# 2010 Draft Capital & Operating Budgets

Finance & Administration Committee

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November 5, 2009



## Agenda

1. CAO, Regional Chair, and Finance
2. Information Technology Services
   1. Capital
   2. Operating
3. Non-Program Items
4. Outlook Drivers
5. Next Steps

# CAO, Regional Chair, Finance



# Proposed 2010 Net Expenditure Increase Office of the CAO

| | $ 000s | % Tax Inc. |
|---|---|---|
| Enhancements | $ 0.0 | 0.0% |
| Growth | $ 0.0 | 0.0% |
| Annualization | $ 0.0 | 0.0% |
| Mandatory/Legislative | $ 0.0 | 0.0% |
| Reductions/Efficiencies | $ 0.0 | 0.0% |
| Base | $ 10.0 | 0.3% |
| Net Operating Budget | $ 10.0 | 0.3% |

## Proposed 2010 Net Expenditure Increase
## Office of the Regional Chair

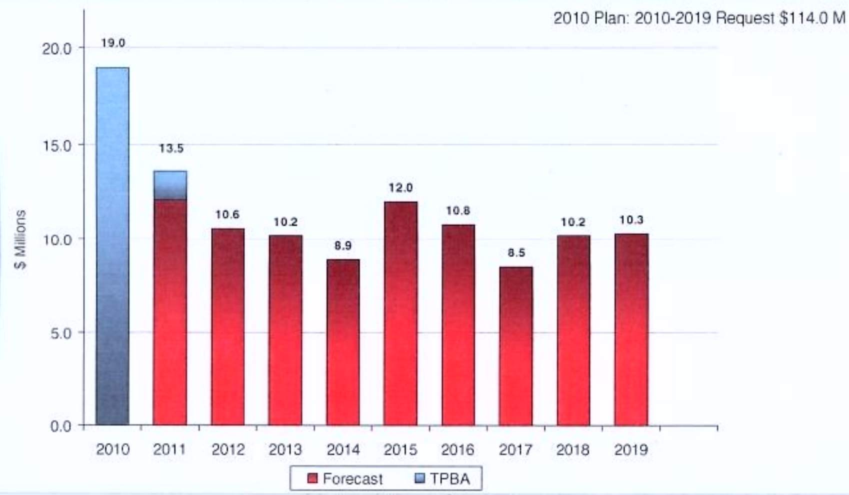
| | $ 000s | % Tax Inc. |
|---|---|---|
| Enhancements | $ 0.0 | 0.0% |
| Growth | $ 0.0 | 0.0% |
| Annualization | $ 0.0 | 0.0% |
| Mandatory/Legislative | $ 0.0 | 0.0% |
| Reductions/Efficiencies | $ 0.0 | 0.0% |
| Base | $ 3.0 | 0.2% |
| Net Operating Budget | $ 3.0 | 0.2% |



# Capital

## Information Technology Services

# Information Technology 2010 Ten Year Capital Plan

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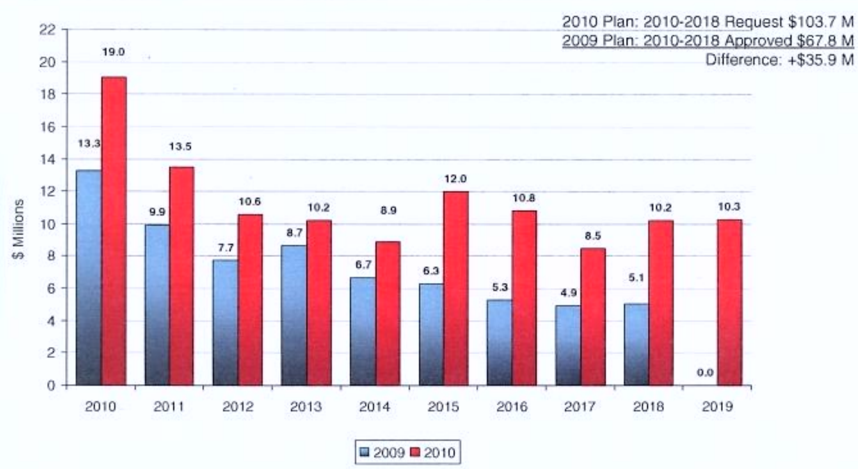
# Comparison of the I.T. Approved 2009 Ten Year Capital to the 2010 Capital Plan

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## Information Technology
### Major Capital Projects

- Telecommunications ($4.0M)
- Data Center Facilities ($2.0M)
- IT Equipment – 3 Year Life ($5.6M)
- IT Equipment – 5 Year Life ($2.6M)
- Regional Fibre Network ($1.0M)
- Security ($0.7M)
- Development Projects ($2.2M)



# Operating

# Proposed 2010 Net Expenditure Increase Finance & Information Technology

| | $ 000s | % Tax Inc. |
|---|---|---|
| Enhancements | $ 0.0 | 0.0% |
| Growth | $ 304.0 | 1.4% |
| Annualization | $ 569.0 | 2.6% |
| Mandatory/Legislative | $ 0.0 | 0.0% |
| Reductions/Efficiencies | $(102.0) | (0.5)% |
| Base | $ 44.0 | 0.2% |
| Net Operating Budget | $ 815.0 | 3.7% |



# Key Drivers – Base

**Base $0.0k 0.0%**

- Absorbed inflation on Non-Labour costs
- Reduction in Hardware Lease payments, as new hardware is now purchased rather than leased
- Directly offset by increased Contribution to IT Equipment & Software Replacement Reserve

**Reductions $(65)k (0.5)%**

- Voice Over Internet Protocol (VOIP)
- Voicemail costs

## Key Drivers – Annualization

**Annualizations $569k 4.3%**

- Additional Networked Sites in 2009 $508k
  - 10 new sites added in 2008
  - 7 additional sites added in 2009
- 1 Administrative FTE $61k

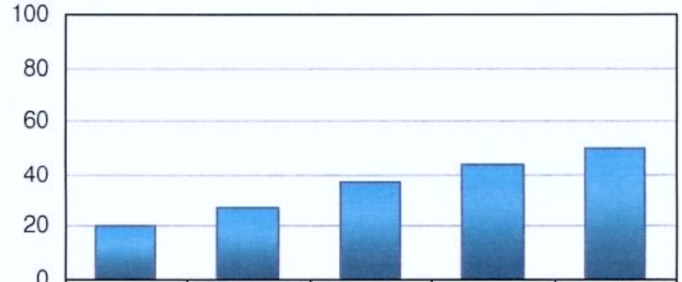


## Key Drivers – Growth

**Growth $304k 2.3%**

- New Networked Sites added in 2010
  - Forecast 6 new Network Sites in 2010

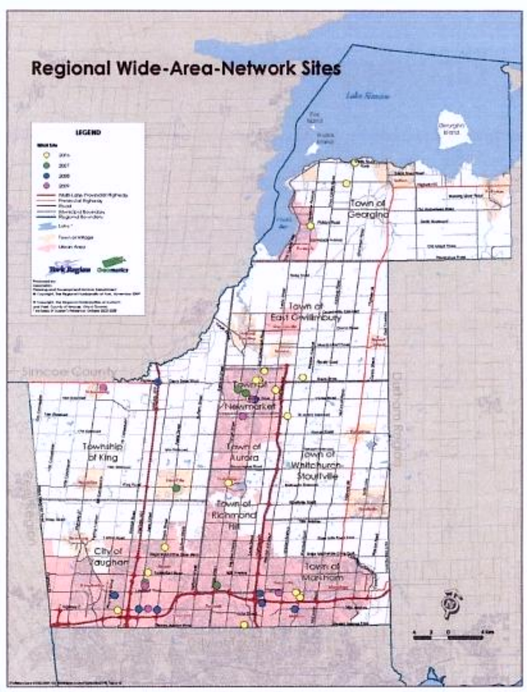
## Number of Regional Networked Sites



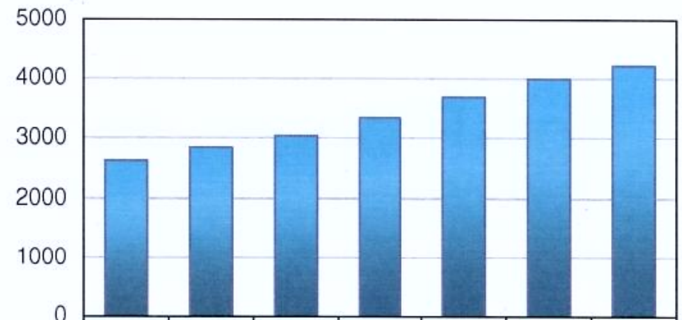
| | 2006 Actual | 2007 Actual | 2008 Actual | 2009 Forecast | 2010 Budget |
|---|---|---|---|---|---|
| Sites | 20 | 27 | 37 | 44 | 50 |



## WAN Network Sites by Year



## Number of Computing Devices




| | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | 2008 Actual | 2009 Forecas | 2010 Budget |
|---|---|---|---|---|---|---|---|
| Devices | 2,620 | 2,868 | 3,055 | 3,341 | 3,714 | 4,024 | 4,244 |



## Staffing Requirements – Finance & I.T.

| Position | Gross | Net |
|---|---|---|
| Supervisor – Treasury & Reserves | $132.0 | $0.0 |
| Administrative Clerk Secretary | $61.0 | $61.0 |

# Non-Program Items

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## Non-Program Items in Tax Summary

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Administrative Support** | | | | | | | |
| Office of the C.A.O. | 3,934 | 3,681 | 3,944 | 3,691 | 10 | 10 | 0.3% |
| Finance | 9,865 | 8,316 | 9,994 | 8,323 | 129 | 7 | 0.1% |
| IT Services | 16,921 | 13,362 | 17,729 | 14,170 | 808 | 808 | 6.0% |
| Property Services | 16,502 | 15,904 | 16,509 | 15,901 | 7 | (3) | (0.0)% |
| Contribution to Capital | 244 | 244 | 244 | 244 | 0 | 0 | 0.0% |
| Legal Services | 2,090 | 1,958 | 2,089 | 1,957 | (1) | (1) | (0.1)% |
| Clerk's Office | 1,893 | 1,843 | 1,893 | 1,844 | 0 | 1 | 0.1% |
| Human Resource Services | 6,041 | 5,935 | 6,041 | 5,935 | 0 | 0 | 0.0% |
| **Sub Total** | **57,490** | **51,243** | **58,443** | **52,065** | **953** | **822** | **1.6%** |
| **Chair & Council** | **1,773** | **1,765** | **1,836** | **1,768** | **63** | **3** | **0.2%** |
| **Financial Items-Assets Replacement** | **35,013** | **27,013** | **40,775** | **34,375** | **5,762** | **7,362** | **27.3%** |
| **Financial/Administrative Items** | **5,331** | **2,498** | **12,174** | **7,920** | **6,843** | **5,422** | **217.1%** |
| Recovery from WWw (User Rate) | 0 | (4,786) | 0 | (4,895) | 0 | (109) | 2.3% |
| **TOTAL REGIONAL OPERATING PROGRAMS** | **991,651** | **412,724** | **1,088,213** | **436,177** | **96,562** | **23,453** | **5.7%** |
| **Court Services** | **8,666** | **1,550** | **8,831** | **1,481** | **165** | **(69)** | **0** |
| **Boards & Authorities** | | | | | | | |
| Conservation Authorities | 4,619 | 4,369 | 4,806 | 4,556 | 187 | 187 | 4.3% |
| GO Transit | 2,500 | 0 | 2,500 | 0 | 0 | 0 | - |
| Hospital Capital Funding | 12,000 | 12,000 | 12,200 | 12,200 | 200 | 200 | 1.7% |
| Property Assessment (MPAC) | 14,327 | 14,327 | 14,800 | 14,800 | 473 | 473 | 3.3% |
| **Sub Total** | **33,446** | **30,696** | **34,306** | **31,556** | **860** | **860** | **2.8%** |
| **GTA Pooling** | **52,900** | **52,900** | **39,600** | **39,600** | **(13,300)** | **(13,300)** | **(25.1)%** |
| **ODSP** | **20,337** | **18,138** | **11,402** | **9,202** | **(8,935)** | **(8,936)** | **(49.3)%** |
| **Rapid Co.** | **14,239** | **8,961** | **15,915** | **9,016** | **1,676** | **55** | **0.6%** |
| **Police Services** | 220,131 | 205,079 | 234,866 | 216,944 | 14,735 | 11,865 | 5.8% |
| Contribution to Capital | 6,145 | 6,145 | 5,753 | 5,753 | (392) | (392) | (6.4)% |
| **Sub Total** | **226,276** | **211,224** | **240,619** | **222,697** | **14,343** | **11,473** | **5.4%** |
| **TOTAL OPERATING BUDGET** | **1,347,515** | **736,193** | **1,438,886** | **749,729** | **91,371** | **13,536** | **1.8%** |
| Less Assessment Growth | | | | (12,515) | | (12,515) | (1.7)% |
| **TOTAL AFTER ASSESSMENT GROWTH** | **1,347,515** | **736,193** | **1,438,886** | **737,214** | **91,371** | **1,021** | **0.1%** |

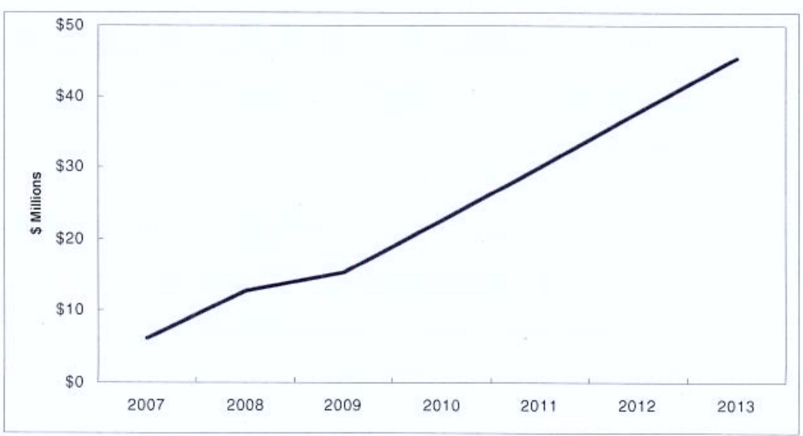
York Region

## Increase/Decrease in Non-Program Items

- Includes provisions for:
  - $7.4M — Capital Asset Replacement Reserve
  - $5.4M — Financial/Administrative Items
  - $0.5M — Municipal Property Assessment Corporation (MPAC)
  - $0.2M — Hospital Funding
  - $0.2M — TRCA & LSRCA (tax levy only)
  - ($13.3M) — GTA Pooling
  - ($8.9M) — ODSP



## Capital Asset Replacement & Debt Reduction Contributions – 2007- 2013



## Outlook Key Drivers

- Growth in Regional Programs
- Annual inflation pressures
- Population growth
- Growth in number of computer and telephone devices
- New software applications being introduced and supported
- GTA Pooling and ODSP
- Servicing demands



## Next Steps

1. Recommend the 2010 Draft Capital & Operating Budget presentation be received
2. Forward recommendations pertaining to these budgets to Finance & Administration Committee on December 3, 2009