

CITY OF WOODSTOCK
OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

February 17, 2022

His Worship Mayor Trevor Birtch and Members of Council

The following represents the Revenue Fund Budget proposal for 2022. In September of last year, City Council provided direction to prepare a 2022 Base Budget that provides for a continuation of current programs and services. These Budget estimates reflect the financial impacts of the January 5th Provincial direction ordering facility closures and the current stepwise re-opening plan. The resulting 2022 levy is our best estimate of funding from taxation needed for operations this 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, 2021, will be provided at a future date.

COVID-19 continues to negatively impact the Budget. User fee revenue such as transit fares, parking fees, and recreation facility and program fees are reduced from pre-pandemic levels. There were significantly reduced OLG payments last year due to the closure and restricted occupancy of the slots gaming facility. The City applies OLG funding from the prior year which means that the current year revenues derive from 2021 slot facility operations. This year staff projects a \$350,000 revenue increase from slot facility operations which, if realized, will represent half of the revenue received each year pre-pandemic. This revenue will be used to fund the 2023 Revenue Fund Budget. OLG funding is generally used to support grants, capital financing and taxpayer relief.

The 2022 revenue outlook from "new property assessment" continues to be positive. Development activity remains strong, producing new growth-related property assessment estimated to be 2.18%. The postponement of the next four-year cycle of property tax reassessment continues in 2022, due to the ongoing pandemic. This means that 2020 property assessments will not be adjusted for the 2021 and the 2022 tax year and there will be no assessment growth from re-assessment this year. Changes resulting from this re-assessment impact the final tax rate.

Total expenditures in the Base Budget are \$88,879,800 which is a 2.5% decrease over 2021. The net to be raised by taxation is \$64,058,890 which is a 3.35% increase over 2021. The Base Budget levy increase for this year is \$2,073,877. The residential tax rate for the Base Budget will increase by 1.61%, resulting in a \$57.13 (or 2.25%) increase on the average detached single-unit dwelling assessed value.

The 2022 Departmental Budget estimates are presented alongside the 2021 Budget as approved by Council and 2021 Budget actuals (year to date) for ease of reference. Please note that the 2021 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.

Remaining Safe Restart Ontario funding has been applied to primarily mitigate OLG revenue reductions. Grants, including the final instalment of the 20-year annual hospital grant, are continued in the Base Budget.

Other specific items of note:

- Special events will be transferred to a Parks and Recreation responsibility as the staffing resources for special events are primarily sourced from this department. The Special Events Budget (Department 1102) has been amended to include the staffing costs of the Manager of Special Events. Previously, this cost was included in the Marketing Administration Budget (Department 1101).
- The Base Budget includes all the annual special events expect for Cowapolooza and Art in the Park. These events result in large congregations of people, and we expect that such events will continue to be unadvisable under public health recommendations. We will also be recruiting for a new Manager of Special Events with the retirement of Brad Janssen. This new staff person will require time to orient to this position before taking on these more organizationally complex events. The successful candidate will be expected to deliver the usual roster of special events such as Victoria Day and Canada Day celebrations, and Remembrance Day.
- A minor Corporate restructuring last year resulted in Information Technology becoming a separate department from Administrative Services. The accounts related to Information Technology are no longer included in the Administrative Services Budget.
- The Fire Service Budget does not include a wage increase for 2022 as the increase is uncertain due to it being a Collective Agreement negotiation year. An estimated increase is provided for in a reserve contribution this year.

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 January shutdown of our facilities. 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

Woodstock: Inclusive, Vibrant, Sustainable

Council's Vision	Council's Goals	Objectives
Woodstock is a safe, inclusive and caring community	Community goal: Enhance the quality of life	<ol style="list-style-type: none"> 1. Provide a safe community for all 2. Effectively deliver amenities and services 3. Improve transportation and mobility 4. Increase active recreation opportunities 5. Continue to promote arts, culture and heritage 6. Enhance ongoing public engagement
Woodstock has a vibrant and diverse economy	Economy goal: Create a dynamic, diversified economy	<ol style="list-style-type: none"> 7. Enhance the vibrancy in the downtown core 8. Promote Woodstock as a place to attract and retain business 9. Identify and create a 'destination' for Woodstock (place for visitors) 10. Support the development of a skilled labour force 11. Encourage the use of locally produced products
Woodstock is a green and sustainable community	Environmental goal: Protect and enhance our natural environment	<ol style="list-style-type: none"> 12. Protect and preserve the city's natural resources 13. Promote and implement green initiatives 14. Protect the quality of our air and water 15. Reduce our energy consumption
Woodstock is fiscally responsible and accountable	Fiscal sustainability goal: Ensure long-term financial sustainability for the city	<ol style="list-style-type: none"> 16. Develop a long-term financial sustainability plan 17. Enhance emergency management planning

2022 BASE BUDGET OVERVIEW

Municipal Levy Supported Programs and Services by Functional Area

The following is a summary of the **net cost** approved for 2021 and proposed for 2022 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).

	2021 Approved Net Cost- Levy	2022 Proposed Net Cost- Levy	\$ Change – Increase/Decrease in Levy	% Change
Woodstock Police Service	\$16,981,626	\$17,625,920	\$644,294	3.8%
Fire Services	\$9,566,600	\$9,489,330	(\$77,270)	(0.8) %
Administrative Services	\$1,022,780	\$1,053,440	\$30,660	3%
Information Technology	\$1,111,880	\$1,535,700	\$423,820	38%
Debt	\$1,599,200	\$1,474,630	(\$124,570)	(7.8) %
Woodstock Public Library	\$2,588,410	\$2,638,950	\$50,540	1.9%
City Property	\$11,250	\$78,630	\$67,380	600%
Public Works	\$5,063,870	\$5,271,420	\$207,550	4.1%
Engineering	\$2,156,820	\$2,346,140	\$189,320	8.8%
Bylaw Enforcement	\$275,370	\$312,080	\$36,710	13.3%
Public Transit				
• Transit	\$1,928,035	\$2,487,250	\$559,215	29%
• Para transit	\$760,680	\$737,970	(\$22,710)	(3) %
Clerk's Department	\$2,093,940	\$2,286,000	\$192,060	9.2%

	2021 Approved Net Cost- Levy	2022 Proposed Net Cost- Levy	\$ Change – Increase/Decrease in Levy	% Change
Parks & Recreation Administration	\$ 250,260	\$252,410	\$2,150	0.9%
Parks Operations	\$3,423,450	\$3,627,420	\$203,970	6%
Recreation Programs	\$90,160	\$92,820	\$2,660	2.9%
Arena Operations				
• Civic Centre	\$182,410	\$215,920	\$33,510	18.4%
• Southwood Arena	\$1,116,010	\$1,158,620	\$42,610	3.8%
Camps	\$65,070	\$61,320	(\$3,750)	(5.8) %
Aquatics				
• Southside Pool & Water Park	\$929,610	\$938,970	\$9,360	1%
• Lion's Pool	\$144,870	\$151,650	\$6,780	4.7%
Cowan Park Indoor	\$423,920	\$398,430	(\$25,490)	(6) %
Culture				
• Museum	\$467,120	\$455,880	(\$11,240)	(2.4) %
• Art Gallery	\$725,920	\$728,410	\$2,490	0.3%
• Market Centre	\$77,560	\$100,810	\$23,250	30%
Marketing & Special Events				
• Administration	\$288,730	\$171,590	(\$117,140)	(40.6%)
• Special Events	\$83,700	\$317,410	\$233,710	279%

	2021 Approved Net Cost- Levy	2022 Proposed Net Cost- Levy	\$ Change – Increase/Decrease in Levy	% Change
Economic Development				
• Development Office	\$620,170	\$628,360	\$8,190	1.3%
• Small Business Enterprise Centre	\$88,912	\$49,290	(\$39,622)	(44.6%)
Human Resources	\$726,470	\$774,010	\$47,540	6.5%
Planning	(\$12,000)	\$1,000	\$13,000	108%
CAO	\$327,050	\$340,110	\$13,060	4%
Council	\$403,810	\$412,760	\$8,950	2.2%
Council Committees	\$49,650	\$51,900	\$2,250	4.5%

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

The tables below provide the summary of the total **gross expenditures** approved for 2021 and proposed for 2022 programs and services supported wholly by user fees/non levy sourced funding.

	2021 Approved Gross Expenditures	2022 Proposed Gross Expenditures	Change (\$)	%
Grants	\$565,050	\$550,050	(\$15,000)	(2.7) %
Building Department	\$988,300	\$1,137,500	\$149,200	15.1%
Public Parking System	\$160,310	\$193,000*	\$32,690	20.4%
Land Sales	\$7,075,000	\$4,010,000	(\$3,065,000)	(43.3) %

* A shortfall in parking revenue due to COVID impacts results in a net cost of \$60,760 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.

	2021 Net Cost	2022 Net Cost	Change (\$)	%
Waste and Recycling	\$2,524,920	\$2,535,900	\$10,980	0.4%
Sanitary Sewer Collection System	\$570,230	\$543,920	(\$26,310)	(4.6) %
Water Distribution System	\$1,647,165	\$1,690,860	\$43,695	2.6%

BUDGET NOTES

Additional Taxes – page 1, Account 0200-61005

Additional taxes represent new assessment being added to the tax roll during the year as a result of construction activity and property development. Additional taxes averaged \$1.4 million in the five-year period between 2016 and 2020.

Additional taxes reached a record level in 2021 (approximately \$2.9 million) which is a reflection of very active growth in the City. The amount of additional taxes varies considerably ranging from a low of \$599,000 in 2013 to the record high last year. Budgeting to recognize this in year revenue is difficult to predict. Having reviewed the assessment roll as returned, and considering the new residential, commercial, and industrial projects expected in 2022, the estimate is \$1,500,000 which reflects the 5 year average.

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. 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 and residential conversion of existing buildings and signage. The cost for these grants is 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 City makes an annual contribution of \$200,000 to the Downtown Redevelopment Reserve Fund. Program costs for 2022 are budgeted to be \$347,700 financed by the Downtown Redevelopment 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 0200-71319

This item is commonly referred to as “Capital out of Revenue”. The 2021 contribution is higher than the 2022 proposed budget due to a surplus allocation from the 2020 Budget.

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

Sub-accounts 0700-0784 provide contributions to various reserves and reserve funds. Select explanations follows:

Provision for Sick Leave Severance Reserve (\$0) – 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 (\$82,500) – 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 annual reserve contribution towards improvement and replacement of the radio system. 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 3rd Council meeting to speak to the Police Budget.

Grants – page 10-11

- Southgate Centre - The grants portion of the budget includes net expenditures of \$98,840 which represents the annual grant to Southgate Centre, approved in the 2015 budget, that is funded by the tax levy. Last year Council approved an inflationary index of this annual grant and this is included in the budgeted amount for 2022.
- Woodstock General Hospital – The 2022 payment of \$350,000 represents the final year of the 20-year commitment.

City Buildings, Various – page 12-14

- Rent 16 Graham Street – Short term rental of Woodstock Hydro building potential.
- Rent – Dundas Street Properties – Rent from 472, 474 and 476 commercial and residential tenants acquired mid-2019. Buildings are vacant and no further rent is projected. Demolition of these buildings is expected this year.

- 447 Hunter Street Rent – Rent from the lease of 447 Hunter Street to the United Way.
- 97 Mill Street – The property is sold and set to close early this year.
- 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.

Info Technology – page 15-16, General commentary on additional expenditures of \$423,820

Increase relates to a variety of factors. The replacement telephone system was deployed this year and centralized telephone costs across the organization. A renewal of Microsoft licencing is contributing an additional \$116,700 in software costs. Additional investments in cyber security are also included.

Revenue from Equipment – Board of Works – page 17, 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 21) which is used to fund equipment replacements in the Capital Budget.

Road Maintenance Costs Recovered from County – page 17, 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 17, 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 17, 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 18, Account 0300-73320-0404

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 19, 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 20, Account 0300-74095

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

Building Department – page 26-27

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 2022 to offset the cost of the department resulting in an estimated contribution of \$290,600 from the Reserve. If historical construction activity continues it is unlikely that a contribution from the reserve will be required.

Sale of Recycled Material – page 28, Account 0302-69507 (increase \$80,000)

Recycled material value fluctuates with global demand for raw materials. Commodity prices for materials is increasing.

Recovered from County – Waste Collection – page 28, 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 24, Account 0300-80417-0412 & page 28, Account 0302-69524-0000

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 29, 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 32, 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.

Street Lighting – Electricity – page 33, Account 0303-79101-0351

Conversion to LED streetlight technology is complete. Peak electricity costs occurred in 2016 at \$668,000. The Budgeted cost for 2022 is \$600,000.

Street Lighting – Pole Rentals – page 33, 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 34, 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.

Bylaw Enforcement Officer Labour– page 35, Account 0304-71216-0805

The \$30,000 budgeted in this account covers the cost of security guard services in Museum Square. Additional funds are included in the “additions to base budget” should City Council want to extend downtown security services after the mid-March budget approval.

Sanitary Sewer User Fees – page 37, Account 0305-69509 (decrease \$26,310)

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 39, Account 0306-69560 (increase \$43,695)

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.

Parking - page 44-45

The 2022 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 \$60,760.

Parks – Revenue from Equipment – page 55, Account 0701-67198 (increase \$16,570)

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 55, 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.

Winter Lights – page 58, 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.

Rec Program & Grants -Transfer from Slot Machine Reserve Fund - page 61, 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 last year was \$15,000 anticipating that the pandemic would reduce programming availability. The typical amount of \$30,000 is included this year.

Woodstock Art Gallery – page 78-81

The WAG Advisory Board and Director/Curator will attend the March 3rd meeting of Council to speak to the Gallery Budget.

Market Centre - page 82

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 but plans to return to the building shortly.

Physician Recruitment – Provision for Moving Allowance, page 88 – Account 0800-84235-0701

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

Library - page 95-97

The Library Board Chair and Chief Librarian will attend the March 3rd 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 2022 Levy Impact	Capital Budget Impact	Suggested Financing	Revenue Fund Budget Annual Cost	2023 Levy Impact	Recommend For Inclusion In 2022 Budget?
Financial Sustainability: Reserves Contributions							
Asphalt Resurfacing Reserve (annual funding goal is \$1 million)	\$400,000	\$200,000	Increase in funds for 2022 work	Levy	\$200,000	\$200,000	Defer to 2023 (fund one time from OCIF Bump Up)
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 2023
Capital Levy (suggested contribution to Municipal Building Reserve, Community Complex roof replacement \$1.8 million)	\$0	Per \$100,000 Increment	N/A	Levy	\$100,000 increments	TBD	Defer to 2023
Staffing Related Additions to Base Budget							
Engineering Department: Development and Special Projects Engineer	\$0	\$75,000 (six months)	\$3,000 (IT)	Levy	\$150,000	\$158,000	Yes
Public Works Department: Work Management Administrator + Work Management Software License Costs and Associated Hardware	\$0	\$103,000 (7 months staff, software, mobile internet service)	\$8,000 (IT)	Levy (TBD-Partial Recovery from County User Fees)	\$144,000 (staffing, software, mobile internet service)	\$150,000	Yes

	Base Annual Funding	Additional 2022 Levy Impact	Capital Budget Impact	Suggested Financing	Revenue Fund Budget Annual Cost	2023 Levy Impact	Recommend For Inclusion In 2022 Budget?
Public Works Department: Skilled Labourer II - EnviroDepot	\$0	\$0	\$0	County Waste Program	\$78,000	\$0	Yes
Public Works Department: Recycling Collection Operator	\$0	\$0	\$0	County Waste Program	\$75,000	\$0	Yes
Human Resources: Health and Safety Coordinator	\$13,000 (currently a summer student position)	\$44,000 (7 months)	\$3,000 (IT)	Levy	\$97,000	\$103,000 (less \$13,000 base budget)	Yes
Human Resources: Human Resources Coordinator	\$0	\$56,500 (7 months)	\$0	Levy	\$97,000	\$103,000	No Defer to 2023 Budget Consideration
Clerks Department: Clerks Services Coordinator	\$0	\$48,000 (7 months)	\$0	Levy	\$82,000	\$87,000	Yes
Chief Administrative Officer: Deputy CAO (City Clerk title and job duties change)	\$141,011	\$20,000	\$0	Levy	\$20,000	\$38,000	Yes

	Base Annual Funding	Additional 2022 Levy Impact	Capital Budget Impact	Suggested Financing	Revenue Fund Budget Annual Cost	2023 Levy Impact	Recommend For Inclusion In 2022 Budget?
Parks and Recreation Department: Cowan Park Sportsplex Team Lead Position (Part Time 8 months per year)	\$0	\$34,000 (Partial year)	\$0	Levy	\$50,000	\$53,000	Yes
Chief Administrative Officer: Manager of Marketing and Communications	\$0	\$58,000 (7 months)	\$3,000 (IT)	Levy	\$93,000	\$100,000	Yes
Economic Development: Downtown Coordinator Contract Position		\$24,000 (six months)	\$3,000 (IT)	Downtown Reserve (\$23,000) & General Levy (\$24,000)	\$94,000	\$94,000	Yes
Engineering Department: Bylaw Enforcement Assistant Supervisor (premium – not a new FTE)		\$3,800	\$0	Levy	\$3,800	\$4,000	Yes
Engineering Department: Bylaw Enforcement Officer + vehicle		\$44,000 (6 months)	\$40,000 Vehicle +IT	Levy POA Fine offset	\$88,000 (officer+ vehicle)	\$94,000 POA Fine offset to cost	Yes
Implementation of Management Group Compensation Review Recommendations - Phased-In		\$90,000	\$0	Levy	\$90,000	\$170,000 (\$90,000 for 2022 + \$80,000 for 2023)	Yes

	Base Annual Funding	Additional 2022 Levy Impact	Capital Budget Impact	Suggested Financing	Revenue Fund Budget Annual Cost	2023 Levy Impact	Recommend For Inclusion In 2022 Budget?
Woodstock Public Library: Convert Part Time Librarian to Full Time Librarian	\$0	\$30,000	\$0	Levy	\$30,000	\$30,000 plus negotiated increase	Per Library Board
Miscellaneous							
HRIS – Human Resources Information System		\$53,000	\$0	\$102,000 MMP Grant \$53,000 Levy	\$152,000	\$35,000	Yes Pre-approval Consideration
Downtown Security/Bylaw Contract		\$170,000	\$0	Levy	\$170,000	TBD	Yes
West End Market Building City Hall Annex Renovations and Operating Costs		\$10,000 (utilities)	\$150,000	Levy & Capital Reserve	\$10,000	\$10,000	Yes
Economic Development: Film Attraction Strategy		\$20,000	\$0	Levy	\$20,000	TBD	Yes
Economic Development: Physician Recruitment Forgivable Loan Program		\$60,000		Levy	\$60,000	Based on Program Uptake	Yes
Downtown Marketing Plan		\$0	\$0	\$40,000 Downtown Reserve \$40,000 Grant	\$80,000	\$0	Pre-Approval Consideration

	Base Annual Funding	Additional 2022 Levy Impact	Capital Budget Impact	Suggested Financing	Revenue Fund Budget Annual Cost	2023 Levy Impact	Recommend For Inclusion In 2022 Budget?
Total		\$886,800		City Levy		\$1,113,000	
		\$63,000		Downtown Reserve			
		\$210,000		Capital Reserves			
		\$142,000		Grants			

Information for Additions to Base Budget

Financial Sustainability (Reserve Contributions)

Reserve for Asphalt Resurfacing (recommend one time funding from OCIF bump up)
2022 Additional Levy Impact: \$0
2023 Levy Impact: TBD

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 2023 to give priority to other initiatives. The additional \$200,000 may be financed from an OCIF bump up which is one time funding. 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 2023)
2022 Additional Levy Impact: \$0
2023 Levy Impact: TBD

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 and recommend deferral of this item to the 2023 Budget.

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 2023)

2022 Levy Impact: \$0

2023 Levy Impact: TBD

There continues to be significant capital spending requirements for “state of good repair” projects in municipal buildings. Large maintenance related projects such as the Community Complex roof replacement (\$1.8 million) are difficult to finance. This project will likely require debt financing without increased capital reserves. City Council has set aside \$200,000 towards the cost of this project to date. We do not recommend a contribution this year given the many other priorities.

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

Staffing

Engineering Department: Development and Special Projects Engineer

2022 Levy Impact \$75,000

2023 Levy Impact \$158,000

Quantity of planning and development approval workload continues to increase each year and current staff resources cannot meet deadlines resulting in application delays. Deadlines for application processing are prescribed by Provincial Regulation; failure to meet the deadlines can result in appeals to the Ontario Land Tribunal. Two appeals were filed last year and a third is being considered.

This position will also include responsibility for construction management for industrial park development, maintenance responsibility for streetlights and storm water management facilities and growth-related projects such as secondary planning and Municipal Class Environmental Assessments.

Public Works Department: Work Order Management Administrator (and associated software/hardware)

2022 Levy Impact \$57,000 plus \$46,000 software, internet connectivity costs - total \$103,000

2022 Capital Reserve: \$8,000

2023 Levy Impact \$103,500 plus \$46,500 software, internet connectivity costs – total \$150,000

Work Management technology is designed to help municipalities deploy their staff and equipment resources to maximize productivity and to improve processes. This software provides planning, tracking, organization, and reporting/analysis capabilities with a goal of improving productivity and efficiency. Public Works is proposed to be the initial user with secondary deployment to the Parks department and finally to other departments. The proposed software provides mobile solutions to allow staff access to infrastructure information on demand and to update infrastructure maintenance records on site. The County of Oxford has requested that the City deploy this type of software for the sanitary sewer and water distribution maintenance work.

The creation of an administrator position is proposed to support the implementation and maintenance of the work management system.

Public Works: Skilled Labourer II Envirodepot

2022 Levy Impact: \$0

2022 Waste Budget Impact (funded by County): \$78,000

This position is required to supplement staffing operating the Envirodepot. Specifically, this position will be primarily dedicated to operating the bin roll off truck. The increasing volume of material coming into the depot necessitates an increasing number of bin transfers. On average there are currently 3 bin hauls to the landfill and 3-4 bin transfers to the recycling building. Previously this work was contracted but the flat fee of \$160 per haul whether the bin was moved within the yard or moved to the landfill was not cost efficient. A roll off truck was purchased and put into operation last year to address this inefficiency. An additional staff FTE was not requested as it was not known whether the work could be absorbed within the existing complement. After a year of operation, it is clear that this is not possible. Use of the depot is expected to continue to increase.

Public Works: Recycling Collection Operator

2022 Levy Impact: \$0

2022 Waste Budget Impact (funded by County): \$75,000

Growth of the City will result in the need to reconfigure the garbage/recycling collection routes which will adjust collection days for some residents. This reconfiguration will re-balance collection areas so that the stops on each collection day are approximately equal. An additional collection operator is proposed to increase the daily complement of staff to complete the increasing number of collection stops each day.

Human Resources: Health and Safety Coordinator

2022 Levy Impact: \$44,000 (7 months)

2023 Levy Impact: \$90,000 (above base budget)

The Human Resources Department and the City require increased staff resources in the Health and Safety function. The Health and Safety Manager position was added in 2009. With the addition of the manager, the City's health and safety program received a much needed increase in focus, development, and an internal expert to assist the various City departments.

The last addition to the function occurred in 2019 with the approval of the seasonal Health and Safety Associate (Co-op student). This position has been beneficial with program maintenance and other Health and Safety duties; however, the corporate needs greatly exceed the services, expertise, and duration of a 4-month co-op student.

Since 2009 the city has seen an increase in the number of employees, the addition of City facilities, and the purchase of new types of equipment. These increases add to the demands of staff training, safety procedure development, and (hygiene) testing.

The external demands and pressures of frequent changes and additions to legislative requirements have increased dramatically and continue to increase on an ongoing basis.

These external demands and pressures have an impact on the workload of the front-line departmental supervisors and managers who in turn rely on the resource of the Safety Manager.

Human Resources: Human Resources Coordinator (recommend deferral to 2023)

2022 Levy Impact: \$56,500 (7 months)

2023 Levy Impact: \$103,000

The rationale for this position is very similar to the Health and Safety Coordinator. This is recommended for further consideration in the 2023 Budget.

Clerks Department: Clerks Services Coordinator

2022 Levy Impact: \$48,000

2023 Levy Impact: \$87,000

The number of staff members in the City Clerk’s Department has not increased in 35 years. When the last staff position was added to the Clerk’s Department in 1987, staff members did not even have computers. As an administrative department, the Clerk’s department has been able to manage significant growth of workload through the introduction of technology and software over the last three decades. Further, the Clerk’s Department has reviewed and modified services to create efficiencies and increase workload capacity so that the staffing complement has not had to increase. However, as the City has grown more rapidly in recent years and legislative requirements have increased (i.e. accessibility, health and safety, accountability and transparency etc.), the growth in the department’s volume of work has now outpaced the staffing level. The department can no longer manage the increased volume, meet previous levels of service or expected response times, and is no longer able to proactively update and review policies, procedures, and by-laws or introduce new initiatives. As such, the Department is respectfully requesting Council’s approval for a Clerks’ Services Coordinator to redistribute workloads and return to expected levels of service for the public and internal stakeholders. The additional staff person will allow the department to meet level of service expectations, review and introduce policies and by-laws, take on new initiatives, and take a more active role in assisting and managing City boards and committees.

Please note the linkages between this proposal and the Deputy CAO proposal that follows. These two proposals should be considered together rather than separate as additional staff in the Clerks Department is needed before additional duties can be assigned to the City Clerk.

<p>Chief Administrative Officer: Deputy CAO (City Clerk Title and Job Duties Change) 2022 Levy Impact: \$20,000 2023 Levy Impact: \$38,000</p>

This proposal will result in a new title for the City Clerk and additional duties. The additional responsibilities will include new reporting relationships for some staff through this new Deputy CAO role and special project assignments that have broad corporate application and/or strategic importance. The creation of a Deputy CAO position will also formally commence succession planning for the CAO role within the Corporation.

The number of new direct reports assigned will be limited in the current year given the demands of the municipal election but will increase in subsequent years. It is important to note the linkages between this recommendation and the additional staffing request in the Clerks Department.

<p>Parks and Recreation Department: Cowan Park Sportsplex Team Lead (Part Time 47 hours per week/8 months per year) 2022 Levy Impact: \$34,000 2023 Levy Impact: \$53,000</p>
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Cowan Park Sportsplex has undergone significant transformation and exponential growth in rentals requests, facility hours and volume of participants in the facility. The facility is now open long hours on evenings and weekends to accommodate the high demand for rentals and programs in the building.

Currently the only staff in the facility on evenings and weekends is two part time entry-level operation staff (one custodian and one desk attendant). This places Cowan Park Sportsplex outside the standard of service of our other recreation facilities. This poses a significant strain on the part time staff, as they are often required to perform tasks that are outside their job description. Not having a supervisory staff in the facility in evenings and weekends is a liability for the city. The singular management staff is receiving roughly 30-40 calls a month during evenings and weekends as the staff need more support dealing with rental groups, irate customers, first aid scenarios and other issues that come up in a busy community centre.

This addition will allow this facility to run safely and efficiently and at the supervisor standards of other indoor city facilities during evenings and weekends.

CAO: Manager of Marketing and Communications
2022 Levy Impact: \$58,000
2023 Levy Impact: \$100,000

Previously communications and special events was assigned to a single person under the title of Manager of Special Events and Communications. With the upcoming retirement of the incumbent in this role a multi department consultation was held to consider current and anticipated future corporate and departmental needs in these areas. Based on this consultation it is apparent that one staff position cannot serve both marketing/communications and special events.

Consequently, the special events role has been transferred to the Parks and Recreation Department and a second position is proposed for marketing and communications. This position will be responsible for the development of a communications strategy resulting in more community engagement. There is a need to expand our communications to different media platforms such as video messaging. Coordination of marketing communications and pulling more marketing communications from some departments is also necessary.

There is potential to make this resource available to the BIA to assist in member communications which will need to be explored with the BIA Board.

Economic Development: Downtown Coordinator
2022 Levy Impact \$24,000 + \$23,000 Downtown Redevelopment Reserve Fund
2023 Levy Impact \$94,000

The Office of the Development Commissioner is seeking to hire a Downtown Development Officer on a 3-year full time contract. This position was described as a “downtown coordinator” in the Downtown Development Plan adopted by City Council in July of

2020. The Downtown Development Plan recommends 18 key tactics focused on revitalizing the downtown and the hiring of a City staff person to oversee its implementation is considered a top priority.

A lack of staff resources has been identified as a barrier to the implementation of more fulsome downtown renewal efforts. Currently many of the City's downtown initiatives are managed by the City's Development Officer. In recent years the workload associated with downtown development has continued to increase and it is now clear there is enough work in this area to justify additional staff resources, particularly in light of the recommendations of the Downtown Development Plan. Staff are recommending funding for a 3-year contract as a means of attracting the right caliber of individual without obligating the City to a full-time permanent position at this point in time.

Already identified in the City's Downtown Development Plan are a long list of tasks to be completed including general marketing and promotion, the development and implementation of a business retention and attraction strategy, the development and implementation of strategic projects, the development and maintenance of an inventory of downtown businesses, property owners and real estate, the management of the City's Community Improvement Plan, seeking out grant and funding applications that support downtown development, and in general the implementation of recommendations made in the City's Downtown Development Plan.

Engineering Department: Bylaw Enforcement Assistant Supervisor

2022 Levy Impact \$3,800

2023 Levy Impact \$4,000

This addition proposes to convert an existing Bylaw Enforcement Officer to an Assistant Supervisor of Bylaw Enforcement. The successful candidate will be assigned to a downtown post within the Market Centre building to establish a daily bylaw enforcement presence in the downtown and more importantly in Museum Square.

From this location, this Officer will manage the downtown security enforcement contract and the downtown parking enforcement contract and be available to respond to downtown bylaw matters.

Engineering Department: Bylaw Enforcement Officer

2022 Levy Impact \$44,000

2022 Capital Budget Impact: \$40,000 new vehicle

2023 Levy Impact \$94,000

An additional Bylaw Enforcement Officer to supplement current complement and specifically to provide additional parking enforcement across the City. There will be an offset to the cost through Provincial Offences Act (POA) fines (ie parking tickets), but this is difficult to quantify.

Woodstock Public Library: Part Time Librarian to Full Time Librarian

2022 Levy Impact \$30,000

2023 Levy Impact \$30,000

Recommendation provided by Woodstock Public Library Board.

Implementation of Management Group Compensation Review Recommendations

2022 Levy Impact \$90,000

2023 Levy Impact \$170,000

The City of Woodstock retained ML Consulting to conduct a review of the current compensation program of the management group in 2021; specifically, to review current pay practice, assess the competitive pay market and the current pay policy (percentile target), address pay equity compliance and develop proposed job rates for implementation in 2022.

The Consultant introduced a new job evaluation system to assess internal equity and pay equity compliance. A revised banding framework was introduced to support organization growth and job design. The Consultant then completed a custom market study of municipal comparator organizations and developed the new pay grid based on those results.

Recommendations from this study include:

- That Council approve the new salary administrative grid as developed by the consultant firm ML Consulting (Copy of the new salary grid follows).
- That an amended Pay Equity Plan be prepared to reflect the results of 2021 Pay Equity analysis.
- That salary adjustments be phased in as follows:

Positions in the same cohort band will move to the same relative position within the new band with a maximum increase of 5%. Salary positions moving to a higher cohort band will have the salary adjusted to the minimum of the new band or a maximum increase of up to 5% whichever is higher. This will continue each year until the employee reaches the maximum of their salary range.

- Further that council authorize the CAO to develop and implement a Corporate Salary Administrative plan which would include the methodology and frequency for future market salary review.

2022 cost = \$90,000

2023 cost = \$80,000

City of Woodstock
2022 Proposed Salary Ranges

Similar Value Group	Job Code	Job Title	Hours Annual	2022 Current Job Rate Annual	2022 Current Job Rate \$P.HR	2022 Proposed Salary Ranges	
						Minimum (85% of Max)	Maximum (Job Rate)
17	1	CAO	35	\$189,938	\$104.36	\$180,027	\$211,797
16						\$163,160	\$191,953
15	2	Director of Administrative Services	35	\$155,110	\$85.23	\$146,292	\$172,109
	3	Director of Parks and Recreation	35	\$155,110	\$85.23		
	4	City Engineer	35	\$155,110	\$85.23		
14	5	Fire Chief	35	\$148,011	\$81.32	\$128,864	\$151,604
13	6	Director of Information Technology	35	\$141,011	\$77.48	\$121,386	\$142,807
	7	Director of Human Resources	35	\$141,011	\$77.48		
	8	City Clerk	35	\$141,011	\$77.48		
	9	Development Commissioner	35	\$141,011	\$77.48		
	10	Director of Public Works	35	\$141,011	\$77.48		
12	11	Deputy Fire Chief	35	\$135,190	\$74.28	\$115,030	\$135,330
11	12	Deputy Treasurer	35	\$128,190	\$70.43	\$108,961	\$128,190
	13	Deputy City Engineer	35	\$128,190	\$70.43		
	15	Manager of Building and Facilities	35	\$116,537	\$64.03		
10	14	Development Officer	35	\$116,537	\$64.03	\$99,057	\$116,537
	18	Development Engineer	35	\$105,436	\$57.93		
9	16	Director/Curator - Art Gallery	35	\$105,436	\$57.93	\$89,939	\$105,811
	17	Senior Network Engineer	35	\$105,436	\$57.93		
	19	Manager of Culture and Museum Curator	35	\$105,436	\$57.93		
	20	Deputy Chief Building Official	35	\$105,436	\$57.93		
8	21	Water Distribution Supervisor	40	\$116,011	\$55.77	\$98,609	\$116,011
7	22	Manager of Health & Safety	35	\$94,517	\$51.93	\$81,295	\$95,641
	23	Manager of Human Resources	35	\$94,517	\$51.93		
	24	Small Business Enterprise Centre - Manager	35	\$94,517	\$51.93		
	25	Network Engineer	35	\$94,517	\$51.93		
	26	Deputy City Clerk	35	\$94,517	\$51.93		
	27	Supervisor of Aquatics & Recreation Programs	35	\$94,517	\$51.93		
	28	Manager of Facility Operations - Arena	35	\$94,517	\$51.93		
	29	Supervisor of Recreation Programs & Sponsorships	35	\$94,517	\$51.93		
	30	Communications and Special Events Manager	35	\$94,517	\$51.93		
	31	Senior Applications Engineer	35	\$94,517	\$51.93		
	32	Manager of Facility Operations - Cowan Park Sportsplex	35	\$94,517	\$51.93		

6	33	Fleet Services Supervisor	40	\$103,970	\$49.99	\$77,335	\$90,982
	34	Supervisor of Parks and Forestry	40	\$103,970	\$49.99	\$88,377	\$103,973
	35	Transit Supervisor	40	\$103,970	\$49.99		
	36	Public Works Supervisor	40	\$103,970	\$49.99		
	37	Digital Coordinator	35	\$83,644	\$45.96		
	38	Asset Management Analyst	35	\$83,644	\$45.96		
	39	Asset Management Accountant	35	\$83,644	\$45.96		
	40	Accounting Coordinator	35	\$83,644	\$45.96		
	42	Human Resources Coordinator	35	\$74,008	\$40.66		
5	43	Small Business Consultant	35	\$74,008	\$40.66	\$63,576	\$74,795
	44	Senior Administrative Assistant to the Mayor and CAO	35	\$74,008	\$40.66		
	45	Engineering Office Supervisor	35	\$74,008	\$40.66		
	46	Graphic Design Specialist	35	\$74,008	\$40.66		
4	48	Administrative Assistant to the Development Commissioner	35	\$65,505	\$35.99	\$55,680	\$65,505
	3					\$52,482	\$61,744
2	47	Crossing Guard Supervisor	PT		\$31.85	\$27.08	\$31.86
1							

Miscellaneous

HRIS – Human Resources Information System Implementation

2022 Cost: \$152,000 (Municipal Modernization Program Grant 65% of cost)

2022 Levy Impact: \$53,000

2023 Levy Impact: \$35,000 (additional cost over and above the licence costs of the replaced systems)

Note: Anticipated staff work process efficiencies due to integration of systems eliminating duplication of entries

In early 2021 a review of departmental work streams was initiated to uncover any inefficiency/redundancies or duplications within our workstreams. This was also an exercise to consolidate services and processes to increase productivity, access to data and removal of data errors. Among many departments reviewed it was noted that HR/Payroll were one of the areas where we could make considerable gains in consolidation of workstreams, processes and the reduction of daily/weekly and yearly inefficiencies as well as removing large dependencies on 3rd party vendors that are costly, inefficient with our requests and do not provide an SLA that is in line with the City's Needs. During this investigation we (HR/Treasury/CAO) reviewed multiple software and service providers to see if we could find a fit with our particular needs within the city. In this exploration we selected Avanti as our preferred vendor. They were selected as they could provide the most value in terms of our needs as well as their software suites alignment and integration with our existing core applications.

This software suite will replace and integrate three current software products including INFO HR, Recruit Right and the E Time Card system with a new payroll system that will in turn integrate with our financial software.

An application for funding under the Provincial Municipal Modernization Fund was filed for implementation of this system. Approval of 65% of the costs up to \$175,282 was approved on January 25th of this year. The proposed budget includes the cost of licencing, implementation, staff training and a contract employee to assist in implementation. This cost is apportioned between the MMP grant and the City based on a 65%/35% ratio.

Engineering Department: Downtown Security/Bylaw Contract

2022 Levy Impact: \$170,000 (scalable to any cost based on desired level of service)

2023 Levy Impact: TBD

City Council approved the following resolution at it's meeting of October 21st, 2021:

WHEREAS the increased rate of homelessness in the City of Woodstock is creating health and safety concerns for our businesses, visitors, and residents;

AND WHEREAS these concerns are disproportionately impacting the City's downtown;

AND WHEREAS increased security in the downtown is needed to help address these concerns;

NOW THEREFORE BE IT RESOLVED that Woodstock City Council directs staff to hire full time contracted security to monitor Museum Square, Market Centre and City Hall;

AND FURTHER that the funds for the remainder of 2021 at a cost of approximately \$50,000 be drawn from the Hydro Reserve Fund; AND FURTHER City Council pre-approve funds in the 2022 Revenue Budget to continue security services until the budget deliberations;

AND FURTHER that staff be directed to report back on the on-going cost of security services as part of the 2022 Revenue Budget deliberations;

AND FURTHER that City Council pre-approve funds in the 2022 Revenue Budget in order to increase By-law Enforcement to the equivalent of two contract positions.

Full time security services were retained for the area surrounding Museum Square with noticeable results. These services have continued into 2022 and an estimated cost of \$30,000 for 2022 is included in the Bylaw Enforcement base budget.

Staff have not been successful in retaining contract bylaw enforcement services to patrol the broader downtown area to date. Contract security services can be arranged similar to the approach used for Museum Square, but we are not aware of service providers that provide the broader range of bylaw enforcement duties. However, we expect that a security guard can fulfill the majority of need for a downtown patrol. Accordingly, the estimated cost provided in this proposal reflects the services of security guards.

For context, the proposed \$170,000 budget will provide:

Day Service:

2- person security guard patrol of the broader downtown area 40 hours per week for 8 months of the year

Night

1 person security guard patrol of Museum Square area nightly for 8 months

The annual budget for such services can be set at any dollar amount and service will be adjusted to fit within this funding envelope. This contract, if approved, will be managed by the proposed Bylaw Enforcement Assistant Supervisor. We anticipate seasonal fluctuations in the need for day and overnight security services. It is recommended that the actual deployment of these services will be determined by an ongoing assessment of need.

West End Market Building City Hall Annex Renovations and Operating Costs

2022 Levy Impact: \$10,000 (utilities)

2022 Capital Budget Impact: \$150,000

Oxford County Community Child Care vacated the office space at the west end of the Market Centre in March of last year. Economic Development staff have since marketed this space for commercial tenancies. Unfortunately, there is little interest at this time. The pandemic and the “work from home” trend has impacted demand for commercial office space.

Staff propose to use this space for City purposes rather than continue to seek commercial tenants for a number of reasons. Firstly, we propose to establish a permanent bylaw enforcement office in the building this year; to be used as a base of operations for downtown security guards, the downtown parking enforcement officer, and for Woodstock Police downtown core beat patrol. A permanent bylaw enforcement office downtown will be manned by the proposed Bylaw Enforcement Assistant Supervisor who will focus on downtown bylaw complaints. The proposed County Peer Street Workers may also find benefit to this location.

Secondly, City Hall is expected to reach capacity this year and additional space will be needed for 2023 and beyond. The proposed capital funding will be used to partition the main floor space so multiple City departments can use the space

Thirdly, the redevelopment of Museum Square to support more community events will require indoor support space for public washrooms. Also, the indoor space can be used for seasonal programming and uses such as the recently successful Christmas Art Market.

The proposed renovation budget is an initial estimate to divide the office space to support multiple users. Ultimately an elevator installation is needed to maximize use of this space which will need to be considered in the master planning for the space. As design concepts are developed the budget may need to be revisited depending on how much of the work can be phased.

Economic Development: Film Attraction Strategy

2022 Levy Impact: \$ 20,000

2023 Levy Impact: TBD

After the successful filming of the Locke & Key series in Woodstock in 2021 it became abundantly clear that this is an economic opportunity which pays huge dividends to the municipality. The municipality itself received several thousand dollars in rental fees for our facilities with limited cost to the municipality. Private sector property owners also received significant payments for the inclusion of their properties in certain shots as well.

The impact on the community cannot be understated. Woodstonians were proud to have this filming done in their hometown community and traffic to the core where the bulk of the filming was done was welcomed by downtown merchants. Hotels in particular felt the positive impact of this filming with several hundred room nights booked at local facilities during the filming in Woodstock.

In an effort to try and attract more film and TV shooting to our community we are proposing to develop a profile with the film location community. This may involve advertising, the prospect of a targeted FAM Tour, activation with the Ontario Southwest film alliance and the creation of a film locations library.

It is important to note that there is a reduction of \$20,000 in the department advertising budget so this new initiative can be absorbed without an overall increase in the development department budget.

Economic Development: Physician Recruitment Forgivable Loan Program

2022 Levy Impact: \$60,000

2023 Levy Impact: To Be Determined (based on program uptake)

The City's Strategic Plan identifies the need to attract additional family physicians to the community (Objective 2.7). Further, Physician Recruitment was identified as a top priority in a survey of 500+ residents (2018) where nearly three-quarters of respondents supported municipal financial support for Physician Recruitment. Although the hiring of a City Physician Recruiter in the fall of 2018 was a major step forward and has already resulted in the attraction of several new family doctors, a key element of the City's program is to remain competitive with other contending communities in the market.

Based on research, the City's Physician Recruiter is recommending the implementation of a forgivable loan program designed to offset some of the initial start-up costs associated with opening a family practice. While many communities simply offer the forgivable loans through a five-year return of service agreement, advice from the City's solicitor suggests that the correct way to implement such a program is through inclusion in the City's Community Improvement Plan (CIP). Inclusion in the CIP is intended to make sure the City is in compliance with the Municipal Act's language around bonusing. As such, staff intend to initiate a Community Improvement Plan Amendment in the coming weeks with the goal of developing the forgivable loan program as soon as possible.

To ensure funding is available for the forgivable loan program as soon as it is implemented staff are requesting the funding for the new CIP program be included in the 2022 operating budget. General details of the forgivable loan program would include:

A forgivable loan of up to \$30,000 lump sum payable up-front as an interest-free forgivable loan for a 5-year return of service to the Woodstock community, to be used for practice improvement ie. renovations, EMR, new equipment, etc.

If the physician will not be practicing full-time (5 days/week), then the amount is prorated based on the number of days they will be working per week (eg. \$24,000 for 4 days/week)

If the physician does not fulfill the 5-year return of service agreement, the \$30,000 will be pro-rated to determine the amount the physician must re-pay with interest (eg. physician will pay back \$6,000 if they leave after 4 years).

Economic Development: Downtown Marketing Plan

2022 Levy Impact: \$0

2022 Budget Impact: \$40,000 financed from Downtown Redevelopment Reserve

2023 Levy Impact: \$0

The development of a marketing program and the necessary collateral materials are needed to attract the next generation of new investment and businesses to Woodstock's main street. Tools such as an outward looking investment attraction website, an

investment profile, and a guide to downtown development are a few of the types of support materials that will be needed to help market the downtown.

This project was pre-approved by Council on February 3rd.

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 cent increase in cash fare or an estimated \$50,000 per year. In 2021, City Council approved a transit service level increase with the introduction of a seventh transit route but did not approve a fare increase alongside this service level increase. Estimating additional revenue from a fare increase is difficult as transit ridership continues to be lower due to the pandemic. A rough estimate is \$25,000 assuming a mid-year fare increase. 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

Transit – Additional Dedicated Provincial Gas Tax Funding

The base transit budget is exposed to a significant year over year increase of approximately \$ 550,000 due to the full year cost of the 7th transit route, the loss of Ontario Safe Restart Funding, and the continuation of lower transit fare revenue. Fare revenue is reduced primarily due to the impacts of the ongoing pandemic. These three factors coinciding in one budget year is not normal and the financial impact this year could be reduced through the application of additional gas tax funding. This is proposed as a one time only option to smooth the financial impact over two years and to allow more time for ridership and fare revenue to recover.

Staff recommend that \$150,000 be applied for 2022.

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 emergence of the COVID-19 pandemic. As a result, property assessments from 2020 remain unchanged in 2021 and this will continue through 2022.

To calculate the average value of single detached dwelling houses we use a simple mathematical average obtained by dividing the total assessed value of single detached dwellings by the number of single detached residential properties. This information is provided each year by the Municipal Property Assessment Corporation (MPAC).

- The 2020 average assessed value for single family dwellings was \$257,793.
- The 2021 average assessed value for single family dwellings was \$259,775.
- The 2022 average assessed value for single family dwellings increases to \$261,420.

This is the average assessed value for municipal taxation purposes. It is important to note the significant difference between the current market values of single-family properties in the City and these assessed values for taxation purposes. The re-assessment cycle every 4 years is intended to minimize the gap between market value and assessed value, but this is clearly not keeping up with real market conditions.

BASE BUDGET SUMMARY

The levy for the Base Budget is \$64,058,890 which is an increase of 3.35% over 2021. The tax rate will increase by 1.61% from the 2021 tax rate. The increase on the average single detached house for the Base Budget is \$57.13 which is a 2.25% increase.

BUDGET SCENARIOS

Recommended “additions to Base Budget” total \$886,800 to be financed from the tax levy. There are two recommended mitigations to the levy including an increase in transit fares (\$25,000) and the application of additional Provincial Gas Tax (\$150,000). The impact of including these recommendations follows:

Scenario	Levy	Year over Year Levy Change	Year over Year %'age Change	Tax Rate %'age Change	Tax \$ %'age Change Average Single-Family Dwelling	Tax \$ Change Average Single-Family Dwelling
Base Budget	\$ 64,058,890	\$ 2,073,877	3.35%	1.61%	2.25%	\$ 57.13
Base Budget - 2 Levy Mitigations @ \$ 175,000	\$ 63,883,890	\$ 1,898,877	3.06%	1.33%	1.97%	\$ 50.04
Base Budget + Additions @ \$ 886,800	\$ 64,945,690	\$ 2,960,677	4.78%	3.01%	3.67%	\$ 93.04
Base Budget + Additions @ \$ 886,800 – 2 Levy Mitigations @ \$ 175,000	\$ 64,770,690	\$ 2,785,677	4.49%	2.74%	3.39%	\$ 85.96

Respectfully Submitted,

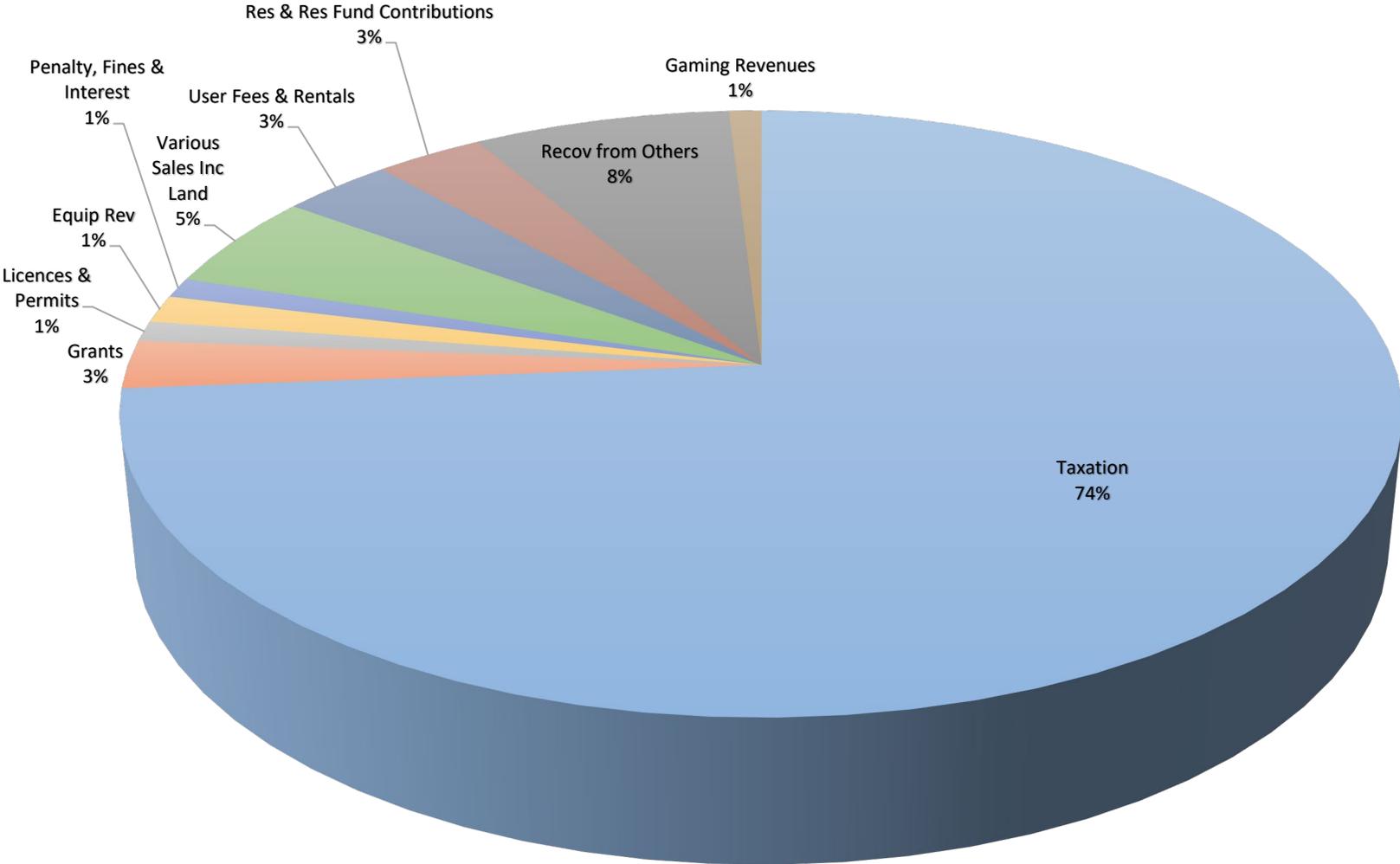
Diane Campbell

**Diane Campbell
Director of Administrative Services**

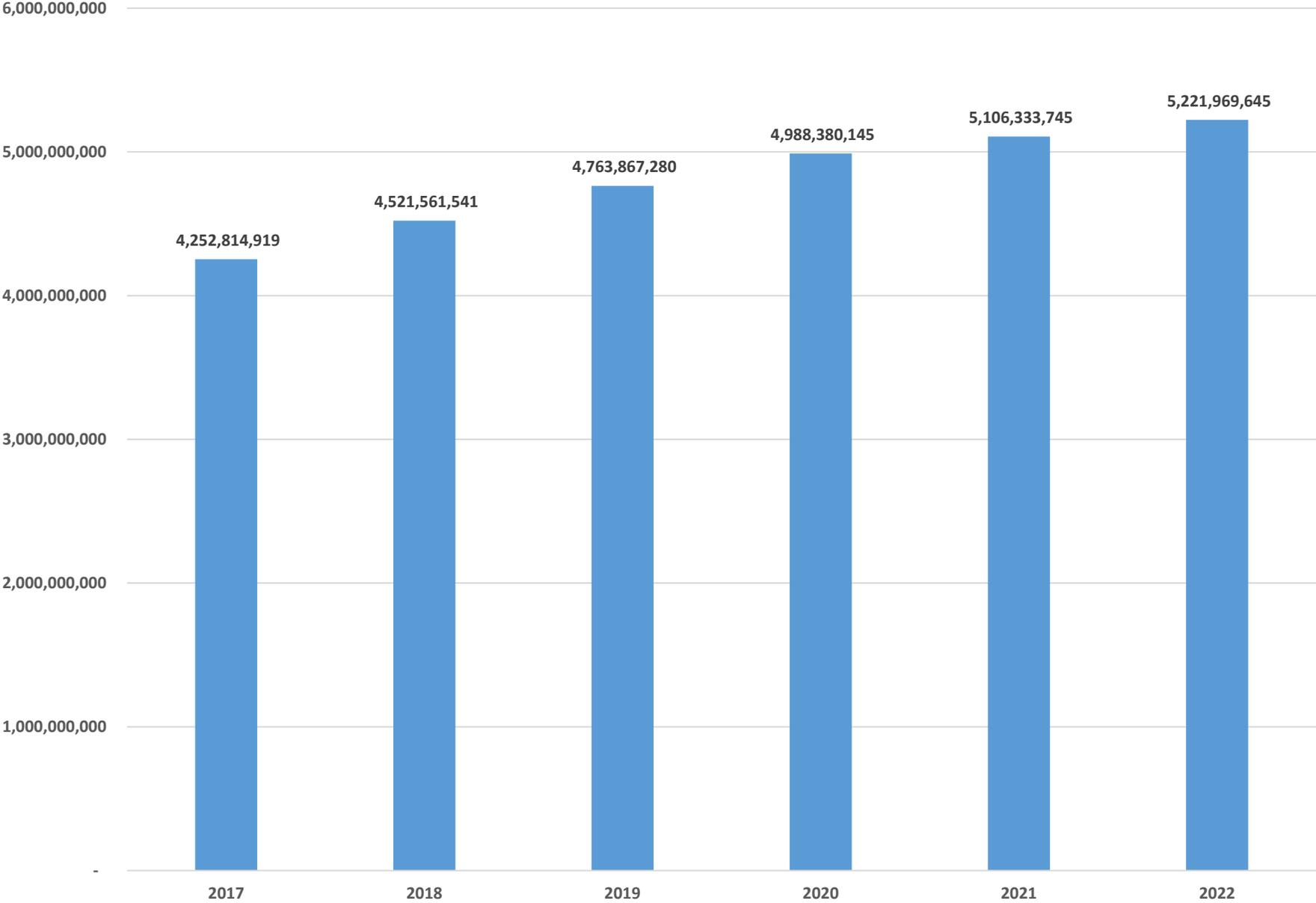
David Creery

**David Creery
Chief Administrative Officer**

2022 Revenue Sources



Assessment Comparison



HOW THE PROPOSED 2022 LEVY WILL BE SPENT

