



The Corporation of the Town of Tecumseh

Chief Administrative Officer

To: Mayor and Members of Council

From: Margaret Misek-Evans, Chief Administrative Officer

Date to Council: March 9, 2021

Report Number: CAO-2021-05

Subject: Municipal Modernization Program – Intake 2

Recommendations

That Report CAO-2021-05 Municipal Modernization Program – Intake 2 **be received;**

And that Administration **be authorized** to make a submission to the Review Stream for funding to support three projects: investigating shared economic development opportunities and shared services with Lakeshore; the creation of a Digital Strategy and Business Continuity Plan for adoption; and, business process optimization for the Town's payroll process.

And further that the Mayor and Clerk **be authorized to execute** the transfer payment agreement with the Provincial government should the Town be successful in their application.

Background

In March 2019, the Government of Ontario announced Municipal Modernization funding allocations, which were a one time set funding amount to support municipalities in their efforts to become more efficient and reduce expenditure growth over the long term. The Town received a payment of \$620,201 as an unconditional investment to help modernize service delivery and reduce future costs.

On August 13, 2019, Town Administration reported to Council on the projects it planned to use the funds for in CAO-2019-05 Municipal Modernization Fund Allocation. As of December 2020, all funds had either been spent or earmarked for 19 projects, which is a requirement for eligibility for Municipal Modernization Program (MMP) Intake-2 funds.

At the 2021 Rural Municipalities of Ontario Conference, the Province announced a second intake for the Municipal Modernization Program. The funding will be awarded under two

streams: Review and Implementation. Review stream projects in Intake-2 are similar to those funded under the first MMP intake; these projects are funded by the Province. Implementation stream projects are geared to implementing cost saving projects whereby a commitment to annual savings and other efficiency and effectiveness outcomes are made for at least three years after project completion. Implementation projects are funded in part by the Province, with a sliding scale applied depending on the number of households in a municipality.

The review stream investigates opportunities to modernize service delivery processes with the objective of finding savings and efficiencies. These initiatives are to be undertaken by a third party reviewer and result in a public report posted to the municipality's website. This is the project type under which the Town recently conducted its Human Resources Service Delivery Review. Priority projects for Intake-2 include those done jointly with other municipalities and/or projects focussing on:

- Digital modernization
- Service integration
- Streamlined development approvals
- Shared services/alternative service delivery models

The Town may apply for multiple projects in the same application. Deadline to submit an application to the program is March 15, 2021. A Council resolution in support of the application is required.

Comments

Administration has considered the parameters for MMP Intake-2 and are preparing to apply for the following review stream projects:

- investigating shared economic development opportunities and shared services with Lakeshore;
- the creation of a Digital Strategy and Business Continuity Plan for adoption; and,
- business process optimization for the Town's payroll process.

Inter-Municipal Economic Development Opportunities

The Municipality of Lakeshore hosted a meeting with the Town of Tecumseh in December, 2019. During the meeting of the two Councils, several topics of mutual interest were discussed, including topics related to economic development. Both Councils subsequently struck the Lakeshore-Tecumseh Inter-Municipal Committee (IMC), with two members from each Council and Senior Administration from each municipality meeting periodically to discuss items of mutual interest and potential synergy. The IMC has discussed matters of mutual interest that are related to local economic development.

For example, the Municipality of Lakeshore may wish to work with the Town of Tecumseh on opportunities for marketing and promotion of businesses in the shared Manning Road/Amy Croft Drive commercial corridor as well as potential for a Business Improvement Area partnership of some form for businesses in this area. There has also been discussion regarding transit opportunities and coordinating policies for business promotion like the portable sign by-law.

Discussions between the Lakeshore and Tecumseh Chief Administrative Officers on potential to collaborate on MMP Intake-2 projects led to the concept of investigating shared opportunities in economic development between the two municipalities. The work would involve exploring projects or functions where the two municipalities could cooperate or even jointly deliver economic development services where interests overlap, and particularly in the Manning Road/Amy Croft area. It is timely to implement this initiative in light of the devastating effects of the pandemic on small business in both communities. The results will first be shared with the IMC for discussion before reporting out to both Councils.

The funding application would involve use of a third party consultant to the Town, using Lakeshore's Economic Development Officer in that capacity, if the funding program permits. The project would be framed as a shared services/alternative service delivery model.

Digital Strategy and Business Continuity Plan

As residents and businesses increasingly turn to the internet for information and take advantage of convenient self-serve options, the Town continues to explore and implement various opportunities to offer our services electronically. With the expansion of these online platforms, there is currently no Digital Strategy for the Town that maps out when and how new services will be offered in the future. By engaging stakeholders such as Council, staff, residents and the business community, a Digital Strategy will examine the use of technology as related to customer service. This study would examine the following:

- Offering convenient, efficient digital services for residents and businesses, which include self-serve options and opportunities for engagement with the town.
- Providing modern tools to enable staff to simplify and automate processes and improve collaboration and efficiency.
- Investing in mobile technology for field and remote working opportunities and in training and tools to leverage data and analytics for smarter decision-making

The benefit of a Digital Strategy would be the adoption of a plan that identifies a future roadmap and includes the vision and goals of the Town. The plan would identify achievable multi-year goals and objectives that integrate various technology aspirations, projects and opportunities.

A Business Continuity Plan (BCP) contains a system of procedures for an organization that details how to restore critical business functions in the event of an unplanned disaster. These disasters could include such things as natural disasters, security breaches, service outages, or other potential threats. The three components of a BCP include planning and prevention

(resolve phase), disaster response (respond phase), and return to normal (rebuild phase). The Town requires assistance from a specialized consultant to prepare a BCP and to review the following within the organization: risk assessment, business impact analysis, business continuity plan and development strategy, communication, and plan development and maintenance. The formalization of this plan will assist every department in continuing to offer services in a timely manner during an unforeseen disruption.

Business Process Optimization

The Town currently processes payroll in-house through our Vadim Payroll module. Our payroll process includes many manual exercises, including the completion of physical timesheets, timesheet data input into excel and once again into Vadim, manual input of payroll data into excel spreadsheets for budget variance analysis, vacation, sick, lieu and overtime tracking and manual year-end reconciliation exercises.

The many manual exercises are due in part to two primary factors. One is the complexity of our current system, which includes multiple unions, volunteers, part-time staff and several different payment cycles. The second factor is limitations with our current payroll software, which does not have a suitable electronic time and attendance feature and has limited reporting capabilities partly due to the complexity of our payroll structure.

As the Town has continued to grow, we have reached a point where the inefficiency of our current payroll system has placed undue pressure on our staff to complete important payroll processes in a timely fashion.

The MMP Intake 2 program provides an opportunity for the Town to engage experts in the field to review our current operations and identify opportunities for efficiency improvements, which will include enhanced use of technology to modernize and streamline our payroll process.

Consultations

Financial Services
Information & Communication Services
Manager of Strategic Initiatives
Municipality of Lakeshore Chief Administrative Officer
Municipality of Lakeshore Economic Development Officer

Financial Implications

As all of the initiatives proposed in this report fall into the review stream of the MMP Intake-2, it is anticipated that Provincial funding will cover external costs, as was the case with the Human Resources Service Delivery Review in 2020. The Town's contribution would largely be in-kind through staff time and any related internal expenses covered by the Council-approved operating budget.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

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Manager Strategic Initiatives

Reviewed by:

Shaun Fuerth, BCS
Director Information & Communication Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None