



Council report

Meeting date:	March 2, 2021
Title:	Municipal Modernization Program – Intake 2
Prepared by:	Laura Johnston, CAO

Recommendation

That council receives report CAO Municipal Modernization Program – Intake 2 for information.

Executive summary

In 2019, the provincial government launched the first intake of the Municipal Modernization Program (MMP), a grant program for eligible municipalities to undertake service reviews or fund strategies to modernize and achieve efficiencies. West Grey successfully applied for a grant under the first intake for a compensation and organizational review.

Staff will be submitting an application under the “review stream” of intake two to complete a comprehensive operations review, intended to supplement the findings of the organizational review. There are no matching funds required for the review stream. The outcomes of the review will identify operations and process challenges, and propose efficiency measures and cost-saving options for the immediate and longer term.

Background and discussion

Under the first intake of the Municipal Modernization Program (MMP), West Grey received a \$50,000 grant for a compensation and organizational review. The review examined if West Grey is “right-sized” to meet current legislative demands and council and community priorities. The review identified notable gaps in wages and staffing as compared to municipal counterparts, as well as in relation to resourcing required to meet legislative requirements and community and council goals.

In January 2021, the province announced a second intake for eligible municipalities. There are two streams offered: a review stream and an implementation stream. As noted in the province’s program guidelines, “the review stream will provide funding for municipalities to undertake expenditure reviews with the goal of finding efficiencies and lowering costs”. The implementation stream provides cost-sharing grants for municipalities to undertake projects that implement the findings of previous reviews or other evidence-based reports. West Grey’s initial modernization program review established market comparison benchmarks and identified staffing needs to meet current demands. An operational review, under intake two, will



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further examine the corporation with a lens to identifying processes that are working well and revealing areas that require improvement or change. Of particular importance will be identifying and providing strategies to manage inefficient or outdated processes, procedures, approaches and technology, as well as identify cost-saving initiatives, enhanced service delivery opportunities and establishing key performance indicators and metrics.

To be eligible under this second intake, a review stream project must:

- 1) Be a review of municipal service delivery or administrative expenditures by an independent third-party reviewer for the purpose of finding savings and efficiencies. The review project could take a number of forms including:
 - a line-by-line review of the municipality's entire budget;
 - a review of service delivery and modernization opportunities;
 - a review of administrative processes to reduce costs.
- 2) Result in a report by the independent third-party reviewer that provides specific and actionable recommendations for cost savings and improved efficiencies.
- 3) Begin field work no earlier than January 26, 2021, with a final report completed and posted publicly on the municipal website by November 30, 2021.

To be eligible for funding, the municipality must confirm that it has fully spent or allocated the unconditional modernization funding provided by the province in March 2019. A summary of the 2019 modernization funding allocation is provided in the financial section of this report.

Legal and legislated requirements

Municipal Act 2001, as amended.

West Grey Bylaw 20-2020 Municipal Modernization Program Funding Agreement.

Financial and resource implications

The province expects that most review projects will cost between \$20,000 and \$150,000. Proposals are approved on a case-by-case basis and are dependent on available funding. Municipalities are eligible to receive funding up to the full amount of the third-party service provider's fees for the review. Municipal administrative costs, such as staff time, are not eligible.



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As well, the program will not cover review projects where:

- the goal is to identify opportunities for revenue generation or reductions in front line services; or
- the review does not result in a formal report prepared by a third party that the municipality is prepared to make publicly available online; or
- the object of the review extends beyond municipal accountability; or
- the review is related to requirements under the asset management regulation.

Regarding the allocation of \$642,347, the table below outlines how the municipality has spent, committed, or will be allocating the funds:

Offset Levy Increase	\$110,700
Police dispatch in cars equipment	\$16,000
E-scribe agenda software	\$26,125
MESH software iPads for public works patrol	\$5,100
E-solutions website	\$50,000
Equi-dox accessibility conversion software	\$5,100
TOMRMS document management system	\$20,000
Phone system upgrade	\$100,000
Council E-scribe meeting/voting enhancements	\$20,000
Electronic sign update	\$40,000
Office 365 software/email update	\$20,000
Waste management study	\$25,000
Online tax, water, payroll software modules	\$20,000
Fire dispatch technology update	\$45,000
Police radio equipment update	\$90,000
Software for complaint reporting, surveys, community engagement, intranet, etc.	\$50,000

Staffing implications

None.

Consultation

Kerri Mighton, Director of Finance/Treasurer



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Alignment to strategic vision plan

Pillar: Work together

Goal: Listen and empower

Strategy: Develop a customer service strategy to exercise industry best practices and instill a customer service first workplace culture

Attachments

None.

Next steps

Applications are due by March 15, 2021 with funding confirmation anticipated in May 2021. A final, public report is due and must be posted on the municipal website by November 30, 2021.

Respectfully submitted:

Laura Johnston, CAO