

Fast Facts

- Provide payroll time entry for over 6,000 Cluster B employees.
- Process \$180 million in accounts receivable, over \$487 million in accounts payable transactions and more than 21,600 purchase orders, DPOs, CROs and blanket contracts.
- Conduct over 86 public consultation events for Cluster B Programs annually.
- Activate Emergency Operations Centre (twice in 2014).
- Activate Office of Emergency Management Stand-by Coordinator (45 times in 2014).
- Issue 32,300 personal preparedness pamphlets to the public, City Divisions and Civic Centres across Toronto.
- Respond to request for personal preparedness presentations to the members of the public (24 occurrences in 2014).
- Coordinate more than \$1 billion of annual capital expenditures within the City's right-of-way, delivered by over 20 asset owners and involving nearly 4,000 locations.

Trends

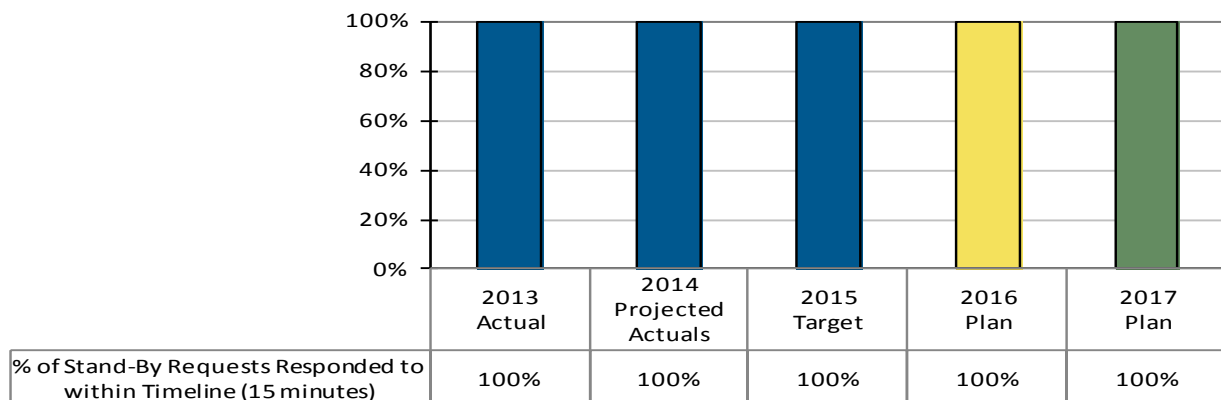
- From 2011 to 2014 the Program has responded to 100% of stand-by requests responded by Emergency Management within 15 minutes.
- For 2015 and onwards, the Program anticipates that it will continue to maintain this service level.

Our Service Deliverables for 2015

PPF&A's 2015 Recommended Operating Budget of \$22.097 million gross and \$9.885 million net will provide funding to:

- Meet the objectives of the Program's Strategic Plan: Service Excellence, Responsible management of Public Resources, and Commitment to Staff.
- Provide financial and administrative support to Cluster B Programs.
- Continue reviews of business processes to identify and improve efficiencies.
- Continue development of coordinated Five-year Capital Programs.
- Enhance T.O.INview to become a more comprehensive tool for capital planning and communication.
- Enhance emergency staffing levels and training for staff at the Emergency Operation Centre and at Emergency reception centres.
- Improve outreach to vulnerable segment of the population through community engagement & public education on the importance of personal emergency preparedness.

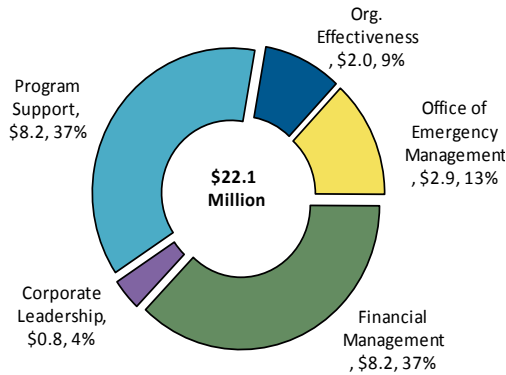
% of Stand-By Requests Responded to by Emergency Management within the Timeline



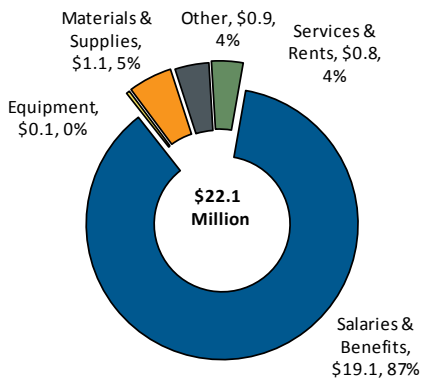
2015 Operating Budget Expenses & Funding

Where the money goes:

2015 Budget by Service
\$22.097 Million

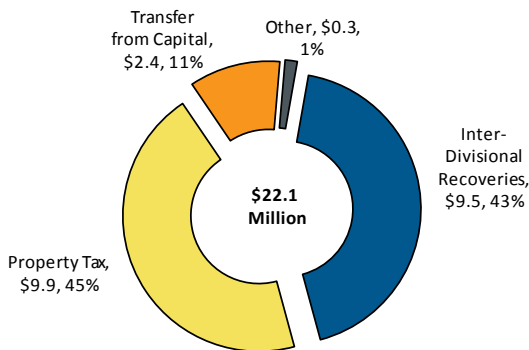


2015 Budget by Expenditure Category



Where the money comes from:

2015 Budget by Funding Source



Our Key Challenges & Priority Actions

- Filling vacant positions, including recruitment and retention of employees.
 - ✓ Continue to work with Human Resources to fill vacant positions
- Continuing need for technology enhancements that will automate manual processes.
 - ✓ Continue to review business processes to identify and improve efficiencies.
- Increasing complexity in developing the coordinated Five-Year Capital Plan due to the size and scope of both City and non-City projects.
 - ✓ Strengthened capital planning tools and procedures through the Major Capital Infrastructure Coordination (MCIC) Office.
- Improving outreach to vulnerable segment of the population on the importance of personal emergency preparedness.
 - ✓ Continue community engagement & public education to strengthen emergency preparedness.

2015 Operating Budget Highlights

- The 2015 Recommended Operating Budget for PPF&A includes:
 - ✓ Funding of \$22.097 million gross and \$9.885 million net reflecting no net change from the 2014 Approved Operating Budget.
 - ✓ Service efficiencies resulting in a reduction of \$0.290 million net and 3.0 positions, while still maintaining the 2014 level of service.

Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2015 Recommended Operating Budget for Policy, Planning, Finance and Administration of \$22.097 million gross, \$9.885 million net, for the following services:

	Gross	Net
<u>Service:</u>	<u>(\$000s)</u>	<u>(\$000s)</u>
Organizational Effectiveness	2,027.6	759.9
Financial Management	8,181.6	3,994.5
Program Support	8,199.0	1,536.6
Corporate Leadership (DCM)	787.2	787.2
Office of Emergency Management	2,901.6	2,806.6
Total Program Budget	<u>22,096.9</u>	<u>9,884.8</u>

2. City Council approve the 2015 recommended service levels for Policy, Planning, Finance and Administration as outlined on pages 14, 17, 18, 21 and 26 of this report, and associated staff complement of 199.4 positions.

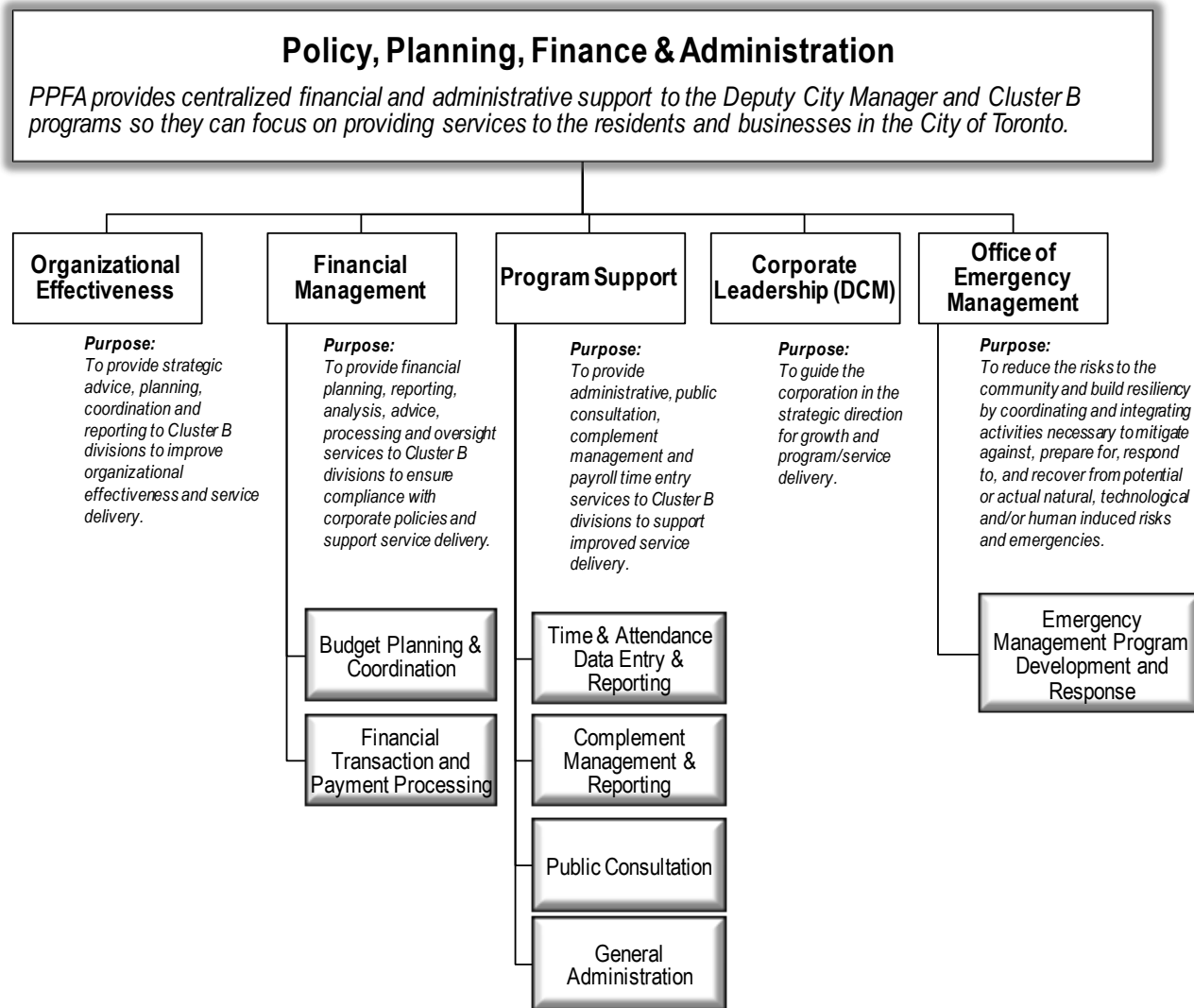


Part I:

2015 – 2017

Service Overview and
Plan

Program Map



Organizational Effectiveness

- DCM's Office
- Toronto Water
- Solid Waste Management
- Transportation Services
- Toronto Building
- Engineering & Construction Services
- City Planning
- Fire Services
- Municipal Licensing & Standards
- Waterfront Secretariat
- Office of Emergency Management
- City Manager
- Other City Divisions - e.g. Accounting Services, Financial Planning
- Customers of Cluster B divisions

Financial Management

- DCM Cluster B
- Toronto Water
- Solid Waste Management Services
- Fire Services (Oversight Relationship)
- Transportation Services
- Engineering & Construction Services
- City Planning
- Toronto Building
- Municipal Licensing & Standards
- Waterfront Secretariat
- Office of Emergency Management
- Major Capital Infrastructure Coordination Office
- Corporate Divisions
- Residents and businesses in the City of Toronto
- Suppliers of Cluster B divisions

Program Support

- DCM Cluster B
- Toronto Water
- Solid Waste Management Services
- Fire Services (Oversight Relationship)
- Transportation Services
- Engineering & Construction Services
- City Planning
- Toronto Building
- Municipal Licensing & Standards
- Waterfront Secretariat
- Office of Emergency Management
- Major Capital Infrastructure Coordination Office
- Corporate Divisions
- Residents and businesses in the City of Toronto

Corporate Leadership

- Toronto Water
- Solid Waste Management
- Transportation Services
- Toronto Building
- Engineering & Construction Services
- City Planning
- Fire Services
- Municipal Licensing & Standards
- Policy, Planning, Finance & Administration
- Waterfront Secretariat
- Office of Emergency Management
- City Manager
- Residents and businesses in the City of Toronto

Office of Emergency Management

- Toronto Police Service
- Toronto Fire Services
- Toronto Paramedic Services
- Toronto Public Health
- Strategic Communications
- Toronto Water
- Transportation Services
- Shelter, Support and Housing Administration
- Toronto Building
- Toronto Transit Commission
- Purchasing and Materials Management
- Facilities and Real Estate
- Engineering & Construction Services
- Solid Waste Management Services
- Parks, Forestry and Recreation
- Toronto Office of Partnerships
- Finance and Administration
- Human Resources
- Information and Technology
- City Clerk's Office

2015 Service Deliverables

The 2015 Recommended Operating Budget of \$22.097 million gross and \$9.885 million net for PPF&A will fund the Program's ability to:

- Strive to meet the objectives of the Program's Strategic Plan: Service Excellence, Responsible Management of Public Resources, and Commitment to Staff.
 - Provide financial and administrative support to Cluster B Programs.
 - Continue reviews of business processes to identify and improve efficiencies.
 - Continue development of coordinated Five-year Capital Programs.
 - Enhance T.O.INview to become a more comprehensive tool for capital planning and communication.
 - Enhance emergency staffing levels and training for staff at the Emergency Operation Centre and at Emergency reception centres.
 - Improve outreach to vulnerable segment of the population through community engagement & public education on the importance of personal emergency preparedness.

Table 1
2015 Recommended Operating Budget and Plan by Service

(In \$000s)	2014		2015 Recommended Operating Budget					Incremental Change 2016 and 2017 Plan			
	Approved Budget	Projected Actual	2015 Rec'd Base	2015 Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec.d vs. 2014		2016		2017	
						Budget Approved Changes	%	\$	%	\$	%
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Organizational Effectiveness											
Gross Expenditures	1,975.9	1,835.1	2,027.6		2,027.6	51.7	2.6%	46.0	2.3%	41.9	2.0%
Revenue	1,233.6	1,111.2	1,267.6		1,267.6	34.0	2.8%				
Net Expenditures	742.3	723.9	759.9		759.9	17.6	2.4%	46.0	6.1%	41.9	5.2%
Financial Management											
Gross Expenditures	8,182.3	7,599.3	8,181.6		8,181.6	(0.7)	(0.0%)	163.7	2.0%	144.2	1.7%
Revenue	4,187.1	3,771.7	4,187.1		4,187.1						
Net Expenditures	3,995.3	3,827.6	3,994.5		3,994.5	(0.7)	(0.0%)	163.7	4.1%	144.2	3.5%
Program Support											
Gross Expenditures	8,172.7	7,590.3	8,199.0		8,199.0	26.3	0.3%	75.3	0.9%	59.4	0.7%
Revenue	6,662.4	6,001.5	6,662.4		6,662.4						
Net Expenditures	1,510.3	1,588.9	1,536.6		1,536.6	26.3	1.7%	75.3	4.9%	59.4	3.7%
Corporate Leadership (DCM)											
Gross Expenditures	790.7	734.4	787.2		787.2	(3.6)	(0.5%)	24.3	3.1%	22.7	2.8%
Revenue											
Net Expenditures	790.7	734.4	787.2		787.2	(3.6)	(0.5%)	24.3	3.1%	22.7	2.8%
Office of Emergency Management											
Gross Expenditures	2,941.3	2,731.7	2,901.6		2,901.6	(39.7)	(1.3%)	67.6	2.3%	62.4	2.1%
Revenue	95.0	85.6	95.0		95.0						
Net Expenditures	2,846.3	2,646.1	2,806.6		2,806.6	(39.7)	(1.4%)	67.6	2.4%	62.4	2.2%
Total											
Gross Expenditures	22,062.9	20,490.8	22,096.9		22,096.9	34.0	0.2%	376.9	1.7%	330.7	1.5%
Revenue	12,178.0	10,969.9	12,212.1		12,212.1	34.0	0.3%				
Total Net Expenditures	9,884.8	9,520.9	9,884.8		9,884.8	0.0	0.0%	376.9	3.8%	330.7	3.2%
Approved Positions	202.4	182.4	199.4		199.4	(3.0)	(1.5%)				

The 2015 Recommended Operating Budget for PPF&A is \$22.097 million gross and \$9.885 million net. The net budget remains the same as 2014 at a 0% increase as a result of the following:

- Base pressures of \$0.290 million net have been fully offset by recommended efficiency savings.
- Base pressures are predominately driven by salary and benefit cost increases totaling \$0.305 million net that are experienced consistently across all services within PPF&A.
- The service efficiency savings utilized to offset these base budget pressures will result in the deletion of 3.0 vacant positions, without any impact to the level of service provided.
- The 2016 and 2017 Plans reflect inflationary cost increases for progression pay, step and fringe benefits of \$0.377 million and \$0.331 million respectively.

Approval of the 2015 Recommended Operating Budget will result in PPF&A decreasing its total staff complement by 3.0 positions from 202.4 to 199.4 as highlighted in the table below:

Table 2
2015 Recommended Total Staff Complement

Changes	2015 Budget						Plan	
	Organizational Effectiveness	Financial Management	Program Support	Corporate Leadership (DCM)	Office of Emergency Management	Total	2016	2017
2014 Approved Complement	10.8	90.5	75.2	5.0	19.0	200.4	199.4	199.4
In-year Adjustments	3.0	(2.0)	1.0			2.0		
Adjusted 2014 Staff Complement	13.8	88.5	76.2	5.0	19.0	202.4	199.4	199.4
Recommended Change in Staff Complement								
Prior Year Impact								
Operating Impacts of Completed Capital Project								
Capital Project Delivery								
Base Changes								
Service Changes		(1.0)	(1.0)		(1.0)	(3.0)		
New / Enhanced Service Priorities								
Total	13.8	87.5	75.2	5.0	18.0	199.4	199.4	199.4
Position Change Over Prior Year		(1.0)	(1.0)		(1.0)	(3.0)		
% Change Over Prior Year		(1.1%)	(1.3%)		(5.3%)	(1.5%)		

The 2015 Recommended staff changes include:

- A net increase of 2.0 positions resulting from approved 2014 in-year adjustments that included the transfer of positions from the Financial Management service and to the Organizational Effectiveness service from other City Programs.
 - Also approved in 2014 was an additional Senior Public Consultation Coordinator within Program Support to support City Planning's transit planning public consultation requirements for the Scarborough Subway extension and preliminary review for a potential Relief Line. This position is funded directly from the TTC capital project for which it supports.
- The deletion of 3.0 vacant positions resulting from service efficiencies within Financial Management, Program Support and the Office of Emergency Management.

The 2015 Recommended Operating Budget includes base expenditure pressures of \$0.290 million net, as identified in the Key Cost Drivers table below.

Table 3
Key Cost Drivers

(In \$000s)	2015 Recommended Operating Budget					Total Rec'd 2015 Base Budget
	Organizational Effectiveness	Financial Management	Program Support	Corporate Leadership (DCM)	Office of Emergency Management	
Gross Expenditure Changes						
COLA and Progression Pay						
Cost of Living Adjustment	26.6	149.3	105.1	14.1	43.9	339.0
Progression Pay & Step Increases	30.5	69.4	28.5	16.2	46.0	190.5
Other Base Changes						
Alignment of Salary & Benefits to Actual Experience	(5.1)	(146.9)	27.5	(44.0)	(55.6)	(224.2)
Inter Divisional Changes	(0.4)		2.4		16.8	18.8
Total Gross Expenditure Changes	51.6	71.7	163.5	(13.8)	51.1	324.1
Revenue Changes						
Inter Divisional Recoveries	34.0					34.0
Total Revenue Changes	34.0					34.0
Net Expenditure Changes	17.6	71.7	163.5	(13.8)	51.1	290.1

Key cost drivers for PPF&A are as follows:

- Salary and benefit cost increases for union/non-union staff (progression pay, step increases, COLA) consistently experienced in all services within PPF&A relative to their level of staffing totaling \$0.530 million.
- These base pressures are somewhat offset by reductions of \$0.224 million to salary and benefits costs based on alignment to actual experience which has been adjusted following the hiring of vacant positions. These savings are predominately experienced in Financial Management and the Office of Emergency Management.
- Additional offsets to expenditure increases within Organizational Effectiveness are achieved through adjustments to Inter-Divisional Recoveries (IDRs).

In order to offset the above pressures, the 2015 recommended service changes for PPF&A consists of a service efficiency change of \$0.290 million.

Table 4
2015 Total Recommended Service Change Summary

Description (\$000s)	2015 Recommended Service Changes										Total Rec'd Service Changes			Incremental Change				
	Organizational Effectiveness		Financial Management		Program Support		Corporate Leadership (DCM)		Office of Emergency Management		\$	\$	#	2016 Plan		2017 Plan		
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.	
Service Efficiencies																		
Deletion of Vacant Positions & Expenditure Realignments			(72.4)	(72.4)	(137.2)	(137.2)	10.2	10.2	(90.7)	(90.7)	(290.1)	(290.1)	(3.0)					
Total Changes			(72.4)	(72.4)	(137.2)	(137.2)	10.2	10.2	(90.7)	(90.7)	(290.1)	(290.1)	(3.0)					

Service Efficiencies (Savings of \$0.290 million gross and net)

Deletion of Vacant Positions & Expenditure Realignments

- The 2015 Recommended Operating Budget includes decreased expenditures of \$0.290 million and a reduction of 3.0 vacant positions within the Financial Management, Program Support and Office of Emergency Management services as a result of efficiency savings.
- These reductions, which will not have an impact on approved service levels, will result in the eliminations of 1.0 Supervisor of Administration; 1.0 Accounting Assistant 3 position; and 1.0 Support Assistant B position.
- Also included in these savings are the reductions of associated non-salary expenses and the realignment of expenses to appropriate services, which is why the anomaly exists that an increase of \$0.010 million is seen in one service.

Approval of the 2015 Recommended Operating Budget will result in a 2016 net increase of \$0.377 million and a 2017 incremental net cost of \$0.331 million to maintain the 2015 level of service as discussed in the following section.

Table 5
2016 and 2017 Plan by Program

Description (\$000s)	2016 - Incremental Increase					2017 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
Known Impacts:										
Progression Pay & Step Increases	376.9		376.9	3.8%		330.7		330.7	3.2%	
Total Incremental Impact	376.9		376.9	3.8%		330.7		330.7	3.2%	

Future year incremental costs are primarily attributable to the following:

Known Impacts

- Progression pay and step increases will result in a pressure of \$0.377 million net in 2016 and \$0.331 million net in 2017.
 - Cost of Living Adjustments (COLA) have not been included in 2016 and 2017 as it is subject to future contract negotiations.



Part II:

2015 Recommended
Budget by Service

Organizational Effectiveness

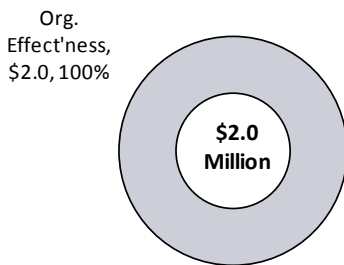


What We Do

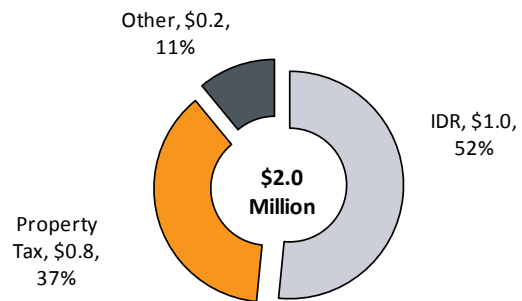
Provide strategic advice, planning, coordination and reporting to Cluster B divisions to improve organizational effectiveness and service delivery. The core activities include:

- Coordination and cross-divisional planning of major capital infrastructure projects through the Major Capital Infrastructure Coordination Office (MCIC);
- Development of a coordinated 5-Year Capital Plan that integrates City Programs with external agencies and utilities; and
- Management reporting and management consultant support for business process reviews, development of key performance indicators, and continuous improvement initiatives.

2015 Service Budget by Activity (\$000s)



Service by Funding Source (\$000s)



2015 Service Levels Organizational Effectiveness

Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Cross Divisional Planning & Coordination	Administrative support and coordination	Approved	The assignment is completed within agreed upon timeline 100% of the time			The assignment is completed within agreed upon timeline 100% of the time
	Strategy and policy development	Approved	The policy or plan is completed within agreed upon timeline 100% of the time			
	Implementation support	Approved	The change is implemented within the agreed upon timeframe 100% of the time			
Performance Measurement / Management Reporting	Monitoring and tracking	Approved	The indicator is updated/maintained according to the predetermined schedule 100% of the time.			The indicator is updated/maintained according to the predetermined schedule 100% of the time.
	Monthly Reports	Approved	Report issued within the agreed upon schedule 100% of the time			The Report issued within the agreed upon schedule 100% of the time.
	Quarterly Reports	Approved	Report issued within the agreed upon schedule 100% of the time			
	Annual Reports	Approved	Report issued within the agreed upon schedule 100% of the time			
	Ad hoc Reports	Approved	Report issued within the agreed upon schedule 100% of the time			
Program Review	Service Improvement	Approved	Report issued within the agreed upon schedule 100% of the time			Report issued within the agreed upon schedule 100% of the time
	Organizational Design	Approved	Report issued within the agreed upon schedule 100% of the time			Report issued within the agreed upon schedule 100% of the time
	New business process documentation developed	Approved	The new business process documentation is developed within the agreed upon timeframe 100% of the time			The new business process documentation is developed within the agreed upon timeframe 100% of the time
	Existing business process documentation	Approved	Business process documentation is maintained 100% of the time			Business process documentation is maintained 100% of the time
	Process improvement recommendations	Approved	Business process improvement recommendations are developed within the agreed upon timeframe 100% of the time			Business process improvement recommendations are developed within the agreed upon timeframe 100% of the time

Recommended Changes to Organizational Effectiveness Service Levels

- The 2015 Recommended Service Levels are consistent with the approved 2014 Service Levels. The changes highlighted in the above table provide a more accurate reflection of the service provided with the three activities.
- These are changes made in how the service levels are being articulated, not in the actual level of services that are being delivered.

Table 6

2015 Recommended Service Budget by Activity

(\$000s)	2014	2015 Recommended Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget	% Change	Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec'd Budget vs. 2014 Budget		2016 Plan		2017 Plan	
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
GROSS EXP.														
Organizational Effectiveness	1,975.9	2,027.6		2,027.6	51.7	2.6%		2,027.6	51.7	2.6%	46.0	2.3%	41.9	2.0%
Total Gross Exp.	1,975.9	2,027.6		2,027.6	51.7	2.6%		2,027.6	51.7	2.6%	46.0	2.3%	41.9	2.0%
REVENUE														
Organizational Effectiveness	1,233.6	1,267.6		1,267.6	34.0	2.8%		1,267.6	34.0	2.8%				
Total Revenues	1,233.6	1,267.6		1,267.6	34.0	2.8%		1,267.6	34.0	2.8%				
NET EXP.														
Organizational Effectiveness	742.3	759.9		760.0	17.7	2.4%		760.0	17.7	2.4%	46.0	6.1%	41.9	5.2%
Total Net Exp.	742.3	759.9		760.0	17.7	2.4%		760.0	17.7	2.4%	46.0	6.1%	41.9	5.2%
Approved Positions	13.8	13.8		13.8				13.8						

The 2015 Recommended Operating Budget for Organizational Effectiveness of \$2.028 million gross and \$0.760 million net is \$0.018 million or 2.4% above the 2014 Approved Net Budget.

The **Organizational Effectiveness Service** provides strategic advice, planning, coordination and reporting to Cluster B divisions to improve organizational effectiveness and service delivery.

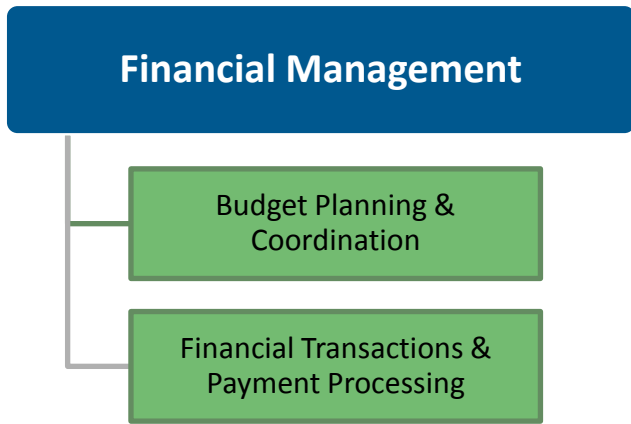
- Base budget pressures within this service are attributable to salary and benefit increases for COLA, step increases and progression pay of \$0.052 million.
- These costs have been partially offset through increased inter-divisional recoveries reflecting the cost escalation to deliver services to "client" divisions.
- The 2016 and 2017 Plans reflect inflationary cost increases for progression pay and step increases of \$0.046 million and \$0.042 million respectively.

Financial Management

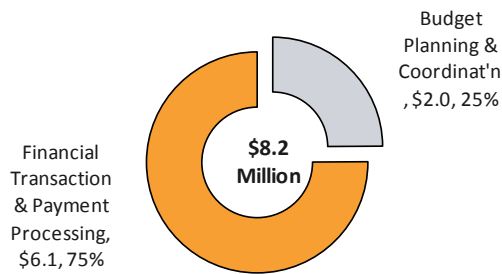
What We Do

Provide financial planning, reporting, analysis, advice, processing, and oversight services to Cluster B divisions to ensure compliance with corporate policies and support service delivery. The core activities include:

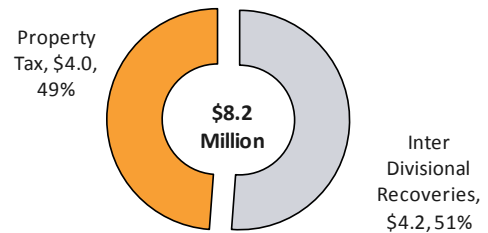
- Budget planning and coordination; and
- Financial transaction and payment processing.



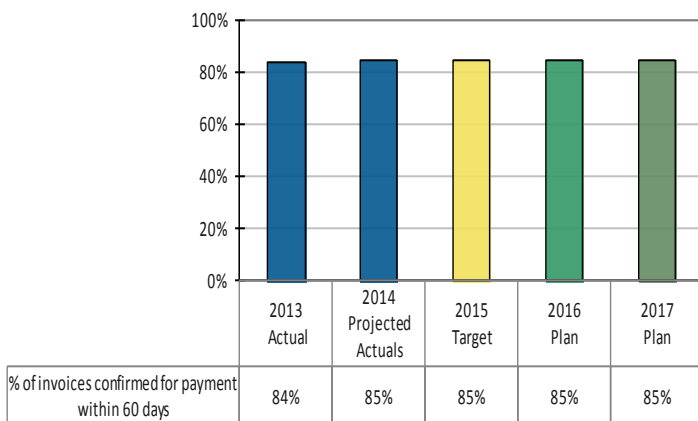
2015 Service Budget by Activity (\$000s)



Service by Funding Source (\$000s)



% of Invoices Confirmed for Payment within 60 Days



- This measure indicates the percentage of invoices confirmed for payment within 60 days.
- The Program is projecting that 85% of invoices will be confirmed for payment within 60 days.
- The 2015 and future year plans remain at an 85% target.

2015 Service Levels

Financial Management

Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Budget planning and coordination	Budget coordinated, prepared, and submitted	Approved	95% of Cluster B budgets supported and coordinated to meet corporate prescribed deadlines	100% of Cluster B budgets supported and coordinated to meet prescribed deadlines		100% of Cluster B budgets supported and coordinated to meet prescribed deadlines
	Research, data generation, analysis and presentation	Approved	Provided acknowledgement of request within 2 days 95% of the time			Provide acknowledgement of request within 2 days 95% of the time
	Assistance with service planning	Approved	100% of Cluster B Service Plans Supported to submit within corporate prescribed deadlines			100% of Cluster B Service Plans Supported to submit within prescribed deadlines
	Management Reporting & Control	Approved	Monthly reports issued within 5 days after month end 75% of the time.	Monthly variance reports issued within 7 days after month end 80% of the time. Corporate variance reports meet prescribed deadlines 100% of the time.		Monthly variance reports issued within 7 days after month end 80% of the time. Corporate variance reports meet prescribed deadlines 100% of the time.
	Business advice & consultation	Approved	Provide acknowledgement of request within 2 days 100% of the time			Provide acknowledgement of request within 2 days 100% of the time
Financial transaction and payment processing	Management Reporting & Control	Approved	Ensure reconciliation of accounts within 60 days of month end 100% of the time	Ensure reconciliation of accounts within 30 days of month end 100% of the time		Ensure reconciliation of accounts within 30 days of month end 100% of the time
	Business advice & consultation	Approved	Provide acknowledgement of request within 2 days 100% of the time			Provide acknowledgement of request within 2 days 100% of the time
	Purchasing and procurement	Approved	Processed purchasing documents in SAP within two business days 90% of the time; less than 8.0 % of the Blanket Contracts were over-spent; 50% of the Informal Call for Quotation DPOs (\$7,500 to \$50,000) were issued within 60 calendar days	Processed purchasing documents in SAP within three business days to source and place the order 90% of the time; less than 8.0 % of the Blanket Contracts were over-spent ; Informal calls (\$7,500 to \$50,000) are processed within 60 days 90% of the time based on complete documentation submitted to PPFA Financial Services.		Processed purchasing documents in SAP within three business days to source and place the order 90% of the time; Informal calls (\$7,500 to \$50,000) are processed within 60 days 90% of the time based on complete documentation submitted to PPFA Financial Services.
	Purchasing and procurement (TW)	Approved	Processed purchasing documents in SAP within five business days 90% of the time; 8.0 % of the Blanket Contracts were over-spent; 90% of the Informal Call for Quotation DPOs (\$7,500 to \$7,500) within 5 business days	Processed purchasing documents in SAP within three business days to obtain 3 quotes and create purchasing document and 2 days for approval and place the order 90% of the time; less than 8.0 % of the Blanket Contracts were over-spent ; Informal calls (\$7,500 to \$50,000) are processed within 60 days 90% of the time based on complete documentation submitted to PPFA Financial Mangement (TW).		Processed purchasing documents in SAP within three business days to obtain 3 quotes and create purchasing document and 2 days for approval and place the order 90% of the time; Informal calls (\$7,500 to \$50,000) are processed within 60 days 90% of the time based on complete documentation submitted to PPFA Financial Mangement (TW).
	Accounts payable	Approved	85 % of invoices confirmed for payment within 60 days (2010)	85% of invoices confirmed for payment within 60 days		85% of invoices confirmed for payment within 60 days

Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Financial transaction and payment processing	Accounts receivable	Approved	90% of accounts receivable are created and mailed within 48 hours of receipt or notification.	90% of debtor invoices issued (created and mailed) within 48 hours of receipt or notification of completed request.	90% of debtor invoices issued (created and mailed) within 48 hours of receipt or notification of completed request.	
	Collect and process customer payments	Approved	Accounts receivable collected within agreed upon payment terms 67.3% (2010/2011). Customer payments deposited in bank by next business day 100% of the time; accounts updated within 5 business days upon receipt of supporting documents 90% of the time.	Undisputed accounts receivable collected within agreed upon payment terms 70% of the time. Customer payments deposited by next business day 100% of the time; accounts updated within 5 business days upon receipt of supporting documents 90% of the time.	Undisputed accounts receivable collected within agreed upon payment terms 70% of the time. Customer payments deposited by next business day 100% of the time; accounts updated within 5 business days upon receipt of supporting documents 90% of the time.	
	Collect and process customer deposits and prepare refunds for payment	Approved	90% of customer deposits processed within 48 hours of receipt. 90% of refunds submitted for payment within 20 business days of receipt.	100% of customer deposits processed within 48 hours of receipt. 90% of completed refunds request processed within 10 business days of receipt.	100% of customer deposits processed within 48 hours of receipt. 90% of completed refunds request processed within 10 business days of receipt.	

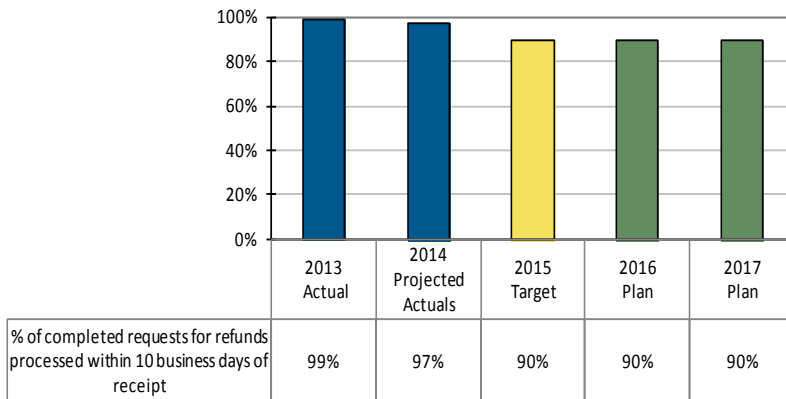
Recommended Changes to Financial Management Service Levels

- The 2015 Recommended Service Levels are consistent with the approved 2014 Service Levels. The changes highlighted within the purchasing and procurement sub-activity better reflect the actual service provided within Financial Transaction and Payment Processing.
- While this activity supports the procurement of client division, blanket contracts are managed with the Division purchasing the materials.

Service Performance

Quality Measure:

% of completed requests for refunds processed within 10 business days of receipt



- This measure indicates the percentage of refunds processed within 10 business days of receipt.
- The Program is projecting that 99% of refund requests will be processed within 10 business days of receipt.
- For 2015 and onwards, the Program anticipates that it will meet the target of 90%.

Table 7
2015 Recommended Service Budget by Activity

(\$000s)	2014	2015 Recommended Operating Budget							2015 Rec'd Budget vs. 2014 Budget		Incremental Change			
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget	% Change	Rec'd New/Enhanced	2015 Rec'd Budget			2016 Plan		2017 Plan	
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%		
GROSS EXP.														
Budget Planning & Coordination	2,010.1	2,037.2		2,037.2	27.2	1.4%		2,037.2	27.2	1.4%	62.0	3.0%	57.7	2.8%
Financial Transaction & Payment Processing	6,172.3	6,216.8	(72.4)	6,144.3	(27.9)	(0.5%)		6,144.3	(27.9)	(0.5%)	101.7	1.7%	86.5	1.4%
Total Gross Exp.	8,182.3	8,254.0	(72.4)	8,181.6	(0.7)	(0.0%)		8,181.6	(0.7)	(0.0%)	163.7	2.0%	144.2	1.7%
REVENUE														
Budget Planning & Coordination	982.7	982.7		982.7				982.7						
Financial Transaction & Payment Processing	3,204.4	3,204.4		3,204.4				3,204.4						
Total Revenues	4,187.1	4,187.1		4,187.1	0.0	0.0%		4,187.1	0.0	0.0%	0.0	0.0%	0.0	0.0%
NET EXP.														
Budget Planning & Coordination	1,027.4	1,054.6		1,054.6	27.2	2.6%		1,054.6	27.2	2.6%	62.0	5.9%	57.7	5.5%
Financial Transaction & Payment Processing	2,967.9	3,012.4	(72.4)	2,940.0	(27.9)	(0.9%)		2,940.0	(27.9)	(0.9%)	101.7	3.5%	86.5	2.9%
Total Net Exp.	3,995.3	4,067.0	(72.4)	3,994.5	(0.7)	(0.0%)		3,994.5	(0.7)	(0.0%)	163.7	4.1%	144.2	3.5%
Approved Positions	88.5	88.5	(1.0)	87.5	(1.0)	(1.1%)		87.5	(1.0)	(1.1%)				

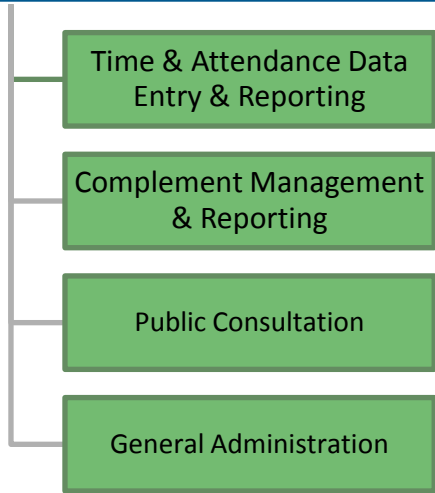
The 2015 Recommended Operating Budget for Financial Management of \$8.182 million gross and \$3.995 million net is \$0.001 million or virtually 0% below the 2014 Approved Net Budget.

The **Financial Management Service** provides financial planning, reporting, analysis, advice, processing, and oversight services to Cluster B divisions to ensure compliance with corporate policies and support service delivery

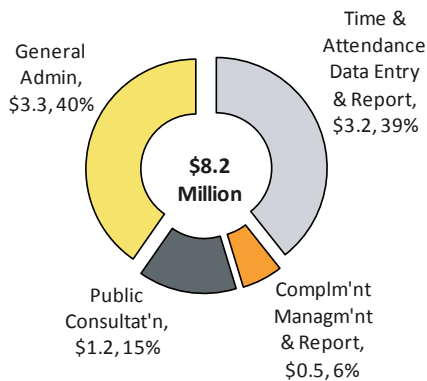
- Base budget pressures of \$0.072 million in Financial Management are attributable to salary and benefit increases for COLA, step increases and progression pay applied consistently between the two activities in this service relative to staffing levels.
- This pressure has been fully offset through a recommended service change within Financial Transaction & Coordination, deleting 1.0 vacant Accounting Assistant 3 position.
- The 2016 and 2017 Plans reflect inflationary cost increases for progression pay and step increases of \$0.164 million and \$0.144 million respectively.

Program Support

Program Support



2015 Service Budget by Activity

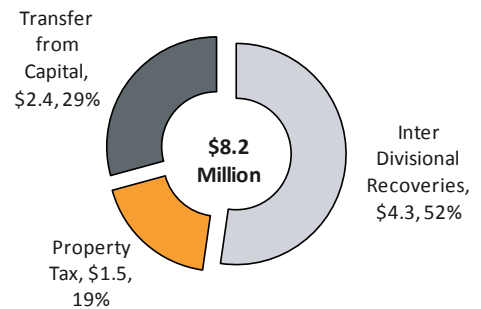


What We Do

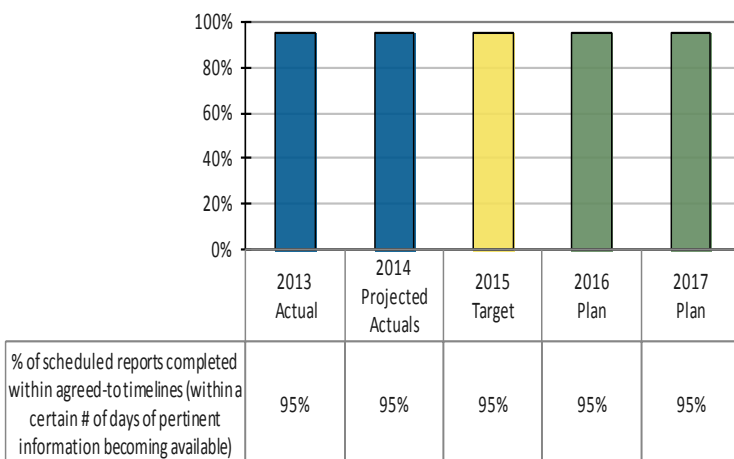
Provide Administrative, Public Consultation, Complement Management and Payroll time entry services to Cluster B divisions to support service delivery. The core activities include:

- Payroll time entry and reporting for over 6,000 Cluster B employees;
- Complement management and reporting activity;
- Public consultation, facilitation and support; and
- General administration support including courier/mail delivery services and coordination of office space and telephones.

Service by Funding Source



% of Scheduled Reports Completed within Agreed-to Timelines



- This measure indicates the percentage of scheduled reports completed within agreed-to timelines (within certain # of days of pertinent information becoming available).
- The Program is projecting that in 2014 it will be in line with the 95% target.
- It is anticipated that this measure will continue to be met in 2015 and onwards.

2015 Service Levels

Program Support

Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Time & Attendance Data Entry & Reporting	Payroll Advice & Reporting	Approved	Quarterly Attendance Management Reports 95% of the time. Other Reports within 5 days 95% of the time	Monthly Attendance Management Reports 100% of the time. Other Reports within 5 days 95% of the time		Monthly Attendance Management Reports 100% of the time. Other Reports within 5 days 95% of the time
	Time & Attendance Data Entry & Reporting	Approved	Bi-weekly/weekly	Time Sheet entered 100% of the time		Time Sheet entered 100% of the time
Complement Management & Reporting	Complement Management	Approved	Monthly	Employee record update is completed within 2 days or as agreed upon 95% of the time		Employee record update is completed within 2 days or as agreed upon 95% of the time
	Various Monthly and/or Ad Hoc Reports	Approved	Monthly and/or Ad Hoc	Monthly reports are completed within agreed upon timeline 95% of the time		Monthly reports are completed within agreed upon timeline 95% of the time.
	Client Consultation/Support	Approved	Acknowledge Request in 2 Business Days			Acknowledge Request in 2 Business Days
	CM related documentation (Organizational Change Approval Form, Staff Requisition)	Approved	One Business Day			One Business Day
Public Consultation		Approved	Meet Timeframe of project and/or Legislation	To meet notification guidelines, legislated requirements and client or program needs		Meet notification guidelines, legislated requirements and client or program needs
General Administration	Office Space Coordination	Approved	To meet client needs within Corporate Guidelines			Meet client needs within Corporate Guidelines
	Telephony Coordination	Approved	Within 5 working days 95% of the time			Within 5 working days 95% of the time
	Courier/Mail Services	Approved	Delivery within 2 working days 90% of the time			Delivery within 2 working days 90% of the time

- The 2015 Recommended Service Levels are consistent with the approved 2014 Service Levels.

Table 8
2015 Recommended Service Budget by Activity

(\$000s)	2014	2015 Recommended Operating Budget								Incremental Change					
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget	% Change	Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec'd Budget vs. 2014 Budget		2016 Plan		2017 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Time & Attendance Data Entry & Reporting	3,226.4	3,296.8	(72.0)	3,224.8	(1.6)	(0.1%)		3,224.8	(1.6)	(0.1%)	28.3	0.9%	18.4	0.6%	
Complement Management & Reporting	468.5	490.3		490.3	21.7	4.6%		490.3	21.7	4.6%	9.3	1.9%	8.5	1.7%	
Public Consultation	1,176.2	1,177.0		1,177.0	0.8	0.1%		1,177.0	0.8	0.1%	16.2	1.4%	13.8	1.2%	
General Administration	3,301.5	3,372.1	(65.2)	3,306.9	5.4	0.2%		3,306.9	5.4	0.2%	21.5	0.6%	18.8	0.6%	
Total Gross Exp.	8,172.7	8,336.2	(137.2)	8,199.0	26.3	0.3%		8,199.0	26.3	0.3%	75.3	0.9%	59.4	0.7%	
REVENUE															
Time & Attendance Data Entry & Reporting	2,625.9	2,625.9		2,625.9				2,625.9							
Complement Management & Reporting	328.2	328.2		328.2				328.2							
Public Consultation	2,067.1	2,067.1		2,067.1				2,067.1							
General Administration	1,641.2	1,641.2		1,641.2				1,641.2							
Total Revenues	6,662.4	6,662.4		6,662.4	0.0	0.0%		6,662.4	0.0	0.0%	0.0	0.0%	0.0	0.0%	
NET EXP.															
Time & Attendance Data Entry & Reporting	600.5	670.8	(72.0)	598.9	(1.6)	(0.3%)		598.9	(1.6)	(0.3%)	28.3	4.7%	18.4	3.1%	
Complement Management & Reporting	140.3	162.0		162.0	21.7	15.5%		162.0	21.7	15.5%	9.3	5.7%	8.5	5.2%	
Public Consultation	(890.9)	(890.0)		(890.0)	0.8	(0.1%)		(890.0)	0.8	(0.1%)	16.2	(1.8%)	13.8	(1.6%)	
General Administration	1,660.3	1,730.9	(65.2)	1,665.7	5.4	0.3%		1,665.7	5.4	0.3%	21.5	1.3%	18.8	1.1%	
Total Net Exp.	1,510.3	1,673.7	(137.2)	1,536.6	26.3	1.7%		1,536.6	26.3	1.7%	75.3	4.9%	59.4	3.7%	
Approved Positions	76.2	76.2	(1.0)	75.2	(1.0)	(1.3%)		75.2	(1.0)	(1.3%)					

The 2015 Recommended Operating Budget for Program Support of \$8.199 million gross and \$1.537 million net is \$0.026 million or 1.7% above the 2014 Approved Net Budget.

The **Program Support Service** provides administrative, public consultation, complement management and payroll time entry services to Cluster B divisions to support service delivery.

- Base budget pressures of \$0.164 million in Program Support are primarily attributable to salary and benefit increases for COLA, step increases and progression pay applied consistently between the four activities in this service relative to staffing levels.
- This pressure has been partially offset through the deletion of 1.0 vacant Supervisor of Administrative Services position, with the savings reflected in the Time & Attendance Data Entry & Reporting and General Administration activities.
- The 2016 and 2017 Plans reflect inflationary cost increases for progression pay and step increases of \$0.075 million and \$0.059 million respectively.

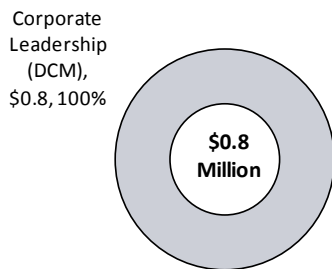
Corporate Leadership (DCM)

Corporate Leadership (DCM)

What We Do

- Guide the corporation in the strategic direction for growth and program/service delivery.
- Provide corporate oversight and administrative governance of Cluster B Programs.
- Provide coordination on major City-wide initiatives and projects.

2015 Service Budget by Activity



Service by Funding Source

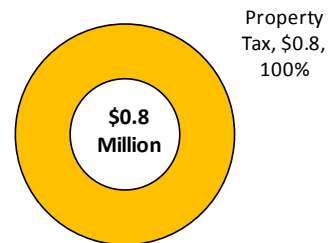


Table 9

2015 Recommended Service Budget by Activity

(\$000s)	2014	2015 Recommended Operating Budget							Incremental Change						
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget	% Change	Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec'd Budget vs. 2014 Budget		2016 Plan		2017 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Corporate Leadership (DCM)	790.7	777.2	10.0	787.2	(3.5)	(0.4%)		787.2	(3.5)	(0.4%)	24.3	3.1%	22.7	2.8%	
Total Gross Exp.	790.7	777.2	10.0	787.2	(3.5)	(0.4%)		787.2	(3.5)	(0.4%)	24.3	3.1%	22.7	2.8%	
REVENUE															
Corporate Leadership (DCM)															
Total Revenues															
NET EXP.															
Corporate Leadership (DCM)	790.7	777.2	10.0	787.2	(3.5)	(0.4%)		787.2	(3.5)	(0.4%)	24.3	3.1%	22.7	2.8%	
Total Net Exp.	790.7	777.2	10.0	787.2	(3.5)	(0.4%)		787.2	(3.5)	(0.4%)	24.3	3.1%	22.7	2.8%	
Approved Positions	5.0	5.0		5.0				5.0							

The 2015 Recommended Operating Budget for Corporate Leadership (DCM) of \$0.787 million gross and net is \$0.004 million or 0.4% below the 2014 Approved Net Budget.

The **Corporate Leadership (DCM)** guides the corporation in the strategic direction for growth and program/service delivery; provides corporate oversight and administrative governance of Cluster B Programs; and provides coordination on major City-wide initiatives and projects.

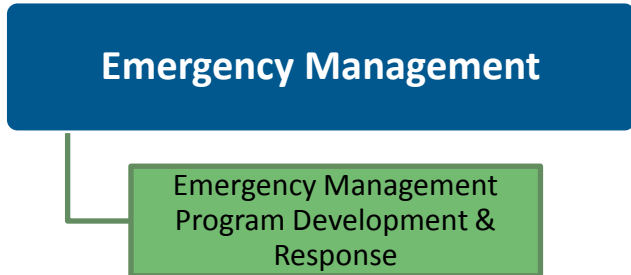
- Base budget pressures attributable to salary and benefit increases have been fully offset through alignment of the salary and benefit costs to actual experience.
- Service efficiency savings program wide were achieved through reductions and realignment between services of various non-salary expenses. The realignment and overall Program savings that occurred, resulted in a transfer of \$0.010 million of costs into this service.
- The 2016 and 2017 Plans reflect inflationary cost increases for progression pay and step increases of \$0.024 million and \$0.023 million respectively.

Office of Emergency Management

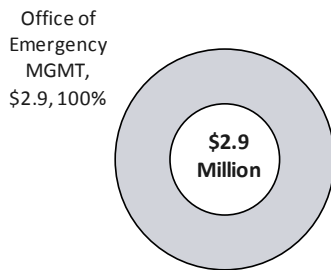
What We Do

Reduce the risks to the community and build resiliency by coordinating and integrating activities necessary to mitigate against, prepare for, respond to, and recover from risks and emergencies. The core types of activities include:

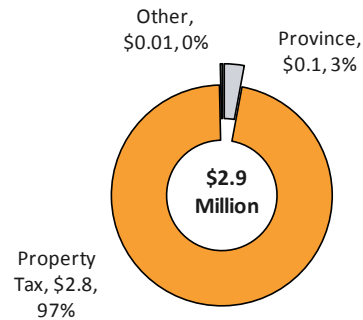
- Coordination for emergency and disaster activities as part of the City's Emergency Management Program;
- Development of programs and plans to prevent disasters, where possible;
- Organization and coordination of emergency responses when disasters and emergencies occur; and
- Coordination and implementation of recovery plans.



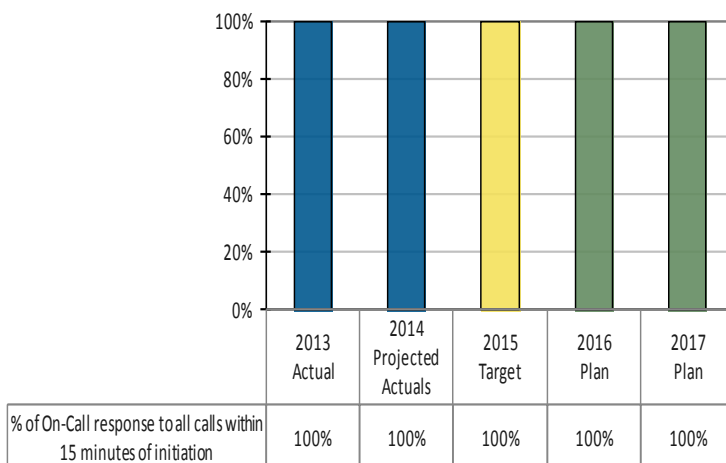
2015 Service Budget by Activity



Service by Funding Source



% of On-Call response to all calls within 15 minutes of initiation



- This measure indicates the percentage of On-Call response to all calls within 15 minutes of initiation.
- The Program is projecting that 100% of On-Call response to all calls within 15 minutes of initiation.
- For 2015 and onwards, the Program anticipates that it will meet the target of 100%.

2015 Service Levels

Office of Emergency Management

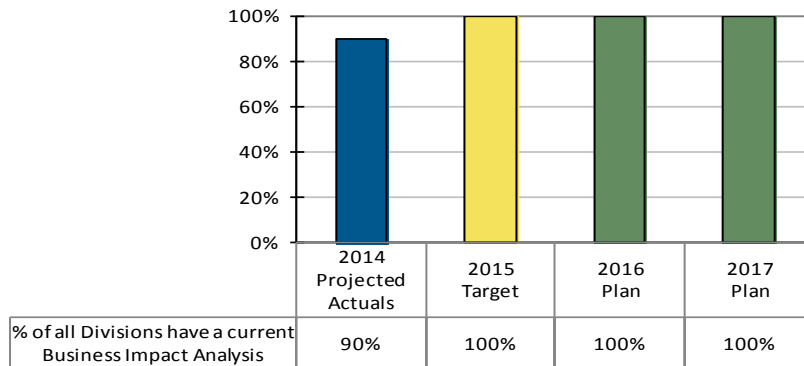
Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Customer Service - Phone, Email, Material Requested	Monthly	Approved	Meeting of the TEMPC maintained, 100% of the time.	Acknowledge in 1 business day and respond within 3 business days 90% of the time.		Acknowledge in 1 business day and respond within 3 business days 90% of the time.
Municipal Program Requirements	Annually	Approved	Meeting of the EMWG maintained, 100% of the time.	100% compliance with the requirements under the Toronto Municipal Code		100% compliance with the requirements under the Toronto Municipal Code
Provincial Program Requirements	Annually	Approved	Emergency Plan and Operational Support Functions maintained, 100% of the time.	100% compliance with the requirements under the Act		100% compliance with the requirements under the Act
Training Program	Quarterly	Approved	Toronto Nuclear Emergency Response Plan maintained, 100% of the time	Achieve 80% satisfaction survey for all training courses, 50 Basic Emergency Management provincial certificates levels achieved, 75 Basic Incident Management System, 75 Incident Management System Level 200 provincial certificates levels achieved		Achieve 80% satisfaction survey for all training courses, 50 Basic Emergency Management provincial certificates levels achieved, 75 Basic Incident Management System, 75 Incident Management System Level 200 provincial certificates levels achieved
Exercise Program	Annually	Approved	Training program maintained, 100% of the time	Achieve 80% satisfaction survey for annual exercise		Achieve 80% satisfaction survey for annual exercise
Public Education Program	Monthly	Approved	Municipal exercise training maintained, 100% of the time	Achieve 80% satisfaction survey from public education/awareness presentations		Achieve 80% satisfaction survey from public education/awareness presentations
Business Continuity	Monthly	Approved	HIRA report maintained, 100% of the time	Ensure 90% of all Divisions have a current Business Impact Analysis, Ensure 90% of Division have a current Business Continuity Plan, Ensure 90% of Divisions have in place tested/exercised BC Plans		Ensure 90% of all Divisions have a current Business Impact Analysis, Ensure 90% of Divisions have a current Business Continuity Plan, Ensure 90% of Divisions have in place tested/exercised BC Plans
Business Information Exchange	Monthly	Approved	CI inventory maintained, 100% of the time	Business Partners Exchange Portal maintained, 100% of the time		Deleted
OEM 24/7 On-Call	As required	Approved	Public education program maintained, 100% of the time	On-call responds to all calls within 15 minutes of initiation		On-call responds to all calls within 15 minutes of initiation
Emergency Operation Centre (EOC)	Operationally ready to activate	Approved	EP week activities maintained, 100% of the time	Normal Hours: EOC staffed with OEM members within 15 minutes of request, After hours: EOC staffed with OEM members within 2 hours of request, To ensure that the 5 Deep EOC Staffing Plan remains at 80%		Normal Hours: EOC staffed with OEM members within 15 minutes of request, After hours: EOC staffed with OEM members within 2 hours of request, To ensure that the 5 Deep EOC Staffing Plan remains at 80%

Recommended Changes to Office of Emergency Management Service Levels

- The 2015 Recommended Service Levels have been adjusted to delete the service level for Business Information exchange (Business Partners Exchange Portal maintained, 100% of the time) based on a review of captured service levels.
- This change does not reflect a reduction in the level of service provided.

Service Performance

% of all Divisions have a current Business Impact Analysis



- This measure indicates the percentage of all Divisions have a current Business Impact Analysis.
- The Program is projecting that 90% of all Divisions have a current Business Impact Analysis.
- For 2015 and onwards, the Program anticipates that it will meet the target of 100%.

Table 10

2015 Recommended Service Budget by Activity

(\$000s)	2014		2015 Recommended Operating Budget						Incremental Change					
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget	% Change	Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec'd Budget vs. 2014 Budget		2016 Plan		2017 Plan	
									\$	%	\$	%	\$	%
GROSS EXP.														
Office of Emergency Management	2,941.3	2,992.3	(90.7)	2,901.6	(39.7)	(1.3%)		2,901.6	(39.7)	(1.3%)	67.6	2.3%	62.4	2.1%
Total Gross Exp.	2,941.3	2,992.3	(90.7)	2,901.6	(39.7)	(1.3%)		2,901.6	(39.7)	(1.3%)	67.6	2.3%	62.4	2.1%
REVENUE														
Office of Emergency Management	95.0	95.0		95.0				95.0						
Total Revenues	95.0	95.0		95.0				95.0						
NET EXP.														
Office of Emergency Management	2,846.3	2,897.3	(90.7)	2,806.6	(39.7)	(1.4%)		2,806.6	(39.7)	(1.4%)	67.6	2.4%	62.4	2.2%
Total Net Exp.	2,846.3	2,897.3	(90.7)	2,806.6	(39.7)	(1.4%)		2,806.6	(39.7)	(1.4%)	67.6	2.4%	62.4	2.2%
Approved Positions	19.0	19.0	(1.0)	18.0	(1.0)	(5.3%)		18.0	(1.0)	(5.3%)				

The 2015 Recommended Operating Budget for Office of Emergency Management of \$2.902 million gross and \$2.807 million net is \$0.040 million or 1.4% below the 2014 Approved Net Budget.

The **Office of Emergency Management Service** reduces the risks to the community and build resiliency by coordinating and integrating activities necessary to militate against, prepare for, respond to, and recover from risks and emergencies.

- Base budget pressures of \$0.051 million in this service are primarily attributable to increased costs for salary and benefit increases for COLA, step increases and progression pay.
- This pressure has been fully offset through a recommended service change within, deleting 1.0 vacant Support Assistant B position.
- The 2016 and 2017 plans reflect inflationary cost increases for progression pay and step increases of \$0.068 million and \$0.062 million respectively.



Part III:

Issues for Discussion

Issues for Discussion

Issues Impacting the 2015 Budget

Not Applicable



Appendices:

Appendix 1

2014 Service Performance

2014 Key Service Accomplishments

In 2014, PPF&A accomplishments included the following:

- ✓ MCIC has developed a new process for the final review of scope and timing (FROST) to ensure that asset owners and other key stakeholders are given sufficient lead-time to participate in the development of all capital projects, and minimize the risk of delays caused by changing scope and budget.
- ✓ MCIC has developed performance indicators, set targets and measure effectiveness for all participants.
- ✓ MCIC negotiated a draft construction agreement with Toronto Hydro that will enable the City to perform certain types of construction on behalf of Toronto Hydro, thereby reducing the time and expense, for both organizations, to construct overlapping projects.
- ✓ MCIC led a reorganization of the Toronto Public Utilities Coordinating Committee ("TPUCC") to align the interests of utilities with the City's capital coordination process and improve communication between all major owners of infrastructure within Toronto.
- ✓ Supported Cluster B Programs with implementation of the Human Resources Management eRequest System
- ✓ Conducted 86 public consultation events for Cluster B Programs
- ✓ Completed extensive data review, validation and reconciliation of the FPARS Complement Management module
- ✓ Reduced Toronto Water parked documents (invoices) substantially, by hundreds of documents. The number of over 60-Day outstanding invoices was reduced by over 45%
- ✓ Completed implementation of the City-wide Accounts Payable parked document (invoice) advisement. As of the end of 2014 almost all Cluster B divisions are included in the Corporate AP parked document protocol. Implementation of the new process will result in an improvement in the processing of parked invoices.
- ✓ Activated 24/7 Office of Emergency Management Stand-by Coordinator for 45 emergency responses, including 19 emergency social services incidents
- ✓ Activated Emergency Operations Centre twice
- ✓ Issued 264 training certificates; achieved 95.5% satisfaction survey for all training courses
- ✓ 91% of all Divisions have business impact analysis; 80% of all Divisions are developing business continuity plans

2014 Financial Performance

2014 Budget Variance Analysis

(\$000s)	2012	2013	2014	2014	2014 Approved Budget vs.	
	Actuals	Actuals	Approved Budget	Projected Actuals*	Projected Actual	Variance
	\$	\$	\$	\$	\$	%
Gross Expenditures	18,457.6	19,682.5	22,062.9	20,490.8	(1,572.1)	(7.1%)
Revenues	10,060.8	9,795.4	12,178.0	10,969.9	(1,208.1)	(9.9%)
Net Expenditures	8,396.8	9,887.1	9,884.8	9,520.9	(363.9)	(3.7%)
Approved Positions	160.4	171.1	202.4	182.4	(20.0)	(9.9%)

* Based on the 9 month Operating Budget Variance Report

2014 Experience

- PPF&A reported net under-spending of \$0.272 million or 4.2% of planned expenditures for the nine-month period ended September 30, 2014. Under-expenditures of \$1.411 million were partially offset by under-achieved revenues of \$1.139 million.
- The expenditure variance was the result of lower than planned expenditures of \$0.577 million for salaries and benefits due to vacant positions. Non-salary accounts were also under-spent by \$0.834 million due to lower than planned spending for utilities and managing expenditures for equipment and material supply accounts.
- Revenue was under-achieved by \$1.139 million which was 12.8% lower than planned. This under-achieved recovery of revenue was directly related to under-spending in salaries and benefits for positions that provide services to client Divisions.
- For year-end, PPF&A projected under-spending of \$0.364 million or 3.7% compared to the 2014 Approved Net Operating Budget. This was comprised of under-spending of \$1.216 million in gross expenditures reflecting the impact of vacancies and managed expenditures offset by related under-achieved recoveries of \$0.852 million.
- As of September 30, 2014, PPF&A reported a strength of 177.4 positions which was 25.0 positions below the approved complement of 202.4 positions. This represented a vacancy rate of 8.4% after considering gapping, as the budgeted gapping rate of 3.9% is equivalent to approximately 8.0 positions.
- By year-end PPF&A was projecting a strength of 182.4 positions, which is 20.0 positions below the complement of 202.4 positions. This represents a projected year-end vacancy rate of 6.0% after considering the budgeted gapping rate.

Impact of 2014 Operating Variance on the 2015 Recommended Budget

- The 2015 Recommended Operating Budget includes \$0.224 million in reductions to salary and benefits based on actual experience.

Appendix 2

2015 Operating Recommended Budget by Expenditure Category

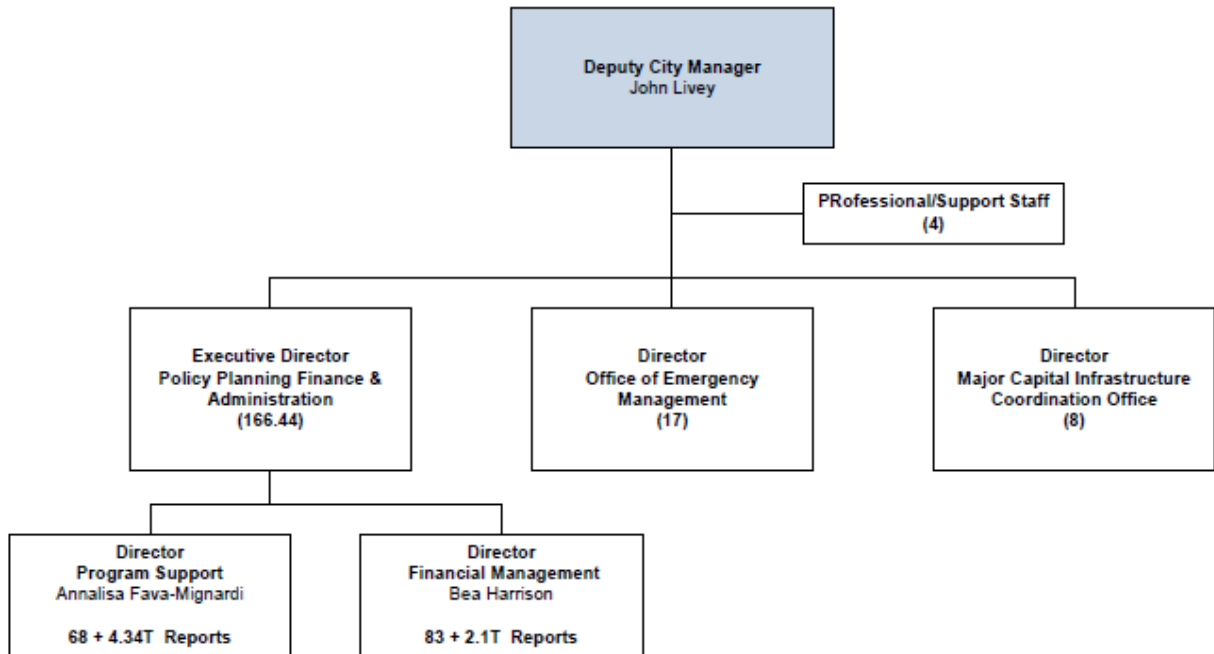
Program Summary by Expenditure Category

Category of Expense (\$000's)	2012	2013	2014	2014	2015	2015 Change from		Plan	
	Actual	Actual	Budget	Projected	Rec'd	2014 Approved		2016	2017
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	15,850.9	16,624.2	19,109.2	18,365.5	19,147.6	38.3	0.2%	19,524.5	19,855.1
Materials and Supplies	1,087.4	1,101.7	1,145.4	794.9	1,145.4			1,145.4	1,145.4
Equipment	12.1	98.3	88.0	47.9	88.0			88.0	88.0
Services & Rents	236.4	357.0	846.0	432.7	822.9	(23.1)	(2.7%)	822.9	822.9
Contributions to Capital									
Contributions to Reserve/Res Funds	114.6	109.3	116.7	116.7	116.7			116.7	116.7
Other Expenditures	8.2	0.2		0.2					
Interdivisional Charges	1,148.0	1,391.9	757.6	733.0	776.4	18.8	2.5%	776.4	776.4
Total Gross Expenditures	18,457.6	19,682.5	22,062.9	20,490.8	22,096.9	34.0	0.2%	22,473.8	22,804.5
Interdivisional Recoveries	7,759.3	7,276.1	9,471.1	8,472.8	9,505.1	34.0	0.4%	9,505.1	9,505.1
Provincial Subsidies		85.0	85.0	85.0	85.0			85.0	85.0
Federal Subsidies									
Other Subsidies									
User Fees & Donations	0.2			2.0					
Transfers from Capital Fund	2,292.3	2,292.3	2,389.9	2,292.3	2,389.9	0.0	0.0%	2,389.9	2,389.9
Contribution from Reserve Funds		122.5							
Contribution from Reserve									
Sundry Revenues	9.1	19.5	232.0	117.8	232.0			232.0	232.0
Total Revenues	10,060.8	9,795.4	12,178.0	10,969.9	12,212.1	34.0	0.3%	12,212.1	12,212.1
Total Net Expenditures	8,396.8	9,887.1	9,884.8	9,520.9	9,884.8	(0.0)	(0.0%)	10,261.7	10,592.4
Approved Positions	160.4	171.1	202.4	182.4	199.4	(3.0)	(1.5%)	199.4	199.4

* Note: Based on the 9 month Operating Budget Variance Report

Appendix 3

2015 Organization Chart



Category	Senior Management	Management	Exempt Professional & Clerical	Union	Trainee Clerical	Total
Permanent	2.0	61.0	7.0	122.00		192.00
Temporary		1.0	0.4	1.00	5.08	7.44
Total	2.0	62.0	7.4	123.0	5.1	199.44

Appendix 4

Summary of 2015 Recommended Service Changes



**2015 Operating Budget - Staff Recommended Service Change
Summary by Service
(\$000s)**

Form ID		Citizen Focused Services B Program: Policy, Planning, Finance Administration	Adjustments				2016 Plan Net Change	2017 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
2015 Staff Recommended Base Budget Before Service Change:			21,924.0	11,749.1	10,174.9	198.4	376.9	330.7

4486 **Efficiency Savings**

51 **Description:**

The 2015 Recommended Operating Budget includes savings of \$0.290 million resulting from a reduction of 3.0 vacant positions; and reductions in non-salary accounts identified through a line-by-line review.

Service Level Impact:

There are no impacts to service levels resulting from this efficiency reduction.

Service: Corporate Leadership

Total Staff Recommended:	10.2	0.0	10.2	0.0	0.0	0.0
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Service: PA-Emergency Management

Total Staff Recommended:	(90.7)	0.0	(90.7)	(1.0)	0.0	0.0
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Service: PA-Financial Management

Total Staff Recommended:	(72.4)	0.0	(72.4)	(1.0)	0.0	0.0
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Service: PA-Program Support

Total Staff Recommended:	(137.2)	0.0	(137.2)	(1.0)	0.0	0.0
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Staff Recommended Service Changes:	(290.1)	0.0	(290.1)	(3.0)	0.0	0.0
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Summary:

Staff Recommended Service Changes:	(290.1)	0.0	(290.1)	(3.0)	0.0	0.0
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**2015 Operating Budget - Staff Recommended Service Change
Summary by Service
(\$000s)**

Form ID	Category	Priority	Citizen Focused Services B Program: Policy, Planning, Finance Administration	Adjustments				2016 Plan Net Change	2017 Plan Net Change
				Gross Expenditure	Revenue	Net	Approved Positions		
			Total Staff Recommended Base Budget:	21,633.9	11,749.1	9,884.8	195.4	376.9	330.7

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Table 11

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2014 \$	Rec'd Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
Projected Beginning Balance				22.1	44.2
Vehicle Reserve - OEM	XQ1802				
<i>Contributions (+)</i>					
<i>Vehicle Reserve Fund - OEM</i>			22.1	22.1	22.1
Total Reserve / Reserve Fund Draws / Contributions			22.1	44.2	66.3
Balance at Year-End			22.1	44.2	66.3

Corporate Reserve / Reserve Funds

Table 12

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2014 \$	Rec'd Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
Projected Beginning Balance			21,307.7	21,402.2	21,496.7
Insurance Reserve Fund	XR1010				
<i>Contributions (+)</i>					
<i>Insurance Reserve Fund - PPF&A</i>			94.2	94.2	94.2
<i>Insurance Reserve Fund - OEM</i>			0.3	0.3	0.3
Total Reserve / Reserve Fund Draws / Contributions			21,402.2	21,496.7	21,591.2
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		21,307.7	21,402.2	21,496.7	21,591.2