



PRESCOTT TOWN COUNCIL  
AGENDA

January 18, 2021

6:00 pm

Virtual Meeting

*Our Mission:*

*To provide responsible leadership that celebrates our achievements and invests in our future.*

---

Pages

1. Call to Order

2. Approval of Agenda

**Recommendation**

That the agenda for the Council meeting of January 18, 2021 be approved as presented.

3. Declarations of Interest

4. Presentations

5. Delegations

6. Minutes of the previous Council meetings

6.1. Council Minutes - January 4, 2021

1

**Recommendation**

That the Council minutes of January 4, 2021, be accepted as presented.

7. Communications & Petitions

## 8. Consent Reports

*All matters listed under Consent Reports are to be considered routine and will be enacted by one motion. Should a member wish an alternative action from the proposed recommendation, the member shall request that the item be moved to the applicable section of the agenda.*

### Recommendation

That all items listed under the Consent Reports section of the agenda be accepted as presented.

- |      |  |    |
|------|--|----|
| 8.1. | Council Information Package (under separate cover)   |    |
| 8.2. | Staff Report 04-2021 - Draft Tangible Capital Asset Policy   | 10 |
| 8.3. | Staff Report 05-2021 - Draft Wastewater Treatment Plant - Reserve Fund Policy                                | 45 |
| 8.4. | Staff Report 06-2021 - Leeds and Grenville Joint Services Committee - Amendment to Joint Operating Agreement | 50 |

## 9. Committee Reports

## 10. Mayor

## 11. Outside Boards, Committees and Commissions

## 12. Staff

- |       |  |    |
|-------|--|----|
| 12.1. | Staff Report 07-2021 - Edward Street Overpass Rehabilitation Project | 55 |
|-------|--|----|

### Recommendation

That Council approve the Edward Street Overpass Remediation Project for 2021 with an estimated budget of \$275,000 and proceed with the issuance of the request for proposal.

- |       |   |    |
|-------|---|----|
| 12.2. | Staff Report 08-2021 - Dibble Street East Road Reconstruction Project | 60 |
|-------|---|----|

### Recommendation

That Council approve the Dibble Street East Reconstruction Project from Boundary Street to Vankoughnet Street for 2021 with an estimated budget of \$2,000,000 and proceed with the issuance of the request for proposal.

- |       |  |    |
|-------|--|----|
| 12.3. | 2021 Budget Presentation: Transportation, Parks & Recreation | 76 |
|-------|--|----|

**Recommendation**

That Council receive this report for information and direct staff to bring forward the revised Animal Control By-law to the Council meeting of February 1, 2021, for final review and consideration.

13. Resolutions

14. By-laws

15. New Business

16. Notices of Motion

17. Mayor's Proclamation

18. Closed Session

18.1. Identifiable Individual

**Recommendation**

That Council move into Closed Session at \_\_\_\_\_ to address a matter pertaining to:

18.1 Identifiable Individual

- Under Section 239(2)(b) of the *Municipal Act, 2001* - personal matters about an identifiable individual, including municipal or local board employees; and

That the CAO/Treasurer, Clerk, Deputy Clerk, and Fire Chief remain in the room.

19. Rise and Report

20. Confirming By-Law – 04-2021

**Recommendation**

That By-Law 04-2021, being a by-law to confirm the proceedings of the Council meeting held on January 18, 2021, be read and passed, signed by the Mayor and Clerk, and sealed by the seal of the Corporation.

21. Adjournment



**PRESCOTT TOWN COUNCIL  
MINUTES**

**Monday, January 4, 2021  
6:00 p.m.  
Virtual Meeting**

Present	Mayor Brett Todd, Councillors Leanne Burton, Teresa Jansman, Lee McConnell, Mike Ostrander, Gauri Shankar, and Ray Young
Staff	Matthew Armstrong, CAO/Treasurer, Lindsey Veltkamp, Director of Administration/Clerk, Nathan Richard, Interim Director of Operations, Kaitlin Mallory, Deputy Clerk, Barry Moorhouse, Fire Chief

---

**1. Call to Order**

Mayor Todd called the meeting to order at 6:02 p.m.

**2. Approval of Agenda**

Motion 01-2021: Ostrander, Shankar  
That the amended agenda for the Council meeting of January 4, 2021, be approved as amended.

Carried

**3. Declarations of Interest – None**

**4. Presentations – None**

**5. Delegations – None**

**6. Minutes of the previous Council meetings**

**6.1 Council Minutes – December 14, 2020**

Motion 02-2021: Young, McConnell

That the Council minutes of December 14, 2020, be accepted as presented.

Carried

**7. Communications & Petitions – None**

**8. Consent Reports**

Motion 03-2021: Ostrander, Shankar

That Item 8.1 – Council Information Package (under separate cover) be accepted as presented.

Carried

**8.1 Council Information Package (under separate cover)**

1. Municipal Emergency Control Group Minutes – December 11 & 23, 2020
2. United Counties of Leeds and Grenville Media Release – December 17, 2020
3. United Counties of Leeds and Grenville Media Release – December 23, 2020
4. Making Play Possible Letter: Request for Support
5. Township of Edwardsburgh Cardinal Resolution of Support re: Support South Grenville Journal
6. Corporation of the Town of Carleton Place Resolution re: COVID-19 and Childcare Funding Impacts
7. City of Kitchener Resolution re: Cannabis Retail in Ontario
8. Town of Lincoln Resolution re: Support Resolution from the City of Hamilton, amending the AGCO licensing and application process for cannabis retail stores to consider radial separation from other cannabis locations
9. Town of Lincoln Resolution re: Support Resolution from Town of Plympton-Wyoming, Funding for Community Groups and Service Clubs Affected by Pandemic

10. Town of Lincoln Resolution re: Support Resolution from the City of Belleville, Accessibility for Ontarians with Disabilities Act – Website Support
11. Town of Lincoln Resolution re: Support Resolution from the City of Hamilton, Request for interim cap on gas plant and greenhouse gas pollution and the development and implementation of a plan to phase-out gas-fired electricity generation
12. The Corporation of the Township of Matachewan Resolution re: Grant Application Deadlines
13. Municipality of Chatham-Kent Resolution re: Resolution Bill 229 and the Conservation Authorities
14. The Corporation of the Municipality of Marmora and Lake Resolution re: Bill 229
15. Dufferin County Resolution re: Changes to the Aggregate Resource Property Valuation Assessment Criteria

## **9. Committee Reports – None**

## **10. Mayor**

Mayor Todd wished everyone a happy New Year and spoke to the efforts and hard work of the town and community throughout the COVID-19 pandemic in the past year.

## **11. Outside Boards, Committees and Commissions**

Councillor Burton wished a happy New Year to all and is looking forward to 2021.

Councillor Jansman wished everyone a happy New Year and referenced upcoming economic developments in 2021.

Councillor McConnell spoke to the continued closure of Walker House during the lockdown, the updated Library hours., and the recent presentations of the St. Lawrence Shakespeare Festival

Councillor Ostrander wished all a happy New Year.

Councillor Shankar wished everyone a happy and safe New Year.

Councillor Young spoke to his attendance at the St. Lawrence Lodge Board of Management meeting.

Mayor Todd acknowledged the hard work of volunteers and the community support during the Spirit of Giving campaign and King's Kitchen Christmas meal deliveries.

## 12. Staff

### 12.1 2021 Committee & Board Appointments

Motion 04-2021: Burton, Ostrander

That Council appoint the following members to its board and committees for the year 2021:

#### **Committee of Adjustment**

Sandra Iseman  
Craig Worden  
Megan Wynands  
Laurie Bonsall

#### **Downtown BIA**

Kevin Bunce  
Karen Burman-Martin  
Elizabeth (Pearl) Visser  
Tracey Young

Ben Quenneville  
Brett Todd (Council Rep)  
Teresa Jansman (Council Rep)

#### **Library Board**

Jane McGuire (Chief Librarian/CEO)  
Karen Hume  
Mavis Jale  
Darien Watson

Jean Burton-Fox  
Elaine McCurdie  
Joe Muise  
Lee McConnell (Council Rep)

#### **Planning Advisory Committee**

Brett Todd (Council Rep)  
Leanne Burton (Council Rep)  
Teresa Jansman (Council Rep)  
Jim Hutton (Citizen Member)  
Leslie Bottigoni (Citizen Member)

#### **Prescott Cemetery Board**

Fraser Laschinger  
Valerie Schulz  
Don Barton  
Peter Morrow  
Leanne Burton (Council Rep)

**Police Services Board**

Stan Kijewski (Council appointed citizen member)

Brett Todd (Council Rep)

Mike Ostrander (Council Rep)

**Walker House**

Pat Marshall

Tom VanDusen

Sharon Flood

Joanne Savage

Sharon Stein

Irene Mueller

Maria McKibbin

Lee McConnell (Council Rep)

**Prescott Heritage Committee**

Sandra Iseman

Tom Van Dusen

Robert Pelda

Luis Zelayeta

Lee McConnell (Council Rep)

Carried

**12.2 Staff Report 01-2021 – Solid Waste Management Services Request for Proposal Results**

Motion 05-2021: Young, McConnell

That Council approve the selection of Limerick Environmental Services Ltd for the upcoming waste management services contract for the next 4 years with an option to extend for an additional two (2), one (1) year consecutive terms at the sole discretion of the Town.

Carried

Nathan Richard, Interim Director of Operations, spoke to the report. He provided an overview of the proposals received and the costs associated.

Discussion was held regarding the proposals, the cost savings associated with moving the large item pick up in house, and past concerns received from residents.

Further discussion was held regarding recyclable material in neighbouring municipalities compared to the Town of Prescott, the recyclable material currently being picked up, and increasing communication with residents in regards to accepted recyclables.



### **12.3 Staff Report 02-2021 – Ice Resurfacing Machine**

Matthew Armstrong, CAO/Treasurer, spoke to the report.

Discussion was held regarding the value of the ice resurfacing machine, the cost of the insurance and maintenance on the machine, and whether the resurfacing machine should be advertised rather than selling it exclusively to the Township of Edwardsburg-Cardinal.

Motion 06-2021: Burton, Young

That Council direct staff to proceed with the sale of the Ice Resurfacing Machine to the Township of Edwardsburg-Cardinal.

Carried

### **12.4 Staff Report 03-2021 – 2021 Capital and Operational Project Planning**

Matthew Armstrong, CAO/Treasurer, spoke to the report and referenced the breakdown of the projects.

Discussion was held regarding a phased approach to repairing the Edward Street bridge, prioritization of the reconstruction of Dibble Street over East Street, traffic lane concerns during the bridge repair.

Motion 07-2021: Burton, Ostrander

That Council direct staff to proceed with the investigation and preparation for the reconstruction of Dibble Street East and the Edward Street Bridge work projects.

Carried

Mr. Armstrong provided an overview of the projects yet to be prioritized.

Discussion was held regarding priority items for members of Council, arranging projects based on cost, and the timeline for bringing the projects back for further discussion.

### **12.5 Budget 2021 Presentation: Administration, Protective and Planning Services**

Matthew Armstrong, CAO/Treasurer, spoke to the PowerPoint presentation. A copy of the presentation is held on file.

Discussion was held regarding the budgeted amount put aside for Council member's clothing and the option of providing an allowance every other year.

**13. Resolutions – None**

**14. By-laws**

**14.1 Interim Tax Levy By-Law**

Motion 08-2021: Young, Ostrander

That By-Law 01-2021, being a by-law to provide for an interim tax levy for 2021, be read and passed, signed by the Mayor and Clerk, and sealed by the seal of the Corporation.

Carried

**14.2 2021 Temporary Borrowing By-Law**

Motion: 09-2021: Young, Ostrander

That By-Law 02-2021, being a by-law to authorize temporary borrowing for the year 2021, be read and passed, signed by the Mayor and Clerk, and sealed by the seal of the Corporation.

Carried

**15. New Business – None**

**16. Notices of Motion – None**

**17. Mayor's Proclamation – None**

**18. Closed Session**

**18.1 Identifiable Individual**

Motion 10-2021: Burton, McConnell

That Council move into Closed Session at 7:51 p.m. to address a matter pertaining to:

**18.1 Identifiable Individual**

- Under Section 239(2)(b) of the *Municipal Act, 2001* - personal matters about an identifiable individual, including municipal or local board employees; and

## 18.2 Purchase & Sale

- Under Section 239(2)(c) of the *Municipal Act, 2001* – a proposed or pending acquisition or disposition of land by the municipality or local board; and

That the CAO/Treasurer, Clerk, Deputy Clerk, and Fire Chief remain in the room for Item 18.1; and that the CAO/Treasurer, Clerk, and Deputy Clerk remain in the room for Item 18.2.

Carried

Barry Moorhouse, Fire Chief, left the meeting at 8:24 p.m. following the discussion of Item 18.1 – Identifiable Individual.

Motion 11-2021: Young, Shankar

That the meeting reconvene in Open Session. (Time: 8:46 p.m.)

Carried

## 19. Rise and Report

During the Closed Session, Council received information on both items and provided staff with direction on Item 18.2 – Purchase & Sale.

## 20. Confirming By-Law – 03-2021

Motion 12-2021: Ostrander, Burton

That By-Law 03-2021, being a by-law to confirm the proceedings of the Council meeting held on January 4, 2021, be read and passed, signed by the Mayor and Clerk, and sealed by the seal of the Corporation.

Carried

## 21. Adjournment

Motion 13-2021: McConnell, Ostrander

That the meeting be adjourned to Monday, January 18, 2021, at 6:00 p.m. (Time: 8:47 p.m.)

Carried

---

Mayor

---

Clerk



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

## STAFF REPORT

Report No. 04-2021

**Date:** January 18, 2021

**From:** Matthew Armstrong, Chief Administrative Officer & Treasurer

**Re:** Draft Tangible Capital Asset Policy

---

### Recommendation

That Council provide feedback to staff on the Draft Tangible Capital Asset Policy by February 5<sup>th</sup>, 2021 and that the final version of the policy be brought to Council on February 15<sup>th</sup>, 2021 for final review and consideration.

### Background

The Draft Capital Asset Policy was developed using various resources, policies, and guidance documents available through the Municipal Finance Officer's Association of Ontario. Within the draft policy, methodologies are used to account and record for capital versus maintenance expenses for various assets and asset classes are explained in detail. The methods outlined in the draft policy have and are being used by the Town of Prescott. The intention of this policy is to provide a written guide to follow when accounting for tangible capital assets, their maintenance, upgrades, and replacements.

This draft policy was brought forth to the Wastewater Treatment Plant Board of Management for review and feedback at the December meeting. No changes to the draft policy were suggested.

### Alternatives

Council may wish to change the draft policy or defer it at this time.

### Financial Implications

None



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

**Attachments:**

Draft Capital Asset Policy – Town of Prescott

*Submitted By*

---

Matthew Armstrong  
Chief Administrative Officer & Treasurer

## **Finance – Tangible Capital Asset Policy**

### **Purpose**

The objective of this policy is to prescribe the accounting treatment for tangible capital assets so that users of the financial report can discern information about the investment in property, plant and equipment and the changes in such investment. The principal issues in accounting for tangible capital assets are the recognition of the assets, the determination of their carrying amounts and amortization charges, and the recognition of any related impairment losses.

In addition, the policy covers policy and procedures to:

- a) Protect and control the use of all tangible capital assets.
- b) Provide accountability over tangible capital assets.
- c) Gather and maintain information needed to prepare financial statements.

### **Scope**

This policy applies to all Town departments, boards and commissions, agencies and other organizations falling within the reporting entity of the Town of Prescott.

## **Guiding Principles**

### **Definition of an Asset**

#### Accounting Standard

The Public Sector Accounting Handbook contains the following definitions:  
Financial Statement Concepts, Section PS 1000:

*Assets are economic resources controlled by a government as a result of past transactions or events and from which future economic benefits may be obtained. (PS 1000.35)*

*Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:*

- a) are normally employed to deliver government services;*
- b) may be consumed in the normal course of operations; and*
- c) are not for sale in the normal course of operations. (PS 1000.42)*

Tangible Capital Assets, Section PS 3150:

## **Finance – Tangible Capital Asset Policy**

Tangible capital assets are non-financial assets having physical substance that:

- a) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- b) have useful economic lives extending beyond an accounting period;
- c) are used on a continuing basis; and
- d) are not for resale in the ordinary course of operations. (PS 3150.05)

### **Application of Standard PS 3150**

Before an item is recognized as a tangible capital asset for financial reporting purposes, it must satisfy two criteria:

1. It must satisfy the definition of a tangible capital asset.
2. It must have a cost or other value that can be reliably measured.

Some of the key elements of the definition of tangible capital assets include:

- They are economic resources controlled by a local government.
- They result from past transactions or events.
- They embody future economic benefits that are expected to be realized.
- They are held for own use on a continuing basis and not for resale in the ordinary course of business.
- They have economic lives extending beyond the accounting period.

Finally, items whose value is not measurable or reasonably estimable cannot be recognized within the financial statement totals.

### **Concept of Control**

The concept of control of an asset's economic benefit is a key issue in determining whether that asset should be reported in the financial statements of a local government. For example, in some provinces, local governments do not have title to the roads and highways within their jurisdiction. Ownership and control are not synonymous, however. An analogous situation is a capital lease. A local government may not have title to a particular asset, but the asset is recognized in its financial statements because the economic benefits substantially accrue to that local government. Other situations may involve public/private partnerships (e.g., build, own, operate partnerships). To determine whether a local government should be reporting an asset, it is necessary to look to the indicators of control:



## **Finance – Tangible Capital Asset Policy**

- Is the local government the beneficiary of future economic benefits from the asset?
- Do the terms and conditions of legislation or a contract transfer substantially all benefits and risks incident to ownership to the local government?
- Is the local government responsible for the asset's performance, availability and maintenance?
- Is the local government responsible for renewal and replacement of the asset?
- Does the local government bear all risk of obsolescence, environmental liability, uninsured damage or condemnation of the asset?
- Has the local government been using the asset on a continuing basis in the production or supply of goods and services?
- Have third parties made significant use of the asset but the local government is able to restrict such use?
- Is the local government responsible for the construction costs of the asset and the financial or other implications of cost and time overruns caused by events outside of its control during the construction period, or subsequent warranty repairs?

### **Computer Hardware and Software**

The scope paragraph of PS 3150 classifies computer hardware and software as tangible capital assets. There may be a perception that software is an intangible capital asset as it lacks physical substance. Software is included as a tangible capital asset because it is what permits computer hardware to operate. Its cost is directly attributable to installing the hardware in the condition necessary for its intended use.

### **Works of Art and Historical Treasures**

Works of art and historical treasures would not be recognized as tangible capital assets under PS 3150. It is not possible to estimate the future economic benefits associated with such property. It is normally the intention of local governments to maintain and preserve them indefinitely because of their unique historical and cultural attributes. In many cases, it is not even possible to put a value on these types of assets – they are priceless. While some art work and historical treasures can be duplicated, they can not be replaced. Duplicates would rarely have the same intrinsic value as the original.

The existence of such property should be disclosed in the notes to the financial statements. Expenditures for preservation, cleaning and restoration that are implicit with works of art and historical treasures should be expensed in the period incurred.

### **Measurement of Assets**

Accounting Standard

## Finance – Tangible Capital Asset Policy

PS 3150 requires that:

*Tangible capital assets be recorded at cost. (PS 3500.09)*

### Why Historical Cost?

From a public sector perspective, many have indicated that using historical cost is meaningless, particularly given the long-lived nature of infrastructure assets. There are basically three arguments against using historic cost:

1. Conventional historical cost accounting does not produce meaningful performance measurements in times of changing prices and money values.
2. Because infrastructure needs to be replaced on an ongoing basis, the costs of using infrastructure should reflect its current cost, rather than an allocation based on historic costs. Historic cost may not provide the most relevant information for decision makers.
3. Engineers would argue that what is meaningful is replacement cost as this is what should be budgeted to replace assets. It also acts as a gauge for measuring required expenditures for maintenance and renewals against actual expenditures.

One can argue that, at acquisition, the cost of an asset equals its current cost and fair value. Subsequent to acquisition, however, there are basically three measurement options for valuing tangible capital assets:

1. historical cost;
2. replacement cost (i.e., current cost); and
3. fair value (i.e., market value).

Different values are used to support different decisions. For example, fair value is generally used when selling an asset. Replacement value may be used for insurance purposes or in a budgeting exercise to estimate financing requirements. Historical cost is used for accountability and costing.

There are pros and cons to the various measurement bases.

Because accounting is "transaction based," the primary measurement for both assets and liabilities is the value at the time they were acquired, developed or constructed. Historical cost accounting is, therefore, objective and reliable because it is based on bargained transactions. It avoids the uncertainties of using another measurement basis.

A replacement cost basis measures the value of a tangible capital asset at the current cost of replacing the asset. Such costs would reflect alternative uses for assets and are the current economic costs of obtaining similar service potential. The advantage claimed for accounting on

## **Finance – Tangible Capital Asset Policy**

a replacement cost basis is that it provides a realistic and understandable value for reported assets. This would be particularly true for long-lived tangible capital assets as the related charge to operations for amortization would have a current value corresponding to the values of other items (such as revenues) in the operating statement. Some view it as particularly useful for setting funding aside for the eventual replacement of the asset.

Fair value is the value of an asset based on the price that would be agreed on in an open and unrestricted market between fully informed, knowledgeable and willing parties dealing at arms length without constraint. The benefits of using fair values for assets are the same as using replacement value. There may not be an active market for certain tangible capital assets, however, making the application of fair value difficult. Without an active market, surrogate methods to determine fair values increases the extent of judgment required in preparing financial statements.

While there may be merit in using some other basis for the purposes of funding the replacement of a tangible capital asset, the continued use of historical cost accounting is appropriate. It is reliable in that the information agrees to the actual transaction and events to which it relates, can be independently verified and is reasonably free from error or bias. It also provides a consistent, verifiable foundation for management to make estimates of future replacement costs or market value. Historical cost has been generally accepted by standard setters around the world, its application is well understood and it is still the preferred method of accounting for tangible capital assets.

### **Measurement of Cost**

Cost is the gross amount of consideration given up to acquire, construct or develop a tangible capital asset. Gross cost includes all costs “directly attributable” to the acquisition, construction or development of the tangible capital asset. This includes installing the asset at the location and in the condition necessary for its intended use. Examples of directly attributable costs are:

- costs of site preparation;
- initial delivery and handling costs;
- installation and assembly costs;
- costs of testing that the asset is functioning properly prior to or during installation; and
- professional fees.

The term “directly attributable” is the key to determining whether a cost can be allocated to a tangible capital asset. For example, the salary, wages and benefits of the staff of a design department that are directly related to completing engineering drawings for a constructed asset could be allocated to the gross cost of that asset. Allocation of a portion of fixed costs (e.g., occupancy costs or general administrative overheads associated with a City Engineer’s office, etc) is not generally considered a directly attributable cost.

## **Finance – Tangible Capital Asset Policy**

If two or more assets are acquired for a single purchase price, it is necessary to allocate the purchase price to the various assets acquired based on the fair value of the assets at the time of acquisition. The most common example would be the purchase of land and improvements. If the fair value of the components is not readily available, other proxies may be used, such as assessed values for property tax purposes, values of similar properties or estimated reproduction/replacement costs. One could also look at market values of similar components, such as the sale price of vacant land.

A local government may acquire a property, parts of which it does not intend to use. For example, there may be buildings on land acquired for park purposes that will be demolished. In this case, the total purchase price, plus any costs net of proceeds of demolition, would be allocated to the land. Similarly, a local government may acquire a property knowing that it may require expenditures to bring it to a condition where it is ready for use (e.g., environmental remediation). The cost of the asset would include any subsequent expenditures provided they do not exceed the fair value of the asset.

Spare parts and servicing equipment are usually carried as inventory and recognized as an expense as consumed. Major spare parts and standby equipment may, however, qualify as tangible capital assets when a local government expects to use them during more than one period. Similarly, if the spare parts and servicing equipment can be used only with a tangible capital asset and their use is expected to be irregular, they can be accounted for as tangible capital assets and amortized over a period not exceeding the useful life of the related asset.

### **Grants and Donations**

Local government often receive grants from senior level local governments or donations toward the acquisition cost of an asset. The arrangements may provide total or partial reimbursement of that cost. For example, a local government may receive a provincial grant and donations from community groups toward the cost of constructing a community centre.

The definition of cost precludes the netting of capital grants or donations against the cost of the asset. In fact, Standard PS 3150 specifically states that grants are not netted against the cost of the tangible capital asset.

### **Capitalization of Interest Costs**

Interest expense may be attributed to the gross cost of an asset when a local government's policy is to capitalize interest costs. The local government's policy must be consistently applied across all asset categories, for example, to building, sewer and water construction projects alike.

## **Finance – Tangible Capital Asset Policy**

A number of restrictions have been placed on capitalizing carrying costs. Carrying costs incurred while land acquired for building purposes is held without any associated construction or development activity do not qualify for capitalization. Capitalization of carrying costs also eases when a tangible capital asset is ready for use in producing goods or services. A tangible capital asset is normally ready for productive use when the intended acquisition, construction or development is substantially complete. Determining when a tangible capital asset, or a portion of it, is ready for productive use requires consideration of the circumstances in which it is to be operated. Normally, a local government would look at factors such as productive capacity, occupancy level or the passage of time to make such a determination.

### **Donated or Contributed Assets**

Local governments may receive contributions of tangible capital assets. For example, tangible capital assets may be transferred from senior levels of government at no or nominal cost. Frequently, development agreements require developers to provide tangible capital assets such as roads, sidewalks and street lighting.

Donated or contributed assets meet the criteria for recognition as tangible capital assets because they embody an expected future economic benefit that a local government will control. The past transaction or event that allows the local government control of the economic benefit is the transfer of the asset. As with a purchased asset, the cost of using a contributed asset over time should be reported in the financial statements. Recording donated or contributed assets will provide complete information about the cost of services and enhance comparability of financial results both within and among local governments and ensure taxpayers understand the full cost of services being provided.

The difficulty with donated or contributed assets is determining the appropriate value at which to record them. PS 3150 states that the cost of a donated or contributed asset is considered equal to its fair value at the date of contribution. Fair value is the amount of the consideration that would be agreed on in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Given the nature of some tangible capital assets, there may not be an active market for them. PS 3150 states that fair value of a contributed tangible capital asset may be estimated using market or appraisal values. In some circumstances, cost may be determined by an estimate of replacement cost. In unusual circumstances, where it is impossible to estimate its fair value, the tangible capital asset would be recognized at nominal value.

Where a contribution involves “bundled” assets, a cost must be allocated to each individual asset. For example, the roadways, curbs and gutters, street lighting and sidewalks contributed by a developer may include land. It is important that the land component be identified and accounted for because it is typically not subject to amortization.

## **Finance – Tangible Capital Asset Policy**

### **Single Asset and Component Approach**

Many tangible capital assets, particularly complex network systems such as those for water and sewage treatment, consist of a number of components. For example, a water system includes water mains, distribution lines, reservoirs, pumping stations, filtration and treatment plants and service connections.

PS 3150 gives local government the option of accounting for such systems as a single asset or to treat each component as an individual asset. Whether a local government decides to record and account for each component as a separate asset will be determined by the usefulness of the resulting information to the local government and the cost versus the benefit of collecting and maintaining it.

### **Single Asset Approach**

Under the single asset approach, the entire water system would be accounted for as one asset. As its components are replaced, they are simply expensed as repair and maintenance. Estimates of expected life and amortization are averaged for the entire system. The major advantage to the single asset approach is that it is less expensive and simpler since it does not require detailed records and estimates of expected useful lives of each of the components.

### **Component Approach**

Under the component approach, the water system is broken down into major components. The component approach does not mean that each and every item of the water system is separately identified. A component can comprise assets of similar useful lives and consumption patterns. The major components are accounted for as separate assets. For example, it may be appropriate to group the pumps related to a certain treatment facility.

### **Capitalizing Upgrades and Improvements – “Betterments”**

The cost of an asset will also include subsequent expenditures for “betterments.” Betterment is a cost incurred to enhance the service potential of a tangible capital asset. In general, for tangible capital assets service potential is enhanced:

- when there is an increase in the previously assessed physical output or service capacity;
- where associated operating costs are lowered;
- the useful life of the property is extended; or
- the quality of the output is improved.



## Finance – Tangible Capital Asset Policy

Any other expenditure would be considered a repair or maintenance and expensed in the period.

For complex, long-lived network systems, it is more difficult to distinguish between maintenance and betterment. It is not always practical to determine whether an expenditure will or will not extend an asset's useful life. The following basic distinctions can be used:

- Maintenance and repairs maintain the predetermined service potential of a tangible capital asset for a given useful life. Such expenditures are charged in the accounting period in which they are made.
- Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the cost of the related asset.

Whether a local government accounts on a single asset or component basis can also have an impact on the treatment of a subsequent expenditure. For example, if a local government accounts on a single asset basis for road systems, expenditures to widen the roads or add to the number of lanes expand the capacity of the road system and are clearly betterments. Expenditures on annual resurfacing programs or crack filling incurred to maintain the originally anticipated service potential of a road, or its estimated useful life, are more in the nature of maintenance (e.g., resurfacing). On the other hand, if the road system is accounted for on a component basis, where the pavement is a separate component, the expenditures on resurfacing would be treated as a betterment and the replaced pavement would be accounted for as a disposal and removed from the asset register.

### Disposal

#### Accounting Standard

PS 3150 requires that:

*The difference between the net proceeds on disposal of a tangible capital asset and the net book value of the asset should be accounted for as a revenue or expense in the statement of operations. (PS 3150.38)*

#### Application of Standard

Disposals of tangible capital assets in the accounting period may occur by sale, trade-in, destruction, loss or abandonment. Such disposals represent a reduction in a local government's investment in tangible capital assets.

## Finance – Tangible Capital Asset Policy

When a tangible capital asset is disposed of, the cost and accumulated amortization are removed from the accounts. Any difference between net proceeds and the carrying amount of the asset is accounted for as a revenue or expense in the statement of operations. The value given for a trade-in is the net proceeds on disposal.

When a component of a complex network is replaced, the removal from service of the old asset is treated as a disposal. For example, if a section of a road is resurfaced, the cost and accumulated amortization of the old pavement is removed from the accounts. The difference between the salvage value and the carrying amount, if any, is reported as revenue or expense.

### Deemed Disposal

Some local governments have adopted a deemed disposition policy for certain capital assets, where asset replacement may occur on a regular basis (e.g., culverts) but the administrative costs to separately track and account for each acquisition and disposal transaction would be prohibitive. In these situations, the total additions are recorded and amortized over the applicable estimated useful life. The asset is assumed or deemed to have been disposed of in the last year of its estimated useful life. At the deemed disposition, the full cost of the addition and the related accumulated amortization is removed from the accounting records.

### Amortization

#### Accounting Standard

PS 3150 requires that:

*The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use by the government. (PS 3150.22)*

*The amortization of the costs of tangible capital assets should be accounted for as expenses in the statement of operations. (PS 3150.23)*

*The amortization method and estimate of the useful life of the remaining unamortized portion of a tangible capital asset should be reviewed on a regular basis and revised when the appropriateness of a change can be clearly demonstrated. (PS 3150.29)*

A local government consumes an asset's economic benefit or service potential principally



## **Finance – Tangible Capital Asset Policy**

through the use of that asset. The amortization method should reflect the pattern in which the government consumes the tangible capital asset's economic benefits or service potential in the provision of services. Other factors, such as technical obsolescence, may also decrease an asset's economic benefit or service potential and affect its amortization rate. An amortization expense is made even if the value of the asset exceeds its carrying amount.

### **Estimated Useful Life**

As a general rule, expected useful life is normally the shortest of the asset's physical, technological, commercial and legal life. An asset's useful life is based on its use by the local government.

PS 3150 does not provide specific guidance in this regard as it is not possible to authoritatively predetermine the useful lives of assets. In determining an asset's estimated useful life, a local government should consider its present condition, intended use, construction type and maintenance policy. It should also consider how long the asset is expected to meet service and technology demands. Useful lives should be based on the local government's own experience and plans for the assets.

For example, a local government may pave a vacant property to provide surface parking to the downtown core. The parking lot and equipment may physically be capable of providing service for 10 years but the local government expects to redevelop the property in five years to provide affordable housing to citizens. In this case, the expected future usage of the parking lot is five years. Therefore the cost, less any residual value, should be amortized over the five years.

Other factors to be considered in estimating the useful life of a tangible capital asset include:

- expected future usage;
- effects of technological obsolescence;
- expected wear and tear from use or the passage of time;
- the maintenance program;
- geological conditions;
- capacity versus actual usage
- studies of similar items retired;
- changes in demand for services; and
- condition of existing comparable items.

The deferral of maintenance can shorten an asset's estimated useful life. For example, deferral of annual pavement crack filing programs could allow water to infiltrate the road

## **Finance – Tangible Capital Asset Policy**

bed, causing deterioration and shortening of the life of the road.

Many long-lived assets, such as water mains and pipes, often need replacing well within their physical life due to road repairs, corrosion and basic weather conditions. All of these factors need to be considered when determining the estimated useful life of infrastructure.

### **Revising Amortization Method and Estimated Useful Life**

PS 3150 requires that the method of asset amortization and estimated useful life be reviewed on a regular basis. This review is event driven. As well, before any changes are made to the amortization method or the estimate of the asset's remaining useful life, it must be clearly demonstrated that those changes are justified. PS 3150 identifies some significant events that may indicate a need to revise the amortization method or the estimate of the remaining useful life of a tangible capital asset:

- a change in the extent to which the tangible capital asset is used;
- a change in the manner in which the tangible capital asset is used;
- removal of the tangible capital asset from service for an extended period of time;
- physical damage;
- significant technological developments;
- a change in the demand for the services provided through use of the tangible capital asset;
- a change in the law or environment affecting the period of time over which the tangible capital asset can be used.

A change in an asset's amortization rate as a result of a revision of its estimated life is treated as change in the accounting estimates rather than a change in accounting policy. Under PS 2120 Accounting Changes, paragraph 27, a change in an estimate is not given retroactive effect since it arises from new information or developments. The effect of a change in the estimated useful life of a tangible capital asset and its associated effect on amortization expense are allocated to the period of revision and applicable future periods.

### **Disclosure Requirements and Identifying Asset Categories**

Accounting Standard

PS 3150 requires that:

*The financial statements should disclose, for each major category of tangible capital assets and in total:*

*a) cost at the beginning and end of the period;*

## Finance – Tangible Capital Asset Policy

- b) additions in the period;*
- c) disposals in the period;*
- d) the amount of any write-downs in the period;*
- e) the amount of amortization of the costs of tangible capital assets for the period;*
- f) accumulated amortization at the beginning and end of the period; and*
- g) net carrying amount at the beginning and end of the period. (PS 3150.40)*

Financial statements should also disclose the following information about tangible capital assets:

- a) the amortization method used, including the amortization period or rate for each major category of tangible capital asset;
- b) the net book value of tangible capital assets not being amortized because they are under construction or development or have been removed from service;
- c) the nature and amount of contributed tangible capital assets received in the period and recognized in the financial statements;
- d) the nature and use of tangible capital assets recognized at nominal value;
- e) the nature of the works of art and historical treasures held by the government; and
- f) the amount of interest capitalized in the period. (PS 3150.42)

### Application of Standard

An asset category groups assets of a similar nature or function in a local government's operations and is disclosed as a single item in the financial statements.

PS 3150 does not prescribe specific asset categories. Although that might improve comparability and consistency, there are simply too many variations inherent in prescribing and establishing definitions of capital asset categories.

Selection of asset categories will be specific to the nature and objectives of a particular local government. Because all local governments are not the same, neither will be their categories of capital assets. Consider the differences between a lower tier local government and an upper tier or regional local government. The types of capital assets these two levels of local government use vary considerably. Categories should be based on the best representation of a local government's capital assets. One local government may have a category for its water system that would not be appropriate for one that purchases clean water from a local government agency. In this case, the better description might be "water distribution system."

The following list, although not comprehensive or prescribed, may be a useful starting point in the identification of categories of tangible capital assets:

## **Finance – Tangible Capital Asset Policy**

- land;
- buildings;
- equipment;
- roads;
- water, sewer and other utility systems;
- bridges;
- electricity transmission networks;
- communication networks;
- motor vehicles; and
- furniture and fixtures.

In addition, a local government may decide to recognize a separate category for assets under construction or development, assets removed from service, surplus assets and assets subject to a capital lease.

### **Impairment of Assets**

#### Accounting Standard

PS 3150 requires that:

*When conditions indicate that a tangible capital asset no longer contributes to a government's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset should be reduced to reflect the decline in the asset's value. (PS 3150.31)*

*The net write-downs of tangible capital assets should be accounted for as expenses in the statement of operations. (PS 3150.32)*

*A write-down should not be reversed. (PS 3150.33)*

#### Application of Standard

Two conditions could lead to a write-down of an asset.

### **Impairment of service potential**

A write-down could be appropriate when a tangible capital asset no longer contributes to the provision of goods and services. It would also be required when a local government has no intention of continuing to use an asset in its current capacity and there is no alternative use for

## **Finance – Tangible Capital Asset Policy**

that asset. This could happen when an asset is taken out of service because it has been damaged, is technically obsolete or can not meet environmental standards. It would be written down to the asset's residual value, if any. A write-down may also be appropriate where the demand for services changes. For example, if less people use a community centre because a newer facility has been built, that may warrant a write-down of the asset.

When a local government can (a) objectively estimate a reduction in the value of a tangible capital asset's service potential and (b) has persuasive evidence that the reduction is expected to be permanent, the cost of the asset would be written down to the revised estimate of the value of the asset's remaining service potential. Where either of these conditions is not met, the asset is not written down.

Estimating the future service potential of a tangible capital asset can be challenging. International Public Sector Accounting Standard 21 Impairment of Non-cash Generating Assets gives some guidance. It states that an asset's "value in use" may determine its recoverable service amount. It defines value in use of a non-cash-generating asset as the present value of the asset's remaining service potential. The standard suggests several value-in-use methods for measuring future economic benefits:

- Depreciated replacement cost could be used to measure the present value of the remaining service potential of a non-cash generating asset. Estimated replacement cost is based on an asset with similar service potential to that currently provided by the existing asset.
- Subtracting the estimated restoration cost of the asset from the current cost of replacing its remaining service potential before impairment (usually the depreciated replacement cost). Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level.
- Reducing the current cost (usually the depreciated replacement cost) of the asset's remaining service potential before impairment to conform to the reduced number of service units expected from the asset in its impaired state.

### **Impairment of future economic benefits**

A write-down could be appropriate when a tangible capital asset's carrying amount exceeds the value of its future economic benefits. There are a number of ways of estimating future economic benefits, including:

- Where the asset generates cash, use the estimated amount of the sum of the undiscounted cash flows (cash inflows less associated cash outflows) expected to result from its use and eventual disposition.
- Where there is an active market for the asset, use fair value less costs of disposition.

## Finance – Tangible Capital Asset Policy

### Testing for Impairment

The requirement to test assets for impairment is typically event driven. Only when conditions indicate that an asset may be impaired is it necessary to consider whether a write-down is warranted. Conditions that may indicate a write-down include:

- A change in the extent to which the tangible capital asset is used.
- A change in the way a tangible capital asset is used.
- Significant technological developments.
- Physical damage.
- Removal of the tangible capital asset from service.
- A decline or cessation of the need for the services provided by the tangible capital asset.
- A decision to halt construction of the tangible capital asset before it is complete or in usable or saleable condition.
- A change in the law or environment affecting how the tangible capital asset can be used.

### Accounting for Asset Impairment

A write-down is an adjustment to the cost of an asset. A corresponding adjustment is made to the accumulated depreciation and the net adjustment is reported as an expense in the statement of operations. This new cost should be amortized over the remaining useful life of the asset.

The following example shows how to measure and record the impairment loss resulting from a decline in the need for a tangible asset's service.

Facts: A municipality's manufacturing plant has closed, and many residents have lost their jobs. Since the closure of the plant, the community's population has dropped by 50%, from 30,000 to 15,000. This change is probably permanent. The town has a water system that originally cost \$10 million. The system was designed to service 20,000 water connections (single family households and commercial) as well as the manufacturing plant. The system had an expected useful life of 40 years and has been operated for 20 years. The municipality has used the straight-line amortization method to expense the cost of the system over its estimated useful life. The net book value of the water system is \$5.0 million. The value in use of its future service potential has been determined to be \$4.0 million.

Accounting: The write down-would be calculated as follows:

Original cost of water system		\$10,000,000
Accumulated amortization	$\$10,000,000/40 \times 20$	\$ 5,000,000

## Finance – Tangible Capital Asset Policy

Net book value	\$ 5,000,000
New cost of the water system*	\$ 4,000,000
Net asset impairment write-down \$5,000,000 - \$4,000,000	\$ 1,000,000

\* The value in use has been based on the depreciated replacement cost of an asset that could provide water services to 10,000 residential and commercial customers.

Estimated replacement cost	\$8,000,000
Accumulated amortization (\$8,000,000/40yrs*20yrs)	\$4,000,000
Estimated future economic benefits	\$4,000,000

The cost of the water system would be written down by \$6.0 million to \$4.0 million. The accumulated amortization would be reduced by \$5.0 million and a write-down expense of \$1.0 million would be reported in the statement of operations. The new cost of the water system would be \$4.0 million, and this amount would be amortized over its remaining useful life.

### Leased Assets

#### Accounting for Capital Leases

Leases are classified as either capital leases or operating leases. The differentiation between the two types is critical to the appropriate accounting treatment. PSG 2 Leased Tangible Capital Assets contains the following definition for distinguishing between the two types of leases:

“A leased tangible capital asset is a non-financial asset that has physical substance and a useful life extending beyond an accounting period, and is held under lease by a government for use, on a continuing basis, in the production or supply of goods and services. Under the terms and conditions of the lease, substantially all of the benefits and risks incident to ownership are, in substance, transferred to the government without necessarily transferring legal ownership.” (PSG 2, paragraph 3)

For substantially all of the benefits and risks of ownership to be transferred to the lessee, one or more of the following conditions must be met:

- There is reasonable assurance that the local government will obtain ownership of the leased property by the end of the lease term.
- During the term of the lease, the local government will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
- The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.



## **Finance – Tangible Capital Asset Policy**

PSG 2 paragraph 6 provides further guidance on applying these conditions.

Even without those conditions, a lease may still be classified as a capital lease. It is not appropriate to focus on one factor in isolation. Each factor should be considered in terms of its relative significance to a particular lease. Other factors to consider include:

- The leased property is used to provide an essential service (e.g., jails, roads and highways, utilities systems) and the asset is so specialized that there is no alternative asset readily available; it is likely that the local government will have the use of the property throughout its economic life.
- The local government contributes significant financial assistance (land, loan guarantees, transfers, etc.) toward the cost of acquiring or constructing the property that it will lease; the local government would bear certain costs and risks associated with the leased property that would normally be associated with ownership of property.
- The local government has a significant degree of control over the idle capacity of the leased property (e.g., although there is a potential for third-party use of the asset, the local government is able to restrict such use, whether or not it pays for that capacity).
- The local government bears residual risk or benefit of asset ownership (e.g., the local government owns or retains control of the land on which the leased property is located, and the asset cannot be easily moved; the local government is obliged to either find a sub-lessee or pay significant costs to the lessor to end the agreement before its term is up; the lessor has the option, at the end of the lease, to transfer the leased property and any related obligation, to the local government; the local government shares in the residual loss or gain on the leased property).
- The local government is responsible for performance, availability and/or maintenance of the property.
- The local government bears the business risk associated with the leased property (e.g., lease payments that fluctuate with specific indices such as interest rates or the CPI).
- The local government assumes responsibility for construction risk (e.g., pays for cost overruns or does not have use of the asset by the agreed date).
- The local government is obliged to pay for the output or capacity, whether or not it is needed (e.g., guaranteed payment for a minimum number of users in recreational complex).
- The local government is responsible for other potential risks of asset ownership including obsolescence, environmental liability and uninsured damage or condemnation of the asset.

If the local government is on the hook for these or any other significant risks, that may be additional evidence that it has a leased tangible capital asset.

### **Recognition of Leased Assets**



## **Finance – Tangible Capital Asset Policy**

Property that meets the definition of a leased tangible capital asset is accounted for as both a tangible capital asset and a liability. The value of the leased tangible capital asset and the amount of the lease liability, recorded at the beginning of the lease term, would be the present value of the minimum lease payments, excluding the portion relating to executory costs.

At inception of the lease, the estimate of the discount rate used should be reviewed together with:

- the present value of the minimum lease payments;
- the assumed fair value of the property; and
- the assumed residual value, to ensure that all figures are reasonable and internally consistent.

The discount rate for determining the present value of the minimum lease payments would be the lower of the local government's rate for incremental borrowing and the interest rate implicit in the lease. The maximum value recorded for the asset may not, however, exceed the leased property's fair value.

A leased tangible capital asset would be amortized over the period of its expected use, on a basis consistent with the local government's amortization policy for similar tangible capital assets. If the lease contains terms that allow ownership to pass to the local government, or a bargain purchase option, the period of amortization would be the economic life of the property. Otherwise, the property would be amortized over the lease term. Lease payments would be allocated between repayments of the liability, interest expense and any related executory costs. The total minimum lease payments, less the initial liability recorded, represents the total interest cost of the lease. The interest expenditure/expense would be calculated based on the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

### **Sale-Leaseback Transactions**

A sale-leaseback transaction would have a local government sell a property and then lease it, or a part of it, back. The transaction may be done through a series of concurrent sale transactions involving more than one external party or organization within the local government reporting entity, with the end result being that the local government retains the use of the property, or a part of it. The Public Sector Accounting Handbook provides guidance on appropriate accounting for sale-leaseback transactions.

The lease component of the transaction would be classified according to whether it transfers the benefits and risks of ownership to the local government. If the local government retains the right to substantially all of the property, it is treated as a leased tangible capital property. When

## **Finance – Tangible Capital Asset Policy**

the local government retains the right to more than a minor portion but less than substantially all of the property, it has to determine whether the leaseback portion of the transaction should be classified as a leased tangible capital asset in accordance with PSG-2.

## **Finance – Tangible Capital Asset Policy**

### **Policy Statements**

#### **Capitalization**

Tangible capital assets should be capitalized (recorded in the fixed asset sub-ledger) according to the following thresholds:

- a) all land;
- b) all buildings;
- c) civil infrastructure systems (built assets such as roads, bridges, sewers, water, transit, parks, etc.) with unit cost of \$50,000 or greater;
- d) all others with unit cost of \$10,000 or greater.

Different thresholds may be used for group assets. Capitalize betterments to existing assets when unit costs exceed the threshold.

#### **Categories**

A category of assets is a grouping of assets of a similar nature or function in the Town's operations. The following list of categories shall be used:

- land
- land improvements
- buildings
- equipment
- linear assets
  - o roads
  - o bridges
  - o sidewalks
  - o sewer catch basins
  - o sewer wastewater manhole
  - o sewer collection
  - o storm sewer
  - o storm sewer manhole
  - o fire hydrant
  - o water distribution values
  - o water distribution pipes
  - o water services houses
- vehicles

## **Finance – Tangible Capital Asset Policy**

### **Valuation**

Tangible capital assets should be recorded at cost plus all ancillary charges necessary to place the asset in its intended location and condition for use.

#### **Purchased assets**

Cost is the gross amount of consideration paid to acquire the asset. It includes all non-refundable taxes and duties, freight and delivery charges, installation and site preparation costs, etc. It is net of any trade discounts or rebates.

Cost of land includes purchase price plus legal fees, land registration fees, transfer taxes, etc. Costs would include any costs to make the land suitable for intended use, such as pollution mitigation, demolition and site improvements that become part of the land.

When two or more assets are acquired for a single purchase price, it is necessary to allocate the purchase price to the various assets acquired. Allocation should be based on the fair value of each asset at the time of acquisition or some other reasonable basis if fair value is not readily determinable.

#### **Acquired, Constructed or Developed assets**

Cost includes all costs directly attributable (e.g., construction, architectural and other professional fees) to the acquisition, construction or development of the asset. Carrying costs such as internal design, inspection, administrative and other similar costs may be capitalized. Capitalization of general administrative overheads is not allowed.

Capitalization of carrying costs ceases when no construction or development is taking place or when the tangible capital asset is ready for use.

#### **Capitalization of Interest Costs**

Borrowing costs incurred by the acquisition, construction and production of an asset that takes a substantial period of time to get ready for its intended use should be capitalized as part of the cost of that asset.

Capitalization of interest costs should commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use are in progress. Capitalization should be suspended during periods in which active development is interrupted. Capitalization should cease when substantially all of the activities necessary to prepare the asset for its intended use are

## **Finance – Tangible Capital Asset Policy**

complete. If only minor modifications are outstanding, this indicates that substantially all of the activities are complete.

### **Donated or Contributed Assets**

The cost of donated or contributed assets that meet the criteria for recognition is equal to the fair value at the date of construction or contribution. Fair value may be determined using market or appraisal values. Cost may be determined by an estimate of replacement cost. Ancillary costs should be capitalized.

### **Componentization**

Tangible capital assets may be accounted for using either the single asset or component approach. Whether the component approach is to be used will be determined by the usefulness of the information versus the cost of collecting and maintaining information at the component level.

Factors to consider when determining whether to use a component approach include:

- a) Major components have significantly different useful lives and consumption patterns than the related tangible capital asset.
- b) Value of components in relation to the related tangible capital asset.

Civil infrastructure systems should use the component approach. Major components should be grouped when the assets have similar characteristics and estimated useful lives or consumption rates.

### **Amortization**

The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use. The amortization method and estimate of useful life of the remaining unamortized portion should be reviewed on a regular basis and revised when the appropriateness of a change can be clearly demonstrated.

Useful life is normally the shortest of the asset's physical, technological, commercial or legal life.

Generally, the Town uses a straight-line method for calculating the annual amortization. A comprehensive list of estimated useful lives of assets and amortization rates is attached.

Town departments, boards and commissions, agencies and other organizations are responsible for working with the Treasurer to establish an appropriate amortization methodology and rate for assets acquired. City departments, boards and commissions,

## **Finance – Tangible Capital Asset Policy**

agencies and other organizations are responsible for working with the Treasurer in establishing and utilizing an appropriate estimated useful life for assets acquired.

### **Disposal**

Disposal of tangible capital assets that are moveable personal property is the responsibility of the Treasurer unless delegated to operating departments. Department heads should notify the Treasurer when assets become surplus to operations.

Disposal of real property will be the responsibility of the Treasurer.

When other constructed tangible capital assets are taken out of service, destroyed or replaced due to obsolescence, scrapping or dismantling, the department head or designate must notify finance of the asset description and effective date. Finance is responsible for adjusting the asset registers and accounting records recording a loss/gain on disposal.

## **Definitions**

### **Amortization**

Is the accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use. Amortization expense is an important part of the cost associated with providing local government services, regardless of how the acquisition of tangible capital assets is funded. Depreciation accounting is another commonly used term to describe the amortization of tangible capital assets.

### **Assets**

Are economic resources controlled by a local government as a result of past transactions or events and from which future economic benefits may be obtained. Assets have three essential characteristics:

- a) they embody a future benefit that involves a capacity, singly or in combination with other assets, to provide future net cash flows, or to provide goods and services;
- b) the local government can control access to the benefit; and
- c) the transaction or event giving rise to the local government's control of the benefit has already occurred.

## **Finance – Tangible Capital Asset Policy**

### **Asset impairment**

Occurs when conditions indicate that a tangible capital asset no longer contributes to a local government's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value.

### **Betterment**

Is a cost incurred to enhance the service potential of a tangible capital asset. Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the tangible capital asset's cost.

Subsequent expenditures on tangible capital assets that:

- increase previously assessed physical output or service capacity;
- lower associated operating costs;
- extend the useful life of the asset; or
- improve the quality of the output.

Any other expenditure would be considered a repair or maintenance and expensed in the period.

### **Capital Lease:**

Is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership of property to the Town. For substantially all of the benefits and risks of ownership to be transferred to the lessee, one or more of the following conditions must be met;

- a) There is reasonable assurance that the City will obtain ownership of the leased property by the end of the lease term.
- b) The lease term is of such a duration that the Town will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
- c) The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

### **Capitalization threshold (recognition threshold)**

Is the value above which assets are capitalized and reported in the financial statements.

## **Finance – Tangible Capital Asset Policy**

### **Carrying amount**

Is the amount at which a tangible capital asset is recognized after deducting any accumulated amortization and accumulated impairment losses.

### **Carrying costs**

Are costs directly attributable to an asset's acquisition, construction or development activity where, due to the nature of the asset, it takes a long period of time to get it ready for its intended use. Typical carrying costs could include:

- technical and administrative work prior to commencement of and during construction;
- overhead charges directly attributable to construction or development; and
- interest.

### **Component**

Is a part of an asset with a cost that is significant in relation to the total cost of that asset. Component accounting recognizes that each part might have a different useful life and requires separate accounting for each component that has a different useful life than the whole asset does.

### **Cost**

Is the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset, and includes all costs directly attributable to the asset's acquisition, construction, development or betterment, including installing the asset at the location and in the condition necessary for its intended use. The cost of a contributed tangible capital asset, including a tangible capital asset in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution. Capital grants would not be netted against the cost of the related tangible capital asset. The cost of a leased tangible capital asset is determined in accordance with Public Sector Guideline PSG-2 Leased Tangible Capital Assets.

### **Depreciation**

Is the expense in an accounting period arising from the application of depreciation accounting.

### **Depreciation accounting**

Is the accounting procedure in which the cost or other recorded value of a fixed asset less any estimated value on disposal is distributed over its useful life in a systematic and rational manner. It is a process of allocation, not valuation.



## **Finance – Tangible Capital Asset Policy**

### **Directly attributable overhead costs**

Refers to direct incremental expenses incurred for technical and administrative activities related to the construction of a tangible capital asset. These costs could include the salaries and benefits for internal staff doing design work related to the construction project. It would not include an allocation of fixed costs incurred by the local government such as occupancy costs for the design department or an allocation of the costs of corporate departments such as human resources, legal, purchasing and accounting. These latter costs are incurred whether or not the construction project is undertaken and, therefore, would not be incremental overhead expenses directly attributable to the cost of the project. Refer also to the definitions of direct costs and indirect costs.

### **Direct costs**

Are incremental costs incurred by a local government for the acquisition, construction or development of a tangible capital asset. Direct costs would not have been incurred other than to acquire, construct or develop the tangible capital asset. For example, directly related employee salary and benefits, materials and supplies, equipment, temporary site buildings, legal and other professional fees, etc., could be considered direct costs.

### **Expenses**

Including losses, are decreases in economic resources, either by way of outflows or reductions of assets or incurrence of liabilities, resulting from the operations, transactions and events of the accounting period. Expenses include transfer payments due where no value is received directly in return. Expenses include the cost of economic resources consumed in, and identifiable with, the operations of the accounting period. For example, the cost of tangible capital assets is amortized to expenses as the assets are used in delivering local government programs. Expenses do not include debt repayments or transfers to other local governmental units in a local government reporting entity.

### **Fair value**

Is defined in accounting standards as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction who are under no compulsion to act.

**Financial assets** are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets include cash, investments, accounts receivable, inventory held for resale, etc.

## **Finance – Tangible Capital Asset Policy**

### **Full accrual basis of accounting**

Recognizes the financial effects of transactions in the period(s) in which they occur irrespective of when the cash has been received or paid. It requires that tangible capital assets be reported on the balance sheet (statement of financial position) at historical cost and expensed (amortized) in the annual results of operations over their estimated useful lives.

### **Gains**

Can arise from peripheral or incidental transactions and events affecting a local government. Such transactions and events include the disposition of assets purchased for use and not for resale, and the liquidation or refinancing of debt.

### **Group assets**

Are homogenous in terms of their physical characteristics, use and expected useful life. Group assets are amortized using a composite amortization rate based on the average useful life of the different assets in a group.

Assets that have a unit value below the capitalization threshold but have a material value as a group. Normally recorded a single asset with one combined value. Although recorded in the financial systems as a single asset, each unit may be recorded in the asset sub-ledger for monitoring and control of its use and maintenance. Examples could include personal computers, furniture and fixtures, small moveable equipment, etc.

### **Local government reporting model**

Describes the set of rules, parameters and content requirements that prescribe what must be presented in the summary financial statements. It prescribes the number, type and format of the financial statements, what information those financial statements should report, when it should be reported and how, as well as the notes required to explain what has been reported in the financial statements. It dictates the basis of accounting used in compiling a local government's accounting records.

### **Indirect costs**

Are costs incurred for a common or joint purpose and, therefore, can not be identified readily and specifically with an activity related to the acquisition, construction or development of a tangible capital asset. For example, executive management, occupancy costs for general administrative buildings, corporate services (accounting, payroll, legal, technology, etc.), general local government, etc., would be considered indirect costs.

## **Finance – Tangible Capital Asset Policy**

### **Liabilities**

Are present obligations of a local government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. Liabilities have three essential characteristics:

- a) they embody a duty or responsibility to others, leaving a local government little or no discretion to avoid settlement of the obligation;
- b) the duty or responsibility to others entails settlement by future transfer or use of assets, provision of goods or services, or other form of economic settlement at a specified or determinable date, on occurrence of a specified event, or on demand; and
- c) the transactions or events obligating the local government have already occurred.

### **Losses**

Can arise from peripheral or incidental transactions and events affecting a local government. Such transactions and events include the disposition of assets purchased for use and not for resale, and the liquidation or refinancing of debt.

### **Market value**

Is defined as the estimated amount for which a property would be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion.

### **Maintenance and repairs**

maintain the predetermined service potential of a tangible capital asset for a given useful life. Such expenditures are charged in the accounting period in which they are made.

### **Net book value**

Of a tangible capital asset is its cost, less accumulated amortization and the amount of any write-downs.

### **Non-financial assets**

Include tangible capital assets and other assets such as prepaid expenses and inventories of supplies. Non-financial assets are acquired, constructed or developed assets that are normally employed to deliver local government services, may be consumed in the normal course of operations and are not for sale in the normal course of operations.

## **Finance – Tangible Capital Asset Policy**

### **Prospective application**

A new accounting policy is applied only to events and transactions occurring after the date of the change and to any outstanding related balances existing at the date of the change. No cumulative catch-up adjustment is made to such balances.

### **Recognition threshold (capitalization threshold)**

Is the value above which assets are capitalized and reported in the financial statements.

### **Residual value**

Is the estimated net realizable value of a tangible capital asset at the end of its useful life to a local government.

**Responsibility cost** is allocating costs to a particular unit. It is similar in nature to activity-based cost where costs are allocated to activities rather than responsibility centres.

### **Retroactive application with no restatement of prior periods**

A new accounting policy is applied to events and transactions from the date of origin of such items and a cumulative adjustment representing the effect of the change in an accounting policy on prior periods is made in the period in which the change is made. Two different treatments of the cumulative adjustment have been followed: an item reflected in annual results or an adjustment of the opening balance of the accumulated surplus/deficit.

### **Retroactive application with restatement of prior periods**

The new accounting policy is applied to events and transactions from the date of origin of such items. The financial statements for each prior period presented for comparative purposes are restated to reflect the new policy. The balance of the accumulated surplus/deficit at the beginning of the earliest period presented is restated to reflect the cumulative effect of the change on periods prior to that date.

### **Revenues**

Including gains, can arise from: taxation; the sale of goods; the rendering of services; the use by others of local government economic resources yielding rent, interest, royalties or dividends; or receipt of contributions such as grants, donations and bequests. Revenues do not include borrowings, such as proceeds from debt issues or transfers from other local governmental units in a local government reporting entity.

## **Finance – Tangible Capital Asset Policy**

### **Tangible capital assets**

Are non-financial assets having physical substance that:

- are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- have useful economic lives extending beyond an accounting period;
- are to be used on a continuing basis; and
- are not for sale in the ordinary course of operations.

### **Service potential**

Is tangible capital asset's output or service capacity, normally determined by reference to attributes such as physical output capacity, quality of output, associated operating costs and useful life.

### **Straight-line amortization**

Allocates the cost less estimated residual value of a capital asset equally over each year of its estimated useful life.

### **Useful life**

Is the estimate of either the period over which a local government expects to use a tangible capital asset, or the number of production or similar units that it can obtain from the tangible capital asset. The life of a tangible capital asset may extend beyond its useful life. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

### **Write-down**

Is a reduction in the cost of a tangible capital asset to reflect the decline in the asset's value due to a permanent impairment.

## Finance – Tangible Capital Asset Policy

### Appendix A Tangible Capital Asset Accounting Treatment

Category	Useful Life – Years	Capitalization Threshold
Land	NA	Any
Land Improvements	40	\$10,000
Buildings	15 to 60	\$10,000
Equipment	5 to 20	\$10,000
Library Books	7	Any
Vehicles	5 to 20	\$10,000
Linear Assets		
Roads	15 to 40	\$50,000
Bridges	15 to 40	\$50,000
Sidewalks	10 to 15	\$10,000
Sewer Catch basin	80	\$50,000
Sewer Wastewater Manholes	80	\$50,000
Sewer Collection	80	\$50,000
Storm Sewer	80	\$50,000
Storm Sewer Manholes	80	\$50,000
Fire Hydrant	80	\$10,000
Water Distribution Valves	80	\$10,000
Water Distribution Pipes	80	\$50,000
Water Distribution Houses	80	\$50,000

**Amortization Method:** Straight-line basis over their estimated useful lives. Amortization is charged in the year following the year of acquisition. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

**Capital versus Maintenance:** In the case where an asset has been recorded in the asset ledger as a single asset and not broken down into component parts, then the replacement of component parts that exceed the capitalization threshold will be considered maintenance activities and be treated as maintenance expenses in the year in which they are replaced. Where an asset has been broken down into its component parts in the asset ledger, then the replacement of the component parts that exceed the capital threshold will be recorded in the asset ledger and the previous one will be recorded as a disposal.

**Betterments:** Any betterment to an asset that exceeds the capitalization threshold regardless of how it has been recorded in the asset ledger will be capitalized.



**Policy Type:** Finance  
**Policy #:** FN-100-03  
**Approved by Council on:**

## **Finance – Tangible Capital Asset Policy**

**Library Books:** Library Books are deemed to be disposed up at the end of their estimated useful lives.

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

## STAFF REPORT TO COUNCIL

Report No. 05-2021

**Date:** January 18, 2021

**From:** Matthew Armstrong, Chief Administrative Officer & Treasurer

**Re:** Draft Wastewater Treatment Plant – Reserve Fund Policy

---

### Recommendation

That Council provide feedback to staff on the Draft Wastewater Treatment Plant – Reserve Fund Policy by February 5<sup>th</sup>, 2021 and that the final version of the policy be brought to Council on February 15<sup>th</sup>, 2021 for final review and consideration.

### Background

The Draft Capital Asset Policy was developed using the various resources, policies, and guidance documents available through the Municipal Finance Officer's Association of Ontario. This policy was largely passed on policy document from the City of Waterloo.

The attached Draft Wastewater Treatment Plant – Reserve Fund Policy establishes the parameters under which the Reserve Fund is to operate.

- Operating surpluses and deficits for the Wastewater Treatment Plant will be transferred to the Reserve Fund
- Interest earned and losses on investments of the reserve fund will be transferred to the Reserve Fund
- The Reserve Fund will act as a source of funding for Capital expenses of the Wastewater Treatment Plant
- A yearly minimum contribution target of 2% of the total operating expenses to be established for the Reserve Fund
- Debt payments which end in 2036 will be allocated to the reserve fund after 2036





		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

- A minimum reserve fund level will be reviewed after the Asset Management Plan and Long-Term Financial Forecast has been completed for the Town of Prescott

### **Alternatives**

Council may wish to change the draft policy or defer it at this time.

### **Financial Implications**

None

### **Attachments:**

Draft Wastewater Treatment Plant – Reserve Fund Policy

*Submitted By*

---

Matthew Armstrong  
Chief Administrative Officer & Treasurer

## **Finance – Reserve Fund Policy – Wastewater Treatment Plant**

### **Purpose**

The primary objective of the Reserve Fund Policy for the Wastewater Treatment Plant is to ensure that monies are set aside for the long-term goals of the municipality and that those funds will be available when needed.

Reserve Funds are important long-term financial planning tools for municipalities, and are used to set aside funds for a future purpose. Reserve Funds generally have contributions included in the Operating Budget and are the main source to finance the Capital Budget. There are several instances where using Reserve Funds is appropriate, including:

- To facilitate long term financial planning
- To plan for the impact and financing of major capital projects over time
- To absorb the cost of one-time expenses not included in the operating budget
- To provide for the cost of equipment or facility replacements

This policy is intended to set out the principles, mandatory requirements, and guidelines for the establishment, retention, maintenance, management, and accounting treatment for the Wastewater Treatment Plant Reserve Fund.

The ultimate goal is to fund the annual capital needs through current reserves while delivering efficient, effective programs to the ratepayers of the Wastewater system. The key to reserve fund policies and planning, is to balance current and future requirements. Sound programs and financial planning will accommodate future growth while maintaining relatively manageable user rate increases.

### **Scope**

This policy applies to the Wastewater Treatment Plant Reserve Fund.

### **Policy Statement**

The Wastewater Treatment Plant Reserve Fund is to be used to offset unbudgeted operating deficits in the operations of the wastewater treatment plant. Unbudgeted wastewater treatment

## **Finance – Reserve Fund Policy – Wastewater Treatment Plant**

plant surpluses resulting from operations are to be transferred into the reserve fund. This reserve will also act as a source of funding for annual capital expenses.

### **Revenues**

Wastewater Treatment Plant revenues are generated from fees charged to customers of the Town of Prescott's water and wastewater systems. Any surplus after expenses and debt payments, but not including amortization, are to be directed to this Wastewater Treatment Plant Reserve Fund. Interest earned on the investment of the Wastewater Treatment Plant Reserve Fund is to be applied to the reserve fund.

### **Expenditures**

Any deficit incurred by the Wastewater Treatment Plant Operating Budget is to be funded by the reserve fund. The annual capital expenditures for the Wastewater Treatment Plant are to be drawn from the reserve fund.

### **Target Levels**

The annual minimum targeted surplus is to be 2% of the total annual expenses of the Wastewater Treatment Plant Operating Budget including Debt payments but excluding amortization.

Upon the completion of the current debt payments in 2036, the yearly debt payment amount will be directed to the Wastewater Treatment Plant Reserve Fund. The current yearly debt payment for the Wastewater Treatment Plant is \$343.827. The minimum annual surplus target of 2% will be in addition to the annual debt payment amount after 2036.

## **Definitions**

### **Reserve**

A "reserve" is a discretionary appropriation from net revenue, after provision has been made for all known expenditures. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Investment income earned on municipal assets is not allocated to reserves.

### **Reserve Fund**

A reserve fund that is funded from contributions that are normally included in the annual in the estimates bylaw with a complementary by-law or resolution outlining the operational elements.

## **Finance – Reserve Fund Policy – Wastewater Treatment Plant**

A reserve fund that is funded from other sources is normally established in a specific by-law or resolution that also outlines its operational elements.

A reserve fund differs from a reserve in that reserve fund assets are segregated and restricted to meet the purpose of the reserve fund. Investment income earned on the segregated reserve fund assets is added to the balance of the reserve fund and is not available for general municipal purposes.

There are two types of reserve funds, obligatory reserve funds and discretionary reserve funds.

### **Obligatory Reserve Fund**

Obligatory Reserve Fund is created whenever a statute requires revenue received for special purposes to be segregated from the general revenues of the municipality. Obligatory Reserve Funds are to be used solely for the purpose prescribed for them by statute.

### **Discretionary Reserve Fund**

“Discretionary Reserve Fund” is created under Section 417 of the Municipality Act whenever a Council wishes to designate revenues to finance a future expenditure for which it has the authority to spend money and to set aside a certain portion of any year’s revenues so that the funds are available as required. In accordance with Section 417, municipalities should create new reserve funds (or additional allocations to reserve funds) through the estimates process, defining the purpose for which the reserve fund is being created.



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

## STAFF REPORT TO COUNCIL

Report No. 06-2021

**Date:** January 18, 2021

**From:** Lindsey Veltkamp, Director of Administration/Clerk

**Re:** Leeds and Grenville Joint Services Committee - Amendment to Joint Operating Agreement

---

### Recommendation:

That the request to remove Section 2.09 and 2.10 from the Joint Services Committee be deferred to allow time for the three separated municipalities to confer on this request and the previously identified issues that exist with the Joint Services Agreement.

### Background / Analysis:

The attached letter was received from the United County of Leeds and Grenville regarding a request from the Joint Services Committee to make amendments to the current Joint Operating Agreement by removing Sections 2.9 and 2.10, which read as follows:

- 2.9 The Committee shall meet regularly twice a month on the first and third Wednesdays of each month, commencing at the hour of 3:00 p.m. Regular meetings shall be held in the United Counties of Leeds and Grenville Council Chambers, and the Committee may agree by resolution to designate and alternate meeting place.
- 2.10 No meeting of the Committee shall be held unless a Quorum is present, and a quorum for this purpose shall mean a simple majority of all of the members duly appointed. No special meeting of the Committee shall be held unless all duly appointed members consent to the holding of the meeting. The only business to be conducted at a special meeting shall be the matters as consented to by the members.



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

The Committee is requesting that Section 2.9 be removed in order to hold its meetings on a different date. The request was brought before the City of Brockville and Town of Gananoque during their Council meetings both held on Tuesday, January 12.

The Council of the City of Brockville passed a resolution to remove Section 2.9 of the agreement and the Council of the Town of Gananoque agreed to postpone their decision until further information clarifying the request was provided. In order for these changes to be made to the current agreement, all four partners must unanimously agree to the change.

**Alternatives:**

None

**Financial Implications:**

None

**Attachments:**

- Letter from Leeds and Grenville County

*Submitted by*

---

Lindsey Veltkamp  
Director of Administration/Clerk



United Counties of Leeds and Grenville

**Administration Division**  
Clerk's Office  
Economic Development

25 Central Ave. W., Suite 100  
Brockville, ON K6V 4N6  
T 613-342-3840  
800-770-2170  
F 613-342-2101  
[www.leedsgrenville.com](http://www.leedsgrenville.com)

January 6, 2021

Mayor and Council  
Town of Prescott  
360 Dibble Street, West  
PRESCOTT, ON  
K0E 1T0

Dear Mayor Todd and Council

At the January 6<sup>th</sup> meeting of the Leeds and Grenville Joint Services Committee, the Committee discussed changing the date of the regular Joint Services Committee to a different day of the week. The date set aside for the Committee is embedded in and is part of the original May 25, 2000 agreement, that was agreed to and passed by by-law, by the four partner municipalities; being the United Counties of Leeds and Grenville, the City of Brockville, the Town of Gananoque and the Town of Prescott.

The Committee's desire is to hold its meeting on a different date. Staff are recommending this can best be achieved by eliminating Section 2.9 from the agreement. Staff is also recommending the removal of Section 2.10 relating to the holding of Special Meetings.

These changes will enable the Committee to amend its Rules of Procedure Policy to allow more flexibility in the scheduling of future meetings.

In order for the change to be made to the agreement, the four partners need to unanimously agree to the change. It is requested that the attached resolution be passed and that your by-law be amended to allow for this change.

where **lifestyle**  
**grows good business**  
synonyme de **qualité de vie**  
et de **réussite en affaires**



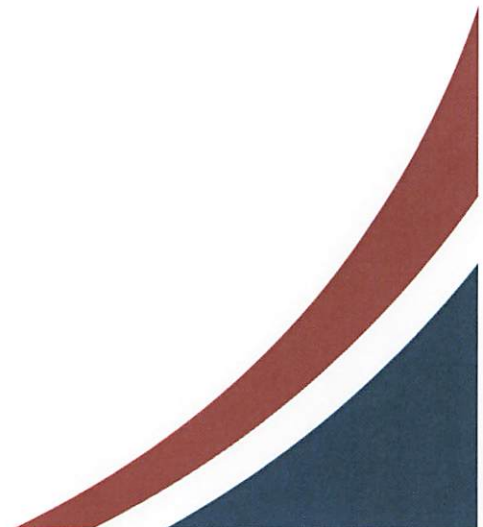
It is also requested this happen as soon as possible so that meetings in February can be scheduled.

Thank you for your cooperation with the Committee's request.

Yours very truly

A handwritten signature in black ink that reads "Lesley Todd".

Lesley Todd  
County Clerk





Sample Motion.

**THAT** the Corporation of the \_\_\_\_\_ agrees to amending the the Joint Operating Agreement for the Leeds and Grenville Joint Services Committee by deleting Section 2.9 and 2.10; and

**THAT** the necessary by-law be prepared.

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

## STAFF REPORT TO COUNCIL

Report No. 07-2021

**Date:** January 18, 2021

**From:** Matthew Armstrong, Chief Administrative Officer and Treasurer  
Nathan Richard, Interim Director of Operations

**RE:** Edward Street Overpass Rehabilitation Project

---

### Recommendation:

That Council approve the Edward Street Overpass Remediation Project for 2021 with an estimated budget of \$275,000 and proceed with the issuance of the request for proposal.

### Background / Analysis:

The most recent bi-annual bridge condition report for the Edward Street Overpass identified a number of deficiencies that need to be addressed. They include:

1. Repair of the damaged each approach guardrail
2. Repair to the concrete cracks/delamination in abutment walls
3. Cleaning and re-coating of the abutment bearings
4. Rehabilitation of the expansion joint seals
5. Repair of the northwest end steel diaphragm and re-coat end diaphragms
6. Sidewalk and other concrete repairs

It has been confirmed that one traffic lane will remain open at all times and traffic disruptions are expected to last approximately one month.

Further information on the work being completed please refer to the attached technical memo or the condition study that was included in Council package of January 4, 2021.

The estimated cost to complete this work is \$275,000. Previously the estimate was \$225,000, however the budget increased by \$50,000. This now include an allowance for CN Flagging as we've spoken to the rail company and they stated that we will need to



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

have rail flag people on site during portions of the work at a cost of \$1,500 per day. Further detail on the cost estimate can be found in the Class D Estimate attached to this report.

### **Financial Implications:**

This project will be funded by the infrastructure reserve. If there are not sufficient funds in the reserve in 2021 then the remaining amount of the project will be supported by the infrastructure reserve in 2022.

### **Attachments:**

Edward Street Bridge Technical Memorandum – EVB Engineering

Edward Street Overpass Rehabilitation Class D Project Estimate – EVB Engineering

*Submitted by*

---

Matthew Armstrong  
Chief Administrative Officer & Treasurer

*Submitted by*

---

Nathan Richard  
Interim Director of Operations

**TO:** Matthew Armstrong, Town of Prescott, CAO/Treasurer  
**FROM:** Greg Esdale, P.Eng.  
**DATE:** January 13th, 2021  
**PROJECT:** Edward Street Overpass Remediation

This technical memorandum was prepared by EVB Engineering to present a summary and high-level construction budget of the recommended remediation work at the Edward Street Overpass in Prescott, Ontario. These recommendations were previously presented in the biennial bridge inspection completed in 2019.

### Repair Work

The work primarily involves local concrete repairs, steel repairs and steel coating repairs. The primary repair work includes the following scope:

1. Repair damaged east approach guardrail (Photo 1)
2. Repair concrete cracks/delamination in abutment walls (photo 2)
3. Clean and re-coat abutment bearings (Photo 3)
4. Rehabilitate expansion joint seals (Photo 4)
5. Repair northwest end steel diaphragm and re-coat end diaphragms (Photo 5)
6. Miscellaneous sidewalk and other concrete repairs (Photo 6)



PHOTO 1



PHOTO 2



PHOTO 3



PHOTO 4



PHOTO 5



PHOTO 6

### Construction Budget

EVb is recommending a construction budget of \$275,000 including construction costs, engineering and testing and inspection to complete the work.

The work will be completed with at least one lane open at all times. Traffic disruptions are expected to last approximately one month. We trust this memo meets your requirements. Please let us know if you have any questions or require additional information.

Greg Esdale, P.Eng.  
Structural Engineer

ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT
<b>PART 1 - DESIGN</b>					
1	Preliminary and Detailed Design	ls	1	\$15,000.00	\$15,000.00
	<b>Sub-total, Design</b>				<b>\$15,000.00</b>
<b>PART 2 - CONSTRUCTION</b>					
1	Division 1 - General Requirements	ls	1	\$15,000.00	\$15,000.00
2	Repair perforated web in NW diaphragm	ea.	1	\$6,000.00	\$6,000.00
3	Re-coat end diaphragms	ea.	14	\$750.00	\$10,500.00
4	Miscellaneous sidewalk repairs	ls	1	\$4,000.00	\$4,000.00
5	Repair damaged guardrail section	m	10	\$1,000.00	\$10,000.00
6	Repair concrete end dams and expansion joint seals	m	30	\$3,500.00	\$105,000.00
7	Clean and recoat abutment bearings	ea.	16	\$500.00	\$8,000.00
8	Repair abutment wall cracks and delamination	m <sup>2</sup>	13	\$500.00	\$6,500.00
9	Repair conduit along southeast parapet wall	m	2	\$250.00	\$500.00
10	Contingency	%	15	\$24,825.00	\$24,825.00
	<b>Sub-total, Construction</b>				<b>\$190,325.00</b>
<b>PART 3 - CONSTRUCTION ADMINISTRATION &amp; INSPECTION</b>					
1	Contract Administration, Part Time Site Inspection	ls	1	\$12,500.00	\$12,500.00
2	CN Rail Flagman (Allowance)	ls	1	\$50,000.00	\$50,000.00
3	Material Testing (Allowance)	ls	1	\$7,500.00	\$7,500.00
	<b>Sub-total, Construction Admin &amp; Inspection</b>				<b>\$70,000.00</b>
<b>TOTAL ESTIMATED PROJECT COST</b>					<b>\$ 275,325.00</b>



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

## STAFF REPORT TO COUNCIL

Report No. 08-2021

**Date:** January 18, 2021

**From:** Matthew Armstrong, Chief Administrative Officer and Treasurer  
Nathan Richard, Interim Director of Operations

**RE:** Dibble Street East Road Reconstruction Project

---

### Recommendation:

That Council approve the Dibble Street East Reconstruction Project from Boundary Street to Vankoughnet Street for 2021 with an estimated budget of \$2,000,000 and proceed with the issuance of the request for proposal.

### Background:

Dibble Street East and East Street have been at the top of the priority list of street reconstruction for several years. To ascertain the condition of the sewers on each street, the sanitary and storm sewers were inspected via video camera. While structural deficiencies are evident on both streets the extent and severity of the ones on Dibble Street East leads to the recommendation that Dibble Street East be prioritized higher than East Street. For further information on the condition of the sanitary and storm sewers on East and Dibble Street East, please refer to the Dibble Street East CCTV report Summary Technical Memorandum attached from EVB Engineering.

### Analysis:

The condition rating for sanitary sewers on Dibble Street East between Prince Street and Duke Street range from poor condition to requiring immediate attention. That leads to the recommendation that the project start from Boundary Street and work west to Vankoughnet Street. Please refer to Sanitary Sewer CCTV Condition Survey – Figure 1 for a colour coded condition map.

The only portion of Dibble Street East that has a storm sewer runs between Edward Street and East Street and is in fair condition. The remainder of Dibble Street East

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

does not have storm sewers that are connected into the storm sewer network. To alleviate storm surge pressure on the wastewater treatment plant it is being recommended to install new storm sewer that is connected to the storm water network be installed the length of Dibble Street East.

The pavement condition survey completed in the fall of 2019 rated the full length of Dibble Street East as being in poor condition.

Based on the information provided, EVB recommends that the first phase of construction project commences from Boundary Street and heads west to Vankoughnet Street. This phase will address the infrastructure that requires immediate attention and installs separated storm sewers which helps to alleviate the pressure of storm surges on the wastewater treatment plant. The sewer separation is a critical consideration of the planning for road reconstruction prioritization.

The scope of work for this project includes:

- Replacement of existing watermain along Dibble Street East in a like for like manner, including hydrants, appurtenances and services installed to property lines
- Replacement of existing sanitary sewer along Dibble Street East in a like for like manner, including sanitary maintenance holes and services installed to property lines. Eighteen (18) homes will have new water and sanitary lines installed to the property line.
- New storm sewer to be installed along Dibble Street East including new storm maintenance holes and new services installed to property lines
- Removal of existing and installation of new roadway granulars, roadway asphalt, and concrete curbs
- Removal of existing concrete sidewalk and installation of one new 1.5m wide concrete sidewalk located on the north side of the road as detailed in the attached typical cross-section.

The installation of one sidewalk on the north side of Dibble Street East will allow for sidewalks that meet current standards in terms of width, slope, and intersection compatibility. It is being recommended that only one sidewalk be installed on residential



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

road reconstruction projects. The installation of sidewalks of both sides of residential streets results in there being twice as many meters of sidewalk to maintain in comparison to streets.


A public information meeting will be held to present the design to members of the public to inform about the project and gather comments. There will also be circulation to senior approving authorities such as the Ministry of Environment, Conservation and Parks, and natural gas and electric utilities.

### Alternatives

Council could defer this infrastructure project to a future year, which is not recommended due to the poor pavement condition and the noted deficiencies in the underground infrastructure.


### Financial Implications:

Overall Project - The total cost of the reconstruction project for full length of Dibble Street: Dibble Street East from Edward Street to Boundary Street is estimated to be approximately \$3,000,000, for a total of 691 meters of road, as outlined below which will be separated into Phase 1 and Phase 2. Design of the full length of Dibble Street East will be completed in Phase 1.

 <p style="text-align: center;"><b>Dibble St. Reconstruction - Town of Prescott</b> <b>Class D - Project Estimate No.2</b> <b>Overall Project Estimate</b></p>					
ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT
<b>PART 1 - DESIGN OF FULL LENGTH OF DIBBLE STREET (Approx. 691m)</b>					
1	Geotechnical Investigation	ls	1	\$9,600.00	\$9,600.00
2	Preliminary and Detailed Design	ls	1	\$125,000.00	\$125,000.00
	<b>Sub-total, Design</b>				<b>\$134,600.00</b>
<b>PART 2 - CONSTRUCTION</b>					
1	Full Reconstruction Cost per Lineal Metre of Road (Boundary Street to Edward Street)	lm	<b>691</b>	\$3,900.00	\$2,694,900.00
	<b>Sub-total, Construction</b>				<b>\$2,694,900.00</b>
<b>PART 3 - CONSTRUCTION ADMINISTRATION &amp; INSPECTION</b>					
1	Contract Administration, Full Time Inspection	ls	6%	\$161,694.00	\$161,694.00
2	Material Testing (Allowance)	ls	1	\$12,500.00	\$12,500.00
	<b>Sub-total, Construction Admin &amp; Inspection</b>				<b>\$174,194.00</b>
<b>TOTAL ESTIMATED PROJECT COST</b>					<b>\$3,003,694</b>

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

Phase 1 - The cost for the reconstruction project of phase one from Boundary Street to Vankoughnet Street, which is 390meters of road, is estimated to be approximately \$2,000,000 as outlined below.

 <b>Dibble St. Reconstruction - Town of Prescott</b> <b>Class D - Project Estimate No.1</b> <b>Extents of Reconstruction for \$2,000,000</b>					
ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT
<b>PART 1 - DESIGN OF FULL LENGTH OF DIBBLE STREET (Approx. 691m)</b>					
1	Geotechnical Investigation	ls	1	\$9,600.00	\$9,600.00
2	Preliminary and Detailed Design	ls	1	\$125,000.00	\$125,000.00
	<b>Sub-total, Design</b>				<b>\$134,600.00</b>
<b>PART 2 - CONSTRUCTION</b>					
1	Full Reconstruction Cost per Lineal Metre of Road (Boundary Street to Vankoughnet Street)	lm	<b>390</b>	\$3,900.00	\$1,521,000.00
	<b>Sub-total, Construction</b>				<b>\$1,521,000.00</b>
<b>PART 3 - CONSTRUCTION ADMINISTRATION &amp; INSPECTION</b>					
1	Contract Administration, Full Time Inspection	ls	6%	\$91,260.00	\$91,260.00
2	Material Testing (Allowance)	ls	1	\$7,500.00	\$7,500.00
	<b>Sub-total, Construction Admin &amp; Inspection</b>				<b>\$98,760.00</b>
<b>TOTAL ESTIMATED PROJECT COST</b>					<b>\$1,754,360</b>

A project of \$2,000,000 will be funded by the Federal Gas Tax for 2019, 2020, and 2021 amounting to approximately \$750,000. The remainder of the project of \$1,250,000 will be funded by water and wastewater reserves. The balance of non-water and wastewater treatment plant reserves was in excess of \$1,650,000 at the end of 2019. This was expected to increase in 2020.

The project is being split into two phases to allow for the Federal Gas Tax and water and wastewater reserves to accumulate. It would be estimate that the remainder of Dibble Street East project of \$1,000,000 would be completed in 2023 with \$500,000 in Federal Gas Tax Funding from 2022 and 2023 and \$500,000 from water and wastewater reserves.



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

**Attachments:**

Dibble Street East CCTV Report Summary Technical Memorandum – EVB Engineering  
– April 1, 2020

Sanitary Sewer CCTV Condition Survey – Figure 1 – EVB Engineering

Dibble Street East Reconstruction Technical Memorandum – EVB Engineering –  
January 13, 2021

*Submitted by*

---

Matthew Armstrong  
Chief Administrative Officer & Treasurer

*Submitted by*

---

Nathan Richard  
Interim Director of Operations



## TECHNICAL MEMORANDUM

---

**TO:** Matthew Armstrong, CAO & Treasurer  
Town of Prescott

**FROM:** Robyn Gandia, E.I.T.  
Josh Eamon, P. Eng.

**DATE:** April 1<sup>st</sup>, 2020

**PROJECT:** 18190 – DIBBLE ST. RECONSTRUCTION

---

The Sanitary and Storm Sewer CCTV Inspection Reports completed by Hydrocam in December 2019 were reviewed by EVB Engineering with the goal to provide a recommendation to the Town on whether Dibble St. East or East St. should be prioritized based on the condition of the infrastructure. The following outlines the deficiencies found in the storm and sanitary sewer for Dibble St. and East St.

Based on the information provided in the report, a summary table was created to outline the deficiencies noted throughout the inspection. For each inspected length of pipe, a criterion is used to classify the conditions of the pipe out of a 0 – 4 scale, as shown below.

■	4 - Immediate Attention
■	3 - Poor
■	2 - Fair
■	1 - Good
■	0 – No Defects

The pipe is evaluated on its structure condition, and any operational and maintenance observations. The overall rating is based on these two classifications, which is outlined in Table 1, and Table 2 under the Comments column.

Some of the major structural and operational deficiencies found along East St. and Dibble St. are briefly described below.

- East Street:
  - **D1500 – D1495 (Length of Pipe: 95.62 m)**
    - *Structural Deficiencies:* Deficiencies found include a joint offset and a visible void, located at 94.22 m and 94.62 m along the inspected length of pipe, respectively.
- Dibble Street:
  - **D1280 – D1275 (Length of Pipe: 95.3 m)**
    - *Structural Deficiencies:* Deficiencies found include an excessive number of cracks and voids, multiple joint failures, surface damage, and numerous longitudinal/spiral fractures along the entire length of pipe.
    - *Operational Deficiencies:* A notable obstruction has been found along the length of pipe; the performance of pipe is impacted.

- **D1285 – D1290 (Length of Pipe: 4.95 m)**
  - *Structural Deficiencies:* Minor anomalies present along length of pipe. Deficiencies found include multiple cracks, and several fractures.
  - *Operational Deficiencies:* Major obstructions present along the length of pipe. The performance of pipe will be greatly impacted by a penetrating pole, located at 0.00 m of the inspected length of pipe.

Through the rating system, it has been determined that the sanitary and storm sewer system on Dibble St. East is in worse condition than East St. It is recommended that the reconstruction of Dibble St. East is prioritized.

Table 1. East Street – Sanitary and Storm Sewer CCTV Inspection Report Summary

EAST STREET - SANITARY AND STORM SEWER CCTV INSPECTION REPORT SUMMARY								
Street	Pipe Use	MH Start	MH End	Survey Length (m)	Diameter (mm)	Pipe Type	Comments	Rating
EAST	Sanitary	D1375	D1365	14.21	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Good. Minor structure anomalies present along length of pipe. Deficiencies include a miscellaneous water level sag (10%). <b>Operational and Maintenance Observations:</b> No Defects.	(1) - Good
EAST	Sanitary	D1370	D1365	44.35	250	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects
EAST	Sanitary	D1500	D1495	95.62	200	Asbestos Cement	<b>Structural Rating:</b> Immediate Attention. Major structure anomalies present along length of pipe. Deficiencies include a joint offset and a visible void, located at 94.22 m and 94.62 m along the inspected length of pipe, respectively. <b>Operational and Maintenance Observations:</b> No Defects.	(4) - Immediate Attention
EAST	Sanitary	D1485	D1480	73.78	150	Asbestos Cement	<b>Structural Rating:</b> Poor. A considerable number of anomalies present along length of pipe. Deficiencies include multiple cracks, a longitudinal fracture at pipe joint, and a longitudinal crack. <b>Operational and Maintenance Observations:</b> No Defects.	(3) - Poor
EAST	Sanitary	D1410	D1405	20.42	150	Vitrified Clay Pipe	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> Fair. Notable obstructions present along length of pipe. Penetrating roots occurs at several joints along the length of pipe. Performance of pipe is minorly impacted.	(2) - Fair
EAST	Sanitary	D1410	CAP	5.79 *	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Poor. A considerable number of anomalies present along length of pipe. Deficiencies include cracks along interior length of pipe. <b>Operational and Maintenance Observations:</b> No Defects.	(3) - Poor
EAST	Sanitary	D1405	CAP	0.24	250	Vitrified Clay Pipe	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects
EAST	Sanitary	D1405	MH	14.21	200	Vitrified Clay Pipe	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects
EAST	Storm	D5250	D5255	20.59	750	Concrete Pipe (non-reinforced)	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects
EAST	Storm	D5245	D5250	25.14	750	Concrete Pipe (non-reinforced)	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects
EAST	Storm	D5245	RIVER	112.3	750	Concrete Pipe (non-reinforced)	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects

\* Surveyed Length not total length of pipe

Table 2. Dibble Street – Sanitary and Storm Sewer CCTV Inspection Report Summary

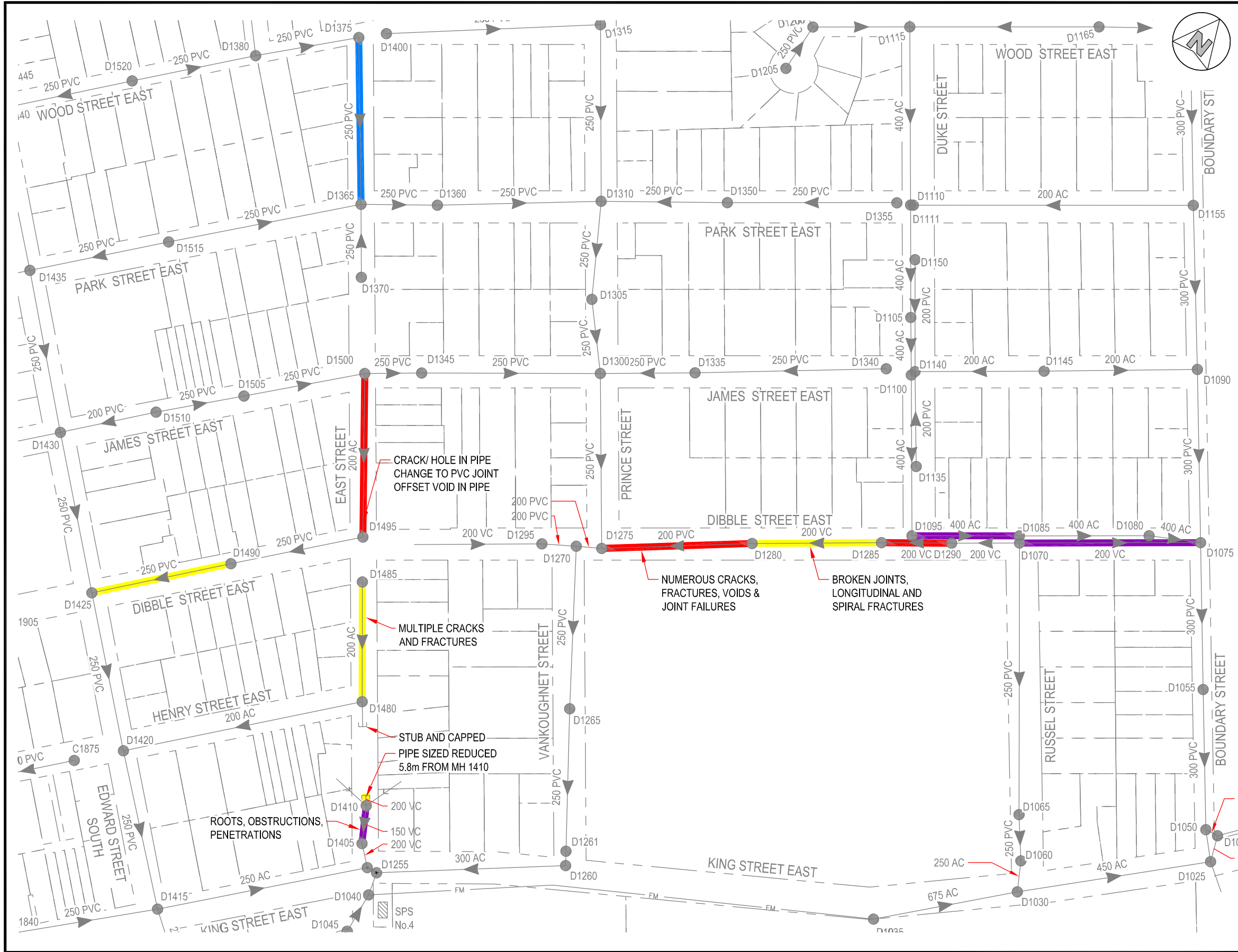
**DIBBLE STREET - SANITARY AND STORM SEWER CCTV INSPECTION REPORT SUMMARY**

Street	Pipe Use	MH Start	MH End	Survey Length (m)	Diameter (mm)	Pipe Type	Comments	Rating	
DIBBLE	Sanitary	D1490	D1425	87.76	250	Polyvinyl Chloride	<b>Structural Rating:</b> Good. Minor structure anomalies present along length of pipe. Deficiencies include a miscellaneous water level sag. <b>Operational and Maintenance Observations:</b> Poor. A considerable amount of obstructions occurs along length of pipe. Deficiencies include an infiltration runner lateral along an overlap of two pipes.	(3) - Poor	
DIBBLE	Sanitary	D1490	D1495	82.92	250	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1295	CAP	3.94 *	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1295	D1270	19.69	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1275	D1270	12.64	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1280	D1275	95.3	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Immediate Attention. Major structure anomalies present along the length of pipe. Deficiencies include an excessive number of cracks and voids, multiple joint failures, and numerous longitudinal fractures along the entire length of pipe. <b>Operational and Maintenance Observations:</b> Poor. A notable obstruction has been found along the length of pipe; the performance of pipe will be greatly impacted.	(4) - Immediate Attention	
DIBBLE	Sanitary	D1285	D1280	80.07	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Poor. A considerable number of anomalies present along the length of pipe. Deficiencies include broken joints, longitudinal fractures, and spiral fractures. <b>Operational and Maintenance Observations:</b> Fair. Obstructions present along length of pipe. Penetrating roots occurs at several joints along the length of pipe. Performance of pipe is impacted.	(3) - Poor	
DIBBLE	Sanitary	D1285	D1290	4.94 *	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Fair. Minor anomalies present along length of pipe. Deficiencies include multiple cracks and several fractures. <b>Operational and Maintenance Observations:</b> Immediate Attention. Major obstructions present along the length of pipe. The performance of pipe will be greatly impacted by a penetrating pole, located at 0.00 m of the inspected length of pipe.	(4) - Immediate Attention	
DIBBLE	Sanitary	D1290	D1070	4.9 *	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1075	D1070	33.82 *	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> Fair. Obstructions present along length of pipe. A protruding tap break-in will impact the performance of pipe.	(2) - Fair	
DIBBLE	Sanitary	D1070	D1075	0.6*	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1095	D1085	65.55	400	Asbestos Cement	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> Fair. Obstructions present along length of pipe. Several grease deposits found accumulating along the length of pipe. These obstructions will impact the performance of pipe.	(2) - Fair	
DIBBLE	Sanitary	D1085	D1080	80.54	400	Asbestos Cement	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1480	D1075	31.01	400	Asbestos Cement	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects.	
DIBBLE	Storm	D5085	D5080	12.77	750	Concrete Pipe (non-reinforced)	<b>Structural Rating:</b> No Defect. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defect	
DIBBLE	Storm	D5300	D5275	83.4	300	Polyvinyl Chloride	<b>Structural Rating:</b> Fair. Anomalies present along length of pipe. Deficiencies include a shape deformity found along a portion of pipe. <b>Operational and Maintenance Observations:</b> No Defects.	(2) - Fair	
DIBBLE	Storm	D5300	D5305	85.89	300	Polyvinyl Chloride	<b>Structural Rating:</b> Fair. Anomalies present along length of pipe. Deficiencies include a shape deformity found along a portion of pipe. <b>Operational and Maintenance Observations:</b> No Defects.	(2) - Fair	

\* Surveyed length not total length of pipe



M:\2018\18190 - Dibble Street East Reconstruction\6.0 Dwg\6.2 Civil\3.0 Non-production\3.2 SKS\18190-FIG-1.dwg May 12, 2020-10:33pm BY: (Ken.White)



LEGEND

- GOOD
- FAIR
- POOR
- IMMEDIATE ATTENTION



800 SECOND STREET WEST  
CORNWALL, ONTARIO CANADA, K6J 1H6  
TEL: 613-935-3775 | FAX: 613-935-6450  
WEBSITE: EVBengineering.com

CLIENT:



PROJECT:

DIBBLE ST. & EAST ST.  
RECONSTRUCTION

TITLE:

SANITARY SEWER CCTV  
CONDITION SURVEY

SCALE: 1:2500	JOB NO: 18190
DESIGNED BY: J.E.	DATE: 2020/05/08
DRAWN BY: K.B.W.	DRAWING NO.
CHECKED BY: J.E.	FIG.1



## TECHNICAL MEMORANDUM

**TO:** Matthew Armstrong, CAO & Treasurer  
Town of Prescott

**FROM:** Kevin MacCulloch, P. Eng.

**DATE:** January 13<sup>th</sup>, 2021

**PROJECT:** 18190 – DIBBLE ST. RECONSTRUCTION

The following information is provided as requested to support presentation to council with regards to the proposed reconstruction of Dibble St. East between Boundary St. and Edwards St.

### Dibble St. East - Sewer Deficiencies

The Sanitary and Storm Sewer CCTV Inspection Reports completed by Hydrocam in December 2019 were previously reviewed by EVB Engineering to document a list of sewer deficiencies along Dibble St. East and East St. The list of deficiencies for both streets can be found in a Technical Memorandum completed by EVB Engineering on April 1<sup>st</sup>, 2020. The following summarizes the list of deficiencies found in the storm and sanitary sewer for Dibble St. East.

For each inspected length of pipe, a criterion is used to classify the conditions of the pipe out of a 0 – 4 scale, as shown below.

- 4 - Immediate Attention
- 3 - Poor
- 2 - Fair
- 1 - Good
- 0 – No Defects

The pipe is evaluated on its structure condition, and any operational and maintenance observations. The overall rating is based on these two classifications, which is outlined in Table 1, under the Comments column.

Table 1. Dibble Street – Sanitary and Storm Sewer CCTV Inspection Report Summary

DIBBLE STREET - SANITARY AND STORM SEWER CCTV INSPECTION REPORT SUMMARY								
Street	Pipe Use	MH Start	MH End	Survey Length (m)	Diameter (mm)	Pipe Type	Comments	Rating
DIBBLE	Sanitary	D1490	D1425	87.76	250	Polyvinyl Chloride	<b>Structural Rating:</b> Good. Minor structure anomalies present along length of pipe. Deficiencies include a miscellaneous water level sag. <b>Operational and Maintenance Observations:</b> Poor. A considerable amount of obstructions occurs along length of pipe. Deficiencies include an infiltration runner lateral along an overlap of two pipes.	(3) - Poor
DIBBLE	Sanitary	D1490	D1495	82.92	250	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects



DIBBLE	Sanitary	D1295	CAP	3.94 *	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1295	D1270	19.69	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1275	D1270	12.64	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1280	D1275	95.3	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Immediate Attention. Major structure anomalies present along the length of pipe. Deficiencies include an excessive number of cracks and voids, multiple joint failures, and numerous longitudinal fractures along the entire length of pipe. <b>Operational and Maintenance Observations:</b> Poor. A notable obstruction has been found along the length of pipe; the performance of pipe will be greatly impacted.	(4) - Immediate Attention	
DIBBLE	Sanitary	D1285	D1280	80.07	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Poor. A considerable number of anomalies present along the length of pipe. Deficiencies include broken joints, longitudinal fractures, and spiral fractures. <b>Operational and Maintenance Observations:</b> Fair. Obstructions present along length of pipe. Penetrating roots occurs at several joints along the length of pipe. Performance of pipe is impacted.	(3) - Poor	
DIBBLE	Sanitary	D1285	D1290	4.94 *	200	Vitrified Clay Pipe	<b>Structural Rating:</b> Fair. Minor anomalies present along length of pipe. Deficiencies include multiple cracks and several fractures. <b>Operational and Maintenance Observations:</b> Immediate Attention. Major obstructions present along the length of pipe. The performance of pipe will be greatly impacted by a penetrating pole, located at 0.00 m of the inspected length of pipe.	(4) - Immediate Attention	
DIBBLE	Sanitary	D1290	D1070	4.9 *	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1075	D1070	33.82 *	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> Fair. Obstructions present along length of pipe. A protruding tap break-in will impact the performance of pipe.	(2) - Fair	
DIBBLE	Sanitary	D1070	D1075	0.6*	200	Polyvinyl Chloride	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1095	D1085	65.55	400	Asbestos Cement	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> Fair. Obstructions present along length of pipe. Several grease deposits found accumulating along the length of pipe. These obstructions will impact the performance of pipe.	(2) - Fair	
DIBBLE	Sanitary	D1085	D1080	80.54	400	Asbestos Cement	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects	
DIBBLE	Sanitary	D1480	D1075	31.01	400	Asbestos Cement	<b>Structural Rating:</b> No Defects. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defects.	
DIBBLE	Storm	D5085	D5080	12.77	750	Concrete Pipe (non-reinforced)	<b>Structural Rating:</b> No Defect. <b>Operational and Maintenance Observations:</b> No Defects.	(0) - No Defect	
DIBBLE	Storm	D5300	D5275	83.4	300	Polyvinyl Chloride	<b>Structural Rating:</b> Fair. Anomalies present along length of pipe. Deficiencies include a shape deformity found along a portion of pipe. <b>Operational and Maintenance Observations:</b> No Defects.	(2) - Fair	
DIBBLE	Storm	D5300	D5305	85.89	300	Polyvinyl Chloride	<b>Structural Rating:</b> Fair. Anomalies present along length of pipe. Deficiencies include a shape deformity found along a portion of pipe. <b>Operational and Maintenance Observations:</b> No Defects.	(2) - Fair	

\* Surveyed length not total length of pipe

### Approximate Age of Infrastructure

Table 2 below provides a summary of the approximate age of the infrastructure based on the type of pipe material which was attained in referencing the Sanitary and Storm Sewer CCTV Inspection Reports completed by Hydrocam in December, 2019.

*Table 2. Dibble Street – Age of Sanitary and Storm Sewer*

Type of Pipe Material	Surveyed Length of Sanitary Sewer (m)	Surveyed Length of Storm Sewer (m)	Approximate Age of Infrastructure (Years)
Vitrified Clay	180.31	0	> 60
Asbestos Cement	177.10	0	> 60
Polyvinyl Chloride	212.45	169.29	< 60
Concrete Pipe	0	12.77	< 60

### Construction Phasing

It is EVB's understanding that the Town of Prescott intends to phase the reconstruction of Dibble St. East with an initial budget of \$2.0 million dollars for the first phase and is looking for EVB to provide a recommendation on preferred phasing of the road reconstruction project. EVB has reviewed and provided commentary on the following topics which impact phasing recommendations:

- 1) Condition assessment of existing infrastructure;
- 2) Available storm sewer outlets;
- 3) Class 'D' lineal meter budgetary estimate for full road reconstruction.

#### *1) Condition Assessment of Existing Infrastructure*

In referencing the condition rating system provided previously, the section of sewers between Prince St. and Duke Street have a condition classification of 3 (Poor) or 4 (Immediate Attention) and should be the primary focus for linear infrastructure reconstruction for the project. In addition, all sewers located east of Duke Street have a condition classification of 2 (Fair) or 3 (Poor). It is therefore recommended, that the project commences at Boundary St. and heads west to encompass the noted deficient sections of sewers in the initial phase of the reconstruction project.

#### *2) Available Storm Sewer Outlets*

In referencing the Town of Prescott's storm sewer mapping it was noted that the storm sewers along Dibble St. East are intermittent and not well established. As part of the proposed road reconstruction project, new storm sewers are proposed to be installed along the full length of Dibble St. East to rectify this issue. New roadside catchbasins will be installed to collect surface stormwater runoff within the Town's right of way. In addition, storm laterals will be provided to service each dwelling.

It is required that the reconstruction project be phased such that the new storm sewer is connected to one of the three available outlets at the conclusion of each phase. The established outlets are identified as follows:

- 1) Existing storm sewer on Edward Street
- 2) Existing storm sewer on Vankoughnet Street
- 3) Existing storm sewer on Russel Street

3) *Class 'D' lineal meter budgetary estimate for full road reconstruction.*

A class 'D' lineal meter budgetary estimate was completed in referencing the existing topographic survey, sanitary sewer mapping, storm sewer mapping, water distribution mapping, geotechnical investigation study, and historical pricing for similar road reconstruction projects in the area. The class 'D' full reconstruction cost per lineal metre of road was calculated to be \$3,900.00 inclusive of a 15% contingency allowance. Note that this value represents the construction costs and is exclusive of all design, construction administration and inspections fees for the project.

Recommendation based on \$2.0M budget

Based on the information provided previously, EVB would recommend that the first phase of construction commences from Boundary St, and heads west to Vankoughnet St. This phase will:

- 1) Encompass the infrastructure requiring immediate attention
- 2) Provides for an available storm outlet at Vankoughnet St. and
- 3) Falls within the Town's budget of 2.0M dollars as detailed in the attached cost estimate number 1.

Overall Project Estimate

An overall class 'D' project estimate has been appended to this Technical Memorandum indicated as construction cost estimate number 2.

Typical Cross-Section

A typical cross-section proposed for the reconstruction of Dibble St. East has been appended to this Technical Memorandum.

Description of New Design

A general description of the project works is as follows:

- Replacement of existing watermain along Dibble St. East in a like for like manner, including hydrants, appurtenances and services installed to property lines;
- Replacement of existing sanitary sewer along Dibble St. East in a like for like manner, including sanitary maintenance holes and services installed to property lines;
- New storm sewer to be installed along Dibble St. East between Boundary St. and Edward St., including new storm maintenance holes and new services installed to property lines;
- Removal of existing and installation of new roadway granulars, roadway asphalt, and concrete curbs;
- Removal of existing concrete sidewalk and installation of one new 1.5m wide concrete sidewalk located on the north side of the road as detailed in the attached typical cross-section.



**Dibble St. Reconstruction - Town of Prescott**  
**Class D - Project Estimate No.1**  
**Extents of Reconstruction for \$2,000,000**

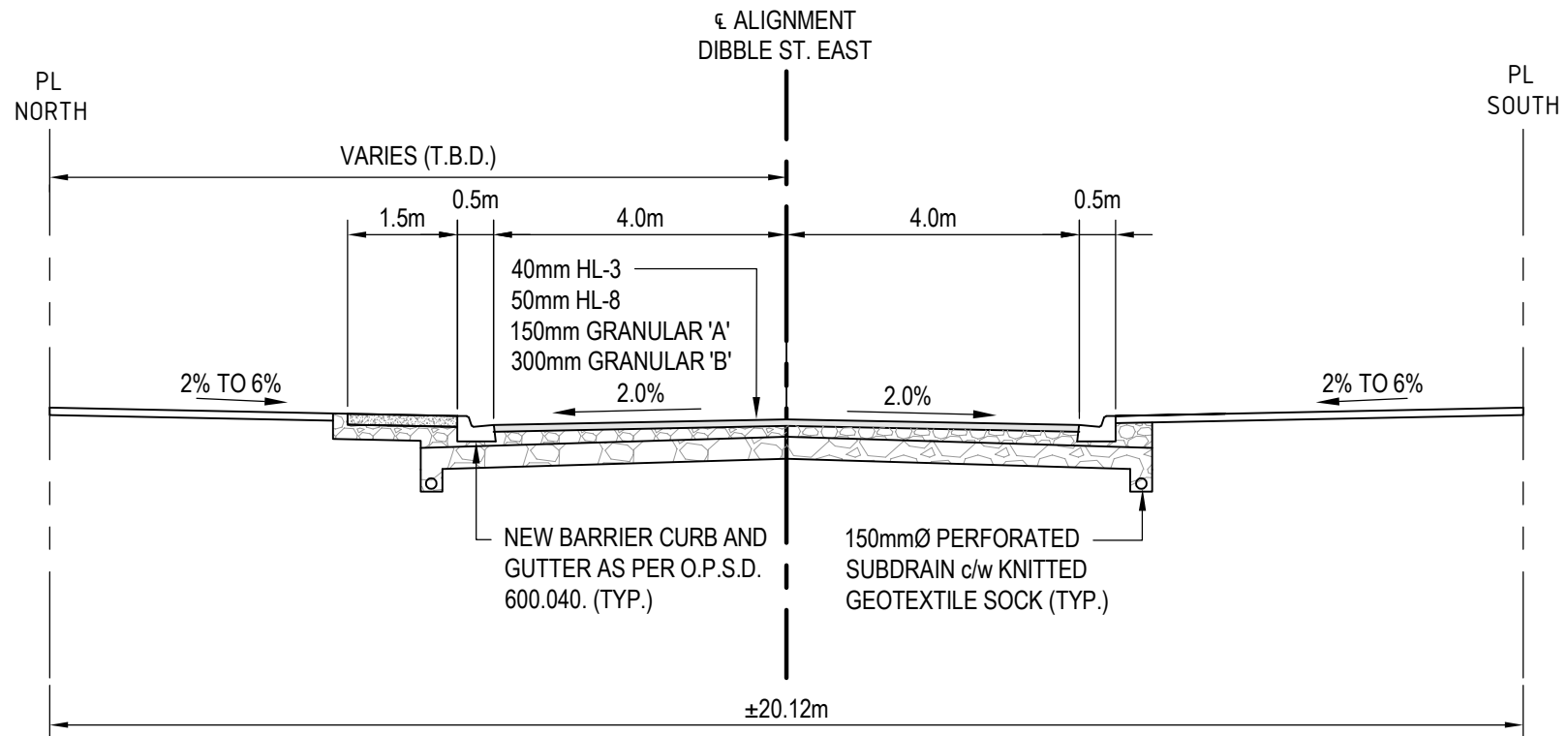
ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT
<b>PART 1 - DESIGN OF FULL LENGTH OF DIBBLE STREET (Approx. 691m)</b>					
1	Geotechnical Investigation	ls	1	\$9,600.00	\$9,600.00
2	Preliminary and Detailed Design	ls	1	\$125,000.00	\$125,000.00
	<b>Sub-total, Design</b>				<b>\$134,600.00</b>
<b>PART 2 - CONSTRUCTION</b>					
1	Full Reconstruction Cost per Lineal Metre of Road (Boundary Street to Vankoughnet Street)	lm	<b>390</b>	\$3,900.00	\$1,521,000.00
	<b>Sub-total, Construction</b>				<b>\$1,521,000.00</b>
<b>PART 3 - CONSTRUCTION ADMINISTRATION &amp; INSPECTION</b>					
1	Contract Administration, Full Time Inspection	ls	6%	\$91,260.00	\$91,260.00
2	Material Testing (Allowance)	ls	1	\$7,500.00	\$7,500.00
	<b>Sub-total, Construction Admin &amp; Inspection</b>				<b>\$98,760.00</b>
<b>TOTAL ESTIMATED PROJECT COST</b>					<b>\$1,754,360</b>



**Dibble St. Reconstruction - Town of Prescott**  
**Class D - Project Estimate No.2**  
**Overall Project Estimate**

ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT
<b>PART 1 - DESIGN OF FULL LENGTH OFD DIBBLE STREET (Approx. 691m)</b>					
1	Geotechnical Investigation	ls	1	\$9,600.00	\$9,600.00
2	Preliminary and Detailed Design	ls	1	\$125,000.00	\$125,000.00
	<b>Sub-total, Design</b>				<b>\$134,600.00</b>
<b>PART 2 - CONSTRUCTION</b>					
1	Full Reconstruction Cost per Lineal Metre of Road (Boundary Street to Edward Street)	lm	<b>691</b>	\$3,900.00	\$2,694,900.00
	<b>Sub-total, Construction</b>				<b>\$2,694,900.00</b>
<b>PART 3 - CONSTRUCTION ADMINISTRATION &amp; INSPECTION</b>					
1	Contract Administration, Full Time Inspection	ls	6%	\$161,694.00	\$161,694.00
2	Material Testing (Allowance)	ls	1	\$12,500.00	\$12,500.00
	<b>Sub-total, Construction Admin &amp; Inspection</b>				<b>\$174,194.00</b>
<b>TOTAL ESTIMATED PROJECT COST</b>					<b>\$3,003,694</b>

M:\2018\18190 - Dibble Street East Reconstruction\6.0 Dwg\6.2 Civil\3.0 Non-production\3.2 SKS\Cross-Sections\18190-SK-1-5.dwg Jan 13, 2021 6:26pm BY: (Kevin.MacCulloch)



800 SECOND STREET WEST  
CORNWALL, ONTARIO  
CANADA, K6J 1H6  
TEL: 613-935-3775  
FAX: 613-935-6450  
WEBSITE: EVBengineering.com

PROJECT:

DIBBLE STREET EAST

TITLE:

TYPICAL CROSS-SECTION PROPOSED FOR DIBBLE ST. EAST

SCALE:

1:100

JOB NO:

18190

DATE:

2021/01/13

DRAWING NO.

SK.1

# 2021 Operational Budget – January 18, 2021

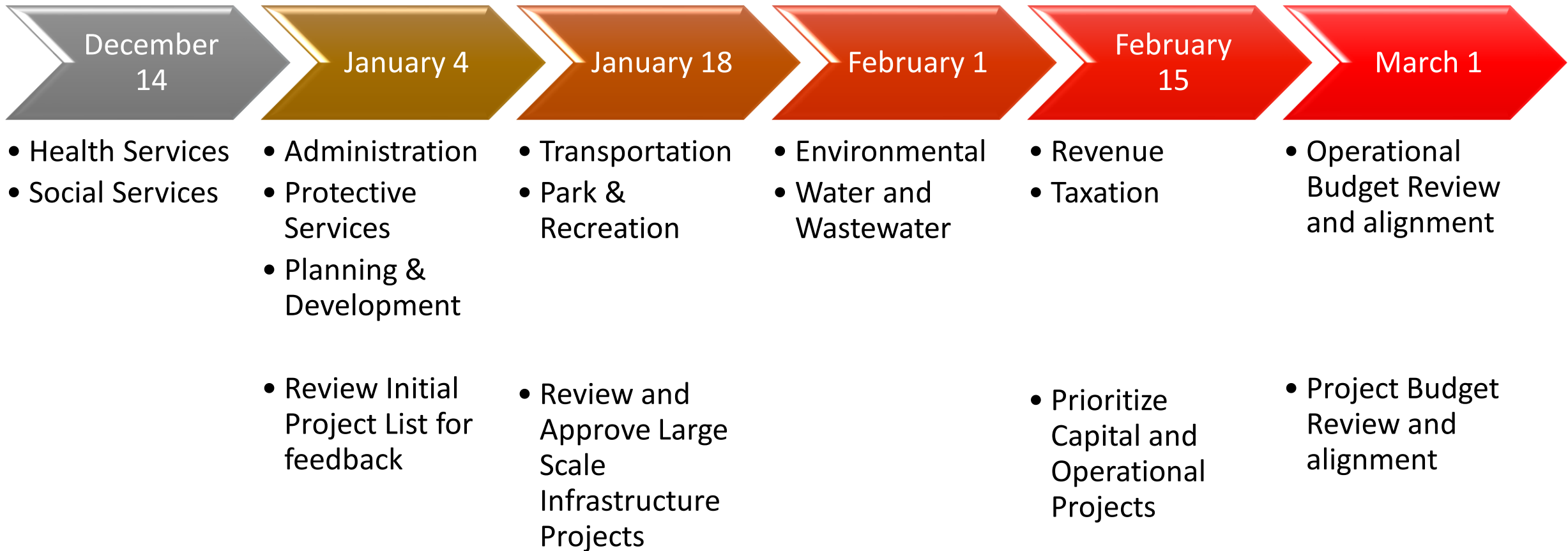


# Topics

- Budget Timeline
- Transportation
- Parks & Recreation



# Budget Timeline



# Transportation

- Operations
- Paving
- Bridges
- Traffic
- Sidewalks
- Snow Removal
- Parking Lot
- Street Lighting

# Transportation Expenses

	2020 Budget	2020 Projection	2021 Budget	Budget to Budget	Budget to Projection	Notes	Transfer to Reserves
Operations	1,110,885	1,036,398	1,126,354	15,469	89,956		-
Paving	280,810	282,667	282,310	1,500	(357)		-
Bridges	-	2,544	-	-	(2,544)	Next Report 2022	-
Traffic	537,096	529,738	517,961	(19,135)	(11,777)	Debt Payment to below	25,000
Sidewalks	71,800	71,921	71,800	-	(121)		12,500
Winter Mtce	104,700	97,221	124,400	19,700	27,179	Plow Truck Debt Payment	-
Winter Sidewk	21,000	21,000	21,000	-	-		-
Parking Lots	400	348	400	-	52		-
Street Lighting	133,000	82,944	134,000	1,100	51,156		-
<b>Total</b>	<b>2,259,691</b>	<b>2,124,780</b>	<b>2,278,325</b>	<b>18,634</b>	<b>153,545</b>		<b>\$37,500</b>
<b>% Change</b>				<b>+0.8%</b>	<b>+7.2%</b>		
				Page 80 of 113			

# Parks & Recreation

- Walker House
- Recreation - Culture
- Parks
- Recreation - Programs
- Marina
- Pool
- Community Centre
- Museum

# Parks & Recreation Expenses

	2020 Budget	2020 Projection	2021 Budget	Budget to Budget	Budget to Projection	Notes	Transfer to Reserves
Walker House	104,798	103,156	108,601	3,803	5,445		1,750
Rec - Culture	200,421	202,700	207,454	7,033	4,754	Community grants and Library Grant	25,000
Parks	231,600	210,106	237,990	6,390	27,884		24,200
Rec - Program	75,858	45,338	75,858	-	30,520		-
Marina	355,570	302,172	355,570	-	53,398		79,435
Pool	79,015	9,372	79,865	850	70,493		2,100
Comm Centre	319,350	313,073	319,350	-	6,277		235,000
Library	177,220	160,616	177,918	698	17,302		-
Museum	29,675	27,059	29,675	-	2,616		-
<b>Total</b>	<b>1,573,507</b>	<b>1,373,591</b>	<b>1,592,280</b>	<b>18,773</b>	<b>218,690</b>		<b>367,485</b>
<b>% Change</b>				<b>+1.2%</b>	<b>+15.9%</b>		

# Summary to Date Expenses

	2020 Budget	2020 Projection	2021 Budget	Budget to Budget	Budget to Projection	Notes	Transfer to Reserves
Health Services	350,088	342,210	332,368	(17,720)	(9,842)		-
Social Services	752,821	718,789	763,072	10,251	44,283		-
Administration	1,294,773	1,249,636	1,296,514	1,741	46,878		255,517
Protective Services	2,187,833	2,106,708	2,190,772	2,939	84,064		300,000
Planning	66,824	65,445	72,840	6,016	7,395		-
Transportation	2,259,691	2,124,780	2,278,325	18,634	153,545		37,500
Parks & Recreation	1,573,507	1,373,591	1,592,280	18,773	218,690		367,485
<b>Total</b>	<b>8,485,537</b>	<b>7,981,159</b>	<b>8,526,172</b>	<b>40,635</b>	<b>545,012</b>		<b>960,502</b>
<b>% Change</b>				<b>+0.5%</b>	<b>+6.8%</b>		

# Next Budget Meeting – February 1, 2020

## Topics

- Environmental
- Water and Wastewater





**Departmental Statement  
Operations**

Fund 00  
Dept 300

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes
	Budget	Actual	Variance B (W)					
Expenses								
Salaries & Benefits	894,738	853,655	41,082	1,024,386	1,073,685	1,089,554	15,869	
Travel Mileage	-	53	(53)	53	-	100	100	
Travel Meals	125	-	125	-	150	50	(100)	
Training Accommodation	2,917	-	2,917	-	3,500	3,500	-	
Training Non-Mileage	583	-	583	-	700	700	-	
Training Meals	1,167	157	1,010	157	1,400	1,400	-	
Training Fees	14,167	(1,296)	15,462	(1,296)	17,000	17,000	-	
Conference Fees	833	-	833	-	1,000	1,000	-	
Membership Fees	292	1,465	(1,174)	1,465	350	1,500	1,150	
Proffessional Dues	42	-	42	-	50	-	(50)	
Office Supplies	917	296	621	296	1,100	400	(700)	
Computer Printer Supplies	333	-	333	-	400	-	(400)	
External Printing Costs	-	216	(216)	216	-	250	250	
Postage	-	153	(153)	153	-	200	200	
Supplies Other	-	511	(511)	594	-	600	600	
Computer Licenses	83	-	83	-	100	-	(100)	
Advertising Recruitment	542	2,825	(2,283)	3,260	650	3,300	2,650	
Maintanance Supplies	-	507	(507)	507	-	500	500	
Telephone	167	207	(41)	207	200	200	-	
Cellular Services	1,000	1,295	(295)	1,465	1,200	1,200	-	
Data Communications	1,750	2,316	(566)	2,465	2,100	2,100	-	
Vehicle Fuel	3,833	330	3,503	330	4,600	500	(4,100)	
Licensing Vehicles	42	831	(789)	831	50	900	850	
Vehicle Supplies Other	917	-	917	-	1,100	-	(1,100)	
Clothing Allowance	667	102	565	326	800	400	(400)	
Answering Services	625	878	(253)	983	750	1,000	250	
Total	925,738	864,501	61,237	1,036,398	1,110,885	1,126,354	15,469	
							1.4%	

**Departmental Statement**  
**Roads - Paved**

**Fund** 00  
**Dept** 311

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance B (W)	2020 Projection	2020 Budget	2021 Budget	(Lower)	
Expenses								
Asphalt Cold Mix	4,500	1,148	3,352	1,148	5,400	2,500	(2,900)	Line Painting
Contracted Services	11,333	19,431	(8,098)	19,431	13,600	18,000	4,400	
Maintenance Contract	218,175	262,087	(43,912)	262,087	261,810	261,810	-	
Total	234,008	282,667	(48,658)	282,667	280,810	282,310	1,500	



**Departmental Statement  
Bridges & Culverts**

Fund 00  
Dept 312

Year-to-Date			Total	Total	Total	Higher /	Notes
Budget	Actual	Variance	2020	2020	2021	(Lower)	
		B (W)	Projection	Budget	Budget		

**Revenue**

**Expenses**

Inspections	-	2,544	(2,544)	2,544	-	-	-	Bi-annual Report
<b>Total</b>	-	<b>2,544</b>	<b>(2,544)</b>	<b>2,544</b>	-	-	-	

**Departmental Statement  
Roads - Traffic**

**Fund** 00  
**Dept** 313

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes
	Budget	Actual	Variance B (W)					
Expenses								
Salaries & Benefits	32,667	42,790	(10,124)	38,766	39,200	38,806	(394)	Crossing Guards
Training Fees	1,250	1,598	(348)	1,918	1,500	2,000	500	
Membership Fees	83	782	(699)	782	100	1,000	900	
Professional Dues	125	-	125	-	150	-	(150)	
Health & Safety	3,333	3,156	178	5,156	4,000	4,000	-	New Rate +5%
Insurance	28,250	30,070	(1,820)	36,085	33,900	38,000	4,100	
Office Supplies	125	124	1	340	150	150	-	
Other Supplies	-	81	(81)	81	-	100	100	
Courier	42	-	42	-	50	-	(50)	
Freight	83	76	7	76	100	100	-	
Other	5,083	714	4,369	714	6,100	1,000	(5,100)	
Office Equipment	42	-	42	1,598	50	1,500	1,450	
Equipment Mtce	833	1,446	(613)	1,446	1,000	1,500	500	
Advertising Community	292	1,196	(905)	1,196	350	1,200	850	
Welding Supplies	1,250	1,623	(373)	1,744	1,500	1,800	300	
Janitorial Cleaning Supplies	2,750	10,466	(7,716)	11,062	3,300	5,000	1,700	
Maintenance Supplies	10,833	22,752	(11,919)	25,101	13,000	25,000	12,000	
Maintenance Contract	2,667	4,155	(1,489)	5,872	3,200	5,000	1,800	
Landscaping	-	33	(33)	33	-	50	50	
Building Repairs	6,917	2,268	4,649	5,972	8,300	6,000	(2,300)	
Other Building Contracts	833	-	833	-	1,000	-	(1,000)	Assumed 5% increase
Hydro	12,500	12,202	298	14,642	15,000	15,400	400	
Heat	4,667	4,215	451	5,058	5,600	5,300	(300)	
Water	583	340	244	408	700	450	(250)	
Telephone	1,917	2,917	(1,000)	3,500	2,300	2,300	-	Assumed 5% increase
Cellular Services	8,833	7,789	1,044	9,347	10,600	9,000	(1,600)	
Data Communications	2,333	1,838	496	2,205	2,800	2,000	(800)	
Insurance	1,208	1,116	93	1,339	1,450	9,525	8,075	
Oils	417	1,457	(1,040)	2,216	500	1,800	1,300	New Rate +5%
Vehicle Fuel	39,167	27,256	11,911	32,707	47,000	35,000	(12,000)	
Tools	2,500	2,682	(182)	2,831	3,000	3,500	500	
Vehicle Parts	23,750	16,589	7,161	19,048	28,500	25,000	(3,500)	
Vehicle Other	-	353	(353)	1,582	-	500	500	
Repairs	30,000	38,977	(8,977)	43,530	36,000	43,500	7,500	
Vehicle Insurance	11,583	10,901	683	13,081	13,900	10,650	(3,250)	
Vehicle Non-Owned Insuran	167	129	38	150	200	150	(50)	
Roads & Signs	5,417	7,051	(1,634)	7,072	6,500	7,100	600	New Rate +5%
Safety Devices	-	232	(232)	232	-	250	250	
Uniforms	6,667	7,026	(359)	8,431	8,000	8,000	-	
Contracted Services	15,000	3,665	11,335	4,398	18,000	5,000	(13,000)	
Security Services	42	2,415	(2,374)	2,508	50	2,500	2,450	

Page 89 of 113

**Departmental Statement  
Roads - Traffic**

**Fund** 00  
**Dept** 313

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance	2020	2020	2021	(Lower)	
			B (W)	Projection	Budget	Budget		
Maintenance Contract	11,667	12,540	(874)	13,846	14,000	14,000	-	Rail Crossings
Waste Collection	833	2,043	(1,210)	2,043	1,000	2,100	1,100	
Rental Equipment	68,847	63,364	5,482	79,194	82,616	80,000	(2,616)	
OSIFA Loan Payments	52,358	-	52,358	62,830	62,830	62,830	-	OSIFA
Debenture Payments	49,667	80,913	(31,246)	59,600	59,600	14,900	(44,700)	BMO
Transfer to Reserves	-	-	-	-	-	25,000	25,000	
<b>Total</b>	<b>447,580</b>	<b>431,341</b>	<b>16,239</b>	<b>529,738</b>	<b>537,096</b>	<b>517,961</b>	<b>(19,135)</b>	

**Departmental Statement  
Roadside**

Fund 00  
Dept 314

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance B (W)	2020 Projection	2020 Budget	2021 Budget	(Lower)	
Expenses								
Other	417	403	14	484	500	500	-	
Gravel	2,083	1,375	708	1,650	2,500	2,500	-	
Contracted Services	4,417	3,573	844	4,288	5,300	5,300	-	
Maintenance Contract	42,500	44,166	(1,666)	52,999	51,000	51,000	-	
Transfer to Reserve	10,417	10,417	(0)	12,500	12,500	12,500	-	
Total	59,833	59,934	(101)	71,921	71,800	71,800	-	



## Departmental Statement Winter Roads

Fund 00  
Dept 321

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance B (W)	2020 Projection	2020 Budget	2021 Budget	(Lower)	
Expenses								
Sand	8,333	-	8,333	8,819	10,000	9,000	(1,000)	New Plow Truck
Salt	33,333	34,262	(929)	44,115	40,000	44,000	4,000	
Snow Removal	35,833	32,588	3,246	32,587	43,000	40,000	(3,000)	
Debt Payment	9,750	9,750	-	11,700	11,700	31,400	19,700	
Total	87,250	76,600	10,650	97,221	104,700	124,400	19,700	

Winter Roads Debt Payment for New Truck



Departmental Statement  
Winter Control Sidewalks

Fund 00  
Dept 322

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance B (W)	2020 Projection	2020 Budget	2021 Budget	(Lower)	
Expenses								
Debt Payment	17,500	17,500	-	21,000	21,000	21,000	-	Debt Payment for Sidewalk
Total	17,500	17,500	-	21,000	21,000	21,000	-	Plow





Departmental Statement  
Parking Lots

Fund 00  
Dept 340

Year-to-Date			Total	Total	Total	Higher /	Notes
Budget	Actual	Variance	2020	2020	2021	(Lower)	
		B (W)	Projection	Budget	Budget		

Expenses

Hydro	333	290	43	348	400	400	-
<b>Total</b>	<b>333</b>	<b>290</b>	<b>43</b>	<b>348</b>	<b>400</b>	<b>400</b>	<b>-</b>

**Departmental Statement  
Street Lighting**

**Fund** 00  
**Dept** 350

Year-to-Date		
Budget	Actual	Variance B (W)

**Total  
2020  
Projection**

**Total  
2020  
Budget**

**Total  
2021  
Budget**

**Higher /  
(Lower)**

**Notes**

Expenses							
Equipment Repairs	16,667	26,142	(9,475)	31,370	20,000	30,000	10,000
Hydro	46,667	39,762	6,905	47,714	56,000	50,100	(5,900) Assumes 5% increase
Maintenance Contract	5,833	3,216	2,618	3,859	7,000	4,000	(3,000)
Debtenture Payment	41,667	-	41,667	-	50,000	50,000	-
<b>Total</b>	<b>110,833</b>	<b>69,120</b>	<b>41,713</b>	<b>82,944</b>	<b>133,000</b>	<b>134,100</b>	<b>1,100</b>

**Departmental Statement  
Walker House**

Fund 00  
Dept 622

		Year-to-Date			Total	Total	Total	Higher /	Notes
		Budget	Actual	Variance	2020	2020	2021	(Lower)	
				B (W)	Projection	Budget	Budget		
Expenses									
Salaries & Benefits		61,207	61,430	(223)	73,716	73,448	75,290	1,842	
Meals		-	14	(14)	17	-	-	-	
Training Fees		-	153	(153)	183	-	250	250	
Conferences		625	-	625	-	750	500	(250)	
Health & Safety Supplies		42	-	42	-	50	50	-	
Insurance		1,542	1,459	82	1,751	1,850	2,050	200	New Rate +5%
Other		-	76	(76)	92	-	100	100	
Computer printer supplies		83	-	83	-	100	-	(100)	
Other		13,750	15,712	(1,962)	16,782	16,500	16,500	-	
Advertsing Community		-	15	(15)	18	-	-	-	
Janitorial Supplies		333	-	333	-	400	-	(400)	
Maintenance Supplies		333	10	324	11	400	400	-	
Cleaning Contracts		-	294	(294)	353	-	400	400	
Repairs		833	826	7	992	1,000	1,000	-	
Repairs		667	14	653	17	800	800	-	
Hydro	0000-3220	1,583	1,323	260	1,588	1,900	1,700	(200)	Assumed 5% Increase
Heat	0000-3221	1,250	1,300	(50)	1,560	1,500	1,650	150	Assumed 5% Increase
Water	0000-3222	292	278	14	334	350	350	-	
Sewer	0000-3223	458	471	(13)	565	550	550	-	
Cellular Services	0000-3231	750	592	158	711	900	750	(150)	
Data Communications	0000-3232	1,000	915	85	1,098	1,200	1,100	(100)	
Building & Content Insurance	0100-3290	500	472	28	566	600	2,561	1,961	New Rate +5%
Contracted Services	0000-4001	333	531	(198)	637	400	400	-	
Inspections	0000-4040	292	346	(54)	415	350	450	100	
Transfer to Reserves	0000-8000	1,458	1,458	0	1,750	1,750	1,750	-	
Total		87,332	87,691	(359)	103,156	104,798	108,601	3,803	
								3.6%	



# Departmental Statement Recreation - Cultural

Fund 00  
Dept 700

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance B (W)	2020 Projection	2020 Budget	2021 Budget	(Lower)	
Expenses								
Grants to Others	146,184	146,753	(568)	177,700	175,421	182,454	7,033	Library & Community Grants
Transfer to Reserves	20,833	20,833	0	25,000	25,000	25,000	-	
Total	167,018	167,586	(568)	202,700	200,421	207,454	7,033	

**Departmental Statement  
Parks**

Fund 00  
Dept 710

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes
	Budget	Actual	Variance B (W)					
Expenses								
Training Meals	208	-	208	-	250	250	-	
Training Other	3,333	-	3,333	-	4,000	2,400	(1,600)	
Training Fees	1,083	819	264	983	1,300	1,300	-	
Membership Fees	-	1,291	(1,291)	1,550	-	1,600	1,600	
Professional Dues	-	170	(170)	204	-	200	200	
Health & Safety Supplies	83	958	(875)	1,150	100	500	400	
Liability Insurance	7,208	6,781	428	8,137	8,650	9,640	990	New Rate +5%
Supplies Other	-	1,491	(1,491)	1,789	-	1,000	1,000	
Other	833	-	833	-	1,000	-	(1,000)	
Equipment Maintenance	-	1,150	(1,150)	1,380	-	1,400	1,400	
Advertising Recruitment	167	-	167	-	200	-	(200)	
Promotional Materials	42	-	42	-	50	-	(50)	
Maintenance Supplies	2,500	2,945	(445)	3,534	3,000	3,500	500	
Maintenance Contract	38,333	30,118	8,215	36,142	46,000	40,000	(6,000)	
Landscaping	13,333	23,052	(9,719)	23,052	16,000	18,000	2,000	
Building Repairs	1,667	-	1,667	-	2,000	2,000	-	
Hydro	4,333	4,661	(328)	5,593	5,200	5,900	700	Assumes 5% increase
Water	-	1,303	(1,303)	1,564	-	6,500	6,500	Splashpad
Sewer	-	1,323	(1,323)	1,588	-	6,500	6,500	Splashpad
Cellular Services	4,583	3,573	1,010	4,287	5,500	4,300	(1,200)	
Data Communications	1,333	1,318	15	1,582	1,600	1,600	-	
Insurance	1,125	1,030	95	1,236	1,350	5,450	4,100	New Rate +5%
Fuel	500	-	500	-	600	-	(600)	
Tools	10,417	328	10,089	393	12,500	7,500	(5,000)	
Vehicle Parts	6,667	4,497	2,170	5,396	8,000	6,000	(2,000)	
Equipment Supplies	125	29	96	35	150	150	-	
Vehicle Repairs	1,667	969	698	1,162	2,000	1,500	(500)	
Vehicle Insurance	2,083	1,974	109	2,369	2,500	2,500	-	
Safety Devices	-	128	(128)	153	-	200	200	
Uniforms / Clothing	1,917	1,379	538	1,654	2,300	1,800	(500)	
Rental Equipment	1,250	36	1,214	43	1,500	500	(1,000)	
Bank Fees	542	470	72	564	650	600	(50)	
Transfer to Reserves	20,167	20,167	(0)	24,200	24,200	24,200	-	
Debenture Payment	67,500	40,183	27,317	80,366	81,000	81,000	-	
Total	193,000	152,142	40,858	210,106	231,600	237,990	6,390	
							2.8%	



# Departmental Statement Recreation - Programs

Fund 00  
Dept 720

Year-to-Date			Total	Total	Total	Higher /	Notes
Budget	Actual	Variance B (W)	2020 Projection	2020 Budget	2021 Budget	(Lower)	

## Expenses

Salaries & Benefits	48,173	36,058	12,115	43,270	57,808	59,123	1,315	
Training Fees	2,500	402	2,098	482	3,000	3,000	-	Hi-Five, ORFA
Conference Fees	3,333	-	3,333	-	4,000	4,000	-	Rural Rec Assoc
Grants to Others	125	-	125	-	150	-	(150)	
Other	-	341	(341)	409	-	-	-	Day Camps & Trips
Promotional Materials	3,500	-	3,500	-	4,200	4,200	-	
Public Relations	2,500	981	1,519	1,178	3,000	3,000	-	
Public Relations	3,083	-	3,083	-	3,700	2,535	(1,165)	
<b>Total</b>	<b>63,215</b>	<b>37,782</b>	<b>25,433</b>	<b>45,338</b>	<b>75,858</b>	<b>75,858</b>	<b>-</b>	

**Departmental Statement  
Marina**

**Fund** 00  
**Dept** 731

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes
	Budget	Actual	Variance B (W)					
Expenses								
Salaries & Benefits	76,350	94,575	(18,225)	94,575	91,620	93,130	1,510	
Travel Mileage	83	-	83	-	100	-	(100)	
Travel Meals	83	-	83	-	100	-	(100)	
Training Fees	833	697	136	697	1,000	1,000	-	
Membership Fees	250	42	208	42	300	300	-	
Professional Dues	42	-	42	-	50	-	(50)	
Health & Safety Supplies	708	54	655	54	850	1,000	150	
Liability Insurance	15,417	14,506	911	17,407	18,500	20,680	2,180	New Rate plus 5% increase
Office Supplies	583	179	404	179	700	200	(500)	
Computer Printing Supplies	83	-	83	-	100	-	(100)	
Parts	167	-	167	-	200	-	(200)	
Other	2,917	1,593	1,323	1,593	3,500	2,000	(1,500)	
Office Equipment	833	-	833	-	1,000	-	(1,000)	
Admin Computer	333	-	333	-	400	-	(400)	
Equipment Maintenance	1,667	2,447	(780)	2,447	2,000	2,500	500	
License	833	247	587	247	1,000	250	(750)	
Computer Licenses	333	-	333	-	400	-	(400)	
Advertising Recruitment	-	388	(388)	388	-	500	500	
Janitorial Cleaning Supplies	1,250	919	331	919	1,500	1,500	-	
Maintenance Supplies	7,458	1,589	5,869	1,589	8,950	5,000	(3,950)	
Maintenance Contracts	5,167	753	4,414	753	6,200	5,000	(1,200)	
Landscaping	583	-	583	-	700	-	(700)	
Building Repairs	8,750	941	7,809	941	10,500	10,000	(500)	
Other Building Contracts	3,000	170	2,830	170	3,600	3,000	(600)	
Hydro	4,000	9,592	(5,592)	9,869	4,800	10,400	5,600	Assumes 5% increase
Water	958	7,236	(6,277)	7,262	1,150	7,300	6,150	
Sewer	1,042	7,345	(6,304)	7,390	1,250	7,400	6,150	
Telephone	-	841	(841)	1,009	-	1,100	1,100	
Cellular Services	-	1,049	(1,049)	1,258	-	1,300	1,300	
Data Communications	-	866	(866)	1,040	-	1,100	1,100	
Building & Contents Insurance	-	601	(601)	601	-	1,925	1,925	New Rate plus 5% increase
Tools	-	519	(519)	519	-	1,000	1,000	
Signs & Boards	-	1,356	(1,356)	1,356	-	1,500	1,500	
Gas	61,667	70,555	(8,889)	70,555	74,000	70,600	(3,400)	
Diesel	8,917	8,339	577	8,339	10,700	8,400	(2,300)	
Ice	1,458	544	915	544	1,750	550	(1,200)	
Drinks	542	-	542	-	650	-	(650)	
Uniforms	1,667	-	1,667	-	2,000	-	(2,000)	
Contracted Services	7,500	1,757	5,743	1,757	9,000	5,000	(4,000)	
Security Services	35,000	15,376	19,624	15,376	42,000	1,000	(41,000)	
Waste Collection	833	458	375	458	1,000	1,000	-	

**Departmental Statement  
Marina**

**Fund** 00  
**Dept** 731

	Year-to-Date			<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Higher /</b>	<b>Notes</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>2020</b>	<b>2020</b>	<b>2021</b>	<b>(Lower)</b>	
			<b>B (W)</b>	<b>Projection</b>	<b>Budget</b>	<b>Budget</b>		
Equipment rental	-	339	(339)	339	-	500	500	
Credit Card Charges	8,750	8,658	92	9,001	10,500	10,000	(500)	
Transfer to Reserves	36,250	36,250	-	43,500	43,500	79,435	35,935	
<b>Total</b>	<b>296,308</b>	<b>290,779</b>	<b>5,529</b>	<b>302,172</b>	<b>355,570</b>	<b>355,570</b>	<b>(0)</b>	
							0.0%	



**Departmental Statement  
Pool**

Fund 00  
Dept 735

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes	
	Budget	Actual	Variance B (W)						
Expenses									
Salaries & Benefits	47,846	(0)	47,846	(0)	57,415	57,415	-	June - August 31st	
Training Accomodations	167	-	167	-	200	200	-		00-735-0000-3011
Training Fees	208	-	208	-	250	250	-		00-735-0000-3020
Training Materials	167	-	167	-	200	200	-		00-735-0000-3021
Membership Fees	542	100	442	100	650	550	(100)		00-735-0000-3023
Office Supplies	-	92	(92)	92	-	100	100		00-735-0000-3100
Supplies Other	1,667	230	1,437	230	2,000	2,000	-		00-735-0000-3129
Supplies Other	208	-	208	-	250	250	-		00-735-0100-3129
Public Relations	375	-	375	-	450	450	-		00-735-0000-3153
Maintenance Supplies	1,750	1,196	554	1,196	2,100	2,100	-		00-735-0000-3201
Maintenance Contracts	417	-	417	-	500	500	-		00-735-0100-3210
Repairs	208	2	206	2	250	250	-		00-735-0000-3217
Hydro	2,167	810	1,357	810	2,600	2,600	-		00-735-0000-3220
Heat	1,833	1,529	304	1,529	2,200	2,200	-		00-735-0000-3221
Water	208	232	(23)	232	250	250	-		00-735-0000-3222
Sewer	333	406	(72)	406	400	400	-		00-735-0000-3223
Telephone	917	597	320	597	1,100	600	(500)		00-735-0000-3230
Data Communications	667	1,271	(605)	1,271	800	1,300	500		00-735-0000-3232
Building & Contents Insurance	542	515	27	515	650	1,500	850	New Rate +5%	00-735-0100-3290
Uniforms	500	-	500	-	600	600	-		00-735-0000-3630
Pool - Chemicals	2,750	293	2,457	293	3,300	3,300	-		00-735-0000-3800
Badges	625	-	625	-	750	750	-		00-735-0000-3810
Transfer to Reserves	1,750	1,750	-	2,100	2,100	2,100	-		00-735-0000-8000
Total	65,846	9,022	56,824	9,372	79,015	79,865	850		
							1.1%		

**Departmental Statement  
Arena**

Fund 00  
Dept 736

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes
	Budget	Actual	Variance B (W)					
Expenses								
Training Fees	167	41	126	49	200	200	-	
Health & Safety Supplies	3,000	880	2,120	1,056	3,600	1,890	(1,710)	
Liability Insurance	27,625	24,806	2,819	29,767	33,150	35,375	2,225	New Rate +5%
Office Supplies	42	-	42	-	50	-	(50)	
Other	83	2	81	3	100	-	(100)	
Maintenance Supplies	500	213	287	256	600	600	-	
Maintenance Contracts	2,500	2,327	173	2,792	3,000	3,000	-	
Repairs	1,667	5,562	(3,896)	6,675	2,000	2,000	-	
Hydro	11,667	7,814	3,852	9,377	14,000	9,900	(4,100)	Assumes 5% Increase
Heat	3,750	4,637	(887)	5,564	4,500	5,900	1,400	Assumes 5% Increase
Water	458	509	(51)	611	550	650	100	
Sewer	625	722	(97)	867	750	900	150	
Telephone	1,542	1,695	(153)	2,034	1,850	2,100	250	
Data Communications	1,917	1,686	231	2,023	2,300	2,100	(200)	
Building & Contents Insurance	4,208	3,948	260	4,738	5,050	7,135	2,085	New Rate +5%
Contracted Services	42	-	42	-	50	-	(50)	
Security	417	362	55	434	500	500	-	
Rental Equipment	417	189	228	226	500	500	-	
Grants to Others	9,667	11,600	(1,933)	11,600	11,600	11,600	-	
Transfer to Reserves	195,833	195,833	0	235,000	235,000	235,000	-	
Total	266,125	262,827	3,298	313,073	319,350	319,350	-	
							0.0%	

**Departmental Statement  
Library**

**Fund** 00  
**Dept** 740

	Year-to-Date			Total 2020 Projection	Total 2020 Budget	Total 2021 Budget	Higher / (Lower)	Notes
	Budget	Actual	Variance B (W)					
Expenses								
Salaries & Benefits	121,250	114,753	6,497	137,703	145,500	144,213	(1,287)	
Training Fees	83	-	83	-	100	100	-	
Membership Fees	83	62	21	74	100	62	(38)	
Meeting Expenses	333	-	333	-	400	400	-	
Health & Safety Supplies	25	-	25	-	30	30	-	
Insurance	417	386	30	464	500	540	40	New Rate + 5%
Office Supplies	1,250	774	476	929	1,500	1,000	(500)	
Special Project	-	-	-	-	-	5,000	5,000	Office Furniture
Computer Printer Supplies	-	87	(87)	105	-	-	-	
Postage	1,250	295	956	353	1,500	1,500	-	
Books	10,000	7,470	2,530	8,964	12,000	12,000	-	
Subscriptions	438	572	(135)	687	525	600	75	
SOLS Pools	333	425	(92)	510	400	425	25	
Other	104	292	(188)	350	125	250	125	
Photocopier Maintenance	1,425	1,344	81	1,613	1,710	1,710	-	
Computer	1,667	-	1,667	-	2,000	2,000	-	
Computer Licenses	3,608	3,729	(120)	4,474	4,330	4,330	-	
Childrens Programs	417	112	304	135	500	500	-	
Maintenance Supplies	42	11	31	13	50	50	-	
Maintenance Contract	417	666	(249)	799	500	500	-	
Cleaning Contracts	1,667	43	1,624	51	2,000	-	(2,000)	
Repairs	417	-	417	-	500	500	-	
Telephone	917	961	(44)	1,153	1,100	854	(246)	
Internet	1,083	1,130	(47)	1,356	1,300	854	(446)	
Insurance	417	343	73	412	500	450	(50)	New Rate + 5%
Contracted Services	-	355	(355)	426	-	-	-	
Bank Charges	42	38	4	45	50	50	-	
Total	147,683	133,847	13,837	160,616	177,220	177,918	698	
							0.4%	

**Departmental Statement  
Museum**

Fund 00  
Dept 751

	Year-to-Date			Total	Total	Total	Higher /	Notes
	Budget	Actual	Variance	2020	2020	2021	(Lower)	
			B (W)	Projection	Budget	Budget		
Expenses								
Liability Insurance	417	378	39	453	500	540	40	New Rate +5%
Other	167	-	167	-	200	200	-	
Hydro	542	873	(331)	1,048	650	-	(650)	
Heat	917	758	159	910	1,100	-	(1,100)	
Water	208	103	105	124	250	-	(250)	
Sewer	333	180	153	216	400	-	(400)	
Telephone	833	922	(88)	1,106	1,000	1,200	200	
Building & Contents Insurance	438	412	26	494	525	590	65	New Rate +5%
Security Services	292	317	(25)	381	350	350	-	
Contracted Services	3,083	3,606	(523)	1,328	3,700	2,365	(1,335)	
Rent						24,430	24,430	
Transfer to Reserves	17,500	17,500	-	21,000	21,000	-	(21,000)	
Total	24,729	25,049	(320)	27,059	29,675	29,675	(0)	
							0.0%	

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

## STAFF REPORT TO COUNCIL

Report No. 09-2021

**Date:** January 18, 2021

**From:** Shawn Merriman, Manager of Building and By-law  
Matthew Armstrong, Chief Administrative Officer & Treasurer

**RE:** Animal Control By-law Feedback Review

---

### Recommendation:

That Council receive this report for information and direct staff to bring forward the revised Animal Control By-law to the Council meeting of February 1, 2021, for final review and consideration.

### Background:

Council reviewed the initial draft Animal Control By-law on December 7, 2020. Further review was required for the following items:

- The number of animals allowed per household
- Pet tag licenses for any pet
- Euthanizing unclaimed animals versus sending them to a pet rescue for adoption

As a follow-up to Council's initial review, the draft by-law was posted on social media to elicit public feedback. Seven written submissions were received along with four phone calls. There were several broad themes that emerged, including:

- Specific rules regarding the keeping of cats
- Some feedback advocated pet tags for cats be mandatory as opposed to optional
- Universal support for leash requirements for dogs not on owner's property

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

- The above feedback came from dog owners who spoke to the leashing requirement due to dog interactions with animals off leash
- Some feedback suggested that details regarding the type and length of leash should be included
- Generally, respondents were in favour of a recognized dog park within the Town
- Feedback was divergent on the number of pets per household ranging from no limit to a number that was more in line with other municipalities across Ontario

There is a great deal of common concerns and interests between both what the Council and the Public is looking for in relation to an Animal Control By-law.

## **Analysis**

### Euthanizing versus adoption through pet rescue

To address the euthanasia issue, a change is being put forward that any animal that goes unclaimed after being seized, will be put up for adoption with a rescue organization.

### Rules applicable to cats and dogs

To address the rules as they pertain to cats and dogs the following is being put forward.

#### **ANIMALS THAT ARE A PUBLIC NUISANCE AND / OR RUNNING AT LARGE**

- a. No person who owns, harbours or possesses any animal shall allow the animal to run at large.
- b. No person who owns, harbours or possesses any animal shall allow the animal to trespass on private property even when on a leash.
- c. Any person who owns, harbours or possesses an animal shall maintain the animal under control and on a leash at all times when not on the owner's property.

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

- d. Points a. & c. above, do not apply to Guide Dogs, Police Work Dogs and Working Dogs while lawfully engaged in their work.
- e. In addition, no owner, possessor or harbourer of a vicious animal shall permit the animal to be on any streets or in any public place or any other place that is not owned or controlled by that person unless the animal is muzzled to prevent it from biting another animal or human. This shall not apply to a vicious dog while that dog in attendance at an event sanctioned by the Canadian Kennel Club.
- f. No person(s) shall permit an animal to become a public nuisance
- g. An animal shall be considered a public nuisance if,
  - i. the animal persistently barks or howls, screams or meows to the point that the animal interferes with the normal enjoyment of another person's property, or;
  - ii. the animal causes damage to public or private property, including injury to humans, other domestic pets, wildlife.
  - iii. the animal interferes with or dumps or scatters garbage, or;
  - iv. the animal persistently attacks at or chases person(s) using public or private property, or;
  - v. the animal swims at a public beach, or;
  - iv. the animal is in a public park and is not on a leash.
- h. Every owner, possessor or harbourer of a vicious animal shall, at all times while the animal is on the premises owned or controlled by such person, keep the animal securely confined either indoors or in an enclosed pen or other structure capable of preventing the entry of any children and adequately constructed to prevent the animal from escaping.
- i. An Animal Control Officer may issue an Order to Muzzle to an owner whose dog is alleged to have bitten or attacked a person or animal,

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

requiring the owner to muzzle the dog when off owner's property. A cat may be ordered to be caged when off owner's property.

- j. An owner may appeal an Order to Muzzle his or her dog or to cage his or her cat to the Chief Administrative Officer, but an appeal shall not act as a stay of the muzzling or caging order.
- k. Where a proceeding has been commenced by the Town under the Dog Owner's Liability Act against an owner whose dog is alleged to have bitten or attacked a person or domestic animal, the owner shall be required to muzzle the dog until a determination of the matter has been made by the court.
- l. No owner shall allow their animal to defecate on any property, including a public park, other than the property of its owner or other private property by permission, UNLESS the droppings are forthwith cleaned up.
- m. An Animal Control Officer or other duly appointed officer may enter on private property for the purpose of catching any animal running at large contrary to the provisions of the By-law.
- n. An animal which is found running at large may be seized and impounded or returned to its owner by the Animal Control Officer.
- o. The Animal Control/By-law Officer is hereby authorized, in the course of his/her duties of seizing and impounding animals running at large contrary to this By-law, to use such reasonable means at their disposal to seize and impound such animals as may be required by the circumstances.
- p. Where, in the opinion of the Animal Control/By-Law Officer, an animal is seized is injured or should be destroyed without delay for humane reasons, the Animal Control Officer may have the animal euthanized by a qualified veterinarian as soon after seizure as they think fit and; no damages or compensation shall be recovered on account of its killing.
- q. Any person may capture any animal running at large and trespassing on his property and deliver the same to the Animal Control/By-law Officer, who shall impound the said animal.



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

### Pet Licensing and Limits

The following table provides examples of other local urban municipalities and their limits on cats and dogs as well as the requirement to license or register them.

Municipality	# of dogs	# of cats	Total	Tags dogs	Tags cats
Gananoque	4	unlimited	4 dogs + cats	Yes	No
Brockville	3	4	4 in total	Yes	No
Smiths Falls	3	4	4 in total	Yes	Mandatory annually
Perth	unlimited	unlimited	unlimited	Yes	Mandatory but only once for life
North Grenville	3	5	5 in total	Yes	No
Carlton Place	3	4	5 in total	Yes	Mandatory but only once for life
Prescott - Current	2	3	Not stated	Yes	No

### Recommendations

- A maximum of 3 dogs licensed on an annual basis
- A maximum of 4 cats licensed on an annual basis
- A maximum total of 4 dogs and cats combined per household
- Collar Tags are to be on the cat or dog at all times

### Fees and Fines

Dog License: \$20.00 for first dog license (tag issued)  
 \$18.00 for subsequent annual renewal with no tag  
 \$5.00 tag replacement fee  
 Dog tags would be mandatory and renewed on an annual basis

Cat License: \$20.00 for first cat license (tag issued)  
 \$18.00 for subsequent annual renewal (no tag)

		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

\$5.00 tag replacement fee

Cat tags would be mandatory and renewed on an annual basis

### Schedule of Set Fines

Item	Short Form Wording	Provision Creating Offence	Current Fine	Proposed Fine
1.	Keeping more than the stipulated number of cats and/or dogs per household	1(a)	\$55.00	\$110.00
2.	Failure to provide information on the number of dogs and cats at a premise	1(b)	\$55.00	\$110.00
3.	Failure to obtain a license or registration	2(a)	\$55.00	\$110.00
4.	Failure to maintain a tag on a dog or cat	2(d)	\$55.00	\$110.00
5.	Operating a Kennel without permission	3(b)	\$105.00	\$210.00
6.	Permitting an animal to run at large	5(a)	\$55.00	\$110.00
7.	Failure to meet other By-law Provisions		\$55.00	\$110.00
8.	Failure to provide adequate protection while harbouring a vicious dog/cat	5(h)	\$105.00	\$210.00
9.	Permitting an animal to become a public nuisance	5(f)	\$105.00	\$210.00
10.	Animal defecating on other than the owners private property without cleaning it up	5(l)	\$105.00	\$210.00



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	Jan. 18 '21
Strategic Plan		

**Alternatives:**

Council could choose to not update the Animal Control By-Law at this time or make additional changes.

**Financial Implications:**

A purchase of a universal pet microchip reader is expected to cost up to \$500 which will be covered within the operating budget of the by-law department.

**Attachments:**

- None

Submitted by  
Shawn Merriman  
Manager of Building and By-law

and

Submitted by  
Matthew Armstrong  
Chief Administrative Officer & Treasurer

**THE CORPORATION OF THE  
TOWN OF PRESCOTT**

---

**BY-LAW NO. 04-2021**

**A BY-LAW TO ADOPT THE PROCEEDINGS OF THE COUNCIL  
MEETING HELD ON JANUARY 18, 2021**

---

**WHEREAS**, Section 5(3) of *the Municipal Act, 2001 S.O. 2001, c.25, as amended*, provides that Council's powers shall be exercised by by-law; and

**WHEREAS** certain actions of Council do not require the enactment of a specific by-law;

**NOW THEREFORE BE IT RESOLVED THAT**, the Council of the Corporation of the Town of Prescott enacts as follows:

1. Subject to Paragraph 3 of this by-law, the proceedings of the above-referenced Council meeting, including all Resolutions, By-laws, Recommendations, Adoptions of Committee Reports, and all other motions and matters decided in the said Council Meeting are hereby adopted and confirmed, and shall have the same force and effect, as if such proceedings were expressly embodied in this by-law.
2. The Mayor and Clerk are hereby authorized to execute all such documents, and to direct other officials of the Town to take all other action, that may be required to give effect to the proceedings of the Council Meeting referred to in Paragraph 1 of this by-law.
3. Nothing in this by-law has the effect of conferring the status of a by-law upon any of the proceedings of the Council Meeting referred to in Paragraph 1 of this by-law where any legal prerequisite to the enactment of a specific by-law has not been satisfied.
4. Any member of Council who complied with the provisions of Section 5 of the Municipal Conflict of Interest Act, R.S.O. 1990, Chapter M.50 respecting the proceedings of the Council Meeting referred to in Paragraph 1 of this by-law shall be deemed to have complied with said provisions in respect of this by-law.

**READ AND PASSED, SIGNED AND SEALED THE 18<sup>TH</sup> DAY OF JANUARY, 2021.**

---

**Mayor**

---

**Clerk**