

COUNCIL REPORT

January 7, 2010

To: Mayor & Council

From: Bill Preisenz, CAO

**Re: MPMP Results – A) How Do We Compare with Other Municipalities
B) 2008 Kenora MPMP Results**

Recommendation:

That Council of the City of Kenora receive the August 2009 report on the Municipal Performance Measurement Program; and further
That the City of Kenora Municipal Performance Measurement Program – 2008 Results be provided to the Minister and circulated to the public in accordance with Section 299 of the Municipal Act.

Background:

In 2000, Ontario municipalities began participating in a new program of performance measurement by annually providing the Ministry of Municipal Affairs and Housing with performance measurement information and then reported their individual results to their ratepayers in accordance with Section 299 of the Municipal Act.

The Municipal Performance Measurement Program (MPMP) requires Ontario municipalities to measure and report to taxpayers on approximately 40 performance measures in 10 core municipal service areas. The Provincial objectives of the MPMP are to:

- Promote better local services, continuous improvements in service delivery and clear government accountability;
- Improve taxpayer awareness of municipal service delivery; and
- Compare costs and level of performance of municipal services both internally, year to year, and externally among municipalities

These objectives are shared by the City of Kenora in seeking to meet the expectations of its citizens by improving service levels within the resources available. Two reports are being provided relating to MPMP and are referenced as follows:

- A. Municipal Performance Measurement Program – Summary of 2005 Results – representing program results from all Ontario municipalities categorized by geographic area and population.
- B. Municipal Performance Measurement Program – City of Kenora 2007 Results

A. MPMP – SUMMARY OF 2007 RESULTS FROM ONTARIO MUNICIPALITIES

MPMP results from municipalities across Ontario are collected and categorized by geographic location and population by the Ministry of Municipal Affairs and Housing. A 2007 MPMP report has been published and while somewhat dated provides an opportunity to compare individual results against similar sized and located municipalities

in Ontario. For Kenora there are 11 municipalities from the north with a population between 5,000 – 19,999 who have provided MPMP results in related categories:

- Cochrane
- Dryden
- Elliot Lake
- Fort Frances
- Greenstone

- Iroquois Falls
- Kapuskasing
- Kenora
- Kirkland Lake
- Parry Sound
- West Nipissing

It should be noted that the annual MPMP results are a work in-progress and the formulas and key factors continue to be fine-tuned and changed to provide more accurate and relevant data for comparison and trend purposes. You will note that some of the core services have only one or two year comparisons because of changes to formulas while other core services have a full 5 year history.

When comparing individual municipal results, a median calculation is provided representing the middle value within a group. This means that half the measurements will be above and half the measurements will be below. The attached report is provided for your information.

B. CITY OF KENORA 2008 MPMP RESULTS

The 2008 MPMP Report provides Kenora results only and includes prior year results from 2004 up to 2007 in some cases. Where there are less than 5 years of comparisons, either the criteria has been changed or it is a newer measure introduced by the Province. Manually inserted within the City of Kenora MPMP report are the 2007 Provincial results for municipalities of similar size and geographic location to Kenora (i.e. Northern municipalities in the population group of 5,000 to 19,999) for 2007 and earlier.

Based on the 10 core municipal service areas, here is an overview of the results for selected municipal services for the City of Kenora only:

General Government – governance/corporate as % of municipal operating costs → **2.0%** - Kenora continues to maintain its low ranking of 2.0% for general government costs as a percentage of municipal operating costs. Because of a change in definitions of operating costs this MPMP result is presented as a newer rating, however, the new definition did not impact Kenora's calculation in previous years. On a provincial basis, Kenora has always ranked in the lowest percentile and highest efficiency due to the ability to utilize and combine core staff for municipal and utility processes. You will note that the provincial measure for northern municipalities is 4.9% for 2007.

Fire Services – operating costs for fire services per \$1,000 of property assessment →
\$1.38 - Cost cutting measures in 2006 reflected the decreased operating costs and continued improvements over 2005 results which reflected a significant back pay factor due to an arbitration ruling. 2008 results continue to track higher over previous years. The provincial median for northern municipalities for 2007 is at \$1.00 and one could assume that a lower cost is reflected due in part to the number of part-time and volunteer departments in Northern Ontario as opposed to Kenora's full-time department..

Police Services – operating costs for police services per capita →
\$532.05 - In 2005, the formula changed to a 'per capita' comparison from a 'per household' basis. Kenora's 2008 ratio of \$535 per capita represents an increasing trend in policing costs for the City. In comparing Kenora's ratio for police costs in 2007, the per capita cost of \$474 is significantly higher than the per capita costs for other northern municipalities of \$294, and in fact, Kenora ranks as one of the highest per capita police costs across the province for any size municipality.

Police Services – violent crime per 1,000 persons →
26.32 – 2008 violent crime rate has decreased somewhat over 2007, however, over the past 5 years this ratio was lowest in 2006. It is noted that the violent crime ratio for other northern municipalities is lower at 18 for 2007, 16 for 2006, etc.

Police Services – property crime rate per 1,000 persons →
51.44 – A decrease over last year and the lowest in the past 5 years. Other municipalities in northern Ontario are consistently lower.

Police Services – total crime rate per 1,000 persons (criminal code excluding traffic)
207.47 – This ratio represents the highest rate in 5 years and represents an ever-increasing trend in increased crime rate while the ratios in other northern municipalities are significantly lower.

Police Services – number of youths charged per 1,000 youths →
208.48 – A significant increase in 2008 from the previous year. 2007 reported results are questionable in light of the previous year's trends. Except for 2007, Kenora has ranked near the top across the Province.

Paved Roads – operating costs for paved(hard top) roads per lane kilometer →
\$1,580.06 – 2008 results are significantly higher than the previous 3 year reported results. Part of the answer lies in the next category – Unpaved Roads, where the allocation of costs have reduced in 2008. Of note, in 2006 there was a significant decrease in material cost for patching & washouts as contractors undertook this work through the capital budget. On a provincial basis for northern municipalities, Kenora's operating costs per lane kilometre for paved roads is noticeably lower for 2007 and prior years.

Unpaved Roads – operating costs for unpaved (loose top) roads/lane kilometer →
\$673.81 – A noticeable drop in 2008 for Kenora unpaved results due in part to the re-allocation of costs as noted in the Paved Roads category. Again, Kenora has a lower

operating cost ratio in comparing 2005-2007 results for other northern municipalities. One could speculate that the surface treatment of rural roads is having an impact on the ongoing maintenance costs of these rural roads.

Roadways Winter Control – operating costs for winter maintenance/lane kilometer
\$1,660.69 - Kenora results for 2008 are down from the previous years, however, this measurement is usually a reflection of the amount of snow and other related factors. Comparing other northern municipalities, Kenora's results are in line.

Conventional Transit – operating costs per regular service passenger trip →
\$3.62 – Upward trend in 2008, representative of increasing operating costs and decreasing ridership. Another way of reporting this operating ratio is that for every \$2.00 transit fare paid, the taxpayer contributed \$1.62. Provincially, there were only 4 municipalities reporting from northern municipalities and in comparison, Kenora remained in the middle.

Conventional Transit – number of conventional transit passenger trips per person
9.67 – 2008 ridership remains fairly consistent over the past 5 years and reflects the average ridership in other northern municipalities.

Wastewater Collection – operating costs of wastewater per kilometer of main →
\$9,830.34 – There was a new definition implemented in 2006 eliminating the number of connections from the formula used to calculate the number of kilometers of wastewater mains. For 2008 the cost ratio dropped slightly over 2007 results (\$10,197.09). Kenora results are triple the 2007 northern municipality ratio of \$3,093.

Wastewater Treatment and Disposal – operating costs of wastewater per megalitre
\$264.47 – 2008 results are trending in line with previous years in Kenora, while provincially Kenora's costs have been lower except for 2006.

Wastewater Collection, Treatment and Disposal – operating costs per megalitre →
\$709.81 – Again as noted above, 2008 results are in line with previous years, however, on a regional basis, Kenora's costs have been consistently higher.

Wastewater Main Backups - Effectiveness →
40.00 – 2008 results are down from the previous year but significantly higher than averages experienced in other northern municipalities.

Urban Storm Water Management – operating costs/kilometre of drainage system →
\$350.07 – A new reporting ratio in 2006. Weather is a variable and can impact this cost. Regionally, Kenora has lower operating costs.

Drinking Water – operating costs for the treatment of drinking water per megalitre
\$294.9 – Legislative requirements have impacted this measurement as well as water loss and rate increases. Regionally, Kenora’s results are in line.

Drinking Water – operating costs for distribution per kilometer of distribution pipe
\$8,432.79 – A new formula was established for 2006 removing connections and thereby reducing the number of kilometers of distribution pipe. This cost ratio is based on a variable operating cost over a kilometre of distribution pipe. An aging distribution system impacts this ratio and be an important factor is deciding on replacing versus repairing. Other northern municipalities are experiencing a lower cost in 2007.

Drinking Water – operating costs for the treatment and distribution per megalitre
\$681.16 – An increase in 2008 over 2007 results of \$653.66. Regionally, Kenora’s results were slightly lower.

Boil Water Advisories – weighted number of days boil water advisory issued →
6.3655 – 2008 represents a reduction over 2007, however, on a regional basis Kenora ranks the highest. The marine line replacement should bring this ratio down.

Breaks in Water Mains – per 100 kilometres of water distribution pipe →
16.79 – Continuing upward trend overall, but surprisingly, in line with other northern municipalities.

Garbage Collection – operating costs for garbage collection per tonne →
\$206.63 – Noticeable decrease in 2008 results over previous years due to changes in operation to one-man trucks. Regionally, Kenora ranked significantly higher based on 2007 results of \$89. There are a number of variables across the North including remote location collection, landfill site location(s) and the fact some municipalities only provide limited collection for their residents.

Garbage Disposal – operating costs for garbage disposal per tonne →
\$86.73 – The formula calculation changed in 2005 and Kenora’s costs have been trending higher each year due to increased haulage and disposal costs. On a regional and provincial basis, Kenora’s costs rank in the higher percentile. With Council’s decision in 2009 to commence using its own site on Jones Road, costs should come down in future years.

Solid Waste Diversion – operating costs for solid waste (recycling) per tonne →
\$180.53 - Kenora’s 2008 results reflect a decrease in costs over 2007 with market price fluctuations being a major factor for recyclable material. Regionally, Kenora has ranked lower in operating costs.

Solid Waste Management – average operating costs for solid waste management (collection, disposal, and diversion per tonne) → **\$117.09** The 2008 results of \$117.09 per tonne combined is higher than 2007 results. A number of factors as noted above

contribute to the increase. Again, regionally, Kenora's cost is significantly lower based on 2005-2007 reported results for other northern municipalities.

Solid Waste Management – number of complaints received per 1,000 households →

0 - ----- Can be somewhat misleading as the municipality collects and reports the number of complaints received. In any event, the 2008 measurement for number of complaints is either an outstanding accomplishment or failure to report.

Solid Waste – percentage of residential solid waste diverted – combined Res & ICI

→ **13.6%** - The tonnage relating to recycling material collected from residential solid waste stream increased in 2008 resulting in an increased percentage of waste diversion over 2007 levels. Regionally the percentage has fluctuated in 2006 and 2007, it would appear that Kenora's results rank in the middle of reported results.

Parks Efficiency – operating costs for parks per person →

\$38.74 - this is a newer area of performance measurement reporting. Based on 2007 data, \$40 is the median for northern municipalities as compared to Kenora's results of \$38.19.

Recreation Programs – operating costs for programs per person →

\$41.41 – 2008 per capita costs is in line with 2007 results but is noticeably higher than 2007 regional costs of \$33. In 2007 the full impact of annual costs related to the new Wellness Centre operation is reflected. It is noted that in accordance with reporting requirements, revenues are not offset against any related costs.

Recreation Facilities – operating costs for recreation facilities per person →

\$185.89 – 2008 results are reflective of the annualized operating costs relating to recreation facilities. Regionally, Kenora costs were in the higher range for the northern municipalities.

Parks, Recreation Programs & Recreation Facilities – operating cost per person →

\$227.30 – This is a new reporting category as parks costs have been removed so there are only two year's data. Again regionally, Kenora costs were higher for northern municipalities.

Trails – total kilometres of trails →

77 - Kenora's results for the past 5 years rank the highest in the province. These numbers are significantly higher than other northern municipalities.

Trails – total kilometres of trails per 1,000 persons →

5.74 - Kenora's trail ratios again place Kenora in first place.

Open Space – hectares of open space →

483 - In 2008 the number of hectares remain at 483. This is significantly above the median for northern municipalities of 61.

Open Space – hectares of open space per 1,000 persons →

36.01 In 2008 the ratio was 36.01, significantly higher than the 6 hectares for northern municipalities and 5 hectares on a provincial basis.

Recreation Programs–total participant hours for recreation programs/1,000

persons → **12,154.32** - This indicator has a large variance between various municipalities and may be reflective of inconsistent calculation of the numerator. Kenora did not report in 2005 but in 2006 reported 4557.11 participant hours, and with the Wellness Centre coming on stream, the hours increased substantially in 2007. Regionally, however, the participant hours are almost double Kenora’s results in 2007.

Recreation Facility Space – square metres of recreation facility space →

12,211 - Kenora did not report in 2005 but in 2006 the number of square metres for Kenora was 12,211. The median for northern municipalities was 11,298.

Recreation Facility Space – square metres of recreation facility space/1,000 persons

910.32 - Again no data reported in 2005 but in 2006 the results were 884.41 then increasing to 910.32 in 2007. Regionally, this ratio was slightly higher than the Kenora facility space.

Library Services – operating costs for library services per person →

\$47.85 - This is a newer area of performance measurement reporting. In 2005, Kenora results were \$45.34 as compared to the northern municipality median of \$36. In the following years the operating cost ratios have increased regionally and is in line with Kenora’s operating costs.

Library Services – operating costs for library services per use →

\$1.21 – The high usage at Kenora libraries continue to reflect a lower cost than other surrounding municipalities.

Library Services – library uses per person →

39.70 - Kenora’s usage ratio in 2008 remains consistent with the previous year and remains higher than other northern municipality usage ratio of 27 in 2007.

Library Services – electronic library uses as a % of total library uses →

21.9% - Kenora’s electronic increased in 2008 and remains consistently higher than regional use.

Library Services – non-electronic library uses as a % of total library uses →

78.1% - Kenora’s ratio in the past 4 years have been in the 80% range. In reviewing data for other municipalities it would appear that users of Kenora’s library system have migrated at a higher rate to electronic usage.

Land Use Planning – this performance measurement has been in place for a number of years, however, the main focus on the MPMP reporting is on designation and use of agricultural land for development purposes.

City of Kenora Report Card

The City of Kenora is committed to provide its taxpayers with good service and good value for money. This Program attempts to evaluate the efficiency and effectiveness of service delivery for specific programs based on statistical data.

Summary

It is important to note that the Municipal Performance Measurement Program has continued to evolve since its beginnings in the fall of 2000. Each municipality is unique and while some measures provide indicators as to performance of a specific service, this is simply a tool that municipalities should use to continue to improve municipal service delivery.

Throughout this report there have been reported results for 2008 for specific municipal services which indicate a need for further follow up with a view to examining and improving costs and/or level of performance. These services include:

- Police services
- Wasterwater collection
- Solid Waste Collection
- Recreation Facilities Costs

It should be noted that steps have been taken in the area of police services and solid waste collection which are expected to reflect positive results in 2009 MPMP reporting.