

	THE CORPORATION OF THE TOWN OF GRAVENHURST	
	To:	Committee of the Whole
	From:	Ross Jeffery, Director of Financial Services / Treasurer
	Date:	August 13, 2024
	Subject:	2024 Mid-Year Financial Update Report No. FIN 2024-12

RECOMMENDATIONS

The Director of Financial Services / Treasurer recommends:

THAT Report No. FIN 2024-12 re: 2024 Mid-Year Financial Update be received for information.

PURPOSE

The purpose of the 2024 Mid-Year Financial Update Report is to provide Committee with an update on mid-year financial performance versus budget, as well as a status update on some of the planned initiatives that were articulated in the budget.

BACKGROUND

The 2024 Mid-Year Financial update is part of Administration’s quarterly reporting schedule on performance. This is an important component in the accountability cycle to both Council and the community. It provides an opportunity to keep Council and the community informed on the use of resources approved in the 2024 budget.

ANALYSIS

Operating Financial Analysis

As illustrated in the table below, the net operating budget is at 50% utilization at the mid-year mark, compared with 48% in 2023, and 45% in 2022.

Corporate Administration, at 53%, is the highest utilized and has reserve transfers to come in that are typically done at year end and would bring this number down.

Community Contributions, at 22%, is the lowest utilized and has reserve transfers to and from that are typically done at year end that would increase this number overall. Grants to community groups will be made when agreement terms are met.

The remainder of the departments, Council, Community Partnerships, Office of the CAO, Legislative Services, Financial Services, Fire and Emergency Services, Development Services, Recreation and Culture and Infrastructure are between 40% and 50% utilized

halfway through the year. More discussion on the activities of all departments follow later in this Report.

TOWN OF GRAVENHURST
2024 Mid-Year Financial Summary
June 30, 2024

<u>Department</u>	<u>Jan - Jun Net Spend</u>	<u>2024 Net Budget</u>	<u>% Utilized</u>
Council	156,698	320,350	49%
Community Partnerships	738,835	1,388,900	49%
Community Contributions	19,750	89,200	22%
Office of the CAO	419,342	841,150	50%
Legislative Services	193,623	481,150	40%
Financial Services	324,483	705,000	46%
Fire & Emergency Services	579,005	1,161,586	50%
Recreation & Culture	405,320	981,390	41%
Development Services	635,196	1,265,349	50%
Infrastructure Services	2,729,708	5,472,079	49%
Corporate Administration	3,536,506	6,640,849	53%
NET OPERATING BUDGET	9,738,466	19,347,003	50%

Office of the CAO & Human Resources

- Work on the implementation, monitoring and reporting of the Town’s recently approved Strategic Plan
- Continued monitoring and dialogue with Infrastructure Ontario for the proper disposition and development of the Muskoka Regional Centre and Ontario Fire College lands
- Organizational assessment and restructuring as opportunities arise, and initiation of the Town’s Service Delivery Review
- Continued support for work with the YMCA in the negotiation for a new management agreement
- Work with the Cottage Country Family Health Team on their intentions to expand health services in the area/building
- Work with the Health Human Resources Task Force as it relates to doctor recruitment efforts
- Support in the development of most corporate initiatives, including climate adaptation and mitigation, housing, and departmental business planning
- Successfully bargained and educated on 2 new collective agreements with both the OPSEU Local 325 Outside Workers and Office, Clerical and Technical
- Commenced recruitment process for a new Director of Finance/Treasurer

- From January 1, 2024 to June 30, 2024, the Town had 46 vacancies including summer/seasonal positions. Recruitment continues to be a challenge for all positions but especially challenging for positions such as Building Inspectors, Municipal Operators and Mechanics – where there is a known shortage of qualified candidates and competition with other sectors and inflating wages makes it hard to compete
- Recruitment of 28 summer/seasonal student through our annual recruitment campaign – including a dedicated student website, social media campaign, and the addition of student success stories, which highlight permanent staff who started their employment journey with the Town as summer students
- Planned and held Lean Green Belt Fair and employee information sessions with OMERS and MROO scheduled for the fall 2024
- Organized and held Staff appreciation BBQ and participated in the Gravenhurst High School job fair
- Invited the Gravenhurst High School Co-operative Education Co-Ordinator to present to our management team on the importance of co-op education and providing opportunities at the Town of Gravenhurst
- Continued to publish a bi-annual staff newsletter with the support of Communications that includes information about benefits, important dates, upcoming events, staff news etc
- 2024 Corporate Education as of June 30, 2024, has included Naloxone training, First Aide, WHMIS, Manual Material Handling/Safe Lifting Training, Chainsaw training, Traffic Control, Overcoming Burnout, Mastering Productivity in the Digital Age, various Blackstone Learning webinars including Time Management and Managing Tasks Effectively, Microsoft Outlook training, Effective Listening and Interpersonal Communications Skills, Microsoft Excel Level 1, and SharePoint
- Continue to promote health, safety, and wellness with our newsletters – the Comfort Zone and Managing Safely, our Wellness Whispers and through our biannual Staff Newsletter, and onboarded four new Health and Safety Committee members
- Working on a compensation market review for management and non-union staff
- Completed procurement process and selection of a Human Resources Information System in partnership with the District of Muskoka and the Town of Bracebridge

Financial Services

- Pursuit of an e-billing solution has been temporarily paused as finance staff, along with their counterparts across the District, have recognized the need to replace the current municipal finance software system. The expectation is that an e-billing solution will be part of any new system moving forward
- Assessment of new financial software systems with area municipalities
- Updated the Reserve and Reserve fund policy to include three new reserves
- 15 RFP/RFT processes have been facilitated for a variety of fleet purchases and consulting services

- Completed the Towns RFP for Insurance Services determining our current provider was providing the best, most cost-effective service with an overall reduction in premiums in the first year
- Completed Real Estate Services RFP to develop a list of vendors of record to service the Town's real estate service requirements
- Amended the Town's Sale or Disposition of Land Policy with the updated Sale or Disposition of Real Property Policy
- Completed the Annual audit along with the preparation of the Financial Statements meeting the new Public Sector Asset Retirement Obligation (ARO) standards and the new Public Sector Financial Instruments standard to recognize unrealized portfolio gains
- The Development Charge study is underway, the consultants, accompanied by the finance team, have met with all senior leaders individually to assess planned projects over the next 10 years.
- A new agreement with the Association of Municipalities Ontario (AMO) for the Canada Community-Building benefit (formerly Gas Tax) was approved by Council for a ten-year term
- Increased the number of property tax accounts on the Town's monthly preauthorized payment plan by 45 accounts or 2%

Fire and Emergency Services

- Responded to 152 calls for assistance.
- Undertook over 3,350 hours during the first half of the year
- Participated in several NFPA certification programs to continue compliance efforts with mandatory certification
- Fire Prevention conducted 78 fire safety inspections
- Held or attended 23 community events to educate our community on fire safety
- A new Sparky the Fire Dog suit was purchased and placed into service
- 13 new recruits were added to the roster, 5 have already assumed their duties, 8 are still in training – 6 of the recruits will be responding out of Stations 2 and 3
- FES began a new successful partnership, for the first time in over 35 years with a new dispatching service
- Several firefighter retention initiatives were undertaken, including staff photos, improved attendance awarding and our annual family picnic
- Continued to initiate various modules of First Due software, including Community Connect which launched in late June
- A tabletop emergency exercise was completed with a consultant to complement the Town's emergency response program

Legislative Services

- Hosted comprehensive corporate SharePoint training (101, 102 levels)
- Procured and installed new shelving units in Central Files officially closing the final off-site records storage location
- Initiated the modernization of the cemetery records management program
- Updated the Refreshment Vehicle Licensing By-law and implemented online payment
- Went live with the new AV Council Chambers system providing a significantly enhanced production of Council and SubCommittee meetings
- Developed Hybrid Council meetings policies and associated procedures for electronic participation
- Reviewed Communities in Bloom and the Sustainability Advisory Committee, implemented a Terms of Reference for the new Gravenhurst Trails Committee
- Finalized the Corporate Communications Strategic Plan and began initiation of recommendations including diverse advertising methods and public engagement weekly at the Gravenhurst Farmers' Market
- Expansion of the "Stay in Touch" campaign to continue to advise to the public methods of communication and participation with the municipality in response to the loss of the printed weekly Town Page
- Mid-Year Data (end of June 2024):

FOIs	13
STRs	107
Refreshment Vehicles	12
Marriage Licenses	30
Civil Ceremonies	23
Engage Gravenhurst Projects	5

Infrastructure Services

- A warmer winter season, combined with ongoing rainfalls of significance, has impacted the integrity of several rural road sections over the past five months. Attention to restoring washouts, and rebuilding road platforms has been much of the focus for the Public Works crews. Costs associated with restoring road corridors is being partially offset via a number of staff vacancies and a lighter winter control period observed earlier in the year.
- "Hard Top" patching activities commenced earlier than planned this year as a result of unseasonal temperatures throughout the winter season
- "Loose Top Maintenance" activities such as mechanical grading needs continue to increase year over year due to climate events/trends
- Planned activities - Urban/Rural Street Sweeping - Completed May, Dust Suppressant – Completed June, Traffic Line Painting – Completed July

- To date approximately 4 km of road corridor have been brushed. Pending the extent of unplanned operational pressures, other areas where brushing is being planned are along Town roads in the vicinity of District Road 6 and Barkway
- Mobi Mats for installation at Franklin Park, Muskoka Bay Park, and Muskoka Beach Park have been ordered
- Urban beaches have been topped up with sand
- Franklin Park beach work, sand top-up, resetting of parking curbs, bollard installation, and new drainage swale to be completed by end of July
- Filling of the Manager of Operations position was successful following a competitive process. Our new manager of Operations, Lyell Bergstrom, started with the Town on July 3
- Administration continues to work with the Muskoka Steamships regarding the pending municipal assumption of the expanded Discovery Centre
- Despite the design of a proposed 10-lot subdivision off of Industrial Drive being well advanced, the project has taken a pause as further consultation is necessary with the District of Muskoka regarding servicing options
- Gull Lake Rotary Tiered Seating has been constructed and is approaching substantial completion. This will trigger the warranty period which expires Q2 2025.
- Work alongside Economic Development and Financial Services is ongoing regarding the former “Highway 11 Tourism Facility”
- Regular consultation and input regarding the District led “Bay and Beyond” is occurring on a weekly basis

Development Services

Planning Services

- Planning Application activity is on track to meet projected levels by end of the year. The Province re-instated the use of Site Plan Control for shoreline development, which has resulted in similar application activity to previous years
- Work has begun on the Request for Proposals (RFP) for reviewing Planning Application Fees. It is anticipated that work on this project will be completed over Q3 of this year

Building and By-law

- Building Permit revenues are slightly lower than last year at this time but are anticipated to be on track by years end. Significant new developments include a new hotel on Talisman Drive, the apartment building complex and street level duplexes on First Street North and the LIV Communities residential development off Wellington Street.
- Septic re-inspection program has continued

- Completed reviews and updates of several key municipal by-laws, as directed by Council, including the Fouling of Municipal Roads, Building Services and Dock and Landings

Economic Development

- Successfully organized and hosted the 2024 Ontario Heritage Conference in June, which welcomed 200 delegates from across the province to Gravenhurst for three days.
- Implemented 'We Dig Gravenhurst' promotional campaign to support businesses impacted by the 'Bay and Beyond' infrastructure construction project. This includes spin to win contests, giveaways for kids, Dig Dollars targeted at spending at Wharf businesses, weekly events posting of activations and programs happening at the Wharf.
- At the midway point towards the completion of a comprehensive Economic Development Strategy and Retail Gap Analysis for the community
- Initiated expansion of the Community Improvement Plan (CIP) Boundary to include more locations and types of eligible business improvements to increase local investment opportunities

Recreation, Arts and Culture

Centennial Centre

- Winter ice season ended April 2nd and summer ice has now been installed. Every available prime-time hour of ice was used, as well, there was an increase in non-prime time weekday hours. Two new ice uses were incorporated into the schedule and they were a Family Skating slot started by a group of Home School Parents and their children and a Drop-In Shiny co-ed adult program
- Regular Season Ice (Sept-Mar) is allocated. We are seeing higher demand each year, and this year is the highest with 123 hours requested for prime-time and only 53 hours available to allocate
- The pilot youth space has been a great success as a partner space with the Town and the YMCA. Youth are coming to the space willingly and openly with supervision. Staff in the space engage the youth in various activities including board games, ping pong, resume writing, homework help etc. In the fall, Administration is partnering with various services providers to supplement the space with talks and presentations. The Mind-Aid Hub is also a partner in the fall bringing their mobile hub to the site throughout the year
- The YMCA agreement expires at the end of this year and Administration is working with the YMCA for a renewed agreement

Recreation Programming

- Work on the Park, Recreation and Trails Master Plan is ongoing and we have undertaken several recommendations to date including involvement with

ParticipACTION, increasing a variety of low cost and free programs, and updated ice allocation policy etc

- Little Kickers Soccer continues their program and has been running in municipal spaces for a year now
- Lacrosse ran this spring for the first time with great success. The programs were both full to capacity and several volunteers came forward to help run the program. We will look to continue this program into the future
- Summer programming in the parks will include Family Backyard Games and Discovery Sport taking place on a weekly basis
- Swimming lessons are underway and continue to be well attended with many filling up with a wait list. This year is seeing a continued high number of swim advisories, making the accommodation for swimming lessons challenging

Events

- A couple annual events have taken a pause for this year or relocated to Bracebridge due to the Bay and Beyond project, and inability to find another suitable space in our community to host their event, while others have moved to Gull Lake Rotary Park
- Third Party events are continuing to see very high numbers of attendance. Although economically great for the Town, the high attendance does put some strain on facilities and resources. Administration will be working with events for future mitigation efforts including additional washroom facilities at their event
- Corporate events are also seeing success in participation. The Town Charity Funspiel, Mayor's Tea and Canada Day were all well attended and received positive feedback. The Civic Holiday Fireworks and Make a Splash each occurred during the writing of this Report

Opera House/Barge

- The Council approved Opera House Strategic Business Plan has provided operational and programming guidance to administration. This is working to decrease expense and increase revenues for the space. In following the direction of the Plan, a Theatre Programming & Community Events Supervisor was hired to undertake the Music on the Barge Concert Series, to assist third party event organizers and to work with management and the Gravenhurst Opera House on day-to-day operations
- Changes to programming have proven successful with many of the shows sold out, or near sold out. Feedback from the talent that performs here is extremely positive as it relates to the facility and staff.
- The existing ticketing software company Theatre Manager has been sold to another company, and staff are in the process of finding an alternative solution. The new software options have more modern functionality that will allow the Town to tactfully do

more fundraising/sponsorships, while gathering more customer analytics to help with programming and marketing

- Live Theatre is underway with The Long Weekend and Every Brilliant Thing rounding out the summer. The Town has partnered with the Orillia Opera House to bring these shows to Gravenhurst. This approach is a pilot for this season to see if purchasing live theatre shows is more effective than producing them. Early indications would suggest that this is the case
- Partnerships with community members (e.g. Robin Clipsham, Autumn Smith and Just 4 Kicks) continue with successful programming including the March Break Improv Camp, youth and adult improv programming launching in September and the Nutcracker. Work is underway with the Winter Carnival working group to offer family programming in February, a professional magic and comedy show to try and attract more kids and families into the theatre
- The community users continue to be engaged and pleased with the use of the Opera House (Probus, Rotary, BIA, Fine Films, Peter's Players, Local Lake Associations, GHS, Muskoka Pride)
- Initial plans are underway for school activations (Strategic Business Plan recommendation) with a different approach of bringing the arts to the schools
- Music on the Barge season has been very well attended with more revenue in collection for the first show "pass the hat" in comparison to last season. New this year is the Battle for the Barge "Winner Nights" providing 5 additional shows this season. These bands were chosen by the community through a voting process on Engage Gravenhurst. Positive feedback and comments continue to come in about the line-up. The new seating area is a great addition to the program as well

Gravenhurst Public Library Board

- The Gravenhurst Public Library Board has approved new mission and vision statements and will be endorsing a new multi-year strategic plan in the early fall
- Completed the migration of the Library's Horizon software from the District of Muskoka IT server to the SaaS server with SirsiDynix in Montreal
- Grew our physical and digital collections to include lendable launchpads, the "Learn to Read" Literacy collection and levelled reading service, the CANTOOK French Language collection and the 2024 Hot Summer Reads
- Purchased a new mobile lab for technology training and plans for use include summer reading program activities
- Provided weekly Preschool Storytime, Baby Bop, and Kids' Club after-school programming, as well as themed monthly programming geared to tweens and teens with 2,425 youngsters attending 86 programs in April, May, and June
- Delivered summer children's programming including Lego Club, Music for Minis, Super Science Labs, Summer Trade School, Kids' Author Hour, Summer Kids' Club, Tech Tales, Pathway to Kindergarten, Fairy Garden Fun as well as the Dragon Tales Writing

Contest and Summer Reading Road Trip to support kids who want to improve their reading and writing skills in July and August

- Offered kids' activities for Town and community events
- Continued to offer monthly Cricut Creations, Adult Craft Club, Game Nights for Adults, Books and Brews Book Club, as well as weekly one-on-one device training sessions and monthly Tech Time workshops
- Introduced a new puppy cuddling therapy program for adults with complex health care needs and their caregivers
- Expanded outreach to include two local Community Homes for Opportunity or CHO Homes, Muskoka Rd. North, and the Doe Lake Residence
- Hosted special presentations and events including talks by local experts and authors, Family Literacy Day, Tall Pines Tales, Rainbow Magic Story Time, and the Marvelous Magician Magic Show

Capital Program

There are 62 active projects at mid-year, 17 have been completed or substantially completed. We continue to tender projects throughout the year expecting some work to take place in 2025.

Completed projects include:

- Gravel road improvements
- Winewood Road sidewalk
- Bridge needs study
- Urban Tree Assessment
- Schedule B Class EA assessments of Oriole Cres and Redwing Dr
- Master Fire Plan and Comprehensive Risk Assessment
- Purchased a one-ton pickup
- Purchased tablets for use with the maintenance manager software
- Gull Lake accessible pathway, hydro relocation and tiered seating
- 2023 Group roads project that included Reay Rd, Jim Wood Lane, Laycox Rd, Silver Lake Rd, Industrial Dr and Progress Dr.
- 2024 Group roads projects that included Tower Cres, Kilworthy Rd and Narrows Rd completed ahead of schedule

Active projects include:

- Wharf boardwalk replacement
- Picnic table replacements
- Mobi mats at select beaches throughout the municipality
- Major drainage improvements on Oriole Cres, Redwing Dr and Musquash Rd
- Boat launch improvements on Hewitt St

- Continuing work on North Morrison Landing
- Fleet purchases for tractors, pickups, plow trucks and snow removal equipment
- Solar radar speed signs and outdoor AED's
- Sidewalks on Pineridge Gate and First St

A notable issue with the Abbey Lane major drainage outlet after preliminary inspection is poor geotechnical conditions that will require a budget top in 2025 at an estimate of upwards of \$1 million. Preliminary design and MECP approvals have been advanced and the scope of the project has expanded. More information will be presented to Council on that during budget deliberations.

CONSULTATION

The following individuals / community groups were consulted:

- Senior Leadership Team
- Chief Executive Officer, Gravenhurst Public Library
- Manager of Revenue / Deputy Treasurer
- Manager of Operations
- Manager of Facilities

CORPORATE FINANCIAL IMPACT

While unforeseen circumstances are still possible, it is anticipated that Town Operations will end the year with a 0% to 2% operating surplus.

COMMUNICATIONS

This Report will be posted on the Town website.

FUTURE CONSULTATIONS

The Third Quarter Report will be brought forward in October 2024. Comparative year-to-date and multi-year data will be provided in the 2025 budget documents expected to be released in November 2024. The 2024 Year-End Report for both Operating and Capital will be provided in April 2025 once all 2024 financial activity is accounted for, and consolidated.

CONCLUSIONS

Administration concludes that the 2024 Mid-Year Financial Update Report demonstrates sound financial accountability and good progress on Council approved initiatives. We project the Town will end the year with a 0% to 2% operating surplus.

CLIMATE CHANGE IMPLICATIONS

This Report does not contribute to meeting the intentions of the Climate Change Declaration, though many of the projects funded by the operating and capital budget would result in a positive (but unquantified at this time) step towards climate adaptation and mitigation. This is always top of mind in activities such as procurement

RELATION TO STRATEGIC PLAN

This Report advances and supports the following elements of the Town of Gravenhurst Strategic Plan by:

Pillar 3: Effective Municipal Services

Goal 10: Ensure continued prudent financial and asset management planning

Administration's quarterly reporting schedule on performance is an important component in the accountability cycle to both Council and the community. It provides an opportunity to keep Council and the community informed on the use of resources approved in the annual budget.

RELATION TO OTHER MUNICIPAL REPORTS, PLANS OR APPLICABLE LEGISLATION

This Report related to other municipal reports, plans or applicable legislation including:

1. 2024 Operating Budget
2. 2024 Capital Budget and Multi Year Plan

ATTACHMENTS - nil

RESPECTFULLY SUBMITTED BY:

Author: Theresa Trott, Manager of Accounting / Deputy Treasurer

Approved by: Ross Jeffery, Director of Financial Services / Treasurer

Approved by: Scott Lucas, Chief Administrative Officer