

Current Planning Trends & Forecast

The Current Planning Reserve was initiated in 2010. To date the funds allocated to the Reserve are as below. This reserve is approaching the targeted 75% of the annual operating budget.

(\$ in millions)	2010 Actuals	2011 Actuals	2012 Projected
Personnel Variances	\$-	\$0.8	\$0.7
Recoveries – Internal Projects	\$1.3	\$1.3	\$0.4
Revenue Variances	\$3.9	\$7.0	\$5.6
Budgeted Reserve Transfers	\$0.9	\$1.3	\$3.9
Capital Project	\$-	\$-	-\$1.0
Miscellaneous	\$0.3	\$0.1	-\$0.1
Annual Total	\$6.3	\$10.4	\$9.4
Cumulative Total	\$6.3	\$16.7	\$26.1

Forecast

The forecast shows the reserve balance reaching just below the target of 75% of Current Planning budgeted expenditures or \$25.304M in 2012. This assumes a period of economic stability. This target increases to \$33.495M in 2013 as the total operating budget increases to reach full cost recovery.



	Actual			Projected					
	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total Revenue	\$21.2	\$27.7	\$36.1	\$44.1	\$45.4	\$48.6	\$51.1	\$53.6	\$56.3
Total Expenditure	\$17.4	\$21.4	\$25.7	\$33.7	\$44.7	\$46.9	\$48.8	\$50.8	\$52.9
Excess (Deficit)	\$3.8	\$6.3	\$10.4	\$10.4	\$0.7	\$1.8	\$2.2	\$2.8	\$3.4
Reserve Closing Balance	\$-	\$6.3	\$16.7	\$26.1	\$24.8	\$24.6	\$24.8	\$25.6	\$27.0

Reserve Levels

Several factors are considered in the determination of the reserve level. These include the size of the operating budget, reasonable risks of external events that impact either expenditures or revenues and the elasticity of revenue and expense. To assist with this decision a forecast model was developed to forecast revenue trends and expenditures that would reflect business strategies to be undertaken in a number of different scenarios. This model, based on historic data that incorporates economic cycles, financial information, and service demands, contemplated a variety of business strategies that may be undertaken during economic shifts. As well, best practices from a variety of municipalities were reviewed. Best practices review suggests recommended range for reserve targets is 9 to 18 months of annual expenditures. As a result, it is recommended that the Reserve adhere to the following limits:

- Minimum balance of 30% of current budgeted Current Planning expenditures
- Target balance of 75% of current budgeted Current Planning expenditures

Revenue Summary

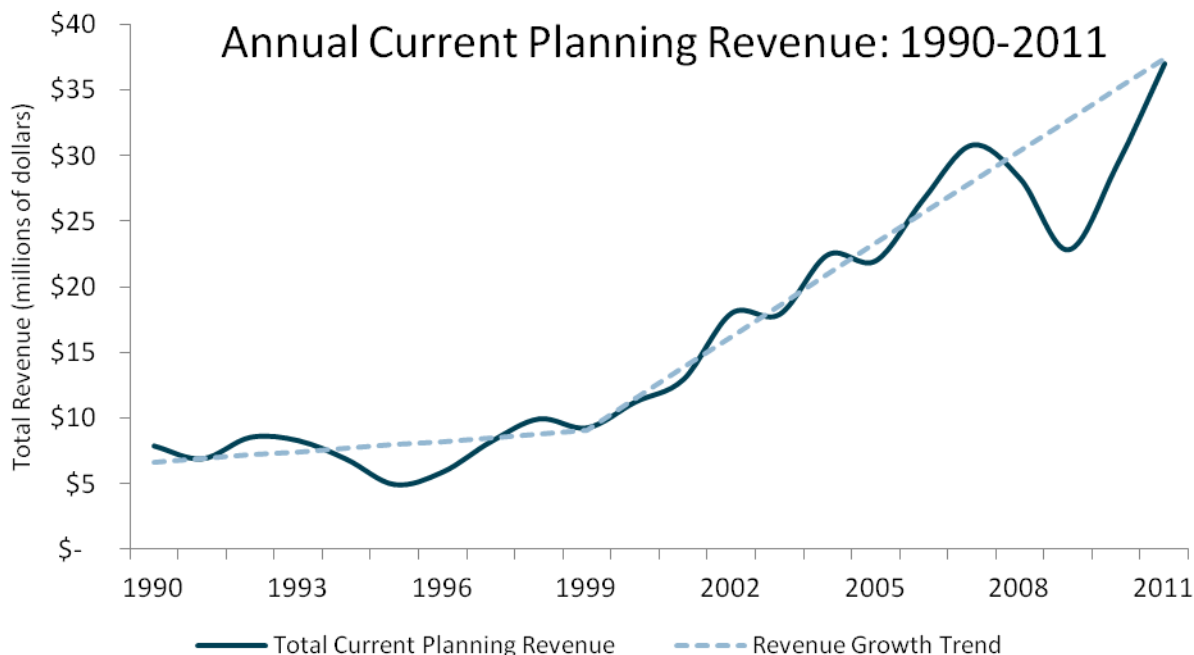
Revenue Change

Current Planning's change in revenue between 2009 – 2011 has been separated into fee and volume changes. The majority of the changes have been due to volume changes.

Application Type	2009-10			2010-11		
	% Change Revenue	% Change Fee	% Change Volume	% Change Revenue	% Change Fee	% Change Volume
Land Development Applications	189%	9%	180%	9%	7%	5%
Development Permits	52%	38%	14%	27%	21%	6%
Compliance Certificates	18%	5%	13%	1%	4%	-5%
Encroachment Agreements	38%	5%	33%	-35%	5%	-40%
Building Permits	13%	5%	8%	34%	5%	29%
Mechanical Permits	5%	4.5%	0.5%	29%	7%	22%
Electrical Permits	n/a	n/a	n/a	n/a	4%	n/a
Hoarding Agreements	-65%	4%	-61%	79%	4%	75%
Business Licensing	n/a	n/a	n/a	n/a	n/a	n/a
Miscellaneous	-27%	n/a	n/a	190%	n/a	n/a
Total Revenue	32%	7%	25%	35%	6%	28%

Revenue Trends

The Current Planning revenues fluctuate significantly in accordance with economic activity. This is apparent in the annual revenues from 1990 – 2011.



Moreover, the variance from projected revenues was as follows:

