

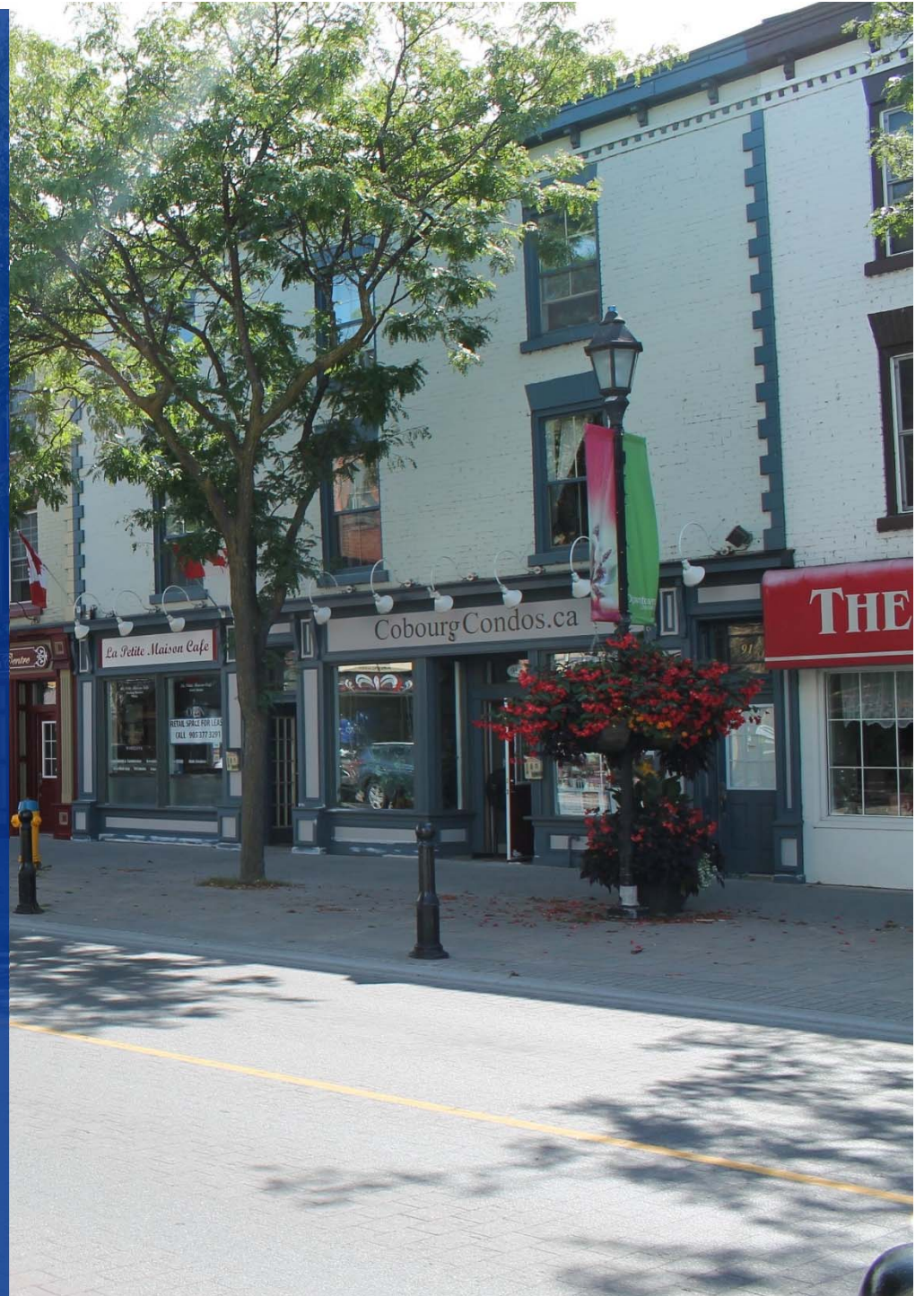


Town of Cobourg

Service Delivery Review

Key Findings, Outcomes
and Next Steps

October 26, 2020



Presentation Agenda

1. Introduction
2. Key Themes
3. Opportunities for Consideration
4. Next Steps

Introduction

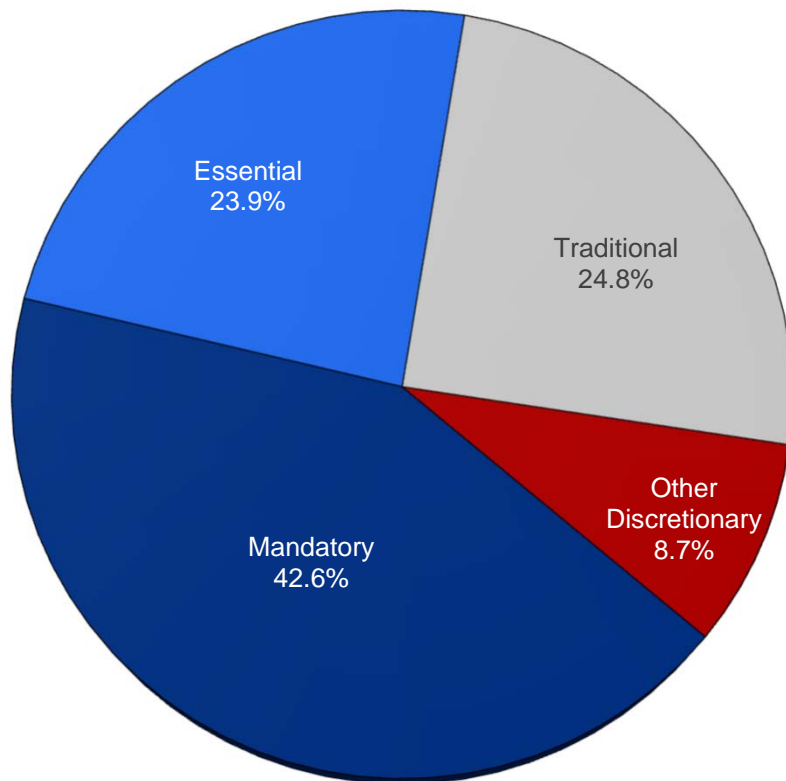
- The Town's service delivery review commenced in April 2020 with the objective of:
 - Providing an avenue to better understand the services provided by the Town
 - Support strategies that will sustain efficiencies and value-for-money
- The specific deliverables for the review include:
 - Inventory of municipal services
 - Benchmarking and performance indicators
 - Community perspectives on the Town and its operations
 - Opportunities for efficiencies
 - Framework for opportunity implementation

Key Findings

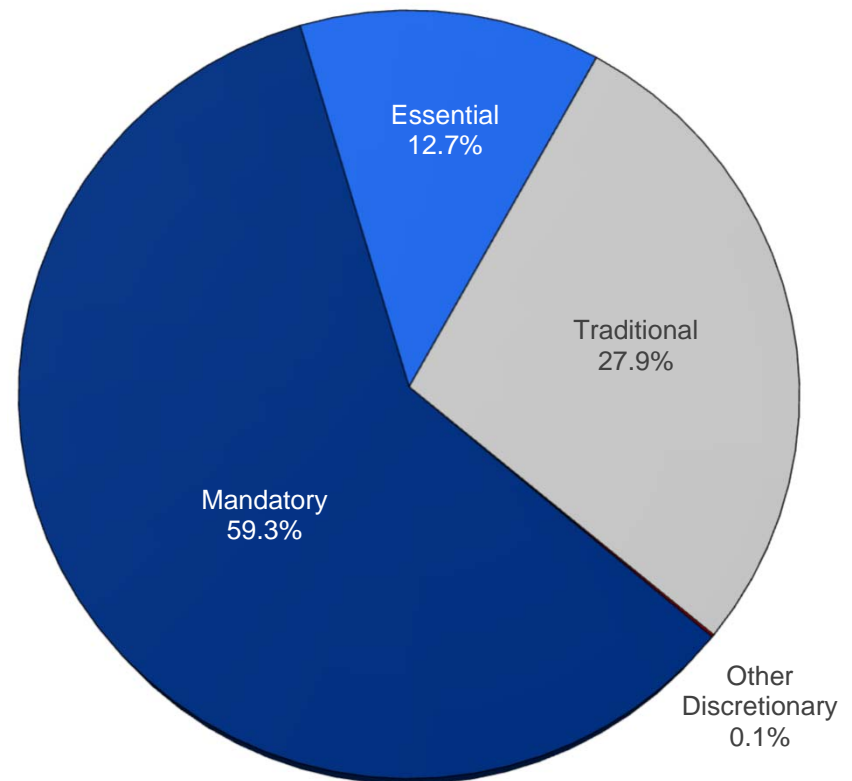
1. Opportunities for cost reductions exist but will entail reductions in services and service levels

Operating Costs and Levy by Basis of Delivery

Operating Expenditures by Basis of Delivery



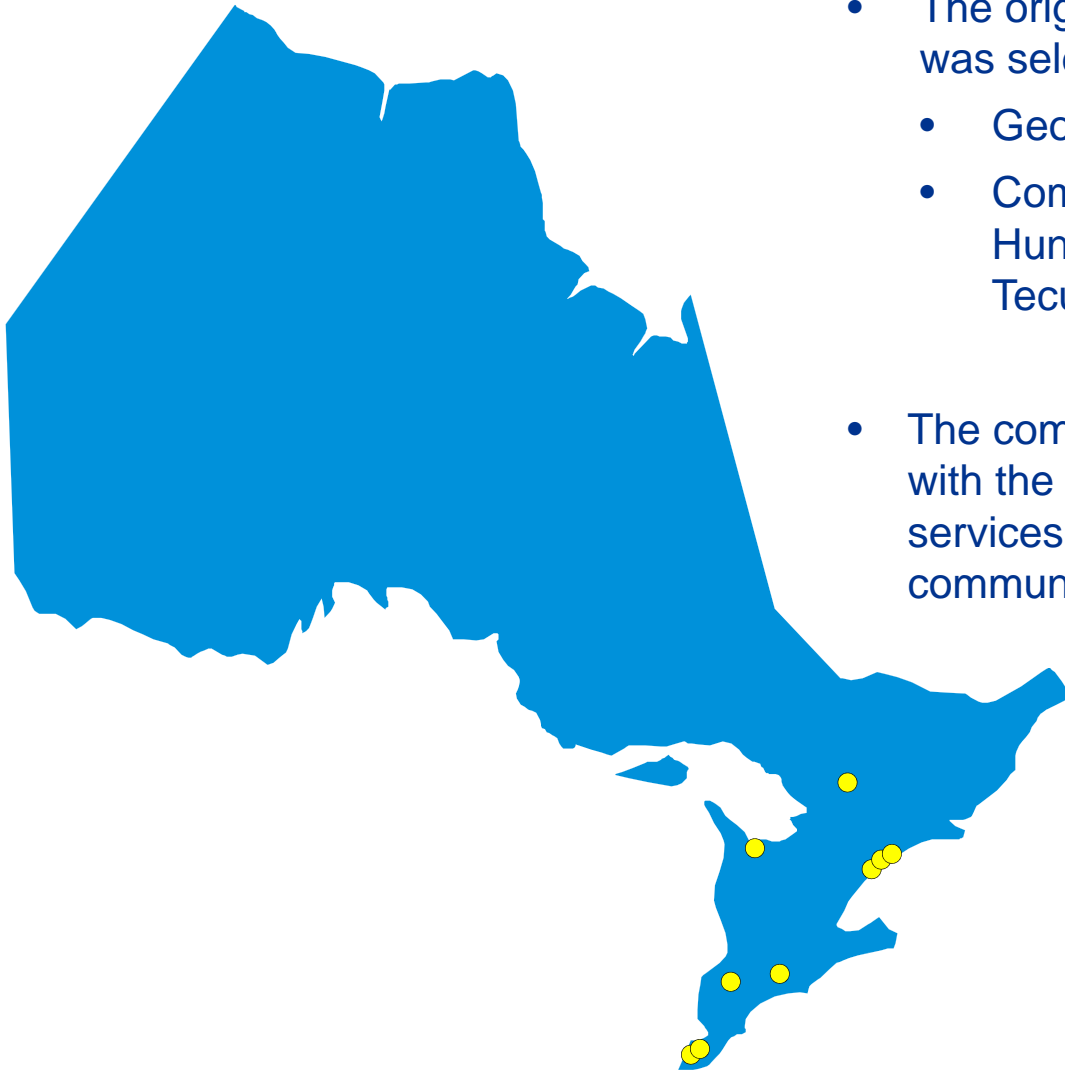
Municipal Levy by Basis of Delivery



Key Findings

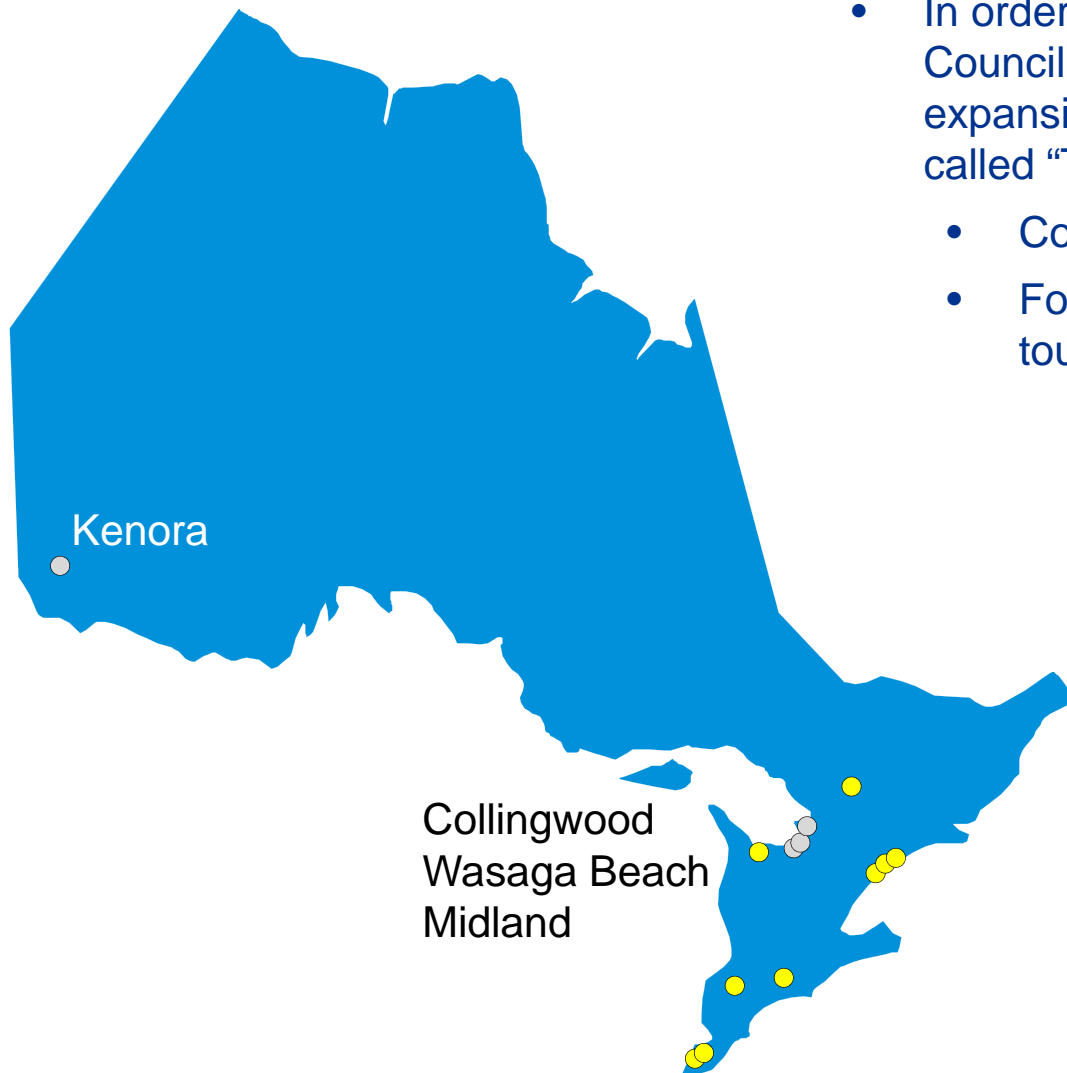
1. Opportunities for cost reductions exist but will entail reductions in services and service levels
2. Differences in service levels appear to be the primary drivers of variances in financial and staffing indicators

Comparative Analysis



- The original group of comparator municipalities was selected based on two considerations:
 - Geographic proximity (Brighton, Port Hope)
 - Comparable number of households (Essex, Huntsville, Owen Sound, Strathroy-Caradoc, Tecumseh, Tillsonburg)
- The comparative analysis yielded mixed results, with the Town having lower costs for corporate services and public works and higher costs for community-focused services

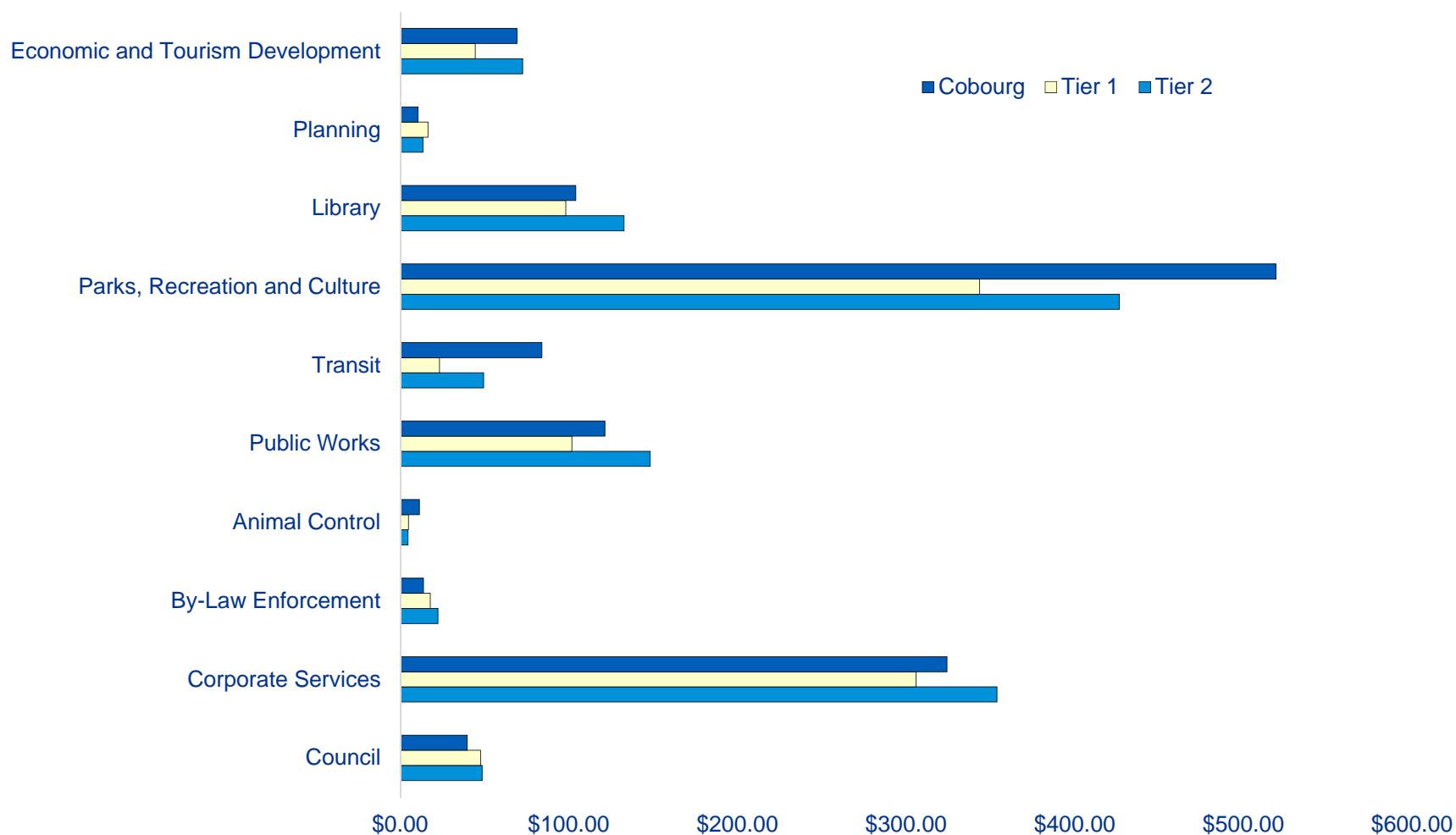
Comparative Analysis



- In order to provide a relevant analysis for Council's consideration, KPMG requested an expansion of the comparator group to include so-called "Tier 2" municipalities
 - Comparable size
 - Focus on tourism, particularly waterfront tourism

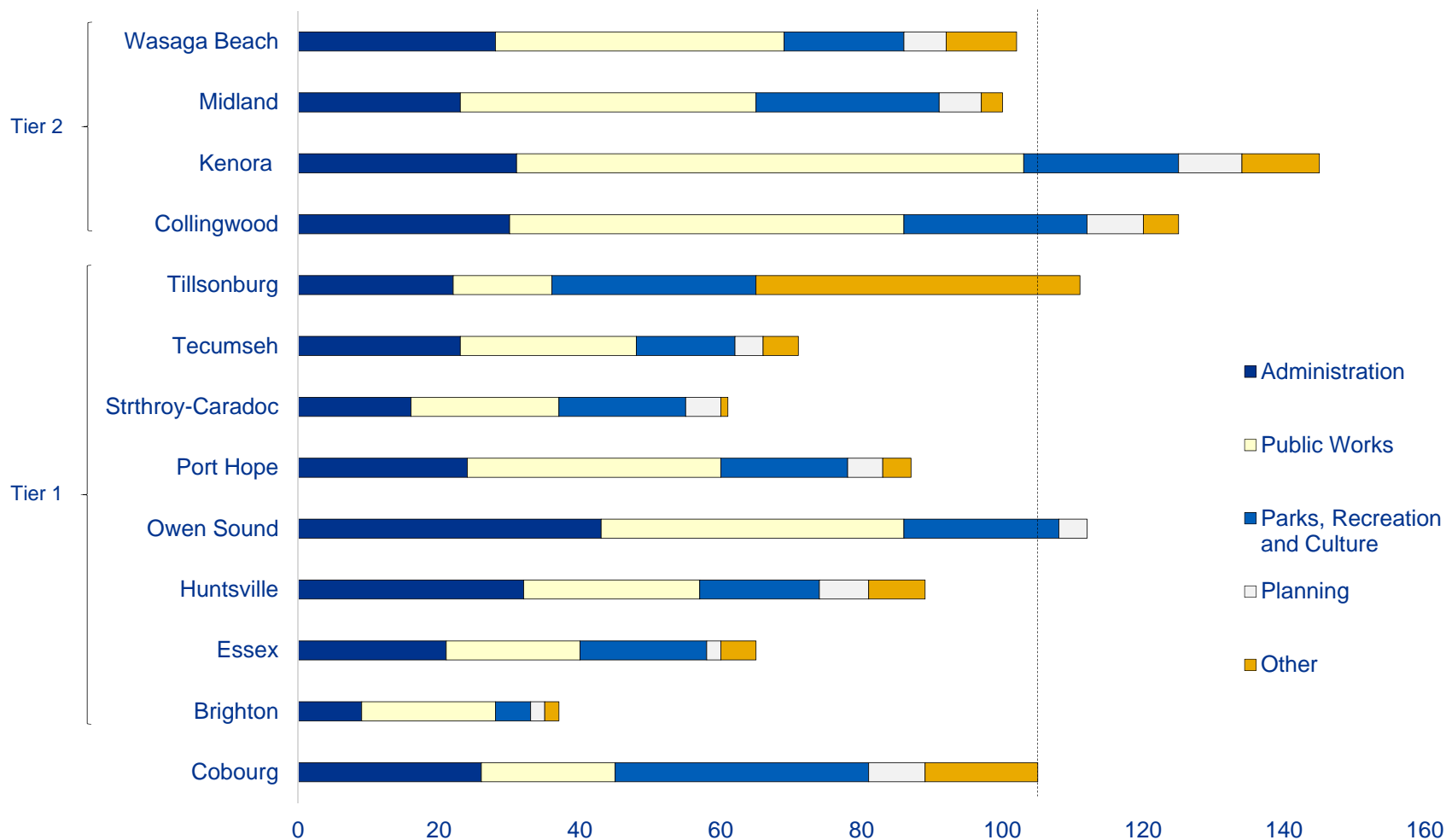
Comparative Analysis

Municipal Levy Requirement (Per Household Excluding Public Works + Planning)



Comparative Analysis

Reported Full-Time Staffing by Functional Activity



Key Findings

1. Opportunities for cost reductions exist but will entail reductions in services and service levels
2. Differences in service levels appear to be the primary drivers of variances in financial and staffing indicators
3. Corporate-level financial indicators are generally positive when compared to other municipalities, although the Town's financial reserves are towards the lower end of the range

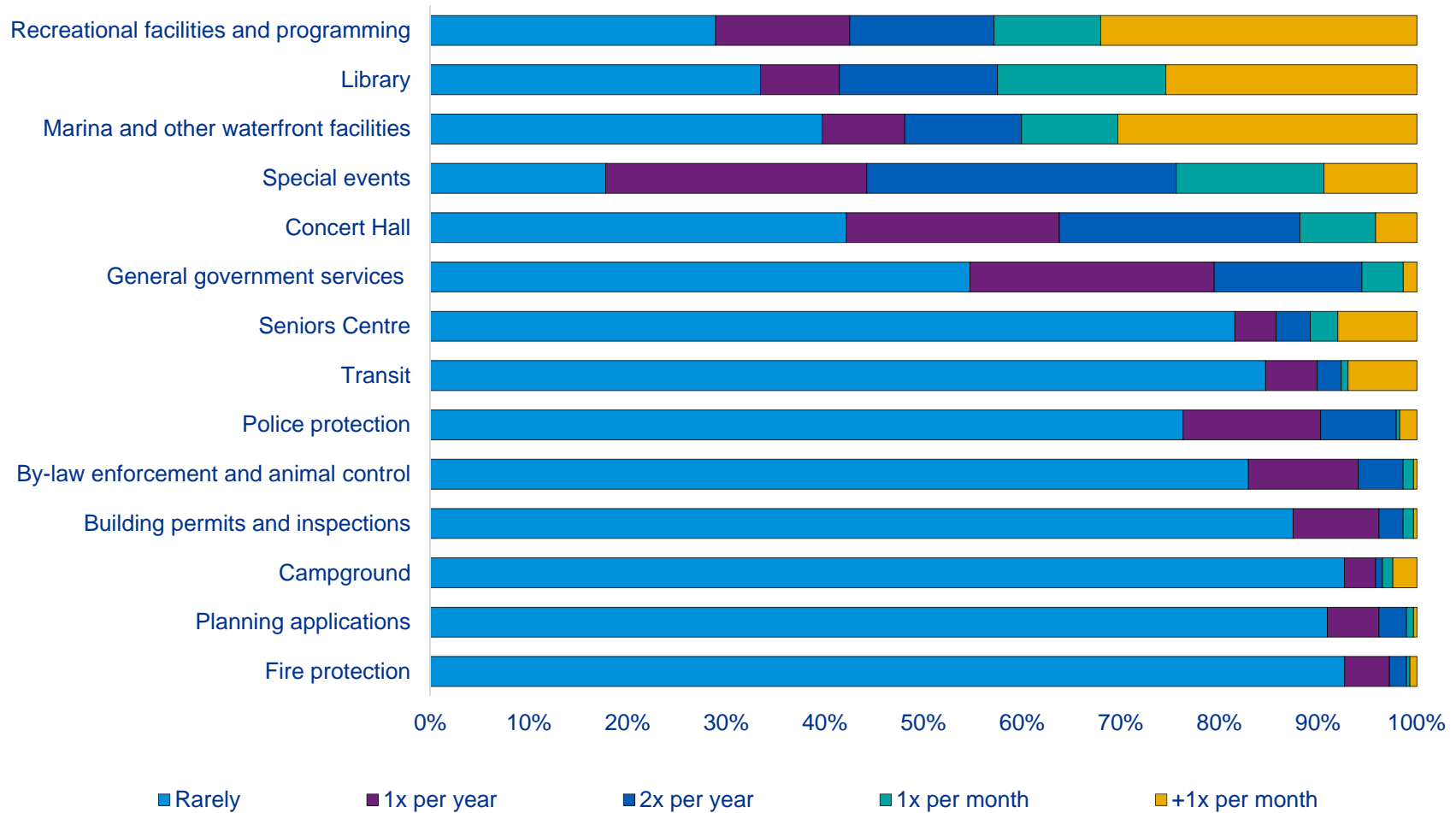
Corporate Indicators

Indicator	Rank (Highest to Lowest)
Financial assets to financial liabilities	10 th
Reserves and reserve funds per household	12 th
Capital additions as a percentage of amortization expense	7 th
Residential taxes per household – lower tier only	4 th
Residential taxes per household – lower tier, upper tier and education	4 th
Long-term debt per household	10 th
Residential taxes as a percentage of household income – lower tier only	4 th
Residential taxes as a percentage of household income – lower tier, upper tier and education	3 rd
Net book value of TCA as a percentage of historical cost	6 th

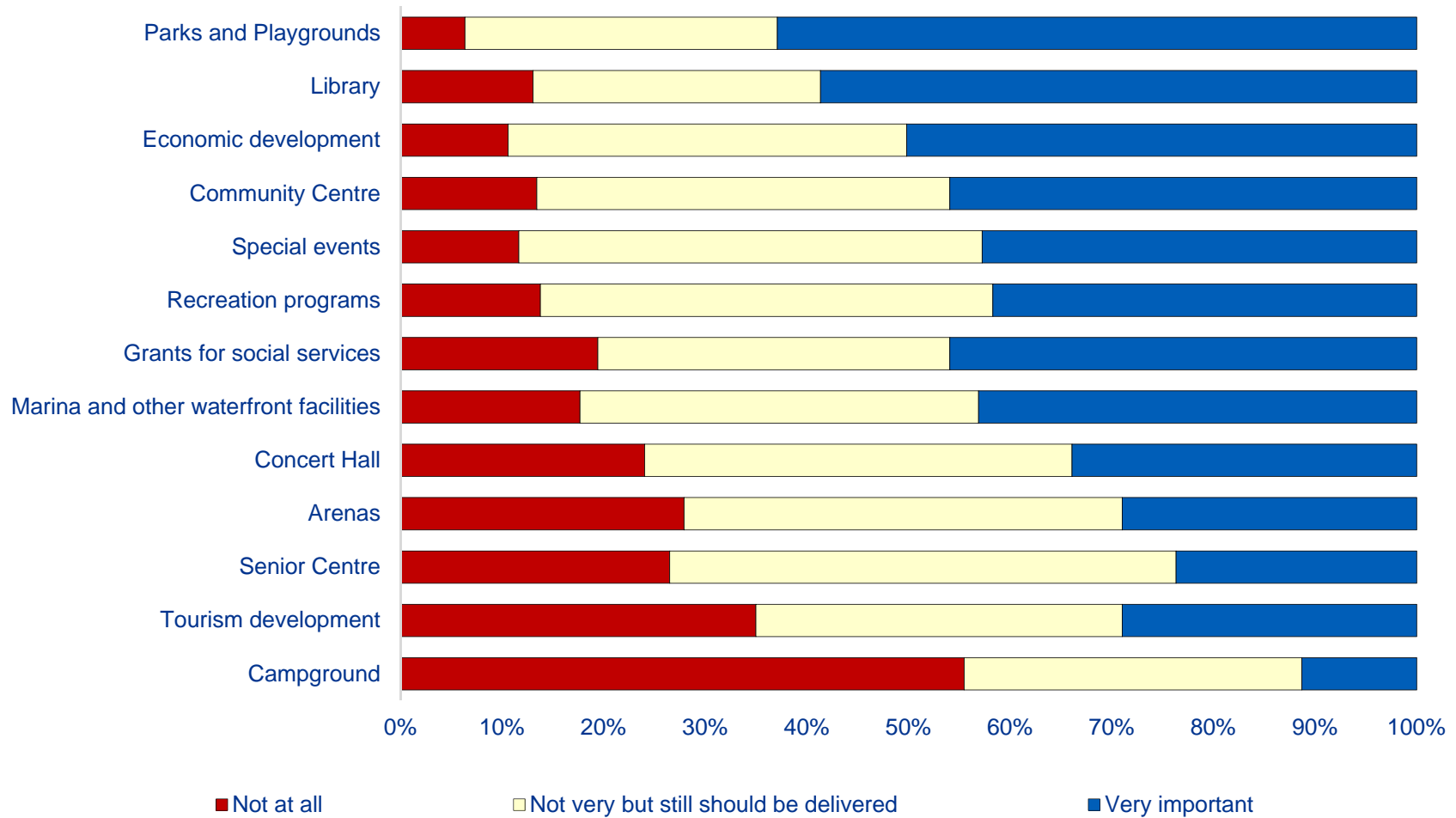
Key Findings

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4. Community services appear to be the most frequently used and are among the most important services for residents

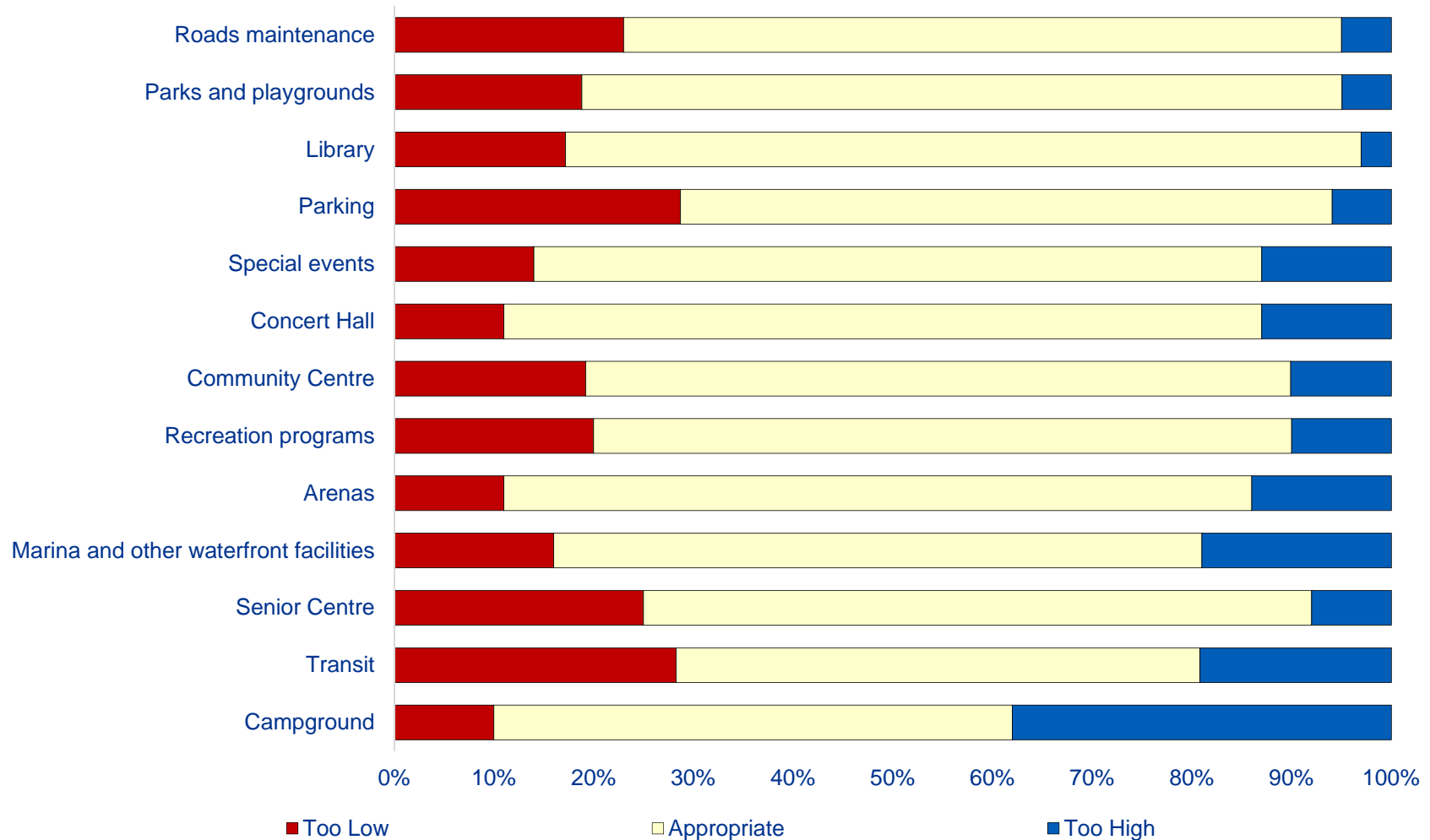
How Often Would You Typically Use The Town Services?



How Important Are Town Services To You?



Do You Believe The Level Of Service Provided Is Appropriate?



Key Findings

1. Opportunities for cost reductions exist but will entail reductions in services and service levels
2. Differences in service levels appear to be the primary drivers of variances in financial and staffing indicators
3. Corporate-level financial indicators are generally positive when compared to other municipalities, although the Town's financial reserves are towards the lower end of the range
4. Community services appear to be the most frequently used and are among the most important services for residents
5. The fundamental question is whether the Town wishes to continue with its investment in recreational and cultural programs that support both quality of life for Cobourg residents and the community's position as a tourism destination

Opportunities for Consideration

Service Level Reductions

- Recreational and cultural programming
- Transit

Alternate Service Delivery

- Animal control
- Business attraction (economic development)

User Fee Increases

- Planning
- Marina
- Stormwater management
- Parking
- Changes to user fee by-law wording

Operating Efficiencies

- Reduce paper usage and manual processes
- Enhance customer access
- Streamline financial processes
- Delegate approval to staff as appropriate
- Centralize procurement
- Integrate systems

Enhanced Performance Management

- Implement key performance indicators in order to enhance monitoring of Town performance
- Develop an enterprise risk management strategy

Next Steps

- Draft report submitted to Province November 13
- Presentation of final report to Council November 16
- Staff report on implementation strategy January 25
- Staff report on implementation progress Quarterly



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