

# Report to Municipal Council



<b>Meeting Date:</b> October 2, 2024	<b>Report Date:</b> September 25, 2024
<b>Reason Before Council:</b> Policy Direction / Approval	<b>Priority:</b> Normal
<b>Department:</b> General Government	<b>Type of Meeting:</b> Committee of the Whole

**Report Title:** Future of Service Ontario Counter

## **Recommended Resolution:**

That Council reviews the Service Ontario contracted service and associated costs and provides direction to staff with one of the following options:

### **Options:**

1. Give 120-day notice to Service Ontario of termination of contract. (From past discussions, Service Ontario would be expected to try to find another service delivery option in the Sudbury East area).
2. Continue providing Service Ontario services at a loss.
3. Give conditional notice to Service Ontario that if they do not provide / develop a better compensation model that we will cease operation by March 31, 2025 (or other date).
4. Possibly before considering option 1 or 3, Request reduction in hours to offer part-time service without loss of monthly financial top up (proportional to number of hours open). The downside is that it will be harder to retain part-time staff and prevent or reduce ongoing clients coming into the office requesting Service Ontario services when the counter is closed, for this reason, this is not a preferred option by staff. The upside of this option is it will be easier to assign tasks to a full-time staff that is not consistently disrupted by Service Ontario clients.

## **Analysis & Background:**

With the recent significant increase in property taxes and expected ongoing budgetary pressures, considering elimination or reduction in services could be considered. From last years Service Delivery Review prepared by KPMG,



Service Ontario was identified as a non-municipal service that could save the Municipality some money.

The delivery of Service Ontario services is a provincial responsibility, from discussions with Service Ontario staff, it is apparent that an office in Sudbury East is desirable however the volume attending the office is erratic and now becoming sparse with new automatic renewals taking away a significant amount of traffic.

We did a 3-month analysis of people attending the Service Ontario counter (based on postal code of permanent residence). Please note that this survey was completed prior to July 2024 when sticker renewals were still being completed by staff), and the following was observed:

	# people/3 months	%	Avg/wk.
St.-Charles*	313	33	24
Noelville	265	28	20
Markstay-Warren	200	21	15
Other**	165	17	13

\*Please note that we made observations by postal code and a significant part of Dunnet Township does have P0M 2W0 as a postal code and also some St.-Charles residents in the Hagar and Markstay-Warren areas have a different postal code. Please assume a margin of error that was not measured, though would expect to somewhat balance out.

The sticker renewals were a major reason why people were coming in. Driver's license and health cards renewals are every five (5) years vs. stickers that were every one (1) or two (2) years. It was contributing an estimated 1/3 of the traffic, though some traffic remains as drivers license renewals were often combined with sticker renewal.

The issue remains of the unpredictable nature of the work, where there could be a line-up at the counter that last for part or more of the day to sporadic people coming to the counter. Assigning any tasks to this staff must be limited to non-urgent, or with no quick turn around expected.

Commencing in October, there are new services being offered by Service Ontario that will hopefully gain back some work that was lost with sticker renewal. Most of this will be health card related though we do not expect a significant rise in clients. i.e. new residents to Canada application.



Considering Council's request last year of requesting that the decision to help defray the cost of the Service Ontario counter by neighboring municipalities, I have sent a letter signed by the Mayor requesting their Council's financial support which included the data collected earlier this spring. I am expecting results back in early October.

Details provided from the Treasurer are as follows:

	<b>Income</b>	<b>Expenses</b>	<b>Totals (Profit / Loss)</b>
Actuals from January 1 to August 31, 2024	\$23,819.10	\$37,113.19	(\$13,294.09)
Projected for year end using average	\$35,728.65	\$55,669.79*	(\$19,941.14)
2024 Budget	\$35,000.00	\$61,769.04	(\$26,769.04)

*\*Note: Expenses are not as high as we budgeted, but we budgeted for coverage of vacation time and the back-up has been unavailable for some of the coverage.*

Lastly, a major effort by staff in the office and Service Ontario staff to find a better funding model or additional work to balance out the day has been ongoing for more than a year, some preliminary discussion on possible outcome seems very positive, but there are no promises or date for a decision on an improved funding model (if any). This by far remains our greatest hope to make the municipality whole and keep a Service Ontario counter in Sudbury East.

**Attachments:**

- Nil.

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