

Staff Memorandum



To	Mayor A. Nuttall and Members of Council
Subject	County of Simcoe Municipal Services Agreement
Date	November 26, 2025
Ward	All
From	R. James-Reid, General Manager Access Barrie and C. Smith, Director of Finance
Executive Member Approval	R. James-Reid, General Manager Access Barrie
CAO Approval	M. Prowse, Chief Administrative Officer

The purpose of this memorandum is to provide members of Council with an update concerning the ongoing discussions on the Municipal Services Agreement between the City of Barrie, County of Simcoe and City of Orillia. The County of Simcoe is the service provider for a range of human services to the Cities of Barrie and Orillia including Community Support and Wellbeing (formally Ontario Works), Early Learning and Child Care, Community Housing, Community Partnerships, Housing and Homelessness, Paramedic Services, and Long-Term Care. These services are administered under the municipal services management partnership agreement that outlines service delivery, governance, reporting, cost structures, and cost-sharing arrangements. The current agreement is a tri-party agreement with the County of Simcoe, City of Barrie and City of Orillia and covered a 5 year period beginning in January of 2018 and has been extended while discussions are underway.

The County prepared their 2026 budget on the basis of the draft discussions occurring on the new services agreement which has not been brought forward for Barrie City Council consideration. The County has proposed the new agreement be in place for a 6 year period from January 1, 2026-December 31, 2031.

A copy of the draft agreement as prepared by the County of Simcoe is attached to this memo as appendix A.

Administrative time and costs for each service are reviewed annually, though the County notes minimal year-to-year changes. In the proposed new agreement, to streamline the process, an average percentage allocation has been recommended: 2% for Children Services, Community Services, and Social Housing (Non-Profit), and 6% for Long-Term Care, Paramedic Services, and Community Support and Wellbeing (Ontario Works). These percentages are based on a five-year average. It is proposed that the County will conduct a study at the end of each term of the agreement to ensure these allocations remain appropriate.

In the current agreement large facility capital project costs were allocated to municipalities distributed over ten years. Under the proposed new agreement, the City requested, and the County agreed, to allocate capital costs over the asset's anticipated useful life per the County's tangible capital asset policy. Significant capital funding from other governmental levels is incorporated, benefiting all partner municipalities. Any associated funding received will be deducted, and depreciation adjusted accordingly. Interest will be charged on any outstanding balance. The agreement also allows the City to pay a lump sum or the full remaining balance at any time.

Given the County budget has been prepared on the basis of the proposed new services agreement, Council could consider directing staff to proceed with a new agreement with the County of Simcoe for the delivery of these municipal services for a duration of up to 6 years as proposed in the draft agreement by the County. Or should Council prefer to continue with the discussions the existing agreement would remain in place until such time as a new agreement is reached and agreed upon. However, continuing with the existing agreement will have budget implications for the Service Partner budget for these County of Simcoe services as referenced in the Service Partner budget proposals.

Appendix:

Appendix A – Draft Municipal Services Agreement as prepared by the County of Simcoe

Memo Author:

Rebecca James-Reid, General Manager, Access Barrie