

5-3-2017

Municipal Resource Guide to Leading Practices in Cost Savings

Martin Horak

Western University, mhorak@uwo.ca

Andrew Sancton

Western University, asancton@uwo.ca

Rachna Goswami

Western University

Umera Ali

Western University

Follow this and additional works at: <https://ir.lib.uwo.ca/urbancentre-reports>

 Part of the [Policy Design, Analysis, and Evaluation Commons](#), [Public Administration Commons](#), [Public Policy Commons](#), [Urban Studies Commons](#), and the [Urban Studies and Planning Commons](#)

Recommended Citation

Horak, Martin; Sancton, Andrew; Goswami, Rachna; and Ali, Umera, "Municipal Resource Guide to Leading Practices in Cost Savings" (2017). *Centre for Urban Policy and Local Governance – Research Reports*. 1.

<https://ir.lib.uwo.ca/urbancentre-reports/1>

This Book is brought to you for free and open access by the Centre for Urban Policy and Local Governance at Scholarship@Western. It has been accepted for inclusion in Centre for Urban Policy and Local Governance – Research Reports by an authorized administrator of Scholarship@Western. For more information, please contact tadam@uwo.ca, wlsadmin@uwo.ca.

Centre for Urban Policy and Local Governance
Research Report #2

Municipal Resource Guide to Leading Practices in Cost Savings

May 2017

Martin Horak
Andrew Sancton
Rachna Goswami
Umera Ali



Western
SocialScience

Local Government Program
Centre for Urban Policy and Local Governance

Prepared with financial support from the
Government of Ontario

Acknowledgments

We would like to thank the Ministry of Municipal Affairs for its support, which has made the production of this Guide possible.

We would also like to express our gratitude to the many local government professionals in municipalities across Ontario who answered our inquiries and, in many cases, agreed to be interviewed in detail. Without the information and insights they so generously gave us, we would not have been able to produce this Resource Guide. We are unable to name these individuals, having committed to confidentiality, but we are very grateful to them. All errors of fact and presentation in this Guide rest with the authors.

Disclaimer

The views expressed in the publication are the views of the publication's authors, and/or the views of those municipal officials surveyed and interviewed during the course of the research. They do not necessarily reflect the views of the Government of Ontario.

© 2017 The Authors.

Citation: Horak, Martin, Andrew Sancton, Rachma Goswami, and Umera Ali. 2017. *Municipal Resource Guide to Leading Practices in Cost Savings*. Research Report #2. London, ON: Local Government Program and Centre for Urban Policy and Local Governance, Western University.

Western Urban and Local Governance Research Papers

<http://ir.lib.uwo.ca/urbancentre/>

3 May 2017

Table of Contents

Purpose of this Guide	4
How This Guide Was Developed	5
The Research Process.....	5
How to Use this Guide.....	7

The Case Studies

Barrie – Creating a Culture of Energy Conservation	10
The Blue Mountains – Why Pay for What You Don’t Use?	14
Chatham-Kent – Dial 311 for Savings.....	16
Elgin and Middlesex – Coordinating Response to Provincial Mandates	19
Kapuskasing – A Better Bus Depot at a Lower Cost.....	22
Kawartha Lakes – Rationalizing Winter Roads.....	24
Kitchener – Purchasing Outside the Box.....	27
London – Equipment Recycling, Small Savings, Happy Swimmers	29
Markham – Big Benefits from Waste Diversion	31
Meaford – Experimenting with Better Winter Control	34
Muskoka – Bringing Land Ambulances In-House	37
Norfolk – Tackling Insurance Rates	40
North Bay – Smarter Transit Drivers Save Money.....	42
Wawa – Bright Lights, Green Savings	44
Inventory of Cost Savings Recommendations from Municipal Service Delivery Reviews Conducted Since 2011	46

Purpose of this Guide

Ontario municipalities of all sizes face steady pressure to “do more with less”. Limited revenue sources, growing and changing public demands, new provincial mandates, and political constraints on taxation levels create a challenging fiscal environment for local governments in Ontario. For municipal leaders, there are no easy answers to the problem of tightly constrained resources. There is little evidence to suggest that major reductions to the cost of local government operations and services can readily be achieved – at least not without the pain and controversy that comes with reductions in service levels or disruptions to labour relations.

But in the midst of this challenging environment, there is also good news. Municipalities across the province are continually developing innovative practices that save costs without incurring service level reductions. Most of these *leading practices*, as we will call them, involve small-scale initiatives that result in modest savings. Yet even modest savings add up over time, and multiple small initiatives in a single municipality can make a big difference.

This Resource Guide provides municipal officials with single-source information about a range of current leading practices in cost savings in small and mid-sized Ontario municipalities. It is, of course, not the only source of such information. Local officials are constantly learning from each other about innovative practices, and information about successful new practices often spreads quickly through Ontario’s dense networks of local government professionals.

Even so, with well over 400 municipalities in Ontario, each delivering a multitude of services, it can be difficult for managers and political representatives to find out about new practices as they emerge, and to get a sense of the range of potential cost savings initiatives and tools that exist at the local level today. And that is where this Resource Guide comes in to the picture.

Grounded in a year of research by a team at Western University, the Guide presents detailed profiles of **14 selected cases of leading practices in cost savings**. These case studies represent a wide variety of service fields. They come from municipalities that are located in many different parts of the province, and that range in size from very small (Wawa) to quite large (London). In addition to these detailed cases, the Guide presents a reference compendium of **159 cost-savings recommendations from Municipal Service Delivery Reviews**.

In the following pages, you will find examples of the many ways in which Ontario municipalities are innovating in order to serve their residents more effectively and efficiently. We hope that this Resource Guide will serve as a source of ideas and inspiration for local officials as they seek to provide the best possible services to their residents in challenging fiscal times.

How This Guide Was Developed

Identifying Leading Practices

We define “leading practices in cost savings” as *any deliberate action by a municipal council and/or municipal staff that has led to a demonstrably sustainable and replicable reduction in costs without adversely affecting service levels*. In order to produce a Resource Guide that is of maximum practical value to municipal officials, we set a number of additional parameters for our study:

- We excluded any practices that involved increasing taxes or user fees, or that involved the transfer of financial obligations to other public bodies.
- We only investigated leading practices in fields of activity that are under the direct control of municipal councils. Practices in special purpose bodies were excluded.
- We limited our investigation to practices introduced since 2011.
- We limited the study to municipalities with 500,000 residents or less, on the grounds that practices in very large municipalities were less likely to be replicable elsewhere.

The Research Process

Step 1: Identifying Potential Leading Practices

We began our work by reaching out via e-mail to top officials in all 432 Ontario municipalities with populations under 500,000. We asked them to: 1. Report any Municipal Service Delivery Review (MSDR) that had been conducted in their municipality since 2011, and 2. Report any successful cost saving initiatives that had been undertaken since 2011 that did *not* result from a MSDR process. We received responses from 186 municipalities. We then conducted a comprehensive review of municipal websites to identify any additional MSDRs, and we publicized our research through our networks and made presentations at various municipal conferences, where we solicited further suggested cases of cost savings initiatives.

We found that 53 of the 432 municipalities had conducted MSDRs since 2011. Some of these MSDRs were completed in-house, others by consultants; some were corporate-wide, others involved a comprehensive systematic of services in a single service field. We analyzed the 53 MSDRs, and determined that 35 of them included recommendations related to saving costs. We compiled all 159 of these recommendations into a single inventory, sorted by service field. This inventory is presented starting on p. 46 of this Resource Guide. We also identified another 95 reported cases of cost savings

practices that had *not* resulted from MSDR recommendations. The distribution of these cases across different service fields is shown below in Figure 1.

Figure 1: Reported cost savings practices since 2011 not linked to MSDRs, by service field



Step 2: Selecting Implemented Practices

From the overall total of 254 potential cases, we then narrowed our case universe down to *successfully implemented cost savings practices*. We reached out to all 35 municipalities that had completed MSDRs resulting in cost savings recommendations, to ask whether these recommendations had been implemented. 14 municipalities replied, which resulted in 30 cases of implemented cost savings practices stemming from MSDR recommendations. We also followed up on the 95 cases of other practices, and determined that in 54 of these cases it was impossible to document any actual savings. This is not to say these initiatives were ineffective – only that savings were generally projected to occur at some indeterminate time in the future. This left us with 41 cases of cost savings practices not linked to MSDRs.

Step 3: Selecting Case Studies

Finally, from the 71 implemented practices we selected 14 cases for detailed presentation in this Resource Guide. The cases were chosen with reference to the following criteria:

1. Amount of money saved relative to the budget of the municipality
2. Likelihood of replicability by other municipalities
3. Evidence of managerial innovation
4. Likelihood of sustained, rather than short-term, savings
5. Ease of implementation
6. Representation of different service fields
7. Representation of a variety of municipal contexts (population size, region)

Using these criteria, we selected seven of the implemented MS DR recommendations and nine of the other cost savings initiatives for detailed analysis and presentation. We conducted in-person interviews with municipal officials who had been involved in developing each of these 16 initiatives. These interviews, and the written documentation that was provided by interview subjects, provided the information for the final case profiles. Two of the cases were excluded because we determined that they did not adequately meet all of our selection requirements, resulting in the 14 cases presented in this Resource Guide.

How to Use this Guide

The Case Studies

The 14 case studies presented in the next section of this Guide are not meant as complete templates for action. In order to succeed, any leading practice must necessarily be adapted to the particular circumstances of a given municipality. Yet taken together, the cases offer a wealth of information and insight about leading practices in Ontario municipalities.

The case studies are organized alphabetically by municipality. Each case includes a table of standard information. The following sample explains the contents of each row:

Leading Practice	= name of Leading Practice
Population	= population of municipality
Employees	= number of direct municipal employees
Department	= municipal department / body that implemented the leading practice
Project Field	= service or activity field
MSDR Initiative?	= whether the practice was linked to a MS DR
Cost Savings	= annual, if applicable
Duration	= time-limited or ongoing
Project Lead	= positions of those responsible for the practice
Benefits	= summary of fiscal and other benefits

Each case begins with a discussion of the specific problem or challenge addressed. We follow this with an outline of how the initiative was developed, and how it was implemented. We then discuss the benefits of the practice, both in terms of cost savings, and in terms of other benefits. Each case study concludes with a brief commentary on what other municipalities can learn from this case, and the conditions under which the practice is likely to be replicable (understanding that any replication must take into account unique local circumstances).

All of the information in the case studies comes from interviews conducted with municipal officials familiar with the case, and from documents provided those officials. Where appropriate, case studies include URL references to on-line documentary materials.

We encourage readers of this Guide who would like to know more about specific initiatives to reach out to the municipalities that developed them for further information.

Inventory of Municipal Service Delivery Review Recommendations

The inventory of cost savings recommendations from Municipal Service Delivery Reviews is organized by service/activity field. All text in the inventory is taken directly from MSDR documents. Some recommendations are thus much more detailed than others.

The Case Studies

City of Barrie – Creating a Culture of Energy Conservation

Leading Practice	<i>Save Adam</i> Energy Management Plan
Population	141,434
Employees	767
Department	Energy Management
Project Field	Corporate Energy Use
MSDR Initiative?	No
Cost Savings	\$39,840 over one year
Duration	2014 - 2015
Project Lead	Manager of Energy Management, Energy Management Coordinator & Senior Communication Advisor
Benefits	<ul style="list-style-type: none"> • Helped in creating a culture of energy conservation • Cultivated an environment where employees can learn how simple steps can create a large impact • 50% staff participation in the program • Validated a need for a permanent full-time Energy Officer at the City

The Challenge of Corporate Energy Costs

Municipalities have limited control over per-unit energy costs. In the context of rising energy prices in Ontario, corporate energy costs become an increasing concern for municipalities. This case from the City of Barrie illustrates, however, that even a very small-scale initiative can have an impact on corporate energy use and costs by fostering a culture of energy conservation among staff.

From Problem to Initiative

The *Towards Energy Sustainability* Energy Management Plan (EMP) was approved by the City of Barrie Council in October 2012. The EMP outlined a strategy for the City to improve its energy performance, promote and educate staff regarding energy conservation, and build a culture of conservation. An Energy Management unit was established within the Facilities and Transit Division. Its mandate was to look at corporate energy and utility consumption and to reduce usage in order to save money.

The Save Adam Campaign

SAVE ENERGY  SAVE ADAM
Power it Down



The *Save Adam* campaign was an innovative, small-scale initiative developed by the Energy Management unit and corporate communications as an implementation strategy for the Energy Management Plan. It was a staff engagement, marketing and awareness campaign,

focused on informing staff about simple actions they could take to promote a culture of conservation.

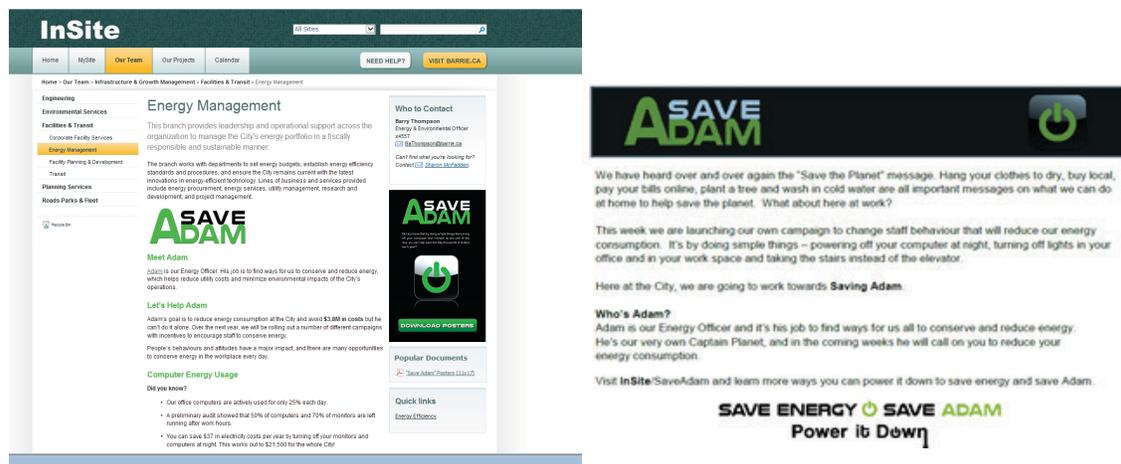
An Energy Officer (Adam) was hired on a one-year contract to find ways to reduce energy consumption and costs for the City. His position had the potential to become a permanent one if he was able to show a substantial reduction in energy cost at city facilities during the course of the year. The *Save Adam* campaign challenged staff to help Adam reach this goal by reducing their own energy use.

The *Save Adam* campaign was run on a very small budget of between \$500 and \$1000. Funds were used to cover the cost of printing posters and stickers. Remaining communication with staff was carried out within existing internal corporate mechanisms.

A communications plan was developed and the senior leadership team was mobilised prior to the unveiling of the campaign so as to obtain support across all departments.



A logo for the campaign (above) was created, with the support of the communications department, for all internal communication regarding energy conservation.



An intranet web page was developed and updated on a regular basis. The page featured fun facts about energy and tips on conservation. The campaign was launched with an email to all staff that outlined the objective of the campaign. City staff were regularly informed of key milestones and successes during the course of the campaign. All employees were encouraged to share their ideas for energy conservation, and the author of the best idea was awarded a prize.

Digital monitors in all City facilities were used to advertise the initiative. In addition, posters were created and placed in different locations in city facilities such as arenas, elevators, washrooms, and staff rooms.



The communications team created two types of stickers (above) to encourage staff to participate in the *Save Adam* campaign. Green stickers were placed on computers / monitors that had been turned off at the end of the day; red ones were attached to those left on at the end of the day.

In response to the *Save Adam* campaign, three multi-use recreation facilities came together for a friendly competition aimed at reducing energy consumption by 10% over a 3 month period as compared to the previous year. This competition was held from December 2014 to February 2015.

Benefits

The *Save Adam* campaign ran for one year (September 2014 – September 2015). The campaign contributed to a 3.5% reduction in corporate electricity consumption as compared to the previous year. This reduction was equal to 91,000 KWh, or \$12,000 in cost savings. The recreation facilities competition resulted in another \$27,840 in cost savings (see below). The campaign thus produced \$39,840 in savings over one year.

Energy savings at Barrie recreational facilities, year-over-year comparison

Facility	Dec.2013 – Feb.2014, Consumption (kWh)	Dec. 2014 – Feb. 2015, Consumption (kWh)	Savings (kWh)	% Change	Cost Savings
Allandale Recreation Centre	746,762	656,933	-89,829	-12.0%	-\$11,678
Holly Community Centre	1,100,505	1,021,921	-78,584	-7.1%	-\$10,216
East Bayfield Community Centre	959,158	913,415	-45,743	-4.8%	-\$5,947
Total:	2,806,425	2,592,269	-214,156	-7.6%	-\$27,840

In addition to saving energy and money, the *Save Adam* campaign helped to foster employee engagement and promote a culture of conservation. During the campaign, the staff took ownership of energy conservation. An increasing number of staff started turning off their computers at the end of the day. In the Environmental Services department for example, 40% of the staff computers were left on prior to the campaign; by the end of the campaign, this number had been reduced to only 12%.

Replication

This practice can be readily replicated in many different municipalities. While it may not be worthwhile for smaller municipalities to recruit a full-time Energy Officer, the principle of linking an energy conservation campaign to the prospect of small or symbolic rewards for staff is innovative and potentially effective in many different settings.

Town of The Blue Mountains – Why Pay for What You Don’t Use?

Leading Practice	Telephone System Review
Population	7,025
Employees	90
Department	Finance and IT Services
Project field	Communication systems
MSDR Initiative?	No
Cost savings	\$60,000 annually
Duration	2011 - ongoing
Project lead	Manager, IT services
Benefits	<ul style="list-style-type: none">• Reduced telephone lines• Removed fax lines• Improved internet, communication equipment

Technology Changes

Anyone who has had to clean out an apartment or house recently knows that basements, attics, and cupboards are likely littered with old technology: wires, remote controls, and old devices that we would hardly know how to operate any longer. Disposing of such items is an environmental problem, but at least we don't have to pay for them to take up space. But what if we are still paying for old telephone lines once used for faxes or dial-up internet connections? What if we are paying for land lines when all we ever use are cell phones? These are precisely the questions addressed by the Town of The Blue Mountains when it took a systematic look at what it was paying for with its communications systems.

From Problem to Initiative

In 2011, the Town of The Blue Mountains moved into a new Town Hall. Because it obviously needed a communications system within the new building, the IT Department hired a consultant to advise on how to proceed. The consultant recommended as a first step that the Town review its use of all phone lines and internet connections. It soon became evident that the Town was paying for many lines that were grossly underused, or not used at all. For example, one of the managers whom we interviewed told us that one of Town Department was paying about \$500 a month for a data communications line that was never used and that no one seemed to know was there. Sometimes managers did not have a full understanding of the invoices being signed.

Implementation

In our interviews we learned that this problem was addressed entirely within the IT and Finance departments. They did not need the approval of either the council, or the CAO. The process of cancelling lines and connections was gradual, and great care was taken not

to reduce existing levels of service to the general public. Because many of the cancellations involved lines that no one was using, few people were even aware of what was going on. The Town made most of the changes from May 2011 to December 2012, but continued implementing changes until 2015. In implementing the changes, the IT Department:

- Removed telephone and communication lines no longer in use, or no longer required. There were 114 phone and communication lines in all the buildings of the City. The project reduced this number by 36% by removing all lines that had not been used for a long time.
- Reduced the overall number of fax lines from 7 to 2.
- Cancelled fax lines at the off-site offices because they were not used frequently. Instead, the server at the Town Hall was used to receive faxes that were then distributed by email.
- Replaced costly and problematic communication lines with an internal wireless network provided by a third party vendor.
- Moved Digital Subscriber Line (DSL) internet connection from its own line to existing phone lines. This sharing allowed the team to cancel the original DSL line.
- Removed phone lines from those buildings where staff do not work regularly, since municipal staff carried mobile phones with them.
- Connected remote buildings with wireless internet connection of the Town Hall. Existing internet connections provided by a third party were cancelled.

Benefits

The Town of The Blue Mountains IT Department achieved an annual saving of \$60,000 by reducing the operating costs of phone lines, faxes, and communication systems. The savings were equal to 14% of the total budget of the department in 2015.

The new equipment that replaced the old was more efficient and cheaper to operate. The project also resulted in the installation of the latest communication systems in off-site municipal buildings. It gave other departments an opportunity to specify how many phone lines they needed. Town staff learned to examine their invoices to know what they were paying for. In addition, the review provided an opportunity to the IT Department to renegotiate their contracts with the vendors.

Replication

This project can be replicated by any municipality wanting to review its phone, fax, internet lines and communication systems according to current usage patterns and to take account of recent technological changes. It is not necessary to be moving into a new building to benefit from the kinds of savings experienced in the Town of The Blue Mountains.

Municipality of Chatham-Kent – Dial 311 for Savings

Initiative	Virtual Call Centre
Population	101,647
Employees	1,396
Department	Customer Service and Information Technology Services
Project field	Customer Service
MSDR Initiative?	Yes
Cost savings	\$161,122 annually
Duration	2014 and ongoing
Project Lead	Director of Customer Services
Benefits	<ul style="list-style-type: none"> • Complete transformation of Customer Service Division • Effective management of in-bound calls • Decentralize municipal call centre • Virtualize and redistribute workload and workflow to all 9 municipal service centres • Increase staff coverage, staff utilization, and services • Bring efficiencies • Decrease operating budget • Create a knowledge base called SharePoint

Centralized Customer Service in a Multi-Centred Municipality

When the Municipality of Chatham-Kent was created in 1998, decisions were taken to maintain nine separate municipal services centers in buildings that had belonged to pre-existing municipalities. The new Municipality established a live-voice central call centre, located in the former City of Chatham. By 2013, about ten full-time equivalent staff were employed in this central call centre, answering on average about 400 calls a day; the cost of the call centre was over \$800,000.¹ Despite the existence of the call centre, many calls still went directly to local information lines in the eight other municipal service centers. All of the calls in all of the centers were answered by live voices; there was no automation.

From Problem to Initiative

In 2012, the Municipality of Chatham-Kent started its comprehensive, in-house Services Sustainability and Review Process. One of the services reviewed in the Customer Services Department was the live-voice central call center. After fifteen years, there was a clearly recognized need to manage the call center more efficiently, make it more cost effective, and equip it with the latest technology. A Services Sustainability and Review Process Steering Committee was formed to facilitate the review process. The Director of Customer Service worked with the committee and developed a model for a Virtual Call

¹ For details, see: www.chatham-kent.ca/Council/CouncilMeetings/2013/Documents/November/Nov-25-18b.pdf

Centre. Municipal staff wanted to decrease the operational cost of the center while simultaneously increasing service levels. The Director of Customer Services was experienced, and had a clear vision of remodeling the center to effectively manage in-bound calls by harnessing the power of automation.

The plan for call center automation was first presented to council on November 25, 2013. Councillors from rural areas expressed concern that the plan also involved closing a municipal information line in one of the outlying municipal centers for an additional half day each week, even though such a closure only saved \$6000 annually. One councillor stated that she thought live voices were very important and that an automated system was not desirable.² Council voted 13-3 to postpone consideration until the next meeting of the Committee of the Whole on January 14, 2014. On this occasion the Committee of the Whole voted 12-3 to approve the plan, but the proposal to reduce hours in one of the rural municipal centers was removed. With no further debate, the council gave final approval by a 15-2 vote on January 20.³

Implementation

During the course of 2014, an automated virtual call centre replaced the central live-voice call centre. The local information lines in outlying municipal centers remained in place. An automated system was implemented to distribute calls to all local information lines, thereby decentralizing the call-centre system and effectively reducing duplication of human resources. There was a one-time expenditure for software, hardware and other implementation costs.

The new system features a Share Point computer drive, which provides access to an integrated database of municipal services information. Customer service representatives (CSRs) in local municipal centers have access to this drive, and can thus in many cases respond to calls without transferring them to the concerned department. The drive was consistently updated to provide correct and current information. In addition, some customer service staff were cross-trained to work in any of the local offices.

Benefits

The virtual call centre involved start-up costs, but these were soon outweighed by significant savings. Financial implications of the initiative are as follows:

- One-time cost of software, hardware and implementation: \$257,503
- Annual cost of operations, facilities and support: \$38,045 + \$67,037 = \$105,082/yr
- Phased-in annual cost reduction (fully achieved in 2017): \$266,204
- Phased-in net annual savings: \$266,204 - \$105,082 = \$161,122

² <http://www.tvcogeco.com/chatham/shows/435-chatham-kent-council>

³ http://www.chatham-kent.ca/Council/CouncilMeetings/Lists/Council%20Meetings/Attachments/614/M.January_14_2014_Committee%20of%20the%20Whole%20Minutes.pdf

- Payback of one-time investment: 3.21 years

In addition to the financial benefits, the new system provides streamlined access to information for callers. An automated voice attendant provides basic recorded prompts to assist with customer questions, and allows the customer access to specialized information without speaking to an attendant (self-serve for information). The automation is customized to include information on snow storms, garbage pickup delays, and other disruptions/alterations to municipal services. Callers retain the option of speaking to an attendant if their needs are not met through the automated service.

The virtual call centre allows all calls for the municipal centers and the central call centre to come in on one line, and be distributed to CSRs in various locations based on relevance and availability. There is no reduction in time spent on providing customer service – the same number of calls are handled more efficiently by dispersing calls directly to existing local information lines. This greater efficiency has in turn allowed the municipality to bring more services in to the phone information system.

For its implementation of the virtual call centre project, the Municipality of Chatham-Kent received an Excellence in Municipal Systems Award and People's Choice Award during the 2016 Conference of the Municipal Information Systems Association of Ontario (MISA).

Replication

This project represents an innovative response to the challenge of providing one-stop customer service in a municipality that has multiple decentralized offices. It can be replicated by any municipality with multiple municipal centers that respond to residents by telephone.

Counties of Elgin and Middlesex – Coordinating Response to Provincial Mandates

Leading Practice	Sharing an Accessibility Coordinator
Population	Elgin - 91,858 Middlesex - 71,551
Employees	Elgin - 450 Middlesex - 370
Department	Corporate Services
Project field	Accessibility Coordinator- Shared Services- Corporate Services
MSDR Initiative?	No
Cost savings	approx. \$ 35,000 annually in each County
Duration	2013 - ongoing
Project lead	CAO, County of Elgin CAO, County of Middlesex
Benefits	<ul style="list-style-type: none"> • Compliance with Accessibility for Ontarians with Disabilities Act (AODA). • Consolidation into a single accessibility coordinator position • No new position necessary for Middlesex County • Free advice to lower tier municipalities • Single, shared training budget • Standardized policies and procedures

Shared Services and Provincial Mandates

Sharing services is one of the best known and most common ways in which municipalities can save costs. Since staff compensation constitutes the vast majority of municipal operating expenses, sharing staff can be particularly beneficial for the bottom line. A common barrier to sharing staff is the fact that different municipalities have different policies and service standards, making the use of shared human resources more challenging. However, this is not the case with provincially mandated functions, which makes provincial mandates a prime field of opportunity for saving money through shared staff.

Managing the Costs of AODA Implementation in Smaller Municipalities

The *Accessibility for Ontarians with Disabilities Act* (AODA) sets out a process for developing and enforcing accessibility standards. These standards were developed to achieve the goal of an accessible Ontario by 2025.⁴ AODA accessibility standards help organizations identify and remove barriers to improve accessibility for people with disabilities in 5 areas: customer service, information and communications, transportation, employment, and design of

⁴ <https://www.ontario.ca/page/about-accessibility-laws>

public spaces. Compliance with AODA is mandated through the Integrated Accessibility Standards Regulation, Ont. Reg. 191/11, which became law on June 3, 2011, and which specifies compliance timeframes. AODA compliance entails significant new costs, which can be particularly challenging for smaller municipalities.

From Problem to Initiative

In July 2012, Elgin County hired a full-time position of Accessibility Coordinator to manage all aspects of accessibility, including AODA compliance. Middlesex County also needed to take steps to meet the provincial standards. The CAOs of each county knew each other, and developed the idea of sharing the services of a single accessibility coordinator. Nine of the lower-tier municipalities in the two counties also contacted Elgin about purchasing the services of the accessibility coordinator.

Implementation

In January 2013, the Elgin accessibility coordinator presented the plan to the Middlesex County Council. Council granted the CAO approval to proceed with the implementation of a purchase-of-service agreement with the County of Elgin, through which the County of Middlesex purchases the service of the County of Elgin's Accessibility Coordinator for two days per week. In addition, the Coordinator provides advice to lower-tier municipalities free of charge. The role of the Coordinator is:

- To provide direction, guidance and recommendation to the municipalities to comply with the Accessibility for Ontarians with Disabilities Act.
- To coordinate accessibility information and policy development assistance for appropriate and timely actions in each local municipality to ensure compliance.
- To provide training, resources and tools to municipal employees so that they can abide by the accessibility standards without supervision.
- To recommend amendments to municipal emergency response plans so that they meet the new provincial standards.
- To develop policies and procedures for disabled staff to request an individualized emergency response plan for their workplaces.
- To guide municipalities in developing public places according to recent Ontario standards for the design of public spaces.
- To create an accessible online environment for municipal website visitors.

Benefits

This initiative has saved costs in all municipalities involved. It generates approximately \$35,000 in revenue for Elgin, and has saved Middlesex precious dollars by not having to hire its own coordinator. In addition, the coordinator provides advice to lower-tier municipalities without charge, thus saving them the cost of hiring their own coordinators.

In addition to the cost savings, this initiative benefits all municipalities involved by allowing for the standardized, coordinated implementation and reporting of accessibility initiatives across multiple municipalities. Small lower-tier municipalities that might otherwise not have the funds to access accessibility expertise benefit from receiving such expertise free of charge.

Replication

This innovative practice can be readily replicated by smaller municipalities looking to save costs, access expertise, and coordinate practices in accessibility implementation.

Town of Kapuskasing – A Better Bus Depot at a Lower Cost

Initiative	Site Transfer of Bus Depot
Population	8,100
Employees	108
Department	CAO's Office
Project Field	Bus Transportation Services
MSDR Initiative?	Yes
Cost Savings	\$32,000 annually
Duration	2015 - ongoing
Project Lead	CAO
Benefits	<ul style="list-style-type: none"> • Efficient provision of services • Longer operational hours • Cost savings for the Town

Matching Facilities to Services

In 2004, the Town of Kapuskasing acquired a former railroad station built in 1930, and renovated it as the Welcome Centre. This building was developed as a multi-functional centre that housed several municipal units, including the Kapuskasing Chamber of Commerce, the Kapuskasing Economic Development Corporation, the Ontario Northland Bus/Parcel depot, a tourist information booth, and the Maurice Gaudreault Clay Sculpture Gallery.

The Town housed the bus depot in the Welcome Centre. The staffing of the bus depot was supported by the community development budget. Initially the costs were manageable, but as costs rose, it was no longer possible for The Town to keep the Welcome Centre open for extended hours to match the timing of bus services. This created problems for passengers, as they could find themselves stuck in the cold, or having to wait for long hours for the depot to open in order to collect their shipments or parcels.

From Problem to Initiative

In 2014, Kapuskasing launched a comprehensive Municipal Service Delivery Review. Among other things, the Review recommended that Kapuskasing investigate the possibility that a business in the community might be interested in taking over the operation of the bus depot. The Town first discussed the issue with Northland, the operator of the bus service. Northland was willing to have its buses stop somewhere else in order to provide better service to its customers.

Implementation

It took the Town about six months to complete the process of transferring the bus service out of the Welcome Centre. A report was presented to the council. The council was

supportive of the process because members were aware of the growing staffing costs and the problems of housing the depot at the Welcome Centre.

The Town placed an advertisement in the local paper aimed at businesses that might be able to provide a bus depot from their business location. The Town was looking for a place near Highway 11 that would remain open in the early hours of the day and late hours at night. The ideal location to put the bus service would be a service station or a motel.

The Town acted as a broker between the interested parties and Northland. Northland decided to house the bus depot in a local hotel, mainly because its reception remained open 24/7. The hotel was centrally located closer to the downtown and provided easier access to buses compared to the Welcome Centre. The staff at the hotel provided reception services to the bus service clients.

The Town then conducted a public education campaign by posting notices at different locations in the Town. People were also informed through local newspapers regarding a prospective change in the location and operations of the bus service. It took a couple of months for people to get used to the new arrangements.

Benefits

It was costing the Town around \$32,000/year in salary to pay for staffing the bus depot from the Welcome Centre. With the transfer of the bus depot service to the private sector, the Town was able to save \$32,000 annually, while residents were able to get an efficient service for extended hours.

Replication

This practice can be considered by any municipality looking at alternative and innovative ways to match physical facilities with municipal services without having to develop new special-purpose infrastructure. The potential for replicability is especially high in small municipalities whose physical facility needs more readily match the profile of private-sector facilities that may already exist in the community.

City of Kawartha Lakes – Rationalizing Winter Roads

Initiative	Winter Roads Control Rationalization
Population	73,214
Employees	644
Department	Public Works
Project field	Winter Roads Operations
MSDR Initiative?	Yes
Cost Savings	\$50,000 annually
Duration	2015 (implemented Oct-Dec) - ongoing
Project Lead	Strategy and Performance Specialist; Area Manager
Benefits	<ul style="list-style-type: none"> • Consistent services according to council approved Level of Service • Process improvement • Reduction in overtime

Controlling the Costs of Winter Control

The City of Kawartha Lakes covers a vast territory northeast of Toronto. Winter in Kawartha Lakes is serious business. Because the City contains many isolated areas containing lakes and forests and because weather conditions can be different in different parts of the municipality at the same time, it is not surprising that “winter control” poses some difficult political and managerial problems.

In 2014, the Public Works department of the City of Kawartha Lakes was over budget by more than \$1 million. Historically, the supervisors at the public-works depot would often get calls from councillors and the public requesting snow plowing in their wards, and the supervisors would usually deploy resources accordingly. Inconsistency in service levels was the inevitable result. The supervisors debriefed their managers who concluded that there was an opportunity for significant improvement.

From Problem to Initiative

As part of a larger Lean Sigma Six process⁵, the City formed a team consisting of a strategy and performance specialist, area managers, supervisors, and patrollers (who perform routine inspection of the roads). The team conducted a core service review and developed some steps for process improvement. They found out that their deployment of resources was not in accordance with the council-approved “Level of Service” standards.⁶ They also identified multiple cost saving opportunities in management of staff and deployment of resources. The team made a presentation to the council. The council approved the

⁵ <http://www.city.kawarthalakes.on.ca/news/3-million-savings-realized-in-initial-lean-six-sigma-projects>

⁶ <http://www.city.kawarthalakes.on.ca/residents/public-works/general-operations/winter-control/C124EPW010RoadwayLevelofServicePolicyWinterMaintenance2015.pdf/view>

proposal for changes and improvements⁷. Surprisingly, given that the project aimed to reduce councillor interference in winter control services, the staff whom we interviewed about this project stated that “we did not get a lot of push back from the council.”

Implementation

In the winter of 2015 the Lean Six Sigma team introduced the following changes in Winter Operations:

- *Revised patrol routes* – The City had two patrol routes which were very long. Three new routes—East, West, and North—were created. A new patrol schedule was also developed so that services were more efficient and cost-effective. Each patrol route takes 6–8 hours to complete and during the patrol the conditions of each road are observed and documented. These three routes provided 24/7 coverage of the roads.
- *Clarified roles and responsibilities of patrol supervisors, day time supervisors and patrollers* – The roles and responsibilities of patrol supervisors, day time supervisors and patrollers were identified in detail. Duplication was eliminated by establishing reporting structure and communication channels.
- *Established a process for monitoring and documenting weather forecasts* – The team identified an official weather forecast provider for the City. A central weather archive was established for easy access and communication, eliminating duplication of manual and digital records.
- *Created a proactive planning document* – Tracking sheets were used to document information on winter events. All staff, including patrollers and supervisors in the winter operations room, used the same document. This document had complete details of past, recent, and ongoing events. The tracking sheet was filled in by each supervisor for each event, and shared with the next person when shifts changed. The recorded data helped the City to identify trends by depot area, which was useful in matching deployment of resources to specific needs.
- *Developed a common data collection format* – The team developed a checklist of forms for patrollers, supervisors and staff in the winter operations room, which resulted in consistent data collection from all parts of the City.
- *Deployed a Global Positioning System (GPS) for monitoring plow trucks* – Each plow truck was monitored by GPS, enabling the staff to monitor time and material. This also helped to improve the salt management plan.
- *Established a comprehensive training plan* – All of the relevant employees—managers, supervisors, patrollers, and operators—were trained concerning the new processes, communications, deployments, standard operating procedures, and forms. They also learned how to handle public concerns regarding snow plowing.
- *Created plans for public education and communications* – Information regarding the Level of Service by class of road was provided to the public through the City

⁷ <http://www.city.kawarthalakes.on.ca/city-hall/core-service-review/CoreServiceReviewWinterControlUpdate.pdf/view>

website, radio, and service centres. A public education campaign about winter road safety was concurrently rolled out.

All of these changes were developed with a view to adhering to council-mandated minimum maintenance standards for winter control activities (below), which exceed provincial standards.

Kawartha Lakes: Minimum Maintenance Standards for Winter Roads Control

Minimum Maintenance Standards Classification	Response to Snow Accumulation		
	Road Class	CKL Road Priority	Maximum Depth
1	N/A	N/A	N/A
2	1-Arterial	2.5 cm	4 hours
3	1-Arterial	2.5 cm	4 hours
4	2-Collector	8 cm	12 hours
5	3-Residential	8 cm	12 hours

The team reviewed the initiative at the end of that winter, and designed a plan for future. The council then approved this plan⁸ for implementation in 2016.

Benefits

This fiscal benefits of these system improvements have been modest but significant, amounting to an annual savings of \$50,000, a little less than 1% of the total winter control budget. The savings resulted almost exclusively from better management of materials and labor.

However, the improvements have had many significant non-monetary benefits as well. They have resulted in a more equal deployment of resources based on the council approved Level of Service. All of the 9 operating areas with 71 plow routes now delivered a similar level of service depending on their area’s specific conditions. In addition, the attention generated by the changes sensitized the public to the standards for winter control activities approved by the council, which in turn enabled municipal staff to manage public requests for snow plowing during the winter months more effectively.

Replication

Not all Ontario municipalities are as geographically extensive and complex as Kawartha Lakes, but most can nonetheless learn from the systematic approach to improving winter control policies taken here.

⁸ <http://www.city.kawarthalakes.on.ca/city-hall/core-service-review/WinterControl.pdf/view>

City of Kitchener – Purchasing Outside the Box

Leading Practice	Williamsburg Cemetery Soil Exchange
Population	219,200
Employees	1,700
Department	Sports and Cemetery
Project field	Capital Projects
MSDR Initiative?	No
Cost savings	\$1,200,000 over 3 years
Duration	2012-2015
Project lead	Director, Sport & Cemeteries
Benefits	<ul style="list-style-type: none"> • Provided 100,000 cubic metres of soil for Phase II of the Cemetery • Protected the ground water table • Provided sufficient soil depth to permit burials • Waived the purchasing by-Law for tendering to permit the purchase of excess top soil from a land developer adjacent to the Cemetery • Developed relationships with external actors • Supported the City's Strategic Plan

Cutting Through the Red Tape

Governments at all levels are renowned for getting caught in their own “red tape”. Municipal purchasing by-laws exist to prevent corruption and ensure that all potential suppliers have an equal chance to obtain government business. Whatever their virtues, they can slow policy implementation, and sometimes prevent innovative cost-saving solutions to unusual problems. Occasionally it makes sense, with appropriate approvals, to waive the application of the by-law. This is such a case.

From Problem to Initiative

In 2012, the City of Kitchener started design work for the second phase of redevelopment at its Williamsburg Cemetery. During this process, a geotechnical study was conducted, which found that the ground water table was too high and that soil levels were insufficient for future burials. The team calculated that approximately 100,000 cubic metres of soil was needed, at an estimated cost of \$1.2 million. The purchase of soil was not included in the initial budget for the project.

MMM Group Limited, a landscape consulting firm working with the City on the cemetery design, informed city staff about an opportunity of securing soil from an adjacent property. The consultant was also working with Mattamy (2040796 Ontario Ltd.), a development company building residential units on a property adjacent to the cemetery. The company had to dispose of lot of soil. The consultant advised the City to offer to buy the soil from Mattamy at a very low price. The plan was cost-effective for Mattamy, as it saved money by not having to transport the excess soil over long distances.

Implementation

The consultant acted as a bridge to build a relationship between both parties. Within the City, the departments of Purchasing, Legal, Engineering and Environmental Planning were involved in discussing, planning, and developing a contract between the City and Mattamy. The plan to waive the purchasing by-law to enable the contract with Mattamy came before council in late 2012.⁹ It was approved after a few questions. According to one of our interviewees, council was generally pleased with the innovative approach taken by the staff.

Subsequent implementation was not difficult due to the relationships already developed among the parties in earlier stages of the process. In our interviews, a representative from Mattamy spoke favorably of the groups in the City with whom he worked, although he did note that some other departments were slow with approvals. Nonetheless, the entire project was completed in 2015.

Outcomes

By purchasing soil from Mattamy at the low rate of \$ 1.25 per cubic metre instead of the going rate of \$12.00, the City saved approximately \$1.1 million. It saved an additional \$100,000 by using the same contractor for earthworks as was used by Mattamy. The entire project cost only \$342,000 instead of \$1.4 million. The City also claimed that it achieved environmental benefits such as reduced greenhouse gas production associated with transporting soil over longer distances and it was able to add soil of a similar composition to what was already on the cemetery property.

Replication

It is unlikely that any other municipality will find itself in a similar situation to Kitchener. The case, however, illustrates that a consultant can act as a bridge between two clients with mutual interests. It is also an example of municipal staff acting in creative ways when confronted with an unusual set of circumstances. By waiving its purchasing by-law in this case, the council demonstrated responsible flexibility and considerable trust in the analysis provided by an interdepartmental staff team.

⁹ <https://lf.kitchener.ca/WebLinkExt/0/doc/1228635/Page1.aspx>

City of London – Equipment Recycling, Small Savings, Happy Swimmers

Leading Practice	Equipment Recycling Program
Population	383,822
Employees	4,997
Department	Aquatics, Arenas and Attractions
Project field	Recreational Safety Equipment
MSDR Initiative?	No
Cost savings	\$6,000 to \$8,000 annually
Duration	2015 - continuing
Project lead	Division Manager, Aquatics, Arenas and Attractions
Benefits	<ul style="list-style-type: none"> • Reuse safety equipment • Secure safety equipment at no cost • Avoid lifejackets, helmets going to landfills

What to do with Used Safety Equipment?

Who knew that charities like Goodwill Industries could not resell lifejackets, hockey helmets, and other kinds of sports safety equipment? On reflection it makes sense. People might well be getting rid of such equipment because it is defective. Users of donated and recycled goods obviously should not be exposed to injury from using defective safety products. Consequently, a common practice among organizations like Goodwill is simply to consign donated lifejackets and hockey helmets to landfill sites.

Meanwhile, managers of municipal recreational programs constantly strive to make their programs accessible to financially disadvantaged children. Arranging for subsidized entry is one problem, but what about required safety equipment once they are in? Managers in the City of London’s Division of Aquatics, Arenas, and Attractions developed an answer.

From Problem to Initiative

Municipalities run swimming pools. Occasionally people have drowned in them. Chief Coroners’ reports have noted that many such drownings have resulted from non-swimmers not wearing life jackets.¹⁰ As a result, Aquatic Services in London developed a policy requiring all non-swimmers to wear life jackets, unless directly supervised by a responsible adult at a supervision ratio of 1:2.

The problem was that, as a result, City swimming pools required many lifejackets in a variety of different sizes. Funds were limited. At this point one of the supervisors at a city’s main aquatic centre saw some lifejackets lying idle in a local Goodwill store. The

¹⁰ <https://www.mcscs.jus.gov.on.ca/sites/default/files/content/mcscs/docs/ec090309.pdf>

Goodwill store could not sell them because their staff was not certified to refurbish lifejackets. This led to the idea of collaboration with Goodwill for recycling the lifejackets. The key feature of this idea was that some City personnel *are* certified to repair lifejackets and other kinds of sports equipment. By refurbishing them in accordance with rules from the Ontario Ministry of Transportation, previously useless pieces of equipment became valuable assets in enhancing the availability of public recreational programs.

Implementation

This innovative idea did not require approvals outside the City's Division of Aquatics, Arenas, and Attractions. Implementation was not difficult. In addition to the lifejackets collaboration with Goodwill Industries, City personnel collected other donated sports equipment from members of the public, refurbished what they could, and distributed the equipment to City pools, sports associations, community organizations, and individuals in need. Families donating lifejackets directly to the City were offered free swimming passes, but these were often not used.

The implementation process also involved training aquatics staff about the revised pool admission policy and about the increased availability of life jackets.

Benefits

The project saved the city approximately \$6,000–\$8,000 in comparison with purchasing equivalent new safety equipment. For zero investment, the project helped provide safer swimming experiences to city residents, especially to families unable to afford the required safety equipment. It also helped the City to secure lifejackets needed to provide support to the Swim to Survive program, which gives swimming lessons to all grade 3 students.

In addition, the project recycled equipment that would otherwise have gone to landfill, and developed collaborative relationships with a range of community organizations, including minor hockey associations, Jumpstart, and the Optimist Club.

Replication

There appear to be no reasons why this project cannot be sustained within the City of London or replicated by other municipalities. It is not a big money-saver, but it demonstrates that individual municipal employees can make a difference simply by being observant and by thinking about different and innovative ways of making use of available resources within their communities.

City of Markham – Big Benefits from Waste Diversion

Leading Practice	Waste Diversion Program
Population	301,709
Employees	approx. 1,000
Department	Waste & Environmental Management Department
Project field	Waste Management
MSDR Initiative?	No
Cost savings	\$716,000 annually
Duration	2013 - ongoing
Project lead	Senior Manager, Waste & Environmental Management Department
Benefits	<ul style="list-style-type: none"> • Achieve 80% curbside waste diversion • Make Markham a world leader in the 3Rs- Reduce, Reuse and Recycle • Job creation through waste diversion • Safe disposal of electronic waste • Reuse of clothing and construction material

Containing Costs in Waste Management: User Fees or Waste Diversion?

The increasing cost of landfill operations has led many municipalities to consider new ways of managing the cost of waste disposal in recent years. Many have introduced user fees in hopes of both securing a new revenue stream, and encouraging waste reduction. In Markham, however, City Council bucked this trend and decided in 2005 not to implement user fees. Instead, it chose to develop a series of initiatives that would radically reduce the amount of waste going to landfill. These initiatives have made Markham an international leader in waste diversion rates. Our case study here focuses on the most recent round of initiatives, which raised diversion rates from 74% to 80% over three years.

From Problem to Initiative

The first steps towards increasing waste diversion rates in Markham were taken in 2005 when the Mission Green program was introduced. The municipality reduced regular garbage collection to every second week, but food waste continued to be collected weekly. A comprehensive public education program and strong council support were key pillars of this program. By 2010, Mission Green had raised diversion rates for regular curbside waste to 70%. The City's efforts were recognized through a number of awards given by the Recycling Council of Ontario.

In 2011, the City decided to pursue even higher diversion rate targets. Council established a Diversion Sub-Committee consisting of councillors from York Region and Markham, as well as City staff. With the support of staff in the Department of Waste & Environmental Management, the Sub-Committee developed a "roadmap" of 10 actions

and changes to achieve 80% waste diversion by 2014.¹¹ The roadmap was approved by council in late 2012.

Implementation

Between 2012 and 2014, Markham implemented most of the actions outlined in the council-approved roadmap to increase waste diversion rates. Among the most significant actions were:

Mandatory Materials Separation – Waste bylaw 32-95 was amended to require all residential properties in Markham to separate their waste materials into 4 streams: recyclables, compostable, garden materials and residue, subject to fines for non-compliance. The amended bylaw was implemented as of January 1, 2013.

Unlimited Clear Bags for Residue – Waste bylaw 32-95 was further amended to require the use of clear garbage bags for residential waste; at the same time, a three-bag limit that had been introduced several years earlier was removed. Prior to implementation, the City conducted Focus groups in 2011 to test public acceptance of the use of clear bags. The main finding was that some people had concerns about privacy. Like most of the other municipalities using clear bags, the City addressed this concern by permitting the use of opaque bags.

Expanded Textile/Carpet Diversion – 7% of Markham’s residue contained recyclable textile materials such as clothing, bedding, and curtains. To address this issue, Markham provided opportunities to recycle and reuse textiles and carpet through partnership opportunities, including the installation of special collection containers in public locations.



¹¹ [https://www.markham.ca/wps/wcm/connect/markhampublic/4cb8abf1-02ac-4385-b8c2-e8cf47cb5465/FINAL+Waste+Strategy+\(3\).pdf?MOD=AJPERES&CACHEID=4cb8abf1-02ac-4385-b8c2-e8cf47cb5465](https://www.markham.ca/wps/wcm/connect/markhampublic/4cb8abf1-02ac-4385-b8c2-e8cf47cb5465/FINAL+Waste+Strategy+(3).pdf?MOD=AJPERES&CACHEID=4cb8abf1-02ac-4385-b8c2-e8cf47cb5465)

Zero Waste for Schools Program – The Zero Waste program was developed in partnership with regional School Boards to encourage Markham schools in adopting Zero Waste practices. All school waste bins were replaced with ‘recycling stations’. All 72 Markham elementary schools were encouraged to practice Zero Waste with start-up funding through the Markham Environmental Sustainability Fund (MESF) and the City’s Waste & Environmental Management Department.

Curbside Electronics and Battery Collection Ban – Bylaw 32-95 was amended to ban the curbside collection of used electronics and household batteries. Instead, the City partnered with Alliance Recycling, which collects e-waste, and sells it to Global Electric Electronics Processing (GEEP) for recycling.

Benefits

Between 2012 and 2014, Markham raised its household waste diversion rate from 74% to 80%. The implementation of the initiatives above did involve some costs: \$10,000 on focus group consultation prior to implementation, and \$35,000 on education and promotion. However, the increased diversion rates achieved have saved the City an estimated \$761,000 annually in waste collection costs, resulting in a net savings of \$716,000 between 2013 and 2015 as a result of Waste Diversion Program.¹²

In addition, Markham’s program has had obvious environmental benefits, and has placed the City on the map as a leader in environmentally responsible waste management.

Replication

Markham’s success in waste diversion is the product of a sophisticated, multi-year strategy supported by council. Replication of a strategy on this scale is only likely to be successful in municipalities with relatively large populations, and it depends on strong and sustained council support. In addition, Markham’s strategy was very much tailored to specific conditions there, so it cannot be easily replicated as a package in other municipalities. However, many municipalities can consider adopting specific components of Markham’s strategy. The Markham experience illustrates that large-scale savings in service delivery that do not involve service level cuts *are* achievable, but that they are likely to require a multi-faceted and multi-year initiative that involves staff, council, the public and community partners.

¹²[http://www.eacs.ca/media/Markham%202015%20EAC%20Presentation%20Deputy%20Mayor%20Jack%20Heath\(1\).pdf](http://www.eacs.ca/media/Markham%202015%20EAC%20Presentation%20Deputy%20Mayor%20Jack%20Heath(1).pdf)

Municipality of Meaford – Experimenting with Better Winter Control

Initiative	Experimenting with Innovation in Winter Roads Control
Population	11,100
Employees	81
Department	Transportation Services
Project field	Winter Roads Operations
MSDR Initiative?	Yes
Cost savings	\$220,000 in first winter season
Duration	2016 (implemented Jan – Apr) - ongoing
Project lead	Treasurer/Director of Finance and Infrastructure
Benefits	<ul style="list-style-type: none"> • Incorporated a more appropriate level of service standards • Integrated standard municipal best practices of road maintenance • Improved management of staff and materials

The Challenge of Winter Control

Meaford is in the heart of southwestern Ontario’s snowbelt. Strong cool winds routinely deposit tens of centimetres of snow from the water in Georgian Bay and Lake Huron, even on days when most of the province might be experiencing crisp, clear, sunny winter days. Removing all that snow from municipal roads and keeping them safe is a challenging and expensive task. This case shows that what seem like minor adjustments to “winter control” policies can lead to considerable cost savings with little or no change in levels of service.

When the municipality’s new director of Finance and Infrastructure Services arrived in 2013, he realized that there were multiple problems with Meaford’s winter control policies and practices. They included the following:

- *Meaford was using more salt on roads compared to other nearby municipalities.* In comparison to other municipalities, the amount of salt used on roads was excessive. The department was using twice the amount of salt and 40% more sand than the average of comparable municipalities, and the ratio of salt to sand was not in accordance with provincial regulations.
- *Variation in service levels in morning and evening hours.* The department was providing an excellent level of winter control service in the morning hours, but this was not maintained during evening hours. Workers cleared the roads in the morning hours, but only 2-3 workers were left after 11am for the whole municipality, resulting in uneven service levels and resident complaints
- *Significant amount of overtime during the winter.* Weekday winter control needs were being met with regular staff and a few seasonal operators, but during weekends there were just two to three seasonal staff available for minor maintenance. As a

result, the municipality was paying heavily for overtime work during major snowfall events on weekends.

- *Impact on levels of service maintenance during summer.* Most of the overtime incurred by the staff during the winter was compensated by allowing time-off to be taken during the summer. Employees were given 1.5 hours of paid time off work for each hour of overtime worked, and could choose whether to take overtime pay, or bank the overtime and take time off in summer. As a result, there was a shortage of employees in summer for tree cutting, ditching, brushing, gravel maintenance, and other key functions.
- *Environmental impact of excessive use of salt on roads.* The municipality was using twice the salt needed, resulting in high salt levels in rivers, streams and Georgian Bay.

From Problem to Initiative

With the aid of a consultant, the above problems were diagnosed in detail through a two-year operations review process. A framework for testing new initiatives, labeled *Experimenting with Innovation*, was developed. Council was informed of the framework in the autumn of 2015 and raised no objections. *Experimenting with Innovation* operated as follows: Winter control staff were encouraged to present new ideas. A few of the ideas were selected and implemented for a short time period (not to exceed 30 days), after which they were assessed for longer-term viability.

The public was also engaged from the beginning of the project. Information about new initiatives was sent to the public along with the utility bills. Posters were put up in municipal buildings, churches, and grocery stores. Communication lines were opened for the public to give feedback on the new initiatives. Some “Questions and Answers” were developed and posted on the website to keep the public informed.

Implementation

During the months of January–April 2016 the following new initiatives were implemented:

- Reduced use of salt on 80 km of roads.
- Decreased ratio of salt following the Code of Practice for the Environmental Management of Road Salts (Salt Management Plan).
- New schedule for snowplow staff to provide a standard level of service from 4am to 11pm.
- Introduction of a weekend shift that resulted in decreased overtime of the staff.
- Revision of plough routes from 13 to 10.
- Design of a plan for winter control for 2016–17.

Benefits

The fiscal benefits of these initiatives were significant. The Municipality of Meaford saved \$220,000 from January 1 to April 15, 2016. The savings were approximately 20% of the

total winter control budget of \$1.15 million, and enabled the department to achieve a flat budget with zero per cent increase. The municipality is planning to use the savings to help replace three pieces of winter equipment.

In addition, the initiatives reduced the environmental impact of winter salt use, effectively engaged frontline staff in service innovation, and decreased the incidence of overtime pay.

Replication

The most striking aspect of Meaford's *Experimenting with Innovation* initiative is the short-term implementation and subsequent evaluation of operational innovations suggested by frontline workers. This practice, which effectively engages frontline workers while minimizing the risks of untested operational changes, has great promise in terms of replicability, not only within the field of winter control, but potentially in many other service areas as well.

District Municipality of Muskoka – Bringing Land Ambulances In-House

Initiative	Insourcing of Land Ambulance Services
Population	60,391
Employees	520
Department	Emergency Services
Project field	Land Ambulance Services
MSDR Initiative?	Yes
Cost savings	\$409,000
Duration	2015 - ongoing
Project Lead	District Council, CAO, District Municipality of Muskoka Commissioner, Finance and Corporate Services Chief, Paramedic Services and Emergency Planning
Benefits	<ul style="list-style-type: none"> • Direct control and accountability of ambulance services • Direct communication with paramedics • Reduction of administrative services • Elimination of sales tax • Elimination of management fee • Long-term employee planning

When Contracting Out Doesn't Pay

The District of Municipality of Muskoka is an upper-tier municipality and has the same service responsibilities as those of an Ontario regional municipality. One such service is land ambulance. This is a service heavily regulated by the Ministry of Health, which covers 50% of eligible operational costs based on the prior year's budget. Municipalities, however, do have considerable autonomy in deciding whether the land-ambulance service will be contracted out to a private company or delivered directly by the municipality itself. This case involves such a decision.

The District Municipality of Muskoka's contract for Land Ambulance Services was about to end in 2015. It was known to the municipality that cost increases were inevitable. The company holding the existing contract did not seek to extend the contract under the existing terms. The municipality then asked for prequalification for a new Request for Proposals (RFP) and three bidders applied. Only one remained after two withdrew. The remaining company was the current company holding the existing contract.¹³ It had the following terms to offer:

- Increased costs for providing the services,

¹³ <https://muskoka.civicweb.net/document/27043>

- Requirement that the municipality pay up to \$125,000 to cover additional annual assessments from in a year in addition to Workplace Safety and Insurance Board (WSIB)

From Problem to Initiative

After analyzing the remaining RFP offer, the municipality calculated what it would cost to provide the service itself, and determined that the annual savings would be approximately \$400,000. This translated into a 0.6% reduction in the municipality's overall tax levy.¹⁴ This option had the added advantage of providing to the municipality direct control over, and accountability for, all local ambulance services.

As a result, the District Council approved a transition to a Direct Delivery Model for land ambulance services, along with directions to staff to develop a transition plan to ensure continuity of the present level of service and patient care.

Implementation

A consultant was hired to start the transition. The municipality then hired a Chief of Paramedic Services to develop a complete transition plan. The Chief hired his own management team. The municipality's transition leadership team included the CAO and the Commissioner of Finance and Corporate Services. Additional transition team members were staff from the Continuous Improvement Unit, Legal Services, Human Resources, Finance, Information Technology and Facilities Services.

The municipality offered all existing frontline paramedics a position within the municipality; most of them accepted. The municipality mitigated some of the other concerns of frontline staff by increasing supervision hours in order to help ensure a smooth transition for frontline workers.

The District Municipality is a Schedule 2 employer with the Workplace Safety and Insurance Board (WSIB), which means that it must individually pay the total costs of benefits for its injured employees.¹⁵ All 80 paramedic employees were self-insured for WSIB by the District Municipality.

To complete the transition, the municipality was required to apply to the Ministry of Health as a 'new operator'. This process involved extensive documentation, an interview with the Chief of Paramedic Services, and a full service review.

The District Municipality of Muskoka transitioned to direct delivery of ambulance services in September, 2016, with no impact on patient care services to the public. The District marked this transition by rebranding the service Muskoka Paramedic Services.¹⁶

Benefits

¹⁴ <https://muskoka.civicweb.net/document/27189/CES-15-2015-2%20-%20Ambulance%20Service%20Delivery.pdf>

¹⁵ <http://www.wsib.on.ca/WSIBPortal/faces/WSIBManualPage?cGUID>

¹⁶ <https://muskoka.civicweb.net/document/28093>

The transition to in-house services has saved the District Municipality over \$400,000.00 per year, due in part to the elimination of a number of fees associated with the previous contract arrangement, including sales tax paid on wages and support services, management fees paid to the contractor.

In addition, local officials who we spoke to about the transition noted numerous non-financial benefits:

- Direct municipal control, responsibility and accountability for the ambulance program, resulting in closer Alignment of Land Ambulance Services with the needs of the community;
- Ability to respond quickly and communicate directly with paramedics regarding changes required for patient care standards, equipment, and policies;
- Ability to leverage existing support services at the District;
- Enhancement of a long-term planning framework focused on the stability of patient care;
- Provision of a stable work place with opportunities for professional career development;
- Increased control over WSIB assessments through management of claims. There may be potential benefits in return-to-work management given the large size of the workforce at the District;
- Greater coordination with other District health entities to improve service levels and patient care standards;
- Increased control over program design and patient care as it relates to creating a rural Ontario model, including a Community Paramedicine program;
- Integration of multiple front-line services through paramedics.

Replication

The cost-savings potential of bringing land ambulance services in-house varies greatly by local context. Nonetheless, the Muskoka experience suggests that it is an initiative that may demand serious consideration. Those involved in the process in Muskoka suggest that a Chief of Paramedic Services be hired a few months before the actual transition, and that other in-house resources from Human Resources, Legal, and Information technology be fully involved in the process.

County of Norfolk – Tackling Insurance Rates

Initiative	Review of Insurance Deductibles
Population	63,175
Employees	1,000
Department	Corporate Support Services
Project field	General Insurance
MSDR Initiative?	Yes
Cost savings	\$212,000 annually
Duration	2014 - ongoing
Project lead	Manager, Corporate Support Services Supervisor, Legal, Risk & Property Management
Benefits	<ul style="list-style-type: none"> • Review of General Insurance Policies • Better bargain for the County • Managing joint and several liability • Avoidance of additions to the municipal tax levy • Creation of a reserve fund to cover the cost of in house claims • Planning for potential increase in risk and liability due to addition of buildings and services

Municipal Insurance Costs: Room for Maneuver

For most of us, personal expenditures on vehicle and home insurance cannot easily be controlled. But municipal insurance needs are much greater and more complex, especially because of rising claims against municipalities resulting from judicial decisions relating to joint and several liability, in which municipalities are deemed responsible for much of the cost of personal injuries even when their share of responsibility is relatively small. Rather than look on increases in insurance expenditures as fixed and inevitable, municipal managers can find real savings by adjusting their insurance purchases to what is really required, rather than what seems to make management easier. In cooperation with its insurance provider, the County of Norfolk reviewed its needs and discovered that it was paying more than it had to. The solution they arrived at is not unique – other municipalities have arrived at similar conclusions – but this cost-savings practice merits consideration by all municipalities.

From Problem to Initiative

In 2015, municipal insurance rates across Ontario were increasing by as much as 6 percent. In 2014, Norfolk was spending almost \$1.5 million annually on insurance. In that same year, the County's insurance contract was up for renewal. In accordance with a staff recommendation council decided to stay with its existing provider so as to maintain a stable relationship. The provider recommended that the deductible for general liability be

increased from \$25,000 to \$75,000 so as to save \$212,000, with the county self-insuring for all amounts below \$75,000.

Implementation

While the change in deductible was in and of itself simple enough, the County had to be prepared to deal with both the personnel and the financial implications of greater reliance on self-insurance. The County of Norfolk is a single-tier municipality. It has six departments, 1,000 employees, 24 divisions and business units, and provides a wide range of diverse services – marinas, ambulance services, fire-fighting, and roads, all with large potential risks. There was already a large volume of claims-related work prior to a change in the deductibles. The county hired an additional half time position to help with the administration of in-house claims. Some of the \$212,000 savings from increasing the deductibles were used to pay for the half time position.

In addition, after the change in deductibles the County needed to ensure that there were sufficient reserves to settle claims. Collins Barrow Actuarial Services was contracted to review the county reserves. The study showed that the change in deductible had no significant effect on the state of the self-insurance reserve fund, confirming that there was a clear benefit to the change in policy.

County of Norfolk: Self-Insurance Reserve Fund Balances, 2013–2015

	2013	2014	2015
January 1 balance forward	1,246,426.64	1,471,068.71	1,539,916.27
Transfers from Operating Budget	210,368.96	51,842.24	(1,974.45)
Interest Earned	14,273.11	17,005.32	13,576.09
Balance at Year-end	1,471,068.71	1,539,916.27	1,551,517.91

Benefits

In addition to the obvious one-time financial benefit of increasing the general liability deductible, the County has realized benefits in terms of premium increases moving forward. The county’s insurance premium for 2014 was \$1,491,291. Because of the increased deductible, the premium increase for 2015 was only 1.03%. In the following year, the premium increase rose by 3% while other municipalities were seeing increases of up to 6%.

Replication

The initiative can be replicated by any municipality with the capacity to manage the potential in-house expenses and administration costs resulting from increases in its insurance deductibles.

City of North Bay – Smarter Transit Drivers Save Money

Leading Practice	Smart Driver Program
Population	51,553
Employees	not available
Department	Transportation
Project field	Transit
MSDR Initiative?	No
Cost savings	\$121,000 over 5 years
Duration	2010 - ongoing
Project lead	Transit Manager, Transit Supervisor & Operator Trainer
Benefits	<ul style="list-style-type: none"> • Reduction in fuel consumption per trip as compared to the average operator • Smooth ride for passengers • Less emission from exhaust, better air quality • Reduces wear and tear on brakes and tires, extending the lifespan of vehicle and parts with less maintenance costs • Less idling time • Replicable in other departments: roads, parks and personal vehicles • A less stressful day for bus operator

Partnering with CUTA for Safer, Smarter Transit Operation

Operation of public transit buses is a costly enterprise. Recognizing this, the Canadian Urban Transit Association (CUTA) offers the Smart Driver training program for bus transit operators, with the aim of simultaneously promoting safer and more fuel-efficient driving patterns. North Bay’s experience with the program illustrates the significant financial benefits that can come from a simple, minimal-cost training initiative.

From Problem to Initiative

The harsh winter weather conditions and varied topography of North Bay produce challenging conditions for the City’s bus drivers. Precisely because of this context, the City of North Bay saw CUTA’s new Smart Driver for Transit program as a significant opportunity to improve efficiencies while promoting safe driving practices. North Bay’s transit manager volunteered to chair the Canadian steering committee of the Smart Driver program, and in 2010, the City become one of five pilot sites across Canada for the new program.

Implementation

Through the Smart Driver¹⁷ program, CUTA sent a trainer to North Bay, who spent three weeks training the Trainers – local instructors who then in turn trained transit drivers in the techniques of defensive and smart driving. The City used a before-and-after comparison assessment to evaluate the impacts of the program. Bus drivers participating in the pilot program were asked to drive on a specific route for around four hours before the start of the program. Data was collected regarding such factors as fuel consumption per kilometre, brake applications, and idling time. Drivers then went on the same route after completing the four training modules, and the same data were collected again for comparative purposes. There was considerable improvement in all factors measured. The operators repeated the tests after a couple of weeks to ensure that they had retained the training they had received. Results of the testing showed improvement in all indicators, and the program was extended to all bus drivers.

Benefits

Because North Bay was a pilot site for this program, the program was offered to the City free of charge. Significant savings in fuel use and costs were realized. In 2010, the City of North Bay consumed just under 800,000 litres of fuel. By 2014, this amount had dropped to 696,000 litres. Assuming an average fuel price of \$1 per litre, the City was able to save around \$121,000 over 5 years.

In addition, the initiative reduced emissions of greenhouse gases by more than 72,000 metric tonnes over five years. It also resulted in smoother rides for transit passengers, and reduced wear and tear on brakes and tires, extending the lifespan of transit vehicles and parts.

Replicability

Municipal use of CUTA's Smart Drivers program has spread rapidly since its introduction. As of today, 118 Canadian transit systems have made use of the program. The current cost is around \$2500 for the training plus the accommodations for one CUTA trainer for three days. Any municipality in Ontario with a bus transit system can take advantage of the Smart Driver Program. The North Bay experience illustrates the real savings that can come from participation in a simple, compact training initiative.

¹⁷ <http://www.smartdriverfortransit.com/>

Municipality of Wawa – Bright Lights, Green Savings

Initiative	LED Lighting & Energy Management Program
Population	2,905
Employees	not determined
Department	Corporate Services
Project field	Energy Conservation - LED
MSDR Initiative?	Yes
Cost Savings	\$70,000 annually on initial investment of \$240,000
Duration	2015 - ongoing
Project lead	CAO
Benefits	<ul style="list-style-type: none"> • Reduction in electricity consumption • Reduction in electricity cost • Reduction in annual maintenance cost • Reduction in greenhouse gas emission • Better visibility, safer streets • Street light monitoring system

LED Lighting: The Spread of a New Leading Practice

Some cost-savings practices are already quite well-known, and result from the widespread application of new technologies. According to a report by Local Authority Services (LAS), a company owned by the Association of Municipalities of Ontario (AMO), more than 140 Ontario municipalities have decided to upgrade to LED (light-emitting diode) streetlights since 2013. More than 100,000 LED streetlights had been installed as of March 2016. This work has provided full-time jobs for more than 40 people and has achieved a 65,000,000 KWh annual reduction in energy consumption, approximately \$10,000,000 annual energy costs savings, \$3,250,000 cost savings in terms of maintenance, and prevented the annual emission of 7,000 metric tonnes of greenhouse gases.¹⁸

From Problem to Initiative

This case demonstrates that even small and isolated municipalities can gain from switching to LED lighting. In fact, precisely because it is isolated, the Municipality of Wawa's electricity costs are the third highest in the province. Wawa had much to gain from new energy-saving technology. In seeking opportunities to reduce its costs, the CAO of the municipality, who was a member of Local Authority Services (LAS), requested that LAS lead an audit of the municipal streetlight system. LAS hired a consultant to conduct a comprehensive audit of the street light network. This audit reported on the status of municipal utility bills, energy usage and maintenance records, and conducted an inventory

¹⁸ https://www.las.on.ca/LAS-Docs/Streetlight-Program/Case-Study_LED-Streetlight-Program_LAS-RTE-Cree.aspx

of streetlights. The audit also provided an estimate of the one-time cost and potential annual cost savings associated with installation of LED streetlights. It suggested that by upgrading to LEDs, the Municipality of Wawa would be able to reduce its energy consumption by almost 61%.

Implementation

The cost of the LED streetlight project in the municipality of Wawa was around \$240,000, with an estimated payback period of only 2.7 years. The Municipality of Wawa used its own money as well as federal gas tax money for the project. The streetlight replacement project was completed in 2016. Wawa has now followed up by starting to replace lights around municipally-owned buildings and in parks. The prospective savings of this project are another \$30,000 annually.

Wawa Streetlight Replacement: Operating Cost Savings

	Conventional lighting	LED lighting (Year 1)	Variance
Energy Consumption	332,951 kWh	129,851 kWh	-61%
Energy Costs	\$103,851	\$43,928	\$59,923 (-58%)
Maintenance Costs	\$12,350	\$2,470	\$9,880 (-80%)
Total Operating Costs	\$116,201	\$46,398	\$69,803 (-60%)

Benefits

Replacing 400 streetlight fixtures with LED lights saved the Municipality of Wawa about \$70,000 per year; replacing another 300 lights around parks and buildings will save an additional \$30,000 annually. In addition, less maintenance is needed for LED lights, so the municipality will save additional money in terms of maintenance costs going forward.

Replication

This project can be replicated by any municipality looking at transforming street and park lights to LED. This projects shows that even a small municipality can save a lot by the adoption of this new technology. It also shows that resources to support an energy audit and implementation of LED lights are readily available for Ontario municipalities – all they need to do is to pick up the phone and call LAS.

Inventory of Cost Savings Recommendations from Municipal Service Delivery Reviews Conducted Since 2011

The following inventory of 159 cost savings recommendations from MSDRs is organized alphabetically by service / activity field. All text in this inventory is taken directly from Municipal Service Delivery Reviews. Figure 2 shows recommended practices by field.

Figure 2: Cost Savings Recommendations from MSDRs by Service / Activity



Field / Municipality	MSDR Cost Savings Recommendation
Audit	
Town of Perth	Joint Tendering: Energy Audit (Financial Efficiency)
Community Services	
Town of Aylmer	The Town should adjust its operating terms of reference to increase the charge for administrative support to the East Elgin Community Complex to better reflect the true cost of providing administrative support services
Municipality of Chatham-Kent	Review of crossing guard program
Town of Cochrane	Eliminate/reduce crossing guards (\$38,000)
Town of Kapuskasing	The Town may wish to discontinue the use of crossing guards across the municipality Review and Rationalize of O The level of support provided for economic development, community development and the public library is discretionary. Council may wish to review the operations of those services and determine whether or not they wish to reduce, maintain or enhance the level of funding provide. Based on the 2014 operating budget, If council were to pursue cost savings in these areas, the Town could save between \$48,000 and \$96,000. Any reductions should be done with further consultation to discuss any associated impacts with changes to funding
City of Owen Sound	The City had for many years provided two separate publications, a Community Guide and a Summer Activities Guide. These two publications were combined into one in 2009. This was not only a cost saving measure, it reduced duplication of information and saved some staff time in the preparation of the publication.
Township of Terrace Bay	Reduction of crossing guard locations from 3 to 2, removal of the Terrace Bay Drive location
Township of Terrace Bay	Community Centre closure on Sunday, not including special events, however, a 24/7 swipe card system will be installed for users convenience to access the fitness room
Corporate Services	
County of Frontenac	Determine three processes that would benefit from a lean 6 sigma investment and implement one blitz Kaizen per year
County of Frontenac	Standardize the work week in Corporate Services to 35 hours per week

Field / Municipality	MSDR Cost Savings Recommendation
County of Norfolk	<p>Vehicle Assignment and on Call (Take Home)Vehicle</p> <p>AS policy adopted in 2001 provided that a Department's General Manager or the County Manager may authorize taking home a vehicle if an employee is or may be on call for emergency situation of an emergency could arise or when an employee is required to be on call on a 24 hour basis</p> <p>This issue was reviewed by Fleet Review Committee in 2011-12</p> <p>In 2013 there were pickup trucks and vans in Norfolk County's 291 unit fleet of vehicles and heavy equipment 33 of the 82 were being taken home.</p> <p>SLT requested a review of available data and information concerning call outs and emergencies after receiving a preliminary report during 2013.</p> <p>Status</p> <ul style="list-style-type: none"> • SLT reduced the number of vehicles being taken home from 33 to 20 as of January 31, 2014, and further conditions were applied to 3 of the 20. • A reduction occurred after April 15, 2014 when winter control ended. • Subject to further review of on call system and financial impact, operational risk and other factors, the final target for on call vehicles is 13 by December 2015. <p>Results/Outcomes</p> <ul style="list-style-type: none"> • It is anticipated the changed will positively impact public perception generally and perceptions of equity/fairness by employees, particularly the many employees that are required to use their own personal vehicle in their work. • Financial saving have been offset, in part, by on call system improvements. • Continued CRA compliance and fewer employees will incur a taxable benefit.
Council	
Municipality of Wawa	<p>Council provides a variety of community groups with in-kind donations on an annual basis. The Municipality has a policy in place setting out the eligibility requirements and will only provide in-kind contributions to community-wide events. Recently, Council decided to waive tipping fees for multi-residential property owners to assist in the removal of articles left behind by tenants. However, as the municipal landfill is nearing capacity, it's preferable to have some form of revenue to offset future costs associated with expanding or replacing the existing landfill. As a result, this option has been classified as a blue opportunity.</p>

Field / Municipality	MSDR Cost Savings Recommendation
Municipality of Wawa	Reduce council per diems for travel purposes. With conferences and training opportunities located typically six to ten hours away, travel is a requirement for Wawa's elected officials. When council members travel on municipal business, a daily per diem of \$192 is available. In 2012, \$5,000 was set aside for travel per diem purposes. A review of comparable municipalities indicates that council per diems typically range from \$100 to \$160 per day and as such, the Municipality's per diem rate appears to be on the upper end of the range. Accordingly, a reduction in the per diem rate has been identified as a blue opportunity for council's consideration.
County of Frontenac	Reduce the number of staff in attendance at council meetings thereby lowering the cost of council meetings and ensuring that staff are focused on work that is of highest and best use to the County.
Town of Moosonee	Reduce council donations. Cost Saving: \$10,000.
Emergency Services	
Municipality of Brockton	Disaster and Emergency Management Planning should be coordinated at the County level. County of Bruce should hire a single Community Emergency Management Coordinator (CEMC) to serve all municipalities in the County
Town of Midland	Reduce number of free false alarms from three to one. Estimated savings from this would be \$10,000
District Municipality of Muskoka	Complete new Ambulance Response Time Standard and Revised Deployment Plan. Complete land ambulance pilot and introduce new deployment plan following council approval. Consult with Area Fire Departments on any potential implications to their operations.
District Municipality of Muskoka	Reduce duplication in Emergency Planning between DMM and Areas. Limit District activity to applicable Regulatory requirements in 2013, adjust resources accordingly. This recommendation has been implemented and the savings are reflected in the 2013 draft budget).
Township of Schreiber	During the course of the review, Township staff from the fire department noted that there may be the potential of providing fire services to neighbouring First Nations community. The Township may wish to engage the First Nation in discussions to determine if there is any potential to provide fire services to the First Nations community.
Energy	
Municipality of Brockton	Explore possible use of solar powered street lights for use in remote areas with no immediate power hook up
Municipality of Brockton	Continue with plans to change street lights to LED fixtures and establish reserves to complete conversion
Township of Central Frontenac	Convert current street lighting to LED street lights (\$13,500)

Field / Municipality	MSDR Cost Savings Recommendation
District Municipality of Muskoka	Implement energy use reduction strategies. Continue ongoing energy reduction strategies for public works facilities. Report details of initiatives and reductions annually to Committee.
District Municipality of Muskoka	Continue green initiatives and tenant education/incentive programs in social housing and The Pines to achieve energy savings. Continue individual program and corporate initiatives to reduce energy consumption and reduce costs.
Township of Terrace Bay	Solar Panels: The original costs to install the solar panels was \$126,716, we borrowed the money from Reserves in order to complete the project with the intent to pay back the reserves before we began using the revenue toward other sources. This was expected to take 7 years.
Municipality of Wawa	Conduct a municipal energy audit. The Municipality has undertaken initiatives to reduce municipal energy costs such as the installation of solar panels. Moving forward with a continuous improvement approach to energy costs, Council may wish to consider conducting an energy audit on all municipal buildings to identify areas for improvement
Township of Terrace Bay	LED streetlight replacement program
Township of Terrace Bay	Bulk buying in electricity procurement
Group Purchasing	
Town of LaSalle	Explore potential of group purchasing with other public sector organizations for professional services materials and supplies, and capital
Town of Midland	Undertake group purchasing arrangements with other public sector organizations for professional services (audit, legal, human resources, planning, consulting), materials and supplies (office supplies, utilities, telecommunications), capital (vehicles, information technology)
Township of Schreiber	Approx. 32% of Ontario's municipalities participate in group purchasing and group procurement may include the collective purchasing of office supplies, materials, engineering services, insurance and legal services. At the present time, the Township of Schreiber should formalize and expand upon group purchasing with other neighbor municipalities or other public sector bodies (school boards, hospitals, etc.). Recent case study research performed by KPMG indicates municipalities may save between 5% to 20% when participating in group procurement.
Health Safety/HR	
Municipality of Brockton	Explore other cost effective ways to deliver Health and Safety mandate.

Field / Municipality	MSDR Cost Savings Recommendation
District Municipality of Muskoka	Continue to collaborate with the North Simcoe Muskoka Local Health Integration Network (LHIN) to achieve system savings and strategies to sustain health care in Muskoka. Continue to advocate for health care improvements in Muskoka within the mandate and direction provided by District Council.
Housing	
City of Kawartha Lakes	<p>Provide a one stop shop for customers where customers share their story once</p> <p>Ensure data integrity – clear and accurate information as it relates to homelessness and housing</p> <p>Financial Implications</p> <p>The recommended model will increase revenue between \$30,000 - \$50,000 by accessing additional provincial subsidies which will be redirected back to the provision of supports and services. Final figures won't be available until the program is up and running</p>
District Municipality of Muskoka	Consolidate Non-Profit Housing Corporations (Gravenhurst and Huntsville). Complete legal consolidation to one corporation in 2013 and reduce annual operating cost.
Information Technology	
Municipality of Brockton	Acknowledge consistent revenues generated at Lobies Park. Consider small improvements with big impact: larger sites, an online presence for booking/viewing sites, and wireless internet service.
City of Timmins	<p>The City currently leases desktop computers for staff at an annual cost of \$240,000. The City may wish to consider transition to a virtual desktop environment, which involves one or more servers running desktop operating systems and application software. The use of a virtual desktop environment would allow the City to reduce its investment in desktop computers as well as administrative and maintenance costs.</p> <p>City staff has estimated the savings that could be achieved through the introduction of a virtual desktop environment to be in the order of 30% of its current desktop leasing costs, or \$72,000 annually.</p>
Insurance	
Town of The Blue Mountains	In May 2013, the Town hired a consultant to assist in the review of its Insurance Program, develop coverage specifications, review and analyze the proposals and make a recommendation to the Town regarding a provider of choice. The premiums for 2014 would be \$240,214 for \$25,000,000 in Liability Coverage, a savings of over \$300,000 from 2013. Should the Town wish to increase the Liability Coverage to \$50M, there would be additional cost of \$1,835, for a final premium of \$242,049
Town of Cochrane	Transfer responsibility for LTD premium payments to Employees (\$40,000)

Field / Municipality	MSDR Cost Savings Recommendation
Municipality of Wawa	<p>Transferring responsibility for long-term disability (LTD) premiums from the Township to its employees. Currently, the Municipality is responsible for the payment of LTD premiums for its employees, a practice that is consistent with comparable municipalities. However, the general trend in the private sector is for employees to pay for LTD premiums, with the rationale being that proceeds from LTD policies are not taxable if paid by the employee (if LTD premiums are paid by the employer, LTD benefits are taxable for employees). While this opportunity is not expected to impact on service levels (as it affects municipal staff and not residents, it does have potential risks from a labour relations perspective as employees will view this as a 'take away' that will likely require changes to the current collective bargaining agreement. However, the Municipality may wish to introduce compensating provisions (e.g. no contracting out clause) in exchange for this option. Given the risks associated with this option and its inconsistency with comparable municipalities, it has been assessed as a red opportunity.</p>
Township of Terrace Bay	<p>We have gone out for proposals on our current benefits package. This has not been done for a number of years and it does not involve any changes to the plan.</p> <p>Based on the quotes we have received, which will be presented to council, we expect a savings of approximately \$16,000</p>
Township of Terrace Bay	<p>Review of municipal benefit program cost</p>
County of Norfolk	<p>Municipal Insurance Program Review</p> <ul style="list-style-type: none"> • The Initial renewal for the 2014 insurance program was more than 15% but discussion and negotiations with the insurance program provider brought the increase below 10% without changing in coverage or deductibles. <p>Status</p> <ul style="list-style-type: none"> • Council approved staff's recommendations during 2014 renewal to increase liability to \$75, 000 to contain 2014 and 2015 premium increases. • Following review in 2014, some savings directed to add a 0.50 FTE to assist in claims management. Insurance reserves reviewed and found adequate. <p>Results/Outcomes</p> <ul style="list-style-type: none"> • A \$212,000 savings in insurance premiums was realized by increasing the deductible for the liability insurance components of the program • This resulted in a \$20,000 budget reduction in 2014 compared to 2013 and avoidance of a further \$192,000 addition to the municipal tax levy.
Legal	
City of Kawartha Lakes	<p>Cost avoidance achieved by the Office of the City Solicitor estimated at \$198,000 in 2015</p>
Town of LaSalle	<p>Review in house legal services</p>

Field / Municipality	MSDR Cost Savings Recommendation
District Municipality of Muskoka	<p>With the Area Municipalities, Identify and examine one or two shared services pilot projects to determine cost savings that could be achieved. Legal services were identified in CES-16 as a possible shared service.</p> <p>Staff to report on this matter to CES Committee in 2013 and seek approval for shared service pilot projects. (Legal Services not to be part of the pilot based on Area comments).</p>
Miscellaneous	
Township of Central Frontenac	Actively register properties that are eligible for tax sales (\$458,000)
Municipality of Chatham-Kent	Eliminate dog control licensing
Town of LaSalle	Adopt portable technology to facilitate bylaws
Town of LaSalle	Surplus building/property disposal
Town of Midland	Integrate materials maintenance management and financial reporting systems to eliminate duplicate data entry and improve financial reporting and budgeting monitoring
Town of Midland	Increase utilization of fire services personnel to provide training to the municipal staff. Estimated saving would be \$15,000.
City of Waterloo	<p>The Arts Culture Festival & Events functions transferred to Economic Development -The Working Group examined the many different economic development activities that occur across the organization. In order to address council's priority to strengthen economic development within the City these economic development activities have been centralized within a new Economic Development department. Accordingly, Arts, Culture, Festival and Events functions have been transferred to Economic Development where the support and promotion of the City's many festivals and events will be managed under the leadership of the Executive Director of Economic Development. The exception is the Design & Marketing Specialist who is transferred to Communications where the City's graphic design expertise is located.</p>
Township of Terrace Bay	<p>Snow Removal for Seniors: Administration proposes to adopt the 'Schreiber' method. This would allow council to continue to provide the service to our Seniors, while making the program fiscally responsible. Our costs savings are estimated to be \$5,900 based on a the last 3 year trend</p>
County of Frontenac	Contract with external information technology firms to implement large IT projects
P3s	
Town of Kapuskasing	<p>It is our understanding that the Town is seeking a new partner to provide the bus service operated out of the Welcome Centre which is part of the community development budget. Given the hours of operation of the service in contrast to the hours of the Welcome Centre, the Town may wish to pursue a third party to deliver this service. This shift would result in net savings of \$25,000 annually</p>

Field / Municipality	MSDR Cost Savings Recommendation
Town of Kapuskasing	Additionally, if the BPX service is transferred out of the Welcome Centre, Council may wish to explore the potential of shifting the responsibility of the centre's operations to either of the remaining tenants, KEDC or the Kapuskasing & District Chamber of Commerce. The cost savings associated the potential shift range from \$28,000 (Assuming the Town maintains the care and maintenance costs) to \$61,000 if the facility is turned over to the third party
County of Frontenac	Partner with an outside service provider for GIS services should the demand from member municipalities increase
Public Works	
Municipality of Port Hope	savings in capital - \$120 K by reinstating old sewer / water and road to existing semi-urban standard vs full-urban standard
Town of New Tecumseth	The Town has traditionally allowed non-profit community groups to manage and deliver capital projects. There has been continuing difficulties with these capital projects meeting budget or delivering on schedule. With the consolidation of capital projects in the Engineering department, the Town should also consider limiting the project management of Town projects to the engineering department. Ensure all capital projects are delivered by the Town's Engineering department.
District Municipality of Muskoka	Evaluate costs and benefits of owning and operating sewer flushing and video inspection equipment compared to continuing to outsource these services. Staff to proceed with sewer flushing and video equipment review in 2013 and report to PW Committee.
District Municipality of Muskoka	Consult and investigate with the Area Municipalities the cost/benefit for acquiring and utilizing municipal equipment for ditching and brushing. Proceed with the investigation of ditching and brushing services with the Areas in 2013. Examine all potential models and costs, including retaining contracted out service. Staff to report to PW Committee.
Town of Moosonee	Explore the potential of private road maintenance. Cost Saving: \$40,000.
Town of LaSalle	Implement preventative maintenance program for public works
Recreation Services	
Township of Central Frontenac	Rationalize the number of community halls (\$40,000)
Township of Central Frontenac	Conduct a User Fee Review to ensure the levy is not subsidizing non levy services (\$30,000)
Municipality of Chatham-Kent	Review hours of operation for arenas and capacity vs demand profile of each arena

Field / Municipality	MSDR Cost Savings Recommendation
Town of Cochrane	At the present time, the City's user fee structure does not differentiate between residents and non-residents, with a single user fee established for all users. While both the City and the various recreational organizations that utilize its facilities do not monitor usage by non-residents, we were advised by the City that, depending on the facility and recreation program, as much as 30% of the users may be non-residents
Town of Kapuskasing	<p>Non Residents User Fee</p> <p>With the Town passing its 2014 budget in February, a non-resident user fee system could be implemented as early as January 1st, 2015. During the balance of 2014, the Town may wish to collect information concerning the residency of recreational facility users in the Town of Kapuskasing in order to assess the number of non-resident users and determine the potential revenue associated with this opportunity</p>
City of Kawartha Lakes	Dec 8 2015 – Council decision to reduce ice pads from ten (10) to eight (8) by consolidating six (6) single pads into two (2) twin pads
City of Kawartha Lakes	Dec 8 2015 council decision to initially reduce standalone community halls from eighteen (18) to twelve (12), by closing two (2) per annum in 2016/2017/2018
Town of Kirkland Lake	Based on information shared during the review, the Town appears to approach recreational user fees in a manner that considers the operating and capital costs associated with the service. In addition, the Town has established non-resident user fees for recreational services, which addresses the issue of non-residents utilizing municipal services that are funded partially through municipal taxes.
Town of LaSalle	Non - profit partnerships for recreation programming
Town of Midland	Consideration could be given to a gradual phase-in of increases (assumed 5% increase per year). \$37, 000 in revenue generation.
Municipality of Wawa	<p>Michipicoten Memorial Community Centre. Recreation centers in municipalities serve as a vital piece to the overall well-being of the community. However, there are costs associated with the operation of these facilities and two opportunities were identified to reduce those costs. Concessions at the recreation centre operate at a loss on an annual basis. Minor hockey and figure skating associations have expressed an interested in assuming the operations of the concessions. Council may want to consider tendering our operation of concessions at the Michipicoten Memorial Community Centre. Given the limited impact of this opportunity, it has been classified as a blue opportunity.</p>
Town of Moosonee	Explore a reduction in the ice operating season at the Recreation Centre. Cost Saving: \$5,000.
Township of Schreiber	Recreational and Community Services. With only 15 kilometers separating the Township of Schreiber and the Township of Terrace Bay, the two communities share the potential of exploring the sharing of recreational facilities as each municipality determines the remaining useful life of their recreational assets.

Field / Municipality	MSDR Cost Savings Recommendation
Township of Schrieber	Contracting Out/ Concessions at the municipal arena. Currently, the Township provides concession services at the municipal arena. Activities at the concessions typically break even or produce small operating deficits. Despite the financial performance with concessions, the Township may wish to give some consideration to contracting out this service to an interested third party. Other municipalities may allow a local group such as a minor sports association or charity to deliver the service and this serves as the municipality's contribution to that group.
Roads	
Town of Erin	Combine maintenance activities of Roads, Water and Parks
City of Kawartha Lakes	Opportunities for cost savings are found by managing resource deployment on Winter road maintenance Opportunity to reduce overtime and material costs on weekends by adhering to the Level of Service
Municipality of Meaford	Effective January 2016 approximately \$233,000 was reduced in staffing related costs for Winter Road Maintenance and these savings have been incorporated into the draft 2016 tax and user pay supported budgets Savings in Winter Roads Maintenance by Rescheduling of staff and by changing the Salt and sand Ratio
Town of Midland	Develop a tiered service standard for winter roads maintenance (15% savings): \$147,000
Town of Midland	Develop a tiered service standard for summer roads maintenance (15% assumed savings): \$108, 000
Township of West Perth	Road maintenance costs are higher than in other Perth County area. Potential cost savings from sharing public works equipment and personnel with other municipalities
Township of West Perth	Participation in a county-wide approach to landfill operations and drainage superintendent. As with roads maintenance activities, West Perth currently delivers these services independent of other municipalities and as such, could benefit from potential efficiencies that may arise from an expanded scope (e.g. better pricing for contracted drainage superintended services if all municipalities combine the service into one contract).

Field / Municipality	MSDR Cost Savings Recommendation
Township of Perth South	<p>Increased collaboration with respect to roads maintenance. At the present time, Perth South uses internal resources to perform roads maintenance activities, which are restricted to the lower tier road network within its municipal boundaries and represent the largest single expenditure category for the municipality. Through collaboration with other municipalities, efficiencies may be achieved through the sharing of public works equipment, personnel and facilities, better scheduling and utilization of staff (which could result in reduced overtime costs) and the redesign of maintenance routes across municipal boundaries, achieving greater economies of scale and operating efficiencies. As noted below, Perth South's roads maintenance costs are lower than or consistent with the other Perth Area Municipalities as well as comparative communities. While this is reflective in large part of the maintenance standards for Perth South's road network, it also indicates that potential cost savings will likely materialize in the form of incremental efficiencies as well as a reduction in longer term capital costs.</p>
Township of Perth East	<p>Increased collaboration with respect to roads maintenance – similar with recommendation provided to Perth South.</p>
Municipality of North Perth	<p>Increased collaboration with respect to roads maintenance. At the present time, North Perth uses internal resources to perform roads maintenance activities, which are restricted to the lower tier road network within its municipal boundaries and represent the largest single expenditure category for the municipality. Through collaboration with other municipalities, efficiencies may be achieved through the sharing of public works equipment, personnel and facilities, better scheduling and utilization of staff (which could result in reduced overtime costs) and the redesign of maintenance routes across municipal boundaries, achieving greater economies of scale and operating efficiencies.</p>
County of Perth	<p>At the present time, the Perth Area Municipalities are responsible for the maintenance of just over 4,500 lane kilometres of roads, with reported maintenance costs amounting to \$11.3 million in 2012 or \$2,473 per lane kilometre. Potential cost saving from collaboration of roads maintenance activities.</p>
District Municipality of Muskoka	<p>Reduce Roads Capital Spending by \$300,000 in 2013 and a further \$300,000 in 2014 for a combined reduction in base funding of \$600,000 and monitor roads needs over the next five years. Monitor roads capital spending requirements. Conduct a detailed analysis of long-term implications on cost and service quality. (Note: The draft 2013 budget has been prepared on the basis of maintaining the 2012 level of spending on roads capital).</p>
Town of Moosonee	<p>Explore the potential of private road maintenance. Cost Saving: \$40,000.</p>
Town of Moosonee	<p>Develop a tiered service standard for winter road maintenance \$7,500</p>
Town of Moosonee	<p>Develop a tiered service standard for summer road maintenance. Cost savings: \$20,000.</p>

Field / Municipality	MSDR Cost Savings Recommendation
Township of Schreiber	The Township of Schreiber delivers street sweeping with internal resources and equipment which appears to be no longer sufficient whereas neighbouring municipalities may purchase their street sweeping services from third party providers or possess specialized equipment (Township of Terrace Bay). The Township may wish to explore the potential of sharing this service with its neighbours including the Township of Terrace Bay.
Township of Schreiber	Contracting Out/ Winter control activities. Currently, the Township undertakes all activities relating to winter control including snowplow operations for the entire municipality, the application of sand and salt, and snow removal activities. Additionally, the entire workforce responsible for the delivery of these services is either approaching or potentially reached eligibility for retirement. This presents a unique opportunity for the Township to consider potentially outsourcing one or all of the winter control activities currently under the jurisdiction of the Township's public works department.
Shared Services	
Municipality of Brockton	Investigate the benefits of sharing animal control between municipalities. Consider sharing By-Law Enforcement services with other municipalities
Municipality of Brockton	Encourage dialogue with neighbouring municipal councils, taking a more shared and inclusive approach to recreation. They reap the economic benefits of our users in their communities
Municipality of Brockton	Establish policies for inter-departmental use and sharing of equipment; too many pick-up trucks throughout the municipality sit unused
Town of Latchford	Shared services with neighboring municipalities: Staff meetings, bulk purchasing, sharing of equipment, joint procurement services, combined administration, water and sewer services
Township of Central Frontenac	Consider entering into shared service arrangements for geo technical staff with other municipalities (\$50,000)
Town of Midland	Consider shared public works functions with neighbouring municipalities roads patrol, municipalities, including winter patrol, water wastewater maintenance activities and public works planning
Town of Midland	Consider shared public works functions with neighbouring municipalities roads patrol, municipalities, including winter patrol, water wastewater maintenance activities and public works planning
Town of Midland	Consider sharing of fire service functions (training, inspections) with neighbouring communities
Township of West Perth	The report mentions that West Perth has utilized shared service arrangements to keep staffing levels low.

Field / Municipality	MSDR Cost Savings Recommendation
Township of Perth South	Sharing of specialized administrative support functions. Presently, Perth South does not have dedicated resources for human resources and information technology support and the size of the municipality would not justify the establishment of these resources. These requirements are currently met by management staff and, depending on the issue, external service providers. As human resources and information technology are complex and specialized areas that could expose the municipality to risk if not appropriately managed, Perth South may wish to consider entering into a shared service arrangement for these services. For example, the County, North Perth and Perth East all currently employ human resource professionals (CHRP) and Perth South may wish to consider the sharing of these resources.
Township of Perth East	Shared human resource services as recommended to Perth South. Perth East is seen as potential service provider.
County of Perth	Shared route planning, whereby winter roads maintenance and patrol routes are designed so as to cross municipal boundaries;
County of Perth	Shifting responsibility for roads maintenance to a single tier, either through the transfer of all roads maintenance activities to the County or the use of lower tier municipalities as contractors to the County for the maintenance of County roads;
County of Perth	Multi municipal Multi-approach to contracting out of winter roads maintenance activities, including the establishment of contractor routes that cross municipal boundaries and joint contracts for contracted out services;
County of Perth	Increased collaboration with respect to facilities (e.g. shared public works depots), specialized equipment (e.g. shared grade-all) and stockpiles (e.g. shared sand and salt stockpiles).
County of Perth	In order to facilitate collaboration between the Perth Area Municipalities with respect to drainage, particularly where drains cross municipal boundaries, consideration could be given to adopting a single delivery agent for drainage superintendent services, either through a single contract with an external service provider or the designation of one municipality as the service provider on behalf of all of the Perth Area Municipalities. The use of internal staff has the potential to also achieve cost savings, based on the differential between municipal wage rates and the rates charged by the external service providers. We understand, however, that drainage superintendent activities are cost shared with the Province of Ontario and as such, any cost savings would be reduced by 50% as a result of lower revenues.

Field / Municipality	MSDR Cost Savings Recommendation
County of Perth	The municipalities of North Perth and Perth East may wish to consider the sharing of a fire chief upon the retirement of one of the existing fire chiefs, with the individual acting as fire chief for North Perth, Perth East and West Perth. As with the appointment of a shared chief for Perth East and West Perth, consideration could be given to reinvesting the savings into additional fire capabilities, potentially a full-time training officer or fire service capacity above and beyond basic suppression (e.g. confined space, trench rescue, open water or hazardous material capabilities).
Municipality of North Perth	Participation in a county-wide approach to landfill operations and drainage superintendent. As with roads maintenance activities, North Perth currently delivers these services independent of other municipalities and as such, could benefit from potential efficiencies that may arise from an expanded scope (e.g. better pricing for contracted drainage superintended services if all municipalities combine the service into one contract).
Municipality of North Perth	Sharing of specialized administrative support functions. Presently, North Perth has dedicated resources for human resources and information technology support while certain of the other Perth Area Municipalities do not, relying instead on management staff and, depending on the issue, external service providers. As human resources and information technology are complex and specialized areas that could expose a municipality to risk if not appropriately managed, North Perth may wish to consider positioning itself as a provider of these services.
Town of Perth	Joint Training for the staff of 4 municipalities: Draft Employee Training Program (Administrative Efficiency)
Town of Perth	Animal Control & Pound Services (Financial Efficiency) The group of municipalities will investigate the joint needs in terms of Animal Control and Pound Services and determine if a joint undertaking can be developed to meet our needs in an affordable fashion
County of Norfolk	Haldimand –Norfolk Health Unit continues to operate and function effectively by sharing a Medical Officer of health, which saves more than \$100,00 annually
Staffing	
Municipality of Wawa	Eliminate staff replacement budgets. To assist with recruiting qualified personnel to the Municipality in a highly competitive municipal environment, a staff replacement budget was established for the municipal administration and public works departments. The original budget for the two departments was \$55,000. Public works has identified the need for \$16,000 to assist in their latest recruitment efforts. The elimination of the remaining amount is a financial housekeeping measure and thus, has been assessed as a blue opportunity.

Field / Municipality	MSDR Cost Savings Recommendation
----------------------	----------------------------------

County of Norfolk	<p>Organizational Structure realignment (Effective July 1, 2012)</p> <ul style="list-style-type: none"> • Improved fiscal sustainability, customer services (internal and external) and human resources management are key underlying themes in realignment. • A new financial services department was created to focus priority attention and effort on financial sustainability; a new core financial system with lean business processes/systems; and a central agency model for financial planning, advisory and comptrollership services to line departments. • A new Employee & Business Services Department was created to focus priority attention and effort on: enhancing Norfolk County's reputation for customer satisfaction and as an employer of choice; integration of human resources and customer services strategies; and a CRM system <p>Status</p> <ul style="list-style-type: none"> • During 2013, Diamond/Great Dynamics (Microsoft Dynamics GP), an enterprise resource planning (ERP) core financial system was selected. • Implementation of the new ERP, associated software solutions and business process reengineering began in 2014 and has continued during 2015. • Key elements of the financial sustainability plan are in place and other components are coming in 2016 (e.g., reserves and reserve funds policy). • Customer service strategy development and process/structure review is ongoing. An integrated Customer Relationship Management module available with Microsoft Dynamics GP and other options are under review. Work scheduling, attendance management and other human resources information system/applications are being assessed or implemented. <p>Results/Outcomes</p> <ul style="list-style-type: none"> • \$100,000 annual savings and one FTE reduction began on 2013 budget. Financial and FTE efficiencies realized in implementing new financial, human resources and customer service systems and business processes will be first invested in improving services (access, responsiveness, turn-around time, communication, performance, dependability) vendor/supplier relations. And financial reporting. Some FTE may be repurposing to unmet needs or under supported areas and some may be eliminated through attrition.
-------------------	--

Taxes	
Town of LaSalle	Increase preapproved payments for taxes & utilities
Town of LaSalle	Investigate the establishment of an administration fee for all penalties (eg late payment of water bills, late payment of taxes)
Town of LaSalle	Integrate water billings with municipal tax billings

Field / Municipality	MSDR Cost Savings Recommendation
Town of New Tecumseth	<p>From our analysis of the different services delivered by the Town, it appears that the Town's restaurant operation is subsidized by the tax levy. A discretionary service delivered by the Town such as a restaurant should not be supported by the tax levy. There is an opportunity to consider alternative service delivery or simply the elimination of the restaurant service. The elimination of this service could provide the Town with immediate cost savings that are significant when considered over the longer term.</p> <p>Opportunity for improvement: Review the restaurant operation and consider either the contracting or elimination of the service. Potential cost savings</p>
Telephone System	
Municipality of Chatham-Kent	Review of live vs automated call centre
Transit	
Municipality of Wawa	<p>The Municipality offers both conventional transit and Handi-transit services and it operates similarly to a regular taxi cab service. There are no eligibility requirements in place and rides need to be booked in advance but can be done on the day of. Since the establishment of the service in 2006, ridership has increased and the cost per trip has decreased.</p>
Municipality of Port Hope	<p>Savings in transit – revised hours (1 hour off at end of Monday – Friday & Saturday hours) net \$23.5K savings per year capital (2 medium size buses vs larger buses) \$140K savings in purchases, \$18K savings per year in operating costs with smaller buses reduced advertising budget (ridership program) net savings \$19.5K per year</p>
County of Frontenac	Reduce capital costs for fleet
County of Frontenac	Reduce operational costs for fleet maintenance
Waste Management	
Municipality of Brockton	Review and assess the cost/benefit of blue box recycling targets to ensure ongoing reduction in landfill costs
Municipality of Brockton	Install signs at all landfill sites showing the cost savings of waste reduction to tax payers
Municipality of Brockton	<p>Review the vision and goals of BASWR to make sure they reflect the vision and goals of the seven member municipalities who hold shares in this cooperative Review long term recycling, population estimates, and provincial extended producer responsibility legislation to determine long term requirements for landfill; i.e. does Brockton need three landfill sites? Can Brockton afford three landfill sites?</p>
Municipality of Chatham-Kent	Reduce garbage collection frequency
Town of Cochrane	Implement semi-monthly garbage pickup (winter months only) \$38,000
Town of Espanola	Exploring the potential of bi-weekly collection of residential waste and recycling.

Field / Municipality	MSDR Cost Savings Recommendation
Town of Espanola	Exploring the acquisition of the landfill site
Town of Espanola	Exploring the potential of reducing the allowable bag limit from four (4) bags to three (3) bags
Town of Espanola	Exploring the acquisition of the landfill site
Town of Midland	Discontinue all leaf removal activities after upload of service to Simcoe County \$137,000
Town of Midland	Consider tendering current contract for sludge haulage and disposal, including potential for shared service arrangement with another municipality.
County of Perth	<p>In order to reduce the overall cost of landfill operations and gain increased efficiencies, the Perth Area Municipalities may wish to consider adopting a county-wide approach to landfill operations that could involve:</p> <ul style="list-style-type: none"> • Shifting responsibility for landfills to the upper tier. Based on information reported in the 2012 financial information returns, we note that landfills are an upper tier responsibility for all regions and districts (seven in total) as well as seven counties (out of a total of 23 counties); or • The selection of one or more landfills as the designated landfills for the Perth Area Municipalities; or • The continued operation of individual municipal landfills, with a common management function that provides the necessary reporting and management skills.
City of Owen Sound	<p>The Leaf & Yard Waste site was established under the MOECC Permit by Rule provisions and is in compliance with the requirements of that approval. The site receives an estimated 1,000 tonnes of leaf and yard waste every year. The site has uncontrolled access and as such sees considerable use by residents and contractors from surrounding municipalities. The site also experiences a degree of illegal dumping in part due to its proximity to the Miller Waste Transfer Station.</p> <p>In the past consideration has been given to staffing the site to prevent unauthorized use and illegal dumping and partial cost recovery through tipping fees and the sale of compost. Staffs consider it unlikely that operating costs would be significantly reduced due to staffing and capital improvement costs.</p> <p>The Leaf & Yard Waste Site could be closed for an annual cost savings of \$84,000 per year but would likely lead to a surge in illegal dumping of leaf and yard waste elsewhere in the City.</p>

Field / Municipality	MSDR Cost Savings Recommendation
District Municipality of Muskoka	<p>Calculate the savings that would result from reducing the period of weekly garbage collection from six months to two months and report to the PW Committee.</p> <p>Complete the cost savings calculation resulting from a reduction from six months to both two months and four months respectively to the PW Committee.</p> <p>Reduce the annual limit on the number of garbage bags that may be set out at the curb by 52 bags. Quantify the savings generated by reducing the annual bag limit by 52 bags.</p>
Township of Schreiber	<p>Township currently provides weekly garbage collection to residents and could potentially achieve cost savings by adjusting the collection cycle to bi-weekly collection during the winter months, which is present in other municipalities or expand on this to a year round collection cycle. However, shifting to bi-weekly collection in the winter months only is based on concerns that the accumulation of trash during summer months would result in odour issues as well as the attraction of bears. Council may wish to pursue this adjustment as a pilot project for determined length of time (e.g. one year) and evaluate the efficiency and effectiveness of the program.</p>
Township of Schreiber	<p>Explore the potential of implementing a bag tag program. The Township has a garbage collection bylaw which sets out the maximum size of container that can be placed for the purpose of garbage collection by the third party provider. If the Township wishes to permit more waste be placed for collection, the Township may wish to establish a 'bag tag' program which allows residents to purchase tags for any additional waste</p>
Township of Terrace Bay	<p>Pay as you throw fee structure for garbage collection: Garbage collection is heavily subsidized in the taxes and our goal is to work towards cost recovery (similar to water)</p>
Township of Terrace Bay	<p>A bag tag (cost for each can at the curb) will provide an incentive to recycle (which will be free and larger businesses, schools, institutions and multi-res will be charged based on how long it takes to pick up their waste.</p>
Water	
Town of LaSalle	Remote Water Meter Reading
Town of LaSalle	Online Viewing of water usage
Town of Midland	Reduce frequency of water billings to bi-monthly
Town of Midland	Consolidate water and utility billings
City of Waterloo	<p>Transfer of Water Backflow Program to Water Services - The Backflow Program was originally established in the Building Standards division because it was seen to be a regulatory service more aligned to building code. Discussion with staff indicates that there is greater alignment with the Water Services division since the program is regulated under the Safe Drinking Water Act. Accordingly, the program's 2 FTE are transferred to the Water Services division.</p>

Field / Municipality	MSDR Cost Savings Recommendation
Municipality of Trent Hill	Water – Reduce weekend monitoring from one location using SCADA system on weekend, potential cost reduction of \$18,000. Eliminate weekend monitoring with potential cost reduction of \$32,000. Outsource meter reading with potential savings of \$8,000 a year.
Municipality of Trent Hill	Wastewater Treatment – bring operation of wastewater facilities in house and from a Water and Wastewater Department; projected savings of \$190,000 in water and sewer budget.
City of Timmins	Currently, the City does not have a consistent work order system for the management of water and wastewater treatment facilities, potentially leading to breakdowns and increased repair costs as a result of a lack of preventative maintenance. The City may wish to establish and implement a common work order system for all water and wastewater treatment facilities in order to ensure that preventative maintenance activities are undertaken when required, as well as to ensure the efficient use of municipal resources. Potential cost savings about \$100,000.
Township of Schreiber	Water and Waste Water - If the Township should decide to re-visit water and wastewater treatment operations, they may wish to monitor the costs for these services into 2015 and 2016 to collect more information relating to these services and identify any additional cost trends as part of future discussions about how to deliver the service including the impact of having a fulltime Director of Operations has from a capacity standpoint.
Municipality of Huron East	The Municipality of Huron East invested in the necessary water tanker vehicle to provide an enhanced response capability from the Brussels station. The Brussels station was now able to respond as the “closest station” to rural areas in the Grey Ward of Huron East. However, the water tanker capability in Brussels now provided the Municipality of Huron East with the opportunity to offer a service into an expanded rural area of Morris as “closest station” response at a cost that was comparable to or less than the amount Morris was paying for coverage from Wingham, but which also provided a significant revenue to the Brussels station which resulted in a lower annual operating cost for the taxpayers of Huron East.