



Corporate Management, Financial Initiatives, Boards and Authorities

Presentation to
Committee of the Whole

Bruce Macgregor, Bill Hughes and Dino Basso
February 19, 2015

Outline of the Presentation

- Corporate Management Overview
- Corporate Management Operating Budget
- Financial Initiatives, Boards and Authorities
- Information Technology Services Capital Budget
- Property Services Capital Budget
- Budget Recommendation and Next Steps

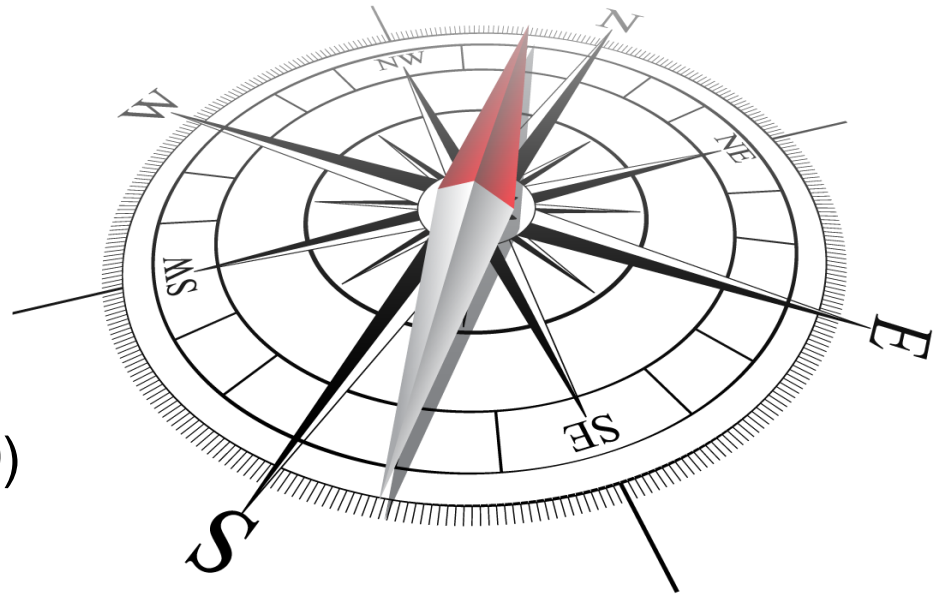
Corporate Management Overview

Bruce Macgregor

Corporate Management at York Region

“Corporate management provides leadership, offers professional services and works to achieve enterprise-wide goals effectively.”

(Budget Book, p. 109)



Corporate Management at York Region



Office of the CAO

- Strategies & Initiatives (Continuous Improvement, Customer Service, Emergency Management, Strategic Planning)
- Audit Services
- Legal & Court Services

Finance

- Financial Management (Budget, Controllership, Supplies and Services, Treasury)
- Information Technology

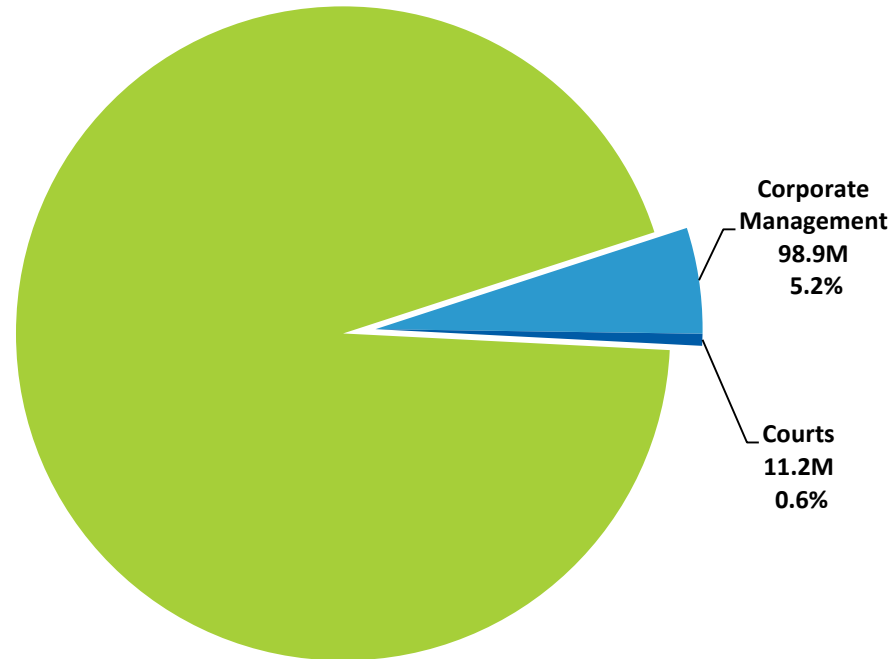
Corporate Services

- Communications, Information & Data (Corporate Communications, Geographic Information Services, Regional Clerk)
- Human Resources
- Planning & Economic Development
- Property Services

Corporate Management Operating Budget

Corporate Management at York Region

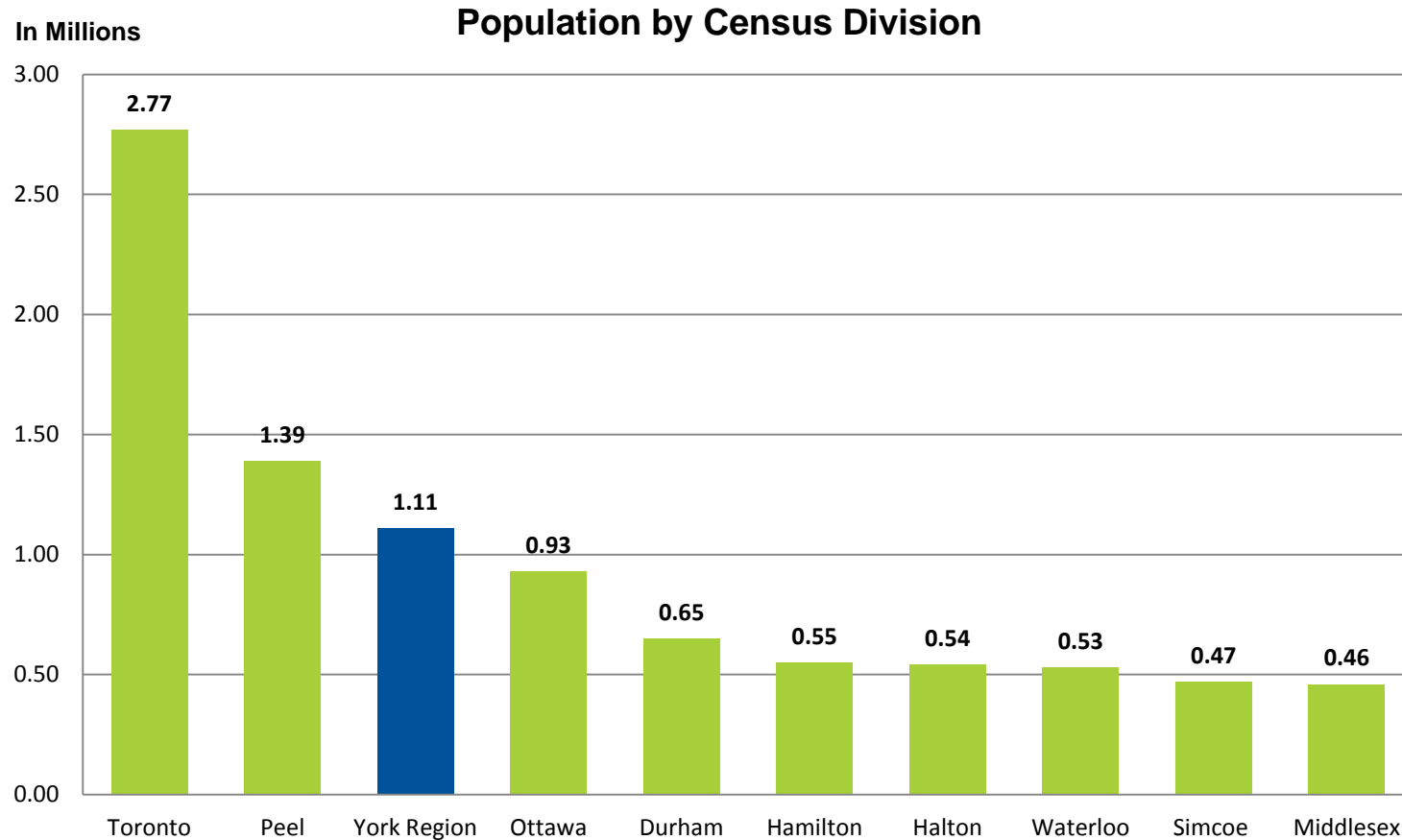
\$1.9B 2015 Gross Operating Budget (Proposed)



*Court Services report to the Regional Solicitor

Corporate Management and Courts comprise 5.8% of the Region's proposed \$1.9 billion gross expenditure in 2015.

York Region is one of the largest municipalities in Ontario



Population as of July 1, 2013; Source: Statistics Canada

Growth in population and employment in the Region is expected to continue

York Region's **population** is expected to grow from

1.1
million
in 2014

to

1.8
million
in 2041

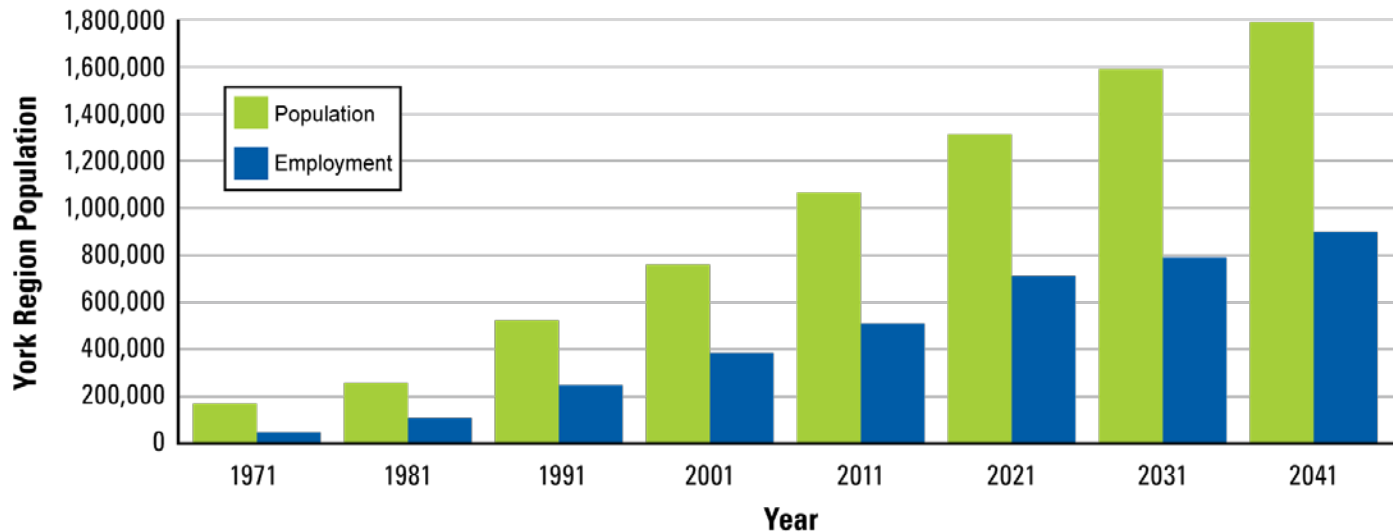
York Region's **employment** is expected to grow from

565
thousand
in 2014

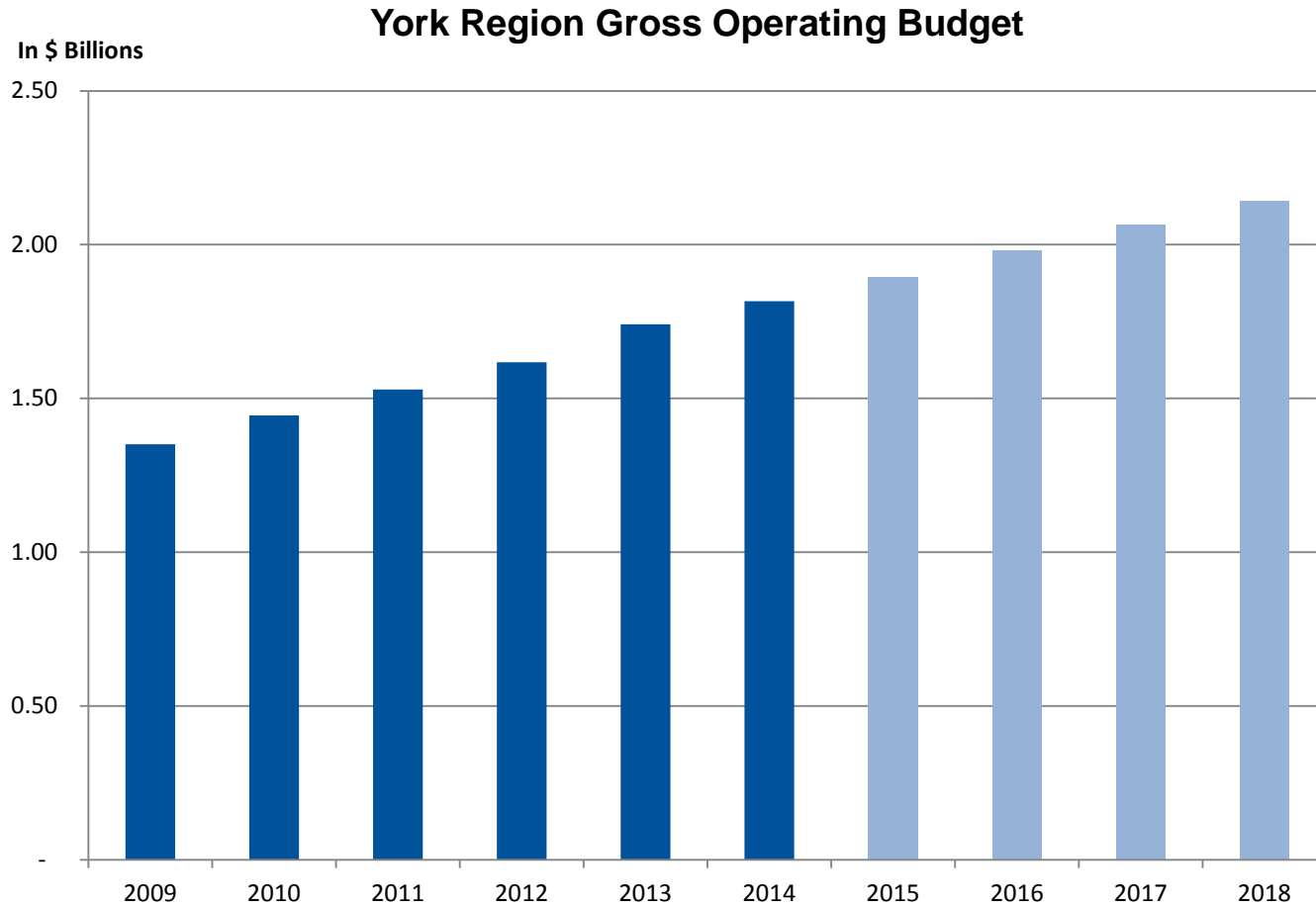
to

900
thousand
in 2041

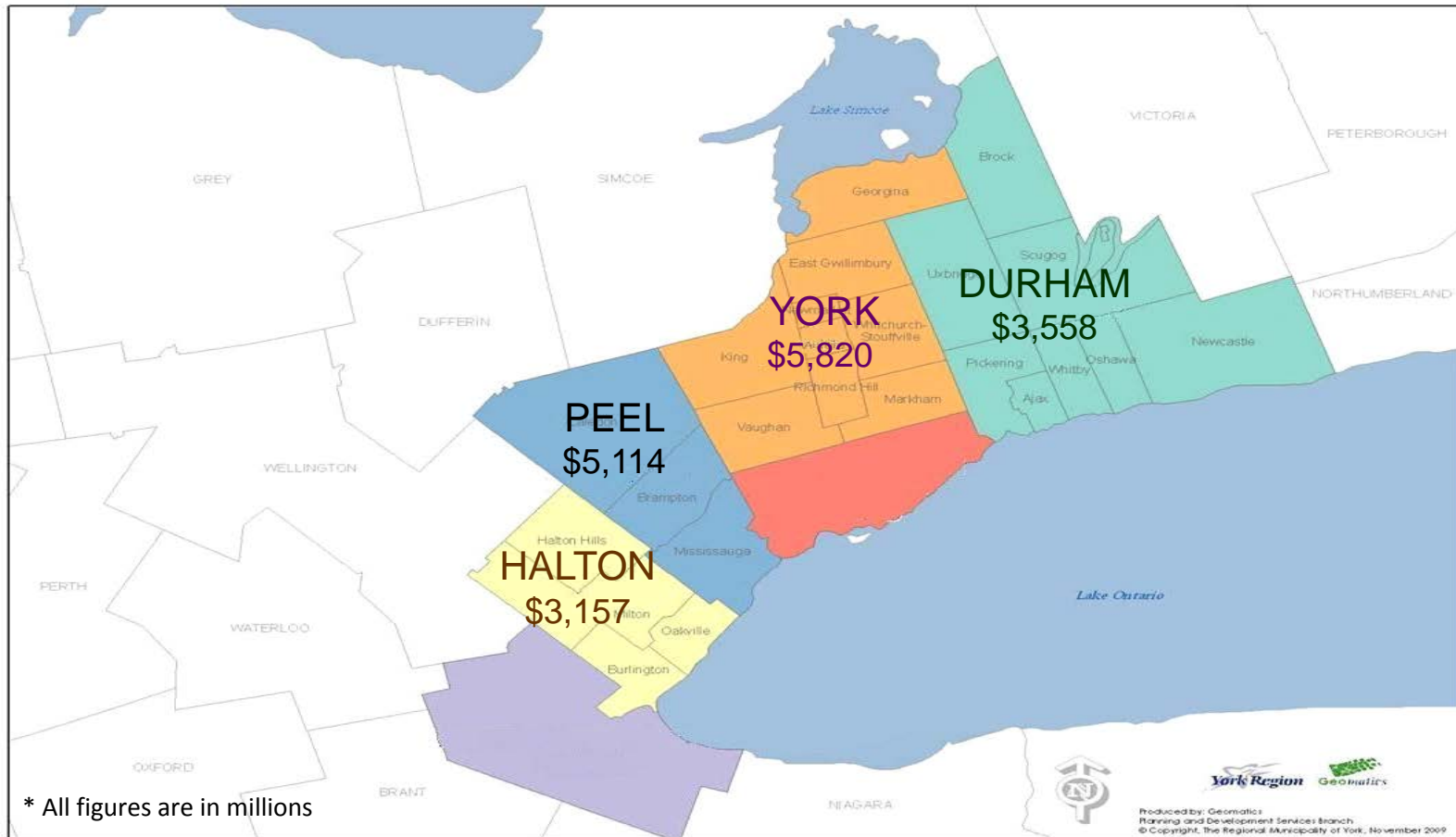
York Region Population Growth - 1971 to 2041



Budget to support Regional programs and services is increasing



York's Ten-Year Capital Plan is the largest in the 905



- Durham's figure reflects its 2014 approved Ten-Year Capital Plan
- York Region and Peel Region reflect 2015 proposed Ten-Year Capital Plans
- Halton's figure reflects the 2015 approved Ten-Year Capital Plan



Fiscal Management
and Policy



Employee Attraction/Retention,
Development, Management, Policy



Information Management,
Data Analytics, Mapping



Corporate Management Enables the Delivery of Regional Programs



Planning for and managing
Growth, Business Retention,
Growth & Attraction



Technology and
Technical Support



Property Acquisition,
Construction, Facility
Management



Legislative
Compliance

Corporate Management Operating Budget at a Glance

	2015	2016	2017	2018
Proposed Net Budget Change	3.4%	4.9%	2.7%	3.8%

	2015	2016	2017	2018
Staffing Changes	28	27	11	11.5
	3		1	

Net Operating Budget for 2015	Corp. Mgmt.	\$92M
	Courts	(\$1M)

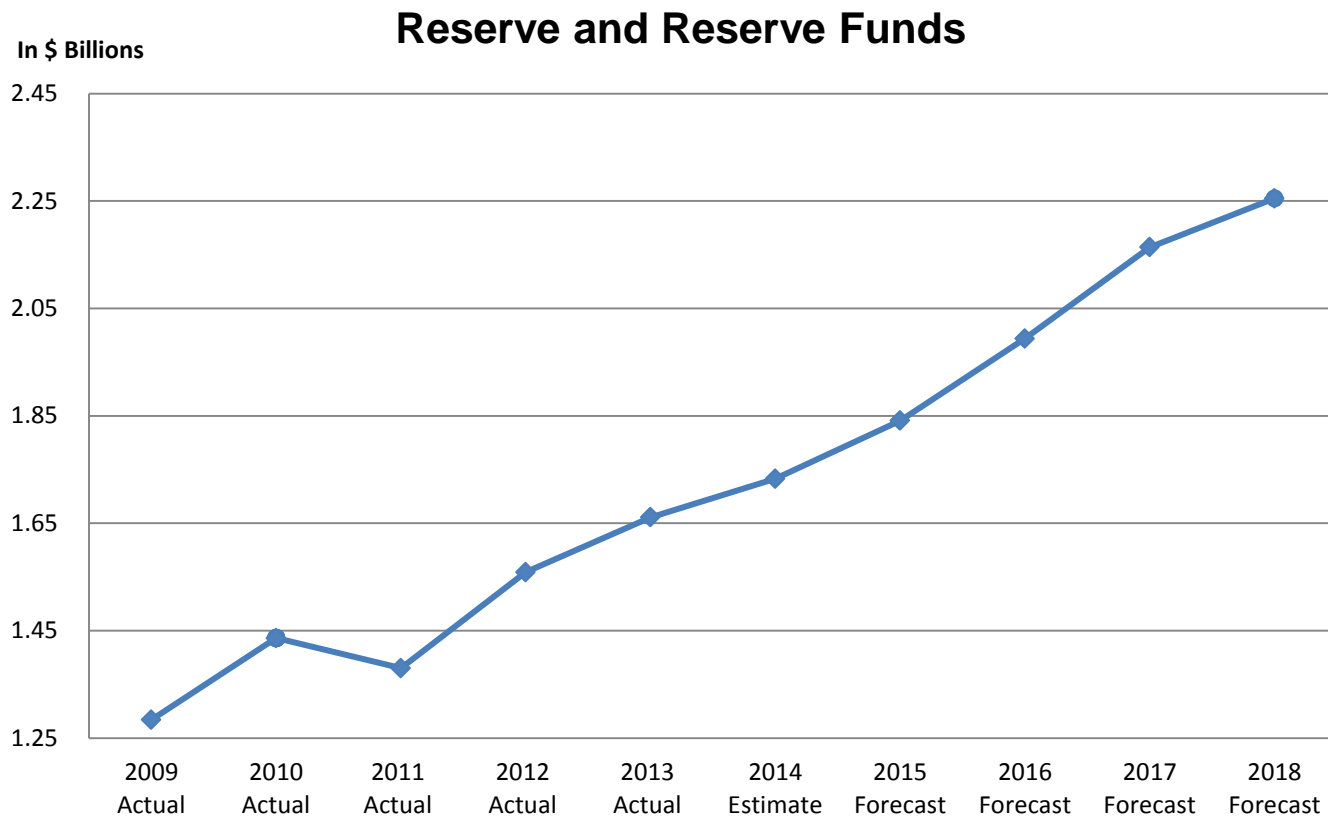
* Note: Staffing changes exclude conversions

Corporate Management and Courts Operating Budget

In \$ Millions	2015	2016	2017	2018
Chair & Council	2.1	2.2	2.2	2.3
Office of the CAO – Strategies and Audit Services	5.8	6.0	6.1	6.4
Legal Services	4.7	5.0	5.2	5.6
Financial Management	15.6	16.2	16.7	17.5
Information Technology Services	24.6	25.8	26.2	26.8
Communications, Information & Data	6.8	7.1	7.5	8.0
Human Resource Services	9.7	10.2	10.5	11.2
Property Services	20.8	21.5	22.0	22.6
Planning & Economic Development	8.7	9.0	9.3	9.5
Total Gross Expenditures – Corporate Management	98.9	103.1	105.8	109.9
Non-Tax Revenue - Reserves, Fees & Charges, etc.	(6.6)	(6.3)	(6.5)	(6.7)
Net Levy – Corporate Management	92.3	96.8	99.4	103.2
Net Levy Increase – Corporate Management	3.4%	4.9%	2.7%	3.8%
Total Gross Expenditures - Courts	11.2	10.6	10.0	9.9
Non-Tax Revenue - Courts	(12.1)	(12.1)	(12.1)	(12.1)
Net Levy - Courts	(1.0)	(1.5)	(2.1)	(2.2)

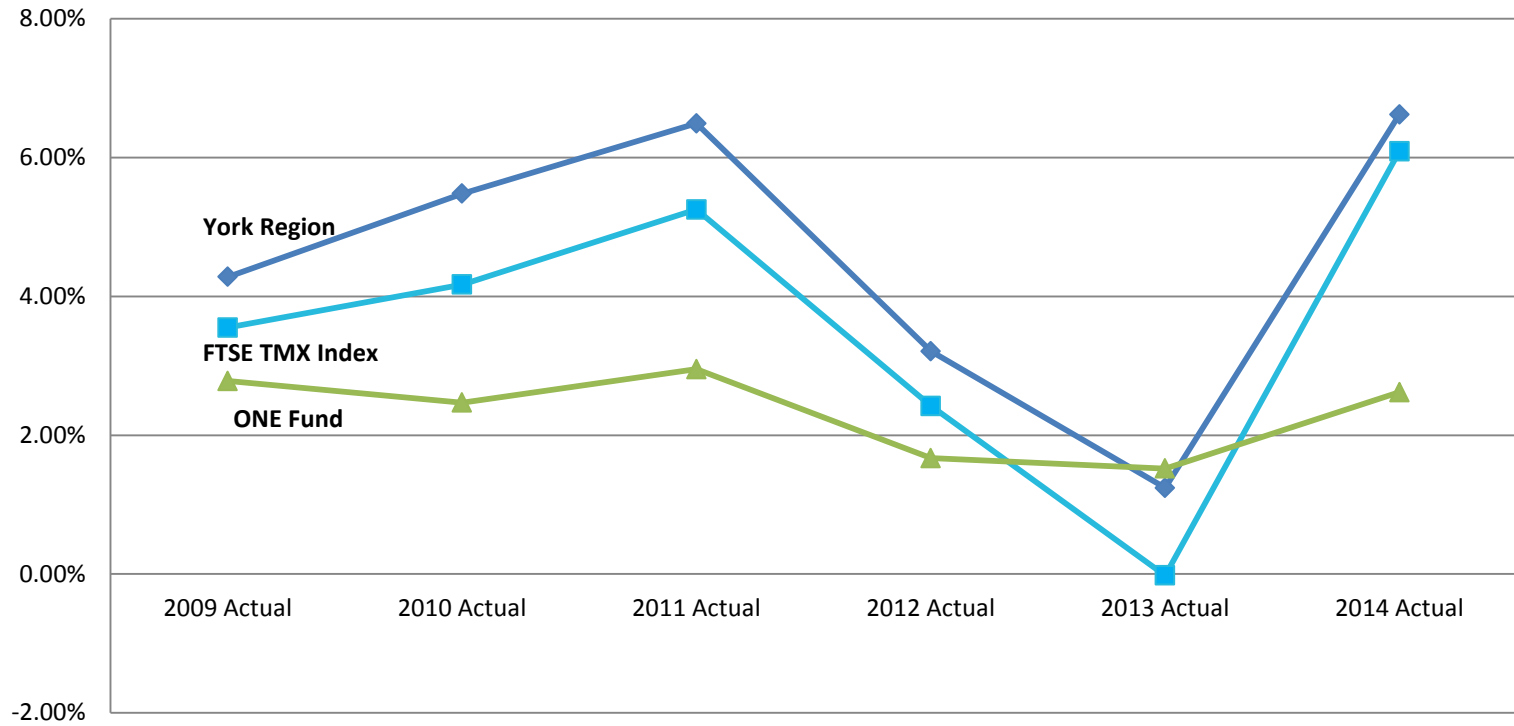
The main budget driver is staffing-related costs. Additional staff requests are included to sustain and strengthen programs and services.

Healthy and Growing Reserves



Strong Investment Returns

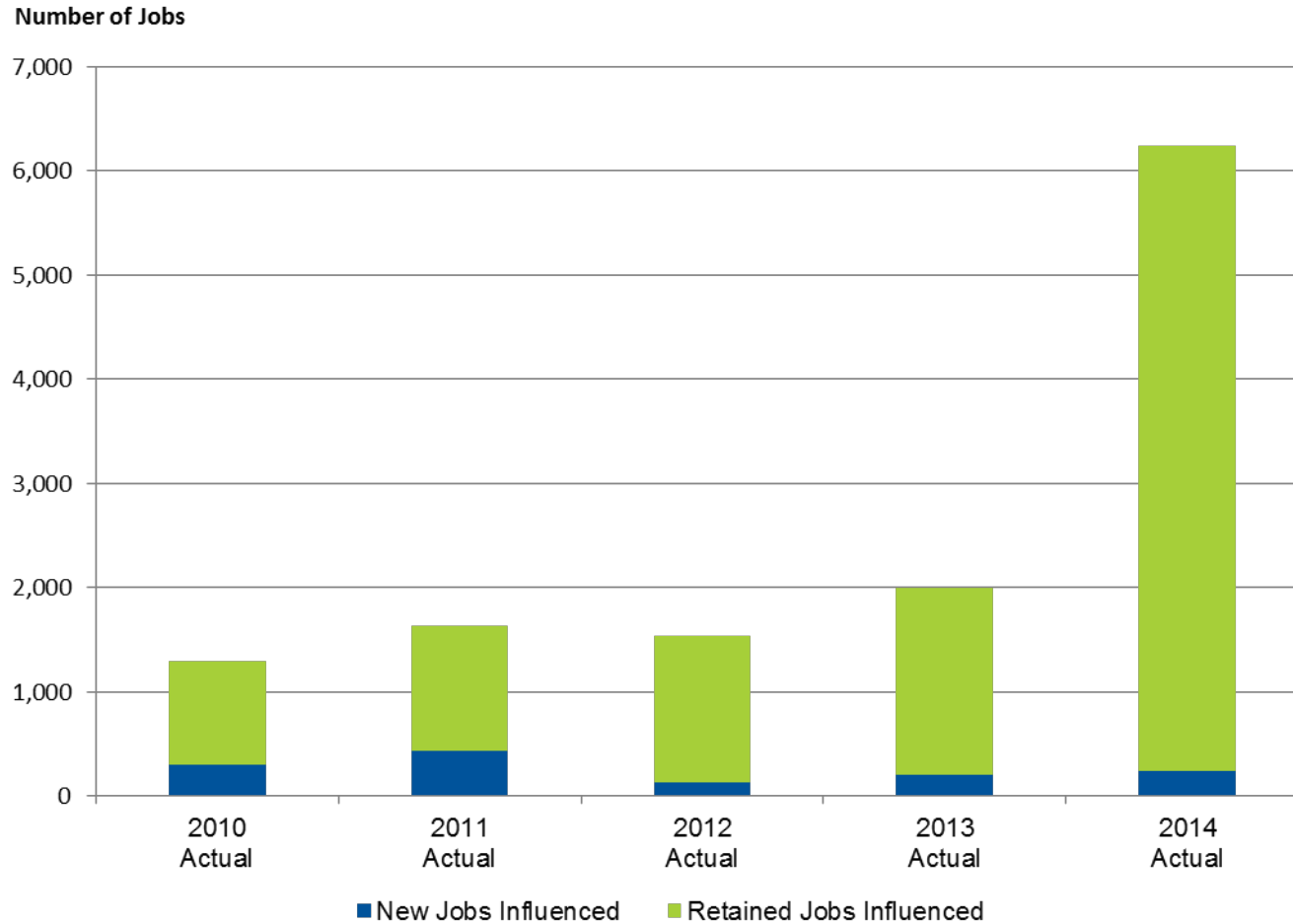
Annual Portfolio Returns



Continuing Shift toward City Building and Intensification



Increasing Job Creation and Retention in York Region



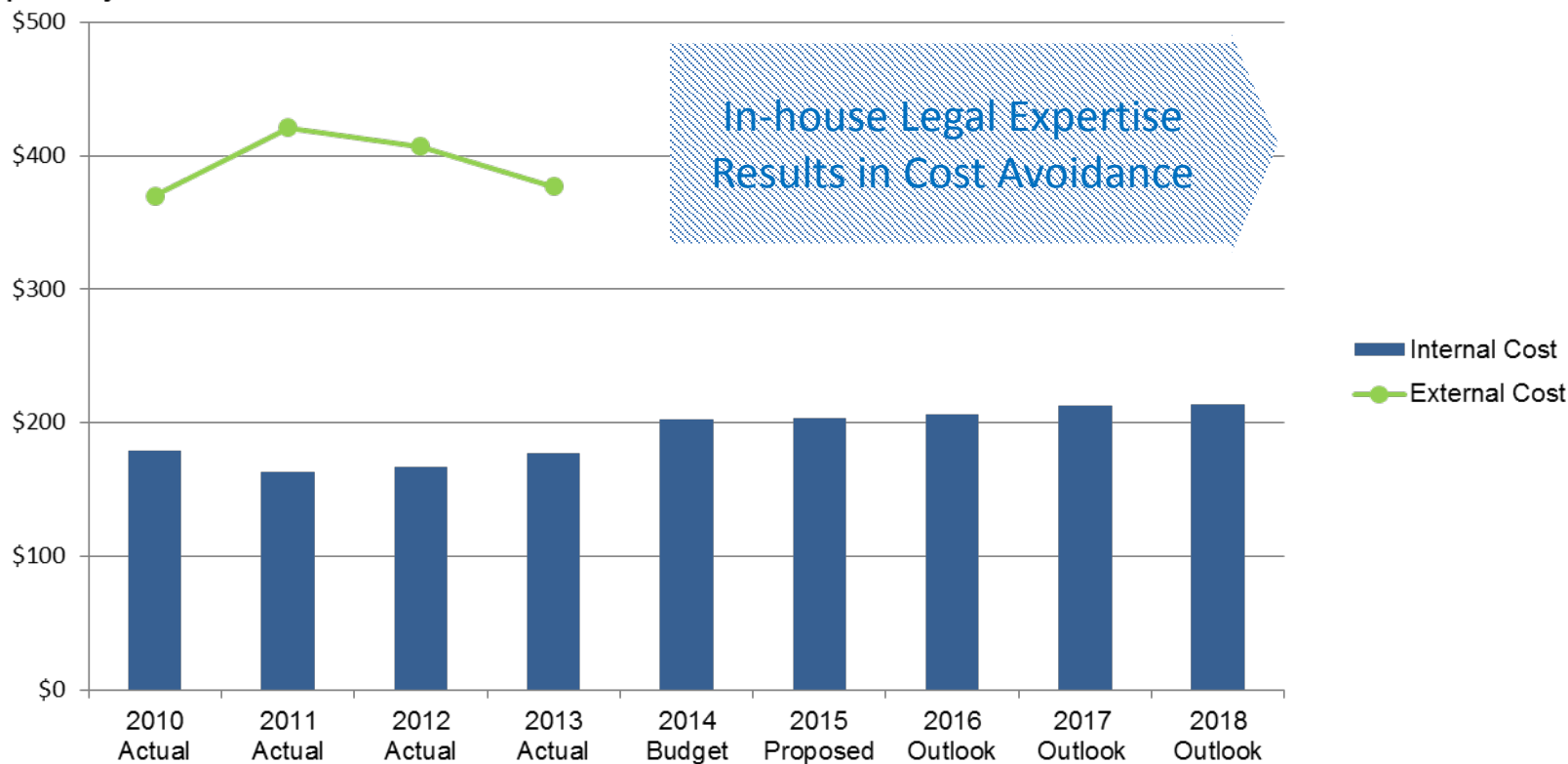
Responding to the Need for Enhanced Development Tracking, Forecasting & Monitoring



Better Development Data = Better Decisions

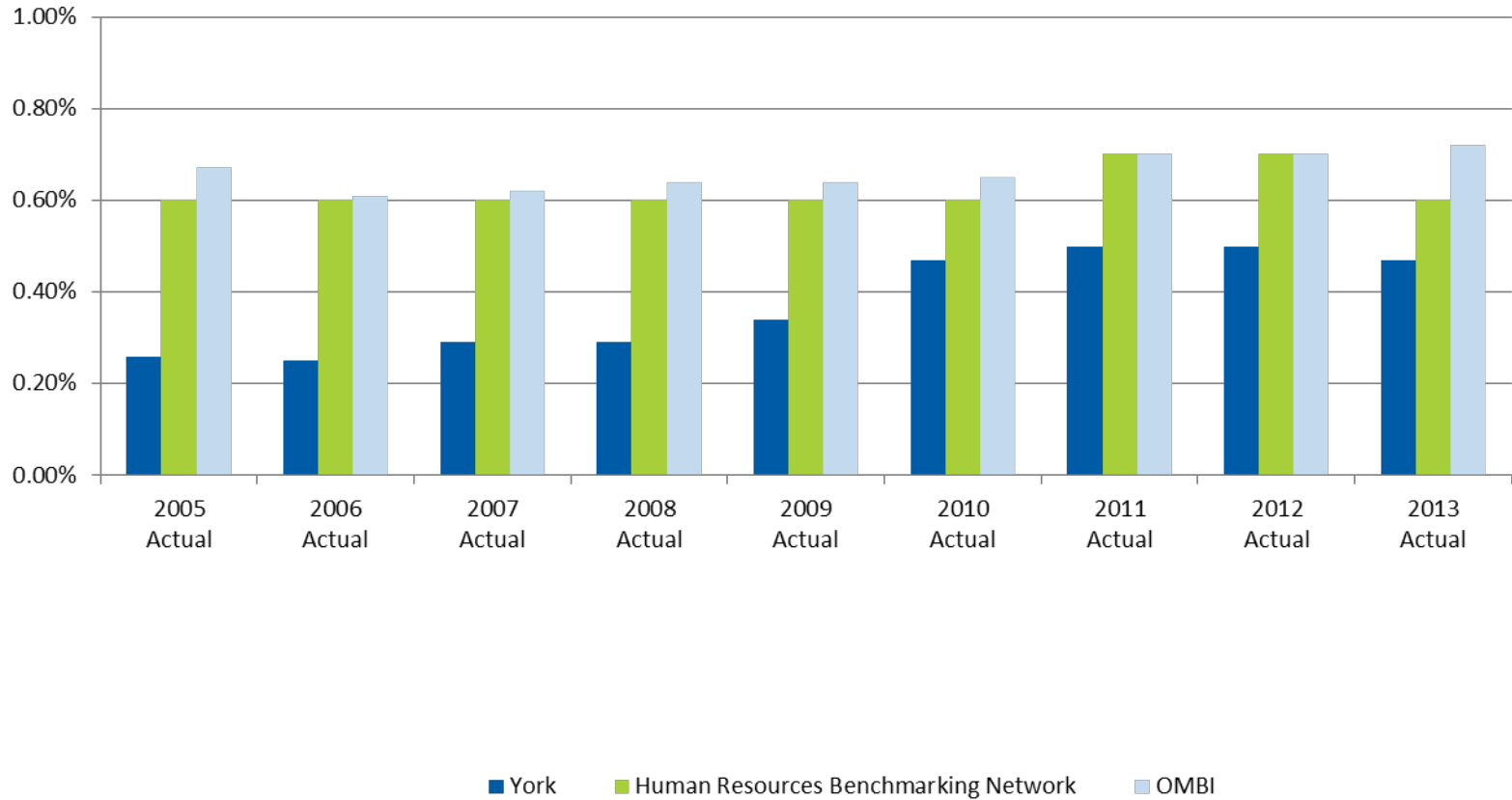
Cost-effective In-house Legal Expertise

Cost per Lawyer Hour



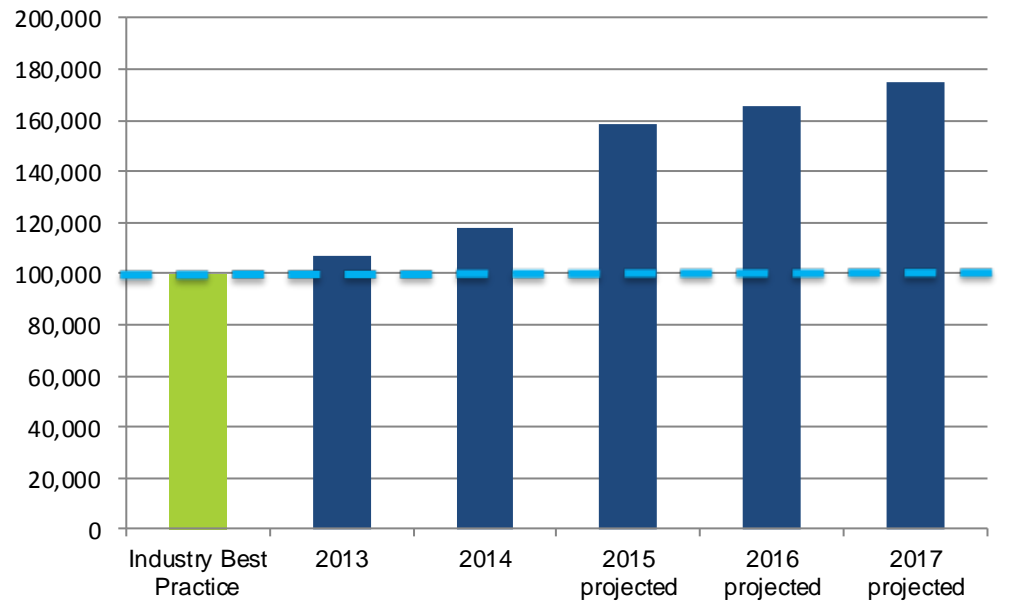
Efficient Human Resource Services

Human Resource Administration Expense as a Percentage of Organization Operating Expense



Servicing Growing Facility Management Needs

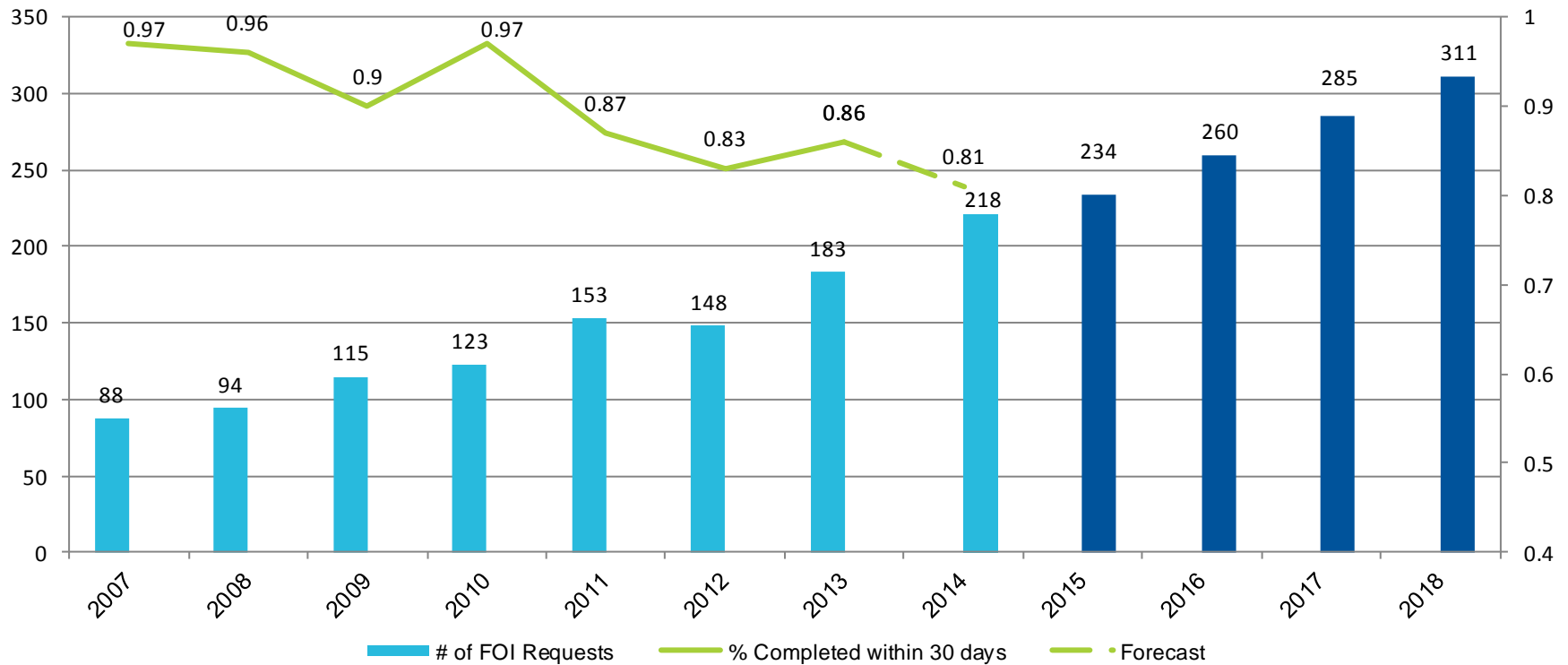
Square Feet Maintained Per Building Operator



Source:
International Facility
Management Assoc.
(IFMA)

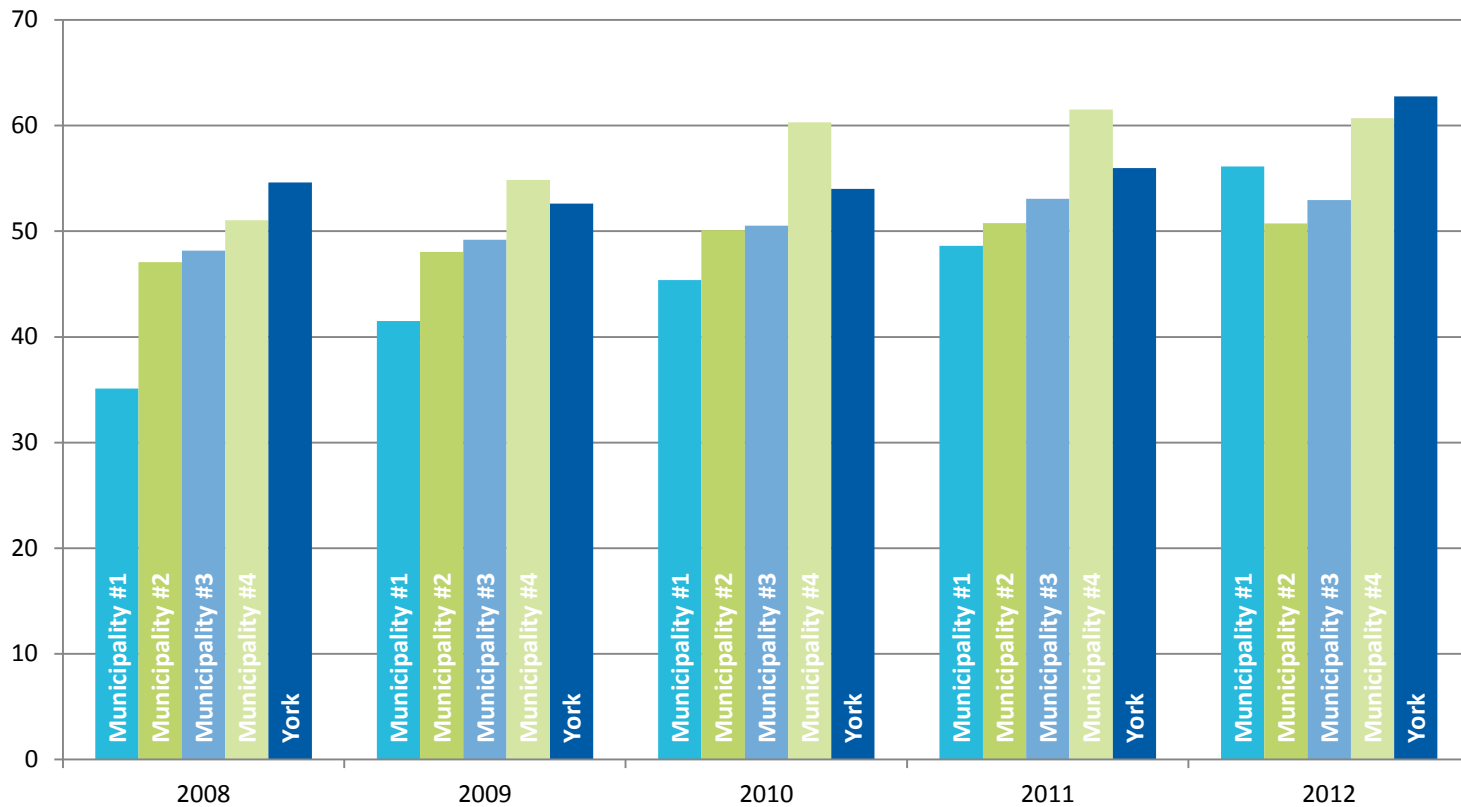
*Assuming 2014 resource levels

Managing Access to Information in Accordance with Legislative Standards



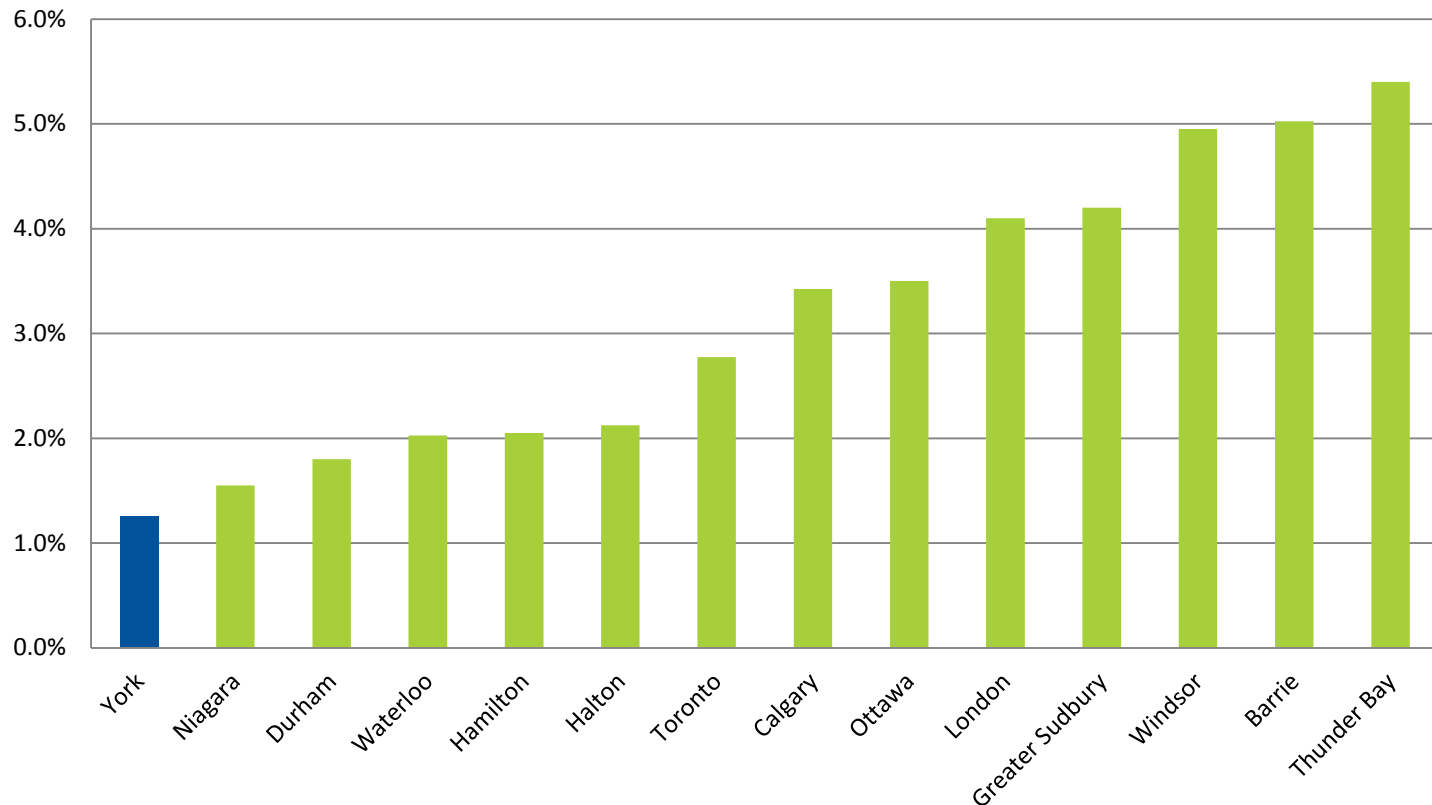
Providing Efficient Support for Regional Technology Needs

Number of IT Devices Supported by an IT Employee



Source: York Region—constructed metric based on OMBI data

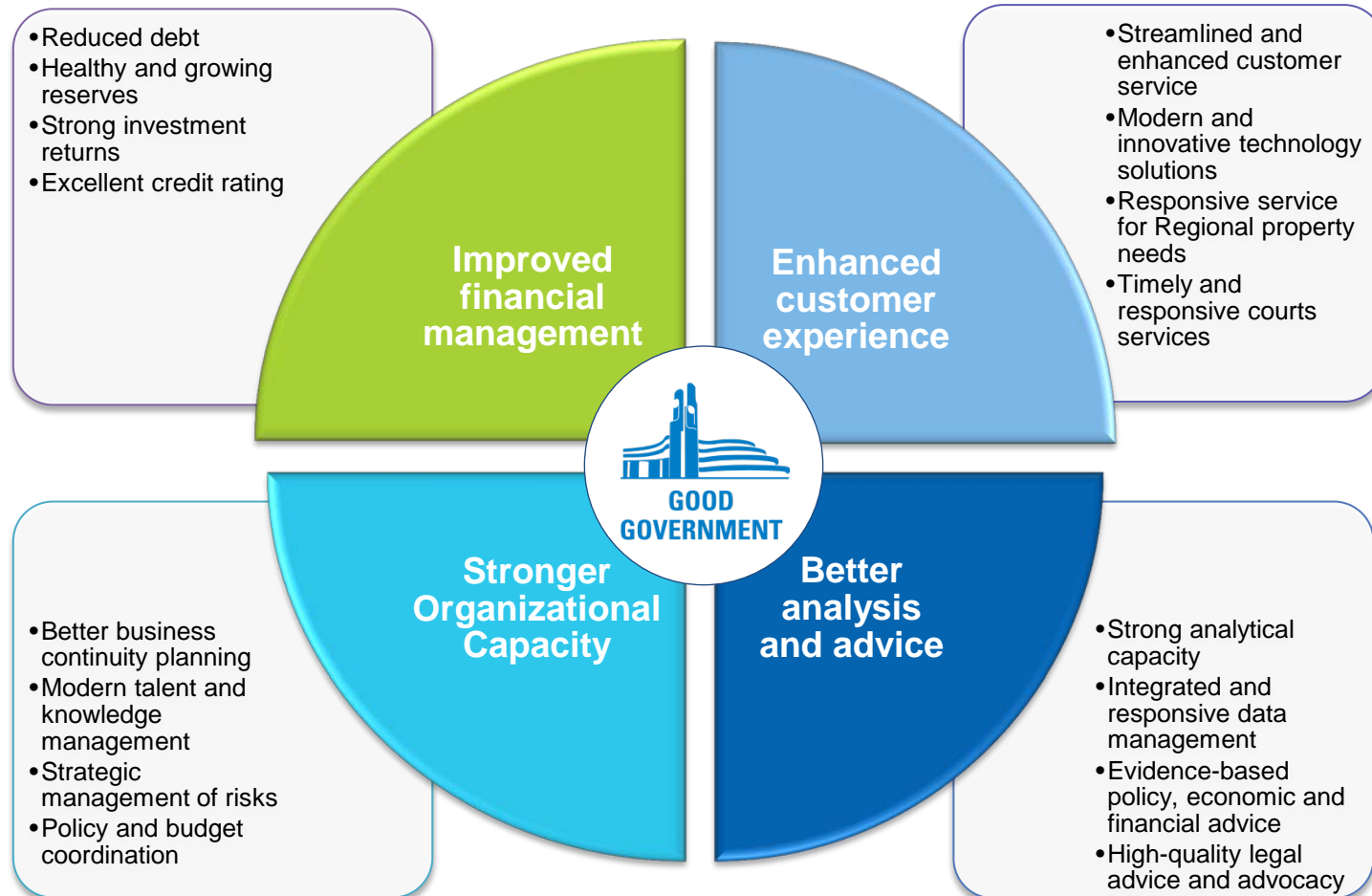
OMBI Corporate Management and Governance Efficiency Measure



*Figures are averages from 2009-2012

York Region has the lowest cost for corporate management and governance as a percentage of total municipal costs when compared with other municipalities that report under the Ontario Municipal Benchmarking Initiative (OMBI).

Strong corporate management provides value to the organization



The proposed budget allows the continued development and delivery of crucial corporate management functions that will help the Region achieve strategic objectives.

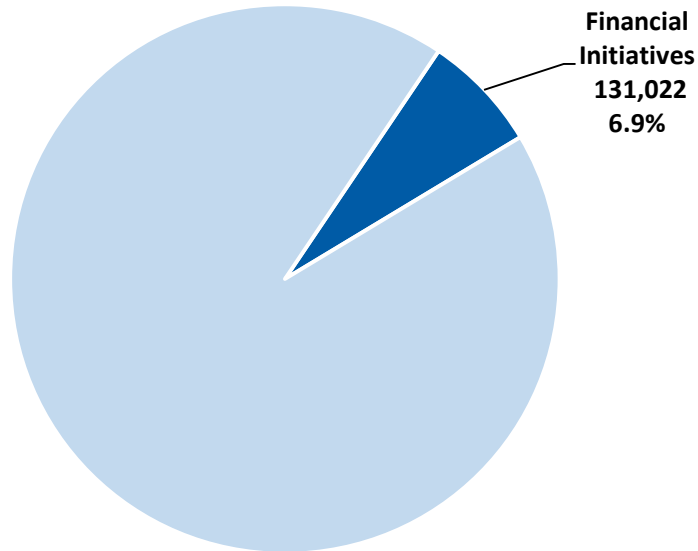
Financial Initiatives, Boards and Authorities

Bill Hughes

Financial Initiatives, Boards and Authorities

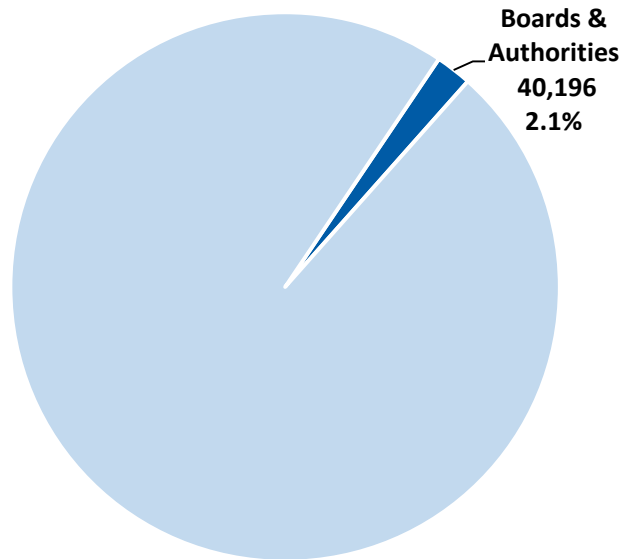
- “Financial Initiatives” includes funding to grow debt reduction and asset replacement reserves as part of the Regional Fiscal Strategy. It also includes funding for various corporate-wide, non-program specific initiatives that contribute to a stronger organization.
- “Boards and Authorities” includes funding for partners that serve Regional residents and help achieve the Region’s objectives, including financial contributions to two Conservation Authorities, York Region hospitals, GO Transit and the Municipal Property Assessment Corporation (MPAC).
- Funding for these items represent 9% of the Regional gross operating budget.

Financial Initiatives



(in \$000s)	2015	2016	2017	2018
Fiscal Strategy	105,566	127,479	155,299	171,191
Non-Program Items	25,456	30,729	32,056	29,131
Total Gross Expenditures	131,022	158,208	187,355	200,322

Boards and Authorities

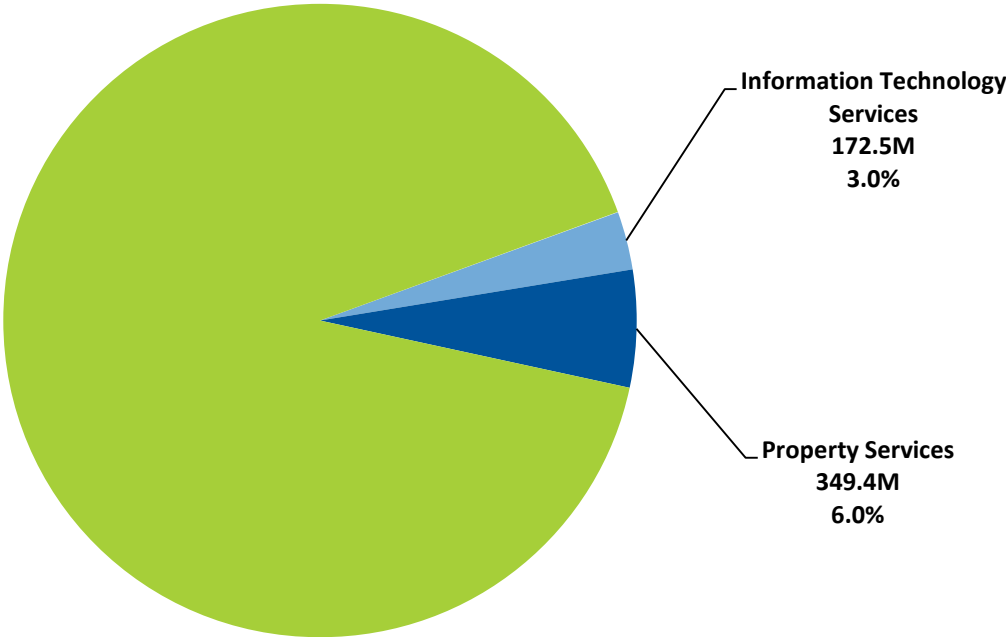


(in \$000s)	2015	2016	2017	2018
Conservation Authorities	5,572	5,761	6,034	6,222
Hospital Capital	13,931	14,201	14,458	14,707
Property Assessment (MPAC)	18,193	18,729	19,282	19,852
GO Transit	2,500	2,500	2,500	2,500
Total Gross Expenditures	40,196	41,191	42,275	43,281

Capital Budget

Corporate Management 10-Year Capital Budget

\$5.8B 10-Year Regional Capital Budget



Information Technology Services Capital Budget Summary

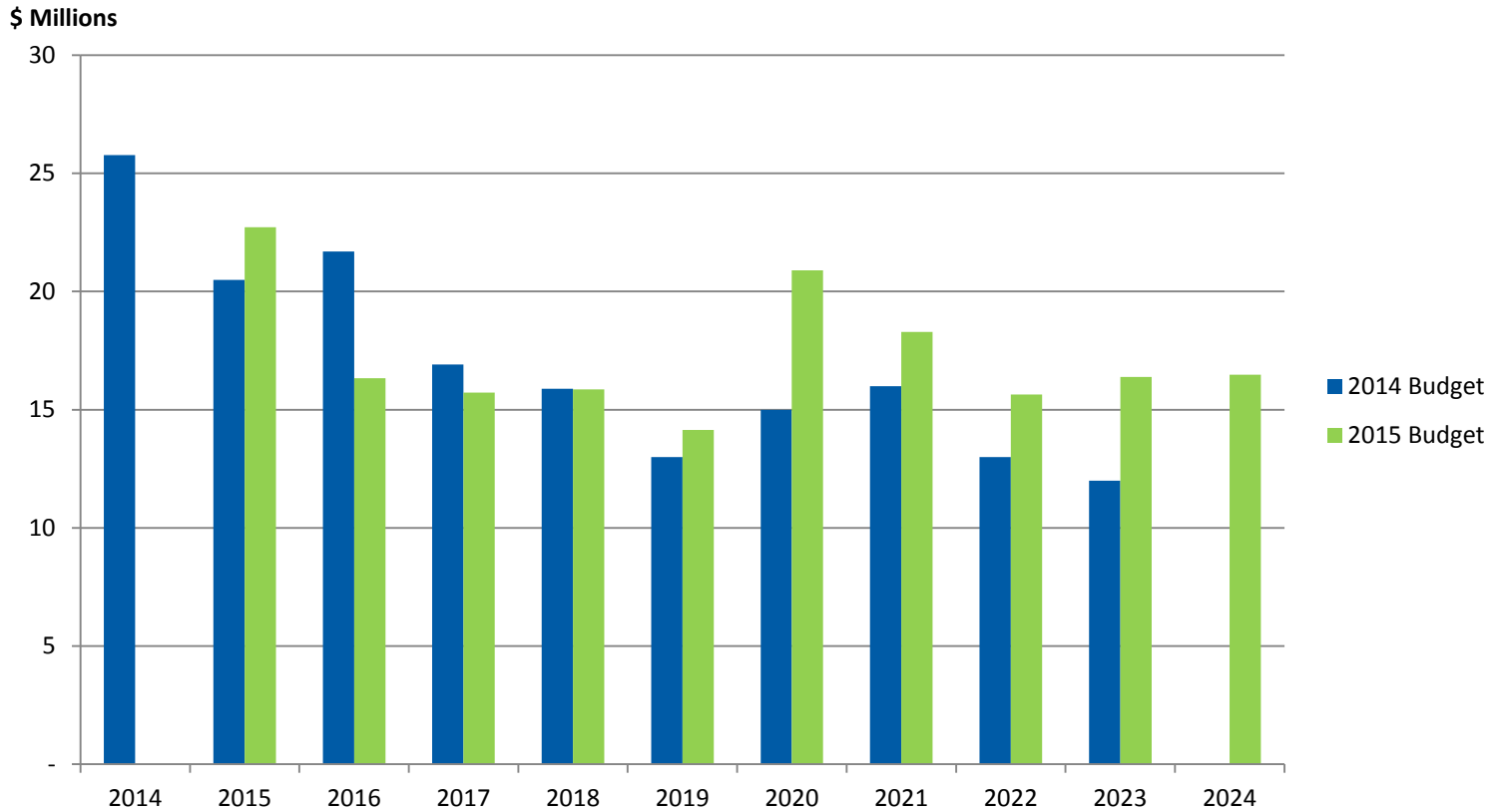
Bill Hughes

Information Technology Services Budget at a Glance

Capital Budget	\$ Millions
2015 Capital	22.7
Ten-Year Capital Plan	172.5
2015 Capital Spending Authority	70.6

The 2015 Budget includes \$172M over ten years for Information Technology Services. This figure represents 3% of the Region's capital plan.

Information Technology Services 2014 to 2015 Ten-Year Capital Plan Comparison



The 2015 ten-year plan is about \$3M higher than in 2014. Additional funding has been allocated for long-lived infrastructure assets, such as data centre equipment.

IT Capital Projects / Programs

In \$ Millions	2015	2016	2017	2018	10-year Total
Corporate Departmental Systems	8.7	6.3	6.3	6.2	64.7
Regional Fiber Network	3.3	1.2	1.2	1.2	13.7
PCs and Printers	6.5	4.8	5.5	3.9	49.6
Server, Storage and Network Equipment	4.3	4.0	2.7	4.6	44.4
Total	22.7	16.3	15.7	15.9	172.5

The bulk of IT planned spending over the next four years will be on maintenance and rehabilitation of Regional IT infrastructure and systems.

Property Services Capital Budget Summary

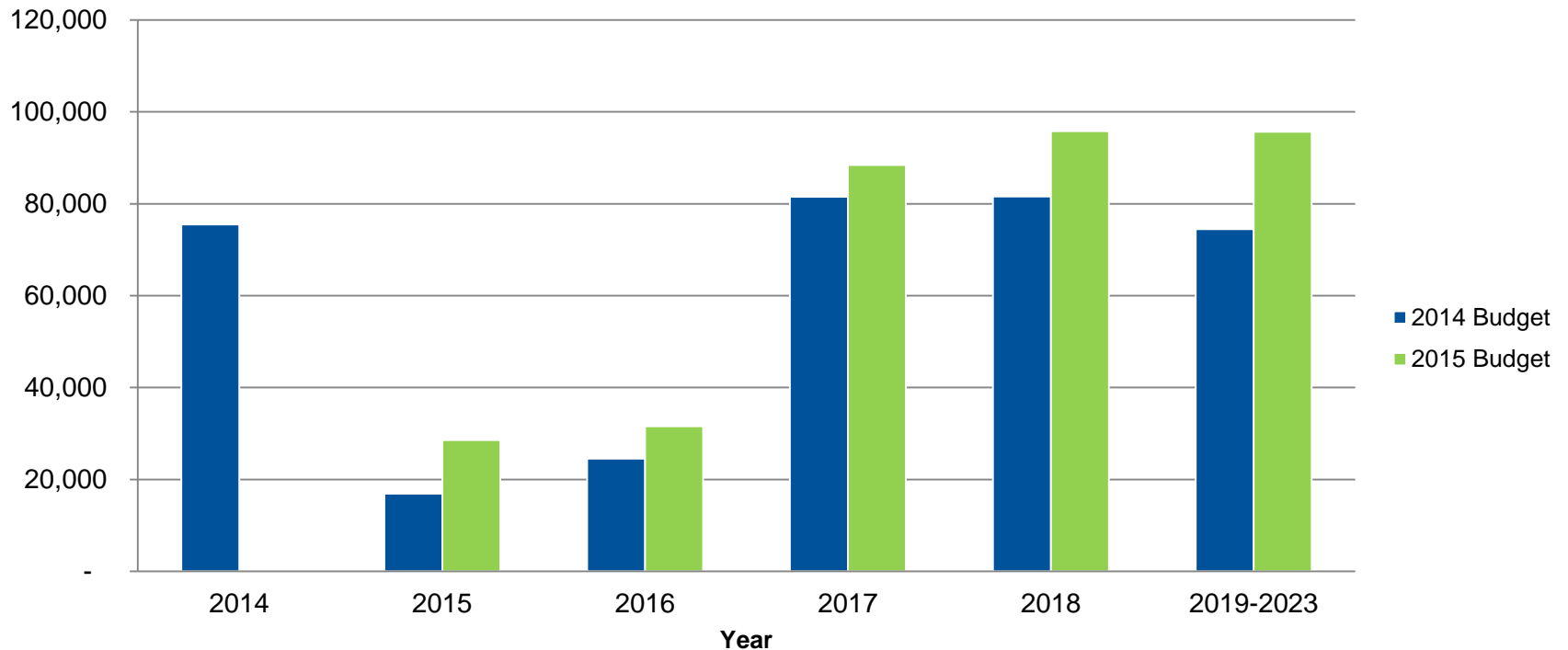
Dino Basso

Property Services Budget at a Glance

Capital Budget	\$ Millions
2015 Capital	28.6
Ten-Year Capital Plan	349.4
2015 Capital Spending Authority	60.2

The 2015 Budget includes \$349M over ten years for Property Services.
This figure represents 6% of the Region's capital plan.

Property Services 2014 to 2015 Ten-Year Capital Plan Comparison



The 2015 Budget includes \$349M over ten years for Property Services.
This is \$5M lower than the 2014 Ten-Year Capital Plan.

Property Capital Projects / Programs

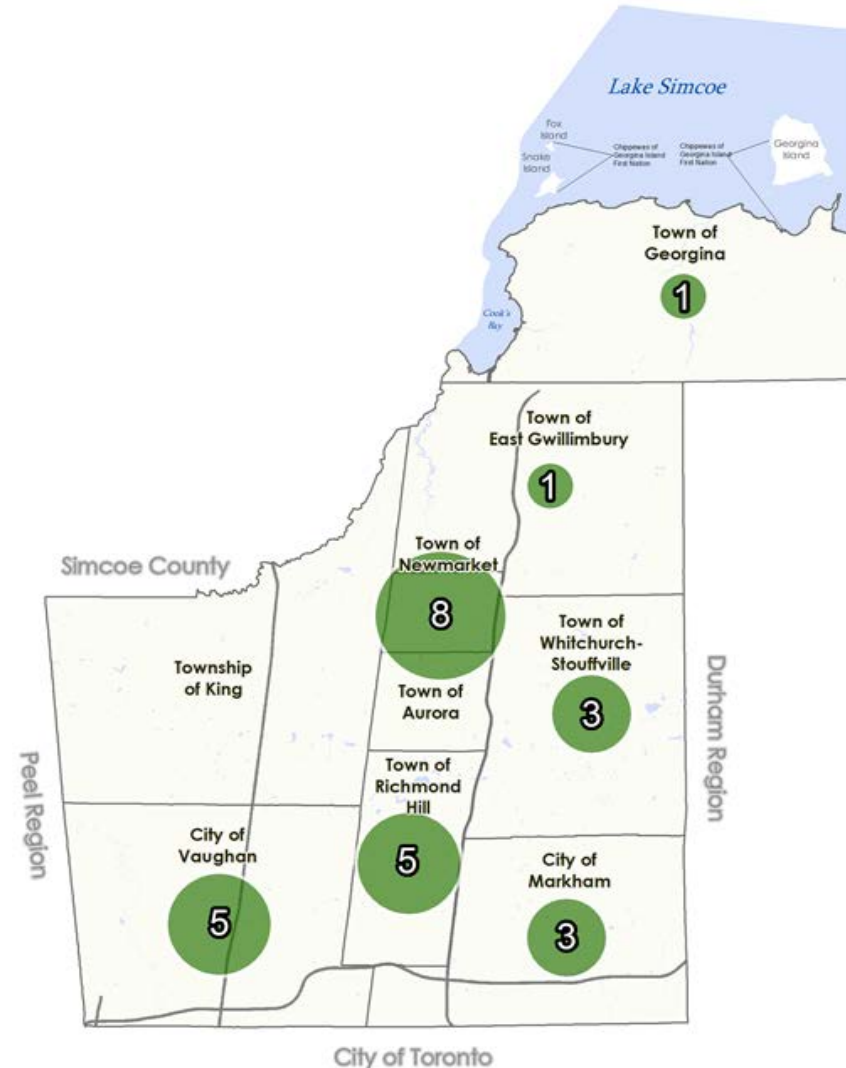
In \$ Millions	2015	2016	2017	2018	10-year Total
Facilities Related Capital Projects	22.7	26.9	84.2	85.0	284.9
Facility Rehab & Replacement	2.9	2.0	2.3	8.7	48.8
Business Initiatives (Security & Life Safety, AODA)	3.0	2.6	1.9	2.0	15.7
Total	28.6	31.5	88.4	95.7	349.4

The bulk of Property Services planned spending over the next four years will focus on construction of Corporate facilities.

26 Key Facilities Planned for 2015-2018

Property – Capital Project Delivery

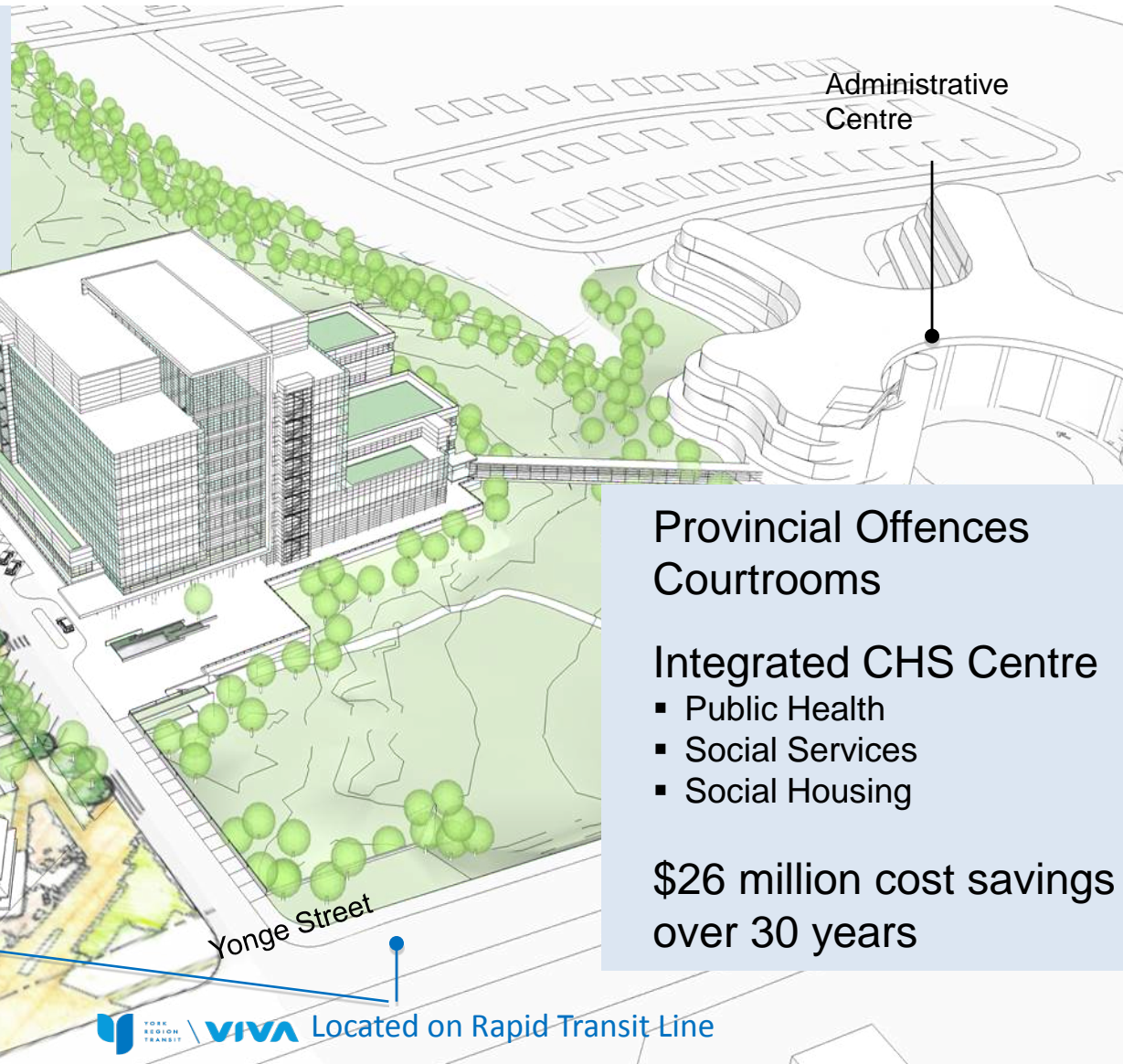
- 11 EMS Stations
- 2 Transit Garages
- 5 Roads Facilities
- 4 Social Housing Buildings
- 3 Corporate Projects
- Forest Education and Stewardship Centre



Consolidated Access to Regional Services

Annex:

8 floors
422,000 sq. ft.
18 acre site



Administrative Centre

Provincial Offences
Courtrooms

Integrated CHS Centre

- Public Health
- Social Services
- Social Housing

\$26 million cost savings
over 30 years



VIVA

Located on Rapid Transit Line

Budget Recommendation

1. Receipt of the budget for Corporate Management, Financial Initiatives, Court Services and Boards and Authorities as follows:
 - a) The 2015 operating budget and the outlook for 2016 to 2018, as summarized in Attachment 1
 - b) Capital Spending Authority, as summarized in Attachment 2
2. That the budget be consolidated by the Treasurer for approval by Council on February 26, 2015.

Thank you

