

## THE GRADES

- ⇒ The Final overall grades and rank do not tell the whole story and must be viewed within a wider context. Ultimately, only you can decide if you are happy with the balance between what you pay your municipality in the form of taxes and user fees and the services you receive.
- ⇒ All outcome measures in this report are based on a three year average (where available); data have been collected from 2005, 2006 and 2007.

## EFFICIENCY AND EFFECTIVENESS

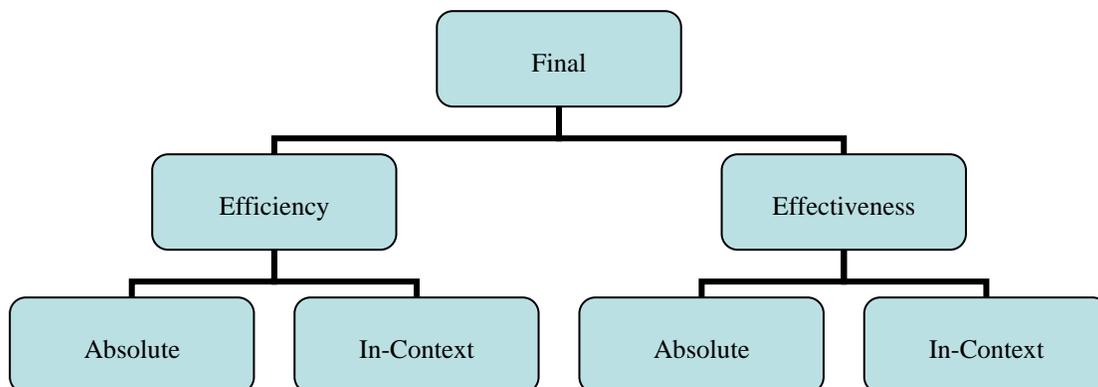
In assessing the performance of cities, towns and other municipal incarnations, we consider both *efficiency* (how much things cost) and *effectiveness* (what you get for your money, and how reliable those services are).

Dollars spent per km of water pipe is an efficiency measure, number of water main breaks per year measures effectiveness.

## ABSOLUTE AND IN CONTEXT GRADES

ABSOLUTE GRADES measure the performance of each municipality relative to the rest of the municipalities in the province. Municipalities that exceed the provincial average earn grades of B- or better and municipalities that achieve at or below the average receive a C+ or worse.

IN CONTEXT GRADES measure performance relative to reasonable expectations for the individual municipality based on that municipality's Input measures (see following page) . Municipalities are expected to do at least as well as other municipalities have done in similar circumstances; municipalities with similar populations, area, revenues, debt, etc. Municipalities that exceed expectations earn grades of B- or better and municipalities that fail to meet expectations earn a C+ or worse.



# HOW TO USE THE AIMS MUNICIPAL PERFORMANCE REPORT

## MEASURES

### INPUTS

Input measures are factors that will influence the policy and strategies of the administration but are generally outside of the municipality's control. We have broken these inputs into three categories:

*People and Place* includes (where available): population; square kilometres of the municipality; the dependency ratio (a comparison of the proportion of the population belonging to age groups, 0-14 years and 65 years and older to the "working age" population of 15-64 years); number of kilometres of municipal roads; number of immigrants as a proportion of the population; average annual snowfall (in cm); and traffic volumes.

*Socioeconomic Status (SES)* uses a number of measures to capture the social and economic conditions that exist within a municipality. Using census data from Statistics Canada, the SES score is a single number derived from a 10 point scale. The higher the number, the better a relative SES is to the rest of the province.

Opportunities		Challenges
-Employment Rate	-Participation Rate	-Unemployment Rate
-Proportion of Adults with Post Secondary Education	-Proportion of Labour Force in High Status Occupations	-Proportion of Adults without a high school diploma
-Median Income	-Average Property Value	-Proportion of Single Parent Families
-Average Monthly Rent		

*Financial History* measures provide a look at the financial situation of your community in the three years immediately before this analysis. For historical perspective we look at revenue, debt, and the commercial property base for the years 2002-2004. We also consider current levels (2005-2007) of help coming from outside (federal or provincial transfers).

Note: Inputs are listed in order from largest to smallest. These "ranks" are not intended to reflect a value judgement by the authors. For example, having a rank of "1" for dependency ratio does not mean the best dependency ratio, only the largest.

### OUTCOMES

These are the measures where we actually assign grades to communities based on their own performance.

*Governance & Finance* examines the basic operations of city hall. The efficiency indicators include: operating costs for expenditures such as salaries and other administrative costs such as supplies and electricity; examining the municipality's long term debt; and the extent to which the user pay criterion is applied. The effectiveness

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indicators used are the population per councillor and the population per municipal employee.<sup>1</sup>

*Taxation* focuses on city taxes, both residential and non-residential, and asks the question how large is the municipal tax **burden** and is it growing or shrinking? The effectiveness measures for this outcome focus on how large the property tax **base** is and if it is growing or shrinking.

*Safety & Protection* examines the efficiency of spending on policing and fire services and if these expenditures are increasing or decreasing as well as the effectiveness of providing residents with police and fire services. Effectiveness measures include monetary loss caused by fires (calculating the per fire loss as a measure of the efficiency and response time of the fire department) and change in crime rate.

*Transportation* efficiency measures how much is spent providing and maintaining streets, roads, sidewalks, lighting, etc. To assess the effectiveness of transportation services we focus on road quality and citizen satisfaction.<sup>2</sup>

*Environmental Health* examines the operating costs for the provision of drinking water, wastewater (sewage) and the management of solid waste (garbage/recycling/compost collection and disposal). It also examines the average charges for municipal water and sewer. To determine the effectiveness of a municipality's environmental health services three measures were used: the number of boil water advisories issued; the percent of water tests that contain bacteria; and the number of times the wastewater mains became blocked and needed to be cleared.<sup>3</sup>

*Economic Development* indicators focus on expenditures for planning and zoning, development, and heritage activities. This category uses the value of construction<sup>4</sup>, number of new immigrants, and change in population to assess the effectiveness of economic development service.

For *Recreation & Culture*, recreation expenditures include services and facilities such as swimming pools and walking trails, while culture covers libraries and non-sporting events. To determine how effective the municipality's recreation and cultural services are the following indicators were employed: square metres of indoor recreation and cultural space; square metres of outdoor recreation and cultural space; and the kilometres of trails.<sup>5</sup>

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<sup>1</sup> Data for the indicator user fees as a proportion of own source revenue are not available in Nova Scotia and data for the indicator population per municipal employee are not available in either province.

<sup>2</sup> Although effectiveness indicators are included in the model, data for these measures are not available and therefore transportation effectiveness is not assessed.

<sup>3</sup> Data for these effectiveness indicators are not available in New Brunswick and therefore environmental health effectiveness is not assessed for that province.

<sup>4</sup> Data for the indicator value of construction are not available.

<sup>5</sup> Although effectiveness indicators are cited in the model, data for these measures are not available and therefore recreation & culture effectiveness is not assessed.

## INTERPRETING THE RESULTS

*People and Place:* Population- 2,279 /31 means:

- 2,279 the population of the municipality
- 31, 31<sup>st</sup> largest municipality in the province

*Socioeconomic Status:* SES- 28 /30 means:

- 28 - 28<sup>th</sup> percentile, the municipality has a relative socio economic status that is higher than 27% of the province's municipalities.
- 30 - 30<sup>th</sup> most affluent municipality in the province

*Financial History:* Total Revenues per Capita \$1,552 /5 means:

- \$1,552 is the value of the municipality's revenues on a per capita basis.
- 5 - Fifth highest revenues per capita in the province.

The following four scoring scenarios should help to interpret the results on each individual measure whether it is an efficiency, effectiveness or an overall score.

### Scenario A

***Absolute-*** A+ /1

***In Context-*** A /5

***Total-*** A /3

In absolute terms this municipality scores above the provincial average and ranks first overall in this measure. This excellent performance also represents a maximization of the community's real potential as the in context score is also well above expectations. This is a community where, at least on this score, value for money is being achieved.

### Scenario B

***Absolute-*** A+ /2

***In Context-*** C+ /29

***Total-*** B /14

In absolute terms this municipality scores above the provincial average and ranks second overall in this measure. Based on the context in which the municipality operates, however, there is a lot of room for improvement. "Resting on your laurels" may well be a phrase that applies here.

### Scenario C

***Absolute-*** C /25

***In Context-*** A /3

***Total-*** B- /10

In absolute terms this municipality scores just below the provincial average. But adjusting for the context in which the municipality operates, this performance is exceptional. On this measure, this community is a model for how to deal with adversity.

### Scenario D

***Absolute-*** F /43

***In Context-*** D /31

***Total-*** F /43

In absolute terms this municipality scores far below the provincial average. This performance is not offset by adjusting for the context that the municipality operates in as its performance is way below expectations. This measure should be an area of focus for residents, councillors and other stakeholders in the community.