



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Chair and Members of the Economic Development Committee
From: Ken DeHart, County Treasurer
Date: Tuesday, November 29, 2022
Subject: **Preliminary 2023-2032 Ten-Year Plan: Economic Development**

Background:

This forecast provides a high-level view of major budget issues and planned capital investments and serves as a guide for departments in preparing their detailed current year operating and capital budgets. The preliminary corporate ten-year plan will be considered by the Administration, Finance and Human Resources Committee on November 29, 2022 and the forecast will be updated at the time the budget is approved early in the New Year.

Major Operating Budget Impacts

Staff are in the process of compiling the detailed 2023 operating budgets for each department. Major items expected to be reflected in the 2023 Economic Development Operating Budget include the following:

Economic Development

Staffing changes includes moving the Talent Attraction position from part-time to full-time as the vacancy for the position has been recently filled. The position has up to this point been fully funded through the IRCC programme, this change will result in 40% of the staffing cost being allocated through Economic Development going forward, with a budget impact of \$27,000 in 2023.

Smart Cities

The Smart Cities programme is continuing work on projects proposed when funding was first approved as well as additional initiatives that have been identified as the programme has evolved. The budgeted expenditures look to utilize the anticipated remaining funding available as 2023 marks the final year of the programme. The Smart Cities Project Manager position has been extended through to the end of 2023 in order to carry out the programme initiatives. The cost to the County remains staffing and related costs that have been in place throughout the existence of the programme and will cease as of the end of 2023.

Ride Well

The Ride Well provincial funding is set to end in March 2025. The contract with the service and software provider RideCo is set to end in October 2023. Staff are undertaking a service review with Dillon Consulting which will be completed in 2023 (\$22,000). The will review will consider the overall service and investigate alternative service models. While the ridesharing model was significantly impacted during COVID, ridership has steadily increased up to circa 550 rides monthly. Passenger revenue and contract costs have been adjusted down by \$18,000 and \$39,700 respectively based on experience to date in 2022, as well as anticipated use of the service in 2023. These changes result in a no net levy change for the service in 2023 as they are offset by the cost of the service review.

Activities proposed throughout the 2023-2032 period

- **Talent Attraction** (\$20,000) – in its endeavour to tackle the shrinking labour force challenges in the County of Wellington, the Talent Attraction programme aims to draw in potential workforce by organizing an array of events, workshops and promotional activities starting 2023 to 2032 working with a budget of \$20,000 per year. Some of the prominent ones being annual summer multicultural festival with a goal of creating inclusiveness and belonging. Employer engagement events such as job fairs and networking events. Speed mentoring, diversity, equity and inclusion as well as employability skills training sessions to better equip our employers and amplify the County's top employer job vacancies. Co-create town attraction initiatives along with Tourism and community partners with the goal of newcomer settlement in rural communities.
- Funding for the countywide **Community Improvement Programme** (\$160,000) for local municipalities is maintained throughout the forecast under the transfer payments line. This budget line has been well underspent for a number of years. The 2023 budget includes an offsetting transfer from the Contingency and Stabilization reserve of \$80,000 in order to fund a portion of the programme should funding of projects exceed \$80,000 in a given year. This is intended to keep the total budget available for the programme, while recognizing the historical surpluses. It should reduce or eliminate potential variances going forward.
- **Invest Ready – Tax Increment Equivalent Grant (TIEG):** As part of the Community Improvement Programme, the County began participation in member municipalities' Tax Increment Equivalent Grant Programmes starting in 2019 and will provide the final funding amount of approximately \$15,000 in 2023.
- **Business Retention and Expansion Local Implementation Fund** (\$175,000) – will provide the County's local municipalities the opportunity to access funding for the direct execution of BR+E recommendations for activities that enhance the local economies.
- **Business Support Agency Funding** (\$97,500) – the County funds agencies upon receiving an agreed upon annual review of services and events to support our local economy. Agencies include; the Business Centre Guelph Wellington, Innovation Guelph, local Community Futures Development Organizations, LaunchIt Minto and the Western Ontario Warden's Caucus project.

Capital

- Rural Broadband Improvements: The County continues its commitment of \$4.0 million over five years (starting in 2021) to complete the gigabyte fibre optic broadband buildout. The project will be funded by the General Capital Reserve, which includes transfers of \$400,000 annually from the operating budget.

Recommendation:

That the preliminary 2023-2032 Economic Development capital budget forecast and major operating budget impacts as set out in this report be endorsed and forwarded to the Administration, Finance and Human Resources Committee for inclusion in the County of Wellington's Preliminary Ten-Year Plan.

Respectfully submitted,



Ken DeHart, CPA, CGA
County Treasurer