

2015 FINAL BUDGET

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Notable Tax Pressure Summary

1. Reduced reliance on Stabilization & Supplementary Tax Variance

2013 Budget for Supplementary Taxes was \$575K, while the realistic expectation for 2014 at the time of preparing the 2014 Budget was only \$250K, reflecting the pause in development activity prior to the commencement of the build out of the 2C lands. This temporary significant dip in revenues was off-set by a draw on the Stabilization Reserve fund of \$325K, essentially leaving the full \$575K amount from 2013 budget unchanged.

For 2015, the Supplementary Tax expectation is currently \$575K, based on the strategy for Supplementary Tax Revenues presented to Council in January of 2014, however a planned decrease in expected revenue for 2015 and forward has been deferred by one year. This one year deferral will not create any expected deficits in future supplementary tax revenue budgets. The phased reduction in reliance on Supplementary Tax revenues strategy remains unchanged, simply delayed in implementation by one year. The effect of reducing the reliance on the stabilization reserve is off set by the increase in budgeted supplementary taxes in full.

In 2014, an expected premium in benefits costs due to a delay in change of carriers was also buffered by a \$36.5K draw on the stabilization reserve, which is not required for 2015, as the new carrier's lower rates apply for the full year.

Description as to how any direct or indirect savings were achieved, if any in an effort minimize the incremental impact of this pressure:

N/A for this pressure, as these are net neutral.

2. Energy Cost Increases

The 2014 projected budget for utilities was understated and modeling best case weather conditions, in 2014, due to a colder than normal winter and a warm summer, resulted in the actuals being over plan. Upon historical review, the Facilities budgets have trended to be on the optimistic side and generally over the past few years have been under funded. This was due to overall underfunding of the facilities budget and balancing the increasing requirements of the repairs and maintenance of an aging portfolio of buildings and utilities. In 2015, the AFLC will have budget pressure as the new building is heated in the winter by electrical base board units. Hydro comprises the single largest line item (other than staffing) and the goal is over time to improve the effectiveness of our

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building systems through capital projects to reduce the demand for hydro. The long term trending is that hydro rates will continue to rise while gas will fluctuate.

Description as to how any direct or indirect savings were achieved, if any in an effort minimize the incremental impact of this pressure:

Hydro/Gas will continue to challenge our budgets as the ice plants and pool operations consume energy 24/7. We have over the next ten years, capital projects to improve the building systems efficiencies but with the ageing infrastructure we will need to address the funding gap between actual systemic costs of running a proactive facility and the current funding model. We also have to factor in that some of our buildings are being used by other departments but not to the highest and best use of the facility and this drives facility costs without any impact to the end users.

3. Software License & Maintenance Requirements Increase

In 2015, our software maintenance has increased by 27% overall. The primary drivers relate to increasing fees past down by vendors. An increase in the population of Aurora has triggered a 50% increase in the maintenance fees for our GIS software (fees rated by the overall size of the Municipality). As well, an anticipated change to our HRIS software in 2015 has added an additional \$50K annually to the budget.

Description as to how any direct or indirect savings were achieved, if any in an effort minimize the incremental impact of this pressure:

A review of software licenses was conducted to mitigate the maintenance budget increase. Licenses for various products were decreased (Adobe) and others needed to be increased (Microsoft) to ensure software compliance. This mitigation attempt did not improve the software maintenance overall. Possible options for the future are partnering with other municipalities to leverage improved software agreements and potentially share costs.

4. Facility Related Repair & Maintenance Contract & Supply Increases

Over the last few years the delta between planned costs vs actual repairs and maintenance has started to widen. This is due to three factors: under- funding over several budget cycles; minimal preventative maintenance due to underfunding which over time increases costs; and the age of our major equipment. These three factors have and will over time increase the pressure on the capital and operations budgets.

Our aging equipment continues to be a factor in increased reactive service repair costs and down time. Even the SARC which is relatively “new” is now moving into the phase of equipment requiring an increase in service calls as building systems near the end of their life cycle. Other notable pressures will be at the

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AFLC as we have aging mechanical pool equipment and at Aurora Library Square which has a variety of buildings all with old HVAC equipment.

Description as to how any direct or indirect savings were achieved, if any in an effort minimize the incremental impact of this pressure:

We are working on a three phase plan to work on increasing the operational effectiveness of these costs. First is an increase in the preventative maintenance on the equipment to try to reduce the service calls; second is the request for building condition reports within the capital plan, this will develop the long term strategy on when to replace our aging building systems; and thirdly, realistic budget funding for the assets that we own taking into account the use, age, and expectations.

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BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: **1.1**

Department: Building and Bylaw Services

Project / Initiative Title: New Full Time Building Plan Examiner / Inspector

Description:

Addition of one Full Time Building Inspector/Plans Examiner position.

Background:

General

Building Services processes building permit applications, bylaw permit applications (fill permits, sign permits, pool fence enclosure permits), model home certification applications as well as responds to the inspection requests related to these permits. The division responds to complaints regarding construction and certain bylaw infractions. General enquiries about construction, zoning and other related processes are also addressed.

Legislative Considerations

Much of the work that building services deals with is subject to provincial legislation (Ontario Building Code) and municipal policies to ensure that work is carried out in a consistent and time-predictive manner so as to meet the needs of homeowners, developers and others who require these services. The Ontario Building Code (OBC) contains time frames related to permit applications and inspection requests. Municipal policies state the required response times by which complaints are to be addressed.

Key Performance Indicators

The Building Division has key performance indicators used to establish service levels. These key performance indicators (KPI's) are reported on for the purpose of Municipal Performance Measurement Program (MPMP) reports. The KPI's are derived from Ontario Building Code (OBC) requirements regarding responses to building permit applications and inspection requests as well as in-house policies regarding responses to complaints.

The OBC requires that building permit applications receive a response by issuing the permit or by providing in writing the reasons why the permit cannot be issued within the time frame corresponding to their class of permit. The OBC also states when notices of the completion of certain construction stages are required to be provided to the municipality and the time frame

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(typically 2 days) by which the municipality must respond with an inspection being carried out.

Policies which contain time frames to address complaints also create KPI's that Building Services strive to achieve. Complaints received by Building Services are required to be acknowledged within 1 business day, initially investigated within 2 days following the acknowledgement and addressed (closed or prosecution commenced) within 6 months of receipt of the complaint.

Increased Workloads

A large section (2C lands) of the Town is under development with approximately 3,000 houses being constructed over the next few years as well as approximately 500 houses to be constructed (outside of 2C). Approximately 3 builders have started construction with another 12 awaiting approvals to begin. This will result in large batches of plans being submitted for plans review which will need responses subject to the OBC prescribed time frames in order to meet the development community needs and expectations. Permit issuance is a high priority for the development community as well as the construction industry in general (DIYers, general contractors etc). Following the issuance of this large number of permits will be the large number of inspection requests to be addressed which are also subject to the required time frames. Plan reviews and inspections are happening concurrently as there are subdivisions under full construction at this time with more phases being reviewed and started almost monthly. While these subdivisions constitute a large portion of our workload, there are residential infill and commercial projects which must also be accommodated.

Building Services also provides investigation and resolution of complaints. Building Services addresses complaints of working without a permit, zoning infractions, deviation from plans, illegal secondary dwelling units and others. As our population grows and intensification through secondary dwelling units continues, there is an expectation of increased numbers of complaints.

As workloads increase, absences due to illness, vacation and training become more difficult for the team to absorb. The ability to operate seamlessly to the public will become more difficult. Staff who are available to cover will already have heavy workloads and will have to accommodate more requests for their time to address the issues that the absent staff member would normally address.

Increased Complexities

The 2006 OBC and the 2012 OBC have introduced requirements around energy efficiency, occupancy of certain residential buildings, accessibility, designer qualifications as well as requiring new program development such as septic maintenance. These requirements have significantly increased the complexity of plans review and inspection. To address these new requirements requires a more intensive review of the plans and more intensive inspections to ensure that municipal obligations and due diligence to enforce the code are being carried out. This also requires a more complex process for application intake. The result of the increase in complexity is that more time must be spent at the application, plans review and inspection stages to ensure compliance.

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The 2012 OBC has also made changes to the existing requirements in both regulation and structure. Sections of the code have been revamped with new code references and regulations as well as some existing regulations being amended. This means that plans reviews and inspections may take longer as staff have to absorb the changes and their impact.

Increased Quality

In response to community expectations, claims against the Town and the increased complexities of the OBC, the Building Division has increased the quality of inspections. This has been derived from the use of checklists, implementation of an improved computer system, clearer inspection requirements, the introduction of the ICE (inspection, compliance and enforcement) program whereby there are clearer processes and expectations with regards to obtaining compliance in a timely fashion. There have also been changes in department structure including having a senior plans examiner and a senior building inspector. Through these measures Building Services strive to provide the quality of service that meets our community expectations. As workloads increase the quality of the services provided will suffer as staff balance competing priorities in order to meet required time frames. This may result in inspections and plans review that miss issues that would otherwise be addressed. This may also result in potentially greater risk and liability to the Town.

Conclusion

Building Services recommends that one plans examiner/building inspector be added to the staff complement. As workloads increase it will become more difficult for Building Services to maintain the level of service compared to the KPI's. The quality of plans review and inspections as well as addressing and resolving complaints may drop as staff try to stay on top of their workloads. The pressure to respond in the expected time frame will increase due to the increased demand. This may result in lower standards being applied, greater stress on staff which may lead to greater sick time (further adding pressure), and a less cohesive team approach as there may be less time to collaborate or seek team input. This may lead to a reduction in the quality of the service.

Adding a building inspector/plans examiner to the Building Services staff complement will aid in ensuring that Building Services meets their legislative requirements, ensure that the proper attention to detail is applied to appropriately address the complexities of plans review and inspection and that community expectations are met as demands for service increase.

Building Services currently has 3 plans examiners/building inspectors, 1 senior plumbing inspector, 1 senior building inspector and 1 senior plans examiner to address these requirements.

Link to Strategic Plan:

The goal of supporting an exceptional quality of life for all through meeting the objective of strengthening the fabric of our community is met by collaborating with the development community to ensure future growth includes housing opportunities for everyone. The development community as well as general contractors need to work with clear time frames to ensure their sustainability. The community have expressed that time frames are important for them to reach their goals. Their processes are tailored to OBC and municipal requirements around time frames so they can plan the successful construction of subdivisions and other

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construction projects. Increasing the number of building inspector/plans examiners will allow the division to be better able to meet the required time frames while maintaining a high level of quality to ensure that developers', builders' and residents' expectations are met. Ensuring that time frames are adhered to is an important component of the collaboration with the development community. This allows the Town to meet the strategic objective of collaborating with the development community with regards to future growth which supports the strategic goal of supporting an exceptional quality of life for all.

Level of Service Impact:

The ability of the Building Division to respond to the OBC prescribed notices for inspection and complete permit plans review within the required time frames will be affected as the increased demand for services continues. As the Town grows, the number of complaints will increase. The increase in workload together with the required comprehensiveness of plans reviews and inspections will result in a reduction of service levels as staff struggle to keep up. Lower service levels increase the Town's risk and liability resulting from errors or omissions.

Staff aims to provide the highest level of service possible. The pressure to meet KPI's and service expectations of the development industry and residents will impact on the quality of that service. The level of service impact will be reduced by increasing the number of plans examiners/building inspectors allowing for attendance to sites in a timely fashion, better quality enforcement (which is time consuming) and better coverage. These benefits will increase staff work/life balance, job satisfaction and job engagement. Increasing the staff complement will allow the town to maintain the high quality of inspections and investigations which may reduce future liabilities and increase resident satisfaction of their decision to live in the Town of Aurora. An increase in staffing will have a positive impact on Building Services' ability to meet the KPI's associated with response times.

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Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$51,238	\$87,837	\$87,837	\$87,837
Less: Savings Achieved				
Revenues	(\$51,238)	(\$87,837)	(\$87,837)	(\$87,837)
Net Incremental Direct Funding Rqmts	\$0	\$0	\$0	\$0
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input checked="" type="checkbox"/> Information Technology <input type="checkbox"/> Financial Services <input checked="" type="checkbox"/> Human Resources <input checked="" type="checkbox"/> Facility Services <input type="checkbox"/> Legal Services <input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$0	\$0	\$0	\$0

Consequences of not Funding:

Not approving this position may result in:

- reduced performance as noted in the MPMP reports
- inability to meet legislated time frames
- inability to meet residents and builders expectations resulting in more complaints
- lower quality inspections/investigations (issues may be missed due to staff trying to meet workload demands)
- Increased risk of liability to the town (i.e. increased claims against the town from missed technical items)
- increased frustration and stress on staff
- reduced job engagement by staff

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- negative impacts on job satisfaction
- reduced work/life balance for staff

Alternative Resolutions:

Alternatives to adding 1 FTE building inspector/plans examiner:

Maintain current staffing levels resulting in reduced service levels;

Contract the position requiring the difficult task of recruiting qualified, experienced staff on a temporary basis;

Sharing a resource with other municipalities requiring agreements and may only partially address the needs;

Paid overtime, as a temporary solution that would be difficult to maintain and may not fully address the needs.

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BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 1.2

Department: Building and Bylaw Services

Project / Initiative Title: Customer Service Project

Description:

Addition of a part-time Customer Service Representative (CSR) to the Access Aurora team.

Background:

Access Aurora has been open for business for approximately 13 months. The original customer service model endorsed by Council was the “We Can Help” model which streamlines several municipal related transactions and is driven by a ‘general inquiry’ model of service. Over the past year, additional services and gaps have been identified that could be added into the customer service unit beyond the initial Phase 1. This would improve the alignment of the needs of the community, customer service trends and best practices in addition to our corporate goals as we grow.

Key triggers for the requirement of an additional FTE at Customer Service include:

- The past year has been a staffing ‘challenge’ as we launched Access Aurora with a ‘lean’ HR strategy, with 3 FTE’s when the recommendation from the Customer Service (CS) consultants and CS Project Team made up of Town of Aurora management was 5 FTE’s. We currently have 4 FTE’s due to a reorganization of Legal and Legislative Services. Based on the size of our municipality and the types of services offered, the minimum was always 5 FTE’s for this model. This has had a direct impact on staff including the CS Manager and 2 alternate BBS staff (Accessibility Advisor and BBS Admin) when help was needed.
- Increasing demands on current staff to cover “shoulder hours” 8am to 8:30am and 4:30 to 5:00pm, when other counters at Town Hall are currently closed which on occasion leaves customer service staff on their own which is a safety risk. (Current shifts for CSR’s are 8-4 and 9-5)
- Illness/sick days, planned absences for appointments, lieu time, and the ability to attend corporate training or departmental/corporate meetings and planned vacations have been a constant challenge without the 5th FTE. Several of the CSR

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staff who are long time employees have extended weeks of vacation unused as we could not arrange coverage. We are also impacted by things such as tax installment dates, water payment dates etc. which adds an additional demand on customer service at certain times of the year.

- Strong desire to extend hours to meet the demands of the community better, including one evening a week (same night of Council) as per the best practice for centralized municipal services

Increasing hours/demands on Access Aurora, in addition to the Excellence Canada requirement of developing a Customer Experience Plan which will require the dedicated resource of Access Aurora. It is anticipated that the Town will require significant resource in data collection, evaluations, feedback and statistics over the next 3 years to achieve the next level of certification for Customer Service.

Link to Strategic Plan:

Access Aurora supports all departments which directly links department goals to the Strategic Plan.

Specifically Objective 5 of the Strategic Plan includes Strengthening the fabric of our community, which includes the **Development of the Customer Service Strategy and Implementation Plan.** (pg 14.)

Level of Service Impact:

There is a service impact to the community (public/visitors), the business community and to the departments if another CSR resource is not available or dedicated to the customer service unit. This could mean longer wait times for processing, line ups at the counter, customers needing to return to transact if certain staff are not available (related to function such as licensing, commissions, etc.) It also impacts the level of service to our vendors/deliveries/stakeholder groups entering the building at customer service.

An increase in resource also reduces the risk for mistakes when staff is maxed out for processing, specifically to the volume of cashiering that occurs under the corporate cashiering function. We have had days where individual cashiers may process over 1 million dollars in payments.

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Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$27,418	\$27,418	\$27,418	\$27,418
Less: Savings Achieved Revenues				
Net Incremental Direct Funding Rqmts	\$27,418	\$27,418	\$27,418	\$27,418
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology <input type="checkbox"/> Financial Services <input type="checkbox"/> Human Resources <input type="checkbox"/> Facility Services <input type="checkbox"/> Legal Services <input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$27,418	\$27,418	\$27,418	\$27,418
<p>Description as to how any direct or indirect savings were achieved, if any; or any other budget related points</p> <p>Access Aurora staff works like a 'triage' department and now deals with things that certain departmental staff (across all divisions) used to have to process and deal with (on the customer side of the transaction). This frees up municipal staff to 'specialize' in their areas and which should be leading eventually to a reduction in overtime and lieu time for specialized services such as roads/water/sewer/tree arborist/emergency calls, etc.</p> <p>A good example of this was the triage approach used for the tree calls for the Parks Division after the ice storm. We also used this approach for the GFL service disaster in 2013 and the influx of service requests relates to the ice storm in 2014.</p> <p>Moving forward as the corporation continues to streamline customer contacts and work more efficiently, we should continue to see some cost savings globally for the Town. The cost savings would be difficult to capture via Access Aurora but there should be some</p>				

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trends identified in departments that are directly impacted by the dedicated Access Aurora resources such as CFS (finance area), Parks (Operational Division) and IES including Road/Water/Wastewater.

Consequences of not Funding:

- Reduction in service level to everyone involved including business community and inter-departmental stakeholders
- No increase in service or hours for the next phase of implementation
- No resource to move the unit forward with customer analysis/data collection
- Increase risk for mistakes made by current team
- Increase risk for not meeting legislated requirements with some of the service transactions (related to BBS)
- Lower quality work performance
- CSR burn out/increased absenteeism due to illness/stress, fatigue, etc.
- Decreased staff participation/engagement with corporate goals
- Less work/life balance
- Poorer quality of work with a poor image with the public = disgruntled burned out CSR staff. Average life span of a municipal front line CSR is currently 5 years as per municipal research

Alternative Resolutions:

1. Rotating admin staff from other departments to temporarily assist with non-cashiering functions during illness/lunches/planned vacations. (For call centre help only)

This would require extensive training and would reduce service in the other areas when staff gets pulled from their regular duties. This also creates a decentralization of customer service functions which is the opposite of the model we are using.

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BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 1.3

Department: Corporate and Financial Services

Project / Initiative Title: Full Time Water & Administration Clerk

Description:

Additional one full time position to support the Water/Wastewater administrative needs, both from both an operational side as well as from the revenue branch side of the business.

Background:

Until the 2012, the Water/wastewater billing administrator had been supported by staff from the Operations division with respect to obtaining missed meter reads by our water meter reader contractor as well as following up with homeowners regarding meters that we were not able to read. In addition, the operations division helped us to collect past due monies by turning water off and on for account holders that owed \$200.00 or more. In 2013, the workload and staffing in the operations division increased to a level where they were no longer able to support these needs. In addition, in 2014 the Town began a water meter replacement program.

Link to Strategic Plan:

None

Level of Service Impact:

This additional position is required in order to maintain the existing levels of service.

CFS' existing billing administrator position has been the only position in Finance to address all of the town's water billing and account administration issues, including the coordination of meter readings, processing reads and creating billings, printing and mailing of all bills, administering pre-authorized payment plans, late payment collections, and changes of owners/tenants. The Town's population has nearly doubled in size since the inception of water billing in Aurora, yet staffing has remained at one position. During 2014, implementation of the meter change out program added an additional burden to this single position as each meter change must be properly and carefully processed to the correct water account, and billings calculated on the two meters. Also, the meter change out is adding radio reading capability to these meters, and this additional data must be properly linked and entered for each account.

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In the past, the administrator may have handled approximately 25 meter changes per year. That has now increased to over 1,000 changes per year for at least the next ten years.

In addition to these added administrative strains on existing staff and the potential impacts to overtime costs and customer service responsiveness, the Operations team are also additionally burdened with the processing and handling of much more data with respect to system maintenance recording, processing of invoicing, recording of new meter data, and coordinating the confirmations of new home construction metering with builders, as well as coordinating the meter replacement program with the contractor.

It is proposed that initially a single full time equivalent contract position be created, and staff collaborates to develop a full time duty compilation which will adequately bring the needed clerical and analytical needs to both branches. Funding is 90% utility rates, 10% tax rate. For 2015, the position is budgeted only from July 1st.

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$37,648	\$75,296	\$75,296	\$75,296
Less: Savings Achieved				
Revenues (Funded from Rate Program)	(33,883)	(67,766)	(67,766)	(67,766)
Net Incremental Direct Funding Rqmts	\$3,765	\$7,530	\$7,530	\$7,530
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input checked="" type="checkbox"/> Information Technology (lap top)				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input type="checkbox"/> Facility Services				
<input type="checkbox"/> Legal Services				
<input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$3,765	\$7,530	\$7,530	\$7,530

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Consequences of not Funding:

Staff overtime in the Finance division will continue, while clerical and administrative functions of the Operations side of the business will continue to be completed by certified water system technicians, a less than optimal use of these resources. Existing levels of service will become increasingly more difficult to maintain as well as the deterioration of existing levels of service as demands continue to increase will be unavoidable.

Alternative Resolutions:

1. Each division (Corporate Financial Services & the Water Operations) could be provided with full or part-time dollars to address their individual needs which would be an inefficient use of resources.
2. No additional staffing. Risk of billing errors, overtime accumulation, and less than optimal deployment of certified technicians would continue. Meter change out program may get delayed. New homes could continue to be occupied without water meters installed properly. The ability to maintain existing levels of services will continue to deteriorate.

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BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 1.4

Department: Parks & Recreation Services

Project / Initiative Title: Part Time Facility Booking Administrator

Description:

Part-time to Full-time uplift for a Facility Bookings Administrator.

Background:

Part-time position was added to address growth within the facility bookings function in order to maintain/improve customer service levels and support the addition of new facilities. In 2004, this team increased from one FTE to 2 FTE's in order to support a workload of approximately 17,000 permits per year. In 2011, there was a further addition of a 14 hr per week (0.4 FTE) P/T position. This team currently processes approximately 32,000 bookings per year, and the addition of 0.4 FTE has not been sufficient to manage the increased workload. With continued growth in this function with the recent addition of new facilities, and the upcoming addition of further additional facilities a minimum complement of 3 FTE's is required in order to maintain an acceptable customer service standard and ensure revenue growth.

Link to Strategic Plan:

Supporting an exceptional quality of life for all:

- strengthening the fabric of our community.
- encouraging an active and healthy lifestyle.

Enabling a diverse, creative and resilient economy:

- promoting economic opportunities that facilitate the growth of Aurora as a desirable place to do business
- supporting small business and encouraging a more sustainable business environment.

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Level of Service Impact:

The facility bookings team is currently experiencing on average, in excess of 140 customer contacts and processing an average of 125 bookings per day. This is an increase from a daily average of 100 customer contacts and 120 bookings per day in 2012, resulting in increasing delays in response time and processing errors. This is resulting in lost revenue from missed opportunities to manage additional facility rentals.

Budget Impact (Incremental Funding Need):

Direct Impacts				
	2015	2016	2017	2018
Incremental Operational Requirement	\$18,971	\$18,971	\$18,971	\$18,971
Less: Savings Achieved				
Revenues				
Net Incremental Direct Funding Rqmts	\$18,971	\$18,971	\$18,971	\$18,971
Indirect Impacts				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input type="checkbox"/> Facility Services				
<input type="checkbox"/> Legal Services				
<input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$18,971	\$18,971	\$18,971	\$18,971

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Consequences of not Funding:

Further increases in volume and the addition of a new Facility Users Insurance Policy will create further delays in response times, and jeopardize accuracy of work, potentially resulting in permitting errors or missed opportunities for bookings. The existing staff complement is struggling to meet the current volume and will be unable to manage any additional volume associated with additional facilities, the new insurance program and increased bookings. The current workload along with additional growth in this function can no longer be sustained without additional staff support.

Alternative Resolutions:

1. **Do nothing**, resulting in further decreases to customer service levels and loss of revenue.

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BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 1.5

Department: Parks & Recreation Services

Project / Initiative Title: Youth Room/Climbing Wall staff

Description:

Additional part time staffing to ensure the safe and effective use of the newly constructed youth spaces at the Aurora Family Leisure Complex.

Background:

The renovation at the Aurora Family Leisure Complex includes spaces dedicated for youth such as the Loft youth room and the climbing wall. These spaces were a recommendation in the 2010 Youth Needs Analysis. These spaces need to be staffed when open to ensure safe and appropriate use. Having a staff person on site will also help build relationships with youth and help achieve youth engagement goals.

Link to Strategic Plan:

This request supports the goals of the "Community" Pillar of Success and in particular, objectives 3, 4, & 5. This request also supports several recommendations in the 2010 Youth Needs Analysis including improved access to appropriate facilities and for youth to be able to participate in drop in programs and activities in a safe and supervised environment.

Level of Service Impact:

This request supports several of the recommendations in the 2010 Youth Needs Analysis. It will improve access to appropriate and accessible facilities, provide more opportunities for youth to participate in unstructured and drop in programs in a safe and supervised environment and enable staff to engage with youth.

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Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$27,000	\$14,400	\$14,600	\$14,900
Less: Savings Achieved				
Revenues	(2,000)	(4,000)	(5,000)	(5,000)
Net Incremental Direct Funding Rqmts	\$25,000	\$10,400	\$9,600	\$9,900
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology <input type="checkbox"/> Financial Services <input type="checkbox"/> Human Resources <input type="checkbox"/> Facility Services <input checked="" type="checkbox"/> Legal Services <input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$25,000	\$10,400	\$9,600	\$9,900
<p>The Budget Impact assumes a full time Youth Programmer as of June, 2015 to staff many of the hours required in the youth spaces.</p>				

Consequences of not Funding:

The spaces that have been built for youth will be under-utilized as it is not safe to have the spaces unstaffed. Additionally, the Town will fail to implement the recommendations in the Youth Strategy and ultimately, the Strategic plan.

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Alternative Resolutions:

None

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 1.6

Department: Parks & Recreation Services

Project / Initiative Title: Full time Youth Programmer

Description:

Request for the addition of a new full time Youth Programmer position in support of the recommendations arising from the Youth Needs Analysis and the growth in the youth portfolio. This position would assist the Youth Co-ordinator in the design/development, delivery, co-ordination, supervision, administration, implementation and evaluation of Town youth programs, events and initiatives and act as a resource for community partnerships.

Background:

The Youth Needs Analysis recommends several initiatives for increasing services and programs for youth. The analysis was completed in 2010 and it has been difficult to achieve the recommendations in the needs analysis without additional youth staff resources. The strategy indicates that additional staff resources will be required to respond to both population growth and the additional facilities and programmes recommended in the strategy.

Link to Strategic Plan:

This request supports the goals of the "Community" Pillar of Success and in particular, objectives 3, 4, & 5. This request also supports several recommendations outline in the 2010 Youth Needs Analysis including improved access to appropriate facilities, and the opportunity for youth to be able to participate in drop in programs and activities in a safe and supervised environment.

Level of Service Impact:

This position will allow for the implementation of the recommendations outlined in the Youth Needs Analysis and will allow for an expansion of youth engagement, programs and initiatives in the community. With the construction of new dedicated youth spaces at the AFLC, there is enormous opportunity to enhance youth services at this time.

2015 FINAL BUDGET

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$39,268	\$67,316	\$67,316	\$67,316
Less: Savings Achieved				
Revenues				
Net Incremental Direct Funding Rqmts	\$39,268	\$67,316	\$67,316	\$67,316
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input checked="" type="checkbox"/> Information Technology				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input checked="" type="checkbox"/> Facility Services				
<input type="checkbox"/> Legal Services				
<input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$39,268	\$67,316	\$67,316	\$67,316

Consequences of not Funding:

The spaces that have been built for youth will be underutilized as opportunities for new programs, services and events will be limited as the current staff complement is at capacity. The Town will fail to implement the recommendations in the Youth Strategy and ultimately the Strategic Plan.

2015 FINAL BUDGET

Alternative Resolutions:

None

2015 FINAL BUDGET

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 2.1

Department: Corporate Revenues & Expenses

Project / Initiative Title: Additional contribution to reserves for the maintenance of the Town's Infrastructure Assets

Description:

Proposal to increase the total amount being contributed toward reserves by 0.5% of the estimated 2015 tax base, before any new tax pressures have been considered.

Background:

For 2015, a tax levy cash to capital contribution of \$4,212,200 is proposed, representing an increase of \$180,300 from 2014's contribution amount of \$4,031,900. Increases of this nature are necessary in order to ensure the long term sustainability of the Town's infrastructure assets. This required increase is driven by the town's ten year capital investment plan analysis which strives to achieve desired reserve health targets while taking into consideration the Town's growing infrastructure needs over that same time period and into the future.

Link to Strategic Plan:

The use of financial reserves to buffer fluctuating financial requirements from year to year contribute to achieving the Strategic Plan guiding principle of "Leadership in Corporate Management" and improves transparency and accountability to the community.

Level of Service Impact:

This recommended increase in the tax levy cash contribution to reserves in support of the town's infrastructure will assist the town in maintaining the existing levels of service that the Town's citizens are obtaining from its asset infrastructure.

2015 FINAL BUDGET

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$180,300	\$180,300	\$180,300	\$180,300
Less: Savings Achieved				
Revenues				
Net Incremental Direct Funding Rqmts	\$180,300	\$180,300	\$180,300	\$180,300
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input type="checkbox"/> Facility Services				
<input type="checkbox"/> Legal Services				
<input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$180,300	\$180,300	\$180,300	\$180,300

Consequences of not Funding:

The consequence of not funding this recommended contribution to capital increase will be unhealthy reserves at the end of the ten year period which will be unable to sufficiently support the town's infrastructure renewal needs resulting in the deferral of necessary capital infrastructure renewal to future years, thus generating a potential reduction in the levels of service to taxpayers and/or a large unplanned tax levy contribution being required thus placing a significant unfavourable pressure on the Town's tax levy. Following the requirements of the Ten Year capital plan assist in pre-empting such situations.

2015 FINAL BUDGET

Alternative Resolutions:

1. No increase to the level of the tax levy contribution to reserves in support of the Town's growing infrastructure needs. The consequence of this alternative course of action is outlined under the "Consequences of not Funding" section of this business case.
2. Increase the level of the tax levy contribution to reserves in support of the Town's growing infrastructure needs by a reduced amount than what is being recommended. This alternative will have similar consequences to those defined under Alternative 1, but to a lesser degree.

2015 FINAL BUDGET

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 2.2

Department: Corporate Revenues & Expenses

Project / Initiative Title: Reduction of Operational Reliance on Hydro Reserve Interest

Description:

Consistent with Council and Corporate Finance strategy, it is recommended that the Town reduce its reliance upon investment income generated from the Hydro Reserve monies by a further \$100,000 in 2015.

Background:

In late 2012, Council agreed to work toward reducing the town's annual budgetary reliance on interest earned by the Hydro Reserve Funds as a source of revenue in order to mitigate tax pressures in the operating budget. In 2013, operational reliance was reduced from \$600,000 in 2012, to \$500,000 of interest. This amount was reduced by a further \$100,000 to \$400,000 in 2014. (See Figure 1.)

Link to Strategic Plan:

The reduced reliance upon the Hydro Reserve Fund investment income as a source of revenue in order to mitigate tax pressures in the operating budget improves transparency and accountability to the community. It also leaves more interest earned within the Hydro Reserves, protecting their purchasing power from inflation.

Level of Service Impact:

There is no direct service level implication from this planned reduction.

2015 FINAL BUDGET

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$100,000	\$100,000	\$100,000	\$100,000
Less: Savings Achieved				
Revenues				
Net Incremental Direct Funding Rqmts	\$100,000	\$100,000	\$100,000	\$100,000
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input type="checkbox"/> Facility Services				
<input type="checkbox"/> Legal Services				
<input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$100,000	\$100,000	\$100,000	\$100,000

Consequences of not Funding:

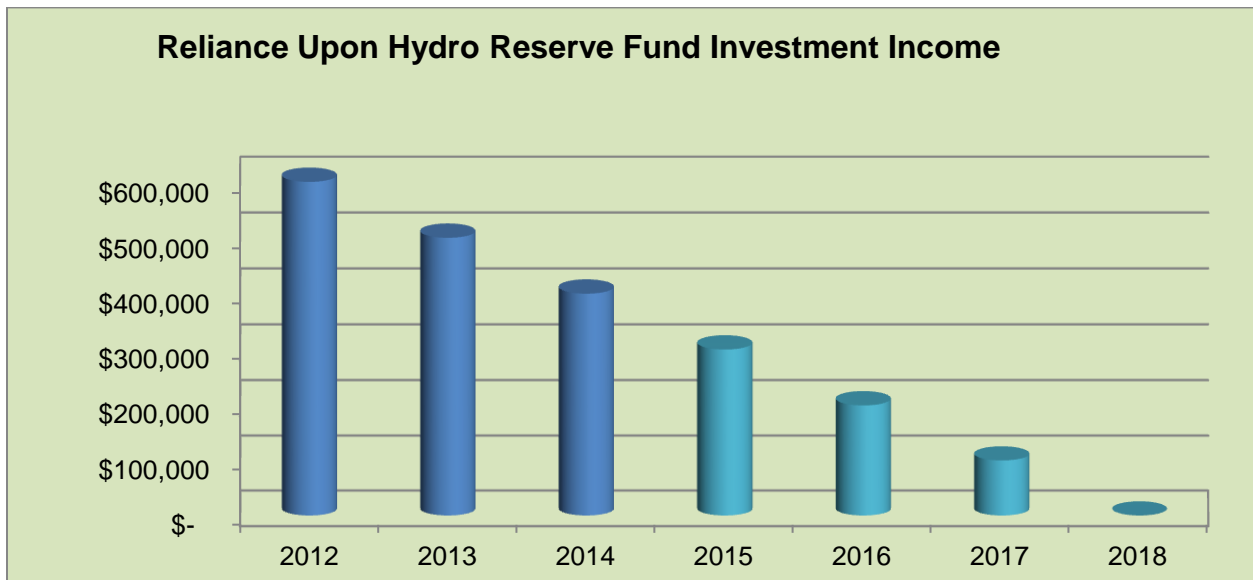
If this recommended reduction in reliance upon investment income proceeds from the Hydro Reserve fund is not approved, the town's tax levy pressure will be alleviated by an equivalent amount. However, the desired strategy of eliminating the town's reliance on these noted proceeds will not be advanced any further in 2015. Reserve balance purchasing power will continue to erode over time.

2015 FINAL BUDGET

Alternative Resolutions:

1. **Do not** decrease the town's level of reliance upon Hydro Reserve Fund investment income proceeds. The consequence of this alternative course of action is defined under the "Consequences of not Funding" section of this business case.
2. Reduce the town's reliance upon Hydro Reserve Fund investment income proceeds by a reduced amount than what is being recommended. This alternative will have similar consequences to those defined under Alternative 1, but to a lesser degree.

Figure 1



2015 FINAL BUDGET

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 2.3

Department: Infrastructure and Environmental Services

Project / Initiative Title: Waste Management Program Advertising

Description:

To increase advertising budget for the waste management program by \$22,000 to a total budget of \$35,000 in order to maintain current program offerings.

Background:

This funding is used to promote waste and recycling programs for the Town and includes deliverables such as: the annual waste calendar, my waste app, my waste app widget, delivery of the calendar, newspaper ads, P & E material at local events and continual education of residents on waste/recycling and new waste/recycling programs. The majority of the funds go into the waste calendar/my waste app. Leaving very little funds available for newspaper, radio, P & E on new programs or program changes.

Actual expenditures for 2013 were \$25,000 and for 2014 were \$29,000 on an approved budget of \$10,300 and \$13,000.

Link to Strategic Plan:

The programs and services funded by this account support the goals of the "Natural Environment" Pillar of Success in particular, objectives 1 & 2.

Level of Service Impact:

The level of service will be impacted due to inconsistent messaging on current and new waste/recycling programs. One of our goals is to increase diversion, which is influenced in part by education through media. Not approving this budget will either impact the ability to distribute the annual calendar or eliminate periodic media messaging to promote the various aspects of the waste and recycling program.

2015 FINAL BUDGET

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$22,000	\$14,000	\$14,000	\$15,090
Less: Savings Achieved				
Revenues				
Net Incremental Direct Funding Rqmts	\$22,000	\$14,000	\$14,000	\$15,090
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input type="checkbox"/> Facility Services				
<input type="checkbox"/> Legal Services				
<input checked="" type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$22,000	\$14,000	\$14,000	\$15,090
<p>Savings were achieved due to revenue from local businesses purchasing ads in the calendar. As well as revenue from our local e-waste events and textiles collections. Increasing the budget will give us more opportunities to promote these programs which can further increase our revenues.</p>				

Consequences of not Funding:

Reduced media promotions which will impact number of media releases. Potential impact on annual calendar based on current costs of the program. Reduced communication will adversely affect the communities understanding of the program and may result in waste diversion reductions.

2015 FINAL BUDGET

Alternative Resolutions:

1. Eliminate the paper version of the calendar and only communicate through the website. This will result in no additional funding needs.
2. Discontinue media releases through the notice board and only communicate through the website and other digital avenues.

2015 FINAL BUDGET

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: 2.4

Department: Infrastructure and Environmental Services

Project / Initiative Title: Sidewalk Snow Removal Services

Description:

Sidewalk and street snow removal services were retendered in the fall of 2014. The annual contract value for this service resulted in an additional sidewalk snow removal budget request of \$246,000. Council requested that staff identify savings of equal value to offset these costs.

Background:

Snow clearing operations for roads and sidewalks are performed with a mix of contracted and in-house services at about 50 percent split. In 2014, staff undertook an efficiency and policy review and made recommendations on base service changes to 1) align service level targets with actual "on the road service delivery" and 2) contract out sidewalk clearing 100% to allow staff to focus attention on road conditions in line with service targets.

Link to Strategic Plan:

Improve transportation mobility and connectivity.

Level of Service Impact:

Program costs are required to meet minimum service targets.

As part of the service level review, it was identified that the department had insufficient resources to maintain the service levels established in the 1997 service level policy. In order to contain costs while establishing achievable service targets that met the requirements of the Minimum Maintenance Standard, staff adjusted the targets and the program: Key changes were:

- increase time to respond to an event and snow depth requiring a response
- Increase time permitted to clear sidewalks
- Contract sidewalks 100% to ensure sufficient internal resources are available to address road needs

2015 FINAL BUDGET

- Select two separate contractors (road and sidewalk) to reduce risk of delayed services due to contractor resource issues.
- Reduce standby shift schedule to minimize risk of exceeding Health and Safety standards of working hours and driving time.

When all combined, these changes result in reduced level of service on the road and increased resource availability to at least meet the new service targets. This change is very important in risk management related to claims. We must be able to deliver on the service level stated and meet the minimum maintenance standard to provide a defensible position when defending against slip and fall and injury claims related to snow.

Budget Impact (Incremental Funding Need):

Direct Impacts				
	2015	2016	2017	2018
Incremental Operational Requirement	246,000	246,000	246,000	246,000
Less: Savings Achieved Revenues				
Net Incremental Direct Funding Rqmts	\$246,000	\$246,000	\$246,000	\$246,000
Indirect Impacts				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology				
<input type="checkbox"/> Financial Services				
<input type="checkbox"/> Human Resources				
<input type="checkbox"/> Facility Services				
<input checked="" type="checkbox"/> Legal Services	(10,000)	(10,000)	(10,000)	(10,000)
<input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$236,000	\$236,000	\$236,000	\$236,000
Direct staff time and indirect savings in long term claims value due to adjustments in service delivery and performance against service level targets.				

2015 FINAL BUDGET

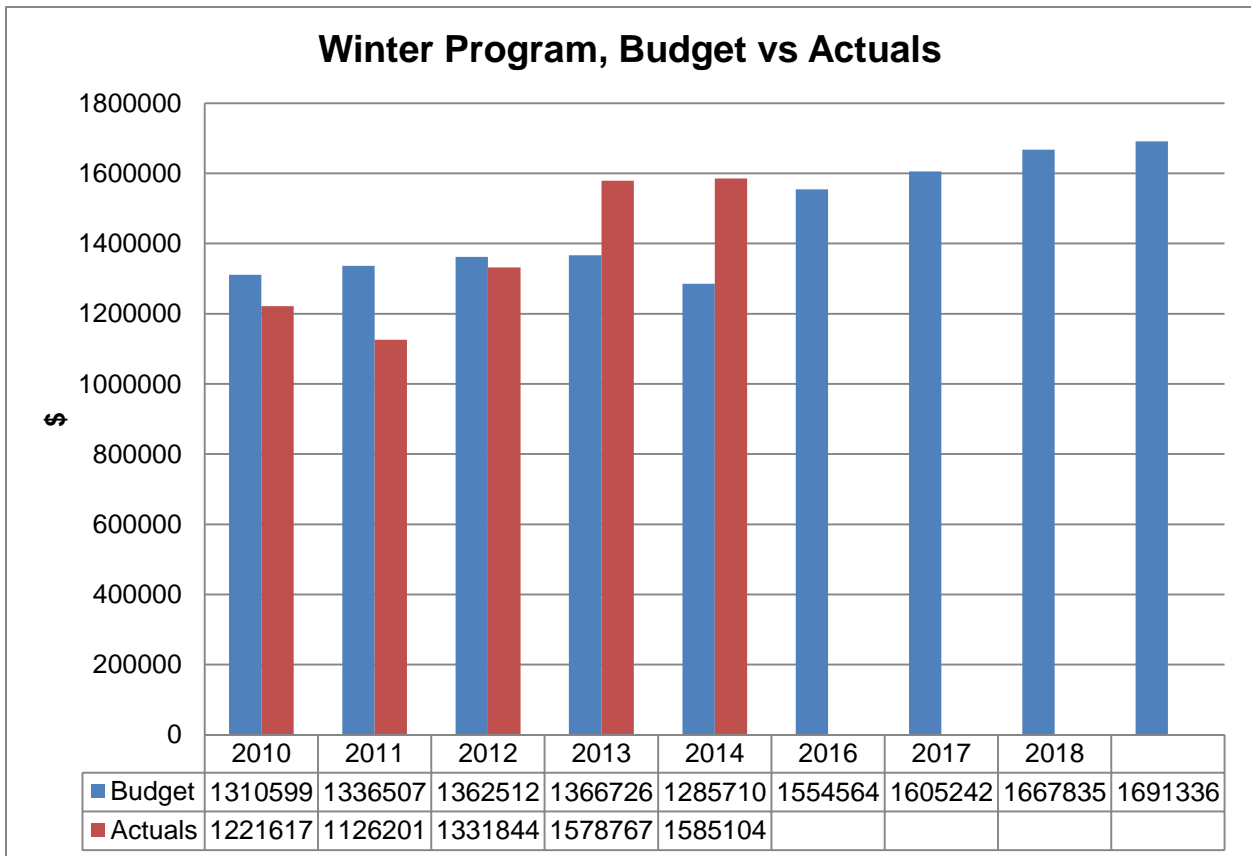
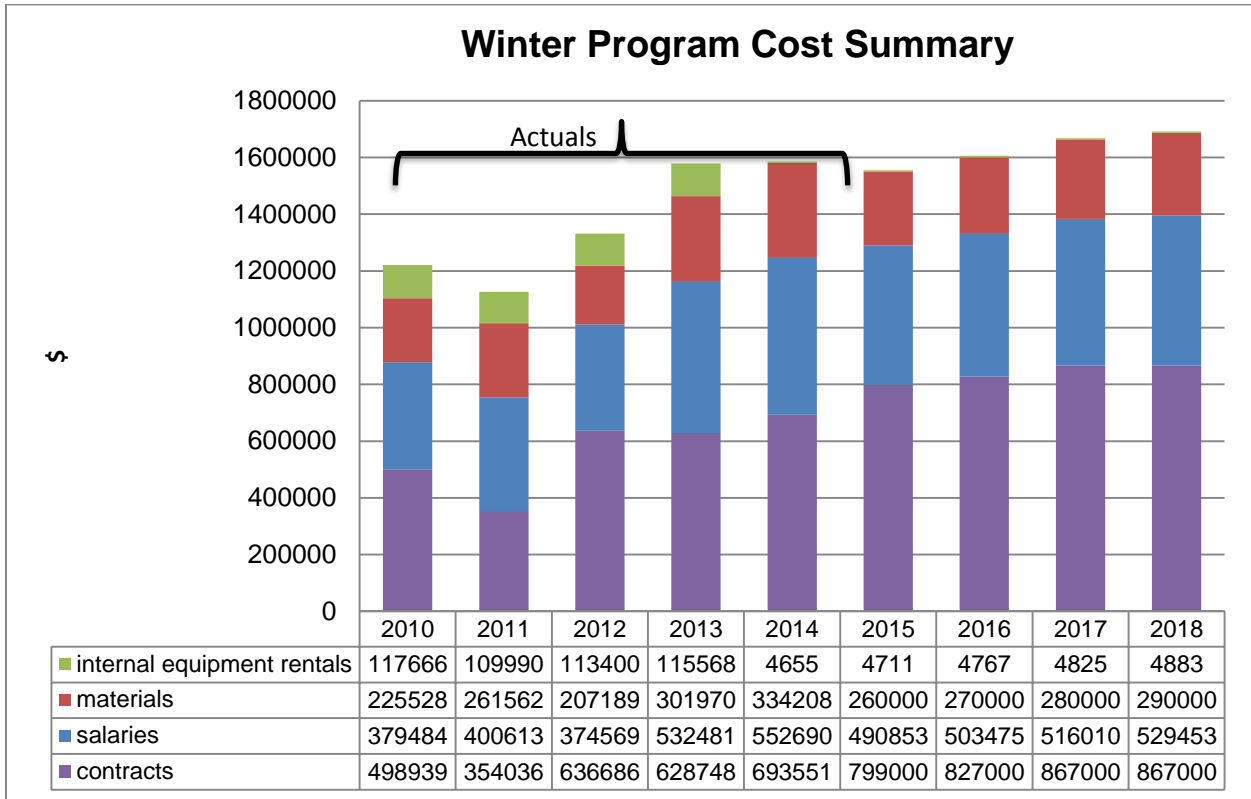
Consequences of not Funding:

There are insufficient resources in-house to perform all the requirements of the current service levels. As road maintenance is a priority, Council could choose to eliminate sidewalk maintenance resulting in the net savings being targeted through cancelation of the sidewalk contract. There would be some contract cancelation costs related to equipment disposition and early termination which would have to be assessed based on the timing of the termination.

Alternative Resolutions:

1. Incorporate parks staff into sidewalk clearing program. This option was explored however has some challenges as parks staff are currently responsible for facility parking lots and other duties during the winter months let limit staff availability. Investment in equipment would also be required at an estimated capital cost of \$150,000 to augment current fleet with an additional annual maintenance cost of \$20,000.
2. Retain more seasonal staff to bring sidewalk plowing in-house. The estimated cost to retain sufficient seasonal staff to perform sidewalk maintenance without impacting road operations is estimated at \$210,000. Investment in equipment would also be required at an estimated capital cost of \$150,000 to augment current fleet with an additional annual maintenance cost of \$20,000.

2015 FINAL BUDGET



2015 FINAL BUDGET

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: **2.5**

Department: Infrastructure and Environmental Services

Project / Initiative Title: Road Crack Filling

Description:

Road crack sealing is a process used to prevent water from entering the pavement structure thereby increasing its useful life by avoiding premature pavement failure.

Background:

Crack sealing is performed annually as part of asset management and life cycle cost management. This is a well-accepted process for economically extending the useful life of pavement structures.

Link to Strategic Plan:

Improve transportation mobility and connectivity.

Level of Service Impact:

The current budget for this program is \$30,000. Crack sealing is best performed within 4 to 7 years of road construction or resurfacing for the purpose of minimizing water infiltration into the base of the road which can result in road heaving when freezing. By sealing the asphalt surface, the sub base remains dry and is therefore less susceptible to frost heave.

Not performing this repair in a timely manner does reduce overall service life of the pavement and can result in premature road failure which is much more costly to repair. This is an industry accepted approach to life cycle cost optimization for road structures.

2015 FINAL BUDGET

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement	\$20,000	\$20,000	\$20,000	\$20,000
Less: Savings Achieved Revenues				
Net Incremental Direct Funding Rqmts	\$20,000	\$20,000	\$20,000	\$20,000
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology <input type="checkbox"/> Financial Services <input type="checkbox"/> Human Resources <input type="checkbox"/> Facility Services <input type="checkbox"/> Legal Services <input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts	\$20,000	\$20,000	\$20,000	\$20,000

Consequences of not Funding:

<p>Increased probability of premature road failure requiring higher capital costs in future.</p>
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2015 FINAL BUDGET

Alternative Resolutions:

There are no alternatives to crack sealing. This is the most cost effecting means of extending pavement life. Annual pavement portion of capital program is about \$4.0M. This investment represents about 1% of the annual pavement capital investment.

2015 FINAL BUDGET

BUDGET DECISION UNIT BUSINESS CASE

Budget Decision Unit #: **2.6**

Department: Parks and Recreation Services

Project / Initiative Title: Increase in Special Event Revenue

Description:

Aurora's Ribfest, which has become a regional marquee event, is celebrating its 10th anniversary. For this special celebration, two headliner bands are planned to perform and it is requested that wristbands be sold for \$5 per band. This would result in an increase in revenue of \$30,000.

Background:

The introduction of having headliner bands performing at Ribfest has resulted in a dramatic increase in enjoyment and overall attendance for this marquee event. Given the current admissions these bands are performing for, at other venues, the department proposed charging a wristband fee of \$10 per person and the booking of two headliner bands in 2014. Council decided to not have a wristband fee and that the two headliner bands would continue to be free. For 2015, the department is planning on having two headliners bands and only charging \$5 per person per headliner concert.

Link to Strategic Plan:

This request supports the goals of the "Economy" Pillar of Success, particularly with the goal of promoting the downtown by attracting the thousands of people that attend Ribfest.

Level of Service Impact:

This request supports having two headliner bands performing at Ribfest. The sale of wristbands at \$5 per person for each headliner band will still enable costs associated with this element of the event to be recovered.

2015 FINAL BUDGET

Budget Impact (Incremental Funding Need):

<i>Direct Impacts</i>				
	2015	2016	2017	2018
Incremental Operational Requirement				
Less: Savings Achieved				
Revenues	(30,000)	(30,000)	(30,000)	(30,000)
Net Incremental Direct Funding Rqmts				
	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)
<i>Indirect Impacts</i>				
	2015	2016	2017	2018
Required Internal Support Services:				
<input type="checkbox"/> Information Technology <input type="checkbox"/> Financial Services <input type="checkbox"/> Human Resources <input type="checkbox"/> Facility Services <input type="checkbox"/> Legal Services <input type="checkbox"/> Corporate Communications				
Net Incremental All Funding Rqmts				
<p>Reducing the cost of wristbands from \$10 per person to \$5 would result in a reduction of \$30,000 in anticipated revenues.</p>				

Consequences of not Funding:

If wristbands stay at the price point of \$10 per person per headliner band, then the anticipated revenues would be \$60,000.

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Alternative Resolutions:

Alternative resolutions include:

- 1) If permitted to sell wristbands, the price point can stay at \$10 per person, with potential revenue of \$60,000.
- 2) If not permitted to sell wristbands, continue to offer two headliner bands, there would be a loss of \$60,000 in revenue.