Appendix B – Tax-Supported Operating Budget Decision Packages, Growth

DP#	Status	Decision Package Name	Category	FTE Operating Cost		Revenue / Recovery / Offset	Tax - Growth Net Impact	Tax - Base Net Impact
<u>10</u>	Recommend	Senior Asset Management Specialist	Enhance / Growth	1	\$ 130,056	130,056	-	-
<u>16</u>	Recommend	Arkinstall Park Splash Pad Operation	Enhance / Growth	0	\$ 45,000	-	45,000	-
<u>19</u>	Recommend	Sidewalks Winter Maintenance	Enhance / Growth	0	\$ 50,000	-	50,000	-
<u>31</u>	Recommend	Roads & Bridges Historical Impact of Development Assumptions	Enhance / Growth	0	\$ 269,130	-	269,130	-
Total Ope	erating - Recon	nmended		1	\$ 494,186	\$ 130,056	\$ 364,130	\$ -

	2022 BUDGET Operating Decision Package Form Project / Initiative Name Senior Asset Management Specialist											
Project / Initiative Name Net Costs		Resource	s Requirements New			Decision Package #						
Commission/Area:				Resources	Divisio	n/ Departments:	Corporate Asset M	lanagement Office				
Legislative Requirement (select one): No Quote Legislation: Section 1 : Project Scope												
1.1 - Project Classification and Overview												
	Provide comprehensive overview of the project request The 2016 Asset Management Strategy provided recovering requirements for the creation of the Corporate Asset Management Office (CAMO). Over the past 3 years the											
The 2016 Asset Management Strategy provided resourcing requirements for the creation of the Corporate Asset Management Office (CAMO). Over the past 2 years the Office has been successful in retaining the services of qualified individuals who have been instrumental in developing the organizations AM maturity. As the organization moves into the next phase of the AM Strategy implementation CAMO will require additional skill sets to develop and support asset specific programs in the areas of measurement and monitoring of asset performance, collection and analysis of various asset class data, in addition to working with staff across the organization to produce capital models that will have a direct impact on service levels to the public as well and Level of Services reporting requirements as discussed with Council in the spring of 2021.												
1.2 - Project Alignment and Justification												
Outline justification for need of project request Corporate Alignment & Opportunity (select one): Council Priority												
Ensure ongoing continuous Town's overall financial heal				ation. Utilize both	internal and exter	rnal resources to c	omplete an asses	ssment of the				
This position will work to improve the decision-making process for capital spending by developing lifecycle models, incorporating the models into the asset strategy, and linking the planned spending with service levels as required by O.Reg 588/17. As part of their work plan they will improve data and information through development of standards, and integrating technology systems to support the asset management system (program). By working directly with staff to improve maintenance practices and implementation of software for capital planning, computerized maintenance management and/or work order systems CAMO will secure by-in for the AM program. As identified in the 2016 AM Strategy this role will develop asset specific programs to measure and monitor asset performance, collect, manage and analyze asset data. By providing for this position CAMO will continue to ensure Town assets are being managed in a consistent fashion, allowing for greater stability in financial and capital planning, more informed decision making for OLT, SLT and Council regarding investment in new or existing assets, and enhanced interdepartmental collaboration on projects that involve asset management.												
			1.3 - Leve	Is of Service			Secured Evicting	Contino Lovola				
Outline the desired outcom				s of Service & Inf	<u> </u>	, í	& Addresses Inf	rastructure Gap				
During 2021 as CAMO worked with the organizations Managers to prepared the second version of the Town's AMP's to meet Provincial regulation. While working thru this process it became evident that a Senior role is required to help various areas of the organization improve their AM practices operating at the level of a consultant. Staff are determined to support the AM program as directed by Council however due to limited staffing resources to support AM practices at the operational levels dedicated support for asset classes is required. This Senior position will support the Manager in identifying specific actions and resulting impacts to the service areas to ensure CAMO resources are maximized.												
Outline Community Impact			1.4 - Comn	nunity Impact			No In					
Outline Community Impact (if applicable) Not Applicable Not Applicable												
1.5 - Risk												
Outline the risks associate	d with the project	both positive and	I negative	Risk Cat	egory (select hi	ghest risk area):	Financia	l Impact				
			Timelines for Potential Risk Im									
As indicated above the 2016 Asset Management Strategy recommended resourcing requirements for the continued development of the Towns AM system. Currently CAMO has 2 specialist positions and adding a 3rd position at the same level would not allow for progression within the organization. CAMO has already lost one individual within 16 months of hiring and there is the risk of losing these talented individuals if the organization does not provide for career advancement. Section 2: Financials												
Operating Costs		Details of	Incremental Exper	nditures, Savings	and Revenue 2024	2025	2026	2027				
Account #	Descri Furniture, Equipment		12,000									
		<u> </u>	,									
-												
Account # 63110.4021 (Level 9-5)	New Hire Requests I	n \$ 1	92,231									
, 51315 3/	PTE CONTRACT		,201									
63110.4109	BENEFITS - FTE BENEFITS - PTE		25,825	-	-	-	-	-				
Total Operating Costs Cost Recoveries			130,056 2022	2023	2024	2025	2026	2027				
Account #	Descri Reduce Consulting li		130,056	2025	2024	2025	2020	2021				
			130,036									
T.//2												
Total Cost Recoveries Total Net Cost			130,056	-	-	-	-	-				
		Constitutions		3 : Sign-off								
Collaboration	Yes epared By:	Consulted With	Human Resources	Reviewed By:			Commissioner:					
Lisa Ellis, Manager Corporate Asset Management			Mike Mayes, Director, Financial Services									

2022 BUDGET Operating Decision Package Form											
Project / Initiative Name Net Costs		Arkinstall Park Splash Pad Operation (NEW)				ecision Package #					
	Development and Infrastructure Se		ion	n/ Departments:							
Legislative Requir	rement (select one):		ote Legislation: Project Scope								
	1.1	1 - Project Classi		erview							
Provide comprehensive ov	verview of the project request			ion (select one):	Enhance / Growth						
This request is for the operating costs of the newly constructed Dr. Margaret Arkinstall Park Splash Pad. The funds requested are to provide equality of service between a Town properties and is in line with budget available for similar properties. Total annual operating costs is estimated to be \$40,900. Detailed breakdown of the cost element is listed in the Section 2 - Financials.											
	1.:	2 - Project Alignn	nent and Justific	cation		Commission or Departmental					
Outline justification for ne	ed of project request		Corporate Align	ment & Opportui	nity (select one):	Business Plan					
ONLY SELECT FROM PICK LIST IF COUNCIL PRIORITY SELECTED IN CORPORATE ALIGNMENT & OPPORTUNITY SECTION ABOVE											
Construction of the Splash Pad will be completed in 2021 and budget is required for this department to operate and maintain the splash pad. Properly maintaining the facilities is part of this department's duties, which also ensures efficient management and long term financial sustainability of the Town's assets.											
Couling the desired outcome			Is of Service			Secure Frieting Semine Levels					
Outline the desired outcon	ne and/or benefits ew property which this department will			<u> </u>	,	Secures Existing Service Levels					
owned properties. This will ensure that the overall facilities and systems on the site are kept functional to avoid any service disruptions and that a standard of cleanliness is maintained at all times.											
		1.4 - Comn	nunity Impact			Moderate Impact - Moderate					
Without funding to operate the new splash pad, partial or full closure of the facility is possible. Restricted access to the site will directly impact the portion of the community visiting splash pads, as this one of only three locations within the Town, not considering that closures are likely to negatively affect the town's image and trust of the community in the Town's ability to responsibly manage assets.											
		4.5	Diek								
			- Risk			-					
Outline the risks associate	ed with the project both positive and	negative		tegory (select hi	· _	Corporate Image					
Timelines for Potential Risk Impacts Within 1 year Failure to allocate funds for this new property will result in service disruptions at a localized level or full closure. Budget is necessary to ensure consistent, efficient and safe operation of the splash pad, and failure to do so will present major health and safety risks to the staff and users of the facility. Failure to regularly maintain the property will likely result in additional expenditures to restore degrading assets and may negatively affect the town's image and trust of the community in the Town's ability to responsibly manage assets.											
	Details of	Incremental Exper									
Operating Costs Account #	Description	2022	2023	2024	2025	2026 2027					
57562.4273/4274/4277 57562.4311/4331	Repairs & Maintenance Hydro and Water	4,500 25,500									
57562.5105/5109	Labour and Equipment Charges	15,000									
Account #	Now Hiro Paguasta de ©										
Account #	New Hire Requests In \$ FTE										
	PTE CONTRACT										
	BENEFITS - FTE BENEFITS - PTE	-	-	-	-						
Total Operating Costs 45,000											
Cost Recoveries Account #	Description	2022	2023	2024	2025	2026 2027					
Total Cost Recoveries		-	-	-	-						
Total Net Cost		45,000	. Cian of								
Collaboration	Consulted With	Section	3 : Sign-off								
Pr Harry	Reviewed By: Mark Agnoletto			Commissioner: Peter Noehammer							

2022 BUDGET Operating Decision Package Form												
Project / Initiative Name Net Costs		,000 Re	Side esources Requirements	Sidewalks Winter Maintenance - Grov No New			wth Decision Package #					
			esources Requirements	Resources	Divisio	n/ Departments:	rks- Parks					
Legislative Require	ement (select	one): Yes		ote Legislation: Project Scope	Ontario	Minimum Maintena	ance Standards Reg	239/02				
1.1 - Project Classification and Overview Classification (select one): Enhance / Growth												
Provide comprehensive overview of the project request												
This request is for contract services related to winter maintenance on sidewalks in various assumed subdivisions. In 2020/2021 winter season, there was over 7.5 kilometres added alone from either assumptions or newly built sidewalks in Town. In 2019/20 winter season, there was over 6.5 KMs added. With more sidewalks to be assumed this year and in future years, the routes needed for winter maintenance are increasing, this will be over the max allowance in a working day for plowing. Contractor route is needed to support this.												
1.2 - Project Alignment and Justification Outline justification for need of project request Corporate Alignment & Opportunity (select one): Approved Strategic Plan												
Outline justification for ne	ed of project	request		Sorporate Alignii	ient & Opportur	ity (select one):	Approved St	rategic Flair				
ONLY SELECT FROM PICK LIST IF COUNCIL PRIORITY SELECTED IN CORPORATE ALIGNMENT & OPPORTUNITY SECTION ABOVE As noted in the Council strategic priorities safe transportation related to safe streets and sidewalks for pedestrian use, need to keep clear and safe for winter use												
Outling the decired outcome	no onel/on bou	ofito		els of Service	na aturatura Iran	est (coloct one).	Secure Evicting	Sancias I suela				
Outline the desired outcome and/or benefits Levels of Service & Infrastructure Impact (select one): Secures Existing Service Levels Contractor winter maintenance route needed to keep up with additional areas related to growth of assumed subdivisions.												
			1.4 - Comi	nunity Impact			Moderate Impa					
Outline Community Impact (if applicable) This request is to ensure new assumed areas in Town are winter maintained with the same service level of the rest of the Town according to Ontario MMS and Newmarket NMS-19.												
			1.5	- Risk								
Outline the risks associate	ed with the pro	oject both pos	sitive and negative	Risk Cat	egory (select hi	ghest risk area):	Health ar	d Safety				
Egilure to maintain the new	assumed/built	sidowalks may	veguse Health and safety	Timelines for Potential Risk Impacts				1 year				
Failure to maintain the new assumed/built sidewalks may cause Health and safety issues to pedestrians such as slipping, falling, etc. This may also result in third party losses from litigation related to slips and falls, and damage to corporate image.												
Operating Costs		D	Details of Incremental Expe	: Financials nditures, Savings 2023	and Revenue	2025	2026	2027				
Account # 52822.453	Contracted Ser	Description rvices	50,000	50,000	50,000	50,000	50,000	50,000				
			23,230	,		,	,	,				
Account #	New Hire Requ	iests In \$										
	PTE CONTRACT BENEFITS - F	TF	-	_	_		-					
Total Operating Costs	BENEFITS - P		50,000	50,000	50,000	50,000	50,000	50,000				
Cost Recoveries Account #		Description	2022	2023	2024	2025	2026	2027				
Total Cost Recoveries -												
Collaboration		Consult	Section red With	3 : Sign-off								
	epared By:	Jonath		Reviewed By:			Commissioner:					
	leff Bond			Mark Agnoletto		Р	eter Noehamme	r				

2022 BUDGET Operating Decision Package Form Roads & Bridges Historical Impact of Development Assumptions **Project / Initiative Name** Decision Package # 269.130 Resources Requirement Net Cost: Resources Development and Infrastructure Services Commission Public Works- Roads **Division/ Departments:** Legislative Requirement (select one): No Quote Legislation: Classification (select one): Provide comprehensive overview of the project request When communities are constructed by developers, the Town experiences new revenue from the assessment growth that comes from properties generating new or ncreased property taxes. When construction is complete, a handover takes place and the Town becomes responsible for the assets (e.g. roads, watermains, etc.) that form the community. From the day assets are assumed, they require ongoing operations and maintenance. For example, streets must be plowed, water infrastruct hydrants must be serviced, sewers need to be inspected, and drainage features require cleaning. By assuming assets, the Town is acquiring both a new source of revenue and a set of liabilities that require funding and maintenance. Review of assessment growth allocations and operations and maintenance practices during the development of the 2021 Asset Management Plan demonstrated that as the Town gains assessment growth, it does not fund the liabilities for maintenance that the new core assets generate. This is a common issue in municipalities that experience growth, as new assets can be ignored at the beginning and an "illusion of wealth" takes Council Priority Corporate Alignment & Opportunity (select one): Outline justification for need of project request Develop a multi-year operating and capital budget that aligns with Budget Policies Core assets like roads and water are long-lived assets that require multi year budgeting in order to manage proactively, and the Council commitment to the priority for financial sustainability reflects this. The completion of the 2021 asset management plan requested by Council is another priority that directly supports work to develop better operating and capital budgeting practices. The review of growth, operations, and maintenance during the 2021 asset management plan demonstrates progress towards multi-year budgeting if the appropriate action is taken through this 2022 decision package request. Current practice prior to asset management planning was negatively impacting the Town's long term investment in its infrastructure, an unsustainable trend. By funding the historical impact of unfunded growth liabilities, the Town is demonstrating its commitment to a better approach to multi-year budgeting going forward. Between 2016 and 2020, the Town assumed 17 kilometers of roads, 24 idlometers of watermains, 20 kilometers of wastewater sewers, 21 kilometers of storm sewers, 2 ponds, and 1 vehicle bridge. The estimated operating impact of these assets is \$970,000 per year, based on the Towns current level of services and funding commensurate to the new asset requirements. The ~\$977k breakdowns down to: Roads (~\$276.000 / year), Water (\$360,000 / year), Wastewater (\$231,000 / year), and Stormwater (\$101,000 / year). These gaps occur every year, and addressing them ver time (2022 request does not adddress the entire gap) will demonstrate a commitment to multi-year operating budgets. 1.3 - Levels of Service Secures Existing Service Levels Outline the desired outcome and/or benefits Levels of Service & Infrastructure Impact (select one): These funds are required for all areas of Town to sustainably receive the same level of service. If an additional burden is placed on limited resources without a commensurate increase in funding or staff, the result is the same resources been stretched across a larger asset base - ultimately resulting in a decrease in levels service. The Town's current level of service includes operational activities like inspections, customer requests, completion of regulatory requirements, etc. and maintenance activities like cleaning and repair work. Each of these activities requires field staff resources, administrative support, vehicles and equipment, and contracted services - without the funds to support these activities, the level of service cannot be provided. Levels of service are funded by tax paying "customers", and when a new asset is assumed the funding is intended to come from the customer paying for that new service. If assessment growth is not allocated to the new maintenance requirement, the level of service cannot be provided sustainably. If the level of service is in fact being provided without an assessment growth contribution (as is usually the case now), than it is because other "customers" are allocating their own resources to support the new addition to the asset portfolio in another area of Town. Whenew assets are assumed, the commensurate level of assessment growth is required to fund the new assets with the same service other assets recieve, if the Town vishes to be financially sustainable, address growing infrastructure gaps, and secure our current level of service. Moderate Impact - Moderate Outline Community Impact (if applicable) increased demand without increased resources incrementally decreases the level of service the Town is able to provide Town-wide, although not all of these drops are mmediately realized by customers/residents in their day-to-day community interactions. However, this will change over time as maintenance backlogs increase and ecome more apparent to residents. If current practices continue with new assumed assets during 2022 and beyond, the rate at which this occurs will also accelerate. While the source of assessment growth is limited to the community where it occurs, the impact of this is felt across Town as staff try to provide the expected level of ervice with the same resources being stretched further than before. By providing the resources to meet the liabilities of growth, Public Works will be able to provide the administration, field staff, equipment, materials, support costs, and contracted services needed to maintain the existing level of service for the entire community, inclusive of existing residents and new developments. This does not include the end of life replacement cost, which will also need to be planned for through incremental ARF 1.5 - Risk Outline the risks associated with the project both positive and negative Risk Category (select high Operational **Timelines for Potential Risk Impacts** The risks of not funding the maintenance obligations from newly assumed assets through assessment growth are a combination of operational, financial, and social factors. At an operational level, there is an immediate need to provide the staff and supports needed to meet service expectations. Without these resources, operations and maintenance practices become more reactive and service levels will ultimately drop. This is the most immediate and pressing risk - since 2016, only a small fraction of the maintenance impact of assessment growth has been funded, meaning the shortfall has already been occurring for years. At the financial level, there is a medium-long term risk of unfunded liabilities caused by maintenance backlogs. Other financial risks include funding activities that do not align with the demand drivers or revenue sources of assessment growth. This is occurring already but will the impacts will likely not be realized until the medium term. At a social level, those funding assessment growth have the expectation their tax dollars are going towards the services they receive in their community. By not funding the maintenance requirements of the community, the Town is not meeting this understanding. Instead, the tax dollars that do pay for the maintenance in newly assumed areas is coming from other sources or areas, ultimately subsidizing the maintenance liabilities that they did not generate themselves. As service levels drop, it will raise questions about equity and responsible use of resources. This is a long term risk of not funding new maintenance obligations from its own assessment growth Bridges 31,404 FTE CONTRACT BENEFITS - FTI **BENEFITS - PTE Total Operating Costs** 269,130 2023 2024 2025 2027 Total Cost Recoveries 269,130 **Total Net Cost** Consulted With Collaboration