

# The Beggar's Checklist:

A "To Do" List for Municipalities



Colin Craig  
Manitoba Director - Canadian Taxpayers Federation

# ABOUT THE CANADIAN TAXPAYERS FEDERATION

The Canadian Taxpayers Federation (CTF) is a federally incorporated, non-profit and non-partisan, advocacy organization dedicated to lower taxes, less waste and accountable government. The CTF was founded in Saskatchewan in 1990 when the Association of Saskatchewan Taxpayers and the Resolution One Association of Alberta joined forces to create a national taxpayers organization. Today, the CTF has over 60,000 supporters nationwide.

The CTF maintains a federal office in Ottawa and offices in the five provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. Provincial offices conduct research and advocacy activities specific to their provinces in addition to acting as regional organizers of Canada - wide initiatives.

CTF offices field hundreds of media interviews each month, hold press conferences and issue regular news releases, commentaries and publications to advocate the common interest of taxpayers. The CTF's flagship publication, The Taxpayer magazine, is published six times a year. An issues and action update called TaxAction is produced each month. CTF offices also send out weekly Let's Talk Taxes commentaries to more than 800 media outlets and personalities nationally.

CTF offices field hundreds of media interviews each month, hold press conferences and issue regular news releases, commentaries and publications to advocate the common interest of taxpayers. The CTF's flagship publication, The Taxpayer magazine, is published four times a year. An issues and action update called TaxAction is produced each month. CTF offices also send out weekly Let's Talk Taxes commentaries to more than 800 media outlets and personalities nationally.

CTF representatives speak at functions, make presentations to government, meet with politicians, and organize petition drives, events and campaigns to mobilize citizens to effect public policy change.

All CTF staff and board directors are prohibited from holding a membership in any political party. The CTF is independent of any institutional affiliations. Contributions to the CTF are not tax deductible.

**The CTF's Manitoba office is located at:**

#212, 428 Portage Avenue  
Winnipeg, Manitoba R3C 0E2  
Telephone: 1-800-722-9955  
Fax: 1-204-982-2154

E-mail: [mb.director@taxpayer.com](mailto:mb.director@taxpayer.com)  
Web Site: [www.taxpayer.com](http://www.taxpayer.com)

## Table of Contents

<b>Part I:</b>	Executive Summary .....	<b>3</b>
<b>Part II:</b>	Introduction .....	<b>4</b>
<b>Part III:</b>	The Begging Examined.....	<b>4</b>
<b>Part IV:</b>	Tight Ships?.....	<b>5</b>
<b>Part V:</b>	The 10 “To Do” Items .....	<b>6</b>
	1) Bring salaries and benefits in-line with the private sector .....	<b>6</b>
	2) Contract out services .....	<b>8</b>
	3) Utilize private/public partnerships for capital projects .....	<b>10</b>
	4) Sell surplus land/assets .....	<b>12</b>
	5) Convert services to user fees .....	<b>14</b>
	6) Allow volunteers to help deliver services .....	<b>16</b>
	7) Refocus activities on core services .....	<b>17</b>
	8) Develop sponsorships for services .....	<b>19</b>
	9) Develop partnerships for the delivery of services .....	<b>20</b>
	10) Utilize new technology to reduce costs.....	<b>21</b>
<b>Part VII:</b>	Conclusion .....	<b>23</b>

## Executive Summary

Across Canada, municipal politicians are routinely seen begging for financial assistance from other levels of government. While many municipalities claim to be financially 'helpless', there are however, plenty of initiatives that they *could* undertake to reduce costs or raise revenues through legitimate means; they just have to roll up their sleeves and get to work.

The "Beggar's Checklist" is a tool for provincial and federal politicians to use when municipal politicians come cap-in-hand asking for money. The checklist includes initiatives that municipalities should have to complete before simply asking another level of government for money.

<b><u>THE BEGGAR'S CHECKLIST</u></b>	
<i>"Has your municipality..."</i>	
1) Brought staff <b>salaries</b> in-line with the private sector?	<input type="checkbox"/>
2) <b>Contracted out</b> services wherever possible?	<input type="checkbox"/>
3) Utilized <b>public private partnerships</b> for capital projects?	<input type="checkbox"/>
4) Sold <b>surplus land and assets</b> ?	<input type="checkbox"/>
5) Converted services to <b>user fees</b> ?	<input type="checkbox"/>
6) Sought <b>volunteers</b> for the delivery of city services?	<input type="checkbox"/>
7) Refocused activities on <b>core services</b> ?	<input type="checkbox"/>
8) Raised revenues for services through <b>sponsorship</b> activities?	<input type="checkbox"/>
9) <b>Partnered</b> with other governments for service delivery?	<input type="checkbox"/>
10) Utilized new <b>technology</b> to reduce costs?	<input type="checkbox"/>



As this document shows, there are several great initiatives being undertaken by municipalities in Canada and around the world. When municipal politicians get together for conferences, they need to stop putting the focus on brainstorming new taxing powers and start sharing innovative solutions which can save taxpayers money.

## Introduction

Across the country, municipal politicians routinely go cap-in-hand to other levels of government looking for handouts. While many municipalities claim to be financially 'helpless', there are however, plenty of initiatives that they *could* undertake to reduce costs or raise revenues through legitimate means; they just have to roll up their sleeves and work at it.

Developed in the form of a "to do" list, the "beggar's checklist" is a tool for provincial and federal politicians to use when municipal politicians come asking for money. The list includes initiatives that municipalities should have to complete before simply asking another level of government for money.

### "The Begging" Examined

The motive for their 'begging,' according to municipal politicians, is to address a municipal infrastructure deficit that they claim to be roughly [\\$123 billion](#) nation-wide. Municipal governments, they contend, do not have the financial means to address the deficit and therefore need more taxing power and greater financial assistance from other levels of government.

While no one will question the assertion that across the country a number of roads and bridges need some tender loving care, many have raised legitimate questions as to the integrity of the infrastructure deficit figures floated by municipal politicians. After all, such figures usually lack details on what assets need repair and how many are merely on a municipal 'wish list.'

For example, when the Canadian Taxpayers Federation asked for a list of the items comprising the City of Winnipeg's infrastructure deficit in 2008, we were given an old city report from 1998 ("*Strategic Infrastructure Reinvestment Policy*") and a PowerPoint presentation from 2003 ("*Winnipeg's Public Infrastructure*"). The two documents did not list individual assets which required repair, but simply made broad assertions and calculations that suggested - *because the city owned a lot of old assets it needed a lot of money to repair them.*

Further, while the 1998 report did not list each asset that required repair nor the cost for repairing it, it is clear that some items were included that should not have been. For example, the city's 1998 "infrastructure deficit" figure included; parkades, fitness centres and golf course infrastructure - all non-core assets. Hydro lines and transit busses were also included in the report's "infrastructure deficit" figure even though such assets were part of separate, distinct services and should have been funded through user fees, not taxes.

As most other municipalities have yet to provide detailed lists as to what comprises their respective "infrastructure deficits" it's certainly reasonable to question the integrity of figures put forward by municipal politicians and organizations.

## **Tight Ships?**

As for the roads and bridges that clearly do need repair, it's fair to ask if municipalities have the financial resources necessary to make the repairs. Are they running "tight ships" as many claim or are they hemorrhaging tax dollars on non-core services and inefficient operations? Have municipalities moved to user pay models for appropriate services and looked at other legitimate revenue streams or are they simply taking the easy way out and asking for more money? These are just some questions that need to be asked before blindly accepting the claims of municipal politicians.

The beggar's checklist contains information on a number of constructive initiatives that municipalities should pursue before simply approaching other levels of government for more funding. If municipal politicians ignore the list, provincial and federal politicians should not.

## Beggar's Checklist

### 1) **Bring salaries & benefits in-line with the private sector**

Perhaps the worst kept secret in Canada is that public sector salaries and benefits are much higher than similar positions in the private sector.

Make no mistake municipalities are just as guilty as other levels of government when it comes to signing lucrative contracts with their employees.

Consider a December 2008 study by the *Canadian Federation of Independent Business* which found municipalities enjoy an 11.2 per cent wage and salary advantage over individuals performing similar duties in the private sector.

Astonishingly, the gap increases to 35.9 per cent once municipal pension plans and benefits are included.

While the size of the gap is appalling, the existence of one is no surprise. After all, the salaries of civic employees are not subjected to competitive forces. Unlike businesses that have to work hard to compete for revenues, taxes are certainly not voluntary. The funds always seem to be there for civic staff salaries, regardless of performance. Needless to say, public sector employees enjoy unparalleled levels of job security.

In addition to lucrative salaries and secure employment, civil servants also enjoy incomparable pension benefits. According to *Statistics Canada* data, as of January 2008, 83.2 per cent of public sector employees have pension plans while only 21.3 per cent of private sector employees do.

The gap widens when one considers the type of pension plan enjoyed by most civil servants. Consider that 77.7 per cent of public sector employees have defined-benefit plans while only 13.2 per cent of private sector employees do. Defined-benefit plans are considered “the Cadillac” of pension plans as they require employers to guarantee a set pension payout to employees. Conversely, defined-contribution plans merely require employers to contribute a set amount to the plan; if the plan is poorly managed or if investment returns are lower than expected, the employer is off the hook.

Clearly, the pension plans of civil servants are costing taxpayers dearly.

Beyond the high salaries and lucrative pensions, many public sector unions have negotiated unthinkable benefits. Consider the 2009 CUPE strike in Toronto. One of the main issues keeping both sides apart was the ability of unionized workers to carry over 18 sick days a year, which workers could eventually “cash out” upon retirement. The cost of Toronto’s “sick day” liability alone currently sits at \$250 million.

Given the price tag for such a lucrative provision, it is no surprise that it is next to non-existent in the private sector.

Another example of a costly benefit that some unions have negotiated is known as a “redeployment clause”. The clause guarantees employees a job with the same level of pay in the event of restructuring or contracting out. [Toronto](#), [Saskatoon](#) and [Winnipeg](#) all have redeployment clauses in some form or another.

Obviously this type of costly perk is virtually non-existent in the private sector as it restricts an organization’s flexibility to operate in the most efficient manner possible.

***To Do: Take on the big public sector unions and bring their salaries and benefits in-line with the private sector.***

## 2) **Contracting out**

Generally speaking, municipalities oversee the delivery of dozens of diverse services for its citizens. Given the diversity of those services, it is no surprise that municipalities deliver some in-house while others are delivered by third party companies.

After all, any first year business student will tell you there aren't a lot of synergies between garbage collection, snow removal, policing, road construction and zoning. As municipalities do not have the resources to become experts in each service they provide, it is easy to understand why in most cases, third-party expert partners can provide better services for taxpayers at lower prices.

For example, in 2005, the City of Winnipeg contracted out garbage collection services for the remaining section of Winnipeg where city crews still picked up the trash. According to City of Winnipeg estimates, as a result of contracting out garbage collection in that one section of Winnipeg alone, the city saves approximately \$2.6 million per year. To top it off, customer service levels improved as complaints are now down 20-25 per cent annually. Better services for taxpayers at a lower price – who would complain?

Obviously public sector unions often object to contracting out as it can sometimes result in job losses for their members. However, the City of Indianapolis and other jurisdictions have demonstrated that contracting out can be done in a “worker-friendly” manner.

According to Indianapolis's former Mayor Stephen Goldsmith, when the city contracted out a myriad of services during the 1990's, existing employees were encouraged to bid along with private sector firms when services were put out for tender. The city even provided assistance to help existing employees write their proposals.

In a number of cases, city employees rose to the 'contracting out' challenge and retained their jobs by making competitive bids. For example, once city pothole repair crews faced the prospect of being outbid and losing their jobs, they put in a proposal which reduced costs for the city, while increasing productivity.

That's right, after subjecting pothole repair services to competition, city crews reduced costs from \$425 per ton to fill potholes to \$307 per ton – a 25 per cent drop. At the same time, productivity went from 3.1 lane miles per day to 5.2 – a 68 per cent increase.

Part of the city workers' secret to winning the bid was attributed to remounting some patching equipment. This allowed them to reduce their crew from two trucks and eight workers down to one truck with five workers.

All along the crew were capable of reconstructing their operation to become more efficient, but lacked the incentive to do so. The motivation of competition drove productivity gains and cost reductions, all benefitting taxpayers.

Imagine the savings nation-wide if municipalities explored contracting out other services that the private sector is already providing. Payroll services, park maintenance, snow clearing, street repair, meter reading and fleet management are just a few examples of other services that municipalities could look at contracting out.

***To Do: Explore partnering with the private sector and non-profit organizations to provide services.***

### 3) **Public private partnerships**

Municipalities across the country have proven that public private partnerships (P3s) for capital projects can save taxpayers money. While P3s come in various shapes and sizes, they typically have one thing in common – sharing the risk for a capital project with the private sector.

As taxpayers know too well, massive, government-led capital projects often result in substantial cost overruns. The [\\$380 million](#) in cost overruns for Vancouver's new convention centre, the [\\$70 million](#) in additional costs for Winnipeg's new water treatment facility and the [\\$1.25 billion](#) in overruns for Montreal's Olympic Stadium are just a few examples of government infrastructure boondoggles. In each case, John and Jane taxpayer had to pick up the inflated tab.

Conversely, P3s place the risk of cost overruns on private sector partners.

For example, the City of Chilliwack partnered with the Chilliwack Chiefs Development Group (CDG) in 2003 to build a new multi-purpose arena. Through the partnership, CDG assumed all risk for cost overruns, financing, and maintenance of the facility over a 25-year period

Further, CDG took on responsibility for management of the facility and assumed the liability for any potential operating losses. In addition to negotiating a public access agreement and profit sharing, the City of Chilliwack calculated a savings of over \$7 million through the creative partnership.

In Winnipeg, the city entered into a creative 'lease to own' partnership with DBF Ltd. for the construction and maintenance of the Charleswood Bridge in 1994. Under the terms of the agreement, the city agreed to pay annual lease payments to DBF Ltd. in exchange for allowing Winnipeg motorists to use the bridge. At the end of the 30-year deal, the bridge will be turned over to the City of Winnipeg in a specified shape and condition.

Thus, the risk associated with financing, construction and maintenance costs for the project were transferred to the private sector partner. Further, the bridge was completed a full year ahead of schedule. Not only did the partnership help motorists' save time, it also helped their pocket books. According to the City of Winnipeg, it will save \$1 million over the life of the partnership.

Edmonton's Anthony Henday ring road and Prince Edward Island's Confederation Bridge are other examples of successful private public partnerships. In addition to arenas and bridges, municipalities have also developed P3s for police stations, fire stations, toll roads, public buildings and a whole host of other projects.

To be sure, not every P3 proposal is a good deal for taxpayers. The Alberta government abandoned plans to use a P3 to build a new court house in Calgary, once they believed a better deal could be gained by building it themselves.

There are good P3s for taxpayers and there are bad P3s for taxpayers. The bottom line is that they should always be an option when municipalities are undertaking capital projects.

***To Do: Explore public private partnerships for capital projects.***

#### 4) ***Sell surplus land and non-core assets***

Across the country millions, if not billions of tax dollars are being tied up unnecessarily by municipalities in land and assets that could be sold. Selling such items represents a legitimate revenue opportunity for municipal governments.

Not only would municipalities gain from the one-time proceeds of such sales, once unused public land has been sold, municipalities would see annual property tax revenue from the now utilized land. Further, disposition of money-losing assets could provide annual savings.

Consider municipal golf courses. Nation-wide, municipalities own hundreds of golf courses, many of which are subsidized by taxpayers. Further, government-run courses are often in direct competition with privately owned courses. Running commercial ventures is not a core responsibility of government; especially in the case of one City of Winnipeg course that isn't even located in Winnipeg!

Parkades, surface parking lots, fitness centres, power plants and convention centres are other assets which could be sold off. Most importantly, in the case of convention centres and fitness centres, those facilities often lose money; selling them could result in annual savings.

Selling municipal office buildings should also be considered. After all, companies throughout the world are leasing their space as it is not only cost effective, it allows them to focus on their core business; instead of building maintenance issues.

For leadership in managing building space required for municipal purposes, municipalities could look to the federal government. In 2007, the federal government announced that it would sell seven buildings worth [\\$1.41 billion](#) to Larco Investments Ltd. and then lease the space back through 25-year agreements. By doing so, the government expects to save [“several hundred million dollars”](#) as a result of net gains from the sale of the buildings and lower maintenance costs.

Finally, bureaucratic empire building practices have often included the accumulation and hoarding of land. Across the country, pockets of land have been set aside for parks and other purposes, yet decades later, the land still sits undeveloped. All the while, property tax revenue is lost.

For example, the City of Vancouver is sitting on \$10 billion worth of land, some of which is undeveloped. In West St. Paul, just outside the City of Winnipeg, 43.9 acres of prime, riverfront land is still sitting undeveloped. Oddly enough, the land is owned by the City of Winnipeg.

Municipalities should establish land review processes to regularly consider possible land sales. Further, politicians could consider attaching internal financial costs to

departments for land which they have set aside for projects that are “just around the corner.” Doing so could help ensure land is developed in a timelier manner.

***To Do: Review all municipally-owned buildings and land to determine possible items to sell.***

## 5) *Shift to user fees*

Wherever possible, municipalities should charge user fees for services provided. The fees should be set at rates that recover the cost of providing the service and not be used as a cash cow to funnel funds towards other purposes.

As Dr. David Gratzer noted in his book “Code Blue”, the absence of user fees can lead to insatiable demand for products and services. Gratzer cited a Canadian grocery chain which previously allowed customers, who have to bag their own groceries, to help themselves to the store’s plastic bag supply. Prior to the introduction of user fees, customers were quite liberal with the amount of bags they used to help themselves to. In some cases, customers could even be seen taking bags and filling them with up with even more bags as they checked out.

However, once a modest user fee of four cents per bag was put in place, customers were then seen stopping to ponder how many bags they truly needed versus how many they wanted. With the introduction of a modest user fee, the company was able to curb demand for its plastic bags and thus reduce costs.

While the CTF opposes interventionist-governments forcing private businesses to impose user fees on their products, when it comes to civic services, user fees may help reduce usage and costs. Right now, many residents seem to want their road paved annually, a police station at the end of their street, a fire station on the other end and free libraries and pools nearby for their kids. Special interest groups are no different. Every year municipalities are inundated with requests for contributions for just about everything under the sun.

Why wouldn’t residents and special interest groups want such services? After all, once they pay their property tax bills, the sky seems to be the limit in terms of the demand for municipal services. While it is difficult to charge user fees for services like policing, firefighting, traffic lights and snow removal, there are areas where municipalities could shift services off of property tax bills and onto a user pay model.

For an example of how user fees could curb demand at the municipal level, consider a 2001 Environment Canada study that showed metered water customers in Canada used only 272 lpcd (litres per capita daily) while non-metered customers used 475 lpcd – 75 per cent more. Clearly, when faced with a fee for service, individuals had an incentive to curb demand and responded accordingly.

Permits, zoning, garbage collection, library services, pool usage, tolls for new roadways and transit are examples of areas where user fees could be implemented and/or used to curb demand and control costs.

However, when shifting such services to a user pay model, municipalities should not enjoy a “cash grab.” The portion of property taxes currently collected to pay for the service should be reduced as user fees are introduced.

For example, if 10 per cent of the average Torontonians' property tax bill goes towards garbage pick-up right now, property taxes should be reduced 10 per cent upon the introduction of user fees for garbage pick-up.

***To Do: Municipalities should introduce user pay services wherever possible to reduce dependence on property taxes and curb demand for services.***

## 6) ***Utilize volunteers to improve the community***

Due to unionized labour agreements, many municipalities are prevented from utilizing citizens who offer to volunteer in their community.

For example, in Winnipeg, the city's administration noted that it cannot create a volunteer position without first receiving approval by the Canadian Union of Public Employees (CUPE).

This outrageous veto given to unions has shockingly barred community-minded citizens in Winnipeg from being allowed to volunteer at their local library to help put books back on the shelf, read to children or help repair materials.

In Montreal, the city's union fought a by-law requiring shopkeepers to clean in front of their stores in 2007. The union argued that the city directive took away union jobs and violated the contract with the union. A labour arbitrator reviewed the matter and ruled in favour of the union – citing that sweeping sidewalks is the exclusive domain of the city's unionized employees.

Conversely, some municipalities openly embrace volunteerism. Doing so allows them to reduce labour costs by taking advantage of the natural tendency for citizens' to want to improve their community.

For example, the City of Sacramento is a leader in volunteerism at the municipal level in the United States. Their city has a "volunteering" link prominently displayed on its web site and its citizens routinely sign up to help out in with a wide variety of services. From stenciling "No Dumping" on storm drains to assisting with office work, volunteers help the city save millions each year in labour costs.

By allowing citizens the right to volunteer and assist with the delivery of municipal services, municipalities could reduce labour costs while instilling a sense of "community ownership" among citizens.

***To Do: Municipalities should remove any barriers currently preventing volunteers from helping to deliver municipal services.***

**7) Refocusing on core services**

Often municipal governments complain about the “downloading” of services from provincial governments. While there are certainly cases of provincial governments downloading provincial responsibilities on municipalities, there are also many cases of “up-taking” – where municipal governments start providing services they deem needed, even when it is not their responsibility to do so.

In most cases, if municipalities would simply concentrate on delivering their core services, they probably wouldn’t have accumulated an “infrastructure deficit” - by anyone’s calculation.

Consider the fact that across the country, municipalities spend millions of dollars each year to subsidize money losing golf courses, convention centres, fitness centres, low income housing projects, cultural grants and various other non-core services.

Inevitably property tax revenues, meant for core municipal services like policing and road repair, are diverted to pay for such non-core services. Further, many of these non-core functions lead to municipalities taking ownership of assets which further inflate their “infrastructure deficit” figures.

Consider some of the activities the City of Toronto is currently engaged in:

Service	Who Should Be Doing It
Screening babies for hearing loss and birth weights	Provincial Department of Health
Promoting healthy food choices for street vendors	Citizens can make informed choices (not to mention consulting with the Canada Food Guide)
Dental and oral health for low income children	Provincial Department of Health
Affordable housing office	Provincial Community and Social Services Department
Operating municipal golf courses	Private Sector and Non-profit groups
Arts/cultural grants	Citizens can decide for themselves
Employment assistance programs	Provincial Community and Social Services Department
Child care	Private Sector and Non-profit groups

While the City of Toronto is an extreme case of a government trying to be all things to all people, many other municipalities are also guilty of devoting time and resources towards the delivery of non-core services.

Municipalities should use the following services as a guide to determining core municipal services:

Water/wastewater services  
Traffic management  
Road construction and repair  
Transit

Policing  
Fire response  
Park maintenance

Zoning  
Lighting  
Snow removal

***To Do: Municipalities should ensure they are only providing “core services.”***

## 8) **Sponsorships**

Raising funds through corporate and citizen sponsorships is a legitimate revenue tool that most municipalities could utilize to a greater extent.

Consider the fact that the [City of San Diego](#) has raised over \$12 million in corporate sponsorships over the last several years. That is \$12 million that San Diego taxpayers did not have to pay in taxes. A technology partnership with Verizon, a sponsorship with a local car dealership for city vehicles as well as an agreement with Pepsi Cola are just a few examples of sponsorships arranged by that city's administration.

Some municipalities even have catalogues on their web sites that people and companies can look through to decide which services or assets they would like to sponsor. Park benches and playground structures are a couple examples of items that citizens or businesses can voluntarily choose to support.

In Canada, the City of Calgary has proven to be a leader when it comes to corporate sponsorship. According to the city's administration, for 2008, Calgary raised approximately \$1 million through sponsorships. In fact, one of their city's police helicopters was largely paid for through corporate sponsorships.

Another example of a great corporate sponsorship partnership would be the [Dow Centennial Centre](#) in Fort Saskatchewan, Alberta. Dow Chemicals contributed \$1 million towards the centre and several other sponsors purchased the naming rights for various facilities within the centre. In total, corporate sponsors contributed \$2.5 million of the project's \$22.5 million total.

From selling naming rights for municipal buildings to sponsoring vehicles for municipal services, municipalities across the world are developing all kinds of creative sponsorships to help pay for services. As sponsorships are largely an untapped resource at the municipal level, this represents a legitimate fundraising opportunity for municipalities.

***To Do: Municipalities should develop sponsorship policies and pursue sponsorships opportunities for municipal services and assets.***

## 9) ***Better cooperation for service delivery***

The CTF has always objected to the notion of one government raising funds and another spending them. Accountability is higher whenever a government is responsible for collecting the dollars that it spends.

However, there are opportunities for municipalities to have better working relationships with other levels of government and non-profit organizations.

Library reform is one such area where better partnerships could be achieved. Across the country, there are numerous examples of municipal libraries existing just metres away from public school libraries with little cooperation between the two. Obviously, savings could be achieved by maintaining one structure, having only one heating bill, one electricity bill, shared staff, shared books and resources, etc.

The Britannia library in Vancouver is an example of how a good partnership was developed between the City of Vancouver and the #39 Vancouver School Board. In addition to serving the students of Britannia Secondary School, the library also serves the public. In fact, the Britannia Library has been a successful partnership for over 30 years.

In terms of recreation services, municipalities often compete with non-profit organizations, such as the YMCA. In Winnipeg, during the former Mayor's "New Deal" heyday, the city actually conducted a massive expansion to one of its recreation centres while a YMCA facility was opened just 800 metres away. Municipal politicians defended the nuances between their facility and the non-profit fitness centre down the road but their decision to build the similar facility didn't jive with their claim of being strapped for cash.

Today, that city facility loses approximately \$1 million a year while the YMCA facility down the street breaks even. In fact, according to the City of Winnipeg's Economic Opportunity Commission report, the City of Winnipeg losses over \$10 million a year through its recreation programs, while all YMCA facilities in the city break even.

***To Do: Cooperate with other levels of government and non-profit organizations.***

## 10) *Utilize new technology to reduce costs*

Governments tend to lag private industry when it comes to innovation and adoption of new technology. In some cases, union provisions, which require consulting with employees before the introduction of new technology, contribute to the delay.

However, by embracing new technology, municipalities could find significant savings.

Consider “active transit signal priority” (ATSP) technology. When placed on buses, the technology can communicate with upcoming traffic signals and direct them to stay green a little longer or turn green a little earlier to ensure the bus can travel with fewer stops and delays.

For transit riders, it makes the service more appealing as the technology helps reduce travel times. As our federal government has noted, some municipalities have seen reductions in commute times by as much as [40 per cent](#) through the usage of ATSP technology.

For governments, it allows them to essentially provide rapid transit without having to spend billions on digging subway tunnels, running train lines and building bus corridors – all of which increase a municipality’s infrastructure footprint. At \$150,000-250,000 per mile, the technology is extremely cost effective.

Another technological advancement that governments could adopt is the practice of telecommuting; allowing employees to work from home rather than driving into work each day. While many companies have embraced the practice, governments have been slower to do so.

Telecommuting could allow governments to reduce the amount of office space they require to operate and the associated incidental costs. For employees, it allows them to spend less time driving to and from work and provides them with other conveniences of working from home; such as letting Rover out to do his “business.”

Further, by incorporating telecommuting, governments could better focus on the results delivered by employees versus keeping people around who appear to be busy at work.

As the District of Columbia (D.C.) has realized, sometimes the best things in life are free. By using free software from Google, the D.C. government was able to reduce its software costs from \$50 per employee per month to just \$50 per year. That’s right, they reduced costs by factor of twelve.

According to municipal government management expert Bruce Hollands, Canadian municipalities could save as much as \$100-150 million annually if they followed in Washington’s footsteps.

Certainly other forms of technology could be adopted by municipalities that would both save taxpayers money and improve results. It's time to start exploring those alternatives.

***To Do: Save taxpayers money by considering how new technology could help deliver comparable results at a much lower price.***

## **Conclusion**

As the Beggar's Checklist has clearly demonstrated, there are dozens of initiatives that municipalities could pursue in order to reduce costs and raise revenue through legitimate means.

It's time for municipal politicians to roll up their sleeves and improve their own operations instead of taking the easy way out and simply asking for more money.

As this report notes, in many cases, municipal politicians could learn from each other. The City of Fort Saskatchewan should be flooded with phone calls from other municipalities, inquiring as to how they raised so many dollars in sponsorships for their community centre.

Toronto should follow Winnipeg's lead and look at contracting out garbage collection. In turn, Winnipeg should follow Vancouver's example and develop library partnerships.

Just about every municipality should be looking at land and asset sales, utilizing new technology, refocusing on core services and shifting to user fees.

Perhaps most importantly, it is time for municipal politicians to address the large gap between the salaries and benefits paid to public sector salaries and those who are paying for it.

If municipal politicians aren't prepared to roll up their sleeves and improve their operations, then provincial and federal politicians should ignore their pleas for more funding and taxation powers.

Only after a municipality can show that it has completed all ten "to do" items in the Beggar's Checklist, should a provincial or federal politician consider their requests to discuss how municipalities are funded.