



ANNUAL REPORT

FY 2015



PARTNERS IN SAFETY

Three words meant to be together.

Safety is a shared responsibility. We not only reap its benefit but we all play a part. Together, with the public, industry, government, and technical safety experts, we make a difference in the lives of all Ontarians.

For the Technical Standards and Safety Authority (TSSA) that difference is achieved through collaboration. In this year's report, we profile four recipients of

TSSA's first annual Safety Awards program. These exceptional individuals and organizations reflect a deep commitment to partnerships and inspire many far and wide. Recognition is the sole reason we created the awards, to shine a light on the work that makes us safer, every day.

See why that matters – and why partnerships are so critical to safety.

CONTENTS

Message from the Chair	2
Q&A with the President and CEO	4
Our Year In Review	6
The Shining Stars	14
Management’s Discussion and Analysis	24
Financial Statements	34
Corporate Information	44
Corporate Scorecard	47

Technical Standards and Safety Authority

Mandated by the Government of Ontario, the Technical Standards and Safety Authority (TSSA) is Ontario’s public safety regulator in four key sectors of the economy: Fuels; Elevating Devices, Amusement Devices and Ski Lifts; Boilers and Pressure Vessels and Operating Engineers; and, Upholstered and Stuffed Articles. Working collaboratively with

industry, government and the public, TSSA reports to the Ministry of Government and Consumer Services (MGCS), the Ontario government body that sets public safety policy, oversees both the delivery of safety services and TSSA’s organizational performance, and retains authority for the *Technical Standards and Safety Act, 2000*.



**“There is much to celebrate
in TSSA’s evolution and
achievements in almost
two decades...”**

Eighteen years ago as a fledgling safety agency, TSSA undertook a challenging new mandate from the government of Ontario to ensure safety in key sectors of the economy. Since then, TSSA has matured into a recognized leader in public safety and measurably enhanced safety in Ontario.

There is much to celebrate in TSSA's evolution and achievements in almost two decades and over the past year. My vantage point is, I believe, a unique one. I had the honour to serve as a Deputy Minister in the Ontario government when TSSA's inception was envisaged. In addition, I have been a member of TSSA's Board of Directors since 2005, as well as serving as the Chair since 2013. This has provided me with a unique long-range perspective – looking both forward and back.

As I prepare to leave TSSA, I am deeply proud of the role the organization has played in the safety of Ontario.

Ten years ago, when TSSA staff was seized with the need to measure the outcomes of their efforts, Risk-Informed Decision-Making (RIDM) was but a concept. Since then, the idea of a scientific approach to measuring risk to identify public safety priorities has become deeply ingrained at TSSA and beyond. Indeed, RIDM has become a central guiding principle and imperative for the organization and increasingly for many other safety and regulatory agencies. TSSA's risk framework is now widely acknowledged as a leading and innovative approach to managing public safety risks.

The validation has come in the form of both US and Canadian patents for TSSA's risk-based scheduling system, publication of TSSA's risk assessment methodology in peer reviewed journals, and requests from other Canadian and international regulators to share our risk framework. But the most gratifying validation has come from the direct application of RIDM in TSSA's day-to-day work. Applying risk-based scheduling in the propane, elevating devices and operating engineers sectors, and using RIDM to identify emerging risks in aging devices have resulted in better safety outcomes and greater efficiency in the deployment of limited resources.

However, this is but one example of TSSA's commitment to public safety. TSSA has also played a critical role in the evolution of the regulatory framework. From the amalgamation of seven safety statutes into the *Technical Standards and Safety Act* (TSS Act) in 2000 to the recently launched Regulatory

Renewal Initiative to update the 16 regulations that fall under the TSS Act, TSSA has been a strong advocate for an adaptive regulatory framework to ensure greater flexibility in responding to emerging safety issues and technological changes.

While much has been achieved, there is still more to be done. And, I am confident that I am leaving the organization on a firm footing to achieve even more in the coming years. In particular, the renewal of TSSA's information systems, which will significantly improve safety service delivery in the near future, and enhance the way TSSA engages and communicates with the public and its regulated customers, stand as two critical priorities for the organization.

Modernizing TSSA's information technology platform has been a key focus of both the Board and management over the past year. This project, in conjunction with the ongoing work in data management, holds the promise of unleashing greater operational efficiencies and accelerating the application of transparent risk-informed decisions across all of TSSA's services and regulated sectors.

I have complete confidence in the completion of these critical and challenging tasks in the capable hands of TSSA President and CEO Michael Beard and under the leadership of the incoming Board Chair Norman Inkster.

A decade of safety cannot possibly be summed up in such a short space. But keeping Ontario one of the safest jurisdictions in the world is a singular accomplishment that succinctly encapsulates what TSSA has achieved since its inception in 1997. It has been a privilege to have served alongside my fellow Board members and TSSA's senior management team over the past decade and to have led the organization as Chair over the past two years. The passion, commitment and dedication to safety of the Board and staff, inspectors and engineers, support staff, and the Statutory Directors who lead TSSA's program areas, has been truly inspirational. Their collective leadership and achievements in keeping Ontarians safe is admirable. I leave TSSA with both pride and gratitude in its accomplishments.



Judith Wolfson
Chair, Board of Directors



**“‘Partners in Safety’
affirms the importance
of partnerships and
the idea that we all have
a role to play in safety.”**

Q&A WITH PRESIDENT AND CEO MICHAEL BEARD

In this candid interview, Mr. Beard highlights the efforts TSSA is taking to enhance data management capabilities and the importance of partnerships in greater public safety.

You've said that data is key to the future of TSSA. Can you explain what data means to TSSA and why data is so important to a safety regulator?

TSSA is accountable for the safety of Ontarians in the jurisdictions it regulates, and the best manner in which to demonstrate and enhance this accountability is through the presentation of valuable and trustworthy safety data and information to our stakeholders. Accurate, retrievable, and analyzable data is the foundation for the regulatory and business decisions we make and, above all, it's key to public accountability. Data is what we use to make and explain our safety decisions to the public, our customers, our industry partners, and the Ministry.

What are you doing to transform the organization to become a more effective safety regulator?

This past year, we reviewed our existing technology platform and made the decision to move to a more flexible and effective infrastructure, taking advantage of recent developments in infrastructure design, software, field connectivity, and cloud functionality. Simultaneously, we are identifying and mapping our business processes to ensure that they are optimized and can be executed as efficiently as possible in the new structure. We have adopted several Six Sigma principles to reduce waste and eliminate errors, with the intended consequence of an enhanced experience for our customers, and greater internal efficiency. We call this project TSSA 20/20, a nod to its intended focus.

How will you know when your journey has ended?

I don't think it ever ends. That's not to say that there is no end to projects like TSSA 20/20, but effective data management and governance require constant vigilance. Of course, once a solid business structure is in place, this paves the way for future opportunities to innovate, and easily absorb the anticipated regulatory enhancements that we are currently discussing with our Ministry partners in government.

How will TSSA finance what sounds like an intensive journey?

It really is an investment that will result in greater efficiencies and cost savings over the long run. As our annual report shows, we have successfully controlled our costs in line with the government's priority to reduce burden on business to allow us to make investments in long-term projects like TSSA 20/20 without affecting our customers. In fact, this year we extended a three-year fee freeze for an additional year to demonstrate our commitment to cost containment.

The theme of this year's Annual Report is 'Partners in Safety'. What does that mean to you?

We believe safety is a shared responsibility. We know that we can't ensure safety through enforcement work alone. We need the active participation of the public, industry, safety experts and government. The 'Partners in Safety' theme to me affirms the importance of partnerships and the idea that we all have a role to play in safety. One of my priorities since becoming President and CEO has been to ingrain safety into the culture of the organization, so it's front-of-mind at all times. We've done this in a number of ways, including introducing safety moments into all our meetings. Now before any meeting, someone will share a safety moment or lesson. It's a small gesture, but one that's resonated across the organization. It reminds us all that safety is constant and it also has a practical benefit that gets us thinking about aspects of safety we might not have otherwise.

How do the Safety Awards that TSSA recently launched fit into the 'Partners in Safety' theme?

We created the program to recognize individuals and organizations that have made significant contributions to safety. Throughout this report, you'll find the stories of TSSA's Safety Award winners and the exceptional ways they've contributed to public safety. They are a testament to everything that TSSA stands for and exemplify the important role we can all play in contributing to a safer Ontario.

EDUCATE, INFORM & ENFORCE

The theme of this year's annual report, 'Partners in Safety,' is more than just a concept. It is the practical basis of TSSA's efforts to keep Ontario safe in its regulated sectors.

Day in and day out, TSSA staff engage with partners in industry, the government and the public to enhance public safety through a variety of collaborative means. This includes national and international code committees, regulatory reviews, industry workshops, public consultations, technical training, risk reduction groups, and regular involvement with contractors, mechanics, engineers, and TSSA's industry-based advisory councils. In this way, TSSA plays a critical role in maintaining Ontario's enviable reputation as one of the safest jurisdictions in the world.

The power of partners emerges as a common thread in this year's corporate highlights. Reflective of our strategic commitment to work together with key stakeholders, as both an advocate and a regulatory authority, the following initiatives highlight TSSA's efforts to achieve greater public safety.

HIGHLIGHTS OF THE YEAR

TSSA Safety Awards

This year, in honour of the critical role that many of TSSA's safety partners play in ensuring public safety, the first annual

TSSA Safety Awards were launched. The award program recognizes the exceptional contributions to public safety made by individuals and organizations operating within TSSA's regulated sectors. This year's winners, who are profiled in the Annual Report, embody the principle of a shared responsibility for safety that underlies TSSA's approach to public safety and reflects their extraordinary commitment to keeping Ontarians safe at home, work and play. The awards will be issued at this year's annual general meeting, and each year thereafter as an annual event, celebrating the power of partnerships in public safety.

Regulatory Review Initiative

Partnership between TSSA, industry, the public and the Ministry of Government and Consumer Services (MGCS) was also key in launching the multi-year Regulatory Review Initiative, a systematic review of all 16 regulations that fall under TSSA's mandate. The review initiative will ensure Ontario's safety laws are up-to-date and reflect new technologies, industry practices, and emerging issues. Reviews of the Operating Engineers, Boilers and Pressure Vessels, and Upholstered and Stuffed Articles regulations

“TSSA plays a critical role in maintaining Ontario’s enviable reputation as one of the safest jurisdictions in the world.”





“UAVs not only increased inspector safety...but accelerated inspections using drone-mounted video and photography...”

OUR YEAR IN REVIEW

and a review of the need for a new regulation for Liquefied Natural Gas were all initiated this past year and are well underway. As each is completed, new projects will be initiated as part of an ongoing, cyclical process of reviewing and renewing the legal and regulatory framework that guides TSSA's public safety mandate.

TSSA's Northern Fuels Strategy

Unique conditions in northern Ontario pose special regulatory compliance challenges for fuel site operators. Many operators working in northern and remote communities typically experience a shortage of contractors, a narrow window to replace/repair equipment due to long winters and a short construction season, and seasonal operations for sites like gas stations and marinas. To address these challenges, TSSA engaged elected officials and site operators in northern Ontario to develop a more flexible approach to regulatory compliance. The Northern Ontario Compliance Strategy provided site operators additional time and testing options to come into compliance with regulatory requirements. The compliance strategy effectively leveraged partnerships to initiate a dialogue and better balance the needs of northern site operators with public safety and environmental risks.

Partners in Carbon Monoxide Safety

Wherever fuel-burning appliances such as a furnace, water heater or fireplace are in use, the risk of carbon monoxide (CO) poisoning exists. Poor maintenance, damaged or blocked vents, or inadequate airflow can all contribute to the presence of this significant safety risk. This past year, TSSA continued to leverage its partnerships with utility companies to expand the reach of its public education and advocacy work on the risks of CO. A series of videos, including testimonials from survivors of CO incidents, that were broadly distributed through social media also served to get the message out about the risks associated with CO and, more importantly, how those risks can be mitigated.

Retirement and Long-Term Care Homes

Retirement and long-term care homes house some of the most vulnerable people in the province. Such residents face special challenges in the event of an emergency evacuation and consequently face much higher risks associated with CO. Working with regulatory partners, such as the

Retirement Homes Regulatory Authority (RHRA), the Ministry of Health and Long-Term Care (MOHLTC), and industry associations, TSSA launched a pilot inspection program of these facilities to better assess risks associated with fuel-burning equipment. Initial findings from the first phase of the program identified maintenance and equipment installation as areas of potential concern. Leading a collaborative approach, TSSA will work with building owners and operators, fuel contractors, industry groups, and the RHRA and MOHLTC in the second phase of the project to validate preliminary findings and to determine the best course of action.

Innovation at TSSA

In preparation for the Pan Am/Parapan Am Games, TSSA established an Innovation Committee to consider emerging technology and novel approaches to increase productivity, improve customer service, and efficiently manage activities. Ensuring the games run safely and smoothly, TSSA coordinated with the TO2015 organizing committee, the Pan Am Games Secretariat, and other key stakeholders to expedite safety inspections, engineering reviews, and related TSSA services very early in the process. TSSA also reached out to other partners in safety, such as the Electrical Safety Authority, the BC Safety Authority, and the Canadian National Exhibition to take the best possible approach for Pan Am success. TSSA's Innovation Committee also developed a strategy to employ drones (or UAVs - unmanned aerial vehicles) for TSSA inspections. UAVs not only increased inspector safety by navigating difficult areas such as tight spaces or significant heights that inspectors would otherwise face, but accelerated inspections using drone-mounted video and photography with pinpoint accuracy. Successful pilot tests have been conducted in TSSA's Amusement Devices and Ski Lift Safety Programs, and the organization will broaden its practical use in other regulated areas.

TSSA 20/20

Dubbed TSSA 20/20 in a nod to both hindsight and foresight, TSSA launched a multi-year project to replace the organization's current enterprise resource planning system with a more agile and flexible information technology platform. The new system will significantly enhance TSSA's operational efficiency and customer service, including online self-serve and e-commerce. The 20/20 project will also

OUR YEAR IN REVIEW

increase system functionality and enable the organization to deliver its core safety services more effectively. The first phase of the project identified a human resources solution and implementation is currently underway. The second phase of the project will focus on operations and finance.

SAFETY PROGRAM HIGHLIGHTS

Through inspections, investigations, prosecutions, engineering design analysis, and continual code reviews to licensing, certifications, authorizations, education and advocacy, TSSA's safety programs enforce Ontario's safety laws to ensure public safety.

These activities enhance compliance, mitigate risks in TSSA's regulated sectors, act as deterrence for illegal activities, educate the public on how to mitigate risks, and increase the overall effectiveness of Ontario's public safety net.

Highlights from the past year across TSSA's safety programs demonstrate the critical role TSSA's inspectors and engineers play in ensuring public safety.

Boilers and Pressure Vessels Safety Program

The Boilers and Pressure Vessels (BPV) Safety Program and TSSA's Public Safety Risk Management group achieved an important milestone this past year in incorporating Risk-Informed Decision-Making into the program. A detailed risk analysis of the orders that BPV inspectors issue allowed for the development of standardized inspection orders. This helped determine the optimum time allowance for compliance with orders and introduced greater consistency in the time owner/operators have to comply. The risk analysis was also shared with insurers, which are responsible for conducting the vast majority of BPV periodic inspections, to bring greater consistency in enforcement to the broader BPV sector.

Operating Engineers Safety Program

The Operating Engineers (OE) Safety Program continued to work with other jurisdictions on a national standard for plant ratings, developing a system that determines common safety and staffing requirements, and analyzed opportunities to safely downgrade a plant's power rating if labour for the current rating is unavailable. This was one of several ways that TSSA continually seeks to address the skills shortage.

As part of its campaign, OE partnered with training colleges

and the Institute for Power Engineers on the issue of practical experience, advocating for industry-based practicum placements for greater skills training. OE also saw the seventh new college for power engineers open its doors in Ontario.

Elevating Devices Safety Program

The Elevating Devices Safety Program re-launched the Declaration of Compliance program, which allows owner/operators to affirm compliance with low and medium-risk inspection orders, to eliminate the need for follow-up inspections and better allocate TSSA resources to higher risk priorities. The program also conducted a review of its policy of shutting down one elevator in a bank of elevators for failure to complete maintenance and annual tests. The review found the policy was not effective in enhancing compliance and the program is now exploring alternative ways to incent owner/operators to comply with safety requirements. As part of its ongoing efforts to enhance compliance, the program began issuing quarterly reports to elevator contractors on their individual rates of compliance.

Amusement Devices Safety Program

The Amusement Devices Safety Program played a key role in harmonizing code requirements for amusement devices between Canada and the US, which will ensure consistency in safety standards between jurisdictions for devices that often travel between the two countries. The program also began enforcing safety requirements for ziplines that had been previously grandfathered, including periodic inspections, annual license/permits, and demonstrating records of training and rescue plan operations.

Fuels Safety Program

The Fuels Safety Program launched public consultations on proposed changes to the Liquid Fuels Handling Code, which outlines safety requirements for fuel sites such as gas stations and marinas. Through the Environmental Bill of Rights Registry, webinars and in-person meetings in Sudbury and Sault Ste. Marie, various stakeholders, including gas station and marina owner/operators, fuels contractors, and fuel distribution companies, were engaged on the proposed changes. The feedback received will be considered in the development of the updated code to further enhance both public safety and environmental protection. The Fuels Safety Program and MGCS also



“To enhance compliance, the Elevating Devices program began issuing reports to contractors on their individual rates of compliance.”

**“The Fuels Safety
Program launched public
consultations on the Liquid
Fuels Handling Code.”**

OUR YEAR IN REVIEW

convened a series of roundtables to consult stakeholders on additional changes to the Propane Regulation, including the introduction of risk-based inspections that would see higher-risk facilities inspected more frequently, and set minimum insurance requirements for propane dispensing facilities.

Assemblers of small outdoor gas appliances, such as barbeques and patio heaters, were exempted from the requirement to hold a TSSA Fuels Certificate following a regulatory review. Retailers of such equipment are now required to ensure their assemblers are appropriately trained through an in-house or third party training program. The revision better aligns the safety risk associated with the activity.

Upholstered and Stuffed Articles

The Upholstered and Stuffed Articles (USA) Safety Program launched an advocacy program to address non-compliances in the second-hand market to address issues with unidentified/unlabelled resale items such as old mattresses, box springs

and furniture. As part of the initiative, USA inspectors provided educational sessions to make customers aware of the labeling requirements for second-hand upholstered and stuffed articles and their associated risks.

TSSA continually measures its performance, checking its progress and its safety impact against a balanced scorecard. It provides detailed information on TSSA's performance and goals for the past year and provides additional information on key achievements across TSSA's safety programs and the broader organization. The balanced scorecard can be found on pages 47 to 48 of this report.

For more detailed information on TSSA's safety programs and the state of safety of its regulated sectors, including measures and trends, the Annual State of Public Safety Report provides detailed analysis and highlights. Two versions of the analysis – the technical report and a reader-friendly summary – are available on TSSA's website at www.tssa.org.

PARTNERS IN SAFETY





SAFETY
AWARDS
2015

THE SHINING STARS

TSSA believes safety is a shared responsibility. So too do our inaugural Safety Award winners.

Ontario's enviable public safety record is the result of that shared sense of responsibility and considerable teamwork between TSSA, industry partners, safety advocates, and technical experts. TSSA's Safety Awards were created to recognize those who bring a greater level of safety to their community, their industry and the province of Ontario.

This year's recipients are truly noteworthy and their stories take us through the collaboration, the dedication, and the tenacity of their safety-driven acts.

PARTNERS IN SAFETY

**“Dr. Woodcock’s THRILL Lab
plays a big part in making sure
thrills and safety coexist.”**

Dr. Kathryn Woodcock
Professor, Ryerson University



PUTTING THE THRILL IN SAFETY

Thrills and safety are two words that are not often used in the same sentence, but for Dr. Kathryn Woodcock they are the basis of her life's work.

As the head of Ryerson University's THRILL Lab, a clever acronym for 'Tools for Holistic Ride Inspection Learning and Leadership,' her research focus is in keeping the fun in amusement rides by studying safety design, accident prevention and human factors engineering.

"Accidents are commonly the result of riders seeking new sensory experiences or trying to communicate with companions," said Dr. Woodcock. "Riders choose unsafe ways to do this – but design can help shape their behaviour," she added.

To illustrate, take the classic teacup ride. To increase the spinning effect and make the ride more exciting, riders can grasp and turn the wheel, which has the added benefit of keeping their hands and arms inside. Conversely, when riders do unsafe things such as hanging over the side, the spinning slows down.

Several theme parks have introduced interactive rides that

enable riders to modify their experience to be more thrilling or tamer, in the safest way possible.

Dr. Woodcock's THRILL Lab plays a big part in making sure thrills and safety coexist. The lab now has a new full-motion simulator that allows researchers to create virtual rides and experiment with rider responses.

Graduates of the THRILL Lab work in the amusement industry, including TSSA's Engineer-in-Training Joelle Javier (pictured in the opening of 'Our Year in Review'), and apply the THRILL Lab's philosophy of using design and engineering to balance fun and safety at theme parks and carnivals all over North America.

"Dr. Woodcock and the work of the THRILL Lab do such important and valuable work, making sure families can enjoy the pleasure of roller coasters, Ferris wheels and water slides without worrying about safety," said Radcliffe Daley, a member of the TSSA Safety Awards Committee. "It's easy to take fun for granted, but it's gratifying to know that there is serious academic research going into the study of fun, which is why the committee felt an Impact Award was so deserving," he added.



PARTNERS IN SAFETY

“What the Perth County Fire Departments have done should stand as an example to what can be accomplished through safety partnerships.”

Todd McKone

Fire Prevention Officer,
Township of Perth East,
Municipality of West Perth
Fire Departments



THE CO SAFETY COLLECTIVE

Perth County of southwestern Ontario has gone a little Hollywood – thanks to the efforts of Todd McKone, lead Fire Prevention Officer with the West Perth and Perth East Fire Departments.

Although the ‘Wake Up Call’ can’t boast A-list actors or a multi-million budget, the dramatic carbon monoxide (CO) safety video is creating a buzz.

Launched in November 2014 to commemorate Ontario’s first CO awareness week, the video reinforces the importance of carbon monoxide alarms in the home.

“The inspiration behind the video was a number of close calls, including a case of CO poisoning last winter, that could have turned fatal,” said Mr. McKone. “This was a huge step forward in protecting the public by getting the community to think about risks associated with CO and sharing important safety messaging on how to protect themselves.”

The video, which shows a sleeping family awakened by a CO alarm that has sensed traces of the poison gas, has racked up an impressive number of views through social media, including YouTube hits from over 35 countries.

While the video’s viewership has been international, its production has been decidedly local, starting with an award-winning filmmaker, local native Zach Patton. The video also featured home-grown talent, including members of the West Perth Fire Department and two of their children, Wade and Cleo.

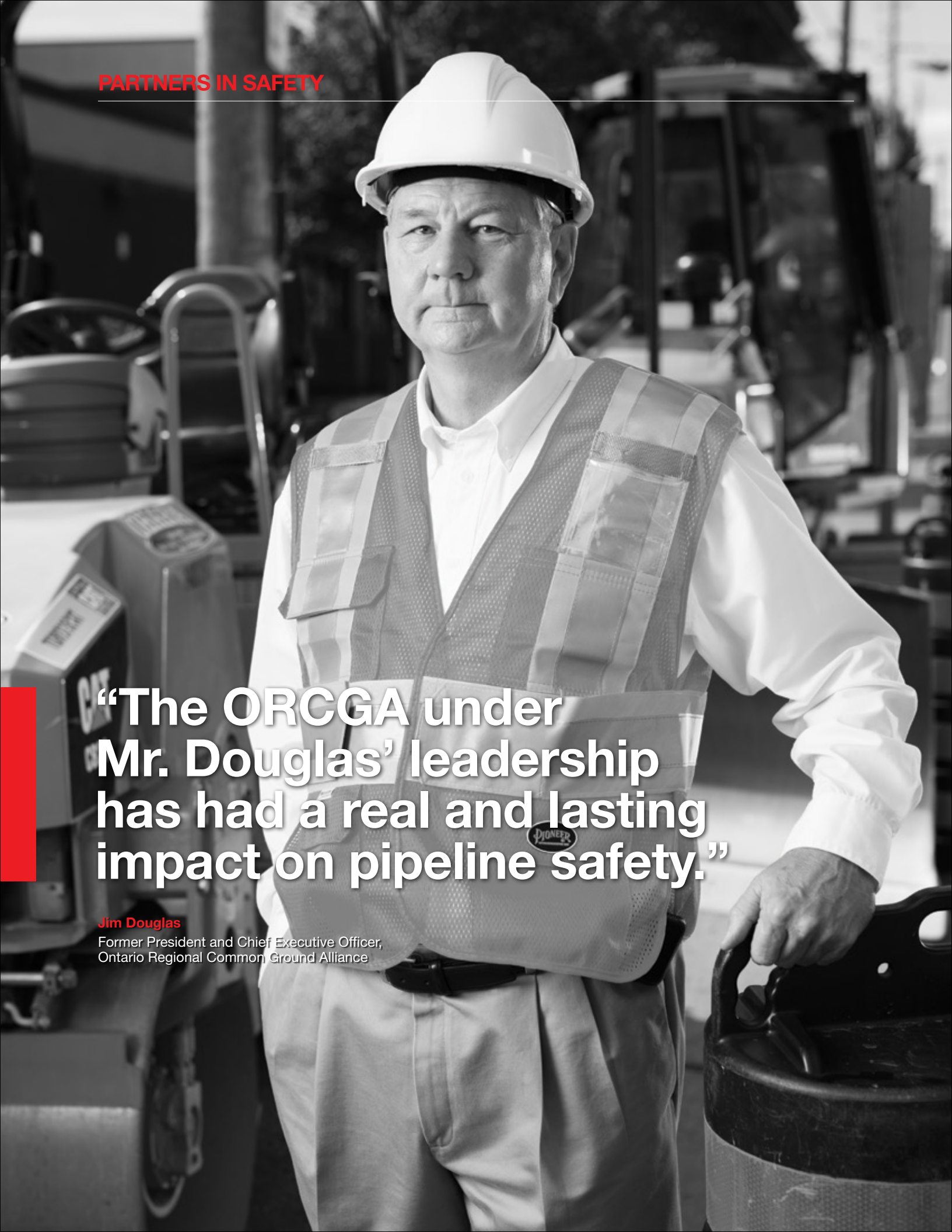
“We wanted to do something that pulled the entire community together,” said Mr. McKone. “Coincidentally, on the morning of the video release, a CO-related call came in. Thankfully, the family was okay, but the incident just reinforced the need for educational videos like this,” he added.

The video also drew financial support from the community, including every fire department in Perth County, as well as local firefighter associations, the City of Stratford, the Kinsmen Club of Mitchell and District, the Perth Huron Insurance Brokers Association, and Perth County Mutual Aid Fire Services.

“Every time I pitched the concept, I got commitment to support the project,” said Mr. McKone. “This project was truly about the community coming together to promote public safety.”

The effort behind the ‘Wake Up Call’, the dramatic storytelling of the video, and the broad impact of the public service announcement all figured in the decision by TSSA’s Safety Awards Committee to award the West Perth and Perth East Fire Departments an Impact Award.

“The committee was so impressed that a small fire department was able to pull an entire community together to produce such a compelling video and take on such an important safety issue,” said Jessica Myrie, Chair of the TSSA Safety Awards Committee. “What the Perth County Fire Departments have accomplished should stand as an example to all communities about what can be accomplished through safety partnerships,” she added.



PARTNERS IN SAFETY

**“The ORCGA under
Mr. Douglas’ leadership
has had a real and lasting
impact on pipeline safety.”**

Jim Douglas

Former President and Chief Executive Officer,
Ontario Regional Common Ground Alliance



THE REAL DIRT ON SAFETY

Beneath your feet, on any street or property, there's an underworld of infrastructure - everything from pipes that carry natural gas to cables that provide electricity and internet service - that keeps you connected and cozy in your home.

But out of sight also means out of mind, which is why pipeline strikes that damage underground infrastructure and cause gas leaks, explosions, traffic disruptions, injuries and community evacuations, are so pervasive and dangerous.

For Jim Douglas, former President and CEO of ORCGA (the Ontario Regional Common Ground Alliance), pipeline strikes have been anything but out of sight and mind. For over a decade, he has led the ORCGA in bringing industry together to reduce the risk of damage to underground infrastructure. Made up of 19 stakeholder groups, consisting of over 490 organizations, the ORCGA represents the broadest consensus on damage prevention in Ontario.

"Even a minor scrape from a shovel or backhoe can cause a leak of pressurized gas. If it finds an ignition source, a tiny spark or flame, you can get a catastrophic explosion - killing workers, injuring bystanders, destroying property, and putting everyone at risk," said Mr. Douglas. "Any activity that disturbs the soil such as digging a flower bed, driving fence posts into the ground, or installing a sprinkler system could damage a pipeline. With erosion, shifting ground, or changes in the landscape, the depth of a pipeline can change over time," he added.

Since its inception in 2003, the ORCGA has sustained a broad-based campaign promoting safe excavation best

practices, created a new Damage Prevention Technician program, developed geographic councils across Ontario, launched an annual Dig Safe campaign, and partnered with Ontario One Call, a province-wide system that provides free locates for utility pipes and cables.

Of its many accomplishments, the ORCGA's most significant legacy is the instrumental role it played in getting the Ontario Underground Infrastructure Notification System Act passed in 2012. The law mandated every person or entity, including municipalities across Ontario, which own or operate buried infrastructure become members of Ontario One Call.

"That historic event made sure that everyone banded together to identify underground pipelines and cables, promote damage prevention across the province, provide cost-effective, high quality service to excavators, including homeowners, and maintain a healthy alliance with service providers. And that's what makes it such a celebratory moment," said Mr. Douglas.

"The ORCGA under Mr. Douglas' leadership has had a real and lasting impact on pipeline safety," said Sorin Corlaci, a member of the TSSA Safety Awards Committee. "Pipeline strikes continue to be a significant safety risk and the work of the ORCGA has been focused, sustained and most importantly has had a positive impact. Selecting ORCGA for a TSSA Legacy Safety Award was almost an obvious decision for the committee," he added.

So before you dig, get the real dirt on safety.



**“Out of a personal tragedy,
Mr. Gignac found the strength,
courage and persistence to
make Ontario a safer place.”**

John Gignac

Founder and Executive Director,
Hawkins-Gignac Foundation

THE TENACIOUS ONE



In December 2008, police were called to a Woodstock home after one of its residents failed to show for work. Inside, officers found the deceased bodies of a man and two children, and a woman with faint vital signs, who succumbed to her injuries soon after.

Police identified the victims as Laurie Hawkins, her husband, Richard, and their 14-year-old daughter Cassandra and 12-year-old son Jordan.

Carbon monoxide (CO) from their gas fireplace had seeped into the home because of a blocked chimney vent. No CO alarm woke them up. They didn't have one.

As a retired captain with the Brantford Fire Department, CO poisoning was a familiar safety issue to John Gignac, and now one that hit too close to home.

"My niece Laurie was a fighter and a respected OPP Officer," said Mr. Gignac. "She was really committed to community, especially advocacy for women and teenagers in need. She believed in creating a better world, and it showed to all those around her," he added.

John knew what he had to do. This should have never happened. CO poisoning is completely avoidable. And so the Hawkins-Gignac Foundation was born.

For over six years, Mr. Gignac has led the foundation in educating Canadians on the dangers of CO, raising funds to donate CO alarms, particularly for disadvantaged

communities, and equipping firefighters with better CO monitoring equipment. But he didn't stop there.

Joining forces with Oxford MPP Ernie Hardeman, Mr. Gignac advocated for a Private Member's Bill, aptly called the 'Hawkins-Gignac Act', mandating CO alarms in all Ontario homes. Meeting with countless politicians, gaining media support, and telling his story over and over, John almost felt the law was doomed after the Bill failed not once but three times.

But tenacity paid off after the Bill passed third reading in the Ontario Legislature and became law on October 15, 2014.

"It took six years, but the fight was worthwhile," said Mr. Gignac.

Now all Ontarians who heat their home with natural gas, oil or propane, or have any other fuel-burning appliances are required by law to have working CO alarms installed outside all sleeping areas. Homes with an attached garage need to heed the legislation too.

"Out of a personal tragedy, Mr. Gignac found the strength, courage and persistence to make Ontario a safer place," said David LeVasseur, a member of the TSSA Safety Awards Committee. "His story is sad and inspiring at the same time, and as a committee we were moved and unanimous in our decision to select him as a Legacy Award winner," he added.

MANAGEMENT'S DISCUSSION & ANALYSIS





OPERATIONAL AND FINANCIAL PERSPECTIVES

The Management's Discussion and Analysis (MD&A) provides insight and understanding into TSSA's financial results and outlines the organization's financial and business performance against its strategic and business plans for the fiscal year ended April 30, 2015. The MD&A should be read in conjunction with TSSA's audited financial statements and balanced scorecard to understand the connection between strategy, enterprise risk and financial results.

Forward-looking statements in the MD&A require management to make assumptions, giving rise to inherent risks and uncertainties. As such, they contain elements that may not be fully accurate and/or make assertions on TSSA's financial objectives, vision and strategic goals that may not all be achieved.

COMPANY PROFILE

42
Engineers

201
Inspectors

404
Employees in
Ontario

MANAGEMENT'S DISCUSSION & ANALYSIS

CORPORATE OVERVIEW

TSSA's core activities enforce and promote public safety in four broad sectors mandated by the Government of Ontario: Fuels; Elevating Devices, Amusement Devices and Ski Lifts (ED/AD & Ski); Boilers and Pressure Vessels and Operating Engineers (BPV/OE); and, Upholstered and Stuffed Articles (USA).

TSSA's activities are guided by four over-arching priorities as outlined in its current 5-Year Strategic Plan: Compliance First, Leverage Risk Knowledge, Shared Responsibility for Safety and Organizational Effectiveness.

Some notable accomplishments from the fiscal year include:

Compliance First

Increasing compliance with Ontario's public safety laws is a fundamental commitment that TSSA fulfills as a regulator in order to enhance safety. Compliance First activities focus on areas of significant non-compliance identified in its Annual State of Public Safety Report. Over the past year, TSSA advanced a number of critical initiatives, focused on enhancing regulatory compliance and in turn public safety.

- Follow-up inspections conducted by TSSA inspectors assess compliance with previously issued inspection orders. A backlog in follow-up inspections poses compliance risks. This past year, TSSA launched a focused project to eliminate the backlog in follow-up inspections and exceeded its target. TSSA is now on track to eliminate the backlog permanently in the current year.
- Non-compliances with regulatory requirements can occur for a broad range of reasons, including lack of knowledge of the safety rules and costs associated with compliance. In northern Ontario, some fuel site operators faced compliance challenges related to the limited availability of fuel contractors, short construction seasons to upgrade or repair equipment, and seasonal operations. TSSA worked collaboratively with stakeholders to develop a Northern Compliance Strategy to assist fuel operators in northern Ontario.
- Retirement and long-term care homes house some of the most vulnerable people in Ontario. Residents of those homes face special challenges in the event of an emergency evacuation and thus face elevated risks. In

order to understand the safety of retirement and long-term care homes, TSSA launched a pilot inspection program to assess risks associated with fuel-burning equipment. The first phase of the program examined potential risks associated with fuel equipment maintenance and servicing. The second phase, which is currently underway, will further assess the risks and identify mitigations to enhance public safety in Ontario's retirement and long-term care homes.

Leverage Risk Knowledge

Understanding the underlying reasons of safety risk is the basis of TSSA's approach to managing its mandated responsibilities. By using evidence-based approaches, TSSA provides transparent and accountable safety decision-making. This past year, TSSA made important strides in its ongoing efforts to advance the science of risk management, including:

- Aging infrastructure and equipment can pose potential public safety risks. TSSA's research and analysis of this issue resulted in the development of a decision-making guide for identifying and managing age-related failures of equipment, which was in turn peer-reviewed and published at an international conference.
- Focusing inspection resources on high-risk devices leads to greater efficiencies in inspections as well as better safety outcomes. TSSA's ongoing work in developing risk-based inspection schedules increased the maximum inspection interval from three years to five in the elevating devices sector, allowing the program to deploy limited inspection resources away from low-risk devices to high-risk devices.
- As TSSA continues to refine its risk management methods, risk-based inspections are expected to be applied more widely across TSSA's safety programs. This past year, the Ministry and TSSA collaborated on a number of updates to the Propane Regulation, including the introduction of risk-based inspections in the propane sector. This has reduced the regulatory burden for those operators who demonstrate adherence to public safety standards by inspecting higher-risk facilities more frequently.

Shared Responsibility for Safety

TSSA believes achieving positive safety outcomes requires a collaborative approach between TSSA, industry, government and the broader public. TSSA significantly strengthened its partnerships in the past year to develop collaborative strategies to enhance public safety, including:

- To formalize TSSA's commitment to a shared responsibility for safety, the organization launched the first annual TSSA Safety Awards. The award program will formally acknowledge individuals and organizations who have made significant contributions to public safety and enhance the culture of safety in Ontario.
- Carbon monoxide (CO) poisoning remains one of TSSA's most significant public safety risks, one which is largely attributable to user behaviour. As part of the organization's broader commitment to public safety, this past year TSSA increased the number public education partnerships with firefighters and utilities to educate homeowners about the risks of CO.
- TSSA is mandated to enforce 16 regulations that fall under the *Technical Standards and Safety Act, 2000*. To ensure the regulations are current and reflect changing technologies and industry practices, TSSA and MGCS launched a multi-year, joint regulatory review project. This past year, regulatory projects were launched to review safety laws associated with Boilers and Pressure Vessels, Operating Engineers, Upholstered and Stuffed Articles, and assess the need for a new regulation for Liquefied Natural Gas.

Organizational Effectiveness

Organizational effectiveness is the foundation for fulfilling TSSA's public safety mandate. To build the foundation necessary to support achievement of its vision, this past year TSSA focused on enhancing employee engagement, data management and customer value, and made a number of important advances in driving greater organizational efficiency and effectiveness, including:

- The TSSA Ombudsman's office was expanded from an internal focus to include a broader role for external parties to further facilitate issues resolution. The expanded

Ombudsman's Office has provided both staff and external stakeholders an important venue through which to engage the organization with questions, concerns and suggestions for enhancing public service.

- Ensuring TSSA's inspectors, engineers and support staff have the tools and resources to enhance their skills and training is a critical prerequisite for organizational excellence. The expanded rollout of an online learning system has provided both consistency in training and increased technical knowledge of staff to better execute their responsibilities.
- Delivering the Pan Am/Parapan Am Games, the third-largest multi-sport games in the world, required the TO2015 games organizers to collaborate with key safety partners such as TSSA to ensure regulatory requirements were met. TSSA initiated engagement with games organizers two years ahead of the games to coordinate regulatory processes such as engineering design reviews for special effects and inspections for power generators and mobile lights to ensure the safety of athletes, workers and spectators.

TECHNOLOGY OVERVIEW

TSSA's information systems are a key enabler of its business strategy. Business architecture, data management, applications, mobile solutions, and infrastructure all underpin the organization's safety activities. This past year, TSSA made significant progress in a major multi-year transformation initiative to replace the organization's enterprise resource planning (ERP) platform with 'best-of-breed' cloud-based applications. The TSSA 20/20 Program will ultimately establish and maintain a modern and sustainable foundation to support data accuracy, improve safety service delivery, embed risk-informed decisions across core activities, and develop a continuous improvement focus fueled by innovation. Additional notable technology accomplishments include:

- As part of the TSSA 20/20 program, the organization acquired a new Human Resources (HR) application solution as the first major step towards transitioning from the current ERP application to a new 'best-of-breed' platform. The new HR system is expected to be fully



“TSSA’s financial position remains strong...TSSA continues to operate with no funded liabilities and maintains a solid working capital position.”

MANAGEMENT'S DISCUSSION & ANALYSIS

operational in the current fiscal year with a goal to improve reporting, support workflow, reduce manual/offline functions, and enhance analytical capabilities with greater quantity and accuracy of data.

- With approximately half of TSSA's staff in the field, mobile technology is critical to organizational effectiveness. This past year, a new mobile platform, including device management software, was introduced to provide inspection staff with improved connectivity, superior power, and applications to enhance productivity and effectiveness.

Strategic use of data in formulating business strategies, optimizing business processes, and facilitating risk-informed decisions represents the foundation from which the organization operates. Underpinning the TSSA 20/20 program, the organization also continues to embrace effective data management principles and has undertaken initiatives to ensure data is used effectively throughout the organization.

ENTERPRISE RISK MANAGEMENT OVERVIEW

Enterprise Risk Management (ERM) forms an integral part of TSSA's strategic, business and internal audit planning cycles. The goal of TSSA's ERM program is to identify, assess and monitor the management of risks with a view to minimizing adverse outcomes and maximizing opportunities. Like any business, TSSA is susceptible to risks that, if unmitigated, could threaten the sustainability of the organization.

Guided by a risk framework, including annual reporting to the Board of Directors and quarterly reporting to each Board Committee, ERM brings a consistent approach to the identification, assessment and control of risks as they relate to each of the corporate objectives. This includes an analysis to evaluate the urgency, likelihood and potential impact of enterprise-wide risks. Risk mitigation plans are developed and embedded in the strategic, business and operating plans, which, when successfully implemented, reduce the residual risks.

Through the ERM system, a number of risks were identified and corresponding mitigation strategies developed. Of the organization's top 10 enterprise risks, approximately half were related to data and technology. As with all transformative information technology projects, such as TSSA's 20/20

Program, implementation risks abound. To ensure the success of this multi-year program, a robust project management and governance framework was introduced, including regular reporting to the Board and the establishment of a project steering committee. Related to the TSSA 20/20 Program, data integrity was also identified as a significant enterprise risk. In order to ensure the value of the new applications could be fully realized, TSSA has also embarked on robust data governance, data architecture and data cleansing initiatives. And finally, as the organization transitions off its ERP system to 'best-of-breed' solutions, the functionality of the existing business system was identified as an operational risk. This risk is being effectively managed through a phase-in transition plan, during which the current system will be disabled only after functionality of the new system has been confirmed.

TSSA continuously benchmarks and improves its ERM system and processes, and will continue to improve the way in which it uses such information to make informed, strategic decisions.

FINANCIAL HIGHLIGHTS

TSSA's total revenues of \$72.0 million were ahead of prior year by 4.9%. TSSA's revenue mix is comprised of Inspection (\$39.4 million), Licensing/Registrations/Certifications and Exams (\$22.0 million), Engineering (\$9.7 million), and Investment income (\$0.9 million). The revenue mix is similar to the prior year.

TSSA's four program areas, ED/AD, BPV/OE, Fuels and USA, predominantly generate regulatory revenue. In addition, ED/AD and BPV/OE produce a component of non-regulatory revenue. Commentary on each follows.

The ED/AD Safety Program generated revenues of \$28.1 million, exceeding prior year by 8%. The majority of the increase was in Engineering review activities. Ministry of Labour safety regulations for elevator car-top guard railings continue to be a high volume activity, and the achievement of shorter review times cleared a large backlog. Inspection revenue was also higher with increased volume of priority safety inspections. Seven inspectors graduated this fiscal year from the ED training program to support device volume growth and maintain inspection schedules.

MANAGEMENT'S DISCUSSION & ANALYSIS

Fuels Program revenue of \$21.9 million was 2% below the prior year. The primary reduction was in inspection services, which makes up 40% of fuels revenue. A number of factors contributed to the inspection revenue shortfall: the decision to eliminate homeowner billings when TSSA is called by a third party; the move from annual propane inspections to a risk-based model, fewer ad-hoc inspections for all fuels sectors; and more than planned time for non-billable activities related to the 2015 PanAm and Parapan Am Games. The other key revenue categories, Engineering and Licensing, were flat year-over-year.

BPV/OE revenue of \$14.4 million was favourable to the prior year by 6%, due to an increase in customer business volumes and fee changes of approximately 3% as approved during the May 2013 Fee Review.

The USA Safety Program generated revenue of \$4.0 million, which grew 7% as the number of licenses increased.

Non-regulatory business revenue of \$3.6 million consists of a limited number of customer contracts, primarily in BPV, and has grown by 13% due to demand from the nuclear sector and increased fees.

TSSA remains committed to providing customer value while closely monitoring all expenses and seeking cost efficiencies. Total expenses were \$66.1 million, an increase of 0.9% over the prior year. Excluding the amortization expense, operating expenses were higher by 3.1%. The rate of growth was less than half the rate of the prior fiscal year which was 8%.

Salaries and benefits remained TSSA's largest spend due to its structure as a service organization. This spend was up by 5% over FY14 with some increases in permanent and temporary staffing levels and wage and benefit rates. TSSA has frozen executive salaries in FY16. Any additions to staffing levels are being managed through tightly controlled business case justifications. This approach will continue with the expectation of reducing the salary and benefits growth rate in half in FY16.

A number of cost savings were achieved to moderate expense growth, particularly in Information Systems and fleet. Efficiency enhancement was also reflected in the reduction of a key scorecard metric, cost per core safety service hour, which declined to \$308 from \$324 in the prior year. Management

will continue to focus on addressing both aspects of this metric, namely cost and core safety hours, in FY16.

TSSA generated an excess of revenue over expenses of \$6.0 million, a \$2.8 million increase over the prior year. This increase was attributable to increased revenues of \$3.3 million and an increase in operating expenses by \$0.6 million. Concerted efforts to manage expense growth well below revenue levels were successful and will continue in the next year with the goal of further reducing the core expense growth rate.

The excess of revenue over expenses strengthens the reserve level that will support upcoming project investments. Significant resources will be focused on end-to-end business process redesign and systems replacement over the next two years to build a strong foundation for the future (TSSA 20/20 Program). In addition, capital investment in facilities will materialize with the upcoming lease expiry for TSSA premises. The reserve level also provides a stable base for the four-year fee freeze to FY17 as previously announced. Revenues achieved are based on the approved fee structure, which is consistent with the guidelines contained in TSSA's Memorandum of Understanding (MOU) with the Ontario government, and ensures future investment in safety programs for the province of Ontario.

CAPITAL EXPENDITURES

The capital expenditures of \$0.3 million incurred during FY15 were related to investments for sustaining TSSA's business operations and for network capabilities to support the TSSA 20/20 Program. This was significantly below what was initially planned as expenditures on the system being phased out were curtailed in fiscal year as focus turned to preparation for end-to-end business process redesign and system replacement in FY16-FY17. This amount included initial investment for the planned move in FY16 of the TSSA data centre to a cost effective world-class data centre in Guelph.

Additional technology expenditures were incurred on hardware and operating software updates as TSSA's IS team executed on the plan to modernize business-enabling technologies in alignment with the business plan.

Management continues to ensure all capital investments fully support value to stakeholders and reflect the strategic objectives of the organization.

NET ASSETS

TSSA's financial position remains strong with net assets of \$28.9 million. TSSA continues to operate with no funded liabilities and maintains a solid working capital position (excluding deferred revenue) of \$14.9 million (\$10.0 million in FY14). Working capital increased by \$4.9 million compared to prior fiscal year. Accounts Receivable increased as revenue in the last quarter was above previous quarters and the prior year as priority inspections targeted to be addressed in the fiscal year were successfully completed. The current ratio (excluding deferred revenue) of 2.3:1 indicates a continued healthy liquidity position. TSSA's investments in short and long-term financial instruments, totalling \$37.5 million (\$31.4 million in FY14), are held in high quality, very low risk financial instruments, which adhere to the investment policy as approved by the Board of Directors.

At year end FY15, TSSA's total reserve was \$25.5 million or 38.6% of total operating expenses. Within the total reserve, the restricted reserve of \$14.6 million represented 22% of total operating expenses. As per the MOU requirements, TSSA has a reserve policy that includes a set of rules that apply when the reserve level is above or below 25% to guide prudent decisions related to revenue, expense and capital. The balance of the unrestricted reserve of \$11.0 million is above the FY14 level and is consistent with supporting FY16 planned investments in business process redesign, systems replacement and facilities, as noted. Management regularly assesses TSSA reserves to ensure adequate capital is maintained to fund enhancements to the safety system for the benefit of Ontarians as well as the ability to absorb unforeseen economic circumstances.

FISCAL YEAR 2016 OUTLOOK

The FY16 budget represents management's commitment to stakeholders to develop and implement a practical financial plan aligned with the vision and strategic priorities. The emphasis is on delivering efficient, customer focused processes that support TSSA's regulated mandate while funding investment in "fix the foundation" and modernizing for the future. The budget supports a previously announced four-year fee freeze. A new fee schedule was approved effective May 2013 and will be reassessed for FY17.

Total budgeted revenue is \$72.9 million with a net margin of \$1.2 million. Net margin is significantly below FY15,

which was \$6.0 million due to the investment in end-to-end process redesign and new systems implementation (TSSA 20/20 Program) as discussed further in the Technology section, but still remains positive due to modest revenue growth and planned expense control of core operating costs.

Revenue growth is planned at 1% above FY15 and conservatively reflects the expected impact of the continued fee freeze. Growth is expected to be below the 5% experienced in FY15, which was driven primarily by the level of activity required to ensure priority inspections were up-to-date to fulfil the core safety mandate. The only fee change included in the budget is approximately 3% for the Boilers and Pressure Vessels sector effective May 1, 2015 as approved during the May 2013 Fee Review. No new fees, or other adjustments, have been reflected in the FY16 budget. Staffing levels for inspectors are maintained marginally above FY15 with two new inspectors in Elevating Devices who will graduate late in the year to support forecasted device growth. A new metric-based revenue model has been established and performance will be carefully monitored against budget to explain variances, improve forecasting, and gather relevant information to support business and fee planning for the future.

Budgeted expenses of \$71.7 million include a \$3.6 million investment for the TSSA 20/20 Program. The largest area of growth is in contract staffing to support the TSSA 20/20 Program over the next two years. This brings total expense growth to 9%. In order to ensure that adequate financial resources are available to fund all activities, management's goal is to control core business costs to match the level of revenue growth, excluding the one-time TSSA 20/20 Program expenses. This target is in place to ensure the TSSA 20/20 Program investment can be funded with limited or no negative impact on reserves over the next two years.

Core to these investments are costs for the planned move of the TSSA data centre from 3300 Bloor West in Toronto to the Ontario Government data centre in Guelph – a cost effective world-class centre. Opportunities also exist at the centre to leverage Government of Ontario vendor relationships for other technology-related services delivered at discounted rates.

MANAGEMENT'S DISCUSSION & ANALYSIS

As revenue growth is expected to be modest, non-TSSA 20/20 core business expenses will be managed in a number of ways: staffing changes continue to require stringent business case justification, inflationary increases are to be absorbed with cost saving initiatives, and offsets identified for one time or cyclical expenditures. Prudent cost management also ensures TSSA delivers on key initiatives and maintains a strong base for operations. This includes continuing to invest in workforce training, development and safety, the stability and performance of core IT infrastructure, including website renewal, and new programs such as the TSSA Safety Awards. Non-TSSA 20/20 Program based salary and wage growth has been planned at half the level of the prior year and changes in wages are consistent with existing pay policies and the recently conducted triennial market salary survey. Innovative approaches to delivering corporate support processes are being identified on an ongoing basis, such that the growth rate in support costs is planned to be below the growth rate in direct operating costs. Minimal work will be performed on the existing ERP system as focus is on the TSSA 20/20 Program.

TSSA's capital budget for FY16 is projected at \$9.6 million, driven by a combination of the TSSA 20/20 Program, other Information Services (IS) projects and a planned facility refresh and/or move as the existing lease ends. There will be

continued capital spend to stabilize and enhance performance of the IS infrastructure to support the TSSA 20/20 Program as well as upgrading of the main corporate website. There is limited capital spend on existing systems with the focus on TSSA 20/20 Program.

The balance sheet is expected to remain solid and liquidity will continue to be strong based on prudent working capital and cash management. TSSA's liquidity ratios are strong, with cash available to support operations and capital investments. TSSA's investment portfolio of high-grade, low-risk investments remains within policy and is closely monitored by a third party investment manager.

TSSA continues to monitor its reserves. The unrestricted reserve balance at the end of FY15 is adequate to support upcoming TSSA 20/20 Program and facilities capital investments. The restricted reserve policy targets a reserve level of 25% of budgeted operating expenses over time in order to support the business in achieving long-term vision and goals and ensure adequate capital for unforeseen economic events. It is not expected to increase until after the TSSA 20/20 Program is completed.

TSSA is confident that the established operating and capital budgets will enable the successful execution of TSSA's regulatory mandate and overall business plan.

TECHNICAL STANDARDS AND SAFETY AUTHORITY

STATEMENT OF INCOME AND EXPENSES

(In thousands of dollars)

Year ended April 30, 2015 with Fiscal Year 2015/2016 Budget

	2014/2015 Actual \$'000	2015/2016 Budget \$'000	Changes \$ %	
REGULATORY BUSINESS:				
Boilers and Pressure Vessels/ Operating Engineers Revenue	14,407	14,279	(128)	(1%)
Elevating and Amusement Devices Revenue	28,124	28,283	159	1%
Fuels Revenue	21,892	22,849	957	4%
Upholstered and Stuffed Articles Revenue	3,970	4,067	97	2%
Total Revenue	68,393	69,478	1,084	2%
Expenses	63,831	69,458	5,627	9%
NET MARGIN	4,562	20	(4,542)	(100%)
	7%	0%		
NON-REGULATORY BUSINESS:				
Revenue	3,645	3,392	(253)	(7%)
Expenses	2,219	2,224	6	0%
NET MARGIN	1,426	1,168	(258)	(18%)
	39%	34%		
TOTAL TSSA:				
Revenue	72,038	72,870	832	1%
Expenses	66,050	71,682	5,632	9%
NET MARGIN	5,988	1,188	(4,801)	(80%)
	8%	2%		

TECHNICAL STANDARDS AND SAFETY AUTHORITY

CAPITAL EXPENDITURE

(In thousands of dollars)

Year ended April 30, 2015 with Fiscal Year 2015/2016 Budget

	2014/2015 Actual \$'000	2015/2016 Budget \$'000	Changes \$ %	
Capital Expenditure	343	9,553	9,210	2,686%

FINANCIAL STATEMENTS

for the year ended 30 April 2015

INDEPENDENT AUDITORS' REPORT

To the Members of Technical Standards and Safety Authority

We have audited the accompanying financial statements of Technical Standards and Safety Authority, which comprise the statement of financial position as at April 30, 2015, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

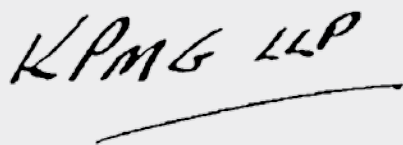
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Technical Standards and Safety Authority as at April 30, 2015, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants



June 22, 2015
Toronto, Canada

TECHNICAL STANDARDS AND SAFETY AUTHORITY

(Incorporated under the laws of Ontario)

STATEMENT OF FINANCIAL POSITION

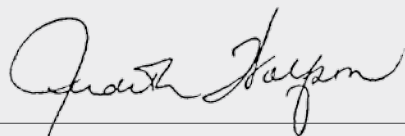
(In thousands of dollars)

April 30, 2015, with comparative information for 2014

	2015	2014
ASSETS		
Current assets:		
Cash	\$ 2,881	\$ 1,948
Short-term Investments (note 2)	14,287	12,259
Accounts Receivable (note 3)	7,411	7,168
Prepaid Expenses	1,531	318
	26,110	21,693
Long-term Investments (note 2)	23,179	19,155
Capital Assets (note 4)	3,320	5,966
	\$ 52,609	\$ 46,814
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts Payable and Accrued Liabilities (note 5)	\$ 11,242	\$ 11,673
Deferred Revenue	12,518	12,280
	23,760	23,953
Net assets:		
Invested in Capital Assets	3,320	5,966
Restricted Reserve (note 9)	14,625	14,625
Unrestricted Reserve (note 9)	10,904	2,270
	28,849	22,861
Commitments and Contingencies (note 11)		
	\$ 52,609	\$ 46,814

See accompanying notes to financial statements.

On behalf of the Board:



Judith Wolfson
Chair of the Board of Directors



David Hipgrave
Chair of Audit, Finance and Risk Committee

STATEMENT OF OPERATIONS

(In thousands of dollars)

Year ended April 30, 2015, with comparative information for 2014

	2015	2014
Regulatory Business Revenue:		
Elevating and Amusement Devices	\$ 28,124	\$ 25,911
Fuels	21,892	22,223
Boilers and Pressure Vessels and Operating Engineers	14,407	13,622
Upholstered and Stuffed Articles	3,970	3,697
	68,393	65,453
Non-regulatory Business Revenue	3,645	3,236
	72,038	68,689
Regulatory business expenses:		
Salaries, Wages and Benefits	42,807	40,666
Operating	18,035	18,081
Amortization	2,989	4,268
	63,831	63,015
Non-regulatory Business Expenses	2,219	2,441
	66,050	65,456
Excess of Revenue Over Expenses	\$ 5,988	\$ 3,233

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

(In thousands of dollars)

Year ended April 30, 2015, with comparative information for 2014

	2015			2014	
	Invested in capital assets	Restricted reserve (note 9)	Unrestricted reserve	Total	Total
Net Assets, Beginning of Year	\$ 5,966	\$ 14,625	\$ 2,270	\$ 22,861	\$ 19,628
Excess (Deficiency) of Revenue Over Expenses	(2,989)	–	8,977	5,988	3,233
Investment in Capital Assets	343	–	(343)	–	–
Net Assets, End of Year	\$ 3,320	\$ 14,625	\$ 10,904	\$ 28,849	\$ 22,861

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

(In thousands of dollars)

Year ended April 30, 2015, with comparative information for 2014

	2015	2014
Cash provided by (used in):		
Operating activities:		
Excess of Revenue Over Expenses	\$ 5,988	\$ 3,233
Items Not Involving Cash:		
Amortization	2,989	4,268
Unrealized Loss (Gain) on Short-term Investments	(165)	41
Unrealized Gain on Long-term Investments	71	(130)
Change in Non-cash Operating Working Capital	(1,649)	592
	7,234	8,004
Investing activities:		
Proceeds on Maturity of Short-term Investments	11,550	6,018
Purchase of Short-term Investments	(13,413)	(7,460)
Proceeds on Maturity of Long-term Investments	4,785	4,632
Purchase of Long-term Investments	(8,880)	(7,869)
Acquisition of Capital Assets	(343)	(3,093)
	(6,301)	(7,772)
Increase in Cash	933	232
Cash, Beginning of Year	1,948	1,716
Cash, End of Year	\$ 2,881	\$ 1,948

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Technical Standards and Safety Authority ("TSSA") is a statutory corporation without share capital under the *Technical Standards and Safety Act, 2000* (the "TSS Act"), based on amendments that were proclaimed effective May 1, 2010. TSSA is responsible for the administration of the TSS Act. As required by the amendments, TSSA entered into a Memorandum of Understanding ("MOU") with the Ministry of Consumer Services of the Province of Ontario. Effective April 24, 2013, and pursuant to the TSS Act, the Ministry of Consumer Services of the Province of Ontario and TSSA executed an amendment to the MOU to revoke and replace the prior additional non-regulatory objects of the TSSA, including certain procedures to facilitate compliance with the revised requirements. These revised objects reflect more clearly the non-regulatory business activities of the TSSA.

TSSA's objectives, as outlined in the TSS Act and MOU, allow TSSA to continue to administer the TSS Act and its regulations to promote and undertake public safety activities in relation to matters assigned to it, including training, certification, licensing, registration, audit, quality assurance, inspection, investigation and enforcement, subject to certain additional powers of the Ministry of Consumer Services of the Province of Ontario. TSSA is a non-profit organization under the Income Tax Act (Canada) and is exempt from income tax.

Regulatory business revenue (formerly known as mandated revenue) reflects those activities prescribed under the TSS Act.

In addition to its regulatory business services, TSSA offers services to the federal government and undertakes other contracts that are not regulated, as permitted by the TSS Act and MOU. This revenue is categorized as non-regulatory business revenue (formerly known as discretionary revenue).

1. Significant Accounting Policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook - Accounting.

(a) Revenue Recognition:

Revenue from the provision of inspection and engineering services is recorded when services are performed. Licensing, registration and certification fees are recognized as deferred revenue when received. These fees are then recognized evenly over the period covered by the fee.

Interest income is recognized as revenue when earned and is recorded on the accrual basis.

(b) Financial Instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized at cost, unless management has elected to carry the instruments at fair value. TSSA has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, TSSA determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial

TECHNICAL STANDARDS AND SAFETY AUTHORITY

(In thousands of dollars)
Year ended April 30, 2015

asset or the amount TSSA expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) **Accounts Receivable:**

Accounts receivable are measured at fair value on origination.

At year end, TSSA assesses whether there are any indications that the carrying value of the receivables may be impaired. For purposes of impairment testing, each significant account is assessed individually; the balance of the accounts are grouped on the basis of similar credit risk characteristics. When there is an indication of impairment, TSSA determines whether there has been a significant adverse change in the expected timing or amount of future cash flows. When TSSA identifies a significant adverse change, it reduces the carrying amount of the receivable to the higher of the amount that could be realized by selling the receivable at the statement of financial position date and the present value of the cash flows expected to be generated by holding the receivable.

When the extent of impairment of a previously written down receivable decreases and the decrease can be related to an event occurring after the impairment was recognized, the impairment loss is reversed to the extent of the improvement.

(d) **Capital Assets:**

Purchased capital assets are recorded at cost less accumulated amortization. Leases that transfer substantially all the benefits and risks of ownership are capitalized. Replacements are expensed in the year of replacement. Amortization is provided on a straight-line basis over the estimated useful lives of the assets at the following annual rates:

Business Systems	20%
Equipment	25%
Furniture and Fixtures	20%
Computer Software	50%
Computer Hardware	33%
Leasehold Improvements	Remaining Term of Lease

Amortization of a capital asset commences when it is brought into service.

Contributed capital assets are recorded at fair value at the date of contribution.

Assets attributable to capital projects that are not available for use are held as construction in progress and are not amortized until they are available for use.

A change in accounting estimate during the prior year was applied prospectively. The change in accounting estimate was based on management's assessment of the useful life of business systems and resulted in an increase of the amortization expense of \$2,074 in 2015.

(e) **Foreign Currency Translation:**

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rates of exchange at the year-end date. Revenue and expenses are translated at the exchange rates prevailing on the transaction date. Realized and unrealized exchange gains and losses are included in the statement of operations.

Realized foreign exchange gain of \$131 (2014 - \$51) is included in operating expenses.

TECHNICAL STANDARDS AND SAFETY AUTHORITY

(In thousands of dollars)
Year ended April 30, 2015

(f) Allocation of Expenses:

TSSA classifies expenses on the statement of operations by business type, regulatory business and non-regulatory business. TSSA allocates certain expenses as noted below on a consistent basis each year. Allocated expenses and the basis of allocations are as follows:

- (i) Direct labour and benefits are allocated on the basis of time incurred as a percentage of revenue; and
- (ii) Certain corporate support expenses are allocated using various allocation methods, including percentage of revenue and square footage of space.

(g) Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

2. Investments:

- (a) Short-term investments consist of cash, bankers' acceptances, guaranteed investment certificates and bonds, with yields between 1.00% and 4.97% (2014 - 1.17% and 4.97%), maturing prior to April 29, 2016 (2014 - April 29, 2015).
- (b) Long-term investments consist of the following:

	2015		2014	
	Cost	Market Value	Cost	Market Value
Corporate and Government Bonds	\$ 22,690	\$ 23,179	\$ 18,977	\$ 19,155

The long-term investments have effective rates between 1.00% and 2.50% (2014 - 1.00% and 2.50%), maturing from June 2015 to November 2019 (2014 - June 2015 to June 2019).

TSSA holds fixed income securities which are subject to market risk, interest risk and cash flow risk. These risks will also impact future cash flow streams, including dividends, gains and losses and interest income.

The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. Changes in interest rates may also affect the value of equity securities.

The value of securities denominated in a currency other than the Canadian dollar will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated.

TSSA does not enter into any derivative instrument arrangements for hedging or speculative purposes.

3. Accounts Receivable:

	2015	2014
Accounts Receivable	\$ 8,045	\$ 7,752
Less Allowance for Doubtful Accounts	634	584
	\$ 7,411	\$ 7,168

TECHNICAL STANDARDS AND SAFETY AUTHORITY

(In thousands of dollars)
Year ended April 30, 2015

4. Capital Assets:

	2015		2014	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Business Systems	\$ 6,222	\$ 4,148	\$ 2,074	\$ 4,110
Equipment	791	779	12	26
Furniture and Fixtures	1,518	1,511	7	9
Computer Software	816	673	143	358
Computer Hardware	1,682	837	845	1,014
Leasehold Improvements	2,047	1,808	239	449
	\$ 13,076	\$ 9,756	\$ 3,320	\$ 5,966

5. Accounts Payable and Accrued Liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$1,446 (2014 - \$1,144), which relate to sales tax, payroll remittances and oversight fees charged by the Ministry of Government and Consumer Services of the Province of Ontario.

6. Allocation of Expenses:

Direct labour and benefits expenses of \$1,259 (2014 - \$1,139) have been allocated to non-regulatory business expenses.

Corporate support expenses of \$30,432 (2014 - \$31,199) have been allocated as follows:

	2015	2014
Regulatory Business Expenses	\$ 29,530	\$ 30,004
Non-regulatory Business Expenses	902	1,195
	\$ 30,432	\$ 31,199

7. Pension Plans:

TSSA has established defined contribution pension plans for its employees. Contributions by TSSA on account of current service pension costs paid and expensed amounted to \$1,837 (2014 - \$1,759).

8. Indemnification of Directors and Officers:

TSSA has indemnified its past, present and future directors and officers against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors and officers are sued as a result of their service, if they acted honestly and in good faith with a view to the best interest of TSSA. The nature of the indemnity prevents TSSA from reasonably estimating the maximum exposure. TSSA has purchased directors' and officers' liability insurance with respect to this indemnification.

9. Restricted reserve:

TSSA has an approved restricted reserve to ensure sufficient capital is maintained for continued services and to allow for significant unforeseen economic events. This policy, approved by the board, requires TSSA to attain and maintain a restricted reserve of 25% of budgeted operating expenses. The board considers the sum of the restricted reserve and

TECHNICAL STANDARDS AND SAFETY AUTHORITY

(In thousands of dollars)
Year ended April 30, 2015

unrestricted reserve to be the total reserve. As at April 30, 2015, the total reserve was \$25,530 (2014 - \$16,895). The board approved a transfer, effective April 30, 2015, from the unrestricted reserve to the restricted reserve in the amount of nil (2014 - \$5,687). The balance of \$10,905 (2014 - \$2,270) in the unrestricted reserve represents funding for future business initiatives.

10. Capital Disclosures:

TSSA's capital is its net assets as reflected in the statement of financial position. Within net assets, TSSA manages its restricted reserve and unrestricted reserve, as described fully in note 9. TSSA's primary objective of enhancing public safety is supported by safeguarding its assets and ensuring it remains financially viable through effective risk-based planning, investment and cost management policies and procedures. TSSA manages its capital structure through its strategic planning process, as approved by the board. This includes an annual budget of revenue and expenses, investments in capital assets and management of cash and interest-bearing short-term/long-term investments. There are no externally imposed restrictions on its capital structure.

11. Commitments and Contingencies:

(a) Operating Facility:

Under the terms of its banking agreement, TSSA has available a demand operating facility of up to \$750. This facility bears interest at TSSA's bank's prime rate plus 0.25% per annum and is secured by a general security agreement over TSSA's assets and assignment of fire and business interruption insurance. As at April 30, 2015, nil (2014 - nil) was drawn on the facility.

(b) Lease Obligations:

TSSA leases office space, cloud-based online services, vehicles and equipment. Future minimum payments, by year and in the aggregate, under operating leases with initial or remaining terms of one year or more, consist of the following:

2016	\$ 1,920
2017	814
2018	635
2019	315
2020	1
Total Minimum Lease Payments	\$ 3,685

(c) Litigations:

TSSA has been named as defendant in certain litigations alleging actual and punitive damages. However, it is management's belief that the ultimate outcome will not materially affect TSSA's financial position. Settlement, if any, will be accounted for during the period of resolution.

CORPORATE INFORMATION

for the year ended 30 April 2015

TSSA'S BOARD OF DIRECTORS

Donald Aronson

President, Aronson and Associates Inc.

Lynda Bowles

Former Audit Partner, Deloitte and Touche

JoAnne Butler

Vice-President, Market & Research Development,
Independent Electricity System Operator

Douglas Harrison

President and CEO, VersaCold

David Hipgrave

Former President and CEO, Society of Management
Accountants of Ontario

Norm Inkster, Vice Chair

Former TSSA Chief and Safety Risk Officer

Susan Kushneryk

Senior Enforcement Council, Investment Industry Regulatory
Organization of Canada

Michael Lees

Former President, Babcock and Wilcox Nuclear Energy

Bhupinder (Lally) Marwah

President, SQS Solutions

Pamela Nowina

Former Vice Chair, Ontario Energy Board, Board Director for
the Electrical Safety Authority and St. Catharine's Hydro

Connie Roveto

President, Cirenity Management

Helle Tosine

Senior Consultant, SEM Management Consultants

Judith Wolfson, Chair

Vice President, University Relations, University of Toronto

TSSA'S BOARD COMMITTEES

TSSA requires all directors to be a member on one of two standing committees: TSSA's Audit, Finance and Risk Committee, and TSSA's Governance, Safety and Human Resources. Each fulfills an important role in providing oversight in governance, reporting, fiduciary and legal duties, and TSSA's safety strategies.

Audit, Finance and Risk Committee

David Hipgrave, Chair

Lynda Bowles, Member

Douglas Harrison, Member

Norm Inkster, Member

Michael Lees, Member

GOVERNANCE, SAFETY AND HUMAN RESOURCES COMMITTEE

JoAnne Butler, Chair

Donald Aronson, Member

Pamela Nowina, Member

Connie Roveto, Member

Helle Tosine, Member

BOARD REMUNERATION AND TSSA PAY POLICY

Board members are remunerated in a manner that enables TSSA to attract high calibre directors and support our commitment to corporate governance excellence. TSSA's Pay Policy is to pay a competitive compensation package to attract and retain exceptional resources. Both policies remain accountable to all stakeholders through transparent and fiscally prudent compensation practices.

For additional information on Board remuneration and TSSA's Pay Policy, please visit www.tssa.org.

ISSUES MANAGEMENT

At TSSA, we define complaints as an expression of dissatisfaction with respect to services we provide, actions of our team members or the complaint process itself. Committed to continuing to improve customer satisfaction and providing high standards of service to ensure satisfaction, we address complaints at the level they are raised. Should the matter require further attention, the complaint is escalated to more senior personnel, up to and including statutory directors or the President and CEO. In addition, TSSA's Ombudsman effectively assists in resolving issues and developing ideas for improving the way TSSA delivers its services, engaging its staff and those whom we regulate.

FRENCH LANGUAGE SERVICES

Consistent with our French Language Services Policy, we continue to monitor requests for services in French to determine the appropriate level of service to meet public safety and customer service needs.

CORPORATE INFORMATION

SENIOR MANAGEMENT TEAM

Tom Ayres

Vice President and General Counsel

Michael Beard

President and CEO

Brenda Buchanan

Vice President, Human Resources and Training

Wilson Lee

Director, Stakeholder Relations

Robert Pope

Chief Information Officer

Mark Rodrigues

Director, Internal Audit

David Scriven

Vice President, Research and Corporate Secretary

Georgina Kossivas

Chief Financial Officer

Peter Wong

Vice President, Operations

TSSA'S STATUTORY APPOINTMENTS

The individuals listed below are designated as Director or Chief Officer under Ontario's *Technical Standards and Safety Act, 2000* and/or specific regulations.

Roger Neate

Director, Elevating and Amusement Devices Safety Program

John Marshall, BA, CIGC

Director, Fuels Safety Program

Mike Adams, M.Eng., P.Eng., PMP

Director, Boilers and Pressure Vessels and Operating Engineers Safety Program

John W.B. Coulter, C.E.T., TECH C.E.I.

Chief Officer, Operating Engineers

Dara Vorkapic

Director, Upholstered and Stuffed Articles Safety Program

INDUSTRY ADVISORY COUNCILS

TSSA actively solicits the advice and input of key stakeholders from the industries it regulates through nine industry advisory councils, gaining insight into safety strategies, initiatives and service delivery within respective sectors. Council Chairs are listed below.

Virginia Ludy, Amusement Devices

Steve Lawrence, Boilers and Pressure Vessels

Kelly Leitch, Elevating Devices

Bob Smith, Liquid Fuels

Michael Shannon, Natural Gas

Colin Andrews, Operating Engineers

David Karn, Propane

Bruce Haynes, Ski Lift

Lloyd Hall, Upholstered and Stuffed Articles

CONSUMERS ADVISORY COUNCIL

The Consumers Advisory Council's mandate is to provide observations, identify gaps and recommend opportunities for improvement with respect to TSSA's services, policies and actions, advocating for public interest and public input in safety matters regulated by TSSA. Members are listed below.

Jane McCarthy, Chair

Dolly Gerrior, Member

Brian Horsman, Member

Patricia Jensen, Member

Elizabeth Nielsen, Member

Matilda Presner, Member

Kathryn Woodcock, Member

Matthew Ying, Member

For more information on advisory councils, including minutes of meetings, please visit www.tssa.org.

CORPORATE SCORECARD

COMPANY BALANCED SCORECARD FOR FISCAL YEAR 2015

(Year End Results at April 30, 2015)

Objective	Measure	Fiscal Year 2013/2014 Performance		Fiscal Year 2014/2015 Target	Year End Results	Comments
Safety Outcomes						
Reduced health impacts	Risk of Injury or Fatality	3.0 percent increase of Risk of Injury or Fatality (RIF) compared to baseline of 1.02 RIF for FY2012		A reduction from baseline toward the strategic plan target for 2016/2017 of a 10% reduction.	1.7 ¹ percent decrease of RIF compared to baseline	Target met.
Increased regulatory compliance	Periodic inspections/ audits passed on first visit ²	Fuels		Equal to or better than previous fiscal year ³		
		Contractor audits	55%		55%	No Change
		Licensed sites	53%		52%	Decrease of 1%
		Elevating and Amusement Devices		Equal to or better than previous fiscal year		
		Elevating Devices	31%		29%	Decrease of 2%
		Amusement Devices	63%		64%	Increase of 1%
		Boilers and Pressure Vessels and Operating Engineers		Equal to or better than previous fiscal year		
		Boilers and Pressure Vessels	97%		96%	Decrease of 1%
		Operating Engineers	41%		40%	Decrease of 1%

¹ Reflects enhanced methodology for calculating Risk of Injury or Fatality over all programs (as used in the 2013/2014 ASPR).

² The median value of periodic inspections/audits passed on first visit over an eight-year time period. The higher the number the better the compliance.

³ Results may be impacted by mandated enforcement initiatives to address identified compliance concerns. These initiatives are described in TSSA's annual state of public safety reports.

CORPORATE SCORECARD

COMPANY BALANCED SCORECARD FOR FISCAL YEAR 2015

(Year End Results at April 30, 2015)

Objective	Measure	Fiscal Year 2013/2014 Performance	Fiscal Year 2014/2015 Target	Year End Results	Comments
Organizational Effectiveness					
Enhanced Efficiency	Operating Leverage ⁴	2.4%	Positive Leverage	2.5%	Target achieved
Enhanced Customer Value	Performance Index Score from Customer Value Survey	173	An Improvement from Previous Year toward the Strategic Plan Target for 2016/2017 of 205	172	Target not achieved. Action Plans to address last survey are ongoing
Enhanced Employee Engagement ⁵	Employee Survey Engagement Score	62%	No survey planned for fiscal year 2014/2015	Not applicable	
Employee Health and Safety	Occupational Health and Safety Dashboard Leading Indicators (training, quality audits completed and average quality audit score)	Green on all indicators	Green on all leading indicators	Green on all leading indicators	Target achieved
Financial Performance					
Total revenue	Annual \$	\$68.7 million	\$70.2 million	\$72.038 million	Target exceeded
Total net margin	Annual \$	\$3.2 million	\$2.7 million	\$5.988 million	Target exceeded

⁴ The percentage of revenue growth less the percentage expense growth arising from normal operations exclusive of planned strategic investments approved by the Board over a five-year period.

⁵ Employee engagement surveys are conducted approximately every 18 months.

OUR MISSION

To enhance public safety in Ontario.

TSSA's purpose is to promote and enforce public safety. Our vision is to be a valued advocate and recognized authority in public safety. Our values are a reflection of our commitment to public safety. And the beneficiaries of all our efforts are our public and industry stakeholders. Our core values are:

Safety – Be safety conscious at all times.

Leadership – Be the best in actions and words.

Communication – Be an effective and efficient communicator, and an active listener.

Integrity – Be honest and ethical.

Respect – Build trust and earn respect.

Accountability – Be responsible for all actions and deliver on commitments.

Teamwork – Work together, respect individuals and celebrate success.



Technical Standards and Safety Authority

3300 Bloor Street West
14th Floor, Centre Tower
Toronto, Ontario Canada M8X 2X4
Tel: 416-734-3300
Fax: 416-231-1626
Toll Free: 1-877-682-8772 (TSSA)
E-mail: customerservices@tssa.org
www.tssa.org