

Chatham-Kent Lambton Administrators Group (CKLAG)

ANNUAL REPORT

ON COST SAVINGS TO RESIDENTS OF CHATHAM-KENT AND LAMBTON FOR 2000

Issued March 2001

Philosophy

There is only one source of money for the publicly funded organizations, the taxpayer. CKLAG understands that the taxpayer demands the maximum benefit should be attained from that expenditure.

It is the intent of CKLAG to minimize duplication and thereby reduce expenditures and to maximize cooperation in all aspects of their respective operations.



Inside This Report

1	Mandate
1	Philosophy
2	Message from the Chair
3	Savings to Taxpayers for 2000
4	Who Are the CKLAG Members
6	Sub-Committee Reports
7	Ridgetown College – New Member
8	Statistics on the Member Organizations

Mandate

- To work together to share resources to create efficiencies in their respective organizations and collectively save money for the taxpayers of the district;
- To share policies, expertise, advice, staff development, equipment, materials and resources;
- To work with counterparts in their own sector and across the other sectors (health, education, local government).

Message from the Chair

- David Vigar

The Chatham-Kent Lambton Administrators Group (CKLAG) participated in a number of activities during the year 2000, which were aimed at maximizing savings and reducing costs for the citizens of our communities. The year 2000 began uneventfully on January 1st with a reflection of all our organizations' diligence in dealing with the Y2K issue. A great deal of shared expertise and experience among our members, allowed all the individuals who live in our communities and utilize our services and programs, to enjoy an uninterrupted move into the "New Millennium".

CKLAG primarily focused on three substantial projects during the course of 2000:

- Development of a high speed telecommunications network for Lambton and Chatham-Kent
- Improving public access to the Internet
- Completion of a joint banking agreement

CKLAG concluded negotiations with Bell Canada to develop a high-speed telecommunications network that will allow high quality video or Internet information to be delivered to and by the CKLAG partners, millions of times faster than could previously be accomplished. This project started in the summer of 2000 and will be completed by April 2001.

When completed, schools across Lambton and Chatham-Kent can teleconference to share scarce teaching resources. Hospitals will be able to transfer medical images from Petrolia and Wallaceburg when there is no radiologist available to read x-rays. Government will be able to provide quicker service, particularly in rural areas, where telecommunication services are not well advanced.

Public access to the Internet was achieved when CKLAG was able to attract a \$1.3 million Community Access Program grant from Industry Canada. This has resulted in 24 sites in rural Lambton County and 22 sites in the urban area. Sites are located in schools, municipal libraries and hospitals, which allow members of the public easier accessibility to the Internet.

A joint banking agreement was established among the CKLAG members, who pool the financial assets of our organizations to significantly improve the cost of borrowing and interest earned on our cash assets.

These projects clearly demonstrate why CKLAG was created, namely for our public sector organizations "to work together collaboratively to maximize savings and reduce costs". I was particularly pleased to welcome a new member to CKLAG, Ridgetown College – University of Guelph. This now brings our membership to ten public sector organizations.

I have had the privilege of being the Chair of CKLAG since our beginning in 1998. Our organizations have had six C.E.O./C.A.O. changes during this time period, which could have lead to a loss of focus for CKLAG. However, I must commend each one of our organizations for committing to the CKLAG philosophy. This strong leadership bodes well for public/private sector partnerships in the years ahead. I look forward to the continuing evolution of CKLAG and wish Paul De Sadeleer, Director of Education, Lambton Kent District School Board, all the best as the Chair of CKLAG for 2001.

*Dave Vigar, CKLAG Chair
Lambton Hospitals Group, C.E.O.*

Savings to Taxpayers for Year 2000

On a regular basis, the senior administrators, who have responsibility for finance, human resources, information technology, plant operations and purchasing, in each of the member organizations, meet and discuss projects and initiatives in which they could participate collectively. These joint initiatives result in cost savings, cost avoidance and sharing of expertise. Often projects that are beyond the scope of any one organization, can be achieved through a joint effort.

The following chart shows estimated savings resulting from the numerous projects, tenders and agreements in which these organizations participate. Beyond the actual dollars saved, it is important to note there are additional benefits that are difficult to document. Many times the joint efforts result in **cost avoidance** rather than actual savings. **The sharing of information and expertise** that helps each administrator fulfill their role more effectively cannot be measured in dollars, but is invaluable.

ORGANIZATION	FINANCE	OPERATIONS/ PURCHASING	INFORMATION TECHNOLOGY	TOTAL
Lambton Kent District School Board	\$63,404 (& Transportation \$150,000)	\$9,160	\$220,178	\$292,742
St. Clair Catholic District School Board	40,549 (& Transportation \$75,000)	42,642	138,565	221,756
St. Clair College of Applied Arts & Technology – Chatham Campus	N/A	8,437	99,100	107,537
Lambton College of Applied Arts & Technology	15,444	N/A	99,100	114,544
Ridgetown College, University of Guelph	N/A	N/A	102,379	102,379
Lambton Hospitals Group	50,444	No report	105,657	156,101
Chatham-Kent Health Alliance	63,044	16,000	108,935	189,979
City of Sarnia	24,444 (& Debenture \$250,000)	7,000	99,100	130,544
County of Lambton	71,194 (& Debenture \$250,000)	61,520	119,068	251,782
Municipality of Chatham-Kent	37,094	40,000	112,918	152,918
			TOTAL	\$ 1,723,282

- Other affiliated organizations participate in some of CKLAG's initiatives and their savings are not included here.
- Since CKLAG's inception, the two school boards have additional joint projects with accumulated savings of over \$4 million.

Who Are the CKLAG Members

The Chief Executive Officer or Chief Administrative Officer of the following education, health and municipal sector organizations form the Executive Council of CKLAG. More information is available about each organization on their respective websites.

Education Sector

Paul De Sadeleer, Vice-Chair of CKLAG ►
Director of Education and Secretary
Lambton Kent District School Board
Telephone: 519-336-1500 x297
Website: www.lkdsb.net



◀ **Margaret Nelson**, Director of Education and Secretary
St. Clair Catholic District School Board
Telephone: 519-354-5170 or 519-336-6139 x240
Website: www.st-clair.net

Patricia McFarlane, Principal ►
St. Clair College of Applied Arts &
Technology (Thames Campus)
Telephone: 519-354-9100 x3304
Website: www.stclairc.on.ca



◀ **Terry Blundell**, President
Lambton College of Applied Arts & Technology
Telephone: 519-541-2410
Website: www.lambton.on.ca

New Member

John Brooks, Executive Officer
Ridgetown College, University of Guelph
Telephone: 519-674-1500
Website: www.ridgetownc.uoguelph.ca

Health Sector



◀ **David Vigar**, Past Chair of CKLAG
Chief Executive Officer
Lambton Hospitals Group
Telephone: 519-464-4466
Website: www.lhg.on.ca

Bernie Blais, Chief Executive Officer
Chatham-Kent Health Alliance
Telephone: 519-436-2500
Website: www.ckha.on.ca



Municipal Sector

Ron Brooks, City Manager
City of Sarnia
Telephone: 519-332-0330 x230
Website: www.city.sarnia.on.ca



◀ **Don Bruder**, Director of Finance & Deputy CAO
County of Lambton
Telephone: 519-845-0801 x323



Joe G. Pavelka, P.Eng., Treasurer of CKLAG
Municipality of Chatham-Kent
Chief Administrative Officer
Telephone: 519-360-1998 x3010
Website: www.city.chatham-kent.on.ca

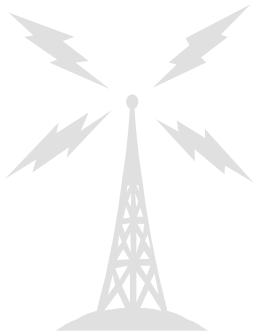


Sub-Committees of CKLAG

Under the leadership of the CEO/CAO's, much of CKLAG's success can be attributed to the work of the sub-committees: Finance, Information Technology, Operations/Purchasing, and the Human Resources Ad Hoc Committee.

Information Technology Committee Report

by Scott Praill, Chair



The value of networking the administrators responsible for technology is a value that cannot be quantified.

The Committee has met every second week for the past year, to discuss available telecommunication services, common operating systems and software solutions, combined hardware purchases and common training initiatives. It has been increasingly difficult to coordinate the priorities of this group. The IT sub-committee has committed to developing a terms of reference document, which will assist in coordinating this group. To date, the document focuses on identifying the plans for each organization, rather than reacting to one another's priorities. This early identification process will drive out the common issues of the group and prioritize the projects to be focused on.

In 2000, the Committee developed, reviewed and recommended an RFP for improved telecommunication services in both Lambton and Chatham-Kent. We are now implementing this contract and new services will be operational in 2001. As a result of the CKLAG initiatives, alternative services will be available to the communities as a whole. Fibre optics, advanced DSL and wireless services are being introduced across our communities. In addition to this change in service level, the agencies have agreed to access the Internet in a cooperative manner. This combined access allows all agencies to take advantage of the unused portion of the larger Internet conduit. This will allow faster Internet access to all members and ensure faster Internet research in our schools, and at

Information Technology, continued

our libraries, as well as by our administrative staff.

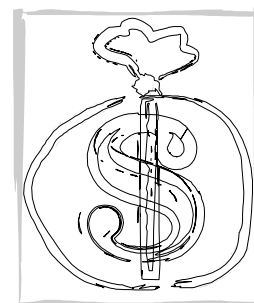
The year 2000 brings the potential for joint applications for provincial and federal funding, so the community as a whole will see public sector service improvements. The Committee is very excited about the potentials of this continued relationship.

Finance Committee Report

by Stuart Wood, Chair

In addition to the financial savings made possible through the CKLAG membership, there is also unquantifiable value and benefits, which are very important and valued.

The economic strength of the larger members, when pooled with the smaller members, provided economies of scale in most fields of endeavour, including reduced administration efforts and increased professionalism in output. The knowledge exchanged between members and the sharing of resources, increases staff efficiency. For example, a group GST rebate contract reduced the cost sharing arrangement from 50% to 40%. While savings have been minimal to date, the benefits are more in the auxiliary products now directly available from the Consultant, by all participating members at "no charge". Completion of the banking, audit and GST contracts have made 2000 a very productive year.



Operations/Purchasing Committee Report

by James J. Kutymba, P. Eng., Chair

During its monthly meetings, the Committee reviewed and issued a number of tenders and contracts. Each initiative was selected by the committee for review and action resulting in overall savings to the participating agencies. The noteworthy initiatives were long distance services, provision of natural gas, elevator contract, fire safety protection, fire extinguishing equipment maintenance, air handling filters, lamps and ballasts, waste removal and recycling and gasoline and diesel fuel.

In addition, a number of projects are in the works, including cell phone air time, a contractor/supplier database, floor mat rental/ purchase, fine paper purchase, HVAC services database, office supplies, janitorial supplies, paving and concrete repairs, disposal of obsolete equipment and propane handling training and certification. The Committee is researching joint opportunities in preparation for the expected deregulation of electricity.

Cooperation among the many diverse public sector agencies that are members of CKLAG has resulted in both direct and indirect savings for the taxpayer.

New Member – Ridgetown College, University of Guelph

At its December meeting, the CKLAG Executive Committee welcomed Ridgetown College, University of Guelph, as its tenth and newest member. John Brooks, Executive Officer, said he is delighted to be working in cooperation with the CKLAG agencies and looks forward to future developments and endeavours. He noted that we are all working for the same ends – to provide the best possible service in the most cost efficient way.

The College provides diploma and certificate education programs in Agriculture, Horticulture, Veterinary Technology and Veterinary Medical Reception, as well as various professional training and licensing programs. An extensive applied agriculture research program is also conducted at the College.

Human Resources Ad Hoc Committee Report

by Malcolm (Mac) Leitch

The Human Resources Committee provides the forum for collective understanding of common issues that affect each of the CKLAG members. The purpose and objective is to identify common issues that can provide either cost savings or avoidance among the members.

Currently under review are cost reduction proposals concerning: Benefit Plans, H R Information Systems, Training and Development, Health and Safety. These proposals include issues involving economy of size and similar problem resolution.

Soft savings include projects such as the Preferred Provider Network. The PPN has included pharmacists who have agreed to provide dispensing fees ranging from \$3.85 to \$7.50, while the average for this geographic area is about \$10.00. In exchange, these pharmacies have been promoted through www.onthcp.com and the participating employers. In addition, this site provides connection to the participating members as well as sites to answer general medical questions, employees may have to assist in educational efforts.



CKLAG Chair, Paul De Sadeleer welcomes John Brooks, Executive Officer of Ridgetown College into the CKLAG partnership, at the December meeting.

About the Member Organizations

	Annual Budgets	FTE Staff	Salaries/Wages
Lambton Kent District School Board	\$184,798,437	2,414	\$130,359,603
St. Clair Catholic District School Board	83,753,387	1,101	62,489,644
Lambton College of Applied Arts & Technology	25,675,000	343	15,047,000
St. Clair College of Applied Arts & Technology – Thames Campus	8,025,588	75	6,639,291
Ridgetown College, University of Guelph	7,809,000	72	4,723,000
Lambton Hospitals Group	103,500,000	1,265	63,000,000
Chatham-Kent Health Alliance	75,700,000	886	55,800,000
City of Sarnia	47,839,000	535	31,000,000
County of Lambton	105,387,334	584	23,848,023
Municipality of Chatham-Kent	162,037,000	994	45,500,000

Highlight on Benefits of CKLAG Membership

- Save Money
- Avoid Expenses
- Maximize Use of Staff and Equipment
- Increase Problem Solving Resources
- Access to Government Grants for Partnership Activities
- Improve Relationships
- Enhance Staff Training and Development

For more information

Contact any CKLAG member or the

CKLAG Executive Coordinator – Erie Ann Lernout

Telephone: 519-352-4237

Fax: 519-352-5073

E-Mail: elemout@netrover.com