

SUPPLEMENTARY INFORMATION

Budget Principles

The 2023 Budget and Business Plan will be prepared in accordance with the following principles:

- The annual budget reflects and supports the priorities of the Town's Strategic Plan.
- The annual budget is prepared in consideration of the targets and mitigation measures set out in the Town's 2022 Long Range Financial Plan (LRFP) update and the financial policies approved by Council.
- The annual budget includes the investment required to maintain infrastructure in a state of good repair in accordance with the Corporate Asset Management Plan.
- Ongoing expenses are funded from sustainable revenue sources to ensure continuity of services.
- Maintain current service levels for program and staffing, leverage technology solutions to support efficiencies and productivity.
- Align capital programs with available resources while ensuring compliance with legislation and health and safety standards.
- The total debt servicing cost (principal and interest payments) should not exceed Council's approved debt limit of 10% of the Town's tax levy.
- Defer the growth-related capital program until development charges come in; (infrastructure servicing discussions with Halton Region ongoing).
- All growth-related infrastructure costs that can be recovered under the Development Charges Act will be supported from development charge revenue.
- The annual budget will restore appropriate funding for reserves to support long-term financial stability.
- Reserves are maintained as per the Reserve and Reserve Fund Policy in order to repair/replace infrastructure, fund identified priorities, and ensure long-term financial sustainability.
- Staff will pursue all available grants to reduce the need to use Town reserves to fund budgeted programs (federal, provincial and other funding opportunities).
- New services, service level enhancements and increases to the full-time equivalent staff complement require an accompanying Budget Inclusion form to be considered by Council as part of the annual budget process.
- The timing of the growth-related capital projects will align with expected growth in the Town.
- 2023 capital projects will require an accompanying Capital Project Information Sheet to be considered by Council as part of the annual budget process.

Basis of Budgeting

The Town of Halton Hills prepares all financial information on an accrual basis in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. This means that transactions and events are recognized in the period in which they occur. The Town, however, does not include

a budget for amortization expenses, as permitted under Ontario Regulation 284/09 under the Municipal Act, 2001.

A supplementary report, required to be adopted prior to budget approval, is presented to Council annually, converting the Capital and Operating budgets into PSAB format, in order to meet the regulations of Ontario Regulation 284/09.

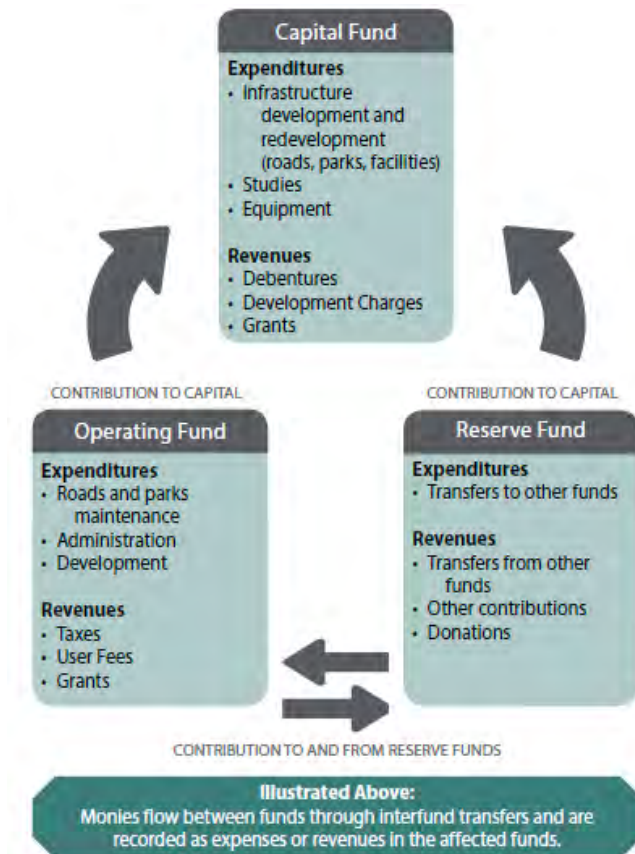
Fund Accounting

Financial information is prepared in accordance with a fund structure which consists of an Operating fund, Capital Fund and Reserve Funds. A fund is defined as a segregation of assets and related liabilities that is administered as a separate accounting entity. Each fund has its own assets and debts, and raises or is granted its own money for its own purposes, and records its own expenditures. Separate fund accounting provides an increased measure of control over the assets of the fund by ensuring the assets are not inadvertently utilized by another fund.

Capital Fund is used to record all capital expenditures as well as the financing of these capital expenditures, including long term borrowing, grant funding and taxation monies raised specifically for capital expenditures.

Operating Fund is used to record all revenues and resources that are not otherwise accounted for in another fund. Unrestricted revenues such as taxes are recorded in the Operating Fund.

Reserve Funds are established to hold monies that have been segregated for a specific purpose.



Strategic Actions Shaping our Future

The Town of Halton Hills annual budgets are influenced by various long-term plans, Town policies and external factors. The following information outlines the guidelines and specific budget influences that shaped the 2023 budget.

Long Range Financial Plan

The Town's Long Range Financial Plan (LRFP) is a living financial model that is updated and documented each year in advance of the budget cycle. The LRFP is prepared for planning purposes and contains policies, assumptions and what-if scenarios that model potential financial outcomes. These scenarios are used by staff throughout the budget process to assess affordability, identify potential funding strategies and guide decision making for all potential budgetary needs each year. Through this, the goal is to improve and strengthen the long-term financial health of the Town.

For its long-term outlook, the LRFP model is built on growth assumptions. Growth assumptions are developed based on input from Town staff who have a connection to the development process, utilizing the best information available to date, such as the Region's Allocation Program, Town's Secondary Plan, available industrial land inventory reviews, and development projects currently in the consultation/planning process.

Taking into consideration DC revenues and assessment growth resulting from anticipated growth, staff then undertake a detailed reserve cash flow analysis to estimate the level of investment required to sustain the reserves and debt financing needs in accommodating the approved capital plan. This capital impact is then combined with the anticipated operating pressures to estimate annual tax impact over the planning horizon.

The resulting impacts are then reviewed based on financial affordability (i.e., the annual tax impact target), which may result in mitigation measures, in order to bring the impact closer to the affordability target.

As discussed in the 2023 Budget Directions Report (CORPSERV-2022-0026), the 2023 budget has been prepared in consideration of the targets and mitigation measures set out in the Town's 2022 LRFP update.

Finding Efficiencies and Reducing Costs

The Town has a historic 5-year average tax levy increase of 3.89%. Over the five-year period (2018 to 2022), the Town has maintained services and delivered on Council's strategic priorities by introducing more efficient approaches that reduce costs and in many cases, also enhance services. Savings enable staff to reallocate resources to areas needing greater support.

Significant efficiencies have been generated over the past few budget cycles and include, but are not limited to, the following:

- Key infrastructure upgrades to support business needs were completed including deployment of mobile equipment, expanded technologies to support staff working remotely, and replaced the corporate server backup solution.
- Initiated an online electronic building permit submission process that will be implemented and available to the public in 2022 to facilitate building permit submissions.
- Implementation of the Administrative Monetary Penalty System where penalty notices for parking tickets are issued, managed and reviewed. This an alternative to the lengthy and costly provincial courts process.
- Online voting was introduced for the first time at the 2022 Municipal Election resulting in almost 50% of total voters choosing to vote online instead of at the polls.
- The implementation of a new tax system that enables significant efficiencies in managing and processing tax payments and the creation of a foundation for future capability that will allow citizen self-service of some tax information such as tax certificates.
- Completed Official Plan Amendment No. 46 to delegate the approval of holding removals, temporary use by-laws and minor zoning by-law amendment applications to the Commissioner of Planning and Development which expedites the approval process.
- Improved access to digital technology with the latest Wi-Fi hotspots and laptops, and optimized access to online resources and services using an online Library card registration process.
- Redeployment full-time suppression staff to three stations to address community risk and improve response time.
- Delivered numerous facility upgrades to enhance and improve energy savings, reduce carbon footprints, and save on utility expenditures. These included:
 - Ongoing retrofit of outdated light fixtures with LED
 - Install of roller shades to help alleviate solar gain, decreasing energy consumption
 - Install of Variable Frequency Drive (VFD) fans control on arena condenser system reducing the need to operate at high frequency consequently reducing hydro usage.
 - At Acton Arena, replaced a failed refrigeration compressor motor with a premium efficient model to reduce hydro consumption.
 - At Mold-Masters SportsPlex replaced gas fired hot water boiler that services the ice resurfacer with high efficiency electric unit.
 - Installation of ultrasonic level instrument that monitors and controls condenser water thereby reducing usage.
- Energy consumption has been minimized through the harnessing of solar technology to energize flashing beacons, pedestrian crossovers and other traffic infrastructure.
- Expanded Central Control systems for park/sportsfield irrigation reduce water consumption and improve efficiencies.
- Surface Treated driveways implemented at major parks (Trafalgar Sports Park, Glen Williams Park, Limehouse Park) to reduce ongoing maintenance requirements.
- Through a change in design standards and the methods and materials associated with road infrastructure the Town continues to support climate change adaptation and enhance the life cycle of infrastructure assets.
- Continued implementation of Corporate Fleet Management Strategy objectives including initiation of a work program to develop a Corporate Fleet Electrification Strategy.

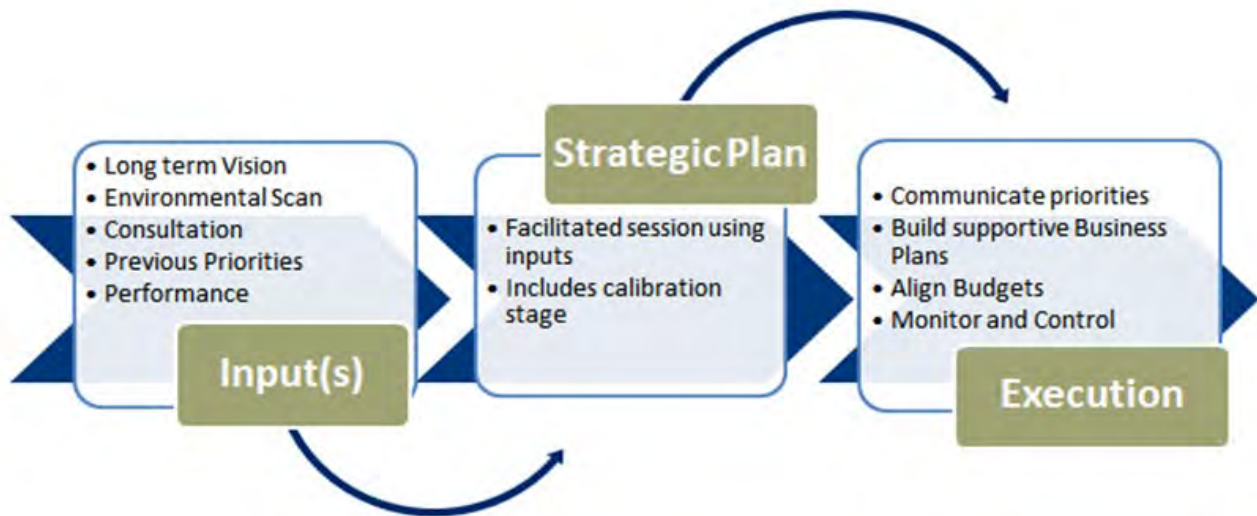
- Transitioned from a permit-based agreement for long term tenants to formalized lease agreements creating efficiencies and improving protections for the Town.
- Ended the printed Town Guide for recreation programs and services, substantially reducing print and distribution costs.
- Introduced a Digital workflow for Community Programs staff on-boarding to improve access and efficiency.
- Securing alternate sources of funding from upper levels of government, which totaled \$9.5M in 2021 and was budgeted at \$6.9M in 2022. Below are highlights of grants received and the strategic investments the Town was able to make using funding received in 2022:
 - \$1,939,730 from the Canada Community-Building Fund (formerly Federal Gas Tax Fund) in 2022. Residual funds from prior years were allocated along with the 2022 funds to fund the following projects:
 - Mountainview Rd Resurfacing – John to Maple (1,100,000)
 - Mountainview over Hungry Hollow Bridge Rehab (950,000)
 - #23 6th Line Culvert Replacement (910,000)
 - MMSP Skatepark Revitalization & Renewal (550,000)
 - Trucking Strategy Implementation Ph 1 (200,000)
 - #4 Bridge Fifth Line north of Steeles Rehabilitation (135,000)
 - Gellert Splash Pad Resurfacing (100,000)
 - Park Pathway Revitalization & Renewal (80,000)
 - Bridge Rehab Study Update (75,000)
 - \$1,058,000 from Ontario Community Infrastructure Fund for the rehabilitation of Mountainview bridge over Hungry Hollow to maintain it in a state of good repair.
 - \$314,502 from the Canada Community Revitalization Fund (CCRF) for facility upgrades to the heat recovery systems and dehumidification units at the Acton Arena & Community Centre and Mold-Master's Sportsplex.
 - \$291,655 from the Investing in Canada Infrastructure Program for Glen Lawson Road/Third Line corridor improvements with \$1,270,738 in additional funding to be applied in 2024 for construction.
 - \$249,300 from the Investing in Canada Infrastructure Program Public Transit Stream for the replacement of fleet vehicles in the ActiVan specialized transit program and an additional \$14,700 for enhancements to the ActiVan software system.
 - \$241,396 from the Investing in Canada Infrastructure Program to construct the Maple Avenue Bike Lanes & Multi-Use Path.
 - \$152,500 from the Community Build Fund (Ontario Trillium Foundation) for facility upgrades to heating, ventilation, and control systems at the Acton Arena & Community Centre.
 - \$133,800 from the Ministry of Accessibility & Seniors and \$81,000 in Ontario Health funding to support services and programming for seniors in 2022.
 - \$67,050 in funding from the Federation of Ontario Public Libraries to support the operations of the libraries.
 - \$65,946 from the Municipal Modernization Program Intake II (MMP) to expand the functionality of the Town's tax software to enable on-line and self-service options for residents.

- \$20,711 from the Municipal Modernization Program Intake II (MMP) to purchase additional Specialized Transit (ActiVan) Scheduling Software modules for trip booking and cancellations for specialized transit, as well as support passenger trip information.

Advancing Council's Priorities

Council's strategic priorities as expressed through the Town of Halton Hills Strategic Plan are key considerations in the preparation of the annual departmental business plans and the Town's budget. A strategic plan is established each term of Council to identify the key priorities and focus resources. An overview of the process is depicted in Figure 1.

Figure 1: Process Overview



The plan includes a vision, mission, values and focus areas, accompanied by guiding statements. The relationship of Council's strategic plan to the annual budget and business plan document is depicted in Figure 2 below.

Figure 2: Hierarchy of Strategic Planning documents



In September of 2022, Council received ADMIN-2022-0038, Council's Strategic Plan Status Update. This report provided the final update on highlights and achievements of the Strategic Plan for the previous term of and highlights some of the important achievements.

The following section is an explanation of how staff have supported the Strategic Plan priorities and focus areas through the last term of Council. The 2023 budget and business plan continues to provide core areas of service, many of which align with the priorities and focus areas as noted below:

Council's Strategic Priorities/Focus Areas

a) Shaping Growth

Halton Hills harnesses its future population and employment growth to provide new opportunities for residents, workers, businesses, and visitors.

Halton Hills works to ensure housing is accessible to all its residents at any age or stage in life.

Halton Hills grows in a way that embodies its values of social, economic, fiscal, and environmental sustainability. Staff engage with other levels of government to see that population growth in Halton Hills remains moderate.

Focus Areas:

- Residential Greenfield Growth
- Intensification
- Downtown Revitalization
- Employment Lands

- Affordable Housing
- Water and Wastewater infrastructure

Projects to be advanced in 2023 include:

Planning Residential Greenfield Growth / Intensification / Downtown Revitalization / Employment Lands

- Prepare Secondary Plans for Southeast Georgetown and Stewarttown which entails a number of detailed studies including planning, urban design, functional servicing and transportation along with public and agency engagement. These projects further implement Council's approved growth management strategy.
- Public Art Library and Cultural Centre Courtyard Phase 1 project provided space and opportunity for the incorporation of Indigenous Public Art in the downtown area. Phase 2 of this project will include artist selection, fabrication and installation of the artwork. The Library & Cultural Centre is an ideal location for Public Art due to its central location and it being a prime venue for cultural programming, including Indigenous programming.
- A budget inclusion for a Town-operated "Community Creativity and Cultural Hub" is proposed in 2023. The Hub will contribute to Main Street vibrancy and be a destination in itself, as well as provide benefits such as strengthening a downtown cultural hub, providing a Main Street Town presence, and providing multiple program offerings for the community and businesses.

Economic Development and Investment Attraction

In 2021, Council approved a new 5-year Economic Development and Tourism Strategy as a roadmap for the Town's economic development initiatives which will help position Halton Hills as a prime investment destination, attract non-residential investment, and strengthen and diversify the local economy. Thus far, about 70% of the Strategy's 137 actions are underway, approximately 15% are complete and in 2023, activities will focus on continuing the Strategy's implementation. This will be particularly important as the economy continues to recover from the widespread impacts of the pandemic.

In addition, Council approved a Foreign Direct Investment (FDI) Strategy in 2020 to help ensure that Halton Hills is competitive in the global marketplace and can attract quality new non-residential investments in its target sectors of advanced manufacturing, food and beverage, agri-business and green technology. The Strategy can also support the existing local economy by facilitating new market access and potential business partnerships. Implementation of the FDI Strategy is well underway with investment lead generation, development of investment business cases, and investment marketing content tailored for Halton Hills. A business-focused trade delegation to the Town's target markets of Germany and The Netherlands was implemented.

In 2021, the Business Concierge program was launched. Business Concierge has been very successful in positioning Halton Hills as a prime investment destination. The attraction and review of major non-residential investments in the Town's target sectors has been streamlined. In addition to a number of outstanding potential investments, there is about 4 million square feet non-residential investment currently undergoing development review, representing about \$900 million in investment and significant local job opportunities. Capturing non-residential assessment is key to the Town's financial health, and hence its ability to deliver the services that residents and businesses rely on.

In 2022, following a comprehensive update of the Town's Community Improvement Plan (CIP), a new CIP was launched. The new and targeted programs support Council's priorities, including those related to downtown revitalization, brownfield redevelopment, housing affordability, accessibility, agri-business, and energy efficiency. Since 2015, over 40 funding applications have been approved under the CIP, representing over \$400,000 in Town grants – generating about \$1.4 million in private sector investments.

In response to COVID-19, in collaboration with the Economic Support and Recovery Task Force (Council, Acton and Georgetown BIAs, Chamber and local business representation), the Town took coordinated and decisive action to support the local business community. Numerous business supports were provided, including those highlighted in the 2021 Invest Halton Hills Report.

Among others, additional highlights of Economic Development and Investment Attraction accomplishments include:

- Launched the new Economic Development website, InvestHaltonHills.com, re-designed to reflect and strengthen Halton Hills' economic competitiveness, present information tailored for the business audience, and to continue to position Halton Hills as a prime investment destination.
- Supported over 300 local small business with the expansion of online and e-commerce presence through the Digital Main Street program, generating approximately \$150,000 in grants for local businesses.
- Economic Recovery and Resiliency Plan (ERRP) implementation with multiple business support programs, including collaboration with the Economic Support Task Force and the 'Al Fresco in the Hills' temporary patio program.
- Expanded Tourism initiatives, including attendance and promotion at six local events, completion of over 300 visitor surveys, successful digital marketing campaign that increased the number of visitors to VisitHaltonHills.ca by 200%, and a robust Instagram campaign which generated over 220 new followers for a total of about 1200.
- Obtained external funding through the Regional Tourism Organization 3 (RTO3) and the Ontario Tourism Relief Fund for the creation of new Tourism marketing materials, and tourism directional signs.
- Significantly expanded marketing of Halton Hills to potential investors, including through a digital marketing campaign. Continued to engage and inform the local business community

of economic development programs and services via a redesigned Invest Halton Hills e-newsletter.

- Supported downtown businesses through continued collaboration and communication with the two downtown BIA's, with a focus on beautification and development of Memorandums of Understanding.

Affordable Housing

Housing affordability is one of Council's Strategic Plan priorities. Recognizing the shortage of affordable options, the Town is actively working to ensure that housing is accessible to all residents at any age or stage of life.

In collaboration with the Affordable Housing Working Group, a number of affordable housing initiatives were advanced, including the preparation and subsequent Council approval of Official Plan and Zoning By-law Amendments for 17 Guelph Street. A Request for Expressions of Interest (REOI) via Halton Region was issued seeking a partner for the project's development and operation.

Key next steps in continuing to deliver on Council's affordable housing priority include:

- Continuing to advance existing and pending affordable housing projects, which may be in the conceptual stage or at a more advanced stage and/or proceeding through the development review or construction stage.
- Pending development of Council's new Strategic Plan, determining the need to proceed with the Affordable Housing Action Plan.
- Monitoring and coordinating the review and response to any new announcements, partnership opportunities, legislative changes and/or funding sources related to housing affordability.

Additional information on past accomplishments is available in 2023 Business, Environment and Culture Business Plan, 2021 Invest Halton Hills Report, and the Strategic Plan Status Update (dated September 26, 2022).

Key projects for 2023 include:

- **Non-residential Investment Attraction:** Continued attraction of non-residential investment through the implementation of the Economic Development and Tourism Strategy, Foreign Direct Investment (FDI) Strategy, and the Business Concierge Program.
- **Business Retention, Expansion and Resiliency Plan:** Supporting local entrepreneurship, and business growth, expansion, retention and resiliency by implementing the Business Retention, Expansion and Resiliency Plan, tourism initiatives and other business supports.
- **Community Improvement Plan (CIP):** Implement the new Community Improvement Plan (CIP) to drive economic development and related community priorities.
- **Housing Affordability:** Identify, support, advance, promote and incentivize housing affordability through Town initiatives, while leveraging Halton Region's expertise and role

in housing. A key focus will be on completing the Requests for Expressions of Interest (REOI) process for 17 Guelph Street.

- **Arts & Culture:** Implement the Cultural Master Plan and Public Art Master Plan to support and raise the profile of the local arts and culture sector through communications, marketing, professional development, funding and art sales opportunities. Operate the Helson Gallery and deliver and coordinate cultural programming.
- **Equity, Diversity and Inclusion (EDI):** Advance Equity, Diversity and Inclusion initiatives for Town staff and residents.
- **Truth and Reconciliation:** Continue to advance the process of Truth and Reconciliation with Indigenous direction.

Details of the above 2023 key projects are available in the departmental Business Plan for Business, Environment and Culture.

Water and Wastewater infrastructure

Staff will work with partner agencies and landowners to plan and implement the effective servicing of Vision Georgetown. As well, staff will continue to provide input into the Halton Region Official Plan review including assessing implications for servicing.

b) Transportation

People and goods move freely through Halton Hills on well-maintained transportation infrastructure.

Getting around is safe for residents of all ages through a combination of traffic calming and active transport priority routes and trails.

The municipality has a transit plan that is suitable for moving its residents and workers to where they want to go.

Halton Hills advocates for greater regional connectivity for its residents and businesses.

Focus Areas:

- Trucks
- Bike Lanes
- Traffic Safety
- Transit

Projects to be advanced in 2023 include:

Trucks

In 2023 the Town will continue the implementation of the Truck Strategy, including the design and construction of a truck inspection station on Highway 7 and Sixth Line. It is anticipated that the Halton Regional Police Service and the Ministry of Transportation will increase the number of truck safety inspections to improve truck safety in the community.

Bike Lanes - Active Transportation

The Town will continue to invest in infrastructure to support active transportation. The Active Transportation Master Plan which was completed in 2020 maps out a future active transportation network. This network includes on and off-road facilities that will encourage travel by cycling and walking. In recent years, staff has enhanced the active transportation infrastructure through additional on-road bike lanes, multi-use pathways and in-fill sidewalk connections. In 2022, on-road bike lanes were implemented on Tanners Drive between Churchill Road South and Churchill Road North.

The 2023 capital budget includes implementation of signed bike routes on various roads within the community. The installation of signed bike routes improves safety for cyclists and the general public and provides a cycling connection to the community. The installation of additional wayfinding signs, and pavement markings on the roadways informs both pedestrians and cyclists to utilize the active transportation infrastructure. In addition, the expansion of bike racks and bike repair stations will be placed in locations within the community to provide the necessary amenities to cyclists.

The infill sidewalk connections capital project is an annual program to construct sidewalk connections at various locations. As part of the 2023 program, staff is continuing to work with Metrolinx's to install a sidewalk connection on the north side of Eastern Avenue between Metrolinx's at-grade railway crossing and Young Street.

Traffic Safety

In 2022, staff received over 250 public requests concerning traffic safety, the majority related to speeding and aggressive driving. Staff continues to review these concerns in the context of the Town's Traffic Calming Implementation Protocol which was updated in 2022. The demand from the public for traffic calming measures has increased over the last number of years. Based on a neighbourhood approach, the recently updated protocol involves evaluating all roads to determine the most appropriate traffic calming measures. In 2022, intrusive and non-intrusive traffic calming measures were implemented on Churchill Road North between Tanners Drive and the Acton Curling Club. In 2023, traffic calming measures will be implemented in the hamlet of Glen Williams and includes Confederation Street, Wildwood Road, and Eighth Line. In addition, staff will commence with the planning and public consultation for a neighborhood traffic calming project on

Queen Street, King Street and the surrounding roads near the Georgetown Go Station. Residents will be invited to provide input on these measures through various public engagement opportunities.

In 2022, a 40 km/h speed limit policy was developed for the community. In 2023 staff will develop an implementation program that will include the installation of 40km/h signage for various neighbourhoods over a multi-year program.

Staff will continue with the implementation of the school zone traffic calming program where traffic calming measures will be implemented within a school zone to ensure pedestrian safety in front of the elementary schools. In 2023, traffic calming measures will be installed on Miller Drive in front of St. Brigid Catholic Elementary School as well as Sacre-Coeur Elementary School.

In 2023, Automated Speed Enforcement (ASE) will be implemented. ASE is an automated system that uses a camera speed measuring device to detect and capture vehicles exceeding the posted speed limit. The Administrative Monetary Penalty System will then be used to issue tickets. In 2023, one (1) mobile camera will be installed and moved around to various locations within the community. The ASE program will require an additional 0.4 full time equivalent (FTE) contract staff to operate the program and to meet all the requirements from the MTO. It's anticipated that the ticket revenue generated by the program will offset a large portion of the costs and a provision of \$50,000 has been included in the operating budget to offset any additional expenses.

To improve pedestrian safety and mobility, staff has installed 19 pedestrian crossovers (PXO) over the last six years. The 2023 installations will include Argyll Road between Oak Street and Huffmann Drive, Meadowglen Boulevard and Herb Wild Street, and Eaton/Craig Crescent (west).

Road Maintenance

The resurfacing of Tenth Line from 10 Sideroad to Steeles Avenue project is to address the asphalt surface in expectation of future capital reconstruction. The resurfacing will keep the road in a state of good repair and reconstruction requirements will be determined through a future Transportation Master Plan.

In 2023, public works equipment ranging from trucks to multi-purpose mowers and sidewalk plows will be replaced and/or procured. The total cost of replacement and new equipment is \$1,693,000 and is funded through the equipment reserve. Replacing aging equipment will ensure that the Town can continue to deliver the appropriate level of service required to maintain Town infrastructure.

Transit

In September 2019, staff put forward memorandum TPW-2019-0019 informing Council that the Town will be applying for funding through the Investing in Canada Infrastructure Program (ICIP) Public Transit Stream. Halton Hills is eligible to apply for available funding up to a maximum of

\$465,453 from the Provincial Government and \$558,600 from the Federal Government, for a total of \$1,024,053. Funding must be applied to projects directly related to transit between 2019 and 2028.

Staff proposed that the available funding be applied to the following projects:

- Transit infrastructure of shelters and stops along the Steeles Avenue corridor within the Municipal boundaries of Halton Hills.
- Rolling stock, which includes five (5) replacement vehicles in accordance with the Town's fleet asset management plan and one (1) additional vehicle for fleet expansion of transit services.
- Transit hardware and software technology requirements for the expansion of transit and the support of specialized transit services.

The projects proposed for funding are consistent with the Town's Transit Service Strategy as per Report No. TPW-2019-0026 and have been incorporated into the proposed 2023 capital budget and forecast.

In September 2022, in partnership with the Town of Milton, the Steeles Avenue transit service was put into operation. This included the installation of fifteen concrete pads and a combination of transit shelters and other amenities to support accessible transit infrastructure along the right-of-way of Steeles Avenue within the municipal boundaries of Halton Hills.

The ActiVan Master Plan was completed in 2021 which provided a plan to ensure that the Town is meeting goals and objectives and all requirements set out in the AODA guidelines and make recommendations for future implementation. In November 2021, ActiVan piloted a shuttle service to Oakville Trafalgar Memorial Hospital until December 2022. Due to the success of the program, it is proposed to continue as a permanent service and further expand it to individuals requiring dialysis treatment.

c) Climate Change and the Environment

The residents and businesses of Halton Hills are responsible members of the global community, and are leaders in the fight against climate change, with a goal to be a Net-Zero Carbon Community by 2030.

Halton Hills communities prepare for changes we know are coming while reducing our carbon footprint.

The municipality makes its landscape more climate resilient and beautiful through a lush tree canopy and public open space.

Focus Areas:

- Action on Climate Change
- Resilient Infrastructure
- Low Carbon Transition
- Tree Canopy

The Town of Halton Hills is a leader in climate change action. Halton Hills continues to prepare for and adapt to the impacts of climate changes, while reducing its carbon footprint. Significant action has already taken place. However, much more remains to be done.

In May 2019, Town Council passed a Climate Change Emergency Declaration, setting the goal of achieving net zero by 2030. The Climate Change and Asset Management team was established to lead and coordinate the Town's climate change response. To provide direction in achieving climate change objectives, the Climate Change Action Task Force, Climate Change Low Carbon Transition Steering Committee, and the Climate Change Resiliency Steering Committee were established.

In 2020, the Town's first-ever Climate Change Adaptation Plan was approved. The Plan is focused on building community capacity, infrastructure resiliency, emergency preparedness, public health, flood prevention and natural assets. Implementation is underway and includes a video series on climate adaptation actions, a natural asset management study to evaluate climate risks on natural assets, and an assessment of climate change on Town services.

In 2021, updated Green Development Standards (version 3) were approved by Council. The Standards put increased weight on measures that reduce greenhouse gases. Version 3 elevates the sustainability of new development and supports the community-wide Net Zero 2030 goal.

Also in 2021, the Town's first-ever Low Carbon Transition Strategy was approved. It will advance Halton Hills towards the 2030 Net Zero goal by transitioning to a low-carbon community. Implementation is underway.

In 2022, a successful Retrofit Halton Hills Pilot Program was launched for residential uses. It offered 0% interest loans with support from FCM to undertake energy efficiency and greenhouse gas (GHG) reduction retrofits in existing homes.

Additional actions taken include:

- The Phase 2: Natural Assets Mapping and Management Strategies study is currently being completed in partnership with Credit Valley Conservation, which includes assessing the condition of natural assets, risks due to climate change, and the level of service that natural assets (e.g., quality of life, air quality, carbon sequestration).
- Climate Change Community Investment Fund (CCIF) launched, with its first intake in August 2021. The CCIF supports community groups in taking climate action. To date, \$16,000 in funding has been provided, supporting a total project value of \$48,450.
- Sustainable Neighbourhood Action Plan (SNAP): Hungry Hollow Plan completed in June 2020. Currently, implementing a three-year workplan to increase public knowledge of the ecological importance of Hungry Hollow through webinars and tree plantings.

- Private Tree Management Strategy, approved in December 2021, outlines actions to protect, maintain and enhance the tree canopy, including a focus on education and incentives as Phase 1 of the implementation plan.
- Established a cross-departmental working group to advance climate mitigation and adaptation actions, including the Tree Canopy Management Working Group (e.g. online tree sales, *Lymantria dispar dispar* (LDD) monitoring, tree planting program, urban street tree inventory); the Low-Carbon Mobility Working Group (electrification of the Town's fleet); and the Climate Change Implementation Team (applying a Climate Lens to capital projects to minimize greenhouse gas emissions from Town assets and increase resiliency to extreme weather)
- Completed the Low Carbon Design Brief for Town Hall and implemented the Net Zero Ice Rinks project for Mold-Master Sportsplex and Acton arena as recommended in the Corporate Energy Plan. These are projected to avoid 203.7 tCO₂e annually representing a 21.7% reduction below the 2019 level of 940.4 tCO₂e of annual carbon emissions for both arenas. Elevated the performance of Town facilities by integrating Zero Carbon design into other Town's facilities resulting in a list of capital projects that will lead to Net Zero operations; and completed a geothermal assessment and design for District 2 and 3 Fire Stations geothermal heat pump optimization.
- Electric Vehicle (EV) Chargers: In partnership with the IVY Charging Network and financial support from the NRCAN-ZEVIP program, installed 11 new public EV chargers. Greenhouse gas emissions from personal vehicles account for about 50% of all community emissions. Supporting the transition to EVs is a key component of the Low Carbon Transition Strategy.

Key projects for 2023 include:

- **Low Carbon Design Brief** of Town's facilities and a **Building Automation System** feasibility study.
- **Low Carbon Transition Strategy Implementation** in the community with several initiatives planned on the roadmap to Net Zero.
- Expanding the existing **network of EV chargers** to further promote and support the uptake of electric vehicles.
- **Climate Change Adaptation Strategy** Implementation to continue building a resilient community.
- **Climate Change Investment Fund** to engage and support community groups' climate actions.
- **Retrofit Halton Hills program** implementation and support.

d) Fiscal and Corporate Management

Halton Hills is a well-run municipality that maintains spending within its means and keeps tax increases low and predictable.

The municipality maintains services and service levels that support the quality of life of its residents and a hospitable environment for businesses.

Focus Areas:

- Stick with Fiscal Plan
- Maintain Services
- Capital Assets and Liabilities Management
- Communications

Projects to be advanced in 2023 include:

- Replacement of the Town's only fire ladder apparatus and other fire fighting equipment in accordance with the National Fire Protection Association 1901 Standard for Automobile Fire Fighting Apparatus, Occupational Health and Safety Act, and Ontario Regulation 714/94.
- The Acton Fire Station Renovations project is to renovate a 33-year-old facility originally designed to house part-time firefighters.
- Succession Planning, Training and Development provides ongoing funding for the next phase of succession planning. The Town's succession planning process is a strategy for ensuring business continuity if critical positions become vacant. This funding will be used for employee training and development for employees identified as potential successors for critical positions.
- Update of the Town Council's Strategic Plan to reflect the priorities for the new term of Council.
- The Asset Management Improvement project is to fund actions identified in the State of Infrastructure Report and the Core Infrastructure Asset Management Plan approved by Council in April 2022.
- Preparation of a Human Resources Strategic Plan which will guide the priorities and resources over the following 5-year period.
- Development of an Enterprise Content Management Strategy and plan to transition and manage organizational data in a digital format. The strategy will address data capture, organization, access, security, retention/archival, and eventual disposal.
- The HUB Review Strategy will assess the Town's corporate intranet needs and develop a strategy, roadmap and budget for implementing a solution to meet those needs.
- The Facility Employee Access System Review project will assess the corporate requirements and define a harmonized standard for access control systems to be used for any retrofit or new installations of facility access systems.
- Improvements to Town Hall including upgrading fire detection devices, and fire alarm control panel annunciator.
- Updating the layout and furnishings in public areas and staff workspaces in the Georgetown Library branch to continue to meet the needs of the community it serves and support a hybrid approach to work with flexible ergonomic workspaces.
- Design and engineering of low carbon HVAC system in the Mold-Masters SportsPlex to replace the existing system which has reached the end of its useful life and is scheduled for replacement in 2024.

- Replacement of the sprinkler system and chiller seals in rink A and B at Mold-Masters SportsPlex as well as the water softener in the Acton Arena which have reached the end of their useful lives

e) Local Autonomy and Advocacy

Halton Hills is a leader within the Region of Halton and the Greater Golden Horseshoe. It is an example for other small, rapidly growing rural municipalities in Ontario.

The municipality advocates for what it needs from other orders of government and ensures its regional municipal partners act in its interests.

Halton Hills works collaboratively with other agencies, governments, and public bodies to deliver what residents and businesses need to thrive.

Focus Areas:

- Provincial
- Federal

The Town's Official Plan is monitored and reviewed to implement changes required by Provincial Plans, the Provincial Policy Statement and the Regional Official Plan, including allocation of population and employment growth to the 2051 planning horizon.

f) Ensure a Vibrant Agricultural Community

As one of the most beautiful rural communities in Ontario, Halton Hills understands the value of it of its agricultural land base.

The municipality protects the land base and system of infrastructure that supports its agricultural community.

The community is supported in looking for ways of celebrating its rural character and drawing visitors from across the continent to enjoy its landscape and produce.

Focus Areas:

- Protect Agricultural Land
- Promote Agritourism

In 2023, staff will continue implementing strategic priorities identified in the Town's 2020 approved Economic Development and Tourism Strategy to promote and advance local agritourism opportunities.

g) Youth and Seniors Initiatives

Young people and seniors are active members of the Halton Hills communities and contribute to its daily life in multiple ways.

The municipality engages with youth and seniors in ways that are sensitive to their habits and interests to ensure their voices are heard when decisions are being made.

The youth and senior population of Halton Hills is supported by a variety of services and facilities tailored to their needs.

Focus Areas:

- Engagement
- Services and Facilities

Projects to be advanced in 2023 include:

- Repair and revitalization of parks infrastructure including the tennis and pickleball courts at Emmerson Park, park shelters and structures, and pedestrian bridges.
- The Collegiate Pools Study will confirm the feasibility of renovating the Acton and Georgetown collegiate pools and will provide design options as well as order of magnitude costing estimates for extending the useful life of these important recreational amenities.
- The construction of the Halton Hills Drive Park, a small neighbourhood park with a playground, seating, lighting & potential shade features as well as associated servicing and a retaining wall.

Long-Term Debt

The Town currently has external debt related to capital infrastructure issued by the upper-tier municipality, the Region of Halton and Southwestern Energy Inc.

Provincial limits on municipal debt are set based on a maximum percentage of revenues that may be used to service debt costs (e.g., interest and principal payments) on an annual basis. In the Province of Ontario, municipalities have the authorization to incur long-term debt for municipal infrastructure as long as annual debt repayments do not exceed 25 per cent of net revenues as calculated by the provincial Ministry of Municipal Affairs and Housing in the Towns' Annual Repayment Limit report (ARL). For 2022, the Town's estimated annual debt carrying costs of \$4.6 million, is well below the provincial limit (\$11.2M).

There are key policies adopted by Council as it relates to debt issuance:

1. Future debt service payments will be made while ensuring the following:
 - The provision of essential services is not jeopardized
 - Financial flexibility is maintained by ensuring that there are sufficient revenues to accommodate unanticipated expenditures and revenue fluctuations
 - Outstanding debt obligations will not threaten long-term financial stability
 - The amount of outstanding debt will not place an undue burden on taxpayers
2. The Town's debt charges, including external debt charges related to development charges, as a percentage of tax levy, will not exceed 10 per cent as considered acceptable by credit rating agencies.

Reserve and Reserve Funds

Reserves and reserve funds are established by Town by-law and/or through Provincial legislation. Both reserves and reserve funds are considered during the annual operating and capital budget process and for the purpose of long-term planning. They are funded through annual contributions from the operating budget as well as external sources.

1. Reserves

Reserves are an allocation of accumulated net revenue. They are not associated with any specific asset and are generally used to mitigate the impact of fluctuations in costs and revenue. The Town currently has three different types of reserves:

- **Capital reserves** are a set of funds used to set aside money for the acquisition, repair and/or renewal of capital infrastructure. Funds are utilized to assist in the financing of infrastructure renewal, asset replacement costs identified by the Corporate Asset Management Plan, and to supplement capital funding to allow access to funding programs through other levels of government.
- **Operating reserves** are unrestricted funds set aside to provide for potential future planned or unplanned expenditures.
- **Stabilization reserves** are created to offset extraordinary and unforeseen expenditure requirements, and address volatility in the tax rate. They may also be used to fund revenue shortfalls and assist with the management of cash flows.

2. Reserve Funds

Reserve funds are segregated and restricted to meet a specific purpose. They represent monies set aside either through a municipal by-law or to meet a provincially legislated requirement. Interest earned on reserve funds must be allocated to the specific reserve fund that earned it. There are two types of reserve funds:

- **Obligatory Reserve Funds** shall be created whenever a statute or legislation requires that revenue received for special purposes are to be segregated from the general revenues of the Town. Obligatory reserve funds are created solely for the purpose prescribed for them.
- **Discretionary Reserve Funds** are established whenever Council wishes to set aside revenues to finance a future expenditure or to provide for a specific contingent liability, for which it has authority to spend money, so that the funds are available as required.

Reserve & Reserve Fund Listing:

| Reserve Name | Fund No | Purpose of Fund | Funding Sources | Utilization of Funds |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Obligatory Reserve Funds | | | | |
| Development Charges - Transportation - Storm Water Management - Parking - Fire Services - Recreation & Parks - Library Services - Growth-Related Studies - Transit Services | 11 12 13 14 15 16 17 18 | Legislated under the <i>Development Charges Act</i> to fund growth related capital costs. | Contributions received from Developers as per the DC By-Law. | Growth related capital costs identified in the DC Study. |
| Building Permit | 21 | To address likely ranges in year-to-year volatility of service volumes in accordance with the <i>Building Code Act</i> . The reserve is used to defer revenues received in advance of work being performed. | 1. Annual revenue received in advance of associated expenses based on expense to revenue formula 2. Building permit fees collected between September and December are deferred to the following year. | Activities that support the delivery of building permit services and are embedded in the building permit fee structure. |
| Canada Community-Building Funding | 22 | To fund infrastructure capital projects in accordance with the terms of the Municipal Funding Agreement. | Federal Government contributions delivered through AMO. | Eligible programs outlined in the Municipal Funding Agreement. |
| Deferred Federal Grants | 23 | To track revenues received from government grants and fund programs and capital projects identified in the grant agreements. | Government grant contributions | Eligible programs outlined in the government grant funding agreement. |
| Growth Stabilization | 24 | To hold deferred revenues from development applications and agreements that have not yet been earned on the statement of financial position. | Revenues from fees imposed to recover the cost of processing of development (planning and engineering) applications and agreements. | Activities that support the delivery of planning and engineering services and are embedded in the development application fee structure. |
| Parkland: Cash-in-Lieu | 25 | To fund the acquisition of land for parks or to fund the development of parkland. | Contributions received in lieu of land being conveyed to the Town for parkland requirements as per the Planning Act | Purchase of land for parks or recreational purpose and development or redevelopment of land, parks and recreational facilities. |

| Reserve Name | Fund No | Purpose of Fund | Funding Sources | Utilization of Funds |
|-----------------------------------------|---------|------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transportation Maintenance | 26 | To fund maintenance costs for stormwater management ponds. | Developer contributions through developer agreements. | Ongoing maintenance of stormwater management ponds. |
| Gateway Feature | 27 | To cover the costs associated with the maintenance or removal of gateway features for subdivisions e.g. signs etc. | Historical developer contributions | Maintenance of gateway features. |
| Private Traffic Signal Maintenance Fund | 28 | To facilitate the maintenance of private traffic signals (i.e. in private parking lots or others) | Historical developer contributions | Ongoing operation, maintenance and future equipment replacement for traffic signals installed at private entrances. |
| Discretionary Reserve Funds | | | | |
| John Elliott Award | 60 | Established in 1981, in memory of the late John Elliott, for the purpose of awards to students of Georgetown District High School. | One time donation of \$10,000 in memory of the late John Elliott | Guidelines on awards as outlined in By-law 81-153. |
| Capital Reserves | | | | |
| Capital Replacement | 39 | To fund the replacement or extend the useful life of existing capital assets. | 1. Annual operating contribution as informed by the Corporate Asset Management Plan 2. Gains on sale of buildings | Replacement or renewal of assets as identified and prioritized in the Corporate Asset Management Plan, or to minimize risk by completing emergency repairs. Major rehabilitation of existing buildings or assets. |
| Cemetery Development | 66 | To provide for the purchase, replacement and expansion of capital items related to Cemetery operations. | Annual operating contributions | Capital costs of future columbarium purchases and expansion as well as renewal costs of existing columbarium. |
| Equipment | 52 | To fund the replacement of the Town's rolling stock and equipment. | 1. Annual operating contributions 2. Gains on sale of equipment | Purchase of operations vehicles and equipment, fire trucks, special transit buses, recreation equipment and vehicles, and by-law enforcement vehicles. |

| Reserve Name | Fund No | Purpose of Fund | Funding Sources | Utilization of Funds |
|-------------------------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Library | 74 | To fund the Library non-growth capital projects and operating budget deficits for the Library. | 1. Annual operating surplus from the Library 2. Additional funding will be provided by the Town to the Library Board should unplanned non-discretionary cost increases occur within any given budget year | Capital requirements of the Library as it relates to non-growth capital projects and annual operating budget deficits. |
| New Capital | 40 | To fund new capital assets. | 1. Funded through the phase-out of the GTA pooling at the Region to a \$2M per year cap 2. Annual operating contribution 3. Gains on sale of surplus land | Supplement non-development charge costs of growth-related capital projects. Construction costs of new infrastructure. |
| Public Art | 79 | To fund the installation of public art on Town-owned property or within Town-owned infrastructure in accordance with the Public Art Policy. | Annual operating contribution | Planning, design, fabrication and installation of public art on Town-owned property or within Town-owned infrastructure. The development and updating of a Public Art Master Plan. |
| Technology Replacement | 31 | To fund the replacement of computer hardware based on a replacement cycle and computer software acquisitions. | 1. Annual operating contributions 2. Gains on sale of information technology equipment | Purchase of computer hardware and software outlined in the 10-year capital forecast and associated training costs. |
| Transportation Infrastructure | 55 | To fund the rehabilitation and replacement of transportation infrastructure assets. | Annual operating contribution | Replacement or rehabilitation costs to extend the useful life of transportation infrastructure assets including roads, sidewalks parking lots and associated assets. |
| Stabilization Reserves | | | | |
| Contingency | 34 | To provide for unforeseen expenditures or uncertain liabilities including unplanned changes affecting the Town's operations. | Contribution of interest earned in excess of budgeted amount | Unforeseen and emergency expenditures as well as uncertain new expenditures. |
| Severe Weather Event | 51 | To set aside funding for winter control costs which exceed the Town's current year operating budget allocation. | Annual operating contribution | Annual winter control deficits or severe weather events. |

| Reserve Name | Fund No | Purpose of Fund | Funding Sources | Utilization of Funds |
|----------------------------------------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tax Rate Stabilization | 36 | To mitigate tax rate changes during the preparation of the annual operating budget and to protect the Town against unanticipated operating expenditures or to smooth expenditures that do not occur annually. | Annual operating contribution | One-time expenditures identified through the operating budget or annual operating deficits. |
| Operating Reserves | | | | |
| Community Sustainability | 77 | To support community projects related to the environment and sustainability. | Donation from TransCanada Energy | Community projects that support Council's objectives related to the environment and sustainability. Includes the Corporate Sustainability Action Plan initiatives and funding for the Community Sustainability Investment Fund. |
| Fire Services | 70 | To support the incremental hiring of full-time fire staff and increases to operating costs to support full time future operations of the Fire Department as the Town grows. | Annual operating contribution | Annual operating costs associated with hiring full time fire staff in the Fire Department. Contingencies to support changes to future operations of the department. |
| Georgetown Hospital Expansion and Renovation | 38 | To fund the debenture costs associated with the Town's share of the 2011 Georgetown Hospital redevelopment. | Annual operating contribution | Debenture payments for Georgetown Hospital redevelopment. Repayment to be completed in 2021. |
| Strategic Planning | 41 | To fund programs which support the strategic direction of Council. | Annual operating contribution | Capital projects and programs that support the strategic direction of Council as prioritized by the capital ranking of NTCA projects. |
| WSIB | 32 | The Town is classified as a "Schedule 2" employer and is responsible for the costs of its workers' compensation claims. | Annual operating contribution | Accident claims filed by employees who are injured in the workplace. Claims filed by employees or their survivors for work-related occupational diseases as set out in the applicable Regulation. |

| Reserve Name | Fund No | Purpose of Fund | Funding Sources | Utilization of Funds |
|------------------|---------|---------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------|
| Retrofit Program | 44 | To track and report loan and grant funds for the Retrofit Halton Hills program. | Annual capital contribution and grant funds | Loans to homeowners for eligible projects. |

Reserves, Discretionary Reserve Funds, Obligatory Reserve Funds & Trust Funds Status as of September 30, 2022

On July 17, 2018 Council approved changes to the General Reserve and Reserve Fund Policy, POLICY-2018-0004 through report CORPSERV-2018-0030. Changes included the amalgamation of various existing reserves, the addition of new reserves, and clarification around the intent and usage of reserves. Reserve balances will be reviewed during the last quarter of 2022 to ensure the balances align with the requirements of the reserve.

The attached schedules A to D illustrate the reserves and reserve funds balances for 2022 as estimated at September 30, 2022. The schedules include opening balances as at January 1, 2022, the activity from January to September 2022, un-booked commitments against the funds and estimated inter-fund borrowing.

The opening balance column reflects the balances as published in the financial statements and includes the final distribution of the 2021 operating surplus.

The activity from January to September 2022 includes the interest that has been earned on the reserves/reserve funds during the period and movements in and out of the funds. In accordance with Council approval, the Treasurer can authorize the reallocation of funds between reserves to meet the needs identified in the Long Range Financial Plan and the Town's capital program.

The inter-fund loan represents the borrowing between reserves and reserve funds. As of December 31, 2021, reserves have currently loaned \$24.5M to cover shortfalls in the development charges reserve funds. The reserves will be repaid with interest when additional development charges are collected.

Schedule A represents a summary of the detailed schedules B to D, with schedule B listing the Town's reserves and discretionary reserve funds, schedule C lists the obligatory reserve funds, and schedule D shows the trust funds that the Town administers.

Town of Halton Hills

Summary of Reserves, Reserve Funds and Trust Funds**Schedule A**

September 30, 2022

| Schedule | Opening Balance 1-Jan-22 | Additions | Reductions | Interest | Ending Balance 30-Sep-22 | Interfund Loan¹ | Estimated Unbooked Add/Commit | Estimated Balance² 31-Dec-22 |
|--------------------------------------------------------------|-----------------------------------------|-------------------|---------------------|-----------------|-----------------------------------------|---------------------------------------|----------------------------------------------|--------------------------------------------------------|
| Schedule B Reserves & Discretionary Reserve Funds | | | | | | | | |
| Capital Reserves | 26,350,289 | 8,358,864 | (15,452,543) | 246,940 | 19,503,550 | (9,950,329) | 8,567,998 | 18,121,219 |
| Stabilization Reserves | 10,652,381 | 754,221 | (825,918) | 40,755 | 10,621,439 | - | (3,884,082) | 6,737,357 |
| Operating Reserves | 6,647,880 | 536,805 | (1,600,876) | 6,009 | 5,589,817 | - | 884,941 | 6,474,758 |
| Discretionary | 10,230 | - | (230) | 158 | 10,158 | - | - | 10,158 |
| Schedule C Obligatory Reserve Funds | | | | | | | | |
| Development Charges | 5,784,579 | 2,395,770 | (13,933,236) | 186,891 | (5,565,995) | 9,950,329 | (4,370,779) | 13,555 |
| Other Deferred Revenue | 28,348,853 | 1,831,771 | (8,911,362) | 456,977 | 21,726,240 | - | 467,805 | 22,194,045 |
| | | | | | - | | | - |
| Schedule D Trust Funds | 3,118,850 | 105,207 | (15,436) | 46,264 | 3,254,885 | - | - | 3,254,885 |
| Grand Total | 80,913,062 | 13,982,638 | (40,739,601) | 983,994 | 55,140,093 | - | 1,665,883 | 56,805,976 |

Notes:

1. Represents interim loans from the Town's reserve required in 2022 to negate deficit balances in the DC reserves. The interfund loans, including interest, will be recovered from future DC collections.
2. Due to rounding, numbers presented in this table may not add up precisely to the totals provided.

Town of Halton Hills
Reserves & Discretionary Reserve Funds
 September 30, 2022

Schedule B

| Reserve | Fund | Opening Balance | | | | Ending Balance | Interfund Loan ¹ | Estimated Unbooked Add/Commit ² | Estimated Balance ³ |
|-----------------------------------|------|-------------------|------------------|---------------------|----------------|-------------------|-----------------------------|--------------------------------------------|--------------------------------|
| | | 1-Jan-22 | Additions | Reductions | Interest | | | | |
| Capital Reserves | | | | | | | | | |
| Capital Replacement | 39 | 9,786,957 | 5,439,441 | (9,515,638) | 162,131 | 5,872,891 | - | 645,708 | 6,518,599 |
| Cemetery Development | 66 | 62,378 | 20,786 | (46,000) | - | 37,164 | - | 20,786 | 57,949 |
| Equipment | 52 | 4,033,889 | 1,124,826 | (2,091,700) | - | 3,067,015 | - | 1,124,826 | 4,191,841 |
| Library Capital | 74 | 638,275 | 23,850 | (264,400) | - | 397,725 | - | 23,850 | 421,575 |
| New Capital | 40 | 6,601,870 | 1,402,467 | (2,175,405) | 84,809 | 5,913,741 | (9,950,329) | 5,399,944 | 1,363,356 |
| Public Art Reserve | 79 | 81,796 | 54,000 | (92,000) | - | 43,796 | - | 54,000 | 97,796 |
| Technology Replacement | 31 | 59,255 | 90,350 | (774,900) | - | (625,295) | - | 630,350 | 5,055 |
| Transportation Infrastructure | 55 | 5,084,115 | 200,000 | (492,500) | - | 4,791,615 | - | 665,535 | 5,457,150 |
| Energy Revolving Fund | 42 | 1,753 | 3,144 | - | - | 4,897 | - | 3,000 | 7,897 |
| Total Capital Reserves | | 26,350,289 | 8,358,864 | (15,452,543) | 246,940 | 19,503,550 | (9,950,329) | 8,567,998 | 18,121,219 |
| Stabilization Reserves | | | | | | | | | |
| Contingency | 34 | 2,564,166 | 127,321 | (45,868) | 40,755 | 2,686,373 | - | 20,468 | 2,706,841 |
| Severe Weather Event | 51 | 750,000 | - | - | - | 750,000 | - | - | 750,000 |
| Tax Rate Stabilization | 36 | 7,338,215 | 626,900 | (780,050) | - | 7,185,065 | - | (3,904,550) | 3,280,515 |
| Total Stabilization Reserves | | 10,652,381 | 754,221 | (825,918) | 40,755 | 10,621,439 | - | (3,884,082) | 6,737,357 |
| Operating Reserves | | | | | | | | | |
| Community Sustainability Reserve | 77 | - | - | - | - | - | - | - | - |
| Fire Services | 70 | 5,046,181 | 237,623 | (297,400) | - | 4,986,403 | - | (191,709) | 4,794,694 |
| Georgetown Hospital Exp & Reno | 38 | 267,589 | - | - | - | 267,589 | - | - | 267,589 |
| Strategic Planning | 41 | 63,290 | 149,182 | (1,163,532) | - | (951,060) | - | 951,650 | 590 |
| WSIB | 32 | 870,820 | 150,000 | (25,000) | - | 995,820 | - | 125,000 | 1,120,820 |
| Retrofit Program Reserve | 44 | 400,000 | - | (114,944) | 6,009 | 291,065 | - | - | 291,065 |
| Total Operating Reserves | | 6,647,880 | 536,805 | (1,600,876) | 6,009 | 5,589,817 | - | 884,941 | 6,474,758 |
| Discretionary Reserve Fund | | | | | | | | | |
| John Elliott Award | 60 | 10,230 | - | (230) | 158 | 10,158 | - | - | 10,158 |
| Total Discretionary Reserve Funds | | 10,230 | - | (230) | 158 | 10,158 | - | - | 10,158 |
| Total Reserves | | 43,660,780 | 9,649,889 | (17,879,568) | 293,862 | 35,724,964 | (9,950,329) | 5,568,857 | 31,343,491 |

Notes:

1. Represents interim loans from the Town's reserve required in 2022 to negate deficit balances in the DC reserves. The interfund loans, including interest, will be recovered from future DC collections.
2. Unbooked additions and commitments represent projected transactions to occur between October and December, 2022 and do not include any 2022 operating surplus or deficit.
3. Due to rounding, numbers presented in this table may not add up precisely to the totals provided.

Town of Halton Hills

Obligatory Reserve Funds

September 30, 2022

Schedule C

| Reserve | Fund | Opening Balance | | | | Ending Balance 30-Sep-22 | Interfund Loan ¹ | Estimated Unbooked Add/Commit ² | Estimated Balance ³ 31-Dec-22 |
|----------------------------------------------------|------|-------------------|------------------|---------------------|----------------|-----------------------------|--------------------------------|--------------------------------------------------|------------------------------------------------|
| | | 1-Jan-22 | Additions | Reductions | Interest | | | | |
| Obligatory Reserve Funds (Deferred Revenue) | | | | | | | | | |
| Development Charges | | | | | | | | | |
| Transportation Services | 11 | 5,313,874 | 1,093,758 | (7,700,993) | 109,182 | (1,184,179) | 1,116,000 | 78,290 | 10,111 |
| Storm Water Management Services | 12 | - | 31,783 | (87,000) | 1,111 | (54,106) | 193,000 | (138,397) | 497 |
| Municipal Parking Services | 13 | - | 8,321 | - | 61 | 8,382 | - | (8,382) | (0) |
| Fire Protection Services | 14 | - | 87,606 | - | 600 | 88,206 | 93,000 | (180,380) | 825 |
| Recreation and Parks Services | 15 | - | 967,875 | (4,589,247) | 54,812 | (3,566,559) | 7,207,703 | (3,640,594) | 550 |
| Library Services | 16 | - | 127,663 | (234,129) | 1,182 | (105,284) | 424,956 | (319,119) | 553 |
| Administration Services | 17 | 451,934 | 72,416 | (1,281,604) | 19,347 | (737,907) | 905,670 | (167,568) | 196 |
| Transit Services | 18 | 18,771 | 6,349 | (40,263) | 597 | (14,546) | 10,000 | 5,370 | 824 |
| Total Development Charges | | 5,784,579 | 2,395,770 | (13,933,236) | 186,891 | (5,565,995) | 9,950,329 | (4,370,779) | 13,555 |
| Other | | | | | | | | | |
| Building Permit | 21 | 5,242,304 | 92,907 | (474,297) | 80,027 | 4,940,940 | - | 275,093 | 5,216,033 |
| Canada Community-Building Fund | 22 | 6,438,399 | 969,865 | (8,123,168) | 114,754 | (600,150) | - | 969,895 | 369,745 |
| Deferred Federal Grants | 23 | 559,676 | - | - | 8,734 | 568,410 | - | (264,612) | 303,798 |
| Growth Stabilization Reserve | 24 | 3,687,126 | 276,971 | - | 58,689 | 4,022,786 | - | (749,571) | 3,273,215 |
| Parkland: Cash-in-Lieu | 25 | 8,780,797 | 492,028 | (291,764) | 137,962 | 9,119,023 | - | 237,000 | 9,356,023 |
| Transportation Maintenance | 26 | 3,195,609 | - | (22,133) | 49,868 | 3,223,345 | - | - | 3,223,345 |
| Gateway Feature | 27 | 183,345 | - | - | 2,861 | 186,206 | - | - | 186,206 |
| Private Traffic Signal Maintenance Fund | 28 | 261,597 | - | - | 4,082 | 265,679 | - | - | 265,679 |
| Total Other | | 28,348,853 | 1,831,771 | (8,911,362) | 456,977 | 21,726,240 | - | 467,805 | 22,194,045 |
| Total Obligatory Reserve Funds | | 34,133,432 | 4,227,541 | (22,844,598) | 643,868 | 16,160,245 | 9,950,329 | (3,902,974) | 22,207,600 |

Notes:

1. Represents interim loans from the Town's reserve required in 2022 to negate deficit balances in the DC reserves. The interfund loans, including interest, will be recovered from future DC collections.
2. Unbooked additions and commitments represent projected transactions to occur between October and December, 2022.
3. Due to rounding, numbers presented in this table may not add up precisely to the totals provided.

Town of Halton Hills

Schedule D Trust Funds

September 30, 2022

Schedule D

| Trust Fund | Fund | Opening Balance | | | | Estimated Balance ¹ 31-Dec-22 |
|------------------------------------------|------|------------------|----------------|-----------------|---------------|---------------------------------------------|
| | | 1-Jan-22 | Additions | Reductions | Interest | |
| Trust Funds | | | | | | |
| Fairview Cemetery | 80 | 570,328 | 16,728 | (4,497) | 8,994 | 591,553 |
| Fairview Monuments | 81 | 91,430 | 2,500 | - | 1,445 | 95,375 |
| Greenwood Cemetery | 82 | 1,244,102 | 32,083 | (9,808) | 19,615 | 1,285,993 |
| Greenwood Monuments | 83 | 216,593 | 4,964 | - | 3,409 | 224,966 |
| Hornby Presbyterian Cemetery | 84 | 886 | - | (7) | 14 | 893 |
| Limehouse Presbyterian Cemetery | 85 | 36,063 | - | (819) | 551 | 35,795 |
| Limehouse Presbyterian Monuments | 86 | 4,185 | 150 | - | 68 | 4,402 |
| Union Presbyterian Cemetery | 87 | 3,707 | 1,240 | - | 63 | 5,010 |
| Union Presbyterian Monuments | 88 | 1,004 | 213 | - | 17 | 1,233 |
| Hillcrest Cemetery | 89 | 324,962 | 20,924 | - | 3,364 | 349,250 |
| Wm. Osler Health Cntr.-Geo. Hosp. Campus | 91 | 14,995 | - | (305) | 187 | 14,877 |
| Hillcrest Investments | 93 | 425,082 | - | - | 4,178 | 429,261 |
| Hillcrest Bequest | 94 | 185,514 | 26,405 | - | 2,099 | 214,018 |
| Transportation Maintenance | 98 | - | - | - | 2,260 | 2,260 |
| Total Trust Funds | | 3,118,850 | 105,207 | (15,436) | 46,264 | 3,254,885 |

Notes:

1. Due to rounding, numbers presented in this table may not add up precisely to the totals provided.

Special Tax Levies

Special Tax Levies are established by the Town to assist with programs for a designated or specific purpose. At the end of 2022 the Town has seven such levies; the *Fire Services*, *Pavement Management*, *Infrastructure*, *Fair Workplaces*, *Better Jobs Act 2017*, *Infrastructure Gap*, the *Financial Sustainability*, and the *Insurance* Special Levies.

The *Fire Services* Levy was created in 2006 to support the hiring of fire personnel and the debenture payments on construction of the new fire halls. Increases to the levy were capped in the 2019 budget year, as a result of the acceleration of the objectives of the Fire Services Master Plan.

The *Pavement Management* Levy was created in 2003 to fund the Pavement Management Program as outlined in report ENG-2003-0015.

The Special *Infrastructure* Levy was created in 2008 to fund the construction and/or maintenance of Town community infrastructure as outlined in report ADMIN-2008-0002.

The *Fair Workplaces, Better Jobs Act, 2017* Levy was created in 2018 to support the legislated increases in the minimum wage and benefits for part-time staff.

The *Infrastructure Gap* Levy was introduced in the 2019 budget year at 0.6% of the net tax levy in order to address long term capital needs for replacement infrastructure as identified in the State of Infrastructure Report. An annual increase of 0.6% is recommended in the 2022 budget to continue to support the replacement and adaptation of core assets in the context of climate change.

The *Arena Program* Levy was created to raise funds necessary for the financing of the arena construction program. This levy began in 2013 and the entire levy will have fulfilled its purpose by the end of 2021. The final portion of the arena levy, \$228,900 will be incorporated into the financial sustainability special levy as per report CORPSERV-2020-0042 for 2022.

The *Financial Sustainability* Levy was introduced in 2021 through report CORPSERV-2020-0042 to support on-going fiscal sustainability as the Town faces challenges pertaining to slower than planned growth and the COVID-19 pandemic.

The *Insurance* Levy was introduced in the 2022 budget to fund non-discretionary cost increases in insurance premiums and the need to establish self-insurance reserves to mitigate the risk of presumptive WSIB claims.

| Term | Definition |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accrual Accounting | The Town of Halton Hills records revenues and expenses using the accrual basis of accounting, as prescribed by the Public Sector Accounting Board (PSAB). This is a financial accounting method where revenues are recorded when earned and expenses are recorded when incurred, vs. when cash is physically received, or payments are made. The Town's budget is built on a mix of cash accounting and accrual based accounting. |
| Actuals | Actual revenues earned and expenditures incurred as opposed to budgeted revenues or expenditures, which are based on a mix of cash accounting and accrual based accounting. |
| Amortization | The process of expensing an asset over its expected period of use, and moving the cost gradually from an asset to an expense |
| Annualization | The process of converting a short term value into an annual amount. |
| Assessment | A value that is calculated by the Municipal Property Assessment Corporation (MPAC) for real property to be used as a basis for calculating property taxes. |
| Asset Management Information System (AMIS) | An enterprise asset management system used to optimize asset performance and reliability, and to support managing assets to meet service levels while minimizing costs. |
| Base Budget | The budget required to maintain existing (previously approved) service levels. |
| Benchmark | The process of measuring the performance of the Town against other municipalities of similar size and against internal key performance metrics to determine operating effectiveness. |
| Budget | A financial plan for a specified period of time (fiscal year) that estimates all planned revenues and expenditures for various municipal services. |
| Budget & Business Plan Document | The official annual document prepared by staff, containing detailed expenses and revenues required to operate each department (both operating and capital) |
| Building Construction Price Index (BCPI) | A quarterly series of indexes published by Statistics Canada that measures the change over time in the prices that contractors charge to construct new commercial, institutional, industrial, and residential buildings. |
| Canadian Union of Public Employees (CUPE) | Canada's largest union, with more than 715,000 members across the country. CUPE represents workers in health care, emergency services, education, early learning and child care, municipalities, social services, libraries, utilities, transportation, airlines and more. |
| Capital Budget and Forecast | A plan of proposed capital expenditures to be incurred in the current year and over a period of nine future years, identifying each capital project and the method of financing. |
| Capital Chargeback | A method of recovering capital expenditures from the operating budget for costs directly related to the management and support of select capital projects. |

| Term | Definition |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Capital Expenditure | An expense for the acquisition, betterment, or replacement of tangible capital assets. |
| Cash-In-Lieu of Parkland (CIL) | Payment of money in lieu of conveyance of parkland as defined by the <i>Planning Act</i> . |
| Community Benefits Charges (CBC) | Charges collected from developers that are imposed under the <i>Planning Act</i> , when land is developed for certain high-density residential structure. |
| Consumer Price Index (CPI) | A monthly indicator published by Statistics Canada of changes in consumer prices experienced by Canadians. It is calculated by comparing, over time, the cost of a fixed basket of goods and services purchased by consumers. |
| Current Value Assessment (CVA) | To establish a property's assessed value, MPAC analyzes sales of comparable properties in the area. This method, called Current Value Assessment (CVA), is used by most assessment jurisdictions in North America. |
| Debenture | A long term financing loan which the Town secures through the Region of Halton to fund large capital projects. |
| Deficit | The excess of expenditures over revenues in a given period. |
| Department | A Town of Halton Hills business unit that provides a specific type of service (for example Recreation & Parks, Planning & Development) |
| Development Charges (DC) | Charges collected from developers that are imposed under the <i>Development Charges Act</i> , when land is developed. |
| Development Charges (DC) By-law | By-law approved by Council to authorize the amount and collection of Development Charges under the <i>Development Charges Act</i> . |
| Environmental Assessment (EA) | A process to identify, predict and evaluate the effects of proposed construction on the environment. |
| Expenditures | An amount of money spent on purchasing goods or services. |
| Fleet | All vehicles owned and operated by the Town. |
| Full Time Equivalent (FTE) | A standard measure of staffing equivalent to that produced by one person working full time for one year. |
| Geographical Information System (GIS) | A system that integrates existing imagery and tabular spatial data into a common shared database. |
| Grant | A monetary contribution received by the Town from another organization (including the provincial and federal governments). The Town of Halton Hills also provides grants to businesses and individuals through various grant programs. |
| Halton Hills Official Plan | The policies on how land in the Town of Halton Hills should be used. It is prepared with input from the community and helps to ensure that future planning and development will meet the specific needs of the Town. |
| Halton Region | The geographic area made up of the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville. |

| Term | Definition |
|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inflation | A rise in the average level of prices and decline of purchasing power over time. |
| Levy | The annual budget requirement to fund service levels that are collected from property owners. |
| Long Range Financial Plan (LRFP) | A comprehensive ten-year financial plan that is updated periodically to sustain the Town's services and assets. The LRFP is prepared for planning purposes and follows policies and contains assumptions and what-if scenarios of potential financial outcomes. |
| Municipal Property Assessment Corporation (MPAC) | MPAC is the organization responsible for property value assessment through a uniform, province-wide system. |
| Non-tangible Capital Assets (NTCA) | Capital expenses that do not meet the criteria of a Tangible Capital Asset (TCA). |
| Operating Budget | The budget outlines the funds required each year to maintain service levels and covers categories such as: salaries, wages, materials, supplies and utilities. |
| Performance Indicators | A quantifiable set of indicators that the Town uses to measure results. |
| Performance Measures | An outcome of an analysis of performance indicators that is used to determine how effective and/or efficient a program is in achieving its objectives. |
| Property Tax | A levy based on the assessed value of property. |
| Province | The Province of Ontario |
| Provincial Offences Act (POA) | An Ontario Act that governs how charges are processed and prosecuted. It applies to all provincial statutes, as well as municipal by-laws and some minor federal contraventions. |
| Public Sector Accounting Board (PSAB) | A board under the Chartered Professional Accountants of Canada (CPA Canada), which serves the public interest by developing accounting standards for the public sector. PSAB also provides guidance for financial and other information reported by municipalities. |
| Rates and Fees | User based fees imposed to recover the costs of providing a service (i.e: Business Licences). |
| Reserve | Monies set aside to protect the Town against unplanned expenditures and to plan for the construction of large capital projects, as part of the Long Range Financial Plan. |
| Reserve Fund | Monies segregated and restricted to meet a specific purpose in accordance with either municipal by-law or legislated requirement (e.g. Development Charges). |
| Revenue | Monies that a government receives as income, including property taxes, user fees, grants and interest earnings. |

| Term | Definition |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Special Levies | Taxes raised to provide a funding source for a specific purpose or objective. |
| Staff Complement | The total number of full time equivalent staff positions as approved by Council. |
| Strategic Plan | A plan that is established by each term of Council to identify strategic priorities. |
| Supplementary Taxes | Property taxes resulting from assessment added to the tax roll after the returned roll. |
| Surplus | The excess of revenues from current operations over expenditures in a given period. |
| Tangible Capital Assets (TCA) | Tangible capital assets include items such as roads, bridges, buildings, vehicles, land, storm water systems and computer hardware. TCAs are subject to annual amortization. |
| Tax Levy | The annual budget requirement to fund service levels that are collected from property owners. |
| Tax Rate | The actual rate of tax applied to the Current Value Assessment (CVA) to determine total taxes levied. |