

Internal Services

Staff Recommended 2015 Operating Budget & 2015 – 2024 Capital Budget and Plan

Budget Committee Presentation
January 28, 2015

Agenda

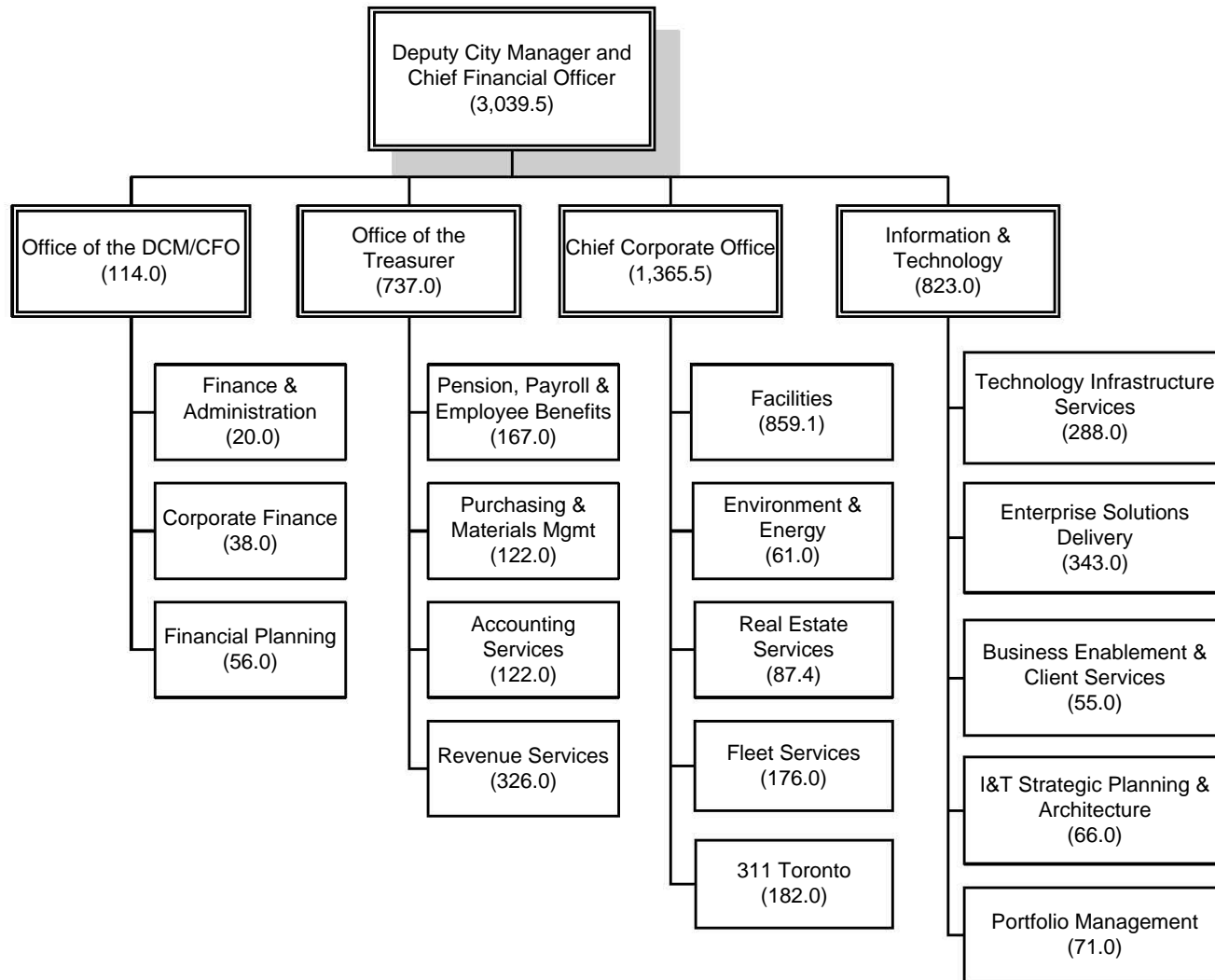
- **2015 Budget & Plan - Cluster Overview**
 - Program Chart
 - 2015 – 2024 Staff Recommended Capital Budget & Plan
 - 2015 Staff Recommended Operating Budget
- **Recommended Service Levels by Program**
 - Program Map
 - Service Performance and Service Levels
 - Key Challenges and Priority Actions



2015 Budget & Plan - Cluster Overview



2015 Internal Services Program Chart





**Staff Recommended
2015 – 2024 Capital Budget and Plan**



Capital Overview

- Capital improvement & repairs for more than 400 City owned facilities with an approximate replacement value of \$4.2 billion
- Over 5,200 vehicles and pieces of equipment with estimated replacement value of \$341 million
- 36 City owned fuel sites: Fleet Services manage 19 and Client Divisions manage 17
- 21,000 desktop computers and notebooks, 22,000 telephones, over 14,000 wireless devices and 3 data centres
- Over 800 enterprise and business solutions/applications

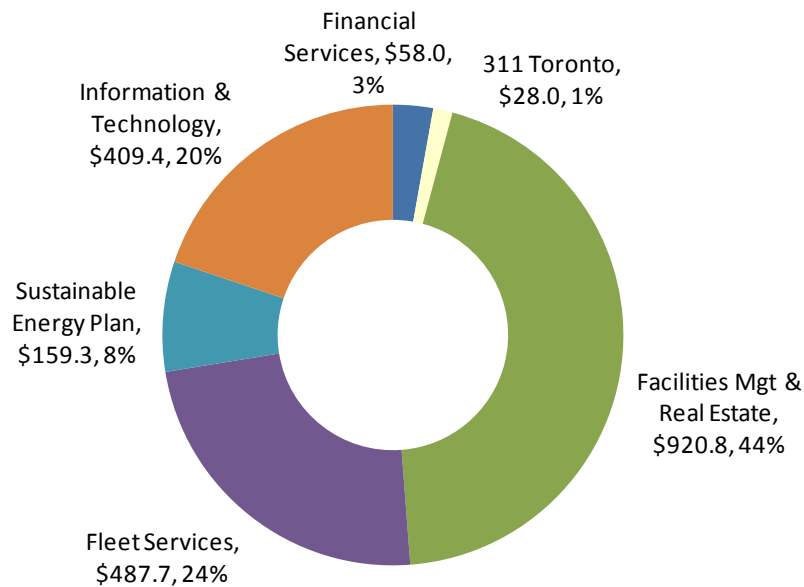
Key Capital Objectives

- Address backlog and implement state of good repair projects
- Continue major projects such as Union Station Revitalization and St. Lawrence Market North
- Focus on asset management systems and building condition assessments of facilities
- Implement business process improvements and enhancements, including self service options that result in better financial and management information
- System enhancements to automate business processes
- Improve energy efficiency and reduce environmental footprint

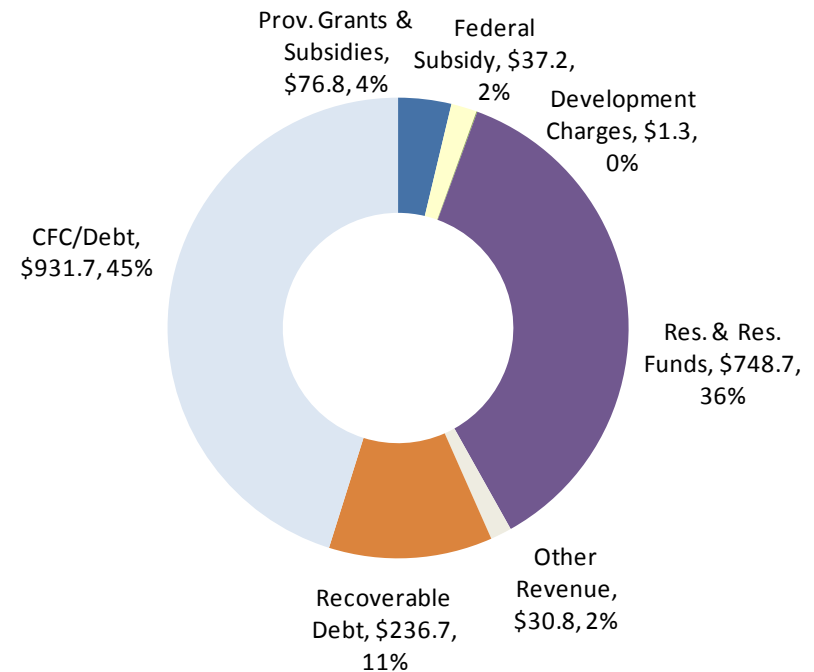
2015 – 2024 Capital Budget and Plan

Capital Spending by Program and Funding Sources

Where the Money Goes
\$2,063.2 Million



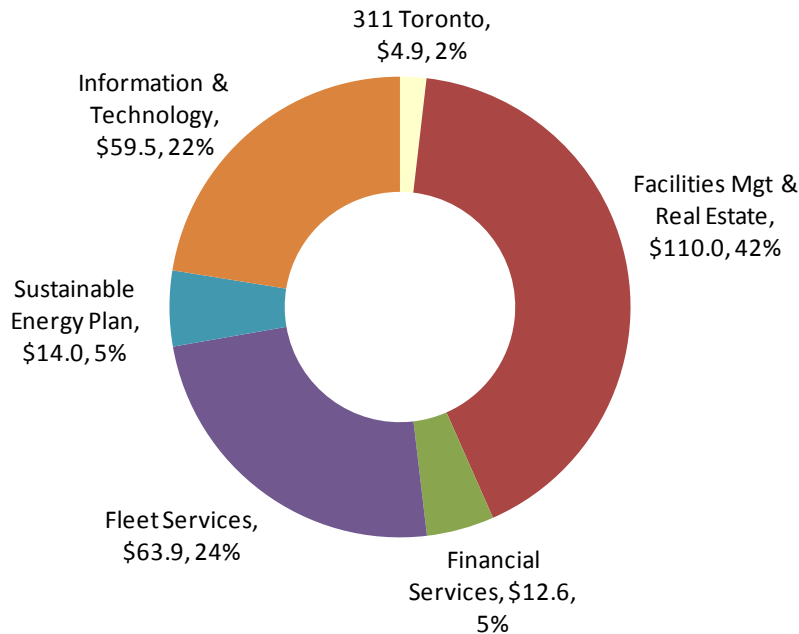
Where the Money Comes From
\$2,063.2 Million



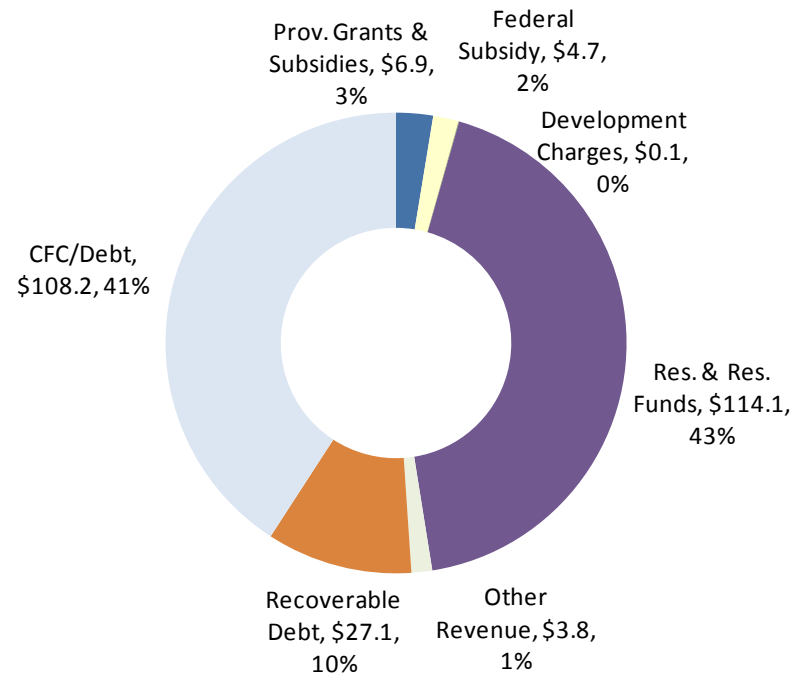
2015 Capital Budget

Capital Spending by Program and Funding Sources

Where the Money Goes
\$264.9 Million



Where the Money Comes From
\$264.9 Million



Major Projects in the 10-Year Capital Budget & Plan

- **Facilities Management & Real Estate**

- Union Station Revitalization (2015-2017: \$211.8M, Total Project: \$796.4M)
- St. Lawrence Market North Redevelopment (2015-2017: \$76.2M, Total Project: \$91.5M)
- Nathan Phillips Square (2015: \$3.8M carry forward, Total Project: \$60.4M)
- Old City Hall (2015: \$2.7M, Total Project: \$36.9M)
- T.O. Strong Neighbourhoods Strategy (\$12.0M)
- Emergency Generators for Fire Halls (\$12.5M)
- Strategic Property Acquisitions (\$10.0M)
- Investments in key facilities, including 703 Don Mills (\$31.0M), and Civic Centres (\$112.7M) to address state of good repair
- Security infrastructure plans and investments (\$13.9M)
- Building Automation Systems and Renewals (\$18.0M)
- \$125M in new investments, including an additional \$72.8M to address current SOGR backlog across the portfolio

Major Projects in the 10-Year Capital Budget & Plan

- **Sustainable Energy Plan**
 - Renewable Energy Program (\$42.1M)
 - Toronto Home Energy Loan Program – Pilot (\$8.0M)
 - Conservation and Demand Management (\$54.7M) & Community Based Projects (\$10.0M)
- **Financial Services**
 - Financial Planning, Analysis & Reporting System (\$7.1M)
 - Replacement of Tax Billing (\$8.8M) and Utility Billing (\$6.0M) Systems
 - Cross Application Timesheet System (CATS) – Payroll Timesheets Upgrade (\$6.4M)
 - Payment Card Industry (PCI) Compliance (\$4.2M)
- **Fleet Services**
 - Vehicle replacements (\$478.1M)
 - Fleet Management System & Fuel System Integration (\$1.8M)
 - Fuel site closures, upgrades and replacement (\$6.2M)
 - Green Fleet Plan (\$1.0M)

Major Projects in the 10-Year Capital Budget & Plan

- **Information & Technology**

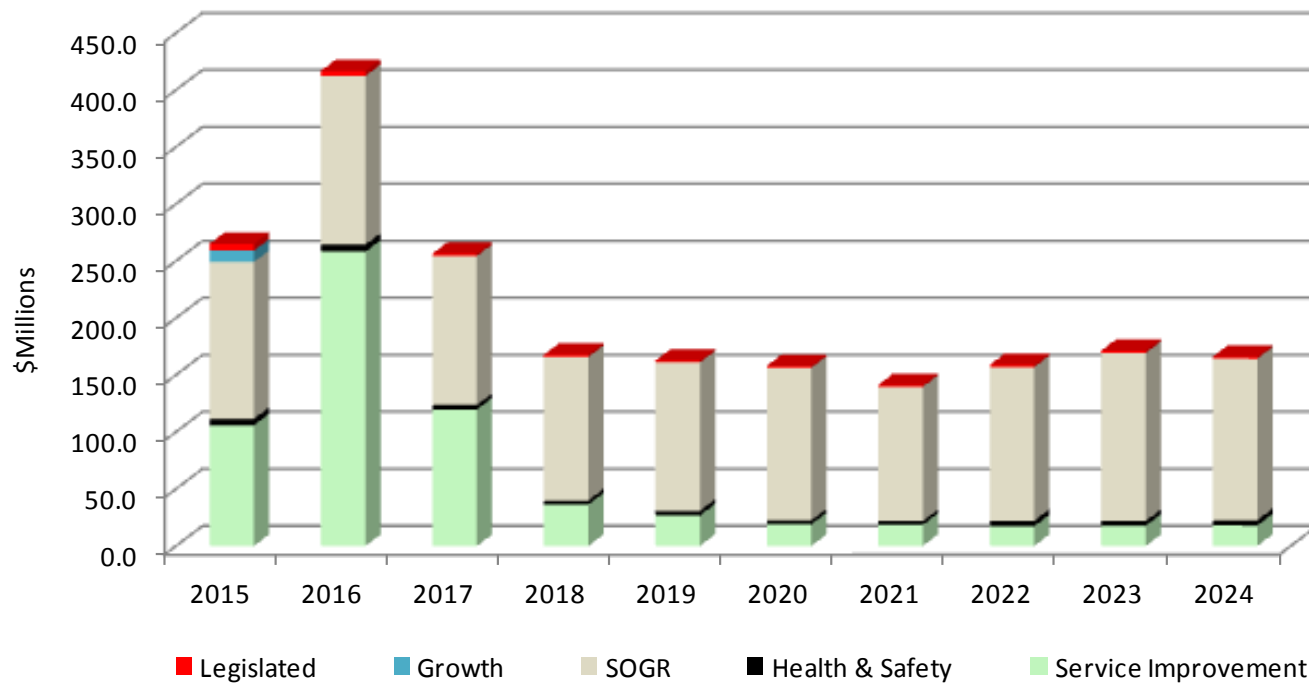
- Asset Lifecycle Management (\$169.0M)
- WEB Business Content Refresh & Redesign (\$7.0M)
- Disaster Recovery and Business Continuity Plan (\$25.0M)
- Employee and Management Self Serve/Time & Attendance (\$9.5M)
- E-mail System Replacement (\$5.6M)

- **311 Toronto**

- Technology Solution SOGR (\$18.1M)
- Contact Centre Enhancement Initiative (\$4.5M)
 - Add new system integrations to build platform and capability, allowing 311 to process registrations and receive payments from the public for City services
- Channel and Counter Strategy (\$3.1M)
 - To develop a new approach for delivery of customer service that is service oriented including customer choice, leverages shared technology and staff resources

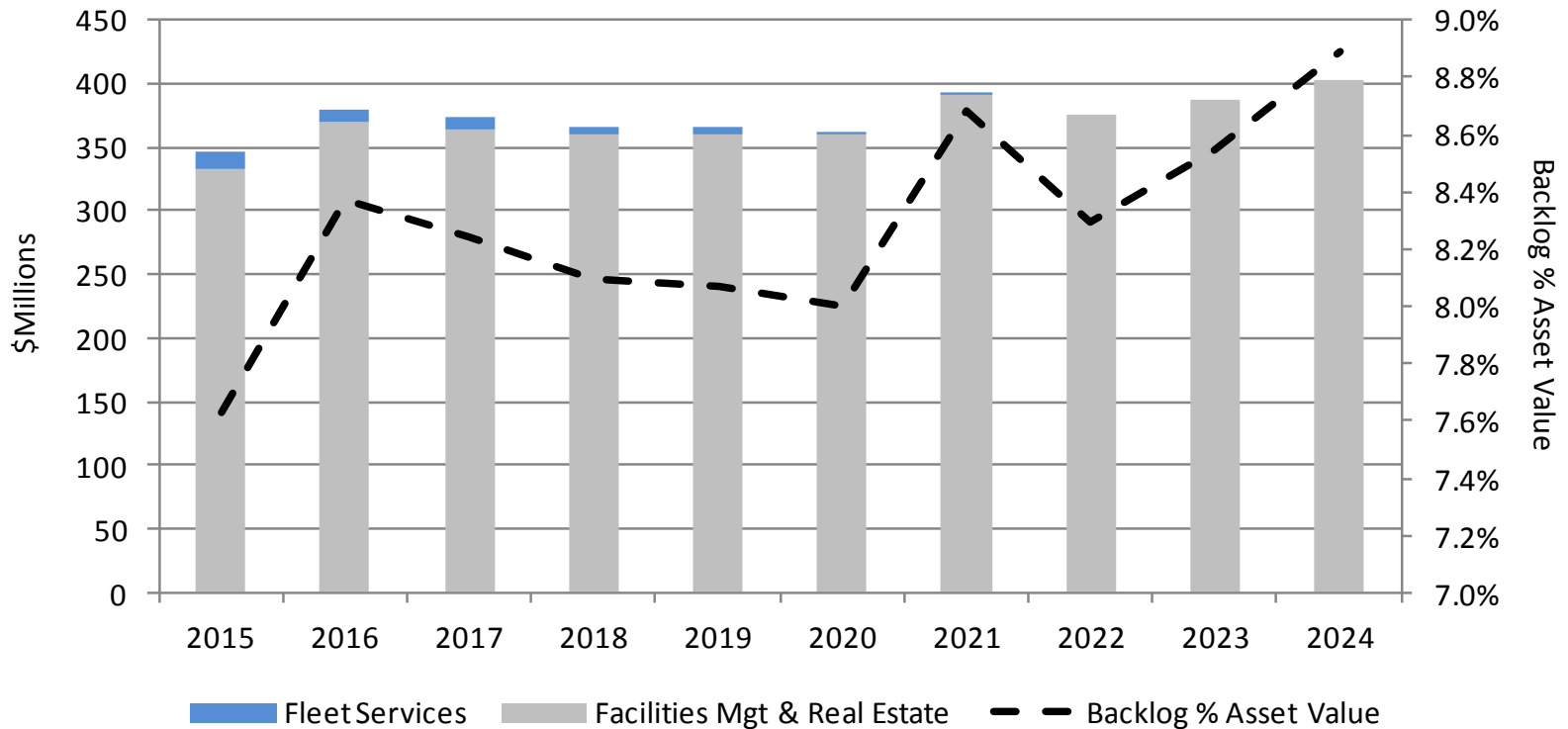
2015 – 2024 Capital Plan by Category

\$M	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2024 Total
Legislated	5.8	4.5	1.9	1.9	1.5	1.6	1.6	1.8	2.0	1.7	24.2
Growth	10.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.3
SOGR	137.5	147.8	130.8	125.9	130.2	134.0	117.8	134.8	147.5	141.8	1,348.1
Health & Safety	5.7	6.1	3.9	3.4	4.1	3.3	3.2	4.8	4.1	4.6	43.2
Service Improvement	105.8	258.2	119.7	36.5	26.7	19.0	18.6	17.3	17.7	17.9	637.4
Total	264.9	416.7	256.4	167.7	162.5	157.9	141.2	158.7	171.3	165.9	2,063.2



State of Good Repair Backlog

Accumulated Backlog by Program and Backlog as a % of Asset Value



Issues for 2015 and Beyond

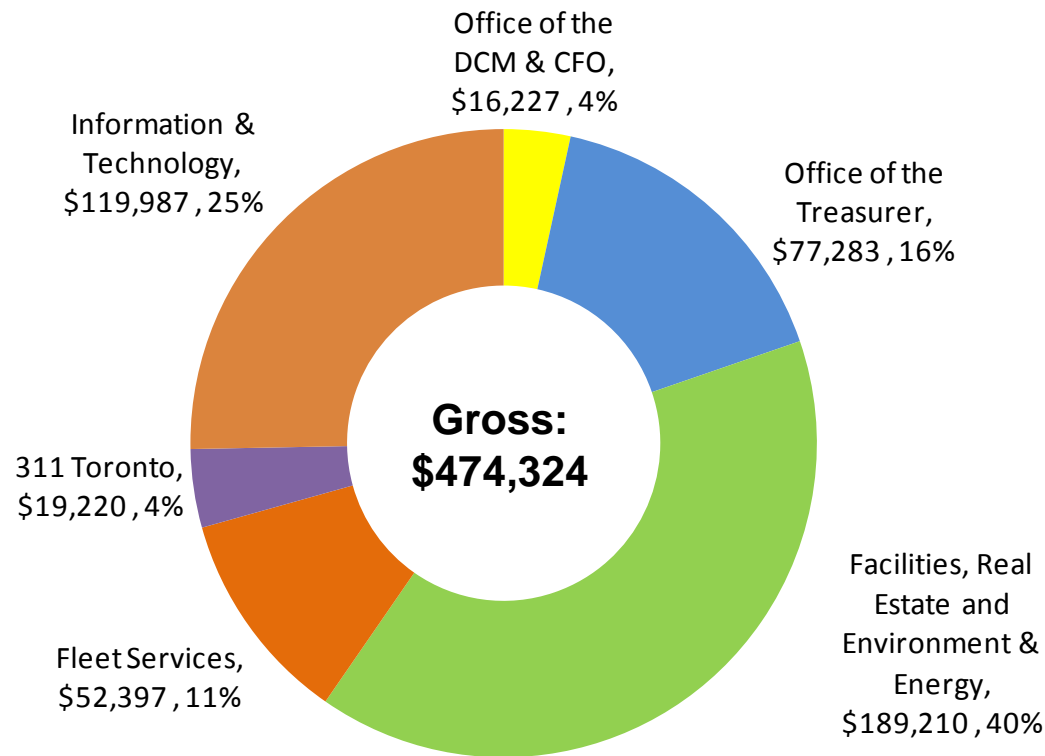
- Maintaining aging building infrastructure challenges:
 - 20% of City owned buildings over 50 years old
 - 35% of the buildings will be over 50 years old over the next 10 years
- FM&RE invests in SOGR in facilities below industry standards of 2% to 4% per year of replacement value due to funding constraints, and are currently reviewing model for delivery of SOGR projects to improve funding utilization rates
- Replenishing the Corporate Vehicle & Equipment Reserve for timely replacements of vehicles and to fund Fuel Sites rehabilitation:
 - Deficit balance of reserve pushed out from 2017 to 2019
- IT capital projects are complex with City-wide implications:
 - Large number of concurrent business transformation projects require significant resources and change management from business and I&T
 - Increasing business demand for service efficiencies and public expectation for online services impacting capacity and sustainment
 - A growing and diverse IT portfolio is creating incremental pressure to maintain skills, technology and service levels



**Staff Recommended
2015 Operating Budget and Plan**

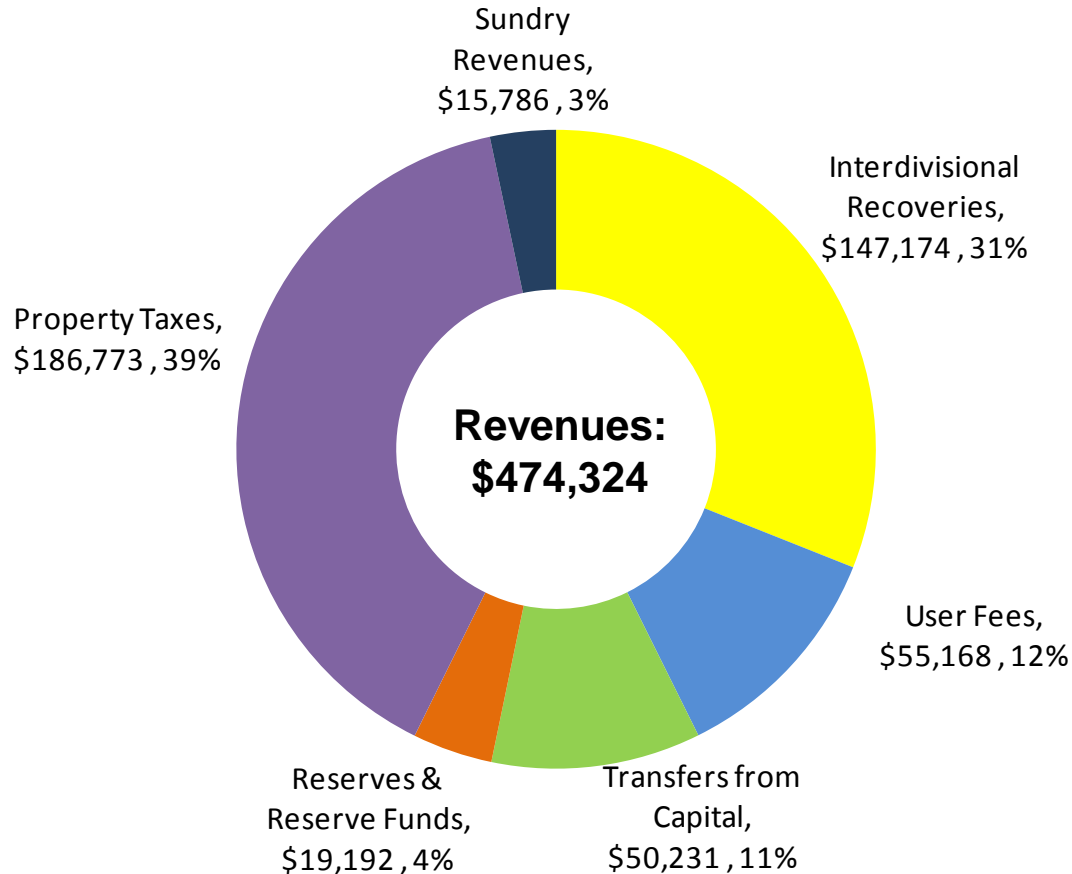


Recommended Gross Operating Budget - Where the Money Goes (\$000s)



Recommended Operating Budget

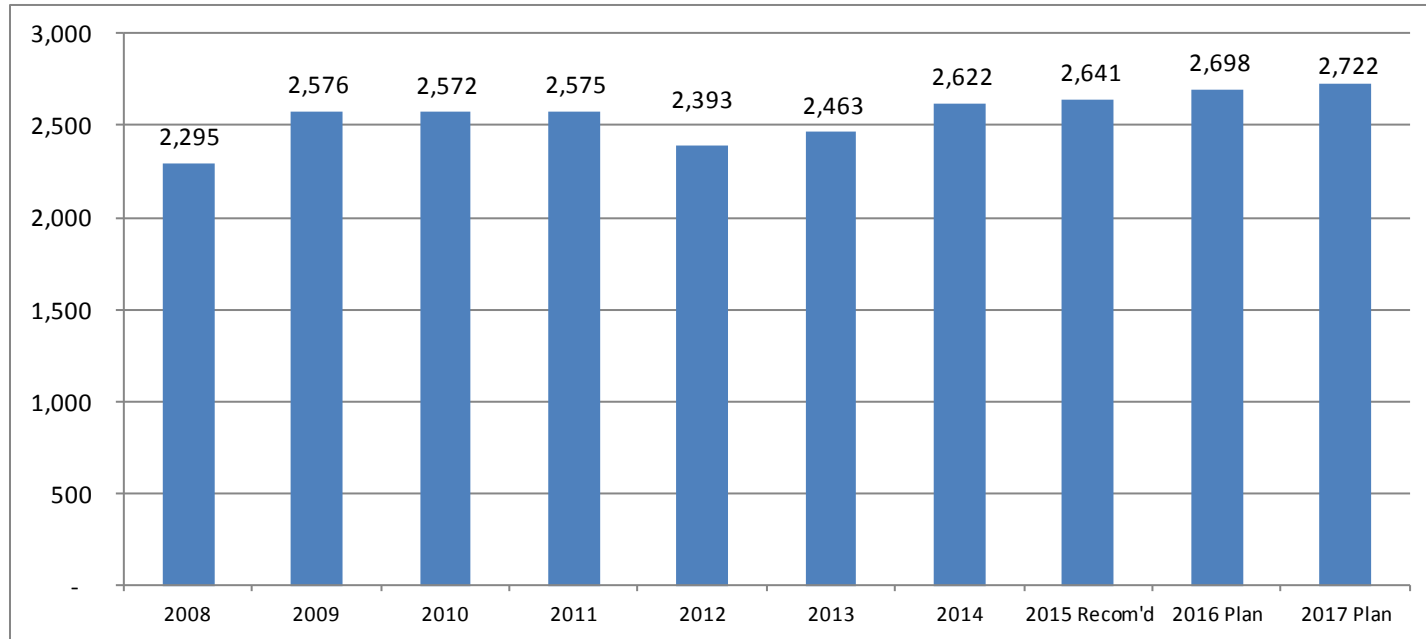
- Where the Money Comes From (\$000s)



Staff Recommended 2015 Operating Budget

(In \$000s)	2014 Approved Budget		2015 Recommended Budget		Change from 2014 Over/(Under)			
					Gross		Net	
	Gross	Net	Gross	Net	\$	%	\$	%
Office of the DCM/CFO	16,203	9,446	16,227	9,446	24	0.1%	-	0.0%
Office of the Treasurer	74,387	30,373	77,283	30,373	2,896	3.9%	-	0.0%
Facilities, Real Estate and Environment & Energy	188,747	65,319	189,210	65,319	463	0.2%	-	0.0%
Fleet Services	47,789	-	52,397	-	4,608	9.6%	-	0.0%
311 Toronto	17,800	10,285	19,220	10,890	1,420	8.0%	605	5.9%
Information & Technology	110,433	68,539	119,987	70,745	9,554	8.7%	2,206	3.2%
Total Internal Services	455,359	183,962	474,324	186,773	18,965	4.2%	2,811	1.5%

Staffing Trend (Excludes Capital Positions)



Key Points:

- 2009: 147 IT positions transferred in from Clusters A & B as part of IT Transformation, 100.5 positions added to Facilities for the management of Union Station and to address increased client demands
- 2012: 119.2 positions deleted due to contracting out of custodial services, 56 positions deleted through efficiencies
- 2013: 58 new operating positions to deliver IT capital projects, 21.6 positions transferred in from Toronto Environment Office
- 2014: 55 positions adjusted to complement (provincial trades), 46.8 positions added for reversal of contracting out Phase II of custodial ASD, 20 positions transferred to Facilities from EMS as part of Facilities Transformation
- 2015, 2016 and 2017: position increase mainly due to operating impacts of capital

2015 Recommended Operating Budget

- Key Drivers

(In \$000s)	Net Expenditures
Prior Year Impacts	1,810
Operating Impacts of Capital	1,109
Economic Factors	2,861
COLA/Progression Pay/Step Increases	6,236
Other Base Changes	1,644
Revenue Changes	(6,129)
Net Pressures from 2014	7,531

2015 Recommended Budget Reduction

	Net
Base Expenditure Changes	
• Line by Line Review	(331)
Sub-Total Base Expenditure Changes	(331)
Service Efficiencies	
• Efficiencies in 311 IT Sustainment	(136)
• Custodial Services Efficiencies	(239)
• Environment & Energy Program Support Efficiencies	(76)
• Streamline Building Maintenance Functions	(589)
• Corporate Security Efficiencies	(161)
• Capital Project Management Efficiencies	(87)
• Realign Positions in Fleet Services	(157)
• Efficiencies in Accounts Payable	(71)
• Savings from Telecom and VoIP	(1,218)
Sub-Total Service Efficiencies	(2,734)
Revenue Adjustments:	
• User Fee Rate Change (Call Documents, Utility Clearance Certificate)	(230)
• IT Project Management Costs Recovered from Capital	(875)
Sub-Total Revenue Adjustments	(1,105)
Total Budget Reductions	(4,170)

Recommended New / Enhanced Service Priorities

Description	2015 Recommended			Net Incremental Impact			
	Gross Expenditures	Net Expenditures	New Positions	2016 Plan		2017 Plan	
				Net Expenditures	# Positions	Net Expenditures	# Positions
Enhanced Services Priorities							
Policy & Research Analyst for Shared Services	99	-	1				
Senior Investment Analyst for Capital Markets	70	-	1				
Dedicated Buyers for Client Divisions	317	-	5				
Purchasing & Materials Mgmt Program Review	300	-	-				
Temporary Green Fleet Co-ordinator for Green Fleet Plan	121	-	1				
Sub-Total Enhanced Services	907	-	8	-	-	-	-
New Fees							
Mortgage Lender Fee		(550)					
Sub-Total New/Enhanced	907	(550)	8				
Total Net Increase		2,811					

New User Fee - Highlights

Mortgage Lender Fee (\$550K net)

- \$5.50 per property tax account (interim and final property tax bills) charged to a financial institution when the property tax amounts payable is part of an established mortgage financing agreement
- Effective May 1, 2015
- Fee charged by other Municipalities:
 - Markham - \$8 per account bi-annually
 - Richmond Hill - \$5 per account bi-annually
 - Mississauga - \$5 per account bi-annually
 - Brampton - \$8 per account annually
 - Oshawa - \$10 per account annually

2016 and 2017 Plans

Description	2016 - Incremental Increase					2017 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Pos.	Gross Expense	Revenue	Net Expense	% Change	# Pos.
Known Impacts										
Progression Pay/Step and Benefits	3,496.7	390.6	3,106.1	1.7%	0.0	1,633.0	215.1	1,417.9	0.7%	0.0
Operating Impact of Capital	5,506.5	(1,551.5)	7,058.0	3.8%	57.0	4,316.0	(359.4)	4,675.4	2.4%	19.0
Annualization	89.1	702.1	(613.0)	(0.3%)	0.0	0.0	(14.5)	14.5	0.0%	0.0
Capital Project Delivery	(314.9)	(314.9)	0.0	0.0%	0.0	(1,610.4)	(1,610.4)	0.0	0.0%	(12.0)
Growth in Data Centre Co-Location	101.8	0.0	101.8	0.1%	0.0	67.5	0.0	67.5	0.0%	0.0
Conversion of Capital Positions to Operating	0.0	(481.3)	481.3	0.3%	0.0	0.0	(357.7)	357.7	0.2%	0.0
Sub-Total Known Impacts	8,879.2	(1,255.0)	10,134.2	5.4%	57.0	4,406.1	(2,126.9)	6,533.0	3.3%	7.0
Total Incremental Impacts	8,879.2	(1,255.0)	10,134.2	5.4%	57.0	4,406.1	(2,126.9)	6,533.0	3.3%	7.0



2015 Recommended Service Levels



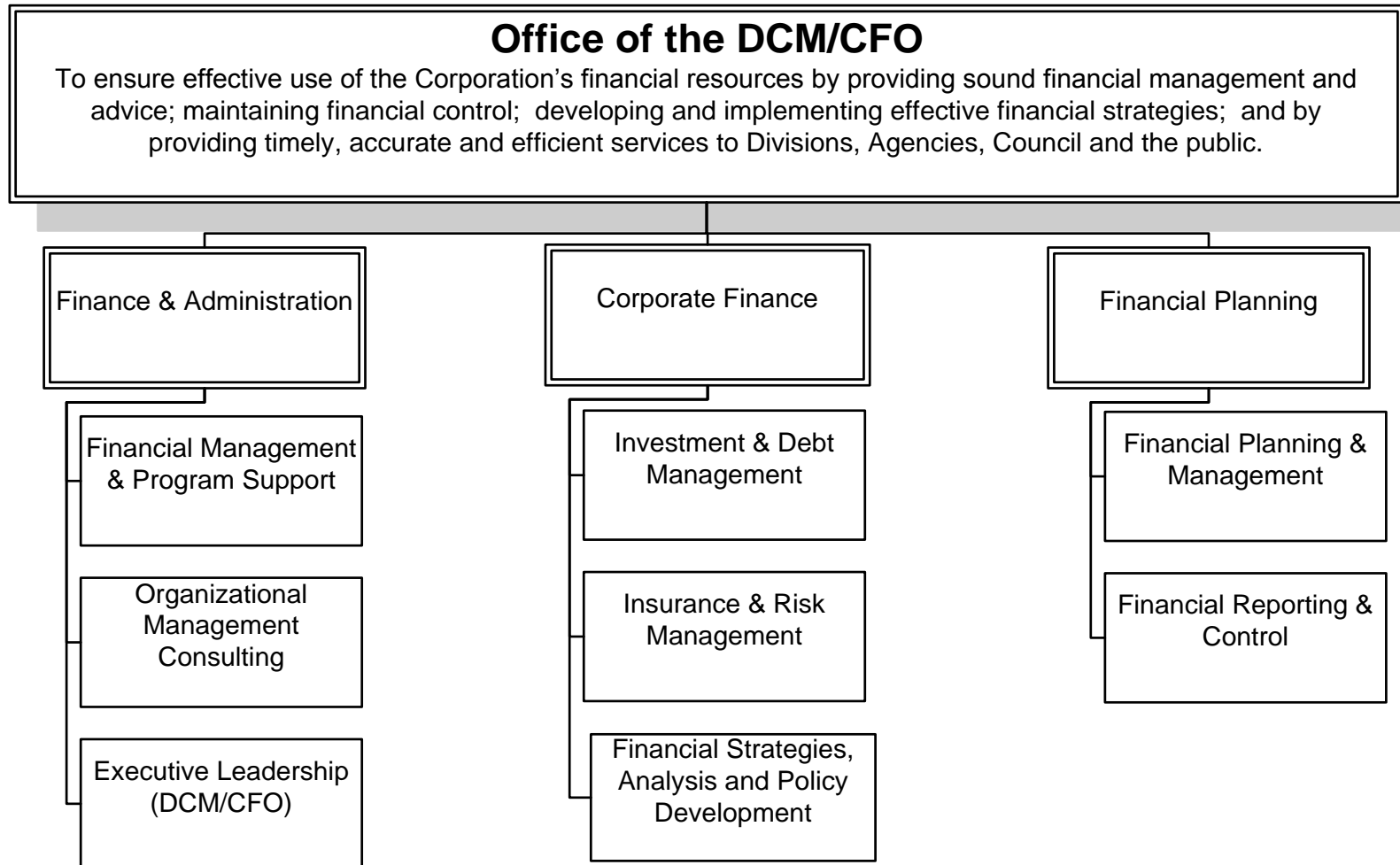


Office of the DCM & CFO



Office of the DCM & CFO

2015 Program Map



2015 Service Deliverables

- Deliver Multi-Year Operating Budget and Plan that sets priorities and is service-based, balanced and sustainable
- Deliver 10-Year Capital Budget and Plan within affordability guidelines that addresses priorities and reduces backlog of State of Good Repair
- Manage City's \$4.6 billion investment portfolio and \$1.9 billion in sinking funds and supports management of the City's pension funds and trust funds
- Issue up to \$900 million worth of debentures and manage principal and interest payments to support the City's capital works program
- Complete development charge background study for Scarborough Subway and Portlands, and present revised by-laws for Council consideration and adoption
- Insure \$15 billion worth of property and process up to 7,000 insurance claims including managing the defense of up to 2,500 legal claims
- Pilot a Participatory Budget Process in conjunction with City Manager's Office
- Provide financial advice on an estimated 1,700 reports to Standing Committees and Council
- Review and revise the Financial Control By-Law
- Report on SmartTrack funding
- Report on the feasibility of a P3 to rehabilitate Gardiner Expressway

2015 Key Service Levels

Finance & Administration

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Capital & Operating Budget Support	Annually			Annually
Capital & Operating Variance Reporting	Quarterly			Quarterly
Financial Oversight and Analysis	Monthly			Monthly
Payment Processing	3-5 business days			3-5 business days
Time & Attendance Reporting	Bi-Weekly			Bi-Weekly

2015 Key Service Levels

Corporate Finance

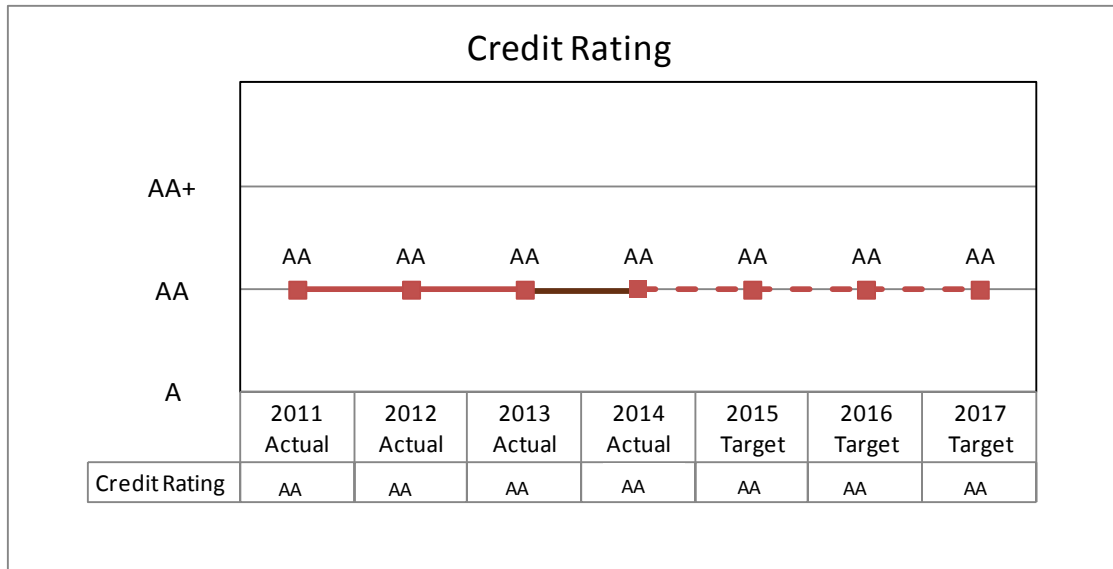
Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Investment Management – Money Market Funds	Based on management’s assessment of the duration for which the investments should be held			No Change
Debt Management - Debentures	Interest rates and issuings spreads change on a daily basis on capital market conditions. Credit ratings are generally assessed and issued once per year			No Change
Claims Management – General Liability	Claimants notified within 2 weeks	Claimants acknowledged upon receipt by City Clerk’s Office		No Change
Development Charges By-law	Updated every 5 years	Bring forward updated City wide background study and revised by-law	Bring forward area specific background study and revised by-law for Scarborough transit and portlands area	No Change

2015 Key Service Levels

Financial Planning

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Capital & Operating Budget Approval	Annually by end of year	Annually in accordance with Council's mandates within the first month of the fiscal year		No Change
Budget Decision Support	Released at least 24 hours for Notes and 7 days for Reports, prior to council/committee meeting, 100% of the time			No Change
Financial Advice - Reports	Meeting agenda closing deadlines 100% of the time			No Change
Financial Advice – Stakeholder Relations (Media/Council/Public)	Responses released within prescribed timelines 100% of the time			No Change
Operating & Capital Variance Reporting	Quarterly within 45 days of quarterly closing			No Change

Service Performance



Explanation of Performance Measurement Trend:

The City's credit rating has maintained stable outlook during difficult economic times due to:

- Toronto's wealthy and diversified economy, low debt burden, very positive liquidity and positive financial management

Key Challenges and Priority Actions

- Delivering Long-Term Financial plan that provides for sustainable services and reliable infrastructure with modest impacts to tax payers
- Continuing to streamline and re-engineer service delivery processes that will reduce the cost structure and maximize non-tax revenue sources
 - The Staff Recommended 2015 Operating Budget includes \$99K to provide additional support for the Shared Services project
- Addressing capital funding challenges from rising state-of-good repair backlog and growth demands
 - Continuing to leverage City assets and other non-debt strategies to generate funding for unmet capital needs and help offset new debt requirements
 - The Staff Recommended 2015-2024 Capital Plan includes an additional \$1.6 billion over the 10 year period to address critical capital investments and SOGR backlog
- Enhancing transparency and accountability of the City budget
 - Continue implementing service-based and performance focused multi-year planning and budgeting so that residents will know City service costs, service levels and key deliverables

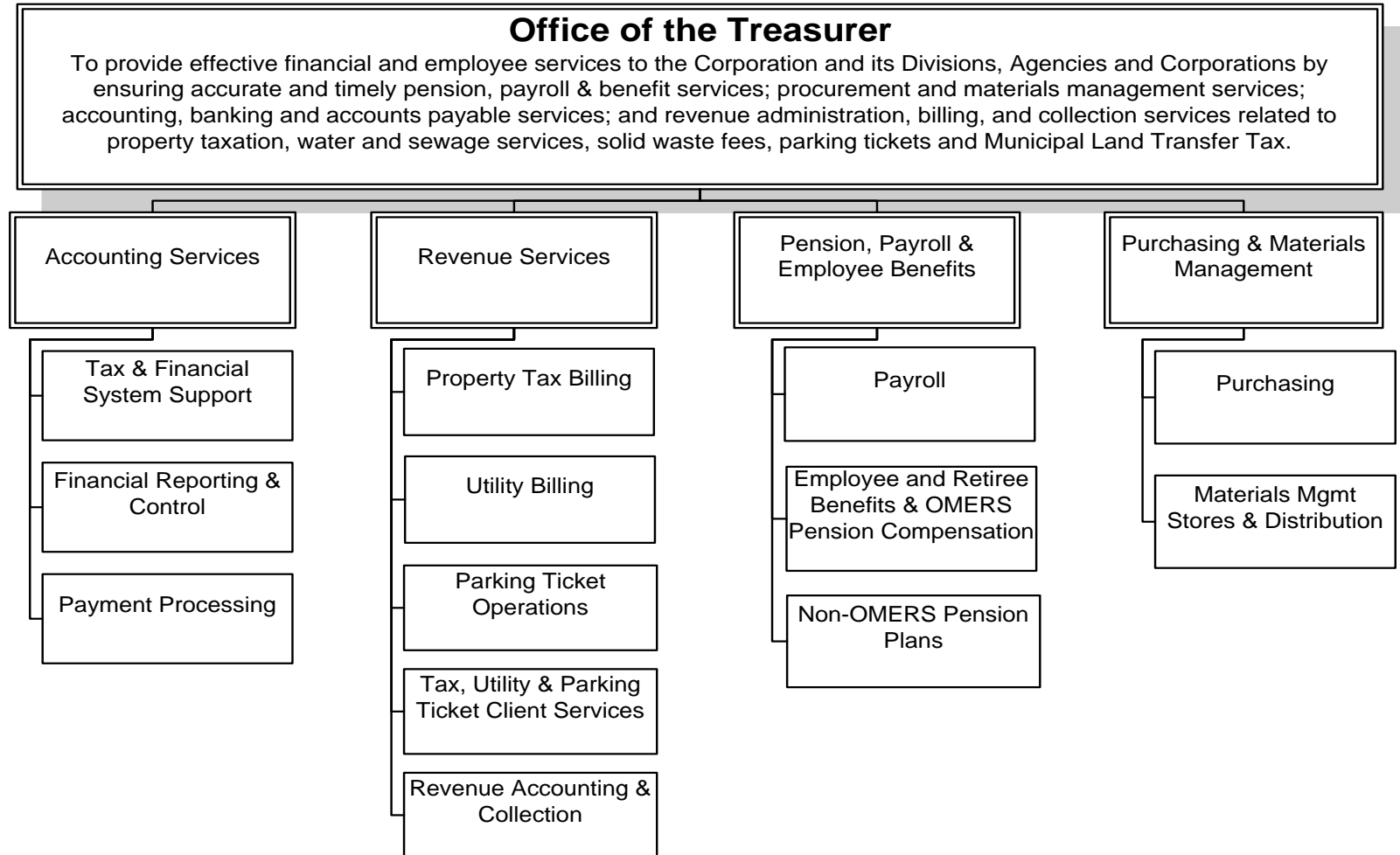


Office of the Treasurer



Office of the Treasurer

2015 Program Map



2015 Service Deliverables

- Modernize and introduce on-line self-service options in Payroll & Revenue and implement customer service enhancement strategies to achieve customer service targets for call centre and public facing interactions
- Participate on the City's bargaining team in negotiations
- Continue to enhance the City's purchasing process: program review and Purchasing by-law review in light of the Comprehensive Economic Trade Agreement with the European Union
- Support the sustainment, improvement and protection of the integrity of the City's financial and payroll systems (SAP)
- In partnership with Toronto Water, continue the implementation of the City's Water Meter Replacement and Automated Meter Reading Program
- Continue to undertake analysis of business needs and investigate solutions for replacement or upgrade of existing tax and utility billing software
- Preparation of the City's consolidated financial statements including the consolidation of the financial results of the City's agencies and corporations

2015 Key Service Levels

Accounting Services

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Journal Entries:	Target	99% Processed within 2 business days		99% Processed within 2 business days
	Actual	99%	99%	99%
Accounts Payable:	Target	90% of payments made within 60 days		90% of payments made within 60 days
	Actual	90%	87%	88%
Pcards	Issued within 10 days of request			Issued within 10 days of request
Annual Consolidated Financial Statement Preparation	Completed prior to June 30 th		Completed by June 10 th	Completed by June 10 th
Annual Provincial Financial Information Return (FIR)	Completed by August 31 st		Completed by July 31 st	Completed by July 31 st
HST Remittance	File by mid-month			File by mid-month

2015 Key Service Levels

Pension, Payroll & Employee Benefits

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Employee Benefits & OMERS Pension Administration	Maintain benefits & pension plans to 33,000 full time employees & retirees 100% of the time		Maintain benefits & pension to 35,000 full time employees & retirees 100% of the time	Maintain benefits & pension plans to 37,185 full time employees & retirees 100% of the time
Benefits & Pension Mgmt Reporting	Bi-weekly reports will be made available to management within 2 days of the pay date and monthly reports by the end of the following month, with 100% accuracy			No Change
Payroll Administration	Payroll cheque / direct deposit/ statements available to 25,120 employees on scheduled pay dates 100% of the time			Payroll cheque / direct deposit/ statements available to 24,900 employees on scheduled pay dates 100% of the time
Payroll Management Reporting	Reports posted within 2 days of pay date with 100% accuracy			No Change

2015 Key Service Levels

Purchasing & Materials Management

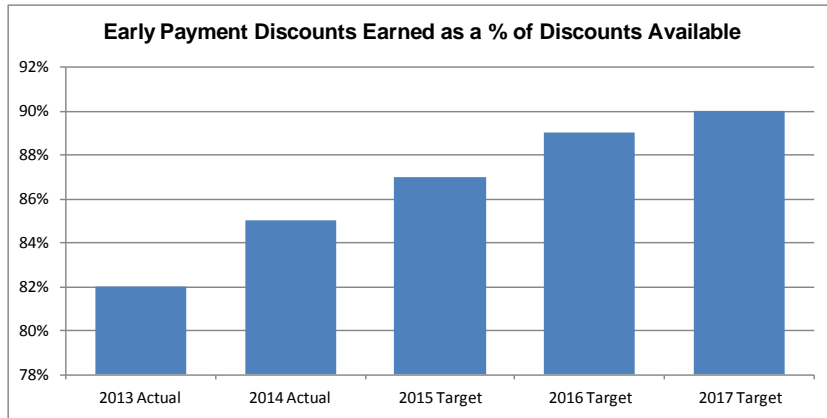
Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Materials Mgmt. & Stores Distribution: Target	Materials Delivered within 7 calendar days			Materials delivered within 7 calendar days
Actual	88.5%	90.0%	64.8%	
Materials Mgmt. & Stores Distribution: Target	Inventory turnover at rate of 5.0 times / year		Inventory turnover at rate of 4.5 times /year	Inventory turnover at rate of 4.25 times/ year
Actual	5.8	3.82	4.0	
Call Documents: Target	100% Issued within 2-5 days of receipt of final approval from Client Division			100% Issued within 2-5 days of receipt of final approval from Client Division
Actual	82.0%	90.0%	100.0%	

2015 Key Service Levels

Revenue Services

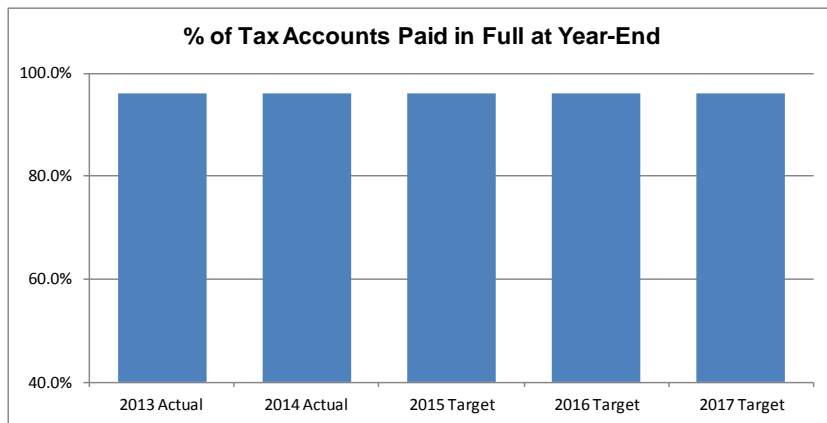
Activity		Approved Service Levels			Recommended Service Levels
		2012	2013	2014	2015
Parking Ticket Processing	Target	99.5% processed within legislated timeframe			No Change
	Actual	99.85%	99.89%	99.9%	
Residential Assessment Appeals		100% processed within 30 days following receipt of Assessment Review Board (ARB) Decision			No Change
Revenue Accounting & Collection	Target	90% of cheques processed within 3 days			95% of cheques processed within 3 days
	Actual	91.5%	94.2%	95.1%	
Contact Centre - Telephone Enquiry	Target	Average wait time on hold of 10 minutes or less			No Change
	Actual	9.8 minutes	11.4 minutes	9.9 minutes	
Counter Operations	Target	Average wait time of less than 10 minutes for tax/utility and parking ticket transactions			Average wait time of less than 7 minutes for tax/utility and parking ticket transactions
	Actual	5.6 minutes	7.0 minutes	5.0 minutes	

Service Performance



Explanation of Performance Measurement Trend:

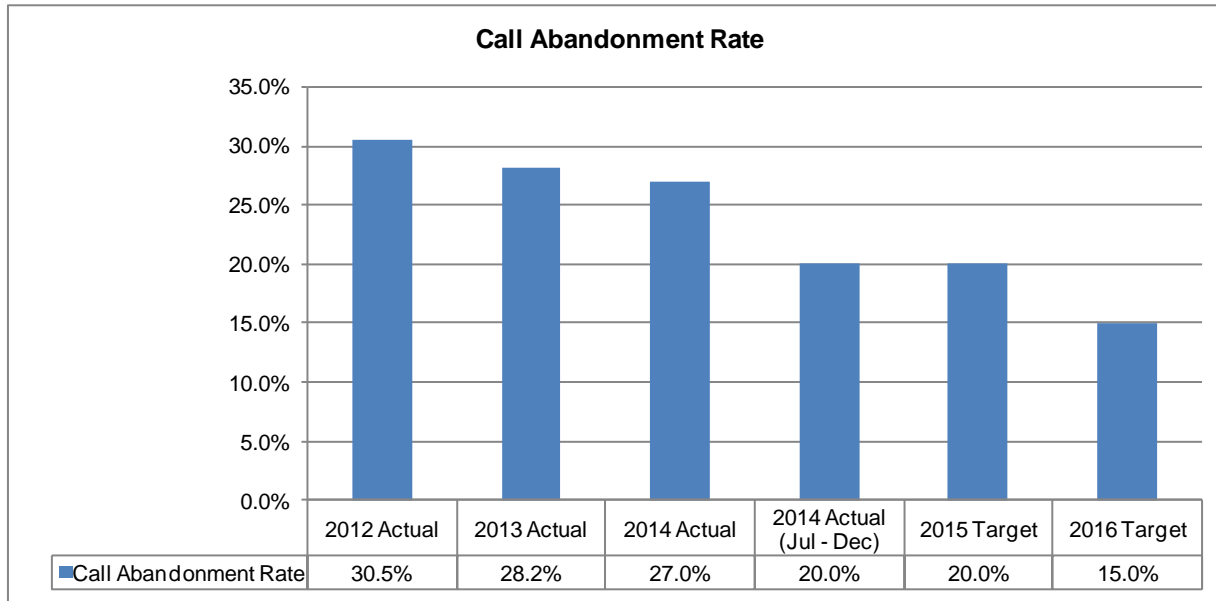
Discount captured in 2014 are consistent with initial projections of \$1.2 million. Early payment discounts in 2014 increased by \$0.2 million from 2013. Accounting Services, Purchasing & Materials Management with City Divisions continue to work with city vendors to capitalize on early payment discount opportunities resulting in an increased capture rate for discounts.



Explanation of Performance Measurement Trend:

The percentage of tax accounts paid in full each year from 2012 to through 2014 has remained at 96%. This trend will continue in 2015 through 2017 as economic conditions are not expected to change over the next 3 years.

Service Performance



Explanation of Performance Measurement Trend:

Call abandonment rate identifies the number of callers in queue that hang up before being connected to Call Centre personnel. For 2014, the overall call abandonment rate is 27%. However, the call abandonment rate for the July-Dec period was 20% and achieved the target set for 2014. The improving trend reflects increased staffing levels during the last half of 2014. On-line lookup service and automated voice-response self-serve options are scheduled for 2015 which will help to continue to reduce overall abandonment rates. Revenue Services is also exploring the possibility of having a larger percentage of incoming calls being handled by 311 initially.

Key Challenges and Priority Actions

- Continue and begin upgrades to Systems & Technology Platforms such as Employee & Manager Self Service Portal and Time and Attendance
- Participate in development of multi-year Shared Service implementation plan for procurement and payroll, determine the most efficient and effective ways to deliver services, and continue working with Agencies and Corporations to identify cooperative purchasing opportunities
- Modernize and introduce on-line self service options and implement customer service enhancement strategies
 - Early 2015 launch of on-line Utility & Property Tax Account Look-up
 - Interactive Voice Response (IVR) Self Service System for the Call Centre
 - Review of 311 potential to handle 1st level calls
 - Develop a self service on-line Tax & Utility Certificate for lawyers and property owners in 2015



Chief Corporate Office Organization

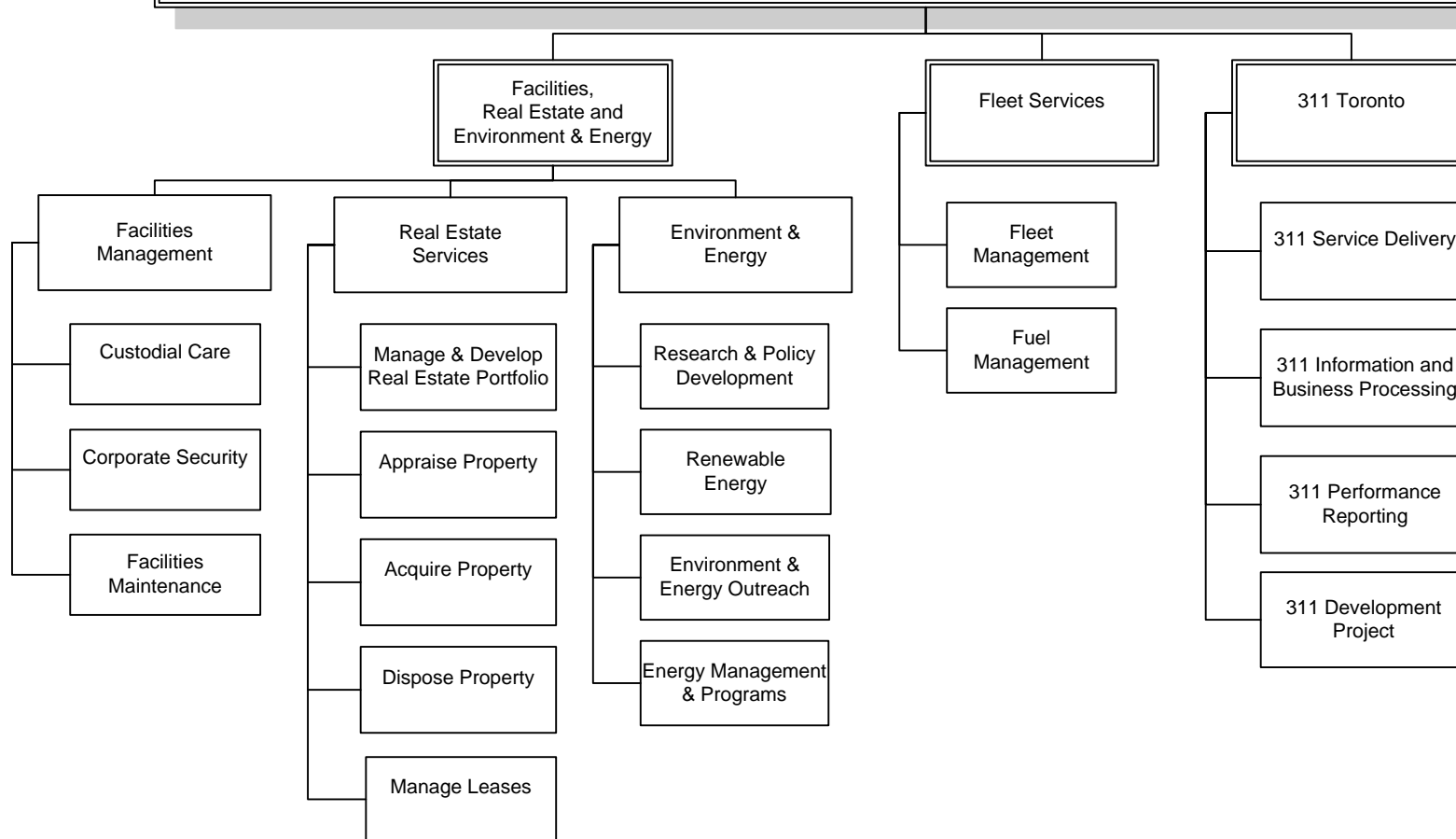


Chief Corporate Office Organization

2015 Program Map

Chief Corporate Office Organization

We work across the City with our clients and stakeholders to deliver an effective customer experience by managing assets and offering services that fully utilize the City's property assets, fleet, energy supply and environmental programs, and contact centre resources in an innovative and fiscally sustainable manner.





Facilities, Real Estate and Environment & Energy



2015 Service Deliverables

- Maintain City facilities in a clean, safe, secure and accessible manner as per Council approved maintenance standards and the Corporate Security policy
- Ensure the City's property portfolio is optimal and meets program requirements
- Conduct building condition assessments on 20% of the portfolio of over 400 facilities
- Continue the development of the long-term Office Modernization Plan to maximize use of space
- Development of a city-wide Real Estate strategy to manage the City's portfolio across Divisions, Agencies, Boards and Corporations
- Reduce energy demand and greenhouse gases and increase use of renewable energy technologies and clean energy generation
- Ensure the waste diversion rate meets or exceeds the City target of 70% diversion

2015 Key Service Levels

Facilities Management

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Facilities Maintenance (On Demand)	Compliance with desired maintenance response times to On Demand requests: Level 1 (emergency) – 2 hrs Level 2 (urgent service) – 48 hrs Level 3 (necessary service) – 5 days			Compliance with published standards
Actual	Compliant	Compliant	Compliant	
Cleaning Services for City Run Programs	Compliance with client SLAs for daily routine cleaning in public spaces			Compliance with agreed upon SLAs
Actual	Compliant	Compliant	Compliant	
% Change in Number of Security Incidents	1.5% Increase in the # of security incidents reports			1.5% Increase
Actual	NA	NA	1.22%	

2015 Key Service Levels

Real Estate Services

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Properties Appraised Actual	90% Compliance with completing appraisals requested within 6 weeks			90% Compliance
	76%	86%	86%	
Real Estate Acquisitions and Expropriations Actual	80% Compliance to acquire properties within clients timeframes			80% Compliance
	76%	78%	80%	
Real Estate Disposal at Market Rates Actual	100% Compliance with disposing of properties at 100% or better of appraised value			100% Compliance
	100%	100%	100%	
Property Leasing Actual	95% Compliance for acquiring leases within client timeframes			95% Compliance
	80%	85%	87%	

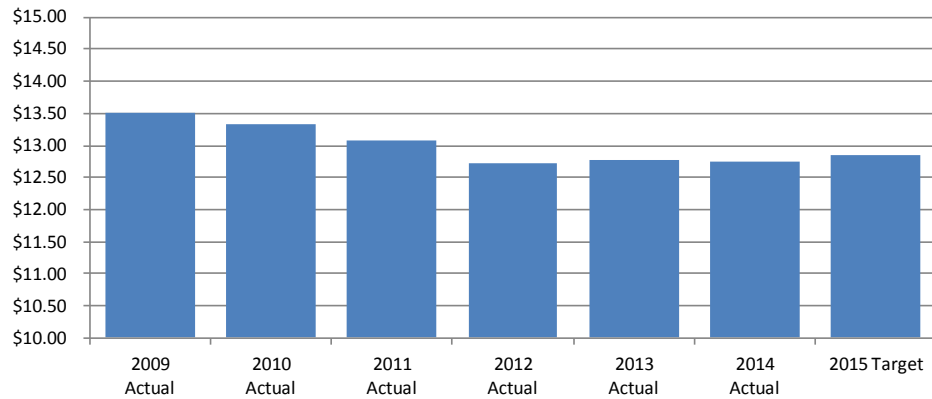
2015 Key Service Levels

Environment & Energy

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Energy Retrofits Actual	Savings of up to 25% of building energy use			Savings of up to 25% of building energy use
	Not available	277 Victoria – 13% (Lighting, BAS retrofit) Clerks Archives – 50% (BAS retrofit)	NYCC - 13% (BAS retrofit)	
Renewable Energy Actual	2.0 million kW.h generated and related revenues created		2.6 million kW.h generated and related revenues created	3.8 million kW.h generated and related revenues created
	0	0.964 million kWh	1.278 million kWh	
Administer Loan Programs Actual	100% loan repayments are received with no defaults			100% loan repayments are received with no defaults
	100%	100%	100%	
Funding Agreements Actual	Average 22 Mega watt per year			Average 10 Mega watt per year (as per contract)
	18MW	15MW	32MW	
Waste Management Actual	N/A	Grow Corporate diversion rate beyond current 70% level		Grow Corporate diversion rate beyond current 70% level
		81% (FM Facilities)	85.8% (FM Facilities)	

Service Performance

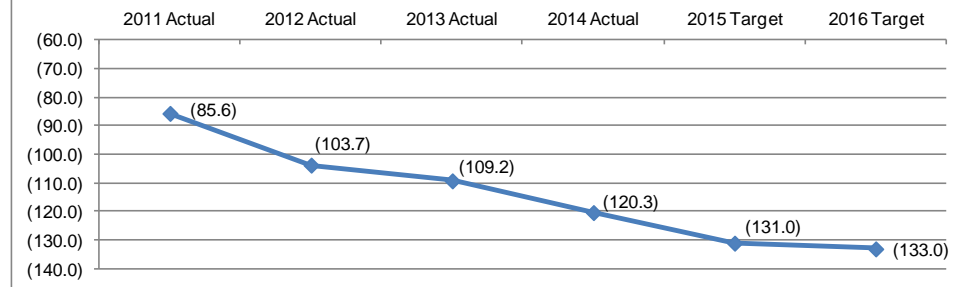
Operating Cost per Sq. Ft.



Explanation of Performance Measurement Trend:

The cost per square foot includes custodial, building repairs & maintenance, security and utilities costs. Costs have stabilized due to the use of a mixed service model for custodial and maintenance services, emphasizing a preventative maintenance plan and updating building automation system to realize energy efficiencies.

Electricity Demand Reduction (Megawatt)



Explanation of Performance Measurement Trend:

This graph represents cumulative amounts. Since 2011, there has been a reduction in electricity demand every year. The goal of Environment and Energy is to reduce electricity demand in Toronto by 133 megawatts by 2016, focusing on energy efficient buildings and infrastructure, and encouraging stakeholders to reduce energy consumption through planned efficiencies and effective communication strategies. **Every 5MW reduction in demand is equivalent to the demand of a new 40-story condominium tower.**

Key Challenges and Priority Actions

- Improving resilience to high impact extreme weather events and ability to mitigate potential damages and business disruption to City Programs and Agencies
 - The Staff Recommended 2015 Operating Budget includes an incremental \$250K for 2 new positions to implement the Resilient City-Climate Change Risk Management Policy adopted by Council in July 2014
 - Environment & Energy will re-prioritize existing services and initiatives to re-direct existing resources to support the Resilient City initiative
- Unlocking the value of the City's real estate portfolio
 - Development of a city-wide Real Estate strategy to meet the real estate needs of City Programs and Agencies
- Better align preventative maintenance schedules with state of good repair plans across the City's building portfolio
 - Automate core business processes related to facility work orders, scheduled preventative maintenance and inventory management, while interfacing with state of good repair plans
- Development and implementation of a CCOO People Development plan
 - Invest in the growth and development of staff through talent management, leadership development, succession planning, mentorship programs, and by creating a healthy and positive work environment



Fleet Services



2015 Service Deliverables

- Provide a full-range of fleet management services for City of Toronto Divisions and other City funded organizations
- Direct the lifecycle management of the City's fleet including the acquisition, maintenance and disposal of vehicles and equipment based on lifecycle and operational analysis
- Ensure compliance with Provincial legislation and City policies and guidelines
- Provide safety training, testing and certification to approximately 10,000 City employees who are required to operate City vehicles and equipment
- Oversee and direct the City's fuel management operations, including, safety and compliance management, staff training and the associated management of fueling stations
- Work closely with client Divisions to optimize fleet size by ensuring that all vehicles are required and fully utilized
- Continue to deliver the City's 2014-2018 Green Fleet Plan to provide leadership in reducing environmental impact of fleet operation

2015 Key Service Levels

Fleet Management

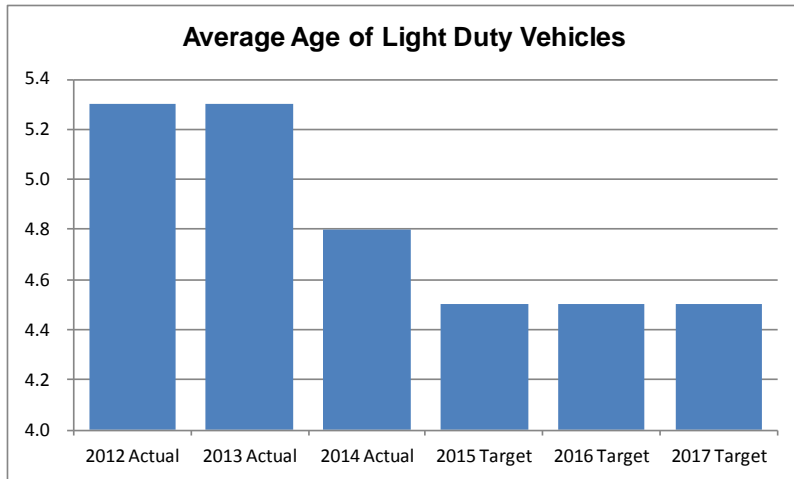
Activity	Approved Service Levels			Recommended Service Levels	
	2012	2013	2014	2015	
Fleet Acquisition Light Duty Vehicles (Average Operating Age)	Target	4.8 years		4.5 years	
	Actual	5.34 years	5.30 years		5.70 years
Fleet Disposal Light Duty Vehicles (# of vehicles/equipment disposed)	Target	400	400	250	
	Actual	433	271	309	
Provincial Vehicle Certification (CVOR Safety Rating)	Target	55%		52%	
	Actual	65.6%	67.1%		42.0%
Driver / Operator Training	Target	100% of all drivers / operators are certified / trained			No Change
	Actual	100%	100%	100%	

2015 Key Service Levels

Fuel Management

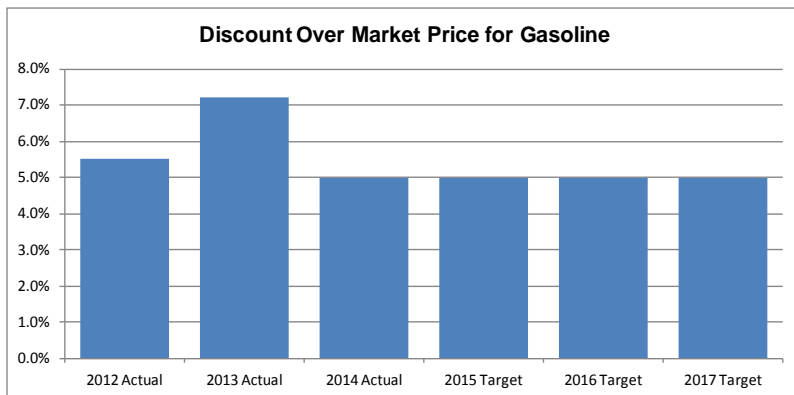
Activity	Approved Service Levels			Recommended Service Levels
	2011	2012	2013	2015
Fuel Acquisition (Gasoline)	5.0% below market prices			5.0% below market price
Fuel Acquisition (Diesel)	8.0% below market prices			8.0% below market price
Fuel Distribution (Gasoline)	3.9 million litres dispensed per year meeting 100% of demand			3.8 million litres dispensed per year meeting 100% of demand
Fuel Distribution (Diesel)	10.7 million litres dispensed per year meeting 100% of demand			10.6 million litres dispensed per year meeting 100% of demand

Service Performance



Explanation of Performance Measurement Trend:

The average fleet age of light duty vehicles for the City is decreasing from 5.3 years in 2013 to 4.5 years in 2016 due to the plan to replace older light duty vehicles on a timely basis.



Explanation of Performance Measurement Trend:

Discount over market price for gasoline for 2015 to 2017 is forecast at 5% to reflect actual experience in the market place given the amount of fuel purchased by the City.

Key Challenges and Priority Actions

- Develop and implement a 3 point action plan in order to attain a multi-year plan that will eliminate the backlog of vehicle replacements and optimize vehicle replacement requirements, which will reduce maintenance costs
 - Contain escalating maintenance costs for heavy vehicles
 - Continue to provide leadership and educate Divisions / Agencies on proper use
- Minimize down time of vehicles while in service
 - Strategic distribution of repairs and maintenance between garages
 - Maintain non-scheduled repairs at 40% of the total vehicle repairs in order to reduce unscheduled downtime



311 Toronto



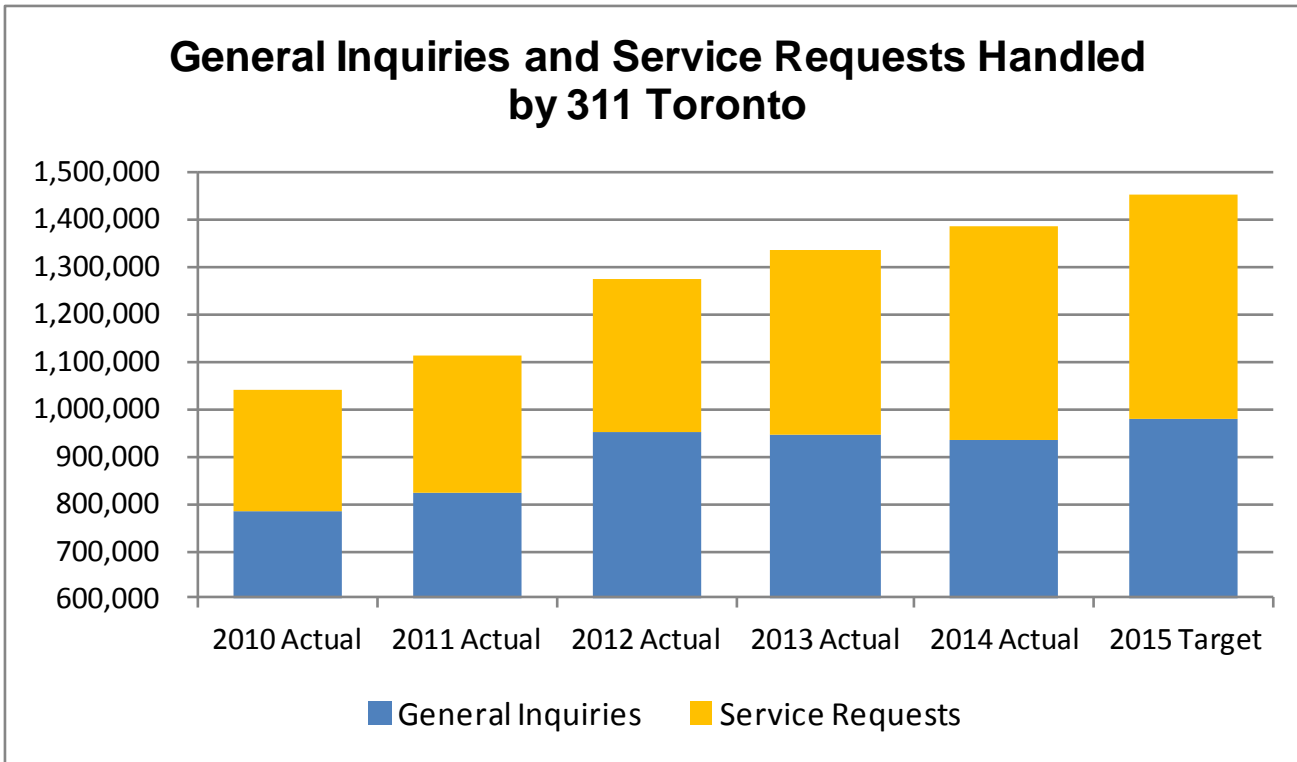
2015 Service Deliverables

- Complete 70% of contacts at first point of contact and transferring less than 30% of all contacts to other Programs and Agencies
- Log and track 100% of all 311 initiated complaints and service requests
- Ensure 100% of the information by Program is posted to the 311 Knowledge base in a timely accurate manner
- Enhance the use of speech analytics to drive efficiencies and increase customer satisfaction
- Improve access to online services by moving customers to lower cost channels and continue to support the open data initiative by posting 311 reports on-line
- Plan for the end of lifecycle replacement of servers, hardware and software to ensure the continuity and stabilization of the 311 Contact Centre Operations through the 10-Year Capital Budget and Plan

2015 Key Service Levels

Activity		Approved Service Levels			Recommended Service Levels
		2012	2013	2014	2015
% of Calls Answered within Approved Service Standards (75 secs)	Target	80%			80%
	Actual	81%	78%	65%	
First Contact Resolution Rate	Target	70%			70%
	Actual	73%	72%	74%	
Average Speed of Answer (in seconds) – The average time it takes to answer a call	Target	120			120
	Actual	38	60	95	
Average Handling Time for Customer Contacts (includes talk time and wrap up time) <i>*Wrap up time was not tracked prior to 2014</i>	Target	151*	270	270	270
	Actual	241	277	299	
# of Users Trained on Business Intelligence Reporting Tool	Target	130	174	250	200
	Actual	109	180	35	

Service Performance



Explanation of Performance Measurement Trend:

Total contacts increased by 4% in 2014 when compared to 2013 and 33% when compared to 2010. Estimated growth for customer contacts for 2015 is 5% as residents become increasingly familiar with services provided by 311 and the anticipated 2015 Pan Am Games.

Key Challenges and Priority Actions

- 311 continues to experience an increase in total contacts along with an increased complexity of calls
 - Implementing initiatives that better anticipate scheduling requirements, focus on quality management as a tool to coach staff in minimizing handle time, and re-structure the call escalation process
- With weather becoming increasingly volatile, 311 needs to focus on how to better prepare and respond effectively to unplanned weather and peak demand events
 - Develop a part time availability process that increases flexibility when scheduling shifts to meet increased volumes
 - Continue to develop partnerships with entities such as Toronto Hydro to ensure accurate and timely information is communicated to callers at the first point of contact
- Employee development and staff engagement is a focus for succession planning
 - Continue to develop an organizational hierarchy that provides employees opportunities to grow
 - Establish a balanced scoreboard to enhance staff engagement

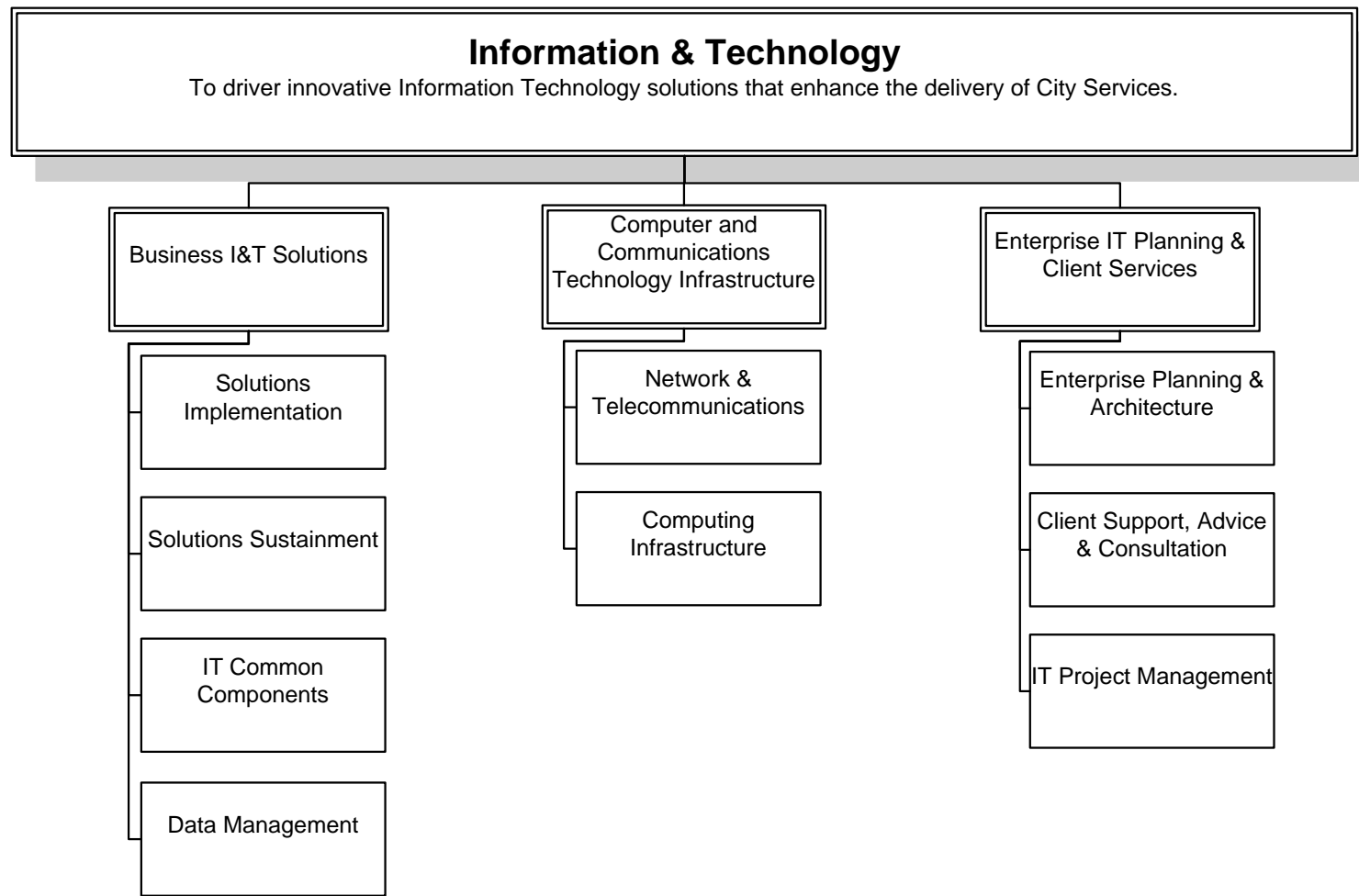


Information & Technology



Information & Technology

2015 Program Map



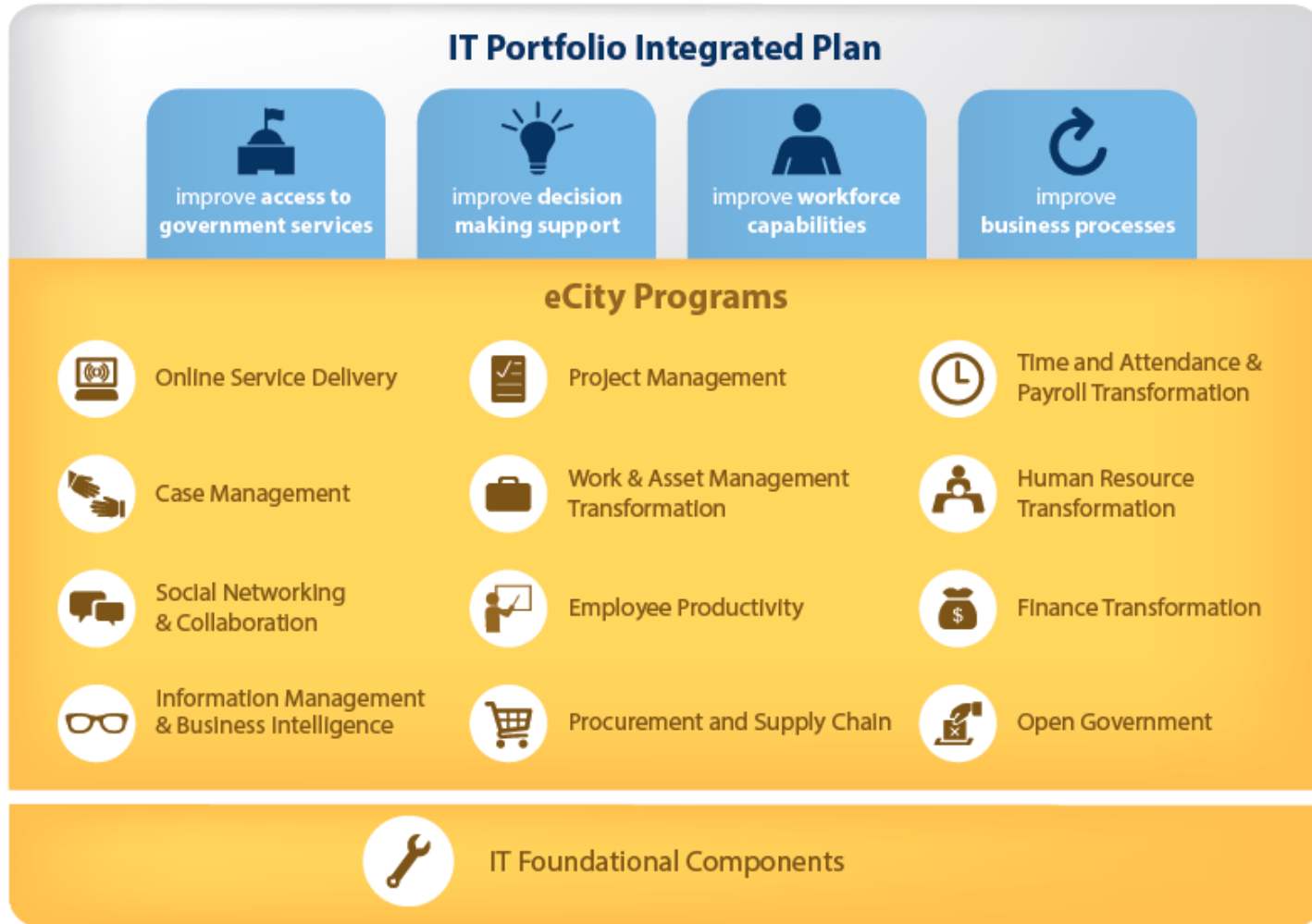
Program Overview

“Citizens, Businesses & Visitors expect Simple, Easy, Integrated Accessible Service Offerings”



Original Creation: Moab by Freyjak.com

Program Overview



2015 Service Deliverables

- Provide leadership for the planning, development and management of City Information Technology
 - Manage and implement the City IT Strategy and IT Portfolio Integrated plan providing direction for the overall IT investment, optimizing and ensuring alignment to City business objectives
- Partner with all City Divisions to deliver business IT solutions for City Programs and Services
 - Maintain and support over 800 enterprise and division business applications
 - Deliver high quality, innovative IT Solutions that meet business needs
- Manage business critical IT infrastructure supporting the delivery of City Programs and Services
 - Manage over 21,000 computers, 1,200 servers, 14,000 wireless devices, 3 data centres 7x24 and maintain and improve state of good repair for IT products and services
- Deliver effective client support for over 23,000 City employees
 - Manage over 167,000 support calls annually to the City IT Service Desk including provision of desk side technical and business application support
 - Provide training to City employees on the new E-Mail system
 - Train up to 2,500 City employees annually on the effective use of City business IT solutions

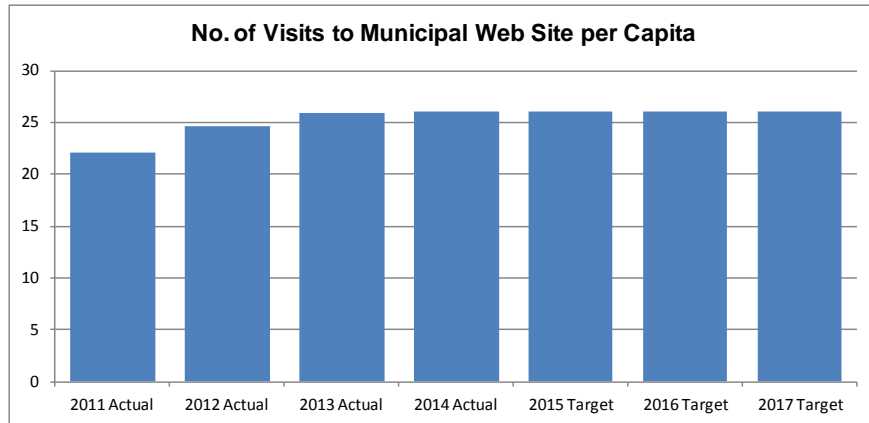
2015 Key Service Levels

Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Solutions Implementation	Over 100 IT projects managed annually			
	Core business hours are Mon to Fri 9:00am-5:00pm (excluding statutory holidays) Consultation or per agreed work plan			No Change
Solutions Sustainment	Over 800 enterprise and program specific business solutions			
	Core business hours are Mon to Fri 8:30am-4:30pm (excluding statutory holidays) Consultation or per agreed work plan			No Change
Network & Telecommunications - Internet	Over 650 Network Sites – 24/7/365 99% uptime			
	99.98% actual	99.98% actual	99.95% actual	No Change
Core business hours are Mon to Fri 8:30am-4:30pm (excluding statutory holidays) Standard Incident Management Targets Service availability 24/7/365 with 99% up time				
Computing Infrastructure – Server Computing Hardware and Data Storage Platform	Over 1,200 Servers – 24/7/365 99% uptime			
	N/A	99.95% actual	99.95% actual	No Change
Core business hours are Mon to Fri 8:30am-4:30pm (excluding statutory holidays) Standard Incident Management Targets Service availability 24/7/365 with 99% up time				

2015 Key Service Levels

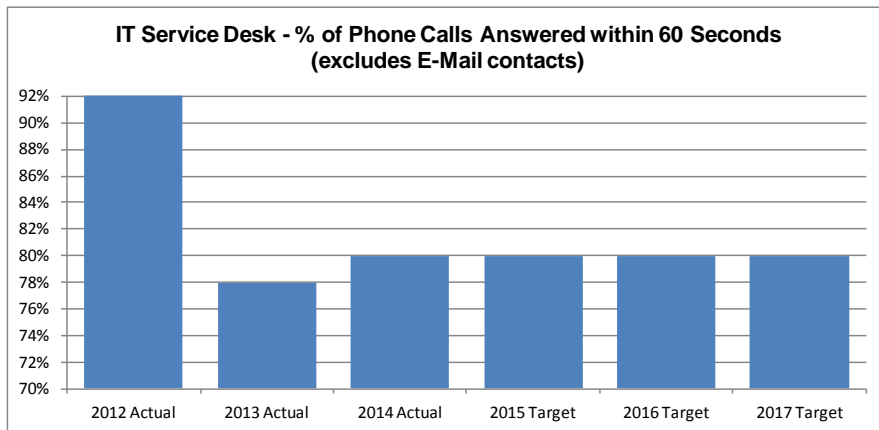
Activity	Approved Service Levels			Recommended Service Levels
	2012	2013	2014	2015
Enterprise Planning & Architecture: Enterprise Architecture - Blueprint	Manage City IT Strategy and IT Portfolio Integrated Plan			No Change
	Core business hours are Mon to Fri 9:00am-5:00pm (excluding statutory holidays) Consultation or per agreed work plan			
Client Support, Advice & Consultation: Service Desk	23,000 Employees, Over 167,000 support requests annually			No Change
	127,090 actual	156,588 actual	167,291 actual	
	Support is available Mon to Fri 7:00am-5:00pm. All other times, calls are re-directed to Computer Operations			
Client Support, Advice & Consultation: IT Training & Education	300+ courses, up to 2,500 employees trained annually			No Change
	1,935 actual	1,671 actual	2,531 actual	
	Per agreed work plan /schedule 99% availability between 8:30am – 4:30pm			

Service Performance



Explanation of Performance Measurement Trend:

The number of visits to the City's Municipal Web Site per Capita in 2014 has increased by 17.5% from 2011. An increase in the number of visits to the City of Toronto Web Site over the next 5 years can be attributed to the ongoing availability of online functionality for new applications and enhanced transactional capabilities.



Explanation of Performance Measurement Trend:

2013 performance dropped due to significant increase in support request volume for both phone and E-Mail (32% increase from 2012).

Resources were shifted to address E-Mail requests to balance overall IT Service Desk response.

Volume of support requests are expected to continue to increase and will be addressed through process improvements.

Additional performance measures will be developed.

Key Challenges

- Increasing business demand for service efficiencies and public expectation for online services impacting infrastructure capacity and sustainment
 - Large number of complex and concurrent City business transformational projects require significant resources and change management capacity from business and I&T
 - Large number of competing complex IT projects require better program and project management capacity
 - Portfolio delivery constrained by complex production environment and window for deployment
- A growing and diverse IT portfolio is creating incremental pressure to maintain skills, technology and service levels.
- Creating an agile and responsive technology environment that drives customer service excellence

Opportunities and Priority Actions

- **Business Transformation:** Drive City business transformation and modernization initiatives to meet City business objectives, gain service efficiencies and improve customer service for City Programs and Services
- **Partnerships:** Build and leverage partnership opportunities with the City's divisions, agencies and vendors, to drive customer service excellence
- **Strategic Governance:** Ensure effective IT investment priority setting through IT governance with clear alignment to key City business strategies and priorities
- **Organizational Capacity:** Continue implementing resource planning for IT projects for business and I&T
- **Project/Program Management:** Enhance IT program and project management maturity across the City to support effective project delivery and success
- **Process and Performance Improvements:** Focus on key opportunities to streamline, integrate and deliver business value for IT clients
- **Talent Management:** Attract and develop a motivated and engaged high performance team and future leaders

Thank You

