

CITY OF WOODSTOCK

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

February 18, 2021

His Worship Mayor Trevor Birtch and Members of Council

The following represents the Revenue Fund Budget proposal for 2021. In September of last year, City Council provided direction to prepare a 2021 Base Budget that provides for a continuation of current programs and services. Staff prepared 2021 budget estimates at a time when our Public Health Region was in the Yellow “Protect” tier. Budget estimates were revised when the Province declared a second state of emergency, a Province wide shutdown of non-essential businesses, and a stay-at-home order that continues to at least mid-February. The proposed 2021 Budget attempts to estimate revenues and expenditures that result from the significant impacts of the ongoing pandemic. While Council direction was provided to deliver a Budget for the continuation of programs and services, this can only be done in compliance with Provincial Regulation and Public Health recommendations. The resulting 2021 estimated levy is our best estimate of funding from taxation needed for operations in this non-normal year.

The City of Woodstock adopts an annual Budget in accordance with the Municipal Act. The City’s Fiscal Year runs from January 1st to December 31st. The City’s Budget serves as a roadmap for the fiscal year’s expenditures and reflects the goals and priorities of the City Council. The City’s Budget is balanced which means that expenditures are generally funded from current revenues (taxation, user fees). There are some instances where expenditures are funded from reserves. The reserve and reserve fund positions to December 31, 2020 will be provided at a future date.

The approval of the 2020 Budget was delayed due to the first emergency declaration, shutdown of non-essential businesses and public gatherings as ordered by the Province. City Council moved to virtual meetings and approved the 2020 Revenue Fund Base Budget in April without any of the recommended additions to the Base Budget. The one exception was the addition of \$750,000 financed from the 2019 Budget surplus to offset a portion of the financial impact from the pandemic. City Council approved certain items from these recommended additions throughout 2020 based on recommendations provided in staff reports.

Last year, City Council approved the waiver of penalty and interest normally charged on outstanding taxes between April and July, reduced the penalty charged from August to December, and deferred the last two tax payments in the year by one month. These measures were introduced to assist people struggling financially because of the pandemic. The cost of this relief to the City was approximately \$300,000. There is also a significant reduction in OLG payments under the Municipal Contribution Agreement due to the closure and restricted occupancy of the slots gaming facility last year.

OLG funding is generally used to support grants, capital financing and taxpayer relief. The City applies OLG funding from the prior year which means that the budget pressure will be realized in 2021 and beyond.

The 2021 revenue outlook from “new property assessment” continues to be positive. Development activity remains strong, producing new growth-related property assessment estimated to be 2.3%. The Province announced the postponement of the next four-year cycle of property tax reassessment due to the pandemic. This means that 2020 property assessments will not be adjusted for the 2021 tax year and there will be no assessment growth from re-assessment this year. This will only impact the final tax rate.

The 2021 revenue outlook from user fees is negative due to Provincially directed facility closures and an expected continuation of gathering restrictions that will limit the number of participants in recreational pursuits. Staff are projecting a continued reduction of revenue from the OLG Municipal Contribution Agreement which will impact the 2022 Revenue Fund Budget.

Total expenditures in the Base Budget are \$88,760,906 which is a 6% increase over 2020. The net to be raised by taxation is \$61,855,013 which is a 4.9% increase over 2020. The residential tax rate for the Base Budget will increase by 2.51%, resulting in a \$61.44 increase on the average detached single-unit dwelling.

The 2021 Departmental Budget estimates are presented alongside the 2020 Budget as approved by Council and 2020 Budget actuals (year to date) for ease of reference. Please note that the 2020 Budget actuals are unaudited and subject to further adjustments. Caution should be exercised in comparing Budget versus actual figures as the figures are not final year end. Also, expense variations (higher and lower) from Budget occur due to uncontrollable circumstances; an example of which is winter control (snow ploughing, sanding, salting and snow removal). It is also important to note that over expenditures in one area are often offset by under expenditures in other areas.

Safe Restart Ontario funding and other COVID-19 related Provincial funding has been applied to primarily mitigate revenue reductions (i.e., OLG funding, transit fare revenue) resulting from the pandemic. Grants, including the annual hospital grant, are continued in the Base Budget.

The Base Budget levy increase for this year is approximately \$2.9 million. The most significant item is a \$1 million increase in tax adjustments which accounts for a more than a third of the annual levy increase. This increase relates to a singular assessment appeal by a large industrial manufacturing plant. This appeal is one of several appeals by similar large industrial manufacturers in other communities, some of which have settled. The appeal is to lower the property valuation assessment as determined by MPAC (Municipal Property Assessment Corporation). It is important to note that every property owner has a right to appeal its property assessment.

The City, County and Blandford-Blenheim are all party to this appeal and we have retained experts to represent our interests. Blandford-Blenheim receives 24% of the taxes derived from this assessment and will be responsible for 24% of the costs of any decision or settlement.

MPAC has frustrated the advancement of this appeal through its non-responsiveness and refusal to negotiate settlement offers. There are two complete 4-year assessment cycles under appeal, which including this year means 9 years of potential liability for any over assessment, as determined by the Assessment Review Board.

The cost of any MPAC valuation error rest solely with the municipalities and school boards. There is a significant range in the final cost for this appeal, depending on the approach used to value the property. In recent years, the Budget included approximately 2% allocated to tax adjustments for assessment changes resulting from typical appeals and large errors by MPAC. This year, the Budget includes 3.5% allocated to offset appeals and MPAC errors and staff are concerned that this is not enough. There is the potential need to fund the final cost of this appeal from other Reserve sources if there are insufficient funds in the Tax Adjustment Reserve.

This issue reveals the need for changes in the property assessment system. MPAC errors resulting in taxation on the scale of 2% of a municipalities tax levy, or higher, represents an unnecessary burden on the taxpayer. Further, MPAC has no exposure to the consequences of its error as the cost is funded by the municipality and school boards.

Other specific items of note:

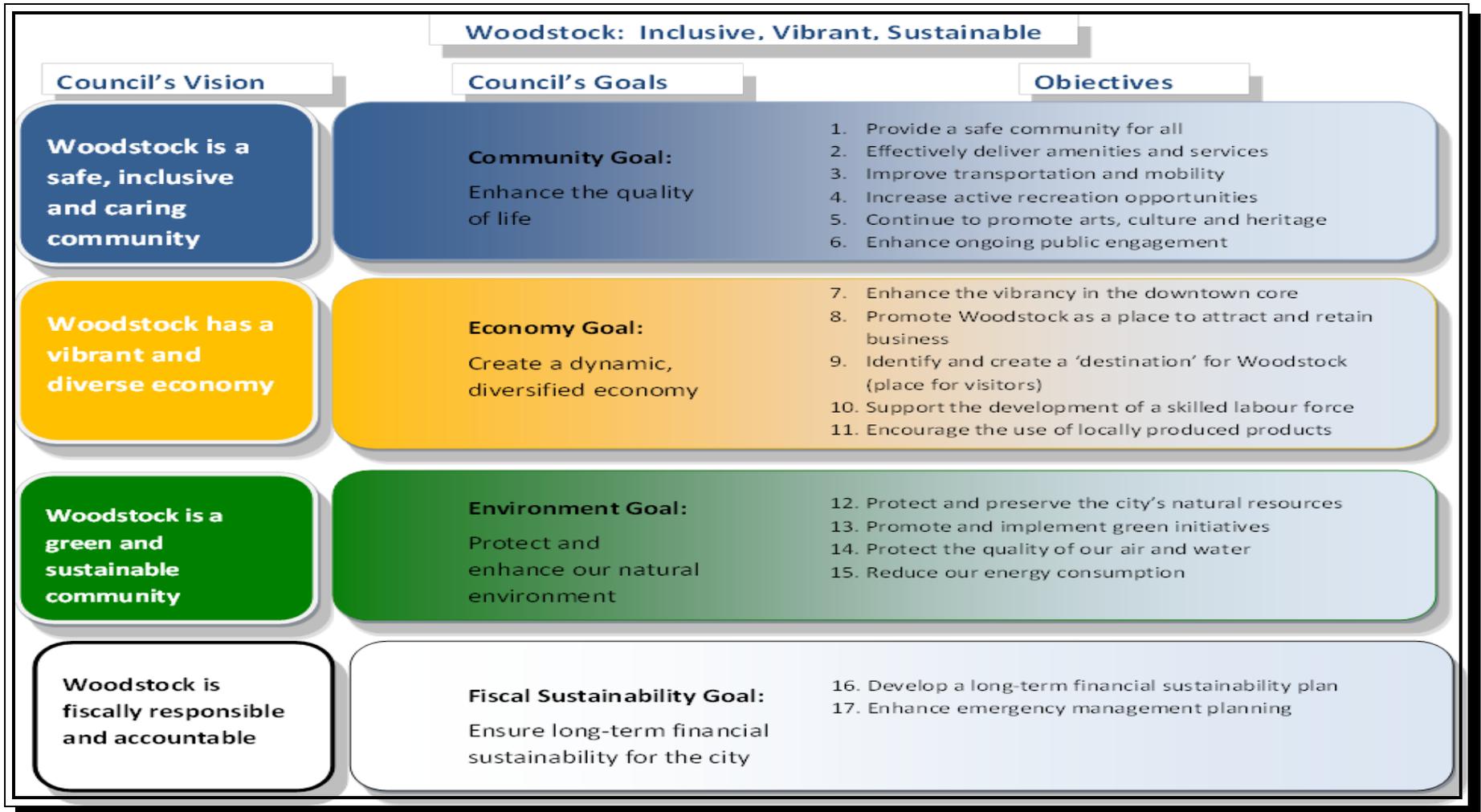
- The 2021 Budget includes the benefit costs of an additional pay cycle due to the coincidence of January 1 falling on the normal pay day. Wage costs have been adjusted for the prior year, but this is not done for benefit costs. The 2021 Budget carries approximately \$230,000 additional cost because of this circumstance. Staff have included an offsetting contribution from the Reserve for Salaries and Wages in the amount of \$200,000 to fund most of this cost, as this situation occurs infrequently (every 11 years).
- Staff have eliminated budgeted costs for the spring and summer special events that are unlikely to occur this year. Examples include Victoria Day, Art in the Park, and Cowapolooza. The exception is Canada Day fireworks, funds are included to continue with a firework display. Late fall events are maintained including the winter lights event and Remembrance Day.
- Staff have lowered user fee revenues for recreation facilities and lowered expenditures to reflect the reduced programming.

- The Base Budget proposes to convert all paratransit service to contract. The City has been delivering paratransit service directly with our own staff and vehicle and through a contracted service provider. The City's two paratransit vehicles are at end of life and it is more cost effective to deliver service through the existing contractor.

Overall, it is important to note that there is more uncertainty than normal with the Base Budget estimates, despite the recent revisions to reflect the current shutdown. There may be circumstances that arise and take us off course from these estimates.

Several additions to Base Budget for City Council's consideration are included. Additions to base budget are founded upon priorities identified in the Strategic Plan. The impact of several Budget scenarios (inclusive of additions to Base Budget) for the ratepayer is provided at the conclusion of this summary.

City of Woodstock Strategic Plan - City Priorities



2021 BASE BUDGET OVERVIEW

Municipal Levy Supported Programs and Services by Functional Area

The following is a summary of the **net cost** approved for 2020 and proposed for 2021 for programs and services supported by the tax levy. The information is presented for each specific service area. Costs presented here are net of any revenue other than taxation (i.e., user fees, grants).

| | 2020 Approved Net Cost- Levy | 2021 Proposed Net Cost- Levy | \$ Change – Increase/Decrease in Levy | % Change |
|---------------------------------------|---|---|--|-----------------|
| Woodstock Police Service | \$16,253,790 | \$16,981,626 | \$727,836 | 4.5% |
| Fire Services | \$9,044,810 | \$9,566,600 | \$521,790 | 5.8% |
| Administrative Services (Treasury/IT) | \$1,850,890 | \$2,114,660 | \$263,770 | 14.3% |
| Debt | \$1,463,390 | \$1,599,200 | \$135,810 | 9.3% |
| Woodstock Public Library | \$2,531,340 | \$2,588,410 | \$57,070 | 2.3% |
| City Property | -\$89,670 | \$11,250 | \$100,920 | 113% |
| Public Works | \$4,934,730 | \$5,006,870 | \$72,140 | 1.5% |
| Engineering | \$2,031,870 | \$2,156,820 | \$124,950 | 6.2% |
| Bylaw Enforcement | \$245,950 | \$255,370 | \$9,420 | 3.8% |
| Public Transit | | | | |
| • Transit | \$1,933,920 | \$1,936,035 | \$2,115 | 0.1% |
| • Para transit | \$881,640 | \$760,680 | -\$120,960 | (13.7%) |

| | 2020 Approved Net Cost- Levy | 2021 Proposed Net Cost- Levy | \$ Change – Increase/Decrease in Levy | % Change |
|--------------------------------------|---|---|--|-----------------|
| Clerk's Department | \$1,942,010 | \$2,079,940 | \$137,930 | 7.1% |
| Parks & Recreation Administration | \$ 243,670 | \$250,260 | \$6,590 | 2.7% |
| Parks Operations | \$3,253,580 | \$3,393,450 | \$139,870 | 4.3% |
| Recreation Programs | \$82,670 | \$90,160 | \$7,490 | 9% |
| Arena Operations | | | | |
| • Civic Centre | \$190,980 | \$182,410 | (\$8,570) | (4.5%) |
| • Southwood Arena | \$989,180 | \$1,116,010 | \$126,830 | 12.8% |
| Summer Activities | \$61,460 | \$65,070 | \$3,610 | 5.9% |
| Aquatics | | | | |
| • Southside Pool & Water Park | \$898,840 | \$929,610 | \$30,770 | 3.4% |
| • Lion's Pool | \$141,590 | \$144,870 | \$3,280 | 2.3% |
| Cowan Park Indoor | \$416,540 | \$423,920 | \$7,380 | 1.8% |
| Culture | | | | |
| • Museum | \$475,160 | \$467,120 | (\$8,040) | (1.7%) |
| • Art Gallery | \$784,530 | \$725,920 | (\$58,610) | (7.5%) |
| • Market Centre | \$76,780 | \$77,560 | \$780 | 1% |
| Marketing & Special Events | | | | |
| • Administration | \$268,100 | \$288,730 | \$20,630 | 7.7% |
| • Special Events | \$271,200 | \$83,700 | -\$187,500) | (69%) |

| | 2020 Approved Net Cost- Levy | 2021 Proposed Net Cost- Levy | \$ Change – Increase/Decrease in Levy | % Change |
|------------------------------------|---|---|--|-----------------|
| Economic Development | | | | |
| • Development Office | \$659,860 | \$620,170 | -\$39,690 | (6%) |
| • Small Business Enterprise Centre | \$75,510 | \$88,912 | \$13,402 | 17.8% |
| Human Resources | \$678,260 | \$726,470 | \$48,210 | 7.1% |
| Planning | -\$10,500 | -\$12,000 | -\$1,500 | (14%) |
| CAO | \$314,710 | \$327,050 | \$12,340 | 3.9% |
| Council | \$424,610 | \$403,810 | -\$20,800 | (4.9%) |
| Council Committees | \$56,900 | \$54,150 | -\$2,750 | (4.8%) |

User Fee, Reserve and Non-Levy Sourced Funding Programs and Services

The tables below provide the summary of the total **gross expenditures** approved for 2020 and proposed for 2021 programs and services supported wholly by user fees/non levy sourced funding.

| | 2020 Approved Gross Expenditures | 2021 Proposed Gross Expenditures | Change (\$) | % |
|-----------------------|---|---|--------------------|----------|
| Grants | \$660,050 | \$660,050 | \$0 | 0% |
| Building Department | \$852,500 | \$870,680 | \$18,180 | 2.1% |
| Public Parking System | \$166,190 | \$160,310* | -\$5,880 | (3.5%) |
| Land Sales | \$1,050,000 | \$7,075,000 | \$6,025,000 | 500+% |

* A shortfall in parking revenue due to COVID impacts results in a net cost of \$44,620 financed from the tax levy due to insufficient funds in the Parking Reserve Fund.

County User Fee Supported and County Levy Supported Programs and Services

The following is a summary of the **net cost** for County programs and services, delivered by City forces, supported by County user fees or the County levy.

| | 2020 Net Cost | 2021 Net Cost | Change (\$) | % |
|-------------------------------------|----------------------|----------------------|--------------------|----------|
| Waste and Recycling | \$2,404,740 | \$2,537,820 | \$133,080 | 5.5% |
| Sanitary Sewer Collection System | \$619,850 | \$570,230 | -\$49,620 | (8%) |
| Water Distribution System | \$1,634,360 | \$1,647,165 | \$12,805 | 0.8% |

BUDGET NOTES

Additional Taxes – page 1, Account 0200-61005

Between 2008 and 2011, additional taxes averaged \$1,470,000 per year. This was mainly due to large industrial and commercial developments such as Toyota and the Norwich corridor that was constructed as well as robust residential development.

In recent years, the quantum of additional taxes varies considerably ranging from a low of \$599,000 in 2013 to a high of \$1,612,000 in 2016. Having reviewed the assessment roll as returned, and considering the new residential, commercial, and industrial projects expected in 2021, the estimate is \$1,500,000.

Ontario Lottery Corporation – page 1, Account 0200-61012

Proceeds received from OLG in accordance with the Municipal Contribution Agreement which directs 5.25% of net electronic games revenue. The decrease anticipates reduced gaming revenue due to the operational restrictions from the ongoing pandemic.

Solar Electricity Revenue - page 1, Account 0200-69497

Revenue from the 8 MicroFIT solar installations installed in 2014 plus five additional MicroFIT contracts acquired from Woodstock Hydro in 2015. The IESO contracts for the Woodstock Hydro solar sites were transferred in 2016. The cost of the original 8 installations was funded from the Hydro Reserve. Council directed the net revenue from the sale of electricity from these original installations be directed back to the Hydro Reserve to repay the capital contribution (see account 0200-71399-0716). The original capital contribution has been recovered and revenue from all 13 of the solar installations is now contributed to the Hydro Reserve.

Community Improvement Program (Downtown Incentives)

The City has several incentive programs for property owners in the downtown. These programs provide grants and loans for things like façade improvements, residential conversion of existing buildings and signage. The cost for these grants and loans are included under account 0200-71305. There is also a tax grant back program which grants back the increase in property taxes resulting from property improvements for five years. The cost of this program is included under account 0200-71309. All the costs are ultimately funded by the Downtown Redevelopment Reserve Fund. The funding from the reserve for these programs is included in account 0200-69318. The tax grant back portion of these program costs is expected to significantly increase as several buildings in the downtown are complete and benefiting from this grant for the next five years. An amendment to cap the benefit for the grant back program is proposed under a separate Council report.

The City makes an annual contribution of \$200,000 to the Downtown Development Reserve Fund. Program costs for 2021 are budgeted to be \$296,000 financed by the Downtown Development Reserve Fund.

Tax Rebates – Charities and Other Similar – page 2, Account 0200-71303

The account represents financing for the difference in taxes between a commercial tax rate and a residential tax for charities and other non-profit agencies in leased premises identified by municipal bylaw. A charity would be taxed at the residential rate if it owned the property rather than leased.

Provision for Reserve for Capital Projects – page 3, Account 02200-71319

This item is commonly referred to as “Capital out of Revenue”. The 2020 contribution is higher than the 2021 base amount due to a surplus allocation from the 2019 Budget.

Provision for Reserve and Reserve Funds - page 3 & 4, Accounts 0200-71399

Sub-accounts 0700-0783 provide contributions to various reserves and reserve funds. Select explanations follows:

Provision for Street Lighting Reserve (\$0) – Proposed to forgo contribution this year due to needed increase in Tax Adjustment Provision. There are sufficient funds for capital street lighting projects through to 2023.

Provision for Sick Leave Severance Reserve (\$50,000) – Proposed reduction as the liability for Fire Department sick leave severance is funded at this point in time. Annual contribution needs will be monitored going forward.

Provision for Hydro Reserve Fund (\$87,500) – Net revenue from the sale of electricity generated by 13 MicroFIT solar installations transferred to Hydro Reserve Fund to repay initial cost of solar panels. Financing for the solar installations was sourced from this reserve and has since been paid back.

Provision for Radio Reserve – Fire and Police (\$75,000) – The past annual contribution amounts of \$190,000 were based on the known cost of equipment replacement for the emergency communications system. This project is underway, and the new annual reserve contribution should be forward looking to the next investment. This amount will be adjusted in future budgets to reflect the next radio system investment.

Provision for Southside Pond Cleanout (\$500,000)- Council approved the establishment of this reserve in the 2018 Budget to fund the estimated \$2.6 million cost of removing the sediment from Southside pond and the construction of a submerged sediment fore-bay. Annual contributions of \$500,000 will raise the funds needed for this project and avoid the need to finance with debt. This project is scheduled for 2022.

Police – page 4, Account 0200-71402

The Police Services Board Chair and Chief will attend the March 4th Council meeting to speak to the Police Budget.

Admin Services – Consultant Fees – page 5, Account 0201-71212-0383 (increase \$62,500)

Administrative Services was successful in obtaining a \$50,000 grant from FCM (Federation of Canadian Municipalities) to hire consultants to complete a building condition assessment for the required asset management plan. The City's share of this cost is \$12,500. There is an offsetting revenue item of \$50,000 to recognize the grant.

Info Technology – page 6, General commentary on additional expenditures of \$242,410

Increase relates to a variety of factors. A replacement telephone system will be deployed this year as the current system is unsupported technology. Additional subscriptions for teleconferencing services and video conferencing systems. Increase in software costs relates to new work from home software (VDI), deployment of Office 365 and ongoing cyber security training for network users. Other improvements to strengthen our cyber security are included.

Debt – page 7-8 (expenditure Increase \$135,810)

- Transfer Development Charges – Public Works: final payment for the James Street yard expansion land acquisition.
- Transfer Industrial Land Reserve Fund; offset the debt payment for the construction of Woodall Way through the Bysham Industrial Park (Dundas to Devonshire).
- Transfer Development Charges – Police; funds the growth portion of the debt financing for the expanded police station.
- Transfer from Development Charges – Waste; funds the deemed growth portion of the debt financing for the Enviro Depot.
- Transfer from Development Charges – Fire; funds the growth portion of the debt financing for the expanded Parkinson Road Fire Hall.
- Recreation Facilities Debt; relates to Cowan Park Soccer, the Skate Park, the Southside Pool rehabilitation, and Complex refrigeration system replacement.
- Art Gallery Debt; relates to third floor renovation.

Grants– page 9-10

- Grant - Southgate Centre-Includes additional ongoing funding of \$95,000 approved in the 2015 Budget.
- Woodstock General Hospital – The 2021 payment of \$350,000 represents year 19 of a 20-year commitment.

City Buildings, Various – page 11-13

- Market Rent West End - OCCC tenancy to expire in March of 2021. Additional costs for utilities are included.
- Rent 16 Graham Street - Rental of Woodstock Hydro building by Hydro One expired at the end of January. Additional costs are budgeted for minimal heat, water, and security.
- Rent – Dundas Street Properties - Rent from 472, 474 and 476 commercial and residential tenants acquired mid-2019. Funds are budgeted to demolish these buildings in the latter part of 2021.
- 447 Hunter Street Rent - Rent from the lease of 447 Hunter Street to the United Way.
- 97 Mill Street - This property remains vacant. The property is sold and set to close in mid-2021, subject to a zoning amendment.
- 760 Juliana Drive - Former golf pro shop that is the subject of various studies as part of a re-zoning process with the intention of selling to a private developer.

Revenue from Equipment – Board of Works – page 14, Account 0300-69403

An hourly charge for the use of City owned equipment that includes the cost of fuel, insurance, maintenance, and an annualized cost of equipment replacement. The revenue from equipment in this account represents the annualized cost of replacing the fleet based on estimated life expectancies, netting out the cost of operating and maintenance. This same figure is contributed to the Reserve for Equipment Replacement in account 0300-74220-0701(page 18) which is used to fund equipment replacements in the Capital Budget.

Road Maintenance Costs Recovered from County – page 14, Account 0300-69407

The City completes road maintenance work on the majority of County Roads within City Limits. An agreement between the City and County establishes a cost allocation methodology to reimburse the City for this work.

Overhead Charges Recovered – page 14, Account 0300-69505

Overhead charges are applied to County programs that are delivered by City forces. The overhead charge applies to programs in waste and recycling management, the sanitary sewer collection system, and the water distribution system.

Benefit Cost Recovered – page 14, Account 0300-69506

This represents a recovery of staff benefit costs for staff working in the waste, recycling, and sanitary sewer programs.

Street Cleaning Contracts – page 15, Account 0300-73320-0404 (increase \$35,500)

Cost is to remove the accumulated pile of street sweepings in the public works yard. The material is predominantly sand but includes metals from brake linings and other contaminants and must be disposed of properly.

Sidewalk Repairs – Contracts - page 16, Account 0300-74030-0404

Sidewalk contracts of \$100,000 includes \$50,000 towards a multi-year downtown paving stone replacement program. The balance is applied to various sidewalk replacements City wide. Market Street paving stone replacement was to be replaced last year but did not proceed due to significant disruption caused by heavy equipment to demolish the Zabian building. This demolition work is not completed and may delay replacement again.

City Flag Maintenance – page 17, Account 0300-74095

These costs solely relate to the oversized City of Woodstock flag adjacent to Highway 401.

City User Fees Reimbursement County – page 21, Account 0300-80417

Budgeted funds to reimburse the County for the cost of user fees by Woodstock residents using the Enviro Depot. Balancing figure is included as a revenue item in the County waste budget.

Building Department – page 23-24,

Provincial legislation requires that building permit fees equal the cost of delivering the service. Any surplus revenue from operations must be directed to a Reserve to fund years with insufficient revenue. Insufficient revenue is budgeted in 2021 to offset the cost of the department resulting in an estimated contribution of \$18,080 from the Reserve.

Sale of Recycled Material – page 25, Account 0302-69507-000 (decrease \$42,000)

Recycled material value fluctuates with global demand for raw materials. The shift from print media to digital media is also impacting the amount of material collected and revenue from the sale of material.

Recovered from County – Waste Collection – page 25, Account 0302 69409

This figure represents the net cost of delivering all waste and recycling programs on behalf of the County.

City User Fees – Enviro Depot page 21, Account 0302-804217-0412 & page 25, Account 0302-69524-0000 (increase \$42,800)

This reimburses the County of Oxford for the per tonne tipping fee for bulk item waste taken to the Enviro Depot by City residents. It is interesting to highlight that there is no cost to the City taxpayer for bulk item collected at curbside and taken to the landfill, but the County requires remuneration for material brought to a depot and then taken to the landfill.

Recycling Depot – page 26, Account 0302-80423

Costs relate to the portion of the depot for recyclable materials that are otherwise picked up at curbside.

Engineering Overhead Recovered County Capital – page 29, Account 0303-69544

The City charges the County an engineering fee for design and contract administration of County infrastructure such as water mains and sanitary sewers. This work is undertaken in most cases with a road reconstruction project.

Provision for Reserve Aerial Mapping – page 30, Account 0303-74210

This \$25,000 provision provides funds to complete aerial mapping of the city every three years. Aerial photography and photogrammetric mapping is essential for engineering design and evaluations. Technological advancements in photogrammetric mapping allows for very accurate digital elevation models that defines the terrain of a mapping area. Aerial photography and mapping are needed to explore further beyond current municipal boundaries to assist in identifying appropriate growth lands and supports the development of base plans for land development projects.

Street Lighting – Electricity – page 30, Account 0303-79101-0351 (increase \$80,000)

Conversion to LED street light technology is complete. Peak electricity costs occurred in 2016 at \$668,000. The Budgeted cost for 2021 is \$600,000.

Street Lighting – Pole Rentals – page 30, Account 0303-79101-0459

This \$5,000 budget results from the agreement for licensed occupancy of power distribution poles. The rental rate of \$2.04 per pole per annum applies to any streetlight affixed to a power distribution pole.

Methane Gas Testing – page 31, Account 0303-80510

This represents the cost to ventilate closed landfills in the City and to monitor various test points in and around closed landfills.

Sanitary Sewer User Fees – page 33, Account 0305-69509 (decrease \$49,620)

This amount represents the net cost of maintaining the sanitary collection system under an agreement with the County. The County recovers this cost through sewer user fees.

Water Rates - page 35, Account 0306-69560 (increase \$12,805)

This amount represents the net cost of maintaining the water distribution system under an agreement with the County. The County recovers this cost through water rates.

Water Hydrant Maintenance Contracts – page 37, Account 0306-80380-0404 (increase \$5,000)

Hydrant painting this summer but did not proceed last year as originally planned.

Parking - page 40-41

The 2021 Parking Budget anticipates a deficit that cannot be funded by the Parking Reserve Fund. Reduced parking revenues partly due to the pandemic are one reason for this situation. The tax levy supports the unfunded net cost of \$44,620.

Planning Services – Legal Fees - page 49, Account 0600-84120-0303

This account is primarily used to hire professional planning and legal services to represent planning decisions of City Council at a Local Planning Appeal Tribunal hearing. There are a significant number of appeals to defend this year. A contribution from the legal fee reserve is used to fund the cost this year.

Parks – Revenue from Equipment – page 51, Account 0701-67198 (increase \$32,080)

This is the surplus revenue from internal charges for use of City equipment. This results in a contribution to the equipment reserve to fund equipment replacement. The Department is increasing revenue to match the cost of replacing a growing inventory of equipment.

Parks – Transfer from Development Charges - page 51, Account 0701 69319

This transfer, from a development charge reserve, funds the development of new trails expensed under account 0701-83178-0404 and contract tree planting in new Parks under account 0701-83160-0603.

Playground Repairs- Contracts, page 53, Account 0701-83135 (increase \$10,000)

Increase relates to replacement of safety surfacing on playgrounds. Third party inspection of playgrounds to conduct concussion testing.

Terry Fox Track – Page 53

The agreement for City uses of this track will end this year. Staff do not anticipate maintenance costs for the year.

Winter Lights – page 54, Account 0701-83177

The responsibility for the set-up, take down, storage, and maintenance of winter lights. Funds for new winter lights are provided in the capital budget.

Cowan Fields – Page 54-55

There is no further need to separate costs for maintaining fields at Cowan Fields from the balance of City parks. These costs have been rolled into the Parks maintenance budget.

Rec Program & Grants -Transfer from Slot Machine Reserve Fund - page 57, Account 0702 67423

Funds from slot machine revenue are used to support the Fee Assistance in Recreation Program (FAIR). The annual amount was doubled to \$30,000 by City Council in 2018 recognizing increasing use and the extension of the program to cultural services. The amount included this year is \$15,000 anticipating that the pandemic will reduce programming availability.

Woodstock Art Gallery – page 74-77

The WAG Advisory Board and Director/Curator will attend the March 4th meeting of Council to speak to the Gallery Budget.

Market Centre - page 78

This Budget covers revenue and expenses for the east end (Theatre) portion of the building only. Rent from the west end of the Market Centre is included in account 0205-69302. Revenue from rentals includes events that are booked with the City during certain periods of the year when Theatre Woodstock is not using the facility. Theatre Woodstock received approval from City Council to not be responsible for the utility costs in the theatre during the pandemic.

Physician Recruitment – Provision for Moving Allowance, page 83 –Account 800-84235-0701 (increase \$10,000)

Council approved a program for the relocation costs of a physician setting up practice in the City.

Human Resources – Consultant Services, page 88 – Account 0900-71214-0383 (increase \$34,000)

This relates to the need to complete a pay equity review and an external wage market study for the management group.

Library - page 90

The Library Board Chair and Acting Chief Librarian will attend the March 4th Council meeting to speak to the Library Budget.

ADDITIONS TO BASE BUDGET SUMMARY

The following summarizes the staff recommendations for additions to Base Budget for Council's consideration.

| | Base Annual Funding | Additional 2021 Levy Impact | Capital Budget Impact | Suggested Financing | Revenue Fund Budget Annual Cost | 2022 Levy Impact | Recommend For Inclusion In 2021 Budget? |
|---|----------------------------|------------------------------------|------------------------------|----------------------------|--|---|--|
| Financial Sustainability: Reserves Contributions | | | | | | | |
| Asphalt Resurfacing Reserve | \$400,000 | \$200,000 | N/A | Levy | \$200,000 | \$200,000 annual funding will be \$600,000 – goal is \$1,000,000 | Defer to 2022 |
| Post-Secondary Capital Grant Reserve Fund (this reserve fund is not established yet) | \$0 | \$100,000 | N/A | Levy | \$100,000 | \$100,000 | Defer to 2022 |
| Capital Levy (suggested contribution to Municipal Building Reserve, Community Complex roof replacement \$1.2 million) | \$0 | Per \$100,000 Increment | N/A | Levy | \$100,000 increments | TBD | Defer to 2022 |

| | Base Annual Funding | Additional 2021 Levy Impact | Capital Budget Impact | Suggested Financing | Revenue Fund Budget Annual Cost | 2022 Levy Impact | Recommend For Inclusion In 2021 Budget? |
|--|----------------------------|------------------------------------|------------------------------|-----------------------------|--|-------------------------|--|
| Staffing Related Additions to Base Budget | | | | | | | |
| Building Department: Deputy Chief Building Official | \$0 | \$0 | \$0 | Building Department Reserve | \$125,000 | \$0 | Yes |
| Building Department: Temporary Full Time Building Inspector | \$0 | \$0 | \$15,000 | Building Department Reserve | \$45,000 | \$0 | Yes |
| Administrative Services: Part Time Tax clerk | \$0 | \$28,000 | \$0 | Levy | \$35,000 | \$35,000 | Yes |
| Economic Development Downtown Coordinator Contract Position | | \$45,000 (six months) | \$0 | Levy and/or BIA Levy | \$90,000 | \$90,000 | Defer to 2022 |

| | Base Annual Funding | Additional 2021 Levy Impact | Capital Budget Impact | Suggested Financing | Revenue Fund Budget Annual Cost | 2022 Levy Impact | Recommend For Inclusion In 2021 Budget? |
|--|----------------------------|------------------------------------|------------------------------|---|--|----------------------------|--|
| Staffing Related Additions to Base Budget Continued | | | | | | | |
| Economic Development Small Business Centre – Business Advisor Full Time | \$0 | \$25,500 | \$0 | COVID 19 Grant \$32,000 +Levy \$25,500 | \$76,850 | \$76,850 | No |
| OR Small Business Centre – Business Advisor Contract Temporary Full Time | \$0 | \$0 | \$0 | COVID 10 Grant \$32,000 | \$0 | \$32,000 | Yes |
| Public Works Skilled Labourer – Permanent Full Time | \$0 | \$57,000 (9 months) | \$0 | Levy + County Waste Funding | \$83,700 | \$77,000 +wage increase | Yes |

| | Base Annual Funding | Additional 2021 Levy Impact | Capital Budget Impact | Suggested Financing | Revenue Fund Budget Annual Cost | 2022 Levy Impact | Recommend For Inclusion In 2021 Budget? |
|--|----------------------------|------------------------------------|------------------------------|---|---|--|--|
| Service Level Changes | | | | | | | |
| Transit Department: | | | | | | | |
| Route Expansion: 7 th route + new routing | | \$140,000 (5 months) | \$125,000 | \$140,000 & \$125,000 Provincial Dedicated Gas Tax | Gross \$370,000 Net of Fare Revenue \$340,000 | Estimated \$340,000 (Portion could be financed by gas tax) | Yes |
| OR | | | | | | | |
| Expand Route #4 (45- minute cycle) Until Ridership Begins Recovery from Pandemic | | No Change | \$20,000 | No Change | No Change | No Change | No |
| Reduction in Large Article Curbside Pick-up | \$45,600 | \$0 | \$0 | N/A | Savings of \$17,000 | Similar | Yes |
| Downtown Streets CMHA Peer Outreach Initiative | | \$54,000 to \$80,000 | \$0 | Levy | \$54,000 to \$80,000 | To Be Determined | Yes |

| | Base Annual Funding | Additional 2020 Levy Impact | Capital Budget Impact | Suggested Financing | Revenue Fund Budget Annual Cost | 2021 Levy Impact | Recommend For Inclusion In 2020 Budget? |
|---|----------------------------|------------------------------------|------------------------------|----------------------------|--|--|--|
| Miscellaneous | | | | | | | |
| Clerks Department: Agenda Management Software | | \$14,000 | \$0 | Levy | \$14,000 | \$10,000 | Yes |
| Parking Permit and Enforcement Software | | \$20,000 | | Levy | \$20,000 | TBD Should be supported by parking system | Yes |
| Parks Department: Invasive Species Control Gypsy Moth (Milnes Woodlot) & Phragmites various locations | | \$30,000 | \$0 | Levy | \$30,000 | TBD | Yes |
| Southgate Centre: Inflationary adjustment to portion (\$95,000) of annual grant for Staff | Total Grant: \$137,700 | Estimated \$1,500 | \$0 | Levy | \$139,050 | Determined by future Inflation | Per Council Direction |

| | Base Annual Funding | Additional 2020 Levy Impact | Capital Budget Impact | Suggested Financing | Revenue Fund Budget Annual Cost | 2021 Levy Impact | Recommend For Inclusion In 2020 Budget? |
|--|----------------------------|------------------------------------|------------------------------|----------------------------|--|-------------------------|--|
| Miscellaneous | | | | | | | |
| Service Delivery Review Road Operations Study | \$0 | \$0 | \$0 | Contingency Reserve | \$20,000 | N/A | Yes |
| Total | | \$230,500 | | Levy | | | |
| | | \$265,000 | | Gas Tax | | | |
| | | \$185,000 | | Building Reserve | | | |
| | | \$20,000 | | Contingency Reserve | | | |
| | | \$32,000 | | COVID Grant | | | |

Information for Additions to Base Budget

Financial Sustainability (Reserve Contributions)

Reserve for Asphalt Resurfacing (recommend deferral to 2022)

2021 Additional Levy Impact: \$200,000

2022 Levy Impact: \$600,000 including base funding (if the 2020 increment is approved)

To slow a decline in road condition, Staff recommended, in 2015, an increase in the asphalt resurfacing budget from its existing level of approximately \$1 million to \$2 million in five increments of \$200,000 over a 5-year period. Council approved two of these increments; one in 2015 and a second in 2018 resulting in annual base funding of \$400,000. Council has approved allocations from Budget surplus in other years, but these allocations decrease needed funding for other capital assets and do not provide annual sustainable funding.

Staff recommends deferral of the increase until 2022 to give priority to other initiatives and not further increase the 2021 levy. This is supported by the Strategic Plan fiscal sustainability action 16.1: Maintain appropriate financial capacity for present and future needs.

Post-Secondary Capital Grant Reserve (recommend deferral to 2022)

2021 Additional Levy Impact: \$100,000

2022 Levy Impact: \$100,000

The Strategic Plan includes a recommended action to explore opportunities to partner with educational institutions to support the development of a skilled labour force. Considerations include increased education/technology training opportunities, post-secondary education options downtown and the potential for Colleges to initiate a degree program.

Fanshawe College at the Community Complex has more than doubled full time post-secondary programs and enrolment; both full time and part time has grown significantly. The Finkle Street Campus is by far the most undersized facility for Fanshawe relative to the full-time student population. Fanshawe proposed an expansion in 2010, however this did not proceed as Federal funding was not approved. In support of this project, City Council approved a grant of land and a grant of \$1,000,000 subject to approval of other funding. Land and funds were not transferred as the project did not proceed.

Fanshawe College recognizes the need for a facility expansion to meet community needs but there are no immediate plans to expand the Finkle Street Campus. Fanshawe has leased additional space in the downtown to address its facility capacity constraints in the short term.

Provincial funding for post-secondary expansions was also withdrawn from several projects in 2018 and post-secondary institutions are also being financially challenged by tuition reductions. We do not foresee a need for a Reserve to support post-secondary education expansion in the immediate future, but it is prudent to begin building a reserve for the 5-10-year period. Staff recommend the establishment of this reserve and a contribution to this Reserve in 2022 to give priority to other initiatives and to not further increase the 2021 levy.

This item is supported by the Strategic Plan “Create a Diversified Economy” action 10.1: Explore opportunities to partner with educational institutions and Strategic Plan” fiscal sustainability” action 16.1: Maintain appropriate financial capacity for present and future needs.

Capital Levy: Contribution to Municipal Building Reserve (recommend deferral to 2022)

2021 Levy Impact: Variable

2022 Levy Impact: TBD

There continues to be significant capital spending requirements for “state of good repair” projects in municipal buildings. The largest project in the five-year capital forecast is the Community Complex roof replacement (\$1.2 million). This project will be difficult to finance from typical sources and will require either debt financing or increased contributions to the municipal building reserve. Debt financing is essential for large capital projects and is not unusual, but care and attention is needed as the City’s debt position continues to increase.

This item is supported by the Strategic Plan fiscal sustainability action 16.1: Maintain appropriate financial capacity for present and future needs.

Staffing

Building Department: Deputy Chief Building Official

2021 Levy Impact \$0

Financing from Building Reserve: \$125,000 (annual)

2022 Levy Impact \$0

Workload continues to increase each year in the Building Department as evidenced by the monthly construction reports. A Deputy will provide additional management support throughout the year and provide for succession planning within the Department.

Building Department: Temporary Full Time Building Inspector

2021 Levy Impact \$0

Financing from Building Reserve: \$35,000 + \$15,000 furniture

2022 Levy Impact \$0

This temporary position is proposed to assist with volume of work between May and October. A temporary inspector during peak construction season will help the department maintain service levels and provide vacation coverage in summer months.

Administrative Services: Part Time Tax Clerk

2021 Levy Impact: \$22,000 (seven months) + \$5,600 computer/desk

2022 Levy Impact: \$35,000

This position would not be customer facing but instead would be used to enhance our staff complement in the area of property taxation and accounting. The volume of properties within the City is increasing every year with new building and with boundary adjustments. The focus of the position would be tax related and would provide assistance in tax billing, pre-authorized payment notifications, arrears notices, maintenance of the E-send program, building permit/supplementary assessment tracking and residential tenancy notices among other duties.

Downtown Development Coordinator: Contract Full Time (recommend deferral to 2022)

2021 Levy Impact \$45,000

2022 Levy Impact \$90,000

Responsibilities of proposed role (excerpted from Downtown Development Plan):

- Downtown Coordinator to lead implementation of recently adopted downtown development plan. Lead all aspects related to retention and attraction of downtown businesses, including general marketing and promotion, as well as strategic projects.
- A key focus of the Downtown Coordinator will be the preparation of a Marketing and Recruitment Strategy for the downtown. This will provide a clear understanding of the types of businesses and uses that are desirable in the downtown and will allow the Downtown Coordinator to make a concentrated effort to attract, incentivize and retain them.
- As a highly knowledgeable resource, the Downtown Coordinator will be the first contact for potential investors in the downtown, and able to direct people to the right contact and/or advocate on their behalf as necessary.
- The Downtown Coordinator will be intimately familiar with the City's CIP program, and able to articulate its merits to potential businesses and/or help them through the application process. Likewise, the Coordinator will be well-versed in alternative funding sources and able to identify potential opportunities to help to further entice new businesses (i.e. Small Business Grants from Province).
- The Downtown Coordinator will foster relationships between businesses, as well as with County and City staff, agencies, institutions, businesses, and volunteer groups who may play a key role in the renewal of downtown businesses.
- As part of the Marketing and Recruitment Strategy, the Downtown Coordinator will oversee an inventory of commercial properties in the downtown (a process that is currently underway by both the B.I.A. and the Small Business Centre) and will know the size, layout, and other key information about each vacant property to align with potential tenants.

Small Business Centre – Business Advisor: Full Time (recommend deferral of consideration to 2022)

2021 Levy Impact \$25,500

2022 Levy Impact \$76,850

OR

Small Business Centre – Business Advisor: Contract Full Time Temporary (recommended for 2021)

2021 Levy Impact \$0

2022 Levy Impact \$32,000

The Small Business Centre has seen substantial growth in the past two years with the introduction of a new delivery model and more robust outreach to the community. With the signing of the new 3 year contract with the Province ending in March 2022, and the continued support of the County through its funding, the SBC has been positioned to expand its reach throughout Oxford County. To that end, the SBC has increased its service offerings to not just those investigating or starting new businesses but existing businesses that are looking for assistance with strategic growth, expansion, or operational review. As a result, the SBC has taken on the Digital Main Street program in partnership with the 4 County BIAs (Business Improvement Association) and the Tavistock Chamber and become a leading member of the Ontario Small Business Enterprise Centre network (the formal organization of the 53 Small Business Centres throughout the province). This affiliation and organization of all the Centres across the province also provided us with the opportunity to receive additional funding to support the hiring of a Business Advisor (contract) in 2021 or to use the funds to support existing staff to assist businesses with COVID-19 related issues and concerns through a different Ministerial portfolio than the Provincial funding currently received from the Province to operate the Centre.

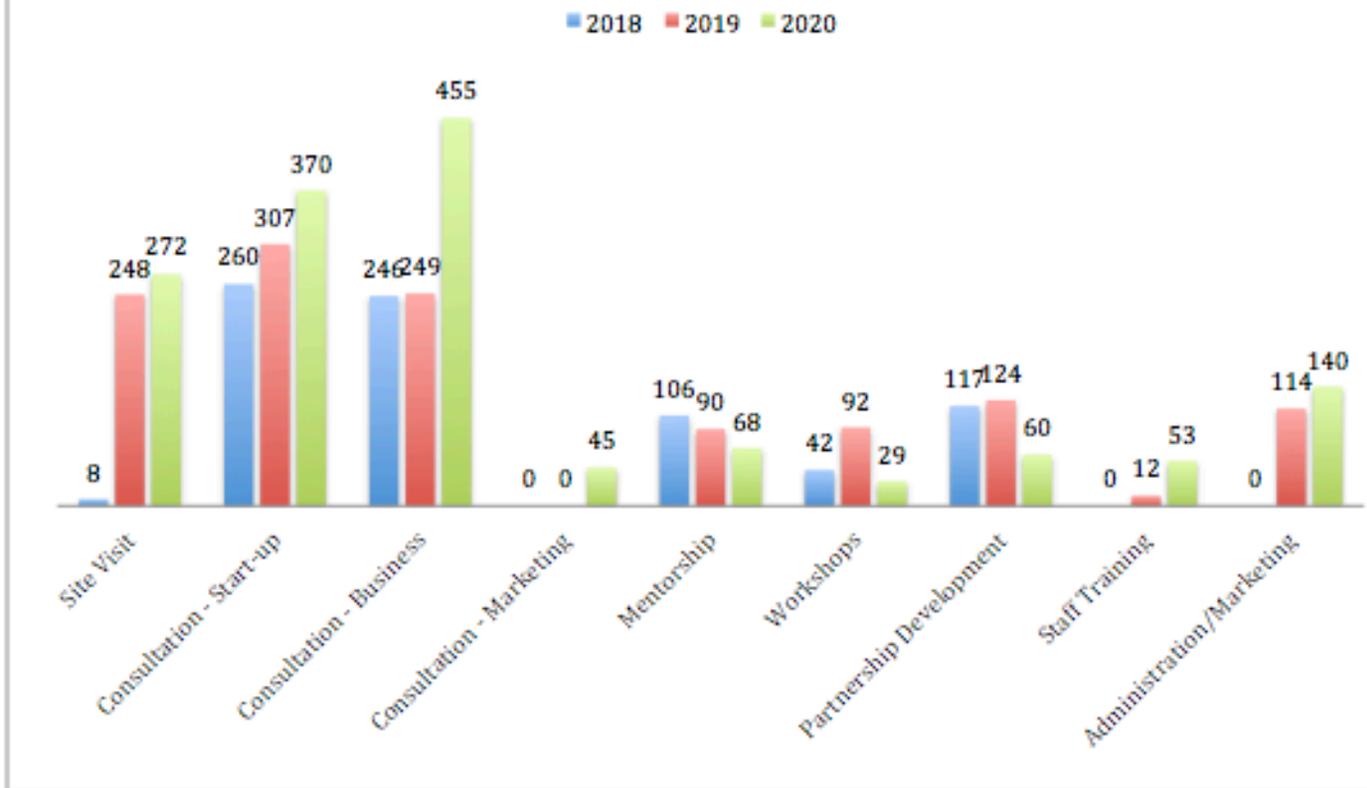
In reviewing our operations, it has become evident that in order to be able to meet the needs of small business (both start-up and existing) and help them increase their economic impact in Oxford County, the SBC requires the equivalent of 3 FTE positions – Manager, Small Business Consultant and Business Advisor. The responsibilities of each position will be divided as follows:

Manager: overall office management, grant procurement, consultations (existing businesses), workshop facilitation, business and partner outreach.

Small Business Consultant: small business start-up consultations, initial inquiries, Starter Company Plus (9 recipients per year) and Summer Company (6 recipients per year) program management and administration and workshop facilitation.

Business Advisor: conducting site visits, maintaining SBC social media and marketing and consultations (marketing) with new and existing business owners.

SBC Core Business Activities by total number of occurrences



- no 2018 numbers available for Staff Training or Administration/Marketing
- no 2018 or 2019 numbers available for Consultations – Marketing as this type of consultation was not separated but included in Start-up or Business Consultations until mid 2020

The work of the SBC staff differs from that of traditional economic development settings and from the work done by the Economic Development office in a number of ways. Most client interactions are not pre-determined and in most cases we know nothing about the business idea or business until we start the meeting.

We deal with a multitude of different industry sectors, different legal business structures (sole proprietorship, partnership, corporation, not for profit), and different zoning (residential, commercial, industrial, manufacturing) not to mention having to have an understanding of how each of these impacts a business owner's ability to start a business in 8 different municipalities each with their own unique rules and regulations. Our advice is not of a contractual nature, but of a business operations nature as we are advising businesses on the rules and regulations necessary for them to operate or grow a business. In most cases, our clients have no previous experience and have no idea what questions they should be asking, requiring us to know how to direct the conversation and outcome.

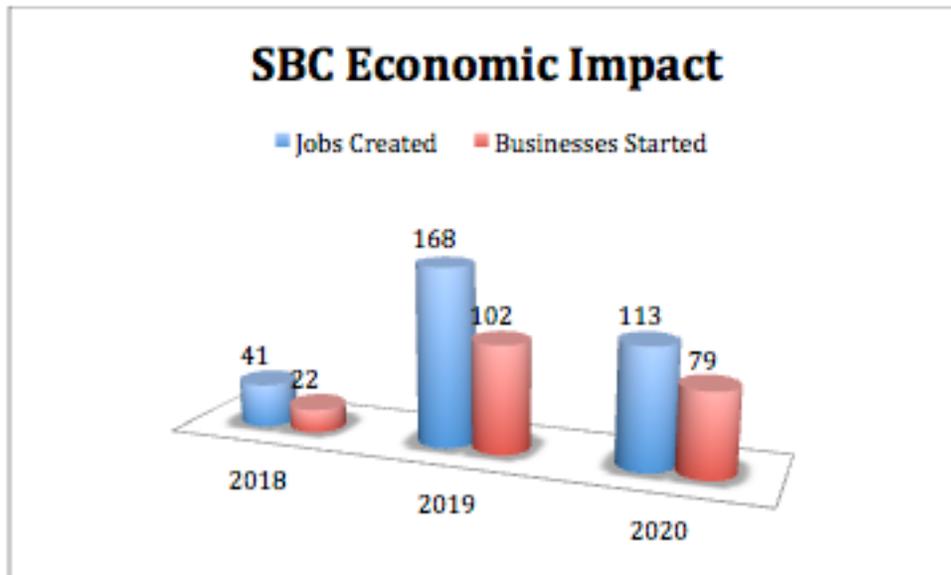
The average client interacts with the SBC for a period of approximately 3 months while they move from the Investigating to start-up phase of their business and tend to drop off once they open the business or decide that entrepreneurship is not right for them. In that three month period they would have attended 5 workshops and had 1 Consultation – Start-up and at least 2 subsequent meetings. Since being very proactive in going out into the community through site visits starting in 2019 and increasing in 2020, we have reached a number of businesses that were not aware of our services or that such a service even existed in Oxford County. These visits have resulted in the marked increase of Consultation-Business services mostly held with existing business owners through to the end of 2020. While COVID 19 fears did result in a small spike in these numbers, most meetings are about future strategic planning and business growth for these businesses post COVID 19. Our interaction with existing business owners has not been as predictable as with those in the investigation or start-up phases, but we have identified that this group predominately book a larger number of meetings in a shorter period of time and we can see an existing business owner at least once or twice per week over the period of a month as they deal with a very specific issue. The issues addressed with this group tend to require more research or intervention of the staff as the problems are more complex in nature and as a result staff have taken on more training to better understand and assist our clients.

While the number of in-house or live workshops we offer has dropped as a result of COVID 19, we have spent the time developing a series of on-demand webinars that clients can register for and access at any time, hence the increase in Admin/Marketing hours to develop curriculum. Partnership development opportunities are still being undertaken by the Centre, but are more strategic in nature as community partners are now more aware of the Centre, and the need for introductory or exploratory meetings has diminished.

In 2018, the Centre was staffed by 2 FTEs and contractors, in 2019 it was staffed with 2 FTE and 1 PTE equivalent contract (Digital Main Street program) and in 2020 this increased to 2 FTE and 1 FTE equivalent contract (Digital Main Street 2.0 program). Demand for the services of the Centre are shown to be on the rise and continue to climb on a weekly basis even with the Province in a lockdown. Realistically, the only way that we have been able to keep up this volume is a direct result of our office only being open by appointment.

While the current short-term funding through programs like Digital Main Street have provided the means to continue the Business Advisor position, the services provided by the incumbent are not limited to the just the program. This position provides us with our own social media and updates, assists in the development of our marketing materials and coaches' clients on developing their own digital presence. These are services that could not be provided by the current staffing.

With the Province's continued support for small business, we are confident that the current provincial contract for the Centre will continue past March 2022. While the Centre, is at its core a non-revenue generating office but rather a service-focused entity, it does have an economic impact in the community. While our 2020 numbers show a decrease in impact, this is purely related to our inability to conduct follow-up with our business start-ups and get accurate numbers due to the COVID 19 pandemic. Numbers not captured to date will be reflected in our 2021 impacts.



| | 2018 | 2019 | 2020 |
|-------------------------------------|------|------|------|
| Jobs Created - Woodstock | 20 | 93 | 74 |
| Jobs Created - rest of County | 21 | 75 | 39 |
| Businesses Started - Woodstock | 10 | 61 | 48 |
| Businesses Started - rest of County | 12 | 41 | 31 |

*2020 reported numbers are lower as we have not done a telephone follow-up with start-up clients to see if they have opened their businesses

Adding this position as an FTE to the complement will allow the SBC to broaden its offering to existing business owners in the community.

Our current base budget from the Province totally covers the cost of the current 2 FTE and base administrative costs to provide services throughout Oxford County, with the contribution from the City supporting the maintenance of the office location and local programming administration. In addition, we have sought assistance from the County in the amount of \$50,000 that has assisted us with outreach in the County and covered the associated expenses. In this fiscal year, we have received additional grant funding from the Province to assist us with outreach to existing business owners facing issues directly related to COVID 19. This funding allows us to maintain business advisory services (consultations, site visits, webinars, referrals) to those EXISTING businesses affected by COVID 19. These funds are in addition to the base funding already received and amount to an additional \$32,000 funding for the Centre in 2021.

Going forward, the SBC will look at other funding sources to continue to grow the business. Given the focus by both the federal and provincial governments on small business, we anticipate that additional sources of funding will be available post 2021 and we will be able to adjust our operations to meet the needs of this new position.

CAO Note:

The Economic Development Department recommends Council approve a full time Business Advisor. This is one of the uncommon instances of a difference of opinion and both positions are presented to City Council for their decision. The Small Business Centre differs from other City services in that it delivers services County-wide. Since 2018, the County of Oxford has provided annual funding ranging from \$40,000 to \$50,000 annually in the form of a grant. This annual grant is in recognition of these services being available County-wide. Caution needs to be exercised in considering the County grant as secure, annual funding. The decision to approve the County grant is made annually as part of the County budget deliberation process and the County can withdraw this funding in any year.

The 2017 SBC net cost to the City taxpayer (before County provided funding) was \$52,700. The proposed net cost to the taxpayer for 2021 is approximately \$89,000 which includes the offsetting \$50,000 County grant. Adding a full time Business Advisor position without additional new secure and sustainable offsetting funding will almost double the annual cost to the City taxpayer. As there isn't secure funding, the City taxpayer will bear the full impact of this increase in 2022 and beyond for a service that is available County-wide.

There is no argument that small business supports are needed in these times. My recommendation is to approve a contract temporary Business Advisor funded by the \$32,000 COVID-19 grant. This contract is recommended to continue into 2022 funded by the tax levy (or grant as available) at an annual upset cost of \$32,000. A contract position allows flexibility to adapt to increases or decreases in the workload without the burden of a fixed cost full time employee. The SBC should secure annual stable funding for any increase in permanent staffing costs, particularly for any portion that funds work outside the City.

Public Works: Skilled Labourer – Full Time

2021 Levy Impact: \$57,000 (9 months)

2022 Levy Impact: \$77,000

The Public Works Department is proposing the addition of one FTE Skilled Labour. This position would alleviate the requirement of the Clerk being posted at the Enviro Depot eight months of the year, in addition, would be able to provide snowplow operator services in the Winter months.

Summer Operations Benefit

In early 2019 the Public Works Department acquired a Clerk II that was to work at the entrance gate at the Enviro Depot eight months a year and provide dedicated clerical assistance to public works administrative staff for the remaining four winter months. The constant intake of vehicles, disruptions and being in a different building resulted in minimal assistance being able to be provided by the Clerk when at the Depot. The Public Works Department responsibilities require significant clerical work to maintain regulated water, sanitary, waste and road services, much of which is currently completed by the Supervising staff. The dedicated assignment of a Clerk to the public works department would help reduce the 1900 plus hours of unpaid overtime the four supervisors experienced each year in 2019 and 2020.

Winter Operations Benefit

Since 2012 the City has assumed 52 centreline kilometres of paved road and sidewalk with an anticipated additional 26 kilometres to be assumed in the upcoming year or two. The additional request in capital for a snowplow was to address the road portion of winter maintenance, which will require one of our existing staff to operate that additional vehicle.

In 2018, the maintenance standards for sidewalk snow clearing drastically increased the level of service expectations for the municipality. During the Winter 2020-21 season a program was setup for staff to maintain sidewalks facing City property and backlots. With over 100 spot locations still requiring maintenance, two dedicated sidewalk plows are assigned to meet the 48-hour requirement set out in the standards. Once these operators clear City fronting sidewalk, they proceed to streets with curb face sidewalk where City plows may have pushed snow back onto property owners' sidewalks. This type of sidewalk accounts 122 km or 43% of all City sidewalk and with two plows takes three plus days to address. The addition of one staff would permit all City locations to be addressed in 24 hours and the remaining curb face sidewalk to be addressed within the following two days. In essence, the additional staff would permit a total sidewalk response of time of approximately three days instead the current five days.

Service Level Changes

Transit Department: Route Expansion 7th Route + new Routing for current 6 routes

2021 Levy Impact: \$0 (financed from gas tax for 2021)

2021 One Time Cost: \$125,000 financed Dedicated Provincial Gas Tax

2022 Levy Impact: \$340,000 (portion could be financed from gas tax)

OR

Extend Route 4 on a 45 Minute Cycle

2021 Levy Impact: \$0

2021 One Time Cost: \$20,000 financed Dedicated Provincial Gas Tax

City Council received the 2019 Transit Operational Review report at its November 21st, 2019 meeting. City Council endorsed Option B – 7 routes, 30-minute cycle as the preferred option and directed staff to include this as an addition to Base Budget. This transit expansion was not given consideration in the 2020 Budget due to the COVID-19 Pandemic.

This study considered numerous routing options on both a 30 minute and a 40-minute frequency with both 6 routes and 7 routes. Option B - 7 routes, 30-minute cycle as detailed in the following graphic was determined to be the best solution to address the immediate need to expand the transit system service area into new residential and industrial areas and provide reliable on time service. Copies of the 2019 transit operational review are available on request or alternatively can be viewed on the City web site.

The anticipated costs and revenue of implementation follows:

Full year estimated cost of additional route: \$370,000

Additional fare revenue: \$30,000

Implementation will require the relocation of many of the bus stops as well as new transit route mapping produced. These one-time costs are estimated to be \$125,000 which can be funded from Provincial Dedicated Gas Tax. If approved, Staff recommend an August launch.

The annual cost impact can be lessened through a transit fare increase as recommended by the Transit Improvement Study. This is further discussed at the conclusion of this summary.



7 ROUTES TERMINAL

| Route | Peak | |
|-------|------------|-----------|
| | # of Buses | Frequency |
| 1 | 1 | 30 min. |
| 2 | 1 | 30 min. |
| 3 | 1 | 30 min. |
| 4 | 1 | 30 min. |
| 5 | 1 | 30 min. |
| 6 | 1 | 30 min. |
| 7 | 1 | 30 min. |

Pros

- Provides new service to Arthur Parker Ave, northern residential area
- Provides new service to Commerce Way, southeastern industrial area
- Provides new service to Pattullo Ave, southern industrial area
- Provides new service on James St, Springbank Ave, Anderson St & Ingersoll Rd
- Provides a balanced service north & south of Dundas St
- Eliminates all un-serviced areas (400 metre buffer), except Toyota
- Attracts new ridership
- More travel connection options, reliability & transfer points

Cons

- Does not permit future growth
- Increased operating costs
- Level RR crossing at Ingersoll Rd & Beard's Lane, possible delays

OPTION B

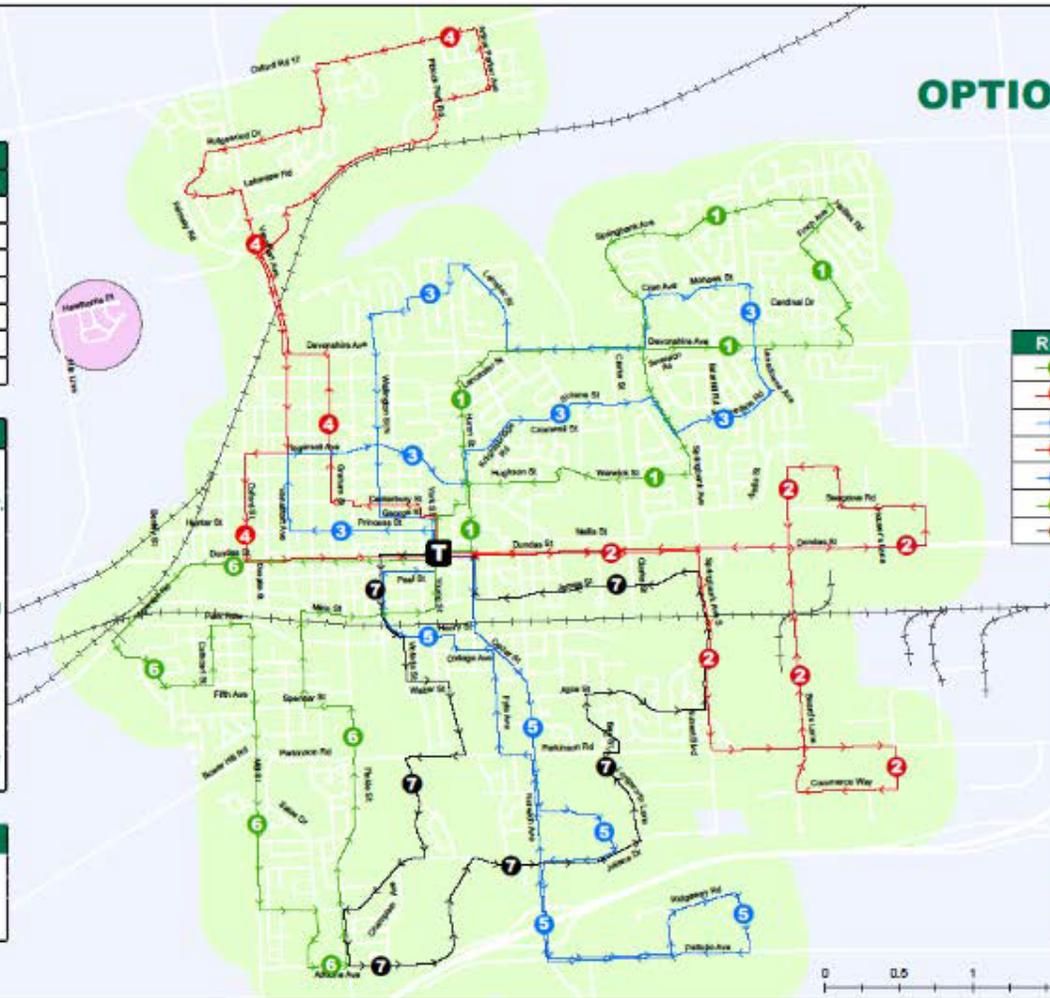


| Route | Length (km) |
|-------|-------------|
| 1 | 11.05 |
| 2 | 12.29 |
| 3 | 12.11 |
| 4 | 12.83 |
| 5 | 11.29 |
| 6 | 10.96 |
| 7 | 12.04 |

Legend

- Terminal Transit Routes
- 1
- 2
- 3
- 4
- 5
- 6
- 7 - On Street
- Railroad Tracks
- Unserviced Areas
- 400m Route Buffer (5 min walk)
- Bus Terminal

0 0.5 1 2 Kilometers



ALTERNATE

The ongoing pandemic continues to impact ridership. Fare revenue is trending at 2/3rds of normal levels. This is not an optimal time to introduce a transit service expansion. However, the City continues to grow and has a significant population living in areas that are not within 400 metres of a bus stop which is our service objective. One option to extend service without the cost of a 7th route is to increase route #4 to a 45-minute cycle. Route #4 would connect with all other routes at the Transit Terminal every other trip.

The benefit of this approach is that it will serve the new residential neighbourhoods in the City's north without additional cost. The downside is that the industrial areas will not be served.

This approach is recommended for no more than one year and the full 7th route should be implemented no later than 2022.

Reduction in Large Article Curbside Collection

2021 Levy Impact: \$0 (estimated \$17,000 savings realized by County)

2022 Levy Impact: \$0

The City averaged 410 t of large article material when service levels were at six annual curbside pickups. The service level was changed to twice yearly with the introduction of the Enviro Depot.

The Enviro Depot collected 1077 t in 2019 and 1381 t in 2020 of residential large article and construction waste, contributing to the reduction in curbside collection material of 206 t and 258 t, respectively.

A single pickup would still provide the service to those that do not have the ability.

The depot received over 30,000 visits in 2019 and approximately 26,000 in 2020 (pandemic impacted).

The anticipated reduction in cost is approximately \$17,000 or 37%.

Downtown Streets CMHA Peer Outreach Initiative 2021 (pilot project)

2021 Levy Impact: \$54,000 to \$80,000

2022 Levy Impact: To Be Determined

CMHA Funding Proposal

About CMHA Oxford

CMHA Oxford has been operating since 1986 and our main office is located in Woodstock. Our current mission/vision statement is “We pursue hope, recovery and resilience for all”.

We support individuals struggling with mental health concerns, concurrent disorders (mental health and addictions) and/or homelessness. We have a variety of different programs and services; these are offered both in Woodstock and throughout Oxford County. We work in partnership with many of the agencies and organizations in Oxford County.

Our Management team consists of two Managers, one Clinical Director and an Executive Director. We are in the process of an integration with Addiction Services of Thames Valley and CMHA Elgin Middlesex. The rationale for the integration is to strengthen services in our community and across the region. We will be able to maintain all of our current programs and services with the familiar, local feel that our community is accustomed to, however we will also reap the benefits of providing services regionally. Any funding specific to Woodstock and/or Oxford County will remain in Woodstock and/or Oxford County and will only be used for the specified purpose/program(s) it is intended for.

Background

Since October 2019, a small group including representatives from the Downtown Woodstock BIA, the City of Woodstock, Oxford United Way, Woodstock Police Services, CMHA Oxford and the Oxford County Community Health Centre have been meeting to consider possible initiatives and solutions to help address some of the concerns of Business owners in the downtown core. Concerns identified include people congregating in the downtown area who may be struggling with drug use and addictions, mental health and/or homelessness, potentially having a negative impact on Businesses being able to attract customers to the downtown core. Pre COVID we were considering a “Welcoming Streets” Initiative based off of a model in Guelph ON, which paired Outreach Workers with Peer Workers to support the downtown businesses. Since the initial meeting in October 2019, representatives from Trumpet of Truth, Operation Sharing and Oxford County Human Services (Housing) have also joined what is now referred to as the “Downtown Homelessness Working Group”. Using the “Welcoming Streets” model in Guelph as a guide, CMHA Oxford has developed a similar program, Peer Support Outreach, a program unique to meeting our community’s needs utilizing Peer Outreach

Support Coordinators. CMHA Oxford employs registered healthcare professionals in all of our clinical programs, this provides our Peer Support Coordinators with immediate access to clinical support should it be needed in their work.

Our Peer Support Coordinators receive extensive training to be able to provide peer support, for this Outreach role our Coordinators will also receive training related to SW Public Health Sharps Disposal work, Harm Reduction Training, Naloxone Distribution Training, and enhanced training related to advocacy, stigma and difficult conversations.

CMHA Oxford Self Help Peer Outreach Program Proposal

Request

CMHA Oxford is requesting funding of \$80,000 a year to implement a Peer Outreach Program in the Downtown Core. These funds would provide for a minimum of 50 to 55 hours a week of active outreach including connecting with our target population, engagement, and education with Business owners, responding to Business owners for situations that do not require the help of police and other related activities.

Of note, CMHA Oxford could provide a downscaled version of the Peer Outreach Program for \$54,000 a year, however the program would not be as robust and we would only be able to provide 30 to 32 hours a week of active outreach, work with/provide support to Business owners and related activities.

Goal

The goal of the Peer Outreach Program is to help ensure the downtown core of Woodstock is safe, inclusive, and welcoming for all community members. The focus on the downtown core will help address concerns identified by the Woodstock BIA, the City of Woodstock, and members of the Downtown Homelessness Working Group.

Purpose

A Peer Support Coordinator engages with vulnerable individuals on the streets in the downtown core to offer connection to the resources and services they may need. The Peer Support Coordinator also works to support business owners by providing education and by responding to situations that do not require the help of police. This program also aligns with the Oxford Drug and Alcohol Strategy work as sharps/needles pick up and disposal is an important component that has been built into this program.

Population Served:

This program supports downtown business owners and vulnerable individuals in the downtown area. These individuals are often struggling with complex issues, such as poverty, mental health and addiction, homelessness. These individuals are often disengaged from the health and social service systems and are often viewed as creating problems in our downtown core.

The Peer Support Coordinator will provide education and support to business owners. The Peer Support Coordinator will work to ensure that sharps and needles are picked up and safely disposed of through a partnership with the SW Public Health.

The Peer Support Coordinator will work to engage and build positive, trusting relationships with vulnerable individuals to connect them to the services and resources they may need (i.e., mental health and addictions services, shelter and/or housing, Naloxone kits, treatment, and support and/or basic needs such as health care, clothing, and food).

Expected Outcomes:

- Business owners feel supported and have access to the information/training they need.
- The downtown core is safe and inclusive for all community members; citizens will not be reporting feeling intimidated or scared to go downtown.
- Business Owners in the downtown core will experience an increase in the number of customers accessing their locations.
- There will be a noticeable reduction in the number of used and discarded needles found in the downtown core.
- Vulnerable individuals will feel supported and are linked with the services they need.

KPI's for Businesses:

- # of conversations providing training to solve conflict.
- # of conversations regarding overdose prevention.
- # of conversations regarding providing support for staff safety.
- # of connections made regarding support for sharps disposal.
- # of requests for education.
- # of requests for how to support employees with problematic substance use.

KPI's for Individuals Served:

- # of individuals served.
- # of resources given.
- # of individuals connected to services.
- # of requests for information around problematic substance use.
- # of Naloxone kits distributed.

Partnerships:

- SW Public Health
- HIV Aids Committee and ADSTV
- Connected with Harm Reduction Outreach Van (ensuring Peer Coordinators are not working in isolation)
- Oxford County Community Health Centre - Downtown Homelessness Working Group, and connecting with the Mobile Health Bus and CHC Housing Program
- Woodstock BIA – Downtown Homelessness Working Group and joint education initiatives for Business owners and BIA members
- Oxford County Human Services (Housing) - Downtown Homelessness Working Group and connecting with the Housing Program
- City of Woodstock – Downtown Homelessness Working Group and pending this request for funding for the Peer Outreach Program to help address concerns in the downtown core
- United Way Oxford – Downtown Homelessness Working Group and pending – we have submitted a request for a small amount of funds for 18 hours a week for the Peer Outreach Program for delivery in Woodstock and across Oxford County. We are also aware that United Way received more funding requests than donations this year
- Woodstock Police Service - Downtown Homelessness Working Group and partnership with MHEART which would help support and enhance this initiative

□ We envision that we would enhance relationships with Trumpets for Change and Operation Sharing/The Inn, who are also partners with respect to the Downtown Homelessness Working Group

Snapshot of the Program

Peers Support Coordinators can provide information on individual advocacy, self-help, recovery, wellness, crisis planning and prevention, and empowerment tools as requested by the person. Oxford Self Help provides individuals in our community a place to go for social connections and information on agency and community resources by individuals who come from a place of lived experience with these resources. We know that there are many on the street struggling with problematic substance use and the downtown core is struggling with how to co-exist with this happening in front of their businesses.

As well as supporting and providing education to Business owner, Peer Support Coordinators are able to meet people where they are at through community outreach and can connect individuals to clinical supports through building rapport and connection.

Peer Support Coordinators build peer relationships with individuals; support them in identifying their strengths and in making choices that promote wellbeing and safety. Peer Support Coordinators provide a source of encouragement and hope, partnering with individuals as they move towards their self-determined goals.

Peer Support Coordinators provide outreach support, focusing on the downtown core by supporting SW Public Health's initiative for a sharp's disposal strategy. This would have a Peer Support Coordinator providing harm reduction and recovery support services. The benefit of this being someone with lived experience of mental health and addictions is connecting with individuals on the street and providing them with the resources they need. This could include assisting with getting people connected to shelter and/or housing, treatment, and support, providing a Naloxone kit and/or providing assistance with basic needs such as health care, clothing, and food. People need to be agreeable to receiving these kinds of supports, which can happen over time through the building of relationships, if immediate intervention attempts are declined. Within the role, the Peer Support Coordinator would be providing street outreach, connecting with individuals who use substances and assisting with sharps disposal. Sharps management, in partnership with SW Public Health would be a component of peer outreach services inclusive of collection, reporting, monitoring, and disposal.

Contact Person Name

Lynn Wardell, Executive Director

Miscellaneous

Clerks Department: Agenda Management Software

2021 Levy Impact: \$14,000

2022 Levy Impact: \$10,000

As the City grows and the department's volume of work grows with it, the Clerk's Department is looking to better utilize technology to create efficiencies to increase workload capacity without having to necessarily increase staffing levels. An agenda management software will improve efficiencies around agenda preparation and minute taking and drive capacity into the department. Agenda management software can streamline and automate aspects of meeting preparation, minute taking, and post meeting activities.

Not only will staff time be saved when creating, updating, and distributing meeting information, but the accessibility of agendas will be improved and Councillors will be provided with a secure portal for accessing closed agendas rather than receiving paper copies only. Agenda management software is widely used by municipalities and other public sector agencies, including the County of Oxford and other lower tier municipalities in Oxford.

Parking Permit and Enforcement Software

2020 Levy Impact: \$20,000

2021 Levy Impact: To Be Determined (should be supported by parking system revenues)

Equipment and software that will modernize and consolidate the parking permit, enforcement, and administration of parking into one system.

Parks Department: Invasive Species Control

2020 Levy Impact: \$30,000

2020 Cost: TBD

This is a request for funds to undertake invasive species control:

- Gypsy Moth - \$8,000 for 2 applications of BTK by helicopter at Milnes Woods on Pattullo Avenue (\$45 per acre),
- Phragmites - \$22,000 for mechanical removal and herbicide spray application. Areas needing restoration include, Finch storm pond, Milnes Woods, and Finch woods.

Southgate Centre: Inflationary Adjustment for Annual Grant

2021 Levy impact \$1,500 (estimated)

2022 Levy Impact TBD

City Council referred this request from the Southgate Centre to the annual Budget review. Southgate Centre requested City Council to approve an annual increase to a portion of the annual grant approved by City Council on March 5, 2015. At this meeting City Council approved the following motion:

“That the request from Southgate Centre for financial support for general operations and a Program/Volunteer Coordinator in the amount of \$95,000 be approved.”

This is in addition to an annual grant provided to the Centre and the current combined grant totals \$137,700 annually. Southgate Centre requested City Council consideration of an annual inflationary increase to the \$95,000 portion of this grant.

Service Delivery Review – Road Operations Study

2021 Levy impact \$0 (\$20,000 financed contingency reserve)

2022 Levy Impact \$0

The Service Delivery Review recommended further study to identify savings resulting from contracting County Road maintenance to area municipal road departments. All area municipalities, excepting the County, approved this recommendation for further study. The Steering Committee as represented by each municipality agreed to budget funds for this and any other analysis needed to further the recommendations of the SDR.

Municipal modernization funding from the Province may be available for this work but this will not be known in time for approval of budgets. Staff recommend funding from the contingency reserve due to the one-time nature of the work and the uncertainty of other funding sources.

OPTIONS TO MITIGATE THE LEVY INCREASE

Transit Fare Increase

The Transit Operational Review completed in 2015 recommended fare increases of 5% per year. City Council approved an accelerated implementation in the 2016 Budget. This included additional service in the early morning hours and evening hours. Coinciding with this increase in service City Council approved a cash fare increase from \$2 to \$2.50 along with similar increases in all the transit passes. Transit fares have not changed since this time. A fare increase of 5% per year over two years is approximately a 25 cents increase in cash fare or an estimated \$50,000 per year. A fare increase coinciding with a service level increase (7th route) is also appropriate, if implemented in August. Estimating additional revenue from a fare increase is difficult as transit ridership continues to be lower due to the pandemic. A rough estimate is \$15,000 for the five months of 2021 assuming the fare increase corresponds with the introduction of the new 7th route. A 25 cent increase results in the following fares:

| | Current Fare | 2021 Proposed Fare |
|---------------------------------|---------------------|---------------------------|
| Cash Fare | \$2.50 | \$2.75 |
| Adult Monthly Pass | \$60 | \$66 |
| Student/Senior Monthly Pass | \$48 | \$53 |
| Han-D-Ride (12 ride punch pass) | \$25 | \$27.50 |
| Group Pass | \$7.50 | \$8.25 |

Para Transit Policy Change

Policy GA023 was approved by City Council in July of 2012. This policy establishes service levels and procedures for para transportation services. This policy establishes free conventional (fixed route) use for registered paratransit users.

Free conventional transit use is not a requirement of the Accessibility for Ontarians with Disabilities Act (AODA) or the Regulations made under this Act. Staff are concerned that there are many taking advantage of this as there are over 1,000 registered para transit users but only 400 book rides for the para system.

Data from 2019 shows that 6500 free rides were given which equates to \$16,250 in lost revenue. If implemented in April, the additional estimated revenue is \$8,000 taking into consideration lower ridership due to the pandemic. Staff recommend an amendment to this policy.

WHAT DOES ALL THIS MEAN?

The tax calculation has become more complicated and is very difficult to explain. The last Province wide reassessment occurred in 2016 with the new values taking effect on January 1, 2017. Increases in property value are phased in over 4 years while decreases are recognized immediately. A second 4-year cycle of reassessment was to commence in 2021, however the Province has delayed this due to the pandemic. As a result, the property assessment in 2020 will remain unchanged in 2021.

It is difficult to determine the value of the “average” single detached house. Last year we used a simple mathematical average obtained by dividing the 2020 total assessed value of single detached dwellings (\$2,716,625,000) by the number of single detached residential properties (10,538). The 2020 average assessed value for taxation purposes is \$257,793 and this will continue for 2021.

BASE BUDGET SUMMARY

The levy for the Base Budget is \$61,855,013 which is an increase of 4.9% over 2020. The tax rate will increase by 2.51% from the 2020 tax rate. The increase on the average single detached house for the Base Budget is \$61.44 which is a 2.51% increase.

ADDITIONS TO BASE BUDGET SCENARIOS

Recommended “additions to Base Budget” totals \$732,500, of which \$230,500 is financed from the tax levy.

There are two recommended mitigations to the levy including an increase in transit fares and a change in policy that provides free conventional transit use for registered paratransit patrons. Staff estimate additional revenue of \$23,000 If both are implemented. The impact of including these recommendations follows:

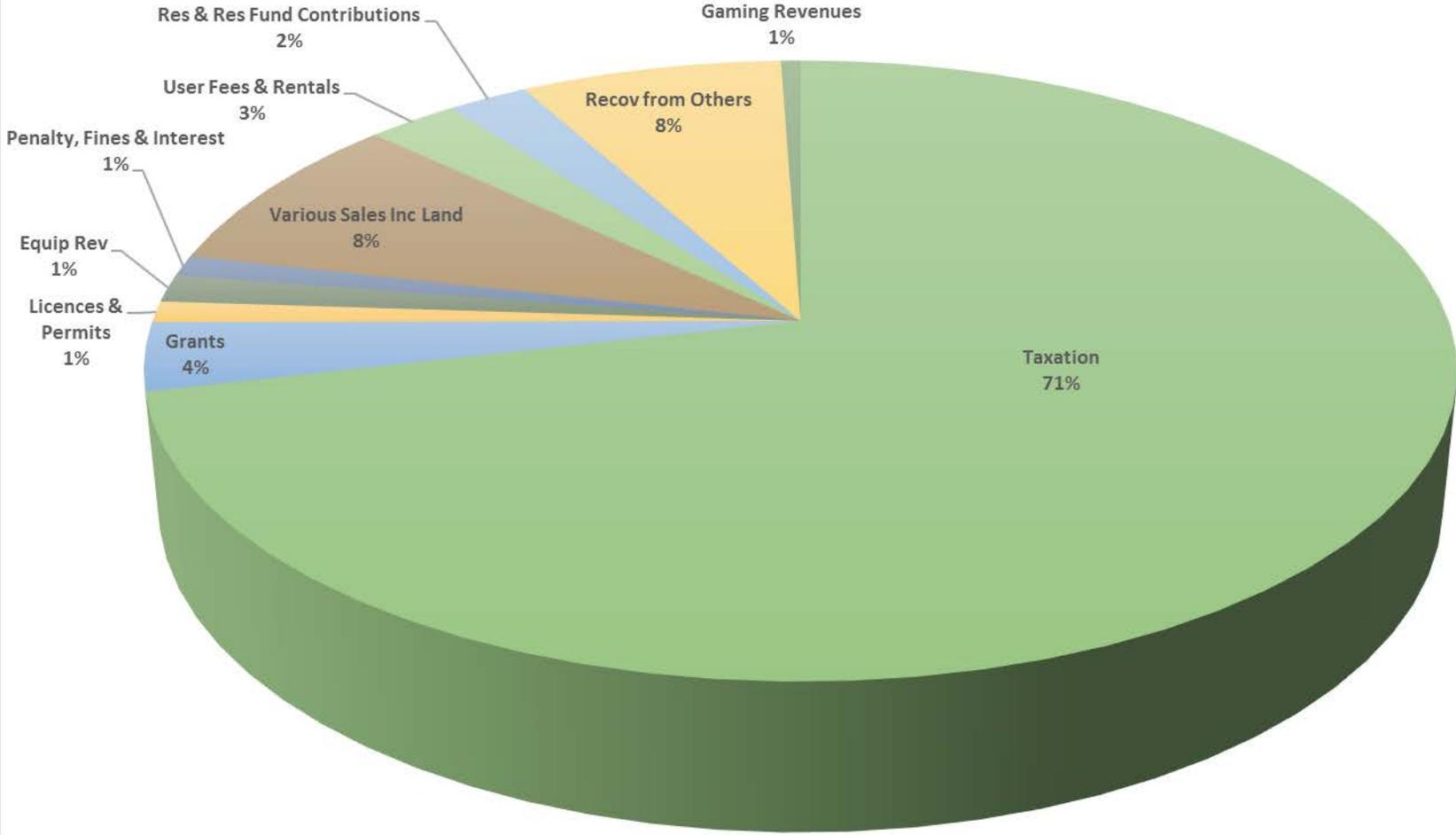
| Scenario | Tax Rate Change % | Average Single Detached House Increase \$ | Average Single Detached House Increase % |
|--|----------------------|---|--|
| Base Budget | 2.51% | \$61.44 | 2.51% |
| Base Budget + Recommended Additions to Base Budget \$230,500 increase to levy | 2.89% | \$70.80 | 2.89% |
| Base Budget + Recommended Additions to Base Budget Less Recommended Levy Mitigations \$207,500 | 2.85% | \$69.87 | 2.85% |
| Per \$100,000 Increments | | \$4.06 | |

Respectfully Submitted,

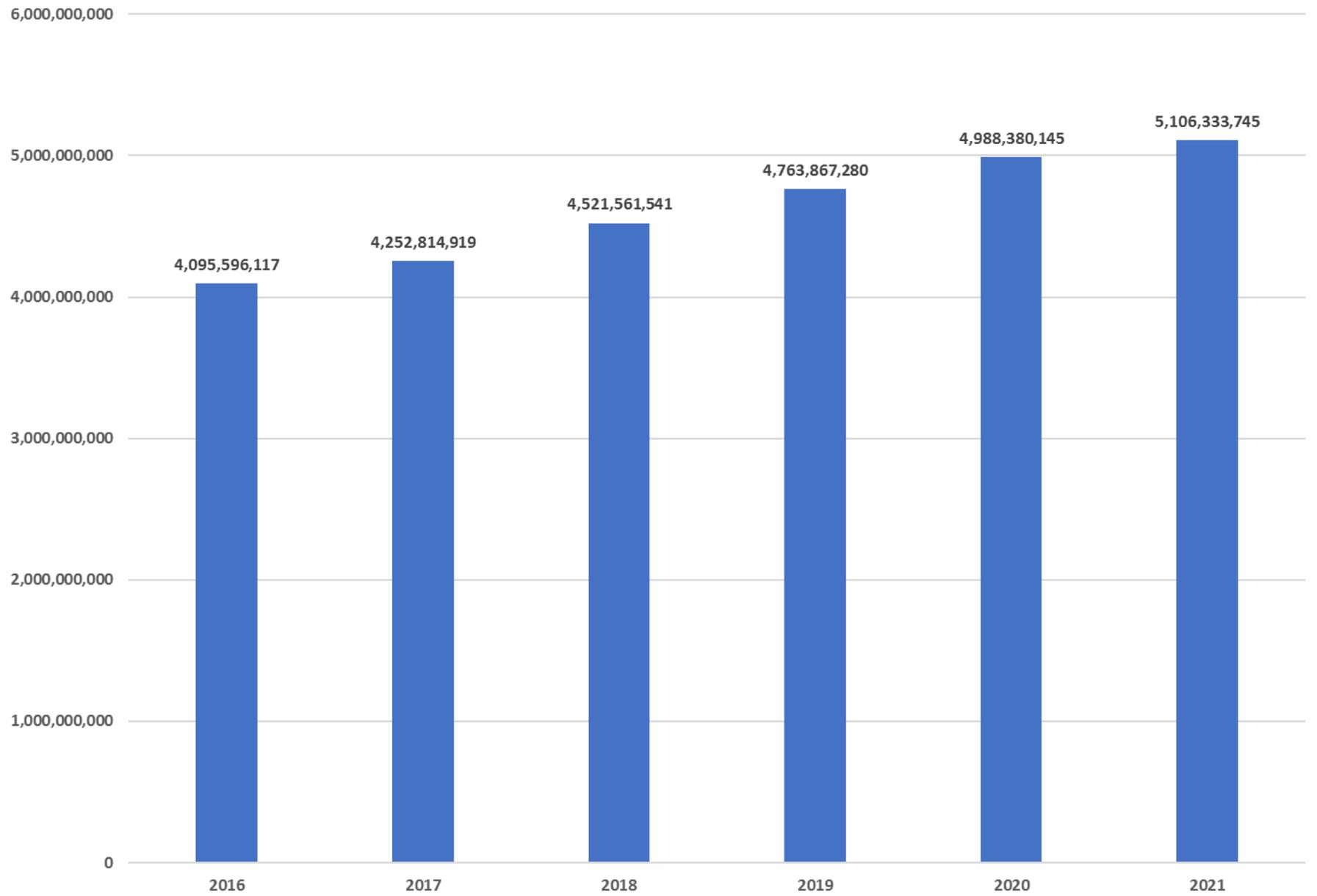
David Creery

Chief Administrative Officer

2021 Revenue Sources



ASSESSMENT COMPARISON



HOW THE PROPOSED 2021 LEVY WILL BE SPENT

