



TOWN OF
Parry Sound

2023 Draft Municipal Budget

Alternative Formats Available Upon Request

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Town of Parry Sound – 2023 DRAFT Budget

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Executive Summary

We are pleased to provide the 2023 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 117 Ontario municipalities. They also provide comparative information with similar municipalities as part of the package.

We hope you find the package informative.

Budget Philosophy

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

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

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

Throughout the year requests are brought to the attention of Council by residents and community organizations. These requests are captured and provided to Council for consideration. Identified in the budget package are requests with operating budget implications totaling \$68,563. After Council considers the requests, any requests they wish to undertake will be added to the draft budget.

Continuous Improvement

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

- An Information Technology Modernization Review was undertaken to complete a comprehensive review of the use of technology in the Town to identify opportunities for greater efficient and effective use of technology. Some projects are proceeding into implementation.
- Advancement of the Asset Management Plan which will be completed for all infrastructure to meet the 2024 deadlines. Further enhancement to include facility assessments.
- Building Department moving towards an online application process to facilitate electronic public submission.
- Planning application process now including mandatory pre-consultation to improve the process.
- Online burn permits, online payment for parking tickets, accessibility to online/remote overnight parking permits
- Snowplows operating with only one full-time equivalent as opposed to using a wingman – more effective resource deployment.
- Implementation of a Digital Work Order System in progress to support infrastructure replacement and track essential information such as inspections, condition reports, and work completed.
- AVL - Automatic Vehicle Location Technology is being implemented to assist with improved risk management and development of efficiencies.

- GIS system connected to asset management software for improved capital replacement prioritization.
- After careful inventory, Town staff identified and removed legacy phone lines, which will result in savings of around \$9000/year.
- Additional modernizing of the Town's phone systems and moving away from landlines where possible will bring savings of around \$14,000/year.

These are examples of continuous improvement opportunities that have been identified by staff and are in process or completed to impact 2023 and the future.

Economic Factors - Inflationary Impacts, Insurance, and Interest Rates

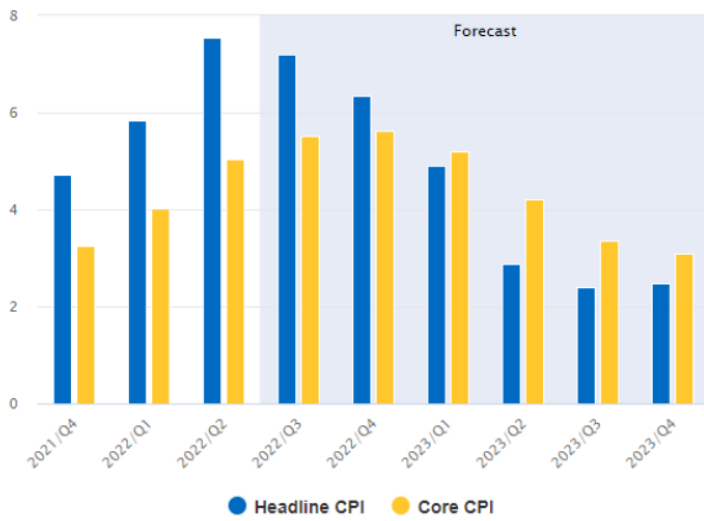
Post Covid-19 worldwide pandemic, we continue to be impacted by inflationary cost increases most notably for increasing fuel/gas costs of \$66k (a 59% increase from budget to budget). The impact is also being felt on the costs of materials and services. Acknowledging the pressures of rising inflationary costs on the community, an analysis of the forecasted inflationary levels was completed rather than applying a target of CPI as of July 2022 which was at an unprecedented level of 7.6%.

This chart below includes an inflationary forecast provided as of July 2022 from RBC Economics.¹

¹ RBC Economics, found at <https://thoughtleadership.rbc.com/rbc-inflation-watch/>

Canadian core CPI to stay higher for longer

% year over year



Source: StatCan, RBC Economics

When looking at the forecast for 2023, 4% is a good average and more recent economic updates from RBC Economics indicate that inflationary pressures have eased.

The Bank of Canada interest rate is now at 4.5%. The rising interest rate has allowed for interest earnings within the budget to be increased by \$232k.

In August, the Town was advised that insurance increases on renewal for municipalities would range between 15

to 20% for the next renewal period from the Town's current insurance provider. The Town's renewal is slightly below that range at 14% overall with an impact on the budget of \$80k.

High inflation, costly reinsurance, social inflation, COVID-19 (class action suits) and geopolitical uncertainty are contributing to the continuation of the hard insurance market.² Social inflation refers to "societal changes" that have resulted in the "reluctance to assign contributory negligence to claimants that have been catastrophically injured" ...in court decisions.³ Inflationary costs impact the cost of

² *Escalating Cost of Municipal Claims*, Intact Public Entities, found at file:///T:/L%20-%20Legal%20Affairs/L06%20-%20Insurance%20Policies/2022%20to%202023%20Renewals/Escalating_Cost_of_Municipal_Claims_2022.pdf

³ *Escalating Cost of Municipal Claims*, Intact Public Entities, found at file:///T:/L%20-%20Legal%20Affairs/L06%20-%20Insurance%20Policies/2022%20to%202023%20Renewals/Escalating_Cost_of_Municipal_Claims_2022.pdf

insurance through rising costs of construction of buildings (replacement cost) which are reporting increases of 26.5% year over year in the closest reported city of Toronto on Statistics Canada.⁴ BFL Canada Ltd. provided a bulletin indicating that over the past two years, "the cost to build or replace municipal assets has been greatly impacted due to:

- The global pandemic
- World events
- Inflationary pressures resulting in the Bank of Canada raising interest rates
- Increased labour costs
- Increased cost of building materials
- Shortages in construction materials; and
- Supply chain bottlenecks delaying the delivery of construction materials."⁵

Operating Budget Overview

Council has a policy that sets out a range for year over year increases in the tax levy. The low end of the range is based on the annual Consumer Price Index (CPI) as of July. The CPI for July 2022 was 7.6%. Given the unprecedented inflation levels, staff worked towards a 4% target per forecasted inflation. The draft operating budget being presented to Council is below the target at 3.7%. In addition to the operating budget requirement, Council has a policy of increasing taxes annually by 1.8% to fund infrastructure (\$218,300) through the dedicated capital levy. Combined, the total increase for 2023 is 3.7%. The increase is approximately \$54.14/year for every \$100,000 in residential assessment. It's worth noting that not all your property taxes are used to fund services provided by the Town. Town services represent 60.9% of your

⁴ Statistics Canada, Building construction price indexes, first quarter of 2022, found at <https://www150.statcan.gc.ca/n1/daily-quotidien/220505/dq220505b-eng.htm>

⁵ BFL Canada Property Insurance for Municipal Assets, 2022.

property tax bill, 24.5% funds district level services/external levies and approximately 14.6% is collected for the province for education.

To put the operating budget into context for the residents, every additional \$121,332 added to the operating budget is approximately equal to a 1% increase in property taxes. The Town's total operating budget is approximately \$38.2 million. The budget is funded by user fees and various other revenues (72%) with property taxation providing the balance of the funding (28%).

Through continuous improvement initiatives and various other efforts most departments across the Town have managed to contain departmental costs resulting in an increase of only \$230,105 in property taxation for 2023 (net of growth). The majority of the cost pressures in 2023, have been offset leaving only a portion to be covered by a tax increase (approximately \$230k or 1.9%).

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 \$217 million including land valued at \$7.7 million. Aging infrastructure is an issue faced by all municipalities. Often the cost of infrastructure requiring rehabilitation exceeds available funding. This situation is referred to as an infrastructure deficit. To actively address this funding issue associated with aging infrastructure Council established a policy requiring an annual increase in tax funding for infrastructure (1.8% each year for 20 years). These funds are dedicated to maintaining and replacing the Town's assets.

In 2023, staff's focus was on prioritizing core infrastructure projects within the asset management plan. Replacement forecasts were reviewed and cross referenced between roads, water, wastewater, and storm to identify which projects are good candidates for surface only replacement, which were total replacements, as well as the projects with the most need. Some projects have continued to encounter supply chain issues or delays due to the pandemic. Rising costs of materials and services have been encountered in recent years with inflationary and economic factors impacting

capital works. Significant investment in infrastructure projects is being undertaken within 2023. This year's capital budget includes significant investment into Pumpstation 2 and forcemain of \$7.2 million to address capacity concerns for new development. A portion of these costs are projected to be funded through Development Charges. Other new major infrastructure projects such as Gen and Victoria avenue (Storm, Water, Wastewater Included) at \$2 million plus Double Surface Treatment/Base work on a section of Louisa Street are also planned to name a few.

The total capital budget for these new projects is approximately \$12.7 million. \$485,182 is funded from property taxation and \$12.3 million is funded from a variety of sources. Funding sources include Federal and Provincial Grants which the Town has been aggressive in pursuing. Of the total 2023 capital budget including carry forward items, 36% is funded from reserves/reserve funds and 26% funded from provincial and federal grants. Most of the infrastructure increase of 1.8% is going directly towards projects in 2023 with inflationary and economic factors keeping transfers to reserves at a steady level. The Draft Capital budget does not require taxation funding beyond what is funded by the annual capital levy.

Planning for the Future

This year's budget is future focused with many projects/initiatives focused on the long-term. These projects include a Waterfront Master Plan, Inflow & Infiltration Reduction Program costs, Official Plan Review, Economic Development Communication Strategy, Asset Management Plan Enhancement-Facility Condition Assessments, Sanitary System Study, Water Distribution System Study, Strategic Plan Goal Setting, and an exercise focused on documenting/evaluation existing culvert/bridge structures.

Conclusion

The 2023 draft budget represents a responsible balance between various competing interests with limited resources available. In 2023, the Town has proactively managed inflationary cost pressures in 2023 without reducing service levels. The year's budget impacts remain low at 1.9% for operating and 1.8% for infrastructure despite the impact of operating cost pressures such as gas/fuel, material/supply costs, external levy

impacts and insurance premium increases. Overall, the draft budget maintains established levels of services and includes many long-term focused projects that are essential in remaining focused on the sustainability of the community. The budget presents a high regard for cost pressures within the community in a year where inflation has impacted costs of living, while still allocating funds to maintain aging infrastructure and supporting the Town's strategic direction.

Respectfully submitted,

The Chief Administrative Officer and the Senior Leadership Team

Town of Parry Sound



TOWN OF



Parry Sound

Overview

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About the Town of Parry Sound



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

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

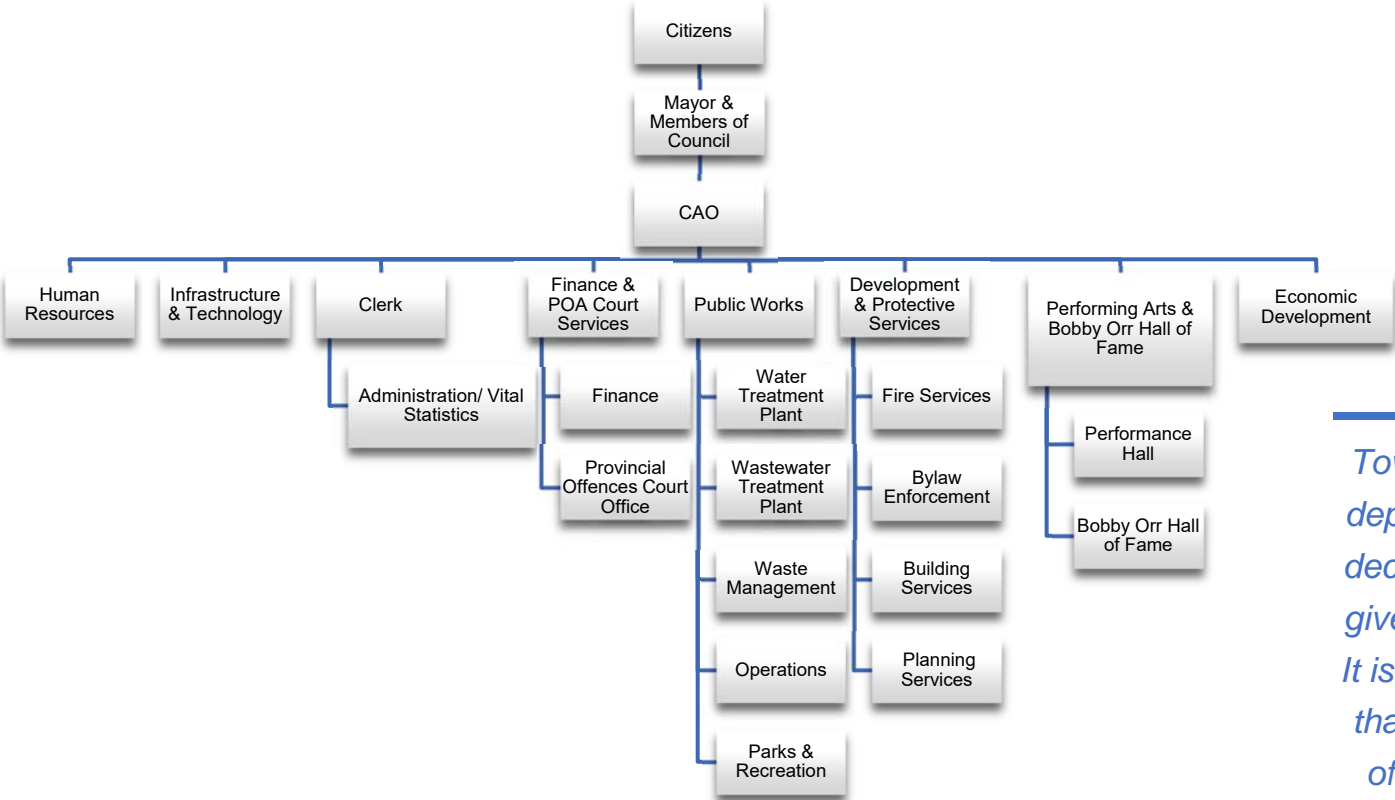
Parry Sound is rich in arts, culture and heritage. The Charles W. Stockey Centre for the Performing Arts and the Bobby Orr Hall of Fame are home to the international summer music festival, the Festival of the Sound. The Hall of Fame pays tribute to Parry Sound hockey hero, Bobby Orr.



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

Organizational Profile

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



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

Partnering for the Future

2020 – 2030 Strategic Plan

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



Collaboration

Vision

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



Honesty

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.



Accountability

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.



Respect



Transparency

2020-2030 Strategic Priorities



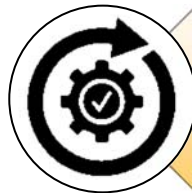
Economic Growth

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



Quality of Life

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



Organizational Excellence

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

Snapshot of our Community

The Town participated in the BMA Management Consulting Inc. Municipal Study – 2022, which is a study comparing 117 municipalities in Ontario, representing approximately of 86% of the population. In 2022, there were 10 Northern participants (Elliot Lake, Espanola, Greater Sudbury, Dryden, Kenora, North Bay, Parry Sound, Sault Ste. Marie, Thunder Bay and Timmins), and 32 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.

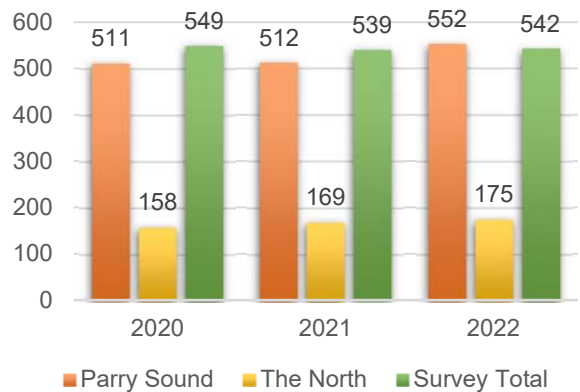
Population Density

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 6,879 people.

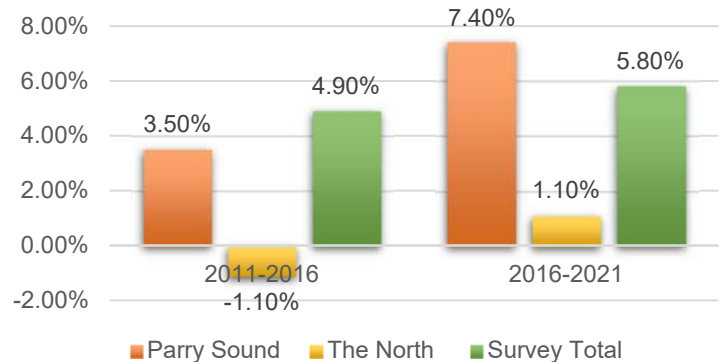
Population Density per sq. km



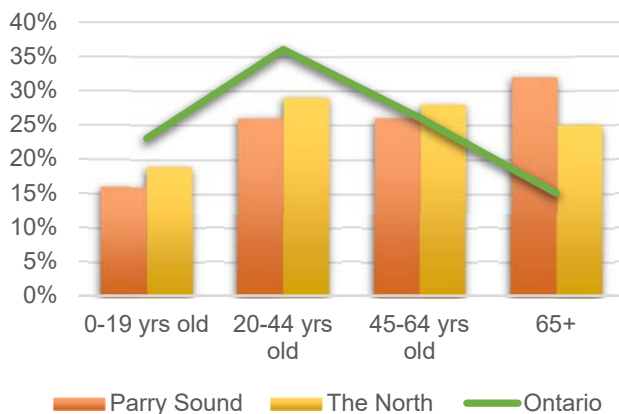
Population Growth & Age Demographics

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

Population Growth



Age Demographics



According to the 2021 Census, 32% of the Town’s population is 65 years and over. This is in comparison to the Provincial average of 15%. 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.

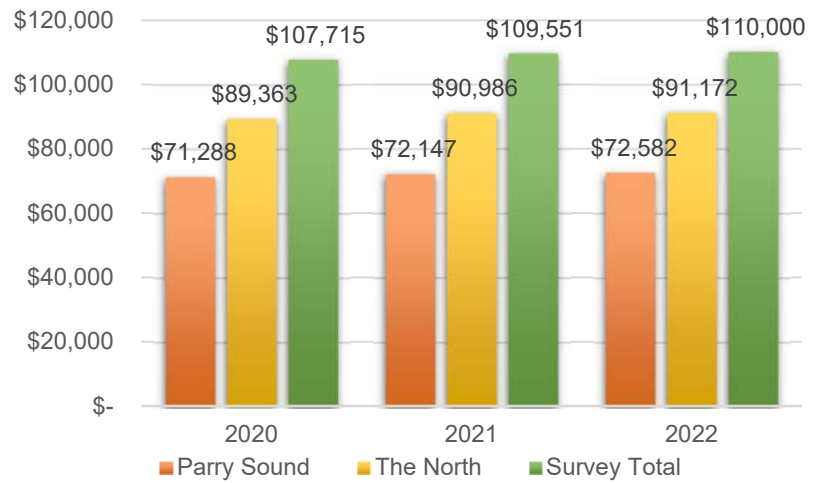
Average Household Income

The Town's average 2022 estimated household income is \$72,582 which is \$18,590 lower than the Northern average, and \$37,418 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.

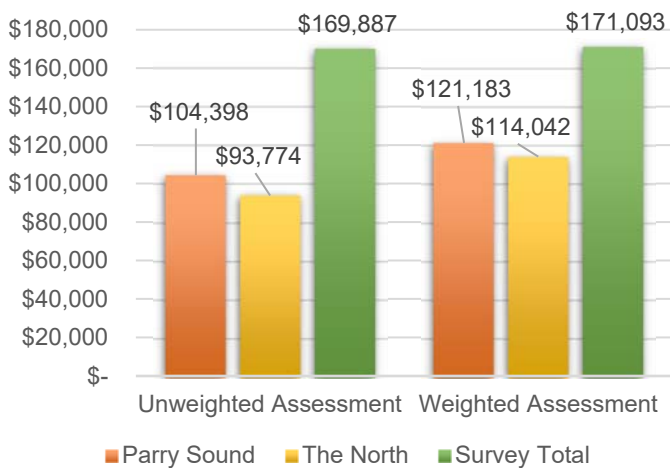
The Town must also balance the reality that the provision of some services may be higher in the North.

Average Household Income



Property Assessment

Assessment per Capita



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 70% of the municipalities surveyed, have a decrease in tax burden on the Residential class as a result of tax ratios for non-residential classes greater than 1.0. The implementation of tax ratios to the assessment base for municipalities with a larger proportion of farmland and managed forest results in an increase in the residential burden.

Location	Residential Unweighted Assessment	Residential Weighted Assessment	Change % Unweighted to Weighted
Parry Sound	74.0%	63.8%	-13.9%
Survey Total	77.1%	75.3%	-0.60%

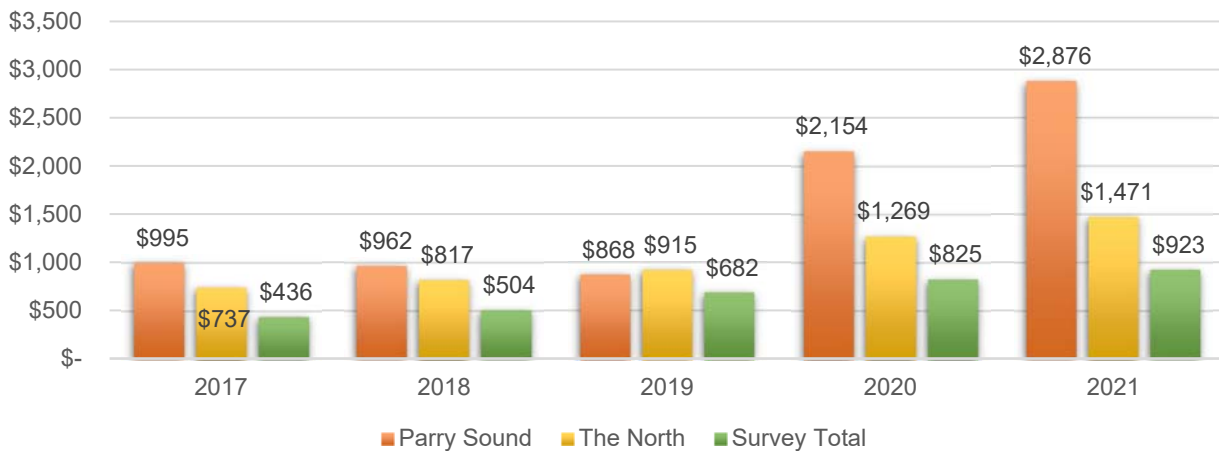
Financial Indicators

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

Sustainability

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

Financial Position per Capita



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

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

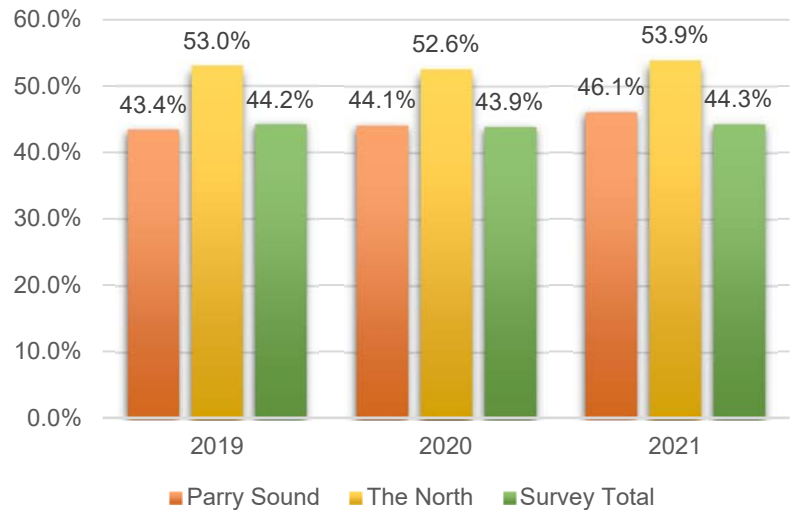
Recent increases in this ratio are due to the timing of completion of capital projects post pandemic. Many projects were carried forward initially until future cash flows were certain. The financial position will reduce to levels more in line with The North within this graph as the major infrastructure projects are completed.

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.

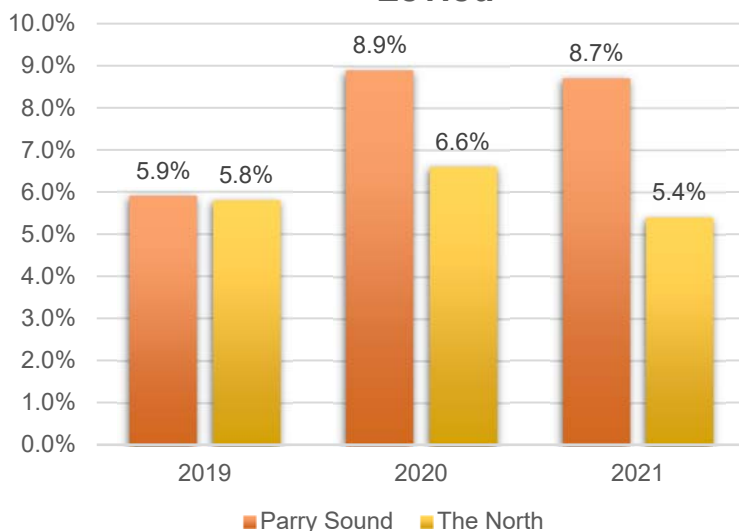
Tax Asset Consumption Ratio



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.

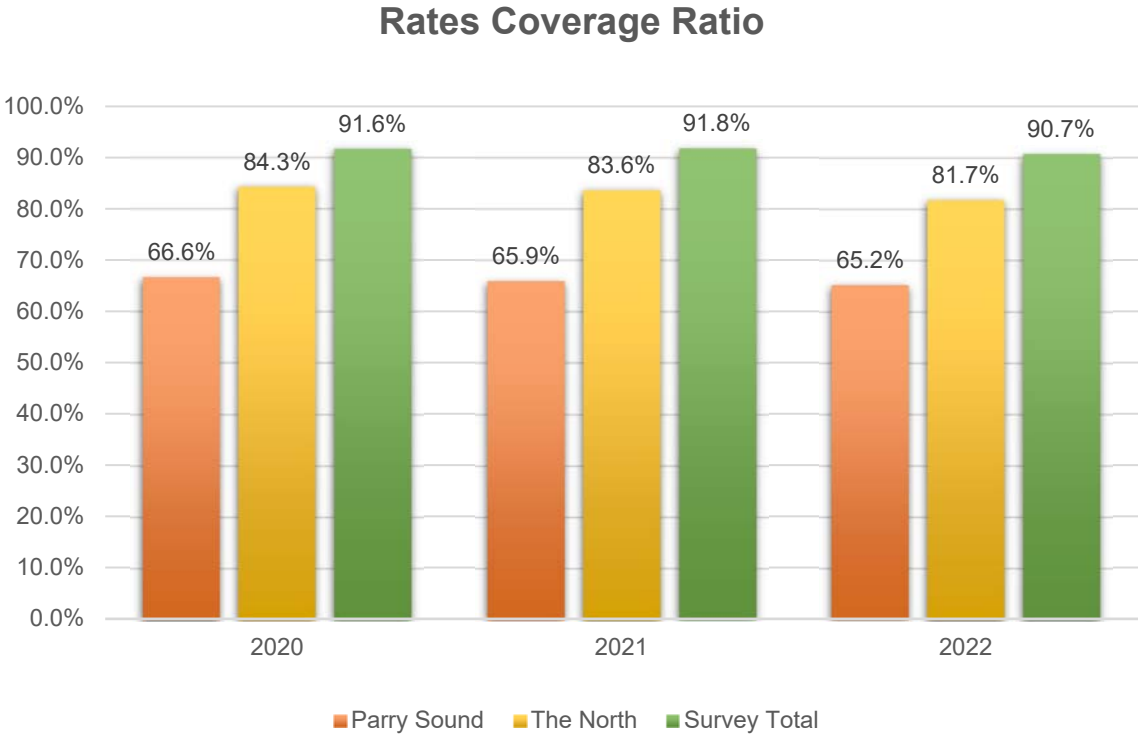
If a municipality sees a consistent increase over time of this percentage, then it may indicate a decline in the municipality’s health.

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.



Flexibility

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

Reserves and Reserve Funds



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

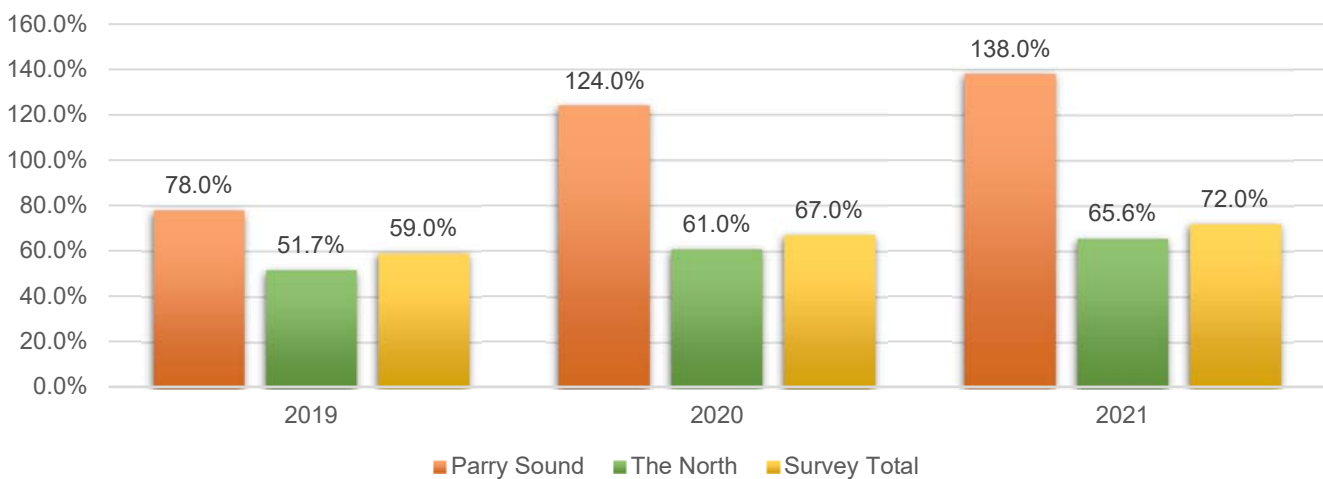
There are two types of **reserve funds**:

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

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

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

Tax Discretionary Reserves as a % of Own Source Revenues



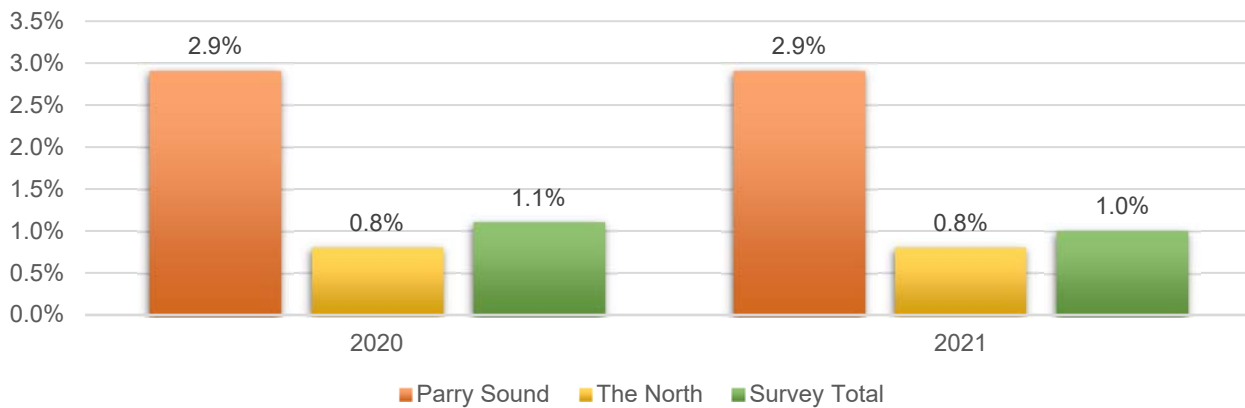
Parry Sound has significantly higher reserve balances when compared to the survey average and the North. It is important to note, that while the Town does have strong reserves, the comparison to other municipalities may be skewed by the existence of reserves that are not for “Town use”, such as the Land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

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

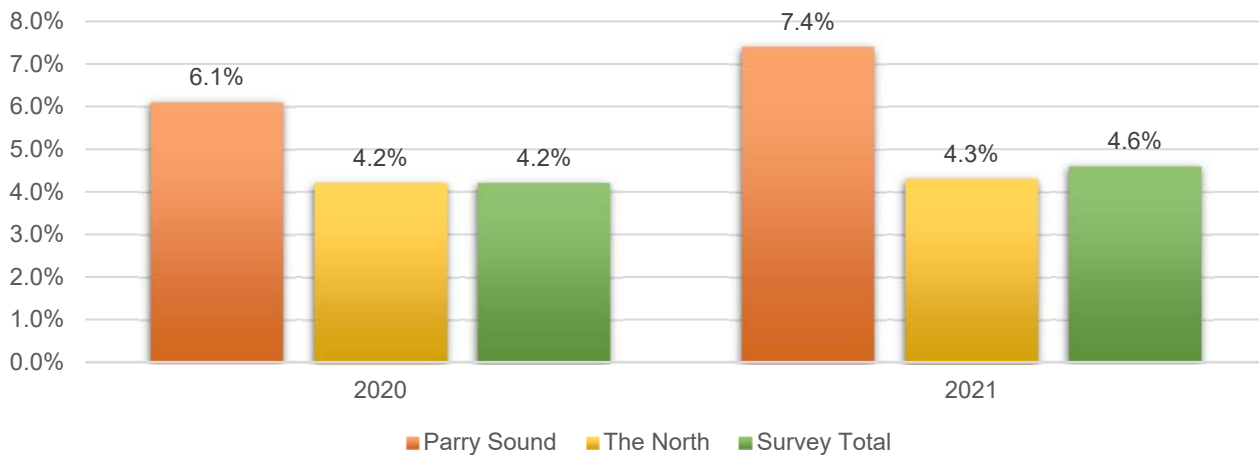
Debt

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

Tax Debt Interest as a % of Own Source Revenue



Tax Debt Charges as a % of Own Source Revenues



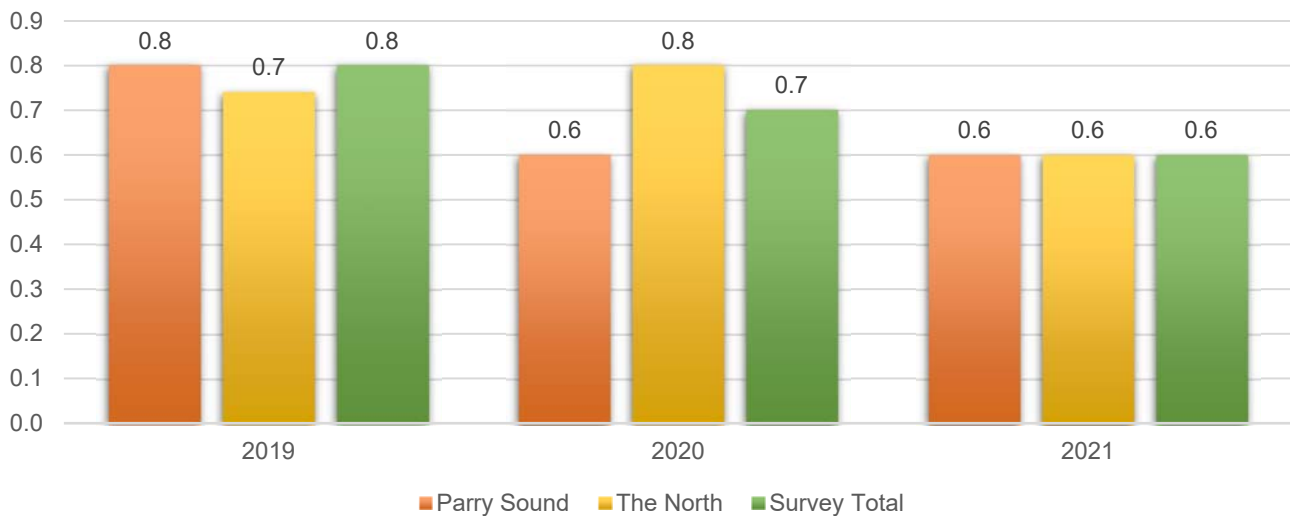
As indicated above, the Town's tax debt charges are in line with the survey average. The figures above do not consider the debt incurred for water and wastewater related infrastructure.

The Town's debt to reserve ratio was 0.6, which is consistent with prior years and the survey average.

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

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

Debt to Reserve Ratio



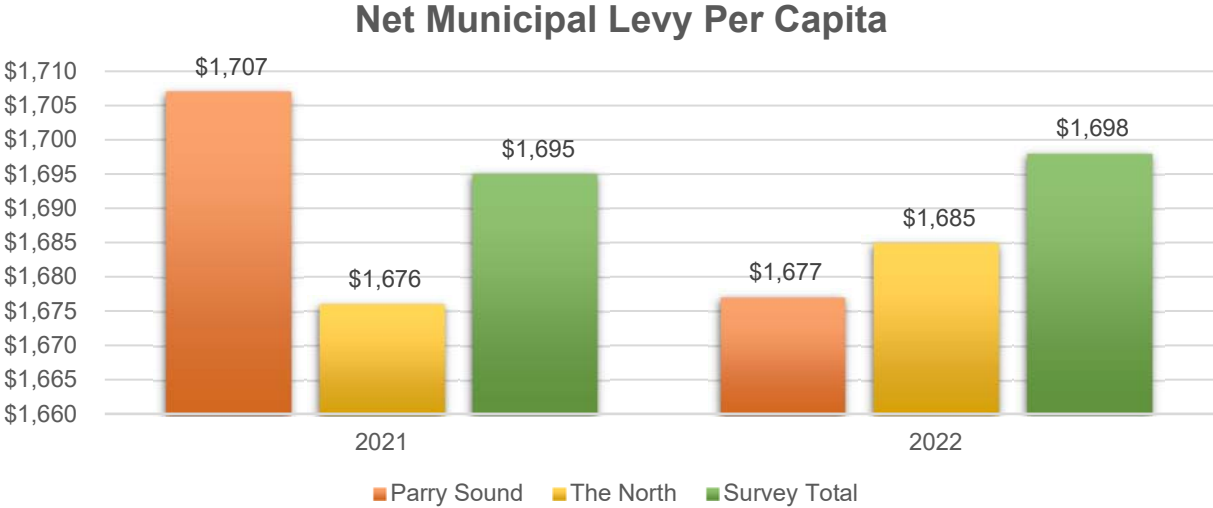
Municipal Levy

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:

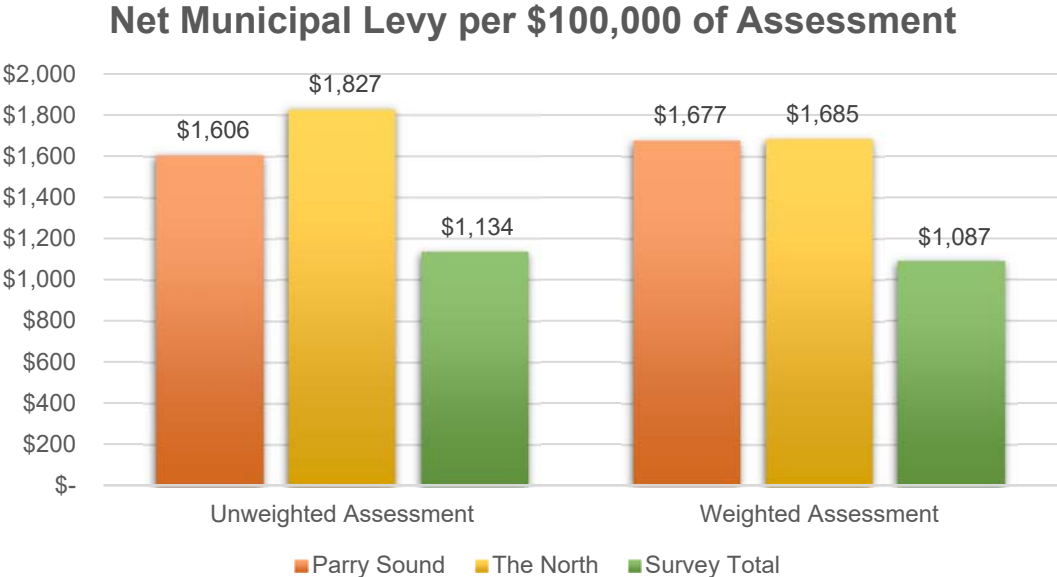
- Different service levels
- Variations in the types of services
- Different methods of providing services
- Different residential/non-residential assessment composition
- Varying demands for services
- Locational factors
- Demographic differences
- Socio-economic differences
- Urban/rural composition differences
- User fee policies
- Age of infrastructure
- What is being collected from rates as opposed to property taxes

A population increase has contributed to the reduction in net municipal levy per capita along with increases in grant funding sources such as the Ontario Municipal Partnership Fund (OMPF) and maintaining moderate levy increases over the last number of years.



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 (2021)	Population per BMA Study (2021)	Net Municipal Levy/Capita	Population Density per km²	Land Area (km²)	Net Municipal Levy/\$100,000 Weighted Assessment
Parry Sound	\$829,450,720	6,879	1,677	552	13	1,384
Huntsville	\$4,287,457,813	21,147	1,728	32	705	870
Bracebridge	\$ 3,432,848,245	17,305	1,836	30	615	957

Comparing the 2021 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.

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TOWN OF

Parry Sound



Supporting Our Community

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Summary of Changes to Net Levy by Divisions

	2022 Budget	2023 Budget	Dollar Change	Percent Change
Mayor and Council	\$ 258,405	\$ 329,086	\$ 70,681	27.35%
Office of the Chief Administrative Officer				
Office of the Chief Administrative Officer	(1,748,925)	(1,929,669)	(180,744)	(10.33%)
Economic Development	328,426	323,922	(4,504)	(1.37%)
Information Technology	517,906	459,897	(58,009)	(11.20%)
Development & Protection Services				
Emergency & Protective Services	-	14,000	14,000	N/A
Fire Services	778,939	909,080	130,141	16.71%
By-law Enforcement	198,229	247,604	49,375	24.91%
Building	28,427	-	(28,427)	(100.00%)
Planning	142,795	145,334	2,539	1.78%
Development	265,047	245,119	(19,928)	(7.52%)
Public Works & Recreation				
Transportation Operations	1,930,487	2,099,195	168,708	8.74%
Winter Control	789,836	812,694	22,858	2.89%
Storm Water Control	347,972	372,355	24,383	7.01%
Waste Management	836,810	886,374	49,564	5.92%
Cemetery	146,191	170,121	23,930	16.37%
Municipal Office	219,019	220,276	1,257	0.57%
Bobby Orr Community Centre	453,318	544,311	90,993	20.07%
Parks and Recreation	978,417	999,292	20,875	2.13%
Finance	33,431	55,473	22,042	65.93%
Subtotal Town Operations	6,504,730	6,904,464	399,734	6.15%
External Levies/Boards/District Services				
Health Unit	183,939	185,595	1,656	0.90%
Town Contribution – Land Ambulance	280,150	292,021	11,871	4.24%
Home for the Aged	101,400	101,390	(10)	(0.01%)
Seniors	5,000	5,000	-	0.00%
DSSAB	320,549	330,694	10,145	32.27%
Library	269,007	304,346	35,339	13.14%
Museum	40,076	43,300	3,224	8.04%
Town Contribution - Stockey	297,333	297,333	-	0.00%
OPP	2,162,144	2,058,414	(103,730)	(4.80%)
Airport	12,100	12,100	-	0.00%
The Planning Board	-	-	-	N/A
PS Area Industrial Park	15,190	15,190	-	0.00%
911 Levy	3,600	3,600	-	0.00%

Town of Parry Sound – 2023 DRAFT Budget

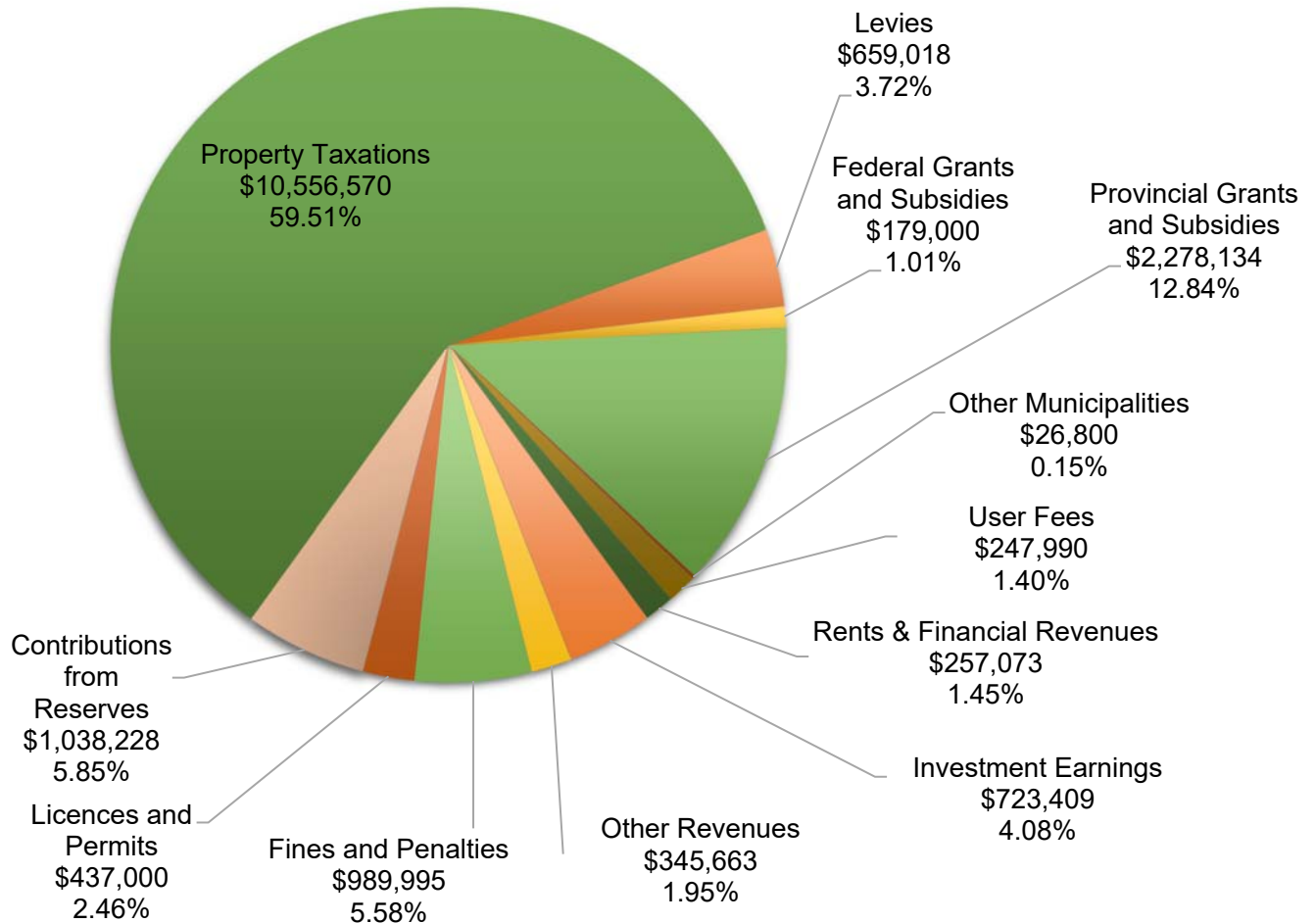
	2022 Budget	2023 Budget	Dollar Change	Percent Change
MPAC Property Assess Levy	92,194	91,201	(993)	(1.08%)
Subtotal External Levies/Boards/District Services	3,680,109	3,652,106	(28,003)	(0.76%)
Total Operating Levy Required	10,184,839	10,556,570	371,731	3.65%

Operating Budget

Property Tax Supported Operations

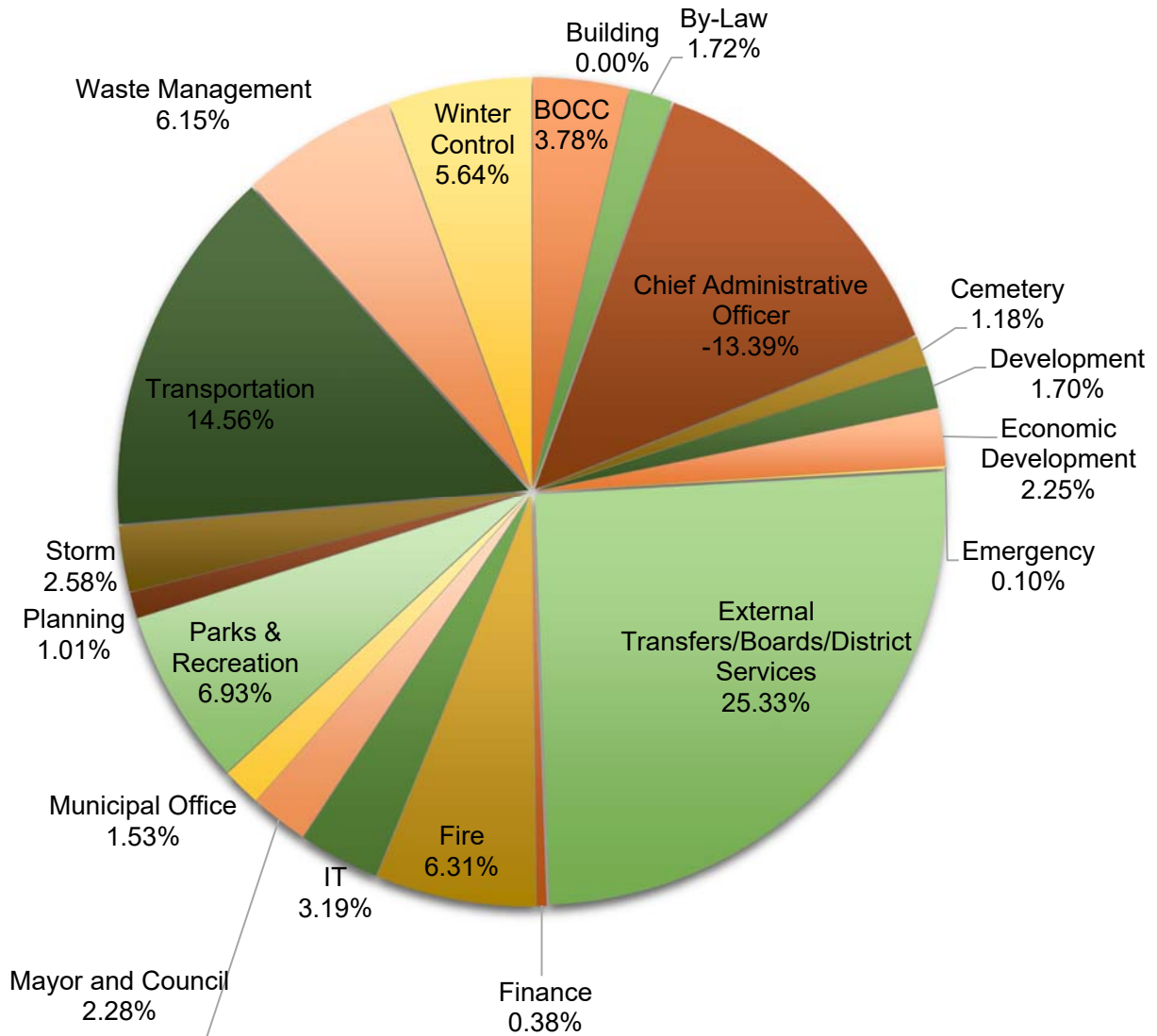
Most of the Town's operations are supported to some degree from property taxes. Each year staff consider various revenue sources available, as well as the operating requirements of the Town to determine what needs to be raised through tax levies.

The proposed budget to Council has a total of \$17,738,880 in tax supported operating expenses. There is anticipated revenue of \$7,182,310 from other sources, including Provincial funding, user fees, investments, and contributions from reserves. The remaining \$10,556,570 must be raised from property taxes.



2023 Budget by Functional Service Area

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

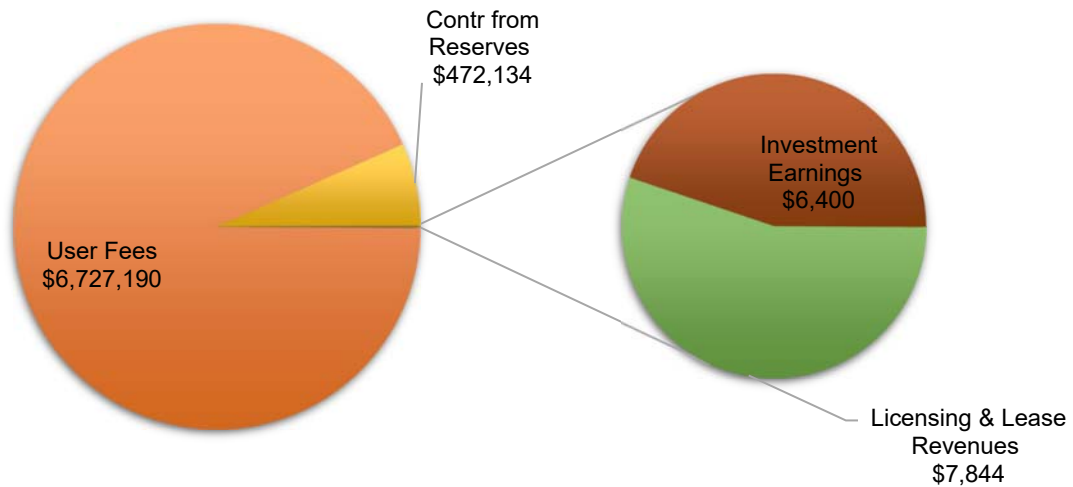


*General Government includes Ontario Municipal Partnership Fund grant revenues of \$2.06 million.

Non-Property Tax Supported Operations

Water and Wastewater Services

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



Budget Change

2022 Budget	2023 Budget	Dollar Change	Percent Change
\$6,760,229	\$7,213,568	\$453,339	6.71%

Highlights

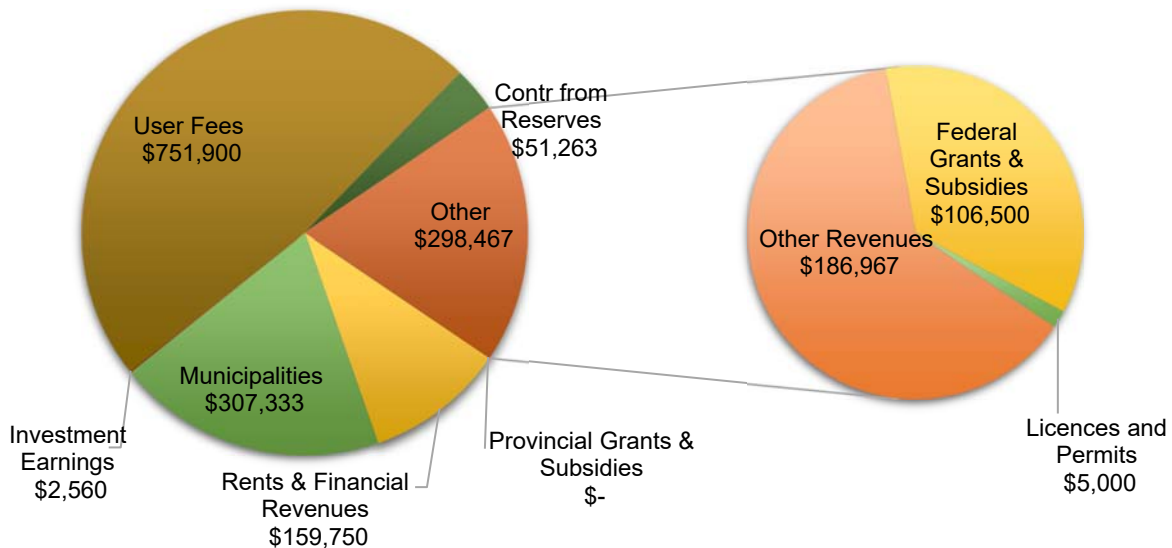
- Recommendations of the water and wastewater capacity study are included in the 2023 budget.
- Inflation is outpacing the 2% rate increases recommended in the rate study in these departments.
- Rate Study is scheduled for review in 2024.

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

2022 Budget	2023 Budget	Dollar Change	Percent Change
\$1,445,015	\$1,571,273	\$126,258	8.74%

Highlights

- Many revenues at the Stockey Centre were lost due to covid-19 and the ongoing pandemic. In 2022, the Stockey Centre budgeted for the return to normal with events, facility rentals, and usage planned to increase along with revenues.
- The Centre is focused on the recovery of increased revenues through 2023.
- The newly redesigned Bobby Orr Hall of Fame exhibit will celebrate it's Grand Reopening on July 18th, as part of the Facility's 20th Anniversary.

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

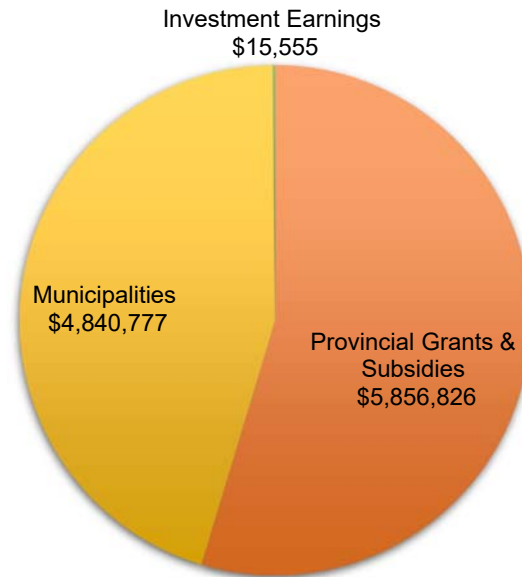
2022 Budget	2023 Budget	Dollar Change	Percent Change
\$ 857,160	\$ 853,995	(\$3,165)	-0.37%

Highlights

- Ticket issuance continues to be at reduced levels following the pandemic.
- Court trial dates are heavy into 2023 as we play catch up from the pandemic and host some lengthy trials scheduled in our locations.
- Defendants now have the option of virtual or in-person trials.

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

2022 Budget	2023 Budget	Dollar Change	Percent Change
\$11,319,219	\$11,713,158	\$393,939	3.48%

Highlights

- Increase to current contract with West Parry Sound Health Centre for Land Ambulance Services - \$332,018 (without community paramedicine long-term care)
- 5% Increase to the municipal levy requirement, allocated to all municipalities based on weighted assessment.
- Fully funded paramedicine program continuing to operate in 2023 – \$904,422

Impact on the Ratepayer – Municipal Taxes

After the onset of the covid-19 worldwide pandemic, the assessment update, which was intended to occur for 2021, has been deferred through 2021, 2022, and 2023. As a result, there are no impacts of phase-in of increases or immediate decreases in individual assessments in 2023. MPAC's (Municipal Property Assessment Corporation) typically conducts assessment updates based on market value on a 4-year cycle.

The total weighted assessment for the Town of Parry Sound has increased 1.17% from 2022 to 2023. In the absence of any assessment updates causing phase-in or decreases, this represents the Town's assessment growth.

\$12,127,777 (2022 taxation revenues) x 1.17% = \$141,626 in taxation from assessment growth

Whereas the 2023 budget requires a total of \$12,715,113 and \$141,626 is generated from assessment growth;

Therefore, the Town needs to raise an additional \$230,105 for Town operations and \$218,300 for infrastructure for a total of \$448,405.

2023 Levy Increase

To raise the required additional \$448,405, an increase of 1.9% for operations and 1.8% for infrastructure is necessary for a total increase of 3.7% over 2022 property taxation (net growth).

Impact to the Average Taxpayer

In 2023, the average Single-Family Home in the Town of Parry Sound is assessed at \$194,000. 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.

2022

$\$100,000 \times 0.01463171$ (2022 rate) = $\$1,463.17$

2023 Increase

$\$1,463.17 \times 0.037$ (increase) = $\$54.14 / 12 = \4.51 per month

The Results

The taxpayer will pay \$54.14 more per year or \$4.51 additional per month for every \$100,000 in residential assessment.

Items for Council Consideration

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

Requests for Consideration from Council and/or Public

Description	Included in Proposed Budget	Budget Section	Operating Budget Impact	Change to Tax Rates	Tax Impact ¹
1. Increase contribution to the Public Library (excludes furnace capital included in capital budget \$7.7k)	Yes	Recreation & Culture	\$ 35,339	0.291%	\$4.26
2. Increase contribution to the Museum on Tower Hill	Yes	Recreation & Culture	\$ 3,224	0.027%	\$0.40
3. Chamber of Commerce *New (Same as 2021 request)	No	Mayor & Council	\$ 5,000	0.041%	\$0.60

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

Description		Included in Proposed Budget	Budget Section	Operating Budget Impact	Change to Tax Rates	Tax Impact ¹
4.	The Drop *New	No	Mayor & Council	\$ 4,000	0.033%	\$0.48
5.	Park to Park (Same as 2022)	Yes	Mayor & Council	\$ 6,000	0.049%	\$0.72
6.	Warming Station/Light Meals *New	No	Mayor & Council	\$ 5,000	0.041%	\$0.60
7.	Northern Med./Doctor Recruitment (Included since 2010-no new request)	Yes	Mayor & Council	\$ 5,000	0.041%	\$0.60
8.	Parry Sound Seniors Club (Same as 2022)	Yes	External Transfers/Boards/District Services	\$ 5,000	0.041%	\$0.60
Grand Total				\$68,563	0.565%	\$8.27

Applicable correspondence has been attached for your review and consideration where available. In addition, Council has \$6,500 available for unplanned donations throughout the year that could be allocated without impacting the tax rate.

January 11, 2023

Mayor Jamie McGarvey and Council
Town of Parry Sound
52 Seguin Street
Parry Sound, ON P2A 1B4



Dear Mayor McGarvey and Council:

RE: Financial support for the Parry Sound Public Library 2023 Budget

The Parry Sound Public Library is dedicated to enriching the quality of life in the Town of Parry Sound and our contracting municipalities. Libraries are much more than a repository of books – investing in your library positively impacts cultural integrity, economic development, social inclusion, literacy development, entertainment and enjoyment, wellness, engaged citizens and safer communities. We are a place to relax and enjoy a calming atmosphere, to get help with your tablet or laptop, to take part in online meetings and conferences, or to enjoy socializing with our low-cost/no-cost programming.

As our primary funder, we would ask for the year 2023 a total of \$312,047.54. We realize this amount is higher than last year. As you can see from our budget, the increase is the result of the cost of books (not wanting to deplete the One Investment account), replacement cost for furnaces (which we are hoping to offset as much as possible with a grant), changes to OMERS regarding NFT staff, and pay equity adjustments to ensure that we are correctly compensating our staff. In every area, the library will strive to contribute from our own savings and reserves, and to pursue grants wherever possible.

We look forwards to working closely with the Town of Parry Sound, to align ourselves with the key aspects of the Town of Parry Sound's Strategic Plan in promoting an enhanced quality of life, inclusive to all, and promoting economic growth.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Martens", is written over a thin blue horizontal line.

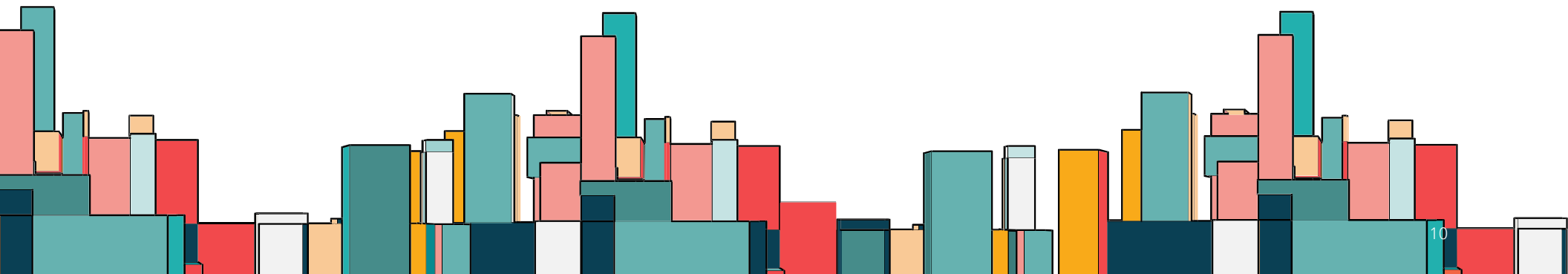
Selena Martens
CEO
Parry Sound Public Library

Cc. Board of Directors

A Visit Will Get You Thinking

FINANCIALS

	Full Cost	Grants	Library Contribution	Adjusted Total
Books	25,000.00		10,000.00	15,000.00
Furnaces	50,811.00	38,109.00	5,000.00	7,702.00
OMERS NFT	9,578.00			9,578.00
Pay Equity Grid Adjustment	17,471.63		9,210.00	8,261.63
Pay Equity Consultant	2,500			2,500.00
Full Needed Increase	\$105,306.63			New Total: \$43,041.63



Wednesday, November 30, 2021

Town of Parry Sound
52 Seguin St.
Parry Sound, ON P2A 1B4

Re: West Parry Sound District Museum 2023 Contribution Request

Dear Mayor McGarvey and Council:

The West Parry Sound District Museum respectfully requests that the Town of Parry Sound contribute \$43,300 toward the continued operation of the West Parry Sound District Museum. This is a 6% increase, over 2022's contribution in order to keep up with current inflation.

2022 was an exciting year for the Museum with the opening of the E Roy Smith Gallery, the installation of a Northern Nature Exchange, and the launch of the initiative to capture local history. This last initiative involves going out into the communities of the West Parry Sound District to record and preserve our local history through audio and video recordings. This initiative will provide future generations with important insights into the generations before and their contributions.

As we enter 2023 the West Parry Sound District Museum is fully open to the public and has a full and exciting exhibition line up. We continue to work toward the goals set out in our new strategic plan to offer more programming, virtual and in-person, as well as updates to our capital assets.

The Management and Board of the West Parry Sound District Museum thank you for your generous contributions in these difficult times. We are available at any time to review the 2023 Budget and discuss opportunities for savings and additional income.

We do understand that you will continue to experience challenges in 2023. If a 6% increase is not feasible we request that you continue to contribute at the same level as in 2022_or at an increase that is comfortable for the Town of Parry Sound.

Sincerely,

Nadine Hammond
Curator/Manager



December 8, 2022

Hello Town of Parry Sound Council and Mayor McGarvey.

I am writing on behalf of the Parry Sound Area Chamber of Commerce to respectfully ask if the Town of Parry Sound would be willing to make a financial contribution in the sum of \$5000 in this upcoming budget.

The Town of Parry Sound has been a partner with the Chamber in the past with the last contribution of \$5000 given in 2021.

Currently we do have contributions from Archipelago, Seguin and Whitestone and we will be approaching the remaining municipalities asking for their support as well.

As a non-profit organization we rely solely on our Chamber Memberships, fundraising events, eligible grants and municipal contributions to keep us going for the year.

If you would consider this contribution, or a sum you find appropriate, it would be greatly appreciated and help us remain a driving force for our business community for years to come.

Regards,

Chris McDonald

Executive Director

Mobile: (705)774-6129

Office (705)746-4213

manager@psachamber.ca

January 22, 2023

Dear Mayor McGarvey and Councillors,

On behalf of the Board of Directors of The Drop, we are submitting a formal request to your Municipal Assistance Program (please see attached form). The Drop is an independent, not-for-profit organization, committed to maintaining a safe, inclusive, space for youth in the Parry Sound community. Our mission is to CELEBRATE and SUPPORT youth.

The Drop hopes to use the grant from the Town of Parry Sound to help cover the cost of rent in our new, larger space at 14 James St. Since opening at this location on November 1, 2022, we have reached approximately 90 individuals, ages 12 through 20 years old.

This grant would secure the longevity and permanency of The Drop. It will help us continue our current programming of three evenings per week and provide positive opportunities to help foster and support young adults who are the future of Parry Sound.

Our attachment goes into further detail about the ways in which The Drop supports our youth and community. Select highlights are:

- Studies have shown that inclusive community youth-centred spaces, like ours, are vital to helping to decrease alcohol and substance use among the 12-20-year-old demographic.
- The Drop's facility provides a space for youth to gather, resulting in fewer youth occupying spaces in the area/community that are not intended for that use.
- We are a recognized, committed community member with a recent Chamber of Commerce award for "Community Spirit".
- Many other notable community organizations have recognized the importance of The Drop: Parry Sound Public Health Unit, Near North District School Board, YMCA Employment Services, local First Nations

(Shawanaga, Magnetawan, Henvy and Wasauksing), Niijaansinaanik Child & Family Services, Parry Sound Friendship Centre, Optimist Club and the Rotary Club. As well, the community support from many area businesses has been amazing. *(list of donors attached)*

We are so proud to have so many partnerships and supporters, but we need to continue our work in the Parry Sound area and hope the Town of Parry Sound will join us in this endeavour. Thank you for your consideration to support what we know many taxpayers deem a vital part of helping our youth in having a safe place to “drop in”.

Sincerely,

The image shows two handwritten signatures in blue ink. The first signature is 'Colleen McLean' and the second is 'Brittany Novak'. Both are written in a cursive, flowing style.

Colleen McLean and Brittany Novak

Chair and Vice-Chair of The Drop

Additional Information Provided:

The Drop was initially established in the summer of 2021 as part of the Near North District School Board's (NNDSB) wellness camps. That summer, the NNDSB contracted Sound Youth Counselling (SYC) to execute its program and provide drop-in counselling. The Drop supported a total of 154 youth that summer and when the NNDSB contract ended, SYC knew it had to keep The Drop open - and so it did.

The Drop is now an independent, not-for-profit organization, committed to maintaining a safe, inclusive, space for youth in the Parry Sound community.

We know that our community recognizes the valuable contributions made by many community organizations and volunteer groups.

At The Drop, we continue to improve the well-being of the youth of our community while maintaining a safe and inclusive space. In recognition of these highlights, The Drop is committed to providing programming for youth, and have recently expanded its programming to 3 nights every week.

The Drop's space provides a location for the youth to come and hang-out. It keeps them off the streets, and not loitering around other facilities/spaces, all while providing valuable learning opportunities, healthy snacks, educational opportunities and life-skills.

The request is for \$4,000.

Additional Sponsors have been provided.





January 1, 2023

Mayor McGarvey and Council
Town of Parry Sound
52 Seguin St.
P2A 1B4

Dear Mayor McGarvey and Council,

On behalf of the Board of Directors at Park to Park Association I wish to express my deep appreciation for your continued financial support. The Town of Parry Sound's annual contribution helps us maintain part-time administration, organize volunteers, source funding, and manage and perform trail repairs and upgrades.

As we continue to restructure and improve our product, we are challenged with limited resources as a result of having only two municipal partners support us financially; and have been affected by rising costs for insurance and loss of revenue due to trail closures during COVID. We are hereby asking for a donation in the amount of \$6,000.

For 2023 we will continue with trail repairs and upgrades on our trail system. We will also complete our signage strategy and digital heritage tourism product that will support active transportation, culture and tourism in Parry Sound.

Thank you for showing your commitment to our region's trail network. None of our work could be done without our amazing partners. We look forward to many more years of working together and continuing to increase our tourism and economic opportunities in our community.

Sincerely,

Terry Fellner
President, Park to Park Trail Association



Parry Sound Friendship Centre
127-70 Isabella Street
Parry Sound, Ontario
P2A 1M6

Phone: (705) 746-5970

Fax: (705) 746-2612

June 21, 2022

Good evening, I would like to thank Mayor McGarvey and Council for giving me this opportunity to present and share this evening.

Good evening “Shinguacose nindizhinikaaz ~ Mukwa dodum” My name is “Little Pine”, my other given name is “Delores McKay” and I’m from the “Bear Clan”. I come from a community in Northern Ontario ~ Mattagami First Nation and have presently been residing in Parry Sound since January 2016. I was hired as the Executive Director for the Parry Sound Friendship Centre and have been with them since January 2016.

Parry Sound Friendship Centre (PSFC) provides support to both indigenous and non-indigenous people residing in Parry Sound. We do have specific requirements for our Client Base Programs and Participant Base Programs. Our programs are designed to improve the quality of life for indigenous and non-indigenous people in an urban environment by supporting self-determined activities, which encourage equal access to, and participation in Canadian society and which respects cultural distinctiveness. We work in a Healthy holistic environment; collectively and cooperatively to promote and deliver programs and activities to build healthier lifestyles, families and communities.

I would like to share with you this evening how “Biindigen” which means “Welcome or Come-in” originated.

In September/October 2019, it was a discussion at one of our weekly PSFC Team meetings, that we needed to do something for our men here in Parry Sound. At this time I identified that our Health Outreach Coordinator would work on this initiative. One of her main tasks was to set up a meeting that would include organizations in Parry Sound. With success she was able to have individuals from DSSAB, WPSHC, OPP, TOWN OF PARRY SOUND, amongst other groups/organizations. The results of this was St James Church was on board and they were graciously preparing the location in the basement of the church and we had the Fire Chief from the Town office attend and identified what need to be done. On December 3, 2019 myself and my Health Outreach Coordinator back then attended at a Council meeting at which time a deputation was done. The outcome of this was, Council voted to have PSFC added to their 2020 Budget.

We felt things were coming closer to reality, when another meeting scheduled and what originally was 17 people at the table had dwindled down to 4 of us. With sadness and

frustration, I had no other alternative, but to remove my Health Outreach Coordinator from this task as her regular program needed her and she was at the point of exhaustion. On December 19, 2019 a letter was sent to Mayor McGarvey informing him of our decision.

In September 2021, Ontario Federation of Indigenous Friendship Centre (PSFC) approved some funding to PSFC through the Social Services Relief Fund (SSRF) to help support those experiencing or at risk of homelessness in Parry Sound. Back then and even today, we have recognized the need for a “Warming Centre”, with the express purpose of **giving men** in our community, who are **homeless or precariously housed**, a warm place to sleep for the night out of the harsh temperatures. Although Salvation Army does provide for limited space, there is just not enough spaces available. This crisis belongs to all of us as a town and a community. A Warming Centre would support the immediate crisis and allow us some time to come up with a more permanent plan for our most vulnerable men in the future. We chose to provide this place for our men, seeing that we do have a location (Espri) geared towards women and children, but we have nothing for men here in Parry Sound.

Based on a presentation by DSSAB under the Housing & Community Services in 2017 through a Homelessness Enumeration, the outcome identified some major areas of concern(s) in Parry Sound, which probably has been tabled here prior to this evening. Some of the identified areas were:

- Unavailability of affordable rental housing;
- Housing stock in poor state of repair;
- Lack of public transit systems;
- Mainly seasonal employment;
- High employment rates;

As part of the Province’s efforts to end chronic homelessness by 2025, which is only 2.5 years away, seems unrealistic.

Going back to “Biindigen” following the past struggles trying to get a “Warming Centre” off the ground. In July 2021, it was decided that our “Health Outreach Coordinator” would go out on the street with sandwiches and refreshments. The numbers after a month saw an increase and continued to rise. .

With fall just around the corner, we knew we needed to move quickly. It was decided that we revisit the option of a “Warming Centre” once again, that would house an overnight warm place for the men. However, with no success to secure a location and with the funding from OFIFC, we decided that we needed to look for a place where we could provide at the minimum a hot tea/coffee and a continental breakfast and at least one hot meal a day.

Our Health Outreach Coordinator called me at the office while he was out handing out bag lunches on the street. He said, there is a storefront for lease, located where the old subway was at 33 James Street. He gave me the number, I called it and was connected to the Landlord, and when I went to visit the location, it was the perfect place.

On November 15, 2021, we signed a lease and our Health Outreach Coordinator with excitement worked all weekend cleaning and setting up this new location that would house Biindigen. We rushed to get this place prepared and in order, with amazement we did it!

Since November 14th, 2021 to April 30th, 2022 we have supported 2,973 people in total. On a daily basis, we are seeing 35 to 40 people come into Biindigen, The support that they are getting from PSFC is at no cost to them. The percentage of people utilizing Biindigen is 60/40 with 60% being non-indigenous and 40% being of indigenous decent.

To support this initiative aside from the funding from OFIFC, we have had some very generous donations from Harvest Share as well as individual donations, which we are very grateful for, as we could not have continued without this support.

I would like to say miigwetch (thank you) for your time!

Delores McKay
Executive Director
Parry Sound Friendship Centre

Parry Sound Seniors Club 1269
80 James Street, Parry Sound, Ontario P2A 1T9
Telephone: 705-746-7186

February 22, 2023

Mayor and Council
Town of Parry Sound
52 Seguin Street
PARRY SOUND ON P2A 1B4

Dear Mayor and Council of the Town of Parry Sound:

We apologize for the lateness of this request. Our new executive was unaware of the timeline until mentioned by our Treasurer. We assure Parry Sound Council that we continue to be active and needing your financial support.

As mentioned in our previous requests, the Senior's Club wishes to work with the Town for the betterment of all community Senior citizens. The Club provides social, recreational and other services for the Town, all operated by volunteers. The Club provides valued programs of games, entertainment, educational workshops for senior adults, thereby enhancing the quality of life, community participation and independence of seniors.

We would like to take this opportunity to thank the Mayor and Council for your generosity last year. Understanding that you are in the current administrations budgeting process, the following item of the **\$5000.00 Grant** afforded to the club last year is hopefully discussed and approved again for this year. This letter will serve as a reminder that the **Club would greatly appreciate attention in securing some municipal relief and cooperation.**

Looking forward to a favorable response.

Thank you,



Cynthia Hamlyn

President



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 2022 to 2026, with the inaugural meeting held November 15, 2022.

Functions

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


Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	-	-	\$ 24,557	\$ 4,557	\$ (20,000)	(81.44%)
Total Revenues	-	-	\$ 24,557	\$ 4,557	\$ (20,000)	(81.44%)
Expenses						
Salaries & Benefits	\$ 193,224	\$ 195,205	\$ 189,260	\$ 216,396	\$ 27,136	14.34%
Materials - Operating Expenses	8,488	22,510	43,951	42,251	(1,700)	(3.87%)
Rent and Financial Expenses	0	0	300	300	-	-
Purchased/Contracted Services	2,176	13,776	19,557	41,557	22,000	112.49%
Grants - Transfer Payments	14,264	12,000	20,870	20,870	-	-
Internal Recoveries	11,853	4,024	4,024	7,269	3,245	80.64%
Contribution to Reserves	0	0	5,000	5,000	-	-
Total Expenses	\$ 230,006	\$ 247,515	\$ 282,962	\$ 333,643	\$ 50,681	17.91%
Total Levy Requirements	\$ 230,006	\$ 247,515	\$ 258,405	\$ 329,086	\$ 70,681	27.35%

Budget Highlights

- **Contribution from Reserves - \$20,000 ↓**
Each year \$5,000 is put towards an Elections Reserve and in an election year the amount is transferred out to cover election costs. This allows the Town to spread the cost of an election over 4 years, rather than requiring 100% of the cost to be funded from property taxes in an election year. Election costs were planned to be transferred out in 2022.
- **Continued work on the redesign of the Town's Coat of Arms - \$ 4,557 ↑↓**
Work began in 2018, unspent funds are being contributed to Reserves, and will be used to fund the expenses in 2023.

- **Mayor and Council Remuneration - \$27,136 ↑**
Increase is due to the annual increase to Council remuneration based on CPI from December to December (6.9%).
- **Training for Council - \$5,000 ↑**
With newly elected Council members, training dollars have been increased.
- **Strategic Plan Goal Setting - \$17,000 ↑**
Some monies were placed in the 2023 budget for strategic planning exercises .
- **IT Chargeback - \$3,245 ↑**
The cost allocation from Information Technology based on the number of devices and actual costs increased.
- **Contribution to Reserves - \$5,000 ↑**
Every year \$5,000 is put towards an Elections Reserve. This allows the Town to spread the cost of an election over 4 years, rather than requiring 100% of the cost to be funded from property taxes in an election year



TOWN OF
Parry Sound

General Government

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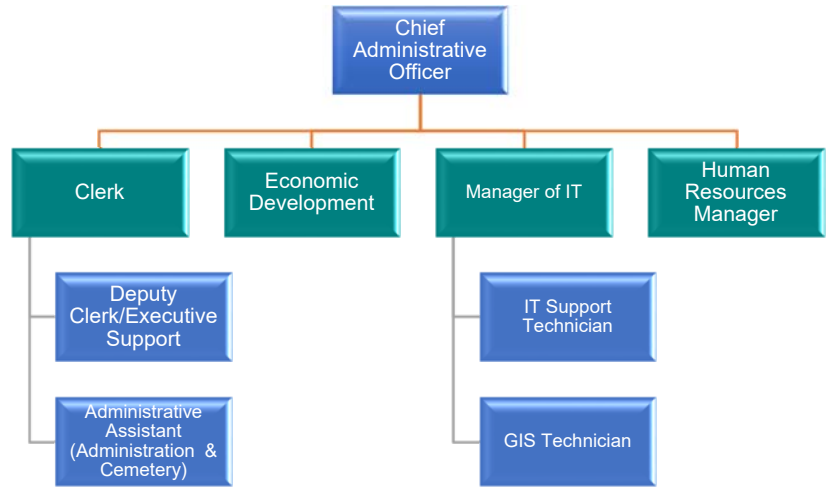
Office of the Chief Administrative Officer

Overview

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

Functions

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 2,346,570	\$ 2,292,818	\$ 2,053,400	\$ 2,058,400	\$ 5,000	0.24%
Rents & Financial Revenues	25,951	27,003	31,387	34,148	2,761	8.80%
Investment Earnings	647,077	558,918	472,030	704,030	232,000	49.15%
Other Revenues	-	-	-	-	-	N/A
Fines and Penalties	25,367	10,507	17,000	14,500	(2,500)	(14.71%)
Licenses and Permits	15,092	13,820	12,000	12,000	-	0.00%
Contributions from Reserves/Reserve Funds	-	-	175,200	42,000	(133,200)	(76.03%)
Total Revenues	\$ 3,060,057	\$ 2,903,065	\$ 2,761,017	\$ 2,865,078	\$ 104,061	3.77%
Expenses						
Salaries & Benefits	\$ 514,050	\$ 485,899	\$ 756,290	\$ 691,837	\$ (64,453)	(8.52%)
Materials - Operating Expenses	21,863	18,173	32,165	37,165	5,000	15.54%
Purchased/Contracted Services	78,672	63,235	125,200	82,700	(42,500)	(33.95%)
Internal Recoveries	6,585	10,409	10,409	10,679	270	2.59%
Contribution to Reserves	-	-	88,028	113,028	25,000	28.40%
Total Expenses	\$ 621,170	\$ 577,717	\$ 1,012,092	\$ 935,409	\$ (76,683)	(7.58%)
Total Levy Requirements	\$ (2,438,887)	\$ (2,325,348)	\$ (1,748,925)	\$ (1,929,669)	\$ (180,744)	(10.33%)

Budget Highlights

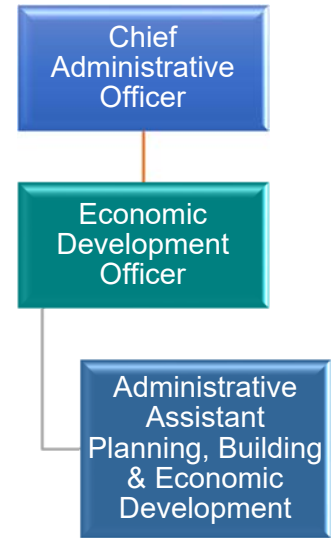
- **Ontario Municipal Partnership Fund (OMPF) - 5,000 ↑**
The Town's 2023 OMPF grant funding has increased for 2023.
- **Investment Earnings - \$232,000 ↑**
Investment earnings have increased with the Bank of Canada increasing their rate which is now at 4.5%. This has really helped in managing inflationary costs.
- **Transfers from Reserves - \$133,200 ↓**
Last year's covid funding has ceased and the non-union review and impact has been completed and recognized in 2022. \$35,000 towards the organizational review to be funded from the general working reserves remains and \$7,000 is planned to be transferred from the modernization reserve for a recruitment software project recommended through the IT Modernization Review exercise.
- **Salaries & Benefits - \$65,000 ↓**
Non-union review cost impacts were budgeted within the CAO dept back in 2022. The project is completed, and these costs have been redistributed throughout the organization for 2023. The non-union increase is 2% and union increase is 1.5%.
- **Contracted Services - \$42,500 ↓**
\$30k towards the non-union market review project has been completed. A reduction for less human resources legal costs required of \$12.5k.
- **Reserve Contribution - \$25,000 ↑**
The Town's contribution of \$75k contribution towards the West Parry Sound Recreation and Cultural Centre in 2022 has been increased to \$100k in 2023 making up the most of this variance. Each year, the operating budget will aim to phase in the operating impact of the Centre to avoid a large increase in the year of opening.

Economic Development

Overview

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

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



Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ -	\$ -	\$ -	83,000	83,000	N/A
Other Revenues	108,923	116,481	115,752	154,284	38,532	33.29%
Total Revenues	\$ 108,923	\$ 116,481	\$ 115,752	\$ 237,284	\$ 121,532	104.99%
Expenses						
Salaries & Benefits	\$ 231,332	\$ 278,684	\$ 342,701	\$ 346,855	\$ 4,154	1.21%
Materials - Operating Expenses	15,562	30,747	69,806	122,846	53,040	75.98%
Rents and Financial Expenses	-	-	-	12,050	12,050	N/A
Purchased/Contracted Services	-	4,234	2,500	12,400	9,900	396.00%
Grants - Transfer Payments	98,684	75,428	26,000	60,560	34,560	132.92%
Internal Recoveries	1,752	3,171	3,171	6,495	3,324	104.82%
Total Expenses	\$ 347,329	\$ 392,265	\$ 444,178	\$ 561,206	\$ 117,028	26.35%
Total Levy Requirements	\$ 238,406	\$ 275,784	\$ 328,426	\$ 323,922	(\$ 4,504)	(1.37%)

Budget Highlights

- **FONOM Conference - \$115,000** ↑ ↓
Revenues and expenses of \$115k are reflected within the budget as the FONOM Conference is reflected as break-even throughout the economic development budget.

- **Salaries & Benefits - \$4,154** ↑
The annual wage increase of 1.5% for unionized positions and 2% for non-union positions.
- **Economic Development Communication Strategy - Cruise Ship Industry - \$27,000** ↓↑
Materials and contracted services related to this project are within the budget and have been carried forward into 2023.

Information Technology

Overview

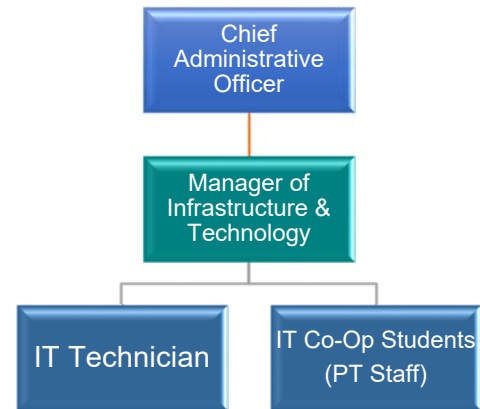
Information Technology is increasingly becoming a major part of the Town’s operations. The Town has begun live-streaming Council meetings, moving towards more paperless options, and implementing software to improve processes and services.

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.

The information technology/climate change budget includes:

- Corporate Digital Information System
- Software licenses
- IT Support



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	\$ -	\$ -	\$ 24,000	\$ 44,500	\$ 20,500	85.42%
Total Revenues	\$ -	\$ -	\$ 24,000	\$ 44,500	\$ 20,500	85.42%
Expenses						
Salaries & Benefits	\$ 220,312	\$ 197,531	\$ 330,893	\$ 219,901	\$ (110,992)	(33.54%)
Materials - Operating Expenses	89,712	109,651	180,165	184,419	4,254	2.36%
Purchased/Contracted Services	107,831	116,510	94,500	197,900	103,400	109.42%
Internal Recoveries	(123,802)	(139,714)	(139,652)	(173,823)	(34,171)	24.47%
Contribution to Reserves	-	-	76,000	76,000	-	0.00%
Total Expenses	\$ 294,053	\$ 283,977	\$ 541,906	\$ 504,397	\$ (37,509)	(6.92%)
Total Levy Requirements	\$ 294,053	\$ 283,977	\$ 517,906	\$ 459,897	\$ (58,009)	(11.20%)

Budget Highlights

- **Salaries & Benefits - \$110,992 ↓**
GIS Technician (-\$74k in salaries) – moving from a full-time resource to a shared resource of 2 full time equivalents employed by the Township of the Archipelago (**+\$90k in contracted services**). Turnover and changes in the department have reduced labour costs as new employees move up their grid steps.

- **Internal Recoveries – \$34,171 ↑**

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

- **Modernization Projects/Contracted Services and Contribution from Reserves - \$44,500 ↓↑**

Phone modernization Teams integration - \$5k

Integrating all site phone systems with Microsoft Teams to allow for more effective communication options, especially with remote work. Part of the overall phone modernization project.

Field Effect Cyber Security Suite - \$16.5k

Managed Detection & Response (MDR) cyber security tooling. Adds an additional layer of 24/7 defense across endpoints, Town networks, and cloud environments.

Electronic Documents and Records Management implementation and training - \$23k

Major modernization of Town record keeping, acting as a new baseline. Besides new functionality, this also lets services like electronic signatures be cleanly integrated in the future.

IT Strategic Planning portal - \$4k

Results from prior municipal modernization studies, as well as current progress, will be reflected in this system. Allows for prioritizing and tracking progress towards IT strategy, disaster recovery management, security assessments, and IT skill assessments.

\$44.5k funded from the Modernization Reserve.

- **IT Reserve Contribution - \$76,000 ↓↑**

Reserve contribution for laptops/fob & security systems/IT remains the same.



TOWN OF
Parry Sound

**Development & Protection
Services**

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Emergency Service

Overview

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

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

Functions

- Emergency Planning
- Covid-19 pandemic supplies and expenses

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Contribution from Reserves	\$ -	\$ -	\$ 18,800	\$ -	\$ (18,800)	100.00%
Total Revenues	\$ -	\$ -	\$ 18,800	\$ -	\$ (18,800)	100.00%
Expenses						
Salaries and Benefits	\$ 1,062	\$ -	\$ -	\$ -	\$ -	N/A
Materials – Operating Expenses	15,094	11,608	18,800	14,000	(4,800)	(25.53%)
Contracted Services	7,606	12,108	-	-	-	N/A
Total Expenses	\$ 23,761	\$ 23,715	\$ 18,800	\$ 14,000	\$ (4,800)	(25.53%)
Total Levy Requirements	\$ 23,761	\$ 23,715	\$ -	\$ 14,000	\$ 14,000	N/A

Budget Highlights

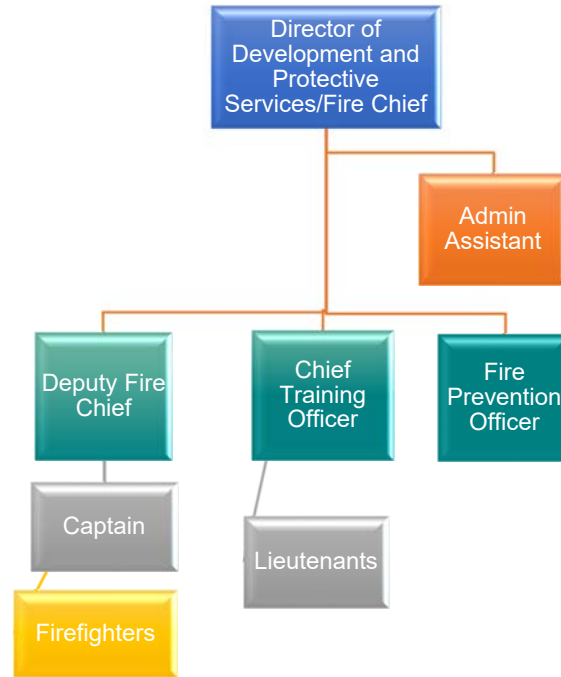
- **Contribution from Reserves ↓**
The contribution from reserves from covid-19 funding reserves to go towards pandemic supplies and expenses in 2023 has ended.
- **Materials - \$4,800↓**
The amount budgeted to be used for covid-19 pandemic supplies and expenses expected to decline in 2023.

Fire Service

Overview

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

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



Functions

- Fire Prevention
- Fire Administration
- Volunteer Firefighter Service

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 6,100	\$ -	\$ -	\$ -	\$ -	N/A
Other Municipalities	5,000	6,890	6,500	11,500	5,000	76.92%
User Fees	104	-	250	250	-	0.00%
Investment Earnings	65	46	65	-	(65)	(100.00%)
Other Revenues	5,284	54	3,000	3,000	-	0.00%
Licensing & Lease Revenues	2,950	5,250	4,000	4,000	-	0.00%
Total Revenues	\$ 19,503	\$ 12,240	\$ 13,815	\$ 18,750	\$ 4,935	35.72%
Expenses						
Salaries & Benefits	\$ 157,468	\$ 462,960	\$ 530,222	\$ 634,477	\$ 104,255	19.66%
Materials - Operating Expenses	165,527	182,708	181,680	206,732	25,052	13.79%
Energy Costs	21,162	22,178	22,000	22,224	224	1.02%
Rents and Financial Expenses	-	616	-	-	-	N/A
Purchased/Contracted Services	32,063	39,916	40,445	41,184	739	1.83%
Grants – Transfer Payments	-	-	650	650	-	0.00%
Internal Recoveries	21,197	10,423	17,757	22,563	4,806	27.07%
Total Expenses	\$ 397,416	\$ 718,801	\$ 792,754	\$ 927,830	\$ 135,076	17.04%
Total Levy Requirements	\$ 377,914	\$ 706,561	\$ 778,939	\$ 909,080	\$ 130,141	16.71%

Budget Highlights

- **Salaries & Benefits - \$104,255 ↑**

\$74,260 budgeted for a Fire Training Officer (3/4 year) including all benefits and employee burden costs. Fire training responsibilities have been increased at the local municipality level. Expect to be able to offer some shared services for training to the other municipalities. \$5,000 in shared services revenues is also included in the budget under other municipal revenues.

\$21,821 relates to the 2% increase budgeted for non-union and 1.5% for union staff.

\$8,174 increase for firefighter honorariums

- **Repairs & Maintenance - \$3,140 ↑**

Repairs & maintenance costs for vehicles are increasing.

- **Insurance - \$8,135 ↑**

Increasing costs of municipal insurance premiums.

- **IT Internal Chargeback - \$4,659 ↑**

Information Technology costs are charged back throughout the organization to different departments/business units for cost recovery where possible.

By-law Enforcement

Overview

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

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

Functions

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 5,000	\$ -	\$ -	\$ -	\$ -	N/A
Other Municipalities	14,187	9,311	15,300	15,300	-	N/A
User Fees	1,500	3,000	2,500	3,000	500	20.00%
Investment Earnings	413	2,930	240	2,500	2,260	941.67%
Licenses and Permits	46,044	53,615	45,500	50,000	4,500	9.89%
Contribution from Reserves	-	-	29,000	-	(29,000)	100.00%
Total Revenues	\$ 67,144	\$ 68,855	\$ 92,540	\$ 70,800	\$ 21,740	23.49%
Expenses						
Salaries & Benefits	\$ 183,905	\$ 186,488	\$ 220,818	\$ 249,991	\$ 29,173	13.21%
Materials - Operating Expenses	18,236	22,386	28,797	28,330	(467)	(1.62%)
Energy Costs	1,707	1,973	2,000	2,200	200	10.00%
Rents and Financial Expenses	175	295	500	300	(200)	(40.00%)
Purchased/Contracted Services	18,186	15,419	29,171	24,200	(4,971)	(17.04%)
Internal Recoveries	6,164	9,305	9,243	10,883	1,640	17.74%
Contribution to Reserves	-	-	240	2,500	2,260	941.67%
Total Expenses	\$ 228,373	\$ 235,865	\$ 290,769	\$ 318,404	\$ 27,635	9.50%
Total Levy Requirements	\$ 161,229	\$ 167,010	\$ 198,229	\$ 247,604	\$ 49,375	24.91%

Budget Highlights

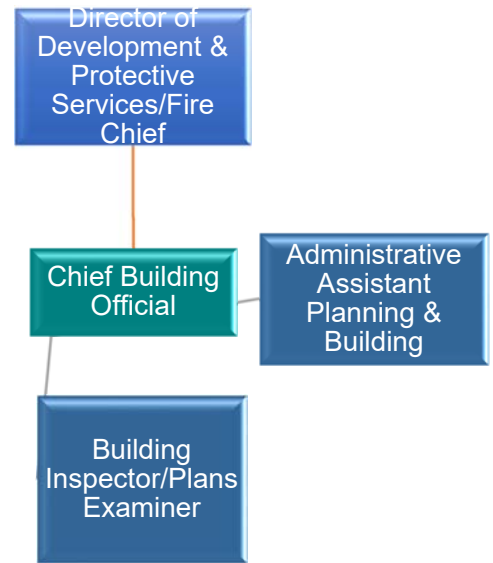
- **Provincial Grants & Subsidies - \$29,000 ↓**
Covid-19 funding that has been allocated to the enforcement during the pandemic has ended.

- **Licenses and Permits - \$4,500** ↑
Parking fines are expected to increase by \$5,000. Business licensing revenues have decreased by \$500.
- **Salaries & Benefits - \$29,173** ↑
\$29,173 relates to the 2% increase budgeted for non-union and 1.5% for union staff.

Building

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 non-compliance. Third, to provide advice on regulations for the installation of signs.



Functions

- Building permit issuance
- Adherence to the Ontario Building Code

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 193,810	\$ 195,534	\$ 240,000	\$ 371,000	\$ 131,000	54.58%
Total Revenues	\$ 193,810	\$ 195,534	\$ 240,000	\$ 371,000	\$ 131,000	54.58%
Expenses						
Salaries & Benefits	\$ 220,532	\$ 222,962	\$ 227,436	\$ 244,484	\$ 17,048	7.50%
Materials - Operating Expenses	19,813	29,083	28,412	31,469	3,057	10.76%
Purchased/Contracted Services	3,710	2,177	5,000	33,700	28,700	574.00%
Internal Recoveries	5,716	7,579	7,579	61,347	53,768	709.43%
Total Expenses	\$ 249,770	\$ 261,801	\$ 268,427	\$ 371,000	\$ 102,573	38.21%
Total Levy Requirements	\$ 55,960	\$ 66,267	\$ 28,427	\$ -	\$ (28,427)	(100.00%)

Budget Highlights

- **Building Fees - \$131,000 ↑**
Increase based on anticipated building projects in 2023, and the associated revenue due to the scale of the projects
- **Contracted Services- \$28,700 ↑**
Some external support added with increase in building department activity and pool project workload anticipated.
- **Internal Recoveries- \$53,768 ↑**
Overhead costs allocated to the budget to cover labour support from admin/finance plus building costs as building department is intended to break-even including the allocation of these costs.

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

- Review, development and implementation of land use policies and by-laws including the Town’s Zoning By-law and Official Plan
- Committee of Adjustment
- Façade Program Administration
- Acquisition or Disposition of Municipal Lands

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Rents & Financial Revenues	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	0.00%
Investment Earnings	1,763	10,077	1,310	9,915	2,940	656.87%
Other Revenues	28,316	45,009	15,000	35,000	20,000	133.33%
Contribution from Reserves	-	-	50,000	200,000	150,000	300.00%
Total Revenues	\$ 105,078	\$ 130,086	\$ 141,310	\$ 319,915	\$ 178,605	126.39%
Expenses						
Salaries & Benefits	\$ 151,457	\$ 98,222	\$ 154,973	\$ 173,214	\$ 18,241	11.77%
Materials - Operating Expenses	6,818	5,523	14,125	16,112	1,987	13.98%
Purchased/Contracted Services	47,877	265,990	73,500	230,500	157,000	209.33%
Grants - Transfer Payments	-	4,993	-	-	-	N/A
Internal Recoveries	3,069	1,507	1,507	5,423	3,916	259.85%
Contribution to Reserves	-	-	40,000	40,000	-	0.00%
Total Expenses	\$ 209,220	\$ 376,234	\$ 284,105	\$ 465,249	\$ 181,144	63.76%
Total Levy Requirements	\$ 104,142	\$ 246,148	\$ 142,795	\$ 145,334	\$ 2,539	1.78%

Budget Highlights

- **Planning Revenues - \$20,000 ↑**
Planning revenues are expected to increase in 2023 with lots of development activity going on.
- **Development Charges Study - \$50,000 ↓↑**
In 2018 there was \$50,000 for a Development Charges study identified. The study has been deferred to 2023 for completion, and will be funded by the Lot Levy and Development Charges Reserve Funds
- **Façade Improvement Program - \$40,000 ↓↑**
The Façade Improvement Program provides 50/50 cost sharing for commercial façade improvement. The grant program is open to owners of commercial buildings or business owners

(tenants). The funds are transferred to a reserve where Council will authorize grants to be paid from.

- **Salaries & Benefits - \$18,241 ↑**
2% increase budgeted for non-union and 1.5% for union staff.
- **Official Plan Update - \$150,000 ↓↑**
An Official Plan update is scheduled for 2023 and a transfer from General Working Reserves will cover these costs.
- **Other Contracted Services - \$7,000 ↑**
Other contracted services are expected to increase with increased planning activity expected.
- **IT Internal Chargeback - \$3,916 ↑**
Information Technology costs are charged back throughout the organization to different departments/business units for cost recovery where possible.

Development

Overview

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

Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Federal Grants and Subsidies	\$ 1,184,305	\$ -	\$ -	\$ 144,000	\$ 144,000	N/A
User Fees	31,893	61,829	28,300	28,300	-	0.00%
Other Revenues	-	3,521	-	-	-	0.00%
Contribution from Reserves	-	-	-	16,000	16,000	N/A
Total Revenues	\$ 1,216,198	\$ 58,308	\$ 28,300	\$ 188,300	\$ 160,000	565.37%
Expenses						
Salaries & Benefits	\$ 398	\$ 518	\$ -	\$ -	\$ -	N/A
Materials - Operating Expenses	32,812	43,566	49,655	51,595	1,940	3.91%
Energy Costs	24,243	21,405	63,800	25,700	(38,100)	(59.72%)
Rents and Financial Expenses	64	-	-	-	-	N/A
Purchased/Contracted Services	-	-	23,500	203,500	180,000	765.96%
Debt Repayment	5,038	9,390	15,002	2,694	(12,308)	-82.04%
Internal Recoveries	-	-	-	-	-	N/A
Contribution to Reserves	-	-	141,390	149,930	8,540	6.04%
Total Expenses	\$ 62,555	\$ 74,878	\$ 293,347	\$ 433,419	\$ 140,072	47.75%
Total Levy Requirements	\$ (1,153,643)	\$ 16,571	\$ 265,047	\$ 245,119	\$ (19,928)	(7.52%)

Budget Highlights

- **Waterfront Master Plan - \$160,000** ↓↑
A Waterfront Master Plan is included in the 2023 budget and \$72k is budgeted to come from Federal grants, \$72k from Provincial grants, and \$16k budgeted from general working reserves.
- **Underwater Inspection of Town Dock - \$20,000** ↑
An underwater inspection of the Town Dock is planned for 2023 as a due diligence to ensure safety.
- **Contribution to Reserves - \$103,200** ↓↑
Repayment of temporary borrowing from the Town's capital asset legacy reserve fund towards the funding of Dock C continues.

- **Energy Costs - \$38,100 ↓**

Utilities costs at Big Sound Marina have been significantly reduced.



TOWN OF

Parry Sound



Public Works & Recreation

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Transportation Operations

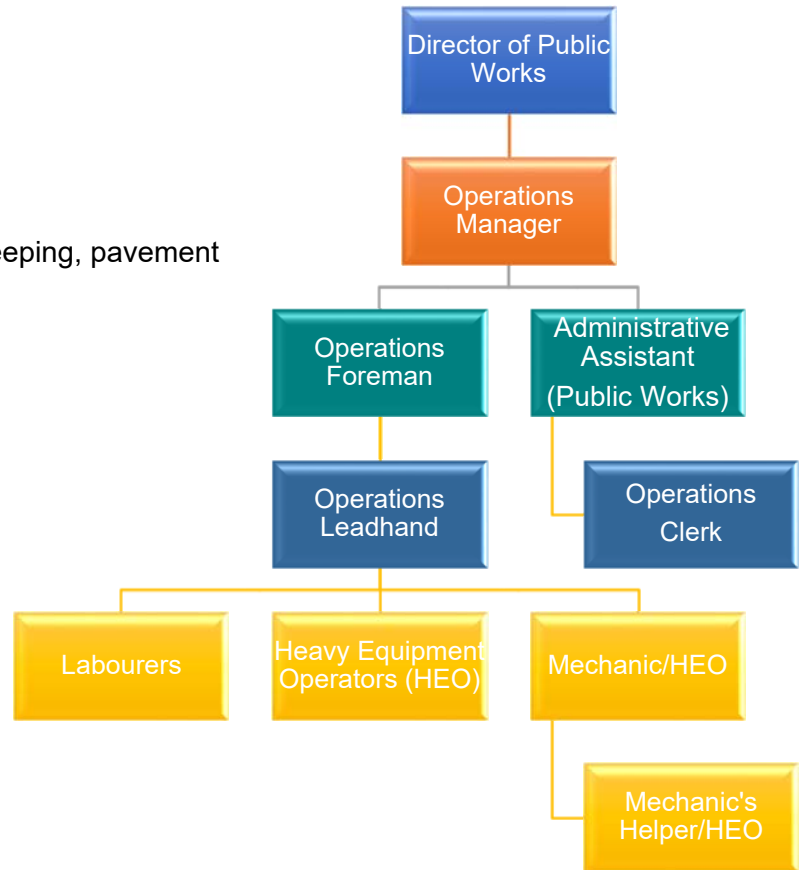
Overview

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

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

Functions

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ (21,651)	\$ 1,771,928	\$ -	\$ -	\$ -	N/A
Federal Grants & Subsidies	4,499	451,005	-	-	-	N/A
Investment Earnings	(762)	20,612	884	2,500	1,616	182.81%
Other Revenues	2,416	8,052	3,000	3,000	-	0.00%
Contribution from Reserves	-	-	91,500	171,450	79,950	87.38%
Total Revenues	\$ (15,498)	\$ 2,251,598	\$ 95,384	\$ 176,950	\$ 81,566	85.51%
Expenses						
Salaries & Benefits	\$ 909,292	\$ 977,896	\$ 1,099,123	\$ 1,166,103	\$ 66,980	6.09%
Materials - Operating Expenses	374,673	490,315	466,668	574,829	108,161	23.18%

Town of Parry Sound – 2023 DRAFT Budget

Energy Costs	109,768	107,638	147,900	113,900	(34,000)	(22.99%)
Rent and Financial Expenses	2,692	4,354	2,400	77,350	74,950	3122.92%
Purchased/Contracted Services	163,724	224,934	447,200	474,200	27,000	6.04%
Debt Repayment	203,459	199,403	244,118	237,891	(6,227)	(2.55%)
Grants – Transfer Payments	-	-	-	10,000	10,000	N/A
Internal Recoveries	(322,813)	22,640	(382,422)	(380,628)	1,794	(0.47%)
Contributions to Reserve	-	-	884	2,500	1,616	182.81%
Total Expenses	\$ 1,440,794	\$ 2,027,180	\$ 2,025,871	\$ 2,276,145	\$ 250,274	8.75%
Total Levy Requirements	\$ 1,456,292	\$(224,418)	\$ 1,930,487	\$ 2,099,195	\$ 168,708	8.74%

Budget Highlights

- Contributions from Reserves - \$171,450** ⬆️⬆️

\$30k to cover the cost of the Streetscan project and \$55k for the Construction Standards Project to be transferred from the Infrastructure Replacement Reserve. \$72,950 budgeted to be funded from the fleet reserve for vehicles leased through the enterprise trial .
- Salaries & Benefits - \$66,980** ⬆️

This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.
- Materials/ Small Tools/Equip - \$20,000** ⬆️

New mechanic tools on site rather than have employee-owned tools required to be kept on the premises.
- Fuel/Gas - \$37,700** ⬆️

The cost of fuel and gas has gone up with inflationary/economic pressures.
- Paint/Repairs - \$20,800** ⬆️

The cost of line painting has gone up 30% - add \$3,000 and \$18,000 is required to paint the operations building and do repairs.
- Insurance Costs - \$8,607** ⬆️

Rising municipal insurance premium impact on transportation operations.
- Training Renewal Program - \$10,000** ⬆️

Cyclical core training for operators required in 2023 and increase is due to the rising cost of administering the training.

- **Rents and Financial Expenses Vehicle Lease Cost - \$72,950** ↑↓
Vehicle leases through the enterprise lease trial funded from the fleet replacement reserve. There is not an increased usage of fleet reserve funding overall for the year and contributions to the fleet reserve from the Capital Budget funds these costs.
- **Street Scan Project /Roads & Sidewalks (Contracted Services) - \$30,000**↑↓
An update to the streetscan data will be collected to assist with continual prioritization of infrastructure replacement.
- **Construction Standards Project (Contracted Services) - \$55,000**↑↓
To update construction standards policy that will define what is required for new developments and infrastructure projects.
- **Contracted Services - \$27,000** ↑
Rising costs of contracted services costs anticipated into 2023.
- **Grants/Transfer Payments - \$10,000** ↑
Increased contribution towards direct travel costs of the big blue van (Community Support Services).
- **GBBR Partners for Climate Protection Contribution - \$15,400** ↑↓
The Town partners with the Georgian Bay Biosphere Reserve on this initiative.

Winter Control

Overview

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

Class: Established based on speed limit and average daily traffic

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

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

Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Expenses						
Salaries & Benefits	\$ 229,850	\$ 221,709	\$ 271,557	\$ 283,756	\$ 12,199	4.49%
Materials - Operating Expenses	197,322	265,061	197,840	197,840	0	0.00%
Purchased/Contracted Services	80,718	135,276	137,500	144,500	7,000	5.09%
Internal Recoveries	223,245	95,617	182,939	186,598	3,659	2.00%
Total Expenses	\$ 731,135	\$ 717,663	\$ 789,836	\$ 812,694	\$ 22,858	2.89%
Total Levy Requirements	\$ 731,135	\$ 717,663	\$ 789,836	\$ 812,694	\$ 22,858	2.89%

Budget Highlights

- **Salaries & Benefits - \$12,199 ↑**
This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.
- **Plowing-Service Cost - \$7,000 ↑**
This increase reflects the inflationary impact (cost increases) expected with costs of gas and other inputs.
- **Internal Recoveries - \$3,659 ↑**
This increase reflects the inflationary impact (cost increases) expected within equipment costs which is allocated out based on usage.

Storm Water Control

Overview

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

The storm water control budget includes:

- Culvert maintenance
- Ditch maintenance
- Storm sewer maintenance

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Contributions from Reserves	\$ -	\$ -	\$ -	\$ 175,000	\$ 175,000	N/A
Total Revenues	\$ -	\$ -	\$ -	\$ 175,000	\$ 175,000	N/A
Expenses						
Salaries & Benefits	\$ 90,132	\$ 65,082	\$ 103,204	\$ 108,093	\$ 4,889	4.74%
Materials - Operating Expenses	25,626	18,266	46,000	62,702	16,702	36.31%
Rent and Financial Expenses	-	187	-	-	-	N/A
Purchased/Contracted Services	400	14,657	40,000	215,000	175,000	437.50%
Debt Repayment	3,216	1,970	3,000	2,676	-324	-10.80%
Internal Recoveries	82,198	886	155,768	158,884	3,116	2.00%
Total Expenses	\$ 201,573	\$ 101,049	\$ 347,972	\$ 547,355	\$ 199,383	57.30%
Total Levy Requirements	\$ 201,573	\$ 101,049	\$ 347,972	\$ 372,355	\$ 24,383	7.01%

Budget Highlights

- **Contributions from Reserves/Contracted Services - \$175,000 ↑**
Storm Drainage Study - \$175,000
 This study will include the documentation and evaluation of existing culvert/bridge structures. A transfer from reserve is budgeted from the Infrastructure Replacement Reserve to cover the cost of this study.
- **Salaries & Benefits - \$4,889 ↑**
 This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.
- **Repairs & Maintenance - \$13,500 ↑**
 Significant repairs and maintenance required for the Town's vacuum truck to keep it operational. Not an extension of the life of the asset beyond what was anticipated.

- **Internal Recoveries - \$3,116** [↑](#)
Changing information technology allocation based on actual costs and device allocation.

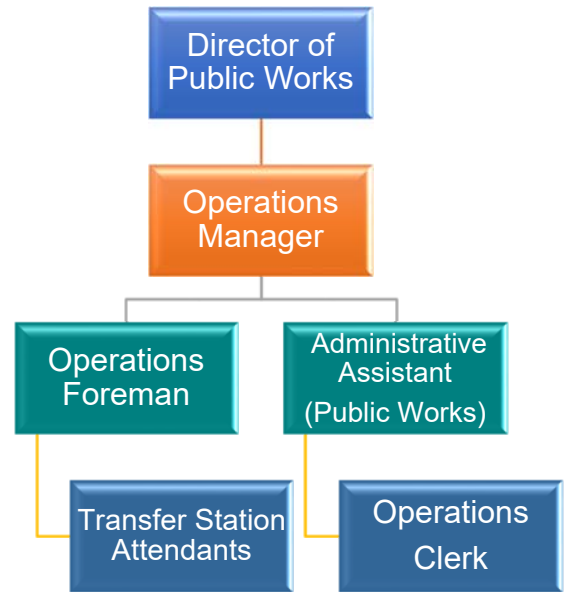
Waste Management

Overview

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

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

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



Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 78,313	\$ 87,892	\$ 128,000	\$ 131,656	\$ 3,656	2.86%
Other Municipalities	7,650	7,800	-	-	-	N/A
User Fees	41,174	55,304	61,290	46,290	(15,000)	(24.47%)
Other Revenues	139,218	136,511	120,179	120,179	-	0.00%
Total Revenues	\$ 266,354	\$ 287,507	\$ 309,469	\$ 298,125	(\$ 11,000)	(3.67%)
Expenses						
Salaries & Benefits	\$ 270,730	\$ 265,344	\$ 281,085	\$ 291,178	\$ 10,093	3.59%
Materials - Operating Expenses	12,680	45,654	59,256	58,756	(500)	(0.84%)
Energy Costs	3,078	3,173	3,500	3,500	-	0.00%
Rent and Financial Expenses	10,450	9,593	18,000	18,000	-	0.00%
Purchased/Contracted Services	741,700	694,907	752,000	780,000	28,000	3.72%
Internal Recoveries	26,346	4,447	32,438	33,065	627	1.93%
Total Expenses	\$ 1,064,984	\$ 1,023,118	\$ 1,146,279	\$ 1,184,499	\$ 38,220	3.33%
Total Levy Requirements	\$ 798,629	\$ 735,611	\$ 836,810	\$ 886,374	\$ 49,564	5.92%

Budget Highlights

- **Provincial Grants & Subsidies - \$3,656 ↑**
Waste diversion funding has been increased for 2023.

- **User Fees/FoodCycler Composting Program - \$15,000 ↓**
FoodCycler Program was completed in 2022.
- **Salaries & Benefits - \$10,093 ↑**
This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.
- **Recycling Contracted Services - \$28,000 ↑**
The Town has been experiencing increased curbside pickup costs and with gas/fuel and anticipated inflationary increases, these expenses are expected to go up

Municipal Office

Overview

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Expenses						
Salaries & Benefits	\$ 9,551	\$ 157	\$ 550	\$ 550	\$ -	0.00%
Materials - Operating Expenses	18,141	23,597	32,788	34,155	1,367	4.17%
Energy Costs	22,132	22,844	30,202	30,806	604	2.00%
Purchased/Contracted Services	18,558	7,764	39,517	42,837	3,320	8.40%
Debt Repayment	118,802	81,349	115,962	111,928	(4,034)	(3.48%)
Internal Recoveries	436	-	-	-	-	N/A
Total Expenses	\$ 187,620	\$ 135,711	\$ 219,019	\$ 220,276	\$ 1,257	0.57%
Total Levy Requirements	\$ 187,620	\$ 135,711	\$ 219,019	\$ 220,276	\$ 1,257	0.57%

Cemeteries

Overview

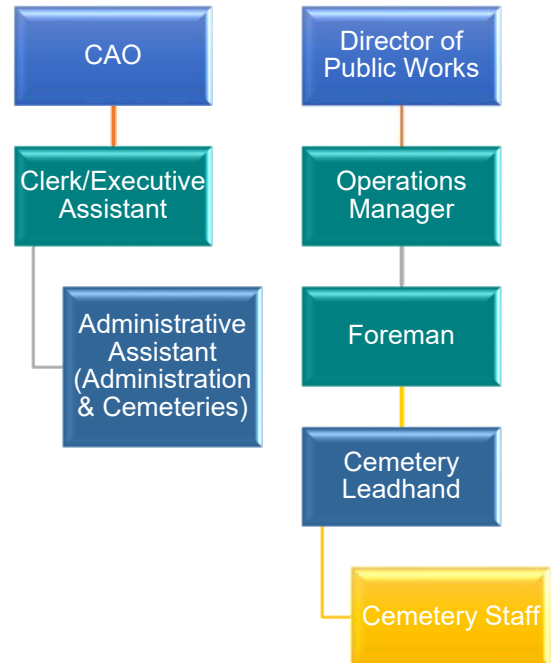
The Town owns and operates 2 cemeteries, Hillcrest Cemetery (est.1871) and Sylvan Acres Cemetery (est. 1971). The operation is a joint effort between the Office of the CAO and Public Works.

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

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

Functions

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 52,519	\$ 45,338	\$ 47,300	\$ 47,300	\$ -	0.00%
Investment Earnings	-	-	3,400	3,400	-	0.00%
Other Revenues	2,985	3,763	2,500	2,500	-	0.00%
Total Revenues	\$ 55,504	\$ 49,101	\$ 53,200	\$ 53,200	\$ -	0.00%
Expenses						
Salaries & Benefits	\$ 124,904	\$ 119,404	\$ 109,086	\$ 116,579	\$ 7,493	6.87%
Materials - Operating Expenses	34,640	41,024	49,414	57,436	8,022	16.23%
Energy Costs	13,711	27,372	20,100	28,100	8,000	39.80%
Purchased/Contracted Services	5,228	4,540	9,600	9,600	-	0.00%
Internal Recoveries	(3,116)	0	5,691	5,806	115	2.02%
Contribution to Reserves	0	0	5,500	5,800	300	5.45%
Total Expenses	\$ 175,367	\$ 192,340	\$ 199,391	\$ 223,321	\$ 23,930	12.00%
Total Levy Requirements	\$ 119,863	\$ 143,238	\$ 146,191	\$ 170,121	\$ 23,930	16.37%

Budget Highlights

- **Salaries & Benefits - \$7,493 ↑**
This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.
- **Fuel/Gas Costs - \$4,000 ↑**
Increasing costs of fuel/gas reflected in the 2023 budget.
- **Energy Costs - \$8,000 ↑**
This reflects the increasing cost of utilities including water and hydro.
- **Insurance Costs - \$1,022 ↑**
Rising municipal insurance premium impact on transportation operations.

Bobby Orr Community Centre

Overview

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

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



Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Federal Grants & Subsidies	\$ -	237,600	\$ -	\$ -	\$ -	N/A
Rents & License Revenues	90,635	143,334	84,000	113,300	29,300	34.88%
Other Revenues	13,389	15,594	20,700	20,700	-	0.00%
Contribution from Reserves	-	-	75,500	-	(75,500)	100.00%
Total Revenues	\$ 104,024	\$ 396,529	\$ 180,200	\$ 134,000	\$ (46,200)	25.64%
Expenses						
Salaries & Benefits	\$ 192,901	\$ 230,256	\$ 259,887	\$ 294,723	\$ 34,836	13.40%
Materials - Operating Expenses	88,411	98,837	115,223	124,460	9,237	8.02%
Energy Costs	111,644	126,955	120,000	120,000	-	0.00%
Rents & Financial Services	1,423	881	1,500	1,500	-	0.00%
Purchased/Contracted Services	35,526	43,694	46,500	46,500	-	0.00%
Debt Repayment	73,667	54,901	89,180	89,846	666	0.75%
Internal Recoveries	5,569	611	1,228	1,282	54	4.40%
Total Expenses	\$ 509,140	\$ 556,135	\$ 633,518	\$ 678,311	\$ 44,793	7.07%
Total Levy Requirements	\$ 405,116	\$ 159,606	\$ 453,318	\$ 544,311	\$ 90,993	20.07%

Budget Highlights

- **Rents & License Revenues - \$29,300 ↑**
User fees including Minor Hockey, Facility and Ice Rentals are up.
- **Salaries & Benefits - \$34,836 ↑**
\$38,442 (56% of \$68,646) relates to a Parks & Recreation Facility Attendant position.

The reduction is a reallocation of percentages of labour between the BOCC and Parks & Recreation.

- **Insurance Costs - \$7,117 ↑**
Rising municipal insurance premium impact on the Bobby Orr Community Centre costs.
- **Other Repairs & Maintenance - \$3,000 ↑**
Other repairs and maintenance cost increases expected.

Parks and Recreation

Overview

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

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



Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Federal Grants & Subsidies	-	27,000	-	-	-	N/A
User Fees	3,574	18,097	16,000	26,850	10,850	67.81%
Rents & Financial Revenues	20,056	32,856	22,346	26,125	3,779	16.91%
Investment Earnings	17	50	48	64	16	33.33%
Other Revenues	2,950	298	-	-	-	N/A
Contributions from Reserves	-	-	73,200	94,721	21,521	29.40%
Total Revenues	\$ 26,597	\$ 78,300	\$ 111,594	\$ 147,760	\$ 36,166	32.41%
Expenses						
Salaries & Benefits	\$ 557,508	\$ 490,418	\$ 659,865	\$ 659,602	\$ (263)	-0.04%
Materials - Operating Expenses	138,032	160,986	216,562	232,387	15,825	7.31%
Energy Costs	50,104	47,539	51,650	52,350	700	1.36%
Rent and Financial Expenses	1,125	4,418	6,100	50,821	44,721	733.13%
Purchased/Contracted Services	16,191	111,374	114,100	109,800	(4,300)	(3.77%)
Grants - Transfer Payments	20,860	15,055	18,500	18,000	(500)	(2.70%)
Internal Recoveries	2,929	5,975	23,186	24,044	858	3.70%
Contribution to Reserves	-	-	48	48	-	0.00%
Total Expenses	\$ 786,750	\$ 835,765	\$ 1,090,011	\$ 1,147,052	\$ 57,041	5.23%
Total Levy Requirements	\$ 760,153	\$ 757,464	\$ 978,417	\$ 999,292	\$ 20,875	2.13%

Budget Highlights

- **Recreational Program Registration Revenues- \$10,850 ↑**
- **Canada Day Vendor Revenues- \$3,100 ↑**
- **Contribution from Reserves - \$94,721 ↑↓**
\$50k planned to be transferred from the modernization reserves to fund the Parks and Recreation Master Plan

\$44,721 are vehicle lease costs planned to be funded from the fleet reserve.
- **Salaries & Benefits - \$263 ↓**
Labour is showing relatively no change due to reduction in part time labour compliment \$23,011.
\$30,204 (44% of \$68,646) relates to a Parks & Recreation Facility Attendant position.
8 Lifeguard/swim instructor positions are in the budget and 1 Aquatics Coordinator and rates have been updated to reflect competitive area municipality rates.
- **Fuel and Gas - \$7,500 ↑**
Rising costs of municipal insurance premiums
- **Other Materials - \$7,923 ↑**
Rising costs of materials with inflation/economic factors
- **Insurance - \$5,152 ↑**
Rising costs of municipal insurance premiums
- **Rent and Financial Expenses- \$44,721 ↑↓**
Vehicle lease costs are included in the operating budget to be funded from the fleet reserve.
There is not an increased usage of fleet reserve funding overall for the year and contributions to the fleet reserve from the Capital Budget funds these costs.

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Finance

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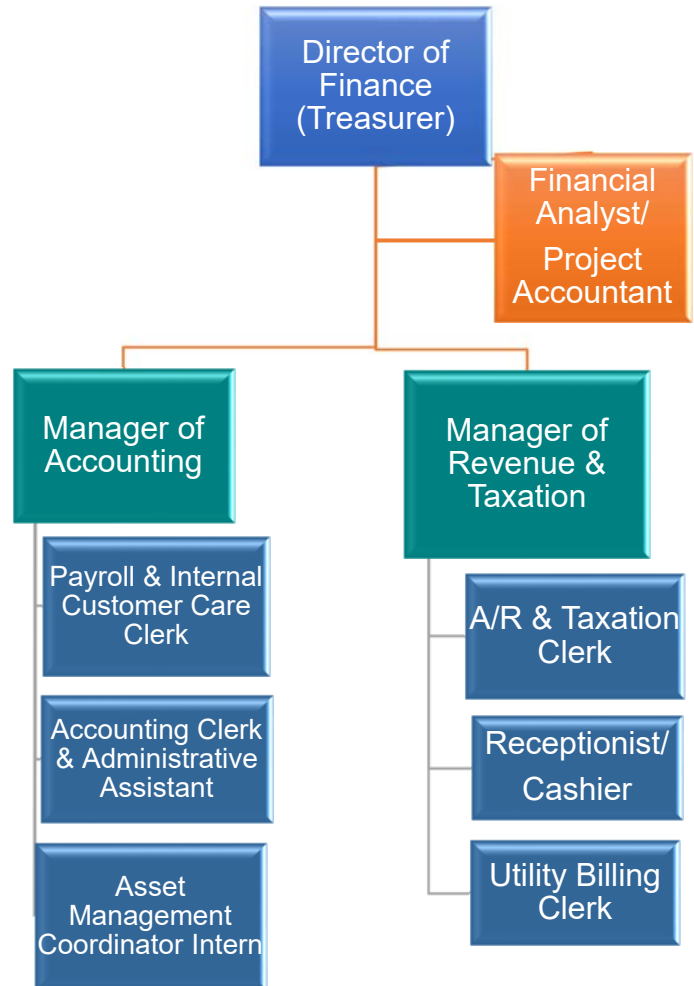
Finance

Overview

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

Functions

- Financial services to the organization
- Cost recoveries from other departments for services provided
- Financial expenses, such as the Town’s share of tax write-offs and rebates
- Corporate Financial Software Expenditures
- Support for District Services such as Land Ambulance, POA, and the West Parry Sound Recreation and Cultural Centre



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Levies	\$ 582,730	\$ 618,555	\$ 568,970	\$ 659,018	\$ 90,048	15.83%
Federal Grants & Subsidies	54,450	5,550	\$ 85,000	35,000	\$ (50,000)	(58.82%)
User Fees	12,772	10,215	12,000	10,500	(1,500)	(12.50%)
Rents & Financial Revenues	8,561	8,667	8,500	8,500	-	0.00%
Other Revenues	25,750	6,668	6,200	7,000	800	12.90%
Fines and Penalties	147,974	123,540	150,000	125,000	(25,000)	(16.67%)
Contributions from Reserves	-	-	103,720	290,000	186,280	179.60%
Total Revenues	\$ 832,236	\$ 773,194	\$ 934,390	\$ 1,135,018	\$ 200,628	21.47%

Expenses						
Salaries & Benefits	\$ 732,717	\$ 718,194	\$ 813,482	\$ 927,841	\$ 114,359	14.06%
Materials - Operating Expenses	120,954	149,610	213,142	251,020	37,878	17.77%
Rent and Financial Expenses	10,397	9,131	12,040	10,540	(1,500)	(12.46%)
Purchased/Contracted Services	144,942	115,436	197,151	345,051	147,900	75.02%
Grants – Transfer Payments	123,402	141,626	85,500	85,500	-	0.00%
Internal Recoveries	(344,699)	(369,948)	(353,494)	(429,461)	(75,967)	(21.49%)
Total Expenses	\$ 787,713	\$ 764,048	\$ 967,821	\$ 1,190,491	\$ 222,670	23.01%
Total Levy Requirements	(\$ 44,523)	(\$ 9,146)	\$ 33,431	\$ 55,473	\$ 22,042	65.93%

Budget Highlights

- Contribution from Capital Replacement Reserve - \$40,000** ↑↓

As we work towards the enhancement of the Town’s Asset Management Plan for all assets, a Facility Condition Assessment project is set to begin 2023.
- Modernization Projects/Contracted Services and Contribution from Modernization Reserves - \$50,000** ↑↓

Accounts Payable guided RFP process for selection - \$30k
Accounts Payable modernization process work flow - \$20k
- Transfer from Reserves/Contracted Services - \$200,000** ↑↓

\$200k is budgeted to be transferred from working reserves to the legal/insurance claim reserve to cover any unplanned/emergency costs per the use of that reserve. The expense side is within contracted services Legal costs.
- Federal Grant - \$50,000** ↓

Asset Management Project completed in 2022 and grant realized.
- Payments in Lieu of Taxation - \$10,048** ↑

Revenues received from payments in lieu of taxation have been increased per expected contributions.
- Supplemental Taxation - \$80,000** ↑

Increase in supplemental taxation expected. New condos and development subdivision expected to be realized in 2023.
- Fines and Penalties - \$25,000** ↓

Newly forecasted amount based upon reduced taxation receivable balances.
- Salaries & Benefits - \$114,359** ↑

Financial Analyst/Project Accountant (+\$54k - 3/4 of the year budgeted) – Increasing workload for bookkeeping related to the West Parry Sound Recreation and Cultural Centre (receiving \$20k from the Municipal Services Board for this) and workload related to grant reporting, financial reporting in general which is complex with business units such as POA, land ambulance, Stockey, and more. The addition of software systems for budgeting purposes have

increased the potential for advancement in long-term planning exercises as well as improved succession planning within the department.

Other Salary Increases - Salary increase for non-union staff at 2% and unionized staff increase is 1.5% in 2023.

- **Insurance Costs - \$5,216 ↑**

Increasing insurance premium costs to the finance department.

- **Administrative Support Chargeback - \$75,967 ↑**

Administrative fees to support POA/Land Ambulance/Water/Wastewater have been increased per labour impacts. An additional \$20k has been recognized for admin support for the West Parry Sound Recreation and Cultural Centre.

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TOWN OF

Parry Sound



**External Levies, Boards &
District Services**

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External Levies/Boards/District Services

Overview

Public Library

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

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

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

Museum

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

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

Home for the Aged

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

The facility is operated and maintained by a Board of Management for the District of Parry Sound in 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.

Seniors Assistance

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

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

Health Unit

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

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

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

Charles W. Stockey Centre – Town Contribution

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

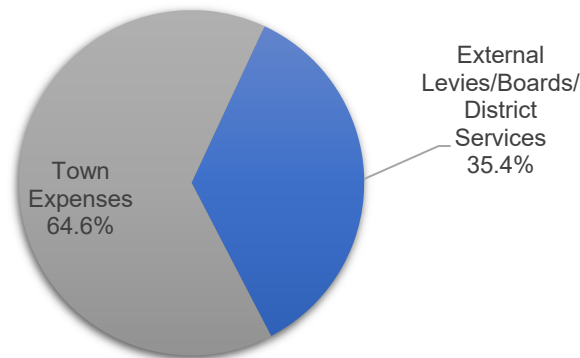
The Town contributes an annual amount to support the Stockey Centre. The operations seek municipal contributions to assist with the funding but have traditionally been met with resistance with only one other contributing municipality.

Land Ambulance – Town Contribution

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

Annually the Town is provided with their municipal levy.

Portion of Tax Supported Operating Expenses



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants and Subsidies	\$ 102,573	\$ 85,384	\$ -	\$ 88,078	\$ 88,078	N/A
Contribution from Reserves or Reserve Funds	-	-	102,573	-	(102,573)	100.00%
Total Revenues	\$ 102,573	\$ 85,384	\$ 102,573	\$ 88,078	\$ (14,495)	(14.13%)
Expenses						
Health Unit	\$ 178,090	\$ 183,938	\$ 183,939	\$ 185,595	\$ 1,656	0.90%

Town of Parry Sound – 2023 DRAFT Budget

Town Contribution – Land Ambulance	263,794	279,024	280,150	292,021	11,871	4.24%
Home for the Aged Seniors	58,600	101,400	101,400	101,390	(10)	(0.01%)
DSSAB	5,000	5,000	5,000	5,000	-	0.00%
Library	318,150	320,548	320,549	330,694	10,145	3.16%
Museum	211,150	269,007	269,007	304,346	35,339	13.14%
Town Contribution - Stockey	35,076	40,076	40,076	43,300	3,224	8.04%
OPP	-	-	297,333	297,333	-	0.00%
Airport	2,136,868	1,970,984	2,162,144	2,058,414	(103,730)	(4.80%)
The Planning Board	12,100	12,100	12,100	12,100	-	0.00%
PS Area Industrial Park	5,000	-	-	-	-	N/A
911 Levy	14,590	14,736	15,190	15,190	-	0.00%
MPAC Property Assess Levy	3,573	3,221	3,600	3,600	-	0.00%
	93,127	92,194	92,194	91,201	(993)	(1.08%)
	-	454,410	-	-	-	N/A
Total Expenses	\$ 3,335,118	\$ 3,746,638	\$ 3,782,682	\$ 3,740,184	\$ (42,498)	(1.12%)
Total Levy Requirements	\$ 3,232,545	\$ 3,661,254	\$ 3,680,109	\$ 3,652,106	\$ (28,003)	(0.76%)

Budget Highlights

- Contribution from Reserve - \$102,573** ↑↓

This transfer from the police cost stabilization reserve was to cover the cost of the Prisoner Transportation Grant since the Town had not heard on the continuation of this program. For 2023 those revenues are \$88k and budgeted on another line.
- Land Ambulance - \$11,871** ↑

The Land Ambulance levy is expected to increase for 2023 by 5%.

 - Service level increases are highlighted below:
 - Increase Humphrey Summer upstaff from 9 months to 10 months to reduce risk
 - Implementation of Parry Sound summer weekend shifts May 24 to Thanksgiving
 - On Call Per Diem program to align compensation with industry standards
 - Fuel increases are significant with a 25% increase to that budget line item
 - A Unit Hour Utilization (UHU) analysis is included in the budget to ensure enhancements are assigned to appropriate areas.
 - Reduced sick time costs
- Health Unit - \$1,656** ↑

The Health Unit levy is expected to increase for 2023 by 0.9%.
- Ontario Provincial Police - \$103,730** ↓

The OPP levy is expected to decrease for 2023. The number of properties went from 3469 to 3477 and the calls for service reduced to 94% from 2020 to 2021 while Provincial totals are increasing.
- Library - \$35,339** ↑↓

Increased costs at the library associated with the purchase of books of \$15k, OMERS Other than full-time costs increasing \$9.6k, and pay equity costs \$10.7k

An additional \$7,702 was included in the capital budget for replacement of their furnace.

- **WPS District Museum - \$3,224** [↑](#)

The Museum is requesting an 8% increase over 2022's contribution.



TOWN OF
Parry Sound

Non-Tax Supported

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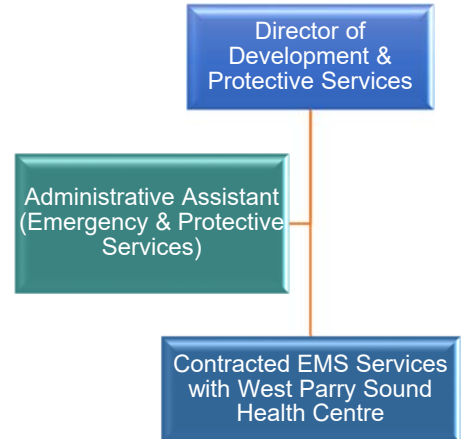
Land Ambulance

Overview

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

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

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants & Subsidies	\$ 6,036,122	\$ 6,505,951	\$ 6,573,400	\$ 6,856,826	\$ 283,426	4.31%
Other Municipalities	4,351,115	4,610,264	4,610,264	4,840,777	230,513	5.00%
Investment Earnings	7,735	22,218	15,555	15,555	-	0.00%
Contribution from Reserves	-	-	120,000	-	(120,000)	100.00%
Total Revenues	\$ 10,394,972	\$ 11,138,432	\$ 11,319,219	\$ 11,713,158	\$ 393,939	3.48%
Expenses						
Salaries & Benefits	\$ 138,177	\$ 102,236	\$ 135,601	\$ 152,240	\$ 16,639	12.27%
Materials - Operating Expenses	195,097	153,050	220,645	246,365	25,720	11.66%
Rent and Financial Expenses	80,366	77,989	142,424	147,497	5,073	3.56%
Purchased/Contracted Services	9,229,269	9,837,380	10,254,028	10,608,654	354,626	3.46%
Internal Recoveries	82,478	86,076	89,685	84,977	(4,708)	(5.25%)
Contribution to Reserves	-	-	476,836	473,425	(3,411)	(0.72%)
Total Expenses	\$ 9,725,387	\$ 10,256,731	\$ 11,319,219	\$ 11,713,158	\$ 393,939	3.48%
Net Budget	\$ 669,585	\$ 881,701	\$ -	\$ -	\$ -	0.00%

Budget Highlights

- Ministry of Health (MOH) Land Ambulance Grant - \$283,426 ↑**
 Rising costs of land ambulance and population changes result in an increase to the grant from the MOH. The LHIN CP Grant of \$216,700 is now received directly from the WPSHC.
- Community Paramedicine Long-Term Care Grant - \$904,400 ↑↓**
 Community Paramedicine for Long-Term Care (CPLTC) is 100% funded by the Ministry of Long-Term Care and provides approximately \$900,000 per year for 3 years for Parry Sound District EMS to assist with non-emergency care of seniors who are waitlisted for a Long-Term

Care bed throughout the District. This is a pilot program attempting to determine the benefit, both financial and social, of keeping seniors in their homes in the community longer.

- **The Municipal Levy - \$230,513 ↑**

Increasing servicing demands in land ambulance and pressures of COVID-19 causing an increase of 5% to the budget over the 2022 Land Ambulance Budget to maintain the existing level of service.

- **Contribution from Reserve - \$120,000 ↓**

The advisory committee and Council approved a transfer from reserves to reduce the in-year budgetary impact to 6.2% for the municipal levy back in 2022. The municipal levy increase has removed the need for a reserve transfer as contributions catch up.

- **Contracted Service with the West Parry Sound Health Centre - \$332,018 ↑.**

1. Service level increases are highlighted below:

- Increase Humphrey Summer upstaff from 9 months to 10 months to reduce risk
- Implementation of Parry Sound summer weekend shifts May 24 to Thanksgiving
- On Call Per Diem program to align compensation with industry standards

2. Fuel increases are significant with a 25% increase to that budget line item

3. A Unit Hour Utilization (UHU) analysis is included in the budget to ensure enhancements are assigned to appropriate areas.

4. Reduced sick time costs

- **Other Paramedicine Costs - \$812,470 ↑↓**

\$574,557 is WPSHC wages and salaries relates to fulfilling Paramedicine Program requirements which are fully funded. The remaining \$237,913 relates to paramedicine admin, monitoring, vehicles and oversight.

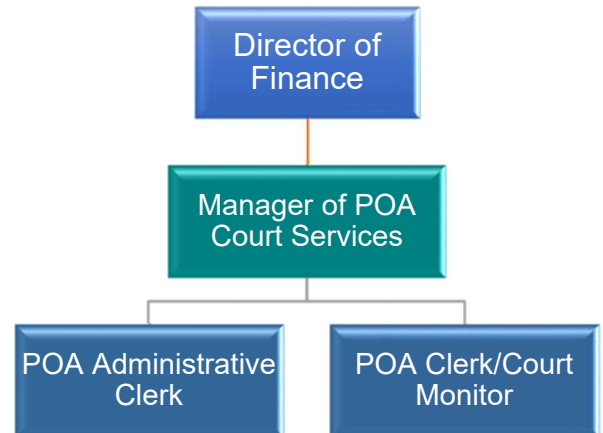
Provincial Offences Act

Overview

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

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

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



Functions

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

Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 20	\$ 832	\$ 2,500	\$ 2,500	\$ -	0.00%
Investment Earnings	472	-	1,000	1,000	-	0.00%
Fines and Penalties	835,442	899,127	853,660	850,495	(3,165)	(0.37%)
Total Revenues	\$ 835,934	\$ 898,295	\$ 857,160	\$ 853,995	\$ (3,165)	(0.37%)
Expenses						
Salaries & Benefits	\$ 267,715	\$ 260,416	\$ 271,471	\$ 288,538	\$ 17,067	6.29%
Materials - Operating Expenses	32,542	26,618	42,977	43,424	447	1.04%
Rent and Financial Expenses	14,314	15,416	17,400	18,662	1,262	7.25%
Purchased/Contracted Services	97,597	160,369	180,100	170,100	(10,000)	(5.55%)
Grants - Transfer Payments	361,638	300,952	276,500	266,937	(9,563)	(3.46%)
Internal Recoveries	61,585	67,630	67,630	66,334	(1,296)	(1.92%)
Total Expenses	\$ 835,393	\$ 831,401	\$ 856,078	\$ 853,995	\$ (2,083)	(0.24%)
Net Budget	\$ 541	\$ 66,894	\$ 1,082	\$ -	\$ 1,082	(100.00%)

Budget Highlights

- **Fine Revenues - \$3,165 ↓**
POA fine revenues expecting a slight decline into 2023 as ticket issuance continues to be down.

- **Salaries & Benefits - \$17,067 ↑**
This impact represents an increase which includes a 2% increase for non-union staff and 1.5% for union.
- **Facility Rental Costs - \$1,262 ↑**
Small increase expected for facility rental costs with increased usage.
- **Contracted Services Costs - \$10,000 ↓**
Justice of the Peace costs and associated legal costs are reduced with less fine revenues.
- **Payments/Fines paid to the Province and Other Municipalities \$9,002 ↑**
Associated with the anticipated increase in fine revenues, as the two are associated. Distributions to the municipal partners are expected to increase by this figure
- **Distribution to Municipal Partners - \$18,563 ↓**
Decreased distribution to municipal partners due to decreased ticket issuance. In addition, a number of lengthy trials will be hosted at trial locations. The expectation is a heavy trial load to catch up from the pandemic and accommodate these additional trials.
- **Town Administration Fee - \$1,088 ↑**
Small decrease in admin fee in 2023 with IT allocation reduced based on the number of allocated devices and actual costs.

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

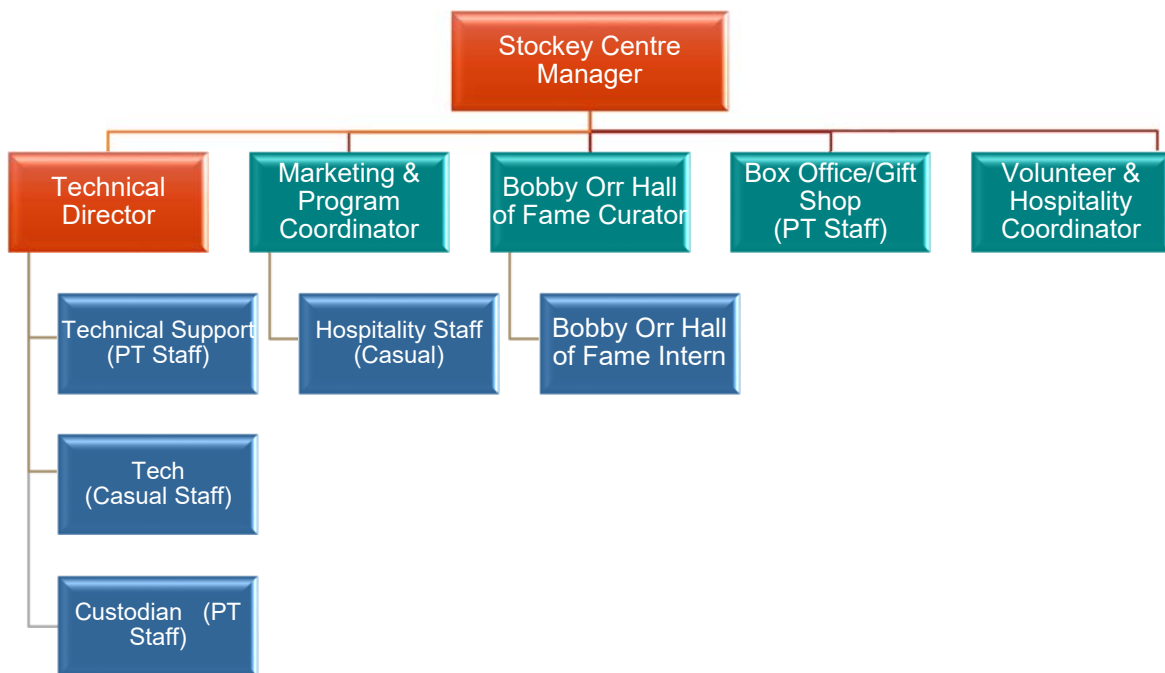
Overview

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

The Bobby Orr Hall of Fame (BOHF) 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
- BOHF operations
- Induction Ceremony
- Golf Classic
- Multi-purpose facility
- Programming and Special Events





Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
Provincial Grants/Subsidies	\$ -	\$ -	\$ -	\$ -	\$ -	NA
Federal Grants/Subsidies	169,531	574,962	94,000	106,500	12,500	13.30%
Other Municipalities	10,000	10,000	307,333	307,333	-	0.00%
User Fees	86,666	631,882	766,378	751,900	(14,478)	1.89%
Rents/Financial Revenues	9,136	100,891	143,250	159,750	16,500	11.52%
Investment Earnings	1,155	2,565	2,560	2,560	-	0.00%
Other Revenues	77,543	24,950	104,967	186,967	82,000	78.12%
Licenses and Permits	4,500	5,000	4,500	5,000	500	11.11%
Contribution from Reserves	-	-	22,027	51,263	29,236	132.73%
Total Revenues	\$ 358,531	\$ 1,350,249	\$ 1,445,015	\$ 1,571,273	\$ 126,258	8.74%
Expenses						
Salaries & Benefits	\$ 433,639	\$ 586,670	\$ 675,279	\$ 780,175	\$ 104,896	15.53%
Materials - Operating Expenses	113,096	172,043	209,569	227,438	17,869	8.53%
Energy Costs	57,157	65,156	80,000	70,000	(10,000)	-12.50%
Rent/Financial Expenses	6,219	21,869	24,600	22,450	(2,150)	-8.74%
Purchased/Contracted Services	246,174	643,016	360,150	369,750	9,600	2.67%
Debt Repayment	18,642	16,438	47,334	47,334	-	0.00%
Grants - Transfer Payments	100,000	-	2,000	2,000	-	0.00%
Internal Recoveries	15,635	13,524	13,523	15,566	2,043	15.11%
Contribution to Reserves	-	-	32,560	36,560	4,000	12.29%
Total Expenses	\$ 990,562	\$ 1,518,715	\$ 1,445,015	\$ 1,571,273	\$ 126,258	8.74%
Net Budget	\$ 632,031	\$ 168,467	\$ -	\$ -	\$ -	N/A

Budget Highlights

- Transfers from Reserves - \$51,263** 

\$3k - Transfer from the Stockey Centre Reserve to fund the replacement of the ice machine in 2022.
 \$25k-Sponsorship allocation from previous Resolution-some details are confidential per agreement.
 \$21,263-Transfer from Stockey reserve to smooth budget changes. 2024 budget will focus on closing the gap. This transfer is less than what is transferred to reserve from ticket surcharges planned in 2023 of \$34k.
- Canadian Heritage Funding - \$12,500** 

Expecting an increase in the amount of this funding.
- User Fees - \$14,478** 

Small decline in user fees from 2022 due to no special event induction ceremony or golf

tournament planned for this year, all other users fees have been increased based on the return to normal events

- **Facility Rental Revenues - \$16,500 ↑**
Facility rentals are expected to increase for 2023 with a number of events already booked.
- **Donations, Fundraising & Memberships - \$18,000 ↑**
The newly redesigned Bobby Orr Hall of Fame exhibit will celebrate it's Grand Reopening on July 18th, as part of the Facility's 20th Anniversary and these revenues are expected to increase.
- **Salaries and Benefits - \$104,896 ↑**
This number reflects changes from the non-union review exercise and a 2% non-union increase for 2023. All staff within the Stockey/BOHF area are non-union so there is a larger impact to this business unit.
- **Insurance Costs - \$5,549 ↑**
This is the impact of rising insurance premiums.
- **Advertising Costs - \$3,250 ↑**
Advertising is planned to increase with the Grand Reopening and newly redesigned Bobby Orr Hall of Fame exhibit expected for completion.
- **Other Materials - \$9,070 ↑**
Rising costs of materials reflected with higher inflationary impacts of certain expenses in 2023.
- **Energy Costs - \$11,329 ↓**
Utilities costs at the facility have declined.
- **Equipment Rentals - \$2,150 ↓**
Less equipment rentals have been required over recent years.
- **Artist Guarantees - \$20,000 ↑ /Catering Costs - \$12,500 ↓**
More artist guarantees are expected with more events of this nature planned for 2023. No golf tournament catering budgeted in 2023 but, an event is still planned.

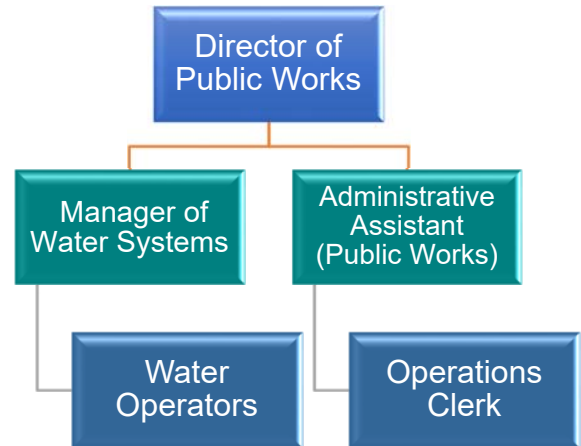
Water Systems

Overview

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

Functions

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 2,622,336	\$ 2,525,657	\$ 2,711,966	\$ 2,778,757	\$ 66,791	2.46%
Rents & Financial Revenues	7,026	7,322	7,300	7,844	544	7.45%
Investment Earnings	-	3,102	400	3,400	3,000	750.00%
Other Revenues	18,400	-	-	-	-	N/A
Contribution from Reserves	-	-	154,566	243,640	89,074	57.63%
Total Revenues	\$ 2,647,762	\$ 2,536,081	\$ 2,874,232	\$ 3,033,641	\$ 159,409	5.55%
Expenses						
Salaries & Benefits	\$ 568,443	\$ 557,838	\$ 627,447	\$ 651,208	\$ 23,761	3.79%
Materials - Operating Expenses	212,206	273,183	356,033	403,596	47,563	13.36%
Energy Costs	158,435	147,173	176,100	165,500	(10,600)	(6.02%)
Rent and Financial Expenses	-	357	7,500	4,500	(3,000)	(40.00%)
Purchased/Contracted Services	195,763	59,275	342,500	374,000	31,500	9.20%
Debt Repayment	46,513	33,554	167,032	193,000	25,968	15.55%
Internal Recoveries	114,653	11,994	118,859	123,607	4,748	3.99%
Contribution to Reserves	-	-	1,078,761	1,118,230	39,469	3.66%
Total Expenses	\$ 1,296,012	\$ 1,083,374	\$ 2,874,232	\$ 3,033,641	\$ 159,409	5.55%
Total Levy Requirements	\$ 1,351,750	\$ 1,453,218	\$ -	\$ -	\$ -	N/A

Budget Highlights

- **Salaries and Wages - \$23,761** ↑
This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.
- **Insurance Costs - \$8,445** ↑
Rising municipal insurance premium impact on the water costs.
- **Energy Costs - \$10,600** ↓
Energy costs reduced per actuals over a number of years.
- **Repairs & Maintenance - \$24,108** ↑
Significant repairs and maintenance required for the Town's vacuum truck to keep it operational. Not an extension of the life of the asset beyond what was anticipated.
- **Software Costs - \$2,860** ↑
Implementation of an accounting system improvement to utility billing to allow interest calculations to run properly at installment due dates. Customization required in accounting system for bills.
- **Contracted Services Costs - \$31,500** ↑
Water Distribution System Study - \$60,000

Water Flow Testing - \$30,000

These recommendations came out of the water and wastewater capacity study and modelling recently completed. They are contributing to the increase in this category. The Water Distribution System Study is being funded from the water reserves.
- **Principal Debt Expenses moved from capital to operating - \$33,082** ↑
This relates to debt from Forrest/Gibson Street Rebuild from some time ago.

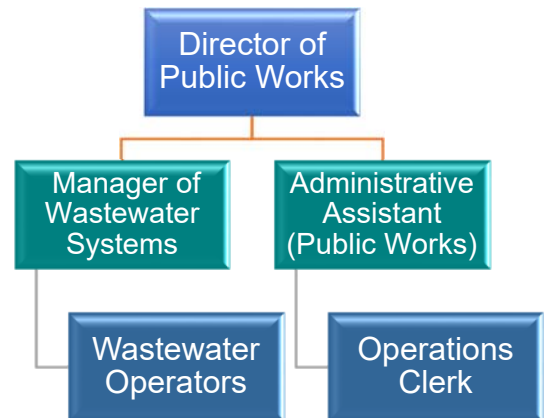
Wastewater Systems

Overview

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

Functions

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



Operating Budget Details

	Actuals		Budget		Budget Change	
	2021 Actuals	2022 Actuals	2022 Budget	2023 Budget	Dollar Change	Percent Change
Revenues						
User Fees	\$ 3,621,559	\$ 3,828,835	\$ 3,885,622	\$ 3,948,433	\$ 62,811	1.62%
Investment Earnings	-	3,014	375	3,000	2,625	700.00%
Other Revenue	18,400	-	-	-	-	N/A
Contribution from Reserves	-	-	-	205,886	205,886	N/A
Total Revenues	\$ 3,639,959	\$ 3,831,849	\$ 3,885,997	\$ 4,179,927	\$ 293,930	(7.56%)
Expenses						
Salaries & Benefits	\$ 578,537	\$ 591,678	\$ 618,366	\$ 639,950	\$ 21,584	3.49%
Materials - Operating Expenses	349,717	340,943	352,248	408,534	56,286	9.56%
Energy Costs	504,447	431,206	437,000	437,000	-	0.00%
Rent and Financial Expenses	456	1,184	6,500	38,499	31,999	492.29%
Purchased/Contracted Services	307,221	242,330	445,500	483,500	38,000	8.53%
Debt Repayment	225,650	132,535	262,798	378,024	115,226	43.85%
Internal Recoveries	122,963	10,608	130,931	134,551	3,620	2.76%
Contribution to Reserves	-	-	1,632,654	1,659,869	27,215	1.67%
Total Expenses	\$ 2,088,991	\$ 1,750,485	\$ 3,885,997	\$ 4,179,927	\$ 293,930	7.56%
Total Levy Requirements	\$ 1,550,968	\$ 2,081,364	\$ -	\$ -	\$ -	N/A

Budget Highlights

- **Salaries and Wages - \$21,584 ↑**
This increase reflects the 2% increase budgeted for non-union and 1.5% for union staff.

- **Fuel/Gas Costs - \$11,300 ↑**
Fuel and gas costs have been increasing with high inflation/economic factors.
- **Insurance Costs - \$8,978 ↑**
Rising municipal insurance premium impact on the Wastewater operating costs.
- **Chemical Costs - \$10,000 ↑**
Chemical costs are increasing.
- **Repairs & Maintenance - \$21,858 ↑**
Significant repairs and maintenance required for the Town's vacuum truck to keep it operational. Not an extension of the life of the asset beyond what was anticipated.
- **Vehicle Leases - \$31,999 ↑**
Pickup replacement planned through enterprise trial approved by Council. These costs are covered through a transfer from the fleet reserve. There is not an increased usage of fleet reserve funding overall for the year and contributions to the fleet reserve from the Capital Budget funds these costs.
- **Contracted Services Costs - \$38,000 ↑**
These recommendations came out of the water and wastewater capacity study and modelling recently completed. Some of the studies contributing to the increasing balance in 2023

Sanitary System Study - \$45,000

Inflow and Infiltration Reduction Program-Engineering Support - \$70,000

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

Sewage Hydraulic Model Annual Maintenance - \$13,000

The Sanitary System Study and Inflow and Infiltration Reduction Program projects are planned to be funded from the wastewater reserves.

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TOWN OF
Parry Sound

**2023 Capital Budget
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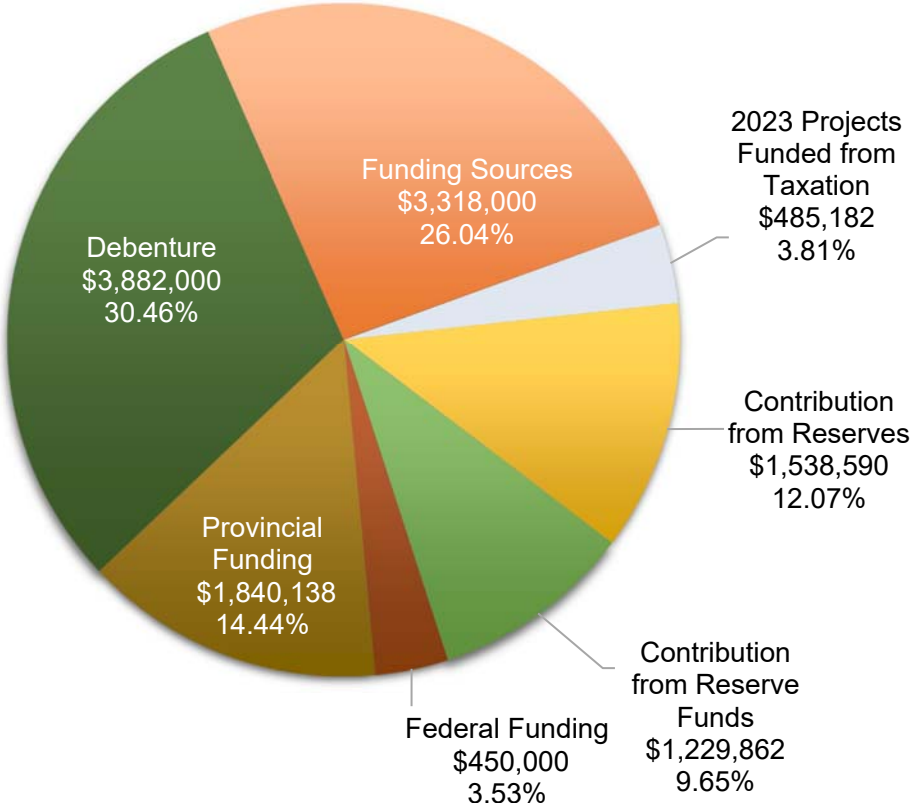
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Capital Budget

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

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

In 2023, the new capital budget request is \$12,743,772, which is funded through various sources.



Highlights

- Significant investment into Pumpstation 2 and Force main Initially, \$500k to be spent on engineering and \$6.7 million for the capital portion which is necessary for development and increase to capacity. \$7.2 million is planned to be debentured but, \$3.32 million and the cost of borrowing is currently forecasted and included in the Development Charges forecast. The remainder will require agreement and consideration as major development goes forward.
- An additional further investment into the Cascade Bridge project will be required of \$450k and \$950k in total on completion of engineering. Investment required to extend life and remediate deterioration.
- \$100k in additional investment into sidewalk improvement with total expenditure of \$200k
- Park Avenue and Georgina surface replacement/paving deferred and planned for 2023 for \$300k.
- Glen and Victoria Avenue including Storm, Water, Wastewater is planned for 2023 at a cost of \$2 million.
- Louisa Street double surface treatment and base work required as recommended within the details of the Town’s updated asset management plan-\$150k.
- Planning for the repair of the corner at Wood/Isabella intersection to connect sidewalks with rail safety improvements of \$750k.
- Bobby Orr Hall of Fame Permanent Exhibit Redesign costing \$659k planned to open in 2023.
- Fleet replacement program to switch from capital purchase to a lease program which will form part of the operating budget for \$150k annually over the next 5 years through Enterprise Fleet Management starting in 2023. The program continues to be funded through the fleet reserve.

Budget Change

2022 Budget	2023 Budget	Dollar Change	Percent Change
\$6,470,380	\$12,743,772	\$6,273,392	197%

What is a Capital Budget?

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

The capital budget sets the funding for:

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

As the asset management plan evolves the capital budget will become a more streamlined process, relying heavily on the asset management plans of a municipality helps make decisions regarding project priorities and timing. The Town's updated asset management plan was utilized in identifying capital needs for roads and coordinating the needs for roads, water, wastewater and storm assets in the development of this capital budget.

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

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

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

- ❖ An asset management plan for buildings, machinery and equipment, land improvements and vehicles by July 1, 2024

The Town currently has an asset management policy and passed an updated asset management plan for core infrastructure in 2022. In 2023, continued work on the asset management plan through facility assessments is planned to work towards the development of an asset management plan for all assets to meet the July 1st, 2024, deadline.

Dedicated Capital Levy

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

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

The 2023 dedicated capital levy is: \$ 2,161,238

On August 9, 2022, 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 an infrastructure gap. Council chose to continue to increase tax revenues by 1.8%/year as recommended in 2016 per PSD's recommendations.

Prior to 2025, the Town will continue to refine lifecycle and other data and assess levels of service with the overall objective of identifying opportunities to reduce the funding gap; however, difficult decisions will be required prior to 2025 when full infrastructure funding will be required.

Calculation of the Dedicated Capital Levy

2022 net tax levy required (per 2022 budget)	\$ 12,127,777
Growth factor	1.8%
	\$ 218,300
2022 dedicated capital levy	1,942,938
2023 dedicated capital levy	\$ 2,161,238

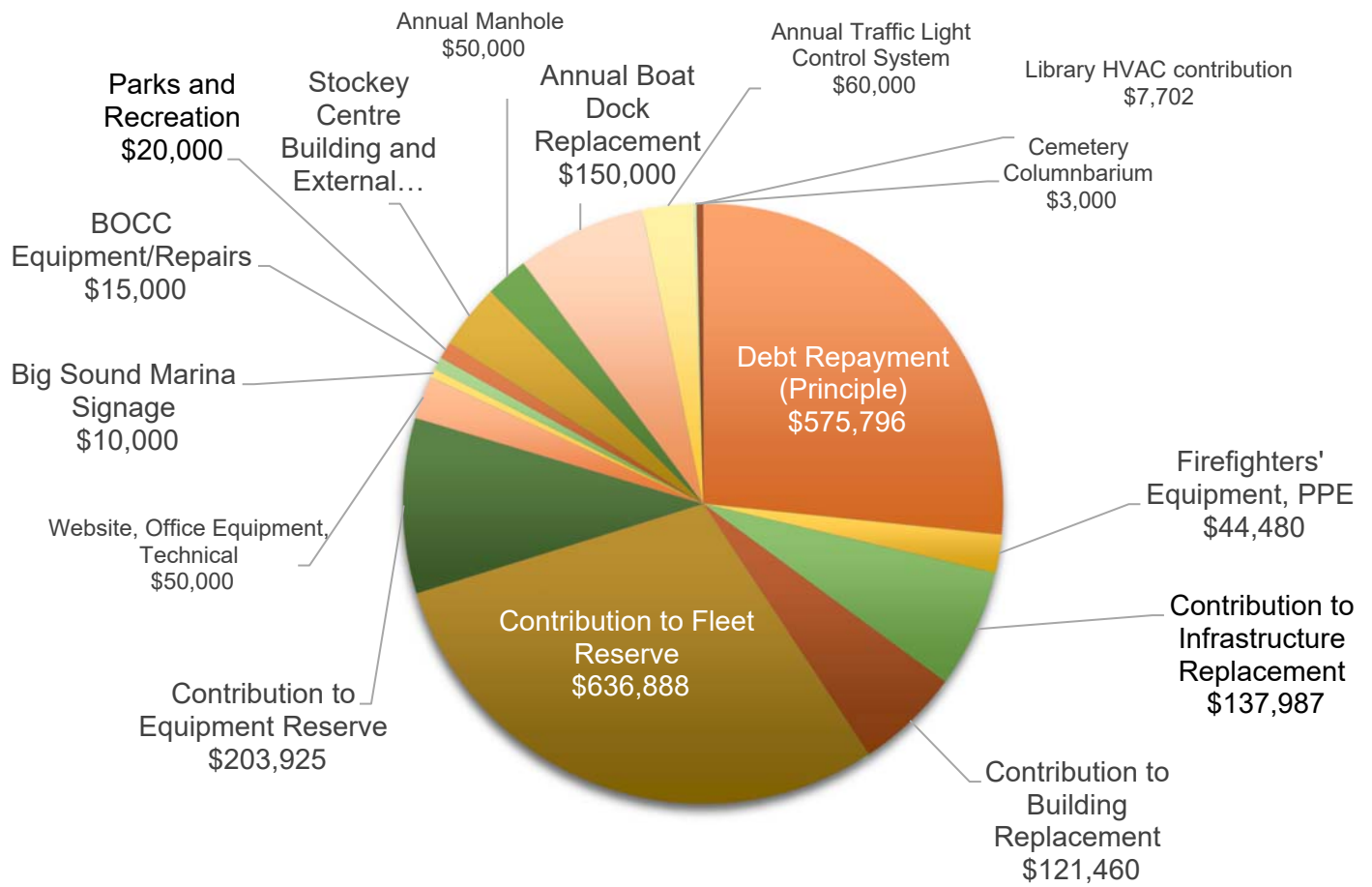
Allocation of the Capital Levy

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

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

Highlights

- The projects funded by taxation have increased by \$211,582 in 2023. This means that the majority of Council’s levy increase in going towards increased infrastructure spending this year.
- In 2022, there was an increase in annual contributions to reserve by the majority of the annual increase. Those increased levels continue in 2023.
- 36% of the total 2023 capital budget including carry forward items is funded from reserves/reserve funds compared to 59% in 2022, and 69% back in 2021.
- 26% of the total 2023 capital budget including carry forward items is funded from Provincial and Federal grants compared to 39% in 2022, and 28% back in 2021.



Capital Projects

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

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

Previously Approved Projects

Carried Forward from 2022 to 2023

Projects that have not been completed in 2022 have been deferred to 2023. In some cases, some preliminary work may have been performed or new funding has been made available in 2023.

Project	2022	2023	Change	Funding Source
	Carry Forward	Total Budget		
SPS #3 Upgrade	1,800,000	1,800,000	-	Reserves
SPS #6 Pump Replacement	1,500,000	1,500,000	-	Reserves
Mission Park Playground Equipment	80,000	80,000	-	Reserves
Tower Hill - Rock Path Restoration	10,000	10,000	-	Reserves

Project	2022	2023	Change	Funding Source
	Carry Forward	Total Budget		
Waubuno Beach Fall safety material and equipment	88,500	88,500	-	Reserves
CP Station Furnace	35,000	35,000	-	Reserves
Continue Parks/Garbage Recycling Replacement	20,000	30,000	10,000	Taxation
Bird Netting - Kinsman	5,000	5,000	-	Reserves
Enhancement of Treescape Downtown	30,000	30,000	-	Reserves
Lifesaving Recommendations	5,800	5,800	-	Reserves
BOCC Tables and Chairs	33,500	33,500	-	Reserves
WPS Rec & Cult Centre Town Contribution	2,271,619	2,271,619	-	50% Reserves/50% Borrow – Half will be funded from DCs
Town Dock Concrete Repairs	80,000	80,000	-	Reserves
Town Dock Lights & Electrical	40,000	40,000	-	Reserves
Town Dock Washroom Fixtures	25,000	25,000	-	Reserves
Town Dock Roof	12,000	12,000	-	Reserves
Stucco Exterior	15,000	15,000	-	Reserves
Municipal Office Stair Replacement/Outdoor Staff Space	50,000	50,000	-	Reserves
New meeting room upgrade	15,000	15,000	-	Reserves

Project	2022	2023	Change	Funding Source
	Carry Forward	Total Budget		
Plotter and Scanner	13,500	13,500	-	Reserves
Replacement of Host Servers/Etc IT	117,000	117,000	-	Reserves
Second Generation Firewall	13,000	13,000	-	Reserves
Phone System Upgrades-Fire Hall, Operations, WTP, WWTP	21,500	21,500	-	Reserves
Fire Hall Improvements Accessibility/Safety	100,000	100,000	-	Reserves
Fire Hall Roof	20,000	20,000	-	Reserves
W/WW SCADA	300,000	600,000	300,000	Modernization 2022/W & WW Reserves 2023 additional
Membrane Tank Repairs	50,000	50,000	-	Water Reserves
Preliminary Design of WTP High lift pumps and Church Street Booster Station	50,000	50,000	-	Water Reserves
Water Tower Work	40,000	40,000	-	Water Reserves
SUEZ I/O upgrades	40,000	40,000	-	Water Reserves
Polymer Injection System	30,000	30,000	-	Water Reserves
70003 - Cla-Val Replacement	25,000	25,000	-	Water Reserves

Project	2022	2023	Change	Funding Source
	Carry Forward	Total Budget		
Tower Insertion Meters	20,000	20,000	-	Water Reserves
Dechlorination ORP System	15,000	15,000	-	Water Reserves
water tank level transmitter replacements	15,000	15,000	-	Water Reserves
VFD Blowers Review	10,000	10,000	-	Water Reserves
Operations yard paving/laneway to Transfer Station	210,000	210,000	-	OCIF
Traffic Light Control System	50,000	110,000	60,000	Taxation
Fitness Trail Renovations	250,000	250,000		Reserves/FEDNOR
Isabella Train Crossing Safety Improvements	750,000	750,000	-	Federal Grant & Reserve Fund
Church Street Retaining Walls	200,000	200,000	-	OCIF
Cascade Bridge	500,000	950,000	450,000	CCBF \$900k/\$50k OCIF
Sidewalks	100,000	200,000	100,000	OCIF
Repair Corner of Wood/Isabella extension	600,000	600,000	-	CCBF
Park Avenue and Georgina	300,000	300,000	-	OCIF
Bobby Orr Hall of Fame Permanent Exhibit Redesign	659,000	659,000	-	FEDNOR/ Reserves/ Other
SC Hot Water Tanks	5,500	5,500	-	Stockey Reserves
Commercial Freezers	6,000	6,000	-	Stockey Reserves

Project	2022	2023	Change	Funding Source
	Carry Forward	Total Budget		
Commercial Fridges	6,000	6,000	-	Stockey Reserves
Performance Hall Lighting Consult Fee	16,000	16,000	-	Stockey Reserves
Total Carried 2022 to 2023	\$10,648,919	\$11,568,919	\$920,000	

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

Annual Capital Expenditures

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

Project	Tax Levy	Provincial Funding	Federal Funding	Reserve	Reserve Funds
Laptop & Desktop Replacement	-	-	-	34,000	-
Firefighters Pooled' Gear	24,480	-	-	-	-
Firefighters' PPE	20,000	-	-	-	-
Manhole repairs ¹	-	-	-	50,000	-
Annual Paving Program Specified in individual projects	-	-	-	-	-
Culvert Replacements & Stormwater	-	200,000	-	-	-
Boat dock replacement ²	150,000	-	-	-	-
Water Meters	-	-	-	50,000	-
Water Plant Lifts & Pumps	-	-	-	60,000	-
Rotork Actuators	-	-	-	30,000	-
Total	194,480	200,000	-	224,000	-

¹ \$50,000 per year invested

² Waubuno Boat Launch Repairs

New 2023 Capital Projects

Each year there are new projects requiring staff’s attention. In 2023, staff’s focus was on prioritizing core infrastructure projects within the asset management plan. Replacement forecasts were reviewed and cross referenced between roads, water, wastewater, and storm to identify which projects are good candidates for surface only replacement, which were total replacements, as well as the projects with the most need. Some projects have continued to encounter supply chain issues or delays due to the pandemic. Rising costs of materials and services have been encountered in recent years with inflationary and economic factors impacting capital works. Significant investment in infrastructure projects is being undertaken within 2023.

In addition, staff have been hard at work in identifying capacity issues within wastewater services in particular to service new development. Pumpstation 2 and the West Parry Sound Recreation and Cultural Centre are both significant projects that benefit growth and will require a portion/or all to be funded by debenture. A portion of these projects are forecasted to be funded by development charges. Information on the proposed development charges will be coming forward to a Public Meeting to be held on March 7, 2023. The background study is available on the Town’s website at www.parrysound.ca.

General Government

Office of the Chief Administrative Officer, Finance & Information Technology

Project	Tax Levy	Municipal Partners	Reserve	Reserve Funds
Surveillance Camera Project	-	-	6,500	-
Core Network Switches	-	-	21,500	-
Parrysound.ca Redesign	25,000		-	
Projector and Presentation Equipment (BOCC or Prelude)	10,000		-	

Project	Tax Levy	Municipal Partners	Reserve	Reserve Funds
Basement Offices – Town Office	15,000			
Total	50,000	-	28,000	-

Protection Services

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

Project	Tax Levy	Municipal Partners	Reserve	Reserve Funds
Antenna relocation for fire/pw to Tower hill - communications	-	-	20,000	-
Fire Hall Two rooftop HVAC units	-	-	28,000	-
Total	-	-	48,000	-

Transportation Services

Operations & Winter Control

Project	Tax Levy	Provincial Funding	Reserve	Reserve Funds
Joseph/Tudhope St. Railings	-	-	-	25,000
New Door Transfer Station	5,000	-	-	-
Sander Unit Replacement 08-090	-	-	16,000	-
Snowplow 08-160 (Heavy Duty)	-	-	400,000	-

Project	Tax Levy	Provincial Funding	Reserve	Reserve Funds
Glen and Victoria (Storm, Water, Wastewater Included)	-	1,390,138	-	609,862
Louisa Street (Double Surface Treatment/Base)	-	150,000	-	-
Public Works Trailer 08-430	-	-	5,000	-
Automated Speed Enforcement (Modernization)	-	70,000	-	-
Shop hoist replacement	-	-	30,000	-
Trench box	-	-	20,000	
Operations 08-270 Specialized aftermarket equipment for Leased pick up through Enterprise (equip stays with the Town)	-	-	29,635	-
Operations 08-230 Specialized aftermarket equipment for Leased pick up through Enterprise (equip stays with the Town)	-	-	29,255	-
Total	5,000	1,610,138	529,890	634,862

Environmental Services

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

Project	Debenture	Debenture DC	Reserve	Reserve Funds
Coagulant Bulk Delivery System	-	-	20,000	-
Water Plant Gate Security	-	-	25,000	-
VFD for 1 pump	-	-	46,000	
Wastewater Admin Building Roof Repair	-	-	20,000	-
2 Wetwell Wizards SPS 12 and 10 for grease control	-	-	60,000	-
Pumpstation 2 and Forcemain	3,382,000	3,318,000	-	-
Pumpstation 2 Engineering	500,000	-	-	
Total	3,882,000	3,318,000	171,000	-

❖ Sewage Pump Station 2 (SPS #2) - Champagne Street

Health Services

Cemeteries & Land Ambulance

Project	Tax Levy	Federal Funding	Reserve	Reserve Funds
Hillcrest Cemetery Columbarium	3,000		25,000	
EMS Base Repairs				40,000
Miscellaneous EMS Medical Equipment	-	-	-	15,000

Project	Tax Levy	Federal Funding	Reserve	Reserve Funds
Replacement of Ambulance 5277	-	-	-	220,000
Replacement of Ambulance 5270	-	-	-	220,000
Replace PRU 5317	-	-	-	100,000
Total	3,000	-	25,000	595,000

Recreation and Culture

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

Project	Tax Levy	Debenture	Federal Funding	Reserve	Reserve Funds
Parks 08-290 Specialized aftermarket equipment for Leased pick up through Enterprise (equip stays with the Town)	-	-	-	29,700	-
Parade santa float (trailer donation) refurb	5,000	-	-	-	-
BOCC Canteen Fridge	15,000	-	-	-	-
BOCC Olympia Replacement	-	-	-	150,000	-
Stockey Floor Refinishing	15,000	-	-	-	-
Stockey Transformer	10,000	-	-	-	-

Project	Tax Levy	Debenture	Federal Funding	Reserve	Reserve Funds
External facility freshen up Stockey Centre	50,000	-	-	-	-
Library HVAC contribution	7,702	-	-	-	-
Big Sound Marina Sign	10,000	-	-	-	-
BOCC Scoreboard				13,000	
Total	112,702	-	-	192,700	-

- ❖ Items for Council Consideration from the public will be brought forward to the March 14th meeting of Council.

Summary of New Capital Projects

Department	Tax Levy	Provincial Funding	Federal Funding	Debenture	Debenture DC	Reserve	Reserve Funds	Total
<i>Changes in Funding/Additional Dollars to Carryforward Items</i>								
New Changes to Carryforward	70,000	150,000	400,000		-	300,000	-	920,000
<i>Annual Capital Expenditures</i>								
Annual Replacement Program without Carryforward	194,480	200,000	-		-	224,000	-	618,480
<i>New Capital Projects</i>								
General Government	50,000		-		-	28,000	-	78,000
Protection Services	-	-	-		-	48,000	-	48,000
Transportation Services	5,000	1,610,138	-		-	529,890	634,862	2,779,890
Environmental Services	-	-	-	3,882,000	3,318,000	171,000	-	7,371,000
Health Services	3,000	-	-		-	25,000	595,000	623,000
Recreation and Culture	112,702	-	-	-	-	192,700	-	305,402
Total	435,182	1,960,138	400,000	3,882,000	3,318,000	1,518,590	1,229,862	12,743,772

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TOWN OF
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Reserves and Reserve Funds

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Overview

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

Reserves

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

Reserve Funds

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

1. Obligatory Reserve Funds

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

2. Discretionary Reserve Funds

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

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

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TOWN OF
Parry Sound

Supplementary Information

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Revenue and Expense Categories

Revenues

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

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

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

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

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

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

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

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

Expenses

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

Materials – Operating Expenses: This category includes items such as office

supplies, salt and sand, asphalt, gravel, insurance costs, telephone costs and other general expenses

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

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

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

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

Grants – Transfer Payments: This category consists of any grants given to community groups, outside boards, and levies from other organizations, such as, but not limited to Land Ambulance

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

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

What is Fund Accounting?

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

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

There are three basic funds used by the municipality:

1. Capital Fund

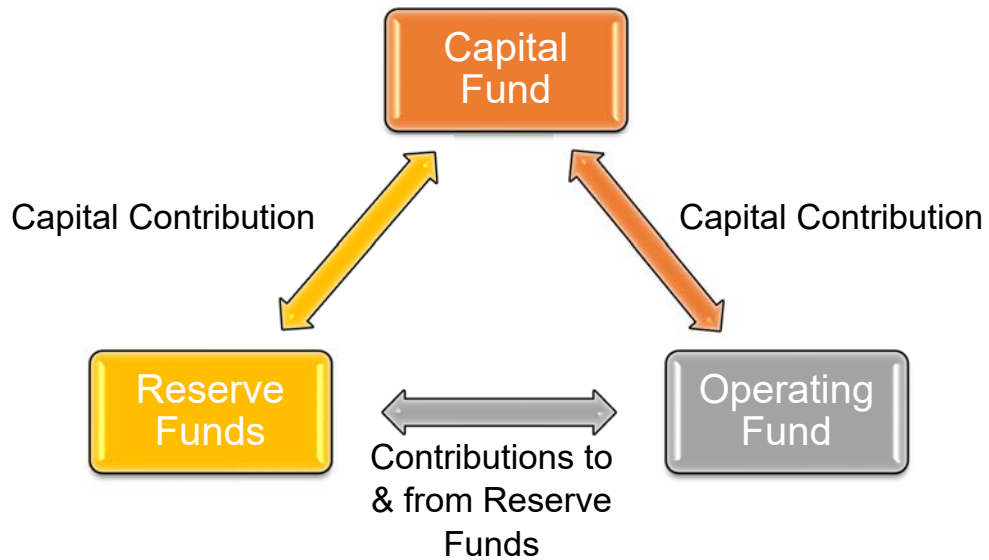
Records all capital expenditures and the method of funding these expenditures, whether by transfer from tax revenue for capital expenditures, reserves or reserve funds, grants or long-term borrowing

2. Operating Fund

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

3. Reserve Funds

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



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

Reserve and Reserve Fund Definitions

Understanding Reserves and Reserve Funds

Reserves

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

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

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

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

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

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

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

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

Reserve Funds

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

Obligatory Reserve Funds

Established through terms of an agreement or through legislation

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

Discretionary Reserve Funds

Established through by-law

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

Creation of Reserves

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

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

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

Creation of Reserve Funds

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

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

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

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

Reserve and Reserve Fund Movement

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

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

Interest Allocation

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

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

Reserves

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

Name	Purpose of Fund	Funding Sources
Founders Circle	To support business innovation and new business ideas for the Parry Sound Area Founders Circle	<ul style="list-style-type: none"> • Contributions from the dedicated capital levy • Donations or sponsorships
General Working	To provide working capital for the Town	<ul style="list-style-type: none"> • General surplus
Health Unit Capital	To fund future District Health Capital costs	<ul style="list-style-type: none"> • Contributions from the operating fund
Health Unit Cost Stabilization	To offset any unexpected expenditures	<ul style="list-style-type: none"> • Contributions from the operating fund
Industrial Development/Area Park	To fund future development at the Parry Sound Area Industrial Development Park	<ul style="list-style-type: none"> • Contributions from the operating fund
Infrastructure Replacement	To provide funding for the replacement or rehabilitation of the Town's road, sidewalk and storm sewer infrastructure	<ul style="list-style-type: none"> • Contributions from the operating fund • Contributions from the dedicated capital levy
Legal Cost/Claims Management Reserve	To provide funding of any unexpected legal costs incurred in excess of the annual budget and claims costs incurred within the Town's deductibles	<ul style="list-style-type: none"> • Contributions from the general working reserve
IT Replacement	To provide funding for the purchase of IT infrastructure(hardware) and IT software	<ul style="list-style-type: none"> • Contributions from the operating fund • Contributions from the dedicated capital levy
LACAC Directory Sales	To provide funding for the Local Architectural Conservation Advisory Committee	<ul style="list-style-type: none"> • Contributions from the operating fund

Name	Purpose of Fund	Funding Sources
Modernization Reserve	To fund projects recommended in the third party IT review	<ul style="list-style-type: none"> • Modernization funding from the provincial government
Municipal Elections	To fund future municipal election costs	<ul style="list-style-type: none"> • Contributions from the operating fund
Parks	To fund future capital replacement and program expansion for local parks	<ul style="list-style-type: none"> • Contributions from the operating fund
Planning Dept - OP review/legal	To fund legal interpretations of changes to the Official Plan	<ul style="list-style-type: none"> • Contributions from the operating fund
Police Cost Stabilization	To fund future fluctuations in policing costs	<ul style="list-style-type: none"> • Unspent police funds in the annual budget
Salt management	To fund future salt storage needs	<ul style="list-style-type: none"> • Contributions from the operating fund
Stockey Centre - Capital	To fund future capital asset purchases for the Charles W. Stockey Centre	<ul style="list-style-type: none"> • Ticket surcharge
Storm Water Management	To fund storm water capital replacement and maintenance	<ul style="list-style-type: none"> • Contributions from Winter Control Reserve
Tax Rate Stabilization	To fund tax revenue shortfalls, one-time expenditures, as well as other contingencies such as MPAC appeals	<ul style="list-style-type: none"> • General surplus
Transportation - Winter Control	To mitigate impact of heavy snowfalls on winter control expenditures	<ul style="list-style-type: none"> • Contributions from the operating fund • Unspent winter control funds
Town of Parry Sound Pool	To fund the town's portion of the WPSRC	<ul style="list-style-type: none"> • Town's own contributions to the WPSRC
Waste Management and Landfill Decommissioning	To fund waste management and landfill rehabilitation costs	<ul style="list-style-type: none"> • Contributions from the operating fund

Name	Purpose of Fund	Funding Sources
Wastewater Stabilization Reserve	To fund wastewater service operations and future capital asset replacement	<ul style="list-style-type: none"> • Annual surplus from wastewater user rates
Water Stabilization Reserve	To fund water service operations and future capital asset replacement	<ul style="list-style-type: none"> • Annual surplus from water user rates
WSIB	To fund the estimated costs and liabilities related to WSIB based on an actuarial valuation prepared by an independent firm. As the Town is a Schedule 2 employer under the Workplace Safety and Insurance Act and it assumes responsibility for financing its workplace safety and insurance costs.	<ul style="list-style-type: none"> • Contributions from the operating fund

Obligatory Reserve Funds

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

Name	Purpose of Fund	Funding Sources
Provincial Gas Tax	For transit operations in accordance with Provincial Gas Tax	<ul style="list-style-type: none"> • Quarterly contributions from the Province, established annually

Discretionary Reserve Funds

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

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

Financial Policies

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

Budget and Financial Control

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

The policy provides a target range for **tax levy** increases based on the Consumer Price Index and negotiated wage increases. This year's policy would put the 2023 between 7.6% and 15.2% with the July Consumer Price Index at its highest level in years. Staff have recommended a departure from the policy in 2023. The core inflation measures as well as the forecasted inflation throughout 2023 as of July 2022 as reported through RBC Economics have been examined.¹ There are recent reports that inflationary pressures have eased. As a result, the Town will work towards a guideline of 4% which is the average anticipated throughout 2023.

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.