



Assessing Sustainable Service Delivery

**Asset Management BC Conference
Performance Measures and Reporting
November 3, 2016**



Today

- Introductions and background
- Group exercise
 - Framework
 - Service areas
 - Questions
- Debrief / Closing Remarks



Project Overview

PURPOSE

Develop a framework that supports the measurement and reporting on the *sustainability of services* delivered by local governments.



Project Overview

AUDIENCE

- Public, Council, Administration, Staff

STAKEHOLDERS

- Funded by UBCM/Province
- Sponsored by the City of Grand Forks
- Five participating cohort communities will pilot

CONSULTANTS

- Urban Systems
- Innova Strategy Group



Advisory Committee

- Auditor General for Local Government
- Asset Management BC
- BC Water & Waste Association
- Government Finance Officers Association
- Local Government Management association
- Municipal Insurance Association
- Union of BC Municipalities
- CivicInfo
- Academic
- Mayor / Council Rep.
- Communications Expert
- Legal



CONCEPT – Long Term

PHASE 1 - Proof of concept on core measurements / best practices for select small-medium local governments (2016-2017)

PHASE 2 - Core measurements for all local governments – small to large (2017 – funding and support TBD)

PHASE 3 - Ongoing development and monitoring (measurements and other organizations)

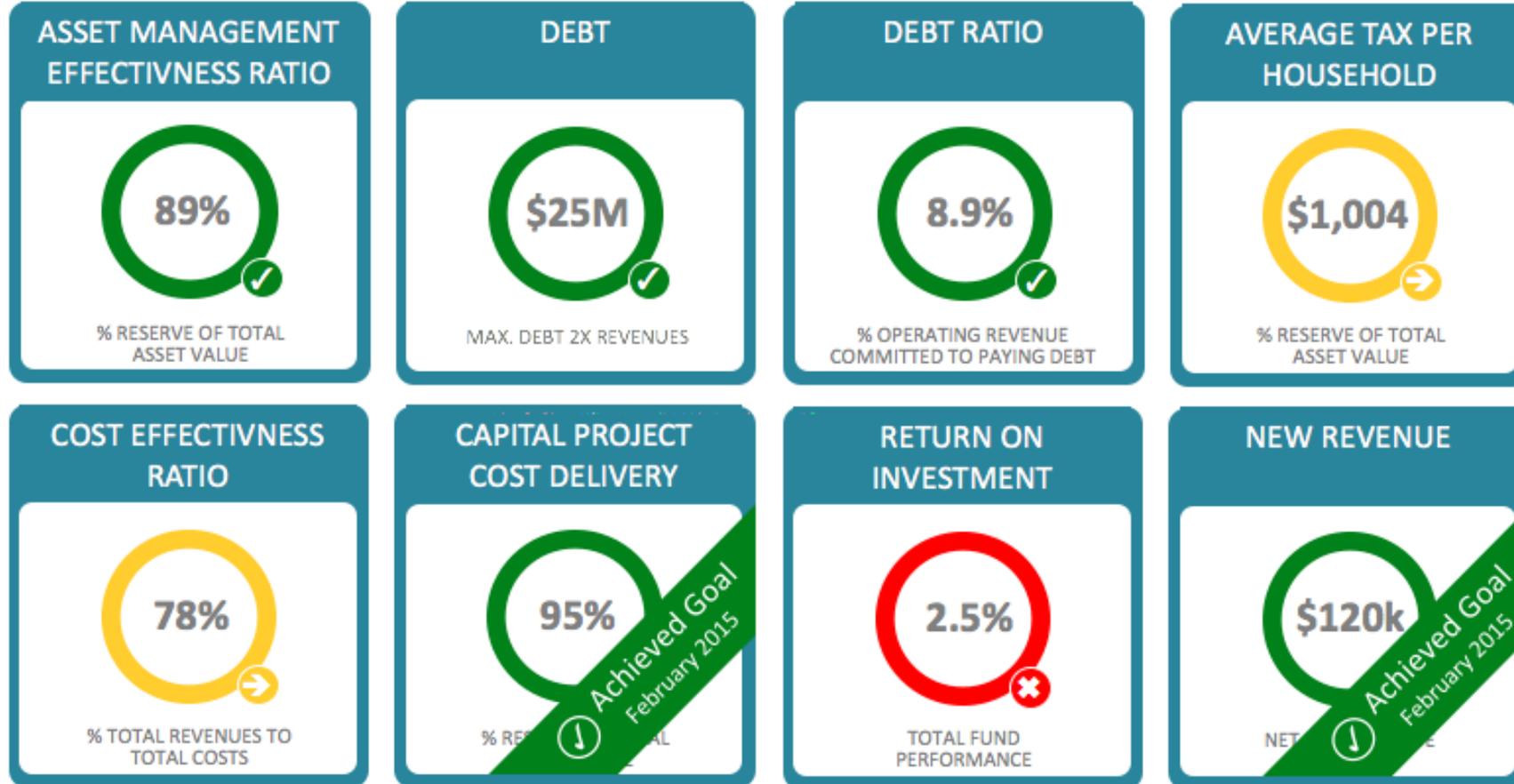
LOCAL GOVERNMENT PERFORMANCE

ACCESS ■ TRANSPARENCY ■ DECISIONS ■ ACCOUNTABILITY

GRAND FORKS Performance Dashboard

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FINANCIAL PUBLIC SAFETY ASSET MANAGEMENT ENVIRONMENT DEVELOPMENT EMPLOYEE ENGAGEMENT COMMUNITY SERVICES OPERATIONS GOVERNANCE & MANAGEMENT



✓ Meets or Exceeds Target → Near Target ✖ Needs Improvement

Finance



Legislated Debt Limit Used

Goal: Maintain the municipal debt within the debt limit legislated by the Government [Explore the data >](#)

54.3 Per Cent
Final Result from Dec 2015



Measured
Goal Period ended December 2015

Show chart

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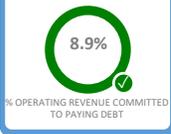
COMMUNITY
SERVICES

OPERATIONS

GOVERNANCE &
MANAGEMENT

2016 (Q2)

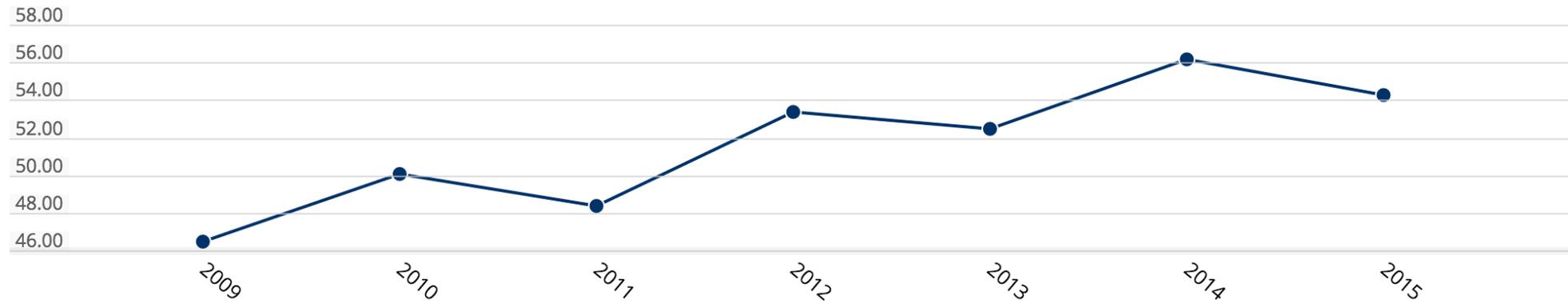
DEBT RATIO



GRAND FORKS

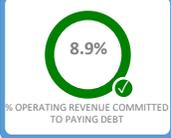
FINANCIAL: DEBT RATIO

Historical Data



2016 (Q2)

DEBT RATIO



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FINANCIAL: DEBT RATIO

Goal: Maintain the municipal debt within the debt limit legislated by the Government of British Columbia.

Measure Description

Legislated Debt Limit Used measures the total amount that the City of Grand Forks has used as a percentage of allowable total debt. The City ensures fiscal responsibility and compliance with the Government of BC's Municipal Government Act, which limits total municipal debt to two times municipal revenues. The City leverages debt following its Debt Management Fiscal Policy, which clearly sets out that long-term debt can only be used for large capital projects with long-term benefits for the community, projects needed to support the growing population, projects that advance the City's priorities and major rehabilitation of existing assets. This measure reflects the City's financial resilience and the debt must be affordable and sustainable. Debt is an ongoing component of the City's capital financing structure and is an integrated part of the City's long-term plans and strategies. Grand Forks is able to borrow money at a rate of interest below what is available to citizens, and the City locks in rates over the duration of the loan period. To be updated yearly as data becomes available.

[EXPLORE the DATA](#)

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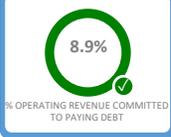
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2016 (Q2)

DEBT RATIO



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FINANCIAL: DEBT RATIO

Did You Know?

Under the MGA, municipalities cannot borrow for operating expenses; cities can only borrow for infrastructure projects. Also, municipalities cannot run operating deficits. There is some confusion about the difference between debt and deficits. “Debt” occurs when money is borrowed and must be repaid in the future. The amount owing is the debt. A “deficit” is when a government (or any organization) does not have enough revenues to meet its operating expenses in a given year.

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2016 (Q2)

DEBT RATIO



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FINANCIAL: **DEBT RATIO**

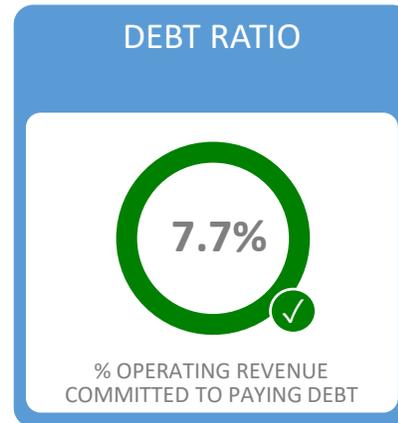
DEBT RATIO HISTORY

2016 (Q2)



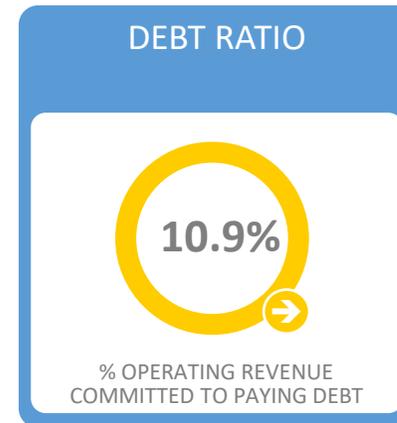
[EXPLORE the DATA](#)

2015



[EXPLORE the DATA](#)

2014



[EXPLORE the DATA](#)

2013



[EXPLORE the DATA](#)

GRAPH



How is this different than other tools or approaches?

- Many tools:
 - Municipal Benchmarking Network Canada
 - National Water and Wastewater Benchmarking Initiative
 - Asset Smart BC
 - Numerous local initiatives in performance measurement
- Helpful for local governments to understand what they do, how well, and in some cases how they compare to other communities
- No existing tools to assess the *sustainability of services* delivered



Service Sustainability Assessment Framework

VISION

Create a tool to facilitate **assessment, communication, and discussion** between elected officials, staff, and the public about the **long term sustainability of services** to drive informed decision-making and continuous improvement.

DELIVERABLES

- Completed framework that has been piloted and improved by the City of Grand Forks and the five cohort communities
- Publicly available framework and toolkit for use by other communities, free of charge

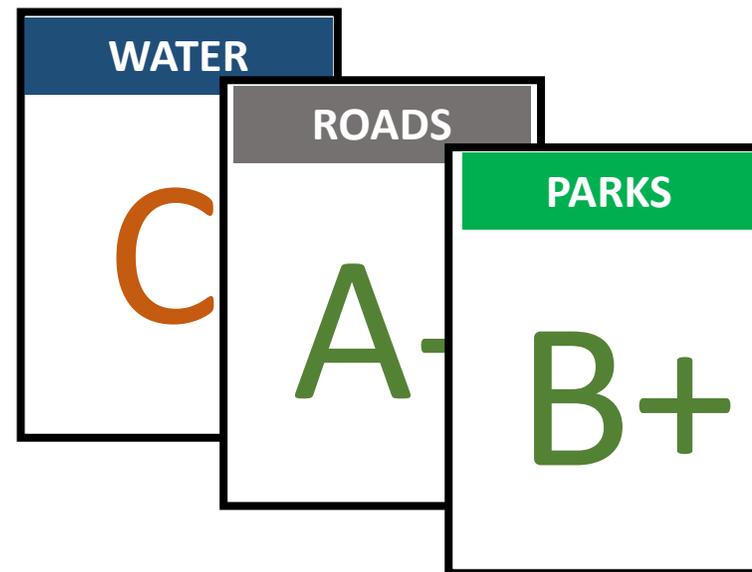


Assessment will be conducted by Service Area

Core service categories

(Provincial reporting requirements):

- **General Government**
- **Protective Services**
- **Solid Waste Management and Recycling**
- **Health, Social Services and Housing**
- **Development Services**
- **Transportation and Transit**
- **Parks, Recreation and Culture**
- **Water Services**
- **Sewer Services**
- **Other Services**





How will the sustainability of each service area be assessed?

Sustainable Service Delivery requires:

1. Meeting core service requirements (the 'Mission')
2. Balancing SERVICE and COST
3. Managing RISK

Performance for each service area will be tracked on an annual basis under the categories of SERVICE, COST, and RISK.



Framework for Assessing Sustainability by Service Area

Service Mission

← *The **core purpose** of this service? What are the requirements of local government in delivering this service?*

Service

Cost

← *A set of **indicators** that are aligned with the mission and provide a snapshot of current performance in service and cost.*

Risk

← *A set of **indicators** that serve to highlight risks to sustainability of the service.*

Sustainability Assessment

← *A guide for **qualitative assessment** of the service sustainability, given the performance on the service, cost, and risk indicators.*



We want your input

We've identified some potential indicators to support the assessment of SERVICE, COST, and RISK under five of the core service areas:

- Water
- Roads
- Parks, recreation and culture
- Solid waste and recycling
- Protective services

What are the most meaningful indicators to help us assess sustainability of services?



Identifying meaningful indicators – group exercise

- **Individually:** Take a few minutes to review the mission and indicators for your assigned service category. Make note of first impressions.
- **As a group:** Think about the following questions:
 - Do you agree with the mission statement?
 - Do these performance indicators help to measure sustainable service delivery?
 - Are there indicators you would add/remove?
 - Which indicators are most important?
- **Debrief**

Record your group's
comments and
indicators on the
large handout!



Debrief

- How can we make the outcomes better?



Next Steps

1. Development of Cohort Community Performance Measures / Best Practices
2. Test Performance Measures with others (CAO Forum, LGMA, etc.)
3. Finalize Performance Measures Toolkit and share
4. Determine broader scope – Phase 2



Final Questions

Do you think we should be comparing metrics to each other?



Final Questions

Do you think your Council / Board would want to compare your metrics to other like organizations?