

# 2021 Tay Township Annual Report



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# A Message from Mayor Ted Walker

On behalf of Tay Township, it is my pleasure to introduce this Annual Report, reflecting back on some of the many accomplishments of 2020 and highlighting some of our plans and goals for 2021, all under the lens of our current COVID-19 crisis. I can't help but reflect back to the start of the pandemic, the unknown reality of what was to come, and the critical steps taken to keep our community and staff as safe as possible. Through all the darkness and distancing came the comradery of our community coming together to help one another here at home, as well as beyond the boundaries of our great community. I see so clearly now the many reasons why we have been able to weather the storm of this pandemic as strongly as we have. It has been the strength, persistence and compassion of our families, friends, neighbours, and others in our community that has carried us all through this challenging time.

This Annual Report is an opportunity to look back at the Township's accomplishments over the past year, reflect upon our challenges, and share with our community some of the projects for the coming year that are important in implementing Council's vision for our community. This report also represents the importance of laying strong foundations for the future, from budgetary to improved infrastructure, diversified services, and long-term planning, all helping to ensure that our future generations can enjoy the great quality of life that Tay Township residents know and love.

I look forward to continuing my work alongside Council, community members, stakeholders and Staff to build on the bright and healthy future that is in store for Tay Township. I encourage you to take a look at this report, and visit [tay.ca/budget](http://tay.ca/budget) for a more in depth look at our budgetary process. This annual report helps capture the energy and essence of our growing community. It is an honour to be your Mayor and to be able to witness first-hand the great work of our dedicated team, of which I am so proud.

  
Ted Walker  
Mayor of Tay Township

# A Message from CAO Lindsay Barron

2020 and 2021 are unprecedented years that no one will soon forget. The challenges have been many and frequent, and I am pleased to report that Tay Township has not only persevered, but grown stronger in the process. Not only has the Township rapidly adapted nearly every aspect of its service delivery in response to the COVID-19 pandemic, but it has also pressed on with significant transformational change to better serve our residents, stakeholders and community at large, not only today, but for years to come.

While our team of dedicated staff and volunteers continued to deliver critical services that our community relies on, throughout every day and night of the pandemic, we also undertook restructuring of our organization in July 2020 to streamline our operations and to improve the quality, reliability and speed of the services we so proudly perform for our valued residents and community stakeholders.

Six departments became three, breaking down internal barriers and improving communications and our ability to execute on our mission to deliver responsive and cost-effective municipal services and infrastructure that provide for the long-term economic, social and environmental well-being of our residents and community. While we are still in the early days of our transformation, and progress has been hampered by the challenges of the pandemic, I am proud of our team's progress during my first year as the Township's Chief Administrative Officer. Every department, and every service division, spent the last year looking inward at our operations and have identified opportunities for efficiencies and ways to modernize our services. Many ideas have been implemented and have been key to getting through the pandemic and will be key to delivering improved services in the coming years. I am excited about what is to come as we transition our municipality into the modern organization that we all expect and deserve.

Communication is key to any strong relationship, and improving the Township's communications with the community we serve is one of the key aspects of the Township's strategic plan. This Annual Report, our first of such undertaking, is just one of the many ways that we're stepping up our communications efforts. Every year we will expand on the contents of the report as we strive to continuously improve in every aspect of what we do.

If you have any comments about the report, or any other Township topic, please give us a call or send us an email at [TellUs@Tay.ca](mailto:TellUs@Tay.ca). We're here to help, and always happy to do so.



*Lindsay Barron, CPA, CGA, HBCom.  
Chief Administrative Officer/Deputy Clerk*

# 2019-2022 Tay Township Council



Top row left to right: Ward 1 Councillor Paul Raymond, Ward 3 Councillor Barry Norris, Deputy Mayor Gerard La Chapelle, Ward 2 Councillor Jeff Bumstead. Bottom row left to right: Ward 2 Councillor Mary Warnock, Mayor Ted Walker, Ward 1 Councillor Sandy Talbot.

See contact information for each member of Tay Township Council on page 07.

# About Tay Township

***Tay Township is a vibrant community located on the sunset shores of Georgian Bay.***

Our communities of Victoria Harbour, Port McNicoll, Waubaushene and Waverley combine the perfect balance of urban and rural households.

The area offers an array of community groups and clubs, passive and active sporting activities, arts and culture, both rural and urban settings and much more to keep anyone as active as they wish.

The Township features several historical attractions including the Wye Marsh Wildlife Centre, Martyr's Shrine, Sainte-Marie among the Hurons and the S.S. Keewatin. As well as the Tay Shore Trail, a multi-use paved trail that stretches 18.5 km through the Township and is registered as part of the Trans Canada Trail.

Whether you are starting or relocating a business, moving your family or retiring to this magnificent area, we know you'll be happy with your decision.

***Visit us at [tay.ca](http://tay.ca) to learn more.***



# Mayor and Council

Tay Township is governed by an elected Council consisting of a Mayor, a Deputy Mayor and five Councillors who represent our three wards. Municipal Council members are elected for a four-year term. The Mayor and Deputy Mayor are elected at large by all voters in the Township, while Council members are elected by voters within their specific wards. NOTE: Starting with the 2022 Municipal Election, all positions on Tay Township Council will be elected at large.



**Ted Walker**  
Mayor  
705-534-7248 x258  
twalker@tay.ca

*The Mayor and Deputy Mayor also sit on the Simcoe County Council, along with Mayors and Deputy Mayors from all 16 of the Simcoe County municipalities.*



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# Tay Township Organizational Chart

Tay Township engaged consultants from KPMG and commenced a review of the Township’s Organizational Structure in the fall of 2019 with the goal of ensuring that the organization is structured to provide exemplary and efficient municipal services and customer service. After a thorough review, following the recommendations of KPMG and Council, the Township’s six existing departments were merged into three departments to align services and promote one-stop customer service for our residents and community stakeholders. Related municipal services are now grouped together in three departments: Corporate Services, Operational Services, and Protective and Development Services.

**The following organizational chart illustrates the Township’s corporate structure:**





# What is a Budget?

A budget is a key planning document in achieving the municipality's strategic priorities, it links to the municipality's strategic plan.

It also serves as a communications tool to inform and engage residents and the community about the work of the municipality.

## Tay Township's Annual Budget is split into two areas:

### Capital Budget

Covers municipal projects related to new assets, or the rehabilitation of existing ones, including roads, water, wastewater, parks, facilities, equipment and more.

### Operating Budget

Covers the day to day operations and funds municipal services and programs like fire protection services, municipal law enforcement services, planning and development services, building inspection services, economic development services, road maintenance and repair, snow removal, water and wastewater maintenance, and parks and recreation.

Additionally each year Council reviews and approves a **Long-Term Plan**. The plan is developed in conjunction with the Asset Management Plan and the Energy Management Plan. The Long-Term Plan enables Council to set priorities for capital projects and significant expenditures along with their planned funding.

**While a municipality can incur debt to pay for large capital acquisitions, it cannot incur a deficit to fund day to day operations the same way senior levels of government can.**

**This is a key difference as it means that Tay Township must identify revenue sources to cover all anticipated expenditures.**

# Strategic Plan

Strategic planning is one of the most important tools that a municipality can use to bring together residents, members of Council, and municipal staff in the development of a common vision, direction, and goals for a community. It can also function as an accountability mechanism, allowing management and the public to evaluate progress and ensure that the municipality is moving in the right direction.

*A strategic plan helps an organization give shape to future direction by identifying and prioritizing goals and outcomes.*

**The current 2019-2022 Strategic Plan has 4 areas of focus**  
**Tay Resilient | Tay Open | Tay Proud | Tay Active**

**Vision:** Tay Township is a strong, cohesive rural community. We celebrate and promote our unique history, natural heritage, and recreational amenities as the cornerstone to our quality of life. Our unique villages and towns support a host of events, services and businesses that contribute to growing the local economy and create a unique destination experience for residents and visitors to the community.

**Mission:** Tay Township is committed to delivering responsive and cost effective municipal services and infrastructure that provide for the long-term economic, social and environmental well-being of our residents and community.

## Key Principles

1. **Operational performance excellence**
2. **Build a strong and collaborative community**
3. **Provide value for money spent**
4. **Effective planning and development**
5. **Grow our local economy**

**Action Plan:** The development and implementation of a corporate strategic plan creates significant benefits for Tay Township. It identifies key steps that build on the input and insight received during the extensive background review and the community engagement process. The plan helps to improve coordination between departments and staff involved in the implementation effort. In addition, the plan contributes to consensus building across the community. Through a commitment to achieve the outlined goals, Tay will make visible progress in a number of areas that impact the long-term sustainability of the Township.



## Focus on Customer Service

The Township's ability to adapt our service delivery model to the expectations of our residents and community stakeholders ensures that the services we provide today are both important and relevant to those we serve. Residents and community stakeholders want access to quality, on demand customer service in the manner of their choice.

Our plan to improve our service delivery model includes the move from a decentralized model to a more centralized one, where our dedicated and well-trained front line staff provide general information on all Township services as well as assist those we serve with finding resolution to their specific department-related service queries. With the implementation of a more centralized model, our goal is to simplify the process for our residents and community stakeholders and reduce the number of contacts required in order to service a request.

Streamlining the process and reducing the number of contacts required by our residents and community stakeholders, should allow us to provide more timely and consistent responses, thus helping to increase our overall operational effectiveness. Resident and community stakeholder contact may continue to be initiated with front line staff in person, by phone, email or online through our new Service Request Portal at [MyTay.ca](http://MyTay.ca).

# COVID-19 Impacts

When the World Health Organization declared COVID-19 a global pandemic, Tay Township, like all of the world, was forced to adapt. The Township's Seniors Leadership Team and Emergency Control Group met and made critical decisions that ensured the safety of staff, residents and stakeholders.

The group continues to meet regularly, adjusting and following the advice of our public health professionals, all while ensuring that the health and well-being of community members and staff is protected, and that municipal services continue as seamlessly as possible.

## Virtual Meetings

Council and Committee meetings were moved online via Zoom in early April 2020, and continue to be held via this format. Members of the public wishing to observe Council proceedings or participate in a meeting can do so by viewing the video conference online or by listening by telephone call-in. Details of the video conference and telephone call-in options are published with meeting agendas, and can be found at [tay.ca/meetings](http://tay.ca/meetings).



## Financial Impact

While the Township was able to mitigate many of the losses of revenue as a result of cancelled programs and rentals in 2020, service levels have been adjusted as a result of COVID-19 (i.e. limited group sizes and more frequent cleaning). Financial assistance announced through the Federal/Provincial Safe Restart Agreement will assist in funding many of the one-time and short-term expenditures specifically related to COVID-19.



# 2020 Accomplishments

**Highlights from 2020 that provide for the long-term economic, social and environmental well-being of Tay Township residents and community.**

## Tay Open

Improve the relationship between the Township and residents through activities that demonstrate transparency, effective communications and dedicated customer service.



## Communication Upgrades

A reliable and modern telephone system is a critical component of the Township's operations. On an annual basis, the Township receives an average of an incoming call every 3.75 minutes during regular operating hours. During the summer season the Township receives more than a call every other minute. Outbound calls are in addition to this. Upgrades to the telephone system helped improve communications in a timely, professional, courteous and consistent manner.

## Modernized Workflow

Implementation of an agenda management system helped with the automation of motions, minutes, agendas, and post meeting action items. This software is now used for all Committees and Council meetings providing increased efficiencies within the Corporate Services Department (i.e. Heritage, Grants, Audit, Accessibility, etc.).

# 2020 Accomplishments

## Tay Resilient

Support pillars of sustainability to ensure the Township has resilience in the face of economic, environmental and business challenges.

## Fleet Improvements

A new **½ ton 4WD extended cab vehicle** was purchased, replacing the existing truck that was removed from service due to transmission issues and sold at auction in 2019. The truck is used for road patrol, ensuring Township roads are properly plowed in the winter, and for transportation of staff to and from job sites. The new vehicle is equipped with two-way radio, GPS tracking and exterior traffic control lighting.



A **vacuum truck** is the most effective piece of equipment in the response to emergency sewer back-ups as it can be quickly deployed and is effective in clearing blockages. The previous truck was purchased used in 2008 and recently showed signs of “frame rust jacking” causing it to be no longer road worthy, and was sold at auction in April 2019. The current long term plan had the vacuum truck earmarked for replacement in 2023, Council advanced this to the 2020 budget cycle. The replacement of this truck enables staff to be more responsive to sewer emergencies and be more efficient with the regular maintenance tasks in the Operational Services Department.

# 2020 Road Improvement Program

The Road Improvement Program is part of the Township's Long Term Plan, helping to ensure a timely, sustainable and economically responsible approach to maintaining and replacing local roadways throughout the Township. In order to determine the appropriate timing of such works, Staff provide Council with the distance, traffic count and other considerations for each of these road sections. Council increased the available funding for the 2020 program with the use of internal debt, and committing that annual principal and interest payments would be repaid over the remaining Council term.

Road	From	To
Gratrix Road (3500m)	Vasey Road	3500 Metres North
Wardell Street (90m)	Third Avenue	Fourth Avenue
Elliott Sideroad (1500m)	Old Fort Road	Ron Jones Road
King Road (720m)	Albin Road	End
Juneau Road (450m)	Hoyt Avenue	End
Bergie Crescent (300m)	Juneau Road	Juneau Road
Caswell Road (400m)	Highway 12	Sallows Drive
Sallows Drive (560m)	Caswell Road	End
O'Leary Lane (240m)	#567 O'Leary Lane	240 Metres East
Vent Beach Road (120m)	Bourgeois Beach Road	O'Leary Lane
Meadows Avenue (875m)	Duck Bay Road	#39 Meadows Avenue
Meadows Avenue (340m)	Forest Harbour Parkway	#63 Meadows Avenue
John Dillingno Street (680m)	Park Street	West Street
Trillium Street (180m)	John Dillingno Street	End
Ivy Lane (180m)	John Dillingno Street	End
Bayway Road (470m)	Duck Bay Road	End
Quarry Road (440m)	Duck Bay Road	Highway 400 Ramp
Rumney Road (840m)	Hogg Valley Road	840 Metres North
Tanners Road (400m)	Highway 12	Tay Shore Trail
Rosemount Road (1520m)	Highway 12	Connors Court Road

**Additional Sections: Due to good bid price received, remaining capital funds were allocated to the following roads for resurfacing**

Road	From	To
Granny White Side Road (1,150m)	Newton Street	Reeves Road (excluding bridge)
Granny White Side Road (1,300m)	Highway 12	Newton Street
Gerhardt Road (800m)	West Service Road	Severn Trail Lane
Government Dock Lane (250m)	Coldwater Road	Coldwater Road
Todd Lane (600m)	Park Street	Albert Street
Duck Bay Road (275m)	Quarry Road	275 Metres South
Martha Street (190m)	Jephson Street	William Street

# 2020 Accomplishments

Highlights from 2020 that provide for the long-term economic, social and environmental well-being of Tay Township residents and community.

## Tay Active

Focus on accommodating segments of the population (children and seniors, in particular) through recreation and infrastructure policies that encourage activity and mobility within the Township.

## Parks and Recreation Improvements



The Tay Community Rink was in much need of a new **Ice Resurfacer**. The current unit, purchased used, was from 1990, and had more than reached its useful life expectancy. The new Millennium Edition Propane Powered Olympia arrived in June 2020 and was immediately put to use in November 2020. To help stop the spread of COVID-19 the Tay Community Rink was closed early for the season, and the new Ice Resurfacer was put into storage to be used for the next winter season.

The replacement of the play structure at **Veterans Memorial Park** was completed in August 2020. The new structure came at a time when the importance of outdoor physical activity for overall well-being and mental health was amplified due to the ongoing global pandemic. The park is centrally located in the village of Waubaushene which makes it a meeting place for many young families, and encourages activity and mobility within the Township.



# 2020 Accomplishments

## Parks and Recreation Improvements

### Tay Proud

Invest in natural and legacy assets in the community to contribute to fostering a sense of pride among residents and employees of the Township.

The **Range Light** which was restored by the Township in 2011, was in need of exterior painting after the wood exterior started to show signs of wear. The fresh coat of paint was applied in August 2020. The painting is put on an 8 year cycle to ensure asset preservation. This helps contribute to fostering a sense of pride among residents and employees of the Township.



Let there be LIGHT! The **lighting at all Township baseball diamonds** (Bridgeview, Waverley, Talbot and Oakwood Parks) were converted from High Pressure Sodium (HPS) to Light Emitting Diode (LED), helping to save considerable energy costs, and improving "light on the ground," enhancing the function and usability of all Township baseball diamonds.

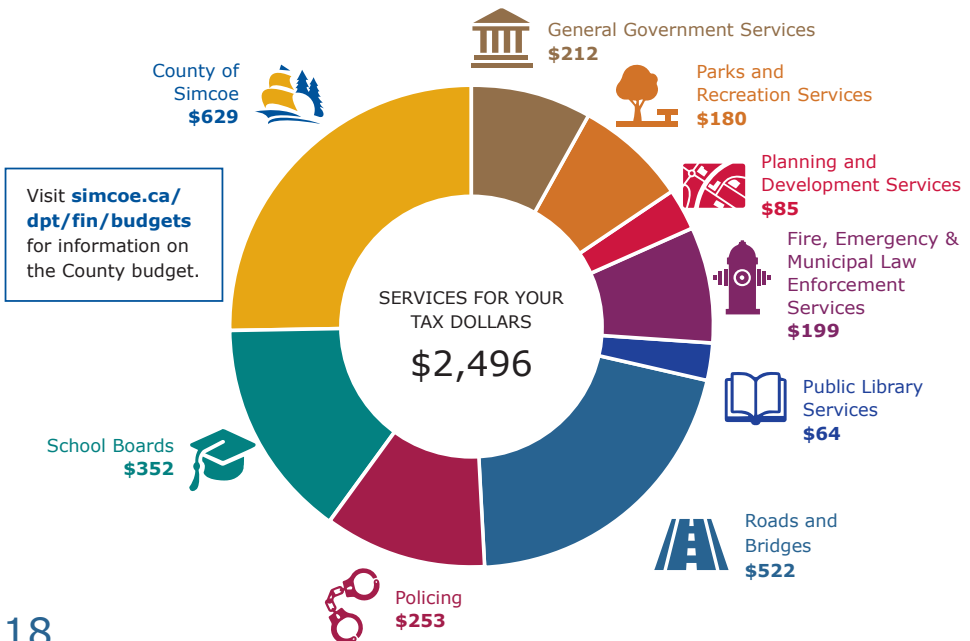
# 2021 Budget - At a Glance

*Tay Township is committed to delivering responsive and cost-effective municipal services and infrastructure that provide for the long-term economic, social and environmental well-being of our residents and community.*

The total residential tax increase for 2021 is approximately 1.09%. For an average home in Tay assessed at \$230,066, this will mean an increase of \$2.25/month. This follows a Township increase of 0% in 2020 as a result of Council's immediate and decisive action to support residents in the face of COVID-19.

## For every tax dollar paid by property owners in Tay:

- 51 cents support Tay Township services
- 25 cents support Simcoe County services
- 14 cents support Public Funded Education
- 10 cents support Ontario Provincial Police



# Allocation of Property Taxes on Average Assessed Home

Impact on the "Typical Property" Single Residential Class				
2020/2021 Assessment of \$230,066				
	2020	2021	\$ Increase	% Increase
<b>Municipal</b>	\$1,488	\$1,515	27	1.81%
<b>County</b>	\$629	\$629	-	0.00%
<b>Education</b>	\$352	\$352	-	0.00%
<b>Total Tax Increase</b>	\$2,469	\$2,469	\$27	1.09%

***The above chart provides a breakdown of the 2021 property tax increase over 2020 on an average home assessed at \$230,066.***

## Property Assessment

The Municipal Property Assessment Corporation (MPAC) is responsible for assessing and classifying properties in Ontario. Every four years, MPAC conducts a province-wide assessment update and mails property assessment notices to every property owner in Ontario.

COVID-19 caused the cancellation of MPAC's province-wide Assessment Update. As a result, the fixed valuation date for 2021 and 2022 remains January 1, 2016 – the end of the last assessment cycle.

Visit [mpac.ca](https://mpac.ca) and log in to [AboutMyProperty.ca](https://AboutMyProperty.ca) or contact MPAC at **1-866-296-6722** or learn more.

# Key Projects for 2021

## Online Service Request Portal

**MyTay.ca** allows residents to access account information, report a problem or request assistance with any municipal service online. Additional new features will include the purchasing of dog tags, parking permits, and building permits.

## Port McNicoll Fire Hall

Health and Safety upgrades will be made to the Port McNicoll Fire Hall including updated LED lighting, adding a barrier free washroom and shower room, lockers and a new ventilated room for bunker gear to address both ventilation and contamination of gear.

## Tay Shore Trail

Spot repairs to sections of pavement along the Tay Shore Trail will be done to keep this popular trail in top shape.

## MacKenzie Park Washroom

A new washroom facility will be built in MacKenzie Park. The fully accessible building will be similar in design to the Albert Street Park washroom.

## Patterson Park

The current playground on the east side of the park is in need of repair, and will be the focus of a new playground installation.

## Fire and Emergency Services Equipment

Tay Township Fire and Emergency Services will be receiving a new Water Tanker Truck for Fire Hall 2 on Old Fort Road to replace the existing 20 year-old Water Tanker Truck.



## Articulated Loader

Due to the nature of work performed by the Roads and Parks Division, staff require a piece of equipment that can safely and reliably load trucks and perform other task such as, loading winter control sand, bulk snow loading, spring cleanup, clearing blocked ditches etc. This piece of equipment will replace the 2013 loader backhoe.



## Water Plant Upgrades

Council is investing \$3.9 million into upgrading the capacity of the Tay Area Water Treatment Plant, and adding GAC (granular active carbon) filtration to improve water taste and odour. Work on this project is already underway and will be wrapped up by the end of this summer.



## Roads

In 2021, Tay Township will pave over 5 kilometres of roads including sections of Davidson Street, Elliott Sideroad, Bay Street, Bell Street and Newton Street, with provisional road segments for George Street, Vents Beach Road, Elm Street and others. Gravel rehabilitation will also be completed on over 8 kilometres of roads within Tay Township.

## Victoria Harbour Wastewater Treatment Plant

Design work on capacity upgrades at the Victoria Harbour Wastewater Treatment Plant will commence.

For more information on the Tay Area Water Treatment Plant upgrades check out our video at [tay.ca/water](http://tay.ca/water).

# Budget Pressures and Drivers

The municipal budget can be influenced greatly by outside sources. Property and liability insurance costs have risen drastically in the last few years. Salaries and benefits are a substantial part of the municipal budget given the labour intensive nature of the services we provide. 2021 will also include increases related to the changing organizational structure and a few new positions created.

***The table below shows how quickly these few challenges can add up when compared to the revenue a 1% increase in taxation generates.***

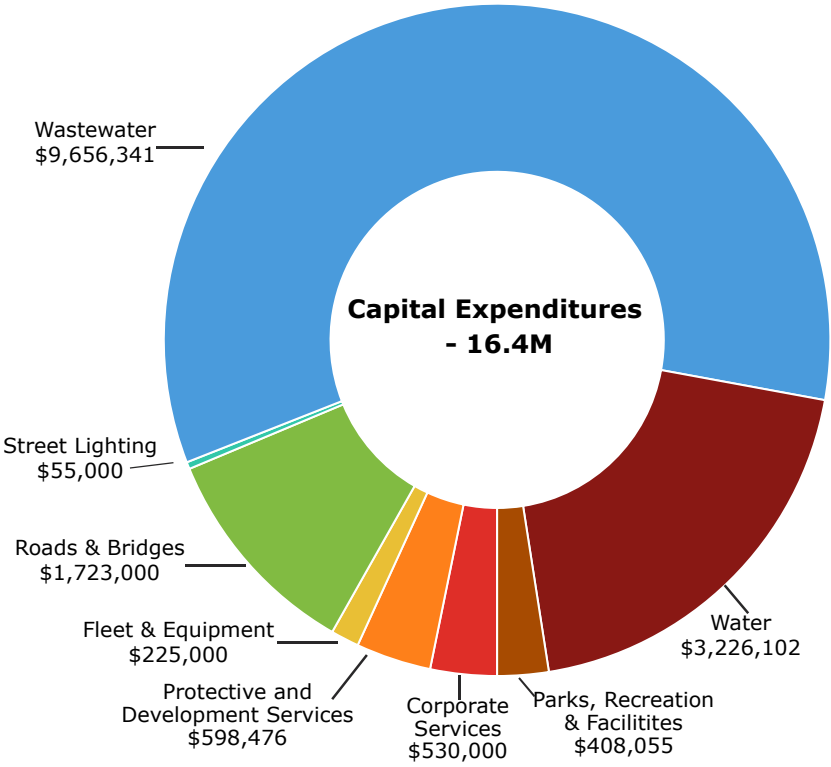
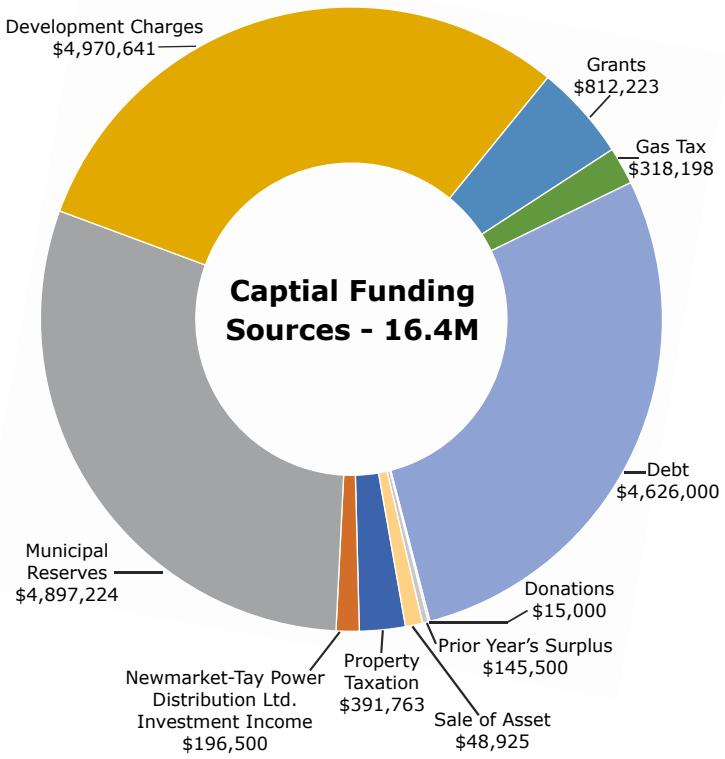
<b>Budget Pressures and Drivers for 2021</b>		
Phase out of 2019 tax levy reduction	\$	117,500
Salaries and benefits		160,000
Municipal insurance		84,000
Ontario Municipal Partnership Fund Grant decrease		73,800
<b>Total known budget increases</b>	<b>\$</b>	<b>435,300</b>
1% Municipal tax rate increase is equivalent to	\$	81,644

## 2021 Capital Budget

The 2021 Capital Budget includes all purchases and projects contained in the first year of the Long Term Plan, as amended and accepted by Council. Budgets are also carried forward for projects that were approved in the previous year that have not been completed.

Tay Township's 2021 Capital Budget is comprised of total expenditures in the amount of \$16.4M.

The planned expenditures for 2021 and corresponding funding sources are depicted in the charts on page 23.



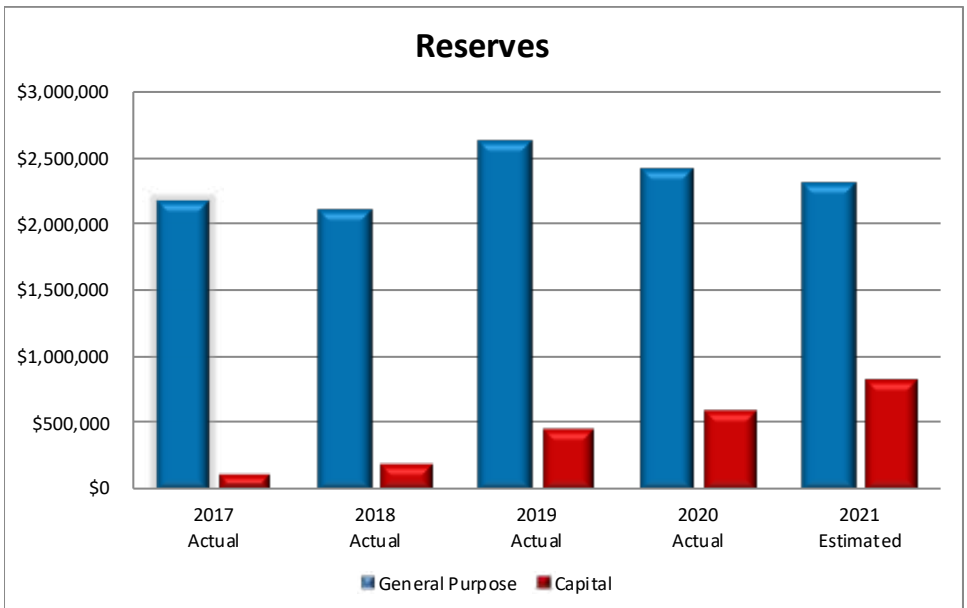
# Reserves

Reserves are a financial management tool used by the Township to gradually set aside a portion of revenue for future operating costs and capital infrastructure projects. Reserves provide an important alternative to debt and save taxpayers money by reducing interest costs.

Each year the Township sets aside certain amounts of revenue, as approved by Council, in general purpose and capital reserves. General Purpose Reserves include the Working Funds Reserve (cash required to offset accounts receivable), and the Contingency Reserve (for emergency or extraordinary events).

The Capital Reserve is used to bridge funding gaps for projects related to the replacement of existing capital infrastructure, and is not associated with any specific asset.

The graph below shows reserve balances from 2017 to 2021 (estimated as of December 31, 2020). The Capital Reserve has been steadily increasing, while the General Purpose Reserves have remained stable.

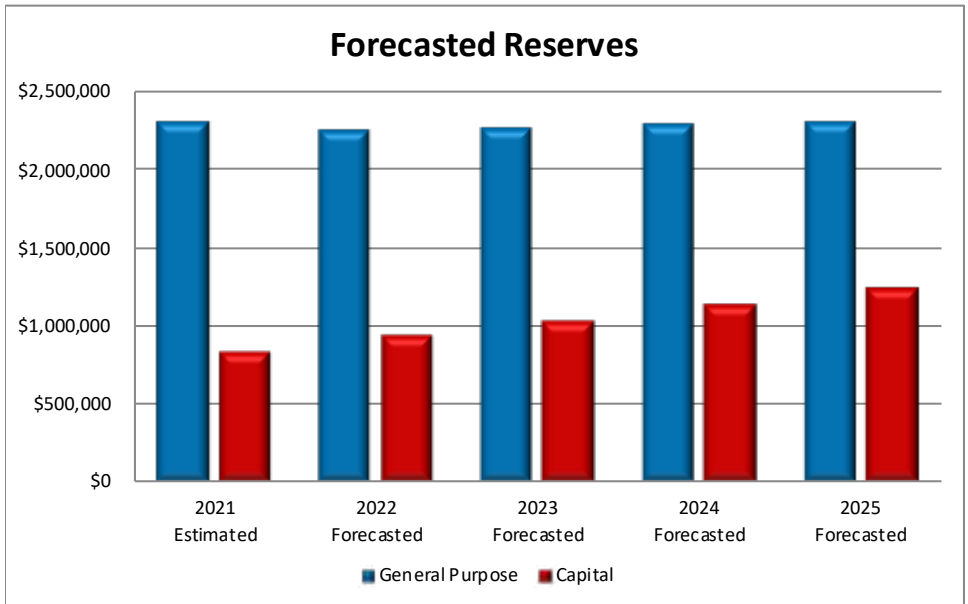




# Forecasted Reserves

The graph below provides a forecast from 2021 through 2025 for the Township's **Capital** and **General Purpose** Reserves.

A number of assumptions were used in determining this forecast, including those incorporated in the Council adopted Long-Term Plan (2021-2030). This Forecast is intended for information and planning purposes only.



For more in depth details of the Long-Term Plan visit [Tay.ca/budget](http://Tay.ca/budget)

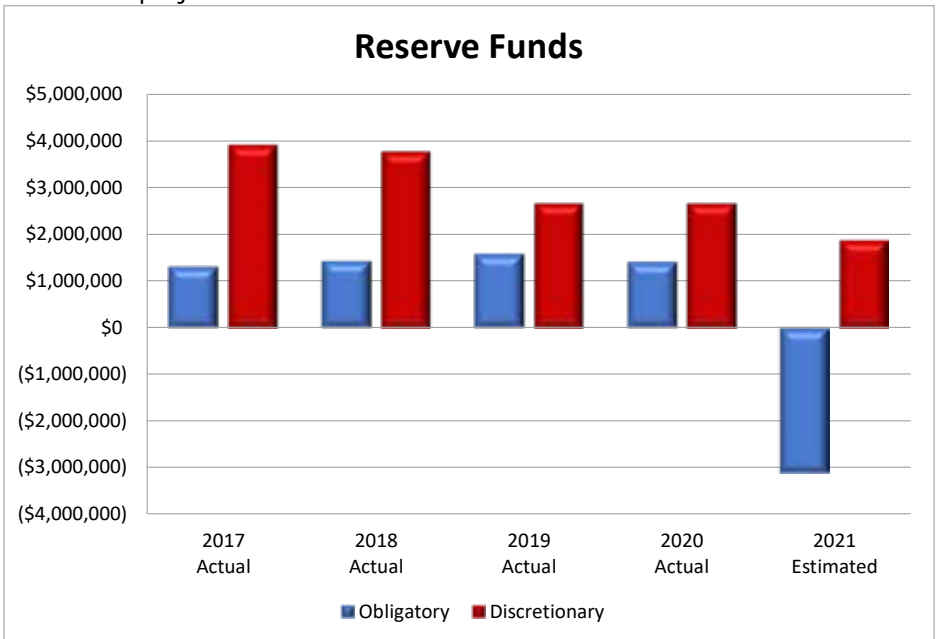
# Reserve Funds

Discretionary reserve funds are established by Council to finance future expenditures for which it has the authority to spend money. The Township has Discretionary Reserve Funds for assets such as vehicles, equipment, buildings, roads, and bridges. Transfers to Discretionary Reserve Funds are reviewed on an annual basis in conjunction with the Long-Term Plan to ensure adequate funds are available for capital and infrastructure needs.

Obligatory reserve funds are created as required by Provincial statute, and can only be used for their prescribed purpose. An example of an obligatory reserve fund is the Development Charge Reserve Fund.

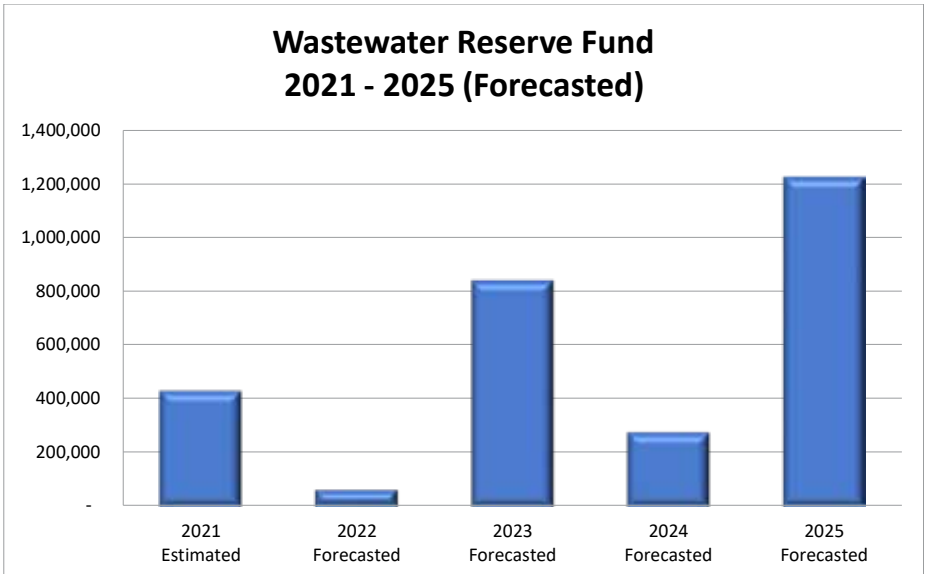
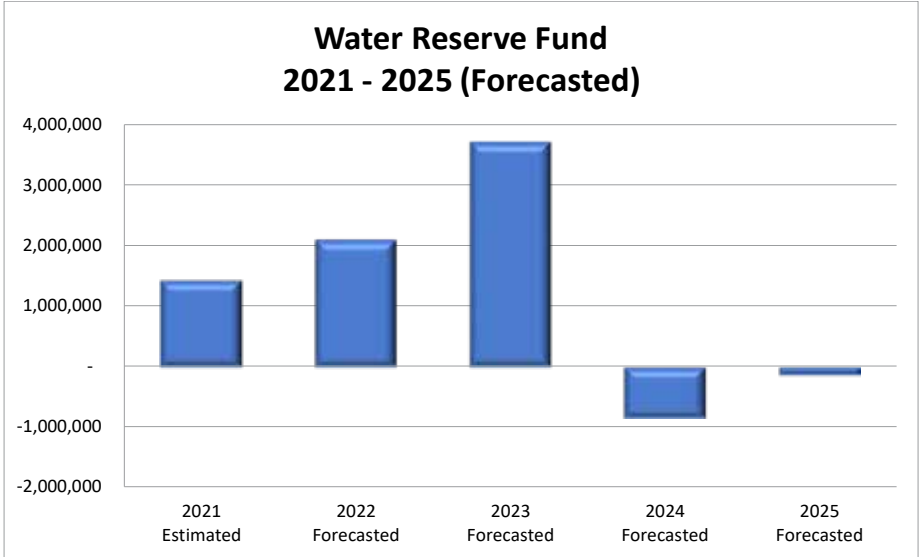
Development charges provide for the recovery of growth-related capital expenditures from new development. The Development Charges Act, 1997, forms the statutory basis to recover growth-related costs. Development Charges are levied on residential and non-residential development at either subdivision approval or at building permit issuance in accordance with the Township's current Development Charges by-law (2019-07).

The balance of the Township's Obligatory Reserve Funds is dependent upon the amount of development and the timing of capital projects. As shown in the graph below, Obligatory Reserve Fund balances are projected to be negative in 2021 due to capital infrastructure costs related to the Victoria Harbour Wastewater Treatment Plant upgrades. The Township will need to use debt to finance this project.



# Water & Wastewater Reserve Funds

As shown in the graph below, the Water Discretionary Reserve Fund is projected to increase from 2021 to 2023, and then decrease in 2024 and 2025 due to significant capital expenditures being proposed in the 2021-2030 Long-Term Plan. The Wastewater Discretionary Reserve Fund is forecasted to fluctuate, but will increase overall.



**Note: Timing of the upgrade to the Victoria Harbour Wastewater Treatment Plant may allow a greater use of reserves versus debt in 2022-2023.**

# Debt Management

At year-end 2020, the Township's total debt outstanding is \$8 million. The chart below summarizes the long term debt by Asset Type.

## Summary of Long Term Debt by Asset Type

<b>Analysed by Function</b>	<b>2020</b>	<b>2021</b>
Wastewater System	\$3,522,700	\$3,359,300
Water System	\$1,991,800	\$1,483,400
Firehall	\$1,650,800	\$1,599,400
Bridge Infrastructure	\$808,300	\$766,000
Tay Community Rink	\$86,700	\$43,900
Sub-total (excluding Tile Drainage)	\$8,060,300	\$7,252,000

## Annual Debt Servicing Costs

Annual debt servicing costs are included in the property tax levy and the user rate calculations. The table below summarizes the annual debt charges (principal and interest) for the Township's existing debt obligations.

## Summary of Long Term Debt Principal & Interest Payments by Asset Type

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Wastewater System	\$286,000	\$286,000	\$286,000	\$286,000
Water System	\$584,900	\$584,900	\$584,900	\$90,700
Firehall	\$107,300	\$107,300	\$107,300	\$107,300
Bridge Infrastructure	\$68,900	\$68,900	\$68,900	\$68,900
Tay Community Rink	\$44,800	\$44,800	\$44,800	\$0
<b>Total</b>	\$1,092,000	\$1,092,000	\$1,092,000	\$552,900

# Debt Capacity

Municipalities have the authority to issue debt to a prescribed limit. The Annual Repayment Limit (ARL) is calculated based on financial figures from two years prior and is updated by the Treasurer prior to the authorization by Council of a long term debt or financial obligation.

The Annual Repayment Limit (ARL) takes 25% of the municipality's revenue and subtracts the current debt payments. The amount left over would represent the amount of additional combined annual principal/debt payments that the Municipality could incur debt for.

The Township has the ability to undertake long-term borrowing of up to 36 million, resulting in annual interest and principal repayments of 2.9 million (assuming a 20-year term and a 5% interest rate).

	<b>Amount</b>
A) 2019 Net Revenues less Grants	\$16.2M
B) 25% of Net Revenues (\$16.2 x 25%)	\$4M
C) 2019 Debt Servicing Costs	\$1.1M
D) 2021 Estimated Annual Repayment Limit	\$2.9M
<b>Available Debt Capacity (D/B)</b>	72%
<b>Used Debt Capacity (C/B)</b>	28%

As an example only, if the Township were to issue debt equivalent to this borrowing capacity, ratepayers would see an increase of up to 36% to their tax bill in order to raise the \$2.9 million required for this example's annual debt servicing costs.

As a result, the Township takes a much more conservative approach, where asset replacements are generally funded by reserves, or if debt is issued for a new or existing asset, the debt is issued for ½ of an asset's useful life. This allows the Township to absorb the cost of replacing the asset into the annual operating budget and reach sustainability.

## In Closing

We hope that you've found this first edition of our Annual Report informative. In future years, we hope to build on this document to expand on our progress, and share stories of our community's successes. If you have any questions or would like more detail on any topic, please contact us, we're eager to help. We'd also appreciate any comments or feedback on what you'd like to see in future editions of the Annual Report. Please drop us a line at [TellUs@Tay.ca](mailto:TellUs@Tay.ca) with your thoughts!

### Did You Know? Tay Township...

Receives Up-To  
**3,757**  
Calls Per Month

Receives Up-To  
**34,246**  
Emails Per Month

**Records**  
**313 +**

Service Requests for  
Follow-up Per Month

Is Ready and Proud  
to Serve Over  
**11,000**  
Valued Residents

Call us today or visit our online service portal at

[MyTay.ca](http://MyTay.ca)

# Contact Us

## Tay Township Municipal Office

450 Park Street, PO Box 100

Victoria Harbour, ON L0K 2A0

Monday to Friday 8:30 a.m to 4:30 p.m.

## Call Us

705-534-7248 | 1-800-281-8869

## Visit our website

[tay.ca](http://tay.ca)

## Find out about upcoming Council meetings

[tay.ca/calendar](http://tay.ca/calendar)

## View and submit community events

[tay.ca/events](http://tay.ca/events)

## Subscribe to receive Township news

[tay.ca/subscribe](http://tay.ca/subscribe)

## Access our Portal

[MyTay.ca](http://MyTay.ca)

## Follow us on Social Media

Twitter  @TayTownship

Facebook  @TayTownshipON



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