

May 20, 2020

Delivered by Email to: d.grills@headclaramaria.ca

**MAYOR DEBBI GRILLS
AND MEMBERS OF COUNCIL
THE UNITED TOWNSHIPS OF
HEAD, CLARA & MARIA
15 TOWNSHIP HALL ROAD
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Your Worship & Members of Council:

We trust you are all well and successfully navigating the challenges of the pandemic. As municipalities begin to “reopen”, it is a great time to consider how the “new normal” might change how you will do business going forward. It is also important to engage citizens in this conversation. Post pandemic, municipalities will need to prepare for less financial support from the provincial and federal governments.

Another Idea

We were excited by the RFP that Council recently issued and considered providing a response. As we contemplated an approach, however, it became clear that what we wanted to propose did not fit within the scope of the RFP.

It is our opinion that Council might consider, instead of a service delivery review, is the preparation of a municipal business plan. The idea is that a business plan would build on the work that you have already done. It fits with the concept of a service review in terms of addressing modernization, cost efficiency and citizen engagement. It will also provide a roadmap and tools so that the Municipality can continually evaluate performance, sustainability, and community resilience. Our concern is that a customary service review by a large accounting firm will not provide substantial insight into unique risks and opportunities that face HCM as a small municipality along the TCH.

The Impact of COVID-19

Of significant concern to us is that the Province will be looking for ways to fund COVID-19 costs and they will look at all ways they can generate money quickly. One way they might do this is to remove pipeline assessment from municipalities like what

they did with transmission lines and hydroelectric dams. As Council is aware, pipeline assessment and the resulting property taxes make up the majority of your municipal revenue. If this were to disappear overnight, the Municipality would be faced with the challenge of how to fund the budget.

Further, in light of comments and actions of the Province pre-COVID-19 and now in light of the financial position the province will be in after the pandemic, we anticipate decreases to the OMPF which will result in less grant revenue that municipalities rely on to fund their operations. These issues are two pressing ones, among many, that we believe Council should be focusing on.

A business plan, unlike a service review, would consider how to mitigate these foreseeable financial risks and be forward thinking.

A Tool for HCM

Our thinking.....

Step 1 – Engage Community (Customer/Market Research)

- Build a survey with Council and staff that will assess service satisfaction and elicit feedback regarding future opportunities.
- Circulate to all ratepayers. HCM is in a unique position with your population size, you don't need statistical sample sizes, you can reach out to every one of your residents.
- Analyze results and build framework to examine operational performance

Step 2 – Examine Operational Performance (Service Type/Service Level Review)

- Review Budget Policy/Processes
- Review Investment Strategies
- Review Reserve Fund Policies/Practices
- Examine Municipal Operations
 - Library
 - Parks & Boat Launches

- Landfill/Waste Management
- Road Maintenance
- Economic Development
- Recreation Programs
- Feedback Processes
- Strategic Plan
- Council Term Plan
- Asset management Plan
- Council Report Card

Step 3 – Management Plan

- Prepare an Operational Plan that includes:
 - Desired Services/Service Levels
 - Effectiveness/Efficiency Indicators
 - Managing Risk
 - Including a comprehensive analysis of pipeline assessment and its impacts

Step 4 – Financial Plan

- Prepare a Financial Plan that includes:
 - Key Risk Analysis
 - Pipeline
 - OMPF Funding
 - Tourism and seasonal use (e.g. COVID-19 closed tourism and has potentially affected recreational property values that effect is still to be measured)
 - Budget Policies & Practices
 - Multi-year Budget
 - Operational/Capital Budget Best Practices
 - Long-term Financial Strategies
 - Investment Policies
 - Reserve Funds/Reserve Fund Management
 - Asset Management

Formal Workplan

We did not prepare a formal workplan for Council's consideration as we believe that this needs to be developed **with** Council to ensure overall project success. Also, key to the project success will be the level of community/ratepayer

engagement. We propose using surveys, focus groups and other engagement tools to encourage maximum participation from community members/ratepayers. We would ask Council to decide upon the percentage of community/ratepayer engagement. What we mean by this is how many people Council wants to hear from (i.e. 65%) of the population or of ratepayers.

Timeframe & Budget

We anticipate the project being completed by September 30, 2020, depending upon how long it takes to reach the level of engagement Council desires. Until we work with Council to create the workplan it is difficult to establish a budget. The cost for this work would be \$18,385.00 plus the engagement costs which depend on the community/ratepayer engagement plan.

The key focus of our business planning process is engaging community & building resiliency.



Respectfully,

Respectfully,

WISHART LAW FIRM LLP

EXPERTISE FOR MUNICIPALITIES (E4m)

A handwritten signature in black ink that reads "J. Paul R. Cassan".

A handwritten signature in black ink that reads "Peggy".

J. PAUL R. CASSAN

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