



TOWN OF
Parry Sound

2022 Draft Municipal Budget

Alternative Formats Available Upon Request

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Executive Summary

We are pleased to provide the 2022 Draft Budget to the residents and businesses of the Town of Parry Sound. It is intended to serve as a policy document, financial plan, operational and service level guide as well as a communications tool. The budget package provides a broad overview of the Town, its operations, and the associated budgets. Within this package we have provided information regarding the Town's operating and capital budgets. In addition to these financial overviews, the budget package incorporates demographic and other information about our community, the Town's Strategic Plan, and financial policies.

Benchmarking against other municipalities and internally tracking year over year performance is important. The Town participates in the BMA Study. This study is a benchmarking study that has identified several key performance indicators for municipalities. They track year over year performance for 110 Ontario municipalities. They also provide comparative information with similar municipalities as part of the package.

We hope you find the package informative.

Budget Philosophy

The Town takes the management and stewardship of public funds seriously. Through Council, the Town delivers a wide range of services that residents expect within the legislative framework established by the Province of Ontario.

The Town's budget process is continually reviewed and refined. Compiling the annual budget involves staff at various levels from across the organization. Finance issues budget guidelines to staff from which they build their budgets. The budgets are reviewed by the respective Department Head, amended as necessary and forwarded to Finance for further consolidation and review. Next, the CAO and the Department Heads begin a review of the operating and capital budgets, keeping in mind Council guidelines, strategic priorities and other factors in the municipal sector that may impact

the municipality over the next year. Once this review is complete, a draft budget is presented to Council and the public for discussion and consideration.

Throughout the year requests are brought to the attention of Council by residents and community organizations. These requests are captured and provided to Council for consideration. Identified in the budget package are requests with operating budget implications totaling \$102,857. After Council considers the requests, any requests they wish to undertake will be added to the draft budget.

Continuous Improvement

The Town's budget process focuses on containing costs and implementing best practices, with the goal of demonstrating leadership in financial management and providing residents with value for their property tax dollar. This continuous improvement approach to municipal operations has resulted in cost savings that are reflected in the Town's budgets as they are implemented:

- An Information Technology Modernization Review was undertaken to complete a comprehensive review of the use of technology in the Town to identify opportunities for greater efficient and effective use of technology. Some projects are proceeding into implementation
- Advancement of the Asset Management Plan which will be completed for core infrastructure to meet the 2022 deadlines
- Building and Planning Departments are moving towards an online application process to facilitate electronic public submission
- Online burn permits, online payment for parking tickets, accessibility to online/remote overnight parking permits
- Modernizing Provincial Offences Act trials through video conferencing and implementation of audio teleconferencing for early resolution
- Participation in climate change initiative that will target reduced GHG emissions beginning with examining the feasibility of fuel switching and electric vehicles/continued focus on Climate Action Plan
- AVL - Automatic Vehicle Location Technology is being implemented to assist with improved risk management and development of efficiencies
- GIS Maturity Study to seek opportunities for enhancement of this software which supports core services and infrastructure information

- The Town will be implementing a Digital Work Order system in 2022 that will support infrastructure replacement and track essential information such as inspections, condition reports, and work completed.
- Technology implemented to facilitate live streaming of events at the Stockey Centre
- Receiving \$187,500 in grant funding to reinvent the Fitness Trail.

These are examples of continuous improvement opportunities that have been identified by staff and are in process or completed to impact 2022 and the future.

Budget Challenges Compounded by the Ongoing COVID-19 Pandemic

With the onset of the Covid-19 worldwide pandemic, many of the Town's programming revenues, facility rental and user fee revenues have been reduced. The 2022 budget year presents continued challenges with inflationary levels expected at a rate of 5.2% as of December.

The revenues at the Bobby Orr Community Centre (BOCC) and Recreation remain at the lower 2021 levels for the most part. The BOCC has incurred increased costs as well due to the requirement to operate with screeners due to Public Health guidelines.

The Charles W. Stockey Centre and Bobby Orr Hall of Fame are aiming for a return to normal revenue levels. They have reviewed costs and labour resources to keep the Town contribution unchanged and changed programming where opportunities exist.

In August, the Town was advised that insurance increases for municipalities were averaging 20% for the next renewal period from the Town's current insurance provider. An article published in the Financial Post on July 13, 2021, titled *Canadian municipalities face insurance premium spike, forcing service cuts, property tax hikes* explains, "The increase in premiums, about 20 per cent to 30 per cent in many cases, has been driven by a shrinking pool of insurers, more claims in an increasingly litigious

climate and uncertainty around payout amounts."1 This increase amounts to \$50k for tax supported operations which represents 37% of the increase within the operating budget.

External levies/boards/district services represent \$70k of the budgetary impact, or 52% of the operating levy increase. This includes a \$58k increase requested from the Parry Sound Public Library and \$16k towards Land Ambulance services, \$7k towards policing, as well as, a \$5k increase requested from the West Parry Sound District Museum. Belvedere Heights Long-Term Care had a decrease of \$19k.

After considering the major impacts, the Town's controllable costs have only increased \$15k after growth or 0.2% of controllable costs despite the rising cost pressures of inflation.

Over the past few years, the Town has continued to see increased development. Using building permit activity as an indicator, the construction value of permits issued in 2020 reached \$22.5 million, which is up from 2021 growth levels at \$15.7 million. Due to the ongoing pandemic, assessment growth has not been reported in 2022 at the levels expected and the scheduled assessment update has been placed on hold by the province for the second year. With assessment growth translating to only \$73,984 in additional revenue, rising costs have been difficult to absorb within the operating budget. This amount has doubled from 2021 to 2022 but represents only 2/3 of the growth revenue typically received.

To accommodate rising costs, staff have undergone a thorough review of discretionary spending including the following areas and made reductions without compromising service levels:

1 Canadian municipalities face insurance premium spike, forcing service cuts, property tax hikes, Nichola Saminather (*The Financial Post*, July 13, 2021) found at <https://financialpost.com/fp-finance/insurance/canadian-municipalities-face-insurance-premium-spike-forcing-service-cuts-property-tax-hikes>

- Consulting engagements
- Contracted services
- Reviewing part-time/summer student complement and vacant positions
- Savings from increased remote work, virtual training, and increasing online services

With rising costs due to inflation and other general cost pressures on the community, staff have brought forward some options to the attention of Council for further reductions within the budget. The options present the opportunity to reduce the operating budget and tax increase by up to 0.60% but, they do represent service level impacts related to guarded beaches and/or reduced resources towards climate change initiatives.

Operating Budget Overview

Council has a policy that sets out a range for year over year increases in the tax levy. The low end of range is based on the annual Consumer Price Index (CPI) as of July. The CPI for July 2019 was 3.5%. The draft operating budget being presented to Council is below the low end of the range at 1.15%. In addition to the operating budget requirement, Council has a policy of increasing taxes annually by 1.8% to fund infrastructure (\$210,759) through the dedicated capital levy. Combined, the total increase for 2022 is 2.95%. The increase is approximately \$41.93/year for every \$100,000 in residential assessment. It’s worth noting that not all your property taxes are used to fund services provided by the Town. Town services represent 58.4% of your property tax bill, 26.5% funds district level services/external levies and approximately 15.1% is collected for the province for education.

Budgetary Increase	Tax Dollars	% Increase
Town Operating Budget	\$71,358	0.61%
Museum on Tower Hill	\$5,000	0.04%
Parry Sound Public Library	\$57,857	0.50%
Subtotal	\$134,215	1.15%
Capital Levy	\$210,759	1.8%
Total	\$344,974	2.95%

To put the operating budget into context for the residents, every additional \$117,088 added to the operating budget is approximately equal to a 1% increase in property taxes. The Town's total operating budget is approximately \$35.8 million. The budget is funded by user fees and various other revenues (72%) with property taxation providing the balance of the funding (28%).

Through continuous improvement initiatives and various other efforts most departments across the Town have managed to contain departmental costs resulting in an increase of only \$134,215 in property taxation for 2022 (net of growth). The majority of the cost pressures in 2022, including Covid -19 have been offset leaving only a portion to be covered by a tax increase (approximately \$134k or 1.15%).

Capital Budget Overview

In addition to the delivery of services the Town is responsible for the maintenance and replacement of municipal capital assets. The value of these assets at their historical cost is approximately \$206 million including land valued at \$7.7 million. Aging infrastructure is an issue faced by all municipalities. Often the cost of infrastructure requiring rehabilitation exceeds available funding. This situation is referred to as an infrastructure deficit. To actively address this funding issue associated with aging infrastructure Council established a policy requiring an annual increase in tax funding for infrastructure (1.8% each year for 20 years). These funds are dedicated to maintaining and replacing the Town's assets.

With the onset of a worldwide pandemic in 2020, many projects were initially placed on hold to manage cash flows until property taxation receivables were more certain. In 2021, projects were resumed. However, some projects encountered supply chain issues or delays due to the rising costs of materials and services expected. To keep up with infrastructure replacement needs, annual paving/capital replacement investments have still been planned for 2022 in addition to the carryforward to stay on track.

The total capital budget for these new projects is approximately \$6.5 million. \$273,600 is funded property taxation and \$6.2 million funded from a variety of sources. Funding sources include Federal and Provincial Grants which the Town has been aggressive in

pursuing. Of the total 2022 capital budget including carry forward items, 59% is funded from reserves/reserve funds and 39% funded from provincial and federal grants. \$184,088 more is being contributed to future infrastructure replacement in 2022 by transfer to reserves and a new principal payment for a debenture of \$120,902 for the capital works on Waubeek/Isabella has been funded from the capital levy.

Future Initiatives

As mentioned, all municipalities are facing infrastructure deficits. Following the passing of the Strategic Asset Management Policy in 2019, staff have begun the process of updating the Asset Management Plan which will lead to the development of a multi-year capital budget. These tools will add an element of predictability and assist the Town in its decision making as we look to the future. A focus on climate change management will be part of future planning as required under the principles identified in the Infrastructure for Jobs and Prosperity Act, 2015.

Conclusion

The 2022 draft budget represents a responsible balance between various competing interests with limited resources available. In 2022, the Town has proactively managed operating costs pressures and reduced revenues as a result of Covid-19 while adjusting to the new normal. The year's budget impacts remain low at 1.15% for operating and 1.8% for infrastructure despite the impact of operating cost pressures at the public library, inflationary pressures, and insurance premium increases. Overall, the draft budget maintains established levels of services with some adjustment to offer alternate programming for the new normal. The budget presents a high regard for cost pressures within the community in a year where inflation has impacted costs of living, while still allocating funds to maintain aging infrastructure and supporting the Town's strategic direction.

Respectfully submitted,

The Chief Administrative Officer and the Senior Leadership Team

Town of Parry Sound

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TOWN OF
Parry Sound

Overview

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About the Town of Parry Sound



In 1857 the Town was initially established near the Ojibwa village of Wasauksing, at the mouth of the Seguin River. 30-years later, it was incorporated as a Town, and by the late 19th century the Town had become an important depot along the rail service to Western Canada.

Named after the sound on which it sits, Parry Sound is located on Highway 400 approximately 2 hours north of Toronto and 90 minutes south of Sudbury, hugging the shores of the world's largest freshwater archipelago, known as the 30,000 Islands. Not only is Parry Sound the world-renowned jewel of the 30,000 Islands, home to one of the deepest natural freshwater ports but is also part of the UNESCO designated Georgian Bay Biosphere Reserve.

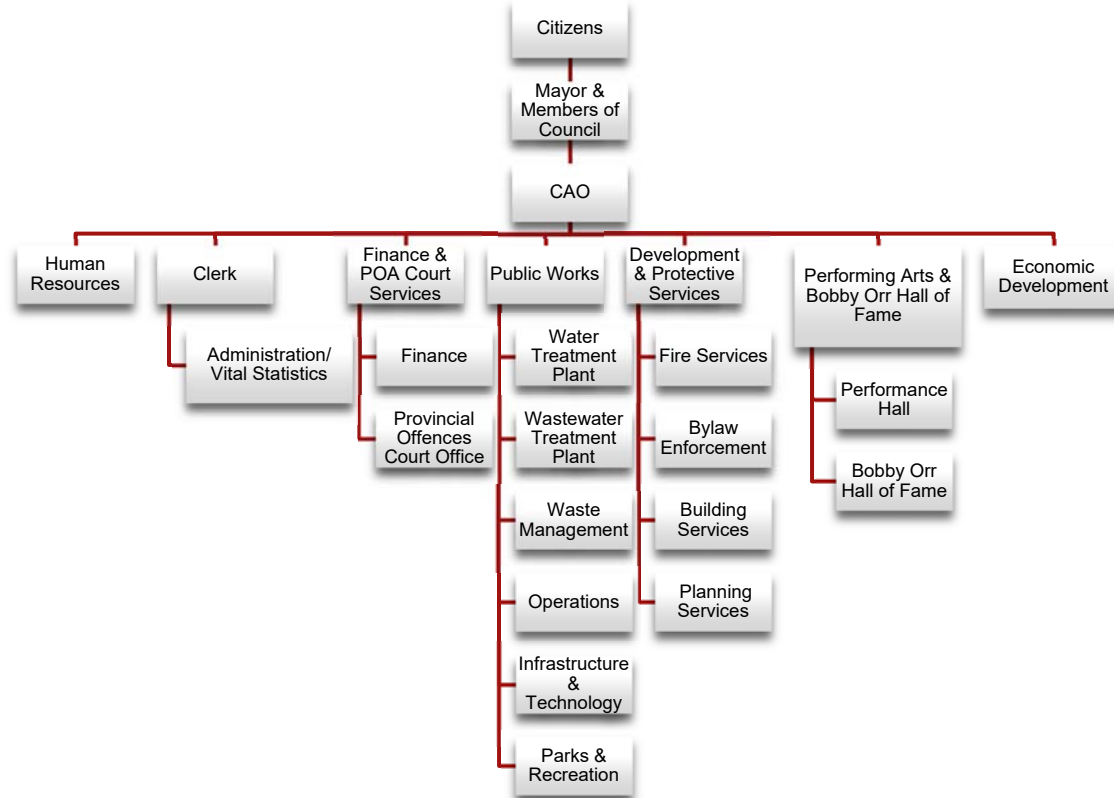
Parry Sound is rich in arts, culture and heritage. The Charles W. Stockey Centre for the Performing Arts and the Bobby Orr Hall of Fame are home to the international summer music festival, the Festival of the Sound. The Hall of Fame pays tribute to Parry Sound hockey hero, Bobby Orr.



The 6 km Rotary and the Algonquin Regiment Fitness Trail is a waterfront trail linking to the North Shore Rugged Trail. Stop along the way for a quick swim in sparkling, clean waters, enjoy a picnic at Waubuno Beach, or catch a breath-taking sunset over the Bay.

Organizational Profile

The Town of Parry Sound is a single-tier municipality responsible for the municipal services within the Town's boundaries. Unlike other single-tier municipalities within the District of Parry Sound, the Town is also responsible for the administration of the District's Provincial Offences Act Office and Land Ambulance. The Town's governance is made up of a mayor and six members of Council, who are elected at large by the residents of Parry Sound. Council acts as the public's representative, but also considers the well-being and interests of the municipality.



Town staff work within various departments to ensure that the decisions made, and directions given by Council are executed. It is the work and efforts of staff that ensure the administration of the Town's programs and services

Partnering for the Future

2020 – 2030 Strategic Plan

The Strategic Plan sets the vision for the Town, guides priority setting and the allocation of resources. The annual budget draws on the Strategic Plan to provide guidance to Staff and Council regarding projects, programs and services.

Vision

The jewel of Georgian Bay, a sustainable community focused on opportunity, growth and healthy living.

Mission

To listen to our residents and collaborate with our neighbours to deliver excellence and quality services that lead Parry Sound to a prosperous, healthy and sustainable future.

Values

The Town of Parry Sound is committed to its five corporate values. These values guide our decision making, our actions and our interactions. They are a foundation for our culture. They “CHART” a course for our future success.



Collaboration



Honesty



Accountability



Respect



Transparency

2020-2030 Strategic Priorities



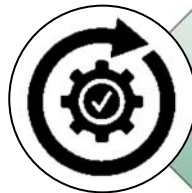
Economic Growth

Parry Sound will be development ready, and will strengthen and diversify its economy to provide sustainable growth, quality employment and housing that is attainable.



Quality of Life

Parry Sound is a great place to live, work, play, invest and grow.



Organizational Excellence

The Town of Parry Sound is responsible and accountable to its residents to deliver value for taxpayer dollars.

Snapshot of our Community

The Town participated in the BMA Management Consulting Inc. Municipal Study – 2021, which is a study comparing 114 municipalities in Ontario, representing approximately of 86% of the population. In 2021, there were 10 Northern participants (Elliot Lake, Espanola, Greater Sudbury, Dryden, Kenora, North Bay, Parry Sound, Sault Ste. Marie, Thunder Bay and Timmins), and 33 municipalities with populations less than 15,000.

Socio-Economic Indicators

Socio-economic indicators assist a municipality providing insight into its ability to generate revenue relative to the municipality's demand for public services.

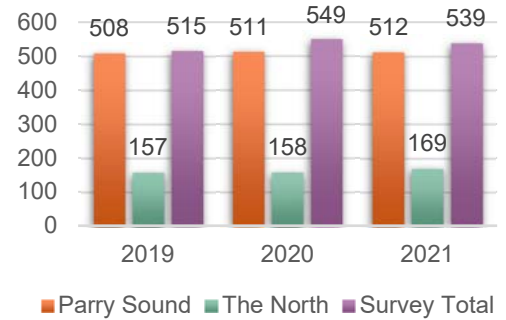
Population Density

A review of population density, the number of residents living in an area, provides insight into the age of a city, growth patterns, zoning practices, and development

opportunities. The greater the population density, the more likely a municipality may be outgrowing its boundaries, services and infrastructure needs.

The Town’s density per square kilometer is significantly greater than the Northern average. The Town’s land area of 13 square km must provide the services to over 6,851 people.

Population Density per sq. km



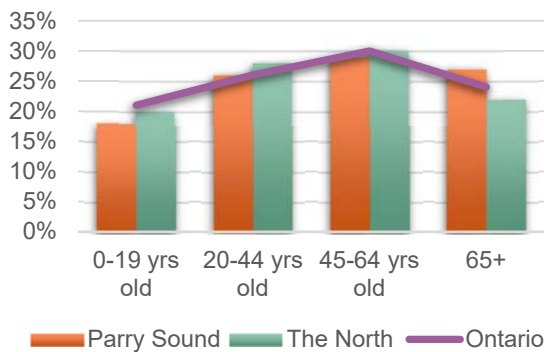
Population Growth & Age Demographics

Parry Sound has consistently experienced better population growth, since 2011, when compared to the other Northern participants.

Population Growth



Age Demographics



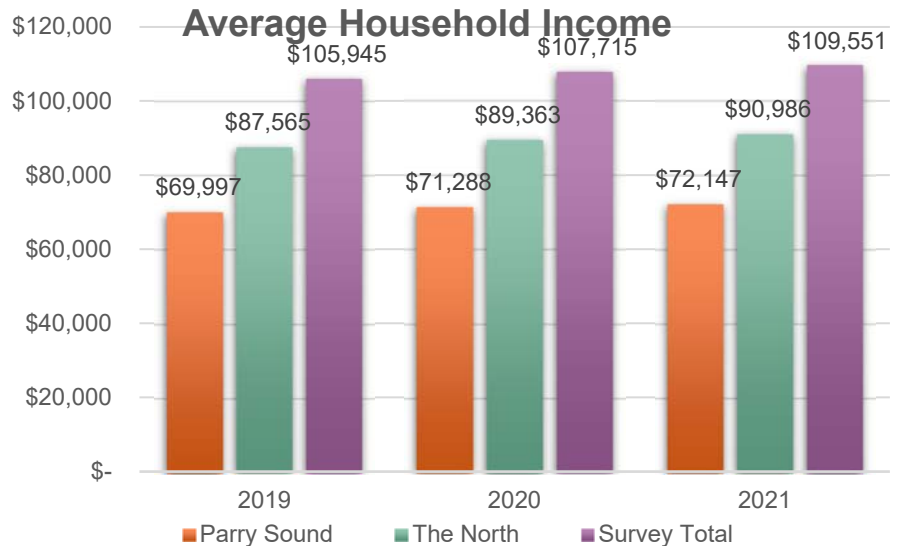
According to the 2016 Census, 27% of the Town’s population is 65 years and over. This is in comparison to the Provincial average of 18%. Like many Northern communities there is an increasing percentage of the population that is over 65 years in age. The age profile of the Town plays a role in understanding the programs and services desired by ratepayers.

Average Household Income

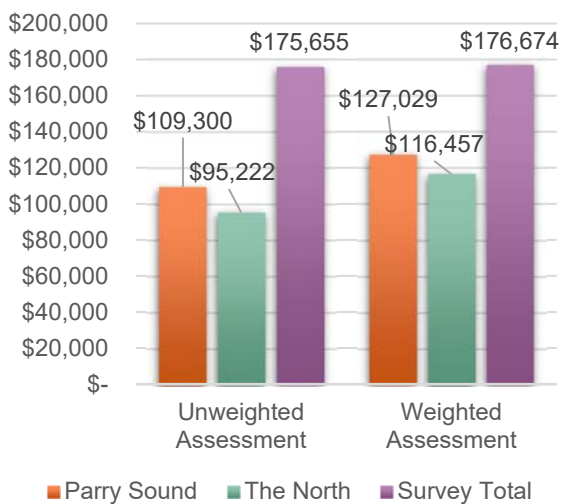
The Town's average 2020 estimated household income is \$71,288 which is \$18,075 lower than the Northern average, and \$36,427 lower than the survey average.

The Town continues to experience the pressures to ensure that tax levels are affordable for ratepayers, while still providing the expected programs and established levels of service while moving our community forward.

The Town must also balance the reality that the provision of some services may be higher in the North.



Assessment per Capita



Property Assessment

Municipalities raise a portion of their revenues by charging taxes on a property's assessment, as provided by MPAC (Municipal Property Assessment Corporation). The stronger the assessment base, the easier it is for a municipality to generate revenues.

Using weighted assessments considers the different property classes and applies the tax ratios to the unweighted assessment.

For example, a residential property’s ratio is 1.0, and a commercial property is 1.664617. If you had \$100,000 of commercial assessment, it would be the same as \$166,462 of residential assessment.

Tax ratios are used to express how other property tax rate classes compare to the residential rate. The Town has maintained its tax ratios since 2008, which has prevented a change to the ratios as any change would require the reduction of ratios, and therefore place a greater tax burden on the residential property owners. The Town’s tax ratios are lower than the survey average. This means that the other tax classes, on average, pay closer to the residential class than in other municipalities.

Per the BMA study, approximately 69% of the municipalities surveyed, have a decrease in tax burden on the Residential class as a result of tax ratios for non-residential classes greater than 1.0. The implementation of tax ratios to the assessment base for municipalities with a larger proportion of farmland and managed forest results in an increase in the residential burden.

Location	Residential Unweighted Assessment	Residential Weighted Assessment	Change % Unweighted to Weighted
Parry Sound	74.00%	63.7%	-14.0%
Survey Total	77.0%	75.1%	-0.60%

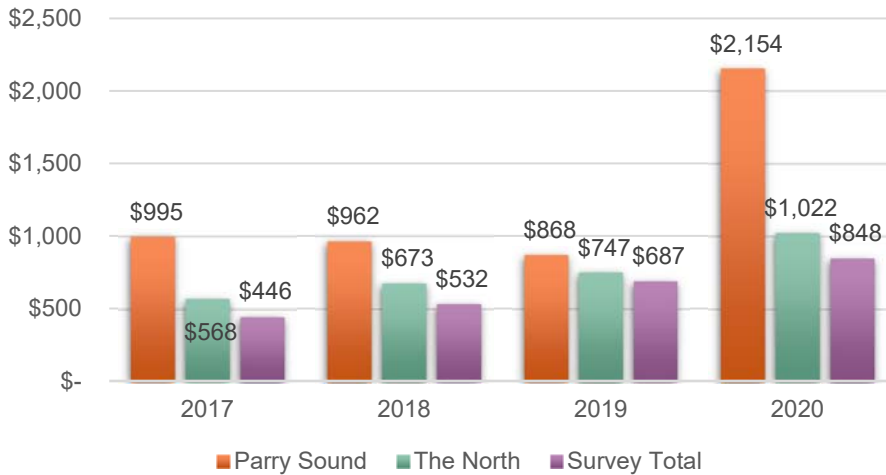
Financial Indicators

Financial indicators, along with some socio-economic indicators, combine to provide a foundation for a municipality to evaluate its financial outlook and performance.

Sustainability

The ability to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services.

Financial Position per Capita



Financial position is the difference between the financial assets (what the Town owns) and liabilities (what the Town owes).

The Town has a healthy financial position when compared with the survey total, and the Northern participants.

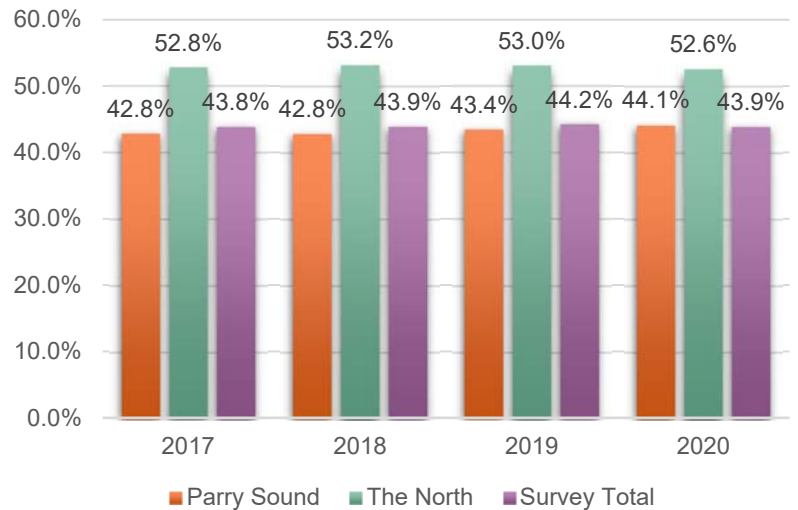
This position has enabled the Town to proceed with required borrowing for significant infrastructure projects.

Capital assets are amortized, an allocation of cost over time, based on its estimated useful life.

The Asset Consumption Ratio measures the amortized value of the assets versus the historical costs of the assets. A high ratio may indicate a significant need for replacements.

Like most municipalities, the Town is facing an infrastructure gap. Aging infrastructure is a reality, and the Town is working towards long-term planning to address these needs through asset management planning. The Town’s historical ratios have been comfortably sitting within the Ministry of Municipal Affairs and Housing’s (MMAH) ‘moderately new’ range. The recent infrastructure projects on Wakefield St., Dufferin St., Forest St., William St. and Emily St. have contributed to this healthier ratio.

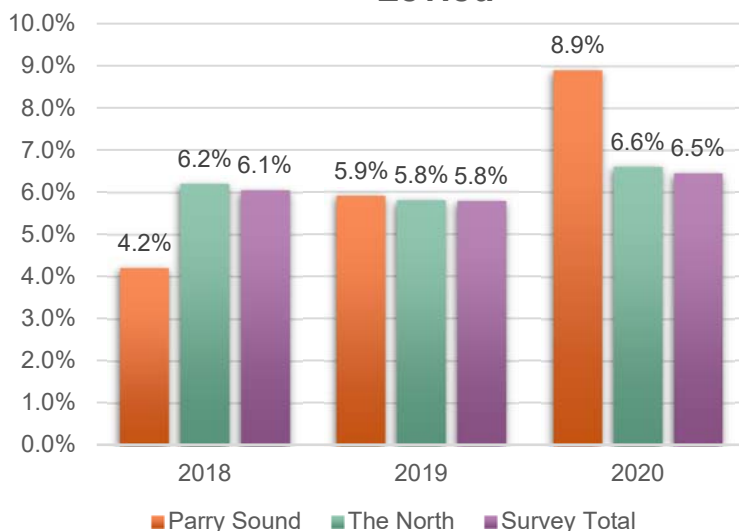
Tax Asset Consumption Ratio



Vulnerability

Addresses a municipality’s vulnerability to external sources of funding that it cannot control and its exposure to risk.

Taxes Receivable as a % of Taxes Levied



Most of the revenue raised by the Town comes from property taxes. Every year, there is a portion of the ratepayers who do not pay their property taxes, which composes the taxes receivable balance.

Most credit rating agencies consider 8% or greater a negative factor. If a municipality sees a

consistent increase over time of this percentage, then it may indicate a decline in the municipality's health.

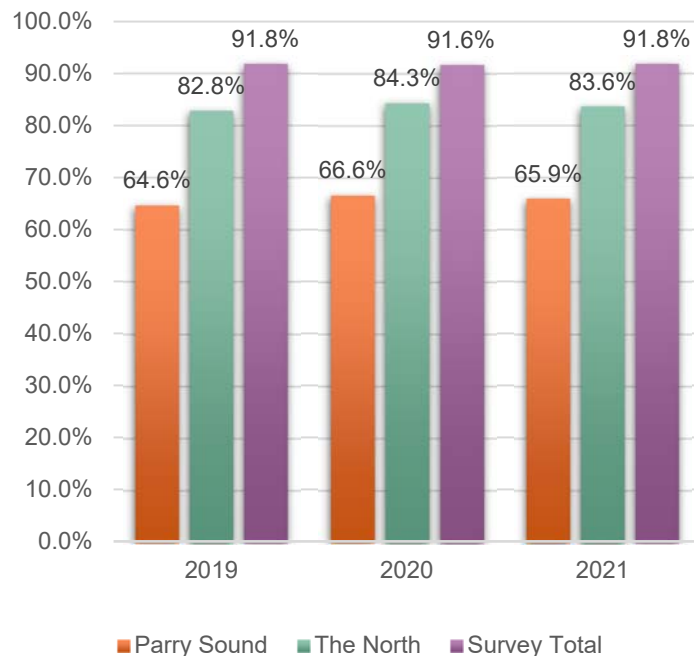
The Town is performing well on this indicator and has been successfully collecting property tax arrears.

The rates coverage ratio provides the municipality with a measure of our ability to cover costs through our own sources of revenue, i.e. omitting grants, Provincial funding and Federal funding.

The Ministry of Municipal Affairs and Housing (MMAH) indicates that a basic target is 40%-60%, an intermediate is 60%-90% and an advanced target is 90% or greater.

The Town is at the low range of the intermediate level. There is an unknown which is the impact of the municipal levies for the Land Ambulance Service. The Land Ambulance service is a significant cost which is shared amongst the various municipalities, which is not typically considered own source funds.

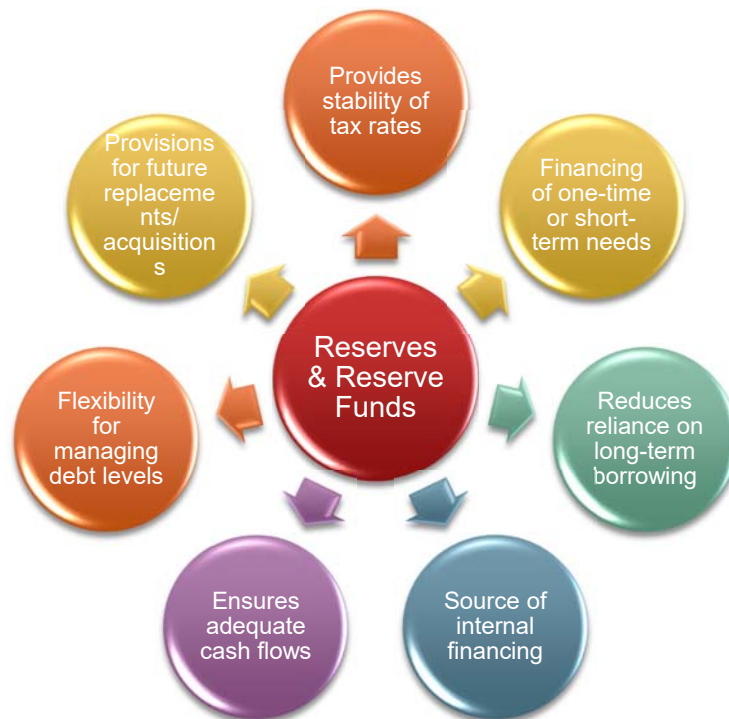
Rates Coverage Ratio



Flexibility

The ability to issue debt responsibly without impacting the credit rating. Also, the ability to generate required revenues.

Reserves and Reserve Funds



Reserves and reserve funds are important tools for a municipality, allowing for long-term planning, internal financing and dealing with unknown situations that may arise during the year.

There are two types of **reserve funds**:

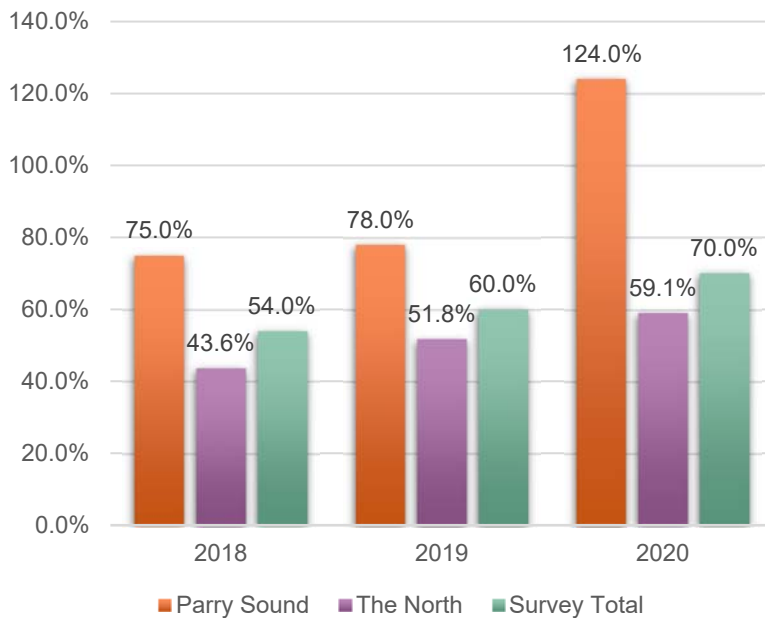
- **Obligatory:** required by legislation or agreement to be maintained in a segregated manner from the general revenues of the Town. Currently the obligatory funds are:
 - Development Charges
 - Subdivider Contributions
 - Revenue in lieu of land for park purposes under the Planning Act

- Gas Tax Funding (Federal and Provincial)

- **Discretionary:** created by Council when they wish to earmark revenues for future projects, and physically sets aside the funds. It is important to note that the Town does have some Reserve Funds established, that while not obligatory, are not available for the Town to use for “Town Use”. E.g. Land Ambulance Reserve Funds.

Reserves, on the other hand, are simply internal accumulations. There is no physical segregation of the assets, they do not earn their own interest and Council may establish a reserve for any purpose and apply the funds at their discretion.

Tax Discretionary Reserves as a % of Own Source Revenues



Parry Sound has significantly higher reserve balances when compared to the survey average and the North. It is important to note, that while the Town does have strong reserves, the comparison to other municipalities may be skewed by the existence of reserves that are not for “Town use”, such as the Land Ambulance funds.

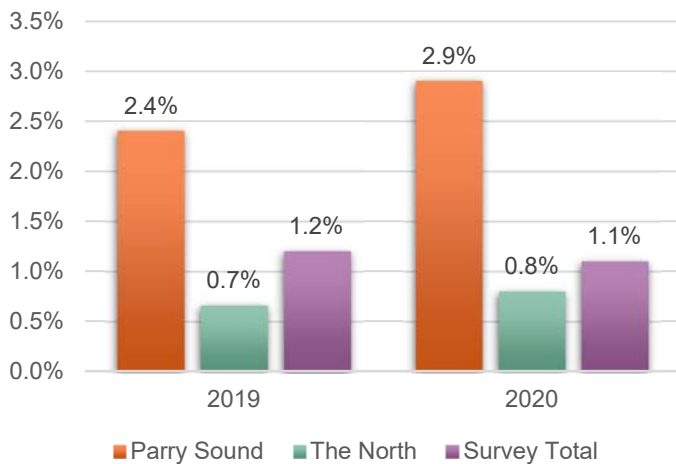
Ensuring adequate contributions to reserves has been an important part of the long-term

planning that is occurring at the Town. Currently there are amounts contributed to reserves in anticipation of future expenses, such as the municipal election, fleet replacement and equipment replacement.

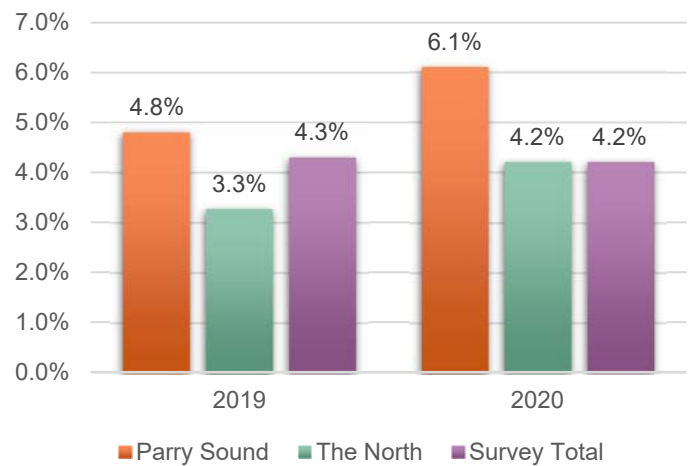
Debt

It is important to be aware of the level of debt, and the resulting obligations, to ensure that the reliance on debt is maintained at a manageable level, to maintain flexibility within the municipality and ensure compliance with the regulations set out by MMAH. It is only with approval that a municipality can have greater than 25% of the total Own Source Revenues servicing their debt and long-term obligations.

Tax Debt Interest as a % of Own Source Revenue



Tax Debt Charges as a % of Own Source Revenues

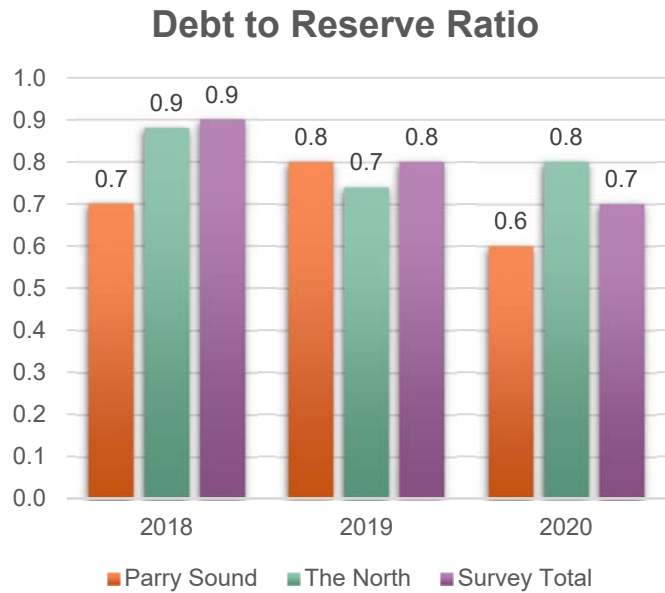


As indicated above, the Town's tax debt charges are in line with the survey average. The figures above do not consider the debt incurred for water and wastewater related infrastructure.

The Town's debt to reserve ratio was 0.8, which is consistent with prior years and the survey average.

The general benchmark by credit rating agencies for this ratio is 1:1. Ideally the outstanding debt should not exceed the total that is held in reserves and reserve funds, therefore, for every \$1.00 of debt outstanding there should be \$1.00 in a reserve or reserve fund

It is prudent to indicate that our ratio may be slightly lower due to the reserves held by the Town that are not for “Town use”.



Municipal Levy

When comparing the net municipal levy per capita amongst various municipalities it is not an “apples to apples” comparison due to the different make-up of each community. The net municipal levy per capita is an indicator of the total net municipal levy required to provide the municipality’s services, it is not a measure of how effectively this is being accomplished, nor an indication of the value for money.

Per BMA, there are many different reasons that net municipal expenditures per capita may vary. They are:

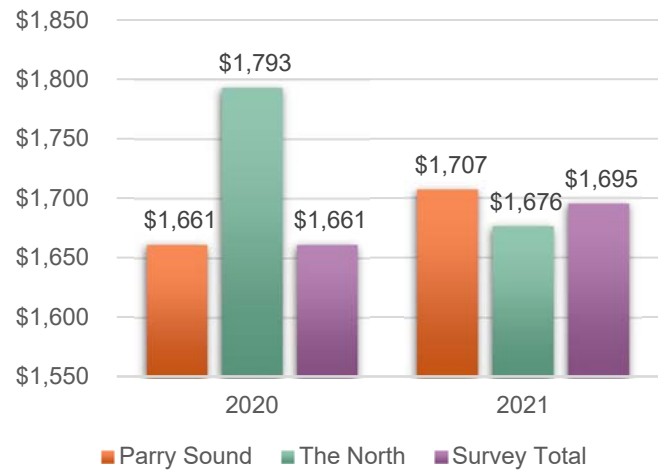
- Different service levels
- Variations in the types of services
- Different methods of providing services
- Different residential/non-residential assessment composition
- Varying demands for services
- Locational factors
- Demographic differences
- Socio-economic differences
- Urban/rural composition differences
- User fee policies
- Age of infrastructure

- What is being collected from rates as opposed to property taxes

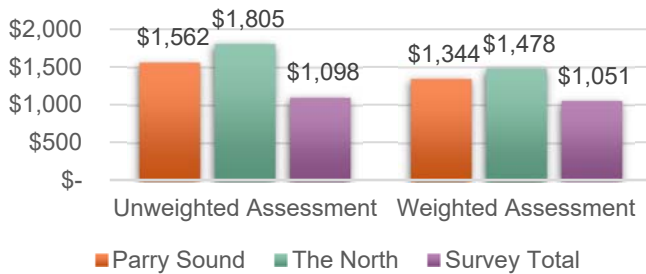
The population has remained steady within the Town, and the increase in net municipal levy per capita could be attributed to:

- The introduction in 2017 of a dedicated amount for capital investment (per 2016 Asset Management Plan);
- Increase in the costs to provide the services;
- Decline in funding available, such as the Ontario Municipal Partnership Fund (OMPF) and
- Service level improvements that have been introduced

Net Municipal Levy Per Capita



2020 Net Municipal Levy per \$100,000 of Assessment



The Town is doing well compared to the Northern average when it comes to the net municipal levy per \$100,000 of assessment. The difference between weighted and unweighted is the application of a municipality’s tax ratios. Basically, weighted assessment converts all assessment to be valued as

a residential property, where unweighted assessments are the actual assessments used by each class.

It is important to note, that as with many Northern communities, the Town experiences higher net levy when compared to the survey because it does not have a high assessment basis.

Community	Total Weighted Assessment	Population per BMA Study	Net Municipal Levy/Capita	Population Density per km²	Land Area (km²)	Net Municipal Levy/\$100,000 Weighted Assessment
Parry Sound	\$ 863,968,581	6,860	\$1,707	512	13	\$1,344
Huntsville	\$4,236,115,318	21,438	\$1,716	30	710	\$851
Bracebridge	\$3,406,612,109	17,540	\$1,828	28	628	\$929

Comparing the 2020 figures for Parry Sound, Huntsville, and Bracebridge the following observations can be made:

- The Town has a significantly lower weighted assessment
- The Town's population density is significantly higher than the other two communities, emphasizing the concentration of population within our 13 square kilometers
- The municipal levy per capita is similar, while the municipal levy per \$100,000 of weighted assessment is much more varied

Overall, the reality is that the lower the assessment, the harder it is to raise funds for new initiatives, service level increases or special projects.



TOWN OF

Parry Sound

Supporting Our Community



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Summary of Changes to Net Levy by Divisions

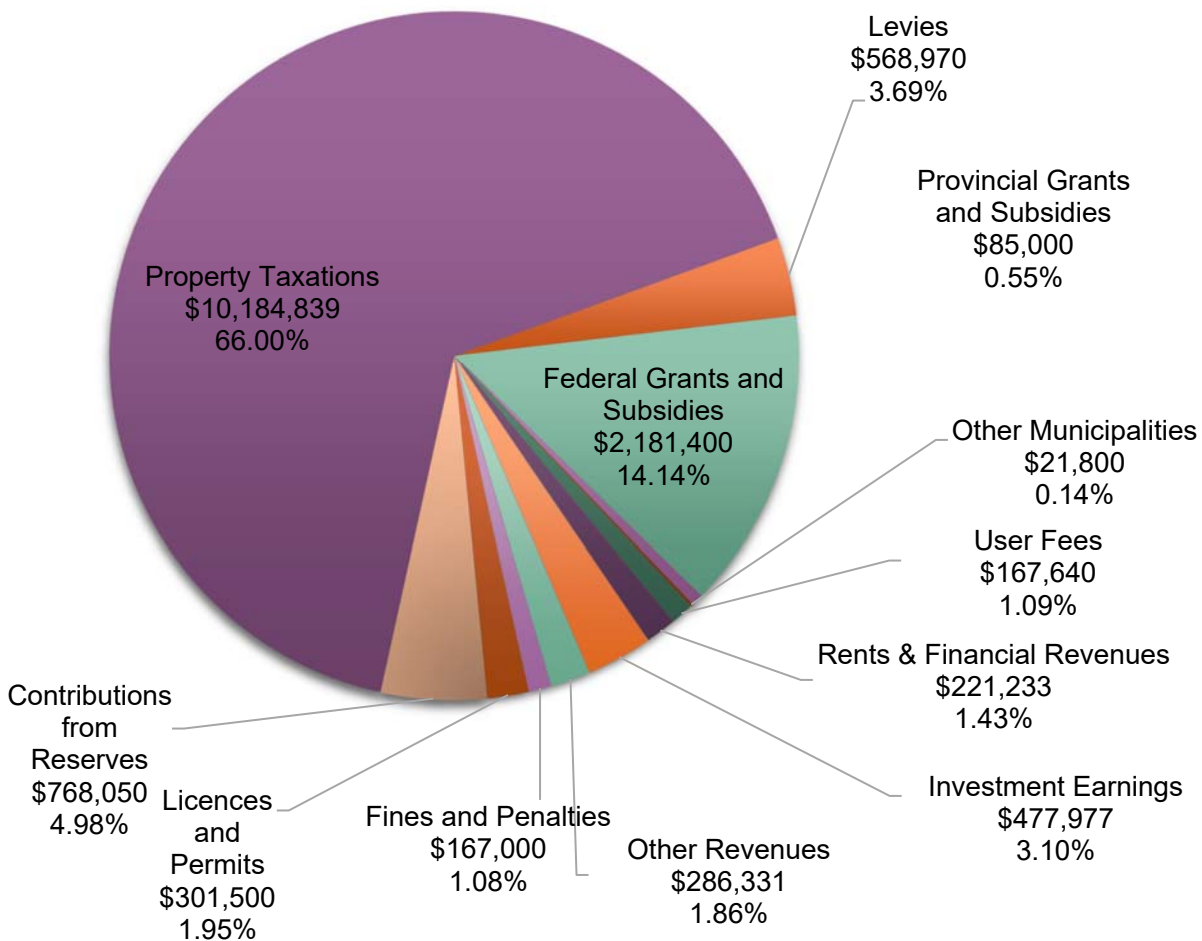
	2021 Budget	2022 Budget	Dollar Change	Percent Change
Mayor and Council	\$ 264,067	\$ 258,405	\$ (5,662)	-2.07%
Office of the Chief Administrative Officer				
Office of the Chief Administrative Officer	(1,740,030)	(1,748,925)	(8,895)	-0.27%
Economic Development	284,570	328,426	43,856	8.78%
Development & Protection Services				
Emergency & Protective Services	3,250	-	(3,250)	-3.63%
Fire Services	750,963	778,939	27,976	3.61%
By-law Enforcement	194,989	198,229	3,240	0.89%
Building	119,185	28,427	(90,758)	-22.18%
Planning	205,507	196,607	(8,900)	-1.83%
Development	211,802	211,235	(567)	-0.23%
Public Works & Recreation				
Transportation Operations	1,712,732	1,930,487	217,755	12.66%
Winter Control	779,181	789,836	10,655	1.37%
Storm Water Control	340,123	347,972	7,849	2.31%
Waste Management	890,687	836,810	(53,877)	-6.05%
Cemetery	142,477	146,191	3,714	2.61%
Information Technology	405,475	517,781	112,306	27.70%
Municipal Office	218,872	219,019	147	0.07%
Bobby Orr Community Centre	450,239	452,128	1,889	0.42%
Parks and Recreation	962,767	979,732	16,965	1.76%
Finance	169,643	33,431	(136,212)	-80.29%
Subtotal Town Operations	\$6,366,499	\$6,504,730	\$138,231	2.17%
External Levies/Boards/District Services				
Health Unit	178,090	183,939	5,849	3.28%
Town Contribution – Land Ambulance	263,794	280,150	16,356	6.20%
Home for the Aged	120,284	101,400	(18,884)	-15.70%
Seniors	5,000	5,000	-	0.00%
DSSAB	318,150	320,549	2,399	0.75%
Library	211,150	269,007	57,857	27.40%
Museum	35,076	40,076	5,000	14.25%
Town Contribution - Stockey	297,333	297,333	-	0.00%
OPP	2,049,974	2,059,571	9,597	0.47%
Airport	12,100	12,100	-	0.00%
The Planning Board	7,000	-	(7,000)	-100.00%
PS Area Industrial Park	15,463	15,190	(273)	-1.77%
911 Levy	3,600	3,600	-	0.00%
MPAC Property Assess Levy	93,127	92,194	(933)	-1.00%
Subtotal External Levies/Boards/District Services	\$3,610,141	\$3,680,109	\$69,968	1.94%
Total Levy Required	\$9,976,640	\$10,184,839	\$208,199	2.09%

Operating Budget

Property Tax Supported Operations

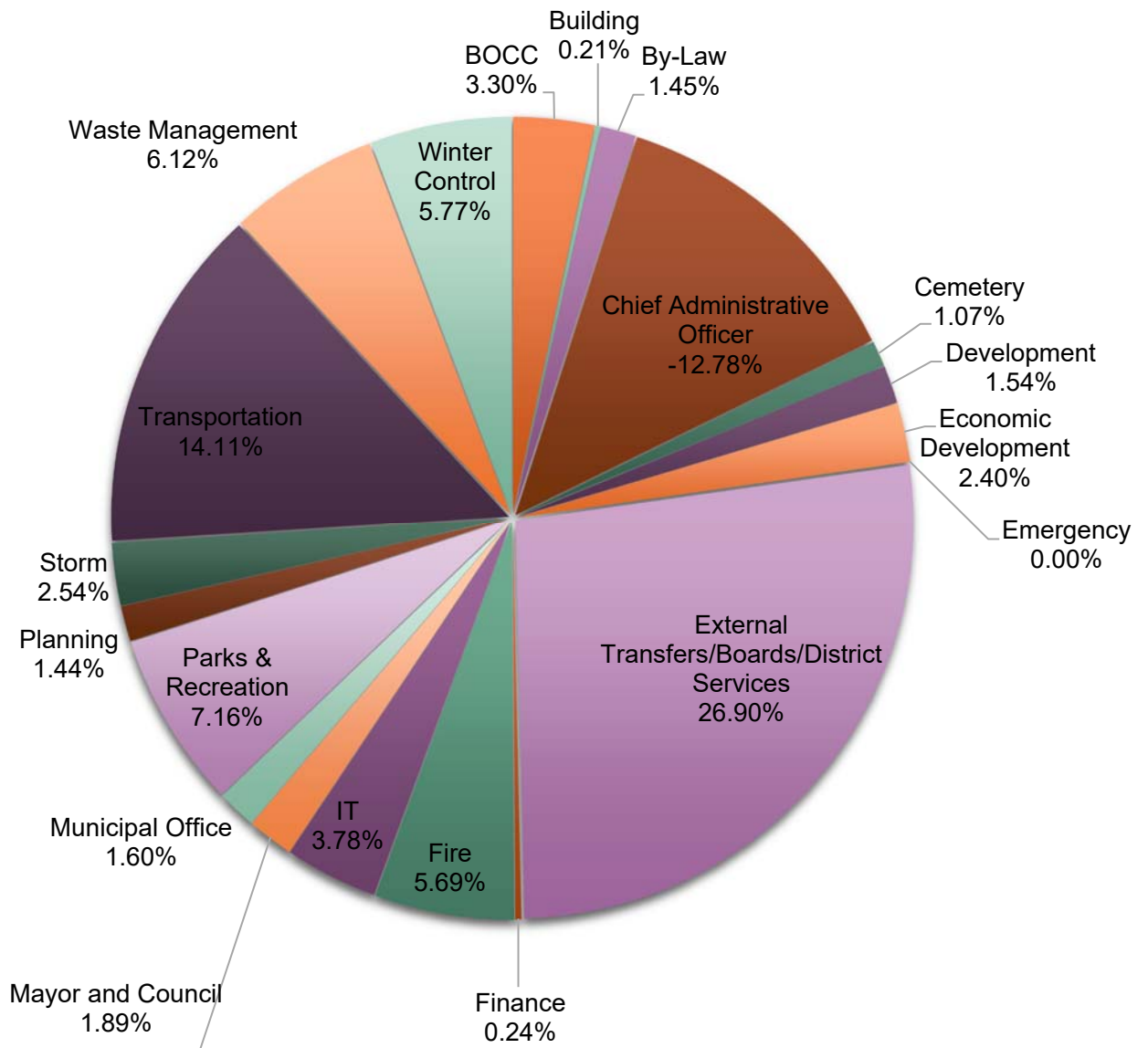
Most of the Town's operations are supported to some degree from property taxes. Each year staff consider various revenue sources available, as well as the operating requirements of the Town to determine what needs to be raised through tax levies.

The proposed budget to Council has a total of \$15,431,740 in tax supported operating expenses. There is anticipated revenue of \$5,246,901 from other sources, including Provincial funding, user fees, investments, and contributions from reserves. The remaining \$10,184,839 must be raised from property taxes.



2022 Budget by Functional Service Area

The operating budget has been grouped into different service areas, following the segmented groupings format of the Town's financial statements.

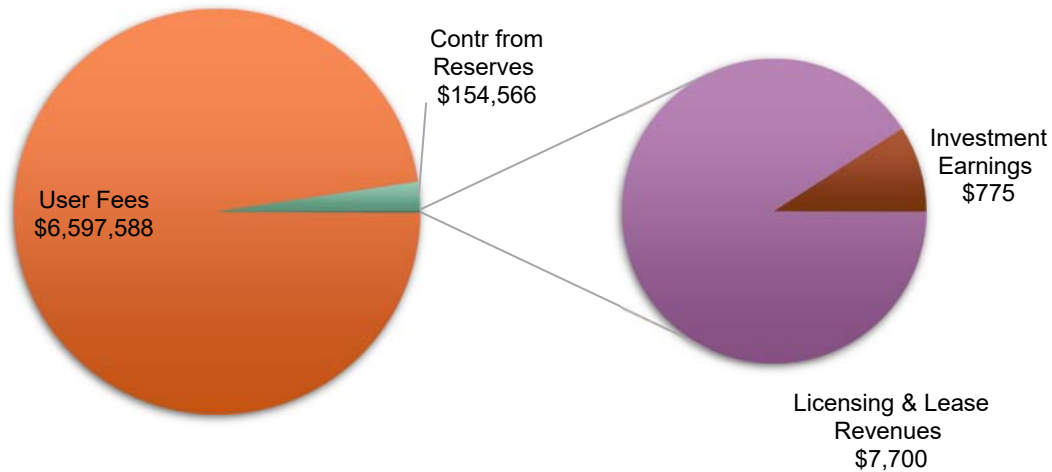


*General Government includes Ontario Municipal Partnership Fund grant revenues of \$2.05 million.

Non-Property Tax Supported Operations

Water and Wastewater Services

The operation of water and wastewater infrastructure is run by the Town of Parry Sound, however, none of the operations are funded by property taxes. Revenues are raised primarily through the user fees charged to customers for their water and wastewater services, and funding from dedicated water/wastewater reserves.



Budget Change

2020 Budget	2021 Budget	Dollar Change	Percent Change
\$6,641,986	\$6,760,229	\$118,243	1.78%

Highlights

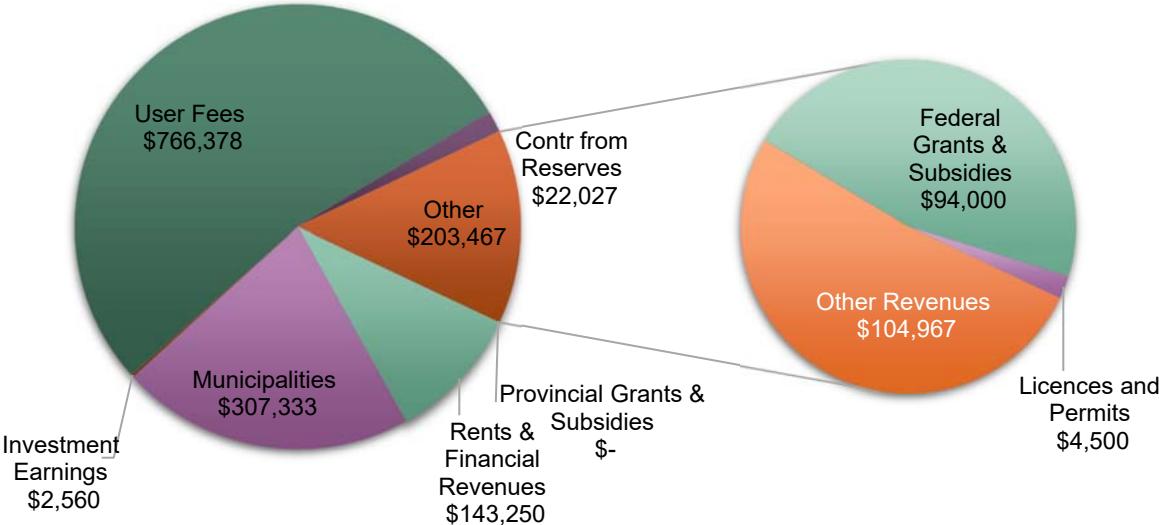
- Budget is reflective of recent water and wastewater rate study and water financial plan.
- Recommendations of the water and wastewater capacity study are included in the 2022 budget.

Charles W. Stockey Centre and Bobby Orr Hall of Fame

The Charles W. Stockey Centre for the Performing Arts (Stockey Centre) opened in July 2003, providing Parry Sound with an acoustically stunning location for the Festival of the Sound and the many performers who visit our beautiful Town.

The Bobby Orr Hall of Fame is an interactive hockey museum celebrating not only the sport of hockey, but the born and raised Parry Sounder, Bobby Orr. In addition, there are exhibits about other exceptional athletes with ties to Parry Sound

The Stockey Centre has many revenue streams but does rely on some municipal contributions to assist with their budget. The Town provides an annual amount to the Stockey Centre budget to help support the Arts within our community.



Budget Change

2021 Budget	2022 Budget	Dollar Change	Percent Change
\$923,340	\$1,445,015	\$521,675	56.5%

Highlights

- Many revenues at the Stockey Centre were lost due to covid-19 and the ongoing pandemic in 2021. Significant reductions in part-time labour, materials, and contracted services have been undertaken to mitigate the impacts.
- In 2022, the Stockey Centre is budgeting for the return to normal with events, facility rentals, and usage planned to increase along with revenues.

Provincial Offences Act

The Town is the administrator for the Provincial Offences Act (POA) Court in the District of Parry Sound. While the Town includes the operating budget for POA in its budgeting process, the budget is presented to the Provincial Offences Act Advisory Committee for the Parry Sound Catchment Area, consisting of municipal representatives from municipalities within the District.

Revenue sources for the POA Court is predominantly fines, however there is some income from transcript orders.

Budget Change

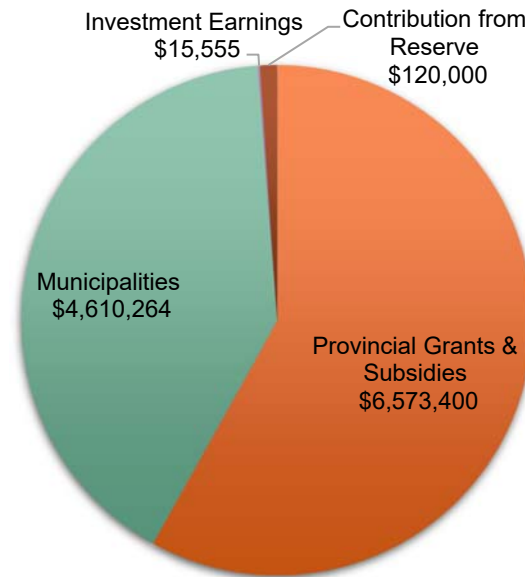
2021 Budget	2022 Budget	Dollar Change	Percent Change
\$ 789,261	\$ 857,160	\$67,899	8.6%

Highlights

- In 2021, there was a decline in fee revenues based on the actual fees being collected and the observed trends of ticket issuance for the area
- Ticket issuance has been impacted by covid-19 and the ongoing pandemic
- In-person court was on hold but, in 2022 virtual court has begun and plans for in-person court are resuming.

Land Ambulance

The Town provides the administration of the land ambulance for the District of Parry Sound. While the Town includes the operating budget for the land ambulance in its budgeting process, the budget is established by the EMS Advisory Committee.



Budget Change

2021 Budget	2022 Budget	Dollar Change	Percent Change
\$10,928,659	\$11,319,219	\$390,560	3.57%

Highlights

- Increase to current contract with West Parry Sound Health Centre for Land Ambulance Services - \$443,903
- 6.2% Increase to the municipal levy requirement, allocated to all municipalities based on weighted assessment
- Fully funded paramedicine program continuing to operate in 2022– \$904,422

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Impact on the Ratepayer – Municipal Taxes

As a result of the ongoing worldwide pandemic, covid-19, the assessment update, which was intended to occur for 2021, has been deferred through 2021 and 2022. As a result, there are no impacts of phase-in of increases or immediate decreases in individual assessments in 2022. MPAC's (Municipal Property Assessment Corporation) typically conducts assessment updates based on market value on a 4-year cycle.

The total weighted assessment for the Town of Parry Sound has increased 0.63% from 2021 to 2022. In the absence of any assessment updates causing phase-in or decreases, this represents the Town's assessment growth.

\$11,708,819 (2021 taxation revenues) x 0.63% = \$73,984 in taxation from assessment growth

Whereas the 2022 budget requires a total of \$12,127,777 and \$73,984 is generated from assessment growth;

Therefore, the Town needs to raise an additional \$134,215 for Town operations and \$210,759 for infrastructure for a total of \$344,974.

2022 Levy Increase

To raise the required additional \$344,974, an increase of 1.15% for operations and 1.8% for infrastructure is necessary for a total increase of 2.95% over 2022 property taxation (net growth).

Impact to the Average Taxpayer

In 2022, the average Single-Family Home in the Town of Parry Sound is assessed at \$186,000. Each home has its own individual property assessment. Therefore, for ease of conversion, the assessed value of \$100,000 is used to illustrate the impact of the taxation increase.

2021

$\$100,000 \times 0.01421244$ (2021 rate) = $\$1,421.24$

2022 Increase

$\$1,421.24 \times 0.0295$ (increase) = $\$41.93 / 12 = \3.49 per month

The Results

The taxpayer will pay \$41.93 more per year or \$3.49 additional per month for every \$100,000 in residential assessment.

Items for Council Consideration

Each year there are items up for consideration during the budget process. These could be items that are brought forward by a member of Council or the Public, or an item that staff is looking for Council direction on.

Requests for Consideration from Council and/or Public

	Description	Included in Proposed Budget	Budget Section	Operating Budget Impact	Change to Tax Rates	Tax Impact ¹
1.	Increase contribution to the Public Library	Yes	Recreation & Culture	\$ 57,857	0.494%	\$7.02
2.	Increase contribution to the Museum on Tower Hill	Yes	Recreation & Culture	\$ 5,000	0.042%	\$0.60
3.	Outdoor Skating Trail *New Amenity	No	Recreation & Culture	Not recommended at this time. No impact on 2022 costs.		
4.	Waterfront Master Plan	No	Development	\$ 40,000	0.342%	\$4.86
Grand Total				\$102,857	0.878%	\$12.48

¹ The Tax Impact is calculated for \$100,000 of residential assessment.

Additional Information on Projects

Outdoor Skating Trail

Description: To develop and maintain an outdoor skating trail as well as provide a higher level of service at the existing outdoor recreational spaces.

Background: The ice at the Kinsmen Outdoor Rink has historically been created and maintained by BOCC staff using overtime, it is not part of the daily work schedule. Traditionally staff are focused on the BOCC ice operations through the winter season. With the closure of the BOCC due to Pandemic restrictions, an outdoor amenity such as a skate path was being considered in January 2022 as a way to redeploy BOCC staff.

Outdoor covered ice rinks average up to 60 days usage in a season, with several closures due to weather impacts. The condition and safety of the ice is vulnerable to changes in temperature and weather conditions. As outdoor ice seasons are becoming increasingly shorter and unpredictable, the establishment of an uncovered skating trail may not be a practical endeavor. The difficulty recruiting casual employees, the cost and time commitment, limited use due to weather do not make it a good return on taxpayer dollars.

As Council works to keep tax increases down, staff do not recommend pursuing an outdoor skate path as a new service.

Waterfront Master Plan

Description: Re-evaluation the waterfront strategy to plan for the future use of the properties along the shoreline of Georgian Bay.

Staff Recommendation: Staff recommend that the project be deferred to 2023 when the Manager of Planning is recruited and has had an opportunity to familiarize themselves with the Town and the waterfront.

Operating Cost: \$ 40,000

Proposed Funding: Property Taxes

Tax Rate Impact: 0.342%

Tax Impact: \$ 4.86 (on Residential Assessment of \$100,000)

Alternative Funding: Economic Development Reserve

Resolution Required for Alternative:

“Council approves the Waterfront Master Plan to be undertaken. The works are to be temporarily funded from the Economic Development Reserve and Council directs that the growth-related component of the Study (as determined in the D.C. Background Study) be funded from the D.C. Reserve Fund once the by-law has been approved by Council and is in effect.”

Additional Options for Tax Rate Reduction

With inflationary and cost pressures on the community in mind, staff have brought forward some options to the attention of Council for further reductions within the budget. The options present the opportunity to reduce the operating budget further by up to 0.60%. They are currently included in the proposed draft budget.

Additional Options for Tax Rate Reductions

	Description	Included in Proposed Budget	Budget Section	Operating Budget Impact	Change to Tax Rates	Tax Impact ²
1.	Guarded Beaches/Lifeguards	Yes	Recreation & Culture	\$ (46,311)	-0.396%	\$(5.63)

² The Tax Impact is calculated for \$100,000 of residential assessment.

Description		Included in Proposed Budget	Budget Section	Operating Budget Impact	Change to Tax Rates	Tax Impact ²
2.	Climate Change Coordinator Intern	Yes	Information Technology & Climate Chage	\$ (23,307)	-0.199%	\$(2.83)
Grand Total				\$ (69,618)	-0.595%	\$ 8.46

Guarded Beaches/Lifeguards

Background:

Guarded Beaches are not considered mandatory for Municipalities in Ontario. There are many variations of Municipal Beach operations across the province, from completely unguarded to a variety of coverage typically during the summer season (Late June to Late August). Beaches typically remain open for use when guards are not present and proper signage is required. Many Municipalities have been challenged in finding willing and qualified lifeguarding staff.

To mitigate risks associated with no lifeguard on duty, signage and regular inspections of the beach area will need to be completed. If lifesaving equipment remains on site, extras will be required in stock as they tend to go missing. A procedure for continued inspection and replacement will be required. Notification to the public of any changes would be required.

Operating Cost:	\$ (46,311) ³
Proposed Funding:	Property Taxes
Tax Rate Impact:	-0.396%
Tax Impact:	\$ (5.63) (on Residential Assessment of \$100,000)

Climate Change Coordinator Intern

Background: The Town of Parry Sound included a resource to further its energy reduction and climate change goals. Numerous projects have been identified in the Town’s 5-Year Conservation and Demand Management plan. Additional actions have been identified through stakeholder engagement in regard to both adaptation and mitigation planning; these actions will be included in the forthcoming climate action plan. The proposed position will help plan for and complete already identified projects, as well as, look for and aide in the application of funding opportunities. Additionally, this resource will work with staff to provide education in climate change as it relates to operational and capital planning. A key tenant of this position will be to help foster a culture of climate change awareness, and to ensure it’s fully engrained in the Town’s business practices. Successes in these areas are critical to Council’s ambition to be net-zero.

It is anticipated an intern could be 50% funded up to \$25,000 under either the Science Horizons or Green Jobs funding streams. The next intake for these funding streams is April 1st.

³ \$14,100 in capital projects are avoidable related to lifesaving recommendations if reductions chosen here

Operating Cost: \$ (46,614) / Net of Funding \$ (23,307)

Proposed Funding: Property Taxes

Tax Rate Impact: -0.199%

Tax Impact: \$ 2.83 (on Residential Assessment of \$100,000)



Jamie McGarvey



Roger Rullden



Paul Borneman



Brad Horne



Vanessa Baskman



Doug McCain



Bonnie Keith



TOWN OF
Parry Sound

Mayor and Council

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Mayor and Council

Overview

Parry Sound Council is the governing body of the Town, representing the residents of Parry Sound as decisions are made regarding the services provided by the Town, and the methods to fund these services.

Council consists of the Mayor and six councilors who are elected at large every four years. The current term of Council is 2019 to 2022, with the inaugural meeting held December 11, 2018.

Functions

- The Office of the Mayor
- Members of Council
- Municipal Election
- Council Administration

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	-	-	\$ (4,557)	\$ (24,557)	\$ (20,000)	-438.89%
Total Revenues	-	-	\$ (4,557)	\$ (24,557)	\$ (20,000)	-438.89%
Expenses						
Salaries & Benefits	\$ 193,381	\$ 190,050	\$ 184,737	\$ 189,260	\$ 4,523	2.45%
Materials - Operating Expenses	11,675	8,488	34,807	43,951	9,144	26.27%
Rent and Financial Expenses	0	0	300	300	0	0.00%
Purchased/Contracted Services	9,704	1,718	9,557	19,557	10,000	104.64%
Grants - Transfer Payments	18,063	13,764	22,370	20,870	(1,500)	-6.71%
Internal Recoveries	7,509	0	11,853	4,024	(7,829)	-66.05%
Contribution to Reserves	0	0	5,000	5,000	0	0.00%
Total Expenses	\$240,332	\$214,021	\$268,624	\$282,962	\$14,338	5.34%
Total Levy Requirements	\$240,332	\$214,021	\$264,067	\$258,405	\$ (5,662)	-2.07%

Budget Highlights

- **Contribution from Reserves - \$20,000 ↑**
Each year \$5,000 is put towards an Elections Reserve and in an election year the amount is transferred out to cover election costs. This allows the Town to spread the cost of an election over 4 years, rather than requiring 100% of the cost to be funded from property taxes in an election year
- **IT Chargeback - \$7,829 ↓**
The cost allocation from Information Technology based on the number of devices has been reduced in the 2022 budget for Mayor & Council.

- **Election Costs - \$20,826 ↑**
\$7,426 in materials and \$13,000 in contracted services related to the 2022 election have been budgeted plus several miscellaneous expenses.
- **Continued work on the redesign of the Town's Coat of Arms - \$ 4,557 ↑↓**
Work began in 2018, unspent funds are being contributed to Reserves, and will be used to fund the expenses in 2022.
- **Contribution to Reserves - \$5,000 ↑**
Every year \$5,000 is put towards an Elections Reserve. This allows the Town to spread the cost of an election over 4 years, rather than requiring 100% of the cost to be funded from property taxes in an election year
- **Mayor and Council Remuneration - \$4,523 ↑**
Increase is due to the annual increase to Council remuneration based on CPI from December to December (4.8%). It was also found that Workplace Safety and Insurance Board (wsib) premiums do not apply to elected Officers of a municipality reducing costs by \$4,368.
- **Insurance - \$1,514 ↑**
Accident insurance for Council members purchased in 2022 to provide coverage in the absence of wsib coverages.



TOWN OF
Parry Sound

General Government

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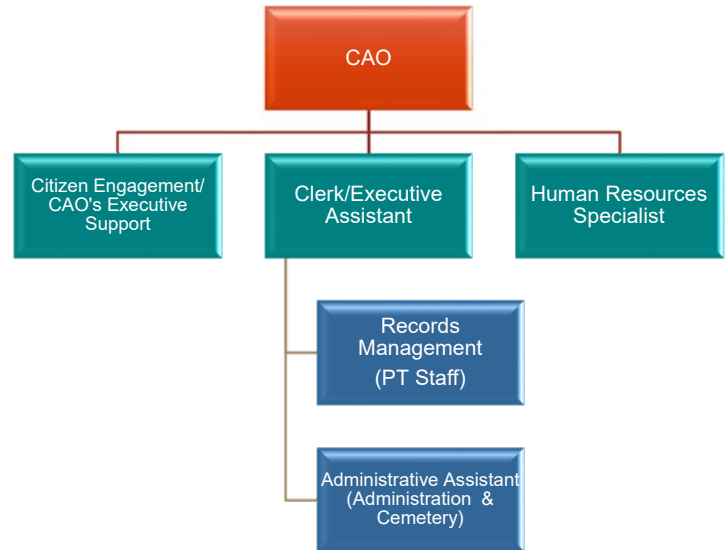
Office of the Chief Administrative Officer

Overview

The Chief Administrative Officer (CAO) oversees all Town operations and that Council's priorities, goals and objectives are set and efficiently and effectively implemented. The Office oversees the development, updating and review of Departmental Staff Goal Plans with core service delivery excellence first and foremost.

Functions

- Corporate Administrative Services
- Strategic Planning
- Intergovernmental Relations
- Secretariate Services
- Records Management
- Freedom of Information Requests
- Human Resources
- Labour Relations
- Staff Recognition and Wellness



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$2,330,434	\$ 2,203,972	\$ 1,976,100	\$ 2,053,400	\$77,300	3.91%
Rents & Financial Revenues	33,073	25,951	55,801	31,387	(24,414)	43.75%
Investment Earnings	617,486	498,065	444,020	472,030	28,010	6.31%
Other Revenues	-	-	1,000	-	(1,000)	-100.00%
Fines and Penalties	8,292	16,428	11,000	17,000	6,000	54.55%
Licenses and Permits	9,639	15,092	10,000	12,000	2,000	20.00%
Contributions from Reserves/Reserve Funds	-	-	-	175,200	175,200	N/A
Total Revenues	\$ 2,998,924	\$ 2,759,507	\$ 2,497,921	\$2,761,017	\$263,096	10.53%
Expenses						
Salaries & Benefits	\$ 511,505	\$ 468,208	\$ 570,920	\$ 756,290	\$ 185,370	32.47%
Materials - Operating Expenses	13,491	16,565	33,126	32,165	(961)	-2.90%
Purchased/Contracted Services	75,365	78,004	105,200	125,200	20,000	19.01%
Internal Recoveries	8,698	-	6,585	10,409	3,824	58.07%
Contribution to Reserves	-	-	42,060	88,028	45,968	109.29%
Total Expenses	\$609,059	\$562,777	\$757,891	\$1,012,092	\$254,201	33.54%
Total Levy Requirements	\$(2,389,864)	\$(2,196,730)	\$(1,740,030)	\$(1,748,925)	\$(8,895)	-0.27%

Budget Highlights

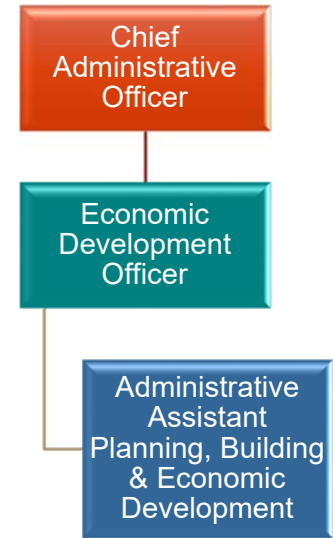
- **Ontario Municipal Partnership Fund (OMPF) - 77,300 ↑**
The Town's 2022 OMPF grant funding has increased for 2022.
- **Provincial Offences Act Facility Rental - 25,600 ↓**
POA facility rental revenues decreased with virtual court which is expected to continue through 2022. Facility rental fees only charged for in-person court dates at a fee per day.
- **Town's Share of Provincial Offences Act Fines - \$6,000 ↑**
POA fine revenues increasing as virtual court and some in person resumes in 2022. Ticket issuance is expected to increase from 2021 to 2022.
- **Investment Earnings - \$28,010 ↑**
Investment earnings are expected recover slightly in 2022 as interest rates are expected to recover slightly with the return to normal after the onset of the worldwide pandemic and increases in inflation expected.
- **Marriage License Revenues - \$2,000 ↑**
Increased to reflect actual revenues for marriage licenses over the last couple years.
- **Transfers from Reserves - \$175,200 ↑**
\$17,700 from the covid-19 funding to fund organization sick time from covid and/or a portion of lost POA facility rental revenues. \$30,000 towards the non-union market review project and \$35,000 towards the organizational review to be funded from the general working reserves (2021 surplus). 50% of the estimated impact of the non-union salary review (\$92,500) to be funded from the general working reserves (2021 surplus),
- **Salaries & Benefits - \$185,000 ↑**
The estimated organization wide impact of the non-union salary review has been included in this section of the 2022 budget.
- **Contracted Services - \$20,000 ↑**
\$30k towards the non-union market review project carried forward to 2022 and \$35k towards the organizational review included. A reduction for less legal costs of \$15k with the collective agreement set in 2021.
- **Reserve Contribution - \$45,968 ↑**
The Town's contribution of \$30k contribution towards the West Parry Sound Recreation and Cultural Centre in 2021 has been increased to \$75k in 2022 making up the most of this variance. Each year, the operating budget will aim to phase in the operating impact of the Centre to avoid a large increase in the year of opening.

Economic Development

Overview

The Economic Development division is focused on leveraging our location as a gateway to Northern Ontario. Strategically located 2 hours north of Toronto’s Pearson International Airport and 90 minutes south of Sudbury, the Town has much to offer.

In addition to attracting new business to Parry Sound, staff also work to continue promotion of the Town’s amenities and beautiful landscape.



Functions

- Industrial Park
- Airport Business Park
- Economic Development administration
- Liaise with the Regional Economic Development Officer
- Liaise with Downtown Business Association
- Marketing
- Cruise Ships
- Communicates with the business community

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Other Revenues	-	\$ 108,923	\$ 107,514	\$ 115,752	\$ 8,238	7.66%
Total Revenues	-	\$ 108,923	\$ 107,514	\$ 115,752	\$ 8,238	7.66%
Expenses						
Salaries & Benefits	\$140,000	\$216,207	\$293,882	\$342,701	\$48,819	16.61%
Materials - Operating Expenses	29,811	14,035	69,950	69,806	(144)	-0.21%
Purchased/Contracted Services	9	0	500	2,500	2,000	400.00%
Grants - Transfer Payments	78,921	98,684	26,000	26,000	0	0.00%
Internal Recoveries	1,309	0	1,752	3,171	1,419	80.99%
Total Expenses	\$250,050	\$328,926	\$392,084	\$444,178	\$52,094	13.29%
Total Levy Requirements	\$250,050	\$220,003	\$284,570	\$328,426	\$43,856	15.41%

Budget Highlights

- **Other Revenues - \$8,238 ↑**
Recoveries for the West Parry Sound Regional Economic Development Officer increased per salaries and benefits.

- **Salaries & Benefits - \$48,819 ↑**

An Economic Development Administrative Assistant request was approved by Council back in 2021. \$35k approximately represents 50% of the costs of this position which were budgeted in 2022. The remainder relates to annual wage increase of 1.5% for unionized positions and 1.1% for non-union positions.

- **Contracted Services - \$2,000 ↓**

The costs of an interpreter for welcoming cruise ship visitors included.



TOWN OF
Parry Sound

**Development & Protection
Services**

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Emergency Service

Overview

In any community it is important to ensure that resources exist to help when an emergency occurs. Through annual levies the Town pays for 911 Service.

With the onset of the Covid-19 pandemic, emergency planning activities have included supplies, materials and services to manage the ongoing pandemic. Over the past few years, activities have involved developing a reopening plan, adherence to the public health guidelines, and considerations of the safety of the community and organizational staff.

Functions

- Emergency Planning
- Covid-19 pandemic supplies and expenses

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	\$ 50,618	\$ 23,757	\$ 43,080	\$ 18,800	\$ 24,280	-56.36%
Total Revenues	\$ 50,618	\$ 23,757	\$ 43,080	\$ 18,800	\$ 24,280	-56.36%
Expenses						
Salaries and Benefits	\$ 14,882	\$ 1,062	\$ -	\$ -	\$ -	N/A
Materials – Operating Expenses	34,880	15,090	46,330	18,800	(27,530)	-59.42%
Contracted Services	856	7,606	-	-	-	N/A
Total Expenses	\$ 50,618	\$ 23,757	\$ 46,330	\$ 18,800	\$ (27,530)	-59.42%
Total Levy Requirements	\$ -	\$ -	\$ 3,250	\$ -	\$ (3,250)	-3.63%

Budget Highlights

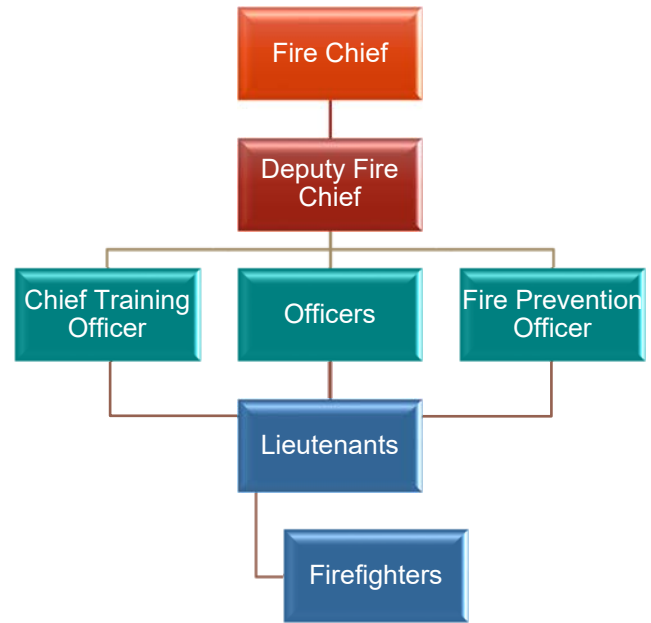
- **Contribution from Reserves** ⬇️⬆️
\$18,800 is planned to come from covid-19 funding reserves to go towards pandemic supplies and expenses in 2022.
- **Materials - \$18,800** ⬇️⬆️
This is the budgeted amount of covid-19 pandemic supplies and expenses expected in 2022. The supplies needed are expected to decrease and planned to be funded from the covid-19 reserve monies.

Fire Service

Overview

The Parry Sound Fire Department provides fire suppression and prevention, and rescue services for the Town, as well as surrounding municipalities via mutual aid and automatic aid agreements.

The volunteer firefighters not only respond to fires, but also for medical assists, automobile accidents, carbon monoxide alarms, fire alarms, and other emergency situations where their services are required. These volunteers leave their families, friends, and work to help the residents of Parry Sound.



Functions

- Fire Prevention
- Fire Administration
- Volunteer Firefighter Service

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ -	\$6,100	\$ -	\$ -	\$ -	N/A
Other Municipalities	5,000	5,000	6,500	6,500	-	0.00%
User Fees	204	104	250	250	-	0.00%
Investment Earnings	94	65	-	65	65	N/A
Other Revenues	4,332	5,284	3,000	3,000	-	0.00%
Licensing & Lease Revenues	2,350	2,950	1,800	4,000	2,200	122.22%
Total Revenues	\$ 11,980	\$ 19,503	\$ 11,550	\$ 13,815	\$ 2,265	19.61%
Expenses						
Salaries & Benefits	\$475,587	\$450,067	\$507,834	\$530,222	\$22,388	4.41%
Materials - Operating Expenses	140,302	162,602	178,124	181,680	3,556	2.00%
Energy Costs	21,873	21,162	20,400	22,000	1,600	7.84%
Rents and Financial Expenses	0	0	0	0	0	N/A
Purchased/Contracted Services	29,116	31,269	35,284	40,445	5,161	14.63%
Grants – Transfer Payments	0	0	650	650	0	0.00%
Internal Recoveries	18,345	8,026	20,221	17,757	(2,464)	-12.19%
Total Expenses	\$685,223	\$673,126	\$762,513	\$792,754	\$30,241	3.97%
Total Levy Requirements	\$673,243	\$653,623	\$750,963	\$778,939	\$27,976	3.61%

Budget Highlights

- **Salaries & Benefits - \$22,388 ↑**
\$9,318 relates to the 1.1% increase budgeted for non-union and 1.5% for union staff. The remainder is a correction related to the WSIB insurance calculation for volunteer firefighters as it is calculated differently than the remainder of the employees.
- **Insurance - \$4,736 ↑**
Increasing costs of municipal insurance premiums
- **Legal - \$3,975 ↑**
Increased legal costs expected per outstanding fire related issues expected to incur costs.

By-law Enforcement

Overview

The By-law Enforcement Department is responsible for the enforcement of the Town’s by-laws, operations of the municipal dog pound and parking services.

The purpose of this department is to assist with public safety, maintaining community standards and dealing with community nuisance issues.

Functions

- By-law enforcement
- Dog control costs
- Impound facility
- School crossing guards
- Parking



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ -	\$ 5,000	\$ 29,168	\$ -	\$ (29,168)	-100.00%
Other Municipalities	22,265	9,979	15,300	15,300	-	0.00%
User Fees	-	1,500	-	2,500	2,500	N/A
Investment Earnings	1,490	242	15	240	225	1500.00%
Other Revenues	498	-	-	-	-	N/A
Licenses and Permits	31,089	45,844	41,000	45,500	4,500	10.98%
Contribution from Reserves	-	-	-	29,000	29,000	N/A
Total Revenues	\$55,342	\$62,564	\$85,483	\$92,540	\$7,057	8.26%
Expenses						
Salaries & Benefits	\$173,728	\$178,461	\$215,874	\$220,818	\$4,944	2.29%
Materials - Operating Expenses	32,502	18,171	28,544	28,797	253	0.89%
Energy Costs	1,618	1,707	2,200	2,000	(200)	-9.09%
Rents and Financial Expenses	-	175	-	500	500	N/A
Purchased/Contracted Services	16,043	17,681	27,713	29,171	1,458	5.26%
Internal Recoveries	5,198	1,686	6,126	9,243	3,117	50.88%
Contribution to Reserves	-	-	15	240	225	1500.00%
Total Expenses	\$229,089	\$217,881	\$280,472	\$290,769	\$10,297	3.67%
Total Levy Requirements	\$173,747	\$155,317	\$194,989	\$198,229	\$3,240	0.89%

Budget Highlights

- **Provincial Grants & Subsidies - \$29,168** ⬇️⬆️
This is the amount of covid-19 funding that has been allocated to the enforcement during the pandemic. In addition, it assists with a loss of parking ticket and other enforcement revenues

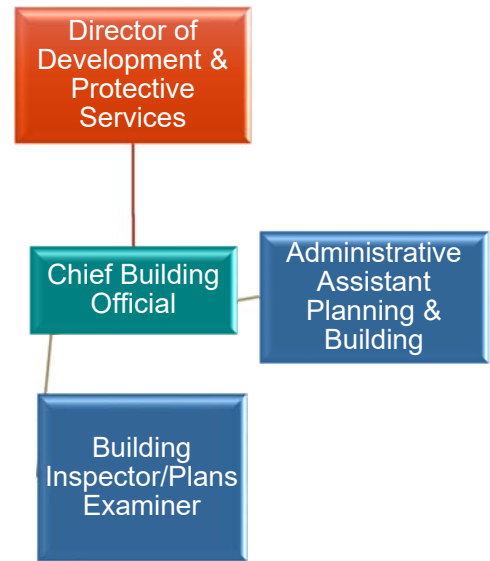
while energies are spent with new responsibilities during covid-19. It is shown as a transfer from reserve in 2022.

- **Licenses and Permits - \$4,500 ↑**
Parking permit revenues are expected to increase by \$5,500 and parking fines to increase by \$3,000. Lottery licensing revenues have shown a decline during the pandemic which is reflected in the \$4,000 decrease expected there.
- **Salaries & Benefits - \$4,944 ↑**
This increase relates to the 1.1% increase budgeted for non-union and 1.5% for union staff.

Building

Overview

The role of the Building department is threefold. First, to provide information to the public and Council regarding the Ontario Building Code and effective building practices. Second, to administer and enforce the building permit process, inspect to ensure compliance and enforce non-compliance. Third, to provide information on regulations for the installation of signs.



Functions

- Building permit issuance
- Adherence to the Ontario Building Code

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 191,815	\$ 230,610	\$ 145,000	\$ 240,000	\$ 95,000	65.52%
Total Revenues	\$ 191,815	\$ 230,610	\$ 145,000	\$ 240,000	\$ 95,000	65.52%
Expenses						
Salaries & Benefits	\$ 170,117	\$ 205,837	\$ 225,812	\$ 227,436	\$ 1,624	0.72%
Materials - Operating Expenses	12,994	18,558	27,657	28,412	755	2.73%
Purchased/Contracted Services	141	3,710	5,000	5,000	-	0.00%
Internal Recoveries	3,370	-	5,716	7,579	1,863	32.59%
Total Expenses	\$ 186,623	\$ 228,104	\$ 264,185	\$ 268,427	\$ 4,242	1.61%
Total Levy Requirements	\$ (5,192)	\$ (2,506)	\$ 119,185	\$ 28,427	\$ (90,758)	-22.18%

Budget Highlights

- **Building Fees - \$95,000 ↑**
Increase based on anticipated building projects in 2022, and the associated revenue due to the scale of the projects

Planning

Overview

The focus of the planning department is to process development proposals which lead to a more vibrant and healthy community. Planning is also responsible for the Official Plan which contains policies to guide the development within the Town. It provides direction to both staff and Council when making land use decisions.



Functions

- Planning
- Committee of Adjustment
- Façade Program
- Smelter Wharf

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Rents & Financial Revenues	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	-	0.00%
Investment Earnings	5,312	1,211	510	1,310	800	156.86%
Other Revenues	13,341	28,316	15,000	15,000	-	0.00%
Contribution from Reserves	-	-	50,000	50,000	-	0.00%
Total Revenues	\$ 93,653	\$ 104,527	\$ 140,510	\$ 141,310	\$ 800	0.57%
Expenses						
Salaries & Benefits	\$ 152,569	\$ 149,960	\$ 151,956	\$ 154,973	\$ 3,017	1.99%
Materials - Operating Expenses	13,317	6,981	11,738	16,121	4,383	37.34%
Purchased/Contracted Services	31,037	45,074	88,000	75,000	(13,000)	-14.77%
Debt Repayment	6,677	5,290	12,219	12,126	(93)	-0.76%
Grants - Transfer Payments	21,731	-	-	-	-	N/A
Internal Recoveries	2,006	-	3,069	1,507	(1,562)	-50.90%
Contribution to Reserves	-	-	79,035	78,190	(845)	-1.07%
Total Expenses	\$ 227,336	\$ 207,306	\$ 346,017	\$ 337,917	\$ (8,100)	-2.34%
Total Levy Requirements	\$ 133,682	\$ 102,779	\$ 205,507	\$ 196,607	\$ (8,900)	-1.83%

Budget Highlights

- **Development Charges Study - \$50,000** ↓↑
In 2018 there was \$50,000 for a Development Charges study identified. The study has been deferred to 2022, and will be funded by the Lot Levy and Development Charges Reserve Funds
- **Façade Improvement Program - \$40,000** ↓↑
The Façade Improvement Program provides 50/50 cost sharing for commercial façade improvement. The grant program is open to owners of commercial buildings or business owners (tenants). The funds are transferred to a reserve where Council will authorize grants to be paid from.

- **Salaries & Benefits - \$3,017 ↑**
1.1% increase budgeted for non-union and 1.5% for union staff.
- **Contracted Services - \$13,500 ↓**
Reduction in contracted services relates directly to work which was completed in 2021 at the salt docks in 2021 and not required in 2022.

Development

Overview

This division focuses on waterfront development and the management of the Town Dock and Big Sound Marina.

Functions

- Big Sound Marina
- Town Dock
- Waterfront development/remediation

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Federal Grants and Subsidies	\$ 108,935	\$ -	\$ -	\$ -	\$ -	N/A
User Fees	18,663	31,893	19,500	28,300	8,800	45.13%
Total Revenues	\$ 127,598	\$ 31,893	\$ 19,500	\$ 28,300	\$ 8,800	45.13%
Expenses						
Salaries & Benefits	\$ 303	\$ 398	\$ -	\$ -	\$ -	N/A
Materials - Operating Expenses	16,873	31,429	40,043	47,659	7,616	19.02%
Energy Costs	63,571	24,243	63,000	63,800	800	1.27%
Rents and Financial Expenses	64	64	-	-	-	N/A
Purchased/Contracted Services	-	-	22,000	22,000	-	0.00%
Debt Repayment	3,242	2,914	3,059	2,876	(183)	-5.98%
Internal Recoveries	-	-	-	-	-	N/A
Contribution to Reserves	303	398	103,200	103,200	-	0.00%
Total Expenses	\$ 84,052	\$ 59,048	\$ 231,302	\$ 239,535	\$ 8,233	3.56%
Total Levy Requirements	\$ 43,546	\$ 27,155	\$ 211,802	\$ 211,235	\$ (567)	-0.23%

Budget Highlights

- **Waterfront Dockage User Fees - \$8,800 ↑**
Dockage user fee revenues increased to reflect recent actuals which are expected to continue into 2022
- **Contribution to Reserves - \$103,200 ↓↑**
Repayment of temporary borrowing from the Town's capital asset legacy reserve fund towards the funding of Dock C continues.
- **Big Sound Marina Repairs & Maintenance - \$6,401 ↑**
Increase in annual maintenance expected at the facility based on increased usage expected and age.
- **Big Sound Marina Insurance - \$1,215 ↑**
Increase to wharfingers insurance costs

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Public Works & Recreation

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Transportation Operations

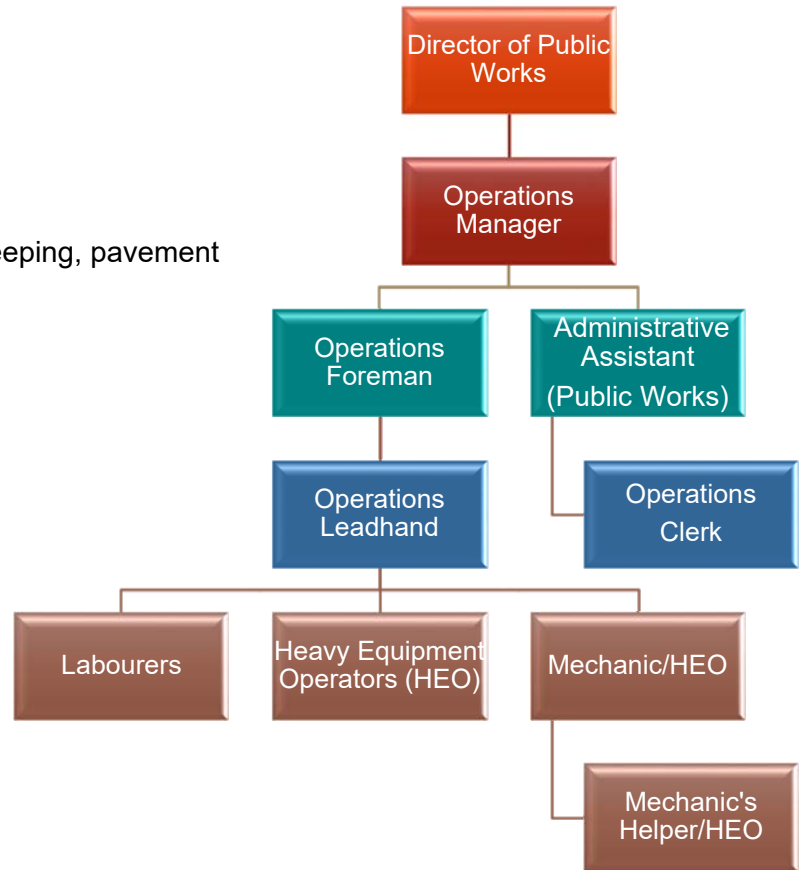
Overview

Operations is responsible for the maintenance of roads, sidewalks and boulevards, which includes grass cutting, traffic lights, streetlights, and signs.

Included within the department is a Mechanic and a Mechanic's helper who work hard to keep the Town's machinery operational and minimize any downtime.

Functions

- Operations Administration
- Public Works Administration
- Equipment and Vehicle Expenses
- Sidewalk Maintenance
- Road Maintenance (includes street sweeping, pavement markings, gravel and asphalt)
- Traffic signs
- Traffic signals
- Street Lighting



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 210,000	\$ 746,187	\$ -	\$ -	\$ -	N/A
Federal Grants & Subsidies	785,661	855,327	-	-	-	N/A
Investment Earnings	(728)	3,010	755	-884	129	17.09%
Other Revenues	2,954	2,416	3,000	3,000	-	0.00%
Contribution from Reserves	-	-	-	91,500	91,500	N/A
Total Revenues	\$ 997,887	\$ 1,606,940	\$ 3,755	\$ 95,384	\$ 91,629	2440.19%
Expenses						
Salaries & Benefits	\$ 773,539	\$ 819,321	\$ 1,015,808	\$ 1,099,123	\$ 83,315	8.20%
Materials - Operating Expenses	286,322	371,211	427,589	466,668	39,079	9.14%
Energy Costs	117,927	109,768	147,900	147,900	-	0.00%

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Rent and Financial Expenses	1,186	2,692	2,400	2,400	-	0.00%
Purchased/Contracted Services	123,982	138,452	387,200	447,200	60,000	15.50%
Debt Repayment	187,928	138,258	107,509	244,118	136,609	127.07%
Internal Recoveries	(342,420)	(333,086)	(371,919)	(382,422)	(10,503)	2.82%
Contributions to Reserve	-	-	-	884	884	N/A
Total Expenses	\$ 1,148,465	\$ 1,246,616	\$ 1,716,487	\$ 2,025,871	\$ 309,384	18.02%
Total Levy Requirements	\$150,578	-\$360,323	\$1,712,732	\$1,930,487	\$217,755	12.71%

Budget Highlights

- **Contributions from Reserves - \$91,500** ↑↓
 \$50k to cover the cost of the Streetscan project and \$40k for the Construction Standards Project to be transferred from the Infrastructure Replacement Reserve. \$1,500 budgeted to be funded from covid-19 funding for pandemic supplies.
- **Gravel Surface Maintenance - \$8,000** ↓
 Anticipated Increases for extreme weather experienced in previous years and forecasted for the future have not materialized. These costs are not anticipated due to historical cost analysis.
- **Street Scan Project /Roads & Sidewalks (Contracted Services) - \$50,000** ↑↓
 An update to the streetscan data will be collected to assist with continual prioritization of infrastructure replacement.
- **Construction Standards Project (Contracted Services) - \$40,000** ↑↓
 To update construction standards policy that will define what is required for new developments and infrastructure projects.
- **Repairs and Maintenance of Vehicles - \$10,000** ↑
 Rising costs of repair parts and services anticipated into 2022.
- **Hwy Town of Parry Sound Sign - \$8,000** ↑
 Increased cost of maintenance and repair of the Welcome to Parry Sound Sign (lighting).
- **Insurance Costs - \$7,819** ↑
 Rising municipal insurance premium impact on transportation operations.
- **Training Renewal Program - \$6,000** ↑
 Cyclical core training for operators required in 2022.
- **Debt Repayment - \$136,609** ↑
 An increase in interest payments required as borrowing has been finalized for Waubeek/Isabella Street Capital Projects.

Winter Control

Overview

Operations staff work very hard to keep our roads and sidewalks safe for drivers and pedestrians. Staff monitor the roads and determine the course of action based on:

Class: Established based on speed limit and average daily traffic

Condition: E.g. Bare & dry, bare & wet, track bare, centre bare, snow covered, snow packed

Winter Event Occurring: E.g. Snow accumulation, drifting snow, ice covered, spot ice, black ice, frost, slush

Functions

- Sidewalk salting, sanding and snow removal
- Street salting, sanding and snow removal

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Expenses						
Salaries & Benefits	\$ 164,867	\$ 229,850	\$ 267,939	\$ 271,557	\$ 3,618	1.35%
Materials - Operating Expenses	200,542	197,322	197,840	197,840	-	0.00%
Purchased/Contracted Services	75,095	71,768	137,500	137,500	-	0.00%
Internal Recoveries	166,113	223,245	175,902	182,939	7,037	4.00%
Total Expenses	\$606,617	\$722,185	\$779,181	\$789,836	\$10,655	1.37%
Total Levy Requirements	\$606,617	\$722,185	\$779,181	\$789,836	\$10,655	1.37%

Budget Highlights

- **Salaries & Benefits - \$3,618 ↑**
This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.
- **Internal Recoveries - \$7,037 ↓**
This increase reflects the inflationary impact (cost increases) expected within equipment costs which is allocated out based on usage.

Storm Water Control

Overview

Culverts, ditches and gutters help to direct storm water and spring water run-off away from our roads and properties and into the catch basins. Sometimes these outlets will get plugged with debris such as dirt and leaves. Staff routinely check and clean them out especially before spring run-off occurs or before a predicted rain event.

The storm water control budget includes:

- Culvert maintenance
- Ditch maintenance
- Storm sewer maintenance

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Expenses						
Salaries & Benefits	\$ 119,219	\$ 90,132	\$ 101,021	\$ 103,204	\$ 2,183	2.16%
Materials - Operating Expenses	13,238	22,045	46,000	46,000	-	0.00%
Purchased/Contracted Services	25,361	400	40,000	40,000	0	0.00%
Debt Repayment	\$3,551	2,186	3,325	3,000	(325)	-9.77%
Internal Recoveries	149,784	82,198	149,777	155,768	5,991	4.00%
Total Expenses	\$311,152	\$196,962	\$340,123	\$347,972	\$7,849	2.31%
Total Levy Requirements	\$311,152	\$196,962	\$340,123	\$347,972	\$7,849	2.31%

Budget Highlights

- **Salaries & Benefits - \$2,183 ↑**
This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.
- **Internal Recoveries - \$5,991 ↑**
This increase reflects the inflationary impact (cost increases) expected within equipment costs which is allocated out based on usage.

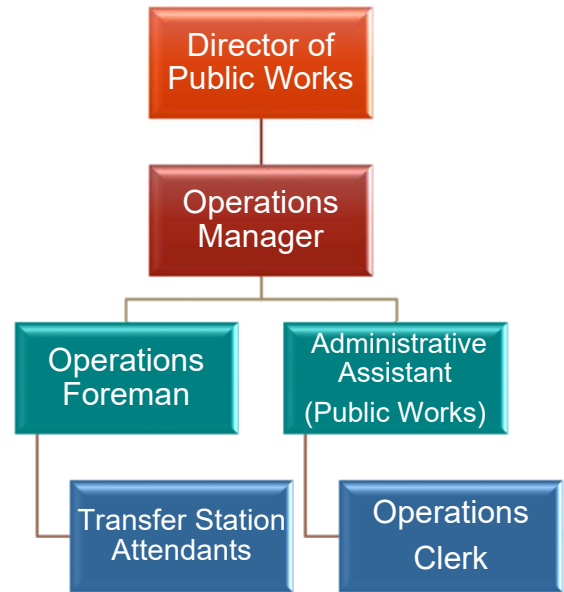
Waste Management

Overview

The Town does not operate a public dump or landfill, instead operations staff operate the Town’s transfer station.

Staff collect items such as cardboard, electronic waste, household hazardous waste and recyclables (cans, glass, and plastics)

Operations staff also pick up the litter out of the public garbage bins throughout Town, as well as leaf, tree and pumpkin pickup.



Functions

- Waste Management
- MacFarlane Transfer Site
- MacFarlane Site Closure
- Town Recycling Program
- Waste Collection (including leaf, tree, pumpkin and litter pick up)

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ -	\$ -	\$ 44,900	\$ 128,000	\$ 83,100	185.08%
Federal Grants & Subsidies	-	-	-	-	-	N/A
Other Municipalities	6,300	7,650	-	-	-	N/A
User Fees	53,861	41,174	46,290	61,290	15,000	32.40%
Other Revenues	113,594	138,631	80,400	120,179	39,779	49.48%
Total Revenues	\$ 173,755	\$ 187,454	\$ 171,590	\$ 309,469	\$ 137,879	80.35%
Expenses						
Salaries & Benefits	\$ 274,111	\$ 260,176	\$ 275,172	\$ 281,085	\$ 5,913	2.15%
Materials - Operating Expenses	11,592	12,680	32,250	59,256	27,006	83.74%
Energy Costs	2,610	3,078	3,500	3,500	-	0.00%
Rent and Financial Expenses	9,103	10,450	18,000	18,000	-	0.00%
Purchased/Contracted Services	723,941	741,700	701,000	752,000	51,000	7.28%
Internal Recoveries	32,107	24,238	32,355	32,438	83	0.26%
Total Expenses	\$ 1,053,465	\$ 1,052,323	\$ 1,062,277	\$ 1,146,279	\$ 84,002	7.91%
Total Levy Requirements	\$ 879,710	\$ 864,868	\$ 980,687	\$ 836,810	\$ (53,877)	-6.05%

Budget Highlights

- **Provincial Grants & Subsidies - \$83,100 ↑**
Waste diversion funding has been increased for 2022.
- **User Fees/FoodCycler Composting Program - \$15,000 ↑**
Revenues for purchase of a subsidized FoodCycler unit has been included in the 2022 budget
- **Other Revenues/Household hazardous waste (HHW) cost recovery - \$43,379 ↑**
Cost recovery costs for HHW has been updated to be more reflective of actual charges per actual cost sharing and the associated agreements.
- **Salaries & Benefits - \$5,913 ↑**
This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.
- **Materials – FoodCycler Inventory and Shipping - \$27,000 ↑**
The estimated costs of the FoodCycler inventory and shipping for the newly approved composting project.
- **Recycling Contracted Services - \$45,000 ↑**
The Town has been experiencing increased recycling contracted services costs and with anticipated inflationary increases, these expenses are expected to go up
- **Household Hazardous Waste Contracted Services - \$20,000 ↑**
Similarly, the Town has been experiencing increased household hazardous waste contracted services costs and with anticipated inflationary increases, these expenses are expected to go up

Information Technology & Climate Change

Overview

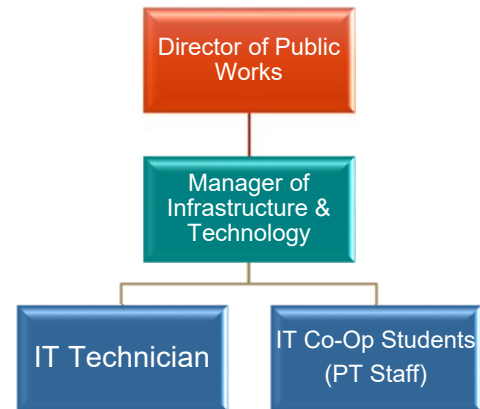
Information Technology is increasingly becoming a major part of the Town’s operations. The Town has begun live-streaming Council meetings, moving towards more paperless options, and implementing software to improve processes and services.

Recently the Town’s IT staff have been working towards improving the Town’s cybersecurity posture, i.e. measure of an organization’s overall cybersecurity strength. Using new technology and solutions staff are working to mitigate the Town’s cyber risk.

The Town has also been working on its Geographic Information Systems (GIS), improving the mapping available to our staff and accuracy in tracking our infrastructure.

The information technology/climate change budget includes:

- Corporate Digital Information System
- Software licenses
- IT Support
- Climate Change Initiatives



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	\$ -	\$ -	\$ -	\$ 24,000	\$ 24,000	N/A
Total Revenues	\$ -	\$ -	\$ -	\$ 24,000	\$ 24,000	N/A
Expenses						
Salaries & Benefits	\$ 198,858	\$ 205,810	\$ 227,068	\$ 330,893	\$ 103,825	45.72%
Materials - Operating Expenses	47,909	82,265	114,250	180,040	65,790	57.58%
Purchased/Contracted Services	96,897	107,831	127,900	94,500	(33,400)	-26.11%
Internal Recoveries	(92,780)	-	(123,743)	(139,652)	(15,909)	12.86%
Contribution to Reserves	-	-	60,000	76,000	16,000	26.67%
Total Expenses	\$ 250,885	\$ 395,905	\$ 405,475	\$ 541,781	\$ 136,306	33.62%
Total Levy Requirements	\$ 250,885	\$ 395,905	\$ 405,475	\$ 517,781	\$ 112,306	27.70%

Budget Highlights

- **Salaries & Benefits - \$98,845 ↑**

GIS Technician (+\$74k/Contracted Services - \$41k/Net \$33k) – moving from a part-time shared compliment to a full-time resource. GIS maturity study emphasized the importance of a full-time dedicated resource to this technology which is essential to the Town’s core services/supporting infrastructure

Climate Change Intern (\$46k/Contingent upon 50% funding/Net \$23k) – staff resource to support partners for climate change program and enhance focus on being a “net zero community”

- **Internal Recoveries – \$15,909 ↑**

A calculation of the direct costs of information technology support has been completed and a revised allocation out to departments based on the number of devices updated.

- **Cyber Security – \$31,000 ↑**

Annual Cyber Audit (+\$20k) – This is a cost increase that we can expect to continue yearly as the Town completes regular include vulnerability scanning, enumeration, password cracking, end-point compliance review, perimeter assessments, test attacks of varying types, as well as simulated intrusion to maintain security.

Cyber Training (\$11k)– Building user capacity in cyber security will protect the corporation with an estimated threat landscape reduction of 70%. This program will provide a corporate quarterly training program that are 1 hour in length and focus on different topics each time. Sessions will be practical and useful and include time for Q&A. Up to 500 attendees, which could allow the Town to offer this training to other area municipalities to offset costs. Town intends to approach area municipalities to reduce the cost impact of the program but, revenues are uncertain at this time.

- **GIS Strategy - \$10,000 ↑**

Town’s contribution towards the third-party study (Modernization grant * Intake 2) offered through the Minister of Municipal Affairs and Housing.

- **Georgian Bay Biosphere Reserve Partners for Climate Change - \$1,000 ↑**

Continued contribution to the Climate Change partnership (FCM program) and progression through milestones - \$15k annual cost

- **Modernization Projects/Contracted Services and Contribution from Reserves - \$24,000 ↑**
Phone Modernization Proof of Concept Phase 2 (Call2Teams) - \$5k
Implement Council Meeting Management Solution - \$17k
Modernization Project Testing - \$2k
- **Website Maintenance and Required Upgrades – \$9,900↑**
Mandatory upgrade required for News Manager portion of the website which allows news, social media postings, etc. as well as required maintenance on existing websites to keep them up to date.
- **IT Reserve Contribution - \$16,000 ↑**
Increased contribution of \$10k towards laptop replacement with increasing needs for mobilization and increased contribution towards future replacement of FOB security systems in Town facilities of \$6k.

Municipal Office

Overview

This division manages the maintenance and operating costs of the Town Office facility.

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses						
Salaries & Benefits	• 499	\$ 9,551	\$ 550	\$ 550	\$ -	0.00%
Materials - Operating Expenses	19,227	13,718	27,013	32,788	5,775	21.38%
Energy Costs	22,761	22,132	29,610	30,202	592	2.00%
Purchased/Contracted Services	31,361	18,558	41,703	39,517	(2,186)	-5.24%
Debt Repayment	123,179	84,189	119,996	115,962	(4,034)	-3.36%
Internal Recoveries	29	436	-	-	-	N/A
Total Expenses	\$197,056	\$148,584	\$218,872	\$219,019	\$147	0.07%
Total Levy Requirements	\$197,056	\$148,584	\$218,872	\$219,019	\$147	0.07%

Cemeteries

Overview

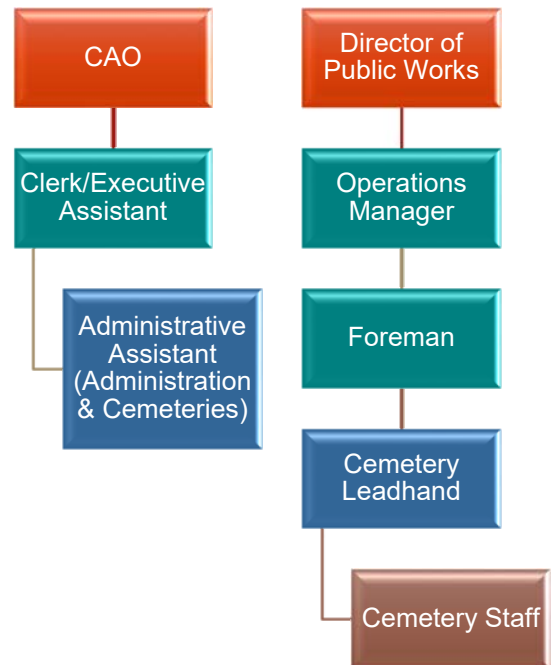
The Town owns and operates 2 cemeteries, Hillcrest Cemetery (est.1871) and Sylvan Acres Cemetery (est. 1971). The operation is a joint effort between the Office of the CAO and Public Works.

Public Works staff are present at the cemeteries from the spring through to fall. Their focus is maintenance of the grounds, as well as any interments that are required.

The Cemetery’s Administrative Assistant provides the public with information regarding interments, monuments, columbaria, lot decorations and interment rights. This staff member also maintains the Vital Statics for the Town which includes working with local funeral homes to ensure appropriate filing of death certificates.

Functions

- Cemetery administration
- Maintenance of vehicles and equipment dedicated to the cemeteries
- Hillcrest Cemetery operating costs
- Sylvan Acres Cemetery operating costs



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 40,228	\$ 52,519	\$ 47,000	\$ 47,300	\$ 300	0.64%
Investment Earnings	3,508	-	2,514	3,400	886	35.24%
Other Revenues	4,021	2,985	2,500	2,500	-	0.00%
Total Revenues	\$ 47,757	\$ 55,504	\$ 52,014	\$ 53,200	\$ 1,186	2.28%
Expenses						
Salaries & Benefits	\$ 141,119	\$ 124,904	\$ 107,138	\$ 109,086	\$ 1,948	1.82%
Materials - Operating Expenses	20,354	34,640	46,682	49,414	2,732	5.85%
Energy Costs	18,202	13,711	20,100	20,100	-	0.00%
Purchased/Contracted Services	7,695	5,228	9,600	9,600	-	0.00%
Internal Recoveries	5,481	(3,116)	5,471	5,691	220	4.02%
Contribution to Reserves	-	-	5,500	5,500	-	0.00%
Total Expenses	\$192,852	\$175,367	\$194,491	\$199,391	\$4,900	2.52%
Total Levy Requirements	\$145,095	\$119,863	\$142,477	\$146,191	\$3,714	2.61%

Budget Highlights

- **Salaries & Benefits - \$1,948 ↑**
This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.
- **Fuel/Gas Costs - \$2,100 ↑**
Increasing costs of fuel/gas reflected in the 2022 budget

Bobby Orr Community Centre

Overview

The Town operates the Bobby Orr Community Centre (BOCC), a fully accessible building boasting an ice surface, a hall and meeting room.

The facility is a hub of on ice activity from September to April. In the off season, the ice surface hosts recreational programming, tradeshow and rental functions.



Functions

- Arena operating costs
- Ice surface, halls & meeting rooms

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Rents & License Revenues	\$ 98,670	\$ 90,635	\$ 83,860	\$ 84,000	\$ 140	0.17%
Other Revenues	15,302	13,389	20,700	20,700	-	0.00%
Contribution from Reserves	-	-	59,840	75,500	15,660	26.17%
Total Revenues	\$ 113,972	\$ 104,024	\$ 164,400	\$ 180,200	\$ 15,800	9.61%
Expenses						
Salaries & Benefits	\$ 242,148	\$ 189,598	\$ 239,068	\$ 258,697	\$ 19,629	8.21%
Materials - Operating Expenses	89,709	81,329	110,134	115,223	5,089	4.62%
Energy Costs	132,522	111,644	120,000	120,000	-	0.00%
Rents & Financial Services Purchased/Contracted	916	1,423	1,500	1,500	-	0.00%
Services	44,439	35,526	46,500	46,500	-	0.00%
Debt Repayment	\$79,366	59,047	94,210	89,180	(5,030)	-5.34%
Internal Recoveries	1,578	2,935	3,227	1,228	(1,999)	-61.95%
Total Expenses	\$ 590,678	\$ 481,501	\$ 614,639	\$ 632,328	\$ 17,689	2.88%
Total Levy Requirements	\$476,707	\$377,477	\$450,239	\$452,128	\$1,889	0.42%

Budget Highlights

- **Contribution from Reserves - \$59,840** ↑↓
Covid-19 reserve funding from the province is allocated to offset the loss in revenues due to changes in restrictions and guidelines for facility rentals and user fees

- **Contribution from Reserves - \$15,660 ↑**

Covid-19 reserve funding allocated to offset the costs of Screeners at the BOCC

- **Salaries & Benefits - \$19,629 ↑**

\$15,660 relates to increasing costs associated with public health requirements for Screeners to open during the pandemic

The remainder of the increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.

- **Insurance Costs - \$5,029 ↑**

Rising municipal insurance premium impact on the Bobby Orr Community Centre costs.

Parks and Recreation

Overview

The Town of Parry Sound prides itself on providing first rate community amenities, supported by the Parks and Recreation division. The Town proudly boasts of its trails, park systems and activities for the whole family.

The Town has a variety of parks which include off-leash dog areas, various playgrounds, ball diamonds, soccer pitch and outdoor rink.



Functions

- Recreation administration
- Parks
- Vehicles and equipment dedicated to Parks
- Kinsmen Park Fields & Outdoor Rink
- Recreation programs
- Community events such as Snowfest and Canada Day celebration

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ -	\$ -	\$ 59,000	\$ -	\$ (59,000)	-100.00%
Federal Grants & Subsidies	18,933	-	-	-	-	N/A
User Fees	2,054	3,574	14,000	16,000	2,000	14.29%
Rents & Financial Revenues	10,373	26,693	22,000	22,346	346	1.57%
Investment Earnings	22	17	48	48	-	0.00%
Other Revenues	150	2,950	500	-	(500)	-100.00%
Contributions from Reserves	-	-	-	73,200	73,200	N/A
Total Revenues	\$ 31,533	\$ 33,234	\$ 95,548	\$ 107,394	\$ 11,846	12.40%
Expenses						
Salaries & Benefits	\$ 455,500	\$ 527,635	\$ 647,776	\$ 662,101	\$ 14,325	2.21%
Materials - Operating Expenses	120,256	134,202	204,179	211,441	7,262	3.56%
Energy Costs	49,036	49,949	46,650	51,650	5,000	10.72%
Rent and Financial Expenses	2,473	778	8,300	6,100	(2,200)	-26.51%
Purchased/Contracted Services	38,935	16,191	112,100	114,100	2,000	1.78%
Grants - Transfer Payments	7,387	20,860	18,500	18,500	-	0.00%
Internal Recoveries	(3,121)	(1,022)	20,762	23,186	2,424	11.68%
Contribution to Reserves	-	-	48	48	-	0.00%
Total Expenses	\$ 670,466	\$ 748,592	\$ 1,058,315	\$ 1,087,126	\$ 28,811	2.72%

Total Levy Requirements	<u>\$638,933</u>	<u>\$715,358</u>	<u>\$962,767</u>	<u>\$979,732</u>	<u>\$16,965</u>	<u>1.76%</u>
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Budget Highlights

- **Contribution from Reserves - \$73,200** ↑↓

\$13,200 in Covid-19 funding from the province is allocated to offset the loss in programming revenues due to changes in restrictions and guidelines

\$50k planned to be transferred from the modernization reserves to fund the Parks and Recreation Master Plan temporarily

The following resolution required to ensure recovery of a portion of the costs from the master plan be recovered from DCs:

“Council approves the Parks and Recreation Master Plan to be undertaken. Council directs that the growth-related component of the Study (as determined in the D.C. Background Study) be funded from the D.C. Reserve Fund once the by-law has been approved by Council and is in effect”

\$10k is planned to be funded from the modernization reserves towards the Booking Software implementation as recommended in the Modernization Review.

- **Salaries & Benefits - \$14,325** ↑

This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.

Correction made to lifeguard complement to include 5 vs. 4 and to swim instructors to include 4 vs. 5 which has a \$4k impact.

- **Insurance - \$1,697** ↑

Rising costs of municipal insurance premiums

- **Software - \$10,000** ↑

Booking Software which is funded from the modernization reserves increasing materials costs

- **Utilities - \$5,000** ↑

Utilities costs have increased at Waubuno Park and budget adjusted to reflect actual costs



TOWN OF
Parry Sound

Finance

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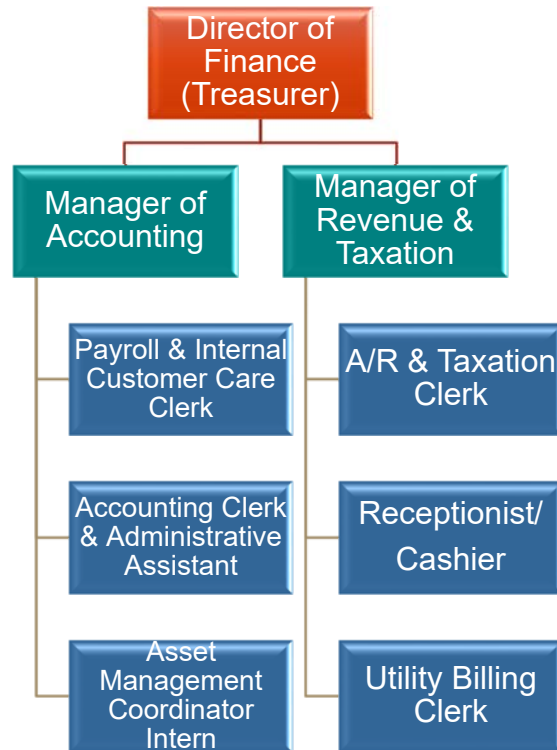
Finance

Overview

The Town’s Finance department provides financial control, planning and bookkeeping services for the corporation. The department is responsible for the collection of revenue, as well as the payment to vendors, suppliers and staff.

Functions

- Financial services to the organization
- Cost recoveries from other departments for services provided
- Financial expenses, such as the Town’s share of tax write-offs and rebates
- Municipal Office expenses



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Levies	\$ 621,282	\$ 590,086	\$ 491,850	\$ 568,970	\$ 77,120	15.68%
Federal Grants & Subsidies	-	10,000	50,000	85,000	35,000	70.00%
User Fees	11,984	12,772	11,000	12,000	1,000	9.09%
Rents & Financial Revenues	8,544	8,561	-	8,500	8,500	N/A
Other Revenues	10,534	5,504	6,000	6,200	200	3.33%
Fines and Penalties	161,870	147,974	140,000	150,000	10,000	7.14%
Contributions from Reserves	-	-	75,800	103,720	27,920	36.83%
Total Revenues	\$ 814,213	\$ 774,897	\$ 774,650	\$ 934,390	\$ 159,740	20.62%
Expenses						
Salaries & Benefits	\$ 671,773	\$ 687,477	\$ 772,961	\$ 813,482	\$ 40,521	5.24%
Materials - Operating Expenses	156,969	143,769	237,529	213,142	(24,387)	-10.27%
Rent and Financial Expenses	(312,762)	(302,255)	(275,917)	(290,569)	(14,652)	5.31%
Purchased/Contracted Services	67,705	144,988	176,280	197,151	20,871	11.84%
Grants – Transfer Payments	10,480	11,005	15,000	13,000	(2,000)	-13.33%
Internal Recoveries	9,229	0	18,440	21,615	3,175	17.22%
Total Expenses	\$ 603,430	\$ 682,734	\$ 944,293	\$ 967,821	\$ 23,528	2.49%
Total Levy Requirements	\$ 210,819	\$ 89,913	\$ 169,643	\$ 33,431	\$ (136,212)	-80.29%

Budget Highlights

- **NOHFC Internship Grant - \$35,000 ↑**
An estimate for the amount of the grant related to the Asset Management Coordinator Intern position has been added.
- **Payments in Lieu of Taxation - \$47,120 ↑**
Revenues received from payments in lieu of taxation have been increased to be more reflective of actuals received in 2021
- **Supplemental Taxation - \$30,000 ↑**
Increase in supplemental taxation expected. Five years in supplemental revenues were analyzed to update the estimate based on what we are seeing.
- **Fines and Penalties - \$10,000 ↑**
Newly forecasted amount.
- **Administrative Support Chargeback - \$16,952 ↑**
Administrative fees to support POA/Land Ambulance/Water/Wastewater have been increased per inflationary/labour impacts.
- **Contribution from Infrastructure Replacement Reserve - \$66,800 ↑↓**
This transfer is to cover phase 2 and 3 of the development of the Town's Asset Management Plan as per the action plan provided in June 2020 minus \$50,000 which is covered through an Federation of Canadian Municipalities grant for asset management. Carried into 2022
- **Modernization Projects/Contracted Services and Contribution from Modernization Reserves - \$36,920 ↑↓**
Electronic tax/water billing option eSend - \$6,920
Accounts Payable guided RFP process for selection - \$30k
- **Salaries & Benefits - \$40,521 ↑**
Asset Management Coordinator Intern (+\$53k/Net of Funding \$18k) – Required resource as the Town works towards the enhancement of the Asset Management Plan for core infrastructure for July 2022 and then all infrastructure by 2024. The remainder of the increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.
- **Materials - \$24,387 ↓**
Less costs in training, copier costs, and office supplies with increased remote work and virtual training - \$10k. Reduction in furniture costs required
- **Asset Management Plan Costs - \$115,800 ↑↓**
Phase 2 and 3 of the asset management plan completion total cost. Carried forward into 2022



TOWN OF

Parry Sound



**External Levies, Boards &
District Services**

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External Levies/Boards/District Services

Overview

Public Library

The Parry Sound Public Library is a municipal board of the Town of Parry Sound and is run by a 9-member Board. They aim to provide the area with a comprehensive and efficient public library service.

Membership at the library is free of charge to the residents of Parry Sound, and contracting municipalities (Carling, McDougall, and the Archipelago). Memberships can be purchased by non-residents for a fee.

The Town supports the Parry Sound Public Library via an annual contribution towards the operating expenses.

Museum

The West Parry Sound District Museum (aka Museum on Tower Hill) began as a group of dedicated citizens. This grew into a museum focused on the preservation and interpretation of the core cultural themes that shaped the West Parry Sound District throughout history.

The Town supports the West Parry Sound District Museum via an annual contribution towards the operating expenses.

Home for the Aged

The Town supports via a levy Belvedere Heights Home for the Aged, a long-term care facility located on Belvedere Ave, overlooking beautiful Georgian Bay.

The facility is operated and maintained by a Board of Management for the District of Parry Sound in cooperation with the Province of Ontario Ministry of Health.

The levy is provided by Belvedere Heights and is set by their Board of Management. It is a required payment of the Town.

Seniors Assistance

The Town budgets an amount for donations/support to other organizations specifically geared towards seniors.

Annually there is a contribution to the Parry Sound Seniors Club, a community centre geared to older adults.

Health Unit

The Town of Parry Sound is serviced by the North Bay Parry Sound District Health Unit. The Health Unit is one of 35 public health units in Ontario, whose mission is to foster healthy living within the communities by preventing illness, promoting healthy choices and providing trusted support and information.

The Health Unit's main office is in the City of North Bay, with two branch offices. One office is in the Town of Parry Sound, while the other is in Burk's Falls.

Annually the Health Unit provides the Town with their municipal levy.

Charles W. Stockey Centre – Town Contribution

Generally, the Town strives to operate the Centre as a self-sustaining business unit.

The Town contributes an annual amount to support the Stockey Centre. The operations seek municipal contributions to assist with the funding but have traditionally been met with resistance with only one other contributing municipality.

Land Ambulance – Town Contribution

Annually the portion of revenue to be raised from other municipalities is distributed based on weighted assessment.

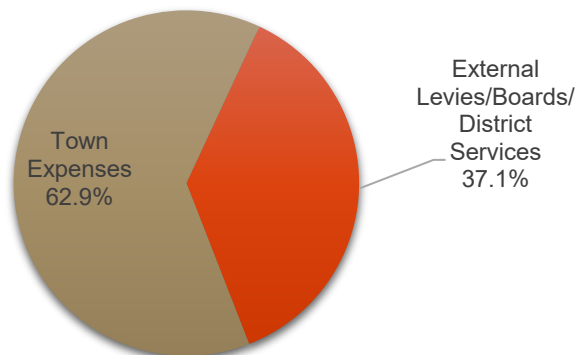
Annually the Town is provided with their municipal levy.

The Planning Board

In 1983 provincial legislation combined Parry Sound's Planning Board with other municipal planning boards to create the Parry Sound Area Planning Board. The Parry Sound Area Planning Board provides advice and assistance in respect of such planning matters affecting the planning area that are referred to the board.

In 2022, the Town received approval to manage their own planning matters outside of the Planning Board and is no longer part of The Planning Board.

**Portion of Tax Supported
Operating Expenses**



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants and Subsidies	\$ 64,083	\$ 102,573	\$ -	\$ -	\$ -	N/A
Contribution from Reserves or Reserve Funds	-	-	105,000	102,573	(2,427)	-2.31%
Total Expenses	\$ 64,083	\$ 102,573	\$ 105,000	\$ 102,573	\$ (2,427)	-2.31%
Expenses						
Health Unit	\$ 178,089	\$ 178,090	\$ 178,090	\$ 183,939	\$ 5,849	3.28%
Town Contribution – Land Ambulance	278,654	263,794	263,794	280,150	16,356	6.20%
Home for the Aged	134,342	120,284	120,284	101,400	(18,884)	-15.70%
Seniors	5,000	5,000	5,000	5,000	-	0.00%
DSSAB	317,319	318,150	318,150	320,549	2,399	1.75%
Library	205,000	211,150	211,150	269,007	57,857	27.40%
Museum	33,076	35,076	35,076	40,076	5,000	14.25%
Town Contribution - Stockey	297,333	297,333	297,333	297,333	-	0.00%
OPP	2,075,418	2,140,857	2,154,974	2,162,144	7,170	0.33%
Airport	12,100	12,100	12,100	12,100	0	0.00%
The Planning Board	7,000	5,000	7,000	0	(7,000)	-100.00%
PS Area Industrial Park	14,446	14,590	15,463	15,190	(273)	-1.77%
911 Levy	3,540	3,573	3,600	3,600	0	0.00%
MPAC Property Assess Levy	93,178	93,127	93,127	92,194	(933)	-1.00%
Total Expenses	\$ 3,654,495	\$ 3,698,124	\$ 3,715,141	\$ 3,782,682	\$ 67,541	1.82%
Total Levy Requirements	\$3,590,412	\$3,595,551	\$3,610,141	\$3,680,109	\$69,968	1.94%

Budget Highlights

- Contribution from Reserve - \$102,573** ↑↓
 This transfer from the police cost stabilization reserve will cover the cost of the Prisoner Transportation Grant since the Town has not heard on the continuation of this program.
- Land Ambulance - \$16,356** ↑
 The Land Ambulance levy is expected to increase for 2022 by 6.2%. Growing servicing demands outpacing inflation.
- Health Unit - \$5,849** ↑
 The Health Unit levy is expected to increase for 2022 by 3.28%. Provincial mitigation funding was received covering the change in the cost sharing formula from 80% provincial/20% municipal. The communications received by the Health Unit identify it would be prudent to plan for a 50% increase coming in 2023 when the formula changes to 70% provincial/30% municipal.
- Ontario Provincial Police - \$7,170** ↑
 The OPP levy is expected to increase for 2022 and no information has been provided on the continuation of the Prisoner Transportation Grant for 2022. The number of properties went from 3428 to 3469 and the calls for service reduced 82% from 2019 to 2020 which is consistent with Provincial totals.

- **Library - \$57,857 ↑**

Increased costs at the library associated with the pay equity review \$35k and a reduction in revenues of \$16k plus an increased transfer to reserves of \$3,200 for the building, computers, elevator capital make up the majority of increase requested.

The library has 2-year servicing contracts with the Township of Carling, Township of Archipelago, and the Township of McDougall. An increase has not been worked into their contributions in 2022.

- **WPS District Museum - \$5,000 ↑**

The Museum is requesting a 5% increase over 2020's contribution to assist with their operating shortfall in 2021, help address an unfunded reserve, and allow staff and the Board to focus on programming for the community.

- **Ontario Provincial Police - \$7,170 ↑**

The OPP levy is expected to increase for 2022 and no information has been provided on the continuation of the Prisoner Transportation Grant for 2022. The number of properties went from 3428 to 3469 and the calls for service reduced 82% from 2019 to 2020 which is consistent with Provincial totals.



TOWN OF
Parry Sound

Non-Tax Supported

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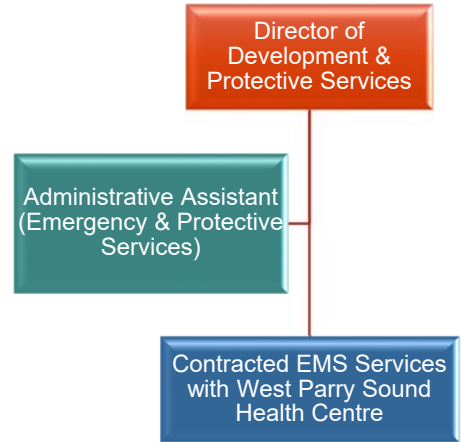
Land Ambulance

Overview

The Town manages the land ambulance service for the District of Parry Sound.

Funding for the service is shared with the Province of Ontario, First Nations, unorganized municipalities and 22 organized municipalities within the District.

The West Parry Sound Health Centre is contracted to provide the trained personnel who respond to calls every day.



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 5,227,658	\$ 6,225,091	\$ 6,551,105	\$ 6,573,400	\$ 22,295	0.34%
Other Municipalities	4,590,310	4,341,115	4,341,115	4,610,264	269,149	6.20%
Investment Earnings	15,554	7,735	15,555	15,555	-	0.00%
Contribution from Reserves	-	-	20,884	120,000	99,116	474.60%
Total Revenues	\$ 9,833,522	\$ 10,573,941	\$ 10,928,659	\$ 11,319,219	\$390,560	3.57%
Expenses						
Salaries & Benefits	\$ 151,562	\$ 100,572	\$ 134,193	\$ 135,601	\$ 1,408	1.05%
Materials - Operating Expenses	108,692	170,294	304,649	220,645	(84,004)	-27.57%
Rent and Financial Expenses	70,312	78,331	168,400	142,424	(25,976)	-15.43%
Purchased/Contracted Services	8,869,360	9,228,618	9,738,148	10,254,028	515,880	5.30%
Internal Recoveries	75,723	77,536	77,536	89,685	12,149	15.67%
Contribution to Reserves	-	-	505,733	476,836	(28,897)	-5.71%
Total Expenses	\$9,275,648	\$9,655,351	\$10,928,659	\$11,319,219	\$390,560	3.57%
Net Budget	\$(557,874)	\$(918,590)	\$ -	\$ -	\$ -	0.00%

Budget Highlights

- Ministry of Health (MOH) Land Ambulance Grant - \$238,995 ↑**
 Rising costs of land ambulance and population changes result in an increase to the grant from the MOH / removal of the LHIN CP Grant of \$216,700 from the budget as it is now received directly from the WPSHC.

- **Community Paramedicine Long-Term Care Grant - \$904,400** ↑↓
Community Paramedicine for Long-Term Care (CPLTC) is 100% funded by the Ministry of Long-Term Care and provides approximately \$900,000 per year for 3 years for Parry Sound District EMS to assist with non-emergency care of seniors who are waitlisted for a Long-Term Care bed throughout the District. This is a pilot program attempting to determine the benefit, both financial and social, of keeping seniors in their homes in the community longer.
- **The Municipal Levy - \$269,149** ↑
Increasing servicing demands in land ambulance and pressures of COVID-19 causing an increase of 6.2% to the budget over the 2021 Land Ambulance Budget to maintain the existing level of service.
- **Contribution from Reserve - \$120,000** ↑
With cost increases associated with increasing service demands, the advisory committee and Council approved a transfer from reserves to reduce the in year budgetary impact to 6.2% for the municipal levy.
- **Contracted Service with the West Parry Sound Health Centre - \$535,855** ↑
\$91,952 relates to fulfilling Paramedicine Program requirements which are fully funded. The remaining \$443,903 is related financial pressures are due to increased servicing demands as well as the continued fall-out of the ongoing impacts of the COVID-19 emergency.
- **Other Paramedicine Costs - \$812,470** ↑↓
\$574,557 is WPSHC wages and salaries relates to fulfilling Paramedicine Program requirements which are fully funded. The remaining \$237,913 relates to paramedicine admin, monitoring, vehicles and oversight.

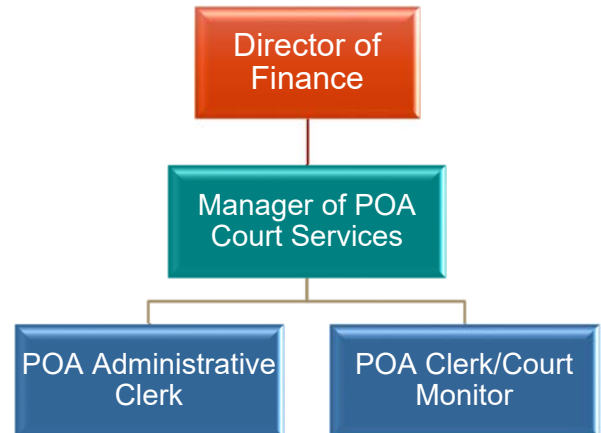
Provincial Offences Act

Overview

The Town operates the Provincial Offences Act (POA) Court for the District of Parry Sound. There are two court locations (Parry Sound and Sundridge) which serve the east and west side of the District.

The operations of the POA Court are governed by the Ministry of the Attorney General.

Similar to all other Municipalities in the District of Parry Sound, the Town is a member of the committee and shares the revenues and expenses with the other partners.



Functions

- Highway Traffic Act
- Provincial Parks Act
- Liquor License Act
- Fish and Wildlife Conservation Act
- Motorized Snow Vehicles Act
- Building Code Act

Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 339	\$ 20	\$ 2,500	\$ 2,500	\$ -	0.00%
Investment Earnings	-	-	1,000	1,000	-	0.00%
Fines and Penalties	670,805	835,442	785,761	853,660	67,899	8.64%
Total Revenues	\$ 671,145	\$ 835,462	\$ 789,261	\$ 857,160	\$ 67,899	8.60%
Expenses						
Salaries & Benefits	\$ 247,514	\$ 258,529	\$ 258,546	\$ 271,471	\$ 12,925	5.00%
Materials - Operating Expenses	16,025	32,267	47,600	42,977	(4,623)	-9.71%
Rent and Financial Expenses	27,486	14,314	15,800	17,400	1,600	10.13%
Purchased/Contracted Services	68,923	95,000	163,900	180,100	16,200	9.88%
Grants - Transfer Payments	255,741	325,249	240,748	276,500	35,752	14.85%
Internal Recoveries	54,308	55,000	61,585	67,630	6,045	9.82%
Total Expenses	\$ 669,997	\$ 780,359	\$ 788,179	\$ 856,078	\$ 67,899	8.61%
Net Budget	\$ (1,148)	\$ (55,103)	\$ (1,082)	\$ (1,082)	\$ -	0.00%

Budget Highlights

- **Fine Revenues - \$67,899 ↓**
POA fine revenues increasing as virtual court and some in person resumes in 2022. Ticket issuance is expected to increase from 2021 to 2022.

- **Materials - \$4,623 ↓**
With many changes as a result of the ongoing pandemic, meetings have been changed to virtual means, eliminating the need for these costs in 2022. They include reduced copier costs and postage.
- **Contracted Services Costs - \$16,200 ↑**
Justice of the Peace costs and associated legal costs were previously reduced in the 2021 budget and are expected to increase in 2022.
- **Payments/Fines paid to the Province and Other Municipalities \$38,002 ↑**
Associated with the anticipated increase in fine revenues, as the two are associated. Distributions to the municipal partners are expected to increase by this figure
- **Town Administration Fee - \$2,974 ↑**
The admin fee in 2022 has been increased per inflationary costs.

Charles W. Stockey Centre for the Performing Arts & Bobby Orr Hall of Fame

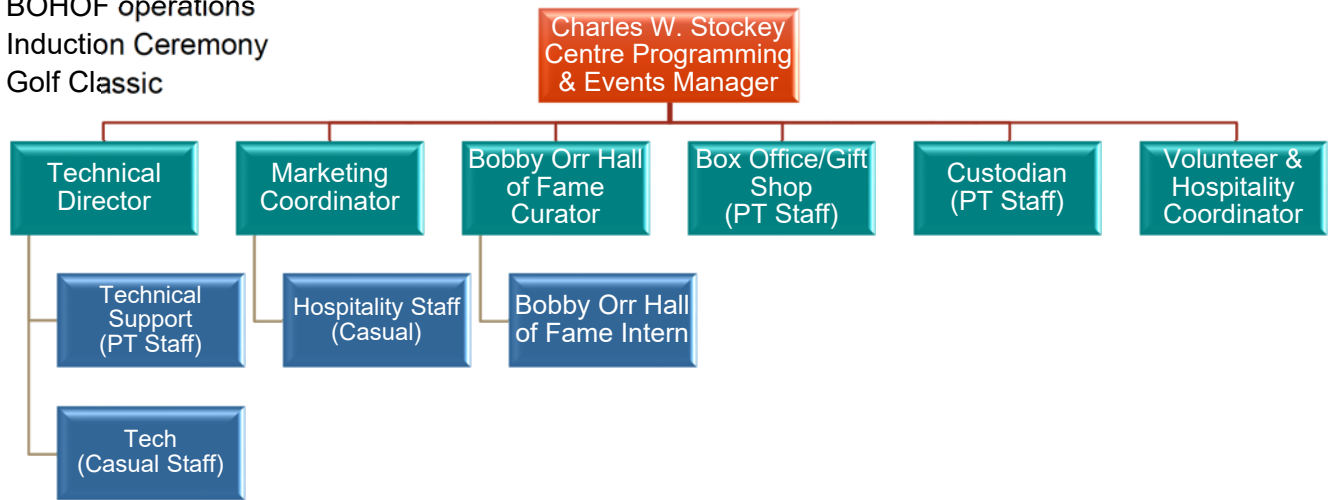
Overview

The Charles W. Stockey Centre (Stockey Centre) contains a 400-seat Festival Performance Hall and sits on 3.5 acres of waterfront overlooking Georgian Bay. The Hall has stunning acoustics as it was designed as a home for the Festival of the Sound, a world-renowned festival of chamber and classical music.

The Bobby Orr Hall of Fame (BOHOF) is an interactive hockey museum with a wide variety of photos, memorabilia, and artifacts about Bobby Orr, who was born in Parry Sound. In addition to exhibits relating to Bobby Orr, it also hosts exhibits about other exceptional athletes with ties to Parry Sound.

Functions

- Facility operations
- BOHOF operations
- Induction Ceremony
- Golf Classic



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ -	\$ -	\$ 9,950	\$ -	\$ (9,950)	-100.00%
Federal Grants & Subsidies	105,578	86,157	68,000	94,000	26,000	38.24%
Other Municipalities	307,333	297,334	297,334	307,333	9,999	3.36%

Town of Parry Sound – 2022 DRAFT Budget

User Fees	117,960	88,719	354,663	766,378	411,715	116.09%
Rents and Financial Revenues	4,289	9,136	60,775	143,250	82,475	135.71%
Investment Earnings	-	2,561	4,900	2,560	(2,340)	-47.76%
Other Revenues	140,116	77,543	116,218	104,967	(11,251)	-9.68%
Licenses and Permits	4,500	4,500	4,500	4,500	-	0.00%
Contribution from Reserves	-	-	7,000	22,027	15,027	214.67%
Total Revenues	\$ 679,777	\$ 560,828	\$ 923,340	\$ 1,445,015	\$ 521,675	56.50%
Expenses						
Salaries & Benefits	\$ 468,319	\$ 414,240	\$ 464,500	\$ 675,279	\$ 210,779	45.38%
Materials - Operating Expenses	125,360	110,502	157,582	209,569	51,987	32.99%
Energy Costs	70,360	57,157	80,000	80,000	-	0.00%
Rent and Financial Expenses	8,152	6,176	13,271	24,600	11,329	85.37%
Purchased/Contracted Services	85,021	224,433	101,766	360,150	258,384	253.90%
Debt Repayment	19,401	17,152	47,334	47,334	-	0.00%
Grants - Transfer Payments	175	-	3,500	2,000	(1,500)	-42.86%
Internal Recoveries	16,179	1,147	14,487	13,523	(964)	-6.65%
Contribution to Reserves	-	-	40,900	32,560	(8,340)	-20.39%
Total Expenses	\$ 792,966	\$ 830,807	\$923,340	\$1,445,015	\$521,675	56.50%
Net Budget	\$ 113,190	\$269,979	\$ -	\$ -	\$ -	0.00%

Budget Highlights

- Covid-19 Funding Contribution from Reserves - \$7,077 ↑**
 The municipality has received funding from the provincial government related to the Safe Restart Agreement. This portion of the funding is allocated to the Stockey Centre and Bobby Orr Hall of Fame to assist with covid-19 costs and pressures including lost revenues, additional cleaning, and pandemic supplies. The total covid 19 funding of \$17,027 is shown in the Contribution from reserves.
- Transfers from Reserves - \$3,000 ↑**
 Transfer from the Stockey Centre Reserve to fund the replacement of the ice machine in 2022.
- NOHFC Intern Funding - \$31,500 ↑**
 The Bobby Orr Hall of Fame (BOHF) is seeking an internship position and 90% of those costs

are eligible for funding. The position is going to be focused on the BOHF exhibit redesign project.

- **User Fees - \$411,715 ↑**
The Stockey Centre and Bobby Orr Hall of Fame expect revenues for ticket sales and admissions to increase as they plan for a return to normal.
- **Facility Rental Revenues - \$82,475 ↑**
Budgeting for facility rentals to recover as in-person events are allowed to resume and public health restrictions are lifted.
- **Liquor Sales - \$60,000 ↑**
The sales of liquor are expected to increase with the resumption of in-person events and facility rentals in 2022.
- **Fundraising - \$18,000 ↑**
Staff plan to conduct increased fundraising events to assist with supporting the facility through these difficult times.
- **Salaries and Benefits - \$210,779 ↑**
Most of this increase is related to the resumption of part-time staffing complement as it was previously reduced with the resumption of in-person events. The part-time staff includes staff performing maintenance following events, performance hall staff, concessions, and box office staff.
BOHF Intern (\$45k/Net NOHFC funding \$14k) – The position will be focused on the BOHF exhibit redesign planned for 2022.

The remainder of the increase reflects the 1.1% increase budgeted for non-union staff.
- **Materials Required Reduced - \$51,987 ↑**
The materials required were significantly reduced in 2021 with reduced rental revenues, in person performances, and in 2022 materials required will increase but, not to pre-pandemic levels.
- **Financial Expenses/Credit Card Fees - \$11,329 ↑**
Transactional credit card fees are expected to increase again in 2022 as they were reduced with revenue decreases expected in 2021 with less ticket sales expected.
- **Artist Guarantees, Fees, Meals, & Rental Settlement - \$240,500 ↑**
With more in person performances, these costs are expected to increase significantly as the Centre plans for a resumption of events/performances in 2022.

- **Induction Revenues - \$11,500 ↑ and Contracted Services - \$12,550 ↑**
With more events scheduled to take place in 2022 both the associated revenues and costs of hosting are budgeted to increase.

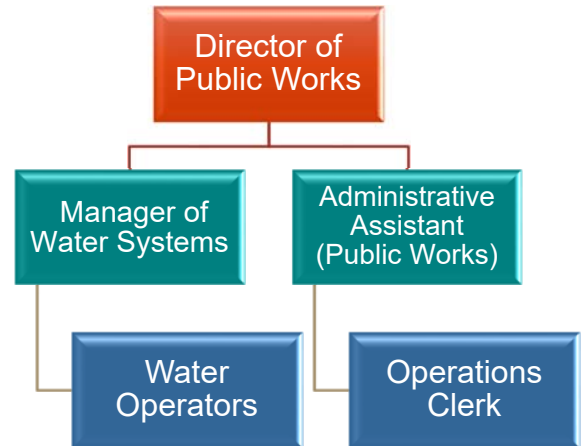
Water Systems

Overview

The Town owns and operates the Tony Agnello Water Treatment Plant, ensuring safe drinking water to ratepayers.

Functions

- The treatment and distribution of municipal water
- Repairs and maintenance on 40km of water distribution mains
- Fire hydrants
- Booster stations and elevated water towers, key components to the distribution system



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 1,165,908	\$ 1,375,112	\$ 1,601,132	\$ 1,604,515	\$ 3,383	0.21%
Rents & Financial Revenues	7,039	7,026	6,900	7,300	400	5.80%
Investment Earnings	1,635	-	200	400	200	100.00%
Other Revenues	1,516,321	1,084,896	1,053,642	1,107,451	53,809	5.11%
Contribution from Reserves	-	-	152,436	154,566	2,130	1.40%
Total Revenues	\$ 2,690,903	\$ 2,467,034	\$ 2,814,310	\$ 2,874,232	\$ 59,922	2.13%
Expenses						
Salaries & Benefits	\$ 543,485	\$ 543,379	\$ 621,810	\$ 627,447	\$ 5,637	0.91%
Materials - Operating Expenses	228,306	211,344	339,720	356,033	16,313	4.80%
Energy Costs	174,254	158,435	176,100	176,100	-	0.00%
Rent and Financial Expenses	-	-	7,500	7,500	-	0.00%
Purchased/Contracted Services	115,449	184,987	303,500	342,500	39,000	12.85%
Debt Repayment	62,067	39,727	161,461	167,032	5,571	3.45%
Internal Recoveries	110,168	107,015	113,760	118,859	5,099	4.48%
Contribution to Reserves	1,457,174	1,222,147	1,090,459	1,078,761	(11,698)	-1.07%
Total Expenses	\$ 2,690,903	\$ 2,467,034	\$ 2,814,310	\$ 2,874,232	\$ 59,922	2.13%
Total Levy Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

Budget Highlights

- **Salaries and Wages - \$5,637 ↑**
This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.
- **Insurance Costs - \$11,913 ↑**
Rising municipal insurance premium impact on the water costs.
- **Software Costs - \$4,400 ↑**
Implementation of an accounting system improvement to utility billing to allow interest calculations to run properly at installment due dates.
- **Contracted Services Costs - \$39,000 ↑**
Water Plant Firm Capacity Review - \$28,000

Water Hydraulic Model Annual Maintenance - \$11,000

These recommendations came out of the water and wastewater capacity study and modelling recently completed.

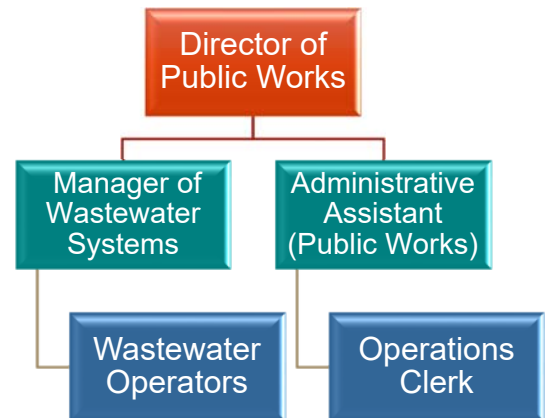
Wastewater Systems

Overview

The Town owns and operates its wastewater treatment plant, ensuring safe treatment of wastewater.

Functions

- Treatment and collection of municipal wastewater
- Repairs and maintenance of 32km of sanitary collection mains
- 15 Pump Stations, a key component of the collection system



Operating Budget Details

	Actuals		Budget		Budget Change	
	2020 Actuals	2021 Actuals	2021 Budget	2022 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 3,701,752	\$ 3,430,112	\$ 3,827,476	\$ 3,885,622	\$ 58,146	1.52%
Investment Earnings	1,591	-	200	375	175	87.50%
Total Revenues	\$ 3,703,343	\$ 3,430,112	\$ 3,827,676	\$ 3,885,997	\$ 58,321	1.52%
Expenses						
Salaries & Benefits	\$ 570,417	\$ 561,921	\$ 608,761	\$ 618,366	\$ 9,605	1.58%
Materials - Operating Expenses	328,662	348,471	337,374	352,248	14,874	4.41%
Energy Costs	466,803	504,447	437,000	437,000	-	0.00%
Rent and Financial Expenses	1,350	456	6,500	6,500	-	0.00%
Purchased/Contracted Services	210,015	307,221	378,500	445,500	67,000	17.70%
Debt Repayment	235,603	138,695	228,742	262,798	34,056	14.89%
Internal Recoveries	120,282	114,007	125,195	130,931	5,736	4.58%
Contribution to Reserves	1,770,212	1,454,894	1,705,604	1,632,654	(72,950)	-4.28%
Total Expenses	\$ 3,703,343	\$ 3,430,112	\$ 3,827,676	\$ 3,885,997	\$ 58,321	1.52%
Total Levy Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

Budget Highlights

- **Salaries and Wages - \$9,605 ↑**
This increase reflects the 1.1% increase budgeted for non-union and 1.5% for union staff.

- **Insurance Costs - \$13,474 ↑**
Rising municipal insurance premium impact on the Wastewater operating costs.
- **Software Costs - \$4,400 ↑**
Implementation of an accounting system improvement to utility billing to allow interest calculations to run properly at installment due dates.
- **Contracted Services Costs - \$67,000 ↑**
These recommendations came out of the water and wastewater capacity study and modelling recently completed.

Sewage Plant Tertiary Filter Operation Review - \$17,000

Sewage Plant Firm Capacity Review - \$22,000

Sewage Hydraulic Model Annual Maintenance - \$13,000

Inflow and Infiltration Reduction Program - \$40,000

Engineering Support to assist Town to get residents and business to disconnect roof leaders and sump pumps from sanitary

Other misc. reductions in Contracted Services - \$(25,000)



TOWN OF
Parry Sound

**2022 Capital Budget
DRAFT**

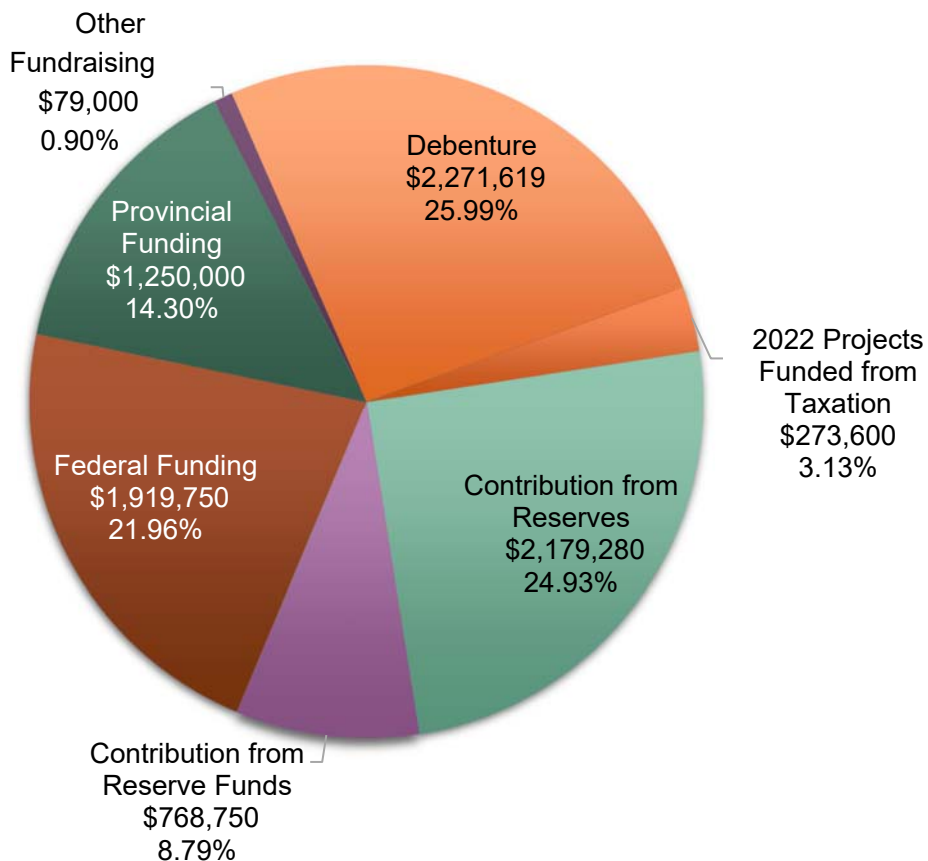
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Capital Budget

While the focus of the Operating budget is on the day-to-day operations, it is the capital budget that ensures the Town and Staff have safe and reliable equipment and infrastructure for the provision of services.

For example, without regular repair and replacement the Tony Agnello Water Treatment Plant as well as the watermains underground the Town would be unable to provide the ratepayers with safe drinking water when they turn on the tap.

In 2022, there is a total capital budget of \$8,741,999 which is funded through various sources.



Highlights

- The annual paving program investment has been combined with the previous two year carry forward amounts to fund the Bowes and Joseph Street shave, reprofile, and pave project.

- Park Avenue and Georgina surface replacement/paving.
- \$200,000 towards the reinvention of the Fitness Trail with \$187,500 in grant funding.
- Planning for the repair of the corner at Wood/Isabella intersection to connect sidewalks with rail safety improvements to come.
- Bobby Orr Hall of Fame Permanent Exhibit Redesign planned for 2022
- Further contribution towards the rebuild of Sewage Pump Station 3 to plan for future flows and the Preliminary Design of Water Treatment Plant high lift pumps and Church Street Booster Pumping Station as recommended in the Town’s completed capacity study.
- Church Street retaining wall replacement
- \$500,000 investment into Cascade Bridge to extend its life and prevent deterioration.

Budget Change

2021 Budget	2022 Budget	Dollar Change	Percent Change
\$3,097,312	\$8,741,999	\$5,644,687	182%

What is a Capital Budget?

The Town’s operating budget funds the day-to-day operations and maintenance of the Town’s assets. Changes in the operating budget can affect the lifespan of an asset, and the purchase of new assets can affect the future capital budgets.

The capital budget sets the funding for:

- **Capital assets:** The physical assets that the Town owns or controls that have a financial value and are required in the delivery of services, for example, the municipal building; and
- **Municipal Infrastructure:** The systems and related equipment that the Town owns, such as roads, bridges, culverts, stormwater systems, water systems and wastewater systems

As the asset management plan evolves the capital budget will become a more streamlined process, relying heavily on the asset management plans of a municipality helps make decisions regarding project priorities and timing.

Today's reality is that many municipalities face an infrastructure gap, the difference between the work that needs to be done to keep municipal assets and infrastructure in good working condition, and the funds to do so. The realization of this gap has led to various asset management changes, the most recent of which is Ontario Regulation 588/17.

Under Ontario Regulation 588/17, all Ontario municipalities are required to have:

- ❖ A strategic asset management policy by July 1, 2019, reviewed and updated at least every five years;
- ❖ An asset management plan for water, wastewater, storm, roads, bridges and culverts by July 1, 2022; and
- ❖ An asset management plan for buildings, machinery and equipment, land improvements and vehicles by July 1, 2024

The Town currently has an asset management policy and is working towards the development of an asset management plan for core infrastructure to meet the July 1st, 2022, deadline.

Dedicated Capital Levy

To assist with funding capital projects there is a calculation applied each year to identify the annual dedicated capital funding from taxation. As this dedicated levy grows it will help to fund the plans established through the Town's Asset Management Plan. The dedicated levy is currently used to:

- Pay for tax-supported debt repayments
- Annual contribution to the Fleet Reserve
- Annual contribution to the Equipment Reserve
- Annual contribution to the Building Replacement Reserve
- Annual contribution to Capital Asset Replacement Reserve Fund (Infrastructure)
- Assist with funding other tax supported capital projects as they arise

The 2022 dedicated capital levy is: \$ 1,942,938

On January 17, 2017, the Town of Parry Sound officially received their Asset Management Plan (AMP), as submitted by Public Sector Digest Inc. (PSD). This document was extensive and provided a few recommendations for the Town to consider.

The Town of Parry Sound, just like most other municipalities, is dealing with aging infrastructure, and needing to develop a methodology to fund the projects as they come due. Council adopted one of PSD's recommendations, an increase of tax revenues by 1.8%/year for 20 years solely for phasing in full funding to these asset categories.

Calculation of the Dedicated Capital Levy

2021 net tax levy required (per 2021 budget)	\$ 11,708,819
Growth factor	1.8%
	<hr/>
	\$ 210,759
2021 dedicated capital levy	1,732,179
2022 dedicated capital levy	<hr/>
	\$ 1,942,938

Allocation of the Capital Levy

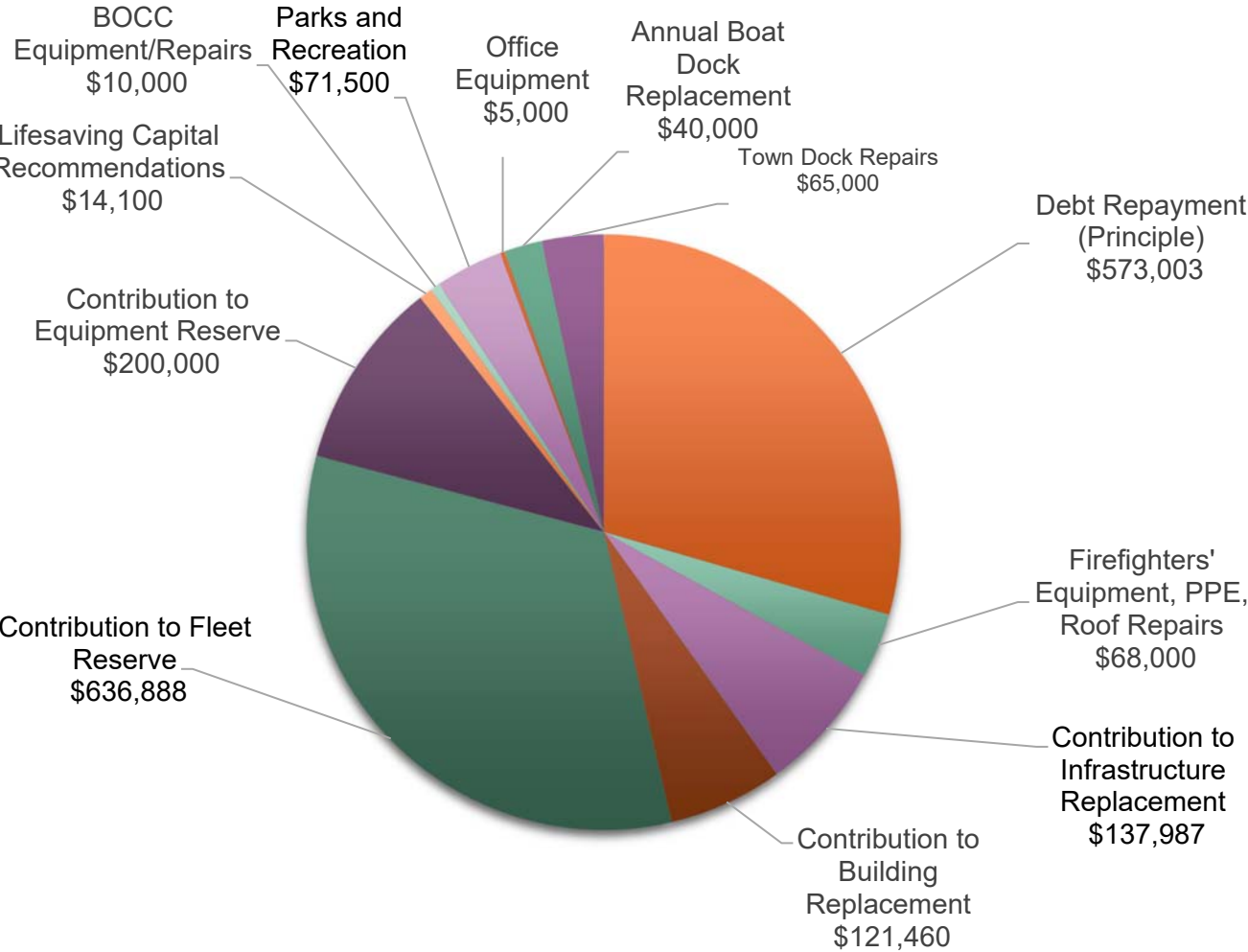
The goal of the capital levy is to provide funding for future capital projects. As the Town continues to develop its AMP the distribution of the capital levy will be refined to accurately reflect the funding needs of each asset category.

Currently, the dedicated capital levy is used for reserve contributions dedicated to fleet and equipment replacement, building repairs, infrastructure replacement as well as debt principal repayments. Any remaining levy is applied towards tax supported capital projects.

Highlights

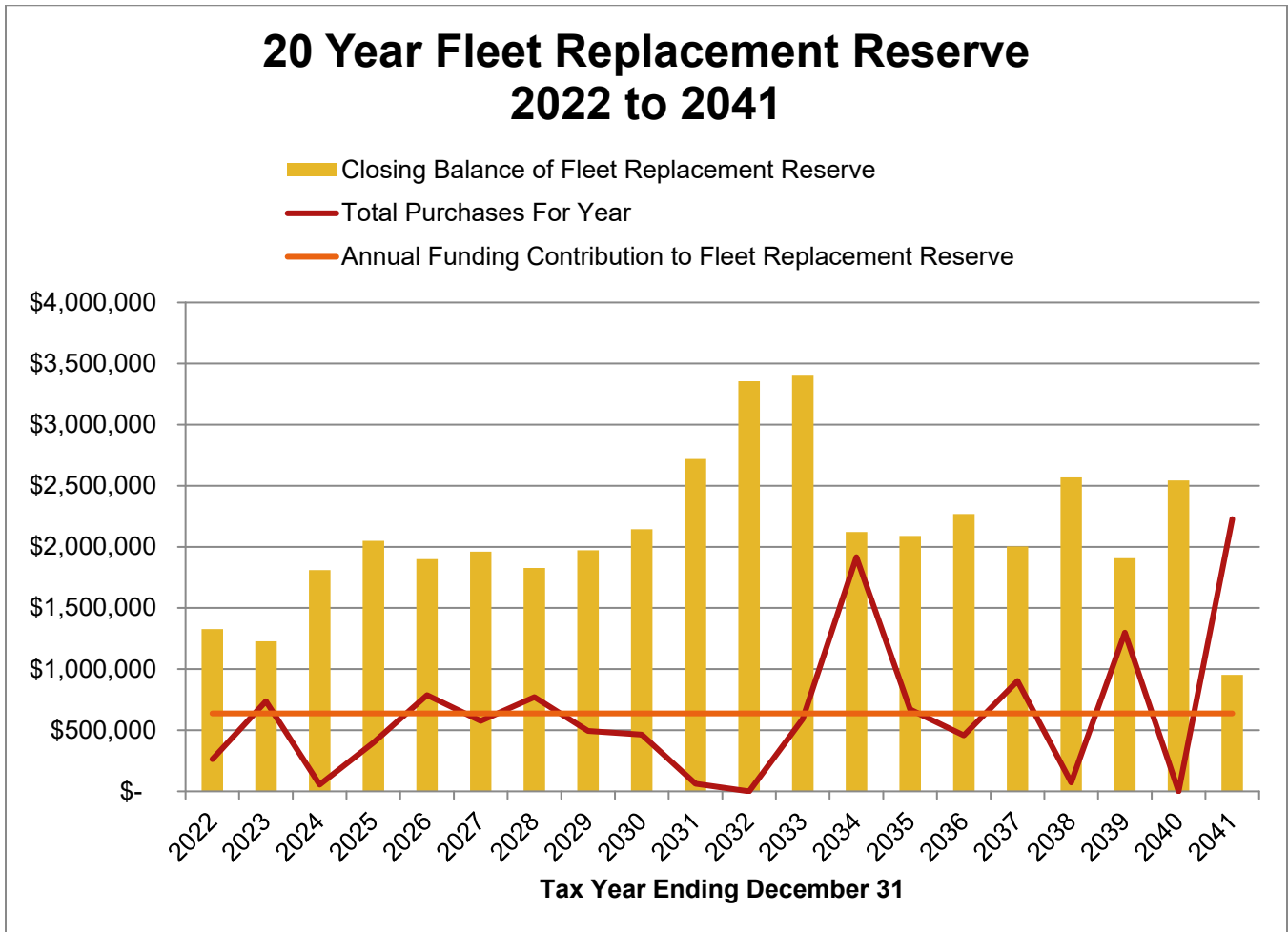
- The projects funded by taxation have remained relatively stable with an increase of \$40,000 in 2022.
- The principal payment for a new debenture of \$120,902 for the capital works on Waubeek/Isabella has been funded from the capital levy.

- The annual contributions to reserves have increased by \$184,088.
- 59% of the total 2022 capital budget including carry forward items is funded from reserves/reserve funds compared to 69% back in 2021.
- 39% of the total 2022 capital budget including carry forward items is funded from Provincial and Federal grants compared to 28% back in 2021.



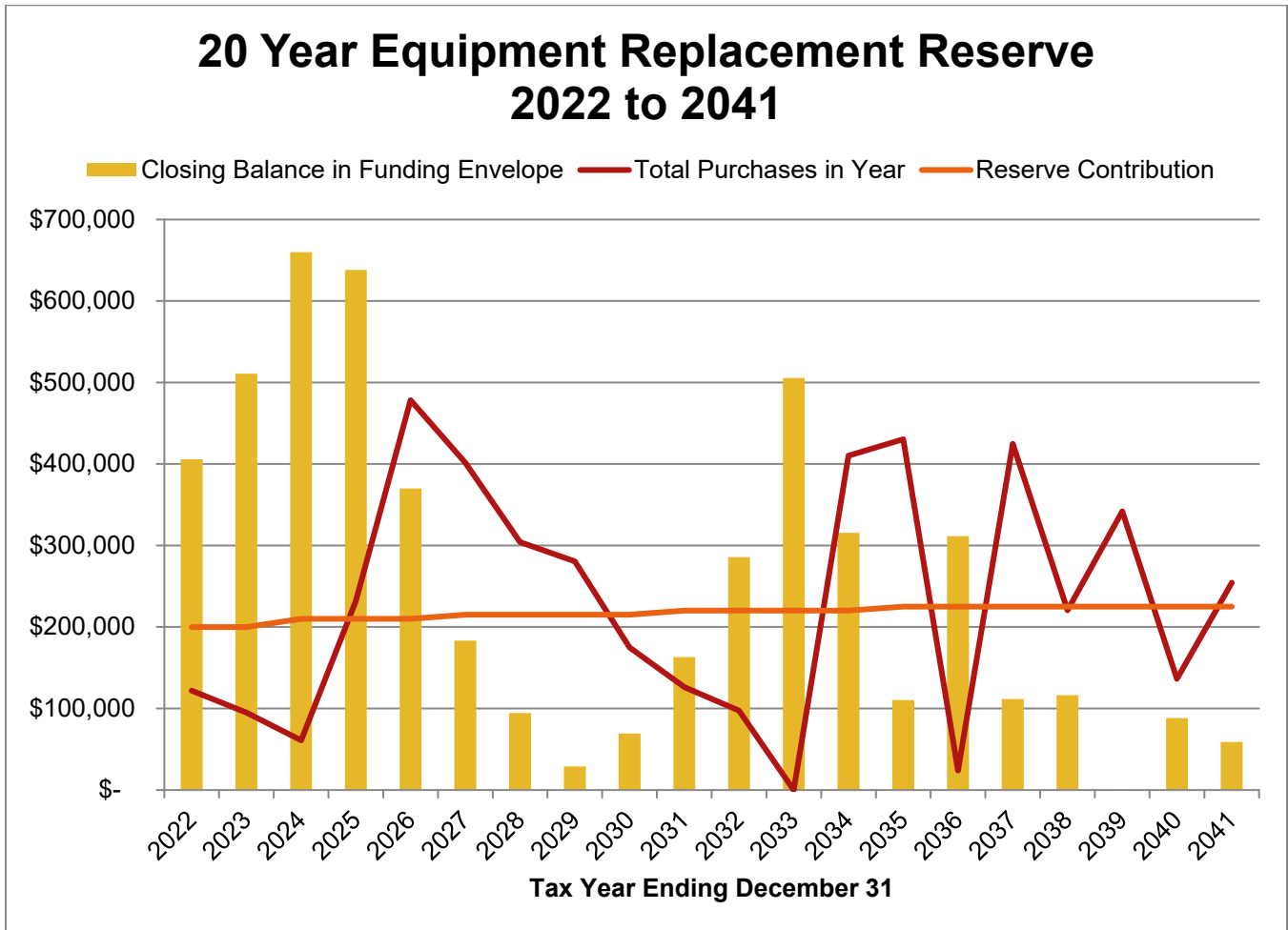
Fleet Replacement Schedule

The fleet replacement schedule has been updated to consider the current estimated replacement costs in 2022 forecasted outwards with an inflationary impact of 2% per year. Forecasted replacement anticipates an annual reserve contribution of \$636,888 is required. The details can be found in Appendix A.



Equipment Replacement Schedule

The equipment replacement schedule has been updated to consider the current estimated replacement costs in 2022 forecasted outwards with an inflationary impact of 2% per year. Forecasted replacement anticipates an annual reserve contribution of \$200,000 is required. The details can be found in Appendix B.



Capital Projects

Capital projects vary in size from replacement of the desktop and laptops used by Town staff daily to the replacement of water, wastewater, storm sewer, roads, and sidewalks for a section of road.

A project may be completed within a budget year, or over multiple years. At times, the Town can secure funding from Provincial or Federal programs, or access savings from reserves and reserve funds, and other times it needs to use debt

Previously Approved Projects

Carried Forward from 2021 to 2022

Projects that have not been completed in 2021 have been deferred to 2022. In some cases, some preliminary work may have been performed or new funding has been made available in 2022.¹

Project	2021	2022	Change
	Carry Forward	Total Budget	
SPS #3 Upgrade	700,000	1,800,000	1,100,000
Gate Security/Wastewater	30,000	30,000	-
SPS #6 Electrical upgrade	1,250,000	1,500,000	250,000
Mission Park Playground Equipment	80,000	80,000	-
Tower Hill - Rock Path Restoration	10,000	10,000	-
Tables and Chairs	33,500	33,500	-
Waubuno Beach Roof	15,000	30,000	15,000
CP Station Furnace	27,420	35,000	7,580

¹ The purchase of 34 Wood Street for \$350,000 has been approved by Council and will also carryforward to 2022 to be finalized in 2022.

Project	2021	2022	Change
	Carry Forward	Total Budget	
Fitness Trail renovations	50,000	250,000	200,000
Bird Netting	5,000	5,000	-
Resurface Ball Fields	40,000	40,000	-
Light up the Park - Infrastructure	5,500	10,500	5,000
Treescape Enhancement in the Downtown	30,000	30,000	-
IT Infrastructure Upgrade	13,000	13,000	-
IT Infrastructure Upgrade - server architecture	117,000	117,000	-
Stucco Exterior	15,000	15,000	-
Surveillance Cameras for Town Office	7,000	7,000	-
New meeting room upgrade	15,000	15,000	-
Operations Building T8 Replacement - Phase II	3,000	3,000	-
Automatic Vehicle Location Technology	40,000	40,000	-
Plotter / Scanner	13,500	13,500	-
Fire Hall Improvements Accessibility/Safety	100,000	100,000	-
Rehabilitation of PW Building	182,848	182,848	-
DBA -Downtown Parry Sound Beautification 2.0	35,400	35,400	-
Operations yard paving/laneway	130,000	210,000	80,000
PW Truck (08 080)	57,500	57,500	-
Hillcrest Mower (07-630)	17,000	17,000	-
Hillcrest Mower (07-920)	25,000	25,000	-

Project	2021	2022	Change
	Carry Forward	Total Budget	
Fitness trail - Seguin River Pedestrian bridge	40,000	40,000	-
Isabella Train Crossing Safety Improvements	750,000	750,000	-
Water Wastewater Control System	300,000	300,000	-
Cla-Val Replacement	25,000	25,000	-
Water Tower Work	40,000	40,000	-
Membrane Tank Repairs	50,000	50,000	-
Dechlorination ORP System replacement	15,000	15,000	-
Water tanks level transmitter replacements	15,000	15,000	-
Tower Insertion Meters	20,000	20,000	-
I/O Module Upgrades	40,000	40,000	-
Water Plant VFD blowers	10,000	10,000	-
Town Dock - Lights & Electrical	40,000	40,000	-
Town Dock - Roof	12,000	12,000	-
Big Sound Marina - Floating Breakwater	1,693,240	1,693,240	-
SC Hot Water Tanks	5,500	5,500	-
Loading Bay Area Upgrades	6,000	6,000	-
Performance Hall Lighting Consult Fee	16,000	16,000	-
Commercial Freezer	6,000	6,000	-
Total Carried 2021 to 2022	\$6,131,408	\$7,788,988	\$1,657,580

- ❖ Sewage Pump Station 3 (SPS #3) – 7 Hawthorne Crescent
- ❖ Sewage Pump Station 6 (SPS #6) - 2 Johnson Street

Annual Capital Expenditures

There are capital assets owned by the Town that are either pooled (e.g. water meters) or part of a large group of assets (e.g. paving). Annually there is a portion of these assets that need to be replaced/upgraded as there is a continual cycle of items reaching the end of their useful lives.

Project	Tax Levy	Provincial Funding	Federal Funding	Reserve	Reserve Funds
Laptop & Desktop Replacement	-	-	-	34,000	-
Firefighters Pooled' Gear	24,000	-	-	-	-
Firefighters' PPE	15,000	-	-	-	-
Traffic Light Control System	-	120,000	-	-	-
Manhole repairs ¹	-	-	-	100,000	-
Bowes & Joseph Street - Paving ²	-	1,200,000	-	-	-
Culvert Replacements & Stormwater	-	150,000	-	-	-
Boat dock replacement ³	40,000	-	-	-	50,000
Water Meters	-	-	-	30,000	-
Water Plant Lifts & Pumps	-	-	-	40,000	-
Rotork Actuators	-	-	-	30,000	-
Total	79,000	1,470,000	-	234,000	50,000

¹ \$50,000 per year invested (\$100,000 including 2021 investment)

² \$400,000 per year invested (\$1,200,000 including previous years accumulated)

³ \$50,000 from 2021 amount being carried forward due to supply chain issues and \$40,000 invested in 2022 towards a boat dock replacement at Waubuno

New 2022 Capital Projects

Each year there are new projects requiring staff's attention. In 2022, staff's focus is on completing previously approved projects and maintaining regular replacement schedules that have been laid out through long-term planning exercises. With the onset of a worldwide pandemic in 2020, many projects were initially placed on hold to manage cash flows until property taxation receivables were more certain. In 2021, projects were resumed. However, some projects encountered supply chain issues or delays due to the rising costs of materials and services expected. To keep up with infrastructure replacement needs, annual paving/capital replacement investments have still been planned for 2022 in addition to the carryforward to stay on track.

General Government

Office of the Chief Administrative Officer, Finance & Information Technology

Project	Tax Levy	Municipal Partners	Reserve	Reserve Funds
Operations Telephone System	5,000	-	-	-
Municipal Office Outdoor Rooftop Improvements	-	-	50,000	-
Total	5,000	-	50,000	-

Protection Services

Emergency & Protective Services, Fire, By-law Enforcement & Building Inspection

Project	Tax Levy	Municipal Partners	Reserve	Reserve Funds
Fire Hall Telephone System	9,000	-	-	-
Fire Hall Roof Repair	20,000	-	-	-
Total	29,000	-	-	-

Transportation Services

Operations & Winter Control

Project	Provincial Funding	Federal Funding	Reserve	Reserve Funds
Operations Truck 08-050	-	-	55,000	-
Operations Truck 08-230	-	-	87,800	-
TC-12 Trailer	-	-	7,500	-
Brush Chipper	-	-	72,400	-
Cascade Bridge	-	500,000	-	-
Sidewalks	100,000	-	-	-
Overhead Garage Doors	-	-	12,000	-
Church Street Retaining Wall	200,000	-	-	-
Repair Corner Wood/Isabella extension of road/sidewalks	-	600,000	-	-
Park Avenue and Georgina	300,000	-	-	-
Church Street Railing	-	-	-	13,000
Total	600,000	1,100,000	234,700	13,000

Environmental Services

Storm Water Control, Waste Management, Wastewater Services & Water Services

Project	Provincial Funding	Federal Funding	Reserve	Reserve Funds
Wastewater Truck 08-055	-	-	75,000	-
Wastewater Treatment Plant Telephone System	-	-	3,500	-

Project	Provincial Funding	Federal Funding	Reserve	Reserve Funds
Preliminary Design of WTF High Lift Pumps and Church Street Booster Pumping Station	-	-	50,000	
Water Plant Furnace	-	-	11,000	-
Polymer Injection System	-	-	30,000	-
Forklift Batteries and Charging System	-	-	15,000	-
Water Treatment Plant Telephone System	-	-	4,000	
Water Truck 08-020	-	-	57,000	-
Total	-	-	245,500	-

Health Services

Cemeteries & Land Ambulance

Project	Provincial Funding	Federal Funding	Reserve	Reserve Funds
Ambulance 5260	-	-	-	180,000
Ambulance 5261	-	-	-	180,000
Ambulance 5100	-	-	-	180,000
EMS Base Repairs	-	-	-	100,000
Total	-	-	-	640,000

Recreation and Culture

Bobby Orr Community Centre, Parks and Recreation, Charles W. Stockey Centre & Bobby Orr Hall of Fame

Project	Tax Levy	Debenture	Fundraising	Federal Funding	Reserve	Reserve Funds
West Parry Sound Recreation and Cultural Centre		2,271,619				
Waubuno Beach Playground	31,500		-	-	57,000	-
BOCC Condenser Holding Tank	10,000		-	-	-	-
Parks waste containers	20,000		-	-	-	-
Parks Truck 08-030			-	-	52,000	-
Plow for 08-250			-	-	10,000	-
Waubuno Beach Lifesaving Impr.	8,300		-	-	-	-
Centennial Beach Lifesaving Impr..	5,800		-	-	-	
Town Dock Repairs	40,000		-	40,000	-	-
Town Dock Washroom	25,000		-	-	-	-
BOHOF Permanent Exhibit Redesign	-		79,000	494,250	-	85,750
Refrigerators	-		-	-	6,000	-
Bayside Deck & Concrete Repairs	-		-	98,000	-	-
Total	140,600	2,271,619	79,000	632,250	125,000	85,750

- ❖ Items for Council Consideration from the public will be brought forward to the February 22nd meeting of Council.

Summary of New Capital Projects

Department	Tax Levy	Provincial Funding	Federal Funding	Debenture	Fund-raising	Reserve	Reserve Funds	Total
<i>Changes in Funding/Additional Dollars to Carryforward Items</i>								
New Changes to Carryforward	20,000	80,000	187,500		-	1,357,580	12,500	1,657,580
<i>Annual Capital Expenditures</i>								
Annual Replacement Program without Carryforward	79,000	570,000	-		-	184,000	-	833,000
<i>New Capital Projects</i>								
General Government	5,000		-		-	50,000	-	55,000
Protection Services	29,000	-	-		-	-	-	29,000
Transportation Services	-	600,000	1,100,000		-	234,700	13,000	1,947,700
Environmental Services	-	-	-		-	245,500	-	245,500
Health Services	-	-	-		-	-	640,000	640,000
Recreation and Culture	140,600	-	632,250	2,271,619	79,000	125,000	85,750	3,334,219
Total	273,600	1,250,000	1,919,750	2,271,619	79,000	2,196,780	751,250	8,741,999



TOWN OF
Parry Sound

Reserves and Reserve Funds

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Overview

Reserves and Reserve Funds allow for long-term planning, internal financing and dealing with unknown situations that may arise during the year. They can also be used to help maintain a stable financial position by minimizing the fluctuations in the tax rate, while helping to support the cash requirements of the organization. Reserves and Reserve Funds are also important tools when it comes to replacement and rehabilitation of infrastructure and contingencies for one-time or unknown events.

Reserves

A reserve is an allocation of accumulated net revenue that makes no reference to any specific asset and does not require the physical segregation of money. Reserves are part of the revenue fund, and therefore do not earn interest like a reserve fund.

Reserve Funds

A reserve fund is an asset physically segregated and restricted to meet a specified purpose. Reserve fund monies with the Town are invested in accordance with Ontario Regulation 438/97 Eligible Investments and Related Financial Agreements. All earnings, i.e. interest, on these investments must form part of the reserve fund.

1. Obligatory Reserve Funds

Reserve funds required by legislation or agreement to be segregated from the Town's general revenues for a special purpose or for works to be undertaken on behalf of the contributor. Obligatory reserve funds are created solely for the purpose that has been prescribed.

2. Discretionary Reserve Funds

Reserve funds created at the discretion of Council whenever revenues are earmarked to finance future expenditures of a purpose designated by Council.

Reserve continuity schedules to accompany By-law to set budget estimates.

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TOWN OF
Parry Sound

Supplementary Information

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Revenue and Expense Categories

Revenues

Levies: This category consists of estimated supplementary taxation and payments-in-lieu of taxation received from government agencies

Provincial Grants and Subsidies: This category consists of grants received from the Province of Ontario for specific functions such as Ontario Municipal Partnership Fund, or specific grant projects

Federal Grants and Subsidies: This category consists of grants received from the Federal government for specific functions such as the Federal Gas Tax

User Fees: This category consists of fees for use of services including, but not limited to, ice and hall rentals, cemetery fees, applications for building permits and water/wastewater

Licensing and Lease Revenues: This category consists of licensing fees such as taxi licensing, and lease revenues for rentals of municipal facilities and property

Investment Earnings: This category accounts for all the investment income earned by the Town of Parry Sound through interest on tax and water/wastewater arrears, interest earned on investments and bank accounts and returns on investment in Lakeland Power

Contributions from Reserves: This category reflects the contributions from reserves or reserve funds for various projects identified within the budget

Other Revenues: This category includes revenues which do not fall under another category, such as fines

Expenses

Salaries and Benefits: This category consists of compensation for all employees, such as salaries, benefits, overtime, car allowance, clothing and boot allowance

Materials – Operating Expenses: This category includes items such as office supplies, salt and sand, asphalt, gravel,

insurance costs, telephone costs and other general expenses

Energy Costs: This category consists of water, hydro, and natural gas

Rent and Financial Expenses: This category includes bank charges, debit and credit card charges, cost of rental equipment and rent

Purchased/Contracted Services: This category consists of items that are outsourced, such as, but not limited to professional services

Debt Repayment: This category consists of interest on debt repayments to external parties

Grants – Transfer Payments: This category consists of any grants given to community groups, outside boards, and

levies from other organizations, such as, but not limited to Land Ambulance

Contributions to Reserves: This category reflects the contributions to reserves or reserve funds

Internal Recoveries: This line consists of allocations to each department for vehicle and equipment usage as well as IT support

What is Fund Accounting?

The Town prepares its financial statements in accordance with Canadian Generally Accepted Accounting Principles (GAAP) established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. This means that the Town recognizes their revenues and expenses on an accrual basis, i.e. when the transaction, service or event occurs, and not when the payment is made or received. The Town, however, does not include a budget for amortization, post-employment benefits or solid waste landfill closure and post closure expenses, as permitted under Ontario Regulation 284/09, made under the *Municipal Act, 2001*.

Fund accounting makes use of three individual funds to prepare its financial information. Each fund is viewed as its own entity, with its own assets, debts, income and expenses. The use of funds helps to ensure that dedicated funds are used for their intended purpose, helping long-term planning.

There are three basic funds used by the municipality:

1. Capital Fund

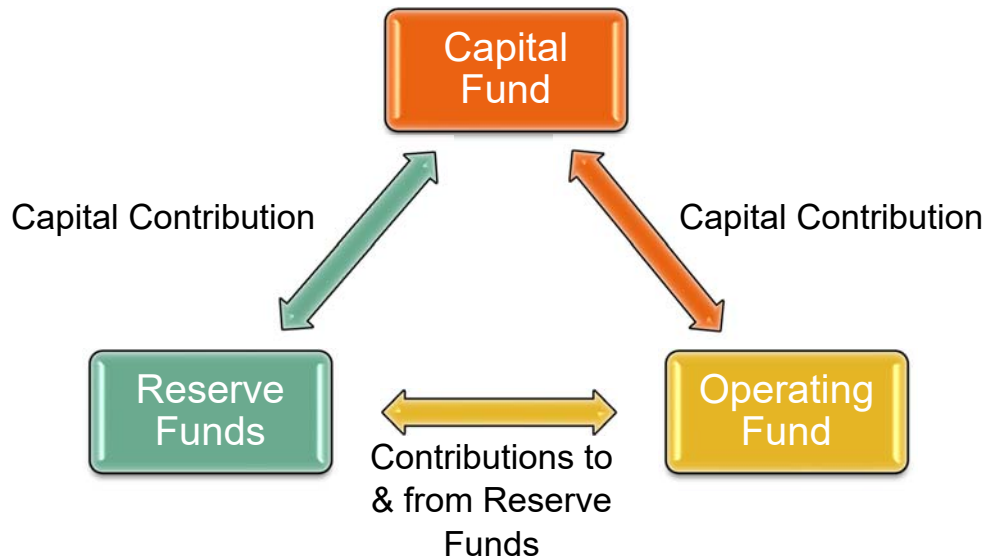
Records all capital expenditures and the method of funding these expenditures, whether by transfer from tax revenue for capital expenditures, reserves or reserve funds, grants or long-term borrowing

2. Operating Fund

Records all assets, debts, income and expenses that are not allocated to one of the either funds. Unrestricted revenues, e.g. property taxes, are recorded through the operating fund

3. Reserve Funds

Established to record the assets which are physically segregated and restricted to meet a specified purpose



Through the budget, resolutions or by-laws, Council provides staff with the required approval regarding the transfer of funds. The use of interfund transfers within the accounting system provides the accounting trail necessary to ensure that all direction has occurred. It is also for this reason that continuities of reserves and reserve funds are prepared

Reserve and Reserve Fund Definitions

Understanding Reserves and Reserve Funds

Reserves

A reserve is an allocation of accumulated net revenue that makes no reference to any specific asset and does not require the physical segregation of money. Reserves are part of the revenue fund, and therefore do not earn interest like a reserve fund.

Reserves are to be maintained to meet one of the following purposes of the Town:

Asset Replacement: established to smooth the spikes in capital budgets and smooth out property tax charges

Project Reserves: established to provide cost effective self-borrowing mechanisms to reduce risks associated with interest rate fluctuations

Economic Stability Reserves: established to buffer against significant fluctuations in the economy

Contingency Reserves: established to accommodate contingent, unfunded or known liabilities (where the amount is unknown) for current and/or future years

Working Fund Reserves: established to provide cash flow for operations to eliminate the requirement to borrow funds to meet immediate obligations

Self-Insurance Reserves: established to provide self-insurance provisions

Reserve Funds

A reserve fund is an asset physically segregated and restricted to meet a specified purpose. Reserve fund monies with the Town are invested in accordance with Ontario Regulation 438/97 Eligible Investments and Related Financial Agreements. All earnings, i.e. interest, on these investments must form part of the reserve fund.

Obligatory Reserve Funds

Established through terms of an agreement or through legislation

Reserve funds required by legislation or agreement to be segregated from the Town's general revenues for a special purpose or for works to be undertaken on behalf of the contributor. Obligatory reserve funds are created solely for the purpose that has been prescribed.

Discretionary Reserve Funds

Established through by-law

Reserve funds created at the discretion of Council whenever revenues are earmarked to finance future expenditures of a purpose designated by Council.

Creation of Reserves

Under the Town's Reserve and Reserve Fund Policy reserves can be established through:

- Including in the annual operating or capital budget which is approved by Council; or
- Through resolution of Council

When a reserve has been established, the budget document or resolution will clearly identify the name of the reserve being created and the purpose for the reserve. Amendments can be made through resolution.

Creation of Reserve Funds

Council, upon recommendation of the Director of Finance, may establish a discretionary reserve fund and shall establish an obligatory reserve fund.

The Town's Reserve and Reserve Fund policy indicates that a reserve fund can be recommended only if one or more of the following applies:

- A mandatory obligation exists, either pursuant to legislation or contract
- The funds are intended for purchasing or maintaining capital assets
- The funds are donated for a specific purpose
- The funds are intended to fund a future liability

A reserve fund can only be used for the identified purpose, unless Council amends or repeals the establishing by-law.

Reserve and Reserve Fund Movement

Transactions to and from reserves and reserve funds are approved through the budget process, or by specific resolution (for reserves) or by-laws (for reserve funds).

All actual contributions or withdrawals from reserves and reserve funds shall be clearly identified in the Town's accounting system, or through statements of continuity.

Interest Allocation

Reserve funds are maintained in an interest bearing, dedicated bank account or invested in accordance with the Town's approved investment policy. Interest earnings shall be credited to each separate reserve bank account that invested the funds. In the case where multiple reserve funds may be invested in one investment account, the interest shall be allocated to each reserve fund based on the actual balance invested.

Reserves shall not be invested, nor are they allocated any interest.

Reserves

Name	Purpose of Fund	Funding Sources
Big Sound Marina Reserve	To provide funding for capital replacement	<ul style="list-style-type: none"> • Contributions from divestiture
Building Replacement	To provide funding for the rehabilitation or replacement of the Town buildings and components thereof	<ul style="list-style-type: none"> • Contributions from the operating fund
Covid-19 Reserve	To provide funding for covid-19 pandemic costs and pressures	<ul style="list-style-type: none"> • Contributions from the provincial government related to covid-19
Cemetery and Columbaria	To provide funding for the purchase and installation of columbaria in Town Cemeteries	<ul style="list-style-type: none"> • Contributions from the operating fund
Economic Development	To provide funding for economic development initiatives	<ul style="list-style-type: none"> • Contributions from the operating fund
Emergency Capital Asset Replacement	To provide funding for unforeseen capital asset replacement	<ul style="list-style-type: none"> • Contributions from the operating fund • Government Funding • Sale of Town property
Emergency Services	To provide funding for service enhancements	<ul style="list-style-type: none"> • Contributions from the operating fund
Equipment Replacement	To provide funding for the replacement of machinery and equipment	<ul style="list-style-type: none"> • Contributions from the operating fund • Contributions from the dedicated capital levy
Facade Improvement Program	To provide funding for the façade improvement program run by the Town	<ul style="list-style-type: none"> • Contributions from the operating fund
Fleet Replacement	To provide funding for the replacement of the Town's fleet	<ul style="list-style-type: none"> • Contributions from the operating fund

Name	Purpose of Fund	Funding Sources
		<ul style="list-style-type: none"> • Contributions from the dedicated capital levy
Founders Circle	To support business innovation and new business ideas for the Parry Sound Area Founders Circle	<ul style="list-style-type: none"> • Donations or sponsorships
General Working	To provide working capital for the Town	<ul style="list-style-type: none"> • General surplus
Health Unit Capital	To fund future District Health Capital costs	<ul style="list-style-type: none"> • Contributions from the operating fund
Health Unit Cost Stabilization	To offset any unexpected expenditures	<ul style="list-style-type: none"> • Contributions from the operating fund
Industrial Development/Area Park	To fund future development at the Parry Sound Area Industrial Development Park	<ul style="list-style-type: none"> • Contributions from the operating fund
Infrastructure Replacement	To provide funding for the replacement or rehabilitation of the Town's road, sidewalk and storm sewer infrastructure	<ul style="list-style-type: none"> • Contributions from the operating fund • Contributions from the dedicated capital levy
IT Replacement	To provide funding for the purchase of IT infrastructure(hardware) and IT software	<ul style="list-style-type: none"> • Contributions from the operating fund • Contributions from the dedicated capital levy
LACAC Directory Sales	To provide funding for the Local Architectural Conservation Advisory Committee	<ul style="list-style-type: none"> • Contributions from the operating fund
Modernization Reserve	To fund projects recommended in the third party IT review	<ul style="list-style-type: none"> • Modernization funding from the provincial government
Municipal Elections	To fund future municipal election costs	<ul style="list-style-type: none"> • Contributions from the operating fund

Name	Purpose of Fund	Funding Sources
Parks	To fund future capital replacement and program expansion for local parks	<ul style="list-style-type: none"> • Contributions from the operating fund
Planning Dept - OP review/legal	To fund legal interpretations of changes to the Official Plan	<ul style="list-style-type: none"> • Contributions from the operating fund
Police Cost Stabilization	To fund future fluctuations in policing costs	<ul style="list-style-type: none"> • Unspent police funds in the annual budget
Salt management	To fund future salt storage needs	<ul style="list-style-type: none"> • Contributions from the operating fund
Stockey Centre - Capital	To fund future capital asset purchases for the Charles W. Stockey Centre	<ul style="list-style-type: none"> • Ticket surcharge
Storm Water Management	To fund storm water capital replacement and maintenance	<ul style="list-style-type: none"> • Contributions from Winter Control Reserve
Tax Rate Stabilization	To fund tax revenue shortfalls, one-time expenditures, as well as other contingencies such as MPAC appeals	<ul style="list-style-type: none"> • General surplus
Transportation - Winter Control	To mitigate impact of heavy snowfalls on winter control expenditures	<ul style="list-style-type: none"> • Contributions from the operating fund • Unspent winter control funds
Waste Management and Landfill Decommissioning	To fund waste management and landfill rehabilitation costs	<ul style="list-style-type: none"> • Contributions from the operating fund
Wastewater Stabilization Reserve	To fund wastewater service operations and future capital asset replacement	<ul style="list-style-type: none"> • Annual surplus from wastewater user rates
Water Stabilization Reserve	To fund water service operations and future capital asset replacement	<ul style="list-style-type: none"> • Annual surplus from water user rates

Name	Purpose of Fund	Funding Sources
WSIB	To fund the estimated costs and liabilities related to WSIB based on an actuarial valuation prepared by an independent firm. As the Town is a Schedule 2 employer under the Workplace Safety and Insurance Act and it assumes responsibility for financing its workplace safety and insurance costs.	<ul style="list-style-type: none"> • Contributions from the operating fund

Obligatory Reserve Funds

Name	Purpose of Fund	Funding Sources
Development/Lot Levy Charges	To provide funding for capital expansion related to growth	<ul style="list-style-type: none"> • Collected from developers, enacted via by-law • Collected in accordance with the Lot Levy Act
Federal Gas Tax	For capital projects in accordance with Federal Gas Tax Agreement	<ul style="list-style-type: none"> • Contributions from the Government of Canada via AMO
Property Reserve Fund	To provide funding for parking lot development, sourced from developers	<ul style="list-style-type: none"> • Contributions under the Planning Act
Parkland Reserve Fund	To provide funding for park space development	<ul style="list-style-type: none"> • Contributions under the Planning Act
Provincial Gas Tax	For transit operations in accordance with Provincial Gas Tax	<ul style="list-style-type: none"> • Quarterly contributions from the Province, established annually

Discretionary Reserve Funds

Name	Purpose of Fund	Funding Sources
Bobby Orr Hall of Fame Reserve Fund	To provide support for the Bobby Orr Hall of Fame at Mr. Orr's discretion and Council approval	<ul style="list-style-type: none"> • Funded through the Samsung donation
BOHOF Scholarship	To fund an annual scholarship to a male and female graduating recipient of the Celebrating Youth Awards	<ul style="list-style-type: none"> • Donation from Ken Hadall & Doug Gilmour • Transfer from the Bobby Orr Golf Classic Reserve Fund
BOHOF Special Projects	To fund expenditures related to the Bobby Orr Hall of Fame	<ul style="list-style-type: none"> • Donations from the public • Budgeted contributions • Source approved by Council
Capital Asset Legacy Reserve Fund	To provide a source of funding for expenditures related to the purchase of capital assets, excluding water and wastewater systems	<ul style="list-style-type: none"> • Contributions from the operating fund • Sale of property • Direction of Council
Capital Replacement Reserve	To provide a source of funding for expenditures related to the purchase of capital assets, excluding water and wastewater systems	<ul style="list-style-type: none"> • Contributions from the operating fund • Sale of property • Direction of Council
EMS Equipment and Capital Reserve Fund	To fund infrastructure, vehicle and equipment replacement for EMS	<ul style="list-style-type: none"> • Budget contributions determined using amortization expense
EMS Municipal Surplus Reserve Fund	To fund operations of Land Ambulance Service	<ul style="list-style-type: none"> • Annual surplus from operations • Funding from municipalities
Future Pool Reserve Fund	To provide funding for an aquatics centre	<ul style="list-style-type: none"> • Contributions from operating fund • Contributions from other municipalities • Contributions from donors

Name	Purpose of Fund	Funding Sources
EMS Severance Reserve Fund	To fund severance costs for paramedics	<ul style="list-style-type: none"> • Provided by the Province • No current annual contributions
Municipal Parking Reserve Fund	To fund capital replacement of municipal parking lots and parking equipment	<ul style="list-style-type: none"> • Surplus from parking revenue and expenses
Smelter Wharf	To provide funding for capital repairs/replace at the Salt Dock (Smelter Wharf)	<ul style="list-style-type: none"> • Per the contractual agreement with SIFTO (surplus from rent)
Splash Pad	To provide a source of funding for a municipal splash pad	<ul style="list-style-type: none"> • Contributions from operating fund • Contributions from donors
Treetops Community Forest	To provide a source of funding for the establishment of a park to be known as the Treetops Community Forest	<ul style="list-style-type: none"> • Contributions from donors
Sewer Development Reserve Fund	To provide a source of funding for wastewater infrastructure	<ul style="list-style-type: none"> • Capital surcharge and surplus from the wastewater rate payers
Water Development Reserve Fund	To provide source of funding for water infrastructure	<ul style="list-style-type: none"> • Capital surcharge and surplus from the water rate payers
West Parry Sound District Association Reserve Fund	To provide funding for the West Parry Sound District Association	<ul style="list-style-type: none"> • Contributions from West Parry Sound municipalities

Financial Policies

The Town of Parry Sound has approved several financial policies with the intent to provide consistency with how financial decisions are made. The following are major financial policies adopted by Council.

Budget and Financial Control

The budget outlines the service delivery and capital investment plans for the upcoming year. The proposed budget is balanced with revenues equaling expenses for the year and is tabled before Council for its review and adoption.

The policy provides a target range for **tax levy** increases based on the Consumer Price Index and negotiated wage increases. In the absence of a collective agreement, the 2021 range has been approved by Council at the October 20th meeting between 1.8% and 3.6% in addition to the dedicated 1.8% for capital.

Operating Surplus and Deficit

The budget is a document based on estimated revenues and expenditures that the Town will achieve, it is a plan to provide service and invest in capital assets. At the end of the year there is often a difference between what happened and what the plan was at the beginning of the year. Any surplus represents a one-time, non-recurring, source of revenue that can be used to increase reserves and reserve funds for future funding needs.

The Town has adopted a policy to apply surplus and deficit at the end of the year to reserves and reserve funds. This is a way to organically invest in reserves and reserve funds and build them for future use. The surplus is allocated as follows:

- 30% to the Tax Rate Stabilization Reserve
- 30% to the Capital Replacement Reserve Fund
- 10% to the Emergency Capital Asset Replacement Reserve
- The remaining amount to be at the discretion of the Director of Finance and approved by Council

The application of deficits is similar, with any deficits first funded by the Tax Rate Stabilization Reserve.

Procurement and Purchasing

The Procurement and Purchasing By-law provides a system for the procurement of goods and services for the Town. It outlines the responsibilities and authorities for purchasing goods and services. It also outlines when certain procurement processes

(Request for Proposal, Request for Tender, Request for Quotation, etc.) are required based on the type of purchase as well as the dollar value of the purchase.

Capital Financing and Debt Management

Capital Financing and Debt Management establishes objectives, standards of care, authorized financing instruments, reporting requirements and responsibilities for the prudent financing of the Town's operating and infrastructure needs.

Capital financing and debenture practices will be responsive and fair to the needs of both current and future ratepayers and will be reflective of the underlying life cycle and nature of the expenditure. Any debt taken on will not exceed 40 years and will not be any shorter than the useful life of the asset purchased. The Town is also restricted to the legislated Annual Repayment Limit.

The policy restricts using debt financing for rolling-stock, except for leasing vehicles, or for assets which have useful lives less than 10 years.

Investment

This policy establishes guidelines for municipal investments and to ensure compliance with applicable legislation. The Treasurer reports to Council on an annual basis the Town's adherence with this policy.

The objectives of this policy are to ensure:

- Adherence to statutory requirements
- Preservation and security of capital
- Maintenance of necessary liquidity
- Realizing a competitive rate of return

The investment portfolio shall remain sufficiently liquid to meet all operating or cash flow requirements and limit temporary borrowing requirements. The Town's investments currently primarily consist of interest-bearing bank accounts held in a Canadian chartered bank and approved investment portfolios.

Payables and Payments

To ensure control over payments and payables, the Town has approved the Accounts Payable and Payment Policy to establish the responsibilities, controls, authorizations, and procedures for the accurate and timely payment of invoices and cheque requisitions processed by Accounts Payable.

The Town has approved the use of Electronic Funds Transfer as an acceptable form of payment and will be transitioning to the use of EFT for payables to reduce fraud risk, reduce mailing costs, and improve the timeliness of payments.

Donations

As a municipality, the Town of Parry Sound is a qualified donee for Canadian income tax purposes. The Town can issue “official income tax receipts” as prescribed by the Canada Revenue Agency (CRA). To be a donation there must be an intention to give, a delivery and an acceptance and it must be voluntary with no expectation of return.

Donations that qualify for an official tax receipt generally include:

- Cash
- Capital, real or depreciable property
- Personal-use property, works of art, jewelry, rare books, stamps or coins
- A leasehold interest or residual interest in a real property
- Donations of life insurance properties
- Donations made under a will

The following items are not qualified donations per the policy:

- Contributions of skill or time
- Payment of a basic fee for admission to an event
- When the donor requests that the Town pay for a portion of the donation
- When a donor has directed the funds to a specific person or family
- Donations that have a direct benefit to the donor or a relative of the donor
- Donations made in exchange for consideration of a right, privilege, material benefit such as promotion or advertising

Where the donor’s company name, logo, slogan, and/or address is listed in promotional material would not qualify.

**Appendix A
Forecast of Fleet Requirements
Fleet Funded By Tax Levy**

Assumed Inflation Rate 2.0%

Use / Callsign	Year of Last Replacement	Replacement Period (Yrs)	CURRENT VALUE REPLACEMENT COST	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Operations and Parks and Rec														
Snowplow (outgoing plow goes to spare)														
Snowplow 08-100	2015	10	360,000				(397,500)							
Dump Truck 08-120	2019	10	270,000								(322,700)			
Snowplow 08-140	2017	10	360,000						(413,500)					
Snowplow 08-160	2013	10	360,000		(374,500)									
Sidewalk Plow 07-720	2020	8	260,000							(229,300)				
Sidewalk Plow 07-730	2018	8	260,000					(196,500)						
Sidewalk Plow TBD (NEW)		8				-								-
Vacuum Truck 07-650	2018	12	650,000									(761,600)		
Sweeper Truck 07-740	2016	12	300,000							(380,500)				
Operations 08-010	2016	7	45,000		(45,900)								(52,700)	
Operations 08-050	2015	7	55,000	(55,000.00)							(63,200)			
Operations 08-070	2017	7	52,000			(54,100)							(62,100)	
Operations 08-080	2020	7	57,500	(57,500.00)					(66,000)		(66,000)			
Cemetery 08-090	2019	7	87,800					(74,500)						
Operations 08-230	2015	7	87,800	(87,800.00)							(100,900)			
Operations 08-270 (V00047-1)	2016	7	80,000		(65,000)							(74,700)		
Operations (NEW - Foreman)	2015	7	34,000		(34,000)							(39,100)		
Parks 08-030	2020	7	52,000	(52,000.00)					(57,400)					
Parks 08-040	2016	7	45,000		(53,000)							(60,900)		
Parks 08-290	2020	7	87,800							(98,900)				
Parks 08-250	2016	7	62,000		(63,200)							(72,600)		
Parks 08-250	2022		10,000	(10,000)										
Parks 08-251	2020	7	55,000						-	(61,900)				
Directors Vehicle (5 years for first lease) 08-300	2020	7	40,000						(38,600)					
Building Department														
Building Inspector Vehicle	2016	7	40,000	-	(40,800)	-	-	-	-	-	-	(46,900)	-	-
Emergency Services														
Pump 2	2006	20		-	-	-	-	(472,097)	-	-	-	-	-	-
Fire Prevention Officer	2007	10		-	-	-	-	-	-	-	(72,155)	-	-	-
Pump 1	2000	20		-	-	-	-	-	-	-	-	-	-	-
Fire Chief Vehicle	2012	10		-	(60,000)	-	-	-	-	-	-	-	-	-
Tower 1	2014	20		-	-	-	-	-	-	-	-	-	-	-
By-law Vehicle	2019	7		-	-	-	-	(43,200)	-	-	-	-	-	-
				(262,300)	(736,400)	(54,100)	(397,500)	(786,297)	(575,500)	(770,600)	(492,955)	(1,108,500)	(62,100)	-
				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Opening Balance of All Reserves			\$ 952,077	\$ 1,326,665	\$ 1,227,152	\$ 1,809,940	\$ 2,049,327	\$ 1,899,918	\$ 1,961,306	\$ 1,827,593	\$ 1,971,526	\$ 1,499,913	\$ 2,074,701	
Total Purchases For Year			262,300	736,400	54,100	397,500	786,297	575,500	770,600	492,955	1,108,500	62,100	-	
Annual Funding Contribution to Fleet Replacement Reserve			636,888	636,888	636,888	636,888	636,888	636,888	636,888	636,888	636,888	636,888	636,888	
Closing Balance of Fleet Replacement Reserve			\$ 1,326,665	\$ 1,227,152	\$ 1,809,940	\$ 2,049,327	\$ 1,899,918	\$ 1,961,306	\$ 1,827,593	\$ 1,971,526	\$ 1,499,913	\$ 2,074,701	\$ 2,711,589	

Appendix A
Forecast of Fleet Requirements
Fleet Funded By Tax Levy

Assumed Inflation Rate

Use / Callsign	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Operations and Parks and Rec										
Snowplow (outgoing plow goes to spare)										-
Snowplow 08-100			(484,600)							(522,100)
Dump Truck 08-120							(393,400)	-	-	(446,100)
Snowplow 08-140					(504,100)					(557,600)
Snowplow 08-160	(456,500)									(471,000)
Sidewalk Plow 07-720				(268,700)						(498,000)
Sidewalk Plow 07-730		(230,200)								(426,700)
Sidewalk Plow TBD (NEW)										-
Vacuum Truck 07-650										(761,600)
Sweeper Truck 07-740										(380,500)
Operations 08-010					(60,500)					(159,100)
Operations 08-050				(72,600)						(190,800)
Operations 08-070					-	(71,300)				(187,500)
Operations 08-080		(75,800)								(133,300)
Cemetery 08-090	(85,600)									(160,100)
Operations 08-230				(115,900)						(304,600)
Operations 08-270 (V00047-1)					(85,800)					(225,500)
Operations (NEW - Foreman)					(44,900)					(118,000)
Parks 08-030		(65,900)								(175,300)
Parks 08-040					(70,000)					(183,900)
Parks 08-290	-		(113,600)							(212,500)
Parks 08-250					(83,400)					(219,200)
Parks 08-250										(10,000)
Parks 08-251		-	(71,100)							(133,000)
Directors Vehicle (5 years for first lease) 08-300		(44,300)								(82,900)
Building Department										
Building Inspector Vehicle	-	-	-	-	(53,900)	-	-	-	-	(141,600)
Emergency Services										
Pump 2	-	-	-	-	-					(472,097)
Fire Prevention Officer	-	-	-	-	-		(88,000)	-	-	(160,155)
Pump 1	-	-	-	-	-		(817,300)	-	-	(817,300)
Fire Chief Vehicle	-	-	-	-	-		-	-	-	(60,000)
Tower 1	-	(1,500,000)	-	-	-		-	-	(2,228,900)	(3,728,900)
By-law Vehicle	(49,600)	-	-	-	-		-	-	-	(92,800)
	(591,700)	(1,916,200)	(669,300)	(457,200)	(902,600)	(71,300)	(1,298,700)	-	(2,228,900)	(13,382,152)
	2033	2034	2035	2036	2037	2038	2039	2040	2041	
Opening Balance of All Reserves	\$ 2,711,589	\$ 2,756,776	\$ 1,477,464	\$ 1,445,051	\$ 1,624,739	\$ 1,359,027	\$ 1,924,614	\$ 1,262,802	\$ 1,899,689	
Total Purchases For Year	591,700	1,916,200	669,300	457,200	902,600	71,300	1,298,700	-	2,228,900	13,382,152
Annual Funding Contribution to Fleet Replacement Reserve	636,888	636,888	636,888	636,888	636,888	636,888	636,888	636,888	636,888	-
Closing Balance of Fleet Replacement Reserve	\$ 2,756,776	\$ 1,477,464	\$ 1,445,051	\$ 1,624,739	\$ 1,359,027	\$ 1,924,614	\$ 1,262,802	\$ 1,899,689	\$ 307,677	



**Appendix B
Forecast of Equipment Requirements
Equipment Funded By Tax Levy**

Assumed Inflation Rate 2.0%

Description	Use	Equipment #	Replacement Date	Replacement Period (Yrs)	CURRENT VALUE REPLACEMENT COST	2022	2023	2024	2025	2026	2027	2028	2029
Public Works													
Arena and Parks													
2016 Kubota 32 HP Tractor & Mower, seeder	Kinsmen Tractor	07-850	2016-10-01	12	35,000							(44,400)	
2019 Kubota 28 HP Outfront Mower	Parks Mower	07-910	2019-09-03	12	25,000								
2016 sportman 450/Winch 4 wheeler	Park 2	07-940	2016-10-01	12	9,600							(12,200)	
2016 sportsman 450/ Winch 4 wheeler	Park 1	07-950	2016-10-01	12	10,000							(12,700)	
2014 Olympia Ice Resurfacer	Olympia	07-970	2014-12-01	12	120,000					(152,200)			
2016 Kubota ZD1211-60	Parks Mower	07-925	2016-09-01	12	25,000							(31,700)	
2003 Connor Trailer	Parks Trailer	08-420	?	20	10,000		(11,500)						
2017 mill road float	Parks Trailer	08-422	2017-05-01	20	12,000						(17,800)		
Cemetery													
John Deer Garden Tractor X750	Hillcrest Mower / Sylvan	07-610	2014	12	17,000					(21,600)			
John Deer Garden Tractor X750	Hillcrest Mower	07-620	2019	12	17,000								
2021 Kubota commercial riding lawn tractor	Hillcrest Mower	07-630	2022	12	17,000	(17,000)							
2016 Kubota Tractor	Hillcrest Tactor	07-830	2016	12	120,000							(152,200)	
2021 Kubota ZD 1200-3 Out front Zero Turn Mower/Bagger	Sylvan Gator	07-920	2022	12	25,000	(25,000)							
John Deere Gator	Hillcrest Gator	07-935	2016	12	20,000							(25,400)	
John Deere Gator	Sylvan Gator	07-930	2016-10-01	12	20,000							(25,400)	
Cemetery Tri Axle Float Trailer	Hillcrest Trailer	08-440	2017	20	10000								
Operations													
2017 Mad vac LN50		07-640	2017-07-01	10	60000						(73,100)		
2012 Brush Chipper	Chipper	07-060	2011-12-31	10	72,400	(72,400)							
2005 Genie Lift	Genie Lift	07-061	2012-12-31	20	50,000			(60,900)					
2012 Fork Lift C-25 w/ triple Mast EPA	Trsf Stn Fork	07-750	2012-11-01	18	50,000								
2015 JCB Loader/Backhoe	PW Backhoe	07-810	2015-11-01	10	190,000				(231,600)				
2022 Traffic Control Trailer	Traffic Control Trailer		2022	10	7,500	(7,500)							
2019 Cat Wheel Loader	PW Loader	07-820	2019-08-14	10	230,000							(280,400)	
Zeetor Loader Tractor	Grader	07-840	2019	15									
2016 Mara Trailer	PW Trailer	08-425	2016	20	5,000								
1999 Home Trailer	PW Trailer	08-430	2016	20	12,000		(13,000)						
2017 mill road float (Excavator)	PW Trailer	08-435	2017-05-01	20	10,000								
2009 Trackless 60" Angling Sweeper (shared)	Trackless Sweeper		2009-05-01	12	25,000								
Boom Flail (shared Trackless)	Trackless Flail		2016	12	45,074		(27,100)						
Asphalt Recycler Trailer	Asphalt Recycler	07-062		12	40,000		(43,300)						
2017 Bobcat Compact Excavator	Mini Ex	07-770	2017-05-01	12	90,000								
2018 Macleans MV-4	Sidewalk Tractor	07-720	2018	8	260,000					(304,600)			
2018 Macleans MV-4	Sidewalk Tractor	07-730	2018	8	260,000						(310,700)		
2002 Trackless MT5 Municipal Tractor	Not to be replaced- Spare	07-710											
						2022	2023	2024	2025	2026	2027	2028	2029
Opening Balance in Funding						\$ 327,562	\$ 405,662	\$ 510,762	\$ 659,862	\$ 638,262	\$ 369,862	\$ 183,262	\$ 94,262
Total Purchases in Year						121,900	94,900	60,900	231,600	478,400	401,600	304,000	280,400
Reserve Contribution						200,000	200,000	210,000	210,000	210,000	215,000	215,000	215,000
Closing Balance in Funding Envelope						\$ 405,662	\$ 510,762	\$ 659,862	\$ 638,262	\$ 369,862	\$ 183,262	\$ 94,262	\$ 28,862



**Appendix B
Forecast of Equipment Requirements
Equipment Funded By Tax Levy**

Assumed Inflation Rate

Description	Use	Equipment #	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Public Works													
Arena and Parks													
2016 Kubota 32 HP Tractor & Mower, seeder	Kinsmen Tractor	07-850											
2019 Kubota 28 HP Outfront Mower	Parks Mower	07-910		(31,700)									
2016 sportman 450/Winch 4 wheeler	Park 2	07-940											(15,500)
2016 sportsman 450/ Winch 4 wheeler	Park 1	07-950											(16,100)
2014 Olympia Ice Resurfacer	Olympia	07-970									(193,000)		
2016 Kubota ZD1211-60	Parks Mower	07-925											(40,200)
2003 Connor Trailer	Parks Trailer	08-420											
2017 mill road float	Parks Trailer	08-422											
Cemetery													
John Deer Garden Tractor X750	Hillcrest Mower / Sylvan	07-610									(27,400)		
John Deer Garden Tractor X750	Hillcrest Mower	07-620		(21,600)									
2021 Kubota commercial riding lawn tractor	Hillcrest Mower	07-630					(21,600)						
2016 Kubota Tractor	Hillcrest Tactor	07-830											
2021 Kubota ZD 1200-3 Out front Zero Turn Mower/Bagger	Sylvan Gator	07-920					(31,700)						
John Deere Gator	Hillcrest Gator	07-935											(32,200)
John Deere Gator	Sylvan Gator	07-930											(32,200)
Cemetery Tri Axle Float Trailer	Hillcrest Trailer	08-440								(14,900)			
Operations													
2017 Mad vac LN50		07-640								(89,100)			
2012 Brush Chipper	Chipper	07-060			(88,300)								
2005 Genie Lift	Genie Lift	07-061											
2012 Fork Lift C-25 w/ triple Mast EPA	Trsf Stn Fork	07-750		(72,800)									
2015 JCB Loader/Backhoe	PW Backhoe	07-810								(293,700)			
2022 Traffic Control Trailer	Traffic Control Trailer				(9,100)								
2019 Cat Wheel Loader	PW Loader	07-820										(341,800)	-
Zeetor Loader Tractor	Grader	07-840											
2016 Mara Trailer	PW Trailer	08-425							(13,000)				
1999 Home Trailer	PW Trailer	08-430							(10,800)				
2017 mill road float (Excavator)	PW Trailer	08-435								(27,100)			
2009 Trackless 60" Angling Sweeper (shared)	Trackless Sweeper								(29,300)				
Boom Flail (shared Trackless)	Trackless Flail		(58,300)	-									
Asphalt Recycler Trailer	Asphalt Recycler	07-062							(37,000)				
2017 Bobcat Compact Excavator	Mini Ex	07-770	(116,400)										
2018 Macleans MV-4	Sidewalk Tractor	07-720					(356,900)						
2018 Macleans MV-4	Sidewalk Tractor	07-730						(364,000)					
2002 Trackless MT5 Municipal Tractor	Not to be replaced- Spare	07-710											

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Opening Balance in Funding	28,862	69,162	163,062	285,662	505,662	315,462	110,162	311,362	111,562	116,162	(638)
Total Purchases in Year	174,700	126,100	97,400	-	410,200	430,300	23,800	424,800	220,400	341,800	136,200
Reserve Contribution	215,000	220,000	220,000	220,000	220,000	225,000	225,000	225,000	225,000	225,000	225,000
Closing Balance in Funding Envelope	\$ 69,162	\$ 163,062	\$ 285,662	\$ 505,662	\$ 315,462	\$ 110,162	\$ 311,362	\$ 111,562	\$ 116,162	\$ (638)	\$ 88,162



**Appendix B
Forecast of Equipment Requirements
Equipment Funded By Tax Levy**

Assumed Inflation Rate

Description	Use	Equipment #	2041	Total
Public Works				
Arena and Parks				
2016 Kubota 32 HP Tractor & Mower, seeder	Kinsmen Tractor	07-850	(57,400)	(101,800)
2019 Kubota 28 HP Outfront Mower	Parks Mower	07-910		(31,700)
2016 sportman 450/Winch 4 wheeler	Park 2	07-940		(27,700)
2016 sportsman 450/ Winch 4 wheeler	Park 1	07-950		(28,800)
2014 Olympia Ice Resurfacer	Olympia	07-970		(345,200)
2016 Kubota ZD1211-60	Parks Mower	07-925		(71,900)
2003 Connor Trailer	Parks Trailer	08-420		(11,500)
2017 mill road float	Parks Trailer	08-422		(17,800)
Cemetery				
John Deer Garden Tractor X750	Hillcrest Mower / Sylvan	07-610		(49,000)
John Deer Garden Tractor X750	Hillcrest Mower	07-620		(21,600)
2021 Kubota commercial riding lawn tractor	Hillcrest Mower	07-630		(38,600)
2016 Kubota Tractor	Hillcrest Tactor	07-830	(196,900)	(349,100)
2021 Kubota ZD 1200-3 Out front Zero Turn Mower/Bagger	Sylvan Gator	07-920		(56,700)
John Deere Gator	Hillcrest Gator	07-935		(57,600)
John Deere Gator	Sylvan Gator	07-930		(57,600)
Cemetery Tri Axle Float Trailer	Hillcrest Trailer	08-440		(14,900)
Operations				
2017 Mad vac LN50		07-640		(162,200)
2012 Brush Chipper	Chipper	07-060		(160,700)
2005 Genie Lift	Genie Lift	07-061		(60,900)
2012 Fork Lift C-25 w/ triple Mast EPA	Trsf Stn Fork	07-750		(72,800)
2015 JCB Loader/Backhoe	PW Backhoe	07-810		(525,300)
2022 Traffic Control Trailer	Traffic Control Trailer			(16,600)
2019 Cat Wheel Loader	PW Loader	07-820	-	(622,200)
Zeetor Loader Tractor	Grader	07-840		-
2016 Mara Trailer	PW Trailer	08-425		(13,000)
1999 Home Trailer	PW Trailer	08-430		(23,800)
2017 mill road float (Excavotor)	PW Trailer	08-435		(27,100)
2009 Trackless 60" Angling Sweeper (shared)	Trackless Sweeper			(56,400)
Boom Flail (shared Trackless)	Trackless Flail			(58,300)
Asphalt Recycler Trailer	Asphalt Recycler	07-062	-	(80,300)
2017 Bobcat Compact Excavator	Mini Ex	07-770	-	(116,400)
2018 Macleans MV-4	Sidewalk Tractor	07-720		(661,500)
2018 Macleans MV-4	Sidewalk Tractor	07-730		(674,700)
2002 Trackless MT5 Municipal Tractor	Not to be replaced- Spare	07-710		-
				-
				-
				(4,613,700)
			2041	
Opening Balance in Funding			88,162	
Total Purchases in Year			254,300	4,223,200
Reserve Contribution			225,000	3,895,000
Closing Balance in Funding Envelope			\$ 58,862	