

To: Warden and Members of County Council

From: Director of Corporate Services

Municipal Modernization Program Funding Proposals – Intake 2

RECOMMENDATIONS

1. That County Council authorize staff to apply for funding under the Municipal Modernization Program for up to \$661,326 in costs related to various review and implementation projects that focus on digital modernization; service integration; streamlined development approvals and shared services/alternative service delivery models, as described in Report No. CS 2021-14 titled “Municipal Modernization Program Funding Proposals – Intake 2”;
2. And further, that Oxford County commits \$121,814 from the County General Reserve and \$18,900 from the Library General Reserve to fund the County’s required contribution under this shared funding program, subject to funding approval;
3. And further, that County Council confirms that the unconditional modernization funding provided by the Province in March 2021 has been fully committed as directed in Report No. CS 2020-46 titled “Modernization Funding Project Proposals”;
4. And further, that County Council authorize the Chief Administrative Officer and/or Director of Corporate Services to sign all documents related thereto.

REPORT HIGHLIGHTS

- Seven modernization project proposals submitted
- \$802,040 one-time investment in proposed projects to modernize service delivery and reduce future costs
 - County’s contribution to the one-time project costs is \$140,714

Implementation Points

Upon Council's approval of the recommendations contained in this report, staff will proceed with submitting applications for the projects as proposed and, subject to Provincial funding approval, incorporate applicable budgetary impacts in future budgets accordingly.

Financial Impact

There were seven modernization project proposals submitted by staff that were vetted by the Senior Management Team to ensure they met the intent of the Ministry of Municipal Affairs and Housing (MMAH) Municipal Modernization Program. The projects proposed will benefit our area municipalities; represent best practices; and, achieve efficiencies and future cost savings.

Table 1 provides a summary of the proposed projects and their associated costs. This is Intake 2 of the Municipal Modernization Program and has two streams of projects – Review Stream and an Implementation Stream. The Implementation Stream is cost shared with 35% being the municipal portion for populations over 5,000 and 25% for municipalities where the population is less than 5,000. If approved, the County's one-time implementation project costs will be funded up to 65% by the Province while the review projects will be 100% funded. Any ongoing annual costs were also carefully considered to ensure the enhancements outweigh ongoing costs and are sustainable as part of the County's base budget in years to come.

The Province anticipates that the provincial share of projects will be between \$20,000 and \$250,000 with higher funding amounts being available for joint projects. Proposals will be reviewed on a case-by-case basis and funding amounts will depend on available appropriation.

According to the funding guidelines, priority may be given to projects that address one or more of the following priorities:

- Digital modernization
- Service integration
- Streamlined development approvals
- Shared services/alternative service delivery models.

Funding applications must be submitted by March 15, 2021 with review related projects to be completed by November 2021 and implementation projects completed by the Fall of 2022. Funding approvals will be announced in May 2021.

Approval of projects under Intake 2 is subject to the municipality confirming that it has fully spent or allocated the unconditional modernization funding provided by the Province in March 2019. Through Report No. CS 2020-46 titled "Modernization Funding Project Proposals" all except \$14,000 of the original \$725,000 in unconditional modernization funding from the Province was committed to projects that are now underway. The remaining \$14,000 in funding has since been committed to third party resources to support implementation and training of a new streamlined scheduling software for our long term care 24/7 workforce, approved by the CAO in accordance with the authorities given by Council under Report No. CS 2020-46.

The following table sets out each of the proposed projects including: total one-time project costs; the County's share of one-time project costs; ongoing base budget costs; and the overall modernization funding request.

Table 1 Summary of the Modernization Project Proposals

No.	Modernization Project Proposals	One-Time Costs	County Funding Requirement	Ongoing Base Budget Costs ¹
01	Finance - Review Feasibility of Digital Accounts Payable Process	\$25,000	\$-	\$-
02	Information Services – Public Websites Modernization	180,240	63,084	19,850
03	Information Services – Road and Address GIS Data Transformation	167,800	58,730	8,580
04	Water and Wastewater Service Delivery Review	100,000	-	-
05	Library – RFID Technology Project – Self-Serve Locker System	54,000	18,900	7,000
06	Road - Operations and Maintenance Service Delivery Review	125,000	-	-
07	Paramedic Services – Deployment Review	150,000	-	-
		\$802,040	\$140,714	\$35,430
	Modernization Funding		\$661,326	

Note¹ – ongoing base budget costs are incremental only if project replaces legacy systems

Communications







The proposed projects that involve, or could be easily replicated by, our area municipalities have been discussed with them and, in the event that those projects are approved to proceed, the respective municipalities will be invited to either be involved or kept informed, depending on the nature of the project and their desire to do so. There is no commitment or obligation on their part to apply for funding or commit to the County's funding requirement, if applicable.

There are no communication requirements specified in the Municipal Modernization Program application guide. Strategic Communications and Engagement will be engaged as appropriate for any communication requirements that may be identified in a funding agreement.

The reporting requirements of this program are as follows:

- Implementation Stream
 - quarterly project status and expenditure reports; and
 - final report by fall 2022
- Review Stream
 - interim project status report – August 2021;
 - post third-party reviewer's final report online and submit final project status report – November 2021
 - the following will be posted on the County's website
 - third-party reviewer's final report
 - amount paid to the third-party reviewer and copy of the invoice
 - statement of the total amount of expenditures reviewed and total amount identified as potential savings; and
 - 250-word abstract of the project and its findings.

Strategic Plan (2015-2018)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
		3.iii.		5.ii.	

DISCUSSION

Background

In March 2019, the MMAH funded a one-time unconditional grant for small and rural municipalities intended to help modernize service delivery and reduce future costs by investing in projects such as: service delivery reviews, development of shared services agreements, and capital. The investment is to support small and rural municipalities' efforts to be more efficient and reduce expenditure growth in the long term.

The allocations were formula based, taking into consideration the number of households in the municipality, including urban and rural. As such, the County and all of the area municipalities received allocations. The County's allocation was \$725,000.

In November 2019, the Province announced the Municipal Modernization Program, an application based funding opportunity, an extension to the unconditional modernization funding provided in March 2019, and in response to their commitment made upon conclusion of the Regional Government Review. In anticipation of a final Joint Service Delivery Review consultation process report, the County did not submit a funding application at that time.

In the meantime, County Council received Report No. CS 2020-46 titled "Modernization Funding Project Proposals" at their meeting held October 28, 2020 and approved investment of the \$725,000 unconditional Modernization funds to specific projects to modernize service delivery to gain efficiencies and achieve future savings.

Access to a second intake of the Municipal Modernization Program is an excellent opportunity for the County to advance some projects which may not otherwise be considered financially feasible.

Comments

In response to the Provincial Government's announcement of the second intake of the Municipal Modernization Program, the Senior Management Team initiated a second challenge seeking proposals for innovative initiatives that would improve efficiency of services delivery and reduce expenditure growth as identified in the service review that would be eligible for funding under this program.

In light of the foregoing, proposals were received in the form of a Modernization Funding Request, designed for establishing a business case for proposed initiatives. In response there were seven proposed initiatives received.

The submissions were reviewed by the Senior Management Team at a recent meeting and it was decided that all seven submissions be brought forward for consideration of Council for approval to pursue funding under the Municipal Modernization Program.

The proposed initiatives represent a diverse cross-section of municipal services including our area municipalities that may not otherwise be possible due to the one-time implementation costs. Details of each of the proposed initiatives are attached to this report.

Conclusions

Investment of the County's Modernization Funding allocation for the project proposals presented under this report are in-keeping with the Provincial Government's intent to assist in modernizing service delivery and reduce future costs for Oxford County taxpayers.

SIGNATURES

Departmental Approval:

Original signed by

Lynn S. Buchner, CPA, CGA
Director of Corporate Services

Approved for submission:

Original signed by

Michael Duben, B.A., LL.B.
Chief Administrative Officer

ATTACHMENTS

- Attachment 1 – Review Feasibility of Digital Accounts Payable Process
- Attachment 2 – Public Websites Modernization
- Attachment 3 – Road and Address GIS Data Transformation
- Attachment 4 – Water and Wastewater Service Delivery Review
- Attachment 5 – RFID Technology Project – Self-Serve Locker System
- Attachment 6 – Road Operations and Maintenance Service Delivery Review
- Attachment 7 – Paramedic Services Deployment Review