
MINISTRY OF FINANCE: MUNICIPAL MODERNIZATION

Purpose

The County of Renfrew is requesting provincial support to undertake a comprehensive municipal modernization review that will position Renfrew County and its 17 local municipalities to meet growing service demands while maintaining affordability for residents. The review will examine how municipalities can work more effectively together through shared services, coordinated service delivery, technology modernization, and governance innovation to reduce duplication, strengthen organizational capacity, and improve long-term financial sustainability. As one of Ontario's largest rural two-tier municipal systems, Renfrew County provides an ideal environment to evaluate modernization opportunities that can benefit both local taxpayers and inform broader provincial efforts to build more efficient, resilient, and sustainable municipal governments.

Proposal

The County of Renfrew is seeking \$200,000 in provincial municipal modernization funding to undertake a comprehensive service delivery and governance review with its 17 lower-tier municipalities. The review would identify practical opportunities to improve service delivery, reduce duplication, strengthen municipal capacity and protect long-term affordability for taxpayers.

Why Renfrew County / Why Now

Renfrew County is a large, rural, two-tier municipal system serving approximately 86,000 residents across more than 7,600 square kilometres. Its municipal structure includes communities ranging from very small rural municipalities to larger service centres, creating a broad range of financial, staffing and service-delivery capacities.

Many municipal service arrangements in Ontario were shaped during restructuring in the 1990s and early 2000s. Since then, the municipal operating environment has changed significantly. Local governments now face higher infrastructure renewal costs, complex regulatory requirements, cyber-security and digital-service expectations, housing pressures, recruitment challenges and growing taxpayer affordability concerns.

The question is not whether local services matter. They do. The question is whether Renfrew County and its local municipalities have the right tools, scale, agreements and governance arrangements to deliver those services efficiently and sustainably over the next generation.

Pressure	What It Means for Rural Municipalities
Affordability	Municipal costs are rising faster than many small tax bases can comfortably absorb.
Workforce capacity	Specialized staff in finance, IT, planning, engineering, HR, building and by-law are increasingly difficult to recruit and retain.
Technology and cyber risk	Resident expectations and cyber-security risks are growing, but smaller municipalities often lack specialized digital capacity.
Infrastructure and service expectations	Roads, bridges, facilities, emergency services and development approvals require more sophisticated planning, data and coordination.

What the Review Would Examine

Ontario invested heavily in municipal modernization between 2019 and 2023, funding hundreds of reviews and modernization projects, including several in Renfrew County. Those projects demonstrated that municipalities are prepared to explore shared services, digital modernization, and governance innovation. Renfrew County now seeks to build on this provincial investment by applying that same modernization lens to one of Ontario's largest rural two-tier systems.

The review would use a staged approach: begin with current-state analysis, test shared-service and coordination opportunities, develop business cases for the strongest options, and only assess deeper governance or structural choices where evidence supports further consideration.

Review Area	Examples of What Could Be Tested
Corporate services	Finance, payroll, HR, procurement, insurance, records management, agenda/reporting processes, policy support and administrative back-up.
Information technology and digital tools	Shared platforms, GIS, cyber-security supports, permitting systems, resident-service portals, data standards and AI-readiness.
Roads and winter maintenance	Network rationalization, boundary adjustments, plow routes, fleet utilization, shared materials, maintenance yards and joint procurement.
Fire and emergency services	Automatic aid, regional coordination, shared training, dispatch, capital planning, response boundaries and volunteer sustainability.

Planning, building and by-law	Shared professional staff, common processes, digital permitting, development approvals, back-up coverage and enforcement coordination.
Economic development	Regional investment attraction, site readiness, business supports, tourism, workforce partnerships and shared data tools.
Governance and service models	Shared service agreements, service boards, municipal services corporations, upload/download options and longer-term structural scenarios where justified.

Proposed Review Approach

The review should be structured to keep the process politically safe, evidence-based, and implementation-focused. The following approach avoids the appearance that the outcome has been decided in advance.

Phase	Purpose	Key Activities	Deliverable
Baseline and readiness	Establish a current-state picture of services, costs, staffing, assets, technology, agreements, and pain points.	Collect service inventories, budgets, staffing data, fleet/assets, contracts, software platforms, policies, and existing inter-municipal agreements.	Current-state service and opportunity profile.
Opportunity screening	Identify practical options before considering deeper structural questions.	Screen areas for duplication, vacancy risk, procurement opportunity, resident impact, service-level variation, and implementation readiness.	Shortlist of modernization opportunities.
Option development	Develop evidence-based options with costs, benefits, risks, implementation requirements, and governance implications.	Model shared service arrangements, service-level agreements, digital investments, road/fire/planning scenarios, and governance alternatives.	Options report with implementation considerations.

Engagement and validation	Build trust and avoid surprise among local councils, municipal staff, and key partners.	Council workshops, CAO/treasurer/department-head interviews, staff working groups, public-facing summary where appropriate.	Validated direction and areas of consensus/non-consensus.
Roadmap and business cases	Move from study to implementation.	Prioritize quick wins, medium-term initiatives, and longer-term governance questions with assigned leads and required decisions.	Implementation roadmap and recommended next steps.

Use of Provincial Funding

Use	Indicative Purpose
Independent third-party review	Service delivery analysis, financial modelling, governance options, benchmarking, and facilitation.
Data and operating analysis	Service inventories, cost allocation review, route/service mapping, existing agreement analysis, and performance indicators.
Stakeholder engagement	Council and staff workshops, lower-tier engagement, and presentation materials for transparent decision-making.
Implementation roadmap	Prioritized recommendations, governance pathways, business case templates, and potential phased implementation plan.

Scope of the Review

This is not an amalgamation request; structural reform should be treated as one possible long-term area of analysis, not the purpose of the review. The strongest frame is modernization first: shared services, better coordination, stronger local capacity and taxpayer value.

The review would examine opportunities across a practical hierarchy of options: coordinate where coordination is enough, share where sharing makes sense, integrate where service outcomes and economies of scale justify it, and only assess structural models where evidence supports deeper analysis.

Shared Services and Modernization Opportunity Map

