershed Mgmt & Support Services Stabilization	1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212	\$ 1,789,212
Transfer from Reserve	-	(120,000)	-	-	-	-	-	-	-	-	-	-
<b>Watershed Mgmt &amp; Support Serv.</b>	<b>\$ 1,789,212</b>	<b>\$ 1,669,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>	<b>\$ 1,789,212</b>
<b>Capital Projects - Debt Financing Charges</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>	<b>\$ 425,564</b>

# RESERVE CONTINUITY

Conservation Halton	Projected 2021	RESERVE CONTINUITY										
		2022 Preliminary	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Digital Transformation, beginning of year	254,900	\$ 254,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900	\$ 54,900
Transfer from Reserve	-	(200,000)	-	-	-	-	-	-	-	-	-	-
<b>Digital Transformation</b>	<b>\$ 254,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>	<b>\$ 54,900</b>
<b>Legal - Planning &amp; Watershed Management</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>	<b>\$ 258,891</b>
<b>Legal - Corporate</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>
Water Festival	188,911	\$ 170,296	\$ 160,296	\$ 145,296	\$ 130,296	\$ 130,296	\$ 130,296	\$ 130,296	\$ 130,296	\$ 130,296	\$ 130,296	\$ 130,296
Transfer from Reserve	(18,615)	(10,000)	(15,000)	(15,000)	-	-	-	-	-	-	-	-
<b>Water Festival</b>	<b>\$ 170,296</b>	<b>\$ 160,296</b>	<b>\$ 145,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>	<b>\$ 130,296</b>
Land Securement	60,437	\$ 85,437	\$ 110,437	\$ 135,437	\$ 160,437	\$ 185,437	\$ 210,437	\$ 235,437	\$ 260,437	\$ 285,437	\$ 310,437	\$ 310,437
Transfer to Reserve - Reserve funding (municipal)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
<b>Land Securement</b>	<b>\$ 85,437</b>	<b>\$ 110,437</b>	<b>\$ 135,437</b>	<b>\$ 160,437</b>	<b>\$ 185,437</b>	<b>\$ 210,437</b>	<b>\$ 235,437</b>	<b>\$ 260,437</b>	<b>\$ 285,437</b>	<b>\$ 310,437</b>	<b>\$ 310,437</b>	<b>\$ 335,437</b>
<b>Property Management</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>	<b>\$ 901,116</b>
Landowner Outreach & Restoration	420,511	\$ 259,011	\$ 195,511	\$ 180,511	\$ 165,511	\$ 165,511	\$ 165,511	\$ 165,511	\$ 165,511	\$ 165,511	\$ 165,511	\$ 165,511
Transfer to (from) Reserve	(161,500)	(63,500)	(15,000)	(15,000)	-	-	-	-	-	-	-	-
<b>Land Ownership &amp; Restoration</b>	<b>\$ 259,011</b>	<b>\$ 195,511</b>	<b>\$ 180,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>	<b>\$ 165,511</b>
<b>Conservation Areas Stabilization</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>	<b>\$ 1,000,568</b>
Capital	3,294,219	2,402,091	1,241,306	1,032,486	729,845	746,694	2,001,666	2,328,931	2,032,695	3,055,967	1,855,790	1,855,790
Transfer to Reserve - Operating Surplus	251,284	372,118	651,180	946,859	1,259,848	1,590,973	1,735,818	1,889,264	2,051,772	2,223,824	2,405,827	2,405,827
Transfer from Reserve - Capital expenditures	(1,143,412)	(1,532,903)	(860,000)	(1,249,500)	(1,243,000)	(336,000)	(1,408,553)	(2,185,500)	(1,028,500)	(3,424,000)	(1,073,000)	(1,073,000)
<b>Capital</b>	<b>\$ 2,402,091</b>	<b>\$ 1,241,306</b>	<b>\$ 1,032,486</b>	<b>\$ 729,845</b>	<b>\$ 746,694</b>	<b>\$ 2,001,666</b>	<b>\$ 2,328,931</b>	<b>\$ 2,032,695</b>	<b>\$ 3,055,967</b>	<b>\$ 1,855,790</b>	<b>\$ 3,188,617</b>	<b>\$ 3,188,617</b>
<b>TOTAL RESERVES</b>	<b>\$ 9,854,360</b>	<b>\$ 8,161,090</b>	<b>\$ 7,951,164</b>	<b>\$ 7,615,713</b>	<b>\$ 7,723,893</b>	<b>\$ 9,007,671</b>	<b>\$ 9,621,403</b>	<b>\$ 9,502,288</b>	<b>\$ 10,749,123</b>	<b>\$ 9,591,134</b>	<b>\$ 10,883,486</b>	<b>\$ 10,883,486</b>



# DEPARTMENTAL BUSINESS PLANS



# CORPORATE SERVICES

## DEPARTMENTAL BUSINESS PLAN

**Corporate Services budget category includes the Office of the President & CEO, Human Resources, Conservation Halton Foundation Administration, Finance, Information Technology (IT), Geographic information systems (GIS), Chief Operating Officer/Digital Transformation, Marketing and Communications.**

Partnerships and collaborations are developed with municipalities, government agencies, professional associations, education institutions, Indigenous communities and others through the Office of the President & CEO. Corporate Services programs are leading the organization in its focus on financial sustainability through the provision of clear financial data and analysis to support informed, strategic and operational decision-making for budget development and long-term planning. Digital Transformation within Conservation Halton will support better information management. Corporate Services programs are also responsible for implementing business practices that ensure economic, social and environmental sustainability.

### STRATEGIC PLAN DELIVERABLES:



**Ancient Cedars** at Mount Nemo



# CORPORATE SERVICES

## OFFICE OF THE PRESIDENT & CEO

The Office of the President & CEO is responsible for developing and implementing the strategic plan, building Conservation Halton’s image and brand, refining communication with stakeholders, and ensuring timely and quality services are being provided. The President & CEO’s priorities are focused on the transformation of Conservation Halton’s operations to provide innovative and cost-efficient environmental programs and services to watershed residents, clients, partners and municipalities.

## CONSERVATION HALTON FOUNDATION ADMINISTRATION

The Conservation Halton Foundation is a separate, legally incorporated charitable organization. The mission of the Foundation is to raise funds for Conservation Halton projects and programs that protect and enhance the natural environment. Conservation Halton staff assist with the administration of the Foundation’s program operations and fundraising activities.

## HUMAN RESOURCES

Human Resources staff are responsible for maximizing organizational productivity through systems and programs that focus on acquiring, developing and retaining top talent. Staff also ensure that all employment legislation is adhered to and that programs are in place to drive employee engagement, development and wellness.

## FINANCE

Finance provides financial stewardship and management in support of the strategic goals of the organization. The department is responsible for the preparation and administration of the annual budget, financial reporting, safeguarding of financial resources, financial planning, investments and cash flow management, capital asset management, accounts payable and receivable, and financial policy development and implementation. The Finance department works as a strategic partner with all departments at Conservation Halton to provide financial support and advice.

## INFORMATION TECHNOLOGY

Information Technology staff at Conservation Halton provide desktop support services, technical consultation for the various business units, technical infrastructure management, application and support services, and purchasing and procurement of technology.

## MARKETING AND COMMUNICATIONS

Marketing is comprised of marketing, communications, events, digital media and creative services professionals. This function partners with each department at Conservation Halton to ensure that the public is aware, educated and engaged with our products, programs and services, as well as policies and procedure, and is responsible for maintaining a positive public perception and maintaining the brand identity of Conservation Halton brand.



# CORPORATE SERVICES

## GEOGRAPHIC INFORMATION SYSTEMS (GIS)

Conservation Halton’s Geographic Information Systems program is responsible for the deployment, management and administration of Conservation Halton’s Geographic Information System and related spatial and tabular data holdings in accordance with Conservation Halton’s policy and procedures. This program oversees the creation, deployment and support of Geographic Information Systems solutions, analysis and mapping to support all of Conservation Halton departments and initiatives identified through the strategic plan. In addition, the Geographic Information Systems program provides support to partnering municipalities and the public through data and information needs, particularly with respect to regulatory mapping, land use planning, flood forecasting and warning, environmental monitoring, terrestrial and aquatic ecology, stewardship, parks operations, and other related business activities.

## 2022 INITIATIVES

### FINANCIAL SYSTEMS COMPREHENSIVE REVIEW

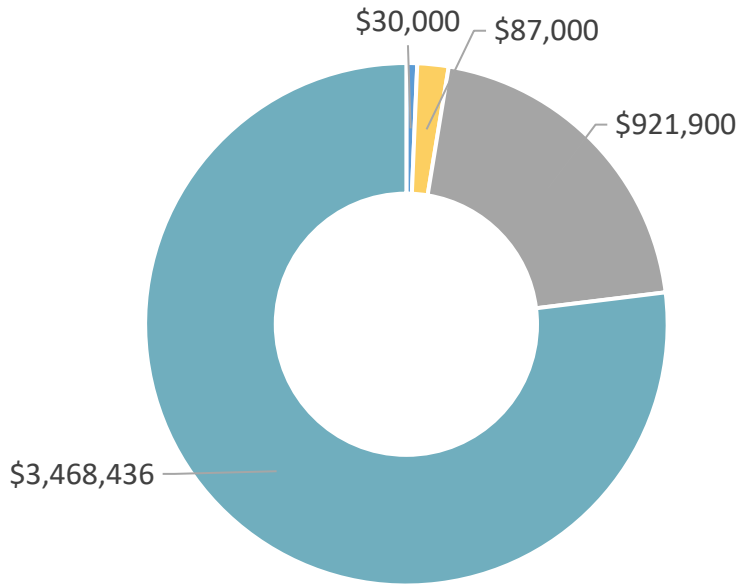
Finance staff will continue to review financial software systems to evaluate and implement software upgrades in collaboration with the Digital Transformation team, which will provide further automation and integration, with software systems used by Finance and client departments such as payroll, point of sales, project management and asset inventory management.

### DIGITAL TRANSFORMATION

A technology assessment was completed by staff and consultants to enable digital transformation to meet our strategic objectives and enhance efficiency and effectiveness in our service delivery. Technology transformation themes were identified with opportunities for improvement recommended. Implementation of these opportunities will continue to be a strategic priority in 2022.

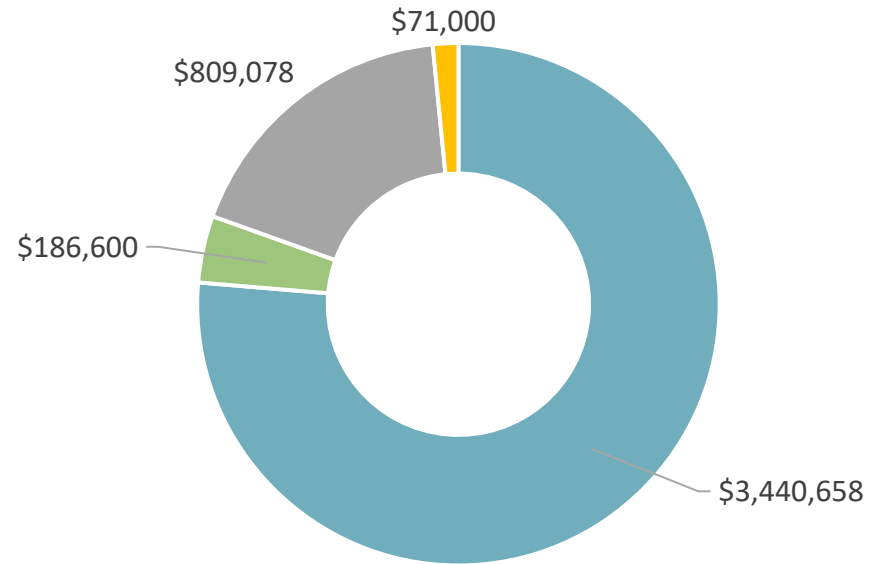
# CORPORATE SERVICES

**Revenue \$4,507,336**



- Transfer from Reserves
- Program Revenue
- Chargeback Recoveries
- Municipal Funding

**Expenses \$4,507,336**



- Salaries & Benefits
- Materials & Supplies
- Purchased Services
- Financial & Rent expense

# CORPORATE SERVICES

Description	2022 Capital Expenditures	Capital Revenue					
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>EXPENDITURES</b>							
Asset Management Plan	40,000						40,000
Compensation Review	30,000						30,000
IT Infrastructure	52,000						52,000
Digital Transformation	200,000					200,000	
<b>Total Capital Expenditures</b>	<b>322,000</b>	-	-	-	-	<b>200,000</b>	<b>122,000</b>

# CORPORATE COMPLIANCE

## DEPARTMENTAL BUSINESS PLAN

**Corporate Compliance brings together experts responsible for health and safety, land and risk management, internal audit, insurance and procurement initiatives at Conservation Halton.**

Corporate Compliance is responsible for ensuring the organization and its employees follow the applicable laws, regulations, standards, and ethical practices.

While laying out expectations for employee behaviour, Corporate Compliance helps staff to stay focused on organizational priorities and goals and helps business operations to run smoothly.

### STRATEGIC PLAN DELIVERABLES:



Mount Nemo

# CORPORATE COMPLIANCE

## HEALTH & SAFETY

Health and safety is an integral part of our business at Conservation Halton. A comprehensive health and safety program ensures the wellbeing of our employees and stakeholders is protected, which is our first priority. It also makes perfect business sense. Being compliant in health and safety reduces the risk of prosecution, fines, reputation damage and improves the likelihood of positive business outcomes. Taking a behaviour-based approach, our focus is on prevention programs, training and risk identification, reporting and claims management. This team ensures that health and safety committee members work collaboratively to improve safety within our business and contribute to the strong culture of safety at Conservation Halton.

## LAND MANAGEMENT

Land Management provides strategic oversight and planning for the current and long-term management for all Conservation Halton owned property. This includes administration and record keeping relating to land management as well as the creation and implementation of Master Plans and the Conservation Halton Land Securement Strategy. The goal is to proactively plan for management of Conservation Halton owned and maintained lands to ensure alignment with organization and industry priorities by working closely with all departments and external partners.

## RISK MANAGEMENT

The risk management program creates a comprehensive approach to anticipate, identify, prioritize, manage and monitor the portfolio of risks impacting our organization. Partnering with the Conservation Halton staff risk management committees, our team ensures that the policies, processes, competencies, accountabilities, reporting and enabling technology are in place to execute that approach successfully.

## PROCUREMENT

The Procurement function ensures that the required services, materials and equipment are sourced and secured while ensuring that quality, safety, and cost-effectiveness are achieved, that procurement transactions are conducted with full and open competition, compliance with procurement rules and applicable laws and regulation, that participation from all qualified and responsible contractors and suppliers in the procurement process is solicited, equity for all parties involved in the procurement process, and eliminates the possibility of corruption or unethical practices in the procurement process.

# CORPORATE COMPLIANCE

## 2022 INITIATIVES

### ENTERPRISE RISK MANAGEMENT

Risk is part of our everyday lives at Conservation Halton. From planning and regulations staff, to the monitoring ecology and stewardship teams, to the running of eight major parks and operating more than 10,000 acres of land, risk is engaged proactively by Conservation Halton. Engaging risk allows us to be successful, however, there are also potential negative impacts associated with risk. By adopting an Enterprise Risk Management Framework, we will facilitate sound risk-based decision making.

### ETHICS & COMPLIANCE

An ethics and compliance program is made up of a code of conduct and organizational policies and procedures to promote law abiding and ethical conduct, designed to meet internal and external requirements, guided by Conservation Halton’s core values. By creating this program, we will promote a culture of integrity, ethical, and compliant behavior that supports and guides employees as they do their jobs. Implementing a meaningful governance framework, tools and resources, training and communication, and compliance monitoring will help us achieve this objective. The program will promote a culture that encourages everyone to raise their hands when they have concerns, and guards against retaliation of any kind.



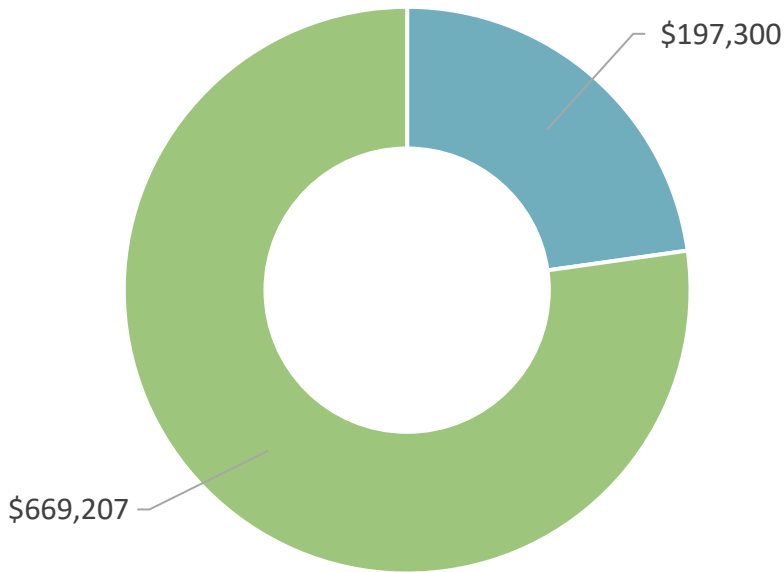
**Entertainment** at Pride in Nature



**Educating Attendees** at Flamborough Phase 2 Groundbreaking

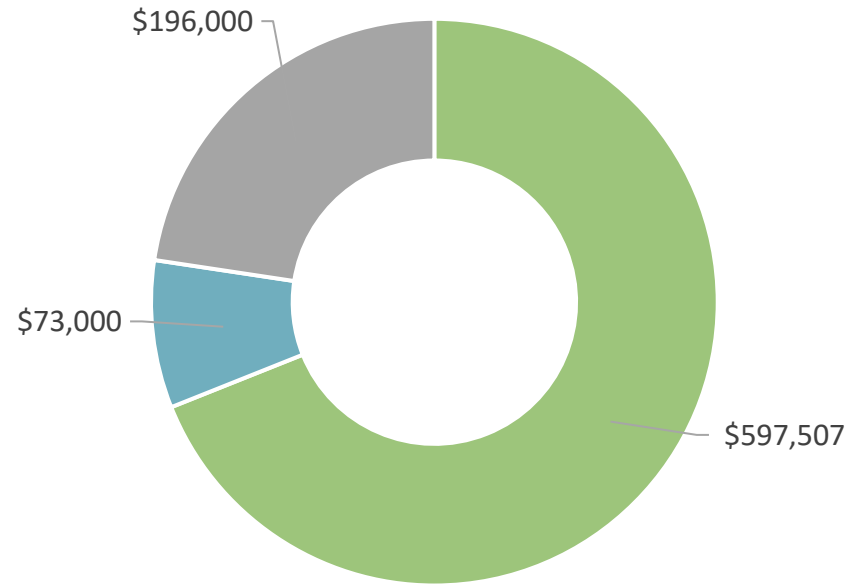
# CORPORATE COMPLIANCE

### Revenue \$866,507



■ Chargeback Recoveries   ■ Municipal Funding

### Expenses \$866,507



■ Salaries & Benefits   ■ Materials & Supplies   ■ Purchased Services



# FLOOD FORECASTING & OPERATIONS

## DEPARTMENTAL BUSINESS PLAN

**The Flood Forecasting & Operations program is responsible for enhancing public safety through the maintenance and upgrades of flood control structures and modernization of flood management operations to protect communities from severe weather and natural hazards.**

Flood Forecasting & Operations staff help fulfill the protection of our natural, cultural and scenic assets, taking care of our growing communities and preparing for the effects of climate change by protecting people and property from flooding.

The program is responsible for the management, operation and maintenance of Conservation Halton’s flood management infrastructure with a capital asset value of more than \$100 million, including dams and channels that provide flood protection and low-flow augmentation through the capital Flood Forecasting & Operations program. This responsibility is integrated with Conservation Halton’s role in supporting municipal emergency response to flooding by monitoring local watershed conditions, predicting flooding potential and providing flood messaging to watershed stakeholders.

### STRATEGIC PLAN DELIVERABLES:



Crawford Lake Spring Melt



# FLOOD FORECASTING & OPERATIONS

## FLOOD FORECASTING & OPERATIONS

Flood forecasting and warning involves the collection, evaluation and prediction of precipitation and the watershed response as it relates to flooding, drought and the operation of Conservation Halton’s four dams (Kelso, Hilton Falls, Mountsberg and Scotch Block). This program is responsible for the communication of watershed response and potential flooding through flood messaging to other agencies, municipalities, media and the public.

## 2022 INITIATIVES

### CAPITAL PROJECTS

This initiative includes evaluation, repair and maintenance projects to restore and maintain Conservation Halton’s flood management assets in a State of Good Repair.

### EMERGENCY MANAGEMENT

The Emergency Management initiative includes further advancement of relationship building with key municipal staff involved in emergency response. This relationship building promotes improved communication to allow for effective and efficient emergency response related to flooding.

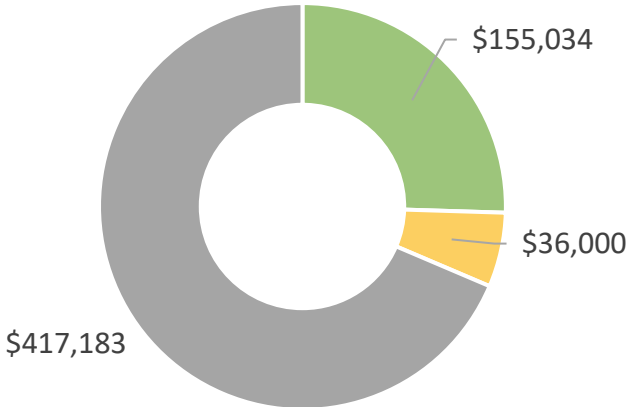
### FLOOD FORECASTING & OPERATIONS

The Flood Forecasting & Operations strategic initiative involves continuous monitoring of weather and watershed conditions, forecasting potential flood threats within our local watercourses, issuing detailed Flood Messages to emergency responders and operating and maintaining existing flood management infrastructure.

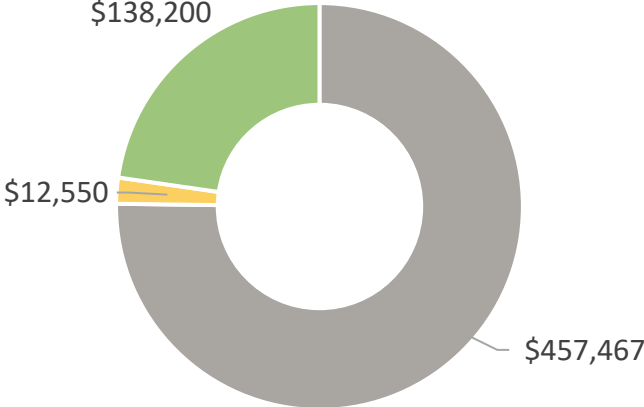
A key responsibility to support Conservation Halton’s mandate is to prevent damage to life and property due to flooding. As part of this responsibility, Conservation Halton operates a network of real-time gauging stations to enable both the monitoring of current conditions and to use available weather data for predictive flood forecasting and warning and to effectively operate our flood management infrastructure.

# FLOOD FORECASTING & OPERATIONS

Revenue \$608,217



Expenses \$608,217



- Provincial Funding
- Chargeback Recoveries
- Municipal Funding
- Salaries & Benefits
- Materials & Supplies
- Purchased Services

# FLOOD FORECASTING & OPERATIONS

Description	2022 Capital Expenditures	Capital Revenue					
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>EXPENDITURES</b>							
Dams & Channels SOGR Maintenance	700,970		350,485			350,485	
Flood Forecasting & Warning Program	90,000						90,000
<b>Total Capital Expenditures</b>	<b>790,970</b>	<b>-</b>	<b>350,485</b>	<b>-</b>	<b>-</b>	<b>350,485</b>	<b>90,000</b>

# PLANNING & WATERSHED MANAGEMENT

## DEPARTMENTAL BUSINESS PLAN

The Planning and Watershed Management Department has three sections: Planning & Regulations, Watershed Planning & Source Protection, and Science & Partnerships. Interdisciplinary staff have professional training and expertise in environmental planning, policy, ecology, water resources engineering, hydrogeology, climate change assessments, permitting and compliance, regulation mapping, source water protection, environmental restoration, and watershed monitoring.

A range of planning services is offered, including the review of development applications and technical studies under the *Planning Act*, sub-watershed studies, environmental assessments under the *Environmental Assessment Act*, *Aggregate Resources Act*, and federal, provincial, regional and municipal proposed policies and initiatives.

Permitting, compliance and enforcement activities are carried out as required by regulations enacted under the *Conservation Authorities Act*.

The Floodplain Mapping Program is updating flood hazard mapping across the watershed to support the planning and regulatory programs and flood warning and forecasting

operations. This mapping also informs infrastructure management decisions, emergency planning and response, prioritization of flood mitigation efforts, and infrastructure design.

Staff implement the Source Water Protection Program under the Clean Water Act and undertake watershed planning initiatives, including resource management and climate change strategies.

Additionally, staff inventory, monitor, and assess watershed environmental conditions and trends such as water quality, forest health and biodiversity, create partnerships with landowners and funders to restore degraded habitats, promote land and water stewardship, and provide support to the Hamilton Harbour Remedial Action Program (HHRAP).

### STRATEGIC PLAN DELIVERABLES:



Hilton Falls

# PLANNING & WATERSHED MANAGEMENT

## DEPARTMENTAL BUSINESS PLAN

### PLANNING

Planning includes reviewing and commenting on provincial and municipal higher-level planning and policy documents, such as provincial policies and plans, municipal Official Plans, planning studies and comprehensive zoning by-laws. Plan review refers to the review of planning applications circulated to Conservation Halton under the Planning Act, other planning studies (e.g. Environmental Assessments) under the Environmental Assessment Act and other provincial legislation. On average, about 400 planning applications are reviewed each year.

### REGULATIONS

The Regulatory Program is responsible for permitting, compliance and enforcement of Ontario Regulation 162/06. About 450 permits are processed each year, and more 20 probable violations are investigated. Over the past few years, most confirmed violations have been resolved through agreements with landowners.

### POLICY REVIEW & DEVELOPMENT

The Department is responsible for the review of legislative, regulatory, or policy changes related to natural resources management, the protection of drinking water sources or planning related matters. It is responsible for developing and administering Board-approved policies for permitting and plan review, as well as responding to changes to the Conservation Authorities Act.

### REGIONAL INFRASTRUCTURE TEAM

The Regional Infrastructure Team provides planning and regulatory services to Halton Region for regional infrastructure and related projects. These services include the review of Environmental Assessments, and related planning and permitting applications, as well as the review of other Regional planning applications and related permits. This service is provided through an agreement with the Region of Halton who funds the program.

### FLOODPLAIN MAPPING

The Floodplain Mapping Team is responsible for the update and maintenance of Conservation Halton's watershed floodplain mapping, which identifies flood risk and hazards. This information is used to develop approximate regulation limit mapping for purposes of review associated with Ontario Regulation 162/06, as well as used to support flood risk management decisions and communications.

# PLANNING & WATERSHED MANAGEMENT

## PLANNING & REGULATIONS

### 2022 INITIATIVES

#### EXCELLENCE IN CUSTOMER SERVICE & EXPERIENCE

We anticipate that the number of planning and permit files, as well as large-scale technical reviews, will continue to remain high. Several hearings related to on-going legal files (i.e., OLT files, regulatory violation files and other legal matters) are anticipated, as well as municipal policy initiatives or reviews, will require considerable staff time in 2022. We will continue to strive for excellence in customer service and customer experience, work to provide efficient, effective, and timely service, foster partnerships, and identify opportunities to build mutual understanding, trust, respect, and support.

#### SERVICE AGREEMENTS & MEMORANDA OF UNDERSTANDING

In 2021, a new interim service agreement for ecological services was reached between Halton Region and Conservation Halton. We will continue to work with our municipal partners to develop updated planning service agreements that will benefit all stakeholders.

#### MODERNIZE POLICIES & MAPPING

The Planning & Regulations team will respond to regulatory changes under the new Conservation Authorities Act by updating policies for administration of the amended regulations. In 2022, additional policies will be developed to provide the public with greater clarity and certainty on Conservation Halton’s requirements for developing in riverine spill hazards. We will continue to review and update flood

hazard mapping for select watersheds across our jurisdiction. Other components of Conservation Halton’s regulatory mapping (e.g., wetland layer) will also be updated. Stakeholder and public engagement will be carried out as part of a policy or mapping initiative prior to approval.

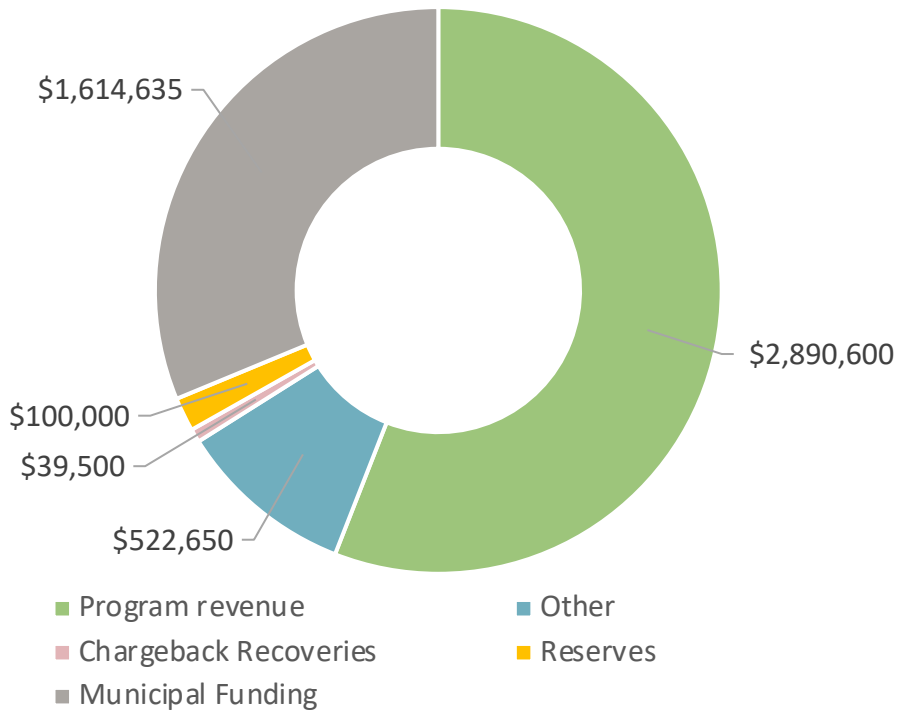


**Boardwalk** at Mountsberg Reservoir

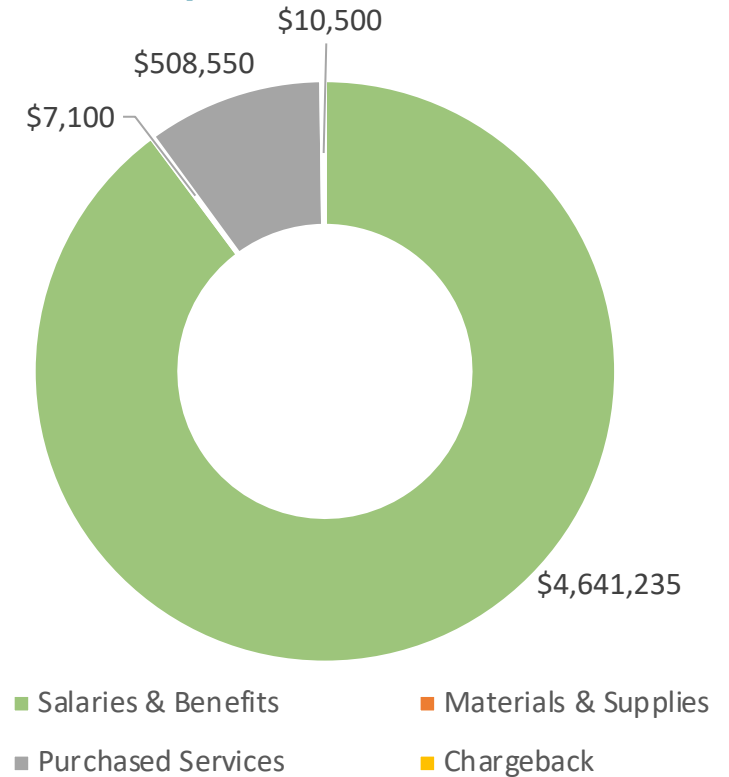
# PLANNING & WATERSHED MANAGEMENT

## PLANNING & REGULATIONS

**Revenue \$5,167,385**



**Expenses \$5,167,385**



# PLANNING & WATERSHED MANAGEMENT

## PLANNING & REGULATIONS

Description	2021 Capital Expenditures	Capital Revenue					
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>EXPENDITURES</b>							
Flood Plain Mapping Update	525,000			525,000			
<b>Total Capital Expenditures</b>	<b>525,000</b>	-	-	<b>525,000</b>	-	-	-



# PLANNING & WATERSHED MANAGEMENT

## WATERSHED PLANNING & SOURCE PROTECTION

### SOURCE WATER PROTECTION PROGRAM

The Source Water Protection team is responsible for implementing the Halton-Hamilton drinking water source protection program under the *Clean Water Act, 2006*. This program is a community initiative, which protects existing and future municipal drinking water sources from contamination and overuse. Conservation Halton and Hamilton Conservation Authority deliver the program, working closely with a locally appointed source protection committee and municipalities, provincial agencies, and other stakeholders. This program is supported through provincial grants. Under the recently amended *Conservation Authorities Act*, the role of the source protection authority is a mandatory program and service.

### INTEGRATED WATERSHED MANAGEMENT (IWM)

As a watershed management agency, Conservation Halton promotes integrated watershed management planning. The program is being renewed to develop a coordinated strategy and identify actions based on good science and positive outcomes. Conservation Halton will bring municipalities, agencies and others together to promote the management, restoration and enhancement of the natural systems within the watershed, including natural hazards. Through this program, Conservation Halton is developing a watershed climate action strategy and plans to identify actions supporting resilience in the face climate change, including hazards.

Conservation Halton monitors groundwater aquifers at locations within the watershed through the Provincial Groundwater Monitoring Network, as well as five wetlands across the watershed.

### WATERSHED CLIMATE ACTION PLAN (WCAP)

Conservation Halton is developing a watershed climate action supporting resilience in the face of climate change, including nature –based solutions.

### 2022 INITIATIVES

#### WATERSHED PLANNING

Conservation Halton is refreshing our watershed planning program, with the goal to undertake and implement watershed plans to identify and prioritize actions that protect natural resources, address natural hazards, and promote sustainability. We will continue to advance and participate in collaborative watershed management initiatives to support, restore, and enhance our natural watershed systems and the health of Lake Ontario. We will also identify and promote climate change approaches for watershed resilience and lead by example.

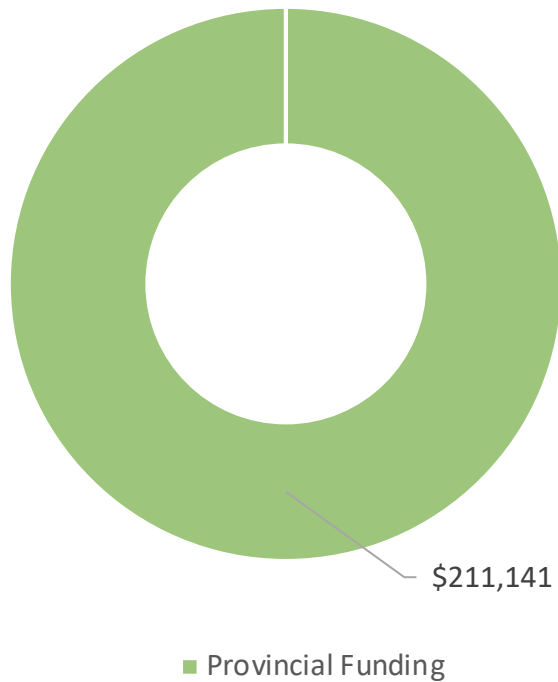
#### SOURCE WATER PROTECTION

We will continue to lead the Halton-Hamilton source water protection program through a comprehensive review and update of drinking water science and source protection plan policies. Using a watershed-based approach and by working with the Hamilton Conservation Authority, municipalities and others, municipal drinking water sources from groundwater aquifers and Lake Ontario are being protected.

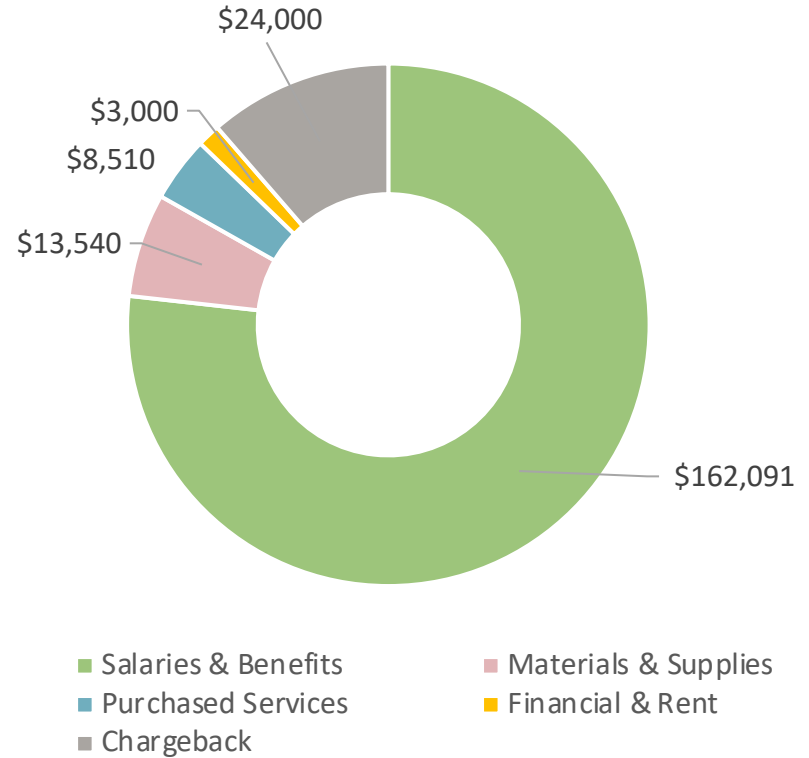
# PLANNING & WATERSHED MANAGEMENT

## WATERSHED PLANNING & SOURCE PROTECTION

**Revenue \$211,141**



**Expenses \$211,141**



# PLANNING & WATERSHED MANAGEMENT

## WATERSHED PLANNING & SOURCE PROTECTION

Description	2021 Capital Expenditures	Capital Revenue					
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>EXPENDITURES</b>							
Watershed Planning	55,000			30,000			25,000
<b>Total Capital Expenditures</b>	<b>55,000</b>	-	-	<b>30,000</b>	-	-	<b>25,000</b>

# PLANNING & WATERSHED MANAGEMENT

## SCIENCE & PARTNERSHIPS

### MONITORING ECOLOGY

Conservation Halton conducts environmental monitoring to inform and guide internal decision-making, and to provide information to watershed residents, partners, and stakeholders. Our Long-term Environmental Monitoring Program was initiated in 2005 to monitor how species and environmental conditions change over time. Staff are also responsible for data analysis, documentation and preparation of reports, including innovative story maps, such as 55-year water quality trends. In addition, the results of the monitoring program are used to inform and guide the plan review process and provide information for watershed planning, parks master plans, resource management plans, etc.

### LANDOWNER OUTREACH & RESTORATION

Conservation Halton's Landowner Outreach and Restoration Program has been providing stewardship and restoration services to watershed residents since 1994. Staff provide one-on-one consultations for private landowners and assist them with implementing projects on their properties to protect and enhance water and habitat quality. Staff collaborate with provincial, federal, NGO and other organizations to partner on large-scale restoration projects that bring in substantial financial contributions for these expensive undertakings. Stewardship staff work closely with Outreach staff to deliver the popular Healthy Neighboursheds program, which focuses on rainwater management and other sustainable practices that can be adopted by urban dwellers.

### HAMILTON HARBOUR REMEDIAL ACTION PLAN

Hamilton Harbour is one of 43 areas around the Great Lakes that have been designated as Areas of Concern because of the extent of environmental degradation. Areas of Concern were formally designated under the Great Lakes Water Quality Agreement in 1987, and Remedial Action Plans were established to guide the delisting of these areas. The Hamilton Harbour Remedial Action Plan Office provides services to the Bay Area Implementation Team and more than 12 other committees. The team also prepares technical reports, facilitates and sponsors local training opportunities related to stormwater management and sediment control, organizes research and monitoring workshops and provides study support as key works are identified in committees.

# PLANNING & WATERSHED MANAGEMENT

## SCIENCE & PARTNERSHIPS

### 2022 INITIATIVES

#### WATERSHED HEALTH

Monitoring ecology staff continue to collect the data we need to support evidence-based corporate decision-making and detect long-term trends in watershed health. Much of our focus in 2022 will be on compiling data and conducting analysis for the publication of the Watershed Report Card in early 2023. We will also work towards increasingly comprehensive and discoverable data to establish connections and correlations that will support story-telling.

#### HAMILTON HARBOUR REMEDIATION

The Hamilton Harbour Remedial Action Plan Office will continue to provide local coordination and secretariat services to two specialized committees, including the Bay Area Implementation Team. Specifically, in 2022, the team will guide and report on work plan actions to achieve re-designation of beneficial uses, build relationships and facilitate information exchange with partners, support development of reports, provide engagement and outreach opportunities to communicate progress and build support with local communities and Indigenous peoples.

#### LANDOWNER OUTREACH & RESTORATION

Pending final confirmation of outstanding grant applications for partnership projects, as well as the results of studies and design processes currently underway, our 2022 areas of focus will include support for homeowner implementation of Low Impact Development projects in Hamilton Harbour watershed

communities, continuation of our strategic focus on restoration of the Limestone Creek sub-watershed through the Brookies in Bronte Forever program, building on recent work to restore the quality and connectivity of aquatic habitat in Sixteen Mile Creek, with a focus on Redside Dace, and mitigating barriers to fish movement.

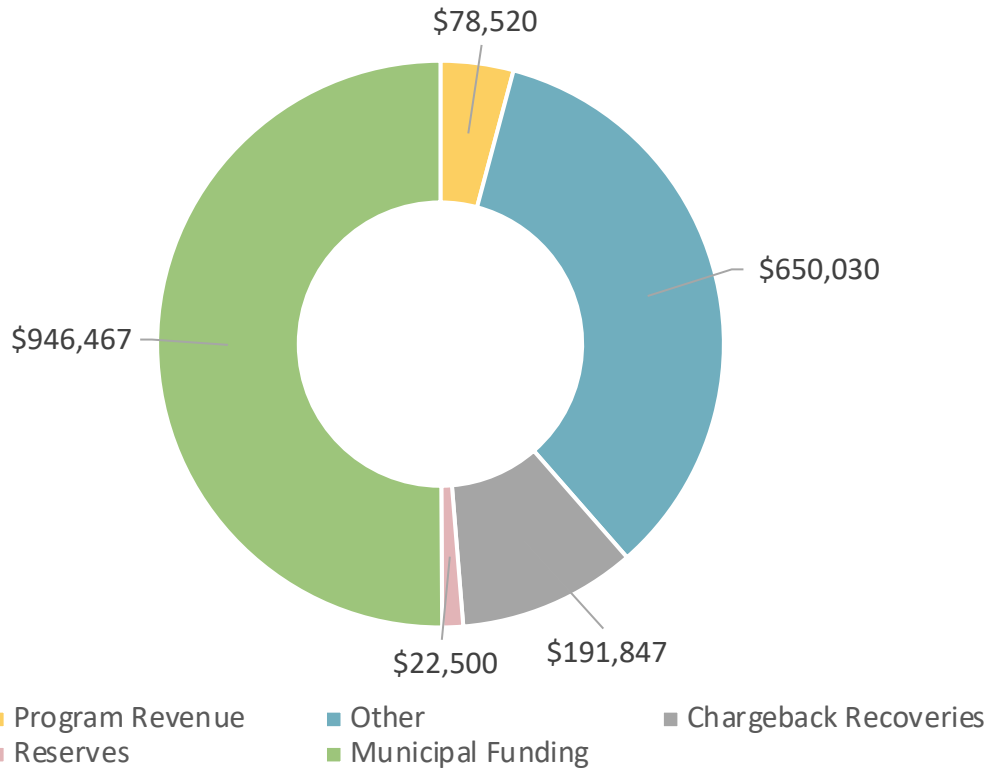


**Snapping Turtle** near Rattlesnake Point

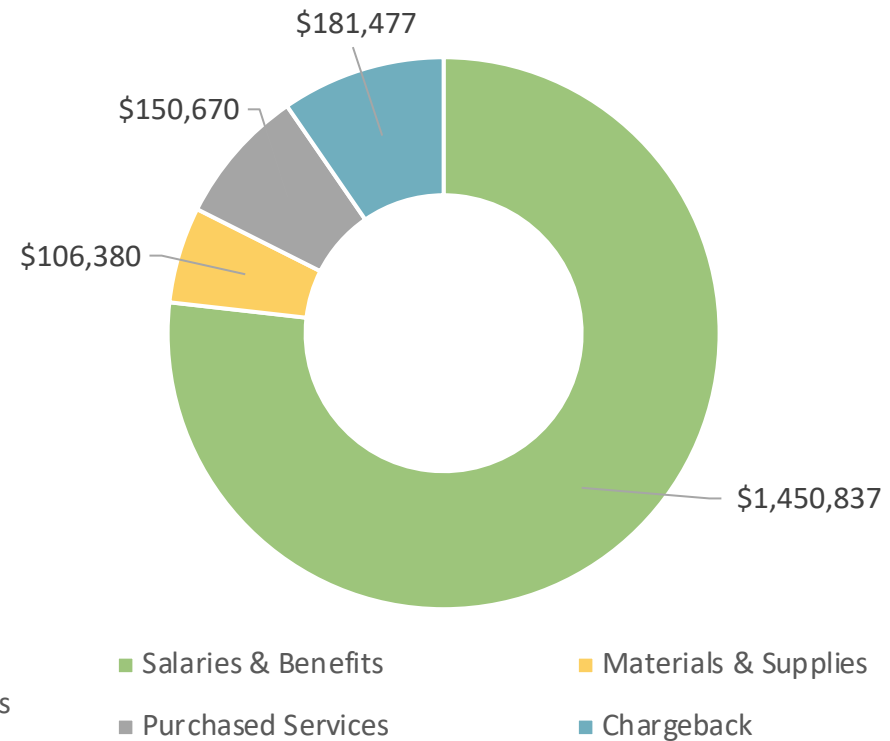
# PLANNING & WATERSHED MANAGEMENT

## SCIENCE & PARTNERSHIPS

**Revenue \$1,889,364**



**Expenses \$1,889,364**

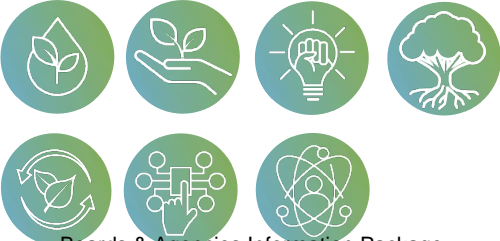


# PROJECT MANAGEMENT OFFICE

## DEPARTMENT BUSINESS PLANS

The Project Management Office (PMO) team consists of a broad range of specialists who provide support and project oversight to multiple areas within Conservation Halton, including ecological restoration and conservation, engineering and capital infrastructure, construction and facilities, information technologies, digital transformation and enterprise project and business process management.

### STRATEGIC PLAN DELIVERABLES:



Bee Tower as part of the Flamborough Restoration

# PROJECT MANAGEMENT OFFICE

## ADMINISTRATION OFFICE FACILITY

The department is responsible for the daily operation of the Administrative Offices, the provision and support of administrative infrastructure (office furniture, maintenance, etc.). This team is also responsible for Office Space Needs assessment across all buildings and facilities and design and implementation of internal reorganizations and enhancements.

## RESTORATION

A function of the PMO is larger-scale, watershed-benefitting ecological restoration and enhancement projects.

## CONSTRUCTION

A function of the PMO is construction support services, which provide operational support for small-scale infrastructure work, oversight on asset management programs, support to other teams delivering construction projects .

## PROJECT MANAGEMENT

Responsible for the delivery of project-based work at Conservation Halton which includes ecological restoration and conservation, engineering and capital infrastructure, construction and facilities, IT and digital transformation and enterprise projects.

## 2022 INITIATIVES

### BOYNE WETLAND

A key phase of the Boyne Valley Restoration project will see the planning and implementation of the southern floodplain wetland and riparian restoration project near Britannia Road and Hwy 25 as well as the grassland project near Whitlock Bridge. Objectives also include area invasive species management and planning for future phases of restoration work.

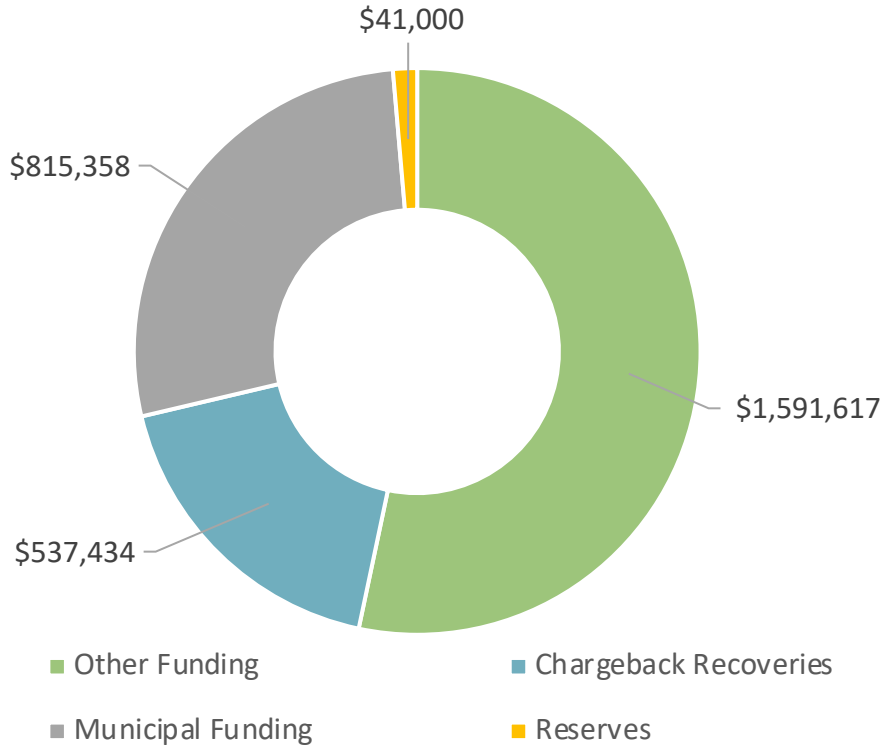
### ADMINISTRATION OFFICE LANDSCAPE PROJECT

An Administration Office Landscape Master Plan (2018) initiative involving Low Impact Development strategies and redesigned outdoor staff space. This project will reduce runoff and stormwater pollution impacts to Bronte Creek and improve outdoor space for staff.

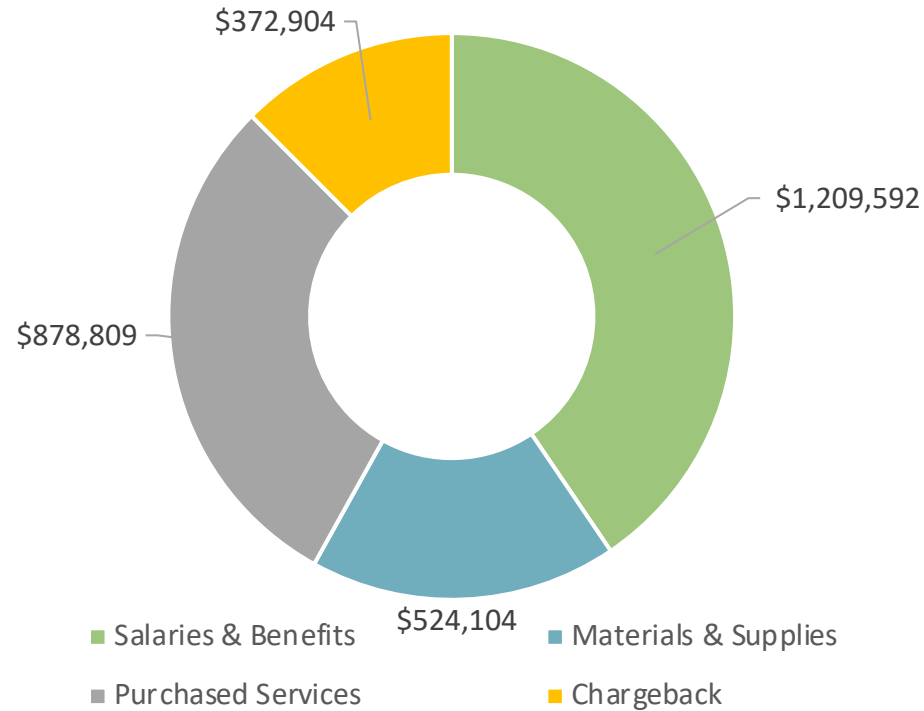


# PROJECT MANAGEMENT OFFICE

**Revenue \$2,985,409**



**Expenses \$2,985,409**



# PROJECT MANAGEMENT OFFICE

## CAPITAL PROJECTS

Description	2022 Capital Expenditures	Capital Revenue					
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>EXPENDITURES</b>							
Administration Office Renovations	100,000					100,000	
Facility Major Maintenance	100,000					100,000	
<b>Total Capital Expenditures</b>	<b>200,000</b>	-	-	-	-	<b>200,000</b>	-

# WATERSHED MANAGEMENT & SUPPORT SERVICES OPERATIONS

## DEPARTMENTAL BUSINESS PLAN

This budget category is related to Operations for Watershed Management & Support Services (WMSS) and is partly managed by Conservation Areas staff.

The Operations program is responsible for Conservation Halton's forestry operations, strategic forest management, property management, security and fleet management.



Remnants of **Emerald Ash Borer**

# WATERSHED MANAGEMENT & SUPPORT SERVICES OPERATIONS

## FORESTRY OPERATIONS

The Forestry Operations Team provides an operational focus dealing with forest management, hazard tree management and other arboricultural services.

## FORESTRY TEAM

Our forestry staff deliver strategic forest management operations, tree planting services and support technical management of forests to enhance our watershed forest cover. Conservation Halton's forestry program has had a major influence on land cover within our watershed, having planted more than 4.5 million trees since our inception. This team also monitors invasive forest pests and delivers our Emerald Ash Borer program.

## PROPERTY MANAGEMENT

This program provides management of all Conservation Halton properties from an administrative perspective (leases, agreements, permits to enter, title searches and records) and provides a landscape (turf management, landscape management and snow clearing support) service to operational departments in Parks and Recreation, Science and Partnerships, Facilities and Watershed Engineering.

## SECURITY

A function within Property and Risk Management, this team provides operational security services (alarm, lock and securing premises as well as 24/7/365 on call) and risk

(incident support and documentation, inspection services) management focus. In addition, this team is empowered under Section 28 and 29 of the CA Act and the Trespass to Property Act as well as various municipal bylaws to support enforcement activities on behalf of Conservation Halton.

## FLEET MANAGEMENT

Vehicle and equipment are maintained by staff in a State of Good Repair. Staff also coordinate the replacement of the asset or an assessment if the asset is no longer needed at the end of the useful life of the asset.

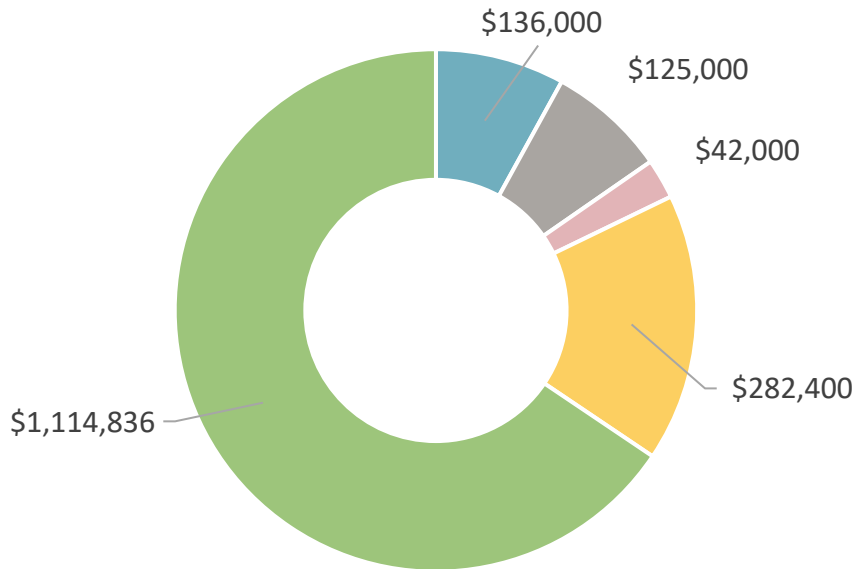
## 2022 INITIATIVES

### EMERALD ASH BORER

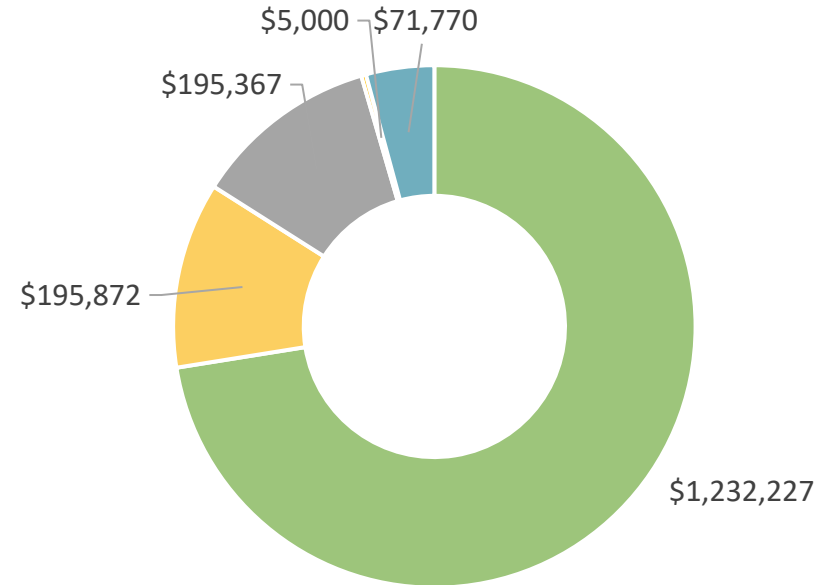
Management of ash trees killed by the invasive Emerald Ash Borer will continue. This program is a 10-year, \$8.4 million investment in visitor safety and forest cover. An essential part of this program is treating stumps so that they will not re-sprout, and underplanting to prevent the establishment and spread of invasive species, such as Buckthorn.

# WATERSHED MANAGEMENT & SUPPORT SERVICES OPERATIONS

**Revenue \$1,700,236**



**Expenses \$1,700,236**



- Program Revenue
- Other Funding
- Municipal Funding

- Provincial Funding
- Chargeback Recovers

- Salaries & Benefits
- Purchased Services
- Chargeback

- Materials & Supplies
- Financial & Rent expense

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## Page 205 of 362

# WATERSHED MANAGEMENT & SUPPORT SERVICES OPERATIONS

### CAPITAL SUMMARY

Description	2022 Capital Expenditures	Capital Revenue					
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>EXPENDITURES</b>							
Emerald Ash Borer	820,000	16,000		804,000			
Vehicle and Equipment Replacement	94,000					94,000	
Property Management Projects	25,000						25,000
<b>Total Capital Expenditures</b>	<b>939,000</b>	<b>16,000</b>	<b>-</b>	<b>804,000</b>	<b>-</b>	<b>94,000</b>	<b>25,000</b>



# PARKS & RECREATION

## DEPARTMENTAL BUSINESS PLAN

**The Parks and Recreation Team at Conservation Halton is responsible for the delivery of a wide variety of recreational and educational programs and services to over 1,000,000 annual visitors.**

Park operations, programming and services are funded almost entirely through self-generated revenue from annual and seasonal passes, daily access fees, education fees, and lesson and camp registrations. Major themes addressed within the 2022 Operational and Capital budget proposals include service delivery and aging infrastructure.

Long-term planning, focused on environmental and fiscal sustainability, will remain a funded priority for staff.



Cliffside at **Rattlesnake Point**

### STRATEGIC PLAN DELIVERABLES:



# PARKS & RECREATION

## KELSO/GLEN EDEN

Kelso/Glen Eden offers a variety of recreational programs and activities, including mountain biking, boat rentals, summer camps, skiing and snowboard lessons, terrain parks, picnic and camping sites, food services and special events. The team operates 364 days a year and total annual Kelso/Glen Edn visitation exceeds 500,000.

## CRAWFORD LAKE/MOUNTSBERG/ ROBERT EDMONDSON

Crawford Lake, Mountsberg and Robert Edmondson offer unique recreation and education programming opportunities. Education programs are provided to approximately 65,000 school children each year, with topics ranging from life in a longhouse village to how maple syrup is made and local species of owls. These parks offer education-based family programs, tours of the Longhouse Village, Christmas Town, Maple Town, farm animal barn and birds of prey centre. Virtual programs are also offered in response to COVID-19. Total annual visitation exceeds 190,000.

## HILTON FALLS/RATTLESNAKE POINT/ MOUNT NEMO

Hilton Falls, Rattlesnake Point and Mount Nemo offer exceptional hiking, biking and rock-climbing experiences. Each park provides great viewpoints from the Escarpment or the beautiful waterfall. These areas have seen visitation double since 2012, so monitoring impacts on the environment and improving customer service are extremely important. Total annual visitation exceeds 350,000.

## OUTREACH

Conservation Halton provides community outreach and education programs that have an annual reach of over 10,000 participants.

Programs include Halton Children’s Water Festival, Stream of Dreams, From The Ground Up and Healthy Neighboursheds. Our goal is to enable watershed residents to become more environmentally aware, connect communities to nature through programming, and build relevant community connections to make Conservation Halton more valued and appreciated. We also work with the local school board to deliver affordable, innovative outdoor education programs.



# PARKS & RECREATION

## 2022 INITIATIVES

### FINANCIAL

With the Park operations totally reliant on user fees, it is important for the Parks to continue to grow, generate revenue and manage expenses. For 2022, park staff will be focusing on increasing operating profit and gross revenues of the park offerings, effectively managing expenses and ensuring staff resources are used efficiently. This will be done using the new fee strategy, digital tools for efficiency and reporting, and value-added experiences.

### CAPITAL

For our park system to continue to be a leader, long-term planning plays an important role. The 10-Year Capital Plan will be further refined to ensure that existing infrastructure has funding allocated for maintenance but also allowing funds for future growth and experience for the user experience.

### DIGITAL TRANSFORMATION

Enable parks to collect information in real-time and use performance dashboards to gauge the real impact of park usage. Conservation Halton will use data from real-time monitoring of foot traffic, trespassing, smart garbage bins, lighting, and so much more to optimize our operations, manage risks, maintain standards, and control costs. Reliable data will help control access, manage risk, optimize enforcement, and ensure visitor safety.



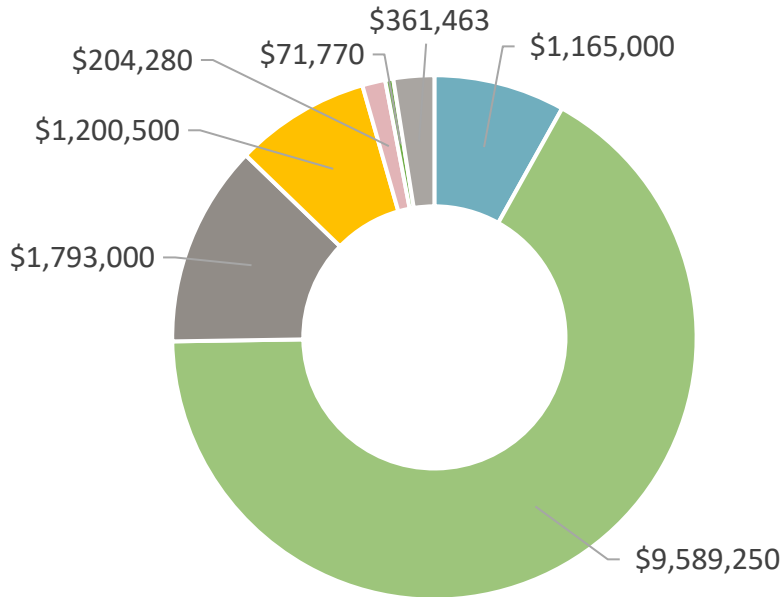
**Cross Country Skiers** at Hilton Falls



**Mountain Biker in Training** at Kelso

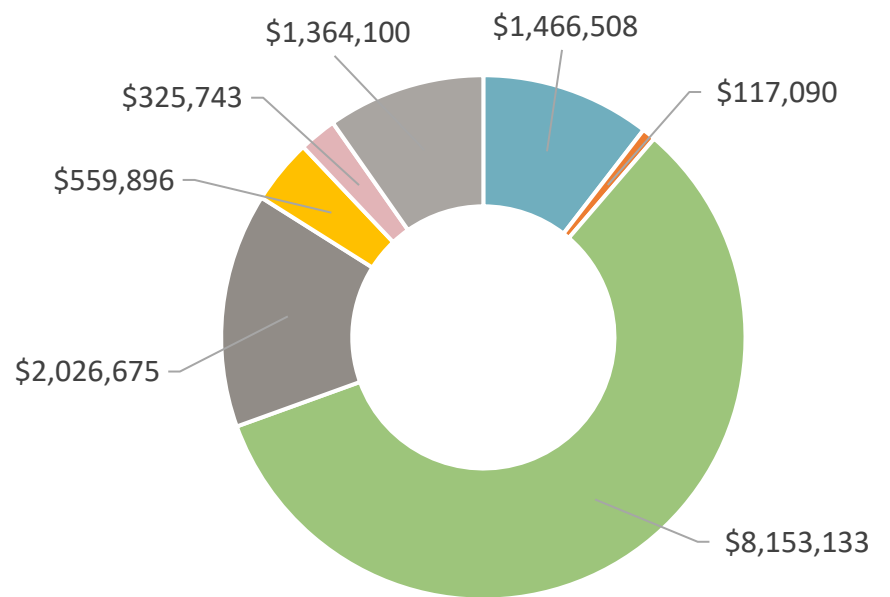
# PARKS & RECREATION

**Revenue \$14,385,263**



- Conservation Lands
- Kelso/Glen Eden
- Crawford Lake/Mountsberg/Robert Edmondson
- Hilton Falls/Mount Nemo/Rattlesnake Point
- Outreach
- Chargeback recoveries
- Municipal Funding

**Expense \$14,013,145**



- Conservation Lands
- Vehicles
- Kelso/Glen Eden
- Crawford Lake/Mountsberg/Robert Edmondson
- Hilton Falls/Mount Nemo/Rattlesnake Point
- Outreach
- Chargeback

# PARKS & RECREATION

## CAPITAL PROJECTS

Description	2022 Capital Expenditures	Capital Revenue					Municipal Levy & Funding
		Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Chargeback Recoveries (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	
<b>EXPENDITURES</b>							
Skihill Improvements	950,000					950,000	
Facility Major Maintenance & IT Infrastructure	213,000					213,000	
Vehicle and Equipment Replacement	269,903					269,903	
Developer Contribution Projects							
-Crawford Lake Boardwalk	2,280,000		759,924	1,520,076			
-Kelso Quarry Park / Area 8	100,000					100,000	
<b>Total Capital Expenditures</b>	<b>3,812,903</b>	-	<b>759,924</b>	<b>1,520,076</b>	-	<b>1,532,903</b>	-

# momentum

GREEN • RESILIENT • CONNECTED

## THANK YOU

### Diversity and Inclusion

We endeavor to understand, accept and appreciate the value of our differences and encourage authenticity.

### Learning and Innovation

We embrace the need for continuous improvement, the opportunity to learn from others and the benefits of sharing knowledge.

### Person-Centered Service

We make people a priority through customer-centred engagement, predictive problem-solving and high-quality service.

### Collaboration

We seek out and trust in the skills, expertise and experience of others in order to achieve our common objectives.

Boards & Agencies Information Package  
2022 Operating Budget

### Sustainability

We consider the environmental impact of everything we do and always keep future generations in mind when making decisions.

### Integrity

We make decisions with accountability, transparency and a strong sense of personal responsibility for our choices and actions.

### Resilience

We are positive and proud of our ability to quickly and effectively respond to change.

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Financial Statements of

## **CONSERVATION HALTON**

Year ended December 31, 2020

# CONSERVATION HALTON

Financial Statements

Year ended December 31, 2020

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## Independent Auditors' Report

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Canada  
Tel 519-747-8800  
Fax 519-747-8830

## INDEPENDENT AUDITORS' REPORT

To the Directors of Conservation Halton

### *Opinion*

We have audited the financial statements of Conservation Halton (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations and changes in accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations and its cash flows year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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### ***Responsibilities of Management and Those Charged With Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





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***Auditors' Responsibilities for the Audit of the Financial Statements (continued)***

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada  
April 27, 2021

# CONSERVATION HALTON

## Statement of Financial Position

December 31, 2020, with comparative information for 2019

	2020	2019
<b>Financial assets:</b>		
Cash	\$ 633,504	\$ 1,073,262
Investments (note 2)	17,781,423	12,443,202
Investment - Water Management System (note 3)	11,961,907	11,531,387
Accounts receivable (note 4)	2,080,042	4,375,445
	<u>32,456,876</u>	<u>29,423,296</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued charges	2,436,147	3,541,331
Deferred revenue (note 5)	7,458,676	6,481,712
Deferred revenue - capital and major projects (note 6)	936,414	950,530
Deferred revenue - Water Management System (note 3)	11,961,907	11,531,387
Long-term liabilities (note 7)	5,091,697	4,413,948
	<u>27,884,841</u>	<u>26,918,908</u>
<b>Net financial assets</b>	<b>4,572,035</b>	<b>2,504,388</b>
<b>Non-financial assets:</b>		
Tangible capital assets (note 8)	72,112,103	71,820,749
Prepaid expenses	369,033	592,598
Inventory	126,177	103,876
	<u>72,607,313</u>	<u>72,517,223</u>
Contingencies (note 11)		
Commitments (note 12)		
Implications due to COVID-19 (note 15)		
<b>Accumulated surplus (note 9)</b>	<b>\$ 77,179,348</b>	<b>\$ 75,021,611</b>

See accompanying notes to financial statements.

On behalf of the Board:



Chair Gerry Smallegange



Vice-Chair Moya Johnson

## CONSERVATION HALTON

### Statement of Operations and Changes in Accumulated Surplus

Year ended December 31, 2020, with comparative information for 2019

	2020 Budget (Note 10)	2020 Actual	2019 Actual
<b>Revenue (note 15):</b>			
Municipal grants	\$ 9,660,318	\$ 9,660,318	\$ 9,330,984
Ministry of Natural Resources and Forestry	155,034	155,034	155,034
Corporate services	113,549	296,071	204,337
Flood forecasting and operations	4,000	1,831	-
Planning and watershed management	3,297,648	3,510,020	2,690,995
Science and partnerships	392,211	395,648	431,638
Project management office	208,484	171,677	101,337
Watershed management and support service operations	320,000	270,140	330,924
Conservation areas	13,682,089	11,389,754	14,449,105
Partnership projects	905,554	705,694	727,267
Major projects	2,280,214	2,766,189	5,650,817
<b>Total revenue</b>	<b>31,019,101</b>	<b>29,322,376</b>	<b>34,072,438</b>
<b>Expenses (note 15):</b>			
Corporate services	4,673,137	4,315,126	4,128,771
Corporate compliance	704,615	714,648	597,651
Flood forecasting and operations	1,063,797	986,802	982,308
Planning and watershed management	4,838,339	4,309,739	4,129,326
Science and partnerships	1,404,848	1,166,653	1,264,482
Project management office	976,413	1,041,886	796,944
Watershed management and support service operations	1,500,696	1,274,611	1,271,059
Conservation areas	12,860,678	10,665,672	14,075,842
Partnership projects	905,554	705,694	727,267
Major projects	862,243	1,819,556	1,902,189
Debt financing charges	237,623	164,252	144,786
<b>Total expenses</b>	<b>30,027,943</b>	<b>27,164,639</b>	<b>30,020,625</b>
<b>Annual surplus (note 9)</b>	<b>991,158</b>	<b>2,157,737</b>	<b>4,051,813</b>
<b>Accumulated surplus, beginning of year</b>		<b>75,021,611</b>	<b>70,969,798</b>
<b>Accumulated surplus, end of year</b>		<b>\$ 77,179,348</b>	<b>\$ 75,021,611</b>

See accompanying notes to financial statements.

## CONSERVATION HALTON

### Statement of Changes in Net Financial Assets

Year ended December 31, 2020, with comparative information for 2019

	2020 Budget (Note 10)	2020 Actual	2019 Actual
Annual surplus	\$ 991,158	\$ 2,157,737	\$ 4,051,813
Acquisition of tangible capital assets	(2,962,138)	(2,267,140)	(8,059,728)
Amortization of tangible capital assets	1,946,000	1,946,029	2,035,742
Proceeds on disposal of tangible capital assets	–	95,618	42,592
Loss on disposal of tangible capital assets	–	(65,861)	230,220
	(24,980)	1,866,383	(1,699,361)
Change in prepaid expenses		223,565	(305,553)
Change in inventories		(22,301)	79,405
Net change in net financial assets		2,067,647	(1,925,509)
Net financial assets, beginning of year		2,504,388	4,429,897
Net financial assets, end of year		\$ 4,572,035	\$ 2,504,388

See accompanying notes to financial statements.

## CONSERVATION HALTON

### Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 2,157,737	\$ 4,051,813
Items not involving cash:		
Amortization	1,946,029	2,035,742
Loss on disposal of tangible capital assets	(65,861)	230,220
	<u>4,037,905</u>	<u>6,317,775</u>
Change in non-cash working capital balances:		
Accounts receivable	2,295,403	(1,786,873)
Prepaid expenses	223,565	(305,553)
Inventory	(22,301)	79,405
Accounts payable and accrued charges	(1,105,184)	(60,568)
Deferred revenue	976,964	461,484
Deferred revenue - capital and major projects	(14,116)	(202,644)
	<u>6,392,236</u>	<u>4,503,026</u>
Capital transactions:		
Acquisition of tangible capital assets	(2,267,140)	(8,059,728)
Proceeds on disposal of tangible capital assets	95,618	42,592
	<u>(2,171,522)</u>	<u>(8,017,136)</u>
Investing activities:		
Net (purchase) sale of investments	(5,338,221)	1,578,767
Investment - Water Management System	(430,520)	(439,117)
	<u>(5,768,741)</u>	<u>1,139,650</u>
Financing transactions:		
Deferred revenue - Water Management System	430,520	439,117
Proceeds from long-term debt	1,257,506	2,360,386
Repayment of long-term debt	(579,757)	(390,899)
	<u>1,108,269</u>	<u>2,408,604</u>
Net change in cash	(439,758)	34,144
Cash, beginning of year	1,073,262	1,039,118
Cash, end of year	<u>\$ 633,504</u>	<u>\$ 1,073,262</u>

See accompanying notes to financial statements.

# CONSERVATION HALTON

## Notes to Financial Statements

Year ended December 31, 2020

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### **Purpose of Organization:**

Conservation Halton is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources, exclusive of gas, oil, coal and minerals for the watersheds within its area of jurisdiction. The watersheds include areas in the Regions of Halton and Peel, the Township of Puslinch and the City of Hamilton.

Conservation Halton's mission is to protect and enhance the natural environment from lake to escarpment for present and future generations.

### **1. Significant accounting policies:**

#### **(a) Basis of accounting:**

The financial statements of Conservation Halton are prepared by management in accordance with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook.

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measureable; expenses are recognized as they are incurred and measureable as a result of receipt of goods or services and the creation of a legal obligation to pay.

These financial statements do not include the activities of the Conservation Halton Foundation, a related incorporated registered charity with a mission to raise funds and profile for Conservation Halton projects and programs.

#### **(b) Investments:**

Investments are recorded at the lower of cost and market value based on quoted market prices. Losses are recorded when the decline in market value is other than temporary.

#### **(c) Tangible capital assets:**

Tangible capital assets are recorded at cost less accumulated amortization. Costs include all amounts that are directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue on the same basis as the amortization expense related to the acquired tangible capital assets. Assets under construction are not amortized and are transferred into their relative asset category when available for productive use. Amortization is recorded on either a straight-line basis over the estimated life of the assets or by using the declining-balance method.

# CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

## 1. Significant accounting policies (continued):

### (c) Tangible capital assets (continued):

The following rates are used:

Asset	Basis	Useful Life - Years
Land improvements	Straight-line	30 to 50 years
Buildings and building improvements	Straight-line	25 to 50 years
Machinery and equipment	Straight-line	5 to 40 years
Furniture and fixtures	Straight-line	5 to 20 years
Infrastructure	Straight-line	20 to 75 years
Vehicles	Declining balance	30%
Computer hardware and software	Straight-line	4 to 10 years

### (d) Inventory:

Inventory is valued at the lower of cost and net realizable value. Cost is determined using specific identification of the cost of the individual items.

### (e) Deferred revenue - Capital and Major Projects:

Conservation Halton receives certain amounts for which the related services have yet to be performed. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed. Funds received for the purchase of tangible capital assets are recognized when the related asset is purchased.

### (f) Deferred revenue - Water Management System:

Conservation Halton has received funds for expenses to be incurred for the future operation of a water management system and management of certain lands. These funds are externally restricted and cannot be drawn until Conservation Halton commences management of the lands. These amounts will be recognized as revenues when the relating expenses are incurred or management services performed.

# CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

## 1. Significant accounting policies (continued):

### (g) Revenue recognition:

Municipal levies, government transfers and funding for projects are recognized as revenue when the transfer is authorized, any eligible criteria has been met and the amount can be reasonably estimated.

User charges and fees are recognized as revenue in the period in which the related services are performed.

### (h) Use of estimates:

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include accrued liabilities, contaminated site liability, contingencies and tangible capital assets. Actual results could differ from estimates.

## 2. Short-term investments:

	2020	2019
Business investment	\$ 1,555,710	\$ 490,219
Notice plan investment	2,038,278	2,007,687
High interest savings	5,300,053	3,238,345
Guaranteed investment certificates	4,000,000	2,000,000
Pooled fund - Provincial and Corporate bonds	4,357,101	4,206,953
Pooled fund - Equity	530,281	499,998
<b>Total</b>	<b>\$ 17,781,423</b>	<b>\$ 12,443,202</b>

The guaranteed investment certificates have effective rates that range between 0.85% and 2.85% (2019 - 2.34% to 2.85%). Interest is receivable on the date of maturity. Maturity dates range from March 15, 2021 to July 11, 2022. The business investment and pooled funds (which include money market, bond and equity funds) earn interest at variable rates which is paid monthly.

The notice plan investment has accrued interest rate of 2.5% that is tied to bank reference rates that are subject to change and withdrawals require 31 days' notice.

Market value of investments are \$18,710,874 (2019 - \$13,127,041).



# CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

### 3. Investment/Deferred revenue - Water Management System:

Conservation Halton entered into an agreement for the transfer of a Water Management System and its long-term operation with an estimated time line of 2063. The agreement is based on the principle that the net costs associated with ongoing operation, maintenance and performance of the Water Management System will not be a financial liability to Conservation Halton.

To ensure that Conservation Halton should not have a net financial liability for the management of the water system, Conservation Halton has received amounts from 2008 to 2017, as part of the agreement. The amounts received are to be invested in accordance with Municipal Act Regulations and will be managed by an Investment Committee as required by the agreement. At the time of transfer, Conservation Halton will be able to draw on the funds, only to facilitate the management of the water system.

The funds are invested as follows:

	2020	2019
Cash	\$ 96	\$ 96
Provincial and provincially regulated agency bonds	8,511,511	10,340,648
Guaranteed investment certificates	3,450,300	1,190,643
<b>Total</b>	<b>\$ 11,961,907</b>	<b>\$ 11,531,387</b>

The Provincial and provincially regulated agency bonds have effective yields of 3.62% to 4.95% (2019 - 2.27% to 5.00%). Interest is receivable on the date of maturity. Maturity dates range from April 17, 2021 to December 1, 2037.

The guaranteed investment certificates have been an effective interest rate of 2.33% and 2.85% (2019 - 2.51%). Interest is receivable on the date of maturity. Maturity dates range from March 8, 2021 to January 13, 2022.

Market value of investments are \$13,542,502 (2019 - \$12,522,755).

### 4. Accounts receivable:

Included in accounts receivable is \$206,634 (2019 - \$112,476) due from Conservation Halton Foundation.

During 2020, the Foundation contributed \$518,095 (2019 - \$349,322) to fund projects carried out by the Conservation Halton.

# CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

## 5. Deferred revenue:

	Balance at December 31, 2020	Additions	Revenue recognized	Balance at December 31, 2019
Watershed Management	\$ 2,788,391	\$ 1,323,949	\$ 494,409	\$ 1,958,851
Partnership Projects	1,304,914	10,516,826	9,902,216	690,304
Source Water Protection	15,063	173,049	255,545	97,559
Conservation Areas	3,350,307	4,843,644	5,228,335	3,734,998
	<u>\$ 7,458,675</u>	<u>\$ 16,857,468</u>	<u>\$ 15,880,505</u>	<u>\$ 6,481,712</u>

Additions to deferred revenue includes contributions from external parties and payments for annual passes and lesson programs received during the year pertaining to the following year.

## 6. Deferred revenue - capital and major projects:

	Balance at December 31, 2020	Contributions received	Revenue recognized	Balance at December 31, 2019
Capital - Ministry of Natural Resources	\$ 241,336	\$ 382,824	\$ 479,930	\$ 338,442
Capital - Municipal	695,075	464,000	358,503	589,578
Capital - Other Municipal funding	–	110,629	133,139	22,510
	<u>\$ 936,411</u>	<u>\$ 957,453</u>	<u>\$ 971,572</u>	<u>\$ 950,530</u>

# CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

## 7. Long-term liabilities:

	2020	2019
5 year term loan at 2.95% interest compounded annually, with a registered collateral mortgage covering 54.36 acres of land, due November 2025	\$ 212,369	\$ –
5 year term loan at 3.5%, interest only payable during the first 36 months with a registered collateral mortgage covering 54.36 acres of land, due December 2020	–	409,636
Municipal debt financing and interest payments due annually at variable current interest rates of 3.0% to 3.2% (2019 - 3.0% to 3.2%), annual principal repayments, due December 2027 to December 2049	4,879,328	4,004,312
	<b>\$ 5,091,697</b>	<b>\$ 4,413,948</b>

Principal repayments over the next five fiscal years and thereafter are as follows:

2021	\$ 397,613
2022	390,971
2023	360,820
2024	344,240
2025	267,662
Thereafter	3,330,391
	<b>\$ 5,091,697</b>

# CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

## 8. Tangible capital assets:

Cost	Balance at December 31, 2019	Additions	Disposals	Transfers	Balance at December 31, 2020
Land	\$ 35,759,541	\$ 488,411	\$ -	\$ -	\$ 36,247,952
Land Improvements	564,806	-	-	-	564,806
Buildings and building improvements	15,916,896	134,458	(11,136)	-	16,040,218
Machinery and equipment	8,280,655	457,892	(179,140)	-	8,559,407
Furniture and fixtures	504,214	21,213	(33,230)	-	492,197
Infrastructure	34,167,096	482,172	-	-	34,649,268
Vehicles	2,592,526	370,226	(188,530)	-	2,774,222
Computer hardware and software	1,435,294	115,566	(109,030)	-	1,441,830
Assets under construction	99,269	197,202	-	-	296,471
	\$ 99,320,297	\$ 2,267,140	\$ (521,066)	\$ -	\$101,066,371

Accumulated Amortization	Balance at December 31, 2019	Amortization	Disposals	Transfers	Balance at December 31, 2020
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land Improvements	330,995	11,467	-	-	342,462
Buildings and building improvements	5,778,502	433,644	(6,957)	-	6,205,189
Machinery and equipment	4,543,045	369,141	(176,200)	-	4,735,986
Furniture and fixtures	240,188	21,975	(33,230)	-	228,933
Infrastructure	13,736,823	721,987	-	-	14,458,810
Vehicles	1,891,589	224,107	(168,249)	-	1,947,447
Computer hardware and software	978,406	163,708	(106,673)	-	1,035,441
Assets under construction	-	-	-	-	-
	\$ 27,499,548	\$ 1,946,029	\$ (491,309)	\$ -	\$ 28,954,268

	Net book value, Balance at December 31, 2019	Net book value Balance at December 31, 2020
Land	\$ 35,759,541	\$ 36,247,952
Land Improvements	233,811	222,344
Buildings and building improvements	10,138,394	9,835,029
Machinery and equipment	3,737,610	3,823,421
Furniture and fixtures	264,026	263,264
Infrastructure	20,430,273	20,190,458
Vehicles	700,937	826,775
Computer hardware and software	456,888	406,389
Assets under construction	99,269	296,471
	\$ 71,820,749	\$ 72,112,103

# CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

## 8. Tangible capital assets (continued):

Cost	Balance at December 31, 2018	Additions	Disposals	Transfers	Balance at December 31, 2019
Land	\$ 35,932,065	\$ –	\$ (172,524)	\$ –	\$ 35,759,541
Land Improvements	564,806	–	–	–	564,806
Buildings and building improvements	15,498,531	423,699	(5,334)	–	15,916,896
Machinery and equipment	8,245,453	260,722	(225,520)	–	8,280,655
Furniture and fixtures	476,330	27,884	–	–	504,214
Infrastructure	26,105,097	6,861,074	–	1,200,925	34,167,096
Vehicles	2,468,589	319,743	(195,806)	–	2,592,526
Computer hardware and software	1,438,085	111,823	(114,614)	–	1,435,294
Assets under construction	1,245,411	54,783	–	(1,200,925)	99,269
	\$ 91,974,367	\$ 8,059,728	\$ (713,798)	\$ –	\$ 99,320,297

Accumulated Amortization	Balance at December 31, 2018	Amortization	Disposals	Transfers	Balance at December 31, 2019
Land	\$ –	\$ –	\$ –	\$ –	\$ –
Land Improvements	319,528	11,467	–	–	330,995
Buildings and building improvements	5,182,042	598,516	(2,056)	–	5,778,502
Machinery and equipment	4,333,196	374,686	(164,837)	–	4,543,045
Furniture and fixtures	218,351	21,837	–	–	240,188
Infrastructure	13,072,202	664,621	–	–	13,736,823
Vehicles	1,865,755	194,947	(169,113)	–	1,891,589
Computer hardware and software	913,718	169,668	(104,980)	–	978,406
Assets under construction	–	–	–	–	–
	\$ 25,904,792	\$ 2,035,742	\$ (440,986)	\$ –	\$ 27,499,548

	Net book value, Balance at December 31, 2018	Net book value Balance at December 31, 2019
Land	\$ 35,932,065	\$ 35,759,541
Land Improvements	245,278	233,811
Buildings and building improvements	10,316,489	10,138,394
Machinery and equipment	3,912,257	3,737,610
Furniture and fixtures	257,979	264,026
Infrastructure	13,032,895	20,430,273
Vehicles	602,834	700,937
Computer hardware and software	524,367	456,888
Assets under construction	1,245,411	99,269
	\$ 66,069,575	\$ 71,820,749

# CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

## 9. Accumulated surplus:

Accumulated surplus consists of operating surplus and reserves as follows:

	Balance at December 31, 2020	Excess of Revenue over expenses	Transfers (to) from reserves	Balance at December 31, 2019
Surplus - investment in tangible capital assets	\$ 72,112,103	\$ (1,975,786)	\$ 2,267,140	\$ 71,820,749
Surplus (deficit) - current funds	(5,585,201)	4,133,523	(3,868,297)	(5,850,427)
<b>Total surplus</b>	<b>66,526,902</b>	<b>2,157,737</b>	<b>(1,601,157)</b>	<b>65,970,322</b>
<b>Reserves:</b>				
Conservation areas capital	3,294,218	–	578,335	2,715,883
Conservation areas stabilization	1,000,568	–	–	1,000,568
Vehicle and equipment	723,967	–	(190,455)	914,422
Building	373,137	–	(106,991)	480,128
Building - state of good repair	315,611	–	51,318	264,293
Watershed management capital - municipal funds	783,981	–	182,648	601,333
Watershed management capital - self generated funds	416,909	–	26,000	390,909
Watershed management and support services stabilization	1,789,212	–	996,019	793,193
Digital transformation	254,900	–	4,900	250,000
Debt financing charges capital	425,564	–	(47,106)	472,670
Legal - planning and watershed management	258,891	–	–	258,891
Legal - corporate	200,000	–	–	200,000
Water festival	188,911	–	–	188,911
Property management	145,629	–	50,589	95,040
Land securement	60,437	–	25,900	34,537
Stewardship and restoration	420,511	–	30,000	390,511
<b>Total reserves</b>	<b>10,652,446</b>	<b>–</b>	<b>1,601,157</b>	<b>9,051,289</b>
<b>Accumulated surplus</b>	<b>\$ 77,179,348</b>	<b>\$ 2,157,737</b>	<b>\$ –</b>	<b>\$ 75,021,611</b>

# CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

## 10. Budget amounts:

The 2020 budget amounts approved by Conservation Halton on November 21, 2019 were not prepared on a basis consistent with that used to report actual results under Public Sector Accounting Standards. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenses in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenses rather than including amortization expenses. As a result, the budget figure presented in the statements of operations and changes in net financial assets represent the budget adopted by Conservation Halton on November 21, 2019, with adjustments as follows:

	2020	2019
Budget surplus (deficit) for the year	\$ (259,938)	\$ 246,068
Less: Amortization of tangible capital assets	(1,946,000)	(2,035,000)
Less: Municipal debt financing	(176,430)	-
Add: Acquisition of tangible capital assets	2,962,138	1,772,135
Add: Debt financing charges - principal portion	411,388	470,988
<b>Budget surplus per Statement of Operations</b>	<b>\$ 991,158</b>	<b>\$ 454,191</b>

## 11. Contingencies:

Conservation Halton has been named as defendant or co-defendant in several lawsuits that have claims outstanding. Conservation Halton anticipates any individual settlement amount will not exceed the limits of insurance coverage provided to Conservation Halton on the majority of the claims. For claims in which the claim amount exceeds the limit of insurance coverage provided to Conservation Halton the outcome is not determinable.

Conservation Halton has entered into an agreement to ensure implementation of a monitoring and mitigation plan for the future rehabilitation of lands adjacent to a Provincially Significant Wetland. The agreement requires a Trust account to be established by the funder to ensure there are funds available for the rehabilitation plan implementation. Conservation Halton is a member of the Investment Committee that will oversee management of the Trust account with a balance of \$1,960,480 (2019 - \$1,346,118) at December 31, 2020. A deposit to the Trust account by the funder is required to be made by March 31, 2021 for \$351,997 (2020 - \$583,663) which was completed. Conservation Halton will release their interest in the Trust account when the implementation plan is completed.

# CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

## 12. Commitments:

Conservation Halton has entered into contracts related to projects at Glen Eden, various dam studies and repairs, and leases for office equipment and vehicles. Commitments outstanding on these contracts to be paid beyond December 31, 2020 are as follows:

2021	\$ 1,002,882
2022	24,455
2023	18,986
2024	6,060
	\$ 1,052,383

## 13. Pension agreements:

Conservation Halton belongs to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of the members of its staff. This plan specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The cost of the plan is the employer's contribution to the plan.

The 2020 employer portion of OMERS pension contributions was \$1,137,090 (2019 - \$1,135,862).

Conservation Halton belongs to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of the members of its staff. This plan specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are the joint responsibility of Ontario municipal organizations and their employees. As a result, Conservation Halton does not recognize any share of the OMERS pension surplus or deficit.

The latest available report for the OMERS plan was December 31, 2020. At that time the plan reported a \$3.2 billion actuarial deficit (2019 - \$3.4 billion actuarial deficit), based on actuarial liabilities of \$111.8 billion (2019 - \$106.4 billion) and actuarial assets of \$108.6 billion (2019 - \$103.0 billion). Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements.



## CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

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### 14. Comparative information:

Certain comparative information on the statement of operations under revenue and expenses have been reclassified to conform to the financial statements presentation adopted in the current year.

### 15. Implications due to COVID-19:

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

During the year, Conservation Halton has experienced the following in relation to the pandemic:

- Reduction in self-generated Conservation Areas revenue;
- Temporary and permanent layoffs; and
- Mandatory working from home requirements for those able to do so.

Conservation Halton has applied for funding through the Canada Emergency Wage Subsidy (CEWS) program. The estimated claims for 2020 total \$4,700,000. Conservation Halton continues to determine if it meets all of the eligibility requirements under the CEWS program, therefore these financial statements have not recorded this potential funding source as revenue in 2020.

The ultimate duration and magnitude of the COVID-19 pandemic's impact on Conservation Halton's operations and financial position is not known at the time. There remains uncertainty for the upcoming year regarding the items mentioned above. These impacts could include a decline in future cash flows, changes to the value of financial assets and liabilities, and the use of accumulated surplus to sustain operations. An estimate of the financial effect of the pandemic on Conservation Halton is not practicable at this time.

# CONSERVATION HALTON

Notes to Financial Statements (continued)

Year ended December 31, 2020

## 15. Revenue and expenses by program:

2020	Corporate Services	Corporate Compliance	Engineering, Flood Forecasting & Operations	Planning & Watershed Management	Science & Partnerships	Project Management Office	Watershed Management & Support Service Operations	Conservation Areas	Partnership Projects	Major Projects	Debt Financing Charges	Reserve Funding	Total
<b>Revenue:</b>													
Municipal funding	\$ 3,431,838	\$ 531,715	\$ 408,063	\$ 1,416,921	\$ 886,228	\$ 664,667	\$ 853,396	\$ 354,909	\$ -	\$ -	\$ 649,011	\$ 464,200	\$ 9,660,318
Provincial transfer payments	-	-	155,034	-	-	-	-	-	-	-	-	-	155,034
Program fees and other	296,071	-	1,831	3,510,020	395,648	171,677	270,140	11,389,754	705,694	2,766,189	-	-	19,507,024
	3,727,909	531,715	564,928	4,926,941	1,281,876	836,344	1,123,536	11,744,663	705,694	2,766,189	649,011	464,200	29,322,376
<b>Expenses:</b>													
Salaries, wages and benefits	3,175,987	528,530	381,466	3,950,504	1,122,178	863,308	986,395	6,400,812	245,172	-	-	-	17,654,352
Members per diems and expenses	23,133	-	-	-	-	-	-	-	-	-	-	-	23,133
Materials and supplies	144,206	6,129	10,214	9,449	9,386	54,260	71,572	979,498	96,904	1,473,804	-	-	2,855,422
Property taxes	-	56,672	-	-	-	-	-	4,961	-	-	-	-	61,633
Purchased services	686,192	87,639	67,870	114,068	35,089	103,134	119,365	1,950,249	363,618	345,752	-	-	3,872,976
Legal	4,807	35,678	-	229,317	-	-	-	16,579	-	-	-	-	286,381
Finance and rent	25,430	-	-	1,751	-	-	16,195	322,946	-	-	-	-	366,322
Debt financing charges	-	-	-	-	-	-	-	-	-	-	164,252	-	164,252
Amortization of tangible capital assets	253,325	-	527,252	4,650	-	20,371	110,265	1,030,167	-	-	-	-	1,946,030
Loss on disposal of tangible capital assets	2,046	-	-	-	-	813	(29,181)	(39,540)	-	-	-	-	(65,862)
	4,315,126	714,648	986,802	4,309,739	1,166,653	1,041,886	1,274,611	10,665,672	705,694	1,819,556	164,252	-	27,164,639
Excess (deficiency) of revenues over expenses, for the year	\$ (587,217)	\$ (182,933)	\$ (421,874)	\$ 616,572	\$ 115,223	\$ (205,542)	\$ (151,075)	\$ 1,078,991	\$ -	\$ 946,633	\$ 484,759	\$ 464,200	\$ 2,157,737

# CONSERVATION HALTON

Notes to Financial Statements (continued)

Year ended December 31, 2020

## 15. Revenue and expenses by program:

2019	Corporate Services	Corporate Compliance	Engineering, Flood Forecasting & Operations	Planning & Watershed Management	Science & Partnerships	Project Management Office	Watershed Management & Support Service Operations	Conservation Areas	Partnership Projects	Major Projects	Debt Financing Charges	Reserve Funding	Total
<b>Revenue:</b>													
Municipal funding	\$ 3,421,328	\$ 445,952	\$ 466,652	\$ 1,065,554	\$ 1,103,428	\$ 697,557	\$ 729,674	\$ 240,000	\$ —	\$ —	\$ 696,639	\$ 464,200	\$ 9,330,984
Provincial transfer payments	—	—	155,034	—	—	—	—	—	—	—	—	—	155,034
Program fees and other	204,337	—	—	2,690,995	431,638	101,337	330,924	14,449,105	727,267	5,650,817	—	—	24,586,420
	3,625,665	445,952	621,686	3,756,549	1,535,066	798,894	1,060,598	14,689,105	727,267	5,650,817	696,639	464,200	34,072,438
<b>Expenses:</b>													
Salaries, wages and benefits	2,901,895	467,588	408,191	3,834,543	1,179,347	510,472	891,913	7,863,678	207,044	—	—	—	18,264,671
Members per diems and expenses	21,047	—	—	—	—	—	—	—	—	—	—	—	21,047
Materials and supplies	122,421	4,806	9,138	22,354	20,557	74,866	206,330	1,827,559	52,243	739,953	—	—	3,080,227
Property taxes	—	49,421	—	—	—	—	—	5,671	—	—	—	—	55,092
Purchased services	654,703	63,602	101,317	125,945	64,578	138,491	40,948	2,755,382	467,980	1,162,236	—	—	5,575,182
Legal	7,843	12,234	—	136,220	—	—	—	64,026	—	—	—	—	220,323
Finance and rent	64,756	—	—	3,128	—	—	10,814	314,637	—	—	—	—	393,335
Debt financing charges	—	—	—	—	—	—	—	—	—	—	144,786	—	144,786
Amortization of tangible capital assets	256,214	—	463,662	7,136	—	73,115	64,175	1,172,801	—	—	—	—	2,037,103
Loss on disposal of tangible capital assets	99,892	—	—	—	—	—	56,879	72,088	—	—	—	—	228,859
	4,128,771	597,651	982,308	4,129,326	1,264,482	796,944	1,271,059	14,075,842	727,267	1,902,189	144,786	—	30,020,625
Excess (deficiency) of revenues over expenses, for the year													
	\$ (503,106)	\$ (151,699)	\$ (360,622)	\$ (372,777)	\$ 270,584	\$ 1,950	\$ (210,461)	\$ 613,263	\$ —	\$ 3,748,628	\$ 551,853	\$ 464,200	\$ 4,051,813

# **Hamilton Conservation Authority (HCA)**

**Hamilton**





# City of Hamilton

## HAMILTON CONSERVATION AUTHORITY

### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	APPEAL PERIOD		Per Regulation 670/00		
						2018	2019	2020	2021	2022 NET Preliminary Budget \$
HCA - Hamilton Levy	3,569,320	3,569,310	3,638,400	3,674,625	3,851,470	3,781,460	3,853,830	3,914,800	3,978,000	4,057,560
\$ Gross Increase Year over Year	0	(10)	69,090	36,225	176,845	(70,010)	72,370	60,970	63,200	79,560
% Gross Increase Year over Year	0.0%	(0.0%)	1.9%	1.0%	4.8%	(1.8%)	1.9%	1.6%	1.6%	2.0%

**Note**

1. 2020 Onwards, the levy has been budgeted per Regulation 670/00 of the Conservation Authorities Act.
2. The 2022 budget above is shown at 2021 budget + 2% based on City guidelines.  
 A budget adjustment will be required based on the actual levy imposed by the Conservation Authority.
3. 99.3% of the Hamilton Conservation Authority are borne by City of Hamilton, with the balance borne by Puslinch (\$30K).





## **HAMILTON REGION CONSERVATION AUTHORITY**

# **OPERATING BUDGET 2022**

**AS APPROVED BY**

**THE FULL AUTHORITY BOARD OF DIRECTORS ON**

**NOVEMBER 4TH, 2021**



### Executive Summary

The Hamilton Region Conservation Authority has five major sub-watersheds within its boundaries. They are the Spencer, Red Hill and Stoney-Battlefield Creeks as well as the Stoney Creek Numbered Watercourses and Urban Hamilton.

As the region's largest environmental management agency, owning, leasing or managing 4,500 hectares (11,000 acres) of environmentally significant land, our watershed covers portions of two municipalities - Township of Puslinch and the City of Hamilton.

Properties owned and managed by the HRCA include 14 Niagara Escarpment properties, 25 waterfalls, an award-winning marina, 2 recreational lakes, 145 kilometres of park and rail trails, 12 significant wetlands, an ecological preserve and an 18,000 year old muskeg bog.

**The goals for this coming fiscal year are four in number as follows:**

**1) Operate on a cash neutral or positive basis.** This requires maintaining and growing the two thirds of the funding revenues that come from non-levy sources, primarily the commercial operations at conservation areas and supplemented by the Hamilton Conservation Foundation, corporate and government grants. The expenditure side of the equation is dominated by the cost of salaries, wages and staff expenses; demonstrating the importance of maintaining tight control over the core complement and only supplementing as needed to complete specific projects with seasonal or contract help.

**2) Require no greater levy increase than that asked by Hamilton Council.** As has been the practice over the past decade, the HRCA will construct its budget to operate within the suggested guidelines provided by the City.

**3) Support HRCA's 2019 - 2023 Strategic Plan, as herein described:**

Vision - A healthy watershed for everyone

Mission - To lead in the conservation of our watershed and connect people to nature

Strategic Plan - Five areas of strategic priority have been identified. The five being Organizational Excellence, Water Management, Education & Environmental Awareness, Conservation Area Experience and Natural Heritage Conservation. These broad areas of priority will be advanced through the development and implementation of related programs.

**4) Execute the requirements of the Conservation Authorities Act.** While clarification on the exact interpretation of these requirements is awaited, it will no doubt be within our abilities to accomplish.

Of note, capital and major maintenance expenditures and amortization expenses are not included in this budget as capital is dealt with separately through the City of Hamilton's block funding process and amortization is not included as it is non-cash expense.

# BUDGET 2022

## CONSOLIDATED HAMILTON REGION CONSERVATION AUTHORITY

<u>Division</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>% Split</u>	<u>Revenue Description</u>
<b>Watershed Planning &amp; Eng.</b>	\$ 2,203	\$ 1,642 561		Levy Other Revenues
<b>Conservation Areas Operations</b>	5,523	- 6,765		Levy Other Revenues
<b>Westfield Heritage Village</b>	834	624 210		Levy Other Revenues
<b>Corporate Support Operations</b>	5,729	2,418 2,069		Levy Other Revenues
<b>Total</b>		4,684 9,605	32.8% 67.2%	Levy Other Revenues
	\$ 14,289	\$ 14,289	100.0%	
Budget Surplus		\$ -		

2021 Levy	\$ 4,592
2022 Levy *	4,684
Levy Increase	\$ 92
% Increase	2.0%

\* Township of Puslinch will contribute \$30.0 in 2022 (\$30.4 in 2021)

## Central Services

<u>EXPENSE</u>		<u>REVENUE SOURCES</u>	
Staff	\$ 3,595	Municipal levy	\$ 2,418
Equipment	195	Equipment rental	1,141
Supplies	101	Management fees	400
Utilities	313	Other	528
Other	1,525		
<b>Total</b>	<b>\$ 5,729</b>	<b>Total</b>	<b>\$ 4,487</b>

## Watershed Planning and Engineering

<u>EXPENSE</u>		<u>REVENUE SOURCES</u>	
Staffing	\$ 1,969	Municipal levy	\$ 1,642
Contractors	10	Permits, fees	280
Supplies	52	Grants	203
Other	172	Other	78
<b>Total</b>	<b>\$ 2,203</b>	<b>Total</b>	<b>\$ 2,203</b>

## Conservation Areas

<u>EXPENSE</u>		<u>REVENUE SOURCES</u>	
Staffing	\$ 3,046	Admissions	\$ 3,179
Equipment	684	Marina	1,507
Materials/supplies	391	Camping	1,409
Utilities	298	Other	670
Other	1,104		
<b>Total</b>	<b>\$ 5,523</b>	<b>Total</b>	<b>\$ 6,765</b>

## Westfield Heritage Village

<u>EXPENSE</u>		<u>REVENUE SOURCES</u>	
Staffing	\$ 554	Municipal levy	\$ 624
Promotion	60	Admissions	74
Materials/supplies	36	Events	42
Utilities	52	Other	94
Other	132		
<b>Total</b>	<b>\$ 834</b>	<b>Total</b>	<b>\$ 834</b>

# **Hamilton Region Conservation Authority**

## **Financial Statements**

### **December 31, 2020**

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# Independent auditor's report

To the Members of  
**Hamilton Region Conservation Authority**

## **Opinion**

We have audited the financial statements Hamilton Region Conservation Authority, which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Hamilton Region Conservation Authority as at December 31, 2020, and the results of its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Hamilton Region Conservation Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Hamilton Region Conservation Authority's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate Hamilton Region Conservation Authority or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing Hamilton Region Conservation Authority's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hamilton Region Conservation Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Hamilton Region Conservation Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Hamilton Region Conservation Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Hamilton, Canada  
May 6, 2021

Chartered Professional Accountants  
Licensed Public Accountants

## Hamilton Region Conservation Authority Statement of Financial Position

December 31 2020 2019

### Financial assets

Cash and cash equivalents (Note 4)	\$ 17,096,940	\$ 14,281,084
Accounts receivable	614,752	675,348
Due from Hamilton Conservation Foundation	-	61,978
	<u>                    </u>	<u>                    </u>
Total financial assets	<u>\$ 17,711,692</u>	<u>\$ 15,018,410</u>

### Liabilities

Accounts payable and accrued liabilities	\$ 1,292,276	\$ 1,686,477
Due to Confederation Beach Park	212,500	316,111
Employee future benefit costs (Note 7)	202,071	219,889
Deferred revenues (Note 8)	773,849	569,116
Long-term debt (Note 9)	179,611	395,901
	<u>                    </u>	<u>                    </u>
Total liabilities	<u>\$ 2,660,307</u>	<u>\$ 3,187,494</u>

**Net financial assets** **\$ 15,051,385** **\$ 11,830,916**



### Non-financial assets

Inventory	76,325	100,394
Prepaid expenses	248,401	226,428
Tangible capital assets (Page 7)	45,528,905	45,109,687
	<u>                    </u>	<u>                    </u>
Total non-financial assets	<u>\$ 45,853,631</u>	<u>\$ 45,436,509</u>

**Accumulated surplus** (Note 10) **\$ 60,905,016** **\$ 57,267,425**

Contingent liabilities, contractual obligations and commitments (Notes 14 and 15)

On behalf of the Authority

 Chair  Vice Chair



## Hamilton Region Conservation Authority Statement of Operations

For the Year Ended December 31	2020	2020	2019
	<u>Budget</u> (Note 16)	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Municipal levy & special projects	\$ 6,412,972	\$ 6,585,955	\$ 6,513,964
Admissions, product, service & program fees	5,547,805	5,994,100	5,823,145
Federal & Provincial grants	217,350	1,134,720	268,262
Rentals	1,072,442	558,828	981,780
Hamilton Conservation Foundation	200,100	444,491	649,716
Regulatory fees	300,000	227,134	282,382
Management fees	426,000	182,977	447,976
Interest	190,000	114,375	255,389
Private and In-Kind donations (Note 11)	8,500	9,304	5,235
Other income	33,490	195,094	112,562
	<u>14,408,659</u>	<u>15,446,978</u>	<u>15,340,411</u>
<b>Expenditures</b>			
Wages & benefits	8,198,238	6,718,769	6,667,384
Staff expenses	269,250	1,115,703	1,258,714
Contractors / consultants	607,840	802,526	640,506
Utilities	644,500	582,489	611,759
Materials & supplies	436,610	342,694	480,540
Products for resale	320,875	227,468	280,865
Professional fees	350,695	200,770	306,217
Miscellaneous expense (Note 13)	1,162,544	659,400	882,749
	<u>11,990,552</u>	<u>10,649,819</u>	<u>11,128,734</u>
Amortization	<u>1,050,000</u>	<u>1,159,568</u>	<u>1,173,855</u>
	<u>13,040,552</u>	<u>11,809,387</u>	<u>12,302,589</u>
Annual surplus for the year	<u>\$ 1,368,107</u>	<u>\$ 3,637,591</u>	<u>\$ 3,037,822</u>
Accumulated surplus, beginning of year	57,267,425	57,267,425	54,229,603
Accumulated surplus, end of year	<u>\$ 58,635,532</u>	<u>\$ 60,905,016</u>	<u>\$ 57,267,425</u>

## Hamilton Region Conservation Authority Statement of Cash Flows

December 31	2020	2019
Change in cash and cash equivalents		
<b>Operating</b>		
Annual surplus	\$ 3,637,591	\$ 3,037,822
Non-cash changes to operations		
Amortization	1,159,568	1,173,855
Change in accounts receivable	60,596	188,626
Change in inventory	24,069	3,410
Change in prepaid expenses	(21,973)	(57,339)
Change in employee future benefit costs	(17,818)	(57,324)
Change in accounts payable and accrued liabilities	(394,201)	370,836
Change in Due from Hamilton Conservation Foundation	61,978	(34,220)
Change in Due to (from) from Confederation Park	(103,611)	(163,901)
Change in deferred revenues	204,733	2,340
	<u>4,610,933</u>	<u>4,464,106</u>
<b>Financing</b>		
Repayment of long term debt	<u>(216,290)</u>	<u>(209,266)</u>
<b>Capital</b>		
Net proceeds on disposal of tangible capital assets	2,640	22,520
Purchase of tangible capital assets	<u>(1,581,427)</u>	<u>(2,783,716)</u>
	<u>(1,578,787)</u>	<u>(2,761,196)</u>
Net change in cash and cash equivalents	2,815,856	1,493,644
Cash and cash equivalents		
Beginning of year	<u>14,281,084</u>	<u>12,787,440</u>
End of year	<u>\$ 17,096,940</u>	<u>\$ 14,281,084</u>

## Hamilton Region Conservation Authority Statement of Changes in Net Financial Assets

For the year ended December 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 1,368,107	<b>\$ 3,637,591</b>	\$ 3,037,822
Purchase of tangible capital assets	(2,000,000)	<b>(1,581,427)</b>	(2,783,716)
Net proceeds on disposal of tangible capital assets	-	<b>2,640</b>	22,520
Amortization	1,050,000	<b>1,159,568</b>	1,173,855
Change in inventory	-	<b>24,069</b>	3,410
Change in prepaid expenses	-	<b>(21,973)</b>	(57,339)
	<u>(950,000)</u>	<u><b>(417,122)</b></u>	<u>(1,641,270)</u>
Change in net financial assets	418,107	<b>3,220,469</b>	1,396,552
Net financial assets, beginning of year	<u>11,830,916</u>	<u><b>11,830,916</b></u>	<u>10,434,364</u>
Net financial assets, end of year	<u>\$ 12,249,023</u>	<u><b>\$ 15,051,385</b></u>	<u>\$ 11,830,916</u>

## Hamilton Region Conservation Authority Schedule of Tangible Capital Assets

	Land	Land Improvements	Infrastructure	Building & Building Improvements	Machinery & Equipment	Vehicles	Work In Progress (WIP)	December 31 2020	December 31 2019
<b>Cost</b>									
Beginning of year	\$ 28,672,747	\$ 3,833,721	\$ 20,750,026	\$ 8,073,566	\$ 1,933,678	\$ 2,532,870	\$ 1,501,897	\$ 67,298,505	\$ 64,706,057
Additions	-	-	-	-	44,038	118,745	1,418,644	1,581,427	2,783,716
Disposals	-	-	-	-	(8,035)	(67,570)	-	(75,605)	(191,268)
Transfer from WIP	-	-	965,508	-	17,333	-	(982,841)	-	-
End of year	28,672,747	3,833,721	21,715,534	8,073,566	1,987,014	2,584,045	1,937,700	68,804,327	67,298,505
<b>Accumulated Amortization</b>									
Beginning of year	-	2,638,523	12,820,137	4,132,135	615,469	1,982,554	-	22,188,818	21,183,710
Annual amortization	-	128,922	485,171	189,780	198,079	157,615	-	1,159,568	1,173,855
Disposals	-	-	-	-	(7,635)	(65,329)	-	(72,964)	(168,747)
End of year	-	2,767,445	13,305,308	4,321,915	805,913	2,074,840	-	23,275,422	22,188,818
Net book value	\$ 28,672,747	\$ 1,066,276	\$ 8,410,226	\$ 3,751,651	\$ 1,181,101	\$ 509,205	\$ 1,937,700	\$ 45,528,905	\$ 45,109,687

## **1. Nature of operations**

The Hamilton Region Conservation Authority (the "Authority") was established in 1966 under the Conservation Authorities Act of Ontario to manage a designated watershed of approximately 112,000 acres of which the Authority owns 11,000. The Authority is financed from municipal contributions, government grants, donations, user fees, product sales and services.

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## **2. Summary of significant accounting policies**

### **Basis of accounting and management responsibility**

The financial statements of the Hamilton Region Conservation Authority are the responsibility of and prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS"). The more significant accounting policies are summarized as follows:

### **Accrual accounting**

These statements reflect the incorporation of the full accrual basis of accounting and the reporting of the change in net financial assets and accumulated surplus. The accrual basis of accounting recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt of payment of cash or its equivalent. Accrual accounting recognizes a liability until the obligation or condition(s) underlying the liability is partially or wholly satisfied. Accrual accounting recognized an asset until the future economic benefit underlying the asset is partially or wholly used or lost.

### **Revenues and expenditures**

Revenues are comprised of grants, contributions, user fees, management fees, regulatory fees and revenue from other Authority services. Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are recorded in the period that the goods or services are acquired, whether or not revenues for those expenditures are raised in the current or following periods.

### **Donations**

Donations are recorded in income in the period they are received, unless designated for a specific purchase that is to occur in a later period at which time the related revenue will be recognized. Donated tangible capital assets, materials and services are recorded at fair market value when fair value can be reasonably estimated.

### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and balances held in the bank.

**2. Summary of significant accounting policies – continued**

**Pension plans**

The Authority maintains a defined contribution plan for employees with more than one year service and who were hired subsequent to January 1, 2006.

Under the plan, the Authority matches employee contributions to a maximum of 6% of gross income.

**Tangible capital assets**

Tangible capital assets are comprised of property, plant and equipment and are recognized as assets in the period they are acquired. Tangible capital assets are recorded at cost which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. Amortization is provided on a straight-line basis, declining balance for vehicles, over the estimated useful life for all assets except land which is not amortized. Work in progress assets are not amortized until the asset is available for productive use.

Service life of tangible capital assets is estimated as follows:

Land improvements	10 - 20 years
Infrastructure	20 - 75 years
Building & building improvements	40 years
Machinery, equipment	3 - 10 years
Vehicles (light and heavy duty)	15 - 35 percent

The Authority has a collection of art and historical buildings which now include a multitude of artifacts and chattels which came with the acquisition of the Westfield Heritage Village. None of these are included as part of the tangible capital assets due to the lack of any objective value comparatives.

**Government transfers**

Government transfers are recognized in the financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

**Inventory**

Inventories for resale are valued at the lower of cost or net realizable value.

**Use of estimates**

The preparation of financial statements in conformity with PSAS accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

## **2. Summary of significant accounting policies – continued**

### **Contaminated sites**

The Authority has implemented PS3260, Liability for contaminated sites. This requires organizations to record a liability if they have a contaminated site that meets the specified criteria. The standard defines contamination as the introduction into air, soil, water or sediment of a chemical, organic or radioactive or live organism that exceeds a prescribed environmental level. The standard generally applies to sites that are not in productive use. Sites that are in productive use are only considered contaminated if there was an unexpected event that resulted in contamination.

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### **3. Confederation Beach Park**

These statements do not include the operating revenues and expenditures relating to Confederation Beach Park which is a separate and distinct operation owned by the City of Hamilton and managed by the Authority under a formal management agreement with the municipality.

All existing real and personal Confederation Beach Park property as at January 1, 1980, all subsequently acquired properties, and any surpluses or deficits generated during a fiscal year will remain the exclusive property of the City of Hamilton.

Under the terms of the management agreement, the Hamilton Region Conservation Authority has exclusive authority to manage specifically defined areas of Confederation Beach Park for the City of Hamilton. In payment for the management function, the Authority receives a management fee of 15% of operating expenditures. This management fee accrues to the Authority for its own purposes. The newest version of the management agreement has been agreed to and signed by both the City of Hamilton and the Hamilton Region Conservation Authority and runs from January 1<sup>st</sup>, 2017 until December 31<sup>st</sup>, 2026, inclusive.

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### **4. Restricted cash**

Included in cash and cash equivalents is \$201,885 (2019 – \$263,803) that was received as an endowment fund which has been externally restricted by the organization that contributed the amount.

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### **5. Government remittances payable**

Included in accounts receivable, accounts payable and accrued liabilities are government remittances payable of \$45 (2019 – \$2,618).

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**6. Related party transactions**

	<u>2020</u>	<u>2019</u>
Municipal funding recognized as revenue in the current year	<b>\$ 6,585,955</b>	\$ 6,513,964
Receivable from the City of Hamilton	<b>212,164</b>	359,209
Management fees from Confederation Beach Park	<b>182,977</b>	447,976
Funding from the Hamilton Conservation Foundation	<b>444,491</b>	649,716
Municipal taxes paid to the City of Hamilton and Township of Puslinch	<b>(115,913)</b>	(96,650)

**7. Employee future benefit costs**

	<u>2020</u>	<u>2019</u>
Accumulated Sick Leave Liability	<b>\$ 39,262</b>	\$ 38,168
Supplemental early retirement package	<b>104,435</b>	107,735
Post-retirement benefits	<b>58,375</b>	73,986
	<b>\$ 202,072</b>	\$ 219,889

Under the Authority's sick leave plan, certain employees hired prior to January 1, 1993 become entitled to a cash payment when they leave the Authority's employment. The liability for these accumulated days, to the extent they are vested and could be taken in cash by employees on termination, is funded by operations.

The Authority committed in October, 2002 to pay a former general manager a supplemental early retirement package. At the end of the current year, the cost of an annuity to satisfy this obligation was \$104,435 (2019 - \$107,735) based on competitive quotes received from several insurance companies.

The Authority is committed to provide full health, life and vision coverage for all employees who have retired prior to the age of 65 for the period until they reach 65 years of age. A liability has been set up based on the current benefit rates for those retirees eligible for this coverage. The estimated value of these benefits in the current year is \$58,375 (2019 - \$73,986).

**8. Deferred revenues**

Revenue received but not earned at year-end is as follows:

	<u>2020</u>	<u>2019</u>
Storage fees and deposits	<b>\$ 773,849</b>	\$ 569,116



**9. Long term debt**

	<u>2020</u>	<u>2019</u>
City of Hamilton 4.25% loan - Wind-up DB pension plan \$187,245 payable annually, matures June, 2021	<b>\$ 179,611</b>	\$ 351,901
City of Hamilton 0% loan - Veldhuis property reclamation \$44,000 payable annually, paid in full March 2020	<u>-</u>	<u>44,000</u>
	<b>\$ 179,611</b>	<b>\$ 395,901</b>
Principal repayments in future years are due as follows:		
2021	<u>179,611</u>	

Interest on long term debt of \$11,294 (2019 - \$18,468) was paid during the year.

**10. Accumulated surplus**

	<u>2020</u>	<u>2019</u>
Reserve Funds		
Acquisitions of provincially significant lands or eligible water related projects	<b>\$ 4,257,373</b>	\$ 3,772,184
Future projects and operating areas	<b>8,651,128</b>	6,908,459
Tangible Capital Assets	<b>45,528,905</b>	45,109,687
Unfunded long term debt	<b>(179,611)</b>	(395,901)
Operating surplus	<u><b>2,647,221</b></u>	<u>1,872,996</u>
Accumulated surplus	<b>\$ 60,905,016</b>	<b>\$ 57,267,425</b>

**11. Donations in kind**

During the year, in addition to cash donations, the Authority was the beneficiary through donations in kind of tangible capital assets with a total appraised value of \$6,707 (2019 - \$2,525).

**12. Defined contribution pension plan**

Employer contributions to the Authority's defined contribution pension plan for the year was \$316,423 (2019 - \$281,589). The Plan is designed whereby employee contributions, ranging from 2% to 6% of gross salary, are matched by the employer.

**13. Miscellaneous expense breakdown**

	<u>2020</u>	<u>2019</u>
Communications & advertising	\$ 100,625	\$ 182,374
Postage, printed material & supplies	118,290	118,290
Property taxes	110,279	110,279
Mechanical & garage supplies	102,034	102,034
Memberships & subscriptions	83,519	83,519
Computer software, hardware & support	69,382	69,382
Interest & banking	36,190	36,190
Third party equipment rental	18,108	18,108
All other	<u>20,973</u>	<u>162,573</u>
	<u>\$ 659,400</u>	<u>\$ 882,749</u>

**14. Contingent liabilities**

The Authority is involved from time to time in litigation, which arises in the normal course of business. In respect of any outstanding claims, the Authority believes that insurance coverages are adequate and that no material exposure exists on the eventual settlement of such litigation.

**15. Contractual obligations and commitments**

As at December 31, 2020, the Authority is committed to \$26,060 (2019 - \$22,444) with respect to ongoing contracts for equipment in the following years:

2021	\$ 7,518
2022	6,983
2023	5,761
2024	3,278
2025 and beyond	<u>2,520</u>
	\$ 26,060

**16. Budget figures**

The budgeted figures are presented for comparison purposes and were adopted by the Authority on January 21<sup>st</sup>, 2020. The adopted budget conforms to the Canadian Public Sector Accounting Standards except for the effect of the acquisition and amortization of tangible capital assets and principal repayment on debt. A reconciliation of the adopted and reported budgets is as presented below.

**Adopted budget:**

Budgeted annual surplus for the year	\$ 216,300
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**Adjustments to adopted budget:**

Amortization of tangible capital assets	(1,050,000)
Block funding for major maintenance and capital projects	2,000,000
Removal of intercompany and funding from reserves	<u>201,807</u>

<b>Restated budgeted surplus</b>	<b><u>\$ 1,368,107</u></b>
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**17. Impacts of COVID-19**

The outbreak of a novel strain of coronavirus (“COVID-19”) was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Authority, however, has not experienced a long-term disruption to its operations nor a decline in revenue during the pandemic as the open lands of the conservation areas were seen as one of the few places that one could safely visit when once again allowed to do so. The Authority has received \$892,588 from the Canada Emergency Wage Subsidy which it qualified for by not laying off any fulltime staff while suffering the initial revenue shortfall created by the mandated closure of its facilities. Since that time the overall impact of COVID-19 has not been material.

## Hamilton Region Conservation Authority Schedule of Corporate Support

For the Year Ended December 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Municipal levy & special projects	\$ 2,530,464	\$ 2,617,582	\$ 2,650,004
Private and In-Kind donations	-	4,784	999
Rentals	429,086	407,657	254,939
Management fees	426,000	182,977	447,976
Hamilton Conservation Foundation	184,100	157,637	163,484
Admissions, product, service & program fees	90,000	40,720	104,767
Federal & Provincial grants	-	892,588	-
Interest	190,000	114,375	255,389
Other income	550	28,718	46,478
	<u>3,850,200</u>	<u>4,447,038</u>	<u>3,924,036</u>
<b>Expenditures</b>			
Wages & benefits	2,944,573	2,613,075	2,313,634
Staff expenses	186,950	541,071	694,608
Utilities	307,150	239,438	319,359
Contractors / consultants	110,250	90,826	67,713
Materials & supplies	111,210	66,622	84,646
Professional fees	136,000	152,377	140,006
Miscellaneous expense (Note 13)	624,524	347,269	503,721
	<u>4,420,657</u>	<u>4,050,678</u>	<u>4,123,687</u>
Amortization	<u>200,000</u>	<u>252,663</u>	<u>287,476</u>
	<u>4,620,657</u>	<u>4,303,341</u>	<u>4,411,163</u>
Annual surplus (deficit)	<u>\$ (770,457)</u>	<u>\$ 143,697</u>	<u>\$ (487,127)</u>

## Hamilton Region Conservation Authority Schedule of Watershed Planning and Engineering Operations

For the Year Ended December 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Municipal levy & special projects	\$ 1,470,168	<b>\$ 1,411,033</b>	\$ 1,453,219
Federal & Provincial grants	187,350	<b>242,132</b>	218,650
Regulatory fees	300,000	<b>227,134</b>	282,382
Hamilton Conservation Foundation	-	<b>31,242</b>	76,592
Private and In-Kind donations	1,500	<b>997</b>	663
Other income	4,190	<b>22,796</b>	40,153
	<u>1,963,208</u>	<u><b>1,935,334</b></u>	<u>2,071,659</u>
<b>Expenditures</b>			
Wages & benefits	1,720,898	<b>1,436,761</b>	1,296,069
Staff expenses	32,100	<b>243,159</b>	249,326
Contractors / consultants	32,240	<b>221,789</b>	304,444
Materials & supplies	34,000	<b>22,205</b>	89,677
Utilities	25,000	<b>19,492</b>	20,114
Professional fees	9,700	<b>12,075</b>	8,423
Miscellaneous expense (Note 13)	93,750	<b>55,866</b>	63,775
	<u>1,947,688</u>	<u><b>2,011,347</b></u>	<u>2,031,828</u>
Annual surplus (deficit)	<u>\$ 15,520</u>	<u><b>\$ (76,013)</b></u>	<u>\$ 39,831</u>

## Hamilton Region Conservation Authority Schedule of Land Management Operations

For the Year Ended December 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Municipal levy & special projects	\$ 1,810,000	\$ 1,810,000	\$ 1,615,000
Federal & Provincial grants	25,000	-	49,612
Hamilton Conservation Foundation	16,000	255,612	409,640
Admissions, product, service & program fees	5,097,305	5,831,631	5,284,012
Rentals	621,156	136,183	707,578
Other income	28,750	143,580	25,931
	7,598,211	8,177,006	8,091,773
<b>Expenditures</b>			
Wages & benefits	2,940,728	2,237,789	2,594,847
Staff expenses	47,750	270,527	257,776
Contractors / consultants	453,750	483,811	252,182
Utilities	263,750	277,511	227,735
Materials & supplies	251,700	232,285	245,117
Products for resale	304,175	222,096	269,467
Professional fees	185,695	23,469	141,624
Miscellaneous expense (Note 13)	348,670	218,877	243,106
	4,796,218	3,966,364	4,231,854
Amortization	800,000	831,381	825,966
	5,596,218	4,797,745	5,057,820
Annual surplus	\$ 2,001,993	\$ 3,379,261	\$ 3,033,953

## Hamilton Region Conservation Authority Schedule of Westfield Heritage Village

For the Year Ended December 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Federal and Provincial grants	\$ 5,000	\$ -	\$ -
Municipal contributions	602,340	<b>747,340</b>	795,741
User fees	335,500	<b>119,076</b>	411,925
Donations	2,000	<b>3,523</b>	3,573
Grants	5,000	-	-
Food and novelty	25,000	<b>2,673</b>	22,441
Other Authority generated	22,200	14,988	19,263
	<u>997,040</u>	<u><b>887,600</b></u>	<u>1,252,943</u>
<b>Expenditures</b>			
Wages & benefits	592,040	<b>431,144</b>	462,834
Staff expenses	2,450	<b>60,946</b>	57,004
Utilities	48,600	<b>46,048</b>	16,167
Products for resale	16,700	<b>5,372</b>	44,551
Materials & supplies	39,700	<b>21,583</b>	61,100
Contractors / consultants	11,600	<b>6,100</b>	16,164
Professional fees	19,300	<b>12,849</b>	11,397
Miscellaneous expense (Note 13)	95,600	<b>37,388</b>	72,147
	<u>825,990</u>	<u><b>621,430</b></u>	<u>741,364</u>
Amortization	50,000	<b>75,524</b>	60,413
	<u>875,990</u>	<u><b>696,954</b></u>	<u>801,777</u>
Annual surplus	<u>\$ 121,050</u>	<u><b>\$ 190,646</b></u>	<u>\$ 451,166</u>

# Westfield Heritage Village







# City of Hamilton

## WESTFIELD HERITAGE VILLAGE

### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
Westfield Heritage	546,554	546,600	557,500	563,100	560,200	581,800	590,530	602,300	614,000	626,280
<b>Total Levy</b>	<b>546,554</b>	<b>546,600</b>	<b>557,500</b>	<b>563,100</b>	<b>560,200</b>	<b>581,800</b>	<b>590,530</b>	<b>602,300</b>	<b>614,000</b>	<b>626,280</b>
\$ Increase Year over Year	0	46	10,900	5,600	(2,900)	21,600	8,730	11,770	11,700	12,280
% Increase Year over Year	0.0%	0.0%	2.0%	1.0%	(0.5%)	3.9%	1.5%	2.0%	1.9%	2.0%

**Note:**

- Westfield Heritage Village is operated as part of Hamilton Conservation Authority - therefore, there are no separate financial statements for it.
- Westfield Heritage Village is not governed by the Conservation Authorities Act; the City funding reflects an ongoing voluntary agreement between the City and HCA
- The 2022 budget above is shown at 2021 budget + 2% based on City guidelines.  
A budget adjustment will be required based on the actual request by Hamilton Conservation Authority.



# Grants – Other Agencies

Grants – Other Agencies





## City of Hamilton

### OTHER EXTERNAL AGENCIES - DISCRETIONARY GRANTS

**SUMMARY NET BUDGET INFORMATION: Years 2021 and 2022**  
 Per 2022 Tax Supported Operating Budget Report

Board/Agency	2021 Budget Net	2022 NET Preliminary Budget \$	Change \$	Change %
Hamilton Beach Rescue Unit Operating	66,570	67,901	1,331	2.0%
Hamilton Beach Rescue Unit Capital	65,000	66,300	1,300	2.0%
Royal Botanical Gardens - Net	647,410	660,358	12,948	2.0%
<b>Total - Other Boards &amp; Agencies</b>	<b>778,980</b>	<b>794,560</b>	<b>15,580</b>	<b>2.0%</b>

This report is based on information available as of Dec 11, 2021



# **Hamilton Beach Rescue Unit (HBRU)**

**HBRU**







## City of Hamilton

<b>HAMILTON BEACH RESCUE UNIT</b>										
<b>BUDGET INFORMATION: 10 Year Summary</b>										
Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
Operating portion	63,470	63,470	63,470	63,470	64,620	65,590	66,570	66,570	66,570	67,901
Capital portion	63,340	63,340	63,340	70,000	70,000	70,000	67,770	67,770	65,000	66,300
Less: Recover from Reserve				(5,390)	(4,230)	(3,230)				
<b>Total Funding</b>	<b>126,810</b>	<b>126,810</b>	<b>126,810</b>	<b>128,080</b>	<b>130,390</b>	<b>132,360</b>	<b>134,340</b>	<b>134,340</b>	<b>131,570</b>	<b>134,201</b>
\$ Total Increase Year over Year	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,270</b>	<b>2,310</b>	<b>1,970</b>	<b>1,980</b>	<b>0</b>	<b>(2,770)</b>	<b>2,631</b>
Operating % Increase Year over Year	0.0%	0.0%	0.0%	0.0%	1.8%	1.5%	1.5%	0.0%	0.0%	2.0%
Capital % Increase Year over Year	0.0%	0.0%	0.0%	2.0%	1.8%	1.5%	1.5%	0.0%	(4.1%)	2.0%
<b>Total % Increase Year over Year</b>	0.0%	0.0%	0.0%	1.0%	1.8%	1.5%	1.5%	0.0%	(2.1%)	2.0%
<b>Notes:</b>										
1. Support to HBRU has its roots in an Old Regional Grant. In the 1990's, the Region had continuous, recurring requests from this group for capital funds to replace assets.										
2. HBRU provides water rescue services, patrols the shoreline of Lake Ontario within City Boundaries, promote proper boat handling and water safety, performs inspections and respond to all emergency calls on waters within the City. They are affiliated with the Canadian Coast Guard.										
3. Major expenses include fuel, taxes, rent, insurance and utilities. It is a Volunteer organization, so it does not incur salary costs.										
4. Each year, along with the budget submission, the HBRU presents an updated 10-year capital financing plan. The fluctuations in the annual capital expense are stabilized through the use of a reserve. The annual capital contribution for 2022 is assumed at \$66,300 net (budget for 2021 +2%)										
5. The estimated balance of the Hamilton Beach Rescue Reserve (110005) at the end of 2021 is projected at about \$ 413K.										
6. The 2022 budget above is shown at 2021 budget + 2% based on City guidelines.										





## 2022 Budget Submission





December 6, 2021

Mr. Cyrus Patel  
Senior Financial Analyst, Current Budget  
71 Main Street West  
City of Hamilton, ON L8P 4Y5

Dear Sir,

RE: 2022 Budget, Operating and Capital

As per your request of October 25, 2021, please find a draft 2021 budget request enclosed. The audited financial statement for 2020 will be forwarded as soon as it has been returned.

As per Letter dated October 25, 2021 it is understood that we can request an increase of 2% for the year 2022, The Hamilton Beach Rescue Unit will be requesting a 2% increase in our budget submission. The proposed operating budget for 2022 is outlined in Appendix 'B'.

A capital allotment of \$65,000.00 in addition to an operating budget was granted in 2021. The operating budget was paid in three installments. The 2021 budget is attached as Appendix 'A'. We request a capital allotment of approximately \$65,000.00 for 2022, to be finalized by December 20<sup>th</sup>, 2021.

The above operating budget is with a 2% increase. The capital allotment has remained the same to reflect the 10-year plan.

Although we did not fully use the 2021 Capital Allotment funding, we respectfully request that the money left over from 2021, be carried over into the 2022 budget funding.

I respectfully ask for your support in moving forward with the 2022 budget and capital allotment.

I believe this meets with the City of Hamilton's expectation for 2022.

Yours truly,

Jim Simmons  
Treasurer ~ HBRU Inc.

cc. Marcel Cerminara – Senior Financial Analyst RE: Capital Projects  
Councillor Chad Collins  
Councillor Maria Pearson  
Councillor Brenda Johnson  
Brian McMullen – Acting General Manager Finance & Corporate Services

**2021 Operating Budget**

**Appendix 'A'**

Insurance	\$18,580
Professional Fees	4,800
Telephones and Pagers	4,800
Rent and Taxes	6,500
Repairs and Maintenance	9,780
Fuel (Boat and Vehicles)	7,460
Volunteer Expenses	6,000
Utilities	2,300
Training Seminars	3,700
<u>Office and General</u>	<u>2,650</u>
	\$66,570

**Proposed 2022 Operating Budget**

**Appendix 'B'**

Insurance	\$18,580
Professional Fees	4,800
Telephones and Pagers	4,800
Rent and Taxes	7,800
Repairs and Maintenance	9,780
Fuel (Boat and Vehicles)	7,460
Volunteer Expenses	6,000
Utilities	2,300
Training Seminars	3,700
<u>Office and General</u>	<u>2,650</u>
	\$67,870

**Hamilton Beach Rescue Unit Inc.**

**Financial Statements**

**December 31, 2020**



T 905 522 6555 F 905 522 6574 6th Floor, One James Street South Hamilton ON L8P 4R5

October 21, 2021

## Independent Auditor's Report

To the Directors of Hamilton Beach Rescue Unit Inc.

### **Opinion**

We have audited the financial statements of Hamilton Beach Rescue Unit Inc.(the "Organization"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations and changes in fund balances and cash flows for the year then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Hamilton Beach Rescue Unit Inc. as at December 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

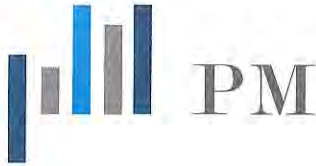
### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.





T 905 522 6555 F 905 522 6574 6th Floor, One James Street South Hamilton ON L8P 4R5

## Independent Auditor's Report, continued

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Chartered Professional Accountants  
Licensed Public Accountants**

**Hamilton, Ontario**

**Hamilton Beach Rescue Unit Inc.**

(Incorporated without share capital under the laws of Ontario)

**Statement of Financial Position**

**Year ended December 31, 2020, with comparative information for 2019**

	Operating Fund	Capital Fund	2020 Total	2019 Total
<b>Assets</b>				
<b>Current assets</b>				
Cash	\$ 142,036	\$ 93,533	\$ 235,569	\$ 181,991
Short-term investments (Note 2)	-	75,000	75,000	75,000
GST/HST Public Service Bodies' rebate receivable	8,416	6,555	14,971	6,921
Prepaid expenses and deposits	10,332	610	10,942	11,941
	<u>160,784</u>	<u>175,698</u>	<u>336,482</u>	<u>275,853</u>
Due from Operating Fund	<u>-</u>	<u>62,625</u>	<u>62,625</u>	<u>23,382</u>
	<u>\$ 160,784</u>	<u>\$ 238,323</u>	<u>\$ 399,107</u>	<u>\$ 299,235</u>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	\$ 11,224	\$ -	\$ 11,224	\$ 5,562
Deferred contributions (Note 3)		10,165	10,165	
Due to Capital Fund	<u>62,625</u>	<u>-</u>	<u>62,625</u>	<u>23,382</u>
	<u>73,849</u>	<u>10,165</u>	<u>84,014</u>	<u>28,944</u>
<b>Fund balances</b>				
Operating	86,935	-	86,935	59,980
Capital	<u>-</u>	<u>228,158</u>	<u>228,158</u>	<u>210,311</u>
	<u>86,935</u>	<u>228,158</u>	<u>315,093</u>	<u>270,291</u>
	<u>\$ 160,784</u>	<u>\$ 238,323</u>	<u>\$ 399,107</u>	<u>\$ 299,235</u>

See accompanying notes to financial statements.

**APPROVED BY THE BOARD:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

## Hamilton Beach Rescue Unit Inc.

(Incorporated without share capital under the laws of Ontario)

### Statement of Operations and Changes in Fund Balances

Year ended December 31, 2020, with comparative information for 2019

	Operating Fund		Capital Fund	
	2020	2019	2020	2019
<b>Revenues</b>				
City of Hamilton	\$ 66,570	\$ 66,570	\$ 57,603	\$ -
Rescue unit operations	22,238	51,308	-	-
Donations	314	338	-	-
Nevada income	-	-	28,250	41,365
Interest income	-	-	375	375
	<u>89,122</u>	<u>118,216</u>	<u>86,228</u>	<u>41,740</u>
<b>Expenses</b>				
Insurance	17,070	15,593	-	-
Repairs, maintenance and security	12,701	20,541	-	-
Rent and property taxes	9,759	16,967	-	-
Supplies	7,664	15,572	-	-
Professional fees	5,726	6,084	-	-
Office and general	4,927	4,602	-	-
Advertising and promotion	1,523	9,434	-	-
Telephone and pager	1,341	3,190	-	-
Utilities	973	448	-	-
Bank charges and interest	483	649	70	60
Uniforms	-	1,323	-	-
Training and seminars	-	1,160	-	-
Capital expenditures	-	-	57,603	13,336
Retailer and license fees	-	-	7,467	10,320
Ticket purchases	-	-	3,241	9,087
	<u>62,167</u>	<u>95,563</u>	<u>68,381</u>	<u>32,803</u>
Excess of revenue over expenses	26,955	22,653	17,847	8,937
Fund balances at the beginning of the year	<u>59,980</u>	<u>37,327</u>	<u>210,311</u>	<u>201,374</u>
Funds balances at the end of the year	<u>\$ 86,935</u>	<u>\$ 59,980</u>	<u>\$ 228,158</u>	<u>\$ 210,311</u>

See accompanying notes to financial statements.

## Hamilton Beach Rescue Unit Inc.

(Incorporated without share capital under the laws of Ontario)

### Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Operations		
Excess of revenue over expenses for the year - Operating Fund	\$ 26,955	\$ 22,653
Changes in non-cash working capital balances		
(Increase) decrease in GST/HST Public Service Bodies' rebate receivable	(8,050)	6,686
Decrease (increase) in prepaid expenses and deposits	999	(696)
Increase (decrease) in accounts payable and accrued liabilities	5,662	(468)
Increase in deferred contributions	10,165	-
	<u>8,776</u>	<u>5,522</u>
Cash flow from operations	<u>35,731</u>	<u>28,175</u>
Cash provided by (used for) investing activities		
Proceeds from the sale of short-term investments	75,000	75,000
Purchase of short-term investments	(75,000)	(75,000)
Excess of revenue over expenses for the year - Capital Fund	<u>17,847</u>	<u>8,937</u>
	<u>17,847</u>	<u>8,937</u>
Increase in cash during the year	53,578	37,112
Cash at beginning of the year	<u>181,991</u>	<u>144,879</u>
Cash at end of the year	<u>\$ 235,569</u>	<u>\$ 181,991</u>

See accompanying notes to financial statements.

# Hamilton Beach Rescue Unit Inc.

## Notes to Financial Statements

**December 31, 2020**

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### Nature of operations

Hamilton Beach Rescue Unit Inc. is a not-for-profit organization that is an active unit of the Canadian Marine Rescue Auxiliary that works closely with local police, fire departments and the Canadian Coast Guard. The Organization is active in promoting water safety and performing water rescues on the waters of Lake Ontario and the Hamilton Harbour.

The Organization was incorporated under the Ontario Business Corporations Act and is a registered charity under the Income Tax Act.

### 1. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

#### Cash

Cash consists of balances with financial institutions, net of outstanding cheques.

#### Short-term investments

Short-term investments are recorded at fair market value and consist of Guaranteed Investment Certificates (GIC's) with maturity dates of one year or less.

#### Capital expenditures

The Organization expenses its capital assets when purchased. During the current year, \$57,603 (2019 - \$13,336) in capital expenditures were expensed by the Organization. The major category of capital assets acquired was a new vehicle.

#### Fund accounting

The Organization follows the restricted fund method to record contributions. For financial reporting purposes the accounts have been classified into the following funds:

##### Operating Fund

Revenue and expenses related to the day-to-day activities of the Organization are reported in the operating fund.

##### Capital Fund

The capital fund was established to provide for major equipment purchases, building renovations and future expansion of the Organization.

# Hamilton Beach Rescue Unit Inc.

## Notes to Financial Statements

**December 31, 2020**

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### 1. Significant accounting policies, continued

#### Revenue recognition

Restricted contributions related to the acquisition of property, buildings and equipment are accounted for as revenue in the capital fund when received or upon being receivable and when an applicable expense has been incurred.

Unrestricted contributions are recognized as revenue of the operating fund when received or upon being receivable.

#### Use of estimates

The preparation of financial statements in conformity with Organization requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

#### Financial instruments

##### Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and GST/HST Public Service Bodies' rebate receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Organization has designated short-term investments to be measured at fair value.

##### Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

# Hamilton Beach Rescue Unit Inc.

## Notes to Financial Statements

**December 31, 2020**

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### 2. Short-term investments

The short-term investments consist of the following:

	December 31	
	2020	2019
Guaranteed investment certificate bearing interest at 0.1%, matures on November 21, 2021	\$ 25,000	\$ -
Guaranteed investment certificate bearing interest at 0.1%, matures on December 14, 2021	25,000	-
Guaranteed investment certificate bearing interest at 0.1%, matures on December 14, 2021	25,000	-
Guaranteed investment certificates matured during the year	<u>-</u>	<u>75,000</u>
	<u>\$ 75,000</u>	<u>\$ 75,000</u>

### 3. Deferred contributions

Deferred contributions represent unspent resources related to capital funding from the City of Hamilton and any unspent restricted contributions, if applicable. The changes in the deferred contributions balance for the year are as follows:

	December 31	
	2020	2019
Balance at beginning of year	\$ -	\$ -
Add: Amounts received during the year	67,768	-
Less: Amounts recognized as revenue	<u>(57,603)</u>	<u>-</u>
	<u>\$ 10,165</u>	<u>\$ -</u>

### 4. Related party transactions

The Organization is related to Hamilton Beach Rescue Association, which is overseen by the same board of directors. During the year, the Organization entered into an arrangement to rent its facilities from the related party. During the year these transactions totalled \$9,223 (2019 - \$9,223). These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

# Hamilton Beach Rescue Unit Inc.

## Notes to Financial Statements

**December 31, 2020**

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**5. Economic dependence**

The Organization is economically dependent on funding received from the municipal government.

**6. Financial instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments. It is the Organization's opinion that they are not subject to any currency, market, credit or liquidity risks.

**7. Impact of COVID-19 pandemic**

On March 11, 2020, the World Health Organization declared the outbreak of the coronavirus ("COVID-19"), a pandemic resulting in economic uncertainties potentially affecting the Organization's cash flows, financial position and results of operations. At this time, it is unknown the extent of the impact that the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the virus and duration of the outbreak, forced closures or disruptions and quarantine/isolation measures that are currently, or may be put in place by government authorities to fight the virus. The Organization continues to assess the impact COVID-19 will have on its business activities in the future, however, the extent of the effect of the COVID-19 pandemic remains uncertain.



**Table 1 - 2022 Operating Budget Summary**

	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>2022 \$ Budget Variance</b>	<b>2022 % Budget Variance</b>
<b>Hamilton Public Library</b>				
<b>Expenses Total</b>	<b>33,676,677</b>	<b>34,502,402</b>	<b>825,725</b>	<b>2.5%</b>
Employee Related Cost Total	22,502,530	23,071,436	568,906	2.5%
Material & Supply Total	3,751,280	3,751,280	-	0.0%
Vehicle Expenses Total	101,360	108,541	7,181	7.1%
Building & Ground Total	2,553,660	2,604,130	50,470	2.0%
Contractual Total	1,672,710	1,696,770	24,060	1.4%
Reserves/Recoveries Total	2,485,410	2,495,188	9,778	0.4%
Cost Allocations Total	234,307	399,637	165,330	70.6%
Financial Total	375,420	375,420	(0)	0.0%
<b>Revenues Total</b>	<b>(1,648,690)</b>	<b>(1,820,390)</b>	<b>(171,700)</b>	<b>10.4%</b>
Fees & General Total	(382,240)	(380,940)	1,300	-0.3%
Grants & Subsidies Total	(1,266,450)	(1,279,450)	(13,000)	1.0%
Reserves Total	-	(160,000)	(160,000)	n/a
<b>Net Levy</b>	<b>32,027,987</b>	<b>32,682,012</b>	<b>654,025</b>	<b>2.0%</b>

# **Royal Botanical Gardens (RBG)**

**RBG**





# City of Hamilton

## ROYAL BOTANICAL GARDENS

### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
<b>Total Budget</b>	<b>599,206</b>	<b>599,206</b>	<b>599,210</b>	<b>605,200</b>	<b>616,090</b>	<b>625,340</b>	<b>634,720</b>	<b>634,720</b>	<b>647,410</b>	<b>660,358</b>
\$ Increase Year over Year	0	0	4	5,990	10,890	9,250	9,380	0	12,690	12,948
% Increase Year over Year	0.0%	0.0%	0.0%	1.0%	1.8%	1.5%	1.5%	0.0%	2.0%	2.0%

### Historical Municipal Funding Levels:

Municipality	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City of Hamilton	599,206	599,206	599,210	605,200	616,090	625,340	634,720	634,720	647,410	660,358
Region of Halton	714,198	725,266	736,295	743,658	759,930	775,130	790,632	806,449	818,541	834,912
<b>Total</b>	<b>1,313,404</b>	<b>1,324,472</b>	<b>1,335,505</b>	<b>1,348,858</b>	<b>1,376,020</b>	<b>1,400,470</b>	<b>1,425,352</b>	<b>1,441,169</b>	<b>1,465,951</b>	<b>1,495,270</b>

### HISTORICAL % APPORTIONMENTS of the MUNICIPAL LEVY

Municipality	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City of Hamilton	45.62%	45.24%	44.87%	44.87%	44.77%	44.65%	44.53%	44.04%	44.16%	44.16%
Region of Halton	54.38%	54.76%	55.13%	55.13%	55.23%	55.35%	55.47%	55.96%	55.84%	55.84%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Notes:

1. In 2003, Council approved a funding formula for the RBG in which the Region of Halton and the City of Hamilton share in the cost of the agency. The apportionment of costs is based upon the number of households and the unweighted assessment.

2. The 2022 budget above is shown at 2021 budget + 2% based on City guidelines. A budget adjustment will be required based on the actual request. Page 269



**Royal Botanical Gardens**  
**2022 Draft Budget Summary**

	2020 Actual	2021 Forecast	2021 Budget	2022 Budget
<b>REVENUE</b>				
Government Operational Funding				
Province of Ontario	4,036,000	4,036,000	4,036,000	4,036,000
Halton Region	802,491	818,541	818,541	834,912
City of Hamilton	634,738	634,714	647,410	647,408
	<u>5,473,229</u>	<u>5,489,255</u>	<u>5,501,951</u>	<u>5,518,320</u>
Operations				
Admissions	764,211	609,390	707,500	1,106,300
Group Tours	267	3,097	18,000	20,000
Retail	512,198	530,000	493,331	850,000
Food and Beverage	89,028	483,978	295,750	2,449,956
Rentals	192,392	367,058	419,350	584,550
Programs	119,074	428,543	665,800	978,076
Special Events	275,934	518,335	374,884	2,219,440
Parking	191,735	392,828	80,000	415,000
	<u>2,144,838</u>	<u>3,333,229</u>	<u>3,054,615</u>	<u>8,623,322</u>
Development and Fundraising				
Business Development and Major Gifts	544,967	525,000	1,057,000	1,057,000
Annual Giving	314,310	333,844	200,000	390,000
Membership	910,215	1,001,000	844,120	1,106,300
Grants	525,006	577,258	563,004	949,820
Sponsorship	3,000	25,000	20,000	50,000
	<u>2,297,497</u>	<u>2,462,103</u>	<u>2,684,124</u>	<u>3,553,120</u>
Other Revenue				
Fund Revenue	0	3,524	1,816,000	0
Other	310,559	439,260	222,132	413,617
CEWS Subsidy	2,491,578	1,101,122	1,020,000	0
Emergency Stabilization Funding	0	300,000	0	1,200,000
	<u>2,802,137</u>	<u>1,843,906</u>	<u>3,058,132</u>	<u>1,613,617</u>
<b>Total Revenue</b>	<b><u>12,717,702</u></b>	<b><u>13,128,492</u></b>	<b><u>14,298,822</u></b>	<b><u>19,308,379</u></b>
<b>EXPENSES</b>				
Salaries and Benefits	8,340,979	9,077,488	9,199,237	11,271,942
General and Administrative	917,724	653,542	961,410	1,107,810
Operations	104,504	220,268	284,750	506,028
Retail Cost of Sales	282,410	265,000	235,080	425,000
Food and Beverage Cost of Sales	0	146,228	0	613,478
Programs	41,012	123,331	111,900	135,026
Special Events	302,828	250,706	319,146	1,770,390
Business Development and Fundraising	187,720	254,926	369,590	349,890
Marketing	510,496	477,866	482,010	539,850
Sponsorship	0	2,000	2,000	2,500
Biodiversity Expenses	393,442	416,077	417,578	596,267
Maintenance	821,288	1,015,070	1,118,775	1,162,750
Utilities	535,448	569,100	610,000	610,000
Garden Maintenance	111,189	147,293	151,000	312,834
<b>Total Expenses</b>	<b><u>12,549,040</u></b>	<b><u>13,618,896</u></b>	<b><u>14,262,476</u></b>	<b><u>19,403,765</u></b>
<b>NET POSITION</b>	<b><u>168,662</u></b>	<b><u>-490,403</u></b>	<b><u>36,346</u></b>	<b><u>-95,386</u></b>
Board Restricted Funds (COVID Recovery)	0	500,000	0	405,630
Effect on Unrestricted Net Assets	<b><u>168,662</u></b>	<b><u>9,597</u></b>	<b><u>36,346</u></b>	<b><u>310,244</u></b>

**ROYAL BOTANICAL GARDENS  
(A Corporation without Share Capital)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Royal Botanical Gardens

### Opinion

We have audited the financial statements of Royal Botanical Gardens (the Organization), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





## **BROWNLOW PARTNERS**

CHARTERED PROFESSIONAL ACCOUNTANTS

As part of the audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ancaster, Ontario  
March 18, 2021

Chartered Professional Accountants  
Licensed Public Accountants

ROYAL BOTANICAL GARDENS  
 (A Corporation without Share Capital)  
 STATEMENT OF FINANCIAL POSITION  
 AS AT DECEMBER 31, 2020

ASSETS		
	2020	2019
<b>CURRENT ASSETS</b>		
Cash	\$ 613,720	\$ 1,101,089
Accounts receivable	748,944	1,340,410
Government remittances receivable	89,786	132,702
Inventory	168,664	232,677
Prepaid expenses and deposits	207,180	213,012
	<u>1,828,294</u>	<u>3,019,890</u>
INVESTMENTS (note 3)	15,223,956	13,724,234
CAPITAL ASSETS (note 5)	40,950,256	42,478,164
	<u>\$ 58,002,506</u>	<u>\$ 59,222,288</u>

LIABILITIES AND NET ASSETS		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 1,106,250	\$ 1,897,399
Deferred revenue	1,255,225	2,125,619
Deferred capital funding	397,652	520,885
Deferred operating contributions (note 7)	5,921,939	5,502,308
	<u>8,681,066</u>	<u>10,046,211</u>
DEFERRED CAPITAL CONTRIBUTIONS (note 6)	40,037,421	41,558,345
	<u>48,718,487</u>	<u>51,604,556</u>
<b>NET ASSETS</b>		
Unrestricted (note 8)	2,791,480	2,247,892
Internally restricted (note 9)	4,136,585	3,033,509
Endowments (note 10)	2,355,954	2,336,331
	<u>9,284,019</u>	<u>7,617,732</u>
	<u>\$ 58,002,506</u>	<u>\$ 59,222,288</u>

Commitments and contingencies (note 11)

Approved by the Board

  
 Director

  
 Director

(The accompanying notes form an integral part of these financial statements)

**ROYAL BOTANICAL GARDENS**  
(A Corporation without Share Capital)  
**STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
<b>REVENUE</b>		
Operating grants		
Ministry of Heritage, Sport, Tourism and Culture Industries	\$ 4,036,000	\$ 4,036,000
City of Hamilton	634,738	634,715
Regional Municipality of Halton	802,491	786,756
Other government support (note 2a(v))	2,491,578	-
	<u>7,964,807</u>	<u>5,457,471</u>
Admissions, memberships and other program revenue (note 14a)	3,014,992	5,222,182
Mandated activities (note 14b)	711,041	3,193,197
Development - donations (note 14c)	859,276	1,080,115
Investment income (note 14d)	151,439	210,050
Amortization of deferred capital contributions (note 5)	3,693,393	3,150,755
	<u>16,394,948</u>	<u>18,313,770</u>
<b>EXPENSES</b>		
Admissions, memberships and other program expenses	2,516,324	3,037,117
Maintenance and equipment	2,433,351	2,719,588
Administration	2,440,662	2,966,071
Development fundraising	700,087	731,697
Mandated activities		
Horticulture - gardens, parklands and collections	2,102,697	2,619,011
Conservation and environmental programs	982,234	997,109
Scientific and research programs	456,289	633,643
Education programs	901,250	1,424,530
Amortization of capital assets (note 5)	3,693,393	3,150,755
	<u>16,226,287</u>	<u>18,279,521</u>
<b>EXCESS OF REVENUE OVER EXPENSES FOR OPERATIONS</b>	<b>168,661</b>	<b>34,249</b>
Change in unrealized gain on investments	380,267	325,279
Unrestricted estate donation (note 9)	905,630	-
	<u>1,454,558</u>	<u>359,528</u>
<b>EXCESS</b>	<b>\$ 1,454,558</b>	<b>\$ 359,528</b>

(The accompanying notes form an integral part of these financial statements)

**ROYAL BOTANICAL GARDENS**  
 (A Corporation without Share Capital)  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Unrestricted (note 8)	Internally restricted (note 9)	Endowments (note 10)	Total 2020	Total 2019
<b>NET ASSETS, BEGINNING OF THE YEAR</b>	<b>\$ 2,247,892</b>	<b>\$ 3,033,509</b>	<b>\$ 2,336,331</b>	<b>\$ 7,617,732</b>	<b>\$ 6,897,835</b>
Excess of revenue over expenses for operations	168,661	-	-	168,661	34,249
Unrestricted estate donation	-	905,630	-	905,630	-
Endowment contributions	-	-	1,425	1,425	850
Amortization of investment in capital assets	(5,340)	-	-	(5,340)	(5,340)
Investment income allocations	-	129,153	18,198	147,351	179,313
Change in unrealized gain on investments	380,267	68,293	-	448,560	510,825
<b>NET ASSETS, END OF THE YEAR</b>	<b>\$ 2,791,480</b>	<b>\$ 4,136,585</b>	<b>\$ 2,355,954</b>	<b>\$ 9,284,019</b>	<b>\$ 7,617,732</b>

(The accompanying notes form an integral part of these financial statements)

ROYAL BOTANICAL GARDENS  
(A Corporation without Share Capital)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenues over expenses for the year	\$ 1,454,558	\$ 359,528
Adjustments for:		
- amortization of deferred capital contributions	(3,688,053)	(3,145,415)
- amortization of investment in capital assets	(5,340)	(5,340)
- deferred operating contributions recognized as revenue	-	(1,370,726)
- amortization of capital assets	3,693,393	3,150,755
- change in unrealized gain on investments	(380,267)	(325,279)
	<u>1,074,291</u>	<u>(1,336,477)</u>
Net changes in non-cash working capital balances from operations	<u>(1,080,488)</u>	<u>(1,554,500)</u>
Cash provided by (used in) operating activities	<u>(6,197)</u>	<u>(2,890,977)</u>
<b>INVESTING AND FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(2,165,485)	(2,798,100)
Increase in endowments	19,623	18,691
Allocated investment income to internally restricted net assets	129,153	161,472
Deferred operating contributions and allocated investment income	293,318	407,972
Capital contributions used during the year	2,167,129	2,908,745
Decrease (increase) in cost of investments	(924,910)	1,583,431
Cash provided by (used in) investing and financing activities	<u>(481,172)</u>	<u>2,282,211</u>
DECREASE IN CASH DURING THE YEAR	<u>(487,369)</u>	<u>(608,766)</u>
CASH AT BEGINNING OF THE YEAR	<u>1,101,089</u>	<u>1,709,855</u>
CASH AT END OF THE YEAR	<u>\$ 613,720</u>	<u>\$ 1,101,089</u>

(The accompanying notes form an integral part of these financial statements)

**ROYAL BOTANICAL GARDENS**  
 (A Corporation without Share Capital)  
**NOTES TO THE FINANCIAL STATEMENTS**  
 DECEMBER 31, 2020

**1. DESCRIPTION**

Royal Botanical Gardens (the "RBG") is one of Canada's premier cultural, educational and scientific institutions, comprised of more than 1,100 hectares of horticultural display gardens, arboretum, woodlands, wetlands and 30 kilometres of trails. The RBG receives transfer payments from the Ontario Ministry of Heritage, Sport, Tourism and Culture Industries and receives additional support from the City of Hamilton (the "City"), the Regional Municipality of Halton, the RBG members, many corporations, foundations and individuals.

The RBG is a registered charity under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations applied within the framework of the significant accounting policies summarized below:

**(a) Revenue Recognition**

- (i) Grants are recorded as revenue when the related expenses have been incurred and the applications for the grants have been approved by the relevant government agencies. Grants received in advance of incurring the related expenses are included on the statement of financial position as deferred revenue.
- (ii) Unrestricted donations, admission fees, membership fees, other program fees, event revenue, food and beverage revenue, rental revenue and garden shop revenue are recognized as revenue in the year in which they are received. Restricted donations are deferred and recognized as revenue in the year in which the related expenses are incurred.
- (iii) Externally restricted contributions for depreciable capital assets are deferred and amortized over the life of the related assets. Externally restricted contributions for non-depreciable capital assets are recorded as a direct increase in unrestricted net assets. Externally restricted capital asset contributions that have not been spent are recorded as part of deferred capital funding on the statement of financial position.  
  
 Self-funded contributions for depreciable capital assets are deferred and amortized over the life of the related assets. Self-funded capital asset contributions that have not been expended are recorded as part of net assets invested in capital assets on the statement of financial position.
- (iv) Endowment contributions are recognized as a direct increase in endowment net assets in the year in which they are received.
- (v) Government assistance is recognized as revenue when the RBG has complied with the terms and conditions of the applicable legislation. During the year, the Organization recognized \$2,491,578 of assistance relating to the Canada Emergency Wage Subsidy. As at December 31, 2020, \$117,369 is included in accounts receivable.

ROYAL BOTANICAL GARDENS  
(A Corporation without Share Capital)  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Contributed Services

Volunteers contribute numerous hours per year to assist RBG in carrying out its activities. Due to the difficulty in determining their fair value, contributed services have not been recognized in the financial statements.

(c) Donations In-Kind

Donations in-kind are recorded at their estimated fair market value at the date of donation. The RBG received donations in-kind of \$71,384 (2019: \$197,104).

(d) Measurement of Financial Instruments

The RBG initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The RBG subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments as described in note 2(e).

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable. The RBG has designated all portfolio investments to be measured at fair value as described in note 2(e).

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(e) Investments

All investments are recorded at fair value. The quoted market price was used to estimate the fair value of the financial instruments held as investments.

Investment income, net of investment management fees, is allocated to the restricted deferred funds and statement of operations on a prorated basis. The ratio of total endowments, internally restricted net assets and deferred operating contributions at the beginning of the month divided by the total average investment cost for the month is calculated. This ratio is then applied to the total net investment income earned for the month to determine the amount of investment income to apply to the deferred operating contributions, internally restricted net assets and endowments. Remaining unallocated net investment income is recorded in the statement of operations.

Unrealized gains and losses on investments are allocated to the restricted deferred funds and unrestricted net assets on a prorated basis. The ratio, described above, is applied to the total unrealized gains and losses at month end to determine the amount of unrealized gains and losses to apply to the deferred operating contributions, internally restricted net assets and endowments. Remaining unallocated unrealized gains and losses are included in unrestricted net assets. The change in unrestricted unrealized gains and losses are recorded in the statement of operations. When investments are sold, realized gains and losses are recognized in investment income.

**ROYAL BOTANICAL GARDENS**  
 (A Corporation without Share Capital)  
**NOTES TO THE FINANCIAL STATEMENTS**  
 DECEMBER 31, 2020

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(f) Inventory**

Inventory, consisting of items available for sale in the RBG gift shop, is valued at the lower of cost or net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs.

Included in admissions, memberships and other program expenses is \$282,410 (2019: \$496,201) of inventory expensed during the year.

**(g) Capital Assets**

Capital assets are recorded at cost, except for donated assets, which are recorded at fair market value at the date of contribution. The fair market value of previously donated land could not be determined and therefore, the total 1,100 hectares of land have been recorded at a nominal value of \$9,428.

Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	40 years
Mechanical equipment	20 years
Gardens and natural area infrastructures	20 years
Roadways and parking lots	20 years
Vehicles and equipment	5 years
Furniture and fixtures	10 years
Computer equipment	3 years
Media stock	5 years
Exhibits	3 years

Contributed capital assets are recognized at the fair value at the date of contribution. The contribution is recognized as revenue on the same basis as the amortization expense of the contributed capital asset.

When a capital asset no longer has any long term service potential to the RBG, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

**(h) Use of Estimates**

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates include the useful lives of capital assets, allowances for inventory obsolescence, allowances for doubtful accounts and accruals. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.



**ROYAL BOTANICAL GARDENS**  
 (A Corporation without Share Capital)  
**NOTES TO THE FINANCIAL STATEMENTS**  
 DECEMBER 31, 2020

**3. INVESTMENTS**

The investments consist of funds that are professionally managed, diversified and are invested in the following categories: cash and near cash securities, fixed income securities and equity securities.

	2020	2019
Cost of investments at December 31	\$ 12,244,247	\$ 11,319,337
Unrealized gain on investments	2,979,709	2,404,897
<b>Market value of investments at December 31</b>	<b>\$ 15,223,956</b>	<b>\$ 13,724,234</b>

Investments are valued at market as at yearend and are composed of the following types of securities:

Cash, cash equivalents and accrued interest	\$ 1,080,282	\$ 959,765
Fixed income securities	4,806,695	4,391,045
Equity securities	9,336,979	8,373,424
	<b>\$ 15,223,956</b>	<b>\$ 13,724,234</b>

**4. DEMAND LOAN**

The RBG has the following facilities available:

- Credit facility #1 - Overdraft lending account up to \$2,000,000 for operating requirements. The facility bears interest at prime plus 0.5%. As at December 31, 2020, the facility was not drawn upon (2019: not drawn).
- Credit facility #2 - Demand loan up to \$2,000,000 to provide bridge financing for capital projects as required. The facility bears interest at prime plus 0.75% and is repayable at the discretion of RBG. As at December 31, 2020, the facility was not drawn upon (2019: not drawn).

Security for the facilities includes the following:

- General Security Agreement providing a first charge over all accounts receivable, inventory and equipment other than leased assets, land and buildings, plants, living collections, library artifacts, patents and investments;
- Bank to be named as loss payee on business and fire insurance; and
- Assignment and pledge of investment portfolio registered in Ontario under the Personal Property Security Act (PPSA) with enabling resolution. The market value of the investment portfolio pledged as collateral at December 31, 2020 is \$3,761,286 (2019: \$3,617,066), which are included with investments on the statement of financial position.

ROYAL BOTANICAL GARDENS  
(A Corporation without Share Capital)  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

5. CAPITAL ASSETS

The change in net book value of capital assets is due to the following:

	2020	2019
Balance, beginning of the year	\$ 42,478,164	\$ 42,830,819
Purchase of capital assets funded by deferred capital contributions	2,165,485	2,798,100
Amortization of capital assets	(3,693,393)	(3,150,755)
<b>Balance, end of the year</b>	<b>\$ 40,950,256</b>	<b>\$ 42,478,164</b>

Amortization of capital assets agrees to amortization of deferred capital contributions of \$3,688,053 (2019: \$3,145,415) and amortization of investment in capital assets of \$5,340 (2019: \$5,340), which has been recognized as revenue during the year.

Capital assets consist of the following:

	2020		2019	
	Cost	Accumulated Amortization	Net	Net
Land	\$ 876,681	\$ -	\$ 876,681	\$ 876,681
Buildings	33,851,765	16,475,816	17,375,949	18,222,245
Mechanical equipment	6,939,723	3,286,965	3,652,758	3,159,384
Gardens and natural area infrastructures	26,429,920	9,909,153	16,520,767	17,196,032
Roadways and parking lots	4,195,498	2,705,415	1,490,083	1,668,261
Vehicles and equipment	4,326,001	3,634,650	691,351	850,289
Furniture and fixtures	3,111,258	2,768,591	342,667	505,272
Computer equipment	2,230,404	2,230,404	-	-
Media stock	252,244	252,244	-	-
Exhibits	985,806	985,806	-	-
	<b>\$ 83,199,300</b>	<b>\$ 42,249,044</b>	<b>\$ 40,950,256</b>	<b>\$ 42,478,164</b>

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consist of the following:

	2020	2019
Balance, beginning of the year	\$ 41,558,345	\$ 41,795,015
Capital contributions used during the year	2,167,129	2,908,745
Amortization of deferred capital contributions	(3,688,053)	(3,145,415)
<b>Balance, end of the year</b>	<b>\$ 40,037,421</b>	<b>\$ 41,558,345</b>

ROYAL BOTANICAL GARDENS  
 (A Corporation without Share Capital)  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

7. DEFERRED OPERATING CONTRIBUTIONS

The change in deferred operating contributions is due to the following:

	2020	2019
Balance, beginning of the year	\$ 5,502,308	\$ 5,902,709
Contributions received from corporate and private sources	1,425	850
Amount drawn from funds during the year	-	(1,370,726)
Investment income allocation	165,630	241,896
Restricted investment income earned on endowments	126,263	165,226
Change in market value of investments	126,313	562,353
	<u>419,631</u>	<u>(400,401)</u>
Balance, end of the year	<u>\$ 5,921,939</u>	<u>\$ 5,502,308</u>

Deferred operating contributions consist of the following major external restrictions:

Operations	\$ 83,335	\$ 63,230
Gardens and natural lands	3,441,156	3,225,426
Collections	421,458	373,292
Science and education	1,218,692	1,157,496
Staffing and administration	757,298	682,864
	<u>\$ 5,921,939</u>	<u>\$ 5,502,308</u>

8. UNRESTRICTED NET ASSETS

Unrestricted net assets consists of the following:

	Unrestricted	Invested in capital assets	Total
Balance, beginning of the year	\$ 2,195,911	\$ 51,981	\$ 2,247,892
Excess of revenues over expenses for operations	168,661	-	168,661
Amortization of investment in capital assets	-	(5,340)	(5,340)
Funds received relating to prior years' internally funded capital assets	2,501	(2,501)	-
Change in unrealized gain on investments	380,267	-	380,267
Balance, end of the year	<u>\$ 2,747,340</u>	<u>\$ 44,140</u>	<u>\$ 2,791,480</u>

Amounts pledged towards the Rock Garden campaign are not recognized until the cash is received. As cash is received in future periods, amounts will be transferred from net assets invested in capital assets back to unrestricted net assets. The contributions received will be recorded in deferred capital contributions on the statement of financial position and amortized over the life of the Rock Garden assets.

**ROYAL BOTANICAL GARDENS**  
 (A Corporation without Share Capital)  
**NOTES TO THE FINANCIAL STATEMENTS**  
 DECEMBER 31, 2020

**9. INTERNALLY RESTRICTED NET ASSETS**

During the year, the RBG received an unrestricted estate donation in the amount of \$905,630. The donation is internally restricted by the RBG. The RBG Board will approve the use of these funds. During the year, no amounts were drawn from the internally restricted net assets (2019: no amounts). Internally restricted net assets consist of the following major internal restrictions:

	2020	2019
Maintaining garden areas and strategic initiatives	\$ 3,230,955	\$ 3,033,509
COVID-19 recovery	905,630	-
	<u>\$ 4,136,585</u>	<u>\$ 3,033,509</u>

**10. ENDOWMENTS**

Contributions restricted for endowments consist of donations received by the RBG where the endowment principal is required to remain intact. Accordingly, these amounts are classified as long term investments. The investment income generated from the endowments must be used in accordance with the purposes established by donors.

	2020	2019
Balance, beginning of the year	\$ 2,336,331	\$ 2,317,640
Endowments received from private sources	1,425	850
Investment income required to be held as endowment	18,198	17,841
Balance, end of the year	<u>\$ 2,355,954</u>	<u>\$ 2,336,331</u>

**11. COMMITMENTS AND CONTINGENCIES**

In the ordinary course of business, the RBG may be contingently liable for litigation and claims with customers, suppliers and former employees. Management believes that adequate provisions have been recorded in the accounts where required. Although it is not possible to accurately estimate the extent of potential costs and losses, if any, management believes, but can provide no assurance, that the ultimate resolution of such contingencies would not have a material adverse effect on the financial position of the RBG.

**12. RECLASSIFICATION**

Certain 2019 comparative amounts were reclassified to conform to the current year's financial statement presentation.

**13. COVID-19**

On March 11, 2020, a global pandemic was declared due to the outbreak of the COVID-19 virus. In response to increasing case numbers, the Government of Ontario has put emergency measures in place, which may adversely affect the RBG. The impact of these restrictions cannot be reasonably estimated at this time.

**ROYAL BOTANICAL GARDENS**  
 (A Corporation without Share Capital)  
**NOTES TO THE FINANCIAL STATEMENTS**  
 DECEMBER 31, 2020

**14. REVENUE**

	2020	2019
<b>Admissions, memberships and other program revenue consists of:</b>		
Admissions and special events	\$ 1,059,475	\$ 1,912,152
Membership fees	910,215	1,204,852
Food and beverage	65,247	391,900
Rentals	186,903	589,894
Garden shop sales	512,198	977,638
Other income	280,954	145,746
<b>a) Total admissions, memberships and other programs</b>	<b>\$ 3,014,992</b>	<b>\$ 5,222,182</b>
<b>Mandated activities consists of:</b>		
Horticulture - gardens, parklands and collections	\$ 62,186	\$ 995,606
Conservation and environmental programs	318,152	441,747
Scientific and research programs	101,654	606,008
Education programs	229,049	1,149,836
<b>b) Total mandated activities</b>	<b>\$ 711,041</b>	<b>\$ 3,193,197</b>
Donations and grants received during the year	\$ 2,503,871	\$ 2,213,418
Add:		
Restricted donations received in the prior year recognized into development - donations revenue	173,954	277,572
Less:		
Grants deferred and recognized into mandated activities revenue once qualifying expenses incurred	(736,407)	(755,078)
Green Angel donations recognized in deferred revenue	(21,995)	(50,117)
Restricted donations recognized in deferred revenue	(141,306)	(356,964)
Restricted donations recognized in deferred operating contributions and endowments	(2,850)	(1,700)
Restricted donations recognized in deferred capital contributions	(10,361)	(247,016)
Donations internally restricted during the year	(905,630)	-
<b>c) Total development - donations</b>	<b>\$ 859,276</b>	<b>\$ 1,080,115</b>
Investment income earned during the year	\$ 674,102	\$ 886,410
Less: Investment management fees	(83,419)	(89,925)
Net investment funds available for allocation	590,683	796,485
Allocation to deferred operating contributions	(291,893)	(407,122)
Allocation to internally restricted net assets	(129,153)	(161,472)
Allocation to endowments	(18,198)	(17,841)
<b>d) Total investment income</b>	<b>\$ 151,439</b>	<b>\$ 210,050</b>

ROYAL BOTANICAL GARDENS  
(A Corporation without Share Capital)  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

15. FINANCIAL INSTRUMENTS

Risks and Concentrations

The RBG is exposed to various risks through its financial instruments. The following analysis provides a measure of the RBG's risk exposure and concentrations at December 31, 2020.

(a) Liquidity Risk

Liquidity risk is the risk that the RBG will encounter difficulty in meeting obligations associated with financial liabilities. The RBG is exposed to this risk mainly in respect of its accounts payable. The RBG's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The RBG achieves this by maintaining sufficient cash and cash equivalents. This risk has not changed from the prior year.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The RBG's main credit risks relate to its accounts receivable. The RBG provides credit to its clients in the normal course of its operations. This risk has not changed from the prior year.

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The RBG is exposed to currency risk and other price risk. This risk has not changed from the prior year.

(i) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Some of the RBG's assets are exposed to foreign exchange fluctuations. As at December 31, 2020, bank indebtedness of \$3,036 (2019: \$6,060) is recorded in US dollars and converted into Canadian dollars. Approximately 39% (2019: 38%) of the RBG's investments are held in US dollars and converted into Canadian dollars.

(ii) Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The RBG is exposed to other price risk due to a substantial portion of its assets being held in investments, which are susceptible to fluctuations in market values. To manage this risk, RBG management and the Board of Directors reviews its investment strategies at least annually with the RBG's investment advisor.



# City Boards

City Boards







## City of Hamilton

### City Boards and Agencies

**SUMMARY NET BUDGET INFORMATION: Years 2021 and 2022**  
**Per 2022 Tax Supported Operating Budget Report**

Board/Agency	2021 Budget Net	2022 NET Preliminary Budget \$	Change \$	Change %
<b>Library</b>				
Operating Budget	32,030,050	32,682,012	651,962	2.0%
Capital Financing	166,280	166,010	(270)	-0.2%
<b>Library Total</b>	<b>32,196,330</b>	<b>32,848,022</b>	<b>651,692</b>	<b>2.0%</b>
<b>Hamilton Police Services</b>				
Operating Budget	175,352,230	178,883,970	3,531,740	2.0%
Capital Financing	1,234,790	1,269,000	34,210	2.8%
<b>Hamilton Police Services</b>	<b>176,587,020</b>	<b>180,152,970</b>	<b>3,565,950</b>	<b>2.0%</b>
<b>Hamilton Farmers' Market - Net</b>	<b>115,060</b>	<b>242,360</b>	<b>127,300</b>	<b>110.6%</b>
<b>Total : City Boards</b>	<b>208,898,410</b>	<b>213,243,351</b>	<b>4,344,941</b>	<b>2.1%</b>

This report is based on information available as of Dec 11, 2021 and is subject to change based on final budgets from the respective agencies.



# Hamilton Public Library (HPL)

**Library**





# City of Hamilton

## HAMILTON PUBLIC LIBRARY

### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
Library Funding	28,038,610	28,082,440	28,513,728	28,815,880	29,443,440	29,981,000	30,700,190	31,577,600	32,030,050	32,682,012
% Operating Increase YoY	0.0%	0.2%	1.5%	1.1%	2.2%	1.8%	2.4%	2.9%	1.4%	2.0%
Capital Financing (in Debt Charges)	64,480	63,500	62,270	136,950	187,290	187,290	191,240	191,240	166,280	166,010
<b>Total Funding</b>	<b>28,103,090</b>	<b>28,145,940</b>	<b>28,575,998</b>	<b>28,952,830</b>	<b>29,630,730</b>	<b>30,168,290</b>	<b>30,891,430</b>	<b>31,768,840</b>	<b>32,196,330</b>	<b>32,848,022</b>
<b>\$ Increase Year over Year</b>	<b>-5,070</b>	<b>42,850</b>	<b>430,058</b>	<b>376,832</b>	<b>677,900</b>	<b>537,560</b>	<b>723,140</b>	<b>877,410</b>	<b>427,490</b>	<b>651,692</b>
<b>% Increase Year over Year</b>	<b>(0.0%)</b>	<b>0.2%</b>	<b>1.5%</b>	<b>1.3%</b>	<b>2.3%</b>	<b>1.8%</b>	<b>2.4%</b>	<b>2.8%</b>	<b>1.3%</b>	<b>2.0%</b>





**Date:** December 15, 2021  
**To:** Chair and Members of the Board  
**From:** Tony Del Monaco, Director Finance and Facilities  
**Subject:** **Operating Budget 2022 (2nd Review)- TD**

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#### RECOMMENDATION:

That the Hamilton Public Library Board approve for submission to the City of Hamilton the 2022 Operating Budget at an increase of \$654,025 or 2.0%.

That the Hamilton Public Library Board approve the use of \$160,000 in reserve funding from the Library General Development Reserve #106007 as part of the 2022 Operating Budget submission.

#### ATTACHMENTS:

Description	Upload Date	Type
<a href="#">2022 Operating Budget</a>	12/9/2021	Cover Memo
<a href="#">Table 1- Budget Summary</a>	12/8/2021	Cover Memo
<a href="#">Table 2 Open Hours 2022</a>	12/8/2021	Cover Memo
<a href="#">Table 3 2022 Operating Budget Changes</a>	12/8/2021	Cover Memo
<a href="#">Table 4 Three Year Forecast</a>	12/8/2021	Cover Memo



**Date:** December 15, 2021  
**To:** Chair and Members of the Board  
**c.c.:** Paul Takala, Chief Librarian/CEO  
**From:** Tony Del Monaco, Director of Finance & Facilities  
**Subject:** **2022 Operating Budget Report**

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**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

HPL has received direction from City Council to target a 2.0% increase with respect to the 2022 Operating Budget.

The 2022 Operating Budget is currently at a 2.0% increase which would result in a \$654,025 increase. The net levy municipal contribution would be \$32,682,012.

The final operating budget submission is 0.5% lower than the preliminary report which was at 2.5%. This is because we are proposing to use \$160,000 in reserve funding to support our 2022 operating budget to bring it in line with Council direction of 2.0%. The reserve funding would be phased out gradually over subsequent budget periods. In total, \$500,000 of reserve funding is planned to be used over 5 years.

The Board passed a Statement on Sustainability, committing the library to maintaining investment in 5 key areas. Those key areas are: Collections; Facilities; Technology; Staff; and Programs and Services. A 2.0% budget increase allows the Library to achieve these priorities and meet customer service demands.

**BACKGROUND:**

Over the last several years, the following direction has been received by Council and subsequent submissions by the Library Board:

	<u>Direction</u>	<u>Library</u>
2013	0.0%	0.0%
2014	0.0%	0.2%
2015	-----	1.5%
2016	1.0%	1.0%
2017	1.8%	1.8%
2018	1.5%	1.8%
2019	-----	2.4%
2020	2.0%	2.0%
2021	2.0%	1.5%
2022	2.0%	2.0%

As can be seen from past operating budget submissions, the Library has a strong track record of meeting City Council's budget guidelines. Over the past 10 budget cycles, the average annual increase in HPL's operating budget has been limited to 1.4% per year.

HPL's 2022 budget increase is at 2.0%, meeting the guideline.

**2022 Budget Outlook:**

The 2022 Operating Budget is currently at a requested municipal contribution of \$32,682,012 which is an increase of \$654,025 or 2.0% over the 2021 Operating Budget of \$32,027,987.

Attached as Table 1 to this report is a 2022 Budget Outlook summarizing the changes by cost category.

Over the last several years, the Library has been addressing gaps in service hours, which was identified as a priority from our recent customer survey. Eliminating closed days for branches has also been one of our goals for some time. Simplifying open hours for the public with more consistent hours across the system is also part of that plan. During the pandemic we've experienced many vacancies which have gone unfilled as a result of Covid service restrictions. This is now providing us with an opportunity to revisit our staffing needs to meet the goal of increased open hours and set HPL up to provide a strong base of core Library service in all the communities we serve.

A 2.0% increase would provide us with a sufficient operating budget to enhance open hours system wide by additional 322 hours per week over and above our pre-pandemic hours.

Our proposed open hours would be as shown in Table 2.

Central would be open 7 days a week for a total of 76 hours per week.

Our Regional branches (Dundas, Red Hill, Terryberry, Turner Park, Waterdown, and the new Valley Park branch) would also be open 7 days per week for a total of 65 hours each – a combined increase of 50 additional hours per week at the Regional branches. The plan also includes new Sunday service hours at the new Valley Park branch.

Our Community branches would be open 6 days per week (closed Sundays). They would be open 57 hours per week, an increase of 159 additional hours per week at the Community branches.

The Extended Access hours model has transformed the return on investment at our Rural branches. Branches that could only be open to the public for 24 hours per week are now available over 60 hours per week. Freelton and Lynden are currently operating under the extended access model and would be open the same hours as Central except for 1 hour each day before closing. With Central's hours being increased, Freelton and Lynden would both increase by 6 hours per week.

Greenville is next to be fitted up for Extended Access hours which will increase the Community's weekly access to the building to 66 hours in total.

Our two remaining rural branches – Carlisle and Mount Hope – would continue to operate under their existing hours for the near term until their branch renovations are completed at which time they too will operate with the Extended Access hours model. Work at the new Carlisle branch is currently underway and is expected to be completed by mid-2022. At Mount Hope, we are undertaking a study for a new or renovated branch at the existing site.

**Budget Changes**

Employee related expenses are currently budgeted to increase by \$568,906. This relates mainly to a 1.6% cost of living increase along with additional staffing to meet the increased open hours. The importance of digital literacy was highlighted by the pandemic and our new staffing model includes the addition of Digital Technology Assistants at the Regional Branches and select Community branches.

To recognize that the new open hours would not begin right away in 2022, our budget for staff vacancies has been increased by \$185,000 to \$490,000 for the 2022 budget year.

The Building & Ground budget has been increased by \$50,000, of which \$30,000 relates to increases in the Security Guards budget for contract increases. Another \$20,000 relates to increases in the budget for heating and hydro which are expected to increase slightly with expanded open hours.

The Contractual Services budget has been increased by \$24,000 to help offset inflationary pressures.

City Cost Allocations are also increasing by \$165,000 related to increases in City Insurance premiums which are being cost allocated to departments and Boards.

With respect to revenues, we have increased the Government Grants budget by \$13,000 related to increases in grants available to us under the Newcomer Learning Centre program.

To help bring the budget within the 2.0% Council guideline we have included Reserve funding revenue of \$160,000 in the 2022 budget. This reserve funding would be phased out over subsequent budget periods until we are no longer using reserve funds to support the operating budget. We are planning to use \$500,000 worth of reserves in total over a five year period as follows:

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027 onward</b>
Reserve Funding Used in the Year	\$160,000	\$130,000	\$100,000	\$70,000	\$40,000	\$0

Cumulative Reserve Funding Used	\$160,000	\$290,000	\$390,000	\$460,000	\$500,000	\$500,000
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Using reserve funds to support the operating budget is not a sustainable long-term plan but is feasible in the short-term. Given the larger than normal surplus we experienced last year and are anticipating again for this year as a result of the pandemic, we feel this a prudent use of reserve funds to allow us to meet budget direction.

Attached to this report as Table 3 is a line by line detail of the 2022 operating budget changes.

**Three Year Outlook**

The Library participates in the City’s multi-year budgeting initiative. Operating budgets are still approved on an annual basis, however a three year forecast – in addition to the current budget year - now accompanies the annual budget. The 3-year forecast is for information purposes only and is presented in Table 4.

We are forecasting an average increase of 2.1% from 2023 to 2025 to maintain levels of service. The following are key drivers of the 2023 to 2025 forecast:

- After Hours Study Halls is a service we would like to re-introduce. Pre-pandemic the service was offered at select branches from the closing of regular open hours until midnight. The cost of this service is about \$20,000 per year per location. The goal is to offer this service at Central and the six Regional branches at an estimated cost of \$140,000 per year. This would allow us to provide 108 Study Hall hours per week at a cost of \$2,800 per week.
- A 2.2% percent increase in employee related costs has been assumed over the 3 year period to cover estimated 1.6% cost of living increases as well as increases in benefit costs.
- Building and Ground shows an increase for lease costs and security contract costs as well as utilities for expanded open hours and study halls.
- A provision for contract cost increases has been included as part of Contractual Services at \$25,000 to \$50,000 per year.
- A provision of \$30,000 to \$80,000 per year has been included in the Reserves/Recoveries budget as an estimate for City cost recovery increases and increased reserve provisions for capital enhancements.
- Indirect City Cost allocations have been estimated to increase by 2% inflation.

- Fees & General revenues are projected to remain stable with modest increases in grant revenue for the Newcomer Learning Centre program.

**Table 3 - 2022 Operating Budget Changes**

Category	Budget Change \$	Drivers
<b>EMPLOYEE RELATED COST</b>	<b>568,906</b>	
Salaries & Wages	503,543	1.6% COLA adjustment, staffing to meet new open hours
Benefits	250,203	OMERS, Vacation Pay, Health Benefits
Gapping	(184,840)	expected vacancies
<b>MATERIAL AND SUPPLY</b>	<b>-</b>	
<b>VEHICLE EXPENSES</b>	<b>7,181</b>	
Central Fleet Charges	3,691	Charges from City for vehicle maintenance
Licenses	(301)	Charges from City
Fuel-Diesel	1,810	Fuel for Bookmobiles
Fuel-Unleaded Gasoline	1,980	Fuel for Courier Trucks & Vans
<b>BUILDING AND GROUND</b>	<b>50,470</b>	
Heating Fuel	4,730	More open hours
Hydro	14,840	More open hours
Security	30,000	Contract increases
IP Telephony Charges	900	City driven change
<b>CONTRACTUAL SERVICES</b>	<b>24,060</b>	
Lease & Service Contracts	24,060	Contract increases
<b>RESERVES / RECOVERIES</b>	<b>9,778</b>	
Transfer to Vehicle/ Equipment Reserve	800	City charge for future replacement of vehicles
City Direct Vehicle Insurance Recovery	(2,170)	Charges from City
City Direct Insurance Recovery	201,700	Charges from City
City Direct Facilities Recovery	(190,552)	Charges from City -- offset by Facilities Helpdesk increase below
<b>COST ALLOCATIONS</b>	<b>165,330</b>	
Facilities Helpdesk	159,891	City driven cost -- offset by Facilities Recovery decrease above
Driver Training	405	City driven cost
City Indirect Accounting Services Recovery	1,715	City driven cost
City Indirect Financial Applications Recovery	601	City driven cost
City Indirect Payroll Recovery	1,452	City driven cost
City Indirect Accounts Payable Recovery	532	City driven cost
City Indirect Procurement Recovery	323	City driven cost
City Indirect Budgets Recovery	342	City driven cost
City Legal Services Recovery	69	City driven cost
<b>FINANCIAL EXPENSES</b>	<b>-</b>	
<b>EXPENSES</b>	<b>825,725</b>	
<b>FEES, GENERAL, &amp; OTHER GRANTS</b>	<b>1,300</b>	
Administration Fees	(2,700)	Lease revenue related to new Carlisle branch ATM
Book Sales	4,000	to bring budget more in line with actual revenues
<b>GOVERNMENT GRANTS &amp; SUBSIDIES</b>	<b>(13,000)</b>	
Federal Grants	(13,000)	Newcomer Learning Centre grant; New Horizons Grant
<b>RESERVES</b>	<b>(160,000)</b>	
Contribution from Reserves	(160,000)	Library General Development Reserve
<b>REVENUES</b>	<b>(171,700)</b>	
<b>NET LEVY</b>	<b>654,025</b>	

**Table 4 - Three Year Forecast**

	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>Budget</b>	<b>Budget</b>	<b>Change</b>	<b>Change</b>	<b>Change</b>	<b>Change</b>
<b>Total Expenses</b>	<b>33,676,677</b>	<b>34,502,402</b>	<b>825,725</b>	<b>677,735</b>	<b>738,891</b>	<b>684,280</b>
EMPLOYEE RELATED COST	22,502,530	23,071,436	568,906	507,572	518,738	530,150
MATERIAL AND SUPPLY	3,751,280	3,751,280	-	5,000	5,000	8,000
VEHICLE EXPENSES	101,360	108,541	7,181	2,171	(20,000)	1,814
BUILDING AND GROUND	2,553,660	2,604,130	50,470	100,000	80,000	14,000
CONSULTING	-	-	-	-	15,000	-
CONTRACTUAL	1,672,710	1,696,770	24,060	25,000	50,000	50,000
RESERVES / RECOVERIES	2,485,410	2,495,188	9,778	30,000	80,000	70,000
COST ALLOCATIONS	234,307	399,637	165,330	7,993	8,153	8,316
FINANCIAL	375,420	375,420	-	-	2,000	2,000
<b>Total Revenue</b>	<b>(1,648,690)</b>	<b>(1,820,390)</b>	<b>(171,700)</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
FEES, GENERAL, & OTHER GRANTS	(382,240)	(380,940)	1,300	(10,000)	(10,000)	(10,000)
GOVERNMENT GRANTS AND SUBSIDIES	(1,266,450)	(1,279,450)	(13,000)	(10,000)	(10,000)	(10,000)
RESERVES	-	(160,000)	(160,000)	30,000	30,000	30,000
<b>\$ Net Levy</b>	<b>32,027,987</b>	<b>32,682,012</b>	<b>654,025</b>	<b>687,735</b>	<b>748,891</b>	<b>694,280</b>
<b>% increase</b>			<b>2.0%</b>	<b>2.1%</b>	<b>2.2%</b>	<b>2.0%</b>

# Hamilton Police Service

Police







## City of Hamilton

### HAMILTON POLICE SERVICES

#### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
Net Operating Budget	139,701,970	143,880,230	148,376,580	152,533,891	156,616,870	160,470,610	164,290,320	170,815,160	175,352,230	178,883,970
Capital Financing	712,650	714,390	715,410	716,200	716,500	716,504	805,754	662,384	1,234,790	1,269,000
Total Funding including capital	140,414,620	144,594,620	149,091,990	153,250,091	157,333,370	161,187,114	165,096,074	171,477,544	176,587,020	180,152,970
\$ Increase YoY for Operating Budget only	4,989,650	4,178,260	4,496,350	4,157,311	4,082,979	3,853,740	3,819,710	6,524,840	4,537,070	3,531,740
% Increase YoY for Operating Budget only	3.7%	3.0%	3.1%	2.8%	2.7%	2.5%	2.4%	4.0%	2.7%	2.0%


NOTES:

1. The 2022 budget above is shown at 2021 budget + 2% based on City guidelines.  
 A budget adjustment will be required based on the budget approved by the Police Services Board.



# HAMILTON POLICE SERVICE

## RECOMMENDATION REPORT

<b>TO:</b>	Chair and Members Hamilton Police Services Board
<b>BOARD MEETING DATE:</b>	December 16, 2021
<b>SUBJECT:</b>	2022 Hamilton Police Service Operating & Capital Budgets
<b>REPORT NUMBER:</b>	21-133
<b>SUBMITTED BY:</b>	Frank Bergen, Chief of Police
<b>SIGNATURE:</b>	

### RECOMMENDATION

That the Hamilton Police Service Board (Board) approve the 2022 Hamilton Police Service (HPS) operating and capital budgets, representing a 3.94% increase over 2021.

### EXECUTIVE SUMMARY

The proposed 2022 HPS budget represents increases to both operating and capital expenses, as highlighted below.

The 2022 budget request includes thirteen (13) Sworn - Police Constables and one (1) Civilian FTE position.

Collective Agreement increase is the main cost driver for 2022 operating budget, followed by increase in cost allocations from the City of Hamilton (City) for WSIB recoveries and insurance.

Other significant increases include computer software licenses, storage and camera maintenance, COVID related medical supplies/PPE, fuel costs for the Police vehicles and horticultural and cleaning costs.

In addition, two specific grants/subsidies have been eliminated for 2022.

Capital expenditures have increased for 2022, mainly due to Police vehicle replacements, transition from 40-caliber magazines to 9mm platform, and facilities security upgrade.

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:**

As detailed in the table below, the proposed 2022 HPS total combined budget (Operating + Capital) represents an overall increase of \$6.96M or 3.94% over the 2021 total combined budget.

Description	2021 Budget	Proposed Increase	2022 Proposed Budget	% Increase **
Operating Budget	\$173,671,366	\$6,461,989	\$180,133,354	3.66%
Capital Budget	\$ 2,915,661	\$ 493,524	\$ 3,409,185	0.28%
<b>Total HPS Budget</b>	<b>\$176,587,027</b>	<b>\$6,955,513</b>	<b>\$183,542,539</b>	<b>3.94%</b>

\*\* % increase over the Total 2021 Combined Budget, anomalies due to rounding

As at September 30, 2021, the HPS is projecting a year-end surplus of approximately \$0.27M, inclusive of any potential COVID-19 recoveries through the 2021 Provincial COVID-19 Relief Funding for Municipalities program. Appendix F is the Budget Variance Report as at September 30, 2021 as reported in PSB 21-120.

**Staffing:**

The 2022 HPS budget request include fourteen (14) new FTE's:

- 13 – Sworn - 4<sup>th</sup> Class Police Constables - *Deployment, September 2022*
- 1 - Civilian - Board Communications & Research Advisor - *requested by the Board*

**Legal Implications:**

Not applicable.

**INFORMATION**

In accordance with Section 39 of the *Police Services Act*, the Board is required to approve annual budget allocations to provide the funding necessary for the operations of the Police Service. The annual operating and capital budgets, along with strategic planning documents, including the HPS Business Plan, enable the Service to establish and achieve its strategic priorities, while meeting the policing needs of the Community, in an adequate, effective and efficient manner.

**2022 OPERATING BUDGET – (Appendix A)**

The HPS, along with the Board's Budget Sub-Committee, engaged in a lengthy budget deliberation and examination of the 2022 combined operating and capital net budget arriving at the request of \$183.54M (2021 - \$176.59M).

Total operating expenditures budgeted for 2022 \$192.02M (2021 - \$185.82M) which is offset by non-levy revenue of \$11.89M (2021 - \$12.15M). This request represents an increase of \$6.46M or 3.66% over the 2021 HPS combined budget (Appendix A).

The table below summarizes the key drivers for the net increase of \$6.46M, which are explained in greater detail in sections to follow.

**2022 Total Operating Budget  
(\$ million) \*\***

<b>Category</b>	<b>Incremental Change</b>	
1. Employee Related Costs	\$4.95	2.80%
2. Operating Expenditures	\$1.25	0.71%
3. Revenues – Decrease	\$0.26	0.15%
<b>Total Operating Budget Increase</b>	<b>\$6.46</b>	<b>3.66%</b>

*\*\* % increase / decrease over the Total 2021 Combined Budget, anomalies due to rounding*

**Employee Related Costs - \$4.95M or 2.80% increase**

The table below summarizes drivers to employee related costs for the 2022 operating budget.

**2022 Employee Related Costs  
(\$ million) \*\***

<b>Compensation Items</b>	<b>Increase</b>	<b>% Increase</b>
Salary/Wages/Benefits – Collective Agreements	\$3.85	2.18%
New 2022 FTE – Salary/ Benefits – 13 – 4 <sup>th</sup> Class Constables, 1 Board Communications & Research Advisor	\$0.47	0.26%
Other employee related costs	\$0.63	0.36%
<b>Incremental Increase</b>	<b>\$4.95</b>	<b>2.80%</b>

*\*\* % increase over the Total 2021 Combined Budget, anomalies due to rounding*

The HPS budget is mostly composed of employee related costs. Employee related costs (i.e. salaries, wages, benefits) account for \$172.94M or 90.06% of the total 2022 gross operating budgeted expenditures of \$192.02M. Consequently, employee related costs represent the most significant budget pressure each year, mostly related to the negotiated collective agreements.

The current Sworn and Civilian Collective Agreements, with the Hamilton Police Association (HPA), expired on December 31, 2020. In 2021, the Board and the HPA negotiated and reached a tentative agreement on a 5 year term (2021 – 2025).

The Civilian Agreement was ratified by both the Civilian membership of the HPA and the Board. However, the Sworn membership of the HPA rejected the negotiated tentative agreement. To date, the HPA Sworn agreement has not been reached nor ratified and an arbitration meeting is scheduled for early 2022.

The current Collective Agreement with the Senior Officers Association (SOA) expires December 31, 2022.

As such, an estimated percentage is used to reflect a potential contractual increase for 2021 and 2022. The budget impact on salary and wages for 2022 is estimated at \$3.85M or 2.18%. This estimated increase also includes other monetary Collective Agreement obligations such as merit increases, general allowances and job evaluation increases.

As a result of the collective agreement increases, employee benefits will increase accordingly (OMERS, Government and Employer benefits). In addition, the government/employer benefits reflect year 4 of the CPP contribution increase, per Bill C-26, CPP Enhancement (1% by 2023).

The 2022 budget request includes thirteen (13) new Sworn 4<sup>th</sup> Class Constables for front-line patrol. In 2022, the HPS will embark on a 10-year Human Capital plan to ensure the number of Police Officers is commensurate to the expected population growth in Hamilton. An additional 13 Officers will be added each year over the next nine (9) years to maintain our current Cop-to-Pop (population) ratio of 146 Officers per 100,000 population.

In addition, the budget request also includes a new civilian position created by/for the Board. The newly created Communications & Research Advisor position will assist with Board communications, Board meetings, office administration, document management and retention. The full salary and benefits are included in the 2022 budget submission and shown in Appendix A.

Other employee costs have significantly increased over 2021 budget mainly due to the cost allocation recovery by the City to reflect actual charges related to HPS members on WSIB. The provincial government's presumptive Post Traumatic Stress Disorder (PTSD) policy has created significant WSIB charges for emergency services, including Police, for all Police Services, including HPS, in the province. These charges and other employee costs are shown in Appendix A.

Overall, employee related costs account for 2.80% of the 3.94% requested total budget increase for 2022.

### **Operating Expenditures - \$1.25M or 0.71% increase**

The largest HPS operating expenditures increase \$0.50M over the 2021 budget is the insurance cost allocation from the City. The City's insurance premiums have significantly increased for 2022 (City-Wide Report – LS21027) and, like all other City departments, HPS share of the insurance allocation has increased and is based on its insurance premiums, claims and administration.

Other major cost drivers for operating expenditures include Material & Supplies - \$0.30M, vehicle expenses - \$0.18M, Facilities – Buildings & Grounds - \$0.10M and Financial - \$0.07M, Contractual - \$0.04M and Consulting - \$0.05M, totaling \$0.74M.

Appendix A summarizes the increases/decreases by category while Appendix C provides line-by-line increase/decrease for the HPS for 2022.

### **Operating Revenues – \$0.26M or 0.15% - decrease**

Several provincial grants and other subsidies will end and no longer exist at the end of 2021 or early 2022. These grants include Justice Officials Protection and Investigations Section (JOPIS - \$0.14M), Ontario Strategy to End Human Trafficking \$0.04M and Court Branch disclosures \$0.02M.

Furthermore, funding from St. Joseph's Healthcare for the COAST program \$0.15M has ended and revenues are reduced for General Occurrences/ID Photo to anticipated actual levels.

These reductions in grants, subsidies and budgeted revenue is offset with an increase of \$0.12M in Court Security & Prisoner Transportation grant and other minor increases in Provincial Firearms Program, Regional Cannabis Intelligence Coordinator, Cannabis Enforcement Team and Freedom of Information (FOI).

The operating revenues also includes funding of \$0.58M (2021 - \$0.58) from the Police Tax Stabilization Reserve to mitigate some 2022 budgetary pressures.

Appendix A summarizes the increase/decrease in budgeted revenues.

### **Operating Budget – Summary**

The net operating budget request of \$6.46M represents an increase of 3.66% over the 2021 combined net HPS budget.

The driving factors for the proposed increase is attributed to fourteen (14) new FTE positions, the collective agreement increases, significant cost allocation charges from the City of Hamilton for WSIB and Insurance, and reductions in provincial policing grants, subsidies and other revenues.



## **2022 CAPITAL BUDGET – (Appendix B)**

The HPS adheres to the City's policy and practice for capital expenditures, which is defined as any asset expenditure greater than \$50,000 and an estimated useful life greater than one year.

As such, the HPS has completed its 2022 capital expenditure budget process resulting in a net budget request of \$3.41M (2021 – \$2.92M), an increase of \$0.49M or 0.28% over the 2021 HPS combined budget.

The incremental enhancements are driven by an increase in police vehicles purchases including the Mobile Command Van (via PSB 21-098), transition from 40-caliber magazines to 9mm platform, and facilities security system. These increases are netted against reductions in computers/desktops/tablets and central division retro-fit. These capital items are shown in Appendix B.

### **Reserve / Capital Recoveries - Capital**

For 2022, HPS proposes to fund \$0.30M from the Police allotted reserves (\$0.12M - Police Tax Stabilization, \$0.18M – Police Capital Reserve) to partially fund and offset the increase in one-time capital projects.

### **Capital Budget – Summary**

The 2022 net capital budget request of \$3.41M represents a \$0.49M or 0.28% increase over 2021 HPS combined budget.

### **SUMMARY – Combined Net HPS Budget**

The total 2022 HPS budget request amounts to \$183.54M, a combined (operating + capital) budgetary increase of \$6.96M or 3.94% increase over the 2021 total combined HPS budget.

The main factors driving the requested budget increase over prior year are:

- Collective Agreement Requirements
- Cost Allocation charges for insurance and WSIB from the City of Hamilton
- Reduction/elimination of several provincial grants, subsidies and other revenues.

This requested increase represents the necessity to provide adequate and effective policing to meet the needs of the Community.

*\*Several Police Services throughout the Province receive budgeted assessment growth projection in their budget requests from their respective municipalities. If the HPS considers the same assessment growth projections of 1.0%, as provided by the City of Hamilton, the 2022 combined budget request would be 2.94%.*

## **Multi – Year Budgets**

The City initiated the multi-year rolling budget process in an effort to increase accountability and transparency for all City departments, boards and agencies, including the HPS. It provides the Board and the public with a better understanding of HPS cost drivers, services, and performance for both current and future budget years. Appendix E provides a table of the multi-year rolling budget for HPS for the period 2023 – 2025.

Appendix G shows HPS discretionary reserves as at November 30, 2021 along with year-end projected balances.

### **APPENDICES AND SCHEDULES ATTACHED:**

Appendix A – 2022 Operating Budget Analysis

Appendix B – 2022 Capital Budget Analysis

Appendix C - 2022 Budget Increases / Decreases Analysis

Appendix D - 2022 Detailed Budget

Appendix E – 2022 - 2025 Multi-Year Budget Forecast

Appendix F – Budget Variance Report as at September 30, 2021

Appendix G – HPS Summary of Discretionary Reserve Balances

cc: Frank Bergen, Chief of Police  
Ryan Diodati, Deputy Chief – Operations  
Paul Hamilton, Deputy Chief – Support  
John Randazzo, Director - Finance/CFO

<b>Hamilton Police Service</b>		<b>Appendix A</b>
<b>2022 Operating Budget Analysis</b>		<a href="#">07/12/2021</a>
<b>2022 Operating Budget</b>	\$180,133,354	<b>% over 2021</b>
<b>2021 Operating Budget</b>	\$173,671,366	<b>Total Budget</b>
Employee Related Costs - Increase	\$4,952,718	<b>2.80%</b>
Operating Expenditures - Increase	\$1,248,301	<b>0.71%</b>
Revenues - Decrease	\$260,969	<b>0.15%</b>
<b>Total Increase</b>	<b>\$6,461,989</b>	<b>3.66%</b>
	<b>Incr/(Decr) over 2021 Budget</b>	<b>Percentage Incr/(Decr) over 2021 Budget</b>
<b>EMPLOYEE RELATED COSTS</b>		
<b>Salaries/Wages</b>		
<b>Additional Staff Request FTE's - New</b>		
Sworn - 4th Class Constables (13 - Start Date Sept 2022 - 1/3rd in 2022, 2/3rds in 2023)	\$312,398	
Board - Communications & Research Advisor	<u>\$60,279</u>	
<b>Total Salaries Staffing Additions</b>	<b>\$372,677</b>	<b>0.21%</b>
Salary Increase - Collective Agreement (includes Merit Increases, Perform Pay, etc)	\$2,674,835	1.51%
Part-Time Wages	\$59,540	0.03%
Court&Overtime	\$179,870	0.10%
Service Pay and Allowances	\$22,650	0.01%
<b>Total Salaries/Wages</b>	<b>\$3,309,572</b>	<b>1.87%</b>
<b>Employee Benefits</b>		
<b>Staffing Enhancements - New</b>		
Sworn - 4th Class Constables (13 - Start Date Sept 2022 - 1/3rd in 2022, 2/3rds in 2023)	\$83,840	
Board - Communications & Research Advisor	<u>\$9,980</u>	
<b>Total Benefits Staffing Enhancements</b>	<b>\$93,820</b>	<b>0.05%</b>
OMERS	\$242,520	0.14%
Government Benefits-CPP/EI/EHT	\$188,860	0.11%
Employer Benefits-Health&Dental/Group Life	\$420,910	0.24%
Vacation Pay / Pay in Lieu of Benefits	\$29,710	0.02%
Accumulated Sick Leave	\$34,540	0.02%
<b>Total Employee Benefits</b>	<b>\$1,010,360</b>	<b>0.57%</b>
<b>Other Employee Related Costs</b>		
WSIB Recovery - From City of Hamilton	\$618,000	0.35%
Other Employee Allowances	\$10,000	0.01%
Parking / Employee Paid Parking	(\$20,000)	-0.01%
Training	\$24,787	0.01%
		0.00%
<b>Total Other</b>	<b>\$632,787</b>	<b>0.36%</b>
<b>TOTAL EMPLOYEE RELATED COSTS</b>	<b>\$4,952,718</b>	<b>2.80%</b>

<b><u>OPERATING EXPENDITURES</u></b>	<b><u>Incr/(Decr) over 2021 Budget</u></b>	<b><u>Percentage Incr/(Decr) over 2021 Budget</u></b>
<b><u>Capital Financing</u></b>		
	<b>\$0</b>	<b>0.00%</b>
<b><u>Financial</u></b>		
Legal Fees	\$50,000	
Medical/Lab Fees	\$20,000	
Membership Fees	<u>(\$1,830)</u>	<b>0.04%</b>
<b><u>Material and Supplies</u></b>		
Ammunition	(\$25,000)	
Identification Supplies	\$1,500	
Miscellaneous Supplies	\$16,500	
Office Supplies	\$106,250	
Cleaning Supplies	\$15,500	
Operating Expenses	(\$400)	
Computer Software	\$179,871	
Computer Hardware	(\$20,000)	
Equipment	(\$78,292)	
Office Equipment	(\$1,680)	
Operating Equipment - CEW's	(\$110,202)	
Office Furniture & Fixtures	\$9,700	
Clothing - Uniforms/Shirts/Footwear/Outerwear	\$47,000	
Employee Assistance Program	\$24,000	
Investigative Expenses	(\$6,000)	
Auxiliary Expenses	(\$2,000)	
Repairs/Maintenance - Computer	\$172,000	
Repairs - Communications / Other	\$11,200	
Repairs - Tires/Tows/Washes	(\$10,000)	
Postage	(\$33,076)	
Meeting Expenses	<u>\$1,500</u>	<b>0.17%</b>
<b><u>Vehicle Expenses</u></b>		
Oil & Lubricants	\$3,000	
Fuel - Unleaded Gasoline/Diesel	\$130,000	
Repairs - Auto Equipment	<u>\$48,000</u>	<b>0.10%</b>
<b><u>Facilities Expenses - Buildings / Grounds</u></b>		
Building Repairs -all Facilities	(\$13,000)	
Laundry/Dry Cleaning Service	\$5,000	
Horticultural Services	\$78,500	
Data Lines	\$12,000	
Utilities-Heating/Hydro	\$32,800	
Telephone Expenses	(\$6,000)	
C.A. - IP Telephony - City	(\$6)	
Water & Sewer	<u>(\$12,000)</u>	<b>0.06%</b>
<b><u>Consulting</u></b>		
Consulting	<u>\$50,000</u>	<b>0.03%</b>
<b><u>Contractual Services</u></b>		
Rent - Office & Buildings	\$25,000	
Rent - Operating Equipment	(\$10,000)	
Advertising and Promotion	(\$3,780)	
Internet / Cable	\$6,000	
Contractual Services	<u>\$26,180</u>	<b>0.02%</b>
<b><u>Cost Allocations / Recoveries</u></b>		
CA - Utilities - MATA (Fire)	\$5,000	
CA - From the City of Hamilton (AP, Payroll, A/R, Legal, etc. )	\$6,201	
C.A.-Hardware Lease/Maintenance	\$471	
CA - Insurance (City)	<u>\$498,394</u>	<b>0.29%</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$1,248,301</b>	<b>0.71%</b>



<b>REVENUES</b>		<b>(Incr)/Decr over 2021 Budget</b>	<b>Percentage (Incr)/Decr over 2021 Budget</b>
<b><u>Grants and Subsidies - (Increase) / decrease</u></b>			
Poalice Fees from the Province - decrease	\$63,757	<b>\$63,757</b>	<b>0.04%</b>
<b><u>Fees and General - (Increase) / decrease</u></b>			
Special Duty Revenues			
Police Fees	\$138,212		
Police Clearances			
General Occurances / ID Photo Sales	<u>\$59,000</u>	<b>\$197,212</b>	<b>0.11%</b>
<b><u>Reserves &amp; Recoveries</u></b>			
		<b>\$0</b>	<b>0.00%</b>
<b>TOTAL REVENUES - (Increase) / decrease</b>		<b>\$260,969</b>	<b>0.15%</b>
<b>Total Operating Budget Increase</b>		<b>6,461,989</b>	<b>3.66%</b>

<b>Hamilton Police Service</b>		<b>Appendix B</b>	
<b>2022 Capital Budget Analysis</b>		<a href="#"><u>07/12/2021</u></a>	
<b>2022 Capital Budget</b>		\$3,409,185	<b>% over 2020</b>
<b>2021 Capital Budget</b>		2,915,661	<b>Total Budget</b>
Police Vehicles - Increase		370,204	<b>0.21%</b>
Information Technology - Increase		(119,740)	<b>-0.07%</b>
Other Capital Items - Increase		243,060	<b>0.14%</b>
Reserves/Capital Recoveries - decrease		-	<b>0.00%</b>
<b>Total</b>		<b>\$493,524</b>	<b>0.28%</b>
		<b>Incr/(Decr) over 2021 Budget</b>	<b>Percentage Incr/(Decr) over 2021 Budget</b>
<b><u>POLICE VEHICLES</u></b>			
Police Vehicles Replacement	\$182,704		
Police Command Van	<u>\$187,500</u>	\$370,204	<b>0.21%</b>
<b><u>INFORMATION TECHNOLOGY</u></b>			
Computers / Desktops /Tablets	(\$21,740)		
Mobile Technology	<u>(\$98,000)</u>	(\$119,740)	<b>-0.07%</b>
<b><u>OTHER CAPITAL ITEMS</u></b>			
9MM Conversion	\$183,060		
Central Division Retro-fit (Space Study & Reallocation)	(\$90,000)		
Chubb Panel Upgrade	\$150,000	\$243,060	<b>0.14%</b>
<b><u>RESERVE/CAPITAL RECOVERIES - (Increase)/Decrease</u></b>			
Revenue -	\$0		
	\$0	\$0	<b>0.00%</b>
<b>Total Capital Budget Increase</b>		<b>\$493,524</b>	<b>0.28%</b>

## Hamilton Police Service Summary of Discretionary Reserve Balances

### Appendix G

Reserve Number	Reserve Name	Balance December 31/20	Transfers To (+)	Transfers From (-)	Balance November 30/21	Projected Balance December 31, 2021
104055	Tax Stabilization - Police	2,976,064	-	(979,464)	1,996,600	1,996,600
110065	Police Capital Expenses	1,332,398	453,574	(3,652)	1,782,320	1,782,320
<b>TOTAL RESERVES</b>		<b>\$ 4,308,463</b>	<b>\$ 453,574</b>	<b>\$ (983,116)</b>	<b>\$ 3,778,921</b>	<b>\$ 3,778,921</b>





# Hamilton Farmers' Market

Farmers' Mkt





# City of Hamilton

## HAMILTON FARMERS' MARKET CORPORATION

### BUDGET INFORMATION: 10 Year Summary

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 NET Preliminary Budget \$
Gross Expenditures			723,689	695,009	707,500	829,180	821,480	805,460	811,160	804,860
Revenues Earned			-555,990	-587,500	-598,050	-718,080	-708,680	-692,660	-696,100	-562,500
<b>City Funding - Net</b>			<b>167,699</b>	<b>107,509</b>	<b>109,450</b>	<b>111,100</b>	<b>112,800</b>	<b>112,800</b>	<b>115,060</b>	<b>242,360</b>
<b>\$ Increase Year over Year</b>			<b>(3,552)</b>	<b>(60,190)</b>	<b>1,941</b>	<b>1,650</b>	<b>1,700</b>	<b>0</b>	<b>2,260</b>	<b>127,300</b>
<b>% Increase Year over Year</b>			<b>(2.1%)</b>	<b>(35.9%)</b>	<b>1.8%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>0.0%</b>	<b>2.0%</b>	<b>110.6%</b>

**Notes:**

1. In December 2014, the City of Hamilton incorporated Hamilton Farmers' Market Corporation as a not-for-profit entity for the purpose of operating the Market. The City is its sole voting member. The board of directors is comprised of councillors, citizen members and vendor members.
2. The City executed an Operating Agreement with the Hamilton Farmers' Market Corporation, per Appendix "A" to Report CM12009 - GIC Date: December 2, 2015
3. Prior to its incorporation, the Hamilton Farmers' Market was operated as a part of a City department.
4. The 2022 budget shows an increase of 110% - this is caused by a shortfall in revenues of about \$133K resulting mostly from loss of sponsorship.



Financial Statements of

# **HAMILTON FARMERS' MARKET CORPORATION**

And Independent Auditors' Report thereon

Year ended December 31, 2020



KPMG LLP  
Commerce Place  
21 King Street West, Suite 700  
Hamilton ON L8P 4W7  
Canada  
Tel 905-523-8200  
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## INDEPENDENT AUDITORS' REPORT

To the Chairman and Members of the Board of Management of the Hamilton Farmers' Market Corporation and Members of Council of the City of Hamilton.

### ***Opinion***

We have audited the financial statements of The Hamilton Farmer's Market Corporation (the Entity), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Page 2

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





Page 3

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

June 7, 2021

# HAMILTON FARMERS' MARKET CORPORATION

Financial Statements Index

Year ended December 31, 2020

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Statement of Financial Position .....	1
Statement of Operations .....	2
Statement of Cash Flows .....	3
Notes to Financial Statements .....	4 – 7

# HAMILTON FARMERS' MARKET CORPORATION

## Statement of Financial Position

December 31, 2020, with comparative information for 2019

	2020	2019
<b>Financial assets</b>		
Cash	\$ 2,100	\$ 2,100
HST recoverable	27,130	22,547
Accounts receivable (note 3)	296,440	84,025
Inventory	959	4,473
	326,629	113,145
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	10,465	10,204
Deferred revenues	8,283	2,886
Due to City of Hamilton (note 2)	295,726	89,835
Unredeemed gift certificates	12,155	10,220
	326,629	113,145
COVID-19 (note 5)		
Net financial assets and accumulated surplus	\$ —	\$ —

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# HAMILTON FARMERS' MARKET CORPORATION

## Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	Budget (note 4)	2020	2019
<b>Revenue:</b>			
Safe restart agreement funding (note 5)	\$ -	\$ 144,652	\$ -
Merchandise sales	4,500	1,646	3,512
Rental income	520,160	476,710	519,225
Other revenues	168,000	168,657	165,542
	692,660	791,665	688,279
City levy funded deficit (note 2)	112,800	112,800	112,800
Hamilton Farmers Market reserve (note 2)	-	(39,672)	58,189
	805,460	864,793	859,268
<b>Expenses:</b>			
Employee related costs	325,070	292,590	328,804
Building and grounds	243,890	391,305	306,187
Contractual	144,200	85,296	115,402
Materials and supplies	81,850	84,735	92,553
Financial	10,450	10,867	16,322
	805,460	864,793	859,268
Annual surplus, being net financial assets and accumulated surplus, end of year	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

# HAMILTON FARMERS' MARKET CORPORATION

## Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by:		
Operating activities:		
Annual surplus	\$ —	\$ —
Changes in non-cash assets and liabilities:		
Increase in HST receivable	(4,583)	(8,115)
Increase in accounts receivable	(212,415)	(21,870)
Decrease in inventory	3,514	3,542
Increase (decrease) in accounts payable and accrued liabilities	261	(1,567)
Increase in deferred revenue	5,397	2,886
Increase in due to City of Hamilton	205,891	22,855
Increase in unredeemed gift certificates	1,935	2,769
Net change in cash	—	500
Cash, beginning of year	2,100	1,600
Cash, end of year	\$ 2,100	\$ 2,100

See accompanying notes to financial statements.

# HAMILTON FARMERS' MARKET CORPORATION

Notes to Financial Statements

Year ended December 31, 2020

---

The Hamilton Farmers' Market Corporation referred to herein as (the "Market Corporation") was established on December 21, 2015 by the Council of the City of Hamilton (the "City") and has been entrusted to provide the public with access to high quality, nutritious and locally grown food. The Market Corporation also provides opportunities for farmers and food producers to serve the general public. The City owns the market facilities and arranges with the Market Corporation to exclusively manage and operate the facilities on the City's behalf.

## 1. Significant accounting policies:

The financial statements of the Market Corporation are prepared by management in accordance with Canadian public sector accounting standards ("PSAS") as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Market Corporation are as follows:

### (a) Basis of accounting:

These financial statements are prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Revenues are recorded on the accrual basis of accounting, whereby revenues are recognized as they are earned and measurable. Expenses are recognized in the period goods and services are acquired and a liability is incurred.

### (b) Cash:

Cash is comprised of cash on hand.

### (c) Inventory:

Inventory is valued at the lower of cost and net realizable value.

### (d) Government transfers:

Government transfers received relate to operating grants from the City of Hamilton. Government transfers are recognized in the financial statements as revenues when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amounts can be made except when, and to the extent that, stipulations by the transferors give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

### (e) Rental and other revenues:

Rental and other revenues are reported as revenue in the period earned. Other revenues are comprised of merchandise sales, utility recovery and sponsorships.

# HAMILTON FARMERS' MARKET CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2020

## 1. Significant accounting policies (continued):

(f) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(g) Gift Certificates:

Hamilton Farmers' Market issues gift certificates. These gift certificates make up the Unredeemed gift certificates balance on the statement of financial position. They have an indefinite life and do not expire.

(h) Use of estimates:

The preparation of financial statements required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

## 2. Related party transactions:

(a) Transactions with related parties:

	2020	2019
Revenue:		
City levy funded deficit	\$ 112,800	\$ 112,800
Hamilton Farmers Market reserve adjustment	(39,672)	58,189
	<b>\$ 73,128</b>	<b>\$ 170,989</b>

These transactions have been reflected in the annual surplus for the current year and were measured at the exchange amount of consideration established and agreed to by the related parties.

(b) Reserves held by related party:

The City of Hamilton holds a reserve fund on behalf of the Hamilton Farmers' Market Corporation. Use of the funds requires approval of both the Market Corporation's Board as well as the Council of the City of Hamilton. The funds are permitted to be used to ensure the viability of the Market Corporation if other sources of funding are not available. The balance of the reserve fund as at December 31, 2020 is \$71,919 (2019 - \$115,106).

# HAMILTON FARMERS' MARKET CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2020

## 2. Related party transactions (continued):

(c) Outstanding balances due to related party:

	2020	2019
City of Hamilton	\$ 295,726	\$ 89,835

The amount due to City of Hamilton is non-interest bearing and has no fixed terms of repayment.

## 3. Accounts receivable:

During the year, the Market Corporation presented a motion to the City requesting a 75% fee reduction in stallholders' rental fees. The request was meant to mirror the available Federal Government's Canada Emergency Commercial Rent Assistance (CECRA) program, under which municipal entities were not eligible. In line with this request, the Market Corporation adjusted fee invoices for April, May, and June 2020, equating to 25% of the contracted fee ahead of the request was considered by the City. However, the City determined that the fee reduction request was not consistent with the City-wide COVID-19 Occupancy Framework for tenancies and licenses and the request was denied. As a result, the Market Corporation issued invoices equal to 75% of contracted rent for April, May, and June 2020.

The Market Corporation later approved an optional deferral plan that allows stallholders to pay their fees for April through September 2020 in 2021 without interest. In total, there are 32 stallholders that did not sign the deferral program agreement.

## 4. Budget data:

The budget data presented in these financial statements is based upon the 2020 budget approved by Council.



# HAMILTON FARMERS' MARKET CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2020

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## 5. COVID-19:

During the year ended December 31, 2020, the novel coronavirus ("COVID-19") outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and Ontario governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Ontario resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable.

The Hamilton Farmers' Market remained open through the pandemic with reduced operating hours. During the year, the Hamilton Farmers' Market enacted the rent deferral program to assist vendors with rent payments. This program allowed vendors to defer their rent payments for April-September 2020 to 2021 without interest. This has caused the Hamilton Farmers' Market Accounts receivable to increase significantly in 2020.

As part of the federal-provincial Safe Restart Agreement, the City of Hamilton received an emergency assistance, and the Market Corporation was allocated an amount of \$144,652 in 2020. This funding was provided for the purpose of addressing COVID-19 related operating costs and financial pressures.

The current challenging economic climate may lead to adverse changes in cash flows, which may also have a direct impact on the Market Corporation's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Market Corporation's business are not known at this time.





**Item 6.1**



Hamilton

# **2022 BUDGET OVERVIEW**

**GENERAL ISSUES COMMITTEE**

Report FCS22002

**January 14<sup>th</sup>, 2022**

## AGENDA

1. 2022 Budget Process Overview
2. 2022 Preliminary Tax Supported Budget
3. Tax Policy
4. 2022 Council Guideline
5. Council Referred Items
6. Business Cases
7. 2023-2025 Multi-Year Outlook
8. Next Steps



# 2022 BUDGET PROCESS OVERVIEW



## BUDGET PROCESS OVERVIEW

- The preliminary budget includes all costs required to continue the delivery of services provided by the City of Hamilton, as well as previously approved strategic investments to advance the Term of Council priorities
- Staff have built the 2022 budget assuming continuity of service for City programs and services without disruption or impact from the COVID-19 pandemic response
- Staff have assumed that all pressures related to COVID-19 will be funded from senior levels of government or the City of Hamilton's COVID-19 Emergency Reserve

# COVID-19 FUNDING AND OUTLOOK

**City of Hamilton**  
**2021 COVID-19 Financial Forecast**  
**As of August 31, 2021**

2021 Funding from Senior Levels of Government (\$000,s)					
Service or Program	Net Financial Impact (\$000's)	Social Services Relief Fund	Ministry of Health	Safe Restart Agreement	Recovery Funding for Municipalities Program
Parking Services	6,311			(6,311)	
Housing Services	27,510	(20,785)		(4,780)	(1,945)
Long Term Care	5,569			(5,569)	
Recreation	1,119			(1,119)	
Public Health Services	40,481		(40,481)		
Emergency Response	5,012		(4,123)	(889)	
Transit	7,430			(7,430)	
Slot Revenues	2,600			(2,600)	
General Municipal	5,369			(5,369)	
<b>Total</b>	<b>101,400</b>	<b>(20,785)</b>	<b>(44,604)</b>	<b>(34,066)</b>	<b>(1,945)</b>



# COVID-19 FUNDING AND OUTLOOK

City of Hamilton  
2022 COVID-19 Financial Forecast  
As of December 10, 2021

		2022 Funding from Senior Levels of Government (\$000,s)				City of Hamilton (\$000's)
Service or Program	Net Financial Impact (\$000's)	Social Services Relief Fund	Ministry of Health	Safe Restart Agreement	Recovery Funding for Municipalities Program	COVID-19 Emergency Reserve
Parking Services	4,700				(4,700)	
Housing Services	22,529	(16,900)			(5,629)	
Long Term Care	818					(818)
Recreation	7,254				(2,452)	(4,802)
Public Health Services	46,158		(46,158)			
Emergency Response	2,957					(2,957)
Transit	4,495			(4,495)		-
Slot Revenues	2,600				(2,600)	
General Municipal	1,399				(1,399)	
<b>Total</b>	<b>92,910</b>	<b>(16,900)</b>	<b>(46,158)</b>	<b>(4,495)</b>	<b>(16,780)</b>	<b>(8,577)</b>

## 2022 BUDGET DIRECTION

- Tax Operating Budget prepared at an increase required to maintain current service levels with a 2.0% guideline for City Departments, as well as Boards & Agencies
  - Note: In development of the 2022 Preliminary Tax Operating Budget, staff have assumed that all pressures related to COVID-19 will be funded from senior levels of government or the COVID-19 Emergency Reserve
- The majority of 2022 user fees were approved at a 2.0% increase
- Tax Capital Levy increase of 0.6%



# 2022 PRELIMINARY TAX SUPPORTED BUDGET



## 2022 OUTLOOK VS PRELIMINARY

2022 Tax Budget	Budget Stage	Levy Increase \$	Total Residential Tax Impact %
	Outlook (October)	48,741,320	4.10%
	Preliminary (Budget Book)	42,944,500	3.30%
	<b>Adjusted for Boards &amp; Agencies*</b>	<b>46,376,660</b>	<b>3.70%</b>

## 2022 PRELIMINARY ADJUSTED FOR B&A SUBMISSIONS

		Total Residential Tax Impact
<b>Preliminary Residential Tax Increase - Budget Book</b>		<b>\$ 42,944,500</b>
<b>PENDING AMENDMENTS:</b>		
B&A	Hamilton Police Services – to align to Board Approval	3,389,570
B&A	Conservation Authorities & Other Agencies – to align to Board Approval	<u>42,590</u>
		<b>\$ 46,376,660</b>
<b>AVERAGE TOTAL RESIDENTIAL MUNICIPAL TAX IMPACT with B&amp;A at Board submission</b>		<b>3.7%</b>

\*Anomalies due to rounding

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## 2022 TOTAL AVERAGE RESIDENTIAL TAX IMPACT

	2021 \$	2022 \$	Change \$	Change %
City Departments	2,527	2,634	107	2.8%
Boards and Agencies	875	898	23	0.6%
Capital Financing	373	396	25	0.7%
<b>MUNICIPAL TAX IMPACT</b>	<b>3,775</b>	<b>3,930</b>	<b>154</b>	<b>4.1%</b>
Education Impact*				(0.3%)
<b>TOTAL AVERAGE RESIDENTIAL TAX IMPACT</b>				<b>3.7%</b>

\* Note: Education impact is based on historical assumptions. Final Education rates will be factored in at a future Budget GIC in February

## 2022 NET OPERATING BUDGET BY DEPARTMENT

(\$000's)

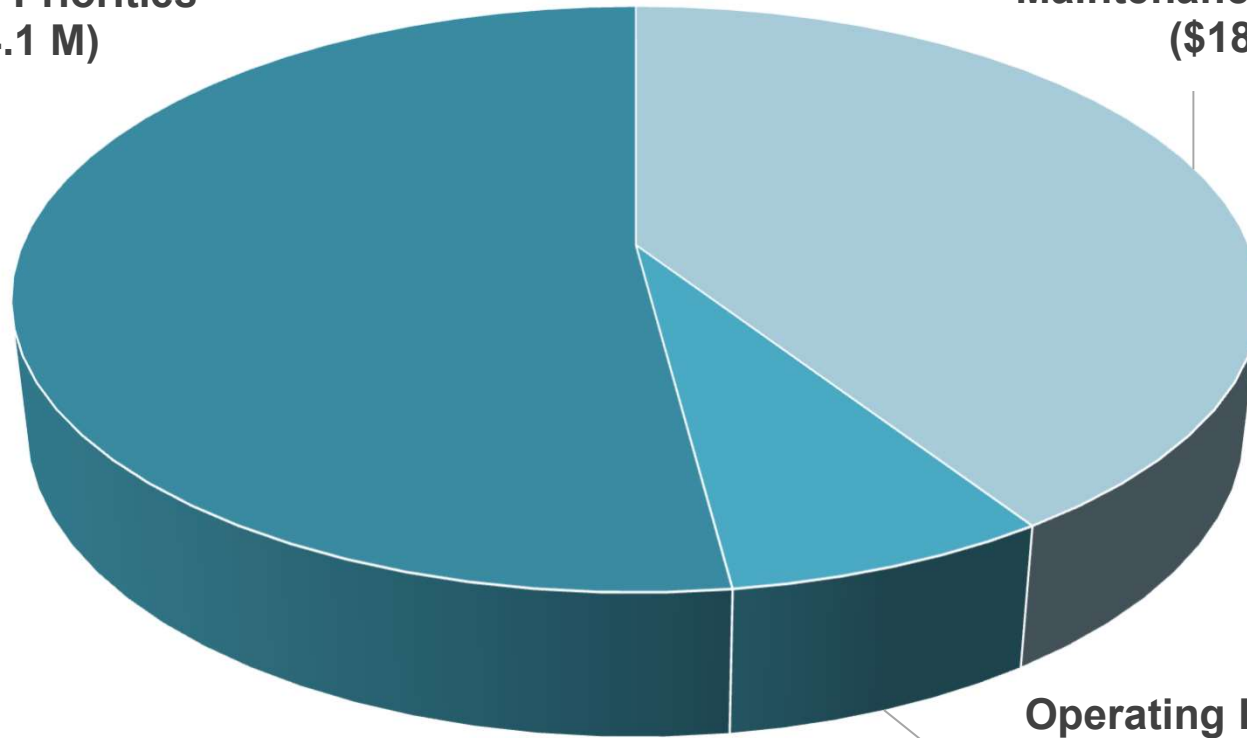
	2021 \$	2022 \$	Change 2022 / 2021	
Department	Restated Budget	Preliminary Budget	\$	%
Planning & Economic Development	30,390	30,980	590	1.9%
Healthy and Safe Communities	255,190	268,870	13,681	5.4%
Public Works	266,574	279,668	13,094	4.9%
Legislative	5,171	5,285	113	2.2%
City Manager	13,022	13,616	594	4.6%
Corporate Services	37,673	38,381	708	1.9%
Corp Financials/Non Prog Revenues	(28,383)	(25,046)	3,337	-11.8%
Hamilton Entertainment Facilities	4,037	4,188	151	3.7%
<b>Total City Departments</b>	<b>583,674</b>	<b>615,942</b>	<b>32,268</b>	<b>5.5%</b>
Total Boards & Agencies	231,203	239,165	7,962	3.4%
Capital Financing	139,542	145,688	6,146	4.4%
<b>Total Preliminary Operating Budget</b>	<b>954,419</b>	<b>1,000,796</b>	<b>46,377</b>	<b>4.9%</b>
<b>Total Average Residential Property Tax Impact</b>				<b>3.7%</b>

# DEPARTMENT ANALYSIS OF BUDGET

**Total Levy Increase of \$46.4 M**

**Strategic Priorities  
(\$24.1 M)**

**Maintenance Pressures  
(\$18.9M)**



**Operating Impacts of  
Capital (\$3.3 M)**



## BUDGET DRIVERS - MAINTENANCE

	Salaries, Wages & Benefit (Net of Funding Agreements)	\$ 14.9 M
	Contributions to Reserves/Fiscal Health and Financial Management	2.2 M
	Curbside Waste Collection	1.9 M
	Social Housing Provider Benchmarks	1.8 M
	Fuel and Energy Costs	0.8 M
	Recycling Processing & Transfer Station/Community Recycling	0.5 M
	Tim Hortons Field Contractual Agreement	0.5 M
	PRESTO Operating Agreement	0.4 M
	Confederation Park Contractual Agreement	0.2 M
	Increase in user fees	(7.2 M)
	Miscellaneous	(0.5 M)
	B&A Budget Submission Adjustment	\$3.4 M

NOTE: Anomalies due to rounding

**Total****\$ 18.9 M**

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## BUDGET DRIVERS – STRATEGIC PRIORITIES

### Operating Impacts of Capital








Information Technology	\$ 1.7 M
Tree planting and parks maintenance	0.6 M
West Harbour & Waterfront Strategic Initiatives	0.2 M
Transportation Infrastructure	0.2 M
Others	0.6 M
<b>Total</b>	<b>\$ 3.3 M</b>

NOTE: Anomalies due to rounding

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## BUDGET DRIVERS – STRATEGIC PRIORITIES

	Fiscal Health and Financial Management	\$ 10.4 M
	Multi-Modal Transportation, EDI, & Climate Change	5.4 M
	Affordable Housing and Homelessness	4.4 M
	COVID-19 Resilience	1.3 M
	Provincial Funding	2.6 M
<b>Total</b>		<b>\$ 24.1 M</b>




NOTE: Anomalies due to rounding

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## BUDGET DRIVERS – SALARIES & BENEFITS

<b>Average Salary &amp; Benefits Increase by Employee</b>	
<b>Component</b>	<b>2022</b>
Collective Agreements	1.60%
Government Provided Benefits	7.50%
Employer Provided Benefits	7.07%
WSIB	3.63%
<b>Total Ave. Salaries &amp; Benefits Increase by Employee</b>	<b>2.21%</b>

## CAPITAL FINANCING

	Capital Tax Levy – Discretionary Blocks	4.8 M
	Investing in Canada Infrastructure Program - Transit	1.0 M
	West Harbour Strategic Initiatives	0.4 M
<b>Total</b>		<b>\$ 6.2 M</b>

NOTE: Anomalies due to rounding

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## BOARDS & AGENCIES

### 2022 NET OPERATING BUDGET (\$000's)

	<b>2022 Budget Impact (\$)</b>	<b>Change (%)</b>
Conservation Authorities	224	2.7%
Farmers' Market	127	110.6%
Hamilton Beach Rescue Unit	0	0.0%
MPAC	0	0.0%
Royal Botanical Gardens	0	0.0%
Police	6,956	3.9%
Library	654	2.0%
City Enrichment Fund	0	0.0%

**Total**

**7,961**

**3.5%**

NOTE: Amounts reflect 2022 Budgets as submitted by respective Board and detailed in Appendix B to Report FCS22002

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## 2022 STAFFING COMPLEMENT (TAX) (EXCLUSIVE OF BOARDS & AGENCIES)

	Change	Total
2021 Restated		5,891.97
Operating Impacts from Capital	<b>13.30</b>	
Other Complement Change:		
Staffing addition (PED)	9.00	
Staffing addition (HSC)	2.74	
Staffing addition (PW)	43.26	
Staffing addition (CMO)	0.50	
Staffing addition (CS)	<u>5.00</u>	
Total Other Complement Change	<b>60.50</b>	
Total Change		<b>73.80</b>
<b>Total 2022 Complement</b>		<b>5,965.77</b>



# TAX POLICY





## TAX POLICY MATTERS

- Reassessment was paused by Province for 2022 and 2023 in response to the pandemic
  - No reassessment shifts
  - 2022 impact will reflect budget and area rating decisions
- The City continues to be impacted by the levy restriction to the Industrial and Multi-Residential property classes

## AREA RATING REVIEW

- Review of Area Rating Methodologies report being discussed today at GIC
- Includes analysis and rationale for the review of the following area rated levies:
  - Sidewalk snow removal
  - Sidewalk and Streetlighting
  - Recreation
  - Parkland purchases
  - Phased-in Fire
- Recommendation report will be brought forward in February



# 2022 COUNCIL GUIDELINE



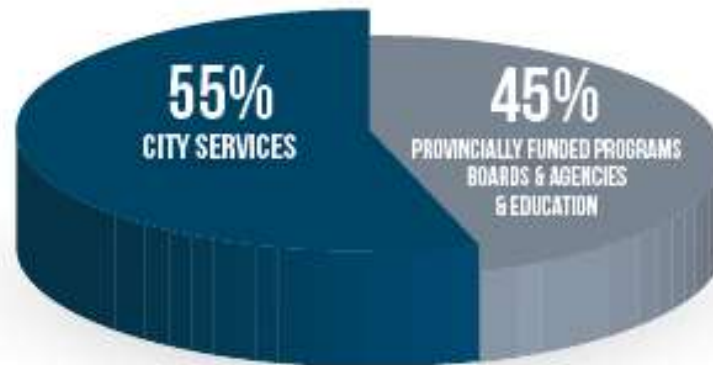
## 2022 REDUCTION SCENARIOS

	Reduction (\$000's)	Levy Increase (\$000's)	Total Residential Tax Incr.
<b>Adjusted Preliminary Budget</b>		<b>46,377</b>	<b>3.7%</b>
Total Reductions Of	(6,500)	39,877	3.0%
Total Reductions Of	(11,150)	35,227	2.5%
Total Reductions Of	(15,800)	30,577	2.0%

- Excludes potential increases due to 2022 Referred Items and Business Cases
- \$9.3M is required to adjust the municipal tax impact by 1%

# LIMITED CONTROL

## 2022 PROPERTY TAX BREAKDOWN



**TO MAINTAIN CURRENT LEVELS OF SERVICE: THE REQUIRED TAX INCREASE IS 3.3%**

**0%**

**TO MAINTAIN 2021 TAX LEVY: CITY COUNCIL HAS FULL CONTROL TO REDUCE OR ADJUST SERVICE LEVELS THAT MAKE UP 55% OF THE TAX LEVY**

**5.8%**

**5.8% SERVICE LEVEL REDUCTION IN CITY SERVICES: IS REQUIRED TO MAINTAIN THE CURRENT TAX RATE**

### CITY SERVICES



**ROADS, SIDEWALKS AND STREETLIGHTING**



**WASTE MANAGEMENT**



**PARKS**



**FIRE SERVICES**



**TRANSIT**



**RECREATION**



**PLANNING AND ECONOMIC DEVELOPMENT**

## MITIGATION OPTION TYPES



### Financials

- Reduce contributions to reserves impacting long term financial plan.



### Revenues

- Enhance user fee increases in many areas. Introduce new fees for service. Reduce or eliminate fee waivers.

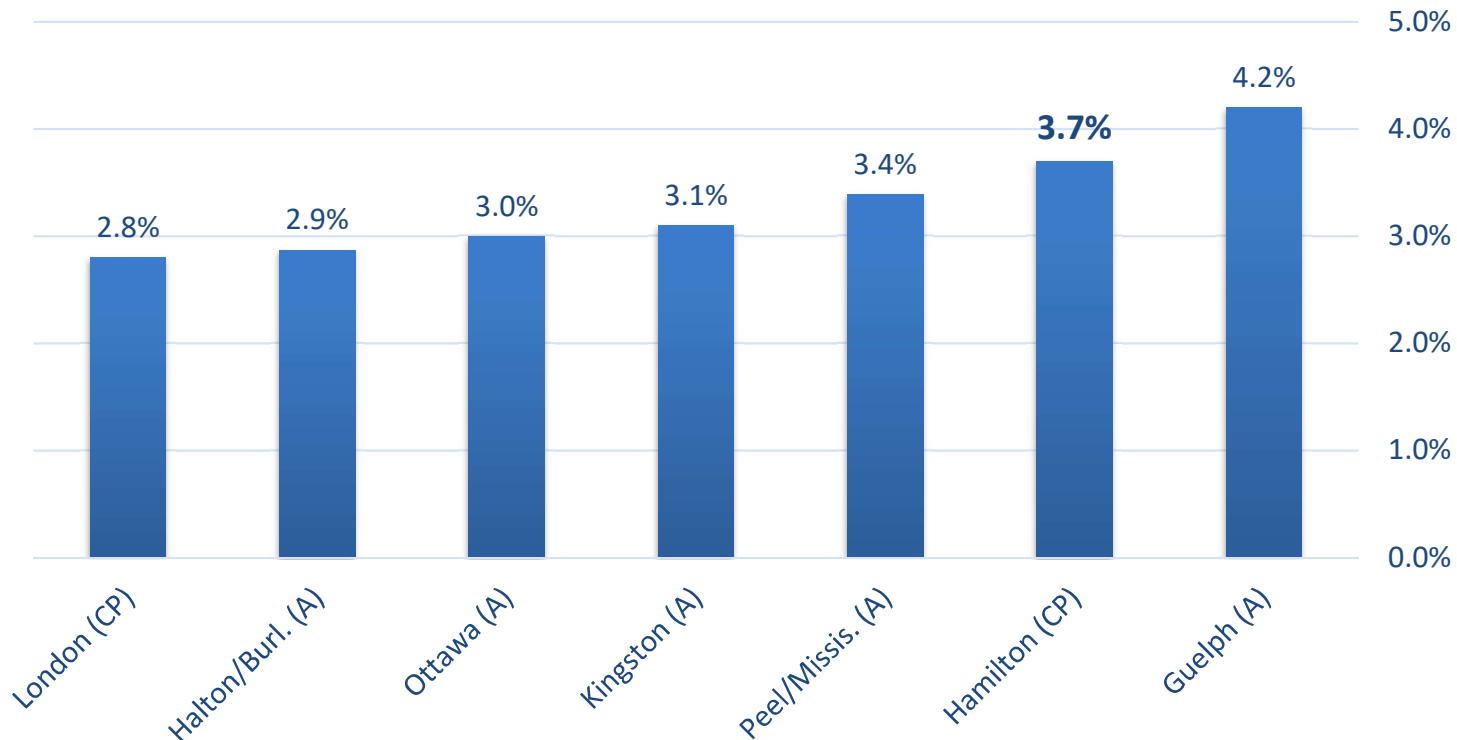


### Services

- Reduce response time to inquiries, request for service.
- Reduce capability for policy work including in-year requests from Council.
- Reduce service hours for facilities/programs.
- Close under utilized facilities.
- Reduce or eliminate service levels where service is under utilized.
- Align service levels to comparator municipalities where the City exceeds those comparators.
- Align service levels to provincial funding.
- Reduce grants to external agencies.
- Eliminate / Close non-core services / facilities

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# 2022 RESIDENTIAL TAX IMPACTS COMPARATORS



*T = Targeted*  
*CP = Current Position*  
*A = Approved*

**Note: West Lincoln, Haldimand County, Windsor, Niagara Falls and Toronto are pending.**



# 2022 COUNCIL REFERRED ITEMS





## 2022 COUNCIL REFERRED SUMMARY

- Items previously considered at Council and referred to the budget process for further discussion.
- 5 council referred items:

Department	# of Items	Gross (\$)	Net (\$)	FTE
Public Works	1	\$45,000	\$45,000	0.00
Corporate Services	3	\$75,300	\$75,300	0.00
City Manager's Office	1	\$141,300	\$36,900	2.00
<b>TOTAL</b>	<b>5</b>	<b>\$261,600</b>	<b>\$157,200</b>	<b>2.00</b>

- Not included in Preliminary Budget. If approved, would result in a 0.03% tax impact.

## 2022 COUNCIL REFERRED DETAILED SUMMARY

BUDGET BOOK					
#	Department	Item	Gross (\$)	Net (\$)	FTE
1	Public Works	City-Wide Private Tree Giveaway (PW21044)	\$45,000	\$45,000	0.00
2	Corporate Services	Canada Healthy Communities Initiative Intake Two (FCS21020(a)) - The Public Space and Park Wi-Fi Connectivity Project	\$30,000	\$30,000	0.00
3	Corporate Services	2022 Municipal Election: Communication Plan (FCS21071)	\$14,000	\$14,000	0.00
4	Corporate Services	City Clerk's Vote by Mail (FCS21073)	\$31,300	\$31,300	0.00
5	City Manager's Office	Transitioning CityLAB from pilot to permanent program (CM21009)	\$141,300	\$36,900	2.00
<b>TOTAL COUNCIL REFERRED ITEMS</b>			<b>\$261,600</b>	<b>\$157,200</b>	<b>2.00</b>



# 2022 BUSINESS CASES



## 2022 BUSINESS CASES SUMMARY

- 11 business cases for consideration in the 2022 budget process:

Department	# of Business Cases Submitted	Gross (\$)	Net (\$)	FTE
Planning & Economic Development	2	178,720	0	2.00
Healthy and Safe Communities	2	1,082,000	541,000	10.80
Corporate Services	7	1,215,500	610,600	15.00
<b>Total Business Cases</b>	<b>11</b>	<b>2,476,220</b>	<b>1,151,600</b>	<b>27.80</b>

- The amounts above are not included in the 2022 preliminary budget
- If approved, would result in a 0.1% tax impact

## 2022 BUSINESS CASES DETAILED SUMMARY

#	Dept.	Business Case Details	Gross (\$)	Net (\$)	FTE Impact
1	Planning & Economic Development	Film Production Facilitation	\$77,720	\$0	1.00
2	Planning & Economic Development	Infrastructure Planning Project Manager - in support of PW/EcDev/Corporate storm water management initiatives	\$101,000	\$0	1.00
3	Healthy and Safe Communities	Hamilton Paramedic Service 2022-2025 Enhancement (Ambulance)	\$1,082,000	\$541,000	10.00
4	Healthy and Safe Communities	Ontario Seniors Dental Care Program (OSDCP) Service Delivery	\$0	\$0	0.80
5	Corporate Services	POA Virtual Court	\$604,900	\$0	8.00
6	Corporate Services	Development Finance Analysis and Support	\$70,700	\$70,700	1.00

(CONTINUED ON NEXT SLIDE)

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## 2022 BUSINESS CASES DETAILED SUMMARY

#	Dept.	Business Case Details	Gross (\$)	Net (\$)	FTE Impact
7	Corporate Services	Additional FTEs for Information Technology	183,100	183,100	2.00
8	Corporate Services	Additional FTE for Senior Contract Specialist	82,900	82,900	1.00
9	Corporate Services	IT Security FTE	115,300	115,300	1.00
10	Corporate Services	Strategy & Architecture FTEs	86,600	86,600	1.00
11	Corporate Services	Administrative Assistant to City Solicitor	72,000	72,000	1.00
<b>TOTAL BUSINESS CASES</b>			<b>2,476,220</b>	<b>1,151,600</b>	<b>27.80</b>

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# MULTI-YEAR OUTLOOK 2023-2025



## MULTI-YEAR OUTLOOK (2023 – 2025)

- The Multi-Year Budget assumes continuity of services and forecasted growth per Council approved Master Plans
- There have been no confirmed COVID-related funding commitments for 2023 and beyond
- It is anticipated that municipal services will continue to be impacted by the pandemic beyond 2022 principally in Transit, Housing, Recreation, Tourism & Culture, Parking, Public Health, Long-Term Care and Children's Services



## MULTI-YEAR OUTLOOK BUDGET INCREASE (\$'000's)

	Increase						
	2022	2023		2024		2025	
	\$	\$	%	\$	%	\$	%
Total City Departments	615,492	26,023	4.2%	23,734	2.3%	24,420	2.9%
Boards & Agencies	235,733	5,170	2.2%	4,890	2.0%	4,914	2.0%
Capital Financing	145,688	5,471	3.8%	6,629	4.4%	4,854	3.1%
<b>Total Preliminary Operating Budget</b>	<b>997,363</b>	<b>36,663</b>	<b>3.7%</b>	<b>35,253</b>	<b>3.4%</b>	<b>34,188</b>	<b>3.2%</b>
<b>Residential Average Property Tax Impact *</b>	<b>3.3%</b>		<b>3.5%</b>		<b>3.0%</b>		<b>2.8%</b>
Residential Average Property Tax Impact as projected in 2021 Budget	3.4%		2.5%		3.0%		
<b>Difference</b>	<b>(0.1)%</b>		<b>1.0%</b>		<b>-</b>		

\* - Municipal tax impact excluding education.

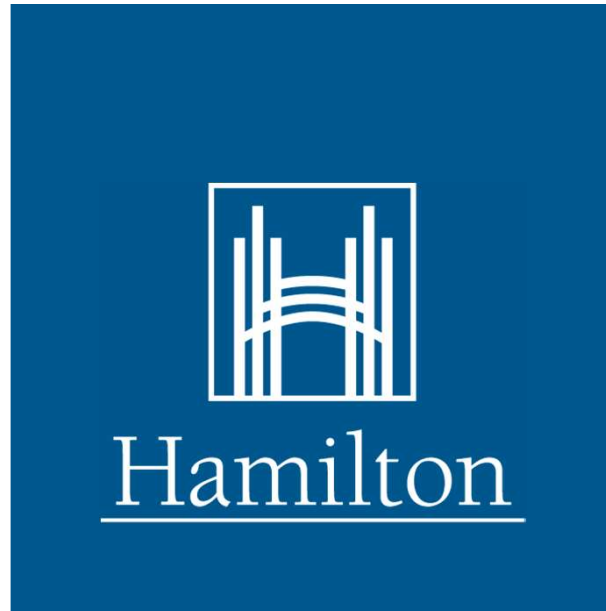


## NEXT STEPS



## 2022 PROCESS DATES

ITEM	DATE
GIC – Boards and Agencies	January 18 <sup>th</sup> & 20 <sup>th</sup>
GIC – Transit Day	January 21 <sup>st</sup>
GIC – Departmental Presentations	January 25 <sup>th</sup> , 26 <sup>th</sup> , 27 <sup>th</sup> , Feb.4 <sup>th</sup>
GIC – Budget Delegations (Public)	Feb. 7 <sup>th</sup>
GIC – Budget Deliberations	Feb. 10 <sup>th</sup> , 22 <sup>nd</sup> , 25 <sup>th</sup> and March 1 <sup>st</sup> & 3 <sup>rd</sup> (if required)
Council Budget Approval	March 30 <sup>th</sup>



THANK YOU





## INFORMATION REPORT

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	January 14, 2022
<b>SUBJECT/REPORT NO:</b>	Review of Area Rating Methodologies (FCS21078(a)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Gloria Rojas (905) 546-2424 Ext. 6247
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
<b>SIGNATURE:</b>	

### COUNCIL DIRECTION

N/A

### INFORMATION

In September of 2021, through report “Review of Area Rating Methodologies” (Report FCS21078), staff informed Council of the upcoming review of methodology of the following area rated levies:

- Sidewalk snow removal
- Recreation
- Parkland purchases
- Fire

The purpose of Report FCS21078(a) is to provide additional information on the rationale for the review of the mentioned area rated services and will also include Sidewalk and Streetlighting in the analysis. Report FCS21078(a) also provides information to Council on the general direction that the analysis is pointing towards in terms of upcoming staff recommendations. Any feedback or direction received from Council will help inform the recommendation report planned for February 2022.

**SUBJECT: Review of Area Rating Methodologies (FCS21078(a)) (City Wide) –  
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Changes to area rating are revenue neutral. However, there will be a re-distribution of taxes based on the changes. Preliminary tax impacts of the possible changes are included in Appendix “A” to Report FCS21078(a).

Area rating is a municipal property taxation policy tool intended to account for either significant differences in service levels or differences in the cost of providing services across different parts of the City (*Municipal Act, 2001, Section 326*).

The result of area rating is that tax rates for certain services vary depending on where the property is located and the level of service offered by the City. All areas within the City have area rated services. Depending on the levels of service, the tax rate varies.

Report FCS09087 “Area Rating Options” identified four general principles to area rating:

1. Revenue Neutral: Assumes the same tax levy regardless of the area rating option. Area rating does not generate additional taxes for the City as a whole.
2. Service Delivery Drives Taxes: How a service is delivered can impact how it is appropriately taxed, not vice-versa.
3. It is not pay-for-use: Every property owner will utilize City services differently. Some services are never utilized but support a greater common good. Not all properties within each boundary will have exactly the same access or utilization to the service.
4. Area rating is an evolutionary process as growth may lead to changes in rural / urban boundaries over time.

### **History of Area Rating in Hamilton**

Prior to amalgamation, the former Region of Hamilton-Wentworth area rated Transit, Waste Management, Libraries and Storm Sewers. Services such as Fire, Parks, Recreation and Garbage Collection were provided exclusively at the local area municipal level and, therefore, not part of Regional Government.

When the Province decided to amalgamate the City of Hamilton, Special Advisor David O’Brien’s report to the Minister of Municipal Affairs and Housing (Local Government Reform for Hamilton-Wentworth, November 1999) recommended that the new City of Hamilton area rate only transit and fire.

However, in 2001, City Council approved the area rating of Transit, Fire, Culture and Recreation, Storm Sewers, Senior’s Tax Credit, Slot Revenues and Financial Adjustments based on former municipal boundaries (Report FCS01015, “Final 2001 CVA Reassessment, Amalgamation and Phase-in Tax Impacts”). The Report also stated that “...as service levels, service delivery, costs and user fees are equalized, area rating of certain programs may not be appropriate in the long run”.

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**SUBJECT: Review of Area Rating Methodologies (FCS21078(a)) (City Wide) –  
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In 2011, the City implemented a new area rating methodology largely based on an urban and rural model that aligns to the transit service area and recognizes that area rating based on former municipal boundaries does not necessarily acknowledge how services are delivered or the cost to deliver these services. Under this model, properties within the transit service area are considered urban, while properties outside the transit service area are considered rural.

The following services are currently area rated based on the urban / rural model:

- Recreation
- Streetlights / Sidewalks
- Fire (the boundaries of this service align to the Fire response areas and are different to the boundaries that align to the transit service)

The following services are area rated based on the former municipality boundaries:

- Transit
- Sidewalk Snow Clearing (Ancaster properties only)
- Parkland Purchases
- Infrastructure Levy (Former Hamilton properties only)

An urban / rural area rating methodology reflects more closely how services are provided and is consistent with the area rating methodology used by other municipalities in Ontario.

### **Municipal Scan**

A scan was conducted of single-tier and two-tier municipalities in Ontario with respect to services that they area rate. Appendix “B” to Report FCS21078(a) lists the area rated services levied by each municipality.

Overall, of the 13 municipalities that have area rated services, transit, fire and waste collection are the most common area rated levies. There is no municipality or region with more than three area rated levies. In contrast, the City of Hamilton has eight area rated levies.

### **Sidewalk Snow Removal**

Snow removal is a legislated service as per Ontario Regulation 239/02, Minimum Maintenance Standards for Municipal Highways, under the *Municipal Act, 2001*. The City currently provides partial snow clearing for sidewalks. The 2021 budgeted cost of this service is included in the general levy for approximately \$2.1 M. Ancaster property owners pay an additional levy area rated to urban properties, since all the sidewalks in the former municipality are cleared (\$156,000 in 2021).

**SUBJECT: Review of Area Rating Methodologies (FCS21078(a)) (City Wide) –  
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In April of 2021, Council approved an enhancement to the level of service for winter sidewalk snow clearing as follows:

**Sidewalk Snow Clearing Update (Report PW19022(c)) (City Wide) (Item 8.1)**

“That the level of service for winter sidewalk snow removal be enhanced as defined as Scenario 2A – Priority 1 and 2A Roadways – Maintaining sidewalks in the existing level of service plus the addition of an estimated 783 km of sidewalk along transit routes, at an estimated cost of \$4.44 million.... “

The enhanced level of service is an extension of the existing service currently included in the general levy and was developed under an Equity, Diversion and Inclusion lens, not based on location.

Under the new level of service, Ancaster has only 9% of the total number of kilometers cleared compared to 20% under the previous level of service. In contrast, former Hamilton has 66% compared to 46% under the previous level of service. Therefore, under the new level of service, Ancaster does not have a differential service.

Sidewalk Snow Removal has other associated costs such as slip and fall claims. Over the last 10 years (2010 to 2019) Risk Management Services has averaged 45 sidewalk slip and fall claims per year. The average yearly total claims expense over the same period for sidewalk slip and fall claims (settlements, investigation, legal) is \$616,000. These costs are also included in the general levy and do not qualify as a differential service. It would not be appropriate to area rate one part of the service but not area rate its associated costs.

Based on the previous analysis, there does not appear to be a strong rationale for the Sidewalk Snow Removal program to be area rated, including the area rated levy currently paid in Ancaster starting in 2022. The average tax impact of including all sidewalk snow removal costs in the general tax levy would be a decrease of (0.1%) or \$8 for the urban properties in Ancaster and an increase of 0% or \$1 for the rest of the properties in the City.

Detailed tax impacts by ward for Sidewalk Snow removal are included in Table 1 of Appendix “A” to Report FCS21078(a).

### **Sidewalks and Streetlights**

Sidewalks and Streetlights are area rated based on the urban / rural methodology that follows the transit boundary. Prior to 2011, Sidewalks and Streetlights were not area rated but were included in the new methodology on the basis that rural areas have minimal sidewalks and streetlighting and that a number of municipalities area rated these services at the time.

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While sidewalks are predominately in the urban area, there are pockets within the urban area which do not have sidewalks and still have to pay for the service which may be seen as an inequity in how the service is taxed. In addition, the distribution of sidewalks in the urban and rural areas, measured in kilometres, is taken from the Pavement Measurement System which may not follow the transit boundary.

Sidewalks is not a service that is widely area rated by municipalities in Ontario and several municipalities that used to area rate streetlighting such as Niagara Falls, Niagara-on-the-Lake, Barrie and Milton now include this service in the general levy.

As the City grows, the number of sidewalks and streetlights in the rural areas and its share of the cost is also increasing. Since 2011, the proportion of rural sidewalks has increased by 60% (versus a reduction of 1% in the urban areas) and the proportion of costs allocated to the rural areas has increased by 126% (versus 41% in urban areas). Similarly, the proportion of streetlights has increased by 12% in the rural areas (versus a decrease of 1% in the urban areas) and the proportion of costs allocated to the rural areas has increased by 10% (versus a decrease of 2.3% in the urban areas).

Staff has performed an analysis of the tax impacts of eliminating Sidewalks and Streetlights from area rating being phase-out in a four-year period starting 2022. The average annual tax impact of this change will be a decrease of (\$1) or 0.0% in the urban areas of the City and an increase of approximately \$4 to \$6 or 0.1% in the rural areas of the City.

Detailed tax impacts by ward for Sidewalks and Streetlights are included in Table 2 of Appendix “A” to Report FCS21078(a).

**Recreation**

Currently, Recreation services are area rated by former municipality based on where the facility is located.

Recreation facilities and programs are available to all City of Hamilton residents regardless of where in the municipality they reside. User fees for Recreation services have been harmonized throughout the City and the catchment area for these facilities and programs extends beyond former area municipal boundaries. For example, 80% of the registered program participants in the Ancaster Rotary Centre come to this facility from an 8 km radius as seen in the Figure 1 map (2018 Environics Analytics using registered program data). Similar data is available for 32 recreation facilities in which is shown that registered users regularly travel up to 13 km to a recreation facility.

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**SUBJECT: Review of Area Rating Methodologies (FCS21078(a)) (City Wide) –  
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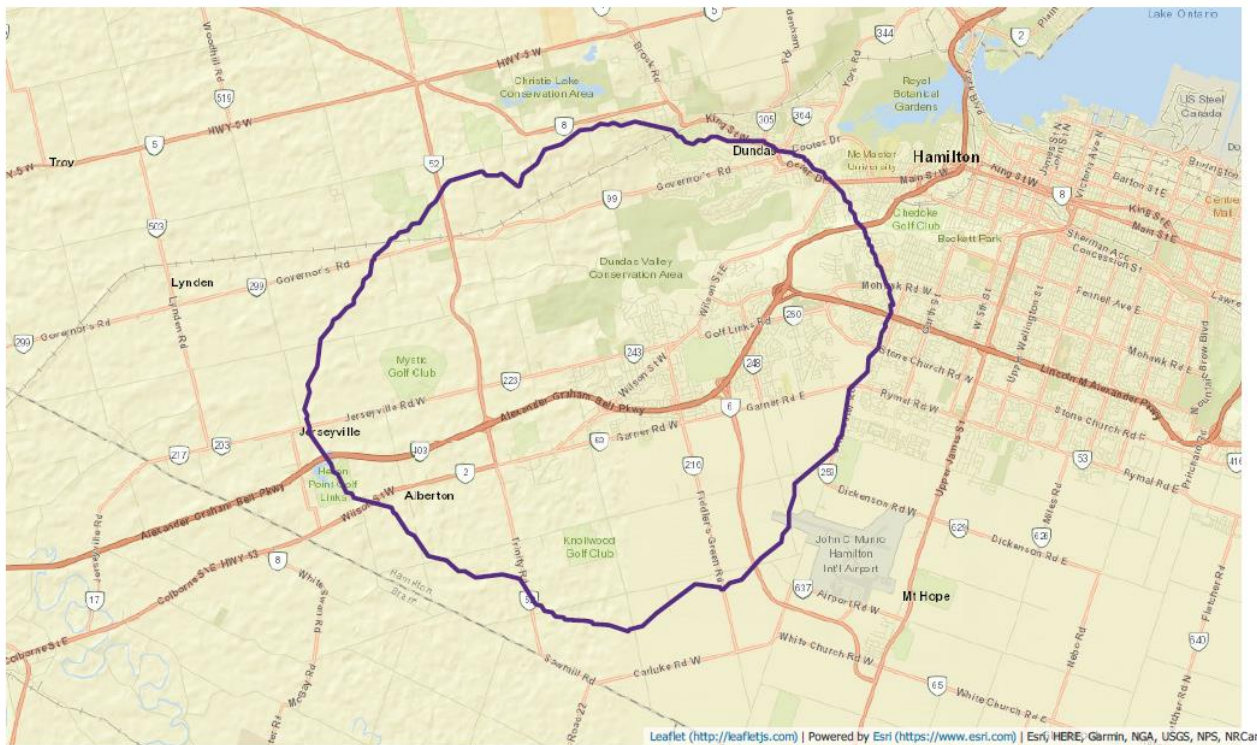
**Figure 1  
Ancaster Rotary Centre – Trade Area Map**

Demographics | Trade Area Map

ENVIRONICS  
ANALYTICS

Trade Area: Ancaster Rotary Centre 80% - 8 km Drive Distance

Population: 75,338 | Households: 27,656



Copyright © 2018 by Environics Analytics (EA). Source: DemoStats 2017, Environics Research, Wvdata, PRIZM5, PRIZM5 2017 - FSALDU. PRIZM is a registered trademark of Claritas, LLC.

The 10-year capital forecast identifies the following planned new facilities, some of which will be located in rural areas of the City:

- Winona Recreation Centre
- Waterdown Recreation Centre
- Binbrook Recreation Centre
- Elfrida Recreation Centre
- Saltfleet Recreation Complex
- Mount Hope Recreation Facility

Reports CM08022, “Area Rating Policy Update”, and Report FCS09087, “Area Rating Options”, have stated that Recreation does not meet the legislative criteria to qualify as an area rated service. In addition, none of the municipalities included in the municipal scan area rates Recreation services.

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Staff continues to support the previous conclusion that Recreation services do not meet the criteria as an area rated service and has performed an analysis of the tax impacts of eliminating Recreation from area rating, being phase-out in a four-year period starting 2022. The average tax impact of this change will be a decrease of (\$1) or 0.0% in the urban areas of the City and an increase of approximately \$10 to \$13 or 0.2% in the rural areas of the City.

Detailed tax impacts by ward from Recreation Services are included in Table 3 of Appendix “A” to Report FCS21078(a).

**Parkland Purchases**

The City has over 3,480 acres of municipally-owned parkland at 394 locations and 50 shared School Board parks. Hamilton’s parks include a wide array of features and amenities including outdoor sport fields, tennis courts, skateboard parks, playgrounds, spray pads, picnic areas, etc. These facilities are located all across the City and are accessible for all residents regardless of where their property is located.

Currently, Parkland Purchases are driven by the 2013 Parkland Acquisition Strategy and are financed mostly through the Parkland Dedication Funds (i.e. cash-in-lieu) according to Sections 42, 51.1 and 53 of the *Planning Act, 1990*, or by the Parkland Purchase Reserve. Parkland Purchases in excess of the legislated standards are funded by area rated levies.

Parkland Purchases are area rated by former municipality and as of 2021, only the former city of Hamilton, Dundas and Ancaster have area rated levies for Parkland Purchases.

However, as identified in the 2013 Parkland Acquisition Strategy, by 2031, all the areas of the City, except Flamborough, will have park deficiencies. The City does not have a consistent or dedicated fund to completely address this shortfall. The Parkland Dedication funds (i.e., cash-in-lieu) and the Parkland Dedication Reserve will not be able to keep pace with these demands and, therefore, funding from other sources will need to be identified to address the parkland deficiency.

A recommendation to eliminate Parkland Purchases from being area rated was presented to Council in 2009 (Report FCS09087 “Area Rating Options”) and none of the municipalities included in the municipal scan area rates parkland purchases.

In consideration of the funding challenges, the fact that new acquisitions will occur across the City and that Parkland Purchases are not a differential service, an option under consideration is that existing area rated Parkland Purchases could be grandfathered and continue to be area rated, but new purchases would not be area rated. This option does not have an immediate tax impact.

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## Fire

Currently, Fire Services are taxed using an area rated system based on an urban / rural model. Fire Service is delivered using three different levels of service: career, volunteer and composite.

Changes in the level of service from volunteer to composite service in four areas of the City resulted in around 5,800 properties in Wards 10 and 11 to be reclassified from “Rural Fire” to “Urban Fire” in 2021. The tax impact in the rural areas of the City was an increase of approximately 2.6%, which was phased-in over a two-year period. All rural (Fire) properties will have a tax impact of approximately 1.3% for 2022, exclusive of budget increases and any other area rating decisions.

The significant tax shifts that occurred in 2021 led to a review of how the service is taxed. One major point is how the City is taxing the areas that receive composite service.

**Figure 2  
Properties Receiving Fire Composite Service**

	<b>Residential Properties</b>	<b>Total Properties</b>
Urban	29,498	30,823
Rural	1,417	1,630
Total	30,915	32,453

Total Assessment: \$16 B  
Rural Assessment: \$851 M

As shown in Figure 2, there are approximately 32,453 properties that receive composite service in the City (30,915 residential). Of those, 30,823 pay the urban rate while 1,630 pay the rural rate. This inconsistency dates back to 2011 when the existing area rating methodology was approved.

In order to address this inconsistency, staff has prepared two different options:

### 1. Eliminate Fire Services from Area Rating

Under this option, all the properties in the City would pay the same rate for Fire services. Properties that are currently urban for Fire would have an average benefit of (0.3%) or \$13, while properties that are currently rural for Fire would see an average tax increase in 2022 of 2.8% in addition of the 1.3% phased-in from 2021 for a total 2022 tax impact of 4.1% or \$165 on average.

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Detailed tax impacts by ward are included in Table 4 of Appendix “A” to Report FCS21078(a).

2. Harmonize all Properties Receiving Composite Service as Urban

Under this option, the 1,630 properties that are classified as rural but are receiving composite service would be reclassified as urban to be consistent with the other 30,823 properties. In addition, the distribution of costs for area rating purposes between urban and rural areas would be aligned to better reflect this model. This would result in three different tax impacts:

- Properties that remain urban would have an average decrease of (0.1%) or \$3
- Properties that are reclassified from rural to urban would have an average increase of 4.5% or \$175
- Properties that remain rural would have an average tax decrease of (0.1%) or \$6, including the 1.3% phase-in from 2022.

Detailed tax impacts by ward are included in Table 5 of Appendix “A” to Report FCS21078(a).

**Summary**

A combined summary of tax impacts by ward are included in Table 6 of Appendix “A” to Report FCS21078(a).

Staff will bring back formal recommendations on each of these area rated services in another report for Council’s consideration.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS21078(a) – Tax Impacts by Ward

Appendix “B” to Report FCS21078(a) – Area Rating - Municipal Scan

GR/dt

## City of Hamilton Review of Area Rating Methodologies - Tax Impacts

Table 1

SIDEWALK SNOW REMOVAL  
TAX IMPACT BY WARD

	URBAN		RURAL	
	Tax Impact %	Tax Impact \$	Tax Impact %	Tax Impact \$
Ward 1	0.0%	\$ 1	N/A	N/A
Ward 2	0.0%	\$ 0	N/A	N/A
Ward 3	0.0%	\$ 0	N/A	N/A
Ward 4	0.0%	\$ 0	N/A	N/A
Ward 5	0.0%	\$ 1	N/A	N/A
Ward 6	0.0%	\$ 1	N/A	N/A
Ward 7	0.0%	\$ 1	N/A	N/A
Ward 8	0.0%	\$ 1	N/A	N/A
Ward 9	0.0%	\$ 1	0.0%	\$ 1
Ward 10	0.0%	\$ 1	N/A	N/A
Ward 11	0.0%	\$ 1	0.0%	\$ 1
Ward 12	-0.1%	\$ (8)	0.0%	\$ 1
Ward 13	0.0%	\$ 1	0.0%	\$ 1
Ward 14	0.0%	\$ 0	N/A	N/A
Ward 15	0.0%	\$ 1	0.0%	\$ 1

Table 2

SIDEWALK & STREETLIGHTS  
TAX IMPACT BY WARD (YEAR 1 OF 4-YEAR PHASE-IN)

	URBAN		RURAL	
	Tax Impact %	Tax Impact \$	Tax Impact %	Tax Impact \$
Ward 1	0.0%	\$ (1)	N/A	N/A
Ward 2	0.0%	\$ (0)	N/A	N/A
Ward 3	0.0%	\$ (0)	N/A	N/A
Ward 4	0.0%	\$ (0)	N/A	N/A
Ward 5	0.0%	\$ (0)	N/A	N/A
Ward 6	0.0%	\$ (0)	N/A	N/A
Ward 7	0.0%	\$ (0)	N/A	N/A
Ward 8	0.0%	\$ (0)	N/A	N/A
Ward 9	0.0%	\$ (1)	0.1%	\$ 4
Ward 10	0.0%	\$ (1)	N/A	N/A
Ward 11	0.0%	\$ (1)	0.1%	\$ 4
Ward 12	0.0%	\$ (1)	0.1%	\$ 6
Ward 13	0.0%	\$ (1)	0.1%	\$ 5
Ward 14	0.0%	\$ (1)	N/A	N/A
Ward 15	0.0%	\$ (1)	0.1%	\$ 6

Table 3

**RECREATION SERVICES**  
**TAX IMPACT BY WARD (YEAR 1 OF 4-YEAR PHASE-IN)**

	URBAN		RURAL	
	Tax Impact %	Tax Impact \$	Tax Impact %	Tax Impact \$
Ward 1	0.0%	\$ (1)	N/A	N/A
Ward 2	0.0%	\$ (1)	N/A	N/A
Ward 3	0.0%	\$ (1)	N/A	N/A
Ward 4	0.0%	\$ (1)	N/A	N/A
Ward 5	0.0%	\$ (1)	N/A	N/A
Ward 6	0.0%	\$ (1)	N/A	N/A
Ward 7	0.0%	\$ (1)	N/A	N/A
Ward 8	0.0%	\$ (1)	N/A	N/A
Ward 9	0.0%	\$ (1)	0.2%	\$ 10
Ward 10	0.0%	\$ (1)	N/A	N/A
Ward 11	0.0%	\$ (1)	0.2%	\$ 10
Ward 12	0.0%	\$ (2)	0.2%	\$ 13
Ward 13	0.0%	\$ (1)	0.2%	\$ 12
Ward 14	0.0%	\$ (1)	N/A	N/A
Ward 15	0.0%	\$ (1)	0.2%	\$ 13

Table 4

**FIRE SERVICES**  
**TAX IMPACT BY WARD (GENERAL LEVY OPTION)**

	URBAN		RURAL	
	Tax Impact (%)	Tax Impact (\$)	Tax Impact (%)	Tax Impact (\$)
Ward 1	-0.3%	\$ (14)	N/A	N/A
Ward 2	-0.3%	\$ (9)	N/A	N/A
Ward 3	-0.3%	\$ (8)	N/A	N/A
Ward 4	-0.3%	\$ (8)	N/A	N/A
Ward 5	-0.3%	\$ (10)	N/A	N/A
Ward 6	-0.3%	\$ (11)	N/A	N/A
Ward 7	-0.3%	\$ (11)	N/A	N/A
Ward 8	-0.3%	\$ (12)	N/A	N/A
Ward 9	-0.3%	\$ (14)	4.3%	\$ 177
Ward 10	-0.3%	\$ (14)	N/A	N/A
Ward 11	-0.3%	\$ (13)	4.3%	\$ 174
Ward 12	-0.3%	\$ (18)	4.3%	\$ 236
Ward 13	-0.3%	\$ (16)	4.3%	\$ 211
Ward 14	-0.3%	\$ (14)	N/A	N/A
Ward 15	-0.3%	\$ (17)	4.3%	\$ 227

Table 5

**FIRE SERVICES  
TAX IMPACT BY WARD (HARMONIZED)**

	URBAN		URBAN	
	Tax Impact (%)	Tax Impact (\$)	Tax Impact (%)	Tax Impact (\$)
Ward 1	0.1%	\$ 5	N/A	N/A
Ward 2	0.1%	\$ 4	N/A	N/A
Ward 3	0.1%	\$ 3	N/A	N/A
Ward 4	0.1%	\$ 3	N/A	N/A
Ward 5	0.1%	\$ 4	N/A	N/A
Ward 6	0.1%	\$ 4	N/A	N/A
Ward 7	0.1%	\$ 4	N/A	N/A
Ward 8	0.1%	\$ 5	N/A	N/A
Ward 9	0.1%	\$ 5	-0.1%	\$ (6)
Ward 10	0.1%	\$ 5	N/A	N/A
Ward 11	0.1%	\$ 5	-0.1%	\$ (6)
Ward 12	0.1%	\$ 7	-0.1%	\$ (8)
Ward 13	0.1%	\$ 6	-0.1%	\$ (7)
Ward 14	0.1%	\$ 5	N/A	N/A
Ward 15	0.1%	\$ 7	-0.1%	\$ (8)

\* Properties that are reclassified from rural to urban would have an average increase of 4.5% or \$175

Table 6

**COMBINED TAX IMPACT BY WARD  
SIDEWALK SNOW REMOVAL, STREETLIGHTS & SIDEWALK (YEAR 1),  
RECREATION (YEAR 1), FIRE (HARMONIZED)**

	URBAN		RURAL	
	Tax Impact (%)	Tax Impact (\$)	Tax Impact (%)	Tax Impact (\$)
Ward 1	0.1%	\$ 3	N/A	N/A
Ward 2	0.1%	\$ 2	N/A	N/A
Ward 3	0.1%	\$ 2	N/A	N/A
Ward 4	0.1%	\$ 2	N/A	N/A
Ward 5	0.1%	\$ 3	N/A	N/A
Ward 6	0.1%	\$ 3	N/A	N/A
Ward 7	0.1%	\$ 3	N/A	N/A
Ward 8	0.1%	\$ 3	N/A	N/A
Ward 9	0.1%	\$ 7	0.3%	\$ 11
Ward 10	0.1%	\$ 7	N/A	N/A
Ward 11	0.1%	\$ 7	0.3%	\$ 11
Ward 12	-0.1%	\$ (7)	0.2%	\$ 11
Ward 13	0.1%	\$ 6	0.3%	\$ 14
Ward 14	0.1%	\$ 3	N/A	N/A
Ward 15	0.1%	\$ 8	0.3%	\$ 15



**AREA RATING - MUNICIPAL SCAN**

<b>Municipality</b>	<b>Area Rated Services</b>	<b>Methodology</b>
Toronto	N/A	
Ottawa	Fire, Transit, Waste	Fire: Fire and Volunteer Transit: Urban, Rural and Para-Transpo Waste: Curb pick up, bin pick up, no service
Greater Sudbury	Fire and Transit	Fire: Career, composite, volunteer Transit: Urban, commuter, no rate
Kingston	Fire	Fire: central, east, west
Barrie	N/A	
Haldimand County	N/A	
Windsor	N/A	
Guelph	N/A	
London	N/A	
Brantford	N/A	
Durham Region	N/A	
Oshawa	N/A	
Pickering	N/A	
Whitby	N/A	
Clarington	N/A	
Scugog	N/A	
Uxbridge	N/A	
Peel Region	Police	Peel Regional Police allocated to Brampton and Mississauga; OPP costs charged to Caledon
Mississauga	N/A	
Brampton	N/A	
Caledon	N/A	
York Region	N/A	
Markham	N/A	
Vaughan	N/A	
Newmarket	N/A	
Richmond Hill	N/A	
Aurora	N/A	
Georgina	N/A	
Whitchurch-Stouffville	N/A	
East Gwillimbury	N/A	
King City	N/A	
Halton Region	Yard Waste Program	Only charged to designated urban boundary; Rural areas do not receive the service
Burlington	Transit	Urban / rural
Milton	N/A	
Oakville	N/A	
Waterloo Region	Transit, Library, Waste Collection	Transit: Urban / rural Library: Rural townships only Waste collection: Urban / rural
Kitchener	Sidewalk Snow Removal	Fees charged to properties within the service areas based on linear meterage
Cambridge	N/A	
Waterloo	N/A	
Niagara Region	Waste Management	Levy amount allocated to each municipality based on their own assessment base
St. Catharines	Transit and Street lights	General and Urban (includes area rated levies)
Grimsby	Sanitary sewers	Urban only
Niagara-on-the-Lake	Consolidated storm water	Urban only
Thorold	Waste Management	
Niagara Falls	N/A	