

- ADDENDUM -

**Corporate Administration, Finance & Enterprise Committee
Council Chambers**

- June 11, 2011 -

2011 Court Services Annual Report (CAFE Consent Report A.26)

- Presentation

Implementing the Corporate Strategic Plan: 2012 Funding Requirements for Six Initiatives (CAFE Consent Report A.27)

2011 Year End Variance Report and Operating Surplus Allocation (CAFE Consent Report A.28)

Employee Compensation Reserve Review (CAFE Consent Report A.29)

2011 Operating Reserve Review and Reallocation (CAFE Consent Report A.30)

- Overview of Reports Presentation
- May 22, 2012 Governance Committee Report – Corporate Strategic Plan (CSP) Framework 2012-2016

Court Services Annual Report 2011

Public Access to Justice

The public's access to justice, guaranteed by the *Canadian Charter of Rights and Freedoms*, should be reflected in facility, administrative and prosecutorial services that continuously improve public access.

Community Impact

Community impact includes the Court's decisions regarding compliance with societal expectations and standards of behaviour and its effectiveness in ensuring compliance with sentences imposed.

Local Justice System

Streamlined processes, operational innovations and efficiency initiatives should reflect system improvements in areas of final case disposition rates and effective management of court time and case loads.

Business & Service Excellence

Providing best in class business and service excellence through effective use of technology and the implementation of innovative systems and procedural solutions towards continuous improvement of court operations and cost controls.

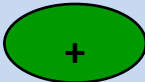
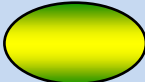
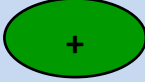


Court Services Dashboard

2011



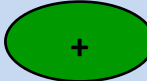


Public Access to Justice

- Public Access (Service Transactions) 
- Transcript Production 
- Time to Trial 

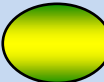

Community Impact

- Charges Filed 
- Tickets Paid 
- Tickets Disputed 
- Defaulted Fines 

Local Justice System

- Final Case Disposition 
- Early Resolutions 
- Adjournments 

Business & Service Excellence

- Employee/Case Ratio 
- Costs/Revenues 

	In Support of...	Measure	Target	Initiatives
Value Creation	Public Access to Justice	Public Access (service transactions)	(-5%) In-person contact (+5%) Remote transactions	<ul style="list-style-type: none"> Patron reception initiative Phone, email and fax payments Upgrade speed of financial transaction hardware On-line court application processes Additional counter service station dedicated to defaulted fine transactions
		Transcript Production	80 maximum	<ul style="list-style-type: none"> Use of on-line audio for judiciary Revised staff scheduling to maintain production
		Time to Trial	195 days (provincial average)	<ul style="list-style-type: none"> New summons procedures for certain offences Revised resolution process Expedited disclosure from enforcement agencies
	Community Impact	Charges Filed	30,000 per year	
		Tickets Paid (within 90 days)	55-65% 2012 (+ 1%)	<ul style="list-style-type: none"> Increase payment opportunities and methods
		Tickets Disputed	20%	<ul style="list-style-type: none"> Increase participation in early resolution meetings
		Defaulted Fines (Sentences Enforced)	15% (max)	<ul style="list-style-type: none"> 14% in 2011 Enhance collection measures

		In Support of...	Measure	Target	Initiatives
Value Creation	Local Justice System		Final Case Dispositions	Increase volume by 100 cases/yr	<ul style="list-style-type: none"> 91 in 2011 Reduce adjournments Increase payments of defaulted fines
			Early Resolutions	45-50% Participation	<ul style="list-style-type: none"> 46% participation rate in 2011. Enhance use of technology for meetings remotely by audio/video
			Adjournments	20% maximum	<ul style="list-style-type: none"> Maintain case management of trial courts Ensure efficiencies in other areas to reduce adjournments
Cost Control	Business & Service Excellence		Employee/Case Ratio	Provincial Standard 1:5,000-6,000 cases	<ul style="list-style-type: none"> Ensure staff resources Enhance use of technology to reduce workload
			Costs	Max. 50% of Gross Revenue	<ul style="list-style-type: none"> Continue to investigate cost efficiencies through use of technology and process streamlining
			Revenue	At least \$3.5M/yr	<ul style="list-style-type: none"> Enforcement of defaulted fines

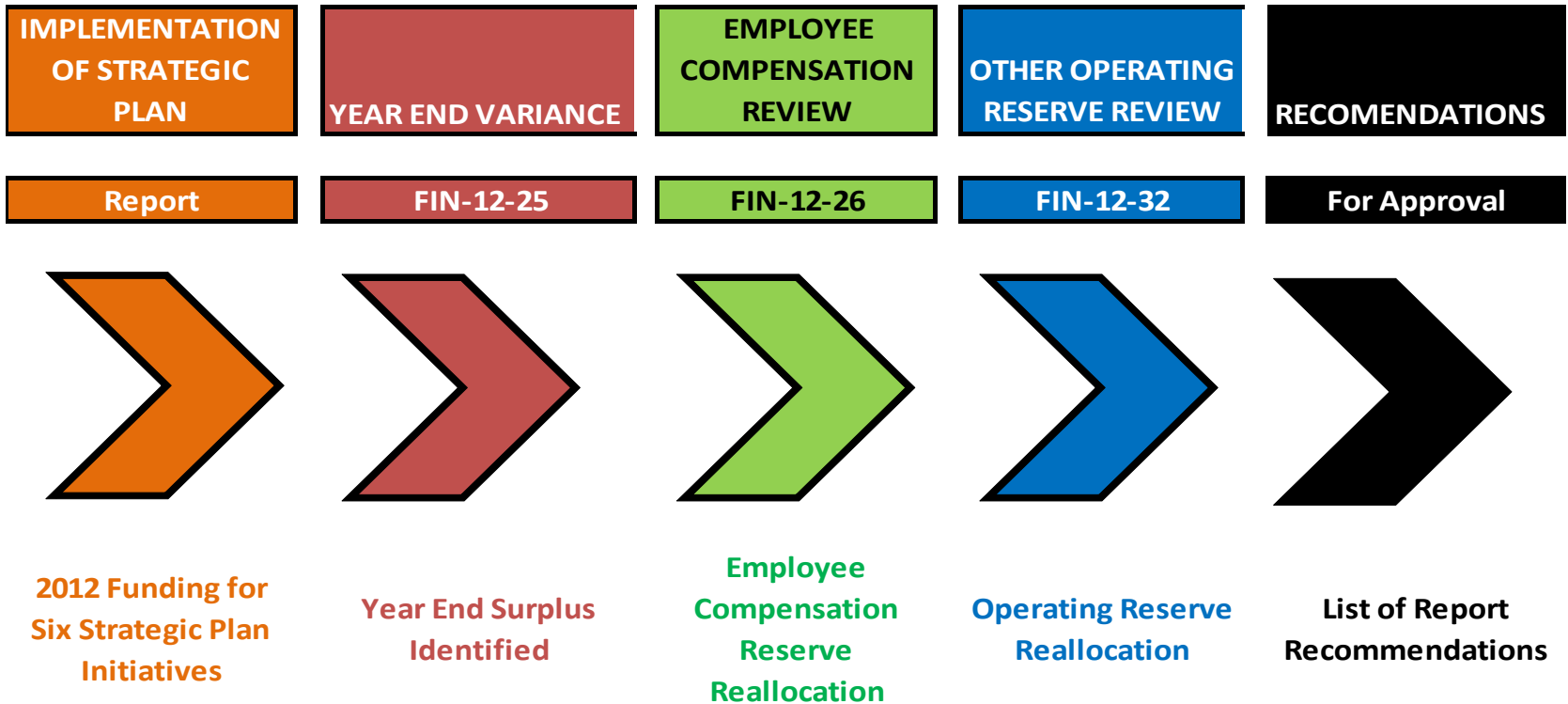
CAFE Committee – June 11th, 2012

Overview of Reports

Strategic Initiatives and Funding Strategy

1. **Implementing the Corporate Strategic Plan: 2012**
Funding Requirements for Six Initiatives
2. **FIN-12-25** – 2011 Year End Variance Report &
Operating Surplus Allocation
3. **FIN-12-26** – Employee Compensation Reserve Review
4. **FIN-12-32** – 2011 Operating Reserve Review and
Reallocation

Strategic Initiatives Funding Strategy Reports Overview



Report 1: Implementing the Strategic Plan

2012 Funding Requirements for Six Initiatives

Corporate Strategic Plan Framework



Strategic Initiatives

- 50 strategic initiatives that enable city building, innovation in local government and organizational excellence
- A complement to the capital plan
- Six require 2012-2014 funding to begin implementation

Risks of Not Proceeding

- Lost momentum on Council endorsed directions
i.e. Community Wellbeing Initiatives
- Slower pace of continuous improvement
i.e. Business Case Tools and Capacity Building, Records and Information Management Program (EDRMS – Phase 1); Employee Engagement Survey Results Implementation
- Limited or no action on current innovation opportunities
i.e. Guelph Innovation District, Economic Summit

Report 2: 2011 Year End Operating Variance

Report FIN-12-25

Operating Surplus – Where did the money come from?

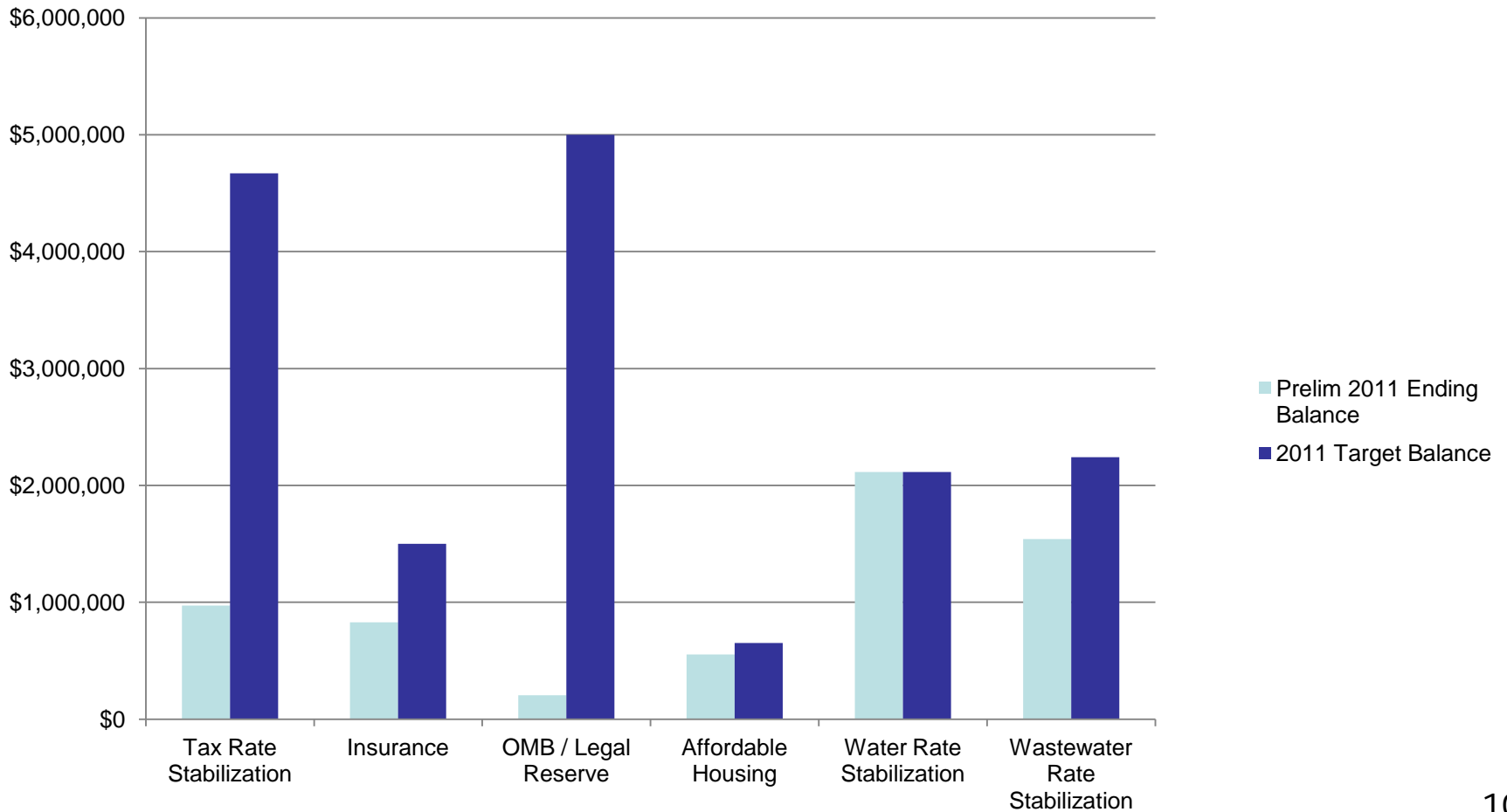
(1) Tax Supported Budget

Total City Departments	\$ (290,000)	(0.4%)	Favourable
Local and Outside Boards	(2,281,000)	(3.5%)	Favourable
Total Tax Supported	\$ (2,571,000)	(1.7%)	Favourable

(2) User Pay Budget

Waterworks	\$ (1,476,000)	(7.7%)	Favourable
Watewater	(2,828,000)	(12.7%)	Favourable
Total User Pay	\$ (4,304,000)	(10.5%)	Favourable

Operating Surplus Allocation - Reserve Targets



2011 Year End Surplus Allocation

FIN-12-25

TAX SUPPORTED BUDGET

(i) Tax Rate Stabilization Reserve - Repay 2011 Draw	\$	855,235
(ii) Insurance Reserve		500,000
(iii) OMB/Legal Reserve		500,000
(iv) Affordable Housing Reserve		100,000
(v) Police Capital Reserve to fund HQ Renovation Project		500,000
(vi) Library Surplus to Library Main Branch Reserve Fund		116,000
TOTAL 2011 TAX SUPPORTED SURPLUS ALLOCATION	\$	2,571,235

USER PAY BUDGET

(i) Waterworks Capital Reserve	\$	1,476,214
(ii) Wastewater Stabilization Reserve		700,000
(iii) Wastewater Capital Reserve		2,128,053
TOTAL USER PAY SURPLUS ALLOCATION	\$	4,304,267

Report 3: Employee Compensation Reserve Review

Report FIN-12-26

Employee Compensation Reserve Review

Why was the review done?

- Audit Committee recommendation to review employee related reserves through resolution

What did the review find?

- Vacation accrual reserve no longer needed since the move to full accrual based accounting
- Retiree benefits were funded through employee benefit stabilization reserve, but due to growing costs a separate reserve is needed.

What is recommended?

- Discontinue the vacation accrual reserve
- Create a retiree benefit reserve and allocate \$1.6M to fund it
- Allocate the balance \$3.5M to Operating Contingency until an appropriate use is found

Employee Compensation Reserve Review Summary

FIN-12-26

Reserves Available for Allocation

Vacation Accrual Reserve

\$ 5,122,596

Recommended Reallocation

Retiree Benefit Reserve

\$ 1,600,000

Operating Contingency

3,522,596

Total Reallocation

\$ 5,122,596

Report 4: Operating Reserve Reallocation

Report FIN-12-32

2011 Operating Reserve Review

Review Findings:

- \$3.5M in Operating Contingency reserve that could be reallocated
- Social Services reserve has approximately \$800k
- Salary Gapping reserve has approximately \$200k that could be reallocated
- Potentially significant litigation costs/awards - legal reserve currently insufficient
- Available resources exist to consider funding a Strategic Initiatives reserve

Operating Reserve Allocation Recommendations FIN-12-32

Results of Operating Reserve Review

Operating Contingency Reserve (Report FIN-12-26)	\$ 3,522,596
Salary Gapping Reserve	200,000
Social Services Reserve	793,766
Total Available for Reallocation	\$ 4,516,362

Operating Reserve Reallocation Recommendation

Creation of Strategic Initiatives Reserve	\$ 1,100,000
Funding for OMB/Legal	3,348,743
Funding for Tax Rate Stabilization Reserve	67,619
Total Operating Reserve Reallocation	\$ 4,516,362

Staff Recommendations

All Reports

Recommendations (1/4)

Report 1: Strategic Plan Implementation Report - 6 Initiatives

- 1. THAT** Council approve the funding of six strategic initiatives in 2012 that will act as a foundation for moving forward with the Corporate Strategic Plan, subject to the approval of the “2011 Operating Reserves Review and Reallocation” - FIN-12-32; and
- 2. THAT** subject to the approval of a Strategic Initiatives Reserve, Council approve implementation of the six strategic initiatives.

Recommendations (2/4)

Report 2: FIN-12-25 – Year End Operating Variance Report

1. **THAT** the recommended allocation of the 2011 year end operating surplus in the amounts of \$2,571,000 in the Tax Supported Budget and \$4,304,000 in the User Pay Supported Budget as outlined in Finance report FIN-12-25 dated June 11, 2012 entitled “2011 Year End Variance Report and Operating Surplus Allocation” be approved.

Recommendations (3/4)

Report 3: FIN-12-26 – Employee Compensation Review

1. **THAT** the Employee Compensation Reserve Policy be approved; and
2. **THAT** a new reserve called “Early Retiree Benefits Reserve” be created as per section 4.4 of the Employee Compensation Reserve Policy; and
3. **THAT** \$1,600,000 be transferred from the “Accrued Vacation Reserve #209” to the “Early Retiree Benefits Reserve”; and
4. **THAT** \$3,522,596 be transferred from the “Accrued Vacation Reserve #209” to the “Operating Contingency Reserve #198”; and
5. **THAT** the “Accrued Vacation Reserve #209” be decommissioned as per section 4.6 of the Employee Compensation Reserve Policy; and
6. **THAT** the current “HR Contingency Reserve #207” be decommissioned and the balance totaling \$147,500 in this reserve be consolidated into the “HR Salary Gapping Reserve #191” as per section 4.7 of the Employee Compensation Reserve Policy

Recommendations (4/4)

Report 4: FIN-12-32 – Operating Reserve Reallocation

1. **THAT** the recommended reallocation of **\$4,516,362** of the Operating Reserves contained in the report FIN-12-32 dated June 11, 2012 entitled “2011 Operating Reserve Review and Reallocation” be approved.
2. **THAT** Council approve the creation of the Strategic Initiatives Reserve to be used for initiatives identified in the Corporate Strategic Implementation Plan and as approved by Council.

COMMITTEE REPORT



TO Governance Committee

SERVICE AREA Corporate Administration
DATE May 22, 2012

SUBJECT Corporate Strategic Plan (CSP) Framework 2012-2016
REPORT NUMBER

SUMMARY

Purpose of Report: To provide the Governance Committee with the proposed 2012-2016 Corporate Strategic Plan Framework. Governance Committee and Council review and approval of the strategic framework elements including Mission, Vision, Values, Strategic Focus Areas and Strategic Directions is consistent with the Council's leadership and governance role.

Committee Action: To receive and approve the Corporate Strategic Plan Framework.

RECOMMENDATION

THAT Council approve the recommended 2012-2016 Corporate Strategic Framework.

BACKGROUND

On January 25, 2012, Council approved the following:

THAT Council receive, for information, the observations and actions outlined in this report to effectively begin the initial phase of creating a Corporate Strategic Plan Framework; and

THAT Council approve Council and Executive Team workshops in February/March, 2012 to validate proposed critical issues and business imperatives, confirm strategic areas of focus, directions and next steps.

During two workshops in February and March 2012, Council and the Executive Team identified and explored critical issues and business imperatives. That work served as the foundation for a proposed Corporate Strategic Plan Framework that was validated by participants.

REPORT

The new Corporate Strategic Plan Framework is a change strategy to transform the corporation through a focus on Organizational Excellence, Innovation in Local

Three Strategic Focus Areas

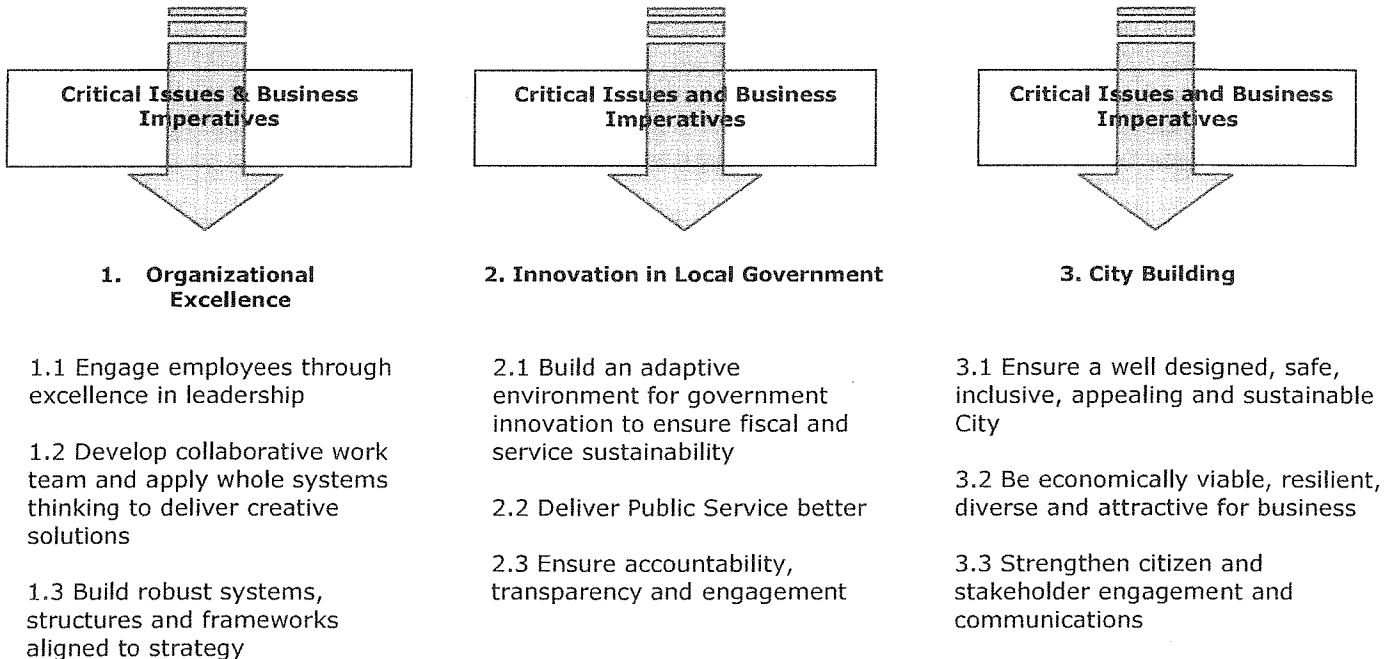
The new plan includes three areas of strategic focus for 2012-2016:

1. Organizational Excellence
2. Innovation in Local Government
3. City Building

Taken together, these focus areas constitute the foundation for a transformational change strategy. By focusing on these three areas, the corporation can better manage community expectations and needs and be the City that makes a difference.

Nine Strategic Directions

Each of the strategic directions stem from identified and confirmed critical issues and business imperatives, which are in turn derived from an extensive review of current and emerging influencing factors from a number of perspectives including the political, environmental, social, technological, economic and legislative arenas.




The nine strategic directions will allow us to achieve the following outcomes together to ensure we make a difference:

- clarity of focus, aligning resources and organizational capacity;
- the development of a learning organization;
- civic leadership and administrative excellence;

ATTACHMENTS

1. Corporate Strategic Plan Framework

Prepared By: Brenda Boisvert, Corporate Manager, Strategic Planning and Corporate Initiatives



Recommended By:

Ann Pappert,
Chief Administrative Officer