

MUNICIPAL SERVICES MANAGEMENT AGREEMENT

This Agreement effective as of the 1st day of January 2026.

BETWEEN:

THE CORPORATION OF THE COUNTY OF SIMCOE
("Simcoe")

and

THE CORPORATION OF THE CITY OF BARRIE
("Barrie")

and

THE CORPORATION OF THE CITY OF ORILLIA
("Orillia")

WHEREAS:

- A. Certain municipalities are required to assume responsibilities from the Province of Ontario for the management of various social assistance programs including without limitation Community Housing, Early Learning & Childcare Systems Management, Housing & Homelessness Services, Partnerships, Policy & Business Intelligence, Community Support & Well-being ("Social Services"), Long Term Care facilities, and Paramedic Services, (collectively, the "Services") in accordance with the *Child, Youth and Family Services Act, 2017*, the *Ontario Works Act, 1997*, the *Housing Services Act*, the *Fixing Long Term Care Act, 2021*, and the *Ambulance Act* (collectively, the "Acts") and other applicable legislation.
- B. The Province requires the consolidation of the delivery of social services among certain municipalities and, in particular, among Simcoe, Barrie and Orillia.
- C. The Province has designated Simcoe as the "Delivery Agent" responsible for Paramedic Services and various social assistance programs and Simcoe has made available long-term care facilities to Barrie and Orillia residents within the geographical area of the County of Simcoe including the separated cities of Barrie and Orillia.
- D. Each of Simcoe, Barrie and Orillia wish to establish by this Agreement certain terms by which Simcoe will deliver the Services within the County including, without limitation, the manner of governance of the delivery of the Services, the method of communication among Simcoe, Barrie and Orillia in respect of the governance,

delivery and cost of the Services, the sharing of costs arising out of the delivery of the Services by Simcoe, and the settlement of disputes arising out of that cost sharing.

NOW THEREFORE in consideration of entering into this Agreement, the exchange of covenants and obligations contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

DELIVERY OF SERVICES

1. Simcoe will manage the funding of each of the Services within the County and will manage the delivery of the Services within the County as “Delivery Agent” or within the meaning of the Acts. In its capacity as Delivery Agent, Simcoe will discharge such responsibilities as the Province may prescribe in respect of the management and delivery of the Services including, without limitation:
 - a. Simcoe will manage the delivery of the Services within the County.
 - b. Simcoe will be and remain accountable to the Province and local taxpayers for the management of social services within the policies and standards established by the Province.
 - c. Simcoe will administer funding arrangements with the Province and/or Government of Canada for the Social Services.
 - d. Simcoe will manage the funding and delivery of the Paramedic Services and Long Term Care facilities, within the policies and standards established by the Province.
 - e. Simcoe will administer cost sharing arrangements among Simcoe, Barrie, and Orillia for the portion of the Services not funded by the Province.
2. Simcoe operates the Archives and Museum to which the City of Barrie contributes on an annual basis. The contribution will be reviewed on an annual basis.

GOVERNANCE AND COMMUNICATION

3. Management of the delivery of the Services will be the direct responsibility of the administrative staff of Simcoe, subject to the supervision of Simcoe County Council. Simcoe will be responsible for the employment and management of all administrative and professional staff and agents engaged in the delivery of the Services within the County.
4. A committee ("Committee of the Whole") established by Simcoe County Council, with four (4) representatives from Barrie and three (3) representatives from Orillia, will meet regularly

as determined by its members and will make recommendations to and for the consideration of Simcoe County Council in connection with policy matters, operational issues and the budget related to the delivery of the Services within the County.

5. A second committee (the "Staff Liaison Committee") will be struck and will consist of the Chief Administrative Officers and/or the Treasurers, and/or designates, from each of Simcoe, Barrie and Orillia. The Staff Liaison Committee will meet a minimum of 3 times per year and when otherwise requested by its members. The committee will review performance reporting and make recommendations to the administrative staff of Simcoe and to the Committee of the Whole about matters of their particular interest including, but not limited to, budgets, billings, service delivery, performance measurement, and complaints related to the Services.
6. Each of Simcoe, Barrie, and Orillia acknowledge and agree that while the governance, administration, and delivery of the Services has been attributed by the Province to Simcoe as "Delivery Agent", it is their intention that the Committee of the Whole and the Staff Liaison Committee will foster an integrative model of co-operation among Simcoe, Barrie, and Orillia for the purpose of achieving the objectives of each of the municipalities as they relate to the delivery of the Services.
7. The parties recognize that service levels and associated costs for the delivery of the Services covered in this agreement follow Provincial guidelines and/or County Council direction and approval.
8. If either Barrie or Orillia object to any decision reached or policy established by Simcoe County Council related to the cost sharing of the Services, then any such objection will be determined in accordance with the dispute settlement mechanism set forth in the Dispute Settlement section.
9. Nothing in this Agreement is intended to nor should it be construed to undermine or derogate from the authority of Simcoe as "Delivery Agent" or from Simcoe County Council as the governing council of Simcoe.

REPORTS AND ACCOUNTABILITY

10. The parties recognize the need for demonstrating accountability for program performance and related funding requirements. The parties recognize that achieving both program outcomes and fiscal stewardship are fundamentally important.
11. The County will produce, not less than annually and no later than the end of the third quarter, a multidimensional performance report that will be delivered to all parties within the same timeframe as reports to County Council. The purpose of the performance report is to:
 - a. Compare planned and actual performance levels for each Service.

- b. Support assessments of progress toward program outcomes and demonstrate fiscal stewardship.
 - c. Advise each party of any service level financial variances and any required increase or decrease in cost sharing requirements.
 - d. Recognize that reporting parameters may change from time to time but will be confirmed.
12. For each of the Services, the performance report will include a series of financial and non-financial data that identifies:
- a. Outputs produced by the Services for the County as a whole and, where available, in each of Barrie, Orillia, and the rest of the County.
 - b. Where applicable, outputs will be expressed as a ratio.
 - c. The service level(s) that apply to each Service and the source for the standard(s) - i.e. Provincial legislation, County policy, past practice.
 - d. Where readily available, comparisons of service level and efficiency between the County of Simcoe and other similar jurisdictions based on a standardized set of performance indicators.
 - e. A common methodology for compiling and reporting data.
 - f. Contextual information that helps stakeholders understand the variety of competing priorities and controllable and uncontrollable factors influencing service performance.
13. The report will specifically identify and provide an explanation when the data in the performance report shows, for each service, one or more of the following:
- a. Service level(s) in the reporting period are higher by 5% or more than either: (i) the County's own service level(s) in the previous reporting period, or (ii) the group average described in section 12 (d) above.
 - b. Efficiency in the reporting period is lower than either: (i) the County's reported efficiency in the previous reporting period; or (ii) the group average described in section 12 (d) above.
 - c. Actual outputs are 95% or less than budgeted levels.
 - d. The actual costs for the service are less than 98% of budgeted costs.
 - e. Progress towards desired outcomes in the reporting period is lower than planned.
14. If 13 (a) or (b) occurs, the County will conduct a service review within the next calendar year, and the results will be delivered to all parties. Generally, the objective of the review will be to conduct analysis that identifies options and a plan for net cost reductions or increased efficiencies. All parties recognize the discretion to accept any recommendations for reducing net costs or increasing efficiencies rests with the County of Simcoe.
15. In addition to the foregoing, the County will provide a mid-year Service review and

summary for Barrie and Orillia's councils.

SERVICE COSTS AND COST SHARING

16. The costs for providing each Service are made up of three components: (i) Operating Costs; (ii) Administration Costs; and (iii) Capital Costs. Each of these costs will be apportioned among Simcoe, Barrie and Orillia on the basis outlined in Appendix A.
17. Operating Costs are the daily expenses necessary to maintain, operate, and manage the Services and include a contribution to asset management and the carrying cost of any debt associated with providing the Services but do not include principal payments.
18. Administration Costs are the expenses related to support or back-office departments not directly connected with providing the Services such as Finance, IT, and HR. The contribution to the Administration Costs will be calculated as follows:
 - a. Two percent (2%) of the Operating Costs associated with providing Early Learning & Child Care System Management Services (formerly Children Services), Community Partnerships, Policy & Business Intelligence Services (formerly Community Services) and Housing & Homelessness Services (formerly Social Housing Non-Profit Services).
 - b. Six percent (6%) of the Operating Costs associated with providing Paramedic Services, Long Term Care, Community Support & Wellbeing Services (formerly Ontario Works) and Community Housing (formerly Simcoe County Housing Corporation).
19. Capital Costs are the expenses incurred by Simcoe to acquire or maintain the long-term assets required to provide the Services. Each parties' share of the Capital Costs will be paid through a contribution to committed capital. A contribution to committed capital will be calculated using the annual total asset depreciation amortized over the life of the assets. Adjustments will be made for land acquisition costs, assets funded from asset management, or external grants.
20. An annual estimate of the costs attributable to each of Simcoe, Barrie and Orillia on account of the Operating, Administrative, and Capital Costs will be determined by Simcoe annually in advance of municipal budgets and communicated to each of Barrie and Orillia.

PAYMENTS

21. The County will provide a monthly contribution payment summary to each of Barrie and Orillia based on actual costs as known at that time. Payment will be due within 30 days. Overdue accounts will be subject to interest calculated at the rate of 15% per annum. Within 60 days after the end of Simcoe's fiscal year, Simcoe will report the actual costs for the

previous year and bill any shortage, or refund any overage, which amount will be due by March 31.

22. No party will be entitled to withhold or set-off any payment required hereunder. If a dispute arises out of any payment obligation then the dispute will be settled in accordance with the dispute settlement mechanisms set forth below.
23. If, during the term, either Barrie or Orillia becomes the Delivery Agent with respect to any of the Services, the parties will negotiate in good faith a settlement with respect to the outstanding committed Capital Costs. The settlement will reflect the value of the committed capital that has not been paid for through the Capital Costs at the time of the change in service delivery.

DISPUTE SETTLEMENT

24. If any dispute or uncertainty arises out of this Agreement related to a cost sharing or performance matter, the dispute will be settled in the following manner:
 - a. The party raising the matter in dispute or raising the matter of uncertainty will address the matter to the other party or parties in an attempt to solve the matter.
 - b. If the matter is not resolved between the parties as aforesaid then the matter in dispute or the matter of uncertainty will be referred to the Staff Liaison Committee, which will attempt to bring resolution to the matter in dispute or the matter of uncertainty.
 - c. If the matter is not resolved by the Staff Liaison Committee, then the matter in dispute or the matter of uncertainty will be referred for mediation. The mediator selected will be mutually agreed upon by all parties.
 - d. If the matter is not resolved by mediation, the parties agree to submit to arbitration, in accordance with the *Arbitrations Act (Ont.)*.

GENERAL

25. This Agreement will be effective as of January 1, 2026, and will continue in full force and effect until December 31, 2031. If this Agreement is not renewed past December 31, 2031, but the County continues to act in the capacity of "Delivery Agent" of the Services, then the cost sharing arrangements and payment obligations established by this Agreement will continue until a new Agreement is in force and at such time the new cost sharing arrangements and payment obligations will begin.
26. Any notice or other communication to be given under or pursuant to the provisions of this Agreement or in any way concerning the same will be sufficiently given if in writing and

delivered personally or mailed by prepaid registered letter addressed to it at the following address:

The Corporation of the County of Simcoe
Administration Centre
1110 Highway 26
Midhurst, Ontario L9X 1N6
Attention: County Clerk

The Corporation of the City of Barrie
70 Collier Street
P.O. Box 400
Barrie, Ontario L4M 4T5
Attention: City Clerk

The Corporation of the City of Orillia
50 Andrew Street South
Box 340
Orillia, Ontario L3V 7T5
Attention: City Clerk

Any notice so mailed will be deemed to have been received on the second business day after the date deposited.

27. This Agreement will inure to the benefit of the respective parties and their respective administrators, successors and assigns.
28. This Agreement will be governed by and construed according to the laws of the Province of Ontario and the laws of Canada applicable therein.
29. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which, when taken together, will constitute but one and the same instrument. The exchange of copies of this Agreement and of signature pages by electronic mail, or by any other electronic means, or by combination of such means, will constitute effective execution and delivery of this Agreement and may be used in lieu of the original agreement for all purposes. Signatures of the parties transmitted by email or other electronic means will be deemed to be their original signatures for all purposes.

**SIGNING PAGE FOR EXECUTION OF THE
MUNICIPALSERVICES MANAGEMENT AGREEMENT**

IN WITNESS WHEREOF the parties have executed this agreement effective as of the date first above written.

THE CORPORATION OF THE COUNTY OF SIMCOE

Basil Clark, Warden

Jonathan Magill, County Clerk
We have authority to bind the corporation.

THE CORPORATION OF THE CITY OF BARRIE

Alex Nuttel, Mayor

Wendy Cooke, City Clerk
We have authority to bind the corporation.

THE CORPORATION OF THE CITY OF ORILLIA

Don McIsaac, Mayor

TBC, City Clerk
We have authority to bind the corporation.

APPENDIX A

Service cost sharing will be based on the following for the duration of this agreement:

Paramedic Services	100% Weighted Taxable Assessment
Long Term Care	Blended 65% Caseload: 35% Weighted Taxable Assessment
Community Support and Wellbeing (formerly Ontario Works)	100% Caseload
Child Care System Management (formerly Children's Services - Fee Subsidy, Ontario Works Child-Care, Child-Care Admin, Early Learning Child Care Admin, Child Care Allocated Admin)	100% Caseload
Early Learning Services (formerly Children's Services - Broader Child Care, Early Learning Child Care)	100% Weighted Taxable Assessment
Community Partnerships, Policy, & Business Intelligence (formerly Community Services)	100% Weighted Taxable Assessment
Community Housing (formerly Local Housing Corporation)	100% Weighted Taxable Assessment
Housing & Homelessness Services (formerly Social Housing (Non-Profit))	100% Weighted Taxable Assessment