



TO:	GENERAL COMMITTEE
SUBJECT:	BUSINESS PLAN STATUS AS OF JUNE 30, 2022
WARD:	ALL
PREPARED BY AND KEY CONTACT:	J. KUEHL, MANAGER OF BUSINESS PLANNING AND BUDGET C. GILLESPIE, SENIOR MANAGER OF CORPORATE FINANCE AND INVESTMENT
SUBMITTED BY:	C. MILLAR, CHIEF FINANCIAL OFFICER
CHIEF ADMINISTRATIVE OFFICER APPROVAL:	M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That Staff Report EMT002-22 concerning the 2022 Budget and Business Plan Status as of June 30, 2022 be received as information.

PURPOSE & BACKGROUND

Report Overview

2. The purpose of this Staff Report is to provide members of Council with a status update on the 2022 Business Plan and summarize the Corporation's financial and non-financial performance up to June 30, 2022.
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.

ANALYSIS

SUMMARY OF OPERATING RESULTS – TAX

4. As of June 30, 2022, 98% of the tax rate budget was utilized resulting in a surplus of \$4.7 million. The main driver of the positive variances are expenditures at 3.0% below budget offset by revenues at 0.5% under budget.
5. The following table summarizes the financial variances to June 30, 2022, between planned and actual results by Division for tax rate-based operations. Appendix "A" includes a breakdown of the tax rate-based variances by department.



	Year-to-Date June 30 th , 2022			
	Budget (\$)	Actual (\$)	Variance (\$)	Variance (%)
Access Barrie	12,888,491	12,419,079	469,412	3.6%
CAO & Mayor's Office	5,428,678	4,559,215	869,463	16.0%
Community and Corporate Services	21,581,410	21,287,440	293,971	1.4%
Corporate Expenses	50,591,127	50,092,764	498,362	1.0%
Council & Committees	478,082	381,426	96,657	20.2%
Infrastructure and Growth Management	23,352,063	21,301,305	2,050,758	8.8%
Service Partners & Grants	81,319,440	79,925,645	1,393,795	1.7%
Total Net Expenditures	195,639,345	189,966,874	5,672,471	3.0%
Corporate Revenues	(195,639,345)	(194,627,699)	(1,011,646)	0.5%
Total	0	(4,660,825)	4,660,825	

6. Key contributors (positive variances) to the Corporation's general tax rate surplus as of June 30th include the following:

- Staffing Reductions and Salary Gapping \$653K (detail below)
- Service Partners \$1.4M (detail below)
- Utilities – \$250K (detail below)
- Development Services – User Fees and Contracted Services \$943K (see Appendix B)
- Recreation – Materials & Supplies and Services \$567K (see Appendix B)
- Transit – Contracted Services and User Fees \$550K (see Appendix B)
- Road Surface Maintenance – Contracted Services \$475K (see Appendix B)
- Corporate Expenses – Debt \$352K (see Appendix B)
- IT – Contracted Services \$335K (see Appendix B)
- Legal Services – Consulting & Professional Services \$195K (see Appendix B)

7. Key offsetting contributors (negative variances) to the Corporation's tax rate general surplus include the following:

- Recreation – User Fees \$624K (see Appendix B)
- Court Services – Fines and External Transfers \$374K (see Appendix B)
- Transit – Gasoline \$270K (see Appendix B)

Staffing Reductions and Salary Gapping

8. The salary gapping provision approved by Council in the 2022 Business Plan is \$1.29 million, or \$638 thousand by the end of the second quarter. This amount includes both permanent staff and casual/part-time salary costs. The City typically implements a variety of techniques to achieve salary gapping targets, including delaying rehires when viable, managing overtime costs, and reducing the number of paid weeks for summer students. In 2020 and 2021, as a result of the global pandemic, many City facilities were shut down and various revenue generating activities were put on hold, forcing the City to make difficult staffing decisions which resulted in significant reductions to payroll costs across the City. As the City continues to recover from the pandemic, staffing levels have begun to ramp up to pre-pandemic levels.
9. As of June 30th, the City has realized \$1.29 million in salary gapping against a second quarter target of \$638 thousand, resulting in a favourable variance of \$653 thousand. The majority of this variance is from savings as a result of reduced staffing levels, which have been used to offset the significant losses in revenues that continue to be a result of the pandemic.

Service Partners

10. The Service Partners surplus of \$1.4 million was largely driven by the County of Simcoe (\$1.2M). Ontario Works, Children and Community Services, and Paramedic Services are the major contributors to the positive variance, with these areas being partially offset by an unfavourable variance for Long Term Care.

Utilities

11. The favourable variance of \$250k was driven by a lower than budgeted electricity rate and a moderate reduction in electricity consumption compared to budget. These hydro savings were partially offset by a higher than budgeted natural gas rate, related to carbon taxation and commodity price increases.

SUMMARY OF OPERATING RESULTS – WATER

	Year-to-Date June 30, 2022			
	Budget (\$)	Actual (\$)	Variance (\$)	%
Salaries and Benefits	4,080,759	4,309,771	(229,013)	(5.6%)
Operating Expenses	2,772,124	2,846,217	(74,092)	(2.7%)
Transfers to Reserves	2,383,240	2,383,240	0	0%
Corporate Support	4,837,438	4,373,604	463,861	9.6%
Total Net Expenditures	14,073,588	13,912,832	160,756	1.1%
Revenues	(14,073,588)	(14,040,926)	(32,662)	0.2%
Surplus	0	(128,094)	128,094	



12. The Water Operations branch ended the quarter with an operating surplus of \$128 thousand. Net expenditures were \$161 thousand (1.1%) under budget and revenues were \$33 thousand (0.2%) under budget.
13. Salaries and Benefits are higher due to a retroactive pay adjustment to all Water Distribution Operator Class II's because of a job re-evaluation as well as recoveries from capital projects that were less than anticipated by the end of June.
14. Corporate support is based on actual work and staff time in support of Water Operations from various departments and is below budget at the end of Q2.
15. For revenues, actual water consumption is down slightly year-over-year, however, there has been increased water meter capital charges as development begins in the secondary plan lands which has partially offset the lower Water Rate revenue.

SUMMARY OF OPERATING RESULTS – WASTEWATER

	Year-to-Date June 30, 2022			
	Budget (\$)	Actual (\$)	Variance (\$)	%
Salaries and Benefits	2,467,639	2,400,126	67,513	2.7%
Operating Expenses	4,700,193	3,427,351	1,272,842	27.1%
Transfers to Reserves	7,223,744	7,223,744	0	0%
Corporate Support	3,953,962	3,431,464	522,499	13.2%
Total Net Expenditures	18,345,538	16,482,685	1,862,853	10.2%
Revenues	(18,345,538)	(17,774,389)	(571,149)	3.1%
Surplus	0	(1,291,704)	1,291,704	

16. The Wastewater Operations branch finished the quarter with an operating surplus of \$1.3 million. Net expenditures were \$1.9 million (10.2%) under budget while revenues were \$571 thousand (3.1%) under budget.
17. Operating expenses came in \$1.3 million under budget. A substantial portion of the surplus will be expended as the year progresses and is primarily due to delays in the delivery and payment for services and goods that are a few weeks later than anticipated. Supply constraints in the marketplace account for some of these. However, on a positive note, about \$516 thousand will remain as surplus at year end due to service optimization efforts by the Wastewater Operations Branch.
18. Corporate support is based on actual work and staff time in support of Wastewater Operations from various departments and is below budget at the end of Q2.
19. Revenues are under budget as actual wastewater volumes are lower than expected which may be a combination of conservation by existing users and slower growth than anticipated.

SUMMARY OF OPERATING RESULTS – PARKING

	Year-to-Date June 30, 2022			
	Budget (\$)	Actual (\$)	Variance (\$)	%
Salaries and Benefits	254,057	246,522	7,535	3.0%
Operating Expenses	263,552	208,088	55,464	21.0%
Transfers from Reserves	(766,986)	(766,986)	0	0%
Corporate Support	911,246	821,413	89,834	9.9%
Total Net Expenditures	661,870	509,037	152,833	23.1%
Revenues	(661,870)	(561,713)	(100,157)	15.1%
Surplus	0	(52,676)	52,676	

20. Parking Operations finished the second quarter with an operating surplus of \$53K. This surplus is largely due to a shortfall in revenue (\$100K), more than offset by a favourable variance in corporate support and operating expenses which is mainly due to expenses occurring later than expected. The sale of parking permits and transient parking fees has been negatively impacted by COVID with more employees working from home and reduced activity in the downtown for the first half of 2022.

CAPITAL PLAN STATUS AT JUNE 30, 2022

21. The Capital Plan presented in Appendix “C” is a high-level summary of activity as of June 30, 2022. The projected Q2 spending forecast was \$42.3M with actual spending of \$35.7M (84.3% of forecast). The total capital budget for 2022 is \$373.9M, including carryover from prior years and new projects. The Q2 actuals of \$35.7M reflect spending of 9.5% of the available 2022 budget. It is expected by year end that \$179.8M or 48.1% of the available budget will be spent.

KEY DIVISION SERVICE DELIVERY INITIATIVES & KEY PERFORMANCE INDICATORS

22. Updates on Key Division Service Delivery Initiatives (KDSDI's) and Key Performance Indicators (KPI's) can be found in Appendix “D”.

ENVIRONMENTAL AND CLIMATE CHANGE MATTERS

23. There are no environmental or climate change matters directly related to the recommendation.

ALTERNATIVES

24. As this Staff Report is being presented for information only, no alternatives are presented.

FINANCIAL

25. The information in the analysis section 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.

LINKAGE TO 2018-2022 STRATEGIC PLAN

26. The recommendation in this report is operational and is not specifically related to the goals identified in the 2018-2022 Strategic Plan.

APPENDIX A

Tax-Supported Operating Budget Variance by Department as at June 30, 2022

	Budget (\$)	Actual (\$)	Variance (\$)	Variance (%)
Access Barrie	12,888,491	12,419,079	469,412	3.6%
Access Barrie Admin	180,930	177,223	3,707	2.0%
Customer Service	623,319	490,182	133,137	21.4%
Information Technology	4,622,829	4,205,988	416,841	9.0%
Marketing & Communication	485,287	555,320	(70,033)	-14.4%
Transit & Parking Strategy	6,976,125	6,990,365	(14,240)	-0.2%
CAO & Mayor's Office	5,428,678	4,559,215	869,463	16.0%
Office of the Mayor	152,646	153,569	(923)	-0.6%
Office of the CAO	337,474	228,028	109,446	32.4%
Legal Services	954,908	634,063	320,845	33.6%
Internal Audit	194,084	195,956	(1,872)	-1.0%
Human Resources	1,777,639	1,529,267	248,372	14.0%
Finance Department	2,011,928	1,818,333	193,595	9.6%
Community and Corporate Services	21,581,410	21,287,440	293,971	1.4%
GM of Community & Corporate Services	113,377	123,051	(9,674)	-8.5%
Facilities	1,325,958	1,231,088	94,870	7.2%
Barrie Fire & Emergency Services	13,366,370	13,708,174	(341,804)	-2.6%
Legislative & Court Services	1,397,426	1,284,267	113,159	8.1%
Recreation & Culture Services	5,378,279	4,940,860	437,419	8.1%
Other Expenses	50,591,127	50,092,764	498,362	1.0%
Corporate Expenses	50,591,127	50,092,764	498,362	1.0%
Council & Committees	478,082	381,426	96,657	20.2%
City Council	423,482	365,602	57,881	13.7%
Committees	54,600	15,824	38,776	71.0%
Infrastructure & Growth Management	23,352,063	21,301,305	2,050,758	8.8%
Building Services	12,894	()	12,894	100.0%
Business Performance & Environmental Sustainability	1,080,993	745,044	335,949	31.1%
Corporate Asset Management	507,534	533,977	(26,443)	-5.2%
Development Services	2,738,965	1,749,783	989,183	36.1%
Economic & Creative Development	1,052,975	1,147,692	(94,717)	-9.0%
GM Infrastructure & Growth Management	179,101	152,277	26,825	15.0%



	Budget (\$)	Actual (\$)	Variance (\$)	Variance (%)
Infrastructure Department	763,675	669,567	94,108	12.3%
Operations	17,015,926	16,302,965	712,961	4.2%
Total Net City Services	111,566,529	110,041,229	1,525,300	1.4%
Service Partners & Grants	81,319,440	79,925,645	1,393,795	1.7%
Total Net Expenditures	195,639,345	189,966,874	5,672,471	3.0%
Net Taxation for own purposes	(186,346,093)	(185,356,592)	(989,500)	0.5%
Payments in Lieu of Taxes	(2,026,300)	(2,003,561)	(22,739)	1.1%
Corporate Recoveries	(2,305,472)	(2,305,472)	0	0.0%
Corporate Revenues	(2,870,785)	(3,015,819)	145,033	-5.1%
Investment Revenue	(2,090,695)	(1,946,255)	(144,440)	6.9%
Total Revenue	(195,639,345)	(194,627,699)	(1,011,646)	0.5%
Total Operating Variance		(4,660,825)	4,660,825	



APPENDIX B

Detailed Tax Supported Operating Variance Explanations

Service/Driver Total: Development Services – User Fees and Contracted Services				
	As of June 30, 2022			
	2022 Budget	Actuals	Variance	Variance
User Fees	\$(937K)	(\$1.7M)	\$ 717K	76.5%
Contracted Services	\$386K	\$ 160K	\$ 226K	58.6%
Funded from Tax Levy	\$(551K)	\$(1.5M)	\$ 943K	171%
<u>Reason for Variance</u>				
<p>The reason for this positive variance in User Fees is due to the fact that Development Services has received and performed more services related to development projects than originally anticipated. The city collects a fee of 5% of gross cost of engineering works for infrastructure, grading, inspections, storm water management on subdivisions and site plan projects. Revenues are recognized as the review processes are completed.</p> <p>The positive variance in contracted services is because procurement of the services will occur later in the year than anticipated. The contracted services budget is expected to be spent by year end.</p>				
<u>Impact Going Forward</u>				
<p>Due to higher-than-expected development projects commencing in the area, we expect the variance in User Fees to continue and possibly increase by year end. The deferral of these fees can also take place based on work being performed that extends beyond a single budget year. At year-end, any surplus may be allocated to a growth reserve to be used in future years when development is lower than current levels.</p> <p>For the Contracted Services, we expect the variance to normalize by year-end.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>Fees are budgeted based on expected growth. We revise our best estimates annually based on the most current information available.</p>				



Service/Driver: Recreation – Materials & Supplies and Services			
Budget: \$2.7M	Actual: \$2.1M	Variance \$: \$567K	Variance %: 39%
<u>Reason for Variance</u> Facility closures in January contributed to cost avoidance in Contracted Services of \$248K and, in combination with lower hydro rates, impacted utility cost avoidance of \$175K. Spending on other services such as advertising for theatre venue programs, event hosting and special event costs were lower than budget due to fewer expenses based on the types of events hosted to date, and staff training/travel/uniforms have contributed to an additional \$105K in cost avoidance.			
<u>Impact Going Forward</u> As operations are returning to normal service levels this Fall, the department's expenses in these areas will also reflect increases that are included in the department's financial forecast. Some of these cost avoidance figures will flow through to year-end. The lower rate on hydro usage will reflect some additional savings by year-end.			
<u>Actions to Mitigate Future Anticipated Variances</u> The department anticipates normal spending patterns in Materials & Supplies and Services until year-end. This will result in some expense lines carrying forward a variance that is under budget. Lower hydro rates will result in a slightly higher cost avoidance over the next six months.			

Service/Driver Total: Transit – Contracted Services and User Fees				
	As of June 30, 2022			
	2022 Budget	Actuals	Variance	Variance
User Fees	\$(2.3M)	\$(2.0M)	\$ (250K)	(11%)
Contracted Services	\$8.4M	\$ 7.6M	\$ 800K	10%
Funded from Tax Levy	\$6.1M	\$5.6M	\$ 550K	9%
<u>Reason for Variance</u>				
<p>Barrie Transit is currently operating at approximately 85% of pre-pandemic levels to maintain an appropriate level of service to the community but also to account for the current ridership levels. In addition, the transit service provider has experienced bus operator staffing shortages which have resulted in some missed service and associated performance deductions resulting in the current YTD favourable variance.</p> <p>As a result of lower ridership levels, revenues are lower which partially offsets the favourable variance.</p>				
<u>Impact Going Forward</u>				
<p>Ridership is trending upwards and is expected to return to pre-pandemic levels with the anticipated return of more students on campus at Georgian College. Barrie Transit is returning to full service in September 2022 as approved by Council.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>The favourable variance will persist until the transit system returns to full service in September 2022, at which point only nominal variances against budget will occur from that point until the end of 2022.</p>				



Service/Driver: Road Surface Maintenance – Contracted Services and Repairs & Maintenance			
Budget: \$475K	Actual: \$0	Variance \$: \$475K	Variance %: N/A
<u>Reason for Variance</u> The contract for surface maintenance was awarded later than anticipated.			
<u>Impact Going Forward</u> Variance is expected to normalize by year-end.			
<u>Actions to Mitigate Future Anticipated Variances</u> New contract specifications developed this year will be re-used in future contracts to facilitate earlier contract awards.			



Service/Driver: Corporate Expenses – Debt			
Budget: \$7.5M	Actual: 7.1M	Variance \$: \$352K	Variance %: 4.7%
<u>Reason for Variance</u> <p>Principal repayment was lower than budget due to timing of the 2022 debt issuance (there is no principal payment for 2022) and the reduced issuance amount (\$22.8 million issued versus \$64 million budget).</p> <p>While there is only a minor variance for interest costs, there were offsetting factors that contributed to this. The interest savings from a reduced issuance were almost entirely offset by the higher-than-expected costs of borrowing (4.20% versus around 2.3% for the budget).</p> <p>Other offsetting factors were interdepartmental transfers from non-tax levy accounts that were slightly higher than budget, but will level out by the end of the year. Additionally, there are reserve contributions that are slightly higher in the first half of the year compared to budget. This is a timing issue and will again level out by the year end.</p>			
<u>Impact Going Forward</u> <p>The variance going forward depends on timing of debt issuance as well as the mix of actual funding sources used to fund capital projects versus the budget.</p>			
<u>Actions to Mitigate Future Anticipated Variances</u> <p>Future variances in reserve transfers are dependent on the variance between budgeted and actual debt issuance (see variance explanation for Debt – Principal & Interest).</p>			



Service/Driver: Information Technology – Contracted and Other Services			
Budget: \$1.6M	Actual: \$1.3M	Variance \$: \$335K	Variance %: 21%
<u>Reason for Variance</u> Less data acquisitions for GIS were completed than expected. Professional services related to new hardware setup, configuration and installations are lower than forecasted as supply chain issues continue to impact equipment availability and delivery. Most technology vendors are no longer providing delivery dates when the orders are placed. The professional services are forecasted based on the best estimate of equipment delivery dates.			
<u>Impact Going Forward</u> Although the supply chain appears to be stabilizing post COVID, there are geopolitical situations and unrest that may add complexity to the global supply chain.			
<u>Actions to Mitigate Future Anticipated Variances</u> IT will continue to order equipment with as much lead time as possible, while also working with vendors to get more accurate delivery dates.			

Service/Driver: Legal Services Department – Consulting & Professional Services			
Budget: \$275K	Actual: \$80K	Variance \$: \$195K	Variance %: 71%
<u>Reason for Variance</u> The positive variance is attributable primarily to the rescheduling of CGI appeal matters from July to September resulting in an underspend of budget that is expected to normalize by year-end.			
<u>Impact Going Forward</u> Legal expenses will fluctuate based on the progress of litigation and number of matters before the courts. A legal contingency reserve was established to fund legal costs in very active periods of litigation. It is expected that the expenses will be incurred in the last quarter of 2022.			
<u>Actions to Mitigate Future Anticipated Variances</u> No action is required.			

Service/Driver: Recreation – User Fees, Service Charges & Rentals			
Budget: (\$3.6M)	Actual: (\$2.9M)	Variance \$: (\$624K)	Variance %: (17.5%)
<u>Reason for Variance</u> <p>Revenues continued to be impacted in the first half of 2022 by the lingering impacts of pandemic restrictions. Facilities remained closed until January 26th, recreation memberships were down 67% from pre-pandemic levels, and registered programs operated with capacity limits. These factors impacted Jan-Jun as follows: recreation membership revenues were \$350K under budget, registration fees were \$229K under budget as there was no Winter Programming offered and facilities were closed in January. Revenue from the Colts was lower by \$91K due to the impacts of COVID, however, other ice rentals showed a strong recovery that achieved 99% of budgeted revenues. Facility rental revenues were stronger than anticipated (\$35K) due to high demand for recreation facilities, especially for field rentals at the Sports Complex.</p>			
<u>Impact Going Forward</u> <p>Recreation memberships are not projected to return to 2019 levels until late 2023. The demand for ice and indoor/outdoor facility rentals has been stronger than expected, especially where rental activities such as weddings were delayed during the pandemic. Demand for cultural facility space and special events will continue to grow as the department works with local community groups to schedule programs and events.</p>			
<u>Actions to Mitigate Future Anticipated Variances</u> <p>The department's Marketing Committee is developing a Fall promotional campaign to boost memberships which will drive growth in recPASS revenues. The Program Team has scheduled a wide variety of registered programs for the Fall and Winter periods reflective of pre-pandemic levels along with drop-in activities in the pools, fitness centres, gymnasiums, and ice rinks. The Special Events Team has assisted with the expansion of key corporate events such as Canada Day, the revitalization of Kempenfest, and is planning for several key events such as the National Day for Truth and Reconciliation, Orange Shirt Day, Remembrance Day, and New Year's Eve. The Cultural Venues Team is collaborating with local cultural groups to support their return from pandemic restrictions. This group is also exploring the use of other recreation facilities to meet the demand for performance space.</p>			

Service/Driver Total: Court Services – Fines & Penalties and External Transfers				
As of June 30, 2022				
	2022 Budget	Actuals	Variance	Variance
Fines & Penalties	(\$3.2M)	(\$2.4M)	(750K)	(24%)
External Transfers	\$602K	\$226K	\$376K	63%
Funded from Tax Levy	(\$2.6M)	(\$2.2M)	(\$374K)	(14%)
<u>Reason for Variance</u>				
<p>Recovery in Court Services has been slower than anticipated. Judicial resources were not as plentiful as was anticipated at budget time. Operational changes with Bill 177 downloaded some additional work to administration staff which was once completed by the judiciary. One such item was the Fail to Respond (FTR) review process. Approximately 20% of defendants fail to respond to their Provincial Offences tickets. When this occurs the Sr. CACs now (as of November 1/21) review the certificates for completeness and where complete, enters a conviction. Due to staffing levels and other pressing demands, addressing the over one-year FTR backlog was delayed which has negatively impacted Q-1 & Q-2 revenues. As well, older pending trial matters which were scheduled for trial in accordance with the Chief Justices' Orders, were found to yield less than positive revenue results due to witness non-attendance resulting from officer retirements, unplanned and extended leaves, and officer transfers to other agencies to name a few.</p>				
<u>Impact Going Forward</u>				
<p>Due to the lower than anticipated in-court revenue stream from the first half of 2022, yearend achievable revenues will be lower than anticipated. Unless additional judicial resources will be provided on a regular basis by the Province it will be difficult to recover from the negative revenue impacts of the first six months of operations, even with the FTR matters and suspensions being brought up to date.</p>				
<u>Actions to Mitigate Future Anticipated Variances</u>				
<p>Due to existing case law pertaining to time to trial, some Part I matters waiting to be set for trial will be stayed as they will not be able to be scheduled for trial within 18 months max from offence date. This is a direct result of lack of available judicial resources and the pandemic. The pending Part I trial matters with more recent offence dates will be scheduled to ensure there is a more positive revenue stream from in-court activity going forward. As well, the fail to respond matters will be caught up to date by early fall along with suspensions, both of which will be revenue generating.</p>				



Service/Driver: Transit – Gasoline			
Budget: \$1.2M	Actual: \$1.5M	Variance \$: (\$270K)	Variance %: (22%)
<u>Reason for Variance</u> Fuel prices have skyrocketed from \$1.05 last fall to \$1.85/litre in June 2022. The 2022 budget currently has clear diesel fuel budgeted at \$1.10/litre.			
<u>Impact Going Forward</u> The budget overages are anticipated to continue for the remainder of the year with some minor relief being experienced recently.			
<u>Actions to Mitigate Future Anticipated Variances</u> Fuel prices have been adjusted in the 2023 proposed business plan with an estimate of \$1.70/litre.			



APPENDIX C

Capital Plan Progress Update by Division as at June 30, 2022

Summary of Capital Plan & Forecast	2022 Capital Budget			Performance Reporting Q2					Annual	
	Carryover from Prior Year Budgets	New Projects Approved in 2022 Budget	2022 Total Budget including Transfers	Projected YTD Spending Forecast	Actual 2022 Spending	Variance to 2022 Projected	% of Spending Forecast Achieved	% of 2022 Total Budget Spent	2022 Spending Forecast	Est. Budget Deferral to future years
Access Barrie	\$ 13,610,642	\$ 9,790,073	\$ 23,400,716	\$ 5,994,027	\$ 5,483,667	\$ 510,360	91.5%	23.4%	\$ 11,017,184	\$ 12,383,531
Community & Corporate Services	\$ 50,218,794	\$ 24,579,438	\$ 74,798,232	\$ 5,741,754	\$ 2,898,616	\$ 2,843,138	50.5%	3.9%	\$ 28,425,252	\$ 46,372,980
Developer Built Projects	\$ 34,386,315	\$ 7,608,745	\$ 41,995,060	\$ 2,302,228	\$ 288,539	\$ 2,013,689	12.5%	0.7%	\$ 16,837,105	\$ 25,157,955
Infrastructure & Growth Management	\$ 145,352,849	\$ 82,020,510	\$ 227,373,359	\$ 27,015,786	\$ 24,218,594	\$ 2,797,192	89.6%	10.7%	\$ 119,264,344	\$ 108,109,015
Service Partners	-\$ 951,352	\$ 7,290,036	\$ 6,338,684	\$ 1,275,637	\$ 2,774,948	-\$ 1,499,311	217.5%	43.8%	\$ 4,267,122	\$ 2,071,561
Total	\$ 242,617,248	\$ 131,288,803	\$ 373,906,050	\$ 42,329,432	\$ 35,664,364	\$ 6,665,068	84.3%	9.5%	\$ 179,811,009	\$ 194,095,042

APPENDIX D

Key Division Service Delivery Initiatives (KDSDI's) at June 30, 2022

To achieve Council's Vision of a progressive, diverse and prosperous City with opportunities for all citizens to build a healthy and vibrant community, Barrie sets priorities over each four-year term of Council through the Strategic Plan.

On March 25, 2019, Council approved their 2018–2022 Strategic Priorities, and with some further additions in December 2020, finalized their Strategic Plan. These key priorities are:



Growing our economy



Fostering a Safe & Healthy City



Improving the Ability to Get Around



Building Strong Neighbourhoods



Offering Innovative & Citizen-Driven Services






Supporting a Vibrant & Safe Downtown

The remainder of this section highlights how a particular Strategic Plan area is tackled through the goals a Division has. These short-term goals of the Division are broken down into Departmental Performance Measures and as such are easier to provide progress reports on.

Access Barrie

**Strategic
Plan Area**

Key Division Service Delivery Initiatives

	Initiate Barrie Transit's network redesign planning activities for the relocation of the main terminal to the new Allandale Transit Mobility Hub
	Develop and launch a new external website (barrie.ca)
	Expand the IT Security Program and Digital Transformation initiatives

KEY PERFORMANCE INDICATORS

	Annual Target	Q2 YTD Actual
% Of Customer Interactions in Service Barrie that are resolved at first contact ¹	70%	77%
% Of Customer Satisfaction rates as moderately high to high ²	85%	TBD
% Of positive/neutral media coverage ³	80%	95.5%
Transit On Time Performance	86%	86.7%
Annual Ridership ⁴	2.4M	1.2M
Transit Revenue to Cost Ratio ⁵	28%	20%
Technology Condition Index (Computers, Servers, switches, and other hardware) ⁶	75%	74%
Application Systems Condition Index (Applications and Standard Software) ⁷	75%	75%
Digital Transformation Project Delivery (Degree IT projects meet Ontario Digital Service Standards, 2021) ⁸	75%	60%

¹ We have exceeded our target for first contact resolution – some of the increase can be attributed to being the main point for more topics in Q1 while many areas were not onsite for the public due to pandemic (i.e., business licenses). Our improved knowledge base within the CEM has also assisted in increasing this number.

² 2021 actual was 84% - aiming to increase to 85% but this survey is done in Q4 typically (to coincide with Customer Service Week/month) – will update for Q4 report

³ Despite the pandemic, the City of Barrie was mentioned in a number of positive news in the first half of 2022. Some examples include, the City managing salt on roads to save Lake Simcoe, Ontario Gas Tax funding for Transit, new Service Barrie portal, perfect score for Barrie's drinking water, Mayor's Innovation Awards, City commits to net-zero emission target by 2050, positive active transportation stories, City's upgraded S&P status, new City app, and many events returning after 2 years of COVID.

⁴ COVID-19 and remote learning at Georgian College has resulted in reduced ridership. Ridership is expected to increase in September with the return of full-service levels and students back on campus

⁵ Reduced transit revenue as transit system recovers from pandemic. Ridership is trending upwards and revenue to cost ratio is expected to improve by year end.

⁶ With longer lead times for replacement equipment, some hardware is staying in service slightly longer than planned cause the slight drop in the index. Equipment for 2023 has already been ordered so we expect to have the index back to the targeted 75 by mid-2023

⁷ The new applications added during COVID have kept this number at 75. Some existing applications need updates and will be the focus for 2023.





⁸ Several successful IT projects this year have demonstrated the benefits of the digital transformation approach defined by the Ontario Digital Service Standard – including the accelerated implementation of the new City of Barrie mobile app. Future improvements will be realized through the continued development of an ongoing project assessment program now that resources challenges through Q1 and Q2 have been overcome.

ACHIEVEMENTS TO JUNE 30



- The City of Barrie is building a blueprint for growing our existing transit system to best meet the needs and goals of today's city, while developing a long-term plan for a future network. Barrie's Transit Vision focuses on creating:
 - A New Transit Network Plan in coordination with the timelines for the new Allandale Mobility Hub
 - Future Network Phases to ensure a long-term transit outlook; and,
 - A Bus Stop Infrastructure Plan to place stop amenities when and where they are needed.
- RFP for supply of Website Technology and Design services completed in April 2022. Cross-functional team from Information Technology and Marketing and Communications, is working with the supplier towards a September 2022 launch of the new Barrie.ca website, cloud hosting platform and content management system.
- The IT Security program will be enhancing the security of end user authentication across City systems through the expansion of Single Sign On (SSO) that ensures consistent application of City's systems access and authentication policies. SSO also simplifies the user experience by reducing the number of different passwords needed as well as the number of times they are prompted for authentication. Biometrics (such as face ID, fingerprint) will also be rolled out to further secure the SSO process while simplifying the user's experience.
- IT's Digital Transformation and User Experience is leading and supporting over a dozen projects and initiatives to improve hardware and technology architecture, implement new application systems, and to collaborate with operating departments to improve services by identifying and implementing technology to better support these processes. These projects included expanding functionality within Service Barrie's Citizen Experience Management (CEM) system and Citizen Portal, introducing new business processes to our Accela system through the Applications, Permits and Licensing (APLI) project, continuing mobility and digitization of asset maintenance work through Cityworks (CMMS) in the City's Infrastructure and Operations areas, and many other initiatives with Human Resources, Purchasing, Elections, and other departments.

CAOs office

Strategic Plan Area	Key Division Service Delivery Initiatives	Performance Measures
	Continuous improvement of development approval processes including the timely preparation and registration of development agreements, completion of property acquisition and disposition negotiations, structuring of agreements and closings of transactions in support of strategic priorities	<ul style="list-style-type: none"> • % of properties acquired by negotiation vs expropriation • % of Site Plan and Subdivision Agreements in circulation for review within 15 business days following receipt of instructions and payment
	Evolve HR services to be a trusted and strategic partner to our clients, deliver tools and solutions that help our clients get their work done and ensure that where and how we work is safe and supportive	<ul style="list-style-type: none"> • Corporate training \$ spent per permanent employee • % turnover in first 2 years of employment • Number of lost time incidents
	Support decisions that enhance the Corporation's long range financial condition and support the accountability and transparency of the City's the operations	<ul style="list-style-type: none"> • Audited Financial Statement Completion Date • Tax arrears as a percent of current year levy • Return on Investments
	Advise Council and the corporation about areas for improvement and risks associated with City programs and services	<ul style="list-style-type: none"> • Internal Audit recommendations accepted by management • Fraud awareness sessions delivered

KEY PERFORMANCE INDICATORS

	Annual Target	Q2 YTD Actual
Internal Audit recommendations accepted by management	100%	100%
Fraud awareness sessions delivered	5	4
% of properties acquired by negotiation vs expropriation	60%	88%
% of insurance claims/incidents handled in-house	95%	98%
% of Site Plan and Subdivision Agreements in circulation for review within 15 business days following receipt of instructions and payment	85%	86%
Corporate training \$ spent per permanent employee	\$75	\$64.56
% turnover in first 2 years of employment ⁹	0.0%	2.06%
Number of lost time incidents ¹⁰	20	8
Audited Financial Statement Completion Date	May	May
Tax arrears as a percent of current year levy ¹¹	6%	8.13%
Return on Investments	2%	1.15%

⁹ 2.06% is total turnover, not only in the first 2 years of employment.

¹⁰ 8 approved LT (all BFES) with 1 pending from Leg/Court Services

¹¹ Tax arrears are slightly out as this KPI looks at our full year levy amount and the due date installments for the final billing are June 30 and Sept 29. Some residents tend to forget to pay their installments on time which pushes this up. We still expect this to be around 6% at year-end

ACHIEVEMENTS TO JUNE 30



Implemented a 15-business day timeframe for the provision of draft Development Agreements to external parties (Owners and/or consultants) following receipt of instructions from Development Services and surpassed the established benchmark for success.

Successfully completed the negotiation and execution of several key agreements for infrastructure projects necessary to advance development in the Salem secondary plan area, namely the Development Charge and Project Agreement for the installation of Water, Sewer and Road works for Veterans/McKay and expropriation funding agreements for property requirements associated with same.

Significant improvements and efficiencies made to the process of preparing Development Agreements, including streamlining commenting processes, and further refining and standardizing agreement templates and conditions resulting in an expedited development approval process.

Negotiated and completed the acquisition of all property requirements necessary for the Bryne Drive South extension and Big Bay Point road projects to proceed with infrastructure projects and construction.

Completed several registrations of plans of subdivision in the Hewitt's Secondary Plan Area, including the second phases of several plans

Identified areas for increased efficiency in the City's collection of securities for Development Agreements

Delivered fraud training during Fraud Prevention Month in March which fosters a fraud awareness culture as a key component of the City's anti-fraud regime

Conducted Integrated Project Delivery billable rate audits to ensure project costs are verified resulting in savings for the City

Performed audits of City Procurement cards and expense reimbursement claims to assess compliance with City policies and procedures and the appropriate use of City funds

The City's long-range financial plan was approved by Council in the fall of 2021 and resulted in policies and recommendations to guide 2022 and future years.




Additional scrutiny placed on capital budget request timing during the Spring 2022 Capital Status Report and the 2023 budget preparation process to align cashflow with ability to deliver on capital projects.

Reviewing temporary positions for accountability and transparency.

Supporting Asset Management Plans – specifically Parks, Recreation and Facilities.

Piloting system changes for recovery of project management time against capital to increase accuracy and efficiency of recoveries

Community and Corporate Services

Strategic Plan Area	Key Division Service Delivery Initiatives	Performance Measures
	Promote a vibrant, healthy, active, culturally diverse, and safe community through excellence in the delivery of recreational, cultural, courts, fire and emergency, and enforcement services and programming	<ul style="list-style-type: none"> • Use of public spaces • Road Response Time • Fire and Building Code Inspections • Emergency Call Processing Time • Average time to trial • Ice Utilization Rate (Prime Time) • RecACCESS Participation Rate • Registered Programming Occupancy Rate • Ave. time to complete a Property Standards File • Average time to complete a Yard Maintenance File
	Develop a comprehensive process to meet facility asset management and capital planning needs based on information from Facility Condition Assessments and updated master planning documents	<ul style="list-style-type: none"> • City facility Condition Index • % of Capital Project Expenditure to Budget
	Contribute to an environmentally sustainable and cost-effective community through the design, maintenance, rehabilitation/renewal and construction of strategic and operational facilities projects	<ul style="list-style-type: none"> • % of GHG Emission Plan Initiatives Started • Annual Utility Cost Avoidance

KEY PERFORMANCE INDICATORS

	Annual Target	Q2 YTD Actual
Use of public spaces -Usage of waterfront beaches and Meridian Place	175,000	54,000
Percentage of Greenhouse Gas Emission Plan Initiatives Started	20%	TBD
Road Response Time- % of the time less than 6 minutes for all emergency types	90%	88%
Fire and Building Code Inspections	3,500	1501
Emergency Call Processing Time - % of time less than 60 seconds	95%	97.5%
Annual Utility Cost Avoidance ¹²	\$453,685	\$225,000
Capital Project Expenditure of Available Budget as percentage ¹³	85%	TBD
Average time to trial - Part I charges (months)	9 Months	16 Months
Average time to complete a Property Standards File	35 days	18.3 days
Average time to complete a Yard Maintenance File	12 days	13.5 days
Ice Utilization Rate (Prime Time) ¹⁴	65%	54%
RecACCESS Participation Rate as a % of Low-Income Population	10.5%	4.9%
Registered Programming Occupancy Rate	75%	64.4%

¹² Cost avoidance is trending on target through Q2, part of the reduction is influenced by the COVID lockdown experienced in January of this year.

¹³ KPI is determined on an annual basis. Capital project budgets are trending lower than planned KPI as most of the project procurement occurred in Q1/2 and was limited due to resourcing. Several capital budgets required additional funding requests due to the ongoing influences on the construction industry by the Covid Pandemic. A number of in year, unplanned project have added to FPD's workload.

¹⁴ Based on available hours outside of facility closures due to COVID-19.

ACHIEVEMENTS TO JUNE 30



Recreation and Culture Services is working collaboratively across all branches and with external stakeholders to provide facility space, programs and resources to meet the needs of residents by:

- Continued development of existing and innovative recreational and sport programming that will meet the existing and emerging needs of residents
- Financially supporting Inclusion Services programming and the recACCESS financial assistance program to provide opportunities for all Barrie residents to participate in recreational activities
- Maintaining the department's HIGH FIVE Accreditation through a series of Quest 2 Assessments which will be verified by November
- Administer the Recreation and Sport Community Grant process and evaluate the success of funded initiatives
- Collaborating with the development of a Sports Tourism Plan for the City
- Active participation in the development of a new Performing Arts Centre through the selection of a consultant to evaluate the PAC's design that best suits the needs of the cultural sector in Barrie
- Building strong partnerships with recreation and cultural community groups to maximize participation and usage of recreation centres and theatre venues

Courts are re-opening in a hybrid model subject to judicial resources






Continued decrease in response times to address enforcement matters as vacancies are filled

Expected later in the year

Staff are actively working on completing updated Facility Condition Assessments for the Recreation Facility portfolio. Development of an updated process in collaboration with Corporate Asset Management has been delayed due to COVID-19 resourcing constraints, and is expected to commence later this year

The EMB is actively participating in a number of construction projects to embed environmental and low carbon considerations, including the Transit Hub, Operation's Centre Renewal, Wastewater Maintenance Building and the Anne Street Booster Station upgrade

Infrastructure and Growth Management

Strategic Plan Area	Key Division Service Delivery Initiatives	Performance Measures
	To develop a vibrant downtown economic corridor	<ul style="list-style-type: none"> • Maintain an “open for business approach” to Permits and supports • Maximize funding and programming to sustain businesses • Support to facilitate business resilience • Improved position as a premier economic investment destination
	Facilitate continued emergence of a diverse and sustainable arts and cultural sector	<ul style="list-style-type: none"> • Facilitate investment in diverse and sustainable initiatives • Improve the customer/stakeholder experience
	Proactively manage the Infrastructure & Growth Management Capital Plan	<ul style="list-style-type: none"> • Average time to between approval and registration to first building permit • Average travel time saved from improvements
	Finalize and implement key policy and strategy documents	<ul style="list-style-type: none"> • Number of New Affordable Housing Units included in Approved Development Applications • Number of Approved Developments that received a building permit within one year • Reduce the effects of climate change by increasing the urban tree canopy via trees planted through Community Planting Partnerships • Amount of Environmental Protection and Open Space land designated
	Deliver quality operation and maintenance activities across road and park assets	<ul style="list-style-type: none"> • Frequency of collisions per Barrie’s total population • Ensure safe and efficient travel for vehicle and pedestrians by maintaining the projected winter maintenance service level compliance

KEY PERFORMANCE INDICATORS

	Annual Target	Q2 YTD Actual
Number of Approved Affordable Housing Units (based on projects approved through the CIP ¹⁵)	66	0
Number of New Housing Units included in Approved Development Applications that meet City's definition of Affordable (Rental and Ownership)	161	73
Amount of Environmental Protection and Open Space land designated and/or dedicated to the City through development applications (ha)	1.22 ha	1.12 ha
Number of Approved Developments that received a building permit within one year	2	2
Average time, in number of days, between approval and registration to first building permit	-3 days ¹⁶	-3 days
Average travel time, in seconds, improvements (along a portion of specific corridor (between two intersections) ¹⁷	29.25 faster	14.5 faster
Frequency of collisions per Barrie's total population of 157,884	1176	496
Maintain an open for business approach by ensuring that issuance of PERMITS complies with provincially mandated timeframes.	80	90.15
Maintain an open for business approach by ensuring that INSPECTIONS are completed within provincially mandated timeframes.	95	97.85
Improve the customer experience by providing educational information in the form of builder and resident bulletins.	8	5
A more supported and resilient business community through increased number of businesses receiving service, support, or engaged in programs and initiatives of the Economic and Creative Development Department.	1250	1196
Improved positioning as a premiere economic investment destination through increased square footage of Building Permit issued space by investment/development projects facilitated/supported by Economic and Creative Development	300,000	500,000
Ensure safe and efficient travel for vehicle and pedestrians by maintaining the projected winter maintenance service level compliance	97%	90%
Reduce the effects of climate change by increasing the urban tree canopy via trees planted through Community Planting Partnerships ¹⁸	1075	0

¹⁵ CIP Approvals for affordable units can often come after approvals given for proposed developments and their total unit counts. There is not necessarily overlap between these two categories.

¹⁶ Negative numbers indicate that building permits were issued before registration

¹⁷ Each year, four separate corridors are tracked; a different one highlighted each quarter. YTD gives the average for those travel time improvements calculated across different corridors. Thus far, YTD includes travel time improvements for a portion of Mapleview Drive (between Bryne and Bayview) and a portion of Harvie Road.

¹⁸ 2022 is still forecast as most of the planting happens in October

ACHIEVEMENTS TO JUNE 30



Invest Barrie, in collaboration with other key City Departments, as needed, has undertaken a number of strategic projects in partnership with the BIA to support downtown business through recovery from the pandemic. Highlights of projects include:

- Open Air Dunlop: The City has approved funding for \$60,000 to the BIA to fund the costs of all road closures in addition to marketing and additional operational (garbage removal, street cleaning) support.
- Business outreach, communication and support to complete the remaining Dunlop Streetscaping project works.
- Support to extend the patio season for Downtown businesses and a curb-side pick-up pilot program.
- Matching grant with Downtown Business Improvement Association (BIA), City of Barrie and Tourism Barrie to execute Barrieliocious, supporting participation for local restaurants and provide support for takeout and PPE supplies and increased promotion.
- Extended Business in the Parks Programming – including Meridian Place. Providing opportunities for business to leverage park space to provide their programs/services while adhering to health regulations.

Economic and Creative Development highlights include:

- Economic and Creative Development completed the review of the City's Cultural Grant Program with a series of recommendations adopted by Council to ensure the program is best serving the arts and cultural sectors, meeting corporation standards and is aligned with City Council priorities.
- For 2021, the approved Cultural Grants budget was \$389,785, which included a one-time \$50,000 increase to the funding program, which has been invested in 22 organizations and projects.
- The Barrie Public Art Committee was successful in securing grant funding to support the 'Brightening Barriers' initiative which will see professional artists paired with downtown sidewalk patio operators to create art installations that will be temporarily installed on the businesses' patio fencing.
- Council endorsed the creation of an Arts Advisory Committee, as well as being supported by the Public Art Committee to support some Councillors with Ward beautification projects.
- Economic and Creative Development have continued their investment and partnership with OMCI to deliver the 2021 Emerging Musicians Program, advancing youth skill development and programming downtown spaces with buskers.

Summer Camp Program

- The Small Business Centre onboarded eight entrepreneurs for the annual Summer Company program
- Taking in over 30 applications, this was one of the most competitive years yet
- This year's cohort is diverse in that it contains service and retail businesses as well as start-up and more established companies

Infrastructure

- All capital project Tenders were received on budget.
- Completed Kidds Creek Flood Mitigation / Dunlop Street Infrastructure Renewal