

# Clarington Budget 2021

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A path forward



*Clarington*

# Table of Contents

Table of Contents .....	1
Introduction .....	4
Budget Philosophy .....	4
Continuous Improvement .....	5
Operating Budget Overview .....	5
Capital Budget Overview .....	6
Organizational Structure.....	6
Staffing Proposals .....	7
Future Initiatives .....	7
Conclusion .....	8
About the Municipality of Clarington .....	10
Organizational Profile .....	10
Council's Strategic Plan .....	12
Snapshot of our Community .....	13
Highlights of 2021 Budget .....	21
Changes Due to Corporate Reorganization .....	23
2021 Operating Budget Summary .....	24
2021 Capital Budget Summary .....	25
Items for Council Consideration .....	26
2021 Governance Summary .....	32
Current Organizational Structure.....	33

Operating Budget .....	34
2021 CAO Office Summary .....	36
Current Organizational Structure .....	38
Operating Budget .....	39
2021 Legislative Services Summary .....	42
Current Organizational Structure .....	43
Operating Budget .....	44
2021 Financial Services Summary .....	50
Current Organizational Structure .....	53
Operating Budget .....	54
2021 Public Works Summary .....	58
Current Organizational Structure .....	61
Operating Budget .....	64
2021 Community Services Summary .....	72
Current Organizational Structure .....	73
Operating Budget .....	77
2021 Planning and Development Services Summary....	86
Current Organizational Structure .....	92
Operating Budget .....	93
2021 Emergency and Fire Services Summary .....	98
Current Organizational Structure .....	99

Operating Budget .....	100
Clarington Public Library and Museums Overview .....	104
Operating Budget .....	105
Arts and Culture Overview .....	108
Operating Budget .....	109
External Agencies Overview .....	112
Operating Budget .....	113
Long-term Debt Introduction.....	116
Annual Repayment Limit .....	116
Existing Debt .....	116
Proposed New Debt .....	118
Conclusion .....	118
Capital Budget Introduction .....	120
Summary of 2021 Capital Budget .....	121

Capital Projects 2021 .....	123
Five-Year Capital Forecast .....	138
Reserve and Reserve Fund Introduction .....	140
Reserve Summary.....	141
Reserve Definition .....	142
Reserve Fund Summary.....	144
Reserve Fund Definitions .....	147
Reserve Fund Contributions and Transfers.....	155
What is Fund Accounting.....	160
Revenue and Expense Categories .....	161
Financial Policies.....	162
Glossary of Terms .....	165
Acronyms.....	170



# Introduction

The Municipality of Clarington is pleased to provide its 2021 Draft Budget to Council and taxpayers. This document is the Municipality's financial plan for 2021 and serves as a document that guides policy, strategic decision-making and service levels. It includes a broad overview of the operations, current financial position and capital and operating budgets of the Municipality.

Through Council, the Municipality delivers a wide range of services including local roads, recreation facilities and programming, parks and fields, municipal law enforcement, fire and emergency services, building inspection and local planning. The Region of Durham is responsible for providing services such as regional planning, water and wastewater, social housing and social services, regional roads, Provincial Offences Act court services, police and ambulance services.

## Budget Philosophy

The Municipality of Clarington takes the management and stewardship of public funds seriously. The Municipality's budget process is continually reviewed and refined to provide Council with the information required to enable effective and timely decision making.

To ensure that the budget and financial position is reasonable, various metrics are tracked internally and compared to similar municipalities. The Municipality participates in the annual BMA Study which is a

benchmarking study that has identified several key performance indicators for municipalities. The study also provides comparative information with similar municipalities as part of the package. Important metrics from the Study have been included to highlight the Municipality's fiscal health.

Compiling the annual budget involves staff at various levels from across the organization. Financial Services begins the process by issuing budget guidelines and base budgets to departments. The budgets are reviewed and amended as necessary by the respective managers and department heads. Once Financial Services has consolidated all the information from the various sources, the CAO and Director of Financial Services meet with each Department Head individually to review the operating and capital budgets. Staff keep in mind Council guidelines, strategic priorities and other factors in the municipal sector that may impact the Municipality over the next several years. A major consideration for the 2021 budget is the impact of the COVID-19 pandemic on our ability to operate as well as taxpayers within the Municipality. Once the reviews are complete, a draft budget is presented to Council and the public for discussion and consideration.

In September 2020, Council passed a resolution directing Staff to prepare a draft budget with a tax levy increase of 3.55 per cent. This budget document has been prepared with these guidelines in mind. As part of this document, projects and initiatives that were deferred or service reductions which have been included in order to meet the

3.55 per cent threshold have been identified for Council's consideration. While the 3.55 per cent was a target, which staff has met, it does not prohibit Council from considering other options in their final budget determination. The proposed 2021 budget comes in below the stated target at 2.48 per cent, which equates to approximately \$30 for the average residential taxpayer.

## Continuous Improvement

The Municipality's budget process focuses on containing costs and implementing best practices, with the goal of demonstrating leadership in financial management and providing residents with value for their property tax dollar.

This approach to the budget and operational improvement has resulted in several specific cost savings that are reflected in the 2021 draft budget such as:

- Structural reorganization of the administration of the Municipality approved in March 2020 and implemented throughout the pandemic;
- Reduction in consulting expenses;
- Reducing travel expenses to reflect an increase in virtual meetings and learning opportunities;
- Continued reductions in office supplies from increased electronic usage and working from home;

- Savings in paper and printing supplies from the recent investment in digital agendas and other paperless initiatives; and
- Savings in utilities from investment in modern energy-efficient lighting and HVAC systems.

These are some examples of continuous improvement opportunities that have been identified by staff and implemented.

## Operating Budget Overview

Council adopted a policy in 2019 that sets out a range for the year over year increase in the tax levy. The low end of the range is based on the annual Consumer Price Index (CPI) as of July. The CPI for July 2020 was 0.0 per cent; however, this was severely impacted by the COVID-19 recession in March to June. Based on economists' expectations for 2021 a CPI substitute was proposed at 1.8 per cent based on forecasts for inflation in 2021. The range prescribed in the Budget Policy, using 1.8 per cent as inflation is 2.85 per cent to 4.25 per cent with a mid-point of 3.55 per cent. This range considers the inflationary plus an amount for funding infrastructure replacement through the asset management plan. Council direction for 2021 was a target increase of 3.55 per cent.

Over the past few years, the Municipality has continued to see increased growth. Since 2009, the Municipality has seen increased assessment growth averaging 6.0 per cent annually. This assessment growth includes both new growth (i.e. brand-new development) and market growth (i.e. increase in the value of existing properties); however, it should be noted that as a result of the COVID-19 pandemic the market reassessment did not occur for 2021. As the market value has increased, the tax rate has seen a decrease to reflect the fact that the Municipality's spending needs have increased at a lower rate than assessment growth.

To put the budget into context for the residents, every additional 1.0 per cent increase in the property tax levy is approximately \$627,474 added to the operating budget. This increase is approximately equal to \$15.17/year for the average residential assessment of \$394,000. Therefore, a 2.50 per cent increase will be \$37.92/year or \$3.16/month.

The Municipality's proposed tax levy is approximately \$65.7 million which includes \$8.3 million to capital projects and \$5.3 million to reserves and reserve funds. The total operating transfers from reserves and reserve funds for 2021 are \$4.1 million.

The Municipality of Clarington collects taxes for the Region of Durham, as well as the Province of Ontario to fund public education. Approximately 49 per cent of the property tax bill relates to services provided by the Region of Durham. An additional 18 per cent goes to the

Province to fund education. The remaining 33 per cent is kept by the Municipality to provide local services and infrastructure investment to residents in Clarington

## Capital Budget Overview

In addition to the delivery of services, the Municipality is responsible for the maintenance and replacement of municipal capital assets such as facilities and roads. The value of these assets at their original cost is approximately \$751.9 million. Aging infrastructure is an issue faced by all municipalities. Often the cost of infrastructure requiring rehabilitation exceeds available funding. This situation is referred to as an infrastructure gap or deficit.

The Municipality's capital investment in 2021 is approximately \$23.9 million which includes \$8.3 million directly from the tax levy, \$4.6 million from development charge reserve funds, \$9.7 million from reserve funds (Federal Gas Tax and Ontario Community Infrastructure Funding).

## Organizational Structure

The Municipality of Clarington completed an organizational review in December 2019. The review, funded by the Province of Ontario, looked at Clarington's ability to realize cost savings and operational efficiencies while maintaining front line services. Grant Thornton LLP was retained by the Municipality to conduct an independent review for the Municipality and produced a

report on December 4, 2019 containing 30 recommendations for the Clarington's consideration.

On March 6, 2020, Council approved the implementation plan for the corporate reorganization. The plan called for many changes to occur by September 1, 2020; in fact, most changes planned for 2020 were completed by August 2020. As a result of the retirement of directors in the fall of 2020, phase 2 (not planned until 2021/2022) was implemented in the late fall of 2020.

Throughout this document the actuals and budgets are shown as if the new structure had been in place since 2018; this was done to provide an apples-to-apples comparison of numbers.

## Staffing Proposals

The proposed budget includes the following positions which were all accomplished by departments staying under the 3.55 per cent target:

- Planning and Development Services
  - Principal Planner in the Development Review Branch
  - Contract Project Manager in Community Planning Branch
  - Energy and Climate Change Response Coordinator (move contract to full-time)
- Public Works

- Development Review Technician in Infrastructure Division
- Operations Equipment Trainer in Operations Division
- Financial Services
  - Network Security Analyst

These positions are all included in the proposed budget, details on the needs for these positions are found within the respective departments.

## Future Initiatives

Infrastructure deficits and long-term fiscal sustainability are areas of continuous concern for municipalities across Ontario. Staff will continue to update the Municipality's Asset Management Plan as we move towards increasingly more complex legislative requirements for asset management. Staff will also look at combining the development charges plan, asset management plan and strategic plans into one comprehensive financial plan, which ensures fiscal sustainability is considered when making future decisions.

## Conclusion

The 2021 draft budget holds the proposed levy increase in line with the consumer price index level of inflation. While significant growth in 2021 provides additional funding, the Municipality needs to look ahead when prioritizing capital projects, mitigating grant reductions and closing the infrastructure deficit gap.

2021 is a year of unknowns. Best estimates have been used to budget for the impacts of COVID-19; however, it continues to be a fluid situation. The Province of Ontario

has provided \$903,000 in funding which mitigates the impact of lost revenue in community services and provides assistance in mitigating the added costs of providing services in a low-enrollment situation.

The draft budget attempts to maintain established levels of service, while allocating some additional funds to maintaining our aging infrastructure and supporting the Municipality's strategic priorities. Changes in services are a result of anticipated decrease in demand or restrictions in place as a result of COVID-19 and not a result of a conscious decision to roll back municipal services.



# Overview



# About the Municipality of Clarington

The Municipality of Clarington is a beautiful community that forms the eastern boundary of the Greater Toronto Area.

Clarington is one of eight municipalities located in the Region of Durham. With an estimated population of over 100,000 and growing, Clarington offers residents a blend of city living and rural charm.

Clarington is a geographically large municipality, covering an area of approximately 611 square kilometres consisting of four major urban centres and 13 hamlets.

Residents enjoy waterfront trails alongside Lake Ontario, Greenbelt protected farmlands and the natural beauty of the Oak Ridges Moraine.

# Organizational Profile

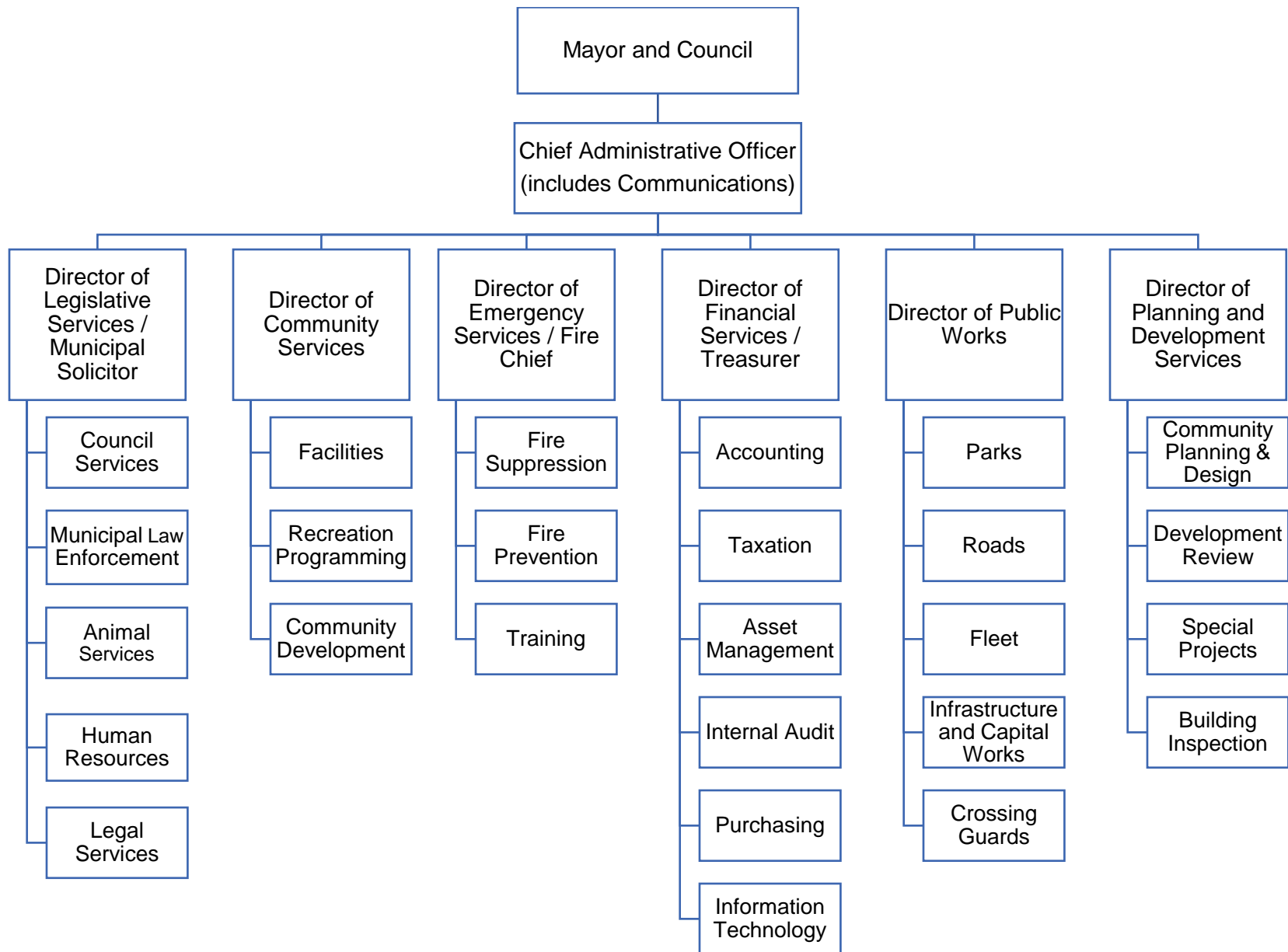
The Municipality of Clarington is a lower-tier municipality within the Region of Durham. The Municipality is responsible for the provision of local roads, recreation services, stormwater management, local planning, building code inspections, municipal law enforcement, park maintenance, among other services that impact the daily lives of our residents.

## 2018 to 2022 Municipal Council

The Municipality's governance is made up of the mayor, two regional councillors and four local councillors.

The Council for the Municipality of Clarington consists of

- Mayor Adrian Foster
- Regional Councillors Joe Neal (Ward 1 and 2) and Granville Anderson (Ward 3 and 4)
- Local Councillors Janice Jones (Ward 1), Ron Hooper (Ward 2), Corinna Traill (Ward 3) and Margaret Zwart (Ward 4)



# Council's Strategic Plan

Clarington's Council has developed a Strategic Plan to guide the Municipality and set out its vision for the next four years. The purpose of this plan is to provide strategic priorities and a road map for Council and Staff to determine the best way to provide services and help the community thrive.

The Strategic Plan outlines five strategic priorities for the 2019 to 2022 term of Council:

## **Engaged Communities**

- Enhance two-way communication with community
- Establish and develop a unique Clarington brand for promoting our community

## **Strong Economy**

- Complete the implementation of the Downtown Plans
- Create partnerships in broadband expansion, working towards 100 per cent connectivity
- Create partnerships to promote investment in infrastructure to make natural gas more accessible
- Expand our transportation network into commercial and industrial areas

- Explore an economic development strategy/framework in collaboration with the business community and other stakeholders

## **Sustainable Infrastructure Growth**

- Develop an Affordable Housing Policy
- Develop strategies for infrastructure investments, including employment lands

## **Legacy Projects**

- Clearly articulate our plans for the Courtice waterfront and Port Darlington waterfront
- Pursue a final decision from Atomic Energy of Canada Limited (AECL) and Canadian Nuclear Laboratories (CNL) respecting the disposition of lands for the Port Granby Nature Reserve
- Develop the concept, financing, project plan and potential construction schedule for the South Bowmanville Recreation Centre
- Articulate a vision of a Performing Arts space
- Make a decision on Camp 30

## **Environmental Sustainability**

- Advance waste reduction initiatives by promoting the four Rs: Refuse, Reduce, Reuse, and Recycle

# Snapshot of our Community

The Municipality participated in the BMA Management Consulting Inc. Municipal Study – 2020, which compares 110 municipalities in Ontario, representing in excess of 85 per cent of the population. In 2019, there were four Durham Region participants (Clarington, Whitby, Oshawa and Brock), 21 Greater Toronto Area participants and 34 municipalities with populations over 100,000.

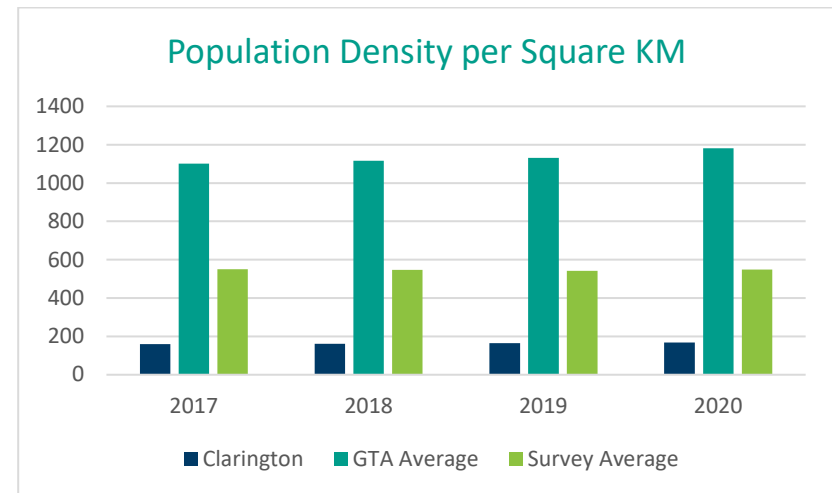
## Socio-Economic Indicators

Socio-economic indicators assist a municipality by providing insight into its ability to generate revenue as compared to the municipality's demand for public services. Socio-economic indicators also allow municipalities to be considered for their appropriateness for comparison.

### Population Density

Population density is an indicator of economies of scale in providing services to residents of the Municipality. In densely populated areas, certain services may be delivered in a more cost-efficient way. The Municipality of Clarington has the fifth lowest population density among the Greater Toronto Area (GTA) municipalities within the survey. With a land area of 611 square kilometres, the Municipality of Clarington is roughly the geographical size as the City of Toronto at 630 square kilometres.

However, the Municipality has a population density of 168 people per square kilometre which is 28 times lower than the City of Toronto's 4,690 people per square kilometre.

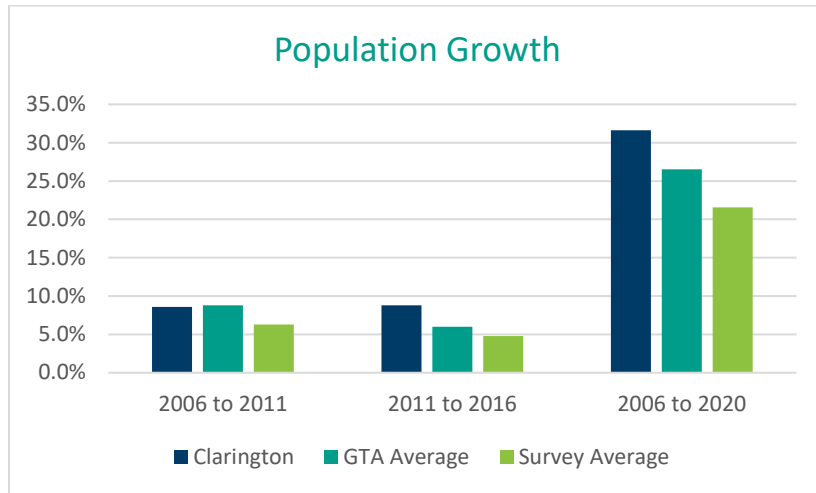


## Population Growth & Age Demographics

The Municipality of Clarington has experienced significant growth since 2011. This growth puts upward movement in our assessment base as more residential, commercial and industrial properties are built to support that population. Growth does put pressure on municipal budgets as it increases the need for infrastructure to support the growth and correspondingly increases the demand for services required by the increasing population.

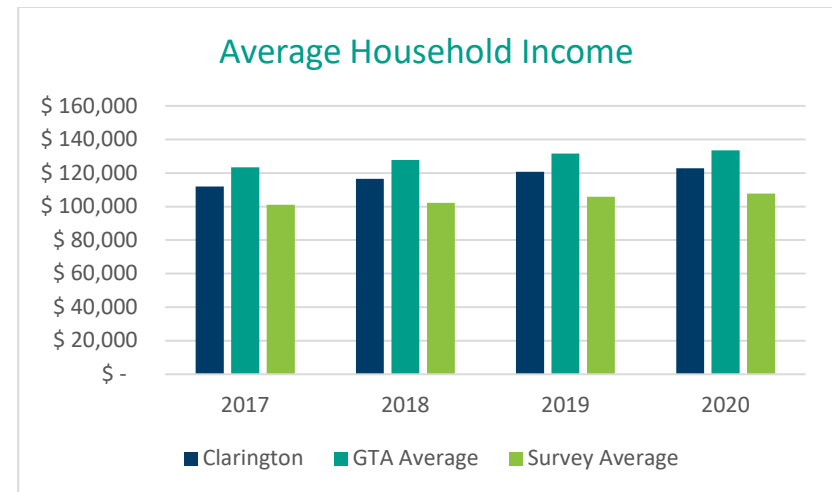
Since 2006, a period of 14 years, the Municipality's population went from 77,820 to an estimated 102,415 in 2020. This represents a growth of approximately 31.6 per

cent. Over the same period population growth within the GTA was approximately 26.5 per cent while the survey average was only 21.6 per cent.



## Average Household Income

A factor for the Municipality when determining its budget is ensuring taxes are affordable. An indicator of affordability is comparing the property tax burden with the average household income. While the Municipality has a lower average household income than the average of the GTA, it is higher than the average for the Province. The municipal burden as a percentage of household income in Clarington is 4.4 per cent, the GTA average is 4.6 per cent; Clarington is the best ranked Durham municipality in this regard based on the 2020 BMA study. It should be noted that the total burden as a per cent of household income in the City of Toronto, which we often hear has lower taxes, is the same as in Clarington at 4.4 per cent.

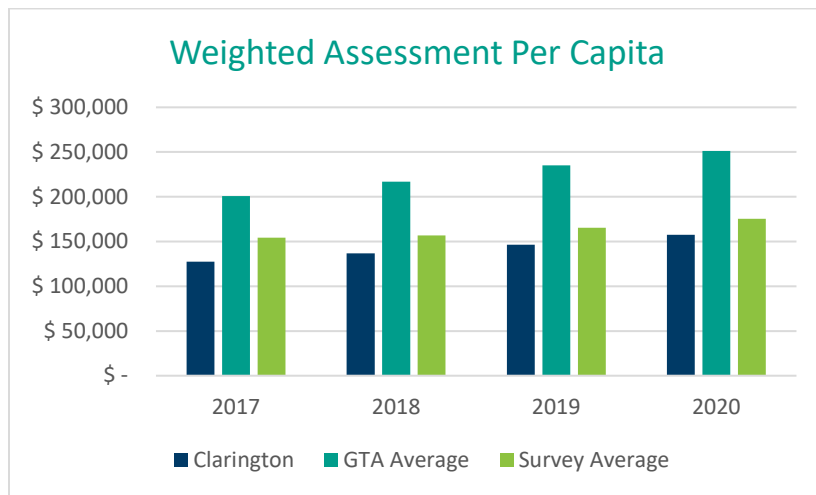


## Property Assessment

Municipalities raise a significant portion of their revenues by charging taxes on each property's assessment, as provided by the Municipal Property Assessment Corporation (MPAC). A strong, growing assessment base makes generating revenue easier for municipalities. A declining assessment base could result in significant tax increases to maintain revenues.

Weighted assessments consider the fact that non-residential taxpayers pay taxes as a ratio to the residential tax rate. Weighted assessments convert the actual assessment into the equivalent value for a residential assessment. Weighted assessment is impacted by the approved tax ratios; the Region of Durham has the authority to determine the tax ratios for all municipalities within the Region.

Clarington has a lower assessment, the base for which property taxes are generated, as compared to both the GTA and the survey average. This is reflective of the assessed values of properties being lower in Clarington than our western neighbours. The GTA municipalities have a higher-than-average weighted assessment. This is explained in part by the high commercial and industrial assessments in the City of Toronto which pay a significantly higher portion of the property tax burden for that city.



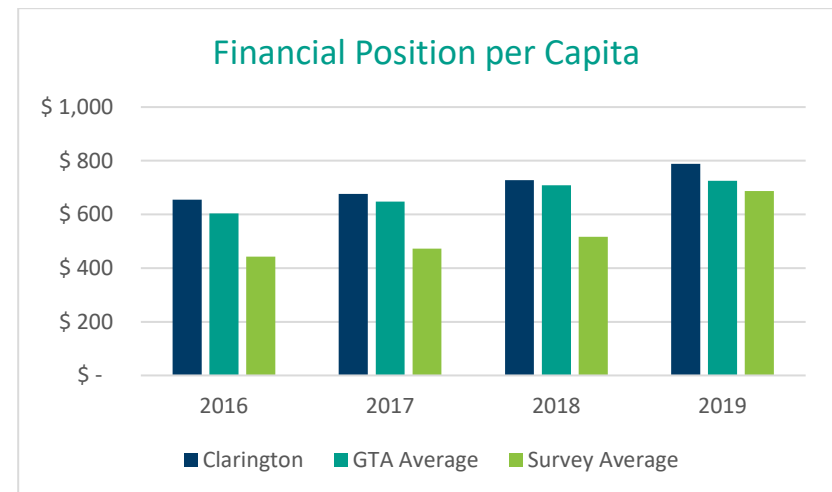
## Financial Indicators

Financial indicators, along with some socio-economic indicators, combine to provide a foundation for a municipality to evaluate its financial outlook and performance.

## Sustainability

*The ability to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services*

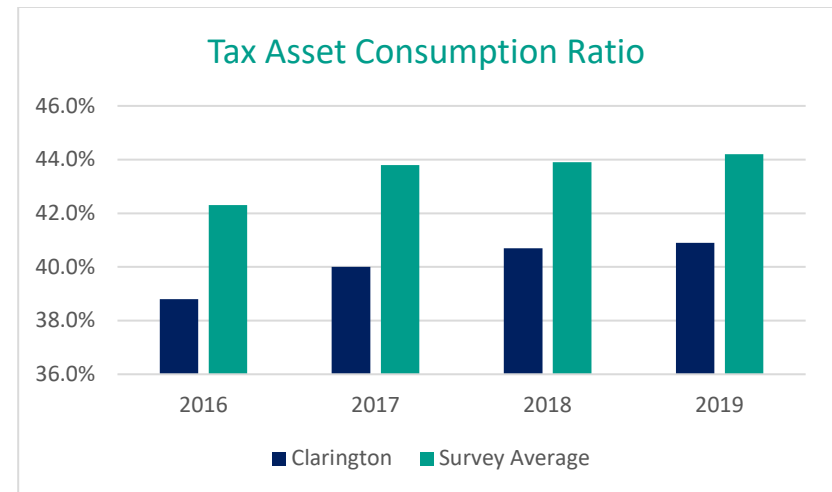
Financial position is the difference between the financial assets (what we own) and liabilities (what we owe). The Municipality has a strong financial position per capita. For the years 2016 to 2019, the Municipality has a higher financial position per capita than both the GTA average as well as the overall survey average. The financial position is also increasing, we own more than we owe, which provides better sustainability.



Capital assets are amortized, which is an accounting principle that allocates cost over time, based on its estimated useful life.

The “asset consumption ratio” measures the amortized value of the assets versus the historical costs of the assets. It shows how much of the useful life has been used, a higher ratio may indicate a need for significant investment in assets to maintain service levels.

The Municipality of Clarington has a significantly lower tax asset consumption ratio than the survey which indicates that our assets have a lower amortized value. This likely is reflective of newer assets in our inventory as well as the recent growth of the Municipality which results in newer growth-related infrastructure. It should be noted that the trend from 2016 has been an increasing ratio which indicates that assets are being amortized quicker than new assets are being added, this is an indicator of a growing infrastructure gap(deficit). A stable ratio would be indicative of a municipality that is investing in new assets at a rate equal to the use of assets for the year. A decreasing ratio may be indicative of a growing municipality or a municipality which is investing more annually than the annual amortization amount.



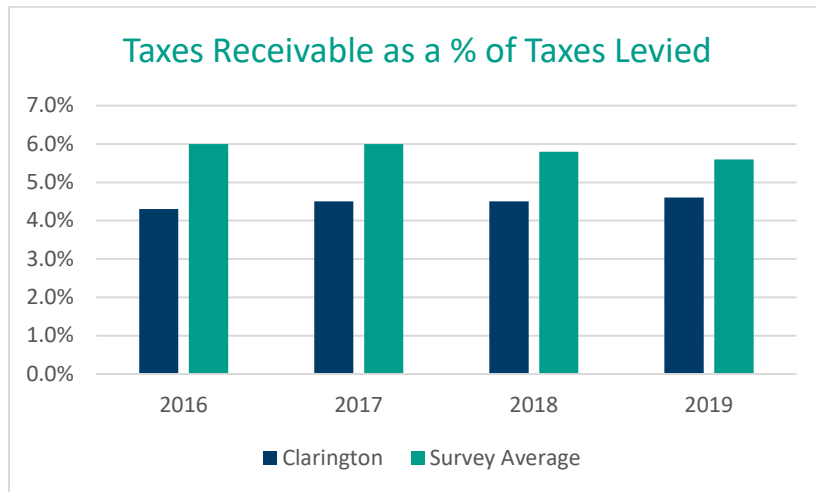
## Vulnerability

*Addresses a municipality's vulnerability to external sources of funding that it cannot control and its exposure to risk*

Much of the revenue that the Municipality of Clarington receives is from property taxes. Every year a portion of ratepayers do not pay their property taxes. This forms the taxes receivable balance.

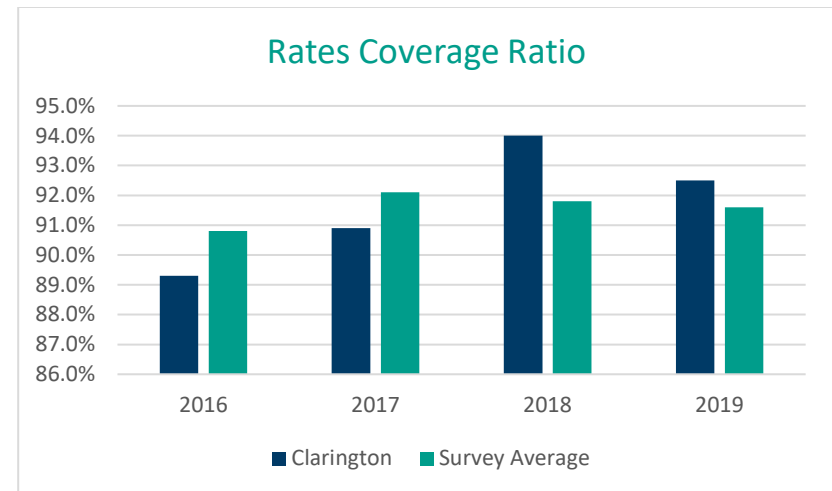
The Municipality has seen a relatively consistent level of taxes receivable as a per cent of taxes levied. The Municipality is significantly lower than the survey average. The Municipality has been successfully

collecting on property tax arrears and does not have a collection problem.



The rates coverage ratio provides a measure of a municipality's ability to cover costs through own sources of revenue such as taxation and user fees. The Ontario Ministry of Municipal Affairs (MMAH) indicates a basic target of 40 per cent, an intermediate target of 60 per cent and an advanced target of 90 per cent. The Municipality of Clarington has been in the advanced range (90 per cent or higher) since 2017 and was close to the threshold in 2016.

The Municipality does not receive operating grants from other levels of governments, other than project specific funding. The Municipality does receive capital funding from senior levels of government.

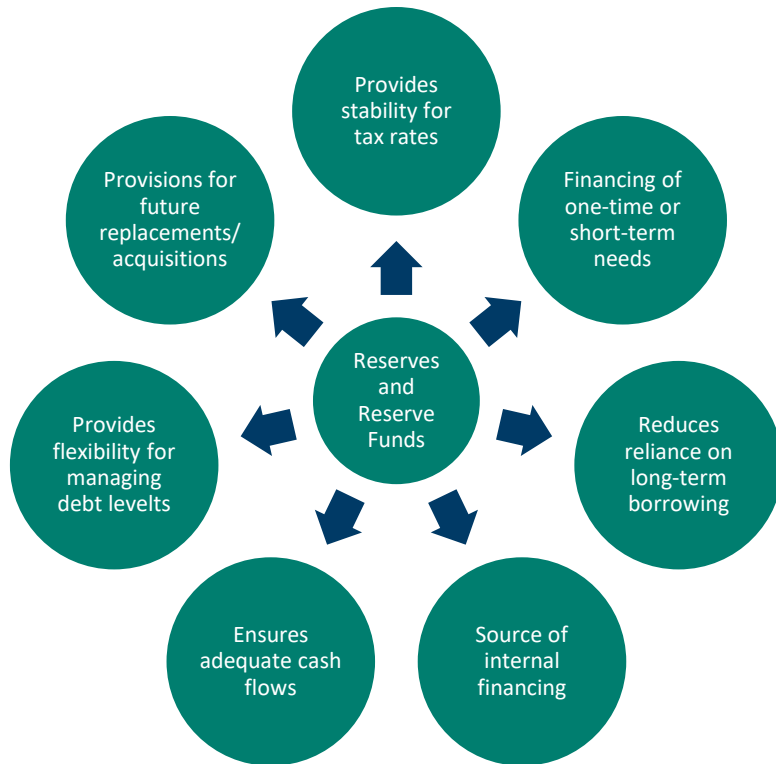


## Flexibility

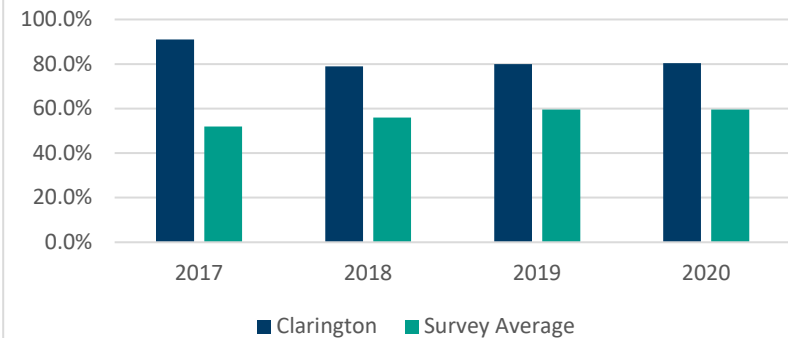
*The ability to issue debt responsibly without impacting the credit rating. Also, the ability of the Municipality to generate the required revenues.*

## Reserves and Reserve Funds

Reserves and reserve funds are important fiscal tools used in long-term planning, internal financing and dealing with unanticipated situations arising in the municipality during the year.



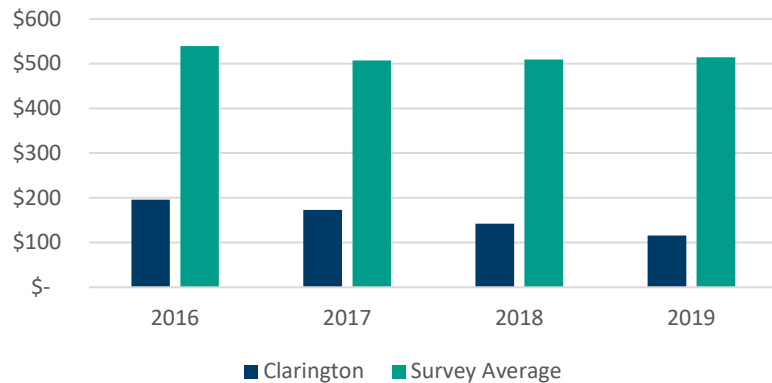
## Tax Discretionary Reserves as % of Own Source Revenues



## Debt

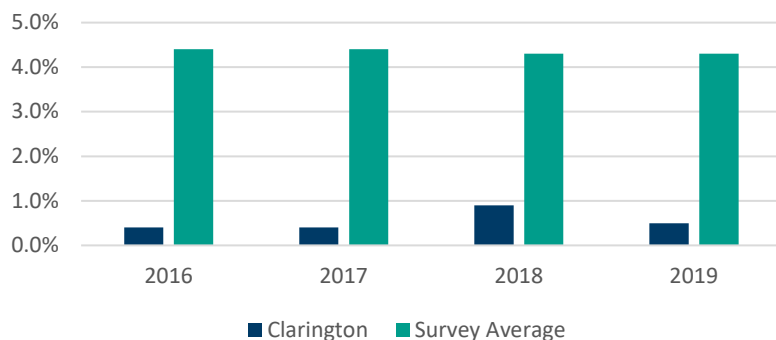
It is important to be aware of the level of debt and the resulting debt servicing obligations, to ensure that the reliance on debt is maintained at a manageable level. The use of debt is reasonable for many reasons including intergenerational equity; meaning the taxpayer benefiting from the service is the one paying for it.

### Tax Debt Outstanding per Capita



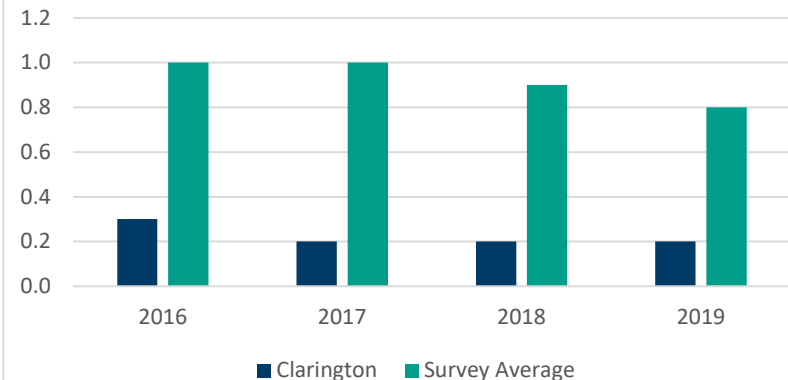
The Province of Ontario has regulated that municipalities are limited to debt servicing (interest and principal) costs of 25 per cent of own source revenue. The Municipality is currently well below this threshold at 4.8 per cent, most of which is funded from development charges.

### Tax Debt Charges as a % of Own Source Revenue



A general benchmark for debt to reserve ratio is 1:1; ideally debt should not exceed the total that is held in reserve and reserve funds. The Municipality's ratio is below 0.2:1 which means that for every \$0.20 of debt the Municipality has \$1.00 of reserve and reserve funds. This is a healthy ratio and is an indication that the Municipality has available debt capacity for future needs as a percentage of own source revenue.

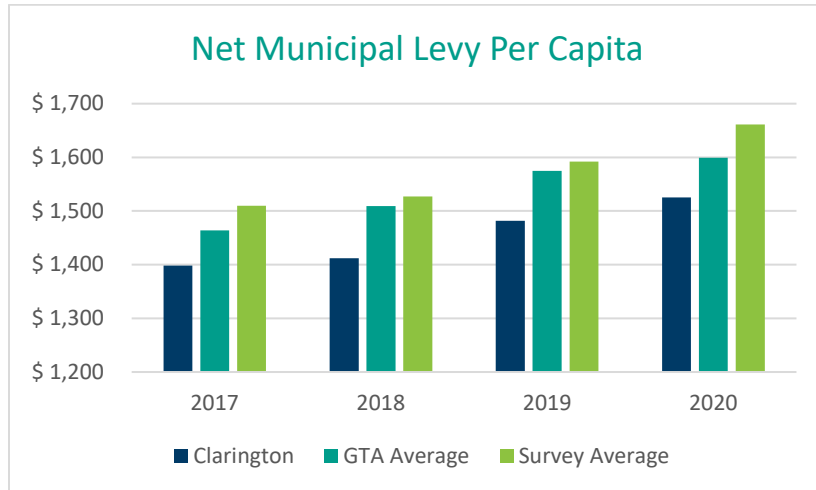
### Debt to Reserve Ratio



## Municipal Levy

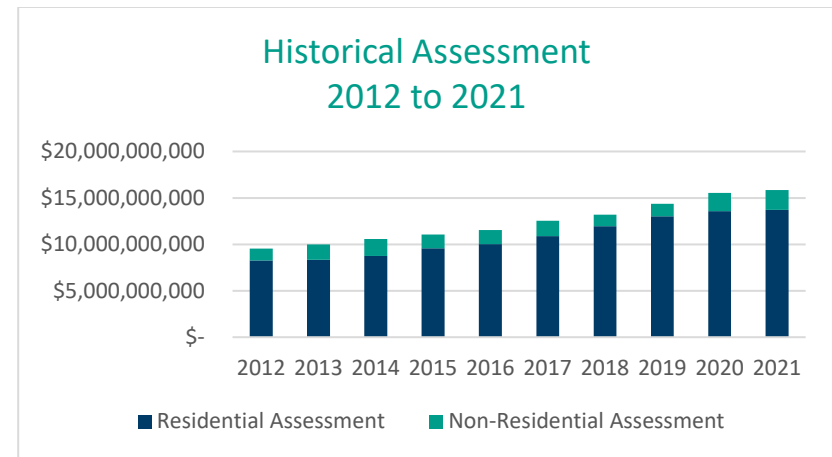
While the public will often compare municipalities' tax levies, it is hard to find a true "apples to apples" comparison as each municipality is different. The net municipal levy per capita is an indicator of the total net levy required to provide services; it is not necessarily an indicator of quality or value for money. The Municipality of Clarington is below both the average levy per capita for the GTA and the survey average. This may indicate that

there is room within the tax levy for service enhancements or investment(s) in infrastructure.



## Property Assessment

A majority of our revenue is derived from property taxation. The assessment of properties is carried out by the Municipal Property Assessment Corporation (MPAC) and is independent of the Municipality. Significant growth of assessment and population has occurred since 2008 with significant growth in the past two assessment cycles (2012 and 2016). The following chart shows the historical and current assessments from 2012 to 2021:



The chart demonstrates that most of the Municipality's assessment is through the residential tax class.

The 2021 tax assessment mix is as follows:

Tax Class	2021 Assessment	Percentage
Residential	\$13,694,192,503	83.3%
Farmland	557,955,730	3.4%
Multi-residential	144,996,200	0.9%
Commercial	1,046,595,622	6.4%
Industrial	128,059,700	0.8%
Large industrial	181,828,412	1.1%
Pipeline	55,689,000	0.3%
Managed forest	39,223,600	0.2%
Exempt	586,873,941	3.6%
<b>Total assessment</b>	<b>\$16,435,414,708</b>	<b>100.0%</b>

The 2021 assessment mix of residential, commercial, industrial and other property classes is consistent with the past assessment mix of the Municipality.

## Conclusion of Snapshot

The Municipality of Clarington is a financially stable, sustainable and flexible organization. The municipal tax levy is below average for the Region of Durham and meets indicators for being at an affordable rate. As the Municipality continues to grow and requires replacement of existing infrastructure, there will be increasing pressures on the tax levy and debt capacity of the Municipality.

## Highlights of 2021 Budget

The result of the budget process is much more than a document full of accounts and numbers. The annual budget is the most important policy document for the Municipality, as it is a blueprint for Staff and Council. Each year, as Staff begin to prepare the budget, consideration is given to the different fiscal priorities, the projects that need to be completed, the community's interests and Council's Strategic Plan. The result is a document to guide future transactions, operations and decisions.

Clarington's budget consists of two main components, the operating budget and the capital budget. Each section has its own special purpose for guiding staff and

Council in their decision making throughout 2021 and into the future.

The determination of the change in net levy required from property taxes is a combination of both the operating and capital budgets, including any contributions to and from reserves and reserve funds.

## Net Levy Required

The following table shows the net levy required for the 2021 Fiscal Year. The budget increase represents a 2.50 per cent increase in tax levy from the 2020 Budget (this is below the target of 3.55 per cent):

Description	2021 Budget
<b>Net Levy per Management Reporter</b>	\$ 58,191,751
<b>Adjustments</b>	
T / L support to capital	8,289,461
2020 Levy	(62,747,374)
Assessment Growth	(1,346,000)
<i>Items not included in Budget</i>	
Outdoor recreational capital needs to be identified	125,000
Planning consultant for RV storage (pre-budget approval at PDC on January 12, 2021)	15,000
<i>Other adjustments</i>	
COVID funding	(903,000)

Description	2021 Budget
Reduce Clarington Community Care to 1.8 %	(3,100)
Reduce Newcastle Community Hall request to 1.8 %	(51,340)
<b>Budget increase</b>	<b>\$ 1,570,398</b>

## Impact to the Ratepayer – Municipal Taxes

The Municipality typically discusses the annual change in funding with regards to a tax levy increase, as opposed to a tax rate increase. The tax levy is the amount that the Municipality needs to charge in property taxes to fund its operating and capital needs. The target increase for the 2021 Budget was 3.55 per cent. This target has been met as the proposed increased is 2.50 per cent.

### Notional Tax Rates

A notional tax rate is defined as the rate applied against the current year assessment roll that would otherwise raise the same amount of taxes as the previous year. In situations where assessment is growing, the notional tax rate will be lower than the previous year's levied tax rate.

For 2021, the notional tax rates are expected to decrease; however, the amount of the decrease is not known as tax policies (including ratios) have not been set by the Region. As well, because the Province of Ontario delayed the anticipated reassessment cycle due to COVID-19 this has resulted in the 2021 assessment for properties being the same as 2020.

### 2021 Tax Levy

The average residential property is assessed at approximately \$394,000 (2020 - \$390,700). A 1.0 per cent increase in the tax levy is an average change of approximately \$15.17. Please note that this is the average impact, individual properties will differ based on the assessed value of that property.

The impact per \$100,000 value of assessment is approximately \$3.85. For example, if your home is assessed for tax purposes at \$400,000, the municipal portion of your tax bill will increase \$38.50 at the Municipality's draft of 2.5 per cent.

# Changes Due to Corporate Reorganization

In 2020, the Municipality completed several organizational changes resulting from March 6, 2020 approved corporate reorganization. Administratively, changes to the general ledger were made to minimize the required new accounts to be created and preserve as much historical data as possible. For this document, historical information has been presented to reflect the current organizational structure. As a result, several services have changed departments, a summary follows:

From	To	Description
CAO Office	Planning and Development Services	Moved climate change to Planning and Development Services
CAO Office	Community Services	Moved Tourism to Community Services, in area of Client Services
Clerk's	Community Services	Moved Accessibility committee to Community Services
Clerk's	Legislative Services	Renamed Clerk's Department to Legislative Services
Legal	Legislative Services	Moved Legal Services to Legislative Services
Corporate Services	Legislative Services	Moved Human Resources and Health & Safety to Legislative Services
Corporate Services	Financial Services	Moved IT to Financial Services
Corporate Services	Financial Services	Moved Purchasing into Financial Services (merged into Financial Services)
Engineering Services	Planning and Development Services	Moved Building Inspection to Planning and Development Services
Engineering	Public Works	Merge Engineering into Public Works (excluding Building Inspection)
Operations	Public Works	Operation Department renamed Public Works
Public Works	Community Services	Moved Building Services to Community Services
Public Works	Community Services	Moved MAC to Community Services
Public Works	Community Services	Moved Hampton Hall to Community Services
Public Works	Community Services	Moved Tourism Centre to Community Services
Public Works	Community Services	Moved 136 Church St to Community Services
Public Works	Community Services	Moved 156 Church St to Community Services

From	To	Description
Public Works	Community Services	Moved Kendal Community Building to Community Services
Public Works	Community Services	Moved Clarington Beech Centre to Community Services
Public Works	Community Services	Moved Building Hall Boards to Community Services
Public Works	Community Services	Moved Newcastle Library to Community Services
Public Works	Community Services	Moved Orono Library to Community Services
Public Works	Community Services	Moved Court Library to Community Services
Public Works	Community Services	Moved Sarah Jane Williams to Community Services
Public Works	Community Services	Moved Mus / VAC to Community Services
Planning and Development Services	Public Works	Moved Crossing Guards to Public Works

## 2021 Operating Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
(\$74,820)	(\$100,645)	Unassigned	\$0	\$0	\$0	\$0
2,228,199	576,437	Financial Statement Purpose	0	0	0	0
(75,335,996)	(74,302,451)	Non-Department Accounts	(72,678,606)	(75,881,769)	(12,294,720)	63,587,049
928,329	1,019,593	Mayor & Council	944,482	817,063	810,336	(6,727)
1,694,439	1,736,846	CAO Office	1,810,654	1,791,979	1,789,725	(2,254)
5,011,615	4,267,010	Legislative Services	5,027,097	5,207,018	4,982,089	(224,929)
11,052,467	11,339,977	Financial Services	6,912,204	7,387,215	6,962,954	(424,261)
13,425,731	13,976,212	Emergency and Fire Services	12,589,344	13,210,861	13,386,526	175,665
39,515,022	41,189,380	Public Works	24,329,976	25,266,641	21,541,480	(3,725,161)
15,261,292	15,232,003	Community Services	13,047,288	13,672,132	12,535,570	(1,136,562)
2,738,310	2,466,678	Planning and Development Services	3,482,124	3,819,557	3,799,040	(20,517)

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
3,765,727	3,876,841	Libraries/Museums	3,861,906	3,755,775	3,654,879	(100,896)
0	214,976	Culture	0	219,366	223,315	3,949
430,200	673,531	External Agencies	673,531	734,162	800,557	66,395
<b>\$20,640,513</b>	<b>\$22,166,387</b>	<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$58,191,751</b>	<b>\$58,191,751</b>

## 2021 Capital Budget Summary

Department	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Legislative Services	\$53,500	\$0	\$1,500	\$0	\$0	\$0
Financial Services	200,600	0	0	596,180	0	0
Emergency and Fire Services	137,500	0	0	938,000	0	0
Public Works	6,091,436	697,000	375,000	7,085,311	4,343,153	0
Community Services	1,086,050	0	0	858,310	0	0
Planning and Development Services	640,375	0	70,358	390,000	0	0
Library	80,000	0	0	0	243,075	0
<b>Total</b>	<b>\$8,289,461</b>	<b>\$697,000</b>	<b>\$446,858</b>	<b>\$9,867,801</b>	<b>\$4,586,228</b>	<b>\$0</b>

## Items for Council Consideration

Each year there are items up for consideration during the budget process which are brought forward by a member of Council or the public. There are also items which staff are looking for Council direction on. In 2019, the Municipality passed the Budget Policy which provided a target range which staff were to use to develop the budget. In September 2020, Council directed a specific target amount of 3.55 per cent. The following list are items, formerly known as the “B list” which are not included in the proposed budget but are highlighted for Council’s consideration.

Description	Budget Section	Operating Budget Impact	Capital Budget Impact	Tax Levy % Impact	Tax Levy \$ Impact
MAC sprinkler room pre-action system	Community Services	\$ 0	\$ 75,000	0.12 %	\$ 1.81
RRC multi-purpose room duct work	Community Services	0	7,000	0.01 %	0.17
DHRC paint pool deck structural steel	Community Services	0	18,000	0.03 %	0.44
MAC walk behind floor scrubber	Community Services	0	8,000	0.01 %	0.19
CCC renovation of fitness area desk and expansion of cardio area	Community Services	0	60,000	0.10 %	1.45
Increase in community grant program to move towards \$1/person funding levels and provide support to community groups.	Community Services	25,000	0	0.04 %	0.60
Newtonville Community Hall additional funding.	Community Services	2,000	0	0.00 %	0.05

Description	Budget Section	Operating Budget Impact	Capital Budget Impact	Tax Levy % Impact	Tax Levy \$ Impact
Hampton Community Association additional funding	Community Services	2,000	0	0.00 %	0.05
Reduce Orono Town Hall per request	Community Services	(1,000)	0	0.00 %	(0.02)
Reduce Solina Community Centre per request	Community Services	(500)	0	0.00 %	(0.01)
Reduce Brownsdale Community Centre per request	Community Services	(500)	0	0.00 %	(0.01)
Request from Clarington Community Care for 2021 funding in excess of 1.8 % guideline	External Agencies	3,100	0	0.00 %	0.07
Request from Newcastle Community Hall Board for 2021 funding to offset COVID-19 impacts	External Agencies	51,340	0	0.08 %	1.24
Software licensing and programming fees for web look-up of taxes by address	Financial Services	15,000	0	0.02 %	0.36
Request from Hospice Clarington for development charge waiver	Governance	115,000	0	0.18 %	2.78

Description	Budget Section	Operating Budget Impact	Capital Budget Impact	Tax Levy % Impact	Tax Levy \$ Impact
Extension of air quality advisor services for additional environmental projects including DYEC expansion	Planning and Development Services	20,000	0	0.03 %	0.48
Additional summer student for energy and climate change team	Planning and Development Services	11,100	0	0.02 %	0.27
Increase contribution to playground equipment reserve fund for additional annual parks	Public Works	130,000	0	0.21 %	3.14
Bowmanville Boat Launch upgrades (permanent dock system, concrete steps, landscaping)	Public Works	0	250,000	0.40 %	6.04
Clarington Fields Upgrades (asphalt pathway to lacrosse)	Public Works	0	29,000	0.05 %	0.70
Westbeach parking lot upgrades	Public Works	0	41,800	0.07 %	1.01
Orono Gazebo (replace cedar shake roof)	Public Works	0	23,000	0.04 %	0.56
Optimist Park (replace benches, bleachers, basketball markings)	Public Works	0	38,500	0.06 %	0.93

Description	Budget Section	Operating Budget Impact	Capital Budget Impact	Tax Levy % Impact	Tax Levy \$ Impact
Baseball diamond surface upgrade (Penfound Park)	Public Works	0	70,000	0.11 %	1.69
Bowmanville cemetery shed demolition	Public Works	0	15,000	0.02 %	0.36
Structures rehabilitation (various locations for bridges)	Public Works	0	200,000	0.32 %	4.84
High St and Odell St reconstruction (detailed design)	Public Works	0	30,000	0.05 %	0.73
Rural road resurfacing (additional funding for surface treatment of rural roads)	Public Works	0	350,000	0.56 %	8.46
Lambert St Reconstruction (King St to Church St reconstruction to urban standard)	Public Works	0	300,000	0.48 %	7.25
Mill St Orono repairs at 55 Mill St (ditching and road repairs)	Public Works	0	14,000	0.02 %	0.34
Pavement rehabilitation program (funding for pavement life cycle repairs)	Public Works	0	200,000	0.32 %	4.84

Description	Budget Section	Operating Budget Impact	Capital Budget Impact	Tax Levy % Impact	Tax Levy \$ Impact
Temporary portable speed cushions (2) for speed reduction	Public Works	0	13,000	0.02%	0.31
Orono Mail St sidewalk	Public Works	0	330,000	0.53%	7.98
Patterson Rd retaining wall, additional funds required	Public Works	0	210,000	0.33%	5.08
Kendal drainage, additional funds required to complete project	Public Works	0	240,000	0.38%	5.80
Accessible on-street parking spot in downtown Newcastle	Public Works	0	10,000	0.02%	0.24
		\$ 372,540	\$ 2,532,300	4.63 %	\$ 70.23



# 2021 Governance Summary

## Overview

The *Municipal Act, 2001* defines the responsibilities of the Mayor and Council. Our Council membership includes an elected Mayor, two elected Regional Councillors and four elected Local Councillors.

The Mayor holds dual roles as the Head of Council and the Chief Executive Officer of the Municipality. As the Head of Council, the Mayor presides over Council meetings so that its business can be carried out efficiently and effectively; provides information and recommendations to Council with respect to the role of Council; and represents the Municipality at official functions. As the Chief Executive Officer, the Mayor upholds and promotes the purposes of the Municipality and fosters public interest and involvement in the Municipality and its activities. The Mayor is one of three representatives of Clarington to the Regional Municipality of Durham (the “Region”) Council.

Regional Councillors have a number of responsibilities as elected officials. Regional Councillors participate on Regional Council and Committees to make decisions for the Region as well as Clarington’s Council and Committees.

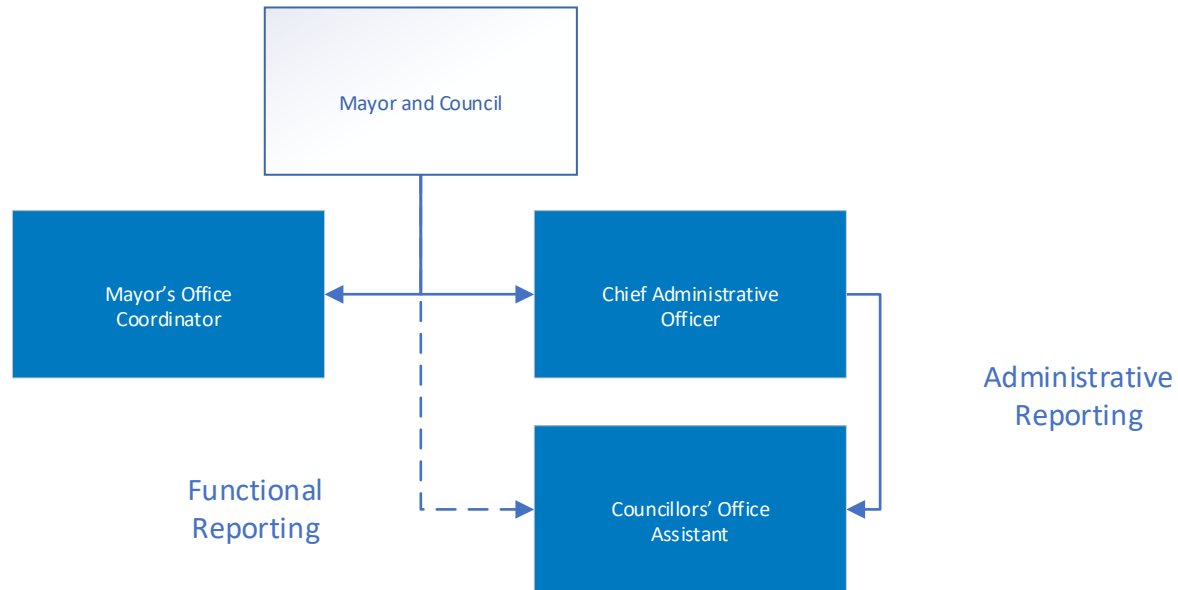
Local Councillors have similar responsibilities as Regional Councillors however do not represent the

Municipality at the Region. Local Councillors may sit on several local committees as Council representatives.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	0.0	
Part-time	0.0	
Contract	(0.0)	

# Current Organizational Structure



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		100 Mayor				
		Expenditures				
\$382,998	\$318,931	Salaries, Wages & Benefits	\$381,673	\$250,702	\$249,108	(\$1,594)
50,163	43,647	Materials & Supplies	60,867	61,867	59,341	(2,526)
		105 Council				
		Expenditures				
436,019	604,398	Salaries, Wages & Benefits	439,027	433,124	430,517	(2,607)
7,061	3,864	Materials & Supplies	13,070	9,070	9,070	0
		106 Ward Council				
		Expenditures				
32,685	25,819	Materials & Supplies	33,288	38,300	38,300	0
		107 Regional Council				
		Expenditures				
19,403	22,934	Materials & Supplies	16,557	24,000	24,000	0
<b>\$928,329</b>	<b>\$1,019,593</b>	<b>Total</b>	<b>\$944,482</b>	<b>\$817,063</b>	<b>\$810,336</b>	<b>(\$6,727)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for Mayor and Council (Governance):

reallocation of budget) to reflect expected requirements. - \$2,526 ↓

### Mayor

- Reduced budget for phone/fax, books/periodicals, and office/miscellaneous expenses (net of



# 2021 CAO Office Summary

## Department Overview

The Chief Administrative Officer (CAO) is responsible for the overall management of the corporation. This includes policy development, staffing, communications and support for Mayor and Council. The CAO's mandate is in part directed by the corporate strategic plan, as set by Mayor and Council, which outlines their key priorities for the 2018-2022 term.

The Communications function lives within the Office of the CAO as it plays a key role in organizational development and growth. It also serves an important external function by managing all communications channels to ensure that Council priorities and key developments are appropriately disseminated to the public.

## Core Activities

- **Administration:** Exercise general control and manage the affairs of the municipality ensure the efficient and effective operation of the Municipality; implement council's decisions and establish administrative practices and procedures to carry out council's decisions; undertake research and provide advice to council on the policies and programs of the Municipality; execute the strategic plan and providing oversight and leadership across the corporation.

- **Communications:** Managing both internal and external communication channels. Responsible for corporate branding, digital presence and customer service excellence.

## 2020 Accomplishments and Success

- Responded effectively to COVID-19 from both an employment and community standpoint (including establishing working-from-home policies, and protocols for safe access to facilities);
- Communicated extensively with residents over COVID-19 and its impact on municipal services;
- Developed Affordable Housing Toolkit and policies to support local projects;
- Implemented first phases of the corporate reorganization;
- Rolled out a comprehensive internal branding guideline for corporate communications; and
- Supported investment in reliable and affordable rural broadband networks.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	1.0	CAO's Office
Part-time	0.0	
Contract	(1.0)	CAO's Office

### Corporate Policy Analyst

Through Resolution #C-044-19, Council instructed staff to create the contract position of a Corporate Policy Analyst. The term of the contract is set to expire at the end of April 2021.

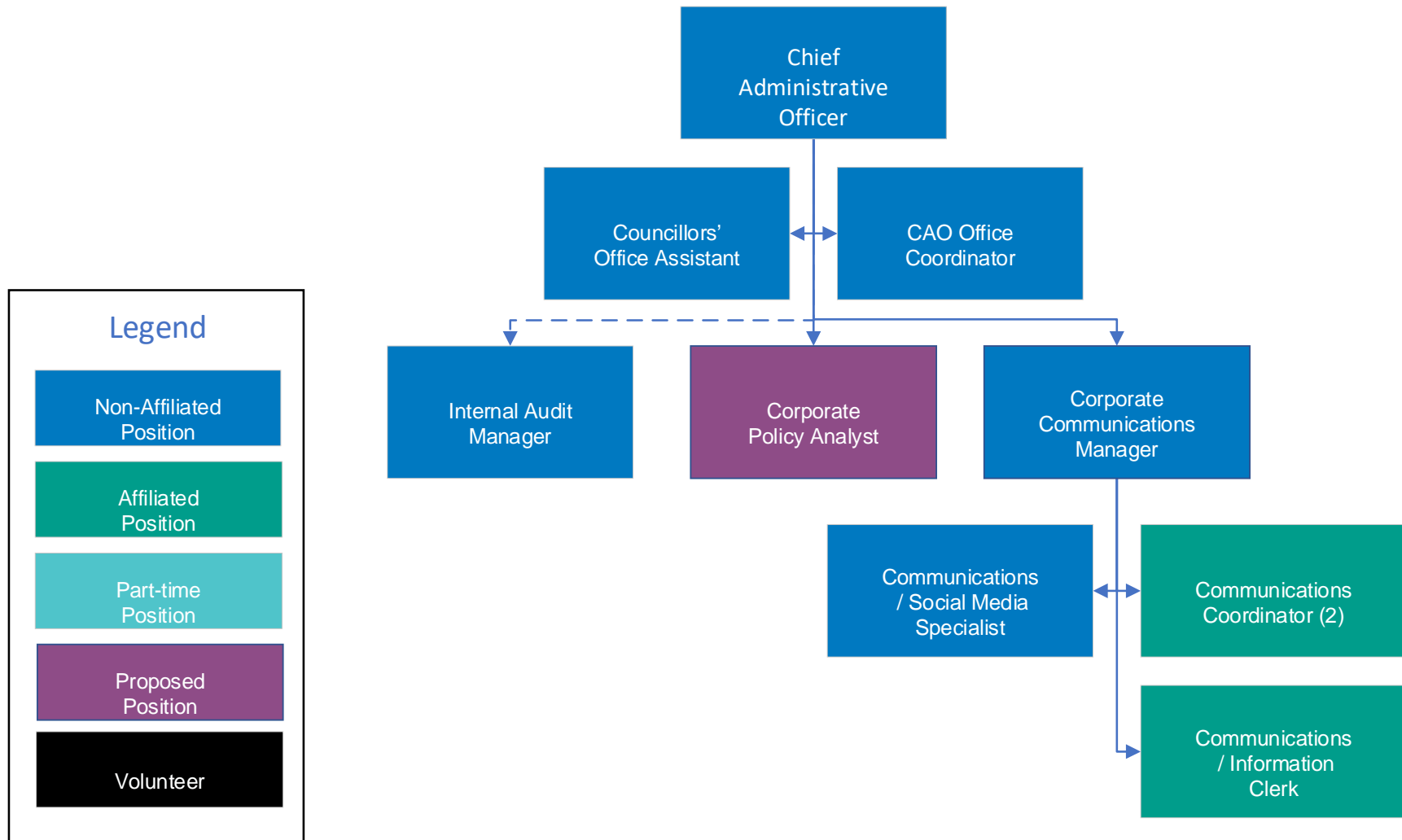
Over the course of the last two years, the Corporate Policy Analyst has been involved in a myriad of files across the organization, with a focus on providing in-house support where possible. Many of these files have required a combination of skills in public policy, business, communication and intergovernmental relations. As a result, a series of value-add initiatives have taken place.

The intention of the resolution passed by Council was to reinstate work previously undertaken by the Corporate Initiatives Officer, but with a focus on acting as an internal business resource to increase corporate capacity and limit outside consulting fees. The position has delivered on that mandate. Listed below are examples the projects that will require the Corporate Policy Analyst's ongoing assistance and leadership:

- Organizational Review
- Broadband Internet Connectivity
- Affordable Housing
- Education and Training
- Intergovernmental Affairs

The 2021 budget proposes to make this position a permanent full-time position recognizing that the importance of projects and mandates that have been worked on to date.

# Current Organizational Structure



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		000 Unassigned				
		Expenditures				
\$339,900	\$366,869	Materials & Supplies	\$356,097	\$366,600	\$377,418	\$10,818
		130 Admin				
		Revenue				
(2,730)	0	User Charges	0	0	0	0
		Expenditures				
436,778	522,673	Salaries, Wages & Benefits	509,844	508,923	562,256	53,333
61,092	43,707	Materials & Supplies	58,700	58,700	56,425	(2,275)
41,115	119,889	Contracted Services	70,000	30,000	30,000	0
60,800	16,400	Transfers from Res / RF / Cap	0	0	0	0
		Fund				
		170 Communications				
		Revenue				
(43,559)	(46,715)	User Charges	(45,000)	(45,000)	(45,000)	0
		Expenditures				
583,200	601,875	Salaries, Wages & Benefits	623,888	645,631	584,601	(61,030)
140,277	103,673	Materials & Supplies	128,900	124,400	128,600	4,200
90,071	88,600	Contracted Services	108,225	102,725	95,425	(7,300)
		250 Contributions				
		Revenue				
0	(78,432)	Transfer between funds	0	0	0	0
		385 Environmental				
		Revenue				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
(102,145)	(85,242)	User Charges	(83,500)	(83,500)	(83,500)	0
208	0	Expenditures				
89,432	83,549	Materials & Supplies	3,500	3,500	3,500	0
		Contracted Services	80,000	80,000	80,000	0
<b>\$1,694,439</b>	<b>\$1,736,846</b>	<b>Total</b>	<b>\$1,810,654</b>	<b>\$1,791,979</b>	<b>\$1,789,725</b>	<b>(\$2,254)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for the Office of the CAO:

### Unassigned

- Materials and Supplies - contracted services with the Clarington Board of Trade increased 3.0 per cent per existing contract - \$10,818 ↑

### Administration

- Materials and Supplies - travel expenses based on expectation of less travel in 2021 as meetings, conferences and other events likely to be virtual. - \$2,275 ↓

### Communications

- Materials and Supplies – increase for membership/dues and advertising net of reduction in postage. - \$4,200 ↑
- Contracted Services – decrease in external design needs for publications. - \$7,300 ↓



# Legislative Services

# 2021 Legislative Services Summary

## Department Overview

The Legislative Services Department is responsible for five distinct divisions, comprised of Municipal Law Enforcement, Animal Services, Clerk's, Human Resources, and Legal Services. These divisions have varied responsibilities such as upholding municipal by-laws, care and adoption of animals, deployment and implementation of Human Capital Management, effective administration of Council and Committee meetings as well as providing legal advice and support.

## Core Activities

- **Municipal Law Enforcement:** Responsible for achieving compliance with municipal by-laws.
- **Animal Services:** Operates the animal shelter and related activities.
- **Clerk's:** Delivers secretariat services for Council and committees, provides records management, licensing and permitting and supports other public services such as elections, marriages, cemeteries, lottery licenses, etc.
- **Human Resources:** Responsible for the Human Capital Management function, inclusive of recruitment, retention, and training. Collective

Agreement negotiations, Payroll Administration and Health and Safety are additional functions within this division.

- **Legal Services:** Provides legal advice and support to Council, municipal staff and the CAO.

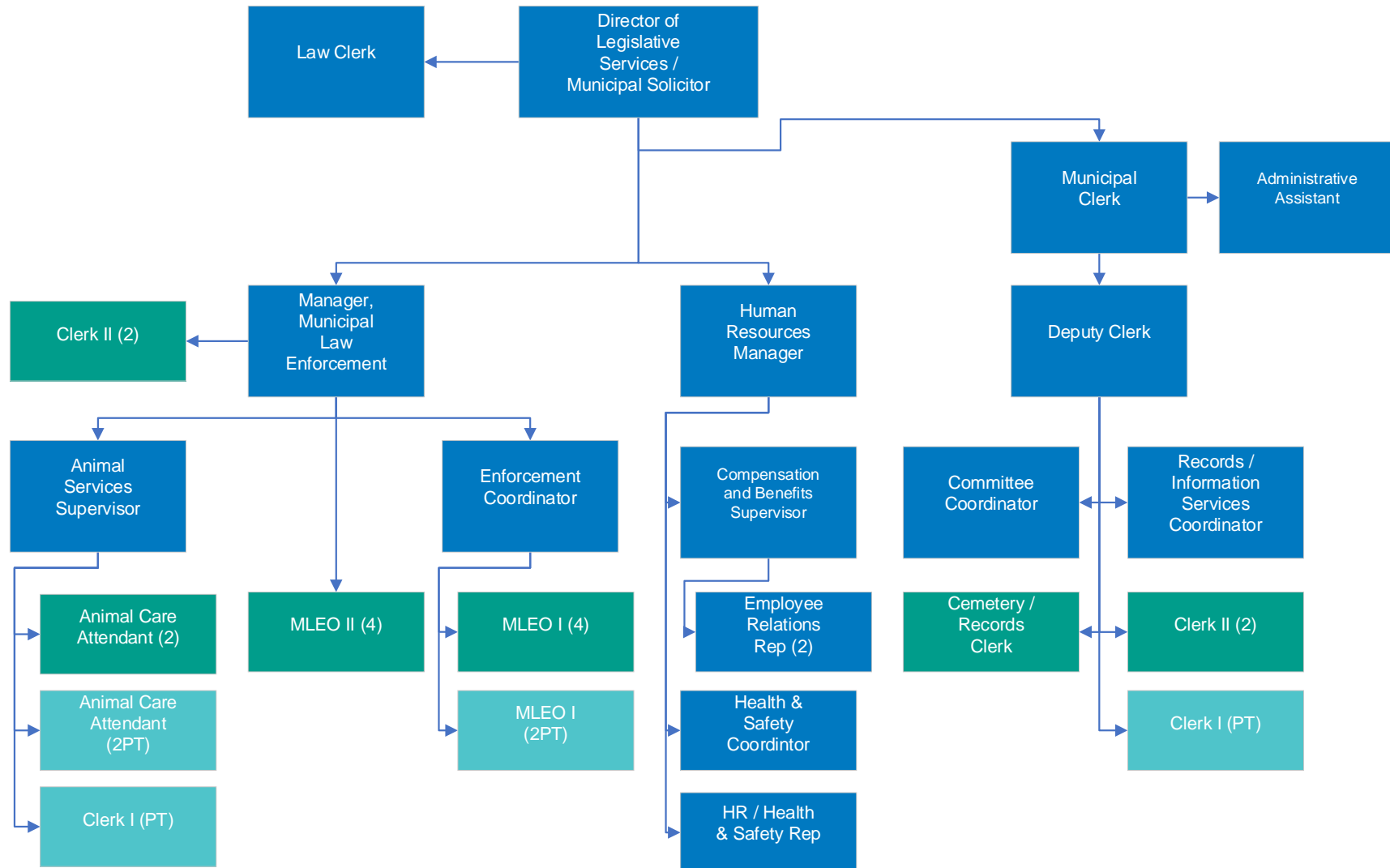
## 2020 Accomplishments and Success

- Transitioned to electronic Council and committee meetings, supported advisory committees to also move to virtual meetings;
- Provided support to the Province of Ontario's enforcement of emergency measures related to the COVID-19 State of Emergency; and
- Supported the CAO and department heads through changing employment legislation related to COVID-19.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	0.0	
Part-time	0.0	
Contract	0.0	

# Current Organizational Structure



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		000 Unassigned				
		Revenue				
\$0	\$0	User Charges	(\$200)	(\$200)	\$0	\$200
		090 PSAB				
		Expenditures				
23,495	28,461	Amortization Expense	0	0	0	0
		130 Admin				
		Revenue				
(115,140)	(110,267)	User Charges	(122,800)	(118,800)	(122,800)	(4,000)
		Expenditures				
1,173,665	1,094,665	Salaries, Wages & Benefits	1,133,314	1,163,744	1,008,646	(155,098)
103,179	96,472	Materials & Supplies	94,390	97,410	86,010	(11,400)
7,274	12,510	Contracted Services	10,500	10,800	20,800	10,000
97,252	33,415	Transfers from Res / RF / Cap Fund	15,000	19,500	20,000	500
		160 HR/Payroll				
		Revenue				
(255,577)	(385,522)	User Charges	(12,000)	(12,000)	0	12,000
		Expenditures				
1,631,071	1,529,437	Salaries, Wages & Benefits	1,515,107	1,542,249	1,437,829	(104,420)
8,602	8,530	Materials & Supplies	7,960	8,050	12,600	4,550
86,728	102,348	Contracted Services	96,000	81,500	82,000	500
111,683	113,061	Rents/Financial Expenses	127,000	130,000	140,000	10,000
41,278	15,570	Transfers from Res / RF / Cap Fund	0	0	0	0
		165 Health & Safety				
		Expenditures				
8,926	6,685	Materials & Supplies	10,775	18,075	23,075	5,000

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
6,762	2,656	Contracted Services	3,000	3,000	12,000	9,000
3,747	4,036	Transfers from Res / RF / Cap Fund	0	2,500	2,500	0
		190 Animal Services				
		Revenue				
(110,668)	(105,192)	User Charges	(77,800)	(87,800)	(87,800)	0
		Expenditures				
560,128	410,844	Salaries, Wages & Benefits	511,095	433,420	447,579	14,159
52,615	60,023	Materials & Supplies	67,665	65,825	67,925	2,100
53,815	60,118	Contracted Services	51,000	55,000	59,000	4,000
16,061	16,640	Transfers from Res / RF / Cap Fund	7,000	7,000	10,000	3,000
		191 Municipal Law Enforcement				
		Revenue				
(56,718)	(40,870)	User Charges	(13,000)	(28,000)	(28,000)	0
(25,895)	(32,481)	Fines/Penalties on Interest	(25,000)	(25,000)	(25,000)	0
		Expenditures				
500,480	644,792	Salaries, Wages & Benefits	727,126	845,402	885,842	40,440
33,937	17,961	Materials & Supplies	32,422	33,700	21,000	(12,700)
74,935	53,554	Contracted Services	43,100	54,100	54,100	0
0	476	Transfers from Res / RF / Cap Fund	0	0	0	0
		192 Parking Enforcement				
		Revenue				
(132,719)	(148,085)	User Charges	(80,000)	(80,000)	(80,000)	0
(298,641)	(448,535)	Fines/Penalties on Interest	(200,000)	(250,000)	(250,000)	0
		Expenditures				
287,689	387,721	Salaries, Wages & Benefits	402,992	409,462	416,963	7,501
32,579	36,695	Materials & Supplies	26,840	24,840	24,840	0
7,097	8,544	Contracted Services	10,000	10,000	10,000	0
9,295	11,912	Rents/Financial Expenses	5,000	10,000	10,000	0
431,360	601,152	Transfers from Res / RF / Cap Fund	280,000	330,000	330,000	0
		193 Election				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
(1,300)	529	Revenue				
		User Charges	0	0	0	0
		Expenditures				
133,206	271	Salaries, Wages & Benefits	0	0	0	0
83,033	1,735	Materials & Supplies	3,200	0	36,000	36,000
140,823	3,943	Contracted Services	3,500	69,000	8,000	(61,000)
13,716	1,755	Rents/Financial Expenses	0	0	0	0
35,000	125,000	Transfers from Res / RF / Cap Fund	125,000	125,000	125,000	0
		194 Legal Services				
		Revenue				
(64,105)	(66,275)	User Charges	(70,000)	(58,000)	(58,000)	0
(58,098)	(100,505)	Transfer between funds	(90,000)	0	0	0
		Expenditures				
348,589	348,429	Salaries, Wages & Benefits	343,311	358,991	365,730	6,739
34,686	42,264	Materials & Supplies	34,950	37,800	37,800	0
138,598	74,592	Contracted Services	165,000	165,000	75,000	(90,000)
0	66,145	Transfers from Res / RF / Cap Fund	0	0	0	0
		230 Grants				
		Revenue				
(17,338)	(27,605)	Grants	(22,000)	(22,000)	(22,000)	0
		250 Contributions				
		Revenue				
0	(126,553)	Transfer between funds	0	0	0	0
		326 Cemetery				
		Revenue				
(170,195)	(192,660)	User Charges	(140,100)	(258,100)	(208,100)	50,000
		Expenditures				
0	128	Materials & Supplies	1,800	1,800	1,800	0
		388 Fleet				
		Expenditures				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
26,705	28,491	Materials & Supplies	25,950	33,750	31,750	(2,000)
<b>\$5,011,615</b>	<b>\$4,267,010</b>	<b>Total</b>	<b>\$5,027,097</b>	<b>\$5,207,018</b>	<b>\$4,982,089</b>	<b>(\$224,929)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for Legislative Services:

### Unassigned

- Removed revenue for photocopy charges as a result of historical trend and future expectations. - \$200 ↓

### Administration

- Net increase in user charges to reflect annual ride sharing licencing fee (new) and reduction in marriage licence revenue. - \$4,000 ↑
- Materials and supplies net decrease related to reduction in travel costs, accessibility function moving to Community Services, and Corporate Services office supplies being split with Financial Services. - \$11,400 ↓
- Contracted services increased for professional fees based on expected needs in 2021. - \$10,000 ↑

### Human Resources / Payroll

- Revenue decreased as related to WSIB rebate which is no longer in effect due to change in legislation. - \$12,000 ↓
- Increase in materials and expenses related to allocation of corporate services office supplies to for HR purposes and phone/fax expenses. - \$4,550 ↑
- Contracted services increase for professional fees due to inflationary expectations. - \$500 ↑
- Rents and financial expenses increase for bank charges for payroll system. - \$10,000 ↑

### Health and Safety

- Materials and supplies increase for miscellaneous operating supplies, books/periodicals and other nominal changes. - \$5,000 ↑
- Contracted services increase due to required audiometric testing and triannual engineering noise survey. - \$9,000 ↑

### Animal Services

- Increase in materials and supplies due to utility increases. - \$2,100 ↑
- Contracted services increase relates to commission expense for sales of animal tags to reflect actual. - \$4,000 ↑

### Municipal Law Enforcement

- Decrease in materials and expenses for utilities and other non-TCA capital items. - \$12,700 ↓

### Municipal Elections

- Increase in materials and expenses relate to postage and courier for mailouts in advance of the 2022 municipal election to start process to confirm the voters' list. - \$36,000 ↑
- Decrease in contracted services relates to Ward Boundary Review in 2020 being completed (\$65,000) and printing costs related to voter list verification (\$4,000). - \$61,000 ↓

### Legal Services

- Reduction in contracted services due to expected decrease in professional fees recoverable (was related to a DC funded activity). - \$90,000 ↓

### Cemetery

- Decrease in revenue related to expected availability of plots in Hampton. - \$50,000 ↓

### Fleet

- Decrease in materials and supplies relate to new vehicles being electric and requiring less fuel/oil. - \$2,000 ↓



# 2021 Financial Services Summary

## Department Overview

The Financial Services Department is responsible for the Municipality's overall financial activities. It is responsible for all accounting services and provides financial advice to Council and other departments. The Financial Services Department develops Municipal budgets, collects taxes, and manages the Corporation's financial assets. Financial Services is also responsible for processing insurance claims against the Municipality, procurement of goods and services, and information technology services.

## Core Activities

- **Accounting Services:** The department is also in charge of all financial reporting, including preparing mandated municipal performance measures. The department also oversees the development charges reserve funds, used to pay for a variety of services to accommodate new development within the Municipality.
- **Taxation Services:** The division is responsible for the billing and collection of property taxes, providing assistance to taxpayers on assessment inquiries and responding to tax appeals.
- **Asset Management:** The division is responsible for reporting of capital assets, corporate asset

management planning, and ensuring capital project financing is available.

- **Purchasing:** The division is responsible for purchasing required supplies, vehicles, equipment, products, services, rentals, consulting, construction, renovations, and printing services. The division follows strict rules and procedures to ensure that all business conducted with the Municipality is done in a fair and transparent manner.
- **Information Technology:** Provides and supports all technology services for the Municipality including software, hardware, network security, etc. With the rise of digitization IT supports several internal and customer focused solutions that increase the overall effectiveness and efficiency levels of municipal business.

## 2020 Accomplishments and Success

- Instituted electronic funds transfers for payments to vendors to reduce cheques and improve timeliness of payments;
- Implemented an electronic process for invoice approvals to eliminate need for paper invoices,

unnecessary movement of invoices and improve processing times;

- Updated the development charges study for changes in the legislation and forecasted growth of the Municipality;
- Transitioned staff and provided support to organization for work-from-home and other virtual services required to respond to COVID-19; and
- Modernized reporting tools to assist managers, and improved quarterly reporting to Council to provide additional information in a user-friendly manner.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	1.0	Information Technology
Part-time	0.0	
Contract	0.0	

### Network Security Analyst

There is an ever-expanding reliance on technology, delivered not only to our internal departments, but the community as well. It has become clear that our concerns about security and the maintenance of our Municipal networking system cannot be met by our existing staff compliment.

To mitigate risk to the Municipality, it is imperative to ensure that the proper resources are applied to IT

security and privacy concerns, including those found in the last two independent security assessments.

After the completion of the IT Strategic Plan in 2017, it was decided that the IT Division should be divided into three separate teams. These teams consist of Client/Application Services, Network Administration Services and Business Development Services. The Network Administration Services team handles the network infrastructure and security concerns for the Municipality. This involves the physical equipment like servers, data storage, firewalls, and all network switches and Wi-Fi Access Points (WAPs) which are found throughout the network, as well as all related server software configuration and maintenance.

Other major duties of the team include the creation and maintenance of user accounts, Office 365 administration (including email, Teams, SharePoint, etc.), remote access administration, ensuring security training is completed, following up with port security concerns, server log review, software upgrades and patching, security system monitoring for intrusion detection, and security incident remediation. This group is also the team responsible for any HR-related request to investigate an employee or potential breach of policy.

The deployment of new network equipment has been delayed due to the current workload. IT is having trouble in meeting the service levels and customer expectations of staff in the Municipality. Technical policies and rules are set to protect the corporation, and automation is used where possible to alert IT to issues. However, there is

little time for security tasks that require human attention, especially things like ongoing training and auditing.

Antivirus is deployed on all workstations and computers. However, it is not managed on phones, personal devices, home computers of work-from-home staff, etc. Therefore, there should be more threat detection and response capabilities for the corporate network.

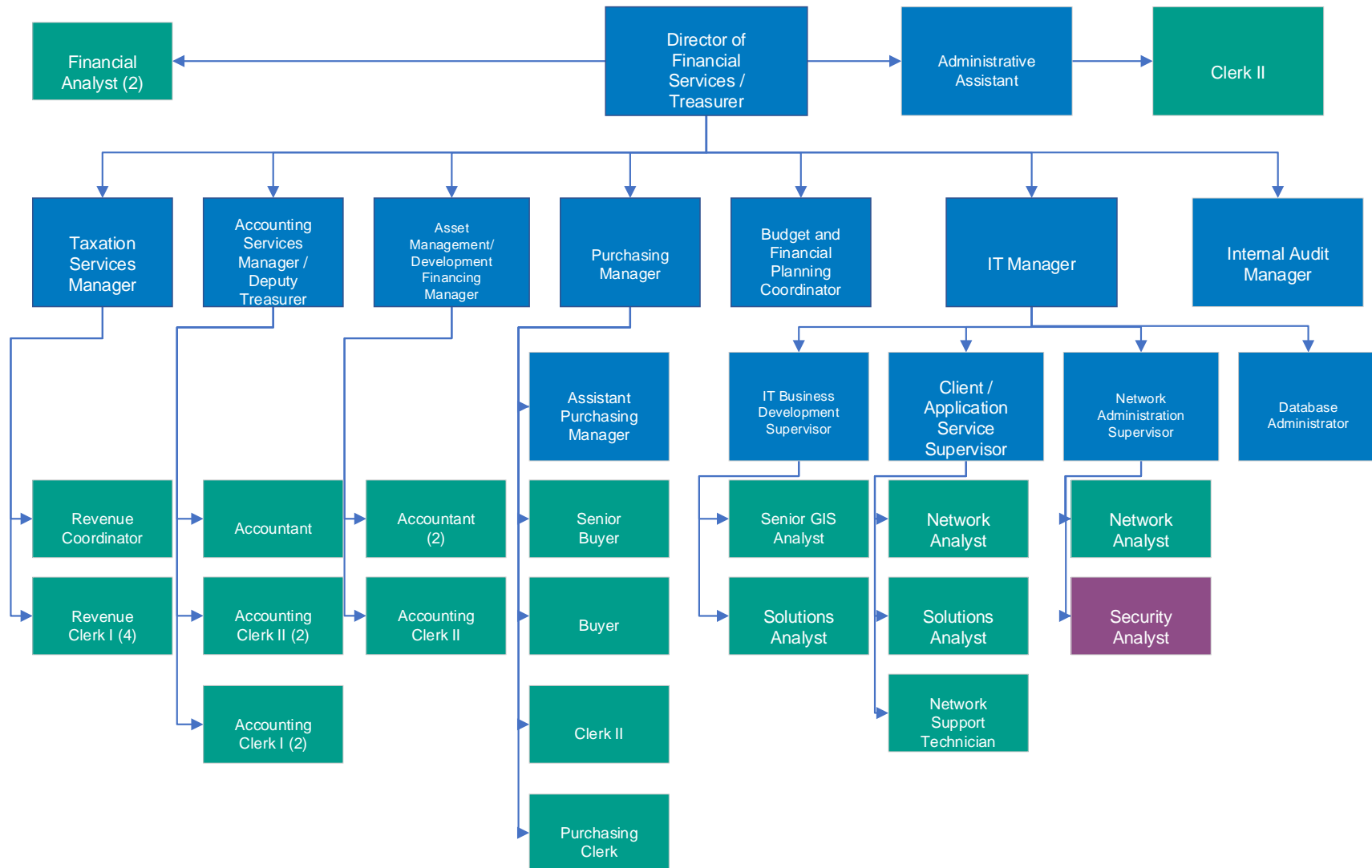
Operational “keeping the lights on” IT duties necessarily take precedence over security related duties. Currently, a network infrastructure issue (such as a complaint about internet speed, or application performance) always takes precedence over any security tickets or concerns. They should be treated as equal.

The recent move to Office 365 broadens our attack surface and requires different and new security controls.

Moving information to Office 365 may improve upon auditing capabilities in the future. However, this will take increased, ongoing effort from the Network Administration team.

Security-related demands steadily increase in a measurable way. With the added pressure of supporting staff at home using their personal devices to connect to municipal infrastructure, the concerns continue to rise. These items put the entire municipal network, and all the information that it holds, at risk. We take security seriously, but we currently do not have the resources to give it the attention it deserves.

# Current Organizational Structure



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		000 Unassigned				
		Revenue				
(\$15,056)	(\$20,735)	Fines/Penalties on Interest	(\$12,000)	(\$13,000)	(\$15,000)	(\$2,000)
		090 PSAB				
		Expenditures				
817,433	819,261	Amortization Expense	0	0	0	0
		130 Admin				
		Revenue				
(323,679)	(214,087)	User Charges	(178,000)	(178,000)	(200,000)	(22,000)
(1,274,793)	(1,417,469)	Fines/Penalties on Interest	(1,200,000)	(1,250,000)	(1,400,000)	(150,000)
		Expenditures				
8,899	6,688	Materials & Supplies	7,400	7,400	0	(7,400)
		140 Internal Audit				
		Expenditures				
0	34	Salaries, Wages & Benefits	0	151,831	154,743	2,912
0	0	Materials & Supplies	0	300	300	0
		162 IT				
		Expenditures				
1,260,161	1,375,049	Salaries, Wages & Benefits	1,309,848	1,417,707	1,497,831	80,124
6,427	6,481	Materials & Supplies	4,000	5,000	8,200	3,200
29,300	13,521	Contracted Services	52,000	15,000	15,000	0
536,329	116,206	Transfers from Res / RF / Cap Fund	110,000	670,500	100,000	(570,500)
347,398	464,133	Reclass: CF (Non-TCA) to GF	430,000	437,500	600,000	162,500
		210 Finance Administration				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
2,936,152	2,947,508	Expenditures				
138,104	97,117	Salaries, Wages & Benefits	3,142,749	3,043,962	3,082,732	38,770
81,920	101,573	Materials & Supplies	119,175	111,290	101,190	(10,100)
0	2,296	Contracted Services	51,000	49,000	54,000	5,000
		Transfers from Res / RF / Cap Fund	0	0	0	0
		211 Unclassified Administration				
(419,294)	(98,671)	Revenue				
		User Charges	0	0	0	0
709,682	564,917	Expenditures				
1,235,785	1,455,319	Materials & Supplies	616,134	615,900	543,358	(72,542)
174,282	634,350	Contracted Services	1,355,500	1,285,600	1,285,600	0
4,803,417	4,585,062	Rents/Financial Expenses	239,398	205,000	205,000	0
		Transfers from Res / RF / Cap Fund	865,000	812,225	930,000	117,775
		250 Contributions				
0	(98,576)	Revenue				
		Transfer between funds	0	0	0	0
<b>\$11,052,467</b>	<b>\$11,339,977</b>	<b>Total</b>	<b>\$6,912,204</b>	<b>\$7,387,215</b>	<b>\$6,962,954</b>	<b>(\$424,261)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for Financial Services:

### Unassigned

- Increased revenue on penalties and interest for accounts receivable to reflect historical trend. - \$2,000 ↑

### Administration

- Increased user charges revenue to reflect historical trend. In 2019, Council reduced the number of tax fees that could be charged, 2019 and 2020 budgets were conservative as staff were determining the impact of the user fee change. - \$22,000 ↑

- Increased fines and penalties interest on taxes to reflect historical trend. It is anticipated that 2021 will see an increase in late payments, increasing the revenue expectation from penalties and interest to the trend amount reduces the tax levy need for taxpayers. - \$150,000 ↑
- Reduction in materials and supplies resulted through reorganization, these related to corporate services expenses not otherwise reallocated to Legislative Services or Financial Services. - \$7,400 ↓

#### Information Technology

- Increased materials and supplies to reflect needs in phone/fax and membership dues. - \$3,200 ↑
- Increased transfer for Non-TCA capital reflects the increase in hardware and software contracts as we move to more online services requiring annual costs such as Office 365. - \$162,500 ↑

#### Finance Administration

- Materials and supplies have decreased as a net result in changes to office supplies, books/periodicals, postage, membership dues, and other nominal changes - \$10,100 ↓
- Contracted services have increased to reflect legal costs to fight commercial appeals. - \$5,000 ↑

#### Unclassified Administration

- Materials and supplies has decreased primarily as a result of eliminating the contingency. There will be policies forthcoming to Council to deal with contingencies through other processes. - \$72,542 ↓



# Public Works Department

# 2021 Public Works Summary

## Department Overview

The Public Works Department is structured into two distinct Divisions – Infrastructure (design, build) and Roads, Fleet, and Parks (Maintenance). Staff are responsible for major capital and road reconstruction projects, the development and design of parks and trails as well as overseeing Clarington's transportation network looking at traffic flow on municipal roads, streets and sidewalks.

## Core Activities

- **Infrastructure:** Involves the development and planning of infrastructure requirements and well as long-term asset management planning. The division oversees infrastructure construction and provides technical services such as traffic management, road signage, pedestrian safety, etc.
- **Roads:** Maintenance of paved and unpaved roadways and sidewalks, inclusive of snow ploughing, ditching, culvert installations and pothole patching.
- **Fleet:** Maintain municipal fleet vehicle network, inclusive of emergency services equipment (fire trucks).
- **Parks:** Maintenance of splash pads, beaches, cemetery and sports fields, parks and open

spaces and trail. The division also has responsibility over the forestry program, seasonal grass cutting and special event programs (e.g. Festival setup/takedown).

## 2020 Accomplishments and Success

- Amalgamated the former Operations and Engineering Departments to form the new Public Works Department;
- Commenced the “greening” of the corporate fleet through the purchase of three electric vehicles and the installation of new EV charging stations;
- Maintained an “open” atmosphere and provided a high level of maintenance in all parks during COVID-19;
- Managed an unprecedented increase in activity at each of Clarington’s beaches during the summer months;
- Completed the Ash tree removal program of more than 3,000 trees from within the urban areas of Clarington;
- Replaced the playgrounds and upgraded existing infrastructure at Gatehouse, Moyse and Landerville parkettes and Orono Park;

- Upgraded approximately 30 kilometres of rural road with high float resurfacing; and
- Received Council endorsement of the Clarington Outdoor Recreation Needs Assessment.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	2.0	Infrastructure Division (one) and Operations (one)
Part-time	0.0	
Contract	0.0	

### Development Review Technician

The Public Works Department, Infrastructure Division, currently has a total of 2.5 staff members, including the Manager of Development Engineering. The Development Review Technician will be responsible for the technical review of engineering submissions pertaining to residential, industrial, commercial, and institutional development projects.

There are currently 11 Secondary Plans being prepared in the Planning and Development Services Department. Each secondary plan has a landowners' group with an average of three parties participating. The number of draft plans of subdivision that are expected in 2021 is forecasted at 14 (SE Courtice, SW Courtice, Brookhill, North Village and Wilmot Creek) assuming only half of the Secondary Plans will get moved forward into the draft plan stage.

The scale of the proposed Secondary Plans is considerable. As one example, the SE Courtice plan has a total study area of more than 291 hectares with a residential component of approximately 118 hectares. This development will result in more than 36 kilometers of new roadways, seven kilometers of new trails, 19 hectares of new parks and parkettes that will ultimately service over 5,000 new housing units.

Each detailed design has on average four submissions for a subdivision. It takes approximately 8 weeks to complete a detailed design review from first submission to last submission. This accounts for approximately 112 weeks of work based on 14 draft plans of subdivision. This level of resourcing does not take into account the additional workload on staff for the various other development applications and site plans that are currently being completed.

It is anticipated that without the support of an additional Development Review Technician, delays with approvals will be experienced due to the amount of growth that is proposed to commence in 2021.

### Operations Equipment Trainer

This position was requested by the former Operations Department in 2019 but was put on hold pending an assessment of how best to approach training across the entire organization after implementation of organizational structure changes.

The Public Works Department, Operations Division, currently has a total of 45 full-time employees and 2 part-

time employees that are assigned field work that requires the regular operation of vehicles, equipment and small tools. This compliment of staff normally increases by another 8 seasonal and 25 students in the summer months to ensure that minimum levels of service are met.

It is incumbent upon the Public Works Department to ensure that all staff are properly trained in order to ensure that suitable levels of health and safety are maintained. Regular training includes defensive driving, 0-8 tonne crane operation and AZ and DZ licence re-certifications. Most other training programs, however, have lapsed due to workloads, program coordination and the availability of budget to hire external qualified training companies. Training programs that have not been kept current include, amongst others, chainsaw and chipper operation, book 7 traffic control, steamer operation, aerial bucket, beach groomer and working at heights.

An effective staff training program could also be expanded to include numerous other areas of instruction, refresher sessions or upgrades to enhance employee skills and operating efficiency. Such training opportunities would include the grader, snowplow, rigging, pre-wetting systems, loader, gradall, sweeper, backhoe, garbage truck, roadside mowers and numerous small tool applications such as weed trimmers, asphalt roller, plate tamper, sod cutters, tillers, etc. Staff's operation of many of these pieces of equipment currently occur following only minor orientation and on the job learning.

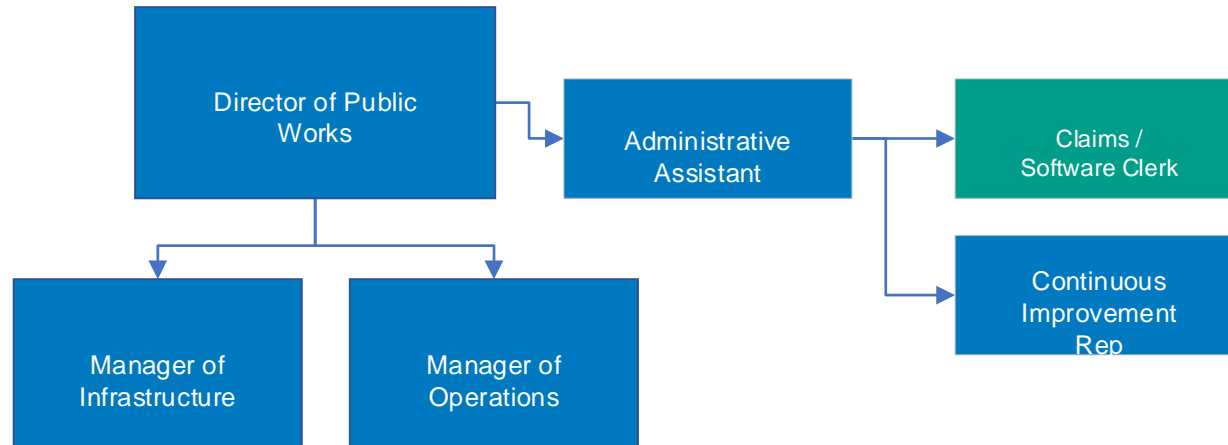
Over the past two years, a total of 31 reportable incidents have been recorded whereby damage has occurred to corporate vehicles or equipment. These incidents not only result in expensive repairs, but they also affect the Municipality's Commercial Vehicle Operating Record (CVOR). If the Municipality's violation rate continues to rise, the Ministry of Transportation of Ontario (MTO) may schedule a facility audit and ultimately the loss of the CVOR and our ability to continue providing services.

The Operations Equipment Trainer will be responsible for the development, implementation, evaluation and documentation of a comprehensive instructional program on equipment for the Public Works Department. The position would also be required to have the necessary certifications to deliver other corporate training needs such as mental health, ergonomics and first aid sessions that are organized by the Health and Safety Coordinator.

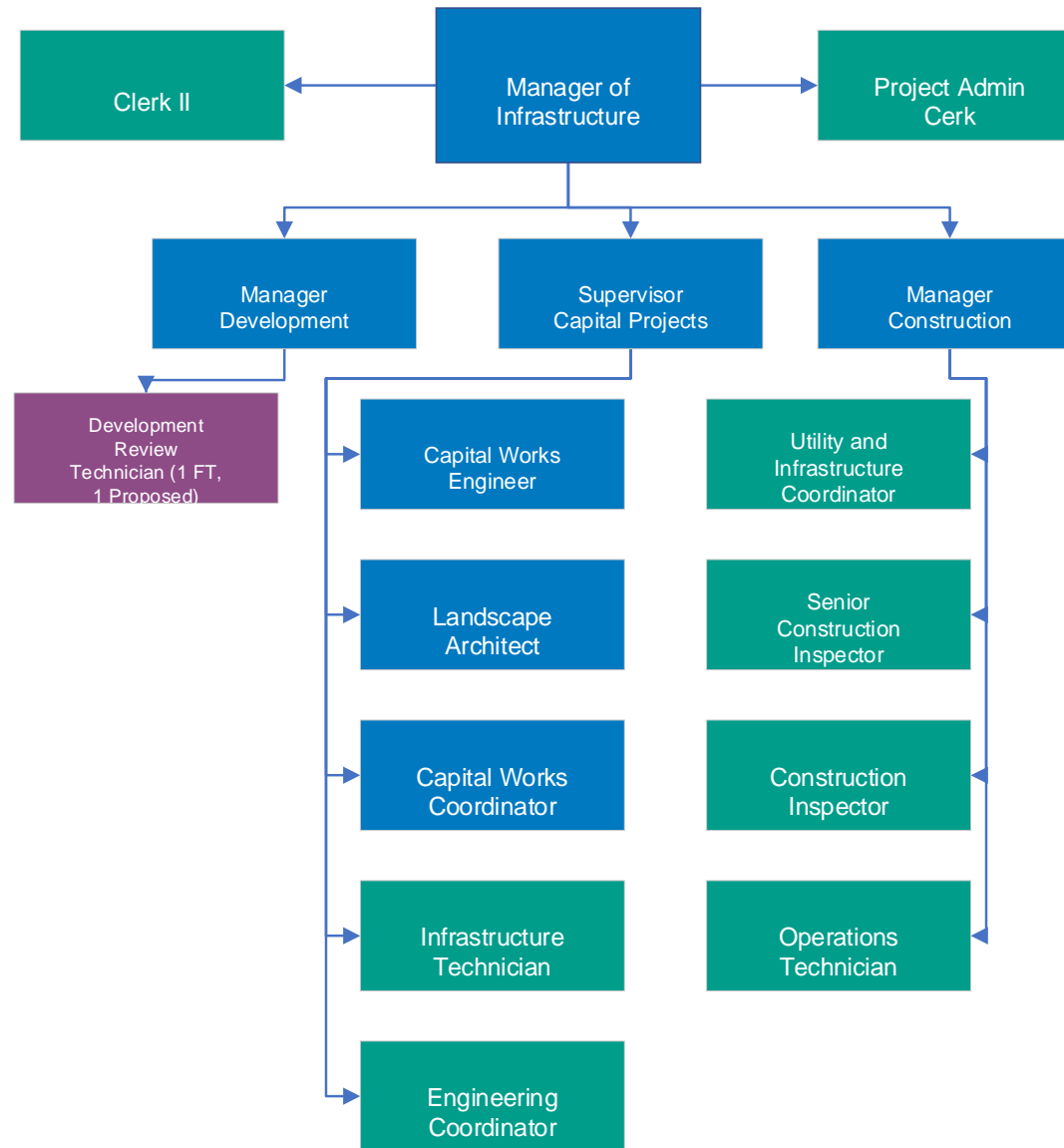
In 2019, the annual cost of training by external sources for the Operations Department was approximately \$50,000. The cost of hiring of an Operations Equipment Trainer will be offset by this amount as well as the expected reduction in equipment repair costs and the additional savings received by completing other corporate training needs in-house.

# Current Organizational Structure

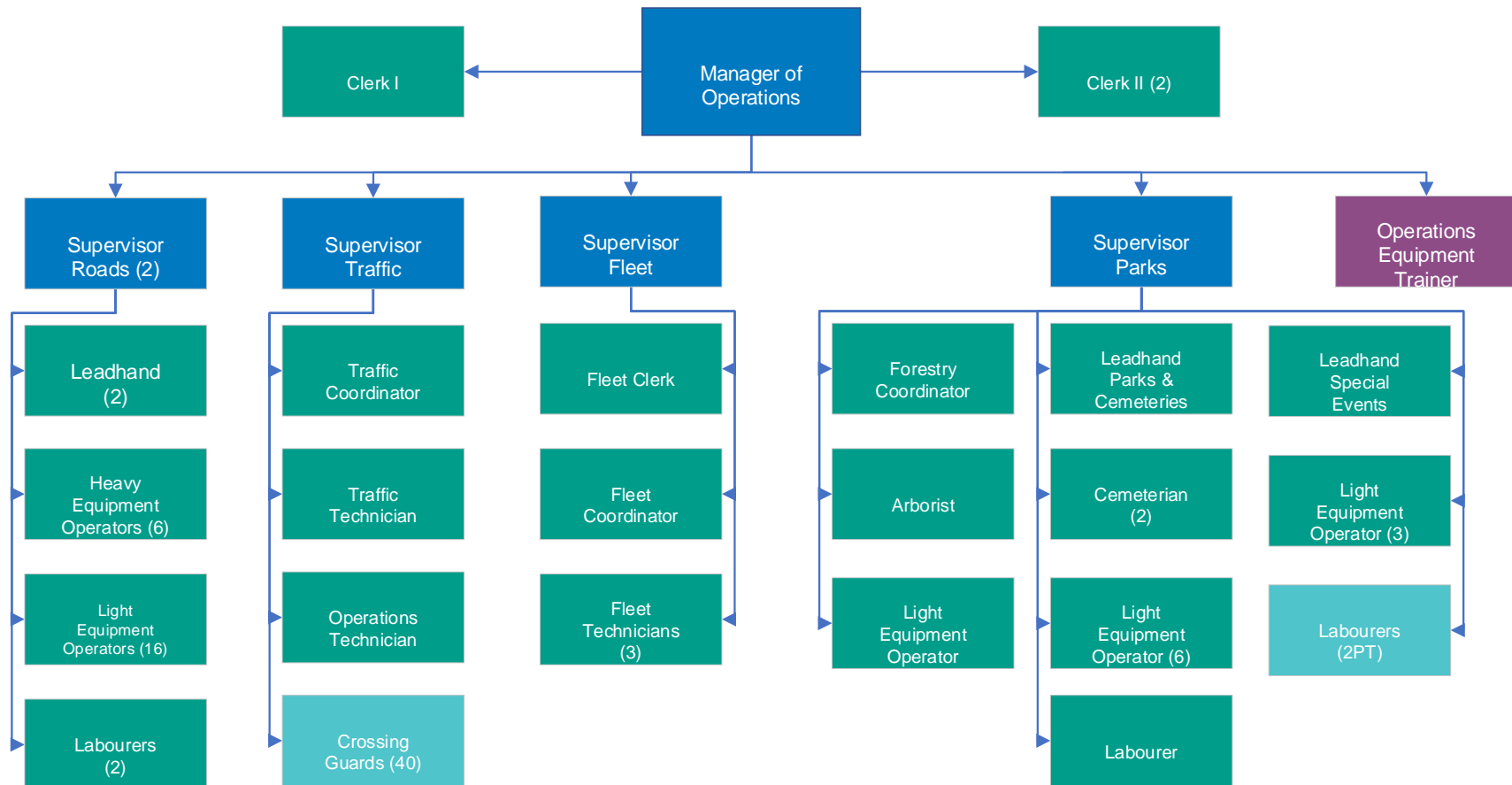
## Departmental Summary



## Infrastructure Division



## Operations Division



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		000 Unassigned				
		Revenue				
(\$217,669)	(\$208,672)	User Charges	(\$221,500)	(\$209,300)	(\$209,300)	\$0
		Expenditures				
1,106	1,984	Salaries, Wages & Benefits	3,000	3,000	3,000	0
115,781	188,568	Materials & Supplies	184,666	107,400	90,834	(16,566)
30,962	3,752	Contracted Services	3,000	3,000	1,000	(2,000)
		090 PSAB				
		Expenditures				
15,985,275	16,147,216	Amortization Expense	0	0	0	0
		130 Administration				
		Revenue				
(1,174,236)	(692,761)	User Charges	(196,500)	(175,500)	(310,800)	(135,300)
		Expenditures				
4,796,301	5,087,008	Salaries, Wages & Benefits	5,418,760	5,308,905	5,318,990	10,085
131,724	120,469	Materials & Supplies	142,318	132,650	109,050	(23,600)
160,622	124,539	Contracted Services	261,250	161,250	226,000	64,750
538,773	541,802	Debt Services (Principle and Interest Paid)	541,802	544,417	546,623	2,206
7,061,042	6,857,548	Transfers from Res / RF / Cap Fund	5,723,989	6,161,636	885,000	(5,276,636)
		250 Contributions				
		Revenue				
0	(455,377)	Transfer between funds	0	0	0	0
		324 Street Lighting				
		Revenue				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
(12,880)	(4,533)	User Charges	(15,000)	(15,000)	(15,000)	0
		Expenditures				
908,829	749,920	Materials & Supplies	1,050,000	1,050,000	800,000	(250,000)
439,278	275,180	Contracted Services	315,000	330,000	330,000	0
19,745	224,128	Debt Services (Principle and Interest Paid)	0	0	219,670	219,670
90,000	100,000	Transfers from Res / RF / Cap Fund	100,000	100,000	0	(100,000)
		325 Parks				
		Expenditures				
865,532	932,762	Salaries, Wages & Benefits	1,046,806	1,151,057	1,193,058	42,001
516,170	554,299	Materials & Supplies	485,550	516,250	569,600	53,350
675,859	712,692	Contracted Services	815,760	1,215,760	1,484,760	269,000
19,904	28,984	Rents/Financial Expenses	22,000	30,000	48,000	18,000
98,000	100,443	Transfers from Res / RF / Cap Fund	100,000	225,000	0	(225,000)
		326 Cemetery				
		Revenue				
(135,930)	(155,386)	User Charges	(127,800)	(143,000)	(143,000)	0
		Expenditures				
159,524	178,352	Salaries, Wages & Benefits	177,665	225,854	339,392	113,538
142,265	140,331	Materials & Supplies	90,360	95,700	98,700	3,000
5,000	50,000	Transfers from Res / RF / Cap Fund	50,000	5,000	5,000	0
		327 Parking Lots				
		Expenditures				
13,284	150,793	Debt Services (Principle and Interest Paid)	0	0	0	0
		330 Roads & Structures				
		Expenditures				
0	24,226	Contracted Services	21,000	21,000	12,000	(9,000)
		334 Safe Roads				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
10,299	12,054	Expenditures				
60,954	32,375	Materials & Supplies	13,500	13,500	18,500	5,000
		Contracted Services	50,000	50,000	50,000	0
		350 Waste Collection				
(24,528)	(29,855)	Revenue				
		User Charges	(22,500)	(22,500)	(22,500)	0
24,773	27,888	Expenditures				
		Materials & Supplies	22,500	22,500	22,500	0
		351 Recycling Collection				
(2,396)	(2,782)	Revenue				
		User Charges	(1,500)	(1,500)	(1,500)	0
2,579	2,348	Expenditures				
		Materials & Supplies	1,500	1,500	1,500	0
		380 Road Maintenance				
(19,420)	(22,882)	Revenue				
		User Charges	(19,500)	(19,500)	(19,500)	0
893,586	749,999	Expenditures				
905,694	1,085,655	Salaries, Wages & Benefits	755,000	597,700	624,000	26,300
793,179	948,084	Materials & Supplies	980,240	846,275	942,775	96,500
		Contracted Services	1,192,000	792,200	915,200	123,000
		381 Hardtop Maintenance				
406,467	326,833	Expenditures				
465,561	402,199	Salaries, Wages & Benefits	412,500	429,000	463,000	34,000
81,931	95,279	Materials & Supplies	459,900	456,100	520,500	64,400
		Contracted Services	160,000	160,000	160,000	0
		382 Loosetop Maintenance				
41,353	54,507	Expenditures				
269,684	271,566	Salaries, Wages & Benefits	67,000	72,500	59,500	(13,000)
		Materials & Supplies	348,000	342,000	341,000	(1,000)

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		383 Winter Control				
		Revenue				
(77,428)	(81,592)	User Charges	(100,000)	(90,000)	(20,000)	70,000
		Expenditures				
936,900	1,153,462	Salaries, Wages & Benefits	855,000	963,250	958,600	(4,650)
1,983,318	2,912,295	Materials & Supplies	1,623,000	2,010,000	2,135,000	125,000
		384 Safety Devices				
		Expenditures				
192,822	203,275	Salaries, Wages & Benefits	175,000	188,000	228,000	40,000
392,147	342,848	Materials & Supplies	302,750	349,400	397,500	48,100
7,663	242	Contracted Services	50,000	50,000	50,000	0
		386 Stormwater Management				
		Expenditures				
24,856	7,244	Salaries, Wages & Benefits	20,000	20,000	20,000	0
11,770	2,856	Materials & Supplies	17,500	8,000	13,000	5,000
3,000	0	Contracted Services	92,000	92,000	92,000	0
22,325	0	Transfers from Res / RF / Cap Fund	0	0	0	0
		387 Regional Roads				
		Expenditures				
7,177	10,353	Salaries, Wages & Benefits	7,500	9,000	9,000	0
36,722	50,861	Materials & Supplies	23,300	33,500	35,000	1,500
		388 Fleet				
		Expenditures				
545,863	618,587	Salaries, Wages & Benefits	621,060	766,037	751,228	(14,809)
149,410	102,914	Materials & Supplies	97,600	97,600	109,600	12,000
134,500	134,500	Transfers from Res / RF / Cap Fund	134,500	185,000	1,085,000	900,000
<b>\$39,515,022</b>	<b>\$41,189,380</b>	<b>Total</b>	<b>\$24,329,976</b>	<b>\$25,266,641</b>	<b>\$21,541,480</b>	<b>(\$3,725,161)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for Public Works:

### Unassigned

- Material and supplies decrease related to connecting link traffic signals and other work for others and is based on expected work to be completed - \$16,566 ↓
- Contracted work as it relates to work for others and is expected to decrease in 2021. - \$2,000 ↓

### Administration

- Revenue increase relates to the reorganization of Engineering and Operations into Public Works. Previously engineering inspection fees were not budgeted, and any revenue was put into a reserve fund for future use, in 2021 fees are included in the budget to offset costs for that service. - \$135,300 ↑
- Materials and supplies has decreased primarily as a result of recognized savings in various departments by combining the budgets. \$23,600 ↓
- Contracted service has increased for studies for the stormwater pond upgrade study planned in 2021 offset by a reduction in professional fees. - \$64,750 ↑

- Debt servicing costs increased based on repayment of existing debt. - \$2,206 ↑

### Streetlighting

- Materials and supplies has been reduced by \$250,000 to reflect expected savings from LED retrofit, savings have been used to repay the reserve funds used to finance the work. - \$250,000 ↓
- Debt Servicing has increased as previously was not budgeted for as a separate line, separated costs for better transparency. - \$219,670 ↑

### Parks

- Materials and supplies increased for miscellaneous operating supplies, waste disposal at parks (additional collection and receptacles) as well as the fleet allocation related to forestry work. - \$53,350 ↑
- Contracted services has increased for winter snow removal in parks (trail maintenance), increase in the forestry contract to remove dead trees, and grass cutting contract increases. - \$269,000 ↑
- Rents and financial expenses increased for expected minor rentals of equipment. - \$18,000 ↑

### Cemetery

- Materials and supplies increased for fleet allocation of vehicles used at the cemeteries less savings in miscellaneous operating supplies. - \$3,000 ↑

### Roads and Structures

- Contracted services decrease for natural area monitoring as part of agreement with Province. - \$9,000 ↓

### Safe Roads

- Materials and supplies has increased as a result in expected increase for small equipment. - \$5,000 ↑

### Road Maintenance

- Materials and supplies increase mainly a result of increase in sidewalk maintenance miscellaneous supplies, building maintenance miscellaneous supplies and patrol radios. - \$96,500 ↑
- Contracted services include an increase in catch basin and storm sewers to get caught up on backlogged work, additional ditching work and an elimination of “unspecified construction contracts”. - \$123,000 ↑

### Hardtop Maintenance

- Materials and supplies increase a result in additional patching fleet allocation for vehicles, as well pavement marking supplies for road markings. - \$64,400 ↑

### Loosetop Maintenance

- Decrease in materials and supplies a result of gravel patch needs. - \$1,000 ↓

### Winter Control

- Revenue decrease for cost recovery a result of less contracted work (Hwy 407 and other subdivisions). - \$70,000 ↓
- Materials and supplies relates to net increase in winter control material (salt, sand, brine), fleet allocation, and miscellaneous materials. - \$125,000 ↑

### Safety Devices

- Materials and supplies include miscellaneous supplies (guide rails, posts), traffic signals and signs to address road safety concerns. - \$48,100 ↑

### Storm Water Managements

- Materials and supplies increase includes fleet allocation for work planned. - \$5,000 ↑

### Regional Roads

- Materials and supplies for winter maintenance of certain portions of regional roads. - \$1,500 ↑

### Fleet

- Increase in materials and supplies relates to vehicles which is allocated across the departments (wages represents the revenue from the other sections). - \$12,000 ↑

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# Community Services



# 2021 Community Services Summary

## Department Overview

The Community Services Department works together with community partners to provide a variety of fun and accessible recreation opportunities in a welcoming, safe environment. The department has oversight and responsibility for facilities, recreational services as well as client services.

## Core Activities

- **Facilities services:** Supports recreational facilities such as pools, indoor soccer, arenas as well as municipal owned buildings, fire halls, operations depots, etc.
- **Recreational services:** Manages registered programs, drop-in, public swimming times, fitness classes, older adults programming, camps, etc.
- **Client services:** Manages both indoor and outdoor facility allocations and permitting. Administers ACTIVENet program for activity registrations and memberships. Responsible for facility customer service, community development, administration of municipal grants, sponsorships, volunteer groups and special corporate events.

## 2020 Accomplishments and Successes

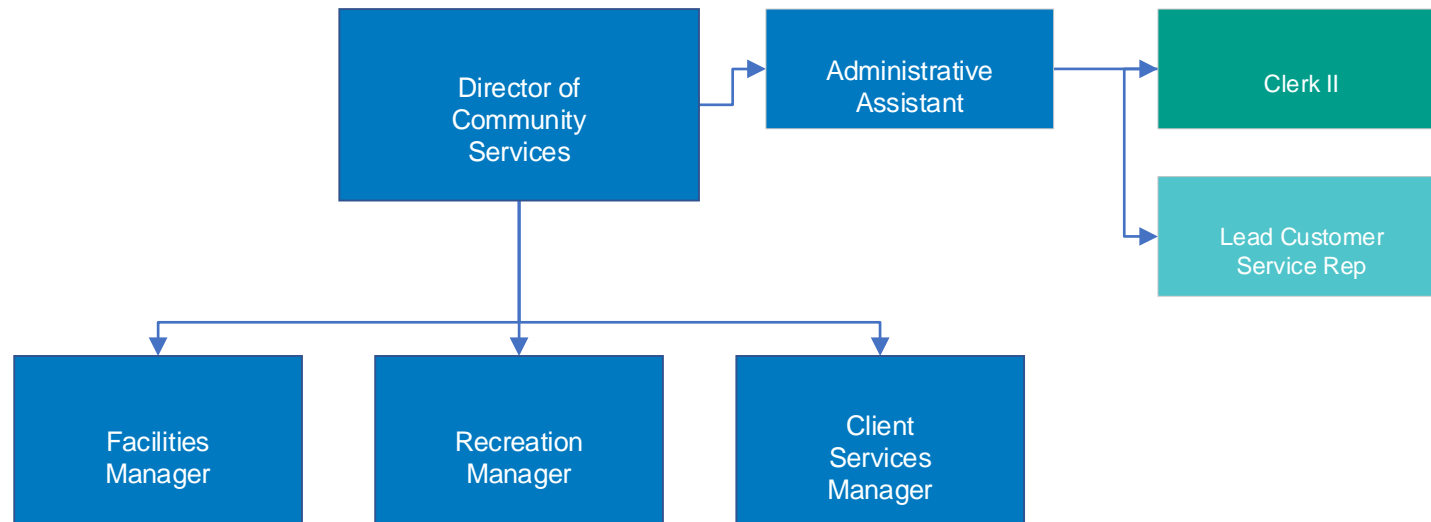
- Managed the safe reopening of recreation facilities and the resumption of recreation programs following the first wave of COVID-19;
- Effectively managed the transition of building services and tourism services into the department and prepared a consolidated operating and capital budget submission for 2021;
- Extensive outreach with community groups/agencies as well as hall and arena boards as they worked through the challenges faced by the pandemic; and
- Secured COVID-19 funding to expand virtual programming specifically targeted to our older adult community.

## 2021 New Staffing Requests

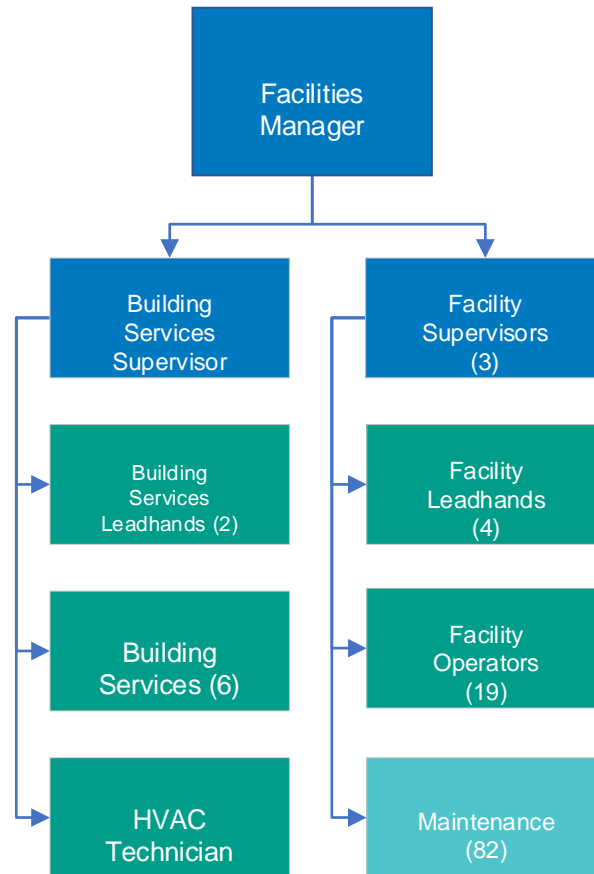
Type	FTE	Service Delivery Area
Full-time	0.0	
Part-time	0.0	
Contract	0.0	

# Current Organizational Structure

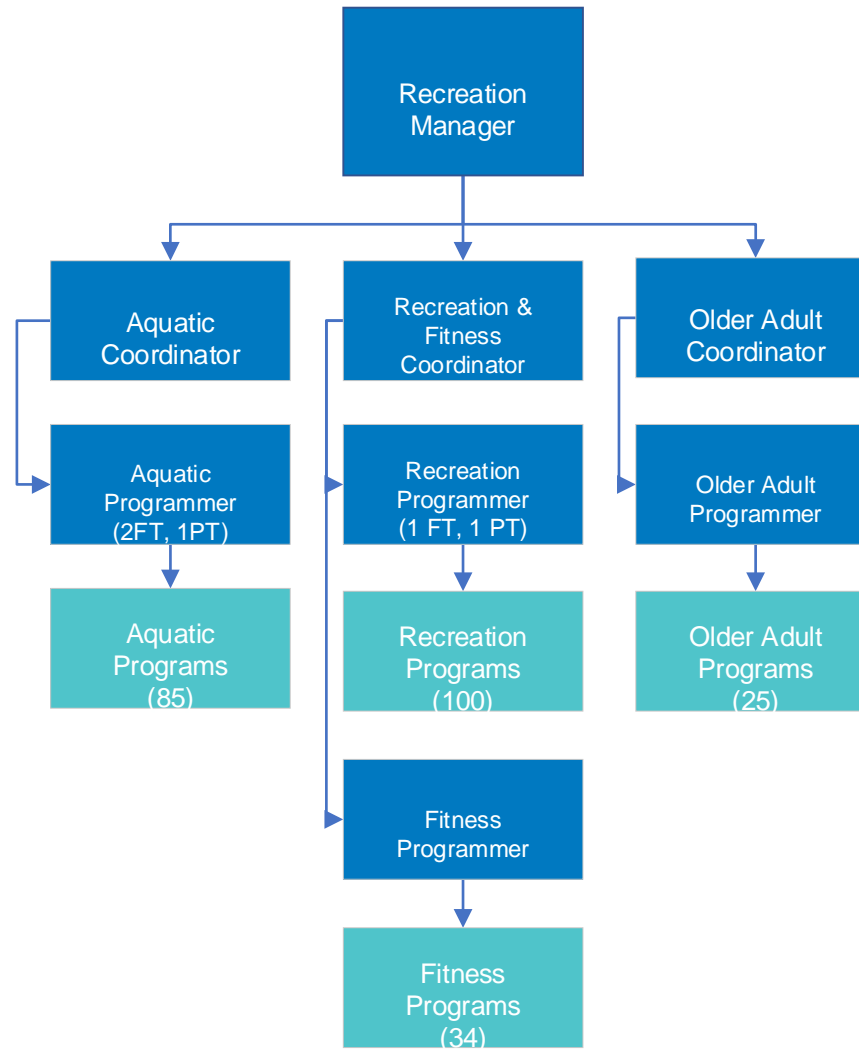
## Divisional Summary



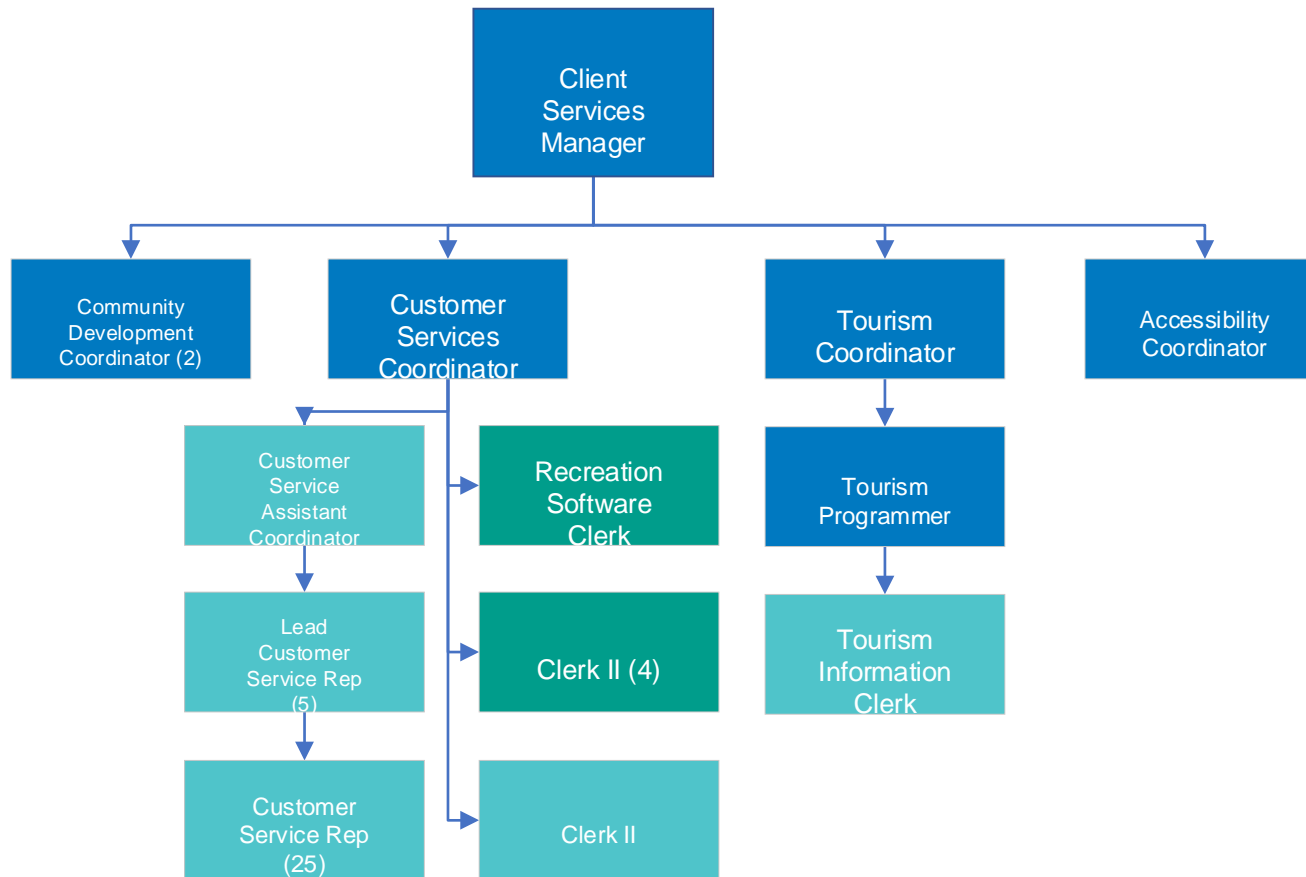
## Facilities



## Recreation



## Client Services



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		090 PSAB				
		Expenditures				
\$2,019,637	\$2,085,447	Amortization Expense	\$0	\$0	\$0	\$0
		130 Admin				
		Revenue				
(66,333)	(78,426)	User Charges	(43,500)	(63,500)	(21,500)	42,000
		Expenditures				
924,312	871,860	Salaries, Wages & Benefits	952,429	958,743	928,606	(30,137)
168,958	60,756	Materials & Supplies	67,700	69,070	62,325	(6,745)
2,867	38,706	Contracted Services	60,000	0	0	0
772,370	686,028	Transfers from Res / RF / Cap Fund	737,200	816,700	731,700	(85,000)
		420 Recreation Services Admin				
		Revenue				
(6,470)	(2,893)	User Charges	(3,900)	(1,230)	(1,230)	0
		Expenditures				
1,164,565	887,736	Salaries, Wages & Benefits	900,785	1,020,506	993,041	(27,465)
27,858	22,852	Materials & Supplies	27,600	26,942	19,400	(7,542)
		421 Facilities				
		Revenue				
(2,251,888)	(2,259,033)	User Charges	(2,283,700)	(2,357,646)	(1,969,479)	388,167
		Expenditures				
5,153,208	4,457,156	Salaries, Wages & Benefits	4,428,235	4,596,252	4,342,760	(253,492)
3,161,243	3,297,451	Materials & Supplies	3,154,800	3,190,451	3,152,495	(37,956)
268,558	383,303	Contracted Services	299,225	297,259	317,107	19,848

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
2,226,813	2,219,767	Debt Services (Principle and Interest Paid)	2,219,767	2,065,635	1,514,261	(551,374)
938,000	954,250	Transfers from Res / RF / Cap Fund	954,250	1,250,000	255,000	(995,000)
		422 Proshop				
(14,452)	0	Revenue				
		User Charges	0	0	0	0
		Expenditures				
6,726	0	Materials & Supplies	0	0	0	0
		423 Concession				
		Revenue				
(194,092)	(43,206)	User Charges	(66,100)	(66,140)	(34,990)	31,150
		Expenditures				
97,851	0	Salaries, Wages & Benefits	0	0	0	0
114,145	0	Materials & Supplies	0	0	0	0
		424 Aquatic Programs				
		Revenue				
(1,157,825)	(1,171,739)	User Charges	(1,129,300)	(1,172,741)	(776,373)	396,368
		Expenditures				
799,406	850,225	Salaries, Wages & Benefits	862,656	912,481	705,749	(206,732)
44,062	58,323	Materials & Supplies	51,450	61,830	53,889	(7,941)
		425 Fitness Programs				
		Revenue				
(510,788)	(515,987)	User Charges	(576,500)	(532,295)	(436,454)	95,841
		Expenditures				
361,966	350,309	Salaries, Wages & Benefits	356,716	364,173	305,547	(58,626)
25,203	17,716	Materials & Supplies	28,800	28,850	27,850	(1,000)
1,500	1,700	Rents/Financial Expenses	3,600	2,000	0	(2,000)
		426 Recreation Programs				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
(538,627)	(550,463)	Revenue				
		User Charges	(544,500)	(566,015)	(309,085)	256,930
		Expenditures				
443,485	456,664	Salaries, Wages & Benefits	472,402	501,408	284,029	(217,379)
75,235	70,855	Materials & Supplies	67,300	68,830	37,580	(31,250)
92,556	50,121	Contracted Services	46,000	47,300	23,500	(23,800)
1,258	1,046	Rents/Financial Expenses	2,500	2,800	1,000	(1,800)
		427 Community Development				
		Revenue				
(208,377)	(153,316)	User Charges	(177,400)	(191,903)	(164,650)	27,253
		Expenditures				
1,318	4,752	Salaries, Wages & Benefits	7,100	8,448	76,209	67,761
221,115	175,546	Materials & Supplies	198,600	200,175	182,330	(17,845)
5,727	27,627	Contracted Services	34,500	34,700	43,000	8,300
18,001	0	External Transfers to Others	0	0	0	0
		428 55+ Active Adults				
		Revenue				
(109,408)	(127,296)	User Charges	(112,600)	(162,231)	(122,347)	39,884
		Expenditures				
93,648	113,979	Salaries, Wages & Benefits	106,295	142,812	102,242	(40,570)
24,191	26,630	Materials & Supplies	24,000	25,400	12,600	(12,800)
12,627	16,073	Contracted Services	14,500	16,550	5,500	(11,050)
0	560	Rents/Financial Expenses	1,000	3,000	0	(3,000)
		429 Customer Service				
		Revenue				
0	(16,268)	User Charges	(11,500)	(15,675)	(16,500)	(825)
		Expenditures				
1,104	944,276	Salaries, Wages & Benefits	913,258	926,556	921,464	(5,092)
0	138,745	Materials & Supplies	116,214	132,736	93,146	(39,590)

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		440 Libraries				
		Expenditures				
5,629	6,457	Materials & Supplies	4,160	4,450	4,100	(350)
3,745	8,100	Contracted Services	9,300	7,350	6,915	(435)
632,373	78,146	Debt Services (Principle and Interest Paid)	78,146	78,342	78,466	124
		450 Client Services				
		Expenditures				
0	359,012	Salaries, Wages & Benefits	352,234	444,740	585,699	140,959
0	9,246	Materials & Supplies	12,640	12,840	17,650	4,810
		451 Tourism				
		Revenue				
(30,940)	(22,080)	User Charges	(30,500)	0	0	0
		Expenditures				
199,064	232,843	Salaries, Wages & Benefits	212,691	244,544	272,833	28,289
77,145	65,072	Materials & Supplies	80,230	80,750	77,100	(3,650)
33,411	21,887	Contracted Services	44,635	32,085	32,085	0
		460 Museum				
		Expenditures				
20,502	21,611	Materials & Supplies	17,270	17,800	18,700	900
15,360	6,577	Contracted Services	11,600	12,000	7,300	(4,700)
		473 Community Grant Program				
		Expenditures				
59,250	60,000	External Transfers to Others	60,000	60,000	60,000	0
		480 Municipal Sponsorships				
		Expenditures				
34,500	33,300	External Transfers to Others	35,000	35,000	35,000	0
<b>\$15,261,292</b>	<b>\$15,232,003</b>	<b>Total</b>	<b>\$13,047,288</b>	<b>\$13,672,132</b>	<b>\$12,535,570</b>	<b>(\$1,136,562)</b>

## Budget Highlights

The Community Services Department has been the most impacted by COVID-19 in 2020 and the 2021 budget has been prepared expecting decreased demand/ability to carry out programming that is reflective of past years. Wages and salaries changes are primarily a reflection of part time or sessional staff for programming and aquatics. Many of the changes are one-time and expected to return in future years.

The following items highlight the 2021 budget submission for Community Services:

### Administration

- Revenue decrease a result in expected decrease in miscellaneous revenue and advertising revenue resulting from COVID-19 restrictions. - \$42,000 ↓
- Materials and supplies decrease to reflect reduced travel and office supply needs resulting from COVID-19 change in operations. - \$6,745↓

### Recreation Services Administration

- Materials and supplies decrease a result of less planned travel and membership dues. - \$7,542↓

### Facilities

- User charge revenue has decreased as a result of expected reduction in ability to rent facilities. - \$388,167↓

- Materials and supplies have decreased mainly as a result of utilities being lower. - \$37,956 ↓
- Contracted services have increased as a result of planned repairs and maintenance increases for facilities and buildings, including the Shaw House. - \$19,848 ↑
- Debt servicing has decreased as a result of a reduction in the Diane Hamre Recreation Centre debenture, this is funded by development charges. - \$551,374 ↓

### Concessions

- Reduction in user charges is the commission for vending machines at various facilities. It is expected that continued closures and reduced visitors will impact sales. - \$31,150 ↓

### Aquatic Programs

- User charge revenue decrease is reflective of anticipated COVID-19 impacts on demand and availability - \$396,368 ↓
- Materials and supplies are lower as a result of reduction in planned programming. - \$7,941 ↓

### Fitness Programs

- User charges have decreased as a result of anticipated restrictions and lower demand due to COVID-19. - \$95,841 ↓

- Materials and supplies have decreased as a result of less programming. - \$1,000 ↓
- Rents and financial expenses are lower as a result of decreased demand. - \$2,000 ↓

### Recreation Programming

- Reduction of public skating, dances, day camps, summer camp and other programming as a result of COVID-19. - \$256,930 ↓
- Materials and supplies decrease corresponding to reduced programming. - \$31,250 ↓
- Contracted services for recreation programming is expected to decrease as a result of planned programming changes. - \$23,800 ↓
- Rents and financial expenses have decreased due to reduction in anticipated third-party facility rentals - \$1,800 ↓

### Community Development

- Reduced revenue for special events (Hall of Fame, Mayor's Golf, Mayor's Art) as a result of pandemic restrictions. - \$27,253 ↓
- Materials and supplies have decreased as a result of the reduced events. An additional \$5,750 has been budgeted to support the work of the diversity advisory committee and \$5,000 for the accessibility advisory committee. - \$17,845 ↓

- Contracted services have increased for the New Year's Eve event and Canada Day event to reflect anticipated additional needs for these celebrations. - \$8,300 ↑

### 55+ Active Adults

- Reduced revenue a result of programming reductions due to COVID-19. - \$39,884 ↓
- Materials and supplies have corresponding decreased as a result of changes in programming. - \$12,800 ↓
- Contracted services have decreased as a result of changes in programming. - \$11,050 ↓
- Rents and financial expenses have decreased as no expected third-party facility rentals for programming. - \$3,000 ↓

### Customer Service

- Increase in merchandise sales. - \$825 ↑
- Materials and supplies have decreased as a result of the ActiveNet transaction fees for processing community services transactions. - \$39,590 ↓

### Library (buildings)

- Materials and supplies have decreased to reflect anticipated reduction in repairs and maintenance. - \$350 ↓

- Contracted services have decreased as a result of reduced need for equipment maintenance contracted services. - \$435↓
- Debt servicing costs reflective of actual costs for Courtice Library debentures. - \$124↑

#### Client Services

- Materials and expenses have increased memberships and dues, net of travel reductions. - \$4,810 ↑

#### Tourism

- Materials and supplies are lower as a result of decrease in utilities, office supplies and furniture/fixtures. - \$3,650↓

#### Museum (building)

- Materials and supplies have increased as a result of utility costs and repairs/maintenance. - \$900↑
- Contracted services decreased for elevator maintenance and equipment maintenance contracts based on anticipated needs in 2021. - \$4,700 ↓

#### Community Grant Program

- The community grant program has been revised for 2021. The following hall board and horticulture allocations have been included in the budget based on previously allocated funds. The

remaining amount from the 2020 base is available for other community groups.

Hallboard	Proposed Allocation
Kendal Community Centre	\$3,000
Bowmanville Horticultural Society	500
Newcastle Horticultural Society	500
Orono Horticultural Society	500
Newtonville Community Hall	3,000
Orono Town Hall	3,000
Hampton Community Association	3,000
Solina Community Hall	3,000
Tyrone Community Hall	3,000
Brownsdale Community Centre	3,000
Unallocated (for other eligible parties)	37,500
<b>Total</b>	<b>\$60,000</b>

- There is no change in the allocation for sponsorship funds (\$35,000).

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A scenic view of a paved road with a yellow curb, a wire fence, and a body of water under a blue sky with clouds. The road curves along the water's edge, and a line of trees is visible in the distance. The sky is a clear, bright blue with some light, wispy clouds. The water is a calm, light blue-green color. The trees in the distance have some autumn-colored foliage. The overall scene is peaceful and scenic, likely representing a coastal or lakeside area.

# Planning and Development Services

# 2021 Planning and Development Services Summary

## Department Overview

The Planning and Development Services Department is responsible for managing the growth of the Municipality. They develop planning policy, issue building permits and provide specialized support (climate change, heritage, etc.), with a long-term focus on the responsible management of our land and resources.

## Core Activities

- **Community planning:** Conducts the official plan and secondary plan policy development. Manages review of commercial development applications, supports economic development, and community engagement
- **Development review:** Oversees land use planning implementation, subdivision review and approval, land division zoning and Committee of Adjustment. Respond to general land use inquiries regarding development potential of private property.
- **Building permit and inspection:** Responsible for issuing building, renovation/addition and demolition permits and conducting building inspections, structural, plumbing and HVAC

inspections. Interprets the Development Charges By-law and Ontario Building Code.

- **Special projects:** Manages municipal land acquisition and disposal, environmental assessments effecting the Municipality, heritage, community improvement and stewardship grant programs. Project management, mapping and geographic information services for land use policy. Climate change and environmental sustainability initiatives.

## 2020 Accomplishments and Success

- Completed the Neighbourhood Character Study and implemented via Official Plan amendment and zoning by-law changes;
- One of eleven secondary plans was accepted by Council and submitted to the Region, the remainder are being actively worked on;
- Adjusted processes for COVID-19, received BILD letter praising department for adjustments allowing for continued development in Clarington;
- Created and implemented the COVID-19 Community Improvement Plan to provide financial support to businesses throughout the Municipality reopen in accordance with public health standards;

- Continuous improvement over the past ten years to planning processes. Other municipalities are referencing our procedure manuals and our rating in the BILD Municipal Benchmarking Study was 4<sup>th</sup> overall in GTA. In particular our staffing levels are one of the lowest; and
- Continued public engagement processes, statutory meetings and hearings (Committee of Adjustment), and advisory committees using virtual platforms in response to COVID-19.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	2.0	Development Review (one), Special Projects (one)
Part-time	0.0	
Contract	0.0	While net no new contract positions, one contract moved to full-time and one new contract (Community Planning)

### Principal Planner (Development Review Branch)

The creation of a Principal Planner in Development Review would help address many zoning projects, including those resulting from the secondary plans and the work on ZONE Clarington.

The ZONE Clarington project was publicly launched in September 2017. In October 2019, Council tabled the Draft Rural Zoning in anticipation of additional clarity coming from the East Gwillimbury LPAT decision. The decision should provide guidance for interpreting zoning as it relates to environmental protection areas. At its December 14, 2020 meeting, Council lifted the tabled report and directed staff to report back with a second draft in late 2021 for the urban and rural areas. Staff have been working on urban aspects of the zoning by-law - researching emerging trends in zoning and harmonizing the existing exception zones. In July 2020, the results from the Neighbourhood Character Study saw amendments to the Official Plan and Zoning By-law. Other parts of the comprehensive review include a Parking Study for which the terms of reference have been drafted.

The Planning and Development Services Department is undertaking eleven Secondary Plans. The first of these Secondary Plans was brought forward to Council and adopted in December 2020 (Southeast Courtice). Zoning by-laws for each of the secondary plan areas are being drafted by the project consultants. However, each by-law will have to be consistent with the new comprehensive zoning by-law. While the consultants have been provided a template and definitions, staff will need to ensure that the drafts received dovetail into the parent document.

At the same time, we have several staff involved in the Municipal Business System (MBS). Implementation of all aspects of the transition from LDO to AMANDA requires

a dedicated staff lead who is familiar with all planning application processes within Development Review to ensure the new software system will provide the key performance indicators we desire and be implemented to its fullest capability.

In summary, completing the Zoning By-law update and maintaining a zoning by-law that is current is key to streamlining the development process, reducing timing delays and possible appeals. A Principal Planner, although still under the guidance of the Manager of Development Review, is a non-affiliated position and will be better suited to make independent decisions and provide direction to planners in drafting zoning amendments as well as providing direction to consultants.

Creating this position would provide the Development Review branch with two Senior Planners to work exclusively on development applications including the anticipated tsunami of subdivision applications that will result from the Secondary Plans. Development applications have become more complicated, include numerous studies and issues that require balancing and consideration. To continue to attain the KPIs and #4 rating Clarington received in the BILD GTA Municipal Benchmarking study, additional staff resources are required to meet the timing constraints of more significant development applications and avoid criticism from the development community and costly LPAT challenges based on processing times. There are expectations of more density in our Town Centre's and Corridors and Major Transit Station Areas (MTSA's). These will be

challenging files, which are better addressed by senior planners.

The creation of this relatively senior position would also enable the Department to better to implement the green development program from Priority Green and the Environmental Sustainability initiatives such as climate change adaptation and mitigation.

### **Project Manager in Community Planning (Community Planning Branch)**

The request is that a Project Manager be hired in Community Planning for a period of three years to ensure that the Municipality is able to carry on the planning consulting contracts of the numerous Secondary Plans and be ready for implementation.

When the OPA 107 policies for Secondary Plans being privately funded by landowners' groups (LOGs) were adopted by Council in 2016 and approved by the Region in 2017, it was anticipated that two or three Secondary Plans would be underway at any one time. Once staff started the first Secondary Plan (Southeast Courtice), other LOGs (eight additional) came forward and signed agreements with the Municipality. There are also two municipally initiated Secondary Plans underway.

In addition to the Secondary Plans, we also have two subwatershed plans in development. Council adopted the first Secondary Plan in December 2020 (Southeast Courtice) and we are planning for the adoption of two more in late spring or fall of 2021 (Southwest Courtice

and Brookhill). We anticipate approval by the Region of Durham several months thereafter, as they have been involved in the development of these plans. While working on the recommendation reports for these Secondary Plans, other work continues on the two subwatershed studies and the other eight Secondary Plans.

For 2021-2022, we anticipate that approval of the two Secondary Plans with MTSAs will be a focus of Council, staff, and the community. In addition, the final recommendation for Wilmot Creek is anticipated by the landowners and residents. At the same time, the updates to the Bowmanville East Urban Centre Secondary Plan to accommodate major development projects including the Hospital expansion and the redevelopment of the Goodyear site are moving forward.

The complexity of work has increased substantially as site specific projects and the detailed works for the MTSAs (GO Station Areas), redevelopment of the Goodyear site, and the Courtice Waterfront are now part of their respective secondary plans.

In combination, these Secondary Plans are planning for over 7,000 new housing units to accommodate a population of approximately 18,000 residents and 1,000 new jobs. We anticipate development in these lands to start in 2022 -2023 subject to negotiations between LOGs and the Region to advance infrastructure works.

Each Secondary Plan requires superior skills in negotiation, project management, and community relations as well as a very good understanding of land

use plan concepts and development processes such as the specifics of site plans and subdivision layouts proposed by the developers.

As Council is aware, the LOGs have been agreeable to fund the Secondary Plans. They are keenly aware that if there are not enough staff to support the Secondary Plan process and processing of subdivisions and applications, then ultimately their lands cannot proceed to development.

The requested contract Project Manager position would be partially funded (75 per cent) as part of the LOG agreements. The LOGs have already agreed to this funding.

This position is also important given the need to allocate current community planning staff time away from Secondary Plans to focus on the Regional Official Plan Review and the required update of the Clarington Official Plan to be completed for 2023. This policy work will require several reports to Council and public consultation. Two current examples of this work are the number of conversion requests received from employment to other uses, and the increasing number of requests for urban boundary expansions. The Region requested a dedicated municipal representative on the nine conversion requests by December 31, 2020. This requires dedicating a planner for the next two months causing delays in some of the Secondary Plans.

## Energy & Climate Change Response Coordinator (Special Projects Branch)

Currently, the Climate Change Response Coordinator is a 24-month contract, with 80 per cent funding support provided by the Federation of Canadian Municipalities (FCM) Municipalities for Climate Innovation Program (MCIP). This position provides a fully dedicated resource to lead an integrated approach to preparing for and responding to the impacts of climate change, and to reducing our greenhouse gas footprint. The primary focus of the Climate Change Response Coordinator is the development of a Corporate Climate Action Plan (CCAP), in consultation with the inter-departmental Climate Change Working Group. The CCAP is complete and will be presented to Council on February 22, 2021. The Climate Change Response Coordinator's contract ends on April 23, 2021.

While the commitments of our funding agreement with FCM will be met with the approval of the CCAP, the success of the plan hinges on implementation. Taking action on climate change requires the consideration of climate change impacts in all Municipal decision making. The integration of climate change considerations and actions into key areas of municipal operations and capital investment will help reduce the Municipality's contribution to climate change, build community resilience, reduce risk, and generate economic value.

While there is some capacity to address climate change issues in some Departments, FCM and the Clean Air Partnership both indicate that implementation plans

across organizations are significantly more successful if there is a dedicated staff person overseeing both plan development and plan implementation. Benefits include increased capacity to directly liaise with community partners, coordinate outreach, facilitate the pursuit of funding opportunities, coordinate monitoring and reporting, and better integration of municipal policies, plans and programs with strategic / plan objectives.

The Priority Green Clarington initiative provides a good example of the challenge of maintaining priority and momentum and timely implementation of an action plan following the withdrawal of the dedicated staff person. Priority Green Clarington was made possible as a result of both Federal and Provincial funding support, which provided for the hiring of a contract Sustainable Development Coordinator. The framework and recommendations that resulted from the project provide a road map for the detailed design and implementation of a residential green development program in Clarington. While we have made significant strides in integrating the relevant components of the Green Development Framework at the Secondary Plan level, completing full implementation via the site plan and subdivision development processes is advancing more slowly, largely due to staff capacity limitations.

In addition to leading the development of the CCAP, the Climate Change Response Coordinator has enabled the Municipality to leverage \$104,000 in additional grant funding to support municipal projects, and collaborated with two post-secondary institutions for the completion of two supplemental studies to support climate change

action planning at no cost to the Municipality (estimated value of at least \$30,000). The first of these studies (Trent University; “An EV Plan for the Municipality of Clarington”) was shared with Council on November 30, 2020. Also, the Climate Change Response Coordinator is facilitating efforts to advance corporate energy and demand management by identifying funding opportunities to implement corporate energy saving actions and piloting the use of submetering technology to identify the sources of greatest energy consumption in municipal facilities. The Climate Change Response Coordinator has supported Council by drafting multiple resolutions such as the declaration of a climate emergency and others that encourage various levels of government to play a greater role and support municipalities in acting especially as part of the economic recovery.

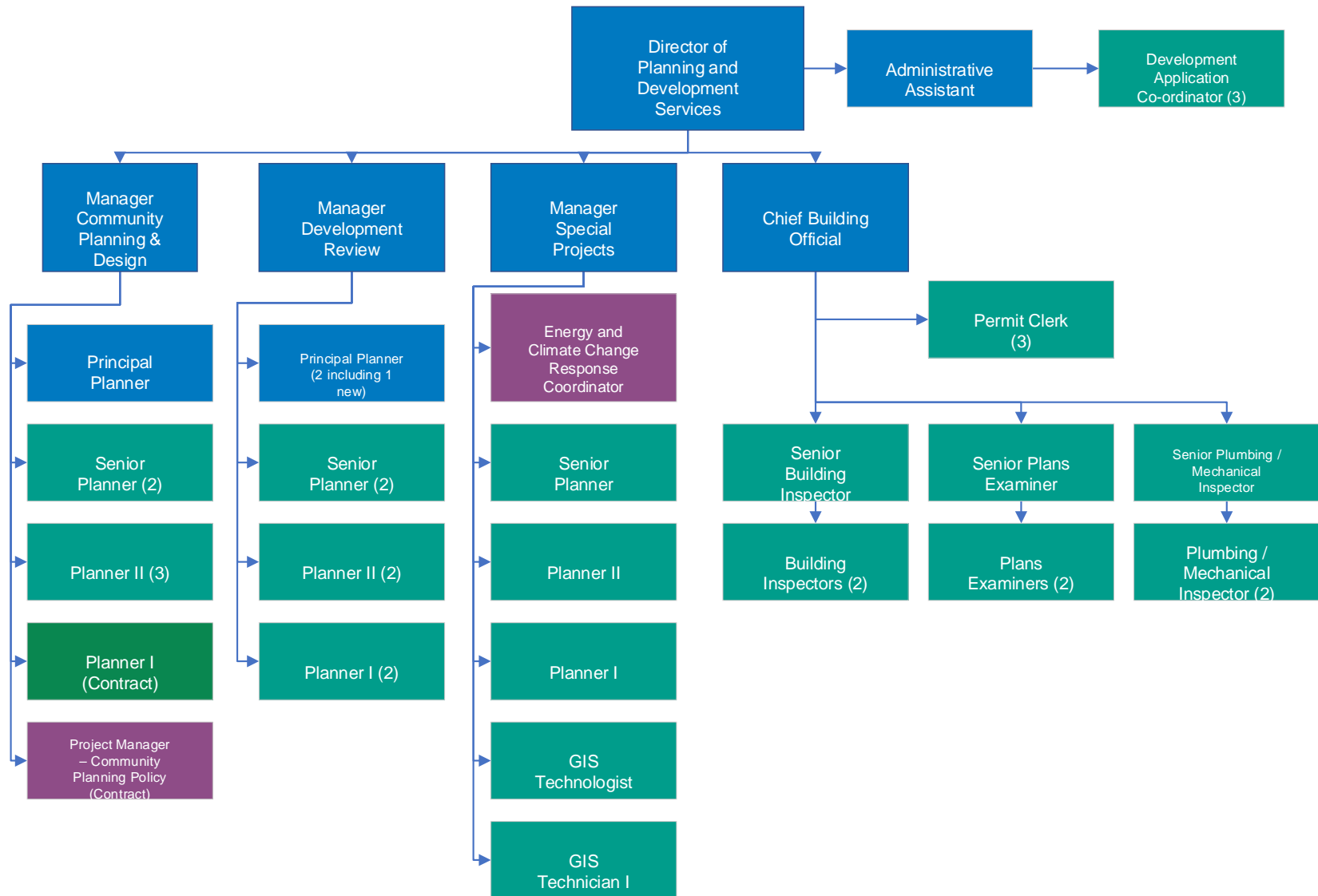
As the Region works to implement community-scale climate actions stemming from the Durham Community Climate Adaptation Plan and the Durham Community Energy Plan (endorsed in principal by Council in April 2017 and November 2019, respectively), more opportunities for Regional collaboration on climate change initiatives have evolved. These collaborations bring about some efficiencies for the local municipalities

and have assisted in leveraging funding opportunities, but they require a local coordinator and primary point of contact. Collaboration opportunities that are currently available to Clarington, or are forthcoming, include:

- Region-wide electric vehicle charge station network;
- Regional rural tree planting initiative;
- District heating and cooling pre-feasibility study;
- Region-wide community energy home retro-fit program; and
- Stormwater management fee and credit program.

The Climate Change Response Coordinator is functionally located in the Planning and Development Services Department – Special Projects Branch. Accordingly, while requiring collaboration from across the corporation, the coordination of CCAP implementation is now the responsibility of the Department. Considering the nature of this challenge and existing staff capacity, a permanent, fulltime, dedicated coordinator is required to continue Corporate efforts.

# Current Organizational Structure



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		000 Unassigned				
		Expenditures				
\$4,526	\$2,184	Salaries, Wages & Benefits	\$4,090	\$4,127	\$838	(\$3,289)
142,881	139,146	Materials & Supplies	234,750	234,750	234,750	0
689,830	696,728	Transfers from Res / RF / Cap	696,728	634,717	0	(634,717)
		Fund				
		090 PSAB				
		Expenditures				
2,863	2,863	Amortization Expense	0	0	0	0
		130 Administration				
		Revenue				
(939,339)	(652,118)	User Charges	(814,400)	(862,300)	(1,114,991)	(252,691)
		Expenditures				
2,867,313	3,032,418	Salaries, Wages & Benefits	3,072,413	3,231,772	3,621,577	389,805
73,658	99,000	Materials & Supplies	91,450	115,750	109,550	(6,200)
195,980	161,570	Contracted Services	187,000	246,000	926,000	680,000
327,058	426,592	Transfers from Res / RF / Cap	12,500	12,500	12,500	0
		Fund				
		250 Contributions				
		Revenue				
0	(465,089)	Transfer between funds	0	0	0	0
		321 Building Inspection				
		Revenue				
(3,242,724)	(2,194,711)	User Charges	(1,554,032)	(1,554,032)	(1,769,500)	(215,468)
		Fines/Penalties on Interest	(500)	(500)	(500)	0

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
1,290,655	1,285,583	Expenditures				
95,493	88,800	Salaries, Wages & Benefits	1,305,005	1,329,648	1,249,151	(80,497)
147,077	134,059	Materials & Supplies	100,620	102,930	101,215	(1,715)
992,103		Contracted Services	145,000	199,000	199,000	
		Transfers from Res / RF / Cap Fund			227,950	227,950
		385 Environmental				
(1,170)	(1,170)	Revenue				
		User Charges	0	0	0	0
0	0	Expenditures				
		Contracted Services	0	123,695	0	(123,695)
		430 Small Boards				
1,135	1,465	Expenditures				
		Materials & Supplies	1,500	1,500	1,500	0
		502 Development Review				
(278,327)	(1,671,983)	Revenue				
		User Charges	0	0	0	0
11,226	34,091	Expenditures				
358,072	1,347,250	Materials & Supplies	0	0	0	0
		Contracted Services	0	0	0	0
<b>\$2,738,310</b>	<b>\$2,466,678</b>	<b>Total</b>	<b>\$3,482,124</b>	<b>\$3,819,557</b>	<b>\$3,799,040</b>	<b>(\$20,517)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for Planning and Development Services:

### Administration

- Various revenues have been adjusted based on the nature of expected work during the year. Planning and Development Services is expecting a significant increase in subdivision applications based on the work of secondary plans as well as secondary plan coordination fees and miscellaneous zoning revenue. - \$252,691 ↑
- Materials and supplies have decreased as a result of a reduction to office supplies, and travel. The shift to electronic meetings/conferences and overall increase in technology use has allowed for this reduction in expenses. - \$6,200 ↓
- Increase in contracted services a result of the Official Plan review that needs to be completed within the next three years, the commitment for the project is included in this year's budget. This is fully funded by development charges. This is offset by two projects for climate change which are not included in the budget this year. - \$680,000 ↑

### Building Inspection

- Increased revenues based on expected volume of permits, offset by a transfer of excess revenues to

the reserve fund for future building inspection needs. - \$215,468 ↑

- Material and supplies decreased nominally to reflect historical trends - \$1,715 ↓
- Transfer to reserve fund increased as a result of the increase in revenues. Building inspection is self-funded so excess revenues in this year are used to offset excess expenses in future years. - \$227,950 ↑

### Environmental

- In 2020 funding for implementation of the Port Granby Nature Reserve was approved, this will be carried forward and is not budgeted in 2021. Funding for this project was through a reserve fund. - \$123,695 ↓

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# Emergency and Fire Services

# 2021 Emergency and Fire Services Summary

## Department Overview

Clarington Emergency and Fire Services provide professional and highly trained emergency response, education and fire prevention services to all residents. Clarington has a composite department made up of full-time and volunteer firefighters.

Along with emergency response, the department performs a variety of tasks to ensure public safety including fire prevention inspections, issuing permits and public education programs.

## Core Activities

- **Fire Prevention:** Responsible for a variety of function with one goal in mind: creating a fire-safe community. These functions are implemented through public education programs and fire inspections. Clarington strives to educate the public about fire safety through various education programs, hall tours and community events as well as provide safety lectures and fire safety training to families, community groups, schools, clubs and businesses throughout the municipality.
- **Fire Suppression:** Firefighters respond to a variety of different situations: medical calls, motor vehicle accidents, check calls, fire calls, specialized rescue calls such as water and ice

rescues, rope rescue situations and others. To complete these tasks Fire Services has a variety of tools such as extrication tools (i.e. the Jaws of Life), defibrillators, specialized saws, rope equipment and fans. All this equipment assists in providing an effective response in suppression.

- **Maintenance Division:** Provides Self-Contained Breathing Apparatus (SCBA) fit testing, repairs and maintains the SCBA and other personal protective equipment used by the department.

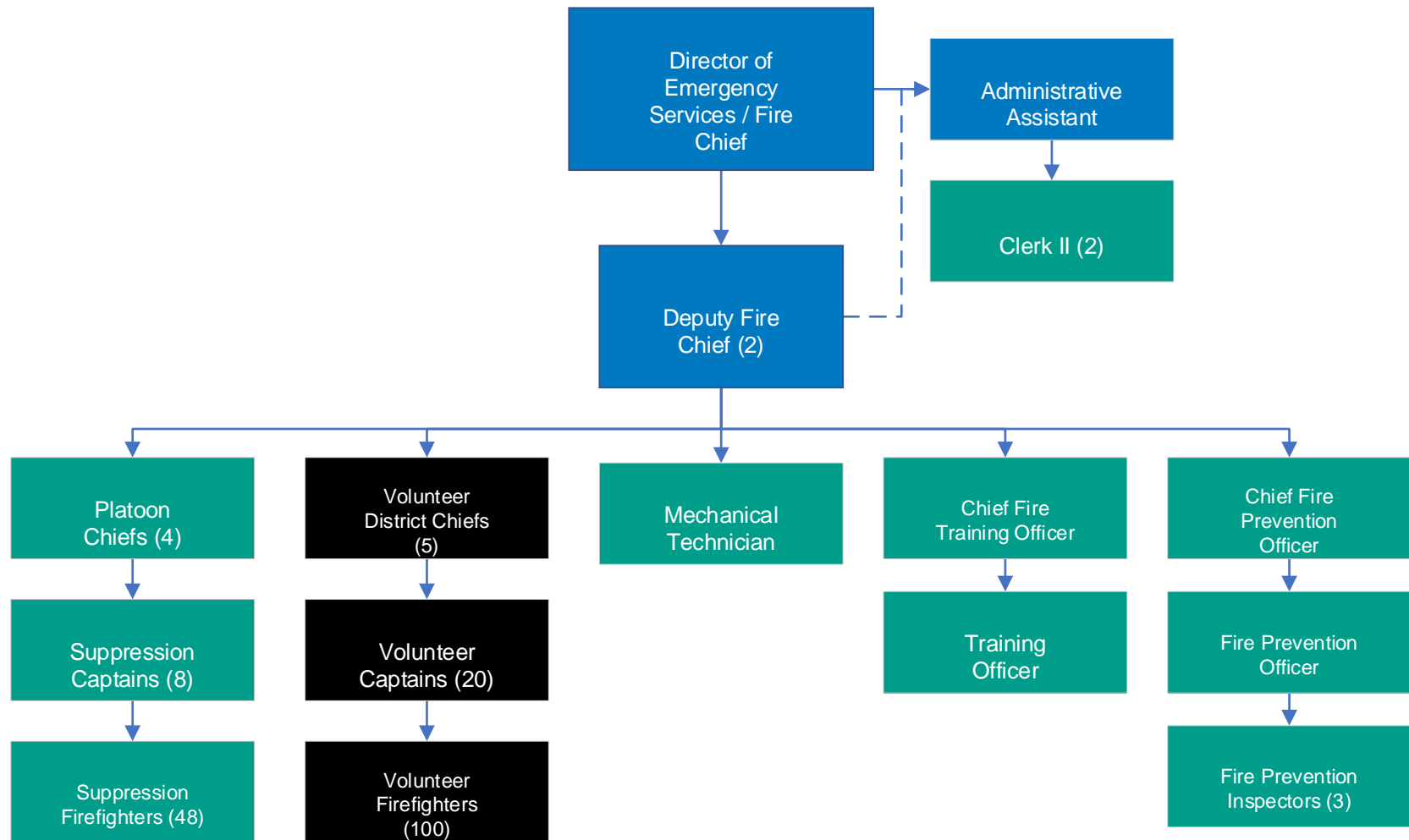
## 2020 Accomplishments and Success

- Adjusted tiered response agreement resulting in a reduction of medical calls and savings personal protective equipment in response to COVID-19; and
- Moved certain processes such as burn permits to on-line to reduce need for public to attend physically at the fire stations.

## 2021 New Staffing Requests

Type	FTE	Service Delivery Area
Full-time	0.0	
Part-time	0.0	
Contract	0.0	

# Current Organizational Structure



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		090 PSAB				
		Expenditures				
\$942,480	\$984,765	Amortization Expense	\$0	\$0	\$0	\$0
		130 Admin				
		Revenue				
(233,939)	(240,751)	User Charges	(55,000)	(105,000)	(115,000)	(10,000)
		Expenditures				
926,567	927,665	Salaries, Wages & Benefits	915,386	940,149	958,880	18,731
198,574	188,937	Materials & Supplies	232,700	239,650	234,050	(5,600)
10,000	10,000	External Transfers to Others	10,000	10,000	10,000	
736,845	841,189	Transfers from Res / RF / Cap	596,500	553,925	500,000	(53,925)
		Fund				
		280 Fire Prevention				
		Revenue				
(44,352)	(47,793)	User Charges	(45,000)	(45,000)	(44,500)	500
		Expenditures				
730,649	677,210	Salaries, Wages & Benefits	743,690	735,643	796,825	61,182
33,006	37,240	Materials & Supplies	46,500	46,500	45,000	(1,500)
		Contracted Services	650	92,700	1,000	(91,700)
		281 Fire Suppression				
		Expenditures				
7,764,774	8,183,352	Salaries, Wages & Benefits	7,931,366	8,443,560	8,634,223	190,663
65,288	56,116	Materials & Supplies	92,500	92,500	90,000	(2,500)
75,519	69,073	Contracted Services	65,000	70,000	80,000	10,000
		282 Fire Train/Technical Support.				

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
420,281	379,914	Expenditures				
5,809	5,816	Salaries, Wages & Benefits	344,524	350,680	364,141	13,461
		Materials & Supplies	6,000	6,500	6,500	0
		283 Fire Communication				
567,343	610,416	Expenditures				
		Contracted Services	585,000	587,000	623,000	36,000
		284 Fire Mechanical				
112,845	116,459	Expenditures				
		Materials & Supplies	120,000	120,000	115,000	(5,000)
		285 All Stations - P/T Administration				
926,687	984,013	Expenditures				
33,005	33,566	Salaries, Wages & Benefits	792,750	867,380	865,215	(2,165)
4,851	4,918	Materials & Supplies	45,250	45,700	46,700	1,000
		Contracted Services	6,500	6,500	6,500	0
		286 Municipal Emergency Measures				
(10,000)	(10,000)	Revenue				
		User Charges	(10,000)	(10,000)	(10,000)	0
27,265	27,251	Expenditures				
		Materials & Supplies	26,950	26,950	26,950	0
		Contracted Services	5,000		5,000	5,000
		287 Mechanical Technical Support				
132,234	136,856	Expenditures				
		Salaries, Wages & Benefits	133,078	135,524	147,042	11,518
<b>\$13,425,731</b>	<b>\$13,976,212</b>	<b>Total</b>	<b>\$12,589,344</b>	<b>\$13,210,861</b>	<b>\$13,386,526</b>	<b>\$175,665</b>

## Budget Highlights

The following items highlight the 2021 budget submission for Emergency and Fire Services:

### Administration

- Increased miscellaneous revenue for fire call recoveries. - \$10,000 ↑
- Reduced materials and supplies primarily as a result of reduction to other capital needs. - \$5,600 ↓

### Fire Prevention

- Reduced revenue to reflect trend for daycare centre and wood stove inspections. - \$500 ↓
- Reduced materials and supplies due to reduction in other capital (non-TCA) needs. - \$1,500 ↓
- Reduced contracted services to reflect 2020 one-time expense for fire masterplan and other consulting work. - \$91,700

### Fire Suppression

- Materials and supplies decreased from reduction in other capital needs. - \$2,500 ↓
- Contracted services increase relates to increase in equipment maintenance costs. - \$10,000 ↑

### Fire Communications

- Contracted services increase relates to cost for dispatching services with the City of Oshawa. - \$36,000 ↑

### Fire Mechanics

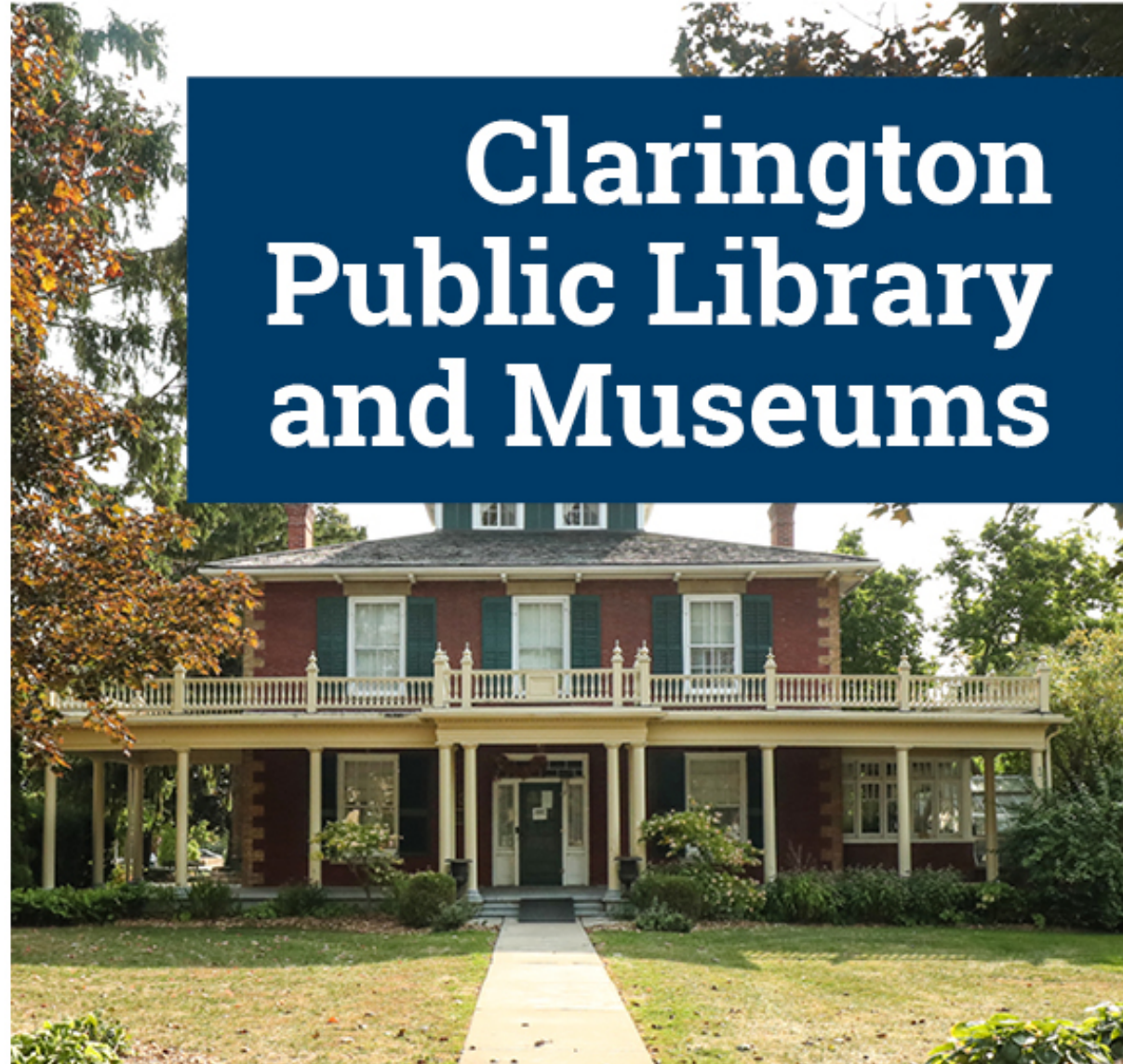
- Reduced materials and supplies due to move to electrical vehicles resulting in anticipated lower gas and oil costs. - \$5,000 ↓

### Volunteer Firefighters

- Materials and supplies net increase due to increase in cleaning supplies and miscellaneous operating supplies net of savings in repairs and maintenance. - \$1,000 ↑

### Emergency Measures

- Increase in contracted services relates to potential expenditures for mass emergency communications infrastructure funded by the associated reserve fund. - \$5,000 ↑



# Clarington Public Library and Museums Overview

## Clarington Public Library

The Clarington Public Library empowers and enriches the lives of residents by connecting them to responsive, accessible, high quality services and resources. The Library provides service through four branch locations: Bowmanville, Courtice, Newcastle, and Orono.

Clarington Public Library enhances cultural, educational and economic well-being. The Library is an active connector for social interaction and learning, which facilitates and strengthens community partnerships.

Library services are comprised of:

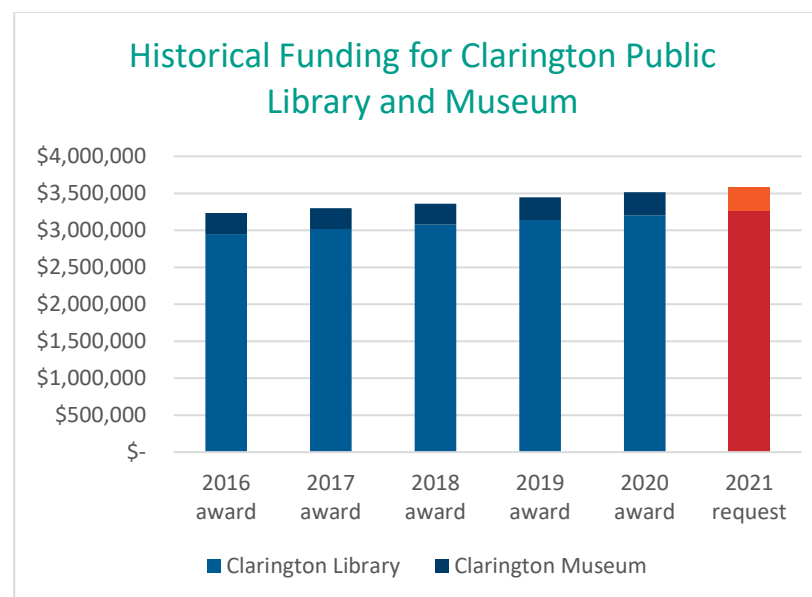
- Lending collections (such as books, DVDs, magazines, video games, audio books);
- Online resources including e-books, digital audio books and online resources;
- Children's literacy programs;
- Educational workshops and life-long learning;
- Computer access and Wi-Fi hotspots;
- Quiet study space; and
- Meeting room access.

The Clarington Public Library Board oversees the strategic direction of the Library under the provisions of the Ontario Public Libraries Act.

## Clarington Museums

The Clarington Museums and Archives has year-round exhibits where residents and visitors can learn and explore. The Museums provides services at its three locations: Bowmanville Museum, Clarke Museum and Archives, and Sarah Jane Williams Heritage Centre.

## Historical Funding



# Operating Budget

Effective January 1, 2020 the Clarington Museum and Archives merged with the Clarington Public Library and now operate as the Clarington Public Library and Museums. For legislative and financial reporting purposes the operations of library services and museum services are kept distinct.

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		440 Libraries				
		Expenditures				
\$3,197,044	\$3,368,585	External Transfers to Others	\$3,138,585	\$3,201,357	\$3,258,981	\$57,624
70,000	194,176	Transfers from Res / RF / Cap Fund	194,176	234,176	70,000	(164,176)
		460 Museum				
		Expenditures				
492,683	308,080	External Transfers to Others	523,145	314,242	319,898	5,656
6,000	6,000	Transfers from Res / RF / Cap Fund	6,000	6,000	6,000	0
<b>\$3,765,727</b>	<b>\$3,876,841</b>	<b>Total</b>	<b>\$3,861,906</b>	<b>\$3,755,775</b>	<b>\$3,654,879</b>	<b>(\$100,896)</b>

## Budget Highlights

The following items highlight the 2021 budget submission for the Clarington Public Library and Museums:

### Libraries

- The request for the Clarington Public Library is at the 1.8 per cent target set by Council. The budget was presented to and approved by the Clarington Public Library Board.

### Museums

- The request for the Clarington Museums is at the 1.8 per cent target set by Council. The budget was presented to and approved by the Clarington Public Library Board.

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# Arts and Culture

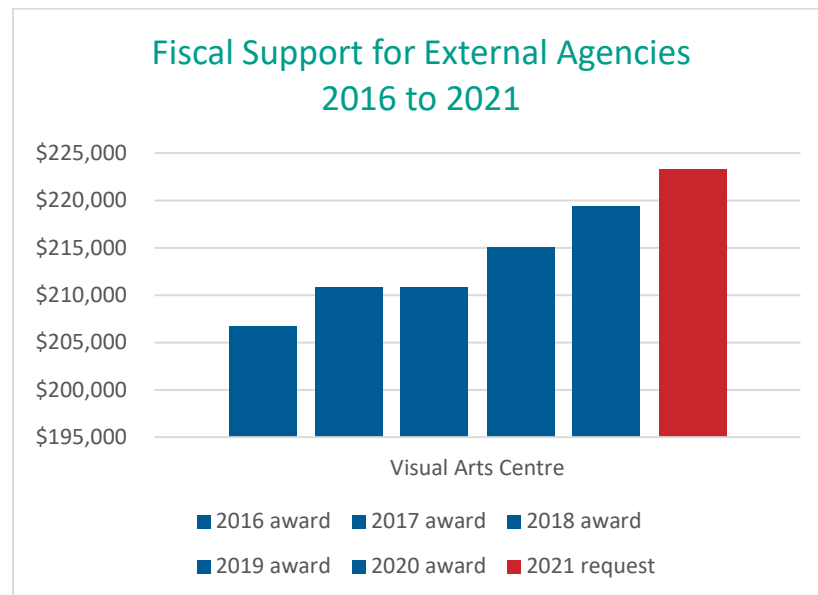


# Arts and Culture Overview

The Visual Arts Centre of Clarington is a not-for-profit charitable organization which nurtures the cultural development of Clarington by encouraging the creativity through arts education, exhibition, and promotion.

The operating budget for the Visual Arts Centre is the Municipality of Clarington's annual contribution to this organization.

## Historical Contribution



# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		465 Culture Expenditures				
\$0	\$214,976	External Transfers to Others	\$0	\$219,366	\$223,315	\$3,949
<b>\$0</b>	<b>\$214,976</b>	<b>Total</b>	<b>\$0</b>	<b>\$219,366</b>	<b>\$223,315</b>	<b>\$3,949</b>

## Budget Highlights

The following items highlight the 2021 budget submission for the Visual Arts Centre:

- This request is within the 1.8 per cent target and is to provide ongoing support for programs at the Visual Arts Centre.

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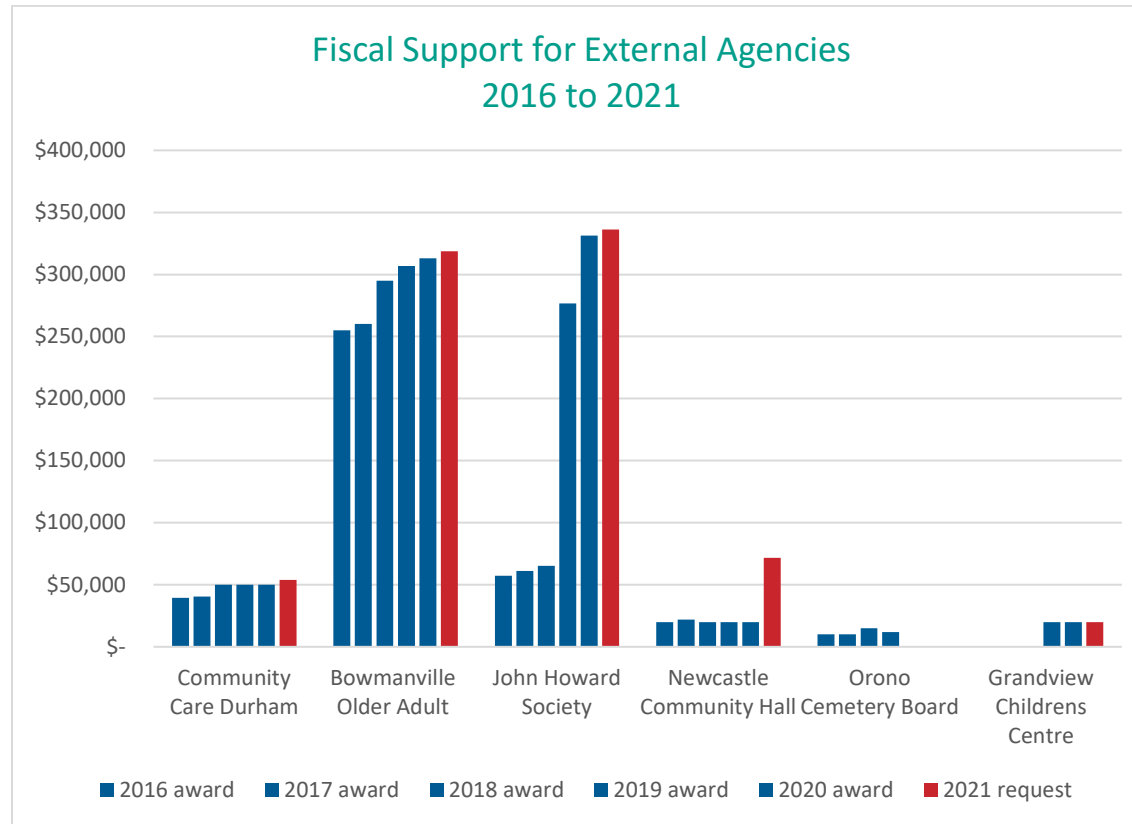


# External Agencies



# External Agencies Overview

External agencies operate outside of the Municipality's operational functions and are not consolidated into the Municipality's financial statements for reporting purposes. The operating grants provided to these organizations are presented below



Effective for the 2020 budget year, the Orono Cemetery Board no longer receives funding from the Municipality as the operations of the cemetery board have been assumed by the Municipality.

# Operating Budget

## Budget Summary

2018 Actuals	2019 Actuals	Description	2019 Budget	2020 Budget	2021 Budget	Change
		474 Municipal Grants - Others				
		Expenditures				
\$430,200	\$673,531	External Transfers to Others	\$673,531	\$734,162	\$800,557	\$66,395
<b>\$430,200</b>	<b>\$673,531</b>	<b>Total</b>	<b>\$673,531</b>	<b>\$734,162</b>	<b>\$800,557</b>	<b>\$66,395</b>

## Budget Highlights

The following items highlight the 2021 budget submission for the external agencies:

### Unassigned

- Firehouse Youth Centre (John Howard Society) is asking for an increase of \$5,062 (1.5 per cent) to \$336,288. The Firehouse Youth Centre will continue to operate three youth centres in Clarington (Bowmanville, Courtice and Newcastle) in 2021.
- Community Care Durham - Clarington is requesting an increase of \$4,000 (8 per cent) to \$54,000. Council passed a guideline in September 2020 for the 2021 budget that limited the budgeted requests to 1.8 per cent; therefore, included in the adjustments for the overall budget (see "Net Levy

Required" on page 21) is a reduction to the request of \$3,100 to bring the grant to \$50,900.

- Bowmanville Older Adults is requesting an increase of \$5,633 (1.8 per cent) to \$318,569.
- Newcastle Community Hall is requesting \$51,700 (258.5 per cent) to \$71,700. In accordance with the guideline an adjustment of \$51,340 is included in the overall budget to bring the grant to \$20,360. The extraordinary request from the Hall is a result of anticipated revenue losses for the year due to COVID-19 impacts on rentals.
- Grandview Children's Centre is the third year of a five year commitment towards their capital program for a new facility that serves the Region of Durham including the Municipality of Clarington. The request was \$100,000.

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# Long-term Debt



# Long-term Debt

## Introduction

The Municipality of Clarington currently has external debt, issued by the Region of Durham (the Region), related to capital infrastructure. The Province of Ontario limits municipal debt based on a maximum percentage of revenues that may be used to service the debt costs on an annual basis. Debt servicing costs include interest and principal payments and is currently limited to 25 per cent of the municipality's net own source revenues.

## Annual Repayment Limit

The Province of Ontario annually provides municipalities with the Annual Repayment Limit (ARL), which is the municipality's calculation of revenues and debt servicing costs. For the year 2020, the Municipality of Clarington's ARL statement indicates that has a repayment limit of approximately \$21,187,700 with available space of approximately \$17,789,800.

The Municipality's debt servicing costs, as a percentage of net revenues, are not projected to exceed the ARL in 2021. Finance is working on a debt management policy which will be brought to Council in 2021.

The Municipality's 2021 ARL statement has not been provided to the Municipality at the time of writing. It is expected to be higher than the 2020 limit as tax revenues increased and no additional debt was issued during 2020.

# Existing Debt

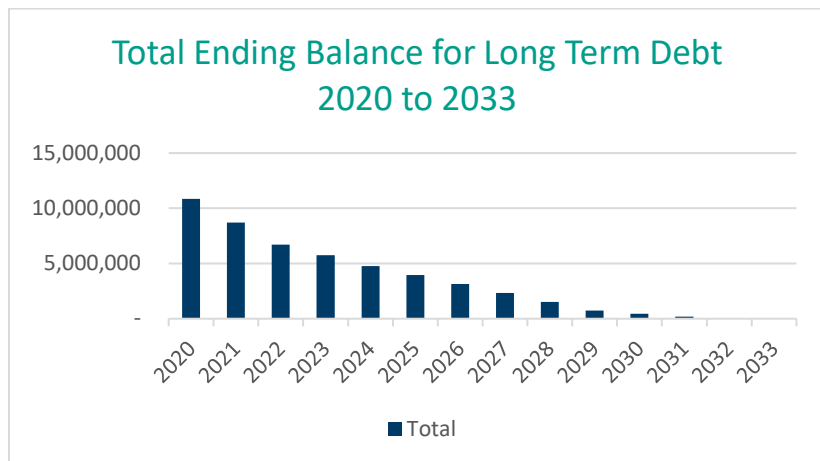
The Municipality currently has external debt, issued through the Region, related to:

- **Bowmanville Indoor Soccer** – maturing in 2024, this debt was for the construction of the Bowmanville Indoor Soccer facility and is funded primarily through development charges.
- **Rickard Recreation Complex** – maturing in 2021, this debt was for major renovations at the Rickard Recreation Complex and is funded primarily through development charges.
- **Diane Hamre Recreation Complex** – maturing in 2022, this debt was for the construction of the Diane Hamre Recreation Complex and is primarily funded through development charges.
- **Green Road** – maturing in 2029, this debt was for the grade separation of the railroad track and Green Road. This debt is development charge funded.
- **Courtice Library** – maturing in 2031, this debt was for the Courtice Branch of the Clarington Public Library. This debt is primarily development charge funded.
- **Rickard Recreation Centre Improvements** – maturing in 2032, this debt was renovations at the RRC including the replacement of Pad A arena

floor, roof replacement and repainting. This debt is tax levy funded.

- **Municipal Administration Centre Improvements**  
– maturing in 2032, this debt was various renovations including main boiler replacement, roof replacement, accessibility improvements, audio visual system updating, lighting retrofits and building security. This debt is tax levy funded.

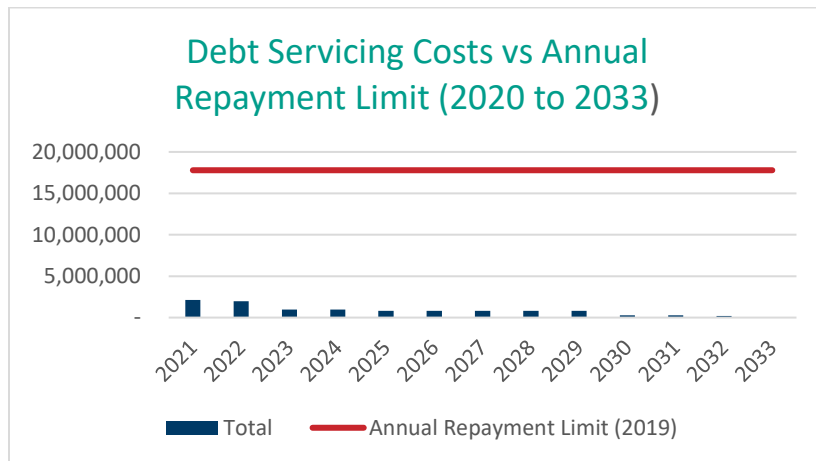
The following chart shows the projected ending balances for the existing external debentures:



The following table summarizes the debt servicing costs for the existing debt for the taxation year 2021:

Loan	Principal Payments	Interest Payments	Total Debt Costs
Bowmanville Indoor Soccer	\$147,000	\$16,863	\$163,863
Rickard Recreation Centre	103,099	1,494	104,593
Diane Hamre Recreation Centre	1,000,000	54,141	1,054,141
Green Road	410,000	136,623	546,623
Courtice Library	62,000	16,466	78,466
Rickard Recreation Centre Improvements	58,892	24,055	82,947
Municipal Administration Centre Improvements	76,851	30,866	107,717
<b>Total</b>	<b>\$1,857,842</b>	<b>\$280,508</b>	<b>\$2,139,350</b>

The following chart shows the debt servicing costs for the Municipality with legislated ARL for the years 2021 to 2033:



## Proposed New Debt

The Municipality of Clarington is not proposing new long-term debt be undertaken in 2021. The 2020 budget included an amount for initial design and capital work to

be undertaken in 2020 on a proposed South Bowmanville Recreation Centre. The Municipality did not receive funding for this project and Council instructed staff to look at alternative funding opportunities including potential partnership opportunities. It is unlikely that debt financing would be required in 2021 for this project, if it were to proceed.

## Conclusion

The Municipality of Clarington is within the statutory limit for debt servicing costs as mandated by the Province of Ontario. The Municipality carries a relatively low debt load which is funded mainly from development charges as the debt relates to growth related capital projects.

While reliance on debt is anticipated to increase in the coming years as growth related capital infrastructure is built, there may need to be consideration for long-lived replacements being funded from debt, if appropriate. This will be the focus of the new debt management policy being developed.



# Capital Budget



# Capital Budget

## Introduction

A municipality's capital budget outlines the investment it is going to make for the year in the creation, purchase, repair and rehabilitation in the assets that it uses to provide services.

Infrastructure is the single largest investment that the Corporation makes and forms the foundation of the services we provide to stakeholders. Without infrastructure investment, economic, population and service growth cannot occur or be sustained.

Infrastructure is costly to build, renew or replace and often takes years to plan, design and complete. This investment of resources ensures that the Municipality can provide services at the levels that our taxpayers have come to expect. Due to the timing required to plan, purchase/build and operate assets, it is important to take a long-term view and plan accordingly.

Clarington's capital budget sets funding for:

- **Capital assets:** The physical items that the Municipality owns or controls that have some form of financial value, for example, the Diane Hamre Recreation Centre; and
- **Municipal Infrastructure:** The equipment and systems that provide the Municipality with roads,

bridges, culverts, stormwater systems, and recreation facilities.

As further development occurs, the capital budget will become a well scheduled process, relying heavily on the asset management plans of a municipality to help make decisions regarding project priorities and timing.

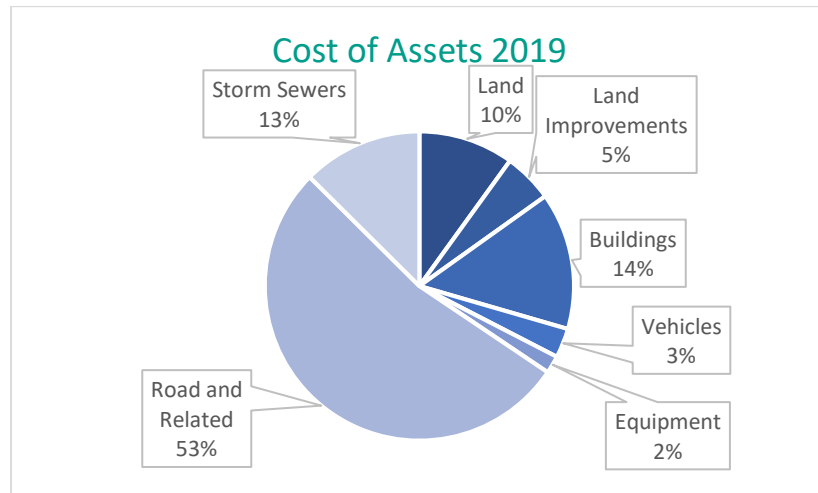
Many municipalities face an infrastructure gap/deficit, the difference between the work that needs to be done to keep municipal assets and infrastructure in good working condition, and the funds available to do so. The realization of this gap has led to various asset management changes, the most recent of which is Ontario Regulation 588/17.

Under Ontario Regulation 588/17, all Ontario municipalities are required to have:

- A strategic asset management policy by July 1, 2019, reviewed and updated at least every five years (completed);
- An asset management plan for water, wastewater, storm, roads, bridges and culverts by July 1, 2021; and
- An asset management plan for buildings, machinery and equipment, land improvements and vehicles by July 1, 2023

The Municipality is working towards the development of asset management plans to meet the regulation's requirements.

The following chart breaks down the cost of assets owned by the Municipality at December 31, 2019; this chart shows that over half of the assets owned by the Municipality relate to roads

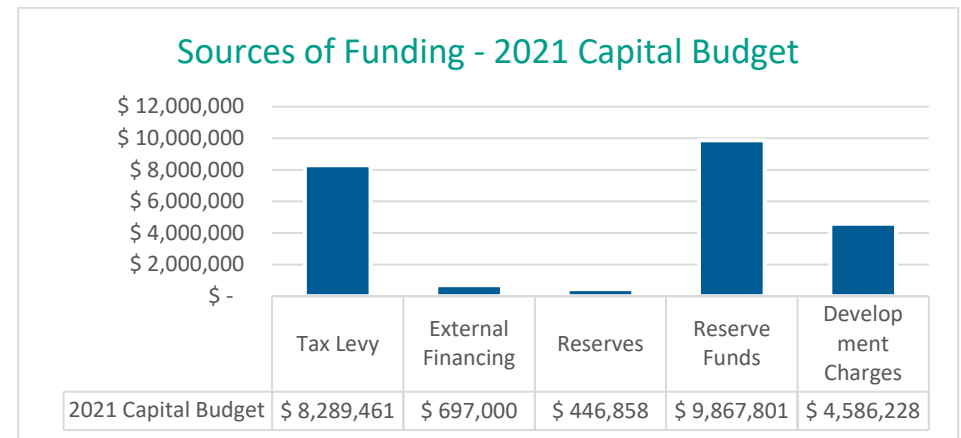


## Summary of 2021 Capital Budget

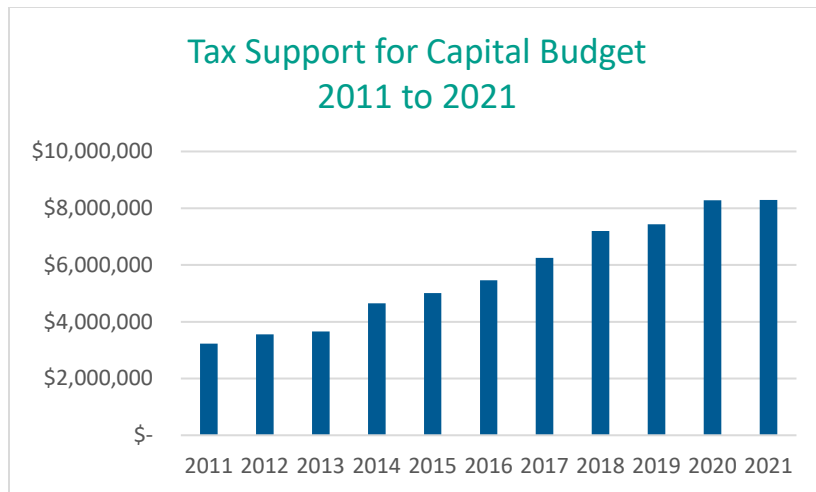
Each year the Municipality budgets for capital projects which could be as simple as the purchase of a piece of equipment or as complex as the construction of a bridge. Funding for these projects come from a variety of sources which may be tax levy, development charges, external grants or debt. The 2021 capital budget proposes an investment of approximately \$23,887,348 in assets used to provide services to taxpayers.

## Sources of Financing

The following chart shows the proposed breakdown for source of funding for the 2021 Capital Budget. The three largest sources of financing are tax levy, development charges and reserve funds.



Over the past ten years the Municipality has seen a continuing increase in the tax levy support for the capital budget. This increase has often been higher than the overall municipal tax levy increase. The tax levy support for capital over the past ten years is shown below:



The Municipality's capital budget is primarily reflective of hard infrastructure assets such as roads, bridges and

buildings. The Departmental summary of the total cost for the 2021 budget is as follows:

Department	Total Cost
Legislative Services	\$55,000
Financial Services	796,780
Emergency and Fire Services	1,075,500
Public Works	18,591,900
Community Services	1,944,360
Planning and Development Services	1,100,733
Library	323,075
<b>Total</b>	<b>\$23,887,348</b>

The Municipality's capital budget by department is summarized as follows:

Department	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Legislative Services	\$53,500	\$0	\$1,500	\$0	\$0	\$0
Financial Services	200,600	0	0	596,180	0	0
Emergency and Fire Services	137,500	0	0	938,000	0	0
Public Works	6,091,436	697,000	375,000	7,085,311	4,343,153	0
Community Services	1,086,050	0	0	858,310	0	0
Planning and Development Services	640,375	0	70,358	390,000	0	0
Library	80,000	0	0	0	243,075	0
<b>Total</b>	<b>\$8,289,461</b>	<b>\$697,000</b>	<b>\$446,858</b>	<b>\$9,867,801</b>	<b>\$4,586,228</b>	<b>\$0</b>

## Capital Projects 2021

The Municipality of Clarington's capital projects vary in size and complexity from the replacement of computer hardware to the complete reconstruction of segments of road related infrastructure.

A project may be completed with a single budget year, while larger infrastructure projects could span multiple years. The funding sources for capital projects include grants received from the Province of Ontario and the Government of Canada, development charges, reserves and reserve funds, tax levy and debt.

## Legislative Services

Legislative Services capital requests include:

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Replacement heat/seal binding machine	\$3,500	\$0	\$1,500	\$0	\$0	\$0
MLE vehicle replacement (2009 Dodge Truck)	50,000	0	0	0	0	0
<b>Total</b>	<b>\$53,500</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- The heat/seal binding machine for the print shop/mail room is required for printing hard copies of Council/Committee agendas as well as various print jobs for other departments within the Municipality.
- The MLE vehicle replacement is for the full-size pick-up truck (2009 Dodge) which requires replacement.

## Financial Services

Financial Services includes the corporate information technology requests for 2021.

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Computer Hardware	\$111,400	\$0	\$0	\$90,000	\$0	\$0
Computer Software	89,200	0	0	506,180	0	0
<b>Total</b>	<b>\$200,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$596,180</b>	<b>\$0</b>	<b>\$0</b>

- Various computer hardware requirements to ensure IT infrastructure remains secure and reliable as more reliance is put on technological solutions.
- Various software requirements, primarily the previously approved MBS software implementation. \$119,200 relates to other day-to-day software requirements.

## Emergency and Fire Services

Emergency and Fire Services has requests from Fire Suppression, Fire Prevention and Fleet divisions:

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Self-containing breathing apparatus	\$40,000	\$0	\$0	\$0	\$0	\$0
Bunker gear	87,500	0	0	0	0	0
Leather bunker boots	10,000	0	0	0	0	0
Porta count machine	0	0	0	17,000	0	0
Hazmat suits	0	0	0	6,000	0	0
Thermal imaging cameras and monitors	0	0	0	20,000	0	0
Car 11 replacement	0	0	0	45,000	0	0
Pumper 11 replacement	0	0	0	850,000	0	0
<b>Total</b>	<b>\$137,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$938,000</b>	<b>\$0</b>	<b>\$0</b>

### Fire Suppression

- SCBA replacement of old units on P1-44 (five packs).
- Replacement of 15 sets of work bunker gear (\$2,000 each) and supply 23 new recruits with full personal protective equipment (\$2,500 each).
- Upgrade to leather boots, lasting approximately five years (\$500/pair).
- Porta count machine is required for fit testing of SCBA masks and N-95 masks.
- Replacement of three older HAZMAT suits.
- Two thermal imaging cameras and various monitors to detect carbon monoxide and explosive atmospheres.

### Fire Fleet

- Replace 2012 Chev Impala with a hybrid unit. This provides more flexibility for EMS staff to be able to go further and drive at quicker speeds when necessary to respond to calls.

- Replace 2007 Pierce (Pumper 11) and required equipment on the vehicle. This unit is the main back-up pumper which sees significant movement and use throughout the Municipality.

## Public Works

Public Works capital requests include general engineering, street-lighting, parks, bridges, roads and structures, sidewalks and walkways, traffic signals, erosion protection and stormwater management

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Parking lot resurfacing program	\$55,000	\$0	\$0	\$160,000	\$0	\$0
Streetlight installation	100,000	0	0	0	0	0
Park furniture/equipment	0	0	0	130,000	0	0
Newtonville Estates parkette	0	0	0	0	250,000	0
Northglen East neighbourhood park	0	0	0	0	650,000	0
Northglen Phase 8 parkette	0	0	0	0	250,000	0
Bowmanville boat launch restoration	200,000	0	0	0	0	0
Soper Creek baseball diamond upgrades	384,400	0	0	0	0	0
Baxter Park – rubberized surface replacement program	22,000	0	0	0	0	0
Penfound park upgrades	92,000	0	0	0	0	0
Westside park upgrades	103,000	0	0	0	0	0
Wilmot Creek conservation viewing deck	31,500	0	0	0	0	0

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
North Bowmanville dog park	0	0	0	0	230,000	0
Tennis court upgrades	300,000	0	0	0	0	0
Columbarium	50,000	0	0	0	0	0
Bridges structures rehabilitation	767,536	0	0	932,464	0	0
Pavement rehabilitation program	850,000	0	200,000	950,000	0	0
Roadside protection program	150,000	0	0	0	0	0
Baseline Rd (Lamb to Bennett)	0	0	0	0	193,000	0
Lambs Rd (Baseline to 275m north of Baseline)	0	0	0	6,480	58,520	0
Darlington Blvd	0	0	0	288,512	1,183,488	0
Brown St reconstruction (Victoria St to Queen St)	40,000	0	0	0	0	0
Longworth Ave and Green Rd intersection	0	0	0	0	650,000	0
Flett St reconstruction (Parkway Cr to Southway Dr)	470,000	0	0	0	0	0
Green Rd reconstruction (Harvey Jones Dr to Longworth Ave)	0	0	0	74,655	375,345	0
High St and Odell St reconstruction	15,000	0	0	0	0	0
Bondhead jetty	75,000	0	0	0	0	0
Whistle cessation at Cobbledick Rd and Bennett Rd	0	697,000	0	497,000	0	0

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Bloor St multi-use path	0	0	0	0	240,000	0
Old Scugog Rd reconstruction (Edmonson Ave to North limit Hampton)	1,050,000	0	0	0	0	0
Sidewalk replacement	125,000	0	0	0	0	0
Accessible signal upgrade – King St at Bowmanville Mall	130,000	0	0	0	0	0
Accessible signal upgrade – King St at Simpson Ave	110,000	0	0	0	0	0
Pedestrians crossovers	160,000	0	0	0	0	0
Semi-permanent radar message boards (eight)	40,000	0	0	0	0	0
Courtice Highway 2 streetscape (Median east of Trulls Rd)	0	0	0	31,200	28,800	0
Various erosion protection works	0	0	0	66,000	134,000	0
Rural road resurfacing	596,000	0	175,000	2,779,000	0	0
Clarington stormwater pond cleanout	125,000	0	0	0	0	0
Orono Creek blockage cleanout	50,000	0	0	0	0	0
Fleet replacement – roads	0	0	0	840,000	0	0
Fleet new – roads	0	0	0	20,000	100,000	0
Fleet replacement – parks	0	0	0	140,000	0	0

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Fleet replacement - cemetery	0	0	0	170,000	0	0
<b>Total</b>	<b>\$6,091,436</b>	<b>\$697,000</b>	<b>\$375,000</b>	<b>\$7,085,311</b>	<b>\$4,343,153</b>	<b>\$0</b>

## General Engineering

- Parking lot resurfacing program is the annual program for municipally owned parking lots. The budget amount is based on replacing each lot on a 35-year cycle with drainage and operational improvements as necessary. In 2021 the lot will include the Bowmanville Boat Launch.

## Street-lighting

- Streetlight various provides illumination in accordance with By-law #84-21. The work generally includes extension of existing lighting systems and infill of existing systems where light levels do not meet standards.

## Parks

- Park furniture/equipment provides funding for the replacement of playground structures in accordance with CSA Playspace Guidelines. In 2021, the planned parks include Penfound Park and Westside Park.
- Newtonville Estates Parkette will be located at the northeast corner of Jones Ave and Rose Cres. The parkette will include a shade structure, picnic area, swing set, junior play features, senior play features and paved walkway connections.
- Northglen East Neighbourhood Park will be located east of Middle Rd opposite William Fair Dr. The park will include a baseball diamond, 25-30 car parking lot, shade structure, junior and senior play structures, seating areas and asphalt connecting paths.
- Northglen Phase 9 Parkette will be located between the northwest corner of Crombie St and Bruce Cameron Dr. The parkette will include a shade structure, swing set, senior play feature and paved walkway connections.
- Bowmanville Boat Launch restoration includes the restoration of the boat launch ramp and construction of a floating dock adjacent to the ramp. The parking lot at the boat launch is included in the parking lot rehabilitation funding above.

- Soper Creek baseball diamond upgrades will consist of re-grading and sodding of the field, placement of new sand, restoration of the fence and installation of bleachers.
- Baxter Park rubberized surface replacement program will include the removal and installation of a new surface as a result of multiple repairs being required over the past few seasons.
- Penfound Park upgrades will include the replacement of asphalt surface, construction of concrete curbs, re-setting brick pavers, install new bench and garbage can, replacement of the shade structure and restoration of pergola.
- Westside Park upgrades consist of removing brick pavers and placement of asphalt surface, painting and restoration of fence, installation of new bench and garbage can and replacement of the shade structure.
- Wilmot Creek Conservation Area view deck will replace the existing unusable structure as a result of safety concerns.
- North Bowmanville Dog Park will be developed at a location to be determined. The park will be roughly 6,000m<sup>2</sup> which includes 1,000m<sup>2</sup> small-dog area. This budget item does not include lighting.
- Tennis court upgrades include resurfacing of Stuart Park, potentially with lighting as well as resurfacing Guildwood Park.

## **Cemetery**

- Columbarium for Bowmanville Cemetery. Sales of the niches in future years will offset the cost of the purchase.

## **Bridges**

- Structures rehabilitation is the annual program for the replacement, rehabilitation and maintenance of structures throughout the Municipality resulting from the legislated inspections that occur every two years on all bridges. Specific locations will be identified based on evaluations and may change from year to year. Funding in part provided by the Province of Ontario.

## **Roads and Structures**

- Pavement rehabilitation program provides for the extension of the life cycle of road pavement structures with asphalt overlays in conjunction with asphalt base repairs (cold milling, joint sealing, full depth crack repair). This

project is funded in part by the Federal Gas Tax Reserve Fund and the Province of Ontario. Locations are identified annually based on a cost benefit analysis.

- Roadside protection includes the construction of roadside safety improvements including guide rails, upgrading of deficient protection measures or removal of hazards from the clear zone adjacent to the road.
- Baseline Rd (Lambs to Bennett) was constructed in 2019, this is the final surface asphalt lift.
- Lambs Rd (Baseline to 275m north of Baseline Rd) was reconstructed to an urban standard in 2019. This will be the final surface asphalt lift.
- Darlington Blvd will be reconstructed to a semi-urban standard including new road base, asphalt and sidewalk and drainage improvements.
- Brown St reconstruction (Victoria St to Queen St) was designed in 2020 with work in 2021 to include the relocation of utilities to facilitate the reconstruction. Construction of Brown St will be included in a future budget.
- Longworth Ave will be constructed by the developer, this project includes the cost of upgrading the road from a local road to an arterial road as well as the upgrading of the intersection to a roundabout.
- Flett St reconstruction (Parkway Cres to Southway Dr) to an urban cross section including storm water, new road base, asphalt, concrete curb and gutter, and sidewalk. The 2021 budget includes additional funds required for a sidewalk on Parkway Cres to create safe pedestrian access to St. Joseph's Elementary School. This project will be combined with the Parkway Ave reconstruction approved in the 2020 budget.
- Green Rd reconstruction (Harvey Jones Dr to Longworth Ave) will be to an urban standard including underground services, new road base, asphalt, concrete curb and gutter, sidewalks and street lighting. The work will be completed by the developer as part of subdivision works.
- High St and Odell St reconstruction will include the primary design for improvements to these two roads. Work in 2021 will include geotechnical investigation, topographic survey and analysis of buried utilities.
- Bondhead Jetty work will include detailed design for the restoration of the east jetty at Bondhead. The restoration is intended to reinstate the rock protection to extend the life of the structure and will include improved pedestrian access.

- Whistle cessation at Cobble Dick Rd and Bennett Rd relates to upgrades to grade crossings to meet standards for whistle cessation. The project is contingent on additional funding from Transport Canada through the Rail Safety Improvement Program (RSIP). This project will follow Transport Canada's procedure for elimination of train whistling and is subject to approval from both Transport Canada and CN Rail. There is \$140,000 being carried forward from 2020, this funding is the additional requirements needed.
- Bloor St multi-use path will be a 3m wide asphalt multi-use path on the south side of Bloor St from Prestonvale Rd to the proposed creek valley trail approximately 200 m east of Prestonvale Rd.
- Old Scugog Rd reconstruction (Edmonson Ave to North limit of Hampton) will be the rehabilitation of Old Scugog Rd including the replacement of the granular road base as well as asphalt and drainage improvements.

### Sidewalks and Walkways

- Sidewalk replacement is the annual program to replace deficient sidewalks throughout the Municipality. Deficiencies may include cracking, trip hazards, and excessive slopes. Annual inspections are completed to assess priorities based on the deficiency, pedestrian usage and location.

### Traffic Signals

- Accessible signal upgrade at the King St / Bowmanville Mall intersection will upgrade the existing traffic signals to include accessible pedestrian signals, battery back-up system and controller modernization. This intersection has been prioritized based on requests received and assessment, the improvements will meet requirements under the AODA.
- Accessible signal upgrade at the King St and Simpson Ave intersection will upgrade the existing traffic signal similar to the above-mentioned project.
- Pedestrian crossovers (PXO) are a form of traffic control providing pedestrians with the right of way to cross the road. They are identified by a specific configuration of pavement markings, signs and flashing lights (depending on traffic). This project will install pedestrian crossovers depending on an ongoing safety analysis at the three following locations Mearns Ave at Soper Creek Dr, Waverley Rd at Quinn Dr and Honeyman Dr at Charles Bowman Walkway.

- Semi-permanent radar message boards will be installed at various locations where traffic speeds are of concerns. These locations may be near schools, community safety zones, and entrances to rural hamlets. The proposed budget will allow for the purchase of eight boards.

## **Streetscape**

- Courtice Highway 2 streetscape (median east of Trulls Rd) will install decorative plantings in the median on Highway 2 that is being constructed for the development at the south east corner of Highway 2 and Trulls Rd.

## **Erosion Protection**

- Various erosion protection works will provide remediation work within watersheds impacted by increased development. Due to the changing demands of this type of remedial work a specific location has not been identified as it will allow staff to be more reactive to specific situations that arise after the budget has been established.

## **Road Maintenance**

- Rural road resurfacing provides the annual program for surface treatment within the Municipality of Clarington. This project is funded in part by the Federal Gas Tax Reserve Fund.

## **Stormwater Management**

- Clarington stormwater pond cleanout includes the cleanout and maintenance work to ensure that older ponds function as they were designed to perform, reduce sediment loading in the creek systems, reduce erosion and protect downstream infrastructure. This work will occur at the Westlake Pond located on Odium St in Solina.
- Orono Creek blockage cleanout includes clearing barriers along Orono Creek between Orono Park and the Orono Mill pond. There are barriers along the creek that prevent water from draining away from adjacent land, including Orono Park.

## **Fleet**

- Fleet replacement – roads will replace equipment in accordance with resolution GPA-475-93 “Criteria used to determine when to replace vehicles and heavy equipment.” The planned replacement includes two 2007 Sterling tandem axle truck (\$280,000 each) and a 2005 International tandem axle truck (\$280,000).

- Fleet new – roads follows the Development Charges Study and is for growth related expansion of the fleet to continue to service residents of Clarington. This will include small equipment upgrades (\$20,000) and a Bobcat with attachments (\$100,000).
- Fleet replacement – parks replaces equipment in accordance with resolution GPA-475-93 and will include replacement of the 2008 Dodge 1-ton crew dump truck (\$70,000) and the 2009 Chev ¾ ton pickup (\$70,000).
- Fleet replacement – cemetery replaces two 2010 Exmark zero turn mowers (\$20,000 each), and the 2006 Case tractor/loader (\$130,000) in accordance with the criteria outlined in resolution GPA-475-93.

## Community Services

Community Services capital requests relate to municipal buildings and recreational facilities

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Facility admin – interior improvements	\$54,000	\$0	\$0	\$0	\$0	\$0
Facility admin – Roof projects	0	0	0	100,000	0	0
Alan Strike – Interior improvements	14,600	0	0	10,000	0	0
Diane Hamre – Building improvements	0	0	0	47,000	0	0
Diane Hamre – Interior improvements	11,700	0	0		0	0
Buildings and property – Accessibility improvements	245,000	0	0		0	0
Buildings and property – Building improvements	0	0	0	353,150	0	0
Buildings and property – Interior improvements	614,050	0	0		0	0

Building and property – Roof replacements	0	0	0	110,460	0	0
Garnet B. Rickard – Interior improvements	135,000	0	0	61,700	0	0
Courtice Community – Building improvements	0	0	0	60,000	0	0
Courtice Community – Interior improvements	11,700	0	0		0	0
Darlington Sports – Interior improvements	0	0	0	21,000	0	0
South Courtice – Interior improvements	0	0	0	95,000	0	0
<b>Total</b>	<b>\$1,086,050</b>	<b>\$0</b>	<b>\$0</b>	<b>\$858,310</b>	<b>\$0</b>	<b>\$0</b>

## Facilities

- Facility administration – interior improvements includes funds for building condition audits (\$18,000), designated substances (\$6,000) and any other condition audits that are required with bringing on hall and arena boards. Waste diversion plans (\$30,000) are also included in these funds.
- Community Services Department roof projects include roof replacements per roof audits; in 2021 the RRC roof section 501 is included for replacement (\$100,000).
- Alan Strike Centre – interior improvements include squash court floor and wall refurbishment (\$10,000), pool lane ropes and carts (\$8,000) and chemical controller replacement (\$6,600).
- Diane Hamre Recreation Centre – building improvements include repairs/alterations to pool dehumidification unit oil management system (\$35,000) converting from R-22 refrigerant to required R-407C and addition of variable speed drives (\$12,000) for both supply fan and return fan in the pool dehumidification system. Several components within the oil management system have failed and are currently inoperable.
- Diane Hamre Recreation Centre – interior improvements include replacement of aging pool equipment (\$5,000) and pool chemical controller (\$6,700). The unit currently in use is aging and failing causing significant repair costs.
- Building and property – accessibility improvements will include various building improvements to comply with AODA standards. The Orono Branch of the Clarington Public Library is located in a re-purposed two-storey century

home which presents several accessibility challenges. The proposed project addresses access into the building and washroom facilities. Scope includes new accessible path to south entrance, structural modifications including accessible entrance and construction of universal washroom. Project includes construction (\$215,000) and design and contingency (\$30,000).

- Building and property – building improvements will provide plant and envelope repairs or replacements due to age, condition or legislated upgrades. This work includes arena chillers (\$250,000), Hampton HVAC (\$30,000), fire station #1 and #4 HVAC (\$30,000) and generator upgrades (\$43,150).
- Buildings and property – interior improvements are for various building interior items as specified related to furnishings, fixtures, equipment and spatial improvements. Projects will include renovations to Shaw House to suit space needs (\$475,000), millwork modifications to Council chair tables to accommodate meeting needs and accessibility (\$55,000), door controls at the Newcastle Branch Library (\$12,050), Orono operations interior renovation to accommodate staff assignments resulting from reorganization (\$30,000) and flooring replacement at fire station #4 (\$42,000).
- Building and property – roof replacements will be per the roof condition assessment and will be determined based on needs.
- Rickard Recreation Centre – interior improvements will include refrigeration work to overhaul compressors (\$20,700), boiler and back flow work to replace tagged out unit with a new system (\$41,000) and replacement of Pad A rubber flooring due to documented safety concerns (\$135,000).
- Courtice Community Complex – building improvements include replacing two rooftop units, above the computer lab and the library office areas.
- Courtice Community Complex – interior improvements include the replacement of pool chemical controllers (\$6,700) and pool vacuum (\$5,000).
- Darlington Sports Complex – interior improvements include replacing gasket plate frame per TSSA recommendations.
- South Courtice Arena – interior improvements include replacing the Olympia ice resurfacers which currently has 8,025 operating hours which is above the benchmark of 6,500 to 7,000 hours which provides for optimal trade-in value. Funds were budgeted in 2020 to overhaul the machine to extend life expectancy.

## Planning and Development Services

Planning and Development Services have capital requests related to land acquisitions as well as the Building Inspection Division

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Land acquisition	\$640,375	\$0	\$70,358	\$0	\$0	\$0
Electric vehicles for building inspection	0	0	0	390,000	0	0
<b>Total</b>	<b>\$640,375</b>	<b>\$0</b>	<b>\$70,358</b>	<b>\$390,000</b>	<b>\$0</b>	<b>\$0</b>

### Land Acquisition

- Annual contribution for land acquisitions in accordance with Council's adopted land acquisition strategy. The land acquisition strategy was adopted by Council Resolution #C-264-17 on October 10, 2017.

### Building Inspection Division

- It is proposed to create a fleet of vehicles for the building inspectors. The project includes six electric vehicles and six charging stations. This will eliminate the need for staff to use personal vehicles and will result in reduced mileage expenses once operational.

## Library

The Library capital requests are for the Clarington Public Library and Museums.

Project	Tax Levy	External Financing	Reserves	Reserve Funds	Development Charges	Debt
Library technology	\$80,000	\$0	\$0	\$0	\$0	\$0
Library collection	0	0	0	0	243,075	0
<b>Total</b>	<b>\$80,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$243,075</b>	<b>\$0</b>

- Technology is reduced from 2020 as the Library continues its efforts towards cloud-based systems and virtualized servers.
- Collection captures expenditures on multimedia information resources, including books, magazines, CDs, DVDs, e-books, digital audio books, electronic databases and other resources.

## Five-Year Capital Forecast

The Municipality of Clarington is currently in the process of updating its Asset Management Plan in accordance with Province of Ontario regulations. Given the impact that the corporate reorganization, COVID-19, asset management planning, changes in development charge regulations and the secondary plans have on future capital needs a five-year forecast will not be included in this document.

The Corporation's Asset Management Plan will be coming to Council in the spring of 2021 which will have the same information that would be included in a forecast. The 2021 Asset Management Plan will form one of the foundational pillars for the capital forecast going forward along with the 2021 Development Charges Background Study.

# Reserves and Reserve Funds



# Reserve and Reserve Fund Introduction

Reserves and reserve funds allow for long-term financial planning, internal financing of non-recurring operating or capital projects and mitigation of unknown situations that may arise during the course of business that could otherwise result in tax levy fluctuations. Reserves and reserve funds are a key pillar in maintaining a stable financial position. Consistent contributions to reserve and reserve funds are crucial to maintain the financial stability of the Municipality.

## Reserves

A reserve is an allocation of accumulated net revenue that makes no reference to any specific asset and does not require the physical segregation of money. Reserves are part of the revenue fund and therefore do not earn interest like a reserve fund.

## Reserve Funds

Reserve funds are physically segregated and restricted to meet a specified purpose. Reserve funds are invested in accordance with the Municipality's Investment Policy with all earnings forming part of the reserve fund. There are two types of reserve funds:

### Obligatory Reserve Funds

Obligatory reserve funds form part of the Municipality's deferred revenue. These are funds that are established by legislation or as a requirement of an agreement. The funds are segregated from the Municipality's general funds and may only be used for the purpose as described in the applicable legislation or agreement.

### Discretionary Reserve Funds

Discretionary reserve funds are established by Council and are not required by legislation or agreement. Funds are segregated from the general funds of the Municipality and earn interest which is applied to the balance in the reserve fund.

## Reserve Summary

Reserve Name	Opening Balance 2020	Estimated Year End Balance 2020	Previously Committed Funds	Available Balance 2020	Net Transfers 2021	Projected Available Balance 2021
Self Insured Losses	(\$599,722)	(\$695,327)	\$69,816	(\$625,511)	\$0	(\$625,511)
Municipal Acquisition of Property	(547,196)	(518,217)	0	(518,217)	30,358	(487,859)
Tax Write-Off	0	0	0	0	0	0
Secondary Plans	0	(61,971)	61,971	0	0	0
General Capital	(2,308,789)	(2,131,967)	1,787,475	(344,492)	(1,000)	(345,492)
Legal Fees	(222,692)	(222,692)	0	(222,692)	0	(222,692)
Clarington Heritage Committee	(6,981)	(7,051)	0	(7,051)	1,000	(6,051)
Consulting / Professional Fees	(950,793)	(853,815)	208,137	(645,678)	0	(645,678)
Records Maintenance	(104,012)	(92,478)	34,808	(57,670)	(10,000)	(67,670)
Election Expenses	(147,338)	(222,338)	0	(222,338)	(125,000)	(347,338)
Fire Prevention Reserve	(304,552)	(284,552)	1,000	(283,552)	0	(283,552)
Pits & Quarries	(225,425)	(420,425)	0	(420,425)	(195,000)	(615,425)
Rural Road Rehabilitation	(2,168)	(52,168)	0	(52,168)	0	(52,168)
Park Development	(812)	(812)	0	(812)	0	(812)
Burketon Park Improvement	(7,569)	(7,569)	0	(7,569)	0	(7,569)
Samuel Wilmot Nature Area	(492)	(1,592)	1,543	(49)	0	(49)
<b>Total Reserves</b>	<b>(\$5,428,539)</b>	<b>(\$5,572,973)</b>	<b>\$2,164,750</b>	<b>(\$3,408,222)</b>	<b>(\$299,642)</b>	<b>(\$3,707,864)</b>

## Reserve Definition

The following outlines the purpose of the reserves and the anticipated activity for the 2021 fiscal year.

### Self-Insured Losses Reserve

This reserve was established when the Municipality amended our insurance coverage. The savings realized from higher deductibility levels, good claim records and other funds unused for insurance purposes were used to establish the original reserve. The intention is that in any given year a department may request funds from the reserve to cover expenditures incurred as a result of an insurable loss which is not reimbursed by the insurance provider.

### Municipal Acquisition of Property Reserve

The monies in this reserve are for use by Council to purchase properties which would improve the Municipality's real property holdings and thereby assist in fulfilling the Municipality's long-range acquisition program. The proceeds from the sale of municipal real properties are added to this reserve.

### General Capital Reserve

This reserve was established with the approved transfer of funds to cover capital projects in-progress at year end. Later, the reserve definition was elaborated to provide for

contingency items of a capital nature as well to hold funds that were budgeted for capital projects that are incomplete at year end. Currently capital projects that are incomplete remain in the capital fund and the reserve now houses funds that are unexpended for operating accounts and incomplete open PO's. The expectation is that this is a short-term layover of these unexpended funds, with a resolution within a year or two.

### Legal Fees Reserve

The Municipality established this reserve to provide a source of funding for external legal specialists that may be required. The timing of these specialists may not be consistent and is dependent on schedules outside of the control of the Municipality. Annual contributions into the reserve mitigate fluctuations of costs from year to year.

### Clarington Heritage Committee Reserve

This reserve was established to provide the committee the ability to increase public awareness and education, conduct research and provide for the general education of cultural heritage conservation issues and admiration of the committee. Funds in this reserve were allocated through previous budget allocations and fundraising efforts of the committee.

## Consulting / Professional Fees Reserve

The timing of consulting and professional work may not follow fiscal years. Unspent funds are deposited into this reserve and may be drawn upon in a subsequent year to fund previously budgeted work.

## Records Maintenance Reserve

This reserve was established to accumulate funds for a significant records management initiative which included the digitization and destruction of older files. This ongoing work receives funding annually from unspent budgeted amounts for records management; this also spreads the cost of major events over multiple years.

## Elections Expenses Reserve

This reserve accumulates the estimated funds required to hold the municipal election every four years. To reduce the impact to the operating budget every fourth year, an amount is transferred into this reserve annually in anticipation of the municipal election. Expenses related to the election, including ward boundary reviews, may be funded from this reserve.

## Fire Prevention Reserve

This reserve was originally established to maintain the operations of the Junior Fire Fighter program. In later years, the Fire Protection and Prevention Act stated that “every municipality shall establish a program in the municipality which must include public education with respect to fire safety and certain components of fire prevention; and provide such other fire protection services as it determines may be necessary in accordance with its needs and circumstances.” With this shift in fire education focus from fire suppression to fire prevention, this reserve’s purpose shifted to accommodate more public education and fire prevention awareness.

## Pits & Quarries Reserve

The Municipality owns its own quarry located on Morgan Road. The establishment of this reserve was at the advice of staff to charge ourselves the local market price per cubic yard and any surplus realized from annual quarry operations at year end. The logic in doing so was to pay any claims which could result from the use of the site, rehabilitation of the site in accordance with the Pits & Quarries Act and to purchase another site upon depletion of the existing location

# Reserve Fund Summary

Reserve Fund Name	Opening Balance 2020	Year End Balance 2020	Previously Committed Funds	Available Balance 2020	Net Transfers 2021	Projected Available Balance 2021
501 - Parking Lot	(\$1,284,253)	(\$1,220,773)	\$0	(\$1,220,773)	\$291,803	(\$928,970)
502 - Economic Development	(510,612)	(566,065)	0	(566,065)	(50,000)	(616,065)
503 - Roads Capital	(371,520)	(82,129)	0	(82,129)	(200,000)	(282,129)
504 - Parkland Cash In Lieu	(3,170,856)	(3,729,039)	0	(3,729,039)	0	(3,729,039)
505 - Engineering Fleet	(123,691)	(129,961)	0	(129,961)	(5,000)	(134,961)
507 - Westside / Bowmanville Marsh	2,019	2,019	2,535	4,555	0	4,555
508 - Newcastle Waterfront	(3,803)	(47,165)	0	(47,165)	0	(47,165)
510 - Strategic Capital	(10,447,856)	(10,461,144)	2,940,000	(7,521,144)	0	(7,521,144)
511 - Municipal Capital Works	(604,824)	(609,600)	(3,833,968)	(4,443,568)	(63,153)	(4,506,721)
512 - General Municipal	(3,199,223)	(3,373,828)	0	(3,373,828)	(49,200)	(3,423,028)
513 - Engineering Inspection	(2,340,335)	(1,901,782)	12,864	(1,888,918)	455,000	(1,433,918)
514 - Roads Contribution	(753,542)	(808,019)	664,611	(143,408)	0	(143,408)
515 - Debenture Retirement	(445,810)	(435,316)	0	(435,316)	0	(435,316)
516 - Facilities / Parks Maintenance	(402,663)	(274,682)	0	(274,682)	(125,000)	(399,682)
517 - Engineering Parks Capital	(296,452)	(302,735)	186,350	(116,385)	0	(116,385)
518 - Community Services Capital	(429,382)	(383,221)	0	(383,221)	(99,690)	(482,911)
520 - Cemeteries Capital	(34,810)	(30,120)	0	(30,120)	(5,000)	(35,120)
521 - Computer Equipment	(231,333)	(193,327)	0	(193,327)	40,000	(153,327)
522 - Fire Equipment	(1,524,358)	(2,004,202)	775	(2,003,427)	438,000	(1,565,427)
523 - Animal Services Capital	(137,944)	(94,513)	0	(94,513)	(10,000)	(104,513)
524 - Operations Equipment	(879,926)	(279,251)	0	(279,251)	65,000	(214,251)

Reserve Fund Name	Opening Balance 2020	Year End Balance 2020	Previously Committed Funds	Available Balance 2020	Net Transfers 2021	Projected Available Balance 2021
525 - Clerk Fleet	(34,583)	(39,964)	0	(39,964)	(10,000)	(49,964)
526 - Port Granby LLRW Agreement	(186,648)	(63,944)	17,637	(46,306)	0	(46,306)
527 - Municipal Government Enterprise	(26,884,427)	(26,884,427)	0	(26,884,427)	(30,000)	(26,914,427)
528 - Impact / Escrow	(131,381)	(132,694)	0	(132,694)	0	(132,694)
537 - Clarington Station A Account	(848,938)	(857,417)	0	(857,417)	0	(857,417)
539 - Older Adults Programming	(38,668)	(39,054)	0	(39,054)	0	(39,054)
542 - Library Capital	(1,204,407)	(1,236,587)	918,950	(317,637)	(30,000)	(347,637)
543 - Library Computer Equipment	(501,468)	(506,477)	225,000	(281,477)	0	(281,477)
544 - Museum Capital Bowmanville	(45,434)	(48,909)	0	(48,909)	(3,000)	(51,909)
545 - Museum Capital Clarke	(73,933)	(77,693)	0	(77,693)	(3,000)	(80,693)
547 - Bowmanville BIA	(15,416)	(15,570)	0	(15,570)	0	(15,570)
548 - Newcastle BIA	(109,357)	(110,449)	0	(110,449)	0	(110,449)
549 - Newcastle Arena Operating	(2,555)	(2,581)	0	(2,581)	0	(2,581)
552 / 562 - Cemetery - Perpetual Care, Hampton Union, Orono	(103,385)	(115,704)	0	(115,704)	0	(115,704)
554 - Rate Stabilization	(6,782,242)	(7,507,517)	1,061,176	(6,446,341)	703,180	(5,743,161)
556 - Community Improvement Plan	(124,154)	(137,983)	3,045	(134,938)	(12,500)	(147,438)
557 - Federal Gas Tax Receipts	(2,252,629)	(4,354,835)	4,233,806	(121,029)	393,794	272,765
558 - Building Division	(2,607,173)	(2,611,124)	261,000	(2,350,124)	412,050	(1,938,074)
560 - CSD Building Refurbishment	(430,584)	(689,931)	0	(689,931)	(257,500)	(947,431)
561 - Beautification / Tree Planting	(9,215)	(9,307)	0	(9,307)	0	(9,307)
563 - Stormwater Management Pond Maintenance	(33,384)	(33,717)	0	(33,717)	0	(33,717)
564 - Engineering Review	(778,181)	(758,347)	0	(758,347)	40,000	(718,347)

Reserve Fund Name	Opening Balance 2020	Year End Balance 2020	Previously Committed Funds	Available Balance 2020	Net Transfers 2021	Projected Available Balance 2021
565 - Community Emergency Management	(474,623)	(479,363)	0	(479,363)	0	(479,363)
566 - Parking Lot Rehabilitation	(292,817)	(412,709)	0	(412,709)	(310,000)	(722,709)
567 - ASO Benefits	(560,315)	(565,911)	0	(565,911)	0	(565,911)
568 - Mun Gov't Ent. - Other	(1,711,607)	(709,406)	79,731	(629,675)	0	(629,675)
569 - Future Staffing	(517,886)	(550,476)	0	(550,476)	(50,000)	(600,476)
570 - Provincial Infrastructure	(1,473,168)	(3,242,840)	3,149,355	(93,485)	0	(93,485)
571 - Continuous Improvement RF	0	(100,706)	0	(100,706)	(50,000)	(150,706)
575 - Orono BIA	(40,381)	(40,784)	814	(39,970)	0	(39,970)
580 -DC General Government	(1,502,543)	(1,793,131)	1,318,147	(474,985)	900,000	425,015
581 -DC Public Library	(1,212,372)	(1,776,765)	389,196	(1,387,569)	313,694	(1,073,875)
582 - DC Emergency Services	(5,555,843)	(6,376,611)	114,448	(6,262,163)	0	(6,262,163)
583 -DC Indoor Recreation	1,013,889	(1,421,981)	0	(1,421,981)	1,608,675	186,694
584 - DC Engineering Park Development and Facilities	(2,930,886)	(4,067,680)	2,735,468	(1,332,212)	1,380,000	47,788
585 - DC Operations	(3,682,178)	(4,342,805)	1,779,825	(2,562,980)	100,000	(2,462,980)
586 - DC Roads and Related	(23,880,344)	(28,646,859)	17,155,146	(11,491,714)	3,409,776	(8,081,937)
587 - DC Parking	(473,282)	(519,897)	0	(519,897)	0	(519,897)
<b>Total Reserve Funds</b>	<b>(\$113,683,695)</b>	<b>(\$128,207,004)</b>	<b>\$33,415,910</b>	<b>(\$94,791,094)</b>	<b>\$9,187,929</b>	<b>(\$85,603,165)</b>

## Reserve Fund Definitions

### Parking Lot Reserve Fund

Funds are deposited into this reserve fund from all parking revenues. The annual cost of providing the parking services are funded through this reserve fund. This includes operating costs such as payroll and fleet as well as the opportunity for capital costs for parking lot construction or reconstruction.

### Economic Development Reserve Fund

These funds are a source of financing for economic development related initiatives and/or incentives. It has been used historically to fund physician recruitment and to plan for contract staff specifically tied to the development of the zoning by-law.

### Roads Capital Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

### Parkland Cash-in-Lieu Reserve Fund

This is the Municipality's obligatory reserve fund for parkland cash-in-lieu contributions resulting from development approval activities. The reserve fund must comply with the requirements of the Planning Act. This includes land acquisition.

### Engineering Fleet Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

### Westside / Bowmanville Marsh Reserve Fund

This reserve fund stems from historical negotiations that took place, including a land swap with St. Mary's Cement in order to preserve the marsh. The remaining funds are used for the benefit of the marsh and for studies related to flooding, through conservation authority initiatives.

## Newcastle Waterfront Reserve Fund

These funds are remaining from old Waterfront Trail grant monies that were left over at the end of a project. Since they were received for that purpose, the funds remain set aside for future projects related to that area.

## Strategic Capital Reserve Fund

Funds received from a legal settlement with the Federal Government addressing the mitigation and clean-up of the Port Granby Low Level Radioactive Waste site were transferred to this reserve fund after meeting the conditions of the initial trust. A report was approved by council establishing the uses of the principal value as a strategic capital purpose. The intent is that the principal be used for economic development investments whereby the principal is repaid at some point in the future through development agreements.

## Municipal Capital Works Reserve Fund

This reserve fund is linked to growth related capital projects through the Municipality's Development Charges Background Study and By-law. For most growth-related capital projects, there are several types of actions that result in less than 100 per cent of the capital costs being eligible for recovery through the development charges reserve funds. The first is the replacement share of the

new capital project and the second is the proportion of the project relating to benefit to existing residents. This reserve fund is set up to fund the non-growth share of growth-related capital projects.

## General Municipal Reserve Fund

This reserve fund is the depository for interest earned on the promissory notes for the Municipality's investment in Elexicon (formerly Veridian). The balance of the funds is eligible for use for capital projects through the budget process or Council approved initiatives.

## Engineering Inspection Reserve Fund

The fees collected through the Engineering Department's various agreements with developers are deposited to this reserve fund for the costs of the engineering inspection functions provided as part of the subdivision approval process. The general intent is that as developments are a cyclical activity tied to economic swings and outlooks, there is still a requirement to maintain the skills and capacity to perform engineering inspections and provide approvals regardless whether there is a downswing in the economy. As a result, all fees charged for this activity are transferred to the Engineering Inspection Reserve Fund. Annually, through the budget process, a portion of the costs of the engineering section is funded from a transfer to operating from the reserve fund.

## Roads Contribution Reserve Fund

This reserve fund is primarily established as a repository for deposits received through development agreements as contributions for future works that will be required as other developers come on stream in a particular area.

## Debenture Retirement Reserve Fund

This reserve fund was initially established to accumulate funds such that future debt could be avoided. However, there are no ongoing contributions to increase this reserve fund since most debt over the last 15 years has pertained to growth related projects. The current activity in the reserve fund relates to the Darlington Indoor Soccer Club. They had committed to paying the non-growth component of the debenture for the Bowmanville Indoor Soccer facility. The Club makes an annual contribution that goes into this reserve fund and then the 10 per cent share of the debt financing costs are funded from this reserve fund.

## Facilities / Parks Maintenance Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Engineering Parks Capital Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Community Services Capital Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Cemeteries Capital Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Computer Equipment Reserve Fund

This reserve fund was established to fund the ongoing capital program relating to hardware and software acquisition. It receives annual tax levy support and contributes annually to the capital budget for IT.

## Fire Equipment Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Animal Services Capital Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Operations Equipment Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Clerk Fleet

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## Port Granby LLRW Agreement Reserve Fund

Funds received from a legal settlement with the Federal Government addressing the mitigation and clean-up of the Port Granby Low Level Radioactive Waste site accumulated additional interest beyond the amount transferred through the budget to offset tax levy. It was decided to leave some funds in this reserve fund to assist with potential implications in the future, most likely for work around future uses of the site outside the perimeter once they are in the maintenance stage. There is a study on future uses of the excess lands.

## Municipal Government Enterprise – Other Reserve Fund

This reserve fund originated through the Municipal Government Enterprise Reserve Fund. When Newcastle Hydro-Electric Commission amalgamated to originally create Veridian, through the advice of our solicitor as well as then Treasurer, it was determined that our investment in our Government Business Enterprise (Veridian) be held in reserve funds rather than in the general fund. This included both our equity share as well as the promissory notes receivable. Over time, this caused complications as the original Municipal Government Enterprise reserve fund held both the investment in Veridian, promissory notes receivable from Veridian, as well as accumulated funds. Determining for budget purposes, what funds were available for council purposes

became complex, so it was decided to divide out the excess accumulated funds from the investment and promissory notes receivable. Those excess accumulated funds and accrued interest related thereto were transferred into the Municipal Government Enterprise-Other reserve fund. Most often these funds are used for a purpose tied to energy savings. It has funded energy audits as well as being energy retrofit seed money whereby the original investment is repaid over time from estimated energy savings.

## **Municipal Government Enterprise Reserve Fund**

As explained in the description above for the Municipal Government Enterprise- Other Reserve Fund, this fund holds the Municipality's investment in Veridian Corporation, including both our equity share and our promissory notes.

## **Impact / Escrow Reserve Fund**

This reserve fund is a legacy fund generated by the original Host Community agreement for the first construction of OPG (then Ontario Hydro).

## **Clarington Station A Reserve Fund**

Like the Impact/Escrow Account, this reserve fund was established as part of the very first Host Community agreement with Ontario Hydro (prior to OPG). They are now exclusively under the purview of Clarington Council.

There is also likely no longer any obligation as to how the funds should be used but it is still generally understood that the funds would be used to assist with servicing in South Courtice.

## **Older Adults Programming Reserve Fund**

Tax levy funds gradually accumulated when the Bowmanville Older Adults Association was a Board of Council. When they transitioned to an independent charitable organization, the reserve fund was split in half and the balance remaining here is intended for use for the provision of older adults' services administered through the Community Services Department.

## **Library Capital Reserve Fund**

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## **Library Capital Equipment Reserve Fund**

This reserve fund does not have direct tax levy support. It is comprised of funds transferred from the library to be held for future library computer equipment needs as well as remaining funds from the library's prior years' capital budgets for library computer equipment.

## **Museum Capital Bowmanville Reserve Fund**

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## **Museum Capital Clarke Reserve Fund**

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## **Bowmanville BIA Reserve Fund**

This reserve fund was originally established from an OMB settlement pertaining to the first round of development of the Bowmanville West Main Central Area. Most of the funds have been utilized but a small balance remains available. The BIA would need to request funds for specific purposes through the budget process or through a direct request to Council.

## **Newcastle BIA Reserve Fund**

This reserve fund was established in relation to principles of understanding for further development of the Bowmanville West Main Central Area. Orono and Newcastle BIA's received an allotment of funds to be

administered through the Municipality for implementation of Community Improvement Plans.

## **Newcastle Arena Operating Reserve Fund**

These are funds transferred by the Newcastle Arena Board with the intent of earning greater rates of return. The fund balance is minimal, and the Arena Board has not produced a plan to contribute to the reserve fund on a regular basis.

## **Perpetual Care and Hampton Union Reserve Fund**

These are perpetual care funds held in trust for the specific cemeteries identified in our trust statements.

## **Rate Stabilization Reserve Fund**

The Rate Stabilization Reserve Fund is a very active fund utilized to offset swings in tax levy impacts year to year. Any municipal operating surplus/deficit determined after the external audit is complete is transferred into this reserve fund or funded by this reserve fund. The reserve fund acts as a mechanism to achieve balanced budgets in the sense that a surplus or deficit for a particular year cannot be predicted accurately at the time of the next year's budget approval.

## **Community Improvement Plan Reserve Fund**

The intent of the reserve fund links to civic improvements. It is anticipated that this reserve fund may provide an option to maintain some features relating to the downtowns, that would otherwise be deleted. This reserve fund has a modest annual tax levy contribution.

## **Federal Gas Tax Receipts Reserve Fund**

This reserve fund has been established to host the Federal Gas Tax funding and to meet the requirements of the funding agreement. This is an obligatory reserve fund as the use of the funds are restricted through AMO.

## **Building Division Reserve Fund**

The purpose of the reserve fund is to allow reasonable funding to be set aside to address economic fluctuations as well as to fund multi-year requirements such as replacement of software required to provide planning and building services needed to facilitate building activity.

## **CSD Building Refurbishment Reserve Fund**

This reserve fund was established through budget in a year where a fee increase was established for recreational services and the value of the fee increase was set up as a contribution to this reserve fund rather than a general fund revenue offsetting the tax levy. The contribution has been maintained but further incremental fee increases were not diverted to this reserve fund but rather left in the general fund to offset increased service delivery costs.

## **Beautification / Tree Planting Reserve Fund**

This is a small reserve fund established from a donation. The hope is that other donations will be received over time that will help fund small beautification projects or tree planting to assist in maintaining tree cover as the municipality develops.

## **Stormwater Management Pond Maintenance Reserve Fund**

This reserve fund was established as a result of updating our subdivision agreement templates to standardized fees for stormwater pond maintenance for the subdivision. The fees are deposited into the reserve fund when received in compliance with the subdivision agreement. The intent is to draw on this reserve fund

annually to offset the operating costs of stormwater pond maintenance. It has not been done to date as there is still a small amount of funds in the reserve funds, so we are giving the fund some time to accumulate.

## **Engineering Review Reserve Fund**

This reserve fund was established as a result of updating our subdivision agreement templates to standardized fees for review of engineering drawings for the subdivision. The fees are deposited into the reserve fund when received in compliance with the subdivision agreement. Annually, through the budget process, a contribution is made to the operating budget to help offset the costs of engineering division review services.

## **Community Emergency Management Reserve Fund**

Under the negotiated agreements with Ontario Power Generation (OPG), funds are received annually for several specific services provided to OPG. The funds will also be used for the costs of specialized equipment or training to ensure appropriate levels of response. As the Municipality is required to provide assistance and support to others in the event a nuclear emergency should arise, these funds are deposited into this reserve fund for emergency management issues.

## **Parking Lot Rehabilitation Reserve Fund**

This reserve fund is the funding mechanism for the parking lot asset management plan. As the Municipality owns a significant number of parking lots that have various purposes, a single department did not have consistent oversight of the asset management pertaining to these lots. As the Engineering Department oversees significant capital projects relating to paving and stormwater needs, they were given the responsibility to assess and plan the rehabilitation needs of municipal parking lots. The department undertook this work and created a multi-year plan to address deficiencies and needed replacements. The fund currently receives annual contributions from tax levy support.

## **ASO Benefits Reserve Fund**

This reserve fund was established with the market placement of employee benefits. The savings from that market placement were set aside as a one-time contribution to a reserve fund for the sole purpose of looking towards the Administrative Services Only option for the administration of employee extended health program.

## **Future Staffing Reserve Fund**

Commencing in 2017, Council created this reserve fund and has contributed annually with tax levy support. The

general intent is to create flexibility in the future for new staff requirements.

## Provincial Infrastructure Reserve Fund

This reserve fund has been established to host the Provincial funding grants received and to meet the requirements of the funding agreements. This is an obligatory reserve fund as the use of the funds are restricted through the respective agreements.

## Orono BIA Reserve Fund

This reserve fund is a traditional capital replacement reserve fund that is monitored annually to determine the need for increases to tax levy support. It is linked to the Asset Management Plan.

## DC Reserve Fund

The accounts listed below are the development charges reserve funds for each service level category identified in our development charges background study and by-law. The reserve funds must be used to fund the growth-related costs required to meet the needs of growth. No current year receipts are used for current budget requirements. Balances at December 31st of the year prior are to be utilized for the next years' budget requirements. Future projections are done on a regular basis to address capital budget forecasts. The following are the current DC funds:

- General Government DC Reserve Fund
- Public Library DC Reserve Fund
- Emergency Services DC Reserve Fund
- Indoor Recreation DC Reserve Fund
- Engineering Park Development and Facilities DC Reserve Fund
- Operations DC Reserve Fund
- Roads and Related DC Reserve Fund
- Parking DC Reserve Fund

## Reserve Fund Contributions and Transfers

The following outlines the contributions to the reserves and reserve funds as well as the transfers out to the general fund.

### Contributions to Reserve Funds

The following are the proposed contributions to reserve funds for 2021:

Reserve Fund	Purpose	Contribution
Computer Equipment	Annual contribution	\$100,000
Clerk's Fleet	Annual contribution	10,000

Reserve Fund	Purpose	Contribution
Animal Services	Annual contribution	10,000
Parking Lot	Budgeted meter revenue	330,000
Future Staffing	Annual contribution	50,000
Municipal Capital Works	Annual contribution	300,000
Economic Development Reserve Fund	Annual contribution	50,000
Municipal Government Enterprise	Repayment of energy master plan savings	30,000
Municipal Capital Works	Funding for Development Charge incentives	250,000
Fire Equipment	Annual contribution	500,000
Continuous Improvement Reserve Fund	Annual contribution	50,000
Engineering Fleet	Annual contribution	5,000
Parking Rehabilitation	Annual contribution	310,000
Building Division	Budgeted surplus for future years	227,950
Cemeteries Capital	Annual contribution	5,000
Facilities / Parks Maintenance	Annual contribution	255,000
Operations Equipment	Annual contribution	1,085,000
Community Services Capital	Annual contribution	425,000

Reserve Fund	Purpose	Contribution
Community Services Capital Building Refurbishment	Annual contribution	257,500
General Municipal Purposes	Community Care Durham leaseholds	49,200
Community Improvement	Annual contribution (not for CIP grants)	12,500
Library Capital	Annual contribution	30,000
Bowmanville Museum	Annual contribution	3,000
Clarke Museum	Annual contribution	3,000
Roads Capital	Annual contribution	200,000
<b>Total Contributions</b>		<b>\$4,548,150</b>

## Contributions to Reserves

The following are the proposed contributions to reserves for the year 2021:

Reserve Name	Purpose	Contribution
Pits and Quarries	Revenue from royalties	\$570,000
Municipal Acquisition of Property	Annual contribution	40,000
General capital	Health and safety contribution for documentation / pandemic	2,500

Records Maintenance	Annual contribution	10,000
Elections Expenses	Annual contribution	125,000
<b>Total Contributions</b>		<b>\$747,500</b>

## Withdrawals from Reserve Fund to General Fund

The following are the withdrawals from the reserve funds to fund operating expenses in the general fund in 2021:

Reserve Fund	Purpose	Amount
DC – Roads and Related	Green Rd debenture funding	\$546,623
DC – Indoor Recreation	Diane Hamre Recreation Centre debenture funding	1,443,920
DC – Indoor Recreation	Bowmanville Indoor Soccer debenture funding	148,279
DC – General Government	Plans and studies (including official plan)	900,000
DC – Library	Courtice Library debenture funding	70,619

Reserve Fund	Purpose	Amount
Engineering Review	Engineering division expenses	40,000
Engineering and Inspection	Engineering division expenses and salary for capital work coordinator	455,000
Debt Retirement	Bowmanville indoor soccer debenture funding that is not DC-eligible	16,476
Parking Lot	Parking enforcement expenses	461,803
<b>Total Draws</b>		<b>\$4,082,720</b>

## Withdrawals from Reserves to General Fund

The following are the withdrawals from the reserves to fund operating expenses in the general fund in 2021:

Reserve	Purpose	Amount
Clarington Heritage Committee	Annual operating expenses	\$1,000
<b>Total Draws</b>		<b>\$1,000</b>

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# Supplementary Information



# What is Fund Accounting

The Municipality, like every municipality in Ontario, prepares its financial statements in accordance with Public Sector Accounting Standards (PSAS) as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

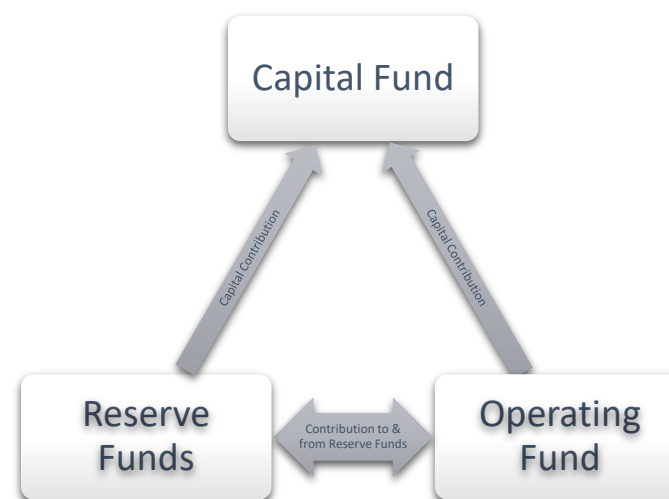
The Municipality follows PSAS which is an accrual basis form of accounting. Which means revenues and expenses are recognized when the transaction, service or event occurs rather than when payment is made or received. As allowed under Ontario Regulation 284/09 under the *Municipal Act, 2001*, the Municipality does not budget for amortization, post-employment benefits or solid waste landfill closure and post-closure expenses.

The Municipality uses fund accounting which views each fund as its own entity, with its own assets, liabilities, income and expenses. The use of funds helps to ensure that dedicated or restricted funds are used for their intended purpose.

There are three basic types of funds used by the Municipality:

- **Operating Fund** – This fund includes all the assets, liabilities, income and expenses that are not allocated to one of the other funds. Unrestricted funds such as property taxes are recorded through the operating fund.

- **Capital Fund** – This fund includes all capital expenditures and the method of funding these expenditures. Funding may be from a transfer from tax revenues, a transfer from reserves or reserve funds, receipt of grants or issuance of long-term debt.
- **Reserve Funds** – These funds are individually established to record the assets which are physically segregated to meet a specific purpose.



The budget process, resolutions and by-laws provide the mechanism for Council to approve the transfer of funds between the funds. The use of interfund transfers within the accounting system provides the necessary accounting trail to ensure that all directions have occurred. It is also for this reason that continuities of reserve and reserve funds are prepared.

# Revenue and Expense Categories

Throughout the budget, revenues and expenses are categorized based on their purpose and similarities.

## Revenues

### Levies

Estimated taxation, supplementary taxation, and payments-in-lieu of taxation received. These funds may be collected on behalf of the Province of Ontario or a school board and are remitted to the specific agency.

### Provincial Grants and Subsidies

Grants received from the Province of Ontario for specific functions such as the Ontario Community Infrastructure Fund or specific grant projects.

### Federal Grants and Subsidies

Grants received from the Government of Canada for specific functions such as the Federal Gas Tax Fund or specific grant projects.

### User Fees

Fees for use of service including, but not limited to, facility rentals, cemetery fees, application for planning and building permits, recreational programming.

### Licensing and Lease Revenue

Licensing fees such as taxi licensing and lease revenues for the long-term lease of municipal facilities and property.

### Investment Income

All investment income earned by the Municipality through its investment holdings, bank account balances and investment in Elexicon.

### Contributions from Reserves

Contributions from reserves and reserve funds for specific purposes as identified with the budget. This is an internal source of funding and may be originally sourced from taxation, grants or user fees.

### Other Revenues

Any revenue that is not otherwise categorized.

## Expenses

### Salaries and Benefits

Compensation for all employees such as salaries, wages, benefits, overtime, allowances and statutory benefits.

### Materials

Includes items such as office supplies, salt and sand, gravel, insurance costs, phone costs and other general expenses.

### Rent and Financial Costs

Bank charges, debt and credit card charges, cost of rental equipment and facility rentals for the Municipality.

### Purchase / Contracted Services

Items that are outsourced, such as professional services, winter clearing and IT software as a service.

### Debt Repayment

Interest on debt repayments to external parties

### Grants and Transfer Payments

Grants given to community groups, external boards and agencies and levies from other organizations.

## Contributions to Reserves and Reserve Funds

Contributions from the general fund for the Municipality's reserves and reserve funds

## Financial Policies

The Municipality of Clarington has approved several financial policies with the intent to provide consistency with how financial decisions are made. The following are major financial policies adopted by Council.

### Budget and Financial Control Policy

The budget is one of the largest annual policy documents that Council adopts. The budget highlights the priorities for the upcoming year and the allocated resources to provide services to constituents. The proposed budget is balanced with revenues equaling expenses for the year and is tabled for Council review and approval.

The policy provides a target range, net of growth, for tax levy increases based on Consumer Price Index and the Asset Management Plan. The policy does require that this range be brought to Council in September of every year for decision on a specific target. For the 2021 budget year, the target range is between 1.5 per cent and 2.0 per cent; the Council approved target is 3.55 per cent. It is noted that the target range is low this year as a result

of the impacts of COVID-19 on the CPI from March 2020 to July 2020; therefore, the CPI was not a strong indicator for the inflationary pressures on costs in 2021.

## Investment Policy

The policy establishes guidelines for municipal investments and ensuring compliance with applicable legislation. The Treasurer reports to Council on an annual basis the Municipality's adherence with this policy.

The objectives, in order of importance, of the policy are to ensure:

- Adherence to statutory requirements;
- Preservation and security of capital;
- Maintenance of necessary liquidity; and
- Realizing a competitive rate of return.

The Municipality's investments include bank accounts at chartered banks, guaranteed investment certificates, bonds of chartered banks, government bonds and investment portfolios with ONE Investment.

## Procurement Policy

The Municipality is legislatively required to approve a procurement policy to establish the responsibilities, controls, authorizations and procedures for purchasing goods and services. This policy is reviewed every five years, the review is currently underway.

## Donations Policy

As a municipality, the Municipality is a qualified donee for Canadian income tax purposes. The Municipality can issue "official income tax receipts" as prescribed by the Canada Revenue Agency (CRA). To be a donation there must be an intention to give, a delivery and an acceptance and it must be voluntary with no expectation of return.

Donations that qualify for an official tax receipt generally include:

- Cash;
- Capital, real or depreciable property;
- Personal-use property, works of art, jewelry, rare books, stamps or coins;
- A leasehold interest or residual interest in a real property;
- Donations of life insurance properties; and
- Donations made under a will

The following items are not qualified donations per the policy:

- Contributions of skill or time;
- Payments of a basic fee for admission to an event;
- Requests by the donor that the Town pay for a portion of the donation;

- Requests by the donor that the donation be directed to a specific person or family;
- Donations that have a direct benefit to the donor or a relative of the donor; and
- Donations made in exchange for consideration of a right, privilege, material benefit such as promotion or advertising

# Glossary of Terms

The following terms are defined below:

- **Accrual Basis of Accounting** – A method of accounting that recognizes revenue as earned and expenditures as incurred rather than waiting until cash is exchanged.
- **Actual** – Actual (as opposed to budget) revenues and expenditures for the fiscal year as indicated.
- **Amortization** – The gradual reduction of the value of an asset or liability by some periodic amount. In the case of an asset, it involves expensing the cost of the item over its useful life.
- **Assessment** – The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in an arm's length, open market sale between a willing buyer and willing seller.
- **Base Budget** - In simple terms, a reflection of the budget resources (financial, human and other) that are required to maintain service levels at the level provided in the previous year.
- **Budget** - A financial plan for a given fiscal year showing revenues and expenditures for different funds of the Town.
- **Budgetary Basis** - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: accrual, cash or modified accrual.
- **Business Improvement Area (BIA)** - A Business Improvement Area (BIA) is an association of businesspeople within a specified district, who join with official approval of the Town, in a self-help program aimed at stimulating business.
- **Capital Budget** - The budget that provides for the funding of the Town's expenditures on capital assets, i.e. assets which provide benefits to the Town over several years.
- **Consumer Price Index (CPI)** - A statistical description of price levels provided by Statistics Canada. The index is used as a measure of the increase in the cost of living (i.e. economic inflation).
- **Current Value Assessment (CVA)** – Property value set upon real estate under direction by the Province as a basis for levying property taxes.

- **Debenture** – A formal written obligation to repay specific sums on certain dates. Debentures are typically issued by the Region of Durham and are unsecured.
- **Debt** – Any obligation for the payment of money. Debt will normally consist of debentures as well as short-term notes or cash loans from financial institutions or internal borrowing from reserves.
- **Deferral** – The act of putting off until another time or postponing.
- **Deficit** – The excess of liabilities over assets or expenditures over revenues.
- **Development Charges Act (DCA)** – Provincial legislation that provides guidelines on funding identified growth-related projects in the Municipality from developers.
- **Expenditure** - The disbursement of appropriated funds to purchase goods and/or services. Expenditures include current operating expenses that require the current or future use of net current assets, debt service, and capital outlays. This term designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlays.
- **Fiscal Year** - Any period of 12 consecutive months designated as the budget year. The Town's budget year begins January 1st and ends December 31st.
- **Fleet** – The vehicles owned and operated by the Municipality.
- **Forecast** – The projection of revenues and expenditures for future years.
- **Full-time Equivalent Position (FTE)** – A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. FTE considers the number of hours per week and portion of the year the position is funded.  $FTE = (\text{hours worked per week} / \text{total weekly hours}) \times (\text{months funded} / 12)$ . A year-around full-time position has an FTE of 1.00. A full-time position funded for six months (1/2 year) has an FTE of 0.5.
- **Fund** - A set of interrelated accounts to record revenues, and expenditures associated with a specific purpose. A fund has its own revenues, expenditures, assets, liabilities, and equity (fund balance).
- **Fund Balance** - A term used to express the equity (assets minus liabilities) of governmental fund types and trust funds. A fund balance is the excess of cumulative revenues and other sources

of funds over cumulative expenditures and other uses of funds.

- **Gas Tax** - Funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions: economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water and reduced greenhouse gas emissions.
- **Generally Accepted Accounting Principles (GAAP)** - Nationally-recognized uniform principles, standards and guidelines for financial accounting and reporting, governing the form and content of many financial statements of an entity. GAAP encompasses the conventions, rules, and procedures that define accepted accounting principles at a time, including both broad guidelines and detailed practices and procedures.
- **Grant** - A monetary contribution, typically from one level of government to another, to lend support to a specific service, program or function.
- **Inflation** - A rise in price levels caused by general economic activity and growth.

- **Infrastructure** - The system of public works in the Town, consisting of immovable physical assets, that delivers an essential public service (e.g. road network, water and sewer systems, and lighting).
- **Interest Income** - Revenue associated with the Town's cash management activities of investing cash balances.
- **Levy** - The amount of property tax, in dollars, which is paid by the Town's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.
- **Liability** – A financial obligation of the Municipality to others.
- **Long-term Debt** – Debt which matures more than one year after it is issued.
- **Municipal Act** - Passed by the legislature in December 2001, the Act is designed to allow municipal leaders the autonomy, power and flexibility they need to chart their community's future in a meaningful way and react quickly to change.
- **Official Plan** - A document adopted by a municipal council pursuant to the *Planning Act* that contains goals, objectives and policies to manage and direct physical change in the Municipality. Official Plans are generally set for a planning

period of 20 years and must be renewed and updated every five years.

- **One-time Item** – An item only approved for the current budget which does not form part of the base budget.
- **Ontario Municipal Employees Retirement System (OMERS)** – A defined benefit plan that provides pension benefits for the Municipality's full-time employees. Employees and employers make equal contributions to the plan.
- **Operating Budget** – The budget that provides the various departments with funding for their annual recurring operating costs (e.g. salaries, materials and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.
- **Per Capita** – A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.
- **Property Tax** – A value-based tax levied on real and personal property according to the property's assessed valuation and the tax rate.

- **Public Sector Accounting Board (PSAB)**
  - The body of the Chartered Professional Accountants (CPA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information.
- **Reserve** - An allocation of accumulated net revenue that is established by Council for a particular purpose. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Interest earned on the invested earnings is reported as operating fund earnings and not accumulated in the reserve.
- **Reserve Fund** - An allocation of accumulated net revenue, like a reserve. It differs from a reserve in that reserve fund assets are segregated and restricted to meet a specific purpose. There are two types of reserve funds. Obligatory reserve funds are required under provincial statute, while discretionary reserve funds are created by Council for a specified future use.
- **Revenue** - Monies received from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year.

- **Stakeholders** - The person, group or organization that has direct or indirect stake in the Town because it can affect or be affected by the Town's actions, objectives and policies.
- **Surplus** - The excess of actual revenue over operating expenditures incurred during a budget period.
- **Tangible Capital Asset (TCA)** – Non-financial assets that have a lifespan that extends beyond an accounting period. Also known as a “fixed assets”.
- **Tax Rate** – A percentage rate that is used to determine the property tax levy to be paid by a taxpayer within the Town. The rate for a property depends on its tax class, which in turn depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Rates are established by Council by-law.
- **User Fees & Service Charges** - Fees paid by individuals or organizations to the Town for the use of Town facilities (e.g. recreation fees) or for provision of municipal services (e.g. planning).
- **Vital Statistics Act** – Responsible for matters such as maintenance of the municipal birth and death registry and issuance of death and burial certificates

# Acronyms

- **AMP** – Asset Management Plan
- **ARL** – Annual Repayment Limit
- **ASC** – Allan Strike Squash and Aquatic Centre
- **CAO** – Chief Administrative Officer
- **CCC** – Courtice Community Complex
- **CIP** – Community Improvement Plan
- **CLOCA** – Central Lake Ontario Conservation Authority
- **CPA** – Chartered Professional Accountants of Canada
- **CPI** – Consumer Price Index
- **DC** – Development Charge
- **DHRC** – Diane Hamre Recreation Complex
- **EA** – Environmental Assessment
- **FIR** – Financial Information Return
- **HR** – Human Resources
- **HVAC** – Heating, Ventilation, and Air Conditioning
- **LED** – Light-emitting Diode
- **MAC** – Municipal Administration Centre
- **MPAC** – Municipal Property Assessment Corporation

- **MTO** – Ministry of Transportation
- **OCIF** – Ontario Community Infrastructure Fund
- **OReg** – Ontario Regulation
- **PSAB** – Public Sector Accounting Board
- **RF** – Reserve Fund
- **RRC** – Garnet B. Rickard Recreation Centre
- **SCA** – South Courtice Arena