

MUNICIPALITY OF CHATHAM-KENT

CORPORATE SERVICES

FINANCIAL SERVICES

INFORMATION REPORT

TO: Mayor and Members of Council

FROM: Gord Quinton, BA, CGA
Acting Director, Financial Services / Treasurer

DATE: September 30, 2011

SUBJECT: 2010 Municipal Performance Measurement Program

This report is for the information of Council.

BACKGROUND

The Municipal Performance Measurement Program (MPMP) is a key component of the Province's effort to improve accountability to the citizens of Ontario and to provide councils and municipal staff with a tool to set targets and assess performance.

Specifically, the MPMP requires municipalities to measure service delivery performance on core municipal services and report to the Province and to its constituents on the results. The Municipality's performance measures will be posted on Chatham-Kent's website to meet the Ministry of Municipal Affairs and Housing reporting requirements.

This program was first introduced for the 2000 reporting year. Every year refinements and improvements are made to the program as a result of feedback from municipalities and other organizations.

Performance Measures are important for municipalities for the following reasons:

- Performance Measurement helps improve performance by identifying ways for municipalities to provide high-quality, efficient and effective services.
- Performance Measurement strengthens accountability by demonstrating to taxpayers how they are being served and the value they are receiving for their tax dollars.
- Performance Measurement stimulates productivity and creativity as staff directly involved in the service activity can see the improvements in the annual measurements.
- Performance Measurement improves the budget process by measuring whether the expected service levels are being met.

For the 2010 reporting year, the MPMP consists of approximately ninety performance measures in the following twelve core municipal services:

- Local Government
- Fire
- Police
- Roadways
- Transit
- Library Services
- Wastewater (Sanitary and Combined Sewage)
- Storm Water
- Drinking Water
- Solid Waste Management (Garbage and Recycling)
- Parks and Recreation
- Land-Use Planning

COMMENTS

Changes to the Program

Over the years, the measurement program has improved, more measures have been added, and some calculations are altered to better demonstrate the desired result. While the improvements and additions are important to ensure the program is comparable across municipalities, these changes make it harder to compare results year over year. As the need for refinements diminishes, the year over year internal comparisons will provide municipalities with better information. There were only minor changes to some formulas in 2010. In 2009 there was a significant change in many financial measures as all municipalities have amortization expense in their financial results as a result of the adoption of Public Sector Accounting Board (PSAB) 3150. To accommodate this change in the MPMP results the province requires the reporting of operation expenses a) without and b) with amortization and debt interest costs for each financial measure. In most instances, measures prior to 2009 have been removed by the province as they are no longer comparable.

Analyzing Results

1. Internal Comparisons

Year over year comparison of Chatham-Kent's results is provided in Appendix A. These results will be posted on the web-site following Provincial guidelines. Some of the prior year measures have been excluded due to comparison difficulties caused by significant changes in prescribed calculation formulas.

2. External Comparisons

Chatham-Kent's measures may be compared against those of other similar municipalities. Results from other municipalities will be available after September 30 on their websites. The BMA Study that administration presents to Council in December/January compares many significant measures from a large cross section of municipalities.

3. Municipal Information & Data Analysis System (MIDAS)

The Ministry of Municipal Affairs and Housing has partnered with the Association of Municipalities of Ontario to develop the MIDAS program. This web based query and analysis tool makes it possible for municipalities to extract and analyze both MPMP and Financial Information Return (FIR) results. As a result municipalities can see how they compare with others, and this can lead to constructive dialogue and the exchange of valuable information.

4. Ontario Municipal CAO's Benchmarking Initiative

The Ontario Municipal CAO's Benchmarking Initiative (OMBI) is a voluntary collaboration between progressive Ontario municipalities, led by the Chief Administrative Officers (CAOs) and City Managers from each participating municipality, to foster a culture of service excellence, and demonstrate accountability and transparency in municipal government.

The purpose of OMBI is to:

- Identify and collect comparable service specific performance measures across the partner municipalities
- Analyze the data to provide an external peer perspective to compliment each municipality's examination of its own internal performance over a multi-year time frame
- Share different practices and policies, to provide senior management with insights into opportunities for how the municipal service delivered by member municipalities can be improved
- Report performance measurement information using established protocols, to Council and the Public in order to demonstrate the accountability and transparency of municipal government

OMBI's findings are available on their website at www.ombi.ca

COMMUNITY STRATEGIC PLAN

The recommendation in this report supports the following objective and strategic direction:

B: Economy – We are a prosperous community

B1: Promote and market Chatham-Kent

Desired Outcomes/Proposed Activities

- Chatham-Kent to be recognized as a municipal leader in responsible fiscal management through manageable tax rate changes and sustainable fiscal planning.

The recommendation will not adversely impact on the remainder of the Community Strategic Plan.

CONSULTATION

All applicable departments were initially contacted to provide the required statistical information to calculate the 2010 performance measures. Financial figures are pulled directly from the information included in the Financial Information Return filed with the Ministry of Municipal Affairs and Housing.

FINANCIAL IMPLICATIONS

There are no financial implications. The use of standardized performance measures is intended to improve decision making, resulting in improved operations and lower costs.

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Attachment: Appendix A – 2010 MPMP Results

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