



**Municipality of Port Hope**  
56 Queen Street  
Port Hope ON L1A 3Z9

**REPORT TO:** General Government and Finance Committee

**FROM:** Barbara Spry, Treasurer

**SUBJECT:** 2008 Municipal Performance Measurement Program Results

**DATE:** September 16, 2009

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**RECOMMENDATIONS:**

It is recommended that Council receive the 2008 Municipal Performance Measurement Program Results for information purposes and the results be posted on the Municipal website.

**BACKGROUND:**

The Province of Ontario requires municipalities to report specific performance measurements to the public and within their annual Financial Information Return (FIR). These measurements are calculated based on expenditures reported in the annual FIR and statistical information provided by staff and the Province.

The Municipal Performance Measurement Program (MPMP) was designed to provide taxpayers with information on service delivery in core municipal service areas. Performance measures can be used as a tool to measure change in service delivery and identify opportunities for economic and/or efficiency improvements. Appendix A summarizes the MPMPs for Port Hope, including commentary on the results.

The Ministry of Municipal Affairs (MMAH) compiles the results provided by all municipalities and prepares a report showing the median of all municipalities. The Ministry's report, however, is always two years behind the current results reported by municipalities and therefore not considered a useful tool when comparing Port Hope's 2008 MPMP results to the median results. The completed MMAH 2005 Summary is available for viewing in the Finance Department and also on the MMAH website ([www.mah.gov.on.ca](http://www.mah.gov.on.ca)).

It is very difficult, if not impossible, to evaluate the effectiveness and efficiencies of one municipality against another based on the information provided in the Financial Information Return. There are many factors that affect the results and all of these factors must be taken into consideration when comparing one municipality to another and one year to the next. A Municipality must strive to improve its results compared to its own past experience and taking into account any changing circumstances. However, the MPMP does assist in ensuring there is an appreciation of cost and service impacts that may affect municipal delivery and efficiencies.

**CONCLUSION:**

The Municipality has a legislative requirement through the Municipal Act, 2001, to prepare and communicate annual performance measures to the local taxpayers. To comply with the Municipal Act this report will be posted on the Municipal website and a copy sent to the Ministry of Municipal Affairs and Housing for information.

Original Signed by:

Barbara Spry, Treasurer

**Municipality of Port Hope  
2008 Municipal Performance Measures**

**1. Core Area: General Government**

**Measure:** Local Government Operating costs for governance and corporate management as a percentage of the total municipal operating.

**Objective:** Efficient municipal government.

**Results:**

<b>Local Government</b>	<b>2008</b>	<b>2007</b>
Operating costs for governance and corporate management as a percentage of total municipal operating	8%	6%

**Explanation of Variance:** The percentage increase in General Government is due primarily to the reallocation of the accounting for the IT agreements from capital to operating in 2008 and higher than usual expenditures for legal and other fees. The increase in legal and other fees is primarily due to union contract negotiations.

**Factors that will affect the results when comparing to other municipalities:**

- Salary for Councillors and whether they are full-time or part-time.
- Programs/services to which Local Government costs are allocated.
- Method used to allocate program/service support costs.

## 2. Core Area: Fire Services

**Measure:** Operating costs for fire services per \$1,000 of assessment.

**Objective:** Efficient fire services.

### Results:

<b>Fire Services</b>	<b>2008</b>	<b>2007</b>
Operating costs for fire services per \$1,000 of assessment	\$0.87	\$0.74

**Explanation of Variance:** The operating expenditures for Fire Services increased by \$190,000 (18.7%) due primarily to a correction in the distribution of communication/dispatch service costs. In 2007 and prior years the communication costs were weighted more heavily to the Roads Department despite the Fire Department receiving most of the calls. After evaluating the actual calls to Communications, a more accurate reallocation was implemented and now 30% of costs are charged to the Fire Department and 10% to the Roads Department. This change was implemented in 2008.

### Factors that will affect the results when comparing to other municipalities:

- Total assessment for the Municipalities as well as size, service area/service level, and the urban/rural mix.
- Composition of the fire fighting force such as salary, volunteer, full-time, part-time or a combination as well as the cost for standby services and number of call outs.
- Joint service agreements with neighbouring municipalities and/or other service providers.
- Incidents of specific types of fires such as structural and wild land fires.
- Age of the equipment that is being used. (maintenance costs)
- Emergency operations are part of the fire services budget.
- Additional services the fire department is providing (fire prevention, public education, first response medical service, etc.)

### 3. Core Area: Police Services

**Measures:** Operating costs for police services per person and crime rate per 1,000 persons.

**Objective:** Efficient and effective police services.

**Results:**

<b>Police Services (combined)</b>	<b>2008</b>	<b>2007</b>
Operating costs for police services per person	\$288	\$275
Violent crime rate per 1,000 persons	8	7
Property crime rate per 1,000 persons	24	25
Total crime rate per 1,000 persons (Criminal code Offences excluding traffic)	42	71
Youth crime rate per 1,000 youth (estimate only)	51	53

**Comments:** The Municipality of Port Hope's measure includes the Port Hope Police and the OPP contract. The operating cost increased by \$118,000 or 3.9% compared to 2007 and 72% of this increase is due to contractual increases.

Property, criminal code and youth crime decreased in 2008 whereas violent crime increased from 106 to 129 incidents.

**Factors that will affect the results when comparing to other municipalities:**

- Whether the OPP service is reported as a contracted service or an external transfer. Expenditures reported as external transfers are not part of the operating cost formula.
- The service area and population.
- Range and level of services provided such as patrol, community relations, crime prevention, etc)
- Dispatch service allocations to other departments. The Port Hope Dispatch service percentage allocation is 30% to Roads and 10% to Fire and currently being reviewed.
- Higher incidents of more complex crimes which will require additional resources.
- Demographics and population density.
- Transient populations such as commuters and tourists.
- Urban and rural mix as well as business and residential mix.
- Preventive and educational programs and community involvement and partnerships.

#### 4. Core Area: Transportation

**Measure:** Percentage of paved lane kilometers rated adequate

**Objective:** Efficient and effective municipal road maintenance services.

**Results:** **The Municipality of Port Hope does not allocate the costs by paved and unpaved roads. The costs have been allocated based on % of lane kilometer.**

<b>Roads</b>	<b>2008</b>	<b>2007</b>
Operating costs for paved (hard top) roads per lane kilometre.	\$4,615	\$4,958
Operating costs for unpaved (loose top) roads per lane kilometre.	\$4,816	\$4,893
Operating costs for winter maintenance of roadways per lane kilometre maintained in winter.	\$1,314	\$1,147
Percentage of paved lane kilometres where the condition is rated as good to very good.	31%	31%
Percentage of winter events where the response met or exceeded locally determined municipal service levels for road maintenance	100%	100%

**Explanation of Variance:** The cost for winter maintenance increased in 2008 by \$90,000 due to the number of winter weather incidents compared to the previous year. The total snow accumulation in 2007 was 66 cm whereas in 2008 the amount almost doubled to 126 cm which resulted in an increase in the snow removal costs.

**Factors that will affect the results when comparing to other municipalities:**

- Financial reporting practices such as allocating costs for paved and unpaved roads.
- The type (arterial, local, residential) and number of lane kilometers in the municipality.
- Accuracy of the estimated number of lane kilometers as well as the width of the lanes and inclusion of sidewalks.
- Traffic volumes and the type of traffic (transports, etc).
- Climate resulting in freezing and thawing.
- Changes in fuel prices, labour, contract costs for road maintenance.

When comparing the percentage of paved lane kilometers where the condition is rated as good to very good the results are influenced by:

- Municipal budget and service level decisions.
- Whether a sample or all the lane kilometers are tested and the method used (visual, estimate or a formal rating system).
- Types of roads.

## 5. Core Area: Transit

**Measures:** The operating costs per regular service passenger trip and number of passenger trips per person in the year.

**Objective:** Efficient transit services and effective utilization of the services.

### Results:

<b>Transit</b>	<b>2008</b>	<b>2007</b>
Operating costs for transit per service passenger trip.	\$13.70	\$7.36
Number of transit passenger trips per person in the service area in a year.	2.3	1.9

**Explanation of Variance:** In 2007 there was one bus and one bus route; however in 2008 the Municipality increased the number of buses and bus routes to two. The operating cost for this service was \$183,595 in 2007 and increased to \$438,700 in 2008. This increase includes the additional contract expenditures with Coach Canada to administer the service on behalf of the Municipality as well as the fuel and maintenance costs associated with operating two buses instead of only one. The number of passenger trips in 2007 totaled 24,960 whereas in 2008 this increased to 32,023. Costs are up 140% but ridership only up 28% reflecting a substantive increase in service and significant user cost subsidization.

### Factors that will affect the results when comparing to other municipalities:

- Rider ship is estimated or counted.
- Service levels such as number of routes, hours of operating, etc.
- Population density
- Age of the fleet.
- Contracted service or operated by the Municipality.

**6. Core Area: Wastewater – The Municipality of Port Hope costs include both collection and treatment.**

**Measures:** Operating costs for the collection of wastewater per kilometer of main.

Operating costs for the treatment and disposal of wastewater per megalitre.

Number of wastewater main backups per 100 kilometres of wastewater main in a year.

**Objective:** Efficient municipal wastewater services and management practices to prevent environmental and human health hazards.

**Results:**

<b>Wastewater (Sewage) - Municipality's costs include collection and treatment</b>	<b>2008</b>	<b>2007</b>
Operating costs for the collection of wastewater per kilometre of wastewater main.	\$10,323	\$9,680
Operating costs for the treatment and disposal of wastewater per megalitre	\$424	\$556
Number of wastewater main backups per 100 kilometres of wastewater main in a year.	10	20
Percentage of wastewater estimated to have by-passed treatment	.043%	.099%

**Explanation of Variance:** The operating costs increased by 6.6% in 2008 as a result of contractual obligations, inflation, additional sludge removal costs and essential chemicals to reduce the waste odor issues. There were also unexpected repairs to the pumps at Mill Street to ensure their optimum running condition.

The actual amount of wastewater treated increased by 769 megalitres or 40% to 2,707,000. This resulted in the reduction in the cost per megalitre to treat and dispose of the wastewater. The reduction in both the number of wastewater main backups and the amount of wastewater by-passing processing reflects the results of increased maintenance.

**Factors that will affect the results when comparing to other municipalities:**

- System is combined or reported separate.
- Population and density of the service area.
- Precipitation and severity of storm events as well as the extent of water infiltration.
- Type of treatment as well as the level.
- Errors in the calculation as well as
- Age, condition and size of the system.

## 7. Core Area: Water Treatment and Distribution

**Measures:** Operating costs for the treatment of drinking water per megalitre.

Operating costs for the distribution of drinking water per kilometer of water distribution pipe.

Weighted number of days when boil water advisory was issued by the Medical Officer of Health.

Number of water main breaks per 100 kilometres of water distribution pipe.

**Objective:** Efficient treatment and distribution of drinking water and to ensure the water is safe and meets local needs.

### Results:

<b>Drinking Water</b>	<b>2008</b>	<b>2007</b>
Operating costs for the treatment of drinking water per megalitre	\$430	\$418
Operating costs for the distribution of drinking water per kilometre of water distribution pipe.	\$7,681	\$5,963
Weighted number of days when a boil water advisory issued by the Medical Officer of Health, applicable to a municipal water supply, was in effect.	0	0
Number of water main breaks per 100 kilometres of water distribution pipe in a year.	5	6

**Explanation of Variance:** In 2008 the actual amount of drinking water treated was reduced by 264 megalitres or 10.7% and this was reflected in a reduction in the operating costs such as utilities and equipment repairs (reduced by \$82,847 or 8%). Other operating costs such as salaries and debt payments do not change based on volume therefore the net cost per megalitre increased.

The operating costs for the distribution of drinking water increased by \$95,773 or 16.7% due to primarily to emergency equipment repairs and outsourcing the meter reading so that staff can focus on maintenance activities. The reduction in the number of water main breaks is evidence of the value of this increased maintenance.

### Factors that will affect the results when comparing to other municipalities:

- The recording of treatment and distribution are segregated.
- Age and condition of the plants and pipes.
- Type of usage (commercial, industrial, residential).

## 8. Core Area: Parks and Recreation

**Measure:** Operating costs for parks, recreation programs and recreation facilities per person.

**Objective:** Efficient operation of the parks, recreation programs and recreation facilities.

### Results:

<b>Parks and Recreation</b>	<b>2008</b>	<b>2007</b>
Operating costs for parks per person.	\$39.14	\$32.52 *
Operating costs for recreation programs per person.	\$56.52	\$30.57
Operating costs for rec. facility per person.	\$54.70	\$73.55
<b>Operating costs for parks, recreation programs and recreation facilities per person.</b>	<b>\$150.36</b>	<b>\$136.64</b>
Total participant hours for recreation programs per 1,000 persons	24,740	24,081
Hectares of open space	139	139
Hectares of open space per 1,000 persons	8	8
Total kilometres of trails	62	17
Total kilometres of trails per 1,000 persons	3.8	1.03
Square metres of recreation facility space.	12,512	12,512
Square metres of recreation facility space per 1,000 persons.	763	758

**Explanation of Variance:** The operating cost for parks increased in 2008 due to the additional cost of leasing space for this department.

**Note,** for comparability to 2008, the 2007 parks operating cost has been restated to include the waterfront expenditures which had previously been reported in a separate category.

The increased operating cost for recreation programs is partially offset by decreased operating costs for facilities. This is due to the redistribution of program and facility costs, however there were too many factors to restate 2007 as was done for park operating cost. The net increase overall is attributable to contractual obligations, inflation and supplies and material.

The variance in the kilometers of trails and the total kilometers of trails per 1,000 persons is the result of the recording only the trails owned by third parties in 2007 and in 2008 the municipally owned trails were also included.

### Factors that will affect the results when comparing to other municipalities:

- Number and type of outdoor spaces in the parks.
- Number and type of programs and volunteer involvement.
- Number and type of recreation facilities and whether the facilities serve the broader region as well as the local citizens.

## 9. Core Area: Libraries

**Measure:** Operating costs for libraries per person and uses per person.

**Objective:** Efficient library services and to increase the use of the library services.

### Results:

<b>Libraries</b>	<b>2008</b>	<b>2007</b>
Operating costs for libraries per person.	\$37.39	\$39.07
Operating costs for libraries per use.	\$2.23	\$2.27
Library uses per person.	17	17
Electronic library uses as a percentage of total library uses.	19%	19%
Non-electronic library uses as a percentage of total library uses.	81%	81%

**Explanation of Variance:** The operating costs decreased by \$31,839 or 4.9% due to reallocating the purchase of books to capital/assets as per regulation PS-3150.

### Factors that will affect the results when comparing to other municipalities:

- Whether the Municipality has its own library or purchases the service on a contract basis from another library.
- Municipality is a member of a union public library or the Upper-tier has a library which provides the service and the rational used to allocate the costs.
- Types of services being offered.

## 10. Core Area: Land Use Planning

**Measures:** Percentage of new lots, blocks and/or units with final approval which are located within the settlement areas.

Percentage of land designate for agricultural purposes which was not re-designated for other uses during the reporting year and relative to the base year of 2000.

The number of hectares of land originally designated for agricultural purposes which was re-designated for other uses during the reporting year and since January 1, 2000.

**Objective:** Effective preservation of agricultural land as well as lot creation in the settlement areas.

### Results:

<b>Land Use Planning</b>	<b>2008</b>	<b>2007</b>
Percentage of new lots, blocks and/or units with final approval which are located within the settlement areas.	100%	100%
Percentage of land designated for agricultural purposes which was not re-designated for other uses during the reporting year.	100%	100%
Percentage of land designated for agricultural purposes which was not re-designated for other uses relative to the base year of 2000.	100%	100%
Number of hectares of land originally designated for agricultural purposes which was re-designated for other uses during the reporting year.	0	0
Number of hectares of land originally designated for agricultural purposes which was re-designated for other uses since January 1, 2000.	0	0

**Explanation of Variance:** n/a

### Factors that will affect the results when comparing to other municipalities:

- Whether the municipality has an official plan and/or designated settlement areas.
- The availability of land for new development and whether there is designated agricultural land.
- Annexation and/or amalgamation occurred.
- The demand for new development
- Crown Land