



*cutting through complexity*

# City of Vernon Core Services Review

Materials to Inform  
Suggested Opportunities Workshop

January 28, 2013

**Draft for Discussion**



# Contents

This document outlines suggested opportunities that may achieve potential cost reductions or potential revenue increases for the City of Vernon and the results of preliminary evaluation of those suggested opportunities. The results of the preliminary evaluation are presented here to invite comment, suggestions and additional information to assist the City of Vernon Council (Council) in making decisions on suggested opportunities. Comments and information coming from the consultative process will be considered in developing the options for Council's consideration to be presented to Council after March 31, 2013. Actual savings will be based on future events and Council decisions and will vary from these estimates. These variances may be material.

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# Purpose of This Document

## Background

In 2012, the City of Vernon (City) contracted KPMG LLP (KPMG) through a competitive bid process to review the City's operations and service delivery to identify cost-saving opportunities and areas for potential improvements. The City sees periodic Core Services Reviews as a necessary and positive means to check, confirm and review the range of services to be delivered by the City and recommendations to prioritize those services. The City considers Core Services Reviews as one method to ensure what is delivered is of the highest value to the community, to shed lower value services, to apply best modern practices to cost effective delivery, and to direct valuable, limited resources to the delivery of community valued programs and services. The Core Services Review project commenced on October 10, 2012 and is being conducted in four phases with a draft final report to be delivered by March 31, 2013.

## Intent of this Document

This document was prepared during phase three of the Core Services Review and contains suggested opportunities for change that have been collated during phases one to three of the project. The intent of this document is to inform discussions with Council, City senior management and the community on the validity of the suggested opportunities for cost-savings and other potential improvements.

## Source of Suggested Opportunities and Preliminary Evaluation

Opportunities were suggested via a number of sources that include interviews with Council, discussions with City senior management, emails received by KPMG from the community, and analysis conducted by KPMG. The suggested opportunities contained in this document have been preliminarily evaluated against assessment criteria approved by Council in phase one of the project. Based on the preliminary evaluation, each suggested opportunity has been assigned to a priority category. The preliminary evaluation was conducted based on information provided by the City and available on comparable jurisdictions. No opinion is expressed with respect to the validity of data underlying suggested opportunities. The information contained in this document does not constitute an audit of the City's services and underlying sub-services, organization and governance structure, user fees or other revenue. Accordingly, KPMG does not express an opinion on such matters. Any implicit or explicit comments presented in this document that indicate potential options and opportunities for change should not be construed as recommendations by KPMG. They are included solely for the purpose of discussions during the Core Services Review project that will subsequently serve to inform decision making by Council. No one should act on such information without conducting additional analysis. Council is responsible for decisions to implement any suggested opportunities and for considering their impact. Implementation of suggested opportunities will require the City to plan and test any changes to help make certain that the City will realize any intended outcome.

## Discussions on Suggested Opportunities

During phase two of the project, service profiles were created to present key information on the services that the City of Vernon currently provides. These service profiles were consolidated into five Service Profile Summary documents, and posted on the City website. During phase three of the project, the City is seeking input from the community on current services through a public workshop on January 29, 2013. Input could include suggestions of additional opportunities for cost reduction, areas where current service levels could be reduced or are already too low, or any other suggestions to improve the efficiency and effectiveness of City services. It is suggested that City staff and members of the community, including those representing any specific stakeholder groups, read the information contained in the Service Profile Summary documents before attending the workshop. Written comments/suggestions will also be welcome, either presented at the meeting, or submitted to the project email address [covscr@kpmg.ca](mailto:covscr@kpmg.ca)

- Review service profiles
- Identify opportunities for:

Type of Change	Description
Service Change	Divesting, transferring, eliminating, or significantly altering the service
Service Level	Adjust service levels to standards, as well as adjust standards, if/when they are not legislatively set
Insource / Outsource	Outsource, in-source, or change a procurement approach for the service
Structure and Staffing	Adjust staffing levels and structure to deliver a service efficiently
Re-engineering	Improve efficiencies through redesigning business processes, tools, and key enablers
Increase Revenues	Adjust or add user fees, subsidies and/or grants

- Gain deeper understanding of services, their importance to residents and a sense of priority for suggested opportunities

# Preliminary Evaluation of Suggested Opportunities

Opportunities suggested by Council, senior management, community, and KPMG are grouped by program and by service.

**Suggested Opportunity**  
Narrative describing the potential opportunity for change related to expense reduction, revenue diversification or operational efficiency. These opportunities have been suggested via a number of sources throughout the Core Services Review project.

**Assessment Criteria**  
The criteria used to evaluate each opportunity. The assessment was conducted by KPMG based on information provided by the City and research of comparable jurisdictions. Refer to subsequent pages for a definition and description of each criteria.

**Prioritization**  
Suggested priority categories used to group the opportunities for implementation. At this stage most opportunities are for “further study”, including consideration of input to the process. Refer to subsequent pages for descriptions of the priority categories.

**Assessment Comments**  
Commentary or rationale that supports the assessment and priority given to each opportunity.

Opp ID	Suggested Opportunity	Opportunity Category	Assessment Criteria								Implementation Category	Comments	
			One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefit			
169	Reduce number of RCMP Officers Serving Vernon	Change Service Level	None	High						Low	Short	A	Recent budget discussions have approved a budget lower than the current level of service requiring some staff reductions.
65	Automated license recognition system	Re-Engineer	Costs	High		Low		CSI	Low	Med	5		Improves detection and enforcement with lower manpower

**See appendix A to see how the assessment criteria have been (or will be) scored**

- Open and frank discussion
- Listen actively, respect others point of view, give everyone a turn
- Turn off cell phones
- Notes will be taken during table discussion
- Comments will not be attributed to individuals
- The goal of the workshop is not necessarily to agree -- it is to gain a deeper understanding of services and identify opportunities
- We will not be deciding which opportunities are good ideas and which are not today – that comes later

1. Review and distill notes from the workshop
2. Add ideas to the opportunities list
3. Evaluate and group opportunities
4. Prepare draft Final Report

- Five Service Profile Summary documents containing 26 services currently provided by the City of Vernon were developed and posted on the City's website on January 16, 2013.
  - Transportation and Infrastructure
  - Emergency, Enforcement, and Community Safety
  - Planning and Development
  - Parks, Recreation, and Culture
  - Governance and Support Services



## Suggested Opportunities

## Program: Transportation and Infrastructure (1 of 6)

Service	Subservice	2012 Budget (\$000s)
Operations General	Management and Administration	77
Engineering	Engineering	
	Capital Program	
	Development Management	1,441
	Policy Development incl Bylaws and Infrastructure Standards	
Water and Sewer	Water Operations General	4,110
	Sewer Operations General	706
	Fiscal Services	8,182
	Lift Stations	400
	Sanitary System Collection and Disposal	1,569
	Spray Irrigation	1,426
	VWRC (Treatment)	3,390
	Storm System	1,243

## Program: Transportation and Infrastructure (2 of 6)

Service	Subservice	2012 Budget (\$000s)
Public Works	Public Works General	264
	Boulevards	311
	Paved Streets	7,625
	Sidewalks	488
	Roads	526
	Signalized Intersections	526
	Street Lights	570
	Traffic Signage	144
	Unpaved Streets	85
Airport	Airport	907
Transit	Public Transit Conventional	3,091
	Public Transit – HandyDART (Custom)	1,057
Solid Waste and Recycling	Solid Waste and Recycling	1,987
Cemeteries	Cemeteries	242
<b>Total Service</b>		<b>39,841</b>

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
26	Improve process to bill utilities to new residents - new houses when ready - not when occupied	Re-Engineer	None	low		Low	PC		Low	Short	6	Would be considered unfair if water, sewer, solid waste billed before occupancy
27	Identify secondary suites to ensure they pay all utilities	Increase Revenues	None	Med		Low	PC	CSI	Med	Short	5	Requires co-ordinated effort to identify secondary suites. Should include at least fire inspection for safety
53	Combine Operations and Engineering as one department	Change Structure and Staffing	None	Low		Low			Low	Short	5	
90	Complete development of Asset Management Plan and alignment of capital expenditures with results.	Re-Engineer	High	high	Yes	Low	N/S	CSI	Low	Med	5	
89	Require contractors building City infrastructure to either provide as built drawings signed by an engineer without disclaimers - or pay for a City staff member to supervise construction on-site throughout construction	Re-Engineer	High	None		Low		CSI	Med	Short	5	Engineers have started inserting disclaimers, meaning the City cannot rely on the quality of the assets built. May have significant cost impact in future if assets are poorly built.
23	Increase infrastructure investment	Investment	Costs	high	Yes	Low	N/S	CSI	Med	Long	A	Appropriate investments to minimize life-cycle costs will reduce long term costs of infrastructure. \$473K approved in 2013 budget.
81	Send some reclaimed water to lake	Re-Engineer	High	High		Low		CSI	Med	Short	5	Lower cost means of disposal, especially as current irrigation network reaches saturation

Suggested Opportunities

Program: Transportation and Infrastructure (4 of 6)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
6	Consolidate all aspects of the management and operation of the sewers and water treatment operations in the RD/GVV	Change Structure and Staffing	None	high		Low		CSI	Med	Med	5	The governance structure locally has shared services under the jurisdiction of the Regional District for water, and a contractual agreement for sewer treatment with the neighboring jurisdiction, who do not have their own sewer treatment capabilities. Opportunities modest with operations all within COV, however clear alignment of governance, operations missing
69	Create a Storm Water Utility with charges to benefiting properties - Increase fees to cover full costs of asset management and renewal	Re-Engineer	None	High		Low		C/I	Med	Med	5	Ties funding to properties receiving benefits, however rate setting can be complicated and extra administrative burden
167	Abandon spray irrigation system based on low cost recovery ratio	Service Change	High	High	No	Low		CSI	Low	Med	5	Phase out over time, capital savings from avoiding expansion
115	Establish a new fee for DP landscape/irrigation security release inspection	Increase Revenues	None	Low		Low			Low	Short	5	Budget proposal for \$9,200 new revenue. Covers costs of inspections. Extra cost to development industry
82	Eliminate irrigation and reduce mowing frequency on City maintained boulevards and linear trails	Change Service Level	None	High		Low			Low	Short	5	City will not look as good during summer months
122	Reduce Summer Sweeping	Change Service Level	None	Low		Low			Low	Short	5	
160	Snow clearing Utility - Overall increase in fees and charges but creates room in tax levy and matches fee for service	Re-Engineer	None	None		Low		DSI	Med	Med	5	Would require approach to allocating costs - by meters of frontage? Or size of land parcel? Or "activity level" (residents plus employees plus??)(for shoppers/clients)?
123	Eliminate sidewalk snow clearing for snowfalls in excess of 15mm and for sidewalks that are difficult to access	Increase Revenues	None	Low		Med			Low	Short	A	Approved in 2013 budget

# Suggested Opportunities

## Program: Transportation and Infrastructure (5 of 6)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
17	Create committee including COV, RDNO, utility reps to develop five-year capital plan for roads and utilities to minimize wasted investment	Re-Engineer	Low	None		Low	PC	CSI	Med	Med	5	the Asset Management Plan is currently under development, and would be a foundation for the five year plan
67	Conduct inspection after road cuts	Re-Engineer	None	Low		Low	N/S	DSI	Low	Short	5	Require deficiencies to be corrected to improve life of roads.
19	Increase road cut fees particularly on "good" roads to reflect loss of value that results	Re-Engineer	None	Med		Low	PC	CSI	Med	Short	5	Similar initiatives underway in other cities. Would encourage better joint planning.
33	Continue to build hangers at airport on a self-sustaining basis		None	None		Low	N/S		Low	Med	5	Recent legislative changes impacted the development, but business case believed still valid
36	Eliminate the Taxi Saver program	Service Change	None	low		Med		C/I	Low	Short	5	Has lower cost per ride, so may increase costs
34	Increase transit fares	Increase Revenues	None	high	No	Med		C/I	Low	Short	5	Only 23% of transit costs covered by fares - passes are only \$54 per month, adult cash fares only \$2 (multi-zone fare is \$2.50)
34a	Reduce transit service level	Change Service Level	None	Med	No	Med		C/I	Low	Short	5	Cost per rider on the #4, #90 and #6 routes are all over \$8.00
88	Increase fares on the route 90 to UBCO in Kelowna substantially	Increase Revenues	None	Med	No	Med		C/I	Low	Short	5	Cash fare is only \$2.50 each way for 40 km trip from Vernon to UBCO in Kelowna. Service is now fully supported by RDNO
37	Stop accepting new HandyDART registrants as demand exceeds supply	Change Service Level	None	low	No	high		DSI	high	Short	5	Likely a breach of human rights legislation. Large impact on truly needy residents
35	Tighten qualification review for HandyDART users	Increase Revenues	None	Med	No	Low		CSI	Low	Short	5	Registration process reported to have loose admission criteria at present. Vernon has more registrants per capita than other cities evaluated except Prince George

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
36b	Reduce HandyDART hours and encourage more use of Taxi Saver program	Service Change	None	Med		Med		C/I	Low	Short	5	Taxi Saver implies higher costs for users, but comes with higher level of service as well - no reservation required. Vernon has more van service per capita than comparator cities except Kamloops, highest number of passengers/capita, and lower than man use of taxi Saver
38	Buses are kneeling - so limit Handy DART service to accessing the bus (depending upon disability)	Change Service Level	None	Med		Med		DSI	Low	Short	5	Would make travel more cumbersome and time consuming for users, but encourage more use of bus instead
84	Eliminate roadside spring chipping - Require drop off for items that don't fit clear bags	Service Change	None	Low		Low		CSI	Low	Short	5	
83	Move to garbage collection every two weeks	Change Service Level	None	High		Med		CSI	Low	Short	5	Likely to be resisted. Could be considered for winter only.
85	Establish rate for extra bags (beyond 2) and sell tags	Increase Revenues	None	Med		Low		CSI	Low	Short	5	The system is already in place
109	Eliminate Spring and Fall leaf pick up	Change Service Level	None	Med		Med		DSI	Low	Short	5	
124	Reduce irrigation in Cemetery	Change Service Level	None	low		Med			Low	Short	5	Cemetery would not be as attractive
162	Capital Infrastructure Levy - Split the capital infrastructure portion of the tax levy onto a separate line on the tax notice. Overall increase in fees and charges but creates room in tax levy and matches fee for service.	Re-Engineer	None	None		Low			Low	Med	5	More a question of perception than anything else.

## Suggested Opportunities

## Program: Emergency, Enforcement, and Community Safety (1 of 5)

Service	Subservice	2012 Budget (\$000s)
Policing Services	RCMP Detachment	9,213
	RCMP Detention Centre	470
Fire/Rescue Services	Fire Administration	843
	Fire Fighting – Operations	3,905
	Fire Training Crew	166
	Emergency Management	272
Bylaw and Parking Enforcement	Bylaw and Parking Enforcement	1,079
Safe Communities	Community Policing Office	169
	Business & Seniors	88
	Crime Prevention	96
	Regional Program	98
	Rural Program	92
<b>Total Service</b>		<b>16,491</b>

Suggested Opportunities

Program: Emergency, Enforcement, and Community Safety (2 of 5)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
169	Reduce number of RCMP Officers Serving Vernon	Change Service Level	None	High					Low	Short	A	Recent budget discussions have approved a budget lower than the current level of service requiring some staff reductions.
65	Automated license recognition system	Re-Engineer	Costs	High		Low		CSI	Low	Med	5	Improves detection and enforcement with lower manpower
136	Provide First Medical Responder service in IR #6 on a fee for service basis	Increase Revenues	None	Low		Low			Low	Short	5	Budget proposal
128	Fire-Rescue revenue from providing a range of medical, emergency and career oriented courses to members of the public	Increase Revenues	None	Low		Low			Low	Short	A	Budget proposal for 5 different courses with potential for \$47K revenues.
135	Rent Fire Station 2 (OK Landing) on a shared use basis to BC Ambulance Service	Increase Revenues	None	Low		Low	N/S	CSI	Low	Short	5	Presented as budget proposal
143	Establish a series of fees for services provided by the Fire-Rescue Department	Increase Revenues	None	Low		Low			Low	Short	A	Budget proposal for variety of fees - false alarm attendance, car seat installation checks, Fire Safety Plan review, Re-inspection for compliance, mobile vendor licence inspection, day care licence inspections, lock box lid change outs, underground tank installation permits, fireworks permits. Estimated \$10K revenue



Suggested Opportunities

Program: Emergency, Enforcement, and Community Safety (3 of 5)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
139	Establish fee for Open Burning Permits in accordance with Fire Prevention Bylaw (2012 YTD) 40 @ \$75	Increase Revenues	None	Low		Low			Low	Short	5	Budget proposal would generate \$3K
140	Establish fee for attendance to non-compliant Burn Permit incidents (\$1000 PER INCIDENT)	Increase Revenues	None	Low		Low			Low	Short	5	Budget proposal, expected to generate \$2K, and reduce frequency of burns without permits
138	Defer Predator Ridge Hall Build	Increase Revenues	High	low		Med			Low	Short	A	Defers (but doesn't eliminate) capital expenditure and required operating costs. Could follow development of new Volunteer strategy
41	Reduce hydrant charges to Fire Department - rate went from \$135 to \$205 and service level decreased. Kelowna pays \$59	Service Change	None	Low		Low			Low	Short	5	Simply transfers from property tax to water rate. Would require study to determine costs.
150	Re-Structure Fees for Hydrant "Rental" (VFRS end user)	Increase Revenues	None	Low		Low			Low	Short	5	This budget proposal appears to be plan to reduce fees paid by VFRS to GVW by \$75K - reduces Vernon taxes but increases water rates
168	Increase Public education regarding Fire/Rescue services to increase service level	Change Service Level	None	None					Low	Short	5	Need unclear, potential impact.
39	Purchase fire dispatch services from Kelowna or other multi-location dispatch centre	Service Change	None	high		Low	PC	CSI	Low	Short	5	Strong economies of scale in service delivery. More than one staff per shift improves service, safety. Providers readily available. Most of current investment still usable - its in trucks not central facility.
40	Market fire dispatch services	Increase Revenues	None	Med		Low	PC	DSI	Med	Med	5	Service to OKIB approved for \$8k. Vernon may be able to establish a market, but competing with well established centres and will take time.

Suggested Opportunities

Program: Emergency, Enforcement, and Community Safety (4 of 5)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
2	Develop strategy to involve volunteer firefighters meaningfully in emergency responses	Re-Engineer	None	Med		Low	N/S	CSI	Med	Med	2	Essential to avoiding future cost increases while providing rapid response in areas distant from main station; With termination of current agreement, new deployment/response strategies are required to ensure meaningful, growing role for volunteers; Council Priorities - Develop and implement recruitment and retention; Integrate all volunteer firefighters into one team; apply comprehensive training program including training on all apparatus
164	Use paid-per-call response from station 2 for initial response to active fire calls in that area (in addition to response from station 1 when not otherwise deployed)	Increase Revenues	None	low		Low		CSI	Low	Med	5	Could be part of active volunteer engagement strategy. May require more sophisticated volunteer dispatch infrastructure to identify available, nearby volunteers. Savings from avoiding future expansion.
165	Use paid-per-call firefighters when available to supplement station 1 staffing when it falls below 4 plus dispatcher (rather than overtime)	Increase Revenues	None	low		Low		CSI	Low	Med	5	Could be part of active volunteer engagement strategy. Savings from avoiding future expansion.
166	Establish GPS tracking system for volunteers to identify resources close enough to calls to warrant dispatch for specific incidents (e.g. fires, cardiac arrest)	Re-Engineer	None	low		Low		CSI	Low	Med	5	Could be part of active volunteer engagement strategy. Savings from avoiding future expansion.
133	Sell RDNO "Out of Area Fire Protection Service" as requested	Increase Revenues	None	low		Low	N/S		Low	Short	5	Budget proposal ( requested twice by RDNO) \$34,000 annually (@1.30 rate)
22	Outsource bylaw enforcement staffing	Insource/Outsource	None	low		Low	PC	CSI	Med	Med	5	Integration of wide range of tasks within Bylaw services would make outsourcing more difficult

Suggested Opportunities

Program: Emergency, Enforcement, and Community Safety (5 of 5)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
56	Increase parking fines (\$5 if paid within 14 days) up to at least \$15 - like Kelowna	Increase Revenues	None	Low		Low	N/S	CSI	Low	Short	A	Would also improve compliance. Currently costs more to issue and collect than the fine value.
51	Reduce by-law staffing	Change Structure and Staffing	None	Med		Med			Low	Short	5	Would reduce level of enforcement and security activities. Fine revenue covers about 25% of salary costs
59	Outsource bylaw enforcement	Change Structure and Staffing	None	Med		Low			Med	Med	5	Contract services may not be as flexible in terms of the range of duties and hours
48	Allow more discretion in By-law - too rigid, too much emphasis on enforcement rather than education	Change Service Level	None	None		Low			Low	Short	5	By-Law believes they already emphasize education
114	Initiate Zero Tolerance/No Warning for all Bylaw Violations - For all bylaw violations, an initial fine would be levied.	Increase Revenues	None	Med		Med		CSI	Low	Short	5	Incompatible with 48. Would increase complaints.
57	Increase on-street parking rates - \$.50/hr since 1983	Increase Revenues	None	High		Low	N/S	CSI	Low	Short	A	Budget proposal to increase to \$1/hour
96	Increase Hourly or Day Parking at off-street lots	Increase Revenues	None	Low		Low	N/S	CSI	Low	Short	A	Budget proposal - Increase Lot Rates from current .25c per hour (\$.60 at Parkade) and \$2.50 a day.
95	Increase Monthly Parking Lot Rates at City lots	Increase Revenues	None	Med		Low	N/S	CSI	Low	Short	A	Budget proposes changes at- CSB, 29th Ave., 25th Ave., Bertleson's, Railway, CSB from current \$21.40 and \$35.00 to flat \$60.00 per month. Current fees are very low, along with increases at Parkade
58	Use Pay & Display machines at off-street lots	Increase Revenues	None	Low		Low		CSI	Med	Med	5	Accepts payment by credit card, reduces operating costs, particularly when large number of spaces served.
52	Reduce community policing	Change Service Level	None	High		Med		C/I	Low	Med	5	Long standing community program shared with adjacent communities, but substantial expenditure (\$353K/year for Vernon)

# Suggested Opportunities

## Program: Planning and Development (1 of 4)

Service	Subservice	2012 Budget (\$000s)
Community Development	Community Development General	276
	Community Planning	625
Planning	Environmental Planning	186
	Transportation Demand Management	130
	Building Permits	
Building Inspections	Bylaw Screening/Adjudication System	588
	Building Inspections	
	Building Licensing	
Economic Development	Economic Development General	259
	Tourism – Additional Hotel Room Tax (AHRT)	385
	Tourism - City	199
<b>Total Service</b>		<b>2,648</b>

# Suggested Opportunities

## Program: Planning and Development (2 of 4)

Draft for Discussion

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
116	Eliminate the Social Planning Contract	Change Service Level	None	Med		Med			Low	Short	5	Would eliminate total capacity for social planning, monitoring of social conditions
25	There are too many people in community development	Change Structure and Staffing	None								5	To be reviewed
31	Eliminate transportation demand management function	Service Change	None	Med	No	Low	C	DSI	Low	Short	5	Most cities are putting greater emphasis on alternate modes of travel
14	Focus on expanding bicycling, but abandon goals for increased transit ridership - focus transit goal on service to students, those without cars	Re-Engineer	None	Med	No	Med	C	C/I	Low	Short	5	Expanding transit subsidies generally seen as part of "Green" initiatives, but very expensive way to reduce GHGs in smaller communities
32	Eliminate environmental planner position	Change Structure and Staffing	None	Med	No	Low		DSI	Low	Short	5	Would eliminate informed environmental assessment of development applications
28	Develop a service culture in Planning	Re-Engineer	None	none		Low	N/S	CSI	Low	Short	5	Planning seems to have made substantial progress in improving response times. Is this still a concern?
98	Increase Planning Review fees per budget proposal	Increase Revenues	None	Low	Yes	Low	N/S		Low	Short	5	Increase advertising fees for planning applications and introduce a fee to remove Notices on Title.
45	Carbon tax, carbon neutrality - use \$267K of Carbon Tax Reserve Funds for local projects	Re-Engineer	None	High		Low			High	Med	5	Liability requires clarification
46	Increase Development Cost Charge (DCCs) - include Transportation Demand Management (TDM) projects	Increase Revenues	Low	None	Yes	Med			Low	Med	5	Scope for increases to be determined

# Suggested Opportunities Program: Planning and Development (3 of 4)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
117	New building permit fees such as permit renewal fees, fee to remove notices on title	Increase Revenues	None	IOW	Yes	IOW	N/S		Low	Short	A	Approved in budget
102	Introduce a new non-refundable application fee which would vary from \$50.00 to \$200.00 per application, depending on the scale of development.	Increase Revenues	None	Low	Yes	Low	N/S		Low	Short	A	Budget submission indicates this would realize about \$25,000 to \$30,000 in additional revenue based on about 300 to 350 permits per year. Approximately 50 – 60 per year never make it to the fee stage.
100	Increase business licensing fees and contractor registration fees and establish fees for adjustments (change of location, ownership, etc.)	Increase Revenues	None	Low		Low	N/S		Low	Short	A	Rates have not been increased since 2004. Staff proposed increase would range from \$20 for average smaller stores to \$100 for average larger stores - based on square footage. \$25 fee for ownership/location changes for potential \$69K revenue increase. Budget approved \$9K increase this year.
9	Eliminate City Tourism Program, consider GV responsibility	Service Change	None	Med	No	Med	C		High	Short	5	Tourism impacts extend beyond COV and should be shared by neighbours. RDNO does not appear committed to economic development, so could result in reduced activity

# Suggested Opportunities Program: Planning and Development (4 of 4)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
10	Eliminate City Economic Development Program, consider GV responsibility	Service Change	None	Med	No	Med	C		Med	Short	5	The Economic Development Department was created in 2009 when the Regional District <b>eliminated</b> the economic development function. Accepting responsibility when other governments abandon roles can become expensive.
13	Contract economic development and/or tourism to Chamber of Commerce	Insource/Outsource	None	Med		Low	N/S	C/I	Med	Short	5	Opportunity not considered by Council
108	Centralize Visitor Information Centre and Booth:	Increase Revenues	Costs	Med		Low	N/S		Med	Med	5	Preliminary estimates expect to save the City \$60,000 per year. - (\$35,000 rent, maintenance and repairs, \$25,000 salary North Booth) following the capital costs of relocation.
47	Increase advertiser involvement with tourism promotion	Re-Engineer	None	Low		Low			Med	Short	5	Soliciting more advertiser support can reduce costs, but shift to newer media can make ad/partnership involvement more difficult.

# Suggested Opportunities

## Program: Parks, Recreation, and Culture (1 of 3)

Service	Subservice	2012 Budget (\$000s)
Parks	Parks	0
	Trees	224
Recreation	Administration	594
	Facility Management	432
	Vernon Aquatic Centre	1,245
	Programming	856
	Outdoor Pools	90
	Arenas	2,176
Downtown Beautification	Downtown Beautification	43
<b>Total Service</b>		<b>5,660</b>



# Suggested Opportunities

## Program: Parks, Recreation, and Culture (2 of 3)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
7	Consolidate all aspects of the management and operation of parks in one organization - the City of Vernon or the RD	Change Structure and Staffing	None	Med		Low	C	CSI	Med	Med	5	This is inconsistent with recent Parks MOU which seeks to establish clarity of the multiple roles - but does not eliminate multiple roles. Savings to COV taxpayers, but not COV
12	Increase speed with which RD processes transactions, or give recreation management access to City financial system	Re-Engineer	None	low		Low		CSI	Low	Short	5	Staff use RD accounting system does not provide timely access to transactions posted at the COV
8	Consolidate all aspects of the management and operation of recreation in one organization - the RD	Change Structure and Staffing	None	Med		Low		CSI	Med	Med	5	Recreation is an RDNO service delivered by a combination of RDNO and COV staff
11	Transfer RD recreation staff to the City	Change Structure and Staffing	None	Med		Low	PC	CSI	Med	Short	5	Operating staff are COV, Program staff and Direction are RD
152	Proposed Job Evaluation adjustments in Recreation	Increase Revenues	None	Med		Low	N/S		Low	Short	5	Budget shows potential savings of \$28K in Aquatics, \$4K in custodial and \$18K in clerical positions
151	Increasing the 'loonie swim' to a 'twonie swim' will generate an additional \$10,000.	Increase Revenues	None	Low		Med		CSI	Low	Short	5	
80	Seek RD permission for designated staff to use Facebook and other social media to promote recreational programs	Increase Revenues	None	Med		Low		CSI	Low	Short	5	Modern marketing uses social media extensively. Can be limited to specific staff to limit potential wasted time

# Suggested Opportunities

## Program: Parks, Recreation, and Culture (3 of 3)

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
79	Increase arena rental rates	Increase Revenues	None	Low		Low		C/I	Low	Short	5	Rentals only cover 60% of direct costs, at Civic Arena only 53%. However could reduce demand for ice time. Best combined with 75 or 76. Rates are comparable to many other cities, but some are higher, particularly for off-peak use
75	Reduce weekday hours at Civic Arena	Change Service Level	None	Med		Low			Low	Short	5	Demand for ice time is declining, would reduce costs but limit available hours for use at lower "off-peak" rates
76	Close Civic Arena	Service Change	High	high		Low			Low	Short	5	Demand for ice time is dropping. NorVal Centre in Armstrong is drawing away users and will pull more if rates are increased. Should avoid major capital improvements that will be required in near future.
77	Replace Civic Arena with second ice surface at Westbilt Centre	Service Change	Costs	Low		Low			Low	Short	5	Would improve operating costs, improve service levels, however large capital cost and workable plan not ready.
155	Budget Proposals to reduce arena costs	Increase Revenues	None	Low		Low			Low	Short	5	Budget proposals to reduce clerical staffing, advertising, training, tools purchases and use more efficient lighting
78	Outsource concession operations at Westbilt Centre	Insource/Outsource	None	Low		Low		CSI	Low	Short	5	Could reduce costs and maintain service level. Concessionaire could be a community group.
74	Offer registration services on-line	Change Service Level	None	Low		Low		CSI	Low	Short	5	Improved level of service, but new costs may more than off-set reduced costs
111	Remove Communities in Bloom Program	Change Service Level	None	Low	No	Low			Low	Short	A	\$9K saving

## Program: Governance and Support Services (1 of 6)

Service	Subservice	2012 Budget (\$000s)
Administration	Council	341
	City Administration	430
Corporate Services	Corporate Services General	303
	Communications	88
	Information Services	1,586
	Land Services	203
	GIS	172
	Legislative Services	357
Finance	Collections To/From Others	35,048
	Accounting	1,521
	Purchasing	332
	Fiscal Services - General	4,734
	Grants	372
	Taxation	27,819

## Program: Governance and Support Services (2 of 6)

Service	Subservice	2012 Budget (\$000s)
Human Resources	Corporate Service	528
	General Services	464
	Occupational Health and Safety	278
Facilities	Facilities General	208
	City Hall Building	201
	City Hall Annex	21
	Civic Plaza	109
	Corporate Services Building	13
	RCMP Detachment Building	256
	Development Services Building	46
	Fire Hall	98
	Lake's Clubhouse	25
	Community Services Building	135
	Parkade	127
	Visitor Centres North and South	33
Water Reclamation Plant	64	
Yards	214	

Service	Subservice	2012 Budget (\$000s)
Fleet	Fleet General	748
	Fleet - Equipment	1,163
	Fleet - Fire OKLVFD Station 2	25
	Fleet - Fire Vernon Station 1	132
	Fleet - Vehicles	448
<b>Total Service</b>		<b>78,642</b>

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
4	Amalgamate Greater Vernon Sub-District - or at least the urban portions (current and future) as a single City, with a ward based Council election	Re-Engineer	None	high		Low	PC	CSI	High	Med	5	Official Community Plan Bylaw 5181 addresses annexation points (2008) <a href="http://www.vernon.ca/images/uploads/council/bylaws/Bylaw_5151_Plan_Vernon_2008.pdf">http://www.vernon.ca/images/uploads/council/bylaws/Bylaw_5151_Plan_Vernon_2008.pdf</a>
63	Reduce 17 advisory committees of Council or reduce support	Change Structure and Staffing	None	Low		Low			Low	Short	5	Extensive committee structure requires staff time to manage committees, attend meetings, investigate issues or concerns raised
64	Advisory committee recommendations need staff/finance review before Council	Re-Engineer	None	None		Low		CSI	Low	Short	5	Committees and Councillors find it expedient to process recommendations quickly, but can have high risk if full implications not identified
43	Councillor pay of \$137 per meeting - should be eliminated	Increase Revenues	None	Low		Low					5	Get benchmark data
86	Expand and promote on-line services to reduce the number of transactions handled manually	Re-Engineer	None	Low		Low		CSI	Med	Med	5	
3	Reduce IT staffing by 1 FTE due to reduced RCMP requirement	Change Structure and Staffing	None	Med		Low	N/S		Low	Short	5	Currently there 1.5 IT FTE support RCMP. RCMP is moving to centralized support. IT proposes to reallocate resource rather than reduce.
62	Build a central electronic filing system	Re-Engineer	Costs	High		Low			High	Med	5	Requires cost: benefit review
50	Reduce permissive tax exemptions	Increase Revenues	None	High		Med		CSI	Low	Med	A	\$600,000 in permissive exemptions against \$24M in tax revenue is about 2.5% - larger than many other municipalities. Many cities provide 1% of less. Budget includes a 10% reduction.

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
126	Reduce grants	Change Service Level	None	Med		Med			Low	Short	A	2012 grants of \$54,000 included Schubert Center Society (seniors services), Civic Sounds (summer outdoor concerts), Go Green Committee (high school composting initiative), Elks Club (building repairs), Upper Room Mission (meals for homeless). Council approved \$42K reduction in \$100K budget - leaving room for same size grants as 2012
112	Eliminate Heritage Grants	Change Service Level	None	Med		Med		DSI	Low	Short	A	Would impact recipients and community. Budget approved \$5K reduction on \$60K program.
1	O'Keefe Ranch to be weaned off city support	Service Change	None	Med		Low	PC		Low	Short	5	Task Force, Financial Plan. 2013-2017 Financial plan recommends eliminating payments and subsidies of O'Keefe Ranch, amount \$150,000; however, the Council Taskforce (JULY 9, 2012) noted that any further reductions in funding will result in cancellations to ranch tours and further maintenance cutbacks.
21	Stop supporting Caetani Property	Service Change	None	None		Low			Low	Short	5	Project has not received City support since 2010 - RDNO provides support.
70	Integrate work order system, service request system and payroll	Re-Engineer	Costs	Med		Low			Med	Med	5	Benefits clear, but implementation cost unknown at this time
44	Get more than 6% from casino when agreement renews	Increase Revenues	None	High		Low			High	Med	5	Province in control of distribution of funds, so limited ability to implement

# Suggested Opportunities

## Program: Governance and Support Services (6 of 6)

**Draft for Discussion**

Opp ID	Suggested Opportunity	Opportunity Category	One-time Savings	Annual Savings	Strategic Alignment	Client Impact	Recent Reviews	Other Cities / Best Practices	Barriers to Implementation	Timing of First Benefits	Implementation Category	Comments
87	Reduce scope/cost of annual report	Re-Engineer	None	Med		Low		CSI	Low	Short	5	Current document is excellent.
30	Review new positions added last few years	Change Structure and Staffing	None								5	In process
72	Develop corporate facility strategy	Re-Engineer	None			Low			Low	Med	5	Potential unknown at this time
15	Develop corporate land & facility strategy to identify future requirements, dispose of surplus holdings	Re-Engineer	Low			Low	N/S	CSI	Low	Med	5	Council Priority # 5 - Manage Our House; "Rationalize City land holdings. Designate and retain parcels of key public interest. Divest others at highest market value."
71	Consolidate facilities and leave rental facilities	Change Service Level	None			Low					5	To be examined further - possible outcome of 72
18	Wrap up Hesperia development plans and sell land on the public market	Re-Engineer	High	None		Low	N/S		Med	Med	5	Original plans for City led development not proving feasible



# Appendices

A. Assessment Criteria

B. Prioritization Categories

Assessment Criteria – the following criteria are being used to evaluate the suggested opportunities.

Criteria	Description
One-time Savings	The relative size of the one-off capital injection (or saving) from implementing or realizing the opportunity.
Annual Savings	Based on the average of the low and high potential savings ranges.
Strategic Alignment	The opportunity aligns with the Corporate Strategic Plan or other stated Council priorities.
Client Impact	The impact of the opportunity being implemented on clients or customers, consider the number of clients and the severity of the impact
Recent Reviews	Any reviews, studies or reports that deal with the opportunity in the current term of Council.
Other Cities / Leading Practices	An assessment of the cost of the service and/or the service delivery approach compared to comparable jurisdictions or best practices.
Barriers to Implementation	Barriers, issues or obstacles to implementing the opportunity, such as: <ul style="list-style-type: none"> <li>- Political</li> <li>- Legal</li> <li>- Labour and Contractual Obligations</li> <li>- Capital Costs</li> </ul>
Timing of First Benefits	The time it will take to achieve the first substantial benefits/savings.

Criteria	Description
One-time Savings	<p><b>None (Blank)</b> = No savings</p> <p><b>Costs (Red)</b> = Material Implementation Costs</p> <p><b>Low(Orange)</b> = &lt;\$500,000 savings/revenue</p> <p><b>High (Green)</b> = &gt;\$500,000 savings/revenue</p>
Annual Savings	<p><b>None (Blank)</b> = No savings</p> <p><b>Low (Red)</b> = &lt; \$50,000 savings/revenue</p> <p><b>Medium (Orange)</b> = \$50,001 to \$200,000 savings/revenue</p> <p><b>High (Green)</b> = &gt;\$200,000 savings/revenue</p>
Strategic Alignment	<p><b>No Impact (Blank)</b> = Opportunity does not impact strategic alignment</p> <p><b>No Alignment (Red)</b> = Opportunity opposes strategic plans</p> <p><b>Yes - General Alignment (Orange)</b> = Opportunity generally aligns</p> <p><b>Yes - Explicit Alignment (Green)</b> = Opportunity specifically/explicitly aligns</p>
Client Impact	<p><b>High (Red)</b> = Severe impact</p> <p><b>Medium (Orange)</b> = Some impact</p> <p><b>No/Low (Green)</b> = No or low impact</p>
Recent Reviews	<p><b>Decided (Black)</b> = The current Council has decided not to implement / support the opportunity (a "dead-issue")</p> <p><b>C - Considered (Red)</b> = A recent review (5 years) was not supportive of the opportunity</p> <p><b>PC - Partly Considered (Orange)</b> = A recent review was not supportive of the opportunity, but may have only considered some aspects or circumstances, or priorities may have changed</p> <p><b>N/S - No/Supportive (Green)</b> = The opportunity has not been studied recently, or the conclusions were supportive of and consistent with the opportunity.</p>

Criteria	Description
Other Cities / Leading Practices	<p><b>None (Blank)</b> = no comparator data / assessment performed</p> <p><b>DSI - Comparator Does Not Support Implementation (Red)</b> = comparator jurisdictions and/or best practices do not support implementation of the opportunity</p> <p><b>C/I - Consistent/Inconclusive (Orange)</b> = City performance is consistent with comparable jurisdictions or the data are inconclusive</p> <p><b>CSI - Comparator Supports Implementation (Green)</b> = comparator jurisdictions and/or best practices support implementation of the opportunity</p>
Barriers to Implementation	<p><b>Insurmountable (Black)</b> = Identified barriers will likely not be possible to overcome, such as opportunity is not feasible, or new legislation required</p> <p><b>High (Red)</b> = Strong barriers exist and will not be overcome without strong leadership, perseverance over time, such as changes in collective agreement required</p> <p><b>Medium (Orange)</b> = definite barriers will be challenging to overcome, but manageable and achievable if given appropriate attention and priority</p> <p><b>Low (Green)</b> = no significant/insurmountable barriers to overcome</p>
Potential First Benefits	<p><b>Long (Red)</b> = first benefits/savings realized after 5 or more years</p> <p><b>Medium (Orange)</b> = first benefits/savings realized in 2 to 4 years</p> <p><b>Short (Green)</b> = first benefits/savings realized within 1 year</p>

## Appendix B

# Implementation Categories

Suggested opportunities have been assigned preliminary categories as follows. Note most are still “investigate further”, pending input from Council, City senior management, and community.

#	Implementation Category	Description	Action Required
<b>A</b>	<b>Approved</b>	Council has approved as part of the Budget process	- Implementation by staff
<b>1</b>	<b>Strategic</b>	<ul style="list-style-type: none"> <li>- Biggest potential cost savings or revenue generation</li> <li>- Acceptable client/ customer impact</li> <li>- No insurmountable barriers to implementation</li> </ul>	<ul style="list-style-type: none"> <li>- Develop business case and implementation plan</li> <li>- Initiate projects to achieve opportunity</li> </ul>
<b>2</b>	<b>Short Term</b>	<ul style="list-style-type: none"> <li>- Short Term; consider for 2014 budget or earlier</li> <li>- Acceptable client/ customer impact</li> <li>- Lower barriers to implementation</li> <li>- Potential cost savings or revenue generation</li> </ul>	<ul style="list-style-type: none"> <li>- Incorporate into the coming fiscal year budget process</li> <li>- Initiate further actions as appropriate</li> </ul>
<b>3</b>	<b>Staff to Implement (STAFF)</b>	<ul style="list-style-type: none"> <li>- Short Term; staff directed to implement</li> <li>- Acceptable client/ customer impact</li> <li>- Lower barriers to implementation</li> <li>- May already be in process</li> </ul>	<ul style="list-style-type: none"> <li>- Provide direction as part of process for staff to implement or continue implementation</li> <li>- Initiate further actions as appropriate</li> </ul>
<b>4</b>	<b>Medium to Long Term (2-5 YRS)</b>	<ul style="list-style-type: none"> <li>- Medium to long term; will take more than a year to realize first benefits</li> <li>- Acceptable client/ customer impact</li> <li>- May have higher barriers to implementation</li> </ul>	- Direct departments to begin actions to address barriers and report back to senior management and/or Council
<b>5</b>	<b>Investigate Further (STUDY)</b>	Uncertain whether to proceed based on current data, given client/ customer impact, barriers to implementation, and/or benefits to be realized	<ul style="list-style-type: none"> <li>- Refer to departments for further examination and consideration, and report back to senior management and/or Council</li> <li>- Opportunity to be considered / implemented in future budgets or reports</li> </ul>
<b>6</b>	<b>Suggest to RDNO</b>	Area of RDNO jurisdiction, but action would reduce costs passed on to COV taxpayers	- Send options to GVD and/or RDNO as appropriate
<b>7</b>	<b>Not Worth Pursuing (DON'T DO)</b>	<ul style="list-style-type: none"> <li>- Unacceptable client/ customer impact</li> <li>- Uncertainty over the benefits to be realized</li> </ul>	No further action required



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The information contained herein has been compiled for the City of Vernon Core Services Review. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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