Current State Assessment

Town of Essex
Service Delivery Review

July 2020

Table of Contents

EXECUTIVE SUMMARY

Project Background

Project Context

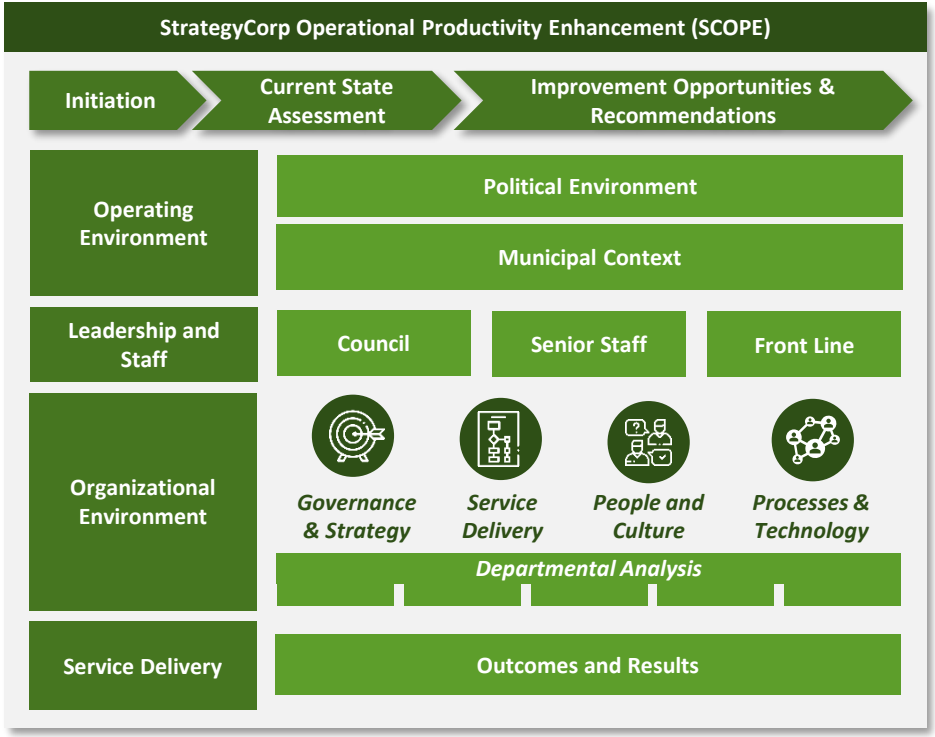
The Town of Essex engaged StrategyCorp to conduct a Service Delivery Review ("SDR" or "Engagement") to identify ways to modernize service delivery, reduce future costs, and make the best use of limited resources.

The primary focus of this review is to evaluate the Town's services in order to achieve a more efficient and effective service delivery model, without compromising customer/ratepayer services or local control.

Methodology and Approach

Our approach to conducting the current state assessment utilized multiple sources of inputs and extensive engagement, including:

1. Analyzing internal and external data to evaluate current operations and trends;
2. Benchmarking current performance and delivery models against relevant municipal comparators;
3. Assessing opportunities for regional collaboration;
4. Conducting one-on-one interviews and workshops with elected officials, senior leadership, and staff; and
5. Identifying initial improvement opportunities and assessing them against evaluative criteria to shortlist those with high potential.



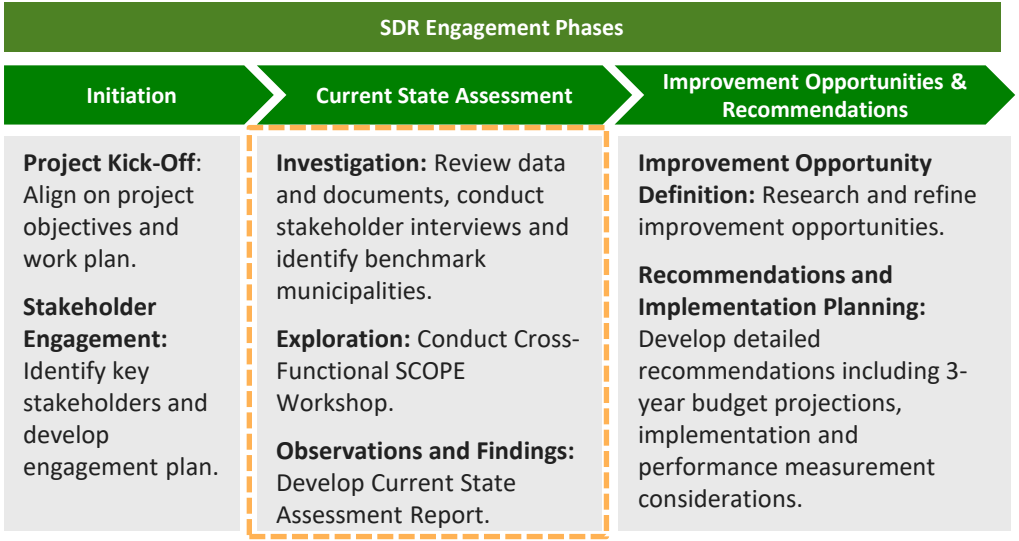
Progress to Date

Current Phase: Current State Assessment

This report details the results of Phase 2 of the Engagement, which encompasses the Current State Assessment and Opportunity Generation activities.

The objectives for this Phase include:

- ***Assessing*** Essex's municipal environment, including its strengths, weaknesses, opportunities, and threats.
- ***Building*** a thorough understanding of the Town's municipal services and delivery models.
- ***Evaluating*** how Essex compares to its peer municipalities within and beyond Essex County.
- ***Identifying*** potential improvement opportunities, including greater regional collaboration, to be further explored in the next phase of the Engagement.



Based on our work to conduct the current state assessment, we have developed a list of 34 potential service delivery improvement opportunities:

- 14 potential enterprise-wide opportunities, 11 department specific opportunities and, 9 shared services opportunities further investigation.
- A short-list of 8 cost-saving opportunities recommended for further exploration, (additional leading practice opportunities are also highlighted).

Comprehensive Overview of the Town of Essex's Municipal Services

Service profiles were developed for each service provided by the Town and are available in *Appendix C*. These profiles were developed based on available data and financial information, augmented by discussions with key stakeholders involved in service delivery.

TOWN OF ESSEX SERVICES

Office of the Chief Administrative Office	Community Services	Corporate Services	Infrastructure Services	Development Services
• Legislative Services • Communications	• Parks and Facilities • Recreation and Culture • Fire and Rescue Services	• Finance and Business Services • Human Resources • Information Technology	• Capital Works and Infrastructure • Municipal Drainage • Environmental Services • Operations	• Building and By Law Enforcement • Planning • Economic Development

ESSEX COUNTY SERVICES (OUT OF SCOPE)

Community Services/ Housing with Supports	Sun Parlor Home	Emergency Medical Services	Infrastructure Services	Library Services	General Government Services
• Community Services/ Housing with Supports	• Administration • Nursing & Personal Care • Food & Nutrition • Laundry/Housekeeping/ Maintenance • Capital	• Emergency Medical Services • Emergency Management Coordination	• Construction – Roads & Bridges / County Wide Active Transportation System • County Maintenance – Roads, Bridges and CWATS • Fleet and Facilities	• Library Services	• Council Services • Administrative & Financial Services • Human Resources • Planning Services

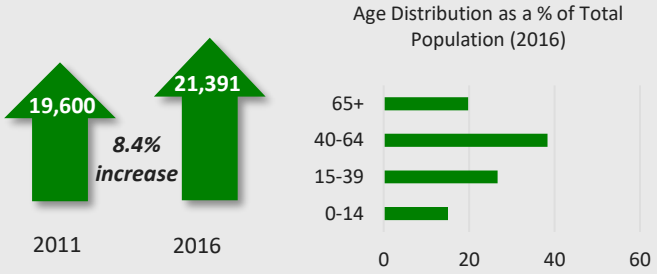
NOTE: Police Services for the Town are currently contracted out to the Ontario Provincial Police.

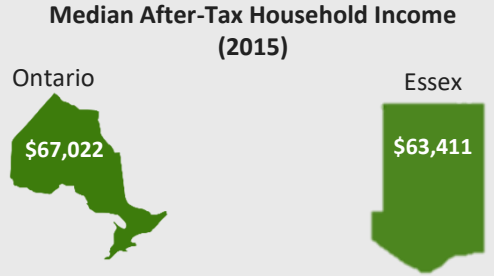
Essex at a Glance

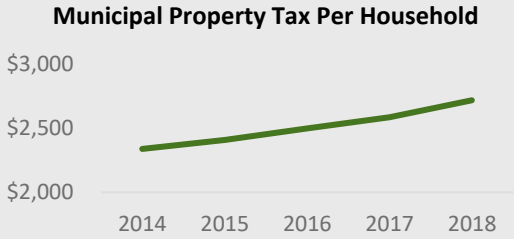
- The Town of Essex as it exists today was created in 1999 following the amalgamation of the Town of Essex, Town of Harrow, Township of Colchester North and Township of Colchester South.
- One of Ontario's southernmost municipalities, Essex is home to a variety of industries, including agriculture, wineries, and tourism. Its agricultural lands have been rated as some of the most productive in the province.
- The Town of Essex has four distinct centres, each with unique attributes. Essex Centre is the largest of the four urban areas, Harrow serves the agricultural community and has an agricultural research centre, Colchester is home to the waterfront, and McGregor is home to both agriculture and outdoor recreation.
- Essex has some of the lowest housing prices in Canada, and in 2018 was named one of the safest places to live in the country (6th overall), which makes it a draw for young families, business owners, and retirees. It also lies in close proximity to Windsor and Detroit.
- Overall, Essex has seen modest but steady population growth over the past several years, with a largely aging demographic.

Essex has:

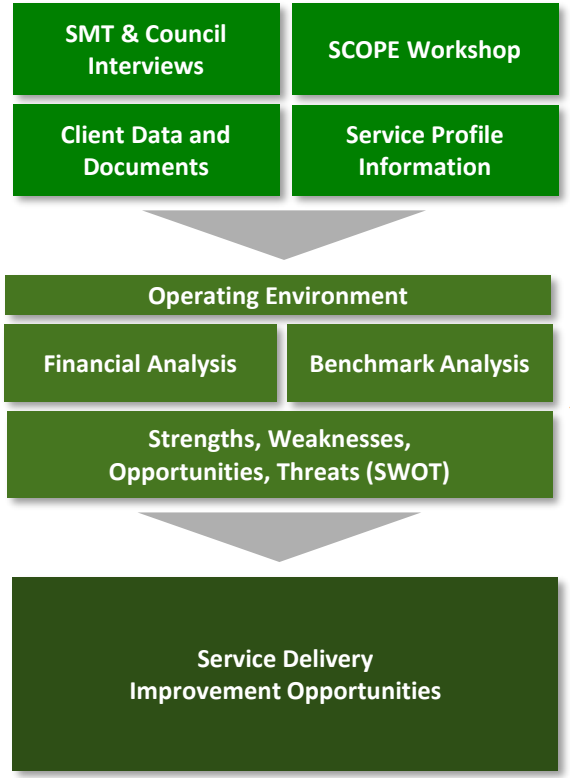
- Seen a slight increase in population from 2011 to 2016.
- An ageing population: most of the Town's population is 40+, with a significant portion of the population being 65+, and a much smaller portion being 0-14.
- A median household income that is slightly lower than the provincial average.
- Municipal property taxes that increased on average 3.3% YoY between 2014-2018.







Key High-Level Findings from the Current State Review



Information gathered through existing data and documents, specific details on all core services, Senior Management Team (SMT) and Council interviews, and a workshop with staff, informed the following outputs, which in turn, were used to develop service delivery improvement opportunities.

Key takeaways were as follows:

- **Essex has achieved strong financial health and sustainability** by building up reserves and outperforming the recommended target for operating surplus.
- **Essex has sustainable debt management** and must continue to balance funding capital projects and the capacity to deal with unexpected circumstances. It would be beneficial for the Town to continue to evolve their Asset Management Plan to support responsible capital expenditures.
- **Essex has made investments in its human capital** and should continue to focus on enhancing training, professional development, and performance management to achieve maximum organizational capacity, and explore the potential of work-from-home arrangements.
- **Essex receives the least amount of revenue from property taxes and the most amount of revenue from the Ontario Municipal Partnership fund** (OMPF) as compared to its peers. Should the OMPF funding decrease, the Town may face revenue shortfalls. This is further compounded by its less lucrative tax assessment mix, which is predominantly rural nature.
- **There are opportunities for regional collaboration** and sharing of services. The initial channel for this type of activity may be through a shared services initiative of the County's south shore municipalities to help build momentum and show proof of concept for further expansion.

Preliminary analysis indicates that high-impact opportunities lie in optimization through the lens of people (e.g. training skilled workforce), process (e.g. standardizing processes), and tools (e.g. modernizing IT infrastructure).

Financial Analysis

StrategyCorp assessed Essex's financial health according to several indicators taken from the Ministry of Municipal Affairs and Housing's (MMAH) Financial Information Return (FIR) data using the returns from 2009-2018 (see full analysis in *Appendix A*). Some general themes emerged from the initial financial analysis:

- Essex is experiencing **strong financial health and sustainability** by building up reserves and outperforming the recommended target for operating surplus.
- Capital **spending has been financially prudent** as the Town has grown reserves consistently and managed both short- and long-term debt.
- **Property taxes per household have increased year-over-year** since 2012 and most of the Town's tax revenue comes from its residential tax base indicating further increases would be challenging. Instead the Town could look at growing their commercial and industrial base.
- Essex has **sustainable debt management** and must continue to balance funding capital projects and the capacity to deal with unexpected circumstances.
- **Revenues have consistently outstripped operational expenses**, suggesting that the Town has found an appropriate balance.
- Essex **receives a higher Ontario Municipal Partnership Fund (OMPF) allocation** than its peer comparators. If the Province continues its plan to reduce the OMPF, Essex will be significantly affected in an unfavourable manner.

Financial Indicators and Areas of Exploration

- *Total Municipal Property Taxes Per Household*
- *Total Taxable Assessment (and per Household)*
- *Annual Operating Expenditure (per Capita and per Household*
- *Total Reserves (and per Household)*
- *Total Municipal Debt Burden (per Capita and per Household)*
- *Municipal Debt Burden (per Capita and per Household)*
- *Residential Assessment Percentage*
- *Non-Residential Assessment Percentage*
- *Operating Surplus Ratio*
- *Rates Coverage Ratio*
- *Asset Sustainability Ratio*
- *Asset Consumption*
- *Debt Service Coverage*
- *Debt Sustainability*
- *Debt Charges as a % of Property Tax*
- *Annual Repayment Limit and Input Factors*
- *Revenues, Operating Expenses, Capital Expenses, and Reserves*
- *10-Year Operating Results*
- *Capital Spending per Household*
- *Taxation, User Fees, and Service Charges*

Essex Relative to its Peers

In examining the current state of service delivery in Essex, a benchmark analysis was conducted to compare key components of the Town against similar peer municipalities (see full analysis in *Appendix B*). The following is a summary of themes and findings identified in that analysis:

- Essex **outperformed both its peer group in the County as well as comparator municipalities across MMAH's targets** for financial indicators.
- Essex spends the **second lowest amount on debt relative to its theoretical maximum services capacity** among its peer group of comparators and well below the average for other Essex County members.
- Essex captures **less revenue from property taxes than most of its peers** due to the lack of commercial/industrial development, the Town's rural nature.
- The Town attracts the highest **amount of government transfers from the OMPF** among its peer group of comparators.
- The CAO and Mayor at the Town of Essex **have less administrative support** (i.e. a dedicated Executive Assistant) than its peer comparators.
- The Town has the **lowest percentage of revenue from development charges** (Essex adopted bylaw that waves development charges for 5 years in 2019) in comparison to peers.
- The Town has the **highest recovery of its water and wastewater operating expenses through the water rate.**
- The Town's **recovery of recreation operating expenses are the second highest** among its peer group .
- The Town has the **highest number of seasonal workers** due to their aquatics program and recreation facilities but is otherwise very lean.

Comparative Snapshot:

				2016 StatCan data		*2018 FIR data*	
	Tier	Location	Persons/ km^2	Population	Median Income	Reserves	Debt
Essex	Lower	Essex	73.5/km^2	21,391	$35,715	$50.50M	$20.76M
Amherstburg	Lower	Essex	118.2/km^2	21,936	$39,519	$10.71M	$35.67M
Kingsville	Lower	Essex	87.3/km^2	21,552	$36,396	$24.52M	$15.37M
Leamington	Lower	Essex	105.3/km^2	27,595	$31,464	$56.75M	$27.64M
Strathroy- Caradoc	Lower	Middlesex	77.1/km^2	20,867	$35,032	$24.91M	$8.98M
Tillsonburg	Lower	Oxford	710.8/km^2	15,872	$32,137	$4.30M	$13.38M

Note: (1) While Tillsonburg is significantly more dense than its comparators. It was chosen because of its other similarities to Essex (location, economy, etc.). While density can affect service delivery standards, the smaller size of the Town (which is often associated with higher costs) will likely balance out this discrepancy. (2) 2018 FIR data is the most recent data available.

Essex's Internal Strengths and Weaknesses

Through the course of our assessment of the Current State, we identified several strengths and weaknesses internal to the Corporation of the Town of Essex that impact how services are delivered in Essex.

STRENGTHS

- **Financial Health and Sustainability:** The Town is in a favourable financial position due to prudent planning and spending, and provincial support.
- **Customer-service focus:** The Town takes a resident-centric approach and prioritizes the delivery of high-quality services and the customer experience.
- **Commitment to continuous improvement:** Administration and staff are continually looking for ways to "do things better", push boundaries and deliver services more effectively and efficiently (e.g. "Virtual City Hall).
- **Clear strategic vision and priorities:** The 2019-2022 Corporate Strategic Plan sets out the Town's priorities and provides a clear path forward for Council, staff and the community.
- **Sustainable asset management planning:** The Town is ahead in terms of the provincial legislation – its asset management lifecycle reserve and ongoing work towards a fully funded AMP demonstrate a keen awareness of the need to invest in infrastructure maintenance and renewal.
- **Environmental leadership and stewardship:** The Town is committed to protecting and enhancing Essex's natural environment and working with the community to build a sustainable future.

WEAKNESSES

- **Cross-departmental communication:** Collaboration and information sharing across departments is limited and there are few opportunities to discuss best practices or share resources (e.g. software), which contributes to which contributes to operational efficiencies not being utilized to the fullest.
- **Leveraging technology:** Certain technologies currently in use are outdated or underutilized.
- **Lack of consistent service levels and KPIs:** Some departments do not have clear service level standards and lack the ability to track and measure performance.
- **Outdated facilities:** Essex's Town Hall and other municipal facilities are dated (some are beyond their useful life) and has not kept pace with the growth in the Town's staff and services, leading to constrained working conditions for employees and frustration for residents.
- **Spread out facilities and services:** Facilities are located across the municipality in order to be able to service the wide geographical area of the Town, but this is accompanied by a lack of centralization and increased costs.
- **Lack of standardized policies and procedures:** In some departments issues are often handled on an ad-hoc basis due to the lack of clear policies and processes, which can lead to inconsistencies in how these issues are managed and resolved.
- **Investment in human capital:** The current state of succession planning and performance management are challenges to increasing organizational growth and capacity.

Essex's External Opportunities and Threats

Through the course of our assessment of the current state, we identified several opportunities and threats external to the Corporation of the Town of Essex that have shaped, are shaping, or will shape, service delivery in Essex.

OPPORTUNITIES

- **Affordability of housing**: Essex's housing prices are among the lowest in Canada, making it an attractive destination for retirees, families and small businesses, and the Town should focus on supporting that growth.
- **Distinct and diverse economic base**: The Town's mix of industries is unique for a municipality of its size and ranges from agriculture to agri-tourism and wine-making to steel manufacturing.
- **"Administrative capital":** Because Essex is located centrally in the County and is home to the County's offices, it functions as a service hub for the area.
- **Leverage supports from other levels of governments:** Given the influx of new residents, the Town can explore grant and funding opportunities to develop creative solutions to address evolving housing needs.
- **Continued informal and formal regional collaboration:** Informally sharing information, or formally sharing service delivery, can support streamlined processes, adoption of best practices, cost and time savings, and greater consistency in policies and service deliveries across municipalities.
- **Adaptation as a result of COVID-19:** The pandemic drove the modernization of some customer-facing services as well as staff policies, demonstrating that improvements can be actioned quickly and effectively when required.
- **Tourism and wine industry:** The Town's award-winning wineries, waterfront and marina present opportunities to attract even more tourism to the area.

THREATS

- **Reliance on the OMPF**: As the Town's financial state improves, the province may allocate less in OMPF funds over time. The Town may have to raise taxes to make up for this revenue loss.
- **Changing municipal sector:** Like municipalities across Ontario, Essex faces the challenge of providing high quality services with limited revenue generation opportunities, heightened public expectations, resistance to tax increases, and changing policies and priorities at the other levels of government.
- **Geographical distribution:** Essex's geographical spread poses unique challenges for service delivery, and there is a perception among some that services are not offered equitably across the municipality.
- **Broadband internet service is lacking:** The lack of reliable high-speed internet service across the municipality poses challenges in considering digital solutions to modernize the way some services are delivered and accessed.
- **The perceived threat of further amalgamation:** Protecting Essex's identity and the unique identities of the Town's four centres is a priority for citizens, resulting in concerns about any further amalgamations.
- **Climate change:** Changing weather patterns and extreme weather events have the potential to have a serious impact on Essex's predominately agricultural economic base.

Overview of Service Delivery Improvement Opportunities (1 of 2)

34 opportunities for improved service delivery were identified. Below is an overview of enterprise-wide and departmental opportunities:

Enterprise-Wide Opportunities

Governance and Strategy

1. Continue to strengthen the council-staff relationship through training.
2. Establish a clear implementation plan for the current strategic plan.
3. Continue to establish clear expectations and guidelines through annual department-level planning processes.
4. Develop an Enterprise Risk Management (ERM) plan to identify and prepare for any potential critical issues that may interfere with the Town's operations and objectives.

People and Culture

5. Develop a comprehensive human resources strategy.
6. Continue to update and standardize workforce policies.
7. Develop standardized corporate communications policies to support staff engagement.

Processes and Technology

8. Continue to expand use of the Town's customer relationship management (CRM) software internally and externally.
9. Conduct a review of the existing management process and invest in an organization-wide records management system.
10. Develop formal schedule of regular cross-departmental discussions and workshops.
11. Develop standard operating procedures for any services that do not currently have them in place.

Service Delivery

12. Assess opportunities for new and upgraded facilities including a new Town Hall.
13. Review the current complement of Clerks to optimize efficiencies.
14. Establish clear service levels for services across the organization.

Departmental Opportunities

CAO's Office

15. Consider hiring a full-time executive assistant for the CAO and Mayor.
16. Develop a communications toolkit with guidelines so departments can develop their own content (standardized forms, presentations, templates, policies and procedures).
17. Continue to monitor police service levels through ongoing police surveys.
18. Explore and assess optimal dividend strategy in ELK Energy.

Community Services

19. Evaluate the placement of Facilities within Parks and Facilities and consider a separate Facilities division.

Corporate Services

20. Further investigate moving the human resources function from Corporate Services to the CAO's office.
21. Continue to augment budget training across departments.
22. Develop an organization-wide IT training and infrastructure strategy.

Infrastructure Services

23. Update condition assessment ratings and tools to rate conditions, and collaborate with finance to update the asset management plan (AMP) and a supporting reserve policy.

Development Services

24. Modernize the Building Division's outdated service model.
25. Further explore cost recovery improvements and potential impacts on key development services.

Overview of Service Delivery Improvement Opportunities (2 of 2)

34 opportunities for improved service delivery were identified. Below is an overview of shared services opportunities that are both enterprise-wide and department-specific:

Shared Service Opportunities

Enterprise-Wide

26. Increase participation in regional collaborative purchasing organizations that offer procurement support and expertise.
27. Explore the development of a south shore shared services initiative or corporation to deliver key services such as HR, IT, finance, fire services training and purchasing and recreational programming delivery, and certain public works services (e.g. winter maintenance), among others.

Community Services

28. Explore sharing Fire Services with other municipalities in the south shore region.
29. Establish a regional standard for fire training and hire one fire trainer for the region.
30. Consider shared recreation programming and purchasing.

Corporate Services

31. Increase participation in regional collaborative purchasing organizations.
32. Consider alternative models for GIS delivery.

Infrastructure Services

33. Assess the feasibility of sharing fleet and expensive equipment across departments and with neighbouring municipalities.

Development Services

34. Explore opportunities for regionalizing building inspection services.

Service Delivery Improvement Opportunities for Further Exploration

Of the 34 opportunities, we have identified a preliminary shortlist of opportunities (below) to be developed more fully in the next phase of the project.

Update or develop foundational documents or processes that reflect municipal management leading practice in strategic management. (see opportunities #1-4)

→ *The Town already follows leading practice in most areas, but there is an opportunity to enhance this area by developing a strategic plan implementation roadmap and Enterprise Risk Management (ERM) plan to identify and prepare for potential issues that may interfere with the Town's operations and objectives.*

Update the asset management plan (AMP) and a supporting reserve policy. (see opportunity #23)

→ *A strong AMP is critical to long-term financial planning to smooth large costs over time and is most effective with an accompanying reserve policy.*

Assess opportunities for new and upgraded facilities and develop an accommodation policy. (see opportunity #12)

→ *Town facilities are dated and lack proper space for staff and create barriers to accessing services for residents. These deficiencies are likely to threaten the Town's staff health and wellness, culture, and productivity, and are already a source of frustration for residents. There is also a need for the continued exploration of green sustainable energy conservation.*

Further explore cost recovery improvements and potential impacts on key development services. (see opportunity #25)

→ *Essex has the lowest share of revenue from development charges in comparison to its peers, and upon preliminary analysis, is seeing low cost recovery on by-law enforcement and planning. In addition, the Town may benefit from reviewing and adjusting fees related to development services annually.*

Review the current complement of Clerks and consider increased centralization and generalization of the clerk function. (see opportunity #13)

→ *Increased general training and cross-departmental knowledge may lead to a more streamlined and efficient internal operations and an improved customer experience.*

Explore the development of a south shore shared services initiative or corporation (see opportunity #27)

→ *By sharing certain assets and resources with neighbouring municipalities, Essex can lower costs through economies of scale and scope.*

Hire an executive assistant to support the CAO and Mayor. (see opportunity #15)

→ *An executive assistant for the CAO and Mayor could improve communications and overall workload management. Amherstburg's CAO and Mayor share an executive assistant, which has resulted in increased communication between leadership and the rest of the organization.*

Explore sharing Fire Services with other municipalities in the south shore region. (see opportunity #28)

→ *Staff and Councillors believe regional fire delivery, starting with south shore region, has significant savings potential, could reduce response times, and increase service levels.*

POTENTIAL AREAS OF EXPLORATION

ENTERPRISE-WIDE IMPROVEMENT OPPORTUNITIES

Enterprise-Wide Improvement Opportunities (1 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Governance and Strategy	**1. Opportunity:** Work toward **strengthening the council-staff relationship** and building greater trust through continued training on the roles of staff and council. **Rationale:** Although staff and council have a good relationship and have recognized the positive impact existing training efforts have had, both groups identified the need for additional training to ensure council provides strategic direction and oversight and leaves operations to staff. The training could also include recommendations for improving communications between the two groups. Council-staff training is a municipal best practice for governance and has also been adopted by several municipalities across Ontario.	✓ Efficiencies ✓ Value-Add
	2. Opportunity: Establish a **clear implementation plan for the current strategic plan** with a performance measurement framework. **Rationale:** There is broad senior level support for the strategic plan, but uncertainty about implementation and progress remain. A clear implementation plan ensures departmental goals flow from the strategic plan and is a best practice for strategic planning.	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation
	3. Opportunity: Establish clear expectations and guidelines through an **annual department-level planning process** that outlines goals, key performance indicators, and service standards in conjunction with the annual budget process. **Rationale:** Staff and management identified challenges with connecting individual department activities to the goals identified in the strategic plan, and they noted the need for goal-setting at a more tactical level. Departmental alignment is key to effectively implementing a strategic plan so that departments understand what goals they are working towards.	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

Enterprise-Wide Improvement Opportunities (2 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Governance and Strategy	**4. Opportunity:** Develop an **Enterprise Risk Management (ERM) plan** that will identify, assess, and prepare for any potential critical issues that may interfere with the Town's operations and objectives. **Rationale:** Essex has been prudently managed but could benefit from risk-planning. It holds the second highest tangible capital assets per capita amongst its peers, which may need to be serviced or replaced in the short term. The Town also receives a higher OMPF allocation than its peers, and if this transfer is reduced, Essex will require alternative revenue streams. An ERM would be a key input to the AMP, lifecycle plan, long term financing plan and capital budget, all of which will assist in managing capital investment, planned investments and financing tools.	✓ Efficiencies ✓ Value-Add

Enterprise-Wide Improvement Opportunities (3 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
People and Culture	**5. Opportunity:** Develop a **comprehensive human resources strategy** that maintains clearly defined roles and responsibilities; policies for continuity of knowledge, procedures for succession planning; and plans for further developing the Town's human capital. **Rationale:** Staff across departments noted retention and succession planning as areas of concern given that a lot of critical resources will be retiring in the next five years. The organization is already lean, and the Town could better develop staff to grow into management roles instead of hiring outside managers. In response to these challenges, a human resources strategy is a recommended municipal best practice and can provide tactics to reduce turnover, prepare the organization to fill vacancies, and support the development of a stronger staff complement. This aligns with the Town's strategic plan's priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Value-Add
	6. Opportunity: Update and standardize workforce policies by (1) standardizing performance management, (2) standardizing policies on professional development and training, (3) and implementing increased options for flexible work (e.g. work from home). **Rationale:** Staff noted that outdated workplace policies and performance management impact their perceptions of support from their employer. The recent disruptions as a result of COVID-19 demonstrated the Town's ability to adapt to new working environments, and flexible work could continue into the future. This aligns with the Town's strategic plan's priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Value-Add
	7. Opportunity: Develop standardized corporate communications policies to support staff engagement and satisfaction through targeted communications, particularly surrounding the strategic plan. **Rationale:** Senior management informs staff of organizational objectives but does not always explain how goals will impact staff individually and departmentally. Standard communications policies could require more tailored messaging to different departments and could better explain how Town goals and strategic directions will impact staff individually. This aligns with the Town's strategic plan's priority: *Citizen and Customer Experience.*	✓ Efficiencies ✓ Value-Add

Enterprise-Wide Improvement Opportunities (4 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Processes and Technology	**8. Opportunity: Expand use of the Town's customer relationship management (CRM) software** and establish customer service policies. Explore additional applications of this software (e.g. integration with GIS) to improve service integration across related departments such as corporate, development, and infrastructure services. **Rationale:** Customer service is a priority for the Town. It has a tracking system for customer complaints and inquiries, but the number of staff using the software could be expanded. In addition, a lack of standard customer service policies leads to siloed approaches to customer service. Expanding the use of the CRM system and establishing organization-wide customer service policies to areas that need it. This aligns with the Town's strategic priority: *Citizen and Customer Experience.*	✓ Efficiencies ✓ Value-Add
	9. Opportunity: Conduct a review of the existing records management process and invest in an **organization-wide records management system.** **Rationale:** The Town manages records with paper-based and digital processes but lacks a central location for storing information. This makes accessing information time-consuming and puts the Town at risk when it receives information requests. An effective records management system is a best practice in order to manage risk related to provincial requirements on records management. The current software may have capacity to accommodate increased records management functionality, which could be explored further. Additionally this service may be a strong candidate for a shared solution. This aligns with the Town's strategic priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Value-Add
	10. Opportunity: Develop formal schedule of **regular cross-departmental discussions and workshops** with select staff that focus on best practices, learnings, opportunities for improved communications, and collaboration. **Rationale:** Providing additional channels for staff communication could increase collaboration and information sharing and help overcome any silos that may exist due to procedural and physical barriers. This aligns with the Town's strategic priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Value-Add

Enterprise-Wide Improvement Opportunities (4 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Processes and Technology (Continued)	**11. Opportunity:** Develop **standard operating procedures** for any services that do not currently have them in place and that that require additional procedural rigor and standardization (e.g. Infrastructure, Planning and Development) **Rationale:** Standard operating procedures are not codified, making training challenging for new staff. It was noted that absent clear and consistent procedures, there will be a continued lack of transparency into complex projects, which can cause frustrations both internally and externally. Developing standard operating procedures supports the achievement of higher service standards, reduces training obstacles, and promote information sharing.	✓ Efficiencies ✓ Value-Add

Enterprise-Wide Improvement Opportunities (5 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Service Delivery	**12. Opportunity:** To benefit staff, Council and residents**, assess opportunities for new and upgraded facilities**, including a new Town Hall, and develop an accommodation policy to optimize facility use. **Rationale:** Currently, Town facilities are dated, resulting in a lack of proper space for staff and impediments to accessing services for customers. The Town Hall is over capacity, and departments are split up across several buildings, which creates physical barriers to collaboration, creates extra operational costs for the Town, and is confusing and inaccessible for residents. If they have not already, these deficiencies are likely to threaten the staff's health and wellness, culture, and productivity. It was noted on several occasions that the facilities are a significant source of frustration for residents. Council is also affected by this issue and must use County facilities in lieu of its own chambers due to lack of space. Given The Town's unique location, space optimization with the County could be explored further. There is also a need for the continued exploration of green sustainable energy conservation across Town facilities. Finally, infrastructure staff is also located in four different locations (Town Hall, Gesto Offices, Harrow Yard, and Harrow Water Resources Building) fleet is currently stored in two separate locations. It was noted that moving all staff into one location, or consolidating them as much as possible, would allow for the department to offload some of their fleet and operate more efficiently due to ease of communication and collaboration.	✓ Efficiencies ✓ Value-Add ✓ Cost-Savings/ Revenue Generation
	13. Opportunity: Review the current complement of Clerks to optimize efficiencies and consider increased centralization and generalization of the clerk function. **Rationale:** The Town's clerks are each specialized in their roles. Increased general training and cross-departmental knowledge may lead to a more streamlined and efficient internal operations and an improved customer experience. In addition to the current fragmented clerk knowledge-base, there are also two reception desks, which causes duplication and customer confusion. In certain instances there is excess capacity across administrative and clerk resource (e.g. fire), and a resourcing review may reveal efficiencies. This aligns with the Town's strategic priority: *Citizen and Customer Experience.*	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

Enterprise-Wide Improvement Opportunities (5 of 5)

Theme	Opportunity and Rationale	Potential Outcomes
Service Delivery	**14. Opportunity: Establish clear service levels** for services across the organization. **Rationale:** Having clear service levels across the organization is best practice for municipalities, and implementing them would help improve service delivery. Service levels allow organizations to identify key improvement areas and track progress over time. Infrastructure Services in particular could benefit from implementing service standards, as the department lacks service standards beyond what is provincially legislated (e.g. roads). Clear service levels will enable the department to track progress and will support the effective implementation of the asset management plan. This aligns with the Town's strategic priority: *Progressive and Sustainable Infrastructure.*	✓ Efficiencies

DEPARTMENT-SPECIFIC IMPROVEMENT OPPORTUNITIES

Department-Specific Improvement Opportunities (1 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
CAO's Office	**15. Opportunity:** Assess to hire a full-time **executive assistant to exclusively support both the CAO and Mayor**. **Rationale:** The CAO receives too many inquiries to respond in a timely manner and is not always easily accessible to staff and Council. A dedicated executive assistant for the CAO and Mayor may improve communications and overall workload management. In each of Essex's peer comparators, the CAO and Mayor has an executive assistant. Although Essex is unique in having a Deputy CAO, a position that reduces the CAO's workload and assists in servicing Council, hiring an EA for the Mayor and CAO is still perceived to be a value add for support services.	✓ Efficiencies ✓ Value-Add
	16. Opportunity: Develop a **communications toolkit** (standardized forms, presentations, templates, policies and procedures) to enable departments in developing their own content, alleviating current capacity constraints on the Town's communications resource. **Rationale:** The communications resource develops all communications for the organization but, due to capacity limitations, is unable to deliver support for departmental communications needs. For example, the parks and recreation department often requires support for public-facing materials. A communications toolkit with guidelines would free up capacity within the communications department to create and enforce corporate communications policies. This aligns with the Town's strategic priority: *Citizen and Customer Experience.*	✓ Efficiencies ✓ Value-Add
	17. Opportunity: Continue to **monitor police service levels** through ongoing police surveys. **Rationale:** The recent police services survey found mixed service reviews from residents, and many respondents indicated that police service levels are not meeting expectations—they have poor response times, are not present in the community, and could improve communications. Though Essex is a safe community, residents desire improved service levels. More robust contract management and oversight through consistent monitoring can more quickly identify and resolve service level issues. As concerns are raised with the reporting relationship with the OPP, they could be recorded and remedied. Additionally, should there be continued dissatisfaction, the Town may consider regionalizing policing services, which would result in potential savings.	✓ Value-add

Department-Specific Improvement Opportunities (2 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
CAO's Office	**18. Opportunity: Explore and assess optimal dividend strategy in ELK Energy (e.g. an alternative dividend return structure, equity carve out, liquidation, etc.) to make available additional funding to support infrastructure and capital expenditures** Rationale: There has been ongoing discussion about hydro consolidation in the region for some time. While merger activity has slowed, there remains an opportunity for Essex develop and optimal dividend strategy.	✓ Cost-Savings/ ✓ Revenue Generation

Department-Specific Improvement Opportunities (3 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Community Services	**19. Opportunity: Evaluate the placement of Facilities within Parks and Facilities** and consider either a separate facilities division to provide services to multiple departments or the development of a 'whole-of-organization' facilities plan that can identify opportunities for internal shared resources and more efficient uses of the function. **Rationale:** Essex's Facilities function provides services only within Community Services, and often relies on Public Works for support. There is there an opportunity explore the relocation of Facilities within the organizational structure and build to its capacity to address a range of activities across the organization. This increased activity would be supported by a cost recovery arrangement between departments.	✓ Efficiencies

Department-Specific Improvement Opportunities (4 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Corporate Services	**20. Opportunity:** Further investigate **moving the human resources function** from the Corporate Services Department to the CAO's office. **Rationale:** Given the confidential nature of human resources, this function may be better situated within CAO's office to allow for a direct reporting relationship between the manager of HR and the CAO. While it will be important to set a clear role description to avoid the perception that this is a director role, this change would address the conflict of interest that arises when the HR reports to one director. The Society for Human Resource Management suggests that there is an inherent tension between HR and Financial reporting relationships (e.g. cutting salaries to address budget issues vs. increasing salaries to retain top talent). While there is no 'silver bullet,' and all organizations address this tension differently, this may be an opportunity worth exploring further. Given the findings of the organizational review in 2017, however, it is recommended that for time being Town continue to monitor the performance of HR in Corporate Services for future consideration.	✓ Efficiencies ✓ Value-Add
	21. Opportunity: Continue to **augment budget training across departments**. **Rationale:** Staff seek hands-on support from the finance department, such as year-round support for managing budgets and conducting long-term planning. Implementing further budget training would decrease the demand for support from the finance department, and ensure budgets are consistent and reflect Council priorities.	✓ Efficiencies ✓ Value-Add
	22. Opportunity: Develop an **organization-wide IT training and infrastructure strategy.** **Rationale:** Staff have a lack of (1) understanding on what IT tools are available and (2) proper training on the different IT tools. This has led to inconsistent use. There is also a need to understand technology infrastructure gaps and to prioritize how to address them. A strategy could be developed to help ensure continuous improvement in IT systems and tools to streamline key organization processes. This strategy may also consider opportunities to improve service delivery by outsourcing or sharing IT delivery (with certain neighbouring municipalities or across the county).	✓ Efficiencies ✓ Value-Add ✓ Cost-Savings/ Revenue Generation

Department-Specific Improvement Opportunities (5 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Infrastructure Services	**23. Opportunity: Update condition assessment ratings and tools to rate conditions**, and collaborate with finance to update the asset management plan (AMP) and a supporting reserve policy. **Rationale:** Infrastructure Services would benefit from updated condition assessment ratings and the tools to rate conditions. As well, the department should collaborate with the finance team to update Essex's AMP. Essex's most recent AMP was developed in 2015 (with an update in 2017). A strong AMP is critical to long-term financial planning to smooth large costs over time. An accompanying reserve policy sets out Council's goals for how much it will reserve each year to support its AMP and helps taxpayers understand how reserves impact their tax rate. This aligns with the Town's strategic priority: *Progressive and Sustainable Infrastructure.*	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

Department-Specific Improvement Opportunities (6 of 6)

Theme	Opportunity and Rationale	Potential Outcomes
Development Services	**24. Opportunity:** Modernize the **Building Division's outdated service model** to not only archive dated records, but also to move to electronic services both in office and in the field. Currently, many paper applications and hard copy plan drawings continue to be submitted to the department. As well, inspectors in the field or in their vehicles are not equipped with tablets or laptops, and fill out paper work when they return to the office. Furthermore, archives are not scanned and searchable, and filing cabinets are filled with decades of documents that are not scanned and searchable. Updating and modernizing these processes would improve service delivery across the department.	✓ Efficiencies
	25. Opportunity: Further **explore cost recovery improvements and potential impacts** on key development services. **Rationale:** Essex has the lowest share of revenue from development charges in comparison to its peers, and upon preliminary analysis, is seeing low cost recovery on by-law enforcement and planning. It is understood that Council has waived development charge fees for all industrial, commercial and institutional developments as well as a portion of residential development in the Harrow area, but it may be worth revisiting this decision to assess its impact and benefits to date. In addition, the Town may benefit from reviewing and adjusting fees related to development services annually.	✓ Cost-Savings/Revenue Generation

SHARED SERVICES IMPROVEMENT OPPORTUNITIES

Shared Services Improvement Opportunities (1 of 6)

Department	Opportunity and Rationale	Potential Outcomes
Enterprise-Wide	**26. Opportunity:** Increase participation in regional **collaborative purchasing organizations** that offer procurement support and expertise to facilitate a collaborative purchasing initiative with some or all the neighbouring municipalities. ***Rationale:*** Navigating the procurement process is complex and time consuming**.** Additionally**,** the delivery of some services in a shared capacity may result in cost savings (e.g. through economies of scale in purchasing), increased collaboration, and stronger relationships between regional partners.	✓ Efficiencies ✓ Value-Add ✓ Cost-Savings/ Revenue Generation
	27. Opportunity: Explore the development of a **south shore shared services initiative or corporation** to deliver key services such as HR, IT, finance, and components of fire services training and purchasing) and recreational programming delivery, and certain public works services (e.g. winter maintenance), among others. ***Rationale:*** By sharing certain assets and resources with neighbouring municipalities, Essex can lower costs through economies of scale and scope. It may allow access to new revenue streams that require a critical mass of users or inputs. Additionally, there are non-financial benefits including potential service enhancements and expansion; increased service integration; sustainability and viability across the region; building local capacity, trust and, relationships while also maintaining local identities; and potentially seeing a positive public response to more efficient use of assets in providing services across municipal borders. Stakeholders identified services like crossing guards, animal control, and integrity commissioner services are good candidates for shared services given that they are typically part-time roles. This aligns with the Town's strategic priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

Shared Services Improvement Opportunities (3 of 6)

Department	Opportunity and Rationale	Potential Outcomes
Community Services	**28. Opportunity:** Explore sharing **Fire Services with other municipalities in the south shore region**. **Rationale:** Essex has a relatively high spend on fire services. Regional fire delivery, starting with south shore region, may present potential savings. EMS is already delivered regionally, so the area has experience with managing regional deployment for emergency services. Additionally, Council voted in favour of adding $2.7M to the 2020 budget for a new fire and rescue station. This opportunity could be explored in advance of the station being built to understand if the additional capacity and associated expenditure is needed should a shared model be pursued. This aligns with the Town's strategic priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation
	29. Opportunity: As the region works towards shared fire services, create **a regional standard for fire training and hire one fire trainer for the region.** **Rationale:** Each municipality in the region has different standards for fire training. Setting a regional standard and hiring a single fire trainer for the region ensures consistent service standards and is a first, easy step towards a fully regional approach to fire services. Elgin County currently deploys this model. Furthermore, Gesto is building a new training facility that could be shared across the region. This aligns with the Town's strategic priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Value-Add ✓ Cost-Savings/ Revenue Generation
	30. Opportunity: Consider **shared recreation programming and purchasing.** **Rationale:** It was noted that there are already some successful examples of shared recreation programming (i.e. Harrow and Kingsville hockey sharing arenas). There are a range different types of partnerships to be considered such as per capita cost sharing contributions, facility operations cost sharing, facility capital contributions, or joint ownership. This kind of collaboration may result in increased delivery efficiencies and the avoidance of facility and program duplication. It was also noted that similar opportunities exist with respect to some parks maintenance (e.g. at Co-An and McGregor parks), and collaborative purchasing for certain programs (e.g. baseball diamond clay).	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

Shared Services Improvement Opportunities (4 of 6)

Department	Opportunity and Rationale	Potential Outcomes
Corporate Services	**31. Opportunity:** Increase **participation in the County of Essex Bids and Tenders and County "Buying Groups"** while working toward a regional purchasing collaborative. **Rationale:** Municipalities across Ontario have realized significant savings through collaborative procurement. The York Region N6 Collaborative Procurement Initiative found 5%-10% savings by sourcing together on services like auditing, waste collection, training, insurance, and economic development. Essex could purchase more materials and services through the Ontario Public Buyers Association, the Ontario Education Collaborative Marketplace, or Supply Chain Ontario while working towards a regional collaborative procurement cooperative. This aligns with the Town's strategic priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Value-Add ✓ Cost-Savings/ Revenue Generation
	32. Opportunity: Consider **alternative models for GIS delivery.** **Rationale:** The Town of Essex currently provides its own GIS and mapping services in-house, and while each of its Essex County peers also provide this service, the other selected peer comparators, Strathroy-Caradoc and Tillsonburg receive GIS services at the County level. It would be worthwhile to explore different models for GIS delivery in the County of Essex, which could take on different forms such as a direct upload to the County or the development of a GIS cooperative, a model which has seen success is Northumberland County. These alternative models may help the Town of Essex and its neighbours to realized economies of scale and avoid duplication of effort.	

Shared Services Improvement Opportunities (5 of 6)

Department	Opportunity and Rationale	Potential Outcomes
Infrastructure Services	**33. Opportunity: Assess the feasibility of sharing fleet and expensive equipment** across departments and with neighbouring municipalities—for example, shoulder pavers. **Rationale:** Siloed purchasing between departments has led to duplicative purchasing and unnecessary costs. High-cost, low-use equipment like shoulder pavers could be shared between municipalities to reduce costs. This aligns with the Town's strategic priority: *Progressive and Sustainable Infrastructure*.	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

Shared Services Improvement Opportunities (6 of 6)

Department	Opportunity and Rationale	Potential Outcomes
Development Services	**34. Opportunity:** Explore opportunities for **regionalizing building inspection services**. **Rationale:** The region has a building inspector shortage and sharing this service could help fill vacancies, complete inspections more easily and achieve cost savings. This aligns with the Town's strategic plan's priority: *Organizational Effectiveness and Resiliency.*	✓ Efficiencies ✓ Cost-Savings/ Revenue Generation

NEXT STEPS

Phase 3: Improvement Opportunities and Recommendations

Below are the next steps which will allow the Town of Essex to submit a draft final report to the Ministry of Municipal Affairs and Housing in September.

1. Confirm project improvement areas, determine needed consultation, and schedule departmental focus groups with select municipal staff to validate improvement ideas and draft improvement opportunities.
2. Refine priority improvement opportunities, including opportunity definition, scope and define options.
3. Develop detailed recommendations specific to prioritized opportunities, including implementation and performance measurement considerations, as well as 3-year operating and capital budget projections, and analysis of funding required to realize opportunities.
4. Prepare and present Recommendations and Implementation report for presentation to Senior Management Team and Council (to be determined).
5. Finalize report for MMAH submission.

APPENDIX A: FINANCIAL ANALYSIS

Introduction and Limitations of the Data

StrategyCorp assessed the Town of Essex's financial health according to several indicators taken from the Ministry of Municipal Affairs and Housing's Financial Information Return (FIR) data using the returns from 2009-2018 (the most recently reported data). The following slides provide StrategyCorp's analyses of the findings. At the outset, it is important to acknowledge some limitations of the data:

- 2018 data is the most recent data provided in FIR, so all numbers and analyses should be assessed against 2019 and 2020 data where possible.
- The following slides draw primarily from five-year and 10-year datasets in order to identify key trends and themes and avoid assumptions based on single years that may skew the data. Where single-year data is used, it is noted as such.

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Avg. YoY
Population*	20,356	20,263	20,084	20,162	20,447	20,625	20,789	21,039	21,118	21,391	0.7%
Total Households**	8,735	8,760	8,848	8,857	8,546	9,011	9,108	9,189	9,204	9,235	0.5%

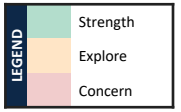
*Population data was incorporated from StatsCan and Household data was incorporated from MPAC to attain the most accurate demographic numbers for the Town

Themes and Areas of Exploration

Some general themes emerged from the initial financial analysis:

1. **Essex is experiencing strong financial health and sustainability while building reserves *(Slide 43):*** The municipality has looked to improve its stormwater and wastewater infrastructure conditions and spending from the 2015 Asset Management Report, invested steadily in the renewal of its capital assets. The Town should develop an updated, comprehensive Asset Management Plan ensure financial sustainability and reduce asset volatility.
2. **Capital spending has been financially prudent as the Town has grown reserves consistently and managed both short- and long-term debt *(Slide 45):*** The Town has drastically reduced the relative amount of debt charges to its property tax revenues through financial discipline in pursuit of high operating surpluses. The Town should continue prudently growing financial reserves while managing short- and long-term debt.
3. **Property taxes per household have increased year-over-year since 2012 and most of the Town's tax revenue comes from its residential tax base indicating further increases would be challenging *(Slide 51):*** Consistent incremental increases in residential property tax makes it a difficult revenue stream to continue growth, instead the town should explore increasing their commercial and industrial base. A point further explained in peer benchmarking, as the Town receives the least amount of revenue from overall property taxes (residential and commercial) in comparison to peers.
4. **Essex has sustainable debt management and must continue to balance funding capital projects and the capacity to deal with unexpected circumstances *(Slide 45)*.** The municipality has exhibited high financial prudency, by allocating its annual surplus to reserves and debt repayment. This proved very useful, when the 2015 Asset Management Report outlined that the levy would be the main tool for covering funding gaps for Administration, Roads, Bridges/Culverts and Stormwater infrastructure.
5. **Revenues have consistently outstripped operational expenses *(Slide 49)*:** The Town of Essex has consistently outperformed the recommended target for operating surplus. This surplus has allowed the municipality to allocate significant revenues from into reserves, preventing the excessive use of debt in the future for infrastructure upgrades. The surplus is further buoyed by landfill revenues that are directly deposited into reserves and planned expenditures in the past, that did not occur. Budget forecasts should be revised to reflect increases in revenue and/or reduced expenditures.
6. **Essex receives a higher Ontario Municipal Partnership Fund (OMPF) allocation than its peer comparators *(Slide 70)*.** If the Province continues its plan to reduce the OMPF, Essex will be significantly affected in an unfavourable manner.

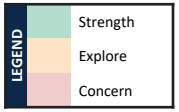
Preliminary Indicators for Financial Sustainability



	2014	2015	2016	2017	2018	Avg. YoY
Total Municipal Property Taxes Per Household	$2,338	$2,409	$2,500	$2,587	$2,720	3.3%
Total Property Taxes Per Household	$2,900	$2,955	$3,042	$3,100	$3,243	2.4%
Annual Operating Expenditures	$29,849,291	$31,579,962	$30,343,820	$32,114,701	$34,485,008	3.1%
Annual Operating Expenditures per Capita	$1,447	$1,519	$1,442	$1,521	$1,612	2.3%
Annual Capital Expenditures	$6,827,585	$6,187,304	$12,526,316	$4,898,930	$5,131,560	-5.0%
Annual Capital Expenditures per Household	$758	$679	$1,363	$532	$556	-5.3%
Total Reserves	35,770,745	38,477,101	39,886,613	45,550,702	50,504,234	8.2%
Total Reserves per Household	$3,970	$4,225	$4,341	$4,949	$5,469	7.6%
Total Municipal Debt Burden	$21,299,235	$19,557,756	$17,810,168	$22,714,949	$20,764,401	-0.5%
Municipal Debt Burden per Household	$2,364	$2,147	$1,938	$2,468	$2,248	-1.0%
Municipal Debt Burden per Capita	$1,033	$941	$847	$1,076	$971	-1.2%
Residential Assessment Percentage	84.0%	83.5%	83.3%	84.0%	84.0%	0.0%
Non-Residential Percentage Assessment	16.0%	16.5%	16.7%	16.0%	16.0%	0.0%
Total Taxable Assessment	$1,663,702,855	$1,696,286,748	$1,736,654,820	$1,754,748,880	$1,811,149,962	1.8%
Total Taxable Assessment per Household	$184,630	$186,241	$188,993	$190,651	$196,118	1.2%

- The municipality's revenues from each household have consistently increased during the period 2014-2018, at an average annual rate of over 3.3%, a result of an increasing municipal levy and higher assessments during that period. This has allowed the municipality to increase its operating spending for service delivery per capita at an annual average of 3.1%.
- On the capital side, while the spending is volatile, it appears to be correlated with long-term debt of the municipality. Ensuring the annual capital budget allocations are reasonable and achievable will be important as YoY will compound if not managed at realistic levels. At the same time, the reserves have been consistently growing during this five-year period. These are indications of a financially prudent municipality with good long-term planning.
- The municipality's residential property assessment is over-weighted, which means that every marginal property tax increases will be an increasing political challenge.

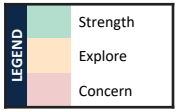
MMAH's Key Performance Indicators



	2014	2015	2016	2017	2018	Avg. YoY
Operating Surplus Ratio (Target 0% to 15%)	17.3%	16.3%	17.6%	15.4%	22.2%	5.7%
This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding or other purposes. A negative ratio indicates the percentage increase in rates revenue that would have been required to achieve a break-even result. The basic target: 1% to 15%. Advanced target: > 15%.						
Current Ratio (Target >=1)	11.58	11.93	8.55	12.97	10.93	-1.1%
This is an approximate measure of a municipality's "liquidity" or its ability to pay short-term obligations.						
Rates Coverage Ratio (Target >=40%)	83%	85%	91%	91%	88%	1.2%
This is a measure of the municipality's ability to cover its costs through its own "rates" revenue efforts. Basic target: 40% to 60%. Intermediate target: 60% to 90%. Advanced target: > 90%.						
Debt Service Coverage (Target >=2)	5	5	5	6	5	-1.7%
This is a measure of a municipality's ability to service its debt payments. The target is a ratio greater than or equal to 2.						
Asset Sustainability Ratio (Target >90%)	89%	158%	90%	172%	51%	-8.5%
This is an approximation of the extent to which a municipality is replacing, renewing or acquiring new assets as the existing infrastructure being managed by the municipality are reaching the end of their useful lives. The target ratio is > 90% per year. A municipality which is not reaching this target is not sufficiently maintaining, replacing or renewing their existing infrastructure. This may result in a reduction in service levels and/or useful lives previously expected and will likely create a burden on future ratepayers.						
Asset Consumption (Target <50%)	30%	31%	32%	33%	35%	3.7%
This measures the age of a municipality's physical assets. It measures the extent to which depreciable assets have been consumed by comparing the amount of the assets that have been used up and their cost. (< 25% - Relatively new infrastructure, 26% to 50% - Moderately new infrastructure, 51% to 75% - Moderately old infrastructure, >75% - old infrastructure)						

- The Town of Essex has consistently outperformed the recommended target for operating surplus which has contributed to their increased reserves.
- The municipality, recognizing its shortcomings in stormwater and wastewater infrastructure conditions and spending from the 2015 Asset Management Report, invested steadily in the renewal of its capital assets. The investment in the maintenance of drainage files in 2017 resulted in an increase in Operating Surplus Ratio in 2018.
- Given the time lag in how capital expenses are recognized, we believe that the year-over-year change of the asset sustainability ratio is justified. Overall, the municipality is performing very well on all MMAH key performance indicators.

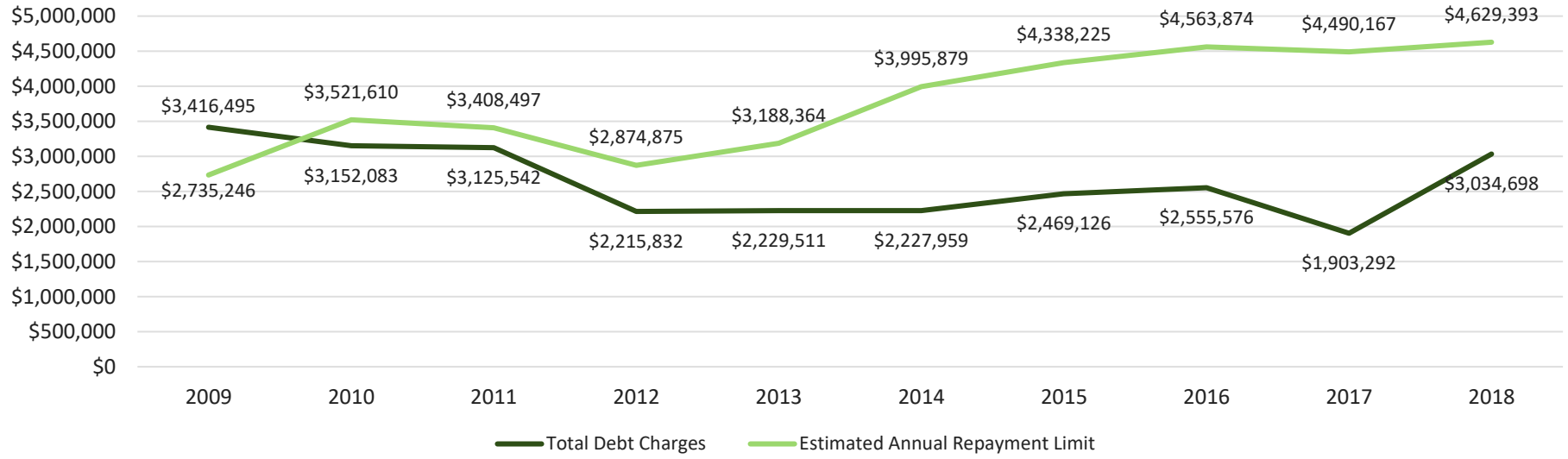
Debt Sustainability



	2014	2015	2016	2017	2018	Avg. YoY
Total Debt Charges	$2,227,959	$2,469,126	$2,555,576	$1,903,292	$3,034,698	7.2%
Annual Repayment Limit	$3,995,879	$4,338,225	$4,563,874	$4,490,167	$4,629,393	3.2%
Debt Charges as a % of Annual Repayment Limit	55.8%	56.9%	56.0%	42.4%	65.6%	-4.8%
Debt Burden per Household	$2,364	$2,147	$1,938	$2,468	$2,248	-1.0%
Debt Charges per Household	$247	$271	$278	$207	$329	6.6%
Debt Burden as a % of Operating Revenues	62.4%	54.4%	50.6%	62.1%	50.3%	-3.9%
Debt Burden as a % of Reserves and Reserve Funds	62.4%	54.4%	50.6%	62.1%	50.3%	-3.9%

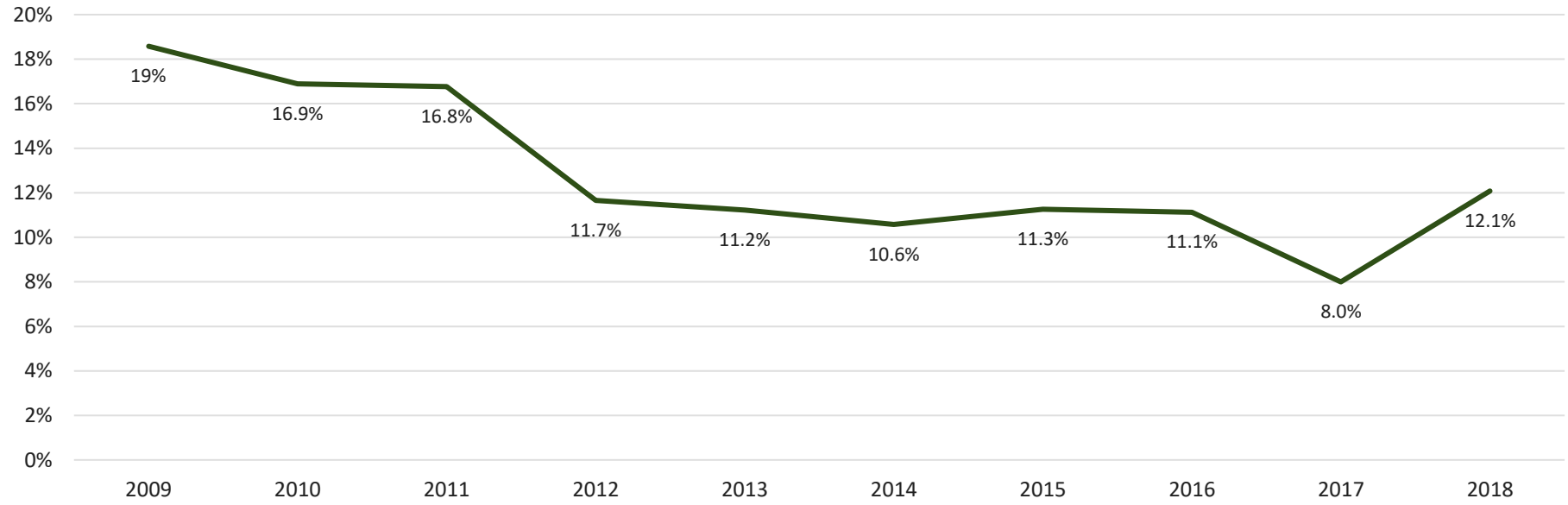
- For the most part of the last decade, the proportional magnitude of the municipality's debt charges relative to its theoretical maximum debt service capacity has been steady and sustainable.
- Overall, debt is used mostly to fund Water, Wastewater and, to a minimal degree, the Administration's infrastructure state of good repair infrastructure needs. This disciplined use of debt is the most sustainable path for total debt repayment.
- In 2018, the increase reported is attributed to major infrastructure asset replacement needs, such as the reconstruction of Erie street. It may also be attributed to the gradually reduced grants.

Annual Repayment Limit and Input Factors – Over Time



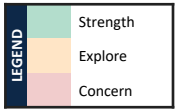
- The Town's annual repayment limit (ARL) is calculated by the Ministry of Municipal Affairs and Housing. The 2018 ARL indicates that the Town has $4.63 million available to service debt, up $0.17 million from the previous year. Based on an interest rate of 7%, the Town would be permitted to enter into new borrowing of $18.4 million for a five-year term.
- As illustrated in the chart above, long-term debt outstanding was declining consistently since 2009, with only a recent increase in 2018. This new debt was attributed to finance items from the 2016 Budget, including the reconstruction of Erie Street, replacement of the salt shed, purchase of recreational lands, and replacement of vehicles and equipment.

Debt Charges as a Percentage of Municipal Property Tax



- Over the last decade, the Town of Essex used debt as a funding tool primarily for Water, Wastewater, and to a small degree the funding of the Administration infrastructure. Recently, it also used debt to finance the Erie Street reconstruction and to replace critical assets of Public Works.
- The Town has come a very long way during the last decade, drastically reducing the relative amount of debt charges to its property tax revenues. In fact, in nine years, Essex managed to reduce the ratio by half from 2009 – a very different picture from when the Town's debt charges exceeded its ability to service debt. To an extent, some success can be attributed to tax assessment increase and growth, which began in 2015, but it can largely be attributed to the Town's financial discipline over the last decade and the pursuit of high operating surpluses.

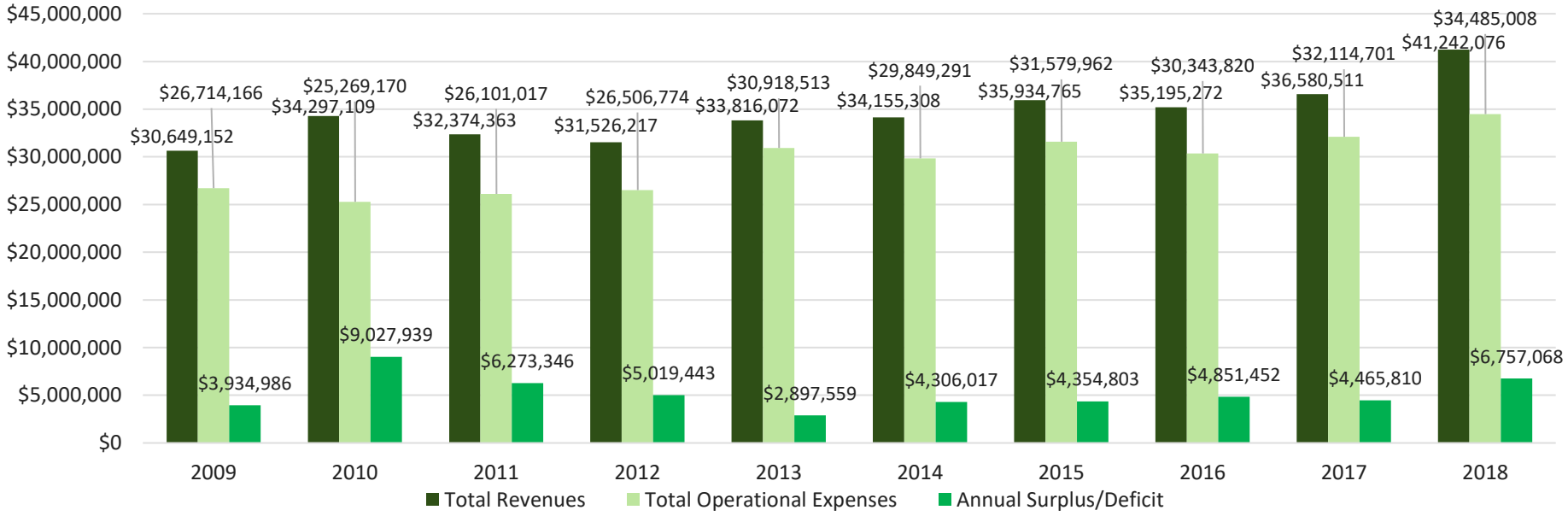
Revenues, Operating Expenses, Capital Expenses, and Reserves



	2014	2015	2016	2017	2018	Avg. YoY
Taxes Receivable	$1,993,002	$2,067,902	$1,803,398	$1,404,536	$1,053,120	-9.4%
Taxes Receivable as a % of Current Tax Levy	4.1%	4.1%	4.0%	3.2%	3.0%	-5.2%
Accounts Receivable	$3,966,658	$3,646,540	$3,102,735	$2,857,882	$3,447,286	-2.6%
Total Government Transfers	6,510,412	7,554,023	5,985,941	6,317,952	6,854,546	1.06%
Government Transfers as a % of Total Revenue	19.1%	21.0%	17.0%	17.3%	16.6%	-2.6%
Municipal Property Taxes per Household	$2,338	$2,409	$2,500	$2,587	$2,720	3.3%
Annual Operating Expenses per Household	$3,313	$3,467	$3,302	$3,489	$3,734	2.5%
Annual Capital Expenditures per Household	$758	$679	$1,363	$532	$556	-5.3%
Capital Ex. as a % of Operating Expenditures	20%	31%	19%	36%	10%	-9.8%
Reserves as a % of Municipal Property Taxation	261%	270%	268%	292%	308%	3.6%
Total Reserves and Discretionary Reserves per Capita	$1,734	$1,851	$1,896	$2,157	$2,361	7.2%

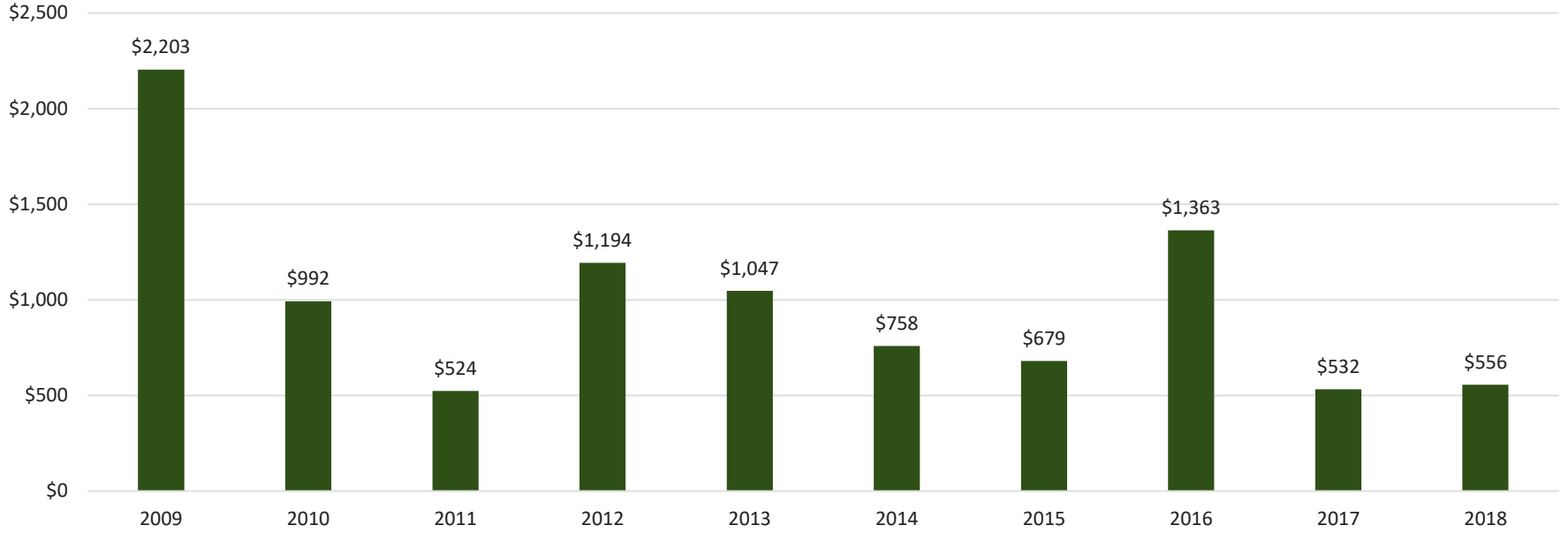
- The working capital management of the Town has consistently improved in the past five-year period, as taxes receivable and accounts receivable have decreased over time. Some of the increase in operating expenses was attributed to storm sewer and catch basins, which were partially recovered through the municipal levy.
- Some of the increases to the rural area levy were a result of capital expenses to replace assets in public works, which were partially recovered through the levy.

10-Year Operating Results



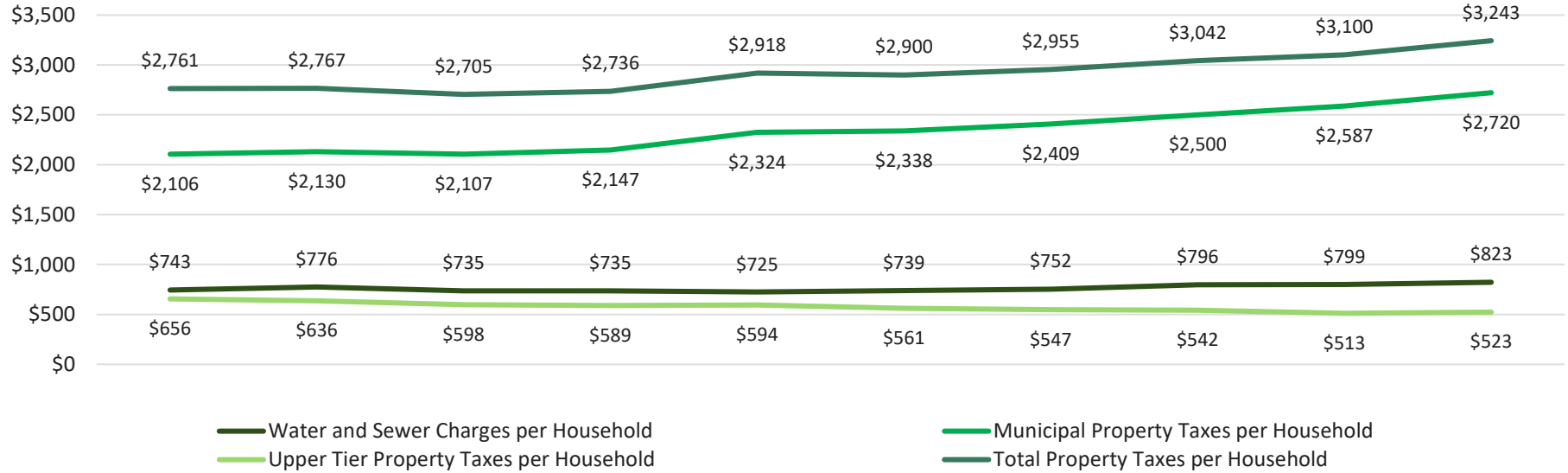
- Since 2009, revenues have outstripped operational expenses, suggesting that the Town of Essex has found the appropriate balance to ensure that revenues remain greater than spending on an annual basis.
- The Town has exhibited high financial prudency, by allocating its annual surplus to reserves and debt repayment. This proved very useful, when the 2015 Asset Management Report outlined that the levy would be the main tool for covering funding gaps for Administration, Roads, Bridges/Culverts and Stormwater infrastructure. While the capital expense requirements were significant, the levy increase was kept as low as possible because of the high reserve contributions, which were established from the consistently high operating surplus of the Town.

Capital Spending per Household



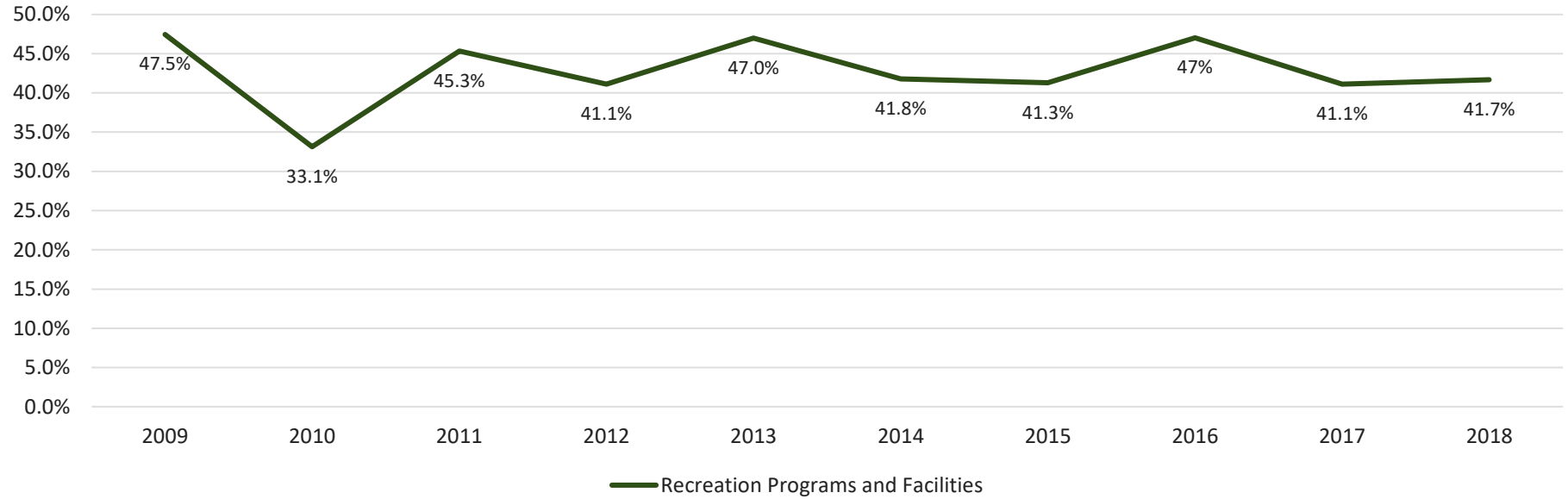
- While the Town of Essex has faced a variance of capital expense requirements in some years due to maintenance or replacement its infrastructure, the reflection of this variance on the property taxes has been smooth. This is attributed to the Town's long-term planning and contribution to reserves.
- The 2015 Asset Management Report suggested that the amount of funds available through the Capital Budget and Capital Forecasting process may not have been sufficient to sustain the current level of service. The Town's leadership followed all the adopted recommendations, including taking advantage of additional grant funding programs. So while the capital expense per household exhibited variance, this was not necessarily reflected to the taxpayer.

Taxation, User Fees, and Service Charges – Over Time



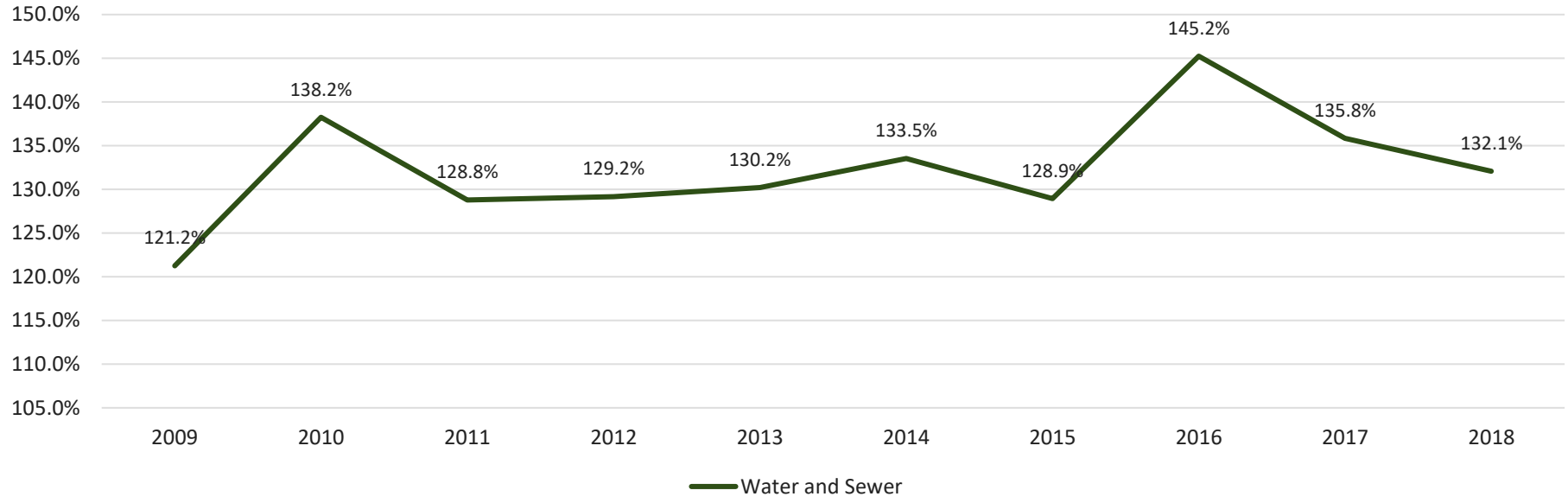
- Property taxes per household have increased both because of increased assessment by MPAC and because of the need to fund new infrastructure and contribution to reserve for capital renewal. In the earlier years of the past decade, this was necessary, as the Town of Essex was coming out of a challenging debt repayment fiscal situation. Given that 84% of the tax assessment currently originates from the residential tax base, it is expected that this continuous increase may be a challenge in the community. This explains why in 2019-2020, Council chose not to increase taxes.
- One option that should be considered is the development of an economic development plan to support the growth of the commercial and industrial tax base and shift some of the burden from residential property taxes. This could help rebalance the residential vs. commercial/industrial contribution to an ideal 65%-35% mix, down from current 84%-16%.

User Fees & Service Charges as a % of Corresponding Service Expenses - Over Time



- User rates for recreation programs appear to fluctuate between 33-47% over the last decade, with an average approximately at 41%.
- It is considered best practice that Recreation user fees are adjusted by CPI, to induce an incremental change, rather than large variances in recreation pricing.

Water Operating Revenue as a % of Corresponding Service Expenses - Over Time



- The Town of Essex's operating revenue exceeds the corresponding operating expenses by a third of its magnitude, on average. This allows for the municipality to allocate significant revenues from this operating surplus into reserves, preventing the excessive use of debt in the future for infrastructure upgrades.
- While the magnitude of the water rate is high, it is one of the principal reasons behind the municipality's debt sustainability, reserve contribution successes, and operating surplus successes. This is also impressive, as the water charge burden per household is the lowest, compared to its peer group and Essex County member municipalities.

APPENDIX B: PEER BENCHMARKING

Introduction

StrategyCorp's benchmarking research for the Town of Essex is based on five comparator municipalities selected against five criteria. Note that the "Essex County average" includes only the Essex municipalities selected as part of this benchmarking analysis, and not all seven municipalities in the County.

1. **Services Offered**: The peer municipalities should offer similar services to Essex to be considered reasonable comparators. This necessitates benchmarking with municipalities that offer roads maintenance, parks and recreation, economic development and fire services, among others. Consideration was also given to the fact that the Town of Essex services two built up centres, with four distinct centres overall. Though this is something relatively unique to Essex, Strathroy-Caradoc has two distinct urban centres with two recreation facilities.
2. **Lower-Tier**: As Essex is a lower-tier municipality in Essex County, it is useful to select municipalities at the same level of government. All selected comparator municipalities are lower-tier.
3. **Location**: Preference was given to municipalities near Essex, and we selected three neighbouring municipalities in Essex County: Amherstburg, Kingsville, and Leamington. Because of the close proximity of these municipalities, they have access to the same County-level services and operate with very similar geographic conditions. We also selected two "out-of-County" municipalities that share similar geographical features and considerations to Essex. Strathroy-Caradoc and Tillsonburg are also both situated in southwestern Ontario, both have manufacturing and agribusiness focuses, and are both in relatively close proximity to a City.
4. **Physical Conditions, Economy and History**: The Town of Essex comprises four distinct communities and a large agricultural hinterland with field crop production, horse farms and vineyards. Amherstburg, Kingsville, and Leamington, as part of Essex County, share a similar history, natural shoreline environment and economic base and have access to the same suite of services within the County. In addition, Amherstburg and Kingsville also service wineries in the area. Strathroy-Caradoc and Tillsonburg have a similar agricultural base with strong connections to local heritage. Strathroy-Caradoc also has two distinct urban centres, so it faces some of the obstacles that Essex faces with regard to service delivery.
5. **Population and Population Density**: The recommended municipalities have generally similar population sizes and most are within reasonable ranges in terms of population density to that of Essex. Though Amherstburg and Leamington have slightly higher population densities, we believe they remain useful comparators given the proximity, population size, and similar economic bases. Tillsonburg is the smallest and most dense comparator by size. Though the close proximity of residents can affect service delivery standards, the smaller size of the Town (which is often associated with higher costs) will likely balance out this discrepancy.

Themes and Areas of Exploration

Some general themes emerged from the initial peer benchmarking analysis:

1. **Essex outperformed both its peer group in the County as well as comparator municipalities across MMAH's targets for financial indicators *(Slide 58):*** The performance on these metrics by the Town indicate strong financial prudency and management.
2. **Essex spends the second lowest amount on debt relative to its theoretical maximum services capacity among its peer group of comparators and well below the average for other Essex County members *(Slide 59)*:** The town has improved significantly over the last decade in managing debt. It should be noted that the 2015 Asset Management Report indicated the almost half of stormwater assets were in either poor and critical condition, and this should be of top of mind for the Town's future capital spending. The Town would benefit from an updated Asset Management Plan that would help managed capital costs.
3. **The Town attracts the highest amount of grants from the OMPF *(Slide 62 & 70):*** Due to the Town's unlucrative assessment mix, which is driven by a lack of manufacturing and industrial presence, the Town receives a much larger percentage of Government Transfers in comparison to its peers. Though this has helped the Town maintain financial sustainability, it should explore alternative funding strategies if the Province continues to reduce municipal transfers.
4. **The town received less revenues from property taxes than half its peers *(Slide 62):*** Currently, the Town collects the least amount of property tax per residential household in comparison to peer municipalities
5. In comparison to peer municipalities**, Essex subsidizes recreation programming less than our neighbours and receives a higher % of revenue from user fees (*Slide 68)***
6. **Essex has the highest number of seasonal workers *(Slide 74)*** due to their expansive Parks and Recreation department overseeing the aquatics program and recreation facilities. The high number of seasonal workers results in a low staff per 1000 population ratio and indicates a relatively lean workforce.
7. **The Town of Essex has the lowest percentage of revenue from development charges in comparison to peers *(Slide 80):*** The Town has the lowest percentage of revenue from development charges which is an area highlighted for further exploration.
8. **The Town has the highest recovery of its water and wastewater operating expenses through the water rate *(Slide 82).***

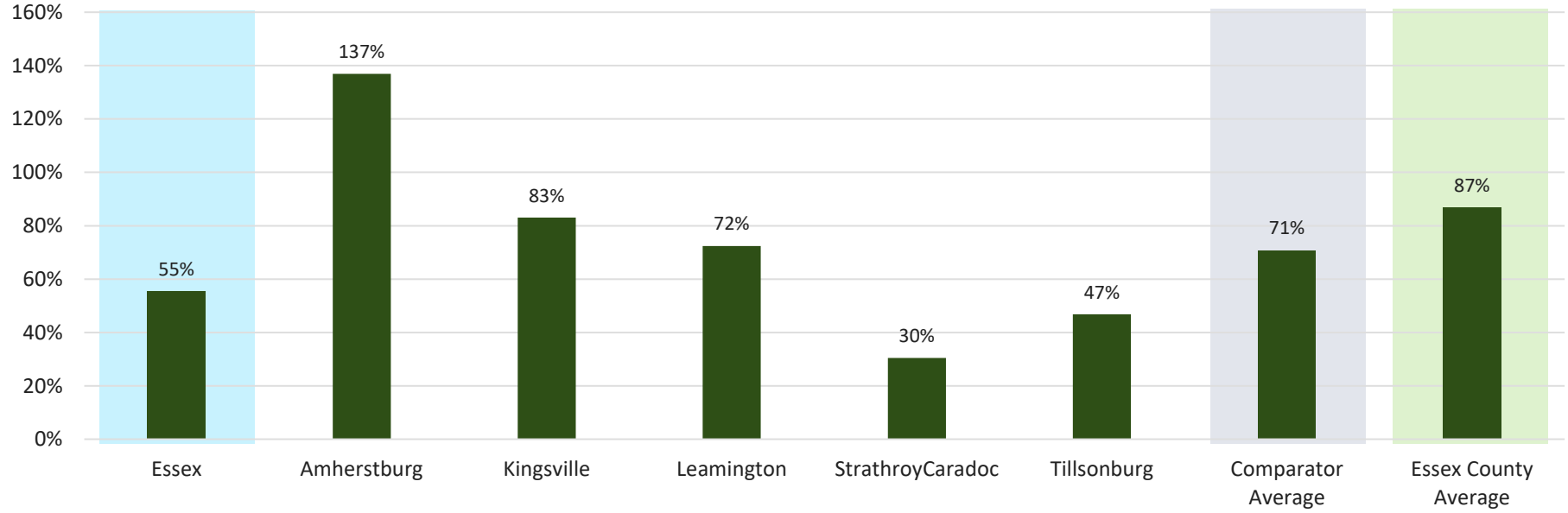
Financial Indicators

MMAH Key Performance Indicators (2014-2018 Average)

	Essex	Amherstburg	Kingsville	Leamington	Strathroy-Caradoc	Tillsonburg	Comparator Average	Essex County Average
Operating Surplus Ratio (Target 0% to 15%)	17.8%	3.6%	1.2%	24.4%	18.5%	7.1%	12.10%	11.75%
Current Ratio (Target >=1)	11.19:1	1.53:1	3.96:1	6.13:1	7.00:1	1.31:1	5.19:1	5.70:1
Rates Coverage Ratio (Target >=40%)	87.5%	82.6%	83.3%	97.4%	101.1%	85.4%	89.5%	87.69%
Debt Service Coverage (Target >=2)	5	3	4	4	7	3	4	4.05
Asset Sustainability Ratio (Target >90%)	111.9%	74.4%	68.8%	120.8%	149.6%	133.2%	109.77%	93.97%
Asset Consumption (Target <50%)	32.1%	40.1%	54.2%	34.6%	41.7%	43.2%	40.98%	40.25%

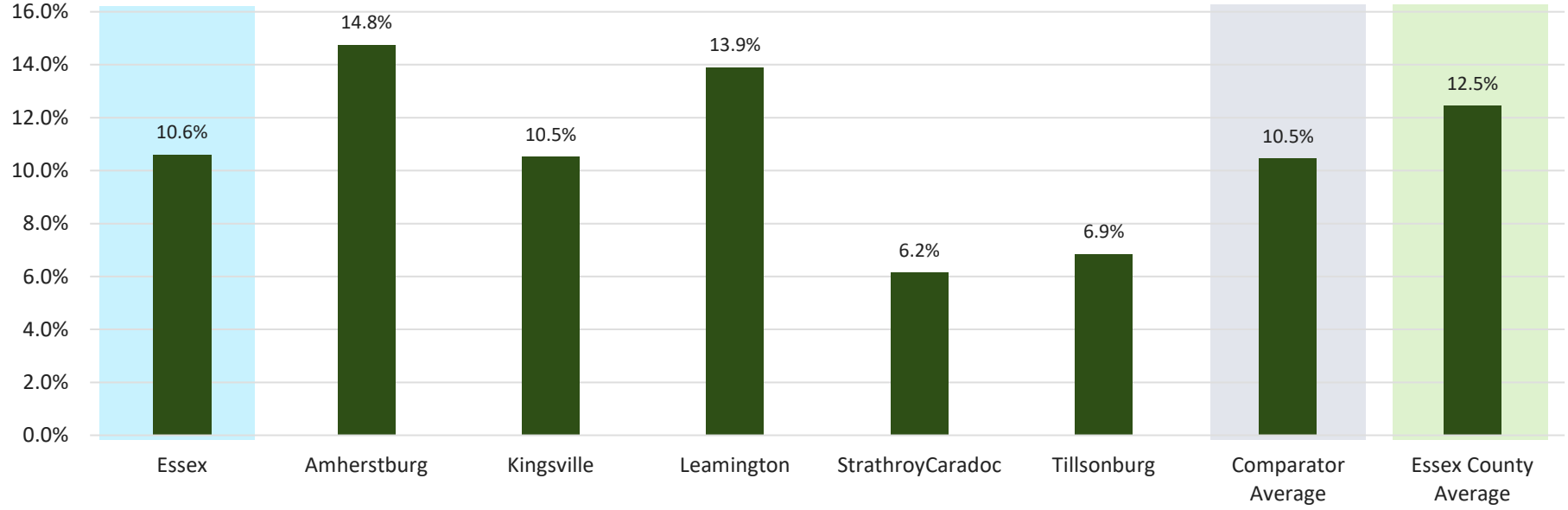
- The Town of Essex has outperformed both it's peer group of comparable municipalities and the other lower tier members of Essex County for the performance metrics of the MMAH. It performed on par with the peer group average and the County average on the Rates Coverage Ratio.
- The performance on these metrics has a reinforcing effect that the cost of credit of the municipality is decreased and its grants for capital works from the province increase.

Debt Charges as a % of Annual Repayment Limit (2014-2018 Average)



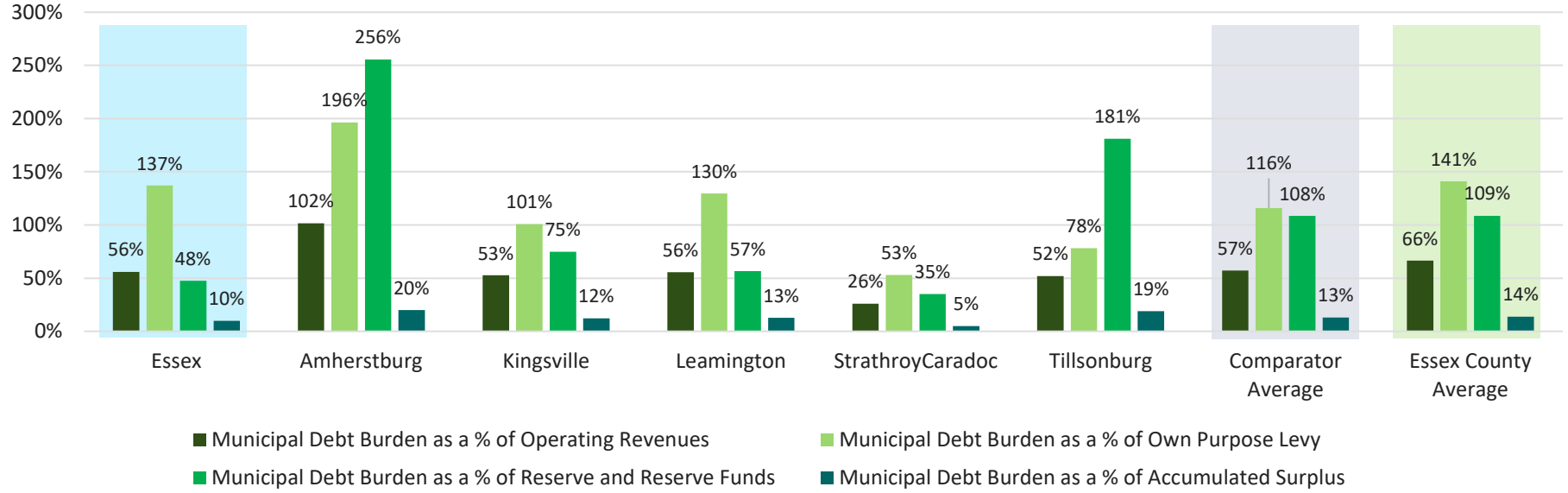
- In terms of Debt Charges relative to the Annual Repayment Limit, the Town of Essex has come a long way since 2009 when it exceeded 100%.
- This improvement has resulted in Essex spending the second lowest amount on debt relative to its theoretical maximum servicing capacity among its peer group of comparators and below the average of Essex County lower tier members.
- The 2015 Asset Management Report indicated that 49% of stormwater assets were either in poor or critical condition, expecting imminent capital spending. This might affect the level of debt charges in the years following based on age based assessment.

Debt Charges as a % of Municipal Property Tax per Household (2014-2018 Average)



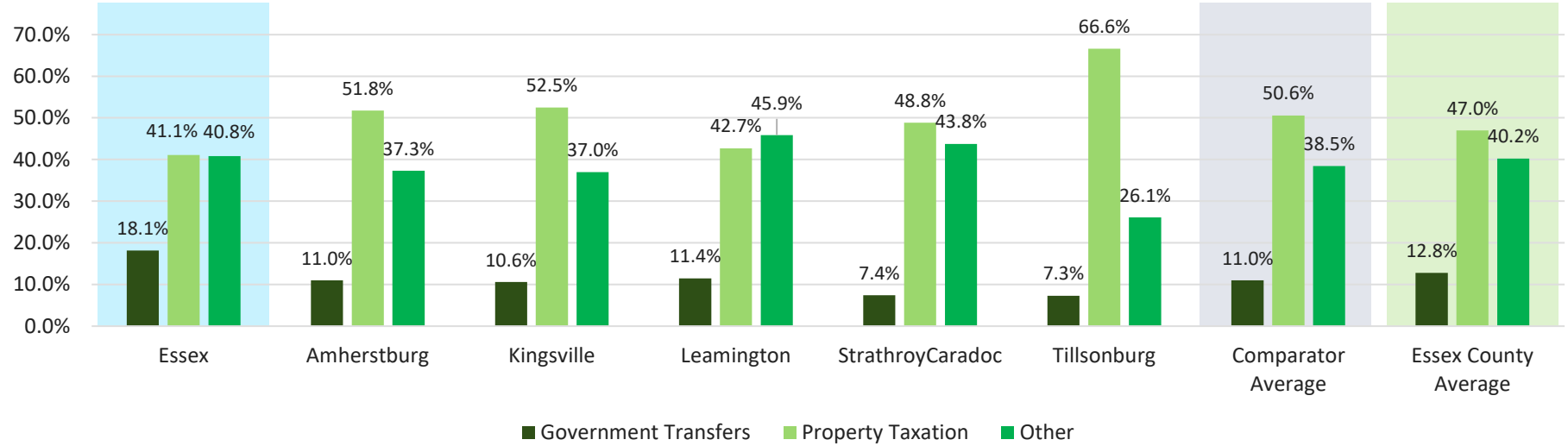
- The Town of Essex spends less on debt servicing as a proportion of its municipal levy than other Essex County member municipalities and is on par with the average of its comparator group.
- It is expected that the high reserve contributions assist with this outcome.

Municipal Debt Burdens (2014-2018 Average)



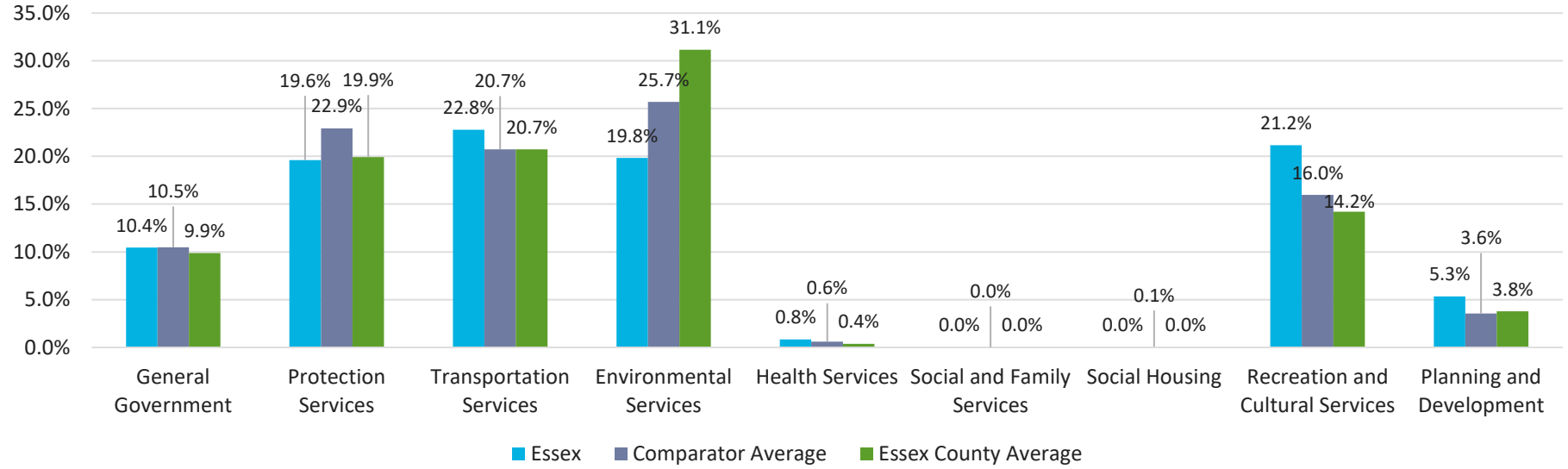
- Evaluating the proportion of municipal debt servicing as it relates in magnitude to the Town's operating revenues, Essex is performing on par with the average of both its peer group of comparable municipalities and the remaining Essex County municipalities.
- Comparing the proportion of municipal debt servicing, however, to reserves or the accumulated surplus, the Town of Essex is performing better than its comparators, primarily because of its consistency in funding reserves and maintaining a surplus over a decade.
- Benchmarking the proportion of municipal debt servicing relative to the municipality's own purpose levy, it appears that the Town's debt burden exceeds its comparators but is on par with Essex County municipalities. This might be an opportunity to evaluate the composition and room for growth of its own purpose levy.

Financial Indicators – Operating Revenue by Source (2014-2018 Average)



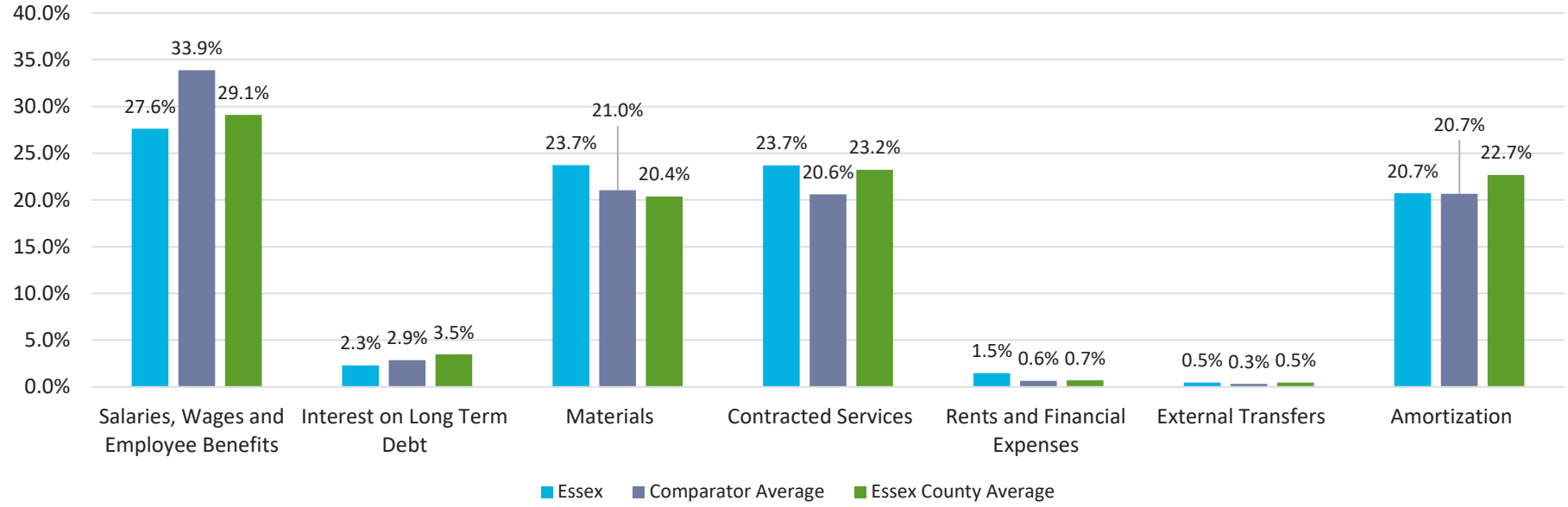
- Compared to its peer municipalities, the Town of Essex attracts the largest percentage of grants from the provincial government.
- With respect to property taxation, the Town of Essex captures less proportional revenue than half of its peer group. This might be an indicator of the opportunity for capturing more through taxation, if needed in the future.
- With respect to the proportional amount originating from user fees and other revenues, the Town of Essex is on par with its peer group and other Essex County member municipalities.
- It is expected that provincial grants may be higher, as a result of OMPF received by Essex, relative to its peers. If the Province continues to reduce OMPF, the Town's government transfer figures risks being reduced.

Operating Expenditures by Function (2014-2018 Average)



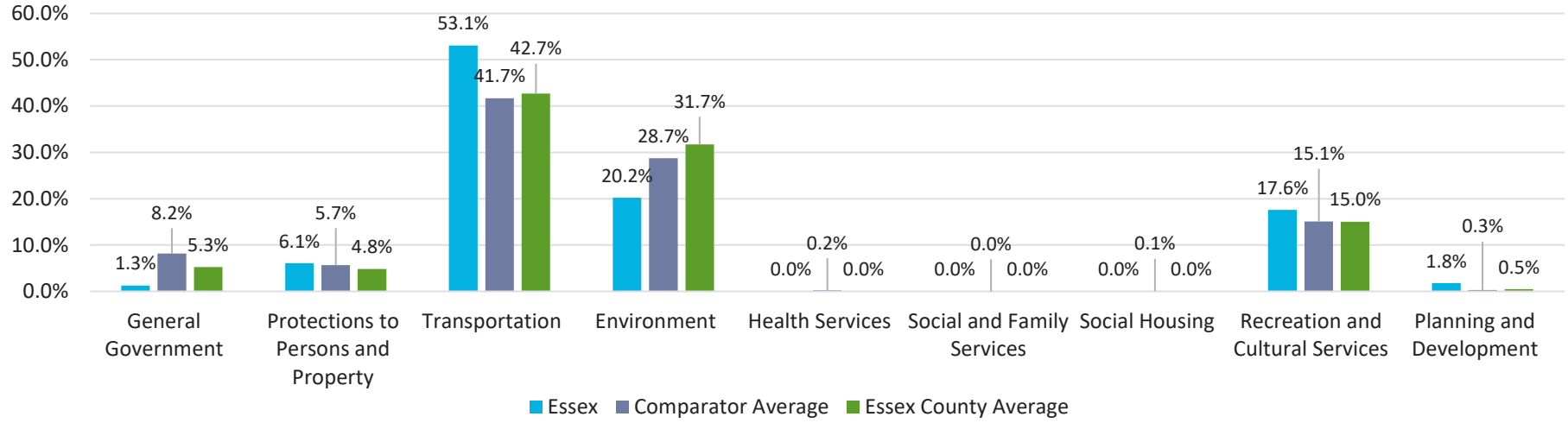
- The Town of Essex, compared to the average of its peer group and Essex County member municipalities, spends proportionately more of its operating budget on transportation, recreation, and planning. Essex's recreation services are also provided to residents of neighbouring municipalities, offsetting costs for a favourable return on investment.
- The Town of Essex, compared to the average of its peer group and Essex County member municipalities, spends proportionately less of its operating budget on protection and environmental services.
- Recreation services are provided to residents of neighboring municipalities, which creates favorable cost offsetting conditions and an improved return on investment.

Operating Expenditures by Object (2014-2018 Average)



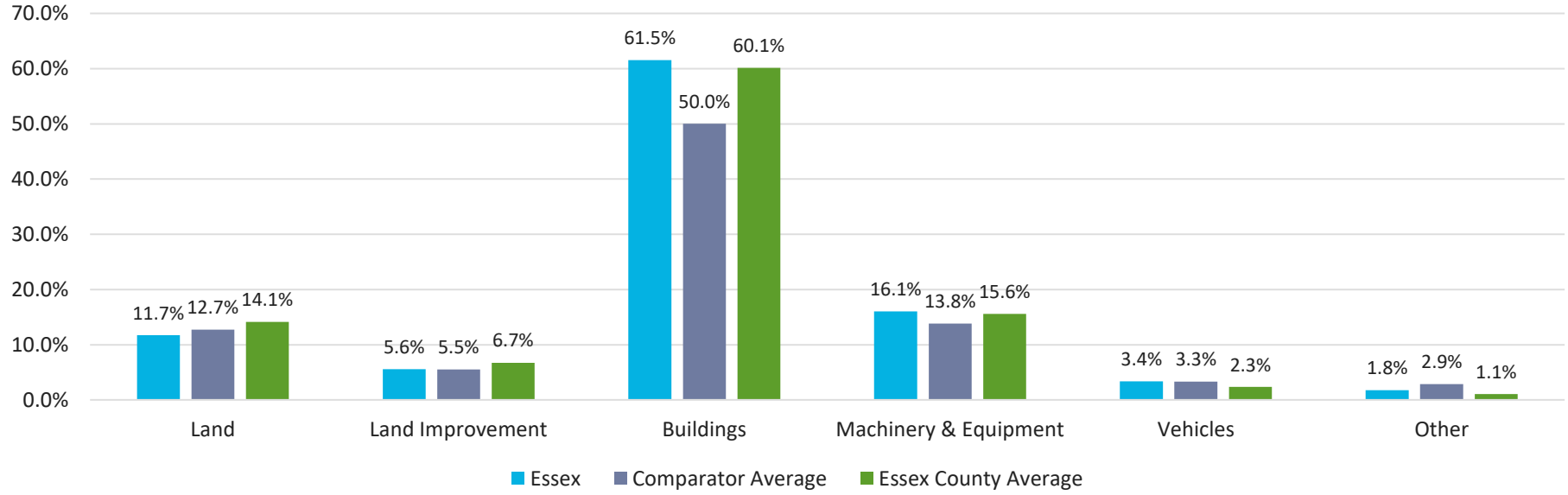
- The Town of Essex spends proportionately a smaller amount of its operating budget on staff salaries than the average of both its peer group and other Essex County member municipalities.
- The Town spends proportionately less on cost of credit, relative to its peer group and Essex County municipalities, which is a success and shows how far the Town has come since its debt servicing struggles in 2008-2009.

Capital Expenditures Breakdown by Function (2014-2018 Average)



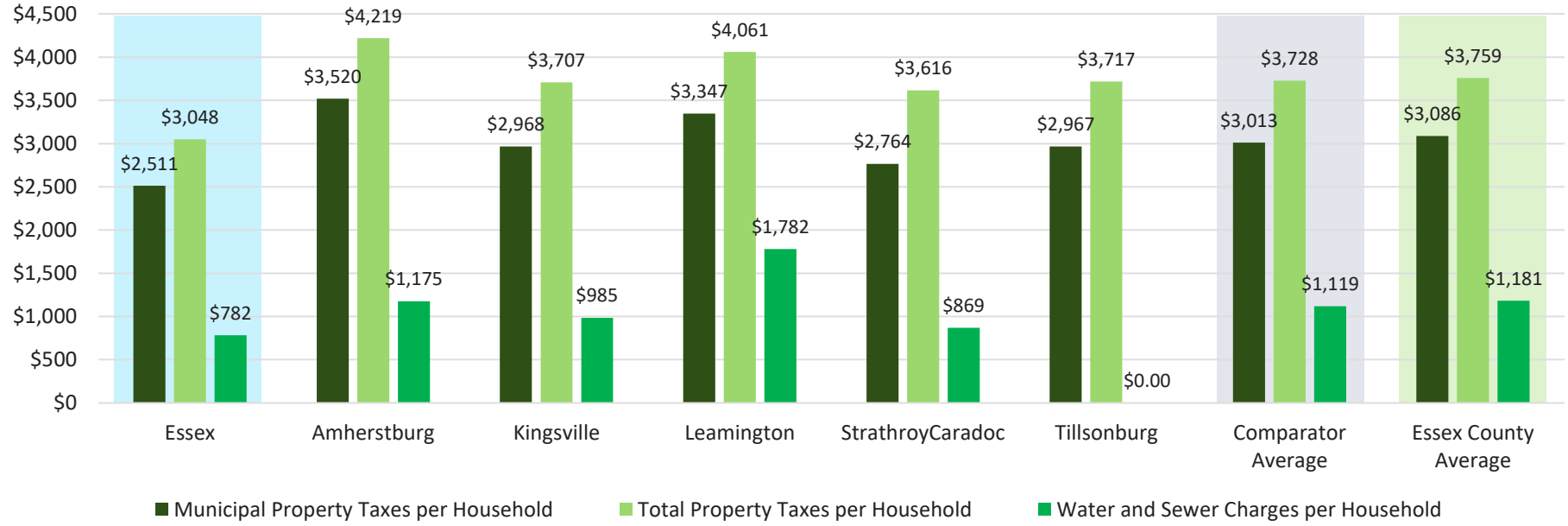
- The Town of Essex appears to be investing a significantly lower portion of its capital budget on 'general government' and 'environmental services' over the 5-year period of 2014-2018. It might be because; a) the capital assets within 'general government' and 'environmental services' were renewed in the year leading up to 2014 and were thus in a good state (not requiring capital expenses), b) these functions are significantly undercapitalized in Essex, or c) the accounting practice for this skews the results.
- For general government, one explanation might be the accounting practice divergence between Essex and its peer group of municipalities, as the 'general government' category frequently captures unallocated expense items in some cases. In addition, there is an expectation that would level off part of the difference in the coming year, particularly the two streetscape projects in excess of $5M.
- For environmental capital expenditures, while there was a $5M project as part of the Basement Flooding Reduction Strategy, it was not enough to bring the municipality's capital expenses for this category close to its peers. From 2019 onward, there will be a continuous $2M project (support by CWWF grants).
- In all other functions, the Town of Essex is on par with its peer group and Essex County municipalities.

Capital Asset Breakdown (2014-2018 Average)



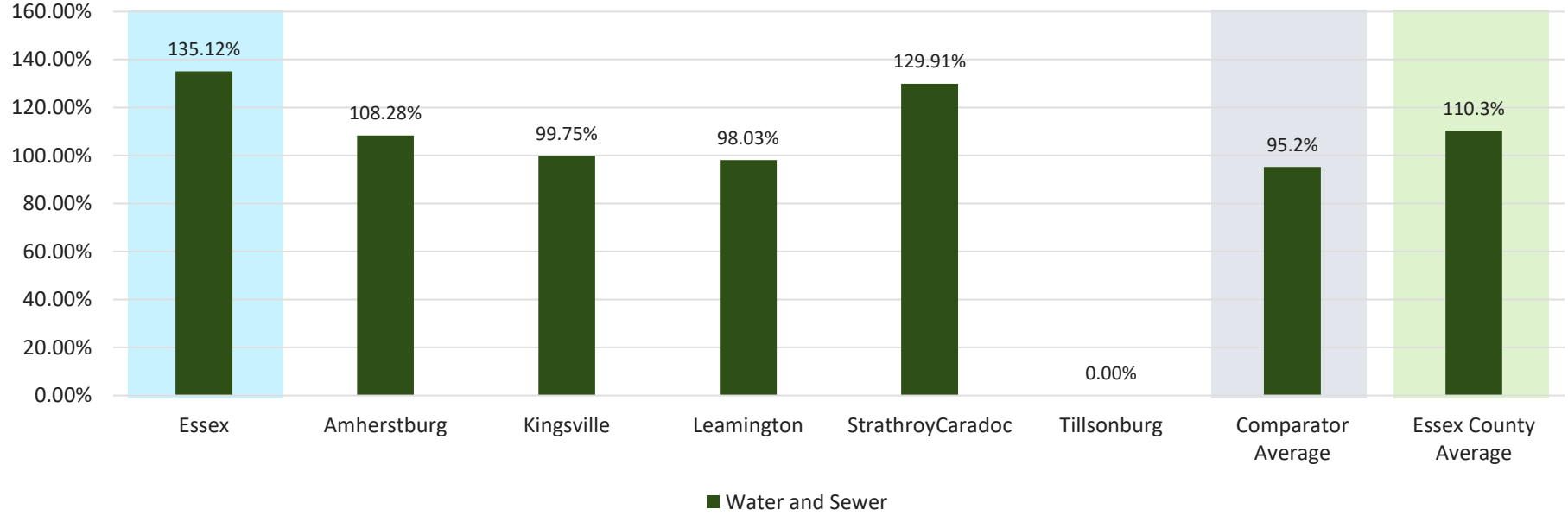
- With respect to its capital assets, the Town of Essex seems to be at par in all categories relative to the average breakdown of both its comparable municipalities and members of Essex County.

Taxation, User Fees, and Service Charges (2014-2018 Average)



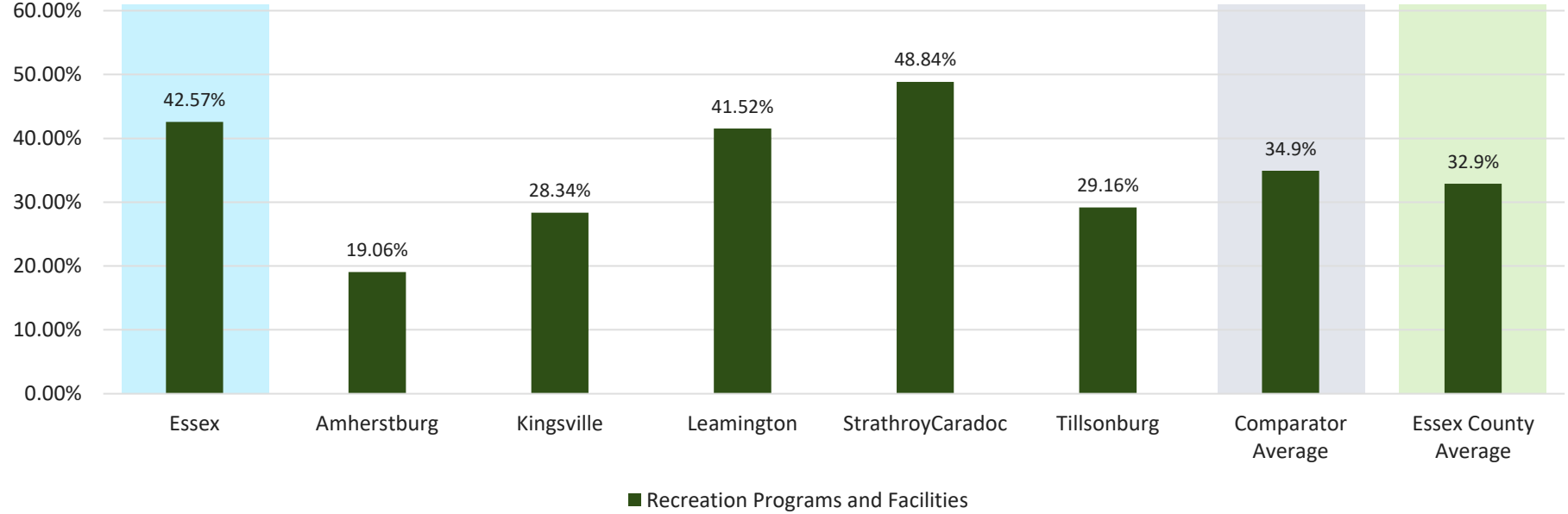
- The Town of Essex exhibits a fair case compared to its peer group and Essex County member municipalities in terms of burden to households from property taxes and water/sewer charges.
- For property taxation, it appears that the municipality does not burden its households significantly, on average, while also delivering year after year a very high operating surplus.

Water and Sewer Charges Revenue as Percentage of Service Expenses



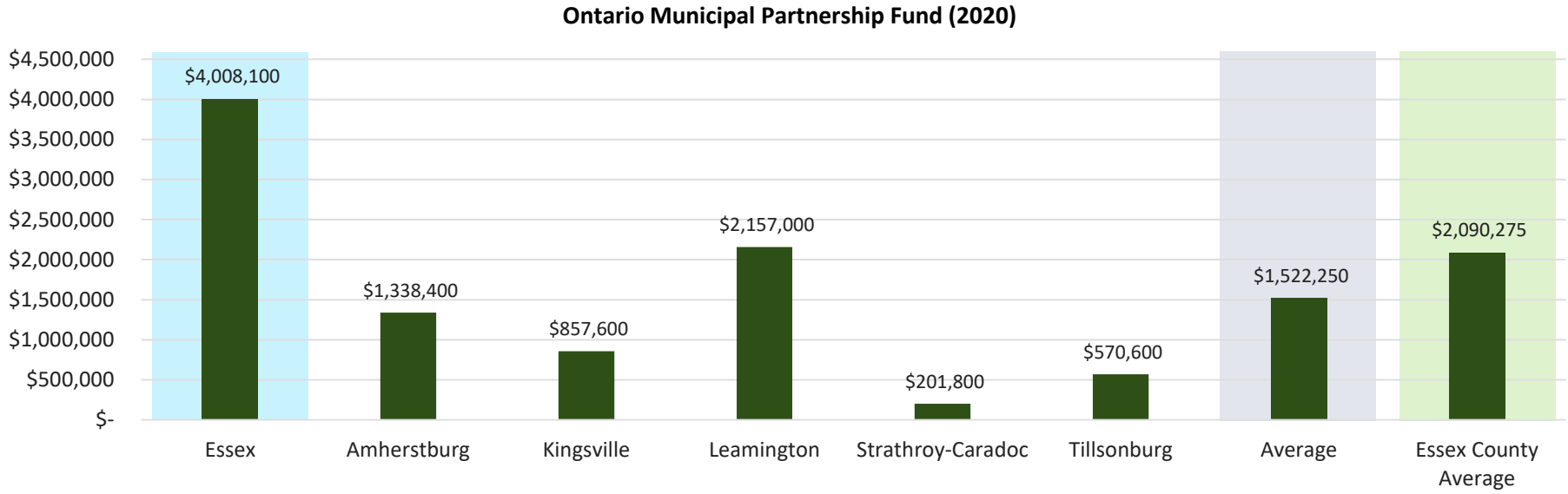
- Compared to other Essex County members and its peer group of municipalities, the Town of Essex exhibits the highest recovery of its water and wastewater operating expenses through the water rate. In fact, the municipality raises a third more than what is needed, which allows it to allocate consistently and significantly to its reserves for capital renewal.

Recreation User Fee Revenues as Percentage of Service Expenses



- For recreation programs and facilities, the Town of Essex's recovery of corresponding operating expenses are the second highest among its peer group and above average compared to both the County members and the group of comparable municipalities.

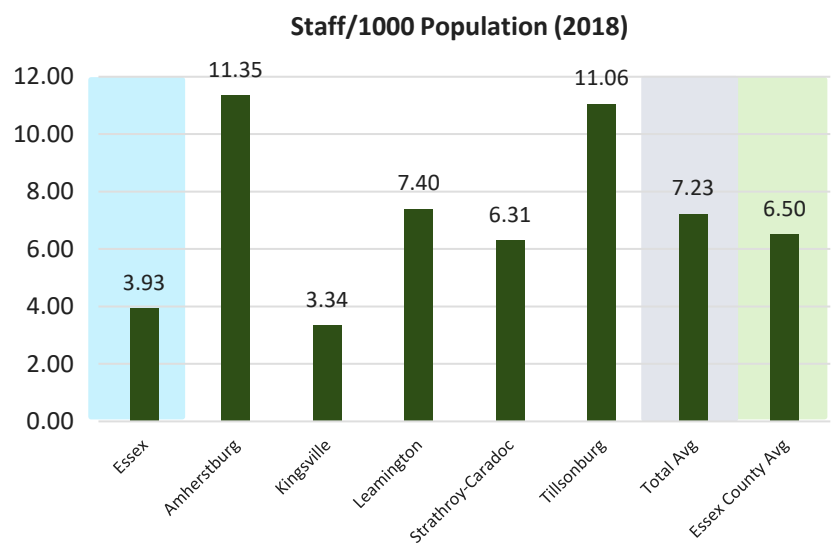
Ontario Municipal Partnership Fund (OMPF)

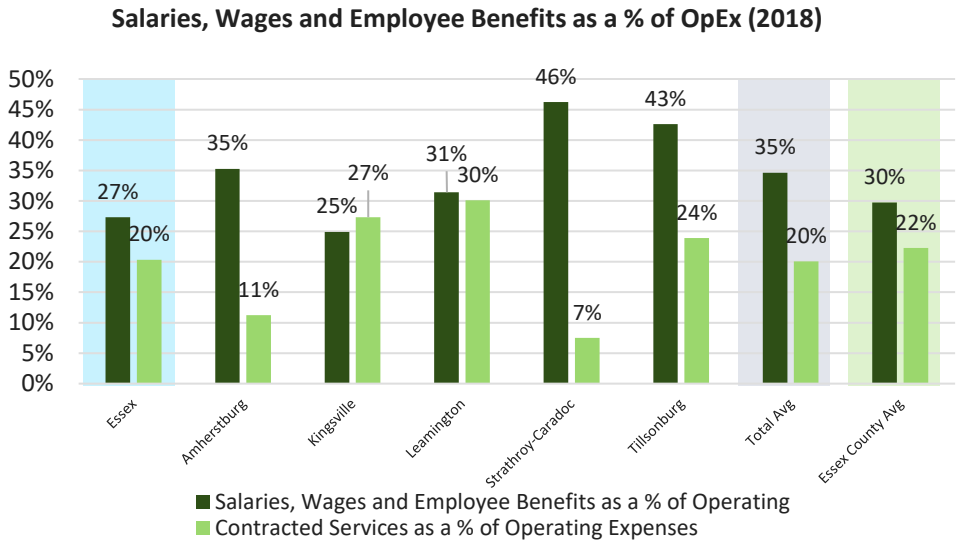


- Essex received a significantly higher Ontario Municipal Partnership Fund (OMPF) allocation than its peer comparators.
- If the Province continues its plan to reduce OMPF funding in the future, Essex will be significantly affected in an unfavourable manner.

Enterprise-Wide and Departmental Indicators

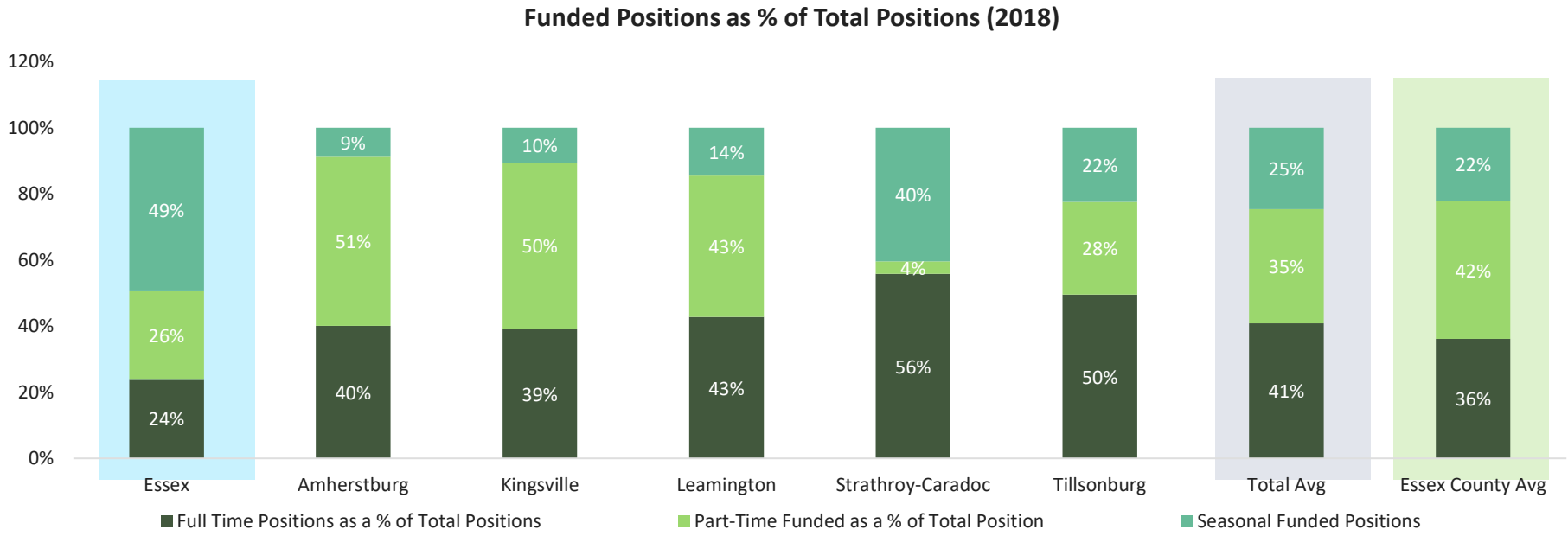
Staffing Overview





- Staffing costs (salaries, wages and benefits) and staff per 1000 population are both healthy relative to comparators:
  - The Town's staffing ratio (3.93) is below the comparator (7.72) and Essex County (7.19) average; and
  - The low staffing ratio is based off of only full-time and part-time staffing, since the Town of Essex invests considerably into seasonal workers for the Parks and Recreation department, their Staff/1000 Population ratio is lower than peers.
- Municipalities that use OPP would not include police staff in their reporting, and in the case of the Town's peers, only Amherstburg and Strathroy-Caradoc include police in their staff reporting.

Staffing Mix (1/2)



- The Town of Essex's staffing compliment, when compared to the other municipalities, has a higher percentage of seasonal staff and a significantly lower percentage of full-time staff. The high number of seasonal funded positions can be attributed to the recreation and culture division and the uptake of programs it delivers from various facilities.

Staffing Mix (2/2)

2018 Funded Positions by Department

	Administration			Fire			Public Works			Parks and Recreation			Planning			Other			Total		
	FT	PT	S	FT	PT	S	FT	PT	S	FT	PT	S	FT	PT	S	FT	PT	S	FT	PT	S
Essex	21.00	0.00	5.00	3.00	63.00	-	19.00	-	13.00	18.00	12.00	123.00	2.00	1.00	1.00	6.00	-	-	**69.00**	**76.00**	**142.00**
Amherstburg	31.00	11.00	5.00	7.00	60.00	-	33.00	2.00	12.00	9.00	56.00	9.00	2.00	3.00	-	-	13.00	-	**82.00**	**145.00**	**26.00**
Kingsville	20.00	-	7.00	3.00	58.00	-	17.00	-	2.00	8.00	14.00	5.00	2.00	-	-	6.00	-	-	**57.00**	**72.00**	**15.00**
Leamington	33.00	2.00	1.00	3.00	28.00	-	45.00	2.00	28.00	15.00	74.00	12.00	5.00	1.00	-	20.00	14.00	-	**121.00**	**121.00**	**41.00**
Strathroy-Caradoc	16.00	1.00	1.00	2.00	-	-	21.00	-	5.00	18.00	-	54.00	5.00	-	-	3.00	-	16.00	**65.00**	**7.00**	**76.00**
Tillsonburg	22.00	-	-	2.00	30.00	-	14.00	-	5.00	29.00	22.00	35.00	-	-	-	46.00	12.00	11.00	**113.00**	**64.00**	**51.00**

FT = Full-Time Funded Positions **PT** = Part-Time Funded Positions **S** = Seasonal Employees

- The Town of Essex has the highest number of seasonal staff positions (142) relative to its comparators, which is more than twice its closest comparator municipality in Strathroy-Caradoc. The majority of seasonal staff are employed in Parks and Recreation (123) which is significantly higher than comparator municipalities and is explained by the Town's expansive aquatics program and numerous recreation facilities.
- Full-time positions in Essex are concentrated primarily in Administration, Public Works, and Parks and Recreation, though none of these departments appear to be particular outliers among their peer municipalities.

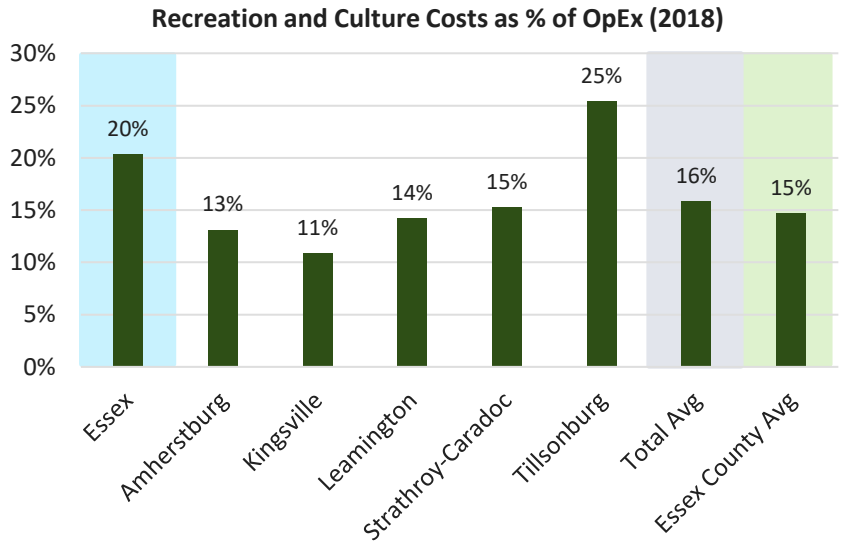
Office of the CAO

Resourcing in the Office of the CAO

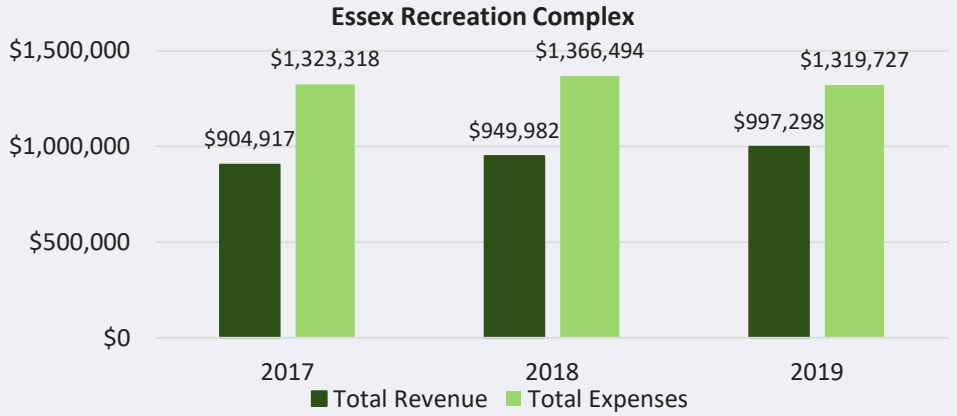
	Executive Assistant to the CAO	Location of Clerk's Office	Dedicated Communications Resource	
Essex	Yes	Office of the CAO	Yes	Essex has a communication office that reports to the CAO
Amherstburg	Yes	Office of the CAO	No	Amherstburg does not have a dedicated communications resource
Kingsville	Yes	Corporate Services	No	Kingsville does not have a dedicated communications resource
Leamington	Yes	Legal and Legislative Services	Yes	Leamington has a dedicated communication department staffed with a Manager of Communications and Public Relations specialist
Strathroy-Caradoc	Yes	Legal and Legislative Services	Yes	Strathroy-Caradoc has a Communications Co-Ordinator
Tillsonburg	Yes	Office of the Clerk	Yes	Tillsonburg has a dedication Communication Officer overseen by the Development Commissioner

- Currently, Essex has an Executive Assistant (EA) in the Communications department that also serves as an EA to the CAO 30% of the time. A barrier that was identified was accessibility to the CAO and getting timely responses to inquiries. A potential opportunity exists to enhance EA support for the CAO and improve accessibility for department staff.
- Essex is one of two municipalities that has the Clerk's office reporting into the Office of the CAO. Most of the Town's peers have separate offices for legal services, staffed with various functions including legal clerks and administrative officers.

Community Services (1/4)

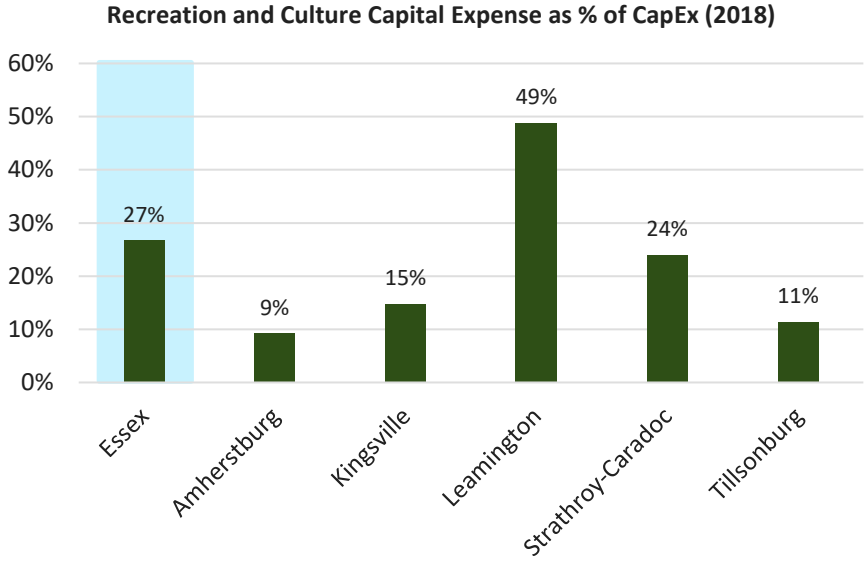


Number of Recreation Facilities					
Essex	Amherstburg	Kingsville	Leamington	Strathroy-Caradoc	Tillsonburg
3	1	1	1	4	3



- Essex spends more on Recreation and Culture operational expenses than its peer municipalities. Most of its operating expenses are split between Arenas, Parks, and the Essex Recreation Complex. It should be noted that Strathroy-Caradoc has four facilities and spends less than the Town of Essex.
- Essex has a greater number of recreation facilities when compared to Amherstburg, Kingsville, and Leamington, which partially explains the higher than average operational expense. However, as previously mentioned, Essex also has a large number of seasonal and student staff employed by the Recreation and Culture department.
- Revenues for the Essex Recreation Complex have grown year over year while expenses have remained stagnant. Revenue generation has been driven by an increase in pre-school and youth recreation programs, swim lessons, and auditorium rentals.

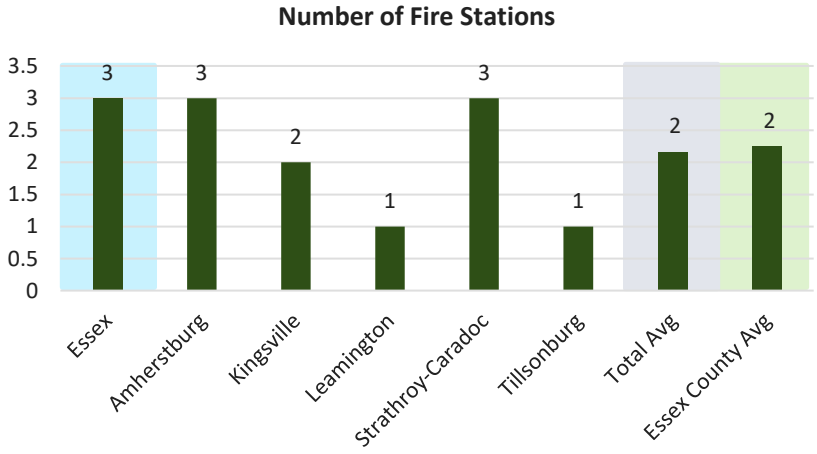
Community Services (2/4)



Population Served Per Recreation Facility					
Essex	Amherstburg	Kingsville	Leamington	Strathroy-Caradoc	Tillsonburg
7,130	19,205	21,552	32,991	4,440	5,223

- It should be noted that Capital expenses are a snapshot in time, and in 2018 Essex made considerable investments across its recreational facilities, for example, the recent investment in multiple splashpads for their aquatics program, and new soccer fields, which accounts for the higher numbers.
- Capital expenses for Recreation and Culture are higher than most of Essex's peers and can be attributed to the plethora of different recreational facilities and parks available in the city. Peer municipalities with a similar number of facilities (Strathroy-Caradoc and Tillsonburg) both spend less on capital expenses than Essex.
- Capital expenses have fluctuated in recent years and can be attributed to investments in parks, recreation facilities, and museums. As a result, investments have increased from 2017 to 2018.
- Among peers with multiple recreation facilities (Strathroy-Caradoc and Tillsonburg), Essex services the most residents per recreation facility.

Community Services (3/4)



Location of Fire Services

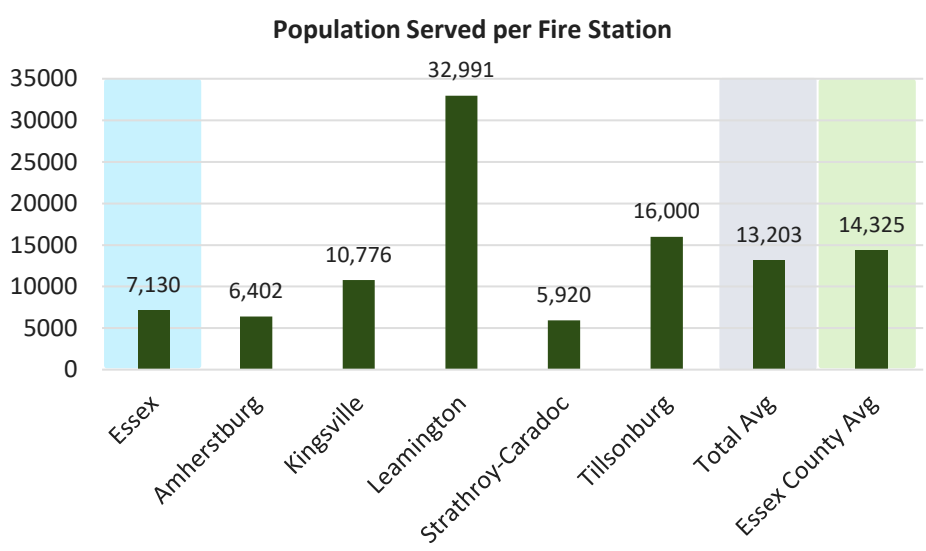
Essex	Amherstburg	Kingsville	Leamington	Strathroy-Caradoc	Tillsonburg
Community Services	Separate Department	CAO	Separate Department	Separate Department	Separate Department

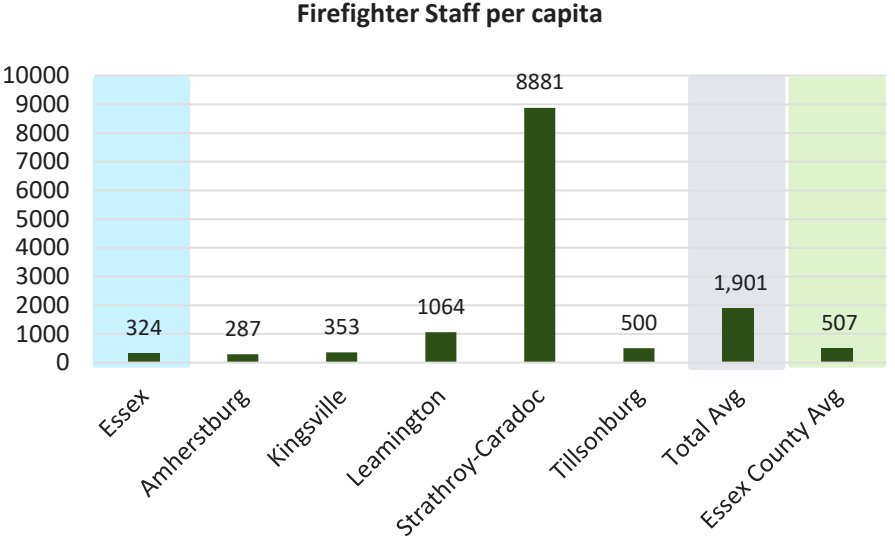
Fleet Size

Essex	Amherstburg	Kingsville	Leamington	Strathroy-Caradoc	Tillsonburg
11	12	14	12	12	14

- While Essex has a higher than average number of fire stations for a Town of its size, it is servicing residents at a similar level to that of its peer municipalities. It is of interest to note that Essex currently has a smaller fleet size than its peers and the Town may benefit from a shared service agreement that could result in cost efficiencies and savings without impacting service.
- Unlike most of its peers, the Fire Service at Essex reports into the Community Service department rather than being a standalone department. Given the size and scope of the Fire service, it is worth exploring opportunities for sharing fire services among local peers.

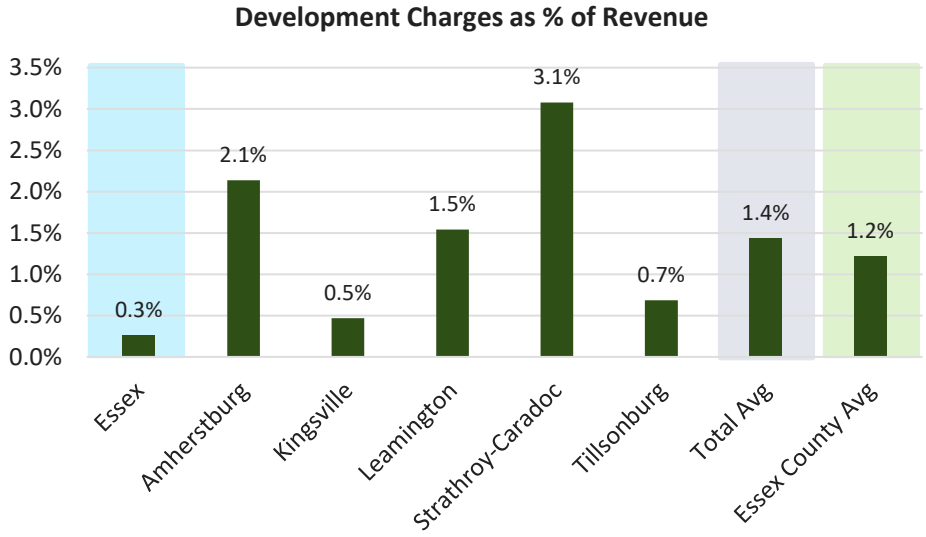
Community Services (4/4)

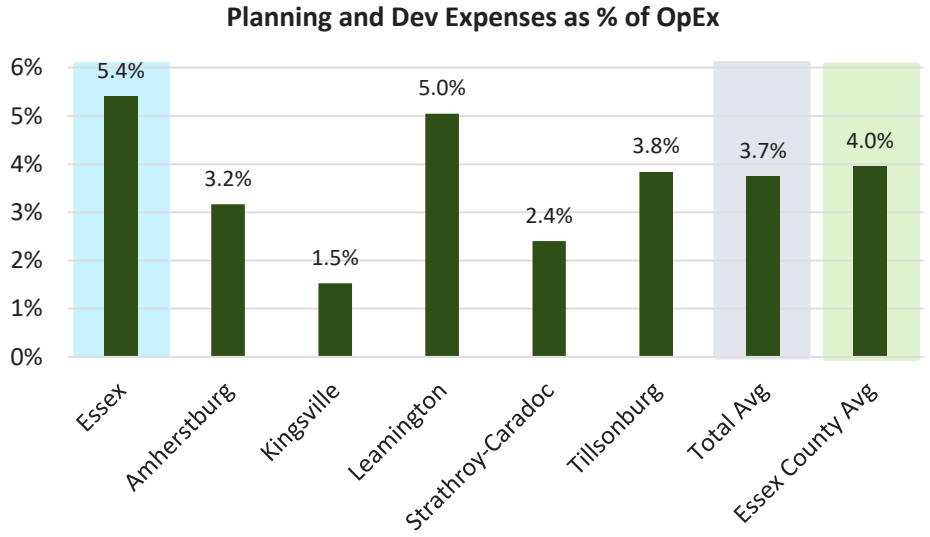




- Essex's population served per fire station and firefighter staff per capita is lower on average than its peers, suggesting that it may be over servicing in this area. However, given the outlier of Leamington for population served and Strathroy-Caradoc for firefighter staff per Capita, Essex does appear to be generally in line with its comparators. As a result, more detailed analysis, including consideration of the geographic and settlement areas, is required.
- Essex's firefighter staff per capita is low due to the 63 part-time firefighters (as shown in slide 72) reported between the three fire stations. Further analysis would help determine the capacity required for the Town as well as whether a shared service model could be used to meet the Town's needs.

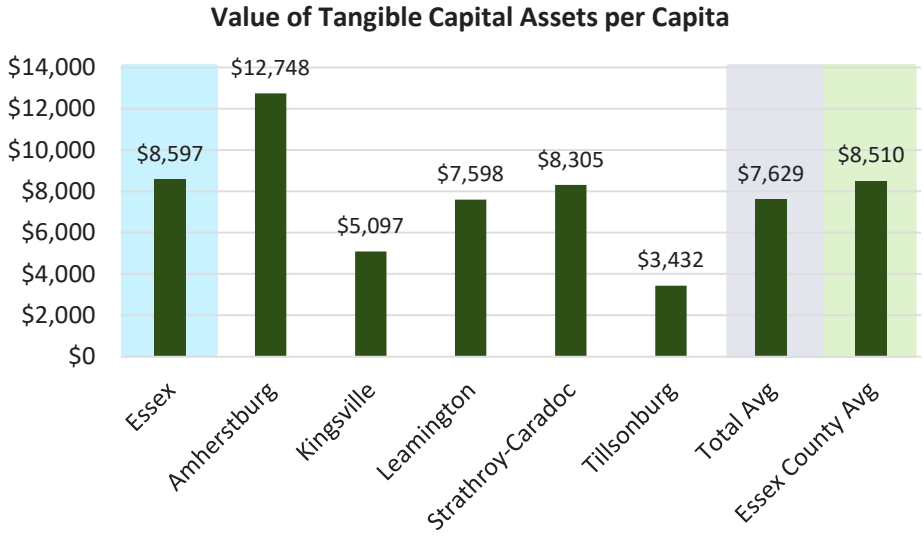
Development Services

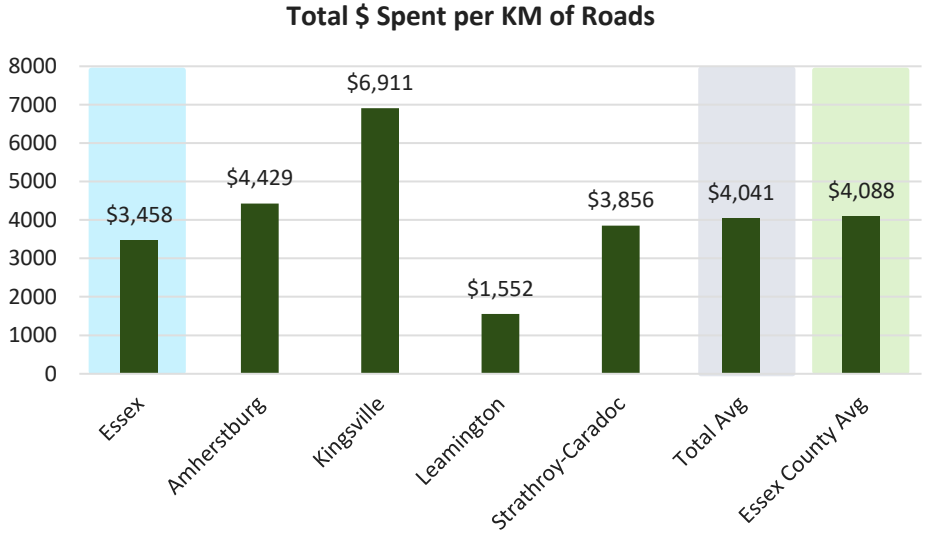




- Essex has the lowest share of revenue from development charges in comparison to peers and is due to Council waiving development charge fees for all industrial, commercial and institutional developments as well as a portion of residential development in the Harrow area.
- The Town also spends more on planning and development than its peers and Essex could consider pursuing a growth and economic development strategy to increase affordable housing.

Infrastructure Services (1/2)

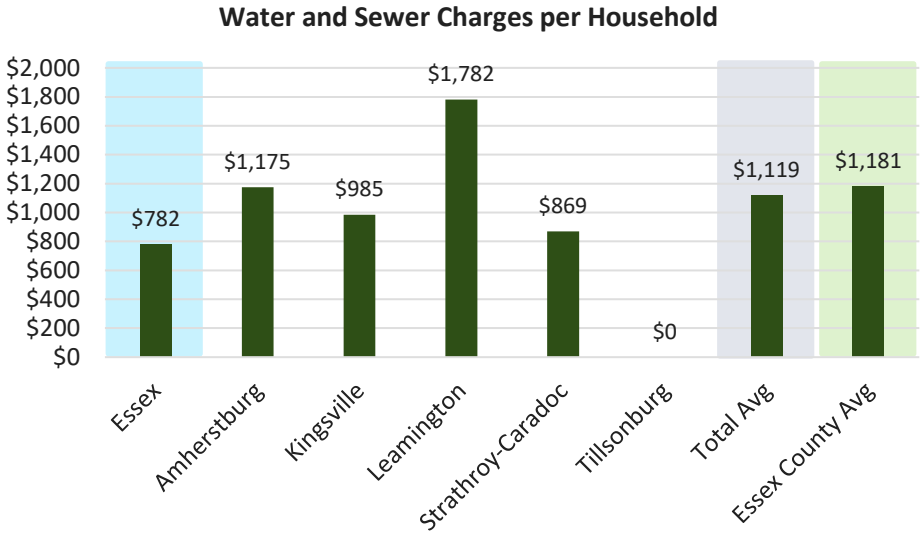


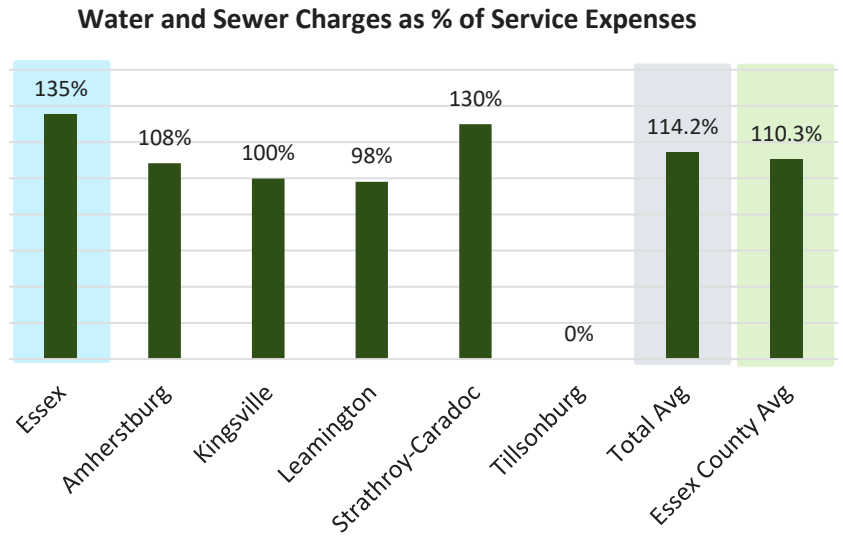


*Information for Tillsonburg was not available at time of reporting.

- Essex has the second highest tangible capital assets per capita amongst its peers, which could place a considerable strain on the organization's finances and resource capacity to maintain these assets.
- The town is relatively lean in terms of dollars spent per kilometer of roads, with only Leamington spending less per road. Essex is below both the county and peer average and should continue utilizing their existing contracts and processes to ensure sound fiscal policy while maintaining minimum maintenance standards and appropriate services levels to ensure road safety.

Infrastructure Services (2/2)





- According to the 2018 submitted FIR, Essex has the lowest water and sewer charge per household when compared to its peers. Additional analysis utilizing water and sewage data is required to understand how rates are allocated directly or indirectly at the Town.
- While having the lowest charge per household, water and sewer charges are the highest percentage of service expenses in comparison to municipalities. This is considered a municipal best practice as Essex fully recovers operational expenses for water and sewer services and it appears to also include a contribution to capital expenses as part of its rate. A strong asset management plan can help ensure that capital contributions as part of water and sewer rates reflect actual need.

APPENDIX C: DEPARTMENT AND SERVICE PROFILES

Town of Essex Services Overview

Outlined below are the major services delivered by the Town.

Office of the CAO

- I R Legal and Legislative Services
- I R Communications

Community Services

- R Parks and Facilities
- R Recreation and Culture
- R Fire and Rescue Services

Corporate Services

- I R Finance and Business Services
- I Human Resources
- I R Information Technology

Infrastructure Services

- I R Capital Works and Infrastructure
- I R Municipal Drainage
- I R Environmental Services
- R Operations

Development Services

- R Building and By Law Enforcement
- R Planning
- R Economic Development

LEGEND

R Resident Service

I Internal Service

Service Evaluation

Each service is evaluated through this framework. Outlined below is the ranking definition per each component. There is a mix of quantitative and qualitive inputs when making these assessments.

Service Description

Service	Sub Services / Description
Legal and Legislative Services	Agendas, Animal Control, Licensing, Records Management, Legislative Services, MFIPPA FOI, Legal Services, Cemeteries, Drainage, Crossing Guards, Council Services, Reports, Committee Management, Elections, Meeting Management/Public Notices, WDS Contract Management, Nurse Practitioner File, Insurance, Miscellaneous
Communications	

Financial History

Item	2017	2018	2019	2020
Revenue	$355,135	$398,043	$489,352	$364,495
OpEx	$1,388,253	$2,028,102	$1,537,881	$1,686,707
Op Balance	**(1,033,118)**	**(1,630,059)**	**(1,048,529)**	**(1,322,212)**

Staffing Complement

FT Unionized: 2
FT Non-unionized: 4.3
Volunteer: 0
Contract: 0

Office of the CAO: Legal and Legislative Services and Communications

Department | Service (1/1)

SERVICE DESCRIPTION

Customer Segments: Residents internal staff/Council; local municipal partners, anyone making a FOI request, anyone purchasing interment rights, ERCA, school board, parents, students.

Delivery Partners: Other departments, Town of Lakeshore (dog pound).

Role of the Town in delivery:

- Delivered by staff (single department)
- Delivered by staff (multiple departments)
- Contract manager
- Agreements with W/E Humane Society

SUB-SERVICES

- Agendas
- Animal Control
- Licensing
- Records Management
- Legislative Services
- MFIPPA FOI
- Legal Services
- Cemeteries
- Drainage
- Crossing Guards

See full list of sub-services on slide 86.

STAFF COMPLEMENT

FT Unionized: 2
FT Non-unionized: 4.3
Volunteer: 0
Contract: 0

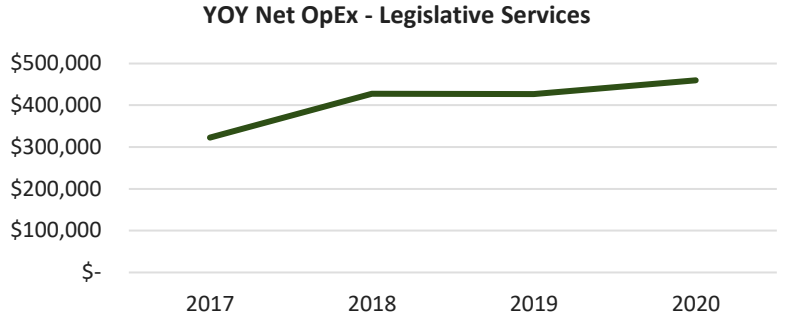
SERVICE LEVEL STANDARDS

Type: Legislated and Discretionary

Legislation/Bylaws/Policies:

- Municipal Act; Animal Control Officer; Drainage Act; Municipal Elections Act.

Standards and Performance: Each department has their own storage areas - filing and retention systems are inconsistent. Formalized program are needed for requesting information internally. A regional approach to animal control could help with consistency. Business licensing is minimal.



SERVICE EVALUATION

Size	Small Service	This service accounts for roughly of 1% the Town's in-scope expenditure.
Delivery	Contemporary -Outdated	Use software that helps streamline processes. Some processes are cumbersome and could be refined further.
Growth	Fast	This service has fast growth at 9.97%
Service	Satisfactory	At-standard.
Shared	Shared Services	Delivered by Town of Essex and Town of Lakeshore, with some services contracted and managed by the Town.

= High Priority **= Medium Priority** **= Low Priority**

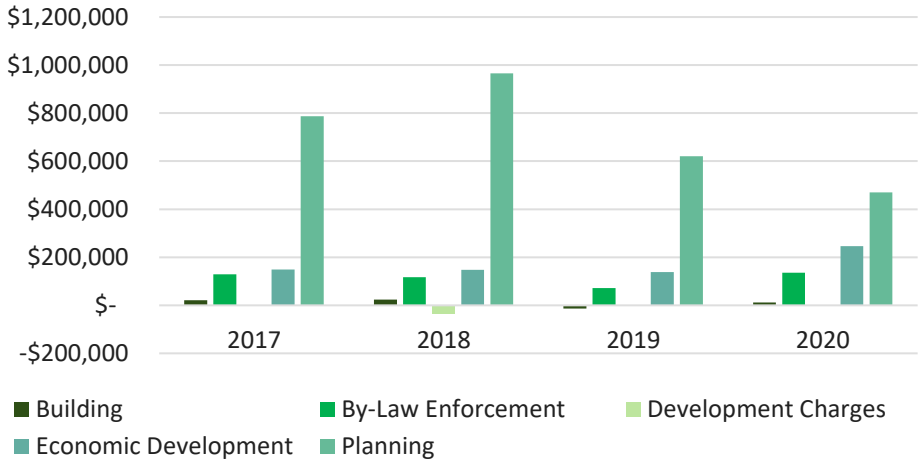
Service Description

Service	Sub Services / Description
Building and By-Law Enforcement	Building permit review, building inspections, by-law enforcement.
Planning	Process and review land use planning applications and development proposals, long range planning, provide professional planning advice.
Economic Development	Identify and implement initiatives for economic growth, business expansion/retention/attraction, tourism initiatives.

Financial History

Item	2017	2018	2019	2020
Revenue	$1,109,554	$1,437,621	$1,979,833	$1,108,797
OpEx	$2,138,690	$2,573,463	$2,719,194	$2,382,033
Op Balance	**(1,029,136)**	**(1,135,842)**	**(739,361)**	**(1,273,236)**

Breakdown of Department Net OpEx



Staffing Complement

FT Unionized: 3.4
FT Non-unionized: 6.4
Volunteer: 0
Contract: 1

Development Services: Building and By-Law Enforcement

SERVICE DESCRIPTION

Building permit review, building inspections, by-law enforcement.

Customer Segments: Residents, builders, developers.

Delivery Partners: N/A

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

N/A

STAFF COMPLEMENT

FT Unionized: 2.4
FT Non-unionized: 2

Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

Type: Legislated

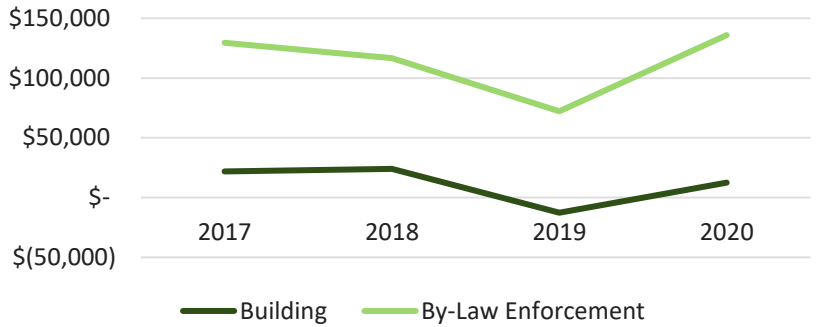
Legislation/Bylaws/Policies:

- Ontario Building Code

Standards and Performance:

At-standard most of the time. During COVID-19, the division has encountered backlog. Although timelines are permitted to be lax, they would like to still be meeting standards.

YOY Net OpEx



SERVICE EVALUATION

Size	Small	This service accounts for roughly of 0.3% of the Town's in-scope expenditure.
Delivery	Outdated	Receiving paper applications, inspectors not equipped with technology, archives and cabinets are not digitized.
Growth	Fast	This service has fast growth at 21.32%.
Service	Satisfactory	At-standard.
Shared	Siloed	Delivered by single department.

= High Priority **= Medium Priority** **= Low Priority**

SERVICE DESCRIPTION

Process and review land use planning applications and development proposals, long range planning, provide professional planning advice.

Customer Segments: Residents, developers.

Delivery Partners: N/A

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

N/A

STAFF COMPLEMENT

FT Unionized: 1
FT Non-unionized: 2.4
Volunteer: 0
Contract: 1

SERVICE LEVEL STANDARDS

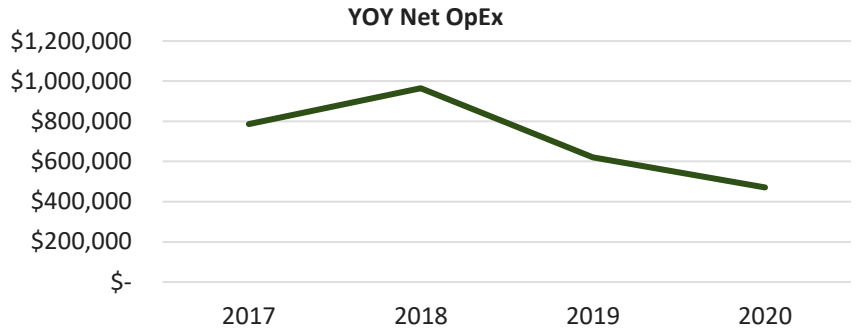
Type: Legislated

Legislation/Bylaws/Policies:

- Ontario Planning Act

Standards and Performance:

Consistently at-standard. During COVID-19 Emergency, although timelines are permitted to be lax, the Planning Division continues to meet standards.



SERVICE EVALUATION

Size	Small	This service accounts for roughly of 1.09% the Town's in-scope expenditure.
Delivery	Contemporary	Electronic applications, strong document management and record keeping, adapted methods for meetings.
Growth	No Growth	This service has negative growth at -9.31%.
Service	Satisfactory	At-standard.
Shared	Siloed	Delivered by single department.

= High Priority **= Medium Priority** **= Low Priority**

Development Services: Economic Development

Department | Service (3/3)

SERVICE DESCRIPTION

Identify and implement initiatives for economic growth, business expansion/retention/attraction, tourism initiatives.

Customer Segments: Residents, businesses.

Delivery Partners: N/A

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

N/A

*STAFF COMPLEMENT**

FT Unionized: 0
FT Non-unionized: 2
Volunteer: 0
Contract: 0

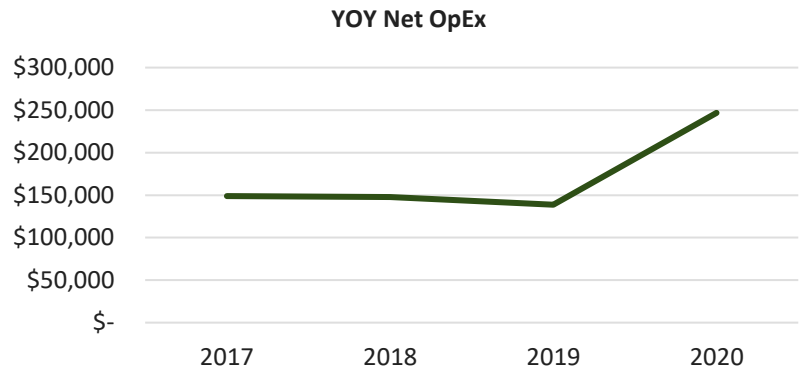
SERVICE LEVEL STANDARDS

Type: Discretionary

Standards and Performance:
At/above-standard.

Legislation/Bylaws/Policies:

*includes Director of Development Services



SERVICE EVALUATION

Size	Small	This service accounts for roughly 0.57% the Town's in-scope expenditure.
Delivery	Modern	Dedicated micro-websites, interactive tools for businesses and residents, strong digital presence on social media.
Growth	Fast	This service has fast growth at 17.86%.
Service	Satisfactory-Above	At/above-standard.
Shared	Siloed	Delivered by single department.

= High Priority **= Medium Priority** **= Low Priority**

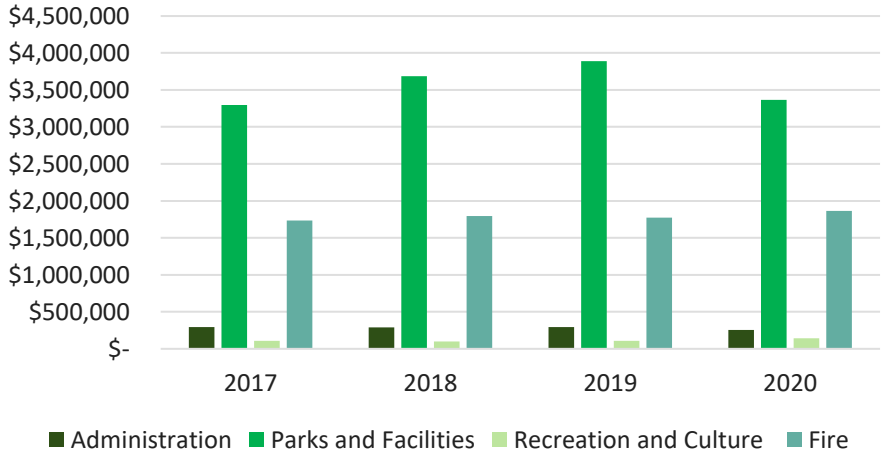
Service Description

Service	Sub Services / Description
Parks and Facilities	Maintain Town Facilities (Buildings, outdoor parks, sport fields, harbour and schedule usage, etc.).
Recreation and Culture	Aquatic, recreation, culture and leisure programs and events.
Fire	Emergency Management; Fire Prevention; Public Education; Burn Permits; Emergency Response; Training; Maintenance and Purchasing; Administration.

Financial History

Item	2017	2018	2019	2020
Revenue	$1,763,473	$1,795,229	$2,022,737	$1,781,305
OpEx	$7,190,046	$7,643,473	$8,136,056	$7,407,513
Op Balance	**(5,426,573)**	**(5,848,244)**	**(6,113,319)**	**(5,626,208)**

Breakdown of Department Net OpEx



Staffing Complement

FT Unionized: 13.5
FT Non-unionized: 9

Volunteer: 63 *(paid firefighters)*
Contract: 0

SERVICE DESCRIPTION

Maintain Town facilities (buildings, outdoor parks, sport fields, harbour and schedule usage, etc.).

Customer Segments: Residents, Town staff.

Delivery Partners: N/A

Role of the Town in delivery:

- Delivered by staff (single department)
- Contract manager (maintenance outside staff scope)

SUB-SERVICES

N/A

STAFF COMPLEMENT*

FT Unionized: 10
FT Non-unionized: 3

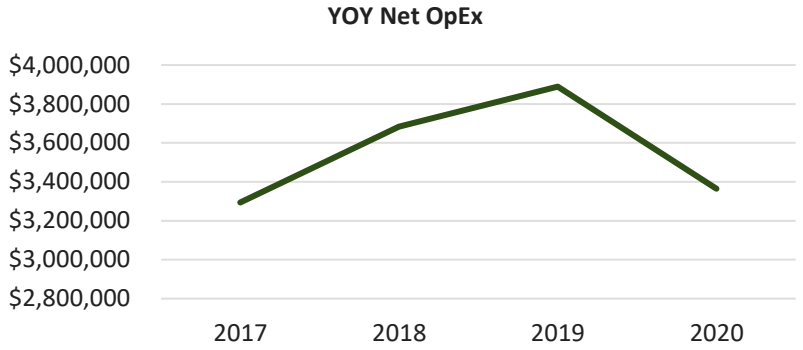
Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

Type: Discretionary

Standards and Performance:
Goal is to be above-standard.

Legislation/Bylaws/Policies:



SERVICE EVALUATION

Size	Medium	This service accounts for roughly 7.78% of the Town's in-scope expenditure.
Delivery	Contemporary	Using up-to-date methods of delivery.
Growth	Stable	This service has stable growth at 0.99%.
Service	Satisfactory	At-standard.
Shared	Siloed	Delivered by single department, with some services contracted and managed by the Town.

= High Priority **= Medium Priority** **= Low Priority**

*includes Community Services Administration (Director and Assistant)

SERVICE DESCRIPTION

Aquatic, recreation, culture and leisure programs and events.

Customer Segments: Residents.

Delivery Partners: Greater Essex County District School Board (ERC only).

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

N/A

STAFF COMPLEMENT

FT Unionized: 3
FT Non-unionized: 3

Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

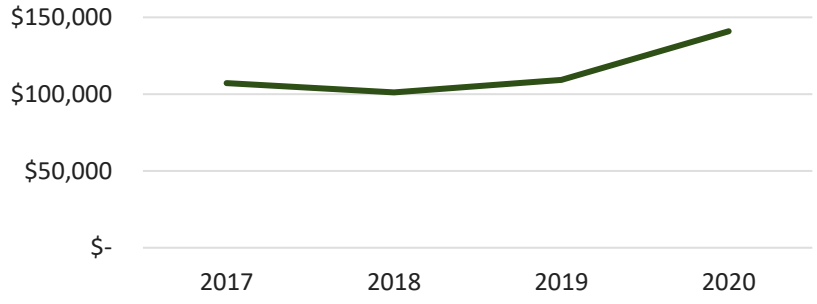
Type: Discretionary

Legislation/Bylaws/Policies:

Standards and Performance:

At-standard most of time – provide a variety of programs, activities and special events that service needs in all areas of community. In some areas above -standard with program development and initiation.

Breakdown of Department Net OpEx



SERVICE EVALUATION

Size	Small	This service accounts for roughly 0.33% of the Town's in-scope expenditure.
Delivery	Modern	Software up to date. Leader in region and above industry standard on programming. Annual reviews conducted.
Growth	Moderate	This service has moderate growth at 7.83%.
Service	Satisfactory/ Above	At/above-standard.
Shared	Shared Services	Delivered by the Town of Essex and the Greater Essex County District School Board.

= High Priority **= Medium Priority** **= Low Priority**

SERVICE DESCRIPTION

Customer Segments: Residents, visitors, internal staff /Council, businesses, municipal partners, Province.

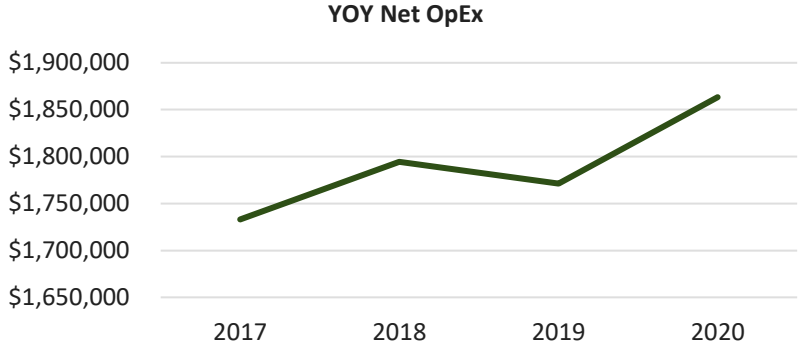
Delivery Partners: Ontario Fire Marshal and Emergency Management, County of Essex, other departments.

Role of the Town in delivery:

- Delivered by staff (single department)
- Delivered by staff (multiple departments)
- Contract manager (local repair shop does annual inspections on vehicles, ladders contracted, SCBA different supplier, pump testing different supplier)

SUB-SERVICES

- Emergency Management
- Fire Prevention
- Public Education
- Burn Permits
- Emergency Response
- Training
- Maintenance and Purchasing
- Administration (reports to council, budgeting, incident response reporting, agreement renewals)



STAFF COMPLEMENT

FT Unionized: 0.5
FT Non-unionized: 3
Volunteer: 63 (paid firefighters)
Contract: 0

SERVICE LEVEL STANDARDS

Type: Legislated and Discretionary

Legislation/Bylaws/Policies:

Standards and Performance:

At-standard most of the time. During peak times, services sometimes delayed. Online burn permit applications makes service easily accessible (also provided at no cost). Education efforts and new by-law on burn permits have led to a decrease in applications and the number of complaints.

SERVICE EVALUATION

Size	Medium	This service accounts for roughly 4.31% of the Town's in-scope expenditure.
Delivery	Contemporary /Modern	Leading methodologies for burn permits and emergency response services. Receive some paper safety plans.
Growth	Steady	This service has steady growth at 1.86%.
Service	Satisfactory	At-standard.
Shared	Shared Services	Delivered by the Town of Essex, County of Essex, Province, and contractors.

= High Priority **= Medium Priority** **= Low Priority**

Department Profile: Infrastructure Services

Department | Service

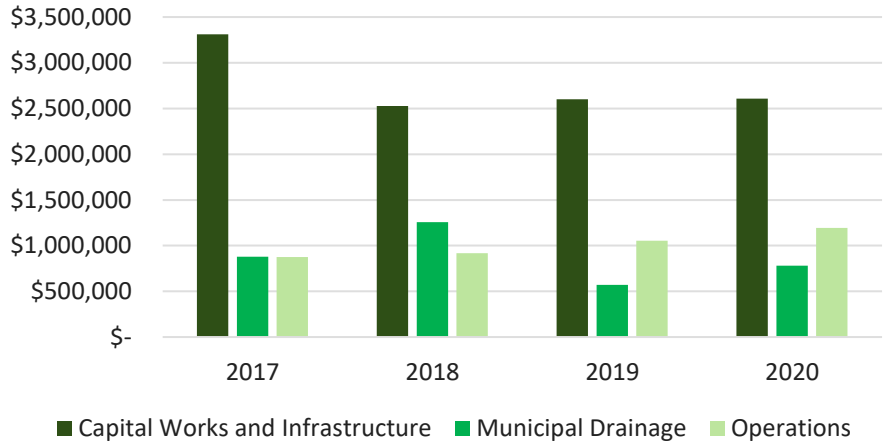
Service Description

Service	Sub Services / Description
Capital Works and Infrastructure	Capital Equipment; Construction Projects; Land Development.
Municipal Drainage	Manage and maintain urban/rural municipal drainage systems.
Environmental Services	Operation and maintenance of water and sanitary sewer infrastructure.
Operations	Manage maintain infrastructure within the Municipal ROW.

Financial History

Item	2017	2018	2019	2020
Revenue	$774,183	$1,302,925	$961,208	$669,643
OpEx	$5,619,680	$5,734,666	$5,014,429	$5,254,054
Op Balance	**(4,845,497)**	**(4,431,741)**	**(4,053,221)**	**(4,584,411)**

Breakdown of Department Net OpEx



Staffing Complement

FT Unionized: 14
FT Non-unionized: 6.6
Volunteer: 0
Contract: 0

SERVICE DESCRIPTION

Capital Equipment, construction projects, and land development.

Customer Segments: Residents, internal departments, Council.

Delivery Partners: County of Essex (Road Rehabilitation Connecting Link agreement, joint tendering for road construction), internal departments.

Role of the Town in delivery:

- Delivered by staff (single department)
- Funder, with provincial and federal grants
- Contract manager

SUB-SERVICES

- Site Plan Control
- Land Development
- Asset Management

STAFF COMPLEMENT*

FT Unionized: 0
FT Non-unionized: 2
Volunteer: 0
Contract: 0

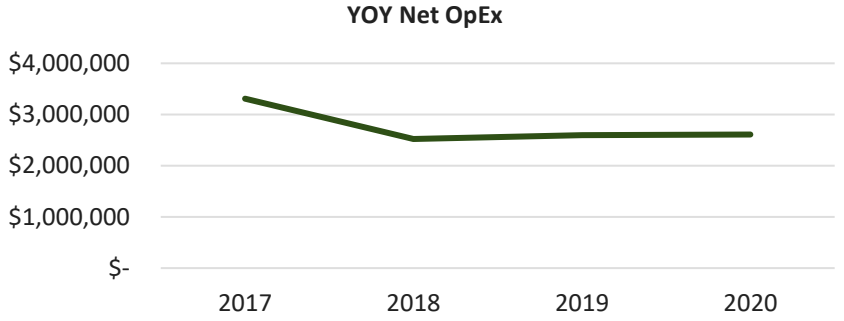
SERVICE LEVEL STANDARDS

Type: Legislated and Discretionary

Legislation/Bylaws/Policies:

Standards and Performance:

Customers/Council generally feel that capital is underfunded. Council and residents want more roads spending.



SERVICE EVALUATION

Size	Medium	This service accounts for roughly 6% of the Town's in-scope expenditure.
Delivery		Data not available at time of reporting.
Growth	No Growth	This service has negative growth at -5.1%.
Service	Satisfactory	At-standard
Shared	Shared Services	Delivered Town of Essex and County of Essex, with some services also contracted and managed by the Town.

= High Priority **= Medium Priority** **= Low Priority**

*includes Infrastructure Services Director

SERVICE DESCRIPTION

Manage and maintain urban/rural municipal drainage systems.

Customer Segments: Residents, internal staff, local municipalities, governing agencies.

Delivery Partners: Internal departments.

Role of the Town in delivery:

- Delivered by staff (single department)
- Contract manager

SUB-SERVICES

N/A

STAFF COMPLEMENT

FT Unionized: 1
FT Non-unionized: 1.3
Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

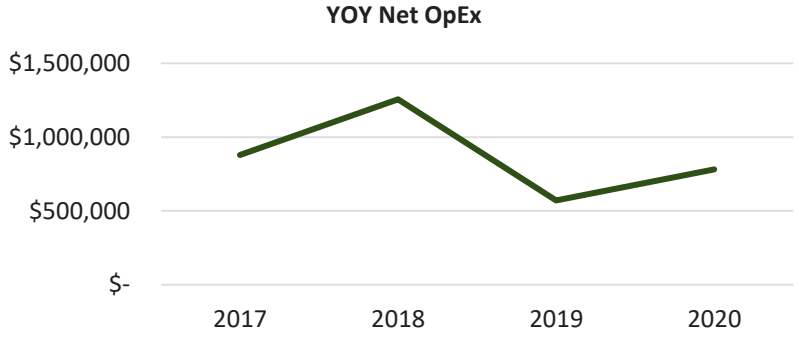
Type: Legislated

Standards and Performance:

Making efforts to continually improve customer service and customer experience.

Legislation/Bylaws/Policies:

- Drainage Act



SERVICE EVALUATION

Size	Small	This service accounts for roughly 1.8% of the Town's in-scope expenditure.
Delivery	Modern	Using leading methodologies to support delivery.
Growth	Moderate	This service has moderate growth at 6.32%.
Service	Above Standard	Above-standard.
Shared	Siloed	Delivered by single department, with some services contracted and managed by the Town.

= High Priority **= Medium Priority** **= Low Priority**

SERVICE DESCRIPTION

Operation and maintenance of water and sanitary sewer infrastructure.

Customer Segments: Water and sewer customers, developers/contractors, internal departments.

Delivery Partners: OCWA (water plant and sewage plant operations), Elk Energy (billing and collection services, customer calls), UWSS (water supply in Wards 1 and 2), internal departments.

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

- Billing and collection services-ELK Energy
- WTP and Sewage Plant Operations-OCWA contract

STAFF COMPLEMENT

FT Unionized: 3
FT Non-unionized: 1
Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

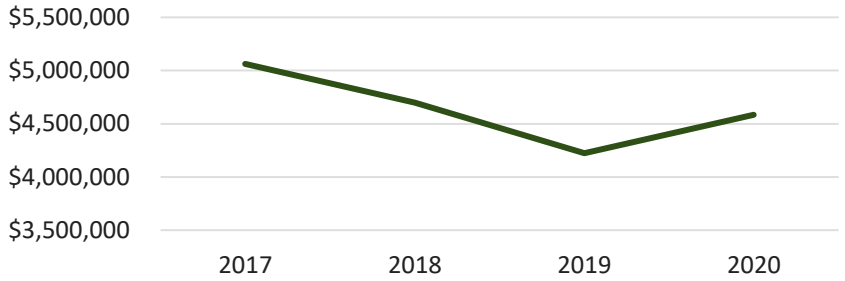
Type: Legislated

Standards and Performance:

Legislation/Bylaws/Policies:

- Clean Water Act

Infrastructure Department YOY Net OpEx



SERVICE EVALUATION

Size		Data not available at time of reporting.
Delivery	Contemporary	Using leading methodologies to support delivery.
Growth		Data not available at time of reporting.
Service	Satisfactory	At-standard.
Shared	Shared Services	Delivered by the Town of Essex, OCWA, Elk Energy and UWSS.

= High Priority **= Medium Priority** **= Low Priority**

SERVICE DESCRIPTION

Manage maintain infrastructure within the Municipal ROW.

Customer Segments: Residents.

Delivery Partners: Internal departments.

Role of the Town in delivery:

- Delivered by staff (single department)
- Funder
- Contract manager
- Rental equipment

SUB-SERVICES

N/A

STAFF COMPLEMENT

FT Unionized: 10
FT Non-unionized: 2.3
Volunteer: 0
Contract: 0

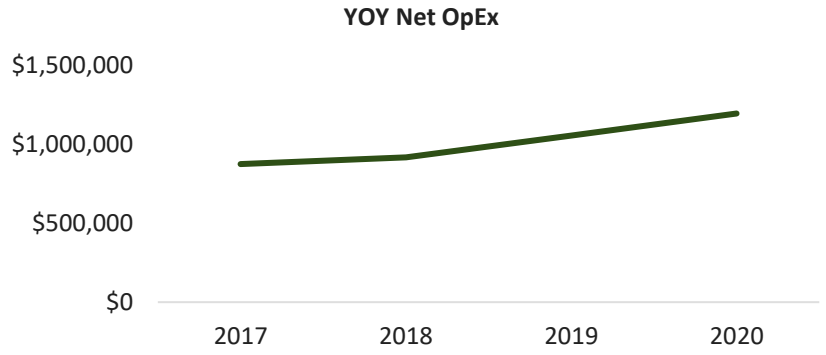
SERVICE LEVEL STANDARDS

Type: Legislated and Discretionary

Standards and Performance:

Legislation/Bylaws/Policies:

- Minimum Maintenance Standards



SERVICE EVALUATION

Size	Small	This service accounts for roughly 2.76% of the Town's in-scope expenditure.
Delivery	Modern	Some methodologies modern and a few outdated.
Growth	Fast	This service has fast growth at 8.29%.
Service	Above Standard	Above-standard.
Shared	Siloed	Delivered by single department, with some services contracted and managed by the Town.

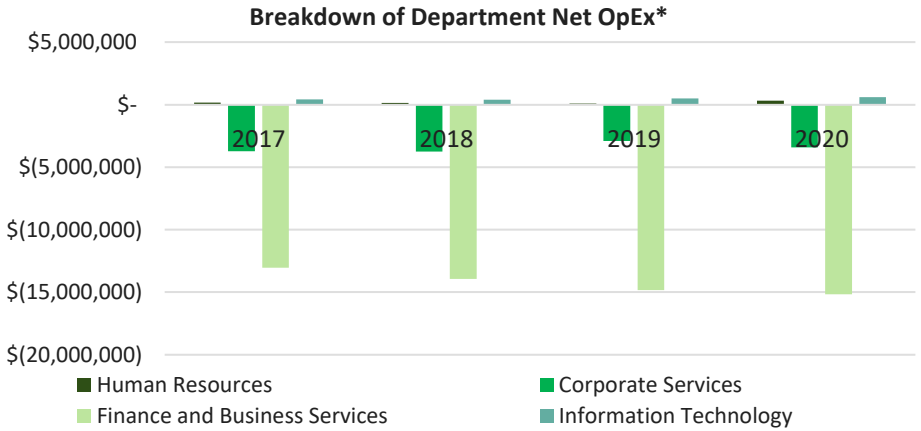
= High Priority **= Medium Priority** **= Low Priority**

Service Description

Service	Sub Services / Description
Finance and Business Services	Collection and remittance of property taxation. Processing of AP, setup and collection of AR.
Human Resources	Labour Relations; Training and Development; Health and Safety; Compensation and Benefits; Recruitment.
Environmental Services	Hardware; Software; Networks and Security.

Financial History

Item	2017	2018	2019	2020
Revenue	$20,616,914	$21,932,784	$22,296,999	$24,386,379
OpEx	$4,458,762	$4,394,444	$5,195,120	$6,751,391
Op Balance	**$16,158,152**	**$17,538,340**	**$17,101,879**	**$17,634,988**



**Negative figures indicate an operating surplus. Corporate Services received significant government grants that enabled a large surplus.*

Staffing Complement

FT Unionized: 8
FT Non-unionized: 6.7
Volunteer: 0
Contract: 0

SERVICE DESCRIPTION

Collection and remittance of property taxation. Processing of AP, setup and collection of AR.

Customer Segments: Residents, internal departments/staff/Council, local municipal partners (McGregor Library, Co-An Park etc.), school board, external vendors.

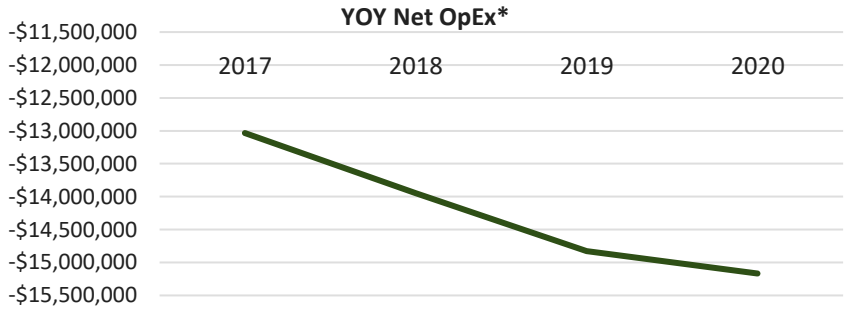
Delivery Partners: Collect on behalf of County and school boards; collect AR from cost share partners.

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

- Property Taxation
- Accounts Payable
- Accounts Receivable



*Negative figures indicate an operating surplus. Finance and Business Services received significant government grants that enabled a large surplus.

STAFF COMPLEMENT*

FT Unionized: 6
FT Non-unionized: 4
Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

Type: Legislated and Discretionary

Legislation/Bylaws/Policies:

- Legislated Accounting Standards

Standards and Performance:

Amending Town Hall operating hours permanently could allow for an efficient realignment of clerk duties. Tax coordinator position should be non-union with tax clerks reporting directly to the position. Better separation of duties with AR and AP is needed.

SERVICE EVALUATION

Size	Large	This service accounts for roughly 35% of the Town's in-scope expenditure.
Delivery	Contemporary	Most things work but there are efficiencies to be found.
Growth	Moderate	This service has moderate growth at 3.91%.
Service	Satisfactory	At-standard
Shared	Siloed	Delivered by single department.

= High Priority **= Medium Priority** **= Low Priority**

*includes Corporate Services Director

SERVICE DESCRIPTION

Customer Segments: Internal staff/Council.

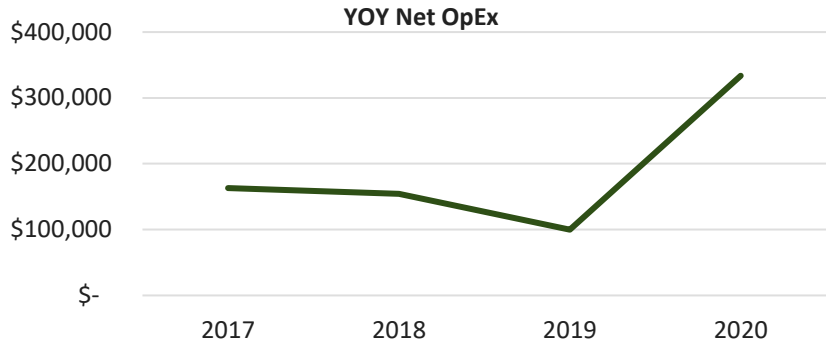
Delivery Partners: All internal departments.

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

- Labour Relations
- Training and Development
- Health and Safety
- Compensation and Benefits
- Recruitment



STAFF COMPLEMENT

FT Unionized: 0
FT Non-unionized: 1.7
Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

Type: Legislated and Discretionary

Standards and Performance:

Legislation/Bylaws/Policies:

SERVICE EVALUATION

Size	Small	This service accounts for roughly 0.77% of the Town's in-scope expenditure.
Delivery	Contemporary	Using up-to-date methods to support delivery.
Growth	Fast	This service has fast growth at 48.37%.
Service	Satisfactory/ Above	At/above-standard
Shared	Siloed	Delivered by single department.

= High Priority **= Medium Priority** **= Low Priority**

SERVICE DESCRIPTION

Customer Segments: Residents, internal staff/Council, local municipal partners.

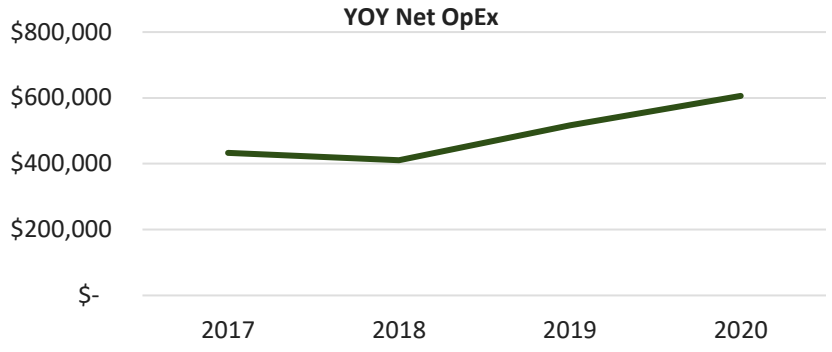
Delivery Partners: N/A

Role of the Town in delivery:

- Delivered by staff (single department)

SUB-SERVICES

- Hardware
- Software
- Networks and Security



STAFF COMPLEMENT

FT Unionized: 2
FT Non-unionized: 1
Volunteer: 0
Contract: 0

SERVICE LEVEL STANDARDS

Type: Discretionary

Standards and Performance:

Legislation/Bylaws/Policies:

SERVICE EVALUATION

Size	Small	This service accounts for roughly 1.4% of the Town's in-scope expenditure.
Delivery	Contemporary	Using up-to-date methods to support delivery.
Growth	Fast	This service has fast growth at 9.47%.
Service	Satisfactory	At-standard
Shared	Siloed	Delivered by single department.

= High Priority **= Medium Priority** **= Low Priority**

APPENDIX D: ADDITIONAL SERVICE INFORMATION

Services Delivered Jointly with the County

CAO's Office

- EMS

Infrastructure Services

- Recycling collection (curbside)
- Landfill completed by the County for recycling and waste
- County roadways and connecting links
- CWATS trails and infrastructure
- Street lighting at jointly owned intersections

Planning Services

- Approval of Official Plan, Reviews, and Amendments
- Approval of Plans of Subdivision
- Approval of Part Lot Control Exemption

Cross-Departmental Relationships and Services

Infrastructure Services

- **Finance:** Budgeting & purchasing of goods and services. Support for billing, account reconciliation, and cost recovery for drainage projects. Asset management is a joint effort by both departments.
- **Community Services:** Infrastructure supports Community Services with equipment and expertise to complete construction tasks, and also provide support for winter control operations.
- **Clerks:** Collaboration on requests for traffic and parking related inquiries, property acquisition, reviews of agreements, working on Council agendas. Infrastructure provides support for capital projects relating to property maintenance (i.e. cemeteries).
- **HR:** Infrastructure has a large group of staff that requires attention from HR and coordinating training and HAS meetings.

Development Services

- **Development Services and Infrastructure Services:** Review of development proposals for available municipal services, impacts, and infrastructure needs.
- **Development Services and Community Services:** Review of development proposals for parkland dedication, connectivity to parks, and active transportation matters.
- **Development Services and Corporate Services:** Review of development proposals for financial impacts, and support from GIS on development initiatives and proposals.
- **Development Services and Office of the CAO:** Collaboration on economic development and tourism development initiatives with Communications Manager, support from Communications Manager on media- and public-related matters, support from Clerk on various legal and by-law matters, and support from Clerk on Council and Committee of Council matters.

Community Services

- **Infrastructure:** Grass cutting and winter control, as well as facility maintenance.
- **Finance:** Annual budget process.
- **CAO's Office:** Communications and promotions of recreation programs.
- **Committees of Council:** community services provides administrative support for committees.

Outsourced/Consulting Contracts and Other Shared Services

Outsourced/Consulting Contracts	
Service	**Additional Information**
• Water and sewage treatment and storm water management ponds	• Contracted to OCWA: One water treatment plant, four sewage treatment facilities, and stormwater management
• Large capital requiring engineering	• Bridge design, major rehabilitation, sewer and watermain design, and other large projects.
• Roads and traffic studies	• No additional information
• Water and Sewer optimization studies and modelling	• Studies for treatment and underground infrastructure (i.e. master plans)
• Drainage engineering	• No additional information
• Garbage collection	• No additional information
• Winter control	• Some winter control, including beach roads, and facility parking lots, as well as sidewalk winter control in downtown cores
Shared Service Agreements and Joint Procurement	
Service/Item	**Additional Information**
• Co-An Park	• Shared with Amherstburg
• Fire	• Mutual and automatic aid agreements and dispatch agreement
• Road works	• Some road works are jointly tendered with the County (typically the higher scale rural works)
• Essex Recreation Complex Pool	• Shared with Greater Essex County District School Board

Toronto
145 King Street East, 2nd Floor
Toronto, ON M5C 2Y7
416-864-7112

Ottawa
100 rue Queen Street, Suite 850
Ottawa, ON K1P 1J9
613-231-2630

strategycorp.com