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MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING YEAR 2007 MUNICIPAL PERFORMANCE MEASUREMENT PROGRAM

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, May 22, 2008, from the Commissioner of Finance, with the inclusion of an additional recommendation 3:

- 3. The Regional Chair send a letter to the Minister of Municipal Affairs and Housing requesting that the Province provide similar information to the Region and other municipalities.**

1. RECOMMENDATIONS

It is recommended that:

1. This report outlining York Region's submission to the Ministry of Municipal Affairs and Housing Municipal Performance Measurement Program (MPMP) be received;
2. In accordance with MPMP public reporting requirements, staff be authorized to post the report outlining MPMP results on York Region's website by the deadline of September 30, 2008.

2. PURPOSE

Municipal Performance Measurement Program Results

This report outlines York Region's submission to the Ministry of Municipal Affairs and Housing (MMAH) as it relates to the Municipal Performance Measurement Program and is provided for information purposes. York Region's results are outlined in the MPMP criteria in the core service areas of General Government, Protection, Transportation and Environment and Planning and Development.

3. BACKGROUND

Region provides 31 performance measurements

In 2000, the Ontario government launched a mandatory performance measurement program for municipalities in the province. The Municipal Performance Measurement Program requires municipalities to report annually on the effectiveness and efficiency in service areas. The MPMP was designed to strengthen local accountability by keeping

citizens informed of municipal service levels and costs. For the year 2007, municipalities are required to submit the performance measurement data through the Financial Information Return (FIR) to MMAH by May 31, 2008. The deadline for public reporting is September 30, 2007.

Given the two-tier service delivery in York Region for water, wastewater, and solid waste, a number of measures are not reported as they relate to services provided partially by York Region and individually by York Region's area municipalities. Regional staff has prepared details for 31 of the 60 performance measures. The remaining measures relate to services such as Fire Services, Parks and Recreation and Library Services which are provided by York Region area municipalities.

4. ANALYSIS AND OPTIONS

York Region 2007 MPMP Results

Attachment 1 outlines York Region's 2007 results for each performance measure compared to results achieved in each year from 2001 to 2006 with a brief explanation of the year over year change.

Highlights of York Region's 2007 MPMP Results

Environmental Services - Solid Waste:

- Solid Waste Diversion (Recycling) operating cost per tonne increased 13% due to the roll-out of the Green Bin program to the northern six municipalities. As the cost to process Source Separated Organics (SSO) is greater than the other diversion methods, Blue Box and Yard Waste, the increase in SSO (additional 35,484 tonnes) processed translates into an increase in the weighted average cost of diversion. This overall increase in the cost of diversion was somewhat offset by higher Blue Box revenues from \$93 per tonne in 2006 to \$126 per tonne in 2007.
- Operating cost per tonne of solid waste disposal increased 8% due to a 2.0% contractor price increase and reduced total tonnes of solid waste disposed.
- The Region's Diversion rate has increased from 40.8% in 2006 to 52.8% in 2007 as a result of expanded diversion programs.

Environmental Services - Water & Wastewater:

- Operating costs per megalitre for the treatment and disposal of wastewater increased 13.7% in 2007. Duffin Creek represents 70% of the operating costs for treatment and disposal incurred by York Region. Duffin Creek charges increased by 13% primarily due to increased chemical costs and hydro rates. Overall the Region experienced a flow increase of 6.3% in 2007.

- In 2007 the operating costs per megalitre of water decreased by 4% principally due to one-time training costs incurred in 2006 from the implementation of the Optimized Works program as well as maintenance costs incurred in 2006 that are not annual costs.

Transportation Services - Transit:

- An addition of 0.8% revenue vehicle hours, including the second full year of VIVA operations, resulted in an additional 1.1 million passenger trips or 6.6% increase in ridership over 2006 and an increase in operating cost per trip of 1%.

Transportation Services - Roads:

- In 2007, winter contractor costs increased by 24% over 2006 due to higher contract price costs and more winter events. Road Salt and Sand expenses exceeded the prior year due to an additional 24 winter events over 2006.
- Operating cost per lane kilometre decreased by 40% from 2006 to 2007. A large contract in Road Resurfacing was delayed due to asphalt resurfacing work requiring warm weather. The project has been tendered, awarded and the project dollars have been committed with completion by summer 2008. Had the work been complete the cost per lane kilometer would have been 27% less than 2006. As this measure captures only road resurfacing work of 150 metres or less, the year over year decrease is also a result of a shift in proportion of work completed on stretches of road 150 metres or less versus larger sections of road. The requirement by the Province to include resurfacing costs will cause year over year variances such as experienced this year.

Planning Services:

- There were no hectares of land originally designated for agricultural purposes re-designated for other uses in 2007.

Police Services:

- Police Services measures are currently unavailable pending receipt of data from Statistics Canada.

Ontario Municipal CAO's Benchmarking Initiative

For the last several years, a group of Chief Administrative Officers has been undertaking a benchmarking project. The purpose of the initiative is to identify and develop service performance measures, capture performance data and analyze and benchmark results in order to identify best practices of service efficiency and quality in Ontario municipalities.

The municipalities participating in the Ontario Municipal CAO's Benchmarking Initiative (OMBI) continue to meet on a regular basis to undertake benchmarking data collection and analysis and support the identification of best practices.

Business Plan and Performance Measurement

York Region integrates performance measurement into the planning and budgeting process to ensure that regional services are provided in an efficient and effective manner.

To further complement the performance measures included in the MPMP and the performance measurement activities of OMBI, York Region has developed a performance measurement framework whereby performance measures have been developed for all areas of regional service delivery. This framework includes measures in four categories: service level, efficiency, community impact and customer service. The results of these measures are compiled and reviewed as part of the budget process and considered in resource allocation decisions.

5. FINANCIAL IMPLICATIONS

For the fiscal years prior to 2000, the Financial Information Return, as required by the MMAH, focused entirely on financial information. The MMAH's performance measurement program introduced quantitative measures to the annual reporting process and is intended to ensure the efficiency and effectiveness of local municipal services. There are no direct financial implications related to this report.

6. LOCAL MUNICIPAL IMPACT

All municipalities are required to submit data for the MMAH's performance measurement program by May 31, 2008 and report to the public by September 30, 2008. Given the two-tier structure within York Region, 29 of the 60 measures required relate to services provided by local area municipalities and will, therefore, be addressed in their respective submissions to the MMAH.

7. CONCLUSION

This report outlines York Region's submission to the Ministry of Municipal Affairs and Housing as it relates to the Municipal Performance Measurement Program and details the information that York Region will communicate to taxpayers by the reporting deadline of September 30, 2008.

Report No. 6 of the Finance and Administration Committee
Regional Council Meeting of June 19, 2008

For more information on this report, please contact Kelly Strueby, Director, Business Planning & Budget at Ext. 1611 and Andrea Reid.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was included in the agenda for the June 5, 2008 Committee meeting.)