
TO: GENERAL COMMITTEE

SUBJECT: BUSINESS PLAN STATUS AS AT SEPTEMBER 30, 2016

WARD: ALL

PREPARED BY AND KEY CONTACTS: M. JERMEY, DEPUTY TREASURER, EXTENSION #4407
H. MILLER, SUPERVISOR BUDGET & TREASURY, EXTENSION #4923

SUBMITTED BY: C. MILLAR, DIRECTOR OF FINANCE

GENERAL MANAGER APPROVAL: P. ELLIOTT-SPENCER, GENERAL MANAGER OF COMMUNITY & CORPORATE SERVICES

CHIEF ADMINISTRATIVE OFFICER APPROVAL: C. LADD, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the 2016 Budget and Business Plan Status as of September 30, 2016 be received.
2. That staff be authorized to proceed with existing projects with an expanded scope as identified in Appendix G – Capital Projects Requiring Additional Funding and add the funding commitments in the amount of \$245,150.

PURPOSE & BACKGROUND

Report Overview

3. The City's Financial Policies Framework requires the Director of Finance to issue quarterly memos and a year-end staff report on finances that compare year-to-date (YTD) actual results to budget. This report reflects activity for the nine months ended September 30, 2016. The report also provides updates on key department service delivery initiatives, key performance indicators, Council strategic priorities, and forecasted financial results to year-end.
4. In addition, this report seeks approvals needed to address various housekeeping items in the capital budget.

ANALYSIS

SUMMARY OF OPERATING RESULTS - TAX

5. The following table summarizes the financial variances to September 30, 2016, between planned net operating expenditures and actual results by Division, for tax rate based operations along with the forecasted year-end surplus/deficit. Appendix A includes a breakdown of the tax rate based variances by department.

	Year-To-Date September 30, 2016			Forecasted Y/E Surplus (Deficit)
	Budget	Actual	Variance	
Council & Mayor's Office	\$610,786	\$549,210	\$61,576	\$3,187
Office of the CAO	\$1,844,382	\$1,624,624	\$219,758	\$10,998
Community and Corporate Services	\$30,961,135	\$28,519,421	\$2,441,714	\$682,102
Infrastructure and Growth Management	\$24,790,959	\$21,584,884	\$3,206,075	\$111,139
Invest Barrie	\$2,473,442	\$2,161,234	\$312,208	(\$132,942)
Access Barrie	\$9,496,258	\$9,229,782	\$266,476	\$15,471
Innovate Barrie	\$7,029,396	\$6,555,732	\$473,664	\$174,919
Financial Expenses & Other General Government	\$36,336,570	\$36,842,387	(\$505,816)	\$582,468
Service Partners & Grants	\$72,595,924	\$71,815,936	\$779,988	(\$73,265)
Total Net Expenditures	\$186,138,852	\$178,883,210	\$7,255,643	\$1,374,077
Corporate Revenues	(\$215,357,094)	(\$215,218,691)	(\$138,403)	(\$933,815)
Total Variance	(\$29,218,242)	(\$36,335,481)	\$7,117,239	\$440,262

6. Key offsetting contributors (negative variances) to the Corporation's general tax rate surplus as of the end of September 2016 include the following:
- Winter Control (\$820K) - (see Appendix B);
 - Legal Expenses (\$284K) – (see Appendix B);
 - ARB Decisions (\$281K) – (see Appendix B);
 - Interest Income (\$274K) – (see Appendix B);
 - Transit Revenue (\$244K) – (see Appendix B); and,
 - Debt Charges (\$196K).
7. Key contributors (positive variances) to the Corporation's tax rate general surplus include the following:
- Transit and Fleet Fuel \$641K – (see Appendix B);
 - By-law Property & Zoning \$493K – (detail below);
 - Service Partners – \$780K (detail below);
 - Salary Gapping – \$1.29M (detail below);
 - Forestry Minor Capital - \$371K;
 - Environmental Operations Curbside Collection and Bins - \$832K;
 - Rail Operations Net Contract Service - \$304K; and,
 - Road and Sidewalk Contracted Repairs - \$330K.

8. Additional details have been provided in Appendix B that identify the reasons for the negative and positive variances, the continuing impact going forward, and actions taken to mitigate future anticipated variances.
9. While Staff have specifically reported on individually significant variances, divisions such as Infrastructure and Growth Management (IGM) and Community and Corporate Services (CCS) are made up of many individual sub-departments and accounts with variances that, when taken together, may drive larger variances. Common themes behind the generally favourable variance include the impact of salary gapping at the department level, the timing of various operating activities, and certain revenue streams materializing earlier than expected. These variances are primarily the result of minor differences in timing between budget and actual, and are not indicative of a trend that will carry forward to year-end.
10. The above noted variances are also key contributors to the net change of \$5.8M for Municipal Services from the Q3 YTD \$6.3M surplus to the year-end tax supported surplus of \$514K. The forecasted variances related to these key contributors are discussed in greater detail below and in Appendix B.

By-law Property & Zoning

11. Increased revenues and reduced expenditures in the Enforcement Services Branch representing \$493K, primarily associated with:
 - a) Higher than anticipated parking tickets (\$213K), pet registrations (\$65k), and enforcement fees (\$39K); and,
 - b) Delayed expenses associated with property rental costs (\$54K), a parking ticket supply order (\$16K) and uniforms (\$10k) as well as minor capital associated with handheld ticket machines (\$7K), and savings associated with the organizational changes related to the Director of Building and By-law and Office Coordinator positions (\$79K).

Service Partners

12. The overall year-to-date positive variance for service partners is driven primarily by the Nottawasaga Valley Conservation Authority - \$85K, Lake Simcoe Conservation Authority – (\$93K), County of Simcoe – \$894K, and the Barrie Public Library – (\$90K). These variances are not operational and will be eliminated as requests for payment of grants are received and/or funded by corresponding reserves.

Salary Gapping

13. The salary gapping provision approved by Council in the 2016 Business Plan is \$800,000. This amount includes both permanent staff and casual/part-time salary costs. The City continues to implement a variety of techniques to achieve salary gapping targets. These include a minimum of 12 weeks or longer hiring delays when viable, and managing overtime costs where possible.
14. As of September 30th, the City has realized \$1.89M in salary gapping against a third quarter target of \$600K, resulting in a favourable variance of \$1.29M. Some of the variance currently showing is due to the lieu time pay outs for Fire staff being budgeted on a monthly basis instead of in December; when the expense will actually occur and is also largely a result of various organizational changes which left many positions vacant for extended periods over the 2016 year. Many of the positions that are currently vacant are expected to be filled by the end of the year, or in early 2017.

15. The 2016 in year forecast shows salary gapping at \$1.59M for the year-end against the 2016 annual target of \$800K, which would result in a favourable variance of \$797K for year-end however there are some committed expenditures against this fund related to senior recruitment processes. This variance is much higher than the salary gapping achieved in 2015, and is not expected to continue at this level in 2017.

SUMMARY OF OPERATING RESULTS – WATER

	Year-To-Date September 30, 2016				Forecasted Y/E Surplus (Deficit)
	Budget	Actual Results	Variance	%	
Salaries and Benefits	\$5,485,834	\$5,082,437	\$403,397	92.6%	(\$73,605)
Operating Expenses	\$5,565,848	\$4,110,924	\$1,454,924	73.9%	\$644,905
Corporate Overhead	\$4,285,015	\$4,091,626	\$193,389	95.5%	\$221,913
Debt Charges	\$4,804,849	\$4,793,154	\$11,695	99.8%	(\$842)
Revenues	(\$23,936,700)	(\$24,830,151)	\$893,451	103.7%	\$244,124
Transfer to Reserve	\$3,795,154	\$6,752,010	\$2,956,856	177.9%	\$1,036,495

16. Water Operations Branch completed the third quarter with a surplus of \$2.96M. Expenditures are tracking at 89.8% of budget, and revenue at 103.7% year-to-date.
17. Employee costs were below plan due to approved leaves and timing in filling vacancies. The salary gapping initiative is in place and when vacancies are created, a delay in hiring is implemented for up to 12 weeks. Overtime is being closely monitored for reduction.
18. The surplus operating position is mainly due to contracted services. Mild winter temperatures have resulted in fewer watermain and service breaks, and delays postponed hydrant painting and ground water supply projects. The total contracted services expenses are \$440K favourable. Chemical expenses have been delayed presenting a favourable \$142K variance that will be reduced by half in the fourth quarter after payment of invoices for \$70K in November. Sand and gravel budgets are \$133K favourable at the end of September, but will be closer to budget by year-end.
19. Corporate overhead recoveries are based on actual work and staff time in support of Water from various departments. This work is tracking slightly behind plan (95% of budget) in the third quarter and won't be fully recovered by year-end.
20. Water rate revenue is \$782K above budget. The reason for this variance is moderately higher actual consumption than budgeted throughout the second quarter due the warm dry summer and early summer temperatures that result in more lawn watering. In the third quarter, Barrie received 203mm of rain which is 77% of the annual average (263mm). Eighty eight per cent (88%) of the third quarter's rainfall occurred on only six days in the 92 day period. Water rates for 2016 were based conservatively on the average trend of the previous 24 months.

SUMMARY OF OPERATING RESULTS – WASTEWATER

	Year-To-Date September 30, 2016				Forecasted Y/E Surplus (Deficit)
	Budget	Actual Results	Variance	%	
Salaries and Benefits	\$3,417,045	\$2,997,892	\$419,153	87.7%	\$192,097
Operating Expenses	\$7,976,546	\$6,838,133	\$1,138,413	85.7%	\$224,185
Corporate Overhead	\$2,867,501	\$2,693,037	\$174,464	93.9%	\$303,358
Debt Charges	\$4,598,125	\$4,590,765	\$7,360	99.8%	\$155,374
Revenues	(\$28,424,302)	(\$28,799,825)	\$375,523	101.3%	(\$989,850)
Transfer to Reserve	\$9,565,085	\$11,679,997	\$2,114,912	122.1%	\$100,306

21. The Wastewater Branch completed the third quarter with a surplus of \$2.11M. Expenditures are tracking at 90.8% and revenues at 101.3% year-to-date.
22. Employee costs were below plan (\$419K) due to restructuring of positions after retirements and approved leaves; recruitment is actively ongoing to backfill these highly technical positions. Where possible, a delay in hiring is implemented for up to 12 weeks to comply with the salary gapping initiative. Overtime is being closely monitored to reduce such expense.
23. The main driver of the positive operating expenditure variance is timing, mainly associated with larger Wastewater Treatment Facility maintenance projects, sourcing Quality Management System (QMS) Consultants, a delay in starting a lagoon clean out and liner inspection/repair and contracted services (\$557K), and savings resulting from chemical optimization (\$98K). The lagoon work is expected to commence in the fourth quarter. Repairs to equipment have been behind plan (\$256K) due to procedural updates.
24. Corporate overhead recoveries are based on actual work and staff time in support of Wastewater from various departments. This work is tracking slightly behind plan at 93.9% through the third quarter and won't be fully recovered by year end.
25. Sewer rate revenue is \$375K above budget. Sewer rate revenue is directly correlated with water consumption, which was ahead of plan for the third quarter. In the third quarter, Barrie received 203mm of rain which is 77% of the annual average (263mm).

SUMMARY OF OPERATING RESULTS - PARKING

	Year-To-Date September 30, 2016				Forecasted Y/E Surplus (Deficit)
	Budget	Actual Results	Variance	%	
Salaries and Benefits	\$303,115	\$296,733	\$6,382	97.9%	\$92,244
Operating Expenses	\$634,232	\$401,186	\$233,046	63.3%	\$311,779
Corporate Overhead	\$165,205	\$150,896	\$14,309	91.3%	\$19,640
Debt Charges	\$806,070	\$819,131	(13,061)	101.6%	\$0
Revenues	(\$1,230,488)	(\$1,806,833)	\$576,345	146.8%	\$452,627
Contribution from Reserve	(\$678,134)	\$138,887	\$817,021	-20.5%	(\$876,290)

26. Parking Operations completed the third quarter with a surplus of \$817K. Expenditures are tracking at 87.4% and revenue is tracking at 146.8%.
27. Revenues were \$576K ahead of plan due to parking meter and special event revenue tracking well ahead of plan by \$442K year to date. Parking permit revenues are also ahead of plan by \$130K year-to-date. The remaining revenue of \$2.5K was contributed by solar panel revenue received.
28. The biggest drivers of the operating expenditure variance, related to building repairs and maintenance, include a timing difference between budget and actual spending on the driving surface rehabilitation at the Collier Street Parkade and unexpected additional work required to repair facility damage. This work included sprinkler pipe repairs, replacement of drain pipes, and painting. Repairs and incidentals are expected to continue into the fourth quarter.

CAPITAL PLAN STATUS AT SEPTEMBER 30, 2016

29. The Capital Plan presented in Appendix C is a high level summary of activity as at September 30, 2016. The total capital budget for 2016 is \$163M, including carryover from prior years and new projects, with a projected year-end spending plan of \$94M due to the multi-year nature of many of the projects. The actual YTD spending at September 30 was \$27M, which is 60% of the YTD projected spending plan of \$45M. The capital projects that contribute to the key variances between planned and actual spending have been identified in Appendix D.

Key Division Service Delivery Initiatives/Key Performance Indicators

30. Updates on Key Division Service Delivery Initiatives (KDSDI's) and Key Performance Indicators (KPI's) can be found in Appendix E and Appendix F, respectively.

ENVIRONMENTAL MATTERS

31. There are no environmental matters related to the recommendation.

ALTERNATIVES

32. The following alternative is available for consideration by General Committee:

Alternative #1

General Committee could decide not to approve the additional funding requested for the capital projects noted in Appendix G.

This alternative is not recommended as the additional funding is needed for the continuation of the projects in question.

FINANCIAL

33. The information in the analysis section adequately explains the impact of the recommendations in this report as they relate to the tax, water, wastewater, and parking reserves, as well as the compliance of those recommendations with the financial policies set out in the current Financial Policies Framework. No additional financial analysis is required.

LINKAGE TO 2014-2018 COUNCIL STRATEGIC PLAN

34. The recommendations in this report are operational, and are not specifically related to the goals identified in the 2014-2018 Strategic Plan.

APPENDIX A

Tax-Supported Operating Budget Variance by Department as at September 30, 2016

	Budget	Actual	Variance	Forecasted Y/E Surplus (Deficit)
Office of the Mayor and CAO	2,455,168	2,173,834	281,334	14,185
Council & Mayor's Office	610,786	549,210	61,576	3,187
Office of Chief Administrative Officer	609,428	352,871	256,557	219,528
Legal Services	1,234,954	1,271,753	(36,799)	(208,530)
Community and Corporate Services	30,961,135	28,519,421	2,441,714	682,102
GM of Community and Corporate Services	265,925	258,974	6,951	4,586
Facilities	1,595,168	1,171,721	423,447	245,897
Barrie Fire and Emergency Services	18,854,297	17,890,486	963,811	197,588
Finance	2,881,576	2,519,264	362,312	74,890
Legislative and Court Services	1,983,110	1,363,363	619,747	338,733
Recreation	5,381,059	5,315,612	65,447	(179,592)
Infrastructure & Growth Management	24,790,959	21,584,884	3,206,075	111,139
GM of Infrastructure and Growth Management	266,479	331,579	(65,100)	(1,000)
Engineering	1,532,942	1,404,096	128,846	(422,349)
Planning & Building Services	517,990	(6,086)	524,076	384,980
Environmental Services	4,234,668	2,915,194	1,319,474	(222,290)
Roads Operations	8,995,259	9,018,219	(22,960)	(155,880)
Parks & Forestry Operations	4,165,159	3,318,411	846,748	(86,600)
Traffic	1,952,980	1,813,827	139,153	281,590
Fleet	3,125,482	2,789,644	335,838	332,688
Invest Barrie	2,473,442	2,161,234	312,208	(132,942)
Invest Barrie – Administration	384,442	313,787	70,655	(47,543)
Business Development	681,870	504,602	177,268	6,571
Department of Creative Economy	1,407,130	1,342,845	64,285	(91,970)
Access Barrie	9,496,258	9,229,782	266,476	15,471
Access Barrie - Administration	244,227	224,171	20,056	(2,081)
Customer Service	262,324	233,041	29,283	(50,305)

	Budget	Actual	Variance	Forecasted Y/E Surplus (Deficit)
Communications and Marketing	669,393	621,811	47,582	(11,059)
Transit & Parking Strategy	8,320,314	8,150,759	169,555	78,916
Innovate Barrie	7,029,396	6,555,732	473,664	174,919
Innovate Barrie – Admin/CCI	287,792	235,649	52,143	(31,088)
Human Resources	1,710,765	1,755,518	(44,753)	29,920
Information Technology	5,030,839	4,564,565	466,274	176,087
Other Expenses				
Financial Expenses & Other General Government	36,336,570	36,842,387	(505,816)	582,468
Total Net City Services	113,542,928	107,067,274	6,475,655	1,447,342
Service Partners and Grants	72,595,924	71,815,936	779,988	(73,265)
Total Net Expenditures	186,138,852	178,883,210	7,255,643	1,374,077
Net Taxation for own purposes	(207,836,814)	(208,263,922)	427,108	(197,559)
Payments in Lieu of Taxes	(1,695,600)	(1,615,609)	(79,991)	156,653
Interest & Investment Income	(2,764,918)	(2,490,886)	(274,032)	(194,809)
Corporate Overheads	(2,851,638)	(2,874,673)	23,036	0
Sundry Revenue	(208,125)	26,400	(234,525)	(698,100)
Total Revenue	(215,357,094)	(215,218,691)	(138,403)	(933,815)
Total Operating Variance	(29,218,242)	(36,335,481)	7,117,239	440,262

APPENDIX B

Detailed Tax Supported Operating Variance Explanations

Service/Driver: Roads Operations – Winter Control				
Budget: \$3.96M	Actual: \$4.78M	Variance \$: (\$820K)	Variance %: (21%)	Forecasted Year End Variance: (\$163K)
<u>Reason for Variance</u>				
<p>In the first quarter, winter conditions were significantly warmer resulting in a corresponding increase in the number of freeze-thaw incidents requiring resources to maintain roads and sidewalks. There were 100 winter events since the first quarter of 2016, which is equal to the average number of events that are typically encountered in an entire winter season. The Jan.1 – Apr.30, 2016 period recorded 252 mm of precipitation, almost triple (2.7x) the amount in the same period in 2015.</p> <p>Notable account variances:</p> <ul style="list-style-type: none"> • Sidewalk contracted services (\$352K); • Winter Roads contracted services (\$164K); • Winter Road Salt (\$359K), inventory adjustments at year end will reduce this variance; and; • Increase in fuel usage and maintenance on plow equipment (expenses captured under Fleet Operations). 				
<u>Impact Going Forward</u>				
<p>Annual Winter Control budgets are not adjusted year over year in response to previous year's weather rather they are based on a five year historical trend average and known commodity and contract price changes. The trend over the last five years has been an increase in the intensity of storms and the cost of providing winter control services. This budget pressure was identified in the 2017 budget directions report and the 2017 budget will reflect increases for winter sand, road salt, and contracted services.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>Contractor equipment hourly standby charges represent the largest portion (50%) of contracted winter control costs. The City controls contractor costs by signing multi-year contracts with extension options to obtain the lowest hourly rates.</p> <p>Salt, sand, and de-icing materials represent 27% of the winter control budget. An analysis of the amount of salt used per km and per event over the past winters indicate a 27% reduction in salt usage (4,688 tonnes) for the 2015/2016 winter over the previous season and a reduction of 43% (7,566 tonnes) when compared to the amount of salt used per km per event on the average of the past 10 winter seasons. The reduction is a very positive outcome environmentally and translates into a large cost avoidance of \$297,800 (27% below 2014/2015 levels) and \$480,700 (43% below 10 year average levels) based on the average annual amount of salt used. The City is part of a larger buying group of salt which has resulted in significant unit rate savings as well. Staff are continuing to review the mix of materials and application efficiencies and other salt reduction initiatives for cost savings and protection of the environment.</p> <p>Review of other winter operations performance indicators by staff occurs during and post winter season to look for ways to improve customer service, operations and control spending. For example, route mapping reviews to accommodate changes (e.g. bus routes and future growth) and reductions in travelling and waiting time for materials as well as additional training to improve operator proficiency.</p>				

Service/Driver: Corporate Legal Services – Legal Expenses Corporate Legal Services – Consultants - General				
Budget: \$338K	Actual: \$622K	Variance \$: (\$284K)	Variance %: (84%)	Forecasted Year End Variance: (\$345K)
<u>Reason for Variance</u>				
<p>The unfavourable variance is mainly attributable to the following:</p> <ul style="list-style-type: none"> • Unforeseen requirements relating to issues at the Allandale Train Station resulted in an expense of \$83,041. • Extensive negotiations regarding settlements of specific appeals against OPAs 38, 39 and 40 which resulted in the coming into force of the OPAs. Total expense of \$380,969. 				
<u>Impact Going Forward</u>				
<p>Civil litigation files involving the Allandale Train Station lands continue to be very active. Budget will be exceeded at year end. Quantum depends upon factors not known at this time.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>For 2017, the budget will contain a recommendation to contribute to a legal stabilization reserve. This reserve will provide an identified funding source for unforeseen legal costs.</p>				

Service/Driver: Corporate Revenues – ARB Decisions				
Budget: \$500K	Actual: \$781K	Variance \$: (\$281K)	Variance %: (56%)	Forecasted Year End Variance: (\$1.2M)
<u>Reason for Variance</u>				
<ul style="list-style-type: none"> The Assessment Review Board (ARB) has settled several large appeals in 2016 and is also making a concerted effort to clear up the appeals backlog. 				
<u>Impact Going Forward</u>				
<ul style="list-style-type: none"> The forecasted variance in subsequent years will decline as a result of MPAC's efforts to clear up the appeals backlog in 2016. 				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<ul style="list-style-type: none"> Continue to work closely with MPAC staff to: identify and review priority assessment appeals; undertake future appeals forecasting; and determine City's level of involvement. Utilize MPAC's Appeals and Request for Reconsideration Dashboard, to better understand assessment at risk. Meet quarterly with MPAC to update progress. Attend ARB and OMB hearings to represent the City's position. 				

Service/Driver: Corporate Revenues – Interest & Investment Income				
Budget: (\$2.8M)	Actual: (\$2.5M)	Variance \$: (\$300K)	Variance %: (25%)	Forecasted Year End Variance: (\$195K)
<u>Reason for Variance</u>				
<p>The unfavourable variance is mainly attributable to the following:</p> <ul style="list-style-type: none"> • Lower than expected revenues from late interest charges for Taxes in arrears. • The resource to manage excess working capital came on board later than initially expected. The Supervisor of Debt and Investment Management role was filled towards the end of the third quarter (August). • The implementation of the infrastructure (trading accounts, securities custodian and data services) to support the investment program proved to be more involved than expected which delayed the program. 				
<u>Impact Going Forward</u>				
<p>The expectation is to generate interest revenues of \$194k by year end, of which \$129k has been already realized as at this report date.</p> <p>The yield targets established in 2016 are not unreasonable and will remain going in to 2017. It is anticipated that all required active investment program infrastructure will be in place before year-end and that active investment activity will begin to meet expectations in 2017.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<ul style="list-style-type: none"> • Negotiated higher rate on TD bank account • Move some working capital into higher yielding Term deposits • Setting up infrastructure for active investment program (custodial services), with procurement process to be completed by year end • Developing short and long term investment & debt strategy • Begin active investment management of working capital in early 2017 				

Service/Driver: Transit Pass and Fare Revenue				
Budget: (\$4.34M)	Actual: (\$4.09M)	Variance \$: (\$250K)	Variance %: (6%)	Forecasted Year End Variance: (\$288K)
<u>Reason for Variance</u>				
<p>The unfavorable variance in Transit is a result of lower than anticipated ridership growth, where planned growth was more than actual growth. In addition, there continues to be a shift in the revenue mix where more riders are moving away from paying full cash fares in favor of the discounted passes.</p> <p>The unfavourable year end variance of \$290K will be offset by the positive variance in fuel costs, no further action required at this time. However, staff will review/refine their budget estimates as part of the 2017 business plan.</p>				
<u>Impact Going Forward</u>				
<p>The forecasted unfavourable year end variance of \$288K will be offset by the positive variance currently being realized in fuel costs, no further action required at this time.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>Staff members reviewed/refined their budget predictions as part of the 2017 business plan, slightly lowering the combined budgets overall for passes and cash fares for 2017 in order to mitigate this variance moving forward.</p>				

Service/Driver: Transit and Fleet – Fuel				
Budget: \$2.45M	Actual: \$1.81M	Variance \$: \$640K	Variance %: 26%	Forecasted Year End Variance: \$863K
<u>Reason for Variance</u>				
<p>The favorable variance can be attributed to better pricing as a result of market conditions, a favourable fuel contract put in place in 2016, as well as below average snowfalls in the late winter season of 2016. When preparing the 2016 business plan the anticipated fuel cost was \$1.00/liter, however, based on the trends year-to-date, the actual cost is averaging out to \$0.74/liter.</p>				
<u>Impact Going Forward</u>				
<p>Staff members are anticipating stability in the price of fuel, and anticipate the savings to continue throughout the remainder of the year.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>The positive variance is based on market conditions with no further action required at this time. Staff members reviewed/refined their budget predictions as part of the 2017 business plan, lowering the overall fuel budgets requested for 2017 in order to mitigate this variance moving forward.</p>				

APPENDIX C

Capital Plan Progress Update by Division as at September 30, 2016

Summary of Capital Plan & Forecast	2016 Capital Budget				Performance Reporting					
	Carryover from Prior Year Budgets	New Projects Approved in 2016 Budget	In Year 2016 Transfers / Additions	2016 Total Budget with Transfers	Projected YTD Spending Plan	Actual 2016 YTD Spending	Variance to 2016 YTD Projected	% of 2016 Projected Spending Plan Achieved	% of 2016 Total Budget	Planned Spending (Deferred)
Access Barrie	2,247,703	3,285,000	2,625,000	8,157,703	4,397,081	1,325,013	3,072,068	30%	16%	-2,760,622
Community and Corporate Services	1,234,325	1,936,000	122,879	3,293,204	318,398	799,061	-480,663	251%	24%	-871,363
Infrastructure & Growth Management	69,320,413	65,323,797	5,241,501	139,885,712	36,961,981	21,329,968	15,632,013	58%	15%	-60,354,190
Innovate Barrie	4,821,538	6,369,530		11,191,068	3,417,646	3,987,177	-569,531	117%	36%	-4,631,777
Total	77,623,979	76,914,327	7,989,380	162,527,687	45,095,106	27,441,219	17,653,887	61%	17%	-68,617,952

APPENDIX D

Capital Plan Status Variances at September 30, 2016

Duckworth Street at Highway 400 and Cundles Road:

2016 Total Budget with transfers	\$8.2M
Projected Spending Plan to end Q3	\$2.0M
Actual Spending to end Q3	\$2.6M
Variance to Projected to end Q3	(\$0.6M)

This is a multi-year project with planned spending through the construction period and into the warranty period ending in 2017. The project is proceeding on schedule and substantial completion is expected by the end of 2016.

Majority of the Highway 400 works are complete and the Cundles/Duckworth components are nearing completion. Additional funds were requested through the May 2016 Capital Status Report to address some unexpected costs due to high intensity rainfall events. The control measures are working effectively and continue to be closely monitored. Overall, the \$43 million project is expected to be overspent by 4%.

Lakeshore Drive – Toronto Street to Tiffin Street:

2016 Total Budget with transfers	\$5.4M
Projected Spending Plan to end Q3	\$2.1M
Actual Spending to end Q3	\$1.6M
Variance to Projected to end Q3	\$0.5M

This project is now in the third and final phase of construction. This final phase consists of mainly the park construction and associated amenities, parking lot construction and final channel improvements on Dyments creek west of Lakeshore Drive.

Mapleview Drive – Huronia Road to Country Lane:

2016 Total Budget with transfers	\$11.2M
Projected Spending Plan to end Q3	\$3.7M
Actual Spending to end Q3	\$0.8M
Variance to Projected to end Q3	\$2.9M

Construction start was delayed due to additional funding requirement from Council to award the contract. Construction is progressing well. September and October monthly payment certificates have been over \$1 million each.

Morrow Road – Patterson Road to Ardagh Road:

2016 Total Budget with transfers	\$3.5M
Projected Spending Plan to end Q3	\$0.7M
Actual Spending to end Q3	\$0.1M
Variance to Projected to end Q3	\$0.6M

This project has been tendered and the contractor has been procured and utility relocations are nearing completion. They have elected however to not start works this Fall and instead complete all the works in 2017 without impacting the final completion end date.

Ferndale Drive – Tiffin Street to Dunlop Street:

2016 Total Budget with transfers	\$4.9M
Projected Spending Plan to end Q3	\$1.9M
Actual Spending to end Q3	\$3.5M
Variance to Projected to end Q3	(\$1.6M)

It was originally anticipated that there would be additional construction completed in 2017. The additional spending as a result of the construction being accelerated so the majority of the construction has now been completed and the road is open for use.

Pond LV4 – East of Bayview Drive:

2016 Total Budget with transfers	\$1.6M
Projected Spending Plan to end Q3	\$0.6M
Actual Spending to end Q3	\$0.1M
Variance to Projected to end Q3	\$0.5M

The contractor has been on-site since September and construction is anticipated to be completed by early December. Based on the awarded tender and good contract cost, the project cost is not anticipated to require the full \$1.6M originally budgeted. The award memo estimated \$445K in funding returned.

Wastewater Treatment Facility – Advanced Nutrient Removal:

2016 Total Budget with transfers	\$4.9M
Projected Spending Plan to end of Q3	\$0.9M
Actual Spending to end of Q3	\$0.6M
Variance to Projected at end of Q3	\$0.3M

The City is actively working to address requirements under the Lake Simcoe Protection Plan to achieve the regulations for the Total Phosphorus loading limit for the Barrie Wastewater Treatment Facility (WwTF). The scope of work for the project includes plant retrofits with membrane treatment to achieve a blended effluent solution meeting those requirements. The overall multi-year project has projected spending through the construction period into 2020 as anticipated in the 5-year capital plan. The project design work was initiated in the summer of 2015 and is expected to continue to the summer of 2017. The project is currently in the pre-design phase and has progressed well including facets such as: meetings with the Ministry of Environment; quality control; consultation with stakeholders; and preparation of technical memos.

Inlet Works Screen Installations:

2016 Total Budget with transfers	\$5.7M
Projected Spending Plan to end Q3	\$2.4M
Actual Spending to end Q3	\$1.6M
Variance to Projected to end Q3	\$0.8M

This is a multi-year project for the installation of the two Inlet Screens at the Wastewater Treatment Facility. The screens protect the pumps and process equipment from large debris entering the treatment process. The first screen has been installed and there are observed improvements. The equipment for the second screen is ready to be installed and the installation schedule is January 2017, when wastewater flows are lower. The project will be within budget and it is forecast that there will be a portion of the funding returned at the completion of the project.

Landfill Reengineering:

2016 Total Budget with transfers	\$6.0M
Projected Spending Plan to end of Q3	\$5.0M
Actual Spending to end of Q3	\$1.6M
Variance to Projected at end of Q3	\$3.4M

The project has proceeded on time and on budget. The Landfill Reclamation component of the project has been completed, with the remaining tasks representing the work associated with the remainder of the facility upgrades, much of which is to re-establish efficient and safe public access and transfer of waste, efficient site operations, site security as well as requirements under the Environmental Compliance Approval (ECA). The project plan identifies that the remainder of the funds will be spent by late in Q3 2017. Given factors such as procurement of fleet requirements for operating the new waste disposal site, the timing of the MOECC approval and issuance of three ECA's for the work scheduled to be completed, monies will be carried into 2017.

APPENDIX E

Key Division Service Delivery Initiatives (KDSDI's) at September 30, 2016

Office of the Chief Administrative Officer

Develop a comprehensive strategic plan for the corporation which includes Council priorities, organization goals, and strategies for people and tools

- Staff are in the process of finalizing the plan inclusive of performance measures, targeting completion by year end.

Provide oversight of a process leading to Cultural Change across the corporation with a focus on leadership, customer service, accountability, collaboration, innovation, communications and continuous improvement

- The next "Leading Together" Management Leadership Forum is scheduled Dec 7th. In keeping with the Staff Strategic Plan a new Education Committee was formed. This committee's purpose is to guide and advise on the priorities for training and wise investment of training funds.
- A new Innovatology Program was launched in Q3 focusing on growing staff entrepreneurship.

Strengthen Financial Management through the continued implementation of long-term financial plan and exploration of operating efficiencies and new sources of revenue

- The Qestica system has been implemented and is being used to prepare the 2017 Business Plan and Budget

Implement an Internal Audit Program

- The recruitment for the position of Director of Internal Audit was completed and the Internal Audit function formally commenced on October 24, 2016.

Implement a Performance Measurement Framework that enhances accountability and transparency

- A Performance Measurement dashboard is being developed as part of the Comprehensive Strategic Plan aimed at providing continuous reporting to the community

Oversee the implementation of the City's Growth Plan in a manner consistent with the approved financial framework for growth

- In May, the OMB provided partial approval of Secondary Plans allowing for a majority of the land owners to move forward with development plans. Subsequently, two appeals were resolved with discussions occurring with the final two. A public meeting for the Annexed lands Zoning By-law is scheduled for November 28, 2016. Draft Hewitt's Creek Sanitary Trunk Project Agreement with Developers is under review. A Public Information Session for EAs was held September – public comments under review. A growth management monitoring framework is under development that will report on housing unit starts, density targets, infrastructure implementation, and cash flows.

Ensure the development and implementation of an ERP solution that strengthens processes and provides effective reporting and intelligence

- System build continues for Human Resources, Business Intelligence and Business Partner. System Integration Testing #1 is completed for all built areas and SIT2 is underway. Knowledge transfer and training plans continue.

Continue program development and advocacy to secure a University campus

- City Council supported funding for an Advanced Technology, Innovation and Research Centre at Georgian College. Georgian submitted an application for federal funding in June 2016.

Infrastructure & Growth Management

Manage the implementation of the Secondary Plan for the Annexed Lands

- The Ontario Municipal Board has issued approval (of the majority) of the Secondary Plans. Two appeals remain outstanding with delegated approval to staff to settle. The Board will be apprised of the settlement possibilities on November 21st. There is a possibility that the remaining two (Bulut; School Policies) will also be able to be resolved.

The landowners and City staff are negotiating a Parkland Dedication Agreement as well as the Hewitt's Creek Sanitary Trunk Project Agreement. A meeting with respect to a potential location for a future Sports Park is anticipated to occur before the end of October. Conformity Plans are being reviewed by staff and it is anticipated that Development Applications will begin to be submitted before the end of the year. Staff are reviewing the Urban Design Guidelines in conjunction with the Zoning By-law standards proposed by the landowners, and a Public Meeting regarding the Zoning By-law Amendment is scheduled for November 28th. The Growth Management Committee continues to meet every two weeks to discuss implementation matters such as the above noted agreements, GIS standards, progress of infrastructure projects and growth management models. City staff also meets with landowners and their representatives once a month.

Continue with the implementation of the Affordable Housing Strategy

- The Affordable Housing Strategy has been approved and a number of action items have either been completed, or are currently being undertaken, including the finalization of recommendations from the Built Form Task Force (BFTF) in 2015. The report from the Built Form Task Force along with a status update on 13 action items from the Affordable Housing Strategy was considered by General Committee on November 30, 2015. There was extensive work completed by the BFTF Working Group in the first quarter of 2016. A Public Meeting was held in June of 2016 to consider potential amendments to the City's Zoning By-law to reduce or eliminate specific standards for identified affordable housing projects. An Affordable Housing Monitoring Report was also received by Council on June 27, 2016. Planning Staff are currently preparing a Report on the zoning amendments. Planning Staff are also assisting Engineering Staff as they prepare a report to consider revisions to existing engineering standards that would benefit affordable housing developments. Council has also approved a new Community Improvement Plan and associated financial incentives to assist in (among other matters) the provision of affordable housing. Some programs under the new CIP are effective immediately where other incentives will require approval of funds under the 2017 budget.

Continue with the preparation of a new Official Plan

- A public meeting was held on the new Official Plan in June of 2015. Staff has begun a stakeholder engagement process by reaching out to local school boards, the Health Unit, the Seniors Advisory Committee and others. Work will continue through 2016-2017. The Province has introduced new amendments to the Planning Act and is proposing amendments to the 4 Provincial Plans as well as amendment to the Provincial Long Term Affordable Housing Strategy which will likely impact the Official Plan update. Staff are monitoring and will be reporting to Council on these matters as appropriate. Staff are in the process of engaging CN Watson to update some of the background work completed under the Growth Management exercise in 2011 to assist in the preparation of the Official Plan update.

Work Towards implementation of the Sustainable Waste Management Strategy

- Began collection of organics at the Public Drop off – Barrie Landfill;
- Council approved the elimination of the annual 100 free kgs to be eliminated in Q4 2016;
- Waste By-law updated and passed General Committee
- Shingle recycling approved in the 2016 Budget and is fully implemented.
- Multi-Unit Residential Organics Pilot Program began with an allocated budget of \$96,000. The cost of implementation to date (January 2016 – June 2016) is approximately \$28,000 including promotion and education materials and organics collection carts. The pilot results indicate that residents are diverting an average of 0.5 kg of food per unit per week (equating to roughly 1 pound of butter per unit), representing approximately 36 tonnes of organic waste diverted from January until the end of June this year. This would be equivalent to 48 m³ of landfill space.
- Council has approved the implementation of a Multi Residential Front End Bin Garbage Collection Program to begin in 2017.

Community & Corporate Services

Implement the process recommendations from the Purchasing Services Review

- During this year, the service review was completed and most recommendations have been implemented, including and updated Procurement By-Law, a new Procurement Manual that provides and new broader suite of Templates. In addition, approx. 70% of City staff who have a procurement role attended training sessions as delivered by Manager of Purchasing and The Procurement Office.

While still in its' early stages, benefits/improvements are being realized. The number of disqualified bidders has been reduced by 66%, and the average time to complete a procurement process has been reduced by 12.5%. It is anticipated that as the new policy, procedures and templates become more familiar the procurement cycle will be further improved.

Provide strategic financial and legal advice on the city's investment in Barrie Hydro Holdings and PowerStream

- Advice was presented to the Board of Barrie Hydro Holdings (made up of the City of Barrie Council) regarding the merger of PowerStream, Enersource, and Horizon Inc. and the associated acquisition of Hydro One Brampton. Financial analysis was performed regarding financing options and a legal review of the terms of the related agreements was conducted. The merger has been approved and is expected to be completed by year end.

Invest Barrie

Begin implementing targeted lead generation and promotion program

Utilizing the Trade and Investment Mission as a launch pad for targeted, pro-active lead generation, Business Development utilized the services of a lead generation firm to target companies to meet with, both at the IMTS Show and within the Chicago area, with the following criteria:

- Businesses ready to move/expand into Canadian/Ontario market in the next 6 to 24 months in targeted sectors including advanced manufacturing, technology, data centres, medical devices and business/financial services (including back office software maintenance).

As such, targeted B2B meetings were scheduled with 10 companies, with an additional 4 meetings arranged on the IMTS show floor in addition to a direct engagement opportunity with the Chicago health tech sector through a presentation by Mayor Lehman on *Public Health & Innovation: transforming urban economies through public and private entrepreneurship*. The event was delivered through the Illinois Chamber of Commerce and the International Business Council and included a trade mission brief and networking event. At these targeted B2B business meetings, custom presentations were delivered that promoted and positioned Barrie as a low-cost, high value investment location for businesses in manufacturing and other targeted sectors. Overall reception to Barrie's value proposition was strong and Business Development continues to be engaged with 4 businesses that have expressed a significant interest in opportunities to expand into Ontario via Barrie. Follow-up also continues with the remaining companies as their business needs were within a six to 24-month time horizon.

The outcomes of this targeted lead generation program have informed future activities that Business Development will undertake in this area.

In conjunction with ecosystem partners, scale the number of initiatives aimed at growing the start-up ecosystem and start-up culture in Barrie. These include: offering acceleration support services in Barrie, providing industry-targeted entrepreneurship training (food industry, creative industry including creative technology), hosting start-up events, and growing the start-up ecosystem.

- Invest Barrie continued to develop a plan to grow the startup community. The three year plan is aimed at aligning efforts with ecosystem players such as Henry Bernick Entrepreneurship Center and ventureLAB. It focuses on three primary goals: 1. Develop a common framework for the ecosystem; 2. Increase the number of startups; 3. Create a connected ecosystem.
- Developing a common framework
 - The collaboration (lead through a series of workshops and meetings by Invest Barrie) has resulted in a co-mentoring model which allows entrepreneurs to gain mentor access from both ventureLAB and HBEC advisors.
- Increase the number of startups
 - After the 6-week pilot program, a full 12- week entrepreneurship program was delivered at Georgian College. Such programming allows local residents to harness their ideas into businesses, obtain the business knowledge needed to run and scale a business.
 - Artrepreneur 2 – In September, the 2nd cohort of Artrepreneur commenced with 24 new participants. New to this program is two mentor sessions which allows participants to gain business advice from community business experts.
 - In August, Invest Barrie formed a partnership agreement with Georgian College and Agri-Management Food Institute to delivery SPROUT – a business development program for Food Entrepreneurs. The program will be delivered in March 2017.

- Food entrepreneurship – Invest Barrie hosted a seminar, “Starting a Food Business”, at City Hall in September. Over 20 food entrepreneurs participated, many of whom were new to the city’s entrepreneurship events/workshops.
- Create a connected ecosystem
 - The co-mentoring program between ventureLAB and HBEC has resulted in increased access to mentors and networks.
 - The BUILD program piloted in July/August ended with a ‘pitch competition’. Invest Barrie took a lead role in creating the review panel. As a result, entrepreneurs connected with a diverse group of business experts.
 - Continued to host events: raizit – Crowdfunding; Women Leaders in Innovation (Watson Demo).
 - Lead meetings for local health company to investigate open innovation project (opportunities for established companies to work with startups).

Increase the growth of culture and creative entrepreneurs into the broader entrepreneurship ecosystem

- Fusing the business community with the arts sector and creating opportunities for cross pollination between creative entrepreneurs, business owners and the arts, an Arts Biz Mashup event was created and held at the Mady Centre featuring Ed Burke of the Look Company and Josh Doerksen, musician and composer and built an audience of 50 attendees. Building on the success of the format that features speakers and performers representing both business and the arts and drawing on their experiences connecting with both sectors, two further events have been scheduled for 4th quarter.
- Business for the Arts and Arts Vest Wrap Up were both held at the Mady Centre and creating opportunity for synergies between the arts and businesses through the following:
 - Arts Vest trained 31 arts managers in Barrie
 - 11 arts organizations in Barrie received a total of 18 hours of capacity building and mentorship training from mentors from across Canada through group, one-on-one, and peer-to-peer mentoring sessions
 - 10 arts organizations created 37 partnerships with local businesses, 31/37 of these were first time partnerships, 29 of which will continue on the long term
 - These 10 arts organizations exceeded their goal of \$30,000 in sponsorship funds by over tripling it, raising \$132,562 in sponsorship funds from the business community
 - They received artsVest matching funds of \$31,487
 - The sponsorship and matching funds together created an investment impact of \$164,049 on the Barrie economy

Access Barrie

Enhance Customer Service access options by planning for the implementation of the Corporate Customer Service Plan as approved by Council

- A launch date of November 28, 2016 has been confirmed for the Customer Contact Centre-Service Barrie. Recruitment of Customer Service Representatives is complete and all positions were filled by internal staff. Training is underway for staff. Development of the knowledge base continues along with planning for the transition of services from departments to the contact centre. Facilities staff have prepared a relocation plan for the 1st floor in order to accommodate as many Finance staff as possible to free up space in the existing Customer Service area. The relocation plan is expected to be finalized in early October. Technology planning is ongoing and on track with IT as regards telecommunications and system usage.

Develop innovative and effective marketing campaigns to increase the city's profile and exposure

- Developed & executed marketing campaigns for Canada Day celebrations, Invest Barrie Chicago trip, Affordable Housing (including launch of public displays), Removal of landfill tipping fee subsidy, Citizen Satisfaction Survey, Communities in Bloom, Rhythmfest, Culture Days, Centennial Park Construction, Tragically Hip public broadcast, ArtsBiz event, Don't Feed the Geese campaign, Age Friendly Barrie survey, and Artpreneur.

Continue proactive communications externally with the community on City initiatives and improve internal communications within the corporation

- Issued 20 media releases promoting a variety of City events, initiatives and programs.
- Ongoing proactive communications through corporate channels including This Week in Barrie, weekly radio ads on Rock 95 & KOOL FM, social media, digital screens etc.
- Created large Affordable Housing displays that were posted in all Recreation Centres, in order to promote the City's Affordable Housing Plan and publicly display the City's progress towards the goal of 840 new affordable units in ten years.
- Provided internal communications support for projects including United Way, Team Barrie Playbook Committee, Project Connect, Questica, Financial Authority Framework and Innovatology. Continued to work with Departments to promote corporate news on InSite through web banners, newsfeed, content updates, etc.

Manage and promote the new multi-hub transit route model including the further expansion of a multi-modal hub at Allandale Waterfront Go Station.

- Growing upon the multi-hub transit route model, adjustments were made in May of 2016 to improve and enhance connections within the system. The improvements included more frequent connections to GO trains, connections to the earlier GO trains, service to the new medical campus on Bayview Drive, and the addition of Route 11 servicing an area (Lockhart/Huron) that did not previously have transit service.
- Discussions are underway with Metrolinx staff on the vision for the multi-modal transit hub at Allandale Waterfront GO Station in conjunction with Metrolinx's expansion of Regional Express Rail.

Finalize 5 year transit business plan

- Some elements (including the fare strategy) of the 5 year Transit Business Plan have been completed and others remain ongoing. With the total business plan at approximately 90% complete, the goal is to finalize the plan in 2017 when the Director of Transit and Parking Strategy is on board.
- Phase I of the business plan was presented in a staff report to Council in December of 2015, with a focus on the Fare Strategy. This included items such as clarity around fare categories, increases to monthly passes and additional programs (i.e. introduction of day passes and family day passes).
- Also approved as part of the Phase I staff report was the investigation by staff in joining the Metrolinx Co-Fare Integration program which would see Metrolinx reimburse the City up to 75% of the fare for riders travelling to and from the GO train station when connecting to a GO train. The City has had the agreement in place since July 4, 2016 and anticipates additional revenue generated of approximately \$25-30K annually.

Innovate Barrie

Implement Staff Strategic Plan (SSP) that includes strategic workforce planning and development

- The SSP action items for 2016 are being implemented as planned and are overseen by a cross functional group of employees from across the Corporation. Action items of significance for 2016 that have been implemented are as follows:
 - Development and implementation of an Education Equivalency Procedure;
 - Development and implementation of a Development Status Procedure;
 - Full review of the Corporation's Recruitment policies and procedures;
 - Introduction of an Education Committee comprised of a cross functional group of employees; and
 - Strategic Workforce Planning completed for four (4) Departments/Groups and three (3) more underway. Some key vacancies have precipitated the delay of some departments and this work will proceed into early 2017
 - Survey and sub-project regarding Corporate Rewards and Recognition are underway

Develop a comprehensive compensation strategy that is competitive, cost effective and aligned with Corporate strategic objectives

- The review of our current state and comparison to market is underway with the following key activities:
 - Market survey for Non-Union Group is complete
 - Full review of all Part-time job descriptions and subsequent review/assessment of pay scale is in progress and on track to be completed by the end of 2016.

Enhance employee wellness by introducing new initiatives focused on employee mental and physical health including the development of a Corporate –wide peer support group and fitness initiatives

- The employee wellness activities thus far have largely been focused on putting the pieces in place that will lay the foundation for the peer support network. The Human Resources Department coordinated three training sessions for management staff to ensure that they understand mental health and know what their responsibilities are as it relates to their employees. In order to conserve funds, the focus has shifted to training two HR employees in a renowned program called The Working Mind. This Train the Trainer certification will allow us to not only complete the management awareness training but also extend to all employees. Work has begun on a Corporate wide walking challenge to be rolled out this fall with the assistance of the GIS Team in the IT Department. A staff report to Council is forthcoming related to a proposal associated with wellness/fitness of our employees to commence in 2017.

Implement remaining Corporate Technology Strategy recommendations, including:

- **New WiFi Deployments:**
 - WiFi technology has been deployed and is currently available at all three City recreation centres; Holly Community Centre, East Bayfield Community Centre and Allendale Recreation Centre as well as Southshore Community Centre, Mady Centre, the City's Ferndale Operations Centre, BFES Station #1, Barrie Environmental Centre and City Hall including council chambers. WiFi technology is on schedule to launch in the office areas at Surface Water Treatment Plant by the end of the year. All locations provide free public access to the internet and a secure network for Barrie Staff.

- **Completion of Distributed Data Centre Environments include deployments of new server, network and storage technology:**
 - A new City data centre will create the technology foundation which in the future, provide redundancy and resiliency of corporate data and business applications across the City's two data centres. This foundation enables the "Always Available Technology Program to move forward. The Always Available Technology Program takes advantage of a distributed data center model to operationally enhance various applications including the City's website, email and APLI to run in an "Always Available" environment.
 - Although this project is still in progress, IT achieved a milestone in October with the first City business application, email, to be virtualized and enabled across the two data centres placing it in a resilient environment (Always Available) meaning if email fails in our primary data centre it will continue to run at our secondary data centre.

Implement the GIS Strategy, including development of a data management plan

- Continuing the implementation of the GIS strategy, a pilot data capture project was conducted to provide up to date infrastructure data for a study area. In collaboration with the Growth Management team begun development of a digital submissions process for consultants when submitting drawings to the City to ensure the seamless integration with corporate systems. GIS has leveraged web technologies to empower staff and citizens to gain access to corporate information through the use of online story maps and web applications (e.g. Waterfront Parking, Pot Hole detection, Heritage Walking Tours, Capital Planning).

Implement the Mobility Enablement Plan:

- The Mobility Enablement plan has been revised reflecting the City's priorities respecting other enterprise project deployments and their effort expectations on staff. A revised Mobility approach is being developed ensuring staff and other project priorities are not negatively affected. Mobility will gradually be introduced along with enterprise project deployments.

Implement new Building Permit Application Solution (Accela)

- The implementation of the new Building Permit Application Solution (which includes the Accela software as part of the APLI Program) continues to be a key enterprise initiative. Project activity has picked up a Building staff reassigned to the project and the implementation vendors returning to work in October to close out key deliverables. The User Acceptance Testing exercise is restarting in November and should run over the next three months. This would lead into general system training and change management activities towards a phased go-live scheduled for Spring 2017. Phase 1 includes replacing all legacy application (Amanda) records with Accela and the addition of Mobile Apps for infield building inspections

Implement new Energy Management System

- The City launched a utility bill management software in September 2016 supporting the management of the City's energy and utility bills.

Ensure the development and implementation of an ERP solution that strengthens processes and provides effective reporting and intelligence

- The ERP system is well underway. System integration testing 2 (SIT2) has started. Conversion for SIT2 is near completion. Some build areas remain in progress including employee self-serve, business intelligence and manager self-serve items. Go Live is planned for Q2 of 2017. Training and knowledge transfer continue.

APPENDIX F

Key Performance Indicators (KPI's)

	Annual Target	YTD Sept Actual
Community and Corporate Services		
Fire		
Emergency Response Call Volumes – Barrie only ¹	8,450	6,563
Emergency call handling time for NFPA 1221 – Barrie only	95%	95%
Less than a 6 minute road response - 90% of the time ²	94%	92%
Total fire code inspections – All ³	1,650	1487
Finance		
Percentage of Tax, Water and WW bills paid electronically	92%	91%
Tax Arrears as a Percentage of Current Year Levy	6.5%	6.9%
Water Wastewater Arrears as a percent of last 12 months of billing ⁴	10%	21%
Percentage of Invoices Paid in 30 days	75%	60%
Days to Complete a Procurement Process	77	87
Corporate Procurement Training for Staff with Spending Authority	100%	78%
Average Number of Bids Received per Bid Process	5	5.25
Benefits of Tendering Process	10%	12%
Legislative and Court Services		
Number of Customers Served at Counter (Barrie Court Services)	40,000	40,000
Average Customer Processing Time	3:50	3:56
Number of Meetings Supported ⁵	140	82
Percentage of Minutes Published within 4 Days after the Meeting ⁶	100%	95%
Number of Trial Requests Processed (Barrie)	20,000	14,346
Average Time to Trial - Part I Charges (months) ⁷	5	6
Number of Marriage Licenses Issues ⁸	810	689
Number of Deaths Registered ⁹	840	908
Number of Formal MFIPPA Requests Received ¹⁰	40	44
Percentage of MFIPPA Requests Responded to within Legislative Framework	95%	100%
Percent of business licenses renewed by due date ¹¹	85%	82.9%
Volume of by-law administration files ¹²	9,300	8,588
Volume of by-law enforcement files ¹³	52,000	48,419
Percentage of Cost Recovery from Fees and Fines (Enforcement Services) ¹⁴	50%	69.77%
Legal Services		
Percentage of Insurance Claims/Incidents Handled In-House	80	91
Ratio of Closed to Open Files ¹⁵	.95:1	1.08: 1
Property Transactions Completed (acquisition, disposition, expropriation, easement, lease, and encroachment) ¹⁶	21	21
Percentage of Properties Acquired by Negotiation vs. Expropriation ¹⁷	90	50

	Annual Target	YTD Sept Actual
Recreation		
Total RecACCESS Participation ¹⁸	N/A	1,849
Recreation Services Operating Cost Recovery Rate ¹⁹	55.0%	55.2%
Infrastructure and Growth Management		
Engineering		
Capital Expenditures as a percentage of forecasted expenditures	100%	68%
Environmental Services		
Residential Diversion Rate	50.2	50.3%
Number of Service Complaints - Curbside collections / 1000 serviced units	3.5	7.89
Planning and Building Services		
Number of Open Houses/Ward Meetings Held for Policy Planning Projects	10	6
Number of Ward Meetings held for Development Applications	15	10
Number of Land Owners and/or Residents in attendance at Ward Meetings	450	500
Number of Second Suite Zoning Certificates Issued by the Planning Services Department	100	228
Average Number of Inspections to Approve Occupancy for New Dwelling Units	1.7%	1.8%
Operating Cost for Building Permits per \$1000 of Construction Activity	\$11.80	\$12.35
Percentage of Building Permit Applications Reviewed within Legislated Timeframes	96%	80%
Invest Barrie		
Business Development		
Proportion of proactive prospects that are converted to qualified leads <i>(Based on targeted prospecting on Chicago Trade and Investment Mission)</i>	5%	21%
Department of Creative Economy (Culture)		
Number of events in the City Centre where business and culture intersect	4	8
Rental Revenue – Mady Centre for the Performing Arts	\$100,000	\$36,317
Rental Revenue – Georgian Theatre	\$165,000	\$96,324
Access Barrie		
Customer Service		
Number of PingStreet “Report a Problem” Submitted	800	490
Communications		
Number of Communication Strategies Written and Implemented	45	39
Marketing		
Percentage Increase in the Number of Visitors to Barrie.ca	10.0%	9.78%
Total Number of Impressions on Twitter and Facebook	18,000,000	6,800,000
Transit		
Revenue to Cost Ratio	33.8%	32.9%
Passenger Trips per In-service Vehicle Hour	16.6	15.5

	Annual Target	YTD Sept Actual
Operating Cost for Conventional Transit per Regular Service Passenger Trip	\$6.50	\$6.71
Innovate Barrie		
Human Resources		
Number of Lost Time Accidents ²⁰	5	12
Total Cost of Lost Time ²¹	\$40,000	\$44,265
Average Number of Absences per Employee (days) ²²	9	7.31
Corporate Training Dollars Spent per Permanent Employee ²³	\$100.00	\$16.40
Grievance Rate – CUPE ²⁴	5%	4%
Grievance Rate – BPPFA ²⁵	2%	1.8%
Information Technology		
Ratio of Virtual to Physical Servers ²⁶	85:15	88:12
Annual Number of Visits to the City of Barrie Website ²⁷	3.0 million	2.49 million
Corporate Network Availability ²⁸	99.99%	99.984%
City of Barrie Website Availability ²⁹	99.9%	99.37%

1. General increase noticed across all response types. There have been a number of larger fires this year. Current fire dollar loss statistics reveal a \$4.25 million loss. In 2015, the total loss was \$3.9 million.
2. Above the Council directed goal of 90%.
3. Expected to exceed our target due to an improvement in our data collection processes
4. Water Wastewater Arrears have increased due to significant staffing changes in 2016. This has impacted the timeliness of follow-up and transfers to property taxes for overdue accounts.
5. Slightly lower than anticipated due to fewer Advisory/Reference Committee meetings resulting from the cancellation of several meetings and some Committees meeting less frequently.
6. Additional follow up was required for several sets of minutes/reports to ensure proper names were recorded related to Planning Act public meetings as individuals providing comments did not provide contact information prior to speaking.
7. Summer court closures and lack of JP resources are contributing to increased time to trial. This is anticipated to continue given the JP resources for the area.
8. Reflective of a general decline in marriages, the availability of licences from surrounding municipalities and the seasonality associated with weddings.
9. Variance related to seasonality.
10. FOI requests are increasing, specifically requests related to litigation, investigations related to fires, complaints/service requests submitted and bid submissions.
11. Follow up on renewals is enhanced when the % drops.
12. Anticipated to be on track for year end.
13. Anticipated to be on track for year end.

14. Trends for cost recovery are increasing. Target for 2017 will be higher.
15. Anticipating the 2016 actual will exceed the plan.
16. Anticipating the 2016 actual will exceed the plan
17. Three of the six acquisitions were complex which resulted in expropriation being necessary to achieve project timelines.
18. Recreation Services has revised the RecACCESS program, with changes that will be effective January 1st, 2017, to ensure the program can continue to accommodate and provide the greatest value to all eligible members and simultaneously minimize the impact on tax payers by utilizing the capacity within RecPASS memberships.
19. Significant increases in utility rates and other non-controllable costs such as salaries, benefits, and insurance are negatively impacting the cost recovery rate. Although these costs are offset to the extent possible through energy conservation, membership growth, increases in user fees, and efficiencies in capital spending, it is difficult to extend significant price increases to customers without negatively impacting sales.
20. One significant lost time injury where an employee was hit by a vehicle; four of the lost time injuries were not appropriately managed by line management resulting in the lost opportunity of offering modified work to these injured employees. Steps are being taken to ensure this does not occur again.
21. This KPI includes all lost time. The total cost is largely driven by the significant lost time injury noted above.
22. The results suggest that the corporation will come in at or below target for the year.
23. A large focus has been placed corporately on major projects that have changed resource availability, possibly impacting the use of these funds for the balance of the year.
24. Minor change from last quarter attributable to grievances related to: termination, and discipline.
25. The grievance rate for BPPFA continues to track well. There is some anticipation of some minor increases to this KPI as a result in changes with the BPPFA Executive. This is fairly typical with any change in leadership.
26. We are trending to be totally virtualized by 2017 end.
27. Heading to 3 million by year end.
28. Several unplanned outages during the first half of 2016.
29. This is still a positive availability – the second data centre should improve it further.

APPENDIX G

Capital Projects Requiring Additional Funding

Project Name	Total Approved 2016 Budget	Estimated Total Project Costs	Additional Funding Required	Funding Sources Tax Capital Reserve	Funding Sources County of Simcoe	Comments
First Responders Campus - Feasibility Study	\$1,495,680	\$1,658,638	\$162,958	\$0	\$162,958	<p>To update the County of Simcoe's share of the project, out of which 25 per cent will be charged back to the City of Barrie. The 25 per cent will be funded from County Capital Reserve and DC's.</p> <ol style="list-style-type: none"> 1. \$1,375,000 has been previously approved and reflects the City of Barrie's share of the project. 2. A \$120,680 increase to the City's budget to update the partner funding was requested and approved on the November 28, 2016 Capital Status Report in order to reflect the County of Simcoe's share of the project that was confirmed at that time. 3. Additional updates to the partner funding portion of this project's budget are now being requested as the County of Simcoe has recently confirmed an updated contribution amount. The updated information was the result of receiving a revised quote from the potential vendor after recent negotiations between the City and the potential vendor regarding the validation phase of this project. 4. \$162,958 is being requested as a top up to reflect the total commitment made by the County of Simcoe towards this phase of the project.
Mapleview Drive, 25th Sideroad and Country Road 27	\$359,345	\$393,720	\$34,375	\$34,375		Additional funding required to cover a late invoice received from the County of Simcoe for the City's share of utility relocation costs.
County Road 27 - Hubbard to Mapleview	\$572,918	\$620,735	\$47,817	\$47,817		Additional funding required to cover a late invoice received from the County of Simcoe for the City's share of utility relocation costs.