



TOWN OF  
*Parry Sound*  
**2020 Draft Municipal Budget**

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Alternative Formats Available Upon Request



# Town of Parry Sound

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# Town of Parry Sound

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# Executive Summary

We are pleased to provide the 2020 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. In 2018, the Town implemented new budgeting software, which has been further automated in 2019. The utilization of this software will continue to become more advanced with each annual cycle by expanding forecasting capabilities and through data refinement to improve decision making.

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 \$27,736 and capital requests totaling \$1,090,050. 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:

- In-house recruitment for staff replacements
- Proactively appealed property assessment for Big Sound Marina to reduce HST cost if there is a future change in use
- Modernizing compactors at the land transfer station to reduce delivery charges for the transportation of waste
- The Strategic Asset Management Policy developed in 2019 will guide future infrastructure investment
- Street Scan project in 2019 will prioritize future road network and sidewalk projects utilizing data collection and analysis.
- POA services moving towards full cost recovery, \$5,000 increase in 2020
- Moving a portion of POA collections internally to reduce external agency cost
- Consolidation of the Public Works and Parks and Recreation departments to create synergies and find efficiencies
- Participation in climate change initiative that will target reduced greenhouse gas (GHG) emissions beginning with examining the feasibility of fuel switching and electric vehicles
- Solar project study on the old landfill site
- Examining the replacement of blowers or management of energy usage with water/wastewater (fan reconfiguration)
- Review of internet service provider and mobility charges

These are examples of continuous improvement opportunities that have been identified by staff and are in process or completed to impact 2020 and the future.

## Operating Budget Overview

Council has a policy that sets out a range for year over year increases in the municipal 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 2.1%. The draft operating budget being presented to Council is below the low end of the range at 0.96%, less than inflation. In addition to the operating budget requirement, Council has a policy of increasing municipal taxes annually by 1.8% to fund infrastructure (\$196,887) through the dedicated capital levy. Combined, the total municipal increase for 2020 is 2.76%. The municipal increase is approximately \$37.29/year for every \$100,000 in residential assessment. It's worth noting that not all property taxes collected are used to fund services provided by the Town. Town services represent 60% of your property tax bill, 24% funds district level services and approximately 16% is collected for education taxes.

Over the past few years the Town has continued to see increased construction growth, measured by building permit activity. The construction value of permits issued in 2019 reached \$15 million, which is consistent with 2018 growth levels. This is up from \$9 million and \$12 million in 2017 and 2016, respectively.

To put the operating budget into context for the residents, every additional \$110,000 added to the operating budget is approximately equal to a 1% increase in property taxes. The Town's total operating budget is approximately \$32.4 million. The budget is funded by user fees and various other revenues (30%) with property taxation providing the balance of the funding (70%).

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 \$105,447 in property taxation for 2020 (net of growth). A challenge encountered during the 2020 budget is an estimated loss of \$239 thousand, attributable to the property tax exemption for affordable housing projects and the "relief for the poor" provision of the Assessment Act. This amount includes current year and prior year taxation adjustments. Most of this cost has been offset leaving a portion to be covered by a tax increase. In addition, the 2020 budget was impacted by an increased Health Unit levy, \$9 thousand in 2020 and \$77 thousand planned for 2021 (142% increase from 2019 levels).

## **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 \$126 million including land valued at \$7.5 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.

There are several projects that are being carried forward from 2019. The budget total for these projects is approximately \$10.8 million. Given the number of projects that are carried forward staff recommends focusing on the completion of previously approved capital projects and proposing a shorter list of new capital projects for 2020. The proposed list of additional capital projects for 2020 is \$5.1 million funded from a variety of sources. Funding sources include Federal and Provincial Grants which the Town has been aggressive in pursuing. The 2020 capital program including carryforward projects includes \$15.8 million in grants.

## **Future Initiatives**

As mentioned, all municipalities are facing infrastructure deficits. Following the passing of the Strategic Asset Management Policy in 2019, staff will begin the process of updating the Asset Management Plan and developing 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 2020 draft budget represents a responsible balance between various competing interests with limited resources available. In 2020, the Town has managed to control operating budget impacts below inflationary levels despite the loss of \$239 thousand in taxation due to additional affordable housing properties becoming exempt from taxation. Overall, the draft budget maintains established levels of services, while 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





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.



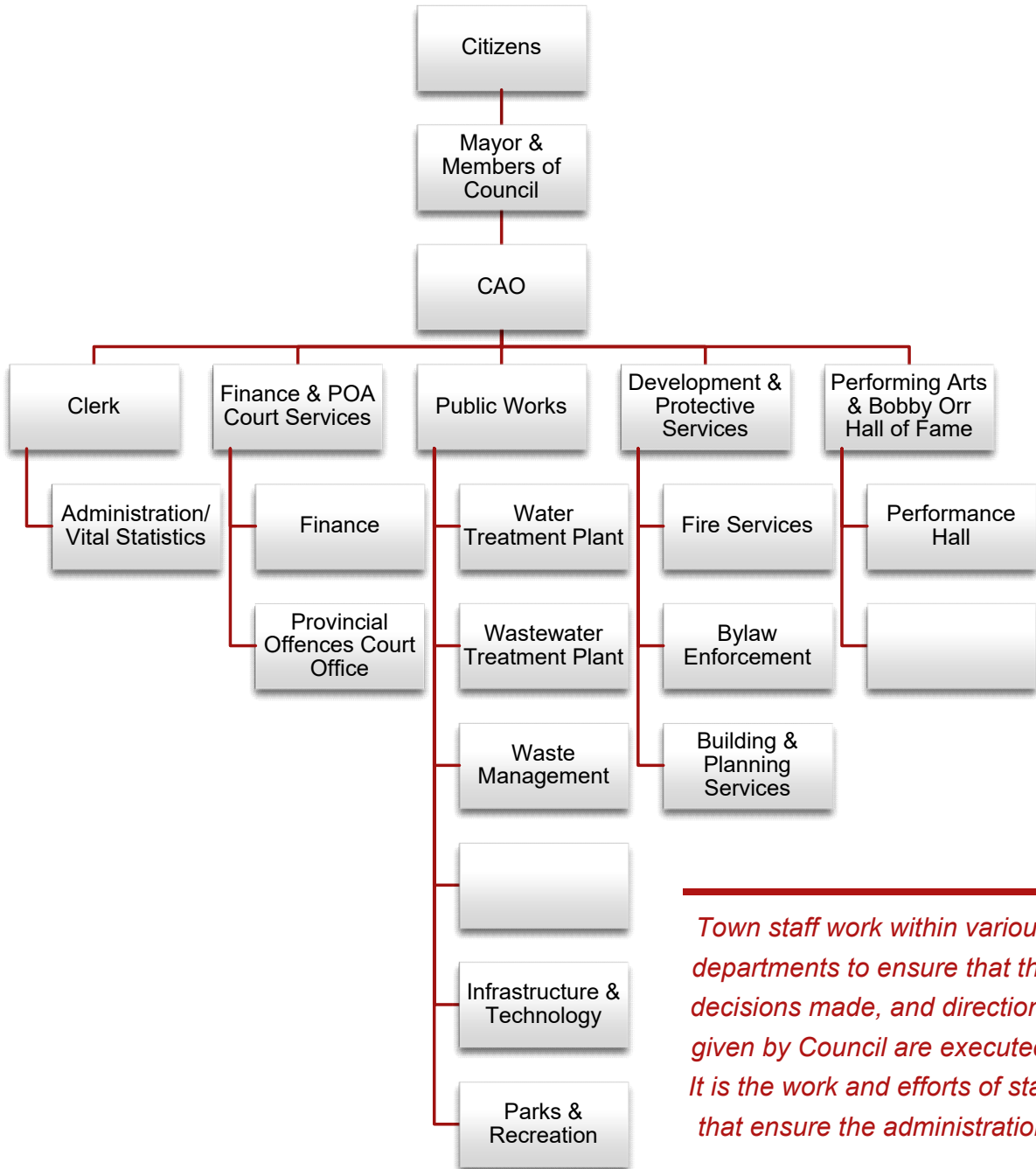
Parry Sound is rich in arts, culture and heritage. The Charles W. Stockey Centre for the Performing Arts and the Bobby Orr Hall of Fame are home to the international summer music festival, the Festival of the Sound. The Hall of Fame pays tribute to Parry Sound hockey hero, Bobby Orr.

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.



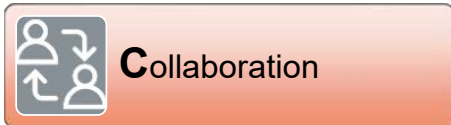

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*Town staff work within various departments to ensure that the decisions made, and directions given by Council are executed. It is the work and efforts of staff that ensure the administration*

# Partnering for the Future

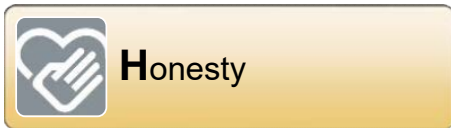
## 2020 – 2030 Strategic Plan

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.



## 2020-2030 Strategic Priorities



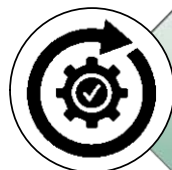
### Economic Growth

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 – 2019, which is a study comparing 110 municipalities in Ontario, representing in excess of 85% of the population. In 2019, there were 10 Northern participants (Elliot Lake, Espanola, Greater Sudbury, Greenstone, Kenora, North Bay, Parry Sound, Sault Ste. Marie, Thunder Bay and Timmins ), and 31 municipalities with populations less than 15,000.

## Socio-Economic Indicators

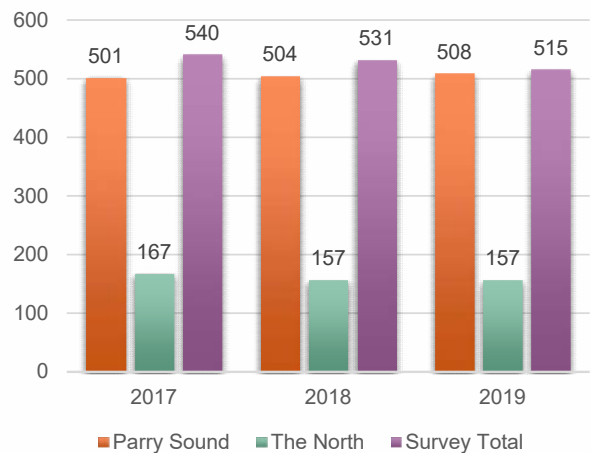
Socio-economic indicators assist a municipality providing insight into its ability to generate revenue relative to the municipality’s demand for public services.

### 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 6,700 people.

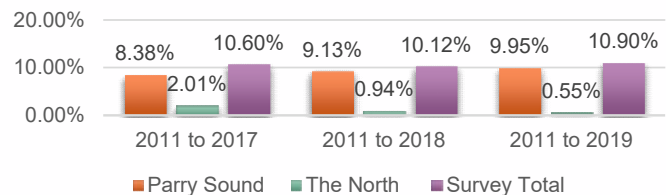
Population Density per sq. km



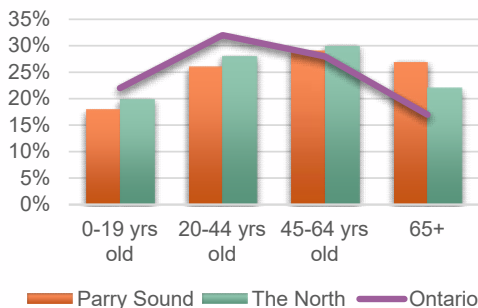
### Population Growth & Age Demographics

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, 27.4% of the Town’s population is 65 years and over. This is in comparison to the Provincial average of 16.7%. 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.

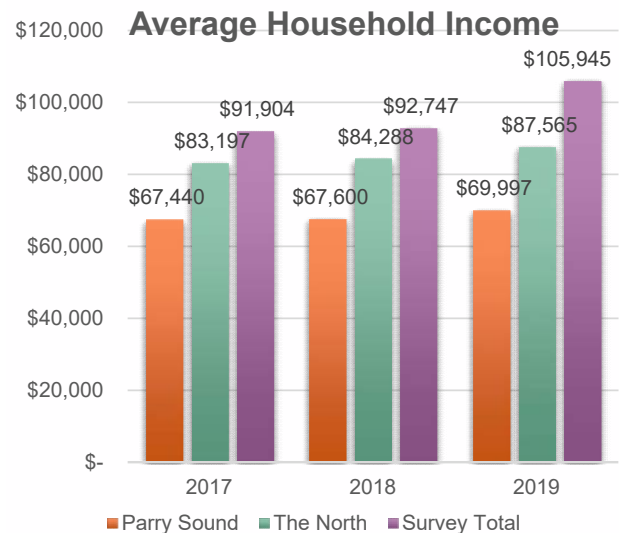


## Average Household Income

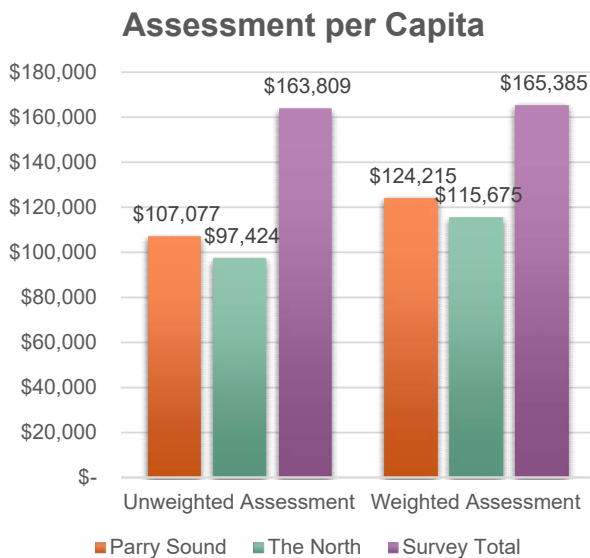
The Town's average 2019 estimated household income is \$69,997 which is \$17,568 lower than the Northern average, and \$35,948 lower than the survey average.

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.



## 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 64% of municipalities surveyed have tax ratios for non-residential classes that are greater than 1.0. The result of these ratios is a shift in the tax burden away from residential properties.

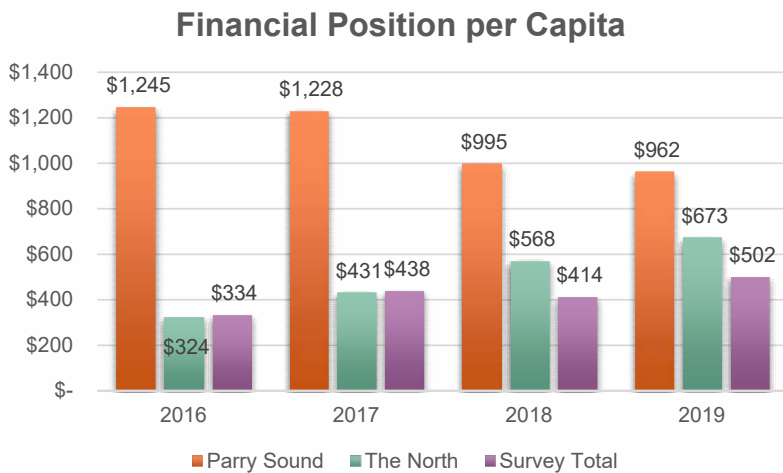
Location	Residential Unweighted Assessment	Residential Weighted Assessment	Change % Unweighted to Weighted
Parry Sound	73.00%	62.90%	-13.80%
The North	73.92%	61.44%	-11.41%
Survey Total	75.90%	73.90%	-0.70%

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

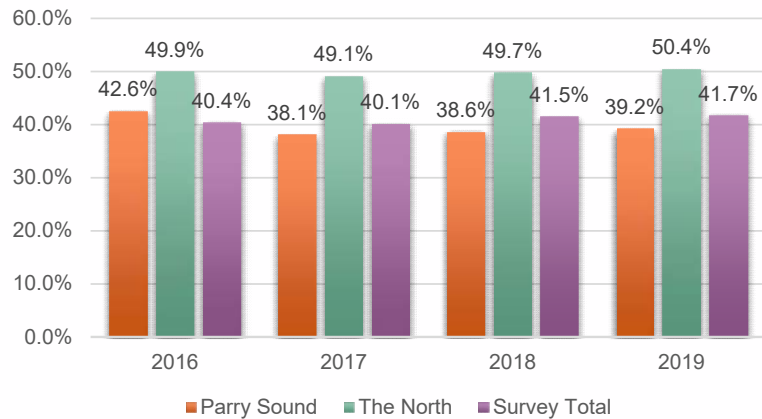
The Town has a healthy financial position when compared with the survey total, and the Northern participants. This position has enabled the Town to proceed with required debenturing for significant infrastructure projects.

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.

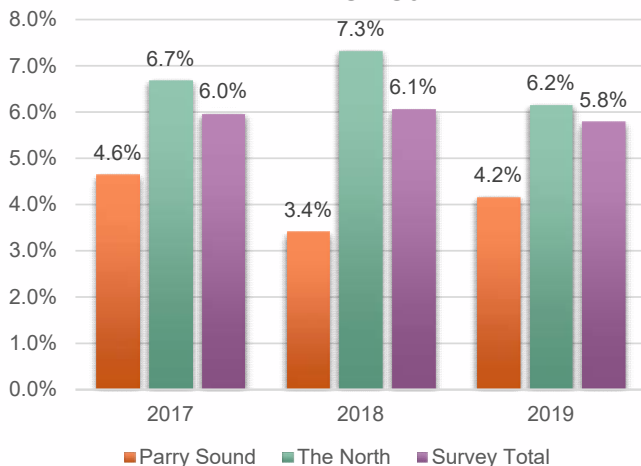
**Tax Asset Consumption Ratio**



## 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.

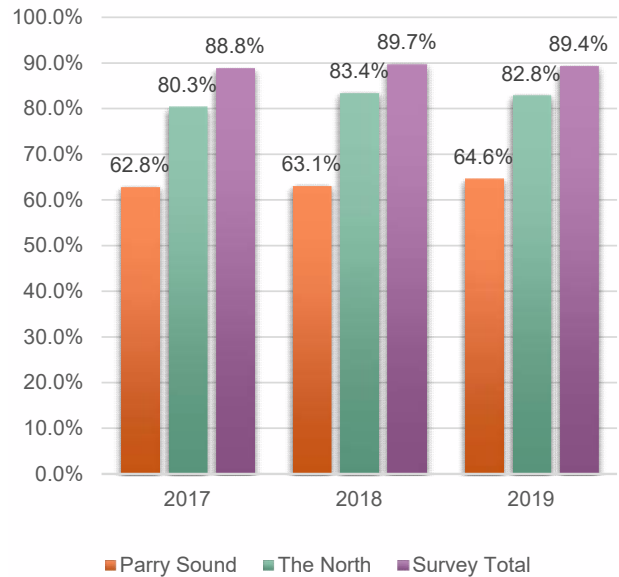
The Town is performing well on this indicator and has been successfully collecting property tax arrears.

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



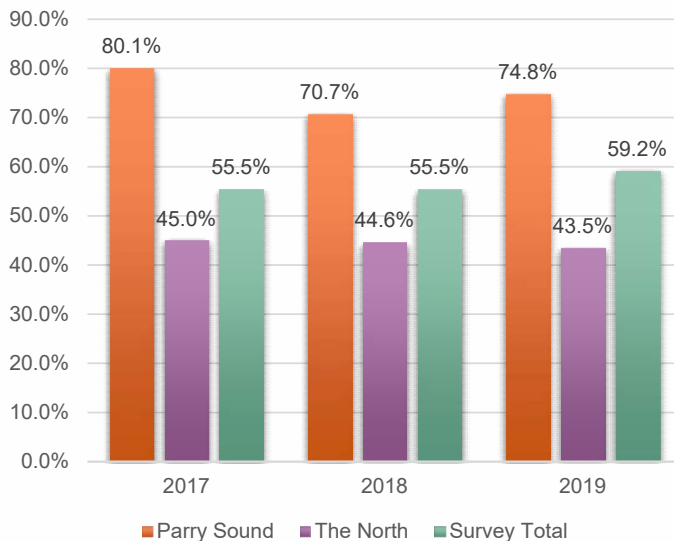
Reserves and reserve funds are important tools for a municipality, allowing for long-term planning, internal financing and dealing with unknown situations that may arise during the year.

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.

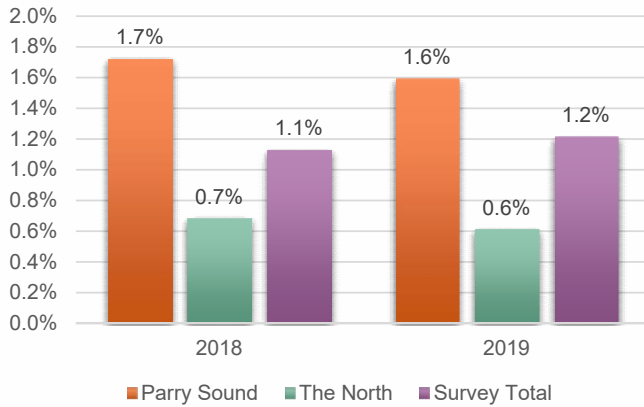
Ensuring adequate contributions to reserves has been an important part of the long-term planning that is occurring at the Town. Currently there are amounts contributed to reserves in anticipation of future expenses, such as the municipal election, fleet replacement and equipment replacement.



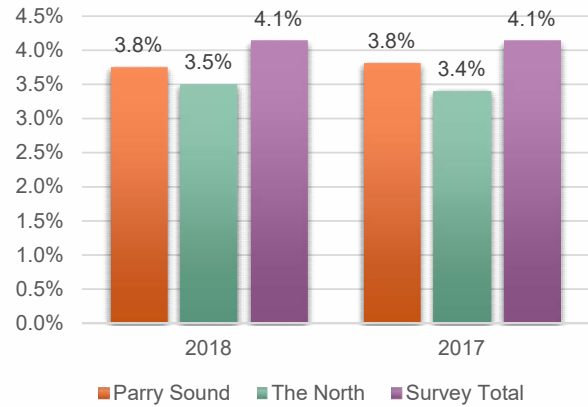
## Debt

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**

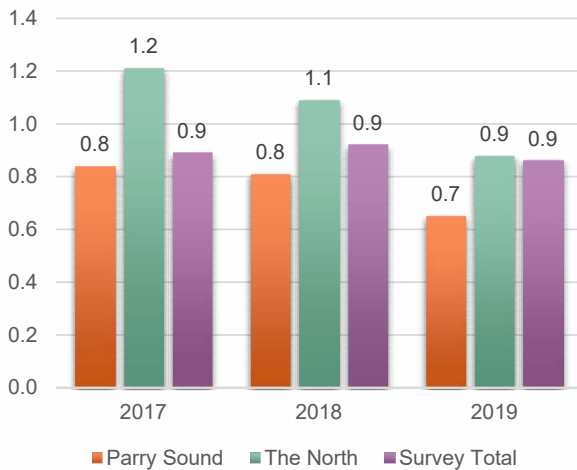


**Tax Debt Charges as a % of Own Source Revenues**



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.

**Debt to Reserve Ratio**



The Town’s debt to reserve ratio was 0.8, which is consistent with prior years. It is below the survey average of 0.9.

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.

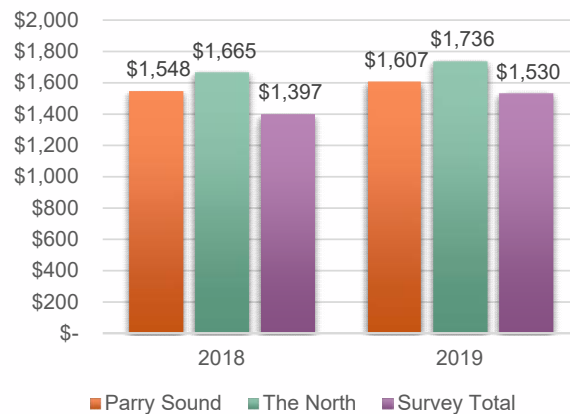
Per BMA, there are many different reasons that net municipal expenditures per capita may vary. They are:

- 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

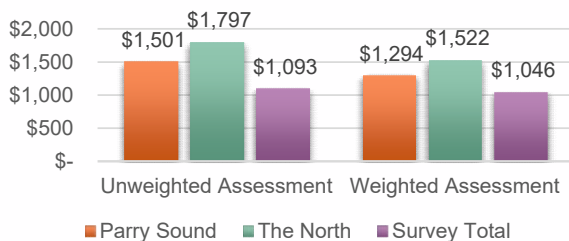
The population has remained steady within the Town, and the increase in net municipal levy per capita could be attributed to:

- 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**



**2019 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 km <sup>2</sup>	Land Area (km <sup>2</sup> )	Net Municipal Levy/\$100,000 Weighted Assessment
Parry Sound	\$845,529,080	6,408	\$1,607	508	13	\$1,294
Huntsville	\$4,001,137,879	19,816	\$1,579	30	710	\$831
Bracebridge	\$3,268,779,290	16,010	\$1,785	27	628	\$931

Comparing the 2019 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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# Snapshot of 2020 Budget

The result of the budget process is much more than a document full of lines and numbers; it is a guiding plan for Staff and Council. Each year, as Staff begin to prepare the budget, consideration is given to the different fiscal priorities, the projects that need to be completed, the community's interests and Council's Strategic Plan. The result is a document to guide future transactions, operations and decisions

The Town's budget consists of two main components; the operating budget, and the capital budget. Each section has its own special purposes for guiding staff and Council in their decision making throughout 2020 and into the future.

The determination of the change in net levy required from property taxes is a combination of both the operating and capital budgets, including any contributions to and from reserves and reserve funds.

## Net Levy Required

	<b>2020 Budget</b>
<b>Operating Budget</b>	
Levies	451,215
Provincial Grants and Subsidies	7,517,059
Federal Grants and Subsidies	33,000
Other Municipalities	4,486,733
User Fees	7,358,955
Licensing & Lease Revenues	202,320
Investment Earnings	706,763
Other Revenues	1,191,600
Contributions from Reserves or Reserve Funds	597,265
<b>Total Revenues</b>	<b>22,544,910</b>
Salaries and benefits	7,554,524
Materials - Operating Expenses	3,361,356
Energy Costs	1,014,379
Rents and Financial Expenses	392,761
Purchased/Contract Services	13,566,307
Debt Repayment	710,512
Grants - Transfer Payments	1,940,431
Contributions to Reserves or Reserve Funds	3,844,389
Amortization of tangible assets/Gain/Loss on Dispo	4,805,617
<b>Total Expenses</b>	<b>37,190,276</b>

# Snapshot of 2020 Budget

	<b>2020 Budget</b>
<b>Net Total</b>	<b>(14,645,366)</b>
<b>Add back Amortization</b>	<b>4,804,535</b>
<b>Net Operating Tax Levy Required</b>	<b><u>(9,840,831)</u></b>
<b>Capital Budget</b>	
Debenture	888,399
Provincial Grants	761,185
Federal Grants	31,600
Other Funding	15,040
Reserves	3,160,230
Reserve Funds	679,850
<b>Total Revenues</b>	<b><u>5,536,304</u></b>
	-
Capital Projects	5,079,204
Debt Repayment	1,114,414
Contribution to Reserves	855,039
<b>Total Expenses</b>	<b><u>7,048,657</u></b>
<b>Net Capital Tax Levy Required<sup>3</sup></b>	<b><u>(1,512,353)</u></b>
Dedicated Capital Levy	1,512,353
Capital Projects Funded by Taxes	-
<b>Tax Supported Capital</b>	<b><u>1,512,353</u></b>

<sup>2</sup>The amortization included in the POA budget is not removed, \$1,082, as the amortization ensures the POA nets to zero

<sup>3</sup> The Net Tax Levy required includes the dedicated capital levy of \$1,512,353 as the dedicated capital levy is used for the contributions to reserves, tax supported debt repayments and projects

## Impact on the Ratepayer – Municipal Taxes

The difficulty with comparing one year of property taxes to another is that in most cases there has been a change to the property assessment. This could be an increase, a decrease or a phased-in increase due to MPAC's (Municipal Property Assessment Corporation) cyclical assessments.

### Notional Tax Rates

*Notional Tax Rate is the rate applied against the current year assessment roll that would raise the same amount of taxes as the previous year.*

When the 2020 Assessment Roll (figures based on the returned roll received in December 2019 for the 2020 tax year) is provided to the Town by MPAC, it includes adjustments to the 2019 Assessment Roll. The notional tax rate allows the Town to identify what the tax rates would be if the net levy required was the same as the previous year.

The notional tax rate for 2020 is 1.03% lower than 2019 rates.

**\$10,938,186 (2019 taxation revenues) x 1.03% = \$112,663 in taxation from assessment growth**

Whereas the 2020 budget requires a total of \$11,353,184 and \$112,663 is generated from assessment growth;

**Therefore, the Town needs to raise an additional \$105,447 for Town operations and \$196,887 for infrastructure for a total of \$302,334.**

### 2020 Levy Increase

To raise the required additional \$302,334, an increase of 0.96% for operations and 1.8% for infrastructure is necessary for a total increase of 2.76% over 2019 property taxation (net growth).

This increase can be broken down as follows:

- 0.44%: phase-in of property assessment value increases from 2019 to 2020
- 2.32%: the required tax rate increase

### Impact to the Average Taxpayer

In 2020, the average Single-Family Home in the Town of Parry Sound is assessed at \$195,000. 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.

**2019**

$\$100,000 \times 0.01351246$  (2019 rate) = \$1,351.25

**2020 Increase**

$\$1,351.25 \times 0.0276$  (increase) = \$37.29 / 12 = \$3.11 per month

**The Results**

The taxpayer will pay \$37.29 more per year or \$3.11 additional per month for every \$100,000 in residential assessment.

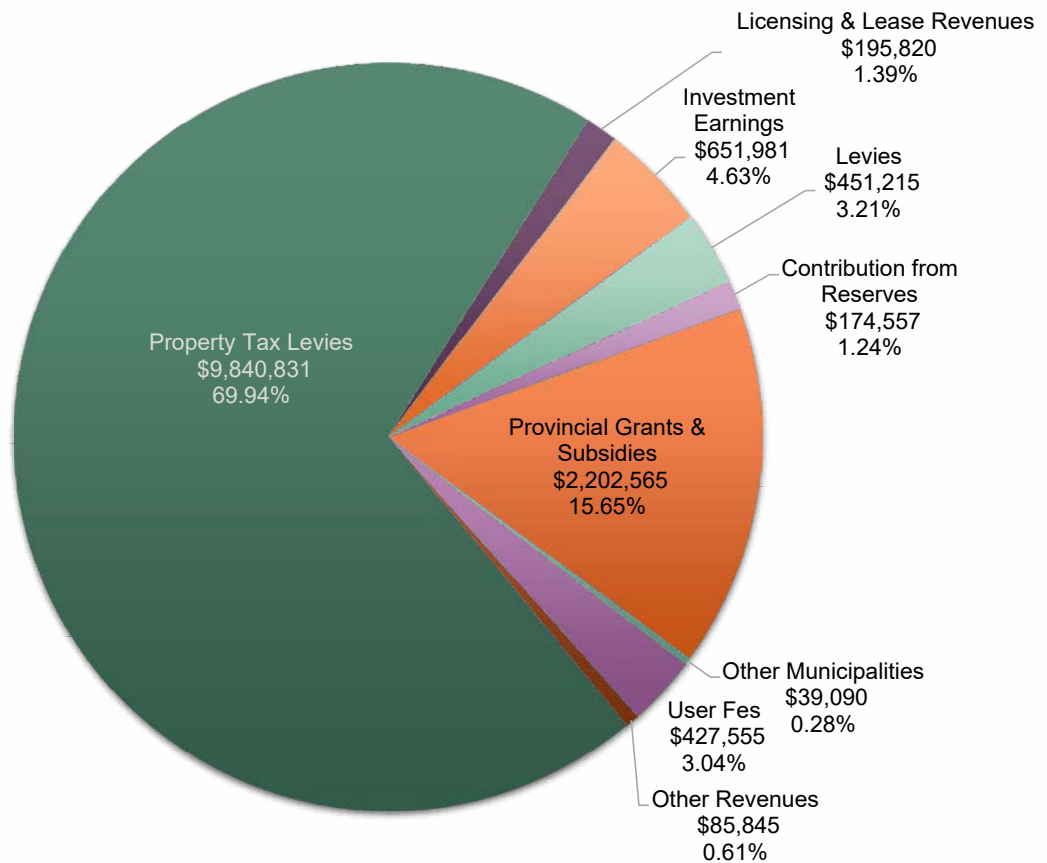


# Operating Budget

## 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 \$14,069,459 in operating expenses. There is anticipated revenue of \$4,228,628 from other sources, including Provincial funding, user fees, investments and contributions from reserves. The remaining \$9,840,831 must be raised from property taxes

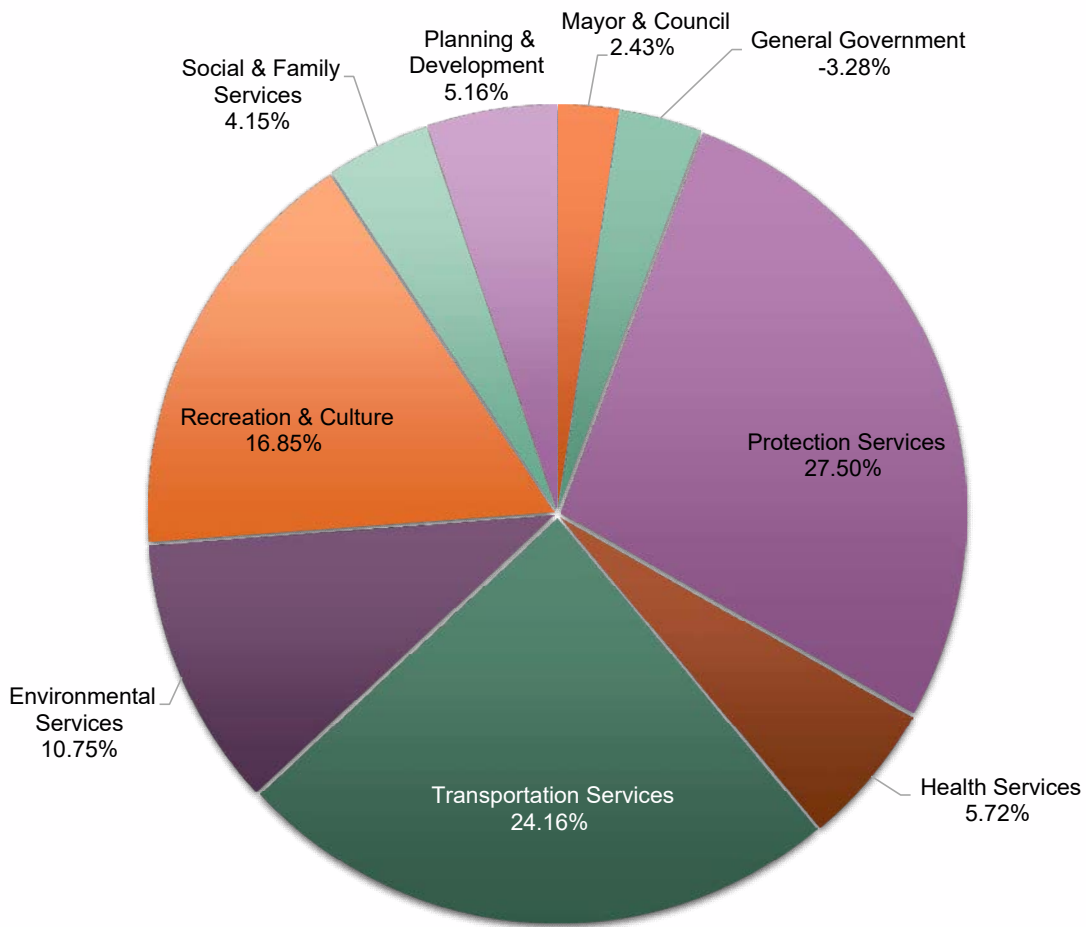


Like many municipalities, the Town is faced with uncertain Provincial and Federal funding as well as Provincial/Federal downloading increasing costs. Each year there is pressure to do more with less, plan for the future and maintain low debt levels. The challenge is to balance these issues and provide residents with value for their property tax dollars.

As staff prepare the annual budget there is consideration given to the costs in the prior year, forecasts of costs in the coming year, and what services the Town will continue to provide, improve or reduce.

### 2020 Budget by Functional Service Area

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



\*General Government includes Ontario Municipal Partnership Fund grant revenues of \$1.97 million.

## Summary of Changes to Net Levy by Divisions

	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Levies</b>	\$ (373,517)	\$ (451,215)	(77,698)	-20.80%
<b>Mayor and Council</b>	267,615	267,375	(240)	-0.09%
<b>General Government</b>				
Office of the Chief Administrative Officer	(1,289,091)	(1,384,435)	(95,344)	7.40%
Information Technology	318,315	353,883	35,568	11.17%
Finance	768,486	708,861	(59,625)	-7.76%
<b>Protection Services</b>				
Emergency and Protective Services	2,042,801	1,990,517	(52,284)	-2.56%
Fire	634,365	654,180	19,815	3.12%
By-law	204,039	215,915	11,876	5.82%
Building Inspection	87,563	108,465	20,902	23.87%
<b>Health Services</b>				
Cemeteries	117,123	151,647	34,524	29.48%
Health Unit	184,462	223,199	38,737	21.00%
Town's Contribution to Land Ambulance	247,335	254,755	7,420	3.00%
<b>Transportation Services</b>				
Transportation & Roadways	1,707,702	1,885,637	177,935	10.42%
Winter Control	781,621	782,314	693	0.09%
Airport	13,100	13,100	-	-%
<b>Environmental Services</b>				
Storm Sewer	300,722	310,323	9,601	3.19%
Waste Management	853,521	874,240	20,719	2.43%
<b>Recreation and Culture Services</b>				
Bobby Orr Community Centre	391,682	435,770	44,088	11.26%
Parks and Recreation	870,734	885,459	14,725	1.69%
Library	197,160	205,000	7,840	3.98%
Museum	31,800	33,076	1,276	4.01%
Town's Contribution Stockey Centre	250,000	297,333	47,333	18.93%
<b>Social and Family Services</b>				
Home for the Aged	135,035	135,035	-	-%
Seniors Assistance	5,000	5,000	-	-%

## Summary of Changes to Net Levy by Divisions

	<b>2019 Budget</b>	<b>2020 Budget</b>	<b>Dollar Change</b>	<b>Percent Change</b>
District Social Services Administration Board	320,861	317,319	(3,542)	-1.10%
<b>Planning and Development</b>				
Planning	179,160	198,044	18,884	10.54%
Planning Board	7,000	7,000	-	-%
Development	374,626	363,034	(11,592)	-3.09%
<b>Total Levy Required</b>	<b>\$ 9,629,220</b>	<b>\$ 9,840,831</b>	<b>\$ 211,611</b>	<b>2.20%</b>

### Overall Summary of Change in Net Levy

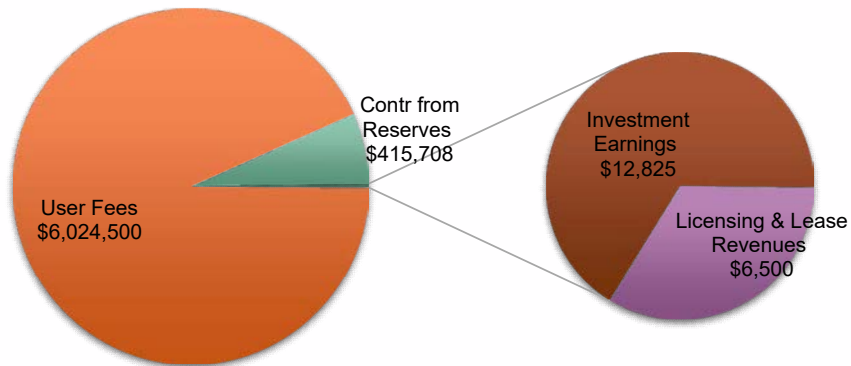
<b>Revenues</b>	<b>\$ 4,064,702</b>	<b>\$ 4,199,813</b>	<b>\$ 135,111</b>	<b>3.32%</b>
<b>Expenses</b>	<b>13,693,922</b>	<b>14,040,644</b>	<b>346,722</b>	<b>-2.53%</b>
<b>Total Levy Required</b>	<b>\$ 9,629,220</b>	<b>\$ 9,840,831</b>	<b>\$ 211,611</b>	<b>-2.20%</b>



## 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

2019 Budget	2020 Budget	Dollar Change	Percent Change
\$6,332,012	\$6,459,533	\$127,521	2.01%

### Highlights

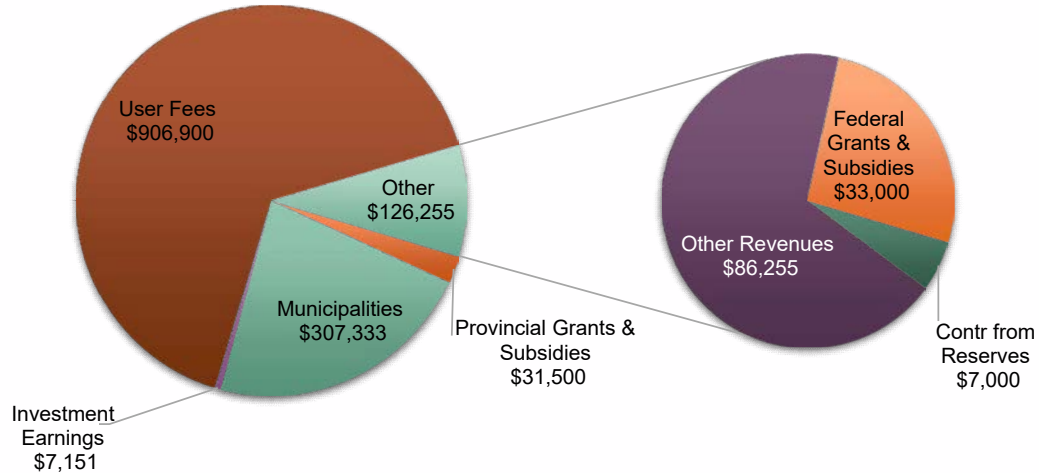
- Near inflationary increases for 2020.

### 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

2019 Budget	2020 Budget	Dollar Change	Percent Change
\$1,246,144	\$1,379,139	\$37,940	10.67%

### Highlights

- Principal and Interest Payments for Stockey Roof and Hardy Board Siding Project begins in 2020 at \$47,333.

### 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

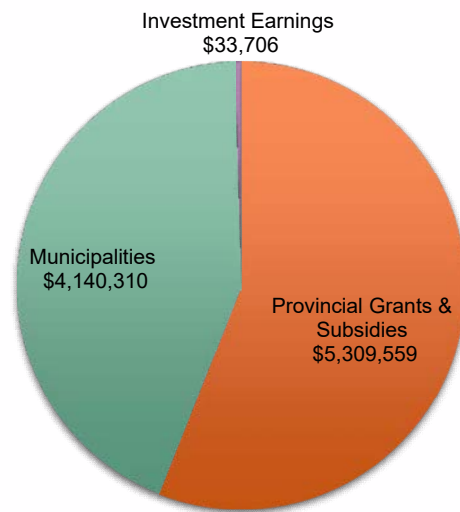
2019 Budget	2020 Budget	Dollar Change	Percent Change
\$1,227,600	\$1,020,600	\$(207,000)	-16.86%

## Highlights

- Increase to the Town’s Administration Fee, as the Town works towards closing the gap between actual costs for administration and the administrative fee charged - \$5,000
- There is a decline in fee revenues based on the actual fees being collected and the observed trends of ticket issuance for the area
- Working on expanding the internal collection process, hopefully reducing future collection costs

## 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

2019 Budget	2020 Budget	Dollar Change	Percent Change
\$9,272,133	\$9,483,575	\$332,917	2.28%

## Highlights

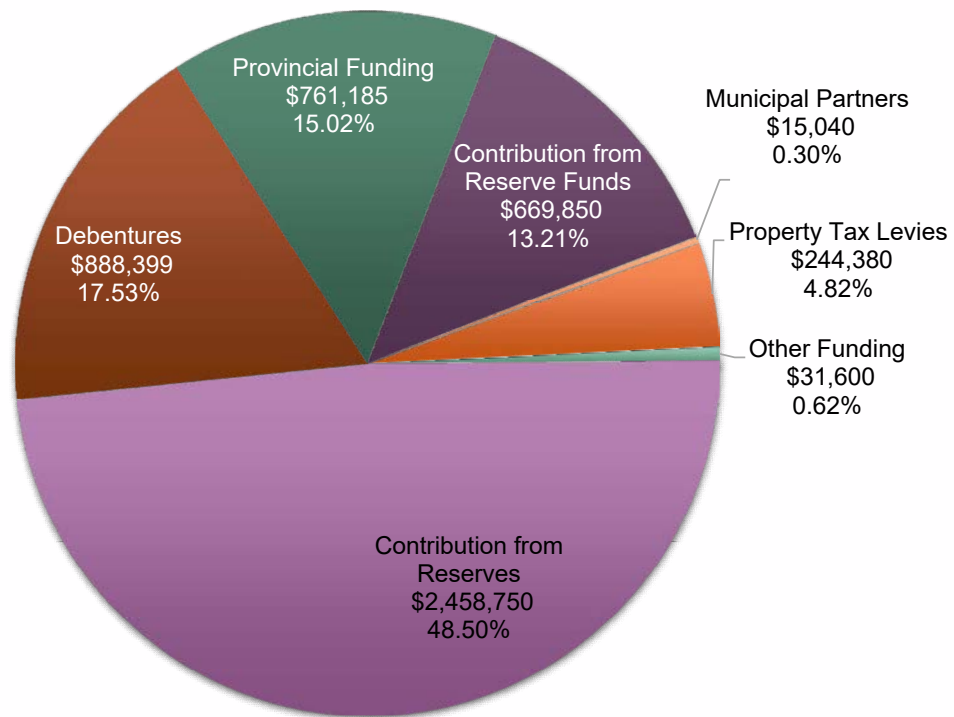
- Increase to current contract with West Parry Sound Health Centre for Paramedicine Staff/Services - \$184,273
- 3% Increase to the municipal levy requirement, allocated to all municipalities based on weighted assessment

# 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 adequate tools and infrastructure to provide the services.

For example, without 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 2020, there is a total capital budget of \$5,069,204, which is funded through various sources.



Annually there is also a calculation performed to identify the dedicated capital levy. 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 \*New
- Assist with coverage of the tax supported capital projects

## Budget Change

2019 Budget	2020 Budget	Dollar Change	Percent Change
\$5,718,538	\$5,069,204	-\$649,334	-11.35%

## Highlights

- There are ***no new, large infrastructure projects for 2020***. Waubeek St (\$7,224,960) and Isabella St (\$1,380,272) were both budgeted for in 2019
- \$888,399 additional is budgeted for Isabella St in 2020 to plan for the additional road realignment that was required and approved with the tender as well as the double lift of asphalt planned for the spring of 2020.



# 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.

Comprehensive List of Items for Council Consideration						
	Description	Budget Section	Operating Budget Impact	Capital Budget Impact	Change to Tax Rates	Tax Impact <sup>1</sup>
1.	Increase contribution to the Public Library <sup>2</sup>	Recreation & Culture	\$ 7,840	\$ Nil	0.072%	\$0.97
2.	Increase contribution to the Museum on Tower Hill <sup>2</sup>	Recreation & Culture	\$ 1,272	\$ Nil	0.012%	\$0.16
3.	Portable Speed Indicator	Transportation Services	\$ 3,900	\$ Nil	0.036%	\$0.48
4.	Community Sharps Bin (Option 1- Outsource Maintenance / Option 2- Town Provided)	Health Services	\$2,130- \$2,580	\$1,000	0.029% - 0.033%	\$0.39 – \$0.44
5.	Georgian Bay Avenue	Capital Budget	\$ Nil	\$ 1m	9.142%	\$123.53
6.	Tower Hill Cabin Interior Restoration (\$18,000 funded in 2019 from taxation revenue/ \$37,000 total)	Capital Budget	\$ Nil	\$ 19,000	0.174%	\$2.35
7.	Columbarium for Sylvan Cemetery	Capital Budget	\$ Nil	\$ 40,000	0.366%	\$4.95

<sup>1</sup> The Tax Impact is calculated for \$100,000 of residential assessment

<sup>2</sup> Increase already included in proposed draft budget.

<b>Comprehensive List of Items for Council Consideration</b>						
<b>Description</b>	<b>Budget Section</b>	<b>Operating Budget Impact</b>	<b>Capital Budget Impact</b>	<b>Change to Tax Rates</b>	<b>Tax Impact<sup>1</sup></b>	
8. Improve/Install Sidewalks Avenue Road, Margaret, Marion, Ethel and Victoria Streets (To be deferred until completion of a service level review)	Transportation Services	\$ Nil	\$ Nil	Unknown	Unknown	
9. Waubeek, Avenue, and Belvedere Rd – 3-way crossing	Transportation Services	\$ Nil	\$ 30,000	0.274%	\$3.71	
10. Grant to Park to Park Trail Increase	Social & Family Services	\$ 2,000 <sup>3</sup>	\$ Nil	0.018%	\$0.36	
11. West Parry Sound District Community Support Services (Fundraising Goal is to raise \$20,000 for Senior programs)	Social & Family Services	\$2,000	\$ Nil	0.018%	\$0.36	
12. Rotary Club 3-pitch Strikes Against Cancer (Sponsorship Request- Bronze - \$1,000 Silver - \$1,750 Gold - \$2,500 Platinum - \$5,000)	Mayor & Council	Donation of services in kind exceed sponsorship request	\$ Nil	Unknown	Unknown	
<b>Grand Total</b>		<b>\$ 27,736</b>	<b>\$ 1,090,050</b>	<b>10.214%</b>	<b>\$138.19</b>	

<sup>3</sup> There is a request to increase the grant to the Park to Park Trail by \$2,000 to a total of \$6,000. \$4,000 is budgeted unless Council wishes to make a change.

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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

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Contributions from Reserves or Reserve Funds	-	-	4,557	4,557	-	-%
<b>Total Revenues</b>	-	-	<b>4,557</b>	<b>4,557</b>	-	-%
<b>Expenses</b>						
Salaries and benefits	151,446	161,532	176,539	178,786	2,247	1.27%
Materials - Operating Expenses	40,972	41,260	41,910	48,710	6,800	16.23%
Rents and Financial Expenses	-	-	300	300	-	-%
Purchased/Contract Services	908	2,016	6,557	6,557	-	-%
Grants - Transfer Payments	12,997	16,382	34,500	25,070	(9,430)	-27.33%
Internal Recoveries	1,750	3,250	7,366	7,509	143	1.94%
Contributions to Reserves or Reserve Funds	-	-	5,000	5,000	-	-%
<b>Total Expenses</b>	<b>208,073</b>	<b>224,440</b>	<b>272,172</b>	<b>271,932</b>	<b>(240)</b>	<b>-0.09%</b>
<b>Total Levy Requirements</b>	<b>208,073</b>	<b>224,440</b>	<b>267,615</b>	<b>267,375</b>	<b>(240)</b>	<b>-0.09%</b>

# Mayor and Council

## Budget Highlights

### **Mayor and Council Remuneration - Increase \$11,797**

Increase is due to the annual increase to Council remuneration based on CPI from December to December (2.1%), consistent with prior years.

### **Conferences, conventions & meetings - Increase \$8,000**

Conferences are back to 2018 levels due to the completion of the Mayor's tenure as President of AMO.

### **Continued work on the redesign of the Town's Coat of Arms**

Work began in 2018. Unspent funds are being contributed to reserves and will be used to fund the expenses in 2020

### **Royal Canadian Legion - Decrease \$4,500**

Effective the start of 2020 the Royal Canadian Legion became exempt from property taxation. As a result of this exemption the Town no longer needs to write off the municipal portion of the property taxes.

### **One time funding for Salvation Army Response Unit- Decrease \$7,000**

In 2019 the Town agreed to provide a contribution towards a new response unit being purchased by the Salvation Army. This was a one-time cost in 2019.





TOWN OF



*Parry Sound*

**General Government**

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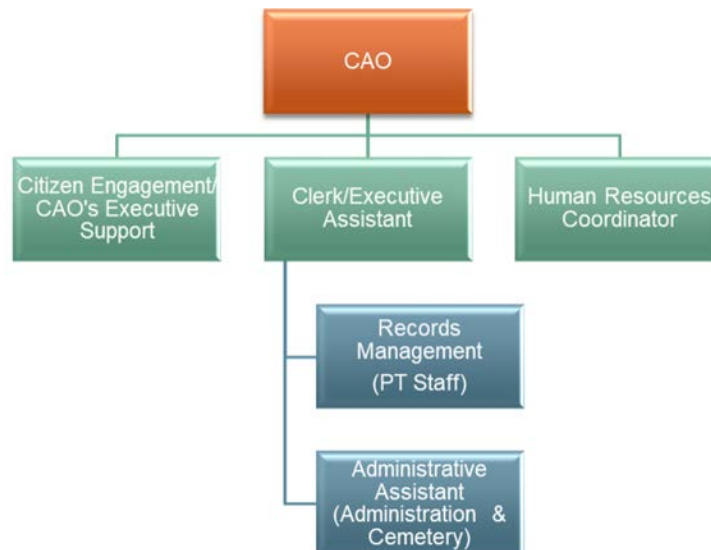
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# Office of the Chief Administrative Officer

The Chief Administrative Officer (CAO) is ultimately responsible for ensuring that Council's priorities, goals and objectives are set and efficiently and effectively carried out. The Office oversees the development, updating and review of Departmental Staff Goal Plans with core service delivery excellence first and foremost.

## Functions

- Administrative Services
- Municipal Building Costs
- Accessibility
- Staff Recognition and Wellness
- Town Rental Properties



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	1,666,312	1,839,800	1,837,500	1,976,100	138,600	7.54%
Licensing & Lease Revenues	87,485	87,899	77,820	77,820	-	-%
Investment Earnings	409,779	526,754	522,984	508,507	(14,477)	-2.77%
Other Revenues	68,121	54,433	71,000	39,000	(32,000)	-45.07%
<b>Total Revenues</b>	<b>2,231,697</b>	<b>2,508,886</b>	<b>2,509,304</b>	<b>2,601,427</b>	<b>92,123</b>	<b>3.67%</b>

## Expenses



# Office of the Chief Administrative Officer

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Salaries and benefits	430,986	576,504	546,690	575,404	28,714	5.25%
Materials - Operating Expenses	56,694	49,101	61,288	67,568	6,280	10.25%
Energy Costs	37,947	27,507	31,960	32,529	569	1.78%
Purchased/Contract Services	192,230	262,370	236,692	257,174	20,482	8.65%
Debt Repayment	134,937	130,903	132,097	124,372	(7,725)	-5.85%
Internal Recoveries	4,869	4,703	9,667	8,903	(764)	-7.90%
Contributions to Reserves or Reserve Funds	-	-	201,819	151,042	(50,777)	-25.16%
<b>Total Expenses</b>	<b>857,663</b>	<b>1,051,088</b>	<b>1,220,213</b>	<b>1,216,992</b>	<b>(3,221)</b>	<b>-0.26%</b>
<b>Total Levy Requirements</b>	<b>(1,374,034)</b>	<b>(1,457,798)</b>	<b>(1,289,091)</b>	<b>(1,384,435)</b>	<b>(95,344)</b>	<b>7.40%</b>

## Budget Highlights

### Town's Share of Provincial Offences Act Fines - Decrease \$32,000

There is a continued trend of decreasing ticket issuance for the Provincial Offences Act which in turn affects the Town's portion of fine revenue.

### Climate Change Initiatives - Increase \$11,500

Includes participation with the Integrated Community Energy and Climate Action Plans (ICECAP), approximately \$8,400, as well as costs associated with training and travel.

# Information Technology

## Overview

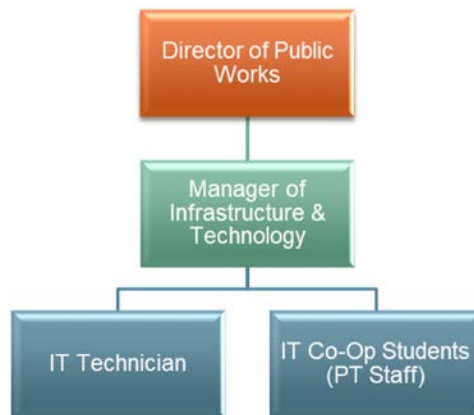
Information Technology is increasingly becoming a major part of the Town’s operations. The Town has begun live-streaming Council meetings, moving towards more paperless options, and implementing software to improve processes and services.

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.

## Functions

- Corporate Digital Information System
- Software licenses
- IT Support



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Contributions from Reserves or Reserve Funds	-	-	4,000	-	(4,000)	-100.00%
<b>Total Revenues</b>	-	-	<b>4,000</b>	-	<b>(4,000)</b>	<b>-100.00%</b>
<b>Expenses</b>						
Salaries and benefits	172,104	192,718	216,483	215,570	(913)	-0.42%
Materials - Operating Expenses	33,130	47,744	75,150	74,750	(400)	-0.53%
Purchased/Contract Services	58,322	42,458	77,300	101,400	24,100	31.18%
Internal Recoveries	(41,750)	(47,000)	(101,618)	(92,837)	8,781	-8.64%

# Information Technology

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Contributions to Reserves or Reserve Funds	-	-	55,000	55,000	-	-%
<b>Total Expenses</b>	221,806	235,920	<b>322,315</b>	<b>353,883</b>	<b>31,568</b>	<b>9.79%</b>
<b>Total Levy Requirements</b>	221,806	235,920	<b>318,315</b>	<b>353,883</b>	<b>35,568</b>	<b>11.17%</b>

## Budget Highlights

### **NOHFC GIS Internship - Increase \$20,000**

Internship is shared 50% with the Township of Archipelago

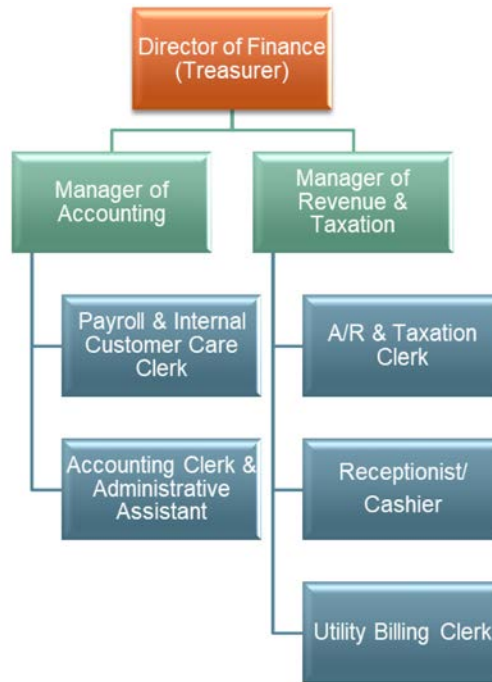
# Finance

## 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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	173,985	173,985	-	-	-	-%
User Fees	22,726	21,064	16,640	17,900	1,260	7.57%
Investment Earnings	128,816	132,249	126,000	126,000	-	-%
Other Revenues	15,313	10,432	7,500	7,500	-	-%
Contributions from Reserves or Reserve Funds	-	-	3,549	-	(3,549)	-100.00%
<b>Total Revenues</b>	<b>340,840</b>	<b>337,730</b>	<b>153,689</b>	<b>151,400</b>	<b>(2,289)</b>	<b>-1.49%</b>

# Finance

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Salaries and benefits	385,438	431,176	390,239	368,147	(22,092)	-5.66%
Materials - Operating Expenses	91,962	75,493	121,428	137,018	15,590	12.84%
Rents and Financial Expenses	341,333	206,057	265,040	160,040	105,000)	-39.62%
Purchased/Contract Services	81,222	103,458	135,175	170,827	35,652	26.37%
Grants - Transfer Payments	-	-	-	15,000	15,000	-%
Internal Recoveries	4,750	4,750	10,293	9,229	(1,064)	-10.34%
<b>Total Expenses</b>	<b>904,705</b>	<b>820,934</b>	<b>922,175</b>	<b>860,261</b>	<b>(61,914)</b>	<b>-6.71%</b>
<b>Total Levy Requirements</b>	<b>563,865</b>	<b>483,204</b>	<b>768,486</b>	<b>708,861</b>	<b>(59,625)</b>	<b>-7.76%</b>

## Budget Highlights

### POA Administration Fee Recovery - Increase \$5,000

Closing the cost recovery gap between charge backs and actual costs

### Insurance - Increase \$51,601

Hardening insurance market conditions is impacting Ontario municipalities in 2019/2020

### Town's Share of Tax Write-Offs - Decrease \$80,000

Tax write-off are expected to decrease in 2020, as compared to 2019, however, the Town is anticipating continued erosion of taxation revenues by \$239,000 (related to affordable housing projects) and \$24,000 (other property tax appeals).





TOWN OF  
*Parry Sound*

**Protection Services**



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# Emergency and Protective Services

## 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.

In the absence of a municipal or regional police service the Town contracts the local policing needs to the Ontario Provincial Police (OPP). The Ontario Provincial Police Municipal Policing Bureau is responsible for cost recovery for the provision of OPP policing services from over 320 Ontario municipalities.

## Functions

- 911 Service
- Police (OPP)

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	117,765	201,362	117,766	105,000	(12,766)	-10.84%
<b>Total Revenues</b>	<b>117,765</b>	<b>201,362</b>	<b>117,766</b>	<b>105,000</b>	<b>(12,766)</b>	<b>-10.84%</b>
<b>Expenses</b>						
Materials - Operating Expenses	524	930	2,250	2,250	-	-%
Purchased/Contract Services	1,943,202	2,128,843	2,154,938	2,089,667	(65,271)	-3.03%
Grants - Transfer Payments	3,428	3,364	3,379	3,600	221	6.54%
<b>Total Expenses</b>	<b>1,947,154</b>	<b>2,133,137</b>	<b>2,160,567</b>	<b>2,095,517</b>	<b>(65,050)</b>	<b>-3.01%</b>
<b>Total Levy Requirements</b>	<b>1,829,389</b>	<b>1,931,775</b>	<b>2,042,801</b>	<b>1,990,517</b>	<b>(52,284)</b>	<b>-2.56%</b>

## Budget Highlights

### OPP Service Costs - Decrease \$65,271

The OPP levy is expected to decrease as the Town's base service cost per property has decreased from \$636.13 to \$631.38.

### Transfer from Police Cost Stabilization Reserve to Revenues - Increase \$26,358

The net impact of the expected decrease in the OPP levy and the Prisoner Transportation Grant is an increase of \$52,716. To help mitigate this increase to policing costs, 50% of the increase, \$26,358, will be funded from Reserves.

# Fire

## 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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Other Municipalities	6,500	6,548	6,500	6,500	-	-%
User Fees	528	245	250	250	-	-%
Licensing & Lease Revenues	1,125	7,847	1,000	1,000	-	-%
Investment Earnings	85	149	-	-	-	-%
Other Revenues	919	-	2,000	2,000	-	-%
<b>Total Revenues</b>	<b>9,157</b>	<b>14,789</b>	<b>9,750</b>	<b>9,750</b>	<b>-</b>	<b>-%</b>

# Fire

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Salaries and benefits	451,665	456,093	426,460	428,556	2,096	0.49%
Materials - Operating Expenses	137,851	146,069	141,154	145,854	4,700	3.33%
Energy Costs	25,370	25,382	18,000	20,000	2,000	11.11%
Purchased/Contract Services	34,941	45,172	43,500	52,522	9,022	20.74%
Internal Recoveries	13,957	10,105	15,001	16,998	1,997	13.31%
<b>Total Expenses</b>	<b>663,784</b>	<b>682,821</b>	<b>644,115</b>	<b>663,930</b>	<b>19,815</b>	<b>3.08%</b>
<b>Total Levy Requirements</b>	<b>654,627</b>	<b>668,032</b>	<b>634,365</b>	<b>654,180</b>	<b>19,815</b>	<b>3.12%</b>

## Budget Highlights

### Legal - Increase \$5,000

Increase is due to the increased prosecution of Fire Code violations, specifically those that proceed to Provincial Offences Court

### Contracts for Services - Increase \$2,780

In 2019 the Town awarded the custodial contracts for the Town Office and Fire Station through a Request for Proposal process. As a result, there has been an increase in the custodial costs for 2020.

# By-law

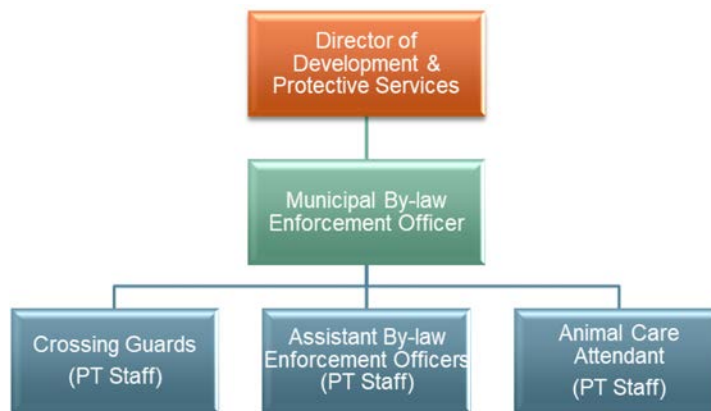
## Overview

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 and cat control costs
- Impound facility
- School crossing guards
- Parking



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Other Municipalities	19,290	11,162	15,300	15,300	-	-%
Licensing & Lease Revenues	41,519	31,923	33,000	33,000	-	-%
Investment Earnings	2,392	3,028	3,735	2,588	(1,147)	-30.71%
Other Revenues	12,710	11,052	9,200	14,200	5,000	54.35%
Contributions from Reserves or Reserve Funds	-	-	6,000	-	(6,000)	-100.00%
<b>Total Revenues</b>	<b>75,911</b>	<b>57,165</b>	<b>67,235</b>	<b>65,088</b>	<b>(2,147)</b>	<b>-3.19%</b>
<b>Expenses</b>						
Salaries and benefits	238,209	135,865	192,057	197,036	4,979	2.59%
Materials - Operating Expenses	16,859	16,197	23,350	23,907	557	2.39%

# By-law

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Energy Costs	2,995	2,734	3,000	3,050	50	1.67%
Rents and Financial Expenses	1,000	1,000	1,000	1,000	-	-%
Purchased/Contract Services	39,400	34,110	38,750	47,170	8,420	21.73%
Internal Recoveries	2,514	5,887	9,382	6,252	(3,130)	-33.36%
Contributions to Reserves or Reserve Funds	-	-	3,735	2,588	(1,147)	-30.71%
<b>Total Expenses</b>	<b>300,977</b>	<b>195,793</b>	<b>271,274</b>	<b>281,003</b>	<b>9,729</b>	<b>3.59%</b>
<b>Total Levy Requirements</b>	<b>225,066</b>	<b>138,628</b>	<b>204,039</b>	<b>215,915</b>	<b>11,876</b>	<b>5.82%</b>

## Budget Highlights

### Municipal Parking Fines - Increase \$16,500

Increase is due to improved recovery of outstanding parking fines.

### Contracts for services - Increase \$5,000

Costs to plow parking lots is going up

### Legal - Increase \$3,300

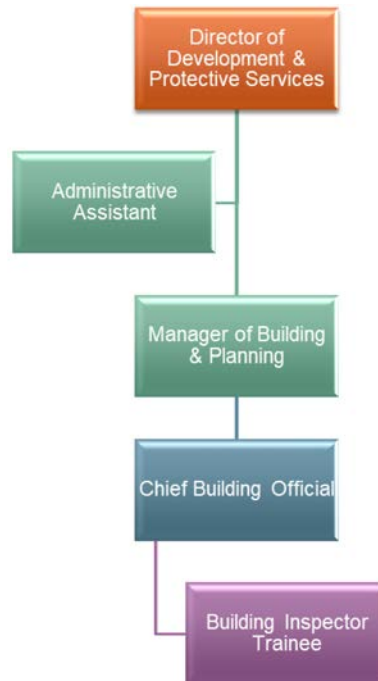
Increase is based on historical costs increasing as there continues to be more aggressive actions for parking and general by-law enforcement, often resulting in attendance at the Provincial Offences Court.



# Building Inspection

## Overview

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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	71,636	155,448	125,000	110,000	(15,000)	-12.00%
<b>Total Revenues</b>	<b>71,636</b>	<b>155,448</b>	<b>125,000</b>	<b>110,000</b>	<b>(15,000)</b>	<b>-12.00%</b>
<b>Expenses</b>						
Salaries and benefits	171,377	180,283	193,719	192,756	(963)	-0.50%
Materials - Operating Expenses	4,417	15,919	7,003	7,139	136	1.94%
Purchased/Contract Services	6,192	5,091	8,200	15,200	7,000	85.37%
Internal Recoveries	1,666	1,670	3,641	3,370	(271)	-7.44%
<b>Total Expenses</b>	<b>183,652</b>	<b>202,963</b>	<b>212,563</b>	<b>218,465</b>	<b>5,902</b>	<b>2.78%</b>
<b>Total Levy Requirements</b>	<b>112,016</b>	<b>47,515</b>	<b>87,563</b>	<b>108,465</b>	<b>20,902</b>	<b>23.87%</b>

# Building Inspection

## Budget Highlights

### **Software - Increase \$6,900**

2020 budget includes a new software purchase for the building department

# Provincial Offences Act

## Overview

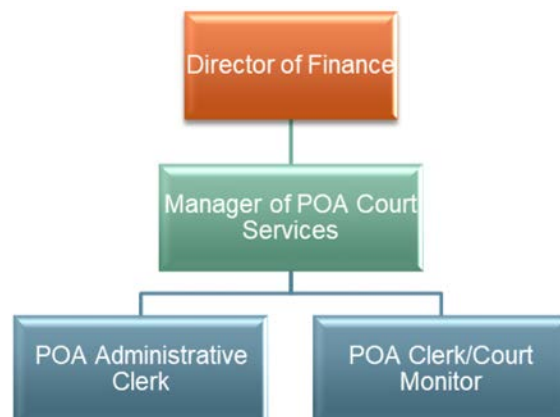
The Town operates the Provincial Offences Act (POA) Court for the District of Parry Sound. There are two court locations (Parry Sound and Sundridge) which serve the east and west side of the District.

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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Investment Earnings	47	-	1,100	1,100	-	-%
Other Revenues	1,214,430	1,093,738	1,226,500	1,019,500	207,000)	-16.88%
<b>Total Revenues</b>	<b>1,214,477</b>	<b>1,093,738</b>	<b>1,227,600</b>	<b>1,020,600</b>	<b>207,000)</b>	<b>-16.86%</b>
<b>Expenses</b>						
Salaries and benefits	205,373	230,716	244,000	254,764	10,764	4.41%
Materials - Operating Expenses	19,198	12,593	24,638	26,965	2,327	9.44%
Rents and Financial Expenses	67,570	69,361	70,000	70,500	500	0.71%

# Provincial Offences Act

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Purchased/Contract Services	260,082	280,740	256,200	260,700	4,500	1.76%
Grants - Transfer Payments	661,204	502,435	626,000	402,281	223,719)	-35.74%
Internal Recoveries	2,250	2,250	4,687	4,308	(379)	-8.09%
<b>Total Expenses</b>	<b>1,215,677</b>	<b>1,098,095</b>	<b>1,225,525</b>	<b>1,019,518</b>	<b>206,007)</b>	<b>-16.81%</b>
<b>Total Levy Requirements</b>	<b>1,200</b>	<b>4,357</b>	<b>(2,075)</b>	<b>(1,082)</b>	<b>993</b>	<b>-47.86%</b>

## Budget Highlights

### Provincial Offences Revenues - Decrease \$207,000

There has been a downward trend observed in previous years regarding the number of tickets issued. As a result of this decline, revenues have declined, as well as some corresponding costs associated with ticket processing.

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TOWN OF  
*Parry Sound*  
**Transportation Services**



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# Transportation & Roadways

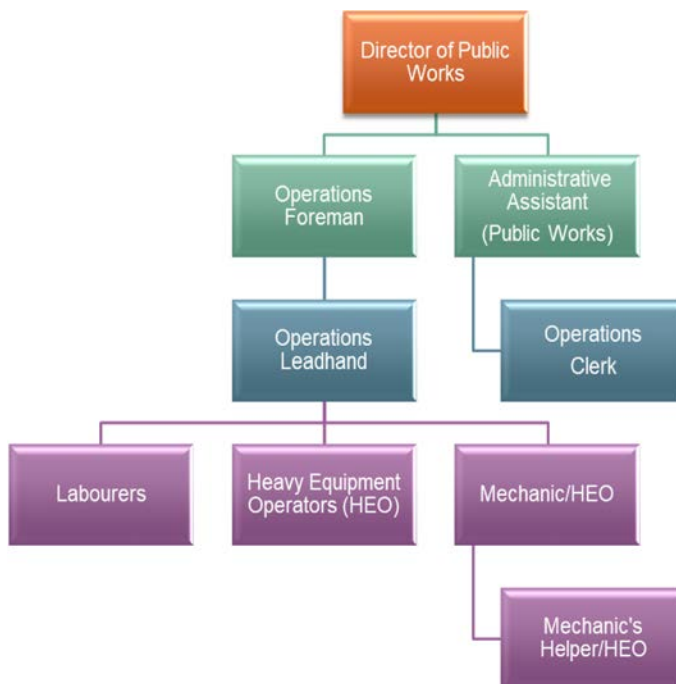
## Overview

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



# Transportation & Roadways

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	353,986	605,417	-	-	-	-%
Federal Grants and Subsidies	95,954	834,061	-	-	-	-%
User Fees	4,679	3,026	3,000	3,000	-	-%
Contributions from Reserves or Reserve Funds	-	-	50,000	60,000	10,000	20.00%
<b>Total Revenues</b>	<b>454,619</b>	<b>1,442,504</b>	<b>53,000</b>	<b>63,000</b>	<b>10,000</b>	<b>18.87%</b>
<b>Expenses</b>						
Salaries and benefits	803,276	860,024	1,008,406	1,083,619	75,213	7.46%
Materials - Operating Expenses	333,507	337,053	409,053	418,399	9,346	2.28%
Energy Costs	163,980	154,530	146,400	146,400	-	-%
Rents and Financial Expenses	1,373	1,366	2,000	2,000	-	-%
Purchased/Contract Services	353,372	185,825	371,800	460,300	88,500	23.80%
Debt Repayment	30,721	34,695	115,634	110,416	(5,218)	-4.51%
Internal Recoveries	(235,601)	(294,127)	(292,591)	(292,476)	115	-0.04%
Contributions to Reserves or Reserve Funds	-	-	-	19,979	19,979	-%
<b>Total Expenses</b>	<b>1,450,628</b>	<b>1,279,366</b>	<b>1,760,702</b>	<b>1,948,637</b>	<b>187,935</b>	<b>10.67%</b>
<b>Total Levy Requirements</b>	<b>996,009</b>	<b>(163,138)</b>	<b>1,707,702</b>	<b>1,885,637</b>	<b>177,935</b>	<b>10.42%</b>

# Transportation & Roadways

## Budget Highlights

### **Salaries & Benefits - \$62,343**

A new permanent position for an Operations Manager within the Public Works department. This position would oversee Operations staff, Foreman and Leadhands. The intent is for this position to start in May 2020.

### **Repairs & Maintenance - Increase \$10,000**

Repairs for vehicles & licensed equipment have been increasing

### **Contracted Services for Gravel Surface Maintenance - Increase \$5,000**

Expect more to be spent on surface maintenance due to increased extreme weather activity in recent years and forecasted into the future

### **Pavement Markings - Increase \$10,000**

The budget includes increased expenditures on pavement markings to reduce speed or create desired outcomes

### **Traffic Signs - Increase \$5,000**

Increasing demand for traffic signs in recent years and expected into 2020

# 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

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Salaries and benefits	233,646	214,789	258,968	259,661	693	0.27%
Materials - Operating Expenses	268,574	230,044	197,340	197,340	-	-%
Purchased/Contract Services	215,437	129,816	150,000	150,000	-	-%
Internal Recoveries	170,289	173,526	175,313	175,313	-	-%
<b>Total Expenses</b>	<b>887,946</b>	<b>748,175</b>	<b>781,621</b>	<b>782,314</b>	<b>693</b>	<b>0.09%</b>
<b>Total Levy Requirements</b>	<b>887,946</b>	<b>748,175</b>	<b>781,621</b>	<b>782,314</b>	<b>693</b>	<b>0.09%</b>

# Airport

## Overview

The Parry Sound Area Municipal Airport is located in Seguin Township in the District of Parry Sound. It is often a re-fueling destination for Air Ambulance, Hydro One Helicopters, Ontario Provincial Police and Search and Rescue.

On August 21, 2000 the Town of Parry Sound and the Township of Seguin entered into an agreement for the operation, control and management of the Parry Sound Area Municipal Airport. Under this agreement both municipalities agreed to sharing the cost of the maintenance, administration and operation of the Airport based on current property value assessment, net of exempt properties.

The management of the Airport is done by the Parry Sound Area Municipal Airport Commission which consists of three representatives from Parry Sound and three representatives from Seguin.

Annually Parry Sound receives the annual levy from the Commission.

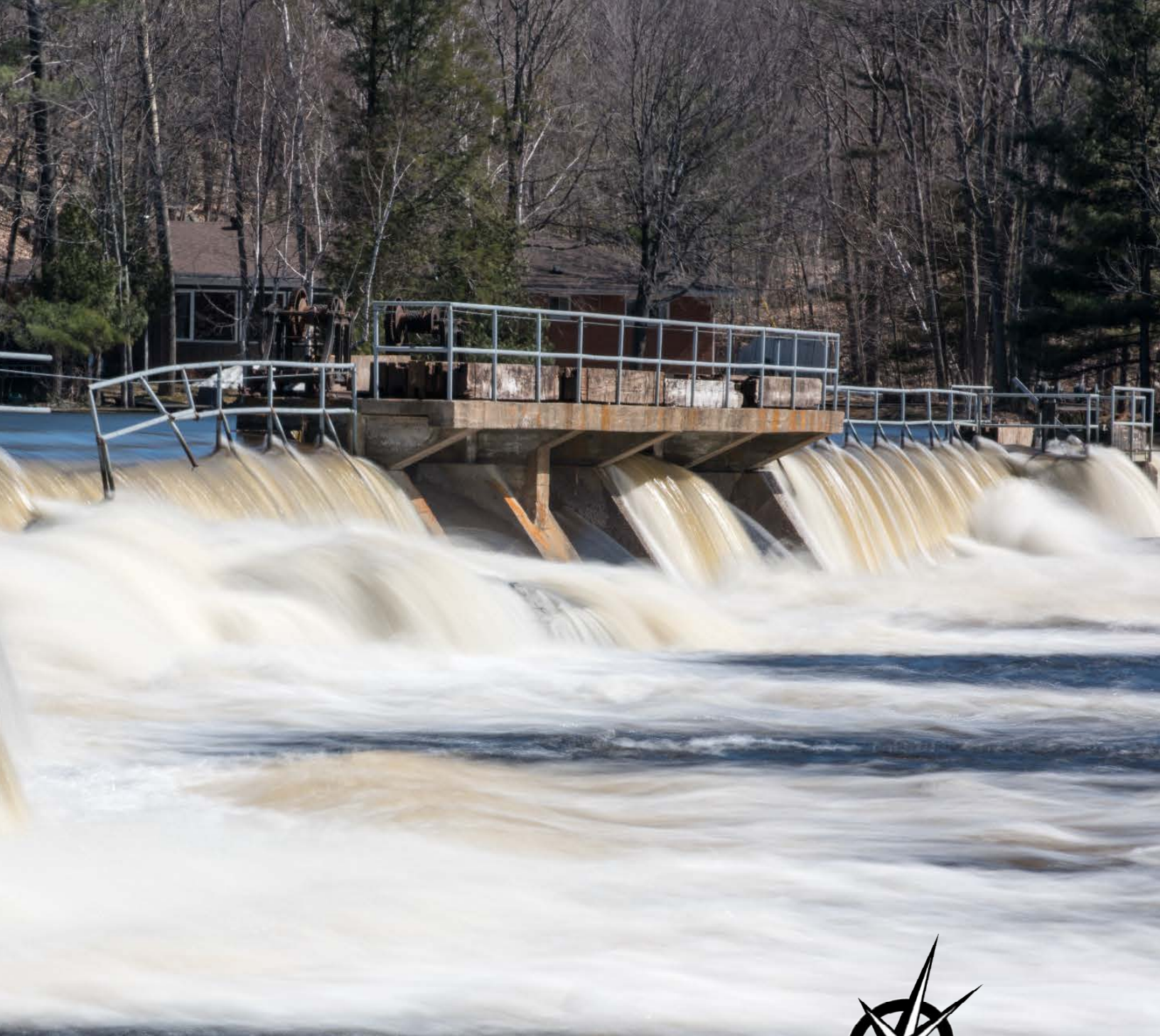
	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Salaries and benefits	1,200	1,000	1,200	1,200	-	-%
Materials - Operating Expenses	900	900	900	900	-	-%
Grants - Transfer Payments	10,000	10,000	11,000	11,000	-	-%
<b>Total Expenses</b>	<b>12,100</b>	<b>11,900</b>	<b>13,100</b>	<b>13,100</b>	<b>-</b>	<b>-%</b>
<b>Total Levy Requirements</b>	<b>12,100</b>	<b>11,900</b>	<b>13,100</b>	<b>13,100</b>	<b>-</b>	<b>-%</b>



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TOWN OF

*Parry Sound*



**Environmental Services**

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# Storm Sewer

## 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.

## Functions

- Culvert maintenance
- Ditch maintenance
- Storm sewer maintenance

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Salaries and benefits	63,230	94,591	108,559	108,799	240	0.22%
Materials - Operating Expenses	9,443	54,487	32,800	42,800	10,000	30.49%
Purchased/Contract Services	75,074	57,921	63,000	63,000	-	-%
Debt Repayment	4,514	4,189	4,298	3,659	(639)	-14.87%
Internal Recoveries	35,440	91,154	92,065	92,065	-	-%
<b>Total Expenses</b>	<b>187,701</b>	<b>302,342</b>	<b>300,722</b>	<b>310,323</b>	<b>9,601</b>	<b>3.19%</b>
<b>Total Levy Requirements</b>	<b>187,701</b>	<b>302,342</b>	<b>300,722</b>	<b>310,323</b>	<b>9,601</b>	<b>3.19%</b>

## Budget Highlights

### Storm Sewer & Catch Basin Maintenance - Increase \$10,000

Aging infrastructure and increased maintenance work required

# Waste Management

## Overview

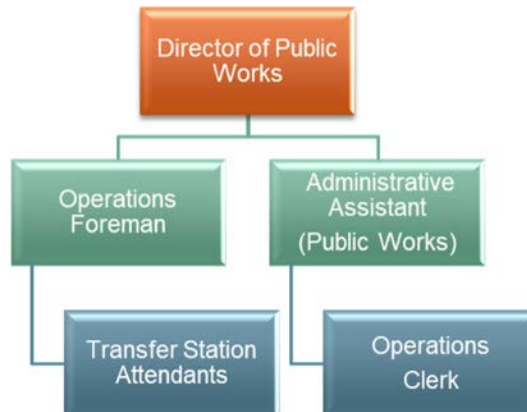
The Town does not operate a public dump or landfill, instead operations staff operate the Town's transfer station.

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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	63,014	60,536	44,900	44,900	-	-%
Other Municipalities	13,345	14,992	17,100	17,290	190	1.11%
User Fees	14,040	4,616	5,000	5,000	-	-%
Other Revenues	29,177	27,435	33,000	33,000	-	-%
<b>Total Revenues</b>	<b>119,576</b>	<b>107,579</b>	<b>100,000</b>	<b>100,190</b>	<b>190</b>	<b>0.19%</b>
<b>Expenses</b>						
Salaries and benefits	121,014	136,322	190,980	194,618	3,638	1.90%

# Waste Management

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Materials - Operating Expenses	348,681	419,261	396,050	403,550	7,500	1.89%
Energy Costs	2,468	2,442	3,500	3,500	-	-%
Rents and Financial Expenses	14,818	15,050	25,000	25,000	-	-%
Purchased/Contract Services	330,493	311,566	312,000	322,000	10,000	3.21%
Internal Recoveries	26,162	24,684	25,991	25,762	(229)	-0.88%
<b>Total Expenses</b>	<b>843,636</b>	<b>909,325</b>	<b>953,521</b>	<b>974,430</b>	<b>20,909</b>	<b>2.19%</b>
<b>Total Levy Requirements</b>	<b>724,060</b>	<b>801,746</b>	<b>853,521</b>	<b>874,240</b>	<b>20,719</b>	<b>2.43%</b>

## Budget Highlights

### Repairs & Maintenance - Increase \$3,500

Additional repairs required at the MacFarlane Transfer Site

### Grinding Brush - Increase \$10,000

Services provided to accept and grind brush for residents is resulting in increasing contracted services costs

### Waste Collection - Increase \$4,000

Contracted services for waste collection are expected to increase 3%



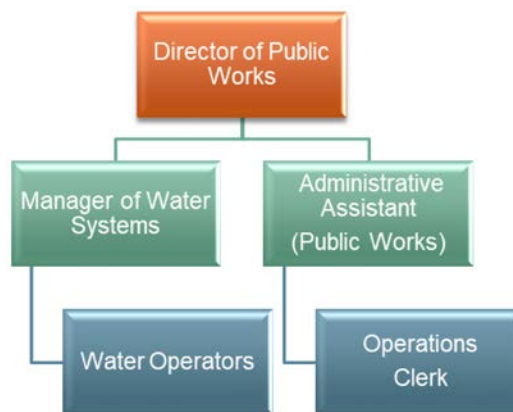
# Water

## 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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	2,470,217	2,534,690	2,584,200	2,631,500	47,300	1.83%
Licensing & Lease Revenues	13,098	6,603	6,500	6,500	-	-%
Investment Earnings	7,311	7,789	9,905	9,905	-	-%
Contributions from Reserves or Reserve Funds	-	-	319,471	280,742	(38,729)	-12.12%
<b>Total Revenues</b>	<b>2,490,626</b>	<b>2,549,082</b>	<b>2,920,076</b>	<b>2,928,647</b>	<b>8,571</b>	<b>0.29%</b>
<b>Expenses</b>						
Salaries and benefits	612,069	627,903	709,978	713,390	3,412	0.48%
Materials - Operating Expenses	156,489	167,348	229,930	256,782	26,852	11.68%
Energy Costs	184,438	163,159	167,700	167,700	-	-%
Rents and Financial Expenses	-	300	7,500	7,500	-	-%
Purchased/Contract Services	116,788	121,612	314,500	326,000	11,500	3.66%
Debt Repayment	125,690	102,441	107,659	68,729	(38,930)	-36.16%
Internal Recoveries	(9,712)	(4,470)	(1,296)	(1,759)	(463)	35.73%

# Water

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Contributions to Reserves or Reserve Funds	-	-	1,354,005	1,390,305	36,300	2.68%
<b>Total Expenses</b>	<b>1,185,762</b>	<b>1,178,293</b>	<b>2,889,976</b>	<b>2,928,647</b>	<b>38,671</b>	<b>1.34%</b>
<b>Total Levy Requirements</b>	<b>(1,304,864)</b>	<b>(1,370,789)</b>	<b>(30,100)</b>	<b>-</b>	<b>30,100</b>	<b>-100.00%</b>

## Budget Highlights

### Water User Rates and Capital Charges - Increase \$66,300

The increase to the revenue from water user fees incorporates the 2.69% increase identified in the current rates by-law.

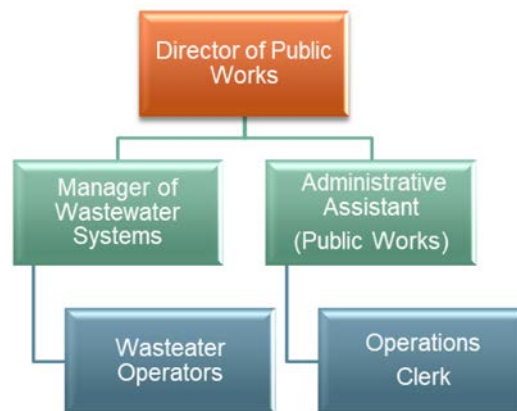
# Wastewater

## 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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	2,985,688	3,148,590	3,205,900	3,393,000	187,100	5.84%
Investment Earnings	1,120	2,262	2,920	2,920	-	-%
Contributions from Reserves or Reserve Funds	-	-	233,216	134,966	(98,250)	-42.13%
<b>Total Revenues</b>	<b>2,986,808</b>	<b>3,150,852</b>	<b>3,442,036</b>	<b>3,530,886</b>	<b>88,850</b>	<b>2.58%</b>
<b>Expenses</b>						
Salaries and benefits	656,010	648,196	704,097	720,367	16,270	2.31%
Materials - Operating Expenses	452,778	457,237	448,544	455,984	7,440	1.66%
Energy Costs	459,430	387,091	345,000	345,000	-	-%
Rents and Financial Expenses	2,007	6,325	6,500	6,500	-	-%
Purchased/Contract Services	276,020	247,927	222,500	222,500	-	-%
Debt Repayment	262,509	257,610	258,589	239,692	(18,897)	-7.31%
Internal Recoveries	1,142	3,335	6,586	6,123	(463)	-7.03%
Contributions to Reserves or Reserve Funds	-	-	1,450,220	1,534,720	84,500	5.83%
<b>Total Expenses</b>	<b>2,109,896</b>	<b>2,007,721</b>	<b>3,442,036</b>	<b>3,530,886</b>	<b>88,850</b>	<b>2.58%</b>
<b>Total Levy Requirements</b>	<b>(876,912)</b>	<b>(1,143,131)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-%</b>

# Wastewater

## Budget Highlights

### **Wastewater User Rates and Capital Charges - Increase \$187,100**

The increase to the revenue from sewer user fees incorporates the 5.84% increase identified in the current rates by-law.

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TOWN OF

*Parry Sound*



**Health Services**



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# Cemeteries

## Overview

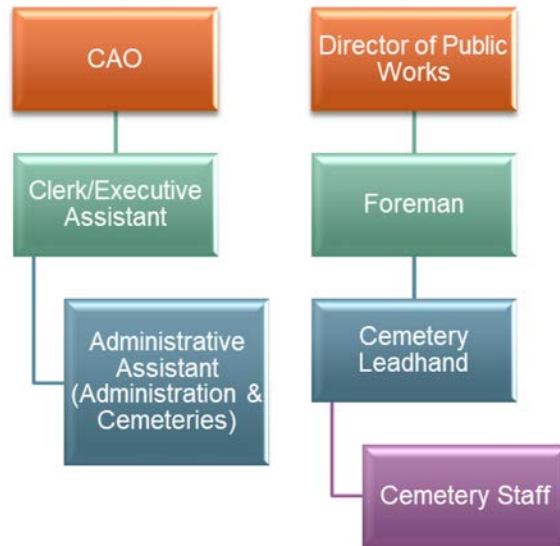
The Town owns and operates 2 cemeteries, Hillcrest Cemetery (est.1871) and Sylvan Acres Cemetery (est. 1971). The operation is a joint effort between the Office of the CAO and Public Works.

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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	45,105	52,319	49,500	49,500	-	-%
Investment Earnings	3,351	5,426	3,300	3,300	-	-%
<b>Total Revenues</b>	<b>48,456</b>	<b>57,745</b>	<b>52,800</b>	<b>52,800</b>	<b>-</b>	<b>-%</b>

# Cemeteries

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Salaries and benefits	123,287	101,302	102,458	127,870	25,412	24.80%
Materials - Operating Expenses	38,257	31,224	41,184	42,796	1,612	3.91%
Energy Costs	19,203	16,911	20,100	20,100	-	-%
Purchased/Contract Services	1,882	2,224	5,900	7,900	2,000	33.90%
Internal Recoveries	4,081	279	281	281	-	-%
Contributions to Reserves or Reserve Funds	-	-	-	5,500	5,500	-%
<b>Total Expenses</b>	<b>186,710</b>	<b>151,940</b>	<b>169,923</b>	<b>204,447</b>	<b>34,524</b>	<b>20.32%</b>
<b>Total Levy Requirements</b>	<b>138,254</b>	<b>94,195</b>	<b>117,123</b>	<b>151,647</b>	<b>34,524</b>	<b>29.48%</b>

## Budget Highlights

### Salaries and Benefits - Increase \$24,236

Reallocation of wages and related benefits between various operating areas. More part-time labour was budgeted for cemeteries in 2020

# Health Unit

## Overview

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.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	-	-	184,462	193,685	9,223	5.00%
Payments to school boards	183,566	183,566	-	-	-	-%
Contributions to Reserves or Reserve Funds	-	-	-	29,514	29,514	-%
<b>Total Expenses</b>	<b>183,566</b>	<b>183,566</b>	<b>184,462</b>	<b>223,199</b>	<b>38,737</b>	<b>21.00%</b>
<b>Total Levy Requirements</b>	<b>183,566</b>	<b>183,566</b>	<b>184,462</b>	<b>223,199</b>	<b>38,737</b>	<b>21.00%</b>

## Budget Highlights

### Health Unit Levy - Increase \$9,223

The levy increase was mitigated by the health unit for 2020 with the use of their reserves.

Communications indicate that costs are expected to increase by 142% by 2021

### Transfer to Health Unit Cost Stabilization Reserve - Increase \$29,514

A transfer to reserve will mitigate 50% of the estimated change expected from a funding model change of 70/30 to 75/25

# 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.



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	4,683,198	4,862,371	5,214,661	5,309,559	94,898	1.82%
Other Municipalities	3,822,400	3,940,900	4,019,718	4,140,310	120,592	3.00%
Investment Earnings	26,528	37,514	37,754	33,706	(4,048)	-10.72%
Other Revenues	4,813	-	-	-	-	-%
<b>Total Revenues</b>	<b>8,536,939</b>	<b>8,840,785</b>	<b>9,272,133</b>	<b>9,483,575</b>	<b>211,442</b>	<b>2.28%</b>
<b>Expenses</b>						
Salaries and benefits	213,277	197,249	198,624	194,168	(4,456)	-2.24%
Materials - Operating Expenses	106,801	85,418	112,840	139,292	26,452	23.44%
Rents and Financial Expenses	38,883	74,549	77,000	82,000	5,000	6.49%
Purchased/Contract Services	7,749,894	8,173,149	8,362,755	8,547,028	184,273	2.20%
Internal Recoveries	550	450	1,850	1,773	(77)	-4.16%
Contributions to Reserves or Reserve Funds	-	-	519,064	519,314	250	0.05%
<b>Total Expenses</b>	<b>8,109,405</b>	<b>8,530,815</b>	<b>9,272,133</b>	<b>9,483,575</b>	<b>211,442</b>	<b>2.28%</b>
<b>Total Levy Requirements</b>	<b>(427,534)</b>	<b>(309,970)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-%</b>

# Town's Contribution to Land Ambulance

## Overview

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.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	237,539	243,629	247,335	254,755	7,420	3.00%
<b>Total Expenses</b>	237,539	243,629	<b>247,335</b>	<b>254,755</b>	<b>7,420</b>	<b>3.00%</b>
<b>Total Levy Requirements</b>	237,539	243,629	<b>247,335</b>	<b>254,755</b>	<b>7,420</b>	<b>3.00%</b>



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TOWN OF



*Parry Sound*

**Social and Family Services**

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# Home for the Aged

## Overview

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 co-operation 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.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	136,856	138,858	135,035	135,035	-	-%
<b>Total Expenses</b>	136,856	138,858	<b>135,035</b>	<b>135,035</b>	-	-%
<b>Total Levy Requirements</b>	136,856	138,858	<b>135,035</b>	<b>135,035</b>	-	-%

# Seniors Assistance

## Overview

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.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	3,500	3,500	5,000	5,000	-	-%
<b>Total Expenses</b>	3,500	3,500	<b>5,000</b>	<b>5,000</b>	-	-%
<b>Total Levy Requirements</b>	3,500	3,500	<b>5,000</b>	<b>5,000</b>	-	-%

# District Social Services Administration Board

## Overview

The Town supports, via levies, the District of Parry Sound Social Services Administration Board (DSSAB). This is a special agency created by the Province of Ontario with the responsibility to deliver social services within the community.

DSSAB was created by the District Social Services Administrations Board Act in February 1999 and is represented by Municipalities and Unincorporated Townships within the District of Parry Sound.

The programs are funded by Municipalities as well as the Province of Ontario. The Municipal share of the total costs is apportioned amongst participating municipalities and unincorporated townships based on the percentage of total assessment values within the District of Parry Sound.

The Town supports social assistance, child care and social housing through DSSAB.

The levies for each division are provided by DSSAB. It is a required payment of the Town.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	321,246	318,891	320,861	317,319	(3,542)	-1.10%
<b>Total Expenses</b>	321,246	318,891	<b>320,861</b>	<b>317,319</b>	<b>(3,542)</b>	<b>-1.10%</b>
<b>Total Levy Requirements</b>	321,246	318,891	<b>320,861</b>	<b>317,319</b>	<b>(3,542)</b>	<b>-1.10%</b>



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TOWN OF  
*Parry Sound*

**Recreation and Culture**

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# 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 commercial tradeshows and various events including indoor sports and concerts.

## Functions

- Arena operating costs
- Ice surface
- Equipment
- Hall operating costs



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	179,713	184,303	157,900	157,400	(500)	-0.32%
Licensing & Lease Revenues	5,310	4,425	7,000	7,000	-	-%
<b>Total Revenues</b>	<b>185,023</b>	<b>188,728</b>	<b>164,900</b>	<b>164,400</b>	<b>(500)</b>	<b>-0.30%</b>
<b>Expenses</b>						
Salaries and benefits	241,733	252,058	225,901	230,724	4,823	2.14%
Materials - Operating Expenses	112,633	93,313	114,186	119,829	5,643	4.94%
Energy Costs	138,340	135,619	109,000	109,000	-	-%
Rents and Financial Expenses	2,924	1,336	1,500	1,500	-	-%
Purchased/Contract Services	36,054	42,425	36,400	38,000	1,600	4.40%
Debt Repayment	63,141	62,729	66,300	99,398	33,098	49.92%

# Bobby Orr Community Centre

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Internal Recoveries	2,834	1,977	3,295	1,719	(1,576)	-47.83%
<b>Total Expenses</b>	<b>597,659</b>	<b>589,457</b>	<b>556,582</b>	<b>600,170</b>	<b>43,588</b>	<b>7.83%</b>
<b>Total Levy Requirements</b>	<b>412,636</b>	<b>400,729</b>	<b>391,682</b>	<b>435,770</b>	<b>44,088</b>	<b>11.26%</b>

## Budget Highlights

### Principal and Interest on LT Debt - Increase \$42,639

In 2019 the ice pad was replaced at the Bobby Orr Community Center, and the costs were funded through debt. The Town has a 30-year debenture with Infrastructure Canada for an amount of \$860,435.56, paid semi-annually, with an interest rate of 2.81% per annum. Per the repayment schedule, a total of \$42,639 (includes interest of \$24,049) will be paid.

# Parks and Recreation

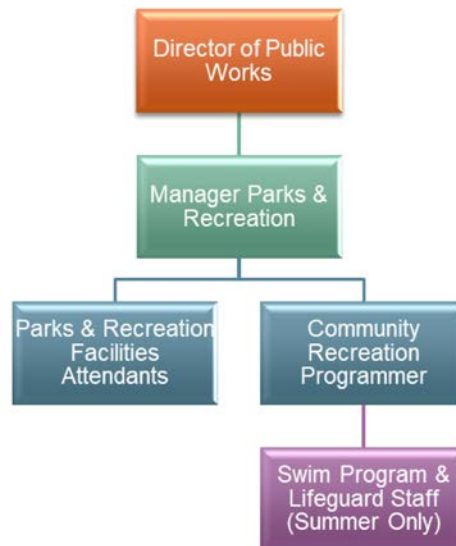
## Overview

The Town of Parry Sound prides itself on providing first rate community amenities, many supported by the Parks and Recreation division. The Town proudly boasts of its trails, world class blue flag beach, events and activities for the whole family.

The Town has a variety of parks which include some dog-off leash areas, a skate park and an outdoor rink at Kinsmen Park.

## Functions

- Recreation administration
- Parks
- Vehicles and equipment dedicated to Parks
- Skateboard Park
- Recreation programs
- Special events such as the Soap Box Derby, Snowfest and Canada Day celebration



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	769	-	59,200	50,000	(9,200)	-15.54%
Federal Grants and Subsidies	29,709	-	-	-	-	-%
User Fees	41,464	187,201	29,100	31,500	2,400	8.25%
Licensing & Lease Revenues	3,914	1,200	2,000	2,000	-	-%
Investment Earnings	102	186	1,024	821	(203)	-19.82%



# Parks and Recreation

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Other Revenues	1,291	2,358	1,900	1,900	-	-%
<b>Total Revenues</b>	<b>77,249</b>	<b>190,945</b>	<b>93,224</b>	<b>86,221</b>	<b>(7,003)</b>	<b>-7.51%</b>
<b>Expenses</b>						
Salaries and benefits	478,148	516,389	594,946	583,475	(11,471)	-1.93%
Materials - Operating Expenses	163,623	184,328	211,077	224,028	12,951	6.14%
Energy Costs	42,679	38,025	41,800	42,300	500	1.20%
Rents and Financial Expenses	7,340	19,523	8,400	8,400	-	-%
Purchased/Contract Services	38,130	35,542	89,500	103,500	14,000	15.64%
Grants - Transfer Payments	1,500	51,779	3,000	1,500	(1,500)	-50.00%
Internal Recoveries	4,690	6,402	8,711	7,656	(1,055)	-12.11%
Contributions to Reserves or Reserve Funds	-	-	6,524	821	(5,703)	-87.42%
<b>Total Expenses</b>	<b>736,110</b>	<b>851,988</b>	<b>963,958</b>	<b>971,680</b>	<b>7,722</b>	<b>0.80%</b>
<b>Total Levy Requirements</b>	<b>658,861</b>	<b>661,043</b>	<b>870,734</b>	<b>885,459</b>	<b>14,725</b>	<b>1.69%</b>

# Parks and Recreation

## Budget Highlights

### **Recreation Master Plan - Increase \$50,000**

The Recreation Master Plan is budgeted to be funded from the Modernization Grant and carried forward from 2019

### **Tree Replacement Program - Increase \$15,000**

\$15,000 additional is budgeted for new trees in the downtown core

### **Waubuno Park - Increase \$5,000**

A new "Welcome to Waubuno" sign

### **Tower Hill Park Observation Tower Structural Assessment - Increase \$2,000**

Engineering services will be contracted to conduct a structural assessment on the Town's 30m observation tower location on Tower Hill. The condition report will provide guidance regarding future repairs and maintenance.

### **Light Up the Park - Increase \$1,500**

Additional materials and contracted services budgeted for light up the park

### **Light Up the Tower on Tower Hill - Increase \$3,500**

What an amazing sight a lit, 30m observation tower would be when lit up for the holidays. In 2020 staff plan on purchasing various materials (miscellaneous materials - \$2,000) as well as upgrading the electrical at the base of the tower (contracted services - \$1,500) to make this sight a reality.

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

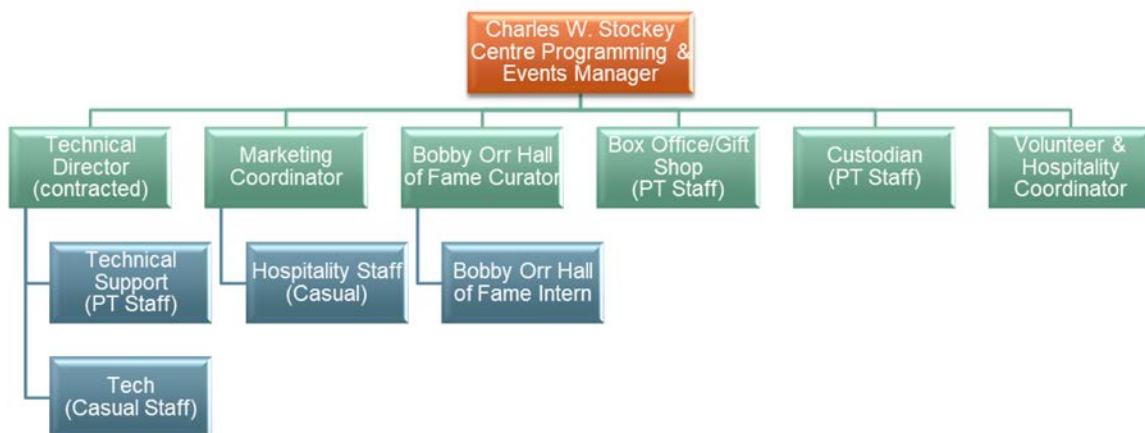
## Overview

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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
Provincial Grants and Subsidies	24,646	10,233	31,500	31,500	-	-%
Federal Grants and Subsidies	30,000	30,000	30,000	33,000	3,000	10.00%
Other Municipalities	266,112	10,000	260,000	307,333	47,333	18.21%
User Fees	980,248	1,055,457	854,255	920,905	66,650	7.80%

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

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Investment Earnings	2,027	8,321	9,889	7,151	(2,738)	-27.69%
Other Revenues	112,944	119,622	61,000	74,500	13,500	22.13%
Contributions from Reserves or Reserve Funds	-	-	2,000	7,000	5,000	250.00%
<b>Total Revenues</b>	<b>1,415,977</b>	<b>1,233,633</b>	<b>1,248,644</b>	<b>1,381,389</b>	<b>132,745</b>	<b>10.63%</b>
<b>Expenses</b>						
Salaries and benefits	544,040	523,504	497,727	607,656	109,929	22.09%
Materials - Operating Expenses	474,057	579,976	396,941	399,133	2,192	0.55%
Energy Costs	82,242	87,980	83,000	83,000	-	-%
Rents and Financial Expenses	29,267	28,345	26,300	26,021	(279)	-1.06%
Purchased/Contract Services	227,496	202,374	173,336	154,475	(18,861)	-10.88%
Debt Repayment	-	-	-	47,333	47,333	-%
Grants - Transfer Payments	3,724	6,068	5,500	4,500	(1,000)	-18.18%
Internal Recoveries	7,750	8,250	17,451	16,120	(1,331)	-7.63%
Contributions to Reserves or Reserve Funds	-	-	45,889	43,151	(2,738)	-5.97%
<b>Total Expenses</b>	<b>1,368,576</b>	<b>1,436,497</b>	<b>1,246,144</b>	<b>1,381,389</b>	<b>135,245</b>	<b>10.85%</b>
<b>Total Levy Requirements</b>	<b>(47,401)</b>	<b>202,864</b>	<b>(2,500)</b>	<b>-</b>	<b>2,500</b>	<b>-100.00%</b>

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

## Budget Highlights

### **Stockey Centre Reserve Transfer - Increase \$5,000**

The transfer is to cover Bayside Deck repairs and maintenance

### **Salaries & Benefits - Increase \$30,545**

This is the net increase when considering the decrease in contracted services and the establishment of a Technical Director position. Historically the Stockey Centre has relied on contracted services to perform these tasks.

### **Principal & Interest - Increase \$47,333**

In 2019 the Town financed, net of funding received, the costs of the second phase of the Stockey Centre roof, as well as replacement/updating of the siding. This debenture was for a total of \$727,780, paid semi-annually with an interest rate of 2.7% per annum over 20 years. In 2020 the repayment requirement is \$47,333 (including interest of \$19,463 )

### **Bobby Orr Hall of Fame Induction Ceremony - Increase \$10,000**

In 2019 the Bobby Orr Hall of Fame, along with Bobby Orr, hosted the Celebrating Youth Awards which was a free community event and donated food. In 2020 the Hall of Fame will be hosting an Induction Ceremony, which is a high-end, ticketed event requiring catering.

# Library

## Overview

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.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	356,671	184,000	197,160	205,000	7,840	3.98%
<b>Total Expenses</b>	<b>356,671</b>	<b>184,000</b>	<b>197,160</b>	<b>205,000</b>	<b>7,840</b>	<b>3.98%</b>
<b>Total Levy Requirements</b>	<b>356,671</b>	<b>184,000</b>	<b>197,160</b>	<b>205,000</b>	<b>7,840</b>	<b>3.98%</b>

## Budget Highlights

### Public Library Contribution - Increase \$7,840

The Library budget requests an increase to the Town's annual assistance. The increase has been included in the proposed budget. Per the letter to Council, the Library will use these funds to help cover the payroll cost of living increase. Council can choose to approve or deny this request.



# Museum

## Overview

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.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	30,900	31,800	31,800	33,076	1,276	4.01%
<b>Total Expenses</b>	30,900	31,800	<b>31,800</b>	<b>33,076</b>	<b>1,276</b>	<b>4.01%</b>
<b>Total Levy Requirements</b>	30,900	31,800	<b>31,800</b>	<b>33,076</b>	<b>1,276</b>	<b>4.01%</b>

## Budget Highlights

### Museum on Tower Hill Contribution - Increase \$1,276

A 4% increase to their prior year's request to aid with the operational costs to allow the Museum to continue to present exhibitions. In addition, the Museum puts aside 5% of the Town's contribution towards building maintenance. The requested increase has been included in the proposed budget. Council can choose to approve or deny this request.



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**Planning and Development**

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# 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



	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	20,410	18,283	19,500	19,500	-	-%
Licensing & Lease Revenues	75,000	75,000	75,000	75,000	-	-%
Investment Earnings	3,820	7,170	11,960	10,765	(1,195)	-9.99%
Contributions from Reserves or Reserve Funds	-	-	50,000	50,000	-	-%
<b>Total Revenues</b>	<b>99,230</b>	<b>100,453</b>	<b>156,460</b>	<b>155,265</b>	<b>(1,195)</b>	<b>-0.76%</b>
<b>Expenses</b>						
Salaries and benefits	136,410	145,815	147,659	146,670	(989)	-0.67%
Materials - Operating Expenses	12,126	17,627	12,371	12,628	257	2.08%
Purchased/Contract Services	23,215	28,079	77,250	90,887	13,637	17.65%
Debt Repayment	12,760	8,331	7,557	13,663	6,106	80.80%
Grants - Transfer Payments	1,240	20,294	-	-	-	-%
Internal Recoveries	917	1,093	2,134	2,006	(128)	-6.00%

# Planning

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
Contributions to Reserves or Reserve Funds	-	-	88,649	87,455	(1,194)	-1.35%
<b>Total Expenses</b>	186,668	221,239	<b>335,620</b>	<b>353,309</b>	<b>17,689</b>	<b>5.27%</b>
<b>Total Levy Requirements</b>	87,438	120,786	<b>179,160</b>	<b>198,044</b>	<b>18,884</b>	<b>10.54%</b>

## Budget Highlights

### Development Charges Study - Carried Forward \$50,000

Development Charges study carried forward to 2020, and will be funded by the Lot Levy and Development Charges Reserve Funds

### Façade Improvement Program - Annually \$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.

# Planning Board

## Overview

The Parry Sound Area Planning Board provides services to 5 municipalities (Town of Parry Sound, Carling Township, Municipality of McDougall, McKellar Township, and Municipality of Whitestone).

The Board consists of 10 members, 2 representatives from each participating municipality.

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.

Annually the Town provides 1/5 of the total municipal levies identified by the Planning Board's annual budget. Historically this amount has been \$35,000.

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Expenses</b>						
Grants - Transfer Payments	7,000	7,000	7,000	7,000	-	-%
<b>Total Expenses</b>	7,000	7,000	<b>7,000</b>	<b>7,000</b>	-	-%
<b>Total Levy Requirements</b>	7,000	7,000	<b>7,000</b>	<b>7,000</b>	-	-%



# 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

- Big Sound Marina
- Town Dock
- Industrial Park Contributions
- Economic Development administration
- Marketing
- Cruise Ships
- Community Communications
- Waterfront development/remediation
- Fitness Trail Master Plan
- Smelter Wharf (Salt Dock)



# Development

	Actuals		Budget		Budget Change	
	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Dollar Change	Percent Change
<b>Revenues</b>						
User Fees	15	209	19,500	19,500	-	-%
Licensing & Lease Revenues	2,924	-	-	-	-	-%
Investment Earnings	-	299	-	-	-	-%
Other Revenues	18,298	-	-	-	-	-%
Contributions from Reserves or Reserve Funds	-	-	60,000	60,000	-	-%
<b>Total Revenues</b>	<b>21,237</b>	<b>508</b>	<b>79,500</b>	<b>79,500</b>	<b>-</b>	<b>-%</b>
<b>Expenses</b>						
Salaries and benefits	172,140	178,766	146,073	171,288	25,215	17.26%
Materials - Operating Expenses	85,443	86,948	148,561	113,734	(34,827)	-23.44%
Energy Costs	52,496	78,029	41,000	41,800	800	1.95%
Rents and Financial Expenses	21	3,458	2,000	2,000	-	-%
Purchased/Contract Services	95,714	60,441	80,500	79,500	(1,000)	-1.24%
Debt Repayment	170	3,598	3,424	3,250	(174)	-5.08%
Grants - Transfer Payments	94,928	97,181	30,777	29,277	(1,500)	-4.87%
Internal Recoveries	1,452	1,833	1,791	1,685	(106)	-5.92%
<b>Total Expenses</b>	<b>502,364</b>	<b>510,254</b>	<b>454,126</b>	<b>442,534</b>	<b>(11,592)</b>	<b>-2.55%</b>
<b>Total Levy Requirements</b>	<b>481,127</b>	<b>509,746</b>	<b>374,626</b>	<b>363,034</b>	<b>(11,592)</b>	<b>-3.09%</b>

## Budget Highlights

### Contribution to the Community Business Development Corporation -Increase \$3,500

The Parry Sound Area Community Business and Development Centre (CBDC) is a not-for-profit Community Futures Development Corporation. They help to promote economic growth and community development within the Parry Sound region. The Town is anticipating an increase in their support towards the CBDC due to an anticipated decline of 15% in grant funding from other sources in 2020.

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**Capital Budget**

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# 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 items that the Town owns or controls that have some form of financial value, for example, the municipal building; and
- **Municipal Infrastructure:** The equipment and systems that provide the Town with roads, bridges, culverts, stormwater systems, water systems and wastewater systems

As further developments are made, the capital budget will become a well scheduled process, relying heavily on the asset management plans of a municipality to help 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, 2021; and
- An asset management plan for buildings, machinery and equipment, land improvements and vehicles by July 1, 2023

The Town is working towards the development of asset management plans to meet the regulation's requirements.

## Dedicated Capital Levy

***The 2020 dedicated capital levy is: \$ 1,512,353***

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 working towards a method through which 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.

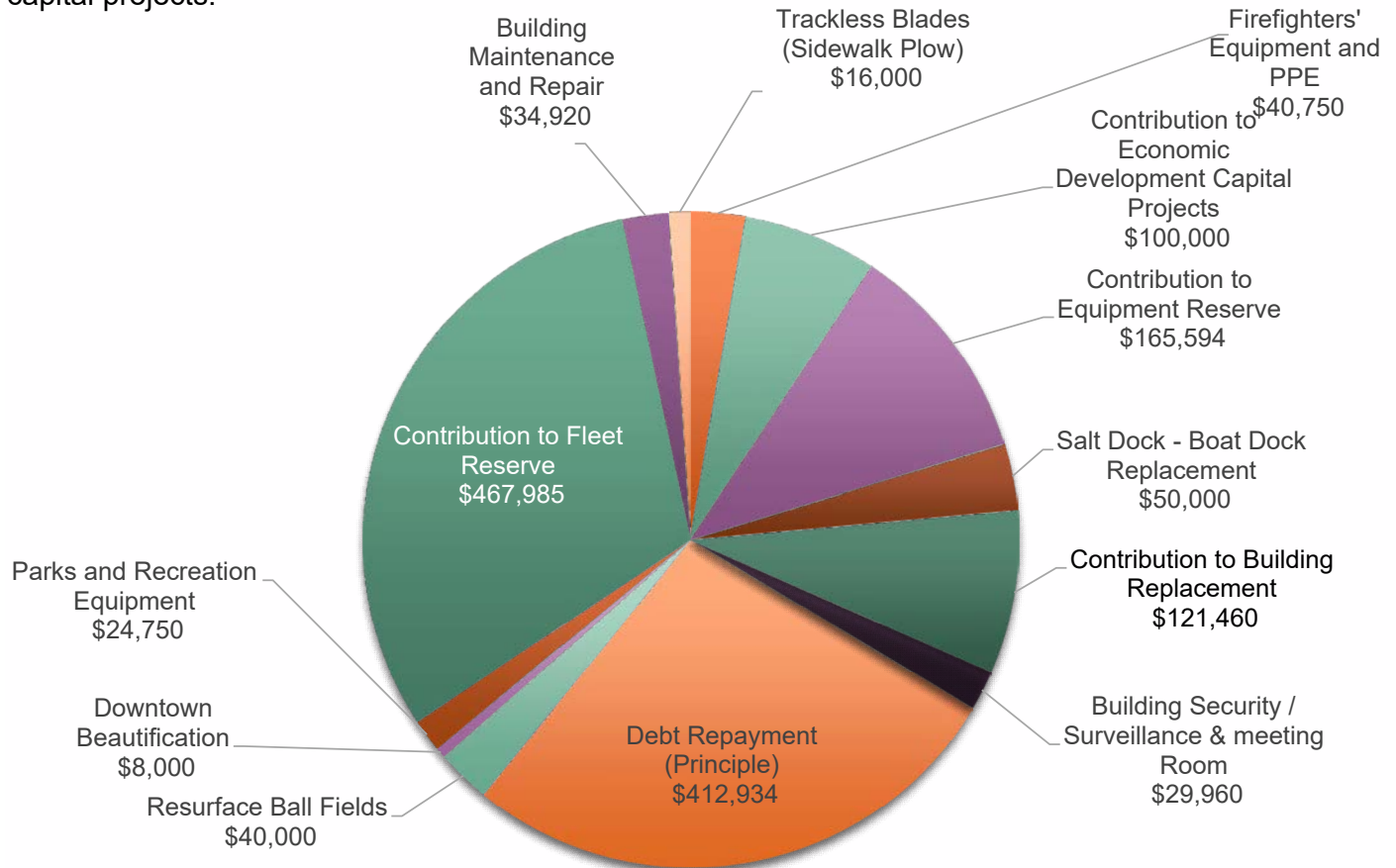
## Calculation of the Dedicated Capital Levy

2019 net tax levy required (per 2019 budget)	\$ 10,938,186
Growth factor	1.8%
	\$ 196,887
2019 dedicated capital levy	1,315,466
2020 dedicated capital levy	\$ 1,512,353

## Allocation of the Capital Levy

The goal of the capital levy is to provide adequate funding of 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, as well as debt principle repayments. Any remaining levy is applied towards tax supported capital projects.



# 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

### Multi-year Construction Projects

In recent years, there have been a few multi-year construction projects in progress. Work has been ongoing on these projects, and any changes to the anticipated costs are the top priority for funding within the capital budget.

Project	2020 Budget	2019 Budget	Change
Isabella St Realignment	\$ 2,268,671	\$ 1,380,272	\$ 888,399
Waubeek St Reconstruction	7,224,960	7,224,960	-
<b>Total</b>	<b>\$ 10,273,631</b>	<b>\$ 9,237,232</b>	<b>\$ 888,399</b>

### Isabella St. Realignment

*Funding Source: Debenture, Government Funding, Reserve Funds*

The project received priority due to the substandard pavement width and lack of sidewalks and storm sewers. In addition, it has become a primary route for elementary school aged children to walk to school with the construction of Parry Sound Public School. The additional amount required was due to more road realignment required. In 2020, a second lift of asphalt will finalize the project

The scope of the Isabella St project is:

- Reconstruction of the roadway, including minor realignment within the existing right of way
- Construction of a sidewalk, meeting Accessibility for Ontarians with Disabilities Act (AODA) requirements, including ramps and tactile plates
- Installation of a storm sewer
- Replacement of 125 m of sanitary sewer
- Replacement of 120 m of watermain

## Waubeeek St. Reconstruction

*Funding Source: Debenture, Government Funding, Reserve Funds*

The Waubeeek St project includes the following locations:

- Waubeeek St from the Rail Bridge near Church Lane to the intersection with Wood Street (approximately 755 m)
- Melvin Street (approximately 45 m)
- Prospect Street from Waubeeek Street to the sanitary sewage pumping station (approximately 200 m)

The project was identified in the 2014 Asset Management Plan as a priority for complete rehabilitation. Factors that contributed to this assessment were the sewage forcemain breaks, numerous sanitary sewer failures and road failures. In addition, the watermain is very old and required replacement to improve water conveyance and firefighting flows.

The scope of the Waubeeek St project is:

- Replace and upsize all watermains on Waubeeek St. and Prospect St.
- Replace failed storm sewer on Waubeeek St.
- Replace leaking and aged storm sewer on Prospect St.
- Replacement of failed sanitary sewer on Waubeeek St.
- Replacement of leaking and failing sanitary sewer on Prospect St.
- Replacement of leaking and aged sanitary forcemains on Waubeeek St. and Prospect St.

## Carried Forward from 2019 to 2020

Projects that have not been completed in 2019 have been deferred to 2020. As these projects were funded in the previous budget process the only impact on 2020 is any change in price. In some cases, some preliminary work may have been performed, resulting in a more accurate 2020 budget figure.

Project	2020 Budget	2019 Budget	Change
SPS #3 Upgrade	\$ 700,000	\$ 600,000	\$ 100,000
Mission Park Playground Equipment	80,000	32,000	48,000
Tower Hill Rockpath	10,000	10,000	-
Parks (08-251) Refurb. of Cemetery Pickup	35,000	35,000	-
BOCC Tables and Chairs	33,500	16,750	16,750
Stucco Exterior	15,000	15,000	-

Project	2020 Budget	2019 Budget	Change
Renovation of Reception Area	60,000	60,000	-
Fitness Trail Renovations	50,000	50,000	-
Manhole Repairs	50,000	50,000	-
Downtown Beautification (Carryforward unused)	11,000	3,000	8,000
Town Dock – Lights and Electrical	40,000	40,000	-
Town Dock - Roof	12,000	12,000	-
Big Sound Marina – Floating Breakwater	1,150,000	1,150,000	-
SC Hot Water Tanks	5,500	5,500	-
Chair Units – Performance Hall	5,000	5,000	-
SC Loading Bay Area Upgrades	6,000	6,000	-
<b>Total</b>	<b>\$ 2,263,000</b>	<b>\$ 2,090,250</b>	<b>\$ 172,750</b>

### Sewage Pump Station #3

*Funding Source: Wastewater Stabilization Reserve*

After further Engineer review an additional \$100,000 is added to the budget for construction. The station is aged and subject to numerous repairs. The flows are also ever increasing due to a new building north of the station.

### Mission Park Playground Equipment

*Funding Source: Tax Revenue and Capital Asset Replacement Reserve Fund for additional requirement*

\$8,000 additional is required for the increased estimated cost of equipment and the other \$40,000 is required for fall safety material and installation. Regulations have changed requiring a recycled rubber material that can be cleaned and improves the safety of the play area.

### BOCC Tables and Chairs

*Funding Source: Tax Revenue*

Council approved half of the tables and chairs to be purchased in 2019. But, due to economies of scale and anticipated value in purchasing the entire requirement as a bulk order, the purchase was deferred to 2020 deliberations for consideration. An additional \$16,750 is required for the bulk needing replacement.

## 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	Debenture	Reserve	Reserve Funds
Laptop/Desktop Replacement	\$ -	\$ -	\$ -	\$ -	\$ 24,000	\$ -
Firefighters Gear	28,000	-	-	-	-	-
Firefighters' PPE	12,750	-	-	-	-	-
Traffic Light Control System	-	-	-	-	-	60,000
Paving	-	-	406,185	-	-	-
Water Meters	-	-	-	-	15,000	-
<b>Total</b>	<b>\$ 40,750</b>	<b>\$ -</b>	<b>\$ 406,185</b>	<b>\$ -</b>	<b>\$ 39,000</b>	<b>\$ 60,000</b>

## New 2020 Capital Projects

Each year there are new projects requiring staff's attention. In 2020, staff's focus is on completing previously approved projects and maintaining regular replacement schedules that have been laid out through long-term planning exercises. A Roads Study has been completed in 2019. A prioritization and service level setting exercise in 2020 will inform future replacement.

## General Government

*Office of the Chief Administrative Officer, Finance & Information Technology*

Project	Tax Levy	Municipal Partners	Provincial /Federal Funding	Debenture	Reserve	Reserve Funds
IT Infrastructure Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 17,000	\$ -

Project	Tax Levy	Municipal Partners	Provincial /Federal Funding	Debenture	Reserve	Reserve Funds
Surveillance – Camera Systems (office/water/wastewater)	2,760	1,740	-	-	2,400	-
Security – Key Fob System at Town Office	12,200	5,800	-	-	-	-
Meeting Room Upgrade	15,000		-	-	-	-
<b>Total</b>	<b>\$ 29,960</b>	<b>\$ 7,540</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,400</b>	<b>\$ -</b>

## Protection Services

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

Project	Tax Levy	Municipal Partners	Provincial /Federal Funding	Debenture	Reserve	Reserve Funds
Floor painting at Pound	\$ 7,500	\$ 7,500	\$ -	\$ -	\$ -	\$ -
Fire Hall – Improvement to Ready Room	-	-	-	-	-	50,000
Parking Ticket Software	-	-	15,000	-	-	-
<b>Total</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000</b>



## Transportation Services

### Operations & Winter Control

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
Parry Sound Drive Ditching	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Operations Yard Paving	-	130,000	-	-	-	-
Trackless Blades (Sidewalk Plow)	16,000	-	-	-	-	-
Sidewalk Plow (07-720)	-	-	-	-	95,730	-
Public Works Truck (08-080)	-	-	-	-	57,500	-
Director of Public Works Vehicle (08-300)	-	-	-	-	14,720	-
<b>Total</b>	<b>\$ 16,000</b>	<b>\$ 190,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 267,950</b>	<b>\$ -</b>

## Environmental Services

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

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
SPS#5 Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -
Sewage Pump Station 5 Grease Control	-	-	-	-	20,000	-
Culvert Lining - Parry Sound Dr	-	150,000	-	-	-	-
Gate Security/Wastewater	-	-	-	-	30,000	-

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
SPS 6 Pump Replacement	-	-	-	-	200,000	-
SPS 6 Pump Lifting Device	-	-	-	-	100,000	-
SPS 6 Electrical Upgrade	-	-	-	-	1,500,000	-
Transfer Station Compactors	-	-	-	-	-	100,000
Tower Insertion Meters	-	-	-	-	20,000	-
I/O Module Upgrades	-	-	-	-	40,000	-
Water Plant VFD Blowers	-	-	-	-	10,000	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,940,000</b>	<b>\$ 100,000</b>

## Health Services

### Cemeteries & Land Ambulance

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
Ambulance 5289	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,000
Ambulance 5288	-	-	-	-	-	135,000
PRU 5321	-	-	-	-	-	75,000
Hillcrest Mower (07-630)	-	-	-	-	17,000	-
Hillcrest Mower (07-920)	-	-	-	-	25,000	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 42,000</b>	<b>\$ 345,000</b>

## Recreation and Culture

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

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
Waubuno Beach Roof	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000
CP Station Furnace	27,420	-	-	-	-	-
Resurface Ball Fields	40,000	-	-	-	-	-
BOCC Engine Room Panel	-	-	-	-	-	24,850
Salt Dock – Boat Dock Replacement	50,000	-	-	-	-	-
SC Performance Hall Lighting Consult	-	-	1,600	-	14,400	-
Washroom Renovation Project	-	-	30,000	-	30,000	-
SC Commercial Freezer	-	-	-	-	6,000	-
Replacement of BOHF Top Shot Game	-	-	-	-	-	5,000
BOHF Collections Management Database	-	-	-	-	-	5,000

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
BOHF Permanent Exhibit Re-Design – Phase 1	-	-	-	-	-	25,000
<b>Total</b>	<b>\$ 117,420</b>	<b>\$ -</b>	<b>\$ 31,600</b>	<b>\$ -</b>	<b>\$ 50,400</b>	<b>\$ 74,850</b>

## Planning and Development

### *Economic Development & Planning*

Project	Tax Levy	Provincial Funding	Federal Funding	Debenture	Reserve	Reserve Funds
Only Carryforward Projects in 2020						

## New Items for Council Consideration

### Tower Hill Cabin Interior Restoration

<b>Description:</b>	Completion of the Ranger Cabin restoration on Tower Hill through the completion of the interior restoration
<b>Capital Cost:</b>	\$19,000 (plus carryforward of \$18,000 from 2019)
<b>Proposed Funding:</b>	Property Taxes
<b>Tax Rate Impact:</b>	0.174%
<b>Tax Impact:</b>	\$2.35 (on Residential Assessment of \$100,000)

### Columbarium for Sylvan Cemetery

<b>Description:</b>	Recent requests for a columbarium at Sylvan Cemetery
<b>Capital Cost:</b>	\$40,000
<b>Proposed Funding:</b>	Property Taxes
<b>Tax Rate Impact:</b>	0.366%
<b>Tax Impact:</b>	\$4.95 (on Residential Assessment of \$100,000)

## Georgian Bay Avenue

<b>Description:</b>	A deputation was made to request drainage improvements. A study would be required to initiate this request at a cost of \$73,750. Capital costs are estimated at \$1,000,000
<b>Capital Cost:</b>	\$1,000,000
<b>Proposed Funding:</b>	Property Taxes
<b>Tax Rate Impact:</b>	9.142%
<b>Tax Impact:</b>	\$123.53 (on Residential Assessment of \$100,000)

## Improve/Install Sidewalks

<b>Description:</b>	Deputations made to improve/install sidewalks at Avenue Road, Margaret, Marion, Ethel and Victoria Streets
<b>Staff Comment:</b>	Staff recommend deferral until completion of a service level review.

## 3-Way Crossing at Waubeek, Avenue, and Belvedere Rd

<b>Description:</b>	Deputation made to request a 3-way crossing at Waubeek, Avenue, and Belvedere Rd
<b>Capital Cost:</b>	\$30,000
<b>Proposed Funding:</b>	Property Taxes
<b>Tax Rate Impact:</b>	0.274%
<b>Tax Impact:</b>	\$3.71 (on Residential Assessment of \$100,000)

## Downtown Beautification

<b>Description:</b>	In 2019, the Downtown Business Association completed Phase II of their plan for Downtown. They are requesting the same amount of funds in 2020 to complete the next phase of their project which includes 6 in-ground gardens on James Street.
<b>Capital Cost:</b>	\$8,000 (plus carryforward of \$3,000) Currently included in the 2020 Draft Budget / approved in previous years





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.



Reserves were used in 2019 to purchase a new Pumper Rescue Fire Truck

# Reserve Summary

Reserve	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Projected 2020 Activity	Dec 31/20 Estimated Balance
Building Replacement	\$ 383,391	\$ 413,391	\$ (87,000)	\$ 447,851
Cemetery and Columbaria	37,745	37,745	-	37,745
Economic Development	41,459	41,459	100,000	141,459
Emergency Capital Asset Replacement	200,000	184,000	-	184,000
Emergency Services	42,935	42,934	-	42,934
Equipment Replacement	250,398	87,180	(61,590)	87,431
Facade Improvement Program	51,683	91,683	40,000	131,683
Fleet Replacement	508,685	259,285	165,035	424,320
General Working	2,231,154	2,231,154	-	2,231,154
Health Unit Capital	14,428	14,428	-	14,428
Health Unit Cost Stabilization *New	-	-	29,514	29,514
Industrial Development/Area Park	30,410	30,410	-	30,410
Infrastructure Replacement	473,323	460,635	-	460,635
IT Replacement	111,164	128,615	14,000	142,615
LACAC Directory Sales	7,642	7,642	-	7,642
Municipal Elections	-	5,000	5,000	10,000
Parks	263,368	313,368	(92,000)	221,368
Planning Dept - OP review/legal	20,000	20,000	-	20,000
Police Cost Stabilization	121,311	121,311	-	121,311
Salt management	18,000	18,000	-	18,000
Stockey Centre Reserve	176,814	187,814	(30,900)	156,914
Tax Rate Stabilization	1,012,162	907,701	(128,057)	\$ 779,644
Transportation - Winter Control	401,990	410,236	-	410,236
Waste Management and Landfill Decommissioning	233,925	233,925	-	233,925
Wastewater Rate Stabilization Reserve	3,366,323	4,075,407	(2,200,349)	1,875,058
Water Rate Stabilization Reserve	5,108,388	5,046,849	44,375	5,091,221
WSIB	301,900	301,900	-	301,900
	<b>\$15,408,599</b>	<b>\$15,437,659</b>	<b>\$(1,801,330)</b>	<b>\$13,602,687</b>

## Reserve Continuities

The following continuities outline the anticipated activity in 2020 for the following reserves. There are some reserves identified by the Town that are not expected to have any changes in 2020, and therefore their continuities have not been prepared.

### Building Replacement Reserve

**Purpose: To provide funding for the rehabilitation or replacement of the Town buildings and components thereof**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
CP Station Roof Repair	16,198	16,198	-	-	16,198
Library Renovations	14,750	14,750	-	-	14,750
Unassigned	75,052	75,052	-	(12,000)	63,052
	<b>\$ 383,392</b>	<b>\$ 413,391</b>	<b>\$ 121,460</b>	<b>\$ (87,000)</b>	<b>\$ 447,851</b>

#### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Renovation of reception area at Town Office \$ 60,000
- Stucco repair to exterior of Municipal Office \$ 15,000
- Town Dock roof (Washrooms & former info centre) \$ 12,000

#### 2020 Contributions

- Transfer to reserve for future building lifecycle activities \$ 121,460

### Economic Development Reserve

**Purpose: To provide funding for the rehabilitation or replacement of the Town buildings and components thereof**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Opening Balance	\$ 41,459	\$ 41,459	\$100,000	\$ -	\$ 141,459
	<b>\$ 41,459</b>	<b>\$ 41,459</b>	<b>\$100,000</b>	<b>\$ -</b>	<b>\$ 141,459</b>

#### 2020 Contributions

- Transfer to reserve for airport runway or future capital initiatives \$ 100,000

## Equipment Replacement Reserve

**Purpose: To provide funding for the replacement of machinery and equipment, including rolling stock**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Municipal Office Equipment	\$ 24,699	\$ -	\$ -	\$ -	\$ -
Rolling Stock 20 Year Plan	137,987	46,297	110,820	(42,000)	115,117
Fire Services	(138,230)	2,555	54,774	-	57,329
Transfer Station Compactors	98,823	-	-	-	-
Unspecified	127,119	38,329	-	(16,750)	21,579
	<b>\$ 250,398</b>	<b>\$ 87,181</b>	<b>\$ 165,594</b>	<b>\$ (58,750)</b>	<b>\$ 194,025</b>

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Tables and chairs at the BOCC \$ 16,750

### 2020 Contributions

- Annual contribution to rolling stock \$ 110,820
- Annual contribution for Firefighter equipment and PPE \$ 54,774

### 2020 Withdrawals

- Hillcrest mower (07-630) \$ 17,000
- Hillcrest mower (07-920) \$ 25,000

## Façade Improvement Reserve

**Purpose: To provide funding for the Façade Improvement program run by the Town as the projects sometimes span more than one fiscal year**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Opening Balance	\$ 10,376	\$ 10,376	\$ -	\$ -	\$ 10,376
2017 Façade Program	1,307	1,307	-	-	1,307
2018 Façade Program	40,000	40,000	-	-	40,000
2019 Façade Program	-	40,000	-	-	40,000
2020 Façade Program	-	-	\$ 40,000	-	40,000
	<b>\$ 51,977</b>	<b>\$ 91,683</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ 131,683</b>

### 2020 Contributions

- Annual contribution to the Façade Program \$ 40,000

Note that the timing of any withdrawals is dependent on when the successful applicants provide their supporting documentation.

## Fleet Replacement Reserve

*Purpose: To provide funding for the replacement of the Town's fleet*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Fleet Replacement Strategy	\$ 508,685	\$ 259,285	\$ 467,985	\$(302,950)	\$ 424,320
	<b>\$ 508,685</b>	<b>\$ 259,285</b>	<b>\$ 467,985</b>	<b>\$(302,950)</b>	<b>\$ 424,320</b>

### 2020 Contributions

- Annual contribution \$ 467,985

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Parks truck (08-251) refurbishment \$ 35,000

### 2020 Withdrawals

- Sidewalk Plow (07-720) \$ 95,730
- PW truck (08-080) \$ 57,500
- Director of Public Works Vehicle (08-300) \$ 14,720

## IT Replacement Reserve

*Purpose: To provide funding for the purchase of IT infrastructure (hardware) and IT software*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Finance Department - Software Replacement	\$ 13,549	\$ 10,000	\$ -	\$ -	\$ 10,000
GIS System	2,700	2,700	-	-	2,700
IT Capital Requirements	90,915	115,915	55,000	(41,000)	129,915
MS Office Upgrade	4,000	-	-	-	-
	<b>\$ 111,164</b>	<b>\$ 128,615</b>	<b>\$ 55,000</b>	<b>\$ (41,000)</b>	<b>\$ 142,615</b>

### 2020 Contributions

- Desktop/laptop replacements \$ 24,000
- IT Infrastructure replacements \$ 31,000

### 2020 Withdrawals

- IT Infrastructure upgrade \$ 17,000
- Laptop and desktop replacement 2020 \$ 24,000



## Municipal Elections Reserve

*Purpose: To fund future municipal election costs*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Municipal Elections	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 10,000
	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ -</b>	<b>\$ 10,000</b>

### 2020 Contributions

- Annual contribution in a non-election year \$ 5,000

## Parks Reserve

*Purpose: To fund future capital replacement and program expansion for local parks*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Forestry Tower & Park	5,647	5,647	-	-	5,647
Skate Board Park	29,531	29,531	-	-	29,531
Waterfront Advisory	2,506	2,506	-	-	2,506
Trails Master Plan	1,856	1,856	-	-	1,856
Tennis Courts	3,000	3,000			3,000
Fitness Trail Renovations	-	50,000	-	(50,000)	-
	<b>\$ 263,368</b>	<b>\$ 313,368</b>	<b>\$ -</b>	<b>(142,000)</b>	<b>\$ 221,368</b>

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Mission Park playground equipment \$ 32,000
- Tower Hill rock path restoration \$ 10,000
- Fitness Trail Renovations \$ 50,000

## Stockey Centre Reserve

*Purpose: To fund future capital asset purchases for the Charles W. Stockey Centre*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Opening Balance	\$ 126,814	\$ 137,814	\$ 36,000	\$ (66,900)	\$ 106,914
Phase II Roof Repair	50,000	50,000	-	-	50,000
	<b>\$ 176,814</b>	<b>\$ 187,814</b>	<b>\$ 36,000</b>	<b>\$ (66,900)</b>	<b>\$ 156,914</b>

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Loading bay upgrades \$ 6,000
- Stockey Centre hot water tank \$ 5,500

### 2020 Contributions

- Ticket service charge – Old capital \$ 18,000
- Ticket service charge – New capital \$ 18,000

### 2020 Withdrawals

- Performance Hall lighting \$ 14,400
- Washroom renovation project \$ 30,000
- Commercial freezer \$ 6,000
- Repairs to bayside deck \$ 5,000

## Health Unit Cost Stabilization Reserve \*New

*Purpose: To mitigate budgetary increases*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Opening Balance	\$ -	\$ -	\$ 29,514	\$ -	\$ 29,514
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,514</b>	<b>\$ -</b>	<b>\$ 29,514</b>

### 2020 Contributions

- 50% of increase expected at 142% by 2021 \$ 26,358

## Tax Rate Stabilization Reserve

**Purpose: To fund tax revenue shortfalls, one-time expenditures, as well as other contingencies such as MPAC appeals**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Unassigned	\$ 924,556	\$ 748,056	\$ -	\$ -	\$ 748,056
Good Ideas	1,461	-	-	-	-
VIA Rail	1,000	1,000	-	-	1,000
Risk Watch Program	2,071	2,071	-	-	2,071
Coat of Arms	4,557	4,557	-	(4,557)	-
Bridge Needs Study	-	60,000	-	(60,000)	-
Building Department	28,517	28,517	-	-	28,517
Downtown Beautification	-	3,500	-	(3,500)	-
Innovation Study	-	60,000	-	(60,000)	-
	<b>\$1,012,162</b>	<b>\$ 907,701</b>	<b>\$ -</b>	<b>\$(128,057)</b>	<b>\$ 779,644</b>

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Coat of arms redesign project \$ 4,557
- Downtown beautification \$ 3,500

### 2020 Withdrawals

- Bridge needs study project \$ 60,000

## Water Stabilization Reserve

**Purpose: To fund water service operations and future capital asset replacement**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$5,108,388	\$5,046,846	\$1,387,300	\$(1,342,925)	\$5,091,221
	<b>\$5,108,388</b>	<b>\$5,046,846</b>	<b>\$1,387,300</b>	<b>\$(1,342,925)</b>	<b>\$5,091,221</b>

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Waubeek Street Funding \$ 975,983

### 2020 Contributions

- Capital usage charges \$ 1,387,300

### 2020 Withdrawals

- Surveillance camera \$ 1,200
- Tower insertion meters \$ 20,000
- Water Meters \$ 15,000
- I/O Module Upgrades \$ 40,000
- Water plant VFD blowers \$ 10,000
- Water transfer to Operating \$ 280,742

## Wastewater Stabilization Reserve

**Purpose: To fund wastewater service operations and future capital asset replacement**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$3,366,323	\$4,075,407	\$1,531,800	\$(3,732,149)	\$1,875,058
	<b>\$3,366,323</b>	<b>\$4,075,407</b>	<b>\$1,531,800</b>	<b>\$(3,732,149)</b>	<b>\$1,875,058</b>

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- SPS #3 Upgrades \$ 600,000
- Waubeek Street Funding \$ 975,983

### 2020 Contributions

- Capital Usage Charges \$ 1,531,800

### 2020 Withdrawals

- SPS #3 Upgrades \$ 100,000
- SPS #5 Upgrades \$ 20,000
- Sewage pump station 5 grease control \$ 20,000
- Gate security/Wastewater treatment plant \$ 30,000
- SPS #6 Pump replacement \$ 200,000
- SPS #6 Pump lifting device \$ 100,000
- SPS #6 Electrical upgrades \$ 1,500,000
- Surveillance camera \$ 1,200
- Wastewater deficit 2020 \$ 134,966
- Wastewater manhole repairs \$ 50,000

# Reserve Fund Summary

Unless otherwise identified, the projected activity for 2020 is investment income (i.e. interest earned) during the year.

Reserve	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Projected 2020 Activity	Dec 31/20 Estimated Balance
<b>Obligatory Reserve Funds</b>				
Development Charges	\$ 107,501	\$ 110,071	\$ (48,625)	\$ 61,446
Property Reserve Fund	56,300	57,019	719	57,738
Parkland Reserve Fund	36,723	37,559	837	38,396
Provincial Gas Tax	50,967	59,992	1,062	61,054
Federal Gas Tax	-	388,798	(388,798)	-
<b>Discretionary Reserve Funds</b>				
Bobby Orr Hall of Fame Reserve Fund	137,415	140,484	3,138	143,622
BOHOF Scholarship	18,000	16,415	(1,587)	14,832
BOHOF Special Projects	254,742	229,250	(35,000)	197,850
Capital Asset Legacy Reserve Fund	934,701	1,059,871	125,833	1,185,704
Capital Replacement Reserve	757,187	783,717	(309,850)	484,174
EMS Equipment and Capital Reserve Fund	189,790	135,008	139,706	274,714
EMS Municipal Surplus Reserve Fund	618,650	940,290	18,670	958,960
Fire Training Reserve Fund	7,643	128	-	128
Future Pool Reserve Fund	46,060	219,644	(171,364)	48,280
EMS Severance Reserve Fund	558,627	569,319	10,897	580,216
Municipal Parking Reserve Fund	120,542	117,203	2,588	119,791
Smelter Wharf	366,676	373,846	55,470	429,316
Splash Pad	40,765	41,530	779	42,309
Treetops Community Forest	1,807	1,825	18	1,843
Sewer Development Reserve Fund	121,938	124,201	2,920	127,121
Water Development Reserve Fund	125,596	128,269	3,005	131,274
West Parry Sound District Association Reserve Fund	1,460	1,488	34	1,522
	<b>\$4,585,787</b>	<b>\$5,537,427</b>	<b>\$(589,548)</b>	<b>\$4,961,787</b>

## Reserve Fund Continuities

The following continuities outline the anticipated activity in 2020 for the following reserves. There are some reserve funds identified by the Town that are not expected to have any changes in 2020 beyond investment income and therefore their continuities have not been prepared.

### Bobby Orr Hall of Fame Special Projects Reserve Fund

**Purpose: To fund expenditures related to the Bobby Orr Hall of Fame**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ 254,742	\$ 229,250	\$ 3,600	\$ (35,000)	\$ 197,850
	<b>\$ 254,742</b>	<b>\$ 229,250</b>	<b>\$ 3,600</b>	<b>\$ (35,000)</b>	<b>\$ 197,850</b>

#### 2020 Contributions

- Estimated Investment Income \$ 3,600

#### 2020 Withdrawals

- BOHF Top Shot Game \$ 5,000
- BOHF Collections Management Database \$ 5,000
- BOHF Permanent Exhibit Re-Design - Phase 1 \$ 25,000

### Bobby Orr Hall of Fame Scholarship Reserve Fund

**Purpose: To fund an annual scholarship to graduating recipients of the Celebrating Youth Awards**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ 18,000	\$ 17,915	\$ 413	\$ (2,000)	\$ 16,328
	<b>\$ 18,000</b>	<b>\$ 17,915</b>	<b>\$ 413</b>	<b>\$ (2,000)</b>	<b>\$ 16,328</b>

#### 2020 Contributions

- Estimated Investment Income \$ 413

#### 2020 Withdrawals

- BOHOF 2020 Scholarship Awards \$ 2,000



## Capital Asset Legacy Reserve Fund

**Purpose: To provide a source of funding for expenditures related to the purchase of capital assets, excluding water and wastewater systems**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$934,701	\$1,059,871	\$ 125,833	\$ -	\$1,185,704
	<b>\$934,701</b>	<b>\$1,059,871</b>	<b>\$ 125,833</b>	<b>\$ -</b>	<b>\$1,185,704</b>

### 2020 Contributions

- Estimated Investment Income \$ 5,598
- Repayment of LED Lighting \$ 120,235

## Capital Asset Replacement Reserve Fund

**Purpose: To provide a source of funding for expenditures related to the purchase of capital assets, excluding water and wastewater systems**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$757,187	\$783,717	\$ 10,307	\$(309,850)	\$484,174
	<b>\$757,187</b>	<b>\$783,717</b>	<b>\$ 10,307</b>	<b>\$(309,850)</b>	<b>\$484,174</b>

*In 2018, \$489,330 in surplus dollars was transferred to this fund for future capital replacement*

### 2020 Contributions

- Estimated Investment Income \$ 10,307

### 2020 Withdrawals

- Mission Park Playground \$ 40,000
- Town Dock – Lights/Electrical \$ 20,000
- Waubuno Beach Roof \$ 15,000
- BOCC Engine Room \$ 24,850
- Fire Hall Improvements (Ready Room) \$ 50,000
- Traffic Light Control System \$ 60,000
- Transfer Station Compactor \$ 100,000

## Development Charges Reserve Fund

*Purpose: To provide funding for capital expansion related to growth*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Development Charges	\$ 18,280	\$ 18,717	\$ 234	\$ (18,951)	\$ -
Lot Levy	89,221	91,354	1,141	(31,049)	61,446
	<b>\$ 107,501</b>	<b>\$ 110,071</b>	<b>\$ 1,375</b>	<b>\$ (50,000)</b>	<b>\$ 61,446</b>

### 2020 Contributions

- Estimated Investment Income (Combined) \$ 1,375

### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- Development Charges Study \$ 50,000

## EMS Equipment/Capital Reserve Fund

*Purpose: To fund infrastructure, vehicle and equipment replacement for EMS*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ 189,790	\$ 135,008	\$ 484,706	\$(345,000)	\$ 274,714
	<b>\$ 189,790</b>	<b>\$ 135,008</b>	<b>\$ 484,706</b>	<b>\$ (345,000)</b>	<b>\$ 274,714</b>

### 2020 Contributions

- Estimated Investment Income \$ 4,139
- Annual contribution \$ 480,567

### 2020 Withdrawals

- Replacement of Ambulance 5289 \$ 135,000
- Replacement of Ambulance 5288 \$ 135,000
- PRU 5321 \$ 75,000

## EMS Municipal Surplus Reserve Fund

*Purpose: To fund operations of Land Ambulance Service*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ 618,650	\$ 940,290	\$ 18,670	\$ -	\$ 958,960
	<b>\$ 618,650</b>	<b>\$ 940,290</b>	<b>\$ 18,670</b>	<b>\$ -</b>	<b>\$ 958,960</b>

### 2020 Contributions

- Estimated Investment Income \$ 18,670

## Federal Gas Tax Reserve Fund

**Purpose: For capital projects in accordance with Federal Gas Tax Agreement**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ -	\$ 388,798	\$ 399,938	(788,736)	\$ -
	<b>\$ -</b>	<b>\$ 388,798</b>	<b>\$ 399,938</b>	<b>\$ (788,736)</b>	<b>\$ -</b>

### 2020 Contributions

- Estimated Investment Income \$ 11,140
- 2020 Federal Gas Tax Contribution \$ 388,798

### 2020 Withdrawals

- 2019 Top Up towards Waubeek St + Interest \$ 399,938
- Contributions to Waubeek St (2020) \$ 388,798

## Future Pool Reserve Fund

**Purpose: To provide funding for an aquatics centre**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance Pre 2019	\$ 46,060	\$ 47,170	\$ 1,110	\$ -	\$ 48,280
Town's Contributions	-	\$ 43,010	-	\$ 43,010	-
Unused Municipal Contributions	-	129,464	-	\$ 129,464	-
	<b>\$ 46,060</b>	<b>\$ 219,644</b>	<b>\$ 1,110</b>	<b>\$ 172,474</b>	<b>\$ 48,280</b>

In 2019, the Town's contribution to the project was changed from \$50,000 to \$43,010 to reflect cost allocation framework approved by Council.

### 2020 Contributions

- Estimated Investment Income \$ 1,110

### 2020 Withdrawals

- Pool Due Diligence Project \$ 172,474

## Municipal Parking Reserve Fund

**Purpose: To fund capital replacement of municipal parking lots and parking equipment**

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ 120,542	\$ 117,203	\$ 2,588	\$ -	\$ 119,791
	<b>\$ 120,542</b>	<b>\$ 117,203</b>	<b>\$ 2,588</b>	<b>\$ -</b>	<b>\$ 119,791</b>

In 2020, the Town's funding of the parking shortfall ended.

### 2020 Contributions

- Estimated Investment Income \$ 2,588

## Smelter Wharf Reserve Fund

*Purpose: To provide funding for capital repairs/replace at the Salt Dock (Smelter Wharf)*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$ 366,676	\$ 373,846	\$ 55,470	\$ -	\$ 429,316
	<b>\$ 366,676</b>	<b>\$ 373,846</b>	<b>\$ 55,470</b>	<b>\$ -</b>	<b>\$ 429,316</b>

### 2020 Contributions


- Estimated contribution per agreement with Sifto \$ 46,079
- Estimated Investment Income \$ 9,390

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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

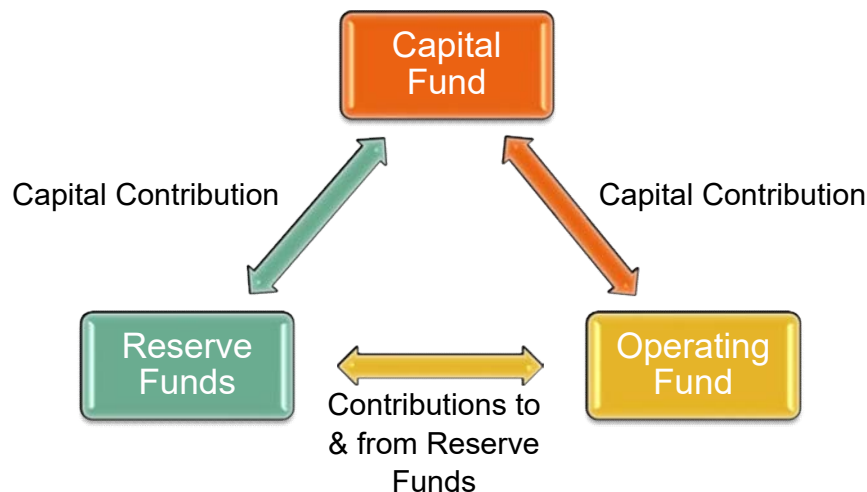
Records all capital expenditures and the method of funding these expenditures, whether by transfer from tax revenue for capital expenditures, reserves or reserve funds, grants or long-term borrowing

## 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
Building Replacement	To provide funding for the rehabilitation or replacement of the Town buildings and components thereof	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>
Cemetery and Columbaria	To provide funding for the purchase and installation of columbaria in Town Cemeteries	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>
Economic Development	To provide funding for economic development initiatives	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>
Emergency Capital Asset Replacement	To provide funding for unforeseen capital asset replacement	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> <li>• Government Funding</li> <li>• Sale of Town property</li> </ul>
Emergency Services	To provide funding for service enhancements	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>
Equipment Replacement	To provide funding for the replacement of machinery and equipment	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> <li>• Contributions from the dedicated capital levy</li> </ul>
Facade Improvement Program	To provide funding for the façade improvement program run by the Town	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>
Fleet Replacement	To provide funding for the replacement of the Town's fleet	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> <li>• Contributions from the dedicated capital levy</li> </ul>
General Working	To provide working capital for the Town	<ul style="list-style-type: none"> <li>• General surplus</li> </ul>
Health Unit Capital	To fund future District Health Capital costs	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>
Industrial Development/Area Park	To fund future development at the Parry Sound Area Industrial Development Park	<ul style="list-style-type: none"> <li>• Contributions from the operating fund</li> </ul>



Name	Purpose of Fund	Funding Sources
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"> <li>● Contributions from the operating fund</li> <li>● Contributions from the dedicated capital levy</li> </ul>
IT Replacement	To provide funding for the purchase of IT infrastructure(hardware) and IT software	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> <li>● Contributions from the dedicated capital levy</li> </ul>
LACAC Directory Sales	To provide funding for the Local Architectural Conservation Advisory Committee	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> </ul>
Municipal Elections	To fund future municipal election costs	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> </ul>
Parks	To fund future capital replacement and program expansion for local parks	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> </ul>
Planning Dept - OP review/legal	To fund legal interpretations of changes to the Official Plan	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> </ul>
Police Cost Stabilization	To fund future fluctuations in policing costs	<ul style="list-style-type: none"> <li>● Unspent police funds in the annual budget</li> </ul>
Salt management	To fund future salt storage needs	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> </ul>
Stockey Centre - Capital	To fund future capital asset purchases for the Charles W. Stockey Centre	<ul style="list-style-type: none"> <li>● Ticket surcharge</li> </ul>
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"> <li>● General surplus</li> </ul>
Transportation - Winter Control	To mitigate impact of heavy snowfalls on winter control expenditures	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> <li>● Unspent winter control funds</li> </ul>
Waste Management and Landfill Decommissioning	To fund waste management and landfill rehabilitation costs	<ul style="list-style-type: none"> <li>● Contributions from the operating fund</li> </ul>

<b>Name</b>	<b>Purpose of Fund</b>	<b>Funding Sources</b>
Wastewater Stabilization Reserve	To fund wastewater service operations and future capital asset replacement	• Annual surplus from wastewater user rates
Water Stabilization Reserve	To fund water service operations and future capital asset replacement	• Annual surplus from water user rates
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.	• Contributions from the operating fund

### Obligatory Reserve Funds

<b>Name</b>	<b>Purpose of Fund</b>	<b>Funding Sources</b>
Development Charges	To provide funding for capital expansion related to growth	• Collected from developers, enacted via by-law
Federal Gas Tax	For capital projects in accordance with Federal Gas Tax Agreement	• Contributions from the Government of Canada via AMO
Property Reserve Fund	To provide funding for parking lot development, sourced from developers	• Contributions under the Planning Act
Parkland Reserve Fund	To provide funding for park space development	• Contributions under the Planning Act
Provincial Gas Tax	For transit operations in accordance with Provincial Gas Tax	• Quarterly contributions from the Province, established annually

## Discretionary Reserve Funds

<b>Name</b>	<b>Purpose of Fund</b>	<b>Funding Sources</b>
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"> <li>•Funded through the Samsung donation</li> </ul>
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"> <li>•Donation from Ken Hadall &amp; Doug Gilmour</li> <li>•Transfer from the Bobby Orr Golf Classic Reserve Fund</li> </ul>
BOHOF Special Projects	To fund expenditures related to the Bobby Orr Hall of Fame	<ul style="list-style-type: none"> <li>•Donations from the public</li> <li>•Budgeted contributions</li> <li>•Source approved by Council</li> </ul>
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"> <li>•Contributions from the operating fund</li> <li>•Sale of property</li> <li>•Direction of Council</li> </ul>
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"> <li>•Contributions from the operating fund</li> <li>•Sale of property</li> <li>•Direction of Council</li> </ul>
EMS Equipment and Capital Reserve Fund	To fund infrastructure, vehicle and equipment replacement for EMS	<ul style="list-style-type: none"> <li>•Budget contributions determined using amortization expense</li> </ul>
EMS Municipal Surplus Reserve Fund	To fund operations of Land Ambulance Service	<ul style="list-style-type: none"> <li>•Annual surplus from operations</li> <li>•Funding from municipalities</li> </ul>
Future Pool Reserve Fund	To provide funding for an aquatics centre	<ul style="list-style-type: none"> <li>•Contributions from operating fund</li> <li>•Contributions from other municipalities</li> <li>•Contributions from donors</li> </ul>
EMS Severance Reserve Fund	To fund severance costs for paramedics	<ul style="list-style-type: none"> <li>•Provided by the Province</li> <li>•No current annual contributions</li> </ul>

Name	Purpose of Fund	Funding Sources
Municipal Parking Reserve Fund	To fund capital replacement of municipal parking lots and parking equipment	<ul style="list-style-type: none"> <li>• Surplus from parking revenue and expenses</li> </ul>
Smelter Wharf	To provide funding for capital repairs/replace at the Salt Dock (Smelter Wharf)	<ul style="list-style-type: none"> <li>• Per the contractual agreement with SIFTO (surplus from rent)</li> </ul>
Splash Pad	To provide a source of funding for a municipal splash pad	<ul style="list-style-type: none"> <li>• Contributions from operating fund</li> <li>• Contributions from donors</li> </ul>
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"> <li>• Contributions from donors</li> </ul>
Sewer Development Reserve Fund	To provide a source of funding for wastewater infrastructure	<ul style="list-style-type: none"> <li>• Capital surcharge and surplus from the wastewater rate payers</li> </ul>
Water Development Reserve Fund	To provide source of funding for water infrastructure	<ul style="list-style-type: none"> <li>• Capital surcharge and surplus from the water rate payers</li> </ul>
West Parry Sound District Association Reserve Fund	To provide funding for the West Parry Sound District Association	<ul style="list-style-type: none"> <li>• Contributions from West Parry Sound municipalities</li> </ul>

## 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. For the 2020 budget year, the target range for the **tax levy** increase is between 2.10% and 4.2%, 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.

# **Additional Information Special Council Budget Meeting**

**March 18, 2020**

(Post February 27<sup>th</sup>, 2020 Special Council Meeting Information Requested)

During the special meeting of Council on February 27, 2020 there were some adjustments to the budget approved through Resolution 2020-014, as well as requests for additional information. Appendix A has been developed to track the changes to the 2020 Draft Budget following the initial meeting. This document will provide members of the Public and Council with the supplementary information and recommendations with respect to questions raised at the February 2020 Budget Meeting.

## **Parry Sound Drive Ditching and Culvert Lining**

### **Background Information**

The 2020 capital budget includes two projects related to the work required on Parry Sound Drive. The Parry Sound Drive ditching project is budgeted at \$60,000 and the culvert lining is budgeted at \$150,000. Both projects are currently planned to utilize OCIF (Ontario Community Infrastructure Fund) funding to cover the entire \$210,000 request.

These budgeted amounts are to address a water draining issue on Parry Sound Drive near the YMCA property. The purpose of the ditching is to address a large culvert which has been covered with dirt requiring re-excavation to ensure that there is proper water flow. The initial project will involve the excavation of accumulated soils around the 2 existing culverts on Parry Sound Drive in the vicinity of Smith Crescent. Additionally, ditching is to be performed to ensure proper drainage is achieved under Parry Sound Drive. Culvert lining feasibility

will be assessed once the actual condition of the two culverts is known. It is expected that, should the culverts be suitable for lining it is hoped that work can be completed this year, however the work may be delayed until 2021 due to vendor availability and the timing.

### **Staff Recommendation**

That the amount of \$60,000 in the 2020 budget to facilitate the work necessary to improve drainage and properly assess the condition of the culverts under Parry Sound Drive in the vicinity of Smith Crescent be approved and funding for the culvert lining project at \$150,000 be approved so the project can proceed if conditions allow for completion of the works.

### **Operations Yard Paving**

#### **Background Information**

The budget request for the Operations Yard Paving project is a total of \$130,000, with plans to use OCIF (Ontario Community Infrastructure Fund) funding.

The scope of the project is to pave the parking area and road section of the Operations Yard which is failing. Annually ratepayers drive through the Operations Yard to reach the transfer station, which provides not only disposal for recyclables and trash, but also household hazardous waste (HHW).

Traffic counts are not performed for every vehicle that enters the station; however, they are tracked for the HHW. In 2019 there were 985 cars who stopped with HHW (residents from the Archipelago, Carling, McDougall, McKellar, Parry Sound, Seguin and Whitestone). These municipalities contribute to the cost of Household Hazardous Waste.

In addition to the Town's residents, the transfer station also provides a location for residents of the Township of the Archipelago and members of the Parry Island Cottage Association to dispose of household waste.

Over the years, large holes have developed creating areas that are difficult to maintain. The pass-through section of the yard has become very rough. Different cuts and patches over the years have been causing difficulty for plowing this area resulting in further deterioration to the surface.

### **Staff Recommendation**

That Council approve paving the operations yard, including the road section through to the transfer station in the 2020 budget for \$130,000.

## **Sewage Pumping Station #5 (Cascade St)**

### **Background Information**

Initially the budget indicated that there was \$40,000 of work required at SPS 5, being funded from the Wastewater Stabilization Reserve, however, there is only a need for \$20,000. Removal of the additional \$20,000 is a net zero effect on the tax levy required.

The purpose of the equipment upgrade is for the installation of a grease processor. This equipment's purpose is to break down the grease that builds up in the pump station, which allows the station to process the grease. This also results in a reduction of the need for the pump station to be vacuumed out every few months. Grease buildup can come from greasy dishes, disposing of grease down the toilet or sink drain, poor diet choices resulting in greasy buildup in body by-products, and also from some soaps or other products that you use and then flush or pour down the drain.

Improving the grease processing at SPS #5 will allow the station to process the waste and reduce the need for the station to be vacuumed out. Currently this is outsourced to a third party, however, if the need to vacuum out the station is reduced or eliminated that would be cost savings for the wastewater operations budget lines in the future.

## **Staff Recommendation**

That the budget of \$40,000 towards SPS#5 be revised to \$20,000 funded from the Wastewater Stabilization Reserve.

## **Sewage Pumping Station 6 (Behind McNabb's Lumber)**

### **Background Information**

Sewage pumping Station 6 is a critical piece of infrastructure in the waste water system. It conveys the majority of the towns sewage to the waste water treatment plant. The draft 2020 budget includes \$200,000 for a pump replacement, \$100,000 for a pump lifting device, and \$1.5 million related to the required electrical upgrade, totaling \$1.8m.

Upon further review, the initial budget estimate can be reduced to a revised project estimate is \$1.25 million. This work is required in order to replace an obsolete pump in Pumping Station #6 and to ensure compliance with relatively new code requirements related to Standard for Fire Protection in Wastewater and Collection Facilities. The pump replacement is challenging as the pumping station was not designed to be easily removed from service in order to facilitate extensive maintenance activities. Staff will be implementing a control of inflow and infiltration plan and as part of that process we will be attempting to reduce overall flows to SPS #6 which will help extend the lifecycle of the facility. A report will be forthcoming outlining the anticipated steps, progress, and expected results.

### **Staff Recommendation**

Staff recommend \$1.25 million in the capital budget allocation for 2020 to begin the process of completing the necessary upgrades to SPS#6.

## **Cemetery Lawn Mowers**

### **Background Information**

On the equipment replacement schedule, there are two lawnmowers due for Hillcrest Cemetery. Historically, the mowers were stored and used at Hillcrest Cemetery. They are now used to cut at Hillcrest cemetery and Sylvan cemetery. All the mowers in the Town's equipment replacement plan are on a 12-year replacement schedule. The mowers being replaced are a 2008 John Deere X740 Riding Mower (07-630) and a 2008 John Deere 1435 Out-front Mower (07-920).

The first mower, 07-630, is replacing a regular ride-on lawn mower. The second mower, 07-920, is designed differently to accommodate tight spaces and corners. As such the second mower is being budgeted for replacement at \$25,000, while the other is at \$17,000. The difference of \$8,000 is the cost of having an out-front mower with a tight turning radius versus the typical riding lawn mower.

### **Staff Recommendation**

Continue with the equipment replacement of these mowers as planned in the Town's 20-year equipment replacement forecast. The mowers are funded from the equipment replacement reserve. The Town currently contributes \$165,594 yearly to this reserve to fund the replacement of equipment that is currently operational.

Future replacement of equipment at Hillcrest will be referred to as replacement of the "Cemetery" equipment to remove the connotation that it to be used solely at that location.



## **CP Station Furnace**

### **Background Information**

The budgeted request is for \$27,420 to replace the two existing furnaces with a single gas new furnace. Staff have requested three quotes for the installation and has based the budget figure on these quotes. On average, it is reasonable to expect a well-maintained furnace to last at least 15-20 years.

The furnaces at the CP Station have been requiring increasingly expensive annual repairs, and recently they have become obsolete units. The current heating units are unreliable, expensive to repair and obsolete resulting in the inability to obtain parts. The plan is to upgrade to a more energy efficient model.

The Town is currently the owner/landlord of this property with active tenants in the building. Under the Residential Tenancies Act, we are required to ensure that there is the provision of heat.

### **Staff Recommendation**

That Council replace the aged furnace(s) at the CP Station on Avenue Road with one energy efficient model at a cost not to exceed \$27,500. The furnace replacement will be tendered to get the best pricing.

## **Salt Dock Boat Dock Replacement**

### **Background Information**

In 2015, research on the ramp replacement found that the project would involve hiring a marine firm and a replacement cost estimated at \$700,000. \$70,000 approximately was spent to improve the ramp at that time and a decision was made to convert the ramp into a one boat launch location as a result of the problems with deteriorating areas of the ramp to avoid the major expense.

This location is one of the more exposed docking locations making it susceptible to increased wear and tear from the elements. This dock experiences high usage.

The current salt dock replacement is for the dock only but, it will improve the stability and docking experience. The 2020 budget cost is \$50,000.

### **Staff Recommendation**

The recommended salt dock boat dock replacement includes a commercial dock designed not to protrude past the main dock. Three-ton anchors will secure the dock similar to the installation at the Champagne Street docks.

The future dock replacement plan includes a similar dock replacement at the Waubuno Beach location followed by the Shoppers dock at the Town Dock.

## **Garbage Cans and Recycling**

### **Additional Information**

Council inquired about the plans for garbage can replacement/upgrades for 2020, and if they are included in the 2020 budget. In 2018, excess trails master plan funding was directed towards new animal proof cans on the Fitness Trail. In 2019, \$2,000 was spent from the general parks budget towards additional garbage cans along the Fitness Trail and Waterfront. There is currently \$2,000 in the proposed 2020 budget going towards garbage can replacement and another \$2,000 for benches (IPE wood composite material) along the Fitness Trail.

To continue the garbage can upgrade process with animal proof/recyclable containers, \$8,000 additional is required. This additional amount would include the replacement of the wood/bucket style receptacle currently in the parks with animal proof containers that are dual purpose – one side garbage, the other side recycling.

## **Solar Powered Crossing at Waubeek St/Avenue Rd/Belvedere Ave**

### **Background Information**

\$30,000 in capital improvements were included in the items for Council Consideration as part of the 2020 budget. Upon further review, the updated

estimate of funds required are \$25,500 to install and test 2-solar powered dual sided rectangular-rapid flashing beacons, as well as, all pedestrian crosswalk signs, advanced warning signs and pavement markings as part of the Waubeek Street Reconstruction project. The solar powered crossing would be at the intersection of Waubeek/Belvedere/Avenue.

The project can be funded by combining the project with the larger Waubeek Street reconstruction and fund the project from the debenture which has not been issued.

### **Staff Recommendation**

Staff recommend approving the project with funding for the additional \$25,500 expenditure for a solar powered crosswalk at the intersection of Waubeek St./Belvedere Ave./Avenue Rd. to be included in the larger project debenture.

## **Winter Control Reserve**

### **Background Information**

The Town has a Winter Control Reserve that was established in 2013 to mitigate the impact of severe winter conditions on winter control expenditures year over year and the impact on tax increases. The funding source for the Reserve is any unspent winter control budget in a year, providing there is an overall budget surplus. Per Council policy the target balance to be maintained in this Reserve is 25% of the 5-year average of winter control costs.

Unaudited/unfinalized winter control costs for 2019 indicate that there is a shortfall and approximately \$104,000 from the Reserve is required to cover the anticipated budget shortfall for Winter Control.

### **Staff Recommendation**

As a result of this review, a maximum of \$100,000 can be reallocated from the Winter Control Reserve while ensuring that the Town continues to meet the target balance of 25% of the 5-year average of winter control costs as required

under the Reserve and Reserve Fund Policy approved through By-law 2014-6463.

Staff recommend using the funds to establishment a Storm Water Management Reserve to provide funding for storm water operations and future capital asset replacement. The Town's aging storm water infrastructure combined with increasing extreme weather events has increased the occurrences of capital replacement and maintenance requirements for this purpose.

### **Council Determination**

WHEREAS aging storm water infrastructure combined with increasing extreme weather events has increased the need for storm water capital replacement and maintenance,

NOW THEREFORE BE IT RESOLVED that Council approve the creation of a Storm Water Management Reserve in the amount of \$100,000 to be transferred from the Winter Control Reserve for the purpose of storm water capital replacement and maintenance requirements.

### **Modernization Funding**

#### **Background Information**

At the February 27<sup>th</sup> meeting, Council was considering funding the tax levy supported portions of the surveillance cameras (\$2,760) and a key fob system at the Town Office (\$12,200) via the Modernization Grant. Questions were raised to staff regarding whether the modernization funding has been placed in a reserve. It was indicated during the meeting that the funds were recorded as deferred but have not yet been technically been placed in a reserve.

A review of the general ledger indicates that the funds were received on March 29, 2019. As the 2019 year-end audit is not yet complete, and the financial statements not published, unused funds could be placed in a reserve if Council wishes.

During the 2019 budget process it was determined that some of the modernization grant would go towards two projects approved in the budget:

1. \$50,000 towards a Recreation & Culture Master Plan; and
2. \$9,200 towards efficiencies through the automation of the “budget book” (\$9,367 spent in 2019 for this project)

Included in the 2020 budget, there are plans to use \$15,000 of the modernization funding towards the new Parking Ticket Software and Hardware.

At the December 3<sup>rd</sup>, 2019 meeting of Council, Resolution 2019-139 authorized the submission of an Expression of Interest to apply for funding resulting in a third-party assessment of opportunities to utilize information technology to achieve efficiencies, taking into consideration needs, resource requirements, best practices and also the identification of cost saving/sharing with other municipalities through shared technology opportunities. Staff have since been notified that funding of \$37,410 will be received towards this third-party review (75% upon finalization of the Ontario Transfer Payment Agreement and the remaining 25% after project completion). If the final scope of the project exceeds the above funding Council may wish to utilize a portion of the modernization funding.

### **Staff Recommendation**

With the expression of interest to conduct an information technology services review submitted and funding approved, it is advised that the remaining unspent funds for 2019, estimated at \$608,950 for year end, be transferred to a Modernization Reserve for projects that achieve efficiencies. The results of the third-party findings will be posted publicly, and the remaining modernization funds could be used towards the implementation of those recommendations.

## **Council Determination**

WHEREAS the Town has submitted an Expression of Interest for additional third-party review funding,

NOW THEREFORE BE IT RESOLVED that the unspent municipal modernization funding received in 2019 be transferred to a newly established Modernization Reserve for the purpose of funding projects that create efficiencies that lower and/or avoid future costs.

## **Georgian Bay Avenue**

*More information will be provided post the March 17<sup>th</sup> meeting of Council.*

# Appendix A

## Changes Post February 27<sup>th</sup>, 2020 Special Council Meeting

During the special meeting of Council on February 27, 2020 there were some adjustments to the budget approved through Resolution 2020-014, as well as requests for additional information. The purpose of this appendix is to provide members of the Public and Council with any adjustments as well as the supplementary information requested.

### Approved Budget Changes

Council's decisions to date are:

- Approve the increase in the annual contribution to the Parry Sound Public Library in the amount of \$7,840 resulting in a total contribution of \$ 205,000;
- Approve the increase in the annual contribution to the West Parry Sound District Museum in the amount of \$1,272 resulting in a total contribution of \$ 33,076;
- Net additions of \$26,030 through the approval of an additional five items from the list of Items for Council Consideration (pg. 34-35);
- Continue the Town's support of the Rotary Club through services in kind for the 3-pitch Strikes Against Cancer tournament; and
- Approve the columbarium for Sylvan Cemetery with \$25,000 to be funded from the Cemetery and Columbaria Reserve.



## Summary of Required Tax Levy

	2020 Budget Draft	Adjustments Feb 27, 2020	Revised 2020 Budget
Operating Budget	\$ 9,840,831	\$ 11,030	\$ 9,851,861
Capital Budget - Dedicated 2020 Levy	1,512,353	-	1,512,353
Capital Budget - Projects	-	15,000	15,000
<b>Net Operating Tax Levy Required</b>	<b>\$ 11,353,184</b>	<b>\$ 26,030</b>	<b>\$ 11,379,214</b>

## Impact on the Ratepayer – Municipal Taxes

The 2020 budget now requires a total of \$11,379,214 in municipal taxes and \$112,663 is generated from assessment growth. Therefore, the Town needs to raise an additional \$328,365. To raise the required additional \$328,365, an increase of 1.06% for operations and 1.94% for infrastructure is necessary for a total increase of 3% over 2019 property taxation (net growth).

This increase can be broken down as follows:

- 0.48%: phase-in of property assessment value increases from 2019 to 2020 (growth)
- 2.52%: the required tax rate increase

## Changes to 2020 Net Levy Required for Operating

	2020 Budget Draft	Adjustments Feb 27, 2020	Revised 2020 Budget
Levies	\$ 451,215	\$ -	\$ 451,215
Provincial Grants and Subsidies	7,517,059	-	7,517,059
Federal Grants and Subsidies	33,000	-	33,000
Other Municipalities	4,486,733	-	4,486,733
User Fees	7,358,955	-	7,358,955
Licensing & Lease Revenues	202,320	-	202,320
Investment Earnings	706,763	-	706,763
Other Revenues	1,191,600	-	1,191,600
Contributions from Reserves or Reserve Funds	597,265	-	597,265
<b>Total Revenues</b>	<b>\$ 22,544,910</b>	<b>\$ -</b>	<b>\$ 22,544,910</b>
Salaries and benefits	\$ 7,554,524	\$ -	\$ 7,554,524
Materials - Operating Expenses	3,361,356	7,030	3,368,386
Energy Costs	1,014,379	-	1,014,379
Rents and Financial Expenses	392,761	-	392,761
Purchased/Contract Services	13,566,307	-	13,566,307
Deb Repayment	710,512	-	710,512
Grants - Transfer Payments	1,940,431	4,000	1,944,431
Contributions to Reserves or Reserve Funds	3,844,389	-	3,844,389
Amortization of tangible capital assets/ Gain/Loss on Disposal	4,805,617	-	4,805,617
<b>Total Expenses</b>	<b>\$ 37,190,276</b>	<b>\$ 11,030</b>	<b>\$ 37,201,306</b>
<b>Net Total</b>	<b>\$ (14,645,366)</b>	<b>\$ (11,030)</b>	<b>\$ (14,656,396)</b>
<b>Add back Amortization</b>	<b>4,804,535</b>	<b>-</b>	<b>4,804,535</b>
<b>Net Operating Tax Levy Required</b>	<b>\$ (9,840,831)</b>	<b>\$ (11,030)</b>	<b>\$ (9,851,861)</b>

### Adjustments to Materials – Operating Expenses

- **\$3,900:** Council approved the purchase of a portable speed indicator for the Public Works department

- **\$3,130:** Council approved moving forward with a Community Sharps Bin within the Town of Parry Sound, accepting the Health Unit's donation of a sharps bin. In addition, the decision was made that Option 1 would be selected where:
  - \$1,000: Estimated one-time cost for the installation of a concrete platform at the bin's location; and
  - \$2,130: Estimated annual costs for a third-party to be contracted for the maintenance of the bin and sharps disposal

### **Adjustments to Grants – Transfer Payments**

- \$ 2,000: Council approved a donation of \$2,000 to the West Parry Sound District Community Support Services
- \$ 2,000: Council approved an increase of \$2,000 to Park-to-Park Trails Association, bringing the total annual contribution in 2020 to a grand total of \$6,000

## Changes to 2020 Net Levy Required for Capital

	2020 Budget Draft	Adjustments Feb 27, 2020	Revised 2020 Budget
Debentures	\$ 888,399	\$ -	\$ 888,399
Provincial Grants	761,185	-	761,185
Federal Grants	31,600	-	31,600
Other Funding	15,040	-	15,040
Reserves	3,160,230	5,000	3,165,230
Reserve Funds	679,850	-	679,850
<b>Total Revenues</b>	<b>\$ 5,536,304</b>	<b>\$ 5,000</b>	<b>\$ 5,541,304</b>
Capital Projects	\$ 5,079,204	\$ 20,000	\$ 5,099,204
Debt Repayment	1,114,414	-	1,114,414
Contribution to Reserves	855,039	-	855,039
<b>Total Expenses</b>	<b>\$ 7,048,657</b>	<b>\$ 20,000</b>	<b>\$ 7,068,657</b>
<b>Net Total</b>	<b>\$ (1,512,353)</b>	<b>\$ (15,000)</b>	<b>\$ (1,527,353)</b>
Dedicated Capital Levy	\$ (1,512,353)	\$ -	\$ (1,512,353)
Capital Projects Funded by Taxes	-	(15,000)	(15,000)
Net Capital Tax Levy Required	<b>\$ (1,512,353)</b>	<b>\$ (15,000)</b>	<b>\$ (1,527,353)</b>

### Adjustments to Capital Budget

- **\$ 40,000:** Council approved the purchase of a columbarium for Sylvan Acres Cemetery, funding \$25,000 from the Cemetery and Columbarium Reserve. The result is \$15,000 of the expense being tax supported.
- Removal of extra funds \$20,000 being transferred from reserves to fund \$20,000 of equipment upgrades at SPS #5

## Update to Reserve Schedules

### Cemetery and Columbarium Reserve

*Purpose: To provide funding for the purchase and installation of columbaria in Town cemeteries.*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Opening Balance	\$ 37,745	\$ 37,745	\$ -	\$ 25,000	\$ 12,745
	<b>\$ 37,745</b>	<b>\$ 37,745</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 12,745</b>

#### 2020 Withdrawals

- Columbarium purchase for Sylvan Acres (Funding 62.5% of cost) \$ 25,000

### Wastewater Stabilization Reserve

*Purpose: To fund wastewater service operations and future capital asset replacement*

Item	Dec 31/18 Balance	Dec 31/19 Estimated Balance	Transfers In per Budget	Transfers Out per Budget	Dec 31/20 Estimated Balance
Balance	\$3,366,323	\$4,075,407	\$1,531,800	\$(3,712,149)	\$1,895,058
	<b>\$3,366,323</b>	<b>\$4,075,407</b>	<b>\$1,531,800</b>	<b>\$(3,732,149)</b>	<b>\$1,875,058</b>

#### 2019 Amounts Carried Forward & Budgeted 2020 Withdrawal

- SPS #3 Upgrades \$ 600,000
- Waubeek Street Funding \$ 975,983

#### 2020 Contributions

- Capital Usage Charges \$ 1,531,800

## 2020 Withdrawals



## Other Changes

- Strike the Budget Highlight “Transfer from Police Cost Stabilization Reserve” from the Draft Budget since that has been removed from the 2020 Budget upon receiving further information about the Prisoner Transportation Grant.