



*cutting through complexity*

# Corporation of the Township of Manitouwadge

**Municipal Service Delivery  
Review  
Preliminary Presentation  
to Council**

November 28<sup>th</sup>, 2012

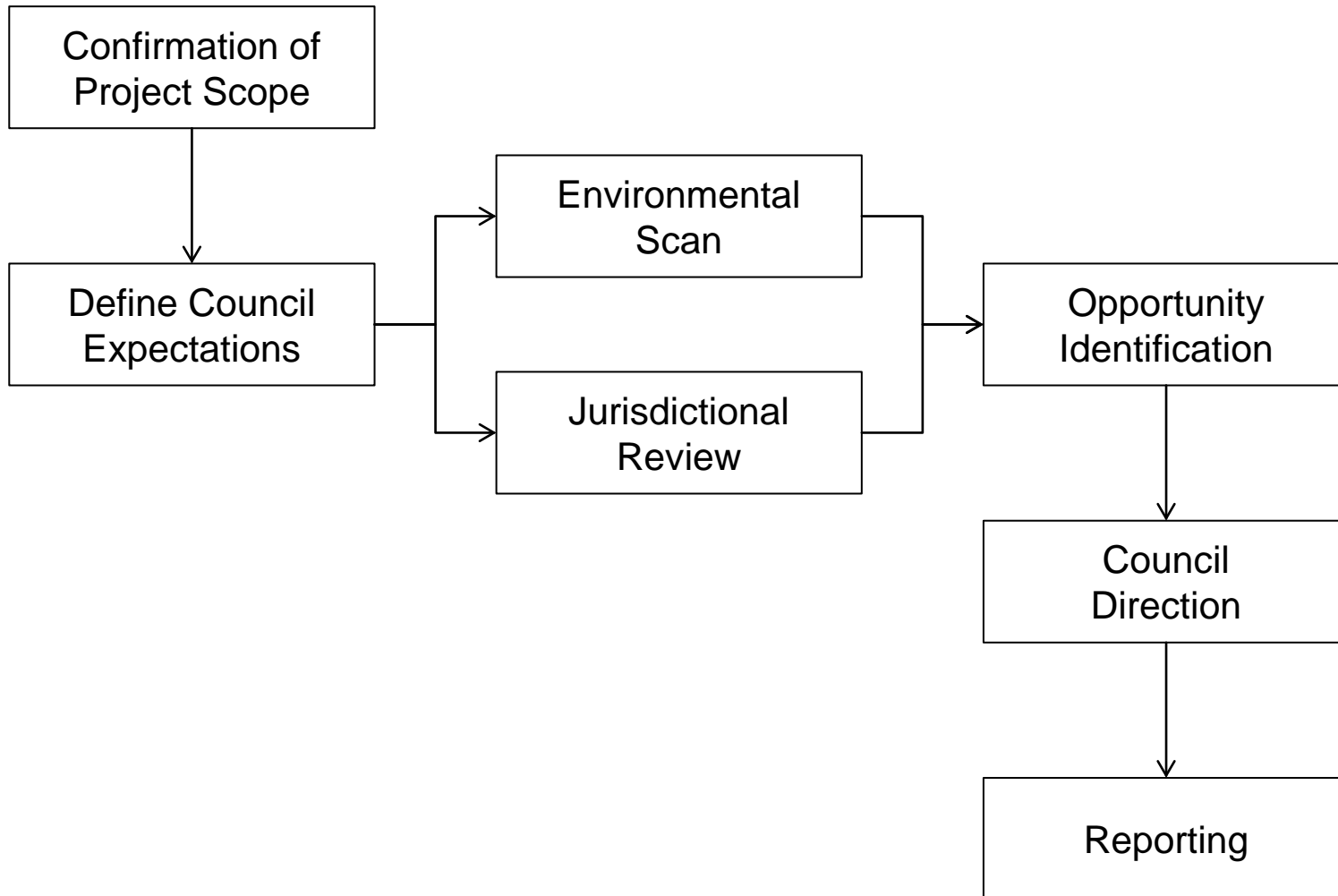


# Agenda

1. Introductions
2. Study Overview
3. Financial Perspectives
4. Defining Council's Priorities
5. Opportunities
6. Next Steps

# Study Overview

## Our Approach



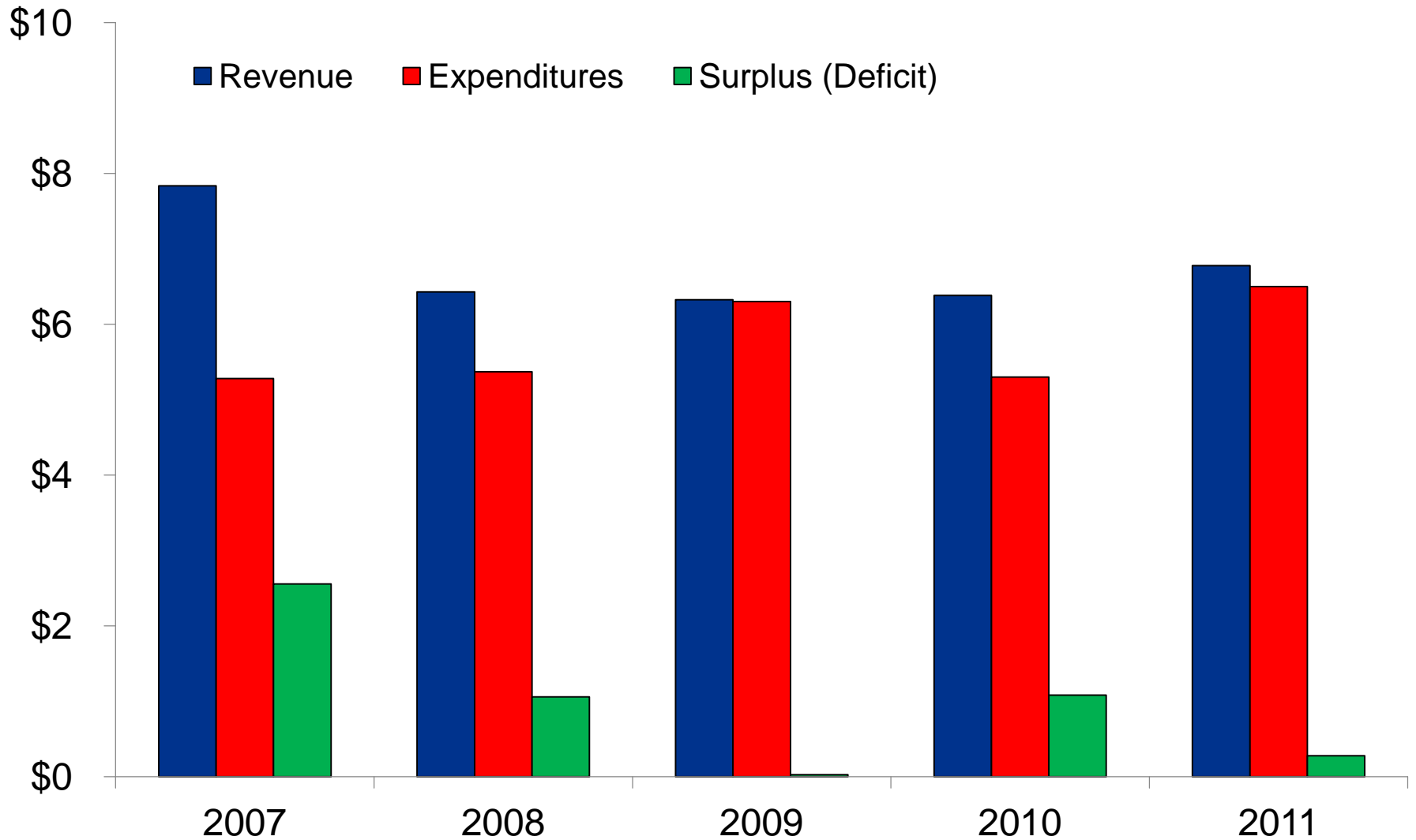
# Financial Perspectives on the Township

## *What We See in Other Communities*

1. Residents are looking for some form of vision from Council
2. Very limited appetite for outright service level reductions or eliminations
3. Strong desire to control tax increases
4. Infrastructure funding is a major issue
5. Budget processes are becoming more difficult

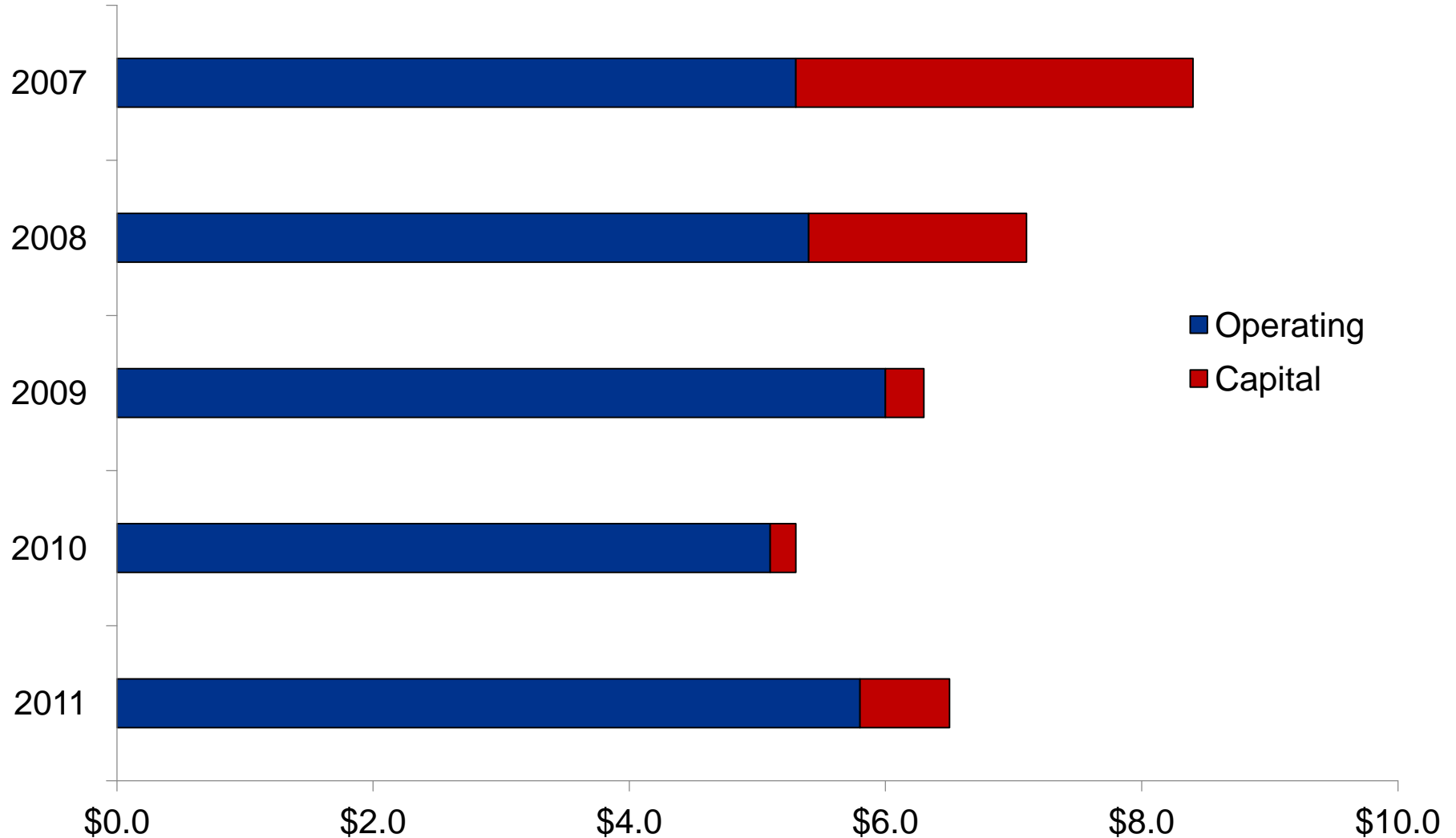
# Financial Perspectives on the Township

## Reported Operating Results (in millions)



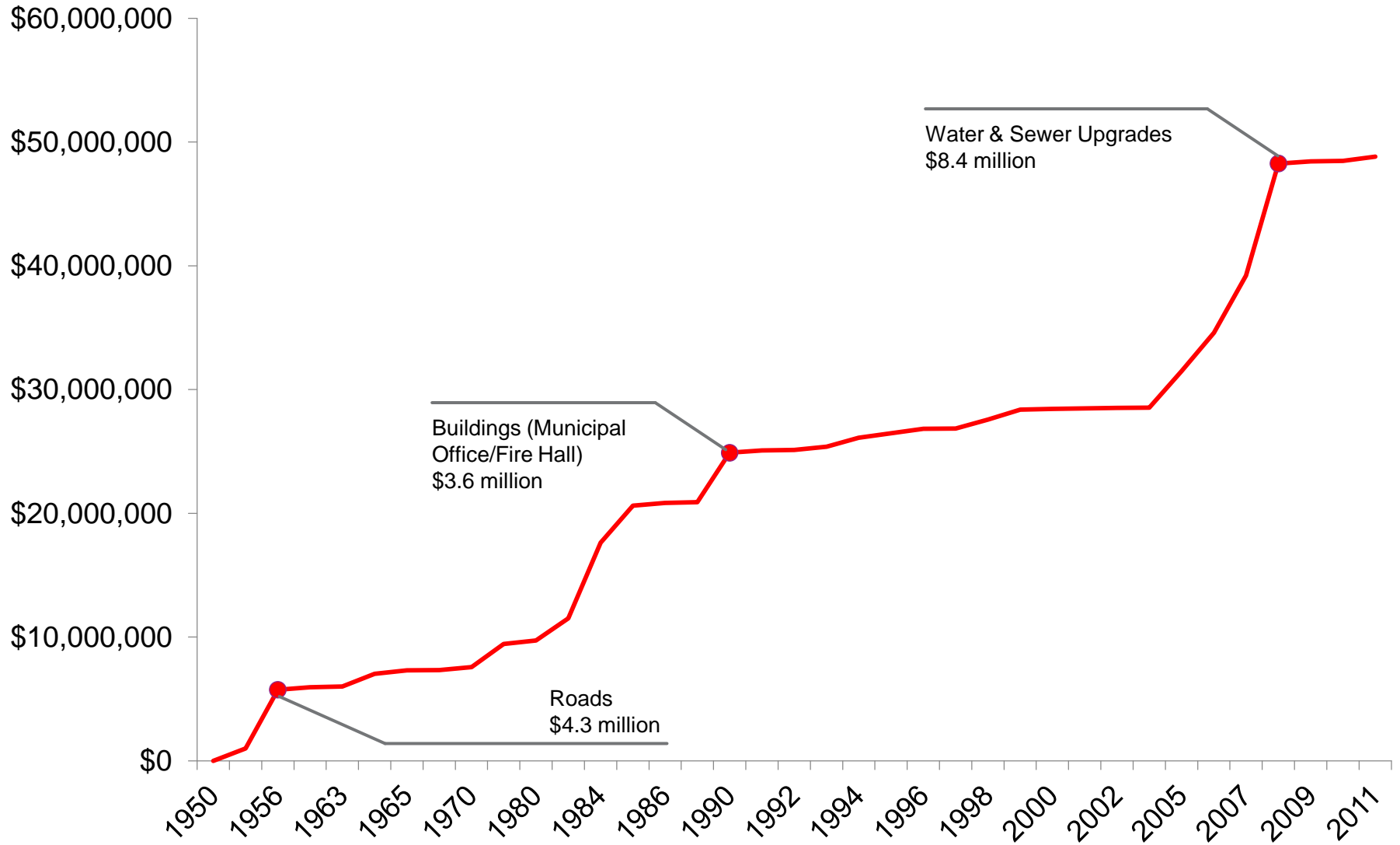
# Financial Perspectives on the Township

## *Operating and Capital Expenditures (in millions)*



# Financial Perspectives on the Township

## Cumulative Infrastructure Investment (in millions)



## Financial Perspectives on the Township

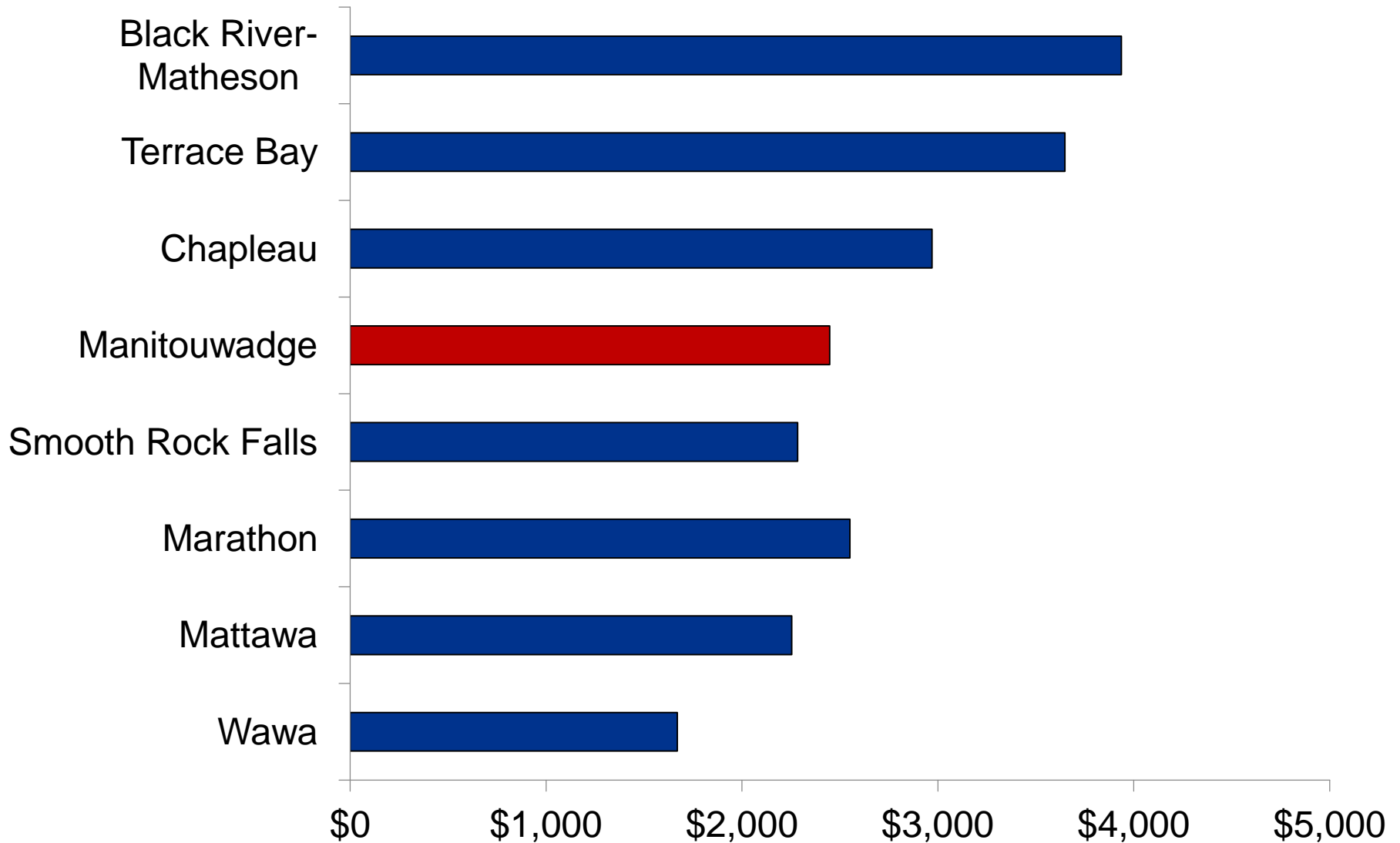
### *Replacement Values and Useful Lives of Selected Municipal Assets*

Asset Category	Historical Cost	Replacement Cost	Useful Life (KPMG Estimate)	Annual Replacement Requirement
Roads	\$12.83 million	\$38.50 million	40 years	\$1.00 million
Pipes	\$13.81 million	\$41.43 million	70 years	\$0.6 million
Treatment Plant	\$3.12 million	\$9.36 million	50 years	\$0.2 million
<b>Total</b>	<b>\$29.76 million</b>	<b>\$89.29 million</b>		<b>\$1.8 million</b>



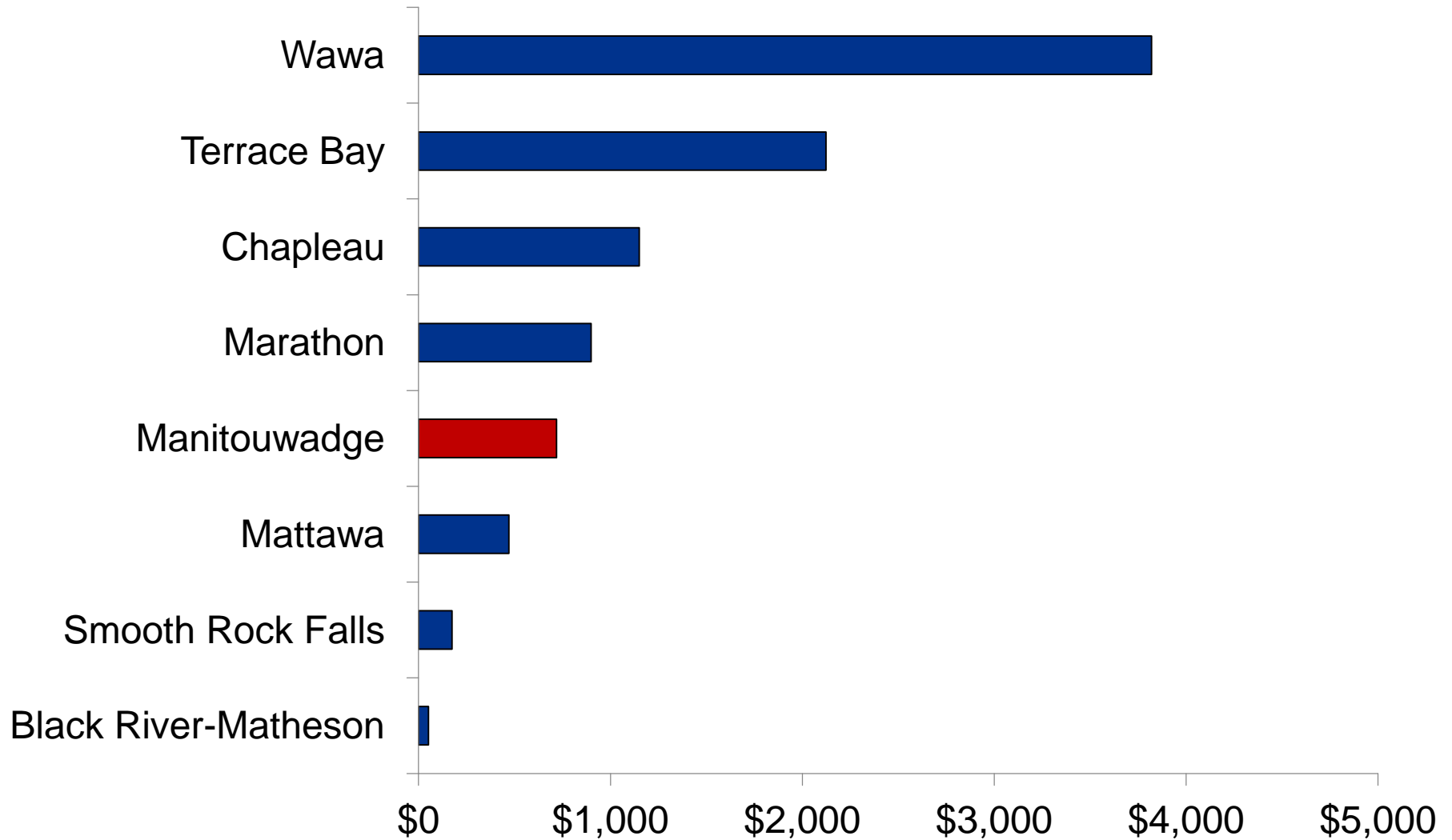
# Defining Council's Priorities

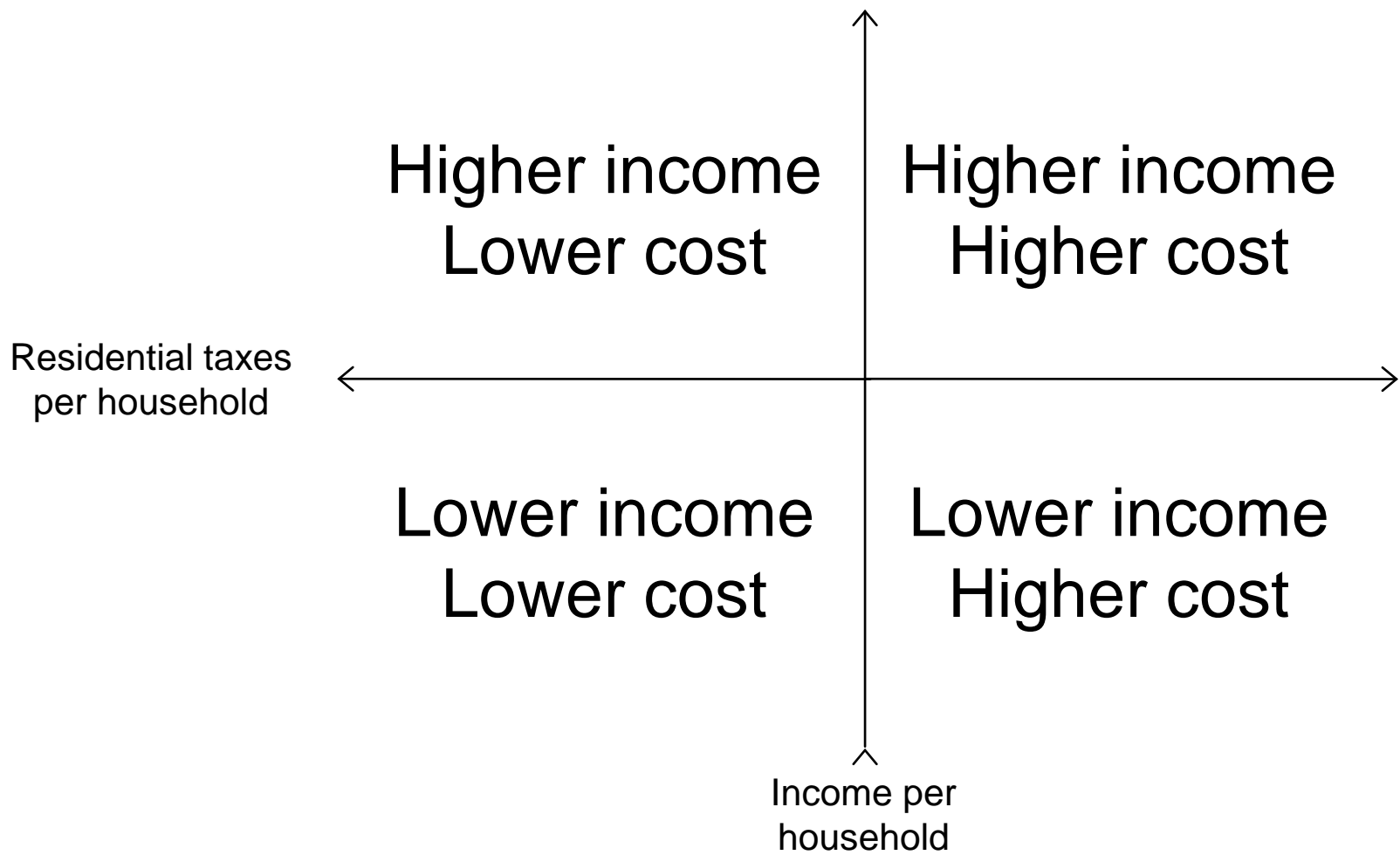
## *Reserves per Household (2011)*

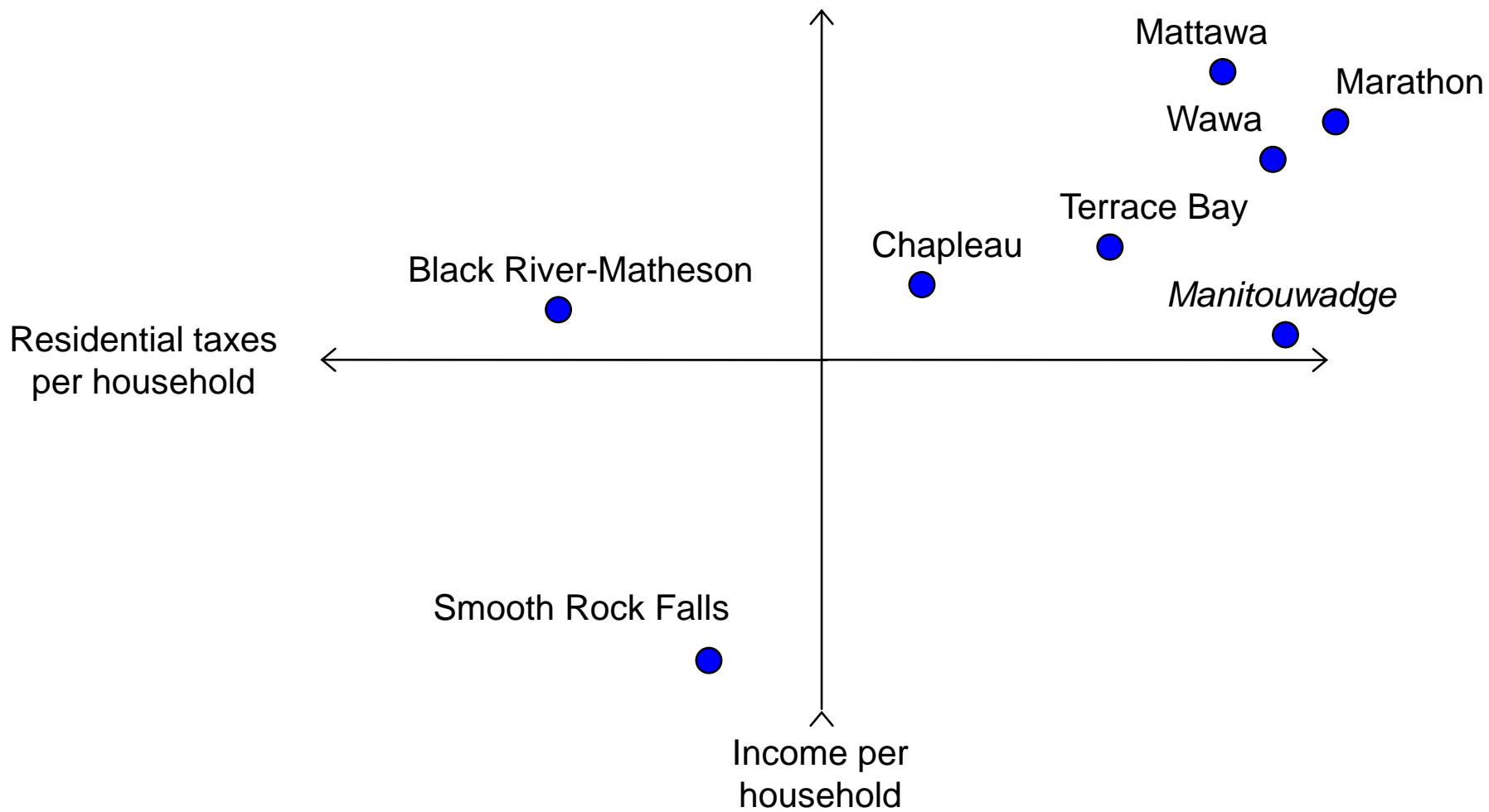


# Financial Perspectives on the Township

## *Debt per Household (2011)*







# Defining Council's Priorities

## *Key Questions for Council*

### Question no. 1

Often times, priorities will conflict. For example, investing in infrastructure requires money, most likely raised from taxpayers. This runs contrary to a focus on affordability.

From Council's perspective, please rank the following tax priorities in order of preference:

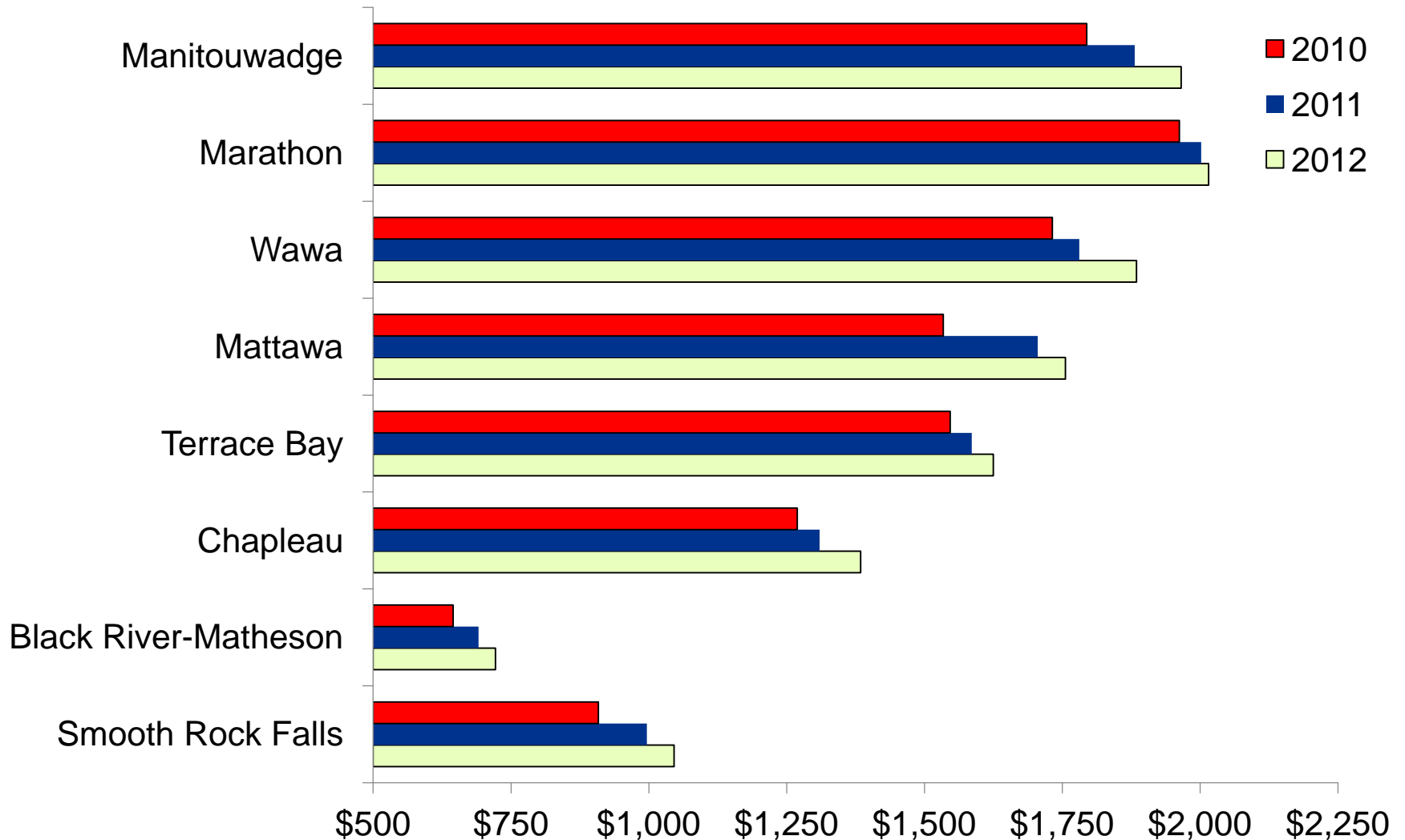
1. Reducing taxes
2. Maintaining taxes at current levels
3. Increasing taxes for inflation
4. Increasing taxes by a reasonable amount to fund operating and capital needs

Things to consider:

- Service level impacts
- Affordability issues
- Infrastructure requirements

# Defining Council's Priorities

## Residential Taxes per Household (Average/Typical Property)



# Defining Council's Priorities

## *Key Questions for Council*

### Question no. 2

Municipal services can typically be grouped into two categories – “must haves” and “nice to haves”, the difference being the requirement to actually deliver the service in question.

From Council's perspective, please identify the importance of “nice to haves” based on the following choices:

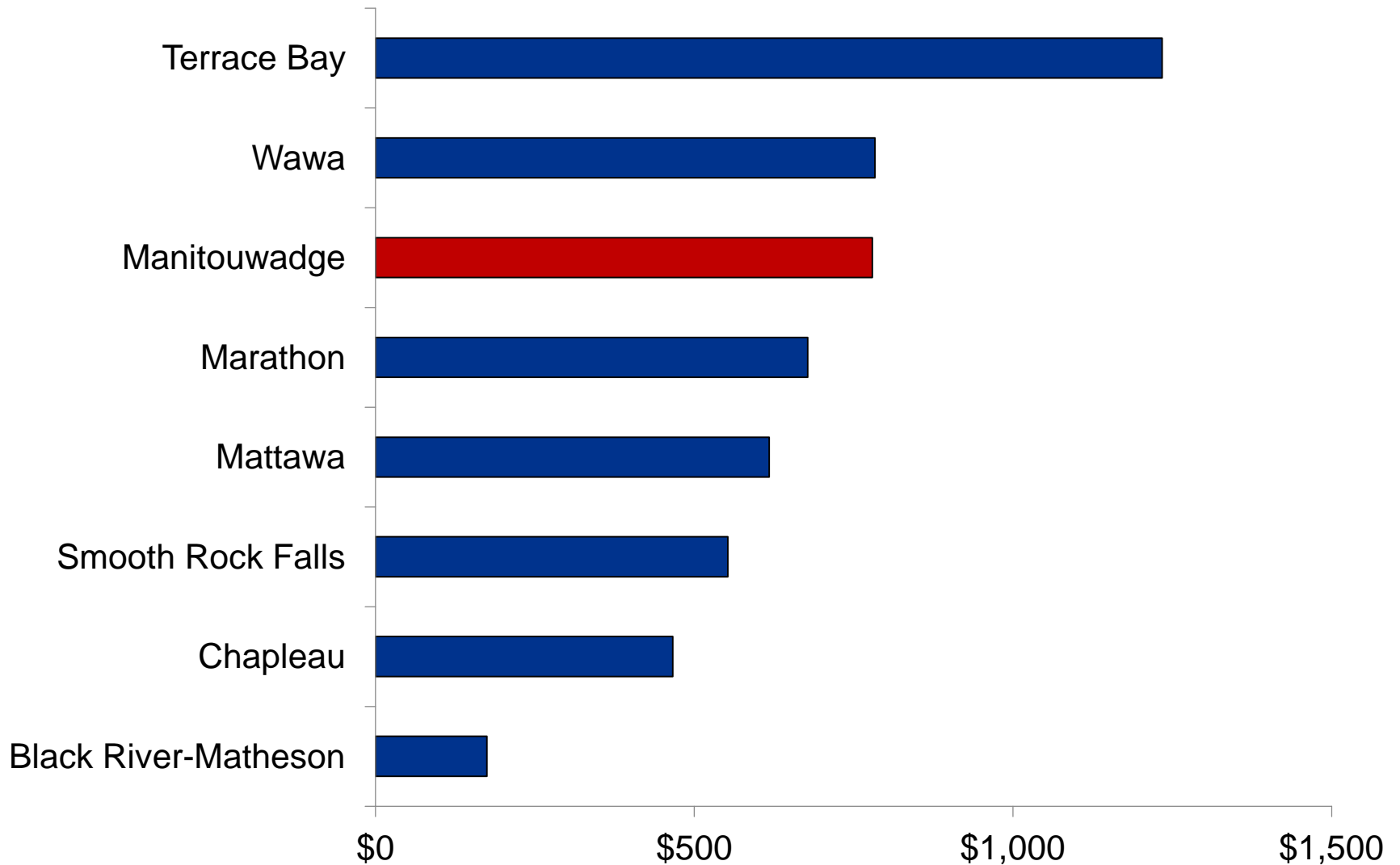
1. Reduce service levels, including the potential for outright service elimination
2. No change to service levels
3. Enhance service levels

Things to consider:

- Community needs and impacts
- Labour relations impacts
- Council discretion

## Defining Council's Priorities

### 2011 Parks and Recreation Costs (Net User Fees) per Household





# Defining Council's Priorities

## *Key Questions for Council*

### Question no. 3

Various strategies are available to municipalities to address operating costs. However, certain aspects of these strategies may be unpalatable to Council.

From Council's perspective, please identify which strategies are not acceptable:

1. Regional or shared delivery model
2. Increases in non-taxation revenue (user fees)
3. Contracting out to the private sector
4. Contracting out to another public sector organization
5. Staff FTE reductions

Things to consider:

- Community needs and impacts
- Labour relations impacts
- Reliance on external service providers

# Township of Manitouwadge Service Delivery Review

## *Potential Opportunities for Council's Consideration*

- Generally speaking, opportunities can be divided into four categories:
  - Operating efficiencies
  - Alternative service delivery
  - Increased cost recovery from non-taxation sources
  - Service level reductions
- Ultimately, the decision as to which (if any) opportunities are pursued rests with Council
  - Service Delivery Review is intended to identify opportunities and provide direction to staff as to which should be considered as part of the budget process
  - Council approval for opportunities occurs during the budget setting process

# Township of Manitouwadge Service Delivery Review

## *Potential Opportunities for Council's Consideration*

### **Operating efficiencies**

- Garbage collection
- Airport operations

### **Alternate service delivery**

- Operation of the Kiwassa Ski Hill

### **Revenue generation**

- Landfill operations
- Community service user fees

### **Service levels**

- Economic development

### **1. Finalize opportunity identification**

- Determine financial impact where they exist
- Identify potential risks

### **2. Seek Council's direction**

- Present opportunities, rationale for inclusion and associated benefits and risks
- Provide Council will additional information as required

### **3. Final report**

- Results of Council direction session



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