



Excerpt from: MINUTES
REGULAR MEETING OF COUNCIL
HELD 2014 JULY 28 AT 9:30 AM
IN THE COUNCIL CHAMBER

7.4.1 [ZERO-BASED REVIEW PROGRAM: 2015-2018, PFC2014-0554](#)

REFER, Moved by Councillor Colley-Urquhart, Seconded by Councillor Demong, that Report PFC2014-0554 be referred, to the Mayor's Office, for further discussion with Administration, for inclusion in the Agenda for the 2014 September 15 Special Strategic Planning Meeting of Council.

CARRIED

ZERO-BASED REVIEW PROGRAM: 2015-2018

EXECUTIVE SUMMARY

This report provides the proposed Zero-Based Review (ZBR) Program for the 2015-2018 Action Plan cycle. It recommends changes to improve the ZBR Program by providing greater clarity regarding its purpose and expected results, while allowing a more flexible and faster process. This report also requests approval in principle of the subjects for ZBR projects in 2015-2018, pending approval of resources for the ZBR Program in the 2015-2018 business plans and budgets in November 2014.

ADMINISTRATION RECOMMENDATIONS

That the Priorities and Finance Committee recommends that Council:

1. Approve the improvements to the Zero-Based Review Program for 2015-2018 in Attachment 1;
2. Direct Administration to apply the improvements to the Zero-Based Review Program in Attachment 1, where possible, to projects underway in 2014;
3. Approve, in principle, that the subjects for 2015-2018 Zero-Based Review projects are:
 - Transit
 - Water Resources
 - Inspections and Permit Services
 - Recreation
 - Corporate Properties and Buildings
 - Law
 - Information Technology
 - Environmental and Safety Management
 - Chief Financial Officer's Department (including Finance and Supply)
 - Local Area Planning and Implementation
 - Two cross-corporate functional reviews (specific areas to be determined in 2016); and
4. Request the Audit Committee consider the Zero-Based Review Program schedule in approving the annual audit plan and direct Administration to adjust the ZBR Program schedule, if required, to ensure coordination of efforts with the City Auditor.

RECOMMENDATION OF THE PRIORITIES AND FINANCE COMMITTEE, DATED 2014 JULY 15:

That Council:

1. Approve the improvements to the Zero-Based Review Program for 2015-2018 in Attachment 1;
2. Direct Administration to apply the improvements to the Zero-Based Review Program in Attachment 1, where possible, to projects underway in 2014;
3. Approve, in principle, that the subjects for 2015-2018 Zero-Based Review projects are:
 - Transit
 - Water Resources

Approval(s): Sawyer, Eric concurs with this report. Author: Zilnik, Leah
City Clerk's: J. Dubetz

ZERO-BASED REVIEW PROGRAM: 2015-2018

- Inspections and Permit Services
 - Recreation
 - Corporate Properties and Buildings
 - Law
 - Information Technology
 - Environmental and Safety Management
 - Chief Financial Officer's Department (including Finance and Supply)
 - Local Area Planning and Implementation
 - Two cross-corporate functional reviews (specific areas to be determined in 2016);
4. Request the Audit Committee consider the Zero-Based Review Program schedule in approving the annual audit plan and direct Administration to adjust the ZBR Program schedule, if required, to ensure coordination of efforts with the City Auditor.
5. **And further, that Council direct Administration to adjust the timing of the Chief Financial Officer Department (including Finance and Supply) Zero-Based Review project upwards in the draft schedule contained in Attachment 2.**

Opposition to Recommendations:

Opposed: D. Farrell

PREVIOUS COUNCIL DIRECTION / POLICY

On 2011 June 14, Council approved the Corporate Strategy on Efficiency and Effectiveness (C2011-55), which included ongoing improvement activities for business units and the new element of Zero-Based Reviews.

In 2011 December, Council approved the Zero-Based Review method, including its purpose principles, analysis, evaluation requirements, governance structure, as well as directed the Administration to undertake a pilot ZBR of Fleet Services (FCS2011-31). Following the completion of the Fleet Services pilot project, refinements were made to the ZBR method for reviews to be initiated in 2013 and 2014 in Parks, Roads, Water Services, and Fire (PFC2012-0713).

On 2014 May 5, the Council Strategic Direction for Action Plan 2015-2018 was approved and identified "a well-run city" as a priority. Within this priority area, the ZBR Program supports two strategic actions: "be as efficient and effective as possible, reducing costs and focusing on value-for-money" and "examine opportunities for alternative service delivery" (C2014-0401).

BACKGROUND

Following completion of the pilot ZBR in Fleet Services in 2012, there were delays in the 2013 ZBR projects in Parks and Roads as a result of the 2013 flood and the need for those business units to re-prioritize their work.

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The Parks Zero-Based Review is now complete, and will be considered by Council for approval in September 2014. The result of the review is estimated to result in approximately \$4 million in annual financial benefits (through a mix of productivity gains, cost savings, and increased revenue generation) once implemented. In addition to quantifiable benefits of the Parks ZBR, other effectiveness improvements include improved staff morale, greater accountability, a higher level of customer service and environmental benefits.

The Roads Zero-Based Review is nearing completion and the final results of this review will also be brought to Council in September 2014.

Despite delays in the 2013 projects, the ZBR Program in 2014 has proceed as scheduled with Water Services being initiated in January (PFC2014-0063) and the Calgary Fire Department in June (PFC2014-0471) of this year. Results of these reviews will be brought to Council for consideration in the first half of 2015.

With these projects, the 2012-2014 ZBR Program has initiated the review of approximately 29% of The City's gross operating expenditure budget.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Improvements to the Zero-Based Review Program (Attachment 1)

As part of on-going evaluations of individual ZBR projects, potential changes to the ZBR Program have been noted to ensure continuous improvement. Prior to initiating the next series of ZBRs in the 2015-2018 business cycle, Administration undertook a review of the Program with a view to building on lessons learned from experience to date. At the 2014 January 29 Priorities and Finance Committee meeting, Administration was requested to bring forward a report with information on the 2015-2018 ZBR Program prior to the *Action Plan* deliberations in November of 2014.

The improvements to the ZBR Program in this report address four broad issues:

1. Clarity about the expected outcomes of a ZBR, and specifically the balance of emphasis on efficiency and effectiveness;
2. Timing (the pace of the ZBR Program overall and the duration of individual ZBR projects);
3. Accountability for ZBR follow-up (implementation and reporting); and
4. Roles of the Steering Committee, City Auditor, and Council.

To develop recommendations for improvement, Administration conducted an evaluation of the ZBR Program, which consisted of stakeholder engagement, and best practice research on service reviews in other Canadian municipalities and governments. As a result of the engagement and research, the overarching theme that emerged is a need to be clearer about the purpose of the Zero-Based Review Program while allowing for a more flexible and faster process. In addition to this overarching theme, specific recommendations to address the above four broad issues are described below, and for approval in Attachment 1.

ZERO-BASED REVIEW PROGRAM: 2015-2018

1. Clarity about the expected outcomes of a ZBR, and specifically the balance of emphasis on efficiency and effectiveness

As the Program is currently defined, reducing costs is a possible but not necessary outcome of a ZBR. Clarity of expectations about the outcome of a ZBR is critical to its success, so that all participants (Steering Committee, business units and external experts) know what is expected and can approach the review process with that purpose.

Administration recommends amending the ZBR purpose statement, as well as the terms of reference used in the Request for Proposal for each ZBR, to clarify that a required outcome is the identification of efficiency gains and cost-reduction opportunities. Cost reductions may include mitigating future cost increases by providing more service (e.g. accommodating service volume growth) with the same resources.

Each ZBR will also continue to identify ways to improve service effectiveness. Effectiveness considers the extent to which desired results are achieved, including improved customer service, increased alignment to social, environmental and policy objectives, as well as better coordination of activities among business units. The “Zero-Based” principle is that *“ZBRs will examine all services and budgets, ensuring every dollar is used well to create the city that Calgarians have said they want to live in.”* This principle reinforces that it is not useful to maximize efficiency without consideration of how well the service is achieving its outcomes, and the impact of potential efficiency improvements on the quality of service. Therefore, questions in the ZBR analysis regarding effectiveness will continue to be included in the method, balanced with the requirement to reduce costs.

2. Timing – the duration of individual ZBR projects

In the current ZBR method, approximately half of the total project time is required to complete the project pre-work, select the external consultant, and identify the areas for in-depth analysis. Administration will reduce the total project time for each ZBR primarily by reducing the time spent on these activities.

- *Enable Administration to carry out more the high-level analysis internally* - Administration is recommending that Corporate Initiatives, with meaningful input from the business unit, carry out the bulk of the high-level analysis to identify areas with potential for efficiency improvements for more in-depth review. The high-level analysis will continue to identify services that are “well-run” and operating as efficiently and effectively as possible. By conducting most of this analysis internally, this activity can be carried out concurrently with the selection of the external consultant. The external consultant will have an opportunity to assess the high-level analysis and proposed areas for in-depth review, and make changes if necessary, using their expertise and independence.
- *Reducing the amount of reporting to Council for each individual review* - There are currently three reports to Council during each ZBR project: the project initiation report, the mid-point status report, and the final report. Each report to Council adds a significant amount of ‘process’ time to prepare the reports and the projects are stalled waiting for Council approval. Instead, it is recommended that this ‘process’ time be reduced by providing only the final report to Council at the end of each ZBR project. Council, and interested

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stakeholders, will be engaged about the status of ZBR projects through other means of communication, such as memos and briefings.

With increased clarity about Council's expectations for ZBR projects (as identified in recommendation 1 above) it will not be necessary to bring individual project initiation documents or the mid-point status reports to Council for approval:

- The project initiation document outlines the scope of the review, and for most ZBR projects is a standard two-page document reiterating the purpose, scope, governance and timing of the review. Scope changes are only permitted if reviewing a particular service would impact the principle of "practicality," making it difficult for business units under review to maintain its services and service levels. Scope changes are also permitted if a review of a particular service overlaps with the City Auditor's workplan, causing significant disruption to the business unit under review. The Steering Committee will consider and approve the scope of the review. In the event there is a significant scope change for reasons other than practicality or overlap with the City Auditor's workplan, Administration will bring forward a report to the Priorities and Finance Committee for information or approval.
- The mid-point status report requests Council approval of the high-level analysis and the areas for more in-depth review. With clarity about the purpose of the review (as identified in recommendation 1 above), The Steering Committee will approve the high-level analysis and ensure that the areas for in-depth review maximize the potential for efficiency gains and cost-reductions. In the event there is a significant issue (such as deviation from the ZBR method or purpose), Administration will bring forward a report to the Priorities and Finance Committee for information or approval as appropriate.

3. Accountability for ZBR project follow-up (implementation and reporting)

Currently, there is no formal process for tracking and reporting on the recommendations resulting from completed ZBRs. During consultations, business units undergoing ZBRs felt strongly that implementation is their responsibility, and that implementation of ZBR recommendations should be built into the business units' ongoing business plans and budgets.

Administration is therefore recommending that business units provide a one-time follow-up report to Council within a year of completing a review, indicating how the recommendations will be incorporated into its business plans, budgets and performance measures. As a result, the ZBR recommendations will become embedded into business plan strategies and actions, budgets and performance goals, through the business plan and budget process (including the annual adjustments process, depending on timing).

Administration will also provide Council with an annual report on the overall status of the ZBR Program.

4. Roles of the Steering Committee, City Auditor, and Council

a. Better define the strategic role of Council, and Steering Committees

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During the development of the Zero-Based Review Program and its initial projects, Corporate Initiatives requested input and approval from Council on details of the ZBR process and method. Corporate Initiatives also requested ZBR project Steering Committees to provide direction regarding the new service review process, including details of the method and individual project plans. As the Program is now becoming more established, with a clear purpose around reducing costs, it is recommended that Council and Steering Committees take on a more strategic oversight role.

- *Council:* Council plays a key role in setting the tone and direction for the ZBR Program. In addition to this strategic oversight role, Administration has previously requested Council approval on many detailed aspects of the Program, including method design, sources of information for the reviews, project timelines and milestones, and roles and responsibilities. This detailed Council approval of the method has prevented Administration from adapting the ZBR process as needed to suit each review and to respond to ongoing feedback regarding the process. Administration is recommending that Council retain its current role in approving changes to the ZBR Program's purpose, principles, subjects of projects, and reports to Council. Council would no longer be required to approve the ZBR method.
- *Steering Committee:* To minimize the time commitment required of the Administrative Leadership Team and Senior Management Team members, and to maximize the value of the Steering Committee, it is recommended that the Steering Committee be engaged primarily in strategic decisions and approval of key project milestones. The Steering Committee would no longer approve detailed project planning documents or process items.

b. Confirm the relationship with the City Auditor

The City Auditor provides independent assurance to Council that Administration will be successful in achieving its objectives through the effective mitigation of negative risk. The following information was provided by the City Auditor:

"The City Auditor is responsible for supporting value for money in municipal operations by holding City Administration accountable for their quality of stewardship over public funds and assets. The City Auditor's Office (CAO) operations and professional relationships are built on the foundation of independence, integrity and objectivity.

The CAO takes a risk based approach and may review a service, business unit, program, process, system, or function to provide assurance to Council that Administration will be successful in achieving its objectives through the effective mitigation of risk. The CAO targets areas to audit after conducting an objective risk assessment that considers financial, technology, and human resource risks along with Council priorities.

The CAO is supported by a team of qualified professionals who hold various professional designations and a broad range of multi-disciplinary experience. The CAO will conduct independent testing of internal controls during each audit, report on control weaknesses that are identified, and make recommendations for corrective action that should be taken. The CAO will perform follow-up work on all audit recommendations that are made to determine if proper actions have been taken by Administration."

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On the other hand, the Zero-Based Review Program's approach is not based on risk. Rather, the ZBR approach is a comprehensive review of all services, geared towards reducing costs, continuous improvement and ongoing identification of efficiency and effectiveness opportunities. As a result, ZBRs aim to meet Council's priority to be a "well-run city" by meaningfully involving Administration to build its internal capacity for ongoing, self-directed reviews. For example, as part of the Strategy, training is being provided to business units that will be undergoing a review on the ZBR method, as well as other service review best practices. Additionally, the ZBR Program's governance structure encourages cultural transformation through working collaboratively across organization lines to identify improvements to efficiency and effectiveness. The Steering Committee of each ZBR project includes a General Manager (chair) and Director from a different business unit. The use of third party expertise and peer reviews in each ZBR ensures that internal service review capacity building is balanced with an independent perspective, and that innovations and best practices are integral parts of the process.

Administration has met with the City Auditor on two occasions to provide an overview of the ZBR Program, discuss the similarities and differences between the ZBR Program and the role of the City Auditor, and identify opportunities to share knowledge and avoid duplication of effort. Corporate Initiatives and the CAO will continue to meet to share annual work plans, and activities underway. Based on discussions, ZBR or Audit scope objectives may be adjusted to ensure the work conducted is complementary.

The recommended improvements to the ZBR Program above are for approval in Attachment 1. If approved, these changes will apply to all future ZBR projects and, where possible, ZBR projects that are currently ongoing. Specifically, all 2012-2014 ZBR projects will be required to provide Council with a report on implementation, and the Water Services and Fire ZBRs will seek opportunities to reduce their overall project timelines, such as eliminating the mid-point status reports to Council.

Subjects of Zero-Based Reviews in 2015-2018

Administration is recommending an increase to the number of ZBR projects initiated per year from two to three (a total of 12 reviews to be initiated in 2015-2018). This increase in pace is dependent on Council's approval of the recommended improvements in Attachment 1, and the availability of resources required for the ZBR Program in the 2015-2018 Action Plan.

Of the 12 reviews, Administration is proposing ten reviews of business units as well as two cross-corporate functional reviews. The recommended business units and draft schedule are shown in Attachment 2. Because the proposed improvements to the program allow for greater flexibility in individual project schedules, the overall Program schedule (timing and sequence of the projects) may change.

Cross-corporate functional reviews were identified as an option in the original ZBR design (FCS2011-31). Through implementing the Corporate Strategy on Efficiency and Effectiveness in 2012-2014, Administration has seen the potential for efficiencies *between* business units rather than just within organizational units. This approach is consistent with findings from other

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municipalities with service review programs that often review functions or lines of service that cross the organizational structure. The inclusion of two cross-corporate functional reviews in the 2015-2018 ZBR Program schedule may offer another avenue to seek efficiencies and reduce duplication of services.

Administration will gather information and identify options for functional reviews that involve two or more business units, or a cross-corporate issue. The proposed subjects of the two functional reviews will be brought forward for Council approval through the 2017-2018 business plan and budget adjustments (November 2016).

Stakeholder Engagement, Research and Communication

To identify options to improve the program, Corporate Initiatives completed research with other municipalities and governments with service review programs, and stakeholder engagement consisting of:

- Interviews with administrators of service review programs in the cities of Ottawa, Toronto, London, Winnipeg, Vancouver, and the provincial Alberta Results-Based Budgeting program;
- Review of four academic studies on best practices in service reviews in the government sector;
- Meetings with staff, managers and Steering Committee members of ZBRs underway or already complete;
- Meetings with the Mayor and interested members of PFC; and
- Meetings with the City Auditor.

To support business unit preparedness for the upcoming cycle, Corporate Initiatives will offer regularly scheduled orientation sessions to business units on how to prepare for a ZBR and the data collection requirements.

Strategic Alignment

The ZBR Program responds to direction in the 2012-2014 Council's Fiscal Plan to "implement a program of ongoing in-depth service reviews using a zero-based review philosophy." Moving forward into the next business plan and budget cycle, the program aligns with Council's Strategic Direction for Action Plan 2015-2018. The ZBR Program will contribute to the priority to be "a well-run city," supporting two strategic actions: "be as efficient and effective as possible, reducing costs and focusing on value-for-money" and "examine opportunities for alternative service delivery" (C2014-0401).

The ZBR Program responds to the "Efficiency" objective in the Sustainability Direction 2020 that "The City delivers services and programs efficiently through a culture of progression and creativity that supports innovation and is adaptable to changing needs and pressures." By 2020, city services will have undergone a Zero-Based Review to identify service effectiveness and efficiency opportunities (Target 80%). This target is measured by the gross operating expenditure budget of reviews initiated.

The proposed 2015-2018 ZBR Program will initiate a review of almost half of all city services in the next four years. As a result, it is estimated to have initiated a review of 76% of city services by 2018.

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Social, Environmental, Economic (External)

The recommended improvements to the program clarify that the purpose of the ZBR Program is primarily economic – to reduce the costs of City services. However, the ZBR Program will continue to maintain the effectiveness analysis, which considers the extent to which desired results are achieved, including social and environmental outcomes.

Financial Capacity

Current and Future Operating Budget:

The increased pace of the ZBR Program in Attachment 2 is subject to the availability of resources for the ZBR Program through the 2015-2018 business plans and budgets. It is estimated that an additional \$440K for consulting fees and staff time to support the Program will be required. Administration will look for efficiencies and reallocation of existing resources to address the additional Program requirements for approval by Council in November 2014 through the 2015-2018 Action Plan.

Current and Future Capital Budget:

There are no capital budget implications.

Risk Assessment

Corporate Initiatives and the business unit or area under review will continue to complete detailed risks assessment at the onset of the ZBR process.

REASON(S) FOR RECOMMENDATION(S):

The recommendations in this report responds to the 2014 January 28 Priorities and Finance Committee request that Administration bring forward a report with information on the 2015-2018 ZBR Program prior to the *Action Plan* deliberations in November of 2014.

ATTACHMENT(S)

1. Improvements to the Zero-Based Review Program
2. Draft Schedule of Zero-Based Reviews in 2015-2018

IMPROVEMENTS TO THE ZERO-BASED REVIEW PROGRAM

FOR INFORMATION: Previous Council Direction	FOR COUNCIL APPROVAL: Recommended Improvement
<p>1. Clarity about the expected outcomes of a ZBR, and specifically the balance of emphasis on efficiency and effectiveness</p> <p><i>FCS2011-31 (Attachment 4):</i> A Zero-Based Review project will examine services and budgets in light of legislative requirements, organizational goals, existing and emerging internal client and/or citizen needs and priorities, benchmarking and best practices information. Using this information, a ZBR project will provide options and recommendations to address:</p> <ul style="list-style-type: none"> • Whether any changes to services would help to achieve greater results within currently available resources; and • Whether any changes to the current method of delivering services would improve the cost-effectiveness of the service? 	<p>Amend the purpose of a Zero-Based Review to: A Zero-Based Review examines services and budgets in light of legislative requirements, organizational goals, existing and emerging internal client and/or citizen needs and priorities, benchmarking and best practices information. Using this information, a ZBR provides options and recommendations to identify:</p> <ul style="list-style-type: none"> • Changes to service level or delivery that would reduce costs or mitigate future cost increases (efficiency improvements); and • Whether any changes to service level or delivery would help to achieve greater results within currently available resources (effectiveness improvements).
<p>2. Timing – the duration of individual ZBR projects</p> <p><i>FCS2011-31 (Attachment 3):</i> Project Initiation Document, used to detail purpose, scope, method, governance, budget and timelines for a ZBR, is approved by Steering Committee, Priorities and Finance Committee and Council.</p> <p><i>FCS2011-31 (Attachment 4):</i> The City Manager will provide a Status Report to the Priorities & Finance Committee/Council following the completion of the Project Analysis and Evaluation phase. The Status Report will provide an update on the ZBR project's timeline, raise any issues for Priorities & Finance Committee/Council's consideration, and, if applicable, report on any narrowing of focus to the services, operating and/or capital budgets for subsequent phases of the project.</p>	<p>Eliminate the mandatory requirement for the Project Initiation Document report to Council.</p> <p>Eliminate the mandatory requirement for the Status Report to Council.</p>

FOR INFORMATION: Previous Council Direction	FOR COUNCIL APPROVAL: Recommended Improvement
<p>C2011-55 (<i>Attachment 2 – page 8</i>): All reviews will be conducted by an external subject matter expert (consultant), with active participation by the respective GM, Director, and staff.</p> <p>FCS2011-31 (<i>Attachment 5</i>): Role Description – External Consultant: Carries out all research and analysis.</p>	<p>Approve that Administration conducts the high-level analysis to identify areas with the greatest potential for efficiency improvements for the in-depth analysis.</p>
3. Accountability for ZBR project follow-up (implementation and reporting)	
<p>FCS2011- 31 (<i>Attachment 3</i>): Accountabilities for implementing the changes and improvements are tracked by the City Manager's Office. City Manager follows up as required and provides periodic updates to PFC.</p>	<p>Approve that within a year following the completion of a Zero-Based Review, business units provide a follow-up report to Council on the implementation of approved recommendations specifying how the recommendations will be incorporated into its business plans, budget and performance measures.</p>
4. Roles of the Steering Committee and Council	
<p>FCS2011-31 (<i>Attachment 3</i>):</p> <ul style="list-style-type: none"> • External consultant selected by the Steering Committee. • Detailed project work plan (based on ZBR methodology) approved by the Steering Committee. • Steering Committee approves Communication Plan for ZBR. 	<p>Amend the role of the Steering Committee so that it is not required to select the external consultant, approve the detailed project work plan, and approve the communications plan.</p>
<p>FCS2011-31: Administration received Council approval of ZBR Method Overview (<i>Attachment 3</i>) and the ZBR Summary of Roles and Responsibilities (<i>Attachment 5</i>), including the role of Council:</p> <ul style="list-style-type: none"> • Approves selection of ZBR subjects through business plan and budget process. • Approves ZBR program method (scope, deliverables, and roles & responsibilities). • Approves ZBR project initiation document. • Receives status update for information. • Makes decisions re: final report. 	<p>Amend the role of Council so that is not required to approve the ZBR Program method, and roles and responsibilities.</p> <p>Council will continue to approve changes to the ZBR Program's principles, purpose, analysis and evaluation requirements, reports to Council, and subjects of projects.</p> <p>Council will continue to receive and make decisions re: final report.</p>

Draft Schedule of Zero-Based Reviews in 2015-2018

	2014	2015		2016		2017
Water Services		*				
Calgary Fire Department		*				
Transit						
Water Resources						
Inspections & Permit Svcs.						
Recreation						
Corporate Properties & Buildings						
Law						

Approximate ZBR Project Timeline (2015-2018): 9 to 12 months

1	2	3	4	5	6	7	8	9	10	11	12
Data Collection (Completion)											
Consultant Selection		Evaluation and Analysis: In-depth analysis, & Development of Business Cases and Recommendations					Decision Making		Project Continuation (if necessary)		
High-level Analysis								Final Report (*)			

Draft Schedule of Zero-Based Reviews in 2015-2018

	2017	2018	2019
Corporate Properties & Buildings	*		
Law	* *		
Functional review (TBD)	Functional review (TBD) *		
Information Technology	Information Technology *		
Env. & Safety Management	Env. & Safety Management *		
Functional review (TBD)		Functional review (TBD) *	
Finance & Supply and CFOD Other		Finance & Supply and CFOD Other *	
Local Area Planning & Impl.		Local Area Planning & Impl. *	

Draft Schedule of Zero-Based Reviews in 2015-2018

	Subject	Gross Op. Expenditure Budget (\$000) as of June 30, 2013	% of City's** Gross Operating Budget Expenditures as of June 30, 2013	Total 2013-2017 Capital Budget (\$000) as of June 30, 2013
2012-2014	Fleet	81,830	3.3%	144,031
2012-2014	Parks	95,095	3.8%	176,805
2012-2014	Roads	193,215	7.7%	176,579
2012-2014	Water Services	159,439	6.3%	0
2012-2014	Calgary Fire Dept.	201,457	8.0%	186,870
2015-2018	Transit	381,060	15.2%	593,749
2015-2018	Water Resources	360,415	14.3%	640,592
2015-2018	Inspections & Permit Svcs.*	31,677	1.3%	4,536
2015-2018	Recreation	85,661	3.4%	150,821
2015-2018	Corp. Properties & Buildings	65,653	2.6%	273,127
2015-2018	Law	43,965	1.7%	1,486
2015-2018	Functional review (TBD)	TBD	TBD	TBD
2015-2018	Information Technology	99,812	4.0%	77,842
2015-2018	Env. & Safety Management	12,468	0.5%	3,340
2015-2018	Functional review (TBD)	TBD	TBD	TBD
2015-2018	Finance & Supply and CFOD Other	69,538	2.8%	5,367
2015-2018	Local Area Planning & Impl.*	31,677	1.3%	4,536
2018 Estimate**: Percentage of city services will have undergone a ZBR by 2020 (Target 80%)			76.1%	-

* Budgets estimated based on 1/3 of total DBA and LUPP

** Measured by gross operating expenditure budget of reviews initiated. Excludes GM offices, Calgary Housing Company, Civic Parners, Council, Corporate Programs, Calgary Parking Authority, Calgary Police.