

Region of Waterloo
Human Resources and Citizen Services
Labour Relations and Emergency Management

To: Administration and Finance Committee
Meeting Date: December 5, 2023
Report Title: 2022 MBNCanada Performance Measurement Report

1. Recommendation

For Information.

2. Purpose / Issue:

This report summarizes the Region of Waterloo's results as reported in the 2022 MBNCanada Performance Measurement Report.

3. Strategic Plan:

The report aligns with the 2023-2027 Strategic Plan to provide Equitable Services and Opportunities and a Resilient and Future Ready Organization.

4. Report Highlights:

- MBNCanada has been working in partnership with municipalities across Canada since 1998, and its purpose is to enhance municipal service delivery through collaboration, networking and the implementation of performance measurement, benchmarking and other municipal continuous improvement programs and initiatives.
- Waterloo Region has traditionally scored well across a wide range of MBNCanada measures and services. The 2022 MBNCanada report shows that:
 - The Region's performance was in the top or middle third of reporting municipalities in 76% (53 out of 70) of measures. Statistical measures have been excluded.
 - Services with "top third" results (with "top third" meaning lower costs per unit or higher performance) include Child Care, Emergency Medical Services, Accounts Payable operating costs, Facility operations costs, Governance and Corporate management costs, information technology costs, in house and external legal operating costs, long term resident and family satisfaction, and costs of waste collection.
 - Services with "middle-third" results include shelter length of stay, long term

care costs, road operating costs and % of assets rated as "good to very good", and others.

- MBNCanada and other performance measurement results are used by Regional staff in a variety of ways, including ongoing performance improvement efforts and in forwarding recommendations to Committee and Council.
- MBNCanada's benchmarking framework and reporting is aligned with the ongoing performance tracking, monitoring, and quarterly reporting of the Region's Strategic Plan (2023-2027), Growing with Care. Results will support implementation and measurement of progress against our new strategic priorities.
- Staff acknowledge that certain results can be interpreted differently. A low cost per unit of service delivery can be seen by some to be an indication of efficiency, while others may interpret it as being an underfunded service. Similarly, a high cost per unit of service delivery can be perceived as wasteful or inefficient, when the result may simply reflect a high level of prioritization of a given service.
- The annual Plan and Budget development process has identified approximately \$38 million of savings and efficiencies over the last 4 years.

5. Background:

The Municipal Benchmarking Networking Canada (MBNCanada), formerly the Ontario Municipal Benchmarking Initiative (OMBI), is a co-operative of 11 municipalities.

MBNCanada has been working in partnership with municipalities across Canada since 1998, and its purpose is to enhance municipal service delivery through collaboration, networking and the implementation of performance measurement, benchmarking and other municipal continuous improvement programs and initiatives.

MBNCanada's benchmarking framework includes four types of measures: community impact, service level, efficiency and customer service. The first two evaluate "what we do" and the second two evaluate "how well we do it".

Waterloo Region has traditionally scored well across a wide range of MBN Canada measures and services. The 2022 MBNCanada report shows that:

- The Region's performance was in the top or middle third of reporting municipalities in 76% (53 out of 70) of measures. Statistical measures have been excluded.
- Services with "top third" results (with "top third" meaning lower costs per unit or higher performance) include Child Care, Emergency Medical Services, Accounts Payable operating costs, Facility operations costs, Governance and Corporate management costs, information technology costs, in house and external legal operating costs, long term resident and family satisfaction, and costs of waste collection.

- Services with “middle-third” results include shelter length of stay, long term care costs, road operating costs and % of assets rated as “good to very good”, and others.

A synopsis of the 2022 results for the Region is attached as Appendix A.

MBNCanada and other performance measurement results (e.g. those used in water services and public transit) are used by Regional staff in a variety of ways, including ongoing performance improvement efforts and in forwarding recommendations to Committee and Council.

Staff acknowledge that certain results can be interpreted differently. A low cost per unit of service delivery can be seen by some to be an indication of efficiency, while others may interpret it as being an underfunded service. Similarly, a high cost per unit of service delivery can be perceived as wasteful or inefficient, when the result may simply reflect a high level of prioritization of a given service. Balancing efficiency and customer service/community impact is an ongoing effort, and as such, results should not be looked at in isolation but as one of many measures of service efficiency and effectiveness.

The full “Municipal Benchmarking Network Canada – 2022 Performance Measurement Report” was officially released on October 17, 2023 and is available at:

<http://mbnCanada.ca/app/uploads/2023/10/2022-Report.pdf>

6. Communication and Engagement with Area Municipalities and the Public

Nil.

7. Financial Implications:

The annual MBNCanada membership fee is \$35,600 in 2023. The Region’s Plan and Budget development process has identified approximately \$38 million of savings and efficiencies over the last 4 years.

8. Conclusion / Next Steps:

Nil.

9. Attachments:

Appendix A: Synopsis of Region of Waterloo’s 2022 Performance Measures

Prepared By: David Young, Program Review & Auditing Specialist

Reviewed By: Kate Konopka, Director Labour Relations and Emergency Management

Approved By: Kim Bellissimo, Commissioner, Human Resources & Citizen Services
Craig Dyer, Acting Chief Administrative Officer

Appendix A - Synopsis of the Region of Waterloo's 2022 Performance Measures

Accounts Payable

- The Region's cost per invoice processed was the lowest amongst all municipalities for 2022.
- The number of invoices processed by each accounts payable staff member was well above the median, ranking fourth highest.
- The Region was below the median of 71.15% in invoices paid within 30 days at 68.4% for 2022.

Child Care

- Waterloo Region had the third-fewest regulated spaces per capita in 2022, although this ratio has increased from 2020 to 2022. The measure reflects the capacity of licensed spaces to be available to access, per 1,000 infant to school-aged children, across centre and home-based spaces.
- The total cost per child (12 and under) in the Region is below the median in 2022.

Clerks

- The number of formal Freedom of Information requests (MFIPPA) received per 100,000 population in 2022 was the third lowest amongst all municipalities. Staff interprets this result as positive due to the Region's transparent and inclusive communication policies and active and routine disclosure practices.
- The percent of formal freedom of information requests, extensions and 3rd party notices completed within legislated timelines was above the median in 2022.

Emergency Medical Services (EMS)

- The percent of ambulance time lost to hospital turnaround increased in 2022 but is still below the median.
- The number of EMS unique responses per capita as well as EMS service hours per capita are both well below the median, although both continue to increase.
- The total cost to provide one hour of ambulance service has increased from 2020 to 2022 but remains below the median.
- The percent of the time that EMS responded to CTAS (Canadian Triage and Acuity Scale) 1 within eight minutes is at 74% in 2022 which is above the service target of 70%.
- The percentage of time any person equipped with a defibrillator arrives on scene to provide defibrillation to a sudden cardiac arrest patient within six minutes of the time notice is received from dispatch is 65% which is above the Ministry of

Health mandated compliance target of 50%.

Emergency Shelters

- The average nightly number of emergency shelter beds available per 100,000 population decreased since 2020 but remains above the median.
- The average nightly bed occupancy rate of emergency shelters increased in 2021 and 2022 and is now above the median.
- The direct cost of emergency shelter responses per capita decreased in 2022 (though it remains greater than 2020) and remains above the median.

Facilities

- The Region's cost to maintain its municipal headquarters building on a per-square-foot basis was the lowest among all municipalities.
- The Region reported the third lowest energy consumption (electricity and natural gas usage) for a headquarters building per square foot of all reporting municipalities.

Fleet

- The operating cost per vehicle kilometre traveled is above the median for light vehicles and below the median for medium and heavy vehicles.
- The percent of unplanned maintenance work order hours has increased since 2020 and is above the median.

General Government

- The Region's costs for General Government (including costs relating to governance and corporate management) as a percentage of total municipal costs is the lowest among upper-tier municipalities. General Government is comprised of Council, the Clerk's office, CAO's office, a portion of Finance, Human Resources and Citizen Service, Communications, and Facilities Services.

General Revenue

- The percent of all revenues billed increased from 2021 and is above the median.
- The cost to process and collect each invoice has decreased from 2020 to 2022 and is below the median.
- The Region's percent of billed revenue that was written off has remained at 0.1% and is below the median.
- The average collection period for invoices as measured in days has decreased from 2020 to 2022 and is below the median.

Human Resources

- The Region's Human Resources administration operating cost per T4 has increased from 2021 but remains below the median cost and is aligned to costs in 2020.
- The Region's overall permanent employee turnover rate has increased from 2020 to 2022 and is above the median.

Information Technology

- When compared to the upper-tier municipalities, the Region is above the median with respect to the number of visits to the municipal website per capita despite declining since 2020 2021, which could be attributed to the decrease in COVID-related website traffic.
- The average number of technology devices in use per municipal FTE remains above the median.
- The Region's cost for information technology services, which includes operating costs plus amortization but excludes annual capital investment related to IT assets, is well below the median value for 2022.

Investment Management

- The rate of return on the Region's total investment portfolio increased from 1.48% in 2021 to 2.75% in 2022 and is above the median.
- The investment yield on the internally managed portfolio increased from 1.47% in 2021 to 2.79% in 2022 and is now above the median.
- The investment yield on the externally managed portfolio remains slightly below the median. The externally managed portfolio is generally less than 5% of the overall portfolio.

Legal

- In-house legal operating costs relative to overall municipal operating and capital expenditures have decreased since 2020 and remains well below the median.
- The in-house legal operating costs per in-house lawyer has increased since 2020 but remains well below the median.
- The total external cost per total municipal legal costs has increased slightly in 2022, however, remains well below the median.

Libraries

- The Region of Waterloo's library system consists of 10 small branches in the four townships. As a rural library system, it is expected to deviate from the comparators in this survey which represent urban and urban/rural libraries. The

cities in the Region maintain their own library services.

- The digital and in person usage per capita was impacted by the five-month closure of a mid-sized branch, and is less than the median in 2022.
- The Region's Library Services continue to provide more holdings per capita than the median.
- The cost for each library use has decreased from 2020 to 2022 and is slightly above the median.

Long-Term Care

- The number of municipal bed days available for citizens 75 years of age or over is below the median amount.
- LTC resident/family satisfaction rate increased slightly to 95% in 2022 and is above the median.
- The Region's Long-Term Care (LTC) Facility Direct Cost (CMI Adjusted) per LTC Home Bed Day Based on MOHLTC Annual Return is at the median

Payroll

- The operating cost to process a payroll direct deposit or cheque remains below the median cost in 2022.
- The number of payroll direct deposits and cheques processed per Payroll FTE remains above the median.

Planning

- The total cost of planning services per resident increased from 2021 but is below the median.
- The amount spent on planning-related activities and application processing can vary significantly among upper tier municipalities year over year, based on the types and number of development applications and the different organizational structures and priorities established by Councils.

Provincial Offences Court (POA) / Court Services

- The number of charges filed per court administration clerk is slightly below the median.
- The total cost of POA services per charge filed is well below the median.
- The Region's defaulted fine collection rate (43.87%) decreased in 2022 and is slightly above the median.

Purchasing

- The Region's percentage of goods and services purchased through a procurement process decreased from 2020 to 2022 but remains above the

median.

- The centralized purchasing operating cost per \$1,000 of goods and services purchased has increased since 2020 but is well below the median.
- The average number of bids received per bid call has decreased from 2020 and is well below the median.

Roads

- The Region's 2022 volume of traffic, measured by vehicle kilometres traveled per lane kilometre on major roads, was well above the median.
- The percentage of roads where the condition is rated as good to very good is at the median.
- The percentage of bridges, culverts, and viaducts where the condition is rated as good to very good is above the median.
- The total costs for paved roads per lane km (Hard Top) increased in 2022 but is below the median for upper-tier municipalities.
- The total cost for roads (all functions related to maintenance) per lane km is also below the median for upper-tier municipalities in 2022.
- The cost for winter maintenance per lane kilometre increased from 2020 to 2022 and is now above the median for upper-tier municipalities.

Social Assistance

- In 2022, the monthly social assistance caseload per 100,000 households increased slightly but remains below the median.

Social Housing (Community Housing)

- The percent of the wait list that is housed annually increased from 2020 to 2022 and is above the median.
- The average cost to provide a community housing unit has increased from 2020 to 2022 and is above the median cost.

Transit

- The number of regular service passenger trips per capita decreased in 2021 from 2020 but has now rebounded and 2022 was considerably higher than either of those years.
- While vehicle hours per capita decreased slightly from 2022 to 2021, it has still increased from 2020 and the total number of hours has increased. Due to the pandemic during these years, the number of hours and per capita measures from 2020 to 2022 are not representative of the Region's typical service provided.

Waste Management

- The Region's overall tonnage and percentage of residential waste being diverted from the landfill continued to remain well above the median.
- The tonnes of all residential matter collected per household decreased from 2021 and is below the median. This shows the resident's commitment to separating waste in their homes and finding other ways to reduce.

Wastewater

- The percent of wastewater estimated to have bypassed treatment decreased from 2020 but remains above the median.
- The amount of wastewater treated per capita marginally decreased from 2020 and is below the median.
- The total cost for treatment/disposal per megalitre treated relative to the number of wastewater treatment plants operated increased from 2020 to 2022 and is above the median. The Region of Waterloo has a high ground water table and ground water, rain water and snow melt can make their way into the wastewater collection system which increases the treatment at the plant.

Water

- Municipalities that have two-tier systems are responsible for components of water activities such as water treatment, water transmission and major water storage facilities, whereas local municipalities are responsible for local water distribution systems. The Region of Waterloo relies on a complex network of groundwater wells and highly variable river water sourcing while other two-tier MBNCanada municipalities are adjacent to large lakes that provide relatively inexpensive water sources or have fewer water treatment stations.
- The amount of water treated per capita decreased slightly from 2021 and is below the median representing continued success of the Region of Waterloo's conservation programs.
- The total cost of treatment and transmission of drinking water has increased since 2020 and is at the median for two-tier systems due to the increase in costs in chemicals and inflation.