



Report to: General Committee

Meeting Date: June 11, 2019

SUBJECT: Province of Ontario Audit and Accountability Fund
PREPARED BY: Joel Lustig, Treasurer ext. 4715

RECOMMENDATION:

- 1) That the report dated June 11, 2019 entitled “Province of Ontario Audit and Accountability Fund” be received; and,
- 2) That staff be directed to apply for funding from the Provincial Audit and Accountability Fund for service delivery and modernization opportunity reviews;
 - a) Development process related to the Building, Engineering, and Planning departments
 - b) New parks delivery and parks maintenance processes; and further,
- 3) That staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

Not applicable

PURPOSE:

The purpose of the report is to obtain Council approval to apply for funding from the Provincial Audit and Accountability Fund.

BACKGROUND:

On May 21st the Province of Ontario (Province) announced the creation of a \$7.35 million Provincial Audit and Accountability Fund to help large municipalities become more efficient and modernize service delivery, while protecting front line jobs.

Eligible municipalities can apply individually or collectively, with other eligible municipalities, to undertake independent third-party reviews.

Fund Criteria

The following are the three eligibility criteria for the program:

1. Review municipal service delivery expenditures to find efficiencies. The review project could take a number of forms including:
 - A line-by-line review of the municipality’s entire budget
 - A review of service delivery and modernization opportunities
 - A review of administrative processes to reduce costs
2. Result in a final report by the independent third-party reviewer that provides specific and actionable recommendations for cost savings and improved efficiencies.

3. Be completed by November 30, 2019. Municipal applicants will be required to publicly post the independent third-party report that outlines the analysis, findings and actionable recommendations by November 30, 2019.

Funded Costs

Only third-party service provider fees will be eligible. Municipal administrative costs, such as staff time, are not eligible.

The program will not cover review projects where:

- The object of the review project is to identify opportunities for revenue generation or reductions in front line services.
- The review does not result in a formal report prepared by a third party.
- The object of the review extends beyond municipal accountability.

The Province expects that most review projects will be less than \$250,000; however projects will be reviewed on a case-by-case basis and funding amounts may depend on the available appropriation. Municipalities can submit more than one audit for consideration.

Application Process

The following are the application key milestone dates and actions:

June 14, 2019 - confirm municipality's intention to apply for funding to the Province

June 30, 2019 - complete the Audit and Accountability Fund Expression of Interest form along with:

- an outline of the project costs and timelines
- draft procurement documents
- project charters
- workplans, or other similar documents detailing the proposed project.
- Council resolution in support of the project (if passed)

(Note: a resolution of council is not a requirement for the program.)

Summer 2019 – Transfer Payment Agreement executed

November 30, 2019 – Final audit report submitted to the Province



OPTIONS/ DISCUSSION:

Staff identified four potential service delivery and modernization opportunities that could be submitted to the Province for funding:

- 1) Development review process related to the Building, Engineering & Planning departments
- 2) New parks delivery and parks maintenance processes
- 3) Recreation processes
- 4) By-law processes

Staff recommend the City submit an expression of interest to the Province for a service delivery and modernization opportunity review for items one and two above in priority order.

FINANCIAL CONSIDERATIONS

It is expected that audit will be fully funded by the Provincial Audit and Accountability Fund.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Development Services Commission, Community and Fire Services Commission, and Corporate Services Commission

RECOMMENDED BY:

Trinela Cane
Commissioner Corporate Services

ATTACHMENTS:

- Letter dated May 22, 2019 from Steve Clark introducing the audit opportunity
- Letter from Premier Doug Ford discussing the Audit and Accountability Fund
- Letter from Deputy Minister Laurie LeBlanc received on May 29, 2019 with fund guidelines & Expression of Interest form:
 - Audit and Accountability Fund guidelines
 - Audit and Accountability Expression of Interest form