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2003 – 2006 ACCOMPLISHMENTS OF THE FINANCE AND ADMINISTRATION COMMITTEE

The Finance and Administration Committee recommends the adoption of the recommendation contained in the following report, August 28, 2006 , from the Chief Administrative Officer, Commissioner of Corporate Services and Commissioner of Finance:

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

The purpose of this report is to outline major accomplishments achieved by the Chief Administrative Officer's Office, Corporate Services, and the Finance Departments under the leadership of the Finance and Administration Committee during the current term of Regional Council.

3. BACKGROUND

The Office of the Chief Administrative Officer is supported by the Strategic Initiatives and Administration section, Corporate Communications, the Emergency Management Branch, and Audit Services.

The Corporate Services Department was established in April 2003 with the amalgamation of three departments and includes: Court Services, Human Resource Services, Legal Services, Office of the Regional Clerk, and Property Services.

The Finance Department includes: Business Planning & Budgets, Financial Services, Information Technology Services, Policy, Risk & Treasury, and Supplies & Services.

4. ANALYSIS AND OPTIONS

4.1 2003 – 2006 Activities and Achievements of the Office of the Chief Administrative Officer

The Office of the Chief Administrative Officer is mandated to ensure that York Region's programs and services are delivered in a cost efficient and effective manner, and provide strategic corporate leadership to Council in defining and achieving its mission and long-term vision. Achievements in support of this mandate include but are not limited to the following:

- Led the implementation of Vision 2026 across the organization in support of Council's long-term vision and goals
- Implemented the use of Key Performance Indicators (KPIs) for inclusion in the budget process.
- Launched a series of Regional program reviews to make certain program effectiveness and efficiencies are maximized.
- Oversee the Growth Management Strategy that coordinates the supply and demand of infrastructure and human services throughout the Region over the short, medium and long-term.
- Assisted in negotiations between Rapidco and the York Consortium 2002 to ensure highest dollar for value with respect to the Regional Rapid Transit system.
- Implementation of action plans to address the results of the Employee Satisfaction Survey.
- Conducted internal reviews in response to and comparison of both the Gomery Inquiry and the Bellamy Report.
- Designed, published and distributed the 2005 Annual Report and website in conjunction with the Finance Department.
- Represented York Region in a key role on the Provincial Steering Committee for Accessible Communications and Technology; subsequently, incorporated new accessibility standards on the Regional website.
- Established the York-Durham Sewer System Outreach Communication Task Force to increase public understanding and awareness of the project.
- Led or participated in the various marketing and awareness campaigns, such as Earth Week, Census 2006, Growth Management Symposium, and Hazardous Waste Drop Off.
- November 2005, the Emergency Management Branch partnered with the Towns of Newmarket, Aurora and Richmond Hill in the emergency exercise, “Operation Whiteout”.
- May 2005, Council received recognition from the provincial Commissioner of Emergency Management for achieving the “Essential Level” of emergency preparedness.
- Launched the Emergency Preparedness Guidebook in May 2006.

4.2 2003 – 2006 Corporate Services Activities

Awards

FCM-CH2M HILL Sustainable Community Award to Corporate Energy Services, Property Services Branch for excellence and innovation in municipal service delivery that has advanced sustainable community development. This award was in recognition of the in-house web-based software (EEMS) produced to monitor and track electricity and natural gas consumption and greenhouse gas emissions. This tool will measure information on all facilities use, street and traffic lights, water and wastewater treatment, power generation and transportation. York Region has sold licences for this software system to four municipalities in Ontario, including the Town of Markham.

The following sections summarize selected accomplishments of the five Branches of the Corporate Services Department over the past three years.

4.2.1 Court Services

- In February 2002, York Region became the first court area in Ontario to offer an internet payment option to defendants. Other municipalities subsequently followed York's lead and internet payments are now accepted at many other court sites in the Province.
- Expanded French services at the Newmarket Court Facility in accordance with Federal requirements.
- Responded to the increase in the number of requests for trials by building and operating an additional courtroom at the Tannery in Newmarket.

4.2.2 Human Resource Services

- Partnered with the local municipalities to deliver management training. The Region generated $250,000 in revenue and the local municipalities were able to attend training that might not be feasible or affordable to them.
- Advancements in the indicators that measure the health of our organization which has resulted in significant cost savings to the Region. These include a reduction in:
  - York Region's turnover rate
  - The average number of sick days per employee
  - The WSIB lost time incident rate
  - The grievance rate
  - The average number of days to fill a position

- Through a decision to self-insure LTD, the Region has paid all costs since 2003 and contributed $10M into a reserve fund while at the same time keeping the cost of LTD static for four years.
- All York Region staff transferred from WSIB schedule 1 to schedule 2 (self-insured) saving the Region $9 million over the past three years.
- In 2005 the Region successfully rehabilitated an increased number of employees to return to meaningful work from illness or workplace injury by establishing an Employee Health Unit. In 2005 savings to the Region were $1,138,830.
- Developed long term recruitment strategy to address skill shortages and market the Region as a desirable employer.

4.2.3 Legal Services

- Containment of external legal fees and greater internal due diligence through the reorganization of Legal Services and the hiring of internal expertise in specialty areas, including Environmental and Construction Law. External legal fees were reduced from $2.3 M in 2003 to $1.1 M in 2005.

- Settled outstanding appeals of the Region's 2003 and 2005 Development Charge By-laws, resulting in the preservation of over $24 million in development charges for the Region.
- Developed and implemented new standard form procurement and contract documents to improve the procurement process and protect the Region from liability.

4.2.4 Office of the Regional Clerk

- Provided support for 330 meetings of Council, Committees and the Police Services Board. It included the processing of over 4,500 items, including 2,300 staff reports. It also confirmed the authority and executed over 650 Agreements on behalf of Council.
- Since 2004, have provided electronic Agendas on the Region's web site with hyperlinks to all correspondence, attachments and staff reports resulting in a 12% reduction in Clerk's printing costs.
- Developed an extensive program to manage the Region's significant increases in active electronic records, including e-mail. The Region's management of electronic records and information has been the subject of numerous presentations and demonstrations to staff from the Federal and Provincial Governments and various municipalities.

4.2.5 Property Services

- Developed the Region's first ever Strategic Accommodation Plan which projects the Region's accommodation requirements over the next 5-10 years which will enhance customer service delivery. This plan includes development of design options for the Central Service Centre in Newmarket and a review of Regional service delivery in the southern tier.
- Development of a Strategic Capital Asset Management Plan which allows the Region to effectively budget and plan for its capital requirements, enabling sound investment decisions.
- Development of an Energy Management program, which included:
    - Development of a Sustainable Building Policy which will result in all new Regional buildings over 500 sq. metres being LEED Silver certified.
    - Conducting energy retrofits of existing facilities, including the Administrative Centre
    - Development of an energy procurement strategy
    - Developed an in-house system (EEMS) to monitor and track electricity and natural gas consumption and greenhouse gas emissions. The Region has the ability to track energy savings, monitor our Kyoto targets and provide reports on energy consumption. Through a licensing agreement, the Region has made this software available to other municipalities.
    - Investigated the feasibility of wind energy
- Completed a major retrofit at the Administrative Centre to bring the building in compliance with AODA

- Completion of 418,000 sq. ft. of new construction for the following facilities:
    - Transportation and Works Operations Facility at Bales Drive
    - Bayview Operations Centre
    - Eight new EMS facilities including three joint facilities with Fire, and one with Police
    - Newmarket Maintenance Facility for VIVA
    - Blue Willow Housing facility in Vaughan
    - Armitage Gardens Housing Facility in Newmarket
    - The Region's first Youth Shelter in Sutton
    - Transportation and Works Central District Patrol Yard

4.3 2003-2006 Finance Department Activities

4.3.1 Business Planning & Budgets

- Awarded the Distinguished Budget Presentation Award given by the Government Finance Officers Association (GFOA) for submission of the annual Capital, Operating and Rate budgets
- Amended Development Charge and Area Specific By-laws to reflect updated programs and costs
- Facilitated Business Case training to Regional staff in support of the budget process. Continued the use of Key Performance Indicators within the budget

4.3.2 Financial Services

- Received Canadian Award for Financial Reporting from GFOA (3 years)
- Implemented new corporate purchasing card system to reduce administrative costs and strengthen controls
- Implemented online internet office supplies order and approval system, reducing administrative costs
- Received recognition from OMERS for being an early adopter of their e-access services
- Accepted as one of six municipalities to participate in the OMBI Capital Asset Pilot Project
- Implemented new processes for the payment of utilities bills, saving the Region $30,000 annually
- Developed multi-year strategic plan, in consultation with business units, for the ERP financial system and reorganized branch structure to meet user needs for ERP system support

4.3.3 Information Technology Services

- Developed a life cycle strategy for IT equipment acquisition and moved away from leasing of equipment
- Developed a long term Data Centre Strategy
- Developed the IT Disaster Recovery Plan including Business Impact Assessment (BIA) and implemented a pilot test successfully.
- Participation on the OneYork initiative

- Provided high speed connection links to 380 Bayview Parkway and Bales Drive to reduce telecommunication costs
- Developed the IT Strategy and 5 year work plan
- Developed the Enterprise Architecture Strategy to guide future technology investment
- Increased Level of security of network components including the creation of key security policies and increasing awareness of security via assessments and audits
- Implementation of the Converged Network initiative (a 5 year project) with Bell/Infostream to establish one network for both voice and data
- Award of new telephone long distance contract with significant savings
- Initiated the Police 911 Telecommunications Restructuring project
- Implemented the Rapid Transit data center infrastructure and control center to facilitate the September 2005 launch of Viva

4.3.4 Policy, Risk & Treasury

- Obtained $100 million in preferred rate loans through Ontario Municipal Economic Infrastructure Financing Authority (OMEIFA) to finance Rapid Transit (VIVA), York Region Transit and Water Supply Projects at an interest cost savings of approximately $20 million over the life of loans
- Regional staff led a task force comprised of finance staff from several upper-tier Ontario municipalities which successfully negotiated a new commission structure with dealers and banks. The result was realized savings of up to 20% dependant on size and structure of debenture issues. These benefits accrue to <u>all</u> Canadian municipalities who borrow in the public market.
- Completed the first phase of Long Range Fiscal Planning Strategy in February 2006 which identified the need for a multi year Capital Financing Plan and Capital Asset Management Strategy. Further work will be done in 2006 to develop long-range forecasts to determine impact on debt servicing and need for additional reserves including those to address existing and future capital asset replacement requirements. This will ensure the financial health of the Region into the future.
- York Region advocated the creation of enabling Provincial legislation for tax increment financing (TIF). The lead role was exercised through a series of Council reports and petitions to the Province throughout the year supporting TIF legislation that influenced the Provincial Budget announcement of the use of TIF for the subway project

4.3.5 Supplies & Services

- Reviewed purchasing processes and developed a new purchasing by-law approved by Council which incorporated best practices as outlined by the National Institute of Governmental Purchasing (NIGP)
- Introduced the Fast Track Approval Process which expedites approval of unanticipated changes in scope of work performed under contracts
- Revised the processes for evaluating Requests for Proposals to ensure the Region receives best value

- Participated in the Commonwealth Games bid by providing graphics and printing services

4.4 Relationship to Vision 2026

The activities and initiatives undertaken by the Departments support our clients in the accomplishment of all Vision 2026 goals, but have had the most significant impact on the following:

Goal 1 – Quality Communities for a Diverse Population
Goal 2 – Enhanced Environment, Heritage and Culture
Goal 8 – Engaged Communities and a Responsive Region

5. FINANCIAL IMPLICATIONS

There are no financial implications associated with this report. The costs of implementing the programs and initiatives cited in this report as major accomplishments have been managed within the approved budgets between 2003 and 2006.

6. LOCAL MUNICIPAL IMPACT

Departmental staff has to-date and will continue to look for opportunities to partner with our local municipalities.

7. CONCLUSION

Support from Regional Council through the 2003-2006 term has enabled the Departments to continue to deliver high quality services to our customers through the management of financial, human, property and information resources.

The Senior Management Group has reviewed this report.