

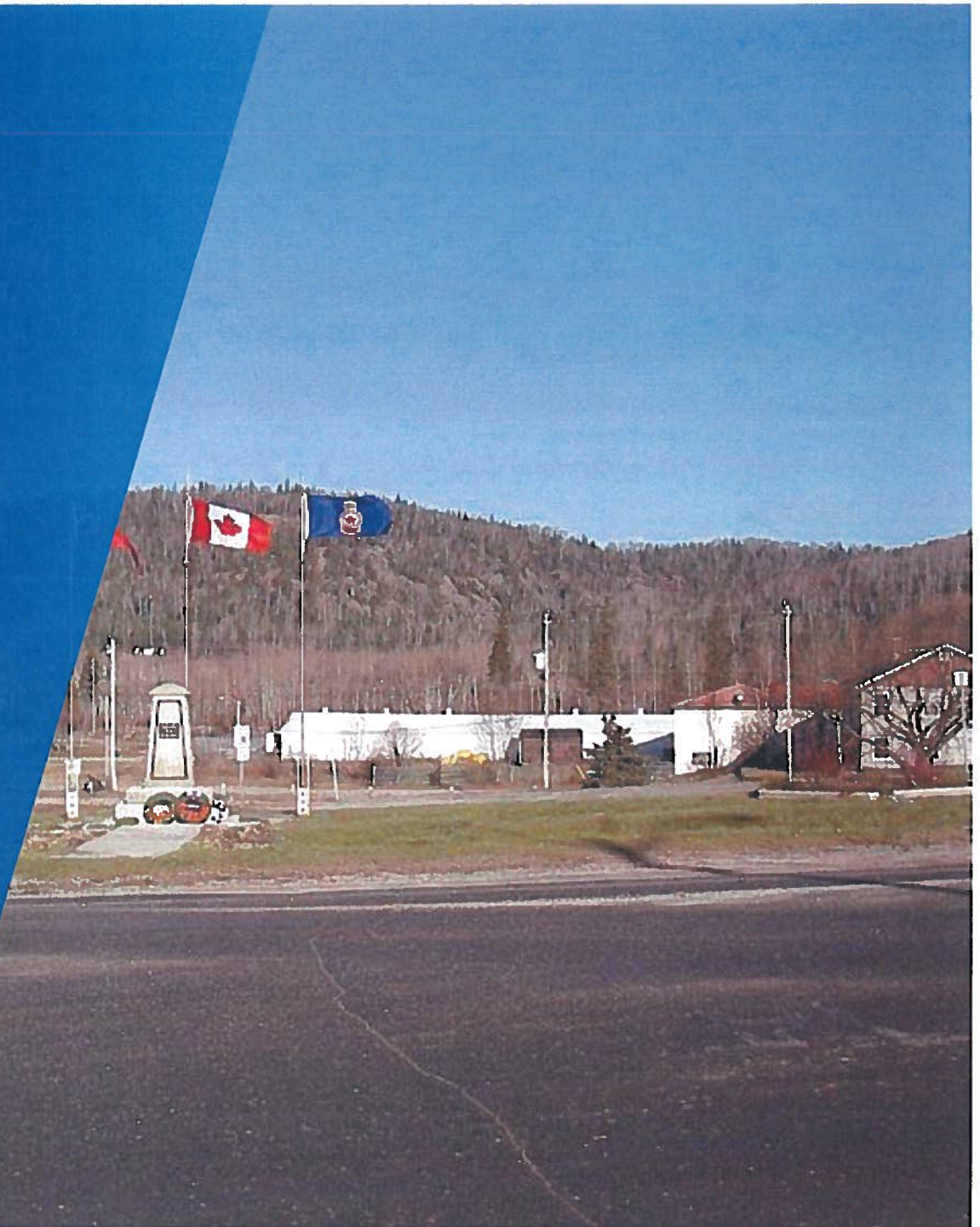


cutting through complexity

Corporation of the Township of Manitouwadge

Municipal Service Delivery
Review

Final Report





Township of Manitouwadge Service Delivery Review Contents

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Executive summary





Review of Municipal Services for the Township of Manitouwadge

Executive Summary

With an economy deeply rooted in the mining sector, the Township of Manitouwadge faces the similar challenges of many resource based economies across Northern Ontario. At its peak, the Township had a population of approximately 4,000 residents but as mining operations declined, the population base followed with 2,105 now residing in Manitouwadge.

Located north of Highway 17, the Township of Manitouwadge provides a number of services to the community which are typically delivered by third party providers including ski hill and golf course operations. However, it is becoming increasingly more difficult for the Township to continue to offer this level of service with steady population outmigration, a limited industrial assessment base and the tax burden shifting upon the remaining residential tax base. Although the Township of Manitouwadge has yet to reach its "breaking point," there remains a question of the long-term sustainability. The review is representative of the Township's leadership and decision making as a proactive response rather than a reactive measure to an already established financial challenge.

This report outlines the results of the review and the potential opportunities that may be considered by the Township for reducing costs, creating efficiencies and generating revenue. Overall, a total of 42 opportunities for cost reductions, efficiencies and revenue generation have been identified through the service review process and are provided for the Township's consideration. We recognize the ultimate decision as to the composition and level of services provided by the Township rests with Council and we trust that our report assists Council with its decision-making process.

Study Overview



The terms of reference for our engagement were established in our engagement letter dated August 10, 2012, which reflected the Township's request for proposal document for the service delivery review. As outlined in the letter, the deliverables for our engagement include:

- A review of the Township's operation;
- The identification of strategies for achieving cost reductions; and
- The identification of courses of action intended to provide for long-term sustainability.

In conducting the review, it was expected that the process would be:

- Open and transparent
- Respectful of existing collective bargaining agreements
- Undertaken with the view of promoting the effective and efficient use of staff
- Reflective of existing municipal plans

The service delivery review included the following elements to address these requirements.

Open and transparent	The results of the review were presented at open meetings of Council, with the exception of one meeting held at a closed session at the request of KPMG due to the disclosure of information concerning identifiable individuals.
Respectful of existing collective bargaining agreements	Collective bargaining agreement provisions were considered during the identification of potential cost reductions.
Undertaken with the view of promoting the effective and efficient use of staff	Staffing levels were reviewed as part of the process.
Reflective of existing municipal plans	Existing municipal plans and strategies were reviewed as part of the information gathering component of the review.

The development of the municipal service delivery review involved the following major worksteps:

1. Project Scope and Council's Expectations

- A meeting was held with the Municipal Manager to confirm the scope of the project.
- A survey of Township Council was undertaken to develop an understanding of Council's preference on taxation policy, municipal services, service levels, contracting out and staff reductions

2. Environmental Scan

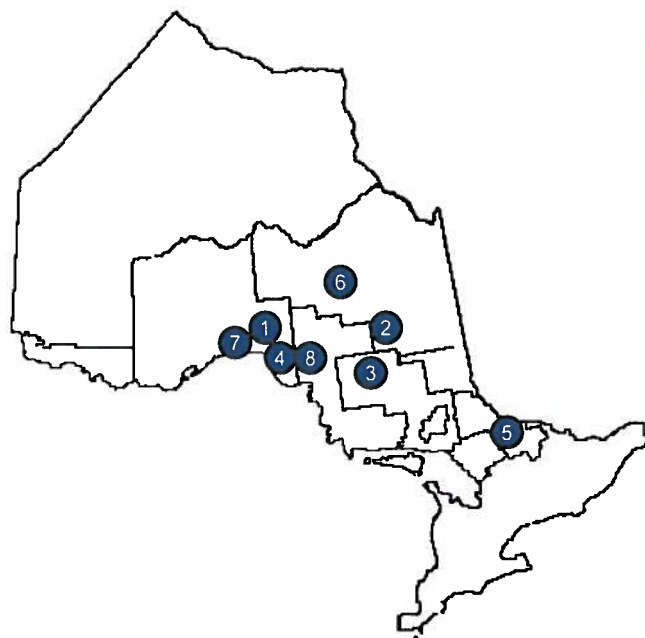
- Historical financial information for the Township, including audited financial statements, internal financial statements, Financial Information Returns and annual budgets were summarized and reviewed to identify factors influencing operating costs, non-taxation revenues and municipal levies.
- Meetings were held with representatives of the Township's management group to review the Township's financial performance and operations
- An initial working session was held with the Township's management group to identify:
 - Services provided
 - The rationale for the delivery of the service (mandated, expected, discretionary)
 - The service delivery model (internal resources, volunteers, contracted out)
- Additional information and documentation related to the Township's services and service level, including previous studies, analyses, and reports to Council, were reviewed

3. Jurisdictional Review

- Discussions were held with Township management concerning appropriate municipal comparators, based on the following considerations:
 - Population
 - Households
 - Geography

3. Jurisdictional Review (continued)

- Based on these considerations, the following communities were selected as municipal comparators:



Community	Population ¹	Households ¹
1. Manitouwadge	2,105	1,280
2. Black River-Matheson	2,396	1,445
3. Chapleau	2,096	1,136
4. Marathon	3,353	1,613
5. Mattawa	2,114	1,052
6. Smooth Rock Falls	1,473	720
7. Terrace Bay	1,391	902
8. Wawa	2,975	1,517

- Information concerning municipal services, operating costs, staffing levels, organizational structures and other aspects of the comparator municipalities was obtained through interviews with the comparator municipalities and analysis of available documentation (including information provided by the municipalities, information obtained through the municipalities' websites and other information such as Financial Information Returns).

¹ Municipal Financial Information Return Schedule 02, 2011

4. Opportunity Identification

- A working session was held with the Township's management group to identify potential opportunities for enhancing efficiencies, reducing operating costs and increasing non-taxation revenues, as well as potential risks associated with each of the opportunities.
- KPMG identified additional opportunities based on our experience with other Ontario municipalities and similar service delivery reviews.

5. Council Direction

- Individual consultation with all members of Council was done to seek Council's thoughts on the potential opportunities and develop an understanding as to what potential opportunities they support
- A meeting was held with Council to present the potential opportunities, the potential risks and potential impact on the 2013 municipal budget



Study Overview

Restrictions

This report is based on information and documentation that was made available to KPMG at the date of this report. KPMG has not audited nor otherwise attempted to independently verify the information provided unless otherwise indicated. Should additional information be provided to KPMG after the issuance of this report, KPMG reserves the right (but will be under no obligation) to review this information and adjust its comments accordingly.

Pursuant to the terms of our engagement, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, the Township of Manitouwadge. KPMG has not and will not perform management functions or make management decisions for the Township of Manitouwadge.

This report includes or makes reference to future oriented financial information. Readers are cautioned that since these financial projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material.

Comments in this report are not intended, nor should they be interpreted, to be legal advice or opinion.

KPMG does not provide external audit services to the Township of Manitouwadge and we believe we are independent of the Township and are acting objectively. Our fees for this engagement are not contingent upon our findings or any other event.

The Case for Change

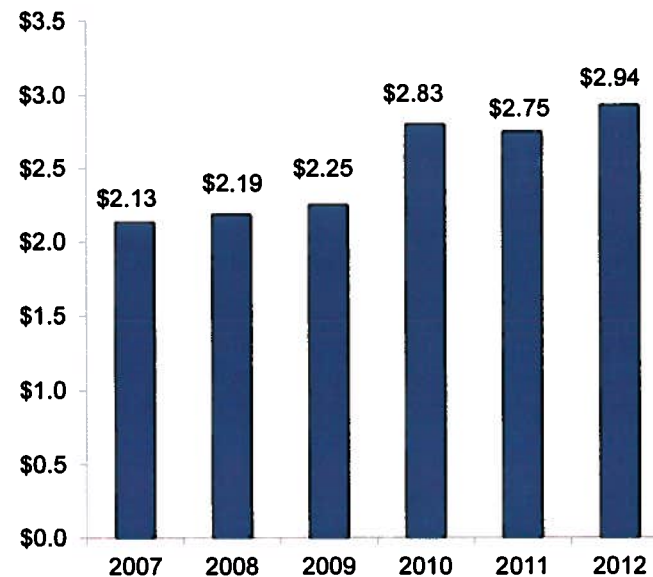


The Case for Change

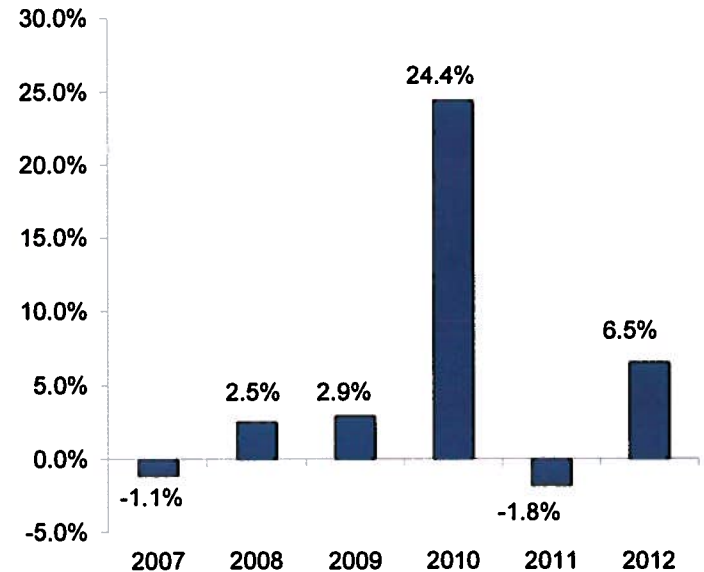
Overview of the Township's Financial Performance

The Township's 2012 budget reflects a total municipal levy of \$2.9 million which, when combined with \$3.3 million in other revenues, will fund a total of \$6.2 million in operating and capital costs. Since 2007, the Town's municipal levy has increased by an average of \$62,600 or 2.6% per year excluding the fluctuation between 2009 and 2010. The significant increase between 2009 and 2010 occurred to address \$596,000 in written off municipal property taxes.

Total municipal levy – 2007 to 2012 (in millions)¹



Annual change in municipal levy – 2007 to 2012¹



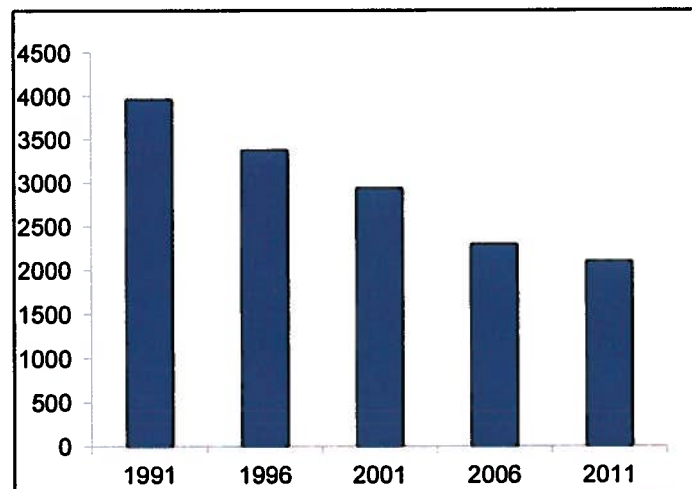
¹ Municipal Financial Information Returns (Schedule 22, Schedule 24) and Township of Manitouwadge internal financial information provided by management

The Case for Change Factors Contributing to the Issue of Sustainability

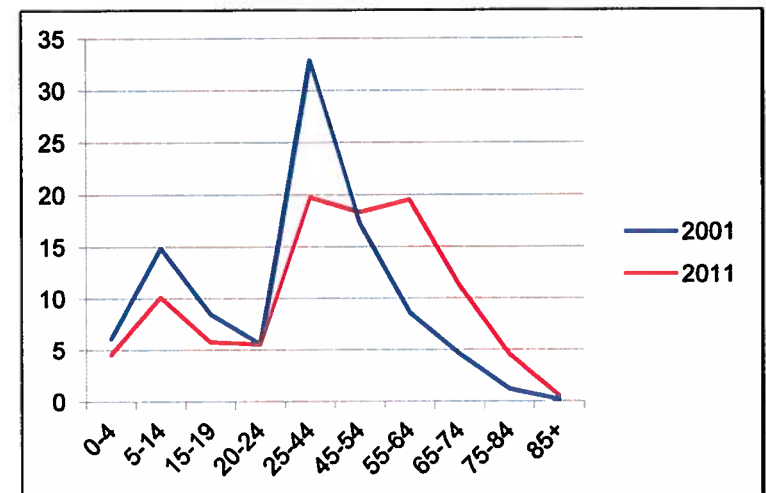
Over the past twenty years, the Township of Manitouwadge has experienced a consistent and significant decline in their population. Between the years of 1991 to 2011, over 1,800 residents no longer reside in Manitouwadge; a twenty year trend that represents a loss of 47% to the municipality.

Recognizing the Township's strategy to attract seniors to the community, the majority of the population range is between the ages of 45 to 60 based on 2001 and 2011 Census data and the demographic profile for the younger age categories has naturally shifted but the shift in the older categories is much more pronounced. If the demographic trends continue, the Township of Manitouwadge may be faced with sustainability issues with a declining population while continuing to meet the needs of an aging community.

Township of Manitouwadge Population – 1991 to 2011¹



Township of Manitouwadge Demographics – 2001 vs 2011¹



¹ Statistics Canada Census Profiles 1991 - 2011

The Case for Change

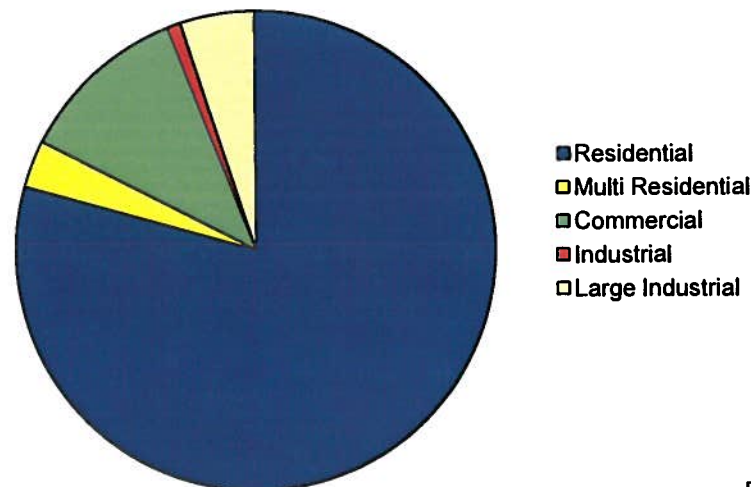
Factors Contributing to the Issue of Sustainability

At the time of the review, the Township of Manitouwadge is facing an issue of sustainability. Based on 2011 residential taxes per household, the Township of Manitouwadge are high in comparison to a group of peer municipalities. On average, residential taxes have increased by four percent over the past three years.

There are differences which set Manitouwadge apart from their peer group but raise concerns about sustainability. First, the average assessed single family dwelling in Manitouwadge is \$32,500 and this represents the lowest average assessment among the peer group. Second, the Township offers a wide range of services but in particular, recreational services (municipally owned golf course and ski hill) which are typically delivered by third parties but delivered by the municipality partly because of the Township's geographic location.

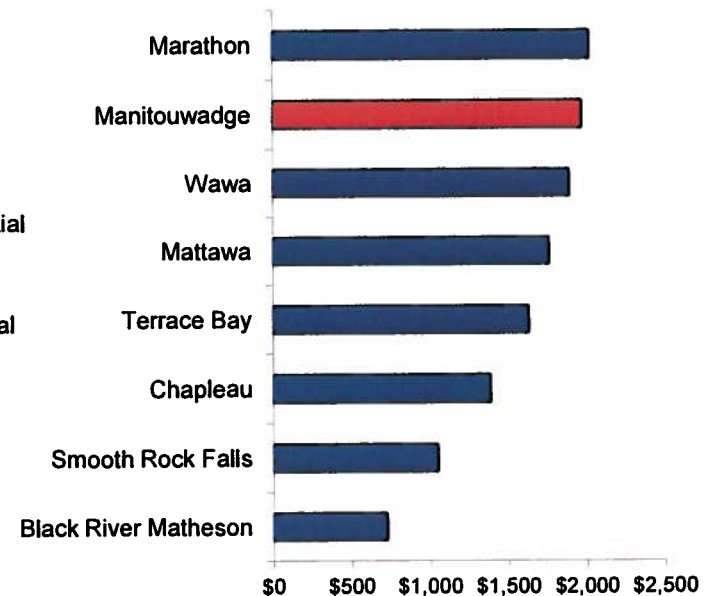
Manitouwadge's current assessment profile places the majority of the tax burden on the residential rate payers which gives rise to concerns over affordability. Specifically, continued increases in the municipal levy may be difficult to sustain given the declining population trend.

Township of Manitouwadge Tax Burden by Tax Class - 2011¹



¹ Municipal Financial Information Return Schedule 22, 2011

Residential taxes per household – 2011 (selected communities)¹

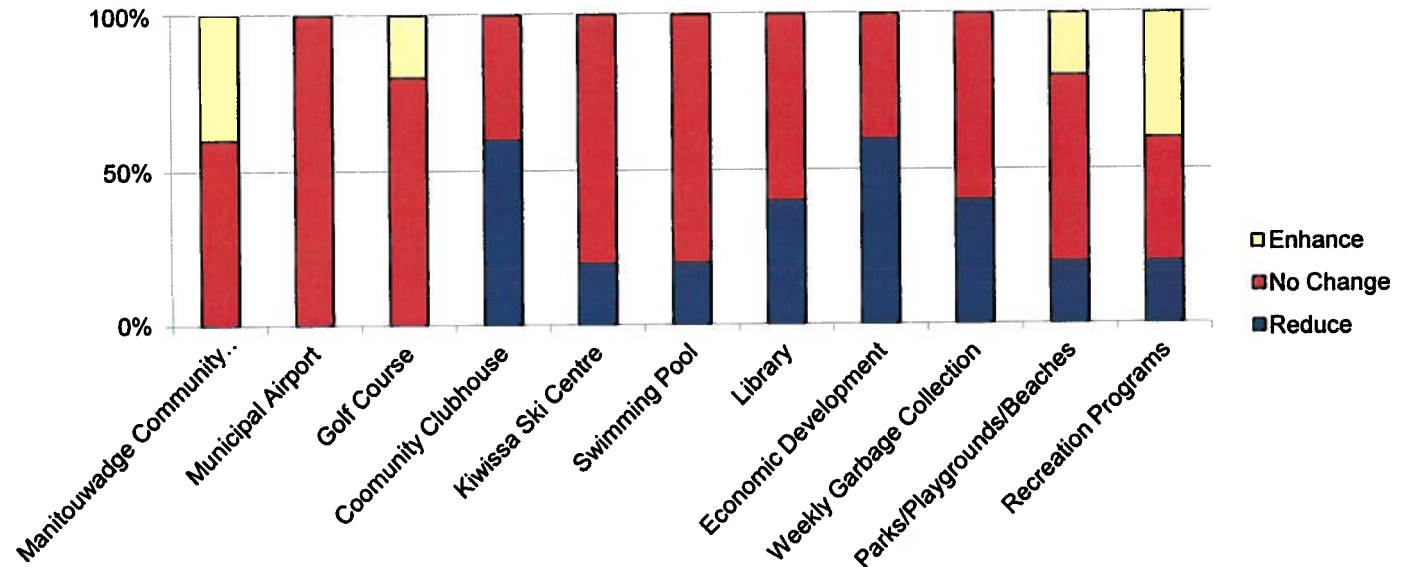


As part of the service delivery review process, Council was surveyed as to their views on potential strategies for addressing the financial situation of the Township. While obtained at the start of the process (and therefore subject to change as the review proceeded), Council indicated a willingness to consider strategies that focused on increasing revenues and reducing costs. Specifically:

- 100% of Council were in favour of increasing non-taxation revenue
- 80% of Council were in favour of exploring the potential of regional or shared service delivery models
- 60% of Council were supportive of contracting out, either to the public or private sector; and
- 60% of Council were in favour of staffing reductions.

With respect to individual municipal services, a number of programs and activities were identified as potential candidates for either reductions, no change or enhancements to the current levels of service.

Council Support for Potential Service Elimination and Reductions (Selected Municipal Services)



Opportunities for Consideration





Township of Manitouwadge Service Delivery Review Presenting the Results

Overall, the municipal service delivery review identified 42 potential opportunities for cost reductions that are provided to the Township for consideration recognizing that financial impacts have not been estimated for all opportunities and that not all opportunities may be implemented in 2013. The following pages provide information concerning the opportunities including:

- A description of the potential opportunity
- An indication as to Council's direction associated with the opportunity, based on the 2012 budget process and other information
- Potential risks

The decision to implement any of the opportunities identified in the municipal service delivery review will be taken during the 2013 budget process and as such, no formal decision has been made to the implementation of the identified options.

In addition to the opportunities presented in this report, additional opportunities were identified with respect to the structure of the municipal organization as well as the roles and responsibilities of Township personnel, which are provided under a separate cover.



Opportunities for Consideration Corporate Services

Option	Description	Council Direction	Risks	
			Labour Relations	Other
A.1	Establish a capital financing policy	100%	No	No
A.2	Review all vacant municipal properties	100%	No	No
A.3	Integrate water billing with municipal tax bills	60%	No	No
A.4	Investigate the establishment of an administrative fee for all penalties (eg late payment of water bills, late payment of taxes)	100%	No	No
A.5	Explore the potential of group purchasing with other public sector organizations for professional services, materials and supplies, and capital	100%	No	No
A.6	Determine the appropriate level of municipal financial support for economic development activities			
	a) Rationalize and prioritize non-personnel spending on economic development activities	100%	No	No
A.7	Allocate municipal election costs on an annual basis (25% over 4 years)	100%	No	No
A.8	Increase the frequency of tendering major contracts	100%	No	No



Opportunities for Consideration Protective Services

Option	Description	Council Direction	Risks	
			Labour Relations	Other
B.1	Establish a false fire alarm program for non-residential properties	100%	No	Yes ¹
B.2	Establish a residential burning permit fee	80%	No	Yes ¹
B.3	Establish a non-fuel purchase landing fee at municipal airport	100%	No	No

¹ Potential risk that fires will be unreported due to concerns over cost

Option	Description	Council Direction	Risks	
			Labour Relations	Other
C.1	Determine the appropriate service level and funding model for solid waste services			
	a) Reduce the frequency of residential garbage pick up to bi-weekly in the winter months	80%	No	Yes ¹
	b) Establish a tipping fee policy for all users of the Township's landfill	80%	No	Yes ²
	c) Explore the feasibility of a recycling program	80%	No	No
	d) Revised fee structure for commercial garbage collection	100%	No	No
C.2	Determine the appropriate service level and funding sources for winter roads operations			
	a) Develop a tiered service standard for winter road maintenance	20%	No	Yes ¹
	b) Establish a commercial rate for snow removal	80%	No	No
	c) Discontinue snow removal for community groups or establish a fee for service	20%	No	Yes ¹
	d) Investigate maintenance of provincial highway	60%	No	No
C.3	Investigate the potential benefits of contracting out or contracting in building maintenance	80%	Yes	No
C.4	Determine the appropriate level of municipal financial support for Township services provided on private property			
	a) Driveway repairs	100%	No	No
	b) Plumbing services	100%	No	No
	c) Valve shut-offs	100%	No	No

¹ Potential concerns over public safety and other risks arising from reduced level of service

² Potential concerns over illegal dumping in other areas of the Township



Opportunities for Consideration Physical Services

Option	Description	Council Direction	Risks	
			Labour Relations	Other
C.5	Evaluate the appropriate fee structure for water and wastewater services			
	a) Full cost recovery vs. municipal subsidy	100%	No	No
	b) Capital financing	100%	No	No
	c) Residential and non-residential rate structure	100%	No	No
C.6	Convert current street lights to LED street lights	100%	No	No
C.7	Establish stabilization reserves for major public works activities			
	a) Winter roads maintenance	100%	No	No
	b) Water and wastewater services	100%	No	No
	c) Solid waste	100%	No	No

Option	Description	Council Direction	Risks	
			Labour Relations	Other
D.1	Determine the appropriate service level, delivery model and municipal financial support for community service activities			
	a) User fees and cost recovery percentage	100%	No	Yes ¹
	b) Ice operating season (arena and curling)	40%	No	Yes ¹
	c) Golf course	100%	No	Yes ¹
	d) Community Clubhouse	100%	No	Yes ¹
	e) Ski hill	80%	No	Yes ¹
	f) Library	80%	No	Yes ¹
	g) Special events	80%	No	Yes ¹
D.2	Determine the appropriate level of municipal financial support for community groups			
	a) Grants	100%	No	No
	b) Rental rates	100%	No	No
	c) Affordability requirements	100%	No	No

¹ Potential concerns over affordability, reduced demand in response to fee increases and/or lack of community support to change delivery model

The Township of Manitouwadge offers a robust complement of community services with the operations of the Kiwissa Ski Centre, the Manitouwadge Municipal Golf Course and the Manitouwadge Community Centre. While community facilities typically have a municipal subsidy built into their operating costs, Council may wish to explore the potential to increase cost recovery on an annual basis and/or explore the potential of changing how the service is delivered.

Kiwissa Ski Centre

Previously, the Kiwissa Ski Centre was operated by a third party on behalf of the municipality before the Township assumed its operations. The ski centre is budgeted to cost the Township \$92,000 in 2012 net of user fees and rental revenues. The Township recovers approximately 28% through ski hill related revenues. Council may wish to reduce the net impact of the Kiwissa Ski Centre's operations on the municipal levy by considering the following:

- Increase the cost recovery percentage target with respect to user fees for the 2013-14 ski season
- Investigate the potential of returning the operation of the ski hill to a third party group and provide an annual stipend for the ski centre's operation

Projected Potential User Fees – Kiwissa Ski Hill¹

	Current	Adjusted to Reflect Increased Cost Recovery			
		10% Increase	25% Increase	50% Increase	100% Cost Recovery
Membership	\$238.94	\$262.83	\$298.68	\$358.41	\$602.13
Daily Pass	\$15.49	\$17.04	\$19.36	\$23.24	\$39.03

Manitouwadge Municipal Golf Course and Community Clubhouse

The operation of a golf course typically falls outside the common set of community services offered by a municipality. Typically, municipalities rely on third parties to operate golf courses and clubhouses and similar to the Kiwissa Ski Centre, Council may wish to investigate potential strategies which may address the budgeted net cost of \$70,000 in 2012. Those strategies may include:

- Increase user fees to increase cost recovery on the operation of the Manitouwadge Golf Course and Community Clubhouse – Budgeted golf course expenses increased by 31% between 2011 to 2012 while golf course user fees increased by between 2% to 10% excluding tournament fees.
- Operate the Manitouwadge Municipal Golf Course and Community Clubhouse to be a full cost recovery operation – funded 100% through user fees and service charges
- Contract out the operation of the Community Clubhouse to a third party which cost the municipality \$27,600 to operate in 2012;
- While recognizing the role of the Township is to provide community services, golf course operations typically fall outside the norm of core municipal services and the Township may wish to explore the potential of selling the Manitouwadge Municipal Golf Course and Community Clubhouse to a third party

Projected User Fees at the Municipal Golf Course – Full Cost Recovery Model¹

User Fee	Current	Full Cost Recovery	% Increase
Membership	\$442.48	\$712.39	↑60.9%
9 Holes	\$17.70	\$28.50	↑61.0%
18 Holes	\$24.78	\$39.90	↑61.0%

Opportunities for Consideration Community Services

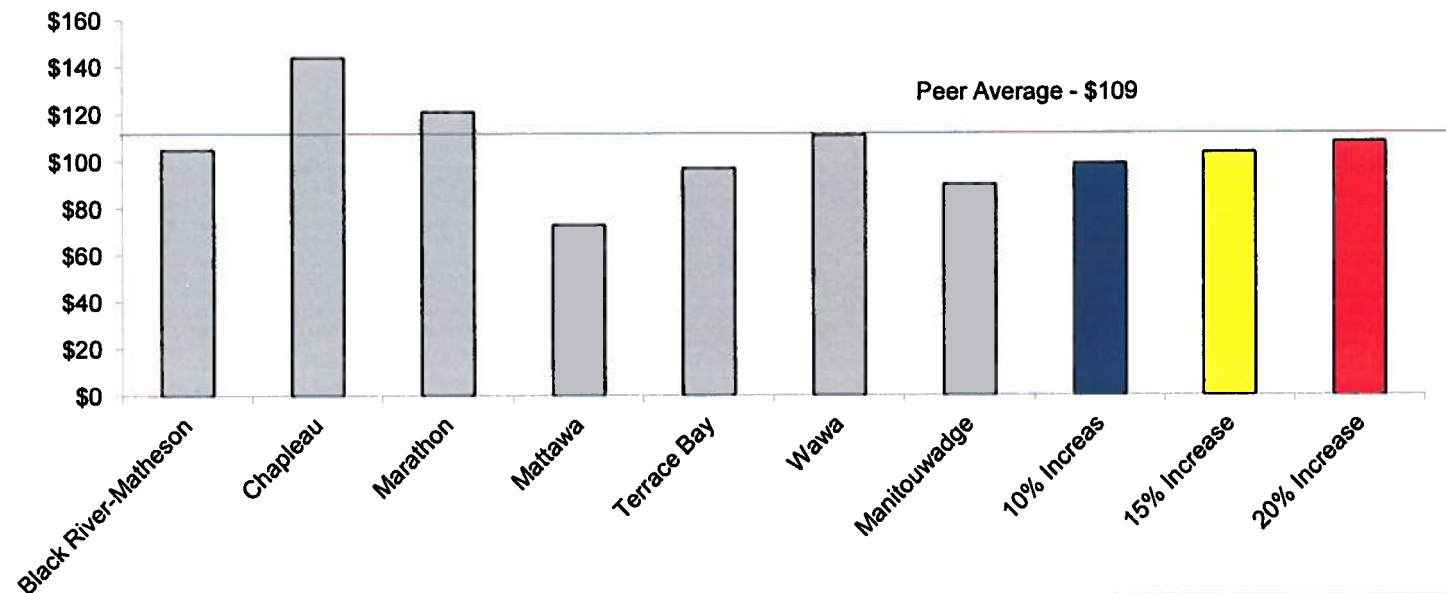
Manitouwadge Community Centre

Based on the 2012 municipal budget, the Township of Manitouwadge recovers 8% of operating costs at the Manitouwadge Community Centre through user fees. Unlike the Kiwissa Ski Centre and Manitouwadge Municipal Golf Course, the operation of a municipal community centre is a core community service and as a result, Council may wish to investigate the level of municipal support the Community Centre receives through the municipal levy and through user fees.

Using the cost of one hour of arena ice rental time, the following chart provides what user fees could potentially resemble for the 2013-14 operating season:

	Current	Adjusted to Reflect Increased Cost Recovery		
		10%	15%	20%
Adult – Prime Time	\$90	\$99	\$103.50	\$108

Comparative Analysis of Adult – Prime Time Ice Rental



Opportunities for Consideration Community Services

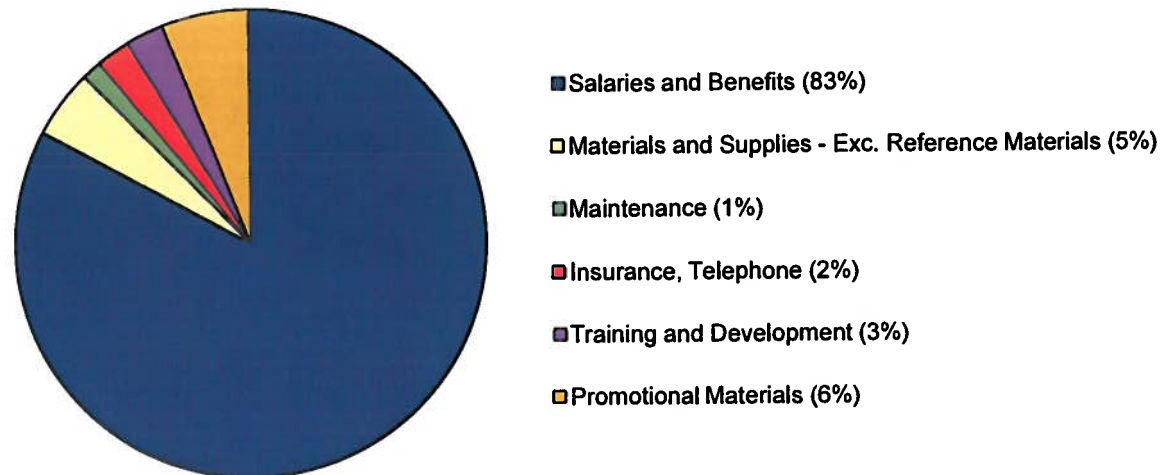
Manitouwadge Public Library

As part of the 2012 budget process, the Township of Manitouwadge reduced its annual contribution to the Manitouwadge Public Library by 5%. Council may wish to explore continuing a reduction in activity support to the Manitouwadge Public Library in its 2013 budget. The table below summarizes options for Council if they wish to explore reducing the library's budget by 5%, 10% or 15% based on the budgeted 2012 net cost of the library (\$123,711).

	Adjusted to Reflect Increased Cost Recovery		
	5% Reduction	10% Reduction	15% Reduction
Potential Savings	\$6,186	\$12,371	\$18,557
Potential Cost per Person	\$55.83	\$52.89	\$49.95

Based on our analysis of the Manitouwadge Public Library's 2012 budget, Council may need to explore changes to how library services are delivered because beyond adjusting part-time staffing levels, cost savings may not be easily realized with little in discretionary spending.

Budget Analysis of 2012 Manitouwadge Public Library ¹



Concluding Comments



Township of Manitouwadge Service Delivery Review

Concluding Comments

In today's municipal environment, councillors are faced with the competing objectives of attempting to minimize taxation increases while ensuring sufficient funds are available to support existing operations. The experience of the Township of Manitouwadge is by no means unique.

The overall intention of the Municipal Service Delivery Review was to identify potential opportunities for cost reductions and incremental non-taxation revenues that would ensure the long-term sustainability of the Township and provide an acceptable level of service to residents. We trust that the opportunities identified in the report are of use to Council and staff during the 2013 budget process as well as budget processes into the future. We believe, however, that if Council is to be truly successful in managing future taxation increases, certain key principles need to be adhered to:

- While efficiencies exist, meaningful cost savings will often require service level reductions.
- The implementation of the service delivery review opportunities is a multi-year process that will require consistency on the part of Council. This requires Council to maintain and defend its decision to implement opportunities that may impact on service levels.
- At some point, Council will be faced with the prospect of reducing services to a point that is less than acceptable. Where core services are to be maintained, Council should ensure that sufficient funding is provided to support the operations at the required level.

KPMG would like to express our appreciation to members of Council, management and staff of the Township of Manitouwadge and other individuals who assisted with and participated in the service delivery review.

Appendix A – Council Survey Report





Corporation of the Township of Manitouwadge

Council Survey Responses

As elected officials, the members of Council have the ultimate responsibility, authority and accountability for the operations, services and financial affairs of the Township of Manitouwadge (the "Township"). Given their role in establishing the strategic direction of the Township and approving the level of resources available to support this direction (through the annual budgeting process), Council's views and priorities frame our approach to the service delivery review. Simply put, the absence of congruence between the opportunities developed from the review and Council's priorities and visions for the Township will result in opportunities that will likely not be pursued.

In order to identify Council's priorities on strategic issues, KPMG requested that each member of Council complete a brief survey addressing tax policy and the degree of latitude available in developing strategies for services provided by the Township. This report provides a summary of the responses provided by Council (five in total, representing all members of Council) and the implications for the management study.

A. Council direction concerning taxation policy

Taxation policy will significantly influence the outcome of the service delivery review. To reduce taxes will effectively require a savings target, which may translate into service reductions or outright eliminations. Conversely, increases in taxation levels will support service level enhancements, infrastructure investments and the building up of reserve and reserve funds.

In order to determine the high level taxation policy for the Township, Councillors were requested to rank each of the following options from most important to least important:

- Reducing taxes
- Maintaining taxes at current levels
- Increasing taxes for inflation
- Increasing taxes by a reasonable amount to fund operating and capital needs

As noted on the following page, taxation policy appears to be undecided upon by Council with equal importance weighted towards increases in taxation as well as the maintenance of taxation at current rates.

Question 1 - Please rank the following tax priorities in order of preference:

Option	Percentage of Responses Ranked as Most Important	Average Rating (1 – most important, 4 – least important)
Reducing taxes	0%	3.60
Maintaining taxes at current levels	40%	2.00
Increasing taxes for inflation	20%	2.00
Increasing taxes by a reasonable amount to fund operating and capital needs	20%	2.00

B. Council direction concerning service level changes

While the delivery of certain municipal services is mandated by Provincial legislation, other services are provided at the full discretion of the Township and as such, can either be reduced, maintained or enhanced as determined by Council. In order to assess Council's view of potential changes to service levels for discretionary services, respondents were requested to evaluate services based on whether they should be:

- Reduced
- No change to current service levels
- Enhanced

A summary of Council's responses are included on the following page. While the responses reflect Council's view that the majority of the services listed should be maintained at the current levels, the following exceptions were noted:

Potential service reductions

- Community Clubhouse operations (60%)
- Economic development (60%)

In addition to the services listed below, Council was asked to provide other services not identified for reductions or enhancements. Additional potential service reductions included Township employee benefits and increased culture and tourism listed as an additional service enhancement possibility.

Question 2 - Please identify the importance of "nice to haves" based on the choices listed below.

Service	Reduce service levels	No change to service levels	Enhance service levels
Manitouwadge Community Centre	0%	60%	40%
Municipal Airport Operations	0%	100%	0%
Golf Course	0%	80%	20%
Ski Hill	20%	80%	0%
Swimming Pool	20%	80%	0%
Community Clubhouse	60%	40%	0%
Library	40%	60%	0%
Economic Development	60%	40%	0%
Weekly Garbage Collection	40%	60%	0%
Parks/Playgrounds/Beaches	20%	60%	20%
Recreation Programs	20%	40%	40%

C. Council direction concerning service delivery mechanisms

Achieving operational efficiencies may require the Township to adopt different approaches to delivery as well as staffing changes. Council members were requested to identify which of the following strategies would be acceptable for consideration in the service delivery review.

- Regional or shared service delivery model
- Increases in non-taxation revenue
- Contracting out to the private sector
- Contracting out to another public sector organization
- Staff FTE reductions

As noted below, the majority of council support the all of the strategies listed below including exploring opportunities related to a regional or shared service delivery model, increases in non-taxation revenue, contracting out services to the other private and public sector organizations and staff reductions.

Question 3 - Please identify which of the following strategies are acceptable:

Option	Acceptable	Not Acceptable
Regional or shared service delivery model	80%	20%
Increases in non-taxation revenue	100%	0%
Contracting out to the private sector	60%	40%
Contracting out to another public sector organization	60%	40%
Staff FTE reductions	60%	40%

Appendix B – Municipal Comparator Indicators



CORPORATION OF THE TOWNSHIP OF MANITOUWADGE

Schedule of Financial and Other Indicators for Comparator Municipalities (Note 1)

	Comparator Municipalities								Average
	Manitouawadge	Black River-Matheson	Chapleau	Marathon	Mattawa	Smooth Rock Falls	Terrace Bay	Wawa	
(1) ADMINISTRATION									
Administrative wages per household	\$1,211.84	\$434.47	\$839.48	\$1,776.13	\$726.04	\$1,217.95	\$1,476.29	\$1,286.59	\$1,121.10
TREASURY									
Total municipal debt per household	\$719.01	\$51.61	\$1,149.91	\$899.31	\$470.25	\$173.87	\$2,122.55	\$3,820.14	\$1,175.83
Total reserves and reserve funds per household	\$2,448.05	\$3,936.97	\$2,969.84	\$2,550.57	\$2,254.06	\$2,283.79	\$3,644.30	\$1,670.09	\$2,719.71
FIRE									
Fire cost per household, net of non-taxation revenues	\$169.69	\$187.47	\$58.02	\$150.54	\$102.65	\$105.81	\$98.52	\$167.82	\$130.07
POLICE									
Police costs per household, net of non-taxation revenues	\$461.38	\$359.67	\$530.78	\$744.14	\$591.04	\$284.28	\$468.81	\$1,077.55	\$564.71
ROADS									
Road costs per household	\$596.20	\$811.28	\$239.60	\$440.38	\$500.10	\$515.68	\$293.63	\$574.90	\$486.47
Operating cost per roads per kilometre	\$13,627.34	\$13,955.93	\$8,638.54	\$8,259.62	\$11,723.24	\$0.00	\$5,885.56	\$10,070.03	\$8,770.03
Winter road maintenance costs per kilometre	\$2,631.45	\$2,171.39	\$6,123.85	\$1,407.58	\$3,412.80	\$0.00	\$5,257.20	\$2,801.68	\$2,975.74
WATER AND WASTEWATER									
Water and wastewater costs per household	\$558.85	\$429.15	\$646.51	\$462.30	\$388.68	\$823.74	\$893.36	\$569.75	\$572.79
Percentage of water and wastewater cost recovery	\$0.78	\$1.11	\$1.14	\$1.39	\$1.72	\$0.91	\$0.92	\$1.17	\$1.14
SOLID WASTE MANAGEMENT									
Solid waste costs per household, net of non-taxation revenues	\$181.66	\$96.29	-\$9.15	\$381.56	\$268.44	\$213.59	\$366.38	\$284.26	\$222.88
PARKS AND RECREATION									
Recreation facilities costs per household, net of non-taxation revenues	\$809.79	\$82.47	\$283.73	\$541.88	\$301.76	\$413.05	\$608.58	\$571.71	\$451.62
Recreation program costs per household, net of non-taxation revenues	\$7.14	\$17.69	\$60.73	\$0.00	\$53.94	\$0.00	\$229.39	-\$4.57	\$45.54
LIBRARY									
Library costs per household, net of non-taxation revenues	\$94.65	\$52.71	\$104.63	\$102.55	\$136.24	\$81.16	\$239.02	\$113.52	\$115.56
Library costs per operating hour, net of non-taxation revenues	\$2,954.83	\$2,380.09	\$3,714.38	\$4,726.11	\$3,257.41	\$2,434.71	\$5,258.41	\$5,218.27	\$3,743.03
Weekly hours of operation	\$41.00	\$32.00	\$32.00	\$35.00	\$44.00	\$24.00	\$41.00	\$33.00	\$35.25
AIRPORT									
Airport costs per household, net of non-taxation revenues	\$26.32	\$0.00	\$30.32	\$38.86	\$0.00	\$0.00	\$46.42	\$227.47	\$46.17

Notes:

(1) KPMG analysis based on 2011 Municipal Financial Information Returns and other documentation

Appendix C – Council Direction Survey Results



**Township of Manitowadge Service Delivery Review
Council Direction Survey Results**

	<i>Financial Impact</i>	<i>Yes</i>	<i>No</i>
Community Services Opportunities			
A.1 Establish a Capital Financing Policy	N/A	100%	0%
A.2 Review all municipally owned vacant properties	TBD	100%	0%
A.3 Integrate municipal water bills with municipal tax bills	TBD	60%	40%
A.4 Investigate the establishment of an administrative fee for all late payments (e.g. late payments (e.g. late payment of water, taxes, etc.)	TBD	100%	0%
A.5 Explore the potential of group purchasing with other public sector organizations for professional services, materials and supplies and capital	TBD	100%	0%
A.6 Determine the appropriate level of municipal financial support for economic development activities			
a) Shift support position from full-time to part-time	\$20,000	60%	20%
b) Split the position into part-time economic development support and part-time administrative support	N/A	60%	40%
c) Rationalize and prioritize non-personnel spending on economic development activities	TBD	100%	0%
A.7 Allocate municipal election costs on an annual basis (25% over 4 years)	N/A	100%	0%
A.8 Increase the frequency of tendering of major contracts	TBD	100%	0%
Protective Services Opportunities			
B.1 Establish a false fire alarm program for non-residential properties	TBD	100%	0%
B.2 Establish a residential burning permit fee	TBD	80%	20%
B.3 Establish a non-fuel purchase landing fee at municipal airport	TBD	100%	0%
Physical Services Opportunities			
C.1 Determine the appropriate service level and funding model for solid waste services			
a) Frequency of residential garbage pick up	TBD	80%	20%
b) A tipping fee policy for residential and non-residential users	N/A	80%	20%
c) Recycling program	TBD	80%	20%
d) Revised fee structure for commercial garbage collection	TBD	100%	0%
C.2 Determine the appropriate service level and funding model for winter roads operations			
a) Develop a tiered service standard for winter road maintenance	TBD	20%	80%
b) Establish a commercial rate for snow removal	N/A	80%	20%
c) Discontinue snow removal for community groups or establish a fee	TBD	20%	80%
d) Investigate maintenance of provincial highway	TBD	60%	40%
C.3 Investigate the potential benefits of contracting in or contracting out building maintenance services	TBD	80%	20%
C.4 Determine the appropriate level of municipal financial support for Township services provided on private property			
a) Driveway repairs	TBD	100%	0%
b) Plumbing services	TBD	100%	0%
c) Water valve shut offs	TBD	100%	0%
C.5 Evaluate the appropriate fee structure for water and wastewater services			
a) Full cost recovery vs. municipal subsidy	TBD	100%	0%
b) Capital financing	N/A	100%	0%
c) Residential and non-residential rate structure	TBD	100%	0%
C.6 Convert current street lighting to LED street lighting	TBD	100%	0%
C.7 Establish stabilization reserves for major public works activities			
a) Winter roads maintenance	N/A	100%	0%
b) Water and wastewater services	N/A	100%	0%
c) Solid waste	N/A	100%	0%
Community Services Opportunities			
D.1 Determine the appropriate service level, delivery model and municipal financial support for community services activities			
a) User fees and cost recovery percentage	TBD	100%	0%
b) Ice operating season (arena and curling rink)	\$4,000	40%	60%
c) Golf course	\$19,000	100%	0%
d) Community Clubhouse	\$55,000	100%	0%
e) Ski hill	\$50,000	80%	20%
f) Library	\$11,000	80%	20%
g) Special events	\$12,000	80%	20%
D.2 Determine the appropriate level of municipal financial support for community groups			
a) Grants	TBD	100%	0%
b) Rental rates	TBD	100%	0%
c) Affordability requirements	N/A	100%	0%

Appendix D – Service Level Matrices



Township of Manitouwadge- Service Delivery Review
Administration (Including Treasury)

Service	Model	Basis of Delivery			Service Standard	Service Standard Exceptions	Performance Outcomes
		Required	Expected	Discretionary			
The service and brief description	How is it provided? Own resources? Contracted out Shared service, etc.	Mandated by legislation or necessary for public safety	Typically delivered by similar sized municipalities and expected by residents	No basis for delivery other than community choice	What is the level of service you aim to provide?	How often do you miss on your service standards? Please provide any statistics you may have	Any internal statistics you have tracking your performance? Please provide statistics relating to the service.
Council agenda and minutes preparation	Own resources	X			due Friday before Council meeting		
Rent administration	Own resources		X		monthly invoices	N/A	N/A
Information technology	Contracted out -NITGC			X	as required		
Human resources	Contracted out						
Tax sales	Contracted out	X			meet all deadlines	N/A	zero success on sales
Pay roll	Own resources	X			pay, T4's, remittances done on time		
Legal services	Contracted out	X				N/A	N/A
Insurance services	Contracted out	X			meet provincial deadlines	N/A	N/A
Audit	Contracted out	X					
Training and development	Own resources	X		X			
Banking services	Contracted out						
Short and long term disability management	Contracted out				N/A	N/A	N/A
FIR completion	Own resources	X					
Financial statement preparation	Own resources	X					
Cemetery administration	Own resources	X			As legislated		
Land use planning services	Own resources	X			As legislated		
Lottery licensing	Own resources		X		As legislated		

Township of Manitowadge- Service Delivery Review
Public Works

Service	Model	Basis of Delivery			Service Standard	Service Standard Exceptions	Performance Outcomes
		Required	Expected	Discretionary			
The service and brief description	How is it provided? Own resources? Contracted out Shared service, etc.	Mandated by legislation or necessary for public safety	Typically delivered by similar sized municipalities and expected by residents	No basis for delivery other than community choice	What is the level of service you aim to provide?	How often do you miss on your service standards? Please provide any statistics you may have	Any internal statistics you have tracking your performance? Please provide statistics relating to the service.
Water and wastewater service	Own resources	X			Water Treatment & Distribution Subsystem Class 1, Wastewater Treatment & Collections System	0	Annual Water and Wastewater Reports to the MDE, Weekly and Bi-weekly testing by ALS Laboratory
Water meter testing	Own resources	X			Tested upon complaint of high consumption and during inspections for low consumption.	0	Work Orders are completed upon inspection and filed with the Property File
Swabbing	Contracted Out	X			Currently working on Phase two of a three Phase Swabbing Program	0	Report kept on file: 5,800m swabbed in 2012
Water shut off services	Own resources	X			Upon request, forced disconnect, water service repairs	0	Requested Disconnections - 30, Water Service Disconnections - 36
Summer roads maintenance	Own resources	X			By-Law 95-12	0	
Winter roads maintenance	Own resources	X			By-Law 95-12	N/A	Minimum Maintenance standards always met.
Snow plowing	Own resources	X			By-Law 95-12	N/A	Minimum Maintenance standards always met.
Snow removal	Own resources	X			By-Law 95-12	N/A	Minimum Maintenance standards always met.
Sanding and salting street lighting	Own resources	X			Streetlights are repaired and replaced as needed. List is compiled and ongoing throughout the year.	Problematic streetlight bases require extra materials that may not be in stock.	Spreadsheet updated monthly. 150 streetlights were repaired or replaced in 2012
Equipment maintenance and repair	Own resources	X			Ongoing maintenance on all equipment as needed.	N/A	Log books kept up to date on all heavy equipment by the Mechanic.
Residential garbage collection	Own resources	X			Garbage Collection once per household per week.	Has never missed a day.	Residential Waste - 2012 756.20 cubic meters
Commercial garbage collection	Own resources	X			Dumpsters emptied three times per week for businesses.	If dumpsters are locked by business owners or blocked via vehicles, etc. no collection for that day.	Dumpster Waste - 2012 1836.37 cubic meters
Landfill operations	Own resources	X			May - Sept. 4 days week Oct. - April - 2 days week open to the public for service	Statutory Holidays	No records kept on daily visits
Spring clean up	Own resources		X		Annual One Week Event	N/A	396 cubic meters
Hazardous waste day	Own resources		X		Annual 1/2 Day Event	If residents are out of town they miss out on this event	Residents Participating - 96
							Acid Waste - 20 kgs
							Miscellaneous Waste - 10 kgs
							Caustic Waste - 10 kgs
							Miscellaneous Waste - 100L
							Aerosol Cans - 20 kgs
							Compressed Gas - 10 kgs
							Adhesives/Glue - 200 kgs
							Petroleum Distillates - 20 kgs
							Alkaline Waste - 40 kgs
							Pesticide Liquids - 25 kgs
							Flammable Liquids - 410L
							Aliphatic Solvents Glycol - 50kgs
							Waste Oils - 100L
Parking Lot Snow Plowing	Own resources	X			By-Law 95-12	0	Keeping our facility parking lots clean.
Parking Lot Snow Plowing Others	Privately Owned			Has always been done that way.	Every time it snows, Senior's Building, Churches, Mall parking Lots, Store Entrances, back delivery lanes.	N/A	Approximately 3.5 hours per event.

Township of Manitouwadge- Service Delivery Review
Library

Service	Model	Basis of Delivery			Service Standard	Service Standard Exceptions	Performance Outcomes
		Required	Expected	Discretionary			
The service and brief description	How is it provided? Own resources? Contracted out Shared service, etc.	Mandated by legislation or necessary for public safety	Typically delivered by similar sized municipalities and expected by residents	No basis for delivery other than community choice	What is the level of service you aim to provide?	How often do you miss on your service standards? Please provide any statistics you may have	Any internal statistics you have tracking your performance? Please provide statistics relating to the service.
Reading material/internet access	Own resources	X	X		Open for public use Monday to Friday, days and evening hrs. Saturday seasonal	Closed for Christmas break only	We serve 150 patrons per week. Circulation for 2011 was 18,040

Township of Manitouwadge- Service Delivery Review
Airport

Service	Model	Basis of Delivery			Service Standard	Service Standard Exceptions	Performance Outcomes
		Required	Expected	Discretionary			
The service and brief description	How is it provided? Own resources? Contracted out Shared service, etc.	Mandated by legislation or necessary for public safety	Typically delivered by similar sized municipalities and expected by residents	No basis for delivery other than community choice	What is the level of service you aim to provide?	How often do you miss on your service standards? Please provide any statistics you may have	Any internal statistics you have tracking your performance? Please provide statistics relating to the service.
No scheduled passenger service	Not applicable	NA					
ORNGE/Medical flights	Not applicable		X	2011= 137 2012 YTD 147	To have the airport service available other then when effected by foul weather.	Other than weather we meet our goals 99% of the time. When we have not met our goal it has been due to airfield lighting issues	
Runway maintenance	Own resources		X		As per Transport Canada for a registerd airport		
Snow removal	Own resources	X			Transport Canada		
		X					
Fuel sales	Own resources				CAN B836-05		Jet-A1 Liters Sold 2011 = 76863 2012 YTD 67991
Parking	Own resources						
Airmovements 2011	338 flights *						
Airmovements 2012	313 YTD *						
	*note not all MNR flights recorded on airmovement records						

Township of Manitouwadge- Service Delivery Review
Protective Services (Inc. Fire, bylaw and building)

Service	Model	Basis of Delivery			Service Standard	Service Standard Exceptions	Performance Outcomes
		Required	Expected	Discretionary			
The service and brief description	How is it provided? Own resources? Contracted out Shared service, etc.	Mandated by legislation or necessary for public safety	Typically delivered by similar sized municipalities and expected by residents	No basis for delivery other than community choice	What is the level of service you aim to provide?	How often do you miss on your service standards? Please provide any statistics you may have	Any internal statistics you have tracking your performance? Please provide statistics relating to the service.
Police services	Contracted out - OPP (Section 5.1 Contract)	X					
Fire - internal suppression	Own resources	X			OFC incident command and entry control,		
Fire - vehicle extrication	Own resources		X		Vehicle Rescue as taught by the OFC		
Fire - training	Own resources	X			OFC Curriculum		
Fire -Wood stove inspections	Own resources	X			CSA B-365 WETT certified		30 plus inspection approvals issued annually About 50% of single dwellings heat with Solid Fuel. WETT certified municipal inspector
Fire - Issuance of burning permits	Own resources	X			We issue burning permits this gives us another chance to provide a copy of the rules to the public and when they burn		
Animal control	Own resources	X			on a complaint basis		
By-law enforcement	Own resources	X			on a complaint basis		
Property standards enforcement	Own resources	do not have this at this time but will be looking into it					
Parking enforcement	Own resources	X			when patrols are done		
Building controls - building inspections and permits	Own resources	X			Ontario Building Code Act & Qualification Requirements		Permits and inspection handled by municipal staff with required qualifications



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