

Toronto 2017 BUDGET



OPERATING BUDGET NOTES



City Clerk's Office

2017 OPERATING BUDGET OVERVIEW

The City Clerk's Office provides the foundation for municipal government in Toronto, realized through the delivery of Electing Government, Making Government Work and Opening Government.

2017 Operating Budget Highlights

The City Clerk's Office 2017 Preliminary Operating Budget is \$49.622 million gross and \$31.622 million net as shown below:

| (in \$000's) | 2016 Budget | 2017 Preliminary Budget | Change | |
|-------------------------|-----------------|-------------------------|----------------|---------------|
| | | | \$ | % |
| Gross Expenditures | 50,279.1 | 49,621.6 | (657.5) | (1.3%) |
| Revenues | 17,813.0 | 17,999.6 | 186.6 | 1.0% |
| Net Expenditures | 32,466.1 | 31,622.0 | (844.1) | (2.6%) |

Through operational efficiencies and staff reviews, the Program is able to fully offset \$1.553 million in operating budget pressures arising mainly from salary and benefit increases for COLA, progression pay and step increases, and operating impacts for the sustainment of completed capital projects.

CONTENTS

Overview

- 1: 2017 – 2018 Service Overview and Plan [5](#)
- 2: 2017 Preliminary Operating Budget by Service [13](#)
- 3: Issues for Discussion [24](#)

Appendices:

1. 2016 Performance [28](#)
2. 2017 Preliminary Operating Budget by Expenditure Category [29](#)
3. 2017 Organization Chart [30](#)
4. Summary of 2017 Preliminary Service Changes [31](#)
5. Summary of 2017 Preliminary New & Enhanced Service Priorities [N/A](#)
6. Inflows/Outflows to / from Reserves & Reserve Funds [32](#)
7. 2017 User Fee Rate Changes [34](#)

CONTACTS

Program:

Ulli S. Watkiss

City Clerk

Tel: (416) 392-8010

Email: Ulli.Watkiss@toronto.ca

Corporate:

Judy Skinner

Manager, Financial Planning

Tel: (416) 397-4219

E-Mail: Judy.Skinner@toronto.ca

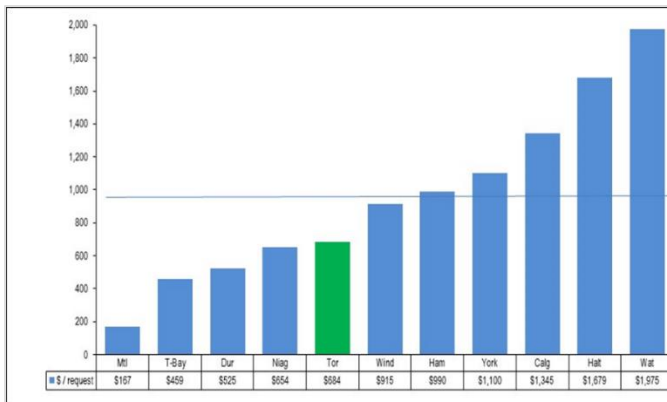
Fast Facts

- The City Clerk's Office delivers more than 70 types of services from over 30 locations across the City from 12 buildings, Civic Centres, City Hall and metro Hall.
- Most services are prescribed in more than 60 distinct piece of legislation including the *City of Toronto Act 2006*, *Vital Statistics Act*, *Assessment Act* and *Planning Act*. The Clerk has broad and independent authority under the Municipal Elections Act to deliver elections and by-elections.
- As a shared service, City Clerk's Office staff also support the Mayor's Office, 44 Councillors' Offices and the Offices of the City's four Accountability Officers – Office of the Auditor General, Office of the Integrity Commissioner, Office of the Lobbyist Registrar, and Ombudsman Toronto.

Trends

- Public participation in the legislative process has grown from 1,775 public deputations and 7.6 million web page views in 2008 to 2,532 and 29.8 million respectively in 2015.
- Public interest in government information continues to grow from 2,104 FOI requests received in 2009 to 2,866 in 2015. As of Dec 1, 2016, City Clerk's Office have received 2,846 requests.

Costs per FOI Requests



(2014 OMBI Data)

Key Service Deliverables for 2017

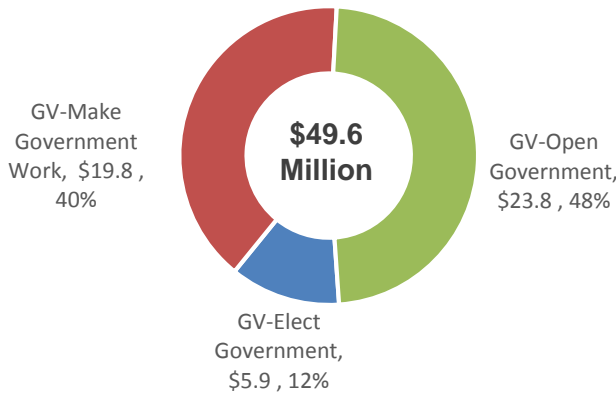
The City Clerk is an independent Officer of the City, reporting to Council for legislated responsibilities and to the City Manager for administrative purposes.

The 2017 Operating Budget will enable the City Clerk's Office to continue to:

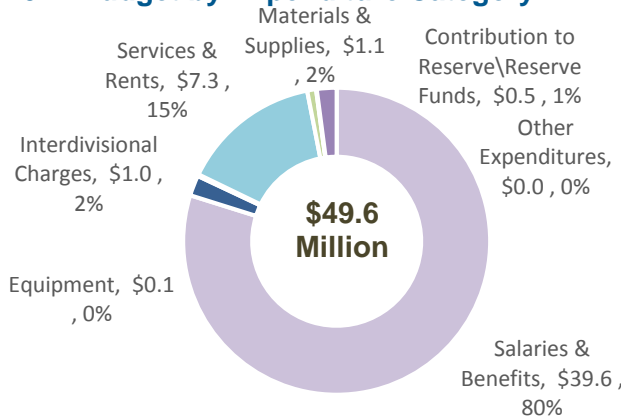
- Maintain state of readiness to conduct elections.
- Manage post-election processes as required in legislation.
- Review election systems and processes to modernize election delivery.
- Prepare for the 2018 municipal election.
- Support City Council and the Accountability Officers.
- Provide strategic protocol and official services.
- Deliver open and accessible democratic processes to meet or exceed statutory requirements and established performance standards.
- Deliver provincially delegated services to meet/exceed standards.
- Provide direct public service on claims and official mail receipt.
- Lead Open Government by Design.
- Maintain core service levels and meet/exceed established customer service standards.
- Ensure Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) compliance and public access to information.

Where the money goes:

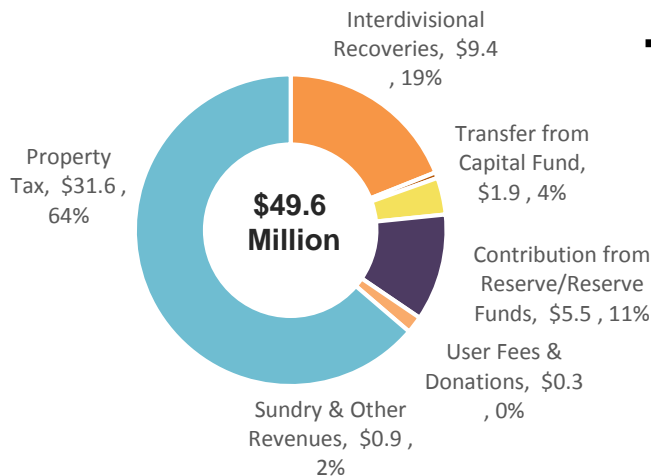
2017 Budget by Service



2017 Budget by Expenditure Category



Where the money comes from:



Our Key Issues & Priority Actions

- New **Municipal Elections Act** has significant and far-reaching changes for candidates, voters, municipal councils and election administrators.
 - ✓ Need to understand, respond to and implement the significant changes to the *Municipal Elections Act* resulting from Bill 181, *Municipal Elections Modernization Act* and Bill 68, *Modernizing Ontario's Municipal Legislation Act, 2016*. The City Clerk has reported to Executive Committee on December 1, 2016 to update City Council on these changes.

- The sustainability of the **Elections Reserve Fund** is an ongoing concern as it funds all aspects of the municipal election, including both operating and capital costs.
 - ✓ The City Clerk in conjunction with Chief Financial Officer will continue to monitor actual expenditures and planned expenditures and develop strategies to review the Reserve's sustainability.

2017 Operating Budget Highlights

- The 2017 Preliminary Operating Budget for the City Clerk's Office of \$49.622 million gross provides funding for 3 services: Elect Government, Make Government Work and Open Government.
- The Program has achieved the budget target of a -2.6% decrease from 2016 Approved Budget mainly due to the following strategies:
 - Base changes (\$0.956 million net)
 - Service efficiency savings (\$1.333 million net and deletion of 19.0 positions)
 - Service adjustments (\$0.108 million net and deletion of 2.0 positions).
 - Staff complement will decrease by 11.3 positions from 2016 to 2017.

Actions for Consideration

Approval of the 2017 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2017 Preliminary Operating Budget for the City Clerk's Office of \$49.622 million gross, \$31.622 million net for the following services:

| <u>Service:</u> | Gross (\$000s) | Net (\$000s) |
|-----------------------|-------------------|-----------------|
| Elect Government: | 5,941.5 | 0.0 |
| Make Government Work: | 19,849.7 | 18,263.0 |
| Open Government: | <u>23,830.4</u> | <u>13,359.0</u> |
| Total Program Budget | <u>49,621.6</u> | <u>31,622.0</u> |

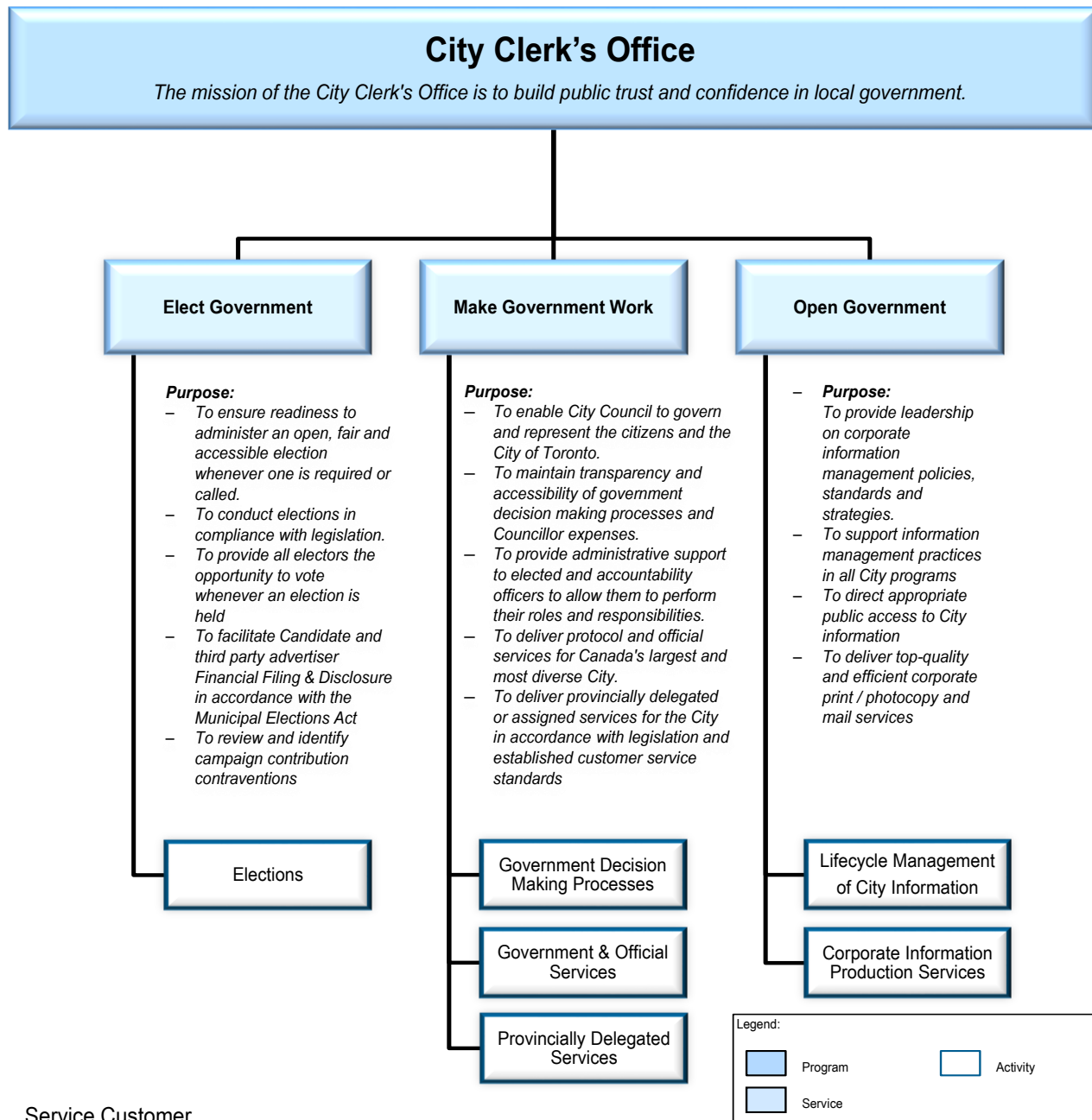
2. City Council approve the 2017 service levels for the City Clerk's Office as outlined on pages 15, 17 and 21 of this report, and associated staff complement of 402.6 positions.
3. City Council approve the 2017 user fee rate changes related to rationalization and other adjustments for the City Clerk's Office identified in Appendix 7, for inclusion in the Municipal Code Chapter 441 "Fees and Charges".
4. City Council direct the information contained in Confidential Attachment 1, remain confidential until the outcome of City Council's decision has been communicated to Unions and affected staff.



Part 1:

2017-2019 Service Overview and Plan

Program Map



Service Customer

Elect Government

- The public
- Candidates and Electors
- Third party advertisers
- Other governments

Make Government Work

- The public
- City Council and its Members; Accountability Officers
- The Toronto Public Service, City agencies and corporations
- Other governments
- Charitable Organizations

Open Government

- The public
- City Council and its Members The Toronto Public Service, City agencies and corporations
- Other governments

Table 1
2017 Preliminary Operating Budget and Plan by Service

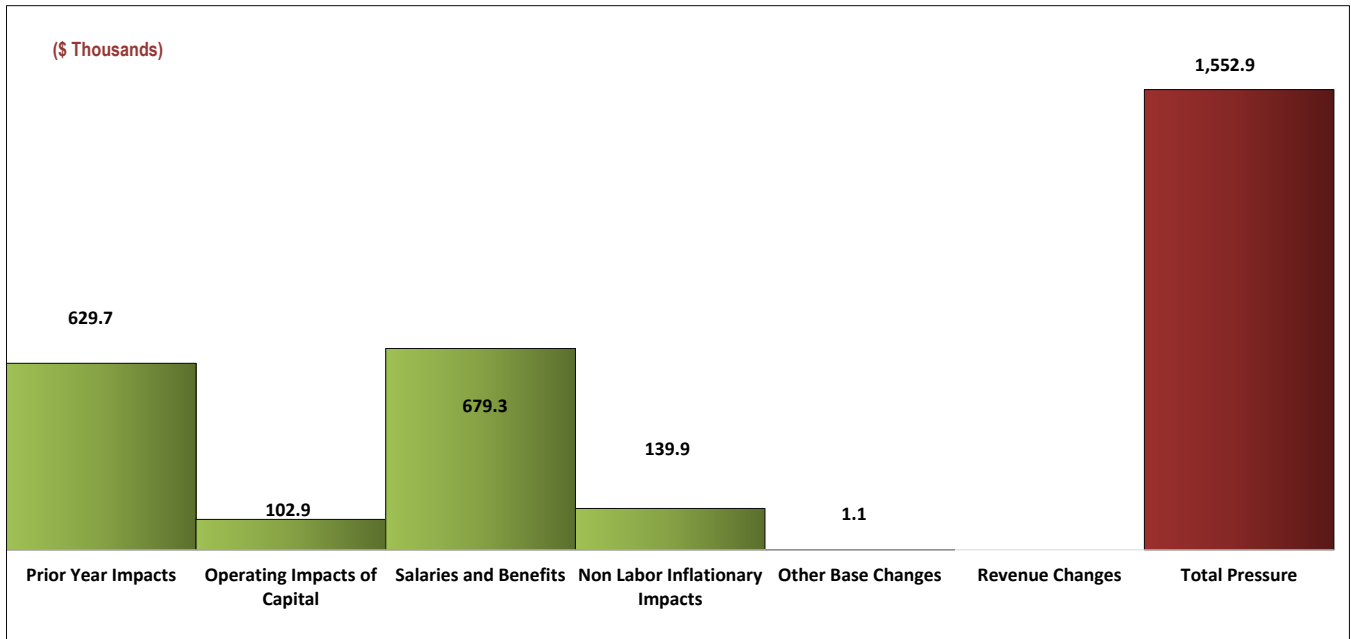
| (In \$000s) | 2016 | | 2017 Preliminary Operating Budget | | | 2017 Preliminary vs. 2016 Budget Change | | Incremental Change | | | |
|--------------------------------|----------|------------------|-----------------------------------|--------------|--------------|---|--------|--------------------|---------|-----------|---------|
| | Budget | Projected Actual | Base | New/Enhanced | Total Budget | \$ | % | 2018 Plan | % | 2019 Plan | % |
| By Service | \$ | \$ | \$ | \$ | \$ | \$ | % | \$ | % | \$ | % |
| GV-Elect Government | | | | | | | | | | | |
| Gross Expenditures | 5,756.1 | 5,156.1 | 5,941.5 | | 5,941.5 | 185.4 | 3.2% | 9,976.8 | 167.9% | (9,770.8) | (61.4%) |
| Revenue | 5,756.1 | 5,156.1 | 5,941.5 | | 5,941.5 | 185.4 | 3.2% | 9,976.8 | 167.9% | (9,770.8) | (61.4%) |
| Net Expenditures | | | | | | | | | | | |
| GV-Make Government Work | | | | | | | | | | | |
| Gross Expenditures | 20,000.6 | 19,850.6 | 19,849.7 | | 19,849.7 | (150.8) | (0.8%) | (91.7) | (0.5%) | 1,050.8 | 5.3% |
| Revenue | 1,651.8 | 1,651.8 | 1,586.7 | | 1,586.7 | (65.1) | (3.9%) | (1,033.5) | (65.1%) | 641.3 | 115.9% |
| Net Expenditures | 18,348.7 | 18,198.8 | 18,263.0 | | 18,263.0 | (85.7) | (0.5%) | 941.7 | 5.2% | 409.4 | 2.1% |
| GV-Open Government | | | | | | | | | | | |
| Gross Expenditures | 24,522.4 | 24,372.4 | 23,830.4 | | 23,830.4 | (692.1) | (2.8%) | 91.2 | 0.4% | 284.9 | 1.2% |
| Revenue | 10,405.1 | 10,405.1 | 10,471.4 | | 10,471.4 | 66.3 | 0.6% | (112.2) | (1.1%) | (193.9) | (1.9%) |
| Net Expenditures | 14,117.4 | 13,967.3 | 13,359.0 | | 13,359.0 | (758.4) | (5.4%) | 203.4 | 1.5% | 478.8 | 3.5% |
| Total | | | | | | | | | | | |
| Gross Expenditures | 50,279.1 | 49,379.1 | 49,621.6 | | 49,621.6 | (657.5) | (1.3%) | 9,976.2 | 20.1% | (8,435.1) | (14.2%) |
| Revenue | 17,813.0 | 17,213.0 | 17,999.6 | | 17,999.6 | 186.6 | 1.0% | 8,831.1 | 49.1% | (9,323.4) | (34.7%) |
| Total Net Expenditures | 32,466.1 | 32,166.1 | 31,622.0 | | 31,622.0 | (844.1) | (2.6%) | 1,145.1 | 3.6% | 888.3 | 2.7% |
| Approved Positions | 413.9 | 395.9 | 402.6 | | 402.6 | (11.3) | (2.7%) | 18.7 | 4.6% | (33.0) | (7.8%) |

The City Clerk's 2017 Preliminary Operating Budget is \$49.622 million gross and \$31.622 million net, representing a 2.6% decrease to the 2016 Approved Net Operating Budget and meets the budget reduction target as set out in the 2017 Operating Budget Directions approved by Council.

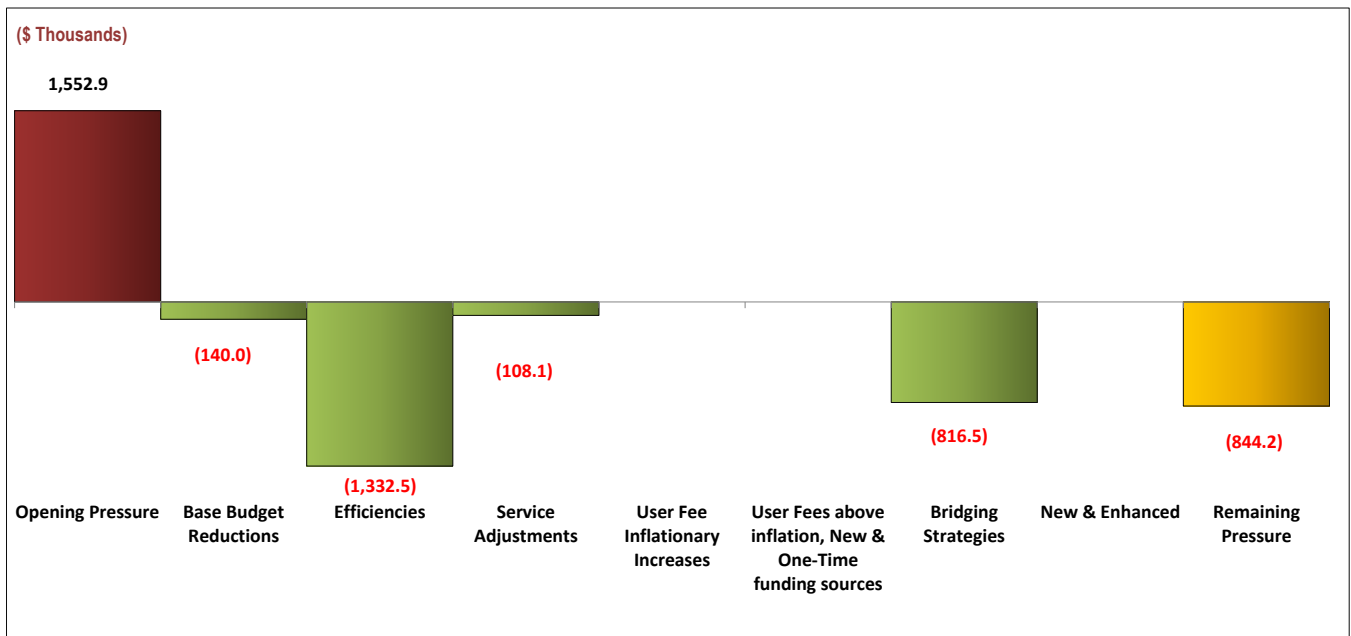
- Base pressures are mainly attributable to increases in salaries and benefits for COLA, progression pay and re-earnable lump sum pay and step increases, and operating impacts for the sustainment of completed capital projects (\$1.553 million net). Positions increased by 9.7 positions from 413.9 to 423.6 resulting from increase in temporary capital delivery positions, capital sustainment positions and temporary positions to support post-Election activities.
- To help mitigate the above pressures, the Program was able to achieve base expenditure savings through increasing gapping, reduced expenses from a line by line review and 1% staff benefit reduction based on actual experience, service efficiencies and adjustments.
- Approval of the 2017 Preliminary Operating Budget will result in the City Clerk's Office reducing its total staff complement by 11.3 positions from 413.9 to 402.6 positions.
- The 2018 and 2019 Plan increases are attributable to inflationary cost increases for salaries and benefits, non-payroll items, and operating impact of completed capital projects.

The following graphs summarize the operating budget pressures for this Program and the measures/actions taken to offset these pressures and meet the budget target.

Key Cost Drivers



Actions to Achieve Budget Reduction Target



**Table 2
Key Cost Drivers**

| (In \$000s) | 2017 Base Operating Budget | | | | | | Total | |
|--|----------------------------|------------|-------------------------|------------|--------------------|------------|----------------|------------|
| | GV-Elect Government | | GV-Make Government Work | | GV-Open Government | | | |
| | \$ | Position | \$ | Position | \$ | Position | \$ | Position |
| Gross Expenditure Changes | | | | | | | | |
| Reversal of Prior Year Impacts | (755.7) | | 213.0 | | 370.8 | | (171.9) | |
| Operating Impacts of Capital | 58.3 | 1.0 | 102.9 | 1.0 | | | 161.2 | 2.0 |
| Salaries and Benefits | | | | | | | | |
| COLA, step, progression pay & re-earnable lump sum | 127.7 | | 366.3 | | 297.3 | | 791.3 | |
| Base salaries, benefits and gapping adjustments | 50.7 | | (47.8) | | 63.5 | | 66.4 | |
| Economic Factors | | | 12.2 | | 127.7 | | 139.9 | |
| Other Base Changes | | | | | | | | |
| Election Requirements | 276.2 | 2.3 | | | | | 276.2 | 2.3 |
| Capital Delivery (Temp Staff) - Net Change | 428.2 | 3.5 | (15.2) | (0.1) | 256.3 | 2.0 | 669.3 | 5.4 |
| Other (Including IDC/IDR reconciliations) | | | (49.0) | | (222.6) | | (271.6) | |
| Total Gross Expenditure Changes | 185.4 | 6.8 | 582.4 | 0.9 | 893.0 | 2.0 | 1,660.8 | 9.7 |
| Revenue Changes | | | | | | | | |
| Reversal of Prior Year Impacts | (755.7) | | | | (45.9) | | (801.6) | |
| Base Revenue Changes | | | | | | | | |
| Operating Impacts of Capital | 58.3 | | | | | | 58.3 | |
| Capital Delivery (Temp Staff) - Net Change | 428.2 | | (15.2) | | 256.3 | | 669.3 | |
| Salary and benefit changes | 178.4 | | | | | | 178.4 | |
| Election Requirements | 276.2 | | | | | | 276.2 | |
| Other (including IDC/IDR reconciliation) | | | (49.9) | | (222.8) | | (272.7) | |
| Total Revenue Changes | 185.4 | | (65.1) | | (12.4) | | 107.9 | |
| Net Expenditure Changes | (0.0) | 6.8 | 647.5 | 0.9 | 905.4 | 2.0 | 1,552.9 | 9.7 |

Key cost drivers for the City Clerk's Office are discussed below:

- Prior Year Impacts:
 - The reversal of post-election activity and Ward 2 By-Election results in a decrease of \$0.802 million gross and \$0 net as election costs are funded from the election reserve fund.
 - Reversal of 2016 one-time reductions results in an increase of \$0.630 million net.
- Operating Impacts of Capital:
 - The operating impact to sustain Toronto Election Management Information System and Council and Clerk's Business Systems and annualization for the Lobbyist Registrar's SOGR capital project requires \$0.161 million gross and \$0.103 million net for 2.0 positions.
- Salaries and Benefits
 - Salaries and benefits adjustment (including cola, progression pay, re-earnable lump sum, step, gapping and benefit adjustments) results in an increase of \$0.679 million net.
- Economic Factors:
 - Inflationary cost increases for services and rents, materials and supplies and equipment requires additional funding of \$0.140 million net.
- Other Base Changes:
 - Net changes in temporary capital staffing results in an increase of 5.4 temporary positions and \$0.669 million gross and \$0 net, recovered from the City Clerk's Office Capital Budget.

- Election 2017 requirements, including Ward 42 By Election mainly in services and rents and salaries and benefits, results in an increase of 2.3 temporary positions and \$0.276 million gross and \$0 net, as this is funded from the Election Reserve Fund.
- Interdivisional charges and recoveries (IDC/IDR) changes as well as budget line by line review and reallocations, result in a decrease of \$0.272 million gross and \$0

In order to achieve the budget reduction target, the 2017 service changes for the City Clerk's Office consists of base savings of \$0.956 million net, service efficiency savings of \$1.333 million net and service adjustments of \$0.108 million net, for a total of \$2.318 million gross and \$2.397 million net as detailed below.

**Table 3
Actions to Achieve Budget Reduction Target
2017 Preliminary Service Change Summary**

| Description (\$000s) | Service Changes | | | | | | Total Service Changes | | | Incremental Change | | | |
|--|---------------------|-----|-------------------------|----------------|--------------------|------------------|-----------------------|------------------|---------------|--------------------|--------------|-----------|------|
| | GV-Elect Government | | GV-Make Government Work | | GV-Open Government | | \$ | \$ | # | 2018 Plan | | 2019 Plan | |
| | Gross | Net | Gross | Net | Gross | Net | Gross | Net | Pos. | Net | Pos. | Net | Pos. |
| Base Changes: | | | | | | | | | | | | | |
| Base Expenditure Changes | | | | | | | | | | | | | |
| One-time gapping of positions with staff on secondment | | | | | (201.8) | (201.8) | (201.8) | (201.8) | | | 201.8 | | |
| One-time increase in general gapping | | | (211.0) | (211.0) | (164.4) | (164.4) | (375.4) | (375.4) | | | 375.4 | | |
| One-time 1% reduction in benefits | | | (134.5) | (134.5) | (104.4) | (104.4) | (238.9) | (238.9) | | | 238.9 | | |
| Line by line review - non-payroll | | | (12.3) | (12.3) | (127.7) | (127.7) | (140.0) | (140.0) | | | | | |
| Base Expenditure Change | | | (357.8) | (357.8) | (598.3) | (598.3) | (956.1) | (956.1) | | | 816.1 | | |
| Base Revenue Changes | | | | | | | | | | | | | |
| Impact from Division changes on IDC IDR (including fuel cost) | | | | | 178.3 | (0.4) | 178.3 | (0.4) | | | 0.4 | | |
| Base Revenue Change | | | | | 178.3 | (0.4) | 178.3 | (0.4) | | | 0.4 | | |
| Sub-Total | | | (357.8) | (357.8) | (420.0) | (598.7) | (777.8) | (956.5) | | | 816.5 | | |
| Service Efficiencies | | | | | | | | | | | | | |
| Position by position vacancy review | | | (167.3) | (167.3) | (599.7) | (599.7) | (766.9) | (766.9) | (10.0) | | | | |
| Transitioning service delivery to digital record keeping | | | | | (465.5) | (465.5) | (465.5) | (465.5) | (9.0) | (155.2) | | | |
| Continue migration towards digital Council & Cttee Meeting materials | | | (100.0) | (100.0) | (100.0) | | (200.0) | (100.0) | | | | | |
| Business transformation efficiencies | | | | | | | | | | | (625.3) | | |
| Sub-Total | | | (267.3) | (267.3) | (1,165.2) | (1,065.2) | (1,432.5) | (1,332.5) | (19.0) | (780.5) | | | |
| Service Adjustments | | | | | | | | | | | | | |
| Service delivery model review | | | (108.1) | (108.1) | | | (108.1) | (108.1) | (2.0) | (36.0) | | | |
| Sub-Total | | | (108.1) | (108.1) | | | (108.1) | (108.1) | (2.0) | (36.0) | | | |
| Total Changes | | | (733.2) | (733.2) | (1,585.1) | (1,663.8) | (2,318.4) | (2,397.0) | (21.0) | | | | |

Base Expenditure Changes (Savings of \$0.957 million gross & net)

One-time savings

- One-time gapping of 2.0 positions where staff are on secondment results in a savings of \$0.202 million. These savings will be reversed in 2018.
- A one-time increase in the general gapping rate results in savings of \$0.375 million. These savings will be reversed in 2018.
- A one-time 1% reduction in the staff benefit rate to reflect actual costs, results in savings of \$0.239 million. This reduction will be reversed in 2018.

Line by line review

- A line by line review of expenditures against actual experience will result in a savings of \$0.140 million for non-payroll items.

Base Revenue Changes (Savings of \$0.0004 million net)*Interdivisional recoveries and fuel prices*

- Changes to interdivisional recoveries and related printing costs from other Divisions as well as one-time savings from a decrease in fuel prices, results in savings of \$0.0004 million net.

Service Efficiencies (Savings of \$1.433 million gross & \$1.333 million net)*Position by Position Vacancy Review*

- A review of all vacant positions results in the deletion of 10.0 positions and savings of \$0.767 million net.
 - Funding from these vacant positions has been used in the past for temporary backfills, underfills and summer students to help alleviate the work load and meet demand surges. Through business process changes, use of more automation, the impact of permanently deleting these positions will be reduced. However, the Program will no longer have the capacity or flexibility to manage unplanned demands.

Transitioning Service Delivery to Digital Records

- Through business process and technology changes, the City Clerk's Office can achieve savings from restructuring by deleting 9.0 filled positions for a savings of \$0.466 million.
 - Please refer to Confidential Attachment 1 under separate cover.

Continue Migration Towards Digital Council and Committee Meetings Material

- The City Clerk's Office will undertake a more aggressive campaign with City Divisions to reduce their paper copy subscriptions of Council and Committee meetings material, resulting in a savings of \$0.200 million gross and \$0.100 million net. The associated printing and paper costs are \$0.100 million.

Business Transformation Efficiencies

- Currently a business transformation study is underway. Future efficiency savings from business transformation of \$0.625 million is expected in 2018.

Service Adjustments (Savings of \$0.108 million gross & net)*Service Delivery Model Review*

- A review of the service delivery model results in the deletion of 2.0 positions for a savings of \$0.108 million net.
- Please refer to Confidential Attachment 1 under separate cover.

Table 5
2018 and 2019 Plan by Program

| Description (\$000s) | 2018 - Incremental Increase | | | | | 2019 - Incremental Increase | | | | |
|---|-----------------------------|----------------|----------------|-------------|-------------|-----------------------------|------------------|--------------|-------------|---------------|
| | Gross Expense | Revenue | Net Expense | % Change | Position | Gross Expense | Revenue | Net Expense | % Change | Position |
| Known Impacts: | | | | | | | | | | |
| Prior Year Bridging Approval Impacts | | | | | | | | | | |
| Reversal of one-time 2017 reductions | 821.1 | 5.0 | 816.1 | 2.6% | | | | | | |
| Prior Year Impact | | | | | | | | | | |
| Annualization impacts of 2017 reductions | (191.2) | | (191.2) | (0.6%) | | | | | | |
| Operating Impact of Capital | 537.0 | 369.6 | 167.4 | 0.5% | 3.0 | 53.2 | 53.2 | | | |
| Salaries and Benefits | 971.6 | 128.2 | 843.4 | 2.7% | | 854.3 | 104.5 | 749.8 | 2.3% | |
| Other Base Changes (specify) | | | | | | | | | | |
| Net temporary capital staffing | (1,370.5) | (1,370.5) | | | (12.0) | 218.3 | 218.3 | | | 2.0 |
| 2018 Municipal Election event - Preliminary | 10,000.0 | 10,000.0 | | | 32.0 | (10,000.0) | (10,000.0) | | | (32.0) |
| Net Election requirements including Post Election | (285.1) | (285.1) | | 0.1% | (4.3) | 282.8 | 282.8 | | | (3.0) |
| Economic factors on non payroll | 140.8 | | 140.8 | 0.4% | | 162.7 | | 162.7 | 0.5% | |
| Business Transformation efficiencies | (625.3) | | (625.3) | 2.0% | | | | | | |
| Others (including IDC IDR Reconciliation) | (22.2) | (16.1) | (6.1) | (0.1%) | | (6.5) | 17.8 | (24.3) | (0.1%) | |
| Total Incremental Impact | 9,976.2 | 8,831.1 | 1,145.1 | 3.6% | 18.7 | (8,435.1) | (9,323.4) | 888.3 | 2.7% | (33.0) |

Future year incremental costs are primarily attributable to the following:

Known Impacts:

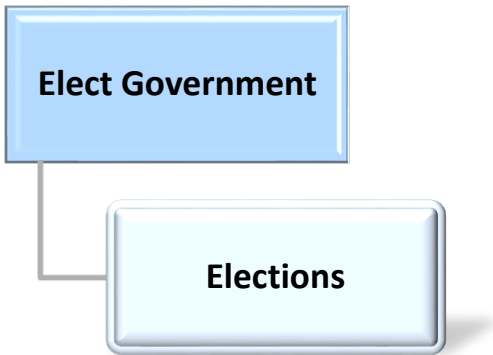
- The reversal of 2017 one-time reductions (including general gapping and benefit reductions) to achieve target results in an increase of \$0.821 million gross and \$0.816 million net.
- The annualized impact of 2017 reductions results in a decrease of \$0.191 million.
 - The completion of capital projects will require an increase of \$0.537 million gross and \$0.167 million net and 3.0 positions in 2018 and \$0.053 million gross and \$0 net in 2019 for the sustainment of Toronto Election Management Information System (TEMIS), City Clerk's Office Business Systems and Council Business Systems.
- COLA, progression pay, re-earnable lump sum pay, step increases, fringe benefit increases and other salaries and benefits adjustments result in net increases of \$0.843 million in 2018 and \$0.750 million in 2019.
- Net changes in temporary capital staffing with costs recovered from the City Clerk's Office Capital Budget, results in the addition of 12.0 temporary positions and \$1.371 million gross and \$0 net in 2018 and an increase of 2.0 temporary positions and \$0.218 million gross and \$0 net in 2019.
- The preliminary budget for the 2018 Municipal Election Event results in an increase of 32.0 temporary positions and \$10.000 million gross and \$0 net in 2018.
- Elections requirements, including post-election activities results in a decrease of 4.3 temporary positions and \$0.285 million gross and \$0 net in 2018 and a decrease of 3.0 temporary positions and an increase of \$0.283 million gross and \$0 net in 2019.
- Inflationary cost increases for non-payroll expenses result in pressures of \$0.141 million in 2018 and \$0.163 million in 2019.
- Business transformation efficiencies results in savings of \$0.625 million in 2018.



Part 2:

2017 Preliminary Operating Budget by Service

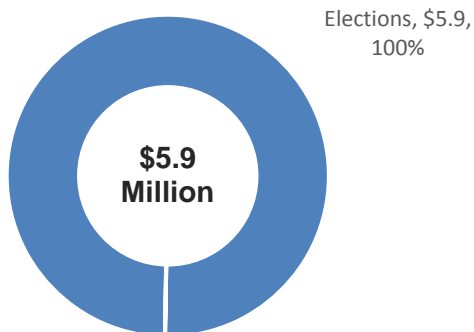
Elect Government



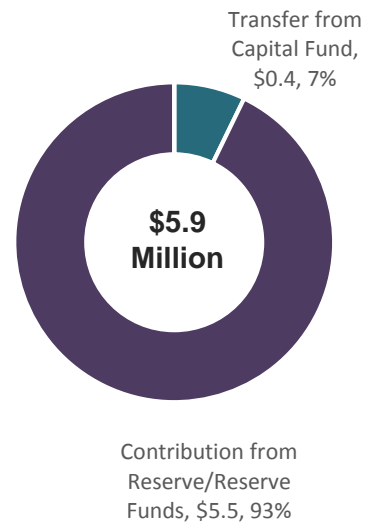
What We Do

- Ensure readiness to administer an open, fair and accessible election whenever one is required or called
- Conduct elections in compliance with legislation
- Provide all electors the opportunity to vote whenever an election is held
- Facilitate Candidate and third party advertisers Financial Filing and Disclosure in compliance with legislation
- Administer the Election Contribution Rebate Program

2017 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



2017 Service Levels Elect Government

| Activity | Type | Service Levels | | | |
|-----------|---|--|--|--|--|
| | | 2014 | 2015 | 2016 | 2017 |
| Elections | Election Delivery and financial reporting | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| | Election Readiness | | | | |

Overall, the 2017 Service Levels are consistent with the approved 2016 Service Levels for Elect Government.

Table 6 2017 Preliminary Service Budget by Activity

| (\$000s) | 2016 | | 2017 Preliminary Operating Budget | | | | | | Incremental Change | | | | | |
|---------------------------|---------|-------------|-----------------------------------|------------------|-------------------------------------|----------|--------------|----------------|-------------------------------------|-------|-----------|--------|-----------|---------|
| | Budget | Base Budget | Service Changes | Preliminary Base | Prelim. Base Budget vs. 2016 Budget | % Change | New/Enhanced | Prelim. Budget | 2017 Prelim. Budget vs. 2016 Budget | | 2018 Plan | | 2019 Plan | |
| | | | | | | | | | \$ | % | \$ | % | \$ | % |
| GROSS EXP. | | | | | | | | | | | | | | |
| Elections | 5,756.1 | 5,941.5 | | 5,941.5 | 185.4 | 3.2% | | 5,941.5 | 185.4 | 3.2% | 9,976.8 | 167.9% | (9,770.8) | (61.4%) |
| Total Gross Exp. | 5,756.1 | 5,941.5 | | 5,941.5 | 185.4 | 3.2% | | 5,941.5 | 185.4 | 3.2% | 9,976.8 | 167.9% | (9,770.8) | (61.4%) |
| REVENUE | | | | | | | | | | | | | | |
| Elections | 5,756.1 | 5,941.5 | | 5,941.5 | 185.4 | 3.2% | | 5,941.5 | 185.4 | 3.2% | 9,976.8 | 167.9% | (9,770.8) | (61.4%) |
| Total Revenues | 5,756.1 | 5,941.5 | | 5,941.5 | 185.4 | 3.2% | | 5,941.5 | 185.4 | 3.2% | 9,976.8 | 167.9% | (9,770.8) | (61.4%) |
| NET EXP. | | | | | | | | | | | | | | |
| Elections | | | | | | | | | | | | | | |
| Total Net Exp. | | | | | | | | | | | | | | |
| Approved Positions | 35.0 | 41.8 | | 41.8 | 6.8 | 19.4% | | 41.8 | 6.8 | 19.4% | 28.0 | 66.9% | (36.8) | (52.7%) |

The **Elect Government** service ensures readiness to administer an open, fair and accessible election whenever one is required or called, conducts elections in compliance with legislation, provides all electors the opportunity to vote whenever an election is held and facilitates Candidate Financial Filing and Disclosure and Third-Party Advertising Disclosure in compliance with legislation.

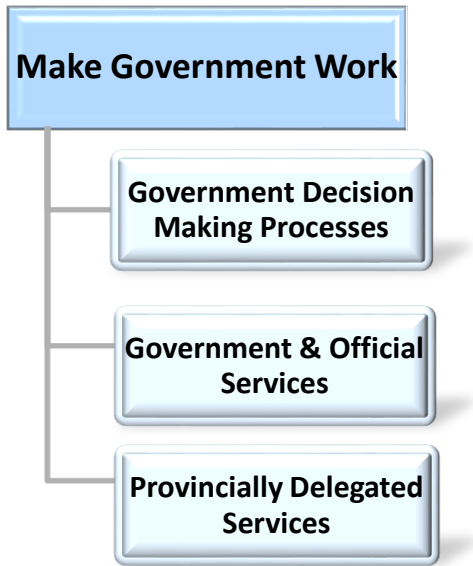
The Elect Government's 2017 Preliminary Operating Budget of \$ 5.942 million gross and \$0 net. Its gross operating budget is \$0.185 million or 3.2% over the 2016 Approved Net Budget.

Base budget pressures are mainly attributable to salary and benefit adjustments common across all services. In addition, other base budget pressures are attributable to the following:

- The reversal of post-election event 2016 requirements results in a decrease of \$0.756 million gross and \$0 net as election costs are funded from the Election Reserve Fund.
- The completion of capital projects require \$0.058 million gross and \$0 net to add 1.0 position, for the sustainment of the Toronto Election Management Information System (TEMIS).
- Election's 2017 requirements result in an increase of 2.3 positions and \$0.276 million gross and \$0 net. This include the costs for the by-election for Ward 42.
- A net impact of 3.5 temporary capital positions, \$0.428 million gross and \$0 net is required to deliver 2017 capital projects.

There are no service level changes for this Service.

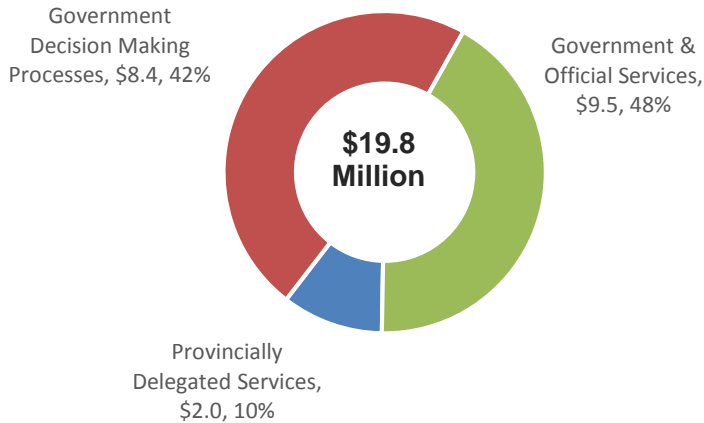
Make Government Work



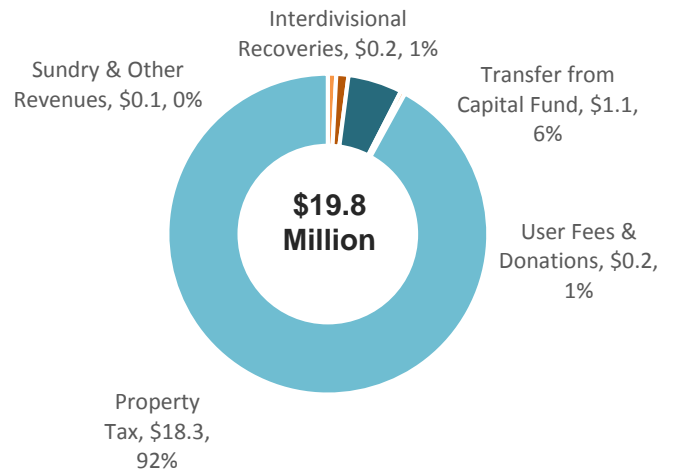
What We Do

- Enable City Council to govern and represent the citizens and the City of Toronto
- Maintain transparency and accessibility of government decision making processes and Councillor expenses
- Provide administrative support to elected officials and accountability officers to allow them to perform their roles and responsibilities
- Deliver protocol and official services for Canada's largest and most diverse City
- Deliver provincially delegated services for the City in accordance with legislation and customer service standards

2017 Service Budget by Activity (\$Ms)



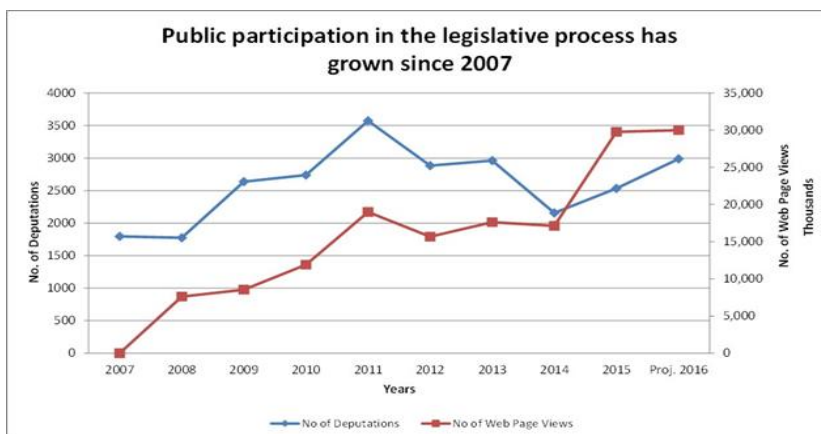
Service by Funding Source (\$Ms)



2017 Service Levels Make Government Work

| Activity | Type | Service Levels | | | |
|---|--|---|---|---|---|
| | | 2014 | 2015 | 2016 | 2017 |
| Government Decision Making Processes | Manage meetings and legislated notices | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| | Maintain legislative records | | | | |
| | Manage appointments to committees and other bodies | No change for 2014. <i>Note: City Clerk's Office assumes new responsibilities of consolidated public appointments unit.</i> | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| Government and Official Services | Council administrative services | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| | Protocol Services | | | | |
| Deliver Provincially Delegated Services | Register Vital Events | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| | Administration of Assigned Statutory Functions | | | | |

Overall, the 2017 Service Levels are consistent with the approved 2016 Service Levels for Make Government Work.



- Public participation in the legislative process has grown from 1,775 public deputations and 7.6 million visits to the web-site in 2008 to 2,532 and 29.8 million respectively in 2015.

Table 6
2017 Preliminary Service Budget by Activity

| (\$000s) | 2017 Preliminary Operating Budget | | | | | | | | | | | Incremental Change | | | |
|--------------------------------------|-----------------------------------|-----------------------------------|-----------------|------------------|-------------------------------------|---------------|-------------------------------------|-----------------|----------------|---------------|------------------|--------------------|----------------|---------------|--|
| | 2016 | 2017 Preliminary Operating Budget | | | | | 2017 Prelim. Budget vs. 2016 Budget | | 2018 Plan | | 2019 Plan | | | | |
| | Budget | Base Budget | Service Changes | Preliminary Base | Prelim. Base Budget vs. 2016 Budget | % Change | New/Enhanced | Prelim. Budget | \$ | % | \$ | % | \$ | % | |
| GROSS EXP. | | | | | | | | | | | | | | | |
| Government Decision Making Processes | 8,424.5 | 8,622.5 | (255.6) | 8,366.9 | (57.7) | (0.7%) | | 8,366.9 | (57.7) | (0.7%) | 366.3 | 4.4% | 495.9 | 5.7% | |
| Government & Official Services | 9,480.4 | 9,815.1 | (355.8) | 9,459.3 | (21.1) | (0.2%) | | 9,459.3 | (21.1) | (0.2%) | (543.9) | -5.7% | 510.5 | 5.7% | |
| Provincially Delegated Services | 2,095.7 | 2,145.3 | (121.8) | 2,023.6 | (72.1) | (3.4%) | | 2,023.6 | (72.1) | (3.4%) | 85.8 | 4.2% | 44.4 | 2.1% | |
| Total Gross Exp. | 20,000.6 | 20,583.0 | (733.2) | 19,849.7 | (150.8) | (0.8%) | | 19,849.7 | (150.8) | (0.8%) | (91.7) | -0.5% | 1,050.8 | 5.3% | |
| REVENUE | | | | | | | | | | | | | | | |
| Government Decision Making Processes | 471.8 | 422.4 | | 422.4 | (49.5) | (10.5%) | | 422.4 | (49.5) | (10.5%) | 2.4 | 0.6% | 313.0 | 73.7% | |
| Government & Official Services | 1,180.0 | 1,164.4 | | 1,164.4 | (15.6) | (1.3%) | | 1,164.4 | (15.6) | (1.3%) | (1,035.9) | -89.0% | 328.4 | 255.6% | |
| Provincially Delegated Services | | | | | | - | | | | - | | | | | |
| Total Revenues | 1,651.8 | 1,586.7 | | 1,586.7 | (65.1) | (3.9%) | | 1,586.7 | (65.1) | (3.9%) | (1,033.5) | -65.1% | 641.3 | 115.9% | |
| NET EXP. | | | | | | | | | | | | | | | |
| Government Decision Making Processes | 7,952.7 | 8,200.1 | (255.6) | 7,944.5 | (8.2) | (0.1%) | | 7,944.5 | (8.2) | (0.1%) | 363.9 | 4.6% | 182.9 | 2.2% | |
| Government & Official Services | 8,300.4 | 8,650.8 | (355.8) | 8,295.0 | (5.4) | (0.1%) | | 8,295.0 | (5.4) | (0.1%) | 492.0 | 5.9% | 182.1 | 2.1% | |
| Provincially Delegated Services | 2,095.7 | 2,145.3 | (121.8) | 2,023.6 | (72.1) | (3.4%) | | 2,023.6 | (72.1) | (3.4%) | 85.8 | 4.2% | 44.4 | 2.1% | |
| Total Net Exp. | 18,348.7 | 18,996.2 | (733.2) | 18,263.0 | (85.7) | (0.5%) | | 18,263.0 | (85.7) | (0.5%) | 941.7 | 5.2% | 409.4 | 2.1% | |
| Approved Positions | 180.9 | 181.8 | (4.0) | 177.8 | (3.1) | (1.7%) | | 177.8 | (3.1) | (1.7%) | (8.3) | -4.6% | 5.3 | 3.1% | |

The **Make Government Work** service enables City Council to govern and represent the citizens and the City of Toronto, maintains transparency and accessibility of government decision making processes, provides administrative support to elected officials and accountability officers to allow them to perform their roles and responsibilities, deliver protocol and official services for Canada's largest and most diverse City and delivers provincially delegated services for the City in accordance with legislation and customer service standards.

The Make Government Work service's 2017 Preliminary Operating Budget of \$19.850 million gross and \$18.263 million net is \$0.086 million or 0.5% under the 2016 Approved Net Budget.

Base budget pressures are mainly attributable to salary and benefit adjustments common across all activities. In addition, other base budget pressures are attributable to the following:

- Reversal of prior year impacts results in an increase of \$0.213 million.
- Operating impacts of \$0.103 million net from the completion of capital projects require 1.0 permanent position to sustain Council's and Clerk's Business Systems and annualization for the Lobbyist Registrar's SOGR capital project.
- Inflationary increases for non-payroll items results in an increase of \$0.012 million.
- Net changes in temporary capital staffing with costs recovered from the City Clerk's Office Capital Budget, results in a decrease of 0.1 temporary position and \$0.015 million gross and \$0 net.

In order to offset these pressures, the 2017 Preliminary Operating Budget includes base expenditure changes of \$0.358 million, service efficiency savings of \$0.267 million and service adjustments of \$0.108 million, as detailed below:

Base Expenditure Changes (savings of \$0.358 million gross and net)

- A one-time increase in the general gapping rate results in savings of \$0.211 million. This budget reduction will be reversed in 2018.
- A one-time 1% reduction in the staff benefit rate to reflect actuals results in savings of \$0.135 million. This will be reversed in 2018.
- A line by line review of expenditures against actual experience results in savings of \$0.012 million for non-payroll items.

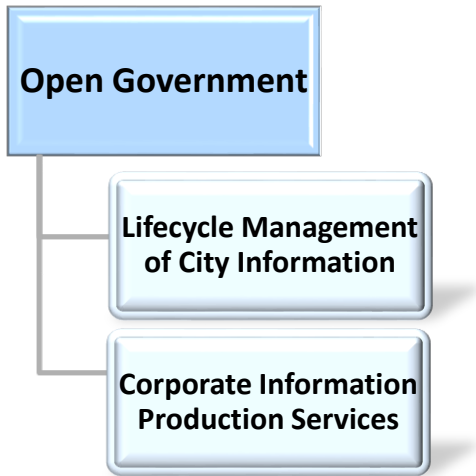
Service Efficiencies (savings of \$0.267 million gross and net)

- A review of all vacant positions results in a deletion of 2.0 positions for savings of \$0.167 million net.
- Continuing the migration towards digital Council and Committee meeting material results in a savings of \$0.100 million gross and net by reducing the associated printing and paper costs.

Service Adjustments (savings of \$0.108 million gross and net)

- A review of service delivery model results in the deletion of 2.0 filled positions for a savings of \$0.108 million net in 2017 and \$0.036 million net in 2018.
 - Please refer to Confidential Attachment 1 under separate cover.

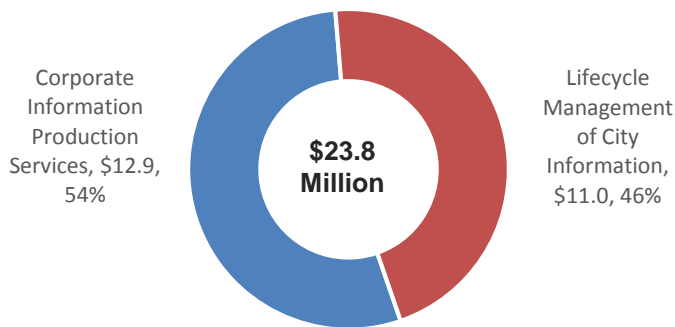
Open Government



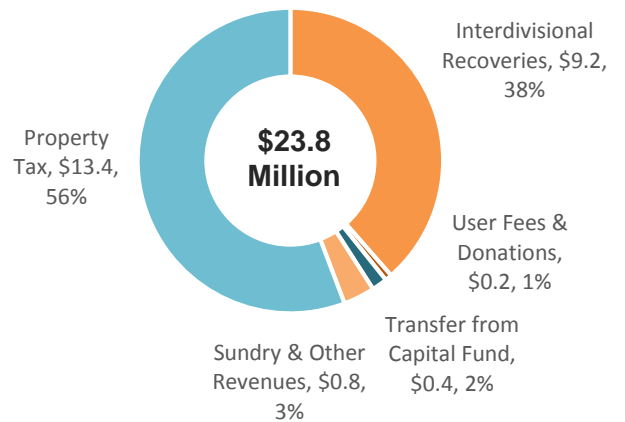
What We Do

- Ensure information policy framework is in place to enhance public confidence in the government in the collection and use of information, and in making them accessible and transparent
- Provide leadership on corporate information management policies, standards and strategies
- Support information management practices in all City programs
- Direct appropriate public access to City information
- Deliver top-quality and efficient corporate print/photocopy and mail services

2017 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)

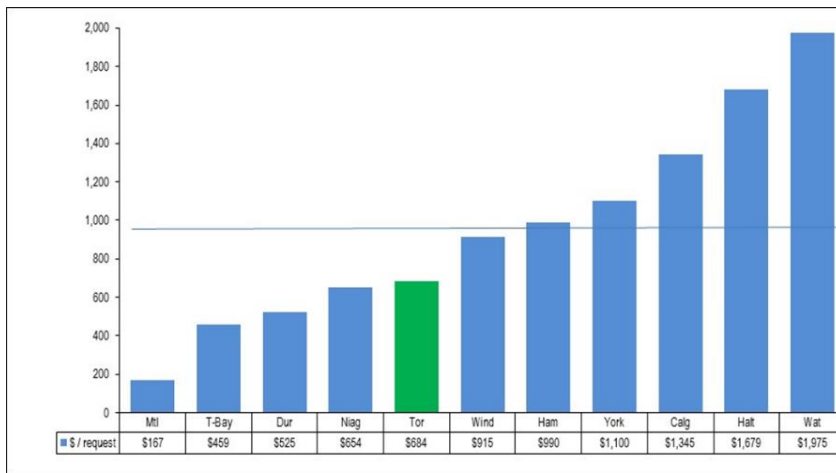


2017 Service Levels Open Government

| Activity | Type | Service Levels | | | |
|---|----------------------------------|---|---|---|---|
| | | 2014 | 2015 | 2016 | 2017 |
| Lifecycle Management of City Information | Access to information | Compliance rate might decrease as FOI requests continue to be more complex | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| | Lifecycle management of records | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Statutory Service Level: Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| Corporate Information Production Services | External and internal mail | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. | Continue current service level except where new legislation, changing demands or pressures from reduced resources necessitate adjustment. |
| | Print/photocopy City information | | | | |

Overall, the 2017 Service Levels are consistent with the approved 2016 Service Levels for Open Government.

Cost per FOI Requests



- Toronto has one of the lowest costs to respond to a Freedom of Information Request despite the highest number of requests (based on 2014 OMBI data).

Table 6
2017 Preliminary Service Budget by Activity

| (\$000s) | 2017 Preliminary Operating Budget | | | | | | | | | | | | | |
|---|-----------------------------------|-----------------------------------|------------------|------------------|-------------------------------------|---------------|--------------|-------------------------------------|----------------|--------------------|----------------|--------------|----------------|---------------|
| | 2016 | 2017 Preliminary Operating Budget | | | | | | 2017 Prelim. Budget vs. 2016 Budget | | Incremental Change | | | | |
| | Budget | Base Budget | Service Changes | Preliminary Base | Prelim. Base Budget vs. 2016 Budget | % Change | New/Enhanced | Prelim. Budget | \$ | % | 2018 Plan | % | 2019 Plan | % |
| \$ | \$ | \$ | \$ | \$ | % | \$ | \$ | \$ | % | \$ | % | \$ | % | |
| GROSS EXP. | | | | | | | | | | | | | | |
| Lifecycle Management of City Information | 11,146.0 | 11,780.9 | (808.3) | 10,972.6 | (173.4) | (1.6%) | | 10,972.6 | (173.4) | (1.6%) | 306.2 | 2.8% | 8.9 | 0.1% |
| Corporate Information Production Services | 13,376.4 | 13,634.7 | (776.9) | 12,857.8 | (518.7) | (3.9%) | | 12,857.8 | (518.7) | (3.9%) | (215.1) | -1.7% | 276.0 | 2.2% |
| Total Gross Exp. | 24,522.4 | 25,415.5 | (1,585.2) | 23,830.4 | (692.1) | (2.8%) | | 23,830.4 | (692.1) | (2.8%) | 91.2 | 0.4% | 284.9 | 1.2% |
| REVENUE | | | | | | | | | | | | | | |
| Lifecycle Management of City Information | 782.2 | 1,059.4 | | 1,059.4 | 277.3 | 35.4% | | 1,059.4 | 277.3 | 35.4% | (108.7) | -10.3% | (199.9) | (21.0%) |
| Corporate Information Production Services | 9,622.9 | 9,333.3 | 78.7 | 9,412.0 | (210.9) | (2.2%) | | 9,412.0 | (210.9) | (2.2%) | (3.5) | 0.0% | 6.0 | 0.1% |
| Total Revenues | 10,405.1 | 10,392.7 | 78.7 | 10,471.4 | 66.3 | 0.6% | | 10,471.4 | 66.3 | 0.6% | (112.2) | -1.1% | (193.9) | (1.9%) |
| NET EXP. | | | | | | | | | | | | | | |
| Lifecycle Management of City Information | 10,363.8 | 10,721.4 | (808.3) | 9,913.2 | (450.7) | (4.3%) | | 9,913.2 | (450.7) | (4.3%) | 414.9 | 4.2% | 208.8 | 2.0% |
| Corporate Information Production Services | 3,753.5 | 4,301.4 | (855.6) | 3,445.8 | (307.8) | (8.2%) | | 3,445.8 | (307.8) | (8.2%) | (211.6) | -6.1% | 270.0 | 8.3% |
| Total Net Exp. | 14,117.4 | 15,022.8 | (1,663.8) | 13,359.0 | (758.4) | (5.4%) | | 13,359.0 | (758.4) | (5.4%) | 203.4 | 1.5% | 478.8 | 3.5% |
| Approved Positions | 198.0 | 200.0 | (17.0) | 183.0 | (15.0) | (7.6%) | | 183.0 | (15.0) | (7.6%) | (1.0) | -0.5% | (1.5) | (0.8%) |

The **Open Government** service provides leadership on corporate information management policies, standards and strategies, supports information management practices in all City programs, directs appropriate public access to City information and delivers top-quality and efficient corporate print/photocopy and mail services.

The Open Government service's 2017 Preliminary Operating Budget of \$23.830 million gross and \$13.359 million net is \$0.758 million or 5.4% below the 2016 Approved Net Budget.

Base budget pressures are mainly attributable to salary and benefit adjustments common across all services. In addition, other base budget pressures are attributable to the following:

- Reversal of prior year impacts results in an increase of \$0.371 million gross and \$0.417 million net.
- Inflationary increases for non-payroll items, results in an increase of \$0.128 million.
- Net changes in temporary capital staffing with costs recovered from the City Clerk's Office Capital Budget, results in an increase of 2.0 temporary capital positions and \$0.256 million gross and \$0 net
- IDC/IDR reconciliation to reflect actual requirements results in a decrease of \$0.223 million gross and \$0 net.

In order to offset these pressures, the 2017 Preliminary Operating Budget includes base expenditure changes of \$0.598 million net, base revenue changes of \$0.004 million net and service efficiency savings of \$1.065 million net, as detailed below:

Base Changes (\$0.420 million gross and \$0.599 million net)

- A one-time gapping provision for staff on secondment results in savings of \$0.202 million. This budget reduction will be reversed in 2018.
- A one-time increase in the general gapping rate results in a savings of \$0.164 million. This will be reversed in 2018.
- A one-time 1% reduction in staff benefit rates to reflect actual experience provides savings of \$0.104 million. This will be reversed in 2018.
- A line by line review of expenditures against actual expenses will result in savings of \$0.128 million for non-payroll items.
- Impacts from changes in IDC/ IDR will result in increase of \$0.178 million gross and \$0.00 million net

Service Efficiencies (savings of \$1.165 million gross and \$1.065 million net)

- A review of all vacant positions results in a deletion of 8.0 positions and savings of \$0.600 million net.

- Transitioning the organization from paper to digital information through business process changes the City Clerk's Office will delete 9.0 filled positions for a savings of \$0.466 million net in 2017 and \$0.155 million net in 2018.
 - Please refer to Confidential Attachment 1 under separate cover.
- Continuing the migration towards digital Council and Committee meeting material by reducing paper copy agenda subscriptions, results in a savings of \$0.100 million gross and \$0 net.
- Business transformation efficiencies is expected to result in savings of \$0.625 million in 2018.



Part 3:

Issues for Discussion

Issues Impacting the 2017 Budget

Budget Reduction Target

- At its meeting on July 12, 2016, the "2017 Budget Process: Budget Directions and Schedule" staff report (EX16.37) was submitted for consideration and adopted by City Council regarding the establishment of the 2017 Budget Process and the scheduling of the review and approval of the Tax and Rate Supported 2017 Operating Budget and 2017-2026 Capital Budget and Plan for the City of Toronto.
(<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-94519.pdf>)
- City Council adopted an across the board budget reduction target of -2.6% net below the 2016 Approved Net Operating Budgets for all City Programs and Agencies utilizing strategies including but not limited to controlling expenditures through cost saving measures, and exploring all services for efficiency savings including opportunities from business process reengineering, streamlining, transformation and innovation to service delivery.
- The City Clerk's Office conducted a thorough review of all base expenditures and revenues to identify areas for cost and efficiency savings with minimal to no impact on service levels. Through this analysis, the City Clerk's Office identified cost savings achieved through base savings of \$0.956 million net, service efficiency savings of \$1.33 million net by deleting 19.0 positions and service adjustments of \$0.108 million net by deleting 2.0 positions for a total savings of \$2.397 million net.
- Bridging strategies totaling \$0.817 million have been employed in order to achieve the -2.6% reduction target through one-time reductions. These one-time reductions will be reversed in 2018 and will result in a pressure of an equivalent amount.

Issues Impacting Future Years

Adequacy of the Elections Reserve Fund

- The sustainability of the Election Reserve Fund is an ongoing concern as it funds all aspects of the municipal election, including both operating and capital costs.
 - In past years, the reserve has received an infusion of funds from prior year surplus, as part of Surplus Management Policy, which has extended its sustainability.
- As election requirements, including requirements emanating from the Municipal Election Act changes, continue to evolve, costs are expected to increase substantially.
 - The City Clerk in conjunction with the Chief Financial Officer will continue to monitor actual expenditures and planned expenditures and develop strategies to ensure the Reserve's sustainability.
- The following table shows current balances for the Elections Reserve Fund and future year projections based on current assumptions:

Election Reserve Fund Forecast

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|
| Election Reserve Fund, Beginning Balance | 8,165,607 | 11,606,933 | 14,591,610 | 8,178,476 | 10,153,917 | 13,644,744 |
| Contributions/Inflows: | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 |
| a. Contribution to Reserves from Current | 0 | 0 | 0 | 0 | 0 | 0 |
| b. Non-Program Contribution to Reserves (contribution rebate) | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| c. Non-Program Contribution to Reserves | 9,800,000 | 9,800,000 | 9,800,000 | 9,800,000 | 9,800,000 | 9,800,000 |
| Withdrawals/Outflows: | (7,558,673) | (8,015,323) | (17,413,134) | (9,024,559) | (7,509,174) | (7,199,868) |
| a. Election Event (GV0017) | | | (10,000,000) | | | |
| b. Internet Voting (GV0017) | | | | | | |
| c. Ranked Ballots | | | | | | |
| d. Leased voting equipment | | | | | | |
| e. Modem upgrades | | | | | | |
| f. Voters' List (excludes ward by-elections) | | | (450,000) | (125,000) | (127,500) | (130,050) |
| g. Fund operating budget from Reserve (GV0016) | (4,625,378) | (4,764,469) | (4,799,857) | (4,895,854) | (4,993,771) | (5,093,646) |
| h. Post Election Activities (GV0017) - excluding compliance audit and legal costs | (79,754) | | | (161,774) | | |
| i. Elections Preparation (GV0017) - Candidates Materials, Voting Places Inspections | | (101,812) | | | | (110,205) |
| j. By-Election (City Wards) | (185,000) | (140,000) | | | (148,569) | (151,541) |
| k. By-Election (City Wards) - Additional Leased Voting Equipment | | | | | | |
| l. Contribution Rebate | (698,510) | (100,000) | | (3,611,931) | (756,090) | (108,243) |
| m. Compliance Audit Committee | (100,000) | (75,000) | | | (108,243) | (81,182) |
| n. Legal fees | | (50,000) | | | | |
| o. Elections Alternative Strategies | (375,031) | (381,921) | (391,277) | | | |
| p. Capital Projects | | | | | | |
| 1. Toronto Election Management Info. System (TEMS) & SOGR | (1,495,000) | (2,402,121) | (1,772,000) | (230,000) | (1,375,000) | (1,525,000) |
| Election Reserve Fund, Ending Balance: | 11,606,933 | 14,591,610 | 8,178,476 | 10,153,917 | 13,644,744 | 17,444,876 |

Note: Estimates were completed prior to the availability of Municipal Elections Act (MEA) changes and will be adjusted as we move forward into the 2018.



Appendices

Appendix 1

2016 Service Performance

Key Service Accomplishments

In 2016, the City Clerk's Office accomplished the following:

- ✓ Maintained decorum and continuity of government with the organization of the lying in repose at City Hall for former Councillor Rob Ford, the management of the Ward 2 and Ward 42 offices during transition, delivery of the Ward 2 By-Election and orientation of the incoming new Councillor for Ward 2.
- ✓ Supported Toronto's efforts to reflect Toronto's diversity in its boards through enhanced outreach to the community, managing 48 public appointments to 20 boards to date.
- ✓ Facilitated democratic decision-making and public access to government through planning, staging and recording over 360 meetings of City Council, its Committees and other boards, and registering over 2,400 speakers at committees and tribunals, while supporting 86 decision making bodies, an increase of 59% (from 54 bodies in 2011).
- ✓ Led City Strategic Action #13 Open by Design – Delivering the tools, training and standards to open up government and shift corporate culture on information management. 100 % of City divisions have management-level Information Management Liaisons assigned, trained and active in communicating open government priorities and 100% of City divisions have Information Management Plans in-place. Open Government Progress Report published.
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Clerks/Corporate%20Information%20Management%20Services/Files/pdf/O/Open%20Government%20Progress%20Report.pdf>
- ✓ Continued to build a public service for the 21st Century and manage City Clerk's Office people challenges with the launch of talent assessment for all non-union staff as a corporate pilot.

Appendix 2

2017 Preliminary Operating Budget by Expenditure Category Program Summary by Expenditure Category

| Category of Expense (\$000's) | 2014 | 2015 | 2016 | 2016 | 2017 | 2017 Change | | Plan | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|---------------|-----------------|-----------------|
| | Actual | Actual | Budget | Projected | Preliminary | from 2016 | | 2018 | 2019 |
| | \$ | \$ | \$ | \$ | \$ | \$ | % | \$ | \$ |
| Salaries and Benefits | 41,375.8 | 37,465.7 | 39,751.9 | 38,851.9 | 39,618.5 | (133.3) | (0.3%) | 45,702.0 | 40,720.3 |
| Materials and Supplies | 1,574.5 | 1,410.3 | 1,082.2 | 1,082.2 | 1,066.4 | (15.7) | (1.5%) | 1,473.9 | 1,082.2 |
| Equipment | 660.8 | 405.9 | 86.7 | 86.7 | 90.4 | 3.7 | 4.2% | 532.2 | 192.9 |
| Services & Rents | 10,846.3 | 8,111.6 | 7,690.0 | 7,690.0 | 7,316.1 | (374.0) | (4.9%) | 10,390.8 | 7,662.6 |
| Contributions to Capital | | | | | | | - | | |
| Contributions to Reserve/Res Funds | 448.9 | 464.6 | 464.6 | 464.6 | 464.6 | | | 464.6 | 464.6 |
| Other Expenditures | 36.8 | 35.2 | 32.8 | 32.8 | 34.0 | 1.2 | 3.7% | 34.4 | 34.4 |
| Interdivisional Charges | 2,665.7 | 1,369.1 | 1,170.8 | 1,170.8 | 1,031.5 | (139.4) | (11.9%) | 1,000.0 | 1,005.5 |
| Total Gross Expenditures | 57,608.7 | 49,262.4 | 50,279.1 | 49,379.1 | 49,621.6 | (657.5) | (1.3%) | 59,597.8 | 51,162.6 |
| Interdivisional Recoveries | 10,287.2 | 10,715.3 | 9,462.8 | 9,462.8 | 9,401.5 | (61.4) | (0.6%) | 9,406.8 | 9,421.3 |
| Federal Subsidies | | | | | | | - | | |
| User Fees & Donations | 443.6 | 374.5 | 408.0 | 408.0 | 299.2 | (108.7) | (26.7%) | 302.3 | 304.6 |
| Transfers from Capital Fund | 1,669.2 | 1,265.5 | 1,234.5 | 1,234.5 | 1,903.8 | 669.3 | 54.2% | 533.3 | 751.6 |
| Contribution from Reserve/Reserve Funds | 13,144.1 | 4,531.7 | 5,755.9 | 5,155.9 | 5,513.2 | (242.7) | (4.2%) | 15,706.0 | 6,147.3 |
| Sundry Revenues | 260.6 | 343.7 | 951.8 | 951.8 | 881.9 | (69.8) | (7.3%) | 882.2 | 882.6 |
| Total Revenues | 25,804.7 | 17,230.6 | 17,813.0 | 17,213.0 | 17,999.6 | 186.6 | 1.0% | 26,830.7 | 17,507.3 |
| Total Net Expenditures | 31,804.0 | 32,031.8 | 32,466.1 | 32,166.1 | 31,622.0 | (844.1) | (2.6%) | 32,767.1 | 33,655.3 |
| Approved Positions | 417.9 | 382.8 | 413.9 | 395.9 | 402.6 | (11.3) | (2.7%) | 421.3 | 388.3 |

* Based on the 2016 9-month Operating Variance Report

Projections to year-end indicate that the City Clerk's Office will generate a year-end surplus of \$0.300 million net due to the delays in filling staff vacancies and holding some positions vacant as a 2017 budget strategy.

For additional information regarding the 2016 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2016" considered by City Council at its meeting on December 13, 2016.

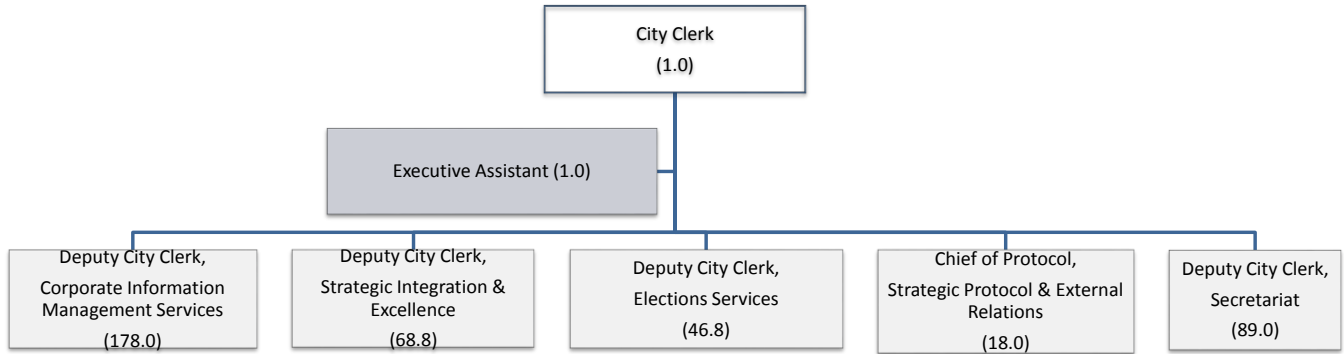
<http://app.toronto.ca/tmmis/decisionBodyProfile.do?function=doPrepare&meetingId=11065>

Impact of 2016 Operating Variance on the 2017 Preliminary Operating Budget

- Since the projected savings in 2016 are not expected to continue into 2017 as positions are expected to be filled in early 2017, there is no impact of the 2016 Operating Variance on the 2017 Preliminary Operating Budget.

Appendix 3

2017 Organization Chart



2017 Total Complement

| Category | Senior Management | Management | Exempt Professional & Clerical | Union | Total |
|-----------|-------------------|------------|--------------------------------|-------|-------|
| Permanent | 5.0 | 113.0 | 7.0 | 253.0 | 378.0 |
| Temporary | | 13.3 | | 11.3 | 24.6 |
| Total | 5.0 | 126.3 | 7.0 | 264.3 | 402.6 |

Appendix 4

Summary of 2017 Service Changes

2017 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

| Form ID | | Other City Programs Program - City Clerk's Office | Adjustments | | | | 2018 Plan Net Change | 2019 Plan Net Change |
|---|----------|--|----------------------|-----------------|-----------------|-----------------------|-------------------------|-------------------------|
| Category | Priority | | Gross Expenditure | Revenue | Net | Approved Positions | | |
| 2017 Preliminary Base Budget Before Service Changes: | | | 51,162.1 | 18,099.6 | 33,062.5 | 423.55 | 1,961.6 | 888.3 |

| | |
|-------|-------------------------------------|
| 10820 | Position by Position Vacancy Review |
|-------|-------------------------------------|

| | | |
|----|---|---------------------|
| 51 | 1 | Description: |
|----|---|---------------------|

A review of vacant positions results in the deletion of 10.0 permanent positions for a savings of \$0.767 million. Funding from these vacant positions has been used in the past for temporary backfills, underfills and summer students to help alleviate the work load and meet demand surges. Through business process changes, use of more automation, the impact of permanently deleting these positions will be reduced. However, the Program will no longer have the capacity or flexibility to manage unplanned demands.

Service Level Impact:

No service level impact.

Service: GV-Make Government Work

| | | | | | | |
|-----------------------------|---------|-----|---------|--------|-----|-----|
| Preliminary Service Changes | (167.3) | 0.0 | (167.3) | (2.00) | 0.0 | 0.0 |
|-----------------------------|---------|-----|---------|--------|-----|-----|

Service: GV-Open Government

| | | | | | | |
|-----------------------------|---------|-----|---------|--------|-----|-----|
| Preliminary Service Changes | (599.7) | 0.0 | (599.7) | (8.00) | 0.0 | 0.0 |
|-----------------------------|---------|-----|---------|--------|-----|-----|

| | | | | | | |
|---|----------------|------------|----------------|----------------|------------|------------|
| Total Preliminary Service Changes: | (766.9) | 0.0 | (766.9) | (10.00) | 0.0 | 0.0 |
|---|----------------|------------|----------------|----------------|------------|------------|

| | |
|-------|---|
| 10881 | Transitioning Service Delivery to Digital Records |
|-------|---|

| | | |
|----|---|---------------------|
| 51 | 1 | Description: |
|----|---|---------------------|

The deletion of 9.0 permanent positions results in savings of \$0.466 million. Please refer to Confidential Attachment 1 under separate cover.

Service Level Impact:

There is no service level impact.

Service: GV-Open Government

| | | | | | | |
|-----------------------------|---------|-----|---------|--------|---------|-----|
| Preliminary Service Changes | (465.5) | 0.0 | (465.5) | (9.00) | (155.2) | 0.0 |
|-----------------------------|---------|-----|---------|--------|---------|-----|

| | | | | | | |
|---|----------------|------------|----------------|---------------|----------------|------------|
| Total Preliminary Service Changes: | (465.5) | 0.0 | (465.5) | (9.00) | (155.2) | 0.0 |
|---|----------------|------------|----------------|---------------|----------------|------------|

2017 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

| Form ID | | Other City Programs Program - City Clerk's Office | Adjustments | | | | 2018 Plan Net Change | 2019 Plan Net Change |
|---|----------|---|----------------------|----------------|----------------|-----------------------|-------------------------|-------------------------|
| Category | Priority | | Gross Expenditure | Revenue | Net | Approved Positions | | |
| 11047 | | Continue Migration towards Digital Council Meeting Material | | | | | | |
| 51 | 1 | Description: | | | | | | |
| Reducing paper meeting agenda subscription by 25% among divisional staff and elected officials will result in savings of \$0.200 million gross and \$0.100 million net. | | | | | | | | |
| Service Level Impact: | | | | | | | | |
| No service level impact. | | | | | | | | |
| Service: GV-Make Government Work | | | | | | | | |
| Preliminary Service Changes | | | (100.0) | 0.0 | (100.0) | 0.00 | 0.0 | 0.0 |
| Service: GV-Open Government | | | | | | | | |
| Preliminary Service Changes | | | (100.0) | (100.0) | 0.0 | 0.00 | 0.0 | 0.0 |
| Total Preliminary Service Changes: | | | (200.0) | (100.0) | (100.0) | 0.00 | 0.0 | 0.0 |
| 11561 | | Business Transformation Efficiencies | | | | | | |
| 51 | 0 | Description: | | | | | | |
| Currently a business transformation study is underway with expected savings of \$0.625 million in 2018. | | | | | | | | |
| Service Level Impact: | | | | | | | | |
| No service level impact. | | | | | | | | |
| Service: GV-Open Government | | | | | | | | |
| Preliminary Service Changes | | | 0.0 | 0.0 | 0.0 | 0.00 | (625.3) | 0.0 |
| Total Preliminary Service Changes: | | | 0.0 | 0.0 | 0.0 | 0.00 | (625.3) | 0.0 |
| 10882 | | Service Delivery Model Review | | | | | | |
| 59 | 1 | Description: | | | | | | |
| The deletion of 2.0 positions results in savings of \$0.108 million. Please refer to Confidential Attachment 1 under separate cover. | | | | | | | | |

**2017 Operating Budget - Preliminary Service Changes
Summary by Service (\$000's)**

| Form ID | | Other City Programs Program - City Clerk's Office | Adjustments | | | | 2018 Plan Net Change | 2019 Plan Net Change |
|---|----------|--|----------------------|-----------------|------------------|-----------------------|-------------------------|-------------------------|
| Category | Priority | | Gross Expenditure | Revenue | Net | Approved Positions | | |
| Service Level Impact: | | | | | | | | |
| Service: GV-Make Government Work | | | | | | | | |
| Preliminary Service Changes | | | | | | | | |
| | | | (108.1) | 0.0 | (108.1) | (2.00) | (36.0) | 0.0 |
| Total Preliminary Service Changes: | | | (108.1) | 0.0 | (108.1) | (2.00) | (36.0) | 0.0 |
| Summary: | | | | | | | | |
| Total Preliminary Service Changes | | | (1,540.6) | (100.0) | (1,440.6) | (21.00) | (816.5) | 0.0 |
| Total Preliminary Base Budget: | | | 49,621.6 | 17,999.6 | 31,622.0 | 402.55 | 1,145.1 | 888.3 |

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

| Reserve / Reserve Fund Name (In \$000s) | Reserve / Reserve Fund Number | Projected Balance as of Dec. 31, 2016 * | Withdrawals (-) / Contributions (+) | | |
|---|--|---|-------------------------------------|--------------|-------------|
| | | | 2017 | 2018 | 2019 |
| | | \$ | \$ | \$ | \$ |
| Projected Beginning Balance | | | 304.6 | 135.8 | 69.1 |
| Clerk's Vehicle Reserve | XQ1504 | | | | |
| <i>Proposed Withdrawals (-)</i> | | | (181.0) | (79.1) | (34.0) |
| <i>Contributions (+)</i> | | | 12.3 | 12.3 | 12.3 |
| Total Reserve / Reserve Fund Draws / Contributions | | - | 135.8 | 69.1 | 47.3 |
| Other Program / Agency Net Withdrawals & Contributions | | | | | |
| Balance at Year-End | | 304.6 | 135.8 | 69.1 | 47.3 |

* Based on 9-month 2016 Reserve Fund Variance Report

| Reserve / Reserve Fund Name (In \$000s) | Reserve / Reserve Fund Number | Projected Balance as of Dec. 31, 2016 * | Withdrawals (-) / Contributions (+) | | |
|---|--|---|-------------------------------------|----------------|----------------|
| | | | 2017 | 2018 | 2019 |
| | | \$ | \$ | \$ | \$ |
| Projected Beginning Balance | | | 976.4 | 1,191.0 | 1,170.7 |
| Clerk's Equipment Reserve | XQ1507 | | | | |
| <i>Proposed Withdrawals (-)</i> | | | (50.0) | (285.0) | (1,225.0) |
| <i>Contributions (+)</i> | | | 264.7 | 264.7 | 264.7 |
| Total Reserve / Reserve Fund Draws / Contributions | | - | 1,191.0 | 1,170.7 | 210.3 |
| Other Program / Agency Net Withdrawals & Contributions | | | | | |
| Balance at Year-End | | 976.4 | 1,191.0 | 1,170.7 | 210.3 |

* Based on 9-month 2016 Reserve Fund Variance Report

| Reserve / Reserve Fund Name (In \$000s) | Reserve / Reserve Fund Number | Projected Balance as of Dec. 31, 2016 * | Withdrawals (-) / Contributions (+) | | |
|---|--|---|-------------------------------------|-----------------|-----------------|
| | | | 2017 | 2018 | 2019 |
| | | \$ | \$ | \$ | \$ |
| Projected Beginning Balance | | | 11,606.9 | 14,591.6 | 8,178.4 |
| Election Reserve | XR1017 | | | | |
| <i>Proposed Withdrawals (-)</i> | | | (8,015.3) | (17,413.1) | (9,024.6) |
| <i>Contributions (+)</i> | | | 11,000.0 | 11,000.0 | 11,000.0 |
| Total Reserve / Reserve Fund Draws / Contributions | | - | 14,591.6 | 8,178.4 | 10,153.9 |
| Other Program / Agency Net Withdrawals & Contributions | | | | | |
| Balance at Year-End | | 11,606.9 | 14,591.6 | 8,178.4 | 10,153.9 |

* Based on 9-month 2016 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

| Reserve / Reserve Fund Name (In \$000s) | Reserve / Reserve Fund Number | Projected Balance as of Dec. 31, 2016 \$ | Withdrawals (-) / Contributions (+) | | |
|---|----------------------------------|---|-------------------------------------|------------------|------------------|
| | | | 2017 \$ | 2018 \$ | 2019 \$ |
| Projected Beginning Balance | | | 19,645.5 | 13,520.3 | 7,697.2 |
| Insurance Reserve Fund | XR1010 | | | | |
| <i>Proposed Withdrawals (-)</i> | | | | | |
| <i>Contributions (+)</i> | | | 187.7 | 187.7 | 187.7 |
| Total Reserve / Reserve Fund Draws / Contributions | | - | 19,833.2 | 13,708.0 | 7,884.9 |
| Other Program / Agency Net Withdrawals & Contributions | | | (6,312.9) | (6,010.8) | (6,280.5) |
| Balance at Year-End | | 19,645.5 | 13,520.3 | 7,697.2 | 1,604.4 |

* Based on 9-month 2016 Reserve Fund Variance Report

Appendix 7a

User Fees Adjusted for Inflation and Other

| Rate Description | Service | Fee Category | Fee Basis | 2016 | 2017 | | | 2018 | 2019 |
|---|-------------------|--------------------|----------------------------|---------------|----------------------------|------------------|-------------|-----------|-----------|
| | | | | Approved Rate | Inflationary Adjusted Rate | Other Adjustment | Budget Rate | Plan Rate | Plan Rate |
| Rental of facility - Audio Visual Technician | Archives Services | Full Cost Recovery | Per hour (minimum 4 hours) | \$45.40 | \$0.45 | (\$0.01) | \$45.84 | \$46.28 | \$46.86 |
| Property Standards appeal | Secretariat | Full Cost Recovery | Per appeal | \$276.85 | \$5.54 | \$0.01 | \$282.40 | \$287.95 | \$294.45 |
| Cost recovery related to Statutory Public Notices mailed (non City-initiated) | Secretariat | Full Cost Recovery | Per notice mailed | \$1.28 | \$0.03 | \$0.02 | \$1.33 | \$1.37 | \$1.42 |

Appendix 7f

User Fees for Rationalization

| Service | 2016 | | | Rate ID | Rate Description | Budget Rate | Comments |
|-------------------|---------|---|---------------|---------|--|-------------|---|
| | Rate ID | Rate Description | Approved Rate | | | | |
| Archives Services | GV046 | Rental of Theatre - Mon - Thurs | \$50.00 | GV098 | Rental of Multipurpose Room - Mon - Thurs | \$130.00 | To adjust fee to reflect facility upgrade and align fee with the market |
| Archives Services | GV047.1 | Rental of Theatre - Fri, Sat, Sun, and Statutory Holidays | \$60.00 | GV099 | Rental of Multipurpose Room - Fri - Sun & Stat. Holidays | \$150.00 | To adjust fee to reflect facility upgrade and align fee with the market |