



Municipal Services Office – North (Sudbury)

Provincial Update – AMCTO Zone 8

September 28, 2017

Important Notice

Municipalities are responsible for making local decisions, including compliance with any applicable statutes or regulations.

This presentation is for information and is not a substitute for legal or other professional advice in connection with any particular matter. This presentation deals with complicated issues and concepts in a highly summarized fashion, and key details may not be included. The inclusion of municipal or other local examples in this presentation does not imply an endorsement by the Ministry. Users should verify this information from other sources prior to making decisions or acting upon it.

Outline

- Updates and Reminders – Local Government, Planning and Housing
- Legislative Updates
- General Updates and Reminders
- Municipal Shared Services Study
- Resource and Program Updates
- Funding Program Updates
- Upcoming Events and Reminders

LOCAL GOVERNMENT Updates & Reminders

Elections Reminders

- Clerk's procedures relating to alternative voting/vote counting is December 31 in the year before the election. (December 31, 2017)

Key 2018 Election Dates

May 1	<ul style="list-style-type: none">- Nomination and campaign period begins- Registration period for third party advertisers begins- Clerk to advise of preliminary spending limit estimate- Last day for by-law passage adopting recount policy
July 27	<ul style="list-style-type: none">- Nomination day (9 AM to 2 PM)- Nominations withdrawal permitted until 2 PM- Last day to withdraw a question on the ballot
July 30	<ul style="list-style-type: none">- Nominations certified by 4 PM- Acclamations declared after 4 PM- Proxy vote certificates may be issued after 4 PM

Key 2018 Election Dates

July 31	Default date for MPAC to deliver preliminary list of electors (PLE)
August 31	If agreed to by MPAC and the clerk, alternative last day for MPAC to deliver preliminary list of electors (PLE)
September 1	Revision period for voters' list begins
October 22	Voting day

March 29, 2019	Deadline for filing financial statements
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COMMUNITY PLANNING AND DEVELOPMENT Updates & Reminders

OMB Reform

Description

- On June 23, 2016, the government launched a review of the Ontario Municipal Board (OMB) to look at how the Board operates, its role in the province's land-use planning system, and to find ways to make the OMB more efficient and accessible.
- On May 30, 2017, the government introduced Bill 139, the proposed Building Better Communities and Conserving Watersheds Act that would, if passed, make transformative changes to the OMB. The proposed changes are a result of the review of the scope and effectiveness of the OMB.
- Improving the land use planning appeal system and preserving Ontario's environment is part of our plan to create jobs, grow the economy and help people in their everyday lives.
- The Local Planning Appeal Tribunal would be an independent tribunal that makes decisions at arms' length from the government. If the legislation passes, it would replace the Ontario Municipal Board, which began in 1906 as the Ontario Railway and Municipal

What's ahead

- The timing for the Bill is subject to government direction and the schedule of the legislature.
- While the legislative process related to the proposed bill is ongoing, matters would continue to be dealt with under the current rules and processes.

HOUSING UPDATES

Updates & Reminders

Municipal Guide for Facilitating Affordable Housing

- This guide is intended for Municipalities, DSSABs, non-profit housing providers, builders and developers.
- It highlights initiatives of Ontario municipalities to promote the development of affordable housing. Some of these municipal initiatives were part of broader provincial initiatives, while others were developed locally.
- It is intended as a source of inspiration and ideas and not as a step-by-step implementation manual. Municipalities are encouraged to do their own due diligence in considering how a potential initiative would work locally.
- <http://www.mah.gov.on.ca/Page16567.aspx#Purpose+of+the+guide>

Legislative Updates

Modernizing Ontario's Municipal Legislation Act, 2017 (Bill 68)

Proclamation Dates:

Phase 2: January 1, 2018

Phase 3: March 1, 2019

Bill 148, Fair Workplaces, Better Jobs Act, 2017

Description

- This was introduced on June 1, 2017.
- Some of the proposed changes include hiking the minimum wage, ensuring part-time workers are paid the same hourly wage as full-time workers, introducing paid sick days for every worker, enabling at least three weeks' vacation after five years with the same employer and stepping up enforcement of employment laws.
- Protecting workers and supporting business is part of our plan to create jobs, grow our economy and help people in their everyday lives.

Status

- In July 2017, Standing Committee on Finance and Economic Affairs completed its public hearings in 10 different locations (including Thunder Bay).
- The committee will review all feedback received and the province will continue to consult with workers and businesses throughout the fall, as the bill moves through the legislative process, to ensure proposed changes give people the opportunity to succeed and get ahead.

Bill 154: The Cutting Unnecessary Red Tape Act, 2017

Description

- The Cutting Unnecessary Red Tape Act, 2017 was introduced in the Legislature on September 14th, 2017.
- The Act has some proposed amendments to the Municipal Elections Act dealing with compliance audit committees.

What you should know

- The amendments, *if passed*, would specify that meetings of the committee must be open to the public, but the committee may deliberate in private when making their decisions.

General Updates & Reminders

DSSAB Review

- **Description**

- In September 2016, Minister of Community and Social Services (MCSS) indicated the province's intent to review the *District Social Services Administration Boards (DSSAB) Act*, in particular Board governance and accountability.

- **Status**

- MCSS worked with partner ministries (Housing, Municipal Affairs, Health and Long-Term Care, Education, and Finance), as well as the Northern Ontario Service Deliverers Association and the executive of the Northwestern Ontario Municipal Association and the Federation of Northern Ontario Municipalities to develop the scope of the review and the approach to engaging stakeholders.
- The Ministry also engaged Optimus SBR to undertake a comprehensive review that will look to gather input from research and consultations to better understand the implications of different governance changes/approaches in order to develop viable recommendations for change.
- The consultations will take place in all 10 northern districts between September and October. Separate consultation sessions with DSSAB board members, DSSAB staff, and representatives from member municipalities are planned in each district.

DSSAB Review cont'd

- **What's Ahead**

- Consultations began September 6 and will run until October 19. The final report, including recommendations to enhance DSSAB governance and accountability, is expected to be submitted to the ministry in December 2017.

Green ON Fund

Save Money, Fight Climate Change

- Take advantage of Ontario programs and rebates to reduce your energy costs and fight climate change.

- <https://www.greenon.ca/>



- Tips and tools regarding climate change and energy costs.
- Check to see what programs are available.
- Applicable to all: residents, businesses/organizations, commercial/industrial/institutional

Leading Practices

- MMA/MOH is promoting municipal leading practices to connect municipalities, support provincially-focused research and highlight exemplary practices.
- Leading municipal practice are characterized by:
 - innovative ways of addressing a common planning, financial, administrative or housing challenge faced by many municipalities;
 - positive outcomes based on strong evidence; and/or
 - furthers provincial goals and interests like asset management, community hubs, climate change, private sector involvement in affordable housing and the use of municipal tools (e.g. land-use planning, financial tools) to increase housing affordability.
- **Topics of interest identified to date include:**
 - Succession planning
 - Records management
 - Reporting burden
 - Long-term financial planning
 - Disaster planning

Municipal Shared Services Study

Overview

- This presentation is a summary of the report dated March 23, 2017 and prepared by KPMG on shared services in Sudbury East Municipal Association, with additional considerations for other municipalities. Please refer to the report for further information.
- The Ministry is not responsible for the contents of the report
- Before considering or implementing any shared service arrangement, council and staff may wish to:
 - read the report and any other relevant information;
 - satisfy themselves that the proposed arrangement meets with their local needs, and;
 - consult with professional (e.g. legal and audit) services as required.

Background

- The Sudbury East Municipal Association represents four municipalities located in the eastern portion of the District of Sudbury:
 - French River (pop. 2,442);
 - Killarney (pop.399);
 - Markstay-Warren (pop.2,347) and;
 - St. Charles (pop.1,280)
- The municipalities of French River, Killarney and St. Charles have significant non-resident recreational property populations.
- French River, Markstay-Warren and St. Charles have agriculture and limited forestry economies as well as being bedroom communities for the City of Greater Sudbury.

Background

- MMA facilitated a comprehensive study to provide an objective evaluation of municipal operations, staffing, equipment levels, and service offerings currently provided by each municipality, with the view of identifying potential opportunities to share services intended to increase operating effectiveness and efficiencies while reducing operating costs.
- Following an RFP process, KPMG was retained by the Municipality of Markstay-Warren on behalf of the municipalities of Sudbury East.
- The shared services study explored all aspects of each municipality's operations with each service given consideration for its potential suitability for sharing among the four municipalities of Sudbury East.
- Study was completed in April 2017.

Report Contents

- Study Overview
- Municipal Profile
- Shared Services in Ontario
- Potential Shared Service Opportunities
- Considerations for Implementation
- Appendix A – Critical Path for Implementation
- Appendix B – Sample Shared Service Agreements
- Appendix C – Municipal Services Summary
- Appendix D – Considerations for Other Municipalities

Report Contents

Study Overview

- Terms of reference and methodology

Municipal Profile

- Administrative and fiscal profile of SEMA municipalities

Shared Services in Ontario

- High level summary of shared service experience in Ontario

Potential Shared Services Opportunities

- Summary of shared service opportunities identified for SEMA municipalities

Report Contents

Considerations for Implementation

- Potential service delivery, cost apportionment and governance models provided with pros and cons

Critical path for implementation

- Proposed decision making models to implement identified opportunities

Sample shared service agreements

Municipal Services Summary

- Listing of services and service delivery method of SEMA municipalities

Considerations for Other Municipalities

- Critical analysis of sharing municipal services

Recommendations

The following seven opportunities were identified by KPMG for potential implementation by the SEMA group:

- Group purchasing
- Shared building inspection and bylaw enforcement
- Regional training
- Adopting a regional approach for the addition of municipal drainage personnel
- The potential creation of engineering/asset management capacity
- The establishment of a regional approach to equipment maintenance

Prioritization of Opportunities:

[Consultant suggested implementation framework]



Considerations for Other Municipalities

- The report identifies 2 service delivery models:
 - Direct delivery
 - Separate arrangement with a separate body
- The consultant proposed 5 cost apportionment models:
 - Utilization of service
 - Equal distribution of costs
 - Weighted assessment
 - Blended approach
 - Service specific
- The consultant also discussed possible governance models for shared service delivery:
 - SEMA
 - Global management board
 - Specific service management board

Considerations for Other Municipalities: Service Delivery Models

Direct Delivery

The report describes considerations including:

- Allows for municipalities to become a “centre of excellence”
- May distribute costs in a more equitable manner until the partners can agree upon a cost apportionment formula on a go forward basis. In essence, the model reflects a ‘user pay’ approach.
- Provides municipalities with the ability to forecast potential operating revenues and costs as part of their annual budget.
- If neighbouring municipalities do not purchase enough of the capacity, the host municipality may incur greater operating costs.
- An agreed upon review schedule of the agreement and the rates for service is recommended.

Considerations for Other Municipalities: Service Delivery Models

Separate Agreement with Separate Body

The consultant described considerations including:

- Board would be created with specific mandate to focus on shared services and inter-municipal relationships
- All municipalities have a vested interest in providing the service
- If the participating municipalities do not have reliable information to base cost apportionments on, there may be the need for a trial period which in turn may allow for a participant to “walk away” from the arrangement after one year and this may jeopardize the potential cost savings and operating efficiencies of the service.
- May create additional administrative work for the senior administration

Considerations for Other Municipalities: Cost Apportionment Models

Utilization

The report describes considerations including:

- An increased potential for more equitable distribution of costs among partners based upon either actual or estimated use of a service
- Provides municipalities with the ability to forecast potential operating costs as part of their annual budget process
- Arrangement may not address and distribute costs where the apportionment when one or more municipalities use the service more than their agreed upon percentage
- May create additional administrative work for the senior administration
- A review mechanism is recommended

Considerations for Other Municipalities: Cost Apportionment Models

Equal Distribution

The consultant described considerations including:

- All participants share equally in the costs of the providing the service
- Provides municipalities with the ability to forecast potential operating costs as part of their annual budget process
- May distribute costs equitably where the apportionment when one or more municipalities use the service more than their agreed upon percentage
- Recommended as a short term arrangement until usage levels are determined

Weighted Assessment

The report describes considerations including:

- Provides municipalities with the ability to forecast potential operating costs as part of their annual budget process
- May not truly reflect each municipality use of a service and therefore, may allocate costs in an unequitable manner
- Municipalities with higher assessment will assume a larger portion of the associated costs of a service but this may not reflect utilization

Considerations for Other Municipalities: Cost Apportionment Models

Blended Approach

The consultant described considerations including:

- Provides ability to forecast potential operating costs as part of annual budget process
- Takes into account any service related revenues
- Accounts for various factors across the participating municipalities
- May not truly reflect each municipality use of a service
- Potential to create additional administrative work for the senior administration
- Changes in any one of the factors could result in issues around cost allocation

Service Specific

The report described considerations including:

- Takes into account the value of the service instead of looking at the usage
- Provides ability to forecast potential operating costs as part of annual budget process
- May not reflect actual usage

Considerations for Other Municipalities: Governance Models

Sudbury East Municipal Association

The report describes considerations including:

- Previously established group with membership/representation from all four municipalities in Sudbury East with a terms of reference
- The association's objectives are typically more broad in nature
- Limits participation to municipal representatives on the association's board

Global Management Board

The consultant described considerations including:

- May provide for more opportunities for elected officials to participate
- Specific mandate to focus on shared services and inter-municipal relationship
- Dependent on the number of services/arrangements that the municipalities decide on, the board's workload may become overwhelming

Considerations for Other Municipalities: Governance Models

Single Service Board

The report describes considerations including:

- May provide more opportunities for elected officials to participate
- Specific service mandate to focus on and provide the opportunity to become more familiar with one service opposed to all
- Depending on service, boards could sit idle
- May create additional administrative work for the senior administration.

Considerations for Other Municipalities

Where to Start?

The consultant proposed two questions to ask, with considerations including the following:

1. Who is looking to share?
 - Proximity
 - Common Municipal Services
 - Trust, communication, mutual benefit and data collection

2. Why are you looking to share?
 - Reducing Operating Costs
 - Strategic approach to addressing infrastructure needs
 - Increasing Capacity

Considerations for Other Municipalities

Data Collection

The consultant suggested that the next question is what does the municipal service look like in each municipality?

Service	Service Standard	Method of Service Delivery	Financial Resources (Operating)		Personnel Associated with Service	Equipment Associated with Service
			Expenditures	Revenues		
	If there is an established standard	Own resources, contracted out, shared	Most recent financial information	Most recent financial information	# of municipal employees associated with delivery	If applicable
Example: Winter Road Maintenance	Provincial regulation	Own resources	\$500,000	Not applicable	5 operators	2 graders

Considerations for Other Municipalities

The Decision

The report suggests that in deciding whether to move forward with a shared arrangement, the following considerations may be relevant:

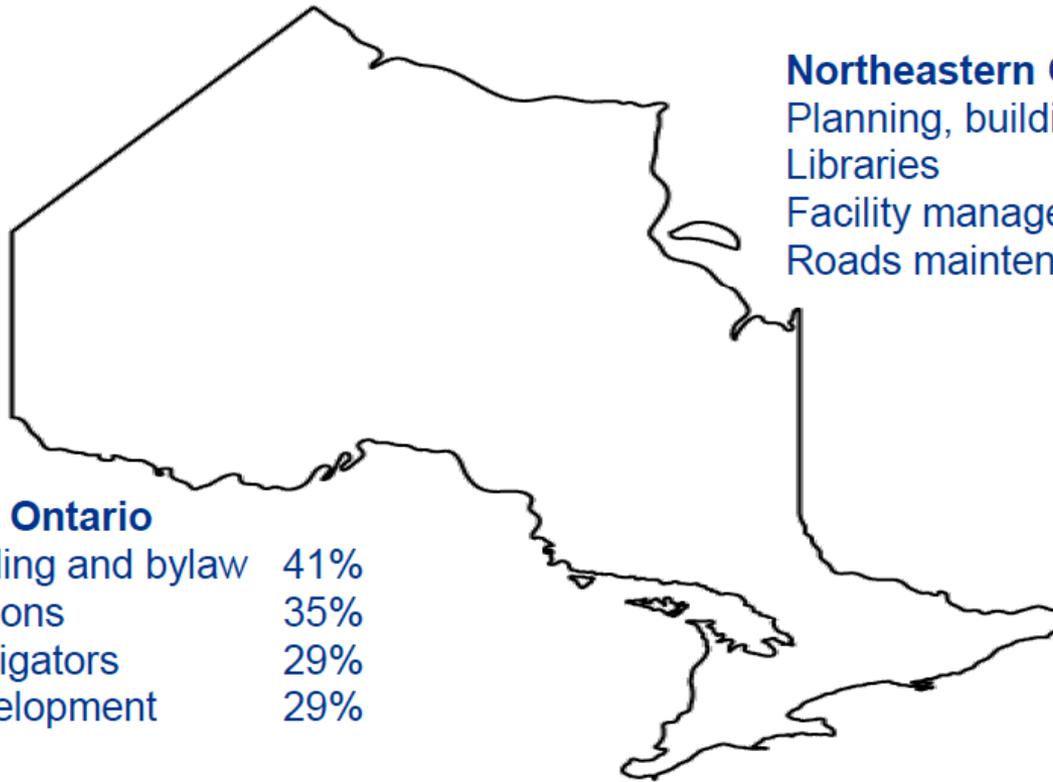
- Financial Benefit
- Ease of implementation
- Associated Time Frame
- Associated Risks / Barriers
- Consistency with Municipal Best Practices
- Other

Considerations for Other Municipalities Implementation

The consultant recommended that upon deciding to pursue the sharing of a municipal service, the following will need to be considered:

- Delivery method
- Cost apportionment
- Oversight and Management

The Northern Ontario Experience



Northwestern Ontario

Planning, building and bylaw	41%
Landfill operations	35%
Meeting investigators	29%
Economic development	29%

Northeastern Ontario

Planning, building and bylaw	45%
Libraries	40%
Facility management	38%
Roads maintenance	29%

Resource and Program Updates

Asset Management

Description

- Asset management planning allows infrastructure needs to be prioritized over wants. It helps ensure that investments are made at the right time to minimize future repair and rehabilitation costs and maintain municipal assets.

Status

- Municipalities requesting provincial infrastructure funding need to show how their proposed projects fit within a comprehensive asset management plan.
- The ministry has been partnering with the Municipal Finance Officers Association (MFOA) to support municipal asset management planning.
 - The MFOA has a program AMP IT UP to provide coaching to 95 municipalities with populations under 20,000.

What's Ahead

- A regulation that would improve and standardize municipal asset management plans, across the province is under development.

Proposed Asset Management Planning Regulation

Description

- The province is proposing a municipal asset management planning regulation that would:
 - Update the existing provincial framework for municipal asset management planning, and help translate plans into action.
 - Provide a degree of consistency to municipal asset management plans, while also providing appropriate flexibility.

Status

- Ontario Environmental and Regulatory Registries (EBR) Posting for comment closed late July 2017.

What's Ahead

- Spring 2017: Registry postings and work on complimentary supports
- Winter 2018: Proposed regulation would be finalized
- 2019 – 2022: Compliance would be gradually phased in

Funding Program Updates

Ontario Municipal Partnership Fund Reporting Requirements

Description

- The Ontario Municipal Partnership Fund (OMPF) is the Province's main transfer payment to municipalities. In 2017 alone, municipalities will benefit from more than \$4 billion in ongoing support through the OMPF, provincial uploads, and other provincial initiatives — an increase of \$2.9 billion from the level provided in 2003.

What you should know

- Payments for municipalities that do not meet reporting obligations will be subject to holdback until documents have been filed. Submit the following documents as follows:
- 2016 Financial Information Return (FIR) by May 31, 2017; and
- 2017 tax rate by-laws by September 30, 2017 (to MSO unless you upload them in OPTA).
- Please note if these items are not filed your municipality may not be eligible for some funding programs.
- If you require additional information regarding the OMPF, you may e-mail your inquiries and contact information to: info.ompf@ontario.ca

Municipal GHG Challenge Fund

Description

- The new Municipal GHG Challenge Fund is a program funded by the proceeds from Ontario's carbon market that aims to support community-led action on climate change.
- The competitive application-based program will fund up to 100% of the eligible costs for greenhouse gas emissions reduction projects proposed by municipalities.
- Municipalities may request up to **\$10 million per project**.

What you should know

- Deadline to apply is November 14, 2017.
- Additional Information: Municipal GHG Challenge Fund Program Guide --
http://www.grants.gov.on.ca/prodconsum/groups/grants_web_contents/documents/grants_web_contents/prdr017561.pdf

Connecting Links

Description

- Through the Connecting Links program, Ontario is helping municipalities repair their roadways and bridges that connect two ends of a provincial highway through a community or to a border crossing.
- The program will provide \$20 million in 2016-17, \$25 million in 2017-18 and \$30 million in 2018-19 and the following years for the construction and repair of roads and bridges.
- Funding will be provided for up to 90 percent of total eligible project costs. The maximum amount of funding for eligible costs is \$3 million per project. Funding is provided for the design, construction, renewal, rehabilitation and replacement of connecting link infrastructure. Funding for selected connecting links projects will begin in spring 2017.

What you should know

- Applications for the next intake of the Connecting Links Program will open in summer 2017.
- To apply and for additional information, please refer to the Program Guide and Application Form at: <http://www.mto.gov.on.ca/english/highway-bridges/connecting-links.shtml>

Rural Economic Development Program

Description

- Ontario's Rural Economic Development (RED) program helps rural communities remove barriers to community economic development.
- With the support of the program, rural communities are better positioned to attract investment, create jobs, enhance economic growth and make everyday life easier for rural Ontarians.

What you should know

- Applications will be accepted from July 31 through September 29, 2017.
- Applicants are required to read the guidelines at <http://www.omaf.gov.on.ca/english/rural/ruralfunding/index.html> before completing an application form.
- For more information please contact the Agricultural Information Contact Centre by phone at 1-877-424-1300 or by email at RED@ontario.ca.

UPCOMING EVENTS AND TRAINING

2017 Northern Treasurer's Forum

Agenda We are working on some exciting topics for you which were distributed in the summer. Please mark your calendars with the date of this event as you don't want to miss out on important finance updates and training. We will again include opportunities for interactive group discussions to share finance related leading practices and ideas using municipal data.

Date: **October 19 & 20, 2017**

Location: **Lexington Hotel, 50 Brady Street, Sudbury**



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