



City of  
**Peterborough**

---

**TO:** **Members of the Joint Services Steering Committee**

**FROM:** **Sandra Clancy, Director of Corporate Services**

**MEETING DATE:** **September 12, 2013**

**SUBJECT:** **Report CPJSSC13-009**  
**Consolidated Municipal Services Management**  
**Agreement 2014-2018**

---

## **PURPOSE**

A report to recommend that the Consolidated Municipal Services Management Agreement for 2014 to 2018 be developed based on the same cost sharing formulas as the current agreement.

## **RECOMMENDATION**

That Joint Services Steering Committee approve the recommendation outlined in Report CPJSSC13-009 dated September 12, 2013 of the Director of Corporate Services, as follows:

That the Joint Services Steering Committee endorse a new Consolidated Municipal Services Management Agreement for 2014-2018, that maintains the existing cost sharing formulas, as set out in Appendix B.

## **BUDGET AND FINANCIAL IMPLICATIONS**

The 2013 gross operating budget, of the services that fall within the scope of the Consolidated Municipal Services Management Agreement (CMSMA), is \$84.8 million and \$26.4 million net expenditures with the City's share being \$16.9 million and the County's share being \$9.5.

Even a small change in some of the cost sharing ratios could have a significant impact on the net tax levy requirements for both organizations.

## **BACKGROUND**

### **CMSM Agreement History 1998-2008**

In 1998, City and County Councils approved a CMSM Agreement between the City and County of Peterborough respecting the provincial delegation that the City would be the Service Delivery Manager of Ontario Works, Child Care and Social Housing and the County would be the Service Delivery Manager for Land Ambulance. The agreement set out how the various services would be cost shared and established a Joint Services Steering Committee. The term of the initial agreement was for the five-year period, 1999-2003.

The agreement was reached after long and intense negotiations between the parties especially related to the cost sharing arrangements.

Legislation at the time stipulated that, if full agreement was not reached, the Province would decide which municipality would be the consolidated municipal service manager and what the accountability arrangement would be. On the issue of cost sharing, in the absence of an agreement, the following would have applied:

Social Services	- Arbitration
Child Care	- Arbitration
Social Housing	- Weighted taxable assessment
Land Ambulance	- Weighted taxable assessment

On October 10, 2000, Administration of the Provincial Offences Act (POA) was also officially assumed by the City on behalf of the City and County and both Councils agreed net POA revenues would be cost shared based on the previous year's weighted assessment. At its meeting held March 6, 2000, based on the City Solicitor's report OCS00-001, dated February 28, 2000, Council authorized the Mayor and the Clerk to execute an Inter-Municipal Service Agreement between the City and County stipulating the City would deliver the POA services and revenues would be shared based on weighted current value assessment. The Agreement also set out other operational issues.

On October 27, 2003, based on recommendations outlined in staff report CAO-03-007, an amended Consolidated Municipal Services Management Agreement covering the five-year period 2004-2008 was endorsed by Council.

In preparation of report CAO-03-007, staff conducted a survey of other jurisdictions to determine how costs of joint services were allocated and found a wide-ranging mix that could have been considered. Staff recommended, however, that no changes be made to the cost sharing ratios because both the City and County budgets had been established based on the existing sharing ratios. In addition, from the City's side, the Community Re-investment Fund (CRF) grant (eventually replaced by the Ontario Municipal Partnership Fund (OMPF) grant), had cushioned some of the initial impact when services were first downloaded in 1998 and provided some mitigation for net cost increases over the period 1999 through 2003. If significant reductions in City costs could have been negotiated in 2003, any resulting savings would have been offset by a reduction in CRF funding.

The POA service was officially incorporated into the 2004-2008 agreement as well.

### **Agreement 2009-2013**

City staff met with County staff on November 10, 2008 to consider the agreement and discussed both the status quo sharing arrangement and some of the more common alternatives. Also identified at that time was the fact that the current legislated default position for all services is now arbitration rather than a prescribed allocation method as was the case when the downloading first occurred.

Ultimately, the status quo was approved on December 1, 2008 through report CP08-010 dated December 1, 2008.

### **Status quo recommended**

The existing agreement expires December 31, 2013, and City and County staff need to establish a new agreement and make recommendations to their respective Councils.

Appendix A, attached to this report, provides a summary of services that fall within the scope of the CMSMA, the basis for cost sharing, and the related 2013 budget figures.

Although there are a number of other possible cost sharing methods, based upon informal discussions that have already taken place and the level of comfort both municipalities have with their respective roles, staff recommend that a new 2014-2018 Agreement that maintains the existing cost sharing formulas for all of the affected services being delivered.

## SUMMARY

Overall, in the last five years, both City and County Councils and their staff have been comfortable with the basis of cost sharing for the services covered under the CMSMA and it is recommended that the Agreement for the next five years continue on the same basis.

Submitted by,

Sandra Clancy  
Director of Corporate Services

Contact Person  
Sandra Clancy  
Director of Corporate Services  
Phone: 705-742-7777 Ext 1863  
Toll Free: 1-855-738-3755  
Fax: 705-876-4607  
E-mail: [sclancy@peterborough.ca](mailto:sclancy@peterborough.ca)

### Attachments:

- |            |                                                                |
|------------|----------------------------------------------------------------|
| Appendix A | Summary of Services that fall within the Scope of the CMSMA    |
| Appendix B | 2014-2018 Consolidated Municipal Services Management Agreement |

# **APPENDIX A**

## **Summary of Services that fall within the Scope of the CMSMA**

## APPENDIX A

Appendix A									
Services Covered and Cost Sharing Arrangements									
Using 2013 Budget Figures									
Ref	Description								
		Allocation Basis	City Cost Sharing %	County Cost Sharing %	Gross Cost	Direct Revenues	Net Municipal	City Share	County Share
C1	C2	C3	C4	C5	C6	C7	C8	C9	C10
<b>Services Overseen by Joint Services Steering Committee (JSSC)</b>									
<b>City Provided Service</b>									
1	<b>Provincial Offences</b>	Prev Year Weighted Assmt	46.30%	53.70%	1,194,544	(2,350,000)	(1,155,456)	(534,976)	(620,480)
	<b>Social Services</b>								
2	Ontario Works - Administration and Employment (50%)	Budgeted OW Caseload Split	82.65%	17.35%	10,274,143	(6,247,416)	4,026,727	3,328,243	698,484
3	Ontario Works - Mandatory Benefits (85.8% Provincial)	Actual Costs Incurred	82.59%	17.41%	30,557,437	(26,218,281)	4,339,156	3,583,512	755,644
4	Ontario Works - Discretionary Benefits (85.8% Provincial)	Actual Costs Incurred	63.39%	36.61%	1,276,045	(848,803)	427,242	270,812	156,430
5	Addiction Services (85.8% Provincial)	Budgeted OW Caseload Split	83.00%	17.00%	555,946	(487,051)	68,895	57,183	11,712
6	Homemakers & Nurses (80% Provincial)	Actual Costs Incurred	48.03%	51.97%	88,880	(80,266)	8,614	4,137	4,477
7	Homelessness - CHPI (100% Provincial)	100% Provincially Funded	46.30%	53.70%	2,391,459	(1,739,912)	651,547	447,547	204,000
8	Community Partnerships and Family Services	Budgeted Formal Child Care Spaces	76.13%	23.87%	9,384,885	(7,576,816)	1,808,069	1,376,543	431,526
9	Community Social Plan	Caps may be established for each Municipality at time budget is established	45.00%	55.00%	249,323	-	249,323	113,329	135,994
10	Subtotal Social Services				54,778,118	(43,198,545)	11,579,573	9,181,306	2,398,267
11							% of total Mun	79.3%	20.7%
12									
13	<b>Housing</b>	Prev Year Weighted Assmt	46.30%	53.70%	15,647,631	(6,659,348)	8,988,283	4,161,573	4,826,710
14	Subtotal - City - Provided				71,620,293	(52,207,893)	19,412,400	12,807,903	6,604,497
<b>County Provided Service</b>									
15	<b>Land Ambulance</b>	Population (Based on latest available Census)	58.32%	41.68%	14,308,461	(7,279,874)	7,028,587	4,099,337	2,929,250
16	Subtotal County Provided		58.32%	41.68%	14,308,461	(7,279,874)	7,028,587	4,099,337	2,929,250
17	Combined JSSC controlled		63.94%	36.06%	85,928,754	(59,487,767)	26,440,987	16,907,240	9,533,747
<b>Notes</b>									
1 Budgeted allocation based on estimated cost to be incurred by each municipality. Actual allocation based on costs incurred for year									

## **APPENDIX B**

### **2014-2018 CONSOLIDATED MUNICIPAL SERVICES MANAGEMENT AGREEMENT**

## **APPENDIX B**

### **CONSOLIDATED MUNICIPAL SERVICE MANAGEMENT AGREEMENT (2014-2018)**

This agreement made as of the October 21, 2013.

BETWEEN:

THE CORPORATION OF THE CITY OF PETERBOROUGH  
(hereinafter referred to as the City)

- and -

THE CORPORATION OF THE COUNTY OF PETERBOROUGH  
(hereinafter referred to as the County)

**Whereas** the City and the County entered in a consolidated municipal service management agreement (the Agreement) on the 29 of May, 1998;

**AND WHEREAS** the agreement was most recently amended in 2008 to cover the period January 1, 2008 to December 31, 2013 unless changed prior thereto by the mutual agreement of the parties;

**AND WHEREAS** both the City and the County wish to extend the agreement with some modifications for another five year term covering the period January 1, 2014 to December 31, 2018.

**NOW THEREFORE** the Corporation of the City of Peterborough by the Council thereof hereby enacts as follows:

#### **1. CONSOLIDATED MUNICIPAL SERVICE MANAGERS AND AREA OF DELIVERY**

- 1.1 The City of Peterborough is designated the Municipal Service Manager for Social Services, Social Housing Services, and Provincial Offences. The County of Peterborough is designated the Municipal Service Manager for Land Ambulance Services.
- 1.2. The City and the County will provide consolidated municipal service planning and management required for the services within the geographic area comprising the County of Peterborough, including the geographic area comprising the City of Peterborough (hereinafter referred to as the Service delivery area).

2. **JOINT SERVICES STEERING COMMITTEE**

2.1 **Joint Services Steering Committee Continues**

The Joint Services Steering Committee, previously established by the parties, is hereby continued as the Joint Services Steering Committee, which shall be responsible for the administration and implementation of the terms of this agreement in an orderly and proper fashion, and which shall make recommendations to the City and County Councils with respect to joint services issues.

2.2 **Responsibilities of the Joint Services Steering Committee**

The responsibilities of the Joint Services Steering Committee shall include, but not necessarily be limited to:

- a) reviewing and approval of draft annual work plan and budget and recommend approval to the Councils of the City and the County including appropriate levels of staffing, and service levels for the various services to the respective Councils; and
- b) making recommendations to the Councils regarding various policy issues related to the operations of the services being delivered.

2.3 **Composition**

The Joint Services Steering Committee shall be composed of four (4) members of each of the Councils of the City and the County and those members shall be appointed for the term of Council.

2.4 **Chairperson**

The Members of the Joint Services Steering Committee shall elect from among themselves a Chairperson and Vice Chairperson who shall serve for a one (1) year term from January 1 to December 31 in each year. The position of Chairperson shall alternate from year to year between the County and the City Committee Members. The Chairperson shall vote on all matters.

2.5 **Decisions and recommendations**

Decisions and recommendations of the Joint Services Steering Committee shall be by way of majority vote of the members present. Accordingly, no action may be taken on matters, which result in a tie vote. A quorum shall consist of five (5) voting members.

**2.6 Frequency of meetings**

The Joint Services Steering Committee may meet once each quarter. Additional meetings may be scheduled if issues arise which, in the opinion of the Chief Administrative Officer and/or the County Administrator, need to be presented to the Committee.

**2.7 Date of meetings**

When required, meetings will be held on the second Thursday of the month.

**2.8 City and County staff meet to review items**

When possible, City and County staff will meet the week before the Joint Services Steering Committee meeting to review all reports that will be on the Committee agenda.

**2.9 Agenda distribution**

The City Clerk shall prepare and distribute agendas to Joint Services Steering Committee members on the Friday before the week in which a Joint Services Steering Committee is held.

**2.10 Minutes**

The City Clerk shall attend each Joint Services Steering Committee meeting and shall prepare minutes that shall be circulated in a timely fashion to the Joint Services Steering Committee members.

**2.11 Meeting Procedure**

Meetings will be conducted in accordance with the **Municipal Act 2001** requirements and relevant regulations.

**2.12 Committee recommendations**

Committee recommendations may be forwarded to City Council, County Council or both Councils, depending upon the issue being considered. Generally speaking, recommendations will be dealt with as follows:

- a) Ontario Works, Child Care, Social Housing and Provincial Offences will be presented to City Council for consideration.
- b) Land Ambulance will be presented to County Council for consideration
- c) Annual Budgets for Ontario Works, Child Care, Social Housing, Land Ambulance and Provincial Offences will be presented to both Councils for consideration.

3. **Affordable Housing Action Committee**

- 3.1 The Affordable Housing Action Committee is considered to be an Advisory Committee to the Joint Services Steering Committee.
- 3.2 Staff members from the City and/or the County will sit on all the advisory committees and report regularly to Joint Services.
- 3.3 Recommendations can be submitted to the Joint Services Steering Committee by Affordable Housing Action Committee through a covering report prepared by the City Director of Planning and Development Services.
- 3.4 Minutes from all of the Affordable Housing Action Committee will be placed on the Joint Services agenda as an information item.

4. **SERVICE DELIVERY MANAGER OBLIGATIONS**

- 4.1 Each Municipal Service Delivery Manager has the obligation of discharging such responsibilities as the Province may prescribe for Municipal Service Managers in respect of the service or services, including the following:
  - (a) managing the system of services within the service delivery area;
  - (b) being accountable to the Province and local taxpayers for management of these services within the policies and standards established by the Province;
  - (c) administering cost-sharing arrangements with the Province for Social Services, Social Housing, Provincial Offences, Land Ambulance
  - (d) administering cost-sharing arrangements between the City and the County;
  - (e) determining, within Provincial policies, the most effective approaches for delivering services to clients in the service delivery area;
  - (f) taking advantage of opportunities to rationalize service delivery, where it is cost-effective and consistent with Provincial policies to do so;

- (g) performing all Human Resources functions required to operate the service in accordance with their respective Municipality's Human Resources Policies; and
- (h) Acquiring all goods and services required to provide the service in accordance with their respective Municipality's Purchasing Policies.

4.2 Services will be delivered in accordance with the following criteria:

- i) within a clearly defined service area;
- ii) in a manner which takes language and culture into account; and
- iii) takes existing transportation and communication networks into account.

5. **TERM OF AGREEMENT**

5.1 The term of this agreement will be January 1, 2014 to December 31, 2018.

6. **SERVICES COVERED AND COST SHARING BASIS**

6.1 The services covered under this agreement, and the basis upon which cost are to be allocated, are set out on Schedule A to this agreement.

6.2 Schedule A to this agreement may be amended from time to time by mutual agreement of each party's duly elected municipal council.

7. **CITY CHIEF ADMINISTRATIVE OFFICER AND THE COUNTY ADMINISTRATOR DELEGATED AUTHORITY**

7.1 The City's Chief Administrative Officer and the County Administrator are hereby authorized to administer and see to the carrying out of this agreement and, without restricting the generality of the foregoing, to exchange letters of understanding that more fully provide for the implementation and maintenance of the municipal services delivery system in accordance with the arrangements with and policies of the Province and the provisions of this agreement. Letters of Understanding shall be appended to and form part of this agreement.

8. **DISPUTE RESOLUTION**

- 8.1 In the event of any dispute about any matter arising out of this agreement between the City and the County, the following shall apply:
- (a) The dispute shall be referred initially by the party raising the dispute to the other party in writing for decision, which the latter shall give in writing within a reasonable time.
  - (b) If the dispute is not satisfactorily settled between the parties, the dispute shall be submitted forthwith to a mediator to be agreed upon by the parties.
  - (c) If the parties cannot agree on a mediator or the dispute is not satisfactorily settled between the parties through mediation, the dispute
    - i) if it involves cost-sharing, shall be submitted to the Provincial Municipal Service Management Arbitration System; or
    - ii) if it does not involve cost-sharing, shall be submitted to the Ontario Municipal Board for its decision, by which the City and the County agree to be bound, under clause (j) of Section 54 and other enabling provisions of the Ontario Municipal Board Act and any other applicable statute.

**NOTICE TO BE IN WRITING**

- 9.1 Where in this agreement any notice, request, direction or other communication is required to be given or made by either party, it shall be in writing and is effective if delivered in person, sent by ordinary or registered mail, e-mail, or facsimile transmission addressed in the case of the City to its Chief Administrative Officer and in the case of the County to its Administrator at the addresses set out below:
- a) City of Peterborough  
Attention: Chief Administrative Officer  
500 George Street North  
Peterborough, ON K9H 3R9

b) County of Peterborough  
Attention: CAO/Clerk  
County Court House  
470 Water Street  
Peterborough, ON K9H 3M3

10. **AGREEMENT MAY BE ALTERED BY WRITTEN AGREEMENT**

10.1 If at any time during the continuance of this agreement, the parties shall deem it necessary or advisable to make any alteration or addition to this agreement, they may do so by means of a written agreement between them which shall be supplemental or additional hereto and form part hereof.

11. **RELATED AGREEMENTS**

11.1 At its meeting held December 3, 2012 based on recommendations in Report CAO12-020, dated December 3, 2012, and through By-law 012-173 Council of the City of Peterborough, Council approved an Agreement between the City of Peterborough, County of Peterborough and the Greater Peterborough Area Economic Development Corporation covering the four year period January 1, 2013 to December 31, 2016.

At its meeting held December XX, 2012 through By-law 2012-XX, County Council approved the same agreement.

Portions of that agreement refer to responsibilities of the Joint Services Steering Committee.

11.2 At its meeting held March 6, 2000, based on the City Solicitor's report OCS00-001, dated February 28, 2000, Council of the City of Peterborough authorized the Mayor and the Clerk to execute an Inter-Municipal Service Agreement between the City and County stipulating the City would deliver the POA services and revenues would be shared based on weighted current value assessment. Both parties signed the agreement on June 1, 2000.

The Agreement also set out other operational issues and refers to responsibilities of the Joint Services Steering Committee.

IN WITNESS WHEREOF the parties have hereunto affixed their corporate seals  
duly attested by their proper officers in that behalf.

DATED this 21 day of October, 2013.

**THE CORPORATION OF THE CITY OF PETERBOROUGH**

---

Mayor

---

Clerk

**THE CORPORATION OF THE COUNTY OF PETERBOROUGH**

---

Warden

---

CAO/Clerk

<b>Schedule A</b> <b>To Consolidated Municipal Service Management Agreement</b> <b>Covering the period January 1, 2014 to December 31, 2018</b>		
Ref	Description	Allocation Basis
C1	C2	C3
<b>City Provided Services</b>		
<b><u>Provincial Offences</u></b>		
1.0	POA	Previous Year Weighted Assessment 2
<b><u>Social Services</u></b>		
2.0	Ontario Works - Administration and Employment, Addiction	Budgeted OW Caseload Split
3.0	Ontario Works - Mandatory Benefits	Actual Costs Incurred 1
4.0	Ontario Works - Discretionary Benefits	Actual Costs Incurred 1
5.0	Homemakers and Nurses	Actual Costs Incurred 1
6.0	Homelessness - including Hostels and Drop in Centres	Net municipal cost beyond the 100% Provincial Funding allocation is shared as follows: County portion is capped at \$204,000; City funds remaining balance.
7.0	Community Partnerships and Family Services STATUS QUO	Budgeted Formal Child Care Spaces
8.0	Community Social Plan	Funding provided to Community Partners and Seniors programming split 50-50; balance shared 60% County, 40% City. 1
<b><u>Housing</u></b>		
9.0	Housing	Previous Year Weighted Assessment 2
<b>County Provided Service</b>		
<b><u>Land Ambulance</u></b>		
11.0	Land Ambulance	Population (Based on latest available Census) - 2014 allocation based on 2011 Census; City = 78,698 County = 56,235 Total = 134,933
<b>Notes</b> 1 Budgeted allocation based on estimated cost to be incurred by each municipality. Actual allocation based on costs incurred for year. 2 Previous year's weighted assessment is used rather than current year's because current year's is not typically established until tax ratios are established which can be as late as April 30 of the current year.		