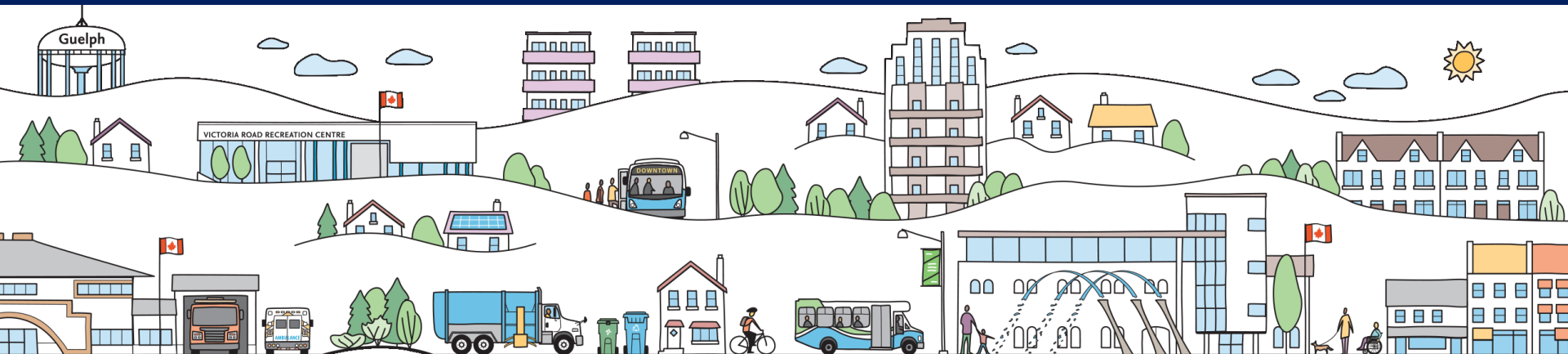


# Strategic Plan and Multi-year Budget

Council Workshop  
July 27, 2020



# Agenda

- A new way of operating 15 minutes
- Financial framework and multi-year budget 15 minutes
- Agile performance framework and measures of success 45 minutes
- Financial implications of the Action Plan 45 minutes
- Wrap up and next steps 5 minutes

# A new way of operating



# Planning for our future



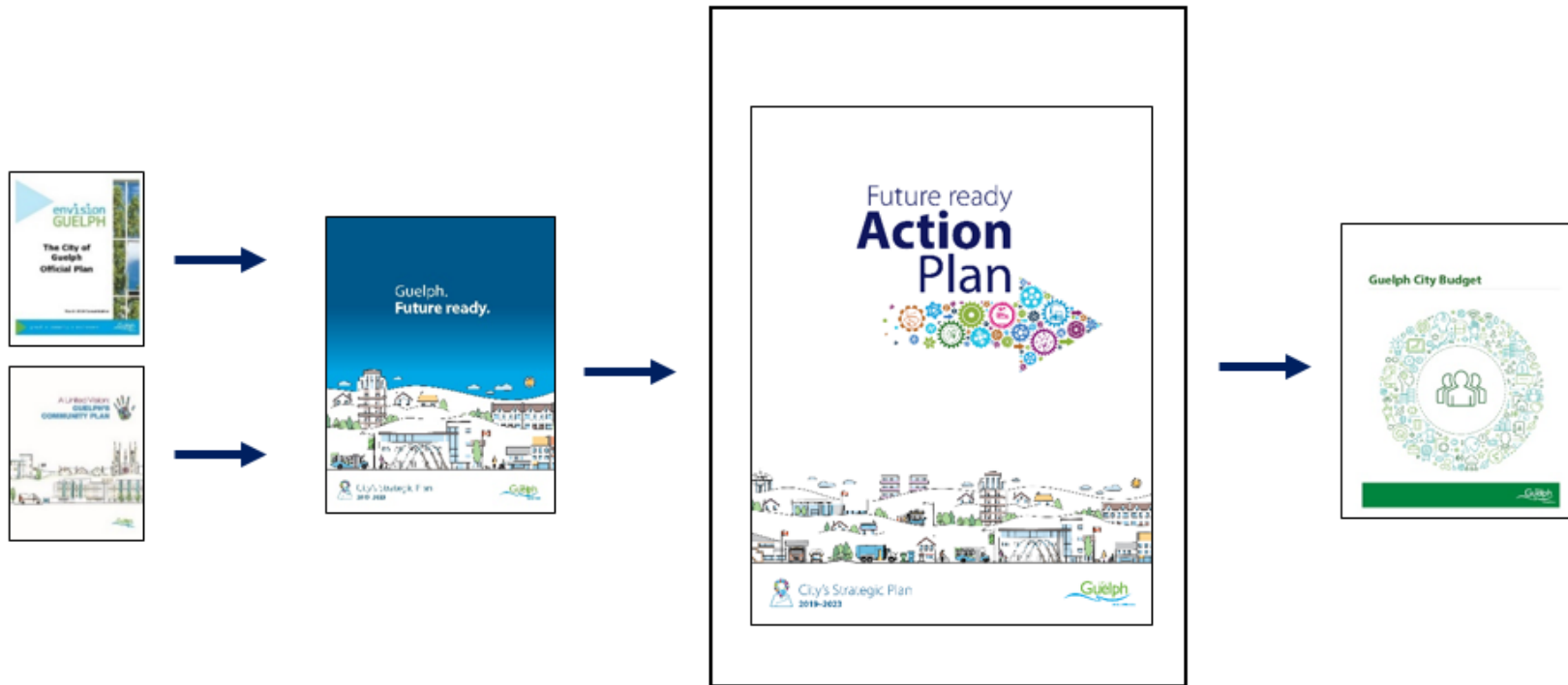
# Guelph is changing

- Current challenges: COVID-19, racial injustice and systemic racism, climate change
- Population projected to increase from 132,000 today to 175,000
- Employment targets increase from 81,000 jobs to 92,000
  - More than 100,000 jobs in Guelph by 2041
- Increase in technology-related jobs, artificial intelligence, and robotics
- Need to grow up, not out
  - Consider a range and mix of housing options Increase ability to service the water and wastewater needs for a growing community
- Increased demand on City's day-to-day operations and service delivery across all lines of business

# Solid strategic foundation

- Strategic Plan has been our guidepost during the COVID-19 pandemic
- Now moving forward with actions to help us realize our vision and strategic direction
- Important takeaways:
  - need for us to put in place operating mechanisms so we can adapt to frequent, dynamic and unexpected changes, and
  - need to foster and maintain a culture of agility and innovation

# Future Ready Action Plan

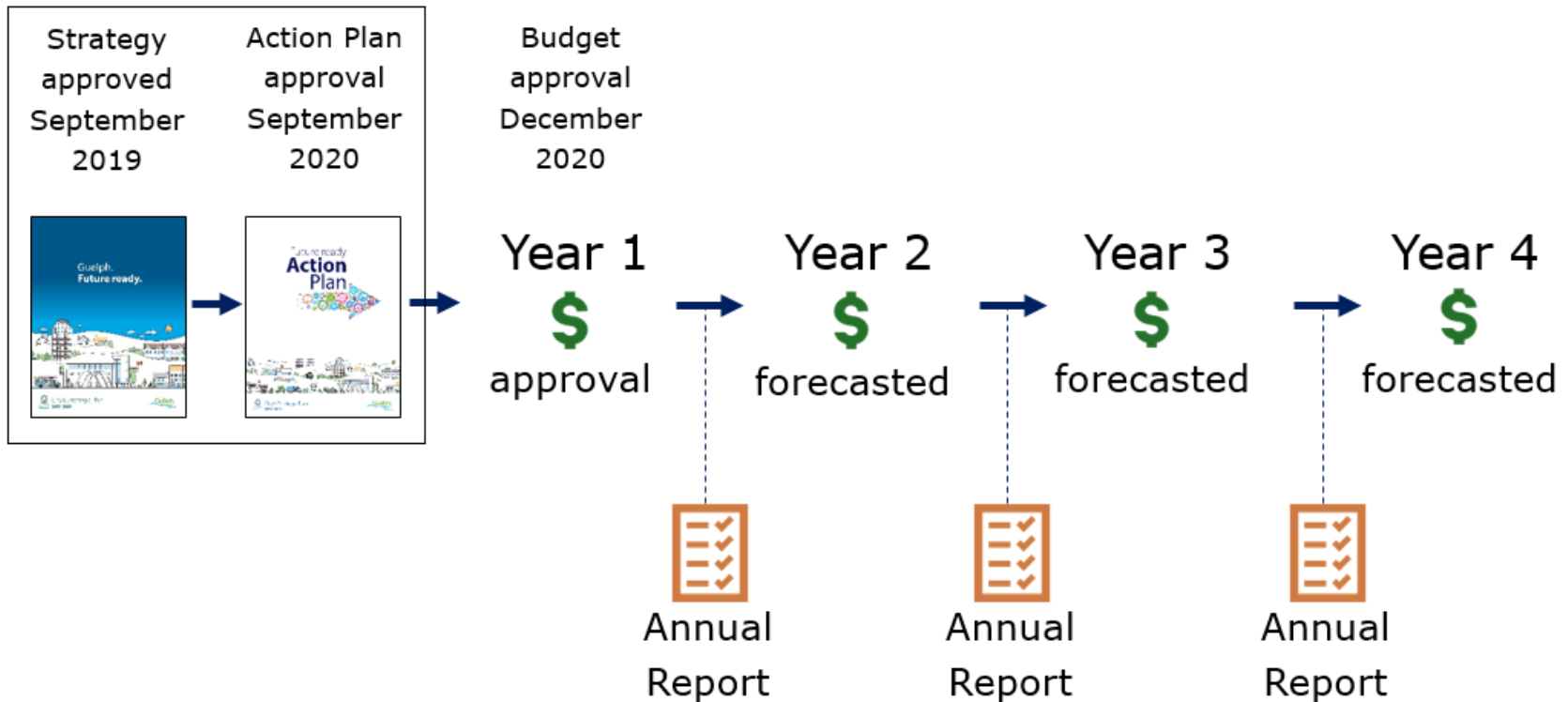


# Financial framework and multi-year budget





# Integrated, long-term approach



# What's the difference?

	Annual	Multi-year budget
Council oversight	✓	✓
Allows for public response and stakeholder input	✓	✓
Optimizes administrative burden to create room for implementation	X	✓
Funding priorities based on multiple years	X	✓
Measures performance and forecasts for the next couple of years to follow	X	✓
Departments only need to revise forecasts to current day issues and pressures	X	✓
Opportunity to fund items over long-term and integrate budget with long-term financial framework	X	✓
Allows for smoothing of predictable tax rate increases over multiple years	X	✓
Efficient use of Council time and resources	X	✓

# Budget presentation

## Old presentation

four separate budgets

Non-tax-supported Budget

Operating Budget

Local Boards and Shared Services Budget

Capital Budget

## New presentation

One unified budget

### City Budget

based on Strategic Plan: Guelph. Future ready.

Powering  
our future



Sustaining  
our future



Navigating  
our future



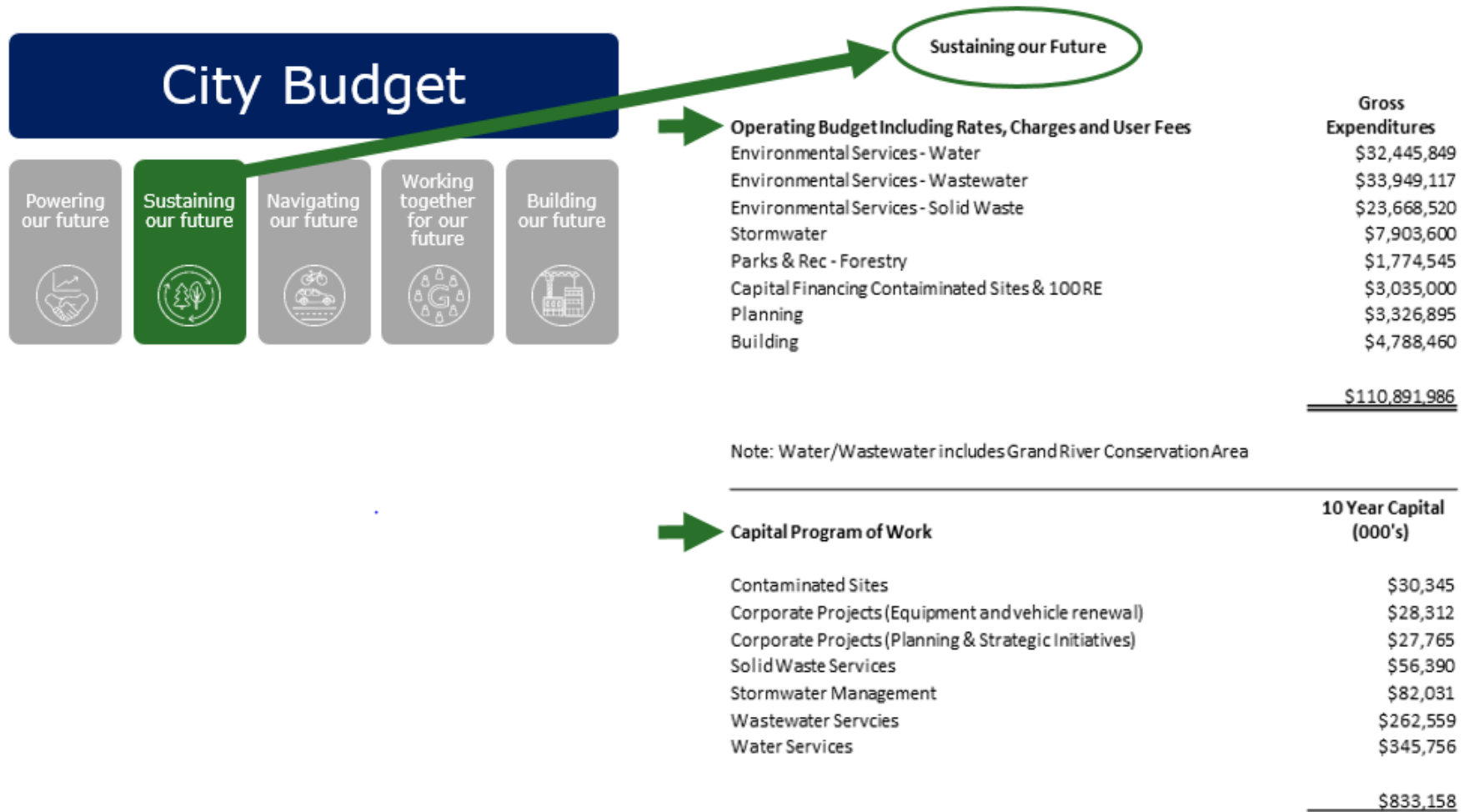
Working  
together  
for our  
future



Building  
our future



# Budget presentation



# Budget meetings

## Old approach

### October 2020

- Presentation and Public Delegations: Capital Budget
- Presentation and Public Delegations: Non-tax Supported Operating Budget

### November 2020

- Council Deliberations and Approval: Capital Budget and Non-tax Supported Operating Budget
- Presentation: Tax Supported Operating Budget
- Presentation: Local Boards and Shared Services Budgets
- Public Delegations: Tax Supported Operating Budget and Local Boards and Shared Services Budgets

### December 2020

- Council Deliberations and Approval: Tax Supported Operating Budget (up to 2 nights)

**Total number of meetings: 7-8**

## New Multi-year budget approach

### November 2020

- Presentation: City Budget
- Public Delegations: City Budget

### December 2020

- Council Deliberations and Approval – City Budget (up to two nights)

**Total number of meetings: 3-4**

# Agile performance framework and measures of success



# Desired outcomes

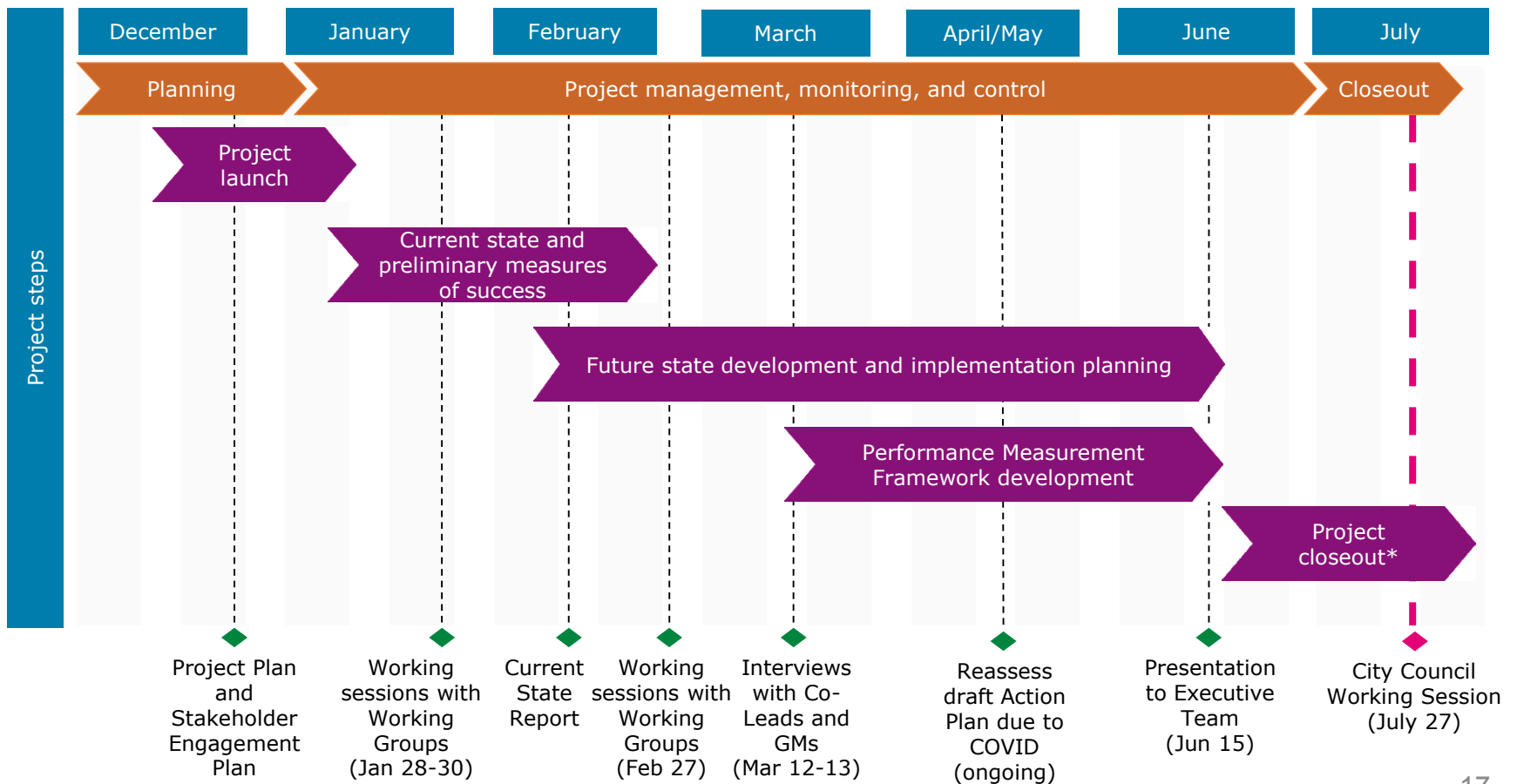
1. Create action plans and dashboards that include timelines for completion, accountabilities, and metrics for each initiative.
2. Facilitate staff willingness to embrace a change management mindset to align work effort to the strategic priorities and focus on evaluation.

# Desired outcomes

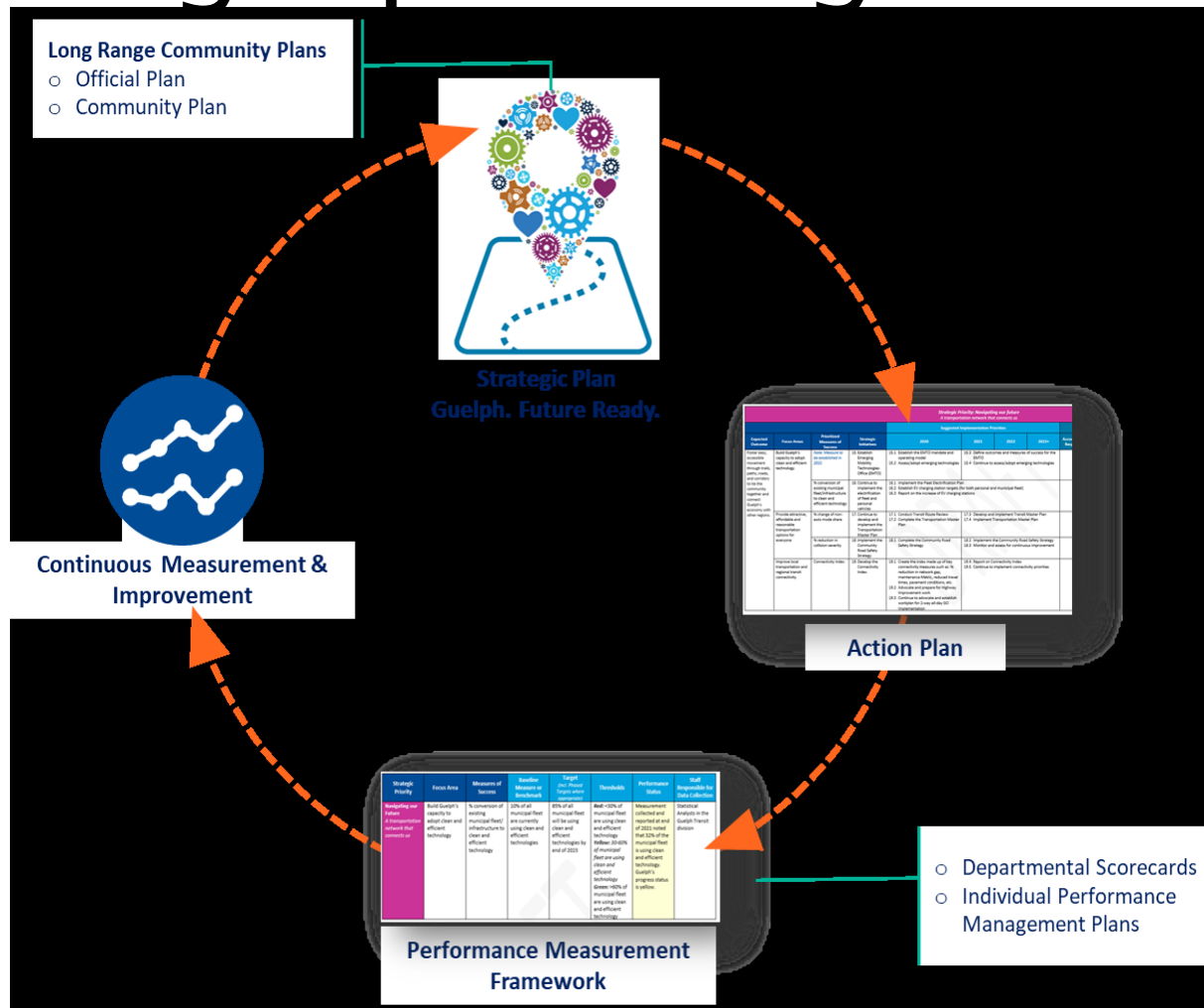
3. Develop a performance measurement framework to track and regularly report our progress.
4. Secure confidence and buy-in from City staff, Council and community stakeholders surrounding the operational plan's ability to drive the City forward.



# Project approach



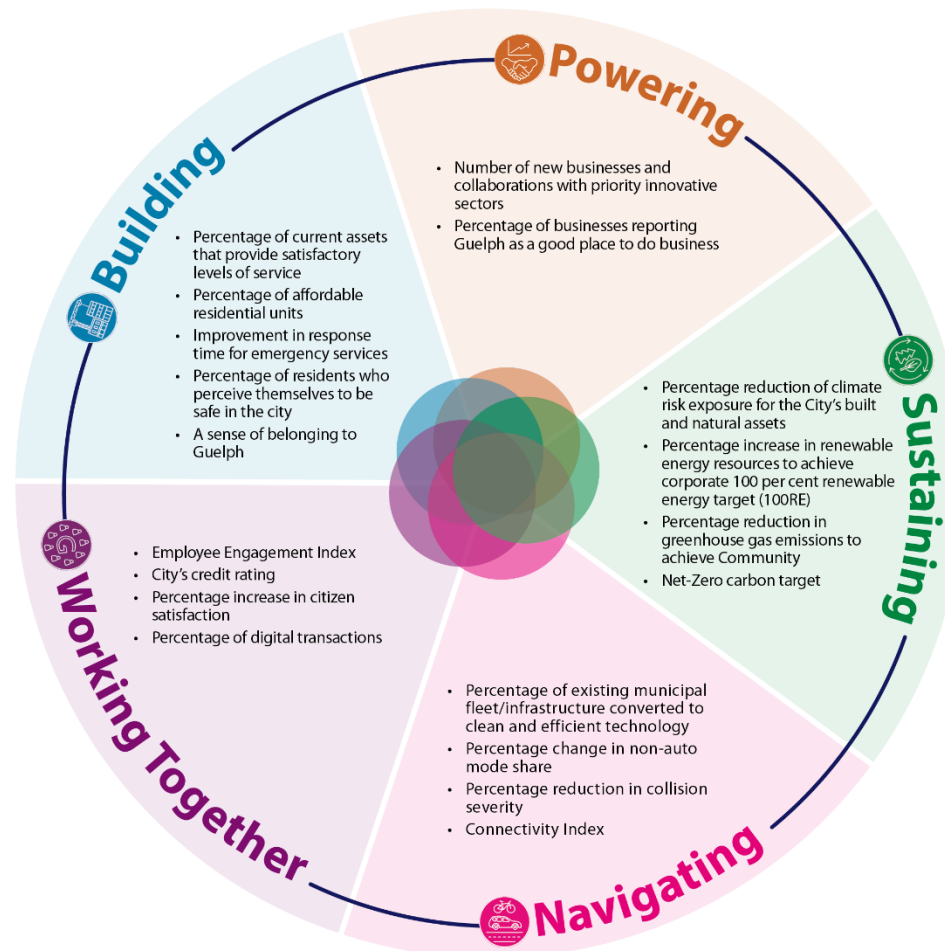
# Strategic planning



# Keep in mind...

- Is there any overall feedback or comments on the Action Plan?
- Do the initiatives identified reflect the most important priorities?
- Are these the best measures to reflect those priorities?

# Future Ready Action Plan



# Discussion

- Is there any overall feedback or comments on the Action Plan?
- Do the initiatives identified reflect the most important priorities?
- Are these the best measures to reflect those priorities?

# Financial implications of the Action Plan



# Setting the stage

Tax levy increase as estimated from 2020 budget:

<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
4.31%	7.20%	3.99%	--%*

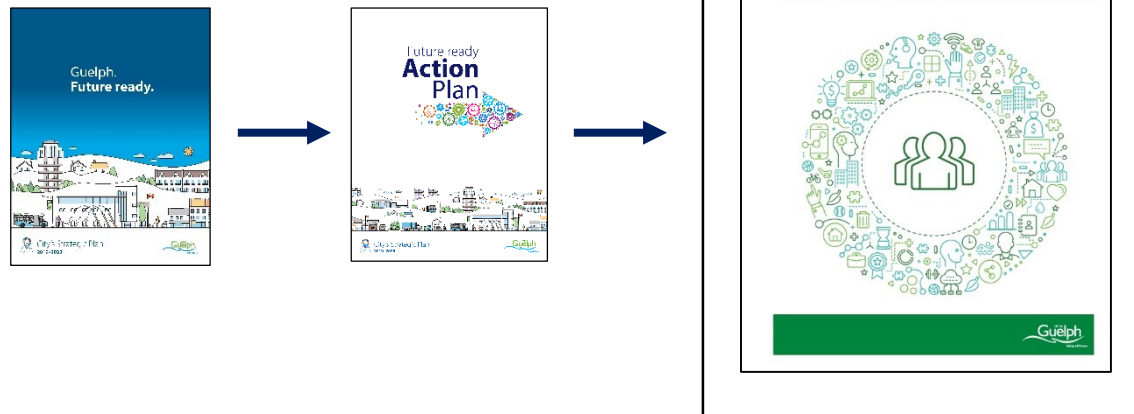
\*Tax levy had not been forecasted to 2024

Modified tax levy increase projection:

<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
2.23%	3.25%	3.52%	3.95%

# Setting the stage

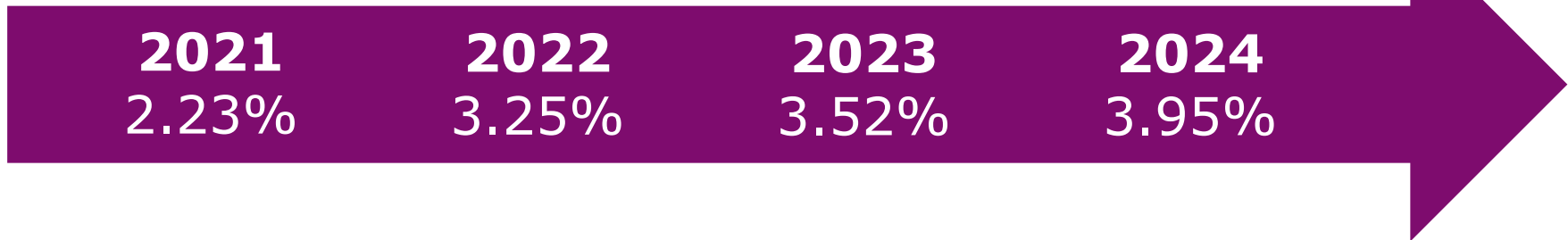
- The budget is the affordability tool that dictates the pace of implementing the Future Ready Action Plan initiatives



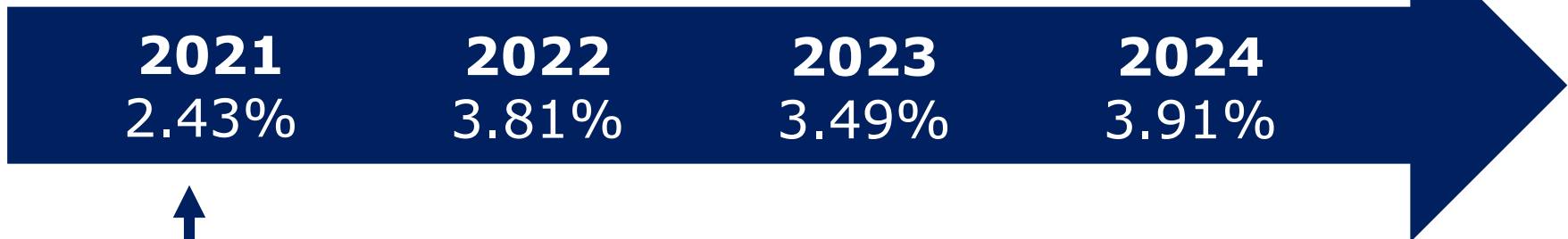


# Impact of strategic initiatives on the tax levy

Modified tax levy increase projection:



Service Simplified Strategy (SI #18)

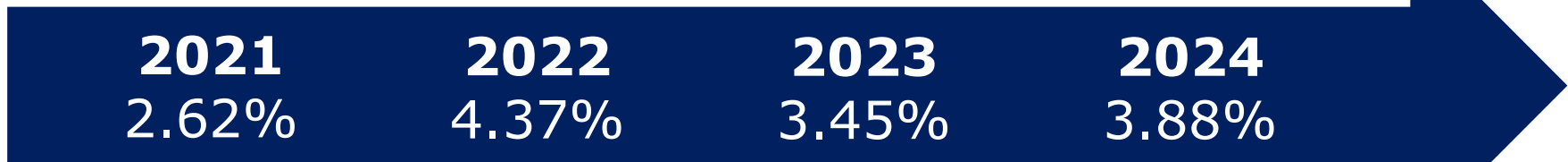


# Impact of strategic initiatives on the tax levy

Modified tax levy increase projection:



SI #18 + Develop and implement Climate Adaptation Plan (SI #8)



# Impact of strategic initiatives on the tax levy

Modified tax levy increase projection:



SI #18 + SI #8 + Continue to develop and implement Transportation Master Plan – Transit Strategy (SI #14)



# Impact of strategic initiatives on the tax levy

Modified tax levy increase projection:



SI #18 + SI #8 + SI #14 +  
Build Key Assets - South End Community Centre and  
Main Library (SI #22)



# COVID-19 impacts on budget

- New capital priorities and on-going costs for PPE and cleaning
- Uncertain revenues
  - Long-term reduced user demand and growth revenues
- Changes in market conditions
- Workplace changes
  - Work-from-home culture
  - master plans
  - property taxation

# COVID-19 impacts on budget

- Long-term reliance on contingency reserves

Tax contingency reserves	\$19.5 M
Less: 2020 deficit	<u>+ \$(4.3 M)</u>
	\$15.2 M

- Legal claims/challenges
- Legislative changes
- Other unplanned/emergency events

# Opportunities to create budget savings and efficiencies

## 1. Council service level definition

- Local Boards and Shared Services proportionate share of assessment growth
- Subsidization (revenue/cost) targets
  - Increase user fees; modify service offerings to stay within mandated targets

# Opportunities to create budget savings and efficiencies

## 2. Customer Service Strategy - Service Simplified

- Self-service model
- Centralized
- Corporate web payment solution

### **2020 successes**

- PerfectMinds recreation software implementation
- Transit Electronic Fare Management (tap card) and RideCo pilot implementation
- Parking payment software implementation
- Creation of Digital and Customer Service Steering Committee to guide future project priorities



# Opportunities to create budget savings and efficiencies

## 3. Continuous Improvement – LEAN

- Organizational culture change
- Streamline processes, remove inefficiency, maximize value
- Begins at the front-line, employee engagement, supported by CIO and DTMP

### **2020 successes**

- LEAN training of 25 staff across the City
- Tax Certificates On-line
- Digitization of RFP evaluation process
- Webex staff and council meetings
- Digitizing paper-based forms

# Opportunities to create budget savings, efficiencies and effectiveness

## 4. Enhancing our culture of innovation

- Look for more opportunities to embrace innovation and disruption in our work
  - Civic accelerator projects
  - Local partnerships to pilot new technologies
  - Guelph Lab initiatives in partnership with U of G

### **2020 projects**

- MIX Road Conditions/Assets Management
- Paramedics Assist –
- Household Waste Reduction
- Carbon Credits

# Opportunities to create budget savings and efficiencies

## 5. Doing Business Differently

- Large-scale projects, may be led by CIO
- Service delivery changes
- Can lead to politically divisive conversations – resistance to change

### **2020 projects**

- Time and Attendance modernization
- Multi-year Budget aligned with Strategic Plan metrics
- Escribe – Digital Agenda Management

### **Future project ideas**

- Privatization/restructuring
- Alternative service delivery models
- Sale of underutilized assets
- New business investment (fibre, data)
- Review of efficiency opportunities in corporate services functions

# Discussion

- What questions do you have about the current financial context surrounding our Action Plan and proposed budget process?
- Given that affordability will have an impact on how quickly the Strategic Plan is implemented, which initiatives or service changes would you want us to look at to address affordability?

# Wrap up and next steps



# Next steps

## **Strategic Plan Action Plan**

- September 28 Council meeting:
  - Recommended approval of Future Ready Action Plan

## **Multi-year Budget**

- November 17 Council meeting: budget presentation
- November 25 Council meeting: budget public delegations
- December 1 Council meeting:
  - recommended approval of 2021 budget
  - receipt of three-year operating forecast and nine-year capital forecast

# Thank you

