



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

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

**FROM:** Barbara Spry, Treasurer

**SUBJECT:** 2009 Municipal Performance Measurement Program Results

**DATE:** October 26 2010

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**RECOMMENDATIONS:**

It is recommended that Council receive the 2009 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.

Over the years continual additions have been made to the measures, and since municipalities must now report tangible capital assets and post employment benefits in accordance with the Public Sector Accounting Board's Guidelines, the Province has taken this opportunity to include efficiency measures based on both direct operating costs and total costs. The direct operating costs include salaries and benefits, materials, contracted services, rentals and financial expenses as well as any transfers to other organizations. The total costs include all of the above plus the interest on any long term debt and the amortization (asset usage)

costs. These new measures have been denoted with an asterisk (\*) beside the description.

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 MPMP results to the median results. The completed MMAH 2006 and 2007 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 such as geographical location, age of infrastructure, community and budget priorities, accounting and reporting practices. These and other 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. 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  
2009 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>2009</b>	<b>2008</b>
Operating costs for governance and corporate management as a percentage of total municipal operating	8%	8%
Total costs for governance and corporate management as a percentage of total municipal costs *	7%	

\* New reporting measure in 2009

**Explanation of Variance:** N/A

**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>2009</b>	<b>2008</b>
Operating costs for fire services per \$1,000 of assessment	\$0.85	\$0.87
Total costs for fire services per \$1,000 of assessment*	\$0.96	
Number of residential fire related fatalities per 1,000 persons *	0	
Number of residential fire related fatalities average over 5 years per 1,000 persons. *	0	
Number of residential structural fires per 1,000 households *	3	

\* New reporting measure in 2009

**Explanation of Variance:** The operating expenditures for Fire Services increased due to the Aerial/Pumper fire truck long term debt interest. The total municipal property assessment increased by a higher percentage than the total costs and resulted in a decrease of operating costs per \$1,000 of assessment.

### 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>2009</b>	<b>2008</b>
Operating costs for police services per person	\$318	\$288
Total costs for police services per person*	\$321	
Violent crime rate per 1,000 persons	5	8
Property crime rate per 1,000 persons	20	24
Total crime rate per 1,000 persons (Criminal code Offences excluding traffic)	32	42
Youth crime rate per 1,000 youth (estimate only)	48	51

\* New reporting measure in 2009

**Explanation of Variance:** The Municipality of Port Hope's measure includes the Port Hope Police and the OPP contract. The operating cost increased primarily as a result of contractual increases and a one-time expenditure. The one-time cost was funded from the Screening Reserve and it is anticipated that the operating cost per person will return to pre-2009 levels in 2010.

All types of crime decreased in 2009.

**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 kilometres rated adequate

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

##### Results:

<b>Roads</b>	<b>2009</b>	<b>2008</b>
Operating costs for paved (hard top) roads per lane kilometre.	\$4,584	\$4,615
Total costs for paved (hard top) roads per lane kilometre.*	\$6,233	
Operating costs for unpaved (loose top) roads per lane kilometre.	\$4,545	\$4,816
Total costs for unpaved (loose top) roads per lane kilometre.*	\$4,605	
Operating costs for bridges and culverts per square metre of surface area. *	\$74	
Total costs for bridges and culverts per square metre of surface area. *	\$88	
Operating costs for winter maintenance of roadways per lane kilometre maintained in winter.	\$1,314	\$1,314
Total costs for winter maintenance of roadways per lane kilometre maintained in winter*	\$1,314	
Percentage of paved lane kilometres where the condition is rated as good to very good. *	31%	31%
Percentage of bridges and culverts where the condition is rated as good to very good. *	94%	
Percentage of winter events where the response met or exceeded locally determined municipal service levels for road maintenance	100%	100%

\* New reporting measure in 2009

**Explanation of Variance:** The Municipality of Port Hope does not allocate costs between paved and unpaved roads unless they are attributed to a specific type of road. All other costs have been prorated based on lane kilometre of each type of road.

##### 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 kilometres in the municipality.
- Accuracy of the estimated number of lane kilometres 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 kilometres 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 kilometres 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>2009</b>	<b>2008</b>
Operating costs for transit per service passenger trip.	\$11	\$14
Total costs for conventional transit per regular service passenger trip.*	\$11	
Number of transit passenger trips per person in the service area in a year.	4	2

\* New reporting measure in 2009

**Explanation of Variance:** The number of passenger trips increased by 5.2% in 2009 which resulted in the operating costs per service passenger trip to decrease to \$11 per trip.

### 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 kilometre 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>2009</b>	<b>2008</b>
Operating costs for the collection of wastewater per kilometre of wastewater main.	\$1,021	\$893
Total costs for the collection of wastewater per kilometre of wastewater main. *	\$2,499	
Operating costs for the treatment and disposal of wastewater per megalitre.	\$526	\$424
Total costs for the treatment and disposal of wastewater per megalitre.*	\$829	
Number of wastewater main backups per 100 kilometres of wastewater main in a year.	6	10
Percentage of wastewater estimated to have by-passed treatment	.079%	.043%

\* New reporting measure in 2009

**Explanation of Variance:** The operating costs for the treatment and disposal of wastewater increased as a result of contractual obligations, inflation, additional sludge removal costs and essential chemicals to reduce the waste odor issues.

The actual amount of wastewater treated decreased by 76 megalitres resulting in the increase in the cost per megalitre to treat and dispose of the wastewater. The reduction in the number of wastewater main backups is the result 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 kilometre 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>2009</b>	<b>2008</b>
Operating costs for the treatment of drinking water per megalitre	\$538	\$430
Total costs for the treatment of drinking water per megalitre. *	\$1,088	
Operating costs for the distribution of drinking water per kilometre of water distribution pipe.	\$10,349	\$7,681
Total costs for the distribution of drinking water per kilometre of water distribution pipe. *	\$14,311	
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.	2	5

\* New reporting measure in 2009

**Explanation of Variance:** In 2009 the actual amount of drinking water treated was within 8 megalitres of the amount treated in 2008, however, the operating costs increased as a result of the increase cost for chemicals and utilities. 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 distribution of water show a significant increase largely attributable to a significant change in reporting as a result of changed accounting standards.

### 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>2009</b>	<b>2008</b>
Operating costs for parks per person.	\$40	\$39
Total costs for parks per person. *	\$47	
Operating costs for recreation programs per person.	\$59	\$57
Total costs for recreation programs per person. *	\$59	
Operating costs for recreation facility per person.	\$56	\$55
Total costs for recreation facilities per person. *	\$68	
Operating costs for parks, recreation programs and recreation facilities per person.	\$157	\$150
Total costs for recreation programs and recreation facilities per person. *	\$175	
Total participant hours for recreation programs per 1,000 persons	23,187	24,740
Hectares of open space	139	139
Hectares of open space per 1,000 persons	8	8
Total kilometres of trails	63	62
Total kilometres of trails per 1,000 persons	4	4
Square metres of recreation facility space.	12,512	12,512
Square metres of recreation facility space per 1,000 persons.	724	763

\* New reporting measure in 2009

**Explanation of Variance:** N/A

### 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>2009</b>	<b>2008</b>
Operating costs for libraries per person.	\$40	\$37
Total costs for library services per person. *	\$48	
Operating costs for libraries per use.	\$3	\$2
Total costs for library services per use. *	\$3	
Library uses per person.	15	17
Electronic library uses as a percentage of total library uses.	7%	19%
Non-electronic library uses as a percentage of total library uses.	93%	81%

\* New reporting measure in 2009

**Explanation of Variance:** N/A

### 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>2009</b>	<b>2008</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