



TOWNSHIP OF MALAHIDE

# Service Delivery & Organizational Review

Final Report 2020



TOWNSHIP OF  
**Malahide**

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## Preamble

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Performance Concepts was retained by the Township of Malahide in March 2020 to undertake an evidence-based service delivery/organization design review under the auspices of the Province's Municipal Modernization Grant Program.

The COVID-19 state of emergency has impacted the execution of the Malahide review. Council interviews, staff interviews and stakeholder consultations were executed using online platforms with limited scope for interaction compared to the face-to-face approaches used pre-COVID-19 for similar assignments. As the COVID-19 recovery in Ontario moved into Stage 3, the Performance Concepts team was able to carry-out a July site visit to review various Public Works, Fire and other facilities.

While COVID-19 has impacted the execution of this Review, it has not compromised the validity of our team's independent 3<sup>rd</sup> party Findings and Recommendations contained in this Final Report. The Performance Concepts team is confident that this report meets all of the RFP deliverables set out by Malahide and satisfies the requirements of the Province's Modernization Review Funding Agreement.

Finally, Performance Concepts acknowledges the grit and resilience of Malahide Council and staff in moving this important project forward while simultaneously coping with the operational and public safety challenges posed by the pandemic.

## Executive Summary

The 2020 Malahide Township Modernization Review has been successfully executed by the Performance Concepts Consulting team.

This Final Report evaluates Malahide's "As Is" service delivery model and organization design, and delivers a range of "As Should Be" performance improvement recommendations. The recommendations have been organized into a phased *Do Now-Do Soon-Do Later* implementation Roadmap.

Some of performance improvement recommendations are within the exclusive purview of Malahide Council and staff to implement. Other recommendations will require shared service coordination with East Elgin local municipal partners and the County.

Malahide has benefited from competent municipal administration and a well-crafted service delivery model. However the post-COVID future calls for transformational change. Business as usual will not suffice given the daunting fiscal challenges now facing Ontario municipalities.

### The COVID-19 New Abnormal: Crushing Senior Government DEBT Loads

- The Province forecast a 2020-21 deficit of \$21 BILLION in March
- The Fraser Institute predicted the deficit will be \$29 BILLION (April 2020)
- The Province's independent Financial Accountability Officer has predicted a \$41 BILLION deficit (May 2020)
- Province just confirmed \$38.5B (August 2020)
- Province is looking at the Municipal Modernization Program to source significant \$ savings.
- Is Malahide ready to embrace significant change to buffer upcoming fiscal turbulence?

The Performance Concepts team has developed a mixture of "game changing" transformational recommendations as well incremental operational improvements. These recommendations have been organized into the phased implementation roadmap set out in the figures below.

The *Do Now* recommendations require action over the next year to i) secure important \$ and operational efficiencies and ii) build change management momentum towards the *Do Soon* phase. According to the roadmap, by the end of 2022 Malahide will have achieved significant efficiencies and will be well positioned to execute this review's signature recommendation around Springfield development.

DO NOW	
<b>DEVELOPMENT APPROVALS SERVICES</b>	<ul style="list-style-type: none"> <li>✓ Retain new Director of Development Services (Q4 2020)</li> <li>✓ Initiate service sharing dialogue with Bayham (Q1 2021)</li> <li>✓ Prepare detailed shared services business plan in partnership with Bayham</li> </ul>
<b>FIRE SERVICES</b>	<ul style="list-style-type: none"> <li>✓ Immediately execute recommended Tiered Medical Calls restructuring in Q4 2020 (including paging tool)</li> <li>✓ Initiate 1<sup>st</sup> Line of Defence planning/budget with Bayham</li> </ul>
<b>COUNTY ROADS</b>	<ul style="list-style-type: none"> <li>✓ Develop formal Council position on County funding model shortcomings in coordination with other Elgin local municipalities (Q4 2020). Base Council position on Findings/Recommendations in this report.</li> <li>✓ Initiate dialogue/discussion with County on funding model reform as part of 2021 budget process (Q4 2020).</li> </ul>
<b>SOLID WASTE MANAGEMENT</b>	<ul style="list-style-type: none"> <li>✓ Continue to work with Aylmer concerning common contract with 2 distinct service levels delivered with shared/overlapping pool of trucks.</li> <li>✓ Finalize RFP no later than Q1 2021...select contractor &amp; prepare for operations transfer in Q3 2021</li> </ul>
<b>AYLMER POLICING</b>	<ul style="list-style-type: none"> <li>✓ Complete public dialogue and commence with detailed negotiations to secure the already evidence-tested/3<sup>rd</sup> party endorsed Aylmer policing model (Q4 2020).</li> <li>✓ Provide notice to OPP in Q1 2021</li> <li>✓ Initiate detailed operational planning model/collaboration with Aylmer police service</li> </ul>

DO NOW	
<b>ECONOMIC GROWTH (Springfield Servicing)</b>	<ul style="list-style-type: none"> <li>✓ Develop 3-year business plan + detailed cash flow/revenue analysis (Q1 2021)</li> <li>✓ Initiate zoning changes as required</li> <li>✓ Commence developer(s) dialogue/consultations</li> </ul>
<b>PUBLIC WORKS FACILITIES</b>	<ul style="list-style-type: none"> <li>✓ Secure appropriate location</li> <li>✓ Prepare detailed Public Works Facilities Consolidation/Relocation Business Plan</li> <li>✓ Complete Functional Design</li> <li>✓ Perform Financing/Costing "Due Diligence"</li> </ul>
<b>KEY PERFORMANCE INDICATORS &amp; PLAN-DO-CHECK-ACT CYCLE</b>	<ul style="list-style-type: none"> <li>✓ Treasurer to develop KPI implementation work plan (Q2 2021) addressing KPI data collection challenges &amp; setting timeline to develop initial performance targets + results reporting for 2022.</li> </ul>
<b>ORGANIZATIONAL DESIGN</b>	<ul style="list-style-type: none"> <li>✓ Third Party Compensation Review to improve ability to attract and retain technically competent staff in a competitive labour market – a key lynchpin for generating performance improvement and securing transformation objectives.</li> </ul>

DO SOON	
<b>DEVELOPMENT APPROVALS SERVICES</b>	<ul style="list-style-type: none"> <li>✓ Initiate shared services business plan (Phase 1) with application intake at each municipality by common staff team</li> <li>✓ Commence with shared Committee of Adjustment</li> </ul>
<b>FIRE SERVICES</b>	<ul style="list-style-type: none"> <li>✓ Execute initial 1<sup>st</sup> Line of Defence work plan (Q1 2020)</li> <li>✓ Deliver 1<sup>st</sup> Line of Defence KPI reporting at year-end (Q4 2022)</li> </ul>
<b>COUNTY ROADS</b>	<ul style="list-style-type: none"> <li>✓ Evaluate continued delivery of County Road services based on County's response for restructured cost recovery model including 2 distinct transfers and a winter reserve funding tool</li> <li>✓ Execute detailed analysis of County roads winter control workload and costs from 2021 (Q1 2022). Utilize improved AVL data to conduct analysis.</li> </ul>
<b>SOLID WASTE MANAGEMENT</b>	<ul style="list-style-type: none"> <li>✓ Implement ongoing service delivery oversight model; including KPI reporting &amp; target setting in partnership with contractor</li> </ul>
<b>AYLMER POLICING</b>	<ul style="list-style-type: none"> <li>✓ Initiate/execute operational transition to new 10-year Alymer Policing model (Q1-Q2 2022)</li> <li>✓ Deliver KPI reporting/results evaluation at year-end (Q 4 2022)</li> </ul>
<b>ECONOMIC GROWTH (Springfield Servicing)</b>	<ul style="list-style-type: none"> <li>✓ Execute business plan (e.g. securing necessary staffing/consultant capacity) to initiate servicing for identified lands</li> </ul>
<b>PUBLIC WORKS FACILITIES</b>	<ul style="list-style-type: none"> <li>✓ Prepare "Shovel Ready" Capital Project <i>(Timing to be adjusted to qualify as "Shovel Ready" for a future/upcoming Federal/Provincial/Municipal infrastructure project – Could shift to "Do Soon")</i> <ul style="list-style-type: none"> <li>- Prepare and Execute RFP for Yard/Facility design</li> <li>- Select vendor &amp; prepare/endorse functional design plan</li> </ul> </li> </ul>
<b>KEY PERFORMANCE INDICATORS &amp; PLAN-DO-CHECK-ACT CYCLE</b>	<ul style="list-style-type: none"> <li>✓ Execute Treasurer's KPI work plan to improve data collection and establish annual target setting/reporting cycle</li> <li>✓ Integrate KPI targets for forward facing services (linked to the approved 2022 budget)...creating a results contract</li> <li>✓ Year-end results reporting coordinated with new forward facing service targets for the 2023 budget process</li> </ul>
<b>MODERNIZATION IMPLEMENTATION ROAD MAP</b>	<ul style="list-style-type: none"> <li>✓ Third Party Review on Implementation Progress</li> </ul>

The table below sets out a range of financial efficiencies; cost reduction, cost avoidance and revenue generation. These efficiencies will position Malahide on a sustainable operational and financial trajectory in a complex and challenging post-COVID environment. Innovative contract design (solid waste), facility consolidation (Public Works), LEAN streamlining (tiered medical response model), and service level enhancement at no extra cost (Aylmer policing) are all featured in the go-forward roadmap and the ledger of achievable efficiencies.

MODERNIZATION EFFICIENCIES				
RECOMMENDATION	COST REDUCTION/ SAVINGS	COST AVOIDANCE \$	REVENUE GENERATION	SERVICE QUALITY IMPROVMENT
<b>DEVELOPMENT APPROVALS SERVICES</b>	.25 FTE for eliminating prior CBO position (estimated \$20k-25k annually)			Improved Building Services coverage via Service Sharing with Bayham  Freed-up Council capacity via shared Committee of Adjustment
<b>FIRE SERVICES/ MEDICAL CALLS</b>	Reduced Tiered Medical Calls/Spending  Estimated \$100k savings dividend across next 4-5 budget years			Improved public safety via shared 1 <sup>st</sup> Line of Defence with Bayham
<b>COUNTY ROADS PROGRAM RESTRUCTURING</b>		Reduced \$ exposure during a severe winter season  Cost avoidance estimate of \$30k- \$40k for a severe winter due to County winter reserve draw		AVL technology upgrades to improve County road winter effort tracking/costs for re-imbursement
<b>SOLID WASTE MANAGEMENT CONTRACT RE- DESIGN</b>		Malahide/ Aylmer shared contract will deliver improved pricing (\$20k cost avoidance - an estimated 10% of annual pricing without sharing)		

<b>AYLMER POLICING</b>		Estimated \$4M cost avoidance for improved service level over 10-year contract		Improved Malahide “designated officer” policing service level... achieved for approximately \$4M less over ten years versus an OPP alternative
<b>ECONOMIC GROWTH (Springfield Servicing)</b>			Malahide to experience an estimated net tax revenue increase of \$470k to \$600k annually for first phase of serviced development (10 year estimated timeframe)	
<b>PUBLIC WORKS FACILITIES CONSOLIDATION</b>		Significant facility replacement avoidance of current 2 yards consolidated (\$4.5 million+ in avoided capital costs with fibre/membrane facility)		

Performance Concepts has also executed an organization structure “deep dive” in order to support the recommended service delivery change plan just outlined. Malahide’s “form follows function” organization re-design will build operational accountability around an empowered CAO - Council’s “single employee” freed-up from the burden of the Clerk role and able to deliver strategic and change management leadership in partnership with Council. Performance Concepts commends Council for already moving forward with important front-end elements of the re-designed organization proposal - including a new Director of Development Services who will lead the Springfield growth initiative.

A recommended 3<sup>rd</sup> party progress evaluation at the end of 2021 will ensure the roadmap is being rigorously executed in order to secure the incremental and transformational efficiencies identified in this Report.

## 3.0 Introduction

### 3.1 Introduction & Context for the Review

The Township of Malahide is a local municipality situated on the eastern side of Elgin County. Malahide has undertaken this Service Delivery and Organizational Review with the ultimate goals of delivering high value-for-money services and securing a financially sustainable future despite a daunting post-COVID “new abnormal” period of provincial-municipal uncertainty.

The Performance Concepts team has successfully executed the Review as per the requirements of the Malahide RFP; producing a re-designed “As Should Be” organizational structure and service delivery model that represent best practices, secures cost-avoidance and revenue generation efficiencies, and embraces innovative alternative solutions.

Beyond the Township’s initial RFP requirements, Performance Concepts was also tasked by Council with executing a series of “deeper dives” into specific performance improvement issues/opportunities. These deeper dives include the following:

- County Roads Winter Control and Summer Maintenance
- Evaluation of an alternative policing model offered by the Aylmer Police
- Potential Recreation service delivery enhancement
- Identification and evaluation of new East Elgin Shared Services opportunities

### 3.2 Weathering the Storm

As noted in the Preamble to this Report, the Performance Concepts team has executed the majority of the approved work plan using an interactive set of online delivery platforms and tools. Once Malahide entered into Phase 3 of the post-COVID recovery, our team was able to execute required site visits to evaluate a range of municipal facilities with specific focus on Public Works Yards.

Despite the challenges posed by closed Township offices and social distancing/infection control protocols, our team has completed the Review on time and on budget. Malahide staff and Council have been cooperative, responsible and flexible throughout the Review period. Staff from East Elgin neighbour municipalities, the Aylmer Police Service and the OPP have also participated in the Review with courtesy, creativity and professionalism.

### 3.3 Post-COVID Provincial Financial Realities

The Province's Municipal Modernization Grant Program pre-dates the pandemic. The stated intent of the Provincial program is to support municipalities that are committed to identifying and implementing service delivery efficiencies. In the professional opinion of the Performance Concepts team, Modernization Review efficiencies are best measured by using a blend of the following performance lenses:

- Operating cost reduction/cost avoidance secured while maintaining an existing level of service.
  - Capital cost reduction/avoidance secured via rational asset/facility management decisions.
  - Process execution/staff productivity improvements secured via LEAN style streamlining and IT driven service delivery innovations.
  - Fixed-cost burden sharing of staff positions, equipment, IT systems and facilities across neighbouring municipalities.
- Pre-COVID, public statements by the Premier indicated that Municipal Modernization Program efficiency dividends of 4% to 5% of targeted spending were expected. In other words, the Province's Municipal Modernization Program was conceived to secure *incremental \$ efficiencies* across the municipal sector.
  - Pre-COVID, the Province's incremental improvement model for the municipal sector seemed reasonably scaled and achievable. But now, in the midst of the pandemic, the context and stakes for Municipal Modernization reviews have changed dramatically. The figures below are instructive in this regard. A new provincial-municipal financial reality is now at hand.

#### The COVID-19 New Abnormal: Crushing Senior Government DEBT Loads

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• The Province forecast a 2020-21 deficit of \$21 BILLION in March</li> <li>• The Fraser Institute predicted the deficit will be \$29 BILLION (April 2020)</li> <li>• The Province's independent Financial Accountability Officer has predicted a \$41 BILLION deficit (May 2020)</li> <li>• Province just confirmed \$38.5B (August 2020)</li> </ul> | <ul style="list-style-type: none"> <li>• Province is looking at the Municipal Modernization Program to source significant \$ savings.</li> <li>• Is Malahide ready to embrace significant change to buffer upcoming fiscal turbulence?</li> </ul> |
|--|---|

Figure 1 - Provincial Debt Estimates and Impact

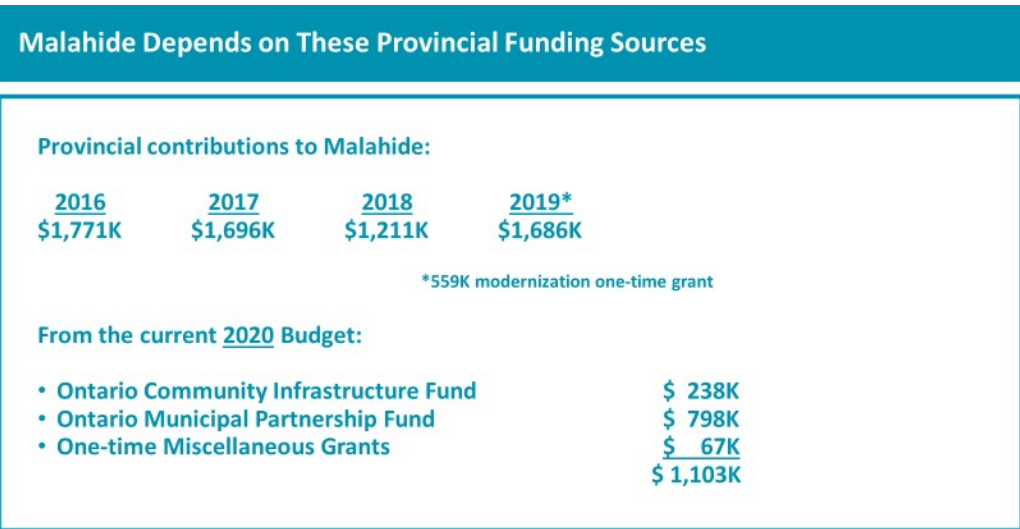


Figure 2 - Malahide's Provincial Funding Exposure

### 3.4 Asset Management Pressures and Ontario Reg 588/17

The Province has mandated a sustainable asset management model for phased adoption across the Ontario municipal sector. By 2023, Ontario municipalities must implement the following asset management model/components:

1. Comprehensive asset inventory.
2. Asset condition ratings.
3. Measurable asset preservation service levels (i.e. asset quality to be maintained over time).
4. Sustainable life-cycle asset management maintenance/capital program.
5. Sustainable rehab/replacement financial plan to maintain service levels & implement life-cycle program.

Reg 588/17 mandates “good government” sustainable asset management practices and accountable stewardship of taxpayer-funded public assets. Municipalities will no longer be able to “kick the can down the road” by eroding asset quality over time in order to avoid politically or financially difficult life-cycle capital funding commitments. Much work remains to be done across Ontario municipalities to meet the mandated requirements of Ontario Regulation 588/17 by the fast-approaching 2023 deadline.

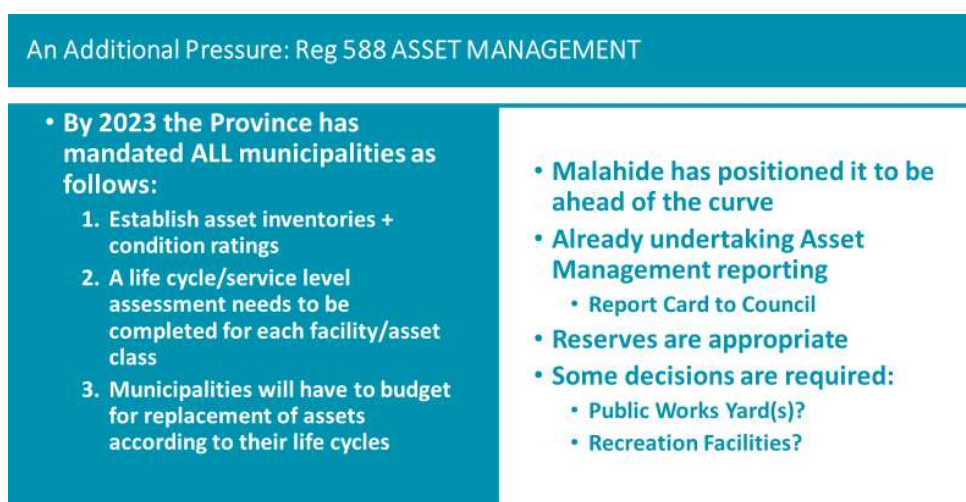


Figure 3 - Asset Management Implications

Fortunately, Malahide has already made significant progress in meeting the challenges posed by the Province’s mandated asset management model. Malahide’s asset management report card demonstrates the required competencies to proactively manage life-cycle financial risk moving forward. Performance Concepts is confident that Malahide will meet the 2023 compliance deadlines set out in Regulation 588/17.

ASSET GROUP	2017	2018	2019	TREND	COMMENTS (major factors impacting scores)
Condition-based Ratings					
ROAD BASE	B+	B+	A-	➡	Condition is good and is sustainable for the foreseeable future.
ROAD SURFACE	A-	A-	A-	➡	Condition is good and is sustainable for the foreseeable future.
BRIDGES	B+	B	B+	➡	Two critical bridges were replaced in 2017. (B-6 - Broadway St, C-18 - Pressey Line East). One critical bridge scheduled for replacement in 2020 (B-5 - Pressey Line West).
CULVERTS	C+	C+	C+	➡	Three culverts have been identified for major rehabilitation or replacement over the next 5-10 years. (C-12 - Glencolin Line, C-13 - Rogers Road, C-15 - Hacienda Road)
Age-based and Staff-evaluated conditions					
STREET LIGHTING	A+	A+	B+	➡	Streetlights were replaced in 2014 with LED and are in excellent condition. Condition rating is affected by the age and condition of the streetlight arms. Most arms are several years older and in fair condition.
SIDEWALKS	A	B+	A	➡	Most sidewalks replaced over last few years, following Sidewalk Master Plan.
VEHICLES	C	C	B-	⬆	Vehicles have not been routinely replaced on a timely basis and are frequently held past "end of life" time frames. In 2019, Roads department developed a Fleet Replacement Plan to address overall needs of the Township over the long term.
BUILDINGS	B-	B-	B-	➡	Two critical buildings were replaced in 2018. Three others (roads department) have been identified as requiring major rehabilitation or replacement over the coming 5-7 years.
EQUIPMENT	C+	C+	C+	➡	Age indicates fair condition but most assets are functioning within acceptable parameters. Appropriate replacement schedules are in place (i.e. computers, bunker gear).
LAND IMPROVEMENTS	C	C	C	➡	Age indicates fair condition but most assets are functioning within acceptable parameters (i.e. gravel parking lots).
PIER	F	F	F	⬇	Major rehabilitation or replacement of the pier was beyond the scope of the Township's asset management plan, however, work had to be undertaken in 2019 to address critical, high risk issues. Completion of the work in 2020 will result in a rating of A.

**Figure 4 - Township of Malahide 2019 Asset Management Report Card**

The impact of a crushing Provincial debt load on municipal/provincial finances will soon compel Malahide to implement aggressive cost-avoidance and operational efficiencies. While the Premier has announced that the Municipal Partnership Fund \$ allocations will remain unchanged for municipal budget year 2021, the Province has been conspicuously silent on the continuation of this “foundational” grant program in future years.

Performance Concepts has executed this Modernization review to contribute bold, potentially transformational recommendations to address the new fiscal reality that is fast approaching our municipal clients across Ontario. Incremental improvement actions are welcome, but inadequate to address the challenges at hand.

## 4.0

## Methodology Overview

## 4.1

### Doing the Right Things. Doing Things Right.

An effective Service Delivery Review addresses two fundamental/overarching questions as per the figure below.

1. Accountable and innovative Municipalities strive to ensure they are ***Doing the Right Things***
2. Accountable and innovative Municipalities strive to ensure they are ***Doing Things Right***

#### Principles for Efficient Service Delivery



This Modernization Review has addressed ***Doing the Right Things*** via a "Who Does What" service sharing investigation with East Elgin neighbour municipalities. The Review has also addressed a promising alternative service delivery option for Aylmer/Malahide policing, and advocated for growth/development in the Springfield community.

This Modernization Review has also addressed ***Doing Things Right*** imperatives around execution by assembling a range of operational improvement recommendations dealing with data management practices, firefighter deployment, County road maintenance program reform, and Township organization design.

## 4.2 Evaluating Malahide's "As Is" Model for Service Delivery

### 4.2.1 "As Is" Service Delivery Model

The Performance Concepts team has executed a wide-ranging evaluation of the Township of Malahide's "As Is" current state. The "As Is" current state evaluation has included organization design, operational practices and processes, staffing levels, deployment/scheduling models, information management systems, spending profiles, and facilities design/adequacy.

### 4.2.2 "As Is" Organization Design

The Township of Malahide provided the existing "As Is" Organizational Chart. This chart formed the basis for creating and evaluating the service functions and service clusters the Township is currently offering.

### 4.2.3 Service Inventory and Key Performance Indicator Framework

To further inform the organization design and the review of the effectiveness of the service offering of the Township, the Performance Concepts Team worked closely with staff to create a series of Key Performance Indicators for those services considered "forward facing" or the ones that the ratepayers and citizens of Malahide have come to expect.

## 4.3 Consulting with Malahide Staff, Council & East Elgin Peer Municipalities

A comprehensive set of Malahide staff interviews have been executed by the Performance Concepts team. A series of small group working sessions have also been executed across Township departments.

Council interviews dealing with both strategic performance improvement issues and governance "change" priorities complemented the operational improvement dialogue with Malahide staff.

East Elgin CAOs were consulted regarding potential service sharing opportunities involving staff, equipment, training, and facilities.

## 4.4 Consulting Malahide Community Groups

Malahide enjoys the benefits of community groups and individuals that are prepared to work with Council and Township staff to create a varied offering of programs and services (with little impact on the tax base). A number of these groups were consulted.

## 4.5 Facilities Evaluation

Performance Concepts has evaluated asset management/facility consolidation opportunities re. Malahide public works yards; identifying significant capital replacement cost avoidance efficiencies.

## 4.6 Municipal Best Practices

Performance Concepts identified areas for improvement and alignment within the Township of Malahide's Service Delivery and Organizational Design.

To provide context for the recommendations, the Performance Concept team provided examples of similar issues with recommendations adopted and being implemented by municipalities across Ontario.

These case studies provide context and examples of best practices within the municipal sector to help validate the recommendations of the report and to help Council and Staff mitigate implementation risks.

## 4.7 Service Sharing Exploration with East Elgin Municipal Peers

Malahide's CAO and the Performance Concepts team-initiated discussions with the Aylmer, Bayham, and Central Elgin CAOs around potential service sharing opportunities. Performance Concepts also executed one-on-one interviews/working sessions with these CAOs to identify potential areas of bilateral or multi-lateral service sharing "deals" to be considered on a go-forward basis. A number of promising service sharing opportunities have been subjected to due diligence by the Performance Concepts team, using operational/org chart data as appropriate.

### 4.7.1 Aylmer Policing Proposal

At the direction of Council an impartial 3<sup>rd</sup> party "deep dive" was executed by Performance Concepts around an alternative policing model. This "deep dive" focused on an Aylmer shared policing proposal that had already been presented to Malahide by the Chief of the Aylmer Police Service. After conducting an evidence-based, value-for-money analysis of the Aylmer proposal, Performance Concepts prepared an accelerated interim report for Council and facilitated a Council briefing. The Performance Concepts Aylmer policing interim report is included as an appendix in this Final Report. This report continues to inform Malahide Council's public consultations concerning the Aylmer policing proposal.

## 4.8 Designing the "As Should Be" Future State

### 4.8.1 "As Should Be" Service Delivery Model

The Performance Concepts team has developed a comprehensive set of "As Should Be" performance improvement Findings/Recommendations that cut across the entire organization. These recommendations will deliver measurable benefits from a variety of efficiency perspectives/lenses:

- Operating cost reduction
- Capital Cost avoidance
- Taxable assessment/revenue generation
- Service level value-for-money improvements.

#### 4.8.2 “As Should Be” Organization Design

The Performance Concepts team has developed a comprehensive organization re-design package for Malahide. The organization re-design package transitions Malahide through a series of interim re-design steps before arriving at a mature end-state in 2022. The “As Should Be” organization re-design recommendations package and supporting materials were reviewed with the CAO and Council in July/August 2020. Council has indicated its support in principle for the re-design package and implementation has commenced via the hiring process for a new Director of Development Services.

#### 4.9 Stress-Testing of Draft Findings & Recommendations

A draft package of performance improvement Findings/Recommendations has been stress-tested with the CAO and appropriate Township staff prior to submission of this Final Report. Stress testing feedback has informed the final package of Recommendations without compromising the objective 3<sup>rd</sup> party “truth to power” approach taken by the Performance Concepts team.

#### 4.10 Refining Recommendations & Building the Draft Implementation Roadmap

An integrated final set of set of Findings/Recommendations prepared by Performance Concepts is featured in this Final Report. An Implementation Roadmap has triaged our team’s Recommendations into *Do Now* (2020/2021), *Do Soon* (2022) and *Do Later* (2023 and Beyond) phases.

#### 4.11 Final Reporting to Council

##### 4.11.1 Final Recommendations and Roadmap

The Final Report is ready for presentation to Malahide staff and Council. Following a Final Report presentation, Malahide can proceed with Report submission to the Province as per Modernization Grant Program requirements.

##### 4.11.2 Reporting of Efficiencies to the Province

Measurable efficiencies have been documented and a financial summary table has been prepared to expedite reporting to the Province as per Modernization Grant Program requirements.

## 5.0

## Consultation: Stakeholder Themes and Messages

Performance Concepts began the Township of Malahide's Service Delivery and Organizational Review just as the Province began its lock-down/isolation and emergency response to the COVID-19 pandemic. Traditionally, our consultations would entail face-to-face interviews, round tables with stakeholders and township hall meetings.

Due to the pandemic, this Review was the first with the consultations conducted virtually and remotely using video conferencing technology. Performance Concepts was able to undertake multiple consultations with both internal and external stakeholders, despite the limitations of the COVID-19 restrictions.

Our team would like to thank Council and Staff for embracing and accommodating the technology necessary to conduct a fulsome review during this difficult time.

## 5.1

### Internal Consultations

Council interviews dealing with both strategic performance improvement issues and governance "change" priorities complemented the operational improvement dialogue with Malahide staff.

Council has also received accelerated "interim" Findings/Recommendations around Aylmer/Malahide Policing and Township organization re-design. Interim reporting packages are included as technical appendices to this Final Report

## 5.1.1

#### Malahide Council

Performance Concepts conducted a series of interviews with the Mayor and each member of Council.

Themes that emerged from the Council dialogue are as follows:

- Malahide delivers the services that the citizens expect. Council believes there is currently no significant public demand for new services or expanded service levels
- Staff is dedicated and professional, but there are opportunities to improve communication and results reporting with Council
- Council recognizes that there is a clear opportunity for Malahide to grow its assessment base
- Council has historically embraced the concept of shared service delivery, but business cases are required to demonstrate/document the case-by-case benefits to Malahide taxpayers
- Council is aware that there are opportunities for streamlining processes within and between Township departments.

Council indicated that they were prepared to embrace change, but not just for the sake of change. There must be a compelling business case to make significant modifications in the current municipal operations model.

Performance Concepts has provided three interim updates to Council during the execution of the Review work plan:

- i. Kick-Off Presentation
- ii. Police Deep-Dive results; and
- iii. Progress Update/Organizational Design Impacts

All of the updates were provided remotely using the Township's virtual Council Meeting platform.

### 5.1.2 Malahide Staff

A comprehensive set of Malahide staff interviews have also been executed by the Performance Concepts team. A series of small-group working sessions were also executed across Township departments. Additionally, the Performance Concepts team had a series of individual interviews with Department Heads and key operational staff. These interviews and working sessions have focused on evaluating the "As Is" service delivery model and identifying potential performance improvement opportunities.

Interactive round-tables were held with the Senior Leadership Team to gauge their appetite for change and their preparedness to undertake a comprehensive Review. Particular attention was paid to the staff team's capacity to populate a scorecard composed of Key Performance Indicators (KPIs).

Ongoing project coordination/dialogue with the CAO and Treasurer also supported the identification of potential performance improvement and cost avoidance opportunities by the Performance Concepts team. The CAO has been instrumental in fostering an organization design dialogue based on "form following function".

## 5.2 External Stakeholders

### 5.2.1 East Elgin Municipal Peers

East Elgin CAOs were consulted regarding potential service sharing opportunities involving staff, equipment, training and facilities. The Performance Concepts team has also maintained a "watching brief" around the service sharing issues being considered as part of the Elgin County modernization review.

## 5.2.2

**Recreation Service Providers**

To more fully understand the delivery model for Recreation and Community Services across the Township, Performance Concepts conducted interviews with Community Organizations, Service Groups and appropriate local individuals.

We interviewed the following stakeholders:

- Head Librarian – the interaction with the Township and participation of the YWCA
- Knights of Columbus – the operations and funding of the East Elgin Soccer League and fields
- South Dorchester Optimists – the operations of the Township facilities
- Tae Kwon Do Program provider – program delivery for unique/one-off recreation programs
- Local Lioness chapter of Lions Club International – community services and events
- Springfield Brewers – baseball diamond partnership
- Other individuals that rent or use space in the Township's Facilities

These interviews confirmed the value that these stakeholders place in the partnerships/relationships they have developed with their municipal government over time. The dialogue confirmed the lack of appetite to relinquish their efforts and have the Township provide these services directly. This low cost/no cost "status quo" approach has informed the findings of this Review regarding the Community Services Coordinator role and the go-forward role/degree of involvement of the municipality

## 6.0

## “As Is” Current State

After executing our team’s detailed “As Is” evaluation of service delivery in Malahide, the following observations are deemed noteworthy:

- Malahide staff display widespread competence and professionalism in the execution of their duties.
- Service delivery/administrative processes are reasonably efficient and do not exhibit significant or obvious deficiencies, choke points or customer service response lags.
- Current staffing levels are largely sustainable, in no small part because managers and frontline staff across departments deliver cross-functional support for each other.
- By avoiding excessive specialization, Malahide staff have been able to generate efficiencies not commonly found in larger, somewhat bureaucratic municipalities.

The Performance Concepts team has focused this Review on larger strategic issues to secure necessary “game-changing” efficiencies and go-forward financial sustainability. Our “go big” efficiencies strategy was justified in part by the absence of identified operational inefficiencies in Malahide’s day-to-day operations.

## 6.1

### Service Delivery Models

## 6.1.1

#### Fire & Emergency Services

The Malahide Fire Department is a competently managed and well-trained fire service that is respected by municipal peers for its training and suppression expertise. Service delivery activities are overseen by a full-time Chief, a part-time Chief Training Officer and a Chief Fire Prevention Officer. A total of 77 staff deploy from three modern Stations to serve the needs of the Township. As with the other Elgin County fire departments, Malahide Fire is dispatched through a contract with the Tillsonburg Fire Department communications centre.

##### First Line of Defence

Section 2 (1) of the Province’s Fire Protection and Prevention Act, 1997, S.O. 1997, c. 4 requires that a municipality shall:

- establish a program in the municipality which must include public education with respect to fire safety and certain components of fire prevention; and
- provide such other fire protection services as it determines may be necessary in accordance with its needs and circumstances.

To comply with this requirement, the Malahide Fire Department has developed a robust Fire Safety Inspection and Fire Prevention program. During 2019, 52 fire safety inspections were conducted, and

fire prevention programming reached the equivalent of 25% of the Township’s population - a noteworthy result.

### **Suppression and Emergency Response**

Section 4.3.2 of NFPA 1720, sets out a rural emergency response standard of service for communities with a population of less than 500 people per square mile. The rural emergency response service standard is 6 firefighters on scene within 14 minutes, at least 80% of the time. The Malahide Fire Department consistently meets this response standard.

The Malahide Fire Department has also recently received recertification as an Accredited Superior Tanker Shuttle Service with the Fire Underwriters of Canada. Accredited Superior Tanker Shuttle Service is a recognized equivalency to hydrant protection, providing rural property owners with discounted property insurance rates similar to those in communities with municipal water supply systems. Malahide firefighters are NFPA 1001 certified and perform both exterior and interior structural firefighting and rescue.

In addition, the Department has trained staff that perform low bank and high angle technical rescue, confined space rescue, water and ice rescue, and vehicle extrication.

During 2019, the Department responded to 360 emergency calls, including 37 fire calls. The following data are instructive:

- Almost two-thirds of the calls (232) were medical tiered response calls
- The average response time (1<sup>st</sup> on scene) for all incidents was 10 minutes 40 seconds
- An average of 9.66 firefighters attended each incident (10.85 at other-than-medical calls)
- Malahide met the NFPA 1720 staffing requirement 95% of the time.

The Department has a very aggressive medical tiered response program, until recently responding with Elgin County Paramedics for all Code-4 emergency calls. Firefighters are well-trained for this activity, being certified Medical First Responders and able to utilize Automated External Defibrillators and administer both Naloxone and Epinephrine for life-threatening emergencies. Despite being properly trained and equipped, medical research has concluded that a significant majority of the Code-4 medical calls responded to by Ontario fire departments do not require timely medical interventions of this nature.

The Chief should be commended for recently adopting changes to tiered response “trigger” criteria that should significantly reduce the number of medical tiered response calls the Department responds to without negatively impacting the population. Unfortunately, during COVID-19, it has been impossible to evaluate the impact of these changes. Performance Concepts has developed additional recommendations for “right sizing” tiered medical response by Malahide Fire. These recommendations are detailed in the “As Should Be” section of this Final Report.

### **Shared Services**

The Malahide Fire Department prides itself on its training expertise and high quality facilities, leveraging these strengths through sharing opportunities with other municipalities and levels of government. A co-operative training program exists with the Strathroy and Middlesex-Centre fire departments. MTO DZ Driver Certification is provided by Malahide instructors for all Elgin County fire departments, fire departments in Middlesex County and the OPP. These initiatives/arrangements generate an annual revenue of \$30,000-\$50,000 for Malahide - offsetting the property tax burden to residents.

As well, the Department participates in the Elgin County Fire Departments Mutual Aid Program; has an Automatic Aid Agreement with the Municipality of Central Elgin to provide services to specific areas of the Township; and participates in the afore-mentioned Elgin County Fire Dispatch contract with the Tillsonburg Fire Department.

#### **6.1.2 Policing**

Malahide Township is a participant in the Elgin Group municipal policing contract with the Ontario Provincial Police. The OPP uses an integrated service delivery model at detachments where municipal policing services are provided to contract and non-contract municipalities; while Provincial policing commitments on Provincial highways, etc., are also being met. The OPP currently provides municipal policing to more than 320 Ontario municipalities.

The OPP divides Elgin County into three patrol zones, with two officers assigned to the East side (Malahide and Bayham) 24/7 when staffing allows. Other OPP officers are assigned to proactive measures across the entire County. These County-wide measures include a rotating traffic team, a community mobilization engagement officer, and a community services officer.

During our initial project interactions, the Performance Concepts team was made aware of a proposal under consideration for the Aylmer Police Service to provide policing for the Township of Malahide. Similar shared policing models have been implemented in recent years by the Townships of Cavan Monaghan and Selwyn with Peterborough, the Town of St. Mary's with Stratford, and the Town of Amherstburg with Windsor. The experience of these communities indicates that bilateral policing partnerships are a practical, effective and cost-effective alternative to OPP delivery.

At the direction of Malahide Council, a “deep dive” evaluation of the Aylmer policing proposal was executed by the Performance Concepts team. After conducting an evidence-based, value-for-money analysis of the Aylmer proposal, Performance Concepts prepared an accelerated interim report for Council and facilitated a Council briefing. The Performance Concepts Aylmer policing interim report is included as a technical appendix in this Final Report.

## 6.1.3

## County Road Maintenance and Winter Control Program

Malahide delivers Road Maintenance and Road Winter Control services across its own road network of 506 lane kilometres, as well as the County network of 146 lane kilometres. The County arterial roads fall into MMS categories 2-4, while Malahide local roads fall into categories 3-6. Winter Control service levels are mandated by the Province according to MMS road class. These mandated service levels define the amount of accumulated precipitation required to trigger a winter event response by a municipality, as well as the timeframes for a post-event plowing clean-up.

County road service levels are significantly higher than Malahide road service levels. However, Malahide winter control routes integrate County roads and local roads in order to maximize routing efficiency (i.e. minimizing unproductive plow “blade up” time). This routing integration complicates efforts to track County and local winter control effort (and costs) separately. Ideally AVL equipped plows would be able to track machine hours and material spread by individual County and local road sections. However, Malahide has not yet progressed to this level of technical sophistication with its AVL toolkit and service provider. Progress is required to secure an operational ROI from Township AVL technology.

Winter Control is a challenging municipal service to plan and deliver from a risk management perspective. The fixed costs of winter service delivery are readily predictable. A certain number of machine hours/staff hours are deployed at the beginning of the winter season to cover a series of pre-planned winter control routes. In contrast, the variable costs of winter control are almost impossible to predict. Variable costs are driven by the number of winter event responses, which are in turn driven by the number of winter events. Winter events are not all the same. They vary in intensity; some are major system-wide events of long duration. Others are shorter in duration or require only a partial system response. In short, weather is an indeterminant system that defies accurate forecasting of required machine hours/spread material. Winter event *budgeted* work/costs can vary significantly from winter *control actual* work/costs.

The following figure is based on Malahide staff estimates of County road and local road winter control effort and costs. These estimates lack precision as noted above - actual pass kilometers of effort during winter events cannot be segregated by MMS road class (yet) due to limitations in AVL data management and reporting. Caution should be therefore be taken in establishing ironclad inferences from the data. With appropriate caveats in mind, the winter control data below is nonetheless instructive when evaluated at a high level.

**Winter Control Roads Profile**

<b>County</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>Average</b>
Lane KM	146	146	146	146	<b>146</b>
Winter Machine Hours	5,852	5,103	5,981	6,383	<b>5,830</b>
# Winter Events	69	75	83	79	<b>77</b>
Machine Hours/Lane KM	40.1	35.0	41.0	43.7	<b>39.9</b>
Expenditures	\$320,551	\$314,539	\$399,195	\$336,231	<b>\$342,629</b>
\$/Lane KM	\$2,196	\$2,154	\$2,734	\$2,303	<b>\$2,347</b>
\$/Winter Event	\$4,646	\$4,194	\$4,810	\$4,256	<b>\$4,476</b>

**Figure 5 - County Roads Winter Control Profile****Winter Control Roads Profile**

<b>Malahide</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>Average</b>
Lane KM	506	506	506	506	<b>506</b>
Winter Machine Hours	5,103	1,351	2,358	2,001	<b>1,792</b>
# Winter Events	66	62	77	79	<b>71</b>
Machine Hours/Lane KM	2.9	2.7	4.7	4	<b>3.5</b>
Expenditures	\$122,620	\$134,421	\$209,824	\$197,487	<b>\$166,088</b>
\$/Lane KM	\$242	\$266	\$415	\$390	<b>\$328</b>
\$/Winter Event	\$1,858	\$2,168	\$2,725	\$2,500	<b>\$2,313</b>

**Figure 6 - Township Winter Control Profile****Observation Across 2016-2019:**

1. County "accumulated precipitation" triggers generate more winter event responses per season compared to Malahide local roads (77 average County road event responses versus 71 Malahide local road responses). County arterial roads require sustained de-icing/plowing throughout a winter event; thereby requiring significant machine hours of response by Malahide that would not be required for its own local roads.
2. Malahide estimates that its staff deliver *more than 10 times as many machine hours of work per County lane km versus its own roads* (39.9 hours per County lane km versus 3.5 hours for Malahide). Malahide's core winter control delivery model is driven by County service level drivers, not by the service level drivers of its own road network. Malahide deliver 300% more machine hours to the County system than its own system – despite-the-fact that the County system has less than one-third the number of lane kilometres.
3. Both County and Malahide winter control spending patterns in given years display considerable variation from the average spending pattern across 2016-2019. Because the County road system annual work output (machine hours) is so much higher, the dollar amount of spending variation from the average is also significantly larger. For instance, the reported 2018 spending

on County roads was \$84,656 higher than in 2017. This spending variation spike between 2017 and 2018 represented approximately 25% of average annual spending between 2016-2019. The data reveals that the indeterminate nature of winter weather represents a major source of winter control budget/spending risk for Malahide. The County road system is the primary driver of this financial risk. Neither Malahide nor the County have established a winter control reserve fund to manage this weather driven risk.

The County's road funding allocation to Malahide is structured as a single annual fixed/predictable block transfer of \$ for both winter and non-winter control maintenance activities (see Figure below). The County's annual transfer amount is tied to a CPI escalator - not to actual cost variations driven by winter weather variations. The County has successfully insulated itself from the financial risk associated with winter event variation across seasons. This winter control budget risk has been transferred to Malahide.

2017	2018	2019	2020
BASE YEAR	1.3%	2.5%	1.7%

\$ 684,288	\$ 693,184	\$ 710,514	\$ 722,593
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**Figure 7 - Annual County Contribution to Road Maintenance**

Once winter control spending consumes a varying portion of the annual County transfer, the remaining annual funding is available for non-winter maintenance activities. Since neither the County nor Malahide have established a Pavement Condition Index quality standard/target to measure the downloaded County lane kilometres, it remains unclear whether the County road network is being properly maintained/preserved from an asset management perspective.

#### 6.1.4 Community Services

Malahide's Community Service Delivery model is limited to the provision and coordination of facilities use between the various community groups and organizations that directly deliver the community services in Malahide.

There is also a limited grant program that the Township administers on an annual basis to support various not-for-profit and service groups.

Feedback from Council, Staff and the various External Stakeholders indicates that the status quo is the preferred option for all affected parties. The Community Groups and the Township have viable working partnerships, and these partnerships should be maintained as-long-as possible.

## 6.1.5

**Public Work Facilities**

The Performance Concepts team’s initial review of Malahide’s physical assets was limited to drive-by assessments of Township facilities, supplemented by staff comments/data on asset condition. Once the Southwest Public Health Region moved to COVID Stage 3 status, Performance Concepts executed an on-site visit to evaluate the functionality/asset condition of the two Public Works yards identified as requiring replacement in the Township’s Asset Report Card. Appropriate social distancing and mask usage were practiced during the site visit.

Currently there are two pre-amalgamation Public Works facilities in Malahide Township - the South Garage at 49358 John Wise Line and the North Garage at 13325-13255 Imperial Road. Under normal circumstances staffing operations are conducted out of the South Garage; with the North Garage only used for material and sign storage. However, during COVID-19, the North Garage has been utilized to better accommodate staff due to restricted room at the South Garage.

**SOUTH GARAGE**

The South Garage consists of three buildings:

- The older building is a combination of four bays for material storage and three 14’ wide bays for trucks. The de-icing tank farm is located within one of the bays. Date of construction is unknown.
- The newer building was constructed in 1979 according to the septic permit and consists of eight 16’ wide truck bays with office space on the mezzanine and under the mezzanine stairs.
- A retired school portable classroom is utilized as the staff lunchroom.



**Figure 8 - South Garage Buildings: Newer Building, Older Building, “Lunch Room”**



**Figure 9 - South Garage Assessment: Fueling Station, Office "under the stairs", Unisex washroom**

The South Garage facility is poorly located to serve as a single Township facility. It is operationally disjointed, lacks adequate staff facilities and office space, and is nearing its asset management end-of-life. There is limited room on the site for winter materials storage and no room for storage of oversized items.

There are documented environmental problems: runoff from the materials storage area is entering a nearby municipal drain; and the refueling facility has no berm to protect against fuel leaks. A septic bed replacement is also needed. While currently functional, this facility is definitely in need of replacement. The existing property is not correctly situated, or large enough, to site a consolidated Township-wide facility.

## **NORTH GARAGE**

The North Garage was once the South Dorchester Township Hall/Yard and has incorporated a series of additions over the years. Staff were unable to determine the age of the various facility components/add-ons. The North Garage consists of an office/lunchroom area, four vehicle bays and a large materials storage bay. There is adequate room for storage of oversized items behind the building.



**Figure 10 - North Garage: North Garage Building, Outside Storage, Rear of Building**

The North Garage is currently used as the Sign Shop and for winter materials storage. The North Garage is presently functioning as an expensive "salt dome" and although it has found a temporary purpose during COVID-19, this lack of functional value-added would be resolved by an adequately sized

consolidated facility. The existing property is not large enough to host a single Township-wide functional facility.



**Figure 11 - North Garage Assessment: Sign Storage, Salt Storage**

#### **Asset Management/Financial Burden Observation:**

The Provincially mandated (O-Reg 588/17) asset management plan that Malahide needs to have in place by 2023 will need to fund the life-cycle replacement of both Public Works yards/facilities; or propose a different configuration of yards moving forward to avoid expensive life-cycle replacement of the status-quo.

The Performance Concepts team has been informed that Council is supportive of relocating Public Works to a new consolidated facility/location, and Performance Concepts has made such a recommendation in the “As Should Be” section of this Final Report.

#### **6.1.6**

#### **IT and GIS Services**

The current IT Services are an example of East Elgin service sharing that is working. Existing IT capacity is provided to neighbouring municipalities using a cost sharing agreement. Two risks arise from this current approach:

- 1) Should the neighbouring municipalities choose to in-source or alternatively source their IT requirements, Malahide is responsible for the full costs of the position (and there is some talk about the County taking on this role already); and
- 2) Should Malahide’s needs for IT resources exceed the ability to offer the additional service to its neighbours, the ability to recoup the expenses could be potentially diminished.

## 6.2 “AS IS” Organization Design

The Township of Malahide’s current organizational design has two identified structural weaknesses.

First, the Clerk/CAO model is a holdover from the transition of the role of Clerk in smaller municipalities to the embracing of the “single employee” model recognized in the more modern Chief Administrative Officer role.

The role of a modern CAO in municipal governance has further evolved, with the CAO requiring more complex and non-administrative duties. CAOs in modern municipal structures are required to have superior communications skills, manage intergovernmental relations (both between partner municipalities and regional, provincial, and federal governments) and display strategic acumen in managing Council’s policy directions.

The Clerk role is required to be more responsive to Council’s process demands and manage multiple legislative requirements to ensure Councils stay “on-side” with prevailing laws and regulations.

The second identified weakness in the current structure is the fact that the organization’s structure is not consistent with the “form follows function” principle of “best practice” design. This inconsistency has resulted in departments evolving according to the skills and talents of the managerial personnel and their ability to absorb additional responsibilities - not on rational design principles. The inherent weakness in this “design by personnel” model is that once a high performing/uniquely skilled department head departs, the ability to recruit a similar replacement is severely constrained. In Malahide’s case, this exact situation (the departure of a uniquely skilled employee) occurred during this Organizational and Service Delivery Review.

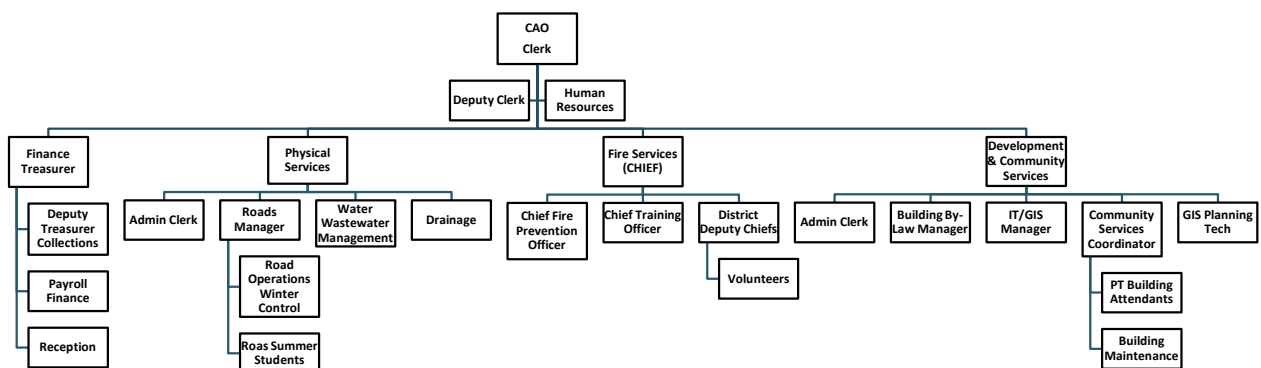


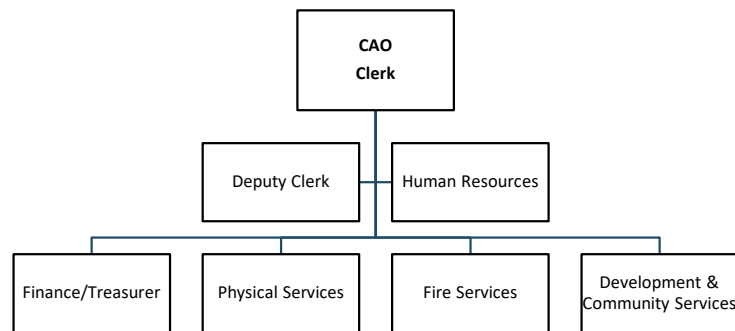
Figure 12 - Current Organizational Structure

### 6.2.1 Internal Corporate Services

Malahide’s current organizational structure follows modern municipal best practices in having the Human Resources and Finance/Treasurer roles report directly to the CAO. These two departments are responsible for providing services to all other Township departments.

However, the lack of a “form follows function” organizational design can result in an inefficient service delivery model across the departments. It is not feasible to provide a “corporate-wide” comptrollership lens on service delivery if a Finance business unit that is expected to provide corporation-wide services is located in a department that predominately delivers forward facing services.

In Malahide’s case there can be a disconnect between the CAO/Clerk (who is tasked with providing that organization-wide focus) with the critical departments/services that serve the corporation (e.g. IT Support).

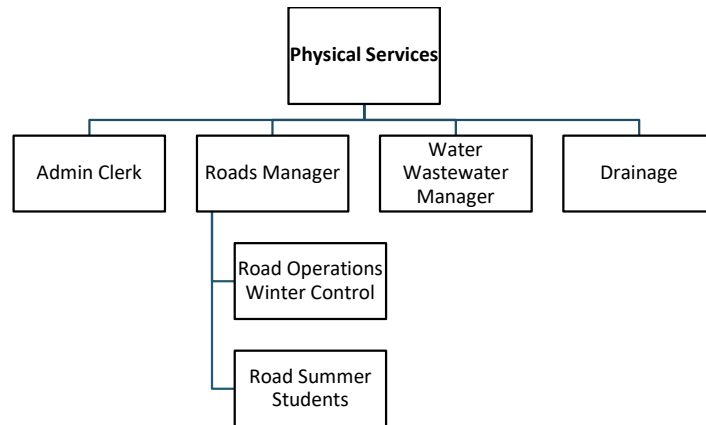


**Figure 13 - “As Is” CAO/CLERK Direct Reports**

### 6.2.2 Forward-Facing Services

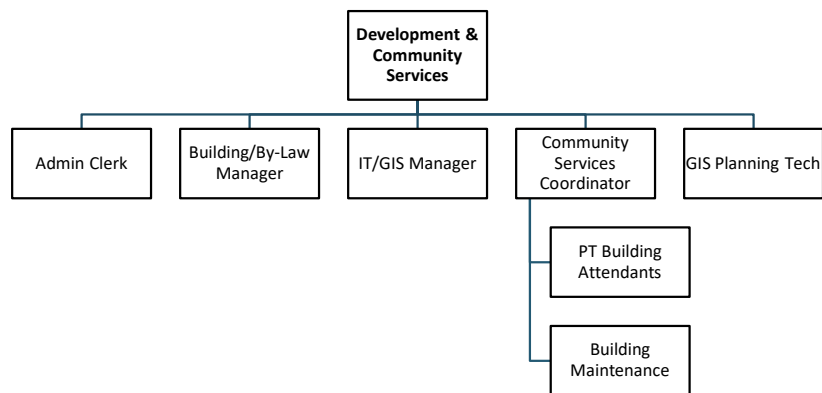
Just as the absence of a “form follows function” organizational design prevents a lack of clarity on internal corporate services, the Township’s current structure does not fully consider all forward-facing services.

An example is the naming of the Physical Services department. The form and function of the department is accepted to be that of a Public Works department as recognized by other municipalities. For example, the function of Winter Control function is not uniquely a “physical service”.



**Figure 14 - “As Is” Physical Service Departments**

The Development & Community Services department has evolved as a department based on the skill set, capacity, and talents of the Director. Multiple forward-facing services as well as internal corporate service functions are managed by the Director.



**Figure 15 - “As Is” Development & Community Services Department**

## 7.0 Service Inventory

### 7.1 Municipal Service Delivery Systems

Municipalities are service delivery systems. A well-designed municipal service inventory makes the distinction between *direct service delivery outputs/products* (recognizing multiple departments may be involved), and *internal/corporate support functions* that enable service delivery but do not directly impact residents.

#### **Understanding Municipalities as Service Delivery Systems** (Service Logic Models)

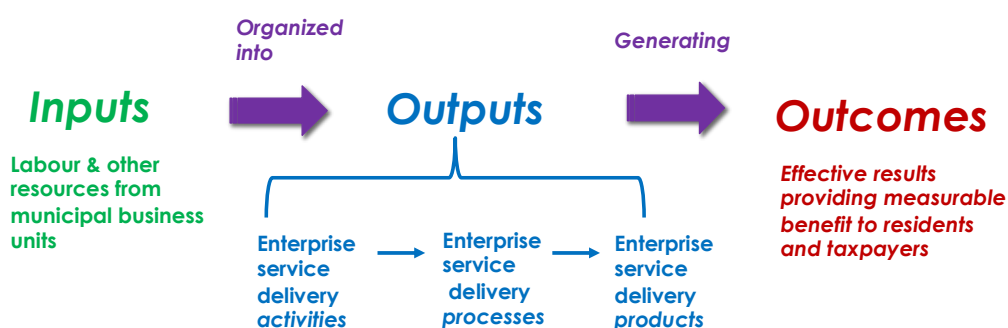


Figure 16 - Understanding Municipalities as Service Delivery Systems

### 7.2 Creating and Categorizing a Services Inventory

#### 7.2.1 Mandatory/Discretionary Option for Categorizing Service Delivery Outputs

Municipalities often employ a Mandatory/Discretionary filter when attempting to triage their services or build a service inventory. The rationale is that municipalities can focus on eliminating/reducing discretionary services when it comes to cost management and service level rationalization.

EXAMPLES OF MANDATORY/DISCRETIONARY CATEGORIZATION:

Service Delivery Output	Mandatory Services Created by Provincial Statute	Discretionary Services Mandated by Council
<b>Roads Winter Control</b>	Provincial regulation establishing minimum maintenance standards for responding to winter weather events + post-event clean-up times	

<b>Fire Emergency Response</b> versus <b>Inspection/Public Education</b> <b>1<sup>st</sup> Line of Defence</b>	1 <sup>st</sup> Line of Defence is a legal requirement	No legal requirement for Fire Departments to offer Fire Suppression or Tiered 9-1-1 Medical response.  No mandated response times or service delivery model(s) reflecting municipal size or \$ capacity
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To a limited extent the Mandatory/Discretionary filter can sometimes indicate where flexibility exists. However, municipal services that would be typically be understood as core to the mission/mandate/budget of the municipality are *Discretionary* when viewed through the limiting lens of legal status.

### 7.2.2 “Benefits” Driven Option for Categorizing Municipal Services

A service “benefits” filtering tool sorts municipal services into categories based on their relative community benefit/relative budget commitment/degree alignment with Council priorities.

- Core Services deliver significant and broad community benefits to all the residents
- Non-Core Services deliver lower/moderate benefits
- User-Specific Services are those delivering benefits to narrowly targeted groups or individuals.

The figure below provides an example of using a *Service Benefits* approach to designing a service inventory. In this instance, service examples are now sorted into Core, Non-Core and User benefit categories.

#### EXAMPLE OF CORE/NON-CORE/USER SPECIFIC BENEFITS CATEGORIZATION:

Service Delivery Output	Core Services Delivering Significant Community Benefits to Residents (Aligned with Council Priorities)	Non-Core Services Delivering Moderately Targeted Community Benefits	User Specific Services Delivering Benefits to Narrowly Targeted Groups/Individuals
Roads Winter Control	<ul style="list-style-type: none"> <li>• Broad community safety benefits aligned with Council priorities.</li> <li>• Significant budget investment by taxpayers.</li> <li>• Economic benefits associated with mobility of goods/workers.</li> </ul>		

9-1-1 Emergency Response (Fire Suppression/Rescue/Tiered Medical Response)	<ul style="list-style-type: none"> <li>• Broad community safety benefits aligned with Council priorities.</li> <li>• Significant budget investment by taxpayers.</li> </ul>
Sports Fields	<ul style="list-style-type: none"> <li>• Moderate Community Benefit.</li> </ul>
Building Permits	<ul style="list-style-type: none"> <li>• Benefit narrowly targeted to applicants.</li> <li>• No property tax impact.</li> </ul>

### 7.2.3 A Go-Forward Framework to Categorize Malahide's Services

Performance Concepts recommends that a Services Benefit filter be employed as the primary categorization tool for Malahide's service inventory. Service categorization is driven by the benefit stream of each forward-facing service:

The recommended Malahide service inventory design is a "best practices" approach consistent with the Municipal Reference Model and our team's expert scope of practice.

## 7.3 Malahide Categorized Service Inventory

The Categorized Service Inventory positions Malahide to implement service-based budgeting, operational planning and performance reporting moving forward. Service-based municipal management is superior to org structure-based management because services are a far more stable platform than shifting org structures. Residents understand and value municipal services that create tangible/positive results - not difficult-to-understand department structures or organization units.

The Performance Concepts team has prepared a service inventory that encompasses the following:

- Malahide governance/corporate/internal support functions used internally by the organization
- Malahide forward facing services that are consumed by the public.

This inventory categorizes Malahide forward facing services based on three benefit categories:

- Core benefit services
- Secondary benefit services
- User benefit services

The following figures provides samples of Malahide's full Service Inventory found in Appendix B.

<b>FORWARD FACING SERVICES AND SUPPORT FUNCTIONS</b>	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>Fire Rescue &amp; Emergency Services</b>				
<i>Fire Suppression Response</i>				
<i>Emergency Medical Tiered Response</i>				
<i>Hazardous Material Response</i>				
<i>Extrication and High Angle Rescue Response</i>				
<i>Fire Code Compliance Enforcement</i>				
<i>Emergency Management</i>				
<i>Fire Prevention Education</i>				

Figure 17 - Fire Services - Categorized by Core/Non-Core/User Specific

<b>FORWARD FACING SERVICES AND SUPPORT FUNCTIONS</b>	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>Development &amp; Community Services</b>				
<i>Land Use Planning</i>				
<i>Development Approvals and Applications</i>				
<i>Ontario Building Code (Permits, Inspection, enforcement)</i>				
<i>Municipal By-law Enforcement and Property Standards</i>				
<i>Economic Development</i>				
<i>Land Acquisition and Disposition</i>				
<i>Tourism Initiatives</i>				
<i>Business Licensing</i>				
<i>Information Technology Support</i>				
<i>GIS Services</i>				
<i>Cemeteries</i>				
<i>Community Centres Programming</i>				
<i>Outdoor Rec Programming</i>				
<i>Park Maintenance</i>				
<i>Facilities Operations</i>				
<i>Facilities Capital Project Management</i>				
<i>Facilities Management</i>				

Figure 18 - Development Services- Categorized by Core/Non-Core/User Specific

<b>FORWARD FACING SERVICES AND SUPPORT FUNCTIONS</b>	<b>Indirect/Corporate Support Function</b>	<b>Core Service (Forward Facing)</b>	<b>Secondary Service (Forward Facing)</b>	<b>User Driven Service (Forward Facing)</b>
<b>Physical Services</b>				
<i>Roads - Maintenance</i>				
<i>Roads - Patrol</i>				
<i>Roads - Construction</i>				
<i>Structures (Bridges &amp; Culverts) - Maintenance</i>				
<i>Structures (Bridges &amp; Culverts) - Construction</i>				
<i>Community Safety (sidewalks, streetlights, guiderails, signage, speed)</i>				
<i>Winter Maintenance</i>				
<i>Water - Treatment</i>				
<i>Water - Distribution</i>				
<i>Water - Billing</i>				
<i>Sewage - Treatment</i>				
<i>Sewage - Collection</i>				
<i>Sewage - Billing</i>				
<i>Storm Sewer System</i>				
<i>Drainage - Administration</i>				
<i>Drainage - Maintenance</i>				
<i>Waste Management - Collection</i>				
<i>Waste Management - Landfill</i>				
<i>Waste Management - Recycling</i>				
<i>Fleet Management</i>				
<i>Equipment Management</i>				

**Figure 19 - Physical Services - Categorized by Core/Non-Core/User Specific**

## 8.0

## Key Performance Indicators (Forward Facing Township Services)

Key Performance Indicators (KPIs) will support Malahide in operational planning, budgeting and results-based reporting. The primary performance improvement lens will focus on measuring “Malahide vs Malahide” over time. This approach demonstrates superior value compared to effort-intensive attempts to compare to other “unlike” municipalities.

## 8.1

### KPI Categories

The phrase “you can’t manage what you can’t measure” is often attributed to W. Edwards Deming; the statistician and quality-control expert credited with having launched the Total Quality Management (TQM) movement. At other times the quote is attributed to Peter Drucker; perhaps the world’s most highly regarded management consultant.

Performance Concepts is deeply committed to developing “best practice” performance measurement tools for our municipal clients. Key performance Indicators can deliver value when municipalities are trying to properly allocate scarce resources (staff capacity and/or taxes) to provide value-added services to residents who are paying for them.

As important as KPIs are as a tool for allocating finite \$ resources, they must also address planned versus actual service levels/service quality. The trade-off between cost and quality is at the centre of municipal governance.

The net result is that municipal Key Performance Indicators (KPIs) must address three fundamental “good government” questions:

**1) How much service are we actually delivering to the public?**

This question is answered via “Output” indicators or “Unit of Service” KPIs. These KPIs are expressed as countable units of service. These countable units of service are the product generated by the municipality via service delivery activities and processes.

**2) What do our countable units of service actually cost?**

Each countable unit of service has a cost. To be able to determine service efficiency a municipality must understand its unit costs. Traditionally municipalities are much better at understanding organization costs as opposed to the service unit costs. In private sector terms municipalities understand plant costs but not product costs. Customers care about products, not plants. Service delivery unit costs may reside in the accounting structure of multiple

municipal departments. Activity based costing is therefore a must for a municipality that wants to understand service (aka product) costing.

### 3) What quality of service are we delivering?

These KPIs are addressing the real-world impact of services on the public. They measure effectiveness of the service delivery. Effectiveness/quality measurement in the municipal sector can reflect processing through-put times (e.g. a building permit). It can reflect response times (e.g. Fire Department emergency responses times). It can also reflect predictability/consistency of maintenance efforts (e.g. road pothole filling hours delivered versus planned hours). Finally, if service level costs are too low to develop an effective service, they need to be adjusted to meet the expectations of service levels of the public - while simultaneously meeting unit cost pricing requirements.

KPI's associated with Malahide's inventory of forward-facing services must address all three of these "good government" questions in order to support Council and staff in operational planning and serve the public from an accountability reporting perspective.

## 8.2 Recommended KPIs by Forward-Facing Service

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Performance Concepts presented a suite of potential Key Performance Indicators for Forward-Facing Services to staff to determine which would be useful in planning, reporting and managing the various services provided by the department.

The following tables indicate the KPIs selected for data populations:

## 8.2.1

## Fire Services

KEY PERFORMANCE INDICATORS	Outputs	Efficiency	Effectiveness
<b>Fire Rescue &amp; Emergency Services</b>			
<i>Fire Suppression Response</i>	# households serviced # properties covered	\$/household \$/property covered	# Average firefighters per call # Average firefighters per call (M-F daytime)
<i>Motor Vehicle Collision</i>	# training hours per ff	\$ net cost/training hour \$ gross cost/training hour	# Average firefighters per call (other times) % of actual vs planned core training hours
<i>Emergency Medical Tiered Response</i>	# emergency response calls - by category		
<i>Technical Rescue (High Angle/Extrication)</i>	# emergency response call hours (points/paid) - by category	\$/emergency response call \$/emergency response call-hour	Average response time (1st on scene)
<i>Hazardous Material Response</i>			
<i>Extrication and High Angle Rescue Response</i>	# risk-weighted fire inspections executed # risk-weighted fire inspections hours delivered	\$/performed inspection \$/performed inspection hours \$/public education event \$/public education hour	# Active emergency response calls per hour of coverage (utilization rate) # risk-weight inspections versus scheduled/planned
<i>Fire Code Compliance Enforcement</i>	# public education events # hours public education		# residents receiving education variance % population receiving education vs % target
<i>Emergency Management</i>			
<i>Fire Training</i>			
<i>Fire Prevention Education</i>			

## 8.2.2

## Development &amp; Community Services

KEY PERFORMANCE INDICATORS	Outputs	Efficiency	Effectiveness
<b>Development &amp; Community Services</b>			
<i>Land Use Planning</i>	# planning applications processed		
<i>Development Approvals and Applications</i>	# hours processing time	\$ gross cost/application \$ gross cost/processing hour % revenue verses costs	average number of controllable business days to process
<i>Ontario Building Code (Permits, Inspection, enforcement)</i>	# permits by category (Part 3/Part 9) # hours permit processing time	\$ gross cost per permit \$ gross cost per hour	% applications meeting Bill 124 timeframe % inspections completed "on time" per Bill 124
<i>Municipal By-law Enforcement and Property Standards</i>	# of complaints # complaint resolution hours	\$ per complaint \$ per resolution hour	# business days to initiate complaint action
<i>Business Licensing</i>	# of applications processed	\$ gross cost/license \$ gross cost/license hour	# of processing days to issue permit
<i>Cemeteries - Operations</i>	# interments # site pre-sales # hours time on task	\$ / interment \$ / hour time on task	Time to interment % plot capacity remaining Reserve vs unfunded liability (asset management)
<i>Cemeteries - Maintenance</i>	# maintenance hours # ha maintained	\$ / maintenance hour \$/ ha maintained	# annual complaints
<i>Community Centres Programming</i>	# hours facility available for rental # facility maintenance hours	facility \$ revenue/hour facility \$ cost /hour \$/maintenance hour	% facility utilization % cost recovery per facility
<i>Outdoor Sports Field and Park Maintenance</i>	# maintenance hours # hectares of park space # hectares of sports fields	\$/maintenance hour \$/ha park space \$/ha sports field	% sports field rental utilization User satisfaction rating Public satisfaction rating

## 8.2.3

## Physical Services

KEY PERFORMANCE INDICATORS	Outputs	Efficiency	Effectiveness
<b>Physical Services</b>			
<i>Roads - Maintenance</i>	# lane km - roads - by MMS category	\$/lane km by category or activity	Actual asset \$ versus budget \$
<i>Roads - Patrol</i>	# lane km - sidewalks		
<i>Roads - Construction</i>	# deployed maintenance hours by activity category	\$/deployed maintenance hour (by activity category)	Pavement Condition Index Rating (by category)
<i>Structures (Bridges &amp; Culverts)</i>			
<i>Community Safety (streetlights, guiderails, signage, speed)</i>			
<i>Winter Maintenance</i>	# deployed winter control staffed machine hours by season (roads and sidewalks) # lane km maintained # system-wide events budgeted for	\$/deployed hour \$/stand-by machine hour \$/winter event \$/pass km \$/pass km/event	# hours average post-event clean up time % seasonal budget vs actual \$ value of winter control
<i>Water - Treatment</i>	# customers billed # ML purchased	\$/ML treated \$/main km	# tests failing guidelines Testing %'s per category
<i>Water - Distribution</i>	# ML sold	\$/maintenance hour	% System Loss
<i>Water - Billing</i>	# main km maintained # deployed maintenance hours	\$ maintenance/# main breaks # main breaks/lane km admin \$/billable customer	# breaks
<i>Sewage - Treatment</i>	# ML treated # main km maintained	\$/main km \$/maintenanc hour	# breaks/main km
<i>Sewage - Collection</i>	# deployed maintenance hours	\$/ML treated	# tests failing guidelines
<i>Sewage - Billing</i>	# treatment hours at plant		
<i>Drainage</i>	# km maintained	\$/km maintained	% drainage inspected/cleared annually
<i>Waste Management - Collection</i>	# collection points # tonnes collected	\$ per household \$ per route km	% collection points serviced on time
<i>Waste Management - Landfill</i>	# tonnes recycled/diverted # tonnes landfilled	\$ per tonne collected \$ per municipal tonne landfilled	Diversion rate # complaints/1000 collection points
<i>Waste Management - Recycling</i>	# route km	\$ per tonne diverted	

## 8.3

## Populating KPIs

Once the Key Performance Indicators were selected, Malahide staff was able to provide a significant amount of historical data to populate and calculate the KPIs.

An example of the KPIs for Fire Rescue and Emergency Services is found in the figure below and the completed KPI tables can be found in Appendix C.

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2019		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective
<b>Fire Rescue &amp; Emergency Services</b>						
<b>Fire Rescue &amp; Emergency Response Calls - General</b>	# Households	\$/Household	# Calls/100 Hours of Coverage	3,205	\$285	4.1
	# Properties	\$/Property	\$/Hour of Coverage	3,652	\$250	\$50
			Avg # FF/Call			9.7
			Avg # FF/Call M-F daytime			9.4
			Avg # FF/Call other times			11.0
			Avg Response Time			10:40
<b>Fire Rescue &amp; Emergency Response Calls - Suppression</b>	# Calls	\$/Call	Avg FF/Call	37	\$567	12.3
<b>Fire Rescue &amp; Emergency Response Calls - Motor Vehicle Collision</b>	# Calls	\$/Call	Avg FF/Call	51	\$646	19.8
<b>Fire Rescue &amp; Emergency Response Calls - Technical Rescue (high angle/extraction)</b>	# Calls	\$/Call	Avg FF/Call	3	\$1,293	24.0
<b>Fire Rescue &amp; Emergency Response Calls - Emergency Medical Tiered Response</b>	# Calls	\$/Call	Avg FF/Call	232	\$142	11.1
<b>Fire Rescue &amp; Emergency Response Calls - Other (Haz Mat, etc)</b>	# Calls	\$/Call	Avg FF/Call	36	\$394	20.0
<b>Fire Rescue &amp; Emergency Response Calls - TOTAL</b>	# Calls	\$/Call	Avg FF/Call	359	\$292	13.4
<b>Fire Code Compliance</b>	# Fire Inspections	\$/Inspection	% Total Properties	52	\$311	1.4%
	# Fire Inspection Hours	\$/Inspection-Hour	# Hours/Inspection	208	\$78	4.0
<b>Fire Training</b>	# Training Hours per FF	\$/Training hour	% Actual v Planned Hours	3,413	\$8.67	145%
<b>Fire Prevention Education</b>	# Public Education Events	\$/public education event	# persons receiving	23	\$191	2,419
	# Public Education Hours	\$/Public Education Hour	Pop. Exceed (Miss) Target	594	\$7.41	-647

Figure 20 - Example of Key Performance Indicators for Fire Rescue and Emergency Services

## 8.4 Data Gaps and Challenges

KPIs were calculated for 2016-2019 where historical data was available. Despite the efforts of staff, there remain some significant data gaps that result from two issues: Either the data was not available, or the data was not available in a granular enough form to be useful.

For example, the maintenance hours for road maintenance has not been differentiated by MMS road category:

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2019		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective
<b>Physical Services</b>						
<b>Road System - Township</b>	# Lane-km	\$/Lane-km	% lane-km 'good/ v.good condition'	511.0	\$5,823	92%
<b>Road system by category - MMS 3</b>	# Lane-km	\$/Lane-km	PCI	27.2		0.0
	# Maintenance Hours	\$/Maintenance Hour				
<b>Road system by category - MMS 4</b>	# Lane-km	\$/Lane-km	PCI	390.7		0.0
	# Maintenance Hours	\$/Maintenance Hour				
<b>Road system by category - MMS 5</b>	# Lane-km	\$/Lane-km	PCI	36.9		0.0
	# Maintenance Hours	\$/Maintenance Hour				
<b>Road system by category - MMS 6</b>	# Lane-km	\$/Lane-km	PCI	51.2		0.0
	# Maintenance Hours	\$/Maintenance Hour				
<b>Road system by category - Sidewalks</b>	# Lane-km	\$/Lane-km	PCI	5.0		98.0
	# Maintenance Hours	\$/Maintenance Hour				

Figure 21 - Example of KPI data gaps due to lack of recording by road category

For the KPI process to be useful on a go-forward basis, the Township will have to commit to capturing data that will allow the selected KPIs to be populated.

## 8.5 Using Key Performance Indicators: Integrated Budget/Business Planning Cycle

Once forward-facing service KPIs can be populated with dependable data Malahide can move forward to implement results-based management based on its inventory of benefit defined Core/Secondary/User services. Results based management is secured via an ongoing Plan-Do-Check-Act cycle of management. This cycle integrates budgeting, operational planning, accountability reporting and continuous improvement. (see figure below)

The budget cycle provides the backbone of the “Plan” component. Budget spending “contracts” between staff and Council can be extended to include a results “contract”. The results contract includes the # of countable units of service to be delivered, their unit cost, and a quality standard to be achieved. The “Plan” component thus becomes measurable and lends itself to accountability verification at the end of the annual budget period.

The “Do” component of the cycle is all about execution. Staff have to deliver the countable units of service at the desired unit price while securing the desired quality outcomes set out in the plan.

The “Check” component of the cycle is where actual year-end results are compared to planned results. Were targets around countable units of service, unit cost price and quality actually achieved? Did we over-achieve or under-achieve...and most importantly WHY?

The “Act” component of the cycle is focused on adjusting municipal execution (Do) or targets (Plan) or resourcing (Budget) in order to secure continuous improvement in the upcoming/next cycle.

As the Board of Directors responsible for governance, Council must drive the results-based management cycle in partnership with senior staff. Staff provide technical support and advice while Council acts as the publicly accountable “decider”.

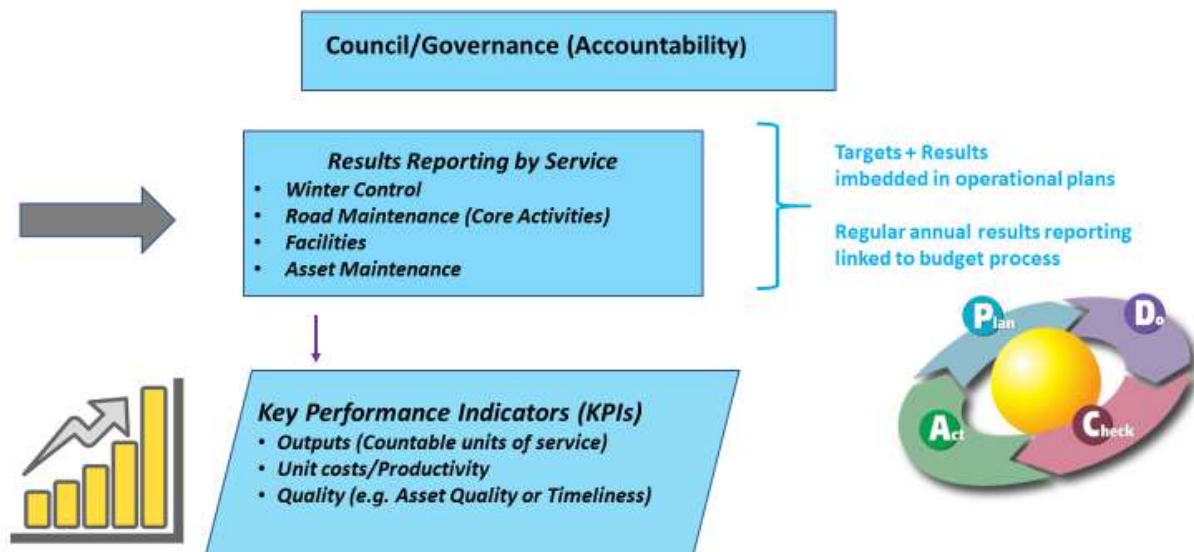


Figure 22 - Governance Accountability Cycle

## 9.0

## Best Practices in Municipal Modernization

Instead of effort intensive/data driven peer benchmarking, Performance Concepts has opted to deliver a case study based high level scan of modernization approaches being developed/deployed across the Ontario “small municipality” community. These case studies are being refined/rolled out via Municipal Modernization Reviews that are very similar to the Malahide review. These case study insights have informed our Final Report, and they can contribute to further efficiency generation moving forward in Malahide and across East Elgin.

## 9.1

### CASE STUDY #1 - FIRE SERVICE SHARING re. 1<sup>st</sup> Line of Defence & Shared Chief

A number of municipalities have recently adopted Shared Chief and Shared Fire Administration/Training Services models. As examples, the Town of Minto and Township of Wellington North have entered into an agreement to share Fire Department Administration, while the Towns of Innisfil and Bradford West Gwillimbury recently announced an interim Chief for both departments pending a review to see if a shared fire service would benefit both communities. In the meantime, both fire departments continue to operate as separate services and support each other under the Chief’s leadership. In both cases, the retirement of incumbent Chiefs and calls for greater efficiency prompted the moves.

Similar Chief sharing is occurring in the EMS world - recently Peterborough EMS and Kawartha Lakes EMS have announced a Chief sharing arrangement as they consider further operational sharing options.

In Sudbury East, the Performance Concepts team has just completed a Modernization review for the municipality of Markstay-Warren where we have recommended Fire Chief sharing and a common 1<sup>st</sup> Line of Defence for at least three of four local municipalities. Implementation will be spearheaded by a new Sudbury East Service Technical Working Group composed of 4 municipal Mayors and 4 CAOs. As the provider of shared services, the Markstay-Warren fire department will generate significant revenues that will reduce the required net tax levy.

## 9.2

### CASE STUDY #2 - ASSET MANAGEMENT FACILITIES CONSOLIDATION

In North Durham Region, the Township of Brock operates three single-pad arenas that are at least 40 years old and require end-of-life-cycle replacement. Each arena is situated in a pre-amalgamation settlement area within Brock. Council has committed to fiscal responsibility and rational asset management strategic priorities.

Regulation 588/17 has established clear timeframes/deadlines for “status” quo replacement or an alternative strategy by 2023. Utilization patterns across the three arenas display declining usage and increasing maintenance expenses. Replacement of the three sub-standard single-pad arenas with a

single new double-pad arena will generate capital cost avoidance in excess of \$1M, improve pad utilization, and reduce overall staffing requirements for post-COVID facility maintenance.

While politically challenging for Council the avoidance of an unaffordable asset management status quo is consistent with Council's newly stated strategic priorities identified at the onset of the modernization review.

**9.3****CASE STUDY #3 - LEAN PROCESS STREAMLINING**

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In Lennox and Addington, the four local municipalities and the County are nearing completion of a modernization of the Development Approvals Process (DAP). The review has simplified/rationalized the two-tier "who does what" division of labour between the County and the local municipalities.

LEAN thinking and value-stream process mapping have been applied to DAP approval processes to streamline and standardize approvals processes across the local municipalities. Technology investments in a shared online application portal and workflow tracking tool will improve accountability and strengthen process execution and timeframe discipline.

The net efficiencies of LEAN process streamlining will be measured in decreased municipal processing days for sub-division, site plan, building permit and other approvals categories - leading to potentially significant economic development benefits and an expanded taxable assessment base.

**9.4****CASE STUDY #4 – BORDERLESS SERVICE DELIVERY**

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The Renfrew County "Local Efficiencies Group" of seven local municipalities (referred to as the LEG) are pioneering a borderless rationalization of Fire services and facilities. The LEG municipalities feature 14 Fire stations spread across seven municipalities and fewer than 50,000 residents.

Eight of the 14 fire stations are functionally sub-standard, are at least 45 years old and act as an impediment to investing in a functionally appropriate fleet of apparatus. The "status quo" asset management replacement price tag to replace all 8 of these stations will exceed \$24M. Instead a borderless LEG "hub and spoke" approach will result in 3-4 full-service hub stations and 4-5 satellite stations with lower cost fibre membrane construction.

The avoided capital costs will be measured in the millions of dollars depending on the final hub/spoke configuration adopted by a newly formed Borderless Services Working Group of LEG CAOs and Fire Chiefs.

## 10.0

**“As Should Be” Performance Improvement**

## 10.1

**Fire and Emergency Services**

Overall, the Malahide Fire Department is an efficient and effective provider of both first line of defence and emergency response services. As such, our “As Should Be” recommendations are limited to opportunities within Tiered Medical Response and shared service opportunities set out elsewhere in this Report.

Tiered Medical Response is not a mandatory requirement for Ontario Fire Departments, but local municipal Councils often choose to supplement paramedic services in order to provide a higher level of service for their residents.

As noted in this Report’s “As Is” commentary, the Malahide Fire Department recently adopted changes to its tiered response criteria that should significantly reduce the number of medical tiered response calls the department responds to; without negatively impacting the population. The revised Tiered Response Criteria is shown below.

**Malahide - FIRE DEPARTMENT**  
Tiered Response Criteria

	TIER	TYPE OF CALL	IF EMS RESPONSE GREATER THAN	CODE PRIORITY
1	NO	Abdominal Pain	0 Minutes	Select Code
2	YES	Allergy Reaction	0 Minutes	Code 4
3	NO	Back Pain	0 Minutes	Select Code
4	YES	Behavioral Problems	15 Minutes	Code 4
5	NO	Bleeding (Non-Traumatic)	0 Minutes	Select Code
6	NO	Bleeding in Pregnancy	0 Minutes	Select Code
7	YES	Breathing Problems	0 Minutes	Code 4
8	YES	Burns	0 Minutes	Code 4
9	YES	Cardiac Arrest / VSA	0 Minutes	Code 4
10	YES	Chest Pain / Heart Problem	0 Minutes	Code 4
11	YES	Child Birth / Labour	15 Minutes	Code 4
12	YES	Choking	0 Minutes	Code 4
13	NO	Convulsions/Seizure	0 Minutes	Select Code
14	YES	Diabetic Problem	0 Minutes	Code 4
15	YES	Electrocution	0 Minutes	Code 4
16	YES	Environmental Exposure - Heat	15 Minutes	Code 4
17	YES	Environmental Exposure - Cold	15 Minutes	Code 4
18	NO	Eye Problems	0 Minutes	Select Code
19	NO	Falls	0 Minutes	Select Code
20	NO	Generally Unwell	0 Minutes	Select Code
21	NO	Headache	0 Minutes	Select Code
22	YES	Inhalation	0 Minutes	Code 4
23	YES	MVC – Enclosed Seating	0 Minutes	Code 4
24	YES	MVC – Exposed Seating	0 Minutes	Code 4
25	YES	MVC – Person Struck	0 Minutes	Code 4
26	YES	MVC – Unknown Details	0 Minutes	Code 4
27	YES	Near Drowning	0 Minutes	Select Code
28	YES	Overdose	0 Minutes	Select Code
29	YES	Stroke / CVA	15 Minutes	Code 4
30	YES	Trauma (Blunt) / Assault	0 Minutes	Code 4
31	YES	Trauma (Penetrating) / Wound	0 Minutes	Code 4
32	YES	Unconscious / Decreased Consciousness	0 Minutes	Code 4
33	YES	Unknown	15 Minutes	Code 4
34	YES	Code 4	Farm Accidents	
35	YES	Code 4	Industrial Accidents	

**Figure 23 - Malahide FIRE: Tiered Response Criteria**

Performance Concepts concludes that while these changes are a good start, there are additional opportunities to generate cost reduction savings. Performance Concepts has estimated the savings generated to date, as well as savings associated with our additional recommendations.

In 2019 Malahide's 234 Tiered Medical Response calls cost the taxpayer \$32,870 in firefighter wages (approximately \$140 per call). In reviewing the history of tiered medical calls, Performance Concepts expects that the Chief's recently adopted change in tiered response criteria will reduce the number of responses by 20% (approximately 47 calls) annually. This call volume reduction will result in wage savings for the year of approximately \$6,600 if the tiered response call staffing pattern remains unchanged.

Performance Concepts notes that an average of just under 11 firefighters responded (and were paid) for each medical tiered response call. Given that only 2 paramedics respond to each of these calls as primary caregivers and transporters, it is difficult to justify why the number of paid firefighters should be so high. Even given the person-power necessary for the most serious call category (i.e., a cardiac arrest) no more than 4-5 firefighters would ever be needed. Obviously, motor vehicle extrications and other significant rescue calls constitute a different response situation, but reducing normal tiered medical responses to 5 firefighters, would reduce wage costs by an additional \$13,200 annually - a total cost reduction of almost \$20,000 or more each year. Performance Concepts is often told that the technology is not in place to separate tiered medical response page-outs from other fire-related calls. Obviously, when looking at the potential of \$20,000+ annual savings going forward, there is funding available to add selective paging to the Fire Department's technology toolkit.

In further reviewing the Department's historic tiered medical responses, it is apparent that further reductions in call numbers are also possible. Medical evidence demonstrates that a more rapid firefighter response makes a positive difference in survival for patients in cardiac arrest and indirectly for those patients suffering from respiratory distress or chest pain. Removing all other tiered response criteria would result in an annual reduction of 94 calls, and a total cost reduction of \$20,000-\$25,000 with a maximum of 5 firefighters responding.

In summary, "right sizing" the number of tiered medical responses and the number of firefighters attending those calls will save Malahide between \$20,000-\$25,000 annually. The expected 5-year cost reduction total should exceed \$100,000.

## 10.2

**County Road Maintenance and Winter Control**

The "As Is" profile concluded that operational and financial risk associated with winter control services for County roads has been inappropriately downloaded onto the Malahide tax bill.

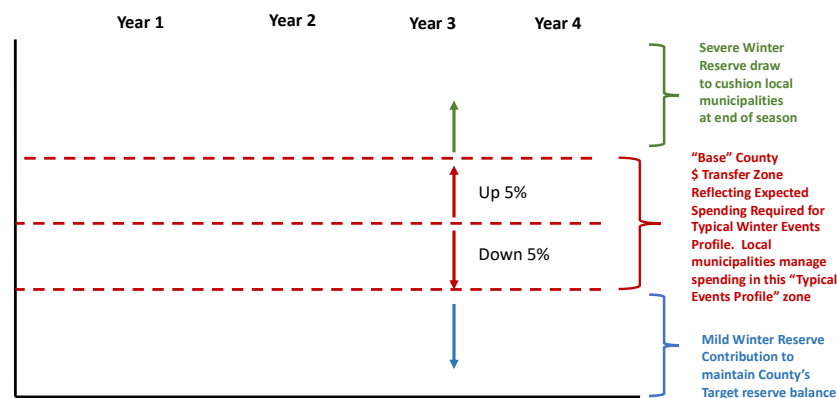
County funding model reform is required to fairly assign/share winter control operational/financial risks and ensure that County road asset condition is properly managed. The County should be petitioned to establish two distinct road \$ transfer payments - one for winter control and one for non-winter activity-defined maintenance purposes.

The annual County winter control \$ transfer should be supported by a new County winter reserve fund. County reserve fund balances should be used to cushion local municipalities from outlier severe winters where machine hour effort, material costs and labour costs exceed the prior 4-year average by more than a pre-determined % variation zone of tolerance. In this way both levels of government will have a stake in managing winter control risk. In the absence of such a model, Malahide should re-consider its support and participation in the current devolved County road maintenance model. The current risk/return equation is unacceptably unbalanced.

The figure below illustrates the key design requirements of a re-designed County/Malahide winter control funding model.

***Re-designed County \$ Transfer for Winter Control (Risk Adjusted)***

The County's non-winter road maintenance \$ transfer model should establish specific work output service levels (i.e. planned hours by activity) required per lane km of County road; and then fund those maintenance hours accordingly. The net result of these refinements in the \$ transfer will be predictable maintenance performance across the entire County road system that does not fluctuate based on winter severity gobbling up finite resources otherwise required for proper non-winter maintenance.



**Figure 24 - Revised Winter Control Budget Management (Risk Adjusted)**

Finally, Malahide’s traditional recovery of machine-hour expenses from the County needs to be modernized. Historically, the Township has wholly internalized the financial burden associated with winter fleet depreciation. The CAO has confirmed that equipment depreciation was never incorporated in the County machine-hour recovery formula. Malahide’s winter fleet is predominantly consumed by the County’s arterial road machine-hour effort and its higher MMS service level requirements. Life-cycle capital fleet replacement funding from the County is required as part of a sustainable funding model. A life-cycle County funding commitment will generate significant Malahide capital cost avoidance in its 10-year capital program.

Malahide staff should be required to report to Council re. the winter fleet replacement capital burden attributed to County winter control as part of future budget deliberations.

#### ***Improved Winter Technology ROI***

Malahide’s Winter Control Fleet are currently equipped with Automatic Vehicle Location (AVL) technology. This technology allows the ratepayers to locate their local snowplows in real time, but the real power/ROI of the AVL tool is its ability to measure winter control effort and materials consumed by each road section or route. As part of its asset management 588/17 preparedness, Malahide has classified the road network by Minimum Maintenance Standard (MMS) and ownership (County or Township). Integration of these MMS sections/routes with AVL will allow the Township to track the consumption of resources by local versus County roads (i.e. total pass kilometres per winter season).

## 10.3

**Community and Recreation Services****Community Services with Existing Partnerships**

Through our consultations with various Community Service groups, a recurring theme was that they all enjoy working with the Township of Malahide’s “Community Services Coordinator”. There is a true partnership between the various Community Groups that are providing the delivery of various community and recreation programs.

There was also unanimous agreement that the partnerships that have been entered into are currently sustainable and there is a strong desire to continue with these relationships.

If the Township had a robust Community Service or self-funded recreation program offering, a risk to future service offerings could occur if the Community Groups were unable or unwilling to offer a program. In those situations, often the municipal government is called in to offer the program, usually with costs being subsidized through tax rates, as cost recovery is never 100%.

In Malahide’s case, the recommendation would be to continue fostering the financial well-being and independence of the Community Groups with the provision of no-cost/low-cost supports (such as facilities rentals).

It is also recommended that Community Groups that receive funding through the Township’s grant program provide genuine metrics of program uptake, units of service delivered and true costing so that trends can be identified, and future investments planned.

**Community Services Coordinator Role**

It is evident through our conversations with the “Community Services Coordinator” and others, that the role and function are more aligned with that of a “Facilities Manager” as the Township is not offering Community Services programs directly. The staff provides maintenance and management of the Township’s facilities on behalf of the Community Groups and Service Organizations utilizing them.

Given the importance of Asset Management for the Township in the future and the need to fully address the existing assets, including facilities, the greater the importance of the a “Facilities Coordinator”. To align with this clearer definition of the role, and the need to provide proper assessments and metrics for each of Malahide’s facilities, it is recommended that the Facilities Coordinator and their direct reports align under the Public Works Department (the former “Physical Services Department”).

### East Elgin Community Centre

The Performance Concept team undertook a cursory review of the shared service partnership with the East Elgin Community Centre and determined that there was not an appetite to alter the current arrangement.

It is recommended that the Township encourage the Board of Management to develop specific Key Performance Indicators for the facility and programs offered, such as:

- Facility utilization rates
- Hourly costing
- Program usage
- Usage tracking by resident

These metrics can be used to justify future partnership and capital investments for the facility.

## 10.4

### Public Works Facilities

As already noted in this Report, the “As Is” Public Works facility model is not optimal moving forward. It is our understanding that Council is supportive of a new central Public Works facility, and we are supportive of that direction. Based on replacement of the existing square footage, Performance Concepts recommends a 25,000 sq. ft. facility in a central location, preferably north east of Aylmer for optimal winter routing.

In keeping with the Service Sharing theme within this Report, Performance Concepts investigated the recently constructed Aylmer Public Works facility for any potential sharing opportunity. While in an appropriate geographic location, the facility unfortunately lacks adequate adjacent space for the needed Malahide facility.

Facility construction should avoid the traditional individual bay design and incorporate a drive-thru style which maximizes interior space. The Altus Group 2020 Canadian Cost Guide for infrastructure costs, projects Ontario Civic Facilities Maintenance Building construction costs at between \$260-359 per sq. ft. The proposed 25,000 sq. ft. facility would cost \$6,500,000 (@\$260/sq. ft.) if utilizing conventional construction.

***Fibre/membrane construction is strongly recommended for this proposed facility.*** Cost per sq. ft. is \$45 with installation at approximately \$20/sq. ft. Foundations, utilities, and other fit-out costs normally bring the total cost to \$100/sq. ft. for the “Works Garage” component, with the “Materials Storage” component at approximately half that cost. Based on a two-thirds Works Garage/one-third Materials Storage ratio, the proposed 25,000 sq. ft. structure would cost approximately \$2,025,000, a 70% saving

over conventional construction. Sale of existing yard properties will offset a significant portion of the costs for the recommended option.

Fibre/membrane structures are ideally suited for Public Works applications and display proven durability in some of the most extreme climates, from hottest desert to windiest arctic tundra. From a durability standpoint, models designed for Arctic weather are designed to shed snow and these structures also meet the strict Miami-Dade Hurricane Compliance Code. The only building structure left standing in Buras, Louisiana after Hurricane Katrina in 2005, was a tension fabric building.



Figure 25 - Examples of Public Work Yard with membrane construction

## 10.5 IT Infrastructure Opportunities

The Township of Malahide has invested in IT Infrastructure and the current skill set of the IT manager could allow the Township to embrace the opportunity to be a broadband provider to the local municipality and its neighbours.

Provincial and Federal governments have made multiple announcements regarding the need for rural high-speed infrastructure. Recent announcements of enhanced SWIFT Program funding are designed to jump start the move to bringing broadband services to rural Ontario.

The COVID-19 pandemic has emphasized the need for rural high-speed solutions to address e-learning and work from home scenarios and Malahide is uniquely positioned to take the lead in providing local, high-speed, mesh-based Wi-Fi service across the municipality.

The Municipality could consider the following options:

- 1) Create a Municipal Services Corporation (MSC) for the purposes of providing broadband internet service:
  - a. Utilize existing SMART funding to pay for tower infrastructure
  - b. Consider partnering with Bayham, Aylmer, and Central Elgin to increase service area

- c. Provide hi-speed/Wi-Fi based point-of-presence mesh service using existing or new tower infrastructure (co-locate with fire or police communications towers or the Aylmer water tower)
- d. The new entity could also provide IT services to the partner municipalities under contract to minimize ongoing operating costs

OR

- 2) Create a not-for-profit entity to partner with incumbent service providers under the SWIFT Program

The advantage with Option 1 is that the MSC could fund the infrastructure requirements from existing grants and, with the acquisition of rural broad band customers, create an ongoing income stream for Malahide and its municipal partners.

## 10.6 Shared Services Opportunities

### 10.6.1 Policing

As noted previously in this Report, our Interim Report on the Feasibility of the Aylmer Police Service Providing Policing for Malahide Township, is attached as an appendix to this Report. Council has recently embarked on public consultations around the Aylmer proposal. The following one-page summary was prepared by Performance Concepts to inform the Malahide public consultation process.

#### Feasibility of the Aylmer Police Service Providing Policing for Malahide Township

##### Executive Summary

Performance Concepts Consulting was directed by Council in Q2 2020 to review the value-for-money/operational feasibility of the Aylmer Police Service’s proposal to provide policing for Malahide Township. A detailed report from Performance Concepts has already been received by Council.

Currently, policing is provided for the Township through the Elgin Group municipal policing contract with the OPP. The OPP divide Elgin County into three patrol zones, with two officers assigned to the east side (Malahide and Bayham) 24/7 when staffing allows. ***There is no guarantee that OPP officers will be located within Malahide Township at any given time, but resources are dispatched from across Elgin County and beyond, as needed to service calls in the Township.***

In a number of smaller municipalities across Ontario, requests have been made for a dedicated community presence by OPP. In at least one municipality, an additional cost of \$1,100 per day (\$400,000 per year) has been quoted by the OPP for this service upgrade.

***The Aylmer Police Service’s proposed staffing model would provide a regular presence of three officers in the overall Aylmer-Malahide patrol area. The Aylmer proposal ensures that at least one police officer is assigned to Malahide Township at all times. There will still be occasions when the officer may be required to back up other officers, (i.e., Aylmer and OPP) outside of Malahide, but for the most part the officer would be committed to Malahide.***

OPP costs billed for 2018 were \$110.19 per Malahide resident and \$307.30 per Malahide property. The ten-year average cost in the Aylmer proposal represents a policing cost of \$118.26 per Malahide resident and \$325.22 per Malahide property. ***A significant benefit for Malahide of the Aylmer proposal is long term budget certainty – a guaranteed 3.04% average annual increase in policing costs over a ten year term. This level of cost containment is unusual across the Ontario municipal sector and should be a major consideration in Malahide’s decision-making process moving forward.*** In essence, the Aylmer proposal represents a potential \$4 million dollar cost avoidance (versus OPP delivery) to obtain a higher level of dedicated service over ten years.

***In summary, Aylmer has proposed a higher level of dedicated service at a very similar cost to that provided by the OPP, and is capable and well situated geographically, to provide policing to the Township of Malahide.*** Cost containment is guaranteed over the 10 years of the initial contract, but the Township should expect to fund some life-cycle costs should they sign on for additional terms. Legacy costs, salary calculations, potential capital expenditures, and the longevity of the Aylmer Police Service should be confirmed at the outset of any negotiations.

## 10.6.2

**Development Approvals Process (DAP) Shared Service Delivery Model**

Malahide and Bayham staff have provided the Performance Concepts team with data and operational perspectives re. a shared Development Approvals Process (DAP) model incorporating planning, building and by-law enforcement services, staff and contractors. The collection of Figures below document Malahide’s application volumes, processing hours workload and cost recovery performance. Bayham has supplied a similar profile that has informed this analysis and the shared service recommendations. The timing for a shared services DAP model is encouraging from a Malahide/Bayham staffing vacancies perspective. Contractor arrangements for Planning consultants can be maintained (2 providers). The contract design for a common By-law enforcement provider can be integrated. A detailed implementation transition can and should determine shared service delivery “public entry points” across the two municipalities.

The primary service delivery/staffing efficiencies will involve reduced Building staffing costs and improved coverage for the difficult-to-fill technically demanding Building staff positions.

Malahide’s new Director of Development Services can provide transition leadership to the shared services model. Governance consolidation within a shared Committee of Adjustment will reduce overall workload for each Council and allow Council members to shift priorities to other pressing concerns/strategic priorities.



### Shared Development Services: Pieces Falling into Place

- Malahide CBO has departed (Q3 2020)
  - Current Deputy CBO/Inspector now Acting CBO
- Bayham CBO likely departing by Q1 2021
- Malahide buys Planning DAP services from Monteith Brown
- Bayham buys Planning DAP services from IBI
- Malahide & Bayham use a common contractor for By-law enforcement services
- Opportunity for blended Planning/Building fees + deposits cost recovery framework

DEVELOPMENT SERVICES					
Data	Units	2016	2017	2018	2019

PLANNING DEVELOPMENT APPROVAL PROCESS					
Applications	#	33	50	44	41
Planning Fee Revenue	\$	\$17,909	\$26,636	\$23,213	\$23,779
% Cost Recovery	%	44%	55%	35%	33%
<b>Total Processing Hours</b>	<b>hours</b>	<b>495</b>	<b>678</b>	<b>581</b>	<b>647</b>
Staff	hours	237	360	317	275
Consultant	hours	258	318	264	372
<b>Total Costs</b>	<b>\$</b>	<b>\$40,668</b>	<b>\$48,702</b>	<b>\$66,464</b>	<b>\$72,975</b>
Staff	\$	\$17,909	\$26,636	\$23,213	\$23,779
Consultants	\$	\$22,760	\$22,066	\$43,251	\$49,195

BUILDING DAP					
<b>Building Permits</b>					
Part 3 (Complex)	#	16	12	10	10
Part 9	#	120	171	152	119
<b>Revenues</b>	<b>\$</b>	<b>\$218,103</b>	<b>\$284,409</b>	<b>\$226,726</b>	<b>\$206,622</b>
Part 3 (Complex)	\$	\$97,652	\$82,315	\$66,789	\$83,394
Part 9	\$	\$120,451	\$202,094	\$159,936	\$123,228
<b>Total Processing Hours</b>	<b>hours</b>	<b>1480</b>	<b>2001</b>	<b>1772</b>	<b>1409</b>
Application processing	hours	424	561	496	397
Inspections	hours	1056	1440	1276	1012
<b>Costs</b>	<b>\$</b>	<b>\$71,840</b>	<b>\$98,901</b>	<b>\$87,614</b>	<b>\$69,950</b>
Application processing	\$	\$19,040	\$26,901	\$23,814	\$19,350
Inspection	\$	\$52,800	\$72,000	\$63,800	\$50,600
<b>Applications Meeting Provincial Timeframes</b>					
Part 3 (Complex)	%	95%	95%	95%	95%
Part 9	%	95%	95%	95%	95%
Share of Inspections Completed on Time	%	100%	100%	100%	100%

Figure 26 - Development Approval Process KPIs and Service Profiles

### Shared Service Model for Development Approvals Process (DAP)

#### “As Is” DAP Model Components

- Malahide CBO (.25 FTE)
- Bayham CBO (1 FTE)
- Malahide Deputy CBO/Inspector (1FTE)

#### Migration to “As Should Be” DAP Model

Common CBO (1FTE)  
Deputy CBO/Inspector (1FTE)

- Malahide planning consultant billable hours/\$
- Bayham planning consultant billable hours/\$

Maintain status-quo consultants  
in a billable-hours “pool”

- Malahide Committee of Adjustment
- Bayham Committee of Adjustment

Shared Committee of Adjustment

#### 10.6.3

### Solid Waste Management Contract and Shared Service Opportunity

Currently Aylmer and Malahide retain the services of the same solid waste curbside collection contractor. Effective mid-2021 this contractor will no longer be supplying curbside collection services. Both municipalities will require a new curbside collection solution. In an August briefing of Council and Malahide senior staff, the following information was introduced for consideration:

#### Waste Management Curbside Collection Contract

- Aylmer & Malahide both going to the market for a new Service Provider by mid-year 2021
- Clearly, the Aylmer & Malahide curbside collection models feature differing # of collection points per route-km...thus different cost-of-service bid prices
- Just as clearly, a single Service Provider will be able to design routing solutions (across the 2 municipalities) that requires fewer trucks IN TOTAL to execute an integrated shared contract solution
  - 2 prices
  - Same service levels (curbside removal time of day target + financial incentives/penalties)
  - Lower prices due to shared fixed costs (trucks & drivers)
- A joint RFP with Aylmer is optimal for taxpayers in both municipalities
  - A fallback option would be to invite shared service pricing options (in a Malahide-Only RFP) by considering “...any other East Elgin municipality where contract pricing efficiencies are available”.

Malahide and Aylmer staff are already acting on contract coordination. The recommendation in this Report for a common RFP process and a common contractor remains appropriate moving forward. Significant operating cost avoidance for a common contractor should translate into improved pricing for both municipalities despite differences in collection points per route km.

## 10.6.4

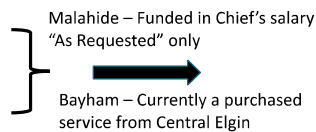
**Fire Services: First Line of Defence**

In an August briefing of Council and Malahide senior staff the following information was introduced for consideration. The recommendation for a shared Malahide/Bayham 1<sup>st</sup> Line of Defence remains appropriate moving forward. The recommendation should generate significant economies of scale and compliance with upcoming Fire Marshall risk-based inspection requirements.

### Fire 1<sup>st</sup> Line of Defence: Potential Transition

#### 2020 Current Model

- Malahide inspection workload
- Bayham inspection workload



- Malahide public education workload
- Bayham public education workload

Points  
funded

#### 2021 Migration...

**Senior Inspector**  
**“1st line of Defence”**  
**(Technical Expert)**

1. Tiered Medical “\$ Dividend”
- + 2. Reallocated existing funding
- + 3. Future consolidated Chief \$ savings

Malahide Service Delivery Review: Council Briefing

## 10.6.5

**Shared Services Technical Working Group**

Performance Concepts acknowledges that more detailed execution work is required for the recommended service sharing opportunities contained in this Report. These execution details should be worked out by a proposed East Elgin Shared Services Working Group (EESSWG). The EESSWG should feature membership as follows:

- 4 East Elgin Heads of Council
- 4 East Elgin CAOs

The EESSWG should be supported by third-party municipal “change management” consulting expertise; potentially funded by 2019 unconditional modernization funding received by all four East Elgin municipalities.

## 10.7

**Serviced Growth in Springfield to Secure Financial Sustainability**

Malahide is almost certainly facing significant financial challenges moving forward. As noted in this Report, the Province is going to accumulate an estimated \$70B to \$80B in debt by the end of fiscal year 2021-2022. Performance Concepts believes this unprecedented level of debt is going to negatively impact the provincial-municipal financial relationship in profound fashion. A case in point: while the Premier has announced that the Municipal Partnership Fund grant will be maintained for 2021, his government has made no such guarantees beyond the coming year.

Malahide is currently a slow growth municipality. Residential assessment accounts for 45% of total taxable assessment. Farm assessment accounts for 51% of total taxable assessment, and it is taxed at 23% of the residential tax rate. Commercial taxable assessment is taxed at 1.6 times the residential tax rate, but it accounts for less than 2% of total taxable assessment. This unbalanced taxable assessment mix puts Malahide homeowners in the bullseye for any future tax increases prompted by Provincial grant cuts. Municipalities with a more balanced residential/non-residential taxable assessment mix will be able to spread the pain of future Provincial grant cuts beyond homeowners. Malahide requires a medium-term to long-term revenue enhancement strategy to shelter taxpayers from an imminent fiscal storm caused by COVID generated debt loads at Queens Park.

Financial sustainability can be achieved by considering a serviced growth expansion – with preparations starting now. The foundations of future financial sustainability can be found in the Township’s 2019 Development Charge Background Study prepared by Watson & Associates Economists Ltd referenced below.

The DC Background Study has assembled the high-level business case for expanded residential development in Springfield. The key is a \$15.4M water servicing capital project that features a Transmission Main, a Water Tower/Booster Pump and Special Chambers/Connections. It is assumed that senior levels of government would fund a two-thirds \$10.3M share of the project. The remaining \$5.1M would be funded by the Township via a low-interest debenture; a large portion of which would be recovered by future DC payments (\$1.4M) and hook-up charges into the new serviced system from existing well-based households in Springfield. (see figure below from 2019 DC Background Study)



### Infrastructure Costs Included in the Development Charges Calculation

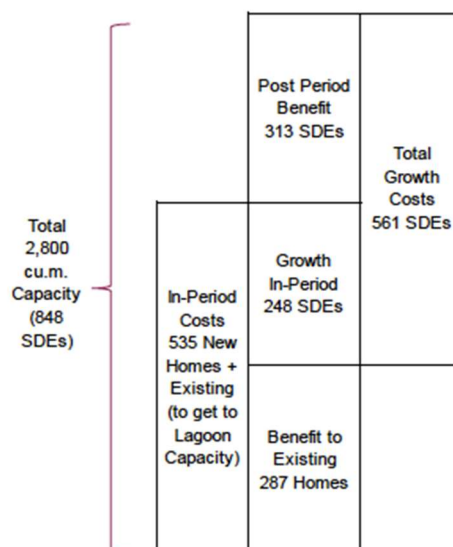
Township of Malahide  
Service: Water Services

[illegible]

**Figure 27 - Watson and Associates - Development Charges Background Study**

According to the Watson DC Background Study, new serviced water capacity would support more than 550 new residential units over the next 20 years. Existing wastewater lagoon capacity would support 248 of the new residential units; a future wastewater/lagoon capacity upgrade would be necessary to support 313 units after the existing lagoon capacity has been exhausted. (See Figure below from 2019 DC Background Study)

Schematic 5-1  
Township of Malahide  
Benefit to Existing and Post-period Benefit Adjustments



**Figure 28 - Watson and Associates - Sewage Lagoon Capacity Evaluation**

Performance Concepts notes that the market value of a given residential property is significantly different than the CVA for that same property. CVA valuations developed by MPAC lag years behind the current market value of a given property and are often discounted for technical reasons. Future new residential units in Springfield will have purchase prices that far exceed current CVA valuations for residential properties in the current Malahide tax base. Malahide's residential tax rate will also change after the 2020 MPAC reassessment replaces older 2016 data.

The following financial modelling scenario should therefore be interpreted with caution re. the precise calculations, but the overarching conclusion that Malahide will enjoy significant net revenue generation beyond new servicing costs is delivered with a high degree of confidence.

The current average taxable CVA for a house in Malahide is \$257,000. This is based on 2016 MPAC data. The 2020 MPAC re-assessment is pending. A new average CVA will be calculated - no doubt higher than the current average CVA. These new water-serviced houses in Springfield will enter the MPAC tax roll (beyond 2020) with CVA derived from their actual higher purchase prices. Therefore, the taxable assessment of the new serviced development in Springfield will be much higher than the 2020 CVA average. For purposes of this high level "proof-of-concept" financial analysis by Performance Concepts, we are forecasting an estimated average Springfield future CVA range of \$400,000 to 500,000 for each unit. Our calculations that follow use a \$450,000 average CVA midpoint.

The current Malahide residential property tax rate is 1.48% of taxable CVA. Therefore, a new homeowner in Springfield with a taxable CVA of \$450,000 in Malahide would pay approximately \$6,660 in annual property taxes (based on the current tax rate). Watson's build-out of 248 new residential units (using existing wastewater/lagoon capacity) would generate estimated new annual gross property tax revenues of \$1,651,680 in current dollars. Malahide would retain an estimated 46% of that annual tax revenue: \$759,772. On a per unit basis Malahide would receive \$3,063 in annual property tax revenues.

The annual payment amount on a 25-year debenture of \$5.1M for water servicing (at 3% interest) would be approximately \$290,000 in current dollars. It is critical to remember that development charges will recover \$1.4M at the point of building permit issuance for these 248 units as they receive building permits. Existing dwelling hook-up charges in Springfield will also be applied to cover the debenture payments. It is also critical to realize that the first 95 of the new 248 units (a typical first phase of the 248 Draft Plan approved units) will produce a tax revenue stream equal to the entire annual debenture payment. The remaining 160 units will produce net new revenues beyond the debenture payment each-and-every year.

The remaining "Phase 2" new residential units (313 units) would generate a lower net-positive revenue stream because of the added costs of a wastewater capacity upgrade required for development to proceed. Important note: only a to-be-negotiated portion of a future wastewater/lagoon upgrade would impact Malahide; a major portion of this upgrade would be funded by Aylmer. Performance

Concepts is confident that a significant net-positive tax revenue stream would be generated annually by a “Phase 2” residential development expansion in Springfield.

The following table documents the Performance Concepts team’s evaluation of the net fiscal benefits accruing to Malahide from Springfield residential development. At Phase 1 build-out, an estimated \$470,000 to \$600,000 in net new tax revenue (2019 dollars) will be generated each-and-every fiscal year. Tax rate adjustments would increase the net new revenue stream (at least \$470,000) annually. DC payments would be applied to the debenture over time as the 248 units are built out - this the likelihood that annual net revenue stream increase will exceed the low-end estimate of \$470,000.

	Estimated Annual New Property Tax Revenues	Estimated Annual Financing Cost	Net Tax Revenue Impact at Build-Out
Phase 1: Water Expansion Only 248 New Residential Units	\$760,000 new annual tax revenue stream when fully Built-Out	\$290,000 annual debenture payment stream (offset by DC payments & hook-up \$ charges each year)	Estimated \$470,000 net new tax revenue stream annually to Malahide (minimum)
Phase 2: Water + Wastewater/ Lagoon Expansion 313 New Residential Units	\$960,000 estimated new annual tax revenue stream when fully Built-Out	TBD	TBD

The risk of residential development not occurring in Springfield (after debt funded servicing is put in place) is deemed low by Performance Concepts based on feedback from developers and land economists consulted by our team. Growth oriented municipalities have internalized/managed this “build it and they will come” risk successfully across Ontario for decades. For instance, “Front-ending Agreements” are often used to transfer a portion of up-front financial risk from taxpayers to developers.

Moving forward expeditiously with the necessary planning/engineering preparations will ensure the Springfield development project is “shovel ready” when the expected Post-COVID federal/provincial/municipal infrastructure program is rolled out. Once 2020 MPAC CVA data is received by Malahide, Watson and Associates can execute a more detailed financial impact analysis over a 10-year and 20-year horizon.

## 10.8 “As Should Be” Organization Design – Form Following Function

Performance Concepts has provided the Malahide CAO and Council with advice and options regarding “As Should Be” organizational design.

The Performance Concepts advice and org design transition plan was reviewed in closed session with the CAO and Council. It is included as *Confidential Appendix D* to this Final Report.

Our team’s organizational design advice is based on a “form follows function” approach; with a final “As Should Be” state emerging from a series of phased recommendations.

The following organization design highlights are noteworthy:

### 10.8.1 CAO “Single Employee” Model

Performance Concepts strongly supports a municipal organization design model premised on the concept of Council’s “single employee”. In modern municipalities, the CAO functions as the crucial linkage between Council policy making and priority setting versus staff’s focus on service delivery execution. In this model, there is a clear differentiation between the roles of Council and staff.

Separation of the CAO role from the Clerk’s role will be essential moving forward. The CAO of a modern municipality faces a range of change management challenges. The CAO must be adept as intergovernmental relations, strategic priority setting, and organizational leadership. The detailed, rules-based responsibilities of the Clerk are not consistent with the emerging modern CAO role.

### 10.8.2 Development Services

Our recommendation regarding the new role of the Director of Development Services was adopted by Council and made public prior to the production of this Final Report. The departure of the Director of Development & Community Services has provided impetus to explore service sharing with Bayham for Development Services. The new Development Services Director will provide essential leadership/technical competencies for the recommended major residential development initiative in Springfield.

### 10.8.3 Modernizing Finance Department Staff Roles

The Finance Department needs to continue to evolve beyond the traditional “transaction-based” specialist roles and incorporate more dynamic “generalist/analyst” roles to better respond to the needs of the Council, CAO and Township for modern/timely accounting assessments, analysis and financial implications of policy initiatives.

## 11.0 Implementation Road Map

### 11.1 A Relentless Focus on Execution

Initiating significant change to achieve improved organizational performance is always hard. It requires a relentless focus on the execution of a well-designed Implementation Roadmap.

The Performance Concepts team has created a carefully phased roadmap; balancing a brisk/timely pace of change with a recognition that Malahide's capacity limitations need to be acknowledged/respected.

Malahide's roadmap for change is phased across three distinct time periods: Do Now (2020-2021), Do Soon (2022) and Do Later (2023 & Beyond).

Flexibility has been built into the Do Now/Do Soon timing of "shovel ready" facility consolidation capital projects to take advantage of an expected Post-COVID Federal/Provincial/Municipal infrastructure funding program. Some recommendations will be implemented across more than one time period.

### 11.2 Moving Forward with Change: Human Capital/Talent is at a Premium

Successful change management/transformation in Malahide will require talent. Talent recruitment/retention in turn depends on a competitive compensation model in the labour marketplace. A range of technical/credentialed municipal staff positions are proving difficult to fill across the Province. Compensation deficiencies cannot be allowed to stifle performance improvement opportunities and major financial initiatives.

Malahide needs to ensure its compensation model is competitive in both the municipal marketplace and the overall knowledge-worker marketplace.

A professional third-party compensation analysis/evaluation is recommended as a crucial part of the implementation strategy required to make the recommendations in this Report actually happen.

An appropriate re-positioning of compensation will secure the talent necessary to secure the proportionately larger cost-avoidance savings, tax base expansion and quality improvement opportunities set out in this Final Report.

### 11.3 Third-Party Progress Assessment

Implementation and execution of organizational change is always challenging. It requires focus and perseverance.

Performance Concepts recommends a 3<sup>rd</sup> party implementation progress assessment in Q4 of 2021. This progress evaluation will compare actual implementation of the Roadmap against the *Do Now* & *Do Soon* recommended timeframes in this Final Report.

Remedial actions will be recommended (if required) to keep/get implementation on-track as Malahide transitions from *Do Now* to *Do Soon* across a range of change driven action items.

## 11.4

**Implementation Roadmap - Do Now (2020-2021)**

DO NOW		
<b>DEVELOPMENT APPROVALS SERVICES</b>	✓ ✓ ✓	Retain new Director of Development Services (Q4 2020) Initiate service sharing dialogue with Bayham (Q1 2021) Prepare detailed shared services business plan in partnership with Bayham
<b>FIRE SERVICES</b>	✓ ✓	Immediately execute recommended Tiered Medical Calls restructuring in Q4 2020 (including paging tool) Initiate 1 <sup>st</sup> Line of Defence planning/budget with Bayham
<b>COUNTY ROADS</b>	✓ ✓	Develop formal Council position on County funding model shortcomings in coordination with other Elgin local municipalities (Q4 2020). Base Council position on Findings/Recommendations in this report. Initiate dialogue/discussion with County on funding model reform as part of 2021 budget process (Q4 2020).
<b>SOLID WASTE MANAGEMENT</b>	✓ ✓	Continue to work with Aylmer concerning common contract with 2 distinct service levels delivered with shared/overlapping pool of trucks. Finalize RFP no later than Q1 2021...select contractor & prepare for operations transfer in Q3 2021
<b>AYLMER POLICING</b>	✓ ✓ ✓	Complete public dialogue and commence with detailed negotiations to secure the already evidence-tested/3 <sup>rd</sup> party endorsed Aylmer policing model (Q4 2020). Provide notice to OPP in Q1 2021 Initiate detailed operational planning model/collaboration with Aylmer police service

DO NOW	
<b><i>ECONOMIC GROWTH (Springfield Servicing)</i></b>	<ul style="list-style-type: none"> <li>✓ Develop 3-year business plan + detailed cash flow/revenue analysis (Q1 2021)</li> <li>✓ Initiate zoning changes as required</li> <li>✓ Commence developer(s) dialogue/consultations</li> </ul>
<b><i>PUBLIC WORKS FACILITIES</i></b>	<ul style="list-style-type: none"> <li>✓ Secure appropriate location</li> <li>✓ Prepare detailed Public Works Facilities Consolidation/Relocation Business Plan</li> <li>✓ Complete Functional Design</li> <li>✓ Perform Financing/Costing “Due Diligence”</li> </ul>
<b><i>KEY PERFORMANCE INDICATORS &amp; PLAN-DO-CHECK-ACT CYCLE</i></b>	<ul style="list-style-type: none"> <li>✓ Treasurer to develop KPI implementation work plan (Q2 2021) addressing KPI data collection challenges &amp; setting timeline to develop initial performance targets + results reporting for 2022.</li> </ul>
<b><i>ORGANIZATIONAL DESIGN</i></b>	<ul style="list-style-type: none"> <li>✓ Third Party Compensation Review to improve ability to attract and retain technically competent staff in a competitive labour market – a key lynchpin for generating performance improvement and securing transformation objectives.</li> </ul>

## 11.5 Implementation Roadmap - Do Soon (2022)

DO SOON	
<b>DEVELOPMENT APPROVALS SERVICES</b>	<ul style="list-style-type: none"> <li>✓ Initiate shared services business plan (Phase 1) with application intake at each municipality by common staff team</li> <li>✓ Commence with shared Committee of Adjustment</li> </ul>
<b>FIRE SERVICES</b>	<ul style="list-style-type: none"> <li>✓ Execute initial 1<sup>st</sup> Line of Defence work plan (Q1 2020)</li> <li>✓ Deliver 1<sup>st</sup> Line of Defence KPI reporting at year-end (Q4 2022)</li> </ul>
<b>COUNTY ROADS</b>	<ul style="list-style-type: none"> <li>✓ Evaluate continued delivery of County Road services based on County's response for restructured cost recovery model including 2 distinct transfers and a winter reserve funding tool</li> <li>✓ Execute detailed analysis of County roads winter control workload and costs from 2021 (Q1 2022). Utilize improved AVL data to conduct analysis.</li> </ul>
<b>SOLID WASTE MANAGEMENT</b>	<ul style="list-style-type: none"> <li>✓ Implement ongoing service delivery oversight model; including KPI reporting &amp; target setting in partnership with contractor</li> </ul>
<b>AYLMER POLICING</b>	<ul style="list-style-type: none"> <li>✓ Initiate/execute operational transition to new 10-year Alymer Policing model (Q1-Q2 2022)</li> <li>✓ Deliver KPI reporting/results evaluation at year-end (Q 4 2022)</li> </ul>
<b>ECONOMIC GROWTH (Springfield Servicing)</b>	<ul style="list-style-type: none"> <li>✓ Execute business plan (e.g. securing necessary staffing/consultant capacity) to initiate servicing for identified lands</li> </ul>
<b>PUBLIC WORKS FACILITIES</b>	<ul style="list-style-type: none"> <li>✓ Prepare "Shovel Ready" Capital Project <i>(Timing to be adjusted to qualify as "Shovel Ready" for a future/upcoming Federal/Provincial/Municipal infrastructure project – Could shift to "Do Soon")</i> <ul style="list-style-type: none"> <li>- Prepare and Execute RFP for Yard/Facility design</li> <li>- Select vendor &amp; prepare/endorse functional design plan</li> </ul> </li> </ul>
<b>KEY PERFORMANCE INDICATORS &amp; PLAN-DO-CHECK-ACT CYCLE</b>	<ul style="list-style-type: none"> <li>✓ Execute Treasurer's KPI work plan to improve data collection and establish annual target setting/reporting cycle</li> <li>✓ Integrate KPI targets for forward facing services (linked to the approved 2022 budget)...creating a results contract</li> <li>✓ Year-end results reporting coordinated with new forward facing service targets for the 2023 budget process</li> </ul>
<b>MODERNIZATION IMPLEMENTATION ROAD MAP</b>	<ul style="list-style-type: none"> <li>✓ Third Party Review on Implementation Progress</li> </ul>

## 11.6

**Implementation Roadmap - Do Later (2023 & Beyond)**

<b>DO LATER</b>	
<b>DEVELOPMENT APPROVALS SERVICES</b>	✓ Initiate finalized business plan with online application model & business processes (scaled to deal with Springfield development application volumes)
<b>FIRE SERVICES</b>	✓ Consider sharing expansion beyond 1 <sup>st</sup> Line of Defence to include options such as shared Fire Chief/Training/Apparatus/other operations as deemed appropriate
<b>COUNTY ROADS</b>	✓ Continue County service delivery under new contracted service delivery/funding model or downsize winter control operation to reflect “Malahide roads only” service delivery model (Q1 2023)
<b>SOLID WASTE MANAGEMENT</b>	Completed
<b>AYLMER POLICING</b>	Completed
<b>ECONOMIC GROWTH (Springfield Servicing)</b>	✓ Continue Springfield business plan execution; completing required servicing and accepting initial draft plan of sub-division applications/studies (2023-2024)
<b>PUBLIC WORKS FACILITIES</b>	✓ Execute Construction Phase of “Shovel Ready” Capital Project
<b>KEY PERFORMANCE INDICATORS &amp; PLAN-DO-CHECK-ACT CYCLE</b>	Completed

## 12.0

## Modernization Review Results

The Municipal Modernization Program requires the submission of measurable efficiencies to the Province.

Performance Concepts is recommending a series of “good government” recommendations that will improve operational planning and accountability reporting of actual versus targeted service delivery results. These recommendations are critically important but difficult to measure/quantify in the short term. Recommendations concerning KPIs and the Plan-Do-Check-Act cycle are a case in point. Our team is confident the long-term benefits of these tools will become readily apparent once KPIs are properly populated and Council can use them to set results contracts during the budget process.

Additionally, the adoption of the recommended “As Should Be” organizational structure will ensure that the principles of “Doing the Right Things” and “Doing Things Right” will be front and centre in Malahide. A “form following function” organization structure will result in improved accountability to Council and the taxpaying public.

Other recommendations in this Final Report are quantifiable and have been addressed in the summary table below.

## 12.1

### Modernization Review Efficiencies

MODERNIZATION EFFICIENCIES				
RECOMMENDATION	COST REDUCTION/ SAVINGS	COST AVOIDANCE \$	REVENUE GENERATION	SERVICE QUALITY IMPROVEMENT
<b>DEVELOPMENT APPROVALS SERVICES</b>	.25 FTE for eliminating prior CBO position (estimated \$20k-25k annually)			Improved Building Services coverage via Service Sharing with Bayham  Freed-up Council capacity via shared Committee of Adjustment
<b>FIRE SERVICES/ MEDICAL CALLS</b>	Reduced Tiered Medical Calls/Spending  Estimated \$100k savings dividend across next 4-5 budget years			Improved public safety via shared 1 <sup>st</sup> Line of Defence with Bayham

MODERNIZATION EFFICIENCIES				
RECOMMENDATION	COST REDUCTION/ SAVINGS	COST AVOIDANCE \$	REVENUE GENERATION	SERVICE QUALITY IMPROVEMENT
<b>COUNTY ROADS PROGRAM RESTRUCTURING</b>		<p>Reduced \$ exposure during a severe winter season</p> <p>Cost avoidance estimate of \$30k-\$40k for a severe winter due to County winter reserve draw</p>		AVL technology upgrades to improve County road winter effort tracking/costs for re-imbursement
<b>SOLID WASTE MANAGEMENT CONTRACT RE- DESIGN</b>		<p>Malahide/ Aylmer shared contract will deliver improved pricing (\$20k cost avoidance - an estimated 10% of annual pricing without sharing)</p>		
<b>AYLMER POLICING</b>		<p>Estimated \$4M cost avoidance for improved service level over 10-year contract</p>		Improved Malahide “designated officer” policing service level... achieved for approximately \$4M less over ten years versus an OPP alternative
<b>ECONOMIC GROWTH (Springfield Servicing)</b>			<p>Malahide to experience an estimated net tax revenue increase of \$470k to \$600k annually for first phase of serviced development (10 year estimated timeframe)</p>	

MODERNIZATION EFFICIENCIES				
RECOMMENDATION	COST REDUCTION/ SAVINGS	COST AVOIDANCE \$	REVENUE GENERATION	SERVICE QUALITY IMPROVMENT
<b><i>PUBLIC WORKS FACILITIES CONSOLIDATION</i></b>		Significant facility replacement avoidance of current 2 yards consolidated (\$4.5 million+ in avoided capital costs with fibre/membrane facility)		

## Appendix A – Policing Report

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**REPORT SUBMITTED UNDER SEPARATE COVER**

## Appendix B – Service Inventory

### CAO and CLERKS OFFICE

FORWARD FACING SERVICES AND INTERNAL SUPPORT FUNCTIONS	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>CAO &amp; Clerk's Office</b>				
<i>Council Meeting Management and Support</i>				
<i>Integrity Commissioner</i>				
<i>FOIs</i>				
<i>Vital Statistics</i>				
<i>Records</i>				
<i>Accessibility Compliance</i>				
<i>Land Sales</i>				
<i>Lottery Licences</i>				

### HUMAN RESOURCES

FORWARD FACING SERVICES AND INTERNAL SUPPORT FUNCTIONS	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>Human Resources</b>				
<i>Employee and Labor Relations</i>				
<i>Recruitment and Retention</i>				
<i>Training and Development</i>				
<i>Pay Equity</i>				
<i>Job Evaluations</i>				
<i>Collective Bargaining</i>				
<i>Occupational Health and Safety</i>				

## FINANCE

FORWARD FACING SERVICES AND INTERNAL SUPPORT FUNCTIONS	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>Finance</b>				
<i>General Inquiries &amp; Customer Service (Telephone, Front Counter/Reception)</i>				
<i>Budget Capital</i>				
<i>Budget Operating</i>				
<i>Accounting and Reporting</i>				
<i>Taxes - Billing</i>				
<i>Accounts Receivable</i>				
<i>Purchasing</i>				
<i>Accounts Payable</i>				
<i>Grants &amp; Transfer Payments</i>				
<i>Payroll</i>				
<i>Benefits Admin</i>				
<i>Capital Planning</i>				
<i>Asset Management</i>				

## FIRE RESCUE & EMERGENCY SERVICES

FORWARD FACING SERVICES AND INTERNAL SUPPORT FUNCTIONS	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>Fire Rescue &amp; Emergency Services</b>				
<i>Fire Suppression Response</i>				
<i>Emergency Medical Tiered Response</i>				
<i>Hazardous Material Response</i>				
<i>Extrication and High Angle Rescue Response</i>				
<i>Fire Code Compliance Enforcement</i>				
<i>Emergency Management</i>				
<i>Fire Prevention Education</i>				

## DEVELOPMENT & COMMUNITY SERVICES

FORWARD FACING SERVICES AND INTERNAL SUPPORT FUNCTIONS	Indirect/Corporate Support Function	Core Service (Forward Facing)	Secondary Service (Forward Facing)	User Driven Service (Forward Facing)
<b>Development &amp; Community Services</b>				
<i>Land Use Planning</i>				
<i>Development Approvals and Applications</i>				
<i>Ontario Building Code (Permits, Inspection, enforcement)</i>				
<i>Municipal By-law Enforcement and Property Standards</i>				
<i>Economic Development</i>				
<i>Land Acquisition and Disposition</i>				
<i>Tourism Initiatives</i>				
<i>Business Licensing</i>				
<i>Information Technology Support</i>				
<i>GIS Services</i>				
<i>Cemeteries</i>				
<i>Community Centres Programming</i>				
<i>Outdoor Rec Programming</i>				
<i>Park Maintenance</i>				
<i>Facilities Operations</i>				
<i>Facilities Capital Project Management</i>				
<i>Facilities Management</i>				

## PHYSICAL SERVICES

Physical Services				
<i>Roads - Maintenance</i>				
<i>Roads - Patrol</i>				
<i>Roads - Construction</i>				
<i>Structures (Bridges &amp; Culverts) - Maintenance</i>				
<i>Structures (Bridges &amp; Culverts) - Construction</i>				
<i>Community Safety (sidewalks, streetlights, guiderails, signage, speed)</i>				
<i>Winter Maintenance</i>				
<i>Water - Treatment</i>				
<i>Water - Distribution</i>				
<i>Water - Billing</i>				
<i>Sewage - Treatment</i>				
<i>Sewage - Collection</i>				
<i>Sewage - Billing</i>				
<i>Storm Sewer System</i>				
<i>Drainage - Administration</i>				
<i>Drainage - Maintenance</i>				
<i>Waste Management - Collection</i>				
<i>Waste Management - Landfill</i>				
<i>Waste Management - Recycling</i>				
<i>Fleet Management</i>				
<i>Equipment Management</i>				

# Appendix C – Key Performance Indicators

## Fire Rescue & Emergency Services

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2016			2017		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective	Output	Efficiency	Effective
<b>Fire Rescue &amp; Emergency Response Calls - General</b>	# Households	\$/Household	# Calls/100 Hours of Coverage	3,155	\$249	3.8	3,150	\$253	4.1
	# Properties	\$/Property	\$/Hour of Coverage	3,583	\$219	\$48	3,595	\$222	\$45
			Avg #FF/Call			7.6			8.1
			Avg #FF/Call M-F daytime			7.2			7.0
			Avg #FF/Call other times			8.7			9.6
			Avg Response Time			10:47			9:57
<b>Fire Rescue &amp; Emergency Response Calls - Suppression</b>	# Calls	\$/Call	Avg FF/Call	38	\$1,102	19.1	29	\$681	17.8
<b>Fire Rescue &amp; Emergency Response Calls - Motor Vehicle Collision</b>	# Calls	\$/Call	Avg FF/Call	29	\$337	16.6	31	\$396	17.5
<b>Fire Rescue &amp; Emergency Response Calls - Technical Rescue (high angle/extraction)</b>	# Calls	\$/Call	Avg FF/Call	1	\$4,816	123.0	1	\$11,606	150.0
<b>Fire Rescue &amp; Emergency Response Calls - Emergency Medical Tiered Response</b>	# Calls	\$/Call	Avg FF/Call	210	\$84	7.8	241	\$93	8.4
<b>Fire Rescue &amp; Emergency Response Calls - Other (Haz Mat, etc)</b>	# Calls	\$/Call	Avg FF/Call	57	\$146	7.6	59	\$284	8.5
<b>Fire Rescue &amp; Emergency Response Calls - TOTAL</b>	# Calls	\$/Call	Avg FF/Call	335	\$246	10.1	361	\$230	10.4
<b>Fire Code Compliance</b>	# Fire Inspections	\$/Inspection	% Total Properties Inspected	61	\$279	1.7%	41	\$300	1.1%
	# Fire Inspection Hours	\$/Inspection-Hour	# Hours/Inspection	244	\$70	4.0	164	\$75	4.0
<b>Fire Training</b>	# Training Hours per FF	\$/Training hour	% Actual v Planned Hours	4,064	\$0.00	176%	4,100	\$7.66	150%
<b>Fire Prevention Education</b>	# Public Education Events	\$/public education event	# persons receiving education	19	\$255	2,841	22	\$345	3,133
	# Public Education Hours	\$/Public Education Hour	Pop. Exceed (Miss) Target	336	\$14.41	-225	272	\$27.91	67
FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2018			2019		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective	Output	Efficiency	Effective
<b>Fire Rescue &amp; Emergency Response Calls - General</b>	# Households	\$/Household	# Calls/100 Hours of Coverage	3,170	\$270	4.4	3,205	\$285	4.1
	# Properties	\$/Property	\$/Hour of Coverage	3,644	\$235	\$48	3,652	\$250	\$50
			Avg #FF/Call			8.2			9.7
			Avg #FF/Call M-F daytime			7.3			9.4
			Avg #FF/Call other times			8.6			11.0
			Avg Response Time			11:27			10:40
<b>Fire Rescue &amp; Emergency Response Calls - Suppression</b>	# Calls	\$/Call	Avg FF/Call	87	\$540	8.4	37	\$567	12.3
<b>Fire Rescue &amp; Emergency Response Calls - Motor Vehicle Collision</b>	# Calls	\$/Call	Avg FF/Call	41	\$308	14.0	51	\$646	19.8
<b>Fire Rescue &amp; Emergency Response Calls - Technical Rescue (high angle/extraction)</b>	# Calls	\$/Call	Avg FF/Call	7	\$680	13.4	3	\$1,293	24.0
<b>Fire Rescue &amp; Emergency Response Calls - Emergency Medical Tiered Response</b>	# Calls	\$/Call	Avg FF/Call	238	\$85	7.5	232	\$142	11.1
<b>Fire Rescue &amp; Emergency Response Calls - Other (Haz Mat, etc)</b>	# Calls	\$/Call	Avg FF/Call	13	\$1,971	55.2	36	\$394	20.0
<b>Fire Rescue &amp; Emergency Response Calls - TOTAL</b>	# Calls	\$/Call	Avg FF/Call	386	\$286	10.1	359	\$292	13.4
<b>Fire Code Compliance</b>	# Fire Inspections	\$/Inspection	% Total Properties Inspected	20	\$306	0.5%	52	\$311	1.4%
	# Fire Inspection Hours	\$/Inspection-Hour	# Hours/Inspection	80	\$76	4.0	208	\$78	4.0
<b>Fire Training</b>	# Training Hours per FF	\$/Training hour	% Actual v Planned Hours	4,962	\$7.09	188%	3,413	\$8.67	145%
<b>Fire Prevention Education</b>	# Public Education Events	\$/public education event	# persons receiving education	22	\$228	3,888	23	\$191	2,419
	# Public Education Hours	\$/Public Education Hour	Pop. Exceed (Miss) Target	414	\$12.10	822	594	\$7.41	-647

## Development & Community Services – Populated KPI Tables

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2016			2017		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective	Output	Efficiency	Effective
<b>Development Approvals and Applications</b>	# planning applications	\$ cost/application	# days to process	33	\$1,232	-	50	\$974	-
	# hours processing	\$ cost/processing hour		495	\$82		678	\$72	
		% revenue vs cost			44%			55%	
<b>Ontario Building Code (Permits)</b>	# Part 3 applications	\$ cost/application	% Part 3 mtg Bill 124 timeline	16	\$140	95%	12	\$147	95%
	# Part 9 applications		% Part 9 mtg Bill 124 timeline	120		95%	171		95%
	# hours processing	\$ cost/processing hour		424	\$45		561	\$48	
<b>Ontario Building Code (Inspections)</b>	# inspection hours	\$ cost/inspection hour	% completed "on time"	1,056	\$50	100%	1,440	\$50	100%
<b>Municipal By-law Enforcement and Property Standards</b>	# complaints	\$ cost/complaint	# days to initiate action	30	\$146	5	33	\$113	5
	# hours to resolution	\$ cost/resolution hour		126	\$35		132	\$28	

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2018			2019		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective	Output	Efficiency	Effective
<b>Development Approvals and Applications</b>	# planning applications	\$ cost/application	# days to process	44	\$1,511	-	41	\$1,780	-
	# hours processing	\$ cost/processing hour		581	\$114		647	\$113	
		% revenue vs cost			35%			33%	
<b>Ontario Building Code (Permits)</b>	# Part 3 applications	\$ cost/application	% Part 3 mtg Bill 124 timeline	10	\$147	95%	10	\$150	95%
	# Part 9 applications		% Part 9 mtg Bill 124 timeline	152		95%	119		95%
	# hours processing	\$ cost/processing hour		496	\$48		397	\$49	
<b>Ontario Building Code (Inspections)</b>	# inspection hours	\$ cost/inspection hour	% completed "on time"	1,276	\$50	100%	1,012	\$50	100%
<b>Municipal By-law Enforcement and Property Standards</b>	# complaints	\$ cost/complaint	# days to initiate action	37	\$309	5	21	\$431	5
	# hours to resolution	\$ cost/resolution hour		148	\$77		84	\$108	

## Development & Community Services – Unpopulated KPI Tables

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description		
	Output	Efficiency	Effectiveness
<b>Business Licensing</b>	# applications processed	\$ cost/license	# days to permit
	# hours processing	\$ cost/processing hour	
<b>Cemeteries - Operations</b>	# of interments	\$ revenue/interment	time to interment
	# site pre-sales	\$ cost/interment	% plot capacity
	# hours time on task	\$ cost/hour on task	% reserve vs liability
<b>Cemeteries - Maintenance</b>	# maintenance hours	\$ cost/maintenance hour	# complaints (annual)
	# ha maintained	\$ cost/ha.	
<b>Community Centres Programming</b>	# hours facility availability	\$ revenue/hour	% facility utilization
		\$ costs/hour	% cost recovery
	# hours facility maintenance	\$ cost/maintenance hour	
<b>Outdoor Sports Field and Park Maintenance</b>	# hours maintenance	\$ cost/maintenance hour	% utilization sports field
	# hectares park space	\$ cost/ha park space	Public Satisfaction
	# hectares sports field	\$ cost/ha sports field	User Satisfaction

NOTE: Township of Malahide staff identified these potential Key Performance Indicators as being useful metrics for managing the various departments and providing accountability for Council and staff. However, the data for populating these KPIs was not readily available or captured by staff on an historical basis.

## Physical Services – Populated KPI Tables (Partial)

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2016			2017		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective	Output	Efficiency	Effective
<b>Road System - Township</b>	# Lane-km	\$/Lane-km	% lane-km 'good/ v. good condition'	510.2	\$5,698	89%	510.2	\$6,056	90%
Road system by category - MMS 3	# Lane-km	\$/Lane-km	PCI	27.2		77.7	27.2		0.0
	# Maintenance Hours	\$/Maintenance Hour							
Road system by category - MMS 4	# Lane-km	\$/Lane-km	PCI	390.7		80.0	390.7		0.0
	# Maintenance Hours	\$/Maintenance Hour							
Road system by category - MMS 5	# Lane-km	\$/Lane-km	PCI	36.9		80.1	36.9		0.0
	# Maintenance Hours	\$/Maintenance Hour							
Road system by category - MMS 6	# Lane-km	\$/Lane-km	PCI	51.2		63.3	51.2		0.0
	# Maintenance Hours	\$/Maintenance Hour							
Road system by category - Sidewalks	# Lane-km	\$/Lane-km	PCI	4.2		96.0	4.2		96.0
	# Maintenance Hours	\$/Maintenance Hour							
<b>Roads - Maintenance - Township</b>	# Maintenance Hours	\$/Maintenance Hour	% actual vs budget	34,169	\$85		32,568	\$95	
<b>Road System - County</b>	# Lane-km	\$/Lane-km	% Lane-km Good/ V Good Condition	146.2			146.2		
Road system by category - MMS 2	# Lane-km	\$/Lane-km	PCI	13.0			13.0		
	# Maintenance Hours	\$/Maintenance Hour							
Road system by category - MMS 3	# Lane-km	\$/Lane-km	PCI	109.9			109.9		
	# Maintenance Hours	\$/Maintenance Hour							
Road system by category - MMS 4	# Lane-km	\$/Lane-km	PCI	23.3			23.3		
	# Maintenance Hours	\$/Maintenance Hour							
<b>Roads - Maintenance - County</b>	# Maintenance Hours	\$/Maintenance Hour	% actual vs budget	5,852	\$113		5,103	\$142	
<b>Winter Maintenance - Township</b>	# lane-km maintained	\$/winter event	% actual vs budget	510.2	\$1,965	83%	510.2	\$2,268	88%
	deployed man hours	\$/man hour	# hours post-event clean up	1,603	\$32		1,411	\$40	
	deployed machine hours	\$/machine hour		1,502	\$13		1,387	\$17	
		\$/materials/event			\$784			\$913	
	total pass km	\$/pass km		19,280	\$6.73		14,532	\$9.68	
<b>Winter Maintenance - County</b>	# lane-km maintained	\$/winter event	% actual vs budget	146.2	\$4,857	87%	146.2	\$5,073	84%
	deployed man hours	\$/man hour	# hours post-event cleanup	1,730	\$63		1,584	\$61	
	deployed machine hours	\$/machine hour		2,336	\$51		2,125	\$53	
		\$/materials/event			\$1,383			\$1,715	
	total pass km	\$/pass km		24,295	\$13.19		27,304	\$11.52	

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description			2018			2019		
	Output	Efficiency	Effectiveness	Output	Efficiency	Effective	Output	Efficiency	Effective
<b>Road System - Township</b>	# Lane-km	\$/Lane-km	% lane-km 'good/ v. good condition'	510.6	\$5,988	92%	511.0	\$5,823	92%
<i>Road system by category - MMS 3</i>	# Lane-km	\$/Lane-km	PCI	27.2		77.1	27.2		0.0
	# Maintenance Hours	\$/Maintenance Hour							
<i>Road system by category - MMS 4</i>	# Lane-km	\$/Lane-km	PCI	390.7		80.5	390.7		0.0
	# Maintenance Hours	\$/Maintenance Hour							
<i>Road system by category - MMS 5</i>	# Lane-km	\$/Lane-km	PCI	36.9		80.7	36.9		0.0
	# Maintenance Hours	\$/Maintenance Hour							
<i>Road system by category - MMS 6</i>	# Lane-km	\$/Lane-km	PCI	51.2		69.9	51.2		0.0
	# Maintenance Hours	\$/Maintenance Hour							
<i>Road system by category - Sidewalks</i>	# Lane-km	\$/Lane-km	PCI	4.6		97.0	5.0		98.0
	# Maintenance Hours	\$/Maintenance Hour							
<b>Roads - Maintenance - Township</b>	# Maintenance Hours	\$/Maintenance Hour	% actual vs budget	30,598	\$100		30,667	\$97	
<b>Road System - County</b>	# Lane-km	\$/Lane-km	% Lane-km Good/ V Good Condition	146.2			146.2		
<i>Road system by category - MMS 2</i>	# Lane-km	\$/lane-km	PCI	13.0			13.0		
	# Maintenance Hours	\$/Maintenance Hour							
<i>Road system by category - MMS 3</i>	# Lane-km	\$/Lane-km	PCI	109.9			109.9		
	# Maintenance Hours	\$/Maintenance Hour							
<i>Road system by category - MMS 4</i>	# Lane-km	\$/Lane-km	PCI	23.3			23.3		
	# Maintenance Hours	\$/Maintenance Hour							
<b>Roads - Maintenance - County</b>	# Maintenance Hours	\$/Maintenance Hour	% actual vs budget	5,981	\$119		6,383	\$120	
<b>Winter Maintenance - Township</b>	# lane-km maintained	\$/winter event	% actual vs budget	510.6	\$2,221	128%	511.0	\$2,632	111%
	deployed man hours	\$/man hour	# hours post-event clean up	2,041	\$45		2,079	\$40	
	deployed machine hours	\$/machine hour		2,402	\$11		2,101	\$6	
		\$/materials/event			\$1,206			\$1,287	
	total pass km	\$/pass km		22,257	\$9.81		12,052	\$8.38	
<b>Winter Maintenance - County</b>	# lane-km maintained	\$/winter event	% actual vs budget	146.2	\$5,184	100%	146.2	\$4,256	83%
	deployed man hours	\$/man hour	# hours post-event cleanup	1,827	\$70		1,325	\$73	
	deployed machine hours	\$/machine hour		3,249	\$52		2,370	\$47	
		\$/materials/event			\$1,326			\$1,632	
	total pass km	\$/pass km		28,304	\$14.10		27,287	\$12.32	

NOTE: Data is only partially available as specific data by MMS road type has not been historically captured.

## Physical Services – Unpopulated KPI Tables

FORWARD FACING SERVICES AND SUPPORT FUNCTIONS	KPI Description		
	Output	Efficiency	Effectiveness
<b>Water - Treatment</b>	# ML treated	\$/ML treated	# tests failing guidelines
	# ML purchased		
<b>Water - Distribution</b>	# main km	\$/main km	# main breaks
	# ML sold	\$ maintenance/ main break	# main breaks/ main km
	# hours maintenance	\$/hour maintenance	
<b>Water - Billing</b>	# customers	\$ admin/ customer	
<b>Sewage - Treatment</b>	# ML treated	\$/ML treated	# test failing guidelines
	# hours at plant	\$/hour at plant	
<b>Sewage - Collection</b>	# main km	\$/main km	# breaks
	# hours maintenance	\$/hour maintenance	# breaks/ main km
<b>Sewage - Billing</b>			
<b>Drainage</b>	# km maintained	\$/km maintained	% drained inspected annually
<b>Waste Management - Collection</b>	# collection points	\$/household	% serviced "on time"
	# route km	\$/route km	# complaints
	# tonnes collected	\$/tonne collected	
<b>Waste Management - Landfill</b>	# tonnes landfilled	\$/tonne landfilled	
<b>Waste Management - Recycling</b>	# tonnes recycled	\$/tonne diverted	% diversion

NOTE: Township of Malahide staff identified these potential Key Performance Indicators as being useful metrics for managing the various departments and providing accountability for Council and staff. However, the data for populating these KPIs was not readily available or captured by staff on an historical basis.

## Appendix D – Organizational Design

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### CONFIDENTIAL REPORT

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SUBMITTED TO CAO UNDER SEPARATE COVER