

City Budget 2012

311 Toronto Operating Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Operating Budget pays the day-to-day operating costs for City services.

2012 Operating Budget

2012 OPERATING BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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PART I: RECOMMENDATIONS

2012 Recommended Operating Budget (In \$000s)

(In \$000s)	July 3, 1905		2012 Recommended Operating Budget			Change - 2012 Recommended Operating Budget v. 2011 Appvd. Budget		FY Incremental Outlook	
	2011 Appvd. Budget	2011 Projected Actual	2012 Rec. Base	2012 Rec. New/Enhanced	2012 Rec. Budget			2013	2014
	\$	\$	\$	\$	\$			%	\$
GROSS EXP.	19,147.6	16,116.8	18,248.1	0.0	18,248.1	(899.5)	(4.7)	502.1	666.2
REVENUE	9,510.0	7,313.2	8,419.4	0.0	8,419.4	(1,090.6)	(11.5)	0.0	0.0
NET EXP.	9,637.6	8,803.6	9,828.7	0.0	9,828.7	191.1	2.0	502.1	666.2
Approved Positions	196.0	172.0	182.0	0.0	182.0	(14.0)	(7.1)	0.0	0.0

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 10% Reduction vs. 2012 Rec'd Reduction	Target %
2012 Reductions	(967.1)	(972.0)	4.9	10.1%

Recommendations

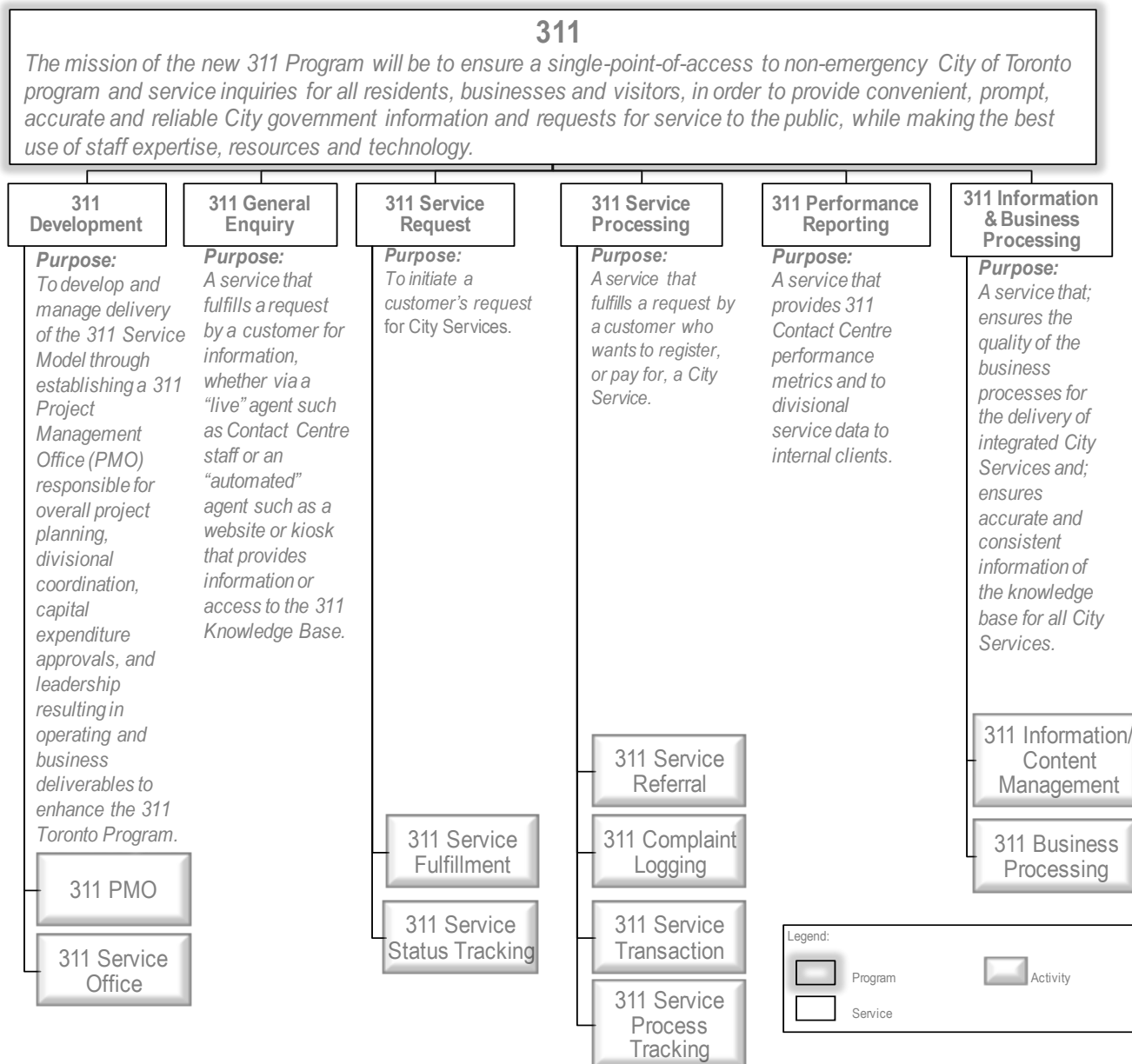
The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2012 Recommended Operating Budget for 311 Toronto of \$18.248 million gross and \$9.829 million net, comprised of the following services:

<u>Service(s)</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Contact Centre	14,713.0	9,452.2
Project Management Office	<u>3,535.1</u>	<u>376.5</u>
Total Program Budget	<u>18,248.1</u>	<u>9,828.7</u>

PART II: 2012 SERVICE OVERVIEW AND PLAN

Program Map and Service Profiles



Service Customer

- | | | | |
|--|---|--|--|
| <p>311 Development</p> <ul style="list-style-type: none"> • City Divisions | <p>311 Service Request</p> <ul style="list-style-type: none"> • Contact Customer | <p>311 Performance Reporting</p> <ul style="list-style-type: none"> • Council • City Manager • City Divisions • Toronto Water • Solid Waste Management • Transportation Services • Municipal Licensing and Standards • Urban Forestry | <p>311 Information & Business Processing</p> <ul style="list-style-type: none"> • City Divisions • Federal • Provincial • Special Purpose Bodies • Not-for-Profit / NGOs |
| <p>311 General Enquiry</p> <ul style="list-style-type: none"> • Contact Customer | <p>311 Service Processing</p> <ul style="list-style-type: none"> • Contact Customer | | |

2012 Recommended Service Levels

The chart below details the 2011 current and 2012 proposed service levels for 311 Toronto Services and Activities:

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level	
311 General Enquiry		City Divisions		72.00%	72.00%	
		Federal		28%	28%	
		Provincial		28%	28%	
		Special Purpose Bodies		28%	28%	
		Not for Profit / NGOs		28%	28%	
311 Service Request	311 Service Fulfillment	Toronto Water		100%	100%	
		Solid Waste Management		100%	100%	
		Transportation Services		100%	100%	
		Municipal Licensing & Standards		100%	100%	
		Urban Forestry		100%	100%	
		311		100%	100%	
	311 Service Status Tracking	Status Request		100%	100%	
311 Performance Reporting		Contact Centre Performance		Actively monitor 100% of all metrics	Actively monitor 100% of all metrics	
		Knowledge Inquiries (KPS)		Respond to 100% of all inquires within 24 hours	Respond to 100% of all inquires within 24 hours	
		Service Requests Data Sets		Reporting portal up and running 100% of the time	Reporting portal up and running 100% of the time	
311 Service Processing	311 Service Referral			100% of calls transferred accurately	100% of calls transferred accurately	
	311 Complaint Logging	City Divisions		100% of all complaints accurately logged	100% of all complaints accurately logged	
		311		100% of all complaints accurately logged	100% of all complaints accurately logged	
	311 Service Transaction	Registration			Not tracked until tool installed	Not tracked until tool installed
		Application			Not tracked until tool installed	Not tracked until tool installed
		Scheduling			Not tracked until tool installed	Not tracked until tool installed
		Payment			Not tracked until tool installed	Not tracked until tool installed
	311 Service Process Tracking	Status Request			80% of all calls answered within 75 seconds	80% of all calls answered within 75 seconds

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
311 Information & Business Processing	311 Information/ Content Management	Consultation		100% of all information updated	100% of all information updated
		Service Information Updates	311 Initiated	At least once annually	At least once annually
			Division Request	3 business days	3 business days
	311 Business Processing	Business Process Managed		100% of all service requests have been through a BPR, prior to scripting upload	100% of all service requests have been through a BPR, prior to scripting upload
311 Development	311 PMO	311 Project Plans		100% of all plans approved	100% of all plans approved
		311 Service Enhancements Implementations		85% of the time implementation is within budget, scope and timelines	85% of the time implementation is within budget, scope and timelines
	311 Service Office	eServices Strategy			
		Customer Service Policies			

2012 Service Deliverables

The 2012 Operating Budget of \$9.829 million net will provide funding to:

General Inquiry:

- Continue operating on a 24 hour a day, seven day a week basis to provide reliable access to non-emergency City services for all residents in 180 languages.
- Complete 70% of all contacts at first point of contact.

Service Request:

- Launch Instant Messaging and smart phone capability as an enhanced channel for improved Customer Service.
- Enable citizens to submit service requests using their smart phone and instantly receive status updates through text messaging.
- Continually manage an increased number of service requests from the five integrated service divisions.
- Track 100% of all service requests initiated by 311.

- Invest in service quality and service effectiveness resulting in improved customer satisfaction and enhanced service quality.
- Enhance 311 capabilities through additional 311 public on-line service request capacity to better serve the public.
- Launch service integration with Toronto Animal Services and Recreation programming registration.

Performance Reporting:

- Provide one additional customized report on the reporting portal in 2011 and additional customized reports as required.
- Integrate data from various operational systems into a single reporting environment.
- Produce easy to read, easy to format management information.

Service Processing:

- Transfer less than 30% of all contacts.
- Log and track 100% of all 311 initiated complaints.
- Address customer complaints within service standard 80% of all 311 related complaints.

Information and Business Processing:

- Ensure that 100% of the divisional information provided is posted to the 311 Knowledge base in a timely and accurate manner.
- Ensure that 100% of all new service request processes have been through a business process review exercise.

311 Development:

Oversee that projects are delivered on time, within scope and budget.

- Coordinate corporate posing of all Divisional service standards.
- Coordinate and support all Divisional Customer Service Improvement Teams.
- Enhance the e-Service strategic plan that will improve the people-centricity of City service delivery, reduce duplication and increase the trust and confidence in City leadership and administration.
- Promote an integrated service delivery model including service bundling.

PART III: RECOMMENDED BASE BUDGET

2012 Recommended Base Budget (In \$000s)

(In \$000s)	2011 Appvd. Budget	2012 Recommended Base	Change 2012 Recommended Base v. 2011 Appvd. Budget		FY Incremental Outlook	
					2013	2014
	\$	\$	\$	%	\$	\$
GROSS EXP.	19,147.6	18,248.1	(899.5)	(4.7)	502.1	666.2
REVENUE	9,510.0	8,419.4	(1,090.6)	(11.5)	0.0	0.0
NET EXP.	9,637.6	9,828.7	191.1	2.0	502.1	666.2
Approved Positions	196.0	182.0	(14.0)	(7.1)	0.0	0.0

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 Rec'd Reduction vs. 2012 10% Reduction Target	Target %
2012 Reductions	(967.1)	(972.0)	4.9	10.1%

2012 Recommended Base Budget

- The 2012 Recommended Base Budget of \$18.248 million gross and \$9.829 net represents a \$0.191 million or 2% increase over the 2011 Approved Operating Budget of \$9.638 million net.
- The 2012 Recommended Base Budget of \$9.829 net includes Program budget reductions of \$0.972 million net or 10.1% of the 2011 Recommended Operating Budget. This is \$0.005 million or 0.5% greater than 311 Toronto's 2012 reduction target of \$0.967 million net.
- Service changes of \$0.972 million include savings from service efficiencies of \$0.542 million net and minor service level changes of \$0.430 million net.
- The 2012 Recommended Base Budget for 311 Toronto reflects the deletion of 4 vacant and 6 occupied permanent positions and 9 temporary capital positions. An additional 5 permanent positions are required to support completed capital projects. The total staff complement will decrease from 196 to 182 positions.

- Approval of the 2012 Recommended Operating Budget reflects the change from the 2011 approved staffing complement as highlighted below:

2012 Recommended Staff Complement – Base Budget Summary

Changes	Staff Complement
2011 Approved Positions	196.0
- 2011 In-year Adjustments	
2011 Approved Staff Complement	196.0
2012 Recommended Staff Complement Changes	
- 2012 Temporary Positions - Capital Project Delivery	(9.0)
- 2012 Base Adjustments	(2.0)
- 2012 Operating Impacts of completed Capital Projects	5.0
- 2012 Service Changes	(8.0)
Total Recommended Positions	182.0

2012 Recommended Service Change Summary

(In \$000s)

Description	2012 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% of 2012 Budget Reduction Target	2013		2014	
	#	\$	\$	%	\$	# Pos.	\$	# Pos.
Base Changes:								
Sub-Total Base Budget Changes								
Service Efficiencies:								
Adjustments to Full Time Staff Shifts		(17.0)	(17.0)	(0.2%)				
Elimination of Mail Out Channel	(1.0)	(70.0)	(70.0)	(0.7%)				
Automating On-Line Service Requests	(1.0)	(70.0)	(70.0)	(0.7%)				
Reduce External Support & Maintenance		(130.0)	(130.0)	(1.3%)				
Elimination of Bell Canada Blue Pages Listing		(55.0)	(55.0)	(0.6%)				
Elimination of Vacant Management Positions	(2.0)	(200.0)	(200.0)	(2.1%)				
Sub-Total Service Efficiencies	(4.0)	(542.0)	(542.0)	(5.6%)				
Minor Service Impact:								
Elimination of Email Channel	(4.0)	(280.0)	(280.0)	(2.9%)				
Reduction in I & T Sustaining Hours		(150.0)	(150.0)	(1.6%)				
Sub-Total Minor Service Impacts	(4.0)	(430.0)	(430.0)	(4.5%)				
Total Service Changes	(8.0)	(972.0)	(972.0)	(10.1%)				

2012 Recommended Service Changes

- The 2012 recommended service changes consist of service efficiencies and minor service level changes that total \$0.972 million net. These changes will have minor impact on the 2011 approved service levels provided by 311 Toronto.

Service Efficiencies (*savings of \$0.542 million gross and net*)*Adjustment to Full time Staff Shifts:*

- Effective January 1, 2012, full time staff scheduled for Saturdays shifts will be replaced with part time staff. The Program will be adjusting the full time staff to a Monday to Friday shift resulting in savings of \$0.017 million net.

Elimination of Mail Out Channel

- The Mail Out Channel will be eliminated effective January 1, 2012, resulting in the deletion of one permanent position with savings of \$0.070 million net. 311 Toronto,

on behalf of City Programs, currently mails out various calendars and publications such as: Solid Waste calendars, election change forms, bike maps, grant application forms, snow removal applications and Forestry publications. This is a very labour intensive channel.

- Customers will continue to have these services available to them electronically or they may be obtained in person at a City location. Callers can be redirected to the City's website or a city location for the calendars and publications.

Automating On-line Service Requests

- When a customer completes an online request, it is sent to a customer service representative for review and then forwarded to the respective service division.
- A review of the current service request process revealed that it can be fully automated as customers will receive an instant tracking number, that will result in an improved service standard, as the service request will be sent directly to the respective service Divisions. This change reflects industry best practice. As a result of this efficiency, effective January 1, 2012, one permanent position will be deleted to achieve savings of \$0.070 million net.

Reduce External Support & Maintenance

- Starting in 2012, support and maintenance of the VOIP telephony previously provided by external contractors will be managed internally. In 2011, the Sustainment team will be taking over full responsibility of the telephony support. Support and maintenance costs budgeted for external contractors will no longer be required resulting in savings of \$0.130 million net with no effect on service levels.

Elimination of Bell Canada Blue Pages Listing

- The list of City telephone numbers in the Bell Canada Blue Pages Listings (excluding Councillors) will be eliminated effective January 1, 2012, resulting in savings of \$0.055 million. The individual listings will be replaced with the City's one main phone number: 311 and website information.

Elimination of Vacant Management Positions

- Effective January 1, 2012, two Project Management Office permanent vacant manager positions will be eliminated for savings of \$0.200 million net. These management positions were established to support ongoing development of 311 Toronto and the Service Office. These positions were not filled as a result of the hiring slow down. Some delays in project deliverables have been experienced, however, as City Council has directed that development of the 311 initiatives not proceed beyond 2012, further delays should be minimized.

Minor Service Impact (*savings of \$0.430 million gross and net*)*Elimination of Email Channel*

- Email channel service delivery was not identified in the approved model in 2007–2008 for 311 Toronto. Over time, email service and information requests have become a fairly common communication vehicle in 311 operations.
- Email inquiries takes up to three times longer to process than the same inquiry over the telephone. By removing this channel, customers will be able to receive the same service by contacting 311 by telephone, smart phone or through on-line service. Effective January 1, 2012 the Email Channel will be eliminated with 4 permanent positions for savings of \$0.280 million.

Reduction in I & T Sustaining Hours

- Currently the 311 Technical Solution Sustainment team is available after regular business hours, on weekends and statutory holidays to respond to technology solution incidents.
- It is recommended that they respond to technology issues only during regular business hours. Effective January 1, 2012, 311 Toronto will eliminate the afterhours service of the Technical Solution resulting in savings of \$0.150 million net. After hours production incidents will be handled on the next business day. Members of the Technical Solution sustainment team will be contacted after hours if they are available, to address any emergency incidents.

2013 and 2014 Outlook

- Approval of the 2012 Recommended Base Budget for 311 Toronto will result in 2013 incremental costs of \$0.502 million and 2014 incremental costs of \$0.666 million to maintain the 2011 level of service. Future year costs are primarily attributed to the following:
 - For 2013, the incremental expenditures are projected to be \$0.502 million. The 2013 Outlook includes increases such as a 0.9% OMERS premium rate increase of \$0.110 million, progression pay and step increases of \$0.270 million, reversal of 1 leap year day of (\$0.031 million), and operating impacts of \$0.153 million for approved completed capital projects.
 - The 2014 projected increase of \$0.666 million includes progression pay and step increases of \$0.126 million and additional operating impacts of capital of \$0.540 million for approved completed projects.
- These outlooks do not include any provisions for COLA, which is subject to future negotiations.

PART V: ISSUES FOR DISCUSSION

2012 and Future Year Issues

Core Service Review Impacts

- On September 26, and 27, 2011, City Council adopted a report that addressed the results of the Core Service Review conducted by KPMG. At that meeting, City Council approved the recommendation to eliminate development capacity for the 311 project in 2013, when 311 is fully implemented. The 2012–2021 Recommended Capital Plan incorporates that has been reduced to incorporate that direction. The approved recommendation will also have a direct impact on future year operating budgets for 311 Toronto. The Project Management Office will begin to decline in 2013, with full phase out in future years. The 2013 Operating Budget will address decreases as a result of the elimination of future development capacity.
- In addition, Council directed that a review be undertaken to identify which components of 311 could be outsourced (from the call centre to the technology) and the potential savings and timelines of outsourcing of the 311 call centre.
- The City Manager was also directed to undertake various reviews with respect to 311 Toronto for implementation in 2012, 2013 and/or 2014 as appropriate. Other directive include reviews to:
 - *Consider opportunities in combining 311 with 211.*
 - *Consider developing one-stop counter services for access to a wide range of municipal services.*
 - *Consider outsourcing some 311 activities to the private sector.*
 - *Consider expanding the range of call centre services that 311 provides to client divisions.*

Appendix 1

2011 Performance

2011 Key Accomplishments:

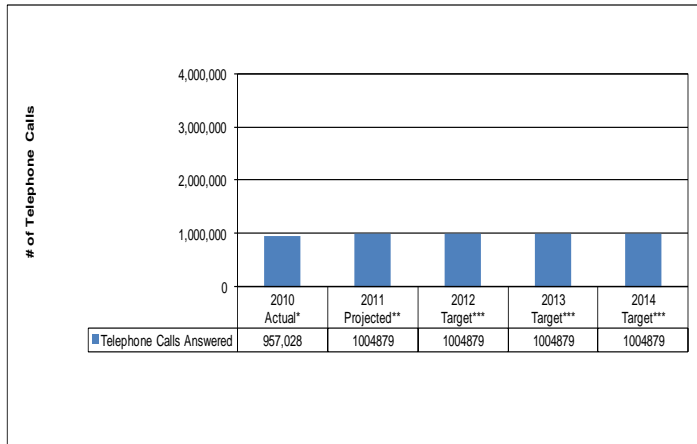
In 2011, 311 Toronto achieved the following results:

- ✓ Answered 72% of calls in 80 seconds or less;
- ✓ Completed New Councillor training and orientation of the 311 Reporting Portal;
- ✓ Consolidated Tier One Call Centre with Facilities Room booking effective June 6, 2011;
- ✓ Developed Corporate Customer Service Guidelines, launched and supported Customer Service Improvement Teams, developed Corporate Complaint Protocols and coordinated posting of initial Customer Service Standards;
- ✓ Launched on-line service requests for 311 complaints handling including service requests to clean Graffiti;
- ✓ Integrated Toronto Animal Services and Recreation Program registration;
- ✓ Enhanced reporting capability for Councillors and Divisions;
- ✓ Launched smart phone application to allow customers to submit requests through a third party provider.
- ✓ Continued with clean up of outstanding deficiencies of 311 Contact Centre;
- ✓ Completed service request configuration for TAS and Parks, Forestry and Recreation;
- ✓ Handled the two millionth call on October 24, 2011; and
- ✓ Increased telephone call handling capacity by 5% and email capacity by 11% over 2010.

2011 Performance

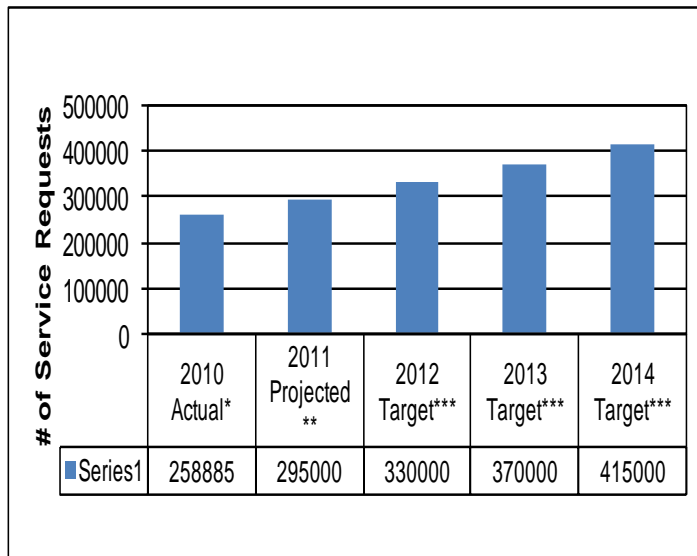
Effectiveness

Telephone Calls Answered –Output Measure



- Calls received increased by 11% in 2011 over 2010
- Calls answered increased by 5% to date in 2011 over 2010
- Increased efficiencies were demonstrated as there were 10 less staff in 2011 than in 2009 (2 less in 2010)
- Target growth for calls answered in 2012 to 2014 remains unchanged and projects increased efficiencies as staff are reduced to meet reduction targets.
- Calls offered are expected to increase negatively impacting service level.

Number of Service Requests Submitted –Output Measure



- The number of service requests continues to increase as additional Services are integrated with 311 and public awareness broadens. The chart indicates that services are expected to increase by 14% in 2011 from 2010.
- Selected service requests from newly integrated services are more complex and require a longer completion time until resolved.
- As new services are integrated, the service requests will increase.

2011 Budget Variance Analysis

2011 Budget Variance Review (In\$000s)

(In \$000s)	2009 Actuals	2010 Actuals	2011 Approved Budget	2011 Projected Actuals*	2011 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	\$	%
GROSS EXP.	11,564.8	15,051.8	19,147.6	16,116.8	(3,030.8)	(15.8)
REVENUES	6,088.7	6,379.5	9,510.0	7,313.2	(2,196.8)	(23.1)
NET EXP.	5,476.1	8,672.3	9,637.6	8,803.6	(834.0)	(8.7)
Approved Positions	188.5	181.5	196.0	172.0	(24.0)	(12.2)

2011 Experience

- 311 Toronto's year-end favourable variance is projected to be \$0.834 million net or 8.7% net below the 2011 Approved Operating Budget of \$9.638 million net.
- The projected favourable variance of \$3.031 million gross is mainly attributed to salary savings due to the hiring slow down and capital positions that were not filled resulting in savings of \$2.976 million. Project deliverables including Recreation Program registration with 311 and mobile text, and enhanced reporting will be fully delivered in 2012.
- The \$2.197 million in projected unfavourable revenues is directly related to the non-recovery of capital funding for salary costs as a result of delays in filling capital positions.

Impact of 2011 Operating Variance on the 2012 Recommended Budget

- There is no impact on the 2012 Recommended Operating Budget as a result of the 2011 experience.

Appendix 2

2012 Recommended Operating Budget by Expenditure Category and Key Cost Drivers

Program Summary by Expenditure Category (In \$000s)

Category of Expense	2009	2010	2011	2011	2012	2012 Change from		2013	2014
	Actual	Actual	Budget	Projected Actual	Recommended Budget	2011 Approved Budget	%	Outlook	Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	9,800.0	13,059.4	16,795.4	13,819.6	16,209.2	(586.2)	(3.5%)	16,609.3	17,276.0
Materials and Supplies	19.9	15.5	58.5	58.5	20.7	(37.8)	(64.6%)	20.7	20.7
Equipment	9.8	45.8	11.4	11.4	23.8	12.4	108.8%	23.8	23.8
Services & Rents	540.3	1,728.0	2,001.2	1,946.2	1,709.8	(291.4)	(14.6%)	1,811.8	1,811.8
Contributions to Capital									
Contributions to Reserve/Res Funds	21.0	21.4	22.2	22.2	22.2	-	0.0%	22.2	22.2
Other Expenditures	0.6	0.8							
Interdivisional Charges	1,173.1	180.9	258.9	258.9	262.4	3.5	1.4%	262.4	262.4
TOTAL GROSS EXPENDITURES	11,564.7	15,051.8	19,147.6	16,116.8	18,248.1	(899.5)	(4.7%)	18,750.2	19,416.9
Interdivisional Recoveries	3,898.3	4,274.6	5,107.9	5,107.9	5,260.8	152.9	3.0%	5,260.8	5,260.8
Provincial Subsidies	20.0								
Federal Subsidies		32.9							
Other Subsidies									
User Fees & Donations	0.1								
Transfers from Capital Fund	2,170.2	2,067.6	4,402.1	2,205.3	3,158.6	(1,243.5)	(28.2%)	3,158.6	3,158.6
Contribution from Reserve Funds									
Contribution from Reserve		4.4							
Sundry Revenues									
TOTAL REVENUE	6,088.6	6,379.5	9,510.0	7,313.2	8,419.4	(1,090.6)	(11.5%)	8,419.4	8,419.4
TOTAL NET EXPENDITURES	5,476.1	8,672.3	9,637.6	8,803.6	9,828.7	191.1	6.8%	10,330.8	10,997.5
APPROVED POSITIONS	188.5	181.5	196.0	172.0	182.0	(14.0)	(7.1%)	182.0	182.0

2012 Key Cost Drivers

- *Salaries and benefits* are the largest expenditure category and account for 88.8% of total expenditures, followed by *services and rents* at 9.4%.
- The 2012 budget for *salaries and benefits* of \$16.209 million is \$0.586 million or 3.5% lower than the 2011 Approved Operating Budget.
 - In 2012, the Program will delete 19 positions, thus lowering its salaries and benefits budget by approximately \$1.423 million. This is somewhat offset by an increase of \$0.424 million for 5 permanent staff for on-going support of the 311 Toronto Technology.
 - These measures assisted the Program in offsetting pressures from major cost

drivers such as the progression pay and step increases of \$0.290 million for eligible non-union and union positions; fringe benefits adjustments of \$0.317 million, (including 2011 OMERS of \$0.291 million) and prior year alignment of (\$0.193 million) .

- The increase in *Salaries and Benefits* from 2009 to 2010 reflects the full year salary and benefit costs for 9 IT staff in 2010 where they were employed in the last quarter of 2009. The decrease of \$0.586 million from 2011 to 2012 is as a result of the recommended service adjustments in 2012 of 14 approved staff positions. The changes in salaries and benefits affect the fluctuations in interdivisional recoveries and transfer from capital from the other Programs capital projects.
- The 2012 budget for *services and rents* of \$1.710 million is \$0.291 million or 14.6% lower than the 2011 Approved Budget for these expenditures.
 - Savings of \$0.130 million for the reduction of external support and maintenance; \$0.055 million for the elimination of Bell Canada Blue pages listing and \$0.106 million for maintaining completed capital projects account for the reduction.
- *Services and Rents* increased in 2009 from 2010 due to contracted services for support and maintenance of the 311 Technology Solution. This was reduced in 2011 as a result of the addition of 7 IT positions to provide in-house support and maintenance of the 311 Technology Solution, reducing services and rents and increasing salaries and benefits.
- The increase in *interdivisional recoveries* of \$0.153 million in 2012 is primarily due to progression and step increases charged back to Programs integrated into the 311 operations.
- The decrease of \$1.243 million in *contribution from capital* experienced in 2012 primarily reflects the reduction of salaries and benefits for 9 temporary capital positions (\$0.636 million) and prior year alignment (\$0.673 million).
- Approval of the 2012 Recommended Operating Budget will result in the Program's total staff complement decreasing from 196 to 182 approved positions. The net reduction of 14 positions results from a deletion of 9 temporary capital positions due to the completion of capital projects; deletion of 8 from the recommended service efficiencies and minor service level reductions; deletion of 2 vacant customer service positions. This decrease is partially offset by an increase of 5 permanent staff to support on-going completed projects.

Appendix 3

Summary of 2012 Recommended Service Changes

Appendix 5

Inflows/Outflows to/from Reserves & Reserve Funds

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2011 *	Proposed Withdrawals (-) / Contributions (+)		
			2012	2013	2014
		\$	\$	\$	\$
Insurance Reserve Fund	XR1010	31,346.0	22.2	22.2	22.2
Total Reserve / Reserve Fund Draws / Contributions			22.2	22.2	22.2

* Based on 3rd Quarter Variance Report