

Clause No. 5 in Report No. 7 of the Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on December 19, 2013.

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2014 BUSINESS PLAN AND BUDGET - COMMUNITY AND HEALTH SERVICES

Committee of the Whole recommends:

- 1. Receipt of the presentation by Adelina Urbanski, Commissioner of Community and Health Services**
- 2. The draft 2014 Operating and Capital Business Plan and Budget, as submitted in the report dated November 20, 2013 from the Commissioner of Finance, be consolidated by the Treasurer for approval by Council on December 19, 2013 for Community and Health Services as summarized in Attachment 1.**

1. RECOMMENDATION

It is recommended that:

- The Committee of the Whole recommend the draft 2014 Operating and Capital Business Plan and Budget as submitted be consolidated by the Treasurer for approval by Council on December 19, 2013 for Community and Health Services as summarized in *Attachment 1*.

2. PURPOSE

This report provides a summary of the 2014 Operating and Capital Business Plan and Budget for Community and Health Services including Employment and Financial Support, Family and Children's Services, Housing Services, Long-Term Care, Public Health, Emergency Medical Services, Strategies and Partnerships and Business Operations and Quality Assurance for consideration and recommendation to Council on December 19, 2013.

3. BACKGROUND

The 2014 Business Plan and Budget was tabled on November 21, 2013

The consolidated 2014 Operating and Capital Business Plan and Budget was tabled with Council on November 21, 2013. It was received and referred to the December meetings of Committee of the Whole for consideration and recommendation.

The *2014 Budget Directions* report, approved by Council on June 27, 2013, indicated that the 2014 budget would be approved in January 2014. However, under the new committee structure, it is possible that Council may be in a position to approve the budget in December 2013. If substantive changes are recommended by Committee of the Whole, additional time may be required to consolidate these changes and Council approval of the budget would occur on January 23, 2014, as originally planned.

Capital program groups and multi-year commitments for capital projects are proposed as part of the budget process

Capital Spending Authority (CSA) is used for projects with contractual and other clear or certain multi-year commitments. As in previous years, Council is asked to approve multi-year CSA for capital projects.

Council approved a 2014 budget outlook in January 2013

In the 2013 budget process, York Region introduced multi-year budgeting. As part of this multi-year process, Council approved an outlook for 2014. The approved outlook is the starting point for the 2014 budget process. The 2014 Budget includes a comparison of the 2014 proposed budget and the 2014 approved outlook.

4. ANALYSIS AND OPTIONS

OPERATING BUSINESS PLAN AND BUDGET

The proposed budget for Community and Health Service reflects total net operating expenditures of \$151.1 million in 2014

The 2014 Operating Business Plan and Budget includes the cost of providing base service, mandatory or legislated requirements, annualization, growth, and service enhancements.

The proposed budget for Community and Health Services represents \$151.1 million, or 17% of the total 2014 proposed Regional net operating expenditures.

Table 1 in *Attachment 1* summarizes the gross and net operating budgets for Community and Health Services.

The proposed budget reflects a decrease in net operating expenditures of \$1.1 million compared to the approved outlook

The 2014 proposed budget includes a tax levy increase of 1.54% which is less than the approved outlook of 1.75%. Changes within the budgets for Regional programs were necessary to accommodate the \$5.9 million revenue/expenditure savings target included in the 2014 outlook and to achieve a lower proposed net tax levy increase.

Table 2 in *Attachment 1* summarizes the change to the approved outlook for Community and Health Services.

CAPITAL BUSINESS PLAN AND BUDGET

Approval of Capital Spending Authority of \$105.1 million in 2014 is requested for Community and Health Services

The capital budget includes new infrastructure projects in support of growth, rehabilitation or replacement of existing infrastructure and service enhancement.

The proposed budget for Community and Health Services represent \$105.1 million, or 4% of the total 2014 proposed CSA.

For the first time, the 2013 Budget grouped capital projects into program groups. Each program group contained capital projects with similar business needs.

The 2014 Budget builds on the success of program groups by seeking Council's approval of additional flexibility for reallocating funding within a program group. Specifically, the 2014 Budget seeks Council approval of:

1. The program groups specified in the 2014 Capital Budget book; and
2. The authority to reallocate funding between projects in a program group as long as:
there is no increase in the total cost of the program group's 10-Year Capital Plan; there is no increase in the total CSA for the program group; and, the reallocation of funding is between projects with similar funding sources.

This additional flexibility will enable departments to better manage variations in project timing.

Tables 3 to 6 in *Attachment 1* summarize the 2014 CSA by program and show the associated financing sources for Community and Health Services. Details on the

individual projects included in the program groups are available in the 2014 Capital Business Plan and Budget book.

Link to key Council-approved plans

The 2014 Operating and Capital Business Plan and Budget reflects the directions and strategies set out in *Vision 2051, York Region Official Plan*, the *Transportation Master Plan*, the *Water and Wastewater Master Plan* and the *Community and Health Services Multi-Year Plan*. The budget was also influenced by strategic priorities outlined in the *2011 to 2015 Strategic Plan* and is supportive of its objectives.

5. FINANCIAL IMPLICATIONS

The net operating budget for Community and Health Services totals \$151.1 million, approximately 17% of the Region's total 2014 proposed net operating budget.

The proposed 2014 CSA for Community and Health Services reflects a multi-year commitment of \$105.1 million. Expenditures not identified as part of CSA but contained within the 10-Year Capital Plan are provided for planning purposes and will be brought forward for formal approval in subsequent budget years.

6. LOCAL MUNICIPAL IMPACT

The Region provides essential services to the residents and businesses in York Region. The challenge of meeting growing demands for service and improving service delivery is addressed through the Region's business planning process. The Region's investments help local municipalities realize their growth, planning and public service objectives.

7. CONCLUSION

This report sets out the proposed 2014 Operating and Capital Business Plan and Budget for Community and Health Services. To facilitate the completion of the budget process, it is recommended that the Committee's recommendations be forwarded to Council on December 19, 2013.

For more information on this report, please contact Kelly Strueby, Director, Office of the Budget, at Ext. 71611.

The Senior Management Group has reviewed this report.

Clause No. 5, Report No. 7
Committee of the Whole
December 12, 2013

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Attachment (1)

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**2014 BUSINESS PLAN AND BUDGET
SUMMARY FOR COMMUNITY AND HEALTH SERVICES**

Table 1
2014 Proposed Operating Budget

Department	Page No.	2014 Gross Operating Expenditures* \$000s	2014 Net Operating Expenditures* \$000s
Employment & Financial Support	189	99,041	19,493
Family & Children's Services	201	79,238	16,040
Housing Services	212	75,744	45,713
Long-Term Care	227	38,269	13,711
Public Health	240	57,653	11,498
Emergency Medical Services	251	63,517	31,667
Strategies and Partnerships	267	13,486	13,005
Total	180	426,948	151,128

* Includes Contribution to Capital.

Table 2
2014 Budget Changes to the Approved Outlook - Operating Budget

Department	Page No.	2014 Approved Outlook Net Operating Expenditures* \$000s	2014 Proposed Net Operating Expenditures* \$000s
Employment & Financial Support	189	20,606	19,493
Family & Children's Services	201	16,327	16,040
Housing Services	212	45,547	45,713
Long-Term Care	227	13,613	13,711
Public Health	240	10,322	11,498
Emergency Medical Services	251	33,021	31,667
Strategies and Partnerships	267	12,785	13,005
Total	180	152,222	151,128

* Includes Contribution to Capital.

Note: Figures may not add up due to rounding.

Table 3
Capital Spending Authority
Housing Services

	Page No.	2014 Approved Outlook \$000s	2014 CSA Change \$000s	2014 Proposed CSA \$000s
Program Expenditures:				
Housing Services	237	57,850	23,348	81,198
Total CSA	237	57,850	23,348	81,198
Financing Sources:				
Development Charges	237	0	1,886	1,886
Reserves	237	55,680	(2,485)	53,195
Provincial Funding	237	1,670	12,160	13,830
Other Recoveries	237	500	1,500	2,000
Debenture Proceeds	237	0	10,287	10,287
Total Financing Sources	238	57,850	23,348	81,198

Table 4
Capital Spending Authority
Long-Term Care

	Page No.	2014 Approved Outlook \$000s	2014 CSA Change \$000s	2014 Proposed CSA \$000s
Program Expenditures:				
Long-Term Care	252	4,293	(540)	3,753
Total CSA	252	4,293	(540)	3,753
Financing Sources:				
Reserves	252	4,293	(1,425)	2,868
Debenture Proceeds	252	0	885	885
Total Financing Sources	253	4,293	(540)	3,753

Table 5
Capital Spending Authority
Emergency Medical Services

	Page No	2014 Approved Outlook \$000s	2014 CSA Change \$000s	2014 Proposed CSA \$000s
Program Expenditures:				
Emergency Medical Services	267	15,706	4,413	20,119
Total CSA	267	15,706	4,413	20,119
Financing Sources:				
Current Tax Levy Reserves	267	2,823	(2,756)	67
Development Charges	267	385	20	405
Reserves	267	1,462	2,957	4,419
Debenture Proceeds	267	11,036	4,192	15,228
Total Financing Sources	267	15,706	4,413	20,119

Table 6
Capital Spending Authority
Community & Health Services

	2014 Approved Outlook \$000s	2014 CSA Change \$000s	2014 Proposed CSA \$000s
CSA – Gross Capital Expenditures	77,849	27,221	105,070
Financing Sources:			
Current Tax Levy Reserves	2,823	(2,756)	67
Development Charges	385	1,906	2,291
Reserves	61,435	(953)	60,482
Provincial Funding	1,670	12,160	13,830
Other Recoveries	500	1,500	2,000
Debenture Proceeds	11,036	15,364	26,400
Total Financing Sources	77,849	27,221	105,070