

# Toronto 2018 BUDGET



## OPERATING PROGRAM SUMMARY



## Office of the Treasurer

### 2018 OPERATING BUDGET OVERVIEW

The Treasurer's Office provides a broad range of internal financial and employee services to City Programs, Agencies and Corporations and supports the strategic priorities of Council by delivering four main services: Revenue Services, Accounting Services, Pension, Payroll & Employee Benefits (PPEB) and Purchasing and Materials Management (PMMD).

### 2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$75.577 million gross and \$28.067 million net as shown below:

| (in \$000's)            | 2017<br>Budget  | 2018<br>Budget  | Change       |               |
|-------------------------|-----------------|-----------------|--------------|---------------|
|                         |                 |                 | \$           | %             |
| Gross Expenditures      | 72,214.3        | 75,576.9        | 3,362.6      | 4.7%          |
| Revenues                | 44,147.3        | 47,510.0        | 3,362.7      | 7.6%          |
| <b>Net Expenditures</b> | <b>28,067.0</b> | <b>28,066.8</b> | <b>(0.1)</b> | <b>(0.0%)</b> |

Through a combination of base budget changes, operational efficiencies and revenue adjustments resulting in total savings of \$0.461 million net, the Program is able to more than offset \$0.459 million net in Operating Budget pressures and maintain the 2017 service levels for 2018.

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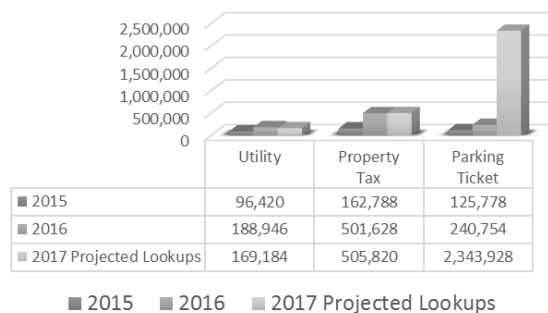
## FAST FACTS

- Process over 500,000 invoices annually, paying out in excess of \$10 billion per year to vendors, governments & agencies
- Administer over 798,000 property tax accounts, processing 1.6 million tax bills annually, with revenues of \$6.3 billion (City & Education)
- Process 2.3 million parking tickets with revenues of \$97 million
- Administer 525,000 utility accounts, processing 1.6 million utility bills with revenues of \$1.3 billion
- Administer 75,000 MLTT transactions (\$639.7 million in revenue for 2016 with a budget of \$708 million for 2017)
- Process 809,000 pay cheques and 79,000 pension cheques
- Manage a \$229 million employee benefits plan for approximately 80,000 employees, dependents and retirees.
- Procure an average of \$1.8 billion in goods and services per year
- Process approximately 1,800 purchase orders/blanket contracts annually
- Manage corporate warehouse inventory flow valued at \$14 million
- Process 90,000 issues of corporate warehouse goods from City stores

## TRENDS

- Online lookups for property tax and utility billings support the City of Toronto's eService Strategic Plan and Strategic Actions 2013-2018. Each of the lookups improves customer service by making information on billings and self-serve options convenient and accessible to Toronto residents.
- The online lookups can be accessed anywhere, anytime, from a pc or web-enabled device.

**Property Tax, Utility & Parking Ticket Look-up Usage**



## KEY SERVICE DELIVERABLES FOR 2018

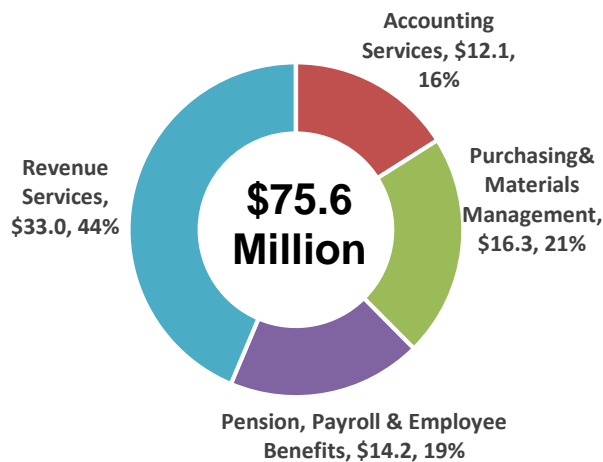
The Office of the Treasurer provides effective financial and employee services to City Programs, Agencies and Corporations within a complex and highly legislated environment. Changing customer demographics have increased demand for automation and access through voice, internet and social media while maintaining traditional modes of access for an aging customer base.

The 2018 Operating Budget will enable the Office of the Treasurer to continue to:

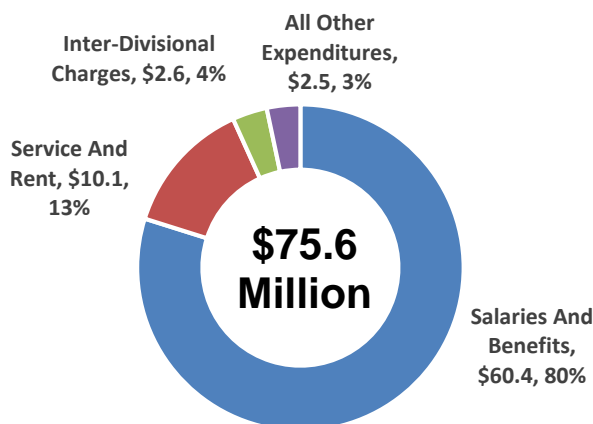
- Upgrade Payroll Systems & Technology Platforms increasing access to Employee Self-Service Portal/Management Self-Service Portal (ESS/MSS).
- Assess the requirements and readiness to roll-out the time, attendance and scheduling system (eTime) scheduling to other Divisions and develop a roll-out plan for enhanced self-service functionality for Time Entry/Recording.
- Support the sustainment, improvement and protection of the integrity of the City's financial system (SAP), including testing, training, user support and system upgrades.
- Implement SAP Ariba, a source-to-pay cloud based software as a service solution, as part of the supply chain management transformation project, that will bring automation to the purchasing and accounts payable functions.
- Improve P-Card processes while maintaining controls and increasing use of p-card.
- Review business processes and data elements used to account for expenditures, cash management, and accounts receivable, transforming accounting and maximizing investment in the SAP financial system.
- Support and develop online self-service options for Tax and Utility billings.
- Modernization of the City's property tax and utility billing systems to a new sustainable platform and to further enable web-based services.
- Implement the Category Management/Strategic Sourcing and Operational Transformation Project as part of the Supply Chain Management Transformation project to move PMMD from a transactional service to a value added service that will drive savings through contracts.

## Where the money goes:

### 2018 Budget by Service

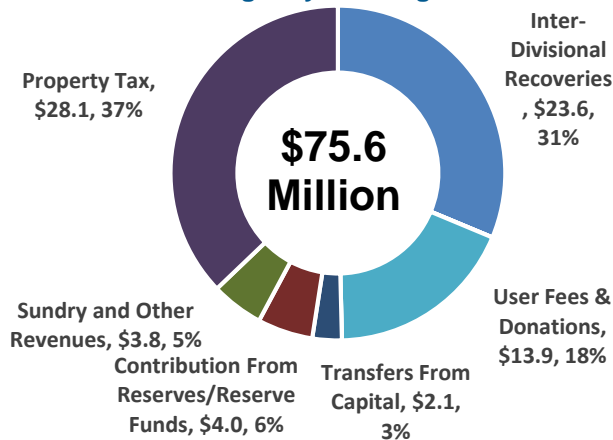


### 2018 Budget by Expenditure Category



## Where the money comes from:

### 2018 Budget by Funding Source



## OUR KEY ISSUES & PRIORITY ACTIONS

- **Continue to Transform Business Processes** through continued work on:
  - ✓ Modernizing the procurement operating model to achieve best value for money for all procurements.
  - ✓ *Supply Chain Management Transformation (SCMT)* to modernize the procurement operating model and achieve best value for money for all procurements, for which an additional \$2.252 million is included in the 2018 Operating Budget
- **Operate in a complex and highly legislated environment** that includes
  - ✓ International Trade Agreement that will impact the Purchasing By-law and related Procurement policies
  - ✓ Providing revenue accounting, collection and audit services for potential new taxes on hotels and short term rental accommodations
  - ✓ New public sector reporting standards
- **Deal with changing customer demographics**
  - ✓ Increased demand for automation and access through voice, internet and social media
  - ✓ Continued demand for traditional modes from an aging customer base
  - ✓ Enhancing reporting to allow deeper and more timely Divisional analytics

## 2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Operating Budget for the Office of the Treasurer is \$75.577 million gross and \$28.067 million net representing an increase of 0% to the 2017 Approved net Operating Budget. The Program was able to meet the budget target through the following measures:
  - ✓ Efficiency savings (\$0.380 million).
  - ✓ New User Fees (\$0.079 million).
- Staff complement will increase by 12.0 from 2017 to 2018.
- New and enhanced funding is included (\$0.309 million gross and \$0.0 million net) for:
  - ✓ Administrative support for the merger of the City's five pension plans with OMERS.
  - ✓ Ongoing support to the Investment Board
  - ✓ Category Management Implementation continues to transform Supply Chain Management with funding from the Tax Stabilization Reserve

## Council Approved Budget

City Council approved the following recommendations:

1. City Council approve the 2018 Operating Budget for Office of the Treasurer of \$75.577 million gross, \$28.067 million net for the following services:

| <u>Service:</u>                       | <u>Gross<br/>(\$000s)</u> | <u>Net<br/>(\$000s)</u> |
|---------------------------------------|---------------------------|-------------------------|
| Pension, Payroll & Employee Benefits: | 14,205.2                  | 11,846.3                |
| Purchasing & Materials Management:    | 16,281.0                  | 9,592.5                 |
| Accounting Services:                  | 12,105.5                  | 9,183.1                 |
| Revenue Services:                     | 32,985.2                  | (2,555.0)               |
| Total Program Budget                  | <u>75,576.9</u>           | <u>28,066.8</u>         |

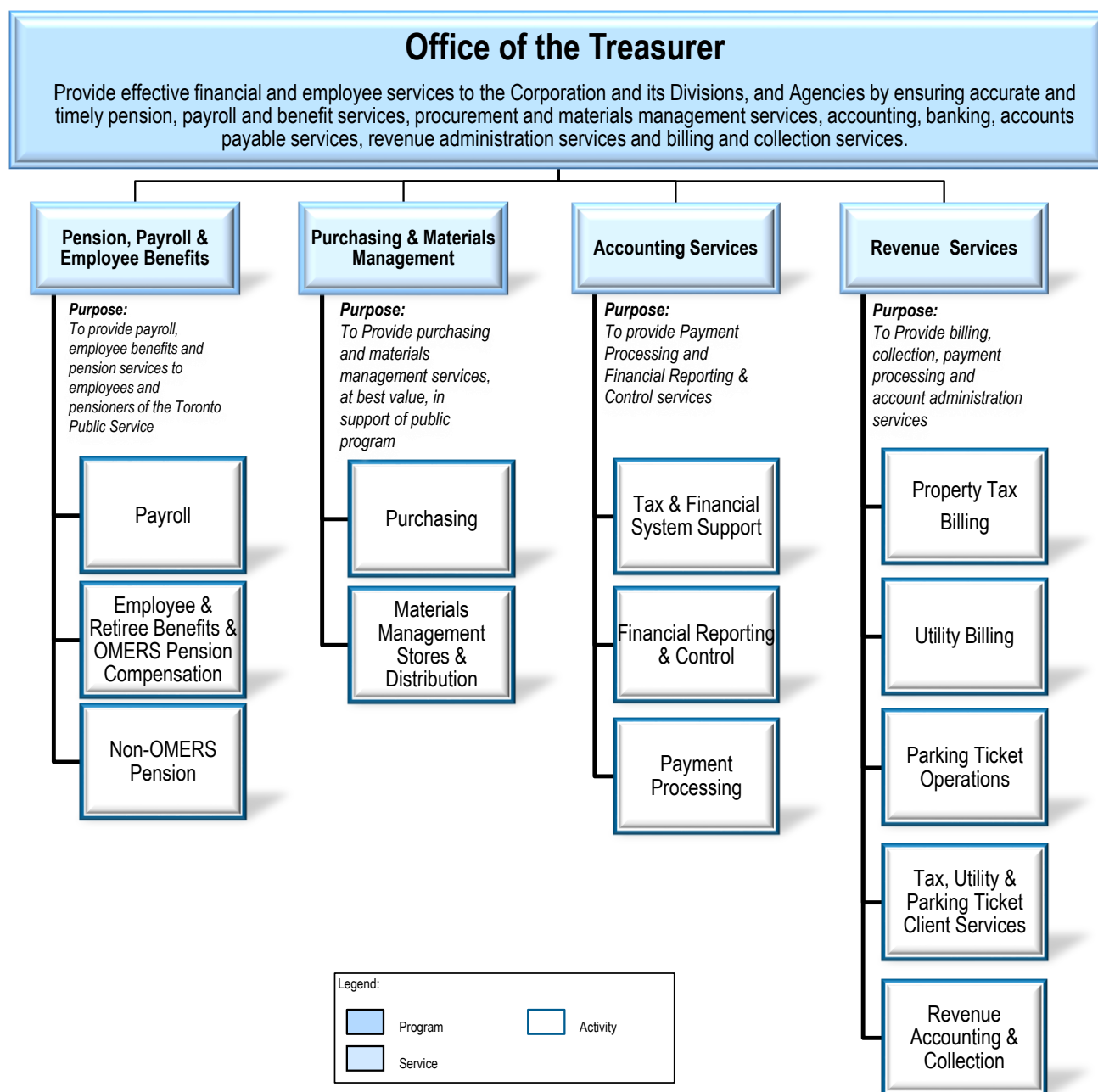
2. City Council approve the 2018 service levels for the Office of the Treasurer as outlined on pages 15, 19, 23-26 and 30-33 of this report, and associated staff complement of 657.2 positions, comprising 20.0 capital project delivery positions and 637.2 operating service delivery positions.
3. City Council approve the 2018 new user fees for the Office of the Treasurer 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, remain confidential until the outcome of City Council's decision has been communicated to Unions and affected staff.



# Part 1

## 2018-2020 Service Overview and Plan

## Program Map



## Service Customer

**Pension, Payroll & Employee Benefits**

- Elected Officials
- Staff - City of Toronto
- Retired Staff – City of Toronto
- OMERS Pension Boards & Committees

## Indirect (Beneficial)

- Residents
- Businesses

**Purchasing & Materials Management**

- Staff - City Divisions
- Staff - Agencies and Corporations
- Suppliers

## Indirect (Beneficial)

- Residents
- Businesses

**Accounting Services**

- Staff - City Divisions
- Staff - Agencies and Corporations

## Indirect (Beneficial)

- Residents
- Businesses
- Provincial & Federal Governments

**Revenue Services**

- Property Owners
- Registered Utility Account Holder
- Parking Ticket Recipient
- Staff - City Divisions
- Business Improvement Area members

## Indirect (Beneficial)

- Residents
- Businesses
- Legal Community



**Table 1**  
**2018 Operating Budget and Plan by Service**

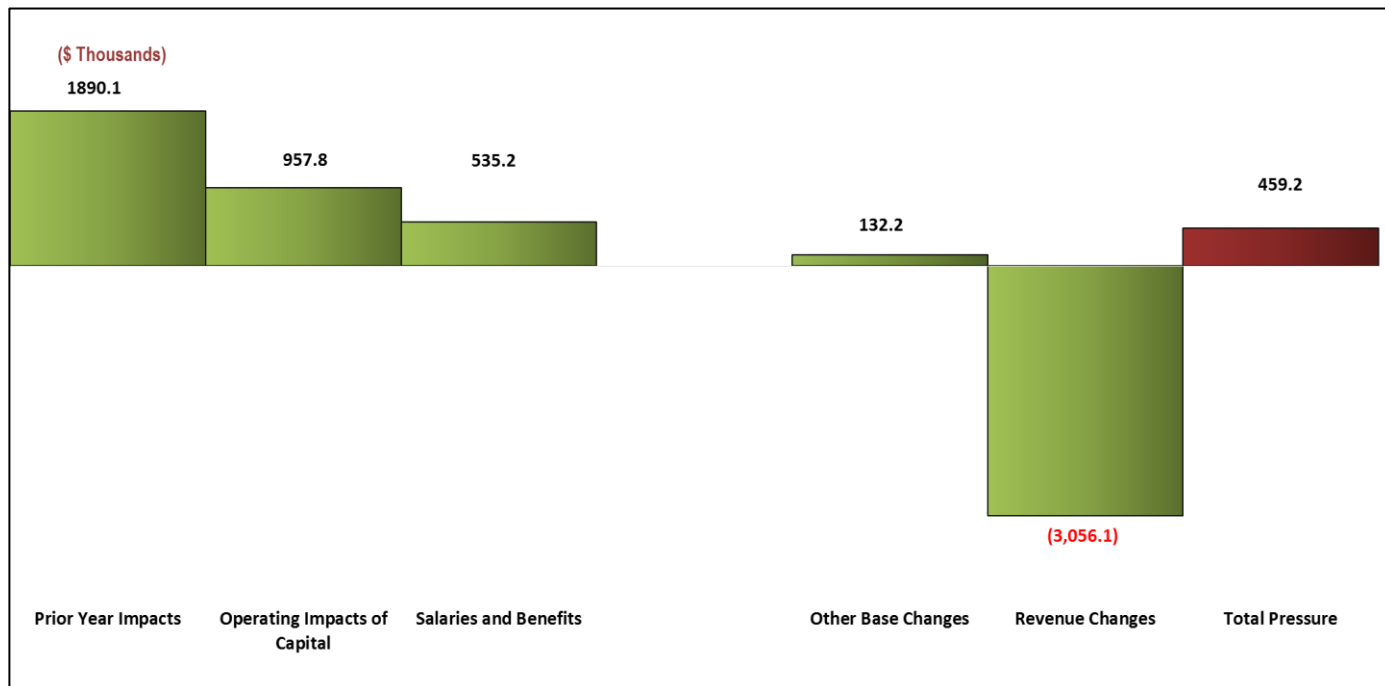
| (In \$000s)                                     | 2017             |                  | 2018 Operating Budget |                  |                  | 2018 vs. 2017<br>Budget Change |               | Incremental Change |                |              |                |
|---|------------------|------------------|-----------------------|------------------|------------------|--------------------------------|---------------|--------------------|----------------|--------------|----------------|
|   | Budget           | Projected Actual | Base                  | New/<br>Enhanced | Total Budget     |                                |               | 2019<br>Plan       |                | 2020<br>Plan |                |
| By Service                                      | \$               | \$               | \$                    | \$               | \$               | \$                             | %             | \$                 | %              | \$           | %              |
| <b>Pension, Payroll &amp; Employee Benefits</b> |                  |                  |                       |                  |                  |                                |               |                    |                |              |                |
| Gross Expenditures                              | 13,220.4         | 14,386.1         | 13,995.9              | 209.3            | 14,205.2         | 984.8                          | 7.4%          | 277.9              | 2.0%           | (465.7)      | (3.2%)         |
| Revenue   | 1,499.1          | 1,630.4          | 2,149.7               | 209.3            | 2,358.9          | 859.8                          | 57.4%         | (117.1)            | (5.0%)         | (530.8)      | (23.7%)        |
| <b>Net Expenditures</b>                         | <b>11,721.3</b>  | <b>12,755.7</b>  | <b>11,846.3</b>       | <b>0.0</b>       | <b>11,846.3</b>  | <b>125.0</b>                   | <b>1.1%</b>   | <b>395.0</b>       | <b>3.3%</b>    | <b>65.0</b>  | <b>0.5%</b>    |
| <b>Purchasing &amp; Materials Management</b>    |                  |                  |                       |                  |                  |                                |               |                    |                |              |                |
| Gross Expenditures                              | 13,907.6         | 10,802.6         | 16,281.0              | 0.0              | 16,281.0         | 2,373.3                        | 17.1%         | 1,374.4            | 8.4%           | 227.4        | 1.3%           |
| Revenue   | 5,251.3          | 3,911.3          | 6,688.5               | 0.0              | 6,688.5          | 1,437.2                        | 27.4%         | 15.8               | 0.2%           | 11.5         | 0.2%           |
| <b>Net Expenditures</b>                         | <b>8,656.4</b>   | <b>6,891.3</b>   | <b>9,592.5</b>        | <b>0.0</b>       | <b>9,592.5</b>   | <b>936.1</b>                   | <b>10.8%</b>  | <b>1,358.6</b>     | <b>14.2%</b>   | <b>215.9</b> | <b>2.0%</b>    |
| <b>Accounting Services</b>                      |                  |                  |                       |                  |                  |                                |               |                    |                |              |                |
| Gross Expenditures                              | 11,656.4         | 11,780.4         | 12,005.5              | 100.0            | 12,105.5         | 449.1                          | 3.9%          | 772.1              | 6.4%           | 215.1        | 1.7%           |
| Revenue   | 2,314.2          | 2,533.8          | 2,822.4               | 100.0            | 2,922.4          | 608.2                          | 26.3%         | 5.8                | 0.2%           | 6.3          | 0.2%           |
| <b>Net Expenditures</b>                         | <b>9,342.2</b>   | <b>9,246.6</b>   | <b>9,183.1</b>        | <b>0.0</b>       | <b>9,183.1</b>   | <b>(159.1)</b>                 | <b>(1.7%)</b> | <b>766.3</b>       | <b>8.3%</b>    | <b>208.8</b> | <b>2.1%</b>    |
| <b>Revenue Services</b>                         |                  |                  |                       |                  |                  |                                |               |                    |                |              |                |
| Gross Expenditures                              | 33,429.8         | 33,173.5         | 32,985.2              | 0.0              | 32,985.2         | (444.6)                        | (1.3%)        | 434.5              | 1.3%           | 285.5        | 0.9%           |
| Revenue   | 35,082.7         | 35,256.2         | 35,461.0              | 79.2             | 35,540.2         | 457.5                          | 1.3%          | 159.7              | 0.4%           | 0.0          | 0.0%           |
| <b>Net Expenditures</b>                         | <b>(1,652.9)</b> | <b>(2,082.7)</b> | <b>(2,475.8)</b>      | <b>(79.2)</b>    | <b>(2,555.0)</b> | <b>(902.1)</b>                 | <b>54.6%</b>  | <b>274.8</b>       | <b>(10.8%)</b> | <b>285.5</b> | <b>(12.5%)</b> |
| <b>Total</b>                                    |                  |                  |                       |                  |                  |                                |               |                    |                |              |                |
| Gross Expenditures                              | 72,214.3         | 70,142.6         | 75,267.6              | 309.3            | 75,576.9         | 3,362.6                        | 4.7%          | 2,858.8            | 3.8%           | 262.3        | 0.3%           |
| Revenue   | 44,147.3         | 43,331.7         | 47,121.6              | 388.4            | 47,510.0         | 3,362.7                        | 7.6%          | 64.2               | 0.1%           | (513.0)      | (1.1%)         |
| <b>Total Net Expenditures</b>                   | <b>28,067.0</b>  | <b>26,810.9</b>  | <b>28,146.0</b>       | <b>(79.2)</b>    | <b>28,066.8</b>  | <b>(0.1)</b>                   | <b>(0.0%)</b> | <b>2,794.6</b>     | <b>10.0%</b>   | <b>775.2</b> | <b>2.5%</b>    |
| <b>Approved Positions</b>                       | <b>645.2</b>     | <b>608.2</b>     | <b>653.2</b>          | <b>4.0</b>       | <b>657.2</b>     | <b>12.0</b>                    | <b>1.9%</b>   | <b>(2.0)</b>       | <b>(0.3%)</b>  | <b>(7.0)</b> | <b>(1.1%)</b>  |

The Office of the Treasurer's 2018 Operating Budget is \$75.577 million gross and \$28.067 million net, representing a 0% increase to the 2017 Approved Net Operating Budget, and is in line with the reduction target of 0% as set out in the 2018 Operating Budget Directions approved by Council.

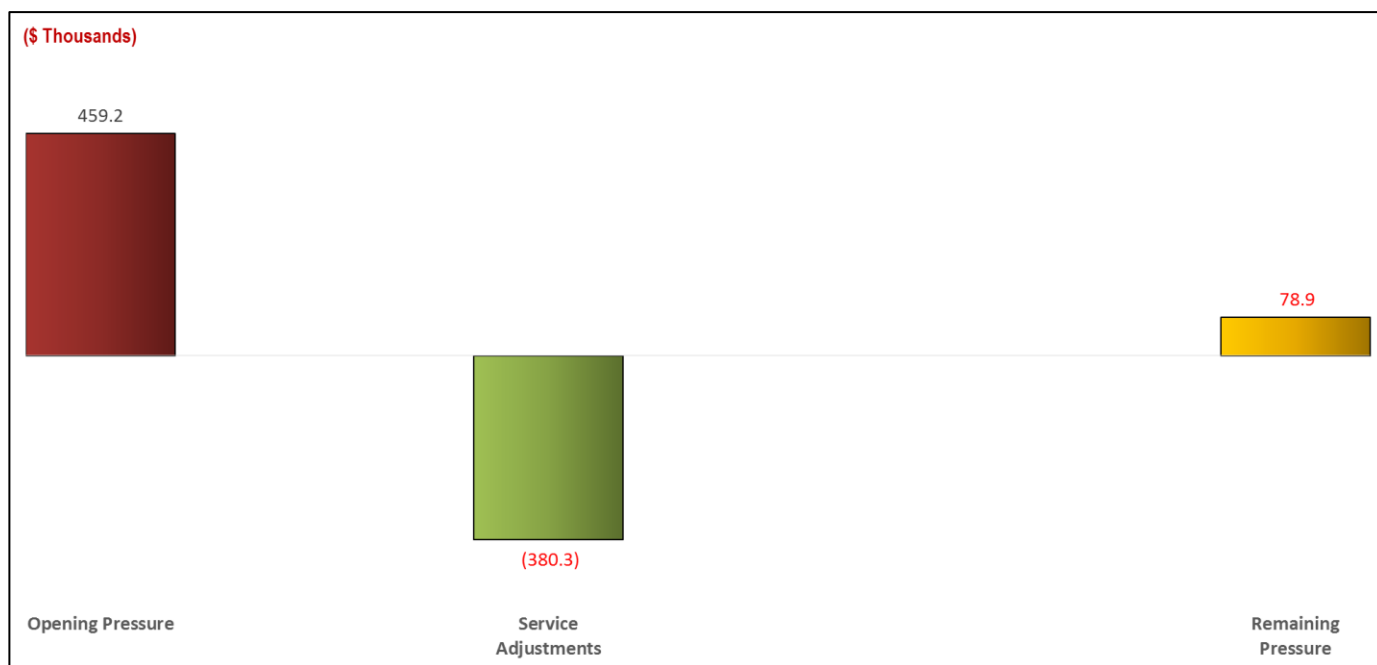
- Base pressures of \$0.459 million are mainly attributable to impact of prior year decisions, inflationary salary increases common across all services and supporting the delivery of capital projects.
- To help mitigate the above pressures, the Program was able to achieve service efficiency savings through position reductions and an inflationary increase to existing user fees.
- New and enhanced services provide additional revenue of \$0.079 million in new user fees.
- Approval of the 2018 Operating Budget resulted in Office of the Treasurer increasing its total staff complement by 12.0 positions from 645.2 to 657.2 primarily to support transformational initiatives such as the Category Management/Strategic Sourcing and Operations Transformation of PMMD and to support new services such as the Investment Board and the merger of the City's five non-OMERS pension plans.
- The 2019 and 2020 Plan increases are attributable to projected salary and benefit increases across all services as well as future year costs for implementing the transformation of Category Management within the Program.

The following graphs summarize the operating budget pressures for Office of the Treasurer and the actions taken to offset/reduce these pressures to meet the budget reduction target.

### Key Cost Drivers



### Actions to Achieve Budget Reduction Target





**Table 2**  
**Key Cost Drivers**

| (In \$000s)  | 2018 Base Operating Budget                    |   |                        |                     | Total          |             |
|--|---|---|------------------------|---------------------|----------------|-------------|
|  | Pension,<br>Payroll &<br>Employee<br>Benefits | Purchasing &<br>Materials<br>Management | Accounting<br>Services | Revenue<br>Services |                |             |
|  | \$  | \$                                      | \$                     | \$                  | \$             | Position    |
| <b>Gross Expenditure Changes</b>                                 |   |   |                        |                     |                |             |
| <b>Prior Year Impacts</b>  |   |   |                        |                     |                |             |
| Annualization - Revenue Services Payment Processing Function     |   |   |                        | (56.7)              | (56.7)         |             |
| Annualization - Revenue Services - Transfer of positions for APS |   |   |                        | (305.0)             | (305.0)        |             |
| 1 SCMT Sustainment (PMMD)  |   | 111.8                                   |                        |                     | 111.8          | 2.0         |
| Annualization - Category Management - 2017 Positions             |   | 690.1                                   |                        |                     | 690.1          |             |
| 2 Annualization - Category Management - 2018                     |   | 1,449.9                                 |                        |                     | 1,449.9        | 7.0         |
| <b>Delivery of Capital Projects</b>                              |   |   |                        |                     |                |             |
| 3 Support to FAST Capital Project                                |   |   | 324.8                  |                     | 324.8          | 2.0         |
| Organizational Management and SAP Security                       | 197.9   |   |                        |                     | 197.9          | 2.0         |
| 4 eTime Enterprise Rollout                                       | 312.8   |   |                        |                     | 312.8          | 4.0         |
| 5 SCMT Capital Position  |   |   | 122.3                  |                     | 122.3          | 1.0         |
| <b>Salary &amp; Benefit Changes</b>                              |   |   |                        |                     |                |             |
| COLA   | 67.6  | 71.2                                    | 51.9                   | 71.5                | 262.3          |             |
| Progression Pay  | 93.1  | 83.6                                    | 108.3                  | 42.2                | 327.2          |             |
| Step   | 44.1  | 74.3                                    | 27.6                   | 44.4                | 190.4          |             |
| Gapping (maintain the 2017 Approved level)                       | (0.8)   | (26.1)                                  | (1.7)                  | 13.0                | (15.6)         |             |
| Salary Adjustments   | 100.4   | (58.6)                                  | (53.1)                 | 44.8                | 33.5           |             |
| Benefit Adjustments  | (39.5)  | 21.2                                    | (75.4)                 | (168.9)             | (262.6)        |             |
| <b>Other Base Expenditures Changes</b>                           |   |   |                        |                     |                |             |
| 6 Adjustments to IDC   |   | 1.3                                     | (24.9)                 | 155.8               | 132.2          |             |
| <b>Total Gross Expenditure Changes</b>                           | <b>775.6</b>                                  | <b>2,418.8</b>                          | <b>479.8</b>           | <b>(158.9)</b>      | <b>3,515.3</b> | <b>18.0</b> |
| <b>Base Revenue Changes</b>                                      |   |   |                        |                     |                |             |
| 2 Contribution from Reserves: Category Management Implementation |   | 1,482.6                                 |                        |                     | 1,482.6        |             |
| 1 SCMT Sustainment (PMMD)  |   | 111.8                                   |                        |                     | 111.8          |             |
| 3 Support to FAST Capital Project                                |   |   | 324.8                  |                     | 324.8          |             |
| Annualization of Council Approved User Fee (2017)                |   |   |                        | 450.0               | 450.0          |             |
| Organizational Management and SAP Security                       | 197.9   |   |                        |                     | 197.9          |             |
| 4 eTime Enterprise Rollout                                       | 312.8   |   |                        |                     | 312.8          |             |
| 5 SCMT Capital Position  |   |   | 122.3                  |                     | 122.3          |             |
| 6 Adjustments to IDR   | 139.9   | 103.1                                   |                        | (291.0)             | (48.0)         |             |
| Establishment of an Investment Board - IDR                       |   |   | (25.0)                 |                     | (25.0)         |             |
| HST Recovery (reflecting actuals)                                |   |   | 83.1                   |                     | 83.1           |             |
| Base Rate Revenue Changes  |   | (260.0)                                 |                        | 303.8               | 43.8           |             |
| <b>Total Revenue Changes</b>                                     | <b>650.6</b>                                  | <b>1,437.5</b>                          | <b>505.2</b>           | <b>462.8</b>        | <b>3,056.1</b> |             |
| <b>Net Expenditure Changes</b>                                   | <b>125.1</b>                                  | <b>981.2</b>                            | <b>(25.4)</b>          | <b>(621.7)</b>      | <b>459.2</b>   | <b>18.0</b> |

Key cost drivers for the Office of the Treasurer are discussed below:

## Gross Expenditure Changes

- Prior Year Impacts:
  - Investment in transformation of Category Management/Strategic Sourcing and Operational Transformation Project results in base pressure of \$2.252 million comprised of the following:
    - Annualized costs in Purchasing & Materials Management to support the Category Management/Strategic Sourcing and Operations Transformation of PMMD (\$0.690 million);
    - A one-time cost for a Category Management/Strategic Sourcing and Operations Transformation of PMMD (\$1.450 million) that includes 7.0 additional positions and is being funded from Reserve in 2018; and
    - Sustaining the Supply Chain Management Transformation (\$0.112 million).
  - These cost are offset with lower costs in Revenue Services related to outsourcing Payment Processing (\$0.057 million) and a transfer of five staff positions for the Administrative Penalty System (APS) to Legal Services (\$0.305 million).

- Delivery of Capital Projects:
  - Costs supporting the delivery of capital projects include:
    - \$0.447 million in Accounting Services for the Financial Accounting System Transformation (\$0.325 million) and Supply Chain Management Transformation program (\$0.122 million) that are aimed to streamlining business processes, leveraging the capabilities of SAP and generating greater benefits and savings throughout the City;
    - \$0.511 million in Pension, Payroll & Employee Benefits for the Organizational Management and SAP Security project (\$0.198 million) and the rollout of the Electronic Timekeeping system (\$0.313 million)
- Salaries and Benefits
  - Increases in salaries and benefits associated with cost of living allowance, non-union progression pay and union step increases of \$0.535 million across all services

### Other Base Changes

- Adjustments made to inter-Divisional charges result in a cost of \$0.132 million mainly related to IT support for the implementation of the Administrative Penalty System (APS).

### Revenue Changes

- Base revenue changes of \$3.056 million are primarily comprised of:
  - Contributions from Reserves for the Category Management/Strategic Sourcing and Operational Transformation Project (\$1.483 million);
  - Recoveries of implementation costs for the capital projects mentioned above (\$0.958 million); and
  - Annualization of 2017 user fees (\$0.450 million).

In order to achieve the budget reduction target, the 2018 service changes for Office of the Treasurer consist of service efficiency savings of \$0.380 million net as detailed below.

**Table 3**  
**Actions to Achieve Budget Reduction Target**  
**2018 Service Change Summary**

| Description (\$000s)                                  | Service Changes                      |     |                                   |        |                     |         |                  |         | Total Service Changes |         |        | Incremental Change |      |           |      |
|---|--------------------------------------|-----|-----------------------------------|--------|---------------------|---------|------------------|---------|-----------------------|---------|--------|--------------------|------|-----------|------|
|   | Pension, Payroll & Employee Benefits |     | Purchasing & Materials Management |        | Accounting Services |         | Revenue Services |         | \$                    | \$      | #      | 2019 Plan          |      | 2020 Plan |      |
|   | Gross                                | Net | Gross                             | Net    | Gross               | Net     | Gross            | Net     | Gross                 | Net     | Pos.   | Net                | Pos. | Net       | Pos. |
| <b>Service Efficiencies</b>                           |                                      |     |                                   |        |                     |         |                  |         |                       |         |        |                    |      |           |      |
| Revenue Services Position Reductions                  |                                      |     |                                   |        |                     |         | (470.4)          | (201.4) | (470.4)               | (201.4) | (7.0)  | (76.5)             |      | (6.1)     |      |
| Purchasing & Materials Management position Reductions |                                      |     | (45.3)                            | (45.3) |                     |         |                  |         | (45.3)                | (45.3)  | (1.0)  | (22.4)             |      | (3.5)     |      |
| Accounting Services position Reductions               |                                      |     |                                   |        | (133.6)             | (133.6) |                  |         | (133.6)               | (133.6) | (2.0)  | (3.4)              |      | (0.4)     |      |
| <b>Sub-Total</b>                                      |                                      |     | (45.3)                            | (45.3) | (133.6)             | (133.6) | (470.4)          | (201.4) | (649.3)               | (380.3) | (10.0) | (102.4)            |      | (10.1)    |      |
| <b>Total Changes</b>                                  |                                      |     | (45.3)                            | (45.3) | (133.6)             | (133.6) | (470.4)          | (201.4) | (649.3)               | (380.3) | (10.0) | (102.4)            |      | (10.1)    |      |

Office of the Treasurer was able to meet the 2018 budget target with the following measures:

### Service Efficiencies (Savings of \$0.649 million gross & \$0.380 million net)

#### Position Changes

- Service efficiencies are a result of reductions in positions in the following service areas:

- Purchasing & Materials Management (\$0.045 million net);
- Accounting Services (\$0.134 million net); and
- Revenue Services (\$0.201 million net).

**Table 4**  
**2018 New & Enhanced Service Priorities**

| Description (\$000s)                               | New/Enhanced                          |     |                                   |     |                     |     |                  |     | Total         |               |            | Incremental Change |      |            |      |
|--|---------------------------------------|-----|-----------------------------------|-----|---------------------|-----|------------------|-----|---------------|---------------|------------|--------------------|------|------------|------|
|  | Pensions, Payroll & Employee Services |     | Purchasing & Materials Management |     | Accounting Services |     | Revenue Services |     | \$            |               | Position   | 2019 Plan          |      | 2020 Plan  |      |
|  | Gross                                 | Net | Gross                             | Net | Gross               | Net | Gross            | Net | Gross         | Net           | #          | Net                | Pos. | Net        | Pos. |
| <b>Enhanced Services Priorities</b>                |                                       |     |                                   |     |                     |     |                  |     |               |               |            |                    |      |            |      |
| <i>Council Approved:</i>                           |                                       |     |                                   |     |                     |     |                  |     |               |               |            |                    |      |            |      |
| Merger of the City's five pension plans with OMERS | 209.3                                 |     |                                   |     |                     |     |                  |     | 209.3         |               | 3.0        |                    |      |            |      |
| <b>Total Enhanced Services</b>                     | <b>209.3</b>                          |     |                                   |     |                     |     |                  |     | <b>209.3</b>  |               | <b>3.0</b> |                    |      |            |      |
| <b>New Services Priorities</b>                     |                                       |     |                                   |     |                     |     |                  |     |               |               |            |                    |      |            |      |
| <i>Council Approved:</i>                           |                                       |     |                                   |     |                     |     |                  |     |               |               |            |                    |      |            |      |
| Support to the Investment Board                    |                                       |     |                                   |     | 100.0               |     |                  |     | 100.0         |               | 1.0        | (5.2)              |      | 2.6        |      |
| <b>Total New Services</b>                          |                                       |     |                                   |     | <b>100.0</b>        |     |                  |     | <b>100.0</b>  |               | <b>1.0</b> | <b>(5.2)</b>       |      | <b>2.6</b> |      |
| <b>New Revenue</b>                                 |                                       |     |                                   |     |                     |     |                  |     |               |               |            |                    |      |            |      |
| <i>New Fees:</i>                                   |                                       |     |                                   |     |                     |     |                  |     |               |               |            |                    |      |            |      |
| 2 New User Fees                                    |                                       |     |                                   |     |                     |     | (79.2)           |     | (79.2)        |               |            | 24.2               |      |            |      |
| <b>Total New Revenue</b>                           |                                       |     |                                   |     |                     |     | <b>(79.2)</b>    |     | <b>(79.2)</b> |               |            | <b>24.2</b>        |      |            |      |
| <b>Total New / Enhanced Services</b>               | <b>209.3</b>                          |     |                                   |     | <b>100.0</b>        |     | <b>(79.2)</b>    |     | <b>309.3</b>  | <b>(79.2)</b> | <b>4.0</b> | <b>19.0</b>        |      | <b>2.6</b> |      |

The 2018 Operating Budget includes the following service priorities:

### Enhanced Service Priorities (\$0.209 million gross & \$0.0 million net)

Merger of the City's five pension plans with OMERS

- Three temporary positions are required and will be funded from the Employee Benefit Reserve Fund to support the merger of the city's 5 pension plans.

### New Service Priorities (\$0.100 million gross & \$0.0 million net)

Support to the Investment Board

- New services include one permanent position for support of the newly approved City Investment Board that will be funded from non-Program investment income.

### New User Fees (\$0.079 million net)

Two New User Fees

- Two new user fees are included in the 2018 Operating Budget:
  - Fee to re-enroll in the Pre-Authorized Property Tax Program (\$0.042 million); and
  - Fee for notification of outstanding utility fees/charges (\$0.037 million)

Approval of the 2018 Operating Budget for Office of the Treasurer will result in a 2019 incremental net cost of \$2.795 million and a 2020 incremental net cost of \$0.775 million to maintain the 2018 service levels, as discussed in the following section.

**Table 5**  
**2019 and 2020 Plan by Program**

| Description (\$000s)                               | 2019 - Incremental Increase |              |                |              |              | 2020 - Incremental Increase |                |              |             |              |
|--|-----------------------------|--------------|----------------|--------------|--------------|-----------------------------|----------------|--------------|-------------|--------------|
|  | Gross                       | Revenue      | Net            | % Change     | Position     | Gross                       | Revenue        | Net          | % Change    | Position     |
| <b>Known Impacts:</b>                              |                             |              |                |              |              |                             |                |              |             |              |
| <b>Prior Year Impact</b>                           |                             |              |                |              |              |                             |                |              |             |              |
| PMMD-PFR Dedicated Support 2018                    | 7.9                         | 7.9          |                | 0.0%         |              | 5.7                         | 5.7            |              | 0.0%        |              |
| SCMT Sustainment PMMD                              | 121.5                       |              | 121.5          | 0.4%         |              | 6.0                         |                | 6.0          | 0.0%        |              |
| PMMD Category Management                           | 968.9                       |              | 968.9          | 3.5%         |              | 25.4                        |                | 25.4         | 0.1%        |              |
| In-Year Impact of PEP Projection                   | (22.5)                      |              | (22.5)         | -0.1%        |              | (18.0)                      |                | (18.0)       | -0.1%       |              |
| <b>Delivery of Capital Projects</b>                |                             |              |                |              |              |                             |                |              |             |              |
| Support to FAST Capital Project                    | 8.5                         |              | 8.5            | 0.0%         |              | 8.6                         |                | 8.6          | 0.0%        |              |
| SCMT Capital Position                              | 3.2                         | 3.2          |                | 0.0%         |              | 3.2                         | 3.2            |              | 0.0%        |              |
| eTime Enterprise Rollout                           | 120.1                       |              | 120.1          |              |              | (432.9)                     | (312.8)        | (120.1)      |             | (4.0)        |
| Organizational Management and SAP Security         |                             |              |                |              | (2.0)        |                             |                |              |             |              |
| <b>Operating Impact of Capital</b>                 |                             |              |                |              |              |                             |                |              |             |              |
| PCI Sustainment                                    | 500.0                       |              | 500.0          |              |              |                             |                |              |             |              |
| <b>Salaries and Benefits</b>                       |                             |              |                |              |              |                             |                |              |             |              |
| Salaries and Steps                                 | 151.4                       |              | 151.4          | 0.5%         |              | 277.7                       |                | 277.7        | 0.9%        |              |
| COLA   | 535.2                       |              | 535.2          | 1.9%         |              | 6.5                         |                | 6.5          | 0.0%        |              |
| Progressive Pay                                    | 401.7                       |              | 401.7          | 1.4%         |              | 407.7                       |                | 407.7        | 1.3%        |              |
| Benefits   | 257.3                       |              | 257.3          | 0.9%         |              | 186.4                       |                | 186.4        | 0.6%        |              |
| <b>Revenue (specify)</b>                           |                             |              |                |              |              |                             |                |              |             |              |
| IDC/IDR  | 22.5                        | 143.4        | (120.9)        | -0.4%        |              | 11.1                        | 5.7            | 5.3          | 0.0%        |              |
| Efficiency Savings                                 | (102.4)                     |              | (102.4)        | -0.4%        |              | (10.1)                      |                | (10.1)       | 0.0%        |              |
| Support to the Investment Board                    | 2.6                         | 2.6          |                | 0.0%         |              | 3.1                         | 3.1            |              | 0.0%        |              |
| Merger of the City's five pension plans with OMERS | 80.8                        | 80.8         |                | 0.0%         |              | (218.0)                     | (218.0)        |              | 0.0%        | (3.0)        |
| New User Fees                                      |                             | 24.2         | (24.2)         | -0.1%        |              |                             |                |              | 0.0%        |              |
| <b>Sub-Total</b>                                   | <b>3,056.7</b>              | <b>262.1</b> | <b>2,794.6</b> | <b>10.0%</b> | <b>(2.0)</b> | <b>262.3</b>                | <b>(513.0)</b> | <b>775.2</b> | <b>2.6%</b> | <b>(7.0)</b> |
| <b>Total Incremental Impact</b>                    | <b>3,056.7</b>              | <b>262.1</b> | <b>2,794.6</b> | <b>0.1</b>   | <b>(2.0)</b> | <b>262.3</b>                | <b>(513.0)</b> | <b>775.2</b> | <b>0.0</b>  | <b>(7.0)</b> |

Future year incremental costs are primarily attributable to the following:

### Known Impacts:

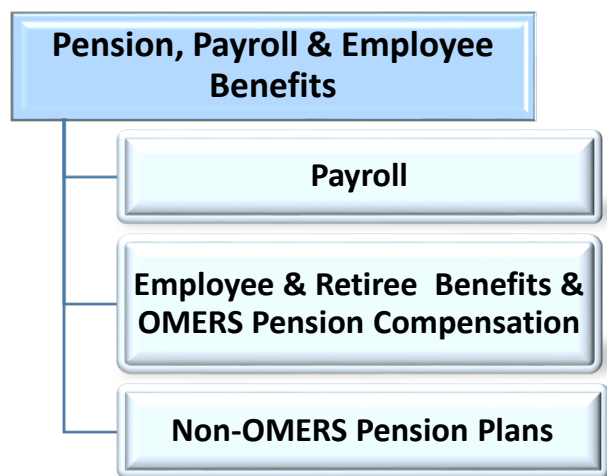
- Additional costs of \$0.969 million in 2019 and \$0.025 million in 2020 are required for annualized salary impacts for the PMMD Category Management/Strategic Sourcing and Operational Transformation program.
- Support of capital projects which add \$0.629 million net in 2019.
- Sustainment costs for the infrastructure that supports the Payment Card Industry (PCI) add \$0.500 million in 2019
- Salary and benefit pressures resulting from adjustments for cost of living allowance, step increase for union staff and progression pay for non-union staff.
- Efficiency savings offset gross costs in 2019 by \$0.102 million and by an additional \$0.010 million in 2020.



## Part 2

### 2018 Operating Budget by Service

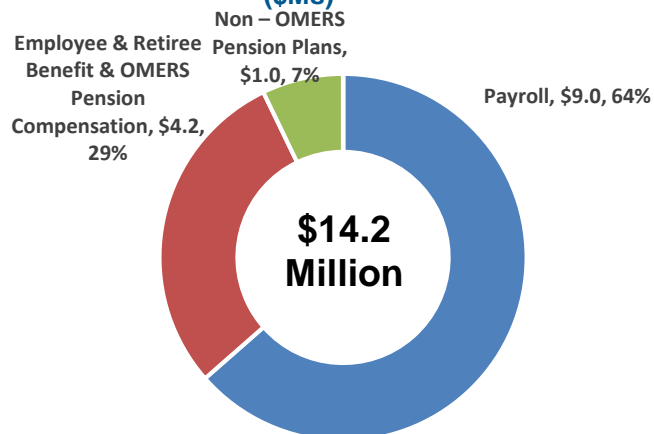
## Pension, Payroll & Employee Benefits



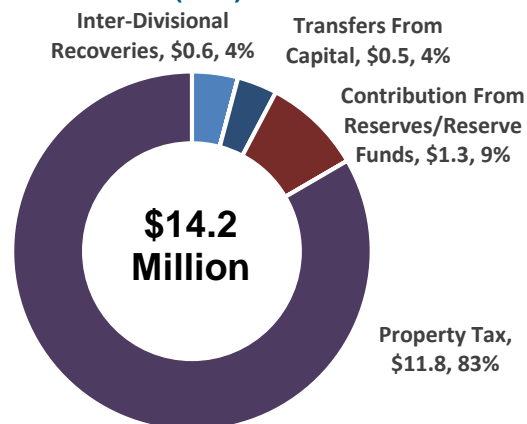
## What We Do

- Provide accurate and timely pension, payroll and benefits services to employees and pensioners through:
  - Processing the City's payroll and maintaining accurate employee information;
  - Administering the various City sponsored pension and benefit plans;
  - Processing the City's pension payroll and maintaining accurate pensioner information; and
  - Providing information and responding to inquiries from city employees and retirees regarding pension, payroll and benefits.

**2018 Service Budget by Activity (\$Ms)**



**2018 Service by Funding Source (\$Ms)**



## 2018 Service Levels Pension, Payroll & Employee Benefits

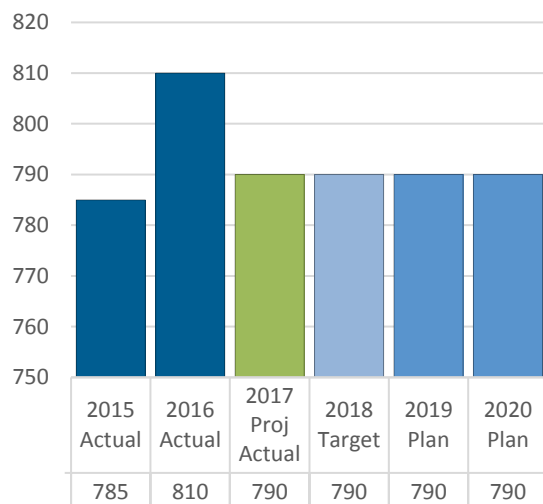
| Activity  | Type  | Status   | 2015  | 2016 | 2017 | 2018  |
|---|---|----------|---|------|------|---|
| Payroll Administration                            |   | Approved | Payroll cheque/ direct deposit / statements are made available to all employees by the close of business day on scheduled paydays 100% of the time, with a minimal number of manual adjustments.  |      |      | Payroll cheque/ direct deposit / statements are made available to all employees by the close of business day on scheduled paydays 100% of the time, with a minimal number of manual adjustments.  |
|   |   | Actual   | 100%  | 100% | 100% |   |
| 3rd Party Payroll Payments & Compliance           |   | Approved | Provided accurate 3rd party payments on time by due date 100% of the time with 100% accuracy  |      |      | Provided accurate 3rd party payments on time by due date 100% of the time with 100% accuracy  |
|   |   | Actual   | 100%  | 100% | 100% |   |
| Payroll Management Reporting                      |   | Approved | Payroll reports will be made available to management within 2 days of the pay date with 100% accuracy. Payroll cheque/ direct deposit / statements are made available to employees by the close of business day on scheduled paydays 100% of the time, with a minimal number of manual adjustments. |      |      | Payroll reports will be made available to management within 2 days of the pay date with 100% accuracy. Payroll cheque/ direct deposit / statements are made available to employees by the close of business day on scheduled paydays 100% of the time, with a minimal number of manual adjustments. |
|   |   | Actual   | 100%  | 100% | 100% |   |
| Employee Benefits & OMERS Pension Administration  |   | Approved | Provide accurate benefit plans to full time active employees and retirees   |      |      | Provide accurate benefit plans to full time active employees and retirees   |
|   |   | Actual   | 100%  | 100% | 100% |   |
| Benefit & Pension 3rd Party Payments & Compliance |   | Approved | Provided accurate 3rd party payments on time by due date 100% of the time with 100% accuracy  |      |      | Provided accurate 3rd party payments on time by due date 100% of the time with 100% accuracy  |
|   |   | Actual   | 100%  | 100% | 100% |   |
| Benefit & Pension Management Reporting            |   | Approved | Bi-weekly reports will be made available to management within 2 days of the pay date, with 100% accuracy. Monthly reports will be made available to management by the end of the following month, with 100% accuracy.   |      |      | Bi-weekly reports will be made available to management within 2 days of the pay date, with 100% accuracy. Monthly reports will be made available to management by the end of the following month, with 100% accuracy.   |
|   |   | Actual   | 100%  | 100% | 100% |   |
| City Sponsored Pension Administration             | The Toronto Civic Employees' Pension Plan                 | Approved | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |      |      | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |
|   |   | Actual   | 100%  | 100% | 100% |   |
|   | Toronto Fire Department Superannuation and Benefit Plan   | Approved | Produce an accurate bi-monthly pension or spousal pension on the first and fifteenth day of each and every month  |      |      | Produce an accurate bi-monthly pension or spousal pension on the first and fifteenth day of each and every month  |
|   |   | Actual   | 100%  | 100% | 100% |   |
|   | Metropolitan Toronto Pension Plan                         | Approved | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |      |      | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |
|   |   | Actual   | 100%  | 100% | 100% |   |
|   | Metropolitan Toronto Police Benefit Plan                  | Approved | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |      |      | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |
|   |   | Actual   | 100%  | 100% | 100% |   |
|   | The Corporation of the City of York Employee Pension Plan | Approved | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |      |      | Produce an accurate monthly pension or spousal pension on the first business day of each and every month  |
|   |   | Actual   | 100%  | 100% | 100% |   |
| Pension Deduction & 3rd Party Compliance          |   | Approved | Meet all regulatory filing requirements by prescribed dates   |      |      | Meet all regulatory filing requirements by prescribed dates   |
|   |   | Actual   | 100%  | 100% | 100% |   |
| Pension Reporting                                 |   | Approved | Financial statements filed by prescribed date (June 30)   |      |      | Financial statements filed by prescribed date (June 30)   |
|   |   | Actual   | 100%  | 100% | 100% |   |

In order to improve reporting, service levels will be revised to include approved and actual quantitative measures. Office of the Treasurer, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Pension, Payroll & Employee Benefits**



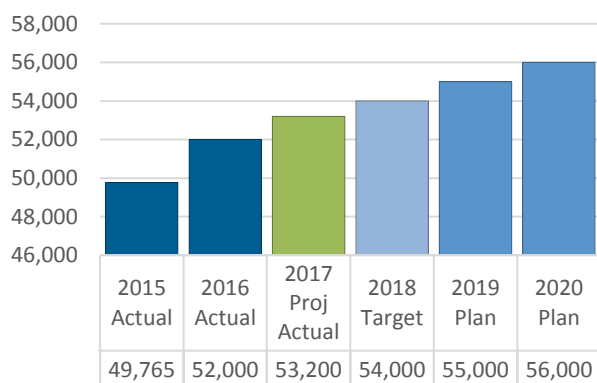
## Service Performance Measures

### Number of Cheques/Direct Deposits Processed (000s)



- The level of cheques issued is expected to stabilize onward from 2017 as divisions meet budget requirements.

### # of Active and Inactive Employees & Retirees with Benefits (000s)



- The number of employees is expected to increase due to an increase in retirees with benefits.
- This trend is expected to continue into 2020.

**Table 6**  
**2018 Service Budget by Activity**

| (\$000s)  | 2017            | 2018 Operating Budget |                 |                 |                             |              |              |                 | 2018 Budget vs. 2017 Budget |              | Incremental Change |               |                |                |
|---|-----------------|-----------------------|-----------------|-----------------|-----------------------------|--------------|--------------|-----------------|-----------------------------|--------------|--------------------|---------------|----------------|----------------|
|   | Approved Budget | Base Budget           | Service Changes | Base            | Base Budget vs. 2017 Budget | % Change     | New/Enhanced | Budget          |                             |              | 2019 Plan          |               | 2020 Plan      |                |
|   | \$              | \$                    | \$              | \$              | \$                          | %            | \$           | \$              | \$                          | %            | \$                 | %             | \$             | %              |
| <b>GROSS EXP.</b>                                       |                 |                       |                 |                 |                             |              |              |                 |                             |              |                    |               |                |                |
| Employee & Retiree Benefit & OMERS Pension Compensation | 3,928.9         | 4,121.2               |                 | 4,121.2         | 192.3                       | 4.9%         | 41.9         | <b>4,163.0</b>  | 234.2                       | 6.0%         | 76.6               | 1.8%          | (125.3)        | (3.0%)         |
| Non – OMERS Pension Plans                               | 832.7           | 848.5                 |                 | 848.5           | 15.7                        | 1.9%         | 167.4        | <b>1,015.9</b>  | 183.1                       | 22.0%        | 79.5               | 7.8%          | (164.9)        | (15.1%)        |
| Payroll   | 8,458.8         | 9,026.3               |                 | 9,026.3         | 567.5                       | 6.7%         |              | <b>9,026.3</b>  | 567.5                       | 6.7%         | 121.8              | 1.3%          | (175.5)        | (1.9%)         |
| <b>Total Gross Exp.</b>                                 | <b>13,220.4</b> | <b>13,995.9</b>       |                 | <b>13,995.9</b> | <b>775.5</b>                | <b>5.9%</b>  | <b>209.3</b> | <b>14,205.2</b> | <b>984.8</b>                | <b>7.4%</b>  | <b>277.9</b>       | <b>2.0%</b>   | <b>(465.7)</b> | <b>(3.3%)</b>  |
| <b>REVENUE</b>  |                 |                       |                 |                 |                             |              |              |                 |                             |              |                    |               |                |                |
| Employee & Retiree Benefit & OMERS Pension Compensation | 110.8           | 289.5                 |                 | 289.5           | 178.7                       | 161.4%       | 41.9         | <b>331.3</b>    | 220.6                       | 199.2%       | (53.1)             | (16.0%)       | (153.1)        | (55.0%)        |
| Non – OMERS Pension Plans                               |                 |                       |                 |                 |                             | -            | 167.4        | <b>167.4</b>    | 167.4                       | -            | 64.7               | 38.6%         | (174.4)        | (75.1%)        |
| Payroll   | 1,388.4         | 1,860.2               |                 | 1,860.2         | 471.8                       | 34.0%        |              | <b>1,860.2</b>  | 471.8                       | 34.0%        | (128.6)            | (6.9%)        | (203.3)        | (11.7%)        |
| <b>Total Revenues</b>                                   | <b>1,499.1</b>  | <b>2,149.7</b>        |                 | <b>2,149.7</b>  | <b>650.5</b>                | <b>43.4%</b> | <b>209.3</b> | <b>2,358.9</b>  | <b>859.8</b>                | <b>57.4%</b> | <b>(117.1)</b>     | <b>(5.0%)</b> | <b>(530.8)</b> | <b>(31.0%)</b> |
| <b>NET EXP.</b>   |                 |                       |                 |                 |                             |              |              |                 |                             |              |                    |               |                |                |
| Employee & Retiree Benefit & OMERS Pension Compensation | 3,818.1         | 3,831.7               |                 | 3,831.7         | 13.6                        | 0.4%         |              | <b>3,831.7</b>  | 13.6                        | 0.4%         | 129.7              | 3.4%          | 27.7           | 0.7%           |
| Non – OMERS Pension Plans                               | 832.7           | 848.5                 |                 | 848.5           | 15.7                        | 1.9%         |              | <b>848.5</b>    | 15.7                        | 1.9%         | 14.9               | 1.8%          | 9.5            | 1.1%           |
| Payroll   | 7,070.5         | 7,166.1               |                 | 7,166.1         | 95.7                        | 1.4%         |              | <b>7,166.1</b>  | 95.7                        | 1.4%         | 250.4              | 3.5%          | 27.8           | 0.4%           |
| <b>Total Net Exp.</b>                                   | <b>11,721.3</b> | <b>11,846.3</b>       |                 | <b>11,846.3</b> | <b>125.0</b>                | <b>1.1%</b>  |              | <b>11,846.3</b> | <b>125.0</b>                | <b>1.1%</b>  | <b>395.0</b>       | <b>3.3%</b>   | <b>65.0</b>    | <b>0.5%</b>    |
| <b>Approved Positions</b>                               | <b>131.1</b>    | <b>137.0</b>          |                 | <b>137.0</b>    | <b>5.9</b>                  | <b>4.5%</b>  | <b>3.0</b>   | <b>140.0</b>    | <b>8.9</b>                  | <b>6.8%</b>  | <b>(2.0)</b>       | <b>(1.4%)</b> | <b>(7.0)</b>   | <b>(5.1%)</b>  |

The **Pension, Payroll & Employee Benefits** Service provides services to employees and pensioners of the Toronto Public Service in an accurate, efficient and timely manner.

Pension, Payroll & Employee Benefits' 2018 Operating Budget of \$14.205 million gross and \$11.846 million net is \$0.125 million or 1.1% over the 2017 Approved Net Budget.

- Base budget pressures mainly from increases in salary and benefit expenses (\$0.265 million), offset by \$0.140 million in increased recoveries.
- The 2018 Operating Budget includes funding of \$0.209 million gross and \$0.0 million net for three temporary resources to provide support to the merger of the City's five pension plans with OMERS.

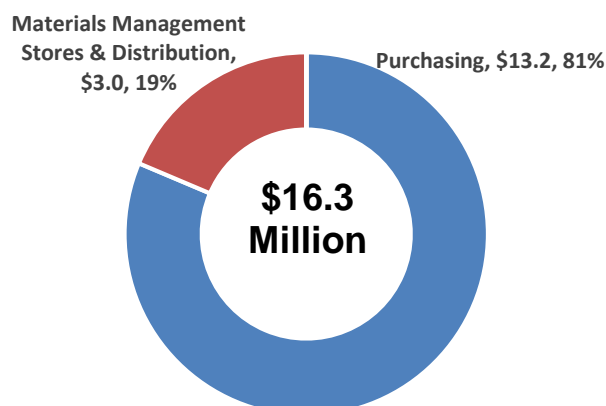
## Purchasing & Materials Management



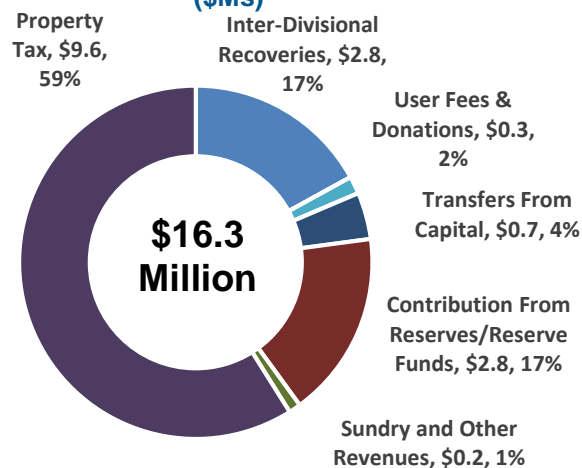
## What We Do

- Ensure the best value to the taxpayers of the City of Toronto in the acquisition of goods and services by providing leadership, quality customer service and the application of open, fair, equitable and accessible business processes and practices to all City Divisions and designated Agencies and Corporations;
- Administer appropriate delegation of commitment authority;
- Develop innovative business practices; and provide warehouse inventory controls over common items available to City Divisions through Materials Management operated stores.

**2018 Service Budget by Activity (\$Ms)**



**2018 Service by Funding Source (\$Ms)**



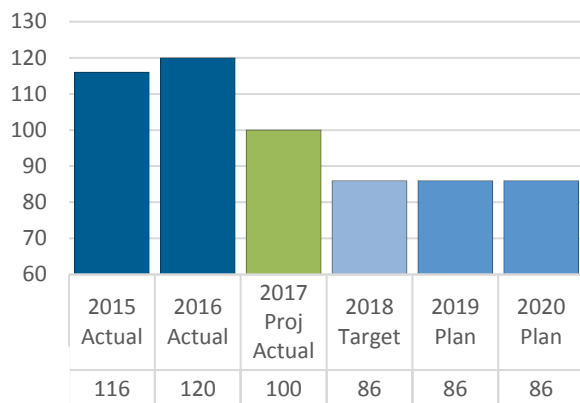
### 2018 Service Levels Purchasing & Materials Management

| Activity                                   | Type  | Status   | 2015   | 2016 | 2017 | 2018   |
|--|---|----------|--|------|------|--|
| Purchasing & Materials Management          | General Inquiries & Interpretation of Policies & Procedures | Approved | 100% of inquiries acknowledged and/or actioned (where feasible) within one (1) business day    |      |      | 100% of inquiries acknowledged and/or actioned (where feasible) within one (1) business day    |
|  |   | Actual   | 100%   | 100% | 100% |  |
|  | Online Call Document Distribution                           | Approved | To provide vendors with 24/7 online access 100% of the time                                    |      |      | To provide vendors with 24/7 online access 100% of the time                                    |
|  |   | Actual   | 100%   | 100% | 100% |  |
|  | Non-Competitive Procurement                                 | Approved | 100% compliance with Council Policy on Sole Source   |      |      | 100% compliance with Council Policy on Sole Source   |
|  |   | Actual   | 100%   | 100% | 100% |  |
|  | Call Documents  | Approved | Issuing within 2-5 days from time of receipt of final approved document 100% of time           |      |      | Issuing within 2-5 days from time of receipt of final approved document 100% of time           |
|  |   | Actual   | 100%   | 100% | 100% |  |
| Materials Management Stores & Distribution | Operational Supplies  | Approved | Material requests issued and delivered within 5 business days                                  |      |      | Material requests issued and delivered within 5 business days                                  |
|  |   | Actual   | 95%  | 75%  | 80%  |  |
|  | MSDS (Materials Safety Data Sheet)                          | Approved | Providing city staff with 24/7 online access 100% of the time                                  |      |      | Providing city staff with 24/7 online access 100% of the time                                  |
|  |   | Actual   | 100%   | 100% | 100% |  |
|  | Stores Catalogue  | Approved | Providing 24/7 online access to Catalogue details current to one business day 100% of the time |      |      | Providing 24/7 online access to Catalogue details current to one business day 100% of the time |
|  |   | Actual   | 100%   | 100% | 100% |  |
|  | Inventory   | Approved | Turn inventory value at rate of 4.25 times per year  |      |      | Turn inventory value at rate of 4.25 times per year  |
|  |   | Actual   | 3.32   | 3.16 | 2.67 |  |

In order to improve reporting, service levels will be revised to include approved and actual quantitative measures. Office of the Treasurer, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Purchasing & Materials Management**.

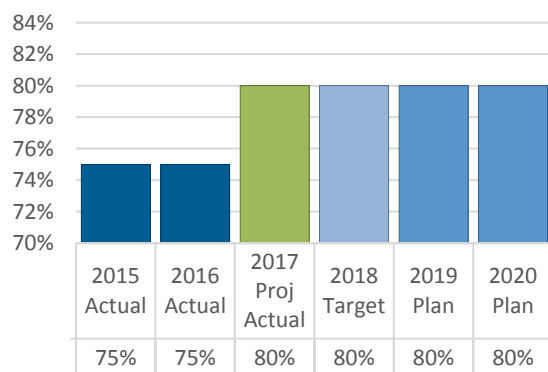
## Service Performance Measures

### Procurement Cycle Time (in working days)



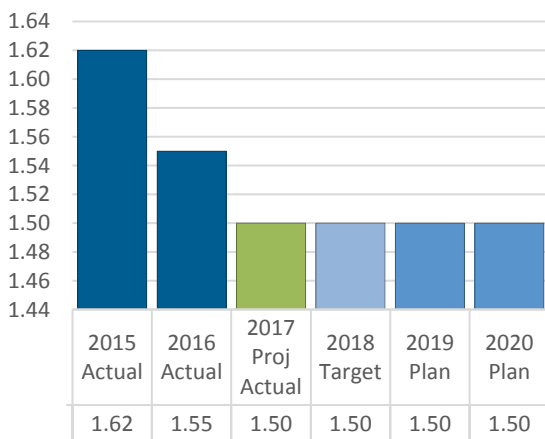
- Trends indicate a steady decrease in the number of working days it takes to complete competitive procurements.
- It is expected that this trend will continue to decrease with the implementation of the Supply Chain Management Transformation Project and Category Management Implementation.

### % time Material Requests Fulfilled within 7 Days



- This performance metric references the number of completed orders through City stores.
- This metric is relatively stable; and is expected to be maintained at 80% in future years. City stores has recently centralized their warehouses, which will drive increased efficiencies.

### Average Number of Addenda per Competitive Call



- There is a downward trend, which is expected to be sustained, resulting in a reduced amount of issued addenda.
- This performance metric references the average number of addenda completed by the Purchasing and Materials Management Division per competitive Call.

**Table 6**  
**2018 Service Budget by Activity**

| (\$000s)                                   | 2017            | 2018 Operating Budget |                 |                 |                             |              |              |                 | Incremental Change          |              |                |              |              |             |
|--|-----------------|-----------------------|-----------------|-----------------|-----------------------------|--------------|--------------|-----------------|-----------------------------|--------------|----------------|--------------|--------------|-------------|
|  | Approved Budget | Base Budget           | Service Changes | Base            | Base Budget vs. 2017 Budget | % Change     | New/Enhanced | Budget          | 2018 Budget vs. 2017 Budget |              | 2019 Plan      |              | 2020 Plan    |             |
|  | \$              | \$                    | \$              | \$              | \$                          | %            | \$           | \$              | \$                          | %            | \$             | %            | \$           | %           |
| <b>GROSS EXP.</b>                          |                 |                       |                 |                 |                             |              |              |                 |                             |              |                |              |              |             |
| Materials Management Stores & Distribution | 3,108.3         | 3,079.4               | (45.3)          | 3,034.0         | (74.2)                      | (2.4%)       |              | 3,034.0         | (74.2)                      | (2.4%)       | 40.2           | 1.3%         | 36.3         | 1.2%        |
| Purchasing                                 | 10,799.4        | 13,246.9              |                 | 13,246.9        | 2,447.6                     | 22.7%        |              | 13,246.9        | 2,447.6                     | 22.7%        | 1,334.1        | 10.1%        | 191.1        | 1.3%        |
| <b>Total Gross Exp.</b>                    | <b>13,907.6</b> | <b>16,326.3</b>       | <b>(45.3)</b>   | <b>16,281.0</b> | <b>2,373.3</b>              | <b>17.1%</b> |              | <b>16,281.0</b> | <b>2,373.3</b>              | <b>17.1%</b> | <b>1,374.4</b> | <b>8.4%</b>  | <b>227.4</b> | <b>1.3%</b> |
| <b>REVENUE</b>                             |                 |                       |                 |                 |                             |              |              |                 |                             |              |                |              |              |             |
| Materials Management Stores & Distribution | 1,090.6         | 760.9                 |                 | 760.9           | (329.8)                     | (30.2%)      |              | 760.9           | (329.8)                     | (30.2%)      |                |              |              |             |
| Purchasing                                 | 4,160.6         | 5,927.6               |                 | 5,927.6         | 1,767.0                     | 42.5%        |              | 5,927.6         | 1,767.0                     | 42.5%        | 15.8           | 0.3%         | 11.5         | 0.2%        |
| <b>Total Revenues</b>                      | <b>5,251.3</b>  | <b>6,688.5</b>        |                 | <b>6,688.5</b>  | <b>1,437.2</b>              | <b>27.4%</b> |              | <b>6,688.5</b>  | <b>1,437.2</b>              | <b>27.4%</b> | <b>15.8</b>    | <b>0.2%</b>  | <b>11.5</b>  | <b>0.2%</b> |
| <b>NET EXP.</b>                            |                 |                       |                 |                 |                             |              |              |                 |                             |              |                |              |              |             |
| Materials Management Stores & Distribution | 2,017.6         | 2,318.5               | (45.3)          | 2,273.2         | 255.5                       | 12.7%        |              | 2,273.2         | 255.5                       | 12.7%        | 40.2           | 1.8%         | 36.3         | 1.6%        |
| Purchasing                                 | 6,638.7         | 7,319.3               |                 | 7,319.3         | 680.5                       | 10.3%        |              | 7,319.3         | 680.5                       | 10.3%        | 1,318.3        | 18.0%        | 179.6        | 2.1%        |
| <b>Total Net Exp.</b>                      | <b>8,656.4</b>  | <b>9,637.8</b>        | <b>(45.3)</b>   | <b>9,592.5</b>  | <b>936.1</b>                | <b>10.8%</b> |              | <b>9,592.5</b>  | <b>936.1</b>                | <b>10.8%</b> | <b>1,358.6</b> | <b>14.2%</b> | <b>215.9</b> | <b>1.9%</b> |
| Approved Positions                         | 135.0           | 144.0                 | (1.0)           | 143.0           | 8.0                         | 5.9%         |              | 143.0           | 8.0                         | 5.9%         |                |              |              |             |

The **Purchasing & Materials Management Division** is responsible for ensuring all purchases assist in delivering City services at the best value possible for residents of the City of Toronto.

The Purchasing & Material Management Division's 2018 Operating Budget of \$16.281 million gross and \$9.593 million net is \$0.936 million or 10.8% over the 2017 Approved Net Budget.

- In addition to the base budget pressures common to all services, this service is experiencing additional pressures arising from the modernization and transformation initiatives relating to Supply Chain Management and Category Management (\$2.252 million gross and \$0.657 million net).
- In order to offset these pressures, the 2018 Operating Budget includes efficiency savings from one position reduction in Purchasing & Materials Management Division (\$0.045 million).

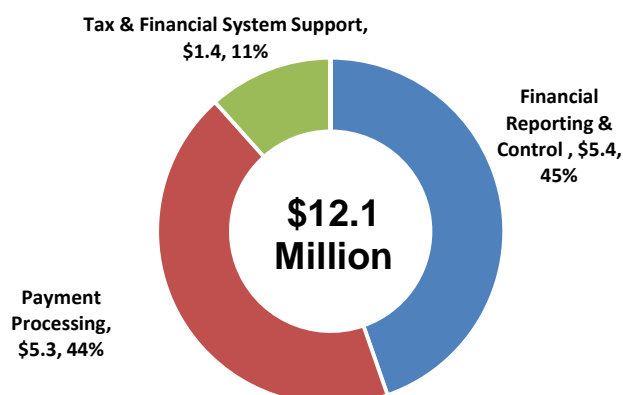
## Accounting Services



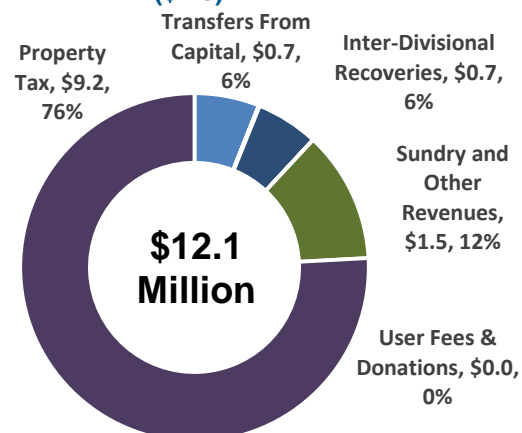
## What We Do

- Provides quality accounting and financial advisory services to all City divisions and Agencies and Corporations in compliance with professional accounting standards, legislation, and City policies.
- Services provided include:
  - Financial reporting including preparation of the City's consolidated financial statements and Provincial Financial Information Return (FIR); coordination and filing of the Municipal Benchmarking Network (MBN, previously OMBI indicators)
  - Development, maintenance and protection of the integrity of the City's financial information systems;
  - Prompt payment of the City's disbursement obligations;
  - Provision of advice on accounting, commodity tax and financial management and reporting matters to all city divisions, Agencies and Corporations.

**2018 Service Budget by Activity (\$Ms)**



**2018 Service by Funding Source (\$Ms)**





### 2018 Service Levels Accounting Services

| Activity                                  | Activity   | Status   | 2015  | 2016                | 2017 | 2018  |
|---|--|----------|---|---------------------|------|---|
| Provincial and Federal Reports Submission | MBN Canada (OMBI)                                    | Approved | Completed by Sept 30  |                     |      | Complete by Sept. 30  |
|   | Annual Provincial Financial Information Return (FIR) | Approved | Completed by August 31st  | Complete by July 31 |      | Complete by July 31   |
|   | Infrastructure Funding Reports                       | Approved | As required   |                     |      | As required   |
|   | Toronto York Spadina Subway Extension                | Approved | Perform banking services and reporting throughout the year  |                     |      | Perform banking services and reporting throughout the year  |
|   | Stats Canada   | Approved | Semi-annually   |                     |      | Semi-annually   |
| Financial Statement Preparation           | Annual Audited Consolidated Financial Statements     | Approved | completed by June 10  |                     |      | Complete by June 10   |
|   | Sinking Fund Audited Financial Statements            | Approved |   |                     |      |   |
|   | Trust Fund Audited Financial Statements              | Approved |   |                     |      |   |
| Management Reporting                      | Reserves and Reserve Funds Reports                   | Approved | Complete Reserves and Reserve Funds reports for submission to BC concurrent with Budget variance reports. |                     |      | Complete Reserves and Reserve Funds reports for submission to BC concurrent with Budget variance reports. |
|   | Council Remuneration Report                          | Approved | Complete Council Remuneration Report for submission to EC by March 31                                     |                     |      | Complete Council Remuneration Report for submission to EC by March 31                                     |
|   | Consulting Report                                    | Approved | Complete Consulting report for submission to GMC by June 30th   |                     |      | Complete Consulting report for submission to GMC by June 30th   |
|   | Special reports                                      | Approved | Complete special reports as required  |                     |      | Complete special reports as required  |
|   | Development Charges Report                           | Approved | Complete Development Charges report for submission to BC by August 31                                     |                     |      | Complete Development Charges report for submission to BC by August 31                                     |
|   | Semi-annual Treasurer's report                       | Approved | Complete semi-annual Treasurer's Report for submission to GMC within 90 days                              |                     |      | Complete semi-annual Treasurer's Report for submission to GMC within 90 days                              |

| Activity                     | Activity  | Status   | 2015   | 2016 | 2017 | 2018   |
|------------------------------|---|----------|--|------|------|--|
| Financial and System Control | Capital projects review                                       | Approved | Monthly  |      |      | Monthly  |
|                              | Operating review  | Approved | Monthly  |      |      | Monthly  |
|                              | Journal entries   | Approved | 99% within 2 business days   |      |      | 99% within 2 business days   |
|                              |   | Actual   | 99%  | 99%  | 99%  |  |
|                              | Policies and procedures request for guidance                  | Approved | As requested   |      |      | As requested   |
|                              | SAP Financial System Security                                 | Approved | As required  |      |      | Function moved to I&T  |
|                              | SAP User Administration                                       | Approved | As requested   |      |      | As requested   |
|                              | SAP Vendor Master Data maintenance                            | Approved | As required - daily  |      |      | As required - daily  |
|                              | Month end and year end SAP processing                         | Approved | As scheduled   |      |      | As scheduled   |
|                              | Ad hoc reporting  | Approved | As required  |      |      | As required  |
|                              | Advisory role re accounting controls, reporting and oversight | Approved | Provide advice on all material new areas of concern, prior to implementation, and oversight as requested   |      |      | Provide advice on all material new areas of concern, prior to implementation, and oversight as requested   |
|                              | Accounting policy development                                 | Approved | Produce and publish timely, relevant and comprehensive accounting policies on issues, prior to adoption of new standards or practices, as required |      |      | Produce and publish timely, relevant and comprehensive accounting policies on issues, prior to adoption of new standards or practices, as required |
| Corporate Banking            | Upload/download of cashed cheques                             | Approved | Daily  |      |      | Daily  |
|                              | Confirmation of direct deposits                               | Approved | Daily  |      |      | Daily  |
|                              | Wire / Draft payments   | Approved | As required  |      |      | As required  |
|                              | eCommerce Processing, POS administration                      | Approved | Daily  |      |      | Daily  |
|                              | Electronic file of chqs                                       | Approved | Daily  |      |      | Daily  |
|                              | Exception resolution - Payee Match and others                 | Approved | Daily  |      |      | Daily  |
|                              | Cheque voiding, stale-dating, stop payments & negotiations    | Approved | Daily  |      |      | Daily  |
|                              | RBC Express Administration                                    | Approved | As required  |      |      | As required  |
|                              | Bank Reconciliations  | Approved | Completed monthly within 30 days   |      |      | Completed monthly within 30 days   |
|                              | Inter-bank transfers  | Approved | As required  |      |      | As required  |
|                              | Cheque verification or certification                          | Approved | Daily, as requested  |      |      | Daily, as requested  |

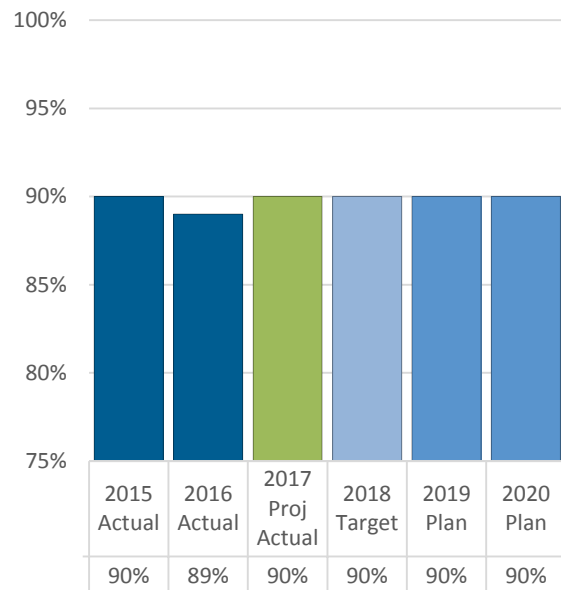
| Activity                       | Activity  | Status   | 2015  | 2016   | 2017   | 2018  |
|--------------------------------|---|----------|---|--|--|---|
| Accounts Receivable Processing | Payments processed                                  | Approved | 100% within 24 hours  |  |  | 100% within 24 hours  |
|                                | Collection  | Approved | 70% within 60 days  | 75% within 60 days   | 75% within 60 days   | 75% within 60 days  |
|                                | Write-offs  | Approved | Completed throughout the year, prepare report to GMC for April                          | Complete through the year; prepare report to GMC by March 15 | Complete through the year; prepare report to GMC by March 15 | Complete through the year; prepare report to GMC by March 15                            |
| Accounts Payable Processing    | A/P Transactions Processed                          | Approved | 90% of payments made within 60 days   |  |  | 90% of payments made within 60 days   |
|                                |   | Actual   | 90%   | 87%  | 90%  |   |
|                                | Discounts desk                                      | Approved | 80% of discounts captured   |  |  | 80% of discounts captured   |
|                                |   | Actual   | 85%   | 89%  | 90%  |   |
|                                | Mailroom / Scanned Images                           | Approved | Daily   |  |  | Daily   |
|                                | Cheques issued (FASP)                               | Approved | Cheques printed on a minimum of every Tuesday & Thursday                                |  |  | Cheques printed on a minimum of every Tuesday & Thursday                                |
|                                | Direct deposit payments issued (FASP)               | Approved | Direct Deposits processed a minimum of once per day                                     |  |  | Direct Deposits processed a minimum of once per day                                     |
|                                | Interface files processing (FASP)                   | Approved | Interface files processed within 1 business day of receipt                              |  |  | Interface files processed within 1 business day of receipt                              |
| Pcard Processing               | Pcard transaction log forms                         | Approved | Reviewed within 90 days   | Review within 80 days  | Review within 80 days  | Review within 80 days   |
|                                | Pcard Issuance                                      | Approved | Within 10 days of request of card from NBC  |  |  | Within 10 days of request of card from NBC  |
|                                | Pcard Compliance Review Forms                       | Approved | Reviewed within 90 days   |  |  | Reviewed within 90 days   |
| SAP Financial Systems Training | Classroom Training Sessions                         | Approved | Classes scheduled based on minimum attendance based on business request                 |  |  | Classes scheduled based on minimum attendance based on business request                 |
|                                | Develop course materials & quick reference guides   | Approved | Prior to any Legislative changes. Based on changes to the system or business processes. |  |  | Prior to any Legislative changes. Based on changes to the system or business processes. |
| SAP User Support               | SAP Applications Support (Help desk inquiries)      | Approved | Daily, as requested   |  |  | Function moved to I&T   |
|                                | SAP System Support - ERP updates tested and applied | Approved | Twice per year, 6 to 8 weeks duration each time   |  |  | Twice per year, 6 to 8 weeks duration each time   |
|                                | SAP System Support                                  | Approved | Daily, as issues arise  |  |  | Daily, as issues arise  |

| Activity              | Activity   | Status   | 2015  | 2016 | 2017 | 2018  |
|-----------------------|--|----------|---|------|------|---|
| Tax Advisory & Policy | HST Remittance   | Approved | File by mid-month, coincide with Payroll  |      |      | File by mid-month, coincide with Payroll  |
|                       | Non-resident withholding tax remittance  | Approved | File by mid-month   |      |      | File by mid-month   |
|                       | Sales Tax training and updating information on the Accounting Services Website | Approved | As required   |      |      | As required   |
|                       | Sales Tax recoveries   | Approved | Throughout the year   |      |      | Throughout the year   |
|                       | Issuance of donation income tax receipts - City Wide                           | Approved | Issue Tax Receipts within 4 calendar weeks upon receipt of proper documentation |      |      | Issue Tax Receipts within 4 calendar weeks upon receipt of proper documentation |
|                       | Provision of sales tax advice  | Approved | As requested or required  |      |      | As requested or required  |
|                       | Implication of tax changes   | Approved | Implement changes to meet the legislated timelines                              |      |      | Implement changes to meet the legislated timelines                              |

In order to improve reporting, service level reporting will be revised to include approved and actual quantitative measures. The Office of the Treasurer, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Accounting Services**.

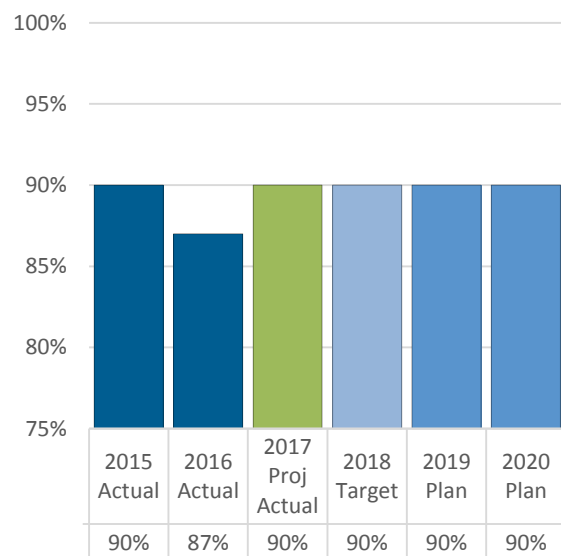
## Service Performance Measures

### % Early Payment Discounts Earned as a % of Discounts Available



- Accounting Services, Purchasing & Materials Management, and other City Divisions continue to work with vendors to capitalize on early payment discount opportunities resulting in an increased capture rate for discounts.
- Discounts of \$1.4 million were captured in 2016. Early payment discounts in 2017 are expected to increase by 1% from 2016. It is anticipated that total discounts earned at the completion of the year end process will be \$1.463 million

### Payment Cycle time - % invoices paid within 60 days



- With the implementation of SAP Ariba, continuous focus on performance measures, and City-wide commitment management strategies, the service level for payment cycle time for City vendors is expected to increase once the full business process is mapped out.

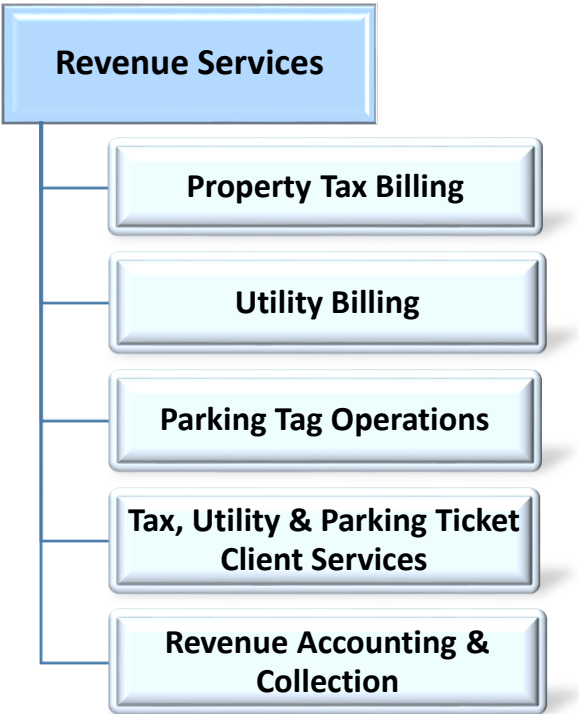
**Table 6**  
**2018 Service Budget by Activity**

| (\$000s)                       | 2017            | 2018 Operating Budget |                 |                 |                             |               |              |                 | 2018 Budget vs. 2017 |               | Incremental Change |             |              |             |
|--------------------------------|-----------------|-----------------------|-----------------|-----------------|-----------------------------|---------------|--------------|-----------------|----------------------|---------------|--------------------|-------------|--------------|-------------|
|                                | Approved Budget | Base Budget           | Service Changes | Base            | Base Budget vs. 2017 Budget | % Change      | New/Enhanced | Budget          |                      |               | 2019 Plan          |             | 2020 Plan    |             |
|                                | \$              | \$                    | \$              | \$              | \$                          | %             | \$           | \$              | \$                   | %             | \$                 | %           | \$           | %           |
| <b>GROSS EXP.</b>              |                 |                       |                 |                 |                             |               |              |                 |                      |               |                    |             |              |             |
| Financial Reporting & Control  | 5,006.4         | 5,309.0               |                 | 5,309.0         | 302.6                       | 6.0%          | 100.0        | 5,409.0         | 402.6                | 8.0%          | 128.2              | 2.4%        | 123.3        | 2.2%        |
| Payment Processing             | 5,275.4         | 5,423.2               | (133.5)         | 5,289.7         | 14.3                        | 0.3%          |              | 5,289.7         | 14.3                 | 0.3%          | 609.3              | 11.5%       | 67.6         | 1.1%        |
| Tax & Financial System Support | 1,374.6         | 1,406.8               |                 | 1,406.8         | 32.2                        | 2.3%          |              | 1,406.8         | 32.2                 | 2.3%          | 34.5               | 2.5%        | 24.3         | 1.7%        |
| <b>Total Gross Exp.</b>        | <b>11,656.4</b> | <b>12,139.0</b>       | <b>(133.5)</b>  | <b>12,005.5</b> | <b>349.1</b>                | <b>3.0%</b>   | <b>100.0</b> | <b>12,105.5</b> | <b>449.1</b>         | <b>3.9%</b>   | <b>772.1</b>       | <b>6.4%</b> | <b>215.1</b> | <b>1.6%</b> |
| <b>REVENUE</b>                 |                 |                       |                 |                 |                             |               |              |                 |                      |               |                    |             |              |             |
| Financial Reporting & Control  | 429.3           | 732.1                 |                 | 732.1           | 302.8                       | 70.5%         | 100.0        | 832.1           | 402.8                | 93.8%         | 2.6                | 0.3%        | 3.1          | 0.4%        |
| Payment Processing             | 1,469.5         | 1,591.7               |                 | 1,591.7         | 122.3                       | 8.3%          |              | 1,591.7         | 122.3                | 8.3%          | 3.2                | 0.2%        | 3.2          | 0.2%        |
| Tax & Financial System Support | 415.4           | 498.5                 |                 | 498.5           | 83.1                        | 20.0%         |              | 498.5           | 83.1                 | 20.0%         |                    |             |              |             |
| <b>Total Revenues</b>          | <b>2,314.2</b>  | <b>2,822.4</b>        |                 | <b>2,822.4</b>  | <b>508.2</b>                | <b>22.0%</b>  | <b>100.0</b> | <b>2,922.4</b>  | <b>608.2</b>         | <b>26.3%</b>  | <b>5.8</b>         | <b>0.2%</b> | <b>6.3</b>   | <b>0.2%</b> |
| <b>NET EXP.</b>                |                 |                       |                 |                 |                             |               |              |                 |                      |               |                    |             |              |             |
| Financial Reporting & Control  | 4,577.0         | 4,576.8               |                 | 4,576.8         | (0.2)                       | (0.0%)        | 0.0          | 4,576.8         | (0.2)                | (0.0%)        | 125.6              | 2.7%        | 120.2        | 2.6%        |
| Payment Processing             | 3,805.9         | 3,831.5               | (133.5)         | 3,698.0         | (108.0)                     | (2.8%)        |              | 3,698.0         | (108.0)              | (2.8%)        | 606.1              | 16.4%       | 64.4         | 1.5%        |
| Tax & Financial System Support | 959.2           | 908.3                 |                 | 908.3           | (50.9)                      | (5.3%)        |              | 908.3           | (50.9)               | (5.3%)        | 34.5               | 3.8%        | 24.3         | 2.6%        |
| <b>Total Net Exp.</b>          | <b>9,342.2</b>  | <b>9,316.6</b>        | <b>(133.5)</b>  | <b>9,183.1</b>  | <b>(159.1)</b>              | <b>(1.7%)</b> | <b>0.0</b>   | <b>9,183.1</b>  | <b>(159.1)</b>       | <b>(1.7%)</b> | <b>766.3</b>       | <b>8.3%</b> | <b>208.8</b> | <b>2.1%</b> |
| <b>Approved Positions</b>      | <b>109.0</b>    | <b>112.0</b>          | <b>(2.0)</b>    | <b>110.0</b>    | <b>1.0</b>                  | <b>0.9%</b>   | <b>1.0</b>   | <b>111.0</b>    | <b>2.0</b>           | <b>1.8%</b>   |                    |             |              |             |

**Accounting Services'** 2018 Operating Budget of \$12.106 million gross and \$9.183 million net is \$0.159 million or 1.7% under the 2017 Approved Net Budget.

- Base budget pressures (\$0.058 million) for this service arise from COLA, progression pay and step increases in salary and benefit costs. These pressures have been fully offset by increasing the budget for HST recoveries to align with the actual experience.
- The 2018 Operating Budget includes funding of \$0.100 million gross and \$0.0 million net for 1 permanent position to provide support to the new Investment Board.

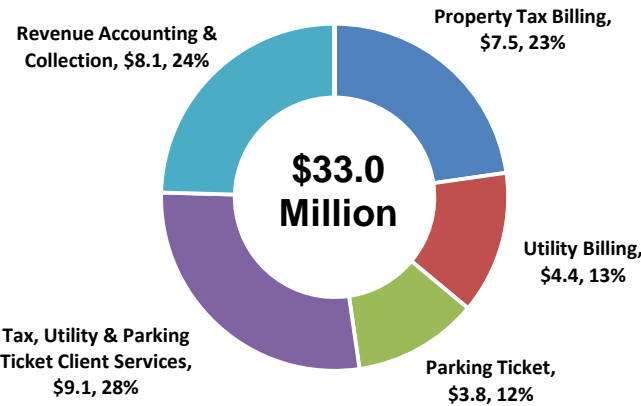
Revenue Services



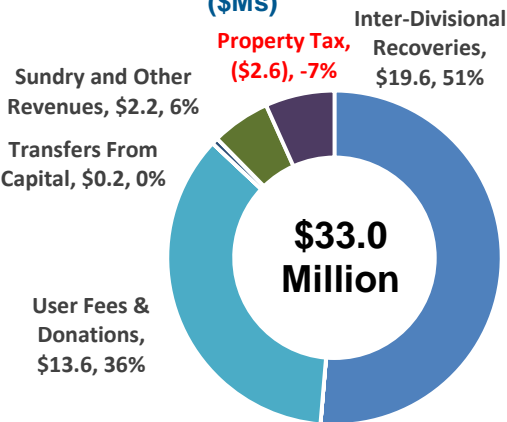
What We Do

- Billing, collection and administration of revenues related to property taxation; water and wastewater services; solid waste fees, parking tickets and Municipal Land Transfer Tax.
- Support the various revenue programs, including appeal and refund processing, tax relief and rebate programs, alternate payment programs, customer account maintenance and support, and payment processing.
- Revenue Services maintains a strong commitment to customer service through the operation of customer service counters in all civic centres and City Hall, and a customer care unit and correspondence unit.
- The Division's customer base includes residents, property owners, businesses and visitors within the City of Toronto. Revenue Services also provides revenue support functions to other City divisions...

2018 Service Budget by Activity (\$Ms)



2018 Service by Funding Source (\$Ms)





## 2018 Service Levels

### Revenue Services

| Type   | Status   | 2015   | 2016 | 2017 | 2018   |
|--|----------|--|------|------|--|
| Property Tax Billing (Interim & Final)               | Approved | All Property Tax Bills and are prepared and issued consistent with relevant legislation and by-laws, and within legislated or Council-approved timeframes  |      |      | All Property Tax Bills and are prepared and issued consistent with relevant legislation and by-laws, and within legislated or Council-approved timeframes  |
| Supplementary/Omitted Tax Billings                   | Approved | All Property Tax Bills are prepared and issued consistent with relevant legislation and by-laws, and within legislated or Council-approved timeframes  |      |      | All Property Tax Bills are prepared and issued consistent with relevant legislation and by-laws, and within legislated or Council-approved timeframes  |
| Payment in Lieu of Taxes                             | Approved | All Payment in Lieu of Taxes are prepared and issued consistent with relevant legislation and by-laws, and within legislated time frames   |      |      | All Payment in Lieu of Taxes are prepared and issued consistent with relevant legislation and by-laws, and within legislated time frames   |
| Business Improvement Area (BIA) levies               | Approved | All BIA levies are prepared and issued prior to final property tax billing, to ensure that tax bills include BIA levy.   |      |      | All BIA levies are prepared and issued prior to final property tax billing, to ensure that tax bills include BIA levy.   |
|  | Approved | On average, 120 properties are appealed per year in accordance with council approved criteria and rules and practice of the Assessment Review Board (ARB), and in accordance with timelines set out by Assessment Review Board |      |      | On average, 120 properties are appealed per year in accordance with council approved criteria and rules and practice of the Assessment Review Board (ARB), and in accordance with timelines set out by Assessment Review Board |
| Vacancy Rebates                                      | Approved | Vacancy rebates are processed within legislated timeframe.   |      |      | Vacancy rebates are processed within legislated timeframe.   |
| Charitable Rebates                                   | Approved | Fully completed charity rebate applications processed within 120 days of application deadline date.  |      |      | Fully completed charity rebate applications processed within 120 days of application deadline date.  |
| Tax/Water Relief for Low-Income Seniors and Disabled | Approved | Fully completed applications processed within 60 days of application deadline date.  |      |      | Fully completed applications processed within 60 days of application deadline date.  |
| Veterans Clubhouse, Ethno-cultural, Heritage Rebates | Approved | Fully completed applications processed within 60 days of application deadline date.  |      |      | Fully completed applications processed within 60 days of application deadline date.  |
| Golf Course deferrals                                | Approved | Golf course deferrals processed within 60 days of receipt of information.  |      |      | Golf course deferrals processed within 60 days of receipt of information.  |

| Type                           | Status   | 2015  | 2016  | 2017  | 2018  |
|--------------------------------|----------|---|-------|---|---|
| Assessment Appeals             | Approved | Residential appeals processed within 30 days following receipt of ARB decision. Non-residential appeals processed within 120 days following receipt of ARB decision.  |       | Residential appeals processed (during non-billing periods) within 30 days of receipt of ARB decision. | Residential appeals processed (during non-billing periods) within 30 days of receipt of ARB decision. Non-residential appeals processed within 120 days following receipt of ARB decision |
| Property Tax Appeals           | Approved | Approximately 50% of the applications are returned from MPAC in time to be dealt by September 30 of the following year  |       |   | Approximately 50% of the applications are returned from MPAC in time to be dealt by September 30 of the following year  |
|                                | Approved | All Property Tax Bills are prepared and issued consistent with relevant legislation and by-laws, and within legislated or Council-approved timeframes                 |       |   | All Property Tax Bills are prepared and issued consistent with relevant legislation and by-laws, and within legislated or Council-approved timeframes                                     |
| Flat Rate Accounts             | Approved | To issue 100% of utility flat rate billings within scheduled cycles (i.e. former Toronto flat rate billings twice per year and former Etobicoke three times per year) |       |   | To issue 100% of utility flat rate billings within scheduled cycles (i.e. former Toronto flat rate billings twice per year and former Etobicoke three times per year)                     |
| Metered Accounts               | Approved | Not applicable - this function transferred to Toronto Water   |       | Not applicable - this function transferred to Toronto Water   | Not applicable - this function transferred to Toronto Water   |
| Water Relief Applications      | Approved | 95% of applications processed within first billing cycle.   |       |   | 95% of applications processed within first billing cycle.   |
|                                | Approved | Mailing of all bills within cycle on schedule   |       |   | Mailing of all bills within cycle on schedule   |
| Meter Reading                  | Approved | Not applicable - this function transferred to Toronto Water   |       | Not applicable - this function transferred to   | Not applicable - this function transferred to Toronto Water   |
| Meter investigations           | Approved | Complete all service orders that are in Revenue Services' distribution  |       |   | Complete all service orders that are in Revenue Services' distribution  |
| Parking Ticket                 | Approved | 99.5% of parking tickets processed within legislated timeframes   |       |   | 99.5% of parking tickets processed within legislated timeframes   |
|                                | Actual   | 99.9%   | 99.9% | 99.90%  |   |
| Notice of impending Conviction | Approved | 99.5% of notices sent within legislated timeframe   |       |   | 99.5% of notices sent within legislated timeframe   |
| Notice of Fine and Due Date    | Approved | 99.5% of notices sent within legislated timeframe   |       |   | 99.5% of notices sent within legislated timeframe   |
| Refunds and adjustments        | Approved | 100% of refunds and adjustments processed within 14 days  |       |   | 100% of refunds and adjustments processed within 14 days  |
| Investigations                 | Approved | Complete all investigations within 15 days  |       |   | Complete all investigations within 15 days  |
| Pre-Court Filing               | Approved | 99.5% of all court filing documents prepared within the 75 day legislated time frame from date of offence   |       |   | 99.5% of all court filing documents prepared within the 75 day legislated time frame from date of offence   |

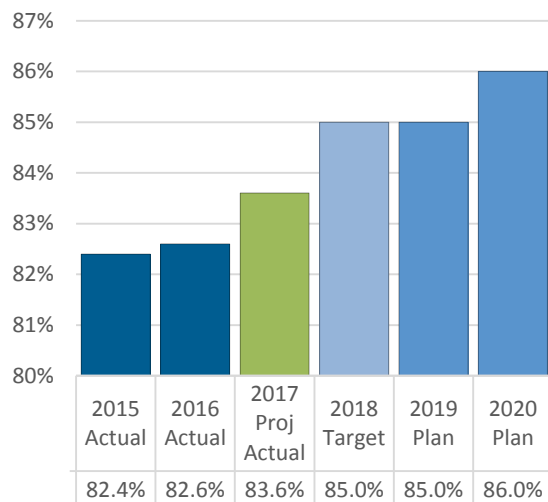
| Type                            | Status   | 2015   | 2016  | 2017          | 2018  |
|---------------------------------|----------|--|---|---------------|---|
| Tax certificate                 | Approved | Service standard is 20 days, providing that all required information is received.  |   |               | Service standard is 5 days.   |
| Utility Certificate             | Approved | Service standard is 20 days, providing that all required information is received.  |   |               | Service standard is 5 days.   |
| Ownership Update                | Approved | Service standard is 20 days, providing that all required documentation is received.  |   |               | Service standard is 20 days, providing that all required documentation is received.   |
| Designate/Agent Mailing Request | Approved | Service standard is 20 days, providing that all required documentation is received.  |   |               | Service standard is 20 days, providing that all required documentation is received.   |
| Pre-authorized Tax Payment      | Approved | In order to change financial institution information or cancel participation in the program, customer is required to provide a signed written notice at least 15 days before the next payment date |   |               | In order to change financial institution information or cancel participation in the program, customer is required to provide a signed written notice at least 15 days before the next payment date                          |
| Pre-authorized Utility Payment  | Approved | All PUP applications are processed within a 5 day window   |   |               | All PUP applications are processed within a 5 day window  |
| Payment Programs- Mortgages     | Approved | All mortgage updates are processed within 30 days  |   |               | All mortgage updates are processed within 30 days   |
| Mortgage and PILT payment       | Approved | All payments are processed within a 3 - 5 day window   |   |               | All payments are processed within a 3 - 5 day window  |
|                                 | Approved | All customers are served, with 100% completion of customer transactions, with average wait times of  | All customers are served, with 100% completion of customer transactions, with average wait times of less than 7 minutes for tax/ utility transactions, and parking ticket transactions. |               | All customers are served, with 100% completion of customer transactions, with average wait times of less than 7 minutes for tax/ utility transactions, and parking ticket transactions.                                     |
|                                 | Actual   | 2.5 min.   | 5.08 min.   | 5.08 min.     |   |
| Customer Enquiry Telephone      | Approved | It is estimated that 40% of calls are answered with average wait time of 5 minutes.  |   |               | It is estimated that 40% of calls are answered with average wait time of 5 minutes.   |
| Customer Enquiry Correspondence | Approved | All letters, faxes and e-mails are prepared and issued consistent with relevant legislation and by-laws.   |   |               | All letters, faxes and e-mails are prepared and issued consistent with relevant legislation and by-laws.  |
|                                 | Approved | As a minimum 90% of all cheque payments received are processed within 3 days from date   | As a minimum 95% of all cheque payments received are processed within 3 days from date payment is received or on the date of the cheque for future dated payments (post dated cheques). |               | As a minimum 95-97% of all cheque payments received by the external service provider are processed within 2 days from date payment is received or on the date of the cheque for future dated payments (post dated cheques). |
|                                 | Actual   | 95.0%  | 95.0%   | 95.0% - 97.0% |   |

| Type  | Status   | 2015   | 2016 | 2017 | 2018   |
|---|----------|--|------|------|--|
| Registration - Sale of Land                   | Approved | In excess of 7,000 accounts (pre-reg and reg) in arrears are included in this process annually. Two "Sale of Land by Pubic Tender" are conducted annually.   |      |      | In excess of 7,000 accounts (pre-reg and reg) in arrears are included in this process annually. Two "Sale of Land by Pubic Tender" are conducted annually.   |
| Bailiff Warrants                              | Approved | In excess of 6,000 accounts are issued to the bailiffs annually.   |      |      | In excess of 6,000 accounts are issued to the bailiffs annually.   |
| Internal Collections                          | Approved | 100% of accounts in arrears were mailed Statement of Tax Account within Council-approved timelines .   |      |      | 100% of accounts in arrears were mailed Statement of Tax Account within Council-approved timelines .   |
| Returned Cheques Processing                   | Approved | 95% of Returned Payments received by Revenue Services were processed within 10 business days.  |      |      | 95% of Returned Payments received by Revenue Services were processed within 10 business days.  |
| Account Analysis / Reconciliation             | Approved | 95% of the monthly reconciliation and Statements were produced in the following month.   |      |      | 95% of the monthly reconciliation and Statements were produced in the following month.   |
| MLTT Manual Notices of Assessment             | Approved | 100% of MLTT Notices of Assessments and Deferral Confirmations are issued and completed in accord to the legislated requirements   |      |      | 100% of MLTT Notices of Assessments and Deferral Confirmations are issued and completed in accord to the legislated requirements   |
| Automated MLTT land registration transactions | Approved | 100% of MLTT Notices of Assessments and Deferral Confirmations are issued and completed in accordance with legislated requirements   |      |      | 100% of MLTT Notices of Assessments and Deferral Confirmations are issued and completed in accordance with legislated requirements   |
| Refunds due to Over-Payments                  | Approved | To issue credit letters to property owner requesting required information and issue refunds within one year, over 90% of the time. Tax credit balances of \$500 or less without an ownership change are transferred to the next billing. |      |      | To issue credit letters to property owner requesting required information and issue refunds within one year, over 90% of the time. Tax credit balances of \$500 or less without an ownership change are transferred to the next billing. |
| Refunds due to Appeals and Rebates            | Approved | Over 90% of all refunds as a result of the processing of assessment appeals/MPAC, RFR's and rebate are processed within 120 days.  |      |      | Over 90% of all refunds as a result of the processing of assessment appeals/MPAC, RFR's and rebate are processed within 120 days.  |

In order to improve reporting, service levels will be revised to include approved and actual quantitative measures. Office of the Treasurer, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Revenue Services**.

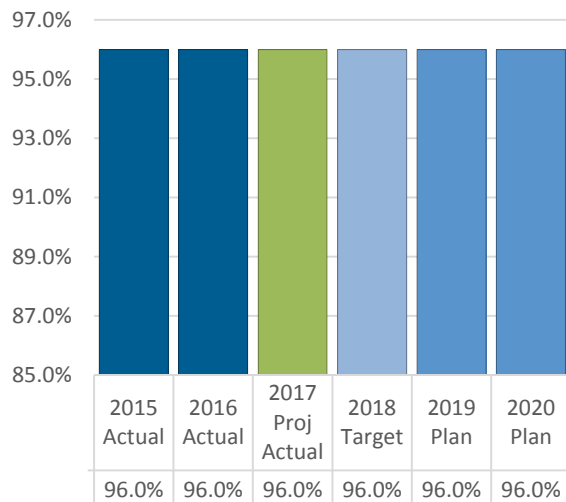
## Service Performance Measures

### % Electronic Payments



- Percentage of electronic payments received compared to total payments processed for property tax, utility and parking tickets is increasing over time due to consumer adoption of electronic payments.
- Electronic payments improve accuracy, are more cost-effective, and can be posted to the City's accounts sooner than cheque payments.
- Development of additional online services for electronic billings and payments will see an increasing trend in the overall percentage of electronic payments over 2018 and 2019

### % of Tax Accounts Paid in Full at Year-End



- The percentage of tax accounts paid in full each year from 2015 through 2017 has remained at 96%.
- The trend is expected to continue in 2018 through 2020 as economic conditions are not expected to change over the next 3 years.

**Table 6**  
**2018 Service Budget by Activity**

|   |  | 2017            |             | 2018 Operating Budget |                      |         |          |              | 2018 Budget vs. 2017 Budget |         |        | Incremental Change |           |       |           |
|---|--|-----------------|-------------|-----------------------|----------------------|---------|----------|--------------|-----------------------------|---------|--------|--------------------|-----------|-------|-----------|
|   |  | Approved Budget | Base Budget | Service Changes       | Base Budget vs. 2017 |         |          | New/Enhanced |                             |         |        | Budget             | 2019 Plan |       | 2020 Plan |
|   |  |                 |             |                       | Base                 | Budget  | % Change |              | \$                          | %       | \$     |                    | %         | \$    | %         |
| (\$000s)                                      |  | \$              | \$          | \$                    | \$                   | \$      | %        | \$           | \$                          | \$      | %      | \$                 | %         | \$    | %         |
| GROSS EXP.                                    |  |                 |             |                       |                      |         |          |              |                             |         |        |                    |           |       |           |
| Parking Ticket                                |  | 3,691.4         | 3,846.7     |                       | 3,846.7              | 155.3   | 4.2%     |              | 3,846.7                     | 155.3   | 4.2%   | 27.5               | 0.7%      | 17.5  | 0.5%      |
| Property Tax Billing                          |  | 7,537.3         | 7,529.7     | (27.6)                | 7,502.1              | (35.2)  | (0.5%)   |              | 7,502.1                     | (35.2)  | (0.5%) | 123.8              | 1.6%      | 87.6  | 1.1%      |
| Revenue Accounting & Collection               |  | 8,533.8         | 8,296.5     | (194.4)               | 8,102.1              | (431.8) | (5.1%)   |              | 8,102.1                     | (431.8) | (5.1%) | 95.8               | 1.2%      | 55.1  | 0.7%      |
| Tax, Utility & Parking Ticket Client Services |  | 9,229.1         | 9,329.1     | (180.6)               | 9,148.4              | (80.7)  | (0.9%)   |              | 9,148.4                     | (80.7)  | (0.9%) | 128.5              | 1.4%      | 94.6  | 1.0%      |
| Utility Billing                               |  | 4,438.2         | 4,453.6     | (67.7)                | 4,385.9              | (52.3)  | (1.2%)   |              | 4,385.9                     | (52.3)  | (1.2%) | 58.8               | 1.3%      | 30.8  | 0.7%      |
| Total Gross Exp.                              |  | 33,429.8        | 33,455.5    | (470.3)               | 32,985.2             | (444.6) | (1.3%)   |              | 32,985.2                    | (444.6) | (1.3%) | 434.5              | 1.3%      | 285.5 | 0.8%      |
| REVENUE                                       |  |                 |             |                       |                      |         |          |              |                             |         |        |                    |           |       |           |
| Parking Ticket                                |  | 3,343.0         | 3,519.9     |                       | 3,519.9              | 176.8   | 5.3%     |              | 3,519.9                     | 176.8   | 5.3%   |                    |           |       |           |
| Property Tax Billing                          |  | 1,869.4         | 1,894.3     |                       | 1,894.3              | 24.9    | 1.3%     |              | 1,894.3                     | 24.9    | 1.3%   |                    |           |       |           |
| Revenue Accounting & Collection               |  | 13,842.0        | 13,775.9    |                       | 13,775.9             | (66.1)  | (0.5%)   | 37.5         | 13,813.4                    | (28.6)  | (0.2%) | 7.5                | 0.1%      |       |           |
| Tax, Utility & Parking Ticket Client Services |  | 11,826.3        | 12,354.2    | (201.3)               | 12,152.9             | 326.5   | 2.8%     | 41.7         | 12,194.5                    | 368.2   | 3.1%   | 16.7               | 0.1%      |       |           |
| Utility Billing                               |  | 4,201.9         | 4,185.7     | (67.7)                | 4,118.0              | (83.9)  | (2.0%)   |              | 4,118.0                     | (83.9)  | (2.0%) | 135.5              | 3.3%      |       |           |
| Total Revenues                                |  | 35,082.7        | 35,730.0    | (269.0)               | 35,461.0             | 378.3   | 1.1%     | 79.2         | 35,540.2                    | 457.5   | 1.3%   | 159.7              | 0.4%      |       |           |
| NET EXP.                                      |  |                 |             |                       |                      |         |          |              |                             |         |        |                    |           |       |           |
| Parking Ticket                                |  | 348.3           | 326.8       |                       | 326.8                | (21.6)  | (6.2%)   |              | 326.8                       | (21.6)  | (6.2%) | 27.5               | 8.4%      | 17.5  | 4.9%      |
| Property Tax Billing                          |  | 5,667.8         | 5,635.4     | (27.6)                | 5,607.7              | (60.1)  | (1.1%)   |              | 5,607.7                     | (60.1)  | (1.1%) | 123.8              | 2.2%      | 87.6  | 1.5%      |
| Revenue Accounting & Collection               |  | (5,308.2)       | (5,479.4)   | (194.4)               | (5,673.8)            | (365.6) | 6.9%     | (37.5)       | (5,711.3)                   | (403.1) | 7.6%   | 88.3               | (1.5%)    | 55.1  | (1.0%)    |
| Tax, Utility & Parking Ticket Client Services |  | (2,597.2)       | (3,025.1)   | 20.7                  | (3,004.4)            | (407.2) | 15.7%    | (41.7)       | (3,046.1)                   | (448.9) | 17.3%  | 111.8              | (3.7%)    | 94.6  | (3.2%)    |
| Utility Billing                               |  | 236.3           | 267.9       | 0.0                   | 267.9                | 31.7    | 13.4%    |              | 267.9                       | 31.7    | 13.4%  | (76.7)             | (28.6%)   | 30.8  | 16.1%     |
| Total Net Exp.                                |  | (1,652.9)       | (2,274.5)   | (201.3)               | (2,475.8)            | (822.9) | 49.8%    | (79.2)       | (2,555.0)                   | (902.1) | 54.6%  | 274.8              | (10.8%)   | 285.5 | (14.3%)   |
| Approved Positions                            |  | 270.2           | 270.2       | (7.0)                 | 263.2                | (7.0)   | (2.6%)   |              | 263.2                       | (7.0)   | (2.6%) |                    |           |       |           |

**Revenue Services** provides quality, timely, and accurate billing, collection and payment processing of municipal property taxes, parking tags and income from utility consumption, as well as other revenue-generating services to support City programs and services.

Revenue Service's 2018 Operating Budget of \$32.985 million gross and (\$2.555) million net is \$0.902 million or 54.6% under 2017 Approved Net Budget.

- Base budget pressures in Revenue Services primarily result from inflationary increases in salary and benefit expenditures (\$0.047 million).
- Annualization amount of \$0.450 million of 2017 approved user fee.
- The 2018 Operating Budget also includes new revenue of \$0.079.million in user fees:
  - \$0.042 million in fees to re-enroll in the Pre-Authorized Property Tax Program; and
  - \$0.037 million in fees for notification of outstanding utility fees/charges for condo and management boards.



## Part 3

### Issues for Discussion



## Issues Impacting Future Years

### ***Purchasing and Materials Management Division (PMMD)***

- The implementation of Category Management, funded in the 2018 Budget will introduce a new strategic approach to procurement in the City. This will involve the creation of a project team to oversee the implementation and development of a category management unit, and a reorganization of the existing Corporate Purchasing Policy & Quality Assurance unit and the existing Purchasing units.
- The transformational initiative will be challenging as the Office of the Treasurer operates in a highly legislated environment. To support the transformation, consulting services will be procured to assist with the business process review, implementation, and change management support with Category Management.
- Implementation of Category Management will result in savings on the purchase of goods and services throughout the entire organization. By 2021, the anticipated annual net benefit is anticipated to be approximately \$34.1 million. In order to sustain the services and technology used for Category Management, a subscription-based Cloud service, it will be essential for City-wide to identify the appropriate metrics to track the anticipated savings and to then apply the savings to cover these costs on an ongoing basis

### ***The Supply Chain Management Transformation (SCMT) Project: Implementation***

- The SCMT project is a complex, large-scale, enterprise business transformation and technology project, implementing SAP's Software-as-a-Service Cloud Solution known as SAP Ariba. This project will enable a number of modules within SAP Ariba and enhance the City's use of the existing SAP-ECC system enabling the Purchasing and Materials Management Division (PMMD) and Accounting Services to capitalize on business process efficiencies.
- It represents a core component to improve the efficiency and effectiveness of the City's Purchasing and Materials Management purchases across the City.
- The implementation of new technology to automate the procurement process is a core component to enable PMMD's Category Management/Strategic Sourcing and Operational Transformation which will move PMMD from a transaction focused service to one that provides strategic valued added service to City Divisions. This project is also a foundation for the City's Shared Services Project.
- The project will:
  - Improve customer service to City Programs and their associated vendors, generate savings from pooled demand;
  - Improve the overall quality and timeliness of the City's procurement process, which is expected to generate greater quality and value within future procurement agreements. The procurement and accounts payable streamlining with the new vendor will automate source-to-pay activities that are currently highly manual and labour intensive, and will reduce/remove bottlenecks from current business practices;
  - Enhance the quality and the number of bids and proposals received;
  - Result in a decrease in total cycle time to conduct competitive calls and drive an improvement in service delivery by PMMD where client Programs will be able to obtain their contracts in a more timely fashion;
  - Enhance materials management functionality within the current SAP platform and is projected to improve City Stores capability and expand current service, which will involve enabling City Stores processes with web ordering for internal customers and more consistent and reliable practices to supply materials from central stores to internal customers throughout the City;

- Enable Accounts Payable to offer dynamic discounting to Vendors where the City can see savings on paying invoices if the City pays faster;
- Improve overall transparency and accountability in the procurement process through the use of a centralized database and enhanced reporting;
- Improve oversight of contract and vendor performance management through automation;
- Enable the City to move to Category Management and Strategic Sourcing.
- The City and SAP Canada have recently concluded the Master Cloud Services Agreement and Order Form for SAP Ariba to begin implementation of the Project in 2017.
- Based on cost benefit analyses, cost/service efficiency savings for PMMD is estimated at approximately 127 hours per FTE (or equivalent to 2.6 buyers). Additional savings are expected across the organization as the expected as the project is implemented.
  - Increasing the ability to capture discounts for early invoice payments may produce an additional savings of approximately \$0.200 million to \$0.300 million.
  - Cost recovery from SAP Maintenance costs (unused software) - \$2.497 million or \$0.500 million per year over 5 years.
  - Could reduce the procurement cycle time by up to 65% as evidenced by the Province when they implemented their procurement solution.

## Issues Referred to the 2018 Operating Budget Process

### *New & Enhanced Not Included in the 2018 Operating Budget*

#### User Fees

- On the recommendation of the Auditor General, City Council requested that the Director, Revenue Services, evaluate whether an administrative fee can be charged for processing water bill refunds resulting from customer payment errors. The Tax/Utility Account Refund fee is the response to that recommendation. This fee was considered through the budget process but not approved.

| New / Enhanced Not included in the 2018 Preliminary Operating Budget (000s) | 2018 Impact |             |          | Incremental Change |      |           |      |
|---|-------------|-------------|----------|--------------------|------|-----------|------|
|   | \$          |             | Position | 2019 Plan          |      | 2020 Plan |      |
|   | Gross       | Net         | #        | Net                | Pos. | Net       | Pos. |
| <b>New Revenue</b>  |             |             |          |                    |      |           |      |
| <i>New Fees:</i>  |             |             |          |                    |      |           |      |
| Tax/Utility Account Refund fee  |             | 54.0        |          | 10.8               |      |           |      |
| <b>Total New Revenue</b>  |             | <b>54.0</b> |          | <b>10.8</b>        |      |           |      |
| <b>Total New / Enhanced Services</b>  |             | <b>54.0</b> |          | <b>5.6</b>         |      |           |      |



# Appendices

## Appendix 1

### 2017 Service Performance

#### Key Service Accomplishments

In 2017, the Office of the Treasurer accomplished the following:

- ✓ Implementation of enhanced Employee Self-Service functionality and implementation of Manager Self-Service functionality to automate payroll business processes through electronic work flow to reduce the reliance on paper and manual processes.
- ✓ Implementation of an updated SAP cross application time keeping system (CATs) across the City and implemented a Time Attendance and Scheduling System for Parks, Forestry & Recreation (PFR) and Toronto Paramedic Services.
- ✓ Initiated the implementation of eTime Self reporting functionality to approximately 11 Divisions involving 1,700 employees.
- ✓ Monitored Employee benefits and trends in order to recommend changes to the plan design to ensure on-going financial sustainability.
- ✓ Successfully transitioned approximately 80,000 employees, retirees and dependents to the new benefits carrier, Green Shield Canada, for health and dental plan administration. Continued to manage the transition issues with employees, Unions and work with the carrier to address any benefit plan issues.
- ✓ Continued to provide purchasing services at best value in support of public programs and service delivery through the application of open, fair, equitable and accessible procurement processes and practices.
- ✓ Provided materials management and warehousing services in support of public programs and service delivery.
- ✓ Completed the consolidation of the City's corporate warehouses, reducing it from 3 warehouses into 1 warehouse at 799 Islington Avenue.
- ✓ As part of the Category Management/Strategic Sourcing and Operations Transformation of PMMD, completed the Current State Assessment, Blue printing of all modules, launched a pilot project for the Sourcing and Contract management module.
- ✓ As part of the Category Management/Strategic Sourcing and Operational Transformation, launched the Project Management Office and issued the RFP for external consultant services.
- ✓ Recognized by the Canadian Gay and Lesbian Chamber of Commerce with the 2017 Program Supplier Diversity Policy as part of the City's Social Procurement Program.
- ✓ Provided financial reporting, control and advisory services that add value and ensure compliance with accounting standards, relevant legislation and Council policies.
- ✓ Supported the sustainment, improvement and protection of the integrity of the City's financial and payroll system (SAP), including testing, training, user support, and system upgrades.
- ✓ Developed a strategy and action plan to standardized invoicing and accounts receivable management.
- ✓ Managed sales tax compliance and reporting, provided training, advice and support to Divisions on sales tax matters, and filed monthly sales tax returns for rebates and recoveries.
- ✓ Implemented Full Service portfolios and Corporate Accounts Payable Key Performance Indicators (KPI's) metrics and other relevant reports for client divisions on the accounting intranet web site.
- ✓ Received the CAnFR Award for financial reporting on the 2016 Annual Financial Report from the Government Financial Officer's Association (GFOA) for the 11<sup>th</sup> year in a row.
- ✓ Launched a new online self-service website to order tax and utility certificates, reducing the turnaround time for requests from 14 days to 2 days through automation and credit card pre-payment.
- ✓ Successfully launched new Administrative Penalty System (APS) for parking violations, in partnership with Court Services, Legal Services and Toronto Police Service, to move parking ticket disputes out of the provincial court system to a City-administered process. The new APS system provides a more cost-effective and responsive method to dispute parking violations that allows disputes to be resolved either online or in-person.
- ✓ Implemented a Municipal Land Transfer Tax (MLTT) rate structure harmonization with the Provincial Land Transfer Tax (LTT).
- ✓ Implemented the new City Building Fund levy on the final 2017 property tax bills, as adopted by Council

## Appendix 2

### 2018 Operating Budget by Expenditure Category

#### Program Summary by Expenditure Category

| Category of Expense<br>(\$000's)         | 2015            | 2016            | 2017            | 2017            | 2018            | 2018 Change from |               | Plan            |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|---------------|-----------------|-----------------|
|  | Actual          | Actual          | Budget          | Projected       | Budget          | 2017 Approved    |               | 20119           | 2020            |
|  | \$              | \$              | \$              | Actual *        | \$              | \$               | %             | \$              | \$              |
| Salaries And Benefits                    | 57,974.3        | 56,881.4        | 58,627.1        | 57,384.0        | 60,350.8        | 1,723.8          | 2.9%          | 62,680.8        | 62,931.6        |
| Materials & Supplies                     | 157.3           | 166.1           | 213.8           | 206.7           | 222.8           | 9.0              | 4.2%          | 229.2           | 229.6           |
| Equipment                                | 61.2            | 59.1            | 129.3           | 142.1           | 89.3            | (40.0)           | (30.9%)       | 589.3           | 589.3           |
| Service And Rent                         | 7,063.7         | 7,702.3         | 8,647.9         | 7,306.3         | 10,112.2        | 1,464.4          | 16.9%         | 10,112.2        | 10,112.2        |
| Contribution To Reserves/Reserve Funds   | 129.0           | 129.0           | 138.9           | 138.9           | 138.9           |                  |               | 138.9           | 138.9           |
| Other Expenditures                       | 1,567.2         | 1,888.5         | 2,009.5         | 2,339.6         | 2,057.8         | 48.3             | 2.4%          | 2,057.8         | 2,057.8         |
| Inter-Divisional Charges                 | 2,417.6         | 2,898.1         | 2,447.9         | 2,625.0         | 2,605.0         | 157.2            | 6.4%          | 2,627.5         | 2,638.6         |
| <b>Total Gross Expenditures</b>          | <b>69,370.4</b> | <b>69,724.5</b> | <b>72,214.3</b> | <b>70,142.6</b> | <b>75,576.9</b> | <b>3,362.6</b>   | <b>4.7%</b>   | <b>78,435.6</b> | <b>78,697.9</b> |
| Inter-Divisional Recoveries              | 22,955.2        | 22,445.9        | 23,695.1        | 23,682.5        | 23,645.6        | (49.5)           | (0.2%)        | 23,799.5        | 23,814.1        |
| User Fees & Donations                    | 11,814.6        | 13,499.3        | 13,320.8        | 13,820.5        | 13,851.4        | 530.6            | 4.0%          | 13,875.6        | 13,875.6        |
| Transfers From Capital                   | 1,828.3         | 3,149.6         | 1,078.6         | 1,976.0         | 2,149.6         | 1,071.0          | 99.3%         | 1,954.9         | 1,645.3         |
| Contribution From Reserves/Reserve Funds | 278.8           | 341.7           | 2,359.4         | 160.0           | 4,044.5         | 1,685.1          | 71.4%         | 4,125.3         | 3,907.3         |
| Sundry and Other Revenues                | 4,207.6         | 3,997.5         | 3,693.4         | 3,692.7         | 3,818.9         | 125.5            | 3.4%          | 3,818.9         | 3,818.9         |
| <b>Total Revenues</b>                    | <b>41,084.4</b> | <b>43,433.9</b> | <b>44,147.3</b> | <b>43,331.7</b> | <b>47,510.0</b> | <b>3,362.7</b>   | <b>7.6%</b>   | <b>47,574.2</b> | <b>47,061.2</b> |
| <b>Total Net Expenditures</b>            | <b>28,286.0</b> | <b>26,290.6</b> | <b>28,067.0</b> | <b>26,810.9</b> | <b>28,066.8</b> | <b>(0.1)</b>     | <b>(0.0%)</b> | <b>30,861.4</b> | <b>31,636.7</b> |
| <b>Approved Positions</b>                |                 | <b>632.2</b>    | <b>645.2</b>    | <b>608.2</b>    | <b>657.2</b>    | <b>12.0</b>      | <b>1.9%</b>   | <b>655.2</b>    | <b>648.2</b>    |

\* Based on the 9-month Operating Variance Report

For additional information regarding the 2017 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, 2017" considered by City Council at its meeting on November 28, 2017.

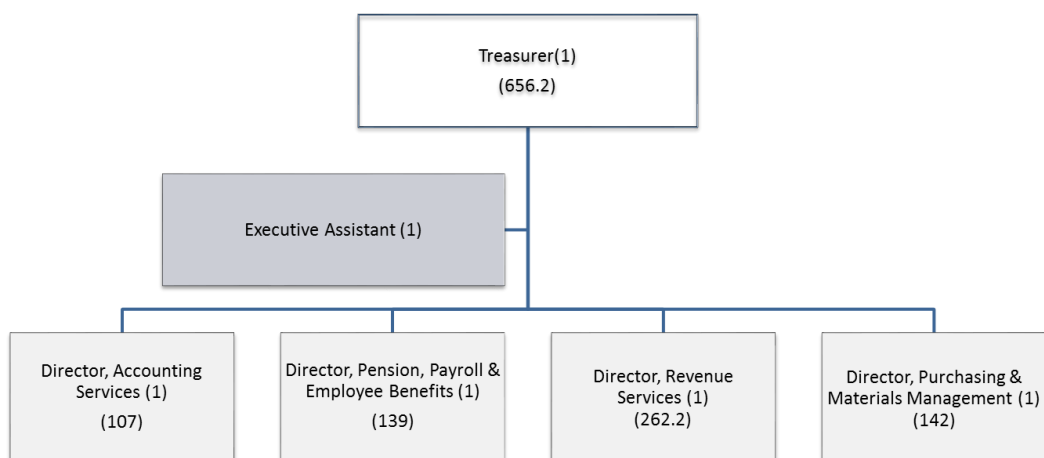
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

#### Impact of 2017 Operating Variance on the 2018 Operating Budget

- As the projected savings in 2017 are primarily non-recurring due to delays in filling vacant positions, the 2017 Operating Variance has no impact on the 2018 Operating Budget

## Appendix 3

### 2018 Organization Chart



### 2018 Total Complement

|                    | Category               | Senior Management | Management with Direct Reports | Management without Direct Reports/Exempt Professional & Clerical | Union        | Total        |
|--------------------|------------------------|-------------------|--------------------------------|--|--------------|--------------|
| Operating          | Permanent              | 5.0               | 70.0                           | 52.0   | 485.0        | 612.0        |
|                    | Temporary              |                   | 1.0                            | 4.0  | 20.2         | 25.2         |
|                    | <b>Total Operating</b> | 5.0               | 71.0                           | 56.0   | 505.2        | 637.2        |
| Capital            | Permanent              |                   |                                | 2.0  |              | 2.0          |
|                    | Temporary              |                   | 1.0                            | 13.0   | 4.0          | 18.0         |
|                    | <b>Total Capital</b>   |                   |                                | 15.0   | 4.0          | 20.0         |
| <b>Grand Total</b> |                        | <b>5.0</b>        | <b>71.0</b>                    | <b>71.0</b>  | <b>509.2</b> | <b>657.2</b> |

## **Appendix 4**

### **Summary of 2018 Service Changes**

# 2018 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

| Form ID  |                  | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |          |          |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|--|------------------|--|----------------------|----------|----------|-----------------------|-------------------------|-------------------------|
| Category   | Equity<br>Impact |  | Gross<br>Expenditure | Revenue  | Net      | Approved<br>Positions |                         |                         |
| 2018 Council Approved Base Budget Before Service Change: |                  |  | 75,916.8             | 47,390.6 | 28,526.2 | 663.20                | 2,923.7                 | 785.5                   |

|       |  |
|-------|--|
| 14400 | Accounting Services Division Position Deletion |
|-------|--|

|    |           |                     |
|----|-----------|---------------------|
| 51 | No Impact | <b>Description:</b> |
|----|-----------|---------------------|

**Service Level Impact:**

**Equity Statement:**

**Service:** ASD-Payment Processing

|  |               |            |               |               |              |              |
|--|---------------|------------|---------------|---------------|--------------|--------------|
| Preliminary Service Changes:                   | (91.2)        | 0.0        | (91.2)        | (1.00)        | (1.4)        | (0.4)        |
| BC Recommended Changes:                        | 0.0           | 0.0        | 0.0           | 0.00          | 0.0          | 0.0          |
| EC Recommended Changes:                        | 0.0           | 0.0        | 0.0           | 0.00          | 0.0          | 0.0          |
| CC Recommended Changes:                        | 0.0           | 0.0        | 0.0           | 0.00          | 0.0          | 0.0          |
| Total Council Recommended:                     | (91.2)        | 0.0        | (91.2)        | (1.00)        | (1.4)        | (0.4)        |
| <b>Total Preliminary Service Changes:</b>      | <b>(91.2)</b> | <b>0.0</b> | <b>(91.2)</b> | <b>(1.00)</b> | <b>(1.4)</b> | <b>(0.4)</b> |
| <b>Budget Committee Recommended:</b>           | <b>0.0</b>    | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>   | <b>0.0</b>   |
| <b>Executive Committee Recommended:</b>        | <b>0.0</b>    | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>   | <b>0.0</b>   |
| <b>City Council Approved:</b>                  | <b>0.0</b>    | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>   | <b>0.0</b>   |
| <b>Total Council Approved Service Changes:</b> | <b>(91.2)</b> | <b>0.0</b> | <b>(91.2)</b> | <b>(1.00)</b> | <b>(1.4)</b> | <b>(0.4)</b> |

|       |  |
|-------|--|
| 14446 | Deletion of positions in Revenue Services Division |
|-------|--|

|    |           |                     |
|----|-----------|---------------------|
| 51 | No Impact | <b>Description:</b> |
|----|-----------|---------------------|



# 2018 Operating Budget - Council Approved Service Changes

## Summary by Service (\$000's)

| Form ID   |                  | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |         |         |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|---|------------------|--|----------------------|---------|---------|-----------------------|-------------------------|-------------------------|
| Category  | Equity<br>Impact |  | Gross<br>Expenditure | Revenue | Net     | Approved<br>Positions |                         |                         |
| Service Level Impact:                                     |                  |  |                      |         |         |                       |                         |                         |
| Equity Statement:   |                  |  |                      |         |         |                       |                         |                         |
| Service: RS-Property Tax Billing                          |                  |  |                      |         |         |                       |                         |                         |
|   |                  | Preliminary Service Changes:                                     | (27.6)               | 0.0     | (27.6)  | (0.45)                | (6.0)                   | (0.2)                   |
|   |                  | BC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | EC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | CC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | Total Council Recommended:                                       | (27.6)               | 0.0     | (27.6)  | (0.45)                | (6.0)                   | (0.2)                   |
| Service: RS-Revenue Accounting & Collection               |                  |  |                      |         |         |                       |                         |                         |
|   |                  | Preliminary Service Changes:                                     | (126.2)              | 0.0     | (126.2) | (2.00)                | (13.7)                  | (0.7)                   |
|   |                  | BC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | EC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | CC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | Total Council Recommended:                                       | (126.2)              | 0.0     | (126.2) | (2.00)                | (13.7)                  | (0.7)                   |
| Service: RS-Tax, Utility & Parking Ticket Client Services |                  |  |                      |         |         |                       |                         |                         |
|   |                  | Preliminary Service Changes:                                     | (87.7)               | (120.8) | 33.1    | (1.55)                | (20.7)                  | (0.6)                   |
|   |                  | BC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | EC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | CC Recommended Changes:  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | Total Council Recommended:                                       | (87.7)               | (120.8) | 33.1    | (1.55)                | (20.7)                  | (0.6)                   |
|   |                  | Total Preliminary Service Changes:                               | (241.5)              | (120.8) | (120.8) | (4.00)                | (40.5)                  | (1.5)                   |
|   |                  | Budget Committee Recommended:                                    | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |
|   |                  | Executive Committee Recommended:                                 | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |

Category:

51 - Efficiency Change    52 - Revenue Change    59 - Service Change

# 2018 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

| Form ID                                 |                  | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |         |         |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |  |
|---|------------------|--|----------------------|---------|---------|-----------------------|-------------------------|-------------------------|--|
| Category                                | Equity<br>Impact |  | Gross<br>Expenditure | Revenue | Net     | Approved<br>Positions |                         |                         |  |
| City Council Approved:                  |                  |  | 0.0                  | 0.0     | 0.0     | 0.00                  | 0.0                     | 0.0                     |  |
| Total Council Approved Service Changes: |                  |  | (241.5)              | (120.8) | (120.8) | (4.00)                | (40.5)                  | (1.5)                   |  |

|       |   |              |
|-------|---|--------------|
| 14449 | Reduction of positons in Revenue Services |              |
| 51    | No Impact                                 | Description: |

## Service Level Impact:

## Equity Statement:

### Service: RS-Revenue Accounting & Collection

|                              |        |     |        |        |       |       |
|------------------------------|--------|-----|--------|--------|-------|-------|
| Preliminary Service Changes: | (68.2) | 0.0 | (68.2) | (1.00) | (1.0) | (0.4) |
| BC Recommended Changes:      | 0.0    | 0.0 | 0.0    | 0.00   | 0.0   | 0.0   |
| EC Recommended Changes:      | 0.0    | 0.0 | 0.0    | 0.00   | 0.0   | 0.0   |
| CC Recommended Changes:      | 0.0    | 0.0 | 0.0    | 0.00   | 0.0   | 0.0   |
| Total Council Recommended:   | (68.2) | 0.0 | (68.2) | (1.00) | (1.0) | (0.4) |

### Service: RS-Tax, Utility & Parking Ticket Client Services

|                              |        |        |        |        |        |       |
|------------------------------|--------|--------|--------|--------|--------|-------|
| Preliminary Service Changes: | (93.0) | (80.6) | (12.4) | (1.00) | (34.0) | (3.9) |
| BC Recommended Changes:      | 0.0    | 0.0    | 0.0    | 0.00   | 0.0    | 0.0   |
| EC Recommended Changes:      | 0.0    | 0.0    | 0.0    | 0.00   | 0.0    | 0.0   |
| CC Recommended Changes:      | 0.0    | 0.0    | 0.0    | 0.00   | 0.0    | 0.0   |
| Total Council Recommended:   | (93.0) | (80.6) | (12.4) | (1.00) | (34.0) | (3.9) |

|   |                |               |               |               |               |              |
|---|----------------|---------------|---------------|---------------|---------------|--------------|
| <b>Total Preliminary Service Changes:</b> | <b>(161.2)</b> | <b>(80.6)</b> | <b>(80.6)</b> | <b>(2.00)</b> | <b>(35.0)</b> | <b>(4.2)</b> |
| <b>Budget Committee Recommended:</b>      | <b>0.0</b>     | <b>0.0</b>    | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>    | <b>0.0</b>   |
| <b>Executive Committee Recommended:</b>   | <b>0.0</b>     | <b>0.0</b>    | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>    | <b>0.0</b>   |

## Category:

51 - Efficiency Change    52 - Revenue Change    59 - Service Change

# 2018 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

| Form ID                                 |                  | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |         |        |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |  |
|---|------------------|--|----------------------|---------|--------|-----------------------|-------------------------|-------------------------|--|
| Category                                | Equity<br>Impact |  | Gross<br>Expenditure | Revenue | Net    | Approved<br>Positions |                         |                         |  |
| City Council Approved:                  |                  |  | 0.0                  | 0.0     | 0.0    | 0.00                  | 0.0                     | 0.0                     |  |
| Total Council Approved Service Changes: |                  |  | (161.2)              | (80.6)  | (80.6) | (2.00)                | (35.0)                  | (4.2)                   |  |

|       |   |                     |
|-------|---|---------------------|
| 14451 | Repurposing positions to support PCI compliance |                     |
| 51    | No Impact                                       | <b>Description:</b> |

## Service Level Impact:

## Equity Statement:

### Service: ASD-Financial Reporting & Control

|                              |       |     |       |      |     |     |
|------------------------------|-------|-----|-------|------|-----|-----|
| Preliminary Service Changes: | 0.0   | 0.0 | 0.0   | 0.00 | 0.0 | 0.0 |
| BC Recommended Changes:      | 131.7 | 0.0 | 131.7 | 0.86 | 3.4 | 3.4 |
| EC Recommended Changes:      | 0.0   | 0.0 | 0.0   | 0.00 | 0.0 | 0.0 |
| CC Recommended Changes:      | 0.0   | 0.0 | 0.0   | 0.00 | 0.0 | 0.0 |
| Total Council Recommended:   | 131.7 | 0.0 | 131.7 | 0.86 | 3.4 | 3.4 |

### Service: ASD-Payment Processing

|                              |         |     |         |        |       |       |
|------------------------------|---------|-----|---------|--------|-------|-------|
| Preliminary Service Changes: | (42.4)  | 0.0 | (42.4)  | (1.00) | (2.0) | 0.0   |
| BC Recommended Changes:      | (140.9) | 0.0 | (140.9) | (0.92) | (3.6) | (3.7) |
| EC Recommended Changes:      | 0.0     | 0.0 | 0.0     | 0.00   | 0.0   | 0.0   |
| CC Recommended Changes:      | 0.0     | 0.0 | 0.0     | 0.00   | 0.0   | 0.0   |
| Total Council Recommended:   | (183.3) | 0.0 | (183.3) | (1.92) | (5.7) | (3.7) |

### Service: ASD-Tax & Financial System Support

## 2018 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

| Form ID  |               | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments       |            |               |                    | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|----------|---------------|--|-------------------|------------|---------------|--------------------|-------------------------|-------------------------|
| Category | Equity Impact |  | Gross Expenditure | Revenue    | Net           | Approved Positions |                         |                         |
|          |               | Preliminary Service Changes:                                     | 0.0               | 0.0        | 0.0           | 0.00               | 0.0                     | 0.0                     |
|          |               | BC Recommended Changes:  | 9.2               | 0.0        | 9.2           | 0.06               | 0.2                     | 0.2                     |
|          |               | EC Recommended Changes:  | 0.0               | 0.0        | 0.0           | 0.00               | 0.0                     | 0.0                     |
|          |               | CC Recommended Changes:  | 0.0               | 0.0        | 0.0           | 0.00               | 0.0                     | 0.0                     |
|          |               | Total Council Recommended:                                       | 9.2               | 0.0        | 9.2           | 0.06               | 0.2                     | 0.2                     |
|          |               | <b>Total Preliminary Service Changes:</b>                        | <b>(42.4)</b>     | <b>0.0</b> | <b>(42.4)</b> | <b>(1.00)</b>      | <b>(2.0)</b>            | <b>0.0</b>              |
|          |               | <b>Budget Committee Recommended:</b>                             | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>        | <b>(0.0)</b>            | <b>0.0</b>              |
|          |               | <b>Executive Committee Recommended:</b>                          | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>        | <b>0.0</b>              | <b>0.0</b>              |
|          |               | <b>City Council Approved:</b>                                    | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>        | <b>0.0</b>              | <b>0.0</b>              |
|          |               | <b>Total Council Approved Service Changes:</b>                   | <b>(42.4)</b>     | <b>0.0</b> | <b>(42.4)</b> | <b>(1.00)</b>      | <b>(2.0)</b>            | <b>0.0</b>              |

|       |   |
|-------|---|
| 14453 | Reduction of 1.0 position in Utility Billing Unit |
| 51    | No Impact   |

### Description:

### Service Level Impact:

### Equity Statement:

### Service: RS-Utility Billing

|                              |        |        |     |        |       |       |
|------------------------------|--------|--------|-----|--------|-------|-------|
| Preliminary Service Changes: | (67.7) | (67.7) | 0.0 | (1.00) | (1.0) | (0.3) |
| BC Recommended Changes:      | 0.0    | 0.0    | 0.0 | 0.00   | 0.0   | 0.0   |
| EC Recommended Changes:      | 0.0    | 0.0    | 0.0 | 0.00   | 0.0   | 0.0   |
| CC Recommended Changes:      | 0.0    | 0.0    | 0.0 | 0.00   | 0.0   | 0.0   |
| Total Council Recommended:   | (67.7) | (67.7) | 0.0 | (1.00) | (1.0) | (0.3) |

## 2018 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

| Form ID  |               | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments       |         |     |                    | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|----------|---------------|--|-------------------|---------|-----|--------------------|-------------------------|-------------------------|
| Category | Equity Impact |  | Gross Expenditure | Revenue | Net | Approved Positions |                         |                         |
|          |               |  |                   |         |     |                    |                         |                         |
|          |               | <b>Total Preliminary Service Changes:</b>                        | (67.7)            | (67.7)  | 0.0 | (1.00)             | (1.0)                   | (0.3)                   |
|          |               | <b>Budget Committee Recommended:</b>                             | 0.0               | 0.0     | 0.0 | 0.00               | 0.0                     | 0.0                     |
|          |               | <b>Executive Committee Recommended:</b>                          | 0.0               | 0.0     | 0.0 | 0.00               | 0.0                     | 0.0                     |
|          |               | <b>City Council Approved:</b>                                    | 0.0               | 0.0     | 0.0 | 0.00               | 0.0                     | 0.0                     |
|          |               | <b>Total Council Approved Service Changes:</b>                   | (67.7)            | (67.7)  | 0.0 | (1.00)             | (1.0)                   | (0.3)                   |

|       |  |                     |
|-------|--|---------------------|
| 14637 | Reduction of Position in Purchasing & Materials Management |                     |
| 51    | No Impact  | <b>Description:</b> |

### Service Level Impact:

### Equity Statement:

#### Service: PMM-Materials Management Stores & Distribution

|  |               |            |               |               |               |              |
|--|---------------|------------|---------------|---------------|---------------|--------------|
| Preliminary Service Changes:                   | (45.3)        | 0.0        | (45.3)        | (1.00)        | (22.4)        | (3.5)        |
| BC Recommended Changes:                        | 0.0           | 0.0        | 0.0           | 0.00          | 0.0           | 0.0          |
| EC Recommended Changes:                        | 0.0           | 0.0        | 0.0           | 0.00          | 0.0           | 0.0          |
| CC Recommended Changes:                        | 0.0           | 0.0        | 0.0           | 0.00          | 0.0           | 0.0          |
| Total Council Recommended:                     | (45.3)        | 0.0        | (45.3)        | (1.00)        | (22.4)        | (3.5)        |
| <b>Total Preliminary Service Changes:</b>      | <b>(45.3)</b> | <b>0.0</b> | <b>(45.3)</b> | <b>(1.00)</b> | <b>(22.4)</b> | <b>(3.5)</b> |
| <b>Budget Committee Recommended:</b>           | <b>0.0</b>    | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>    | <b>0.0</b>   |
| <b>Executive Committee Recommended:</b>        | <b>0.0</b>    | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>    | <b>0.0</b>   |
| <b>City Council Approved:</b>                  | <b>0.0</b>    | <b>0.0</b> | <b>0.0</b>    | <b>0.00</b>   | <b>0.0</b>    | <b>0.0</b>   |
| <b>Total Council Approved Service Changes:</b> | <b>(45.3)</b> | <b>0.0</b> | <b>(45.3)</b> | <b>(1.00)</b> | <b>(22.4)</b> | <b>(3.5)</b> |

## 2018 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

| Form ID                                    |               | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |                 |                 |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|--|---------------|--|----------------------|-----------------|-----------------|-----------------------|-------------------------|-------------------------|
| Category                                   | Equity Impact |  | Gross<br>Expenditure | Revenue         | Net             | Approved<br>Positions |                         |                         |
| <b>Summary:</b>                            |               |  |                      |                 |                 |                       |                         |                         |
| Preliminary Service Changes:               |               |  | (649.2)              | (269.0)         | (380.2)         | (10.00)               | (102.4)                 | (10.1)                  |
| Budget Committee Recommended:              |               |  | 0.0                  | 0.0             | 0.0             | 0.00                  | (0.0)                   | 0.0                     |
| Executive Committee Recommended:           |               |  | 0.0                  | 0.0             | 0.0             | 0.00                  | 0.0                     | 0.0                     |
| City Council Approved:                     |               |  | 0.0                  | 0.0             | 0.0             | 0.00                  | 0.0                     | 0.0                     |
| Council Approved Service Changes:          |               |  | (649.2)              | (269.0)         | (380.2)         | (10.00)               | (102.4)                 | (10.1)                  |
| <b>Total Council Approved Base Budget:</b> |               |  | <b>75,267.6</b>      | <b>47,121.6</b> | <b>28,146.0</b> | <b>653.20</b>         | <b>2,821.2</b>          | <b>775.4</b>            |

## **Appendix 5**

### **Summary of 2018 New / Enhanced Service Priorities**

# 2018 Operating Budget - Council Approved New and Enhanced Services

## Summary by Service (\$000's)

| Form ID  |                  | Chief Financial Officer                            | Adjustments          |         |     |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|----------|------------------|--|----------------------|---------|-----|-----------------------|-------------------------|-------------------------|
| Category | Equity<br>Impact |  | Gross<br>Expenditure | Revenue | Net | Approved<br>Positions |                         |                         |
|          |                  | Program - Office of the Treasurer                  |                      |         |     |                       |                         |                         |
| 15032    |                  | Merger of the City's five pension plans with OMERS |                      |         |     |                       |                         |                         |
| 72       | No Impact        | <b>Description:</b>                                |                      |         |     |                       |                         |                         |

### Service Level Impact:

### Equity Statement:

#### Service: PPEB-Employee & Retiree Benefit & OMERS Pension Compensation

|                         |      |      |     |      |       |     |
|-------------------------|------|------|-----|------|-------|-----|
| Preliminary:            | 41.9 | 41.9 | 0.0 | 0.60 | (0.0) | 0.0 |
| BC Recommended Changes: | 0.0  | 0.0  | 0.0 | 0.00 | 0.0   | 0.0 |
| EC Recommended Changes: | 0.0  | 0.0  | 0.0 | 0.00 | 0.0   | 0.0 |
| CC Recommended Changes: | 0.0  | 0.0  | 0.0 | 0.00 | 0.0   | 0.0 |
| Total Council Approved: | 41.9 | 41.9 | 0.0 | 0.60 | (0.0) | 0.0 |

#### Service: PPEB-Non – OMERS Pension Plans

|                         |       |       |     |      |     |       |
|-------------------------|-------|-------|-----|------|-----|-------|
| Preliminary:            | 167.4 | 167.4 | 0.0 | 2.40 | 0.0 | (0.0) |
| BC Recommended Changes: | 0.0   | 0.0   | 0.0 | 0.00 | 0.0 | 0.0   |
| EC Recommended Changes: | 0.0   | 0.0   | 0.0 | 0.00 | 0.0 | 0.0   |
| CC Recommended Changes: | 0.0   | 0.0   | 0.0 | 0.00 | 0.0 | 0.0   |
| Total Council Approved: | 167.4 | 167.4 | 0.0 | 2.40 | 0.0 | (0.0) |

|  |              |              |            |             |            |            |
|--|--------------|--------------|------------|-------------|------------|------------|
| <b>Total Preliminary New / Enhanced Services:</b>      | <b>209.3</b> | <b>209.3</b> | <b>0.0</b> | <b>3.00</b> | <b>0.0</b> | <b>0.0</b> |
| <b>Budget Committee Recommended:</b>                   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.00</b> | <b>0.0</b> | <b>0.0</b> |
| <b>Executive Committee Recommended:</b>                | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.00</b> | <b>0.0</b> | <b>0.0</b> |
| <b>City Council Approved:</b>                          | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.00</b> | <b>0.0</b> | <b>0.0</b> |
| <b>Total Council Approved New / Enhanced Services:</b> | <b>209.3</b> | <b>209.3</b> | <b>0.0</b> | <b>3.00</b> | <b>0.0</b> | <b>0.0</b> |

#### Category:

71 - Operating Impact of New Capital Projects

74 - New Services

72 - Enhanced Services-Service Expansion

75 - New Revenues



# 2018 Operating Budget - Council Approved New and Enhanced Services

## Summary by Service (\$000's)

| Form ID  |                  | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |         |     |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|----------|------------------|--|----------------------|---------|-----|-----------------------|-------------------------|-------------------------|
| Category | Equity<br>Impact |  | Gross<br>Expenditure | Revenue | Net | Approved<br>Positions |                         |                         |

14335 Support to the Investment Board

74 No Impact **Description:**

**Service Level Impact:**

**Equity Statement:**

**Service:** ASD-Financial Reporting & Control

|  |              |              |            |             |            |              |
|--|--------------|--------------|------------|-------------|------------|--------------|
| Preliminary:   | 100.0        | 100.0        | 0.0        | 1.00        | 0.0        | (0.0)        |
| BC Recommended Changes:                                | 0.0          | 0.0          | 0.0        | 0.00        | 0.0        | 0.0          |
| EC Recommended Changes:                                | 0.0          | 0.0          | 0.0        | 0.00        | 0.0        | 0.0          |
| CC Recommended Changes:                                | 0.0          | 0.0          | 0.0        | 0.00        | 0.0        | 0.0          |
| Total Council Approved:                                | 100.0        | 100.0        | 0.0        | 1.00        | 0.0        | (0.0)        |
| <b>Total Preliminary New / Enhanced Services:</b>      | <b>100.0</b> | <b>100.0</b> | <b>0.0</b> | <b>1.00</b> | <b>0.0</b> | <b>(0.0)</b> |
| <b>Budget Committee Recommended:</b>                   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.00</b> | <b>0.0</b> | <b>0.0</b>   |
| <b>Executive Committee Recommended:</b>                | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.00</b> | <b>0.0</b> | <b>0.0</b>   |
| <b>City Council Approved:</b>                          | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.00</b> | <b>0.0</b> | <b>0.0</b>   |
| <b>Total Council Approved New / Enhanced Services:</b> | <b>100.0</b> | <b>100.0</b> | <b>0.0</b> | <b>1.00</b> | <b>0.0</b> | <b>(0.0)</b> |

14593 Property Tax Reinstate Fee & o/s Utility Notification Fee

75 No Impact **Description:**

**Service Level Impact:**

**Category:**

71 - Operating Impact of New Capital Projects

74 - New Services

72 - Enhanced Services-Service Expansion

75 - New Revenues

# 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

| Form ID  |                  | Chief Financial Officer           | Adjustments          |         |     |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |
|----------|------------------|-----------------------------------|----------------------|---------|-----|-----------------------|-------------------------|-------------------------|
| Category | Equity<br>Impact |                                   | Gross<br>Expenditure | Revenue | Net | Approved<br>Positions |                         |                         |
|          |                  | Program - Office of the Treasurer |                      |         |     |                       |                         |                         |

## Equity Statement:

### Service: RS-Revenue Accounting & Collection

|                         |     |      |        |      |       |     |
|-------------------------|-----|------|--------|------|-------|-----|
| Preliminary:            | 0.0 | 37.5 | (37.5) | 0.00 | (7.5) | 0.0 |
| BC Recommended Changes: | 0.0 | 0.0  | 0.0    | 0.00 | 0.0   | 0.0 |
| EC Recommended Changes: | 0.0 | 0.0  | 0.0    | 0.00 | 0.0   | 0.0 |
| CC Recommended Changes: | 0.0 | 0.0  | 0.0    | 0.00 | 0.0   | 0.0 |
| Total Council Approved: | 0.0 | 37.5 | (37.5) | 0.00 | (7.5) | 0.0 |

### Service: RS-Tax, Utility & Parking Ticket Client Services

|                         |     |      |        |      |        |     |
|-------------------------|-----|------|--------|------|--------|-----|
| Preliminary:            | 0.0 | 41.7 | (41.7) | 0.00 | (16.7) | 0.0 |
| BC Recommended Changes: | 0.0 | 0.0  | 0.0    | 0.00 | 0.0    | 0.0 |
| EC Recommended Changes: | 0.0 | 0.0  | 0.0    | 0.00 | 0.0    | 0.0 |
| CC Recommended Changes: | 0.0 | 0.0  | 0.0    | 0.00 | 0.0    | 0.0 |
| Total Council Approved: | 0.0 | 41.7 | (41.7) | 0.00 | (16.7) | 0.0 |

|   |            |             |               |             |               |            |
|---|------------|-------------|---------------|-------------|---------------|------------|
| <b>Total Preliminary New / Enhanced Services:</b> | <b>0.0</b> | <b>79.2</b> | <b>(79.2)</b> | <b>0.00</b> | <b>(24.2)</b> | <b>0.0</b> |
| <b>Budget Committee Recommended:</b>              | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>    | <b>0.00</b> | <b>0.0</b>    | <b>0.0</b> |
| <b>Executive Committee Recommended:</b>           | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>    | <b>0.00</b> | <b>0.0</b>    | <b>0.0</b> |
| <b>City Council Approved:</b>                     | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>    | <b>0.00</b> | <b>0.0</b>    | <b>0.0</b> |

|  |            |             |               |             |               |            |
|--|------------|-------------|---------------|-------------|---------------|------------|
| <b>Total Council Approved New / Enhanced Services:</b> | <b>0.0</b> | <b>79.2</b> | <b>(79.2)</b> | <b>0.00</b> | <b>(24.2)</b> | <b>0.0</b> |
|--|------------|-------------|---------------|-------------|---------------|------------|

## Summary:

|   |              |              |               |             |               |              |
|---|--------------|--------------|---------------|-------------|---------------|--------------|
| <b>Preliminary New / Enhanced Services:</b> | <b>309.3</b> | <b>388.4</b> | <b>(79.2)</b> | <b>4.00</b> | <b>(24.2)</b> | <b>(0.0)</b> |
| <b>Budget Committee Recommended:</b>        | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>    | <b>0.00</b> | <b>0.0</b>    | <b>0.0</b>   |
| <b>Executive Committee Recommended:</b>     | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>    | <b>0.00</b> | <b>0.0</b>    | <b>0.0</b>   |

## Category:

71 - Operating Impact of New Capital Projects      74 - New Services  
72 - Enhanced Services-Service Expansion      75 - New Revenues

## 2018 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

| Form ID                                 |                  | Chief Financial Officer<br><br>Program - Office of the Treasurer | Adjustments          |         |        |                       | 2019 Plan<br>Net Change | 2020 Plan<br>Net Change |  |
|---|------------------|--|----------------------|---------|--------|-----------------------|-------------------------|-------------------------|--|
| Category                                | Equity<br>Impact |  | Gross<br>Expenditure | Revenue | Net    | Approved<br>Positions |                         |                         |  |
| City Council Approved:                  |                  |  | 0.0                  | 0.0     | 0.0    | 0.00                  | 0.0                     | 0.0                     |  |
| Council Approved New/Enhanced Services: |                  |  | 309.3                | 388.4   | (79.2) | 4.00                  | (24.2)                  | (0.0)                   |  |
|   |                  |  |                      |         |        |                       |                         |                         |  |

**Category:**

71 - Operating Impact of New Capital Projects  
72 - Enhanced Services-Service Expansion

74 - New Services  
75 - New Revenues

## Appendix 6

### Inflows/Outflows to/from Reserves & Reserve Funds

#### Corporate Reserve / Reserve Funds

| Reserve / Reserve Fund Name<br>(In \$000s)                | Reserve /<br>Reserve<br>Fund<br>Number | Projected<br>Balance as of<br>Dec. 31, 2017 * | Withdrawals (-) / Contributions (+) |          |          |
|---|--|---|-------------------------------------|----------|----------|
|   |  |   | 2018                                | 2019     | 2020     |
|   |  | \$  | \$                                  | \$       | \$       |
| <b>Projected Beginning Balance</b>                        |  |   | 11,822.8                            | 11,521.1 | 11,219.4 |
| Emergency Planning Reserve                                | XQ1406                                 |   |                                     |          |          |
| <i>Proposed Withdrawals (-)</i>                           |  |   | (301.7)                             | (301.7)  | (301.7)  |
| <i>Contributions (+)</i>                                  |  |   |                                     |          |          |
| <b>Total Reserve / Reserve Fund Draws / Contributions</b> |  | -   | 11,521.1                            | 11,219.4 | 10,917.6 |
| <b>Balance at Year-End</b>                                |  | 11,822.8                                      | 11,521.1                            | 11,219.4 | 10,917.6 |

\* Based on 9-month 2017 Reserve Fund Variance Report

| Reserve / Reserve Fund Name<br>(In \$000s)                | Reserve /<br>Reserve<br>Fund | Projected<br>Balance as of | Withdrawals (-) / Contributions (+) |           |           |
|---|------------------------------|----------------------------|-------------------------------------|-----------|-----------|
|   |                              |                            | 2018                                | 2019      | 2020      |
|   |                              | \$                         | \$                                  | \$        | \$        |
| <b>Projected Beginning Balance</b>                        |                              |                            | 196,058.3                           | 194,517.0 | 192,884.8 |
| Employee Retiree Ben RF City                              | XR1002                       |                            |                                     |           |           |
| <i>Proposed Withdrawals (-)</i>                           |                              |                            | (1,541.2)                           | (1,632.2) | (1,196.2) |
| <i>Contributions (+)</i>                                  |                              |                            |                                     |           |           |
| <b>Total Reserve / Reserve Fund Draws / Contributions</b> |                              | -                          | 194,517.0                           | 192,884.8 | 191,688.6 |
| <b>Balance at Year-End</b>                                |                              | 196,058.3                  | 194,517.0                           | 192,884.8 | 191,688.6 |

\* Based on 9-month 2017 Reserve Fund Variance Report

| Reserve / Reserve Fund Name<br>(In \$000s)                | Reserve /<br>Reserve<br>Fund | Projected<br>Balance as of | Withdrawals (-) / Contributions (+) |           |           |
|---|------------------------------|----------------------------|-------------------------------------|-----------|-----------|
|   |                              |                            | 2018                                | 2019      | 2020      |
|   |                              | \$                         | \$                                  | \$        | \$        |
| <b>Projected Beginning Balance</b>                        |                              |                            | 6,757.6                             | 5,757.6   | 4,757.6   |
| Innovation Reserve Fund                                   | XR1713                       |                            |                                     |           |           |
| <i>Proposed Withdrawals (-)</i>                           |                              |                            | (1,000.0)                           | (1,000.0) | (1,000.0) |
| <i>Contributions (+)</i>                                  |                              |                            |                                     |           |           |
| <b>Total Reserve / Reserve Fund Draws / Contributions</b> |                              | -                          | 5,757.6                             | 4,757.6   | 3,757.6   |
| <b>Balance at Year-End</b>                                |                              | 6,757.6                    | 5,757.6                             | 4,757.6   | 3,757.6   |

\* Based on 9-month 2017 Reserve Fund Variance Report

| Reserve / Reserve Fund Name<br>(In \$000s)                | Reserve /<br>Reserve<br>Fund | Projected<br>Balance as of | Withdrawals (-) / Contributions (+) |          |          |
|---|------------------------------|----------------------------|-------------------------------------|----------|----------|
|   |                              |                            | 2018                                | 2019     | 2020     |
|   |                              | \$                         | \$                                  | \$       | \$       |
| <b>Projected Beginning Balance</b>                        |                              |                            | 25,981.1                            | 26,069.4 | 26,157.7 |
| Insurance Reserve Fund                                    | XR1010                       |                            |                                     |          |          |
| <i>Proposed Withdrawals (-)</i>                           |                              |                            |                                     |          |          |
| <i>Contributions (+)</i>                                  |                              |                            | 88.3                                | 88.3     | 88.3     |
| <b>Total Reserve / Reserve Fund Draws / Contributions</b> |                              | -                          | 26,069.4                            | 26,157.7 | 26,246.0 |
| <b>Balance at Year-End</b>                                |                              | 25,981.1                   | 26,069.4                            | 26,157.7 | 26,246.0 |

\* Based on 9-month 2017 Reserve Fund Variance Report

| Reserve / Reserve Fund Name<br>(In \$000s)                | Reserve /<br>Reserve<br>Fund | Projected<br>Balance as of<br>\$ | Withdrawals (-) / Contributions (+) |                 |                 |
|---|------------------------------|----------------------------------|-------------------------------------|-----------------|-----------------|
|   |                              |                                  | 2018<br>\$                          | 2019<br>\$      | 2020<br>\$      |
| <b>Projected Beginning Balance</b>                        |                              |                                  | <b>40,414.2</b>                     | <b>38,931.6</b> | <b>37,449.0</b> |
| Tax Rate Stabilization Reserve                            | XQ0703                       |                                  |                                     |                 |                 |
| <i>Proposed Withdrawals (-)</i>                           |                              |                                  | (1,482.6)                           | (1,482.6)       | (1,482.6)       |
| <i>Contributions (+)</i>                                  |                              |                                  |                                     |                 |                 |
| <b>Total Reserve / Reserve Fund Draws / Contributions</b> |                              | -                                | <b>38,931.6</b>                     | <b>37,449.0</b> | <b>35,966.4</b> |
| <b>Balance at Year-End</b>                                |                              | <b>40,414.2</b>                  | <b>38,931.6</b>                     | <b>37,449.0</b> | <b>35,966.4</b> |

\* Based on 9-month 2017 Reserve Fund Variance Report

| Reserve / Reserve Fund Name<br>(In \$000s)                | Reserve /<br>Reserve<br>Fund | Projected<br>Balance as of<br>\$ | Withdrawals (-) / Contributions (+) |              |              |
|---|------------------------------|----------------------------------|-------------------------------------|--------------|--------------|
|   |                              |                                  | 2018<br>\$                          | 2019<br>\$   | 2020<br>\$   |
| <b>Projected Beginning Balance</b>                        |                              |                                  | <b>427.0</b>                        | <b>477.6</b> | <b>528.2</b> |
| Vehicle Reserve- Purchas & Materials Mgmt                 | XQ1204                       |                                  |                                     |              |              |
| <i>Proposed Withdrawals (-)</i>                           |                              |                                  |                                     |              |              |
| <i>Contributions (+)</i>                                  |                              |                                  | 50.6                                | 50.6         | 50.6         |
| <b>Total Reserve / Reserve Fund Draws / Contributions</b> |                              | -                                | <b>477.6</b>                        | <b>528.2</b> | <b>578.8</b> |
| <b>Balance at Year-End</b>                                |                              | <b>427.0</b>                     | <b>477.6</b>                        | <b>528.2</b> | <b>578.8</b> |

\* Based on 9-month 2017 Reserve Fund Variance Report

## Appendix 7a

### User Fees Adjusted for Inflation and Other

| Rate Description   | Service                           | Fee Category       | Fee Basis       | 2017          | 2018                       |                  |             | 2019      | 2020      |
|--|-----------------------------------|--------------------|-----------------|---------------|----------------------------|------------------|-------------|-----------|-----------|
|  |                                   |                    |                 | Approved Rate | Inflationary Adjusted Rate | Other Adjustment | Budget Rate | Plan Rate | Plan Rate |
| Administration charge for dishonoured cheques                  | Accounting Services               | City Policy        | Cheque          | \$40.00       |                            |                  | \$40.00     | \$40.00   | \$40.00   |
| Fee for the purchase of Call Documents less than 25 pages      | Purchasing & Materials Management | Market Based       | Document        | \$25.00       | \$0.00                     |                  | \$25.00     | \$25.00   | \$25.00   |
| Fee for the purchase of Call Documents 25-49 pages             | Purchasing & Materials Management | Market Based       | Document        | \$50.00       | \$0.00                     |                  | \$50.00     | \$50.00   | \$50.00   |
| Fee for the purchase of call documents 50 pages or more        | Purchasing & Materials Management | Market Based       | Document        | \$100.00      | \$0.00                     |                  | \$100.00    | \$100.00  | \$100.00  |
| Fees for the purchase of Call Document Drawings/Plans          | Purchasing & Materials Management | Market Based       | Document        | \$25.00       | \$0.00                     |                  | \$25.00     | \$25.00   | \$25.00   |
| Tax clearance certificate                                      | Revenue Services                  | City Policy        | Certificate     | \$65.98       | \$1.32                     |                  | \$67.30     | \$67.30   | \$67.30   |
| Prior year tax receipt   | Revenue Services                  | Full Cost Recovery | Annual          | \$17.31       | \$0.35                     |                  | \$17.66     | \$17.66   | \$17.66   |
| Tax history statement for years 1998 to present                | Revenue Services                  | Full Cost Recovery | Annual          | \$37.71       | \$0.75                     |                  | \$38.46     | \$38.46   | \$38.46   |
| Tax history statement for years prior to 1998                  | Revenue Services                  | Full Cost Recovery | Annual          | \$53.90       | \$1.08                     |                  | \$54.98     | \$54.98   | \$54.98   |
| Tax calculation statement                                      | Revenue Services                  | Full Cost Recovery | Annual          | \$53.90       | \$1.08                     |                  | \$54.98     | \$54.98   | \$54.98   |
| Dishonoured cheque processing                                  | Revenue Services                  | City Policy        | Cheque          | \$40.00       | \$0.00                     |                  | \$40.00     | \$40.00   | \$40.00   |
| Stmnt: due txes-tx arrear >\$100.00 remain on property tx acct | Revenue Services                  | Full Cost Recovery | Document        | \$17.31       | \$0.35                     |                  | \$17.66     | \$17.66   | \$17.66   |
| Tax apportionment application                                  | Revenue Services                  | Full Cost Recovery | Application     | \$53.90       | \$1.08                     |                  | \$54.98     | \$54.98   | \$54.98   |
| Municipal charges added to the tax roll                        | Revenue Services                  | Full Cost Recovery | Transaction     | \$53.90       | \$1.08                     |                  | \$54.98     | \$54.98   | \$54.98   |
| Tax status verification  | Revenue Services                  | Market Based       | Case            | \$26.95       | \$0.54                     |                  | \$27.49     | \$27.49   | \$27.49   |
| Overdue water charges added to the tax roll                    | Revenue Services                  | Full Cost Recovery | Late Charge     | \$37.71       | \$0.75                     |                  | \$38.46     | \$38.46   | \$38.46   |
| Use Interactive Voice Response System (IVR): make payment      | Revenue Services                  | Full Cost Recovery | Transaction     | \$2.00        | \$0.00                     |                  | \$2.00      | \$2.00    | \$2.00    |
| Internet-based parking ticket payment                          | Revenue Services                  | Market Based       | Transaction     | \$1.50        | \$0.00                     |                  | \$1.50      | \$1.50    | \$1.50    |
| Screen printout/photocopy of documents/materials               | Revenue Services                  | Full Cost Recovery | Page            | \$1.00        | \$0.00                     |                  | \$1.00      | \$1.00    | \$1.00    |
| Final notice for overdue property tax accounts                 | Revenue Services                  | Full Cost Recovery | Notice          | \$22.69       | \$0.45                     |                  | \$23.14     | \$23.14   | \$23.14   |
| Notice of Issuance to Bailiff                                  | Revenue Services                  | Full Cost Recovery | Notice          | \$60.39       | \$1.21                     |                  | \$61.60     | \$61.60   | \$61.60   |
| New account set-up fee for water/utility accounts              | Revenue Services                  | Full Cost Recovery | Transaction     | \$66.28       | \$1.33                     |                  | \$67.61     | \$67.61   | \$67.61   |
| Duplicate utility bill   | Revenue Services                  | Full Cost Recovery | Additional Bill | \$17.71       | \$0.35                     |                  | \$18.06     | \$18.06   | \$18.06   |

| Rate Description   | Service          | Fee Category       | Fee Basis  | 2017          | 2018                       |                  |             | 2019       | 2020       |
|--|------------------|--------------------|--|---------------|----------------------------|------------------|-------------|------------|------------|
|  |                  |                    |  | Approved Rate | Inflationary Adjusted Rate | Other Adjustment | Budget Rate | Plan Rate  | Plan Rate  |
| New property tax account set up fee                                    | Revenue Services | Full Cost Recovery | Account  | \$53.90       | \$1.08                     |                  | \$54.98     | \$54.98    | \$54.98    |
| Procuring MLTT rfind appli:electronic register conveyances             | Revenue Services | Full Cost Recovery | Application  | \$161.59      | \$3.23                     |                  | \$164.82    | \$164.82   | \$164.82   |
| Proc tx rfind:>pmt remaine property tx acct 2+yrs & result/ac          | Revenue Services | Full Cost Recovery | Transaction  | \$37.71       | \$0.75                     |                  | \$38.46     | \$38.46    | \$38.46    |
| Ownership updates on property tax accounts                             | Revenue Services | Full Cost Recovery | Account/Change   | \$37.71       | \$0.75                     |                  | \$38.46     | \$38.46    | \$38.46    |
| Ownership updates on tax & utility account                             | Revenue Services | Full Cost Recovery | Account/Change   | \$53.90       | \$1.08                     |                  | \$54.98     | \$54.98    | \$54.98    |
| Rfind transfer:cr bal' stat, prof rep.act behalf of taxpayer           | Revenue Services | Full Cost Recovery | Case   | \$37.71       | \$0.75                     |                  | \$38.46     | \$38.46    | \$38.46    |
| Registration of Tax Arrears Certificate                                | Revenue Services | Full Cost Recovery | Fee+Actual Costs, Incl Title/Execution Searches+Registration | \$1,035.96    | \$20.72                    |                  | \$1,056.68  | \$1,056.68 | \$1,056.68 |
| Preparation & Notice of Registration                                   | Revenue Services | Full Cost Recovery | Notice + Actual Costs  | \$34.87       | \$0.70                     |                  | \$35.57     | \$35.57    | \$35.57    |
| Preparation of Statutory Declaration                                   | Revenue Services | Full Cost Recovery | Case   | \$205.94      | \$4.12                     |                  | \$210.06    | \$210.06   | \$210.06   |
| Prep/Registration: Tax Arrears Cancellation Certificate                | Revenue Services | Full Cost Recovery | Fee + Actual Costs   | \$235.48      | \$4.71                     |                  | \$240.19    | \$240.19   | \$240.19   |
| Execution of Extension Agreement                                       | Revenue Services | Full Cost Recovery | Document   | \$1,115.13    | \$22.30                    |                  | \$1,137.43  | \$1,137.43 | \$1,137.43 |
| Preparation of Final Notice  | Revenue Services | Full Cost Recovery | Notice + Actual Costs  | \$34.87       | \$0.70                     |                  | \$35.57     | \$35.57    | \$35.57    |
| Preliminary Observation Report   | Revenue Services | Full Cost Recovery | Report   | \$343.22      | \$6.86                     |                  | \$350.08    | \$350.08   | \$350.08   |
| Preparation of Tender Forms For Public Sale                            | Revenue Services | Full Cost Recovery | Notice   | \$34.87       | \$0.70                     |                  | \$35.57     | \$35.57    | \$35.57    |
| Public Tender Application  | Revenue Services | Full Cost Recovery | Application  | \$34.87       | \$0.70                     |                  | \$35.57     | \$35.57    | \$35.57    |
| Sale by Public Tender  | Revenue Services | Full Cost Recovery | Fee + Actual Costs   | \$976.84      | \$19.54                    |                  | \$996.38    | \$996.38   | \$996.38   |
| Preparation of Land Transfer Payment into Court and Statement of Facts | Revenue Services | Full Cost Recovery | Fee + Actual Costs   | \$1,418.21    | \$28.36                    |                  | \$1,446.57  | \$1,446.57 | \$1,446.57 |
| Farm Debt Review Board   | Revenue Services | Full Cost Recovery | Review + Actual Cost   | \$34.87       | \$0.70                     |                  | \$35.57     | \$35.57    | \$35.57    |
| Utility clearance certificate  | Revenue Services | City Policy        | Certificate  | \$50.75       | \$1.02                     |                  | \$51.77     | \$51.77    | \$51.77    |
| Re-Print Fee for duplicate Tax and Utility Bills                       | Revenue Services | Full Cost Recovery | Actual Cost  | \$17.97       | \$0.36                     |                  | \$18.33     | \$18.33    | \$18.33    |
| Payment Re-Distribution Fee  | Revenue Services | Full Cost Recovery | Actual Cost  | \$42.27       | \$0.85                     |                  | \$43.12     | \$43.12    | \$43.12    |
| Tax Sale Proceeding - Site Visit Fee                                   | Revenue Services | Full Cost Recovery | Actual Cost  | \$205.94      | \$4.12                     |                  | \$210.06    | \$210.06   | \$210.06   |
| Fee for Mortgage Company Administration                                | Revenue Services | Full Cost Recovery | Actual Cost  | \$10.00       | \$0.20                     |                  | \$10.20     | \$10.20    | \$10.20    |
| User fee applied to MLTT transactions                                  | Revenue Services | Full Cost Recovery | Transaction  | \$75.00       | \$0.00                     |                  | \$75.00     | \$75.00    | \$75.00    |
| User fee for paper transcript of hearing before a Hearing Of           | Revenue Services | Full Cost Recovery | Page   | \$6.00        | \$0.00                     |                  | \$6.00      | \$6.00     | \$6.00     |
| CD of hearing APS - Per single days' recording                         | Revenue Services | Full Cost Recovery | Day  | \$20.00       | \$0.00                     |                  | \$20.00     | \$20.00    | \$20.00    |
| CD of hearing APS - Each additional day, after the first day           | Revenue Services | Full Cost Recovery | Day  | \$10.00       | \$0.00                     |                  | \$10.00     | \$10.00    | \$10.00    |
| Hearing Non-Appearance User Fee  | Revenue Services | Full Cost Recovery | Each   | \$75.00       | \$0.00                     |                  | \$75.00     | \$75.00    | \$75.00    |
| Screening Non-Appearance User Fee                                      | Revenue Services | Full Cost Recovery | Each   | \$50.00       | \$0.00                     |                  | \$50.00     | \$50.00    | \$50.00    |
| User fee for Plate Denial Enforcement                                  | Revenue Services | Full Cost Recovery | Each   | \$25.00       | \$0.00                     |                  | \$25.00     | \$25.00    | \$25.00    |
| User fee for search for vehicle owner or address information           | Revenue Services | Full Cost Recovery | Each   | \$10.00       | \$0.00                     |                  | \$10.00     | \$10.00    | \$10.00    |
| Late payment fee applied to APS transactions                           | Revenue Services | Full Cost Recovery | Transaction  | \$25.00       | \$0.00                     |                  | \$25.00     | \$25.00    | \$25.00    |

## Appendix 7b

### New User Fees

| Rate Description                                     | Service          | Fee Category       | Fee Basis   | 2018 Budget Rate | 2019 Plan Rate | 2020 Plan Rate |
|--|------------------|--------------------|-------------|------------------|----------------|----------------|
| PTP Reinstatement Fee - to re-enroll                 | Revenue Services | Full Cost Recovery | Transaction | \$25.00          | \$25.00        | \$25.00        |
| O/S utility fees/charges for condo/management boards | Revenue Services | Full Cost Recovery | Transaction | \$30.00          | \$30.00        | \$30.00        |