



Hamilton

# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	December 15, 2014
<b>SUBJECT/REPORT NO:</b>	2013 City of Hamilton Municipal Performance Measurement Program (FCS14076) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Tony Del Monaco (905) 546-2424 ext. 3020
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager Finance & Corporate Services Department
<b>SIGNATURE:</b>	

## Council Direction:

Not applicable.

## Information:

The Municipal Performance Measurement Program (“MPMP” or “Program”) was first introduced by the Province of Ontario for the year ended December 31, 2000. The Program’s benefits include strengthening accountability, improving performance, stimulating productivity and creativity and improving budget processes. The services included in MPMP reflect major expenditures for municipalities, reflect areas of Provincial – Municipal interest, reflect high interest and value to the public and have data that is relatively easy to collect and fall under municipal responsibility.

Services reported for 2013 include: local government, fire, police, building services (expanded in 2013 to include more categories), roadways, transit, wastewater, storm water, drinking water, waste management, parks and recreation, library and land use planning.

Section 299 of the Municipal Act, 2001 provides publishing guidelines for the taxpayers of certain municipal performance measurement information within nine months of the calendar year (i.e. September 30<sup>th</sup>). Annually, the City of Hamilton posts MPMP information on its’ website and submits it to the Ministry of Municipal Affairs and Housing (refer to Appendix “A” to report FCS14076).

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Ongoing review of the performance measures, trends, and service levels is important. Decreases in unit costs may be indicative of improvements in efficiency, lower service delivery costs or reduction in service levels while, increases in unit costs, may be indicative of enhancements in service levels, increased service delivery costs, or additional maintenance costs.

Comparison of MPMP results, with costs in the City Operating Budget is difficult, since services and costs are reported differently. The reporting instructions for MPMP include clear definitions of services to allow for comparison across all municipalities in Ontario. One of the differences is that corporate program support services including: Information Services, Human Resources, Payroll, Accounts Receivable, Accounts Payable, Purchasing, Procurement, Accounting Services, Risk Management, Print and Mail, Fleet and Facilities are allocated to each of the service areas. These differences affect the reporting of the services in the Corporate Structure of the Operating Budget.

Operating costs reported in MPMP include: salaries, wages, benefits, materials, contracted services, rents, financial expenses, external transfers and internal allocations between service areas. MPMP operating costs do not include: transfers to reserves, principal repayments on long-term debt, interest on long-term debt and amortization of tangible capital assets. Operating costs include some project expenses in the capital budget that do not represent spending on tangible capital assets.

Total costs reported in MPMP include operating costs, interest on long-term debt and amortization of tangible capital assets.

**Appendices / Schedules:**

Appendix "A" to Report FCS14076 - City of Hamilton Notice to Ratepayers: 2013 MPMP Results (Municipal Performance Measurement Program).