

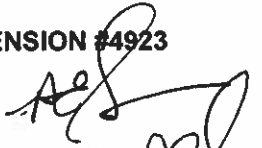
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**TO:** GENERAL COMMITTEE


**SUBJECT:** 2015 BUDGET AND BUSINESS PLAN YEAR-END REPORT

**WARD:** ALL

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

**SUBMITTED BY:** C. MILLAR, DIRECTOR OF FINANCE AND TREASURER 

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

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

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**RECOMMENDED MOTION**

1. That the 2015 Budget and Business Plan Year End Report be received.
2. That the 2015 year-end tax rate supported surplus of \$359,168, comprised of \$1,502,467 in net surplus from Service Partners, and a \$1,161,299 deficit from services provided by the City of Barrie, be adjusted and distributed as follows:
  - a) That the total of \$405,476.04 in road life cycle operating expenditures eligible for federal gas tax funding be funded from the Federal Gas Tax Reserve (11-05-0596);
  - b) That \$172,231 from lost tax assessment appeals be funded from the Assessment Appeal Reserve (13-04-0464);
  - c) That \$460,774.20 be transferred to the Tax Rate Stabilization Reserve (13-04-0461) and carried forward to 2016 to fund items that were committed in 2015 by purchase order or contract, but remained incomplete or undelivered at December 31, 2015;
  - d) That \$91,741.73 received by the City in 2015 for insurance proceeds from a truck replacement be transferred to the Tax Rate Stabilization Reserve (13-04-0461), as the vehicle remained undelivered at December 31, 2015; and,
  - e) That \$384,359 be transferred to the Tax Capital Reserve (13-04-0440) and carried forward to 2016 to fund Provider Loans committed in 2015 for the County of Simcoe Non-Profit Housing operating program, but remain undelivered at December 31, 2015.
3. That the 2015 water rate deficit of \$262,047 be funded from the Water Rate Stabilization Reserve (12-05-0582).
4. That the 2015 wastewater rate deficit of \$189,742 be funded from the Wastewater Rate Stabilization Reserve (12-05-0577).
5. That \$101,607.30 carried forward to 2016 to fund items that were committed in 2015 by purchase order or contract, but remained incomplete or undelivered at December 31, 2015, be funded from the Wastewater Stabilization Reserve (12-05-0577).

6. Resolved, that the Treasurer of the City of Barrie be authorized by the Shareholder, The Corporation of the City of Barrie, to execute the purchase of Common Shares for a value of \$6.5 million in exchange for the full amount of the loan outstanding to Barrie Hydro Holdings Inc. of \$6.5 million.

**PURPOSE & BACKGROUND**

7. The purpose of this report is to present the Corporation's year-end financial and performance results, and obtain approval to make transfers to/from reserves in accordance with the Financial Policies Framework.
8. 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 actual results to budget and the previous year. This report reflects activity for the 12 months ended December 31, 2015.
9. The recommendations in this report are reflective of the policies and principles documented in the current Financial Policies Framework.
10. The report also provides updates on key objectives, Council Strategic Priorities, and the implementation of Portfolio Governance.

**ANALYSIS**

**SUMMARY OF OPERATING RESULTS - TAX**

11. The 2015 year-end tax rate supported surplus of \$359,168 represents 0.18% of the City's 2015 net budget. The surplus was driven by City service partners' positive year-end variance of \$1,520,467, offset by an unfavourable variance totaling \$1,161,299, for services provided by the City.
12. The following table summarizes the financial variances to December 31, 2015 between planned net operating expenditures and actual results by Division for tax rate based operations. Appendix A includes a breakdown of the tax rate based variances by department.

	2014 Actual	2015		
		Budget	Actual	Variance
Council & Mayor's Office	788,100	828,832	732,162	96,669
Office of the CAO	574,107	754,166	677,967	76,199
Community and Corporate Services	35,183,460	36,479,419	37,355,705	(876,286)
Infrastructure and Growth Management	44,388,466	45,234,356	45,784,186	(549,830)
Invest Barrie	2,555,506	2,956,169	2,797,805	158,364
Access Barrie	1,297,720	1,404,556	1,408,950	(4,394)
Innovate Barrie	7,324,610	8,984,351	8,708,046	276,304
Financial Expenses & Other General Government	32,573,431	35,499,370	35,565,940	(66,570)

	2014 Actual	2015		
		Budget	Actual	Variance
Service Partners & Grants	74,871,619	76,843,801	75,323,334	1,520,467
<b>Total Net Expenditures</b>	<b>\$199,557,019</b>	<b>\$208,985,018</b>	<b>\$208,354,096</b>	<b>\$630,922</b>
Corporate Revenues	(200,774,537)	(208,985,018)	(208,713,264)	(271,754)
<b>Total Variance</b>	<b>\$(1,217,518)</b>	<b>\$0</b>	<b>(\$359,168)</b>	<b>\$359,168</b>

13. Key contributors to the Corporation's general tax rate surplus include the following:
- County of Simcoe Operating Surplus \$1.5M - (detail below);
  - Debt Servicing \$907K - (detail below);
  - Supplementary Property Tax Revenue \$738K;
  - Utilities \$466K - (see Appendix B);
  - Fuel (Transit and Corporate Fleet) \$431K;
  - Watercourse and Detention Pond Maintenance \$191K - (see Appendix B);
  - Winter Control \$136K - (see Appendix B); and,
  - Facility General Operations and Minor Capital \$281K - (see Appendix B).
14. Key offsetting contributors to the Corporation's tax rate general surplus include the following:
- Assessment Review Board Decision (\$1.2M) - (detail below);
  - Employee Related Costs (\$1.2M) - (detail below);
  - Road Life Cycle Maintenance - FGT funding (\$405K);
  - Vehicle Repairs (\$436K) - (see Appendix B);
  - Rail Operations - Contracted Services (\$167K) - (see Appendix B);
  - Storm Systems Maintenance - Contracted Services (\$261K) - (see Appendix B);
  - Recreation Revenue (\$345K) - (see Appendix B);
  - Transit Revenue (\$929K) - (see Appendix B); and,
  - Corporate Legal Services (\$326K) - (see Appendix B).

Service Partners

15. Transfers to Service Partners are underspent by approximately \$1.5M for the year. The variance is almost entirely driven by the County of Simcoe and can be attributed to the following:
- a) Ontario Works generated a \$611K positive variance resulting from a reduced number of caseloads, and savings for administration expenses;
  - b) Social Housing generated a \$675K positive variance as a result of lower than anticipated subsidy payments on rent-geared-to-income properties (i.e. higher than expected tenant income results in reduced rental subsidy). In addition, \$384K in Provider Loans that were planned for 2015 were not issued during the year; and,
  - c) The Land Ambulance generated a \$186K positive variance resulting from an increased subsidy from the Province, and lower than expected facility and supply costs.

Assessment Review Board Decisions:

16. The \$1.2M unfavourable variance is largely due to the successful appeal of the assessment value of a Bayfield Street retail property. The City was required to refund a portion of property taxes collected from 2009 to 2015.
17. Assessment at risk is a major challenge for most municipalities, including the City of Barrie. Retail properties across the Province are aggressively pursuing appeals. The City has 436 active properties considered "at risk" of a Current Value Assessment (CVA) adjustment.
18. The CVA downward adjustments have been ranging from 3 per cent – to as high as 30 per cent. Out of the 436 properties identified, lost municipal tax revenues could range from \$600,000 to \$1.9 million.
19. In addition to potential ARB decisions, recent changes to the assessment act providing for property tax exemptions for non-profit long term care homes, will cost the City approximately \$460,000 of lost tax revenue in 2016. (See memo to General Committee on April 18, 2016)
20. The recommended motion within this staff report funds \$172, 231 of the \$1.2M unfavourable variance from the City's assessment appeal reserve. As described in paragraph 50 below, the remaining balance in the reserve is \$97,400. Moving forward, staff will continue to monitor outcomes, develop a strategy to become a more active participant within the ARB process, and provide suggested funding strategies as part of the 2017 Business Plan and Budget process.

Debt Servicing

21. Debt Servicing cost is underspent by approximately \$900K for the year. The primary reason for the variance is the deferral of the planned June 2015 debenture. The debenture was estimated at \$41.5M and consisted of: Transit Garage (\$16.5M); Waste Pollution Control Centre (\$13.4M); Landfill Site Re-engineering (\$10.4M); 1 Dunlop Street (\$913K); and, Arbour Trail Phase 2 (\$250K). The debenture was deferred to February 2016 and as a result, the debt servicing cost for the first principle and interest payment budgeted for December 2015 were not incurred.

Employee Related Costs

22. Management has implemented gapping measures (e.g. holding positions vacant for a set amount of time when viable). For 2015, these measures resulted in approximately \$768K in budget savings as compared to the target of \$1.28M.
23. Offsetting these savings are additional costs associated with pay-outs for retirements and terminations totalling \$465K. As well, overtime costs were \$469K above budget primarily related to Fire Suppression staff needed to cover vacant positions to ensure 24/7 coverage. Overall, in 2015 employee related costs were \$87K under budget.
24. Various cost pressures outside of normal business operations, can have an adverse impact on salary budget variances. Notable examples include retirement and termination pay outs, as well as position backfilling for short term disability (STD) leaves. A retirement reserve does exist; however, the process of managing the reserve will be reviewed within 2016.

**SUMMARY OF OPERATING RESULTS - WATER**

	Year-to-Date December 31, 2015			
	Budget	Actual Results	Variance	%
<b>Salaries and Benefits</b>	6,689,408	6,565,807	123,601	98.2%
<b>Operating Expenses</b>	7,037,172	7,401,122	(363,950)	105.2%
<b>Corporate Overhead</b>	5,124,890	4,932,569	192,322	96.2%
<b>Debt Charges</b>	7,967,536	7,946,297	21,239	99.7%
<b>Revenues</b>	(32,688,994)	(32,453,735)	(235,259)	99.3%
<b>Transfer to Reserve</b>	(5,869,988)	(5,607,941)	(262,047)	95.5%

25. The Water Operations Branch finished the year with an operating deficit of \$262K. Expenditures completed the year at 100.1% of budget and revenue at 99.3%.
26. The negative operating expense variance is mainly due to the cold winter in early 2015 which resulted in a high volume of frozen water service work including contracted services, equipment rental and asphalt.
27. Corporate overhead recoveries are based on actual work and staff time in support of Water from various departments. This work tracked behind plan in 2015; some work was deferred to 2016 and savings were realized.
28. Water rate revenue is \$411K below plan. The reason for this variance is lower actual consumption than budgeted throughout 2015. Water rates for 2015 were based conservatively on the average trend of the previous 24 months.

**SUMMARY OF OPERATING RESULTS – WASTEWATER**

	Year-To-Date December 31, 2015			
	Budget	Actual Results	Variance	%
<b>Salaries and Benefits</b>	4,154,127	3,948,401	205,726	95.0%
<b>Operating Expenses</b>	10,504,163	9,826,794	677,369	93.6%
<b>Corporate Overhead</b>	3,618,540	3,444,640	173,900	95.2%
<b>Debt Charges</b>	8,622,479	8,230,860	391,619	95.5%
<b>Revenues</b>	(39,217,794)	(37,579,438)	(1,638,356)	95.8%
<b>Transfer to Reserve</b>	(12,318,484)	(12,128,742)	(189,742)	98.5%

29. The Wastewater Branch finished the year with an operating deficit of \$189K. Expenditures completed the year at 94.6% and revenues at 98.5%.

30. Employee costs were below plan due to approved leaves; recruitment for temporary backfill for these highly technical positions is ongoing.
31. The main driver of the positive operating expenditure variance is electricity and water consumption savings realized from the optimization of the Co-Gen equipment and process improvements within the Wastewater Treatment Facility (WwTF), utility savings totalled \$306K. The secondary driver is a lower volume of stabilized bio solids production resulting in reduced haulage costs of \$200K.
32. Corporate overhead recoveries are based on actual work and staff time in support of Wastewater from various departments. This work tracked behind plan in 2015; some work was deferred to 2016 and savings were realized.
33. Debt charges are lower than actual as a result of deferring debt issuance to early 2016.
34. Sewer rate revenue is \$1.07M behind plan. Sewer rate revenue is directly correlated with water consumption, which was below plan for 2015. Non rate revenue is also down due to septage receiving not being open. Further, less Development Charge funds were applied against debt than budgeted due to the delay in issuing debt, impact of \$465K.

**SUMMARY OF OPERATING RESULTS – PARKING**

	Year-to-Date December 31, 2015			
	Budget	Actual Results	Variance	%
<b>Salaries and Benefits</b>	367,100	390,326	(23,226)	106.3%
<b>Operating Expenses</b>	681,229	601,953	79,276	88.4%
<b>Corporate Overhead</b>	308,180	316,301	(8,120)	102.6%
<b>Debt Charges</b>	976,794	962,114	14,680	98.5%
<b>Revenues</b>	(1,569,400)	(2,523,574)	954,174	160.8%
<b>Transfer from Reserve</b>	763,903	(252,881)	1,016,784	(33.1)%

35. Parking Operations finished the year with an operating surplus of \$1M. Expenditures completed the year at 97.3% of budget and revenue at 160.8%.
36. The biggest driver of the positive operating variance was the snow clearing contract for parking lots, which was \$71K below budget due to the unseasonable winter. Contracted snow removal is budgeted based on a five year average trend. These savings offset the additional 24 Credit Card Pay & Display Machines staff added to improve collection, impact \$38K above budget. Work at the Collier Street Parkade also contributed to the positive variance as the budget for the driving surface rehabilitation was deferred to 2016, offsetting the unexpected additional work to repair the facility; overall the Collier Street Parkade operating expenses were \$48K behind budget.

37. Revenues were \$954K over budget; this is mostly due to the sale of a parking lot which contributed \$740K in revenue. In addition, parking meter and special event revenue finished the year \$173K above budget, and parking permit revenues were \$49K ahead of plan. This is due in part to better maintenance of Pay & Display Machines that result in more meters in service.

**CAPITAL PLAN STATUS AT DECEMBER 31, 2015**

38. The Capital Plan presented in Appendix C is a high level summary of activity as at December 31, 2015. The total capital budget for 2015 was \$176.3M, including carryover from prior years and new projects, and the projected year-end spending plan was \$123.6M due to the multi-year nature of many of the projects. The actual spending at year-end was \$97.4M, which is 79% of the projected spending plan. The capital projects that contribute to the key variances between planned and actual spending have been identified in Appendix D.

**RATE STABILIZATION RESERVES**

39. Prior to directions provided by Council regarding the 2016 Business Plan, the December 31, 2015 Rate Stabilization Reserve balances affected by the recommendations in this report are as follows:

	Balance at Dec. 31, 2015	Commitments	Recommended Motion	Non-Committed Balance at Dec. 31, 2015	2015 Minimum Expected Balance
Tax Rate Stabilization Reserve	\$ 6,059,156	\$ (167,568)	\$ (82,877)	\$ 5,808,711	\$ 10,861,755
Wastewater Rate Stabilization Reserve	\$ 1,898,568	\$ -	\$ (291,349)	\$ 1,607,219	\$ 1,989,612
Water Rate Stabilization Reserve	\$ 2,299,156	\$ -	\$ (262,047)	\$ 2,037,109	\$ 1,874,735
Parking Reserve	\$ (207,942)	\$ (783,508)	\$ -	\$ (991,450)	N/A

\* 2015 Minimum Expected Balance as per the Financial Policies Framework

40. The impact of the recommended motions totaling \$552,516 for the Tax Rate Stabilization Reserve consists of: \$460,774 to fund 2015 purchase orders carried forward to 2016 and \$91,741 in insurance proceeds that will be used in the 2016 operating fund to support the replacement of a snow plow.
41. The recommended motions totaling \$(291,349) reduction from the Wastewater Rate Stabilization is the result of a year-end deficit in the Wastewater Fund in the amount of \$189,742 and \$101,607 to fund 2015 purchase orders carried forward to 2016. The 2015 deficit is being funded according to the Financial Policies Framework.
42. The recommended motions totaling \$(262,047) reduction from the Water Rate Stabilization Reserve is the result of a year-end deficit in the Water Fund, and is being funded according to the Financial Policies Framework.

43. Stabilization reserves are maintained in order to fund unexpected one-time, non-recurring expenditures, and to address any potential deficits. As per the Financial Policies Framework, the minimum expected balance is 5% of gross operating revenues (excluding transfers to capital, specific reserves, and debt principal repayments) for the Tax Rate Stabilization Reserve, and 10% for the Water and Wastewater Rate Stabilization Reserves. The non-committed balance at December 31, 2015 shows that, with the exception of Water, stabilization reserve balances currently fall short of their minimum expected level.

**CAPITAL RESERVES**

44. Prior to the directions provided by Council regarding the 2016 Business Plan, the December 31, 2015 capital reserve balances affected by the recommendations in this report are:

	Balance at Dec. 31, 2015	Commitments	Recommended Motion	Non-Committed Balance at Dec. 31, 2015
Tax Capital Reserve	\$ 33,974,728	\$ (57,631,071)	\$ 384,359	\$ (23,271,984)
Wastewater Rate Capital Reserve	\$ 6,909,516	\$ (15,665,485)	\$ 189,742	\$ (8,566,227)
Water Rate Capital Reserve	\$ 16,474,871	\$ (12,674,997)	\$ 262,047	\$ 4,061,921
County of Simcoe Capital Reserve	\$ 1,249,729	\$ (770,593)	\$ -	\$ 479,136

\* Capital Commitments are based on approved capital spending for all prior and future years as at year-end. The reserve balance does not include potential future contributions to the reserve.

45. As noted above, future contributions to reserves are not reflected in the non-committed balances. In the 2016, Council approved contributions to reserves as follows: Tax Capital Reserve - \$25.9M, Wastewater Rate Capital Reserve - \$13.4M, Water Rate Capital Reserve - \$5.8M, County of Simcoe Capital Reserve - \$1.1M.
46. The \$384,359 is the commitment carried forward for County of Simcoe Provider Loans.
47. The \$189,742 and \$262,047 contributions to the Wastewater and Water Capital Reserves, is being funded from the rate stabilization reserves to fully fund the 2015 budgeted Capital Contribution.

**OTHER RESERVES**

48. Prior to the directions provided by Council regarding the 2016 Business Plan, the December 31, 2015 other reserve balances affected by the recommendations in this report are:

	Balance at Dec. 31, 2015	Commitments	Recommended Motion	Non-Committed Balance at Dec. 31, 2015
Assessment Appeal Reserve	\$ 269,631	\$ -	\$ (172,231)	\$ 97,400
Federal Gas Tax	\$ 5,977,291	\$ (12,252,610)	\$ (405,476)	\$ (6,680,795)

\* Capital Commitments are based on approved capital spending for all prior and future years as at year-end. The reserve balance does not include potential future contributions to the reserve.



49. As noted above, future contributions to reserves are not reflected in the non-committed balances. For 2016, estimated Federal Gas Tax contributions are \$8.2M.
50. Assessment appeals are uncertain in nature and difficult to anticipate. For 2015, a provision of \$500K was budgeted while the actual cost for appeals was approximately \$1.7M, resulting in a negative variance of approximately \$1.2M for this item. In 2015, Council passed a motion requiring that any deficit resulting from ARB decisions be funded from the Assessment Appeal Reserve. This report recommends \$172, 231K be funded from the available reserve balance of \$269K.
51. In 2015 federal gas tax funding was approved for facility condition work. A purchase order was issued for this work, but \$303,514 of work is still outstanding at December 31, 2015. The balance of the commitments included in the table above is for approved and pre-approved capital projects. This report recommends funding \$405,476 from the Federal Gas Tax Reserve for the allowable operating expenditures in the road life cycle account that exceed the 2015 approved budget amount. The reason for the higher than planned expenditures is that two resurfacing contracts were awarded in late 2014 but due to time and weather issues the work was not completed and paid for until spring 2015. These 2014 committed purchase orders were not included in the 2014 budget and business plan year-end report.

#### **COUNCIL STRATEGIC PRIORITIES – 2015 MAJOR ACCOMPLISHMENTS**

52. A summary of accomplishments made towards 2014-2018 Council's strategic priorities is included in Appendix E.

#### **KEY DIVISION SERVICE DELIVERY INITIATIVES/KEY PERFORMANCE INDICATORS**

53. Updates on Key Division Service Delivery Initiatives (KSDSI's) and Key Performance Indicators (KPI's) can be found in Appendix F and Appendix G.

#### **HOUSEKEEPING – BARRIE HYDRO HOLDINGS INC.**

54. In November 2012, the City of Barrie authorized a loan to Barrie Hydro Holdings Inc. (BHHI) to provide interim funding required for BHHI's equity injection into PowerStream Holdings Inc., as BHHI's cash on hand was insufficient to address the equity request. The current value of the loan to BHHI is \$6.5 million. However, under O. Reg 438/97, a Municipality can only increase its investment in a hydro company through the issuance of shares.
55. The issuance of the Common Shares, as approved by the Board of BHHI on March 23, 2015, to The Corporation of the City of Barrie will ensure compliance to O. Reg 438/97.

#### **ENVIRONMENTAL MATTERS**

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

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**ALTERNATIVES**

57. The following alternatives are available for consideration by General Committee:

**Alternative #1** General Committee could alter the proposed recommendation by directing staff to fund the rate deficits in some other manner.

Although this alternative is at the discretion of Council, it is not consistent with the current Financial Policies Framework which specifies that 100% of any year-end deficit be funded from the stabilization reserve, so as to work toward achieving the City's sustainability and financial flexibility objectives.

**Alternative #2** General Committee could decide not to carry forward the County of Simcoe Provider Loans and social housing surpluses into 2016.

This alternative is not recommended as it could result in operating deficits in 2016 and would impact budget to actual variance reporting throughout 2016.

**Alternative #3** General Committee could decide not fund the deficit for ARB decisions from the Assessment Appeal reserve.

This alternative is not recommended as through the review of legacy reserves, it was concluded that reserves for these specific purposes are required and should be used when appropriate.

**FINANCIAL**

58. 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 2014-2018 COUNCIL STRATEGIC PLAN**

59. 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 December 31, 2015

	Budget	Actual	Variance
Council & Mayor's Office	828,832	732,162	96,669
Office of Chief Administrative Officer	754,166	677,967	76,199
<b>Community and Corporate Services</b>	<b>36,479,419</b>	<b>37,355,705</b>	<b>(876,287)</b>
GM of Community and Corporate Services	335,872	336,399	(527)
Fire	23,292,908	23,620,017	(327,109)
Finance	3,491,893	3,383,814	108,079
Legislative and Court Services	680,985	778,771	(97,786)
Legal Services	1,527,486	1,853,872	(326,386)
Building & By-law Enforcement	587,084	264,334	322,751
Recreation	6,563,190	7,118,499	(555,309)
<b>Infrastructure &amp; Growth Management</b>	<b>45,234,356</b>	<b>45,784,186</b>	<b>(549,830)</b>
GM of Infrastructure and Growth Management	318,030	332,757	(14,727)
Facilities	2,168,503	2,051,545	116,958
Transit	9,718,127	10,309,290	(591,163)
Engineering	2,123,692	1,739,674	384,018
Planning	1,242,969	1,412,250	(169,281)
Environmental Services	5,099,882	5,218,913	(119,030)
Roads	16,149,125	16,091,322	57,804
Parks and Forestry	4,604,170	4,481,429	122,741
Fleet	3,809,857	4,147,006	(337,149)
<b>Invest Barrie</b>	<b>2,956,169</b>	<b>2,797,805</b>	<b>158,364</b>
Invest Barrie – Administration	371,580	337,233	34,347
Business Development	766,127	751,853	14,274
Culture	1,818,462	1,708,719	109,742
<b>Access Barrie</b>	<b>1,404,556</b>	<b>1,408,950</b>	<b>(4,394)</b>
Access Barrie - Administration	324,784	305,381	19,403
Customer Service	275,150	270,036	5,114
Communications and Strategic Initiatives	804,622	833,533	(28,911)

<b>Innovate Barrie</b>	<b>8,984,351</b>	<b>8,708,046</b>	<b>276,304</b>
Innovate Barrie - Admin	329,478	291,729	37,749
Human Resources	2,502,012	2,361,607	140,405
Information Technology	6,152,861	6,054,710	98,150
<b>Other Expenses</b>	<b>35,499,370</b>	<b>35,565,940</b>	<b>(66,570)</b>
Financial Expenses & Other General Government	35,499,370	35,565,940	(66,570)
<b>Total Net City Services</b>	<b>132,141,217</b>	<b>133,030,762</b>	<b>(889,545)</b>
Service Partners and Grants	76,843,801	75,323,334	1,520,467
<b>Total Net Expenditures</b>	<b>208,985,018</b>	<b>208,354,096</b>	<b>630,922</b>
Net Taxation for own purposes	(198,976,847)	(199,006,882)	30,035
Payments in Lieu of Taxes	(1,671,396)	(1,757,339)	85,943
Interest Income	(4,245,000)	(4,289,244)	44,244
Corporate Overheads	(3,475,100)	(3,475,100)	0
Sundry Revenue	(616,676)	(184,700)	(431,976)
<b>Total Revenue</b>	<b>(208,985,018)</b>	<b>(208,713,264)</b>	<b>(271,754)</b>
<b>Total Operating Variance</b>	<b>0</b>	<b>(359,168)</b>	<b>359,168</b>

APPENDIX B

**Detailed Tax Supported Operating Variance Explanations**

<b>Service/Driver: Utilities – Tax Rate</b>			
<b>Budget: \$6.059M</b>	<b>Actual: \$5.592M</b>	<b>Variance\$: 466K</b>	<b>Variance %: 7.7</b>
<p><b><u>Reason for Variance</u></b></p> <p>Energy Efficiency Initiatives implemented during 2015 are responsible for most of the positive variance. The Streetlighting conversion project accounts for \$300,000 of the variance, other facilities including the Operations Centre, Environmental Centre and all three Recreation Centres all had variances related to energy efficiency initiatives undertaken in those facilities during 2015.</p>			
<p><b><u>Impact Going Forward</u></b></p> <p>The impact of further energy efficiency initiatives will be to increase cost avoidance on a yearly basis. While cost avoidance will not necessarily result in an absolute reduction in utility costs Corporately it does limit cost increases in utilities from what they would otherwise have been if the project was not implemented. Projects implemented impact cost avoidance for as long as they are in place, so corporately as more projects are implemented cost avoidance accumulates, year after year.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <p>In order to reflect cost avoidance from energy efficiency initiatives in the utility budget, trends in reduced energy consumption that are available at the time the budgets are established are taken into account when establishing the utility budgets. This should help to minimize variances by accounting for reduced energy consumption within facilities and keep consumption numbers as accurate as possible.</p>			

**Service/Driver:** Fleet Operations – Vehicle Repairs

**Budget:** \$1.4M

**Actual:** \$1.8M

**Variance \$:** (436K)

**Variance %:** (31%)

**Reason for Variance**

Several heavy vehicles trended high for maintenance and repair costs in 2015. Most heavy vehicle parts are produced in the US and with the weak Canadian dollar prices have been higher. The majority of vehicles requiring more repairs include fire trucks, salters/sanders, sweepers and snow plows. The cost to maintain these vehicles have increased over 2014 and were 81% of the total repair costs in 2015.

- There are three fire trucks (Pumper 1, Pumper 3 and Tower 1) that are old and continue to be costly to repair. Further, one vendor went out of business in 2014 making sourcing parts to repair the pumper truck challenging. The 2015 repair cost for fire trucks was \$656K.
- The salter/sander trucks required extra maintenance due to the harsh winter conditions experienced early in 2015. The 2015 repair cost for sander trucks was \$388K.
- The sweepers are now 13 years old and require more maintenance work to keep them operational. The 2015 repair cost for sweeper trucks was \$229K.
- There are 4 snow plows that also required additional maintenance due to their age. The oldest snow plows in the fleet are over 17 years old. The 2015 repair cost for snow plow trucks was \$207K.

The Wash Bay was closed in 2014 and 2015 for renovation, it reopened in 2016. The shutdown affected all vehicles and equipment as drivers were not able to wash off salt, sand, and brine build up. The impact of these corrosive materials resulted in more maintenance than expected in a typical year. This will continue to affect maintenance costs in future years as rust has set in on the vehicles and equipment.

**Impact Going Forward**

Fleet staff is proactive with regular maintenance in an attempt to avoid costly repair work. As of January 2016 the Wash Bay is now operational and more repair work can be completed onsite.

Fire Pumper Trucks 1 and 3 have been ordered and are expected to be delivered in 2017. Fire Tower Truck 1 was approved in the 2016 Capital Plan and can be expected in 2018. The cost to repair and maintain these 3 vehicles in 2015 was \$218K.

Salter/sander truck replacement and sweeper replacements are in the capital budget at an average of 1 per year for the next 5 years.

One 1999 snow plow truck is in the Capital Plan for 2016. The remaining three oldest snow plow trucks (two 1998s and one 1999s) are in the Capital Plan for replacement in the next 5 years.

**Actions to Mitigate Future Anticipated Variances**

The City has a detailed 5 year and 10 year capital replacement plan for fleet assets to ensure vehicles and equipment are replaced in a reasonable timeframe to avoid expensive maintenance costs and keep them on the roads beyond their minimum useful lives.

<b>Service/Driver:</b> Roads Operations – Watercourse and Detention Pond Maintenance – Contracted Services			
<b>Budget:</b> \$1.109M	<b>Actual:</b> \$918K	<b>Variance \$:</b> 191K	<b>Variance %:</b> 17%
<p><b><u>Reason for Variance</u></b></p> <p>As reported in Q3, the Ponds project has moved forward as scheduled after delays related to wildlife regulations and staff workload earlier in the year. In early 2016, all scheduled Pond Cleanouts were complete for 2014 and 2015.</p> <p>The positive variance can be attributed to better pricing as a result of market conditions, aggressive contract pricing from GTA contractors and more underbidding by local contractors.</p>			
<p><b><u>Impact Going Forward</u></b></p> <p>The hiring of a third Operations Project Coordinator has greatly improved the capacity of staff for development and oversight of contracted work such as pond cleanouts.</p> <p>The addition of two storm/winter positions in 2015 and two planned for 2016 will provide dedicated storm staff to work on watercourse maintenance work that in previous years would not have been done due to capacity constraints.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <p>No future anticipated variances at this time.</p>			

<b>Service/Driver:</b> Rail Operations – Contracted Services			
<b>Budget:</b> \$367,500	<b>Actual:</b> \$534,256	<b>Variance \$:</b> (166,756)	<b>Variance %:</b> (45%)
<p><b><u>Reason for Variance</u></b></p> <p>As reported in the third quarter, the bid for contracted rail services was received after the 2015 budget input was completed and the bid received was significantly higher than expected.</p> <p>The budget for Rail Operations contracted services includes the cost of rail operations, track maintenance, and external contracted assessments net of carload and car storage revenues. Contract operating costs are escalating for the Operator (ex. fuel, asset replacements, and increased regulations) and revenues have been decreasing. Carload revenues have decreased significantly as the big businesses that used rail operations have moved from Barrie. Car storage was a large source of revenue when ACDC had a large number of storage areas and there were excess storage cars to store. The number of rail cars has normalized as older assets have been retired and the rail industry is focused on niche style cars that are in regular use.</p> <p>The main drivers of this negative variance include the following:</p> <ul style="list-style-type: none"> <li>• Revenue threshold payment increase</li> <li>• Unscheduled crossing rehab of Saunders Road due to low riding vehicle, impact \$80K</li> <li>• Washout of a culvert at the Huronia North Crossing which included reinstating the culvert, repairing the track, replacing lamp and ballast, and cleanup of the ballast washed downstream, impact \$20K</li> <li>• Washout of portions of the Beaton Subdivision, between Truman and Little Ave. including repair to track and ties, replacement of ballast, and repair to ditching to alleviate future drainage issues, impact \$20K</li> </ul>			
<p><b><u>Impact Going Forward</u></b></p> <p>Operating costs for the Operator are not expected to decrease in the future. Staff is continuing to look for opportunities to create efficiencies and alternative revenue sources.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <p>Staff is working on a plan to sell a portion of the excess rail track that is currently being stored at the Vine and Utopia yards in 2016. Capacity was not available to complete the project in 2015 however the addition of a third Operations Project Coordinator will allow this to happen in 2016. The rail track inventory needs to be used or sold as it will lose physical value due to weather impacts. This sale will help offset potential future variances.</p>			



<b>Service/Driver:</b> Roads Operations –Storm System Maintenance – Contracted Services			
<b>Budget:</b> \$270K	<b>Actual:</b> \$531K	<b>Variance \$:</b> (261K)	<b>Variance %:</b> (97%)
<p><b><u>Reason for Variance</u></b></p> <p>The Roads Operations budget was impacted by extreme weather in 2015. In August, a strong summer storm swept across southern Ontario and left thousands in the dark as the severe weather system brought heavy rain, hail and high winds. Roads and Parks Operations staff responded to numerous downed City trees and washouts. In the aftermath of the storm the Ministry of the Environment, Climate Change and the Lake Simcoe Region Conservation Authority mandated further erosion and washout remediation work by the City.</p> <p>Components of the City's aging storm infrastructure is in operation beyond it's intended lifecycle and has required major repairs to remain functional until a capital replacement can be carried out i.e. Johnson Street, Lockhart Rd, Huronia Rd, Saunders Rd, Albert St./Eugenia St. The influence of climate change in the form of more intense storms is also having an impact on operational cost.</p> <p>Dedicated storm system staff approved in the 2015 budget were not hired until December following the CUPE job description and evaluation program, resulting in the need for additional contractor assistance to address storm water issues. A total of 319 work orders for storm system maintenance were completed in 2015 with 452 added.</p>			
<p><b><u>Impact Going Forward</u></b></p> <p>The addition of two storm/winter positions in December of 2015 and two more in 2016 have increased the capacity of Roads Operations staff to respond to intense storms and will allow staff to do preventative storm and drainage maintenance work that would not be done otherwise.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <p>No future anticipated variances at this time.</p>			

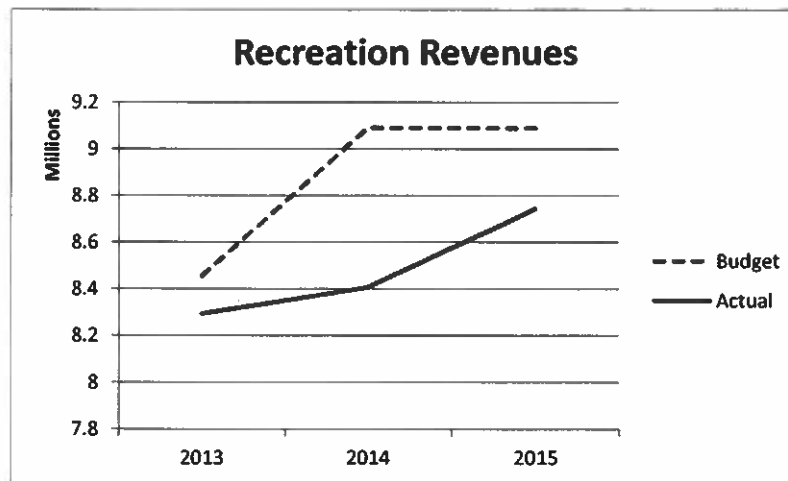
<b>Service/Driver:</b> Roads Operations – Winter Control			
<b>Budget:</b> \$5.12M	<b>Actual:</b> \$4.99M	<b>Variance \$:</b> 136K	<b>Variance %:</b> 2.7%
<p><b><u>Reason for Variance</u></b></p> <p>As reported in previous the third quarter, the Roads Operations budget was impacted by severe winter conditions from mid-January to mid-March 2015. Temperatures were significantly below average, Barrie went 43 consecutive days with temperatures below zero °C from January 25th to March 8th. The low temperatures resulted in additional winter operations and de-icing materials to provide the level of service required.</p> <p>In the fourth quarter, winter conditions were significantly warmer with less snow than historic averages. Due to the warmer weather there was a corresponding increase in the number of freeze-thaw incidents requiring resources to maintain roads and sidewalks. Overall, the warmer conditions positively affected the Winter Control budget as they offset some of the increased spending in the first quarter.</p> <p>Notable account variances:</p> <ul style="list-style-type: none"> <li>• Sidewalk contracted services \$49K;</li> <li>• Winter Roads contracted services (\$47K)</li> <li>• Winter Road Salt (\$299K);</li> <li>• Employee costs \$227K;</li> <li>• Increase in fuel usage and maintenance on plow equipment (expenses captured under Fleet Operations).</li> </ul>			
<p><b><u>Impact Going Forward</u></b></p> <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 price changes. The trend over the last five years has been an increase in the cost providing of winter control services. This budget pressure was identified in the 2016 budget directions report and the 2016 budget has been increased for winter sand, road salt and contracted services.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <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. The City is part of a larger buying group which has resulted in significant unit rate savings. Staff is also performing review of the mix of materials and application efficiencies for cost savings and protection of the environment.</p> <p>Review of other winter service performance by staff occurs during and post winter season to look for ways to improve service operations and control spending. For example, route mapping reviews to accommodate changes (e.g. bus routes and future growth) and reduce travelling and waiting time for materials.</p>			

**Service/Driver: Recreation Revenue**

<b>Budget:</b> \$ 9,089,213	<b>Actual:</b> \$ 8,743,678	<b>Variance \$:</b> (\$345,535)	<b>Variance %:</b> (3.8%)
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**Reason for Variance**

Revenues have been steadily increasing since 2013 with an additional \$337,129 in revenue in 2015 compared to 2014. However, as identified through the 2015 Business Plan status reports to Council, the annual budget targets have not been aligned to actual performance as demonstrated in the below chart.



**Impact Going Forward**

The Recreation Services department completed 2015 with a year-end deficit of \$(555k), an improvement over the \$(650-750k) projected deficit as of Q3, and in comparison to the \$(954k) deficit in 2014. The remaining deficit can be attributed to the overly optimistic revenue targets of \$(350k) and budget errors of \$(250k) that were identified through the 2015 Business Plan status reports to Council, as well as \$(150k) in salaries and benefits as a result of the CUPE Job Evaluation project that was unanticipated in the 2015 Business Plan. This was offset by registration revenue exceeding budget by \$165k compared to 2014, and \$283k in additional registration revenue was received.

**Actions to Mitigate Future Anticipated Variances**

Several steps have been taken through the 2016 business planning process to realign the department's budget to set a realistic and achievable target for 2016. These include:

1. Realigning revenue targets based on actual performance and trending data
2. Increasing user fees where appropriate
3. Decreasing PT/Casual/Overtime salary costs where feasible
4. Offsetting significant increases in utility costs through energy conservation efforts to reduce consumption

<b>Service/Driver:</b> 2015 Facility General Operations and Minor Capital – Tax Group			
<b>Budget:</b> \$2,480,433	<b>Actual:</b> \$2,199,368	<b>Variance \$:</b> 281,065	<b>Variance %:</b> 11.33
<b><u>Reason for Variance</u></b>			
<p>There were management and staff changes including issues with some vendors that had a negative impact on the service delivery for operational and project related work. Due to FM staff constraints some work commenced later in the year and will be completed in 2016.</p>			
<b><u>Impact Going Forward</u></b>			
<p>The management and vendor issues that were encountered have been addressed and we do not anticipate further changes in these areas. FM staff availability relative to the increasing demand for active engagement in projects and the facilities mandate presents challenges that will need to be reviewed in further detail for 2017.</p>			
<b><u>Actions to Mitigate Future Anticipated Variances</u></b>			
<p>Identify areas where additional resources are required for priority projects/work well in advance of required completion dates. Adjust staff resources as required for selected projects and work that must be completed in the current year.</p>			

<b>Service/Driver:</b> Transit Pass and Fare Revenue			
<b>Budget:</b> \$6,088,830	<b>Actual:</b> \$5,160,011	<b>Variance \$:</b> (\$928,819)	<b>Variance %:</b> (16%)
<p><b><u>Reason for Variance</u></b></p> <p>When preparing the 2015 business plan staff prepared anticipated budgets based on current 2014 data trends which were seeing transit revenue increase of approximately 13% when comparing to the same period of the previous year. It was therefore anticipated that this trend would continue into Q1 and Q2 of 2015 then reduce to a modest annual growth of 4% as the routes stabilized after the changes. However, in actual fact our revenue for 2015 only saw a total of 2.4% blended increase over 2014 levels largely in part to the number of customers who transitioned from cash fare to pass, or ride card fares.</p> <p>With each transition from a frequent cash fare rider to a pass fare rider our ridership will increase but our revenue decreases due to the discount rate applied to a monthly pass fare.</p>			
<p><b><u>Impact Going Forward</u></b></p> <p>With the new service provider taking over as of July 1, 2015 and the improved service that comes with it we could anticipate another shift in ridership usage from cash fare to pass fare riders. This shift has been anticipated for 2016 and will be included in future year considerations and should not have any significant impact going forward.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <p>With the new service performance contract that commenced July of 2015, we have seen enhanced customer service levels, improved and consistent service. We now also have greater data, controls, working relationship and integration with the service provider that helps to expedite service modifications to better serve our customers. Transit is also implementing several capital projects this year to increase their customer data through the installation of new validating fare box system which will track travel patterns and boarding's at each stop location. The installation of a new passenger counting system will be used to track alighting's at each stop location. The new technology being installed will help to provide for information based decision making around time of day ridership levels as well as stop demographics to ensure they are in the most optimized location. We have right sized the 2016 budget to compensate for this transition to pass sales and adjusted our revenue projections accordingly.</p>			

<b>Service/Driver:</b> Legal Services			
<b>Budget:</b> \$1.5M	<b>Actual:</b> \$1.8K	<b>Variance \$:</b> (326K)	<b>Variance %:</b> (21.7%)
<p><b><u>Reason for Variance</u></b></p> <p>The unfavourable variance is mainly attributable to the following:</p> <ul style="list-style-type: none"> <li>• Defence of the City in a litigation matter has been very active throughout the year; and,</li> <li>• OMB appeals to the City's Official Plan amendments are proceeding and numerous days of hearings have occurred.</li> </ul> <p>This variance is partially offset by the following factors:</p> <ul style="list-style-type: none"> <li>• A greater number of development agreements proceeded to registration than was anticipated which resulted in a favourable variance in Legal Services Recoveries.</li> </ul>			
<p><b><u>Impact Going Forward</u></b></p> <p>Litigation continues to be very active. However, should litigation matters proceed as expected it is anticipated the actual spending for the Legal Expenses and Consultants General account will be closer to the budgeted spending for 2016.</p>			
<p><b><u>Actions to Mitigate Future Anticipated Variances</u></b></p> <p>The unfavourable variance is a result of the significant litigation cost to defend the City's growth plans for the annexed lands. Future variances, if any, are dependent upon the outcome of the existing OMB appeals to the City's Official Plan amendments.</p>			

APPENDIX C

Capital Plan Progress Update by Division as at December 31, 2015

	2015 Capital Budget					Performance Reporting				
	Carryover from Prior Year Budgets	New Projects Approved in 2015 Budget	In Year 2015 Transfers / Additions	2015 Total Budget with transfers	Projected YE Spending Plan	Actual 2015 Spending	Variance to 2015 Projected	% of 2015 Projected Spending Plan Achieved	% of 2015 Total Budget	Spending Deferred
Summary of Capital Plan & Forecast										
Community and Corporate Services	0	2,131,000	(542,410)	1,588,590	881,000	276,190	604,810	31%	17%	(707,590)
Infrastructure & Growth Management	98,001,074	59,709,965	2,660,505	160,371,544	112,016,050	87,598,165	24,417,885	78%	55%	(48,355,493)
Innovate Barrie	6,086,634	6,165,020	2,090,200	14,341,854	10,692,378	9,523,246	1,169,132	89%	66%	(3,649,476)
<b>Total</b>	104,087,707	68,005,985	4,208,295	176,301,988	123,589,428	97,397,601	26,191,827	79%	55%	(52,712,559)

**APPENDIX D**

**Capital Plan Status Variances at December 31, 2015**

**Duckworth Street at Highway 400 and Cundles Road:**

2015 Total Budget with transfers	\$21.9M
Projected Spending Plan to end Q4	\$10.1M
Actual Spending to end Q4	\$15.5M
Variance to Projected to end Q4	(\$5.4M)

This is a multi-year project with planned spending through the construction period and into the warranty period ending in 2017. Spending on the core contract work exceeded the forecast in 2015 due to faster than expected advancement of the structural work. The project is proceeding on schedule and construction is expected to be completed by the end of 2016.

There have been unexpected costs related to environmental management that have resulted in higher than expected spending of the contract contingency. There have been some high intensity rainfall events in the area that have resulted in spills of sediment laden stormwater to Little Lake. City staff have been actively managing this situation in close consultation with the contractor Fermar, the engineering consultant Morrison Hershfield, Ministry of Transportation (MTO), Ministry of Environment and Climate Change (MOECC), Nottawasaga Valley Conservation Authority, and Environment Canada. In order to address environmental concerns, additional erosion and sediment control measures have been added to the contract which has resulted in change orders totalling approximately \$1.3 million to date (approximately 50% of the total contract contingency). Staff are closely monitoring the project budget and plan to request additional funds through the May 2016 Capital Status Report.

**Lakeshore Drive – Toronto Street to Tiffin Street:**

2015 Total Budget with transfers	\$10.4M
Projected Spending Plan to end Q4	\$11.5M
Actual Spending to end Q4	\$9.2M
Variance to Projected to end Q4	\$2.3M

This is a multi-year project for the design and construction of the Lakeshore Drive bridges at Dymont's and Bunker's creeks, and the realigned Lakeshore Drive. The new Lakeshore Drive roadway was opened to the public in October 2015. Additional work on the Dymont's and Bunker's channels continued into Fall 2015 with final landscaping works to be completed in Spring 2016. The warranty period will extend into 2017.

**Essa Road – Ferndale Drive to Coughlin Road:**

2015 Total Budget with transfers	\$5.2M
Projected Spending Plan to end Q4	\$5.2M
Actual Spending to end Q4	\$5.5M
Variance to Projected to end Q4	(\$0.3M)

Construction progressed on schedule with base asphalt completed in September 2015. Top lift asphalt is to be completed in 2016. Invoicing to property owners for frontage and servicing will recover the apparent over expenditure.



**Highland/Mountbatten/Rodney Reconstruction:**

2015 Total Budget with transfers	\$5.2M
Projected Spending Plan to end Q4	\$5.1M
Actual Spending to end Q4	\$4.4M
Variance to Projected to end Q4	\$0.7M

Construction is complete and is currently in the warranty period

**Dunlop Street – Anne Street to Eccles Street:**

2015 Total Budget with transfers	\$2.2M
Projected Spending Plan to end Q4	\$2.1M
Actual Spending to end Q4	\$2.4M
Variance to Projected to end Q4	(\$0.3M)

The construction work was substantially performed in July 2015. There were unbudgeted costs for water main work at Francis Street and some sanitary services had to be replaced.

**Wastewater Treatment Facility – Advanced Nutrient Removal:**

2015 Total Budget with transfers	\$4.9M
Projected Spending Plan to end of Q4	\$0.7M
Actual Spending to end of Q4	\$0.7M
Variance to Projected at end of Q4	\$NIL

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 is progressing on schedule.

**Landfill Reengineering:**

2015 Total Budget with transfers	\$13.1M
Projected Spending Plan to end of Q4	\$9.5M
Actual Spending to end of Q4	\$7.1M
Variance to Projected at end of Q4	(\$2.4M)

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 the remainder of the facility upgrades, much of which is to re-establish efficient and safe public access and transfer of waste, 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 in 2016. Given factors such as procurement of fleet requirements for operating the new waste disposal site and the timing of the MOECC approval and issuance of 3 ECA's for the work scheduled to be completed in 2016, monies may need to be carried into 2017.

**APPENDIX E**

**Council Strategic Priorities – 2015 Major Accomplishments**

<b>WELL PLANNED TRANSPORTATION</b>	
Lakeshore Road	Construction completed and road re-opened
Streetlights	Conversion of 10,000+ lights to LED technology
Waterfront	Waterfront and Marina Master approved; grants received for Military Heritage Park and Lakeshore Drive creek rehabilitation (\$625,000 total); waterfront trail fitness equipment installed through partnership with private sector
Duckworth Street	In 2015 the new Highway 400 southbound bridge was completed. All highway lanes were shifted to allow for partial demolition of the existing bridge, in preparation for construction of the new Highway 400 northbound bridge.
Road Rehabilitation	Lennox Drive (Ferndale to end) Ferndale Drive South (Hawthorne to Essa) Little Avenue (Huron to Yonge) Cundles Road East (Springdale to Ferris) St. Vincent (Anne to Cundles) Dunlop Street (Anne to Eccles) Dunlop Street West (400 to Ferndale) Essa Road (Ferndale to Coughlin) Sunnidale Road Reconstruction (Cundles to Letitia) Bayview Drive (Burton to Glenridge)(Little to Big Bay Point Road) Huron to (Saunders to Lockhart)
Neighbourhood Renewal Program	Hickling Trail; Highland Avenue; Mountbatten Road; Rodney Street
<b>VIBRANT BUSINESS ENVIRONMENT</b>	
Business Development/Investment Management	<p>20 active investment inquiries, with the following highlighted results:</p> <ul style="list-style-type: none"> <li>Linear Transfer Automation – Company purchased industrial property and is completing an approximate 20,000 sf. addition to the existing 20,000 sf. industrial building.</li> <li>Innovative Automation – Sale of 4.15 Acres of City-owned industrial land. Construction to begin in 2017 of a 52,700 sf building.</li> <li>Burger Gruppe – 60,000 sq. ft. manufacturing facility under construction</li> <li>Betatech – Land sale to facilitate 20,000 sq. ft. addition</li> </ul> <p>Little Lake Centre – Invest Barrie team continues to actively facilitate the third development (estimated 360 apartments in an 8-story building) within the multi-building senior’s residential and medical office site. Project includes purchase of a City-owned parcel of land</p> <p>Development of a DC Deferral Policy for non-residential properties to assist projects which had progressed under a pro-forma based on development charges prior to the passing of the new DC By-law</p>
Economic Diversification	Development of a strategic framework for Invest Barrie to provide a single roadmap that aligns and coordinates all activities towards transforming and diversifying the city’s economic base.
Start-up Ecosystem	Commencement of actions and activities to establish an ecosystem that will support the creation of a pipeline of startups

Downtown Development	Downtown parking lot disposition plan approved; initiated the surplus and disposition process.
<b>INCLUSIVE COMMUNITY</b>	
Affordable Housing	Strategy approved; Second suites by-law adopted and education sessions and information briefs prepared to assist the public in the development of legal second suites
Land Use Planning	Employment Lands Conversion OPA approved  Bonusing OP policies approved  Mixed Use Zones and policies approved  \$50,000 grant received from the Provincial Seniors Secretariat for an Age-Friendly Community Planning Project in a partnership with Planning and Human Resources.
Infrastructure	Annexed Lands infrastructure designs initiated for trunk watermain, decommissioning of wastewater pump stations and Holly pump station expansion.
<b>RESPONSIBLE SPENDING</b>	
Automation	ERP software selected (SAP) and implementation commenced which included over 100 workshops to re-engineer business processes to maximize benefit from software and improve service delivery through streamlined processes.  Accela selected as the new enterprise solution for permits, inspections, applications and licenses to streamline processes, ensure data accuracy through centralization and better manage growth demands through monitoring.  GIS function consolidated to develop comprehensive, city wide spatial data management model to ensure data accuracy through consistency in data requirements and consolidated data storage.
Technology	Obtained approval for a new 'Metro Data Centre' approach to eliminate our current risk of a 'single point of failure' and ensure network redundancy, high availability, flexibility, performance, scalability and agility across our technology infrastructure. Implementation underway.
Procurement and Controls	Comprehensive review of Procurement process completed, new by-law and policies drafted to achieve improved controls within a framework of flexible processes to balance service needs.  Detailed forensic audit of Corporate Facilities completed, management recommendations presented to Council, and implementation underway.
Business Planning	Introduction and approval by Council of a new 1% dedicated infrastructure fund and organizational 'right-sizing' in preparation for growth in 2015 budget.  Public engagement campaign implemented to improve understanding of how tax dollars are spent. This included tax bill insert, budget allocator tool and an animated video developed in house.  Portfolio Governance process streamlined to align prioritization of business and capital projects against available resourcing to better manage high priority projects and constrained resourcing.

<p>Innovation</p>	<p>Launched Bell Box Mural Program to curb graffiti</p> <p>Created 'MIC' (Municipal Innovators Community) and hosted a successful first conference attended by over 30 municipalities from 3 provinces</p> <p>Held 2 internal 'Innovation Labs' to foster City of Barrie entrepreneurship.</p> <p>Change Management program formalized; templates and tools developed; team specific experiential training provided and change agent program developed and implemented.</p>
<p>Workforce</p>	<p>Multi-year settlement with CUPE (inside and outside workforces) within Council direction</p> <p>Multi-year settlement with Fire (BPFFA) within Council direction and freely negotiated</p> <p>CUPE job evaluation project completed to achieve/ensure compliance with Provincial Equity legislation. Successful implementation achieved under budget.</p> <p>Succession Planning supported by Management Development Program – 2<sup>nd</sup> cohort will complete focused and specialized management training of 30 middle management staff.</p> <p>Workforce Planning – comprehensive retirement map completed that identified departmental risk areas due to multiple retirements within a 5 year period. Detailed workforce planning underway for 3 high risk departments.</p>

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APPENDIX F

**Key Division Service Delivery Initiatives (KSDSI's)**

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 working towards finalizing the development of a comprehensive framework of all strategic and master plans which will include Council and Corporate strategic priorities, action plans and key performance measures aligned to the Strategic Priorities, designed to serve as the long term roadmap for the organization. Target presentation to Council is Q2, 2016.

***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***

- A new All Management Forum was held on December 16th to support and grow management competencies throughout the organization in alignment with the City's leadership model and corporate values, as well as provide an internal network for peer support.
- A Business Case on the costs to implement the Customer Contact Centre portion of the Customer Service Plan was approved by Council October 26, 2015.

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

- The RFP for the Budget System closed in December and staff awarded the contract in March 2016. The Budget System will streamline the process through automation and will be fundamental to maintaining the Long-Term Financial Plan.

***Implement a Performance Measurement Framework that enhances accountability and transparency***

- The Strategic Plan success outcomes were developed in consultation with EMT and staff. Performance metrics were mapped to the success outcomes, and performance measurement will be a component of the comprehensive strategic framework.

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

- OMB hearings are ongoing. EA's are underway in accordance with the MOU.

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

- The ERP system build continues. The planning (blueprinting) phase has completed and the system build is near complete. Next steps involve testing the system and preparing for knowledge transfer and training.

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***Continue program development and advocacy to secure a University campus***

- Laurentian University has made the decision to withdraw all programs in Barrie. Georgian College and Lakehead University announced expanded degree programs. The City of Barrie is in discussions with Georgian College regarding future opportunities.

**Community & Corporate Services**

***Develop expertise and provide internal support to expropriation process and handling of liability and cost issues on remediation and sale of environmentally contaminated property***

- All City expropriation files are being managed by staff.
- Spearheaded the creation of internal processes for dealing with Brownfields developers where the City will be receiving land dedications.

***Prepare for residential development in the annexed lands***

- Implementation of the Second Suites By-law, and;
- Undertook public information sessions to inform residents of requirements related to Second Suites.

***Review, revise and implement the Fire Master Plan***

- BFES has reviewed and revised the Fire Master Plan (FMP) for the years 2016 – 2025 with an outlook to 2031. The upgraded plan aligns with the requested 2016 10 year capital plan. The FMP was presented to the Community Services Committee on Dec. 2, 2015.

***Implement the process recommendations from the Purchasing Services Review***

- During this year, the service review was completed and recommendations will be implemented within the first and second quarter of 2016. Included in the recommendations is an update to the City's purchasing by-law which was approved by Council in March 2016. Recommendations include training across the corporation and will introduce new tools and templates including more emphasis on contract management.

***Develop a long-term financial plan, incorporating the financial management policies identified in the FIA.***

- As a result of staff changes and ongoing commitments supporting the ERP project, the long-term financial plan project has been delayed. It is expected that this work will begin late in 2016 and would be presented to Council in the spring of 2017.

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Invest Barrie

***Create a plan for increasing the level of engagement with the broader business community and begin implementation in support of the economic development strategy and several departmental initiatives.***

- Invest Barrie has initiated a number of projects that are aimed at increasing the level of value-add engagement with the business community. A key example of this is the “Detailed Business Landscape Research Initiative”. In this initiative, Invest Barrie and Georgian College are collaborating to conduct a comprehensive one-on-one study that will help us understand businesses and industries in Barrie. The information and data emerging from this initiative will identify the areas of greatest opportunity for business expansion and attraction. Put simply, this initiative will allow Invest Barrie to clearly understand how and where to add value to various industries in Barrie, where to focus attraction efforts, and how to accelerate growth within the existing business community. The initial phase of the initiative is focused on manufacturing. Other important initiatives, including the Barrie Business Ambassadors, the Entrepreneurship Centre, Open Innovation, True Growth and several other programs have begun to, and will continue to, engage the business community.

***Develop a competitive economic development strategy and align resources behind the strategic direction.***

- In October 2015, the Invest Barrie Strategy framework was presented to Council. The strategy focused on a coordinated approach that would support a robust and resilient economy, create high quality career options and ensure that Barrie is known as a premiere business and investment destination.

With multiple areas of focus required to create an environment that enables these goals, the Invest Barrie strategy was developed with 3 layers: the Transformational Layer, Operational Layer, and Environmental Layer.

The Transformational Layer is focused on initiatives that will create the conditions for significant economic growth, diversification, and new investment. The Operational Layer focuses on how Invest Barrie will deliver core functional services in the most effective way so as to maximize outcomes (such as attraction of new employers or growth in the industrial assessment base). The Environmental Layer focuses on key activities that affect the overall attractiveness of Barrie as a business location, but which rely on coordination of departments across the organization.

The strategy is currently being implemented with projects underway in each of these layers.

***Deploy a robust accountability framework for culture-based grants and other investments:***

- We have now achieved more than one cycle of the new reporting schedule for arts organizations and the change has contributed significantly to the transparency of the grant allocation and reporting process. The Department of Culture will continue to enhance its accountability framework for the granting process, with an increased focus on outcomes, in alignment with measureable indicators that will be developed to measure and track the impact of Culture (as well as the impact of the investment in Culture) in the City of Barrie.

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***Initiate a number of key initiatives aimed at growing the start-up ecosystem and start-up culture. The ecosystem includes elements associated with mentorship, incubation and acceleration, access to seed capital, access to talent, anchor companies, etc. In addition, the creation of a start-up culture, with the excitement and creativity that goes along with it, will be a key component of the initiative***

- A start-up ecosystem plan was developed in 2015, which will act as a foundation to attract and support start-ups as well as connect entrepreneurs, businesses, and institutions in the City. The plan outlines a number of phases, and associated initiatives, that will help grow the ecosystem as part of a larger effort to create a vibrant entrepreneurship hub in Barrie. Overall in 2015, key projects were initiated that will enable growth of the startup culture and ecosystem in subsequent years. Some examples of projects include:
  - Ecosystem Events – Launched a series of events which allowed local entrepreneurs to network, build connections, learn new skills, and become inspired. Events included Raizit, Mentor Mash, and the Innovation Speaker Series.
  - Artrepreneur – This program, developed in 2015, is designed to equip independent artists, arts administrators and creative entrepreneurs with vital business skills needed for success across all creative disciplines and industries through a 15-week course.
  - In Q3, Georgian College, Invest Barrie and ventureLAB applied for and received provincial funding to host a youth entrepreneurship program. Invest Barrie and its partners developed and delivered a weekend-long event called Generation Innovation; 35 high school students partook in the weekend competition in which the participants had to solve a business problem for four local Barrie companies.
  - In 2015, Invest Barrie partnered with the Henry Bernick Entrepreneurship Centre at Georgian College, to initiate a project that will lead to a coordinated ecosystem roadmap with common targets, definitions, planned activities, service map and co-mentoring plans across ecosystem service providers.

***Continue leading and supporting key strategic initiatives focused on the City Centre, but with the focus of leveraging the downtown as a creative and innovation hub.***

- In 2015, Business Development completed the first step to fostering development in the City Centre through the creation of the strategic direction and implementation framework for the sale of a select number of downtown City-owned properties. Presented, and approved by Council, the staff report identified several City-owned parking lots for redevelopment that would provide for an increase in both employment and residential density in the City Centre, as well as the lots that would be leveraged for strategic projects. The staff report also incorporated opportunities to provide affordable housing, a priority of Council. Staff has since then initiated the implementation of the framework.

In addition to the parking lots, staff have engaged in a project (along with several business leaders) that will assess the business model and feasibility for creating an entrepreneurship centre in the downtown. Such a centre would accelerate the convergence of the downtown creative hub, and would increase the number of start-ups in the downtown.

Finally, staff have engaged in other activities that enable the downtown creative hub. Activities include things such as the Department of Culture working with the Public Art committee on innovative public art installations, street performers, and business-creative mashup events.



Access Barrie

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

A business case on the costs to implement the Customer Contact Centre portion of the plan was approved by Council October 26, 2015. The implementation of the Contact Centre will be phased over a 3 - 5yr time frame. Final authorization included as part of the 2016 Budget.

Implementation planning commenced in Q4. The plans cover people, technology, facilities and equipment as well as address change management for the Corporation as a whole. Timelines for implementation, dependencies between other corporate priorities, communication strategies, HR planning and service transitions are being addressed.

***Develop a new service delivery method for the handling of After Hours calls.***

After Hours calls from the public to report non 911 emergency calls has historically been handled by Barrie Fire dispatch services. Calls include traffic signal malfunctions, broken water mains, environmental spills etc. With the growth of the city and with fire dispatch expanding their service to include "fee for service" support to 16 other municipal fire services, an alternate service delivery method was investigated. An RFI was conducted to determine market capabilities for the private sector to provide this service. Led by Access Barrie – Customer Service, a cross departmental working group tendered and awarded an RFP to provide these services for the City of Barrie. This new service was launched on October 1<sup>st</sup> by transferring the service from Barrie Fire dispatch to @Liveconx. This supported Barrie Fire being able to commence new dispatch services for the Town of Midland on October 6<sup>th</sup>.

IT services supported this initiative by developing a secure website to support this service delivery to ensure that the most accurate information is available to @LiveConx to manage the emergency callouts to staff. Individual departments are responsible for updating and maintaining their specific call out information. Access Barrie monitors the service and manages the contract with @LiveConx.

Between October 1st and Dec 31st 2016 – 507 calls were taken from the public. The majority of calls support emergency reports to Roads, Parks and Fleet and Water services.

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

Developed & executed marketing campaigns for the 2016 Business Plan & Budget, the City's first Curbside battery collection program (a partnership with the County), Remembrance Day, Santa Claus Parade, Parking changes/free downtown parking, Fire Prevention Week, Free Wi-Fi at Rec Centres, Text with 911 availability, Rec Fee Increase, Ward 7 By-election, Ghost Bus Tour, Communities in Bloom Fall Awards, Artrepreneur recruitment, Pet Licensing, and a number of theatre shows. Access Barrie continued to attract positive media attention for the City with press events that included the Opening of Sam Cancilla Park and the new Transit Garage Official Opening.

***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 initiatives, events, information. Issued over 1,900 social media messages (Facebook and Twitter). Gained 5,577 new followers and had 5,819,550 impressions on Facebook and Twitter. Engaged residents in Budget consultation, utilizing online survey tool, website, video, public presentations and social media. The variance in visitors to Barrie.ca could be the result of our expanding social media presence and access to information that is made available via our social media platforms and Ping Street.

Developed internal communications for corporate projects including Our Plan for a Better Barrie (EMT BBQ's, Staff Selfie Contest), Our Playbook (2016 Team Barrie Calendar photo shoot & production), APLI, Procurement Services Review, Take Our Kids to Work Day, Customer Service Contact Centre, GIS Day, United Way Campaign Kick-off. Also, continued to provide communication/change management support to the ERP project and continued to work with departments to promote corporate news on InSite through web banners, newsfeed, content updates etc.

#### Innovate Barrie

#### ***Enhance Network, Computing and Mobility Environments to Meet Existing and New Business Requirements of the City***

- Construction of the first of two new computing data centres is now completed. Work is underway for the design and configuration of this new data centre. This new data centre for the corporation, expected to be operational by Q2 of 2016 will support continued growth, redundancy and high availability for staff and members of the public to access City services electronically.
- Development of a corporate mobility enablement plan is now complete. Approval of the plan will be achieved in early Q2 2016, with work to follow in leveraging a range of mobile devices and solutions to support productivity improvements and service delivery enhancements to the community

#### ***Identify, Implement and Manage New and Upgraded Business Application and Technology Infrastructure Solutions to Meet Service Delivery Needs***

- Implementation of a new building permitting application solution remains underway. This new web solution comes equipped with an online view / portal access for members of the public to electronically submit building permit applications and documents. This new solution is targeted for launch to the public in 2016.
- In support of the City's GIS initiatives, work remains underway in the development of a corporate data management plan. Expected to be completed in 2016, this new data management plan will guide and support the City's GIS efforts in managing the extensive array of spatial and tabular datasets and standards.

#### ***Implement the Staff Strategic Plan***

- The steering committee is meeting on a regular basis with new values and associated banners rolled out to staff, a number of initiatives moving forward from the 2015 action plan including the commencement of a corporate training committee, and the roll out of an equivalency procedure and discussions associated with wellness.

#### ***Implement the New ERP System***

- The ERP system build continues. The planning (blueprinting) phase has completed and the system build is near complete. Next steps involve testing the system and prepping for knowledge transfer and training. Go live is slated for the end of the second quarter.

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Infrastructure and Growth Management

***Manage the implementation of the Secondary Plan for the Annexed Lands***

- The OMB Hearings are on-going. The latest Hearing was due to the appellants position that the GMS needed to be updated with respect to the current unit counts (built and remaining) since it was prepared in 2011. The Hearing ended on December 10<sup>th</sup> with a reserved decision. The next Hearing is scheduled for approximately 7 weeks and to take place in May/June 2016. Settlement discussions regarding a number of appeals are underway. Council approved terms of a settlement with respect to the GMS appeal. The Board was advised that Council had approved terms of settlement and the discussion between the City and the appellants continue to occur to finalize the settlement documentation. The lawyers met on March 30, 2016 to continue settlement discussions. Outside of the appeal process, discussion on a wide range of implementation matters continues to occur between City Staff and landowner representatives. Representatives of the landowners and City meet once a month while issue specific meetings occur when necessary. Meetings also occur with external agencies. The internal Growth Management Coordination Committee continues to meet on a monthly basis.

***Undertake Special Studies for Development Permit System, Brownfield Policies, Affordable Housing and Sustainable Development***

- The Brownfield Study has been completed and incorporated into the Official Plan. Staff have developed a new Community Improvement Plan to provide financial incentives form among other things, the rehabilitation of Brownfield Sites. A public meeting was held on this new CIP on April 4<sup>th</sup>, 2016 and staff anticipates reporting back to Council on June 6<sup>th</sup>, 2016 following further stakeholder consultation.
- The Affordable Housing strategy has been approved and several action items have been completed or are currently completed 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 the other 13 action items from the Affordable Housing Strategy was considered by General Committee on November 30th, 2015. Staff were directed to report back on an implementation plan for the Built Form Task Force's recommendations which will be received by General Committee on May 2<sup>nd</sup>, 2016. There has also been extensive work completed by a sub-committee of the BFTF completed in the first quarter of the 2016 and staff anticipates a further report on this work to be considered by General Committee on May 18<sup>th</sup>, 2016. There are a number of other initiatives regarding affordable housing and staff are partnering with service sector partners in bringing some of these initiatives to Council including the preparation of a monitoring program and a communication strategy.
- The Sustainable Development strategy and the Development Permit System are currently in stasis due to resourcing issues and will be reinitiated prior to Q4 of 2016.

***Begin implementation on a new Official Plan***

- A public meeting was held on the new Official Plan in June of 2015. As indicated in the outline of 'next steps' 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 2015-2017. Staff have met and discussed next steps on this project in light of ongoing litigation regarding the Salem and Hewitt's Secondary Plans. As a result staff are reporting back to General Committee on May 2<sup>nd</sup> with a revised work plan identifying that, notwithstanding the public meeting, staff are recommending an update to the existing plan rather than a new plan to ensure that we do not jeopardize the work undertaken to date on the Growth Management Strategy

***Work Towards implementation of the Sustainable Waste Management Strategy***

- Began implementation of Multi-Family Green Bin Pilot Program – established the Project Plan, provided necessary education, carts and bins for collection to begin in 2016;
- Reduced ICI bag limit from 10 to 6 bags;
- Reduced collection of garbage to bi-weekly to encourage diversion;
- Four-day collection cycle to reduce shifting collection days on holiday weeks;
- Mattress pilot is still in operation;
- Intake Form has been submitted for elimination of the annual 100kg free load of garbage for residents; and,
- Started textile collection at landfill.

**APPENDIX G**

**Key Performance Indicators (KPI's)**

	Target	Actual
<b>Community and Corporate Services</b>		
<b>Fire</b>		
Emergency Response Call Volumes <sup>1</sup>	8,200	8,173
Less than a 6 minute road response - 90% of the time <sup>2</sup>	95%	93.2%
<b>Finance</b>		
Number of Tax, Water and Wastewater Calls Dropped	1,800	956
Tax Arrears as a Percentage of Current Year Levy	6.6%	5.85%
Percentage of Invoices Paid in 30 days	75%	67%
Water Wastewater Arrears as a percent of last 12 months of billing	10%	20%
Days to Complete a Procurement Process <sup>3</sup>	77	93
Percentage of Goods/Services Purchased through a Procurement Process <sup>4</sup>	75%	83%
Average Number of Bids Received per Bid Process	5	4.8
Benefits of Tendering Process <sup>5</sup>	10%	15.2%
<b>Legislative and Court Services</b>		
Number of Customers Served at Counter	39,000	39,360
Average Customer Processing Time	3:50	3:49
Number of Meetings Supported <sup>6</sup>	180	118
Percentage of Minutes Published within 4 Days after the Meeting	100%	95%
Number of Trial Requests Processed (Barrie) <sup>7</sup>	19,000	22,217
Average Time to Trial - Part I Charges (months)	6	5
Number of Marriage Licences Issues	870	851
Number of Deaths Registered	900	973
Number of Formal MFIPPA Requests Received <sup>8</sup>	35	48
Percentage of MFIPPA Requests Responded to within Legislative Framework <sup>9</sup>	98%	92.5%
<b>Legal Services</b>		
Percentage of Insurance Claims/Incidents Handled In-House	80	92
Ratio of Closed to Open Files	.95:1	.95:1
Property Transactions Completed (acquisition, disposition, expropriation, easement, lease, and encroachment)	21	23
Percentage of Properties Acquired by Negotiation vs. Expropriation	80	100
<b>Building &amp; By-law Enforcement</b>		
Average Number of Inspections to Approve Occupancy for New Dwelling Units	1.7%	1.9%
Percentage of Business Licenses Renewed by Due Date	85%	81%
Volume of By-law Administration Files	9,300	9,074
Volume of By-law Enforcement Files	52,000	56,761
Operating Cost for Building Permits per \$1000 of Construction Activity	\$12.00	\$12.10
Percentage of Cost Recovery from Fees and Fines (Building Services)	100%	100%
Percentage of Cost Recovery from Fees / Fines (By-law Services)	45%	59%

	Target	Actual
Percentage of Building Permit Applications Reviewed within Legislated Timeframes	96%	91%
<b>Recreation</b>		
Community Group Usage of Recreation Facilities (Total Hours)	23,000	40,039
Participant Visits to Recreation Facilities	1,998,000	2,488,717
Total RecACCESS Participation <sup>10</sup>	N/A	1,834
Utilization Rate for Directly Provided Registered Programs <sup>11</sup>	80%	79.2%
Recreation Services Operating Cost Recovery Rate <sup>12</sup>	57.7%	55.1%
<b>Infrastructure and Growth Management</b>		
<b>Engineering</b>		
Capital Expenditures as a percentage of forecasted expenditures <sup>13</sup>	100%	87%
<b>Environmental Services</b>		
Residential Waste Diversion Rate <sup>14</sup>	48.5%	53.4%
Number of Customer Complaints – Curbside Collections/1,000 serviced units <sup>15</sup>	10	12.44
Monthly Average Total Phosphorus Effluent Concentration mg/L (Wastewater)	0.10%	0.07%
Number of Customer Complaints per 1,000 Customers (Water)	3	0.871
<b>Planning</b>		
Number of Ward Meetings held for Development Applications	13	14
Number of Land Owners and/or Residents in attendance at Ward Meetings	300	325
<b>Transit</b>		
Passenger Trips per In-service Vehicle Hour <sup>16</sup>	16.7	15.1
<b>Invest Barrie</b>		
<b>Business Development</b>		
Number of new, prospective start-up entrepreneurs with the City through start-up cluster initiatives	100	144
Number of new business-led groups or initiatives that are engaged in activities that support economic development	4	5
% increase in GBBEC response rate to client survey in proportion of services offered	10.00%	32.53%
<b>Culture</b>		
Total value of sponsorships from all corporate events	\$46,000	\$93,000
Number of community volunteer and student hours spent on DOC work	2,349	2,650
Gross culture spending per capita	\$15.90	\$12.43
Rental revenue – Mady Centre for the Performing Arts	\$104,000	\$51,698
Rental revenue – Georgian Theatre	\$160,000	\$170,317
<b>Access Barrie</b>		
<b>Customer Service</b>		
Number of Self-Serve Activities Completed on Barrie.ca	18,000	19,728
Number of PingStreet "Report a Problem" Submitted	500	609
Number of Recycle Containers picked up at Alternative Locations	5,000	5,838
<b>Communications</b>		
Number of Communication Strategies Written and Implemented	35	45

	Target	Actual
<b>Marketing</b>		
Percentage Increase in the Number of Visitors to Barrie.ca	12%	5%
Total Number of Impressions of Twitter and Facebook	12,000,000	14,000,000
<b>Innovate Barrie</b>		
<b>Human Resources</b>		
Number of Lost Time Accidents <sup>17</sup>	5	14
Total Cost of Lost Time <sup>18</sup>	\$40,000	\$94,353
Turnover Rate	4.5%	3.9%
Average Number of Absences per Employee (days)	9.5	10.1
Quarterly Percentage of EFAP Usage	19%	18.7%
Corporate Training Dollars Spent per Permanent Employee <sup>19</sup>	\$53.00	\$57.43
Percentage of Voluntary Turnover	4.5%	2.9%
Percentage of Turnover in First 2 Years of Employment	0.5%	0.12%
Internal Promotion Rate	4%	5.7%
Grievance Rate – CUPE	5%	7.6%
Grievance Rate – BPPFA	2%	1.8%
<b>Information Technology</b>		
Ratio of Virtual to Physical Servers <sup>20</sup>	75:25	90:10
Annual Number of Visits to the City of Barrie Website <sup>21</sup>	2.9 million	3.0 million
Corporate Network Availability <sup>22</sup>	99.99%	99.00%
City of Barrie Website Availability <sup>23</sup>	99%	99.42%

<sup>1</sup> 27 calls short of target.

<sup>2</sup> Slightly lower than Plan, but still above Council direction of 90%.

<sup>3</sup> This continues to be a challenge due to workload pressures, competing priorities and resourcing. The average number of bid process Purchasing Agents need to complete each year has increased by 33% (33 to 44); making it exceedingly difficult to meet the expected timeline. The implementation of the PSR recommendations should provide some efficiencies with better planning and streamlining the process; however with the expected growth this will continue to be a challenge.

<sup>4</sup> Regular audits and compliance reporting are planned for 2016. Areas for enhancement will be identified and recommendations provided.

<sup>5</sup> The higher than expected percentage can be in part contributed to market competitiveness and the level of interest from the vendor community to bid on the City's requirements.

<sup>6</sup> Lower than anticipated due to fewer Advisory Committee meetings resulting from appointment timing as well as the cancellation of several meetings and fewer early meetings than in previous years.

<sup>7</sup> Staff were able to process more trial requests than planned as we have implemented some efficiencies and due change in charge volumes.

<sup>8</sup> An increasing number of FOI requests are being received related to litigation, investigations related to fires, complaints/service requests submitted and bid submissions. A significant portion of the FOI requests relate to due diligence associated with real estate transactions.

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- <sup>9</sup> 92.5% of FOI requests were addressed within legislative timelines. The 10% variance relates to 3 files each of which were completed 1 day after the deadline. The response rate was solid given vacancies, the unanticipated by-election, the lack of an electronic document management system and the challenges presented by some departments not responding with all records requested within the internal timeline to allow for review.
- <sup>10</sup> The RecACCESS subsidy program has continued to grow since its inception in 2013 with this trend anticipated to continue into 2016. With utilization for registered programs approaching the 80% level there is an increased risk of the subsidy program impacting revenues by displacing paying customers. The program is under review to ensure the optimal balance is achieved between service to low income families and fiscal responsibility.
- <sup>11</sup> Utilization for Directly Provided Registered Programs has been strong at 79.2% in 2015, up from 78.7% in 2014. The Recreation Services department will strive to maintain the 80% utilization target in 2016, with an increased focus on revenues generated vs direct costs.
- <sup>12</sup> Revenues increased by \$337k in 2015 compared to 2014. However, as forecasted in the Q3 Business Plan status report to Council the revenue generation was not able to offset increasing salary and benefit costs from the collective agreement and impacts from the CUPE Job Evaluation project (both full-time and part-time staff), as well as increases in utility and insurance costs, therefore decreasing the Cost Recovery Rate from 56.7% in 2014 to 55.1% in 2015. The Recreation Services department is currently undertaking a rental rates and fees review to identify opportunities for further revenue generation.
- <sup>13</sup> Engineering capital expenditures were 87% of forecasted expenditures or \$50.7 million spent of the forecasted \$58.3 million. This was a significant improvement from spending versus forecast of 55% in 2014. The main contributing factors to the difference between actual spend and forecast in 2015 were MTO project delays, delays in obtaining property and construction delays, as well as contingency funds that were not required during construction. Engineering staff will continue to work towards developing improved spending forecasts in future years through improved project planning and management.
- <sup>14</sup> The residential diversion rate was higher than planned due to higher than planned volumes in organics and recycling at the curb. A carpet recycling pilot at the landfill has also contributed to the higher diversion rate.
- <sup>15</sup> It was expected that there would be a higher number of complaints when the curbside collection frequency was changed to every other week as the weather got warmer but our promotion, education and outreach campaigns had a lot of helpful information for residents. Fewer complaints can be attributed to the successful promotion and education tactics.
- <sup>16</sup> The target for 2015 is directly related to the aggressive projections made on the 2015 revenue. However, Barrie Transit is seeing a 2.4% growth in 2015 ridership over 2014 which was 14.4%.
- <sup>17</sup> Five of the lost time accidents were short duration and we were unable to provide modified work on the day after the injury. In 2015, we were able to provide modified work to several staff preventing approximately five or six lost time injuries in 2015.
- <sup>18</sup> Barrie Fire and Emergency Service had a significant increase in WSIB cost associated with several longer than usual claims. Additionally, another department had a worker off for a significant time due to a medical procedure to a previous claim. We were able to provide several months of modified work for this employee.
- <sup>19</sup> Corporate training budget overspent due to a large invoice posted to Corporate training in error.
- <sup>20</sup> Actuals exceed 2015 planned target
- <sup>21</sup> Actuals exceed 2015 planned target
- <sup>22</sup> 2015 planned target not achieved due to unforeseen outcomes with core infrastructure replacements and upgrades associated with asset renewal.
- <sup>23</sup> Actuals exceed 2015 planned target.