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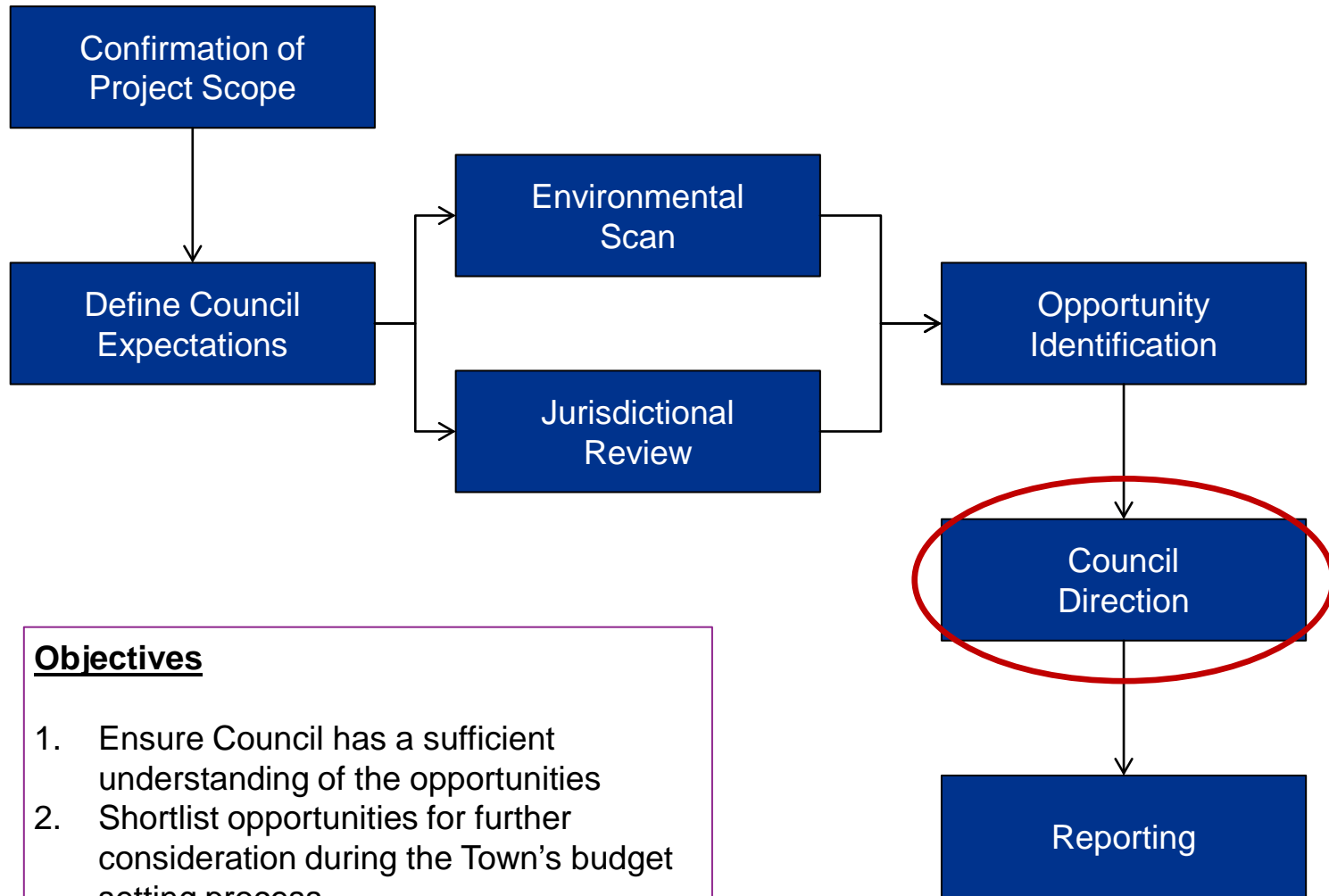
Corporation of the Town of Moosonee Service Delivery Review

Potential Opportunities for
Council

October 22, 2012



- I. Introduction to the session
- II. Financial Perspectives of the Town
- III. Results of the Community Consultation
- IV. Opportunities for Council's consideration
 - Corporate Services
 - Protective Services
 - Physical Services
 - Community Services
- V. Next steps



Objectives

1. Ensure Council has a sufficient understanding of the opportunities
2. Shortlist opportunities for further consideration during the Town's budget setting process

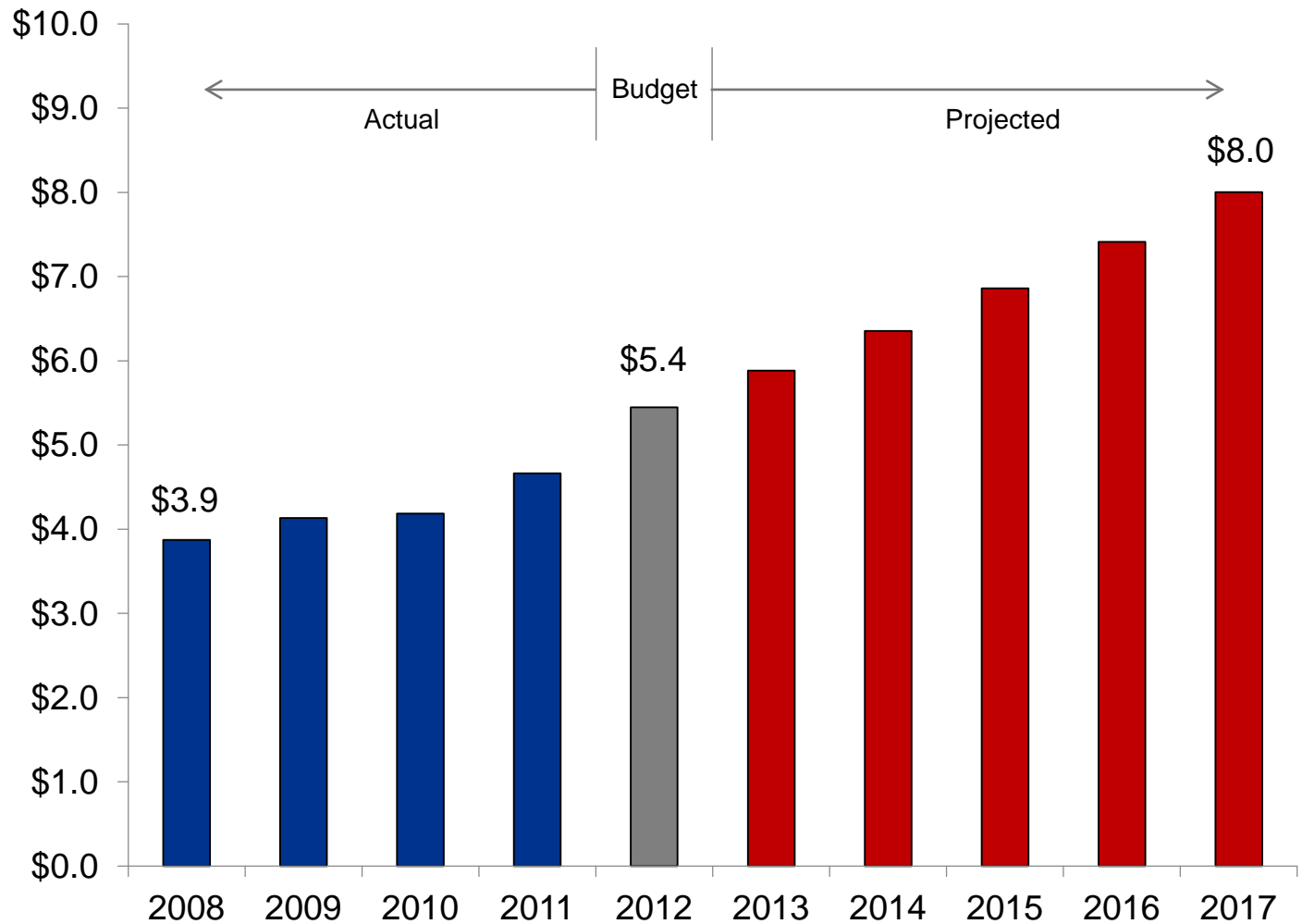


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Financial Perspectives of the Town



Over the last four years, the Town's operating costs have increased an average of 8% per year, reflecting the anticipated future rate of growth under a status quo scenario.



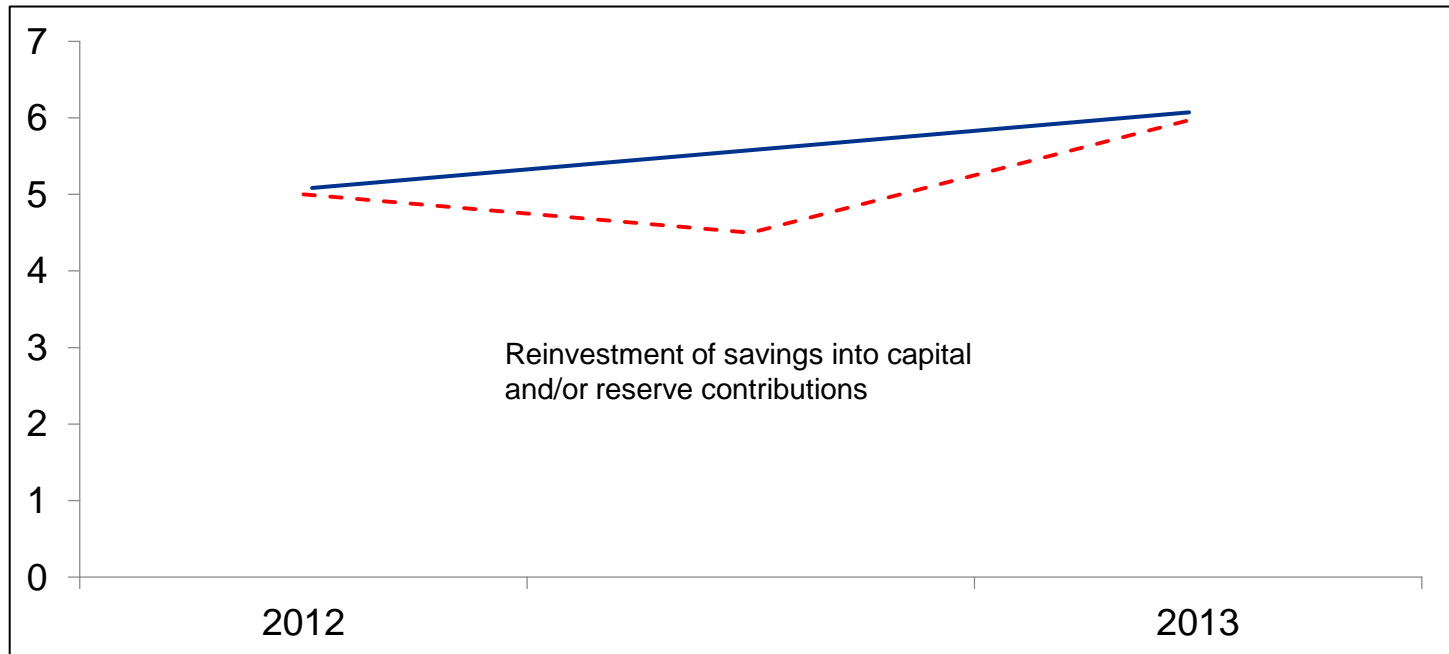
¹ KPMG analysis of audited and unaudited financial statements of the Town, the Town's 2012 budget and projections prepared in connection with the Service Delivery Review. Considers operating costs only (i.e. excludes capital or reserve transactions), with amounts adjusted to reflect pre-TCA accounting standards (i.e. excludes amortization of TCA).



Financial Perspectives on the Town of Moosonee Financial Implications of the Service Delivery Review

Asset Category	Historical Cost	Replacement Cost	Useful Life (KPMG estimate)	Annual Replacement Requirement
Roads	\$0.7 million	\$2.1 million	40 years	\$0.05 million
Pipes	\$0.2 million	\$0.8 million	70 years	\$0.01 million
Bridges	\$0.9 million	\$2.7 million	80 years	\$0.03 million
Buildings	\$5.9 million	\$17.7 million	40 years	\$0.4 million
Treatment plant	\$10.4 million	\$31.2 million	50 years	\$0.6 million
Total	\$18.1 million	\$54.5 million		\$1.1 million

Concern	Potential Strategy
Significant capital reinvestment requirements at the present time and in the future	Introduce a capital portion into the municipal levy
Reserves and reserve funds	Reinvest savings into reserve contributions





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Results of Community Consultation



The Question of Balance

- We believe that within the Town of Moosonee, different opinions exist as to what the appropriate strategy for the community
 - Minimize taxation to address affordability issues
 - Maintain services at an appropriate level to support community need
 - Other
 - Some combination of the above
- Ultimately, Council is tasked with determining what the priority will be and how municipal services and taxation policy is structured

What Are Your Residents Saying:

- Recognize the costs of operating the Recreation Centre and expressed a willingness to pay for those costs through increased user fees
- Expressed concerns about the level of by-law enforcement including clean yards and the operation of land and water taxi services
- Town should not provide services to the private sector or other groups unless there is an appropriate funding relationship established
- Overall, the participants desire Town services be delivered in an effective manner



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Opportunities for Corporate Services



Option	Description	Financial Impact ¹	Risks	
			Labour Relations	Other
A.1	Reduce Council donations	\$10,000	No	Yes ²
A.2	Establish a policy for Council travel and conference representation	n.a.	No	No
A.3	Actively register properties that are eligible for tax sales	tbd	No	No
A.4	Review all vacant municipal properties	tbd	No	No
A.5	Review of municipal cemetery operations	tbd	No	No
A.6	Investigate the greater use of e-commerce for municipal purposes (online tax payments, etc.)	n.a.	No	No
A.7	Explore the potential of group purchasing with other public sector organizations for professional services, materials and supplies, and capital	tbd	No	No

¹ Preliminary estimate based on 2012 budgeted expenditures, discussions with management and other assumptions. Subject to revision as part of the 2013 budget process. Does not include implementation or other one-time costs.

² Potential concerns from community due to a reduced level of support



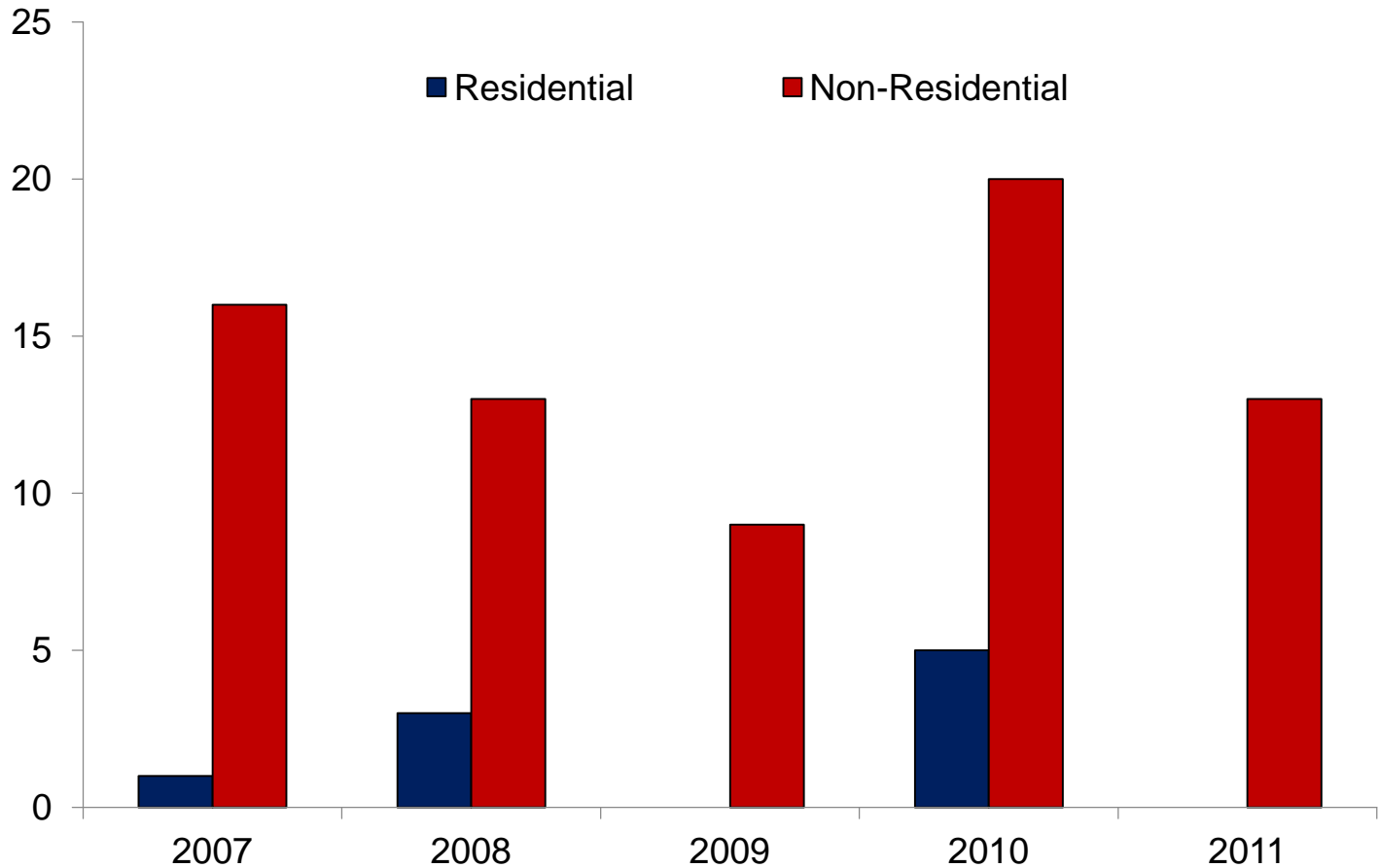
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Opportunities for Protective Services



Municipalities often establish a service charge when responding to false alarms to recover the costs associated with a response.

False Fire Alarm Calls - 2007 to 2011¹



¹KPMG analysis of statistical data provided by the Town of Moosonee and reported to the Office of the Fire Marshal

Option	Description	Financial Impact ¹	Risks	
			Labour Relations	Other
B.1	Establish a false fire alarm program for non-residential properties	\$5,000	No	Yes ²
B.2	Reduce the number of pumper trucks from three to two	tbd	No	Yes ³
B.3	Operation of the public docks	\$5,000	No	No
B.4	By-law enforcement	n.a.	No	No

¹ Preliminary estimate based on 2012 budgeted expenditures, discussions with management and other assumptions. Subject to revision as part of the 2013 budget process. Does not include implementation or other one-time costs.

² Potential that fires will be unreported due to concerns over cost

³ Potential concern on the quality of response



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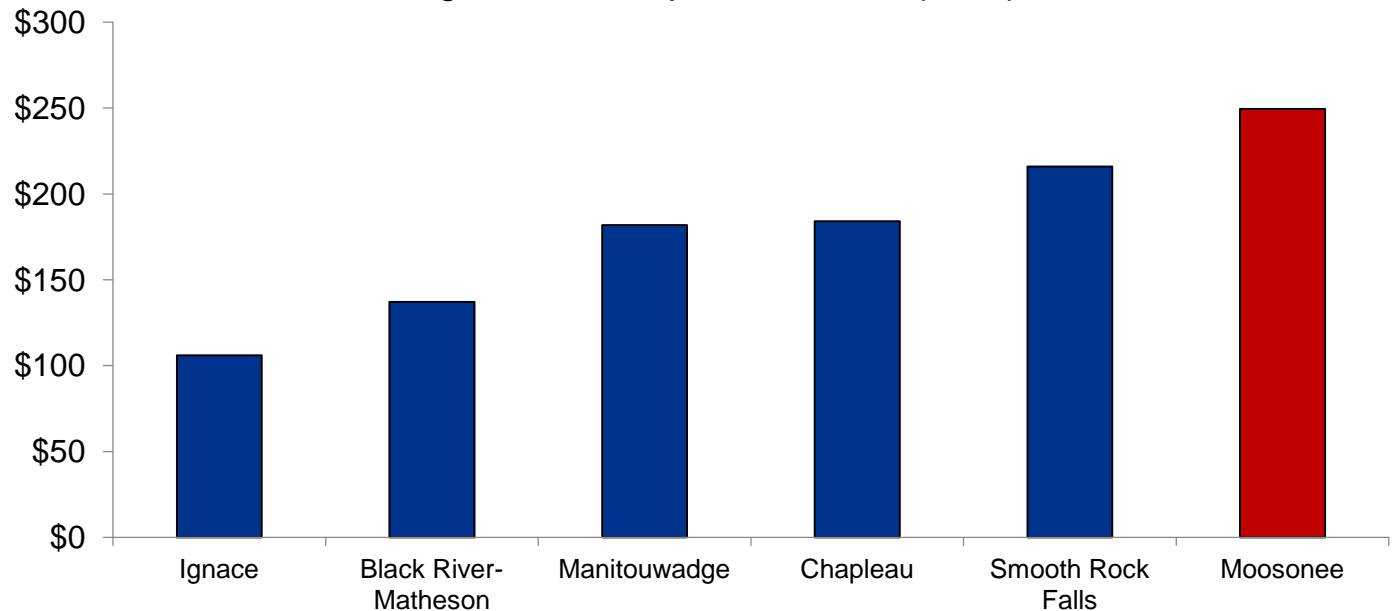
Opportunities for Physical Services



Opportunities include:

- Increases in non-taxation revenue – user fees associated with non-residential collection and landfill tipping fees
- Operational efficiencies including the establishment of a bag limit, a reduction in garbage collection schedule, and changes to the operation of the landfill
- Financial agreements with third parties

Solid waste management costs per household (2011)¹



¹KPMG analysis of annual Financial Information Returns

Option	Description	Financial Impact ¹	Risks	
			Labour Relations	Other
C.1	Revise approach to garbage collection	tbd	No	Yes ²
C.2	Review the operation of the municipal landfill	tbd	No	Yes ²
C.3	Explore the potential of private road maintenance	\$40,000	No	Yes ²
C.4	Develop a tiered service standard for winter road maintenance	\$7,500	No	Yes ²
C.5	Develop a tiered service standard for summer road maintenance	\$20,000	No	Yes ²

¹ Preliminary estimate based on 2012 budgeted expenditures, discussions with management and other assumptions. Subject to revision as part of the 2013 budget process. Does not include implementation or other one-time costs.

² Potential concerns over public safety and other risks arising from reduced level of service

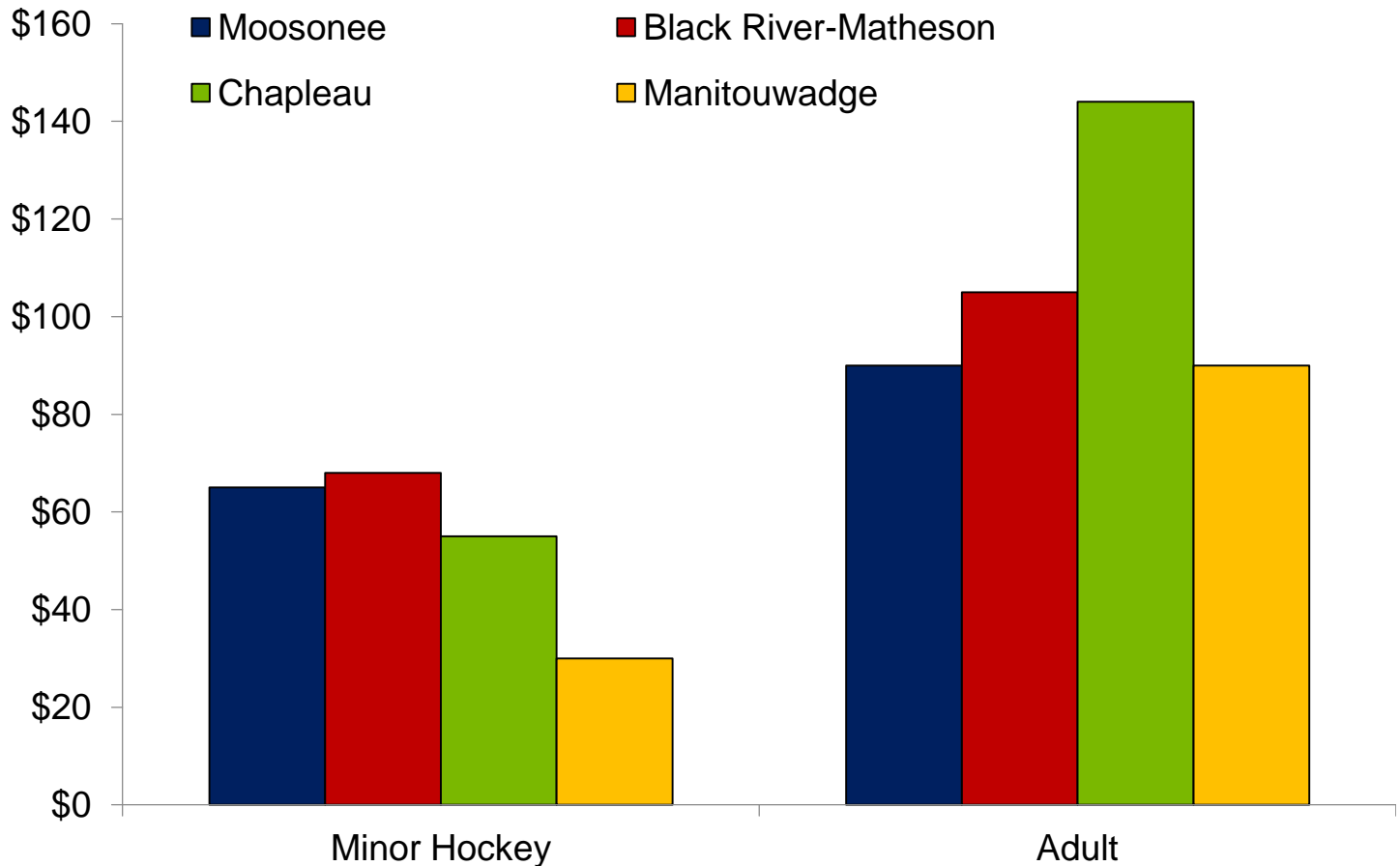


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Opportunities for Community Services



Ice Rental Rates – Prime Time¹



¹KPMG analysis of statistical data provided by the comparator municipalities and/or obtained from the selected municipalities websites

Option	Description	Financial Impact ¹	Risks	
			Labour Relations	Other
D.1	Eliminate recreation programming (Canada Day festivities)	\$13,000	No	Yes ²
D.2	Reduce tourism/economic development activities	\$20,000	No	Yes ²
D.3	Explore a reduction in the ice operating season at the Recreation Centre	\$5,000	No	Yes ²
D.4	Increase non-taxation funding for the Recreation Centre	\$10,000	No	No

¹ Preliminary estimate based on 2012 budgeted expenditures, discussions with management and other assumptions. Subject to revision as part of the 2013 budget process. Does not include implementation or other one-time costs.

² Potential concerns over public safety and other risks arising from reduced level of service

Town of Moosonee Service Delivery Review

Potential Opportunities for Council Consideration

Option	Description	Implementation Year	Financial Impact
A.1	Reduce Council donations	2013	\$10,000
B.1	Establish a false fire alarm program for non-residential properties	2013	\$5,000
B.3	Operation of the public docks	2013	\$5,000
C.3	Explore the potential of a private road maintenance agreement	2013	\$40,000
C.4	Develop a tiered service standard for winter road maintenance	2013	\$7,500
C.5	Develop a tiered service standard for summer road maintenance	2013	\$20,000
D.1	Eliminate recreation programming	2013	\$13,000
D.2	Reduce tourism/economic development activities	2015	\$20,000
D.3	Explore a reduction in the ice operating season at the Moosonee Community Centre	2013	\$5,000
D.4	Increase non-taxation funding for the Moosonee Community Centre	2013	\$10,000
Total			\$135,500
% of 2012 Municipal Levy			7.8%

November	<ul style="list-style-type: none">• Final report – Municipal Service Delivery Review• Completion of airport feasibility study• Completion of asset and debt management plans
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The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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