



# City of Brantford

Service Review

Final Report

November 26, 2019



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Pursuant to the terms of our engagement, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, the City of Brantford. KPMG has not and will not perform management functions or make management decisions for the City of Brantford.

This report may include or make reference to future oriented financial information. Readers are cautioned that since these financial projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material.

Comments in this report are not intended, nor should they be interpreted, to be legal advice or opinion.

KPMG has no present or contemplated interest in the City of Brantford nor are we an insider or associate of the City of Brantford. Accordingly, we believe we are independent of the City of Brantford and are acting objectively.

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# Project Overview

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## Introduction

This summary of findings was prepared to present observations and evidence to form a potential case for change arising from research and interviews with the City of Brantford (the “City”) management. This summary of findings will provide the foundation for possible opportunities to improve the overall effectiveness and efficiency of the City’s current service delivery model.

## Setting the Stage

Brantford is a fast growing City located in South Western Ontario along the Grand River. With a diverse manufacturing sector and continually growing post-secondary presence, Brantford is transforming to meet the challenges of a new economy. It offers metropolitan amenities with a charming small town feel, marrying historic neighbourhoods with a rich industrial legacy.

Brantford is a designated growth centre in the province of Ontario. The expansion of its municipal boundaries has increased its potential for growth. With a current population of approximately 97,000, the City is expected to grow to 163,000 people by 2041. The City is situated on Highway 403 with close proximity to other 400 series highways. Brantford also is located on the main CN Rail line on the Windsor-Quebec corridor. The City’s major business clusters include advanced manufacturing, food and beverage manufacturing, plastic and rubber products and warehousing and distribution, manufacturing, retail and wholesale trade. The manufacturing industry remains the largest employer in the City.

The City government is comprised of the Mayor and 10 City Councillors, representing five community wards. The City is structured into five core commissions: Community Development, Public Works, Corporate Services, Health and Human Services, and Community Programs, Parks and Recreation. The executive leadership team is comprised of the Chief Administrative Officer, and the General Manager of each commission. The City oversees a gross operating budget of over \$300 Million and employs over 1800 staff. The City offers a wide range of civic services including building and maintaining roadways, waste collection, water treatment, planning and development, recreation and park maintenance, economic development, engineering and the operation of long term care, museum and archives, golf, library, and event facilities. The City of Brantford also offers a number of social services including outreach, social assistance, supportive housing, and social planning.

As with all municipalities and other levels of government, the City is balancing community and stakeholder expectations and financial constraints. With the growth it is experiencing, City Council has determined that it is necessary for Brantford to consider how municipal services will be delivered sustainably over the long term. Accordingly, it has engaged KPMG to assist with a review of its current service delivery model and identify opportunities for greater efficiency and effectiveness and ensure value for money for its residents.

## Project Objectives

KPMG has been engaged by the City of Brantford to undertake a service review. The overall goal of the service review is to better understand the current inventory of services, and identify opportunities for improvements in effectiveness and efficiency. Our aim is to identify ways in which services can be streamlined or altered in order to reduce costs and improve efficiency across the City.

Specific project objectives include the following:

1. **Facilitate review** – conduct a comprehensive review and detailed analysis of the relevance, efficiency and effectiveness of the City's services, including a review of leading organizations worldwide who have experienced / are experiencing high growth. As part of this, consider all aspects of the City's services including delivery methods, service expenditure and revenue streams.
2. **Identify opportunities** – Explore opportunities based on leading edge practices globally (public, private, not-for-profit) and define options for sustainable approaches to service delivery and levels.
3. **Advise on implementation** – Evaluate and categorize opportunities to develop recommendations for short-term, mid-term, and long-term priorities. Provide strategic guidance to leadership on implementation and prioritization of new, innovative and/or leading service delivery models that improve upon organizational efficiency while balancing stakeholder expectations. In addition, highlight the risks associated with each proposed change/option to inform management of the key factors and risks which should be considered during the decision making process.

## Project Principles

The knowledge and expertise of City employees and Members of Council will be fully engaged, building upon their knowledge and expertise to arrive at recommended actions through a transparent, participative and inclusive process facilitated by the consultant.

The service review process should be conducted in a way that engages City employees.

The aim is to, wherever possible, transfer knowledge and necessary “tools” to City staff to enable them to better develop their own solutions to operational and process issues and challenges over time.

The framework and approach will be based on leading practice from municipal or other levels of government experience and/or private sector.

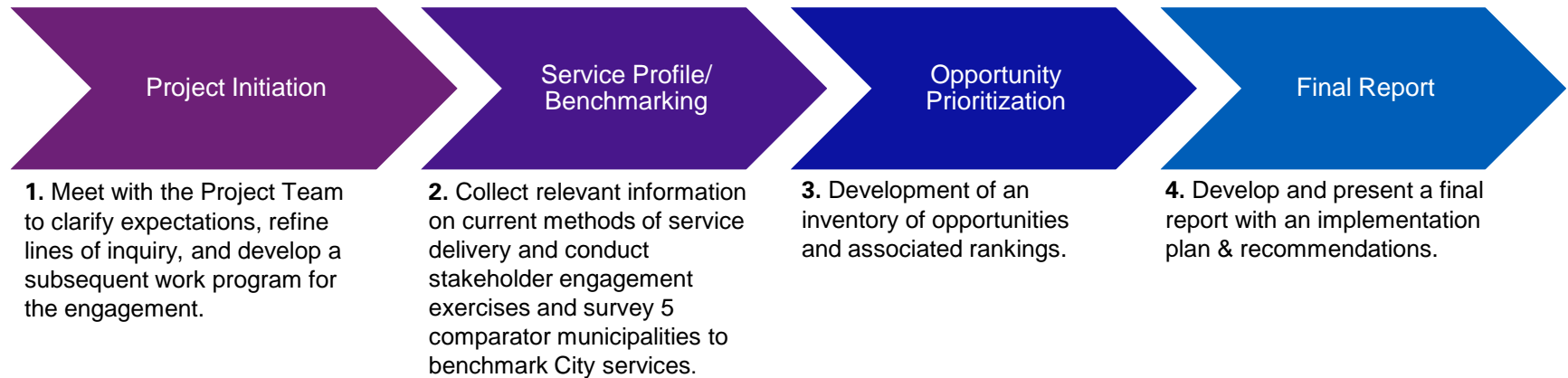
Lastly, this is not an audit nor a deeper-dive operational review. This is a review to build on successes and identify opportunities to improve the efficiency and effectiveness of how the City delivers services to the community and residents of Brantford.

## Project Scope

- **Phase One: Project Initiation**
  - Kick Off Meeting with Project Team
  - Project Charter & Project Schedule
- **Phase Two: Environmental Scan**
  - Documentation review to provide insight into the City's operations, financials and service levels
  - Interviews and Focus Groups (25 interviews & 3 focus groups)
  - Current State Summary (interviews/focus groups' findings)
  - Benchmarking of Brantford against 5 comparator Municipalities (Chatham Kent, Guelph, Kingston, Peterborough & Windsor)
- **Phase Three: Review of Current Service Delivery Model**
  - Service Profiles for all of the City's programs and services as per the Municipal Reference Model
  - Individual meetings with the City's Management Team to confirm service profile data
  - Presentation of Interim Report to Project Team & Council
- **Phase Four: Opportunity Identification**
  - Three half day working sessions with the Project Team and Council to identify, rank and confirm opportunities
  - Identification of potential opportunities to achieve the most efficient and operationally effective service delivery model
  - Draft recommendations on changes to services, programs, resources, and responsibilities, including whether specific services should be expanded, reduced, discontinued or delivered in an alternative manner
  - Draft recommendations on the prioritization of services
- **Phase Five: Final Report and Presentation**
  - Specific recommendations with regards to changes in services, programs, resources, and responsibilities, including whether specific services should be expanded, reduced, discontinued or delivered in an alternate manner
  - A final report (in PowerPoint format) consolidating the different phases of the Service Delivery Review
  - Final Report and presentation to Council and Project Team

## Work Plan and Progress Report

This engagement commenced on August 28, 2019, and will be completed when the draft final report is submitted to the City on or before November 26, 2019. The diagram below depicts the key phases as outlined in the Project Charter.







# Opportunities & Prioritization

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# Opportunities & Prioritization Methodology

KPMG's experience has shown that most jurisdictions are pursuing the transformation of their public services using traditional approaches such as rapid cost reduction or across the board cuts. We believe that there is an opportunity for municipalities to look beyond doing a little bit less with slightly fewer staff. Instead, municipalities should look at their need to reduce spending as an opportunity to capitalize on new technologies, governance models and financing mechanisms that can help re-shape government. KPMG, in partnership with the University of Toronto, developed a framework (shown adjacent) that captures new public sector delivery models. The framework was developed based on the key insights from leading practices reports and consultations with industry leaders throughout the globe.

The Service Review Project Team used this framework to analyze possible opportunities for change in the City of Brantford's service delivery models. Each of the opportunities were categorized according to the framework so that the Project Team could fully understand the changes being proposed for the City's service delivery.

Few students of public administration believe that the footprint of government, how government is organized or its relationship with the public will look the same ten years from now as it does today. Governments are having change forced upon them by fiscal challenges on the one hand and technological and social evolutions on the other. These new public service delivery models will help local governments manage this change and ensure that they are not only effective and efficient, but also sustainable into the future.



**The development of opportunities and their subsequent prioritization involved the following major work steps:**

**1. Service Profiles**

The first major step in developing the list of opportunities was the development of an inventory of programs and services provided by the City of Brantford commonly called Service Profiles. The basic elements of a service profile includes a description of the service and sub-service, a comparative analysis, a service level justification and a financial overview. The many different services of the City were categorized using KPMG's Municipal Reference Model.

For the past ten years, KPMG has been actively involved in the profiling of all citizen-facing and internal services using the Municipal Reference Model for Canadian municipalities. The Municipal Reference Model describes the business of local government from the outside-in, in terms of the programs and services that municipalities provide and how these contribute to achieving defined policy outcomes. This can be contrasted with an inside-out view, which focuses on how local governments are organized and the activities that they undertake. Focusing on outcomes, and how governments are achieving those outcomes through their programs and services, supports the fundamental question of whether they are ***delivering the right services, for the right reasons and in the right way.***

A series of working sessions with the City of Brantford's project team covering all departments were conducted over the course of the project timeline.

These working sessions considered the nature of the department's work, its position within the municipal reference model and the results of the benchmarking review. Data necessary for the completion of the service profiles was discussed and collected. This included the following:

- Budget information, including a breakdown of cost streams
- Capital – includes debt payments and current contributions to capital projects
- Definitive service descriptions
- Rationale on service level assessments and types
- Data on the number of staff delivering the service in "Full Time Equivalents" (FTEs)

Based upon this collected data, the different services of the City were analyzed by the following elements described on the next page:

## 1. Service Profiles (Continued)

### a. Service Level

Each service was analyzed to determine its service level. Service was determined to be above standard, at standard, or below standard. Service level standards are defined through a variety of legislation, industry standards, business case analysis justifications, service levels in other municipalities or reasonable expectations.

### b. Service Type

Service Reviews typically involve an assessment of a collection of services defined under the Municipal Reference Model to understand to what degree they are core. KPMG, with validation by our municipal clients, has developed a customized continuum for assessing core versus discretionary services. Along the continuum, there are four descriptive categories, which, when applied to a service formed the “Core Ranking” for that service. The “core continuum” categories are Mandatory, Essential, Traditional, and Discretionary.

### c. Service Level Source

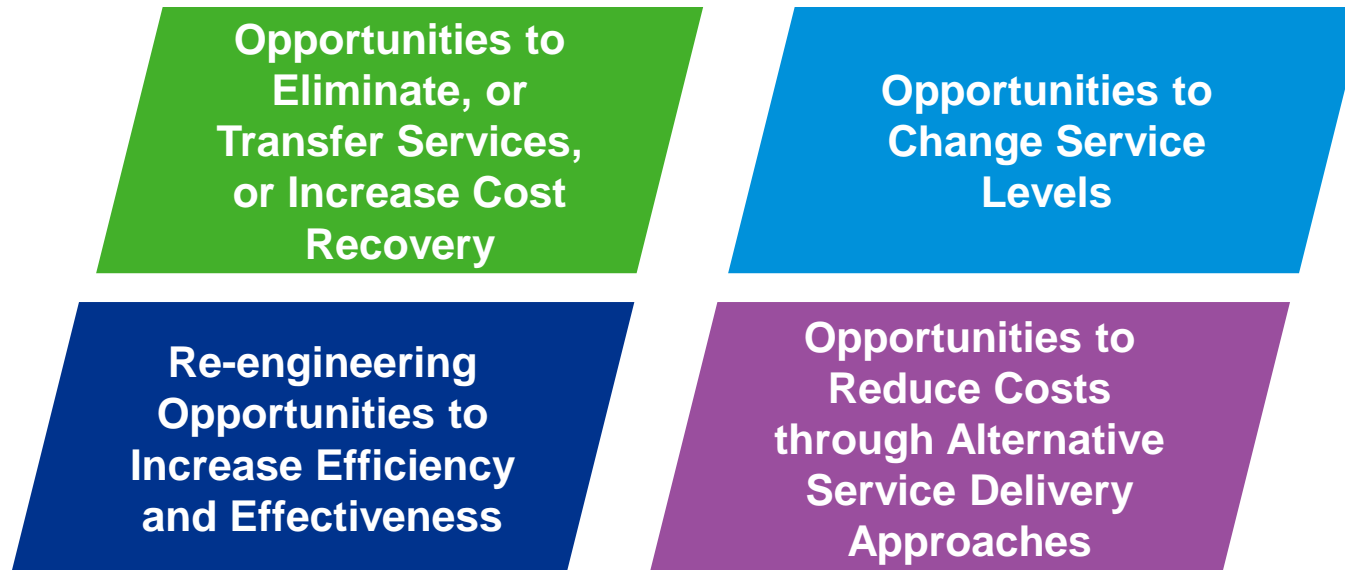
Finally, to understand and justify the service level analysis, KPMG identified the origin of a service level standard and the role that the City of Brantford plays in delivering a service or sub-service. In each service profile, KPMG reviewed the degree to which the standard was prescribed by legislation or set by the Council, management, or funding agreement. KPMG also reviewed the appropriateness of the standard with respect to industry benchmarks or traditional practice, in cases where information was available.

## 2. Opportunity Identification

The second step in the Service Review was the identification of potential opportunities to improve operations through the following:

### a. Types of Opportunities

- Elimination or transfer services, or increased cost recovery
- Alternative service delivery approaches
- Re-engineered services to increase efficiency and effectiveness
- Changed service levels



## **b. Opportunities Ranking**

In a series of working sessions, KPMG and the Project Team identified opportunities for improved efficiency and effectiveness in the delivery of City services. The opportunities were then assigned an improvement type. Five different improvement types were used and opportunities could be assigned multiple improvement types. The improvement types were:

- Modernizing bureaucratic processes
- Reassignment of roles between levels of government
- Digitization
- Devolution
- Alternative financing and procurement

## b. Opportunities Ranking (Continued)

Opportunities were evaluated using the criteria below and then grouped into categories of Top 13 Opportunities and Opportunities Requiring Further Study. The following pages present the opportunities by group, our analysis summary, and the type of improvement based upon the New Public Sector Delivery Model.

Assessment Criteria	Description
Operating \$ Impact	Estimated impact on operating budget.
Capital \$ Impact	Estimated impact on capital requirements.
Barriers To Implementation	Barriers, issues or obstacles to implementing the opportunity: <ul style="list-style-type: none"> <li>• Political</li> <li>• Legal</li> <li>• Labour and Contractual Obligations</li> <li>• Capital Costs</li> </ul>
Recent Reviews	Recent reviews or studies conducted that provide insights on the opportunity.
Comparator Analysis	An assessment of service performance against comparable competitors, industry standards or leading practices.
Strategic Program Alignment	The opportunity aligns with the objectives and values of the City, the service, the Official Plan and/or Council priorities.
Client/Customer Impact	The impact of the opportunity on the number of clients, customers and/or people and the extent of the impact.

# Opportunities & Prioritization

## Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact*
1	Review customer service framework	<p>The following opportunities were identified to improve customer service:</p> <ul style="list-style-type: none"> <li>• Development of a customer service framework.</li> <li>• Increased community outreach and modernization of citizen engagement.</li> <li>• Development of a centralized knowledge database that will allow the main Centre to respond to customers in a timely manner, only referring complex requests to the respective departments.</li> <li>• Establishment of defined service level metrics.</li> <li>• Increased staffing for Customer One Contact Centre to adequately service citizens.</li> </ul>	<ul style="list-style-type: none"> <li>• Central customer service centers with the ability to provide and resolve most requests at first point of contact in a timely manner.</li> <li>• Defined and transparent service level standards for customer services.</li> <li>• Defined metrics used to maintain and improve service levels.</li> </ul>	Modernizing Bureaucracy	Estimated operating efficiencies between \$100k and \$500k per year
2	Review the mid-sized theatre project	<p>The City is currently considering the construction of a mid-size theatre in support of the performing arts. It is believed that a mid-size theatre of approximately 500 - 600 seats would be more affordable and suitable for local groups than the Sanderson Centre. The construction and operation of an additional theatre will involve significant capital expenditure and will require a substantial increase in operational funding for theatre services.</p>	<ul style="list-style-type: none"> <li>• Across North America, municipalities are increasingly retaining private firms to operate their theatres, convention centres and arenas/stadiums in recognition of the private sector's expertise and efficiency.</li> <li>• Full understanding of service delivery cost for cultural services and a Council approved cost recovery model.</li> <li>• Defined service level standards for cultural services including the number of theatres required for local theatre demand.</li> </ul>	Modernizing Bureaucracy	Estimated capital expenditures above \$5M and operating expenditures of more than \$500K per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.



# Opportunities & Prioritization

## Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact*
3	Explore the feasibility of monetizing Brantford Power Inc.	Brantford Power Inc. provides electricity distribution to approximately 40,000 residential, commercial and industrial customers. Monetizing the entity would result in a significant capital return on investment.	<p>The number of LDCs in the province has decreased as a result of municipal amalgamations, acquisitions by Hydro One Inc. and amalgamations of the utilities themselves. As a result of these developments, the number of LDCs was reduced to approximately 120 by the mid-2000s.</p> <p>Further consolidation of municipal utilities has continued in fits and starts since 2005 due to factors that include:</p> <ul style="list-style-type: none"> <li>(i) desire by the municipal shareholders to 'monetize' the value of its shares in the distributor;</li> <li>(ii) increasing efficiencies and economies of scale;</li> <li>(iii) increasing financial returns; and</li> <li>(iv) addressing the increasing regulatory burden of rate filings and compliance with OEB codes. As a result of this continuing consolidation, the number of distributors has been reduced to approximately 66 LDCs.</li> </ul>	Financing	Estimated capital recovery above \$5 million per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.

## Opportunities & Prioritization

# Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact*
4	Implement a Lean Management System	Numerous opportunities were identified to improve efficiency and effectiveness during working sessions, focus groups and conducting a survey. Embedding a lean management system will help capture these ideas, increase the number of improvements which are identified and facilitate decisions in terms of what improvements to make, increase buy-in from employees as well as the likelihood of implementation.	A long-term approach to continuous improvement through systematic, incremental changes in processes and systems.	Modernizing Bureaucracy	Estimated capital and operating efficiencies between \$100K and \$500K per year
5	Review the parks and recreation service delivery model	<p>A number of opportunities were identified to make parks and recreation services more efficient and effective. These include:</p> <ul style="list-style-type: none"> <li>• Exploring the feasibility of private sector delivery of recreation services.</li> <li>• Reviewing parks and recreation service delivery programming.</li> <li>• Reviewing parks and recreation fees &amp; charges.</li> </ul>	<ul style="list-style-type: none"> <li>• Partnerships with private sector and non-profit organizations in the delivery of recreation services.</li> <li>• Full understanding of service delivery cost for recreation services and a Council approved cost recovery model.</li> <li>• Online booking and payment for recreation services.</li> <li>• Defined service level standards for recreation.</li> </ul>	Modernizing Bureaucracy	Estimated capital and operating efficiencies between \$100K and \$500K per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.

# Opportunities & Prioritization

## Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact
6	Create a digital city by leveraging technology	<p>Many opportunities were raised in relation to how technology can improve efficiency in service delivery and improve internal processes. These included:</p> <p>Introducing online and self-service systems to allow:</p> <ul style="list-style-type: none"> <li>• Property owners to access and update basic account information</li> <li>• Law firms and real estate agents to access tax certificates and statements.</li> <li>• To process tax payments</li> <li>• To submit and track applications and online payments for services including marriage licenses, building permits and building plan review</li> </ul> <p>Implementing or upgrading systems for HR (including self-service functionality), faxes, a centralized claims &amp; Certificate of Insurance system, centralized system for municipal reports &amp; information, a geospatial digital work order system, online banking and electronic signatures.</p> <p>Encouraging the use of technology such as SharePoint, Cisco Jabber and WebEx.</p> <p>Exploring ways to deliver and support IT, through outsourcing.</p>	<p>Internationally, municipalities are implementing e-government where citizens have personalized, secure access to their own municipal accounts where they can conduct all their public business.</p> <p>Enterprise-wide Digital Strategy to:</p> <ul style="list-style-type: none"> <li>• Increase online customer services.</li> <li>• Implement systems that support internal processes and improve collaboration, as well as</li> <li>• Maximize the use of technology through training and change management.</li> </ul>	Digitization	Estimated capital and operating efficiencies between \$100K and \$500K per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.

# Opportunities & Prioritization

## Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact
7	Investigate the increased outsourcing of municipal services	The City currently outsources some of its services to the private sector. There is an opportunity to review the current service delivery model to determine if there is any financial advantage to increasing the amount of outsourced services whilst maintaining the required service levels.	The extent of outsourcing of municipal service delivery varies according to the municipality's service level standards, collective agreements and assets.	Modernizing Bureaucracy	Estimated capital and operating efficiencies between \$100K and \$500K per year
8	Conduct a review of the organizational structure	<p>A number of opportunities were identified relating to the organizational structure, such as:</p> <ul style="list-style-type: none"> <li>• Reorganizing transportation, traffic operations, street light operations.</li> <li>• Reorganizing sport, tourism and culture into one business unit.</li> <li>• Governance and management roles and responsibilities.</li> <li>• Reviewing the part-time staffing model complement.</li> <li>• Allowing general managerial authority to restructure if there is no cost impact.</li> <li>• Creating a development section, focused on planning, development and engineering.</li> <li>• Evaluating the supervisor position and streamlining the remaining management team for efficiencies.</li> <li>• Reviewing the summer works program in Public Works.</li> </ul>	Municipalities typically review their organizational structure on an ongoing basis to ensure that they are optimally structured to deliver the identified municipal services to the approved service level.	Modernizing Bureaucracy	Estimated capital and operating efficiencies between \$100K and \$500K per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.

## Opportunities & Prioritization

# Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact
9	Explore the sale of the Arrowdale golf course	Closing Arrowdale golf course will result in annual operating efficiencies, avoidance of future capital investment in the upkeep of the facility and provide significant capital funds.	Municipalities are increasingly reviewing service delivery and alternate use options for their golf operations.	Modernizing Bureaucracy	Estimated capital and operating efficiencies of over \$500K per year
10	Review municipal fleet utilization and overall strategy	The City operates and maintains a wide variety of fleet vehicles and equipment to deliver municipal services across the municipality. A fleet strategy and utilization study would assist the City in better understanding its current operations, improve asset management practices, and enhance planning for short-term and long-term financing needs.	Municipalities are increasingly reviewing their fleet operations to understand the current utilization, develop standards for right-sizing the fleet and for future vehicle selection, and leverage possible efficiencies from "green" vehicles and shared economy business models.	Financing	Estimated capital and operating efficiencies under 100K per year
11	Review cost sharing formulas with the County	The City may benefit from reviewing the cost sharing formulas for joint services with the County in order to identify alternative ways of allocating costs between the two municipalities.	"Good paper makes good business" the regular review of partnership agreements ensures that both parties are supportive and positive about the service delivery partnership.	Financing	Estimated capital and operating efficiencies of over \$500K per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.

# Opportunities & Prioritization

## Top 13 Opportunities

Ref No.	Opportunity	Observation	Leading Practice	Improvement Type	Estimated Impact
12	Outsource facility management	Currently, various departments perform facilities management services within buildings in their own portfolio as a distributed model. There is a minimal understanding of facility KPIs, overall facility costs or management demands.	Both the Federal and Provincial governments have outsourced the maintenance of their facilities/real estate. Through supply chain management, energy monitoring, service level definition and maintenance best practice municipalities can take out 10% - 15% of their facility spend.	Modernizing Bureaucracy	Estimated capital and operating efficiencies of over \$500K per year
13	Planning Review	<p>The following ideas were raised that should be considered as part of comprehensive Planning Review:</p> <ul style="list-style-type: none"> <li>• Conducting regular reviews of land use planning fees.</li> <li>• Improving land use planning processes.</li> <li>• Reviewing fees for landscaping.</li> <li>• Reviewing development fees to ensure cost of development is recovered.</li> <li>• Increasing interaction with development community.</li> <li>• Formalizing procedures such as developing a procedural manual for processing different types of planning applications.</li> </ul>	<p>Municipalities across Ontario are conducting reviews of their planning processes to ensure the following:</p> <ul style="list-style-type: none"> <li>• Planning processes are fair, open, accessible, timely and efficient.</li> <li>• Planning and building fees adequately recover the cost of review and approval.</li> </ul>	Modernizing Bureaucracy	Estimated capital and operating efficiencies between \$100K and \$500K per year

\* Estimated impacts are preliminary assessments of the potential impact to the organization. Further study and analysis is needed.

## Opportunities & Prioritization

# Opportunities Requiring Further Study

**These opportunities are not candidates for further in-depth analysis, but may warrant follow-up study by staff to determine whether implementation is warranted.**

Ref No.	Opportunity	Ref No.	Opportunity
14	Improve the vendor performance process to better manage and hold vendors accountable	25	Review the service delivery model and ownership of the water park consider options to monetize the assets
15	Identify ways to leverage city space to generate revenue	26	Review compensation and negotiation process, looking at: <ul style="list-style-type: none"><li>• Outsourcing labour negotiations</li><li>• Collective agreement working conditions,</li><li>• The compensation system including the bonus system</li><li>• Overtime policies</li></ul>
16	Review the service delivery model for economic development		
17	Improve social media strategies to boost municipal service awareness		
18	Leverage the Province's Vendor of Record procurement system for municipal contracts	27	Conduct a Council Governance Review including or considering: <ul style="list-style-type: none"><li>• The ABC governance model</li><li>• A professional development program for Council</li><li>• Council procedural by-law to lean out Council meetings</li><li>• Signing authorities that require council approval</li><li>• A Councillors at large governance model</li><li>• Reducing the size of council</li><li>• Full-time council positions</li><li>• A Council strategic plan</li></ul>
19	Develop plan for new hospital and develop strategy to monetize the related assets		
20	Define municipal service levels across the organization		
21	Sell naming rights and explore sponsorship & advertising opportunities		
22	Implement a fee for garbage bag tags and/or reduce the allowable limit for garbage bags; Reduce pickup of recycles to every second week	28	Review insurance claims and prepare management strategy
23	New dog tags are supplied annually; instead provide one tag and have the renewal only for the fee	29	Eliminate City greenhouse operations and procure flowers from private greenhouses
		30	Review the provision of employment services
24	Review transit master plans and explore micro transit or similar public transit models and look at transit fares	31	Accelerate transfer of street lights to LED
		32	Include maintenance care in the land transfer agreements with colleges/university partners
		33	Review the golf service delivery model

## Opportunities & Prioritization

# Opportunities Requiring Further Study

**These opportunities are not candidates for further in-depth analysis, but may warrant follow-up study by staff to determine whether implementation is warranted.**

Ref No.	Opportunity	Ref No.	Opportunity
34	Secure contract for specific vendors to ensure best prices; currently every department purchases operating supplies from different vendors	45	Standardize facility management practices e.g. energy management and processes for site/facility security
35	Consulting neighbouring/adjacent properties to complete paving projects (& share costs) rather than having smaller jobs disrupting the traffic & the community multiple times	46	Develop clear municipal service levels approved by Council
36	Sell under-utilized parkettes and parks to reduce operating costs	47	Implement a hotel tax to fund tourism activities
37	Conduct regular value for money audits	48	Review true cost of service and revenue model for Sanderson Centre
38	Discontinue discretionary social services delivered on behalf of the province	49	Implement a development strategy to maximize boundary lands
39	Review cost sharing of staff for Agencies, Boards and Commissions	50	Review revenue opportunities for cultural activities
40	Review landfill operations	51	Hire a volunteer coordinator & increase the use of volunteers and interns
41	Review and consolidate community grants & grant application requirements	52	Review utilization opportunities for Civic Centre
42	Establish a corporate roster of consultants to expedite work	53	Increase the use of community foundation as a source of funds for capex
43	Implement project management for capital projects	54	Prioritize the improvement of existing infrastructure above growth items
44	Leverage Community Partners (NPOs) more effectively	55	Implement a change management program
		56	Develop a shared service agreement with Board reporting agencies e.g. police, health and library



## Opportunities & Prioritization

# Opportunities Requiring Further Study

**These opportunities are not candidates for further in-depth analysis, but may warrant follow-up study by staff to determine whether implementation is warranted.**

Ref No.	Opportunity	Ref No.	Opportunity
57	Establish a Municipal Law Enforcement Department encompassing all by-law enforcement services	70	Develop asset management planning framework
58	Use the sign shop for the City's graphic needs	71	Explore outsourcing: <ul style="list-style-type: none"> <li>• Grass cutting</li> <li>• Economic Development, Tourism and Business Resource Centre</li> <li>• Forestry</li> <li>• Road maintenance</li> <li>• Wastewater treatment</li> <li>• Management of Sanderson Centre</li> <li>• Short term disability to a third party</li> <li>• Homeless services to NPOs</li> <li>• Parking garage operations</li> <li>• Flower production</li> <li>• Horticultural services</li> </ul>
59	Incentivize eco friendly options for property owners		
60	Implement capital project review on completed projects		
61	Corporatize functions like security, energy management, facilities and event planning		
62	Review employee benefit plans		
63	Review the feasibility of electrifying the municipal fleet		
64	Review parking operations: revenue sources, contracting out/pay and display		
65	Close Woodman pool	72	Provide municipal services to neighbouring municipalities as fee for service
66	Build a corporate issues team	73	Review access to cost centre codes
67	Review water rate capital program	74	Identify strategies to encourage new developers to contribute some of their build to affordable housing
68	Establish a sustainability office	75	Review tax rate fairness - commercial/industrial/residential
69	Explore the conversion of Lions Park Arena property into an OHL rink	76	Review use of casino revenue
		77	Review waterfront master plan

## Opportunities & Prioritization

# Opportunities Requiring Further Study

**These opportunities are not candidates for further in-depth analysis, but may warrant follow-up study by staff to determine whether implementation is warranted.**

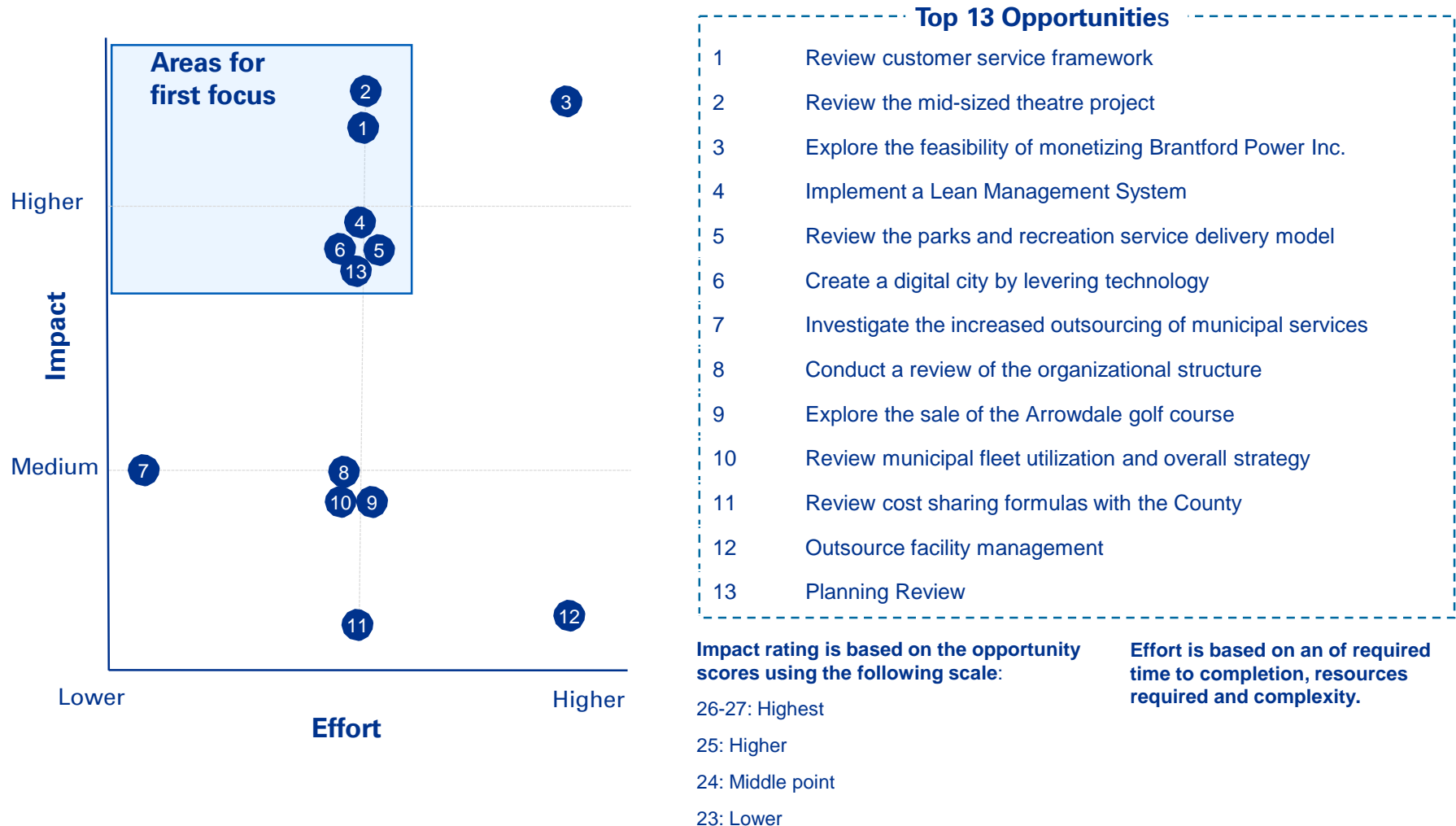
Ref No.	Opportunity
78	Expedite capital projects that have potential for operational savings
79	Review day ice rate fees
80	Implement no parking on the streets during snow storms
81	Coordinate the release of the leisure guide with website registration
82	Review feasibility of non-resident fees
83	Implement a staff engagement program
84	Merge emergency dispatch with surrounding municipalities
85	Develop partnerships for Hub Programming and neighbourhood association programs and services
86	Review winter control operations & service levels, including eliminating the winter control windrow program
87	Implement a HR plan to attract and retain the right talent and increase retention of skilled labour
88	Permanently fund an employee exit plan
89	Explore the construction of an anaerobic biodigesture facility
90	Eliminate support of Glenhyrst operations and capital expenditure

Ref No.	Opportunity
91	Review OW case load to identify if some cases can be transferred to ODSP
92	Establish corporate wide flex policy e.g. work from home, reduced work week and unpaid sabbaticals
93	Eliminate needle pick up and downtown BIA street cleaning (above and beyond city property)
94	Review ratio of industrial commercial residential development
95	Review non-fee services to private development e.g. condo corporations
96	Encourage staff to identify cost savings/efficiencies through incentives
97	Reduce the number of horticultural displays
98	Review Bell Homestead programming/responsibilities
99	Review historical costs on liquidated assets
100	Review cost of providing water to County
101	Review energy generation from landfill site
102	Identify green energy opportunities
103	Strengthen the downtown strategy by offering business/growth incentives
104	Link infrastructure expansion to demand

# Opportunities & Prioritization

## Top 13 Opportunities

In order to assist in prioritizing the top 13 opportunities have been mapped for impact & effort





# Appendix A

# Summary of Findings from

# Consultations

City of Brantford  
Service Review  
Final Report

# The Engagement Process

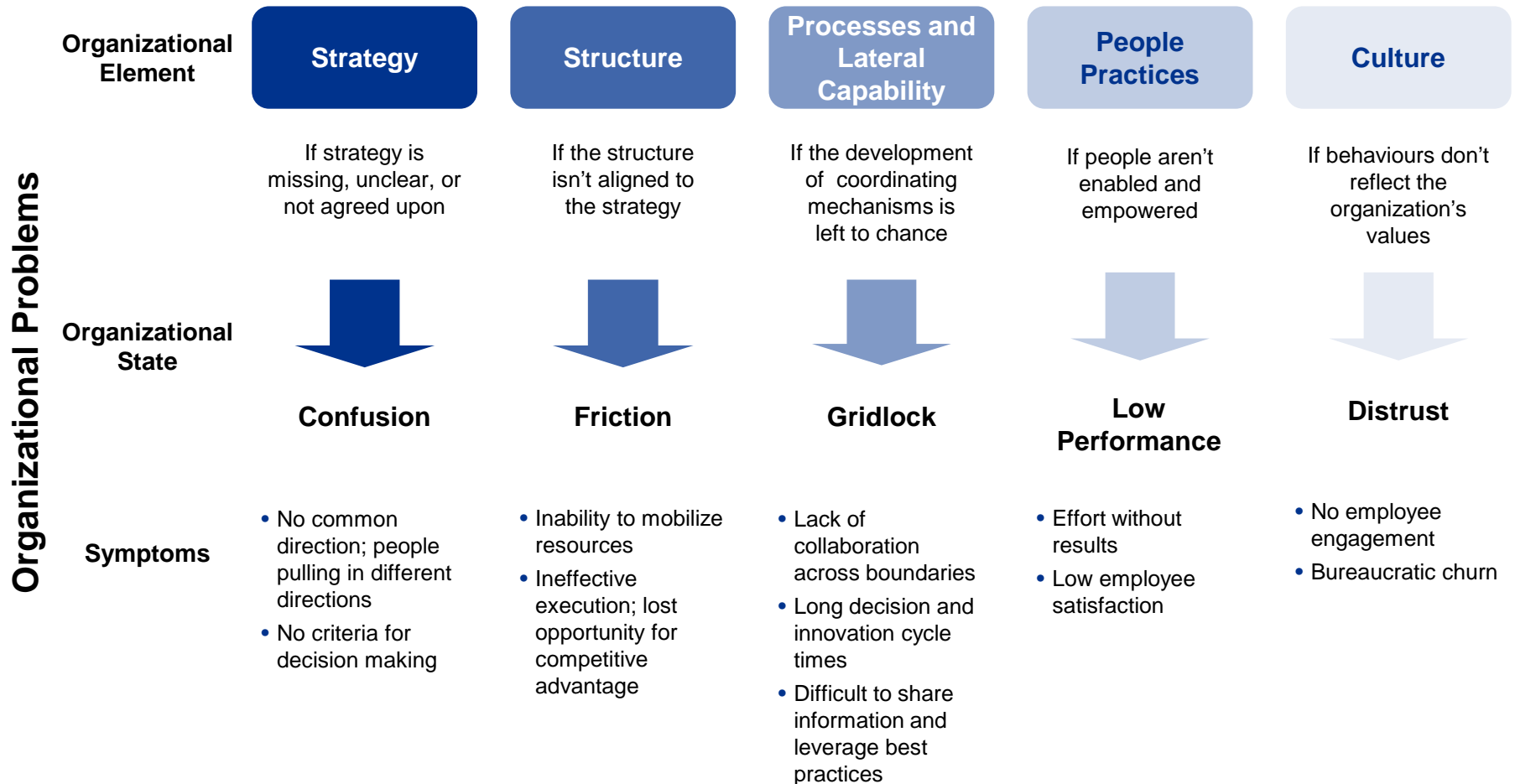
As part of the City of Brantford service review, elected officials, senior leadership and managers were interviewed to obtain an understanding of the services provided by the City, to identify challenges, to identify opportunities for financial and operational efficiencies, and to utilize key measurements for continuous improvement.

The Office of the CAO and management of each of the City's five (5) Commissions were interviewed in confidential one-on-one discussions. In addition, three focus groups of front-line municipal staff were held.

Interviews	
<p>Chief Administrative Officer</p> <p>General Manager, Community Development</p> <p>General Manager, Community Programs, Parks &amp; Recreation</p> <p>General Manager, Health &amp; Human Services</p> <p>A/General Manager, Public Works</p> <p>General Manager, Corporate Services</p>	<p>Director, Facilities &amp; Asset Management</p> <p>Director, Human Resources</p> <p>Director, Information Technology Services</p> <p>Director, Building Services</p> <p>Director, Park Services</p> <p>A/Director, Engineering Services</p> <p>Director, Fleet &amp; Transit Services</p> <p>Director, Planning</p> <p>Director, Economic Development &amp; Tourism</p> <p>Director, Operational Services</p> <p>Director, Social Assistance &amp; Homelessness</p> <p>Director, Environmental Services</p> <p>Director of Finance</p> <p>Manager, Community Recreation Development</p> <p>Manager, Tourism, Culture and Sport</p> <p>Manager, Continuous Improvement</p>

# A Model for Analyzing Organizational Performance

We use the following model as a means of analyzing and understanding organizational performance and problems.



# Summary of Top Themes from Consultations

Key themes have emerged from the interviews discussions, which are summarized below.

Theme	
<b>Strategy</b>	<ul style="list-style-type: none"> <li>▪ The City currently does not have an updated strategic plan for the newly elected Council. We understand, however, from our interviews with Council members that the new Council has an ambitious agenda which it is framing under the leadership of the Mayor and the new Chief Administrative Officer.</li> <li>▪ Interviewed staff commonly remarked on the need for longer term direction from Council on their strategic priorities so that staff could deliver on these priorities.</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>▪ The City is currently structured around five core commissions: Community Development, Public Works, Corporate Services, Health and Human Services, and Community Programs, Parks and Recreation. Council has appointed a Chief Administrative Officer to lead the efficient and effective delivery of municipal services to Brantford citizens.</li> <li>▪ We understand from our interviews with staff that the current organizational structure has not achieved the anticipated alignment in service delivery, particularly in Public Works, Community Programs, Parks and Recreation and Community Development.</li> </ul>
<b>Processes</b>	<ul style="list-style-type: none"> <li>▪ City staff indicated the need for improved systems and processes to allow for a more streamlined approach in the delivery of municipal services to citizens. We also understand from the interviews, that there is a need to improve the internal processes of the City so that the organization has greater agility and responsiveness to emerging issues.</li> <li>▪ It was commonly remarked that there is a lack of capacity within the organization to meet the service demands of citizens.</li> </ul>
<b>People practices</b>	<ul style="list-style-type: none"> <li>▪ We were advised that the City's workforce like many Ontario municipalities is in a state of transition. Large numbers of the City's workforce is retiring and the City finds itself competing with neighbouring municipalities for talent. It was commonly remarked that the City's compensation plan is uncompetitive in the current labour market leading to constant turnover in staff.</li> </ul>
<b>Culture</b>	<ul style="list-style-type: none"> <li>▪ It was commonly remarked that the City has a culture committed to providing high quality services to its citizens. These high service levels, however, are often undefined and require the organization to commit to services and service levels beyond its current capacity (financial and resource) to deliver.</li> </ul>



# Appendix B Benchmarking & Performance Perspectives

City of Brantford  
Service Review  
Final Report



# Comparative Analysis – Why Compare to Other Communities

For the purposes of the project, six comparator communities were selected as municipal comparators based on population growth, urban/ rural characteristics and geography:

Municipality	Population <sup>1</sup>	Households <sup>1</sup>	Area Square KM <sup>2</sup>
1. Brantford	99,531	40,839	61.02
2. Chatham Kent	102,042	47,938	2,475.90
3. Guelph	131,790	55,970	87.22
4. Kingston	123,885	53,744	451.19
5. Peterborough	82,094	36,066	64.25
6. Windsor	220,697	99,453	146.38
Average	126,673	55,668	547.66

The primary purpose of the comparative analysis is to understand the performance of comparator municipalities and to identify opportunities to change how the City's organization is aligned to deliver municipal services.

- Communities with similar financial benchmarks/service levels – insight into operating efficiencies
- Communities with different financial benchmarks/service levels – opportunities to change existing organizational structure/processes to reflect common service levels

Comparing financial performance and taxation levels has both benefits and risks

- Provides insight into affordability issues; what a peer municipality can achieve with the same resources
- Assumes that all variables are the same (assessment base, non-taxation revenues)
- Assumes that taxation and service levels in other communities are 'right'

<sup>1</sup> Source - Financial Information Returns, Schedule 2

<sup>2</sup> Source - Statistics Canada census profile, 2016 census data



# Financial Perspectives

City of Brantford  
Service Review  
Final Report

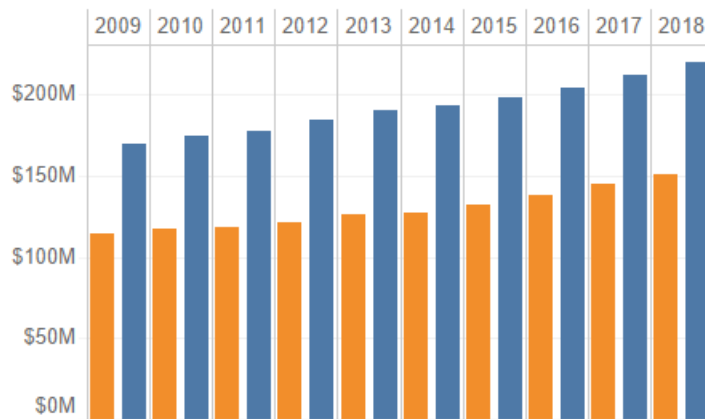
# Overview of the City's Financial Performance

The City's 2018 budget reflects a total municipal levy of approximately \$ 151 million.

Over the period of 2009 – 2018, the City's municipal levy has increased by an average of \$4 million or 3.1% per year. In comparison, the Ontario Consumer Price Index increased on average 1.9% annually since 2009<sup>1</sup>, reflecting the increasing cost of local government services, population growth and the growth in the City's physical operations and assets.

It is important to note, however, that the annual budgetary increases in the City's municipal levy since 2016 have been relatively consistent averaging 3.1%. These budgetary increases include supplemental taxation that is recognized at year end after the setting of the annual budget. Steady and predictable increases in the levy builds confidence and sustainability in the City's financial plan from residential, commercial and industrial ratepayers.

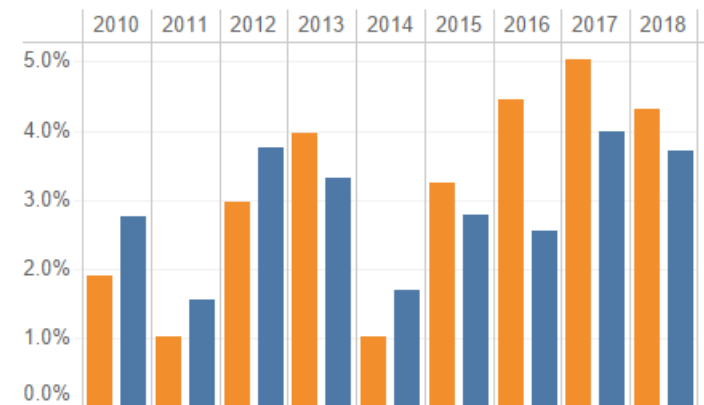
*Total Municipal Levy – 2009 to 2018*



Source: Municipal Financial Information Returns (Schedule 10)

Legend  
■ Brantford C  
■ Comparator Average

*Annual Increase in Municipal Levy – 2009 to 2018*



Source: Municipal Financial Information Returns (Schedule 10)

<sup>1</sup>Source – Statistics Canada, Consumer Price Index Ontario, Historical Summary

# Benchmarking & Performance Perspectives

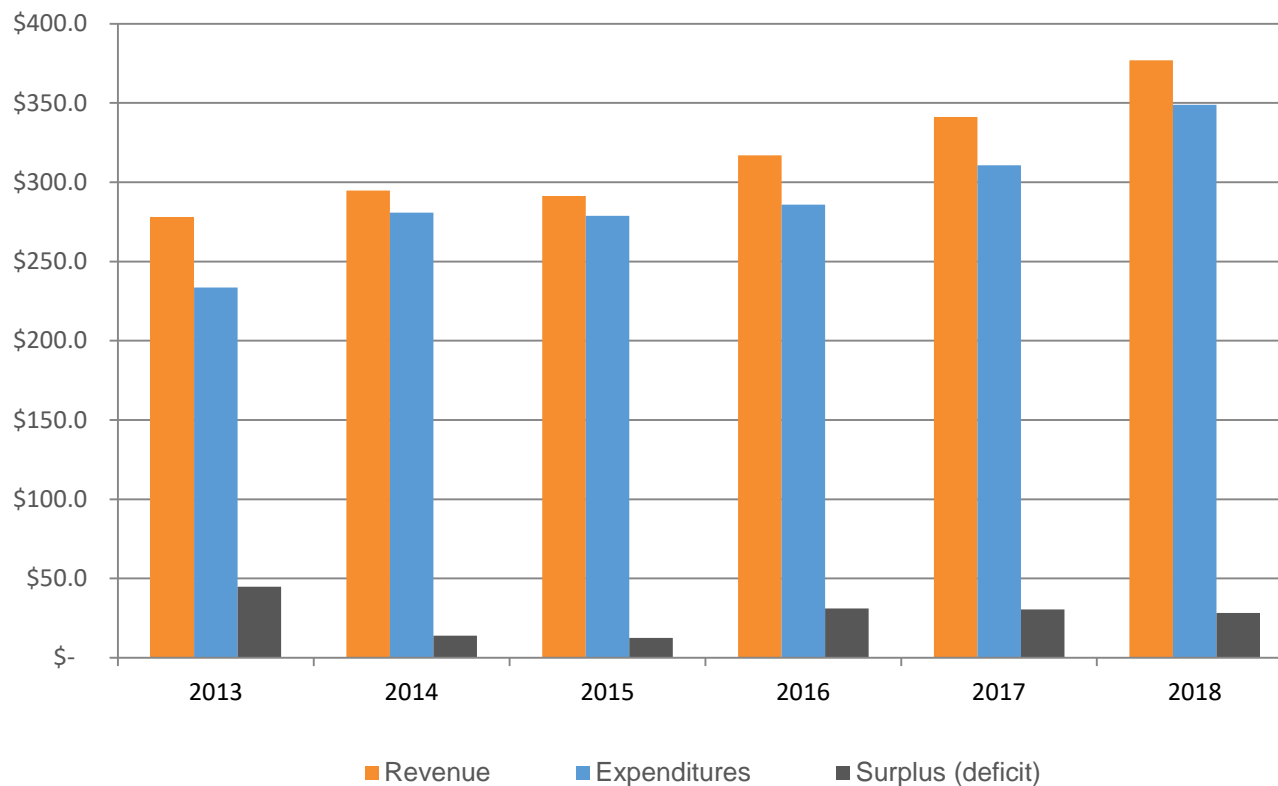
## Reported Operating Results (In Millions)

Municipalities in Canada are not allowed to budget for an operational deficit.

Nonetheless, a review of a municipality's financial statements will indicate a financial trend of financing budget deficits through the use of reserves or debt financing.

Over the short term the financing of budget deficits is sustainable, but prolonged use of reserves or debt will place a municipality in a financially exposed position.

Overall, the City demonstrates solid cash flow management and long term financial sustainability. Long term Investments for capital and asset renewal are made in a responsible and sustainable manner.

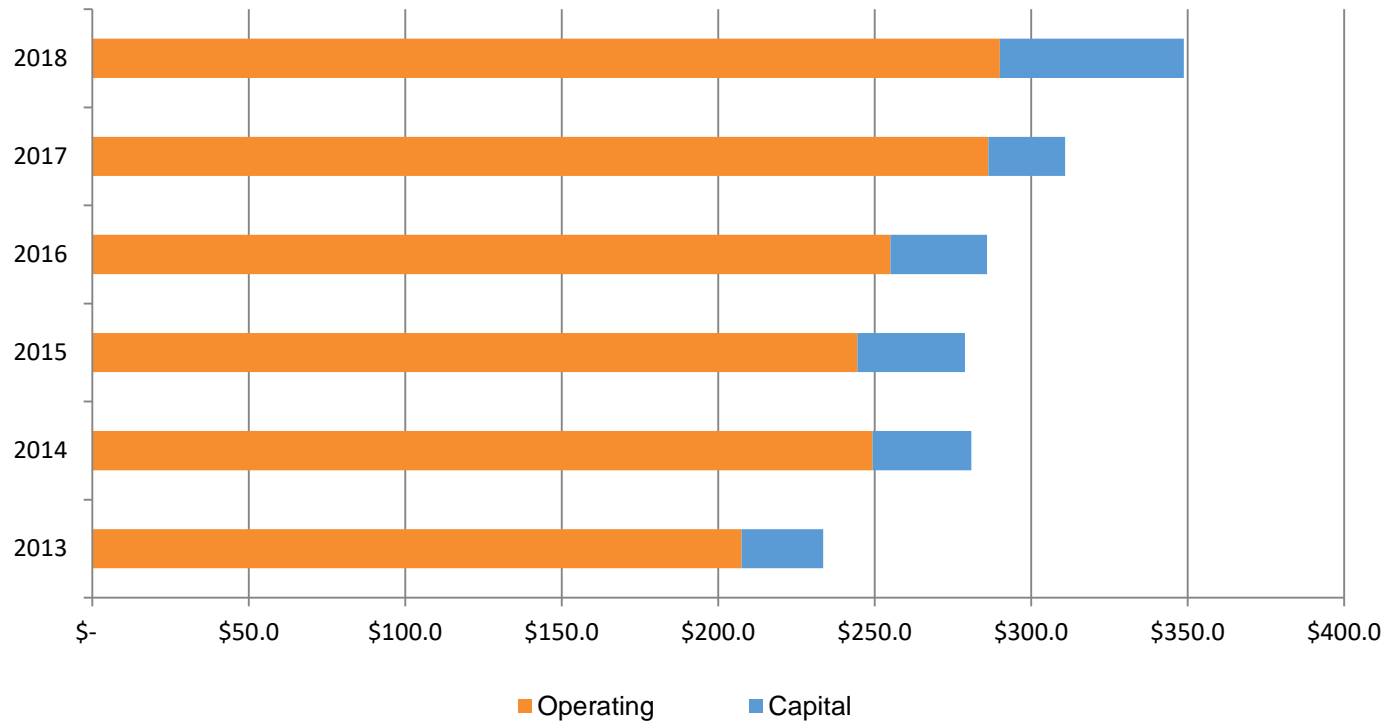


Source: City of Brantford Financial Statements

## Operating & Capital Expenditures (In Millions)

Between 2013 and 2018, the City of Brantford has seen its capital expenditures double by \$32 million. Similarly, the operating expenditures for the City has increased \$82.4 million in the same period.

We understand these increases reflect cost of local government services, population growth and the growth in the City's physical operations and assets.



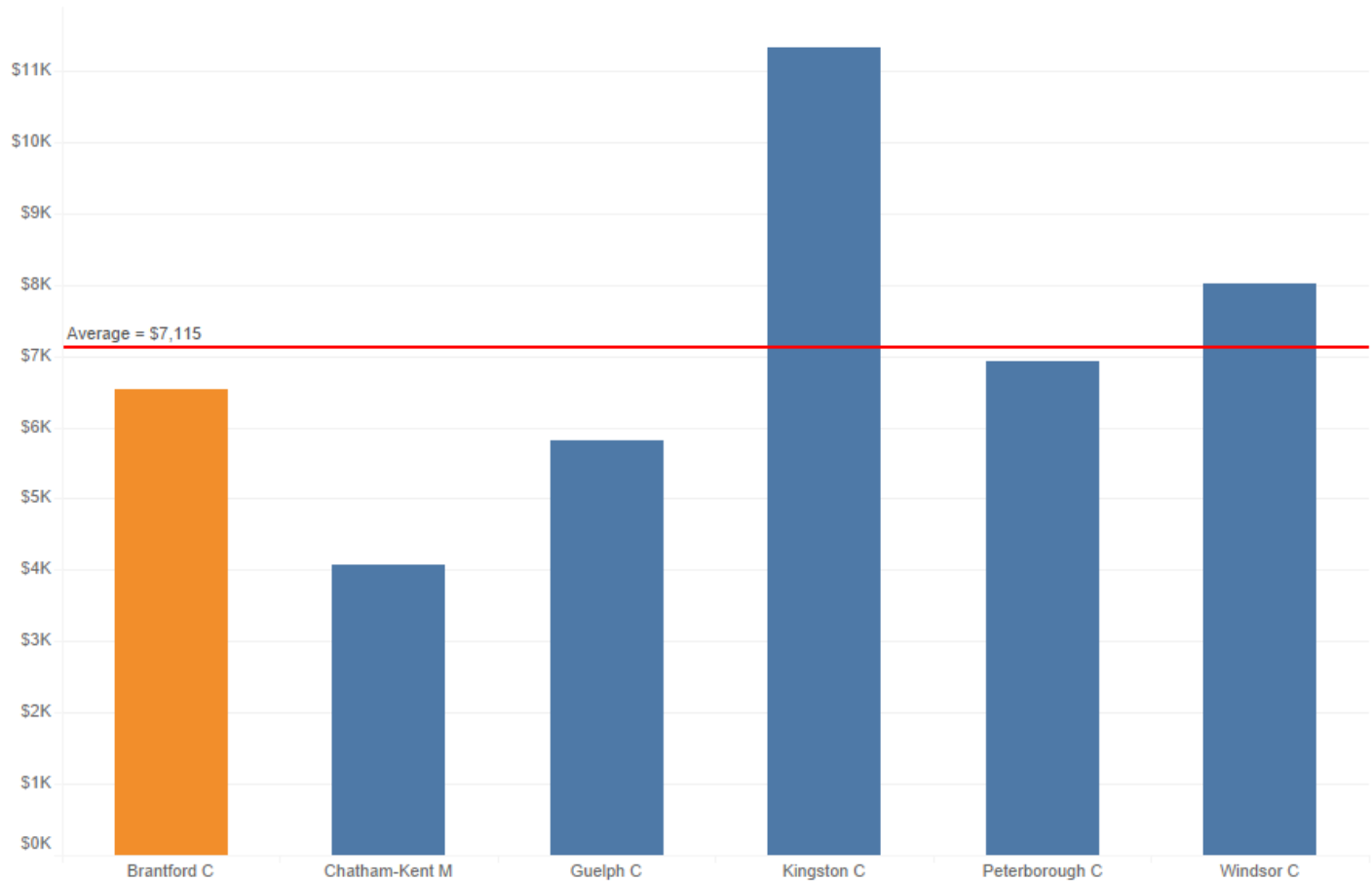
Source: City of Brantford Financial Statements

# Municipal Debt per Household (2018)

This financial indicator provides an assessment of the City's ability to issue more debt by considering the existing debt load on a per household basis. High debt levels per household may preclude the issuance of additional debt.

The City of Brantford has the third lowest level of debt per household at \$6,541. The average debt per household of the comparator group is \$7,115, with Kingston having the most debt per household at \$11,327.

A higher debt per household level indicates the City has reduced flexibility in the use of debt as a financing tool for future large capital projects.



Source: Municipal Financial Information Returns (Schedules 2 and 70)

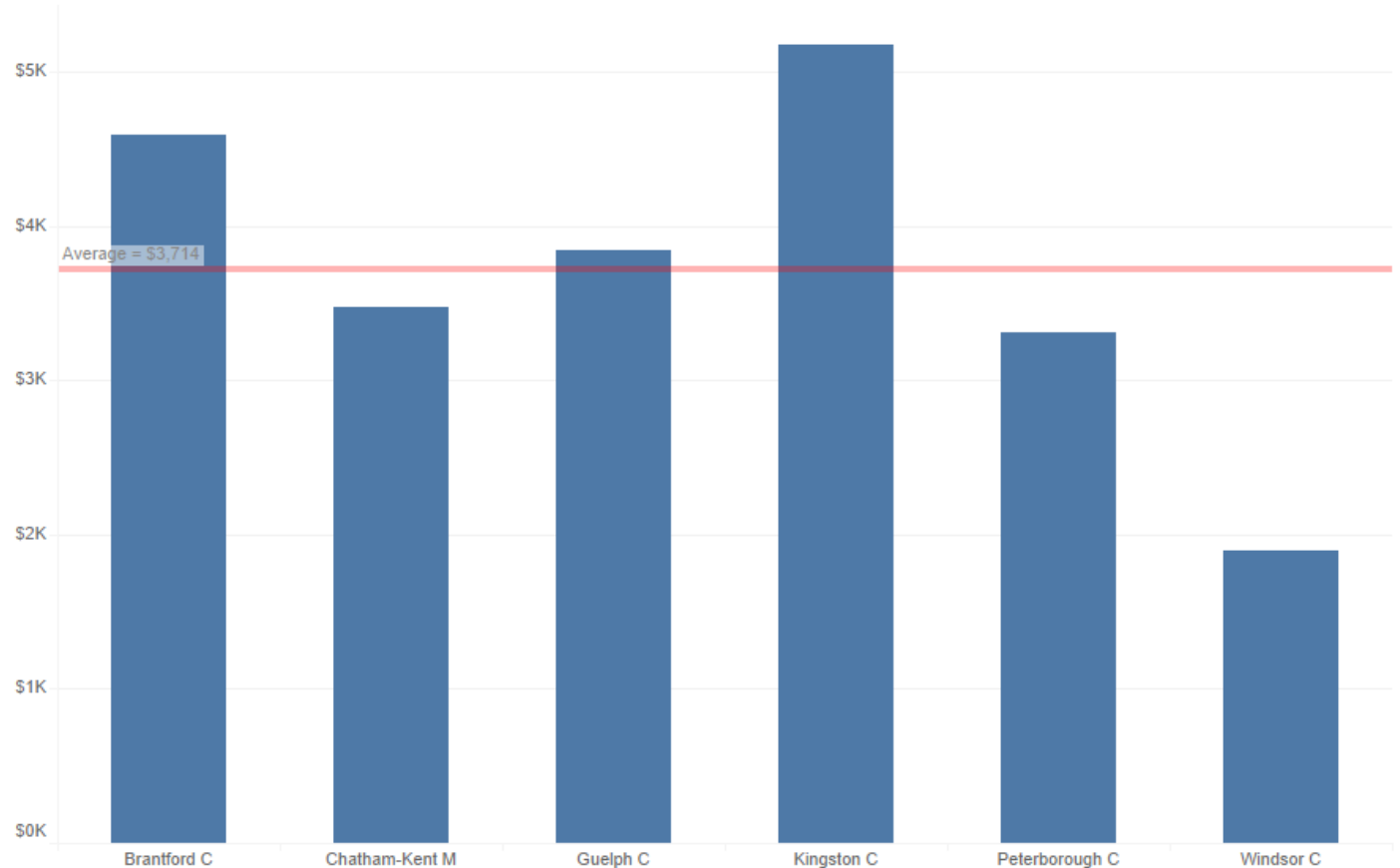
# Discretionary Reserves per Household (2018)

The City of Brantford holds the lowest amount of discretionary reserves per household among the comparator group.

It is above the comparator group average by \$879 per household.

The discretionary reserve position illustrated in this graph does not include development charges, gas tax, and park land reserves.

In practical terms, a strong discretionary reserve position allows for greater flexibility in financing options for new infrastructure.



Source: Municipal Financial Information Returns  
(Schedules 2 and 60)

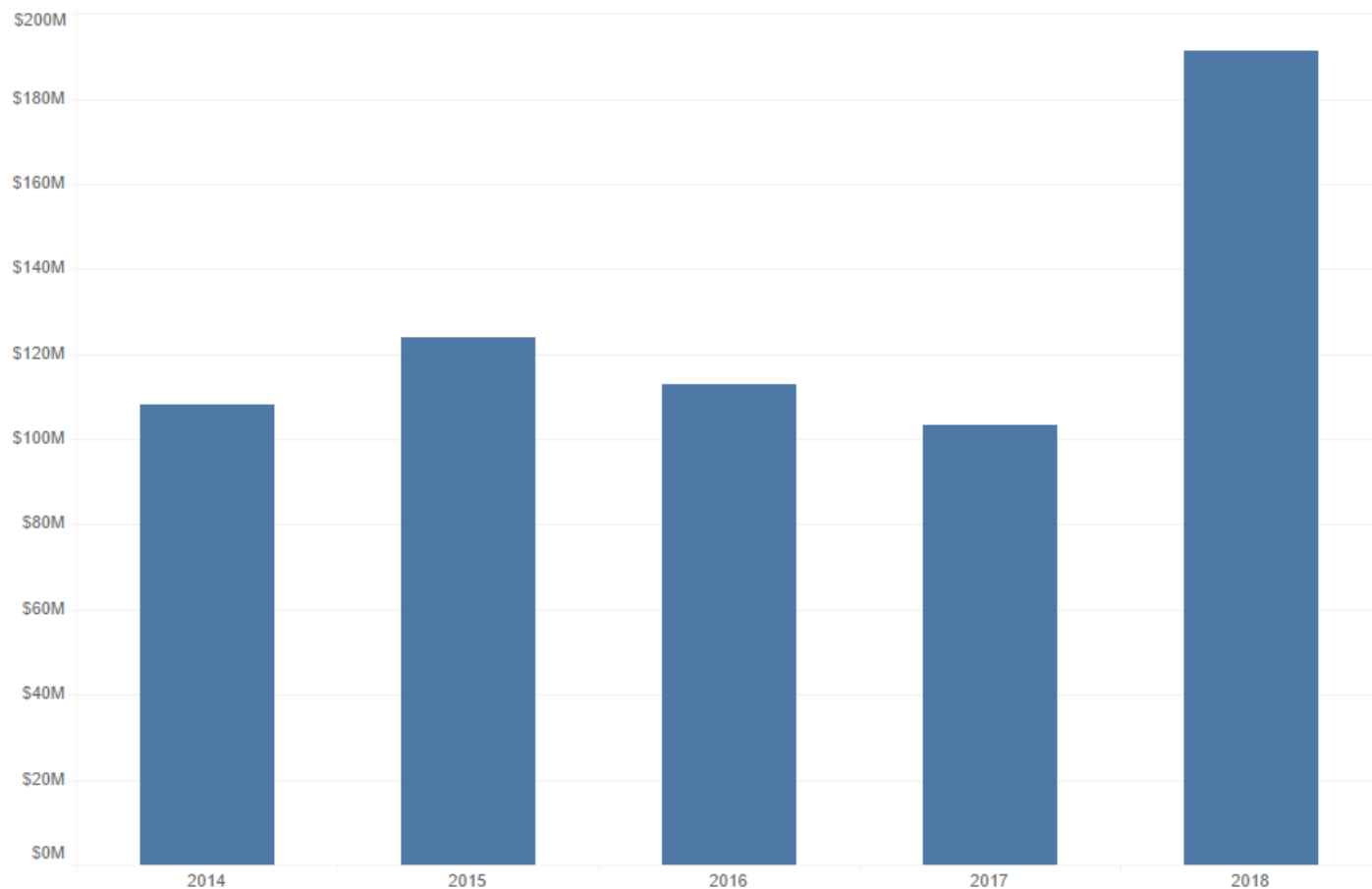
# Benchmarking & Performance Perspectives

## Discretionary Reserves 2014 - 2018

The discretionary reserve and reserve position of the City spiked by \$88 million in 2018. Prior to 2018, the amount of discretionary reserves held by the City has averaged \$112 million.

The discretionary reserve position illustrated in this graph does not include development charges, gas tax, and park land reserves.

Decreasing discretionary reserves over time is an indicator that the City's flexibility for financing from reserves is becoming more restricted.



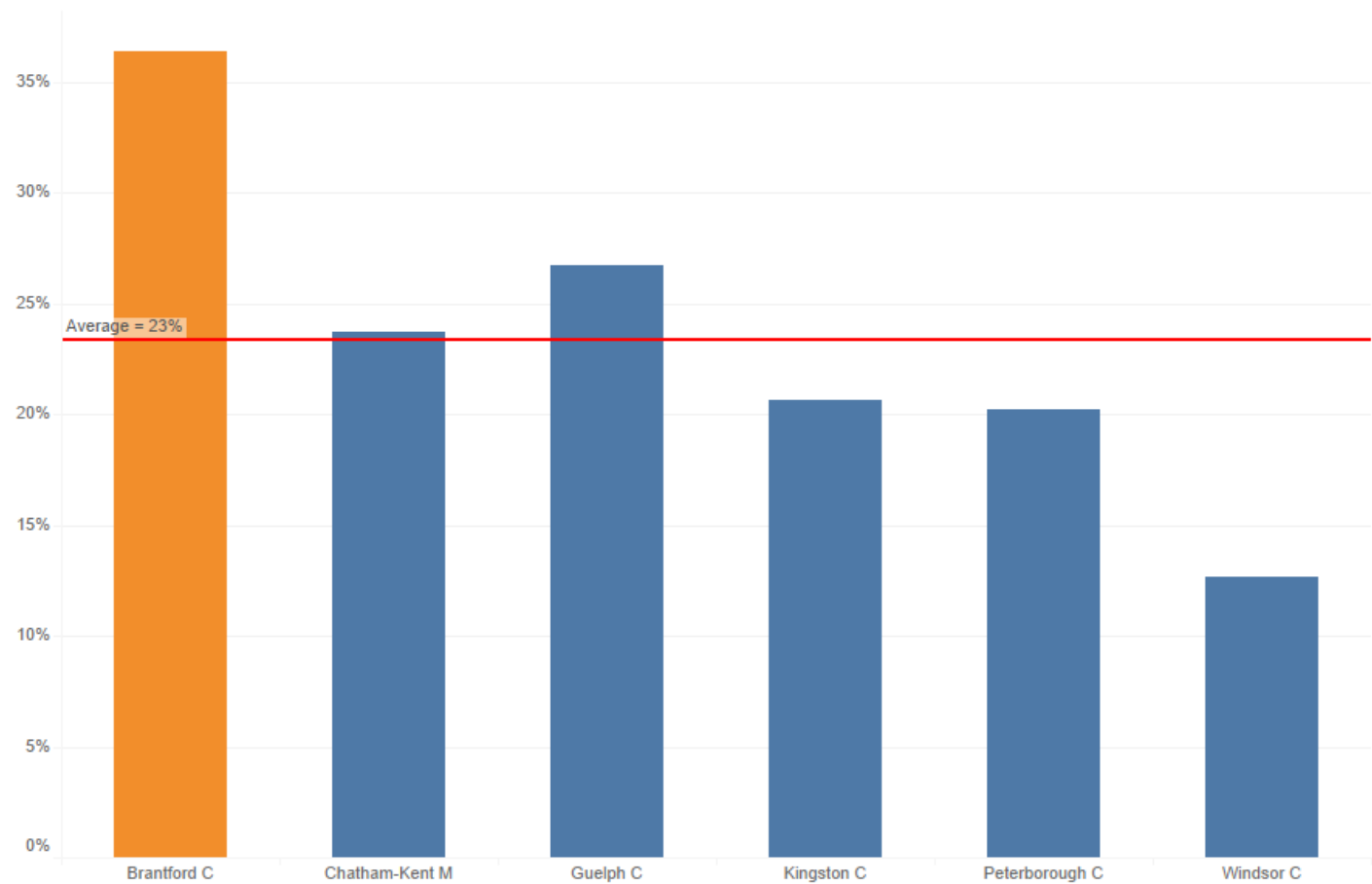
Source: Municipal Financial Information Returns  
(Schedules 2 and 60)



# Reserve Position Relative to Tangible Capital Assets (2018)

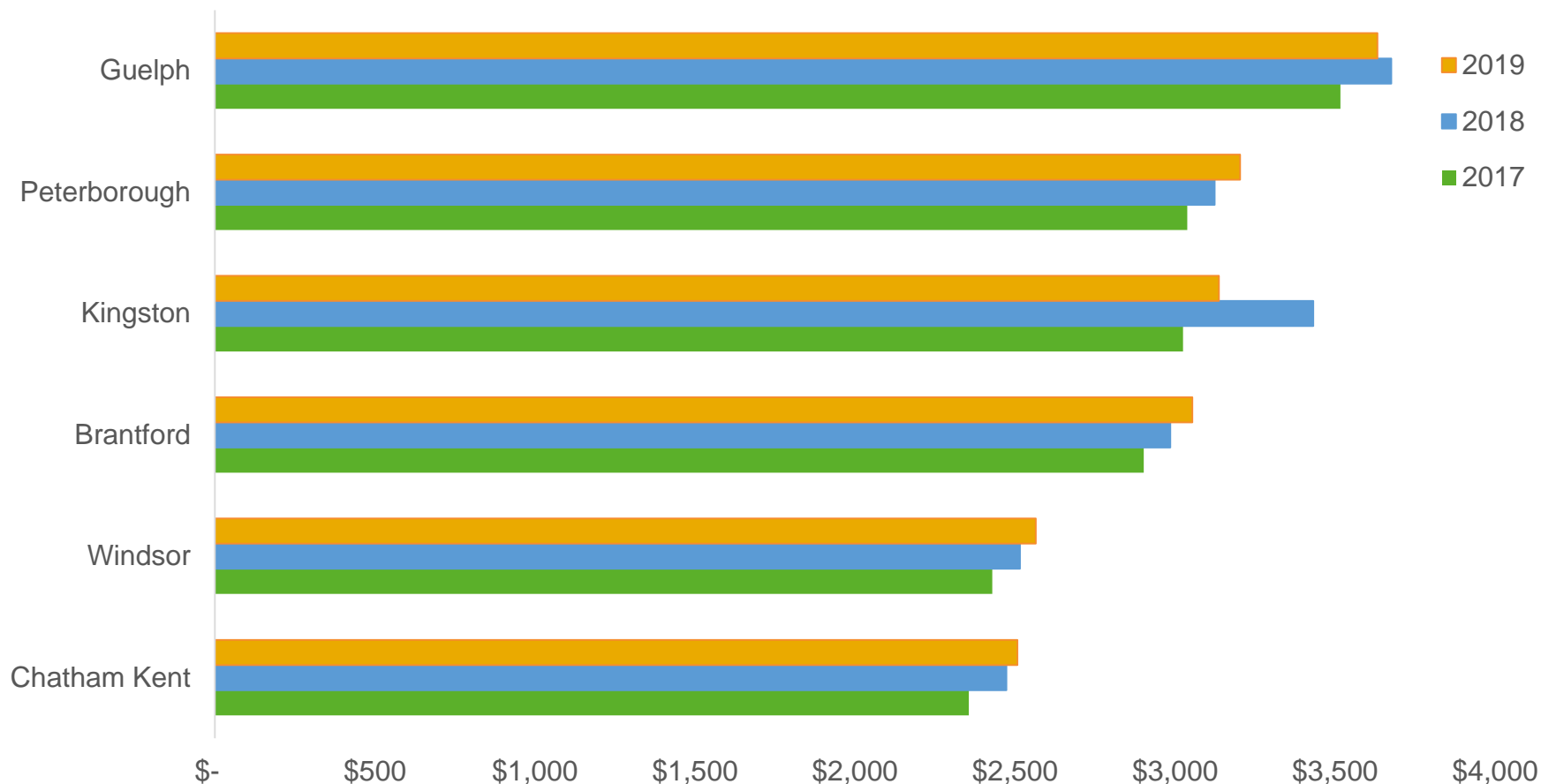
When a municipality's total reserve position (obligatory reserve funds, discretionary reserves and reserves) are expressed as a percentage of its tangible capital assets, it provides an indication of its ability to finance the replacement of its tangible capital assets from internal sources.

Brantford's total reserve position (36%) is above the comparator average of 23% indicating the City's strong financial management.



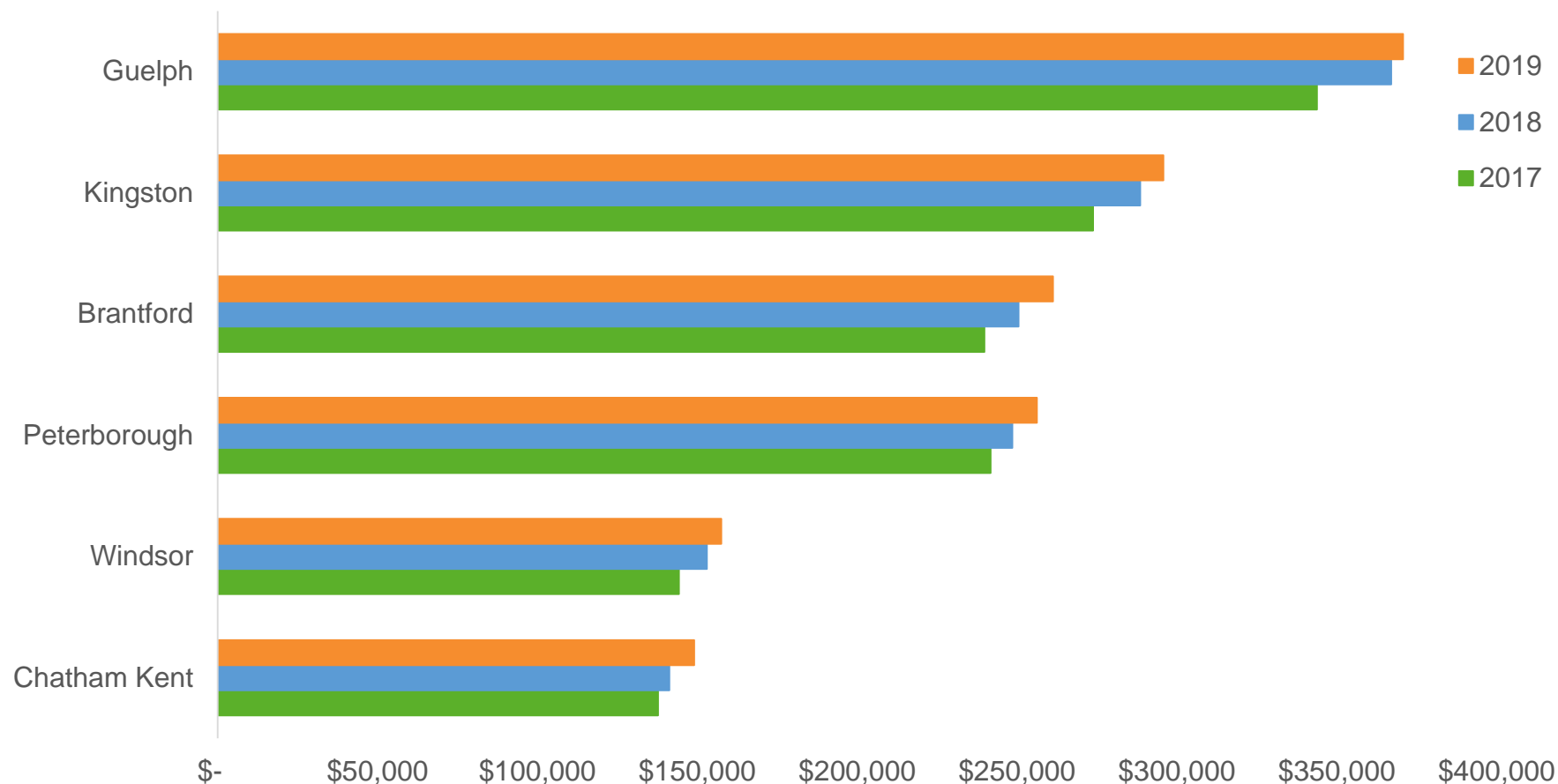
Source: Municipal Financial Information Returns (Schedules 51A and 60)

# Residential Taxes per Household (Average/Typical Property)



Source: KPMG analysis of OPTA data

# Residential Median Current Value Assessment



Source: KPMG analysis of OPTA data





# Staffing Perspectives

City of Brantford  
Service Review  
Final Report

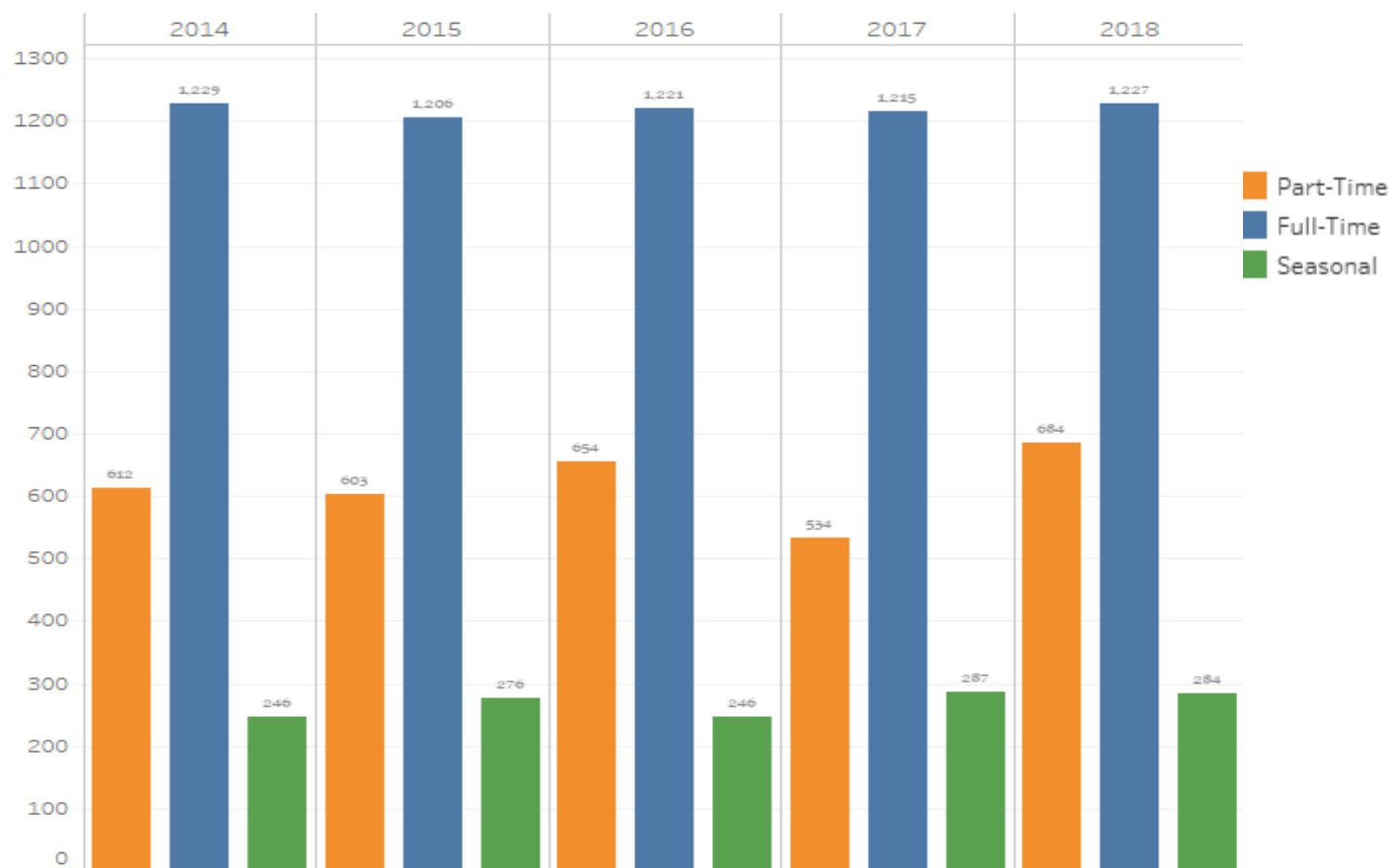
# Historical Staffing Levels By Type 2014 - 2018

When viewed over the past five years, the staffing levels for full-time employees has seen little variation

The part-time staffing levels have fluctuated year to year reflecting the variation in annual staffing demands

Seasonal staffing levels have remained consistent over the past five years.

Similarly, over the past five years, the ratio of part-time staff to full-time staff has average 0.51:1 with little annual variation.

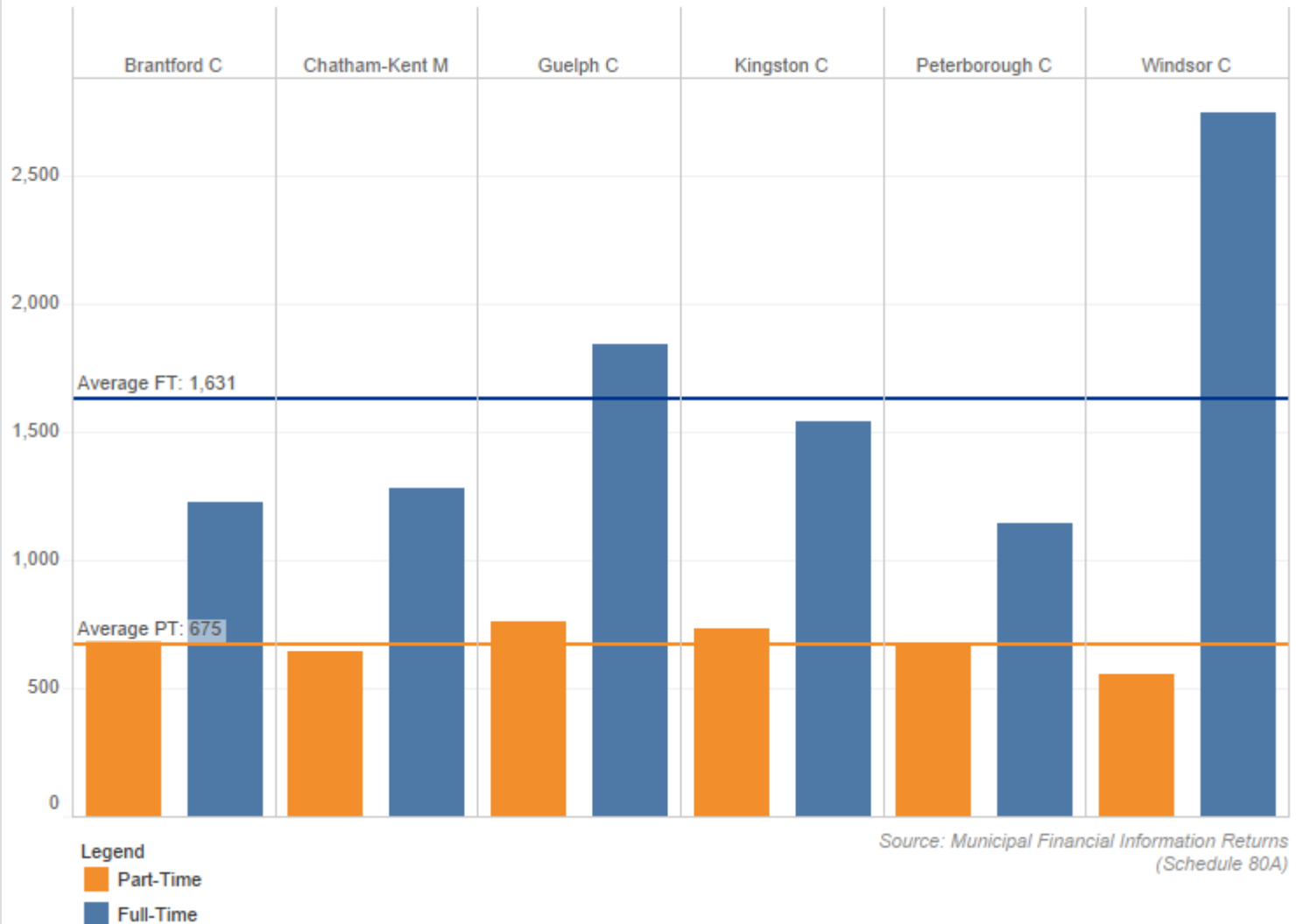


Source – KPMG analysis of annual Financial Information Returns, Schedule 80A

# 2017 Full-Time and Part-Time Staffing by Comparator

When staffing levels are compared across the comparator group, Brantford is below the comparator average in real terms for full-time positions.

The ratio of full-time to part-time positions for Brantford is consistent with three of its comparators (Chatham Kent, Kingston & Peterborough).

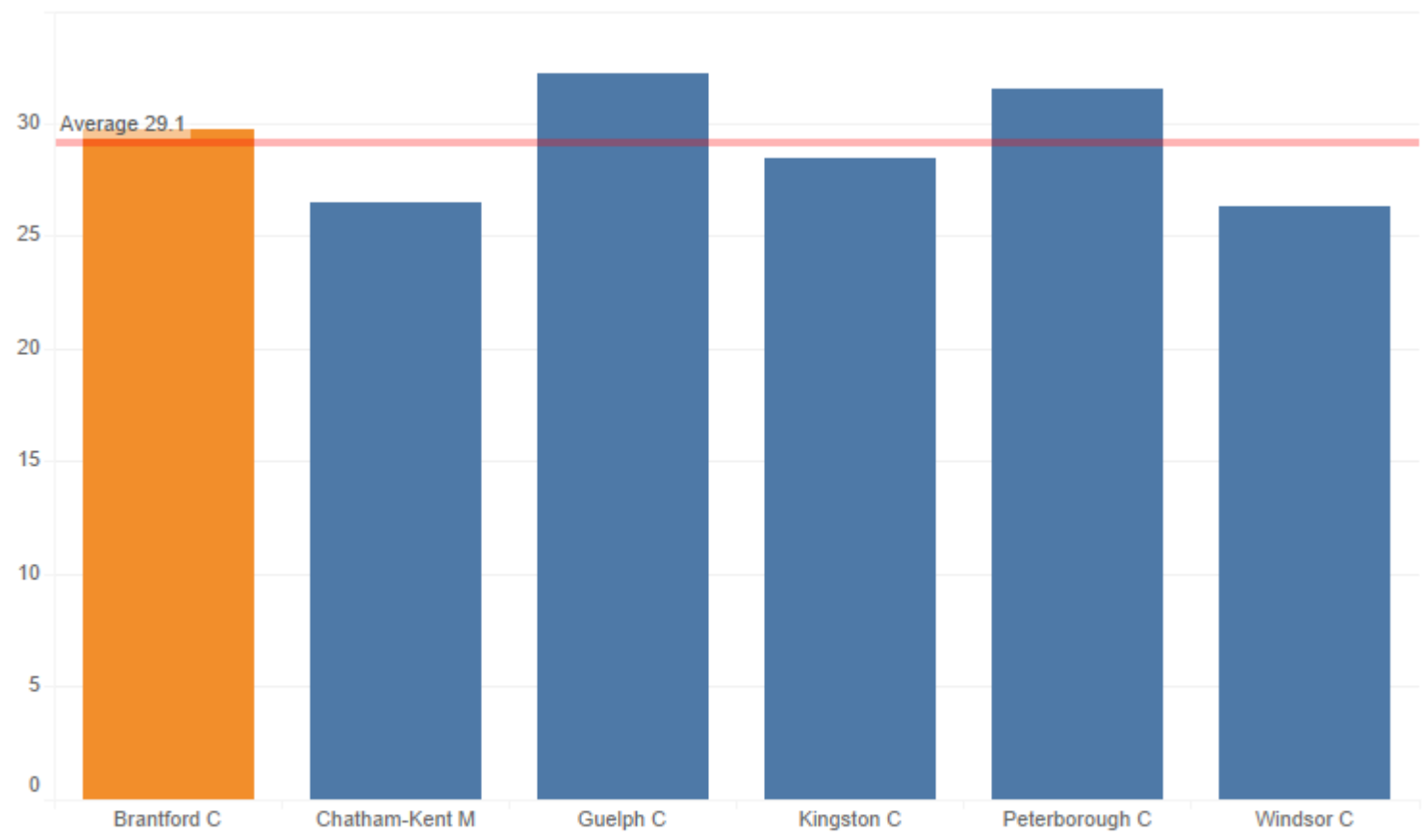


# Benchmarking & Performance Perspectives

## Full Time Staffing Complement (2018) Per 1000 Households

The staffing complement per 1000 households for the City of Brantford (30) is equal to the average of the comparator group (29.1).

A key driver for staffing is the operation of a transit system. Chatham-Kent does not have a public transit system. In contrast, the City of Guelph has the highest number of full-time transit employees of the comparators (214). Brantford has 84 full-time transit employees.

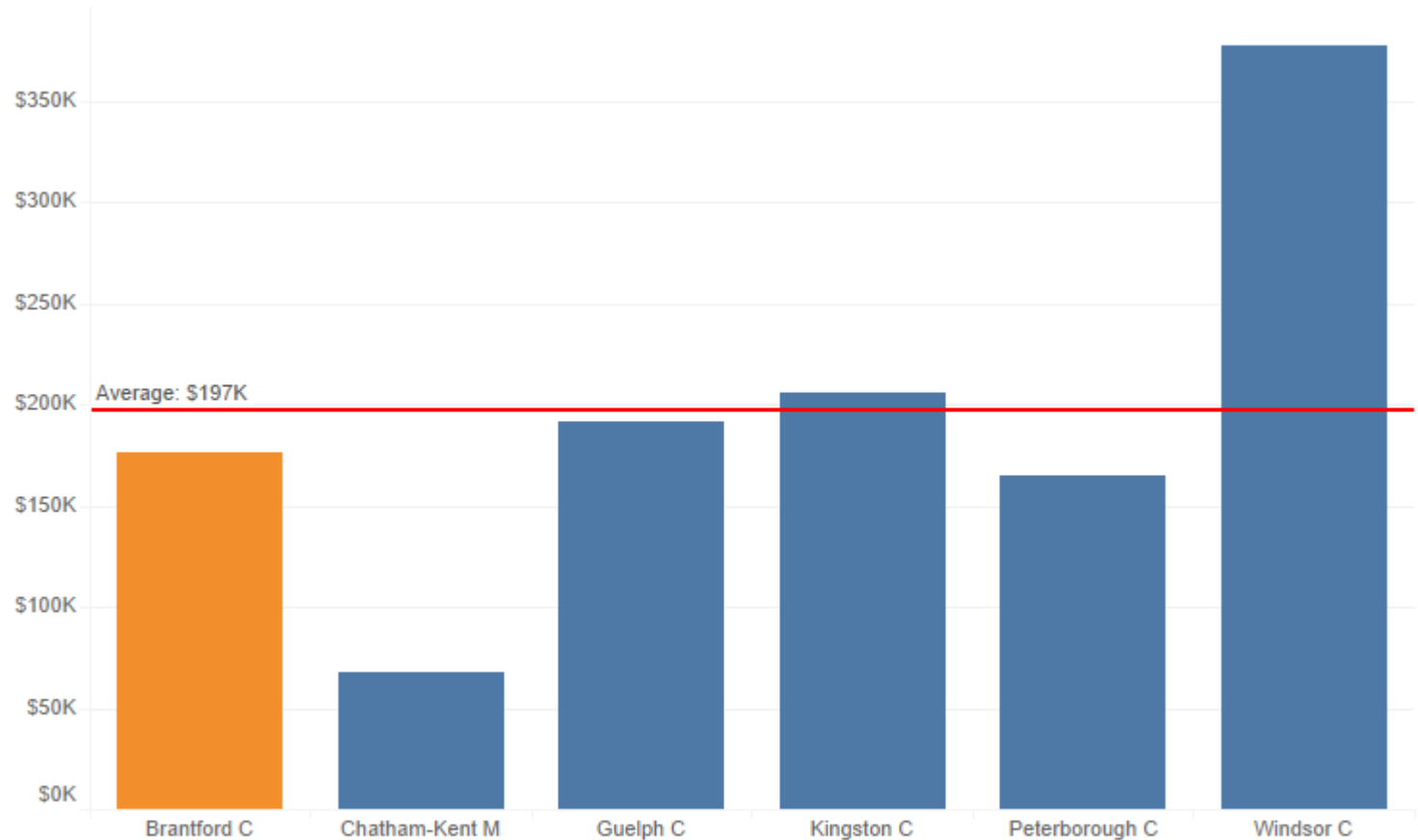


Source: Municipal Financial Information Returns (Schedule 80A)

## Benchmarking & Performance Perspectives

# Governance Cost per Council Member

The City of Brantford's governance cost per Councillor of \$176,000 is below the comparator average of \$197,000 and is the third lowest within the comparator group.



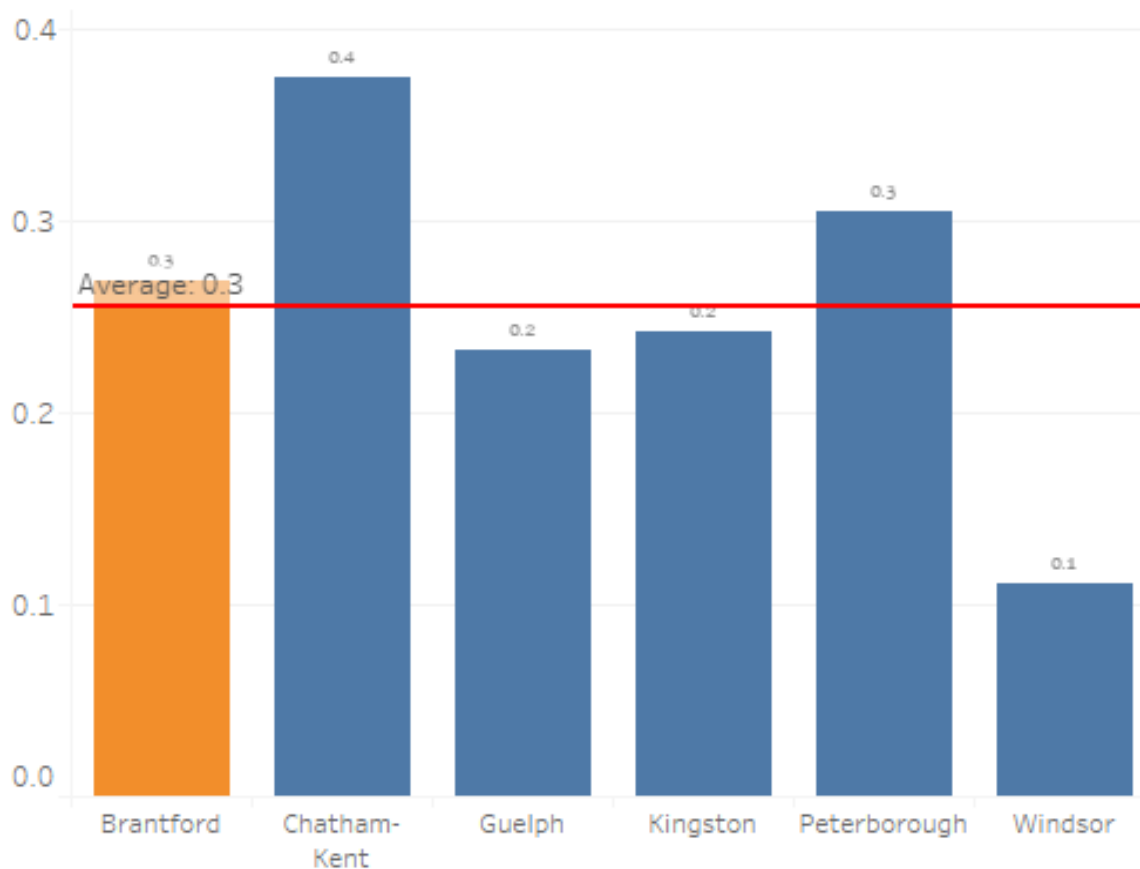
Source: Municipal Financial Information Returns  
(Schedule 40, Governance cost)



# Benchmarking & Performance Perspectives

## Council Size per 1,000 Households

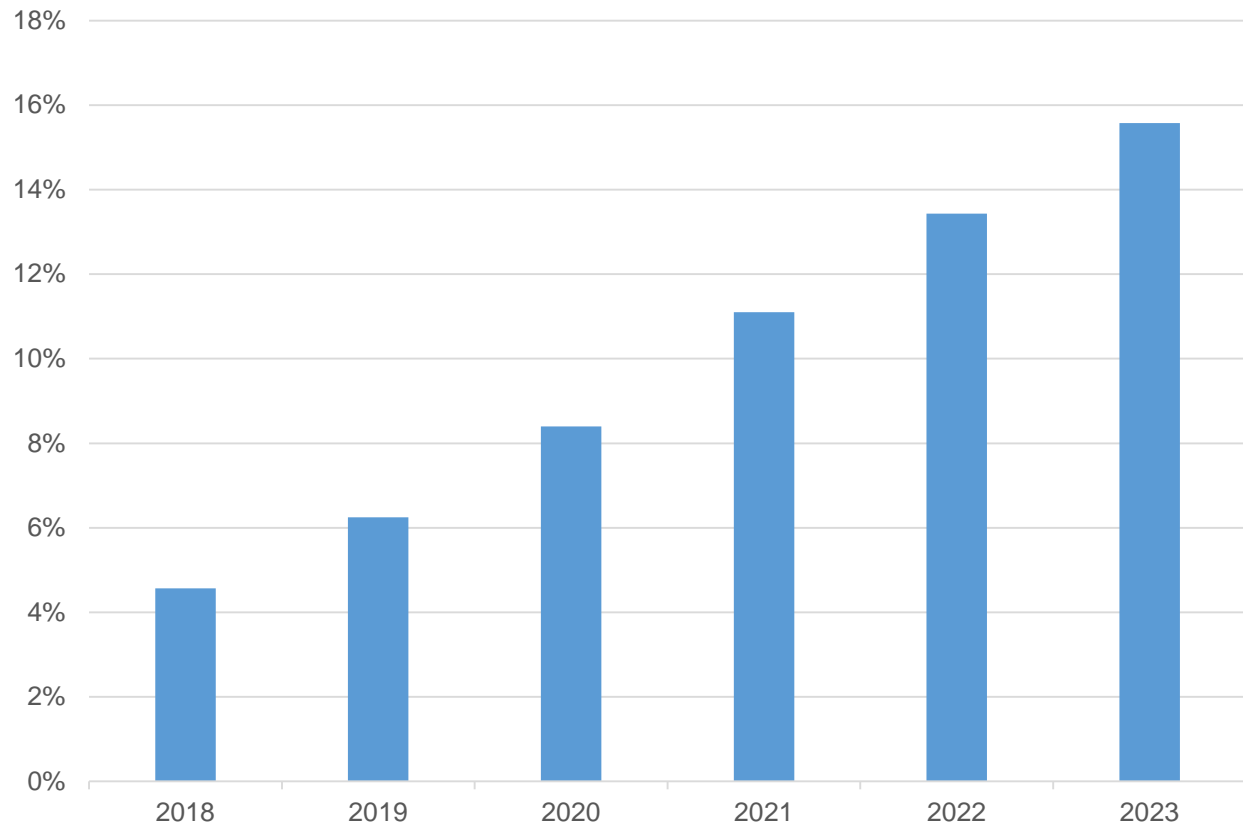
The City of Brantford has the average number of elected officials on a per household basis when compared to the average of the comparator group.



# Retirement Profile of Current City Employees

Within the next six years, a cumulative total of 167 employees of the City will be entitled to retire with unreduced pensions. This number represents approximately 16% of all full-time employees of the City. This is below our typical finding of approximately 20% when this analysis was conducted for other municipalities. While certain of these positions need to be replaced, the upcoming attrition provides the City with the opportunity to realign its organizational structure and reconsider its method of service delivery.

Cumulative Number of Employees reaching Full Retirement



Source: City of Brantford OMERS Report & FIR, Schedule 80A, 0298, Column 1



# Benchmarking of Services

City of Brantford  
Service Review  
Final Report

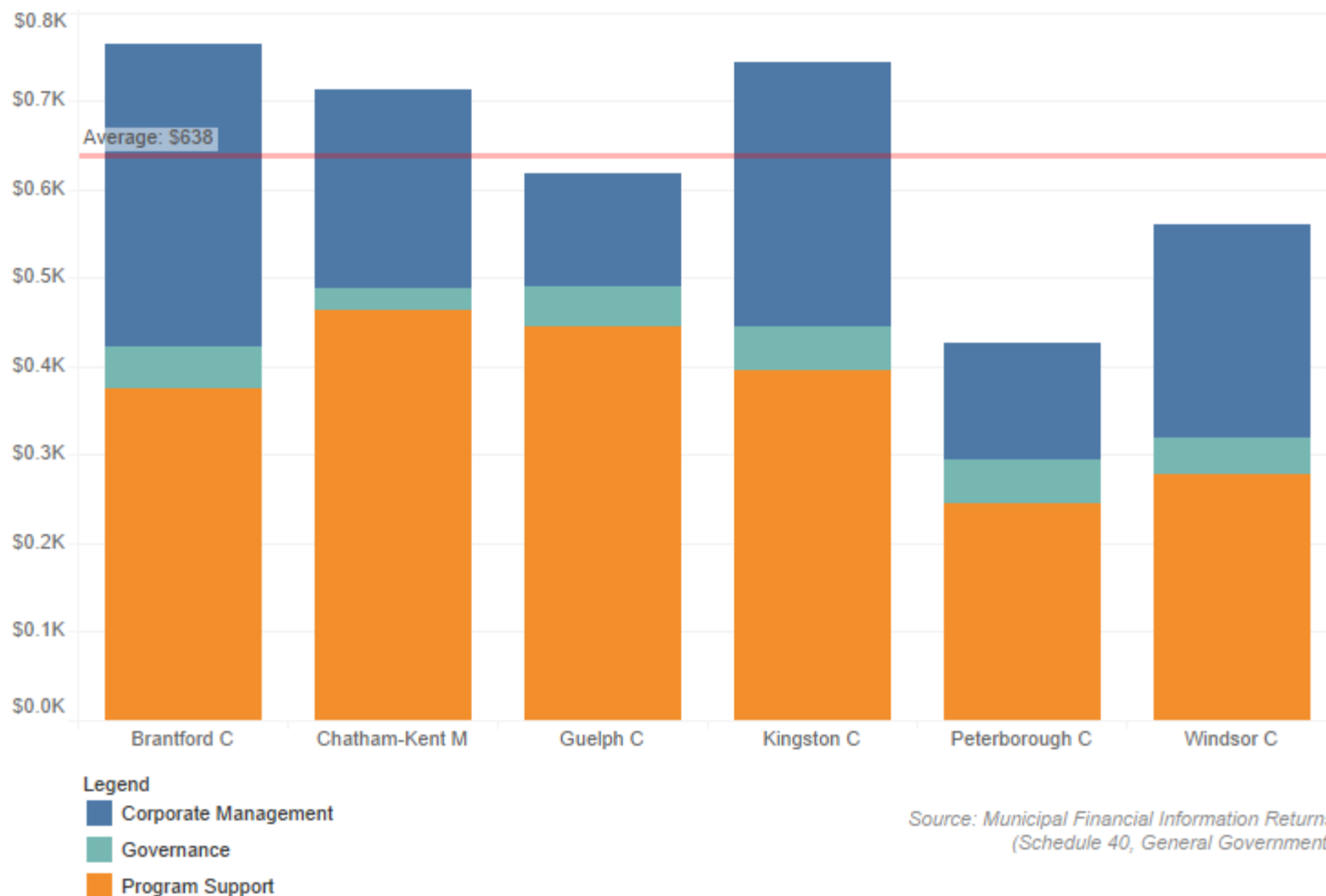
# Benchmarking & Performance Perspectives

## 2018 General Government

The City of Brantford is the highest of the comparator group for general government expenses per household.

General government expenses include Council and senior leadership expenses, corporate administration expenses and general overhead.

How expenses are allocated to general government in the Financial Information Return varies greatly between comparators. Accordingly, we believe the large variance between Brantford and its comparators is a result of allocation differences.

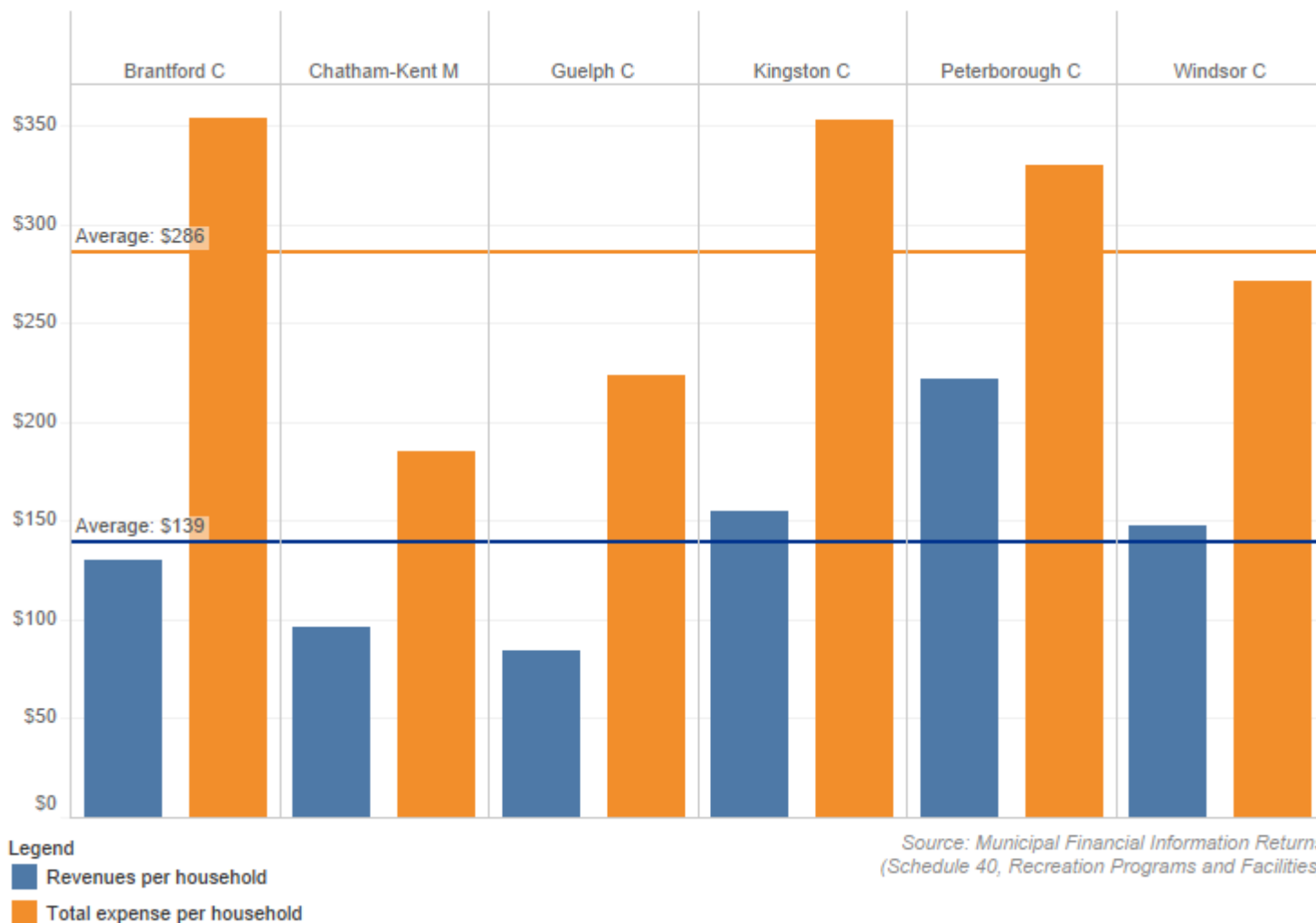


# Benchmarking & Performance Perspectives

## 2018 Recreation Programs & Facilities

Brantford's operating expense for recreation programs and facilities per household (\$354) is above the average for the comparator group of \$286 per household.

Brantford's revenue for recreation programs and facilities per household (\$131) is slightly less than the average for the comparator group of \$139 per household.

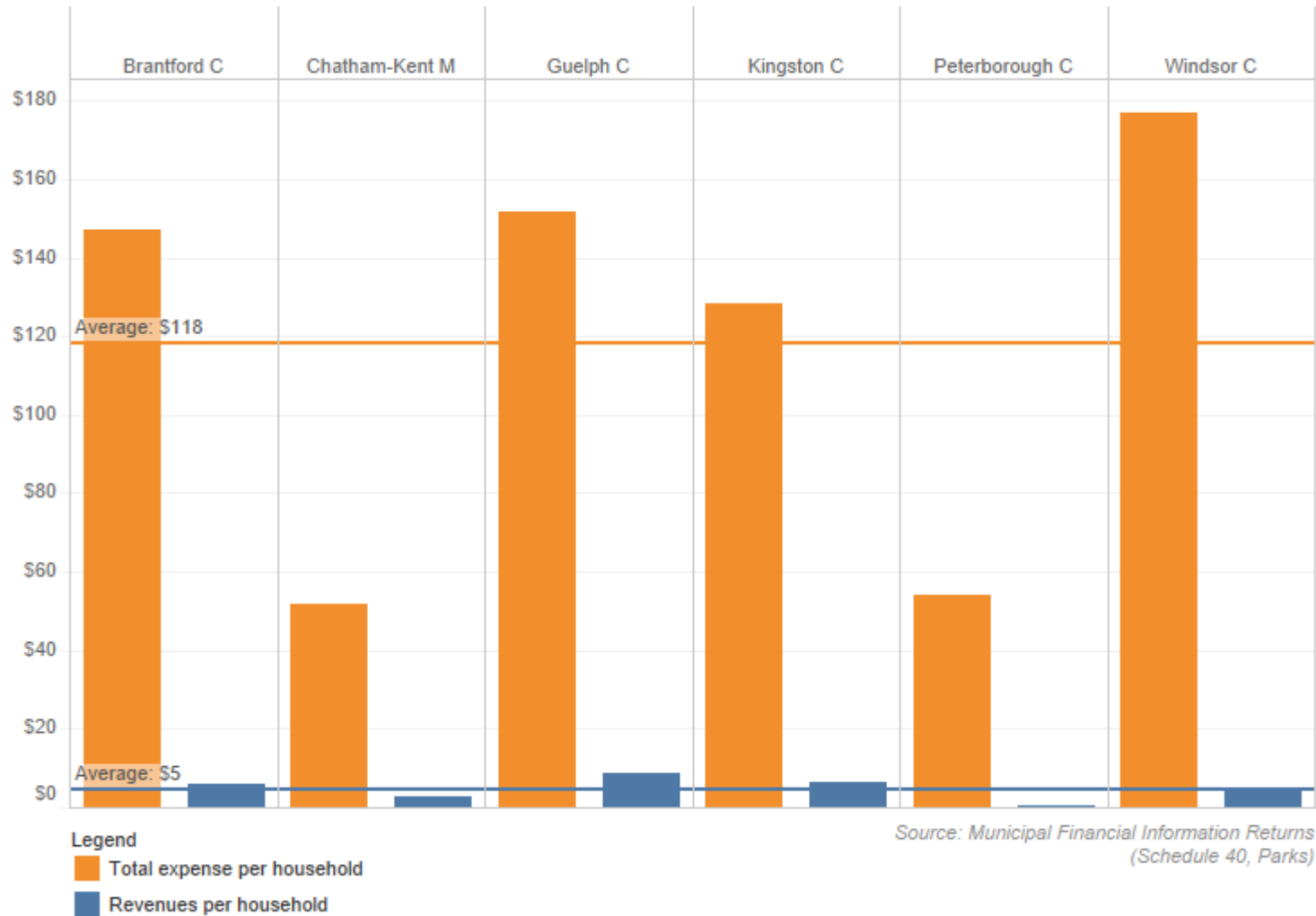


# Benchmarking & Performance Perspectives

## 2018 Parks

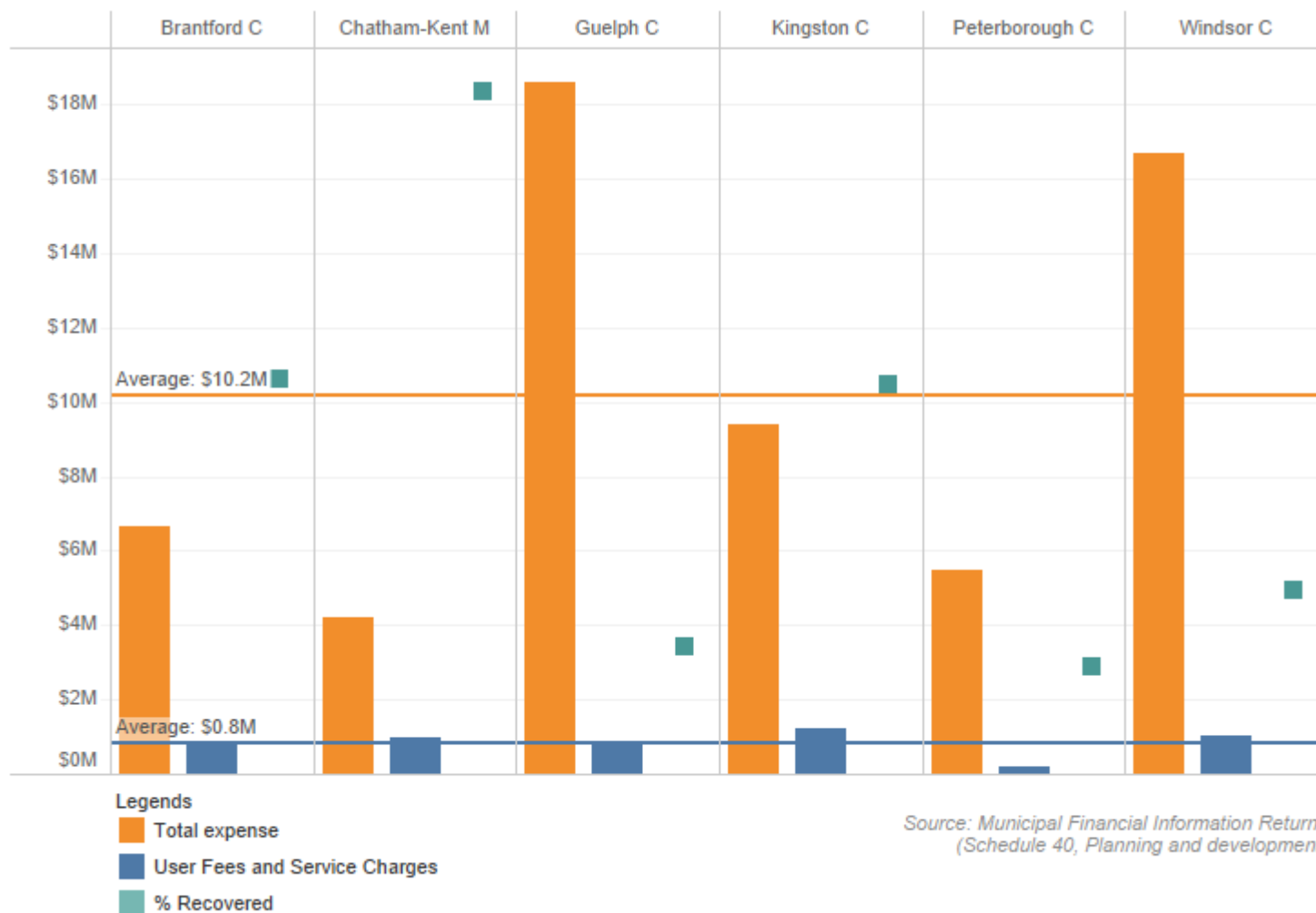
Brantford's operating expense per household (\$147) for parks is the 3<sup>rd</sup> highest of the comparator group.

There is minimal recovery of Parks operating expenses through user fees by all comparators.



# 2018 Planning & Development

As a percentage of gross Planning and Development expenses incurred, Brantford has the second highest recovery through user fees among the comparator group.

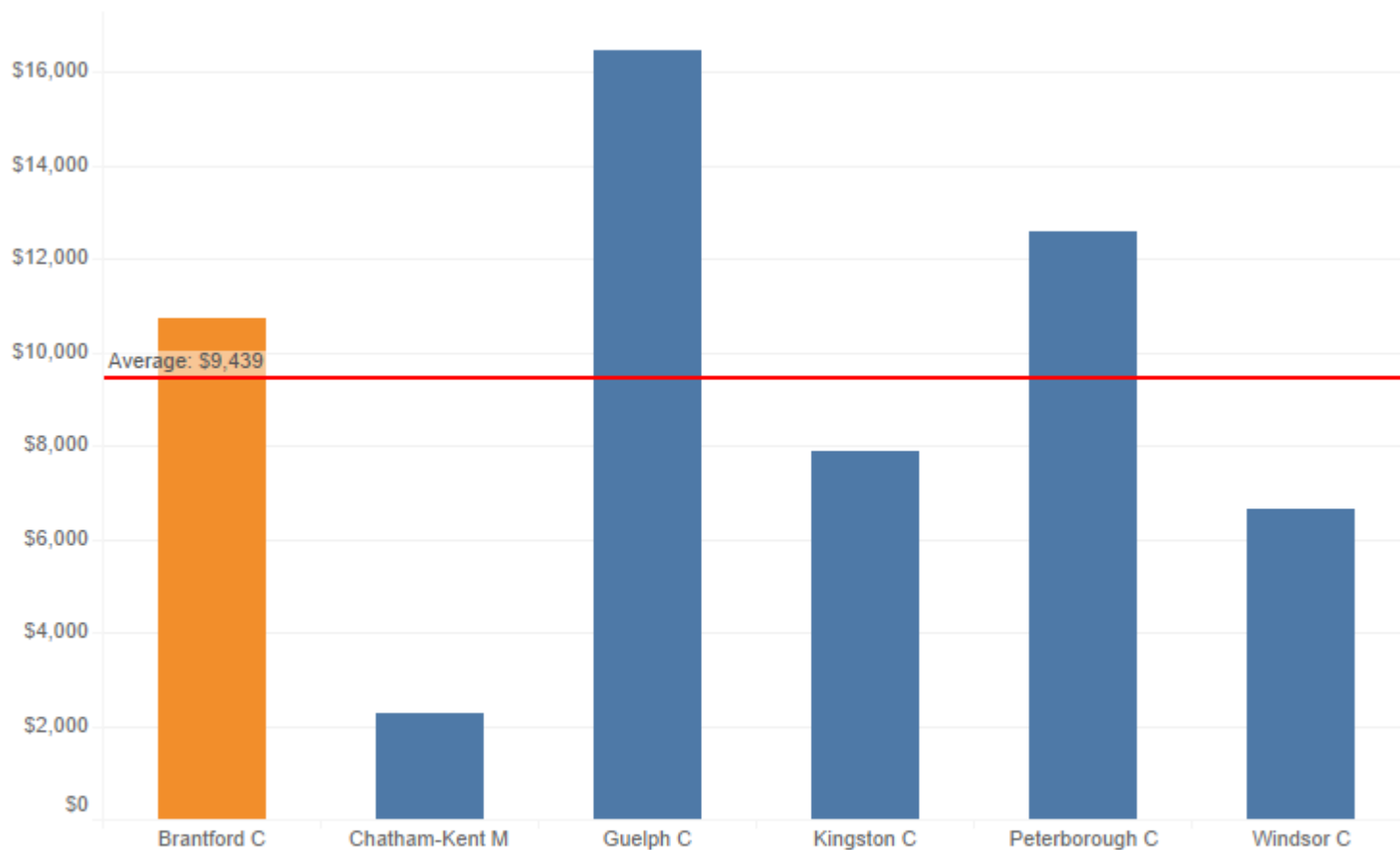


# 2018 Road Maintenance

Municipality	Lane KMs
Brantford	1,152
Chatham-Kent M	7,068
Guelph C	1,112
Kingston	1,834
Peterborough C	968
Windsor C	2,328

A lane kilometre is calculated by multiplying the total number of kilometres in the municipal road network by the number of lanes.

Brantford has the third fewest number of lane kilometres among the comparator group and the third highest gross road maintenance expense per paved lane kilometre.



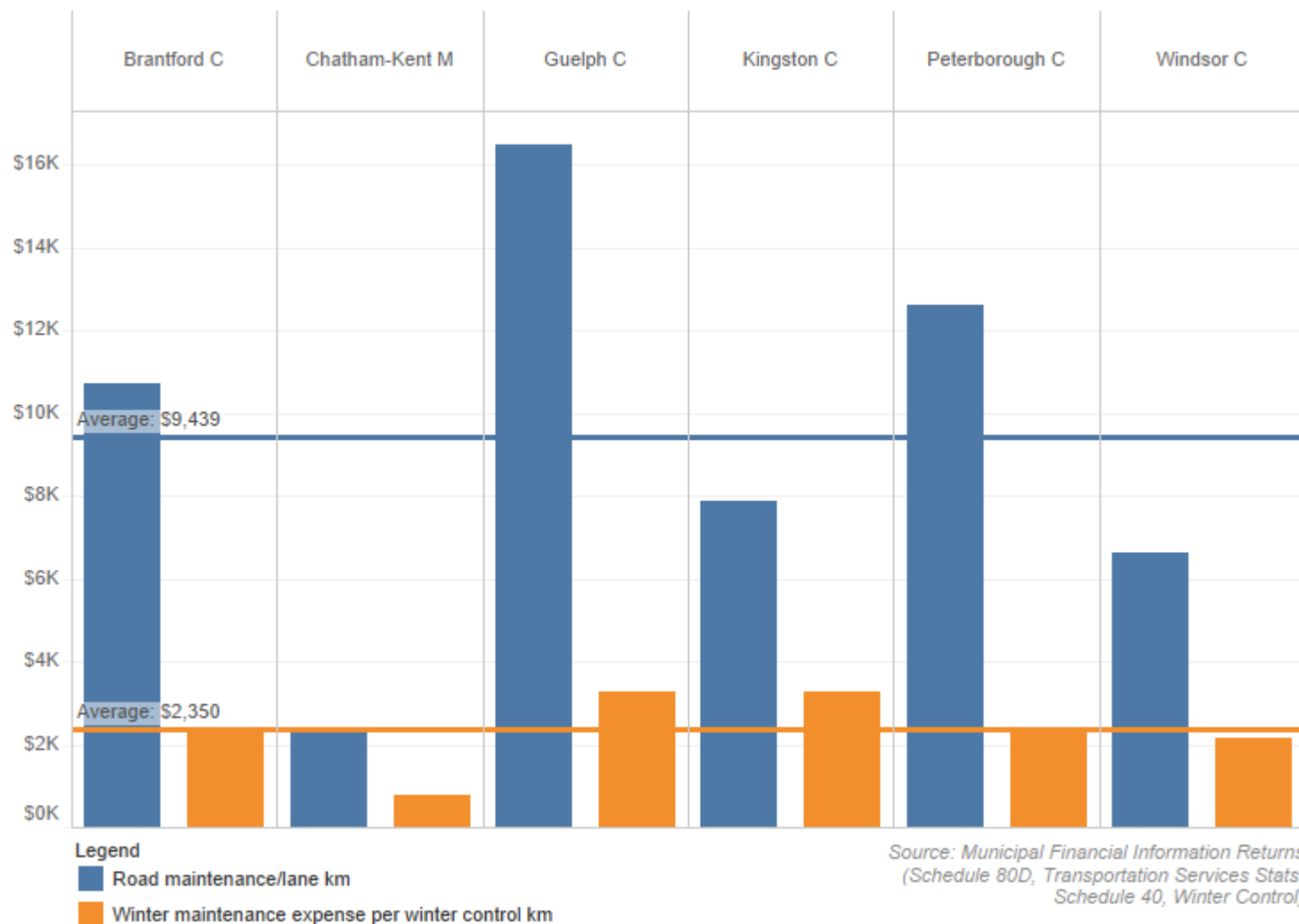
Source: Municipal Financial Information Returns  
(Schedule 80D, Transportation Services Stats,  
Schedule 40, Road Maintenance)



# 2018 Winter Maintenance

Winter maintenance expense per lane kilometre is calculated by taking the total expense for winter maintenance divided by the total lane kilometres of roads maintained during the winter.

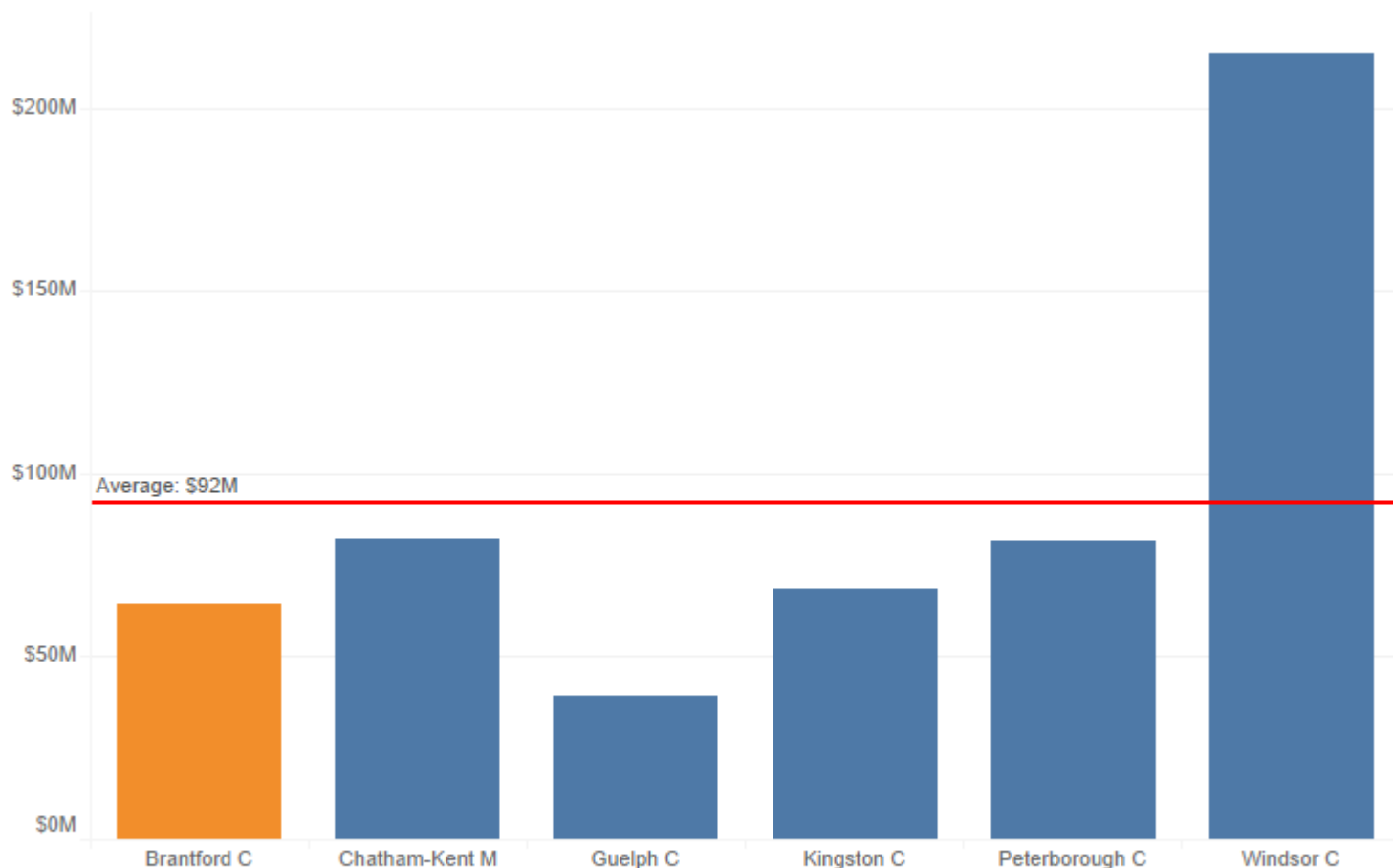
Brantford's expense per lane kilometre for winter maintenance (\$2,348) is consistent with the average of \$2,350 per lane kilometre for the comparator group.



# 2018 Social and Family Services

Social and Family Services include general assistance, assisted to aged persons and child care.

Brantford's expenditures for Social and Family Services was \$64 million significantly below the comparator average.



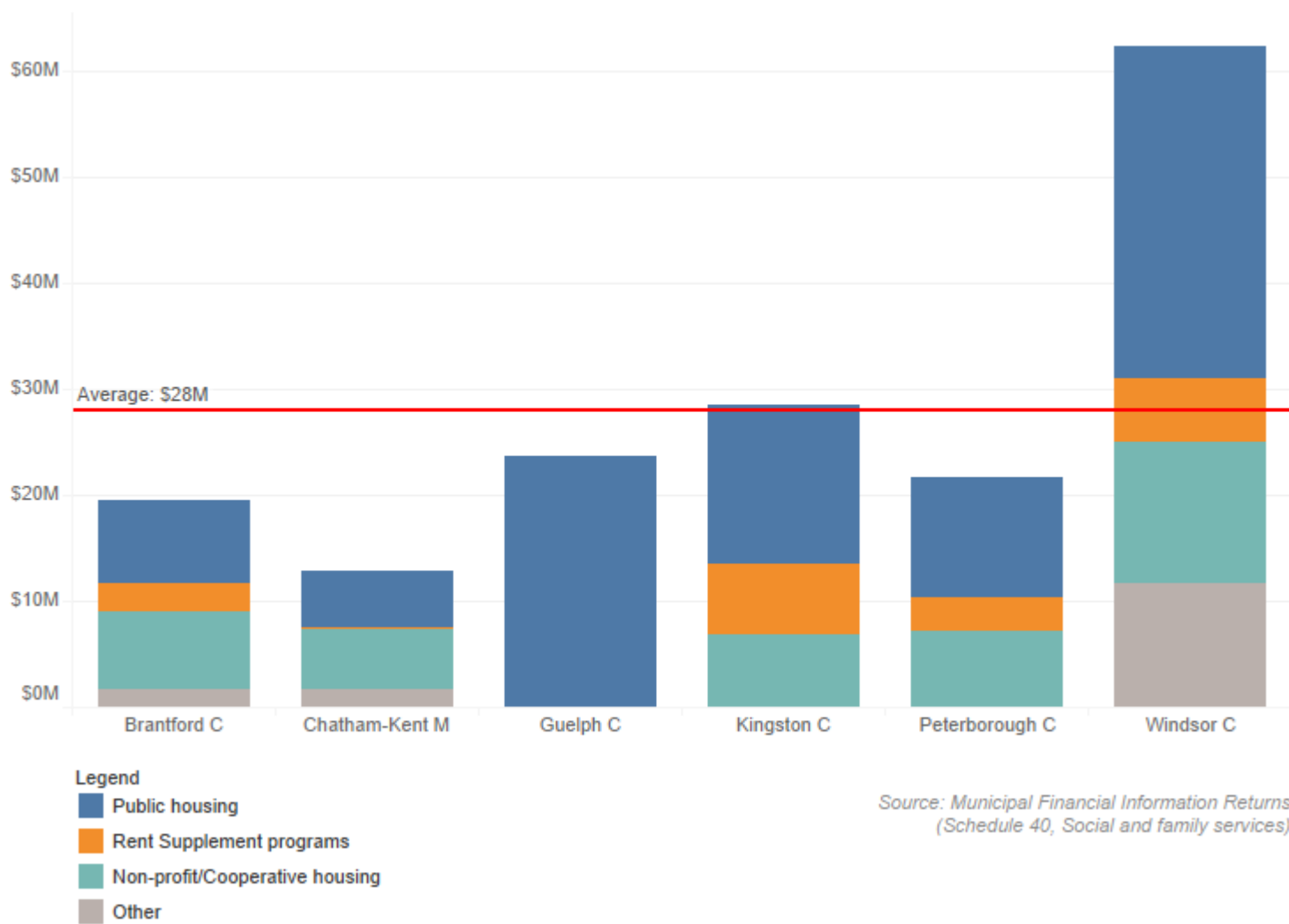
Source: Municipal Financial Information Returns  
(Schedule 40, Social and family services)

# 2018 Social Housing

Social Housing includes Public Housing, Non-Profit/Cooperative Housing and Rent Supplement Programs

Brantford's expense for Social Housing was \$19.5 million in 2018.

Brantford's Social Housing expenditures are significantly below the average of the comparator group.

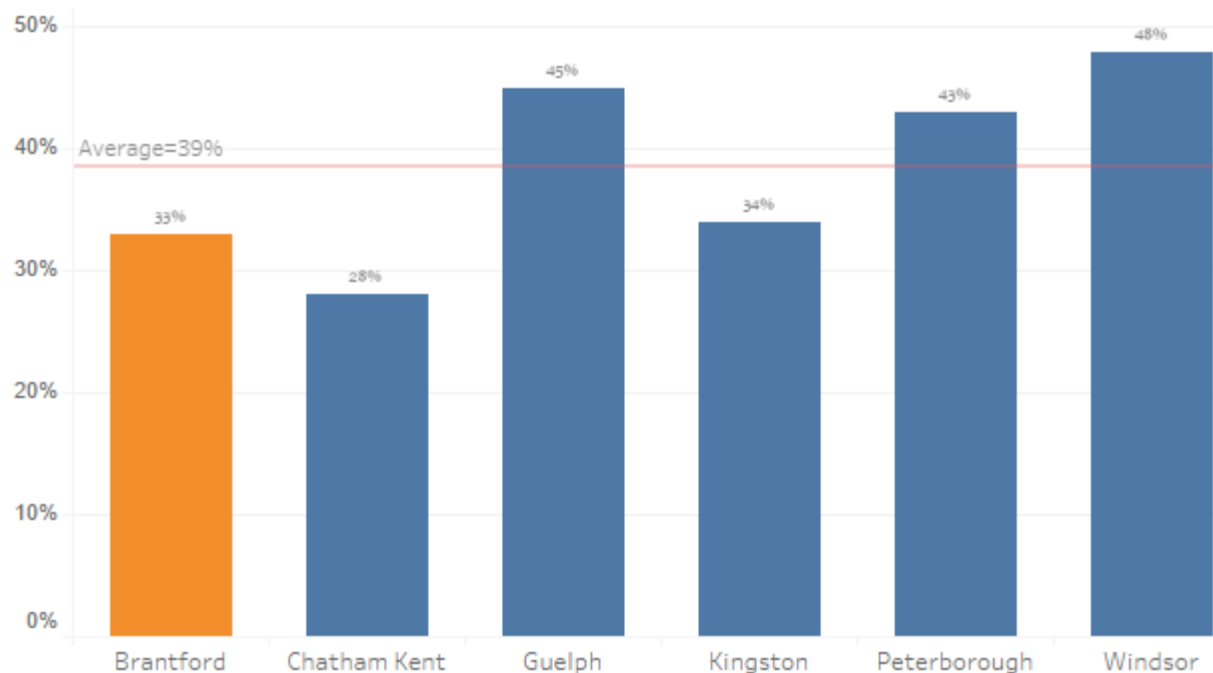


Source: Municipal Financial Information Returns (Schedule 40, Social and family services)

# 2017 Transit Cost Recovery Ratio by Municipality

The cost recovery ratio is used to assess the recovery rate of transit operating expenses through collection of fares paid by passengers.

Brantford's recovery rate of 33% is below the 39% of the comparator group.

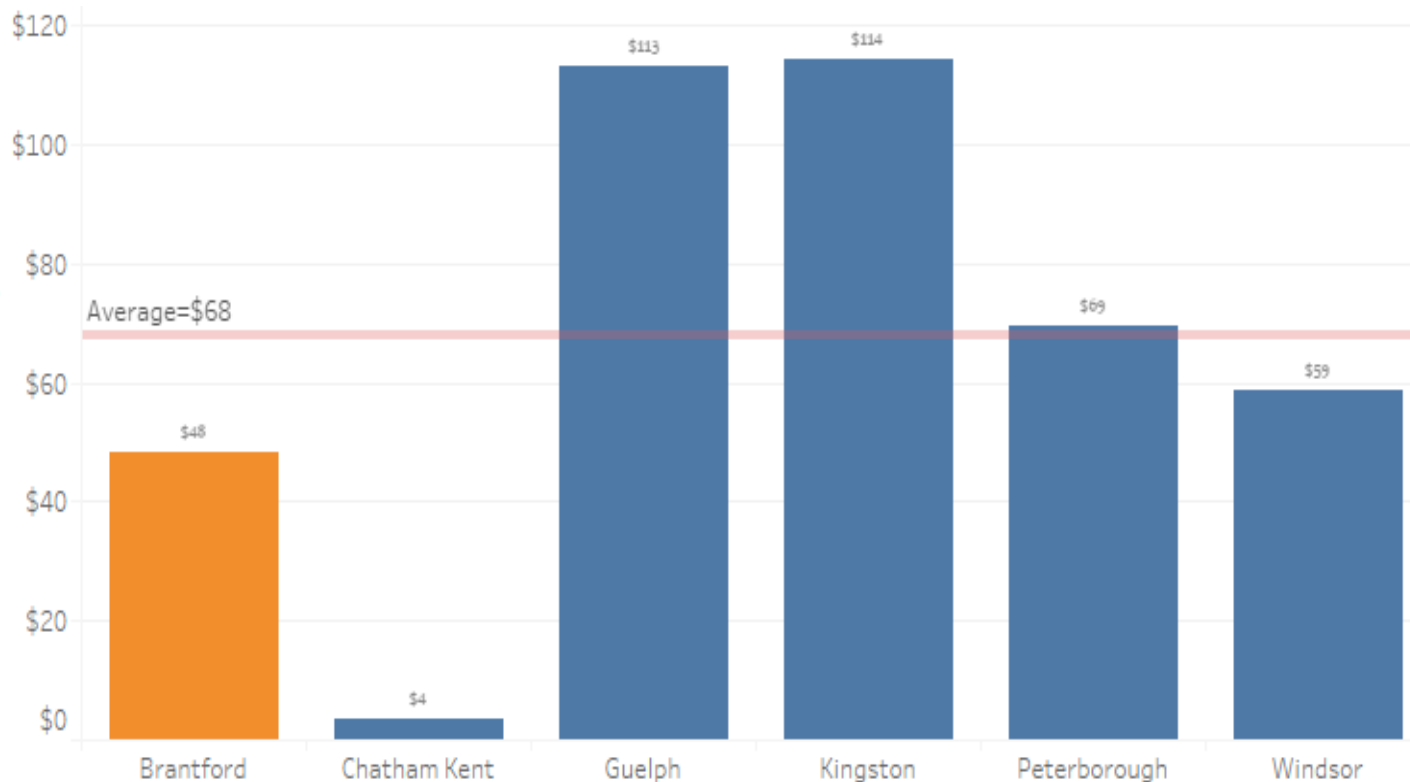


Source – CUTA/MTO Ontario Urban Transit Facto Book – 2017 Operating Data

# 2017 Transit Municipal Contribution per Capita

Brantford's municipal contribution per capita (\$48) is below the average of \$68 among the comparator group.

Municipal contribution should be reviewed in conjunction with ridership demand and service level needs to assess whether there is appropriate level of funding for service delivery.



Source – CUTA/MTO Ontario Urban Transit Facto Book – 2017 Operating Data

## Benchmarking & Performance Perspectives

# Summary of General Themes

The benchmarking and financial analysis highlights that relative to the comparator group, Brantford delivers municipal services at a cost consistent with the average of its peers.

### General Themes

#### Municipal Debt

- Brantford's debt position when considered on a per household basis is below the average of the comparator group. A low debt position provides flexibility to the City in managing the capital demands related to growth.

#### Discretionary Reserve Balances

- The City of Brantford holds the lowest amount of discretionary reserves per household among the comparator group. Decreasing discretionary reserves over time is an indicator that the City's flexibility for financing from reserves is becoming more restricted thereby increasing the reliance on debt.

#### Staffing Levels

- There has been little change in the staffing level of the City's full-time complement over the past five years. The City's full-time complement is consistent with the average of the comparator group. The ratio of part-time employees to full-time employees has consistently averaged 0.51:1 from 2014 to 2018.

#### Taxation Levels

- Among the single tier comparator municipalities, residential taxes per household are at the midpoint of the comparator group. Guelph, Peterborough and Kingston all have higher residential taxes per household. In contrast, Brantford has the third highest residential median current value assessment of the comparator group, slightly ahead of Peterborough.

#### Transit

- The recovery rate for transit from user fees (33%) is below the comparator average (39%). The municipal contribution per capita (\$48) is below the comparator average (\$68). Municipal contribution and recovery rate should be reviewed in conjunction with ridership demand and service level needs to assess whether there is appropriate level of funding for service delivery.

#### Overall

- The benchmarking and financial analysis highlights that Brantford is a financially strong municipality with expenditures comparable with its peers in some key service areas. The ongoing and anticipated development of the City will place pressure on the municipality to rethink its service levels and service delivery models otherwise it will need to consider additional resources to meet the service demands of an increased population.



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