



Municipal Service Reviews

Presentation to the
Town of Blind River
Municipal Council

—


December 17, 2018



What Is A Service Review?

- A systematic review of what a municipality does, why it does it, how it delivers and how it funds
- Breaks down services by rationale and delivery model:
 - Mandatory, essential, traditional, discretionary
 - Own forces, contractors, volunteers, financial support
- Major components include:
 - Service profiles – what, why, how
 - Benchmarking
 - Organizational assessment
 - Opportunities
 - Implementation strategies

Winter Maintenance Service Profile

Program		Service Overview		Service level	
Transportation		The City undertakes a range of winter maintenance activities on its road and sidewalk network, including but not limited to winter roads patrolling to monitor conditions, snow plowing, ice prevention (sanding and salting) and snow removal.		Below Standard	At Standard
Organizational Unit		Service Value		 <p>The City is substantially compliant with Provincial Minimum Maintenance Standards and other legislation and regulation</p>	Above Standard
Environmental and Engineering Services		Winter Maintenance contributes towards effective transportation in the City by ensuring that the municipal road and sidewalk network operate at standard and provides vehicle and pedestrian mobility.			
Service Type		Basis For Delivery			
External		<p>Mandatory – Section 44(1) of the Municipal Act establishes the Township’s responsibility to keep highways or bridges under its jurisdiction “in a state of repair that is reasonable in the circumstances”. Ontario Regulation 239/02: Minimum Maintenance Standards for Municipal Highways (which has been amended by Ontario Regulation 47/13) provides further clarification by establishing minimum maintenance standards for a range of road network maintenance activities.</p>			
Budget (in thousands)		Performance and Benchmarking			
Operating Costs	xxx	<ul style="list-style-type: none"> Winter maintenance has been consolidated with roads-related activities for the purpose of our analysis. Based on a comparison to other municipalities, we note that the City’s cost per lane kilometre for roads maintenance services is consistent with other municipalities. 			
Revenues	xxx				
Net Levy	xxx				
FTEs	Xxx				

Winter Maintenance Service Profile

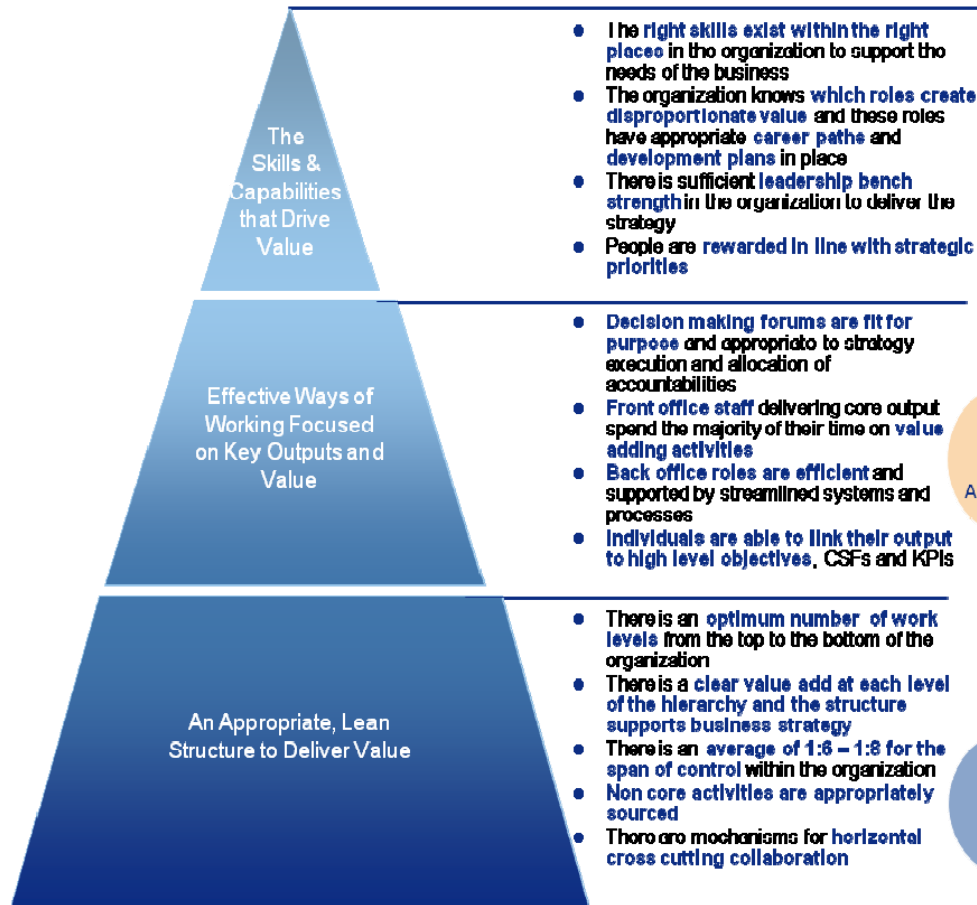
Profile Component	Definition	
Direct Client	A party that receives a service output and a service value.	<ul style="list-style-type: none"> Individual drivers utilizing the municipal road network in the winter. Individuals using municipal sidewalks.
Indirect Client	A set of parties that benefits from a service value without receiving the service output directly.	<ul style="list-style-type: none"> City residents and organizations that benefit from the maintenance of an effective transportation network.
Service Output	The output of a service that fulfills a recognized client's need.	<ol style="list-style-type: none"> Patrolling highways to monitor conditions. Snow plowing. Sanding and salting. Snow removal. Scarification.
Service Output Type	A classification of service outputs based on the Municipal Reference Model.	<ol style="list-style-type: none"> Care and rehabilitation encounters Care and rehabilitation encounters Care and rehabilitation encounters Care and rehabilitation encounters Care and rehabilitation encounters
Service Output Level	The quantum of service outputs provided to direct clients.	The City maintains a road network of 3,686 lane kilometers of roads and 1,515 lane kilometers of sidewalk.
Sub-Services	Elements of a service that have different outputs and/or clients.	None identified.

Benchmarking

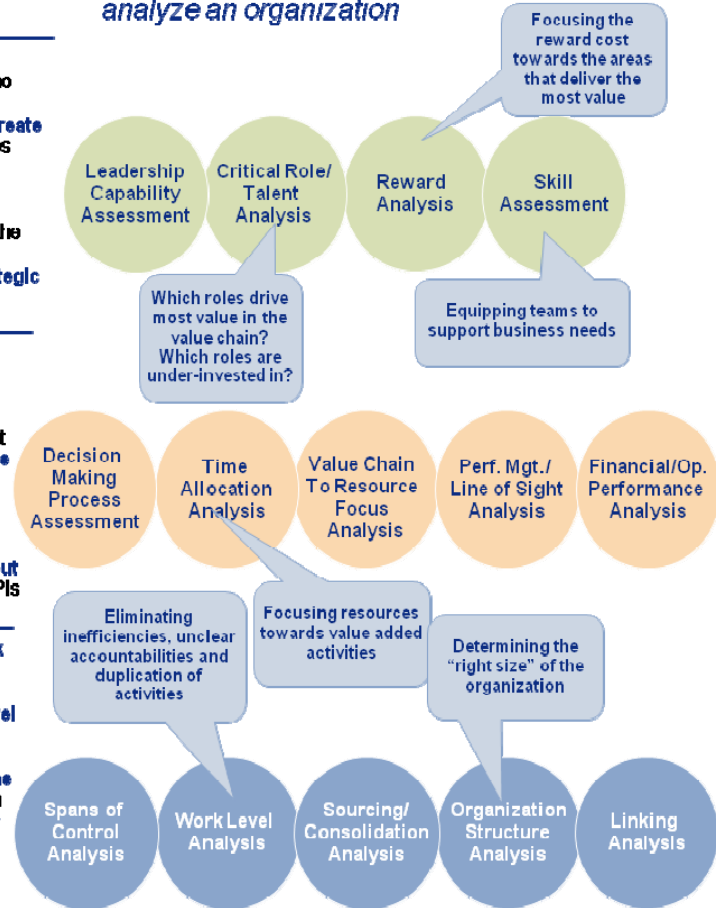
	Model	Households	Fire Stations	Firefighters	Households per Station	Households per Firefighter
Haldimand County	<i>Volunteer</i>	19,852	13	317	1,527	63
Caledon	<i>Composite</i>	21,319	9	309	2,369	69
Quinte West	<i>Composite</i>	17,382	7	148	2,483	117
Sudbury	<i>Composite</i>	74,851	24	480	3,119	156
Timmins	<i>Composite</i>	19,586	6	182	3,264	108
Welland	<i>Composite</i>	21,485	5	116	4,297	185
Belleville	<i>Composite</i>	21,065	4	114	5,266	185
Georgina	<i>Composite</i>	18,291	3	86	6,097	213
Halton Hills	<i>Composite</i>	19,808	3	119	6,603	166
Fort Erie	<i>Volunteer</i>	15,274	2	69	7,637	221
Whitchurch-Stouffville	<i>Composite</i>	15,083	2	67	7,542	225
North Bay	<i>Full-time</i>	23,257	3	87	7,752	267
St. Thomas	<i>Full-time</i>	16,398	2	53	8,199	309
Woodstock	<i>Full-time</i>	16,641	2	54	8,321	308
Sault Ste. Marie	<i>Full-time</i>	34,407	4	96	8,602	358
Cornwall	<i>Full-time</i>	21,507	2	63	10,754	341
Average (excluding Timmins)					4,902	200

Organizational Assessment

We understand what a lean organization looks like ...



... and which 'lenses' to apply to analyze an organization



Opportunity Identification

Efficiency and effectiveness enhancements



Service level reductions



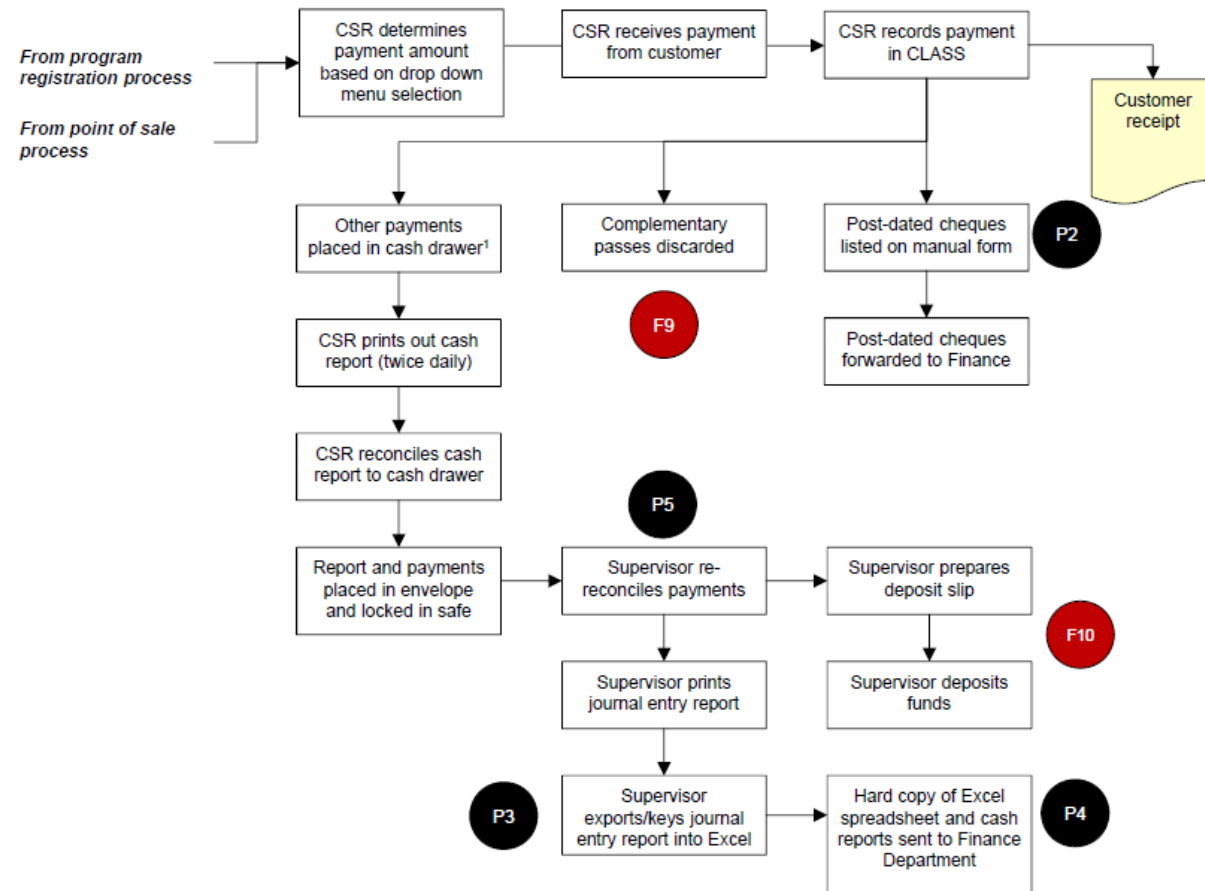
Cost recoveries



Alternate service delivery



- P2** Use of manual form for tracking post-data cheques as opposed to system generated report
- P3** Duplicate entry of journal entry information
- P4** Absence of automated interface between CLASS and Great Plains
- P5** No pre-determined schedule for deposits
- F9** Absence of reconciliation of complementary passes allows payments to be entered as passes, with funds misappropriated
- F10** Absence of segregation of duties as supervisor prepares reconciliation, deposit and journal entry, allowing for concealment of misappropriation of funds

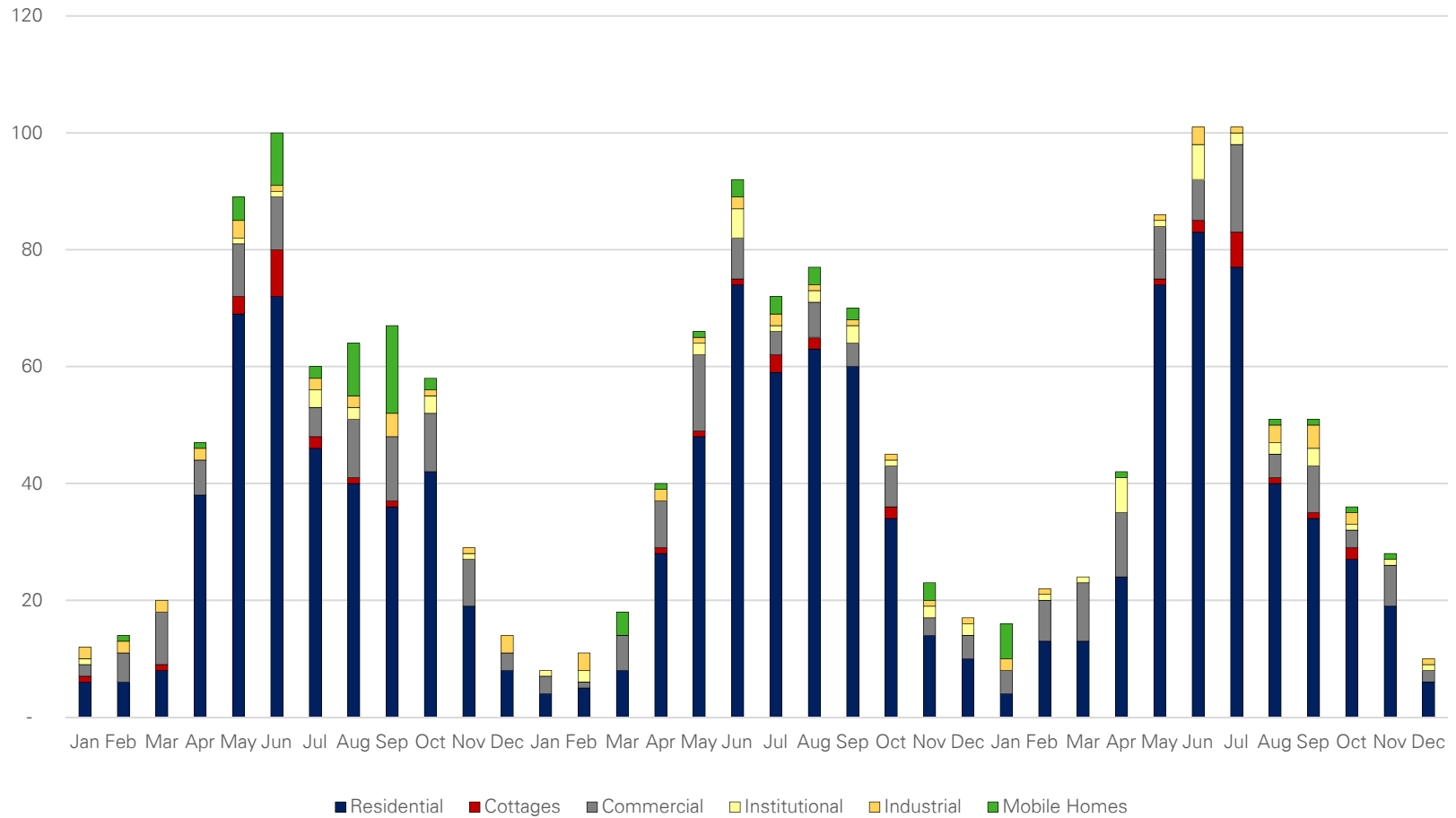


¹ Includes slips for credit card and debit card transactions

Overview of Municipal Services

Building Services

Number of building permits issued by type and month (2012 to 2014)



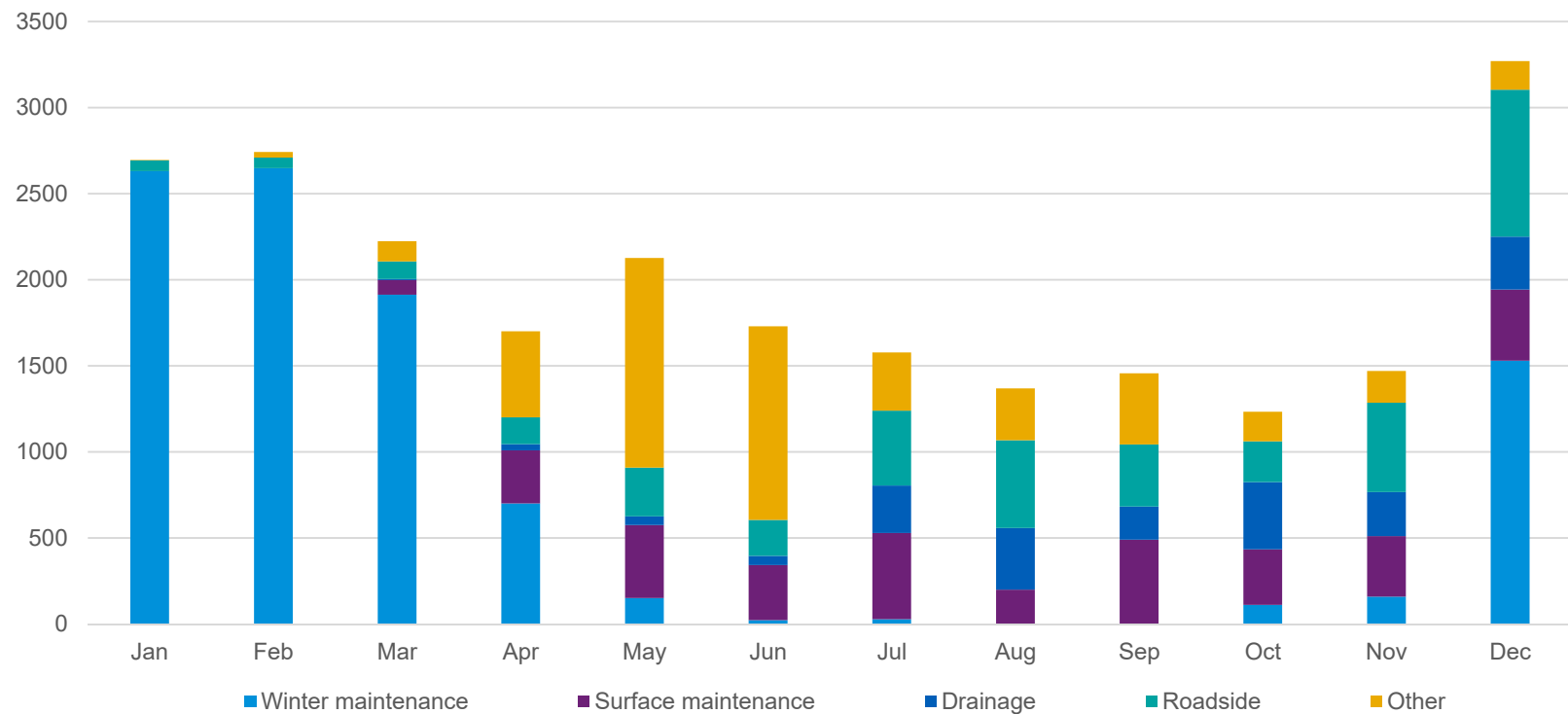
Overview of Municipal Services

Roads

Issues and Challenges

- 1. Seasonality** – Municipal road operations can be very seasonal in nature, with significantly higher levels of demand during the winter months. Municipalities will attempt to balance this seasonality through the use of contractors, temporary staff and shifting workers between municipal departments to match seasonal demands (parks and recreation, water and wastewater).

Hours charged to roads activities)



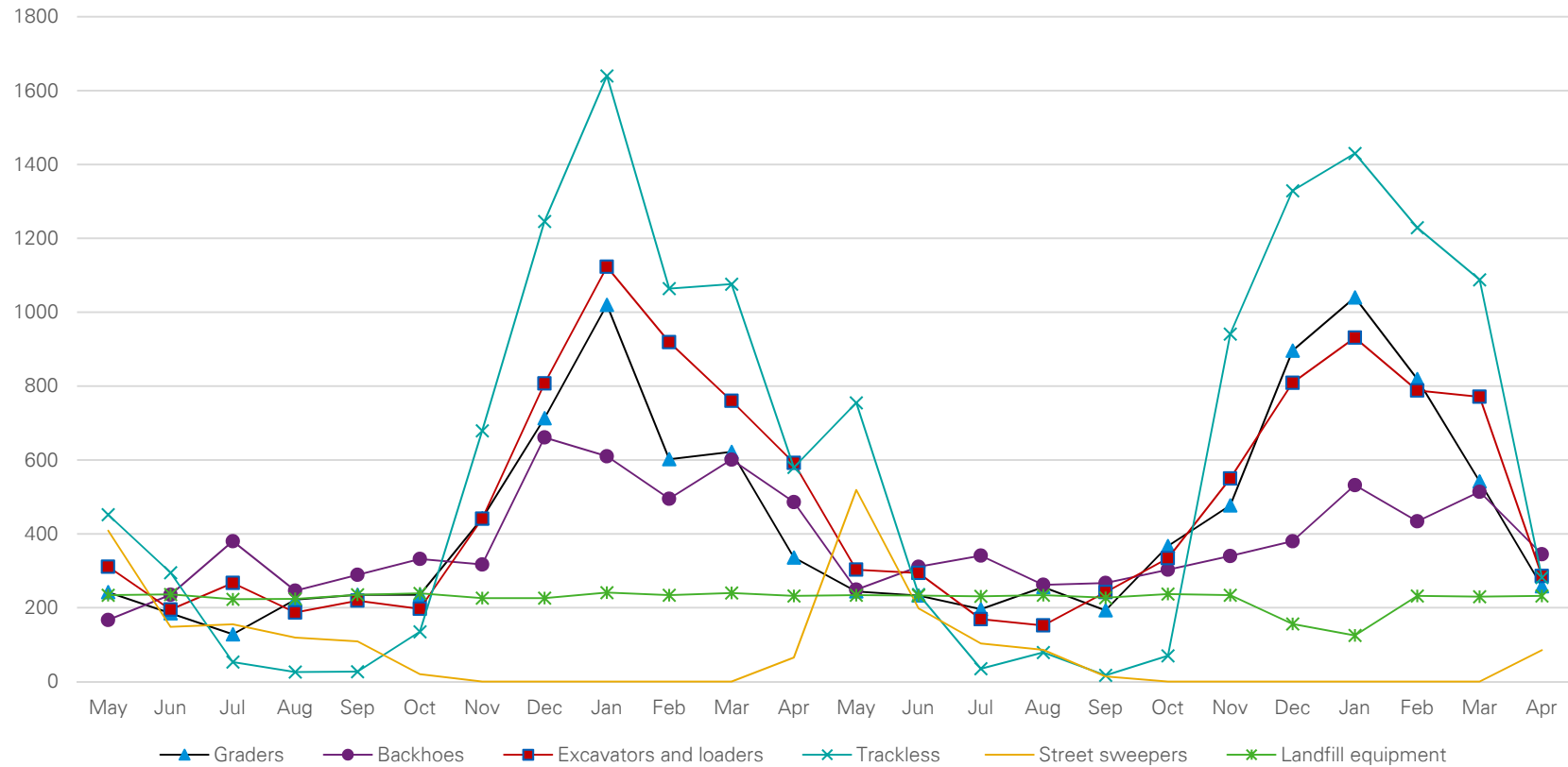
Overview of Municipal Services

Roads

Issues and Challenges

2. Equipment optimization – The seasonality of demand for roads maintenance activities will also impact on a municipality’s fleet and equipment requirements, with some equipment used consistently during the year while others are more sporadic in nature.

Monthly equipment utilization, in hours (May 2013 to April 2015)



Opportunity

Potential financial impact	
<i>To be determined</i>	x
<i>Less than \$100,000</i>	
<i>\$100,000 to \$250,000</i>	
<i>\$250,000 to \$500,000</i>	
<i>More than \$500,000</i>	
Type of opportunity:	
<i>Service level reduction</i>	x
<i>Operating efficiency</i>	
<i>Alternate delivery</i>	
<i>Revenue generation</i>	
Approval category:	
<i>Strategic</i>	x
<i>Operational</i>	
Implementation timeframe:	
<i>2019</i>	x
<i>2020</i>	
<i>2021</i>	
<i>Subsequent years</i>	

A. Opportunity Overview

As noted below, the results of our analysis indicate that the City provides a higher level of service with respect to landfill hours for the Deloro site as well as the tipping fee exemption provided to residential customers in comparison to other Northeastern Ontario municipalities.

<i>Summer landfill operations</i>	Timmins	North Bay	Sudbury	Sault Ste. Marie
Operating hours:				
• Monday to Friday	8:00 am to 5:45 pm	7:30 am to 5:00 pm	7:00 am to 7:00 pm	8:00 am to 5:00 pm
• Saturday		8:00 am to 5:00 pm	8:00 am to 5:00 pm	7:30 am to 3:30 pm
• Sunday		12:00 pm to 4:00 pm	Closed	Closed
Operating hours per week	68.25 hours	60.50 hours	69.00 hours	53.00 hours
Residential exemption	125 kg per trip	None	50 kg per week	None

<i>Winter landfill operations</i>	Timmins	North Bay	Sudbury	Sault Ste. Marie
Operating hours:				
• Monday to Friday	8:00 am to 3:45 pm	7:30 am to 5:00 pm	8:00 am to 5:00 pm	8:00 am to 5:00 pm
• Saturday		8:00 am to 5:00 pm	8:00 am to 5:00 pm	Closed
• Sunday		Closed	Closed	Closed
Operating hours per week	54.25 hours	56.50 hours	54.00 hours	45.00 hours
Residential exemption	125 kg per trip	None	50 kg per week	None

In light of these differences, the City may wish to consider reducing operating hours for the Deloro landfill while at the same time reducing the residential exemption for tipping fees.





kpmg.ca



© 2018 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.