



January 5, 2023 Regular Council Meeting

January 5, 2022

Addition to the Agenda Questions received from Council seeking additional information and the corresponding responses provided by staff regarding the January 5, 2023 Council agenda items.

Responses Appreciated Prior to Meeting

In order to assess the budget can you let me know what is the amount of a 1% tax increase?

Based on the 2022 returned assessment roll, approximately each additional \$46,500 of taxes levied results in a 1% tax rate increase for the Township portion of taxes. Assessment growth and the tax impact of the proposed levy on the median/typical properties in the Township for the operating/capital budget update report will be provided to Council at their January 18th Council Meeting.

-p.4 and 5 there are several entries “Difficult to quantify”; does this mean there will be costs added to these items in the next report or is that it for this budget?

No, that is it for this budget. The following items are included in the base operating budget that is included in Schedule A and Schedule B to Report FIN-2022-040:

- *salary grid movements; and*
- *increases in the user fees and charges rates approved by Council at their October 19, 2022 Council Meeting in accordance with By-law No. 042-2022; and*
- *Increase in the Ontario Minimum Wage*

-p.5 re “Increase of the phasing of the aggregate levy from the operating budget to the capital”; if this a transfer from the reserve to Capital why does it require an operating budget levy increase?; will the transferred funds be used to offset the 2023 Capital Budget levy? If not, why not?



A payment is received from the Ontario Aggregate Resources Corporation which is allocated to the operating budget. This payment has been proposed to increase from \$480K (2022 budget) to \$492K (2023 proposed budget) – see page 34 of 60 of the agenda package. The increase from the 2022 budget to the 2023 proposed budget relates to the increase in aggregate shipments calculated as an average of aggregate shipments from 2013 to 2021 as previously reported to Council in Report FIN-2022-035 at the December 7, 2022 Council Meeting. See the table below:

Description	2020 Actuals	2021 Actuals	2022 Budget	2022 YTD	2023 Budget
Provincial	-	-	-\$480,000	-	-
Aggregate Levy	\$524,189	\$583,783		\$599,394	\$492,000

From the amount received in the operating budget as outlined in the table above, the 2023 proposed budget includes a transfer from the operating budget to the capital budget of \$300K as outlined below:

Description	2020 Actuals	2021 Actuals	2022 Budget	2022 YTD	2023 Budget
Contribution to Aggregate Levy Discretionary Reserve	\$240,000	\$240,000	\$271,900	\$271,900	\$300,000

The operating budget levy increase has resulted in a net levy increase of \$16.1K. This is calculated as (\$300K minus \$272K) minus (\$492K minus \$480K). The transferred funds from the operating budget to the capital budget have not been used to offset the 2023 proposed capital levy. The 2022 approved capital tax levy was \$1,460,100. The 2023 proposed capital tax levy including Council’s direction from the December 7, 2022 Council Meeting is proposed to be \$1,503,000 (a proposed capital tax levy increase of \$42.9K).

-p.20 Finance - Other recoveries; why only -\$1500 in 2023



The decrease in the proposed 2023 budget amount relates to the removal of the bid documents fee as previously reported to Council in Report FIN-2022-029 at the September 7, 2022 Council Meeting. The decrease in the line item is also in line with 2022 year to date actuals of \$1.2K.

-p21 Fire Services; why the \$80k increase for contract services?

The majority of the increase relates to the 2023 Contract Service for the Fire Chief position with Centre Wellington. The increase in contract services is offset by the \$77K decrease in wages and wage related expenses.

p.21 Fire Services; why the \$18k increase for insurance?

The majority of the insurance increase quoted by Marsh Canada is allocated to Public Works (35%) and Fire & Rescue Services (25%) similar to previous years. The increase in the insurance costs corporate-wide is in line with the increase presented to Council at their December 7, 2022 Council Meeting through Report FIN-2022-033.

-p.27 Parks; why the \$80k+ increases for FT wages and wage related expenses?

The increase of \$46K (ie. when comparing the 2022 budget to the 2023 proposed budget) in FT wages and FT wage related expenses is because 60% of two existing equipment operator positions are funded in Parks. In the 2022 budget, only 60% of one equipment operator position was funded in Parks. Based on actual work for the equipment operators, it was recommended that in 2023, the funding to Parks be for two equipment operators at 60% each. This is partially offset by a \$5K decrease in FT wages and FT wage related expenses in Public Works. It is not fully offset as there are salary grid movements in Public Works from 2022 to 2023.

p. 28 Buildings; why the \$10k+ increases for FT wages and wage related expenses?

The increase relates to salary grid movements for positions that are allocated to the building department.



-p.34 Revenues Provincial aggregate levy; given that in the past years the amount was significantly more than the 2023 proposed budget and with the Bill 23 initiative should 2023 revenue be increased and not reduced from prior years?

2023 revenue has not been reduced – it has been increased by \$12K. See the answer provided above for further details.

-p.39 Heritage Committee; what were reasons for the 2022 \$6k over expenditure for staffing and a further \$2k increase in 2023?

The 2022 year to date actuals relates to the Heritage Summer Student. The increase of \$6K is offset by the grant funding that the Township was successful in receiving of \$5.7K in 2022.

The increase from the 2022 budget to the 2023 proposed budget relates to:

- *the increase in meetings (ie. 4 meetings in 2022 to 6 meetings in 2023) as reported to Council in Report ADM-2022-068 at the December 7, 2022 Council Meeting; and*
- *increase in number of citizen members (ie. 4 citizens in 2022 and 5 citizens in 2023) as reported to Council in Report ADM-2022-068 at the December 7, 2022 Council Meeting; and*
- *Including the Heritage Summer Student position contingent on success in grant funding application. The 2023 budget includes grant funding of \$5,700 for this position.*

-p. 39 Source water protection; is this the funding required for septic tank testing; if so didn't an agreement been reached that Guelph would pay for it? If septic tank testing is located elsewhere where is it and what was allocated in 2022 and now in 2023?

The septic re-inspections are included in 2022 (capital carryforward) at \$15K with an additional amount of \$1.5K in 2023 based on the results of the RFP that was finalized in 2022 as reported in Report FIN-2022-035 at the December 7, 2022 Council Meeting. The re-inspections are funded by the City of Guelph.



The 2023 proposed operating budget also includes source protection recoveries of \$20K funded by the City of Guelph and Region of Waterloo as outlined on page 35 of 60 of the agenda package.

-p.41 update and replace perennial plants within the Millennium Garden; what precisely is the breakdown of the requested \$3k?

\$500 - perennial plants

\$200 - topsoil addition

\$300 - upgraded mulch for once the new plants are established.

\$2,000 - repairs to get the sprinkler system working again. This also includes start up and shut down costs to winterize the system each year. The sprinkler request was brought forward from a member of Council. It could be removed by Council as a cost saving measure.

-p.52 Anticipated statutory advertising costs associated with Heritage designations; does each property have to be advertised separately?

Each property should have its own advertisement. The Heritage Act requires that the notice for intention and designation must include certain information including an adequate description of the property so that it may be readily ascertained. The notice must also include a statement explaining the cultural heritage value or interest of the property; a statement that further information respecting the notice of intention to designate the property is available from the municipality; and information regarding how a person can object to Council's intention. If Council subsequently passes a by-law to designate the property, a second notice is required to be published in the newspaper outlining a person's ability to appeal Council's decision to the OLT. Staff have conservatively estimated \$550/property to meet these notice requirements.

-p.54 Fire and Rescue Services re account to reimburse for on-call duty; what do other County Fire departments do?; do we have difficulty making a crew complement currently?; what is the standby hourly rate with the proposed costs?

The practice of paying Volunteer Firefighters to be on-call is widely used across the County.



Policy 8-112 On Call Commitment requires that Crews are on-call and must attend emergency calls, truck checks, training. Absences will be handled as per the Policy. Currently, Duty Crews are asked to stay home and be available while they are on duty. Receiving a payment for being on duty will provide a small remuneration for this commitment as well as providing the Township with a guaranteed response. This will be monitored very closely to ensure the Township is receiving that commitment.

This policy was in effect from 2018 until Covid and is now being put back in place. Paying Crews to be on duty provides the firefighter with a reason to have good attendance and the payment will help with retention.

The rate is \$100 per firefighter for 10 firefighters who are on-call 13 times per year as indicated on page 54 of 60 of the agenda package.

Fire - "to establish an account"

What reimbursement do firefighters currently get when attending a call?

Currently Firefighters are reimbursed with an hourly wage based on experience and rank

Would this payment for firefighters for on-call affect any benefits or other qualifications or impact job leveling in any way from an HR perspective?

There would not be any affect as far as HR is involved

Please comment on the correlation between an on-call payment and response attendance.

See answer provided above.

Please comment on how/if our concern with firefighter retention is being addressed with this base budget increase.

See answer provided above.

-p.58 Development and implementation of an organizational safety management system; why only 50% funding from modernization funding?; what are the annual recurring costs and what



amount is the one time cost?; how much funding left in modernization funding assuming this project is approved?; how much is Centre Wellington contributing?

This is an ongoing requirement for the Township as it pertains to ongoing tasks that are not able to be completed at this time with the available resources. This puts the Township in a vulnerable position in the event that an injury and MOL investigation is undertaken or if there is a MOL audit. Under today's regulatory environment, many municipalities have dedicated Health and Safety teams or personnel. While Puslinch is clearly smaller than other municipalities, we still have the same responsibilities and requirements. As such, the solution of a 50/50 shared position with Centre Wellington equal to ½ FTE is recommended. 50% funding from the Modernization Funding is recommended as this is a good way to phase in the additional operating budget requirement. The amount left in the Ontario Municipal Modernization Funding is approximately \$291K assuming this project is approved and including other ongoing projects that were previously approved by Council (ie. budget software implementation, asset management software implementation, cloudpermit software implementation for planning and by-law).

Heritage costs

Could any of the buildings in Puslinch be considered under County of Wellington heritage? What tools or programs are available within the County that could help with the expected heritage costs? Is there funding we can tap into?

The County provides policy direction through the Official Plan language that typically indicates that the lower tier municipality and their Heritage Committee have a mandate to conserve heritage. Staff have reached out to neighboring municipalities to inquire how they are planning to manage the changes to the Heritage Act under Bill 23 and none are aware of specific funding opportunities at the County level. Staff are making a grant application to the Young Canada Works program for a summer Heritage Student. In the past, staff have been successful in obtaining approximately 70% grant funding for the student position. This student would focus on property designation during their term and may offset some costs associated with the work.

Are there tools for member municipalities to collectively request upper tier assistance?



Staff can look into this further but are not aware of assistance programs offered by the County.

Can we track the expenses due to Bill 23 and submit to the province for reimbursement?
Comment on option to advertise all 109 properties at once, plus cost for consultant to handle all 109 properties to show full extent of Bill23 impact.

Staff can certainly track all expenses relating to designation, however, staff are not confident that the Province would reimburse the Township.

The cost to advertise all 109 properties is conservatively estimated at \$59,950 (\$550 x 109). This is simply the cost paid to the newspaper and does not include an estimate of staff time dedicated to the work. The cost for a consultant to prepare the statement explaining the cultural heritage value or interest of each property, including the list of attributes, is unknown and would likely vary in cost depending on the information the Township/Heritage Committee has already gathered. It is important to note that each designation by-law is appealable to the OLT. The Township would need to set aside funds for a heritage planner and lawyer to represent the Township at the OLT should any of the 109 designation by-laws be appealed.

Are there local resources that we can tap into to cut down costs before engaging a consultant? There is a lot of local knowledge residents could help submit about these structures.

The Heritage Committee has gathered property information and a detailed review of each property would be done before proceeding to determine the scope of work in consultation with the Committee. Staff can look into other public engagement opportunities including working with the Historical Society and the County Archives.

Would like to hear from Heritage committee around which properties to prioritize. (Most visual, oldest, most unique, within hamlets...)

Staff have this listed as a priority item for the first meeting of the Heritage Committee for the new term. A staff report will be provided to Council with recommendations from the Heritage Committee after the first meeting.



Cambridge Fire contract –

What is the total contract amount in 2023? Does this amount change each year?

It is approximately \$142,100 based on the agreement entered into that was reported to Council in Report FIR-2021-006 at the November 10, 2021 Council Meeting.

- *The amounts were \$129,300 in 2017*
- *\$137,800 from 2018 to 2021*
- *\$140,000 in 2022*
- *\$142,100 projected for 2023*
- *\$144,232 projected for 2024*

Can staff confirm that no increased contribution occurred in 2021 (contribution of \$48,230 from 2019 and 2020 discussions) and how much is left to distribute over next four years?

Confirmed that no increased contribution occurred in 2021 or 2022. \$48,230 has been contributed in 2019 and 2020 based on Council's direction as outlined on page 7 of 60 of the agenda package. Based on the 2023 projected amount of \$142,100, the amount to contribute over the next four years (ie. 2023 to 2026) is \$23,468 per year calculated as $(\$142,100 \text{ less } \$48,230)/4 \text{ years}$.

What amount would be required to bring the contribution up to 50% of the contract amount to the 2024 budget as directed in 2020?

*Based on the 2023 projected amount of \$142,100, the amount to contribute in 2023 and 2024 to bring the contribution up to 50% of the contract amount is \$11,410 per year calculated as $[(\$142,100 * 50\%) \text{ less } (\$48,230)]/2 \text{ years}$.*

What is the total annual cost of the Cambridge Fire Contract? In order for the general tax levy to cover 50%, what would the increase be in dollars?

See answers provided above.

Are staff aware whether the residents who live within the coverage of the Cambridge Fire Contract receive any savings in their home insurance.



The residents who live within the coverage area of the Cambridge Fire Contract service area do not receive any savings in their insurance. The intent of the agreement is to provide a faster response time based on the proximity of the Fire Stations.

Are there any anticipated changes to winter maintenance due to the machinery changes? Any changes to salting/sanding service that can be made to reduce costs?

There will not be a drastic change in salt/sand usage due to the new updated truck. Each route has its own amount of material needed each time winter treatment is necessary. This also depends how frequently the trucks have to go out each month due to winter weather. The new truck being larger will not have to return and reload as often, this may result in some minor fuel savings or wear and tear on the unit, as it is not driving as much.

Health and safety – safety management system - Are there any components in this proposal that can be reduced or phased in?

Unfortunately, there are not components which can be reduced or phased in as these are ongoing requirements as per MOL. The recommended approach of using a portion of the Ontario Municipal Modernization Funding is a good way to phase in the costs over 2 years.

Can any of the base budget increases be phased in?

A potential phase in option for Council's consideration is for base budget increases that are proposed to be one-time base budget increases (ie. parks outdoor maintenance of \$3K). This could be funded by the 2022 surplus at Council's direction.

What is staff's opinion regarding establishing a Bill 23 Discretionary reserve? To help stabilize the tax levy due to unpredictable costs?

This might be a good idea, however, at this time we have no way of quantifying yet what the financial implications to the Township will be as we still don't have all the details from the Province. Unsure where funding could come from to establish the suggested reserve, but it might be a good idea to have some funds set aside.



What is an FT Wage expense and in some cases why has it doubled since 2020?

It is the full-time wages associated with a full-time position with the Township. The increases in salaries and benefits over the years are based on the following previously approved Council service levels:

- *Council approved Cost of Living adjustments each year.*
- *Salary grid movements approved each year based on successful performance appraisals.*
- *Council approved Organization Review implementation in 2021.*
- *Council approved Addition of a part-time Crossing Guard in 2022.*
- *Council approved Addition of a full-time Equipment Operator in 2022.*
- *Council approved Addition of a Full-Time By-law Enforcement Officer (ie. change from a contract service budgeted at 16 hours per week to a full-time position) in 2022.*

Does staff have any plans for a social media push for rink board and ball diamond advertising? It would be good to at least have this revenue cover the costs of the Township ORC advertising costs for example...or to cover equipment costs (I'm assuming this is gym equipment?)

Staff can certainly add a social media post regarding rink board and ball diamond advertising to our annual calendar of posts.

Other related question from our orientation session: What financial impact does the Vacant Unit Rebate program have on Puslinch? (p.22 of the COW 2022 Tax Policy reference manual)

Council eliminated the Vacant Unit Tax Rebate Program effective the 2018 taxation year as reported in Report FIN-2018-027 at the July 18, 2018 Council Meeting. The Township has received confirmation from the County of Wellington that most Wellington County municipalities have opted out of the Vacant Unit Tax Rebate Program. Local municipalities administer this program on their own. This program only applies to those municipalities who have opted in.

At the July 18, 2018 Council Meeting, Council also supported the elimination of the Vacant and Excess Land Property Tax Subclass Tax Reductions effective the 2019



taxation year. The County also confirmed that the Vacant and Excess Land Property Tax Subclasses have been eliminated County-wide.

Therefore, there are no financial impacts associated with these programs for the Township of Puslinch.

In schedule A and B, there is a column for 2022 YTD. What date is being used at the YTD? ie, are these the ytd numbers from the end of q3 or the end of November or an alternate date?

- *The majority of the year to date account balances are as of December 12, 2022 based on Township vendor invoices (expenditures) paid in the system and based on cash receipts (revenues/recoveries) entered into the system.*
- *The Township is in the process of importing additional month-end journal entries for payroll and general journal entries.*
- *There are also year-end journal entries that are required as part of the 2022 annual audit. These journal entries will be imported into the system in January 2023.*
- *The Township continues to receive vendor invoices up until January/February 2023 that are required to be allocated to 2022 as they relate to goods or services received in 2022.*

Is the increase in Fire and Rescue vehicle maintenance cost a result of rising costs of maintenance or due to more frequent breakdowns and repairs? Is there a specific vehicle that is driving this or is it across the board?

The increase in vehicle maintenance costs in Fire and Rescue is based on an aging fleet and rise in the costs of parts and labor. In 2022, a significant amount of money was spent on the ladder truck, however, it is mostly across the board.

Budgeted Revenue for Motor Vehicle Response is \$93,361. Historically, the revenue has been much lower. Is the expected higher revenue based on a new or revised fee or recovery?

The lower recoveries in recent years is COVID related due to public health restrictions and low traffic counts over the last few years, primarily on Highway 401. Traffic still has not increased to pre-pandemic numbers. This budget is also dependent on weather conditions. Outlined below are the previous year actuals:



2018 - \$112K
2019 - \$117K
2020 - \$36K
2021 - \$70K
2022 year to date - \$63K

There are also further invoices that the Township is in the process of issuing to the Ministry of Transportation and insurance companies for 2022 fire related motor vehicle emergency responses which will be allocated to this account.

The Ministry of Transportation has also increased the rate for fire department response from 509.89 per hour per truck to \$543.03 per hour per truck effective November 1, 2022. The Township follows the MTO's rates as outlined in By-law No 042-2022 approved by Council at their meeting held on October 19, 2022.

Heritage Designations for remaining 89 properties. Is there any preliminary estimate on possible cost and availability of a consultant to undertake this work?

Staff have reached out to neighbouring municipalities to inquire how they are planning to manage the changes to the Heritage Act under Bill 23. Based on feedback from the municipalities that have registers with existing designated properties and experience with the process, unfortunately, it is not realistic to designate all 89 properties within the limited timeframe set out Bill 23. Staff recommend that the Heritage Committee work together with Council to prioritize a short list of properties to focus on over the next 2 years. The list should include the 20 or so public buildings (churches and school houses). Once a priority list is established, staff would be able to request a quote for the work by a consultant. Staff are also making a grant application to the Young Canada Works program for a summer Heritage Student. In the past, staff have been successful in obtaining approximately 70% grant funding for the student position. This student would focus on property designation during their term and may offset some costs associated with a consultant.

Does each Heritage Designation require its own advertisement? Are there opportunities for cost savings for batch advertising (ie, multiple properties in a single ad?)



It is likely not possible to include multiple properties in a single advertisement. The Heritage Act requires that the notice contain certain information including an adequate description of the property; a statement explaining the cultural heritage value or interest of the property; a statement that further information respecting the notice of intention to designate the property is available from the municipality; and information regarding how a person can object to Council's intention. If Council subsequently passes a by-law to designate the property, a second notice is required to be published in the paper outlining a person's ability to appeal Council's decision to the OLT. Staff have conservatively estimated \$550/property to meet these notice requirements.

Hoping for a bit more info on the health and safety.

Report indicates this is a joint venture with Centre Wellington. Total Cost to Puslinch is \$54,111. Does this represent 50% of the joint venture? Is this a new position that is being created and shared with Centre Wellington or is this a consultant that is being shared- either way, what is the total annual cost being shared between both municipalities? Was the option of a part-time employee considered? Does the township currently have a health and safety committee and is this meant to replace the committee? Just looking for a more detailed rationale for such a significant cost and what alternatives were considered?

This is a 50/50 shared position with Centre Wellington. Much like Human Resources, they have expertise and the capacity to share which is an approach recommended in the KPMG report. This shares a resource instead of duplicating it. Recruitment for a part-time H&S individual would be a second choice as experience has shown recruitment for part-time special skills positions is very difficult to complete and retain quality individuals. The shared position also enables the individual in the role to have access to the support and experience of a larger H&S team which is a very valuable resource. Yes, the Township has 2 JHSCs (Fire and Township) that undertake the responsibilities of those committees as outlined in legislation. Basically, the role of the JHSC is to provide a voice for staff to voice H&S concerns, to review and comment on H&S policies, and undertake workplace inspections. This individual will not replace those committees, they are mandated by legislation. This role will be the designated person to actually do the work and prepare the documentation, keep the records, write the policies, etc. To this point, these necessary tasks have been covered under "other duties as assigned" for department heads and unfortunately there simply is not enough time available with all the other key aspects of their respective roles.