



2023 Business Plan & Budget

As adopted by Town Council January 25, 2023



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Tecumseh
Ontario**

For the Fiscal Year Beginning

January 01, 2022

Christopher P. Morill

Executive Director

Transmittal

In accordance with Council policy and the provisions of The Municipal Act, we are pleased to present the 2023 Approved Operating, Lifecycle & Reserve Budgets & Business Plans. The approved budget, including the departmental business plans, supports the Town of Tecumseh's Strategic Priorities (2019-2022), the growth-related capital plans approved in 2022, and the Town's Master Plans.

The budget requires an increase to the municipal tax rate of 3.86%, which will raise an additional \$1,306,000 over the 2022 budgeted municipal levy. This is equivalent to a 5.0% tax levy increase on the Tecumseh portion of taxes (55% of the total residential tax bill) and represents an increase in the municipal tax bill of approximately \$75 on a property assessed at \$250,000 (the average assessed value of a home in Tecumseh).

The 2023 Operating Budget:

- Completes the returns to the pre-COVID base 2020 levels of service
- Recognizes assessment growth
- Responds to recent inflationary pressures
- Reflects the Town's user fees
- Addresses contractual total compensation and pension obligations
- Continues implementation of the 2021 Organizational Review and corollary service delivery reviews

In closing, we extend our sincere thanks to the Town staff that have worked so diligently to bring forward a budget that maintains service levels, continues to implement a robust Town infrastructure program and addresses Council's strategic priorities. The 2023 budget strives to balance the affordability of quality programs and services with rising inflationary and market pressures. We continue our commitment to work collaboratively with Council to meet the expectations of our community.

Sincerely,

Margaret Misek-Evans

Chief Administrative Officer

Tom Kitsos

Director Financial Services & Chief Financial Officer



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Executive Summary

The 2023 Business Plan and Budget represents the 2023 Operating, Lifecycle and Reserve Budgets for the Town of Tecumseh as approved by Council on January 17, 2023.

The Municipal General Tax Levy is one of three levies included in property taxes. County Tax Levy and Education Tax Levy are the other two components. The three levies combined comprise the property tax levy and are referred to as the Consolidated Tax Levy. The Estimated Consolidated Tax Levy for Tecumseh property owners for 2023 is \$54,037,328, an increase of 3.43% from the 2022 actual levy.

The Municipal General Tax Levy for 2023 is \$27,413,000, an increase of 5.0% compared to the prior year's budget. Assessment growth is estimated to generate \$330,000 in municipal tax revenue. The Municipal Levy will require a 3.86% increase to the Municipal Tax Rate

The 2023 budget provides for:

- Assessment growth translating into \$180,000 of additional tax revenue and \$150,000 in supplemental tax revenue, combining for a 1.26% decrease to the general tax levy.
- A \$200,000 increase towards the New Infrastructure Levy (NIL), bringing the annual levy to \$1,950,000. This represents a 0.77% increase to the general tax levy. The annual NIL target is \$2,350,000 and will help fund known near-term new capital investments. The 2023 Budget includes several major new infrastructure projects that will be funded, in whole or in part, from the Town's Infrastructure Reserve. Projects planned for 2023 include: Lacasse Ball Diamond Upgrades, Lakewood Park Washrooms and Splash Pad, Artificial Turf Soccer Field in partnership with L'Essor High School, Scully & St. Mark's Storm Pump Station, Cada Library Building Improvements, Maidstone Recreation Centre Outdoor Washrooms, EV Charging Stations and an enhanced Fire Radio System.
- A \$250,000 increase towards Lifecycle Reserves, representing a 0.96% increase to the levy. This will bring the 2023 allocation to Lifecycle Reserves to \$8.9M. The annual lifecycle funding target is \$9,500,000. Projects to be funded from Lifecycle reserves in 2023 include the Snake Lane Road Culverts replacement, Lesperance/VIA Rail At-Grade Road Improvements and Fire Aerial Truck replacement . Details are fully explained in Lifecycle.

- A \$533,000 transfer from the Tax Rate Stabilization Reserve to offset one-time costs associated with the Town's Fire Master Plan, legal fees, an IT Cloud Strategy, a GHG Reduction and Energy Strategy and other one-time items.
- Provision for increases to salaries and benefits resulting from the implementation of Phase 2 of the 2021 Organization Review, additional Building support, and additional student resources for Community and Recreation programming.
- Implementation of operational modernization and efficiency initiatives following several operational reviews conducted during the past two years, including an IT Cloud Strategy, Interactive Building permitting software program, Corporate record management process improvements, Payroll process improvements, among others.
- A \$40M capital expenditure program including advancement of a robust five-year capital plan that will include the addition of several community and recreation amenities and major infrastructure projects that will address stormwater management and flooding risks, prepare lands for significant development opportunities and continue with sanitary sewer expansion in the Oldcastle area.
- **Municipal tax rate** increase of 3.86%, which will raise an additional \$1,306,000 over the 2022 budgeted municipal levy.

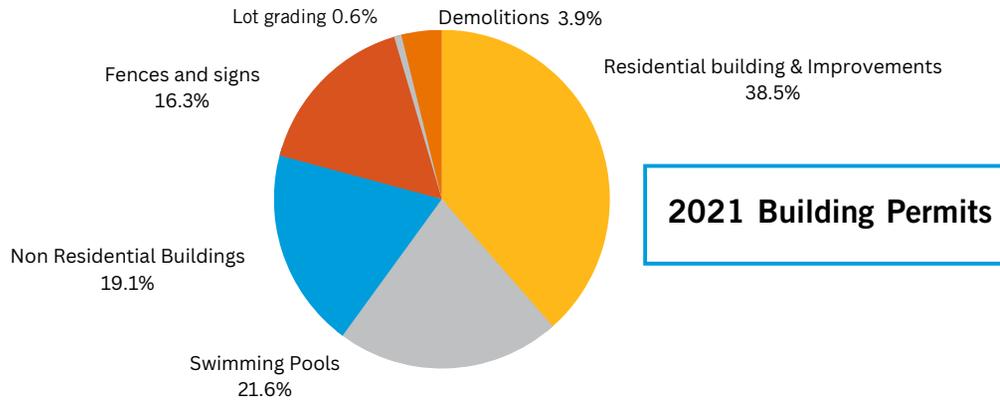
The goal of the municipal budget process is to produce a **balanced budget** while maintaining the following Town **fiscal policies**:

- The use of Reserve Funds where applicable
- The use of Reserves to fund one-time expenditures
- Debt issuance for long-term projects

The 2023 budget is focused on the following **2019 - 2022 Strategic Priorities** detailed in Council Report CAO-2019-04:

1. Smart Growth

Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.



The time allowed for processing complete Building Permit and Planning applications is set in the Building Code Act, 1992 and Planning Act, respectively. These timelines are dependent on class and size determination.

The Town issued 300 building permits = \$49.6 million in construction value (\$91.8M in 2021).



The above timelines are for complete permit applications. A complete application is one that meets zoning requirements, applicable law, and the submitted drawings provide all the required information.

2. Sustainable Infrastructure

Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.

Taxes Receivable

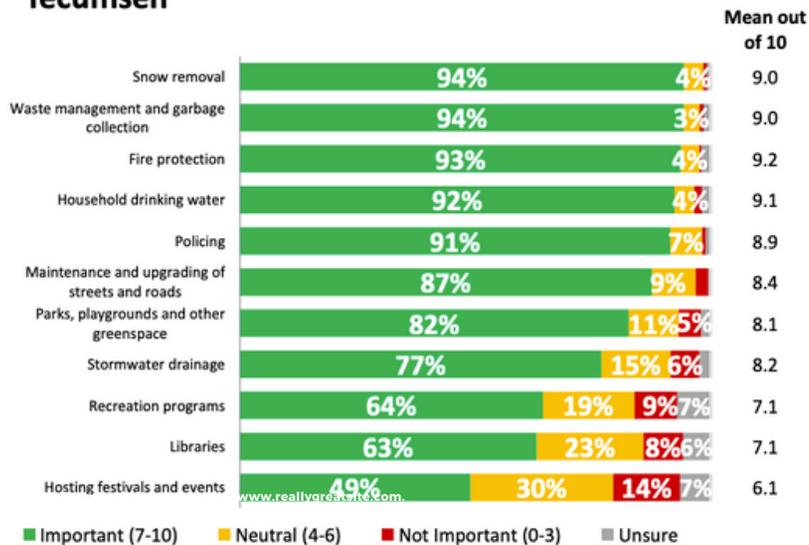
This is the amount of outstanding taxes owed to the municipality. High outstanding taxes may reflect the inability of residents to pay their taxes, or it could indicate problems with the municipality's tax collection procedures. High outstanding taxes could also create cash flow problems or result in higher tax rates to fund uncollectable taxes. A key financial indicator of the health of property taxes receivable is the ratio of taxes outstanding as of December 31st to the annual taxes levied. A ratio of less than 10% is considered low risk.

Total Taxes Receivable as a % of Total Taxes Levied

4.7%

Meeting Target

Importance of services provided by the Town of Tecumseh



Roads, Bridges and Culverts

Maintaining a safe and reliable road network is critical to the Town to ensure safe and efficient movement of all forms of transportation.

Roads

77%

Average Pavement Condition Index

Meeting Target

Bridges/ Culverts

78%

Average Bridge Culvert Index

Meeting Target

3. Community Health & Wellness

Integrate the principles of health and wellness into all of the Town of Tecumseh’s plans and priorities.

A) Recreation Programs Offered:



200

Recreational swimming classes



10

Day & Specialty Camps



18

Recreation Programs

B) Police (O.P.P): 5,447 Total Calls for Service

Rank	Police Service	2021 Crime Rate per 100K population	2020 Crime Rate per 100K population
1	LaSalle (Municipal)	20.69	19.68
2	Lakeshore (OPP)	21.78	27.78
3	Essex (OPP)	22.80	28.28
4	Tecumseh (OPP)	28.64	30.97
5	Kingsville (OPP)	28.99	33.41
6	Leamington (OPP)	65.40	74.96
7	Chatham-Kent (Municipal)	77.33	78.84
8	Windsor (Municipal)	94.88	87.70

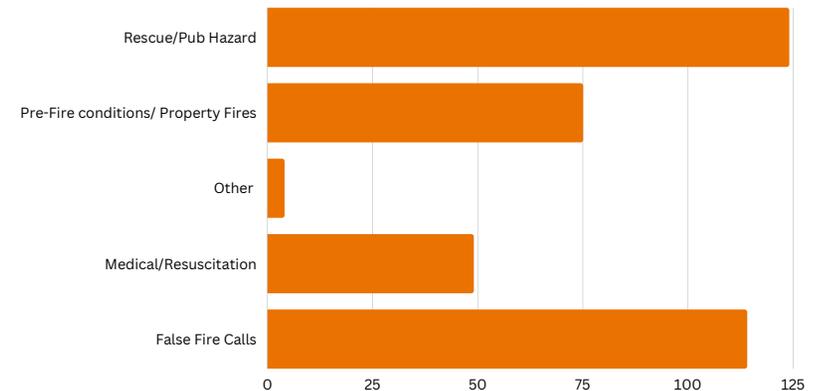
C) Water:



Drinking Water System achieved **100%** compliance with Ministry of the Environment, Conservation and Parks (MECP) requirements and water quality thresholds, including inspections, sampling, audits and disinfection residual testing.

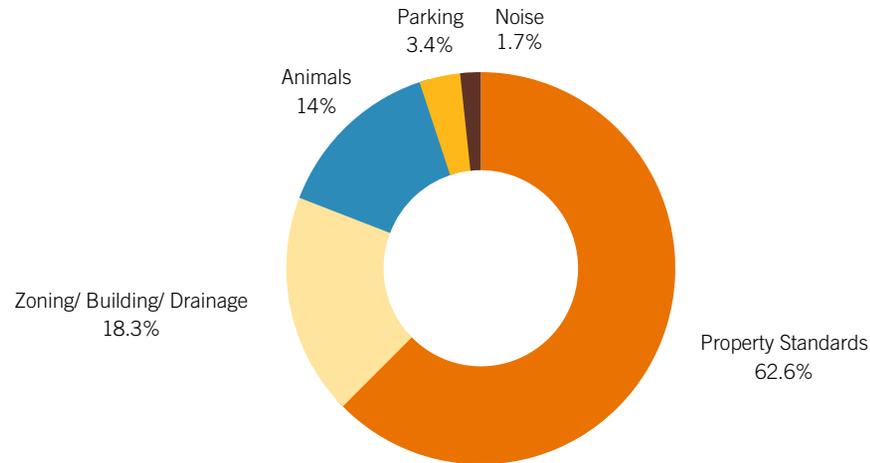
D) Fire:

366 Total Calls for Service



E) By-law Enforcement:

235 Total Calls for Service



Nearly **6 in 10** residents say the quality of life in Tecumseh is very good, which is seven percent higher than in 2019. Close to an additional four in ten say that the overall quality of life is good. Older residents were more likely to say the overall quality of life is very good (66%) than younger residents (18-34) (34%).

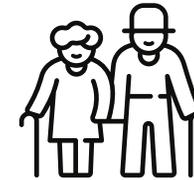
Satisfaction with the diversity of services and amenities in the Town of Tecumseh

About **1 in 4** residents are very satisfied with the diversity of parks and recreation services and amenities in the Town of Tecumseh for all age groups.

4. Continuous Improvement

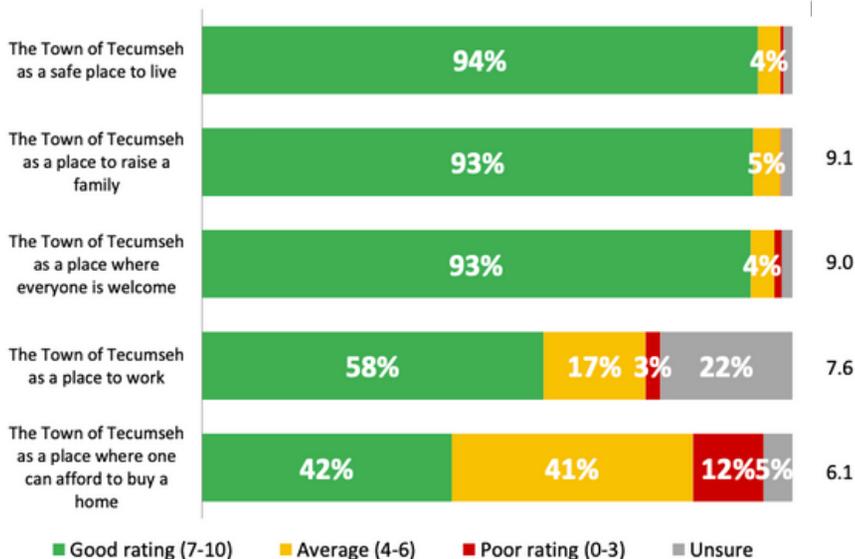
Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.

Over **1 in 2** residents report having contacted the Town about an issue or concern.



286 Participants
14 Workshops geared towards seniors
250+ Recreational programs geared towards seniors

Rating of the Town of Tecumseh



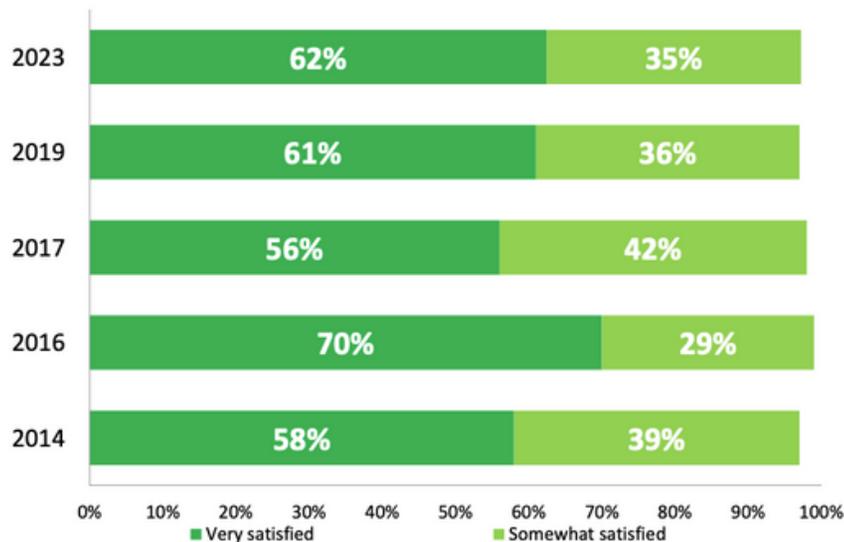
Operational Efficiency Review

- Organizational Review
- Information Technology Services Review
- Payroll Process Review
- Local Economic Development Services Review

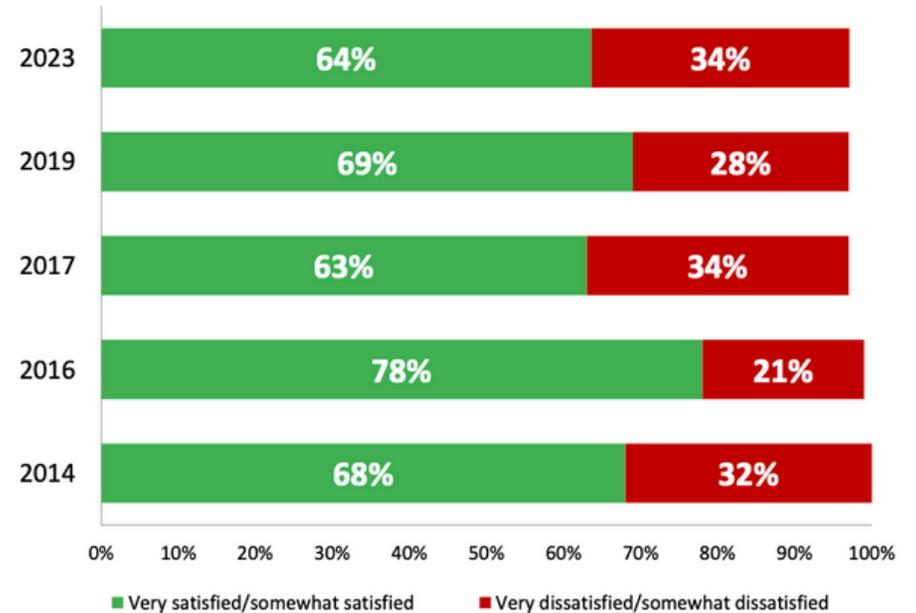
94% of residents rate the Town of Tecumseh high when it comes to it being a safe place to live.



Satisfaction with the services provided by the Town of Tecumseh



Satisfaction with how concerns were dealt with



Consistent with the past two waves of research, about **two in three residents** who report having contacted the Town about an issue or concern say they are **very or somewhat satisfied** with how it was dealt with.

5. Leadership And Good Governance

Demonstrate the Town of Tecumseh's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Agendas for Regular and Special council meetings are to be published with timelines set by the Procedural By-law

Health & Safety Training

% employees completed
Health & Safety Training

91%

Needs Improvement

Council Agendas

% published within
timelines

100%

Meeting Target

Received the GFOA Distinguished Budget

Presentation Award for 2022 budget document for the 13th consecutive year. The international award is considered the highest form of recognition in government budgeting.

Rating the job of the Town of Tecumseh in informing citizens about important issues:



Awareness of the Town's website showing the live Council meetings

Impact to Property Owners

The budget requires a municipal tax rate increase of 3.86% net of growth. The **average residential property** assessed at \$250,000 will see a \$75 or 3.86% increase to the municipal portion of their tax levy.

Future municipal levy increases forecast for 2024 to 2027 are 4.41%, 1.49%, 2.59%, and 2.63% respectively.

Due to the COVID-19 pandemic, the Ontario government has once again postponed the 2020 Assessment Update. They have indicated that property assessments for the 2023 property tax year will continue to be based on the fully phased-in January 1, 2016 current values. This means that a property assessment for the 2023 property tax year will be the same as the 2022 tax year, assuming no changes to the property.

Table 2.1 below details the estimated Consolidated Tax Levy for an average residential property valued at \$250,000 with no phase-in for 2023. The overall impact is a \$122 or 3.42% increase.

Table 2.1	2023	202	\$ Change	% Change
Municipal	\$ 2,014	\$ 1,939	\$ 75	3.86%
County	1,289	1,242	47	3.81%
Education estimate	383	383	0	0.00%
Total Consolidated	\$ 3,685	\$ 3,564	\$ 122	3.42%

Table 2.2 details the estimated Consolidated Tax Levy per \$100,000 in assessment for a commercial property with no phase-in. The overall impact is a \$52, or 2.31% increase per \$100,000 of assessed value.

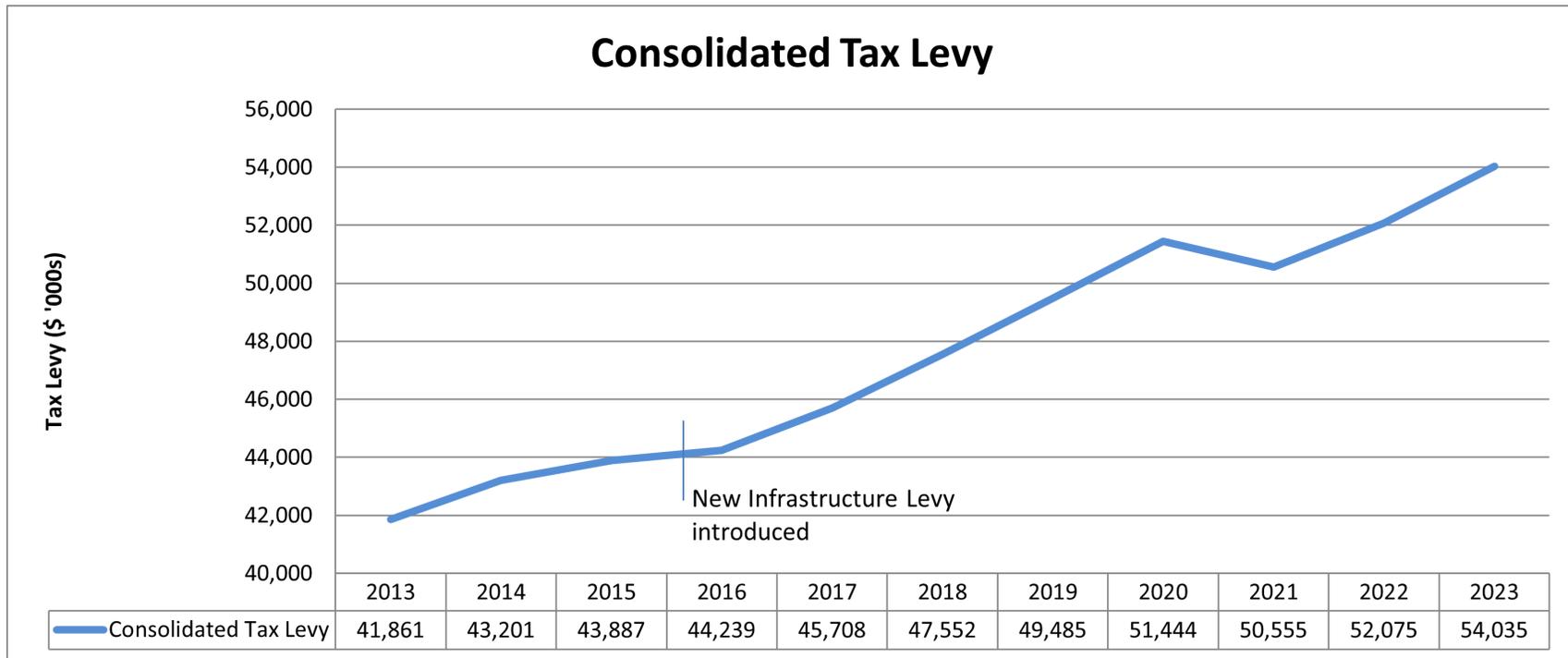
Table 2.2	2023	2022	\$ Change	% Change
Municipal	\$ 871	\$ 839	\$ 32	3.77%
County	558	538	20	3.81%
Education estimate	880	880	0	0.00%
Total Consolidated	\$ 2,309	\$ 2,257	\$ 52	2.31%

Table 2.3 below details the estimated Consolidated Tax Levy per \$100,000 in assessment for an industrial property with no phase-in. The overall impact is a \$94, or 2.79% increase per \$100,000 of assessed value.

Table 2.3	2023	2022	\$ Change	% Change
Municipal	\$ 1,563	\$ 1,507	\$ 57	3.77%
County	1,002	965	37	3.81%
Education estimate	880	880	0	0.00%
Total Consolidated	\$ 3,445	\$ 3,352	\$ 94	2.79%

As illustrated in **Table 2.1** through **Table 2.3**, the estimated Consolidated Tax Levy change will vary between property types. The recent historical trend has been, and continues to be, a shift of tax burden from Commercial/Industrial properties to Residential properties due to the relative impact of the Education levy and stronger Residential assessment compared to Commercial/Industrial classes.

The following graph tracks the recent trend of the Consolidated Tax Levy. It shows that increases have ranged from 0% to 4% for the past 10 years, with an average increase of 2.4%.

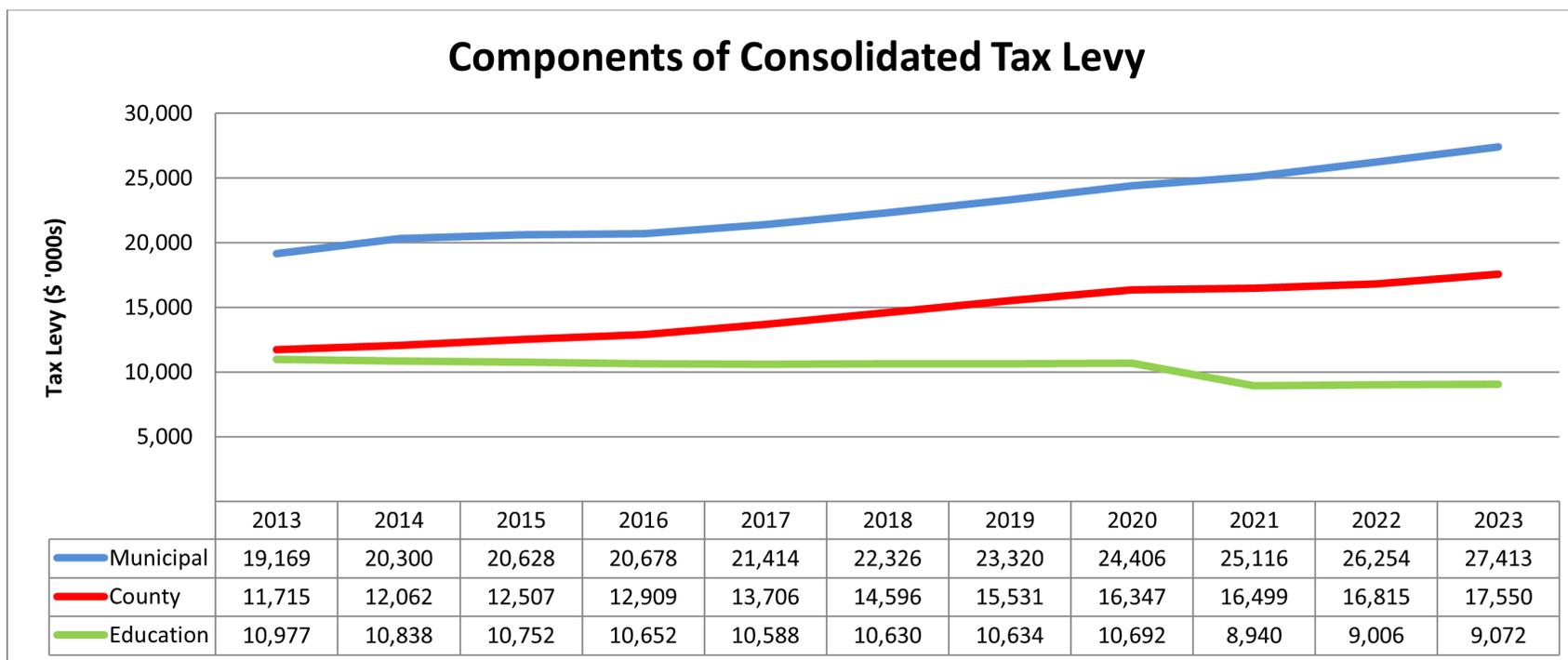


It is important to note that the 2023 Education levy is estimated

The estimated Education levy has been trending downward due to the Town's assessment growth lagging the province-wide average assessment. Due to the postponement of the Assessment Update, property assessments for 2023 will be held at 2021 levels. As such, for the development of the 2023 budget, it was assumed there will be no decrease in Education rates. With assessment growth factored in, this will effectively increase the total Education levy.

Tax Burden by Levying Body and Impact of Property Value Assessment

The following chart illustrates recent trends of the component tax levies.



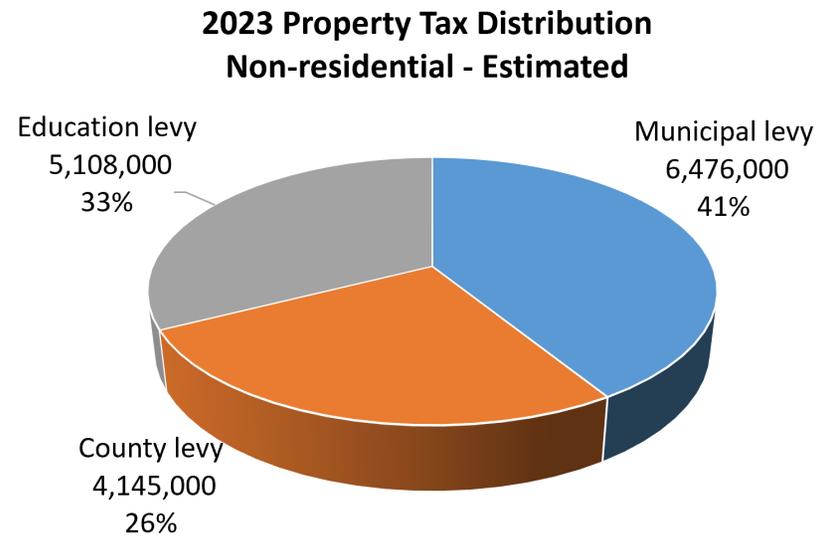
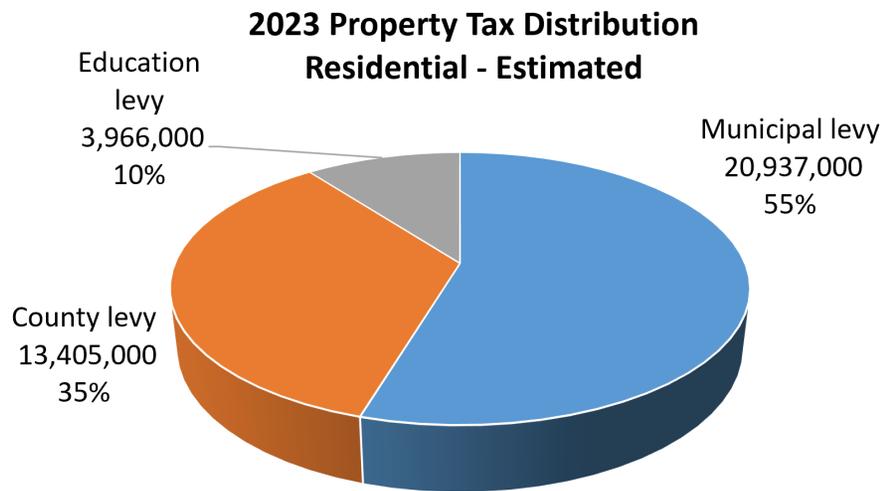
Municipal Property Assessment Corporation (MPAC) periodically updates the Current Value Assessments (CVA) of all properties in Ontario. The latest update occurred during 2016, valuing all properties as at January 1, 2016 and formed the basis of property assessment for taxation years 2017 to 2020. As previously mentioned, the Ontario government continues to postponed the 2020 Assessment Update. Consequently, the 2023 property assessments will continue to be based on the fully phased-in January 1, 2016 current values.

Based on figures made available by MPAC, CVA for Ontario properties, on average, increased 23% over 2012 valuation. The CVA for Tecumseh properties increased by 14% during that same re-valuation. This disparity in assessment valuation change affects the Education levy imposed on municipalities as the Education levy is assessed province-wide. Declining proportion of province-wide assessment combined with a relatively stable provincial education levy has resulted in declining Education levies for the Town. This trend has continued throughout the current extended assessment cycle (2017-2023).

The estimated consolidated tax levy increase will impact property classes differently as Municipal, County, and Education levy weightings differ for Residential versus Non-residential classes. Additionally, CVA updates from the 2012 base year to the 2016 base year have shown larger increases to Residential valuations as compared to increases to Non-residential valuations within Tecumseh.

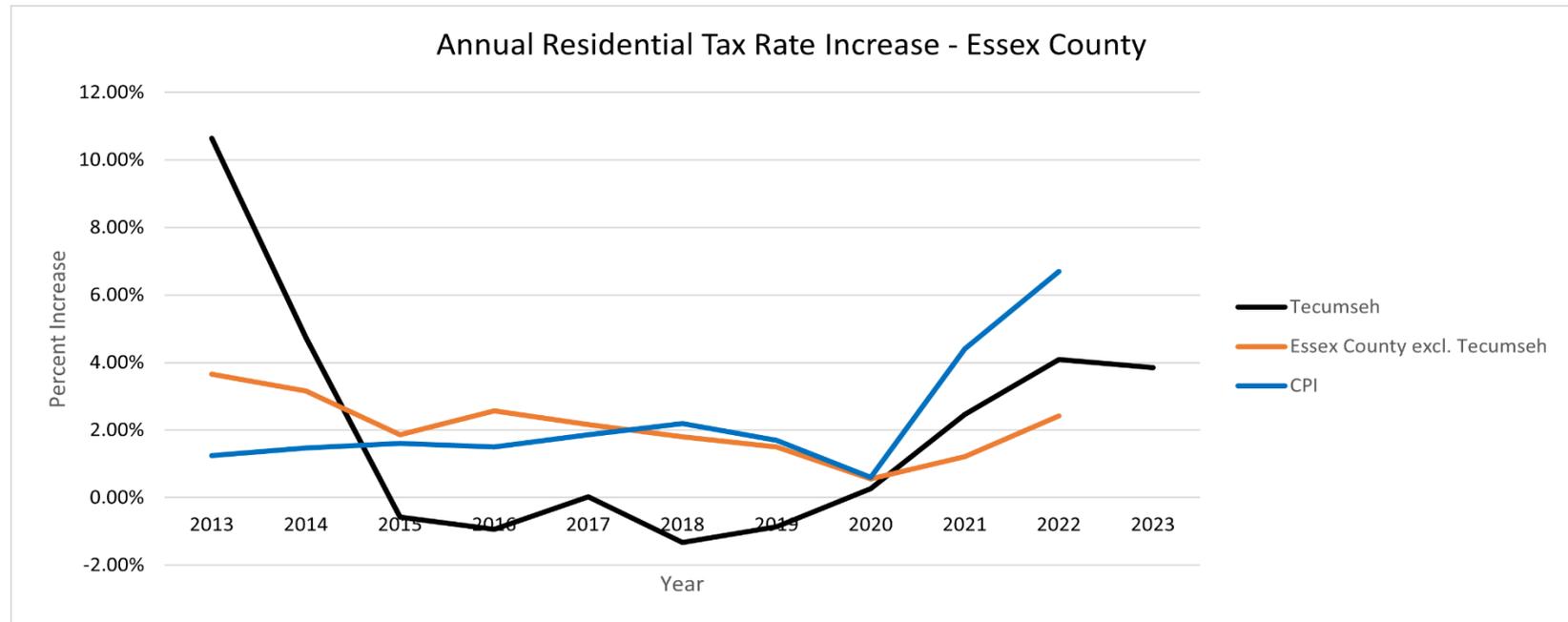
The recent trends of increasing Municipal and County levies and declining Education levies, combined with Residential CVA increases exceeding Non-residential CVA increases within Tecumseh, have resulted in a shift in total tax burden from Commercial/Industrial classes to Residential classes. This means that Residential properties will experience a larger percentage levy increase than Non-residential properties.

The charts below illustrate the composition of the consolidated tax levy for Residential versus Non-residential properties.



Comparable Tax Rates and Assessment

The following chart illustrates the annual change to the residential tax rate for Tecumseh as compared to the Essex County lower tier average and annual CPI since 2013.



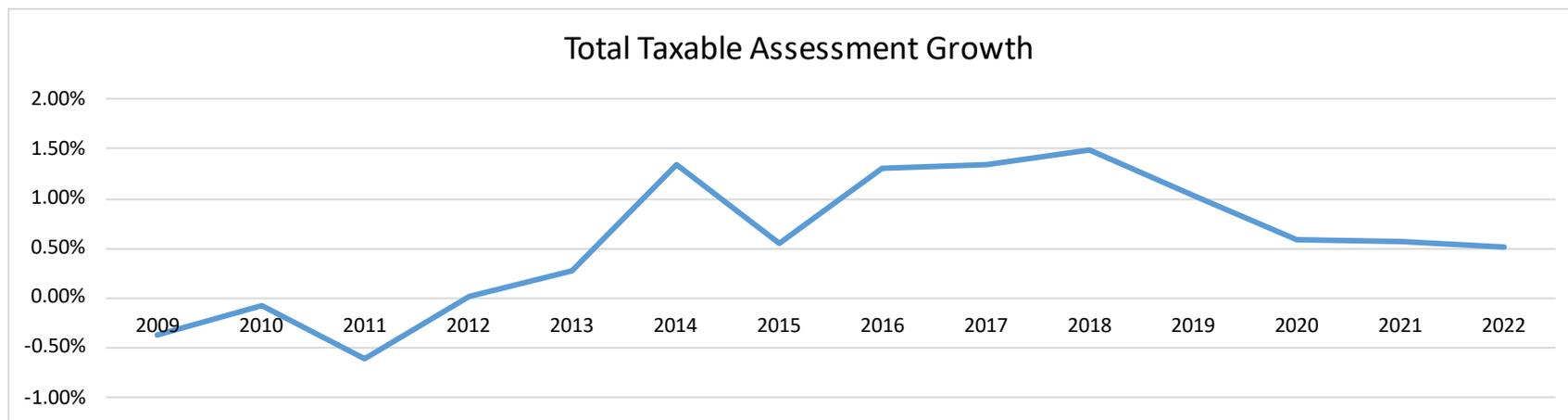
On average during the period shown above, Tecumseh's annual tax rate increase is 2.1%, as compared to the Essex County lower tier average of 2.1% and CPI of 2.3%. Note that the Tecumseh average includes 2023 figures that are not yet available for the County or CPI. The increase in Tecumseh's annual tax rate from 2020-2022 is largely attributed to the absence of phased-in market value assessment increases. Compounding this effect for Tecumseh is the slowdown in development during 2021 and 2022 where in-year assessment growth was below recent experience.

The spike in Tecumseh rates during 2013-2014 was due in part to negative total assessment growth particularly with respect to Industrial properties. Tecumseh has the greatest exposure to the Industrial class with 6.7% of total taxable assessment within this category (2021). In contrast, the Industrial class category represents 2.9% of total taxable assessment for the average of

Essex County lower tiers (2021). Changes to the industrial sector overall, favourable or unfavourable, will have a magnified impact for Tecumseh tax rates as compared to tax rates of other Essex County lower tier municipalities.

Tecumseh's annual tax rate increase averaged 0% from 2016-2021 following several years of relatively high increases.

Assessment Growth History has been modest. Annual taxable assessment growth has declined in 2021 however is expected to improve during this three-year budget timeframe. Efforts are underway to prioritize development opportunities in the Town.



Capital Programs

Special Council Meetings were held in March and May of 2022 to consider optional five-year capital plan scenarios intended to shape and prioritize the five-year capital plans for the Community Recreation Services and Public Works and Engineering Services departments respectively. Council adopted plans, in principle, that include significant investment and focus for community recreation amenities and infrastructure works to promote development. A 2022 Community and Recreation Services Amended Capital Plan was approved by Council that provided for one of the recreation amenities, Lacasse Ball Diamond Upgrade project, to commence in 2022. The 2023-2027 five-year plans will be brought forward to Council in the form of council reports following the 2023 Budget process for consideration and potential adoption.

The five-year plans include expenditures in excess of \$105M over the five-year period. Town allocations to reserves that support these programs are expected to total approximately \$47M during this same time period. Grant and Partnership opportunities will provide significant financial support, recoveries from benefitting landowners, where applicable, will offset some costs and long-term debt financing will be required to some extent.

Further discussion is included in the Lifecycle Capital section of this document and from Special Council Meeting presentations of March 29, 2022 and May 5, 2022.

[March 29th, 2022 Special Council Meeting Presentation](#)

[May 5th, 2022 Special Council Meeting Presentation](#)

Grants and Partnerships

The Town's practice of contributing to reserves, having projects shovel-ready, and pursuing all grant opportunities is geared toward maximizing capital budgets.

Considering the pandemic, senior levels of government have expanded grant opportunities to help spur economic recovery and support financial stability for all Canadians. This has led to the award of several grants for the Town over the past few years. Some of the grants have been allocations whereas others have been application-based.

Grant funding allows the Town to accomplish a greater amount of capital projects than it would with reserves alone. However, the award of grant funding can have an impact on the Town's capital planning and project prioritization. Notwithstanding this challenge, the Town will continue to pursue grant opportunities.

Significant grants allocated/awarded to the Town that will impact this budgetary timeframe include:

- Rail Safety Improvement Program (RSIP) – Federal grant program that will contribute up to 80% of eligible costs towards the Lesperance/VIA Rail Improvements project with \$1,027,000 anticipated
- Canada Community Revitalization Fund (CCRF) – Federal grant program that will contribute up to \$750,000 towards eligible costs of the Riverside Drive Trail project with \$750,000 anticipated
- Disaster Mitigation and Adaptation Fund (DMAF) – Federal grant program that will contribute 40% towards eligible costs up to a maximum of \$10,700,000 towards the Scully and St. Mark's and PJ Cecile Storm Pump Station enhancements with \$10,700,000 anticipated. This project will take several years to complete.
- Investing in Canada Infrastructure Program – Public Transit Stream (ICIP-Transit) – Federal/Provincial grant that will contribute up to \$466,600 towards eligible costs of the Lesperance Road Trail project with \$466,600 anticipated.
- Investing in Canada Infrastructure Program – Green Stream (ICIP-Green) – Federal/Provincial grant program that will contribute up to \$2,550,000 towards the Town's \$3.5M Centennial and Woodbridge Watermain replacement project.
- Partnership funding from the French School Board for a 50/50 cost share of Artificial Soccer Fields at L'Essor High School, Essex County Library Board contributions in excess of \$400,000 towards the Cada Library renovation, \$100,000 contributions from each of St. Clair College and Tecumseh Thunder Baseball Club towards the Lacasse Ball Diamond Upgrade project and a \$60,000 contribution from the Optimist Club towards the Lakewood Park Washroom and Splash Pad project.

Annual grant funding programs include:

- Canada Community-Building Fund (CCBF, formerly Federal Gas Tax) funding of approximately \$1.15M per year is incorporated within the Town's Lifecycle Roads annual allocation
- Ontario Community Infrastructure Fund (OCIF) of approximately \$2.4M per year for 2023

Economic Outlook

Per RBC “Labour markets remain exceptionally strong across most advanced economies with unemployment rates still around the lowest in decades. But central banks at home and abroad continue to push ahead with aggressive interest rate hikes intended to cool overheating demand and tame inflation pressure”¹, reflecting the unlikelihood of a soft landing. The Bank of Canada recently announced their final increase of 2022, pushing the overnight rate to a restrictive 4.25%, with inflation remaining high at 6.9% and broadly based. The Bank of Canada has signaled that it could pause rate hikes as early as January 2023 as the bank shifts to a “data-dependent” approach to assess the impact of its aggressive tightening on inflation², which has begun to show signs of softening inflation, and the resulting housing market correction under the weight of rising mortgage costs. The bank has noted growing risk of recession in 2023, suggesting the economy is likely to stall in the coming quarters.³

Per RBC’s Provincial Outlook (September 2022), “2022 is shaping up to be another year of solid growth for most provinces – effectively completing the recovery process following massive pandemic-induced contractions in 2022”⁴. Sky-high inflation, soaring interest rates and exceptionally tight labour markets have weighed on all provincial economies this year and are symptoms of economies running hot.⁵ Goods producing sectors continued to ride high on strong domestic and global demand and hard-hit service industries rebounded following the lifting of pandemic restrictions. Contrary to the hot labour market, has been the sharp housing market correction. The Bank of Canada’s campaign to ease inflation by increasing the overnight rate has resulted in a notable downturn across the country, though Ontario has seen the greatest impact. To date, home resale values are down more than 40% in Ontario and BC, far exceeding the 18% drop in the rest of the country.⁶ RBC expects Ontario’s economy to grow by 3.2% for 2022.

Locally, the chip shortage which has had a significant impact in the automotive & parts industry since the beginning of the pandemic appears to be nearly done. The second shift at Stellantis, which was originally slated to be cut in 2021, has been extended to the end of June 2023. It was anticipated that the elimination of the second shift could impact nearly 1,800 jobs.⁷ Windsor-Essex is experiencing further growth with the announcement of the Stellantis/LG Energy Solutions battery manufacturing plant in March 2022. This joint venture will result in a \$5 billion dollar investment to manufacture batteries for EVs in Canada

¹ RBC Economics – Macroeconomic Outlook (September 2022)

² Globe and Mail – Bank of Canada deputy signals end is near on rate hikes

³ RBC – Financial Markets Monthly – November 2022

⁴ RBC Economics – Provincial Outlook (September 2022)

⁵ RBC Economics – Provincial Outlook (September 2022)

⁶ RBC Economics – Provincial Outlook (September 2022)

⁷ CBC News – Sept 2022 - Second shift at WAP gets another extension

and is expected to create 2,500 local jobs for the region. Construction is slated to begin in 2024, with the facility being operational by 2025.⁸

Real-Estate in Windsor-Essex has felt the impact of increased borrowing costs with a 22% drop in number of sales year-over-year per ReMax⁹. Though, despite the decrease in activity, the average sales price continues to climb with a year-over-year increase of 15%. This can most likely be attributed to Windsor-Essex still being one of the cheapest places to buy in Ontario.¹⁰ ReMax is forecasting the average sales price in Canada to decrease by 3.3% in 2023, driven primarily by decreases to large urban areas. Windsor is projected to experience a 3% price increase next year¹¹.

Taken from **RBC Economics – Provincial Outlook September 2022:**

Economic Indicators	2019	2020	2021F	2022F	2023F
Real GDP	2.0	(5.1)	4.6	3.2	0.3
Nominal GDP	3.7	(2.8)	11.7	9.3	3.2
Employment	2.8	(4.8)	4.9	4.2	(0.4)
Unemployment Rate (%)	5.6	9.6	8.0	5.7	6.3
Retail Sales	2.5	(3.5)	9.3	13.9	3.1

⁸ Stellantis – Mar 23, 2022 Press Release – Stellantis and LG Energy Solutions Joint Venture

⁹ ReMax - 2023 Canadian Housing Market Outlook

¹⁰ Windsor Star – Windsor home prices third cheapest in province despite increase in 2022

¹¹ ReMax - 2023 Canadian Housing Market Outlook

Strategic Priorities

Council meets to set strategic priorities at the beginning of every term of office. Planning for the strategic priorities of 2023-2026 will commence in Q1 of 2023.

The priorities for the 2019-2022 term were set in February 2019. As in previous sessions, Council members considered a vision for the future of Tecumseh. They reflected on their mission as leaders and stewards of the municipal corporation and the community it serves, and on the values that should guide their work and decisions on behalf of current and future residents and businesses.

The Town has used previous strategic plans to ensure that issues that are important to the community and its future receive the attention they deserve. In Tecumseh, priorities are established, integrated into its budgets and plans, and reviewed throughout the Council term.

Commitment to the Town's Strategic Priorities is the focus of Town initiatives. Through teamwork and collaboration, progress was made in all priority areas. Report CAO-2022-08 was brought forth to Council in the summer of 2022 detailing the progress toward our strategic priorities.

**Town of Tecumseh
2023 Approved Budget
Consolidated Tax and Rate
- Operating Fund**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Taxes	\$ 25,118,705	\$ 26,254,757	\$ 26,106,779	\$ 27,412,690	\$ 1,305,911	5.00%	\$ 29,078,291	\$ 30,013,847
Supplementary Taxes	185,112	69,261	200,000	350,000	150,000	75.00%	200,000	200,000
Right of Way	15,666	15,665	15,000	15,700	700	4.67%	15,700	15,700
Special Charges	1,019	-	-	-	-	-	-	-
Payments in Lieu	104,501	82,516	80,700	82,300	1,600	1.98%	82,300	82,300
Total Taxation	25,425,003	26,422,199	26,402,479	27,860,690	1,458,211	5.52%	29,376,291	30,311,847
Taxation Allocated To Capital	(10,328,000)	(10,373,000)	(10,373,000)	(10,823,000)	(450,000)	4.34%	(11,223,000)	(11,623,000)
Net Taxation Available for Operating	15,097,003	16,049,199	16,029,479	17,037,690	1,008,211	6.29%	18,153,291	18,688,847
Grants	1,228,034	870,298	428,697	421,531	(7,166)	(1.67%)	378,061	375,111
User Charges	11,675,778	12,117,328	12,228,896	12,730,751	501,855	4.10%	13,238,751	13,855,251
User Charges Allocated to Capital	(4,374,107)	(4,484,449)	(4,484,449)	(4,464,617)	19,832	(0.44%)	(4,752,543)	(5,129,442)
Net User Charges Available for Operating	7,301,671	7,632,879	7,744,447	8,266,134	521,687	6.74%	8,486,208	8,725,809
Licences and Permits	687,315	530,551	734,018	991,763	257,745	35.11%	1,164,306	1,164,306
Fines	46,644	57,686	130,550	102,550	(28,000)	(21.45%)	102,550	102,550
Penalties and Interest	400,884	389,814	380,000	380,000	-	-	380,000	380,000
Investment Income	1,426,747	1,606,398	1,292,309	1,396,275	103,966	8.04%	1,396,275	1,396,275
Other Income	671,323	672,857	672,857	766,762	93,905	13.96%	784,576	802,920
Revenues Before Transfers	26,859,621	27,809,682	27,412,357	29,362,705	1,950,348	7.11%	30,845,267	31,635,818
Transfers from Reserves	447,026	1,168,857	1,275,643	1,618,473	342,830	26.88%	967,473	942,473
Total Revenues	27,306,647	28,978,539	28,688,000	30,981,178	2,293,178	7.99%	31,812,740	32,578,291

**Town of Tecumseh
2023 Approved Budget
Consolidated Tax and Rate
- Operating Fund**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Wages	8,131,493	9,046,475	9,542,635	10,492,743	950,108	9.96%	11,250,766	11,678,054
Benefits	2,487,654	3,067,953	2,878,193	3,348,971	470,778	16.36%	3,437,668	3,529,015
Total Wages & Benefits	10,619,147	12,114,428	12,420,828	13,841,714	1,420,886	11.44%	14,688,434	15,207,069
Long Term Debt Charges	1,019	-	-	-	-	-	-	-
Office Supplies & Equip Mtnce	338,940	386,674	401,515	495,252	93,737	23.35%	506,931	518,961
Memberships	58,833	54,084	59,315	64,435	5,120	8.63%	66,324	68,267
Professional Development	60,162	119,067	145,525	248,425	102,900	70.71%	251,250	251,250
Maintenance Materials & Supplies	903,942	1,141,832	1,060,670	1,143,232	82,562	7.78%	1,178,733	1,212,797
Purchases for Resale	1,380,003	1,478,255	1,446,550	1,516,800	70,250	4.86%	1,589,800	1,673,800
Maintenance Services	988,988	1,082,096	1,005,460	1,053,130	47,670	4.74%	1,074,334	1,118,742
Contract Services	7,218,537	7,680,707	7,589,035	7,699,961	110,926	1.46%	7,789,013	7,868,336
Professional Services	439,903	646,915	897,143	927,700	30,557	3.41%	561,500	492,500
Vehicle & Equipment Leases	2,850	2,704	2,550	2,650	100	3.92%	2,650	2,650
Utilities	798,801	947,823	989,960	1,037,660	47,700	4.82%	1,086,466	1,128,737
Insurance	431,425	528,346	533,300	591,600	58,300	10.93%	609,186	627,300
Grants & Donations	137,413	94,475	236,000	236,000	-	-	236,000	236,000
Other	453,798	404,438	393,317	308,830	(84,487)	(21.48%)	304,830	304,830
Financial Expense	117,569	190,951	228,400	178,400	(50,000)	(21.89%)	228,400	228,400
Expenditures Before Transfers	23,951,330	26,872,795	27,409,568	29,345,789	1,936,221	7.06%	30,173,851	30,939,639
Transfers to Reserves	3,767,888	1,716,003	1,278,432	1,635,389	356,957	27.92%	1,788,889	1,788,652
Total Expenditures	27,719,218	28,588,798	28,688,000	30,981,178	2,293,178	7.99%	31,962,740	32,728,291
Net Expenditures	\$ 412,571	\$ (389,741)	\$ -	\$ -	-	-	\$ 150,000	\$ 150,000

2023 Budget Reconciliation for PSAB Adjustments

O. Reg. 284/09

The *Municipal Act, 2001* Regulation 284/09 (O. Reg. 284/09) Section 1 allows a municipality to exclude all or a portion of the following expenses from the budget estimates:

- Amortization expenses,
- Post-employment benefits expenses,
- Solid waste landfill closure and post-closure expenses.

Section 2 (1) goes on to require a municipality **before adopting a budget for the year** that excludes any of the above items, to prepare a report about the excluded expenses and adopt the report by resolution.

Section 3 requires the report to include at least the following:

- An estimate of the change in the accumulated surplus to the end of the year resulting from the exclusion of the above expenses, and
- An analysis of the estimated impact of the exclusions on the future tangible capital asset funding requirements of the municipality.

The information presented in this section of the budget document fulfills the reporting requirements of O. Reg. 284/09.

Budget Reconciliation

The PSAB Handbook requires that budget numbers be included in the Financial Statements using the same Basis of Accounting that is used for actual results. The issue facing municipalities is that municipal budgets have typically been prepared on a cash basis with the main focus being the determination of the tax levy required.

The requirements of O. Reg. 284/09 force reconciliation between the typical cash budget and the Financial Statements for those expenses noted above.

Estimated Impact of Future Benefit

Future benefit expense is generally related to the Town's sick leave benefit plan, and health and dental benefits for retired employees. There is no legislated authority requiring a municipality to fully fund these benefits. However, it is sound financial planning to do so where possible.

The Town generally funds current year sick leave payouts from current year budget allocations.

The impact of Health and Dental Benefit will lessen over time as post-retirement benefits have been grandfathered to existing employees when the benefit was terminated.

In 2016, Council adopted Investment Policy No. 87. The effect of the Policy allows the Town to invest in the ONE Equity Portfolio. The purpose of doing so allows the Town to invest the Post-Retirement Reserve Funds in the stock market. The expectation is that the return on this portfolio will be greater than that earned on current investments thus reducing the Total Unfunded Balance for Health and Dental.

The chart below indicates the Town's total estimated unfunded liability for Future Benefits is \$10.7 million and that on an annual basis in 2023 funding is estimated to be in a \$ 0.5 million deficit position.

Status of Future Benefit Liabilities

Sick Leave	2023 Budget	2022 Estimated	2021 Actual
Accrued Benefit Liability	\$339,000	\$342,000	\$345,600
Reserve	178,700	223,700	269,400
Unfunded/(Funded) Balance	<u>160,300</u>	<u>118,300</u>	<u>76,200</u>
Annual Expense	42,000	42,000	42,100
Benefits Paid	45,000	45,700	48,300
	<u>(3,000)</u>	<u>(3,700)</u>	<u>(6,200)</u>
Contribution to reserve	-	-	-
Net Annual Funding Deficit/(Surplus)	<u>(3,000)</u>	<u>(3,700)</u>	<u>(6,200)</u>
Health and Dental			
Accrued Benefit Liability	\$12,596,700	\$12,139,000	\$11,645,600
Reserve	2,037,400	1,968,500	1,960,300
Unfunded Balance	<u>10,559,300</u>	<u>10,170,500</u>	<u>9,685,300</u>
Annual Expense	673,000	673,000	673,300
Benefits Paid	215,300	179,600	132,500
	<u>457,700</u>	<u>493,400</u>	<u>540,800</u>
Contribution to Reserve	-	-	-
Net Annual Funding Deficit	<u>457,700</u>	<u>493,400</u>	<u>540,800</u>
Total Unfunded Balance	<u>10,719,600</u>	<u>10,288,800</u>	<u>9,761,500</u>
Total Net Annual Funding Deficit	<u>454,700</u>	<u>489,700</u>	<u>534,600</u>

Estimated Impact of Solid Waste Landfill Closure:

Solid waste landfill closure costs deal with the ongoing costs of maintaining a landfill once it no longer accepts waste. There is no legislated authority requiring a Municipality to fully fund these costs. However, it is sound financial planning to do so where possible.

Status of Solid Waste Landfill Closure

	2023 Budget	2022 Estimated	2021 Actual
Accrued Benefit Liability	\$ 626,200	\$ 623,500	\$ 619,900
Reserve	-	-	-
Unfunded balance	626,200	623,500	619,900
Annual expense	31,700	31,700	31,700
Benefits paid	29,000	28,200	27,700
	2,700	3,600	4,000
Contribution to reserve	-	-	-
Net annual funding (surplus)/deficit	2,700	3,600	4,000

Landfill #3 is closed so we do not expect this liability to increase significantly unless there is an unplanned increase in requirements for maintaining the site.

Unused Vacation Liability:

Although O. Reg. 248/09 does not require comment, the Town has a liability for unused vacation days that has not been fully funded in the past. This liability is a result of employees generally not being able to take vacation days until after their hire anniversary date and employees' ability to bank up to 10 days carry forward. There is no legislated authority requiring a municipality to fully fund these costs. However, it is sound financial planning to do so where possible.

Typically, these funds are not paid out but are taken as days off in the following year. Payments that occur upon retirement are funded out of current year budget allocations or reserves.

Status of Vacation Leave Liability

	2023 Budget	2022 Estimated	2021 Actual
Liability	\$ 380,000	\$ 400,000	\$ 539,000
Reserve	338,000	358,000	422,400
(Funded)/Unfunded Balance	42,000	42,000	116,600

Estimated Impact of Excluded Amortization on Future TCA Funding Requirements:

The chart below compares the capital funding included in the 2023 budget to the estimated amortization cost for 2023.

	Tax/Rate Funding	Amortization Estimate	Difference
Capital Tax Levy	\$10,823,000	\$6,316,600	\$4,506,400
Gas tax allocated to Lifecycle	1,153,800	-	1,153,800
	11,976,800	6,316,600	5,660,200
Sanitary Sewer Rate	2,542,600	729,500	1,813,100
Water Rate	1,922,000	1,055,200	866,800
	16,441,400	8,101,300	8,340,100

Amortization expense is an estimate of the consumption of future benefits from past investment in capital assets. It takes the asset's historical cost and spreads it evenly over the expected useful life of the asset. This amortization period can range from 3 years up to as many as 65 years depending on the nature of the asset. Amortization does not take into account inflation, service upgrades or increase in standards. Therefore, funding only for amortization will not provide sufficient funding for replacement in most cases.

The Town adopted a Lifecycle program in 2005 for funding tax supported assets. This program is designed to provide the Town with sufficient funds to replace existing assets. Annual allocation to service areas is based on a review of existing assets and estimated replacement costs.

Water and Wastewater contributions are based on the draft 2023 Water and Wastewater Rate Study prepared in-house by Financial Services staff, which takes into account lifecycle requirements.

Neither amortization nor the lifecycle program deals with the issue of new capital requirements. As part of the 2015 budget, the implementation of a special New Infrastructure Levy (NIL) was approved to begin addressing the funding issues raised by funds required for new infrastructure. The current levy is \$1,750,000 with a budgeted increase of \$200,000 approved for 2023.

Estimate of the Change in Accumulated Surplus due to Excluded Expenses:

The chart below starts with the 2023 surplus per the budget excluding reserve transfers, long term debt incurred and other financing items included in the budget. Various PSAB adjustments are then required to arrive at the surplus to be reported for Statement purposes.

2023 Approved Budget Accumulated Surplus Reconciliation	
2023 Surplus	Amount
Budget surplus/(deficit) for the year	<u>\$(13,709,925)</u>
Add:	
Share of government business enterprise surplus	835,000
Landfill post-closure expenditures	29,000
Gain/(loss) on disposal of tangible capital assets	(120,879)
Deferred revenue	2,200,000
Capital expenditures	<u>35,708,140</u>
	<u>38,651,261</u>
Less:	
Accrued interest expense	(2,900)
Dividend from government business enterprise	460,000
Employee future benefits expense	455,000
Landfill post-closure expense	31,715
Amortization	<u>8,101,262</u>
	<u>9,045,077</u>
PSAB Surplus per Statement of Operations	15,896,259
PSAB Opening surplus (estimated)	<u>290,582,713</u>
PSAB Surplus end of year	<u><u>\$306,478,972</u></u>

The PSAB Surplus does not mean there is a large amount of cash available to reduce taxation. Rather, it only serves to indicate the difference between assets and liabilities, recorded in compliance with PSAB, at one point in time. The Town continues to budget on a modified accrual basis to determine the taxation requirements for the municipality.

2023 Full-Accrual Approved Budget

As mentioned previously, the Public Sector Accounting Board requires budgeted amounts on the financial statements be presented on a full accrual basis. A series of accounting adjustments are completed to convert the budgeted amounts from modified accrual to full accrual. These adjustments include amortization, post-employment benefits, solid waste landfill closure and post-closure expenses. Additionally, the Operating, Capital and Reserve/Reserve Funds budgets are consolidated thereby eliminating interfund transfers. The budgeted surplus does not represent a surplus of cash, but rather it represents the Town's investment in assets.

Town of Tecumseh 2023 Full-Accrual Approved Budget

Revenues	Amount
Property taxes	\$27,860,684
User charges	13,825,064
Government transfers	10,410,775
Capital contributions	2,444,100
Investment income	2,200,400
Income from government business enterprise	861,275
Penalties and interest on property taxes	380,000
Other	326,500
(Loss)/ Gain on disposal of tangible capital assets	(120,879)
Total Revenues	58,187,919
Expenses	
General government	\$6,746,181
Protection to persons and property	7,116,336
Transportation	7,569,172
Environmental	12,300,478
Social and family	47,654
Recreation and cultural	6,393,460
Planning and development	2,118,379
Total Expenses	42,291,660
Annual surplus	15,896,259
Accumulated surplus, beginning of year (est.)	290,582,713
Accumulated surplus, end of year	\$306,478,972



Recommended New Staffing Enhancements

The 2023 Budget includes an allowance for an overall increase of 8.00 Full-Time Equivalent (FTE) employees. Additional staff resources are required to facilitate desired service level enhancements and/or increased workloads due to a variety of factors including:

- Recommendations from the Town's Organizational Review completed during 2021
- Enhanced level of service towards building permitting and inspection services
- Enhanced level of service towards foundational human resource services
- Enhanced level of service with regards to Town recreation, festivals and events
- Enhanced level of service with regards to future capital projects

Staffing increases are supported by Recommended New Staffing Enhancements (RNSE) forms. The RNSE forms contain sections on:

- Description of enhancement
- Justification for the request
- Concerns associated with current situation
- Impact to residents should the position not be approved
- Budget impact

A Staffing Resources Summary page can be found following the RNSEs.

The net increase is a result of the following additions and deletions:

Additions:

P&C	0.5	People and Culture Business Partner position created to meet the needs of the organization & the People Strategy Plan, and to drive foundational HR practices, with implementation expected Q3 2023.
Building	0.85	Deputy Chief Building Official position created following a recommendation from the Building Services Operational Review, with implementation expected late Q1 2023.
Building	0.59	Senior Building Inspector position created following a recommendation from the Building Services Operational Review, with implementation expected Q3 2023.
Customer Service	0.31	Communications Co-op Student position created to assist the Communications Officer with day-to-day activities. Implementation is expected late Q2 2023.
Customer Service	0.50	Customer Service Receptionist position created to provide a resource to live answer incoming calls and provide initial support to the public. Implementation is expected Q3 2023.
Maintenance	0.27	Co-op Energy Management position created to provide support to shape and implement townwide energy management/conservation programs and initiatives. Implementation expected Q4, 2023.
Maintenance	0.27	Co-op Facilities Asset Management created to provide support in further developing and completing the Asset Management Plan (AMP). Implementation expected Q2 2023.
Parks & Rec	0.50	Additional 1040 hours for five new part-time facility attendants to accommodate weekend public skating and programming in the winter, spring and fall months. Implemented in Q4 2022.
Special Events	0.09	Additional 176 hours to existing Festival and Events Assistant seasonal part-time position. These additional hours will provide for this position to start in March and end in December.
Finance	1.00	Financial Analyst - Capital projects position approved in principle during the Capital Workshops completed in March & May 2022, with implementation expected Q1 2023.

Parks & Rec	1.00	Manager Capital Projects position approved in principle during the Capital Workshops completed in March & May 2022, with implementation expected Q1 2023.
Building	1.00	Senior Planner – Capital projects position approved in principle during the Capital Workshops completed in March & May 2022, with implementation expected Q1 2023.
Public Works	1.00	Development Engineer – Capital projects position approved in principle during the Capital Workshops completed in March & May 2022. This position was filled in Q4, 2022.
Various	0.96	Balance of part-year 2022 FTE implementations for various positions.

Deletions:

Various	0.49	Reallocation of student time within Community & Recreation departments based on identified needs (day camp, recreation, special events, arena, and parks). Reduction results from different base hours depending on the department.
P&C	0.27	Reduction in number of student terms from three to two, to partially offset the cost for the P&C Business Partner position.
TCS	0.08	Removal of one Co-op student (560 hours) for helpdesk and replaced with partial FTE (420 hours). Net impact is a reduction of 0.08 FTE for 2023.

People & Culture

Position:	P&C Business Partner (HRBP)
Department:	People & Culture
Service Area:	People & Culture

Description of enhancement:

The People & Culture department requires additional capacity to fulfill the required functions to meet the needs of the organization and the People Strategy Plan. The enhancement request is 1.0 FTE implemented in July 2023 (Human Resource Business Partner).

Justification for the request:

- Currently, the workload exceeds capacity which means extensive overtime and/or priorities that cannot be implemented. A capacity analysis indicates a shortfall of 0.75 FTE (taking into consideration the current 3.0 FTE).
- With the addition of the benefits and pension functions as of January 2023 an additional 0.30 FTE will be required.
- Position will enable progress with succession planning, career pathing, development, retention and attraction, and compensation.

- HR was not fully functional and appropriately resourced over the years which means a significant lag in resourcing and focus. This has had a detrimental impact on our most significant asset at the Town – Our People, as well as impacts on business processes, efficiencies, and productivity.

Impact to residents should the position not be approved:

The People Strategy will ensure that our Human Resources services and priorities advance our HR (P&C) service delivery to support the organization and ensure the Town is able to build its workforce capabilities and drive the Town's culture to raise the Town of Tecumseh's competitive edge. It will enable administration to retain, develop and recruit talent which will ultimately contribute to the Town's ability to provide exceptional service.

It is important to note that by ensuring we implement strategies that focus on enabling our people and creating an engaging and high-performing work culture, ensures that staff are in the best position to deliver exceptional service to our residents.

Budget impact:

Addition of Business Partner 2023 anticipated for a July 2023 implementation: \$69,075 wages including benefits (six months compensation).

Development Services

Position:	Deputy Chief Building Official
Department:	Development Services
Service Area:	Building Services

Description of enhancement:

Deputy Chief Building Official (DCBO) – A highly technical individual with a thorough understanding of the Ontario Building Code (OBC) legislation and regulations, with proven enforcement experience and communication skills. This individual will be registered with the Ministry of Municipal Affairs and Housing and have a Building Code Identification Number (BCIN) with qualifications as identified in Division C, Section 3.5.2.1 of the OBC for all types of construction projects.

Reporting to the Manager Building Services & Chief Building Official (CBO), this position will consult on policies, procedures, budget, by-laws, and code interpretations. In the absence of the CBO, take on all operational and legislated responsibilities of the CBO position (24-hour/365-day service) including, but not limited to, supervising Building Services staff, assigning workload, ensuring consistency in the enforcement for compliance of the OBC and related municipal by-laws, issuing permits and orders, meeting with senior administration and elected officials as required to address development and customer issues, interpreting

legislation, and providing direction to staff and the development community.

This position will take a lead role in staff development and ensuring operational consistency.

The DCBO is also responsible for the review of permit applications and construction drawings and the performance of field inspections to ensure compliance with applicable codes. In addition, oversee the day-to-day operation of the Building Services Division and perform the statutory duties of the CBO, when directed.

Justification for the request:

The function of the CBO is legislated by the province and must provide round-the-clock oversight and enforcement of the built environment. This requires the CBO to be responsive to emergencies that threaten public safety. The DCBO position ensures this function can be provided in the absence of, and/or, in conjunction with, the CBO.

Consistent with the Building Services Operational Review, November 2022, the DCBO position provides the necessary support to the Manager Building Services & CBO and assures that the Building Services operation is uninterrupted to serve our citizens and the development community.

During times of increased activity, the DCBO will provide the necessary operational support for permit intake, plan examination, and site inspection.

Impact to residents should the position not be approved:

The DCBO position will ensure that legislated functions of the Building Services operation are met, thereby mitigating risk to the Town and taxpayers. Residents will experience improved efficiencies and customer service when dealing with their construction projects.

Budget impact:

The estimated cost for adding this position is \$122,900 including wages and applicable benefits. Implemented in March 2023 (10 months compensation).

The DCBO position will be fully funded by permit revenue and will have no budget impact.

Development Services

Position:	Senior Building Inspector
Department:	Development Services
Service Area:	Building Services

Description of enhancement:

Senior Building Inspector – A highly technical individual with a thorough understanding of the Ontario Building Code (OBC) legislation and regulations, with proven enforcement experience and communication skills. This individual will be registered with the Ministry of Municipal Affairs and Housing and have a Building Code Identification Number (BCIN) with qualifications as identified in Division C, Section 3.5.2.1 of the OBC for all types of construction projects.

Reporting to the Manager of Building Services & Chief Building Official (CBO), this position is responsible for the review of permit applications and construction drawings and the performance of field inspections to ensure compliance with applicable codes. The position ensures that the established timelines are met and provides the legislated function of OBC enforcement.

Justification for the request:

The Building Services operation must provide a legislated service to the construction and development industry. In our

current form, and in anticipation of increased construction activity, Building Services is unable to ensure that our legislated obligations will be met. Consistent with the Building Services Operational Review, November 2022, this position will provide the required staffing to support the construction and development industry with the necessary qualifications and experience needed to enforce the OBC

Impact to residents should the position not be approved:

The Senior Building Inspector position will ensure that legislated functions of the Building Services operation are met thereby mitigating risk to the Town and taxpayers. Residents will experience improved efficiencies and customer service when dealing with their construction projects.

Budget impact:

The estimated cost for adding this position is \$68,100 including wages and applicable benefits. Implementation June 2023 (seven months compensation).

The Senior Building Inspector position will be fully funded by permit revenue and will have no budget impact.

Technology & Client Services

Position:	Communications Co-op Student
Department:	Technology & Client Services
Service Area:	Customer Service / Communications

Description of enhancement:

- Assist with social media accounts for the Town of Tecumseh, including content development, planning, and execution to maximize engagement and reach
- Create a stock photo catalog for all Town photos and videos
- Create a video promoting the Town of Tecumseh
- Competency using Facebook, Instagram, Twitter, LinkedIn, Canva (or other graphic design tools), Hootsuite (or similar)
- Organize and format information for internal and external communications (e.g. email marketing, social media posts, blogs, etc.)
- Update and edit website content, posts, and pages
- Video editing and creation

- Develop innovative content that is timely, transparent, and effective, aligning with the Town of Tecumseh's brand and marketing strategy to increase awareness
- Take photos and videos of day-to-day activities in the Town
- Use social media analytics to guide/plan future posts
- Work with the Communications Officer to plan and implement social media calendar
- Assisting staff with tracking, formatting, and archiving media tracking
- Assisting in the production of advertisements, press releases, and promotional materials,
- Collaborate with staff on new ideas, directions, and tools for marketing and communications
- Assisting with other Marketing and Public Relations duties as needed

Justification for the request:

This position will assist the Communications Officer with day-to-day activities, updating our branding guide, creating themed videos, and organizing our photograph\graphics library.

Impact to residents should the position not be approved:

The addition of this student for four months will assist in providing effective communications and marketing to our clients.

Budget impact:

\$11,600 wages including applicable benefits with funding options

Technology & Client Services

Position:	Customer Service Representative
Department:	Technology & Client Services
Service Area:	Customer Service

Description of enhancement:

Reporting to the Manager Customer Service, this position will have duties and responsibilities that include but are not limited to:

- Resolve and service customer enquiries through multi-channel contact either by phone (live answer), email, online or face-to-face.
- Front line contact for counter related inquiries ensuring that a high level of customer service is delivered in a fair and consistent basis to all customers.
- Will perform other duties as required

Justification for the request:

As part of the findings in developing a Customer Service Strategy it was noted that public interaction with staff at Town Hall is extremely frustrating due to difficulty navigating the auto attendant resulting many incoming calls going unanswered. Call tracking software has validated this observation with an

average 40% of calls going unanswered or ending voicemail which is not good customer service. By having a dedicated resource to 'live answer' all incoming calls and providing initial support would increase customer satisfaction with town hall interactions.

Impact to residents should the position not be approved:

Continued frustration with access to staff at Town Hall by not having improved first point contact resolution.

Budget impact: The estimated cost for adding this position is \$40,950 including wages and applicable benefits. Implementation July 2023 (six months compensation).

Community and Recreation Services

Position:	Co-op Energy Management
Department:	Community and Recreation Services
Service Area:	Energy Management

Description of enhancement:

- Co-operative program term of 16 weeks or 560 hours.
- Reporting to the Manager, Facilities and Energy Management, this co-op position will provide support to shape and implement townwide energy management/conservation programs and initiatives along with researching innovative solutions to reduce the Town's carbon footprint.
- General objectives of this position will include the following:
 - Assist in maintaining the Town's utility management database in support of energy monitoring to analyze data and consumption trends.
 - Identify and pursue initiatives and opportunities beneficial to the Town towards cost recovery initiatives and rebate programs.

- Evaluating and reviewing energy savings measures in existing programs that support conservation and energy management, including performing measurement and verification of savings using collected data and modeling.
- Assist with the development and implementation of the proposed GHG reduction and energy management strategy for the Town.

The term of this position would occur during the Winter-Spring months and would also complement the asset management program and capital planning effectively.

Justification for the request:

The Town is firmly committed to reducing energy consumption and climate change adaptation in seeking additional measures and targets that position the Town of Tecumseh as a leader in the continued effort to reduce emissions overall while gaining traction toward a net-zero target in the future.

Energy conservation matters are becoming more prominent and given the Town's commitment, an enhanced focus on prioritization is evident. Increased support through this position can lead to optimizing energy performance and productivity that generate additional benefits in operational costs savings through reduction of emissions/consumption from direct emphasis in support of furthering efforts towards energy management.

Impact to residents should the position not be approved:

This position will assist in delivering on energy savings targets as identified in energy plans that will also be influenced to help customers save energy and associated costs.

The Town will gain the ability to leverage funds for greater goods of the community from absorbed savings on improvements and projects from energy efficiencies while achieving key targets on reducing greenhouse gas emissions.

Not filling this position will limit opportunities to pursue these initiatives.

Budget impact:

The estimated cost for adding this position is \$11,500 including wages and applicable benefits.

Community and Recreation Services

Position:	Co-op Facilities Asset Management
Department:	Community and Recreation Services
Service Area:	Facilities – Asset Management

Description of enhancement:

- Co-operative program term of sixteen (16) weeks or 560 hours.
- Reporting to the Manager, Facilities and Energy Management, this co-op position will provide support in further developing and completing the Asset Management Plan (AMP) for the Facilities Division that will establish a lifecycle framework identifying expenditure schedules to ensure long-term viability.
- General objectives of this position will include the following:
 - Assist in gathering, analyzing, and reporting on assessments performed on Town facilities;
 - Assist in performing building condition assessments to determine and schedule capital repairs and replacements;

- Input collected data and information into an excel dashboard, while also assisting in the development of translating the data into a tracked software (CityWorks);
- Evaluating and reviewing discovered patterns and trends from performed assessments and collected data;
- Research and present solutions and opportunities for capital planning and data management;
- Assist with the continued development and completion of the Asset Management Plan (AMP) for Town Facilities.

- The term of this position would occur during the Summer months and would serve to also effectively compliment energy management and its initiatives.

Justification for the request:

The Town has continued with the intent and purpose to develop a comprehensive Asset Management Plan (AMP).

A strategy surrounding asset management has been established through the Strategic Asset Management Policy (Policy Number: 95, RCM 117/19) structuring a focus on decreasing costs, optimizing parts and equipment, and scheduled maintenance to provide greater visibility into asset utilization and lifespan.

The development of the Asset Management Plan (AMP) for Facilities will maintain the Town's progress and achievement towards integrating principles as set out in the Strategic

Asset Management Policy, and ensures compliance with completion targets by July 1, 2024 as required by the Province of Ontario.

The Asset Management Plan (AMP) will also insinuate a focus on core principles and practices on the impacts of asset lifecycle costs, managing risk, and provides the ability to deliver services efficiently, effectively, and economically.

Impact to residents should the position not be approved:

This position will assist in delivering on the completion of the Asset Management Plan (AMP) for Facilities, and without, Facilities Division may struggle to meet compliance requirements as set by the Province of Ontario.

Residents may experience unexpected disruptions in level of services based on potential failure of infrastructure and equipment derived from the inability to further develop and complete the Asset Management Plan. Increased operating and capital costs may also arise in which may translate to financial impacts on taxation.

Budget impact:

The estimated cost for adding this position is \$11,500 including wages and applicable benefits.

*Subject to cost recoveries through the Summer Grant Program.

Community and Recreation Services

Position:	Skate Monitor/Recreation Programmer
Department:	Community and Recreation Services Department
Service Area:	Public Skating and Recreation Programs

Description of enhancement:

- Five (5) additional physical part-time employees
- Additional 1040 hours.

Reporting to the Supervisor Recreation Programs & Events Rink Monitor/Recreation Programmer is responsible for the delivery of quality recreation program instruction, on-ice skate monitoring during public skate, as well as tracking public skating admission. The general objectives include providing residents with a safe and enjoyable public skating experience, the prevention of accidents, providing first-aid as needed, maintaining of public skating rules, teaching and supervising of recreations programs.

The Skate Monitor role was previously integrated with the Concession worker position under the bargaining unit under agreement 702.13. Since March 2020, at the on-set of the COVID-19 pandemic the Arena concession has not been operational and the Town has not provided weekend public

skating. With weekend public skating now being offered again and the concession being leased out to a third-party concessionaire, the Community and Recreation Services Department needs staff enhancement to monitor public skating and to lead additional recreation programs. In the past, the Department's ability to offer recreational programs has been limited almost exclusively to the summer months. In order to enhance program offerings to the community, additional staffing is required. For this position, a portion of hours historically allotted to concession work will now be allocated to leading recreations programs.

The additional 1,040 hours will provide required hours for this position to monitor public skating as well as run programming in the winter, spring, fall months and be laid off in April as has historically been the case under the Collective Agreement.

Justification for the request:

The Community and Recreation Services Department is looking to again offer weekend public skating and programming in the winter, spring and fall months. This position will enable the department to provide enhanced and increased programming for our residents, which have been strongly requested over the last few years. It will also play a key role in ensuring programs offered by the Town are in accordance with the Department's standards and guidelines.

Impact to residents should the position not be approved:

Due to capacity limitations of the Department, without this position, weekend public skating and enhanced recreational programming cannot be offered and will not meet the ever-growing demands of the community.

Budget impact:

The estimated cost for adding this position is \$20,400 including wages and benefits.

Community and Recreation

Position:	Festival and Events Assistant
Department:	Community and Recreation Services Department
Service Area:	Recreation Programs and Events

Description of enhancement:

Additional 176 hours.

Reporting to the Supervisor Recreation Programs and Events, this seasonal position provides support to the Community and Recreation Services Department's Programming, Festivals, and Special Events as well as being the Town's direct contact service representative and a resource for community events.

General objectives include providing additional assistance in the planning, development, coordination, and delivery of various programs, festivals, and events that mirrors the timelines for the Outside Parks Seasonal schedule.

In 2022, this position was budgeted for 1,224 hours, (March to December) up to an average of 30 hours per week, including weekends and evenings, and was added to the bargaining unit under agreement 702.13.

The additional 176 hours will provide the required hours for this position (35 hrs weekly) to start in March and end in

December and aligns this position with the Collective Agreement "Seasonal Employee".

Justification for the request:

The Community and Recreation Services Department offers programming, festivals & events seven days a week throughout the year. Over the past three years these programs festivals and events have been expanded and as a result have been scheduled spring, summer, and fall. Moving forward and reflective of the effect Covid-19 has had on crowd-gathering events and has resulted in new procedures and restrictions for event attendance, this position has played a key role ensuring programs and events within town facilities are in accordance with those guidelines. This position has also enabled the department to provide enhanced and increased programming for our residents, which has been well received and this service takes extra time to plan, prepare and present.

Impact to residents should the position not be approved:

The additional time will allow the Community and Recreation Department the necessary staff support for the entire spring, summer, and fall seasons. Programming & Events continue to grow in our community both through Town resources as well as new community events. Currently, our staffing resources do not meet the growth. Not increasing the hours will result in a missed opportunity to continue to maintain and expand our programs to meet the ever-growing demands of the community.

Budget impact:

The estimated cost for adding this position is 176 hours at \$25.06 per hours is 5,600 including wages and benefits.

Staffing Resources

Department	2021 Budget	2022 Budget	2023 Proposed	2024 Outlook	2025 Outlook
Financial Services	10.00	10.85	12.00	12.00	12.00
CAO	3.00	2.66	2.00	2.00	2.00
Council	0.60	0.60	0.60	0.60	0.60
People & Culture	2.10	3.00	3.19	3.69	4.69
Crossing Guards	2.02	2.02	2.02	2.02	2.02
Total CAO	7.72	8.28	7.81	8.31	9.31
Technology	4.30	5.73	5.98	7.06	7.06
Customer Service	0.00	1.84	3.06	3.56	3.56
Total Technology & Client Services	4.30	7.57	9.04	10.62	10.62
Legislative Services/Clerk	5.70	6.00	6.00	6.00	6.00
Fire Services	9.92	11.35	11.92	11.92	11.92
By-law Enforcement	0.00	1.30	1.30	1.00	1.00
Total Community & Fire Services	9.92	12.65	13.22	12.92	12.92
Roadways	10.02	10.28	10.53	11.53	11.53
Winter Control	1.56	1.56	1.56	1.56	1.56
Agriculture & Reforestation	2.00	2.00	2.00	2.00	2.00
Storm Sewer	1.00	1.25	1.50	1.50	1.50
Total Public Works & Environmental Services	14.58	15.09	15.59	16.59	16.59

Department	2021 Budget	2022 Budget	2023 Proposed	2024 Outlook	2025 Outlook
Maintenance	1.40	1.40	1.94	1.94	1.94
Parks	15.70	15.30	14.89	15.30	15.30
Community Facilities	2.02	1.82	1.85	1.85	1.85
Arena Administration/Rink	13.57	11.02	12.04	12.25	12.25
Recreation Programs/Day Camp	1.54	2.94	3.47	3.47	3.47
Pool	2.98	3.48	3.51	3.51	3.51
Special Events	1.22	1.31	1.40	1.40	1.40
Total Parks & Recreation	38.43	37.27	39.10	39.72	39.72
Building Services	2.85	3.20	4.64	5.20	5.20
By-law Enforcement	1.75	0.00	0.00	0.00	0.00
Planning Services	2.40	2.10	3.10	3.30	3.30
Committee of Adjustment	0.65	0.65	0.65	0.95	0.95
Transit	0.35	0.35	0.35	0.00	0.00
Economic Development	0.00	0.40	0.40	0.55	0.55
Total Planning & Local Economic Services	8.00	6.70	9.14	10.00	10.00
Sanitary Sewer	1.83	2.08	2.33	2.33	2.33
Water General	2.83	3.08	3.33	3.33	3.33
Watermain	8.62	9.62	9.62	9.62	9.62
Total Water & Wastewater	13.28	14.78	15.28	15.28	15.28
Total Corporation	111.93	119.18	127.18	131.44	132.44

Town of Tecumseh
2023 Approved Budget
General Operating Summary
(excludes Water and Wastewater)

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Taxes	\$ 25,118,706	\$ 26,254,757	\$ 26,106,779	\$ 27,412,690	\$ 1,305,911	5.00%	\$ 29,078,291	\$ 30,013,847
Supplementary Taxes	185,111	69,260	200,000	350,000	150,000	75.00%	200,000	200,000
Right of Way	15,666	15,665	15,000	15,700	700	4.67%	15,700	15,700
Special Charges	1,019	-	-	-	-	-	-	-
Payments in Lieu	104,501	82,517	80,700	82,300	1,600	1.98%	82,300	82,300
Total Taxation	25,425,003	26,422,199	26,402,479	27,860,690	1,458,211	5.52%	29,376,291	30,311,847
Taxation Allocated To Capital	(10,328,000)	(10,373,000)	(10,373,000)	(10,823,000)	(450,000)	4.34%	(11,223,000)	(11,623,000)
Net Taxation Available for Operating	15,097,003	16,049,199	16,029,479	17,037,690	1,008,211	6.29%	18,153,291	18,688,847
Grants	1,216,924	866,098	428,697	421,531	(7,166)	(1.67%)	378,061	375,111
User Charges	1,141,342	1,653,362	1,638,396	1,702,251	63,855	3.90%	1,702,251	1,702,251
Licences and Permits	687,314	530,550	734,018	991,763	257,745	35.11%	1,164,306	1,164,306
Fines	46,644	57,686	130,550	102,550	(28,000)	(21.45%)	102,550	102,550
Penalties and Interest	400,884	389,814	380,000	380,000	-	-	380,000	380,000
Investment Income	1,426,746	1,606,397	1,292,309	1,396,275	103,966	8.04%	1,396,275	1,396,275
Other Income	651,853	652,607	652,607	745,092	92,485	14.17%	762,906	781,250
Revenues Before Transfers	20,668,710	21,805,713	21,286,056	22,777,152	1,491,096	7.01%	24,039,640	24,590,590
Transfers from Reserves	447,026	1,104,325	1,211,111	1,485,354	274,243	22.64%	834,354	809,354
Total Revenues	21,115,736	22,910,038	22,497,167	24,262,506	1,765,339	7.85%	24,873,994	25,399,944
Wages	7,020,169	7,931,239	8,274,820	9,139,882	865,062	10.45%	9,864,083	10,256,704
Benefits	2,130,572	2,676,622	2,448,051	2,872,685	424,634	17.35%	2,948,834	3,027,257
Total Wages & Benefits	9,150,741	10,607,861	10,722,871	12,012,567	1,289,696	12.03%	12,812,917	13,283,961
Long Term Debt Charges	1,019	-	-	-	-	-	-	-
Office Supplies & Equip Mtnce	333,341	379,242	394,665	488,152	93,487	23.69%	499,831	511,861
Memberships	53,831	52,003	57,165	62,285	5,120	8.96%	64,109	65,985
Professional Development	49,566	102,611	121,775	218,425	96,650	79.37%	221,250	221,250
Maintenance Materials & Supplies	718,986	922,358	874,070	925,220	51,150	5.85%	954,181	981,509

Town of Tecumseh
2023 Approved Budget
General Operating Summary
(excludes Water and Wastewater)

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Purchases for Resale	5,558	11,502	6,550	4,800	(1,750)	(26.72%)	4,800	4,800
Maintenance Services	750,269	798,509	716,160	751,610	35,450	4.95%	768,393	804,951
Contract Services	5,705,901	5,979,359	6,018,115	5,917,866	(100,249)	(1.67%)	5,939,918	5,949,241
Professional Services	402,186	614,765	860,443	891,000	30,557	3.55%	524,800	455,800
Vehicle & Equipment Leases	2,850	2,704	2,550	2,650	100	3.92%	2,650	2,650
Utilities	742,724	876,767	911,210	955,910	44,700	4.91%	1,002,298	1,042,078
Insurance	359,813	444,767	450,900	495,400	44,500	9.87%	510,100	525,242
Grants & Donations	101,669	65,379	161,000	161,000	-	-	161,000	161,000
Other	393,862	336,894	335,221	245,812	(89,409)	(26.67%)	241,812	241,812
Financial Expense	119,444	177,278	217,800	167,800	(50,000)	(22.96%)	217,800	217,800
Expenditures Before Transfers	18,891,760	21,371,999	21,850,495	23,300,497	1,450,002	6.64%	23,925,859	24,469,940
Transfers to Reserves	2,636,554	1,084,243	646,672	962,009	315,337	48.76%	1,098,135	1,080,004
Total Expenditures	21,528,314	22,456,242	22,497,167	24,262,506	1,765,339	7.85%	25,023,994	25,549,944
Net Expenditures	\$ 412,578	\$ (453,796)	\$ -	\$ -	-	-	\$ 150,000	\$ 150,000



Financial Services

Financial Services is responsible for the overall management of the Town's financial resources in a fiscally responsible and prudent manner. The department is bound by the financial reporting requirements of the Public Sector Accounting Board (PSAB) in accordance with the *Municipal Act*.

Functions of the Financial Services Department include:

- Financial management
- Development of long-range financial plans, strategies, studies, and policies
- Formulation of operating, capital, and reserves budgets
- Issuance and collection of property tax billings and other revenues
- Financial reporting and controls
- Provision of objective professional support on major strategic and financial initiatives
- Administration of the procurement of goods and services
- Liaison with regulatory officials/agencies
- Corporate banking and investment management
- Administration of accounts payable and receivable
- Payroll calculation and distributions

The Director Financial Services and CFO oversees the Corporate Shared (Administration) accounts. This includes those revenues and expenses that are not attributable to a specific department. Examples include taxation, investment income, penalties and interest, and general reserve transactions.

2023 Budget Highlights

Corporate Shared

- Increase of \$1,305,900 to 'Taxes' representing a 5% increase to the general tax levy required to deliver Town services and programs for 2023.
- Increase of \$150,000 to 'Supplementary Taxes' reflective of an increase of in-year assessment growth.
- Increase of \$450,000 to 'Taxation Allocated to Capital' representing a \$250,000 increase to Lifecycle Reserves and a \$200,000 increase to the New Infrastructure Levy (NIL). Full detail on this is included in the Lifecycle Budget section.
- Decrease of \$4,100 to 'Grants' revenue reflects declining OMPF allocation.
- Increase of \$2,900 to 'User Charges' reflecting a change to reflect contractual increases in land lease revenue.
- Decrease of \$25,000 to 'Fines' reflecting a reduction in POA – share of revenue based on recent actuals.
- Increase of \$104,000 to 'Investment Income' primarily reflecting interest income (\$100,000) generated from higher reserve balances, all which is transferred to reserves.
- Increase of \$38,500 to 'Other Income' representing inflationary increases to general administrative services assessed to the Town's Water and Wastewater departments.
- Increase of \$140,000 to 'Transfers from Reserves' reflecting vacancies/salary gapping (\$50,000) and a one-time allocation towards ASO benefit increases (\$90,000).
- Increase of \$4,400 to 'Insurance' reflecting inflationary increases.
- Decrease of \$50,000 to 'Financial Expense' reflective of a reduction in tax write-offs based on recent actuals.
- Increase of \$100,000 to 'Transfer to Reserves' reflecting an increase from Investment Income.

Financial Services

- Increase of \$181,000 to 'Wages & Benefits', \$112,000 for the addition of a permanent full-time Financial Analyst – Capital projects position (1 FTE). This increase is offset by a corresponding transfer from reserves. Also includes balance of part-year addition of Deputy Treasurer in 2022 (10 months of salary included in 2022 budget, full 12 months for 2023). The remainder of the increase correlates with contractual salary increases.
- Increase in 'Professional Development' of \$4,500 reflective of the reversal of one-time reductions in 2022 due to COVID-19.

Conservation Authority

- Decrease of \$4,000 to 'Contract Services' based on 2022 actuals for the Town's share of the ERCA levy.

2023 Program Objectives

- Completion and implementation of 2023 Water and Wastewater Rate Study, planned for Q1 2023. (SP#2: Sustainable Infrastructure)
- Completion and implementation of Asset Management Plan financial model Phase 2 in compliance with O. Reg. 588/17. (SP#2: Sustainable Infrastructure)
- Implement FMW Capital module, which requires GL account structure changes, during 2023 in time for 2023 year-end and 2024 budget. (SP#4: Continuous Improvement)
- Vadim payroll process review should be completed by Q4 2022 – 2023 will see the analysis and implementation of recommendations that may include: Vadim system configuration changes, internal process changes, Tim and Attendance software research and commence implementation, automated workflow processes etc. (SP#4: Continuous Improvement)
- A/P automation, continue research into this opportunity – may be potential to use Laserfiche as A/P digital workflow in tandem with scanning invoices to Vadim, or other possibility. (SP#4: Continuous Improvement)
- Implement Performance Measures for departments within 2023 Approved Budget document and GFOA consideration. (SP#4: Continuous Improvement)
- Pursue GFOA Distinguished Budget Presentation Award. (SP#4: Continuous Improvement)
- Review and update of the Building Services Reserve to be undertaken in 2023. (SP#4: Continuous Improvement)
- Work with Town departments on grant applications and recovery of funds from Provincial and Federal governments if successful. (SP#2: Sustainable Infrastructure)
- Commence work on financial components of the 2024 Development Charges (DC) Background Study update in conjunction with several other Town departments, led by Development Services. (SP#2: Sustainable Infrastructure)

Looking Ahead

- Review of Lifecycle and NIL Reserves to support capital asset replacement and upcoming new capital project initiatives.
- Financial analysis for large, strategic Town projects.
- Financial software replacement/enhancement review.

Staffing Resources

	2022	2023	2024	2025
Permanent FTE	Budget	Budget	Outlook	Outlook
Full-Time FTE	9.85	11.00	11.00	11.00
Part-Time FTE	1.00	1.00	1.00	1.00
Total FTE	10.85	12.00	11.00	11.00
Net Change	-	1.15	-	-

Staffing complement includes:

- 1.00 Director Financial Services and CFO
- 1.00 Deputy Treasurer and Manager of Revenue
- 1.00 Deputy Treasurer and Manager Financial Services
- 3.00 Financial Analyst
- 1.00 Procurement Officer
- 4.00 Full-Time Clerical
- 0.69 Part-Time Clerical
- 0.31 Finance Student

Performance Measures

Strategic Goal

Effectively administer the stewardship of public resources through responsible fiscal management and planning.

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Receive GFOA Certificate of Achievement for Excellence in Financial Reporting <i>(SP#5: Leadership and Good Governance)</i>	Awarded	Receive Award	Awarded	✓	Receive Award
Maintain minimum Tax Rate Stabilization Reserve balance of 10 -15% of General Fund expenditures <i>(SP#2: Sustainable Infrastructure)</i>	11.2%	10-15%	N/A	N/A	10-15%
Rate of return on investment portfolio <i>(SP#2: Sustainable Infrastructure)</i>	2.05%	3%	N/A	N/A	4%
SUSTAINABILITY INDICATORS					
Total Taxes Receivable less Allowance for Uncollectibles as a % of Total Taxes Levied Low: < 10% Mod: 10 – 15% High: > 15% <i>(SP#2: Sustainable Infrastructure)</i>	4.4%	Low Risk: < 10%	4.7%	✓	Low Risk: < 10%

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Net Financial Assets or Net Debt as % of Own Source Revenues Low: > -50% Mod: -50 to -100% High: < -100% (SP#2: Sustainable Infrastructure)	106.7%	Low Risk: > -50%	N/A	N/A	Low Risk: > -50%
Total Reserves and Discretionary Reserve Funds as a % of Municipal Expenses Low: > 20% Mod: 10 – 20% High: < 10% (SP#2: Sustainable Infrastructure)	166.3%	Low Risk: > 20%	N/A	N/A	Low Risk: > 20%
Cash Ratio (Total Cash and Cash Equivalents as a % of Current Liabilities) Low: > 0.5:1 Mod: 0.5:1 to 0.25:1 High: < 0.25:1 (SP#2: Sustainable Infrastructure)	14.8:1	Low Risk: > 0.5:1	N/A	N/A	Low Risk: > 0.5:1

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
FLEXIBILITY INDICATORS					
Debt Servicing Cost as a % of Total Revenues (Less Donated TCAs) Low: < 5% Mod: 5 – 10% High: > 10% <i>(SP#2: Sustainable Infrastructure)</i>	3.5%	Low Risk: < 5%	N/A	N/A	Low Risk: < 5%
Closing Amortization Balance as a % of Total Cost of Capital Assets (Asset Consumption Ratio) Low: < 50% Mod: 50 – 75% High: > 75% <i>(SP#2: Sustainable Infrastructure)</i>	40.5%	Low Risk: < 50%	N/A	N/A	Low Risk: < 50%
Annual Surplus / (Deficit) as a % of Own Source Revenues Low: > -1% Mod: -1 to 30% High: < -30% <i>(SP#2: Sustainable Infrastructure)</i>	30.3%	Low Risk: > -1%	N/A	N/A	Low Risk: > -1%



Target Met



Target Not Met



N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
Corporate Shared 1200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Taxes	\$ 25,118,705	\$ 26,254,757	\$ 26,106,779	\$ 27,412,690	\$ 1,305,911	5.00%	\$ 29,078,291	\$ 30,013,847
Supplementary Taxes	185,112	69,261	200,000	350,000	150,000	75.00%	200,000	200,000
Right of Way	15,666	15,665	15,000	15,700	700	4.67%	15,700	15,700
Payments in Lieu	104,501	82,516	80,700	82,300	1,600	1.98%	82,300	82,300
Total Taxation	25,423,984	26,422,199	26,402,479	27,860,690	1,458,211	5.52%	29,376,291	30,311,847
Taxation Allocated To Capital	(10,328,000)	(10,373,000)	(10,373,000)	(10,823,000)	(450,000)	4.34%	(11,223,000)	(11,623,000)
Net Taxation Available for Operating	15,095,984	16,049,199	16,029,479	17,037,690	1,008,211	6.29%	18,153,291	18,688,847
Grants	192,053	80,477	27,200	23,120	(4,080)	(15.00%)	19,650	16,700
User Charges	109,219	144,886	73,396	76,326	2,930	3.99%	76,326	76,326
Fines	43,912	55,988	125,000	100,000	(25,000)	(20.00%)	100,000	100,000
Penalties and Interest	400,884	389,814	380,000	380,000	-	-	380,000	380,000
Investment Income	1,426,747	1,606,398	1,292,309	1,396,275	103,966	8.04%	1,396,275	1,396,275
Other Income	539,210	549,980	549,980	588,495	38,515	7.00%	605,869	623,763
Revenues Before Transfers	17,808,009	18,876,742	18,477,364	19,601,906	1,124,542	6.09%	20,731,411	21,281,911
Transfers from Reserves	112,100	280,840	60,000	200,000	140,000	233.33%	-	-
Total Revenues	17,920,109	19,157,582	18,537,364	19,801,906	1,264,542	6.82%	20,731,411	21,281,911
Wages	-	-	-	-	-	-	-	-
Benefits	132,850	382,658	22,015	28,237	6,222	28.26%	28,237	28,237
Total Wages & Benefits	132,850	382,658	22,015	28,237	6,222	28.26%	28,237	28,237
Office Supplies & Equip Mtnc	24,476	30,464	34,910	31,910	(3,000)	(8.59%)	31,910	31,910
Memberships	2,750	2,750	2,850	2,850	-	-	2,936	3,024
Maintenance Materials & Supplies	4,860	5,307	6,100	6,100	-	-	6,283	6,471
Maintenance Services	13,741	14,100	9,350	9,800	450	4.81%	10,094	10,397
Contract Services	37,715	41,200	41,200	42,215	1,015	2.46%	42,215	42,215
Vehicle & Equipment Leases	1,176	1,300	1,150	1,250	100	8.70%	1,250	1,250
Utilities	30,837	37,001	39,000	40,200	1,200	3.08%	41,202	42,234
Insurance	97,906	148,800	148,800	153,200	4,400	2.96%	157,796	162,530

**Town of Tecumseh
2023 Approved Budget
Corporate Shared 1200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants & Donations	4,709	8,699	15,000	15,000	-	-	15,000	15,000
Other	89,387	3,462	2,500	2,500	-	-	2,500	2,500
Financial Expense	104,947	158,498	200,000	150,000	(50,000)	(25.00%)	200,000	200,000
Expenditures Before Transfers	545,354	834,239	522,875	483,262	(39,613)	(7.58%)	539,423	545,768
Transfers to Reserves	2,419,920	887,884	536,275	636,275	100,000	18.65%	686,275	686,275
Total Expenditures	2,965,274	1,722,123	1,059,150	1,119,537	60,387	5.70%	1,225,698	1,232,043
Net Expenditures	\$ (14,954,835)	\$ (17,435,459)	\$ (17,478,214)	\$ (18,682,369)	\$ (1,204,155)	6.89%	\$ (19,505,713)	\$ (20,049,868)

**Town of Tecumseh
2023 Approved Budget
Financial Services 1240**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 29,707	\$ 17,776	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	27,089	25,064	25,500	26,500	1,000	3.92%	26,500	26,500
Other Income	21,240	21,670	21,670	23,190	1,520	7.01%	23,630	24,080
Revenues Before Transfers	78,036	64,510	47,170	49,690	2,520	5.34%	50,130	50,580
Transfers from Reserves	11,878	-	-	112,580	112,580	-	112,580	112,580
Total Revenues	89,914	64,510	47,170	162,270	115,100	244.01%	162,710	163,160
Wages	794,080	790,114	897,024	1,016,914	119,890	13.37%	1,042,337	1,068,395
Benefits	253,907	260,249	297,277	358,351	61,074	20.54%	367,995	377,927
Total Wages & Benefits	1,047,987	1,050,363	1,194,301	1,375,265	180,964	15.15%	1,410,332	1,446,322
Office Supplies & Equip Mtnce	18,226	18,443	19,400	19,600	200	1.03%	19,600	19,600
Memberships	5,336	4,595	7,845	9,000	1,155	14.72%	9,270	9,548
Professional Development	2,319	5,787	10,225	14,750	4,525	44.25%	14,750	14,750
Professional Services	50,778	41,356	28,300	30,200	1,900	6.71%	34,200	30,200
Vehicle & Equipment Leases	1,404	1,404	1,400	1,400	-	-	1,400	1,400
Utilities	-	-	-	-	-	-	-	-
Other	7,512	8,177	8,800	9,200	400	4.55%	9,200	9,200
Financial Expense	469	400	400	400	-	-	400	400
Total Expenditures	1,134,031	1,130,525	1,270,671	1,459,815	189,144	14.89%	1,499,152	1,531,420
Net Expenditures	\$ 1,044,117	\$ 1,066,015	\$ 1,223,501	\$ 1,297,545	\$ 74,044	6.05%	\$ 1,336,442	\$ 1,368,260

**Town of Tecumseh
2023 Approved Budget
Conservation Authority 2500**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	-	-	-	-	-	-	-	-
Contract Services	287,672	292,940	305,774	301,728	(4,046)	(1.32%)	310,780	320,103
Total Expenditures	287,672	292,940	305,774	301,728	(4,046)	(1.32%)	310,780	320,103
Net Expenditures	\$ 287,672	\$ 292,940	\$ 305,774	\$ 301,728	\$ (4,046)	(1.32%)	\$ 310,780	\$ 320,103

**Town of Tecumseh
2023 Approved Budget
Tile Drainage 8900**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Special Charges	\$ 1,019	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	1,019	-	-	-	-	-	-	-
Long Term Debt Charges	1,019	-	-	-	-	-	-	-
Total Expenditures	1,019	-	-	-	-	-	-	-
Net Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -



Chief Administrative Officer and Council

Council consists of a Mayor, Deputy Mayor, and five Councillors that represent the public on municipal matters in Tecumseh.

The Mayor (or Deputy Mayor in the absence of the Mayor) acts as the Head of Council and presides over Council meetings, provides leadership to Council, represents the Town of Tecumseh, and carries out the duties as Head of Council as prescribed by the *Municipal Act*. Mayor and Council serve the community for a four-year term. The next municipal election will be held in the Fall of 2026.

The Chief Administrative Officer (CAO) is appointed by Council to direct and coordinate the general and administrative management and business of the Town. The CAO is responsible for directing resources to act on Council's strategic priorities and leading the Town's Directors, collectively functioning as the Senior Management Team for the corporation.

Police Services and the Police Services Board fall under the responsibility of the CAO. Policing in Tecumseh is provided by the Ontario Provincial Police and oversight is provided by the Police Services Board. The Board is comprised of five members with three appointed by Council and two by Provincial Order-in-Council. It is anticipated that Ontario will transition to a detachment board model sometime in 2023; at the time of writing, the associated regulation to the Community Safety and Policing Act, 2019 (CSPA) has not been finalized.

The Police Services Board oversees the provision of policing services for the Town of Tecumseh. The current contract with the OPP is a three-year term, expiring the earlier of either December 2023 or the date the CSPA comes into force (contracts will be eliminated under this new legislation).

2023 Budget Highlights

Council

- Increase in 'Wages and Benefits' of \$15,200 due to contractual increases.
- Reversal of 2022 one-time decreases in 'Professional Development' of \$16,000.

CAO

- Reversal of all cost centers associated with the 100th Anniversary Celebration Event, which concluded in 2022.
- Reversal of 2022 one-time increase of \$50,000 to 'Professional Services' for legal fees. The 2022 one-time costs were offset by a corresponding one-time increase to 'Transfer from Reserves'.
- Reversal of 2022 one-time decreases, totaling \$6,300, in several accounts within 'Professional Development' and 'Other', which had been implemented due to the ongoing impact of the COVID-19 pandemic on in-person meetings. Factoring in a reduction in 'Travel & Mileage' and inflationary adjustment to 'Professional Development', the net impact is an increase of \$5,300 in these accounts.
- The Community Safety and Well-Being Plan required by legislation was completed and adopted in late 2021. Implementation will continue in 2023, in collaboration with area municipalities, the County and partner agencies. At this time, no additional budget resources are planned for this initiative.
- The Organizational Review concluded in 2021, with implementation taking place in phases over the period 2022 to 2024.
- The IT Service Review concluded in 2021 and other business process reviews and strategic initiatives were completed or commenced in 2022 (Payroll, Clerks, Economic Development, Digital Strategy, Business Continuity/Disaster Recovery, Records Management), with implementation continuing in phases in 2023 and beyond.

Police

- Decrease of \$3,000 to 'User Charges', primarily due to a decrease in alarm registration revenue of \$8,000 to reflect revenue-sharing arrangement with Community Safety, offset by an increase of \$5,000 for OPP Reports & Clearances revenue to better reflect past trends.
- Increase of \$70,000 to 'Grants' revenue includes refund for officers' wages associated with the Mental Health Response Unit (MHRU), Mobile Crisis Rapid Response Team (MCRRT), and Youth Crisis Response Team (YCRT) through the Community Safety and Policing Grant (\$75,500) offset by a reduction of \$5,500 in the Court Security and Prisoner Transportation Grant allocation.
- Decrease of \$118,700 to 'Contract Services' primarily due to OPP contract costs (\$119,100), which includes a debit for 2021 year-end reconciliation, lower costs for base and per service calls, and provision for wage settlements.
- Increase in 'Utilities' and 'Insurance' due to inflationary increases.

Police Services Board

- Reversal of 2022 one-time decrease in 'Professional Development' of \$3,500 which had been implemented due to the ongoing impact of COVID-19.

2023 Program Objectives

- Continue to implement the outcome of the 2021 Organizational Review with a focus on implementing the Customer Service recommendations of the review. (SP#4: Continuous Improvement)
- Implementation of the Information Technology (IT) Service Review, Digital Strategy, Business Continuity and Disaster Recovery Strategy will continue, with a focus on protecting the organization from the effects of IT service disruptions. (SP#4: Continuous Improvement)
- Move forward with the implementation of the recommendations of the Tecumseh-Lakeshore Economic Development Strategy, Payroll Review, Clerks Services Review, and Records & Information Management project. (SP#4 Continuous Improvement)
- Implement People Strategy flowing from the 2020 Human Resources Services Delivery Review. (SP#4: Continuous Improvement)
- Move forward with recreational and public works capital priorities, on Council's direction. (SP#1: Smart Growth, SP#2: Sustainable Infrastructure and SP#3: Community Health and Wellness)
- Continue advocacy efforts with senior governments to secure capital funding for Tecumseh's growth-related strategies. (SP#1: Smart Growth)
- Focus on sustainability through renewed efforts to address Climate Change (SP#2: Sustainable Infrastructure and SP#3: Community Health and Wellness)
- Seek opportunities to implement recommendations of the Community Safety and Well-being Plan for the Town in conjunction with area municipalities, Essex County, and partner agencies. (SP#3: Community Health and Wellness)
- Implement changes forthcoming from the Community Safety & Policing Act, 2019 with respect to a new Detachment Board structure. (SP#5: Good Governance)
- Develop 2023 – 2026 Corporate Strategic Priorities and report on the fourth year of 2019 – 2022 Corporate Strategic Priorities. (SP#5: Good Governance)
- Further the Town's progress on relationship building with our Indigenous Community (SP#5: Good governance)
- Undertake biennial Customer Satisfaction Survey (carried forward from late 2022). (SP#4: Continuous Improvement)

Looking Ahead

- There is a potential for impact to future budgets from the elimination of the policing contract under the new Community Safety and Policing Act, 2019, once implemented.
- The current OPP Wage Settlement expires on December 21, 2022, with negotiations expected in 2023. The result of these negotiations will be a factor in future Police budgets.
- Impacts on future budgets for Police Services Board may result from the new Community Safety and Policing Act, 2019, and associated regulations, still under development as well as the recently completed Community Safety and Well-being Plan.
- The Organizational Review concluded in 2021, with implementation taking place in phases through 2024.
- Business process reviews and strategic initiatives completed in 2021-22 (IT Service Review, Payroll, Clerks, Economic Development, Records Management), with implementation continuing to take place in phases in 2023 and beyond.
- Implementation of approved 5–10-year growth-oriented capital budgets to facilitate new recreation and cultural amenities, 4,000 housing units, and 4M square feet of industrial development.

Staffing Resources

CAO & Council

	2022	2023	2024	2025
Permanent FTE	Budget	Budget	Outlook	Outlook
Full-Time FTE	2.00	2.00	2.00	2.00
Part-Time FTE	1.26	0.60	0.60	0.60
Total FTE	3.26	2.60	2.60	2.60
Net Change	-	(0.66)	-	-

Staffing complement includes:

1.00 CAO

1.00 Executive Assistant to CAO

0.60 Administrative Assistant to Mayor and Council

**Town of Tecumseh
2023 Approved Budget
Council 1100**

Budget Line item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 71	\$ 68	\$ -	\$ -	\$ -	-	\$ -	\$ -
Revenues Before Transfers	71	68	-	-	-	-	-	-
Transfers from Reserves	20,179	-	-	-	-	-	-	-
Total Revenues	20,250	68	-	-	-	-	-	-
Wages	271,111	269,753	279,721	283,211	3,490	1.25%	290,291	297,548
Benefits	61,920	69,174	80,845	92,624	11,779	14.57%	94,776	96,991
Total Wages & Benefits	333,031	338,927	360,566	375,835	15,269	4.23%	385,067	394,539
Office Supplies & Equip Mtnce	1,911	2,722	2,900	2,900	-	-	2,900	2,900
Memberships	6,784	7,810	7,665	8,000	335	4.37%	8,240	8,487
Professional Development	3,852	14,678	12,550	28,500	15,950	127.09%	28,500	28,500
Other	34,904	19,309	26,500	26,500	-	-	26,500	26,500
Total Expenditures	380,482	383,446	410,181	441,735	31,554	7.69%	451,207	460,926
Net Expenditures	\$ 360,232	\$ 383,378	\$ 410,181	\$ 441,735	\$ 31,554	7.69%	\$ 451,207	\$ 460,926

**Town of Tecumseh
2023 Approved Budget
CAO 1220**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ -	\$ 99,750	\$ 89,300	\$ -	\$ (89,300)	(100.00%)	\$ -	\$ -
User Charges	-	68,250	38,250	-	(38,250)	(100.00%)	-	-
Revenues Before Transfers	-	168,000	127,550	-	(127,550)	(100.00%)	-	-
Transfers from Reserves	70,268	136,848	358,487	150,000	(208,487)	(58.16%)	150,000	150,000
Total Revenues	70,268	304,848	486,037	150,000	(336,037)	(69.14%)	150,000	150,000
Wages	354,376	349,926	358,188	298,326	(59,862)	(16.71%)	305,784	313,429
Benefits	110,268	92,046	102,938	94,679	(8,259)	(8.02%)	97,210	99,817
Total Wages & Benefits	464,644	441,972	461,126	393,005	(68,121)	(14.77%)	402,994	413,246
Office Supplies & Equip Mtnc	1,507	2,450	2,650	2,650	-	-	2,650	2,650
Memberships	2,274	1,165	1,990	2,250	260	13.07%	2,318	2,388
Professional Development	2,387	6,889	4,950	9,200	4,250	85.86%	9,200	9,200
Maintenance Materials & Supplies	-	19,849	32,500	-	(32,500)	(100.00%)	-	-
Contract Services	-	117,652	128,500	-	(128,500)	(100.00%)	-	-
Professional Services	56,632	87,175	290,000	240,000	(50,000)	(17.24%)	240,000	240,000
Other	2,285	40,753	39,700	11,700	(28,000)	(70.53%)	11,700	11,700
Expenditures Before Transfers	529,729	717,905	961,416	658,805	(302,611)	(31.48%)	668,862	679,184
Transfers to Reserves	-	-	2,000	-	(2,000)	(100.00%)	-	-
Total Expenditures	529,729	717,905	963,416	658,805	(304,611)	(31.62%)	668,862	679,184
Net Expenditures	\$ 459,461	\$ 413,057	\$ 477,379	\$ 508,805	\$ 31,426	6.58%	\$ 518,862	\$ 529,184

**Town of Tecumseh
2023 Approved Budget
Police 2200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 20,151	\$ 89,723	\$ 24,000	\$ 93,971	\$ 69,971	291.55%	\$ 93,971	\$ 93,971
User Charges	57,198	48,814	45,000	42,000	(3,000)	(6.67%)	42,000	42,000
Fines	2,732	1,148	5,000	2,000	(3,000)	(60.00%)	2,000	2,000
Total Revenues	80,081	139,685	74,000	137,971	63,971	86.45%	137,971	137,971
Benefits	3,359	2,814	3,870	4,870	1,000	25.84%	4,870	4,870
Total Wages & Benefits	3,359	2,814	3,870	4,870	1,000	25.84%	4,870	4,870
Office Supplies & Equip Mtnc	483	332	1,500	1,500	-	-	1,500	1,500
Maintenance Materials & Supplies	2,016	2,000	2,700	2,700	-	-	2,700	2,700
Maintenance Services	3,073	5,375	7,000	7,500	500	7.14%	7,500	7,500
Contract Services	3,467,095	3,433,819	3,432,416	3,313,733	(118,683)	(3.46%)	3,313,733	3,313,733
Professional Services	-	-	1,000	1,000	-	-	1,000	1,000
Utilities	14,262	17,700	18,700	19,400	700	3.74%	19,400	19,400
Insurance	4,032	4,665	4,600	5,400	800	17.39%	5,400	5,400
Other	316	300	300	300	-	-	300	300
Financial Expense	431	321	600	600	-	-	600	600
Total Expenditures	3,495,067	3,467,326	3,472,686	3,357,003	(115,683)	(3.33%)	3,357,003	3,357,003
Net Expenditures	\$ 3,414,986	\$ 3,327,641	\$ 3,398,686	\$ 3,219,032	\$ (179,654)	(5.29%)	\$ 3,219,032	\$ 3,219,032

**Town of Tecumseh
2023 Approved Budget
Police Service Board 2220**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 95	\$ 2,309	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	95	2,309	-	-	-	-	-	-
Wages	21,816	22,367	23,817	24,225	408	1.71%	24,225	24,225
Benefits	2,015	1,993	1,425	1,482	57	4.00%	1,482	1,482
Total Wages & Benefits	23,831	24,360	25,242	25,707	465	1.84%	25,707	25,707
Memberships	1,535	1,535	1,560	1,560	-	-	1,560	1,560
Professional Development	2,697	2,940	7,100	10,600	3,500	49.30%	10,600	10,600
Other	300	1,500	4,500	4,500	-	-	4,500	4,500
Total Expenditures	28,363	30,335	38,402	42,367	3,965	10.32%	42,367	42,367
Net Expenditures	\$ 28,268	\$ 28,026	\$ 38,402	\$ 42,367	\$ 3,965	10.32%	\$ 42,367	\$ 42,367



Technology & Client Services

The Technology & Client Services (TCS) Department enables the effective use of information technology and communications in all departments of the Town and with the Public. These efforts are to ensure established department business objectives and corporate strategic objectives are realized.

Business Solutions – focus on identifying opportunities for delivery and deployment of new business solutions for all Town departments. Specific responsibilities of this unit include:

- Business Needs Analysis
- Communication Plans
- Definition of Requirements
- Acquisition/Deployment
- Project Management and Quality Control
- Implementation
- Support and Maintenance

Technical Services – focus on maintaining a reliable, secure, scalable, and cost-effective corporate computing and telecommunications infrastructure. Specific responsibilities of this unit include:

- Computing and Telecommunications Infrastructure Planning/Design/Procurement/Maintenance
- Network Security – planning, prevention, education, and awareness
- Capacity Planning
- Security and Audio/Visual Systems
- Systems Administration
- Performance Monitoring and Fine-tuning
- Data Management
- Assets Co-ordination
- Digital Radios
- GPS/AVL Systems

Client Services - focus on providing support and assistance to clients in the use of corporate computer and communication facilities. Specific responsibilities of this unit include:

- Help Desk and Desktop Support
- Rollout and Logistics
- Troubleshooting and Diagnosis
- Training

Customer Service & Communications – oversee the provision of consistent and exemplary customer service to all external clients of the Corporation

- Provision of consistent Customer Service across the organization
- Issue resolution management
- Report regularly about results, metrics, key performance indicators trends, and issues relating to the lifecycle of service requests
- Public Engagement and assistance with Town Event Coordination
- Media Releases and Conferences
- Website and social media
- Issue tracking and reporting
- Internal and external communications

Geographic Information Systems (GIS) – focus on providing support and assistance to clients in the use of GIS mapping. Examples of Municipal Information that is managed by GIS include:

- Storm and Sanitary Sewers, Water mains, Municipal Drains
- Municipal Parcel and Ownership Fabric
- Roads, Street Signs, and Lights
- Zoning and Parkland Information
- Registered Plan and Municipal Easement inventory
- Mobile Field Staff Solutions
- Maintain Tecumseh Alert System
- Aerial and Street View Photography
- Tecumseh Transit routes and mapping
- Fleet location and reporting (AVL)

2023 Budget Highlights

Technology & Client Services

Information Technology

- Increase in 'Wages & Benefits' of \$85,000 due to implementation of recommendations found in the 2021 Organizational review. New staffing allocations in 2023 include:
 - Manager Information Technology (full year in 2023)
 - Summer Student (to perform Helpdesk functions)
 - Help Desk technician (Co-op students for 2/3rds of 2023, migrating to full time 2023 Q4)
- Increase in 'Office Supplies & Equipment Maintenance' of \$96,000 is a result of Computer Software and Support being adjusted to reflect ongoing improvements and changes to all software support across the Corporation. As software programs are migrated to the 'cloud', annual subscription models are being adopted requiring in an increased operating cost.
- The importance of Cyber Security was highlighted in the 2021 Information Technology Service Review. 2023 Budget maintains \$31,500 in 'Office Supplies & Equipment Maintenance' for Cyber Security Initiatives (carried forward from 2022).
- 'Utilities' increase of \$10,000 is a result of \$8,000 for annual fleet additions and \$2,000 in equipment upgrades related to cellular devices under 'Communications – Cellular Phone'. Contract with Telus is due for renewal in 2023 to be negotiated by Connecting Windsor-Essex on behalf of public sector partners.
- \$40,000 allocated to 'Professional Services' for a GIS Strategy or a Cloud Strategy (carried forward from 2022). Increase of \$6,000 allocated for cybersecurity and software training.

Customer Service

- As a result of the 2021 Organizational Review, the implementation of this new division will include the following staff allocations:
 - 1.0 FTE – Customer Service Manager (full year)
 - 1.0 FTE – Communications Officer (full year)
 - 2.0 FTE – Customer Service representatives
- This division will oversee customer service across the organization in addition to internal and external communications
- Other expenses added to this division include incidentals for office supplies, education, professional development, and professional services (2023 Citizen Satisfaction Survey)

2023 Program Objectives

- Implement Business Continuity & Disaster Recovery Plan. (SP#4: Continuous Improvement)
- Continue to implement recommendation in the 2021 IT Service Delivery Review and the 2022 Digital Strategy. (SP#4: Continuous Improvement)
- Oversee implementation of Virtual Server and Networking Upgrades. (SP#4: Continuous Improvement)
- Finalize implementation of approved Municipal Modernization Fund projects. (SP#2: Sustainable Infrastructure)
- Improve connectivity between sites. Review opportunities and implement additional public wireless hotspots. (SP#4: Continuous Improvement)
- Replace infrastructure as needed through lifecycle. (SP#4: Continuous Improvement)
- Review network security and continue to monitor and implement stronger network security measures to prevent unauthorized access. Reinforce importance of Cybersecurity with all users. (SP#4: Continuous Improvement)
- Advocate for high-speed internet for underserviced areas in Town on behalf of our residents and businesses through the Tecumseh Rural Broadband Advisory Committee (SP#2: Sustainable Infrastructure)
- Complete the 2023 Citizen Satisfaction Survey. (SP#5: Leadership and Good Governance)
- Continue to develop toolsets for gathering and analyzing GIS data and enhance the Town's new Open Data Portal. (SP#4: Continuous Improvement)
- Review regional radio communication contract and overall plan for new contract in 2023. (SP#4: Continuous Improvement)
- Fully Implement recommendations of the 2021 Organizational Review, specifically to provide excellent and consistent Customer Service to all stakeholders through the new Customer Service Division in addition to expanding and improving communications both internally and externally. (SP#4: Continuous Improvement)

Looking Ahead

- Outlook for 2024 and 2025 is for support of existing departments, associated infrastructure, and a comprehensive review of corporate enterprise financial software.
- As recommended in the 2021 IT Services Review, we are forecasting the addition of a Business Analyst (1 FTE) in 2024 to assist business units evaluate ideas and opportunities and to plan and execute projects successfully.
- Adapt to changing technologies with focus on continued improvement to network security.
- Annual increases in the operating budget are mostly inflationary in addition to support for added programs resulting in a greater level of service. It has been noted that the TCS Lifecycle is currently underfunded which is addressed in a phased approach to reach a fully funded allocation by 2023. This may be partially offset by transfer of some software costs to operating.
- Software application migration to the Cloud is becoming the accepted solution for many applications used by the Town. This approach results in less reliance on local infrastructure and removes the burden of running updates, backups, etc but is reliant on internet connectivity. In most instances, this change in format results in an annual subscription model that historically results in an overall increased expenditure.

Performance Measures

Strategic Goal

Provide comprehensive technological resources and support to meet and surpass the needs of all customers

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
TECHNOLOGY SERVICES					
Network security breaches	0	0	0	✓	0
Resolution rate for IT Helpdesk Tickets	N/A	95%	99.99%	✓	95%
CUSTOMER SERVICE & COMMUNICATIONS					
Resolution rate of issues entered in Cityworks <i>(SP#4: Continuous Improvement)</i>	98.64%	85%	87.78%	✓	85%
Percentage of customer service representative calls answered on the first attempt. <i>(SP#4: Continuous Improvement)</i>	N/A	90%	< 80%	✗	85%



Target Met



Target Not Met



N/A N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
Technology and Client Services 1230**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 79,832	\$ 69,994	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	4,847	319	6,500	6,500	-	-	6,500	6,500
Other Income	36,500	39,500	39,500	89,500	50,000	126.58%	89,500	89,500
Revenues Before Transfers	121,179	109,813	46,000	96,000	50,000	108.70%	96,000	96,000
Transfers from Reserves	135,496	86,565	126,565	130,997	4,432	3.50%	90,997	90,997
Total Revenues	256,675	196,378	172,565	226,997	54,432	31.54%	186,997	186,997
Wages	349,590	371,864	432,142	491,733	59,591	13.79%	648,510	664,723
Benefits	112,158	118,054	135,769	161,045	25,276	18.62%	165,531	170,152
Total Wages & Benefits	461,748	489,918	567,911	652,778	84,867	14.94%	814,041	834,875
Office Supplies & Equip Mtnce	260,400	292,047	297,335	393,210	95,875	32.24%	404,889	416,919
Memberships	2,041	1,516	1,730	1,730	-	-	1,782	1,835
Professional Development	1,363	5,166	3,500	7,000	3,500	100.00%	7,000	7,000
Maintenance Materials & Supplies	11,435	4,437	3,500	3,500	-	-	4,105	4,728
Professional Services	109,280	78,230	48,000	54,000	6,000	12.50%	50,000	10,000
Utilities	26,371	32,427	27,640	37,640	10,000	36.18%	37,640	37,640
Other	8,627	785	1,000	1,000	-	-	1,000	1,000
Total Expenditures	881,265	904,526	950,616	1,150,858	200,242	21.06%	1,320,457	1,313,997
Net Expenditures	\$ 624,590	\$ 708,148	\$ 778,051	\$ 923,861	\$ 145,810	18.74%	\$ 1,133,460	\$ 1,127,000

**Town of Tecumseh
2023 Approved Budget
Customer Service 1290**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Wages	\$ -	\$ 123,372	\$ 174,516	\$ 261,317	\$ 86,801	49.74%	\$ 309,814	\$ 317,559
Benefits	-	33,509	54,266	79,493	25,227	46.49%	81,837	84,251
Total Wages & Benefits	-	156,881	228,782	340,810	112,028	48.97%	391,651	401,810
Office Supplies & Equip Mtnce	-	99	-	560	560	-	560	560
Professional Development	-	7,000	7,500	5,500	(2,000)	(26.67%)	5,500	5,500
Professional Services	-	7,031	21,000	22,000	1,000	4.76%	7,000	7,000
Other	-	-	-	2,000	2,000	-	2,000	2,000
Total Expenditures	-	171,011	257,282	370,870	113,588	44.15%	406,711	416,870
Net Expenditures	\$ -	\$ 171,011	\$ 257,282	\$ 370,870	\$ 113,588	44.15%	\$ 406,711	\$ 416,870



Legislative & Clerk Services

The Legislative & Clerk Services Department under the direction of the Director Legislative Services & Clerk, performs statutory duties as outlined in the *Municipal Act* and other legislation.

- Council and Committee:** Secretariat to Council and Committees including preparing all meeting agendas and minutes, managing various Committee initiatives, and ensuring the decisions of Council are recorded and actions carried out.
- Elections:** Responsible for coordinating and conducting the Municipal and School Board elections carried out every four years.
- Records Management:** Process all information requests and management of corporate records.
- Licensing:** Issuance of dog, marriage, and lottery licences.
- Vital Statistics:** Issuance of death certificates, burial permits, and marriage license applications.
- Legislative:** Compliance with all Federal and Provincial legislation that impacts the Town; liaison with all levels of government, local boards, community groups, and associations.
- Policy:** Development and administration of policies in accordance with legislative requirements; provide guidance and advice to both Council and staff.
- Risk Management:** Manage all risks and claims against the municipality.
- Land Registry:** Manages acquisitions and dispositions of land, easements, and encroachments.
- Contracts and Agreements:** Development and management of contracts and agreements, in coordination with legal counsel.

Budget Highlights

Legislative & Clerk

- Reversal of one-time costs of \$66,900 & corresponding 'Transfers from Reserves' incurred in connection with the 2022 election. Net impact is Nil.
- Increase in 'User Charges' of \$8,000 as a result of inflationary increases for processing death registrations.
- Decrease to 'Licences and Permits' of \$105,700 primarily due to the reduction of Lottery Licence revenue (\$97,000) as the Bingo Hall is relocating to the Municipality of Lakeshore in Q1 2023. Other decreases include the elimination of Taxi Cab licences (\$6,700) and marriage ceremonies (\$2,500).
- Decrease in 'Transfers from Reserves' of \$96,000, primarily due to the elimination of lottery licence revenue.
- Increase in 'Wages & Benefits' of \$24,400 due to contractual increases.
- Increase in 'Professional Services' of \$7,000, primarily for land agent services of \$10,000. This is offset by a corresponding 'Transfer from Reserves'. Net impact is Nil.
- Decrease in 'Other' of \$12,200 primarily due to the elimination of one-time costs associated with the 2022 election, and reallocation of Shred-it contract to 'Contract Services'.

Youth Advisory Committee

- Committee under review; budget suspended/re-allocated for 2023.

Senior Advisory Committee

- Committee under review; budget re-allocated in part to Community & Recreation Services for senior programming.

Animal Control

- Implement online Dog Licensing program through Docupet for greater accessibility and compliance.
- Decrease in 'Licences and Permits' of \$7,600, primarily due to the elimination of early bird pricing and moving to a blended fee as part of the conversion to Docupet.
- Increase in 'Contract Services' of \$18,000, which included an increase of \$12,000 for the animal control services contract renewal and \$6,000 increase for Lakeshore Pound fees.

Golden Age Club

- Reversal of 2022 one-time increase in 'Grants' of \$6,000 for 2021-2022 special grant funding. There is a corresponding decrease in 'Maintenance Services'. Net impact is Nil.

Cultural Committee

- Committee under review; budget suspended/re-allocated for 2023.

Heritage Committee

- Committee under review; budget suspended/re-allocated for 2023.

2023 Program Objectives

- Implement recommendations arising from the 2022 Clerks Department Service Review. (SP#4 Continuous Improvement)
- Implement webcasting and closed captioning of Council and Committee meetings using Escribe and develop meeting procedures for both in-person and virtual meetings combined. (SP#4: Continuous Improvement)
- Develop an implementation plan from the recommendations arising from the Corporate Records & Information Management Service Review for a corporate-wide Electronic Records Management System for greater accessibility and transparency of corporate records. (SP#4: Continuous Improvement)
- Deliver an e-service dog tag licensing program. (SP#5: Leadership and Good Governance)
- Introduce and review policies and by-laws in accordance with amendments to the Municipal Act 2001, and other legislation. (SP#5: Leadership and Good Governance)
- Ongoing management of Lottery License Fee Litigation. (SP#5: Leadership and Good Governance)
- Develop and implement Mobile Food Vendor Licensing Program (SP#4: Continuous Improvement)
- Investigate the merits of introducing an Administrative Monetary Penalty System to the Town to augment enforcement of by-laws (SP#4: Continuous Improvement)
- Review and coordinate internal and external legal counsel services (SP#4: Continuous Improvement)

Looking Ahead

- Implement recommendations from the Records & Information Management Service Review and provide greater support to existing departments on a corporate-wide changeover to an Electronic Records Management System. May require additional staffing; pending the Records & Information Management Review process, certainty and timing are unknown.
- Implement recommendations of the department's Service Review to streamline processes and efficiencies with programs and services.
- Adapt to new and changing legislation with a focus on stewarding good governance and policymaking.

Performance Measures

Strategic Goal

Enable greater transparency and more efficient community access to Town information and performance.

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Regular Council meeting agendas completed and published within 5 calendar days prior to the meeting (as a percentage) <i>(SP#5: Leadership and Good Governance)</i>	100%	100%	100%	✓	100%
Percentage of Regular Council meetings that required a Supplementary agenda. <i>(SP#5: Leadership and Good Governance)</i>	N/A	< 40%	60%	✗	< 40%
Public and Special Council Meeting Agendas published in accordance with timelines set by the Procedural By-law <i>(SP#5: Leadership and Good Governance)</i>	100%	100%	100%	✓	100%
Percentage of requests under the Municipal Freedom of Information and Protection of Privacy Act completed without an extension request. <i>(SP# 4: Continuous Improvement)</i>	90%	90%	90%	✓	90%

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Percentage of Municipal Freedom of Information and Protection of Privacy Act requests appealed. <i>(SP# 4: Continuous Improvement)</i>	0%	< 10%	0%	✓	<10 %



Target Met



Target Not Met



N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
Legislative Services & Clerk 1250**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 160,492	\$ 37,579	\$ 27,000	\$ 40,000	\$ 13,000	48.15%	\$ -	\$ -
User Charges	11,005	9,310	8,400	16,400	8,000	95.24%	16,400	16,400
Licences and Permits	51,829	99,371	122,150	16,500	(105,650)	(86.49%)	16,500	16,500
Revenues Before Transfers	223,326	146,260	157,550	72,900	(84,650)	(53.73%)	32,900	32,900
Transfers from Reserves	1,084	151,900	164,900	10,000	(154,900)	(93.94%)	-	-
Total Revenues	224,410	298,160	322,450	82,900	(239,550)	(74.29%)	32,900	32,900
Wages	484,917	436,039	556,278	567,396	11,118	2.00%	581,581	596,121
Benefits	140,072	143,304	174,144	187,442	13,298	7.64%	192,544	197,799
Total Wages & Benefits	624,989	579,343	730,422	754,838	24,416	3.34%	774,125	793,920
Office Supplies & Equip Mtnce	4,047	5,528	9,127	7,027	(2,100)	(23.01%)	7,027	7,027
Memberships	1,503	1,682	1,550	3,500	1,950	125.81%	3,605	3,713
Professional Development	6,029	2,326	12,000	13,000	1,000	8.33%	13,000	13,000
Purchases for Resale	5,558	9,292	6,550	4,800	(1,750)	(26.72%)	4,800	4,800
Contract Services	-	50,000	50,000	5,300	(44,700)	(89.40%)	5,300	5,300
Professional Services	20,218	59,603	63,500	70,500	7,000	11.02%	20,500	20,500
Other	4,687	27,669	24,875	12,650	(12,225)	(49.15%)	12,650	12,650
Financial Expense	2	11	-	-	-	-	-	-
Total Expenditures	667,033	735,454	898,024	871,615	(26,409)	(2.94%)	841,007	860,910
Net Expenditures	\$ 442,623	\$ 437,294	\$ 575,574	\$ 788,715	\$ 213,141	37.03%	\$ 808,107	\$ 828,010

**Town of Tecumseh
2023 Approved Budget
Youth Advisory Committee 1280**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 15,000	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	15,000	-	-	-	-	-	-	-
Maintenance Materials & Supplies	2,385	-	750	-	(750)	(100.00%)	-	-
Contract Services	-	2,000	2,000	-	(2,000)	(100.00%)	-	-
Utilities	-	-	500	-	(500)	(100.00%)	-	-
Other	15,334	2,500	6,750	-	(6,750)	(100.00%)	-	-
Total Expenditures	17,719	4,500	10,000	-	(10,000)	(100.00%)	-	-
Net Expenditures	\$ 2,719	\$ 4,500	\$ 10,000	\$ -	\$ (10,000)	(100.00%)	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Seniors Advisory Committee 1281**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 7,800	\$ 9,400	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	7,800	9,400	-	-	-	-	-	-
Maintenance Materials & Supplies	4,028	4,246	500	-	(500)	(100.00%)	-	-
Other	4,148	5,178	4,500	-	(4,500)	(100.00%)	-	-
Total Expenditures	8,176	9,424	5,000	-	(5,000)	(100.00%)	-	-
Net Expenditures	\$ 376	\$ 24	\$ 5,000	\$ -	\$ (5,000)	(100.00%)	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Crossing Guards 3110**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Wages	\$ 46,022	\$ 71,302	\$ 81,731	\$ 83,369	\$ 1,638	2.00%	\$ 85,453	\$ 87,589
Benefits	4,030	9,253	9,210	9,716	506	5.49%	10,008	10,308
Total Wages & Benefits	50,052	80,555	90,941	93,085	2,144	2.36%	95,461	97,897
Other	677	2,000	2,000	2,000	-	-	2,000	2,000
Total Expenditures	50,729	82,555	92,941	95,085	2,144	2.31%	97,461	99,897
Net Expenditures	\$ 50,729	\$ 82,555	\$ 92,941	\$ 95,085	\$ 2,144	2.31%	\$ 97,461	\$ 99,897

**Town of Tecumseh
2023 Approved Budget
Animal Control 2620**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 250	\$ 175	\$ -	\$ -	\$ -	-	\$ -	\$ -
Licences and Permits	29,975	24,770	34,000	26,400	(7,600)	(22.35%)	26,400	26,400
Fines	-	550	550	550	-	-	550	550
Revenues Before Transfers	30,225	25,495	34,550	26,950	(7,600)	(22.00%)	26,950	26,950
Transfers from Reserves	-	10,000	10,000	10,000	-	-	-	-
Total Revenues	30,225	35,495	44,550	36,950	(7,600)	(17.06%)	26,950	26,950
Office Supplies & Equip Mtnce	1,252	1,000	1,000	1,000	-	-	1,000	1,000
Maintenance Materials & Supplies	367	-	420	420	-	-	433	446
Contract Services	31,119	42,010	42,010	60,000	17,990	42.82%	50,000	50,000
Professional Services	525	-	-	-	-	-	-	-
Other	3,932	6,434	16,750	15,500	(1,250)	(7.46%)	15,500	15,500
Financial Expense	1,500	1,000	1,000	1,000	-	-	1,000	1,000
Total Expenditures	38,695	50,444	61,180	77,920	16,740	27.36%	67,933	67,946
Net Expenditures	\$ 8,470	\$ 14,949	\$ 16,630	\$ 40,970	\$ 24,340	146.36%	\$ 40,983	\$ 40,996

**Town of Tecumseh
2023 Approved Budget
Golden Age Club 6200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 25,949	\$ 28,084	\$ 27,000	\$ 21,000	\$ (6,000)	(22.22%)	\$ 21,000	\$ 21,000
Total Revenues	25,949	28,084	27,000	21,000	(6,000)	(22.22%)	21,000	21,000
Maintenance Materials & Supplies	990	500	500	500	-	-	515	530
Maintenance Services	7,197	8,822	8,500	2,500	(6,000)	(70.59%)	2,575	2,652
Utilities	4,894	7,400	7,400	8,600	1,200	16.22%	8,858	9,124
Insurance	4,798	5,587	5,600	6,500	900	16.07%	6,695	6,896
Grants & Donations	21,000	21,000	21,000	21,000	-	-	21,000	21,000
Other	46	-	-	-	-	-	-	-
Total Expenditures	38,925	43,309	43,000	39,100	(3,900)	(9.07%)	39,643	40,202
Net Expenditures	\$ 12,976	\$ 15,225	\$ 16,000	\$ 18,100	\$ 2,100	13.13%	\$ 18,643	\$ 19,202

**Town of Tecumseh
2023 Approved Budget
Cultural Committee 7700**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Transfers from Reserves	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)	(100.00%)	\$ -	\$ -
Total Revenues	-	2,000	2,000	-	(2,000)	(100.00%)	-	-
Maintenance Materials & Supplies	-	1,000	2,000	-	(2,000)	(100.00%)	-	-
Professional Services	-	3,500	5,000	-	(5,000)	(100.00%)	-	-
Other	-	-	2,000	-	(2,000)	(100.00%)	-	-
Total Expenditures	-	4,500	9,000	-	(9,000)	(100.00%)	-	-
Net Expenditures	\$ -	\$ 2,500	\$ 7,000	\$ -	\$ (7,000)	(100.00%)	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Heritage Committee 7705**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Transfers from Reserves	\$ -	\$ 2,727	\$ 2,727	\$ -	\$ (2,727)	(100.00%)	\$ -	\$ -
Total Revenues	-	2,727	2,727	-	(2,727)	(100.00%)	-	-
Memberships	116	150	150	-	(150)	(100.00%)	-	-
Professional Services	-	-	743	-	(743)	(100.00%)	-	-
Other	-	2,727	3,834	-	(3,834)	(100.00%)	-	-
Total Expenditures	116	2,877	4,727	-	(4,727)	(100.00%)	-	-
Net Expenditures	\$ 116	\$ 150	\$ 2,000	\$ -	\$ (2,000)	(100.00%)	\$ -	\$ -



People and Culture

The People and Culture Department is responsible for developing and implementing strategies that focus on enabling our people to create an engaging and high-performing work culture that delivers best-in-class service.

The Department fosters organizational culture, leadership capacity, and learning and development to support a diverse, skilled, and engaged workforce. It also delivers programs to acquire and develop talent and supports organizational performance through workforce analytics, employee engagement initiatives, and governance.

People & Culture supports the organization to build its workforce capabilities, and culture to raise the Town of Tecumseh's competitive edge, enabling administration to recruit, retain, and develop top talent, which ultimately contributes to the Town's ability to provide exceptional service.

The People and Culture team is focused on working in partnership and collaboration to deliver high-level strategies, quality services, and projects through several primary functions, these include:

- Labour and Employee Relations
- Workplace Health, Safety and Wellness
- Legislative Compliance and Ethics
- Culture development and transformation
- Organizational and Employee Development
- Talent Acquisition
- Performance Management/Recognition and Engagement
- Compensation and Benefits
- HR Data and Analytics

Our People Strategy is guided by the following principles:

1. The development of a people strategy that sustains, collaborates, engages, and develops the culture of the organization.
2. The creation of a work community where people thrive, and performance excels.
3. Fostering an environment of leadership, inclusion, diversity, and ethical behavior.

2023 Budget Highlights

People and Culture

- Increase to 'Wages & Benefits' of \$80,100 primarily due to the anticipated addition of a Human Resources Business Partner position (0.5 FTE for 2023) and contractual salary increases. These amounts are offset by a reduction in student hours (-0.27 FTE).
- One-time increase to 'Professional Services' of \$34,000 primarily due to legal fees for an arbitration case of \$10,000 and \$24,000 for job evaluation review/training and calibration. These amounts are offset by a one-time 'Transfer from Reserves'. The net impact is Nil.
- Increase to 'Professional Development' of \$17,200, primarily due to the implementation of a leadership learning and development platform, and reversal of one-time decreases in 2022 as a result of COVID-19.

Crossing Guards

- No significant changes in 2023.

2023 Program Objectives

- Implementation of the People Strategy plan as presented to Council. (SP#5: Leadership and Good Governance). Specific focus on:
 - Collective Bargaining: One of the five collective agreements expired December 31, 2021. (SP#5: Leadership and Good Governance)
 - Development of a leadership competency framework (SP#5: Leadership and Good Governance/SP#1 Smart Growth)
 - Restructure Benefit/Pension administration into the People and Culture portfolio (SP#5: Leadership and Good Governance/SP#1 Smart Growth)
 - Develop, design, and deliver a leadership and development framework for Directors, Managers, and Leads. (SP#4: Continuous Improvement)
 - Review HRIS requirements and source vendors to support the implementation of an HRIS system. (SP#5: Leadership and Good Governance/SP#1 Smart Growth)
 - Creation of Engagement and Diversity Action Plans (SP#3 Community Health and Wellness/SP#5: Leadership and Good Governance)
 - Establish a reward and recognition strategy with a plan to roll it out end of 2023. (SP#4: Continuous Improvement)
 - Implement a new employee onboarding platform. (SP#4: Continuous Improvement)
 - Develop and deliver corporate education platforms that focus on the prevention of harassment and discrimination and the promotion of ethical conduct and respect in the workplace. (SP#3 Community Health and Wellness/SP#5: Leadership and Good Governance)
 - Continue to raise the profile of the Health/Safety and Wellness initiatives of the Corporation. (SP#3 Community Health and Wellness/SP#5: Leadership and Good Governance). Prepare to conduct an employee total compensation review. (SP#4: Continuous Improvement)

Performance Measures

Strategic Goal

Recruit and retain talented employees to effectively carry out the Town's mission.

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Percentage of employees completed health and safety training. <i>(SP#1: Smart Growth)</i>	N/A	100%	91%	✘	100%
Percentage of recruitments successfully completed within the negotiated timeline set by the hiring department. <i>(SP#1: Smart Growth)</i>	N/A	100%	100%	✔	100%
Percentage of new employee orientations conducted within 7 days of hire. <i>(SP#1: Smart Growth)</i>	100%	100%	100%	✔	100%
Percent of grievances that proceed to a formal hearing. <i>(SP#5: Leadership and Good Governance)</i>	0%	0%	0%	✔	0%



Target Met



Target Not Met



N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
People & Culture 1260**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ -	\$ -	\$ 4,000	\$ 4,000	\$ -	-	\$ 4,000	\$ 4,000
Revenues Before Transfers	-	-	4,000	4,000	-	-	4,000	4,000
Transfers from Reserves	30,759	3,263	-	34,000	34,000	-	-	-
Total Revenues	30,759	3,263	4,000	38,000	34,000	850.00%	4,000	4,000
Wages	166,227	279,532	273,832	329,114	55,282	20.19%	408,144	564,972
Benefits	48,694	79,120	74,687	99,522	24,835	33.25%	102,403	105,370
Total Wages & Benefits	214,921	358,652	348,519	428,636	80,117	22.99%	510,547	670,342
Office Supplies & Equip Mtnce	1,138	2,298	2,298	2,600	302	13.14%	2,600	2,600
Memberships	338	1,100	1,100	1,450	350	31.82%	1,494	1,539
Professional Development	4,741	9,350	9,350	26,550	17,200	183.96%	23,050	18,050
Professional Services	64,869	62,800	47,800	81,800	34,000	71.13%	51,000	51,000
Other	7,229	32,060	28,200	30,100	1,900	6.74%	30,100	30,100
Total Expenditures	293,236	466,987	437,267	571,136	133,869	30.61%	618,791	773,631
Net Expenditures	\$ 262,477	\$ 463,724	\$ 433,267	\$ 533,136	\$ 99,869	23.05%	\$ 614,791	\$ 769,631



Community Safety

Community Safety is responsible to provide for the safety and well-being of the citizens and the protection of their property. This includes providing fire & life safety education, inspections, and enforcement under the Ontario Fire Code, and enforcement of Municipal Bylaws and other applicable legislation. Department programming includes structural firefighting, basic medical intervention, CPR and defibrillation, vehicle and industrial extrication, shore-based water rescue, and bylaw and code education and enforcement. In conjunction with the Animal Control contractor, the Department also looks after the enforcement of animal control issues.

Community Safety operates primarily out of the two fire stations located at 985 Lesperance Road (Fire Hall No. 1) and 5520 Walker Road (Fire Hall No. 2), with the Bylaw Enforcement Officer currently based out of Town Hall. The Department's operations are supported by a fleet of seven fire apparatus, three command vehicles, one fire prevention, and one bylaw enforcement vehicle. Community Safety responds to approximately 400 emergency calls and approximately 300 bylaw-related calls annually.

Community Safety is responsible for compliance with Emergency Management Ontario's essential level of emergency preparedness for the Town. Emergency exercises, testing, and review of the Town's Emergency Plan are conducted annually as required by legislation.

2023 Budget Highlights

Fire

- Under 'Professional Services', a one-time allocation of \$30,000 for a Community Risk Assessment, required to be completed by 2024 under O. Reg. 378/18. The Community Risk Assessment forms the basis of certain elements of the Fire Master Plan and therefore should be completed prior to or in conjunction with the Fire Master Plan. Offset by a corresponding 'Transfer from Reserve'. Net impact is NIL. This funding was approved as part of the 2022 Operating Budget however, the work has not yet commenced.
- Under 'Professional Services', a one-time allocation of \$100,000 for completion of a Fire Master Plan, identified in the organizational review. Offset by a corresponding 'Transfer from Reserve'. Net impact is NIL. This funding was approved as part of the 2022 Operating Budget however the work has not yet commenced.
- Increase of \$6,000 under 'Contract Services' for increases in radio airtime and dispatch fees. This increase assumes a new radio system is implemented in June of 2023.
- Increase of \$5,500 in 'Maintenance Services' primarily for maintenance of apparatus, including the additional Deputy Chief's vehicle and high-water rescue vehicle moving forward.
- Increase of \$3,000 in 'Professional Development' split between 'Professional Development' and 'Education/Seminars'. This budget is for the education and professional development of new and existing staff and includes an incremental amount for mandatory training of firefighters.
- Increase of \$13,300 in 'Maintenance Materials & Supplies' due to inflationary cost increases for gasoline. The remaining \$2,000 increase relates to uniforms as the Department has experienced significant turnover recently and includes a new Deputy Chief and Fire Prevention Officer going forward.

Bylaw Enforcement

- An amount of \$850 has been added to the budget for office supplies & equipment required for By-Law enforcement.
- Increase in 'Maintenance Materials & Supplies' of \$700 for gasoline inflationary increases.
- Aside from these changes, the budget for Bylaw Enforcement remains status quo.

Emergency Measures

- An increase of \$250 in 'Professional Development' has been added to include Emergency Management training for staff with those responsibilities.
- An increase of \$500 in 'Contracts' has been added to cover the increase for 911 services provided by the County of Essex.
- A reduction of \$1,000 in 'Other' for flood preparations as lower water levels are anticipated for the 2023 season.
- Aside from these changes, the budget for Emergency Measures remains status quo.

2023 Program Objectives

- A continuing proactive approach to mandatory firefighter certification. (SP#5: Good Governance)
- A comprehensive review of Municipal By-Laws enforced by Community Safety. (SP#3: Community Health and Wellness)
- Completion of the Community Risk Assessment and Fire Master Plan (SP#3: Community Health and Wellness)
- Complete update of the Town of Tecumseh Emergency Response Plan. (SP#1: Smart Growth)
- Explore funding sources or grant opportunities to refurbish the 1942 Fire Truck (SP#5: Good Governance)

Looking Ahead

- Countywide Emergency Services radio system upgrades proposed for 2023 will potentially see a significant Capital expenditure that year however, minimal impact to the Operating Budget.
- Strategic Fire Master Plan to be presented for Council's consideration in 2023 will potentially see significant Capital and Operating funding requirements

Staffing Resources

Community Safety

	2022	2023	2024	2025
Permanent FTE	Budget	Budget	Outlook	Outlook
Full-Time FTE	6.73	8.30	7.00	7.00
Part-Time FTE	5.92	5.92	5.92	5.92
Total FTE	12.65	13.22	12.92	12.92
Net Change	-	0.57	(0.30)	0.00

Staffing complement includes:

- 1.00 Director Community Safety & Fire Chief
- 1.00 Deputy Fire Chief – Operations
- 1.00 Deputy Fire Chief – Compliance
- 2.00 Fire Prevention Officer
- 1.00 Full-Time Clerical
- 1.00 By-law Enforcement/Development Officer
- 0.30 Full-Time Clerical (Planning)
- 1.20 Firefighter Captains (8 Part-Time)
- 4.72 Firefighters (34 Part-Time)

**Town of Tecumseh
2023 Approved Budget
Fire 2100**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 19,743	\$ -	\$ 2,000	\$ 2,000	\$ -	-	\$ 2,000	\$ 2,000
User Charges	44,081	32,684	37,800	42,800	5,000	13.23%	42,800	42,800
Revenues Before Transfers	63,824	32,684	39,800	44,800	5,000	12.56%	44,800	44,800
Transfers from Reserves	14,900	20,000	130,000	130,000	-	-	-	-
Total Revenues	78,724	52,684	169,800	174,800	5,000	2.94%	44,800	44,800
Wages	814,311	938,355	1,014,154	1,082,820	68,666	6.77%	1,109,891	1,137,638
Benefits	200,112	234,574	244,129	273,867	29,738	12.18%	280,873	288,089
Total Wages & Benefits	1,014,423	1,172,929	1,258,283	1,356,687	98,404	7.82%	1,390,764	1,425,727
Office Supplies & Equip Mtnce	5,714	5,138	4,700	5,500	800	17.02%	5,500	5,500
Memberships	2,971	3,018	3,240	3,240	-	-	3,337	3,437
Professional Development	12,837	12,921	12,000	15,000	3,000	25.00%	17,800	17,800
Maintenance Materials & Supplies	71,436	79,272	72,480	87,780	15,300	21.11%	89,481	91,232
Maintenance Services	67,730	98,471	98,800	104,300	5,500	5.57%	105,149	106,023
Contract Services	72,329	78,788	78,860	84,860	6,000	7.61%	84,860	84,860
Professional Services	-	20,000	130,000	130,000	-	-	-	-
Utilities	27,427	32,759	32,210	34,810	2,600	8.07%	35,686	36,588
Insurance	22,887	26,722	26,400	30,800	4,400	16.67%	31,724	32,676
Other	10,491	10,398	12,750	12,750	-	-	12,750	12,750
Financial Expense	429	291	300	300	-	-	300	300
Total Expenditures	1,308,674	1,540,707	1,730,023	1,866,027	136,004	7.86%	1,777,351	1,816,893
Net Expenditures	\$ 1,229,950	\$ 1,488,023	\$ 1,560,223	\$ 1,691,227	\$ 131,004	\$ (0)	\$ 1,732,551	\$ 1,772,093

**Town of Tecumseh
2023 Approved Budget
Emergency Measures 2700**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 5,560	\$ -	\$ 15,000	\$ 15,000	\$ -	-	\$ 15,000	\$ 15,000
Total Revenues	5,560	-	15,000	15,000	-	-	15,000	15,000
Office Supplies & Equip Mtnce	-	300	300	300	-	-	300	300
Professional Development	-	-	750	1,000	250	33.33%	1,000	1,000
Maintenance Materials & Supplies	1,489	3,000	3,000	3,000	-	-	3,090	3,183
Maintenance Services	-	563	1,000	1,000	-	-	1,030	1,061
Contract Services	15,046	14,500	14,500	15,000	500	3.45%	15,000	15,000
Utilities	745	923	750	750	-	-	750	750
Insurance	576	664	1,000	2,000	1,000	100.00%	2,060	2,122
Other	1,483	-	2,500	1,500	(1,000)	(40.00%)	2,500	2,500
Expenditures Before Transfers	19,339	19,950	23,800	24,550	750	3.15%	25,730	25,916
Transfers to Reserves	5,560	-	15,000	15,000	-	-	15,000	15,000
Total Expenditures	24,899	19,950	38,800	39,550	750	1.93%	40,730	40,916
Net Expenditures	\$ 19,339	\$ 19,950	\$ 23,800	\$ 24,550	\$ 750	\$ (0)	\$ 25,730	\$ 25,916

**Town of Tecumseh
2023 Approved Budget
Bylaw 2610**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 6,561	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	13,370	16,823	6,250	6,250	-	-	6,250	6,250
Total Revenues	19,931	16,823	6,250	6,250	-	-	6,250	6,250
Wages	139,822	89,687	88,604	90,385	1,781	2.01%	92,645	94,961
Benefits	44,834	32,600	31,840	35,304	3,464	10.88%	36,252	37,228
Total Wages & Benefits	184,656	122,287	120,444	125,689	5,245	4.35%	128,897	132,189
Office Supplies & Equip Mtnce	394	487	150	1,000	850	566.67%	1,000	1,000
Memberships	110	120	100	100	-	-	103	106
Professional Development	767	-	1,375	1,375	-	-	1,900	1,900
Maintenance Materials & Supplies	1,095	1,640	1,100	1,800	700	63.64%	1,854	1,910
Maintenance Services	10,868	11,833	500	500	-	-	500	500
Professional Services	12,865	11,764	10,000	10,000	-	-	10,000	10,000
Utilities	-	-	-	-	-	-	-	-
Insurance	7,170	8,338	8,300	9,600	1,300	15.66%	9,888	10,185
Other	6,561	3,258	1,200	1,200	-	-	1,200	1,200
Total Expenditures	224,486	159,727	143,169	151,264	8,095	5.65%	155,342	158,990
Net Expenditures	\$ 204,555	\$ 142,904	\$ 136,919	\$ 145,014	\$ 8,095	\$ (0)	\$ 149,092	\$ 152,740



Public Works and Engineering Services

The Public Works and Engineering Services Department is responsible for both tax and rate-supported budgets. For transparency, the rate-supported water and wastewater budget is shown separately from the tax-supported general operating budget. This section deals with departmental budgets that are tax-supported.

The Department is responsible for constructing, operating, and maintaining the Town's infrastructure. This includes the Town's water distribution and drinking water systems and sanitary collection systems, storm sewers and pumping stations, municipal road system and sidewalks, winter control and maintenance, bridges and culverts, street signs and traffic signals, street lighting, fleet and equipment maintenance, roadside debris and litter pick-up, administration of garbage and yard waste collection contract, roadside maintenance, noxious weed control, and municipal drains.

The road network consists of 180 km of roadway, 60 km of sidewalks, 25.7 km of pathways/trails, 3 km of walkways, 18 bridges, 73 culverts, 16 vehicles, and 6 pieces of heavy equipment.

The storm network consists of 138 km of storm sewer pipe, 62 km of storm service connections, 1,414 manholes, 4,713 catch basins, 8 storm pump stations, and 124 municipal drains totaling 200 km.

2023 Budget Highlights

Roadways

- Increase of \$83,000 in 'Wages and Benefits', \$32,000 due to the addition of 0.25 FTE for the Development Engineer position, with an offsetting 'Transfer from Reserve'. The remainder of the increase in 'Wages and Benefits' correlates with contractual salary increases.
- Increase of \$29,500 to 'Maintenance Materials & Supplies' in Gas due to inflationary increases.
- Increase of \$5,450 to 'Professional Development' for increased and renewed in-person training since COVID-19.
- Increase of \$11,500 to 'Maintenance Services' due to bi-annual cutting of the VIA Rail ditch southwest of Manning Road.
- Increase of \$10,600 to 'Insurance' for inflationary increases.
- Increase of \$4,500 to 'Utilities' for inflationary increases.
- Increase of \$18,700 in 'Contract Services' under Hardtop Maintenance: an increase of \$2,500 in Contracts due to inflationary increases for line painting, \$2,500 in Traffic Lights Maintenance to transition over to Essex County Services and \$13,500 under Dispatch to improve the GPS system to Geotab within the fleet.

Winter Control

- Increase of \$5,700 in 'Wages and Benefits' due to contractual increases.
- Increase of \$6,050 in 'Professional Development' for increased and renewed in-person training since COVID-19.
- Increase of \$10,000 in 'Maintenance Materials & Supplies' for inflationary increases to salt costs.
- Increase of \$3,000 in 'Maintenance Services': an increase of \$2,000 in Maintenance Service for assistance of contractors during larger snow events, and \$1,000 in Equipment & Parts for inflationary increases.

Street Lighting

- Increase of \$2,500 in 'Maintenance Materials and Supplies' due to inflationary increases for materials and to be more in line with historical expenditures.

Storm Sewer System

- Increase of \$38,000 in 'Wages and Benefits', \$34,000 due to the addition of 0.25 FTE for the Development Engineer position, with an offsetting 'Transfer from Reserve'. The remainder of the increase correlates with contractual salary increases.
- Increase of \$12,500 in 'Maintenance Services' to account for hydro-vac rental rate increases and additional storm sewer flushing and maintenance.
- Increase of \$5,000 in 'Professional Services' for third-party reviews of development applications with an offsetting cost recovery.
- Increase of \$8,700 in 'Insurance' due to inflationary increases.

Garbage Collection

- Increase of \$27,000 in 'Contract Services' due to inflationary/contractual increase.

Garbage Disposal

- Increase of \$32,400 in 'Contract Services' due to inflationary/contractual increase.

Drainage

- Decrease of \$2,400 in 'Wages and Benefits' as a result of a reduction in sick time payout.
- Increase of \$2,100 in 'Professional Development' for increased and renewed in-person training since COVID-19.
- Decrease of \$4,600 in 'Professional Services' primarily due to less reliance on consultants ensuring larger reports are AODA compliant.

2023 Program Objectives

- Complete infrastructure-related studies, by-laws, and policies such as: shoreline management plan, Asset Management Plan, growth area Functional Servicing Reports, sanitary outlet cost recovery by-laws, traffic calming & speed mitigation policy, model updates for sanitary sewer & water distribution systems, storm water rates study and storm water master plans & Class EAs. (SP#2: Sustainable Infrastructure; SP#4: Continuous Improvement)
- Design & installation of local sanitary sewers in the Oldcastle Hamlet, including CR46/Webster/Laval and Delduca Drive sanitary sewer extensions. (SP#2: Sustainable Infrastructure)
- Design of planned capital projects aligned with Council's growth directive: Tecumseh Hamlet northwest infrastructure. (SP#1: Smart Growth; SP#2: Sustainable Infrastructure)
- Design/construction of capital projects with secured funding and/or partnerships: DMAF Phases 1 & 2, Centennial & Woodbridge watermain replacements, Lesperance Road multi-use trail, Riverside Drive trail, CR42 & CR43 water & wastewater services. (SP#2: Sustainable Infrastructure)
- Move forward with Regional Food & Organics & Biosolids Waste Management. (SP#4: Continuous Improvement)
- Implement mandated MECP Consolidate Linear Infrastructure ECAs. (SP#4: Continuous Improvement)

Looking Ahead

- Future increases to hardtop maintenance programs anticipated.
- Increased patrolling required during winter months.
- Recommend upgrades to stormwater collection and pumping stations arising from the Storm Drainage Master Plans recently completed and currently in development.
- Identify a maintenance and repair program as part of the condition assessment report (bridge and culvert structures).
- Additional staffing and equipment will be required to meet maintenance requirements for sidewalks in order to meet the Minimum Maintenance Standards legislation.
- Continued repair and maintenance of municipal drains and creation of a proactive annual maintenance program.

Staffing Resources

Public Works

	2022	2023	2024	2025
Permanent FTE	Budget	Budget	Outlook	Outlook
Full-Time FTE	13.83	14.33	15.33	15.33
Part-Time FTE	1.26	1.26	1.26	1.26
Total FTE	15.09	15.59	16.59	16.59
Net Change	-	0.50	1.00	-

Staffing complement includes:

- 0.33 Director Public Works and Engineering Services
- 1.00 Manager Public Works & Transportation
- 0.33 Manager Engineering Services
- 0.50 Engineering Project Manager
- 0.50 Development Engineer
- 1.00 Drainage Superintendent
- 1.00 Assistant Drainage Superintendent
- 0.33 Project Technician
- 0.33 Full-Time Clerical
- 8.00 Full-Time Labourers
- 1.00 Storm Sewer Operator
- 1.26 Student Labourers (4 physical employees)

Performance Measures

Strategic Goal

Implement and support initiatives and strategies to maintain and enhance the durability, safety, and appearance of the Town's fleet and facility assets.

Support investments and strategies that maintain and enhance a quality, integrated, and connected transportation network for the community.

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Roads – Average Pavement Condition Index throughout the Town) (SP#2: Sustainable Infrastructure)	77%	70%	77%	✓	70%
Roads – Percentage of rural roadside cut twice per year (SP#2: Sustainable Infrastructure)	100%	100%	100%	✓	100%
Bridges & Culverts – Average Bridge Culvert Index throughout the Town (SP#2: Sustainable Infrastructure)	78.4%	70%	77.7%	✓	70%
Sanitary – Quantity of sanitary pump station failures. (SP#2: Sustainable Infrastructure)	0	0	0	✓	0

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Winter Control – Percentage of winter responses that meet or exceeded road maintenance standards <i>(SP#2: Sustainable Infrastructure)</i>	100%	100%	100%	✓	100%
Fleet – Maintain minimum fleet availability rate <i>(SP#2: Sustainable Infrastructure)</i>	Met	> 95%	Met	✓	> 95%



Target Met



Target Not Met



N/A N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
Roadways 3100**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 15,547	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	33,842	8,847	6,000	6,000	-	-	6,000	6,000
Licences and Permits	15,139	10,059	10,000	10,000	-	-	10,000	10,000
Other Income	48,403	34,957	34,957	37,407	2,450	7.01%	37,407	37,407
Revenues Before Transfers	112,931	53,863	50,957	53,407	2,450	4.81%	53,407	53,407
Transfers from Reserves	5,000	32,266	32,266	76,352	44,086	136.63%	66,352	66,352
Total Revenues	117,931	86,129	83,223	129,759	46,536	55.92%	119,759	119,759
Wages	848,970	866,528	826,702	870,918	44,216	5.35%	1,027,303	1,052,986
Benefits	261,163	293,530	284,521	323,254	38,733	13.61%	331,278	339,543
Total Wages & Benefits	1,110,133	1,160,058	1,111,223	1,194,172	82,949	7.46%	1,358,581	1,392,529
Office Supplies & Equip Mtnce	4,196	3,371	3,720	3,720	-	-	3,720	3,720
Memberships	14,928	15,500	15,500	16,100	600	3.87%	16,583	17,080
Professional Development	1,832	7,050	7,050	12,500	5,450	77.30%	15,500	15,500
Maintenance Materials & Supplies	150,319	216,523	185,500	215,000	29,500	15.90%	220,610	226,387
Maintenance Services	210,725	220,039	187,550	199,050	11,500	6.13%	188,865	203,735
Contract Services	59,359	78,051	64,100	82,775	18,675	29.13%	72,775	72,775
Professional Services	23,597	18,157	6,000	8,000	2,000	33.33%	8,000	8,000
Utilities	38,505	45,900	46,000	50,500	4,500	9.78%	51,979	53,503
Insurance	55,338	64,550	63,700	74,300	10,600	16.64%	76,529	78,825
Other	31,279	26,334	24,110	24,110	-	-	24,110	24,110
Expenditures Before Transfers	1,700,211	1,855,533	1,714,453	1,880,227	165,774	9.67%	2,037,252	2,096,164
Transfers to Reserves	19,470	20,250	20,250	21,670	1,420	7.01%	21,670	21,670
Total Expenditures	1,719,681	1,875,783	1,734,703	1,901,897	167,194	9.64%	2,058,922	2,117,834
Net Expenditures	\$ 1,601,750	\$ 1,789,654	\$ 1,651,480	\$ 1,772,138	\$ 120,658	7.31%	\$ 1,939,163	\$ 1,998,075

**Town of Tecumseh
2023 Approved Budget
Winter Control 3200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Wages	\$ 101,863	\$ 119,072	\$ 119,072	\$ 121,442	\$ 2,370	1.99%	\$ 124,478	\$ 127,590
Benefits	26,043	40,478	38,147	41,507	3,360	8.81%	42,656	43,839
Total Wages & Benefits	127,906	159,550	157,219	162,949	5,730	3.64%	167,134	171,429
Professional Development	-	350	650	6,700	6,050	930.77%	6,700	11,700
Maintenance Materials & Supplies	218,299	182,678	218,140	228,140	10,000	4.58%	234,984	242,034
Maintenance Services	20,490	20,591	17,500	20,500	3,000	17.14%	24,205	24,931
Other	-	-	500	500	-	-	500	500
Total Expenditures	366,695	363,169	394,009	418,789	24,780	6.29%	433,523	450,594
Net Expenditures	\$ 366,695	\$ 363,169	\$ 394,009	\$ 418,789	\$ 24,780	6.29%	\$ 433,523	\$ 450,594

**Town of Tecumseh
2023 Approved Budget
Street Lighting 3500**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Transfers from Reserves	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ (10,000)	(100.00%)	\$ -	\$ -
Total Revenues	10,000	-	10,000	-	(10,000)	(100.00%)	-	-
Maintenance Materials & Supplies	507	13,000	4,000	6,500	2,500	62.50%	9,195	9,471
Maintenance Services	73,915	45,000	45,000	45,000	-	-	46,350	47,741
Utilities	163,398	165,000	170,000	170,000	-	-	175,100	180,353
Total Expenditures	237,820	223,000	219,000	221,500	2,500	1.14%	230,645	237,565
Net Expenditures	\$ 227,820	\$ 223,000	\$ 209,000	\$ 221,500	\$ 12,500	5.98%	\$ 230,645	\$ 237,565

**Town of Tecumseh
2023 Approved Budget
Garbage Collection 4400**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Contract Services	\$ 642,409	\$ 667,815	\$ 667,815	\$ 694,815	\$ 27,000	4.04%	\$ 694,815	\$ 694,815
Other	2,899	3,000	3,000	3,000	-	-	3,000	3,000
Total Expenditures	645,308	670,815	670,815	697,815	27,000	4.02%	697,815	697,815
Net Expenditures	\$ 645,308	\$ 670,815	\$ 670,815	\$ 697,815	\$ 27,000	4.02%	\$ 697,815	\$ 697,815

**Town of Tecumseh
2023 Approved Budget
Garbage Disposal 4500**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Maintenance Services	\$ 27,730	\$ 29,000	\$ 29,000	\$ 29,000	\$ -	-	\$ 29,000	\$ 29,000
Contract Services	842,130	846,200	846,200	878,600	32,400	3.83%	978,600	978,600
Total Expenditures	869,860	875,200	875,200	907,600	32,400	3.70%	1,007,600	1,007,600
Net Expenditures	\$ 869,860	\$ 875,200	\$ 875,200	\$ 907,600	\$ 32,400	3.70%	\$ 1,007,600	\$ 1,007,600

**Town of Tecumseh
2023 Approved Budget
Storm Sewer 4200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 8,010	\$ -	\$ 1,440	\$ 1,440	\$ -	-	\$ 1,440	\$ 1,440
User Charges	21,745	5,603	10,000	13,500	3,500	35.00%	13,500	13,500
Revenues Before Transfers	29,755	5,603	11,440	14,940	3,500	30.59%	14,940	14,940
Transfers from Reserves	-	32,266	32,266	66,352	34,086	105.64%	66,352	66,352
Total Revenues	29,755	37,869	43,706	81,292	37,586	86.00%	81,292	81,292
Wages	80,366	107,570	105,607	132,859	27,252	25.81%	136,180	139,584
Benefits	23,609	32,140	31,877	42,604	10,727	33.65%	43,856	45,147
Total Wages & Benefits	103,975	139,710	137,484	175,463	37,979	27.62%	180,036	184,731
Professional Development	-	5,044	2,925	5,000	2,075	70.94%	5,000	5,000
Maintenance Materials & Supplies	24,231	50,977	38,200	39,600	1,400	3.66%	40,788	42,012
Maintenance Services	127,831	120,537	94,660	107,160	12,500	13.21%	120,330	133,895
Contract Services	3,944	5,000	5,000	5,000	-	-	5,000	5,000
Professional Services	10,664	10,000	6,000	11,000	5,000	83.33%	11,000	11,000
Utilities	132,144	124,461	128,360	128,360	-	-	132,200	136,155
Insurance	54,518	62,071	62,700	71,400	8,700	13.88%	73,542	75,748
Other	42,883	12,494	8,000	8,000	-	-	8,000	8,000
Expenditures Before Transfers	500,190	530,294	483,329	550,983	67,654	14.00%	575,896	601,541
Transfers to Reserves	-	-	10,000	10,000	-	-	10,000	10,000
Total Expenditures	500,190	530,294	493,329	560,983	67,654	13.71%	585,896	611,541
Net Expenditures	\$ 470,435	\$ 492,425	\$ 449,623	\$ 479,691	\$ 30,068	6.69%	\$ 504,604	\$ 530,249

**Town of Tecumseh
2023 Approved Budget
Drainage 8800**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 59,790	\$ 44,632	\$ 55,600	\$ 55,600	\$ -	-	\$ 55,600	\$ 55,600
User Charges	700	1,000	1,000	1,000	-	-	1,000	1,000
Total Revenues	60,490	45,632	56,600	56,600	-	-	56,600	56,600
Wages	142,821	167,507	167,507	170,873	3,366	2.01%	175,145	179,524
Benefits	41,226	52,293	51,681	45,947	(5,734)	(11.09%)	47,326	48,747
Total Wages & Benefits	184,047	219,800	219,188	216,820	(2,368)	(1.08%)	222,471	228,271
Office Supplies & Equip Mtnce	-	180	300	300	-	-	300	300
Memberships	621	210	1,200	1,200	-	-	1,236	1,273
Professional Development	-	5,049	3,700	5,800	2,100	56.76%	5,800	5,800
Maintenance Materials & Supplies	-	2,900	2,900	3,000	100	3.45%	3,090	3,182
Maintenance Services	-	694	1,000	1,000	-	-	1,000	1,000
Professional Services	4,884	2,500	8,100	3,500	(4,600)	(56.79%)	8,100	8,100
Insurance	4,896	5,653	5,700	6,600	900	15.79%	6,798	7,002
Other	1,470	2,255	2,500	2,500	-	-	2,500	2,500
Total Expenditures	195,918	239,241	244,588	240,720	(3,868)	(1.58%)	251,295	257,428
Net Expenditures	\$ 135,428	\$ 193,609	\$ 187,988	\$ 184,120	\$ (3,868)	(2.06%)	\$ 194,695	\$ 200,828



Water and Wastewater Services

Water Services is responsible for delivering clean, reliable, and safe water to residences and businesses in Tecumseh. We are proud to deliver potable water that consistently exceeds Ontario's drinking water standards.

Tecumseh's wastewater collection system provides conveyance for the Town's wastewater flows to the outlets in the City of Windsor. Within the Town's local wastewater collection system, there also exist four local sewage pumping stations required to overcome grade limitations.

The water system consists of 215 km of water main, 1,184 hydrants, 2,559 valves, 12 boundary meters, one elevated storage facility with a capacity of 4,540 cubic metres, and 2 water filling stations.

The wastewater system consists of 116 km of sanitary sewer pipe; 1,528 manholes; 4 pump stations and 6 metering stations.

The Supervisory Control and Data Acquisition (SCADA) system provides real-time data and alarming for water, wastewater, and portions of the stormwater infrastructure.

The Town has moved to Electronic Radio Transmitters (ERT) on residential water meters. Meters equipped with ERTs can be read from a moving vehicle making the work more efficient, reducing errors, and allowing staff to attend to issues sooner.

2023 Budget Highlights

Sanitary Sewer System

- Increase of \$211,000 in 'User Charges' revenue to reflect historical consumption volumes and an increase to rates as recommended in the Town's draft 2023 Water and Wastewater Rate Study.
- Decrease of \$45,800 in 'User Charges Allocated to Capital', which represents a decrease in funds 'Transfers to Reserve' accounts to support capital projects. Directly correlates to increased operating costs.
- Increase of \$48,200 in 'Wages and Benefits', \$34,000 due to the addition of 0.25 FTE for the Development Engineer position. The remainder of the increase correlates with contractual salary increases.
- Increase of \$211,000 in 'Contract Services' due to an increase in sanitary treatment costs resulting from higher budgeted rates and volumes.
- Increase of \$5,900 to 'Insurance' for inflationary increases.

Waterworks System

- Increase of \$227,000 in 'User Charges' revenue due to an increase to water rates as recommended in the Town's draft 2023 Water and Wastewater Rate Study.
- Increase of \$25,700 in 'User Charges Allocated to Capital', which represents an increase in funds transferred to reserve accounts to support capital projects.
- Increase of \$83,000 in 'Wages and Benefits', \$34,000 due to the addition of 0.25 FTE for the Development Engineer position, with an offsetting 'Transfer from Reserve'. The remainder of the increase in 'Wages and Benefits' correlates with contractual salary increases.
- Increase of \$32,000 in 'Maintenance Materials and Supplies' due to inflationary increases and additional equipment required for the testing and calibration of the backflow preventor used on new watermain commissioning.
- Increase of \$72,000 in 'Purchases for Resale' for inflationary increases and an allowance for growth.
- Increase of \$12,200 in 'Maintenance Services' primarily due to a \$4,000 inflationary increase in vac truck rentals, an increase of \$3,000 in testing for commissioning new watermains, and a \$3,200 increase in Building Maintenance for the replacement of three exterior doors.
- Increase of \$3,000 in 'Utilities' for inflationary increases related to gas.
- Increase of \$7,900 in 'Insurance' for inflationary increases.
- Increase of \$2,700 to 'Other' for inflationary increases and additional safety clothing.

2023 Program Objectives

- Prepare a cost recovery By-law for the 8th Concession Sanitary Service Area in 2023. (SP#2: Sustainable Infrastructure)
- Finalize the Sanitary Sewer Model Update. (SP#1: Smart Growth)
- Continuation of the installation of local sanitary sewers in the Oldcastle Hamlet Settlement Area. (SP#1: Smart Growth)

**Town of Tecumseh
2023 Proposed Budget
Water Wastewater Summary**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 11,110	\$ 4,200	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	10,534,435	10,463,966	10,590,500	11,028,500	438,000	4.14%	11,536,500	12,153,000
User Charges Allocated to Capital	(4,374,107)	(4,484,449)	(4,484,449)	(4,464,617)	19,832	(0.44%)	(4,752,543)	(5,129,442)
Net User Charges Available for Operating	6,160,328	5,979,517	6,106,051	6,563,883	457,832	7.50%	6,783,957	7,023,558
Other Income	19,470	20,250	20,250	21,670	1,420	7.01%	21,670	21,670
Revenues Before Transfers	6,190,908	6,003,967	6,126,301	6,585,553	459,252	7.50%	6,805,627	7,045,228
Transfers from Reserves	-	64,532	64,532	133,119	68,587	106.28%	133,119	133,119
Total Revenues	6,190,908	6,068,499	6,190,833	6,718,672	527,839	8.53%	6,938,746	7,178,347
Wages	1,111,324	1,115,236	1,267,815	1,352,861	85,046	6.71%	1,386,683	1,421,350
Benefits	357,082	391,333	430,138	476,285	46,147	10.73%	488,833	501,757
Total Wages & Benefits	1,468,406	1,506,569	1,697,953	1,829,146	131,193	7.73%	1,875,516	1,923,107
Office Supplies & Equip Mtnce	5,599	7,432	6,850	7,100	250	3.65%	7,100	7,100
Memberships	5,002	2,081	2,150	2,150	-	-	2,215	2,282
Professional Development	10,596	16,456	23,750	30,000	6,250	26.32%	30,000	30,000
Maintenance Materials & Supplies	184,958	219,471	186,600	218,012	31,412	16.83%	224,552	231,288
Purchases for Resale	1,374,445	1,466,753	1,440,000	1,512,000	72,000	5.00%	1,585,000	1,669,000
Maintenance Services	238,719	283,589	289,300	301,520	12,220	4.22%	305,941	313,791
Contract Services	1,512,635	1,701,347	1,570,920	1,782,095	211,175	13.44%	1,849,095	1,919,095
Professional Services	37,718	32,150	36,700	36,700	-	-	36,700	36,700
Utilities	56,078	71,055	78,750	81,750	3,000	3.81%	84,168	86,659
Insurance	71,612	83,579	82,400	96,200	13,800	16.75%	99,086	102,058
Grants & Donations	35,744	29,096	75,000	75,000	-	-	75,000	75,000
Other	59,937	67,544	58,100	63,020	4,920	8.47%	63,020	63,020
Financial Expense	(1,875)	13,674	10,600	10,600	-	-	10,600	10,600
Expenditures Before Transfers	5,059,574	5,500,796	5,559,073	6,045,293	486,220	8.75%	6,247,993	6,469,700
Transfers to Reserves	1,131,334	631,760	631,760	673,380	41,620	6.59%	690,754	708,648
Total Expenditures	6,190,908	6,132,556	6,190,833	6,718,673	527,840	8.53%	6,938,747	7,178,348
Net Expenditures	\$ -	\$ 64,057	\$ -	\$ 1	\$ 1	\$ -	\$ 1	\$ 1

**Town of Tecumseh
2023 Proposed Budget
Sanitary Sewer System 4100**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 4,928,303	\$ 4,906,016	\$ 4,984,000	\$ 5,195,000	\$ 211,000	4.23%	\$ 5,422,000	\$ 5,742,500
User Charges Allocated to Capital	(2,393,440)	(2,588,280)	(2,588,280)	(2,542,581)	45,699	(1.77%)	(2,678,443)	(2,904,113)
Revenues Before Transfers	2,534,863	2,317,736	2,395,720	2,652,419	256,699	10.71%	2,743,557	2,838,387
Transfers from Reserves	-	32,266	32,266	66,352	34,086	105.64%	66,352	66,352
Total Revenues	2,534,863	2,350,002	2,427,986	2,718,771	290,785	11.98%	2,809,909	2,904,739
Wages	191,800	222,669	222,669	256,791	34,122	15.32%	263,211	269,791
Benefits	57,741	69,955	69,524	83,610	14,086	20.26%	85,895	88,249
Total Wages & Benefits	249,541	292,624	292,193	340,401	48,208	16.50%	349,106	358,040
Office Supplies & Equip Mtnce	798	1,000	1,000	1,000	-	-	1,000	1,000
Memberships	135	250	250	250	-	-	258	266
Professional Development	-	2,625	2,625	5,000	2,375	90.48%	5,000	5,000
Maintenance Materials & Supplies	34,110	34,000	34,000	34,000	-	-	35,020	36,071
Maintenance Services	83,607	111,500	111,500	111,500	-	-	114,845	118,291
Contract Services	1,410,334	1,597,302	1,467,130	1,678,130	211,000	14.38%	1,745,130	1,815,130
Professional Services	19,416	10,000	10,000	10,000	-	-	10,000	10,000
Utilities	20,620	28,100	33,000	33,000	-	-	33,990	35,010
Insurance	34,942	40,069	40,200	46,100	5,900	14.68%	47,483	48,907
Grants & Donations	35,744	29,096	75,000	75,000	-	-	75,000	75,000
Other	47,846	48,689	47,398	49,550	2,152	4.54%	49,550	49,550
Financial Expense	(1,211)	7,524	4,200	4,200	-	-	4,200	4,200
Expenditures Before Transfers	1,935,882	2,202,779	2,118,496	2,388,131	269,635	12.73%	2,470,582	2,556,465
Transfers to Reserves	598,981	309,490	309,490	330,640	21,150	6.83%	339,327	348,274
Total Expenditures	2,534,863	2,512,269	2,427,986	2,718,771	290,785	11.98%	2,809,909	2,904,739
Net Expenditures	\$ -	\$ 162,267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Waterworks System**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 11,110	\$ 4,200	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	5,606,132	5,557,951	5,606,500	5,833,500	227,000	4.05%	6,114,500	6,410,500
User Charges Allocated to Capital	(1,980,667)	(1,896,169)	(1,896,169)	(1,922,036)	(25,867)	1.36%	(2,074,100)	(2,225,329)
Net User Charges Available for Operating	3,625,465	3,661,782	3,710,331	3,911,464	201,133	5.42%	4,040,400	4,185,171
Other Income	19,470	20,250	20,250	21,670	1,420	7.01%	21,670	21,670
Revenues Before Transfers	3,656,045	3,686,232	3,730,581	3,933,134	202,553	5.43%	4,062,070	4,206,841
Transfers from Reserves	-	32,266	32,266	66,767	34,501	106.93%	66,767	66,767
Total Revenues	3,656,045	3,718,498	3,762,847	3,999,901	237,054	6.30%	4,128,837	4,273,608
Wages	919,524	892,567	1,045,146	1,096,070	50,924	4.87%	1,123,472	1,151,559
Benefits	299,341	321,376	360,617	392,676	32,059	8.89%	402,939	413,509
Total Wages & Benefits	1,218,865	1,213,943	1,405,763	1,488,746	82,983	5.90%	1,526,411	1,565,068
Office Supplies & Equip Mtnc	4,801	6,432	5,850	6,100	250	4.27%	6,100	6,100
Memberships	4,867	1,831	1,900	1,900	-	-	1,957	2,016
Professional Development	10,596	13,831	21,125	25,000	3,875	18.34%	25,000	25,000
Maintenance Materials & Supplies	150,848	185,471	152,600	184,012	31,412	20.58%	189,532	195,217
Purchases for Resale	1,374,445	1,466,753	1,440,000	1,512,000	72,000	5.00%	1,585,000	1,669,000
Maintenance Services	155,112	172,087	177,800	190,020	12,220	6.87%	191,096	195,500
Contract Services	102,301	104,046	103,790	103,965	175	0.17%	103,965	103,965
Professional Services	18,302	22,150	26,700	26,700	-	-	26,700	26,700
Utilities	35,458	42,955	45,750	48,750	3,000	6.56%	50,178	51,649
Insurance	36,670	43,510	42,200	50,100	7,900	18.72%	51,603	53,151
Other	12,091	18,854	10,699	13,468	2,769	25.88%	13,468	13,468
Financial Expense	(664)	6,150	6,400	6,400	-	-	6,400	6,400
Expenditures Before Transfers	3,123,692	3,298,013	3,440,577	3,657,161	216,584	6.29%	3,777,410	3,913,234
Transfers to Reserves	532,353	322,270	322,270	342,740	20,470	6.35%	351,427	360,374
Total Expenditures	3,656,045	3,620,283	3,762,847	3,999,901	237,054	6.30%	4,128,837	4,273,608
Net Expenditures	\$ -	\$ (98,215)	\$ -	\$ -	\$ -	-	\$ -	\$ -



Community and Recreation Services Department

The Community and Recreation Services Department manages the following work: maintenance of Town buildings / facilities; energy management; planning and maintenance of parks; recreation programming and activities; supervision, concessions and programming at the Arena; supervision and programming at the Pool; annual special events; community event coordination; marketing and promotions for recreational programs and events; administer funding programs for low-income families; and support for the Essex County Library operation in Tecumseh.

The Community and Recreation Services Department is committed to providing affordable, healthy lifestyle opportunities for individuals, families, businesses in our community that enhance the quality of life and livability for today and tomorrow.

2023 Budget Highlights

Maintenance

- Increase in 'Wages and Benefits' of \$27,500 for one Energy Management Co-op Students, as well as contractual increases.
- Increase of \$12,000 for one Asset Management Student to complete asset management plan to meet 2024 required reporting to the province. This is a one-time request for 2023.
- One-time increase in 'Contract Services' of \$32,000 for TecEnergy proposed fees for the Towns energy management strategy. These costs are offset by a one-time transfer from reserves. Net impact is Nil.

Parks

- Increase in 'User Charges' of \$6,500 due to an increase of \$2,500 in 'Ball Diamond rental' reflective of 2022 actuals and an increase of \$4,000 in 'Registration/Entry Fees' reflective of 2022 increased pickleball keys (new facility).
- Increase of \$28,000 in 'Wages & Benefits' due to contractual increases.
- Increase in 'Professional Development' of \$2,500 returning to a pre-pandemic budget.
- Increase in 'Maintenance Materials & Supplies' of \$25,600, primarily due to inflationary increases in gas and material costs.
- Increase in 'Maintenance Service' of \$5,000 for additional tree trimming and removal. This is reflective of aging trees and increased storm damage.
- Increase in 'Contract Services' of \$25,800 offset by a reduction in 'Other' of \$25,800 to reallocate contract expenditures to the appropriate account. Net impact is Nil.

Community Facilities

- Increase in 'Grants' of \$4,200 for Summer student grant funding.
- Increase in 'User Charges' of \$8,600 primarily due to rental projections returning to pre-pandemic levels, and consolidation of Parks Building & Cultural Other departments.
- Increase in various expenditure accounts is a result of consolidating the Parks Buildings & Cultural Other departments, net impact is Nil.

Arena

- Increase of \$15,000 in 'User Charges' reflective of returning to normal ice and program revenues prior to the COVID-19 effect on rentals.
- Increase of \$167,000 in 'Wages & Benefits', \$124,700 due to the addition of 1 FTE for the Manager, Capital Projects position, with an offsetting 'Transfer from Reserve'. The remainder of the increase correlates with contractual salary increases.
- Increase of \$6,200 in 'Professional Development' \$2,700 resulting from the reversal of 2022 one-time reductions due to the pandemic, and \$2,500 reflective of increased cost of conferences seminars.
- Increase of \$6,200 in 'Maintenance Materials & Supplies' due to inflationary increases.
- Decrease of \$2,000 in 'Other' as a result in reduced advertising costs reflective of no longer printing the activity guide.
- Increase of \$5,600 in 'Insurance' for inflationary increases.
- Increase of \$21,500 in 'Utilities' for inflationary increases.

Concessions

- Concessions will no longer be operated by the Town, so no budget required. The concessions operations have been successfully tendered out to the private sector for concession operations.

Library

- Increase of \$800 in 'Insurance' for inflationary increases.

Cultural Other

- Department has been consolidated with Parks Buildings and renamed Community Facilities.

Pool

- Increase of \$10,000 in 'Grants' reflective of 2022 actuals for Summer student grants.
- Decrease of \$3,000 in 'User Charges' as a result of projected reduction of youth program due to the increased number of backyard pools and home lessons.
- Increase of \$2,500 in 'Maintenance Materials & Supplies' due to an increase in chemical costs reflective of inflation and 2022 actuals.
- Increase of \$2,300 in 'Utilities' reflective of inflationary increases.
- Increase of \$2,000 in 'Professional Services' increased cost due to inspection engineer fees for slides, and increased TSSA certification fees.
- Increase of \$1,400 in 'Insurance' for inflationary increases.
- Increase of \$2,700 in 'Professional Development'. An increase of \$1,200 resulting from the reversal of 2021 one-time reductions due to the pandemic, and \$1,500 reflective of enhanced guard training requirements and inflationary cost increases for conferences/seminars.

Recreation Programs

- Increase of \$9,500 in 'Grants' due to a \$3,500 increase in Student grant funding based on historical actuals, and \$6,000 grant funding re-allocated from the Senior Advisory Committee.
- Increase of \$18,300 in 'User Charges' reflective of the increase in camp registration and fees.
- Increase of \$20,300 to 'Wages and Benefits' reflective of returning to pre-pandemic programming.
- Increase of \$5,500 in 'Professional Services' reflective of enhanced programming.
- Increase of \$1,300 in 'Professional Development', \$500 to return to pre-pandemic budget, and \$800 for staff training
- Increase of \$1,250 in 'Other' resulting from a decrease in advertising of \$800 reflective of no longer printing the program guide & flyers replaced by social media. This is offset by an increase in various costs to return programming to pre-pandemic levels.

Special Events

- Increase of \$12,200 in 'User Charges', primarily due to an increase in donations reflective of past 2 years and increased sponsorship from P2P program.
- Increase of \$10,700 to 'Wages and Benefits' primarily due to 176 additional Special Events Assistant hours to cover required staffing for special events that run 7 days a week, and to align the position with the seasonal collective agreement, March 15 – December 15th.
- Increase of \$28,000 in 'Total Expenditures' reflective of increased programming and town run events. These expenditures are covered by reduction and removal of past Corn Festival Operational Cost, no longer required reflective of the Town not operating the Corn Festival.

Christmas in Tecumseh

- Increase of \$10,000 in 'Contract Services' reflective of enhancements planned for santa parade, partially offset by an increase in 'User Charges' of \$7,000 for anticipated donations.

Corn Festival

- The operation of the Corn Festival will be transferred to the Optimist Club who will run a rebranded event in 2023 or 2024

2023 Program Objectives

- Enhance programming by introducing fall winter new program opportunities SP#3: (Community Health and Wellness)
- Continue to Work with Community Partners to plan and develop the goal of moving forward with various components of the Multi-Use Sports Facility. (SP#3: Community Health and Wellness & SP#2: Sustainable Infrastructure)
- Continue to manage approved Capital Projects and implement the Parks and Recreation Master Plan. (SP#2: Sustainable Infrastructure)
- Examine potential opportunities for new programs and activities, enhancing opportunities for residents. (SP#3: Community Health and Wellness)
- Undertake the construction of a Splash Pad and Outdoor Washroom Facility for Lakewood Park. (SP#2: Sustainable Infrastructure)
- Renovate the CADA Library Facility by working with the Essex County Library administration to upgrade our Library facility. (SP#3: Community Health and Wellness)
- Finalize agreement with the Maidstone Recreation Centre Association and commence planned capital improvements to the facility. (SP#3: Community Health and Wellness & SP#2: Sustainable Infrastructure)
- Continue to develop energy management opportunities with the goal to reduce energy consumption in the town while lowering our carbon footprint as well. (SP#3: Community Health and Wellness & SP#2: Sustainable Infrastructure)
- Partner with L'Essor High School to replace the grass field in the main field with an artificial turf playing field. (SP#2: Sustainable Infrastructure)

Looking Ahead

- Outlook for 2024 and beyond includes the development of a detailed Asset Management plan for all Town Facilities and buildings. This is in its final stages of development in conjunction with the IT and GIS departments.
- Outlook staffing resources for 2024 include the return of one student position to Parks (.41 FTE) from Facilities to which was moved to supplement the cost of the asset management position. In Arena, outlook 2024 includes additional hours to allow for a 3rd part-time staff (0.21 FTE) to provide enhanced customer service for the Community and Recreation Administrative Office.
- Accessibility audits for all Town facilities to ensure compliance with AODA regulations will continue.
- Undertake a new comprehensive Parks, Recreation & Trail's Master Plan.
- Further Development of Lakewood Park including construction of a picnic/event shelter, and small stage area.
- Work towards the planning and development of various components from the Multi Use Sports Facility, specifically a triple gymnasium.
- Develop partnerships with users and school boards to retrofit grass playing fields into artificial turf fields to expand playing time.
- Continue to use best practice in energy management when planning renovations, equipment replacement or new facility construction
- Continue to provide quality facilities, parks amenities, programs and events to enhance the town and make it the best place to live, work and play.

Part-time:

- 1.84 Part-Time Clerical (3 Physical Employees)
- 3.77 Seasonal Labourers (5 Physical Employees)
- 7.37 Student Labourers (18 Physical Employees)
- 2.86 Part-Time Facility Attendants (7 Physical Employees)
- 0.65 Student Intern (2 physical employees)
- 0.66 Pool Coordinators (2 Physical Employees)
- 2.57 Lifeguards (18 Physical Employees)
- 0.35 Camp Coordinator (1 Physical Employee)
- 0.16 Camp Coordinator Associate (1 Physical Employee)
- 0.91 Camp Counselors (7 Physical Employees)
- 0.67 Festival & Events Assistant (1 Seasonal Employee)
- 0.23 Student Programs & Events (2 Physical Employees)
- 0.50 Public Skating Program staff (5 physical Employees)
- 0.56 Student Interns Energy Management & Asset Management (2 physical Employees)

Performance Measures

Strategic Goal

Support recreational, cultural, and arts programs that provide opportunities for residents to connect with their community. Contribute towards the sustainable beautification of the Town. Focus on exceeding customer expectations by providing exceptional quality services, and well-maintained facilities to our diverse community.

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
Number of programs offered. <i>(SP#3: Community Health & Wellness)</i>	N/A	200	228	✓	250
Number of program registrations. <i>(SP#3: Community Health & Wellness)</i>	N/A	3,500	3,780	✓	4,000
Number of senior classes offered. <i>(SP#3: Community Health & Wellness)</i>	N/A	10	14	✓	28
Number of unique bookings at Sports Fields. <i>(SP#3: Community Health & Wellness)</i>	N/A	4,150	4,294	✓	4,400
Percentage of hours Arena rented / available ice hours. <i>(SP#3: Community Health & Wellness)</i>	N/A	65%	65%	✓	65%

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
ENERGY MANAGEMENT					
Corporate energy consumption efficiency. <i>(SP#2: Sustainable Infrastructure)</i>	10.5%	5%	5%	✓	5%
CAPITAL PROJECTS					
Percent of neighbourhoods acquiring utilization/access to renewed capital development and infrastructure. <i>(SP#1: Smart Growth)</i>	77%	< 75%	83%	✗	< 75%
PARKS					
Ratio of new trees to replace removed trees. <i>(SP#3: Community Health & Wellness)</i>	N/A	> 3:1	2.2:1	✗	> 3:1
Percentage of the population that lives within 300 meters of high-quality public green space. <i>(SP#3: Community Health & Wellness)</i>	N/A	66%	66%	✓	66%



Target Met



Target Not Met



N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
Maintenance 1210**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Transfers from Reserves	\$ 7,031	\$ -	\$ -	\$ 32,000	\$ 32,000	-	\$ -	\$ -
Total Revenues	7,031	-	-	32,000	32,000	-	-	-
Wages	109,737	137,397	128,774	152,326	23,552	18.29%	156,134	160,037
Benefits	39,636	42,802	42,276	46,209	3,933	9.30%	47,507	48,842
Total Wages & Benefits	149,373	180,199	171,050	198,535	27,485	16.07%	203,641	208,879
Maintenance Materials & Supplies	4,884	7,369	5,500	7,400	1,900	34.55%	7,622	7,850
Contract Services	-	-	-	42,000	42,000	-	10,000	10,000
Maintenance Services	1,809	1,000	1,000	1,000	-	-	1,000	1,000
Other	1,177	11,406	10,500	500	(10,000)	(95.24%)	500	500
Total Expenditures	157,243	199,974	188,050	249,435	61,385	32.64%	222,763	228,229
Net Expenditures	\$ 150,212	\$ 199,974	\$ 188,050	\$ 217,435	\$ 29,385	15.63%	\$ 222,763	\$ 228,229

**Town of Tecumseh
2023 Approved Budget
Parks 7100**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 74,114	\$ 31,500	\$ 25,000	\$ 25,000	\$ -	-	\$ 25,000	\$ 25,000
User Charges	73,692	85,025	68,500	75,000	6,500	9.49%	75,000	75,000
Total Revenues	147,806	116,525	93,500	100,000	6,500	6.95%	100,000	100,000
Wages	681,272	788,840	849,690	857,107	7,417	0.87%	895,573	917,962
Benefits	175,033	210,223	221,686	242,214	20,528	9.26%	248,833	255,651
Total Wages & Benefits	856,305	999,063	1,071,376	1,099,321	27,945	2.61%	1,144,406	1,173,613
Office Supplies & Equip Mtnce	503	650	900	900	-	-	900	900
Memberships	1,193	1,950	1,806	1,806	-	-	1,860	1,916
Professional Development	2,015	2,491	5,650	8,100	2,450	43.36%	8,100	8,100
Maintenance Materials & Supplies	159,236	196,537	171,180	196,780	25,600	14.96%	202,608	208,612
Maintenance Services	104,850	115,540	111,100	116,100	5,000	4.50%	116,730	117,379
Contract Services	3,914	28,600	28,600	54,400	25,800	90.21%	54,400	54,400
Utilities	102,454	103,600	103,600	106,100	2,500	2.41%	129,268	145,131
Insurance	37,780	37,235	43,500	42,900	(600)	(1.38%)	44,187	45,513
Other	45,387	34,896	35,350	9,550	(25,800)	(72.98%)	9,550	9,550
Expenditures Before Transfers	1,313,637	1,520,562	1,573,062	1,635,957	62,895	4.00%	1,712,009	1,765,114
Transfers to Reserves	29,485	26,750	8,500	8,500	-	-	8,500	8,500
Total Expenditures	1,343,122	1,547,312	1,581,562	1,644,457	62,895	3.98%	1,720,509	1,773,614
Net Expenditures	\$ 1,195,316	\$ 1,430,787	\$ 1,488,062	\$ 1,544,457	\$ 56,395	3.79%	\$ 1,620,509	\$ 1,673,614

**Town of Tecumseh
2023 Approved Budget
Parks Buildings 7110**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 91	\$ 6,300	\$ -	\$ 4,200	\$ 4,200	-	\$ 4,200	\$ 4,200
User Charges	5,748	33,000	33,000	41,600	8,600	26.06%	41,600	41,600
Total Revenues	5,839	39,300	33,000	45,800	12,800	38.79%	45,800	45,800
Wages	42,046	71,224	71,224	74,372	3,148	4.42%	76,231	78,137
Benefits	4,952	8,584	8,585	9,260	675	7.86%	9,539	9,825
Total Wages & Benefits	46,998	79,808	79,809	83,632	3,823	4.79%	85,770	87,962
Maintenance Materials & Supplies	3,236	11,000	11,000	11,000	-	-	12,330	13,700
Maintenance Services	12,741	12,000	12,000	15,000	3,000	25.00%	17,450	18,974
Utilities	9,373	18,400	22,000	23,700	1,700	7.73%	24,381	25,082
Insurance	1,861	2,159	2,200	2,500	300	13.64%	2,575	2,652
Other	91	-	-	-	-	-	-	-
Total Expenditures	74,300	123,367	127,009	135,832	8,823	6.95%	142,506	148,370
Net Expenditures	\$ 68,461	\$ 84,067	\$ 94,009	\$ 90,032	\$ (3,977)	(4.23%)	\$ 96,706	\$ 102,570

**Town of Tecumseh
2023 Approved Budget
Arena 7500**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 210,085	\$ 63,843	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	563,546	854,657	918,500	933,500	15,000	1.63%	933,500	933,500
Other Income	6,500	6,500	6,500	6,500	-	-	6,500	6,500
Revenues Before Transfers	780,131	925,000	925,000	940,000	15,000	1.62%	940,000	940,000
Transfers from Reserves	13,796	15,204	-	125,573	125,573	-	125,573	125,573
Total Revenues	793,927	940,204	925,000	1,065,573	140,573	15.20%	1,065,573	1,065,573
Wages	755,506	737,359	795,737	915,219	119,482	15.02%	955,324	979,207
Benefits	200,110	220,041	233,511	281,153	47,642	20.40%	289,047	297,179
Total Wages & Benefits	955,616	957,400	1,029,248	1,196,372	167,124	16.24%	1,244,371	1,276,386
Office Supplies & Equip Mtnc	4,699	6,090	5,900	5,900	-	-	5,900	5,900
Memberships	4,549	3,900	3,900	3,900	-	-	4,017	4,138
Professional Development	4,340	5,800	5,800	12,000	6,200	106.90%	12,000	12,000
Maintenance Materials & Supplies	29,187	50,898	46,300	52,500	6,200	13.39%	54,060	55,667
Maintenance Services	61,633	72,200	72,200	74,200	2,000	2.77%	78,285	80,493
Contract Services	1,900	1,740	1,740	1,740	-	-	1,740	1,740
Vehicle & Equipment Leases	270	-	-	-	-	-	-	-
Utilities	172,891	260,799	285,800	307,300	21,500	7.52%	316,495	325,966
Insurance	34,833	39,705	40,100	45,700	5,600	13.97%	47,071	48,483
Other	57,089	33,317	21,850	19,850	(2,000)	(9.15%)	19,850	19,850
Financial Expense	11,356	16,752	15,500	15,500	-	-	15,500	15,500
Expenditures Before Transfers	1,338,363	1,448,601	1,528,338	1,734,962	206,624	13.52%	1,799,289	1,846,123
Transfers to Reserves	24,039	45,692	40,300	48,000	7,700	19.11%	48,000	48,000
Total Expenditures	1,362,402	1,494,293	1,568,638	1,782,962	214,324	13.66%	1,847,289	1,894,123
Net Expenditures	\$ 568,475	\$ 554,089	\$ 643,638	\$ 717,389	\$ 73,751	11.46%	\$ 781,716	\$ 828,550

**Town of Tecumseh
2023 Approved Budget
Recreation Programs 7501**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 7,483	\$ 17,325	\$ 6,500	\$ 16,000	\$ 9,500	146.15%	\$ 16,000	\$ 16,000
User Charges	10,868	92,362	94,400	112,700	18,300	19.39%	112,700	112,700
Total Revenues	18,351	109,687	100,900	128,700	27,800	27.55%	128,700	128,700
Wages	84,737	152,406	160,892	180,172	19,280	11.98%	184,676	189,293
Benefits	23,777	34,067	39,386	40,444	1,058	2.69%	41,657	42,907
Total Wages & Benefits	108,514	186,473	200,278	220,616	20,338	10.15%	226,333	232,200
Office Supplies & Equip Mtnce	-	99	200	200	-	-	200	200
Professional Development	-	500	500	1,800	1,300	260.00%	1,800	1,800
Maintenance Materials & Supplies	2,263	5,664	4,900	7,000	2,100	42.86%	7,210	7,426
Contract Services	-	3,944	2,800	3,300	500	17.86%	3,300	3,300
Professional Services	6,910	6,770	6,000	11,500	5,500	91.67%	11,500	11,500
Other	334	7,858	9,500	10,750	1,250	13.16%	10,750	10,750
Total Expenditures	118,021	211,425	224,178	255,291	31,113	13.88%	261,222	267,309
Net Expenditures	\$ 99,670	\$ 101,738	\$ 123,278	\$ 126,591	\$ 3,313	2.69%	\$ 132,522	\$ 138,609

**Town of Tecumseh
2023 Approved Budget
Concessions 7503**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 845	\$ 4,684	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	845	4,684	-	-	-	-	-	-
Purchases for Resale	-	2,210	-	-	-	-	-	-
Financial Expense	309	4	-	-	-	-	-	-
Total Expenditures	309	2,214	-	-	-	-	-	-
Net Expenditures	\$ (536)	\$ (2,470)	\$ -	\$ -	\$ -	-	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Pool 7550**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 48,432	\$ 46,200	\$ 15,000	\$ 25,000	\$ 10,000	66.67%	\$ 25,000	\$ 25,000
User Charges	52,775	117,682	131,500	128,500	(3,000)	(2.28%)	128,500	128,500
Total Revenues	101,207	163,882	146,500	153,500	7,000	4.78%	153,500	153,500
Wages	95,432	146,131	150,342	154,500	4,158	2.77%	158,362	162,321
Benefits	14,551	20,953	21,657	23,223	1,566	7.23%	23,920	24,638
Total Wages & Benefits	109,983	167,084	171,999	177,723	5,724	3.33%	182,282	186,959
Office Supplies & Equip Mtnce	810	600	825	825	-	-	825	825
Memberships	251	260	350	350	-	-	361	372
Professional Development	-	269	1,300	4,000	2,700	207.69%	4,000	4,000
Maintenance Materials & Supplies	14,239	28,424	27,950	30,450	2,500	8.94%	30,696	30,950
Maintenance Services	1,752	12,000	9,000	9,000	-	-	9,270	9,548
Professional Services	-	5,349	2,500	4,500	2,000	80.00%	4,500	4,500
Utilities	16,881	27,400	25,400	27,700	2,300	9.06%	28,489	29,302
Insurance	7,871	9,126	9,100	10,500	1,400	15.38%	10,815	11,139
Other	3,147	5,000	7,100	5,600	(1,500)	(21.13%)	5,600	5,600
Total Expenditures	154,934	255,512	255,524	270,648	15,124	5.92%	276,838	283,195
Net Expenditures	\$ 53,727	\$ 91,630	\$ 109,024	\$ 117,148	\$ 8,124	7.45%	\$ 123,338	\$ 129,695

**Town of Tecumseh
2023 Approved Budget
Library 7600**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 228	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	228	-	-	-	-	-	-	-
Maintenance Materials & Supplies	105	1,500	1,500	1,500	-	-	1,545	1,591
Maintenance Services	1,906	2,000	2,000	2,000	-	-	2,060	2,122
Insurance	4,081	4,731	4,700	5,500	800	17.02%	5,665	5,835
Other	228	-	-	-	-	-	-	-
Total Expenditures	6,320	8,231	8,200	9,000	800	9.76%	9,270	9,548
Net Expenditures	\$ 6,092	\$ 8,231	\$ 8,200	\$ 9,000	\$ 800	9.76%	\$ 9,270	\$ 9,548

**Town of Tecumseh
2023 Approved Budget
Cultural Other 7701**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 29	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	3,600	3,600	3,600	-	(3,600)	(100.00%)	-	-
Total Revenues	3,629	3,600	3,600	-	(3,600)	(100.00%)	-	-
Maintenance Services	2,181	3,000	3,000	-	(3,000)	(100.00%)	-	-
Utilities	2,541	3,000	3,000	-	(3,000)	(100.00%)	-	-
Other	29	-	-	-	-	-	-	-
Total Expenditures	4,751	6,000	6,000	-	(6,000)	(100.00%)	-	-
Net Expenditures	\$ 1,122	\$ 2,400	\$ 2,400	\$ -	\$ (2,400)	(100.00%)	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Corn Festival 7710**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 2,075	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenues	2,075	-	-	-	-	-	-	-
Office Supplies & Equip Mtnce	-	20	-	-	-	-	-	-
Other	1,325	-	-	-	-	-	-	-
Total Expenditures	1,325	20	-	-	-	-	-	-
Net Expenditures	\$ (750)	\$ 20	\$ -	\$ -	\$ -	-	\$ -	\$ -

**Town of Tecumseh
2023 Approved Budget
Christmas in Tecumseh 7720**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 3,542	\$ 7,000	\$ 7,000	\$ 10,000	\$ 3,000	42.86%	\$ 10,000	\$ 10,000
Total Revenues	3,542	7,000	7,000	10,000	3,000	42.86%	10,000	10,000
Maintenance Materials & Supplies	753	1,600	1,600	1,600	-	-	1,600	1,600
Contract Services	2,341	17,400	17,400	27,400	10,000	57.47%	27,400	27,400
Other	-	8,000	8,000	8,000	-	-	8,000	8,000
Total Expenditures	3,094	27,000	27,000	37,000	10,000	37.04%	37,000	37,000
Net Expenditures	\$ (448)	\$ 20,000	\$ 20,000	\$ 27,000	\$ 7,000	35.00%	\$ 27,000	\$ 27,000

**Town of Tecumseh
2023 Approved Budget
Special Events 7790**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 7,483	\$ 6,900	\$ -	\$ 9,200	\$ 9,200	-	\$ 9,200	\$ 9,200
User Charges	10,548	16,400	2,800	15,000	12,200	435.71%	15,000	15,000
Total Revenues	18,031	23,300	2,800	24,200	21,400	764.29%	24,200	24,200
Wages	37,848	56,713	56,714	62,779	6,065	10.69%	64,348	65,957
Benefits	4,433	7,291	6,882	11,531	4,649	67.55%	11,878	12,234
Total Wages & Benefits	42,281	64,004	63,596	74,310	10,714	16.85%	76,226	78,191
Professional Development	168	-	-	-	-	-	-	-
Contract Services	-	-	-	24,000	24,000	-	24,000	24,000
Professional Services	-	-	-	8,000	8,000	-	8,000	8,000
Maintenance Materials & Supplies	9,527	27,182	22,800	8,000	(14,800)	(64.91%)	8,120	8,244
Other	1,677	5,000	5,000	5,000	-	-	5,000	5,000
Total Expenditures	53,653	96,186	91,396	119,310	27,914	30.54%	121,346	123,435
Net Expenditures	\$ 35,622	\$ 72,886	\$ 88,596	\$ 95,110	\$ 6,514	7.35%	\$ 97,146	\$ 99,235



Development Services

Development Services is a multi-disciplinary team of Planners, Building Officials, and support staff responsible for providing land use planning advice; developing and implementing land use policies, regulations, and approvals; reviewing and making recommendations on new development proposals; enforcing the Ontario Building Code; engaging in local economic development initiatives and overseeing the Town's public transit system. The Development Services Department participates in the County-Wide Active Transportation System (CWATS) Implementation Committee, Inter-municipal Planning Consultation Committee and the Ontario Building Officials Association (Sun Parlour Chapter).

2023 Budget Highlights

Building

- Implementation of Building Services Operational Review (November 22, 2022), including an increase of two full-time equivalent (FTE) positions through the addition of one Deputy Chief Building Officer, one Senior Building Inspector, and the implementation of an electronic permitting and inspection system ("Cloudpermit"). Review and update of the Building Services Reserve to be undertaken in 2023 following the proposed changes to staffing service levels and increases to permit fees.
- Net Surplus of \$59,700 in Building Services with anticipated permit revenue of \$939,000.
- Reversal of 2022 one-time increase in 'Transfer from Reserves' of \$40,000, which was providing funding for Contract Inspections and Plans Review in 2022.
- Increase in 'Wages and Benefits' of \$221,200 resulting from the addition of the two FTE positions previously mentioned and contractual increases.
- Decrease of \$18,000 in 'Professional Services', which will result in \$23,000 for Contract Inspection and Plans Review services to ensure on-going service delivery, particularly in advance of the on-boarding of the two new FTEs.

- Increase in 'Transfer to Reserves of \$207,400; comprising a \$50,000 increase resulting from an inter-functional transfer to TCS for Cloudpermit software and \$157,400 net surplus to be transferred to a reserve fund to self-fund the Building Services operation during future drops in permit activity.

Transit

- On-demand pilot project completed in 2022. In 2023, moving to a fixed route Monday to Friday, with on-demand on Saturday only.
- Decrease of \$13,700 in 'Grants', primarily due to the reversal of 2022 one-time increase of \$12,000 for the Canada Healthy Communities Initiative Grant.
- Decrease in 'Contract Services' of \$8,200 reflective of the move to a hybrid service model, however there will continue to be an expense of \$35,000 for the on-demand app and call-in center service provider.

Planning and Zoning

- Increase in 'User Charges' of \$26,400, primarily due to an anticipated increase in development activity in 2023.
- Three major studies will be undertaken in 2023. The first two are continuing from 2022 for completion in 2023, comprising the Tecumseh Hamlet Secondary Plan and the new Comprehensive Zoning By-law, with planning services fees of \$36,000 and \$52,000 respectively. The third is \$57,000 in professional planning services to complete the Oldcastle Hamlet Special Planning Study for Future Development Lands. All of the preceding are funded from reserves.
- Increase in 'Wages & Benefits of \$128,800, primarily due to the addition of one Senior Planner position (1 FTE) of \$112,500, which is funded from Capital Reserves. The remaining increase is attributed to contractual wage increases.
- The preparation of new Development Charge Background Study and By-law for completion in 2024 will commence at the end of 2023, with a financial services fee of \$5,000 in 2023, funded from reserve funds.

Committee of Adjustment

- No significant changes for 2023.

Local Economic Development

- This is a relatively new division flowing from the 2021 Organizational Review and includes a staff allocation of 0.40 FTE, largely through a reduction in staff allocations in the Planning division.
- One-time increase of \$25,000 in 'Professional Services' for distinct branding for commercial districts to be initiated as part of the implementation of the "Tecumseh-Lakeshore Shared Commercial Economic Development Strategy", offset by a one-time increase in Transfer from Reserves. Net impact is Nil.

2023 Program Objectives

- Finalize the Tecumseh Hamlet Secondary Plan document and incorporate it into the Official Plan by way of amendment. Integrate the following related studies: Upper Little River Watershed Master Drainage and Stormwater Master Plan and Tecumseh Hamlet Traffic Study. (SP#1: Smart Growth, SP#2: Sustainable Infrastructure, SP#3: Community Health and Wellness).
- Implement necessary actions to facilitate development in the Tecumseh Hamlet Secondary Plan Area and the Manning Road Secondary Plan Area and in Oldcastle Hamlet. (SP#1: Smart Growth, SP#2 Sustainable Infrastructure, SP#3: Community Health and Wellness).
- Complete the 'Oldcastle Hamlet Special Planning Study for Future Development Lands', with the findings incorporated into the Official Plan by way of amendment. (SP#1: Smart Growth, SP#2: Sustainable Infrastructure, SP#3: Community Health and Wellness, SP#4 Continuous Improvement).
- Finalize the new Comprehensive Zoning By-law as one of the key methods of implementing the new approved Official Plan and provide consistent regulations town-wide. (SP#1: Smart Growth, SP#3: Community Health and Wellness, SP#4 Continuous Improvement).
- Continue to promote financial incentive programs under the Tecumseh Road Community Improvement Plan and the Industrial Community Improvement Plan. (SP#3: Community Health and Wellness, SP#4 Continuous Improvement).
- Foster the Local Economic Development division through improved liaison with key regional partners (Invest Windsor-Essex, Tourism Windsor Essex Pelee Island) and assist with the implementation of the five-year capital works plan

intended to advance residential, commercial and industrial development (SP#1: Smart Growth, SP#4: Continuous Improvement).

- Implement the Building Services Operational Review (November 22, 2022) for improved customer service and timely processing of building applications (SP#4: Continuous Improvement).
- Transition from the On-Demand Transit pilot project to a fixed route Monday to Friday with On-Demand on Saturday only (SP#1: Smart Growth, SP#2: Sustainable Infrastructure, SP#3: Community Health and Wellness, SP#4 Continuous Improvement).

Looking Ahead

- Future budgets may be impacted by “next steps” in Tecumseh Hamlet Secondary Plan Area in light of lessons learned from Manning Road Secondary Plan decisions.
- New Development Charges Background Study and By-law to be completed by August 31, 2024, time of expiry of the current By-law.
- Clerical support (0.3 FTE) to By-law Enforcement to end as of 2024, with the associated Clerical support then returning to Development Services.
- Transit division to be moved to Public Works & Engineering Services in 2024 in accordance with the 2021 Organizational Review, which will provide for a reallocation of staffing capacity to other areas of Development Services.

Staffing Resources

	2022	2023	2024	2025
Permanent FTE	Budget	Budget	Outlook	Outlook
Full-Time FTE	7.00	9.14	10.00	10.00
Total FTE	7.00	9.14	10.00	10.00

Net Change	-	2.14	0.86	-
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Staffing complement includes:

- 1.00 Director Development Services
- 1.00 Manager Planning Services & Local Economic Development
- 1.00 Manager Building Services/CBO
- 0.84 Deputy CBO
- 1.00 Senior Planner
- 1.00 Planner
- 0.60 Senior Building Inspector
- 1.00 Building Inspector
- 1.70 Clerical

Performance Measures

Strategic Goal

Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers, including promoting economic development and creating and promoting new housing supply.

Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities, including building strong and stable neighbourhoods and developing and delivering comprehensive community services.

Steward the Town's continuous improvement approach to municipal service delivery to residents and businesses, including delivery of high-quality customer service.

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
BUILDING					
Percentage of permits received and issued that met <i>Building Code Act</i> timelines (SP#1: Smart Growth)					
1) Housing permits (10 days)	100%	100%	100%	✓	100%
2) Small Building permits (15 days)	100%	100%	100%	✓	100%
3) Large Building permits (20 days)	100%	100%	100%	✓	100%
4) Complex Building permits (30 days)	100%	100%	100%	✓	100%

Performance Measure	FY 2021 Actuals	FY 2022 Target	FY 2022 Actuals	FY 2022 Status	FY 2023 Target
PLANNING					
Percentage of applications received and decisions rendered that met <i>Planning Act</i> timelines (SP#1: Smart Growth)					
1) Official Plan Amendment application	100%	100%	N/A	N/A	100%
2) Zoning by-law application	56%	100%	75%	x	100%
3) Site Plan Control applications	43%	100%	55%	x	100%
4) Consent applications	100%	100%	44%	x	100%
5) Minor Variance applications	94%	100%	67%	x	100%
TRANSIT					
Total Ridership	14,668	N/A	11,352	N/A	25,000
Ridership per capita of total service population.	1.0	N/A	0.8	N/A	1.8



Target Met



Target Not Met



N/A – New Measure/Info Not Yet Available

**Town of Tecumseh
2023 Approved Budget
Building 2600**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 3,947	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	6,127	5,000	5,000	5,000	-	-	5,000	5,000
Licences and Permits	590,372	396,351	567,868	938,863	370,995	65.33%	1,111,406	1,111,406
Revenues Before Transfers	600,446	401,351	572,868	943,863	370,995	64.76%	1,116,406	1,116,406
Transfers from Reserves	5,000	40,000	40,000	-	(40,000)	(100.00%)	-	-
Total Revenues	605,446	441,351	612,868	943,863	330,995	54.01%	1,116,406	1,116,406
Wages	246,176	464,537	278,003	436,854	158,851	57.14%	517,962	530,911
Benefits	86,106	123,143	107,547	169,893	62,346	57.97%	174,151	178,535
Total Wages & Benefits	332,282	587,680	385,550	606,747	221,197	57.37%	692,113	709,446
Office Supplies & Equip Mtnce	2,123	2,174	1,800	1,800	-	-	1,800	1,800
Memberships	2,872	1,194	1,050	1,040	(10)	(0.95%)	1,071	1,103
Professional Development	909	3,000	3,100	9,650	6,550	211.29%	9,650	9,650
Maintenance Materials & Supplies	2,099	3,630	6,550	10,450	3,900	59.54%	10,762	11,083
Maintenance Services	97	742	1,000	2,000	1,000	100.00%	2,000	2,000
Professional Services	-	4,739	43,500	25,500	(18,000)	(41.38%)	25,500	25,500
Insurance	10,755	12,506	12,400	14,400	2,000	16.13%	14,832	15,277
Other	2,341	3,225	2,000	5,200	3,200	160.00%	5,200	5,200
Expenditures Before Transfers	353,478	618,890	456,950	676,787	219,837	48.11%	762,928	781,059
Transfers to Reserves	-	-	-	207,352	207,352	-	293,478	275,347
Total Expenditures	353,478	618,890	456,950	884,139	427,189	93.49%	1,056,406	1,056,406
Net Expenditures	\$ (251,968)	\$ 177,539	\$ (155,918)	\$ (59,724)	\$ 96,194	(61.70%)	\$ (60,000)	\$ (60,000)

**Town of Tecumseh
2023 Approved Budget
Transit 3300**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 187,948	\$ 206,963	\$ 118,657	\$ 105,000	\$ (13,657)	(11.51%)	\$ 105,000	\$ 105,000
User Charges	-	12,552	36,000	36,000	-	-	36,000	36,000
Revenues Before Transfers	187,948	219,515	154,657	141,000	(13,657)	(8.83%)	141,000	141,000
Transfers from Reserves	8,050	113,400	113,400	120,000	6,600	5.82%	85,000	85,000
Total Revenues	195,998	332,915	268,057	261,000	(7,057)	(2.63%)	226,000	226,000
Wages	35,971	37,081	36,913	37,972	1,059	2.87%	38,921	39,894
Benefits	11,384	12,328	11,993	13,012	1,019	8.50%	13,363	13,725
Total Wages & Benefits	47,355	49,409	48,906	50,984	2,078	4.25%	52,284	53,619
Office Supplies & Equip Mtnce	-	500	500	500	-	-	500	500
Maintenance Materials & Supplies	-	500	500	500	-	-	500	500
Maintenance Services	-	5,000	5,000	5,000	-	-	5,000	5,000
Contract Services	238,928	257,701	289,200	281,000	(8,200)	(2.84%)	246,000	246,000
Professional Services	-	543	-	-	-	-	-	-
Utilities	-	-	850	850	-	-	850	850
Insurance	10,510	12,257	12,100	14,100	2,000	16.53%	14,523	14,959
Other	1,034	6,546	4,500	2,500	(2,000)	(44.44%)	2,500	2,500
Expenditures Before Transfers	297,827	332,456	361,556	355,434	(6,122)	(1.69%)	322,157	323,928
Transfers to Reserves	14,040	14,347	14,347	15,212	865	6.03%	15,212	15,212
Total Expenditures	311,867	346,803	375,903	370,646	(5,257)	(1.40%)	337,369	339,140
Net Expenditures	\$ 115,869	\$ 13,888	\$ 107,846	\$ 109,646	\$ 1,800	1.67%	\$ 111,369	\$ 113,140

**Town of Tecumseh
2023 Approved Budget
Planning & Zoning 8100**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ 36,450	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
User Charges	35,468	39,485	35,000	61,375	26,375	75.36%	61,375	61,375
Revenues Before Transfers	71,918	39,485	35,000	61,375	26,375	75.36%	61,375	61,375
Transfers from Reserves	1,486	177,046	128,500	262,500	134,000	104.28%	137,500	112,500
Total Revenues	73,404	216,531	163,500	323,875	160,375	98.09%	198,875	173,875
Wages	254,609	233,527	234,446	327,949	93,503	39.88%	336,148	344,552
Benefits	82,377	79,002	77,366	112,693	35,327	45.66%	115,735	118,866
Total Wages & Benefits	336,986	312,529	311,812	440,642	128,830	41.32%	451,883	463,418
Office Supplies & Equip Mtnc	1,414	3,550	3,550	3,550	-	-	3,550	3,550
Memberships	2,309	2,379	2,379	2,884	505	21.23%	2,971	3,060
Professional Development	2,312	3,575	3,575	8,100	4,525	126.57%	8,100	8,100
Professional Services	39,771	177,634	128,500	150,000	21,500	16.73%	30,000	5,000
Grants & Donations	75,960	35,680	125,000	125,000	-	-	125,000	125,000
Other	3,556	10,705	4,300	7,000	2,700	62.79%	2,000	2,000
Expenditures Before Transfers	462,308	546,052	579,116	737,176	158,060	27.29%	623,504	610,128
Transfers to Reserves	124,040	89,320	-	-	-	-	-	-
Total Expenditures	586,348	635,372	579,116	737,176	158,060	27.29%	623,504	610,128
Net Expenditures	\$ 512,944	\$ 418,841	\$ 415,616	\$ 413,301	\$ (2,315)	(0.56%)	\$ 424,629	\$ 436,253

**Town of Tecumseh
2023 Approved Budget
Committee of Adjustments 8110**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
User Charges	\$ 43,438	\$ 17,762	\$ 26,000	\$ 27,300	\$ 1,300	5.00%	\$ 27,300	\$ 27,300
Total Revenues	43,438	17,762	26,000	27,300	1,300	5.00%	27,300	27,300
Wages	60,540	58,094	68,404	69,408	1,004	1.47%	71,143	72,922
Benefits	21,952	25,650	24,158	27,481	3,323	13.76%	28,021	28,575
Total Wages & Benefits	82,492	83,744	92,562	96,889	4,327	4.67%	99,164	101,497
Office Supplies & Equip Mtnce	47	150	150	150	-	-	150	150
Memberships	1,350	1,050	1,200	1,200	-	-	1,236	1,273
Professional Development	1,000	2,425	6,225	12,300	6,075	97.59%	12,300	12,300
Professional Services	1,191	8,654	4,500	4,500	-	-	4,500	4,500
Other	-	150	150	150	-	-	150	150
Total Expenditures	86,080	96,173	104,787	115,189	10,402	9.93%	117,500	119,870
Net Expenditures	\$ 42,642	\$ 78,411	\$ 78,787	\$ 87,889	\$ 9,102	11.55%	\$ 90,200	\$ 92,570

**Town of Tecumseh
2023 Approved Budget
Local Economic Development 8200**

Budget Line Item	2021 Actuals	2022 Forecast	2022 Budget	2023 Budget	\$ Change	% Change	2024 Forecast	2025 Forecast
Grants	\$ -	\$ 9,652	\$ 10,000	\$ -	\$ (10,000)	(100.00%)	\$ -	\$ -
Total Revenues	-	9,652	10,000	25,000	15,000	150.00%	-	-
Wages	-	44,942	44,786	46,322	1,536	3.43%	47,480	48,667
Benefits	-	14,749	14,366	15,629	1,263	8.79%	16,050	16,484
Total Wages & Benefits	-	59,691	59,152	61,951	2,799	4.73%	63,530	65,151
Office Supplies & Equip Mtnce	-	550	550	550	-	-	550	550
Professional Services	-	8,960	10,000	25,000	15,000	150.00%	-	-
Other	-	200	200	200	-	-	200	200
Total Expenditures	-	69,401	69,902	87,701	17,799	25.46%	64,280	65,901
Net Expenditures	\$ -	\$ 59,749	\$ 59,902	\$ 62,701	\$ 2,799	4.67%	\$ 64,280	\$ 65,901

2023 Lifecycle Budget

Definition of Capital

A project or an acquisition must meet the following requirements to be considered a Capital Expenditure:

- Useful life longer than one year
- Cost equal or greater than \$5,000
- Meets strategic priorities and fiscal policies

Capital Planning

Special Council Meetings were held in March and May of 2022 to consider optional five-year capital plan scenarios intended to shape and prioritize the five-year capital plans for the Community Recreation Services and Public Works and Engineering Services departments respectively. Council adopted plans, in principle, that include significant investment and focus for community recreation amenities and infrastructure works to promote development. A 2022 Community and Recreation Services Amended Capital Plan was approved by Council that provided for one of the recreation amenities, Lacasse Ball Diamond Upgrade project, to commence in 2022. The 2023-2027 five-year plans will be brought forward to Council in the form of council reports following the 2023 Budget process for consideration and potential adoption.

The five-year plans include expenditures in excess of \$105M over the five-year period. Town allocations to reserves that support these programs are expected to total approximately \$47M during this same time period. Grant and Partnership opportunities will provide significant financial support, recoveries from benefitting landowners, where applicable, will offset some costs and long-term debt financing will be required to some extent.

Community and Recreation amenities include: Lacasse Ball Diamond Upgrades, Lakewood Park Washrooms and Splash Pad, L'Essor High School Artificial Turf Soccer Field, Maidstone Recreation Centre Outdoor Washrooms, among several other projects, while the Public Works and Engineering Services projects include two major storm pump station improvements in the Scully and St. Mark's Storm Pump Station/Riverside Drive Improvements and P.J. Cecile Storm Pump Station Improvement, Lesperance/VIA

Rail At-Grade Crossing Improvements, Tecumseh Hamlet Secondary Plan Area Water and Wastewater servicing, County Road 46/Webster/Laval Sanitary Sewer Extension, County Road 42/43 Watermain, among many others.

The Town's practices of advanced engineering works and sound urban planning along with lifecycle financial planning and capital-specific staffing enhancements should position the Town to deliver on this robust five-year plan.

The following master plans and studies drive the Town's capital planning program:

- **Asset Management Plan (AMP)** is a long-range, holistic planning tool for the care of existing and new infrastructure. It takes into consideration strategic priorities, expected levels of service, risk, maintenance strategies, integration and funding. It is a capital works planning tool to assist decision-making with respect to infrastructure investments and is a component of a Long-Term Financial Plan. The Town's AMP 3.0 was adopted by Council on October 26, 2022 in accordance with Phase 1 of O. Reg. 588/17 as amended by O. Reg. 193/21. The AMP will be updated in 2024 in compliance with Phase 2 of those same regulations to include additional asset types.
- **Road and Bridge and Culvert Needs Studies** provide information on construction needs and cost estimates. The studies identify critical deficiencies and list structures in order of a priority rating with respect to reconstruction and/or upgrades. The Road Needs Study is normally updated every five years, with the next update anticipated in 2024. The Bridge and Culvert Needs Study (for spans greater than 3-metres) is normally updated every two years, with the next update scheduled for 2024. These studies are used as a tool for support of the Town's Asset Management and Lifecycle Plans and in the preparation of Capital Work Plans.
- A **Bridge Signage and Roadside Safety Review** was completed in 2015 and again in 2018. As part of the review, potential roadside safety deficiencies were identified, along with potential and preferred solutions at each bridge structure using Ministry of Transportation Ontario (MTO) guidelines. Field reviews were used to document existing conditions and potential hazards. Clear zone widths and guide rail warrants were evaluated according to the 2017 MTO Roadside Design Manual . The majority of the recommended works consist of the addition or extension of Steel Beam Guide Rails (SBGR) and Steel Beam Energy Attenuating Terminals (SBEAT). The probable cost of construction estimates for the roadside safety improvements were also developed. The review is used in the preparation of Capital Work Plans.

- **A Culvert Need Study** (for spans less than 3-metres) was completed in 2016. The purpose of the Culvert Needs Study was to identify all of the existing culverts with spans less than three metres, conduct a condition assessment, and prepare a comprehensive plan for improving and maintaining these structures for the next ten-year period. There are a total of seventy-one existing culverts with a span less than three metres that were inspected in accordance with the latest version of the Ontario Structure Inspection Manual (OSIM) published by the Ministry of Transportation of Ontario (MTO). The assessment is used in the preparation of Capital Work Plans.
- **A Development Charge (DC) Study** 5-year review was completed in 2019 and an update was completed in 2022 pursuant to the requirements of the Development Charges Act, 1997. The DC Study details capital service needs that will arise due to future residential and non-residential growth and imposes a charge against new development to cover the cost of those future capital services. A new DC By-law must be prepared every five years. Accordingly, the next full review will take place in 2024.
- It had previously been anticipated that a **Community Benefits Charge (CBC) Study** would be undertaken in 2021, however the final legislation included revisions that negated the need for the Town to undertake the Study.
- The Town **Official Plan** is a statutory document which sets out the land use policy directions and growth management strategies for long-term growth and development in the municipality. A new Official Plan was adopted by Council and approved by the County of Essex in 2021 in accordance with the provisions of the Planning Act.
- A **Fire Master Plan** was completed in 2008 which addressed the Fire Department's service delivery model. This report included discussion on the capital requirements necessary to support recommended service improvements. The 2022 budget included provision for a Fire Master Plan Update to be undertaken in 2022. A tender to secure a consultant to perform the update was published in 2022 Q4. This project will carry into 2023.
- The **Water and Wastewater Rate Study** addresses operating costs, identifies all current and future water systems capital needs and reviews potential methods of cost recovery. A full Water and Wastewater Rate Study was completed by in-house staff in the fall of 2015 and was due for an update in 2020, however due to COVID-19 this study was postponed to 2022 with anticipated completion in 2023 Q1.

- A **Water and Wastewater Master Plan Update** was initiated in 2016 and was completed in early 2020 in accordance with the Class Environmental Assessment (EA) process for water and wastewater projects. The updated Master Plan considers the additional planning studies and discussion papers related to the preparation of a new Official Plan that have been prepared since the completion of the previous 2008 Water and Wastewater Master Plan Update. The updated Master Plan will ensure that the Town implements the most cost effective infrastructure servicing strategies required to support new growth and to maintain a high level of service. The updated Master Plan is a critical component in the Town's committed approach to provide sustainable services and it provides the new framework and vision for the water and wastewater servicing needs of the Town to 2038 and beyond.
- The **Sanitary Sewer Model Update** is anticipated to be completed in 2023. The updated model will provide insight into the existing flow characteristics of the Town sanitary sewer system and on available sanitary sewer capacity to accommodate infill development within the Town. The updated model can also be used to assess alternative mitigation measures to reduce the threat of basement flooding in identified areas of concern.
- A **Pump and Metering Station Condition Assessment** was completed in 2016. The purpose of the report was to identify immediate required repairs and to develop a recommended program for expected repairs and maintenance over a ten-year period.
- A **Traffic Signal Infrastructure Assessment** was completed in 2015. The condition assessment was conducted for all traffic signal infrastructures owned and maintained by the Town, including 11 intersections and one mid-block cross walk. The assessment was used as the basis for identifying the recommended priority, scope and cost for related infrastructure improvements, which could be utilized by the Town to develop a long-term, comprehensive maintenance and capital replacement strategy for traffic signal infrastructure.
- The **(Tecumseh) Storm Drainage Master Plan** was completed in 2019. The study is aimed at addressing the impacts of surface flooding on the mainly urbanized residential areas of the Town located along the northern and eastern limits. This included the assessment of storm pump stations, gravity outfalls and their respective service areas minor and major system discharging to Lake St. Clair and Pike Creek. The recommended surface flooding solutions outlined within the study totaled \$107M.
- The **(Oldcastle Hamlet) Storm Drainage Master Plan** was completed in 2022. The stormwater infrastructure network located within the Oldcastle Hamlet area is comprised of a combination of roadside ditches, Municipal Drains, storm sewers, swales/sub-drains, as well as County and Provincial storm infrastructure. There are three distinct watershed areas within the Oldcastle Hamlet which include Little River, Turkey Creek, and River Canard. This study focused on an analysis of the stormwater infrastructure within these watersheds and will set the framework for how stormwater is addressed for new and re-developments.

- The **Drinking Water Quality Management Standard (DWQMS) Financial Plan** was updated in-house in 2019 for the purpose of forecasting capital requirements and ensuring sustainability of the system. This is required in order to apply for and renew a Municipal Drinking Water License as per the Safe Water Drinking Act (O. Reg 453/07). License renewal occurs every five years.
- The current **DWQMS Operational Plan** (Revised April 26, 2022) was updated and presented to Council on April 26, 2022. As mandated by the MECP, the next Annual DWQMS Operational Plan Report will be presented to Council in February or March 2023.
- The **Manning Road Secondary Plan Area, Area-Specific DC (MRSPA)** By-law was adopted in 2015 and was appealed to the OMB, which issued a decision in mid-2017 having the effect of quashing the By-law for technical reasons. Discussions with the majority property owners and various agencies have continued through 2018 and into 2019 with an attempt to arrive at a consensus regarding the means by which orderly development can proceed in this area. To date consensus has not been achieved. The Town expropriated the land required to accommodate the stormwater management facility, with design anticipated in 2022/2023 as part of the PWES capital works program and the timing of construction to be determined based on strategic priorities.
- The **Parks and Recreation Master Plan** (Master Plan) was completed in 2010. The plan, developed with input by Council, residents, community agencies and volunteer sport groups, identifies park development and outdoor and indoor recreation facilities needs for the next twenty years. This plan was augmented by a Lakewood Park South Master Plan (LPSMP) process that was completed in 2013. The LPSMP identified the elements, and where they should go, for development of the park. Discussion concerning funding and long-term implementation can be found under New Infrastructure Funding later in this section.

One of the Master Plan recommendations was that the Master Plan be subject to a major review after five years to evaluate whether the long-term perspective of the Master Plan remained relevant and the need to determine if new emerging trends support the redevelopment of the plan in whole, or in part. A comprehensive review of the Parks and Recreation Master Plan was completed and adopted by Council in October 2021. In addition, the Lakewood Master Plan, Fair Play Woods, and the Trail Master Plan will now all be consolidated into one plan.

- The **Transportation Master Plan** was completed in early 2017. The goal is to develop a multi-modal, sustainable transportation system that provides improved mobility and transportation choices for Town residents.

- The **Tecumseh Road Main Street Community Improvement Plan (Main Street CIP)** was adopted by Council on January 12, 2016. It sets forth a cohesive vision for this area by establishing design guidelines, identifying redevelopment opportunities and various implementation schemes including financial incentives for a range of private-property initiatives. The Main Street CIP also contemplates the completion of a **Streetscape Plan and Final Design (Streetscape Plan)**, which will direct the future construction of public capital infrastructure projects in the road allowances of Tecumseh and Lesperance Roads in the Main Street CIP area. The Town retained the services of Dillon Consulting Limited and Dialog to assist in the completion of the Streetscape Plan. A detail design for Phase 1 was substantially completed in 2022. The Streetscape Plan establishes hard landscape elements and design specifications, sidewalk improvements and the introduction of curb extensions, street furnishing, soft landscaping elements and design specifications.
- The **Industrial Community Improvement Plan (Industrial CIP)** was adopted by Council on August 9, 2022. It provides strategic and focused financial incentives intended to attract major new large-scale industrial development that will encourage job creation and produce new assessment.
- The **Tecumseh Hamlet Secondary Plan** is a planning process that provides a strategic opportunity for creating a long-term vision for greenfield sites in the Hamlet based on the principles of complete community planning with strong urban design. The Plan will address the integration of existing and new development, land use distribution and related infrastructure requirements. A draft plan was presented to Council; however final revisions are being made as a result of the completion of the City of Windsor's Banwell Road Municipal Class EA, the City of Windsor's on-going Sandwich South Master Servicing Plan/Little River Watershed Floodplain Mapping Study and final adjustments to the Upper Little River Stormwater Management Study. Adoption is anticipated by way of an amendment to the Town's New Official Plan in 2023. An Area-Specific DC Study had been contemplated in order to properly fund the necessary infrastructure and ensure that each development in the area pays its fair share. Engineering work is ongoing to support this approach.
- The **Tecumseh Hamlet Secondary Plan Area, Northwest Water & Wastewater** project includes the installation of trunk water and wastewater infrastructure from County Road 22 to CP Rail in the Tecumseh Hamlet Secondary Plan Area. This project is within the area highlighted as the top priority by Council at the May 5, 2022 Special Meeting of Council on Capital Priorities related to growth and development. Engineering design is to commence in Q1 2023 with construction to follow in 2024/2025. The total project costs are estimated at \$13.96M, with \$1.02M allocated for engineering design in 2023. The Town-wide Development Charge will ultimately fund this project.

- The **Oldcastle Hamlet Special Planning Study for Future Development Lands** is a planning process that will determine the preferred land uses for lands currently designated “Future Development” in the Official Plan. The study will include a rigorous and thorough public consultation component that engages with a range of stakeholders. Due to unanticipated conflicting priorities in 2022, the study did not commence as originally contemplated. It is now anticipated that this study will commence in early 2023 and be concluded by the end of the year. Adoption of the preferred land use designations and associated policies flowing from the study is anticipated by way of an amendment to the Town’s Official Plan at the end of 2023.
- The **County Wide Active Transportation Study (CWATS)** is a comprehensive strategy to promote and increase awareness regarding active transportation within the County of Essex as well as guide the construction of new active transportation facilities. The study proposes a set of policies and a detailed network on both local and county roads that facilitate both recreational and utilitarian transportation as well as increased connectivity and partnerships among the local municipalities. The Town’s estimated share of costs over the 20-year planning horizon is \$1,600,000 which equates to \$80,000 per year. Discussion concerning funding can be found under New Infrastructure Funding. The County, with participation from lower-tier municipalities, is currently undergoing an update to CWATS, with an anticipated completion in 2023.
- The **County Road Rationalization Study** is a comprehensive study toward developing a transparent, rational and equitable framework for updating the existing County Road network. The study had three phases: Phase 1 – Define the Transportation Network; Phase 2 – Examine Recommendations/Jurisdictional Impacts; and Phase 3 – Implementation Action Plan. The Study was placed on hold by the County. It is considering initiating an update to the **County Transportation Master Plan** so that it will run concurrently with the Road Rationalization Study in 2023/2024. There is a potential for roads to be uploaded or downloaded upon completion of this study, which would have impacts across multiple sectors such as: CWATS, roads, storm drainage, municipal drains, bridges and culverts, and operations (i.e. road patrol, shoulder and ditch maintenance, winter control, etc.). Further updates will be brought before Council as the County’s Transportation Master Plan starts and the Road Rationalization Study recommences and they progress through their various phases.

Recommendations arising out of these documents are factored into program development and future budgetary considerations.

Definition of Lifecycle

Lifecycle encompasses the Town's plan to provide funding for expenditure items that are cyclical in nature. The Lifecycle Plan (LC) consists of identifying:

- Categories to be included in the LC Plan
- Net annual requirement for each category
- Whether the Town will borrow to meet the net annual requirement
- The length of time required to achieve full funding of the net annual requirement

Category Classifications are:

- Replace Existing Capital Assets – funds provided for replacing existing infrastructure with no provisions for new/expanded services
- Replace Existing Capital Assets and Provision for New Assets – funds provided for replacing existing infrastructure with provision for new/expanded services
- Operating Cyclical Expenditures – funds accumulate over a period of time to offset costs that occur on a periodic basis, such as elections, or for smoothing costs that fluctuate, up or down, on an annual basis
- Other – funds are provided for special purposes including Strategic Issues which allows for funding projects that are expected to occur infrequently and New Issues which provides funding for new issues that arise

The LC provides the Town with the ability and resources to respond to capital infrastructure replacement needs, ensures prudent capital asset management and provides flexibility for new issues.

Lifecycle Budget Highlights

2023 Lifecycle Budget highlights include:

- Expenditures of \$39.6M (excluding debt)
- Major projects anticipated:
 - County Road 42 & County Road 43 Improvements, Phase 1 (Water & Wastewater) \$6.5M
 - County Road 19 Improvements (Water) \$1.02M
 - Lesperance/VIA Rail Improvements \$2.0M
 - Snake Lane Culverts (Culverts #42, 53, 54) \$2.13M
 - Centennial & Woodridge Watermain Replacements \$0.2M Design for 2023, \$3.3M Construction planned for 2025
 - Tecumseh Secondary Plan Area Northwest Water & Wastewater Infrastructure \$1.02M Design for 2023, \$12.94M Construction upcoming years
 - Fire Aerial Truck \$1.9M (carry forward from 2022)
 - Road Asphaltting Program \$1.2M
 - Scully and St. Mark's Storm Pump Stations (Engineering & Construction total cost of \$23.3M) with \$7.1M planned for 2023
 - P.J. Cecile Storm Pump Station (Engineering & Construction total cost of \$11.64M) with \$1.7M planned for 2023
- Debt payments of \$1.7M
- Grant and Partnership revenue of \$9.2M

Lifecycle Notes

As part of the 2005 budget, the Town adopted a lifecycle plan for a variety of infrastructure and operating expenditure categories. The 2014 budget year marked the completion of the original 10-year plan. Major components of the lifecycle plan for 2023 forward are:

- Annual net requirement is \$9.6M with 2023 allocation of \$8.5M
- The \$8.5M is funded by taxation \$7.21M, Canada Community-Building Fund (CCBF – formerly Federal Gas Tax) revenue \$1.15M, and \$0.12M from rates
- CCBF revenues remain allocated on an 80/20 split with the County. The Town revenue from this fund is determined by a province-wide census-based allocation. The allocation for 2023 is expected to be \$1.15M
- Annual Debt payments of \$1.5M supporting the LC program are funded from taxation. Debt payments start to expire beginning in 2026

Although most Lifecycle categories are well-funded and generally require periodic inflationary increases, recently completed studies, including the (Tecumseh) Storm Drainage Master Plan, (Oldcastle Hamlet) Storm Drainage Master Plan and the Culvert Need Study highlighted areas that may require significant costly remedies. In addition, the Drain LC Reserve is under considerable pressure as a result of the increase in drain activity continuing over the next number of years.

The short-term plan is to gradually increase the annual Lifecycle allocation to reach the updated target of \$9.6M. An increase of \$250,000 towards the overall annual Lifecycle allocation is included for 2023 and annual increases of \$200,000 in each of the outlook years to begin to address these needs.

2023 BUDGET - Annual Allocation

Lifecycle Reserve Name	Notes	2023	2022	Change
Arenas		190,000	170,000	20,000
Bridges and culverts		435,000	410,000	25,000
Buildings		210,000	205,000	5,000
Community trails		80,000	70,000	10,000
Drains		100,000	100,000	0
Election		16,000	16,000	0
Fire apparatus		239,000	214,000	25,000
Fire equipment		85,000	75,000	10,000
Fleet		600,000	560,000	40,000
ITS infrastructures		173,000	173,000	0
New lifecycle issues		100,000	100,000	0
Outdoor pool		70,000	65,000	5,000
Park development and Play equipment		400,000	390,000	10,000
Reforestation		30,000	30,000	0
Roads		4,160,000	4,160,000	0
Sidewalks		74,000	74,000	0
Storm sewers		1,352,700	1,252,700	100,000
Strategic issues - one time		50,000	50,000	0
Transit		100,000	100,000	0
Total	1)	8,464,700	8,214,700	250,000

Notes

1. Increase to several Lifecycle category allocations, totalling \$250,000, to work towards achieving established Annual Requirements.

Lifecycle Annual Requirement

Annual Requirement valuations are established through various studies, including the Town's Asset Management Plan, Parks Master Plan Update, Storm Drainage Master Plan, Road and Bridge Needs Study, etc.

Lifecycle Reserve Name	Notes	2023 Allocation	Annual Requirement	Deficiency
Arenas		190,000	220,000	30,000
Bridges and culverts		435,000	450,000	15,000
Buildings		210,000	230,000	20,000
Community trails		80,000	120,000	40,000
Drains		100,000	100,000	0
Election		16,000	16,000	0
Fire apparatus	1)	239,000	329,000	90,000
Fire equipment	2)	85,000	125,000	40,000
Fleet	3)	600,000	678,000	78,000
ITS infrastructures		173,000	190,000	17,000
New lifecycle issues		100,000	100,000	0
Outdoor pool		70,000	80,000	10,000
Park development and Play equipment		400,000	500,000	100,000
Reforestation		30,000	30,000	0
Roads		4,160,000	4,160,000	0
Sidewalks		74,000	74,000	0
Storm sewers		1,352,700	2,000,000	647,300
Strategic issues - one time		50,000	50,000	0
Transit		100,000	100,000	0
Total		8,464,700	9,602,000	1,137,300

Notes

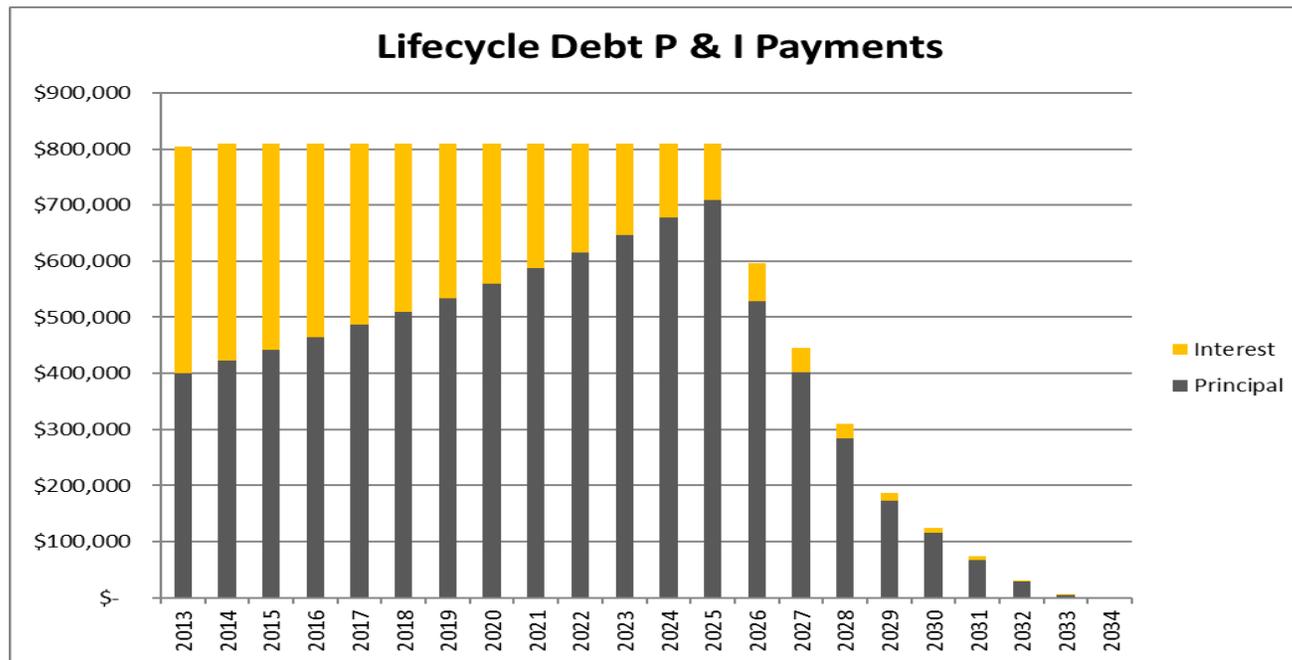
1. Fire Apparatus Annual Requirement increased by \$35,000 per PWES-2022-07 with respect to the Town's Aerial Truck

2. Fire Equipment Annual Requirement increased by \$35,000 per CS-2022-01 with respect to the Town's Fire Radio System and Vehicle Extrication Tools
3. Fleet Annual Requirement increased by \$18,000 per PWES-2022-07 with respect to fleet additions of Water Service Truck and Fire Command 3

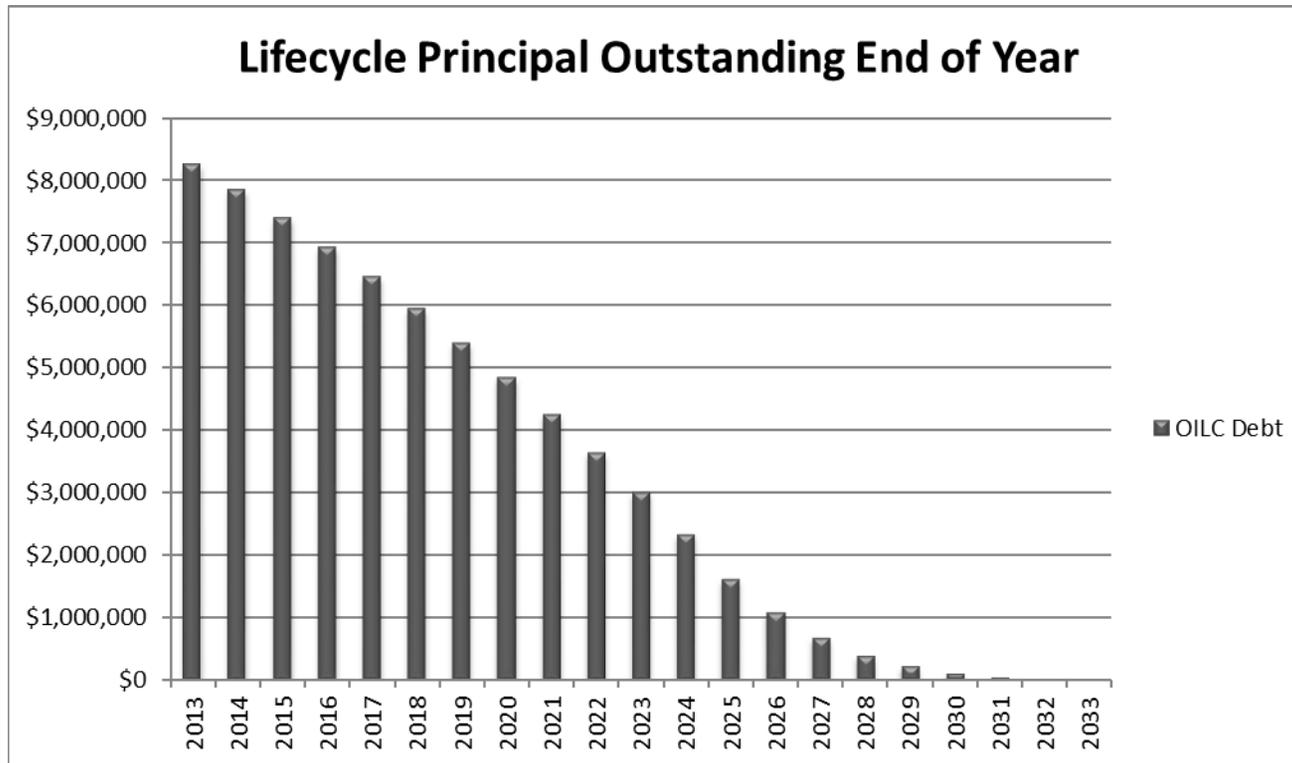
Prioritization of capital investments should be reviewed periodically to ensure capital forecasts remain accurate and that planned investments are being responsive to community needs. Occasionally, opportunities exist whereby revised priorities allow for options and solutions to be considered to address new challenges in the short-term, which will mitigate long-term issues and result in sound business practices and decisions.

Having a Lifecycle Plan provides the Town with the ability and resources to respond to capital infrastructure needs and ensure prudent capital asset management.

Implementation of the LC plan included borrowing to fully fund road and bridges requirements. This chart shows the annual principal and interest payments required for lifecycle debt (excluding water, sanitary and recreation). The payments top out at \$823,000. Debt from this program will begin to expire in 2026.



This chart highlights the total debt principal outstanding in any one year. The maximum principal outstanding was in 2011 at a balance of \$8.6M. Total funds borrowed over the program are just under \$10.4M whereas the original plan in 2005 contemplated borrowing \$11.5M.



New Infrastructure Funding

A quick review of new infrastructure items on the horizon includes the following:

- 1) Special Council Meetings were held in March and May of 2022 to consider optional five-year capital plan scenarios intended to shape and prioritize the five-year capital plans for the Community Recreation Services and Public Works and Engineering Services departments respectively. Council adopted plans, in principle, that include significant investment in community recreation amenities and infrastructure works to promote development. The recreation amenity projects are largely new and/or enhanced projects that are beyond the funding capacity of existing Lifecycle Reserves, and so will rely on the Infrastructure Reserve for **\$9.8M** within the first two years of the plan while the infrastructure projects will call for **\$1.5M** from the Infrastructure Reserve for that same period.
- 2) The 2019 Development Charges Study (DC Study) highlighted expected growth-related new infrastructure costs of \$36M to be incurred over the duration of the By-law (five years). Development Charges were to recover \$27M, thus leaving **\$9M to be borne by the general tax levy**. Contributing towards a New Infrastructure reserve early will ease upcoming levy requirements.
- 3) The County Wide Active Transportation System (CWATS) is a county wide master plan that guides the County and the lower-tier municipalities in the development of an integrated and coordinated transportation network dedicated to pedestrian and bicycle traffic. The plan looked at a 20-year planning horizon and identified the Town of Tecumseh's share of projects costs as \$1.6M or \$80,000 annually for 20 years. Recent actual costs incurred for construction indicates the original cost estimates were low. The County, with participation from lower-tier municipalities, is currently undergoing an update to CWATS, with an anticipated completion in 2023.
- 4) There has been an emphasis placed on enhancing trails and pathways in the Town. These facilities have been identified within the Town's Transportation Master Plan (2017), and were further detailed within the Parks and Recreation Strategic Master Plan 5-Year Review, which was completed in late 2021. Currently trails and pathways constructed within the right-of-way are managed by PWES and funded through the Infrastructure Reserve Fund. Recommendations within the Parks and Recreation Strategic Master Plan 5-Year Review include enhancing park pathways for the 2022-2026 capital planning period.
- 5) The Parks Master Plan identified a number of improvements classified as High, Medium and Low Priority. Total funding required of all recommendations would exceed \$7M. Over 20 and 40 year horizons this would amount to \$350,000 and \$175,000 per year respectively. The 2021 Parks and Recreation Strategic Master Plan 5-Year Review includes Parks and

Trail Inventory and Asset Valuation as well as an Implementation plan for park amenities over a ten-year planning period. The Review also recommends that a new Parks Master Plan be undertaken for the municipality in 2025.

- 6) The Main Street CIP implementation project is ongoing. In 2015 Council approved the establishment of a Main Street CIP reserve for the purpose of managing Main Street CIP funding. The 2023 budget includes an annual grant allocation of \$125,000. The original Main Street CIP Study suggests the annual allocation should be \$417,000.
- 7) The Main Street CIP Streetscape Plan was approved by Council in principle. The approved Plan carries a price tag in excess of \$30M. Administration is currently overseeing engineering design of the Plan as well as options for phasing in construction. Detailed design for Phase 1 was substantially completed in 2022. It is expected that updated financial impacts will be provided as the project progresses.
- 8) The construction of a Multi-Use Sportsplex has been identified as a top community priority. Detailed design and construction costing suggest the preferred facility will cost in excess of \$50M. The Town was not successful in its bid for ICIP Recreation Stream grant funding that would have enabled this project to proceed in 2020. Updated costing and alternative options (Sportsplex component amenities) were presented and approved by Council 2022. The alternative options have been included in the updated 5-year Capital Plan budgets for Council's annual approval of the individual projects. \$550,000 of the NIL annual target allocation of \$2.35 million was established for debt financing of the-then anticipated Town share of the cost. This allocation will support approximately \$10 million worth of debt over a 20-year payment term.
- 9) The (Tecumseh) Storm Drainage Master Plan completed in 2019 and the Oldcastle Stormwater Master Plan completed in 2022, recommended over \$140 million in capital projects. The Lifecycle Storm Reserve is intended to replace existing storm infrastructure. The recommendations propose enhanced replacements whose costs far exceed the Lifecycle Storm purpose and capability.
- 10) The Industrial CIP implementation project is ongoing. The Industrial CIP establishes that for each of the three available financial incentive programs, Council may establish a maximum total rebate that can be paid under these programs, based on negotiated agreement terms, per application, property or project. Accordingly, implementation of the Industrial CIP financial incentive program is subject to appropriate budget allocation by Council, on the recommendation of Town Administration.

Administration updated the NIL annual target level to \$2.35M in 2020 (allocation of \$550,000 to fund the Sportsplex-component amenities; \$1.8M to fund other new infrastructure). The 2022 allocation is \$1.75M with an increase of \$200,000 budgeted for 2023 to bring the annual allocation to \$1.95M. Annual increases of \$200,000 in each of years 2024 and 2025 will allow the municipality to reach the 2020-established target of \$2.35M. The annual NIL target allocation is updated

regularly, generally in conjunction with the Town's Development Charge Background Study Updates, next of which is to occur in 2024.

The Infrastructure Reserve has a projected 2023 year-end balance \$6.7M. Other funding sources, such as Grants, Partnerships and Debt, will need to be secured to move major projects such as the CIP Streetscape Plan and Multi-Use Sportsplex alternative options forward in the near term. The Town's successful application towards the Federal Disaster Mitigation and Adaptation Fund (DMAF) will provide the Town with up to \$10.7M to put towards two major storm pump station replacements carrying an estimated total cost of \$26.75M. The grant funding is a welcome announcement, however commits the Town to fund just over \$16M within the next five years.

Capital Projects

For budget purposes, we have included committed projects as well as estimates of what typically would be spent on capital projects. **Actual approval of specific projects will come back to Council in the form of Department Five-Year Capital Plan Reports prior to proceeding with any project.**

The following highlights some of the significant capital investments and initiatives included in the 2023 Lifecycle Budget:

Recurring projects:

- **Tar and Chip, Asphaltting, and Crack Sealing** – \$1.2M has been allocated for the asphaltting of roads.

Significant/Non-Recurring projects:

- **Sylvestre Drive Sanitary Sewer Extension** – This project proposes the Environmental Assessment to be completed in 2019 and engineering to be completed in 2019 and 2020, with construction commencing beyond 2025. The estimated cost, including sanitary, road and storm works is \$2.1M with \$0.95M being recovered from property owners as a sanitary connection charge.
- **County Road 46/Webster Drive/Laval Easement Sanitary Sewer Extension** – This project proposes engineering to be completed in 2019-2022 and construction commencing in 2024. The estimated costs, including sanitary, water, road and storm works is \$6.75M with an estimated \$1.5M being recovered from property owners as a sanitary connection charge.
- **Del Duca Drive Sanitary Sewer Extension** – This project proposes engineering to be completed in 2019-2022, with construction commencing in 2024. The estimated cost, including sanitary, road and storm works is \$5.4M with an estimated \$1.2M being recovered from property owners as a sanitary connection charge.
- **Scully and St. Mark's Storm Pump Stations** – This project proposes engineering to be completed in 2022 with construction to commence in 2023. The estimated cost, including storm pump stations, trunk storm sewers and road is \$23.30M. Recently awarded DMAF grant funding of up to 40% of eligible costs will require the Town to complete this project within the next five years.
- **P.J. Cecile Storm Pump Station** - This project proposes to commence engineering in 2023. The estimated cost is \$11.64M. Recently awarded DMAF grant funding of up to 40% of eligible costs will require the Town to complete this project within the next five years.

- **Lesperance Road/VIA Rail Improvements** – This project proposes to complete the engineering in 2021/2022, with construction commencing in 2023 in order to address gradient issues identified by Transport Canada & VIA Rail on the north side of the rail. The estimated cost for the project is \$2.1M. Based on recently awarded RSIP grant funding, the Government of Canada will fund 80% of eligible costs up to a maximum of approximately \$1.03M.
- **Shoreline Management Plan** – This study was contained within the Town’s Flood Mitigation Strategy that was adopted by Council in 2018. This study will undertake modelling of Lake St. Clair, identify low and vulnerable areas along Lake St. Clair and Pike Creek, identify flood risks under different circumstances and recommend solutions to mitigate those risks. The estimated costs for this study is \$0.35M.
- **Lesperance Road Multi-Use Trail** - As part of the Tecumseh Transportation Master Plan, a network of key Active Transportation facilities was developed to ensure connectivity in the large network. The expansion of the Active Transportation Network is a municipal focus because it promotes Environmental Sustainability, it promotes personal health and it promotes equity in transportation services. The Lesperance Road Multi-Use Trail is located between County Road 22 and County Road 42. The trail will be a minimum of 2.4m wide with a length of approximately 3.0km. Design is proposed in 2022/2023 with construction in 2024. The total project cost estimate is \$2.8M. Grant funding of approximately \$466,000 (\$254k Federal and \$212k Provincial) is available through the Investing in Canada Infrastructure Program (ICIP) Public Transit stream towards this project.
- **CR42 and CR43 Improvements, Phase 1 (Watermain and Sanitary Sewer)** – The County of Essex is planning improvements to CR42 (just east of CR19 to just west of CR43) and CR43. Administration identified municipal services within the project limits that need to be designed and incorporated into the County’s project. These services include watermains and sanitary sewers. Design for these services commenced in 2019 with the County starting construction in 2022. The County is currently proposing that this project will be constructed in five phases. The estimated cost for the Town’s municipal services is \$6.50M.
- **Snake Lane Culverts (Culverts #42, 53 and 54)** – The 2016 Culvert Needs Study (Structures with Spans < 3.0m) identified two (2) culverts to be replaced immediately; ten (10) structures to be rehabilitated or replaced within a 1-5 year timeframe; and three (3) structures to be rehabilitated or replaced within a 6-10 year timeframe. Snake Lane Culverts #42, 53 and 54 were included in the 1-5 year timeframe. Design for all three structures was completed in 2022 with construction recommended in 2023. The total project cost estimate is \$2.13M.

- **Centennial Drive & Woodridge Drive Watermain Replacement Project** – Includes the watermain replacement on Centennial Drive (Riverside Drive to St. Thomas Street) and Woodridge Drive (Dillon Drive to St. Thomas Street). Engineering design commenced in Q4 of 2022, with construction anticipated in 2025. The total project cost estimate is \$3.5M. Grant funding of approximately \$2.57M (\$1.4M Federal and \$1.17M Provincial) is available through the Investing in Canada Infrastructure Program (ICIP) Green Stream Stage II 2021 Intake towards this project.
- **Tecumseh Hamlet Secondary Plan Area, Northwest Water & Wastewater** – Includes the installation of trunk water and wastewater infrastructure from County Road 22 to CP Rail in the Tecumseh Hamlet Secondary Plan Area. This project is within the area highlighted as the top priority by Council at the May 5, 2022 Special Meeting of Council on Capital Priorities related to growth and development. Engineering design is to commence in Q1 2023 with construction to follow in 2024/2025. The total project costs are estimated at \$13.96M, with \$1.02M allocated for engineering design in 2023.
- **County Road 19 Improvements (County Road 22 to Jamsyl Drive)** – Includes the installation of a trunk watermain from County Road 22 to just south of Jamsyl Drive as part of the County of Essex’s larger infrastructure project. Engineering design commenced in 2020, and it is anticipated construction will commence in late 2023. The total watermain costs are estimated at \$1.02M.
- **Lacasse Ball Diamond Upgrades** – Includes replacement of grandstands, backstop and entrance plaza area. Architect design work was undertaken and completed in 2022, construction tendered in December 2022 with project completion possible for 2023 Q3. This project was one of several community and recreation amenities adopted in principal by Council at the capital priority setting Special Council Meeting in March 2022. Total project costs were estimated at \$3.3M, with the bulk of funding to come from the Town’s Infrastructure Reserve. The Town will also use \$1M of accumulated Canada Community-Building Fund (CCBF) reserves towards this project with partnership commitments of \$100,000 from each of St. Clair College and Tecumseh Thunder Baseball Club pledged.
- **Lakewood Park Washroom and Splash Pad** – Includes construction of a splash pad and outdoor washrooms in Lakewood Park as part of the Lakewood Park Master Plan adopted in 2013 and supported in the March 2022 capital priority setting exercise. Total project cost is estimated at \$2.0M with partnership commitments of \$60,000 from the Optimist Club.
- **L’Essor High School Artificial Turf Soccer Field** – Includes conversion of the main sport field at L’Essor High School into an artificial turf playing surface. Total project cost is estimated at \$2M with the Town and the French School Board partnering in a 50/50 cost share arrangement.
- **Cada Library Building Improvements** – Includes renovation to the library in partnership with the Essex County Library Board. Public consultation and detailed design were completed in 2022 with renovations to commence in 2023. Total project cost is estimated at \$1.1M with contributions from the Library Board of approximately \$420,000.

The summary of proposed projects includes a certain amount of grant funding from Federal and Provincial governments. Two major factors allowing the Town to access these grants include the current practice of having **projects engineered and ready to go** on short notice and the fact that our lifecycle funding program allows us to provide the Town's share of funding required. **The 2023 budget continues to enhance the Town's financial strength with increases to our Lifecycle and New Infrastructure Levy.**

OCIF

The Ontario Community Infrastructure Fund (OCIF) is a relatively new grant that has an Application Based Component and a Formula Based Component. The OCIF grant is intended to be a stable, reliable funding source for municipalities in support of municipal infrastructure. In 2022, the province announced support for 2022 and 2023, including a one-time doubling for 2022. OCIF allocations for 2023-forward will be based on recently updated Asset Management Plans. The Town banked its 2018-2020 allocations with those accumulated funds of \$3.03M used towards the Manning Road Phase 2 project substantially completed in 2021. OCIF funds have continued to be banked with \$1.35M of accumulated funds to be used towards the Tecumseh Road and Storm Improvements project currently underway. OCIF is dedicated to 1) the development and implementation of asset management plans and 2) the renewal, rehabilitation and replacement of core infrastructure assets or capital construction of new core infrastructure that addresses an existing health or safety issue.

Eligible core infrastructure categories include:

- 1) Water:
 - a) Treatment
 - b) Distribution/Transmission
- 2) Wastewater:
 - a) Treatment and disposal
 - b) Sanitary sewer systems
 - c) Storm sewer systems (urban and rural)
- 3) Roads:
 - a) Paved
 - b) Unpaved
 - c) Bus-only lanes
 - d) Street lighting when part of a road project
 - e) Sidewalks and/or cycling lanes located along an existing road

4) Bridges and Culverts:

- a) Sidewalks and/or cycling lanes located along an existing road

The Application Component is based on a competitive process. The Town has submitted applications with no success.

The Formula Component provides a fixed annual amount which for 2017 was \$494,000 and increased to \$700,000 for 2018 and \$1,077,000 in 2019. \$1,175,700 in each of 2020 and 2021 and \$2,321,000 in 2022. 2023 funding allocation was not available at time of budget development, so the 2021 allocation amount was used for 2023 budget purposes. Funding can be accumulated from year to year but must be spent within five funding years of the year the funds were allocated.

Based on eligible core infrastructure categories and the relative funding the Town has available for each category, Administration is recommending funds be saved for the short term and consideration be given to using the funds to address storm sewer requirements arising from the (Tecumseh) Storm Drainage and (Oldcastle Hamlet) Storm Drainage Master Plans.

Debt

The Town has, since 2005, adopted an aggressive strategy to use 10-year debt for financing long-term capital requirements for sanitary and water purposes to ready the Town for development when circumstances dictate. Over this period the Town has issued \$12.2M and \$2.0M for sanitary and water purposes respectively.

At the same time the Town embarked on a Lifecycle program in order to ensure funding for replacement of existing infrastructure was in place. As part of the program, the Town agreed to borrow 20-year debt for road and bridge requirements to provide full funding of these two categories. Borrowing has totaled \$10.4M. No further debt issuance is expected.

In addition, 25-year debt was issued in December 2011 to fund the Lakewood Park North and South property acquisitions in the amount of \$11.2M.

In 2012, the Town completed sewage works to service parts of the North Talbot Road Sanitary Sewer Area. As part of the program it was agreed that property owners could repay their share of the connection charge over a five-year period, or over ten years in hardship cases. To date the Town has borrowed \$2.3M. The amount of borrowing required for future projects will not be known until after the project is complete. **The Town is recovering these funds from the property owners as a charge on the tax roll.**

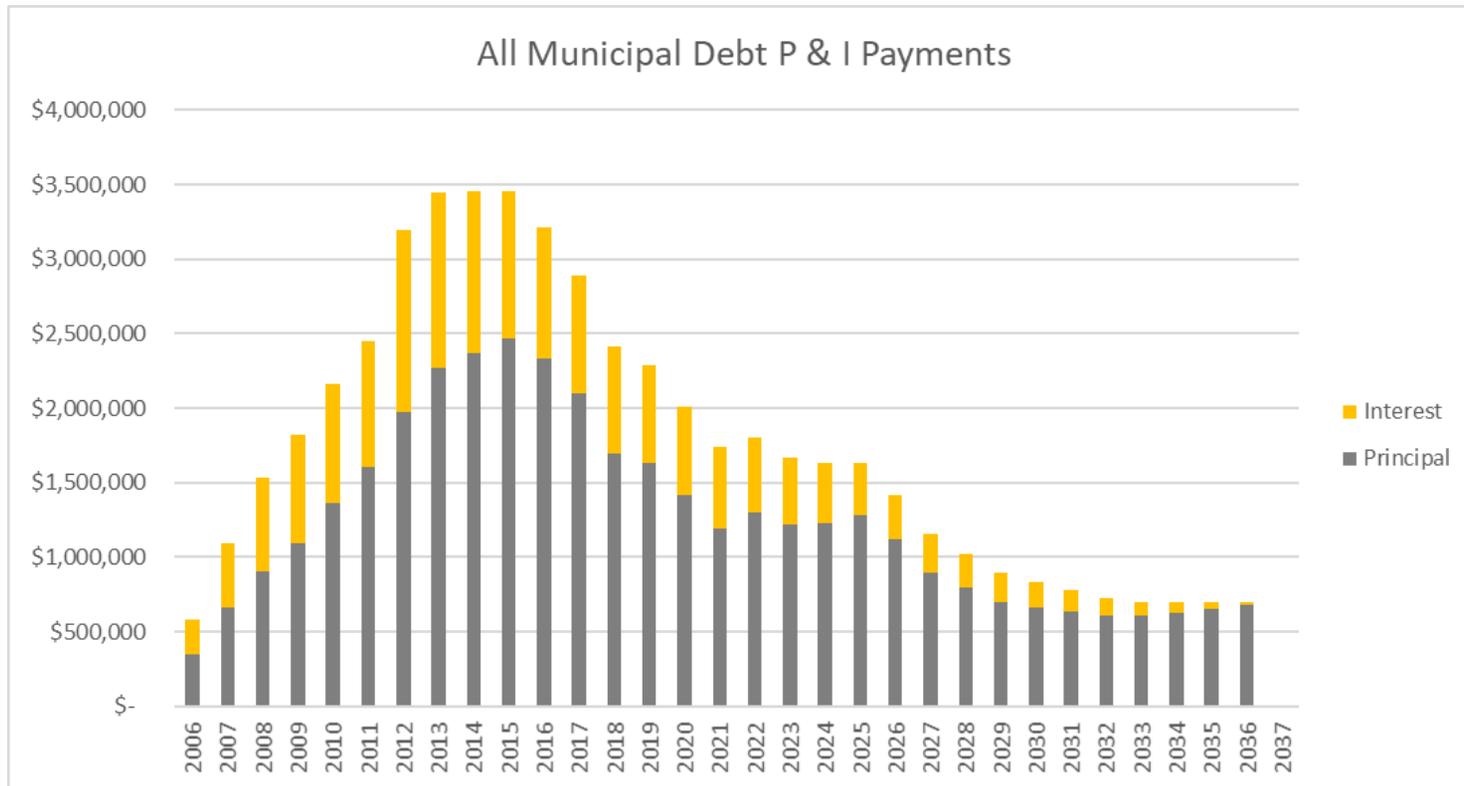
The Town is in the process of finalizing the program and cost recovery By-law for servicing the 8th Concession Road Sanitary Sewer Outlet area. The Town's share of the total cost of the program is estimated to be \$27.0M over a 30-year period. Almost \$9.8M was constructed between 2009 and 2012 utilizing grants under the Infrastructure Stimulus Fund (ISF). The nature of this project is that the Town has to make a substantial upfront investment in infrastructure with landowner recoveries occurring as connections are made. In order to fund this initial investment, the Town will need to borrow an as yet undetermined amount of funds.

Outstanding debt balances and principal and interest payments expected, for selected years, are outlined in the table below.

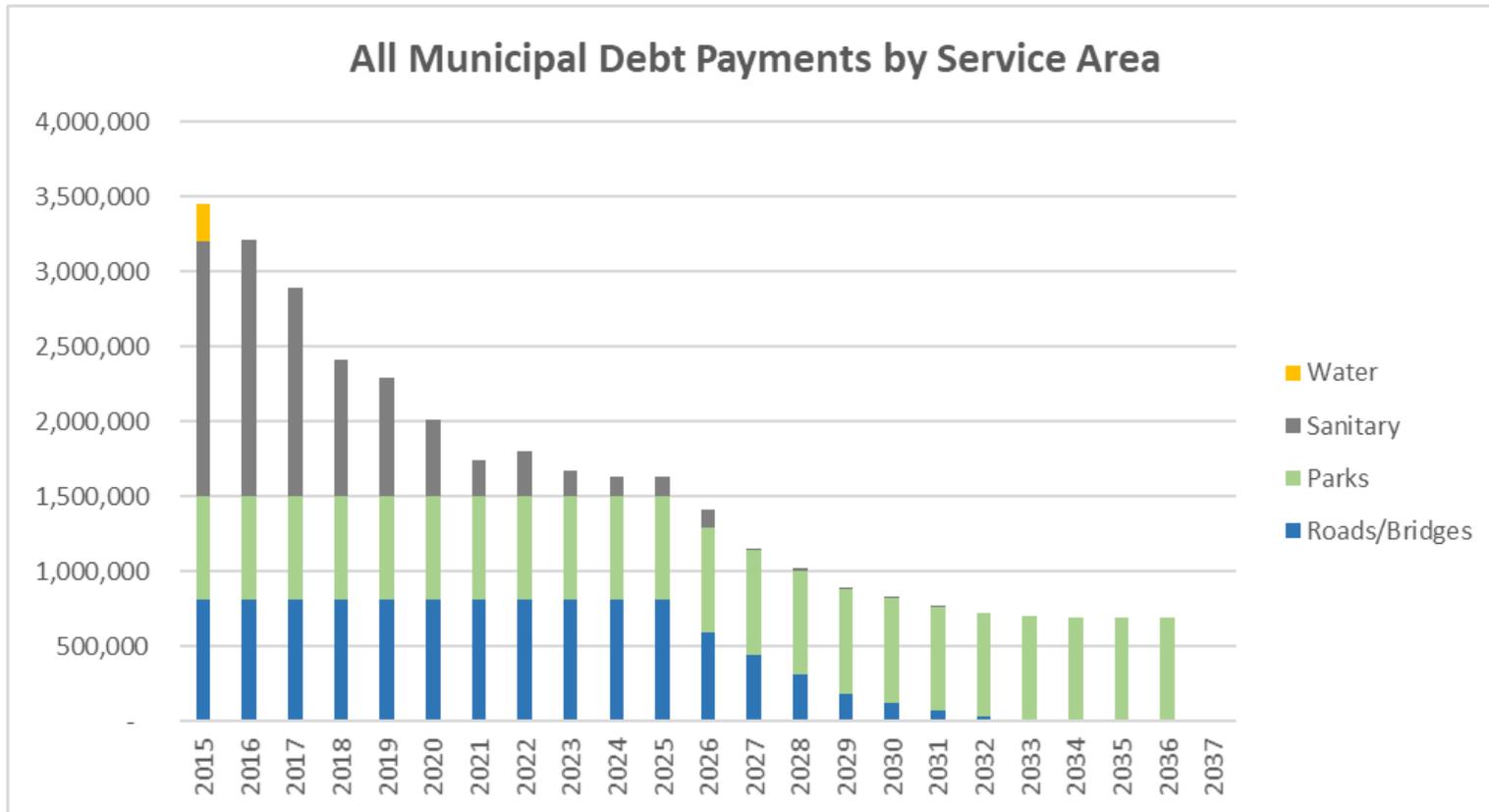
	2004	2020	2021	2022	2032
Debt	\$1,633,734	\$15,021,000	\$13,605,000	\$12,556,000	\$3,180,000
Principal and Interest	\$570,593	\$2,102,000	\$1,739,000	\$1,804,000	\$725,000

The remaining debt outstanding in 2032 is the balance remaining on the purchase of a portion of the Lakewood Golf Course, which will be paid off in 2036.

This chart shows the annual principal and interest payments required for all municipal debt.



The chart below shows annual debt payments by service area.



The need for these levels of debt has arisen due to a number of factors including:

- Little development for a number of years between 2005-2020
- Reduction in long term sustainable grant funding from the Provincial and Federal levels
- Unexpected opportunities being available to acquire parkland property, and
- Requirement to invest in sanitary sewer capacity to accommodate growth

The Town's Debt to Reserves Ratio has ranged from 0.22 to 0.52 over the course of the past five years (2020 – 22%). The general benchmark for this ratio is 1.00. A measure of 0.22 or 22% suggests that the Town is not over-leveraged.

Additional debt expected over the next few years will generally be related to infrastructure improvements required for sanitary sewer purposes in the North Talbot Road Sanitary Sewer Area and then in the 8th Concession Road Sanitary Sewer Area. The (Tecumseh) Storm Drainage Master Plan and (Oldcastle Hamlet) Storm Drainage Master Plan identify capital projects in excess of \$140M, including the Scully & St. Mark's Storm Pump Station and PJ Cecile Storm Pump Station projects identified in Public Works 5-year capital plan in excess of \$26M. With a current annual allocation to Lifecycle Storm Reserve of approximately \$1.3M, it is likely that debt will be necessary in the coming years. The 2015 Water/Wastewater Rate Study contemplates little debt being required. The 2019 update to the Water/Wastewater Master Plan suggests significant capital funding may be required within five years.

During Special Council Meetings in March and May of 2022, Council has approved, in principle, five-year capital plans for the Community and Recreation Services and Public Works and Environmental Services Departments that include projects totalling over \$105M. Town contributions to reserves that could support these projects total just under \$10M annually in 2022. Use of debt financing will likely be needed to enable these projects to proceed as planned.

Annual Repayment Limit

The annual repayment limit is a Ministry formula which limits the amount of debt repayment a Municipality can commit to without requiring OMB approval. The limit is based on a maximum of 25% of municipal (own purposes) revenues based on the Financial Information Return and as adjusted by the Treasurer. The Town's current ratio of Net Debt Charges to Own Purposes Revenue is 4.7% (2020 FIR). The limit as of November 1, 2021 is estimated at \$7,380,000. The following table illustrates the potential debt that could be issued within the ARL at current Infrastructure Ontario lending rates.

Term	Interest Rate	Principal
5	4.06%	\$29,000,000
10	3.95%	\$54,000,000
20	4.10%	\$89,000,000
30	4.21%	\$111,000,000

It is important to be aware that as our ARL decreases, our ability to fund additional projects is impaired and our cost of debt may increase.

Operating Impacts by Functional Area

General Government

A total budget of \$516,000 has been allocated for Information and Communications capital initiatives. Generally speaking, the impact to operations is minimal. Computer replacements, network upgrades, video surveillance and AV systems hardware, and street photo purchases have no impact. Some of the more noteworthy items are as follows:

- Virtual server upgrades of \$140,000 and an allocation for Payroll Time and Attendance software of \$50,000 are the more costly expenditures planned. Financial Software is also within its timeframe for replacement/enhancement with an allocation of \$200,000 established for 2023, pending review and necessity for update. No impact to operating is expected during the year of implementation.

Protection to Persons and Property

Fire

The annual allocation of \$16,000 for the replacement of Firefighter PPE has no bearing on operating costs.

The replacement of the Fire Aerial Truck, at an estimated \$1.9M, SCBA equipment at an estimated \$52,000 and Fire Radio System at \$610,000 should have no impact to operating costs.

Transportation Services

Rehabilitation or replacement of existing transportation infrastructure generally has no operating impact. Annual operating costs (as of 2006) for additional lane kilometers of road are approximately \$7,400 for Public Works and \$760 for Winter Control.

Roads

An amount of \$1,200,000 has been allocated for the annual asphaltting program. There is no direct operating budget impact as this budget is for the paving of existing roads.

The following projects and studies are in the design phase and would not have any impact on operations:

- P.J. Cecile Storm pump station project
- County Road 46, Webster, and Laval Sanitary Sewer project
- Del Duca Drive Sanitary Sewer project
- Sylvestre Drive Sanitary Sewer project
- Tecumseh Hamlet Secondary Plan Area – Northwest Water & Wastewater Infrastructure Projects
- Centennial Drive & Woodridge Drive Watermain Replacement Project

Once operational, hydro and generator operating costs related to the Scully and St Mark's Storm pump station are expected to increase by \$10,000 annually as the enhanced storm water capacity will demand greater energy consumption.

Servicing of existing debt has been provided for in the base budget. No additional debt is planned for Roads for 2023.

Bridges

The reconstruction of Culvert Structures 42, 53 and 54 will have no operating budget impact as these structures will be new and likely not need any maintenance for years.

Servicing of existing debt has been provided for in the base budget. No additional debt is planned for Bridges for 2022.

Sidewalk

An amount of \$400,000 has been allocated for the annual sidewalk program and replacement of the brick pavers on Tecumseh Road (Bedell Street to City of Windsor limits). There is no direct operating budget impact as this budget is for the repair/replacement of existing sidewalk segments.

A new trail is proposed for Lesperance Road from County Road 22 to County Road 42. The trail will be a minimum of 2.4m wide with a length of approximately 3.0km. The trail will tie into the existing path at the CPR Railway Crossing with no anticipated changes to the pedestrian maze and pavement within the CPR Rail Right-of-Way. The trail will be included in the network of roads to be cleared of snow as required. It is estimated that winter control will cost \$16,100 every year starting in 2024.

Environmental Services

Storm Sewer

The following projects and studies are in the design phase and would not have any impact on operations:

- P.J. Cecile Storm pump station project
- County Road 46, Webster, and Laval Sanitary Sewer project
- Del Duca Drive Sanitary Sewer project
- Shoreline Management Plan

Sanitary Sewers

The following projects and studies are in the design phase and would not have any impact on operations:

- Sanitary Sewer Model Update and Analysis
- County Road 46, Webster, and Laval Sanitary Sewer project
- Del Duca Drive Sanitary Sewer project
- Sylvestre Drive Sanitary Sewer project
- Tecumseh Hamlet Secondary Plan Area – Northwest Water & Wastewater Infrastructure Projects

The sanitary sewer improvements as part of the CR42 & CR43 Improvements, Phase 1 will impact operations as it adds new sanitary sewer length.

Water

The following projects and studies are in the design phase and would not have any impact on operations:

- County Road 46, Webster, and Laval Sanitary Sewer project
- Centennial Drive & Woodridge Drive Watermain Replacement Project

The watermain improvements as part of the CR42 & CR43 Improvements, Phase 1 will impact operations as it adds new watermain length.

The watermain improvements as part of the CR19 Improvement Project will impact operations as it adds new watermain length.

Recreation and Culture

Parks

The 2023 budget contains an allocation of \$75,000 to replace the play equipment at Baillargeon Park,; there is no direct impact on operations.

A new multi-use court and a perimeter walking trail will be constructed at Southfield Park in 2023 and is expected to be operational in late spring 2023. An increase to volumes of park users is expected, and as a result of this amenity annual operational impact is estimated to be at a cost of \$3,000 per year starting in 2023, as mainly waste management, minor cleaning and snow/ice clearing will be required.

A partnership with L'Essor High school is planned to replace the existing sports turf field with an artificial playing surface. The Town is committing financially to the project as the project will be tendered and construction will be handled by the School Board. As a result there will be no direct impact on operations.

A new splash pad and outdoor washroom facility will be constructed in 2023 at Lakewood Park. The washrooms will service the existing park users as well as servicing the users of the splash pad. There will be an anticipated increase in operations of \$30,000 to \$40,000 for water/wastewater for the splash pad and also estimated \$2,000 for waste management and cleaning will be required.

There is \$30,000 budgeted for Tree Planting in 2023. The majority of trees are planted by Town staff, requiring approximately 6 days for 3 staff at a total of 144 labour hours. Equipment needs include a truck, trailer, and one tractor. The estimated operating impact is \$5,040 for labour with some associated fuel and equipment maintenance costs. The tree planting program is a normal ongoing project and is included in the Parks budget allocation.

Other budgeted line items for Parks generally include the replacement of existing facility components or are maintenance in nature with no operating impact.

Arena

The 2023 budget contains a replacement of a section of the flat roof, which is budgeted at \$150,000. The benefits are to continue to maintain our assets, so we prevent any damage for potential roof leaking.

Other budgeted line items for the Arena generally include the replacement of existing facility components or are maintenance in nature with no operating impact.

Pool

Budgeted line items for the pool include replacement of Digital Chemical Control System at a cost estimated at \$50,000. This equipment has reached the end of its life and requires replacement and are maintenance in nature with no operating impact.

Libraries

Budgeted Items for the Library include \$60,000 for replacement of 2 HVAC Units and \$1,000,000 for renovations to the CADA Library Building in partnership with the Essex County Library Board. Nominal operational efficiencies should be gained through these initiatives.

Buildings

In 2023 the Town will take over ownership of the Maidstone Recreation Centre property and in partnership with the Maidstone recreation Committee will construct outdoor washrooms for the facility to service their outdoor programming needs budgeted at \$500,000. The town will enter into an operational agreement with the Committee to continue operations of all activities at the site and as such there will be no operational impact.

Drains

The Town of Tecumseh is responsible for the repair, maintenance and/or improvements to the municipal drainage systems located within the Town boundaries on behalf of the community of affected landowners involved. All costs to repair or improve municipal drainage systems are assessed to the affected upstream landowners who benefit from the drains.

**2023 Budget
Lifecycle Summary
with Annual Requirements**

	Tax & Revenues	Annual Requirement	Deficiency
Lifecycle - Replace Existing Capital			
Assets			
Arenas	190,000	220,000	30,000
Bridges and culverts	435,000	500,000	65,000
Buildings	210,000	230,000	20,000
Drains	100,000	100,000	-
Fire apparatus (1)	239,000	294,000	55,000
Fire equipment (2)	85,000	90,000	5,000
Fleet (3)	600,000	660,000	60,000
ITS infrastructures	173,000	190,000	17,000
Outdoor pool	70,000	80,000	10,000
Roads	4,160,000	4,160,000	-
Sidewalks	74,000	74,000	-
Storm sewers	1,352,700	2,000,000	647,300
Total	7,688,700	8,598,000	909,300
Lifecycle - Replace Existing Capital and Provision for New Assets			
Park development & play equipment	400,000	500,000	100,000
Reforestation	30,000	30,000	-
Community trails	80,000	120,000	40,000
	<u>510,000</u>	<u>650,000</u>	<u>140,000</u>
Lifecycle - Operating Cyclical Expenditures			
Election	16,000	16,000	-
Transit	100,000	100,000	-
	<u>116,000</u>	<u>116,000</u>	<u>-</u>
Lifecycle - Other			
New lifecycle issues	100,000	100,000	-
Strategic issues - one time	50,000	50,000	-
	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Lifecycle Total	<u>8,464,700</u>	<u>9,514,000</u>	<u>1,049,300</u>
Debt payments	<u>1,505,800</u>	<u>1,505,800</u>	<u>-</u>
Miscellaneous			
Small equipment	150,000	150,000	-
Rehabilitation/Renewal	-	-	-
New Infrastructure Levy	1,950,000	2,350,000	400,000
	<u>2,100,000</u>	<u>2,500,000</u>	<u>400,000</u>
Total	<u>12,070,500</u>	<u>13,519,800</u>	<u>1,449,300</u>

**2023 Budget
Lifecycle Summary
with Annual Requirements**

	Tax & Revenues	Annual Requirement	Deficiency
Reconciliation	2023	2022	2021
Lifecycle - prior year	8,623,000	8,578,000	8,212,000
Lifecycle - increase	250,000	45,000	366,000
Total	8,873,000	8,623,000	8,578,000
New Infrastructure Levy - prior year	1,750,000	1,750,000	1,550,000
New Infrastructure Levy - increase	200,000	-	200,000
Total	1,950,000	1,750,000	1,750,000
	10,823,000	10,373,000	10,328,000
Water/Sanitary rates	120,000	120,000	120,000
Share of gas tax	1,127,500	1,127,500	1,127,500
OCIF Grant	1,175,000	2,321,955	1,175,000
Total	13,245,500	13,942,455	12,750,500

Town of Tecumseh
Approved 2023 Lifecycle Budget

	Uses of Funds			Sources of Funds									Unfinanced Capital Dec. 31/23	
	Unfinanced Capital Dec. 31/22Est	Expenditures	Transfer to Reserve/ Reserve Fund	Grants	Sale of Property	Owners/ Other Munic.	Total Other Revenues	Reserve Funds	Reserves	Total Reserve & Reserve Funds	Long Term Debt	From Taxation/Rates		Revenues
Tax-Supported General Government Lifecycle														
Arena			190,000				-			-		190,000	190,000	-
Bridges			435,000				-			-		435,000	435,000	-
Buildings			210,000				-			-		210,000	210,000	-
Community Trails			80,000				-			-		80,000	80,000	-
Drains			100,000				-			-		100,000	100,000	-
Elections			16,000				-			-		16,000	16,000	-
Fire Apparatus			239,000				-			-		239,000	239,000	-
Fire Equipment			85,000				-			-		85,000	85,000	-
Fleet			480,000				-			-		480,000	480,000	-
ITS			173,000				-			-		173,000	173,000	-
New issues			100,000				-			-		100,000	100,000	-
Outdoor Pool			70,000				-			-		70,000	70,000	-
Park Development			400,000				-			-		400,000	400,000	-
Reforestation			30,000				-			-		30,000	30,000	-
Roads			4,160,000	1,153,805			1,153,805			-		3,006,195	4,160,000	-
Sidewalks			74,000				-			-		74,000	74,000	-
Storm Sewers			1,352,700				-			-		1,352,700	1,352,700	-
Strategic Issues - one time			50,000				-			-		50,000	50,000	-
Transit			100,000				-			-		100,000	100,000	-
Total Lifecycle	-	-	8,344,700	1,153,805	-	-	1,153,805	-	-	-	-	7,190,895	8,344,700	-
Administration														
TCS - Time and Attendance software - cfwd from 2022		50,000	-	-	-	-	-		50,000	50,000		-	50,000	-
TCS - FMW Updates - cfwd from 2022		20,000							20,000	20,000		-	20,000	-
TCS - Computer Replacements		15,000							15,000	15,000		-	15,000	-
TCS - Network Upgrades		10,000							10,000	10,000		-	10,000	-
TCS - Video Surveillance - cfwd from 2022		6,000							6,000	6,000		-	6,000	-
TCS - Video Surveillance		10,000							10,000	10,000		-	10,000	-
TCS - AV Systems		5,000							5,000	5,000		-	5,000	-
TCS - Misc. Software		5,000							5,000	5,000		-	5,000	-
TCS - Virtual Server Upgrades - cfwd from 2022		110,000							110,000	110,000		-	110,000	-
TCS - Virtual Server Upgrades		30,000							30,000	30,000		-	30,000	-
TCS - Street Photography		10,000							10,000	10,000		-	10,000	-
TCS - Financial Software		200,000							200,000	200,000		-	200,000	-
TCS - GPS unit		15,000							15,000	15,000		-	15,000	-
TCS - Email Server (move to operating)		15,000							15,000	15,000		-	15,000	-
TCS - Database Backup		15,000							15,000	15,000		-	15,000	-
Town Hall - Rear Entrance Accessibility		40,000							40,000	40,000		-	40,000	-
Town Hall - Reformation of Town Hall Offices		30,000							30,000	30,000		-	30,000	-
Town Hall - Sun Tunnel Installation		5,000							5,000	5,000		-	5,000	-
Town Hall - Pavilion Replacement		125,000							125,000	125,000		-	125,000	-
EV Charging Stations (4)		100,000		50,000			50,000		50,000	50,000		-	100,000	-
Small Equipment		150,000										150,000	150,000	-
New Infrastructure funding enhancement			1,950,000									1,950,000	1,950,000	-
Total Administration	-	966,000	1,950,000	50,000	-	-	50,000	-	766,000	766,000	-	2,100,000	2,916,000	-
Total General Government	-	966,000	10,294,700	1,203,805	-	-	1,203,805	-	766,000	766,000	-	9,290,895	11,260,700	-

Town of Tecumseh
Approved 2023 Lifecycle Budget

Unfinanced Capital Dec. 31/22Est	Uses of Funds		Sources of Funds										Unfinanced Capital Dec. 31/23
	Expenditures	Transfer to Reserve/ Reserve Fund	Grants	Sale of Property	Owners/ Other Munic.	Total Other Revenues	Reserve Funds	Reserves	Total Reserve & Reserve Funds	Long Term Debt	From Taxation/Rates	Revenues	

Protection To Persons & Property

Fire

Firefighter Helmets		1,400					-	1,400	1,400			-	1,400	-
Leather Boots		1,500					-	1,500	1,500			-	1,500	-
Bunker Gear		12,800					-	12,800	12,800			-	12,800	-
SCBA Cylinders		52,000					-	52,000	52,000			-	52,000	-
Radio System Replacement		610,000					-	610,000	610,000			-	610,000	-
Fire Hall #1 HVAC Unit (1)		25,000					-	25,000	25,000			-	25,000	-
Fire Hall #1 - Exterior Façade Repair		12,000					-	12,000	12,000			-	12,000	-
Fire Hall #2 - Exterior Lighting Upgrade to LED		10,000					-	10,000	10,000			-	10,000	-
Fire Aerial Truck		1,900,000					-	1,900,000	1,900,000			-	1,900,000	-
Total Fire	-	2,624,700	-	-	-	-	-	2,624,700	2,624,700	-	-	2,624,700	2,624,700	-
Total Protection To Persons & Property	-	2,624,700	-	-	-	-	-	2,624,700	2,624,700	-	-	2,624,700	2,624,700	-

Transportation Services

Roads

Annual Paving, tar/chip, crack sealing		1,200,000					-	1,200,000	1,200,000			-	1,200,000	-
Traffic Signal Controller Upgrade (w/ County) CFWD		125,000					-	125,000	125,000			-	125,000	-
Tecumseh Hamlet SPA EA FSR CFWD		30,000					-	30,000	30,000			-	30,000	-
Lesperance/VIA Rail Improvements CFWD		1,850,000		1,232,600		1,232,600		617,400	617,400			-	1,850,000	-
Scully & St Mark's Storm PS/Riverside Drive CFWD+		100,000		40,000		40,000		60,000	60,000			-	100,000	-
CR46/Webster/Laval Sanitary Sewer(LRPCP) CFWD		10,000					-	10,000	10,000			-	10,000	-
Delduca Drive Sanitary Sewer (LRPCP) CFWD+		30,000					-	30,000	30,000			-	30,000	-
PJ Cecile Storm PS CFWD+		60,000		24,000		24,000		36,000	36,000			-	60,000	-
County Road 46 Municipal Class EA		70,000					-	70,000	70,000			-	70,000	-
Annual Project Contingency		250,000					-	250,000	250,000			-	250,000	-
Riverside Drive Trail CFWD		672,500					-	672,500	672,500			-	672,500	-
3100- PW 11-12 Pickup Truck - CFWD 2021		40,000					-	40,000	40,000			-	40,000	-
Total Road Construction	-	4,437,500	-	1,296,600	-	1,296,600	-	3,140,900	3,140,900	-	-	4,437,500	4,437,500	-
Debt payment - re 2005 debt		159,500					-					159,500	159,500	-
Debt payment - re 2006 debt		144,700					-					144,700	144,700	-
Debt payment - re 2007 debt		128,900					-					128,900	128,900	-
Debt payment - re 2008 debt		116,300					-					116,300	116,300	-
Debt payment - re 2009 debt		59,500					-					59,500	59,500	-
Debt payment - re 2010 debt		49,400					-					49,400	49,400	-
Debt payment - re 2011 debt		38,900					-					38,900	38,900	-
Debt payment - re 2012 debt		22,300					-					22,300	22,300	-
Debt payment - re 2013 debt		4,900					-					4,900	4,900	-
Total Road Debt	-	724,400	-	-	-	-	-	-	-	-	-	724,400	724,400	-
Total Road Construction & Debt	-	5,161,900	-	1,296,600	-	1,296,600	-	3,140,900	3,140,900	-	-	724,400	5,161,900	-

Town of Tecumseh
Approved 2023 Lifecycle Budget

	Uses of Funds			Sources of Funds									Unfinanced Capital Dec. 31/23	
	Unfinanced Capital Dec. 31/22Est	Expenditures	Transfer to Reserve/ Reserve Fund	Grants	Sale of Property	Owners/ Other Munic.	Total Other Revenues	Reserve Funds	Reserves	Total Reserve & Reserve Funds	Long Term Debt	From Taxation/Rates		Revenues
Bridges														
Culvert #42: Snake Lane Road CFWD (\$400k from CCBF RF)		588,140						400,000	188,140	588,140			588,140	-
Culvert #53: Snake Lane Road CFWD (\$400k from CCBF RF)		676,900						400,000	276,900	676,900			676,900	-
Culvert #54: Snake Lane Road CFWD (\$400k from CCBF RF)		676,900						400,000	276,900	676,900			676,900	-
Total Bridge Construction	-	1,941,940	-	-	-	-	-	1,200,000	741,940	1,941,940	-	-	1,941,940	-
Debt payment - re 2005 debt		54,000										54,000	54,000	-
Debt payment - re 2006 debt		5,800										5,800	5,800	-
Debt payment - re 2007 debt		7,300										7,300	7,300	-
Debt payment - re 2008 debt		6,700										6,700	6,700	-
Debt payment - re 2009 debt		3,600										3,600	3,600	-
Debt payment - re 2010 debt		3,100										3,100	3,100	-
Debt payment - re 2011 debt		2,400										2,400	2,400	-
Debt payment - re 2012 debt		1,600										1,600	1,600	-
Debt payment - re 2013 debt		400										400	400	-
Total Bridge Debt		84,900	-	-	-	-	-	-	-	-	-	84,900	84,900	-
Total Bridge Construction & Debt	-	2,026,840	-	-	-	-	-	1,200,000	741,940	1,941,940	-	84,900	2,026,840	-
Sidewalk														
Sidewalk Repair Program		400,000							400,000	400,000			400,000	-
Lesperance Road Trail (CR22 to CR42) CFWD		50,000							50,000	50,000			50,000	-
Total Sidewalk//Railway Crossing	-	450,000	-	-	-	-	-	-	450,000	450,000	-	-	450,000	-
Total Transportation Services	-	7,638,740	-	1,296,600	-	-	1,296,600	1,200,000	4,332,840	5,532,840	-	809,300	7,638,740	-
Environmental Services														
Storm Sewer														
Lesperance/VIA Rail Improvements CFWD+		120,400							120,400	120,400			120,400	-
Tecumseh Hamlet SPA EA FSR CFWD		50,000							50,000	50,000			50,000	-
CR46/Webster/Laval Sanitary Sewer(LRPCP) CFWD		10,000							10,000	10,000			10,000	-
Scully & St Mark's Storm PS/Riverside Drive CFWD+		7,000,000		2,800,000		2,800,000		4,200,000	4,200,000				7,000,000	-
Delduca Drive Sanitary Sewer (LRPCP) CFWD+		40,000						40,000	40,000				40,000	-
Shoreline Management Plan CFWD		10,000						10,000	10,000				10,000	-
Stormwater Rate Study		5,000						5,000	5,000				5,000	-
P.J. Cecile Storm PS * CFWD+		1,600,000		640,000		640,000		960,000	960,000				1,600,000	-
MECP Consolidated Linear Infrastructure ECA		25,000						25,000	25,000				25,000	-
MRSPA SWM Infrastructure CFWD		50,000						50,000	50,000				50,000	-
Riverside Drive Trail CFWD		600,000						600,000	600,000				600,000	-
OCIF Grant - deferred - transfer to Reserve Fund			1,175,000	1,175,000			1,175,000						1,175,000	-
Total Storm Sewer	-	9,510,400	1,175,000	4,615,000	-	-	4,615,000	-	6,070,400	6,070,400	-	-	10,685,400	-
Total Environmental Services	-	9,510,400	1,175,000	4,615,000	-	-	4,615,000	-	6,070,400	6,070,400	-	-	10,685,400	-

Town of Tecumseh
Approved 2023 Lifecycle Budget

	Uses of Funds		Sources of Funds										Unfinanced Capital Dec. 31/23
	Unfinanced Capital Dec. 31/22Est	Expenditures	Transfer to Reserve/ Reserve Fund	Grants	Sale of Property	Owners/ Other Munic.	Total Other Revenues	Reserve Funds	Reserves	Total Reserve & Reserve Funds	Long Term Debt	From Taxation/Rates	
Recreation and Culture													
Parks													
Lakewood Storyboard Cfwed 2022		10,000					-	10,000	10,000		-	10,000	-
Lacasse Ball Diamond Cfwed 2022 (\$1M from CCBF reserve fund)		3,321,000			200,000	200,000	1,000,000	2,121,000	3,121,000		-	3,321,000	-
Sports Field Top Dressing/Overseeding		16,000					-	16,000	16,000		-	16,000	-
Install Manufactured Wood Chips at Playsets		18,000					-	18,000	18,000		-	18,000	-
Bench and Garbage Can Replacement		16,000					-	16,000	16,000		-	16,000	-
Baillargeon Park - Playset Replacement		70,000					-	70,000	70,000		-	70,000	-
Southfield Park Multi-Use Court		110,000					-	110,000	110,000		-	110,000	-
L'Essor High School - Artificial Turf (joint project)		2,000,000			1,000,000	1,000,000		1,000,000	1,000,000		-	2,000,000	-
Lakewood Park - Washroom/Splash Pad Design/Const (\$940k from CCBF RF)		2,000,000			60,000	60,000		1,940,000	1,940,000		-	2,000,000	-
Capital Project Management		150,000					-	150,000	150,000		-	150,000	-
Disc Golf Course Expansion		14,000					-	14,000	14,000		-	14,000	-
Piqua Park - Basketball Court Resurfacing		45,000					-	45,000	45,000		-	45,000	-
Lakewood Park - Tree Carving		15,000					-	15,000	15,000		-	15,000	-
Southfield Park - Perimeter Trail		150,000					-	150,000	150,000		-	150,000	-
1220 - Maintenance Pickup Truck - CFWD 2021		40,000					-	40,000	40,000		-	40,000	-
7100 - RTV Winter Control Package - CFWD 2022		30,000					-	30,000	30,000		-	30,000	-
Annual Project Allocations TBD cc 9900		25,000					-	25,000	25,000		-	25,000	-
Tree Planting		30,000					-	30,000	30,000		-	30,000	-
Total Parks Construction		8,060,000	-	-	-	1,260,000	1,260,000	1,000,000	5,800,000	6,800,000	-	8,060,000	-
Lakewood Park - debt payment		696,500					-				696,500	696,500	-
Total Parks Construction & Debt	-	8,756,500	-	-	-	1,260,000	1,260,000	1,000,000	5,800,000	6,800,000	-	696,500	8,756,500
Arena													
Building Envelope Improvements		55,000					-	55,000	55,000		-	55,000	-
Arena Roof Refurbishment		150,000					-	150,000	150,000		-	150,000	-
Annual General Lifecycle Repairs		20,000					-	20,000	20,000		-	20,000	-
Total Arena	-	225,000	-	-	-	-	-	-	225,000	225,000	-	-	225,000
Pool													
Painting Exterior Waterslide Stairwell		7,500					-	7,500	7,500		-	7,500	-
Coping Repairs to Concrete Surface (Plunge Area)		7,500					-	7,500	7,500		-	7,500	-
Digital Chemical Control System		50,000					-	50,000	50,000		-	50,000	-
Annual General Lifecycle Repairs		20,000					-	20,000	20,000		-	20,000	-
Total Pool		85,000	-	-	-	-	-	-	85,000	85,000	-	-	85,000
Other Recreational													
Maidstone Rec Centre - Outdoor Washrooms		500,000			60,000	60,000		440,000	440,000		-	500,000	-
Tecumseh Historical Museum - Exterior Improvement (Painting)		3,500					-	3,500	3,500		-	3,500	-
Annual General Repairs - Buildings		40,000					-	40,000	40,000		-	40,000	-
Total Other Recreational	-	543,500	-	-	-	60,000	60,000	-	483,500	483,500	-	-	543,500
Total Recreation	-	9,610,000	-	-	-	1,320,000	1,320,000	1,000,000	6,593,500	7,593,500	-	696,500	9,610,000

Town of Tecumseh
Approved 2023 Lifecycle Budget

	Uses of Funds			Sources of Funds									Unfinanced Capital Dec. 31/23	
	Unfinanced Capital Dec. 31/22Est	Expenditures	Transfer to Reserve/ Reserve Fund	Grants	Sale of Property	Owners/ Other Munic.	Total Other Revenues	Reserve Funds	Reserves	Total Reserve & Reserve Funds	Long Term Debt	From Taxation/Rates		Revenues
Cultural Services														
Library														
Cada Library HVAC replacement (2 units)		60,000					-		60,000	60,000		-	60,000	-
Cada Library Architect Services - add'l		26,500					-		26,500	26,500		-	26,500	-
Cada Library Bldg - Renovations		1,000,000				419,839	419,839		580,161	580,161		-	1,000,000	-
Total Library	-	1,086,500	-	-	-	419,839	419,839	-	666,661	666,661	-	-	1,086,500	-
Total Cultural Services	-	1,086,500	-	-	-	419,839	419,839	-	666,661	666,661	-	-	1,086,500	-
Planning & Development														
Planning														
Total Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agriculture & Reforestation (Drains)														
Summarized (approx. 50 drains)	3,323,343	900,000		100,000		700,000	800,000		100,000	100,000			900,000	3,323,343
Total Drains	3,323,343	900,000	-	100,000	-	700,000	800,000	-	100,000	100,000	-	-	900,000	3,323,343
Total Planning & Development	3,323,343	900,000	-	100,000	-	700,000	800,000	-	100,000	100,000	-	-	900,000	3,323,343
Total Tax Supported	3,323,343	32,336,340	11,469,700	7,215,405	-	2,439,839	9,655,244	2,200,000	21,154,101	23,354,101	-	10,796,695	43,806,040	3,323,343
Rate-Supported														
Sanitary Sewers														
Sylvestre Drive Sanitary PS - 2023 Improvements		30,000					-	30,000		30,000		-	30,000	-
Lakewood Sanitary PS - 2023 Improvements		70,000					-	70,000		70,000		-	70,000	-
Gauthier Sanitary PS - 2023 Improvements		30,000					-	30,000		30,000		-	30,000	-
Tecumseh Hamlet SPA EA FSR CFWD		20,000					-	20,000		20,000		-	20,000	-
CR46/Webster/Laval Sanitary Sewer(LRPCP) CFWD		25,000					-	25,000		25,000		-	25,000	-
Scully & St Mark's Storm PS/Riverside Drive CFWD+		20,000		8,000			8,000	12,000		12,000		-	20,000	-
Delduca Drive Sanitary Sewer (LRPCP) CFWD+		60,000					-	60,000		60,000		-	60,000	-
CR42/43 Phase 1 (Wastewater) CFWD		2,994,000					-	2,994,000		2,994,000		-	2,994,000	-
TSPA Northwest W & WW Infrastructure (WW-1 & WW-2)		720,000					-	720,000		720,000		-	720,000	-
8th Concession Sanitary Sewer By-Law		45,000					-	45,000		45,000		-	45,000	-
MECP Consolidated Linear Infrastructure ECA		25,000					-	25,000		25,000		-	25,000	-
Total Sanitary Sewer Construction	-	4,039,000	-	8,000	-	-	8,000	4,031,000	-	4,031,000	-	-	4,039,000	-
Sanitary Sewers			2,007,581				-					2,007,581	2,007,581	-
Facilities			450,000				-					450,000	450,000	-
Fleet			60,000				-					60,000	60,000	-
Rate Stabilization			25,000				-					25,000	25,000	-
Total Lifecycle/Capital	-	-	2,542,581	-	-	-	-	-	-	-	-	2,542,581	2,542,581	-
Debt payment - re 2018 debt NTR Pulleyblank/Crowder/Moro		10,700				10,700	10,700					-	10,700	-
Debt payment - re 2018 debt NTR Rossi		34,000				34,000	34,000					-	34,000	-
Debt payment - re 2022 debt NTR CR11		120,700				120,700	120,700					-	120,700	-
Total Sanitary Sewer Debt	-	165,400	-	-	-	165,400	165,400	-	-	-	-	-	165,400	-
Total Sanitary Sewers	-	4,204,400	2,542,581	8,000	-	165,400	173,400	4,031,000	-	4,031,000	-	2,542,581	6,746,981	-

Reserves

Glossary

Reserve: A reserve is an allocation of accumulated net revenues. Reserves can be established for any predetermined purpose and applied for that purpose at the discretion of Council.

Reserve Fund: A reserve fund is established to account for assets that have been segregated for a specific purpose, either voluntarily or because of legal or contractual reasons.

Discretionary Reserve Fund: These are established whenever Council wishes to earmark funds to finance a future project for which it has the authority to spend money. A municipality may, by by-law, provide that the money raised for a reserve fund be applied to another purpose.

Obligatory Reserve Fund: These must be created whenever a statute requires revenues received for special purposes to be segregated from the general revenues of the municipality.

2023 Budget Estimated Balances

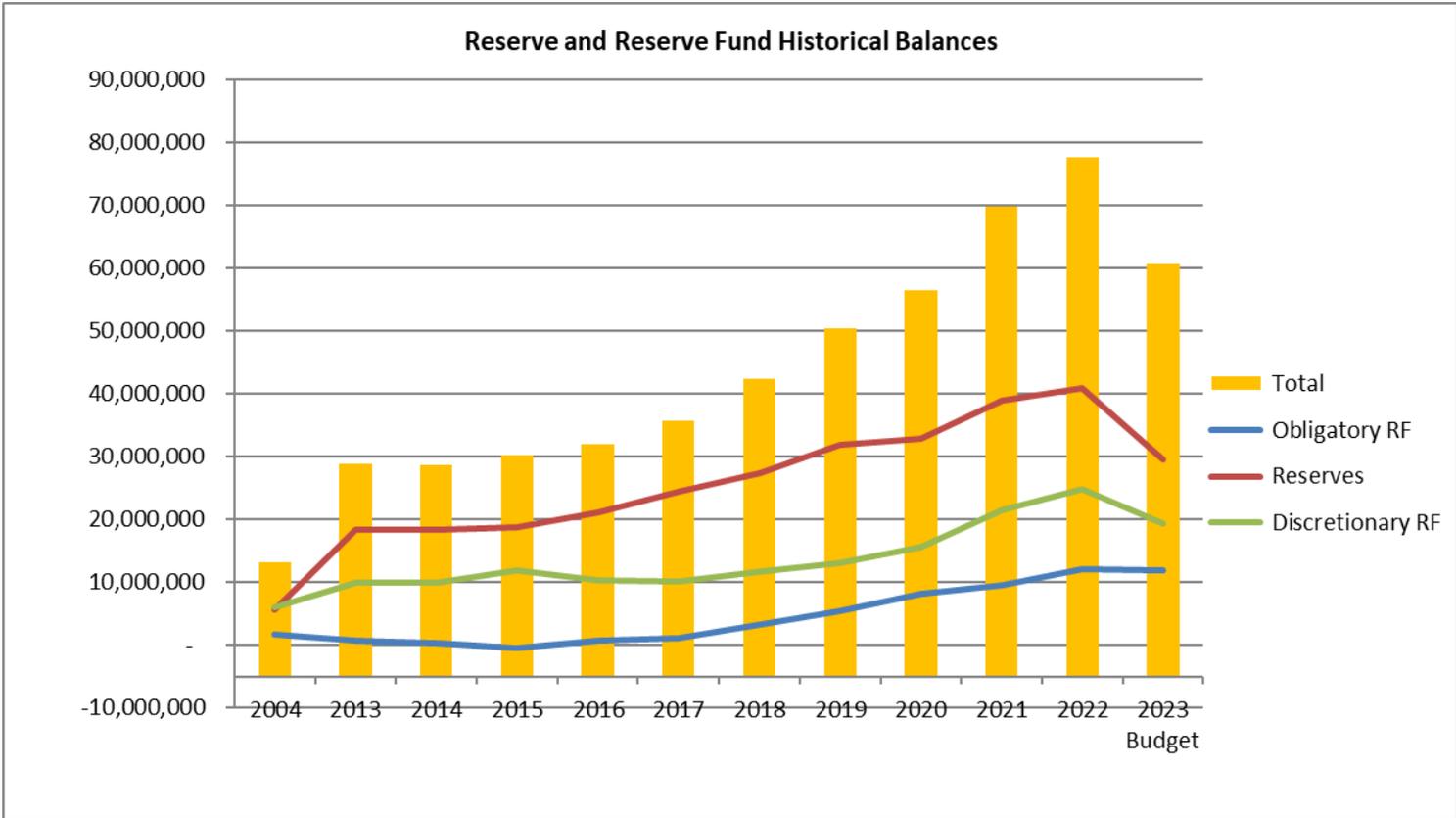
Funding included in budget estimates are based on normal annual projected works and pre-approved projects. As per policy, any allocation of new funds for specific projects will be first brought before Council for approval.

Budgeted reserve and reserve fund (reserves) balances at the end of 2023 are projected to be \$62.8M, which compares to \$77.7M for 2022 (estimate), \$69.9M for 2021 and \$56.6M for 2020.

Major balances, in millions of dollars, projected to December 31, 2023 are:

Lifecycle (LC)	\$	17.5
Water		13.8
Infrastructure (NIL)		6.7
Sanitary Sewers		5.7
Canada Community-Building Fund		5.0
Ontario Community Infrastructure Fund		3.6
Tax Rate Stabilization		3.0
Development Charges		2.3
Post Employment Benefits		2.0
Remainder		<u>3.2</u>
	\$	62.9

The following chart shows a ten-year history of reserve and reserve fund year-end balances by Reserves, Discretionary Reserve Funds and Obligatory Reserve Funds. In addition, 2004 has been included to show a comparison to the year prior to implementation of the Lifecycle Plan in 2005.



2023 Budget Highlights

The budget anticipates funding \$33.6M for operating and capital purposes in 2023. For comparative purposes, Reserve funding use is estimated to be \$12.7M for 2022 and was 11.0M in 2021. Major items include:

Items Requiring Funding	Amount Funded From Reserves
County Road 42/43 Construction – Municipal Water and Wastewater	\$ 6.2M
Scully & St. Mark's Storm Pump Station/Riverside Drive	\$ 4.3M
Lacasse Ball Diamond Upgrades	\$ 2.1M
Fire Aerial Truck	\$ 1.9M
Lakewood Park – Washrooms and Splash Pad Design and Construct	\$ 1.9M
Riverside Drive Trail - completion	\$ 1.3M
Annual Roads Paving	\$ 1.2M

Administration has targeted a Tax Rate Stabilization reserve balance of 15% of the municipal tax levy, or approximately \$4.1M. The 2023 year-end reserve balance is estimated to be \$3.0M. Contributions to the reserve are made annually from bank interest and dividend income over base budget amounts. (Base budgets are used for those sources of revenue that are subject to significant fluctuation due to factors outside the Town's control).

Should the Tax Rate Stabilization reserve balance target be reached, any additional bank interest and dividend income contributions will be allocated to the Infrastructure reserve.

In 2023 transfers out of the Tax Rate Stabilization reserve include an estimated \$533k to Operating for: Ongoing legal matters (\$150,000), Fire Master Plan (\$130,000), Comprehensive Zoning By-Law (\$52,000), GHG Reduction and Energy Strategy (\$32,000), and for various one-time operating expenditures (\$169,000).

The 2015 budget implemented a special New Infrastructure Levy (NIL). The NIL is contributed to the Infrastructure (Capital) reserve to partially address funding shortfalls required for constructing new and/or enhanced infrastructure. The target annual levy for the NIL is \$2.35M. The current NIL is \$1.75M with a \$200,000 increase budgeted in 2023, and projected annual increases of \$200k in 2024, and \$200k in 2025. The target will be reached by 2025 if the increases proceed at this level.

Reserves in Deficit Positions

Development Charge Reserve Funds: Development Charge (DC) funds have historically been the main category making up Obligatory Reserve Fund (RF) balances. For those projects where available DC funds are insufficient to fund projects, temporary funding has been provided from other reserves. As DC revenue is received, funds are transferred to reduce the unfinanced DC balances. Unfinanced balances, as reported in Financial Services Report FS-2023-02 “2021 Development Charge Reserve Fund Statement”, are:

Unfinanced Balance	Amount
Wastewater	\$ 11,098,000
Watermain	\$ 488,000
Recreation	\$ 435,000
Studies	\$ 844,000
Total	\$ 12,865,000

The Wastewater DC Reserve Fund has a significant deficit; this has typically been funded by the Sanitary Sewers RF. The accumulated deficit position in the Sanitary Sewers RF has improved significantly, benefitting from light capital works programs in 2021 and 2022, some maturing debt and improving development conditions. The recently completed 2019 Development Charge Study increased the Wastewater component of the town-wide development charge by 4%, partly due to accumulated debt obligations. The calculated DC rate charge is based on a population increase of 1,770 residents and 1,350 households by 2029 (an average of 135 household additions per year). For reference purposes, the current Town population is unchanged from 2011 with household additions of 490 during that eight-year period (an average of 61 household additions per year).

Storm Sewers LC Reserve:

The Storm Sewer Lifecycle Reserve is expected to be in a deficit position of \$4.1M by the end of 2023. This is mainly due to the funding of proposed 2023 projects including the Scully & St. Mark's Storm Pump Station/Riverside Drive Improvements and P.J. Cecile Storm Pump Station Improvement, both of which are recommended projects in the (Tecumseh) Storm Drainage Master Plan.

A major contributor to the accumulated deficit is that the Town has significantly enhanced storm infrastructure with funding coming from the Storm Sewer LC whereas a portion of the funds should really come from the Infrastructure reserve (for new and/or enhanced assets). Examples include improvements to the Brighton and Manning Road pump stations along with certain road projects in the St. Clair Beach and Oldcastle areas where the storm system was enhanced. Up until now, deficits have been managed using grants and additional funding provided by the Road LC.

The Town was awarded DMAF grant funding of up to \$10.7M towards the Scully & St. Mark's Storm Pump Station Improvements and the P. J. Cecile Storm Pump Station Improvement. DMAF program requirements call for these projects to be completed by March 2028. Total combined project costs are estimated at \$26.75M, which notwithstanding grant funding, would put the reserve in a significant deficit position. The 2023 capital budget includes \$8.7M for the completion of engineering and design works and commencement of construction, \$7.8M of which should be funded through a combination of Storm Sewers LC Reserve and Infrastructure Reserve. The Town is in the process of securing a financing agreement with Infrastructure Ontario that will allow for access to up to \$12M in long-term debt towards the funding of these projects.

The Town has designated use of OCIF grant funding to be used towards storm-related capital projects, which will help offset some of the financial pressures. 2018-2020 accumulated OCIF grant funding, totalling \$3.03M were used in 2021 towards the Manning Road Phase 2 project. 2021 OCIF grant funding will be used towards the Tecumseh Road Storm and Road Improvements project currently underway.

Fire Apparatus Lifecycle Reserve:

The Fire Apparatus Lifecycle Reserve will drop into a deficit position following the 2023 budgeted replacement of the department's Aerial Truck. Fire also added a High Water Rescue Vehicle to its fleet in late 2021. The growing fleet and rising replacement costs of all Fire Apparatus necessitate increased funding. The Town's 20-year replacement and funding schedule is updated periodically to account for inflationary pressures. The latest update was completed in 2021 and calls for an annual target allocation for the Fire Apparatus Lifecycle Reserve of \$294,000. The 2023 allocation to this reserve is \$214,000 and a \$35,000 increase is included in the 2023 budget with further increases required in following years.

**Town of Tecumseh
Summary of Reserves and Reserve Funds
Approved 2023 Budget**

The schedules below provide information about amounts that are available to offset future revenue requirements and amounts that have been set aside to finance future expenditures.

			Actual Balance 12/31/21	Projected Balance 12/31/22	Estimated Net Activity 2023	Projected Balance 12/31/23
Reserves			38,912,500	40,834,500	(11,400,000)	29,434,500
Discretionary Reserve Funds			21,514,000	24,752,000	(3,303,000)	21,449,000
Obligatory Reserve Funds			9,449,000	12,118,000	(247,000)	11,871,000
TOTAL	-	-	69,875,500	77,704,500	(14,950,000)	62,754,500

The following schedules provide detailed information on Reserves, Obligatory Reserve Funds and Discretionary Reserve Funds.

Reserves	Purpose	Source of Funding	Actual Balance 12/31/21	Projected Balance 12/31/22	Estimated Net Activity 2023	Projected Balance 12/31/23
Lifecycle *	Long-term funding for Lifecycle costs	Budget allocation and proceeds from disposal of assets	23,035,000	22,438,000	(4,974,000)	17,464,000
Tax Rate Stabilization	Smoothing tax rate impacts due to unusual/unexpected requirements	Budget allocations of excess interest and dividend income above base levels	2,811,000	3,037,000	(63,000)	2,974,000
Infrastructure (Capital)	Long-term funding for capital projects	Budget allocation and proceeds from disposal of assets	10,753,000	12,988,000	(6,253,000)	6,735,000
Sick/Vacation Pay	Fund payout of sick leave and vacation pay on retirement	Contribution from operating surplus	726,000	714,000	-	714,000
ASO Benefits	Offset possible increase in employee health benefit costs	Surplus funds from Administrative Services Only benefits program	308,000	308,000	(90,000)	218,000
Community Improvement Plan	Encourage development in the downtown	Budget allocation	509,000	599,000	-	599,000
West St. Louis Pump	2nd pump for West St. Louis development area	Developer contributions	284,000	284,000	-	284,000
Working Capital	Reorganization costs and special project carry forward costs	Special project surplus funds	216,000	216,000	-	216,000
Insurance	Offset possible future rate increases or establishing self insurance reserve	Administration department budget provision	211,000	191,000	(20,000)	171,000
Meeting Investigator/Integrity Commissioner	Fund costs of investigation/commissioner	Unspent operating budget funds	35,000	35,000	-	35,000
General Purpose	Art work and environment protection	Budget allocation	17,000	17,000	-	17,000
Fire Education & Awareness	Special publication education and promotion	Firefighter fundraising events	7,500	7,500	-	7,500
Total	-	-	38,912,500	40,834,500	(11,400,000)	29,434,500

*Lifecycle reserves include individual reserves for the following categories: Arenas; Bridges & Culverts; Buildings; Community Trails; Drains; Elections; Fire Apparatus; Fire SCBA; Fleet; Information Technology

New Lifecycle Issues; Outdoor Pool; Park Development; Reforestation; Roads; Sidewalks; Storm Sewers; One Time Strategic Issues; Transit

**Town of Tecumseh
Summary of Reserves and Reserve Funds
Approved 2023 Budget**

Discretionary Reserve Funds	Purpose	Source of Funding	Actual Balance 12/31/21	Projected Balance 12/31/22	Estimated Net Activity 2023	Projected Balance 12/31/23
Water	Capital purchases, fleet replacement and Lifecycle	Annual budget transfer. Based on rate study	14,771,000	15,875,000	(2,118,000)	13,757,000
Post Employment Benefits	Partial funding post retirement benefits	Annual budget transfer	1,960,000	1,969,000	69,000	2,038,000
Sanitary Sewer	Capital purchases	Annual budget transfer. Based on rate study	4,783,000	6,908,000	(1,254,000)	5,654,000
Total	-	-	21,514,000	24,752,000	(3,303,000)	21,449,000
Obligatory Reserve Funds	Purpose	Source of Funding	Actual Balance 12/31/21	Projected Balance 12/31/22	Estimated Net Activity 2023	Projected Balance 12/31/23
Development Charges	Growth-related capital requirements for water, sewer,	Developer contributions	1,875,000	2,067,000	261,000	2,328,000
Parkland Development	Park improvements and expansions	Developer contributions	706,000	717,000	33,000	750,000
Building Code Permit Fees	Building Code permit fee surplus/(deficit)	Building permit fees	-	-	157,000	157,000
Gas Tax	Environmentally sustainable infrastructure	Federal/Provincial gas tax contribution	5,626,000	6,964,000	(1,956,000)	5,008,000
Storm OCIF	Infrastructure needs of small communities	Ontario Community Infrastructure Fund	1,242,000	2,370,000	1,258,000	3,628,000
Total	-	-	9,449,000	12,118,000	(247,000)	11,871,000

Town of Tecumseh
Approved 2023 Reserve and Reserve Fund Budget

CC2 #

RESERVES	Est. balance @ Dec 31/22	Transfer (To) From Other Reserve	Per Resolutions	From Current Operations	From Capital Operations	From Developers	Interest Earned	2023 Revenues	To Current	To Capital	2023 Expenditures	Est. Balance @ Dec 31/23
General Reserves												
1000 Sick/Vacation Pay	714,461		714,461					0			0	714,461
1025 Working Fund	216,300		216,300					0			0	216,300
1030 Tax Rate Stabilization	3,036,746		3,036,746	470,000				470,000	533,000		533,000	2,973,746
1031 Health ASO	307,820		307,820					0	90,000		90,000	217,820
1056 Meeting Investigator	34,587		34,587					0			0	34,587
1060 Fire Education and awareness	7,500		7,500					0			0	7,500
1065 Insurance	191,000		191,000					0	20,000		20,000	171,000
1085 Infrastructure (NIL)	12,987,537		12,987,537	189,775	1,950,000			2,139,775	350,653	8,041,661	8,392,314	6,734,998
1120 Community Improvement Plan	598,787		598,787					0			0	598,787
1105 Cada Complex Art Work	17,435		17,435					0			0	17,435
1115 West St. Louis Pump	284,345		284,345					0			0	284,345
General Reserves	18,396,518	0	18,396,518	659,775	1,950,000	0	0	2,609,775	993,653	8,041,661	9,035,314	11,970,979
Lifecycle Reserves												
1580 Arenas	869,130		869,130	48,000	190,000			238,000		225,000	225,000	882,130
1660 Bridges and culverts	1,128,577		1,128,577		435,000			435,000		741,940	741,940	821,637
1540 Buildings	693,829		693,829		210,000			210,000		377,000	377,000	526,829
1640 Community trails	392,271		392,271		80,000			80,000		150,000	150,000	322,271
1670 Drains	166,155		166,155		100,000			100,000		100,000	100,000	166,155
1610 Elections	(5,396)		(5,396)		16,000			16,000	2,125		2,125	8,479
1690 Fire Apparatus	1,550,470		1,550,470		239,000			239,000		1,900,000	1,900,000	(110,530)
1700 Fire Equipment	(65,212)		(65,212)		85,000			85,000		189,700	189,700	(169,912)
1530 Fleet	1,467,977		1,467,977		600,000			600,000		240,000	240,000	1,827,977
1570 Information Technology	612,806		612,806		173,000			173,000		516,000	516,000	269,806
1680 New lifecycle issues	1,075,589		1,075,589		100,000			100,000			0	1,175,589
1510 Outdoor Pool	332,674		332,674		70,000			70,000		85,000	85,000	317,674
1600 Park development	2,042,994	79,900	2,122,894		400,000			400,000		339,000	339,000	2,183,894
1560 Reforestation	140,732		140,732		30,000			30,000		30,000	30,000	140,732
1500 Roads	10,877,014		10,877,014	10,000	4,160,000			4,170,000	105,976	2,428,400	2,534,376	12,512,638
1550 Sidewalks	452,046		452,046		74,000			74,000		450,000	450,000	76,046
1650 Storm sewers	61,661		61,661		1,352,700			1,352,700	66,352	5,470,400	5,536,752	(4,122,391)
1620 One Time Strategic Issues	153,782		153,782		50,000			50,000	40,000		40,000	163,782
1710 Transit	491,333		491,333		100,000			100,000	120,000		120,000	471,333
Lifecycle Reserves	22,438,432	79,900	22,518,332	58,000	8,464,700	0	0	8,522,700	334,453	13,242,440	13,576,893	17,464,139
Grand Total Reserves	40,834,950	79,900	40,914,850	717,775	10,414,700	0	0	11,132,475	1,328,106	21,284,101	22,612,207	29,435,118

Town of Tecumseh
Approved 2023 Reserve and Reserve Fund Budget

CC2 #		Est. balance @ Dec 31/22	Transfer (To) From Other Reserve	Per Resolutions	From Current Operations	From Capital Operations	From Developers	Interest Earned	2023 Revenues	To Current	To Capital	2023 Expenditures	Est. Balance @ Dec 31/23
	Discretionary Reserve Funds												
2520	Water	6,877,853	55,800	6,933,653		1,747,036		240,700	1,987,736	96,391	4,495,000	4,591,391	4,329,998
2530	Water - Facilities	7,977,622		7,977,622		85,000		279,200	364,200			0	8,341,822
2620	Water rate stabilization	1,019,251		1,019,251		30,000		35,700	65,700			0	1,084,951
2550	Sanitary Sewers	3,419,886	148,600	3,568,486		2,007,581		119,700	2,127,281	95,976	3,901,000	3,996,976	1,698,791
2560	Sanitary Sewer - Facilities	3,080,898		3,080,898		450,000		107,800	557,800		130,000	130,000	3,508,698
2640	Sanitary Sewer - Rate Stabilization	407,813		407,813		25,000		14,300	39,300			0	447,113
2630	Post employment benefits	1,968,541		1,968,541				68,900	68,900			0	2,037,441
	Discretionary Reserve Funds	24,751,863	204,400	24,956,263	0	4,344,617	0	866,300	5,210,917	192,367	8,526,000	8,718,367	21,448,813
	Obligatory Reserve Funds												
2000	Studies	64,771		64,771			50,100	2,300	52,400	98,000	0	98,000	19,171
2010	Fire	407,624		407,624			11,100	14,300	25,400			0	433,024
2020	Police	102,450		102,450			5,400	3,600	9,000			0	111,450
2030	Roads	859,892		859,892			217,000	30,100	247,100			0	1,106,992
2040	Wastewater	0	(148,600)	(148,600)			148,600	0	148,600			0	0
2050	Water	0	(55,800)	(55,800)			55,800	0	55,800			0	0
2060	Library	120,226		120,226			2,800	4,200	7,000			0	127,226
2070	Outdoor Recreation	0		0				0	0			0	0
2080	Indoor Recreation	511,899	(79,900)	431,999			79,900	17,900	97,800			0	529,799
	Development Charges	2,066,863	(284,300)	1,782,563	0	0	570,700	72,400	643,100	98,000	0	98,000	2,327,663
2580	Canada Community Building Fund (GasT)	6,963,989		6,963,989				243,700	243,700		2,200,000	2,200,000	5,007,689
2600	Parkland	716,913		716,913			8,000	25,100	33,100			0	750,013
	Building Code	0		0	157,352			0	157,352			0	157,352
2650	Ontario Community Infrastructure (Storm Sewer)	2,369,983		2,369,983		1,175,000		82,900	1,257,900			0	3,627,883
	Total Obligatory Reserve Funds	12,117,748	(284,300)	11,833,448	157,352	1,175,000	578,700	424,100	2,335,152	98,000	2,200,000	2,298,000	11,870,600
	Grand Total Reserve Funds	36,869,611	(79,900)	36,789,711	157,352	5,519,617	578,700	1,290,400	7,546,069	290,367	10,726,000	11,016,367	33,319,413
	Grand Total Reserve & Reserve Funds	77,704,561	0	77,704,561	875,127	15,934,317	578,700	1,290,400	18,678,544	1,618,473	32,010,101	33,628,574	62,754,531

2023 Business Plan & Budget

Supplementary Budget Information





About Tecumseh

Tecumseh is one of the Windsor-Essex region's best-kept secrets. With a population of just under 23,500, Tecumseh provides community living with big city access and opportunities. Since 2011, the Town has been working to implement policies and procedures that follow a strategic plan for the municipality. We want to ensure the Town is an even better place to live, work and invest through a shared vision.

The Town is located in the northwest corner of Essex County on the south shoreline of Lake St. Clair and has a combination of both urban and rural characteristics.

Our residents agree with our approach. For the last eight years, Tecumseh has received a 97% or higher citizen satisfaction rating. Four out of five respondents believe Tecumseh is heading in the right direction. Yet we believe there is still room for improvement and we continue to demonstrate leadership by promoting good governance and community engagement—our people are what makes us great.

With successful industrial and business sectors, a commitment to sustainable, planned development, and a wealth of cultural and recreational opportunities, Tecumseh offers a vibrant destination to visit or to call home.

Council and Administration believe in a healthy, liveable approach to the community through planning as well as supporting our staff. The Town is an eight-time recipient of the Gord Smith Healthy Workplace and Bike Friendly Workplace awarded by the Windsor-Essex Health Unit.

The Town radiates small-town charm, natural beauty and cultural vitality while providing all the advantages of an economically diverse and well-serviced urban community.

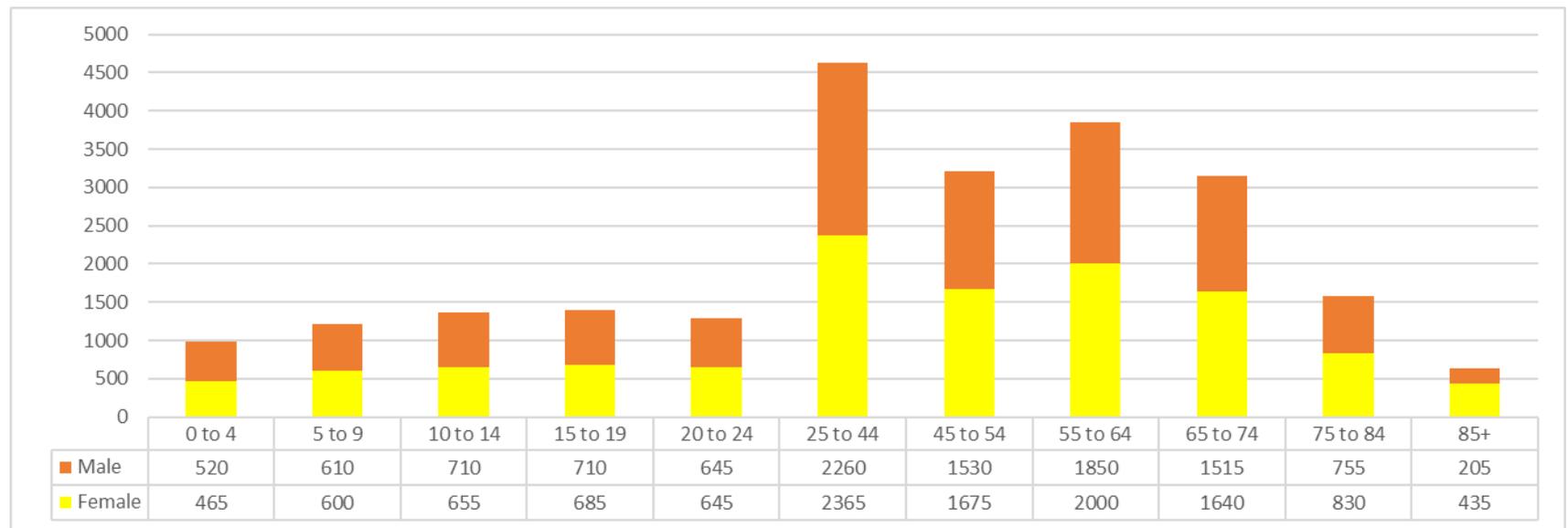
While a majority of Tecumseh's 94.7 square kilometres of land area continues to be used for agricultural production, three distinct and separate areas contain the community features typical of an urban area, including residential, recreational, institutional, commercial and industrial development.

Tecumseh was the first local community to introduce a transit system that connects to the City of Windsor, bringing riders into the City of Windsor to connect to the broader city transportation system.

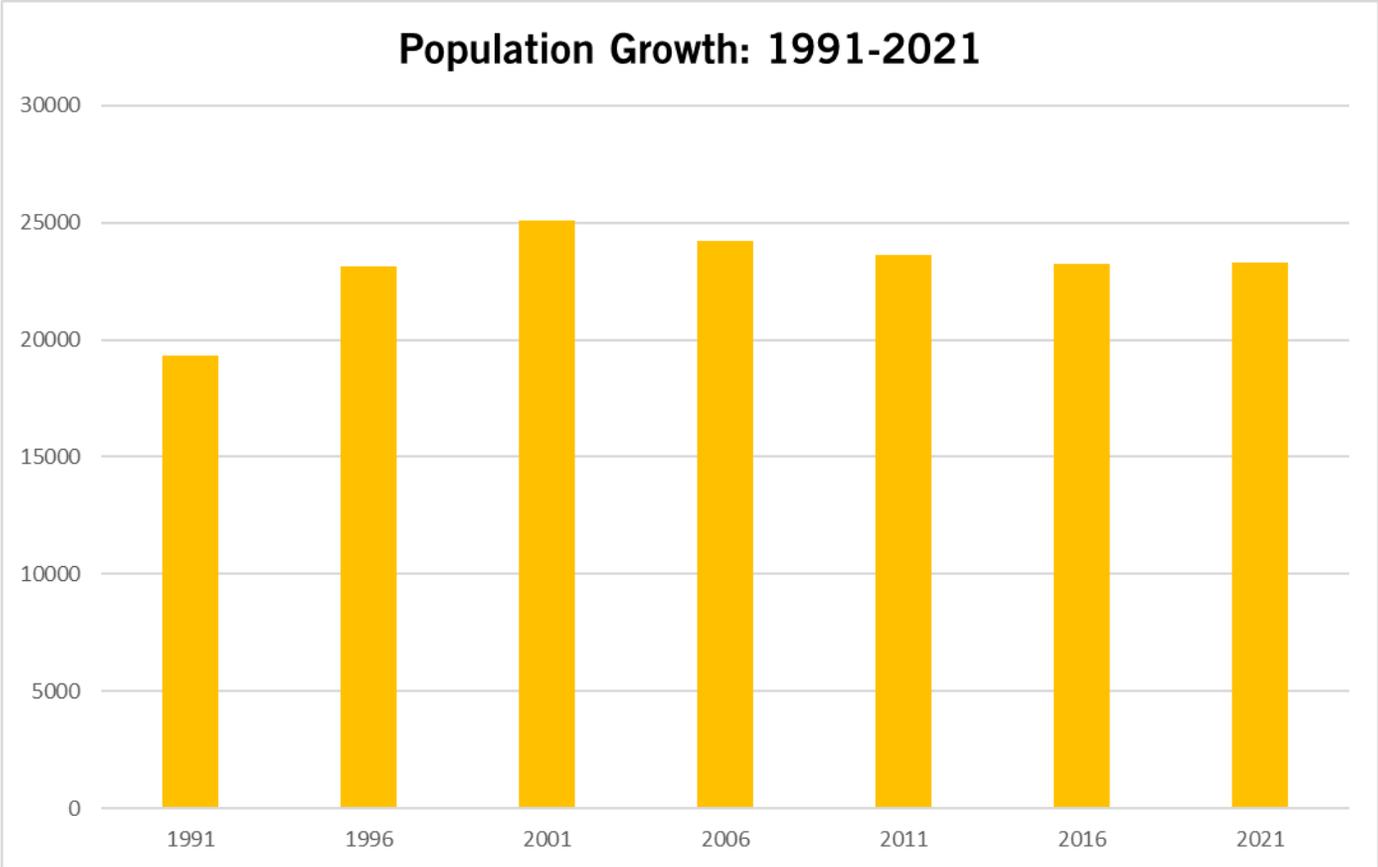
The majority of the urbanized area of Tecumseh is serviced by active transportation infrastructure in the form of sidewalks, bike lanes and/or multi-purpose trails. The goal of the Town is to ensure that transportation choices for all residents are available or planned. Tecumseh is working with the County of Essex as part of the County Wide Active Transportation System to add and improve connections to trails and cycling infrastructure including more than \$200,000 in trail construction in the last three years.

Tecumseh Demographics & Statistics

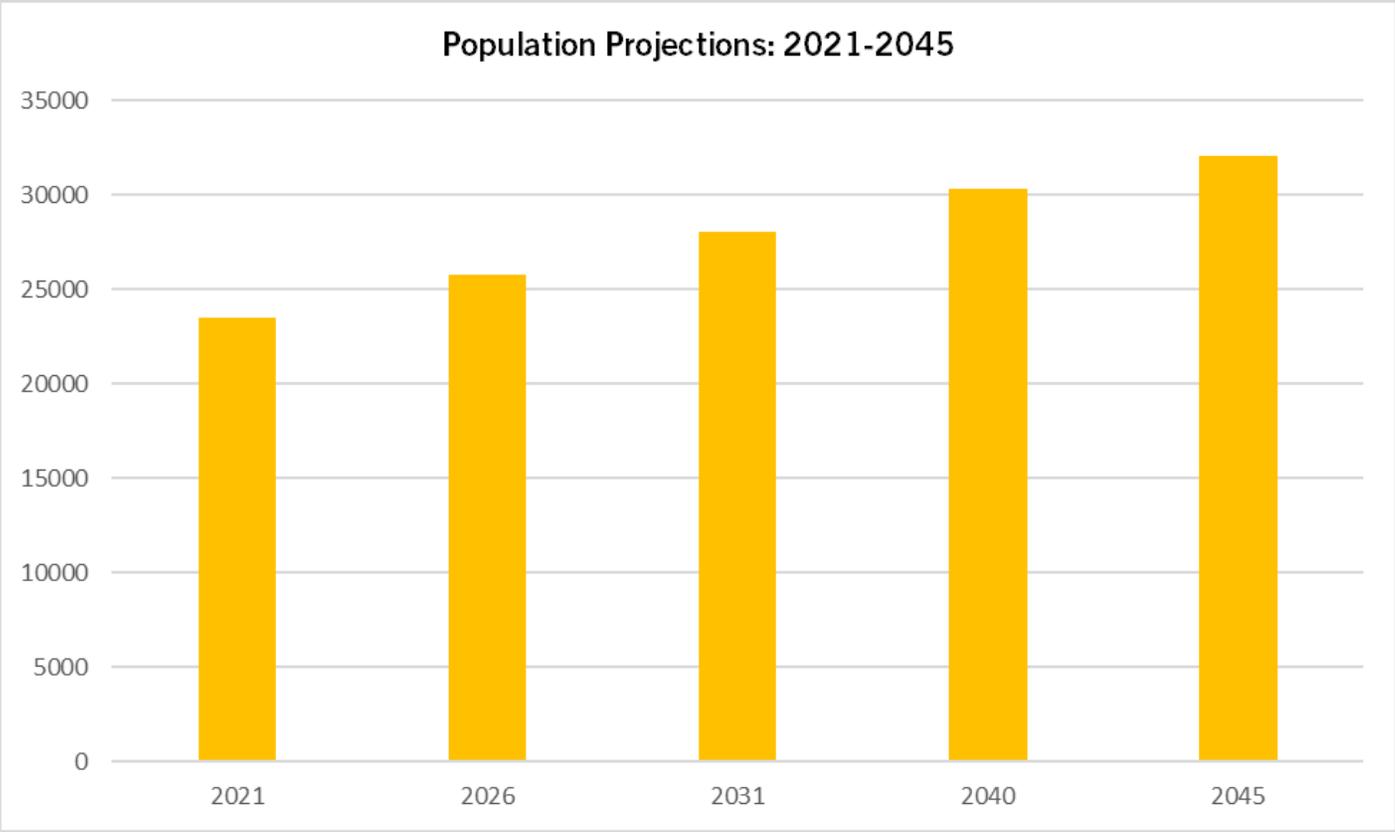
Population



Statistics Canada, Census 2021

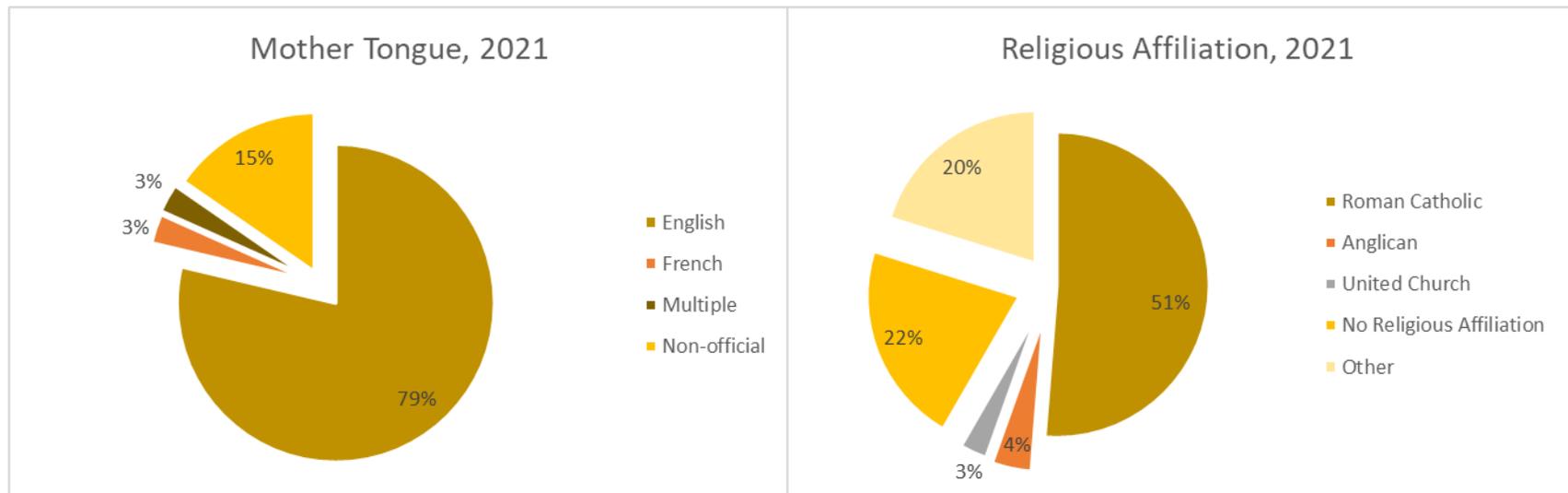


Statistics Canada, Community Profile, Census 2021, 2016, 2011, 2006, 2001, 1996 & 1991;



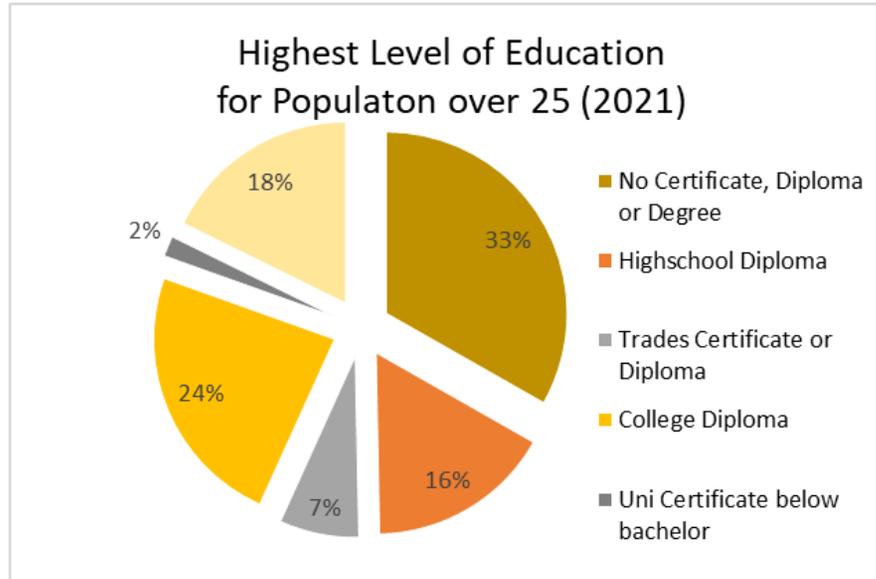
Town of Tecumseh, Official Plan 2021

Language & Religion



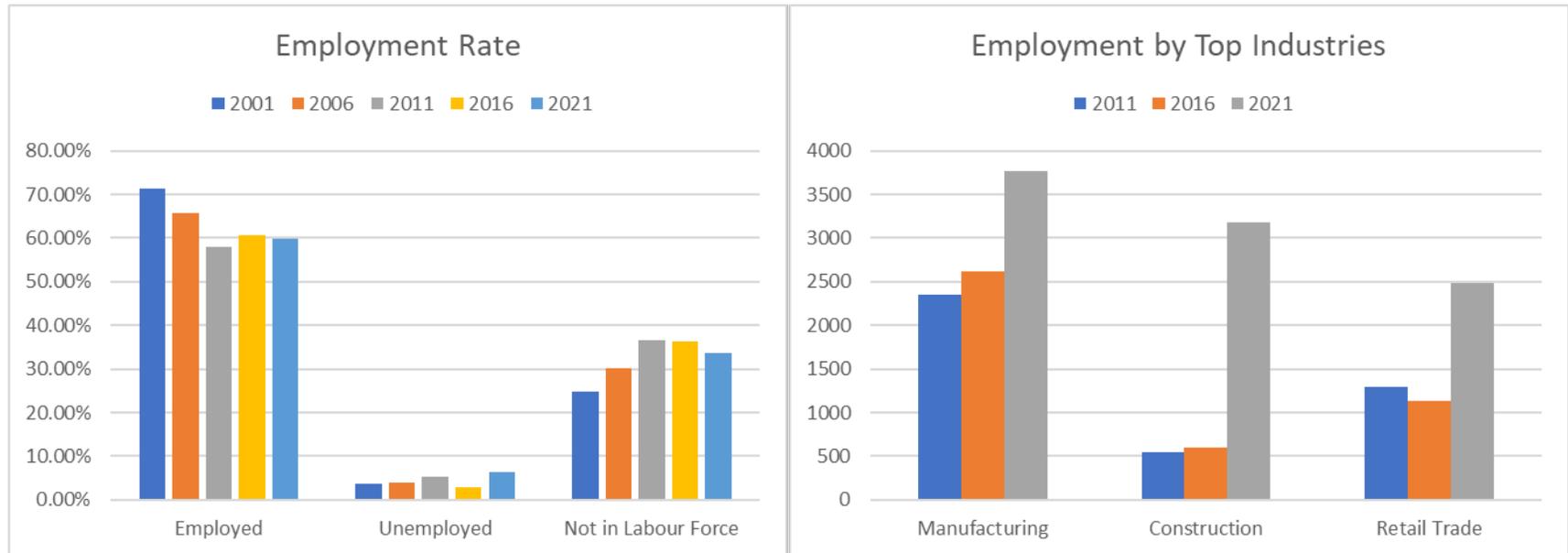
Statistics Canada, Community Profile, Census 2021

Education

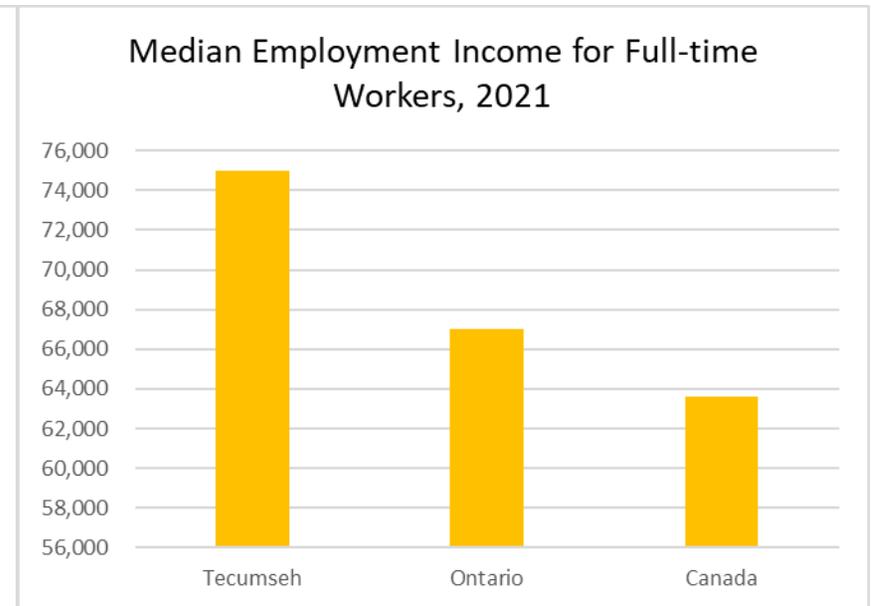


Statistics Canada, Community Profile, Census 2021; National Household Survey, Focus on Geography Series, 2011 (Tecumseh)

Labour / Employment

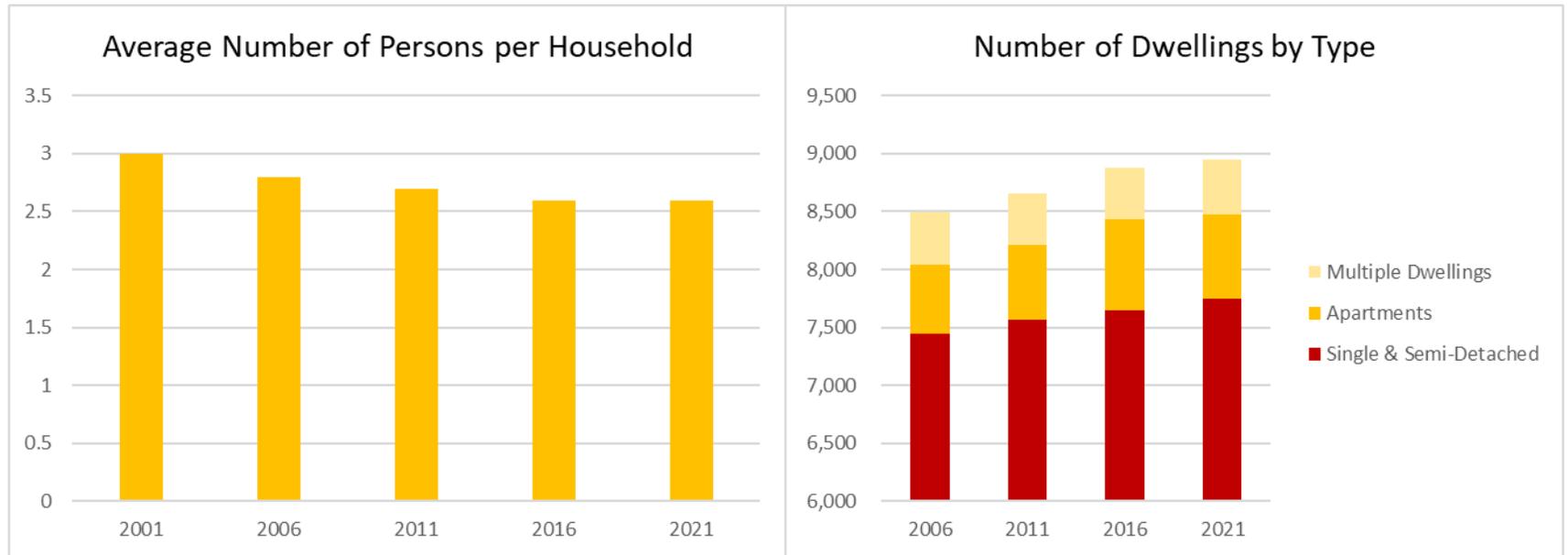


Statistics Canada, Community Profile, Census 2021; Statistics Canada, Community Profile, Census 2016; Statistics Canada, Community Highlights for Tecumseh, 2001; National Household Survey, Focus on Geography Series, 2011 (Tecumseh)



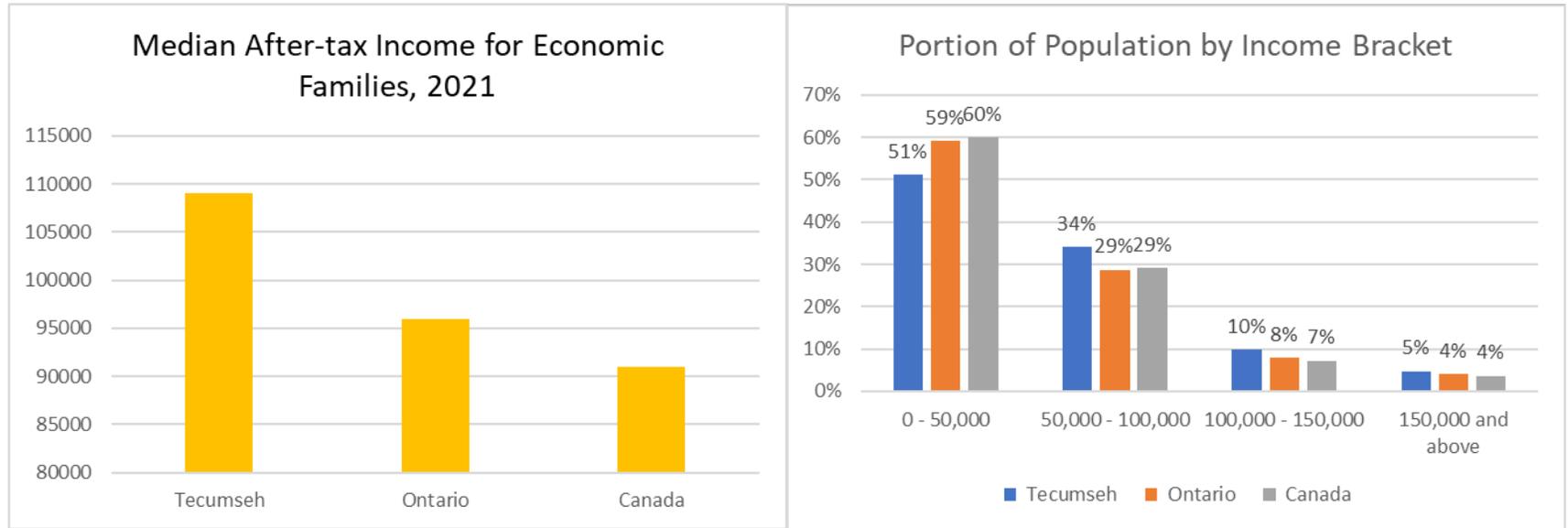
Statistics Canada, Community Profile, Census 2021;

Households



Statistics Canada, Community Profile, Census 2021

Income



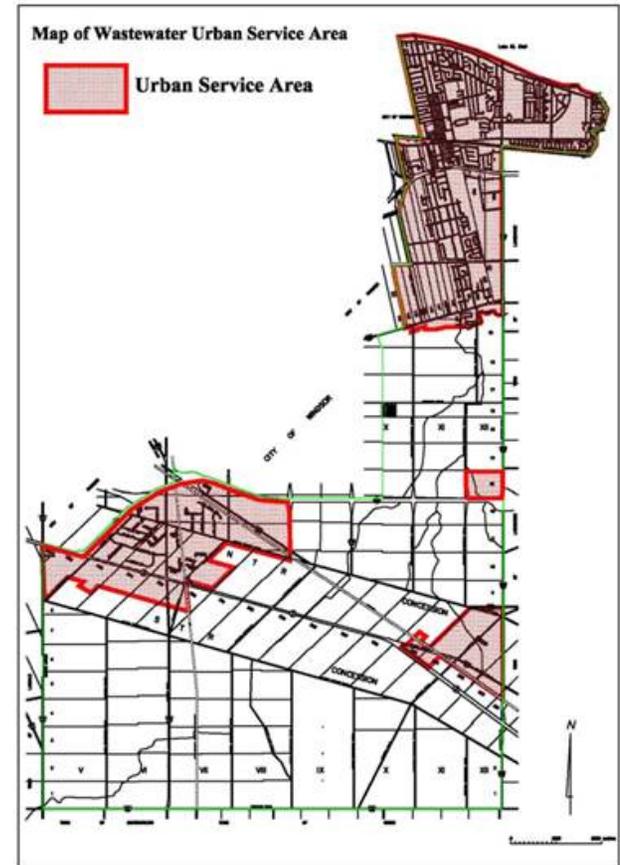
Statistics Canada, Community Profile, Census 2021

2022 Business Utility Rates

Water Rate / cubic metre	\$1.2496
Wastewater Rate / cubic metre	\$1.3092
Electricity Distribution Rate < 50 kw	\$0.0269 /kWh
Electricity Distribution Rate > 50 kw	\$8.23 /kWh
Electricity Monthly Fixed Charge < 50 kw	\$38.62
Electricity Monthly Fixed Charge >50 kw	\$252.83

Rates and Charges 2022 Tax Rates

	Municipal	County	Education	Total
Residential	0.00775568	0.00496761	0.00153000	0.01425329
Multi-Residential	0.01184835	0.00758902	0.00153000	0.02096737
Farmland	0.00193892	0.00124190	0.00038250	0.00356332
Commercial	0.00839199	0.00537518	0.00880000	0.02256717
Shopping Centre	0.00839199	0.00537518	0.00880000	0.02256717
Office Building	0.00839199	0.00537518	0.00880000	0.02256717
Industrial	0.01506541	0.00964959	0.00880000	0.03351500
Large Industrial	0.02083253	0.01334351	0.00880000	0.04297604



2022 Development Charges - Effective September 1, 2022 to August 31, 2023						
	Residential					Non-residential
	Single-Detached and Semi-detached Dwelling	Apartments (2+Bedrooms)	Apartments (Bachelor and 1 Bedroom)	Multiple Dwellings	Special Care Dwellings and Senior's Homes	Per ft2 of Gross Floor Area
Total Municipal Wide (Urban and Rural) Development Charges	\$18,296	\$10,201	\$7,883	\$11,664	\$6,587	\$6.63
Additional Charge Affecting Urban Service Area	\$5,910	\$3,295	\$2,547	\$3,767	\$2,128	\$2.60
Total	\$24,206	\$13,496	\$10,430	\$15,431	\$8,715	\$9.23

Community / Culture 2022	
Municipal Libraries	1
Municipal Community Centres	3
Retirement Homes / Nursing Homes	3
Museums	1

Education 2022	
Elementary Schools	9
Secondary Schools	2
Private Schools	2
Colleges (within 1 hour drive)	8
Universities (within 1 hour drive)	3

Recreation 2022	
Parks	40
Dog Owner Parks	1
Parks Area	147 hectares
Length of Trails/Pathways	32.5 km
Length of Sidewalks	62.5 km
Golf Courses	2
Soccer Fields	23
Baseball Diamonds	18
Basketball Courts	11
Tennis Courts	7
Hockey Rinks	2
Swimming Pools	1
Pickleball Courts	14

Municipal Services 2022	
Total Sanitary Infrastructure	127 km
Total Stormwater Infrastructure	154 km
Total Watermain Infrastructure	225 km
Total Municipal Roadways	180 km
Total County Roadways	72 km
Total Provincial Roadways	41 km

Public Transportation 2022 (Tecumseh Transit Service)	
Hours of Operation	Mon - Sat. (6a.m. - 6 p.m.)
Service Area Population	14,099
Transit Route Length	On-Demand
2021 Total Annual Ridership	14,668
2021 Average Daily Ridership	48 passengers per day

Budget Process

Timelines

The 2023 Operating, Lifecycle and Reserve Budget process began in August 2022 with the goal of tabling the 2023 Operating, Lifecycle and Reserve Budgets in December 2022 and potential adoption at the January 25, 2023 Regular Council Meeting. Strategic Priorities are set by Council at the beginning of their four-year term and reviewed halfway through the term for update. Council was elected in the fall 2018 and adopted the 2019-2022 Strategic Priorities in July 2019. Existing strategic priorities were used to develop the 2023 budget. Planning for the Strategic Priorities for 2023-2026 council term will commence in Q1 2023.

The planned budget timeline, including scheduled dates for council deliberation is illustrated below.



Planned Budget Timeline

Budget deliberations are to occur at a Special Council Meeting on January 17, 2023 with potential adoption on January 24, 2023. Once the budget is set, no further amendments would be anticipated. However, there is a policy in place should amendments be required. Refer to the Financial Policies and Goals section of the budget document for details.

Public Input

Notice of Council's intention to adopt budgets is advertised on the Town's website and social media.

Public input on the budget is encouraged. Regular Council Meetings are open to the community for those that wish to be present for Council deliberations. Residents may present opinions at Regular Council Meetings by requesting to appear before Council as a delegation. Alternately, Mayor and Council contact information is listed on the Town website for those that wish to call or email and/or residents can provide input via the Town's Budget Survey.

Comments by residents are noted and considered throughout the budget process.

Budget Development – 2023

Council and Administration have emphasized the importance of long-term planning and have incorporated that philosophy within the operating budget process by including two forecast years. Although the budget process seeks only to adopt a budget for 2023, it is critical to acknowledge the anticipated budget demands of the forecasted budget years when making current budget year decisions.

Department Requested Budget

An overall increase of \$1,765,000 to the Operating Net Expenditures was requested for 2023, an increase of 6.80% net of growth.

The most significant budget pressures for 2023 and corresponding tax rate impacts identified in the Requested Budget included:

Description	Amount	Impact
Staffing Enhancements	\$575,000	2.22%
Lifecycle	\$450,000	1.73%
Salaries and Benefits	\$310,000	1.19%
Contracted Services (Garbage, ERCA etc.)	\$126,000	0.49%
PD & Education (reversal of one-time reductions)	\$118,000	0.45%
Maintenance Services & Materials/Supplies	\$104,000	0.40%
Computer Support & Software	\$96,000	0.37%
Insurance & Utilities	\$70,000	0.27%
Transfer to Reserve re: Bank Interest	\$50,000	0.19%
Other miscellaneous	\$35,000	0.13%
Tax Write-offs	\$(50,000)	(0.19)%
Contracted Services (Police)	\$(119,000)	(0.46)%
Sub-total	\$1,765,000	6.80%
Growth	\$(330,000)	(1.27)%
Total	\$1,435,000	5.53%

Proposed Budget

During Senior Management review sessions, Administration was able to reduce the increase by \$309,000. The result is a budget calling for a proposed municipal levy increase of \$1,456,000 or 4.40% net of \$330,000 in assessment growth.

The more significant changes to the requested budget are:

Description	Amount	Impact
Transfer from Reserves for one-time items, insurance	\$(227,000)	(0.87)%
Various Revenues (Grants, POA, inflationary increases, etc.)	\$(138,000)	(0.53)%
Staffing Enhancements	\$(93,000)	(0.36)%
Professional Services	\$(24,000)	(0.09)%
PD & Education	\$(21,000)	(0.08)%
Elimination/Reallocation of Committee budgets	\$(17,000)	(0.07)%
Maintenance Service & Materials/Supplies	\$(17,000)	(0.07)%
Reduction in Building Permit revenue	\$192,000	0.74
Various (other miscellaneous adjustments)	\$36,000	0.14%
Sub-total	(\$309,000)	(1.19%)
Growth	\$(0)	(0%)
Total	\$(309,000)	(1.19)%

Transfer from Reserve was increased by \$174,000 (net of reversals) to offset one-time budgetary expenditures or provide for smoothing of increases. Some of the more notable transfers include the following:

- CAO - \$150,000 for on-going legal costs surrounding the Lottery Licensing lawsuit
- Fire – \$130,000 for the Fire Master Plan and Community Risk assessment
- Arena - \$126,000 to offset department payroll and benefits costs related to Manager – Capital Projects
- Transit - \$120,000 to support smoothing net Transit operating costs
- Finance - \$113,000 to offset department payroll and benefits costs related to Financial Analyst – Capital Projects
- Planning - \$113,000 to offset department payroll and benefits costs related to Senior Planner – Capital Projects
- TCS - \$40,000 to fund Cloud Strategy
- Corporate Shared - \$40,000 funding allocation for ASO benefits increase
- Corporate Shared - \$20,000 to mitigate expected insurance increase.

The request for staffing enhancements originally included provisions for two students dedicated to supporting the development of the Town's Asset Management Plan (AMP). Through discussion the department was asked to complete the project with one student, and ultimately was able to borrow the additional staff from parks on a one-time basis. In addition, it was decided to phase in the People & Culture Business Partner position, thus budgeting for a mid-year start. Total combined reduction of \$93,000.

YAC, SAC, Cultural & Heritage committee budgets were reviewed and in some cases eliminated or reallocated to other programming budgets. Total combined reduction of \$17,000.

During the budget review sessions, revenues were scrutinized and increased by \$138,000. Some of the more notable adjustments include:

- Arena – User charges increased by \$18,000 with the assumption that ice rentals will return to pre-COVID-19 levels
- Legislative Services & Clerks - \$40,000 grant revenue budgeted for the Records Management Service Review (2/3 grant funding awarded in 2022 carried forward to 2023).
- Transit - \$18,000 grant revenue forecasted based on return to pre-pandemic ridership levels.
- Corporate Shared – Increase in interfunctional - admin charges of \$30,000 for support services to rate-supported departments.
- Special Events - \$9,000 summer student grant budgeted.
- Planning – Planning Fees increased by \$3,000 as a result of greater activity.

The 2023 budget proposed an **increase to Lifecycle of \$250,000** for 2023, and projects annual increases of \$200,000 for 2024 and 2025. The Lifecycle Program was designed as a 10-year program with the objective to fully fund the replacement of existing assets. The initial target was reached with the 2014 budget. However, as assets are added and new information from studies becomes available, it is imperative to review and adjust the annual requirement on a year to year basis. Although most Lifecycle categories are well-funded and generally require periodic inflationary increases, studies such as the (Tecumseh) Storm Drainage Master Plan and the Culvert Need Study highlighted areas that may require significant and costly remedies.

The 2023 budget proposed an **increase to the New Infrastructure Levy (NIL) of \$200,000** in 2023, and projects annual increases of \$200,000 for 2024 and 2025. It is anticipated that the revised annual target amount of \$2,350,000 will be reached in 2026. The target has an allocation of \$550,000 to fund Sportsplex-component amenities with the balance to fund other new infrastructure.

Table 1 illustrates the proposed municipal levy increase for 2023 with forecast increases for years 2024 to 2027. This multiple year forecasting has assisted in long range financial planning and strategic priority development.

Budget Drivers	2022	2023 Proposed	2024	2025	2026	2027
Base Department Operations (excl Pay/Ben)	-0.13%	0.93%	1.02%	0.22%	1.66%	1.90%
Service Level Enhancements	2.70%	1.73%	1.76%	0.49%	0.66%	0.79%
Payroll/Benefits	1.19%	1.19%	1.82%	1.12%	1.09%	1.04%
Sub-total – Operating	3.76%	3.85%	4.60%	1.83%	3.42%	3.73%
Lifecycle	0.18%	0.96%	0.73%	0.68%	1.00%	0.95%
New Infrastructure Levy	0.00%	0.77%	0.73%	0.68%	0.50%	0.47%
Sub-total – Capital	0.18%	1.73%	1.46%	1.37%	1.49%	1.42%
Total	3.94%	5.58%	6.06%	3.20%	4.91%	5.15%
Assessment (Growth)/Loss	-1.00%	-1.27%	-1.63%	-1.71%	-2.32%	-2.53%
Total w/ Growth factor	2.94%	4.31%	4.41%	1.49%	2.59%	2.63%

Approved Budget

During budget deliberations at the Special Council Meeting of January 17, 2023, each Department Head presented details on their specific budgets, explained the basis of any budgetary changes from 2022, and answered questions put forth by Council. Amendments to the Proposed Budget brought forward were:

- One-time increase transfer from reserves to cover increased benefit costs (\$50,000)
- One-time increase transfer from reserves to account for vacancies across the organization (\$50,000)
- One-time reduction to the amount of excess interest income transferred to reserves (\$50,000)

The overall reduction of \$150,000 results in a revised municipal tax levy increase net of growth of 3.85% (from 5.6%). The Proposed Budget as amended was approved unanimously by Council (SCM January 17, 2023) and consequently, the deliberation meeting scheduled for January 19, 2023, was cancelled.



Preparation of Financial Information

Preparation of Financial Statements

The Public Sector Accounting Board (PSAB) Handbook Sections PS1200 and PS3150 require that financial statements, including budgeted amounts on the statements, are presented using the full accrual basis.

Tecumseh is in full compliance with the requirements set forth by the PSAB of the Chartered Professional Accountants Canada (CPA) regarding presentation of financial statements.

Basis of Accounting

Accounting is done on a full accrual basis. This means that revenues are recognized/recorded when earned and expenses are recognized when incurred and measureable as a result of receipt of goods or services.

Basis of Budgeting

The Town's budgeting process starts with the modified accrual basis to determine the tax levy and user fees required to meet the priorities and objectives of the Town. This means that revenues are recognized when measurable and available and expenditures are recognized when the liability is incurred. The modified accrual basis does not take into account expenses such as amortization, post-employment benefits and solid waste landfill closure and post-closure expenses.

PSAB requires the budgeted amounts on the financial statements to be presented on a full accrual basis. To bridge this gap, Financial Services staff completes a series of accounting adjustments to convert the budgeted amounts from modified accrual to full accrual.

Asset Management Plan

The Town's investment in tangible capital assets is significant, with the current replacement cost of infrastructure totaling hundreds of millions of dollars. This underscores the need for long-term financial planning for the eventual replacement of these assets. Tecumseh's initial Asset Management Plan was completed in 2013. An update was adopted by Council on May 8, 2018 (RCM-157/18). On October 27, 2022, the updated Asset Management Plan (version 3) and amended Strategic Asset Management Policy, Policy 85 was presented and adopted by council(RCM-25/22).

Financial Information Return (FIR)

The Ministry of Municipal Affairs is responsible for establishing requirements for municipal accounting, financial reporting, municipal auditing and other matters related to the financial health of municipalities as set out in Section 3 of the *Municipal Affairs Act*. Section 294(1) of the *Municipal Act* specifically states that each municipality will annually report on its financial affairs, accounts and transactions. This takes the form of the annual Financial Information Return (FIR).

Purpose of the FIR - Information reported in the Financial Information Return is extracted and stored in the Municipal Analysis and Retrieval System (MARS) database. The data is available to ministries, municipalities, other local government agencies and municipal associations for the following purposes:

- Developing provincial fiscal policy
- Developing municipal finance policy
- Monitoring local sector performance
- Examining the financial status of municipalities
- Municipal debt limit reports
- Forecasting and budgeting
- Local economic profiles and information on local services and service levels for use by industry
- Financial and statistical data requests
- Municipal management tool/comparative tool.



Fiscal Policy

Town of Tecumseh by-laws, policies and long-standing practices formulate the overall fiscal policy of the Town. The major components of the fiscal policy are as follows:

Annual Budget Development (Policy 19-2002)

The budget outlines the business plans for the operating and support service departments' delivery of programs and services. It links the Town's strategic priorities with business plans, budget allocations, performance indicators and measures. Achievement of the target outcomes becomes the focal point for program and service delivery, performance measurement, monitoring and reporting. The proposed budget is balanced with revenues equaling expenses for the year and is tabled before Council for review and adoption.

Council shall adopt a budget for each year that meets all the requirements of the Municipal Act.

Asset Management (Policy 82 through 82.5-2014, Policy 95-2022)

In June 2011, the Provincial government released a long-term infrastructure plan called "Building Together". To receive provincial funding, a municipality must show that the project for which grant funding is sought is included in a detailed Asset Management Plan (AMP). The Ministry of Infrastructure released "Building Together – Guide for Municipal Asset Management Plans" (Guide) to assist municipalities with AMPs. In accordance with the Guide, policy 82, 82.1, 82.2, 82.3, 82.4 and 82.5 provide direction on data verification and condition assessment for roads, bridges, storm sewer, water distribution system and sanitary sewer collection system.

The Town's initial AMP was adopted by Council in 2013 (RCM-457/13). The first update was completed in 2018 and approved by Council on May 8, 2018 (RCM-157/18).

The Province announced authority for the regulation of AMPs with the *Infrastructure for Jobs and Prosperity Act 2015*. Subsequently, *O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure* set out the details. The first milestone was the development of a formal asset management policy by July 1, 2019. *O. Reg. 588/17* specifies content requirements. The Town's formal policy was approved by Council on June 25, 2019 (RCM-177/19). The purpose of the policy is to establish

consistent standards and guidelines for the management of Town assets applying sound technical, social and economic principles that consider present and future needs of users, and the service expected from the assets.

On October 27, 2022 Version 3 of the Asset Management Plan and amended Strategic Asset Management Policy, Policy 95 was presented and subsequently adopted by Council (RCM-25/22). The Town's 2022 Asset management Plan (version 3) covers a 10-year timeframe from 2022-2031, that combines state of infrastructure, levels of service, asset management strategies, risk, future demands and emerging challenges, and the financial summary. The amended Strategic Asset Management Policy includes the Town's approach to tracking and measuring continual improvements to the AMP which includes regular data review, level of service improvement, and demand & risk management improvement.

Debt Management (Long-standing practice)

Since 2005, the Town has adopted an aggressive strategy to use long-term debt for financing sanitary and water long term capital requirements in order to ready the Town for development when circumstances dictate. At the same time, the Town embarked on a Lifecycle plan to fund the replacement of existing infrastructure assets. Part of the plan involved borrowing for roads and bridges in order to provide full funding for these two categories. Long-term debt is only issued to fund large capital projects.

The debt program is actively managed to preserve the financial integrity and flexibility of the Town. Debt does not exceed the Annual Repayment Limit set by Ministry of Municipal Affairs and Housing. The issuance of long-term debt is approved by Council through by-law.

Development Charges By-law (By-law 2019-63)

Development charges are a means of recovering the net cost of capital expenditures attributable to growth, within the limits permitted by law. By-law 2019-63 provides guidance on the collection and payment of development charges in accordance with the Development Charges Act, 1997. This replaces the original By-law 2014-68.

Financial Management Policy (Policy 102-2020)

The foundation of the Financial Policy Framework is the set of overarching principles of responsible financial management. The principles outline the Town's basic philosophy on financial matters and align with the Town's strategic plan. The purpose of this policy is a framework that provides decision-making guidance to allow for financial sustainability through changing conditions. This policy framework applies to Budget and Financial Planning, Revenues, Expenditures, Reserve and Reserve Funds, Asset Management Planning, Debt, Investments and Accounting, Auditing & Financial Reporting.

Investment Policy (Policy 87-2016)

The Town strives for the optimum utilization of its cash resources within statutory limitations and the basic need to protect and preserve capital, while maintaining solvency and liquidity to meet ongoing financial requirements. The purpose of the policy is to govern the prudent management of the Town's surplus funds and investment portfolio. This applies to all of the Town's surplus cash, reserve and reserve funds, sinking funds, deposits and other cash resources.

Lifecycle Program (Long-standing practice)

Council approved a Lifecycle program as part of the 2005 budget process. The plan contemplated annual tax increases of 2.9% for the 2005 to 2014 tax years in order to fulfill full funding requirements. Funds raised through taxation for lifecycle purposes are segregated into lifecycle reserves. The plan provides the Town with the ability and resources to respond to capital infrastructure replacement needs and ensures prudent capital asset management. The annual allocation must be adjusted to reflect new or deleted assets and to reflect changes in estimated replacement costs.

Operating Budget Implementation and Reporting (Policy 21-2002)

A system of reviewing actual and forecast results to budgeted amounts has been established to ensure budgetary control. Budget variance analysis and reporting is completed for the periods ending March, June, August and December. Noteworthy budget line item variances and overall departmental variances as defined in the policy are reported to Council.

Post Budget Adjustments (Policy 22-2002)

Any post budget adjustment is to be approved by motion of Council. Budget adjustments refer to any change that requires expenditure not originally contemplated in the budget or any restrictions on the budget subsequently imposed by Council.

Purchasing By-law (By-law 2021-60)

The Purchasing By-law provides a system for the procurement of goods and services for the Town. It includes the Purchasing Policy, which outlines responsibilities and authorities, and details the various purchasing standards sanctioned for the procurement of goods and services at all monetary levels. The guiding principle is that procurement decisions will be made using a competitive process that is open, transparent and fair, and in accordance with applicable regulatory Trade Agreements. This by-law replaces By-law 2017-63.

Surplus/Deficit Management (Long-standing practice)

An annual surplus represents one-time funding that cannot be relied upon on an ongoing basis. As such, an annual surplus should be allocated to a stabilization, contingency or infrastructure reserve which is used to fund one-time items.

Conversely, an annual deficit is usually the result of unexpected one-time items, and as such should be funded from a stabilization, contingency or infrastructure reserve.

The Director Financial Services makes recommendations regarding the management of a surplus or deficit. Council approves transfers to/from reserves.

Tangible Capital Asset Accounting (Policy 83-2014)

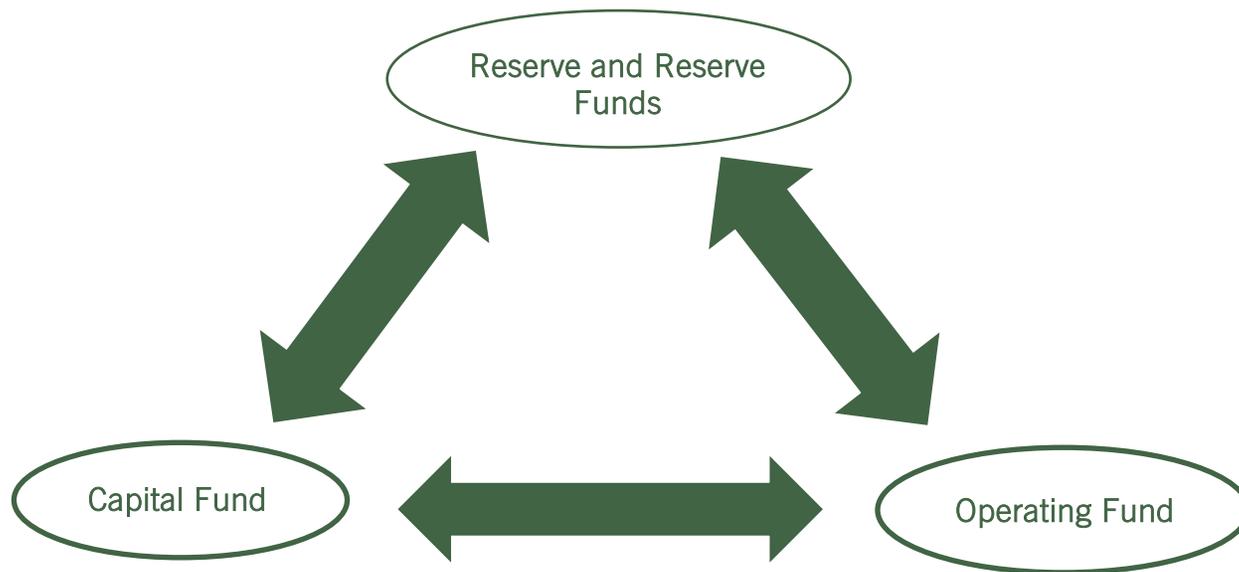
Canada's accounting standard-setting body, the Chartered Professional Accountants Canada (CPA), through its Public Sector Accounting Board (PSAB), establishes reporting requirements for municipalities. Current PSAB reporting requirements dictate that Canadian municipalities must account for and report Tangible Capital Assets (TCAs) on their financial statements. This mandatory reporting of assets has been in effect since 2009, and applies to both newly acquired assets and existing assets.

Capital asset accounting is necessary in order to determine the values that appear on the financial statements. Capital asset accounting involves the recording, tracking and reporting of the Town's assets. A TCA inventory is maintained so that original historical costs are recorded and accumulated depreciation from year of acquisition can be calculated. A summary of this data, along with yearly depreciation, is shown on the Town's financial statements.

The Town of Tecumseh employs the necessary and appropriate controls required for the recording and reporting of TCAs. The Town successfully met the 2009 PSAB reporting requirements and has been in compliance since.



Summary of Funds



A Fund is a self-balancing set of accounts used for a specific purpose. The Town of Tecumseh uses an Operating Fund, Capital Fund, and Reserve and Reserve Funds for budgeting and financing activities. The image above outlines how the funds work. Monies flow between funds through inter-fund transfers, which are recorded as revenues or expenses in the affected funds. Fund balance is the excess of cumulative revenues and other sources of funds over cumulative expenditures and other uses of funds.

Operating Fund: the Operating Fund is the source of funding for the Town’s day-to-day operations. The majority of revenue is generated from Taxation, Water Sales, and Sewer Charges.

Capital Fund: the Capital Fund is the source of funding for capital acquisitions and projects. Sources of funding include:

- Transfers from Operating (taxation)
- Transfers from Reserve/Reserve Funds
- Long Term Debt
- Transfer Payments (Federal and Provincial)

The balance in the capital fund at January 1, 2023 represents the forecast unfinanced capital amount as of December 31, 2022.

Reserve/Reserve Funds: a Reserve is an allocation of accumulated net revenues. Reserves can be established for any predetermined purpose and applied for that purpose at the discretion of Council.

A Reserve Fund is established to account for assets that have been segregated for a specific purpose, either voluntarily or because of legal or contractual reasons. There are two types of reserve funds:

- Discretionary Reserve Fund - established whenever Council wishes to earmark funds to finance a future project for which it has the authority to spend money. A municipality may, through by-law, provide that the money raised for a reserve fund be applied to another purpose.
- Obligatory Reserve Fund – created whenever a statute requires revenues received for special purposes be segregated from the general revenues of the municipality.

Summary of Fund Activity

An overview of changes to fund balances is as follows:

Operating Fund: The 2022 net surplus will be transferred to a reserve resulting in a closing fund balance of \$0 in 2023.

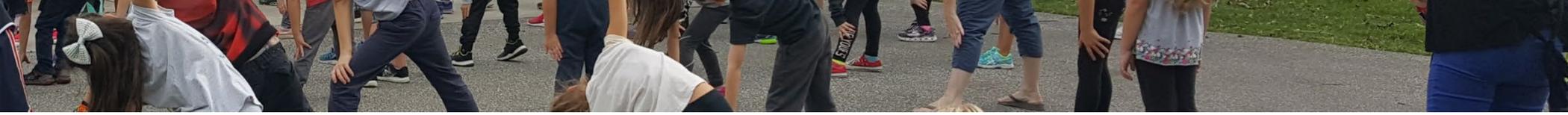
Capital Fund: The closing fund balance is generally a result of municipal drain projects, which may take a few years to complete and bill out. Drain activity has increased significantly in the last few years.

Reserve and Reserve Funds: The 2023 budgeted closing fund balance shows a decrease of \$14.9 million largely due to the \$8 million budgeted for Infrastructure upgrades including Lacasse Ball Diamond Upgrades and Lakewood Park washroom and splashpad, \$4.2 for stormwater pump stations and \$1.9 million for the acquisition of the Aerial Sutphen Platform along with other various capital works projects.

A summary of fund activity, which shows sources and uses of funds can be found on the following page.

Summary of Fund Activity

Sources of Funds	Operating Fund			Capital Fund			Reserve & Reserve Funds			Total		
	2021 Year End Actuals	2022 Forecast	2023 Budget	2021 Year End Actuals	2022 Forecast	2023 Budget	2021 Year End Actuals	2022 Forecast	2023 Budget	2021 Year End Actuals	2022 Forecast	2023 Budget
Taxes	25,118,706	26,254,757	27,412,690	-	-	-	-	-	-	25,118,706	26,254,757	27,412,690
Supplementary Taxes	185,111	69,260	350,000	-	-	-	-	-	-	185,111	69,260	350,000
Right of Way	15,666	15,665	15,700	-	-	-	-	-	-	15,666	15,665	15,700
Special Charges	1,019	-	-	-	-	-	-	-	-	1,019	-	-
Payments in Lieu	104,501	82,517	82,300	-	-	-	-	-	-	104,501	82,517	82,300
Total Taxation	25,425,003	26,422,199	27,860,690	-	-	-	-	-	-	25,425,003	26,422,199	27,860,690
Grants	1,228,035	870,298	421,531	-	-	-	-	-	-	1,228,035	870,298	421,531
User Charges	11,675,775	12,117,329	12,730,751	-	-	-	-	-	-	11,675,775	12,117,329	12,730,751
Licences and Permits	687,314	530,550	991,763	-	-	-	-	-	-	687,314	530,550	991,763
Fines	46,644	57,686	102,550	-	-	-	-	-	-	46,644	57,686	102,550
Penalties and Interest	400,884	389,814	380,000	-	-	-	-	-	-	400,884	389,814	380,000
Investment Income	1,426,746	1,606,397	1,396,275	-	10,369	-	350,918	696,532	1,290,400	1,777,664	2,313,298	2,686,675
Other Income	671,323	672,857	766,762	88,923	107,132	320,000	-	-	-	760,246	779,989	1,086,762
Transfer Payments	-	-	-	551,306	4,851,484	7,789,244	-	-	-	551,306	4,851,484	7,789,244
Capital Contributions	-	-	-	1,227,453	958,309	1,865,400	6,494,939	4,048,539	578,700	7,722,392	5,006,848	2,444,100
New Debt Issued	-	-	-	616,000	-	-	-	-	-	616,000	-	-
Sources of Funds before Transf	41,561,724	42,667,130	44,650,322	2,483,682	5,927,294	9,974,644	6,845,857	4,745,071	1,869,100	50,891,263	53,339,495	56,494,066
Transfer from Operating Fund	-	-	-	14,702,107	14,857,449	15,261,312	3,103,066	2,489,241	875,127	17,805,173	17,346,690	16,136,439
Transfer from Capital	-	-	-	-	-	-	14,398,424	13,250,386	15,934,317	14,398,424	13,250,386	15,934,317
Transfers from Reserve/Reserve	447,027	1,168,857	1,618,473	10,576,905	11,325,184	32,010,101	-	-	-	11,023,932	12,494,041	33,628,574
	42,008,751	43,835,987	46,268,795	27,762,694	32,109,927	57,246,057	24,347,347	20,484,698	18,678,544	94,118,792	96,430,612	122,193,396
Uses of Funds												
General Government	4,614,269	5,557,984	6,257,536	1,077,350	335,203	966,000	-	-	-	5,691,619	5,893,187	7,223,536
Protection to Persons & Propert	5,806,503	6,262,873	6,642,730	270,646	271,620	2,624,700	-	-	-	6,077,149	6,534,493	9,267,430
Transportation Services	2,636,062	2,808,759	2,912,831	3,370,825	8,098,295	7,638,740	-	-	-	6,006,887	10,907,054	10,551,571
Environmental Services	7,706,248	8,208,863	8,875,071	4,073,957	6,565,922	18,485,800	-	-	-	11,780,205	14,774,785	27,360,871
Social & Family	38,926	43,309	39,100	-	-	-	-	-	-	38,926	43,309	39,100
Recreation & Cultural Services	3,068,820	3,706,495	4,198,000	2,027,378	2,359,067	10,696,500	-	-	-	5,096,198	6,065,562	14,894,500
Planning & Development	745,328	950,867	1,180,783	2,547,997	1,180,863	900,000	-	-	-	3,293,325	2,131,730	2,080,783
Uses of Funds Before Transfe	24,616,156	27,539,150	30,106,051	13,368,153	18,810,969	41,311,740	-	-	-	37,984,309	46,350,119	71,417,791
Transfer to Operating	-	-	-	-	-	-	447,026	1,331,127	1,618,473	447,026	1,331,127	1,618,473
Transfer to Capital	14,702,107	14,857,449	15,287,617	-	-	-	10,576,905	11,325,176	32,010,101	25,279,012	26,182,625	47,297,718
Transfer to Reserve/Reserve Fu	3,103,065	1,049,646	875,127	14,398,424	13,250,386	15,934,317	-	-	-	17,501,489	14,300,032	16,809,444
	42,421,328	43,446,245	46,268,795	27,766,577	32,061,355	57,246,057	11,023,931	12,656,303	33,628,574	81,211,836	88,163,903	137,143,426
(Increase)/Decrease to Funds	412,577	(389,742)	-	3,883	(48,572)	-	(13,323,416)	(7,828,395)	14,950,030	(12,906,956)	(8,266,709)	14,950,030
Opening Fund Balance	-	412,577	-	3,368,032	3,371,915	3,323,343	(56,552,751)	(69,876,167)	(77,704,562)	(53,184,719)	(66,091,675)	(74,381,219)
Closing Fund Balance	412,577	22,835	-	3,371,915	3,323,343	3,323,343	(69,876,167)	(77,704,562)	(62,754,532)	(66,091,675)	(74,358,384)	(59,431,189)



Financial Key Performance Indicators

While financial statements offer a wealth of information, the review can be technical and time-consuming. Financial ratio analysis is an efficient and effective way to review an organization's financial performance and health.

For the Town of Tecumseh, the following measures have been reviewed and analyzed:

- Financial Position
- Operating Surplus/Deficit
- Asset Consumption
- Reserves
- Debt
- Taxes Receivable

Taken together, these measures give a good picture of the Town's overall financial health at a particular point in time. Trends in these measures can be used to identify areas of financial strength or weakness.

Municipal benchmark data: Financial ratio analysis in the private sector usually involves comparison to competitor and industry benchmark data. Industry benchmarks for municipalities are difficult to find, so for this analysis, comparisons were made to ratios of other Ontario municipalities. Comparison is made to the average for Essex County municipalities and to the average of Western Ontario municipalities. Note that Essex County averages exclude Windsor and Pelee Island.

The West Ontario average for 2021 includes data only for those municipalities that have submitted their FIR as of November 22, 2022 and is subject to change. The calculation for 2021 averages for Essex County excludes two local, lower-tier municipalities that have not yet submitted their 2021 FIR information.

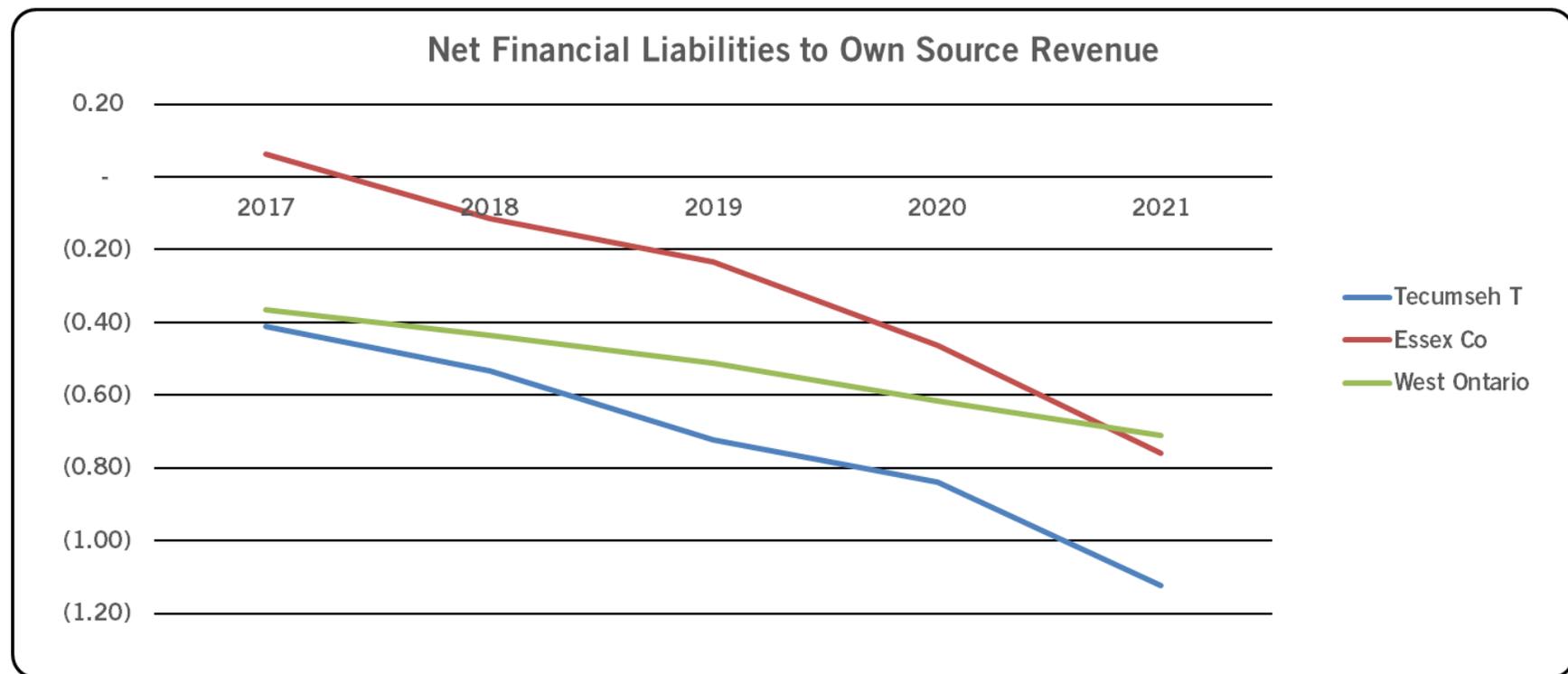
This review was effective and thorough enough to provide insight into concerns that should be addressed in the near term and suggest areas of strength or weakness.

Financial Position

Net Financial Liabilities to Own Source Revenues Ratio

Net Financial Liabilities is net financial debt less net financial assets, not including tangible capital assets. Own Source Revenues are generated by the municipality and do not include items such as grants, donations, and development charges.

The Net Financial Liabilities ratio is calculated by dividing the Net Financial Liabilities by Own Source Revenues. This measure indicates whether Own Source Revenues are sufficient to cover the financial liabilities of the Town. It is a more comprehensive measure than Net Debt as it includes Accounts Payable, Employee Future Benefits Payable, and Other Current Liabilities. There is no industry benchmark ratio, so it is up to each municipality to determine its own target based on future needs.



Tecumseh	2017	2018	2019	2020	2021
Net Financial Liabilities	\$ 14,992,818	\$ 20,445,120	\$ 27,543,002	\$ 32,379,088	\$ 44,791,505
Own Source Revenue	\$ 36,573,784	\$ 38,320,840	\$ 38,128,144	\$ 38,577,452	\$ 39,877,071
Ratio	(0.41)	(0.53)	(0.72)	(0.84)	(1.12)

(Source: Midas, FIR schedules 53 9910 01 and 81 2610 01)

Analysis

The average of Western Ontario municipalities is a negative value, meaning financial assets are greater than financial liabilities. The Town's ratio continues to decrease due to greater cash balances, increased investment in government business enterprises, and lower debt contributed to a further decrease. The reduction in the use of debt and/or grant funding to fund infrastructure renewal requirements also contributes to the improving ratio.

This ratio should be reviewed in conjunction with other ratios to determine if it is a concern.

For instance, a negative ratio would generally be considered better than a positive ratio, as it indicates financial assets are greater than financial liabilities. However, a negative ratio combined with a poor Asset Consumption ratio could suggest that net financial liabilities are benefitting from a neglect of capital assets. Conversely, a positive ratio, or net debt, might not necessarily be concerning if the capital asset condition is very good.

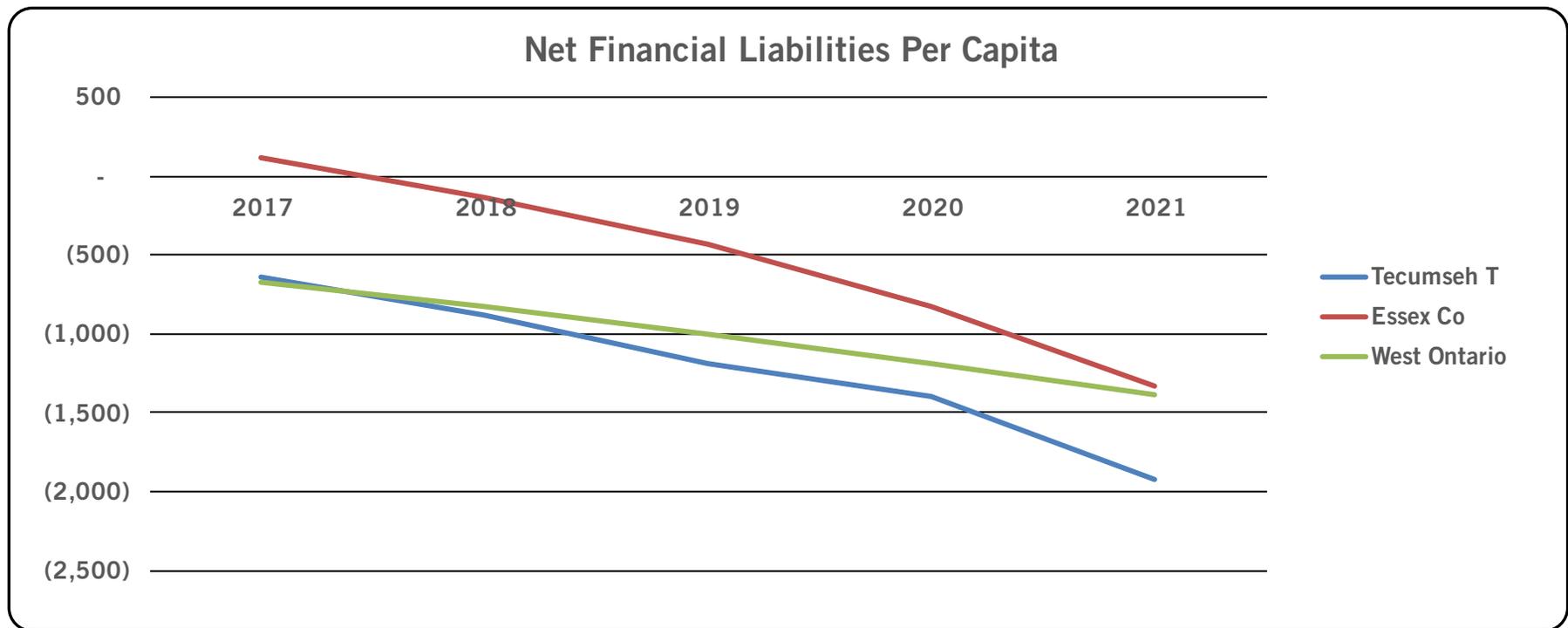
Recommendation

Having a negative ratio for this measure is preferred and will generally provide the municipality with greater financial flexibility, and improved borrowing and investing rates. However, it would be considered normal for this ratio to fluctuate over time between positive and negative. A consistently positive ratio may suggest that revenues are not sufficient, particularly if the positive ratio is large. This may ultimately lead to significant increases in taxes and/or erosion of municipal assets and services.

This ratio includes Employee Future Benefits Payable and Landfill Post Closure Liability, which are partially funded. Yearly allocations to reserves for these liabilities are warranted and necessary. The Town suspended annual allocations to these reserves in the 2011 budget due to general tax levy pressures and has yet to resume annual allocations. Recommencing allocations to these reserves should be considered in future budgets.

Net Financial Liabilities Per Capita Ratio

Net Financial Liabilities are divided by the population to derive the Net Financial Liabilities Per Capita ratio. A positive ratio indicates that financial debt is greater than financial assets. A negative ratio indicates financial assets are greater than financial debt.



Tecumseh	2017	2018	2019	2020	2021
Net Financial Liabilities	\$ 14,992,818	\$ 20,445,120	\$ 27,543,002	\$ 32,379,088	\$ 44,791,505
Population	\$ 23,229	\$ 23,229	\$ 23,229	\$ 23,229	\$ 23,300
Ratio	\$ (645)	\$ (880)	\$ (1,186)	\$ (1,394)	\$ (1,922)

(Source: Midas, FIR schedules 70 9945 01 and 02 0041 01)

Analysis

The chart shows that the Town's net financial liabilities per capita ratio has declined steadily over the five-year period, reaching \$(1,922) per resident by 2021, therefore representing greater financial assets than financial liabilities.

The Town's Net Financial Liabilities Per Capita ratio has improved to a level more favorable than the Essex County and West Ontario averages.

Recommendation

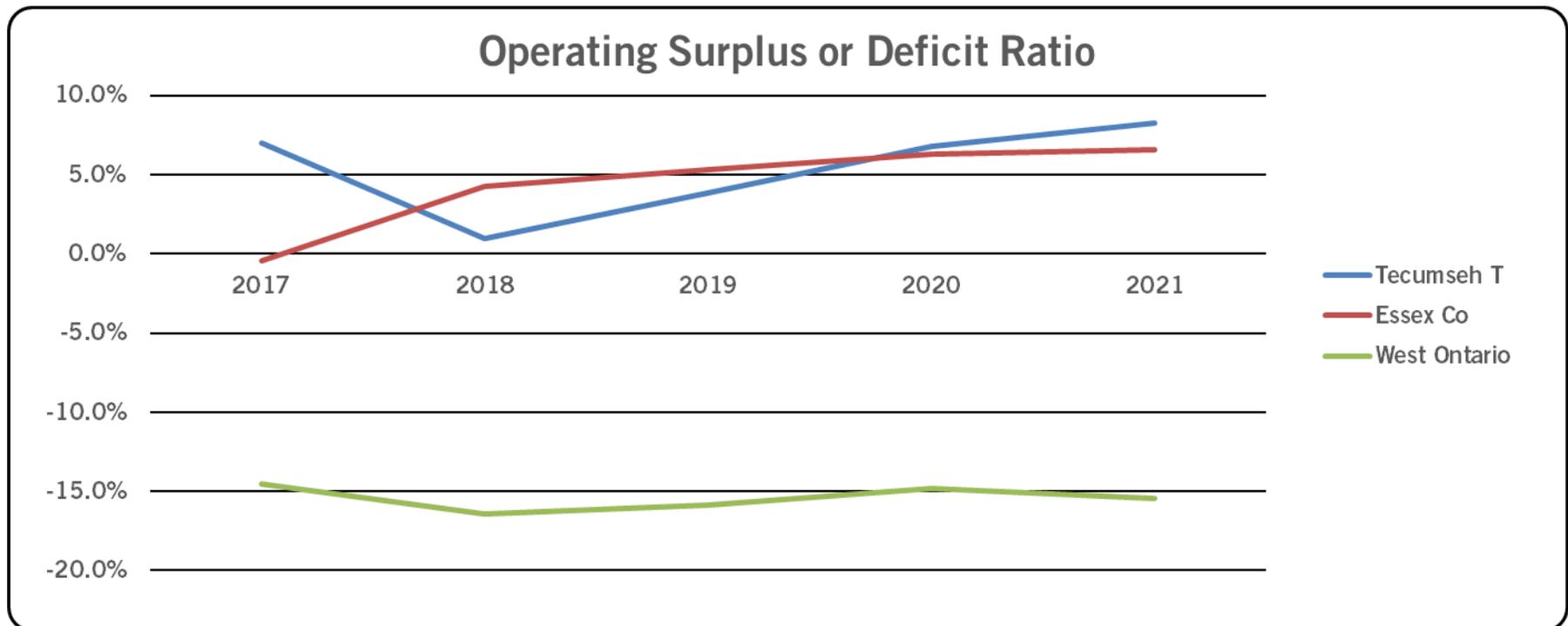
As noted previously, this ratio should be analyzed in conjunction with other ratios and provisions should be made to address unfunded liabilities.

Operating Surplus/(Deficit)

An Operating Surplus occurs when Operating Revenues are greater than Operating Expenses. An Operating Deficit occurs when expenses are greater.

Operating Surplus/(Deficit) Ratio

The Operating Surplus Ratio is calculated by dividing the Operating Surplus/(Deficit) by Own Source Revenues. As stated earlier, Own Source Revenues are generated by the municipality and do not include items such as grants, donations, and development charges. Own Source Revenues should cover a municipality's expenses including amortization of assets in order to ensure sustainability.



Tecumseh	2017	2018	2019	2020	2021
Operating Surplus/(Deficit)	\$ 2,550,636	\$ 360,092	\$ 1,474,064	\$ 2,615,560	\$ 3,282,288
Own Source Revenue	\$ 36,573,784	\$ 38,320,840	\$ 38,128,144	\$ 38,577,452	\$ 39,877,071
Ratio	6.97%	0.94%	3.87%	6.78%	8.23%

(Source: Midas, FIR schedules 81 2610 01 and 40 9910 07)

Analysis

The Town has achieved operating surpluses for the last five years, with a significant surplus being achieved in 2017 and 2020. The 2017 surplus benefitted from greater than anticipated Supplementary Tax revenue and Building Permit revenue along with significant cost reductions to street lighting (LED conversion), OPP policing costs (continued phase-in of the new billing model), Tax Write-offs (reduced assessment appeals) and Salaries (through position vacancies). Even though the Town operated under a local state of emergency throughout most of 2020, due to the COVID-19 pandemic and risk of flooding, the Town managed to have the second highest Operating Surplus Ratio in the last five years. The 2020 surplus benefitted from reducing or stopping non-essential services in an effort to help reduce the spread of COVID-19 and contain costs, significant savings in wage and benefits due to gapping and vacancies, utilities, minimal Tax Write-offs and strong Building Permit revenue.

The Town's results are better than both the Western Ontario average and the local average. In the five years illustrated, the percentage is small, either positive or negative, which is preferred. A large negative percentage would be the worst result, indicating a large deficit in relation to own source revenues.

Recommendation

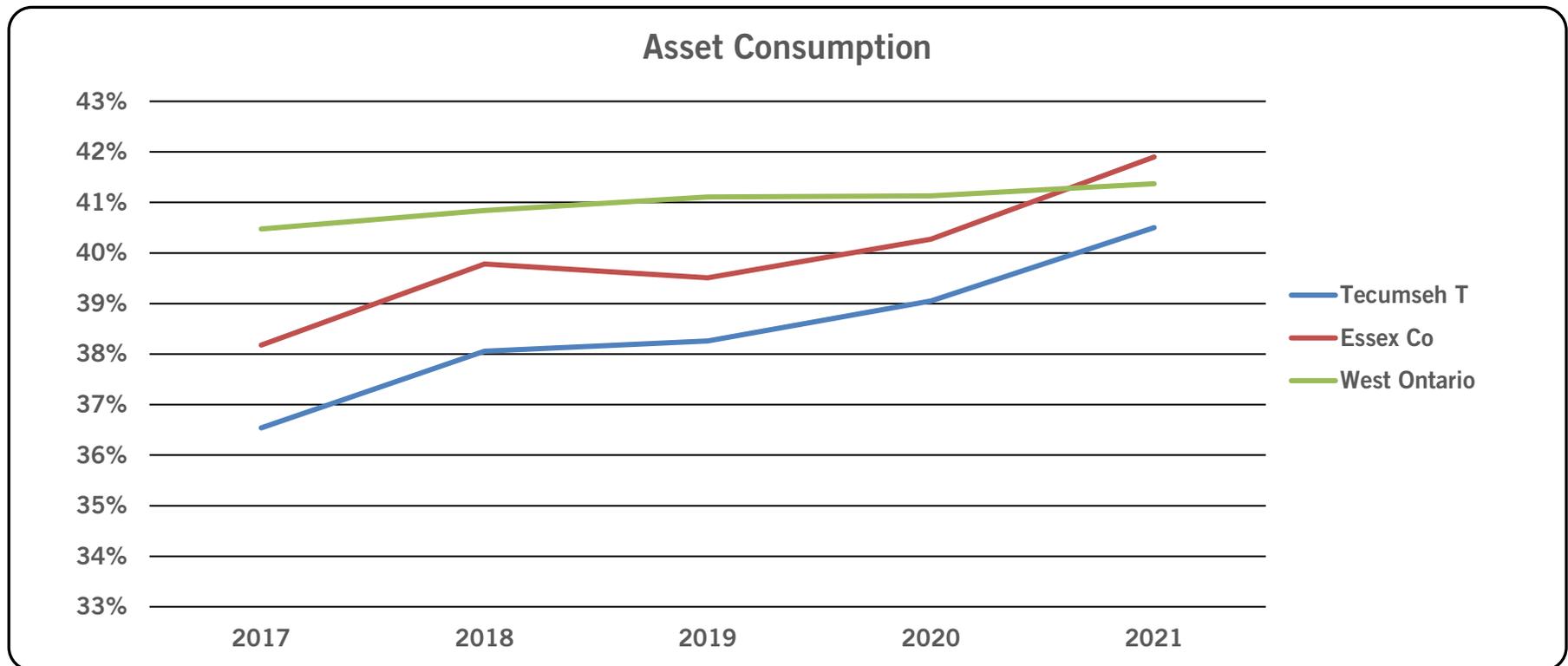
The Town should strive to cover costs with own source revenues and reduce reliance on funding from other levels of government. Break-even results or better should be targeted. Courses of action to increase revenues should be explored.

Asset Consumption

Asset Consumption represents the extent that the assets have been “used up” in terms of their estimated useful lives. Note that this is an accounting measure and does not reflect the actual physical condition of the assets.

The Asset Consumption Ratio.

The ratio is accumulated amortization expressed as a percentage of the Historical Cost of all assets. The higher the ratio, the higher the replacement need.



Tecumseh	2017	2018	2019	2020	2021
Accumulated Amortization	\$ 126,394,344	\$ 132,815,872	\$ 139,041,072	\$ 145,094,496	\$ 152,040,173
Historical Cost	\$ 345,934,432	\$ 348,995,328	\$ 363,441,632	\$ 371,542,400	\$ 375,408,670
Ratio	36.5%	38.1%	38.3%	39.1%	40.5%

(Source: Midas, FIR schedules 51 9910 10 and 51 9910 06)

Analysis

The Town's Asset Consumption Ratio has ranged from 36% to 40% over the past five years. This means that as a group, over one-third of the Town's assets have been "used up". An increasing trend may suggest that more asset replacements are forthcoming. The Town's assets, overall, are "newer" than the Western Ontario average and similar to the County average.

This measure should be used in conjunction with engineering studies to determine the true asset condition and with the Town's Asset Management Plan to better project replacement/refurbishment needs.

Recommendation

The Town's Asset Consumption Ratio should be monitored to ensure that it does not continue to increase. It should also be used in conjunction with engineering studies to establish asset conditions and replacement needs more accurately. This ratio can also be used to highlight specific areas that should be the focus of engineering studies.

Due to the significance of the Town's investment in Tangible Capital Assets, lifecycle contributions should be reviewed regularly to ensure adequacy. This analysis is conducted within the Town's Asset Management Plan.

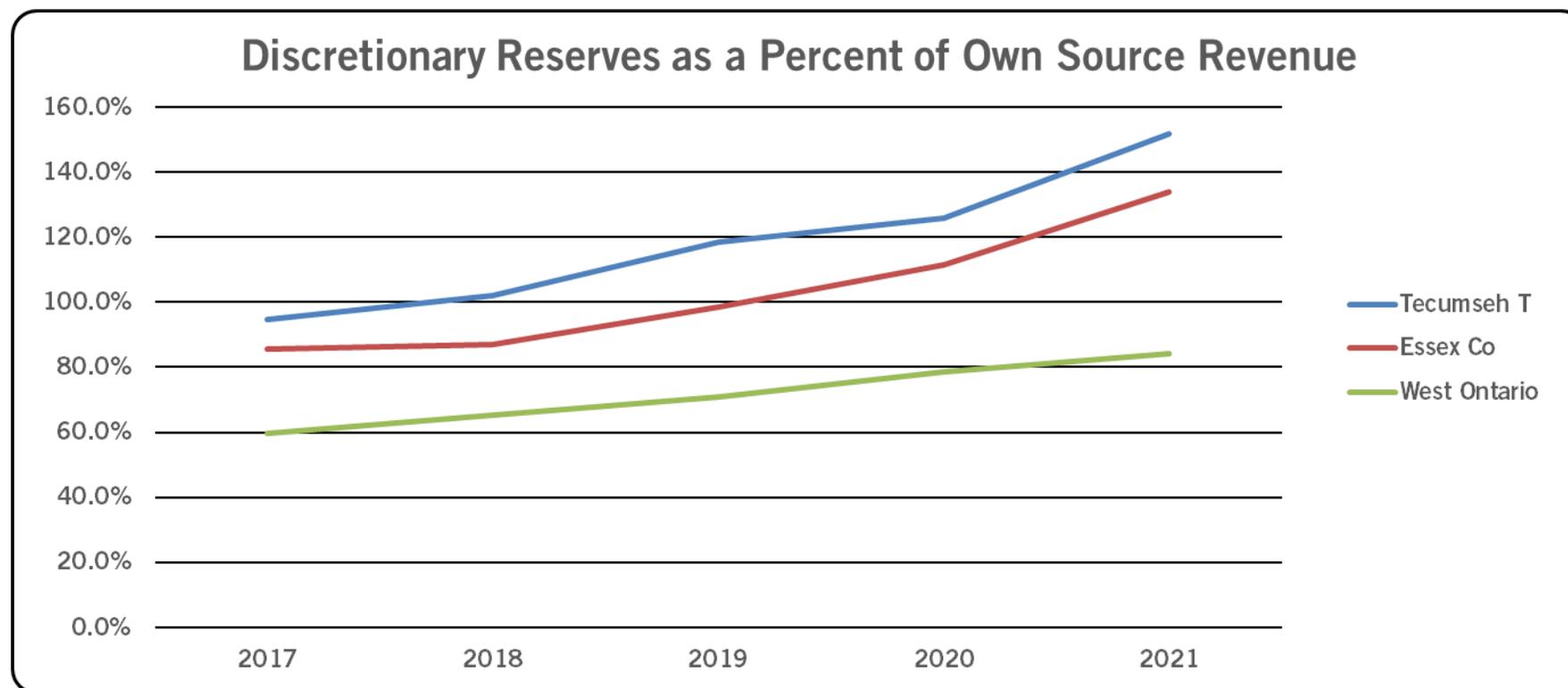
The 2023 budget proposes an increase to the Lifecycle allocation of \$250,000 to provide funds for future replacement of recent asset additions.

Reserves

Reserves offer liquidity and allow a municipality to be flexible in addressing operating and capital requirements

Discretionary Reserves as a Percent of Own Source Revenues Ratio

The ratio is calculated by dividing Discretionary Reserves by Own Source Revenues. Discretionary Reserves include all reserves other than obligatory reserve funds, which have been segregated due to statutory requirements.



Tecumseh	2017	2018	2019	2020	2021
Discretionary Reserves	\$ 34,619,851	\$ 39,092,906	\$ 45,138,394	\$ 48,559,089	\$ 60,497,014
Own Source Revenue	\$ 36,573,784	\$ 38,320,840	\$ 38,128,144	\$ 38,577,452	\$ 39,877,071
Ratio	94.7%	102.0%	118.4%	125.9%	151.7%

(Source: Midas, FIR schedules 60 9930 02, 60 9930 03 and 81 2610 01)

Analysis

The Town's Discretionary Reserves as a Percent of Own Source Revenues ratio has steadily grown over the past five years, ranging from 95% to 139%. Discretionary Reserves increased in 2020 due to the transfer of \$516,000 of the prior year surplus to the Tax Rate Stabilization Reserve and \$967,000 of the surplus to the Infrastructure Reserve, the New Infrastructure Levy contribution of \$1,550,000, and an increase of \$720,000 in the Lifecycle Reserves.

The Town's Discretionary Reserves as a Percent of Own Source Revenues ratio is well above the Western Ontario average and better than the Essex County average. Better than average reserves can likely be attributed to the Town's lifecycle program started in 2005. In contrast, many municipalities in the province are not or have just recently started planning for infrastructure replacement needs.

Recommendation

While it is reassuring that the Town's reserves are above average, it does not mean that the reserves are adequate. For example, lifecycle reserves do not provide for new infrastructure requirements due to growth.

In determining the ideal level of reserves, several factors should be considered, such as:

- Replacement requirements of existing infrastructure
- New infrastructure requirements
- Debt and reserve policies
- Expenditure/service levels
- Economic climate

A thorough review of the reserves and the development of a policy is essential for long-term sustainability.

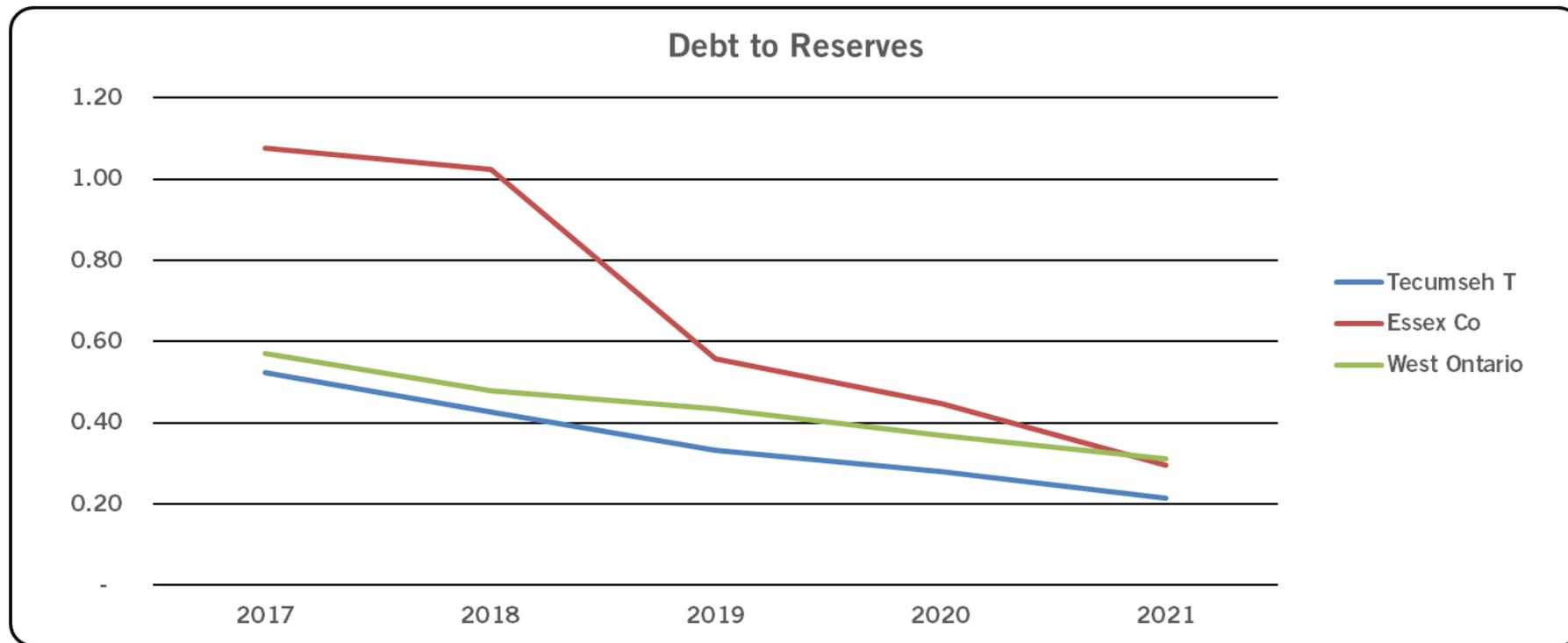
The 2015 budget implemented a special New Infrastructure Levy (NIL). The NIL is contributed to the Infrastructure (Capital) reserve to partially address funding shortfalls required for constructing new infrastructure. The initial target was set at \$1.3M, however, considering the 2019 DC Background Study update and provisions for new Sportplex amenities, it was increased to \$2.35M. The current NIL allocation is \$1.75M, with an additional \$200K being budgeted in 2023, and \$400K from 2024 to 2025. The 2020 target will be reached by 2025 if the increases proceed as planned. The annual target will be reviewed in conjunction with the 2024 DC Background Study update.

Debt

An Annual Repayment Limit (ARL) set by the Ministry of Municipal Affairs and Housing limits the amount of debt repayment a Municipality can commit without receiving OMB approval. The limit is based on a maximum of 25 percent of Own Source Revenues based on the Financial Information Return adjusted for committed debt. The Town's current ARL is 4.7% (2022).

Debt to Reserves Ratio

This ratio expresses total municipal Debt as a percentage of Discretionary Reserves. As previously noted, Discretionary Reserves include all reserves other than obligatory reserve funds, which have been segregated due to statutory requirements.



Tecumseh	2017	2018	2019	2020	2021
Debt	\$ 18,075,444	\$ 16,655,631	\$ 15,021,295	\$ 13,604,944	\$ 13,023,592
Discretionary Reserves	\$ 34,619,851	\$ 39,092,906	\$ 45,138,394	\$ 48,559,089	\$ 60,497,014
Ratio	0.52	0.43	0.33	0.28	0.22

(Source: Midas, FIR schedules 74 9910 01 and 70 6420 01)

Analysis

The Town adopted an aggressive debt strategy in 2005 which involved the issuance of debt to finance long term capital requirements for sanitary and water purposes to ready the Town for development when circumstances dictate. In addition, as part of the Lifecycle program, the Town began borrowing for roads and bridges to provide full funding for these two categories. Total corporate debt outstanding peaked in 2011 and has gradually decreased since.

A Debt to Reserve ratio of 1.0 is considered prudent.¹ The 2017 to 2021 ratios are well below 1.0.

The Town's debt does not exceed the Annual Repayment Limit set by Ministry of Municipal Affairs and Housing and is similar to the Western Ontario average. The Essex County average was considerably higher for a period, however, has improved significantly in the past few years and has now fallen well below 1.0.

¹ Municipal Study – 2011, BMA Consulting Inc., 2011, p. 5.

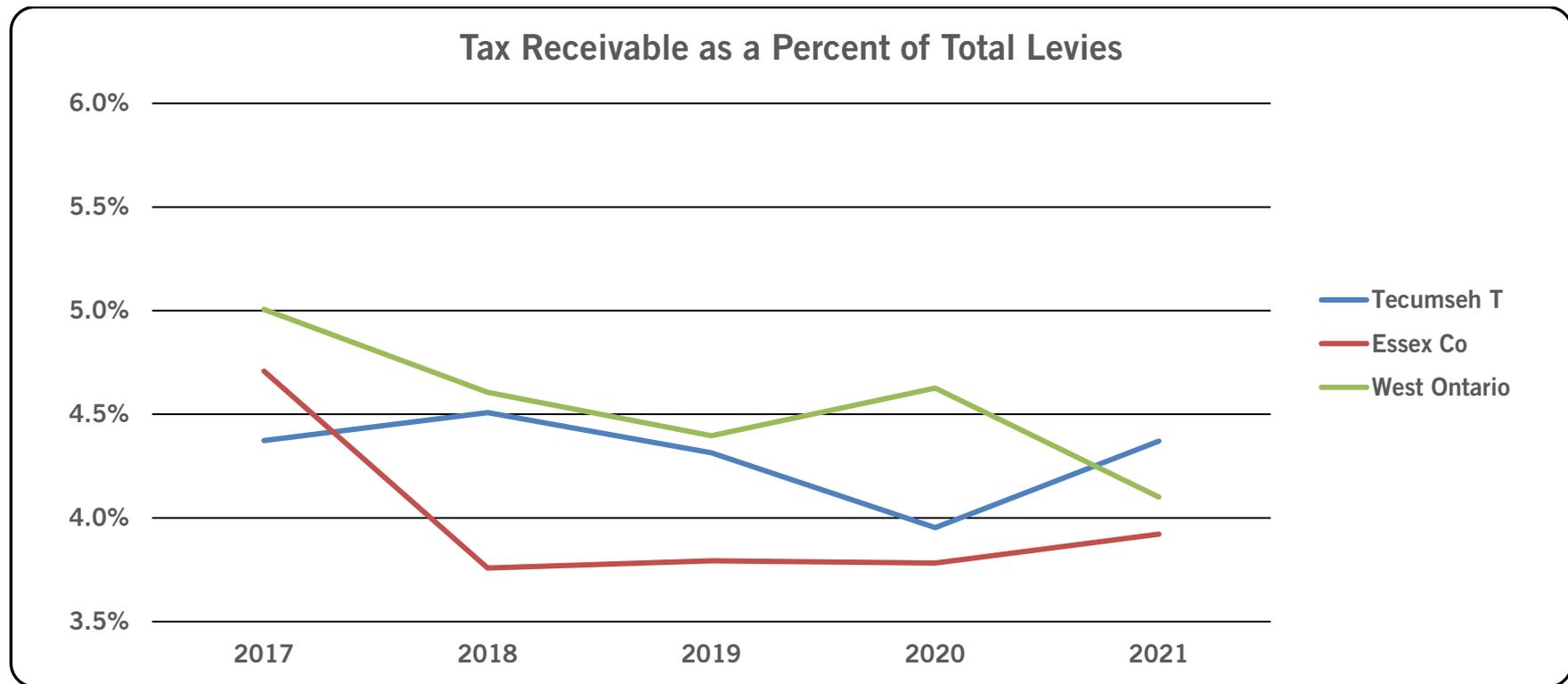
Recommendation

Development of a formal debt policy is crucial. Consideration should be given to a Pay as You Go program as an alternative in-part to the use of debt.

Taxes Receivable

Total uncollected property taxes as a percentage of total tax levies is one of several measures used to evaluate the economic health of a municipality. An increasing percentage over time may indicate an overall decline in the municipality's economic health.

Taxes Receivable as a Percent of Tax Levies Ratio



Tecumseh	2017	2018	2019	2020	2021
Taxes Receivable	\$ 2,043,548	\$ 2,202,683	\$ 2,166,795	\$ 2,049,864	\$ 2,234,099
Total Levy	\$ 46,730,200	\$ 48,860,232	\$ 50,220,792	\$ 51,852,708	\$ 51,123,089
Ratio	4.37%	4.51%	4.31%	3.95%	4.37%

(Source: Midas, FIR schedules 72 0290 09 and 26 9199 03)

Analysis

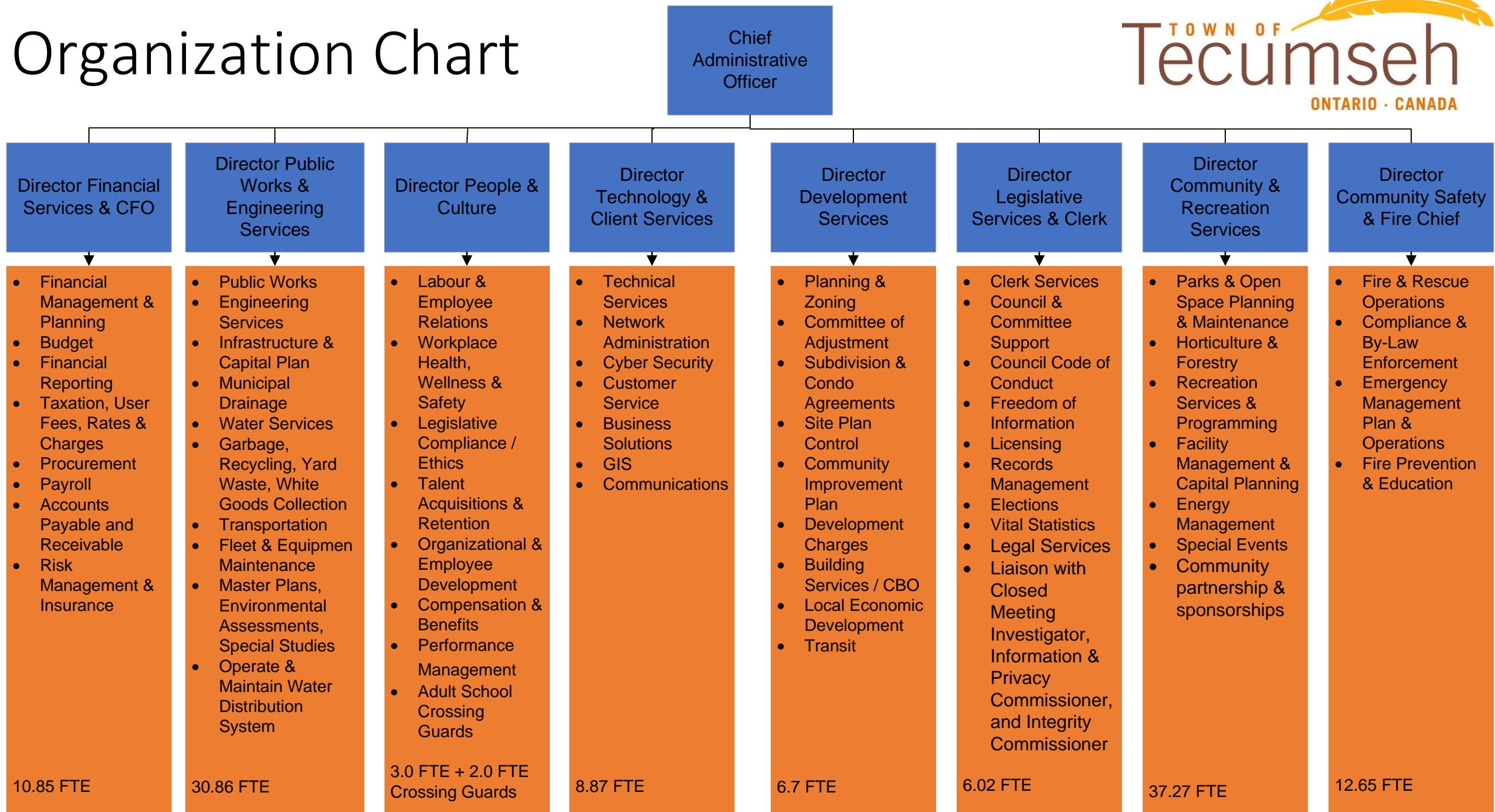
Taxes Receivable as a Percent of Tax Levies in Tecumseh had been trending downwards from 2017-2020. The 2020 percentage of 3.95% was the lowest in the last 9 years. These trends show the Town's efforts to decrease the number of properties in arrears. Tecumseh and Essex County experienced their first percentage increase in 2021 compared to the last 5 years, mainly due to COVID-19 factors.

Tecumseh's statistics can be skewed more than our comparators during economic downturns as the Town has a greater concentration of Industrial properties.

Recommendation

To avoid tax registration and potential tax sales, the Town continues to work closely with several properties that are in arrears, including establishing payment plans. This exercise extends the timeframe for properties in arrears to become current thus increasing the total taxes receivable outstanding.

Organization Chart



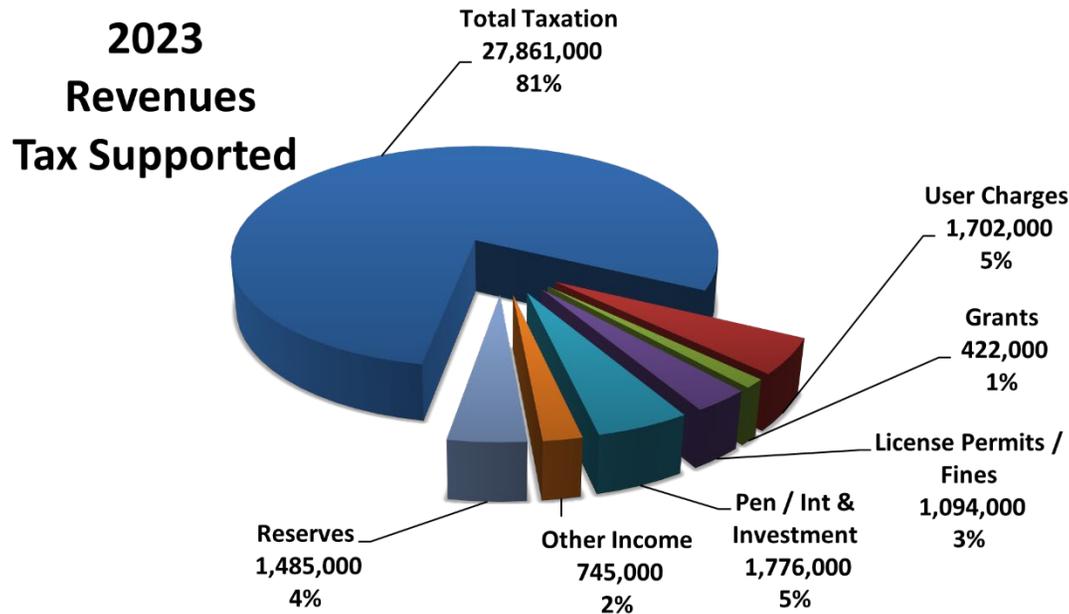
Full Time Equivalent (FTE) – Represents an employee’s total hours worked divided by the number of compensable hours in a full-time schedule during a fiscal year. A year round full-time position has an FTE of 1.00. For the Town of Tecumseh, 1.0 FTE equates to 35 or 40 hours/week of work or 1820/2080 hours of work annually.



General Operating Budget Overview

Revenues

The 2023 Operating and Lifecycle Budgets, excluding Water and Sanitary, include \$35.09 million in revenues, which is a \$2,215,000 increase or 6.74% over the 2022 Operating and Lifecycle Budgets. The primary source of revenue is Taxation, which accounts for 80% of all revenue. Revenue by major category is depicted below.



Total Taxation - \$27,861,000

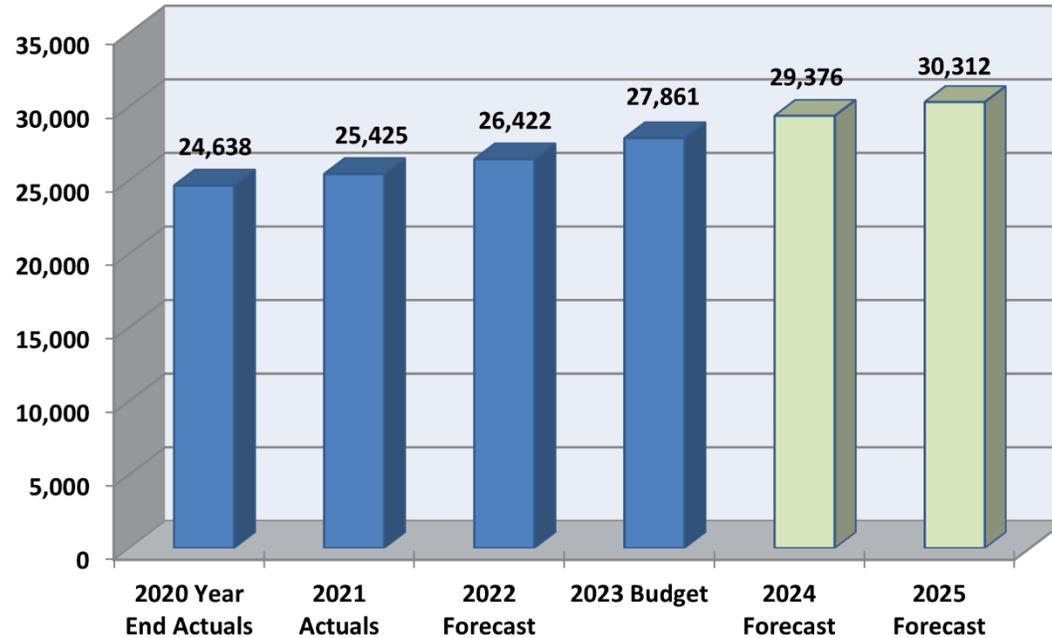
Total Taxation revenue is comprised of general levy taxes, supplementary taxes, right of way taxation, special charges and payments in lieu. General levy taxation accounts for \$27,413,000, or 98% of Total Taxation. General tax levy revenues increased by \$1,306,000 or 5.00%.

The estimated total tax impact on an “average” Residential home assessed at \$250,000 is summarized as follows:

Levying Authority	2023	2022	\$ Change	% Change
Town	\$2,014	\$1,939	\$75	3.85%
County (Estimate)	\$1,289	\$1,242	\$47	3.81%
Education (Estimate)	\$383	\$383	\$0	0.00%
Total	\$3,685	\$3,564	\$122	3.42%

Average residential property assessments increased by 14% during the last assessment revaluation (2016 CVA vs. 2012 CVA) based on data provided by MPAC. As a result of COVID-19, the province has again postponed the Municipal Property Assessment update which was scheduled to take effect January 1, 2020. Therefore, property valuations will remain unchanged from the 2022 assessment (based on fully phased in Jan 1, 2016 CVA).

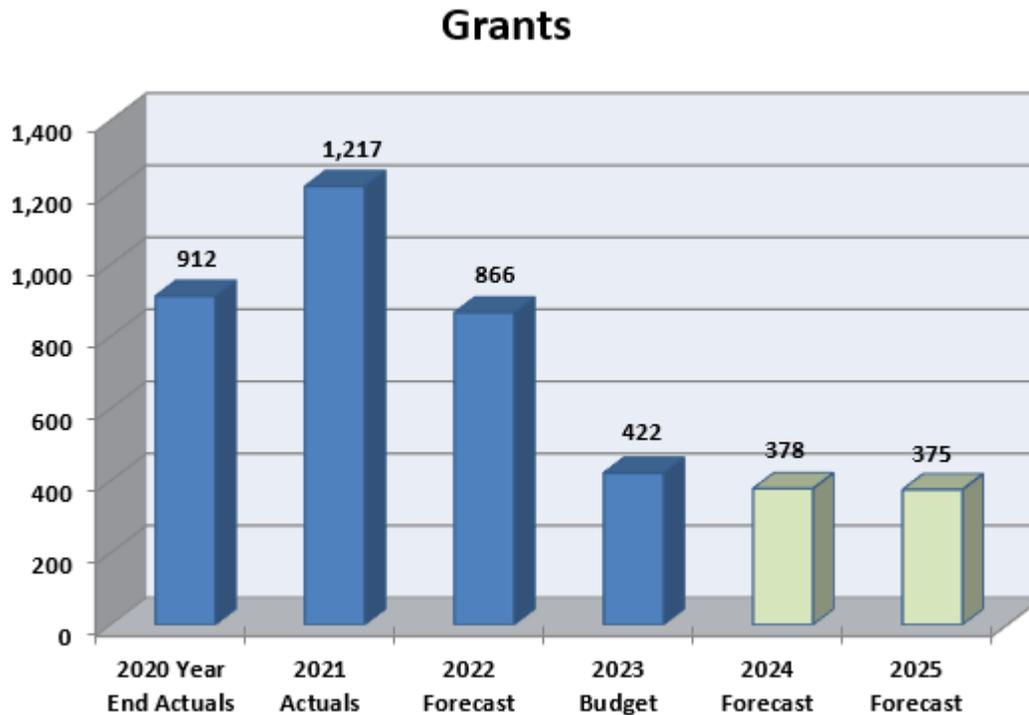
Total Taxation



The 2023 budget includes a provision for an increase to the New Infrastructure Levy allocation of \$200,000 and an increase to the Lifecycle allocation of \$250,000. Further details can be found in the Lifecycle section of this document.

Projected Municipal Taxation requirements for 2024 and 2025 call for general levy increases of 6.08% and 3.22% respectively, of which approximately 1.46% for 2024 & 1.38% for 2025 is Lifecycle/Capital related. Some of the increase in the outlook years is expected to be generated from assessment growth, so that increases to the tax levy, net of growth, should be closer to 4.4% and 1.5% for the outlook years.

Grants - \$422,000



Grants are sources of funding received by the Town primarily from the Province of Ontario.

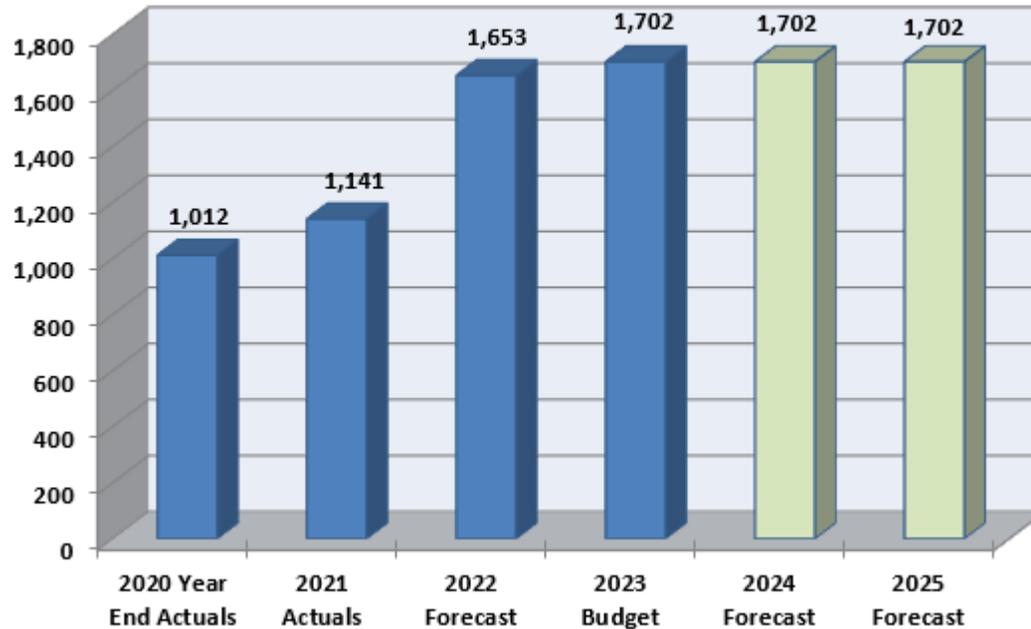
Higher levels of grant funding in recent years can be attributed to the receipt of SRA Grant (Phases 1, 2 & Transit), and 2022 COVID-19 Recovery funding. This funding was provided by the federal/provincial government to help municipalities continue to deliver critical public services during the pandemic. The 2022 forecast includes the recognition of \$539,000 funding which will be allocated based on actual year-end results and department pressures.

Ontario Municipal Partnership Fund (OMPF) grant revenue is estimated at \$23,000 in 2023. Tecumseh's share of this grant has generally declined as the program was re-designed so that northern and rural municipalities would gain a greater proportion of the available funding.

Ontario Specific Grants are expected to increase by \$65,000 primarily due to recognition of the Community Safety and Policing Grant funding, not budgeted for in 2022. Canada Specific Grants are expected to decrease by \$68,000, primarily due to the reversal of the one-time receipt of the Heritage Canada Grant funding in 2022 for the 100th year Anniversary.

User Charges - \$1,702,000

User Charges



User Charges are fees imposed for a variety of municipal services such as arena ice rental, land lease and pool programs. The three largest generators of User Charges are:

- Arena ice rentals - \$815,000
- Hall rentals - \$115,000
- Registration/Entry Fee - \$113,000

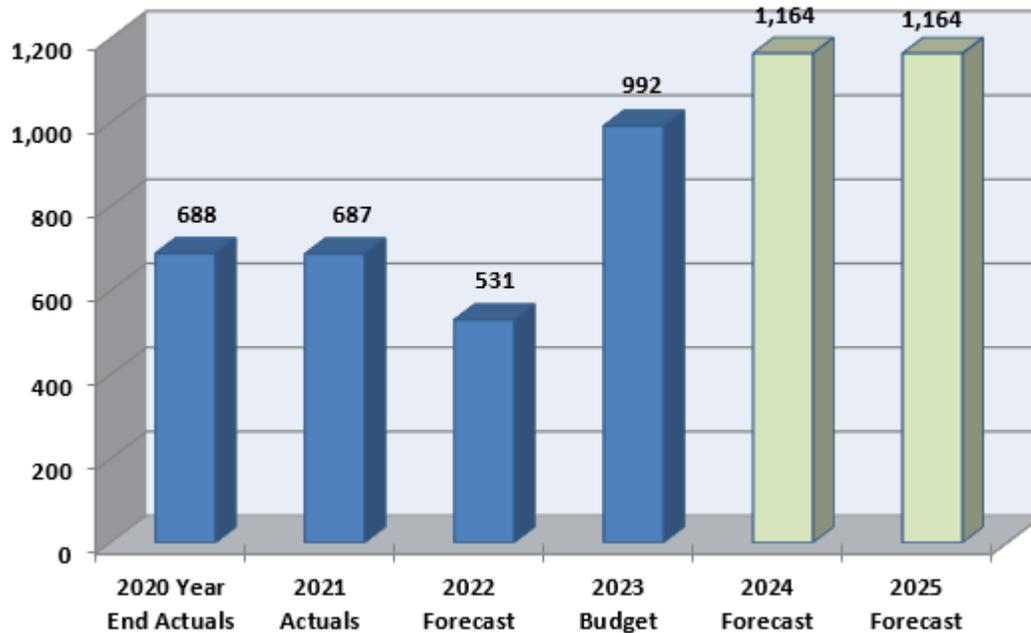
User Charges have rebounded to pre-pandemic levels after a slow start to the year due to the temporary closing of the Arena to comply with provincial health restrictions. It is expected that User Charges will continue to maintain pre-COVID levels of activity in 2023. The 2022 Forecast is projected to be \$15,000, or 1% over budget.

Total 2023 User Charges are expected to increase by \$64,000, or 3.9% from 2022 budgeted revenues.

User Charges revenues (excluding Water and Sanitary) are reviewed annually and are generally adjusted by the Consumer Price Index (CPI) at September. The CPI at September 2022 was 6.9%. Departments will generally increase User Charges by CPI where market conditions allow.

Licenses and Permits - \$992,000

Licences and Permits

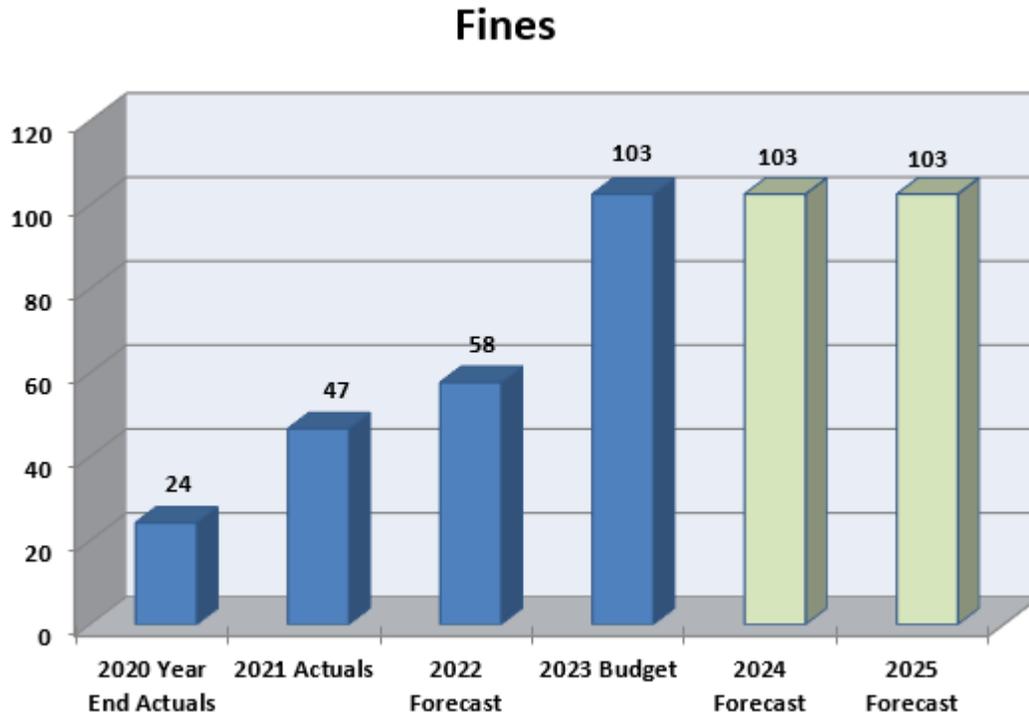


The Town generates revenue through the issuance of licenses (dog, taxi and lottery) and permits (building, culvert/driveway). The two largest sources of revenue under this grouping are:

- Building Permits \$934,000
- Marriage Licences \$14,000

License and Permit revenues are expected to increase from 2022 budget levels by \$258,000, primarily due to higher building permit fees (\$371,000) as a result of the expected commencement of various housing developments. This is offset by a decrease in Lottery Licence revenue of \$97,000 resulting from the Bingo Hall relocating to the Municipality of Lakeshore in Q1 2023.

Fines - \$103,000



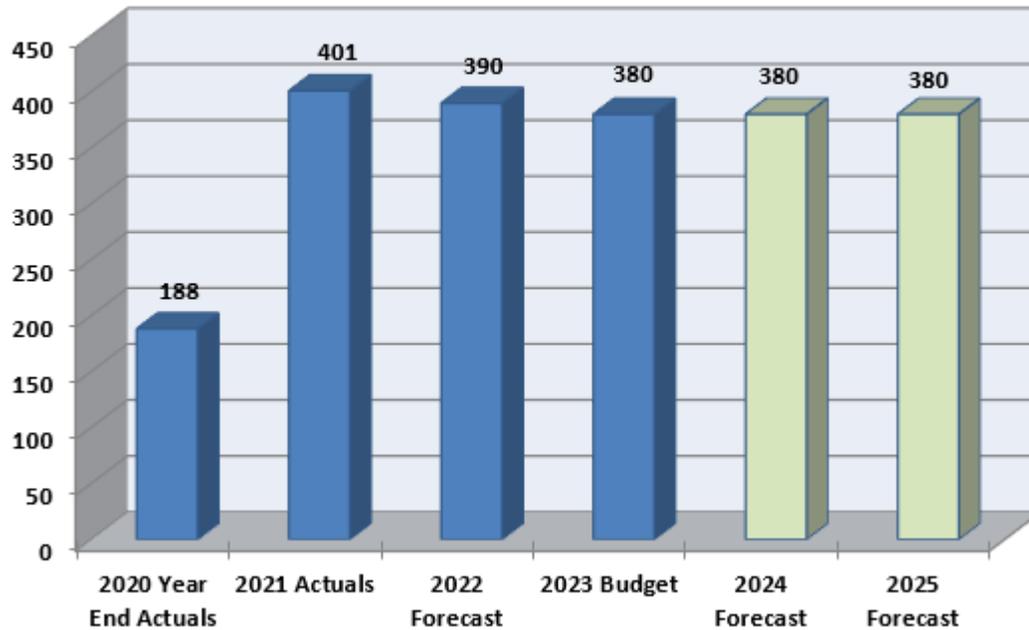
The municipality receives revenue for provincial offences, parking and dog fines. Provincial offences are non-criminal charges committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Liquor License Act, Trespass to Property Act or Town By-laws. Provincial offences fines are allocated proportionately based on assessment; the Town's share has been declining marginally over time.

As a result of COVID-19, 2022 Forecast revenue is still well below budgeted amounts, but is expected to return to normal levels in 2023.

The 2023 budget has been decreased by \$25,000 for Provincial Offences Fines to reflect the reversal of a one-time increase for 2022 for anticipated catchup for 2020 & 2021 reduced activity.

Penalties and Interest - \$380,000

Penalties and Interest

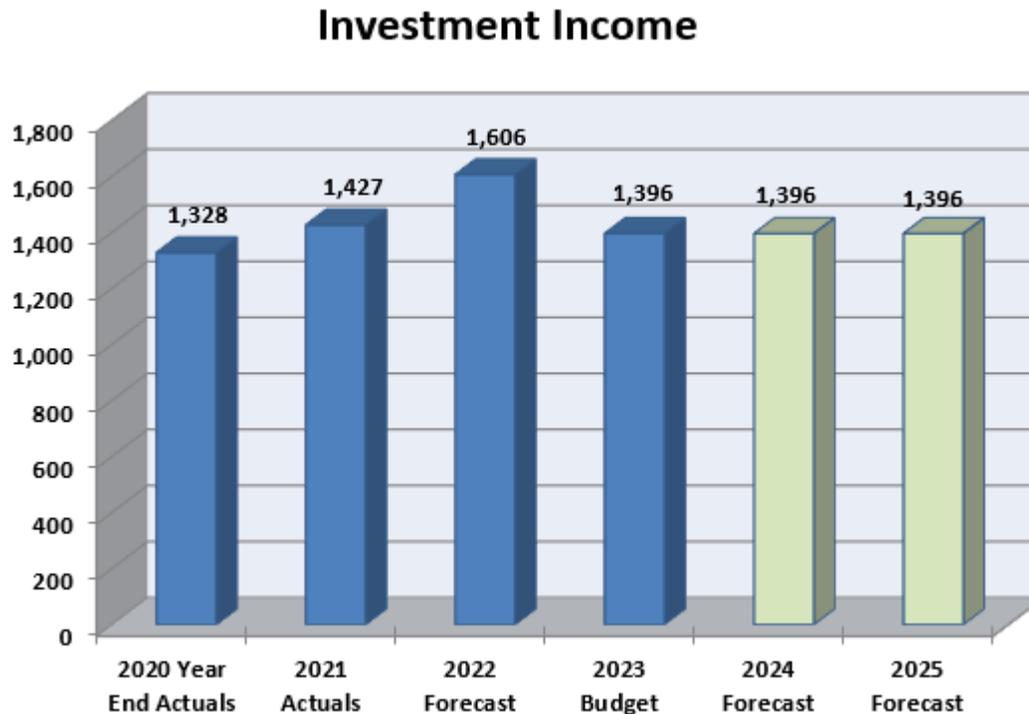


Penalties and Interest are charges for the late payment of property tax bills. The 2023 budget for penalties and interest on outstanding taxes remains consistent with 2022.

2022 Forecast is anticipated to be in-line with budget as the Town resumed the collection of interest and penalties throughout the full year. Interest & Penalties were temporarily waived in 2020 due to COVID-19.

Notwithstanding 2020, actual penalties and interest charges have remained relatively steady the past few years as Taxes Receivable balances have returned to historical norms following a period of difficult economic times. Forecasted charges for the outlook years are expected to remain at around \$380,000 per year.

Investment Income - \$1,396,000

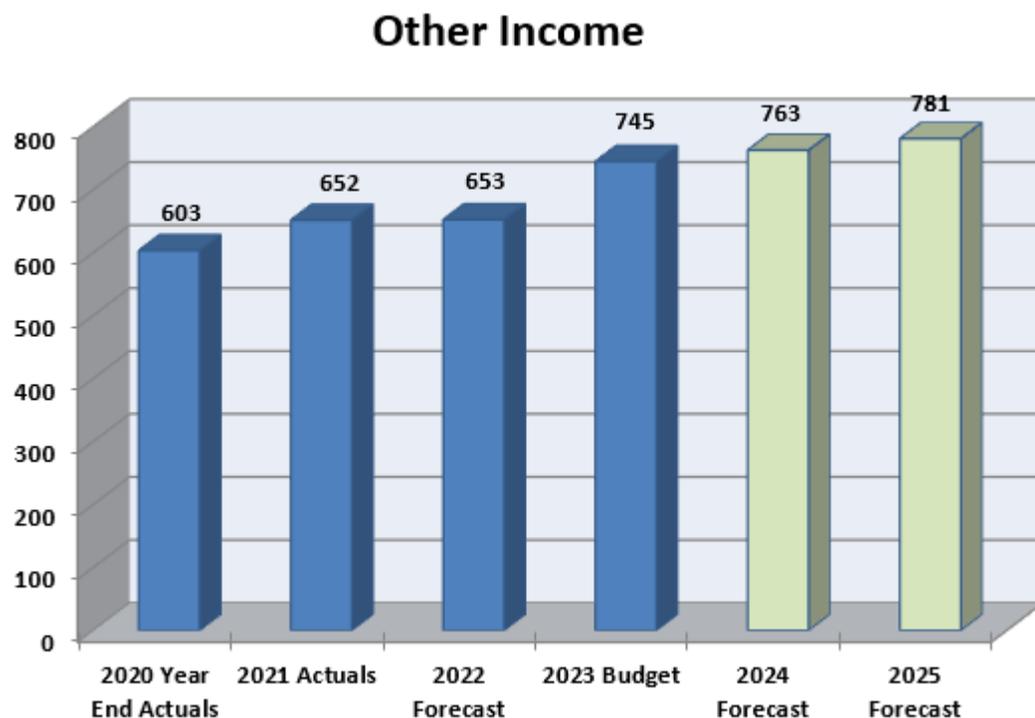


Investment income summarizes revenues generated through interest and dividends. Bank interest of \$900,000 and dividends of \$486,000 comprise the majority of the total budgeted amount.

Actual income exceeded budgets in 2016 through 2022 due to greater bank interest income coming from higher rates and bank balances and significant increases to dividend income. Bank interest rates in 2022 have soared compared to prior years, with the steady increases in the central banks key policy rate. It is forecast that 2022 investment income revenue will be \$314,000 or 24.3% greater than budget.

The 2023 budget for bank interest and dividends increased by \$100,000 from 2022 due to greater reserves balances. Amounts exceeding base budget, \$686,000 of the category total of \$1,396,000, is to be transferred to reserve for 2023.

Other Income - \$745,000



The Other Income category is comprised of royalties and interfunctional charges. Interfunctional - Administration charges comprise 99% of the total budgeted amount.

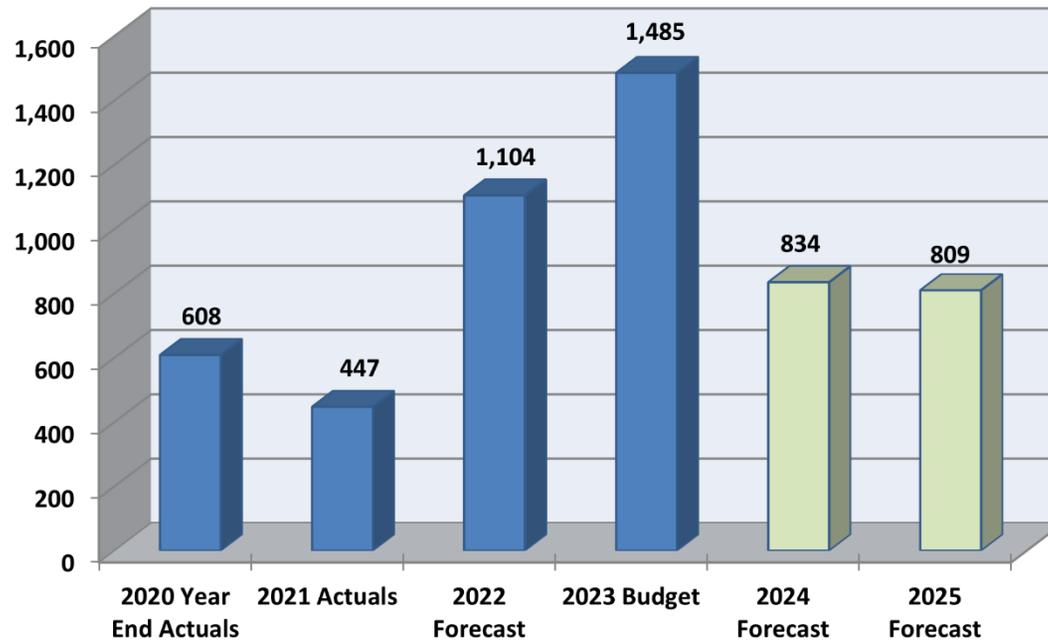
Interfunctional charges include Town General Administrative cost recoveries of \$695,000 that are charged to Sanitary and Water as part of the program to have Sanitary and Water services on a full cost recovery basis. The remaining interfunctional charges are cost recoveries of \$50,000 charged to Building Services for Cloud permit software.

The 2023 budget for interfunctional charges has been increased by 7.00% as a result of inflation.

Outlook years' budgets have also been increased by 3% for inflation.

Transfers from Reserves - \$1,485,000

Transfers from Reserves/Reserve Funds



Reserves, which include reserve and reserve fund transfers to the Operating Budget, are \$1,485,000, which represents an increase of \$274,000, or 22.64% from 2022 budget levels. 2023 transfers are as follows:

- Reserves - \$994,000
- Lifecycle Reserves - \$334,000
- Reserve Funds - \$157,000

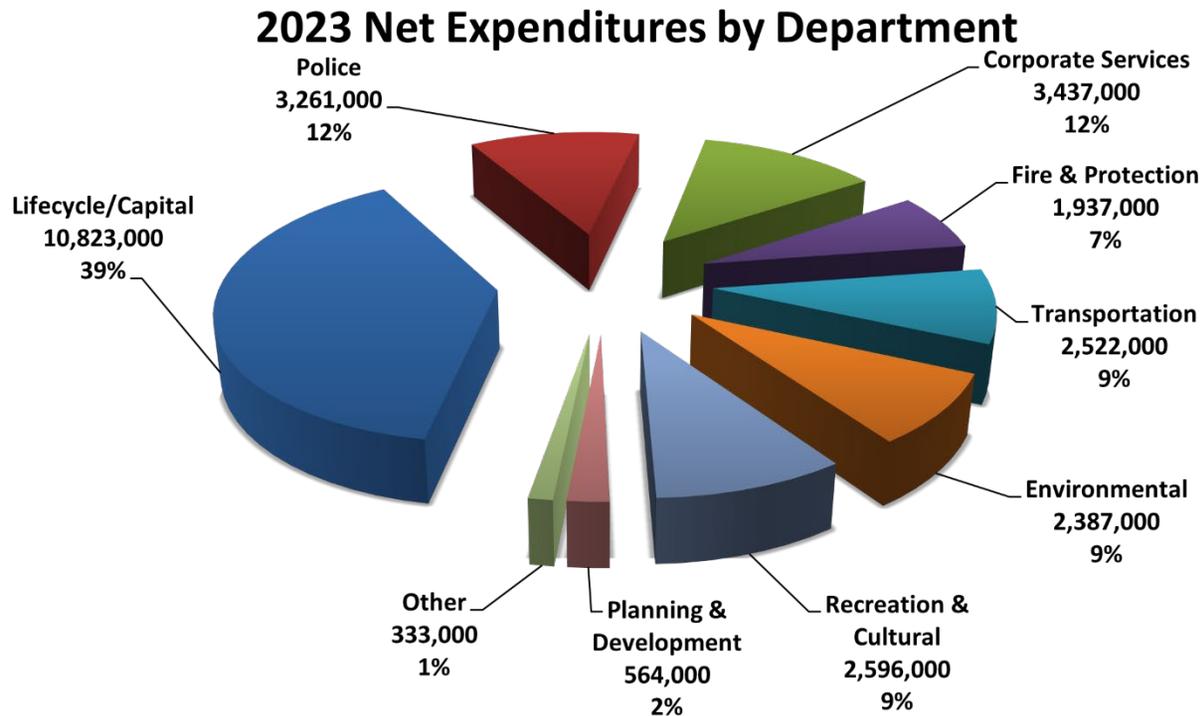
Some of the more significant items include:

- \$90,000 transfer from Reserves – Corporate Shared – funding allocation for ASO benefits increase.

- \$50,000 transfer from Reserves – Corporate Shared – funding allocation for position vacancies/gapping.
- \$32,000 transfer from Reserves – Maintenance – funding allocation for TecEnergy proposed fees for the Towns energy management strategy.
- \$150,000 transfer from Reserves – CAO – funding allocation for ongoing legal costs surrounding the Lottery Licensing lawsuit.
- \$40,000 transfer from Reserves – Technology & Client Services – funding allocation for Cloud/GIS Strategy.
- \$113,000 transfer from Reserves – Finance – funding allocation to offset department payroll and benefits costs related to Financial Analyst – Capital projects.
- \$130,000 transfer from Reserves – Fire – to offset costs related to Fire Master Plan and Community Risk assessment.
- \$126,000 transfer from Reserves – Arena – to offset department payroll and benefits costs related to the Capital projects Manager position.
- \$113,000 transfer from Reserves – Planning – to offset department payroll and benefits costs related to the Senior Planner – Capital projects.
- \$52,000 transfer from Reserves and \$98,000 transfer from Reserve Funds to offset 2023 Planning studies.
- \$40,000 transfer from Lifecycle Reserves – Corporate Shared – funding allocation from Lifecycle Strategic Issues related to the Organizational Review.
- \$120,000 transfer from Lifecycle Reserves – Transit- to support smoothing net Transit operating costs.
- \$59,300 transfer from Reserve Funds – Technology & Client Services – funding allocation to offset department payroll and benefits costs related to GIS Technician work for Water/Sanitary.

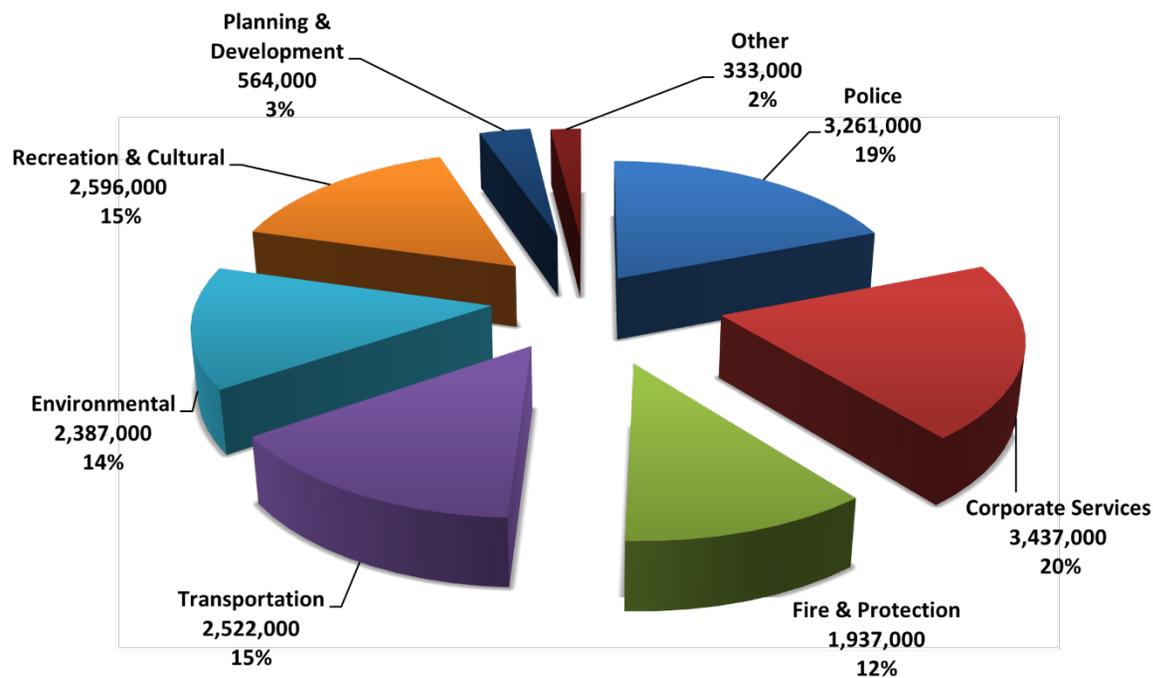
Expenditures

The Operating Budget including allocation to Lifecycle/Capital is illustrated below as net expenditure by service category. Net expenditure of a service is the total cost less revenues, such as User Charges, License fees, Permit fees etc. It can be described as the net cost of that service to property taxpayers.



The chart below depicts 2023 Net Expenditure without Lifecycle/Capital allocation.

2023 Net Expenditures by Department

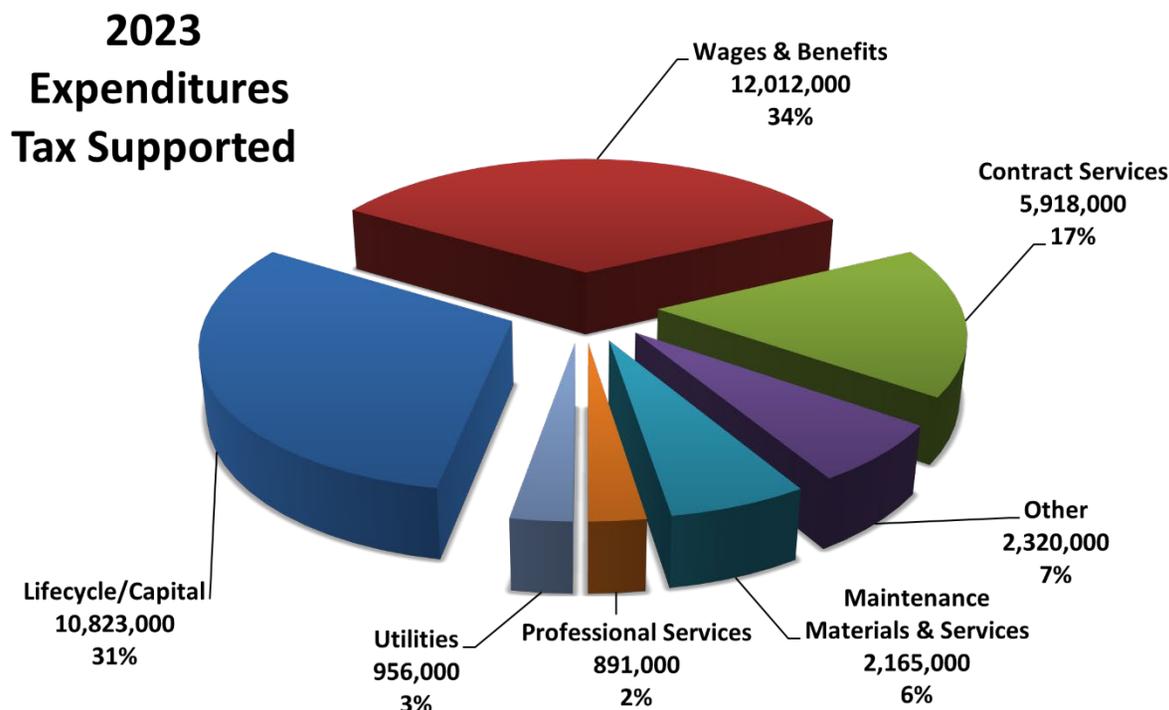


The Lifecycle (LC and NIL) contribution is greater than one third of the Operating Budget at 39%. The Lifecycle contribution is part of a plan adopted by Council in 2005 to address Lifecycle funding requirements. Infrastructure replacement costs of hundreds of millions of dollars identified through the tangible capital asset valuation project underscore the importance of this program.

Policing costs make up the second largest portion of the budget at 12%. There is a potential for impact to 2024 and future budgets from elimination of the policing contract under the new Community Safety and Policing Act, 2019, once implemented.

The 2023 Operating and Lifecycle Budgets for Town services, excluding Water and Sanitary, is \$35.1 million, which represents a \$2,265,000 or 6.89% increase from the 2022 Operating and Lifecycle Budgets.

The 2023 Budget by major expenditure type is shown below.



Lifecycle – New Infrastructure Levy and Lifecycle allocations increase a combined \$450,000.

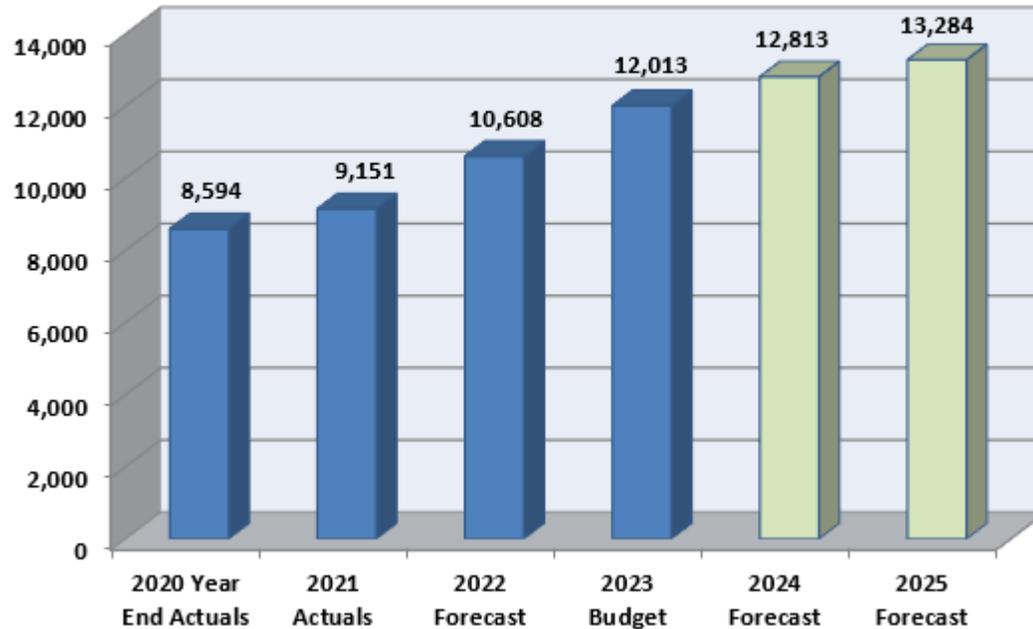
Net Operating expenditures, excluding Lifecycle, increased by \$1,815,000. Significant factors include:

- Wages & benefits - \$1,290,000 increase – includes new positions added for service level enhancements as part of the Organizational Review, Capital Projects and Building Support initiatives, as well as step increases for non-union positions and contractual increases for union staff.
- Professional Development - \$97,000 increase – includes reversal of one-time decreases in 2022 as a result of Covid-19 and increases in anticipation for new positions.

- Contract Services - \$100,000 decrease – primarily due to the reversal of the 2022 one-time increase in contract services for the Tecumseh 100 Celebration event and decrease in police service contract, offset by an increase in garbage collection/disposal costs.
- Professional Services - \$31,000 increase – includes costs to engage third-party services for ongoing planning studies and new evaluation system for non-union salary review.
- Insurance - \$44,500 increase – Town-wide cost increase anticipated based on estimates provided.
- Transfers to Reserves - \$365,000 increase – includes the transfer of building code revenue net surplus to the Building code reserve fund which will fund future department net deficits if they arise (\$157,300). Additionally, an increase in transfers for excess investment income above base budget is included (\$150,000). Remaining increase is primarily an increase in inter-functional admin charges.

Wages and Benefits - \$12,013,000

Wages and Benefits

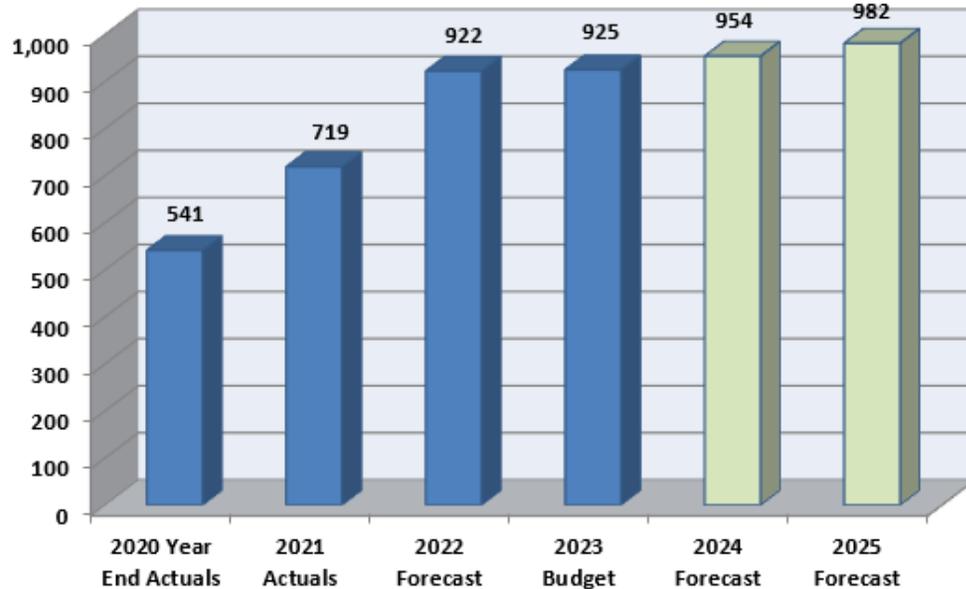


Wages and Benefits are expected to total \$12.013 million (2022 budget - \$10.72 million) or 49% (2022 – 49%) of expenditures before transfers. The \$1,290,000 increase to the budget takes into account service level changes arising out of the Organizational Review recommendations, Capital Projects and Building support initiative, as well as contractual increases and wage adjustments. Staffing enhancements are detailed within the RNSE section of the budget.

Outlook year projections include placeholders balance of part year 2023 FTE implementations (eg. P&C Business Partner position added mid-year 2023) and contractual wage increases.

Maintenance Materials and Supplies – \$925,000

Maintenance Materials & Supplies



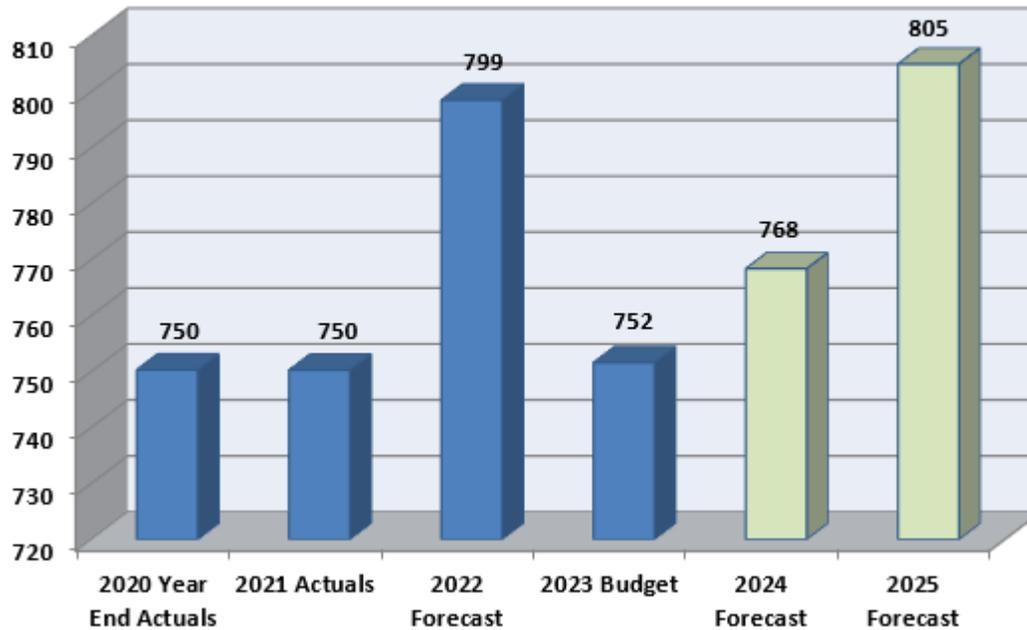
The Maintenance Materials and Supplies category includes costs such as general materials and supplies, trees, salt, street signs, gas, equipment purchases, building repairs and maintenance purchases. The 2023 budget is 5.85% greater than that of the 2022 budget largely due to increases for gasoline and salt. The largest expenditure categories are:

- Gas - \$253,000
- Salt - \$223,000
- Materials and supplies - \$189,000

2022 expenditures are forecast to be \$48,000 over budget, primarily due to an unfavourable variance of \$56,000 in Gasoline as a result of higher than anticipated rate increases and Materials & Supplies of \$17,000, due to greater than anticipated street light maintenance. These amounts are offset by a favourable variance of \$35,000 for lower than anticipated salt purchases.

Maintenance Services - \$752,000

Maintenance Services



This category includes repairs on vehicles and equipment, building and grounds maintenance, tree trimming, and train crossing protection. Major expenditures in this category include:

- Vehicle Parts and Service - \$217,000
- Maintenance Service (Street Lighting/Storm Sewer/Roadways) - \$179,000
- Building Maintenance - \$152,000

The overall category remained relatively consistent with the 2022 budget, having a net increase of \$35,000, or 4.95%. Some increases/decreases include:

- Maintenance Service – \$27,000 – increase to reflect anticipated inflationary costs for equipment rentals & fuel surcharges.

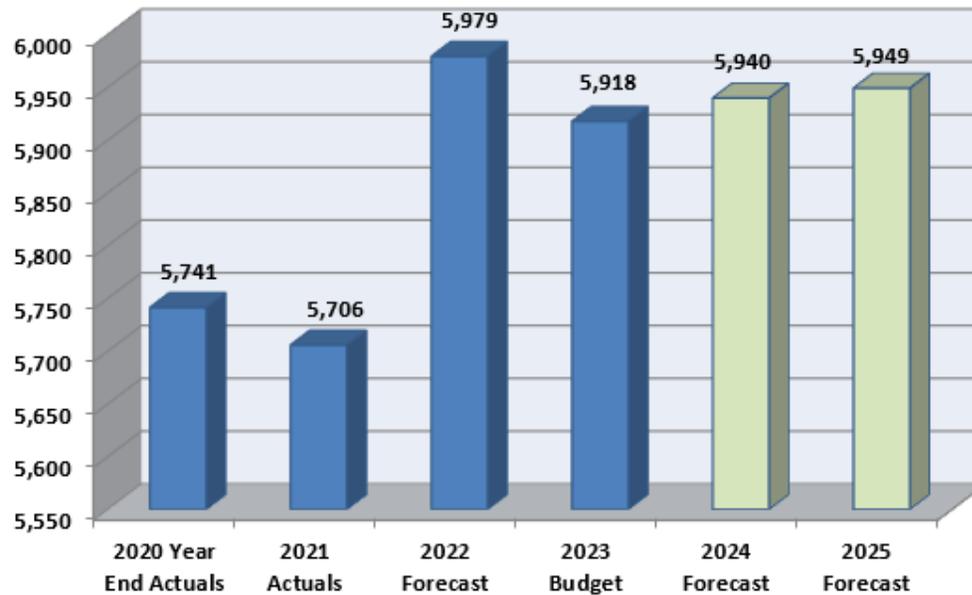
- Vehicle Parts and Service - \$5,000 – increased to reflect actual costs incurred for vehicle parts & service
- Tree trimming - \$5,000 – increase to reflect anticipated higher demand, based on recent trends.

Forecast 2022 expenditures are \$82,000 over budget due to variances in Vehicle Parts and Service, Maintenance Service and Building Maintenance.

Outlook year budget for 2024 & 2025 forecasted increases are attributable to inflationary increases.

Contract Services - \$5,918,000

Contract Services



Major services contracted by the Town include:

- OPP police service - \$3,285,000
- Garbage collection/disposal - \$1,573,000
- Conservation requisition - \$302,000
- Transit - \$281,000

The overall category decrease is \$100,000 or 1.67% primarily due to the reversal of 2022 one-time contract services for the Tecumseh 100 Celebration and 2022 Election, as well as a decrease in OPP contract services. These amounts are offset by an increase in garbage collection/disposal contract costs.

The outlook years include an inflationary increase of approximately 3% for the major components in this area.

Professional Services - \$891,000



Professional Services primarily include legal, engineering, planning and audit services, with the largest being:

- Other fees (planning, strategic, human resource etc.) - \$600,000
- Legal fees - \$248,000
- Audit fees - \$25,000
- Engineering fees - \$18,000

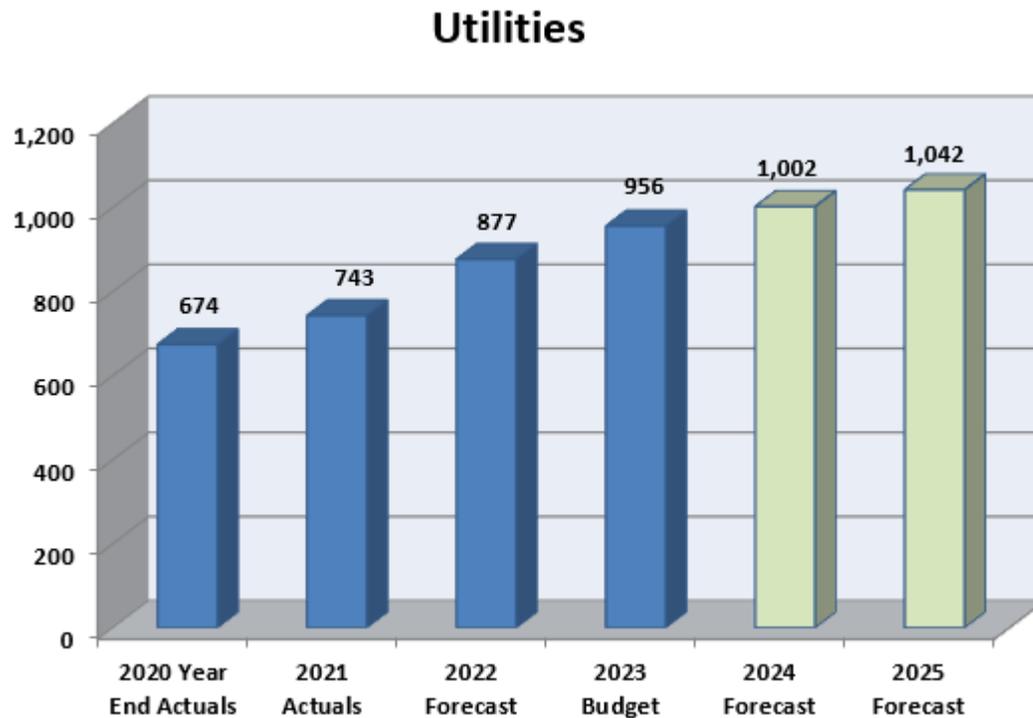
The majority of legal fees are funded through reserves as the majority of costs pertain to specific one-time items. Other professional fees include amounts for economist fees regarding Planning studies, corporate strategic services and health and safety consultant services.

The overall category increase is \$31,000, or 3.55% over the 2022 budget, with the largest dollar increases/decreases attributable to:

- Professional Fees – Legal - \$56,000 – Decrease due to the removal of one-time increase in legal fees in 2022.
- Professional Fees – Planning - \$50,000 – Increase is primarily due to one-time costs to complete the Oldcastle Future Development Lands Study.
- Professional Fees – Other - \$55,000 – Increase is primarily due to one-time costs to implement new evaluation system for Non-union salary review (\$24,000) and one-time costs for an urban design study (\$25,000).

It is expected that Professional Services will decrease in the forecast years with the resolution of outstanding legal issues, the completion of the Fire Master Plan and other on-going Planning Department projects and studies.

Utilities - \$956,000



The utilities category includes gas, hydro and water, telephone and cell phone expenses.

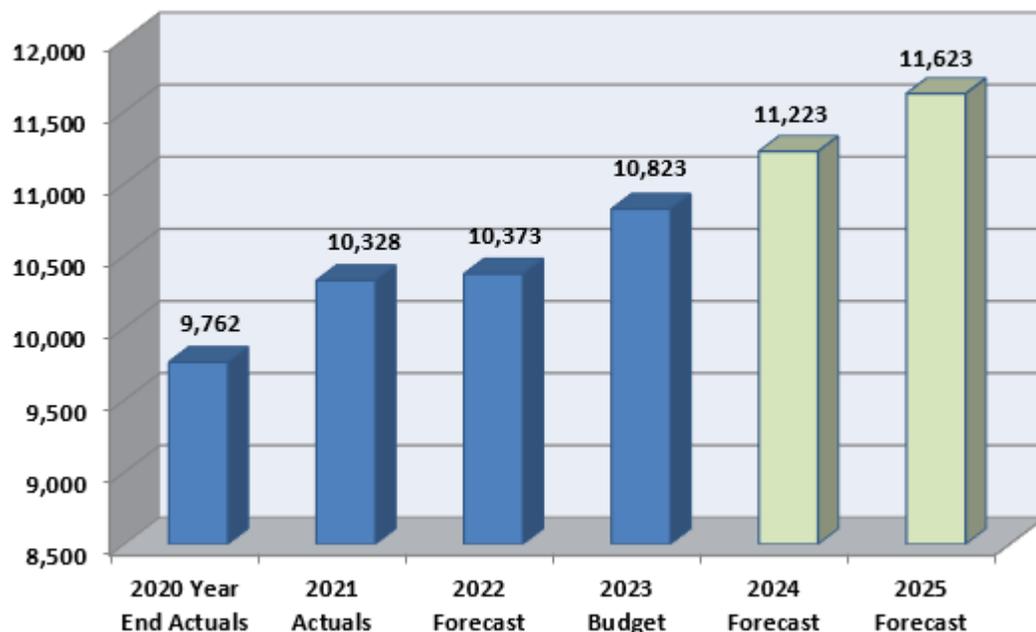
Utilities are expected to increase by \$45,000 or 9.87% over 2022 budget levels primarily due to the increase in natural gas commodity prices, which have increased significantly in the past year.

The Town conducts facility walk-through audits on a rotational basis under the Energy Conservation and Demand Management (ECDM) plan for opportunities to reduce energy consumption and greenhouse gas emissions.

Energy audits have been performed on largest energy consumers with many recommendations implemented and the facilities are considered energy efficient. The greatest opportunity to impact energy costs and greenhouse gas emissions going forward will likely be through the reduction of fuel (gasoline and diesel) consumption.

Transfer to Capital (Lifecycle) - \$10,823,000

Transfer to Capital (Lifecycle/Capital)



Transfer to Capital includes the following items:

- Lifecycle - \$8,873,000
- Lifecycle New Infrastructure - \$1,950,000

The Lifecycle amount represents the annual allocation of funds to Lifecycle reserves, which are used as the source of funding for capital replacements. The 2014 budget represented the final year of the Town's ten-year plan of annual increases in order to achieve full-funding of the Lifecycle program based on Lifecycle requirements established in 2005.

The 2023 budget includes an increase to the general Lifecycle reserve of \$250,000. This increase is allocated throughout the departments for various needs, with the most significant being \$100,000 is for Lifecycle – Storm to address projected future shortfalls identified in the next five years due to pump station rehabilitation and reconstruction works.

The 2023 budget also proposes an increase in the New Infrastructure Levy (NIL) of \$200,000 in each year through 2025 to reach a revised annual target amount of \$2,350,000. The necessity for this consideration is explained in detail in the Lifecycle section, however in brief, addresses the lack of capital funding for new infrastructure absent in the Lifecycle Plan. Note that \$550,000 of the NIL has been earmarked for Sportsplex component amenities.

The outlook years also include a Lifecycle increase of \$200,000 in both 2024 and 2025 as placeholders for contributions towards deficient categories such as Storm, Bridges/Culverts, Fleet and Parks Development discussed in more detail in the Lifecycle Plan.

2024 and 2025 Outlook

The 2023 Operating, Lifecycle and Reserve Budget is developed with a two-year outlook or forecast years. The forecast years include known revenue and expenditure increases for those two years. Inflationary increases of 3% were built into outlook years' revenues and expenditures for select revenue and expenditure types.

The preliminary two-year outlook calls for tax levy increases net of growth of 4.4% in 2024 and 1.5% in 2025.

Some of the notable budget pressures identified for 2024 and 2025 include:

- Transfer to Capital, i.e. contributions to New Infrastructure Levy Reserve and Lifecycle Reserves of \$400,000 in both 2024 & 2025 (1.46% & 1.38% combined).
- Wages and Benefit increases of \$800,000 or 6.7% (2024); \$471,000 or 4.4% (2025). This includes negotiated and inflationary increases as well as service level enhancements as a result of the balance of part-year 2023 FTE implementations.
- Building Permit revenue expected to increase \$173,000 in 2024 and remain consistent in 2025 with the increase in the number of development on the horizon and completion of current projects.

The noted outlook year pressures are expected to be offset by additional revenues and/or reduced expenses including:

- Tax revenue expected to increase by about \$400,000 in 2024 and \$500,000 in 2025 due to assessment growth.
- Professional Services anticipated to decrease by \$366,000 in 2024 upon completion of the Fire Master Plan and on-going Planning studies.

Water and Wastewater Operating Budget Overview

The population of the Town of Tecumseh is largely serviced by municipal water and wastewater. The Town purchases water from Windsor Utilities Commission (WUC) to service our water customers. The Town owns and operates the distribution system, an elevated storage facility and metering facilities at the Town boundary. Tecumseh also purchases wastewater treatment through the City of Windsor at its Little River and Lou Romano Plants.

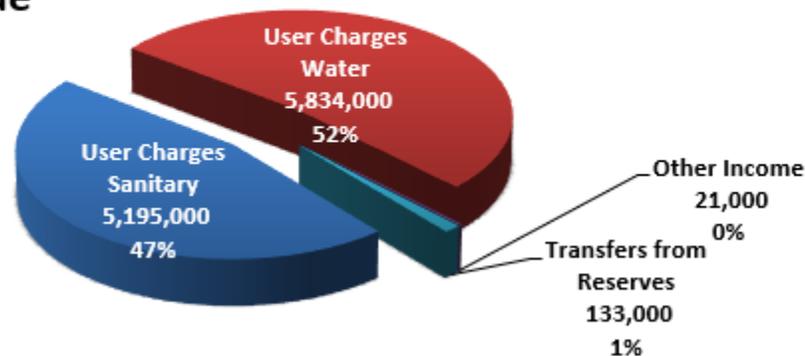
There are currently 9,084 metered customers receiving water services and 8,140 customers receiving wastewater services. Water and wastewater are billed based on a monthly charge and on a volume consumption basis. These charges provide funding for new capital, lifecycle and operating costs.

For transparency, the rate-supported Water and Wastewater Budget is shown separately from the tax-supported General Operating Budget.

Revenues

Revenues for the most part are generated through water and wastewater billings. Water and wastewater rates are reviewed and set on an annual basis.

2023 Revenue Rate Supported



Council adopted the 2015 Water and Wastewater Rate Study (Rate Study) on November 24, 2015. The purpose of the document was to update the water and wastewater rates and charges to ensure a full cost recovery of water and wastewater services and to

guide rate setting for the years 2016-2020. The Rate Study noted that the former rate structure had resulted in an unreliable revenue stream. Generally, consumption continues to decrease while a large portion of costs are fixed. The Rate Study recommended increasing the fixed rate revenue in order to secure a larger portion of the revenue stream which is not dependent on volume. Annual increases were estimated at less than 3% for all stakeholders.

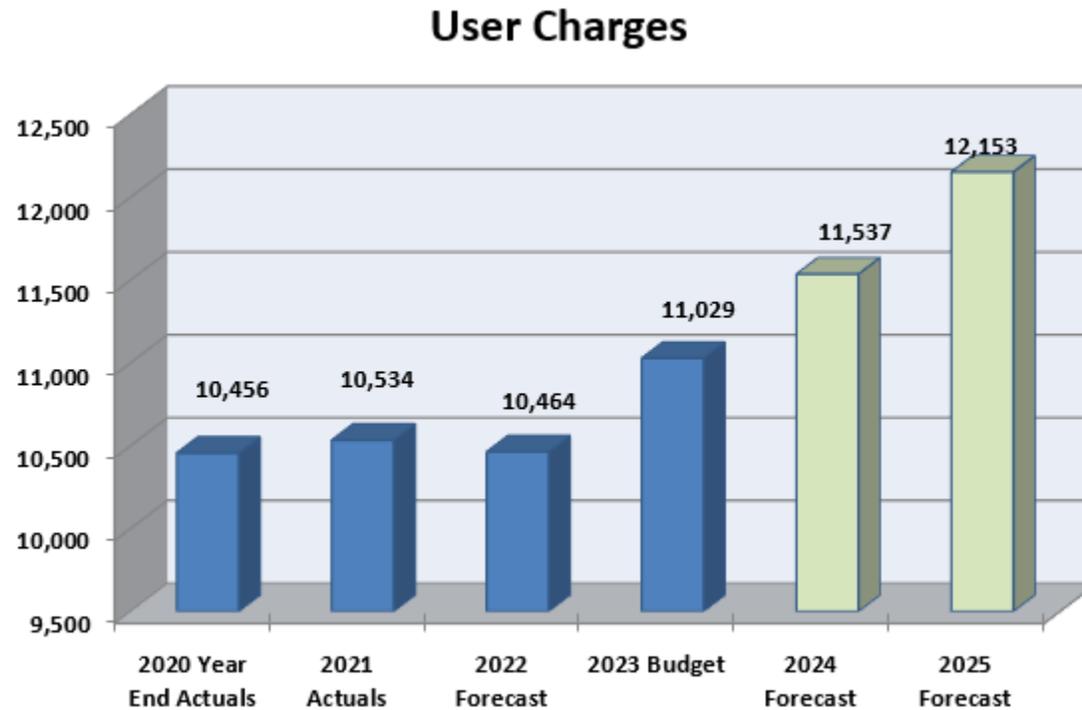
During 2018, the Town was advised by WUC that WUC would pursue an increase to the bulk water rate charged to the Town. The bulk water purchase agreement between the Town and WUC allows for rate adjustments, where warranted, at 10-year intervals of the 50-year agreement. Through a mediation process, it was agreed that a rate adjustment of 9% would be applied to the 2017 rate and would be effective January 1, 2017 through to December 31, 2026.

This increase was not anticipated during the preparation of the 2015 Water and Wastewater Rate Study. A financial analysis was subsequently performed and Administration recommended that the increased costs going forward necessitated a deviation from the Rate Study with respect to the metered water consumption charge and that retroactive costs be funded by the Water Rate Stabilization Reserve.

Specifically, the Rate Study recommends a 1% increase to the metered water consumption charge. Administration recommended a 3% increase to the metered water consumption charge for years 2019 and 2020 to cover this increased cost of bulk water supply.

The Town's Water and Wastewater Rate Study is reviewed every five years following which a rate schedule will be recommended for the next five-year period. The Study was due for review in 2020 and would have provided a rate schedule for years 2021-2025, however due to COVID-19, the review was deferred and will take place in Q1 2023. The 2023 Budget includes increases proposed within the draft 2023 Rate Study of 2% variable & 6% fixed for both water and sanitary.

User Charges - \$11,029,000



User charges are revenues generated from the sale of water, sewer charges, hydrant rentals, work orders etc. The most notable budget items under User Charges include:

- Water Sales - \$ 5,834,000
- Sewer Charges - \$ 5,195,000

Based on recommendations included in the Town’s Draft 2023 Water and Wastewater Rate Study, the proportionate amount of fixed fees will increase year-over-year so that fixed revenue will make up a greater amount of total sales. In 2021, the water and sewer revenue mix was split 65/35 between variable and fixed fees. The goal is to gradually move this ratio to a 60/40 split.

User Charges are necessary to address funding requirements for new capital, lifecycle and operating costs.

The Rate Study recommends fixed rate increases of 6.0% per annum along with 2.0% annual increases to the water and sanitary variable rates respectively.

2022 Year End Forecast of \$10,464,000 is under budget by \$126,000. Estimated year end volume is approximately 44,000 m³ less than budget, with favourable consumption from Bonduelle being outweighed by the unfavourable higher rate variance for residential and non-residential consumption.

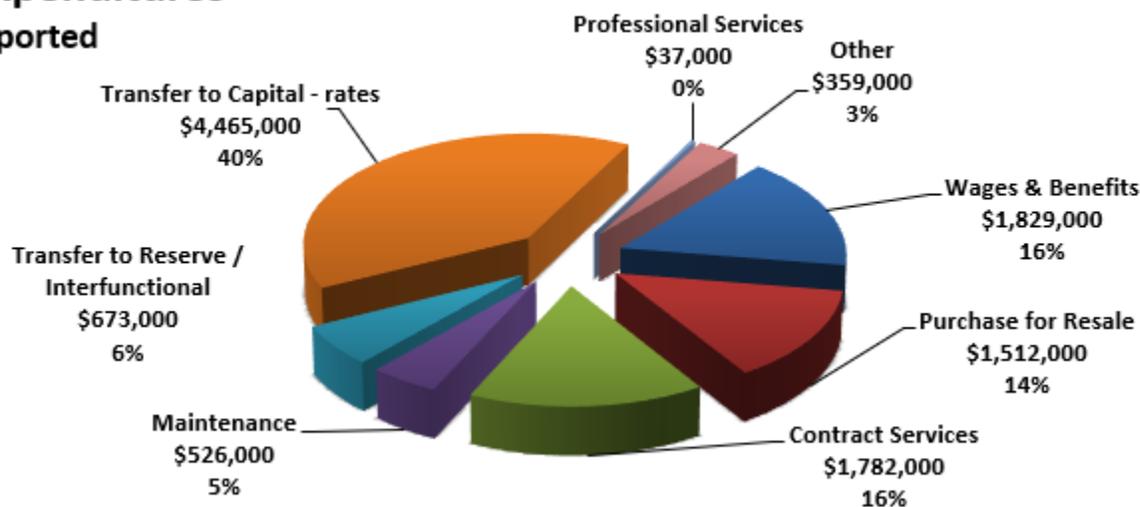
Expenditures

The 2023 Water and Wastewater Operating Budget totals \$11,183,000 (\$6,045,000 before transfers). This marks a \$485,000 increase from the prior year budgeted amount (before transfers).

As shown in the following graph, Transfer to Capital - Rates is the largest budgeted expenditure item. The transfer provides the ability to sustain future rehabilitation, replacement and growth requirements. Transfer to Capital - Rates represents 40% of the total expenditures and is \$19,000 less than 2022, primarily due to increased water and wastewater fixed fees, offset by significant expenditure items such as Contract Services for the cost of wastewater treatment; Purchases for Resale for the cost of water purchased from WUC; and Wages and Benefits.

2023 Expenditures

Rate Supported



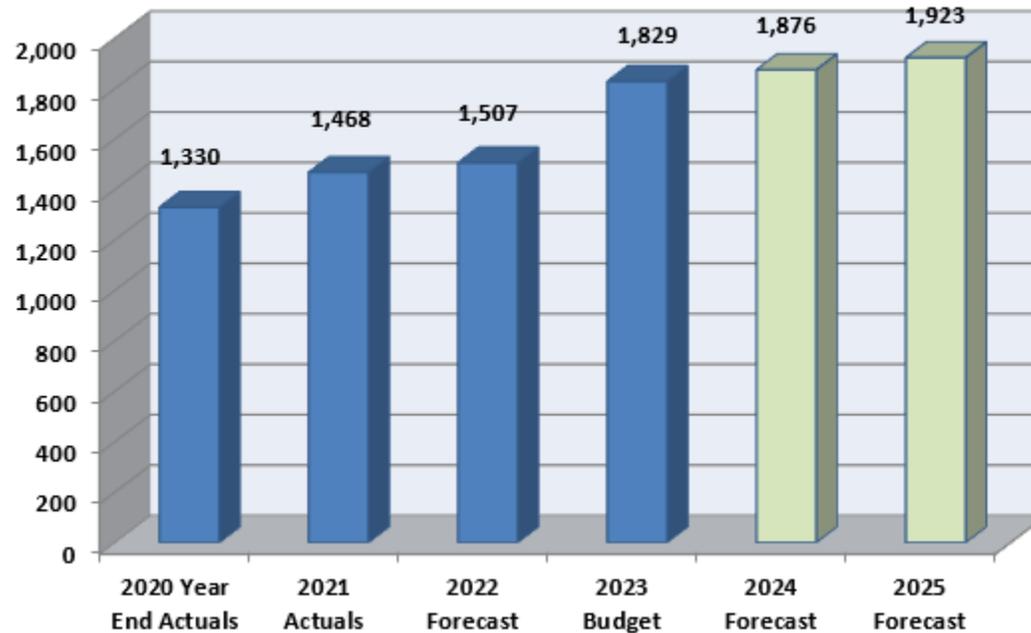
Wages and Benefits - \$ 1,829,000

Wages and Benefits are expected to total \$1.83 million (2022 budget \$1.70 million).

Budgeted wages and benefits increased by 7.73% from 2022 due to service level enhancements for Capital Projects in addition to contractual increases and wage adjustments. Actual 2022 wages and benefits are forecast to be approximately \$192,000 lower than budget, stemming from multiple vacancies.

Increases in outlook years are reflective of contractual increases.

Wages and Benefits



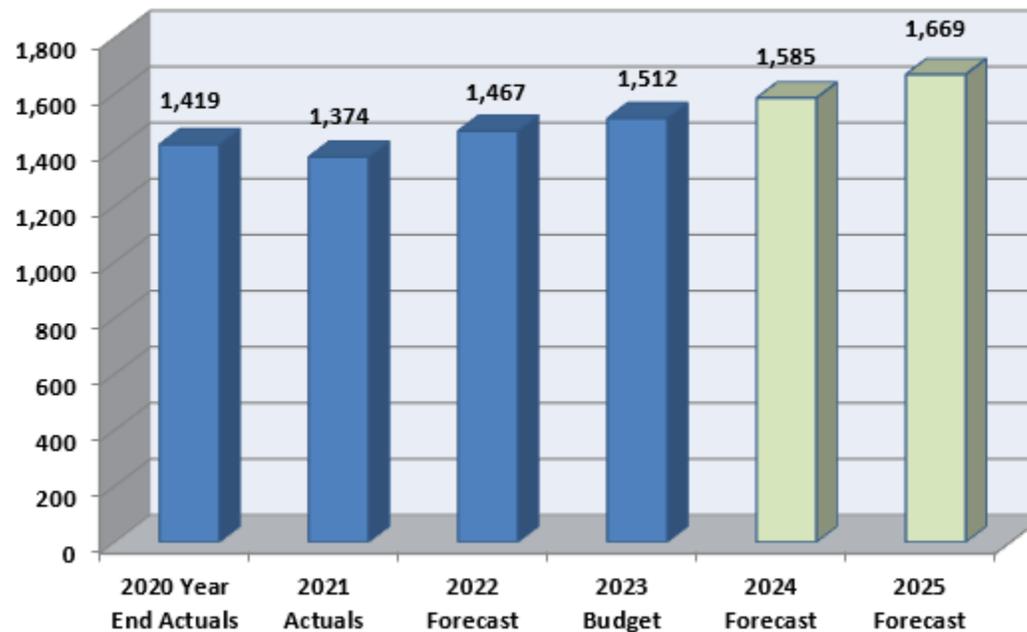
Purchases for Resale - \$1,512,000

Purchases for Resale represent the cost of water purchased from WUC. The budgeted amount for this category increased from 2022 as volume purchased is expected to increase somewhat as residential growth occurs in 2023, along with an inflationary increase of 4% to bulk water purchase rates.

The outlook years include inflationary increases to purchase rates along with modest consumption increases spurred from residential growth. The Town's Bulk Water Supply agreement with WUC calls for annual inflationary increases to the purchase rate for the next several years, with the next opportunity for a rate adjustment to occur in 2026.

2022 Forecast Year End Actuals are expected to be above budget by 1.8% due to higher than estimated consumption by Bonduelle, partially offset by lower residential & non-residential consumption.

Purchases for Resale



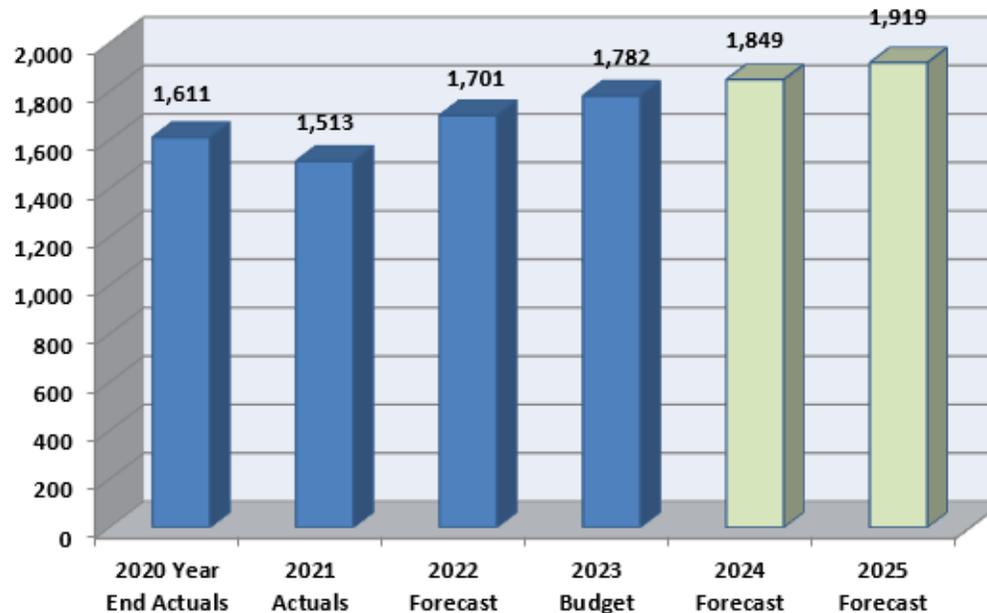
Contract Services - \$ 1,782,000

This category covers all services contracted by the Town as related to water and wastewater operations, which includes Sewage Treatment, Sewer Maintenance and Billing and Collection fees.

Fees of \$160,000 for billing and collection services contracted to Essex Power are expected to remain unchanged from prior year.

Sanitary treatment costs contracted to the City of Windsor have increased by \$211,000 due to higher actual rates than was budgeted (2022 Forecasted Year-End Actuals projected to be \$130,000 above budget). Treatment rates will fluctuate year over year based on the weather conditions experienced by Windsor/Essex. Early indications suggest the improvements to the Town's wastewater collection system through the Inflow and Infiltration programs implemented during the course of the past several years have been successful in reducing the amount of rainwater entering the system. The outlook years include increases of approximately 4.0% for both 2023 and 2024. This includes estimated inflationary increases to sanitary treatment costs along with marginal increases to volumes treated due to new sanitary sewer connections.

Contract Services



Transfers to Capital - Rates – \$4,465,000

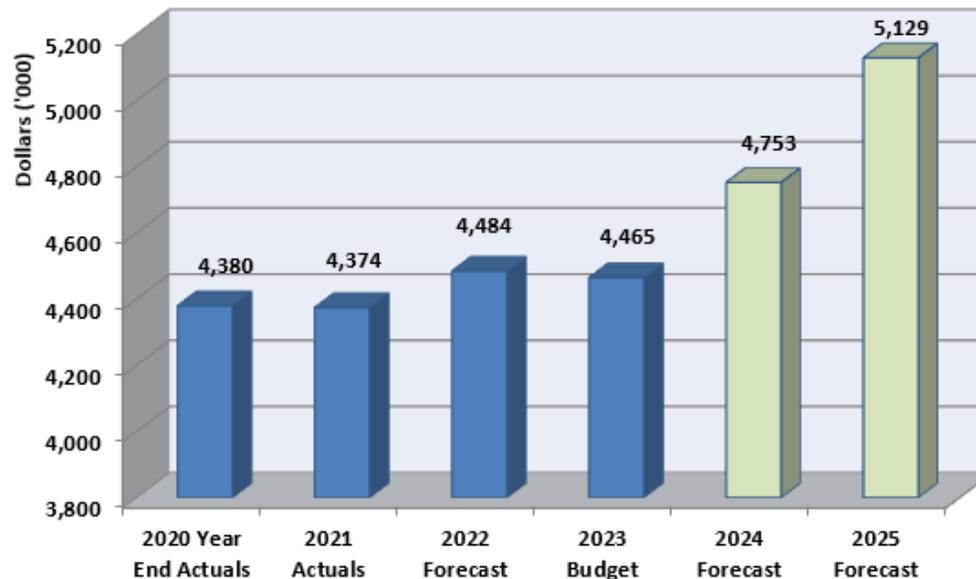
Transfers to Capital – Rates, includes sanitary and water funding for lifecycle purposes of \$2,543,000 and \$1,922,000 respectively.

Preliminary 2022 August variance projects a \$64,000 deficit from water and wastewater operations, which will ultimately decrease the amount transferred to reserves.

Unfavourable results can be primarily attributed to a higher than budgeted rate being charged by the City of Windsor sanitary treatment costs, offset by declining participation in the sanitary backwater valve grant program.

Transfers to Capital for the forecast years are as per the Rate Study with adjustments made, +/-, to balance the fund. For sanitary, deficits of \$424,000 and \$412,000 are expected for 2024 and 2025; and similarly deficits of \$676,000 and \$782,000 are expected for Water which results in lower Transfer to Capital. Higher treatment costs and lower consumption volumes as a result of less growth than originally anticipated in the 2015 Rate Study is a major driver, which will be addressed in the updated 2023 Rate study.

Transfer to Capital - Rates



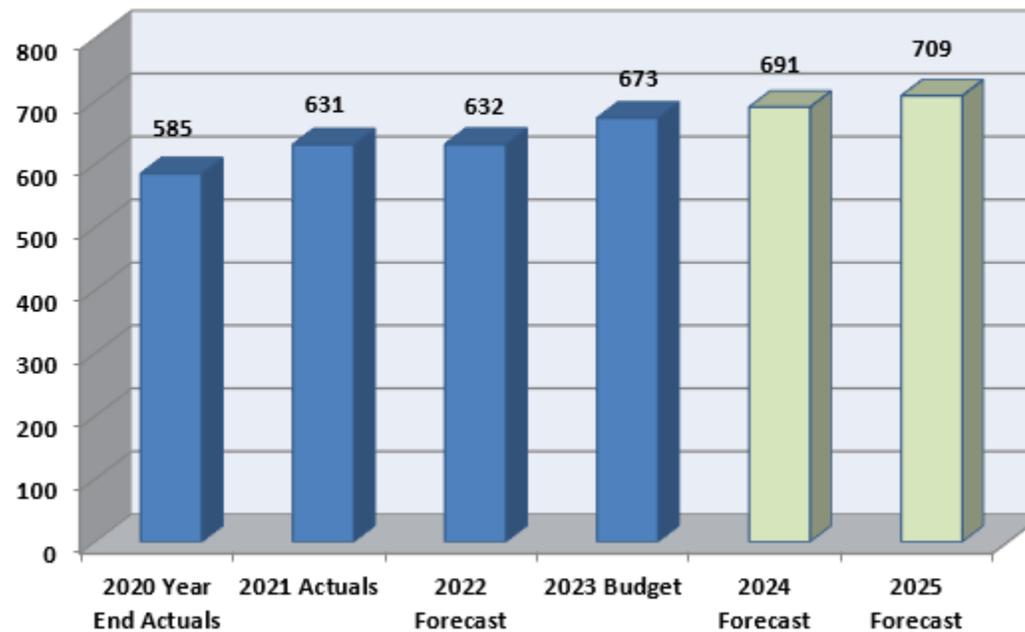
Transfers to Reserves - \$ 673,000

Transfers to Reserves consists of Interfunctional Administrative charges, which are paid to the Town's general tax levy for support services. The amount for administrative support is increased annually by inflation. An inflation factor of 7.0% was used for 2023.

Direct charges, such as Public Works labour hours towards wastewater services and labour hours for One-Call services are based on actual hours worked. 2023 budget increases by \$42,000, or 6.59% from 2022 as a result of inflationary increases.

Inflationary increases of 3% have also been applied to outlook years.

Transfers to Reserves/Reserve Funds



2024 and 2025 Outlook

Water and wastewater rates are forecast to increase as per the Draft 2023 Rate Study recommendation for 2024/2025 as a placeholder, pending the completion of the Study update in Q1 2023.

Administration will update the Town's Water and Wastewater Rate Study during 2023, which will recommend rates for the period of 2023-2030.

Expansion of the Town's wastewater system will continue in a phased-approach in the Town's Oldcastle industrial area.

Administration will negotiate a new billing & collection service agreement with Essex Power.



2023 Proposed Business Plan & Budget

Presentation to Town Council

December 13, 2022

2023 Proposed Budget

- Overview – Chief Administrative Officer
- Budget – Treasurer & Deputy Treasurer
 - Budget Document
 - Operations
 - General
 - Water & Wastewater
- Lifecycle
- Reserves
- Conclusion
- Q & A



Council Vision:

The Tecumseh of tomorrow will be a community of economic vitality, environmental leadership, and a high quality of life for all of our citizens.



Council Mission:

We will work together strategically to accomplish sustainable growth that integrates the principles of health and wellness in everything we do.



Strategic Priorities from 2019-2022

Smart Growth

Sustainable Infrastructure

Community Health and Wellness

Continuous Improvement

Good Governance

Annual progress reports on these strategic priorities are available at <https://www.tecumseh.ca/en/town-hall/strategic-priorities.aspx>

Planning for the Strategic Priorities of 2023-2026 will commence in Q1 of 2023.



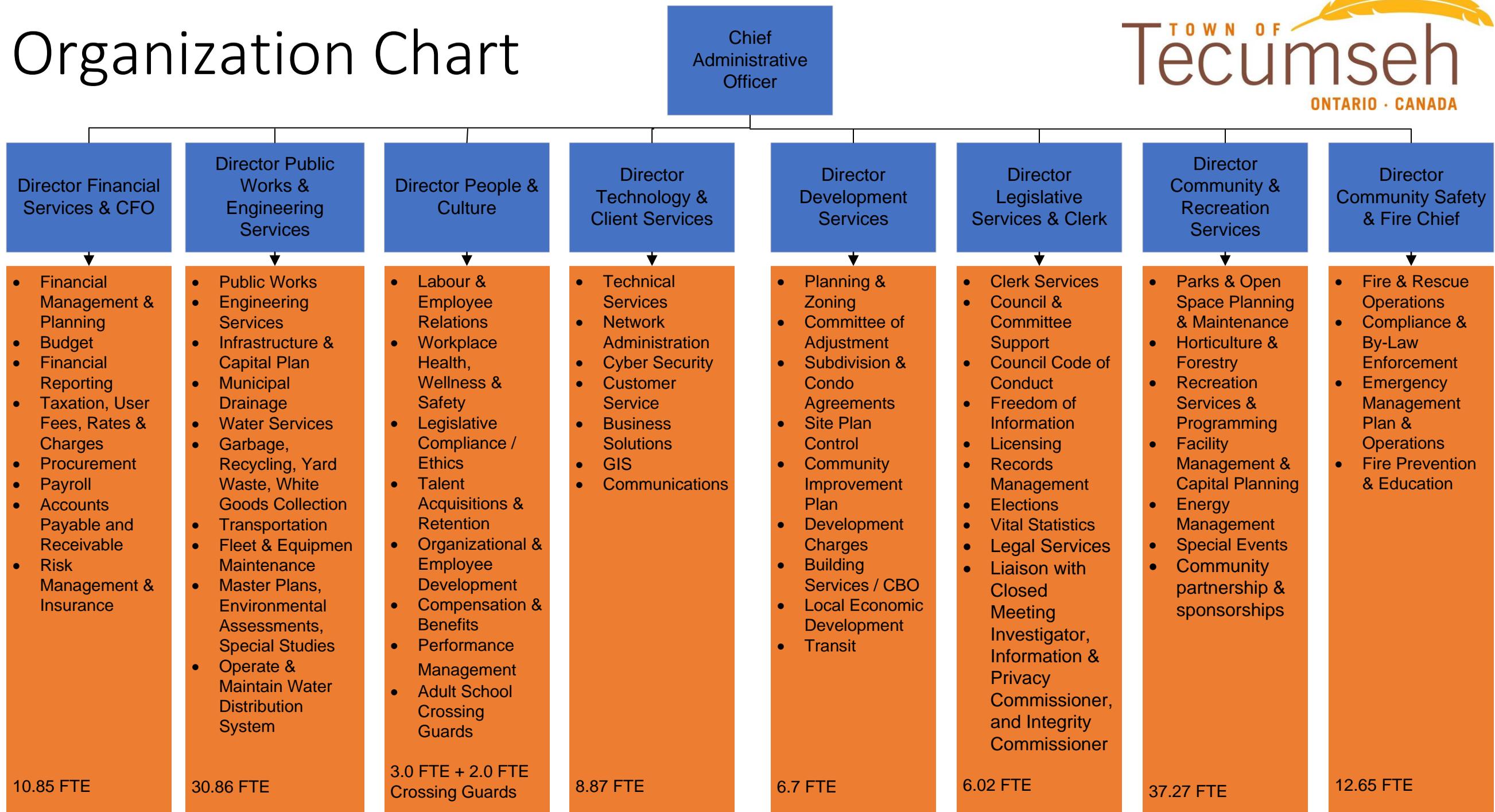
2021 Organizational Review

2021 Organizational Review implementation continues with:

- Customer Services recommendations
- Structure and staffing recommendations
- Service delivery efficiencies
- Implementation of corollary reviews related to Org Review:
 - People Strategy
 - Information Technology Services
 - Digital Strategy
 - Business Continuity and Disaster Recovery Strategy
 - Payroll
 - Clerks Services



Organization Chart



Full Time Equivalent (FTE) – Represents an employee's total hours worked divided by the number of compensable hours in a full-time schedule during a fiscal year. A year round full-time position has an FTE of 1.00. For the Town of Tecumseh, 1.0 FTE equates to 35 or 40 hours/week of work or 1820/2080 hours of work annually.

2023 Objectives: Chief Administrative Officer

- Develop 2022-2026 Corporate Strategic Plan & Priorities
- Annual report out on Corporate Strategic Priorities
- Act on recreational and public works capital priorities approved in 2022
- Undertake biennial Customer Satisfaction Survey (carried forward from 2022)
- Continue implementing 2021 Org Review and corollary service reviews
- Implement changes in policing services and governance arising from CSPA, 2019
- Implement Community Safety and Well-Being Plan in conjunction with area municipalities, the County and partners
- Progress the Town's relationship building with our Indigenous Community
- Renew efforts to address Climate Change and focus on sustainability



2023 Objectives: People & Culture

- Collective bargaining with CUPE Local 702.13
- Development of a leadership competency framework
- Establish reward and recognition strategy with a plan to roll out end 2023
- Restructure benefit and pension administration into People & Culture
- Review HRIS requirements and source vendors to implement an HRIS solution
- Create employee engagement and diversity plans for the corporation
- Develop and deliver corporate education platforms
- Implement new employee onboarding platform
- Continue to support health/safety and wellness committee initiatives
- Conduct an employee total compensation review



2023 Objectives: Legislative Services & Clerk

- Implement the Clerks Service Delivery Review
- Implement webcasting and closed captioning of Council and Committee meetings
- Complete Records & Information Management Service Review and develop implementation plan for a corporate records management system
- Ongoing management of lottery license litigation
- Develop and implement Mobile Food Vendor Licensing Program
- Review of various by-laws and policies
- Investigate the merits of introducing Administrative Monetary Penalty System to the Town to augment enforcement of by-laws
- Review and coordinate internal and external legal counsel services



2023 Objectives: Financial Services

- Complete and implement budget software enhancement
- Complete financial systems optimization and apply results to implementing Payroll Service Review
- Development Charge Background Study Update, 2024
 - Commence analysis in 2023
- Asset Management Plan
 - Complete Phase II requirements in 2023
- Building Operations and Reserves Financial Review
 - Update Building Code operating costs with proposed service level changes and permit fee structure
 - Review and update in time for 2024 Budget development



2023 Objectives: Technology & Client Services

- Implement Information Technology Service Review & Digital Strategy
- Implement Business Continuity & Disaster Recovery Strategy
- Undertake virtual server and networking upgrades
- Network security initiatives
- Enhance the Town's new Open Data Portal
- Fully implement new customer service model and enhanced communications program
- Undertake 2023 Customer Service Survey
- Corporate projects: cloud permitting, HRIS, Financial System Upgrade, Regional Digital Radio upgrade



2023 Objectives: Community Safety

- Complete a Community Risk Assessment and Fire Master Plan
- Update the Town of Tecumseh Emergency Response Plan
- Explore grants and sponsorship opportunities to refurbish the 1942 Fire Truck
- New regional radio system implementation
- Apparatus replacement (lifecycle)
- Comprehensive review of Municipal By-Laws enforced by Community Safety



2023 Objectives: Development Services

- Finalize Tecumseh Hamlet Secondary Plan and incorporate into the Official Plan
- Initiate the Oldcastle Hamlet Special Planning Study
- Implement Council's direction on growth in the Hamlet SPA, MRSPA and Oldcastle
- Administer the incentive program for the Tecumseh Road Main Street CIP
- Complete the new Comprehensive Zoning By-law
- Report out and follow up on the On-Demand Transit one-year pilot project
- Foster local economic development through partnerships with neighbouring municipalities and regional agencies
- Implement the Building Services Operational Review



2023 Objectives: Community & Recreation Services

- Expand programming opportunities year round
- Manage approved capital projects and implement the updated Parks and Recreation Master Plan
- Proceed with construction of a splash pad and outdoor washroom facility for Lakewood Park
- Proceed with renovations to update the Town's library facility
- Commence planned improvements to the Maidstone Recreation Centre
- Implement upgrades to the grandstands, backstop and entrance plaza at Lacasse Park
- In partnership with L'Essor High School, construct new artificial turf playing field
- Implement the updated Energy Conservation & Demand Management Plan



2023 Objectives: Public Works & Engineering Services

- Complete infrastructure related studies/by-laws, such as: shoreline management plan, AMP, growth area FSRs, sanitary outlet cost recovery by-laws, traffic calming policy, model updates for sanitary sewer & water distribution systems, SWM rates
- Design & installation of sanitary sewers in the Oldcastle Hamlet
- Design of planned capital projects aligned with Council's growth directive: Tecumseh Hamlet northwest infrastructure
- Design/construction of capital projects with secured funding/partnerships: DMAF Ph 1 & 2, Centennial & Woodbridge watermain replacements, Lesperance Road multi-use trail, Riverside Drive trail, CR42 & CR43 water & wastewater services
- Move forward with Regional Food & Organics & Biosolids Waste Management
- Implement mandated MECP Consolidate Linear Infrastructure ECAs





2023 Draft Business Plan & Budget

As presented to Town Council December 13, 2022



2023 Business Plan and Budget Overview

Electronic Document Overview

1. Transmittal
2. Executive Summary
3. Budget Reconciliation – PSAB Adjustments
4. Recommended New Staffing Enhancements
5. Operating Budget
6. Lifecycle
7. Reserves
8. Supplementary Information
 - Budget Process
 - Revenue and Expenditure Analysis



Budget Process



Council Consideration

- Total Municipal tax levy required is \$27.6M
 - \$1.45M or 5.6% increase vs prior year approved budget
- Municipal tax rate increase of 4.4% vs prior year approved rate

Impact on \$250K Property	% of Increase	\$ Increase
Noncontrollable/Inflationary	1.6%	32
Contribution to Capital	1.5%	29
Operations (net of growth)	1.3%	\$ 25
	4.4%	\$ 86

- Consolidated levy increase ~ 4.0% expected
 - \$142 consolidated increase on \$250K assessed property
- Province again postponed the 2023 Assessment Update
 - Property assessments are based on fully phased-in January 1, 2016 values



2023 Proposed Levy Summary

Budget Drivers	2023					
	2022	Proposed	2024	2025	2026	2027
Base Department Operations (excl Pay/Ben)	-0.13%	0.93%	1.02%	0.22%	1.66%	1.90%
Service Level Enhancements	2.70%	1.73%	1.76%	0.49%	0.66%	0.79%
Payroll/Benefits	1.19%	1.19%	1.82%	1.12%	1.09%	1.04%
Sub-total – Operating	3.76%	3.85%	4.60%	1.83%	3.42%	3.73%
Lifecycle	0.18%	0.96%	0.73%	0.68%	1.00%	0.95%
New Infrastructure Levy	0.00%	0.77%	0.73%	0.68%	0.50%	0.47%
Sub-total – Capital	0.18%	1.73%	1.46%	1.37%	1.49%	1.42%
Total	3.94%	5.58%	6.06%	3.20%	4.91%	5.15%
Assessment (Growth)/Loss	-1.00%	-1.27%	-1.63%	-1.71%	-2.32%	-2.53%
Total w/ Growth factor	2.94%	4.31%	4.41%	1.49%	2.59%	2.63%



Key Revenue Items

		Increase (\$)
Assessment Growth	\$	180,000
Supplementary Taxes		150,000
Total Growth		330,000
Building Permits		NIL
- \$214K increase, transferred to reserve		
Lottery Licence		
- Bingo hall moving to Lakeshore		(97,000)



Key Expenditure Items

		Increase (\$)	% of Levy Increase
Contribution to Capital (LC/NIL)	\$	450,000	31%
Wages	\$	466,800	32%
Benefits		295,900	20%
Total Payroll (net of transfers)	\$	762,700	52%
Discussed in more depth on next slide			
OPP Contract	\$	(119,000)	(8.2%)
Insurance (\$40K before transfers)	\$	25,000	1.7%
Gasoline	\$	74,000	5.1%
Computer Software/Support	\$	96,000	6.6%
- \$50K re: new building permit software			
Professional Development	\$	97,000	6.7%
- Returning to pre-COVID only			



Dominant Themes - Payroll

		Increase (\$)	% of Payroll Increase
Building support (council approved in principle)	\$	191,000	25%
Implementation of recommendations from the Town's Organizational Review – Phase 2 Phased-in over a three-year period 2022-2024		105,600	14%
Technology & Client Services – TSC Help desk, CS Receptionist, and CS Coop (Offset by reduction of 1 Coop)		59,700	8%
People & Culture - Business Partner (Offset by a reduction in student hours)		57,400	8%
Community and Recreation		38,900	5%
Other - 119 FTE, 4 bargaining units (contractual salary and benefit increases)		310,100	40%
	\$	762,700	100%

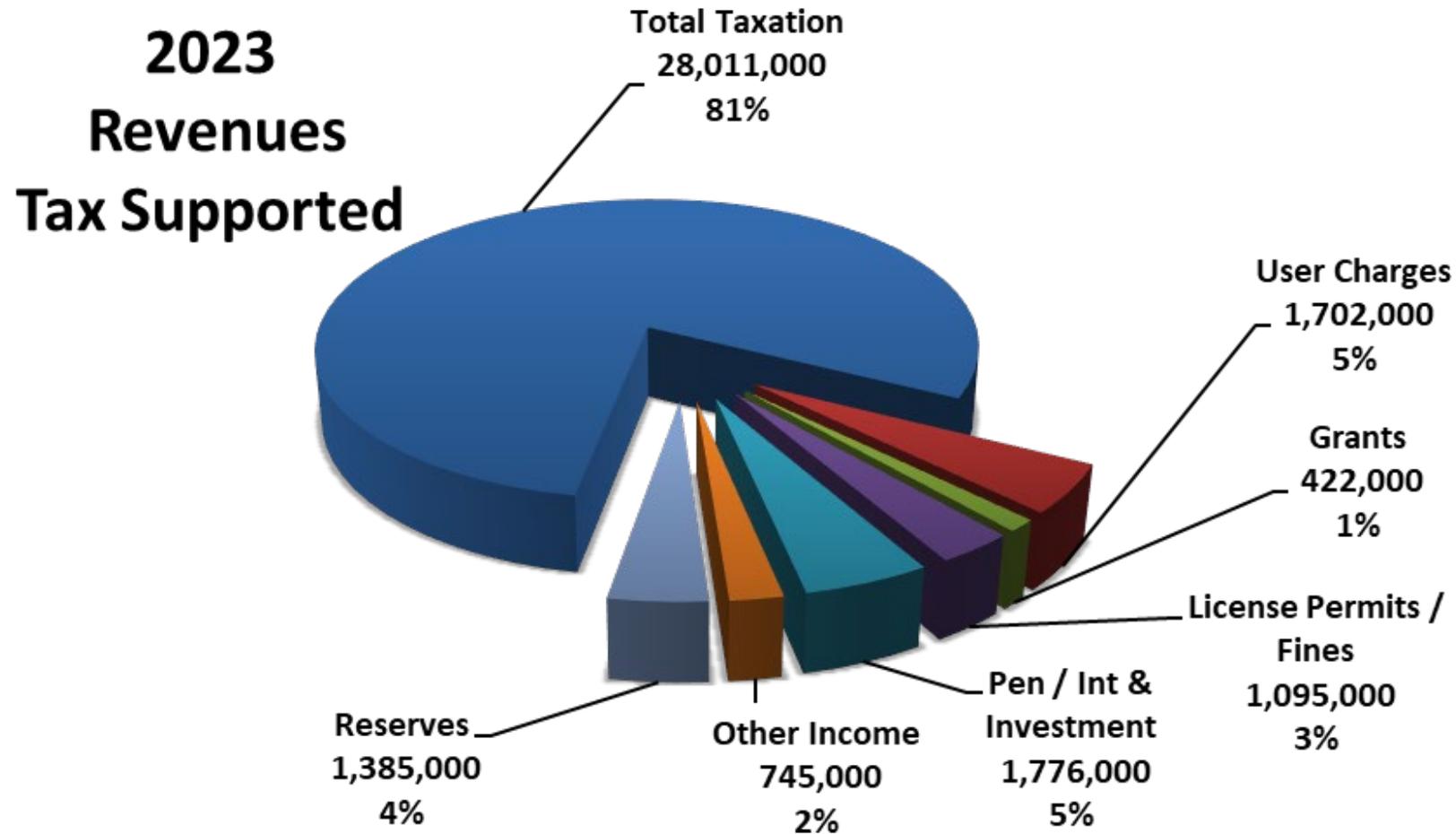


What's Not in the Budget

- Organics recycling (green box / compost)
- Regional garbage collection
- Lottery License Litigation
 - up to \$7M



Operating Budget Revenues



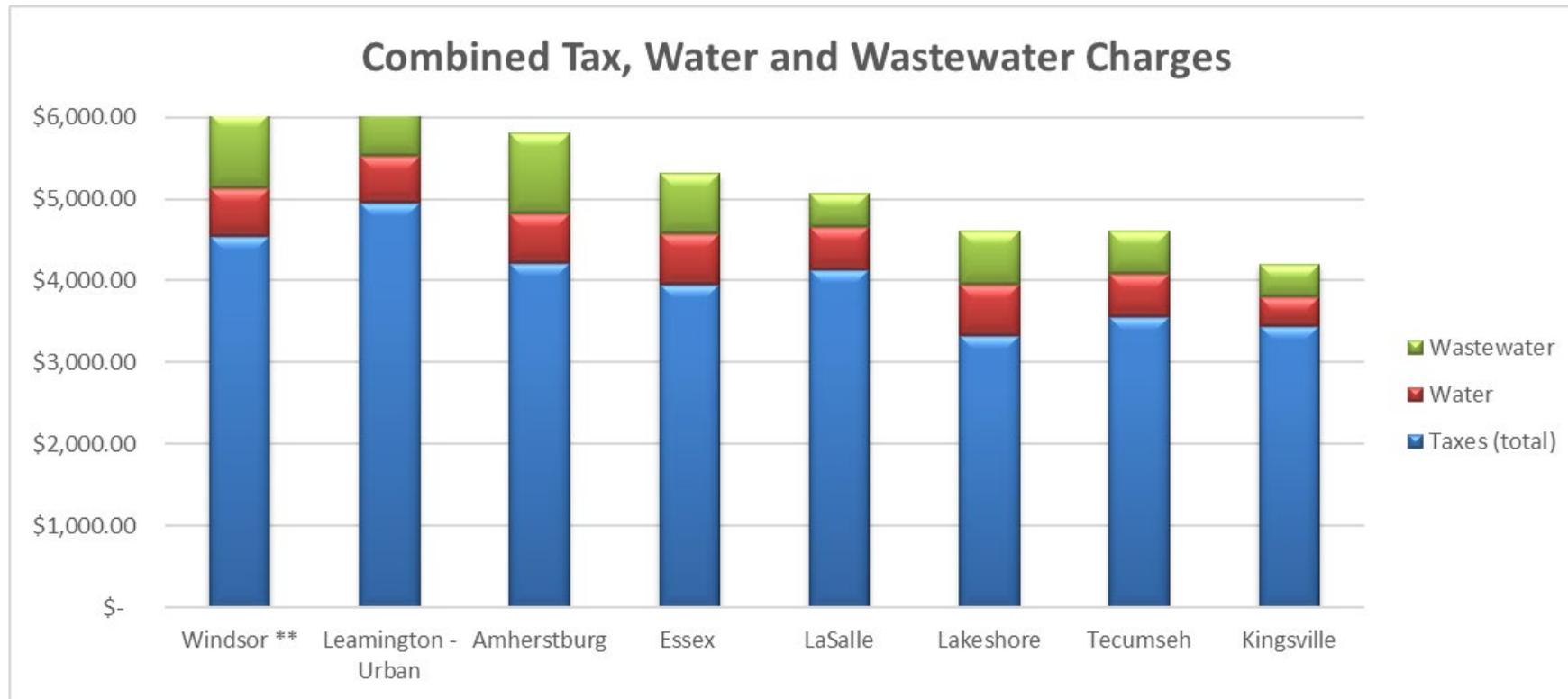
2023 Tax Levy Change - \$250K Home

Levying Authority	2023 Levy	2022 Levy	Dollar Difference	Percent Difference
Municipal	\$ 2,025	\$ 1,939	\$ 86	4.42%
County	\$ 1,298	\$ 1,242	\$ 56	4.50%
Education	\$ 383	\$ 383	\$ 0	0.00%
Total	\$ 3,706	\$ 3,564	\$ 142	3.97%

- Property Assessment update postponed by Province due to COVID-19
 - Property valuations unchanged from 2022, i.e. 2022 CVA of \$250,000 becomes 2023 CVA of \$250,000.



2022 Comparative – Essex County



* Property Taxes calculated based on an average property with an assessed value of \$250,000. Water and Wastewater Fees based on monthly consumption of 20 cubic meters.



Rate Supported – Water and Wastewater

- Full Cost Recovery Rates - 2023 Rate Study
(2020 Study update to be completed 2023 Q1)
- Rate increase average residential user
 - 2023 \$38 or 3.6% (\$1,044 to \$1,082)*
- Rate revenue
 - Wastewater \$5.2M
 - Water \$5.8M
- 2023 Budgeted capital funding 4.5M



Wastewater – Key Items

- 8th Concession sewer area (Oldcastle)
 - Cost recovery by-law to be created in 2023
 - Next phases County Road 46/Webster/Laval and Del Duca Drive extensions - 2024 construction
 - Approximately 18 phases remain
- Flood mitigation measures
 - Sanitary sewer model update to be completed in 2023
 - Anticipated recommendations/improvements of \$35+ million



Water Key Items

- Watermain breaks
 - Replacement of various watermains to continue in 2023
- Watermain improvements associated with County projects
 - County roads 42, 43 and 19
- Water Model Update in 2022/2023
- Investing in Canada Infrastructure Program – Green Stream II, 2021 Intake
 - Town successful with application for \$3.5 million in improvements on Centennial & Woodridge



Capital Program and Funding Strategy

- Lifecycle Funding – 2023 allocation \$8.9M (increase of \$250,000)
 - Lifecycle Annual funding target = \$9.5M
- NIL – 2023 allocation \$1,950,000 (increase of \$200,000)
 - NIL Annual funding target = \$2.35M
- Funding Mix – Use of Debt
 - Current Annual Repayment Limit ~ 5%
- Grant and Partnership Funding
 - Pursue all opportunities – may impact our priorities
- County Capital Program



Capital Works Plans

- 5-Year Capital Plans - Approval for 2023 with forecast for 2024-2027
 - Recommendations for proposed projects follow budget process
- Capital Priorities Workshop – Special Council Meetings 2022 Q2
- Recreation and Cultural Amenities – SCM March 29, 2022
 - Lacasse Ball Diamond
 - Sportsplex components
 - Lakewood Park amenities
 - Southfield Park splash pad
 - Maidstone Recreation Centre
 - Cada Library
 - Artificial Turf Fields



Capital Works Plans

- Public Works – SCM May 5, 2022
 - Scenarios for competing Capital Priorities
 - Development and Growth
 - Climate Change and Flood Mitigation
 - Tecumseh Road Mainstreet
 - Approved Grant Funding Projects
 - Coordination with County of Essex Infrastructure Projects
 - Focus on development and growth opportunities in Tecumseh Hamlet Secondary Planning Area and Oldcastle Industrial and Business Park per Council direction
 - Scully and St. Mark's and P.J. Cecile Storm Pump Stations
 - County Road 42/43 Phase 1 Improvements
 - Lesperance/VIA Rail Improvements



Capital Works Plans

- Over \$42M Capital Projects for 2023 and Contributing Funding
 - Scully and St. Mark's Storm Pump Station - (DMAF grant contribution)
 - P.J. Cecile Storm Pump Station - (DMAF grant contribution)
 - Lesperance/VIA Rail Improvements - (RSIP grant contribution)
 - Lacasse Ball Diamond - (CCBF grant use, St Clair College and Tecumseh Thunder contribution)
 - Riverside Dr. Trail - (CCRF grant contribution)
 - Cada Library Renovation – (County contribution)
 - County Road 42 & 43 Watermain and Sanitary
 - Lakewood Park – Washroom and Splash Pad
 - L'Essor High School – Artificial Turf - (School Board contribution)
 - Fire Radio System Replacement
- Debt Payments \$1.7M



Reserves Strategy

- 2022 Reserves/Reserve Funds Estimated Balance - \$60M
 - Lifecycle / Infrastructure / Water / Wastewater
- Infrastructure Reserve
 - Funding source for new and/or enhanced infrastructure
 - \$5.8M toward Recreation/Community Projects in 2023
- Lifecycle Reserves and Reserve Funds
 - Funding sources for replacement
 - \$20M towards PW Infrastructure Projects in 2023



Reserves Strategy

- 2024-2027 Outlook
 - Continuance of Capital Works Plans of 2022 Q2
- Pressures
 - Annual expenditures well above average
 - Material and Labour Cost Inflation (much greater than CPI)
 - Construction Industry Capacity
 - Rising Borrowing Rates



Reserves Strategy

- Mitigating Measures
 - Strength of Town's Lifecycle Program and Reserves provides flexibility
 - Grant and Partnership Opportunities
 - Borrowing Capacity
 - Developer Option to Finance and Recover



Closing

- The 2023 Proposed Budget:
 - Incorporates Council's Adopted Capital Works Plans
 - Continues Implementation of Organizational Review
 - Addresses Growth Demands on Building Department
 - Includes Modernization and Efficiency Initiatives
- Advances on Council and Community Strategic Priorities
- Proposes Fair Value Tax Rate Increase to Property Owners



Conclusion

- Budget Deliberations
 - SCM – January 17, 2023 @ 4:00pm
 - SCM – January 19, 2023 @ 4:00pm (if needed)
- Budget Approval
 - RCM – January 24, 2023 @ 7:00 pm



Discussion





Glossary and Acronyms

Glossary

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 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” – the time period over which it can be used.

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 a 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 business people within a specified district, who join together with official approval of the Town, in a self-help program aimed at stimulating business.

Business Plan – This refers to a document that summarizes the operational and financial objectives of a business and contains the detailed plans and budgets showing how the objectives are to be realized.

Canadian Union of Public Employees (CUPE) – An association formed for protecting the rights of its members, usually employees in the public sector.

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).

Cost Centre – An organizational unit with a specific strategic focus and the authority to expend corporate resources in order to deliver an internal or external service.

Current Value Assessment (CVA) – Property value set upon real estate under direction of the Province as a basis for levying property taxes.

Debenture – A formal written obligation to repay specific sums on certain dates. In the case of a municipality, debentures are typically unsecured.

Debt – Any obligation for the payment of money. For Ontario municipalities, debt would normally consist of debentures as well as either notes or cash loans from financial institutions but could also include loans from reserves.

Deferral – The act of putting off until another time, or postponing.

Deficit – The excess of liabilities over assets, or expenditures over revenues, in a fund over an accounting period.

Development Charges Act (DCA) – Provincial legislation that provides guidelines on funding of identified growth-related projects in the Town 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 in the Town.

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 the 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-round 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 particular time, including both broad guidelines and detailed practices and procedures.

Grant – A monetary contribution, typically from one level of government to another, as a means 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 assessed value is multiplied by the appropriate rate for the property’s tax class.

Liability – A financial obligation of the Town to others.

Lifecycle – Encompasses the Town’s plan to provide funding for expenditure items that are cyclical in nature.

Local Authority Services (LAS) – Local Authority Services is mandated to work with municipalities to assist them in reducing the cost of their expenditures and to increase their revenues through the principles of economies-of-scale and co-operative procurement efforts.

Long-term Debt – Debt that 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.

Objective – A desired specific output-oriented accomplishment that can be achieved within a given time frame. Its achievement advances both the activity and organization toward a corresponding goal.

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 year that is not part of the base budget.

Ontario Municipal Board (OMB) – A provincial board that provides a forum to appeal planning and assessment decisions made by the Town.

Ontario Municipal Employees Retirement System (OMERS) – OMERS is a defined benefit plan that provides pension benefits for the Town's full-time employees. Employees and employers normally 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 – An ad valorem (value-based) tax levied on real and personal property according to the property's assessed valuation and the tax rate.

Provincial Dedicated Gas Tax – Provincial gas tax funding that is provided to municipalities for public transportation expenditures.

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, similar to 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 ‘fixed asset’.

Tax Rate – A percentage rate that is used to determine the property tax levy to be paid by a particular 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).

Vacancy Rebate Program – Provides tax relief to owners of vacant commercial and industrial buildings through rebates issued by a municipality.

Vital Statistics Act – Responsible for matters such as maintenance of the municipal birth and death registry and issuance of death and burial certificates.

Acronyms

AGCO	Alcohol and Gaming Commission of Ontario
AMCTO	The Association of Municipal Managers, Clerks, and Treasurers of Ontario
AMO	Association of Municipalities of Ontario
AMP	Asset Management Plan
ARL	Annual Repayment Limit
BGAN	Broadband Global Area Network
CAO	Chief Administration Officer
CIP	Community Improvement Plan
COMRIF	Canada-Ontario Municipal Rural Infrastructure Fund
CPA	Chartered Professional Accountants Canada
CPI	Consumer Price Index
CWATS	County Wide Active Transportation System
CWWF	Clean Water and Wastewater Fund
DC	Development Charge
DRIC	Detroit River International Crossing
DWQMS	Drinking Water Quality Management Standard
EA	Environmental Assessment
EPC	Essex Power Corporation
EPS	Earnings Per Share
ERCA	Essex Region Conservation Authority
ERTs	Electronic Radio Transmitters
EWSWA	Essex Windsor Solid Waste Authority

FIR	Financial Information Return
FKPI	Financial Key Performance Indicators
GAC	Golden Age Club
GDP	Gross Domestic Product
GFOA	Government Finance Officers Association of the United States and Canada
GIS	Geographic Information Systems
HR	Human Resources
HVAC	Heating, Ventilating and Air Conditioning
ICS	Information & Communication Services
ISF	Infrastructure Stimulus Fund
LC	Lifecycle
LED	Light-Emitting Diode
LTFP	Long-Term Financial Plan
MMS	Minimum Maintenance Standards
MPAC	Municipal Property Assessment Corporation
MTO	Ministry of Transportation
NIL	New Infrastructure Levy
NFPA	National Fire Protection Association
OCIF	Ontario Community Infrastructure Fund
OCWA	Ontario Clean Water Agency
ODSP	Ontario Disability Support Program
OFM	Ontario Fire Marshal
OILC	Ontario Infrastructure and Lands Corporation
OMB	Ontario Municipal Board
OMPF	Ontario Municipal Partnership Fund

OPP	Ontario Provincial Police
OReg	Ontario Regulation
ORFA	Ontario Recreation Facilities Association
PSAB	Public Sector Accounting Board
PWES	Public Works & Environmental Services
RCM	Regular Council Meeting
RF	Reserve Fund
RFP	Request for Proposal
RinC	Recreation Infrastructure Canada Program
SCBA	Self-Contained Breathing Apparatus
TAAC	Tecumseh Accessibility Advisory Committee
TFRS	Tecumseh Fire Rescue Service
TSMHA	Tecumseh-Shoreline Minor Hockey Association
WDS	Windsor Disposal Service
WSO	Windsor Symphony Orchestra
WTP	Water Treatment Plant
WUC	Windsor Utilities Commission



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