



THE REGIONAL MUNICIPALITY OF NIAGARA  
COMMITTEE OF THE WHOLE  
AGENDA

COTW 9-2019

Thursday, November 7, 2019

6:30 p.m.

Council Chamber

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

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	Pages
1. <u>CALL TO ORDER</u>	
2. <u>DISCLOSURES OF PECUNIARY INTEREST</u>	
3. <u>PRESENTATIONS</u>	
3.1 <u>Niagara Region Sustainability Review – Opportunities Analysis</u> Oscar Poloni, CPA, CA, CBV KPMG LLP	3 - 22
4. <u>DELEGATIONS</u> None.	
5. <u>ITEMS FOR CONSIDERATION</u> None.	
6. <u>CONSENT ITEMS FOR INFORMATION</u> None.	
7. <u>OTHER BUSINESS</u>	

**8. CLOSED SESSION**

**8.1 Confidential CSD 73-2019**

A Matter Respecting Labour Relations or Employee Negotiations:  
Niagara Region Service Sustainability Review

To be distributed at the meeting.

A confidential presentation (to be distributed) will precede the  
consideration of this item.

**9. NEXT MEETING**

The next meeting is scheduled for Thursday, February 6, 2020 at 6:30 p.m. in  
the Council Chamber.

**10. ADJOURNMENT**

If you require any accommodations for a disability in order to attend or participate in meetings or  
events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376  
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## Region of Niagara Service Sustainability Review

# Opportunities Analysis

Presentation to the  
Committee of the Whole

November 7th, 2019



# Agenda

- Introduction
- Key Themes
- Next Steps

# Introduction

- Over the last nine months, KPMG has been working with Regional personnel on the Region's service sustainability review
  - Service profile development
  - Benchmarking
  - Key performance indicators
  - Opportunities for cost reductions
  - Business case development
- The purpose of today's presentation is to provide Council with an update on the review and next steps

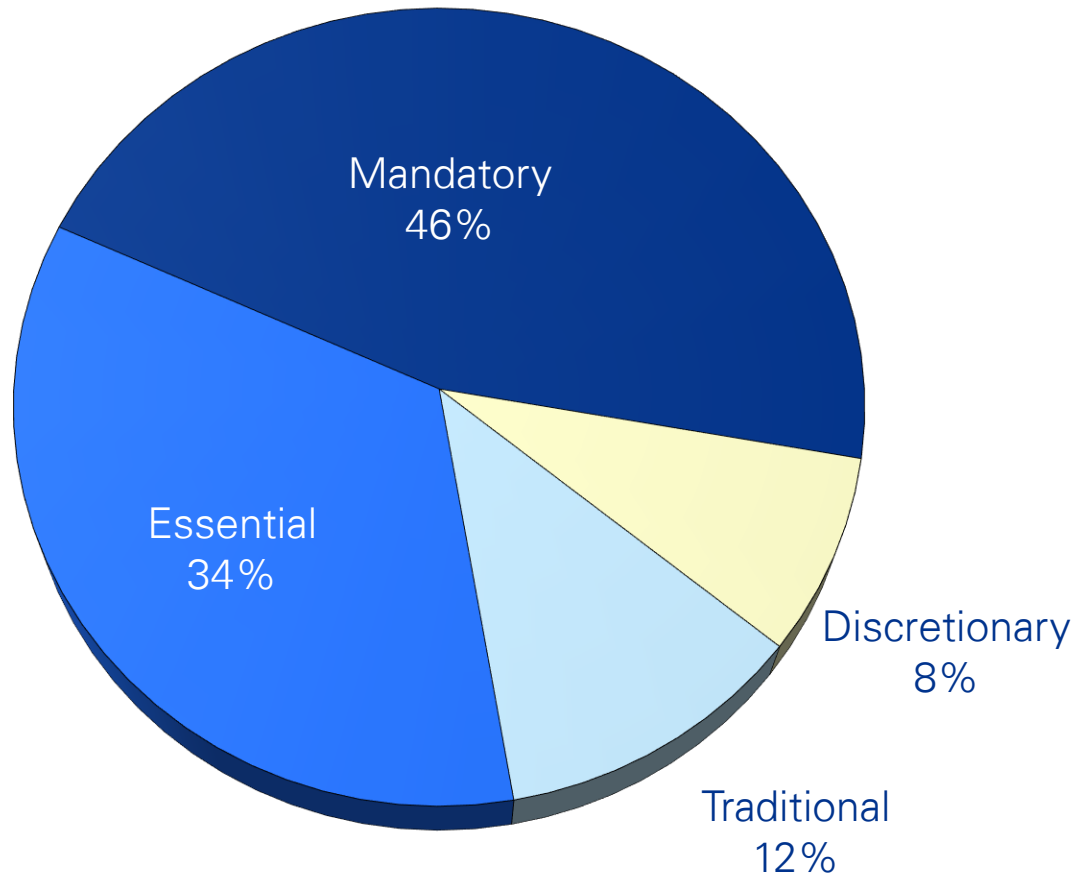
# Key Themes

- Discretionary services are more the exception than the rule



# The Region's Services by Basis of Delivery

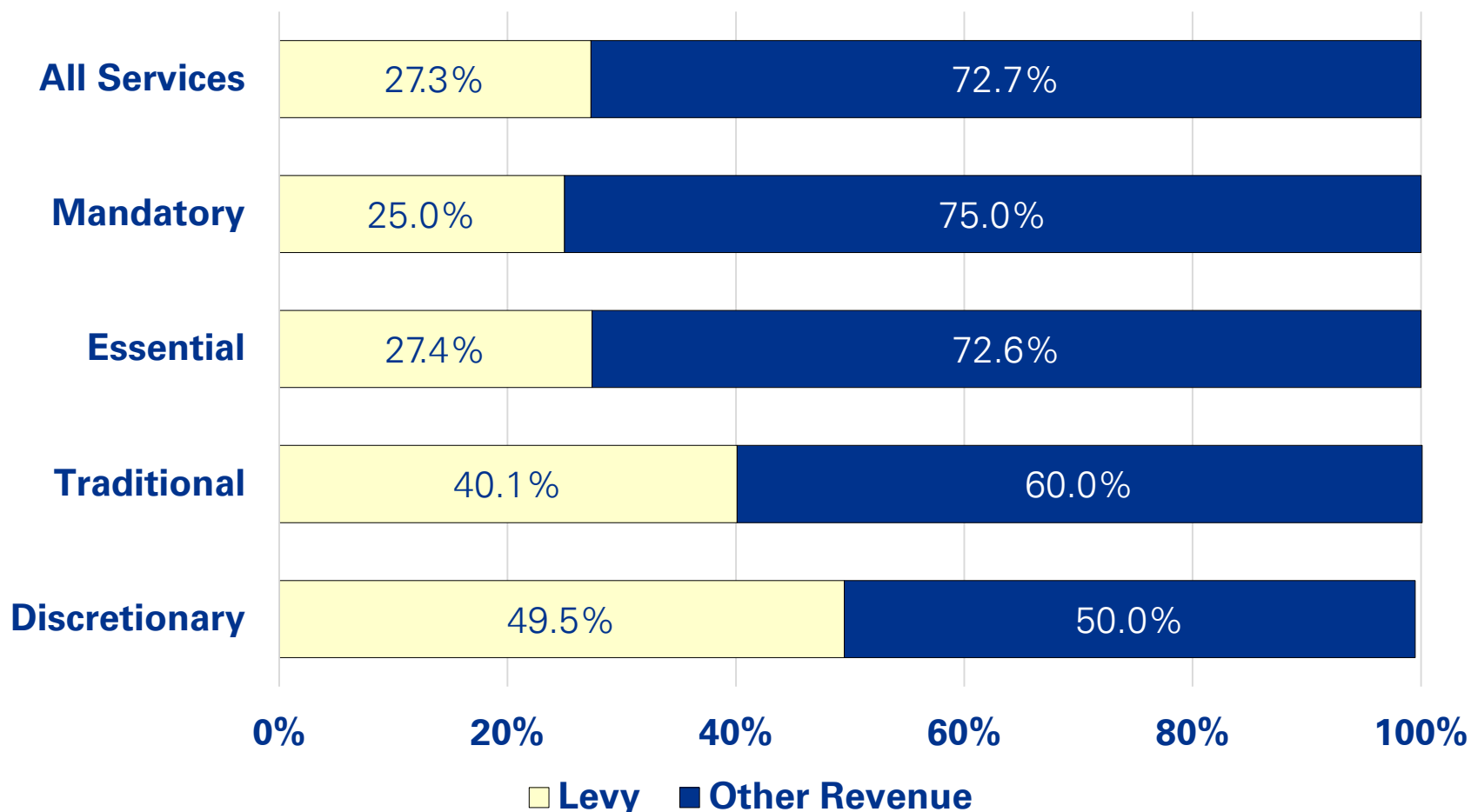
## Number of Services



- **Mandatory** – Services that are required to be delivered by regulation or legislation
- **Essential** – Services that, while not mandatory, are required to be delivered in order to ensure public health and safety and/or the effective functioning the Region as a corporate body
- **Traditional** – Non-mandatory, non-essential services that are typically delivered by municipalities of comparable size and complexity and for which a public expectation exists that the service will be provided
- **Other Discretionary** – Services that are delivered at the direction of the Region without a formal requirement or expectation

# The Region's Services by Basis of Delivery

## Funding by Type of Service





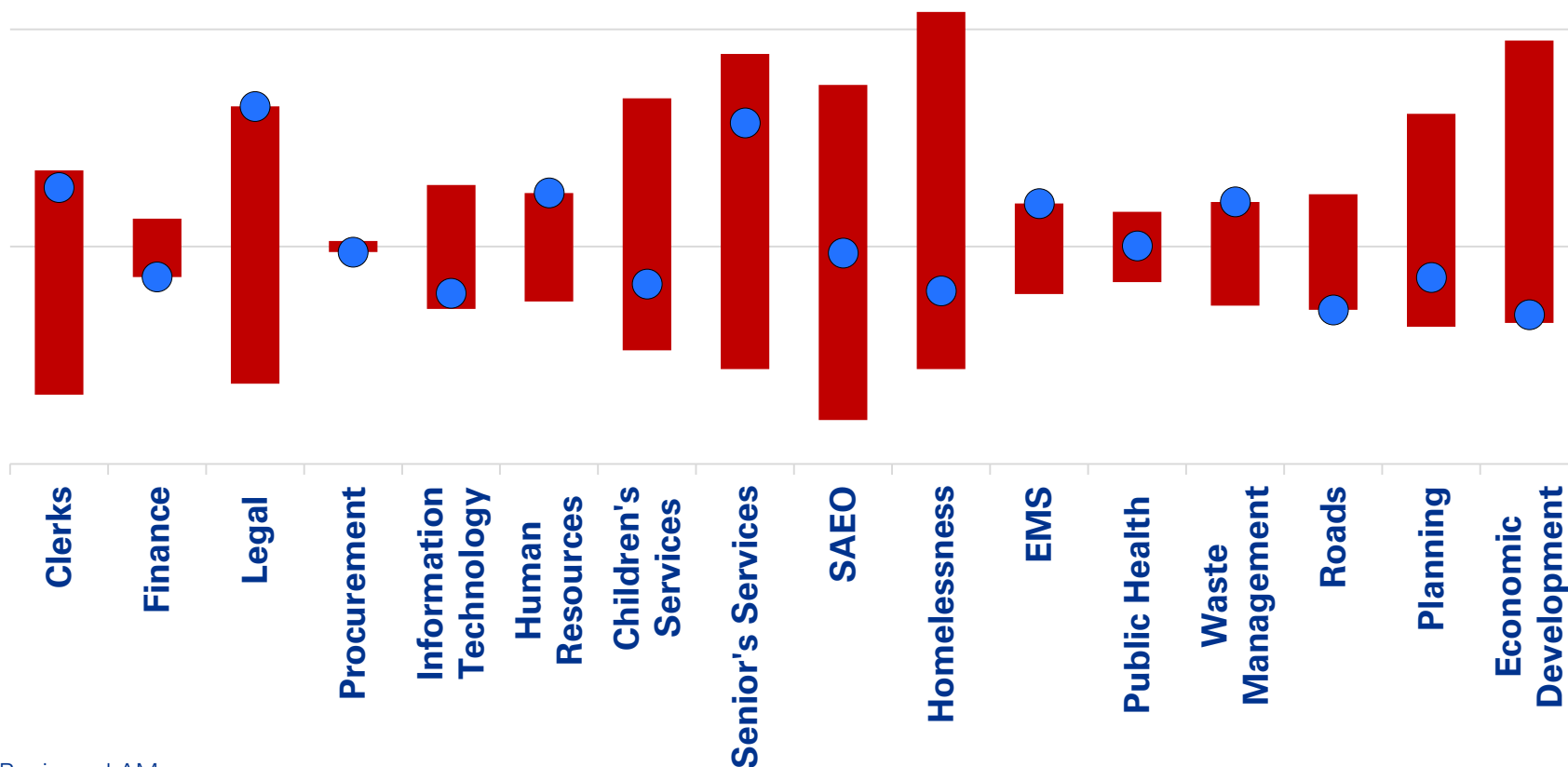
# Key Themes

- Discretionary services are more the exception than the rule
- The cost of services, while a valid concern, does not appear to be a significant issue

# Cost of Services (Preliminary)

Range of Municipal Comparator Group

Region of Niagara



\*Region + LAMs

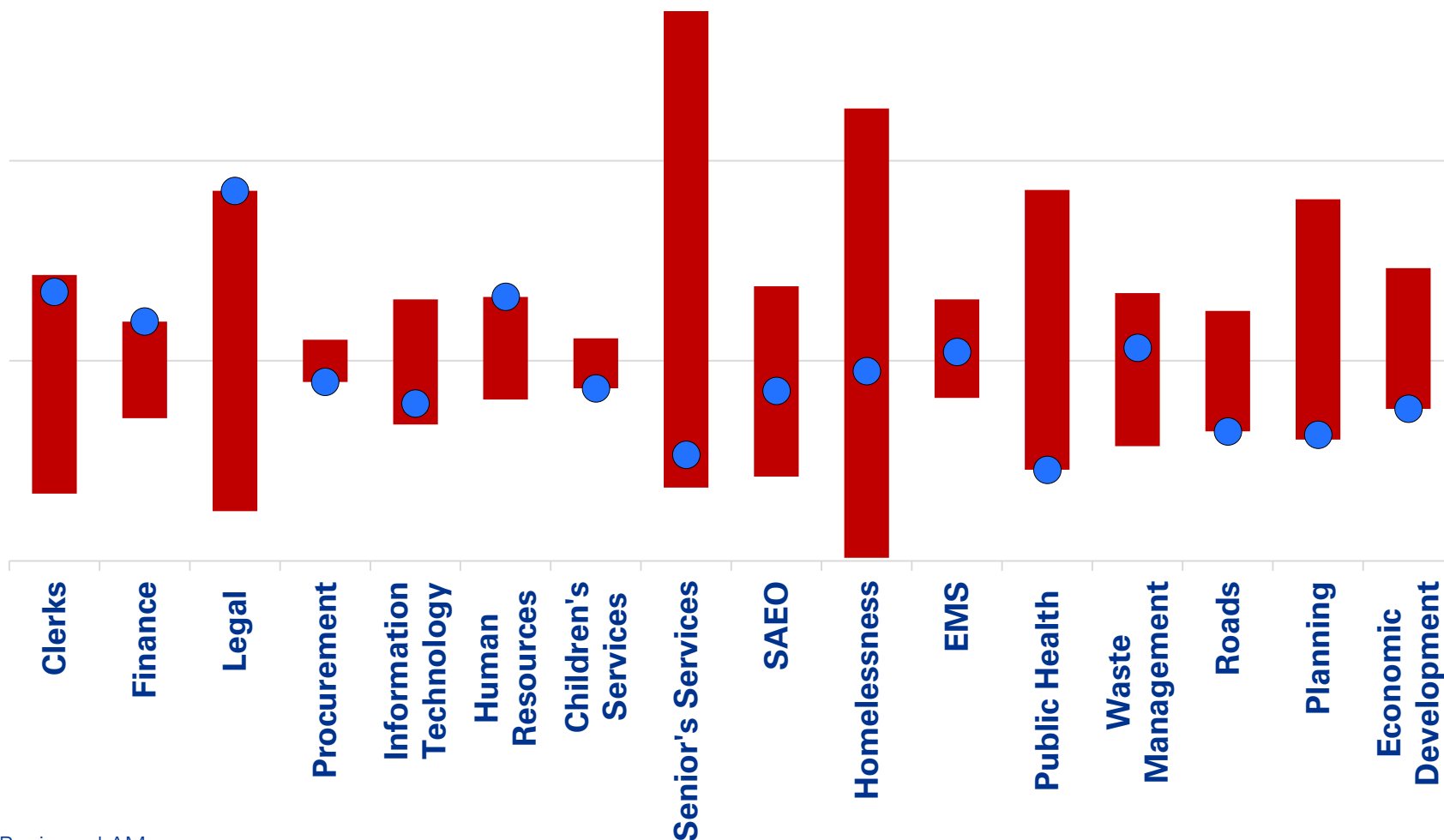


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# Cost of Services - Levy (Preliminary)

Range of Municipal  
Comparator Group

Region of Niagara

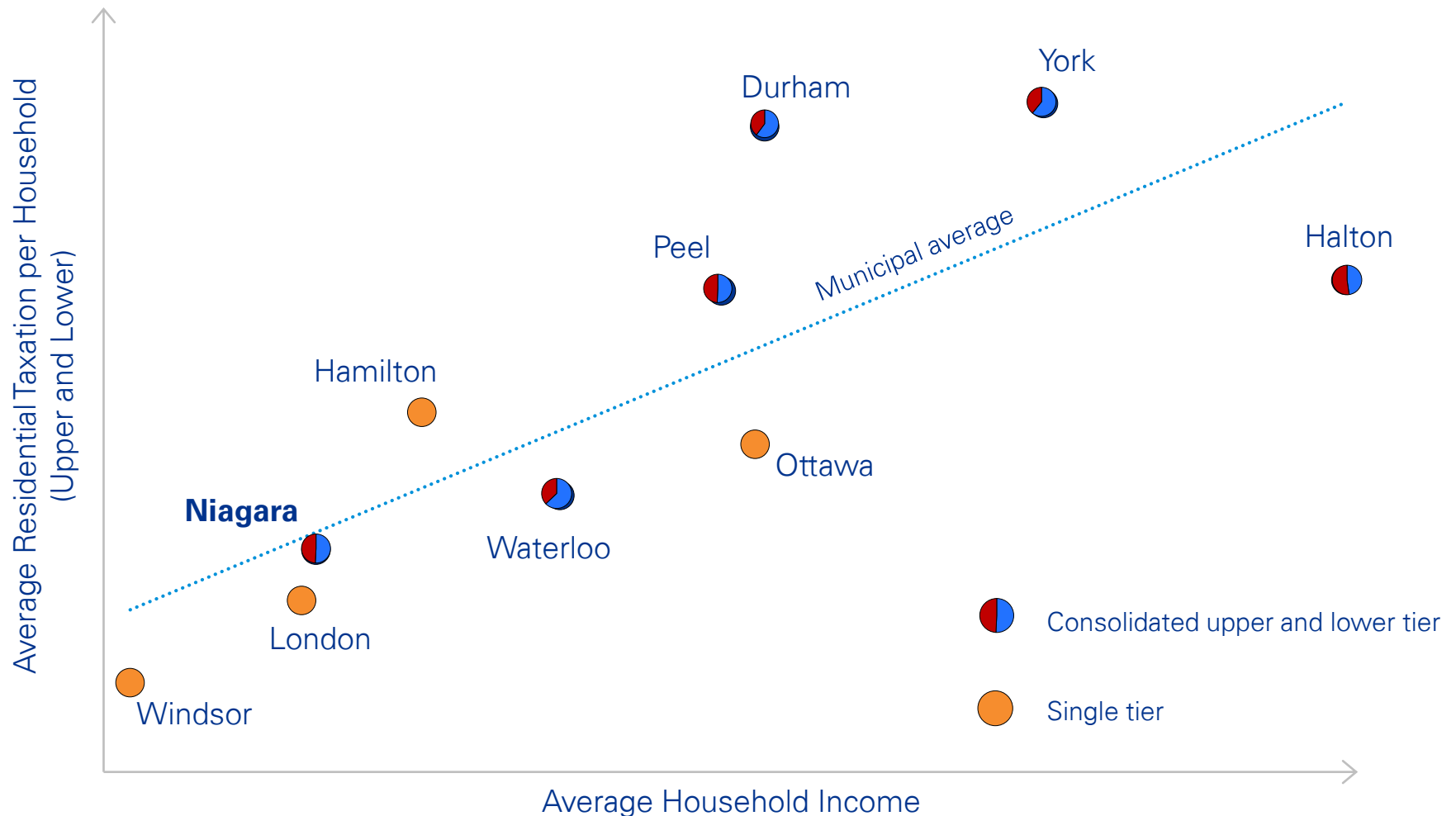


\*Region + LAMs



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# Niagara By The Numbers (2017)

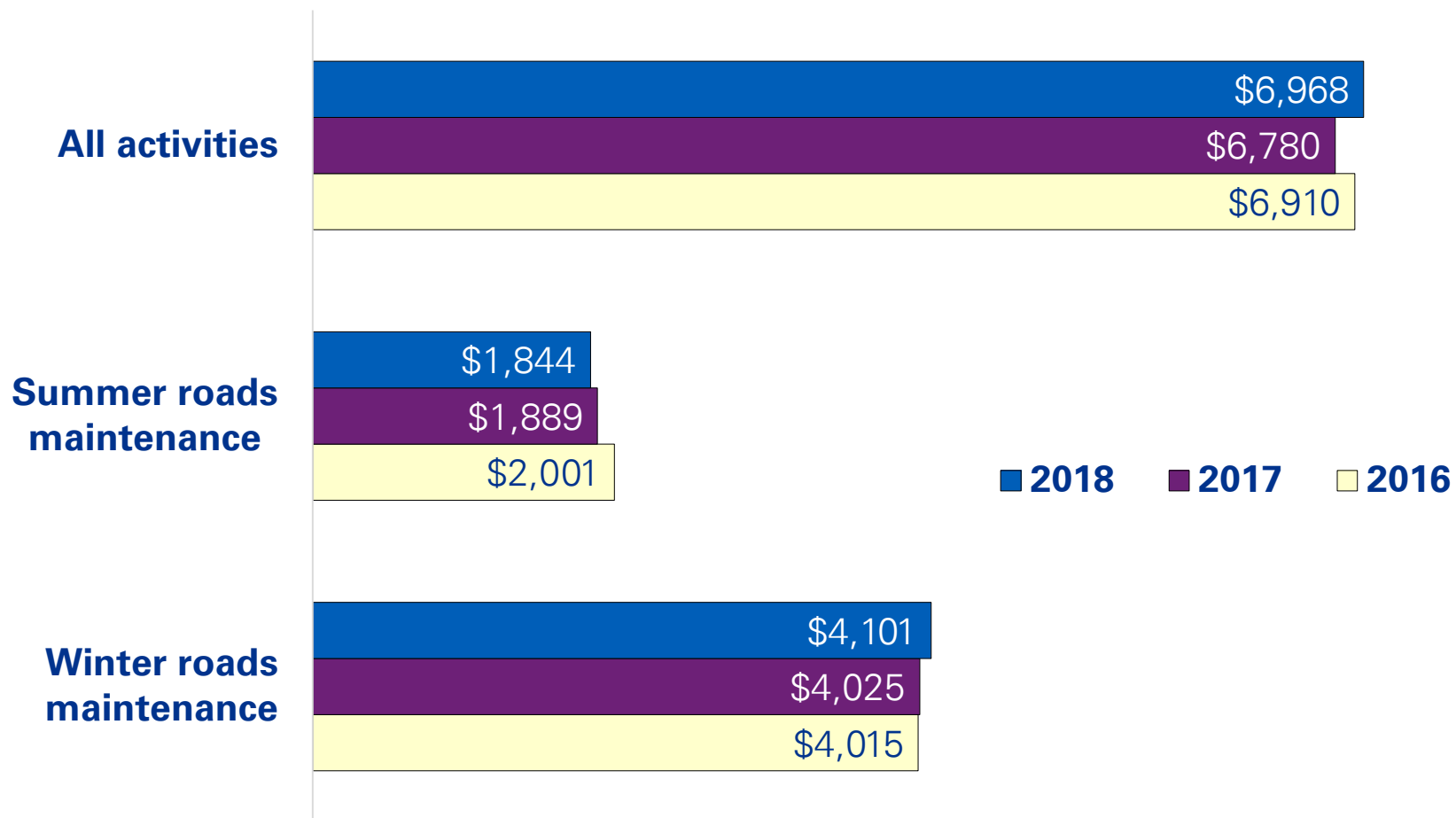


# Key Themes

- Discretionary services are more the exception than the rule
- The cost of services, while a valid concern, does not appear to be a significant issue
- Cost reductions have been underway prior to the service sustainability review

# Cost of Services

## Maintenance Cost per Lane Kilometre



# Key Themes

- Discretionary services are more the exception than the rule
- The cost of services, while a valid concern, does not appear to be a significant issue
- Cost reductions have been underway prior to the service sustainability review
- Financial constraints have impacted service levels in certain areas



# Service Level Impacts

## *Paramedic Response Times Within Standard*



# Key Themes

- Discretionary services are more the exception than the rule
- The cost of services, while a valid concern, does not appear to be a significant issue
- Cost reductions have been underway prior to the service sustainability review
- Financial constraints have impacted service levels in certain areas
- Opportunities exist that can be pursued by Council

# Identified Opportunities

*Operating changes*



*Discretionary program reductions*



*Integration with local area municipalities*



*Alternate service delivery*



# Priority Opportunities

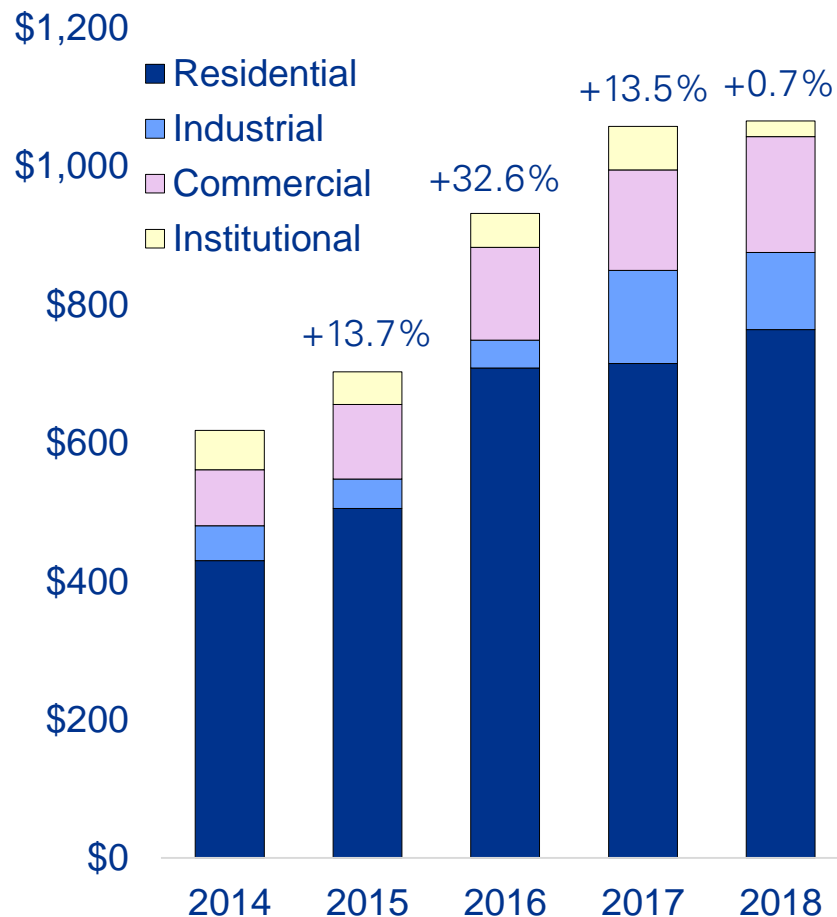
## **Opportunity No. 1(a) – Reduce or Eliminate Private Sector Grants (SNIP, Gateway, Cultural, Waterfront)**

## **Opportunity No. 1(b) – Reduce or Eliminate Development Charge Rebates**

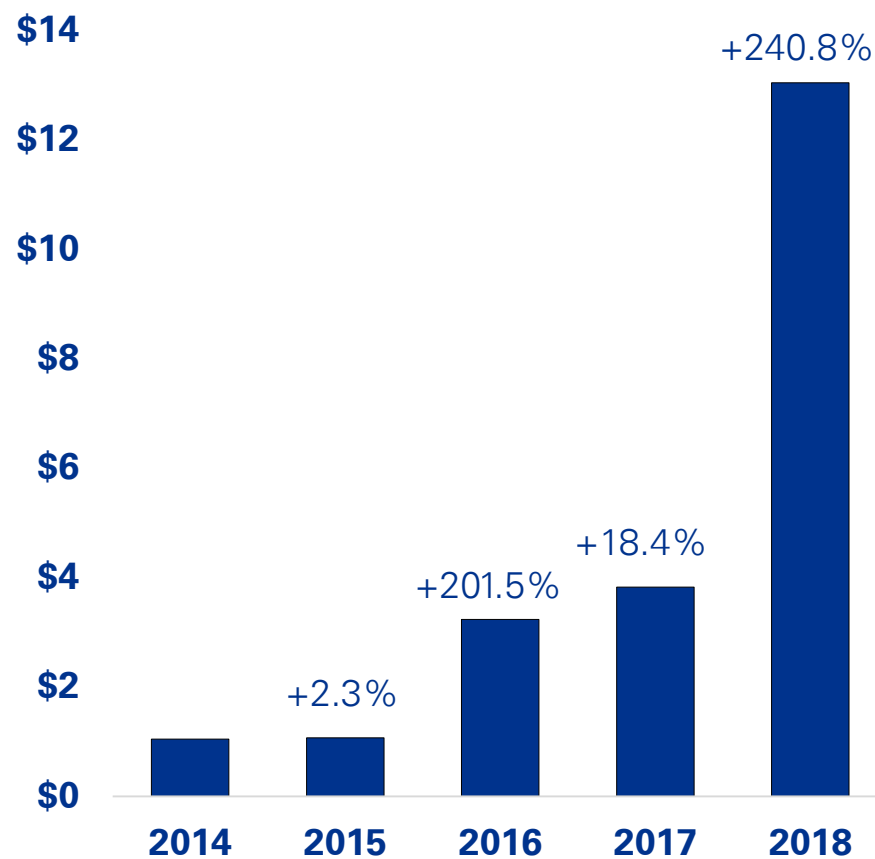
- Significant annual financial investment (\$8.3 million budgeted for 2019)
- Discretionary service that is fully funded by municipal levy (no senior government support)
- Questionable incremental impact
  - No apparent correlation to assessment growth, building permit values or development charge revenues
  - Assessment growth in the Region appears to track to Canadian and Ontario GDP growth
- Public policy objectives (e.g. brownfield redevelopment, affordable housing) provide non-financial rationale for continuation

# Priority Opportunities

## Value of Building Permits Issued (in millions)



## Value of Development Charge Rebates (in millions)



# Next Steps

- Submission of final Service Sustainability Review report
  - Service profiles
  - Benchmarking and key performance indicators
  - Business cases
  - Program rankings
- Implementation of individual strategies



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