

Municipal Services

Comparing Municipal Service Delivery Models for Lower-Tier Small Municipalities (18,000 to 24,000)

by James P. Hutton, CD, BSc, MSc, MBA



Research Questions

1. *Why do very similar municipalities have vastly different service delivery costs?"*
2. *"What causes chronic administrative inefficiencies and how can they be overcome?"*

Executive Summary

This study selected seven similar municipalities to compare municipal services, revenues and the cost of service delivery with Owen Sound. The municipalities were selected based on population, the total number of dwellings, population density and the number of occupied dwellings. Of the seven selected comparators three were found to be the most similar to Owen Sound. They were; Cobourg, Tillsonburg and Thorold and were identified as the Primary Comparators. Of these, Cobourg was found to be almost identical to Owen Sound in all four areas. To conduct a fair and verifiable comparison the study only used public available data consisting of Audited Financial Statements, BMA Reports, Statistics Canada Datasets, Municipal Organization Charts and published Financial Information Returns.

*In regard to revenues the study found that Owen Sound's revenue from taxation was **\$10.5 million higher** than the average of the three primary comparators and **\$6.5 million higher** than Cobourg which is nearly identical to Owen Sound. However Owen Sound's revenue from other sources was significantly lower than the others. For example, Amherstburg and Cobourg obtain 56.4% and 56.1% of their revenue, respectively, from other sources while Owen Sound gets only 49.5% of its revenue from other sources. Therefore Owen Sound has significant room for improvement when it comes to generating ancillary revenue. It was also discovered that several municipalities have profit centers that enables them to reduce their reliance on revenue from taxation. Cobourg for example generates over \$2 million annually from its marina and industrial property businesses.*

*To provide an alternate assessment, taxes were compared with other Bruce/Grey municipalities. It was found that Owen Sound's taxes were by far the highest in the area. At \$4,210 taxes on a detached bungalow were **\$1,336 higher** in Owen Sound than the average municipality. The same disparities were observed in all tax categories.*

*The study also found that Owen Sound residents are the poorest among those in the study group. Owen Sound's median, after-tax, household income was only \$57,600 in 2021. This means that half of households in Owen Sound have less than \$1,096 per week to house, clothe and feed their families. The study concludes that residents' ability to pay should be a consideration when setting the budget by encouraging the expansion of non-tax based revenue in every budget. If Council based taxes on the our ability to pay taxes would be **\$11.7 million less** than what they were in 2021*

The study compared both the services and the cost of service delivery. The comparison of services found that the municipalities delivered very similar services. It found that municipal spending on Transit, Library, Parks and Recreation were all very similar. However, Owen Sound spent slightly more on cultural services than the others.

*In spite of delivering very similar services it was found that Owen Sound expenses, not including Protective Services, were **\$11.9 million higher** than the average and **\$3.8 million higher** than Cobourg. As a result the study concluded that Owen Sound was by far the most inefficient municipality in the study group. Some of the factors contributing to the magnitude of expenses were; the growing size of administrative overhead, the cost of providing regional services, the relative size of debt servicing expense and the workforce being top heavy with managers.*

*Owen Sound's Salary & Benefits expense, not including Protective Services, was **\$3.9 million higher** than the average and **\$1.5 million higher** than Cobourg. A contributing factor was that in 2022 Owen Sound had 8 more managers earning greater than \$100,000 than the nearly identical municipality of Cobourg which cost Owen Sound taxpayers \$872,480 more in Salary & Benefits expense in 2021. When this comparison was expanded to include all departments and 21*

*Bruce/Grey municipalities it was found that Owen Sound had **2.5 times** the average number of employees per 10,000 residents earning more than \$100,000.*

*Based on the Financial Information Return for 2021 Owen Sound had 133 non-Protective Services employees which is significantly greater than the average in the study group. Owen Sound employs 32 employees more than the average and 25 more than Cobourg. The size of this disparity is confirmed by the Audited Financial Statements that show that at \$13.0 million for non-Protective Service salaries, Owen Sound spends **\$3.9 million more** than the average and **1.5 million more** than Cobourg. When we examined Owen Sound's Salaries & Benefits growth between 2015 and 2022 we found that Owen Sound's Salaries & Benefits expense grew at a rate of **\$295,402 per year**. In regard to growth it was discovered that between 2011 and 2021 on average the municipalities in the study group grew their workforces at a rate of one new employee for every 133 new residents. Owen Sound on the other hand grew its workforce at one new employee for every 3.45 residents moving out of the city.*

The study also identified a couple of disturbing trends when examining Owen Sound's workforce over time. The study found that there was a migration of part-time and seasonal positions to full time positions. There was also a distinct shift in positions from operations to administration that resulted in the administration growing from 43 full time employees in 2018 to 83 employees in 2021.

The study offers fourteen realizable solutions that if adopted, will enable Owen Sound to resolve most of these disparities within five years.

The recommendations are categorized under four headings:

- A. Increase Non-Taxation or Ancillary Revenue,*
- B. Share Regional Costs with Adjacent Municipalities,*
- C. Reduce and tighten up Support Services, and*
- D. Re-Align, Re-Organize and Re-think*

These include the establishment of an Ancillary Business Department with a mandate to grow ancillary revenues by 10% or \$3.1 million in the first five years. As well as reaching cost sharing agreements with surrounding municipalities to support regional services like those provided by the Rec Center and the Bayshore. In regard to reducing costs the study recommends that the Art Collection be donated to the County given that the collection was acquired by regional as opposed to exclusively Owen Sound artists. This will save taxpayers in the order of \$500,000 per year.

The most significant recommendations aimed at reducing excessive spending and ending annual workforce growth involve the introduction of Zero-Based Budgeting, the reduction of the workforce by 25 employees including 9 managers to match Cobourg's workforce and a new policy to replace "Staff Recommendations" with "Staff Option Analysis" to eliminate the perception that city staff overly influence decisions at city hall.

The study concludes that Owen Sound's excessive growth in expenses and staffing are the result of the failure of successive Councils over the years to push back on staff requests for budget increases and the creation of new staff positions. If current growth rates are allowed to continue Owen Sound Taxes will grow to \$41.1 million by 2030 and Expenses will grow to \$74.0 million. These are increases of \$8.0 million and \$14.2 million from 2022 for taxes and expenses respectively. Owen Sound taxpayers cannot afford to allow this to continue much longer. It is up to the current council to take aggressive action to remedy this situation by directing major changes at city hall that, first and foremost, include downsizing the city hall administration.



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Introduction



Twenty years ago I spent a great deal of time researching the complexities of the 14 municipal governments in the Greater Victoria area in British Columbia. This work was part of my studies at Royal Roads University that led to a Master's Degree in Business Administration. (MBA). This research opened my eyes to how some municipal governments could be so grossly inefficient right next door to municipalities that were providing similar services at a fraction of the cost. During my research I observed an inverse correlation between the financial health of a municipality and the degree of influence that the senior administrator exercised over Council's decisions. Municipal councils showing strong, collaborative leadership tended to be more successful than others, particularly in the area of economic development. Those that were more passive and regularly deferred to their senior administrator were almost always identified as being bureaucratic and inefficient.

The best examples of this are the municipalities of Colwood and Langford. In 1986 they both had similar populations of approximately 14,000. Today Colwood has a population of 18,961 and Langford has a population of 46,584. The primary difference in these two municipalities was that Langford had a small Council of five that exercised strong collaborative leadership giving clear direction to the city Administration. Colwood, on the other hand had a Council of nine and often deferred to the CAO for guidance. Langford also had a strong mayor who was able to build a cohesive team after each election. He was so successful at team building that he served as the city's mayor for 30 years and ran unopposed in most elections. (*Owen Sound's population in 1986 was 19,805 or 1,807 residents less than we have today.*)

I returned to my home town, Owen Sound, upon my retirement and immediately began to see the same municipal disparities in this region. For example, Owen Sound's 2020 expenses were in the order of \$52 million¹ while next door the municipality of Georgian Bluffs expenses were only in the order of \$13 million². Although some of this disparity could be accounted for by the difference in population the magnitude of the disparity just didn't justify the huge difference in spending. Looking a little further away, I discovered the community of Strathroy-Caradoc that had a slightly greater population of 23,871, spent only \$28 million³ to provide a wide variety of services to its residents. This was nearly half of what Owen Sound spent to provide similar services to a population of only 21,612. *Why was this?*

Encouraged by the availability of a provincial grant, the city was prompted to commission a Toronto firm to conduct an independent review of its service delivery model. Everyone was expecting the consultant to deliver some clear advice on improving services and reducing the cost of service delivery. However after waiting 14 months for the final consultant's report everyone was extremely disappointed at both the \$108,000 cost of the study and with its failure to deliver anything concrete⁴. As one councilor succinctly put her frustrations in her only question: "*Where's the Meat?*". The report stated the need to redesign the organization but failed to explain why, or how this should be done. As another councilor put it they were expecting the \$108,000 report to tell them: "*What is someone else doing that's better than us? What are the best practices ... the identification of opportunities. ... we already knew we have serious taxation challenges. ... we were expecting solutions.*" Another councilor asked how, Belleville, a single tier municipality of 47,000, could possibly be a fair comparator to Owen Sound, a lower tier municipality of only 21,000. The response echoed the report's vague and confusing style. She was told that selecting comparator municipalities "*was more of an art than a science*" and that they

relied heavily on “*staff input*” to select the comparators. In attempting to answer this one question the consultant explicitly told us what some had suspected. This \$108,000 study was really not “*independent*”. Staff played a significant role in helping to select the comparator municipalities and by doing so not only eroded the independence of the study but invalidated the results by selecting single tier municipalities such as Belleville.

The problem, as we found out, was not that the consultant failed to deliver the answers that Council was seeking, but rather the city manager held on to “the meat” and instructed the consultants to limit their presentation to a high-level overview. The city manager told members of council that he held back the bulk of the consultant’s deliverable so it could be massaged and “interpreted” by staff before being presented to Council. This is reflected in the minutes of the meeting. “*the City Manager advised that MNP has provided some high-level business analysis on the recommendations; however, it is a consultant’s viewpoint and report, and staff need to take this information and analyze it further*” ⁵⁰ [Minutes of April 17th Meeting](#).

A consultants viewpoint! – in other words it doesn’t agree with “our viewpoint” and how we do things at Owen Sound city hall. The city manager implies that a consultant’s-viewpoint is somehow less valuable than the staff’s viewpoint and shouldn’t be considered by members of Council without first having staff interpret it for them. It makes you wonder why city hall spends taxpayer’s money on so many consultants if they don’t value their opinions.

This seemed really inappropriate to me. We have an unelected administrator telling elected officials that they can’t read a consultant’s report until staff has had a chance to sanitize it and tell them how the advice it contains should be viewed. This incongruous control of a taxpayer-paid report raises the questions about; who is really running things at city hall? Is our city controlled by the Administration and our elected Councilors just there to ‘rubber-stamp’ staff proposals? I wondered, is this how it works in other Ontario municipalities?

My objective in doing this research was to see for myself just how Owen Sound compares to similar municipalities. From my review of MNP’s work, I believe they fell short in this area. In doing my own research, it was my hope to identify areas for improvement by contrasting Owen Sound’s policies, procedures and service delivery methods with those employed by the other municipal governments. To achieve this I relied solely on publically available information which included; Statistics Canada, Audited Financial Statements, Financial Information Returns, municipal websites, annual BMA Reports and municipal organization charts. As a result the graphs, tables and charts contained in this report can easily be reproduced by anyone with an interest.

Note: This study did NOT review or compare any costs associated with the delivery of Protective Services.

My Approach

1. Identify suitable Lower-Tier municipalities to compare with Owen Sound. A good comparator municipality will have a similar population within +/- 3000 residents, similar total number dwellings, similar population densities and a similar number of owner occupied dwellings.

2. Compare revenues and revenue sources and with an emphasis on revenue from taxation and the community's ability to pay taxes.
3. Compare each municipality's non-Protective Services expenses, with the objective of identifying underlying causes for differences and contrast the relative size and composition of the workforces.
4. Compare the actual services being delivered along with the cost of service delivery and where possible a measure of the service's value to the community.
5. Identify the root causes of any service delivery inefficiencies and driving forces behind cost-effective service delivery.
6. Identify service delivery inefficiencies and attempt to identify municipal practices that promote the cost-effective efficient delivery of services.
7. Identify potential solutions for resolving any recognized disparities within a reasonable timeframe.



Choosing the Right Comparators



Selecting the right municipalities, to compare to Owen Sound, is extremely important. Each comparator must model the characteristics of the municipality being studied. If the comparator municipalities do not reflect the characteristics of the municipality, the resulting data will be flawed and therefore any conclusions will be invalid.

Unlike the Toronto consultants, I believe that selecting the right municipalities to compare with Owen Sound is very much a science. The Toronto consultants used several Single-Tier municipalities in their comparison group for Owen Sound which is a Lower-Tier municipality. Given that Lower-Tier municipalities rely on upper-tier governments to provide some services, including Single-Tier municipalities in the study group will contaminate the results and diminishes the value of the study. For this reason I considered only Lower-Tier municipalities for my study group.

Most would agree that the municipalities should have similar populations. Some would believe that comparing municipalities with similar populations is sufficient. However I believe that the delivery of municipal services is much more complex. So, when selecting municipalities I went a little further and chose municipalities that also had a similar number of occupied dwellings, and relatively similar population densities. I selected Tillsonburg, Thorold, Cobourg, Huntsville, Kingsville, Amherstburg and Strathroy-Caradoc to compare with Owen Sound. The following paragraphs explain why these municipalities are the best match for a comparison with Owen Sound.

Population

Exactly where to draw the line when it comes to population is fairly subjective. BMA Reports groups municipalities in distinct categories of “*Less than 15,000*”; “*15,000 to 30,000*” etc. I feel that a 15,000 spread in population was too great for a municipality of only 21,612. Therefore I selected a spread of only 6,000. As it turned out the municipalities I selected are within +/- 3000 residents from Owen Sound. The three municipalities which were closest to Owen Sound’s population of 21,612 were, Kingsville (21,552), Huntsville (21,147) and [Cobourg \(20,515\)](#).

Total Dwellings

After reviewing the municipal data found on the Statistics Canada website I selected a range for the total number of dwellings to be between 8,000 and 10,000 which included occupied dwellings, both owner occupied and renters and non-occupied dwellings. The three municipalities that are closest to Owen Sound’s 9,895 are Strathroy-Caradoc (9,455), Amherstburg (9,205), and [Cobourg \(9,130\)](#).

Owner Occupied Dwellings

When considering the number of dwellings that were occupied by the owner I selected a range for the total number of dwellings to be between 5,500 and 6,500 which includes a wide range of dwellings including semi-detached houses, detached houses, condominiums, row housing etc. The three municipalities that are closest to Owen Sound’s owner-occupied dwelling count of 5,740 are Tillsonburg (5,830), Thorold (6,310) and [Cobourg \(6,275\)](#).

Population Density

In Ontario we have some municipalities that are largely rural, some that are largely urban and those that are a mixture of both. For this study I selected a combination of largely urban municipalities and those that had a largely urban population with a small number of rural residents. Municipalities with largely urban populations, but occupying larger rural areas, have the additional expense of maintaining a larger municipal road system, while urban municipalities, with little or no rural areas, face an additional social and policing costs associated with high population densities.

The three municipalities that are closest to Owen Sound's population density of 879.2 residents per square kilometer are Tillsonburg (838.6), Thorold (226.5) and Cobourg (915.7). These along with the other comparators are shown below in Table 1.

Municipality	Population	Area [km ²]	Density [pop/km ²]	Incorporation Date	Total Dwellings	Dwellings [Owner Occupied]
Tillsonburg ⁵	18,615	22.20	838.6	1872	8,230	5,830
Thorold ⁶	18,801	82.99	226.5	1870	9,095	6,310
Cobourg ⁷	20,515	22.41	915.7	1837	9,130	6,275
Huntsville ⁸	21,147	710.01	27.9	1886	8,815	7,100
Kingsville ⁹	21,552	246.83	87.3	1901	8,290	7,020
Owen Sound ¹⁰	21,612	24.27	879.2	1857	9,895	5,740
Amherstburg ¹¹	23,524	183.76	128.0	1878	9,205	7,860
Strathroy-Caradoc ¹²	23,671	270.86	88.1	1860	9,455	7,385

Table 1; the Final Comparator Group for Owen Sound

Source: Statistics Canada

When I examined the available municipalities that matched all four criteria to compare to Owen Sound, I found that each municipality in my study group appeared in the top three to Owen Sound at least once. Both Tillsonburg and Thorold, appeared twice in the top three. Cobourg appeared in the top three in the four categories This tells us that all municipalities in the study group are good comparators to Owen Sound and that Cobourg is nearly a perfect match to Owen Sound.

Municipality	Population	Density [pop/km ²]	Total Dwellings	Dwellings [Owner Occupied]
Tillsonburg	13.9%	4.6%	16.8%	-1.6%
Cobourg	5.1%	-4.2%	7.7%	-9.3%
Thorold	13.0%	74.2%	8.1%	-9.9%

Table 2; Percentage variance from Owen Sound

Source: Statistics Canada

In order of best match with Owen Sound there are, 1. Cobourg, 2. Tillsonburg and 3. Thorold. For this reason they will be identified as the **"Primary"** comparators in the charts and as such it would be fair to give a little more weight to these comparators. As well given that Cobourg is almost identical to Owen Sound in all areas it is reasonable to expect that Owen Sound's Expenses and Revenues will be very close to those of Cobourg.

Comparing Municipal Revenues



Revenue from Taxation

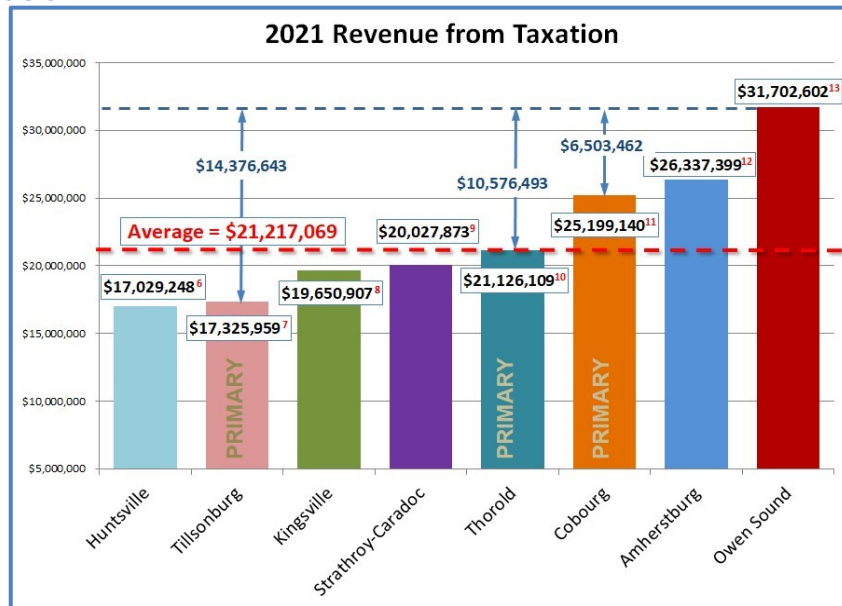


Figure 1 Revenue from Taxation *Source: Audited Financial Statements*

As shown in figure 1, Owen Sound’s revenue from taxation is significantly greater than that of the comparator municipalities. The average of the three Primary Comparators is \$21.2 million which is \$10.5 million less than Owen Sound’s.

When we consider Cobourg by itself, which is nearly identical to Owen Sound, we see that Cobourg’s revenue from taxation is \$6.5 million less than Owen Sound’s. In other words Owen Sound would need to reduce its revenue from taxation by \$6.5 million or 20.5% in order to just match Cobourg. This also tells us that Cobourg is either spending less on service delivery or has more non-taxation revenue than Owen Sound, or a combination of both.

Taxation per Capita

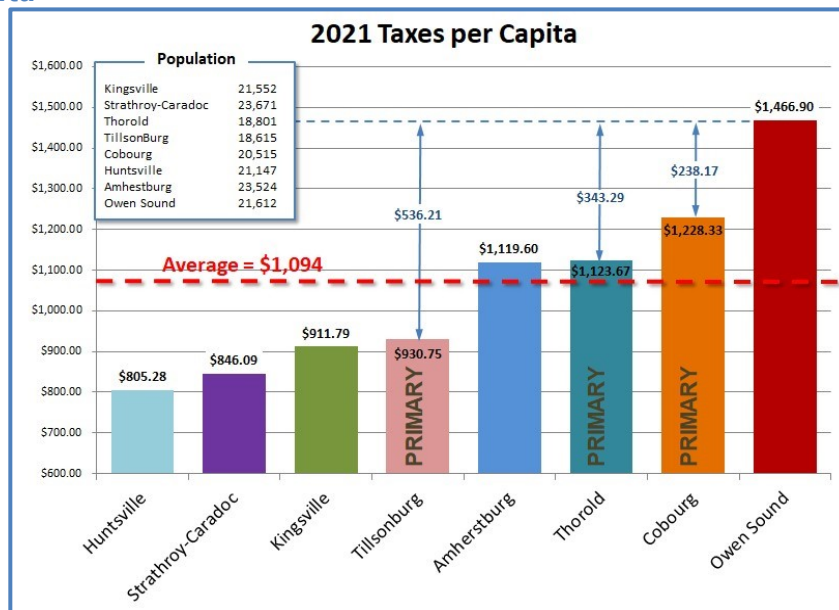


Figure 2; Tax Revenue per Capita *Source: Audited Financial Statements*

Figure 2, above shows the tax revenue per capita which essentially zeros out the impact of population. We see that at \$1,467 per resident Owen Sound is \$373 per resident higher than the average of \$1,094 of the three primary comparators. When we look at Cobourg alone we see that Owen Sound’s taxation from taxation is \$238 per resident greater than Cobourg’s.

The above charts show that Owen Sound’s revenue from taxation is significantly higher than the average of the top three comparator municipalities. In fact Owen Sound’s tax revenue was 49% greater than the average of three primary comparators and 26% greater than Cobourg’s revenue from taxation. Given that Owen Sound is nearly identical to Cobourg in Population, Area, Population-Density and Occupied Dwellings, we would expect that its revenue from taxation would also be nearly identical to Cobourg’s. However this is not the case.

Neighbourhood Tax Comparisons

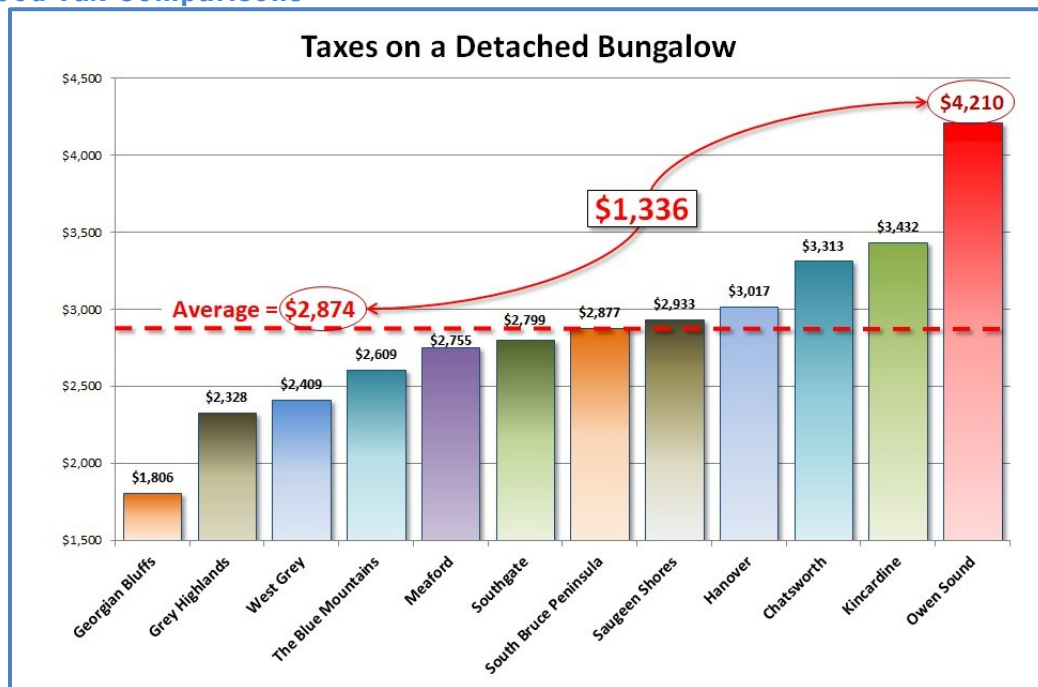


Figure 3 Taxes on a Detached Bungalow in Bruce/Grey *Source: 2022 BMA Report*⁶⁴

Now that we’ve seen how Owen Sound taxes compare to similarly sized municipalities in the study group I thought it would be informative to look at how Owen Sound taxes compare with municipalities in Grey/Bruce Counties. Above in figure 3 we see the comparative taxes on a single detached bungalow. As could be predicted from the previous comparison Owen Sound is by far the highest taxed municipality in both Grey and Bruce Counties. The difference is alarming. At \$4,210 Owen Sound taxes are \$1,336 above the average in Grey/Bruce. What’s even more alarming is that Owen Sound taxes are \$2,404 higher than our neighbours in Georgian Bluffs. Is it any wonder why people are moving just next door to Georgian Bluffs? You can save \$200 per month on your property taxes just by moving a couple of blocks and still be able to enjoy everything Owen Sound has to offer.

Think Critically When Listening to Political Spin at Budget Time

I recall the Mayor saying that the 2023 Owen Sound tax increase was less than Georgian Bluffs as if that was good news. The reality is that 1% increase in taxes on Georgian Bluffs bungalow is \$18.06 while a 1% increase on Owen Sound bungalow is \$42.10 per year. Therefore 1% to Owen Sound taxes is equivalent to 2.3% to Georgian Bluffs taxes. Staff has proposed a 4.4% tax increase for 2024 which has the same impact as a 10.2% increase on a Georgian Bluffs detached bungalow.

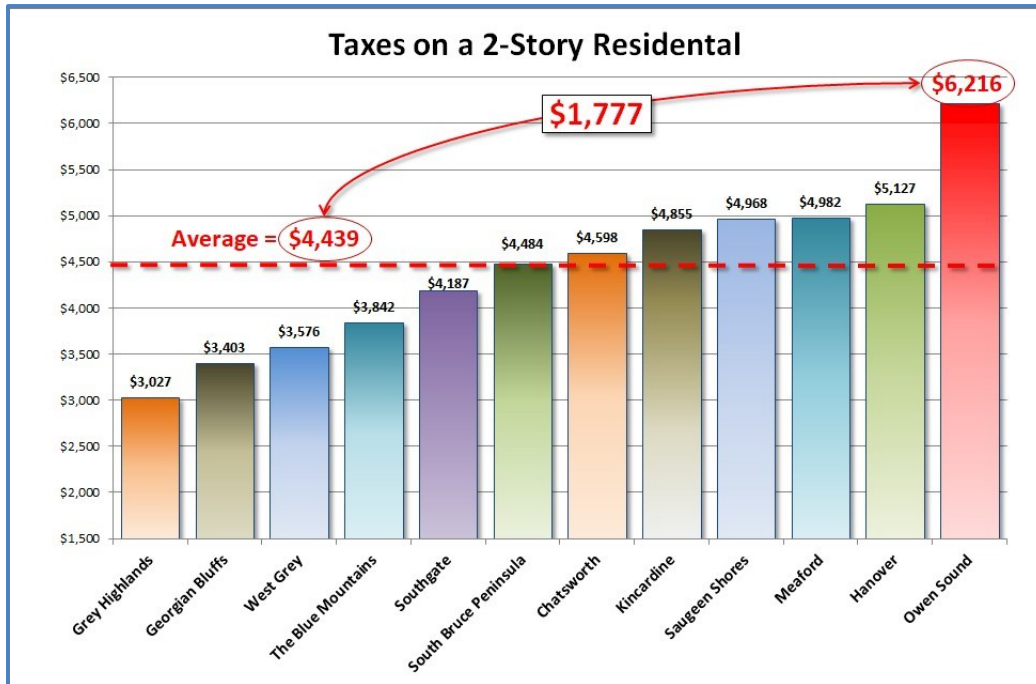


Figure 4 Taxes on a Two Story Residence in Bruce/Grey Source: 2022 BMA Report⁶⁴

Figure 4, shows the tax comparisons on a two-story residential home. Once again Owen Sound taxes are significantly higher than all other municipalities in Grey and Bruce Counties. Owen Sound taxes are actually \$1,777 higher than the average and a whopping \$2,813 higher than Georgian Bluffs.



Figure 5 Taxes Multi-Residential Walk-Up in Bruce/Grey Source: 2022 BMA Report⁶⁴

Owen Sound’s high taxes relative to its neighbours continues when it comes to apartments. As you can see from figure 5, Owen Sound’s taxes are \$930 higher than the average and \$1,108 higher than Georgian Bluffs. Given that landlords pass their tax expense on to their tenants, this means that anyone renting in Owen Sound will pay almost \$100 more per month than a Georgian Bluffs renter due solely to the property tax differences.

Revenue from Other Sources

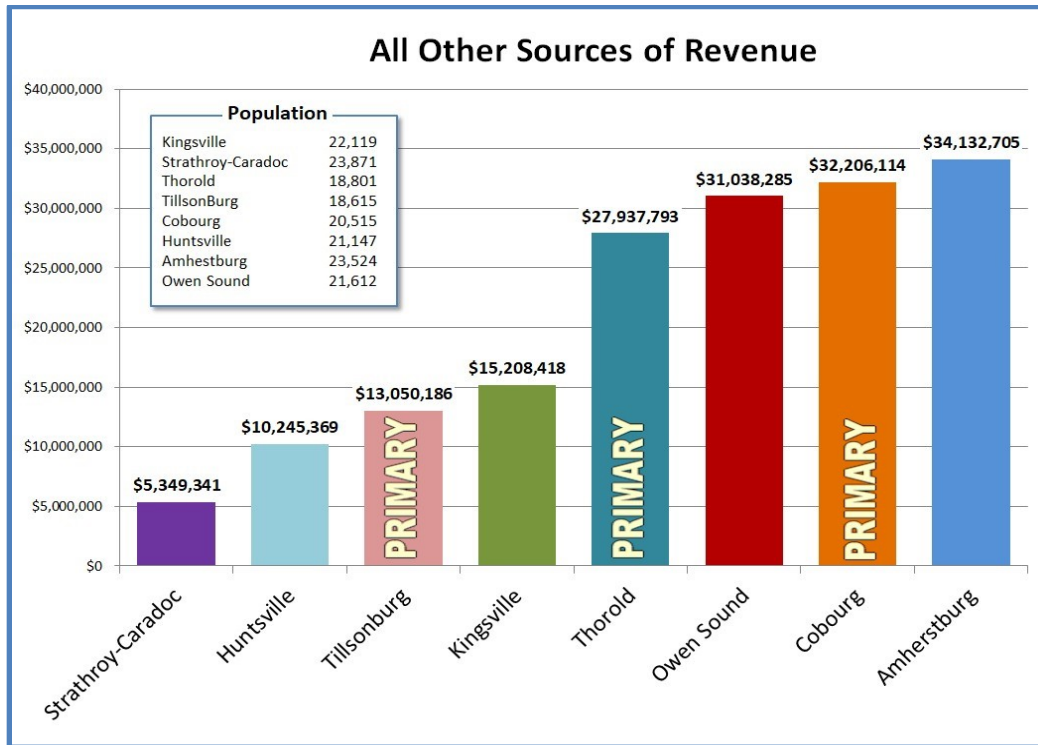


Figure 6; Revenue from Other Sources Source: Audited Financial Statements

Figure 6 shows that Cobourg, the municipality that is nearly identical to Owen Sound, has about \$1.2 million more in revenue from other sources than Owen Sound. Also, Amherstburg earns \$3.1 million more in non-taxation revenue than Owen Sound. Amherstburg and Cobourg rely on taxes for 43.6% and 43.9% of their total revenue, respectively, while Owen Sound relies on taxes for 50.5% of its total revenue.

This suggests that there is room for Owen Sound to improve its revenue from other sources to reduce its dependence on taxation to fund municipal operations. To explore the potential in this area we will examine the economic opportunities that Amherstburg and Cobourg are leveraging to generate additional revenues in a later section.

SUMMARY

1. Owen Sound’s Tax Revenue is \$10.5 million higher than the average Primary Comparators
2. Owen Sound’s Tax Revenue is \$6.5 million higher than the nearly identical Cobourg
3. Owen Sound’s Tax Revenue is 50.5% of Total Revenue while Cobourg’s is only 43.9%
4. Owen Sound’s Taxes are the higher than all municipalities in Grey and Bruce Counties
5. Owen Sound is too reliant on Revenue from taxation and does not have one profit center
6. Owen Sound’s Ancillary or Other Sources revenue is grossly underperforming.

Comparing Taxpayers' Ability to Pay



Household Income

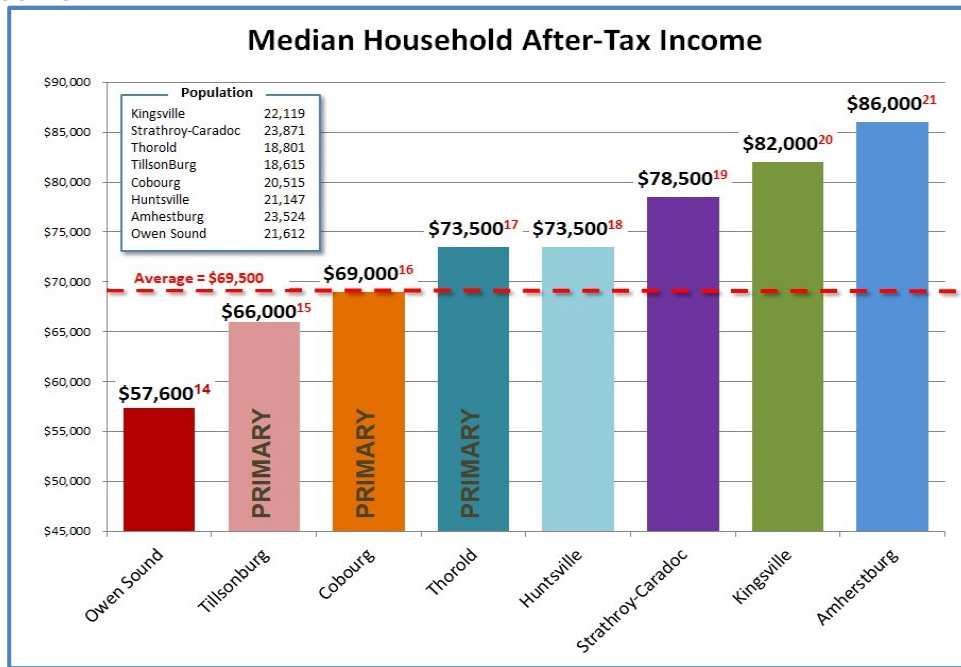


Figure 7; Median After-Tax Household Income *Source: Statistics Canada* ¹⁴⁻²¹

To date the ability for residents to fund municipal operations has not been a consideration when setting the annual budget. As shown above in figure 7, Owen Sound’s residents are the poorest among the comparators. The median household income for Cobourg, a municipality nearly identical to Owen Sound, is very close to the average of \$69,500 while Owen Sound’s median household income of only \$57.600 is well below other municipalities. Although most of these households are renters, landlords pass on increases their property tax expense to their tenants in higher rents

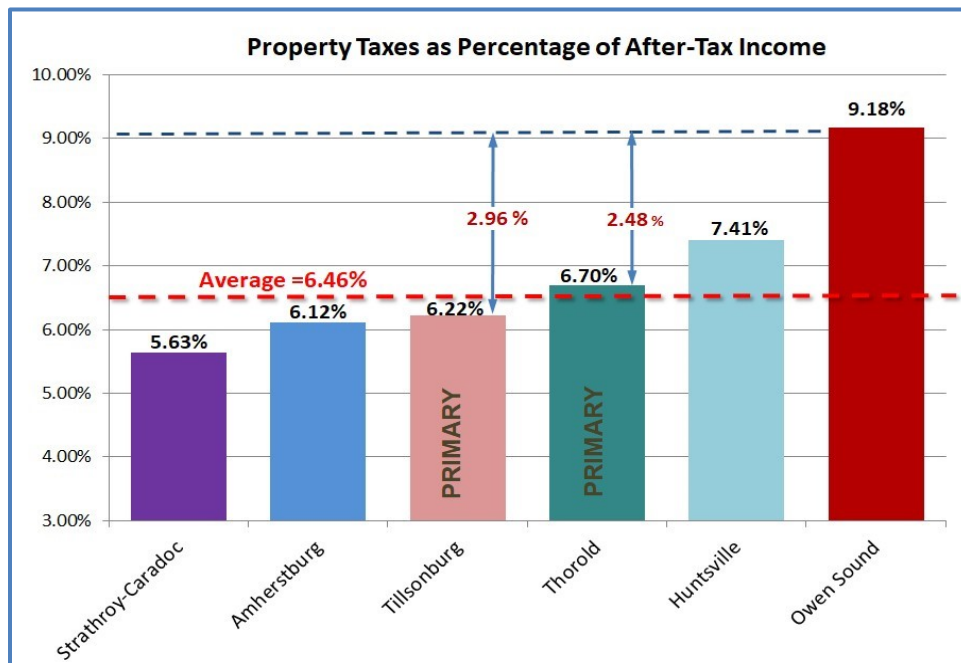


Figure 8; Percentage of After-Tax Household Income Required to Pay Property Taxes

In regard to resident's ability to pay municipal taxes it is helpful to consider the percentage of after tax income a resident requires to pay their taxes. Figure 8 above shows that an Owen Sound resident must use 9.18% of their household income to cover municipal taxes while residents of the top three comparators require only 6.46% of their income.

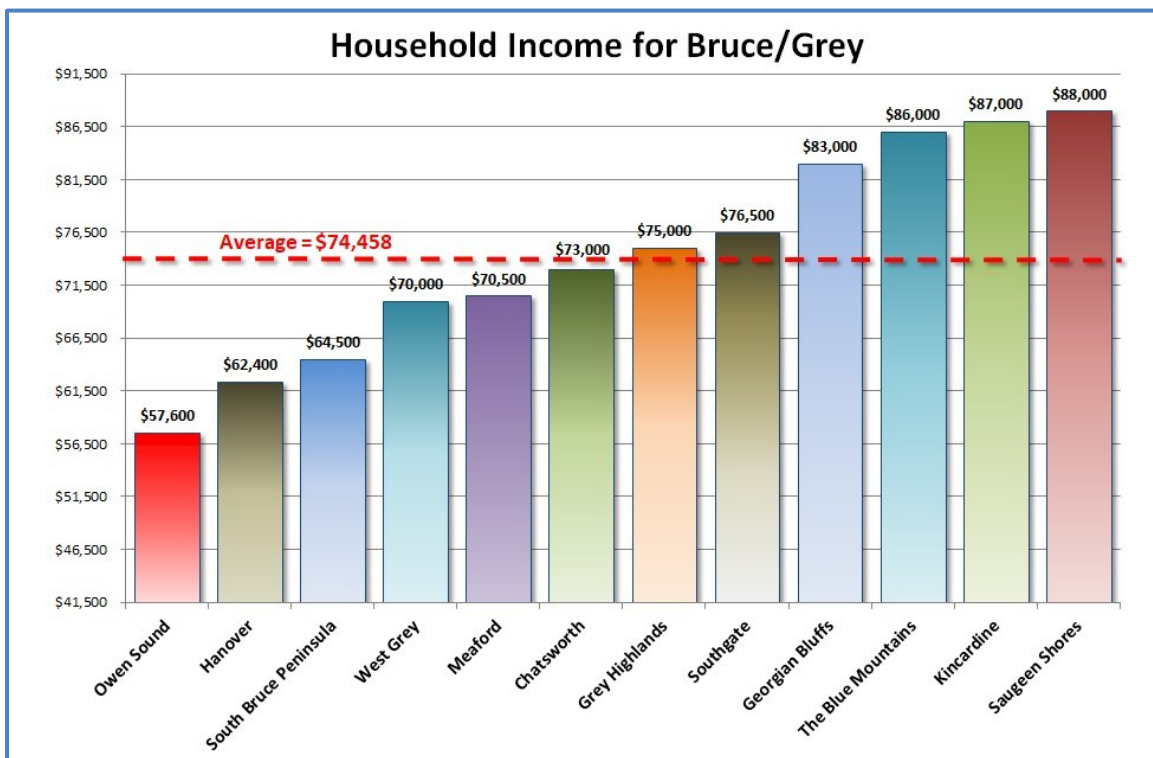


Figure 9; Median After-Tax, Household Income Comparison Source: Statistics Canada 14-21

Now that we've seen how Owen Sound's household incomes compare to similarly sized municipalities in the study group I thought it would be informative to look at how Owen Sound household incomes compare with municipalities in Grey/Bruce Counties. As shown in figure 9 above Owen Sound's median after-tax household income is much lower than the Grey/Bruce Counties average of \$74,458.

What's interesting in this chart is how Owen Sound compares to its closest neighbours, Meaford and Georgian Bluffs. As you can see our neighbours to the west in Georgian Bluffs are quite wealthy compared to us with a median after-tax household income of \$83,000. Meaford with a household income of \$70,500 is also doing quite well in comparison with Owen Sound, as is Chatsworth at \$73,000. It seems like we are surrounded by relative wealthy neighbours. Perhaps we should ask all of them to help us out with the cost of the regional services we provide them such as the Harry Lumley Bayshore Community Center, the Julie Macarthur Recreation Center and the Tom Thomson Art Gallery.

What Should Taxes Be?

If Owen Sound taxes were 6.46% of the median after tax household income (\$57,600) instead of the current 9.18%, the taxes on the average household would be \$3,617 instead of \$5,235. Owen Sound's current revenue from taxation is \$31,702,602. If Council capped taxes at 6.46% of median after-tax household income to match that of Cobourg, Owen Sound's revenue from taxation would be \$22,286,929. Therefore based on resident's ability to pay, Owen Sound's revenue from taxation should have been no more than \$22 million in 2021 instead of \$31,702,602.

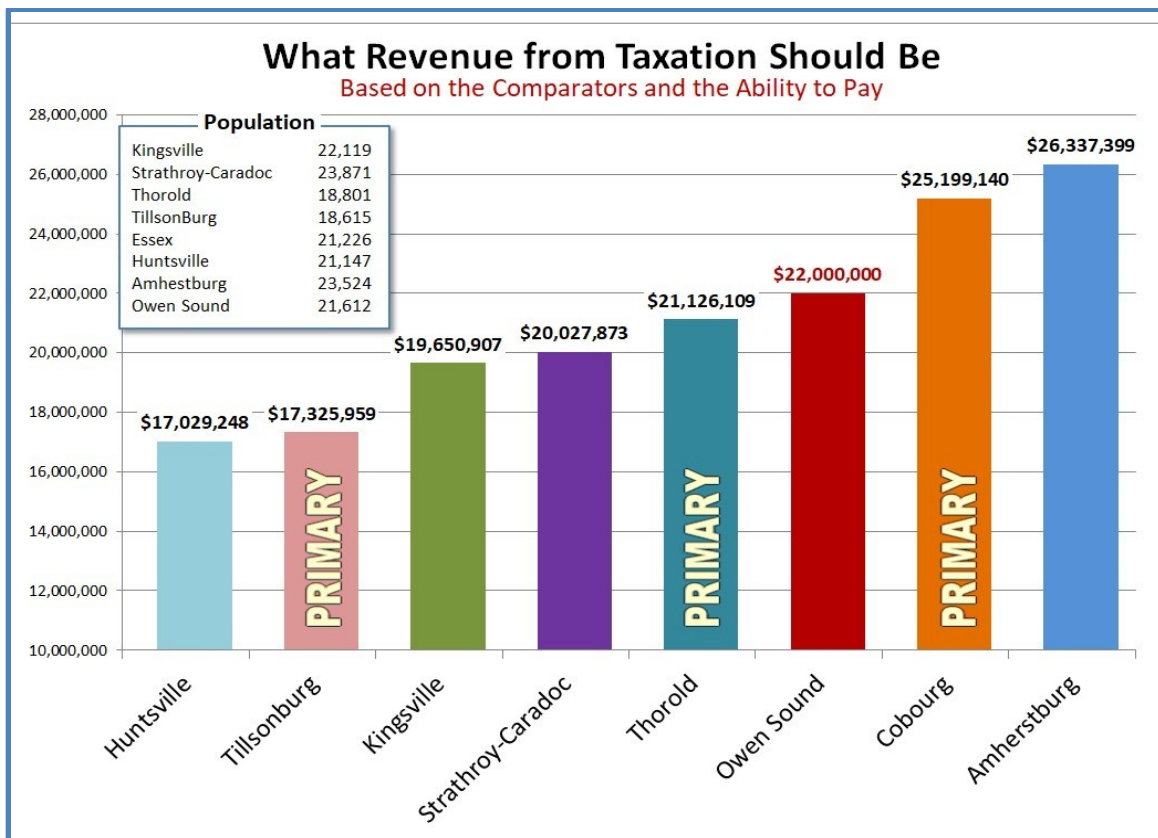


Figure 10; What a 2021 Tax Comparison would look like if EQUITY were to be Considered

As a result of Council not considering resident’s ability to pay in 2021, Owen Sound residents were over taxed by \$9.8 million, based on their ability to pay. This would have resulted in a 31.5% reduction in taxes for Owen Sound Residents.

Cobourg, a municipality nearly identical to Owen Sound, has a median household after-tax income which is 19.7% higher than Owen Sound’s. As shown in the hypothetical chart in figure 10, Cobourg’s revenue from taxation was \$25.2 million in 2021 as compared to the hypothetical \$22 million which is what Owen Sound’s would have been if ability to pay were considered.

What is most alarming is that there is evidence that suggests that Owen Sound’s median, after-tax household income will be declining relative to Cobourg’s. The number of people filing income taxes on wages in Cobourg grew by 2,530 workers or 26.9% between 2017 and 2021⁵². During this same period this figure grew by only 260 or 1.9% in Owen Sound.

SUMMARY

1. Owen Sound residents are by far the poorest in the study group at 19.8% below the average.
2. Owen Sound residents are by far the poorest in Grey/Bruce Counties at 29.2% below average
3. Owen Sound residents spend 9.8% of their after-tax household income on property taxes.
4. If the ability to pay was considered Owen Sound’s Tax revenue would be \$9.8 million less.
5. Owen Sound high taxes may be driving residents to nearby lower taxed municipalities.

Comparing Municipal Expenses



In order to eliminate some of the complexities when comparing services with other municipalities I did not include any expenses associated with Fire and Policing Services.

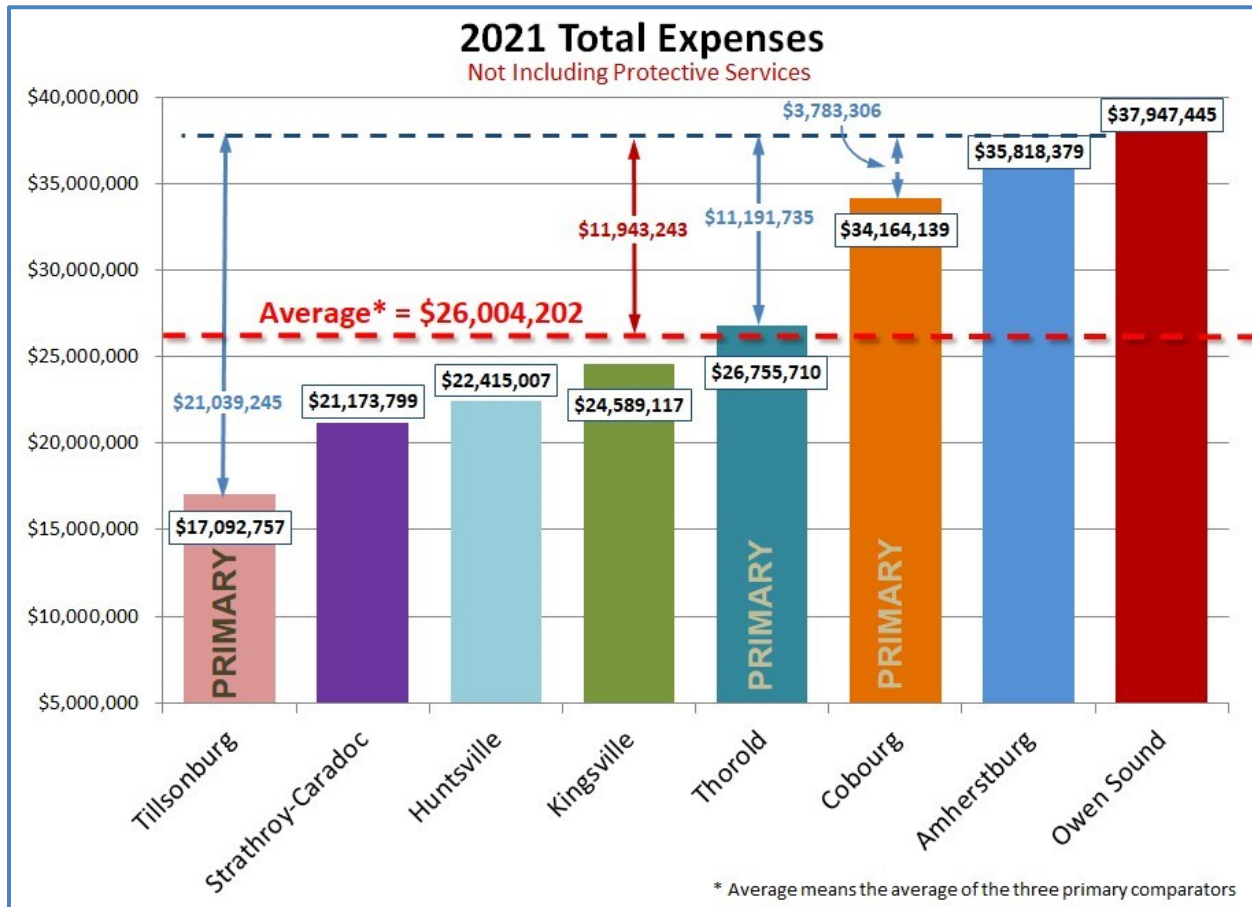


Figure11; Comparing Total Expenses Source: Audited Financial Statements 6-13

The chart shown in figure 11 was created using each municipality’s Audited Financial Statements. It’s interesting to note that Owen Sound spends \$11.9 million more than the average of the 3 primary comparator municipalities to provide services. When we consider only the closest comparator, Cobourg, we see that Owen Sound spends \$3.8 million more on services than Cobourg. Therefore if Owen Sound reduced expenses to match only those of Cobourg, Owen Sound taxpayers would realize an 11.9% reduction in taxes.

When we neutralize the impact of population by calculating municipal expenses per capita as shown in figure 8 below we see that Owen Sound expenses remain the highest of all of the comparators. In fact Owen Sound’s expenses at \$1,756 per capita are \$424 higher than the average of the 3 primary compactors which is \$1,332 per capita. Although \$424 per resident doesn’t seem like a large amount when you consider that Owen Sound’s median household income is only \$57,600 it is very significant.

Expenses per Capita

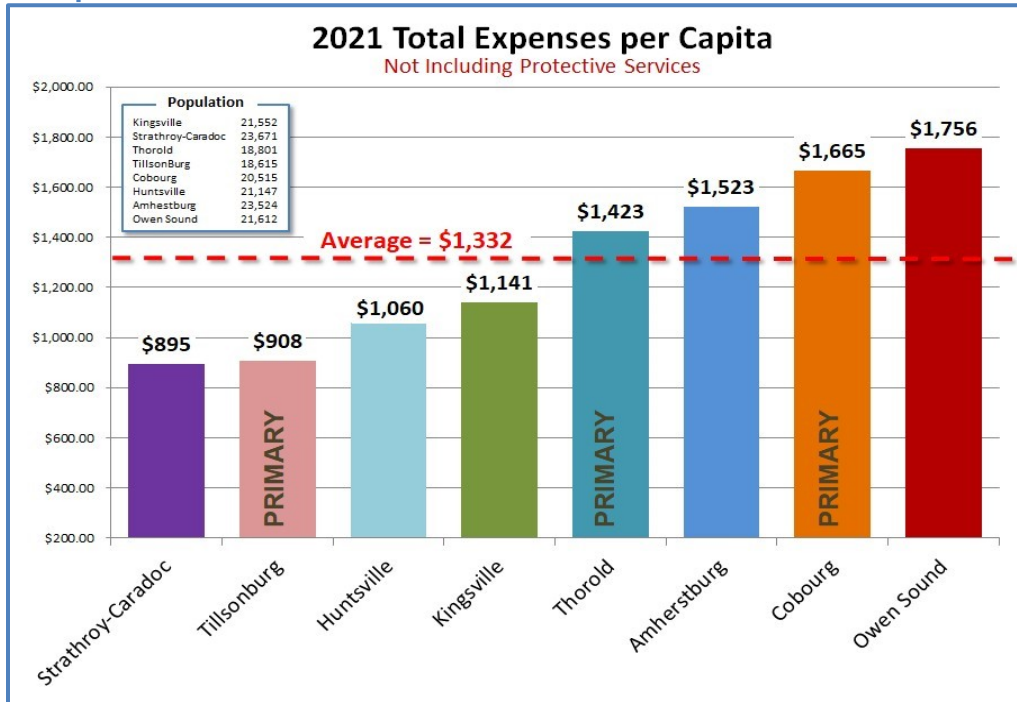


Figure 12; Total Expenses per Capita *Source: Audited Financial Statements & StatsCan*

Salaries & Benefits Expense

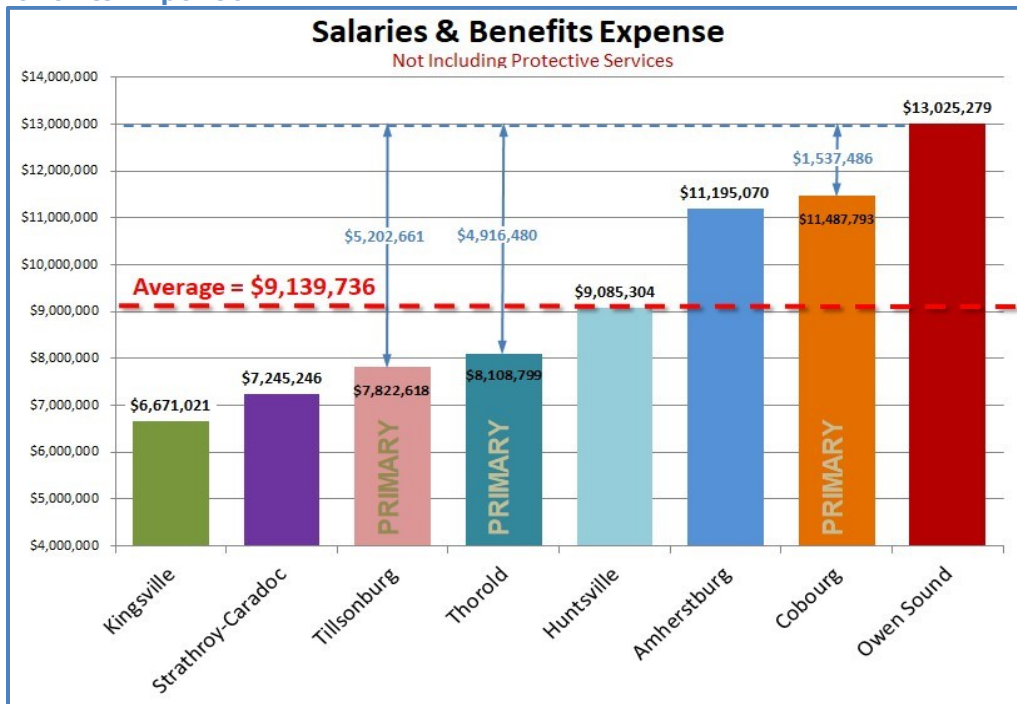


Figure 13; Salaries & Benefits Expense *Source: Audited Financial Statements*

As shown in figure 13 above, Owen Sound’s Salaries and Benefits expenses are \$3.9 million greater than average of 3 primary comparators and \$1.5 million more than Cobourg. If we assume an average salary of \$65,000, that would work out to be 23.6 employees more than Cobourg. This also suggests that Salaries and Benefits expenses represent about one-third (35.4%) of the \$11 million in excessive expenses.

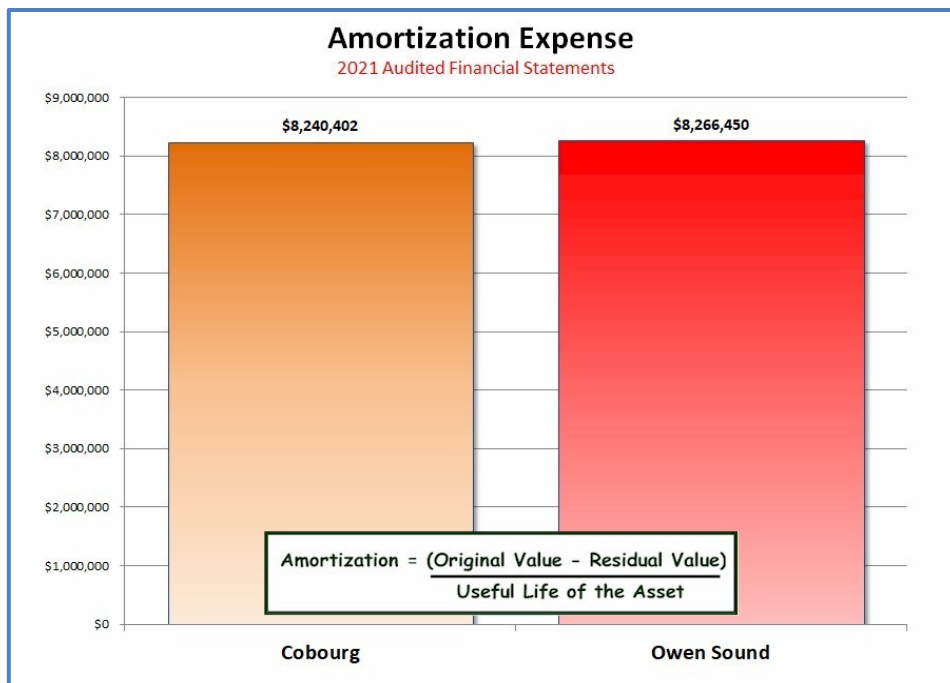


Figure 14; Comparing Amortization for Owen Sound and Cobourg *Source Audited Financials*^{1,11}

Amortization is an accounting method for spreading out the costs for the use of a long-term asset over the expected period the long-term asset will provide value. Figure 14 above shows the Amortization Expense for Owen Sound and municipality of Cobourg. This essentially means both municipalities have made similarly sized capital investments. Figure 15 shows that Owen Sound’s Debt Servicing Expense is significantly greater than Cobourg’s. Conversely, Cobourg spends only 17.8% of what Owen Sound spends annually to service its debt. This can only mean that Owen Sound has had to assume much more debt to fund those capital investments. The average debt servicing expense for the three primary comparators was only **\$235,240** in 2021 which is only 23.1% of what Owen Sound spends annually.

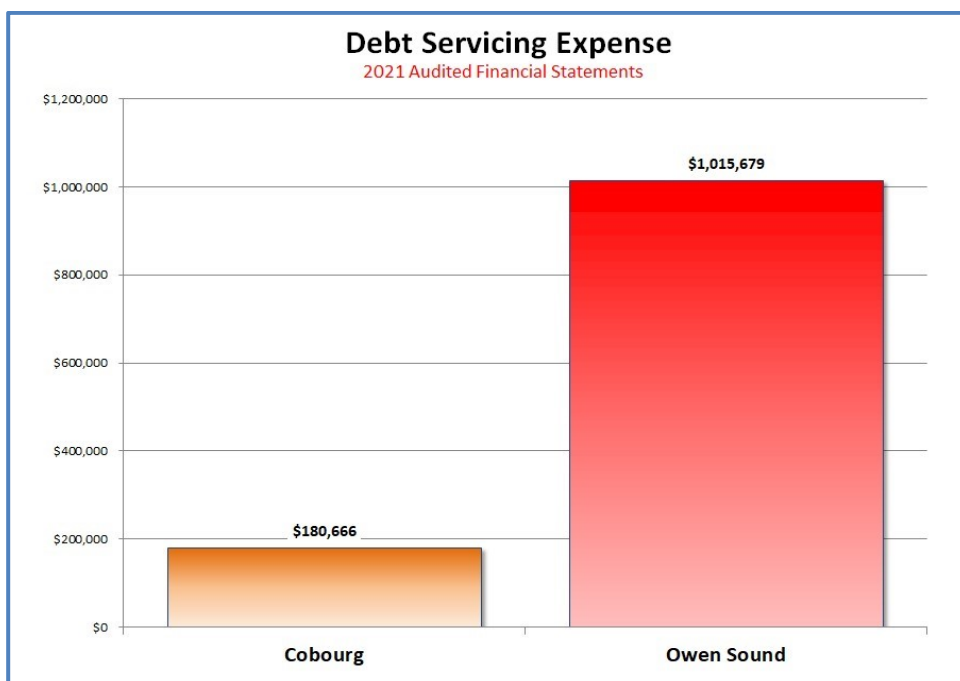


Figure 15; Comparing Debt Servicing for Owen Sound and Cobourg *Source Audited Financials*^{1,11}

To see how significant the magnitude of Owen Sound’s debt servicing expense is I thought that it would be revealing to look at the debt of other municipalities beyond the study group. The 2022 BMA Municipal Study Report shows the Total Debt per Capita for their participating municipalities. Figure 12, below, shows the debt per capita for municipalities with populations between 15,000 and 29,999.

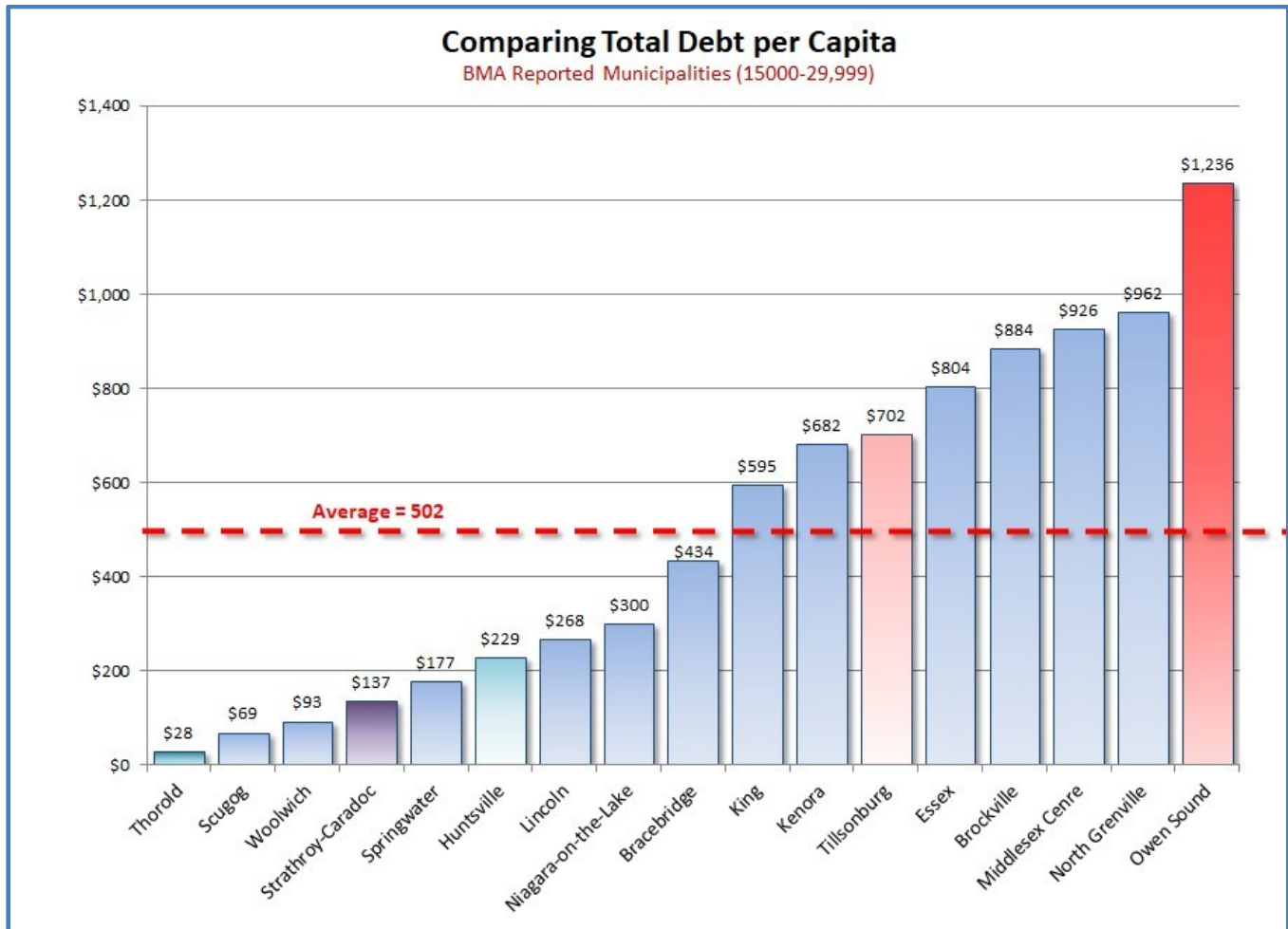


Figure 16; Comparing Total Debt per Capita

Source 2022 BMA Reports⁶⁴

Note: that not every municipality with a population between 15,000 and 29,999 is shown here. That’s because not every municipality uses BMA services. However, there are enough municipalities in the chart above to give us a good feeling for how Owen Sound’s debt load compares with other Ontario municipalities in this population range.

So, what do the results shown in figure 16 actually mean? Well, it clearly shows that Owen Sound is carrying an abnormally large debt load as compared to other municipalities with populations between 15,000 and 29,999. Owen Sound has a total debt of \$1,236 per resident. This is \$734 per resident greater than the average of \$502 per resident. The nearest municipality from the study group is Tillsonburg, which has a total debt per capita of \$702 per resident which is only 56% of Owen Sound’s.

The significance of this is not the debt itself but rather the annual debt servicing or interest charges; which adds to the city’s total annual expenses. As we saw in figure 15, Owen Sound is paying over one million dollars annually in interest charges; which are significantly higher than other municipalities.

Excessive Budget Growth Examples

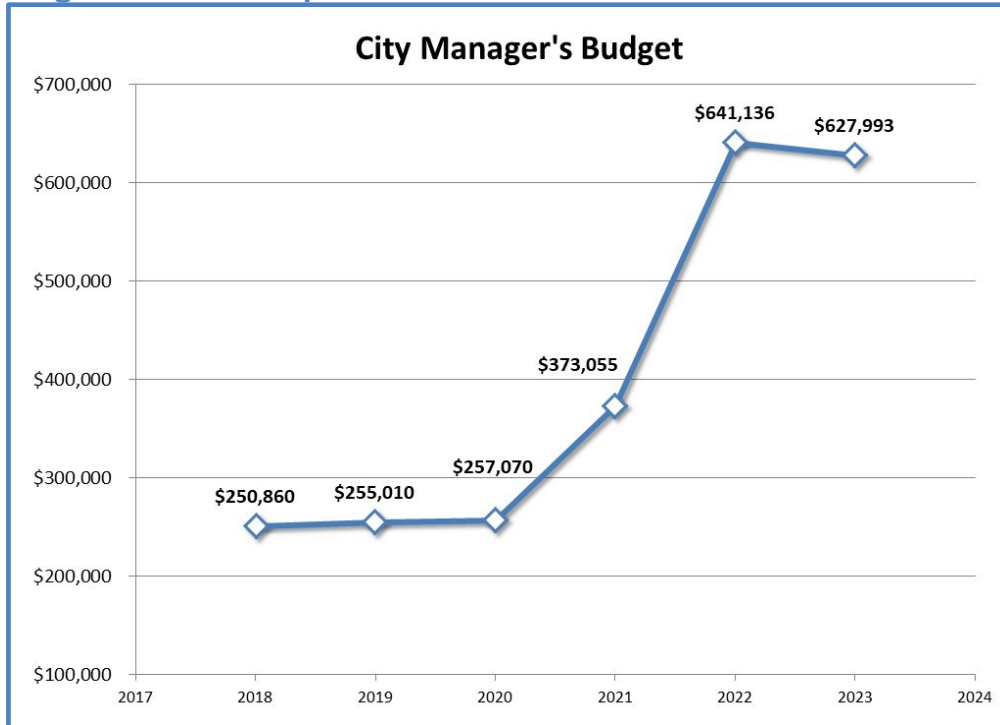


Figure 17; City Manager’s Budget Growth *Source Owen Sound Budgets*⁶¹

Figures 17 and 18 show two examples of excessive budget growth that exemplify the problem of spending growth at city hall. In regard to the city manager’s his budget grew by 150% in just two years.

The Tom Thompson Art Gallery budget changes between 2018 and 2022 are shown below in figure 13. As you can see the Art Gallery’s budget grew by 77.3% in only four years, while inflation grew by only 3.47%.

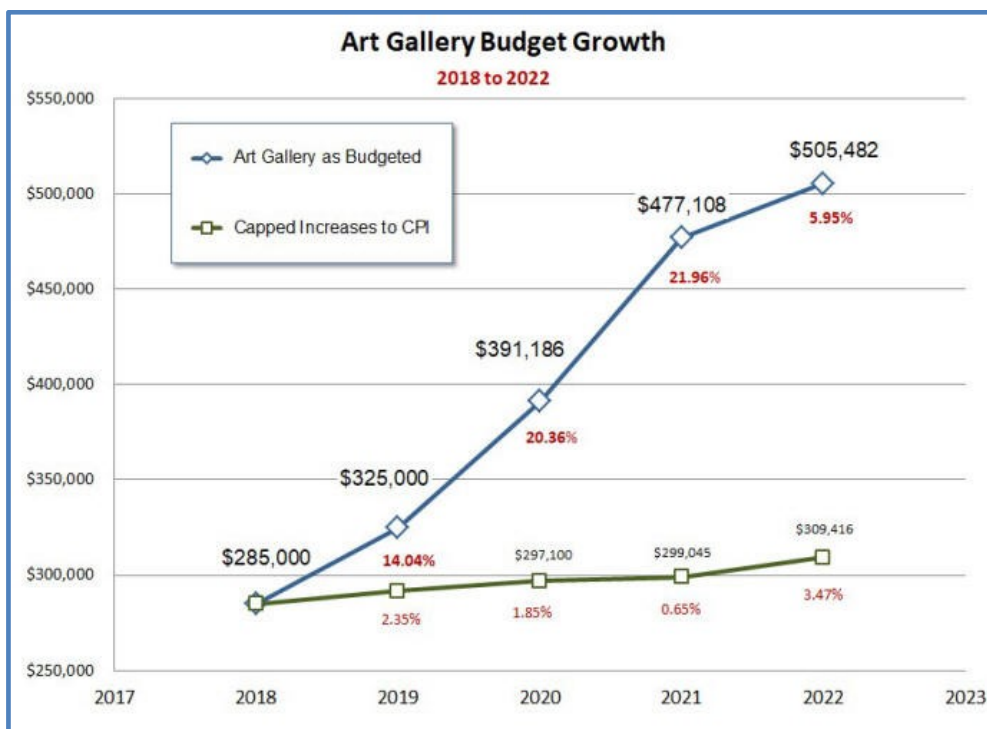


Figure 18; Art Galley Budget Growth *Source Owen Sound Budgets*⁶¹

Expense and Tax Projections

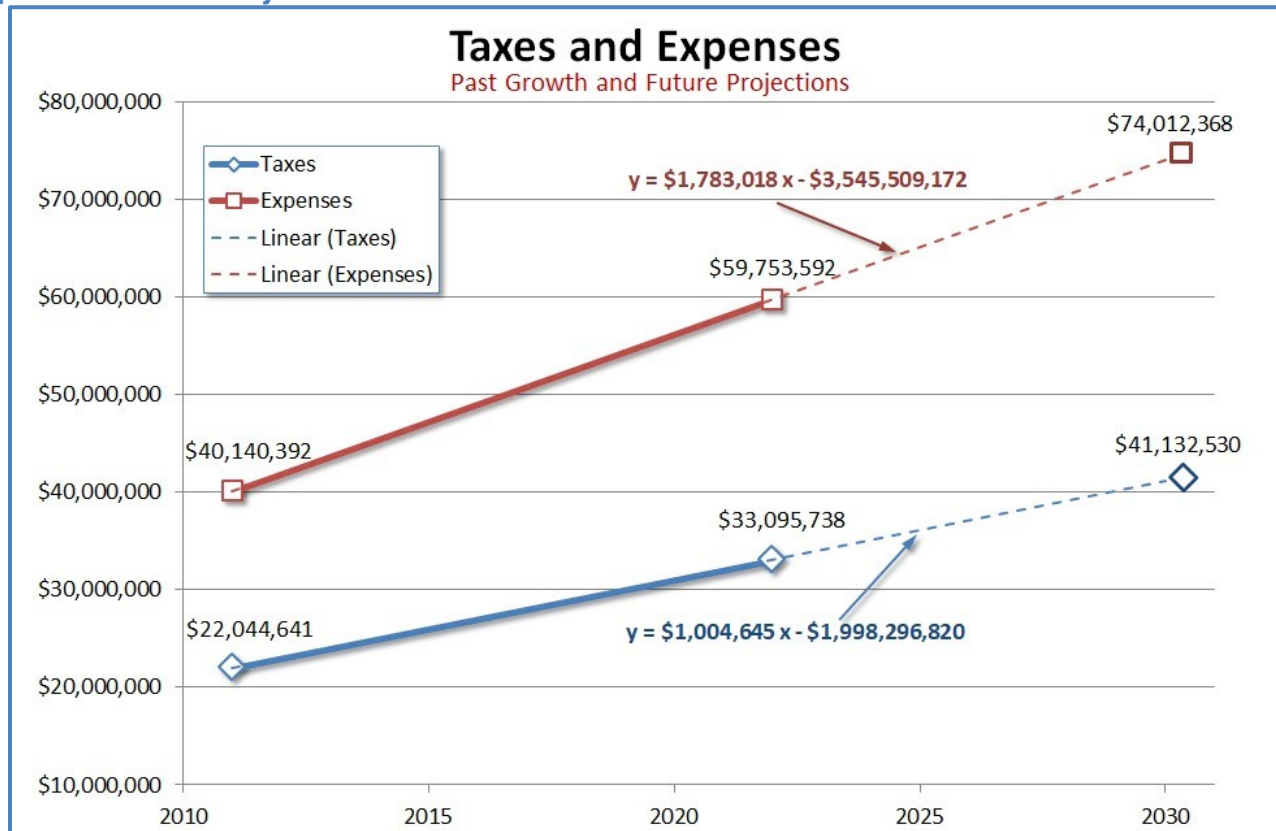


Figure 19; Taxes and Total Expenses Growth 2011 to 2022 *Source Audited Financials⁻¹*

Figure 19 above shows how taxes and total expenses grew from 2011 to 2022 and how they are projected to be in the future if the current growth rates are maintained. In 2011 Owen Sound’s taxes were \$22.0 million. We see from the 2022 draft Audited Financial Statements that revenue from taxation grew by 11.0 million, at a rate of \$1.0 million per year, to \$33.1 million in 2022.

When we project these changes into the future we see that in 2030 expenses will have reached \$74.0 million and taxes will have reached \$41.1 million. That’s a 24.3% increase in taxes and a 23.9% increase in expenses from 2022.

Comparing Sunshine Lists

The Ontario Sunshine List sheds some light on why Owen Sound’s Salaries and Benefits expense is so much greater than the other municipalities. We see in figure 20 below that Owen Sound has 20 non-protective services employees making \$100,000 or more. The average of the three primary comparators is 12 employees and their average cost is \$1,486,825. Therefore Owen Sound has 8 more employees and pays \$872,480 more than the average in salaries expense. This suggests that the highest salaried employees, normally senior management, contribute 21.1% of the excessive salary and benefits expense.

These salaries account for more than one-third of the excessive Salaries and Benefits expenses. When we compare Owen Sound with just Cobourg, its nearest comparator, we see that Owen Sound is spending \$882,573 more on its highest paid employees than Cobourg and has 8 more employees making \$100,000 or more than Cobourg. Therefore, if Owen Sound reduced the number in the ranks of the highest paid, just to match that of Cobourg, there would be a 2.8% reduction in taxes. If we include Protective Services the situation gets much worse. Owen Sound’s total with Protective Services is 79 compared to Cobourg’s total with Protective Services which is 53 – at total difference of 26 employees.

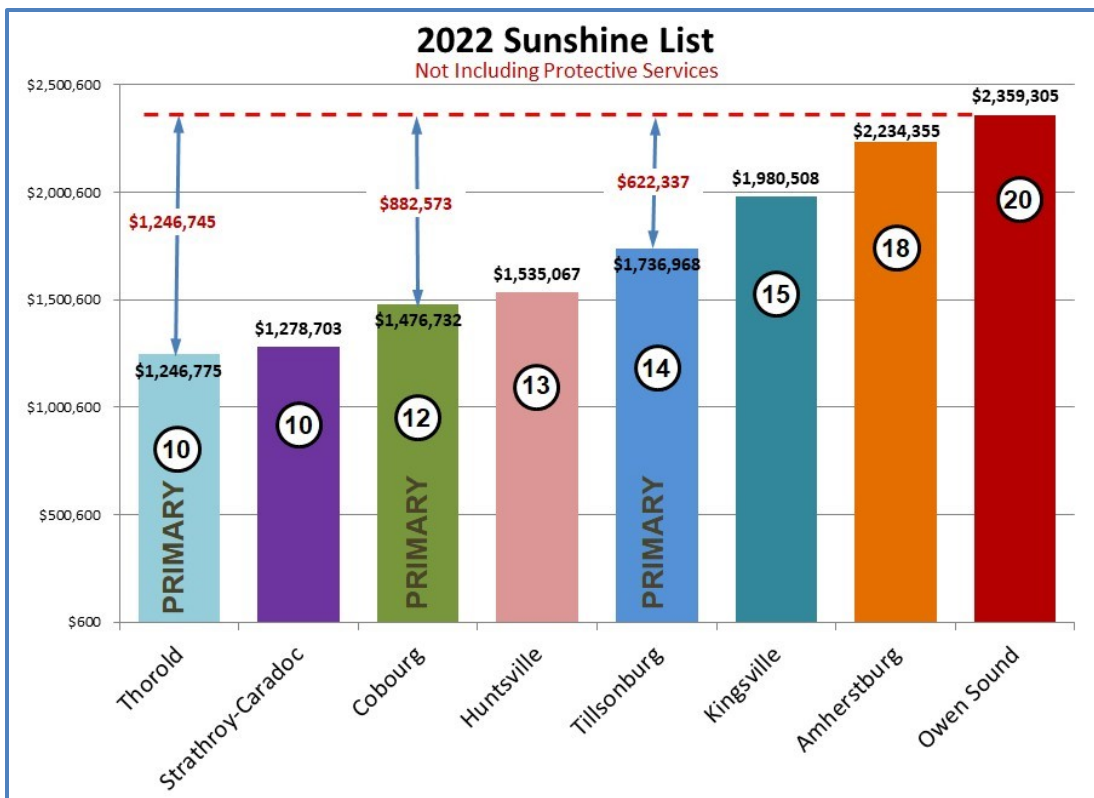


Figure 20; Sunshine List *Source: Ontario Sunshine List*

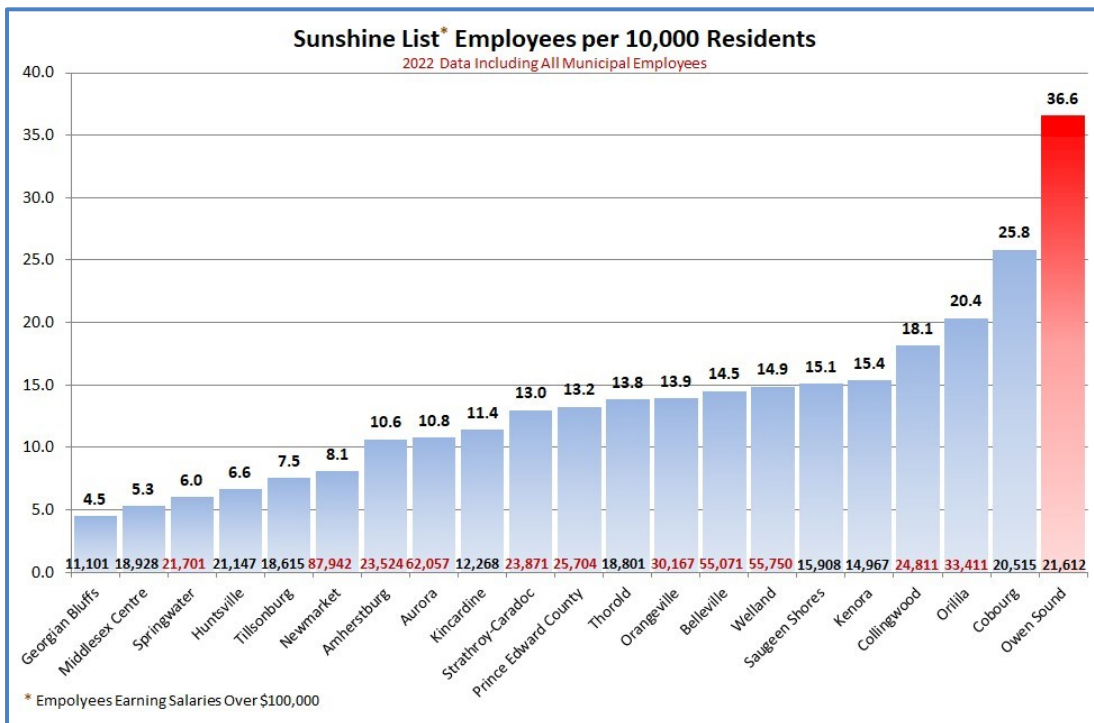


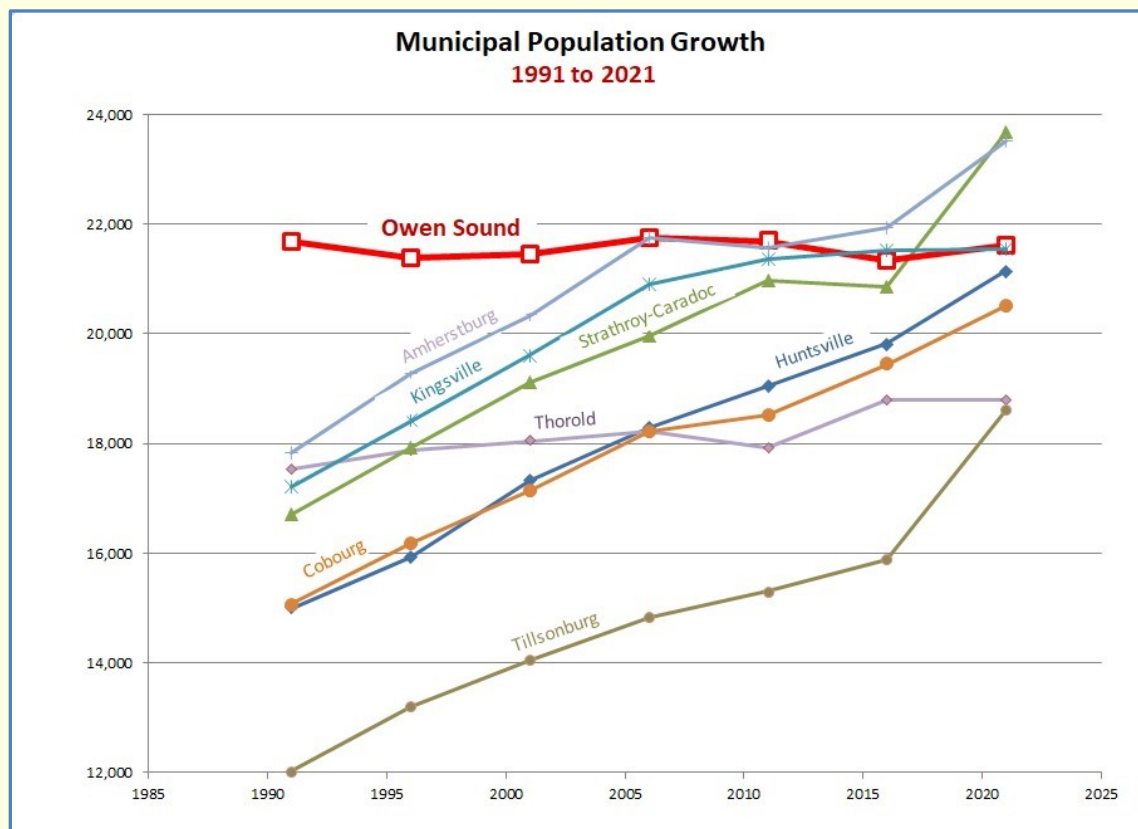
Figure 21; Sunshine List per capita *Source: Ontario Sunshine List*

Figure 21 above shows the number of employees per 10,000 residents earning more than \$100,000 for a number of Ontario municipalities. The population of each municipality is shown at the bottom of its corresponding bar. The municipalities with populations that are greater than Owen Sounds are shown in red. It’s important to note that unlike most other charts, this chart includes the entire workforce i.e. it includes Protective Services employees.

This graph makes it easy to visualize the disparity between Owen Sound and other Ontario municipalities. As you can see Owen Sound has 36.6 employees per 10,000 residents. The average for this group of municipalities is 14.3. This shows just how much Owen Sound differs from the norm since it has 2.5 times the average. It's also interesting that Cobourg, the municipality in our study group which is nearly identical to Owen Sound, has the next highest number of employees per 10,000 residents at 25.8 which is almost exactly 70% of Owen Sound's.

Also of note is Amherstburg which was very close to Owen Sound in figure 20, when only administrative employees were considered, is only at 10.6 when Protective Services is included. This is because the city Town of Amherstburg has contracted with the city of Windsor to provide Police Services.

Supplementary Information: *a look at how our growth compares*



A stagnate population is a major contributor to our current financial problems.

SUMMARY

1. Owen Sound expenses are \$11.0 million greater than the average of the Primary Comparators.
2. Salaries & Benefits expenses represent more than 1/3 of Owen Sound's excessive expenses.
3. Owen Sound spends \$3.8 million more on services than nearly identical municipality Cobourg.
4. Owen Sound's annual debt interest is over \$1 million, which is significantly higher than others.
5. The City Manager's Office Budget grew by 150% in the 2 years between 2020 and 2022.
6. The Tom Thompson Art Gallery's Budget grew by 77.3% during a four year period
7. Owen Sound has 8 more people on the Sunshine List at a cost of \$872,573 more than Average.

Comparing the Workforce



Workforce by the Numbers

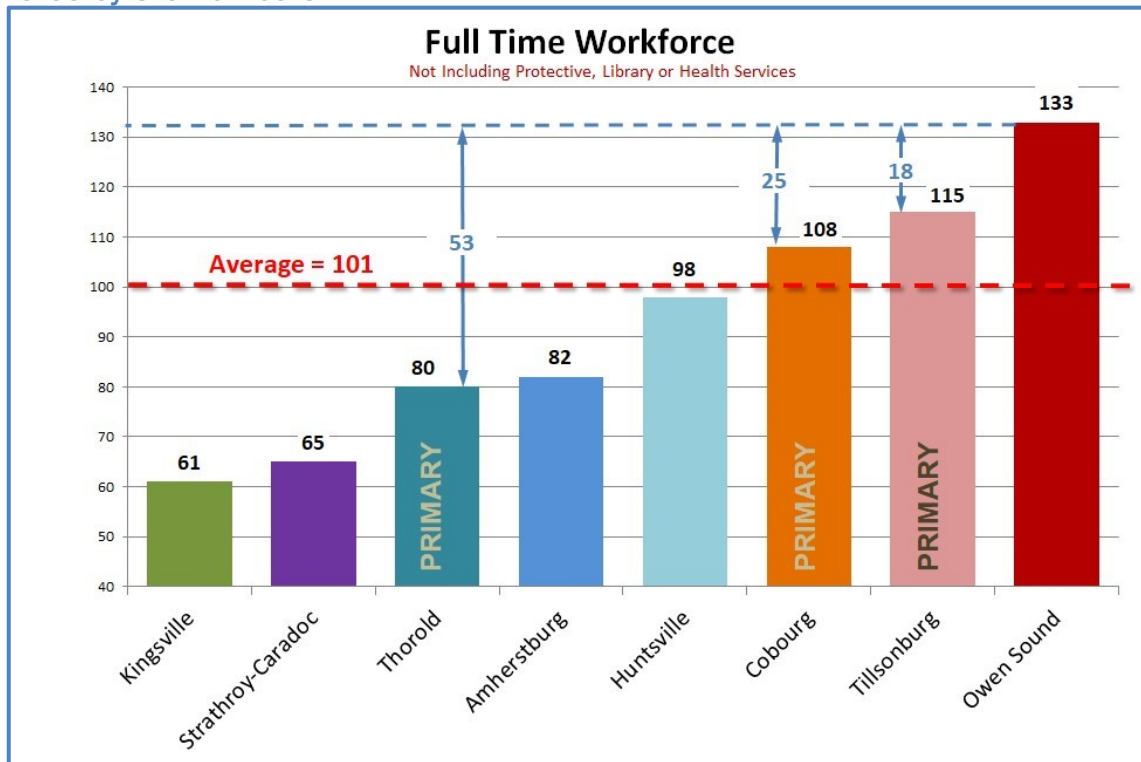


Figure 22; 2021 Non-Protective Services Workforces *Source Ontario Financial Information Returns* ²⁴

Ontario municipalities are required to submit information on their activities to the government each year in the form of Financial Information Returns (FIR). This information is available to the general public at: <https://efis.fma.csc.gov.on.ca/fir/index.php/en/financial-information-return-en/>. The data shown above in figure 22 was taken from sheet 80A from these returns. Summaries of Owen Sound’s and Cobourg’s returns are attached at Annex D.

Owen Sound employs significantly more staff than all other municipalities in the study group with 133 non-protective services employees. This mirrors Owen Sound’s excessive Salaries and Benefits expense shown in figure 13. Owen Sound employs 32 employees more than the average of the three primary comparator municipalities and 25 more than Cobourg the nearly identical comparator municipality. The bottom line is Owen Sound. city hall is overstaffed by somewhere between 25 and 32 employees.

The differences in the workforces between Owen Sound and Cobourg can also be seen in examining their current organization charts which are attached at Annexes E and F. These charts confirm Owen Sound employs significantly more employees than Cobourg. You can see a number of areas where Owen Sound uses more staff than Cobourg to perform the same functions by reviewing these charts. A couple of positions that stand out are; Corporate Services that is led by both a Director and a Manager of Corporate Services as well as a Deputy Treasurer, the Clerk’s Office that has 3 managers filling the role done by 2 managers in all other municipalities, and then there is the Senior Manager Strategic Initiatives which is a position unique to Owen Sound. The four charts below highlight some other anomalies in four

departments, Administration, Public Works, Planning and Parks and Recreation. Again the data shown in the charts is from the Financial Information Returns.

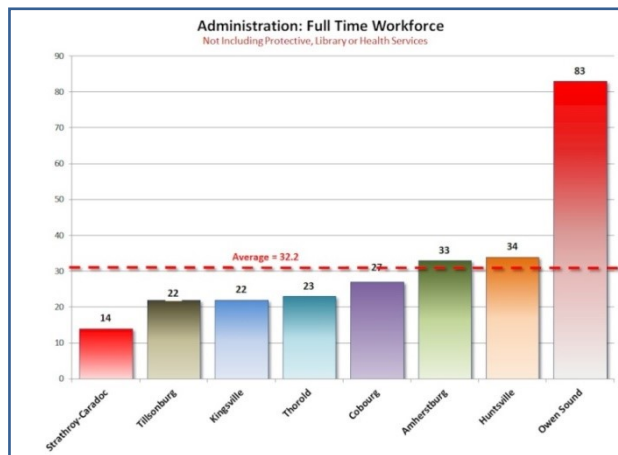


Figure 23; 2021 Administration Workforces

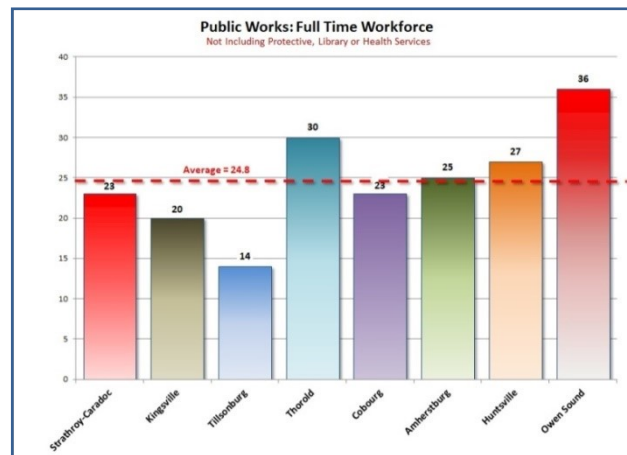


Figure 24; 2021 Public Works Workforces



Figure 25; 2021 Planning Workforces

Source Ontario Financial Information Returns (FIR) ²⁴

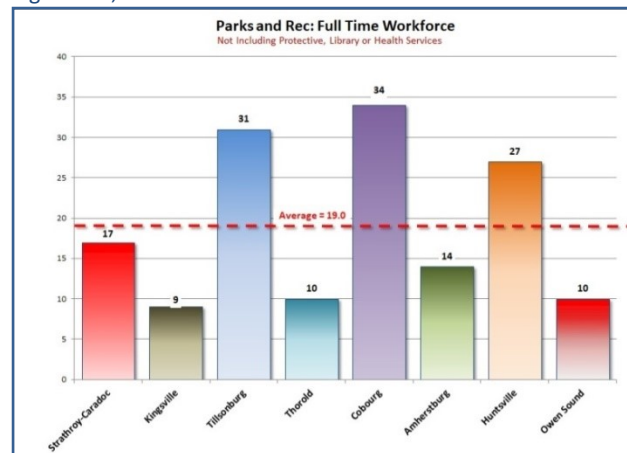


Figure 26; 2021 Parks & Rec Workforces

The above four charts were developed from Owen Sound’s 2021 Financial Information Report which are summarized at Annex D. These clearly show the source of Owen Sound’s excessive workforce problem lays in the area of General Government or Administration which represents 62.4% of the workforce. Owen Sound’s Administration has a staff of 83 employees as compared to Cobourg’s 27, Thorold’s 23 and Tillsonburg’s 22. The average of these three primary comparators is 24. Owen Sound’s Administration has 59 more staff than the average or 245% of the average.

To a lesser degree Public Works also contributes to the overstaffing problem. Owen Sound has a Public Works staff of 36 compared to Cobourg’s 23, Thorold’s 30 and Tillsonburg’s 14. The average is 22. Therefore Owen Sound’s Public Works has 13 more staff or 163% of the average.

Also apparent in this chart are two departments that appear to be understaffed in comparison with the other municipalities. Owen Sound’s Planning Department has only 3 employees while Cobourg and Huntsville both have 8 planning employees. Although totally dependent on the number of parks, the Owen Sound also seems to be understaffed with only 10 employees.

Comparing Workforce Growth

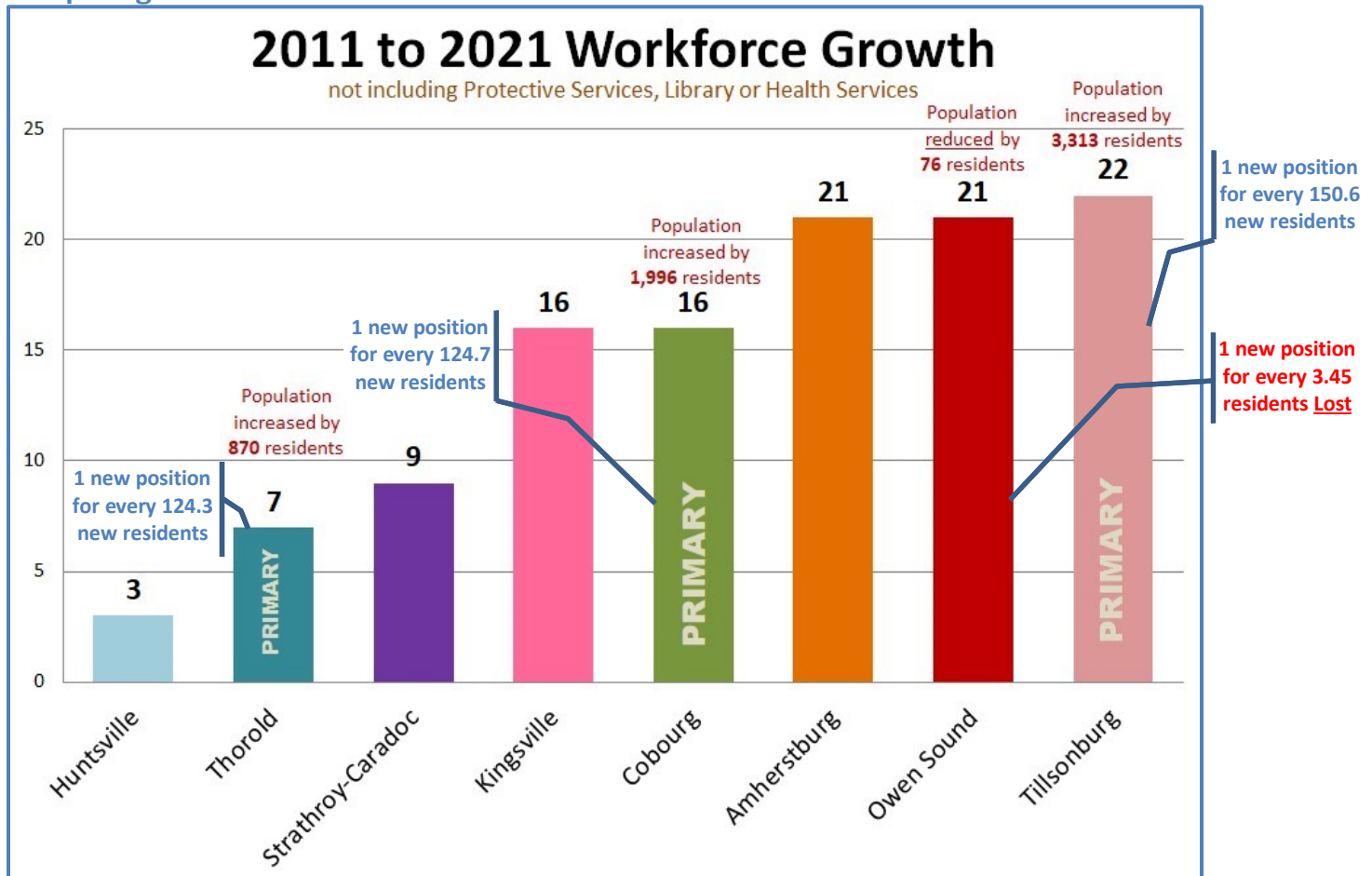


Figure 27; Workforce Growth Relative to Population Growth (2011 – 2021)

As shown in figure 27 above, the three primary comparators grew their workforces on average of 1 new position for every 133.2 new residents between 2011 and 2021. On the other hand, Owen Sound created one new position for every 3.45 residents who left the city.

If we assume that the primary factor driving staff growth is population growth, we can calculate what size the Owen Sound workforce should be based on population growth. The average staff growth of the primary comparators was 0.75% of population growth. Based on the above staff-population growth ratio, the Owen Sound workforce should have been reduced by $76 \times 0.0075 = 0.57$ employees. If we round that off to 1.0 then the workforce should have been reduced by one employee instead of growing by 22 employees. This means that based on a direct correlation between staff growth and population growth the Owen Sound workforce is overstaffed by 23 employees.

The question is has Owen Sound’s Administration always been this heavily staffed? To get the answer to this question we need to look at the historic Financial Information Returns (FIR).



Owen Sound Workforce Growth

An interesting observation is that in the five years between 2016 and 2021 the total workforce, excluding Protective Services and Library, grew by 18 employees. This is a growth of 3.6 employees per year at a time when the population was relatively stagnant.

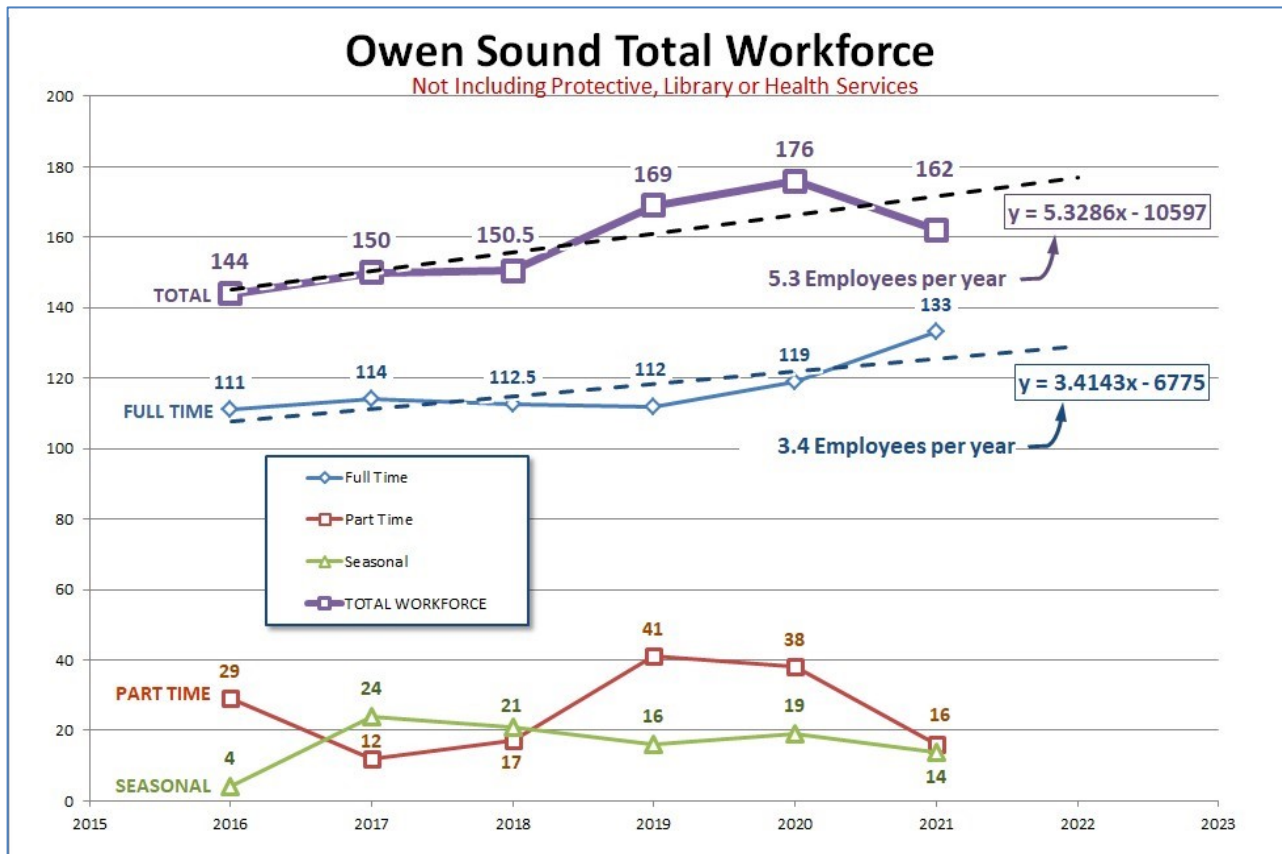


Figure 28; Owen Sound Workforce Growth (2016 – 2021) *Source: Ontario Financial Information Returns ²⁴ Also see Annex G*

It’s important for us to examine these changes in the workforce in more detail. Figure 28 above shows the annual changes by employee-type that occurred between 2016 and 2021. We see that a preponderance of the changes occurred between 2019 and 2021. The number of full-time employees increased by 20 employees during this period; while the number of part-time employees decreased by 25 and the seasonal employees decreased by 2 employees.

The obvious impact of these changes was that 27 part-time and seasonal positions were converted to 20 full-time positions. This raises an important question. What was the process for converting part-time and seasonal positions to full-time positions? Does this conversion require the approval of Council?

Note: the decrease in the total workforce between 2020 and 2021 is quite likely the temporary impact that Covid had on staffing at city hall. It is quite likely that this will rebound in 2022.



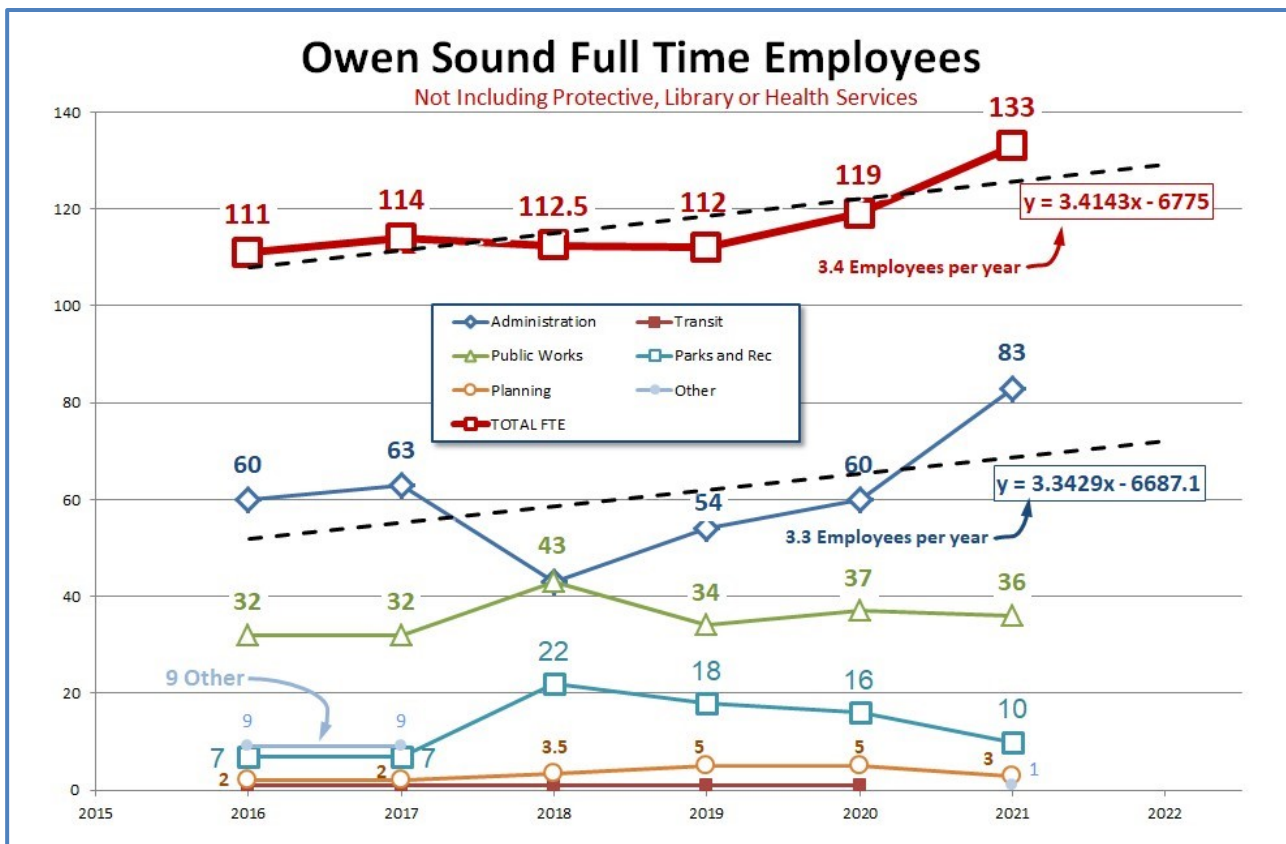


Figure 29; Full Time Workforce Growth 2016 to 2021 Source: Financial Information Returns

The full time employee trend line in Figure 29 (dotted line) shows us that the rate of increase of Full Time Employees between 2016 and 2021 was 3.4 employees per year. Note that Administration Department’s trend line shows us that the rate of increase in Administration was 3.3 employees per year which pretty much accounts for all of the annual workforce increases during this period.

In 2006 the workforce was more evenly distributed among the departments. At that time Administration represented 41.2% of the 119 employee workforce. Ten years later in 2016 Administration represented 54.0% of the 111 employee workforce which eventually grew to become 62.4% of the workforce with 83 employees. It appears that the population of administrators at city hall has grown at the expense of those employees working in the field.

Something to Note

It’s important to note that there are discrepancies between the employee counts presented on July 17th in the staff analysis of the MNP Consultant report and those in the Financial Information Returns:

Staff July 17 th Report	Financial Information Returns ²⁴
2005 Employee Count = 234 (not including Protective Services)	2005 Employee Count (211 – 34 fire – 58 police = 119)
2010 Employee Count = 220 (not including Protective Services)	2010 Employee Count (239 – 30 fire – 93 police - 2court= 114)
2015 Employee Count = 212 (not including Protective Services)	2015 Employee Count (213 – 31 fire – 59 police - 2court = 121)
2020 Employee Count = 171 (not including Protective Services)	2020 Employee Count (238 – 31 fire – 61 police = 119)
2021 Employee Count = 119 (not including Protective Services)	2021 Employee Count (164 – 31 fire = 133)

It appears that the staff Employee Counts presented on page 8 for 2005-2020 did include Protective Services employees

The employee counts shown in the right column above are the correct employee counts. These numbers can be easily verified by reviewing the Financial Information Returns at Annex G or directly on the Ontario government’s website [click here: Ontario Financial Information Returns](#)

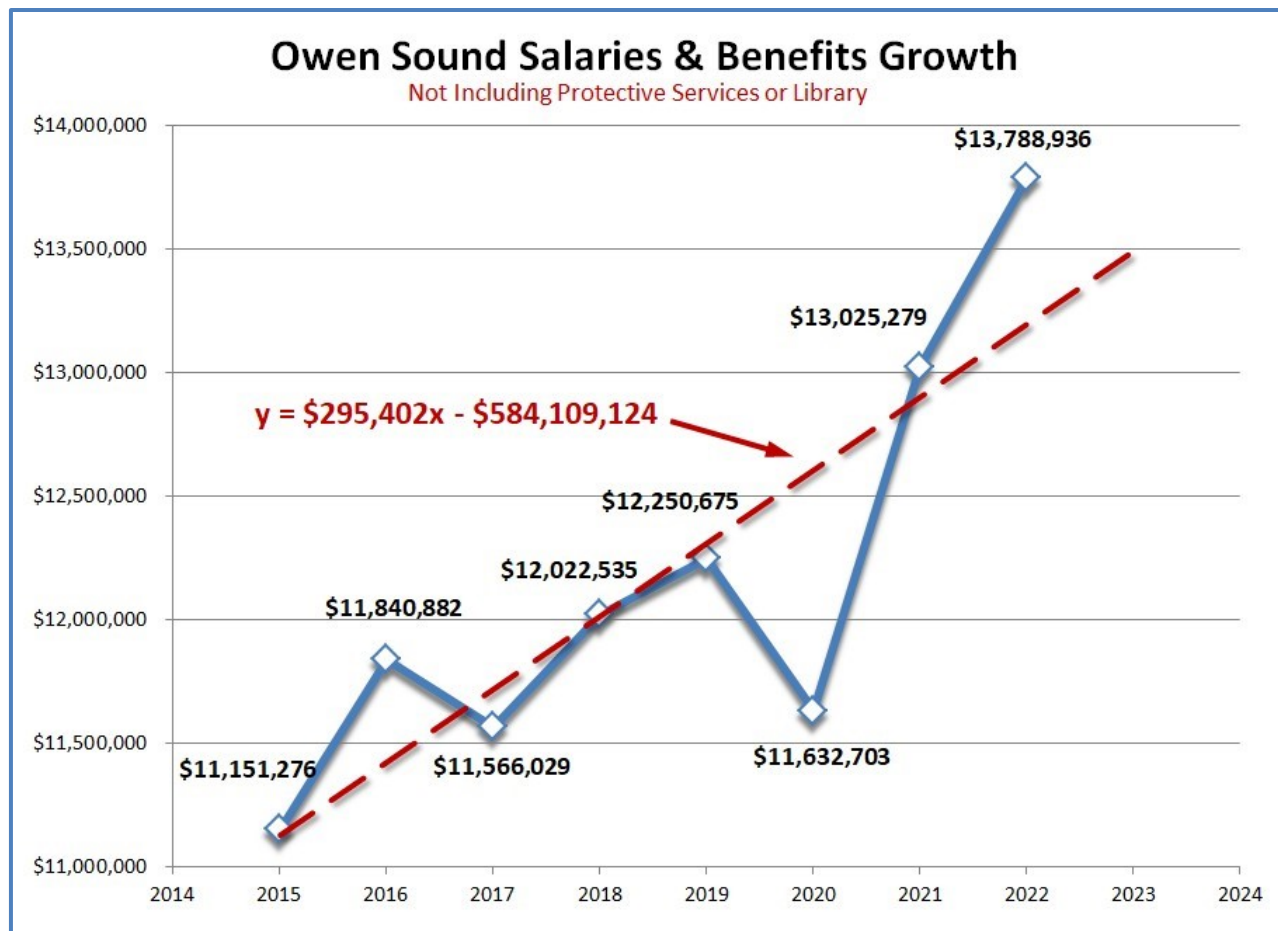


Figure 30; Salaries & Benefits Expense Growth 2015 to 2021 Source: Audited Financial Statements

The Salaries & Benefits trend line in figure 30 shows us that Salaries and Benefits Expense grew at a rate of \$295,402 per year. If we divide this by \$65,000, which an estimate for the average Salaries & Benefits per employee, we get an employee annual growth rate of 4.5 employees per year. This was calculated using the Salaries & Benefits data from the Audited Financial Statements includes annual salary increases which accounts for the difference from the 3.4 employees calculated using the Financial Information Returns.

Examples of Overstaffing

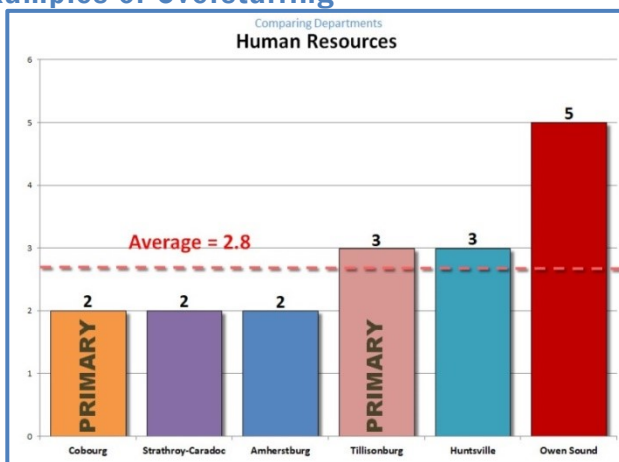


Figure 31; Human Resources Source: Org Charts 43-48

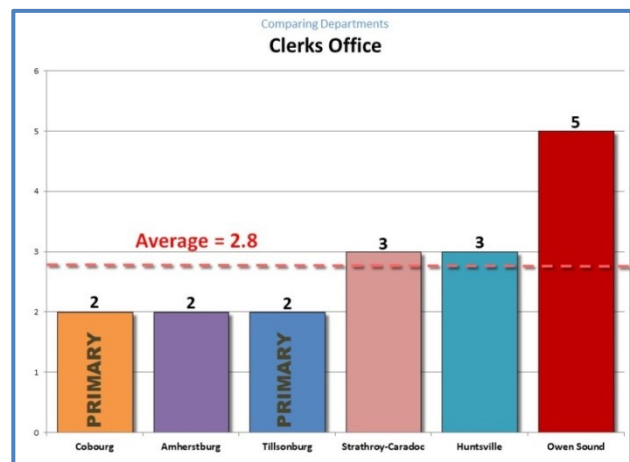


Figure 32; Municipal Clerk's Office Source: Org Charts 43-48

There are discrepancies between Organization Charts that Owen Sound provided for this study and the 2021 Financial Information Report which makes it difficult to identify all of the sources for the

overstaffing shown in figure 22. However, figures 31 to 33 show a few examples. For example Owen Sound is the only municipality in the study group employing two Human Resources managers and the only municipality with a HR Team of 5 employees. Owen Sound is also the only municipality employing three managers in the clerk’s office – see Annex B. As well Owen Sound is the only municipality employing both a Director and a Manager of Corporate Services in addition to a Deputy Treasurer.

The most alarming example of overstaffing however is the staffing of the Art Gallery shown below in figure 22 which has twice the workforce as the average of the primary comparator municipalities. It’s noteworthy that the Owen Sound Org Chart at Annex E ⁴³ shows 8 staff working at the Gallery. Yet, the 2023 Budget Book ⁴⁹ shows only six employees working at the Art Gallery.

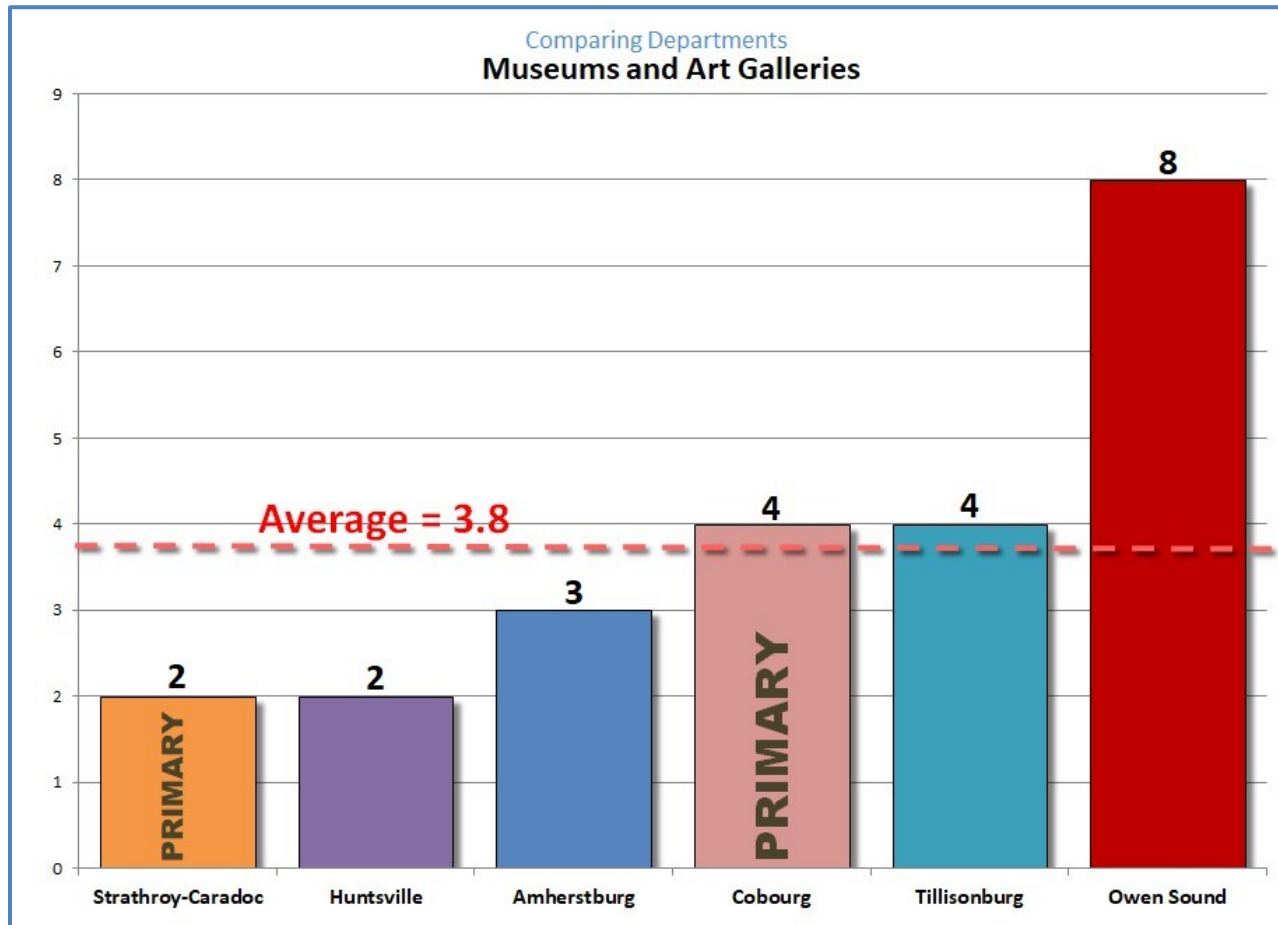
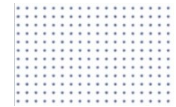


Figure 33; Museums and Art Galleries Source Organizations Charts ⁴³⁻⁴⁸

SUMMARY

1. Owen Sound employs 31 employees more than the average of the three primary comparators.
2. Owen Sound employs 24 employees more than the nearly identical municipality of Cobourg.
3. Owen Sound is the only municipality employing 3 managers in the Clerk’s Office .
4. Owen Sound is the only municipality with two Human Resources Managers.
5. On average, the comparator municipalities added 1 employee for every 133.2 new residents.
6. Owen Sound added one new full time employee for every 3.45 residents leaving the city.
7. There was a distinct shift in the workforce from part-time and seasonal to full time employees
8. The Administration grew from 43 employees in 2018 to 83 full time employees in 2021

Comparing Municipal Services



Owen Sound		Cobourg	
Administration	\$5,987,730	General Government	\$4,541,119
Operations	\$20,736,796	Transportation	\$6,548,847
Community	\$3,764,542	Recreation & Cultural	\$9,176,232
Parks & Cemeteries	\$2,776,057	Planning & Development	\$1,166,136
Economic Development	\$1,097,227	Industrial Park	\$2,241,253
Cultural Services	\$3,585,093	Other	\$4,380,033
		Environmental	\$6,008,785
		Social & Family	\$101,734
	\$37,947,445		\$34,164,139

Thorold		Tillisonburg	
General Government	\$1,878,464	General Government	\$2,966,849
Transportation	\$7,005,696	Transportation	\$5,961,534
Environmental	\$11,304,522	Recreation & Cultural	\$5,332,814
Social & Health	\$1,553,112	Other	\$2,831,560
Recreation & Cultural	\$3,928,764		
Planning	\$1,085,152		
	\$26,755,710		\$17,092,757

Table 3; Comparing Service Expense Allocations

Source: Audited Financial Statements

Table 3 shows how Owen Sound and the three primary comparator municipalities spend their money on services. Note that the comparator municipality that’s closest to Owen Sound’s characteristics, Cobourg, spends \$3,783,306 less than Owen Sound on services. However, Cobourg’s Revenue from Taxation is \$6,503,462 less than Owen Sound’s. This tells us that Cobourg is generating \$2,720,156 more from other revenue sources than Owen Sound. This is largely due to Cobourg leveraging its assets to establish profit centers that contribute over \$2 million in annual revenues.

Also of note is the relative cost of Administration or General Government. Owen Sound spends nearly \$1.5 million more in this area than Cobourg and \$2.9 million more than the average of the three primary comparator municipalities.

Transit

Cobourg	Thorold	Tillisonburg	Amerherstburg	Strathroy-Caradoc	Huntsville	Kingsville	Owen Sound
Regular Transit Under Contract Fare \$2.25 (\$1,069,024)	Regular Transit Under Contract Fare \$2.90 weekdays \$7.00 weekends (\$714,390)	Regular Transit in-town \$2.50 and inter city \$10.00 (\$924,205)	No Public City Transit	No Public City Transit.	Regular Transit Two Buses Fare \$5.00 (\$131,151)	No Public City Transit.	Regular Transit Under Contract Fare \$3.00 (\$1,152,311)

Table 4; Comparing 2021 Transit Service Costs

Source: 2021 Budget Statements ^{33 - 40}

Five of the eight municipalities in the study group provide Transit Services. The average of the three primary comparators is \$902,539. Owen Sound’s costs in 2021 were close to the costs of the three primary comparators and only \$249,771 above the average. It’s important to note when compared to

Cobourg, the municipality with nearly identical characteristics to Owen Sound, spent only \$83,287 less than Owen Sound in 2021. Therefore it's safe to say that Transit is not the problem.

In regard to bus fare costs Cobourg had the lowest fare costs in 2021 at \$2.25 followed closely by Tillsonburg at \$2.50, Thorold at \$2.90 and Owen Sound at \$3.00. Of note is that Thorold has a special weekend fare that is significantly higher than the weekday fare at \$7.00 per ride. Perhaps this is something Owen Sound should consider.

Library

Cobourg	Thorold	Tillsonburg	Amerherstburg	Strathroy-Caradoc	Huntsville	Kingsville	Owen Sound
Cobourg Public Library (\$1,026,799)	Thorold Public Library (\$743,422)	No Public Library Services	Library Services Provided by County	Library Services Provided by County	Huntsville Public Library (\$1,016,962)	Library Services Provided by County	Shared Library Services City's Costs (\$1,006,858)

Table 5; Comparing Library Services

Source: 2021 Budget Statements ^{33 - 40}

Only 50% of municipalities in the study group provide Library Services. The average cost of Library Services for the two primary comparator municipalities was \$883,111 in 2021. In comparison Owen Sound's cost was only slightly higher at \$1,006,858. Therefore it's safe to say that Library Services are not a major contributor to the excessive expenses problem.

Cultural Services

Cobourg	Thorold	Tillsonburg	Amerherstburg	Strathroy-Caradoc	Huntsville	Kingsville	Owen Sound
Art Gallery of Northumberland (150,000)	No Public Museum or Art Gallery	Annandale Museum (\$396,871)	Muskoka Heritage Place (\$317,985)	Strathroy Museum (\$207,466)	No Public Museum or Art Gallery	Military Museum run by Legion	Tom Thompson Art Gallery (\$475,000)

Table 6; Comparing Cultural Services

Source: 2021 Budget Statements ^{33 - 40}

Six of the eight municipalities in the study group provided Cultural Services in the form of Museums or Art Galleries in 2021. The average of the two primary comparators that provide Cultural Services is \$273,436. With a cost of \$450,000, Owen Sound's costs for the Art Gallery were close to double the average of the primary comparators in 2021. Therefore to some extent our Art Gallery does contribute to our expenses problem. However, when you consider our expenses are \$11 million above average, the Art Gallery excessive expense does not significantly contribute to the overall problem.

Parks

Cobourg	Thorold	Tillsonburg	Amerherstburg	Strathroy-Caradoc	Huntsville	Kingsville	Owen Sound
Over 20 Parks (\$2,705,643)	Several Parks (\$1,352,908)	Several Parks (\$918,191)	Several Parks (\$1,383,478)	Several Parks (\$1,383,478)	Parks & Trails (\$1,123,280)	Several Parks (\$930,158)	Several Parks (\$1,536,920)

Table 7; Comparing Municipal Parks and Green Spaces

Source: 2021 Budget Statements ^{33 - 40}

Of the eight municipalities in the study group, Cobourg spends by far the most on maintaining their parks at \$2.7 million which is almost double what Owen Sound spends. The average of the three primary comparators was \$1,658,914 in 2021.

Recreation

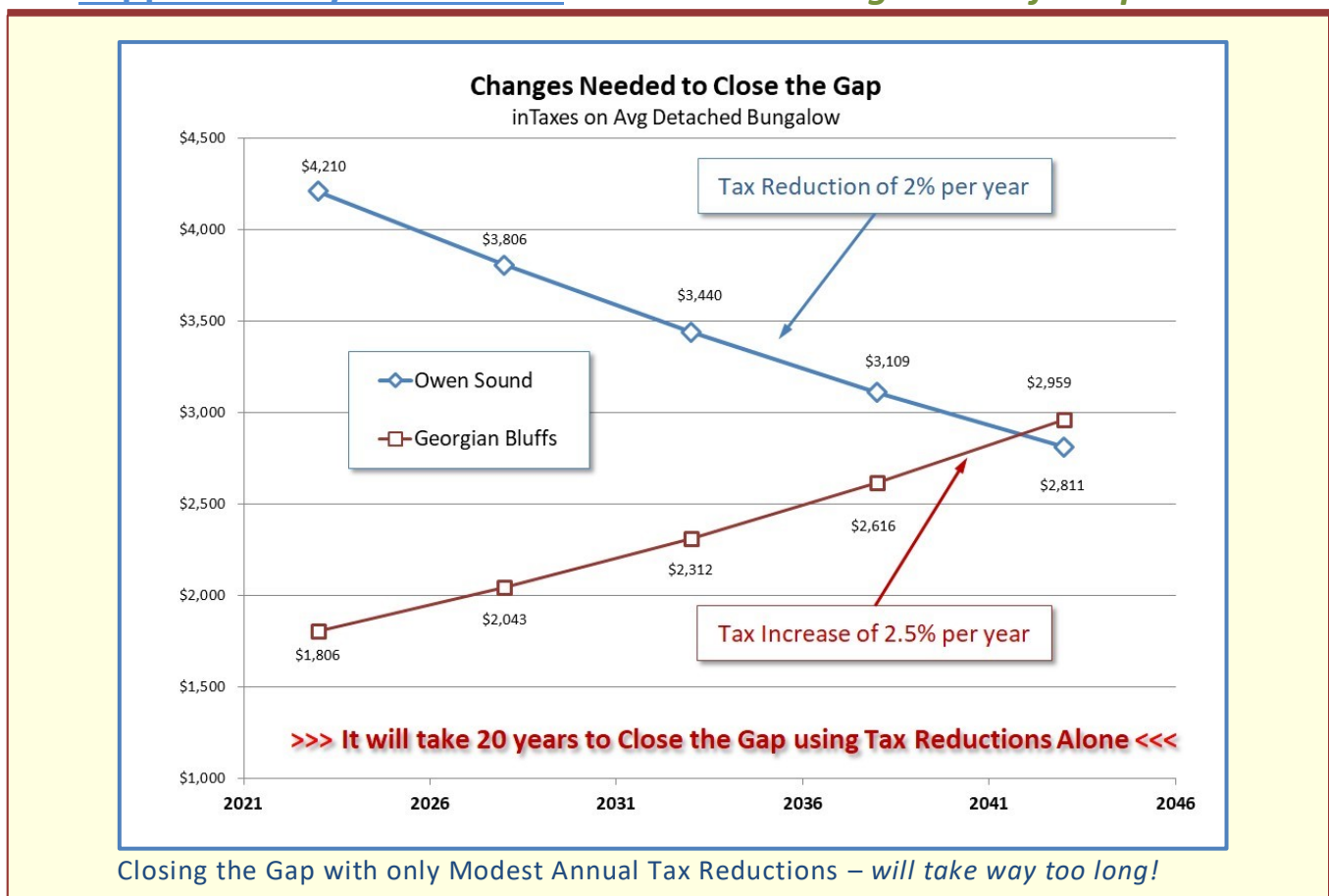
Cobourg	Thorold	Tillsonburg	Amerherstburg	Strathroy-Caradoc	Huntsville	Kingsville	Owen Sound
3 ice Rinks Community Centre and Memorial Arena (\$1,386,860)	Thorold Community Arena (\$1,342,839)	Recreation Programs (\$940,826) Recreation Facilities (\$3,000,901)	Libro Centre includes 2 ice rinks (\$2,316,641)	Gemini Sportsplex Arena (\$1,492,393)	Recreation Centre (\$1,051,057)	Arena: (\$1,035,347)	Bayshore & Rec Centre (\$1,981,452)

Table 8; Comparing Municipal Recreation Facilities

Source: 2021 Budget Statements 33 - 40

In regard to maintaining recreation facilities the average of the primary comparators in 2021 was \$1,910,200. This is nearly identical to the \$1,981,452 that Owen Sound spent that year. Therefore it's safe to say that Owen Sound's recreation expenses are in line with the other comparator municipalities.

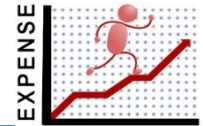
Supplementary Information: a look at the magnitude of the problem



SUMMARY

1. All municipalities in the study group largely provide the same services to some degree.
2. Library, Transit, Parks and Recreation services are on par with the other municipalities.
3. Owen Sound over-spending on Cultural Services is not a major contributor to the problem.
4. The absence of Profit Centers is negatively impacting the high taxes relative to the others

Summary of the Facts



It's abundantly obvious when comparing Owen Sound to the seven municipalities in the study group, that Owen Sound does not look good. The other municipalities are doing much better. However in doing so, they provide Owen Sound with a blueprint for improving its performance. This study exposed a number of areas that Owen Sound could explore to improve its financial outlook.

The most reliable data sources I used for this study were Statistics Canada, the municipal Audited Financial Statements, the municipal Financial Information Returns and the annual BMA Municipal Studies. I routinely found that staff generated financial and workforce numbers didn't always agree with these official documents. Therefore, although I reviewed municipal generated data I placed more weight on the official documents.

I am confident that the comparator municipalities I selected for this study are the best possible, lower tier, municipalities to compare and contrast to Owen Sound. The top three comparators have characteristics that are very close to Owen Sound in the areas of Population, Population-Density, and Occupied-Dwellings and one of them, Cobourg, is nearly identical to Owen Sound.

Here is a short summary of the facts that were established using; the Audited Financial Statements, the Financial Information Returns and the BMA Reports. These are all easily verifiable using the references provided.

1. Owen Sound taxes are \$10.6 million higher than the average of the three primary municipal comparators and \$6.5 million higher than the nearly identical municipality of Cobourg.
2. Cobourg's revenue from taxation is only 43.9% of their total revenue while Owen Sound's revenue from taxation is 50.5% of its total revenue. This is the result of Owen Sound's revenue from other sources underperforming and the fact that Owen Sound does not have one Profit Center to offset taxes.
3. Owen Sound's residents are the poorest residents in all of the municipalities in the study group with a median household, after-tax income is only \$57,600. This is \$11,900 less than Cobourg's median household, after-tax income of \$69,500.
4. Owen Sound expenses are \$11.0 million higher than the average of the three primary comparators and \$3.8 million higher than Cobourg's.
5. Owen Sound spends \$3.9 million more on, non-protective services, Salaries & Benefits than the average of the three primary comparators and \$1.5 million more than Cobourg
6. Owen Sound has 8 more, non-protective-services employees, (almost all managers) on the Sunshine List than the average of the three primary comparators and 8 more than Cobourg. This is costing Owen Sound \$882,573 more in management salaries than Cobourg.
7. Owen Sound employs 31 more, non-protective-services employees than the average of the three primary comparators and 24 more employees than Cobourg.
8. In 2006 Owen Sound employed 111 full time non-protective-services employees. This number grew to 133 by 2021. During this period Owen Sound's population contracted by 76 residents.

9. There was a noticeable migration of the work force from part-time & seasonal to full time
10. There was a noticeable migration of the workforce from operations to administration.
11. Owen Sound spent nearly \$12 million between 2012 and 2021 on Economic Development and taxpayers did not receive any measureable benefit from these tax dollars.
12. Owen Sound is providing Recreational and Cultural Services to a population of 44,197 and only charging 21,612 residents for a preponderance of the cost of these services. Residents of Meaford and Georgian Bluffs pay only their user fees to use these services which represent only a small portion of the total cost.
13. Owen Sound is not maximizing the use of shared services with other municipalities to reduce expenses
14. Owen Sound has duplication of support services, such as IT, in the Police Services Department

The Facts are the Facts! They should not be discounted just because they don't support the notion that Owen Sound is a financially healthy community managed by a fiscally responsible Administration. The truth is that Owen Sound has not been well managed for many years as compared to other municipalities.

Do the Results Make Sense?

One way we can verify the accuracy of the Salaries & Benefits expense is to see if there is any correlation between the Salaries & Benefits difference and the difference in the number of employees. Based on Audited Financial Statements, Owen Sound spends \$1,537,486 more on Salaries & Benefits than Cobourg. Based on the Financial Information Returns, Owen Sound employs 24 more employees than Cobourg. If we divide the Salaries & Benefits difference by the employee difference we get an average Salary & Benefits. This works out to be \$64,062. This seems to be a reasonable value for the average Salary & Benefits per employee.

Given that Cobourg is nearly identical to Owen Sound and is delivering very similar services we can say, with a high level of confidence, that Owen Sound is indeed overstaffed by a minimum of 24 employees

As well as the 2021 employee count and Salaries and Benefits gap between Owen Sound and Cobourg we can also use the workforce growth data. In figure 24 we saw that Owen Sound's Salary and Benefits Expense grew at a rate of \$210,368 per year between 2015 and 2021 based on the Audited Financial Statements. During this period we also saw, in figure 23, that the full time workforce grew by at a rate of 3.4 employees per year based on the Financial Information Returns. If we divide Salary and Benefits Expense growth by the full time employee growth rate we can estimate the average salary & benefits per employee. This works out to be an annual salary of \$61,872 which is not only reasonable but very close to the \$64,062 figure we calculated above.

The importance of these checks cannot be overstated. We not only used two separate data sources, but two different data sets to test the reasonableness of the results. This gives us a very high level of confidence in the results. They show both an excessive rate of growth in the workforce between 2015 and 2021 and confirm the size of the gap between Owen Sound and Cobourg in 2021. The Owen Sound workforce is, at a minimum, overstaffed by 24 employees.

the Results Not Only Make Sense They are Verifiable !



Why Excessive Tax Growth?

The 'Facts are the Facts' but why are Owen Sound Taxes so much greater than other similarly sized municipalities? I'm sure there are many taxpayers with their own theories on why this has happened over the years. Below are my thoughts on how we got where our spending is so much greater than other municipalities.

How it Got Started

First Owen Sound is unique in that there really hasn't been any real growth over the past 40 years and during this time the residential taxpayer has had to carry more and more of the burden. At the same time there was upward pressure from staff to grow expenses and expand the workforce in spite of the workload not increasing since the population was stagnant. Why is this? Well, within public sector administrations there is a natural tendency for managers to grow expenses and the workforce, perhaps partially driven by a desire to build empires and grow silos. This can happen completely independent of increases in the workload. As departments grow, new projects and assignments expand to soak up the extra capacity. This has resulted in a tendency to solve workload challenges by adding new positions and increasing expenses by hiring consultants to do work that should be done by city staff.

The Driving Forces

I have over 30 years of experience managing public sector administrations in both federal and provincial environments. What I've learned over the years is that in traditional public sector administrations managers sometimes have their own informal organizational goals that are often in conflict with the organization's formal leadership. If one of those goals is to expand the size of the empire, regardless of any 'real' additional work – given that the population is stagnant hence service demand is flat – you will see an attempt to leverage any perceived new demand to argue for an increase in expenses or staffing. Here is just a small example of how staff is able to persuade Committees to increase expenses and expand the workforce.

This occurred at the Corporate Services Committee Meeting on November 09, 2023. BDO Canada, the city's auditor, briefed the Committee on new rules issued by the Public Sector Audit Board (PSAB) regarding Asset Retirement Obligations (ARO's). This PSAB regulation requires municipalities to determine if there will be a cost to remediate contamination etc. when the asset is no longer needed. For example there will be a cost to retiring, a property with contaminated soil or a building with asbestos since these hazards will have to be remediated before the asset can be retired. This future cost is a liability that must be now recorded in the annual audited financial statements.

The staff recommended hiring a consultant to assist staff in identifying any potential obligations for every asset and hiring a part time employee to assist with the workload. Staff claimed that they "*didn't have the expertise or the time*" to perform, what appears to be well within the scope for any professional engineer on staff.

Staff came fully prepared to support their arguments and had even researched the cost and presented argument that this consulting contract should be given to the city's current audit firm, BDO, in spite of the obvious conflict of interest. However to their obvious surprise their initial sales pitch failed. Three members of the Committee suggested that the city should put this off until next year to give time to better assess what others were doing since there really wasn't any downside to delaying it. One member of the Committee made a motion to that effect. This sparked an immediate reaction from staff as you can see in

the video. In spite of their being a motion on the floor both the Director and the City Manager offered their unsolicited opinions and spoke strongly against postponing the action. Staff are not members of the Committee. According to the Procedural Bylaw staff are there to respond to questions from Committee members. Section 115 states:

When a motion is under consideration, a Member may ask a concisely worded question of another Member or appropriate staff person, through the chair, prior to the motion being put to a vote.

In other words staff's role, once they present their recommendation and argue their points, is to be there to respond to questions from the members. It is not to participate in the debate on a motion which is in violation of section 115. for the Procedural Bylaw. As in this case their supplementary arguments were persuasive and clearly changed some the minds of some Committee members since the motion failed.

[View Abbreviated Version of the Meeting](#)

[View Full Version Video of the Meeting](#)

As you see in the above example, the vehicle to achieve staff objectives are the "Staff Recommendations" which are delivered to Committees and Council with passion and well developed sales pitches. So, in this case, what prompted these senior managers to argue against a motion? First you may hear an argument that the novice Committee member didn't make his motion abundantly clear. However he clearly stated that he would like to make a motion but wasn't sure exactly how but did go on to state exactly what he wanted. As well the Chair confirmed that there was a motion on the floor when just before calling for a vote he asked the member to repeat his motion.

As far as motivation for staff to speak against the motion it was clear that they were taken by surprise by the look on the Clerk's face when the motion is tabled. They clearly realized that their recommendations were about to be rejected and felt they needed to respond. Why? Could it be that without this new work they wouldn't have an argument for a new Part Time employee? Who Knows? What we do know is that Corporate Services is overstaffed and has at least two managers more than similar municipalities. Given this, it seems incredulous that Corporate Services lacks the capacity to absorb this additional workload and they certainly don't lack the expertise in the Engineering Department. Yet they were successful in this case to persuade Committee members to defer to the staff recommendations.

The Absence of Effective Checks and Balances

I've observed many examples of this technique over the past ten years. I believe that staff uses this technique to inappropriately influence Committees and Council to achieve their desired outcome. Members of Council and Committees unknowingly facilitate this by frequently deferring to the staff recommendations when there is any doubt. In the case cited above, the members deferred to staff in spite of staff arguments not presenting any real reason that the ARO requirement needed to be implemented this year. The only reason they gave was essentially; we're going to have to do it eventually so why not get on with it. This was in spite of three committee members giving real reasons to delay.

I believe that this is a small example of just how staff can inappropriately influence a Committee and/or Council to achieve their objective by leveraging the practice of "Staff Recommendations". This behavior is quite likely, at least partially, responsible why Owen Sound Expenses and workforce have grown well in excess of similar municipalities. Therefore it is essential for each member of council to understand the potential for conflicting goals and challenge staff when necessary. It's also important to maintain an arms-length approach to their relationships with senior staff and apply a good measure of independent, critical thinking when considering staff proposals.

Overstaffing developed incrementally over a long period of time. It nearly always involved what appeared to be reasonable requests supported by persuasive arguments of the need. For example, we are conscious about climate change, so, of course we need to create a new climate change position. We create a new Short Term Rental (STR) program, so, of course we need to create a new position to manage the program. Owen Sound is the only municipality that does this. Other, 'cost-conscious', municipalities build in climate change initiatives into the coalface by educating front line staff and add new requirements, such as the STR program, to existing staff by prioritizing their activities.

We saw a similar example some time ago as well when the Human Resources manager became swamped by a large volume of firefighter grievances. This temporary workload challenge was addressed by creating a second Human Resources manager position. This was certainly not the most cost-effective way of dealing with this problem. This decision by senior management to solve this problem by hiring a second HR Manager gives us some insight into management's priorities.

This is exactly how I believe that Owen Sound expenses and the size of the Owen Sound workforce have grown much faster than other municipalities in spite of service demands not significantly expanding given Owen Sound's population growth was non-existent.

Without Council establishing effective 'Check and Balances' on staff recommendations Owen Sound expenses and staffing will continue to force annual tax increases. As shown in figure 19 above if Council does not address this problem expenses will grow to \$74 million by 2030 and taxes will experience a 24.3% growth from 2022 to reach a record high of \$41.1 million.



REAL SOLUTIONS



Owen Sound Taxes are \$10.5 million higher than the average of the three primary comparator municipalities and \$6.5 million higher than Cobourg which is nearly identical to Owen Sound in population, population-density and the number of occupied dwellings.

Owen Sound spends \$11 million more on delivering services, not including Protective Services, than the average of primary comparator municipalities in the study group and \$3.8 million more than the municipality of Cobourg which delivers nearly identical services. Table 10, shows the magnitude of the challenge in bringing Owen Sound Non-Protective Services Expenses in line with similar municipalities.

	A Owen Sound	B Average of Comparators	C Cobourg	B - A Adjustment Required	C - A Adjustment Required
Workforce	133	101	108	(32)	(25)
Sunshine List	21	12	12	(9)	(9)
Total Expenses	\$37,947,445	\$26,942,683	\$34,164,139	(\$11,004,762)	(\$3,783,306)
Total Taxes	\$31,702,602	\$21,217,069	\$25,199,140	(\$10,485,533)	(\$6,503,462)

Table 10; Changes Required to Restore Municipal Competiveness (Non-Protective Services)

There are four areas that Council should focus on:

- A. Increase Non-Taxation or Ancillary Revenue,**
- B. Share Costs with Others,**
- C. Reduce and Tighten Up Support Services**
- D. Re-Align, Re-Organize and Re-Think**

A. Increasing Ancillary Revenues

Owen Sound generates only 49.5% of revenue from ancillary resources while Cobourg generates 56.1% of its revenue from non-taxation sources. Owen Sound can increase its non-taxation revenue by doing the following:

1) Ancillary Business Department

Create an Ancillary Business Department and hire a Director, with business development experience, on a five (5) year renewable contract. The initial mandate should be to increase ancillary revenues by 10% or \$3.1 million over the initial contract period. This person should report directly to the City Manager and their portfolio should include the Recreation Center, the Art Gallery and the Bayshore given their potential for generating revenue.

- ➡ **Effective immediately Council should direct the establishment of an Ancillary Business Department with an initial mandate to increase ancillary revenues by 10% over the next 5 years.**

2) Develop Profit Centers

Municipal operations are traditionally composed of a number of cost-centers that provide needed services to taxpayers. As a result the culture within city hall has traditionally been focused on providing the best services money can buy. Well-meaning city staff routinely focuses on improving services to the community and searching for opportunities to enhance the quality of services. Typically reducing the cost of service delivery is not a priority.

A surprising discovery, when examining municipal expenses, was that two of the municipalities in the study group had established Profit Centers. Surprisingly, municipal Profit Centers are not all that uncommon in Ontario. Not too far from Owen Sound, just down highway 21, is Bruce Telecom which is a public utility that is wholly owned by the Corporation of the Municipality of Kincardine. Kincardine just recently sold this Profit Center and by doing so added \$32 million to its municipal coffers.

The most interesting Profit Center in the study group is Cobourg's Industrial Complex. A number of years ago Cobourg's Council approved an investment in Cobourg's vacant industrial property. The annual amortization expense for this investment in 2021 was \$721,875. This turned out to be a good investment given that the annual net revenue from Cobourg's Industrial Property is \$2.1 million.

Cobourg's second Profit Center is its Marina business which is generating \$53,959 in annual net revenue. Tillsonburg found an innovative way of leveraging its surplus assets by leasing them instead of selling them. For Example the Elliott Fairbairn Centre is a facility located on Earle Street in Tillsonburg. It is owned by the town and is leased to the Province of Ontario for the training needs of the Ontario Provincial Police.

Owen Sound can emulate Cobourg's success by creating similar non tax-based revenue streams. Instead of disposing of city assets the city should invest in these assets and turn them into new revenue sources. Like Cobourg had a few years ago, Owen Sound has surplus industrial land that could be developed by the city and provide the city with a steady flow of revenue in perpetuity. Serious consideration should be given to following Cobourg's success with its industrial park initiative by investing in city owned industrial property.

There are similar opportunities for developing profit centers in Owen Sound. For example, all surplus assets, such as an unused building, should be offered for a long term lease, instead of offering it for sale. Such action eliminates the potential business' need for capital to purchase the building and frees up resources for investing in leasehold improvements. Leases for 15 to 25 year periods should be offered, with options to renew. This would potential leaseholders the opportunity to make sizable investments in leasehold improvements that could be amortized over the lease period. This strategy will give the city steady revenue for the life of the building in question.

3) Engage Staff and Encourage a Business Approach

In order to recognize revenue generation and cost saving opportunities staff needs to adopt a '*business approach*' as opposed to a '*municipal administration approach*' when interfacing with city assets. This will require a combination of education and incentives to change the culture.

One method of encouraging an '*entrepreneurial spirit*' in a municipal environment is to establish a business-focused, Suggestion Awards Program. The program should be open to both city staff and the general public and reward successful ideas with the first two years net profits of the new business venture. In the event of cost-saving suggestions the employee or resident who made the

suggestion should be awarded the net cost savings, up to a maximum amount for each successful suggestion.

If implemented such a suggestion award program will encourage staff to think differently and gradually change the culture at city hall. An example of the type of thinking that should be encouraged is the idea I put forward last year to reduce the cost of Transit. The idea involved improving ridership by increasing peak-time service and reducing costs by partnering with local school boards to reduce their student bussing costs⁵⁴ [How to Fix Our Broken Transit System](#)

I'm sure that front line staff routinely sees inefficiencies in some areas of service and have ideas on how to improve things. They just need to be encouraged to put their ideas forward and providing a monetary reward for successful ideas may be all it takes to begin the process of 'Thinking Differently'.

- ➡ **Effective immediately Council should direct the development of an effective communication plan aimed at encouraging a business approach at all levels and roll out a Suggestion Awards Program aimed at encourage staff participation.**

B. Share Costs with Others

1) Cost Sharing Agreements for Recreation Facilities

Owen Sound residents have by far the lowest ability to pay high taxes yet they are burdened with the full cost of providing services that many residents living adjacent municipalities use on a regular basis. Neither Georgian Bluffs nor Meaford residents contribute anything, beyond their user fees, toward the maintenance of these regional recreation facilities such as the Bayshore and the Rec Centre.

Owen Sound has a population of 21,612 residents and occupies only 24 km² but is surrounded by Georgian Bluffs and Meaford which have a combined population of about 22,585 and cover an area of 1,187 km². Therefore it's understandable that residents of both Meaford and Georgian Bluffs would take full advantage of Owen Sound's attractions and recreation venues. The number of Owen Sound residents filing income taxes on between 2018 and 2019 reduced by 2.2% according to Statistics Canada⁴¹. In all likelihood, wage earners are just moving across municipal boundaries to reduce one of the growing strains on their family finances – high Taxes and the high rents that result from high taxes. After all, they can continue to enjoy everything that Owen Sound has to offer, while living in Georgian Bluffs or just East of 28th avenue in Meaford.

Given their relative populations, Owen Sound should only be paying for 48.9% of the total cost of regional services, Georgian Bluffs and Meaford should cover 25.2% and 25.9% of the cost respectively, including amortization expense.

It was recently brought to my attention that Owen Sound attempted to negotiate a cost sharing agreement with Georgian Bluffs 10 years ago and failed. Given this I would recommend a different approach. My approach would be to start this budget season by publicly giving them notice that effective January 2025 neither the Rec Center nor the Bayshore will be providing subsidized services to non-residents due to current economic conditions. This will either prompt them to open negotiations or not. Either way it will be a win for Owen Sound. If they come to the table our

position should be that Georgian Bluffs and Meaford cover 25.2% and 25.9% of net costs respectively. If they don't open negotiations it will open new opportunities for these facilities.

As well as preserving existing commercial contracts, this approach would allow for expanding commercial services and ancillary uses at competitive rates, e.g. the Rec Center could contract with a 3rd party for the bulk purchase of ice time etc. at market value. If it comes to losing non-residents participation in programs, it should not hurt the business. It could actually help the business by opening new opportunities. This is where the Director of Ancillary Services comes in to grow the business while protecting the original intent of the recreation facilities to provide services to Owen Sound residents at a fair ticket price.

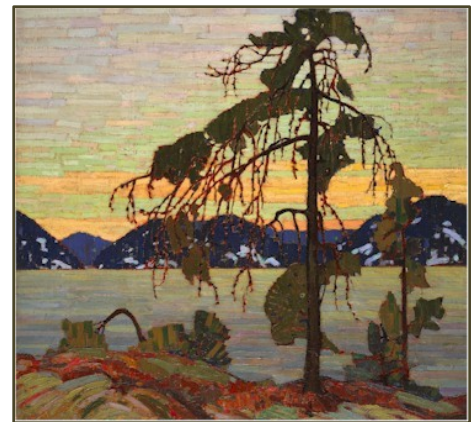
One thing to keep in mind is that these facilities do not exist to provide services to non-residents and the status quo of Owen Sound taxpayers subsidizing recreation for non-residents must end. Either way the potential reduction in expenses is $\$1,981,452 \times 0.511$ or **$\$1,012,521$** .

- ➡ Council should direct that effective January 2025 neither the Rec Center nor the Bayshore will be providing subsidized services to non-residents due to current economic conditions and that a communication plan be developed to inform users of these facilities
- ➡ Council should open negotiations with Meaford and Georgian Bluffs aimed at reaching a cost-sharing agreement prior to January 2025.

2) Donate the Art Gallery Collection to the County

The Art Collection that is currently under the control of Owen Sound was acquired from regional artists and donors. It is therefore only fitting that the regional government take possession of the collection and manage it on behalf of all County residents.

The results of the last community survey show that less than 8% of Owen Sound residents regularly visit the Art Gallery. Hence, there will likely be little or no support among Meaford or Georgian Bluffs taxpayers to share the cost of this regional service. Therefore the only solution available to share the cost of this service is to donate the collection to the County for control and maintenance. This would better reflect the regional nature of the Collection and would actually be more appropriate than it being exclusively under Owen Sound's control.



The Jack Pine by Tom Thomson

The same arguments used to justify uploading the Disability Committee to the County apply in the case. The County already provides the region with a cultural attraction in the Grey Roots Museum and Archives. So, adding the Tom Thompson Art Gallery would centralize the Region's cultural assets in a single location.

The current building housing the Tom Thompson Art Gallery could be offered for lease to a new or existing business and thereby establishing Owen Sound's first Profit Center. I believe that this compromise solution is a better option than what many are advocating which is to close the Art Gallery and sell the collection so the proceeds could be used to reduce taxes. From an Owen Sound

taxpayer perspective it would reduce net expenses by as much as **\$500,000** once the building lease revenue is considered. This would represent a **1.6%** reduction in taxes.

- Council should direct staff to open negotiations with the County aimed at gaining their support to accepting the care and custody of Owen Sound's Art Collection.
- In the event that the County refuses this gift Council should direct the closure of the Art Gallery and the disposition of the Art Collection.

3) Expand Administrative Shared Services



Owen Sound is not maximizing the use of shared services with adjacent municipalities to reduce the cost of administrative support. Almost all Ontario municipalities share some services to some degree. There is an excellent paper on this subject that I highly recommend. It is authored by Zachary Spicer Institute on Municipal Finance & Governance and published by the University of Toronto,

[Linking Regions, Linking Functions: Inter-Municipal Agreements in Ontario](#)⁵³

Inter-municipal agreements are a growing part of the governance landscape in Ontario's municipal sector. Past research – mainly American – has shown that inter-local agreements can overcome institutional deficiencies in metropolitan governance and better provide for policy and service continuity. Zachary Spicer

In this regard Owen Sound has a number of administrative services that can be easily shared with the other Ontario municipalities either using a portion of the existing employees from each of the municipalities or contracting to the third party provider. Some good candidates for shared services are Information Technology, Accounting and Payroll but there are several others. High Speed Internet makes it possible for Owen Sound to share services with any Ontario municipality. Therefore Owen Sound should look beyond the Region to identify potential municipal partners.

C. Reduce – Tighten the Support Services Group

1) Examine the Organization for Redundant Services

Before reaching out to other municipalities to share services, Owen Sound needs to first examine its workforce to identify and eliminate the duplication of services. For example, Owen Sound has two IT Managers and two Corporate Services Managers. One IT Manager (Mark Giberson) and one Corporate Services Manager (Bradey Carbert) report to the Director of Corporate Services; while, one IT Manager (Christopher Hill) and one Corporate Services Manager (Suzanne Bell-Matheson) report to the Chief of Police. It just doesn't make sense to have two separate Information Technology Departments. All of Owen Sound's Information Technology services should be centrally managed. It may be convenient for Police Services to have their own IT department but Owen Sound Taxpayers cannot afford to fund the luxury of such redundant services. The fact that Police Services reports to the Police Services Board and not the City Manager makes no difference when it comes to administrative support services since all positions are funded by the same global city budget. Council needs to direct that all administrative support services, such as IT are centrally provided. We cannot afford individual departments, including Police and Fire Services, operating in silos and providing their own administrative support services such as IT, HR and Corporate Services.

- Council should direct the centralization of all support services and forbid any department from duplicating support services already being centrally provided.

2) Investigate the Outsourcing of Some Support Services

An alternative solution to sharing selective support services with other municipalities is contracting out services. For example, just as some municipalities have chosen to outsource their Police Services, selective support services such as Information Technology, Human Resources and Payroll can also be outsourced. Council should explore the possibilities.

3) Right-Size the Workforce

Owen Sound city hall is grossly overstaffed, which contributes to a large part of this problem. When we compared senior management salaries, using the Sunshine List, we concluded that Owen Sound is overstaffed by as many as 9 managers. In regard to Salaries & Benefits expense Owen Sound spends \$3.9 million more than the average of the three primary comparators and \$1.5 million more than Cobourg.

The positions involved can be readily identified by comparing Owen Sound's staffing to that of Cobourg's and involve a unnecessary level of middle management positions. In attempting to rebut the MNP report stating that a few management positions should be deleted, the city manager gave us some insight into the root of the problem. He stated that some managers were "**Managers of Process**" which was why they had no direct reports. In the real world if you have a process in your organization that requires a person with a six-figure salary to babysit it, then you need to reorganize to change or eliminate the process.

One example of redundant middle management is Corporate Services. There is a Director of Corporate Services and Treasurer, a Manager of Corporate Services and a Deputy Treasurer. The City Clerk's Office, IT and HR are all overstaffed by at least one manager in the comparison with Cobourg and the City Manager's office is over staffed by two managers, Senior Manager Strategic Initiatives and Manager Community Development & Marketing. That's a total 6 additional management positions in these two departments alone as compared to Cobourg. The total overstaffing, including these management positions is in the order of 25 to 31 positions in comparison with the other municipalities in the study group.

Overstaffing at city hall is almost entirely the result of a part-time council's inability to effectively challenge municipal staff's natural propensity to grow their numbers. No business could survive if they grew their workforce at a similar rate without first growing sales.

If Owen Sound were to match the average of the three primary comparators we would need to reduce the workforce by 31 employees which would result in a reduction of \$3.9 million in Salaries & Benefits expense. If we were to just match Cobourg's workforce we would have to reduce Owen Sound's workforce by 25 employees; which would result in a reduction in Salaries & Benefits expense of **\$1.5 million**. This translates into a reduction in taxes of approximately **4.7%**.

- A policy directing a workforce reduction of 25 employees include 9 managers should be implemented by Council without delay. The policy should include the requirement that changes cannot negatively impact service delivery.
- Effective immediately Council should adopt a policy stating that all requests for new positions must be accompanied with an equal offset in another area and that any changes cannot adversely impact service delivery. The effect of this policy will be to reduce administrative overhead in favour of growing the workforce delivering services to the community.

D. Re-Organize, Re-Align and RE-Think

1) **Realign the Organizational Structure**

Municipal governments exist largely for one reason – to provide services to its residents at a cost the population can afford. Those involved in the direct delivery of those services, such as the road maintainers, the Parks and Recreation workers, etc., are part of the municipality’s core business of delivering services to residents. Those supporting the core business, such as Finance, HR, IT and Admin, perform an important supporting role. If these roles get intertwined or confused, inefficiencies can develop. The MNP Consultant observed organizational problems that created functional inefficiencies and recommended changes.

This study identified similar inefficiencies and redundancies that need to be addressed through changes and adjustments to the organizational structure. For example in all other municipalities the Clerk and HR both report to the CAO (city manager) and are both staffed at 60% of Owen Sound’s current level of staffing. We also saw in figure 27, that there was a migration of positions from the core business to administration. We saw that the Administration grew from 26 positions in 2006 to 83 positions in 2021. The impact of this migration is that there are fewer core business positions dedicated to delivering services and more positions in Administration supporting those delivering the services. This creates serious inefficiencies in that it shifts resources away from the core business and gives them to the administrative support environment, i.e. fewer people doing the work and more people performing a supporting role. We were also able to identify two duplicate support services in the Police Services Department; an Information Technology Manager and a Corporate Services Manager. This workload needs to be assigned to the Director of Corporate Services and these positions deleted.

2) **Introduce Zero Based Budgeting**

In management accounting, when a budget is prepared from scratch with its base as zero, it is called Zero-Based Budgeting (ZBB). It promises to move organizations away from incremental budgeting, where last year’s budget is the starting point for the next. Instead, the starting point becomes zero, with the implication that past patterns of spending are no longer taken as a given. Essentially it is a method of budgeting in which all expenses must be justified for each new period.

During the traditional budgeting process, managers often view it as a bit of a contest to ensure their department has the largest budget possible, as this is often seen as a sign of the importance of their area. Zero-based budgeting forces managers to understand the cash flows and expenditures of their department and to be able to articulate why their department should be funded to a particular level in the context of the organization's goals and objectives.

*Zero-based budgeting is a concept where the budget for the next budgeting cycle for an organization, starts from a zero base as opposed to an increase of the current spending levels. Under this process, the budget amount for a department must be justified both in terms of the purpose of the budget and the amount to be included in the budget. . **Roger Wohlner***

- ➡ A policy directing a transition to Zero Based Budgeting should be immediately implemented
- ➡ A policy directing that any budget increase from the previous year be accompanied with an offset from another area. Any changes made cannot have any adverse impact on the delivery or quality of services.

3) Rethink the Size of Economic Development Spend

Owen Sound continues to waste valuable resources on development in spite the fact that these resources have not produced any measurable results in 20 years. All municipalities invest in Economic Development in hopes of increasing their tax base and increasing their population. Table 11, below provides some insight into the annual cost of Owen Sound’s investment in Economic Development. As you can see Owen Sound has spent almost \$12 million over the past ten years aimed at stimulating economic development. This was NOT the best use of these tax dollars given that the city population and tax base did not change during this period.

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Salaries	\$579,103	\$611,740	\$659,670	\$685,801	\$557,149	\$624,329	\$671,489	\$516,816	\$650,972	\$635,952	\$6,193,021
Expenses	\$650,282	\$796,735	\$553,877	\$547,727	\$368,737	\$650,586	\$703,910	\$505,999	\$384,588	\$461,275	\$5,623,716
Total	\$1,229,385	\$1,408,475	\$1,213,547	\$1,233,528	\$925,886	\$1,274,915	\$1,375,399	\$1,022,815	\$1,035,560	\$1,097,227	\$11,816,737

Table 11; Historical Spending on Economic Development

Source: Owen Sound Audited Financial Statements

Owen Sound hasn’t grown in 30 years and in spite of the Mayor’s efforts over the last 12 years it hasn’t happened yet. Hence there is a built up thirst for Owen Sound to grow; which in turn encourages continued investment in economic development. This has created a false optimism that growth is just around the corner. I recall the Mayor saying many times over the last ten years or so that: *“we just need to grow the tax base”* He’s right! We would all like new industry to relocate to Owen Sound and bring with it a host of new residents to support our local business. However, based on the past 30 years, it is just unrealistic to continue to believe each budget year this is the year that growth is going to happen. The reality is that Owen Sound is not on the threshold of growth. It’s time to face reality – it’s not going to happen. So stop Investing in Growth! We wasted \$12 million that could have been used to address other worthy causes. We need to reallocate these resources toward more realizable goals.

Based on past results I predict the only growth we are going to see when the next census is published in 2026 is a modest increase in population in the range of 1 to 2 percent which will bring Owen Sound’s population to about 22,000. This growth will be independent of Owen Sound’s spending on economic development efforts. A preponderance of this growth will be due to seniors relocating here from the GTA to take advantage of the relatively lower property values and the quieter, safer, environment that Owen Sound has to offer retirees. We only need to look at the price of new homes in Owen Sound which are priced at over a million dollars. With a median after tax household income in Owen Sound of only \$57,600, very few locals can afford these homes yet there is a steady sale of these million dollar homes.

It’s important to note that although all municipalities invest in Economic Development, Owen Sound is the only municipality in the study group spending over a million dollars annually on economic development. Owen Sound is also the only municipality in the study group whose population has not grown in over 30 years. Perhaps it’s time to rethink this expenditure.

➡ Council should direct a significant reduction in Economic Development Spending.

4) Change the Council-Staff Dynamic

I believe That the City Manager’s action in withholding the consultant’s report from Council so it could be massaged and *“interpreted”* by staff was outside the role of a Chief Administrator that is outline in the Municipal Act and summarized in an Ontario Government Paper titled; *“Role of council,*



councilor and staff".²³ The fact the city manager felt so confident in his relationship with Council that he would tell members of council that he was holding back a report on a study that was identified as being "*independent*", so staff could "*interpret*" it, gives us some insight to his perception of the relationship. This caused some to question, who was really in charge at city hall. This exemplifies one of the pitfalls of a part

time council. That is there can be an unhealthy dependence on staff for guidance to the extent that the level of trust becomes so strong that it causes members of council to routinely accept staff proposals as direction as opposed to suggestions. This is a recipe for disaster, or in our case it's a recipe for wildly growing expenses that are not in line with similar municipalities

I believe that a major contributing factor in the gross disparities between Owen Sound and both the municipalities in the study group and Grey/Bruce County municipalities is the interface between members of council and the senior staff. It is highly probable that there are conflicting goals at play and senior staff have been the victors over the years as evidenced by the growth in Administration and the growth expenses.

To avoid this staff should not be allowed to present argument in favour of their proposal once a motion has been tabled. Prior to this staff, after presenting their proposal, should only speak in response to a question directed specifically to them as per section 115 of the Procedural Bylaw.

5) Replace "*Staff Recommendations*" with "*Staff Option Analysis*"



The current practice is for staff to develop their preferred way ahead to solve issues facing the city in the form of Staff Recommendations. The City Manager allocates an enormous level of staff time to produce powerful presentations aim at persuading Committee members and/or Council on their solution of choice. These are often seen by the public as "sales pitches" and have been very effective in influencing the way ahead

on the issues. Historically staff recommendations are adopted 90% of the time with no or only minor modification. I believe that it is this practice that has resulted in the gross disparities with other municipalities that have development over the years. At the very least this practice gives the perception that it is the staff at city hall are the actual decision makers and not our elected officials.

As outlined above public sector managers sometimes have their own informal organizational goals that are often in conflict with the organization's formal leadership. Whether or not this is the case at our city hall, it needs to be changed to avoid the perception that city staff is inappropriately influencing Council decisions. Therefore the practice of staff presenting "Staff Recommendations" should end. Instead, staff should identify all realizable options and complete a comprehensive option analysis. Then staff should objectively present their findings to the Committee and/or Council without identifying or hinting at their preferred option.

The fact that staff has had the time to produce these sales documents in the past, supports the finding that Owen Sound city hall is overstaffed. For example, it was clear that hundreds of person hours went into producing the MNP rebuttal presentation aimed at countering MNP's recommendation to reduce the size of the management team. This would only be possible if there was sufficient surplus capacity in the Administration to work on this presentation.

Conclusions



The cost of service delivery in Owen Sound is \$11 million more than the average of the three primary comparators in the study group. This accounts for Owen Sound taxes being \$10.5 million more than the average of other municipalities in the study group. What makes this situation worse is that Owen Sound residents can least afford these high taxes given that high taxes drive high rents. Half of Owen Sound households have less than \$1,096 per week to house, clothe and feed their families. Keep in mind Owen Sound's median after-tax income of \$57,600 is significantly below the average municipality in the study group.

The facts suggest that one possible reason for the excessive growth in the cost of service delivery is that successive part-time Councils have, on a balance of probabilities, accepted staff recommendations for the expansion of the workforce and growth in expenses. This is because public administrative staff's most powerful tool is the control of information. For this reason, often members of council have little choice but to accept the information staff presents as being accurate and factual. However, as we pointed out in in this report, this is not always the case. As you may recall the workforce numbers the city manager presented, at the July 17th Service Review, were not in agreement with the official records in the Financial Information Returns and the numbers presented in the budget books cannot always be verified by the official Financial Information Returns or even Owen Sound's own published organization charts.

I believe that the root cause of overstaffing is the Administration's propensity to solve workload challenges by adding new positions. Within municipal administrations and the public sector in general, there is a natural tendency for managers to grow the workforce, partially driven by a desire to build empires and grow silos. In municipal administrations the only check on this is the municipal Council. However, a part-time council is poorly equipped to challenge a well-thought-out staff argument for just one more position. Most members of council have significant time demands from their jobs and families that limit the time they have to review large volumes of material. As a result sometimes it's just easier to trust that staff has the best interest of the community in mind, as opposed to the best interest of the Administration.

The fact is, that the larger the budget, the greater the financial discretion there is to find money for non-essential projects – such as taking the time to produce sales marketing materials to present staff recommendations to Council. As the poorest municipality in the study group the Owen Sound Administration needs to practice the art of '**stretching a dollar**'. Instead, what they seem to be doing which is analogous to buying a second car when you can barely afford to make the payments on the one you're driving. Perhaps they can learn something about '**stretching a dollar**' from those who are struggling with an after-tax household income of only \$57,600.

The easiest and most effective change that Council can make to begin the process of turning things around is by ending the practice of staff presenting "*Staff Recommendations*" but instead complete an option analyze of all available options and objectively present their analysis without indicating their preferred option.

The second most effective change that Council can make is much more complex. That is, the "*Right-Sizing*" of the workforce coupled with a policy directing that all requests for new positions or budget increases be accompanied with equal offsets in other areas without any negative impact on the quality or quantity of services.



Recommendations

It is incumbent on Council to develop a plan to completely resolve the disparities, both those outlined in the Solutions Section of this report and those highlighted by MNP but discarded by city staff. This document provides Council with a blueprint to achieve this goal by documenting the areas that need to be addressed and providing a verifiable measure of the disparities. An immediate short term goal should be to match Cobourg's Expenses, Taxes and Staffing-Levels. A summary of the recommended solutions are:

Increase Other Revenues by:

- a. Creating a Ancillary Business Department
- b. Develop Profit Centers
- c. Engage Staff and Roll Out a Suggestions Award Program

Share the Cost with Others

- a. Establish Cost Sharing Agreements for the Bayshore and Rec Center
- b. Donate the Art Gallery Collection to Grey County and lease the building to a business
- c. Expand Administrative Shared Services with other Ontario Municipalities

Reduce – Tighten the Support Services Group

- a. Examine the Organization for Redundant Services – e.g. IT Manager Police Services
- b. Investigate Outsourcing Selective Support Services
- c. Right Size the Workforce – delete 9 management positions and 15 staff positions

Re-Organize, Re-Align and Re-Think

- a. Realign the Organizational Structure to Eliminate Inefficiencies
- b. Introduce Zero-Based Budgeting at City Hall
- c. RE-Think the Size of Economic Development Spend
- d. Examine the Council-Staff Relationship to foster change
- e. Replace the practice of “*Staff Recommendations*” with “*Staff Option Analysis*”

The time has come for Council to value the needs of residents in the poorest municipality in Southern Ontario over the desire of city staff to maintain their numbers in spite of the overwhelming evidence that city hall is grossly overstaffed in comparison with similar municipalities.

The facts are that Owen Sound's taxes, expenses and workforce are significantly greater than similar municipalities delivering similar services. Council will need to remain focused and resolute when addressing this problem. As discussed, the goals of the Administration do not always align with the goals of Owen Sound residents or those of most members of city council.

Members of council will hear well thought out arguments as to why every single manager and every single employee is essential to operations and that if Council forces staff reductions the quantity and quality of services will suffer. When you hear this, apply your critical thinking skills and examine the facts. Then ask yourself, if Cobourg's staff can deliver similar services, with 25 fewer staff, including 9 fewer managers, why is our city manager not able to provide Owen Sound residents with the same level of operational efficiency? Council must be firm on challenging staff to create efficiencies and reject staff requests for budget increases and new positions unless appropriate offsets are offered. Failure to do will result in the disparities growing to a level that forces taxpayers to relocate to adjacent municipalities.

About the Author

Commander Hutton grew up in Owen Sound and left to join the navy where he spent his first few years serving as a Technician aboard navy ships. He was selected for a commissioning program and sent to study engineering at Royal Military College. He graduated at the top of his class and was selected for the navy's prestigious Post Graduate on Scholarship program. He pursued graduate studies at the University of Victoria where his research project was sponsored by Defence Research Pacific and involved tracking submarines underneath the ice in the Canadian Arctic.



Commander Hutton served in a number of units both at sea and in National Defence Headquarters where he became intimately familiar with tendency for some public administrators to form informal command structures that were often at odds with the formal leadership. His service also included deployment to the Persian Gulf during the Gulf War as the Senior Engineer of a Squadron of ships. His final assignment was as the Commanding Officer of a ship building project detachment on the west coast where he was responsible for the completion and operational trials of five newly constructed warships.

Upon his retirement he studied business administration at Royal Roads University where he earned a Master's Degree (MBA). His graduate studies included a research project focused on reducing the cost of municipal services. His graduate thesis demonstrated the tremendous cost savings available to government through the amalgamation of small municipalities.

Commander Hutton then entered the world of post-secondary administration where he gained a reputation for bringing a business focus and sound fiscal management to public institutions. As a Director at Seneca College in Toronto he introduced a number of efficiency and cost savings initiatives that enhanced service delivery while reducing costs. His success as an innovative financial manager and business developer was rewarded when he was selected to be the Vice President, Finance and Administration at Cambrian College. While in this position he was responsible for an \$85 million budget and had six service delivery departments in his portfolio. When he arrived, the college was literally on the financial rocks due largely to severe cut backs in government grants and inefficient service delivery models. He introduced a number of initiatives aimed at improving the college's financial health. These included streamlining service delivery models, closing redundant and inefficient departments and outsourcing non-core activities.

After a 15 year career in post-secondary administration Commander Hutton retired for the second time and chose to return to Owen Sound. He was somewhat surprised when he returned after a 50 year absence. Owen Sound was no longer the thriving municipality he remembered. His first impression was that his home town was struggling. A once bustling main street was quiet and populated with several empty store fronts. Most of the industries and major employers he remembered were gone. The city appeared to be stagnating. During his absence Owen Sound had grown by only a few thousand residents which represented an annual growth rate of less than 0.2%. This renewed his interest, from his business studies, in municipal financial management and in part resulted in this research paper.



Annex A; References

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Annex A: References and Links to Material used in this Study

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63	City of Vaughan 2023 Budget Book	https://www.vaughan.ca/sites/default/files/2023-02/2023%20Budget%20Book%20FINAL%20%5BDIGITAL%5D%20-%20Jan-v2.pdf?file-verison=1698336661590
64	2022 BMA Municipal Study Reports	https://www.owensound.ca/en/city-hall/resources/Documents/2022-Municipal-Study-Final.pdf
65	<a "="" href="https://www12.statcan.gc.ca/English/census86/data/tables/Rp-eng.cfm?TABID=2&LANG=E&APATH=3&DETAIL=1&DIM=0&FL=A&FREE=1&GC=0&GK=0&GRP=1&PID=113685&PRID=0&PTYPE=113679&S=0&SHOWALL=No&SUB=0&Temporal=1986&THEME=133&VID=0&VNAMEE=&VNAM EF=">Owen Sound 1986 Population	https://www12.statcan.gc.ca/English/census86/data/tables/Rp-eng.cfm?TABID=2&LANG=E&APATH=3&DETAIL=1&DIM=0&FL=A&FREE=1&GC=0&GK=0&GRP=1&PID=113685&PRID=0&PTYPE=113679&S=0&SHOWALL=No&SUB=0&Temporal=1986&THEME=133&VID=0&VNAMEE=&VNAM EF=



Annex B; Municipal Organization Structures

Cobourg	Tillsonburg
<ul style="list-style-type: none"> • Director Community Services <ul style="list-style-type: none"> ○ Manager Parks <ul style="list-style-type: none"> ▪ 10 FT Reports ○ Manager Recreation and Waterfront <ul style="list-style-type: none"> ▪ 8 FT Reports ○ Manager Culture <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Manager Facilities <ul style="list-style-type: none"> ▪ 12 FT Reports • Director Public Works <ul style="list-style-type: none"> ○ Manager Roads and Sewers <ul style="list-style-type: none"> ▪ 18 FT Reports ○ Manager Engineering & Capital Projects <ul style="list-style-type: none"> ▪ 5 FT Reports ○ Manager Environmental Services <ul style="list-style-type: none"> ▪ 12 FT Reports • Director Legislative Services/Municipal Clerk <ul style="list-style-type: none"> ○ Deputy Clerk and Records ○ Manager Bylaw Enforcement <ul style="list-style-type: none"> ▪ 4 FT Reports ○ Manager Strategic Initiatives & Customer Service ○ Accessibility and EDI Coordinator ○ Grant and Policy Coordinator ○ Emergency Planner • Director Corporate Services/Treasurer <ul style="list-style-type: none"> ○ Supervisor IT <ul style="list-style-type: none"> ▪ IT Technician ○ Supervisor Building Maintenance <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Senior Financial Analyst ○ Manager Procurement ○ Manager Finance <ul style="list-style-type: none"> ▪ 4 FT Reports • Director Planning & Development <ul style="list-style-type: none"> ○ Chief Building Official <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Manager Planning – Long Range Planning <ul style="list-style-type: none"> ▪ Heritage Planner ○ Manager Planning – Development Review <ul style="list-style-type: none"> ▪ 2 FT Reports ○ Manager Economic Development <ul style="list-style-type: none"> ▪ 4 FT Reports • Manager Human Resources <ul style="list-style-type: none"> ○ HR Generalist • Manager Communications <ul style="list-style-type: none"> ○ Communications Coordinator 	<ul style="list-style-type: none"> • Director Operations & Development <ul style="list-style-type: none"> ○ Manager Public Works <ul style="list-style-type: none"> ▪ 10+ FT Reports ○ Manager Engineering <ul style="list-style-type: none"> ▪ 2+ FT Reports ○ Transit Coordinator ○ Public Works Coordinator ○ Chief Building Official <ul style="list-style-type: none"> ▪ Deputy Building Official <ul style="list-style-type: none"> ▪ 2+ FT Reports ▪ Building & Bylaw Enforcement ▪ 2+ FT Reports ▪ Development Technician • Director of Recreation, Culture & Parks <ul style="list-style-type: none"> ○ Manager/Curator Culture & Heritage <ul style="list-style-type: none"> ▪ 3+ FT Reports ○ Manager Parks and Facilities <ul style="list-style-type: none"> ▪ 12+ FT Reports ○ Manager Recreation Programs & Services <ul style="list-style-type: none"> ▪ 13++ FT Reports • Director Finance/Treasurer <ul style="list-style-type: none"> ○ Manager Revenue <ul style="list-style-type: none"> ▪ Tax Clerk ○ Deputy Treasurer & Senior Analyst ○ Purchasing Coordinator ○ Accounts Coordinator ○ Financial Analyst (RCP) ○ Financial & Utility Analyst ○ Asset Management Coordinator • General Manager Hydro <ul style="list-style-type: none"> ○ Manager Operations and Design <ul style="list-style-type: none"> ▪ 10 FT Reports ○ Manager Regulatory Affairs <ul style="list-style-type: none"> ▪ 4 FT Reports • Development Commissioner <ul style="list-style-type: none"> ○ Economic Development & Marketing Coordinator • Director Corporate Services & Municipal Clerk <ul style="list-style-type: none"> ○ Communications Officer ○ Deputy Clerk <ul style="list-style-type: none"> ▪ Records & Legislative Coordinator ○ Customer Service Coordinator <ul style="list-style-type: none"> ▪ 3 FT Reports • Manager Human Resources <ul style="list-style-type: none"> ○ Human Resources Generalist ○ Health & Safety Coordinator • Director Innovation & Strategic Initiatives

Amerherstburg	Huntsville
<ul style="list-style-type: none"> • Director Engineering & Infrastructure <ul style="list-style-type: none"> ○ Manager Environmental Services <ul style="list-style-type: none"> ▪ 9 FT Reports ○ Manager Roads & Fleet <ul style="list-style-type: none"> ▪ 9 FT Reports ○ Manager Engineering <ul style="list-style-type: none"> ▪ 2 FT Reports • Director Parks, Recreation, Facilities & Culture <ul style="list-style-type: none"> ○ Manager Facilities <ul style="list-style-type: none"> ▪ 6 FT Reports ○ Manager Recreation <ul style="list-style-type: none"> ▪ Supervisor Recreation Programming ○ Manager Parks <ul style="list-style-type: none"> ▪ 7 FT Reports ○ Manager Tourism & Culture <ul style="list-style-type: none"> ▪ 2 FT Reports • Director Development Services <ul style="list-style-type: none"> ○ Manager Planning <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Manager Building & Chief Building Official <ul style="list-style-type: none"> ▪ 3 FT Reports • Director Corporate Services & CFO <ul style="list-style-type: none"> ○ Manager Human Resources <ul style="list-style-type: none"> ▪ health & Safety Coordinator ○ Manager Information Technology <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Manager Finance & Deputy CFO <ul style="list-style-type: none"> ▪ 9 FT Reports • Director Legislative Services & Municipal Clerk <ul style="list-style-type: none"> ○ Deputy Clerk ○ Policy Coordinator ○ Service Technologist ○ Manager Licensing & Enforcement <ul style="list-style-type: none"> ▪ 3 FT Reports 	<ul style="list-style-type: none"> • Director Corporate & Community Strategy • Director Community Services <ul style="list-style-type: none"> ○ Manager Operations & Customer Services <ul style="list-style-type: none"> ▪ 9+ FT Reports ○ Manager Recreation Culture & Heritage <ul style="list-style-type: none"> ▪ 12+ FT Reports • Director Financial Services & Treasurer <ul style="list-style-type: none"> ○ Manager Taxation & Revenue <ul style="list-style-type: none"> ▪ Senior Taxation Clerk ○ Deputy Treasurer <ul style="list-style-type: none"> ▪ 5 FT Reports • Director Legislative Services and Town Clerk <ul style="list-style-type: none"> ○ Deputy Clerk <ul style="list-style-type: none"> ▪ 2 FT Reports ○ Manager Corporate Information <ul style="list-style-type: none"> ▪ Records Coordinator ○ Legal Coordinator ○ Manager Information Technology <ul style="list-style-type: none"> ▪ 4 FT Reports • Director Development Services <ul style="list-style-type: none"> ○ Manager Planning <ul style="list-style-type: none"> ▪ 5 FT Reports ○ Manager Building and Bylaw Services & Chief Building Official <ul style="list-style-type: none"> ▪ 9 FT Reports ○ Manager Marketing <ul style="list-style-type: none"> ▪ 2 FT Reports ○ Economic Development Officer ○ Chief Bylaw Enforcement Officer <ul style="list-style-type: none"> ▪ Bylaw Officer • Director Operations [14] <ul style="list-style-type: none"> ○ Manager Parks and Cemeteries <ul style="list-style-type: none"> ▪ 4+ FT Reports ○ Manager Operations <ul style="list-style-type: none"> ▪ 7+ FT Reports • Manager Human Resources [3] <ul style="list-style-type: none"> ○ Payroll and Benefits Specialist ○ Human Resources Specialist



Strathroy-Caradoc	Owen Sound
<ul style="list-style-type: none"> • Director Legislative Services and Municipal Clerk <ul style="list-style-type: none"> ○ Administrative Assistant ○ Deputy Clerk & Communications Coordinator <ul style="list-style-type: none"> ▪ communication Assistant ○ Deputy Clerk Lottery Licensing • Director Building and Planning <ul style="list-style-type: none"> ○ Chief Build Official <ul style="list-style-type: none"> ▪ 2 FT Reports ○ Development Services Coordinator ○ Senior Development Coordinator ○ By-law Enforcement Officer • Director Financial Services, Treasurer and Information Technology <ul style="list-style-type: none"> ○ Manager Information Technology <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Manager Accounting & Deputy Treasurer <ul style="list-style-type: none"> ▪ 4 FT Reports • Director Community Services <ul style="list-style-type: none"> ○ Supervisor Projects <ul style="list-style-type: none"> ▪ 6 FT Reports ○ Museum Curator <ul style="list-style-type: none"> ▪ Museum research Coordinator ○ Supervisor Parks and Recreation Facilities <ul style="list-style-type: none"> ▪ 10 FT Reports ○ Supervisor Recreation Programs <ul style="list-style-type: none"> ▪ 2 FT Reports • Director Engineering & Public Works <ul style="list-style-type: none"> ○ Manager Environmental Services <ul style="list-style-type: none"> ▪ 9 FT Reports ○ Manager Public Works <ul style="list-style-type: none"> ▪ 12 FT Reports • Development Commissioner <ul style="list-style-type: none"> ○ Digital Service • Director Human Resources <ul style="list-style-type: none"> ○ HR Generalist & Payroll 	<ul style="list-style-type: none"> • Senior Manager Strategic Initiatives <ul style="list-style-type: none"> ○ Communications Advisor ○ Communications and Admin Assistant • Director Corporate Services <ul style="list-style-type: none"> ○ Manager Corporate Services <ul style="list-style-type: none"> ▪ 6 FT Reports ○ Manager Information Technology <ul style="list-style-type: none"> ▪ 3 FT Reports ○ Deputy Treasurer <ul style="list-style-type: none"> ▪ 6 FT Reports ○ Municipal Clerk <ul style="list-style-type: none"> ▪ Deputy Municipal Clerk ▪ Manager Legislative Services ▪ Records Coordinator ▪ Licensing Coordinator ▪ Two By-Law Officers ○ Manager Human Resources <ul style="list-style-type: none"> ▪ Health & Safety Coordinator ▪ Payroll Administrator ○ Strategic Human Resources Manager <ul style="list-style-type: none"> ▪ HR Assistant • Director Community Services <ul style="list-style-type: none"> ○ Administrative Assistant ○ Community Development Coordinator ○ Manager Arena Operations <ul style="list-style-type: none"> ▪ 7 FT Reports ○ Chief Building Official <ul style="list-style-type: none"> ▪ 3 Reports ○ Manager Planning & Heritage <ul style="list-style-type: none"> ▪ 2 FT Reports ○ Director and Chief Curator TTAG <ul style="list-style-type: none"> ▪ Operations Coordinator ▪ Events Coordinator ▪ Curator Public Projects ▪ Tourism Marketing Coordinator ▪ Exhibitions Assistant ▪ Assistant Curator ▪ Curator of Collections ○ Manager Parks and Open Spaces <ul style="list-style-type: none"> ▪ 10 FT Reports • Director Public Works and Engineering <ul style="list-style-type: none"> ▪ 5 FT Reports ○ Manager Public works <ul style="list-style-type: none"> ▪ 35 FT Reports ○ Manager Engineering Services <ul style="list-style-type: none"> ▪ 7 FT Reports • Manager Community Development & Marketing



Annex C; 2022 Sunshine List

	NAME	POSITION	SALARY
1	Timothy Simmonds	City Manager	\$195,732
2	Pamela Coulter	Director, Community Services	\$143,887
3	Kate Allan	Director, Corporate Services	\$143,887
4	Timothy J Nicholls-Harrison	Chief Librarian	\$136,230
5	Michelle Palmer	Senior Manager, Strategic Initiatives and Operational Effectiveness	\$123,515
6	Matthew Prentice	Manager, Public Works	\$123,515
7	Briana Bloomfield	City Clerk	\$123,515
8	Christopher A Webb	Manager, ENGINEERING SERVICES	\$115,774
9	Jeffrey Follis	Roads Superintendent	\$111,461
10	Annie Reed	Manager, Human Resources	\$106,652
11	Aidan Ware	Director and Chief Curator	\$106,652
12	Melissa Clancy	Manager, Human Resources	\$106,578
13	Troy Pelletier	Water Treatment Supervisor	\$105,855
14	Adan Parsons	Manager, Parks and Open Spaces	\$104,749
15	Kevin Linthorne	Chief Building Official	\$103,257
16	Nadia Danyluk	Deputy Chief Librarian	\$102,700
17	Derek Christie	Building and Property Maintenance	\$101,730
18	Amy Cann	Manager, Planning and Heritage	\$101,638
19	James Fenton	Waste Water Treatment Supervisor	\$101,034
20	Joe Bumstead	Mechanic Lead Hand	\$100,944
			\$2,359,305

Table 12, Owen Sound City Employees on the 2022 Sunshine List – Not Including Protective Services *Ontario Sunshine List*⁵⁶

	NAME	POSITION	SALARY
1	Tracey Vaughan	Chief Administration officer	\$180,265
2	Laurie Wills	Director, Public Works	\$143,793
3	IAN DAVEY	Director, Corporate Services	\$143,786
4	C. Brent Larmer	Director, Legislative Services	\$132,587
5	Terry Hoekstra	Manager, Engineering	\$119,020
6	Teresa Behan	Manager of Recreation and Waterfront Facilities	\$114,044
7	Anne Taylor Scott	Director, Planning and Development	\$113,547
8	Brian Geerts	Director, Community Services	\$113,179
9	David Hancock	Chief Building Inspector	\$109,556
10	Joanne Taylor	Manager, Finance	\$108,880
11	Robert Franklin	Manager, Planning	\$106,418
12	Ronald Jeschke	Information Technology Supervisor	\$105,799
13	Gina Wilson	Director, Corporate Services	\$105,480
14	Bill Peeples	Manager of Water Pollution	\$104,878
			\$1,701,232

Table 13, Cobourg City Employees on the 2022 Sunshine List – Not Including Protective Services *Ontario Sunshine List*⁵⁷



Annex D; Financial Information Returns

Municipality: Owen Sound C		Schedule 80		
Asmt Code: 4259		STATISTICAL INFORMATION		
MAH Code: 47101		for the year ended December 31, 2021		
		Full-Time Funded Positions 1 #	Part-Time Funded Positions 2 #	Seasonal Employees 3 #
1. Municipal workforce profile				
Employees of the Municipality				
0205	Administration	83.00	15.00	6.00
0210	Fire	31.00	0.00	0.00
0211	Uniform	29.00		
0212	Civilian	2.00		
0225	Public Works	36.00	1.00	8.00
0245	Parks and Recreation	10.00		
0255	Planning	3.00		
0298	Subtotal	163.00	16.00	14.00
Employees of Joint Local Boards				
0315	Police	61.00	29.00	0.00
0316	Uniform	39.00	5.00	
0317	Civilian	22.00	24.00	
0350	Libraries	17.00	8.00	1.00
0390	Other	1.00	2.00	
0398	Subtotal	79.00	39.00	1.00
0399	TOTAL	242.00	55.00	15.00
TOTAL without Fire and Police		150.00	26.00	15.00
TOTAL without Fire and Police and Library		132.00	16.00	14.00

Figure 34; Owen Sound’s 2021 Financial Information Report Source: Ontario Financial Information ²⁴

Municipality: Cobourg T		Schedule 80		
Asmt Code: 1421		STATISTICAL INFORMATION		
MAH Code: 61403		for the year ended December 31, 2021		
		Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees
		1	2	3
		#	#	#
1. Municipal workforce profile				
Employees of the Municipality				
0205	Administration	27.00	2.00	2.00
0210	Fire	19.00	22.00	0.00
0211	Uniform	15.00	22.00	
0212	Civilian	4.00		
0215	Police	46.00	41.00	0.00
0216	Uniform	34.00		
0217	Civilian	12.00	41.00	
0260	Court Security	1.00	21.00	0.00
0261	Uniform			
0262	Civilian	1.00	21.00	
0225	Public Works	23.00		1.00
0245	Parks and Recreation	34.00	11.00	33.00
0255	Planning	8.00		
0290	Other	16.00	17.00	3.00
0298		174.00	114.00	39.00
TOTAL without Fire and Police		108.00	30.00	38.00

Figure 35; Cobourg’s 2021 Financial Information Report Source: Ontario Financial Information ²⁴





Annex E; Owen Sound Organization Charts

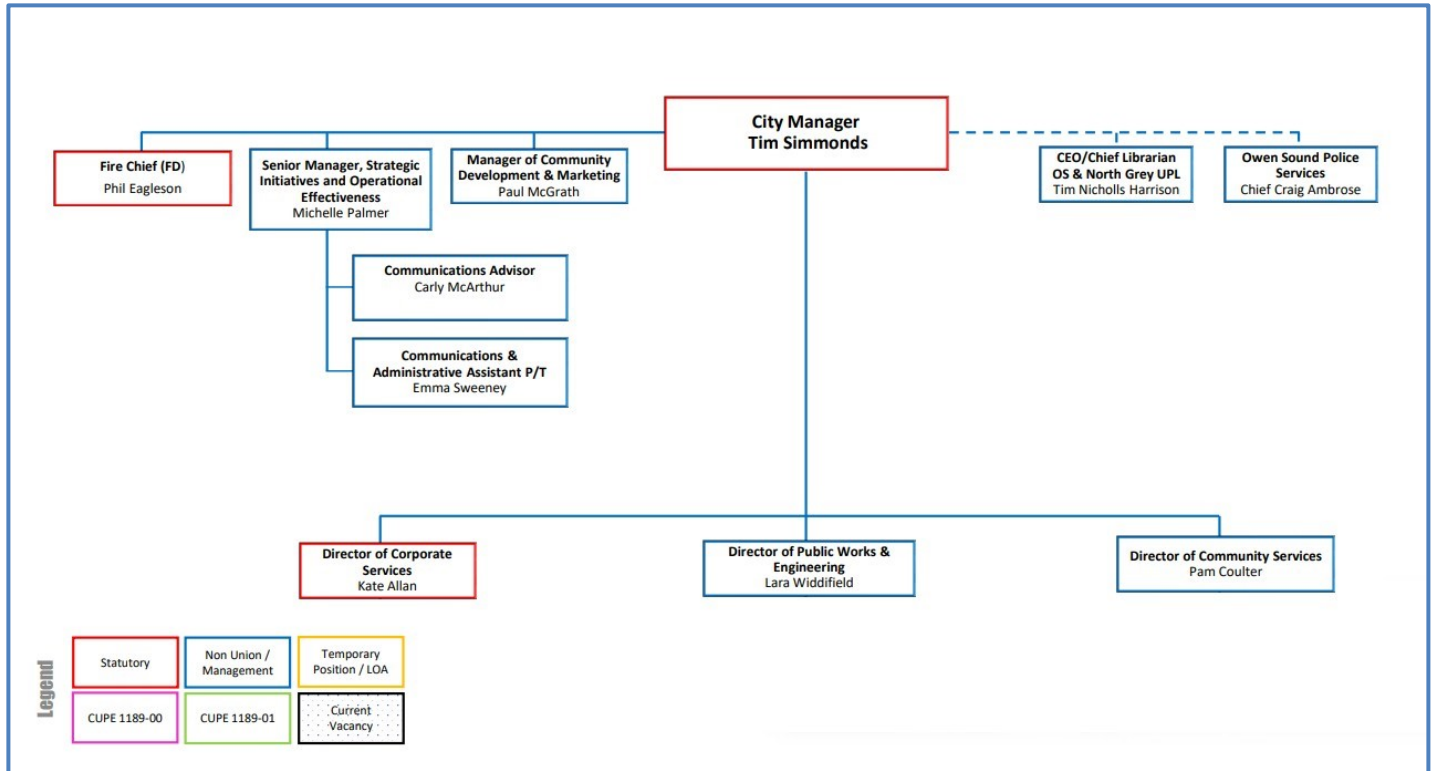


Figure 36; Owen Sound City Manager Organization Chart *Source: Owen Sound Service Review Action Plan* 58

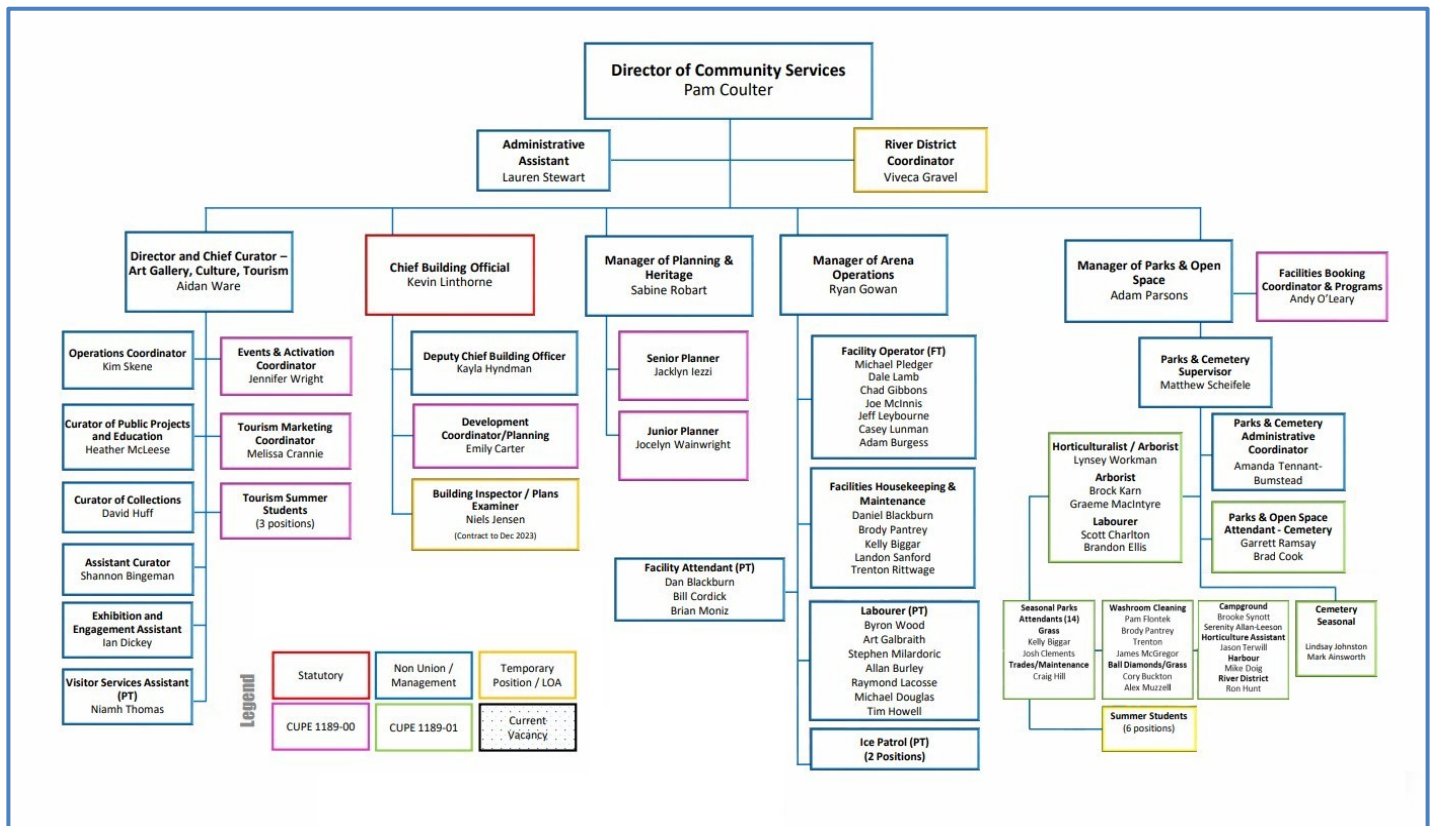


Figure 37; Owen Sound Community Services Organization Chart *Source: Owen Sound Service Review Action Plan* 58

Annex E; Owen Sound Organization Charts

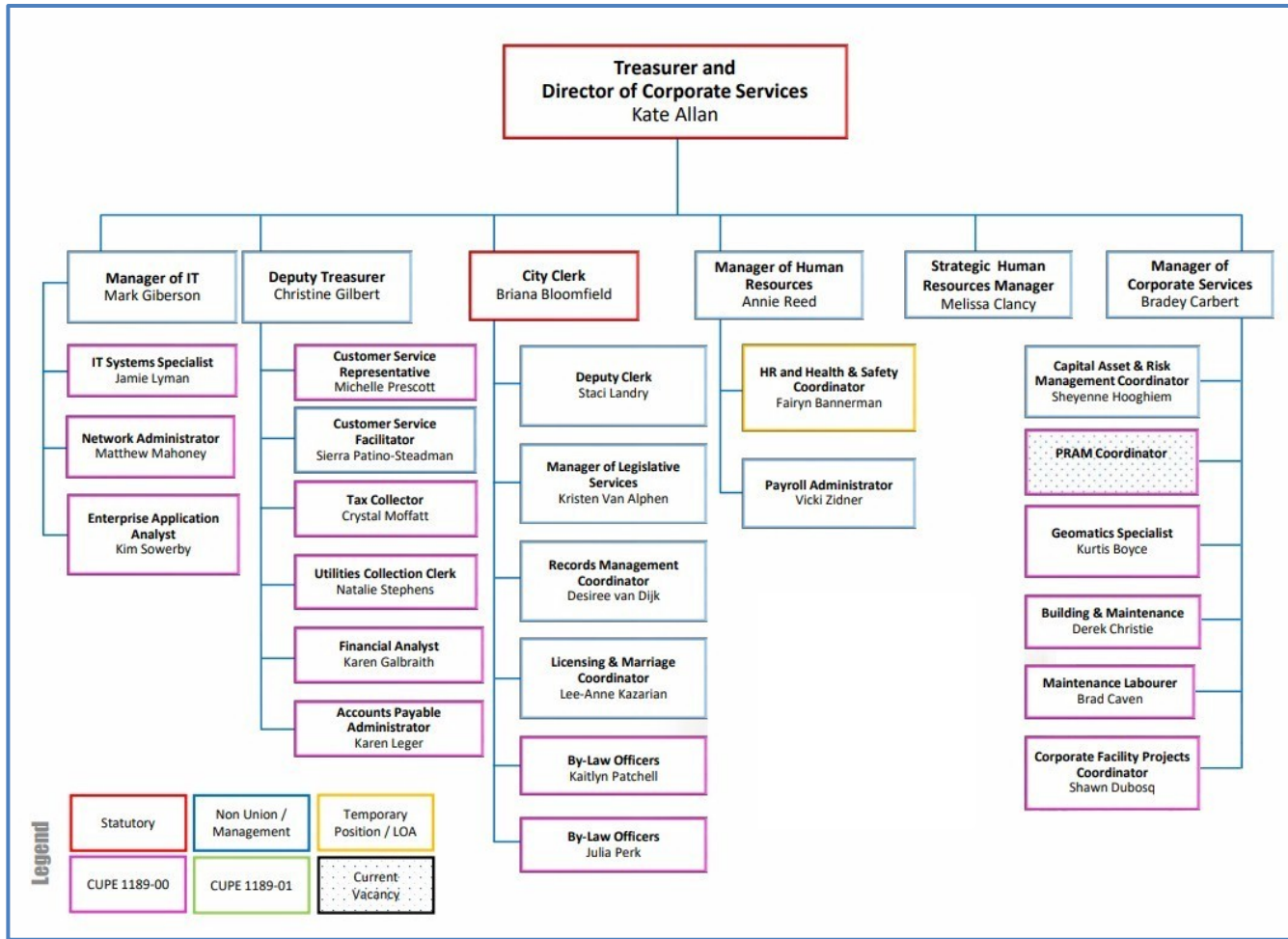


Figure 38; Owen Sound Corporate Services Organization Chart *Source: Owen Sound Service Review Action Plan* 58

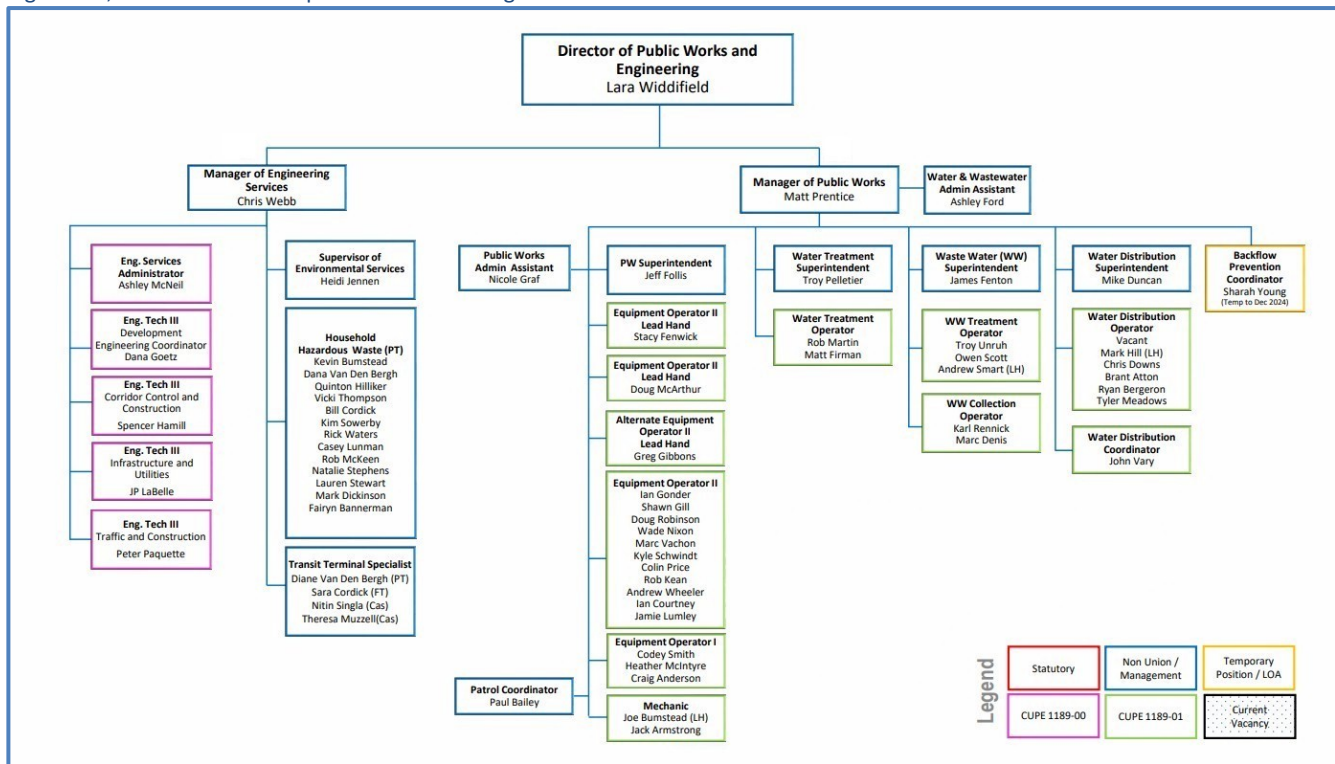


Figure 39; Owen Sound Public Works Organization Chart *Source: Owen Sound Service Review Action Plan* 58



Annex F; Cobourg's Organization Charts

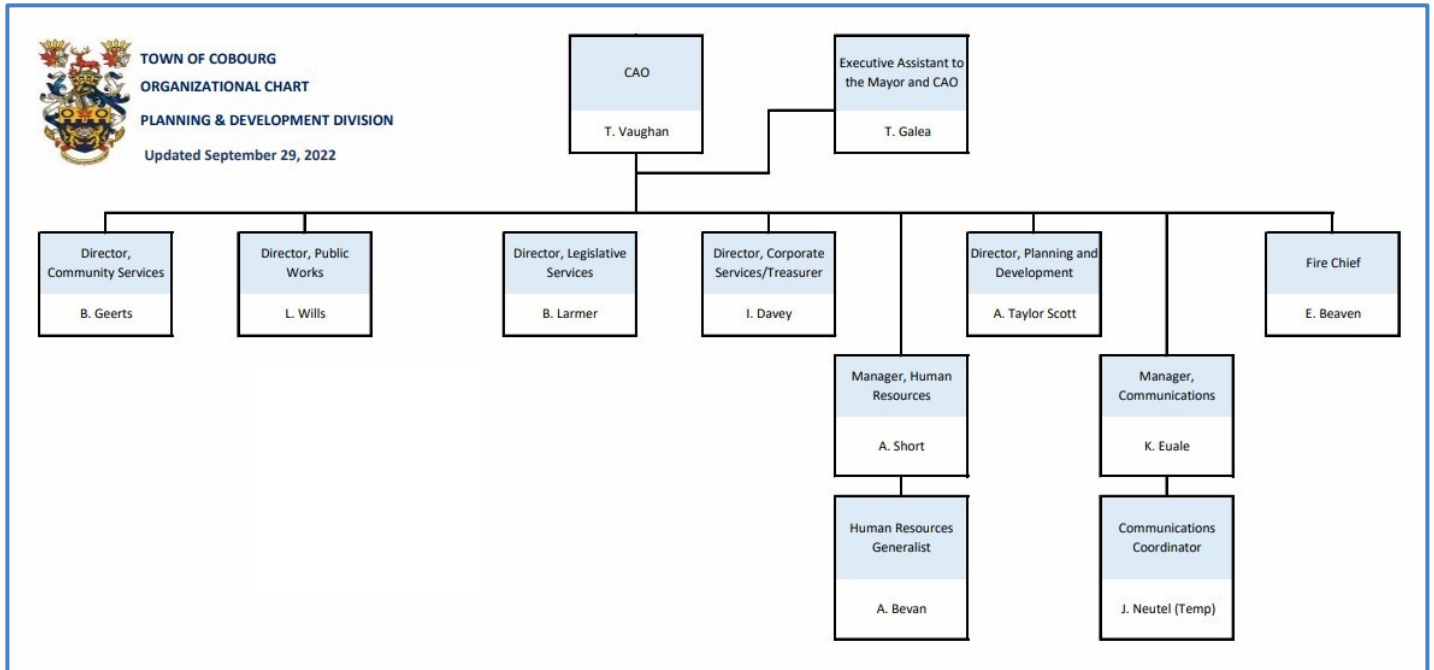


Figure 40; Cobourg Chief Administration Officer Organization Chart

Source: Cobourg's Website ⁵⁹

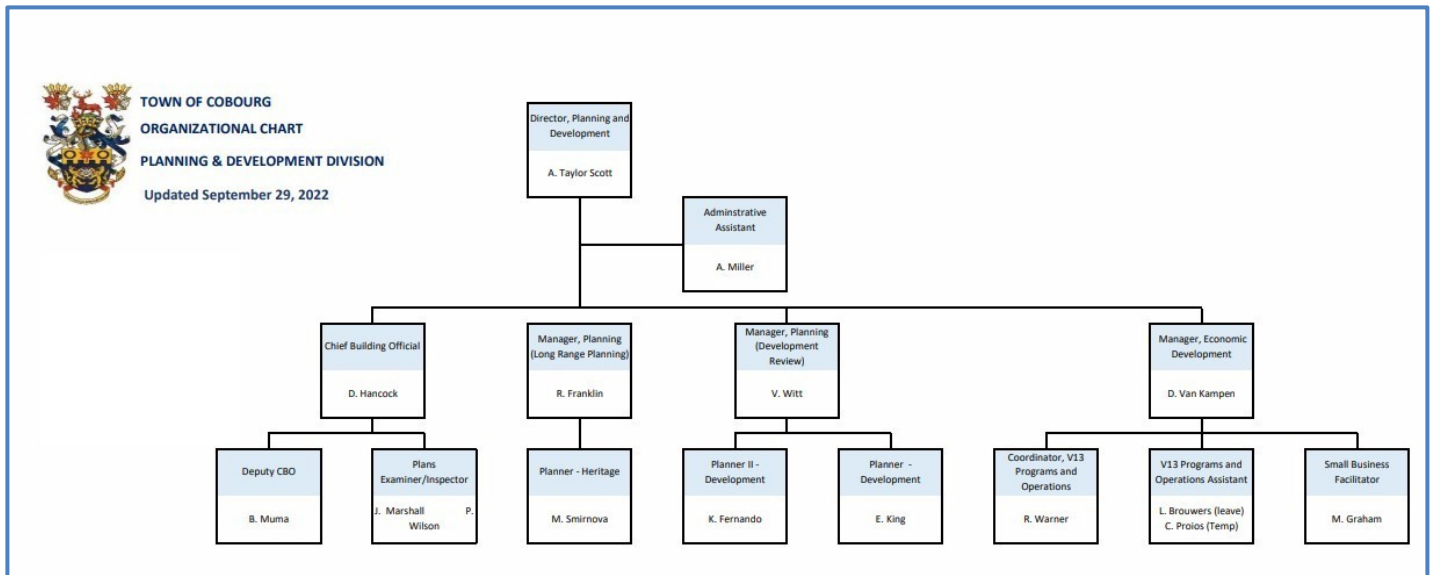


Figure 41; Cobourg Planning and Development Organization Chart

Source: Cobourg's Website ⁵⁹

Annex F; Cobourg's Organization Charts

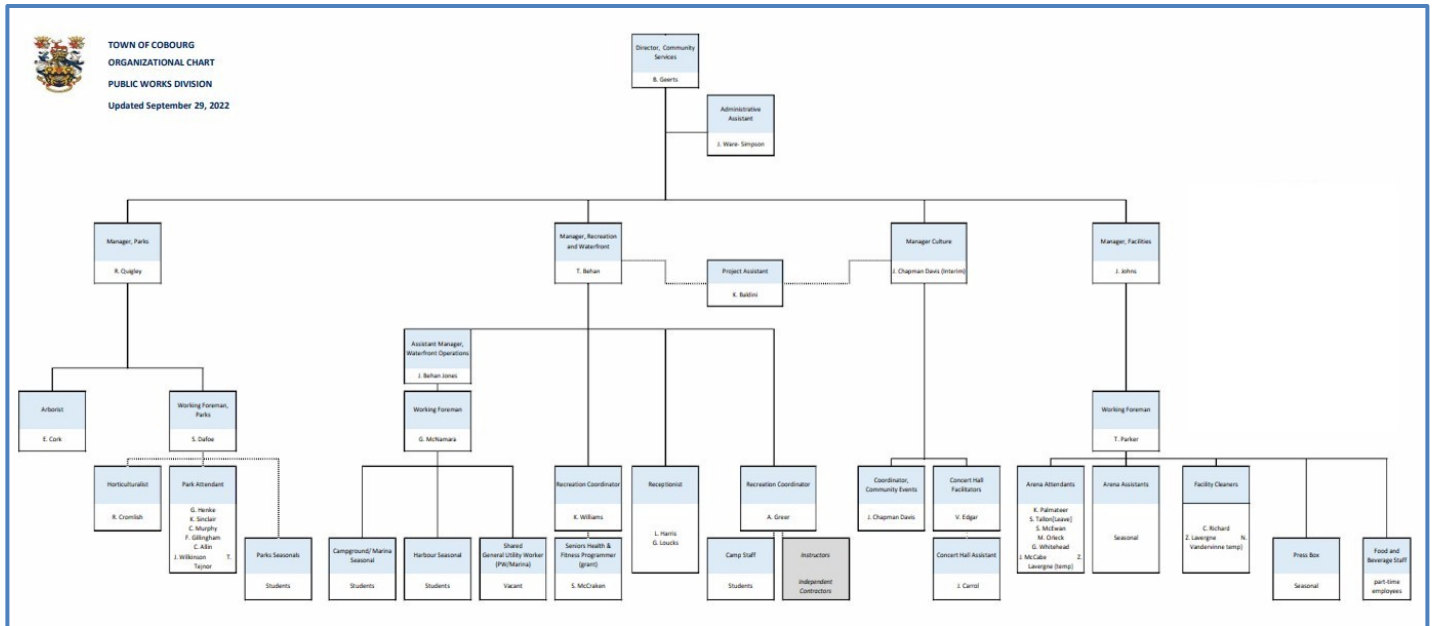


Figure 42; Cobourg Community Services Organization Chart

Source: Cobourg's Website ⁵⁹

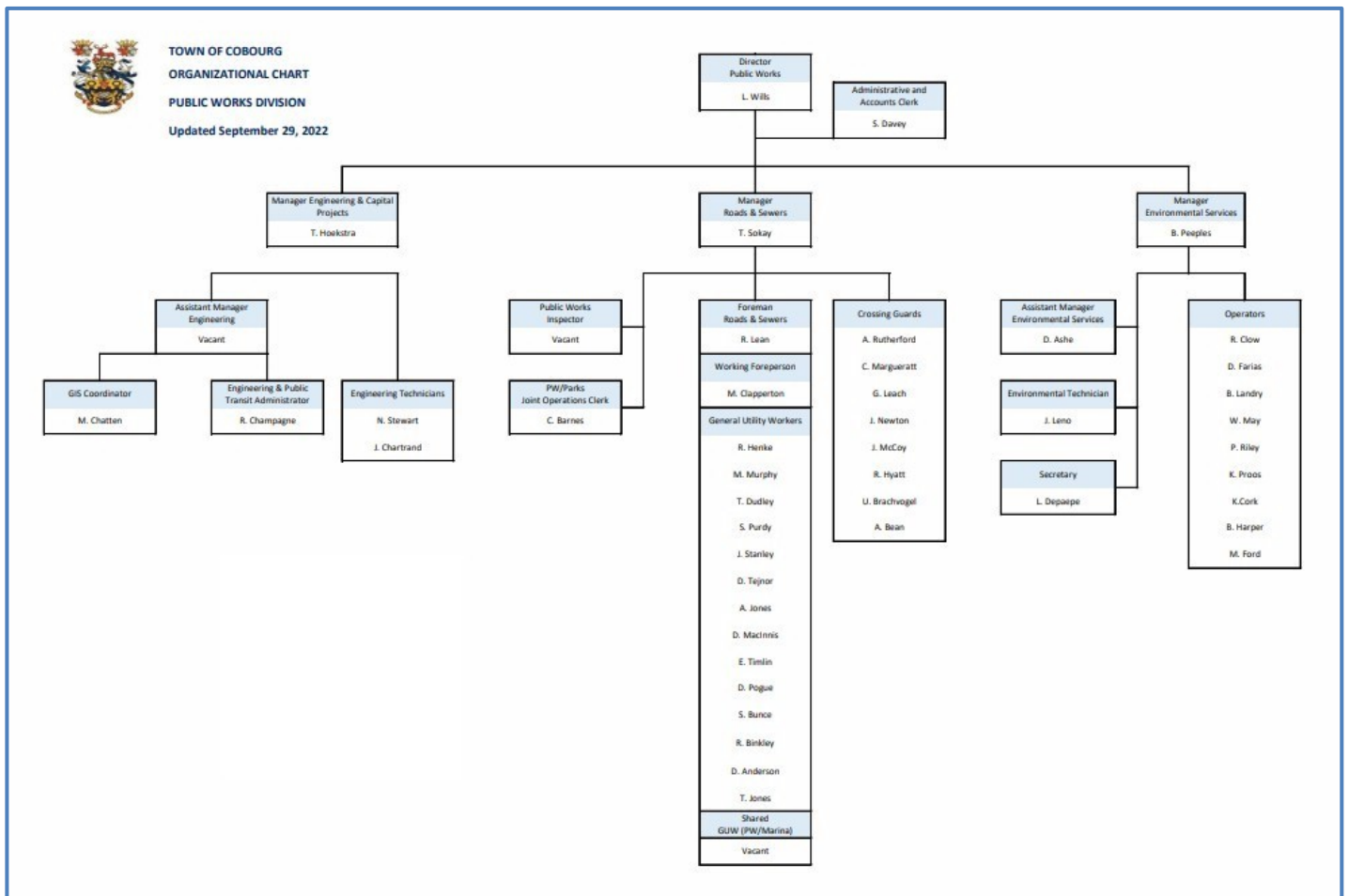


Figure 43; Cobourg Public Works Organization Chart

Source: Cobourg's Website ⁵⁹

Annex F; Cobourg's Organization Charts

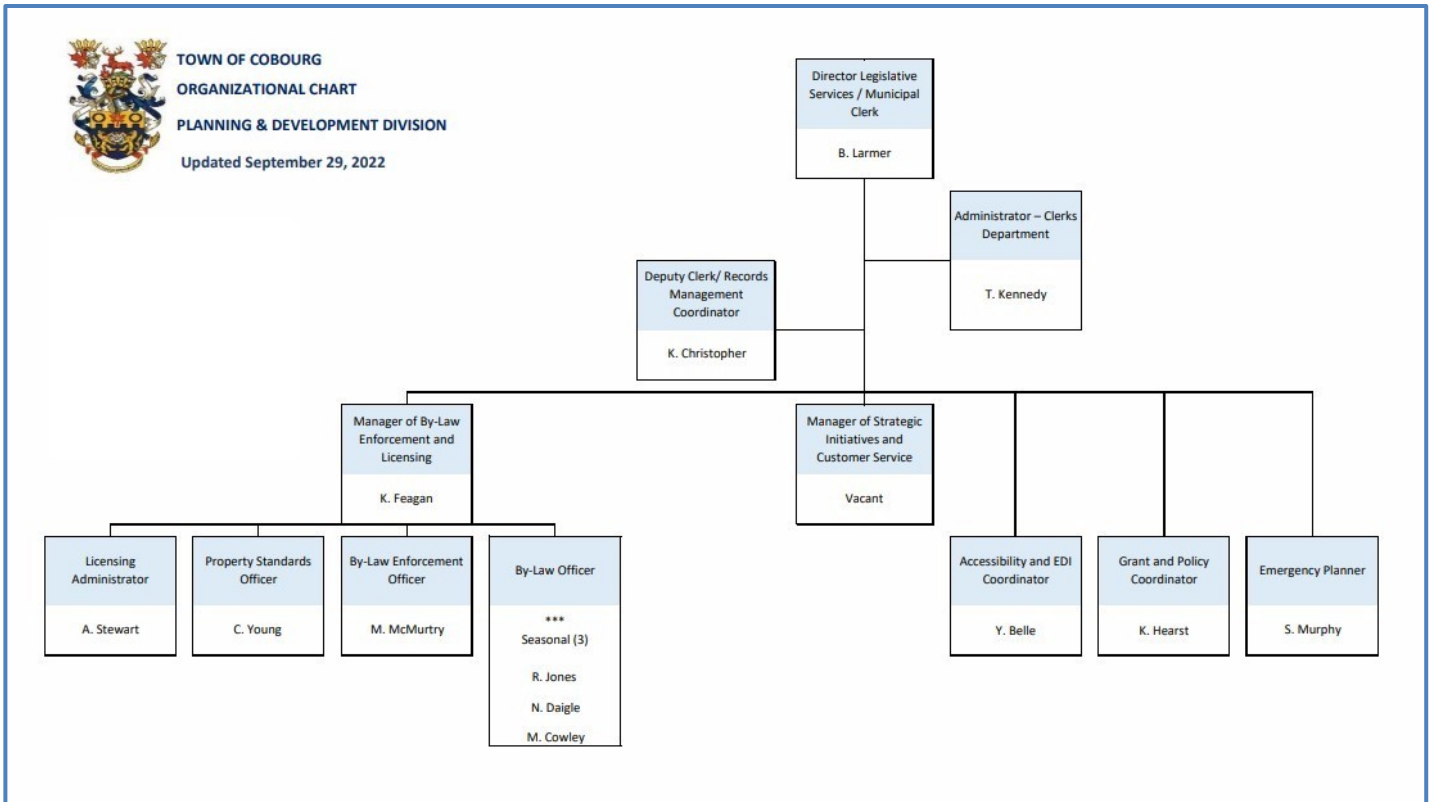


Figure 44; Legislative Services(Clerk’s Office) Organization Chart

Source: Cobourg’s Website ⁵⁹

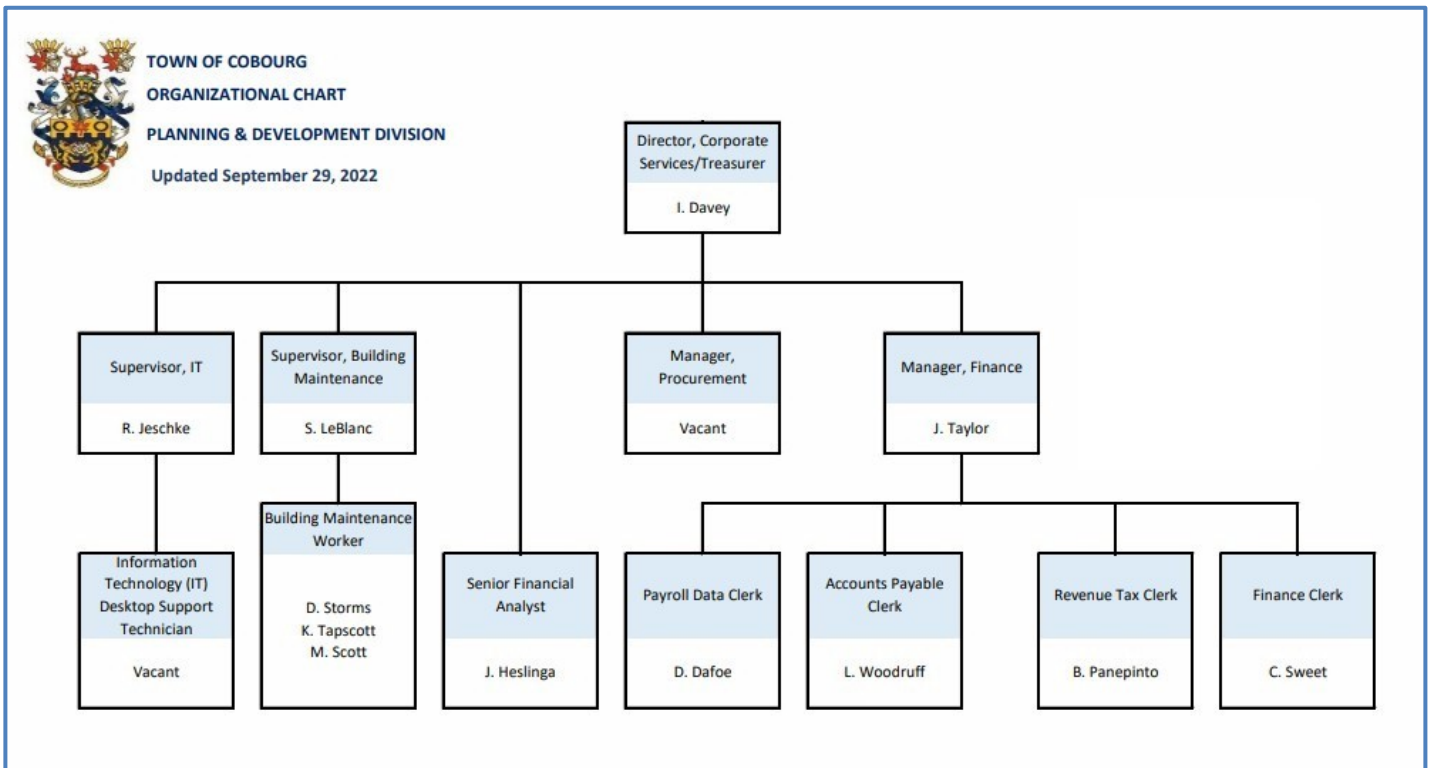


Figure 45; Cobourg Corporate Services Organization Chart

Source: Cobourg’s Website ⁵⁹



Annex G; Owen Sound's Financial Information Returns

Province of Ontario - Ministry of Municipal Affairs

FIR2016: Owen Sound C	Schedule 80
Asmt Code: 4259	STATISTICAL INFORMATION
MAH Code: 47101	for the year ended December 31, 2016

1. Municipal workforce profile		Full-Time Funded Positions 1 #	Part-Time Funded Positions 2 #	Seasonal Employees 3 #
Employees of the Municipality				
0205	Administration	60.00	2.00	
0210	Fire	29.00	0.00	0.00
0211	Uniform	29.00		
0212	Civilian			
0215	Police	0.00	0.00	0.00
0216	Uniform			
0217	Civilian			
0260	Court Security	0.00	0.00	0.00
0261	Uniform			
0262	Civilian			
0263	Prisoner Transportation	0.00	0.00	0.00
0264	Uniform			
0265	Civilian			
0220	Transit	1.00	1.00	
0225	Public Works	32.00		4.00
0227	Ambulance	0.00	0.00	0.00
0228	Uniform			
0229	Civilian			
0230	Health Services			
0235	Homes for the Aged			
0240	Other Social Services			
0245	Parks and Recreation	7.00		16.00
0250	Libraries			
0255	Planning	2.00	1.00	
0290	Other	9.00	9.00	
0298	Subtotal	140.00	13.00	20.00
0300	Proportion of Munic. Empl. covered by 'Collective Agreements' (%)	67%	38%	100%
Employees of Joint Local Boards				
0305	Administration			
0310	Fire	0.00	0.00	0.00
0311	Uniform			
0312	Civilian			
0315	Police	58.00	16.00	0.00
0316	Uniform	38.00	3.00	
0317	Civilian	20.00	13.00	
0360	Court Security	3.00	14.00	0.00
0361	Uniform			
0362	Civilian	3.00	14.00	
0363	Prisoner Transportation	0.00	0.00	0.00
0364	Uniform			
0365	Civilian			
0320	Transit			
0325	Public Works			
0327	Ambulance	0.00	0.00	0.00
0328	Uniform			
0329	Civilian			
0330	Health Services			
0335	Homes for the Aged			
0340	Other Social Services			
0345	Parks and Recreation			
0350	Libraries	15.00	3.00	
0355	Planning			
0390	Other			
0398	Subtotal	76.00	33.00	0.00
0399	TOTAL	216.00	46.00	20.00

Figure 46; 2016 Workforce – excluding Protective Services and Library Source: Ontario Financial Information Returns ²⁴

FIR2017: Owen Sound C

Asmt Code: 4259
MAH Code: 47101

Schedule 80
STATISTICAL INFORMATION
for the year ended December 31, 2017

1. Municipal workforce profile		Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees
Employees of the Municipality		1	2	3
		#	#	#
0205	Administration	63.00	1.00	
0210	Fire	29.00	0.00	0.00
0211	Uniform	29.00		
0212	Civilian			
0215	Police	0.00	0.00	0.00
0216	Uniform			
0217	Civilian			
0260	Court Security	0.00	0.00	0.00
0261	Uniform			
0262	Civilian			
0263	Prisoner Transportation	0.00	0.00	0.00
0264	Uniform			
0265	Civilian			
0220	Transit	1.00	1.00	
0225	Public Works	32.00		8.00
0227	Ambulance	0.00	0.00	0.00
0228	Uniform			
0229	Civilian			
0230	Health Services			
0235	Homes for the Aged			
0240	Other Social Services			
0245	Parks and Recreation	7.00		16.00
0250	Libraries			
0255	Planning	2.00	1.00	
0290	Other	9.00	9.00	
0298	Subtotal	143.00	12.00	26.00
0300	Proportion of Munic. Empl. covered by 'Collective Agreements' (%)			
Employees of Joint Local Boards				
0305	Administration			
0310	Fire	0.00	0.00	0.00
0311	Uniform			
0312	Civilian			
0315	Police	55.00	17.00	0.00
0316	Uniform	35.00	4.00	
0317	Civilian	20.00	13.00	
0360	Court Security	2.00	13.00	0.00
0361	Uniform			
0362	Civilian	2.00	13.00	
0363	Prisoner Transportation	0.00	0.00	0.00
0364	Uniform			
0365	Civilian			
0320	Transit			
0325	Public Works			
0327	Ambulance	0.00	0.00	0.00
0328	Uniform			
0329	Civilian			
0330	Health Services			
0335	Homes for the Aged			
0340	Other Social Services			
0345	Parks and Recreation			
0350	Libraries	14.00	3.00	
0355	Planning			
0390	Other			
0398	Subtotal	71.00	33.00	0.00
0399	TOTAL	214.00	45.00	26.00

Figure 47; 2017 Workforce – excluding Protective Services and Library *Source: Ontario Financial Information Returns* ²⁴



FIR2018: Owen Sound C
 Asmt Code: 4259
 MAH Code: 47101

Schedule 80
STATISTICAL INFORMATION
 for the year ended December 31, 2018

	Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees	
	1 #	2 #	3 #	
1. Municipal workforce profile				
Employees of the Municipality				
0205 Administration	43.00	4.00		
0210 Fire	10.00	0.00	0.00	
0211 Uniform	23.00			
0212 Civilian	2.00			
0215 Police	0.00	0.00	0.00	
0216 Uniform				
0217 Civilian				
0200 Court Security	0.00	0.00	0.00	
0201 Uniform				
0202 Civilian				
0203 Prisoner Transportation	0.00	0.00	0.00	
0204 Uniform				
0205 Civilian				
0220 Transit	1.00	1.00		
0225 Public Works	43.00		0.00	
0227 Ambulance	0.00	0.00	0.00	
0228 Uniform				
0229 Civilian				
0230 Health Services				
0235 Homes for the Aged				
0240 Other Social Services				
0240 Parks and Recreation	22.00	12.00	13.00	
0230 Libraries				
0255 Planning	3.00			
0290 Other				
Subtotal	140.00	17.00	0.00	
0300 Proportion of Munic. Empl covered by 'Collective Agreements' (%)	44%	5%	100%	
Employees of Joint Local Boards				
0305 Administration				
0310 Fire	0.00	0.00	0.00	
0311 Uniform				
0312 Civilian				
0315 Police	30.00	18.00	0.00	
0316 Uniform	35.00	4.00		
0317 Civilian	15.00	14.00		
0300 Court Security	0.00	13.00	0.00	
0301 Uniform				
0302 Civilian	2.00	13.00		
0303 Prisoner Transportation	0.00	0.00	0.00	
0304 Uniform				
0305 Civilian				
0320 Transit				
0325 Public Works				
0327 Ambulance	0.00	0.00	0.00	
0328 Uniform				
0329 Civilian				
0330 Health Services				
0335 Homes for the Aged				
0340 Other Social Services				
0340 Parks and Recreation				
0350 Libraries	22.00	10.00		
0355 Planning				
0390 Other				
Subtotal	74.00	45.00	0.00	
0399 TOTAL	214.00	62.00	0.00	
2. Selected investments of own sinking funds as at Dec. 31	Own Municipality	Other Munic., School Boards	Provincial	Federal
0610 Own sinking funds	1 \$	2 \$	3 \$	4 \$
3. Municipal procurement this year	Number of Contracts	Value of Contracts		
1010 Total construction contracts awarded	1 #	2 \$		
1020 Construction contracts awarded at \$100,000 or greater	5	4,000,450		
	6	4,027,035		
4. Building permit information	Number of Building Permits	Total Value of Building Permits		
1210 Residential properties	1 #	2 \$		
1220 Multi-Residential properties	29	7,021,000		
1230 All other property classes	7	6,750,330		
1299	14	10,048,000		
Subtotal	50	24,420,330		
5. Insured value of physical assets	1			
1410 Buildings	\$			
1430 Machinery and equipment	137,113,489			
1430 Vehicles	24,990,002			
1487 Other	1,090,021			
1493 Other				
1499				
Subtotal	163,193,512			
6. Total Dollar Losses due to Structural Fires	1			
1010 Losses due to structural fires, averaged over 3 yrs (2016 - 2018)	\$			
	1,709,003			

Figure 48; 2018 Workforce – excluding Protective Services and Library Source: Ontario Financial Information Returns 24

Province of Ontario - Ministry of Municipal Affairs and Housing		02/12/2020 16:23		
FIR2019: Owen Sound C		Schedule 80		
Asmt Code: 4259		STATISTICAL INFORMATION		
MAH Code: 47101		for the year ended December 31, 2019		
		Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees
		1	2	3
		#	#	#
1. Municipal workforce profile				
Employees of the Municipality				
0205	Administration	54.00	11.00	0.00
0210	Fire	3.00	0.00	3.00
0211	Uniform	31.00		
0212	Civilian	2.00		
0215	Police	0.00	0.00	0.00
0216	Uniform			
0217	Civilian			
0200	Court Security	0.00	0.00	0.00
0201	Uniform			
0202	Civilian			
0203	Prisoner Transportation	0.00	0.00	0.00
0204	Uniform			
0205	Civilian			
0220	Transit	1.00	2.00	
0225	Public Works	34.00	15.00	3.00
0227	Ambulance	0.00	0.00	0.00
0228	Uniform			
0229	Civilian			
0230	Health Services			
0235	Homes for the Aged			
0240	Other Social Services			
0245	Parks and Recreation	10.00	13.00	13.00
0250	Libraries			
0255	Planning	0.00		
0260	Other			
0290	Subtotal	140.00	31.00	6.00
0300	Proportion of Munic. Empl. covered by 'Collective Agreements' (%)	00%	0%	70%
Employees of Joint Local Boards				
0305	Administration			
0310	Fire	0.00	0.00	0.00
0311	Uniform			
0312	Civilian			
0315	Police	34.00	21.00	0.00
0316	Uniform	36.00	0.00	
0317	Civilian	15.00	10.00	
0300	Court Security	0.00	11.00	0.00
0301	Uniform			
0302	Civilian	3.00	11.00	
0303	Prisoner Transportation	0.00	0.00	0.00
0304	Uniform			
0305	Civilian			
0320	Transit			
0325	Public Works			
0327	Ambulance	0.00	0.00	0.00
0328	Uniform			
0329	Civilian			
0330	Health Services			
0335	Homes for the Aged			
0340	Other Social Services			
0345	Parks and Recreation			
0350	Libraries	19.00	24.00	1.00
0355	Planning			
0360	Other			
0390	Subtotal	78.00	56.00	1.00
0399	TOTAL	221.00	87.00	7.00
2. Selected investments of own sinking funds as at Dec. 31				
0410	Own sinking funds			
3. Municipal procurement this year				
1010	Total construction contracts awarded	6	14,059,470	
1020	Construction contracts awarded at \$100,000 or greater	7	14,003,179	
4. Building permit information				
1210	Residential properties	20	5,932,005	
1220	Multi-Residential properties	2	2,500,000	
1230	All other property classes	5	3,000,000	
1299	Subtotal	27	11,432,005	
5. Insured value of physical assets				
1410	Buildings	264,110,593		
1420	Machinery and equipment	23,002,919		
1430	Vehicles	1,090,051		
1497	Other			
1498	Other			
1499	Subtotal	288,203,563		
6. Total Dollar Losses due to Structural Fires				
1510	Losses due to structural fires, averaged over 3 yrs (2017 - 2019)	003,033		

Figure 49; 2019 Workforce – excluding Protective Services and Library Source: Ontario Financial Information Returns 24

Province of Ontario - Ministry of Municipal Affairs and Housing		20 07 2021 10:17		
FIR2020: Owen Sound C		Schedule 80		
Asmt Code: 4259		STATISTICAL INFORMATION		
MAH Code: 47101		for the year ended December 31, 2020		
		Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees
		1	2	3
		#	#	#
1. Municipal workforce profile				
Employees of the Municipality				
0205	Administration	60.00	7.00	0.00
0210	Fire	0.00	0.00	3.00
0211	Uniform	29.00		
0212	Civilian	2.00		
0215	Police	0.00	0.00	0.00
0216	Uniform			
0217	Civilian			
0260	Court Security	0.00	0.00	0.00
0261	Uniform			
0262	Civilian			
0263	Prisoner Transportation	0.00	0.00	0.00
0264	Uniform			
0265	Civilian			
0220	Transit	1.00	3.00	
0225	Public Works	37.00	17.00	3.00
0227	Ambulance	0.00	0.00	0.00
0228	Uniform			
0229	Civilian			
0230	Health Services			
0235	Homes for the Aged			
0240	Other Social Services			
0245	Parks and Recreation	10.00	11.00	10.00
0250	Libraries			
0255	Planning	0.00		
0260	Other			
0298	Subtotal	170.00	38.00	36.00
0300	Proportion of Munic. Empl. covered by 'Collective Agreements' (%)	4%	0%	57%
Employees of Joint Local Boards				
0305	Administration			
0310	Fire	0.00	0.00	0.00
0311	Uniform			
0312	Civilian			
0315	Police	34.00	10.00	0.00
0316	Uniform	36.00	4.00	
0317	Civilian	10.00	14.00	
0360	Court Security	0.00	0.00	0.00
0361	Uniform			
0362	Civilian	3.00	5.00	
0363	Prisoner Transportation	0.00	0.00	0.00
0364	Uniform			
0365	Civilian			
0320	Transit			
0325	Public Works			
0327	Ambulance	0.00	0.00	0.00
0328	Uniform			
0329	Civilian			
0330	Health Services			
0335	Homes for the Aged			
0340	Other Social Services			
0345	Parks and Recreation			
0350	Libraries	19.00	19.00	0.00
0355	Planning			
0360	Other	1.00	3.00	0.00
0398	Subtotal	71.00	40.00	0.00
0399	TOTAL	227.00	88.00	36.00
2. Selected investments of own sinking funds as at Dec. 31				
0610	Own sinking funds			
3. Municipal procurement this year				
1010	Total construction contracts awarded	5	4,916,050	
1020	Construction contracts awarded at \$100,000 or greater	6	4,766,061	
4. Building permit information				
1210	Residential properties	119	12,519,995	
1220	Multi-Residential properties	4	30,003,000	
1230	All other property classes	100	4,309,063	
1299	Subtotal	223	17,832,058	
5. Insured value of physical assets				
1410	Buildings		304,575,074	
1420	Machinery and equipment		4,146,570	
1430	Vehicles		1,090,021	
1467	Other			
1485	Other			
1499	Subtotal		310,811,665	
6. Total Dollar Losses due to Structural Fires				
1510	Losses due to structural fires, averaged over 3 yrs (2018 - 2020)		545,253	

Figure 50; 2020 Workforce – excluding Protective Services and Library Source: Ontario Financial Information Returns 24

FIR2021: Owen Sound C		Schedule 80			
As mt Code: 4259 MAH Code: 47101		STATISTICAL INFORMATION for the year ended December 31, 2021			
1. Municipal workforce profile		Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees	
Employees of the Municipality		1	2	3	
		#	#	#	
0205	Administration	93.00	15.00	6.00	
0210	Fire	9.00	0.00	0.00	
0211	Uniform	29.00			
0212	Civilian	2.00			
0215	Police	9.00	0.00	0.00	
0216	Uniform				
0217	Civilian				
0206	Court Security	0.00	0.00	0.00	
0201	Uniform				
0202	Civilian				
0203	Prisoner Transportation	0.00	0.00	0.00	
0204	Uniform				
0205	Civilian				
0220	Transit				
0225	Public Works	36.00	1.00	0.00	
0227	Ambulance	0.00	0.00	0.00	
0228	Uniform				
0229	Civilian				
0230	Health Services				
0235	Homes for the Aged				
0240	Other Social Services				
0245	Parks and Recreation	10.00			
0250	Libraries				
0255	Planning	3.00			
0260	Other				
0298	Subtotal	192.00	16.00	6.00	
0300	Proportion of Munic. Empl. covered by 'Collective Agreements' (%)				
Employees of Joint Local Boards					
0305	Administration				
0310	Fire	0.00	0.00	0.00	
0311	Uniform				
0312	Civilian				
0315	Police	36.00	36.00	0.00	
0316	Uniform	39.00	5.00		
0317	Civilian	22.00	24.00		
0306	Court Security	0.00	0.00	0.00	
0301	Uniform				
0302	Civilian				
0303	Prisoner Transportation	0.00	0.00	0.00	
0304	Uniform				
0305	Civilian				
0320	Transit				
0325	Public Works				
0327	Ambulance	0.00	0.00	0.00	
0328	Uniform				
0329	Civilian				
0330	Health Services				
0335	Homes for the Aged				
0340	Other Social Services				
0345	Parks and Recreation				
0350	Libraries	17.00	0.00	1.00	
0355	Planning				
0360	Other	1.00	2.00		
0398	Subtotal	76.00	63.00	1.00	
0399	TOTAL	242.00	79.00	7.00	
2. Selected investments of own sinking funds as at Dec. 31		Own Municipality	Other Munic. School Boards	Provincial	Federal
		1	2	3	4
		\$	\$	\$	\$
0010	Own sinking funds				
3. Municipal procurement this year		Number of Contracts	Value of Contracts		
		1	2		
		#	\$		
1010	Total construction contracts awarded	25	3,640,919		
1020	Construction contracts awarded at \$100,000 or greater	6	3,120,492		
4. Building permit information		Number of Building Permits	Total Value of Building Permits		
		1	2		
		#	\$		
1210	Residential properties	50	25,052,459		
1220	Multi-Residential properties	0	0		
1230	All other property classes	127	7,461,283		
1299	Subtotal	177	32,513,742		
5. Insured value of physical assets		1			
		\$			
1410	Buildings	270,561,021			
1420	Machinery and equipment	32,033,793			
1430	Vehicles	100,964			
1487	Other				
1489	Other				
1499	Subtotal	302,695,778			
6. Total Dollar Losses due to Structural Fires		1			
		\$			
1510	Losses due to structural fires, averaged over 3 yrs (2019 - 2021)	1,022,917			

Figure 51; 2021 Workforce – excluding Protective Services and Library Source: Ontario Financial Information Returns 24



Annex H; Consolidated Financial Statements

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THE CORPORATION OF THE TOWN OF HUNTSVILLE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

11. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2020

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	Consolidated
REVENUE									
Property taxes	\$ 5,665,101	\$ 1,289,262	\$ 5,960,247	\$ 834,013	\$ 62,811	\$ 14,387	\$ 2,719,535	\$ 483,892	\$ 17,029,248
User fees	101,113	34,610	149,395	13,820	103,375	4,302	538,573	264,283	1,209,471
Government transfers	1,917	994,494	994,684	-	-	51,187	84,935	66,551	2,193,768
Government transfers - OMPF	650,810	148,111	684,717	95,812	7,216	1,653	210,775	40,906	1,840,000
Contributions from obligatory reserve funds	-	-	819,803	-	-	-	142,090	-	961,893
Lakeland Holding Ltd - share of income	1,048,716	-	-	-	-	-	-	-	1,048,716
Penalties and interest on taxation	232,819	52,985	244,947	34,275	2,581	591	75,402	14,633	658,233
Other	406,645	1,216,042	(123,954)	18,957	80,052	1,206	(247,646)	981,986	2,333,288
TOTAL REVENUE	8,107,121	3,735,504	8,729,839	996,877	256,035	73,328	3,523,664	1,852,251	27,274,817
EXPENSES									
Salaries, wages and benefits	2,612,514	1,604,582	2,233,109	236,329	145,202	56,492	3,060,317	741,141	10,689,886
Long-term debt charges (interest)	59,856	19,607	78,734	1,519	-	-	144,429	-	304,145
Operating expenses	214,520	249,024	1,143,476	76,050	20,386	6,079	696,272	114,223	2,520,030
Contracted services	1,167,807	247,808	913,104	120,070	15,852	-	777,617	836,502	4,078,760
Rents and financial expenses	53,911	22	6,109	-	-	-	18,926	5,617	84,585
Internal allocations	(324,178)	278,728	(573,030)	566,883	-	-	45,613	-	-
Amortization	315,210	293,140	4,937,427	496,301	21,610	5,984	1,364,567	2,257	7,430,512
TOTAL EXPENSES	4,099,640	2,692,911	8,738,929	1,497,352	203,050	68,555	6,107,741	1,699,740	25,107,918
ANNUAL SURPLUS (DEFICIT)	\$ 4,007,481	\$ 1,042,593	\$ (9,090)	\$ (500,475)	\$ 52,985	\$ 4,771	\$ (2,584,077)	\$ 152,511	\$ 2,166,899

Figure 52; 2021 Huntsville Consolidated Statements

Source: Town of Huntsville 2021 Financial Statements⁶

City of Thorold Consolidated Schedule of Segment Disclosure

For the Year Ended December 31, 2021

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	2021
Revenues									
Taxation	\$ 3,529,908	\$ 4,974,787	\$ 5,401,812	\$ 1,437,744	\$ 1,061,127	\$ 239,206	\$ 3,514,156	\$ 967,369	\$ 21,126,109
User charges	158,407	1,702,044	554,731	10,546,370	134,858	4,400	4,089,328	230,548	17,420,686
Government transfers	149,546	589,149	1,665,085	20,994	87,717	46,078	742,508	8,032	3,309,109
Other	1,307,608	137,988	1,971,500	3,348,862	22,556	5,707	357,913	-	7,152,134
Gain (loss) on disposal of tangible capital assets	157,555	-	(132,241)	-	-	-	30,550	-	55,864
	<u>5,303,024</u>	<u>7,403,968</u>	<u>9,460,887</u>	<u>15,353,970</u>	<u>1,306,258</u>	<u>295,391</u>	<u>8,734,455</u>	<u>1,205,949</u>	<u>49,063,902</u>
Expenses									
Wages and benefits	1,078,308	5,231,923	2,303,253	1,382,659	638,526	52,806	1,961,059	691,288	13,339,822
Operating materials and supplies	295,910	584,989	911,709	286,292	192,069	34,352	917,970	64,953	3,268,244
Contracted services	101,848	557,346	1,507,240	8,152,941	59,294	5,740	259,334	89,595	10,733,338
Rents and financial expenses	36,229	64,730	95,528	134,736	13,122	910	39,459	11,478	396,192
External transfers to others	-	-	208,549	-	298,000	-	54,154	222,603	783,306
Amortization	335,196	383,752	1,979,417	1,347,894	127,624	130,669	696,788	5,235	5,006,575
Debt service	30,973	-	-	-	-	-	-	-	30,973
	<u>1,878,484</u>	<u>6,802,740</u>	<u>7,005,696</u>	<u>11,304,522</u>	<u>1,328,635</u>	<u>224,477</u>	<u>3,928,764</u>	<u>1,085,152</u>	<u>33,558,450</u>
Annual surplus (deficit)	\$ 3,424,560	\$ 601,228	\$ 2,455,191	\$ 4,049,448	\$ (22,377)	\$ 70,914	\$ 4,805,691	\$ 120,797	\$ 15,505,452

Figure 53; 2021 Thorold Consolidated Statements Source: City of Thorold 2021 Financial Statements ¹⁰

The Corporation of the Municipality of Strathroy-Caradoc
Notes to Consolidated Financial Statements

December 31, 2021									
19. Segmented Information (continued)									
For the year ended December 31	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social Housing	Recreation and Cultural Services	Planning and Development	2021 Total
Revenue									
Taxation	\$ 3,552,793	\$ 7,876,295	\$ 4,924,831	\$ 53,531	\$ 162,038	\$ -	\$ 2,880,064	\$ 578,321	\$ 20,027,873
User fees and service charges	427,424	649,314	50,711	11,621,148	108,316	-	1,369,573	130,697	14,357,183
Government transfers	636,542	913,406	452,988	4,447,299	-	-	90,144	232,848	6,773,227
Investment income	352,300	-	-	-	17,727	-	-	-	370,027
Penalty and interest on taxes	223,659	-	-	-	-	-	-	-	223,659
Other	327,203	-	572,545	1,256,978	-	163,317	1,272,765	32,437	3,625,245
	5,519,921	9,439,015	6,001,075	17,378,956	288,081	163,317	5,612,546	974,303	45,377,214
Expenses									
Wages and benefits	2,067,383	7,720,152	1,480,685	1,414,373	175,229	-	1,765,986	341,590	14,965,398
Materials, goods and services	1,235,453	1,446,750	1,959,189	3,551,397	51,330	401,927	1,573,050	453,596	10,672,692
	3,302,836	9,166,902	3,439,874	4,965,770	226,559	401,927	3,339,036	795,186	25,638,090
Gain on disposal of capital assets	-	-	-	-	-	-	(21,370)	-	(21,370)
	3,302,836	9,166,902	3,439,874	4,965,770	226,559	401,927	3,317,666	795,186	25,616,720
Annual surplus (deficit) before Amortization	2,217,085	272,113	2,561,201	12,413,186	61,522	(238,610)	2,294,880	179,117	19,760,494
Amortization	250,520	478,523	1,215,440	2,311,667	22,043	-	913,941	-	5,192,134
Annual surplus (deficit)	\$ 1,966,565	\$ (206,410)	\$ 1,345,761	\$ 10,101,519	\$ 39,479	\$ (238,610)	\$ 1,380,939	\$ 179,117	\$ 14,568,360

Figure 54; 2021 Strathroy-Caradoc Consolidated Statements *Source: Strathroy-Caradoc 2021 Financial Statements*³

THE CORPORATION OF THE TOWN OF COBOURG

Consolidated Schedule of Segment Information, continued

Year ended December 31, 2021

	General Government Administration	Protection Services	Transportation Services	Environmental Services	Industrial Property	Water Services	Health and Social Services	Planning and Development	Parks Recreation and Culture	Total
Revenue:										
Taxation:										
Tax revenue distributed	\$ 3,446,020	\$ 9,295,269	\$ 4,521,555	\$ 524,319	\$ -	\$ -	\$ 101,734	\$ 808,435	\$ 6,501,808	\$ 25,195,140
PL revenue distributed	9,368	16,603	47,162	58,794	-	-	-	955	47,786	180,688
User fees and service charges	207,478	5,463,105	520,589	6,247,741	-	5,608,233	-	249,547	2,128,497	20,425,190
Development charges	-	-	26,123	-	-	-	-	-	538,500	564,623
Grants:										
Government of Canada	100,000	-	1,636,699	11,022	-	-	-	2,886	118,989	1,869,596
Province of Ontario	92,347	841,282	331,356	-	-	-	-	61,168	129,393	1,455,546
Other municipalities	-	581,527	-	-	-	-	-	-	348,540	930,067
Other:										
Rental income	158	-	-	28,873	4,352,468	-	-	43,080	595	4,425,174
Penalty and interest	19,840	35,170	99,901	124,539	-	-	-	2,024	101,222	382,696
Other income	126,715	685,660	158,722	-	-	210,537	-	14,071	27,787	1,223,692
Donations	-	-	-	-	-	-	-	-	30,757	30,757
Interest income - Town of Cobourg Holdings Inc.	260,400	-	-	-	-	-	-	-	-	260,400
Interest and dividend income	70,739	-	-	-	-	8,321	-	-	4,160	83,220
Gain (loss) on sale of assets	-	(5,312)	(1,922)	-	-	16,500	-	-	-	9,266
Net equity increase in investment in Town of Cobourg Holdings Inc.	365,219	-	-	-	-	-	-	-	-	365,219
	4,698,284	16,913,504	7,340,185	6,995,288	4,352,468	5,843,591	101,734	1,182,166	9,978,034	57,405,254
Expenses:										
Salaries, wages and employee benefits	2,717,202	12,825,323	2,132,370	1,746,271	-	-	-	698,411	4,193,539	24,313,116
Long-term debt charges (interest)	-	-	42,758	11,066	-	21,648	-	-	105,194	180,666
Materials	343,687	1,975,739	877,184	1,449,298	-	-	-	272,762	2,348,900	7,267,570
Contracted services	1,043,998	1,014,553	1,809,012	676,593	1,519,398	3,020,651	-	147,278	664,182	9,995,665
Rents and financial expenses	115,786	8,441	74,052	114,162	-	-	-	15,000	21,153	346,594
External transfers	320,446	568,013	1,613,471	2,011,395	721,855	1,337,734	101,734	32,885	208,461	553,044
Amortization	4,541,119	16,634,918	6,548,947	6,008,785	2,241,253	4,380,033	101,734	1,166,136	1,634,803	8,240,402
	157,165	276,586	791,338	986,503	2,111,215	1,463,558	-	16,030	801,802	6,606,197
Annual surplus	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

Figure 55; 2021 Cobourg Consolidated Statements Source: Town of Cobourg 2021 Financial Statements 11

THE CORPORATION OF THE TOWN OF KINGSVILLE
Consolidated Schedule of Segmented Information
 For the Year Ended December 31, 2021

Schedule 5

	General Government	Protection to Persons & Property	Transportation	Environmental	Health Services	Recreation & Culture	Planning & Development	Total
Revenues								
Property taxes	\$ 2,835,279	\$ 5,437,686	\$ 6,449,556	\$ 1,444,979	\$ 44,848	\$ 2,935,925	\$ 502,634	\$ 19,650,907
User charges	88,453	82,945	242,098	10,740,510	81,176	469,844	152,545	11,857,571
Government transfers	788,000	21,960	-	48,139	-	67,000	25,000	950,099
Local improvement charges	-	-	-	298,956	-	-	-	298,956
Licences, permits, rents	15,949	1,320,448	16,490	-	1,321	104,312	-	1,458,520
Fines and penalties	267,376	35,856	-	25,012	-	-	-	328,244
Donations	-	20	-	-	-	62,308	717	63,045
Investment income	163,253	-	-	80,651	8,079	-	-	251,983
	4,158,310	6,898,915	6,708,144	12,638,247	135,424	3,639,389	680,868	34,859,325
Expenses								
Wages and benefits	2,658,328	2,069,864	1,081,310	1,026,990	54,237	1,394,048	456,108	8,740,885
Interest on long-term debt	18,370	-	160,944	452,075	-	40,777	-	672,166
Materials	916,324	429,122	1,780,441	1,158,012	30,011	860,828	107,438	5,282,176
Contracted services	377,745	3,512,125	17,308	4,326,397	51,800	98,581	41,086	8,425,042
Rents & financial expenses	89,675	12,648	9,865	-	-	13,349	602	126,139
Amortization	191,585	229,909	3,787,201	2,761,707	5,870	619,979	106	7,586,357
	4,252,027	6,253,668	6,837,069	9,725,181	141,918	3,027,562	605,340	30,842,765
Other								
Development charges applied	-	-	3,165,237	2,814,749	-	146,571	-	6,126,557
Government transfers received for capita	217,008	9,900	1,963,023	84,800	-	115,365	-	2,390,096
Change in employee benefits	(74,633)	-	-	-	-	-	-	(74,633)
Contributed tangible capital assets	-	-	533,463	812,689	-	-	-	1,346,152
Loss on investment in UWSS	-	3,575	(1,237)	(871,875)	-	-	-	(871,875)
Gain/(Loss) on sale of assets	-	13,475	5,660,486	2,820,549	-	237,426	-	8,874,311
	142,375	13,475	5,660,486	2,820,549	-	237,426	-	8,874,311
Annual Surplus (Deficit)	\$ 48,658	\$ 658,722	\$ 5,531,561	\$ 5,733,615	\$ (6,494)	\$ 849,253	\$ 75,556	\$ 12,890,871

Figure 56; 2021 Kingsville Consolidated Statements *Source: Town of Kingsville 2021 Financial Statements* ⁸

The Corporation of the Town of Tillsonburg

Notes to Consolidated Financial Statements

Year ended December 31, 2021

19. SEGMENTED INFORMATION (continued)

	General Government	Protection Services	Transportation Services	Recreation and Cultural Services	Other Services	Consolidated 2021
Revenue						
Government transfers	\$ 1,416,025	\$ 138,641	\$ 2,027,725	\$ 506,977	\$ 372,059	\$ 4,461,427
User charges	624,495	2,440,737	694,408	730,883	468,730	4,959,253
Other revenue [1]	923,213	1,000	26,435	5,536	2,678,322	3,634,506
	2,963,733	2,580,378	2,748,568	1,243,396	3,519,111	13,055,186
Expenses						
Salaries, wages and benefits	2,656,263	1,988,360	1,903,151	2,809,982	453,222	9,810,978
Materials	240,676	1,008,062	1,047,204	1,157,072	723,565	4,176,579
Contracted services	731,723	3,747,787	924,205	495,820	245,290	6,144,825
External transfers	42,300	-	-	-	-	42,300
Inter-functional adjustments	(1,279,692)	414,354	285,352	360,096	219,890	-
Financial expenses	220,938	15,000	11,966	-	-	247,904
Interest on long term liabilities	96,488	7,283	187,292	173,830	29,188	494,081
Amortization	754,626	129,234	1,644,399	676,874	96,480	3,301,613
	3,463,322	7,310,080	6,003,569	5,673,674	1,767,635	24,218,280
Deficiency of revenue over expenses for the year financed by net municipal levy	\$ (499,589)	\$ (4,729,702)	\$ (3,255,001)	\$ (4,430,278)	\$ 1,751,476	\$ (11,163,094)
Taxation revenue						17,325,959
Annual surplus						\$ 6,162,865

Figure 57; 2021 Tillsonburg Consolidated Statements Source: Town of Tillsonburg 2021 Financial Statements ¹⁵

The Corporation of the City of Owen Sound
Notes to Financial Statements

	Administration Services	Operation Services	Community Services	Parks and Cemeteries	Economic Development	Protection Services	Cultural Services	2021 Total
For the year ended December 31								
Revenue								
Taxation	\$ 7,291,599	\$ 5,389,442	\$ 1,268,104	\$ 1,902,156	\$ 951,078	\$ 13,632,119	\$ 1,268,104	\$ 31,702,602
Fees and user charges	145,050	13,200,723	753,188	160,710	-	439,999	84,856	14,784,526
Specific grants	342,009	6,271,030	396,261	-	33,086	2,406,147	1,816,808	11,265,341
OMPF grant	436,448	322,592	75,904	113,856	56,928	815,968	75,904	1,897,600
Other revenue	(508,916)	1,958,964	779,306	229,139	2,251	523,918	106,156	3,090,818
	7,706,190	27,142,751	3,272,763	2,405,861	1,043,343	17,818,151	3,351,828	62,740,887
Expenses								
Salaries and benefits	2,221,002	5,867,754	1,353,306	1,382,463	635,952	14,666,617	1,564,802	27,691,896
Interest on debt	162,474	660,572	21,357	16,132	-	155,144	-	1,015,679
Materials and supplies	2,296,046	7,355,639	916,575	1,128,923	222,171	1,140,047	598,700	13,658,101
Contracted services	763,294	1,684,643	230,172	(310,690)	89,311	465,056	27,266	2,949,052
Other transfers	64,850	-	-	-	138,348	268,205	1,047,076	1,518,479
Rents and financial expenses	29,577	134,677	1,443	3,152	6,849	14,101	2,871	192,670
Amortization	450,487	5,033,511	1,241,689	556,077	4,596	635,712	344,378	8,266,450
	5,987,730	20,736,796	3,764,542	2,776,057	1,097,227	17,344,882	3,585,093	55,292,327
Annual surplus (deficit)	\$ 1,718,460	\$ 6,405,955	\$ (491,779)	\$ (370,196)	\$ (53,884)	\$ 473,269	\$ (233,265)	\$ 7,448,560

Figure 58; 2021 Owen Sound Consolidated Statements *Source: City of Owen Sound 2021 Financial Statements* ¹³