
TO: GENERAL COMMITTEE

SUBJECT: BUSINESS PLAN STATUS AS AT JUNE 30, 2011

PREPARED BY AND KEY CONTACT: C. MILLAR, CGA, DEPUTY CITY TREASURER, ext. 4436 *cm*

SUBMITTED BY: D. McKINNON, CGA, DIRECTOR OF FINANCE, ext. 5130 *McKinnon*

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CHIEF ADMINISTRATIVE OFFICER APPROVAL: JON M. BABULIC, CHIEF ADMINISTRATIVE OFFICER *Babulic*

RECOMMENDED MOTION

1. That Report FIN021-11, "Business Plan Status Report as at June 30, 2011" be received for information.

PURPOSE & BACKGROUND

2. The purpose of this report is to describe the status of the 2011 Business Plan and summarize the Corporation's financial and non-financial performance up to June 30, 2011.
3. The Corporation's Financial Policies Framework, approved in 2008, requires the Director of Finance to issue quarterly reports on finances that compare year-to-date actual results to budget and the previous year. This is the first quarterly report published in 2011.

ANALYSIS

4. The corporation's actual year-to-date financial results indicate a favourable tax supported variance of \$2.0M for services provided by both the municipality and its service partners. In addition, user rate supported services actual year-to-date financial results indicate a favourable variance of \$810K, largely driven by water service positive variance of \$1.1M and a negative wastewater service variance of \$412K.
5. As part of the 2012 business plan development process, staff will be updating forecasted numbers for the remainder of 2011, which will be communicated to Council in the third quarter update of the Business Plan Status report.

Salary Gapping

6. The salary gapping provision was maintained at the previous year level of \$750K in the 2011 Business Plan. The amount only relates to permanent staff salary and benefits that are funded from the tax rate. As of June 30 the actual savings from staff vacancies was \$886K or 118% of the annual target.
7. Higher than planned salary gapping savings are an indicator that fewer staff resources are available to complete planned projects and sustain routine service levels. To address this, the amount of salary gapping savings may fluctuate throughout the year based on part-time staffing requirements or overtime costs that may be necessary to address immediate workload

requirements as a result of a vacancy. This amount may also be impacted when employees leave the organization to the extent that there may be payouts related to their departure. The gapping level will continue to be tracked throughout the year.

Corporate Overview

8. The following table illustrates complement levels as at June 30 by division. Details are available in Appendix A:

	*Approved FTE	*Actual FTE	*Vacant Positions
Community Operations	463	439	24
Infrastructure, Development and Culture	124	114	10
Corporate Services	190	175	15
Office of the CAO	16	16	0
Total	793	744	49

**Does not include positions for which a Program Change Form was approved, but deferred (provisional on completion of a service review).*

9. The following table summarizes the financial variances to June 30 between planned net operating expenditures versus actual results by Division for tax rate based operations. The actual results to June 30, 2010 are presented for comparison purposes. Appendix B includes the details of tax rate based variances.

	2010 Actual Results to June 30	Year-to-Date to June 30, 2011		
		Budget	Actual Results	Variance
Community Operations	27,609,182	32,027,273	30,370,878	1,656,395
Infrastructure, Development and Culture	2,623,949	4,057,750	3,100,327	957,423
Corporate Services	4,926,131	6,336,497	5,950,816	385,681
Office of the CAO	801,209	1,204,657	890,636	314,021
Council & Mayor's Office	314,382	380,857	330,132	50,725
Financial & Other General Government Expenses	14,503,631	16,992,689	17,108,707	(116,018)
Grants & Service Partners	57,649,877	61,272,350	61,210,665	61,685
Total Net Expenditures	108,428,361	122,272,073	118,962,161	3,309,912
Corporate Revenues	(160,856,023)	(170,501,068)	(169,198,931)	(1,302,137)
Total Variance	(52,427,662)	(48,228,995)	(50,236,770)	2,007,775

Community Operations: \$1.7M favourable to June 30

18. The Community Operations Division completed the first six months of 2011 with a favourable net tax rate supported variance of \$1.7M to budget, with expenditures at 95.7% and revenue at 98.0% of plan.
19. The majority of the variance relates to late starts on work due to the timing of budget approval and include the following:

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- a) Winter control is \$293K behind plan but the variance should be eliminated with the replenishment of the salt inventory levels.
 - b) Waste diversion bin accounts are \$109K behind plan due to timing issues related to vendor invoicing.
 - c) Environmental Operations contracted service accounts are behind plan \$349K but are expected to come in line during the remainder of the year. Drivers of the variance to date include timing of payments for removal of hazardous materials, delay in starting work on the purge well rehabilitations, and reduced litter control at the landfill site while the reengineering project is underway.
 - d) Environmental Operations general consulting accounts are behind plan \$98K due to delays in bringing the gas collection system on-line, awarding the contract for the long range waste management master plan project, and starting the assessment of the old landfills.
 - e) Traffic Operations contracted service spending is behind plan \$114K due to invoicing delays for pavement marking and a deferral in railway sightline cutting maintenance while needs for 2011 are determined.
 - f) Storm systems and detention pond maintenance is behind budget \$121K due to work commencing later than anticipated.
 - g) Facility contracted services under spend \$138K at the Surface Water Treatment Plant (SWTP) due to delay in substantial completion of facility.
 - h) Facility general consulting is under budget \$142K as a result of minor delays in awarding of three contracts: 1) Energy Management, 2) Roof Condition Assessment, and 3) Implementation of facility management software (Archibus). All three projects are in progressing well at this time.
 - i) Barrie Fire and Emergency Services revenues are \$264K below plan primarily as result of resident motor vehicle revenue included in the 2011 plan being removed from the fee by-law subsequent to budget approval. The department is continuing to search for savings to offset the loss in revenue
20. The Community Operations Division is moving forward on 11 Key Service Delivery Initiatives listed in the 2011 Budget and Business Plan on pg. 226. Noteworthy outcomes at the end of the second quarter include:
- a) Staff made considerable progress toward completing the service costing exercise for facilities and recreation programs as part of the ongoing commitment to improvement of service delivery processes. This project, in conjunction with the Pricing Strategy workshop attended by key recreation and facilities staff, will assist staff in the

development of innovative solutions for service delivery. The service reviews for water, wastewater and solid waste began in July.

- b) Ongoing management to provide effective water supply and wastewater treatment services during the construction of the Surface Water Treatment Plant (SWTP) and the Water Pollution Control Centre (WPCC) expansion. Water staff moved into the SWTP in early June and the 28 day water commissioning is planned for completion in the third quarter of this year.
- c) Staff continues to investigate alternatives in the delivery of Barrie Transit Services. The ridership survey has been completed and stakeholder consultations are ongoing. Staff will use the results from the data collected to review route and scheduling plans. As part of this initiative, partnerships with neighboring municipalities and the relocation of existing third party intercity bus services will also be considered.
- d) Next Stop Calling & AVL systems have been procured and are scheduled to be installed in the fall of this year. These systems will provide enhanced accessibility and tracking capabilities for the city's public transit system.
- e) The Corporate Accommodation study has been completed and its findings will be presented to EMT in the third quarter of this year.
- f) Although the Fire Department has been without a Public Education Officer for the past year, to date there has been an increase in station tours and truck visits. In addition, The Sparky Travelling Fire Dog Program has been well received by local school groups.
- g) Emergency response capabilities are exceeding service standards as a result of the implementation of the second aerial truck.

21. Key Performance Indicator results are as follows:

- a) Number of Commercial & Industrial Inspection Site Visits per 1,000 Commercial & Industrial Properties: Second quarter year to date (YTD) actual site visits per 1,000 C&I properties were 12.54 or 209% of the YTD target of 6. The Fire Prevention branch has focused on a large number of retail establishments and has been dealing with several industrial properties due to hazardous material issues.
- b) Number of Registered Program Participants Visits per Capita: Second quarter YTD result of 0.79 is slightly ahead of the 0.72 target. Skating programs are trending ahead of plan but overall registration numbers are on target to meet the year end plan of 1.65.
- c) Transit - Revenue to Cost Ratio: Second quarter YTD result of 48.74% is on target with the plan of 48.62%. The transit model continues to yield adequate results and has not required unplanned use of Provincial Gas Tax funds for operations and is on target for the year end plan of 46.5%.

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22. The Infrastructure, Development & Culture Division net favourable variance is primarily due to staff vacancies, increased permit fee revenues, and other programs/projects that are underway where invoicing has not occurred from the vendors.
23. Staff vacancies within the Division have primarily occurred within the Engineering, Building and Planning Departments. This is partially due to fluctuations in current development activities. Impacts on planned service levels and projects have been managed through the use of additional overtime expenditures, and hiring additional casual/part-time resources.
24. Of the 957K favorable variance, \$150K is related to Building Code services. As per the Building Code Act, any surplus funds related to building permit activity must be moved to a Building Code Reserve. The Building Code Reserve is used to manage annual cost or revenue fluctuations related to building code activity and will be allocated appropriately at year end.
25. The Division moved forward on the 11 Key Service Delivery Initiatives listed in the 2011 Business Plan on pg. 275 and noteworthy outcomes include:
- a) The growth management program remains on schedule through Q2. This includes advancing the preparation of a long-term Growth Management Strategy (GMS) for the City and the Secondary Plan project for the annexed lands. Watson & Associates Economists Ltd. finalized the GMS Phase 2 and 3 reports in the first quarter of 2011 and submitted them to the Province. The balance of the GMS will be completed early in the second half of 2011. Macaulay Shiomi Howson Ltd. and the multi-disciplinary team responsible for preparing master land use and servicing plans for the annexed lands completed the Aboriginal and First Nations Consultation Program in the first quarter of 2011. A series of background reports and technical analyses were commissioned and will be used as the basis for the preparation of land use options for the annexed area that are expected in Q3 2011.
 - b) Work continues on building a complete community through a number of ongoing initiatives including the construction of the Downtown Theatre, design for the second Go Transit Station, redeveloping the Allandale lands, and restoration of the train station building.
26. Key Performance Indicator results are as follows:
- a) Development activity within the city is higher than originally anticipated. Site Plan Applications received to date is 20 versus a target of 18. Commercial building permit activity is higher than anticipated with 206 building permits being issued versus a target of 110. Commercial activity was 190 ahead of plan with 227 commercial permits issued. Residential and Institutional activity was on target.

Corporate Services: \$386K favourable to June 30

27. The Corporate Services' Division ended the second quarter with net operating expenditures tracking to 94% of budget. Main drivers of the positive variance include the following:

- a) Postage expenditures in the City Clerk's Office were \$126K below budget. This was the result of reduced demand for mailings throughout the corporation in part due to the postal strike.
- b) Salary expenditures for the Division had a favorable variance of \$291K. Finance accounted for \$131K of the variance due to vacancies and delays in the hiring of a Senior Accounting Clerk and water and wastewater billing staff and, the decision to defer the hiring of the Manager of Revenue position. Legal Services had a \$185K positive salary variance which was the result of vacancies in the Real Estate branch and reduced MLPS casual staff costs because of the change in winter parking enforcement in 2011.

External legal expenditures were \$85K below budget due to delays in required legal work, however, it is anticipated that planned work will be completed by year end.

- c) The positive expenditure variance for the Division was offset by an unfavorable gross revenue variance of 617K, which tracked to 87% of budget. Nearly half of the variance was directly attributable to decreased parking ticket revenue in MLPS. The City's move to non-proactive winter parking enforcement this year was the main contributor to reduced revenues.

28. The Division is currently working on 10 Key Division Service Delivery Initiatives as outlined on page 184 of the 2011 Business Plan. Specific progress updates are as follows:

- a) Development of the business case for the investment in an Enterprise Resource Management system is underway and is anticipated to be presented to Council for consideration in September.
- b) Over the first two quarters of 2011, the ICT department has designed and implemented new network, computing, and telephony environments for the new Barrie Fire and Emergency Services Headquarters, the Surface Water Treatment Plant, Mady Centre for the Performing Arts, as well as a number of Water and Wastewater well and pump sites. The second half of the year will see a partial re-design of the Barrie Public Library network to allow for better public internet access for both the existing and new Painswick Branch, which is due to be ready later this year. There will also be some networking improvements at the Barrie Operations Centre to provide connectivity for the brine making system as well as other automation tools
- c) Compliance with the Accessible Customer Service Standard has been met and staff is now working to maintain compliance through consistent training of new hires, ongoing maintenance of vendor compliance, review and audit of customer feedback and notice of disruption. Consistent interdepartmental communication, monitoring and strategic planning regarding the phasing of work required to facilitate compliance of all remaining standards continues and opportunities to meet or exceed compliance expectations explored. Including opportunities to meet Information and Communication technology compliance requirements ahead of schedule, opportunities to meet Employment standard

compliance requirements ahead of schedule, and opportunities to develop and facilitate staff training on the new IASR with existing staff resources

- d) Work towards developing a new job evaluation tool for CUPE employees is currently underway. The RFP was issued and award to Associum to help develop the evaluation tool. A market study was conducted to evaluate benchmark tools used by other municipalities. The basic framework of the tool has been set and is currently being tested on a number of sample jobs to evaluate its effectiveness.

29. Key Performance Indicator results are as follows:

- a. Average Number of Applications per Posting: The planned result for 2011 was 35. The year to date result was 47 applications per posting. The water and wastewater billing positions received a high number of applicants which drove the corporate result higher. It is anticipated to fall to planned target by year end.
- b. Average Number of Bids per Call: The planned result for 2011 was 5.50. The year to date result is currently 5.97 bids per bid call. Staff continues to reach out to various associations, such as the Greater Barrie Business Enterprise Centre, to educate vendors on how the city purchases its goods and services. High levels of capital works bids completed during the spring/summer, which on average generally receive a higher numbers of bids, along with the vendor education communications completed by staff are contributors to the improved results.
- c. Turnover Rate (%): The planned result for 2011 was 3.00%. The turnover rate was 1.80% at the end of the second quarter.

Office of the CAO: \$314K favourable variance to June 30

- 30. The Office of the CAO ended the second quarter with net operating expenditures tracking to 74% of budget. The main contributors to the positive variance was higher than anticipated 2011 Federal Economic Development funding for EDO lead Business Incubator and Marketing Strategy work.
- 31. The Division is currently working on 9 Key Division Service Delivery Initiatives as outlined on page 168 of the 2011 Business Plan. Specific progress updates are as follows:
 - a) In 2011 the City began work to stimulate cultural change, focusing on leadership, accountability, communications and continuous improvement. So far this year there has been a number of corporate initiatives to support this goal as part of the Journey of Excellence. They include improvements to employee health and safety, work/life balance, new and revised employment policies. In addition a new set of corporate values have been introduced to help guide staff.
 - b) Staff have been able to proactively communicate to the community through the launch of a new Strategic Plan in Q2 (via print – newspaper advertisements, signs, brochures; broadcast – radio; and online/web); ongoing information updates to corporate website and Facebook pages; periodic releases of e-newsletter to website subscribers; weekly issuance of City page

(double page spread in the Examiner); promotion of City events and festivals (via print, broadcast and online/web). Internal proactive communications to staff have been achieved through the launch of several corporate initiatives including safety and wellness communiqué, updates on the Journey of Excellence, employment policies, periodic releases of staff e-newsletters, and informational posters.

- c) Work continues towards developing the Lake Simcoe Regional Airport (LSRA) as a tool to enhance Barrie's economic profile. To date a new 20 year LSRA strategy and business plan has been developed. A LSRA part-time Marketing Coordinator has been hired and staff is actively looking for a LSRA Business Development Coordinator. Business opportunities with Buttonville, Bearskin Airlines, Porter Airlines, among others are currently being pursued.

Council & Mayor's Office: \$50K favourable at June 30

33. Minor capital accommodation needs within the mayor's office have been less than originally anticipated. The majority of the variance is expected to be persistent for the remainder of the year.

Financial & Other General Government Expenses: \$116K unfavourable at June 30

34. Financial expenses include transfers to tax capital reserves, insurance, MPAC fees, Council contingences and budgeting for salary gapping. While \$375K in year to date savings was budgeted in this category for salary gapping, the actual results are reflected in department variances. Other notable variances include \$134K savings related to insurance deductible costs but the year end outcome will depend upon final settlement of various claims.

Grants & Service Partners: \$61K favourable at June 30

35. Simcoe County is reporting a year end projected surplus of \$2.7M, however, \$2.0M of those savings were reflected in the 2011 Business Plan. The adjusted forecast is a year end favourable variance of \$745K as a result of increased Paramedic services costs of \$347K being offset by savings in Ontario Works \$500K, Long Term Care \$131K and Children and Community Services \$281K.

Corporate Revenues: \$1.3M unfavourable at June 30

36. Payments in Lieu account for \$442K of the unfavourable variance and are attributable to timing differences as they subsequently have been collected. Other drivers of the unfavourable variance are related to capping adjustments associated with significant assessment appeal decisions and lower than anticipated interest revenue.

User Rate Supported Services: \$810K favourable at June 30

37. The following table summarizes the variances to June 30 between planned net operating expenditures vs. actual results for user rate based operations. The actual results to June 30, 2010 are presented for comparison purposes.

	2010 Actual Results	June 30, 2011		
		Budget	Actual Results	Variance
Water Operations	(9,441,206)	(1,122,881)	(2,267,427)	1,144,546
Wastewater Operations	(3,795,045)	(662,916)	(250,753)	(412,163)
Parking Operations	340,022	320,684	243,579	77,105
Total	(12,896,229)	(1,465,113)	(2,274,601)	809,488

38. The Water Operations Branch completed the first six months of 2011 with a favourable variance of \$1.1M to budget, with expenditures at 74.8% and revenue at 89.3% of plan. The majority of the under expenditures are due to the delay in commissioning the Surface Water Treatment Plant (SWTP) resulting in lower than anticipated operating costs. The delay in commissioning has also postponed additional water sampling planned by the Ground Water Branch due to the SWTP starting up and monitoring effects on existing water quality. The year end variance will be dependent on the date of commissioning for the Surface Water Treatment.
39. The majority of the revenue variance is a result of the water rate revenue being budgeted equally over 12 months which is not representative of consumption. Actual total water consumption for the year as of June 30 is 1.3% higher than the same period in the previous year with residential water consumption trending upward at 3.3% and general service water consumption trending down at 2.3%.
40. The Wastewater Operations Branch completed the first six months of 2011 with an unfavourable variance of \$412K to budget, with expenditures at 90.1% and revenue at 87.1% of plan. The on-going construction at the main plant has caused accessibility issues to perform preventative maintenance on equipment and facility maintenance on the building and grounds. The sludge storage tanks are almost full but land application is behind schedule resulting in some savings in the second quarter. Similar to water, the wastewater rate revenue was budgeted equally over 12 months but is not reflective of actual wastewater flows.
41. The Parking Operations Branch completed the first six months of 2011 with an unfavourable variance of \$77K to budget, with expenditures at 88.1% and revenue at 93.9% of plan. There are no significant expenditure variances to date with the exception of the sightline snow clearing for downtown streets and lots expense. The budget is \$63K to date and a review is being undertaken to access how much of the snow removal in the downtown core is for parking services versus parking operations.
42. The unfavourable parking revenue variance is due to parking meter revenue behind budget by \$60K. A comparison of the same time period (January to June) for the years 2007 to 2011 shows that the 2011 revenue is lower than the average of the five years by \$52K. There are a number of factors that impact meter revenues such as weather and road closures for construction and

festivals. The on-going review of parking services will be making recommendations on how to address revenue issues.

Capital Plan status at June 30

43. The Capital plan presented in Appendix "D" is a high level summary of activity as at June 30, 2011. At the end of June 30, capital expenditures were 102% of planned spending. Major projects contributing to the planned expenditure variance include:
- a. Fire Station #1: \$14.3M spent on project to date out of the total budget of \$14.68M. The building received occupancy in March 2011 and substantial completion in May 2011. Fire operations staff moved in as planned on May 2, 2011 and opened the doors for business.
 - b. Downtown Theatre: \$4.8M spent on project to date out of a total budget of \$6.011M. The downtown theatre project is proceeding and occupancy is expected July 2011 with substantial completion to occur early August 2011. Funding has been received in the full amount eligible for the project from Cultural Spaces Canada minus the holdback amount which will be released once the final report is submitted to Cultural Spaces.
 - c. Library (Satellite Branch): \$3.0 M spent on the project to date out of the total budget of \$5.55M. The Satellite Library project is under construction and is 55% complete with project completion and occupancy planned for late fall 2011.

ENVIRONMENTAL MATTERS

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

ALTERNATIVES

42. As this report is being presented for information purposes only, no alternatives are presented.

FINANCIAL

43. There are no financial implications for the Corporation resulting from the proposed recommendation.

LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN

44. This staff report contributes to the strategic goal of strengthening the City's financial condition by supporting a reporting framework that is open and transparent.

APPENDIX "A"
Staff Complement Levels as at June 30, 2011

Division/Department	Approved Permanent Staff Complement	Vacancies at June 30, 2011	Actual Staff Complement at June 30, 2011	Comments
Community Operations	463	24	439	
<ul style="list-style-type: none"> • General Manager's Office • Leisure, Transit, Facilities* 	4	0	4	<ul style="list-style-type: none"> • (2) Facilities Capital Project Supervisor (2 vac) – now filled • Facility Operator 1 – recruitment activity underway • (2) Recreation Programmer (2 vac) – recruitment activity underway
<ul style="list-style-type: none"> • Operations – Roads, Parks & Fleet 	95	5	90	<ul style="list-style-type: none"> • (2) Driver (2 vac) – recruitment activity underway • Roads & Parks CMMS – new position June '11 - pending Job Evaluation • Fleet Services Foreperson – clerical functions temporarily being completed by a temp Secretary • Fleet Services Technician – incumbent temporarily seconded to alternate position, no plans to backfill
<ul style="list-style-type: none"> • Operations – Environmental Services 	113	10	103	<ul style="list-style-type: none"> • Water Customer Service Coordinator – now filled • Water Treatment Maintenance Operator Class II - recruitment activity underway • Chemical & Materials Support Coordinator – pending job evaluation (JE) • Maintenance Lead Hand – WPCC – incumbent seconded to temporary project • Maintenance Operator I – recruitment activity underway • (3) Maintenance Operator II (3 vac) – pending job evaluation • Operator Class III-WPCC – pending request to fill • Environmental Officer - recruitment activity underway
<ul style="list-style-type: none"> • Fire & Emergency 	160	4	156	<ul style="list-style-type: none"> • Public Fire & Life Safety Officer – now filled • (2) Communications Supervisor (2 vac) – new positions May '11 - recruitment activity underway

Division/Department	Approved Permanent Staff Complement	Vacancies at June 30, 2011	Actual Staff Complement at June 30, 2011	Comments
Infrastructure, Development & Culture	124	10	114	
▪ General Manager's Office	3	0	3	• Captain – recruitment activity pending
▪ Building Services	36	4	32	• (2) Building Inspector (2 vac) - Small Buildings - no recruitment activity - assessing workload • Plans Examiner II – pending request to fill • Zoning Officer – pending request to fill
▪ Engineering	58	2	56	• Annexation-Boundary Project Manager – new position in 2010 – pending request to fill • Senior Project Admin Technologist – recruitment activity underway
▪ Culture	5	0	5	
▪ Corporate Asset Management	8	2	6	• (2) Asset Management Data Analyst (2 vac) – pending request to fill
▪ Planning Services	14	2	12	• (2) Policy Planner (2 vac) – pending request to fill
Corporate Services	190	15	175	
▪ General Manager's Office	3	0	3	
▪ Human Resources	11	1	10	• Manager of HR Development – now filled
▪ ICT*	32*	1	31	• Manager of Application Services – incumbent seconded to Director position – backfilled with temporary BSA
▪ Finance	49	8	41	• Manager of Revenue – deferred hiring until Q4 • Senior Accounting Clerk – pending job evaluation / • Senior Financial Analyst – pending job evaluation • Utilities Service Clerk – now filled • Water Wastewater Billing Clerk – now filled • Water Wastewater – CSR – PAP – now filled underway • Water Wastewater CSR – now filled • Water Wastewater Support Clerk – now filled

Division/Department	Approved Permanent Staff Complement	Vacancies at June 30, 2011	Actual Staff Complement at June 30, 2011	Comments
▪ Clerk's Office	47	2	45	<ul style="list-style-type: none"> • Court Admin Clerk – (new position May'11) – pending request to fill
▪ Legal	48	3	45	<ul style="list-style-type: none"> • Senior Court Admin Clerk – recruitment on hold • (2) Secretary (2 vac) – recruitment activity underway • Senior Real Estate Officer – pending request to fill
Office of the CAO	16	0	16	
▪ Office of the Mayor & CAO	6	0	6	
▪ Strategy & Economic Develop	5	0	5	
▪ Communications & Inter GA	5	0	5	
TOTAL	793	49	744	

*Does not include positions for which a Program Change Form was approved, but deferred (provisional on completion of a service review).

APPENDIX "B"
Tax-Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Council & Mayor's Office	752,225	380,857	330,132	50,725	The favourable variance is mainly attributable to minor capital accommodation costs being lower than anticipated.
Office of Chief Administrative Officer					
Administration	703,937	356,735	309,214	47,521	Consultant expenditures have been less than anticipated to date. Advertising costs have been less than anticipated to date due to EDO marketing expenditures originally included in the advertising budget being moved to EDO business development accounts.
Communications & IG Affairs	1,171,682	580,251	392,047	188,204	Higher than anticipated 2011 Federal Economic Development funding for EDO lead Business Incubator and Marketing Strategy expenditures.
Economic & Strategic Development	535,342	267,671	189,375	78,296	
Community Operations Division - Tax Based					
Office of the General Manager and Emergency Preparedness	484,297	249,552	237,008	12,544	Funds are being held to contribute to the purchase of the emergency operations centre table at the new BFES headquarters. Overtime is currently \$71K over budget due to a higher number of fire responses and training requirements. Benefits are \$142K over budget but this will balance out over the remainder of the year. The department is working to find savings to offset the higher overtime costs and the loss of Barrie resident motor vehicle revenue included in the 2011 budget but removed from the fees by-law by Council after budget approval.
Fire and Emergency Services	18,137,384	8,515,036	8,736,371	(221,335)	

APPENDIX "B"

Tax-Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Operations	25,975,381	14,170,113	13,151,633	1,018,480	The majority of the year-to-date underspend is in general operating expenses due to slow invoicing from vendors, delays in work commencement (storm system and pond maintenance, review of old landfills, purge well rehabs, etc.) and contract disputes
Leisure, Transit and Facilities	17,492,030	9,092,572	8,245,866	846,706	Aggregate year-to-date underspend consists of the following: 1) \$291K underspend in General Operations consists of - \$110K resulting from delay in insurance billing for SWTP and FS#1 HQ, \$95K resulting from delay in hiring contractors for SWTP pending substantial completion, \$142K resulting from minor delays engaging consultants for Energy Management, Roof Condition Assessment, and Archibus projects. 2) \$170K underspend in Utilities is primarily the result of reducing ice in time by 6 weeks on 3 pads, energy efficiency upgrades completed in 3Q and 4Q 2010 and year-over-year seasonal fluctuations.
Infrastructure, Development and Culture Division					
Office of the General Manager	398,454	202,221	203,404	(1,183)	
Engineering	2,741,266	1,361,333	1,138,055	223,278	Slightly behind schedule on some parks and traffic programs (i.e. tree planting, speed boards, street lighting); spending is

APPENDIX "B"
Tax-Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Corporate Asset Management	561,054	238,833	214,037	24,796	likely to increase in Q3. Positive variance is attributable to staff vacancies.
Building Services	269,886	505,680	180,956	324,724	Higher than anticipated permit revenue and staff vacancies has resulted in a favourable variance.
Planning Services	1,372,434	745,294	547,473	197,821	Positive variance is a result of staff vacancies and delays in CIP grant payments. Staff is awaiting the completion of construction on various CIP grants applications that had been previously approved, once complete the grants will be disbursed.
Department of Culture	1,467,898	1,004,389	816,402	187,987	Delay in invoicing from some vendors from past cultural events and the delay of opening the Mady Centre for Performing Arts has resulted in a favourable variance.
Corporate Services Division					
Office of the General Manager	302,572	154,388	138,093	16,295	Positive variance is the result of unbudgeted revenues received for the GM's seat on the Barrie Hydro Energy Board.
City Clerk	649,417	428,467	349,907	78,560	There has been a decrease in the volume of postage requests from departments, in part due to the postal strike. Reduced demand for marriage license requests has reduced anticipated need to purchase pre-printed forms.
Finance	3,007,915	1,536,558	1,409,225	127,333	Staff vacancies have been a significant contributor to the positive variance. Audit

APPENDIX "B"
Tax-Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Human Resources	1,516,616	759,493	638,486	121,007	related expenses have been below budget to date but are expected to catch up next quarter. Favourable variance attributable to delays to planned spending for corporate development, planned leadership development training which has yet to occur, and CUPE/Fire arbitration cancellations and delays reducing legal spending to date.
Information, Communication and Technology	4,761,781	2,678,396	2,551,556	126,840	The favourable variance was a result of the following: 1) Planned maintenance contract spending later than the previous year due to new controls in place for sole sourcing 2) Delays for software license purchases 3) Budget timing - Fire dispatching revenues from municipalities budgeted as a one-time annual payment were actually received in semi-annual payments.
Internal Audit	145,869	74,126	73,907	219	
Legal Services	1,661,839	705,069	789,642	(84,573)	Positive variances from less than anticipated external legal services and reduced MLPS casual part-time labour were more than offset by significantly reduced parking ticket revenues (due to the change in proactive winter overnight parking enforcement).

APPENDIX "B"
Tax-Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Other Expenses					
Financial Expenses	15,595,638	14,915,278	15,172,853	(257,575)	Unfavourable variance relates to budgeted salary gapping account place holder. Actual salary gapping savings are recorded in departments.
Other General Government	3,019,958	2,077,411	1,935,854	141,557	Favourable variance due to lower than budgeted insurance losses not covered by insurance (e.g. items below deductible or in excess of insurance proceeds).
TOTAL NET CITY SERVICES	102,774,875	60,999,723	57,751,496	3,248,227	
SERVICE PARTNERS	75,951,994	61,272,350	61,210,665	61,685	Favourable variance due to County of Simcoe museum grant being later than budgeted, partially offset by Nottawasaga Conservation Authority, which will be partially funded by user rates later in the year.
TOTAL NET EXPENDITURES	178,726,869	122,272,073	118,962,161	3,309,912	
Corporate Revenues					
Net Taxation for own purposes	(165,875,555)	(165,591,803)	(164,910,408)	(681,395)	Negative variances related to prior period adjustment, write-offs and capping adjustments.
Payments in Lieu of Taxes	(1,527,859)	(1,002,129)	(560,004)	(442,125)	Timing difference - Georgian College PIL budgeted in June, billed in July.
Rentals	(1,200)	(600)	(223)	(377)	
Interest Income	(4,284,000)	(2,137,408)	(1,945,479)	(191,929)	Interest income is lower than planned because of reduced internal financing charges for the SWTP.
Contributions from:					
Reserves	(3,329,073)	(1,664,537)	(1,664,537)	(0)	

APPENDIX "B"
Tax-Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Sundry Revenue	(3,509,181)	(104,591)	(118,280)	13,689	
TOTAL REVENUE	(178,526,869)	(170,501,068)	(169,198,931)	(1,302,137)	
TOTAL OPERATING VARIANCE BASED ON PLANNED ACTIVITY TO June 30	-	(48,228,995)	(50,236,770)	2,007,775	

APPENDIX "C"
User Rate Supported Operating Budget Variance as at June 30, 2011

	2011 Net Requested Budget	2011 Planned Activity to June 30	2011 Actual Activity to June 30	Variance to Plan as at June 30	Explanation/Comments
Water Operations	782,264	1,122,881	2,267,427	(1,144,546)	The majority of the year-to-date under spend is due to the on-going delay in commissioning the SWTP (significant savings to date in hydro, gas, chemicals, parts, equipment repairs, and facility maintenance). Water user rate revenue was budgeted equally over 12 months but is not reflective of how water is consumed and billed. Consumption to date in 2011 is tracking ahead of consumption during the same period in 2010.
Wastewater Operations	431,448	662,916	250,753	412,162	The on-going construction at the main plant has caused accessibility issues for performing preventative maintenance on equipment and facility maintenance on the building and grounds. The sludge storage tanks are almost full but land application is behind schedule. The wastewater rate revenue was budgeted equally over 12 months but is not reflective of the wastewater flows.
Parking	(655,251)	(320,684)	(243,579)	(77,105)	Parking operations and maintenance is tracking on budget with the exception of the expense for sightline snow clearing in the downtown core, which has not yet been recorded as the calculation for this expense is currently being reviewed. Parking meter revenue is tracking behind budget by \$60K.
Total	558,461	1,465,112	2,274,601	(809,488)	

APPENDIX "D"
Capital Plan Progress Update to June 30, 2011

	2011 Capital Spending Plan					Performance Reporting				
	Carryover from Prior Year Budgets	New Projects Approved in 2011 Budget	In Year 2011 Transfers / Additions	Total 2011 Spending Plan	Spending Plan to June 30	Actual Spending Plan to June 30	% of Plan as of June 30	Projected Year End Spending	Projected as a % of 2011 Plan	Spending Deferred
Summary of Capital Plan & Forecast										
Corporate Services Division	2,568,288	2,453,362	70,726	5,092,377	1,246,254	1,037,288	83%	4,577,512	90%	(514,864)
Infrastructure, Development & Culture Division	49,951,653	45,662,400	(1,181,192)	94,432,860	17,456,029	17,069,635	98%	61,121,011	65%	(33,311,849)
Community Operations Division	13,657,847	11,848,100	610,854	26,116,801	14,353,275	15,531,088	108%	23,646,133	91%	(2,470,668)
Total	66,177,787	59,963,862	(499,612)	125,642,038	33,055,558	33,638,012	102%	\$89,344,656	71%	(92,586,480)