

A scenic photograph of a large body of water, likely a lake, under a bright blue sky with scattered white clouds. The sun is low on the horizon, creating a strong reflection on the water's surface. In the foreground, a curved concrete walkway or bridge structure is visible, surrounded by green trees and foliage.

OFFICE OF THE CITY MANAGER 2023 DRAFT OPERATING BUDGET

Published January 23, 2023

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OFFICE OF THE CITY MANAGER

WHO?

The Office of the City Manager acts as the department head to the Legal Services Division (which includes Real Estate plus Risk and Insurance), Economic Development and Richmond Hill Centre (which includes Small Business Enterprise Centre), as well as the Strategy and Transformation Division.

WHAT?

The Office of the City Manager provides corporate leadership in the overall management of the City's operations. Pursuant to the Municipal Act, the City Manager is the Head of the Corporation's Civil Service and is responsible for exercising general control and management of the affairs of the municipality for the purpose of ensuring its efficient and effective operation.

HOW?

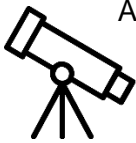
The City Manager reviews and approves all recommendations made to Council and Committees of Council and is charged with the responsibility of ensuring that the policy directions of Council are implemented. The office liaises with municipal, regional, provincial and federal government officials and organizations, as well as business and resident community groups to present municipal positions and to seek input into the formulation of policies.



ACCOMPLISHMENTS



Launched new Customer Service Centre at City Hall
Ground Floor



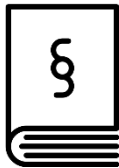
Awarded \$1.6M in grant funding in support of a range of activities including construction of David Dunlap Observatory interim trails, development approval process streamlining, RHCPA and McConaghy Centre operating funding and City-led summer events



Completed the City of Richmond Hill Investment Attraction
Strategy



Led Richmond Hill Centre program and provided technical input into the Yonge North Subway Extension



Assisted City staff with respect to the new Community Benefits Charges and Parkland Dedication By-laws



Developed a step by step procedures manual for the Certificate of Insurance administrative process



PRIORITIES

STRATEGY & TRANSFORMATION

- Complete Division by Division update of City's Service Catalogue for all divisions and develop performance measures for key services for all divisions
- Complete development of New Term of Council Strategic Plan
- Complete Diversity, Equity and Inclusion Strategy development and Action Plan

ECONOMIC DEVELOPMENT AND RICHMOND HILL CENTRE

- Implement the Investment Attraction Strategy
- Support the delivery of the Yonge North Subway Extension
- Complete the Richmond Hill Centre Secondary Plan
- Advance the Strategic Lands Review for the RHCPA and the Civic Precinct

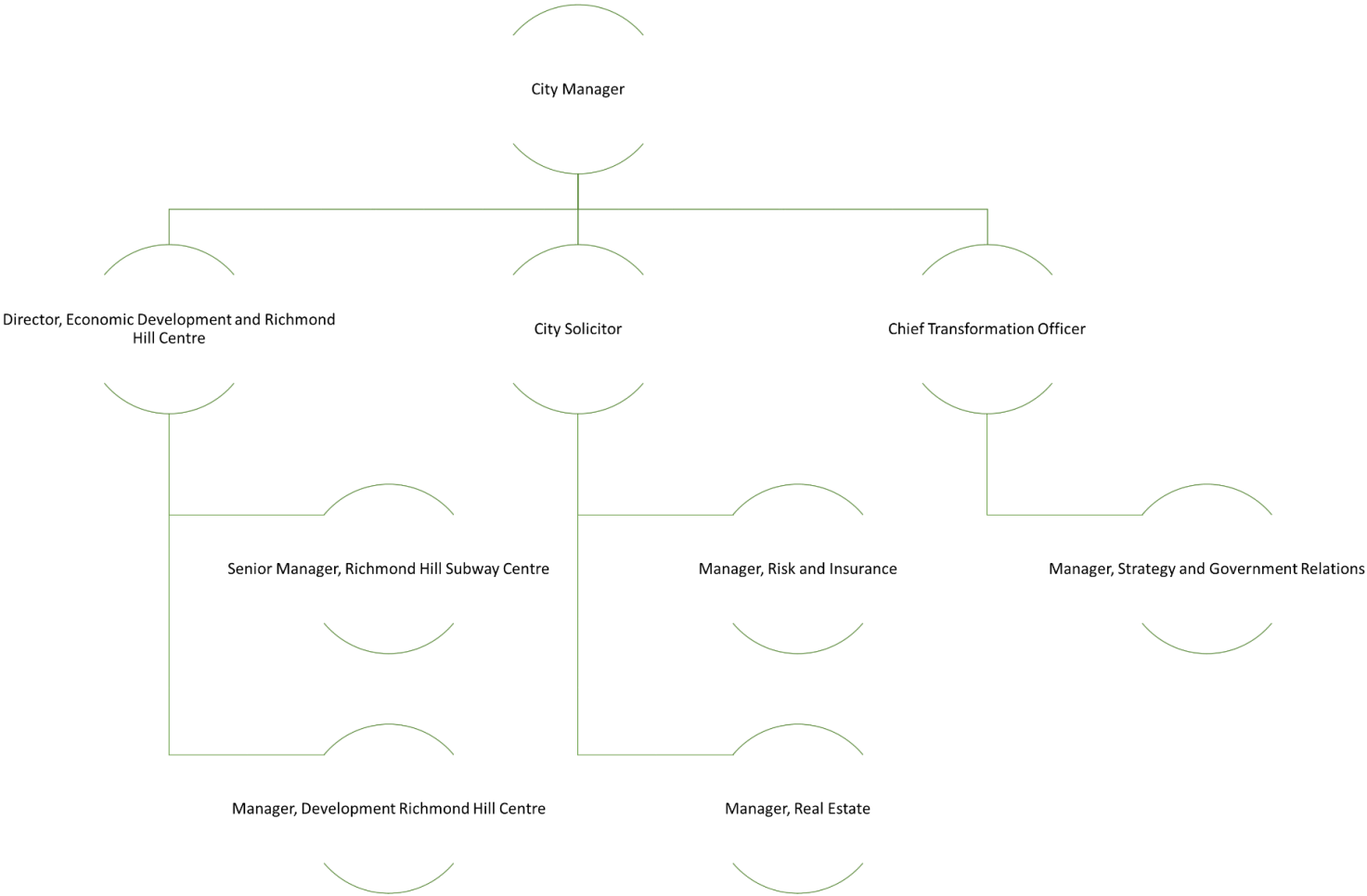
LEGAL SERVICES

- Continue to provide legal opinions and advice to multiple City departments including with respect to development applications and agreements, by-laws, litigation and the forthcoming comprehensive zoning by-law update
- Continue working with York Region Municipal Insurance Pooling Task Force to achieve a viable insurance option and gain stability in insurance premiums

HEADCOUNT

Division	2022	2023
	Approved	Draft Budget
Office of the City Manager	3	2
Strategy and Transformation	7	7
Economic Development and RH Centre	6	7
- Small Business Enterprise Centre*	1	1
Legal Services Division	10	10
- Insurance and Risk	3	3
Total	30	30

*Full-Time Casual Staff



FINANCIALS

2023 Office of the City Manager Department Budget Highlights

Budget Category	2021 Actuals	Preliminary Actuals 31-Oct-22	2022 Approved Budget	2023 Draft Budget	Variance (Favourable) / Unfavourable	% Change
Personnel - Full-Time	\$3,897,050	\$3,288,160	\$4,668,400	\$4,824,800	\$156,400	
Personnel - Casual	639,187	387,974	93,900	119,100	25,200	
Contracts / Services	435,065	665,595	1,440,100	1,215,100	(225,000)	
Materials / Supplies	186,298	161,977	233,300	234,100	800	
Other Expenditures	568,017	254,950	528,800	551,000	22,200	
Transfers to Other Funds	272,000	226,700	272,000	272,000	0	
Total Expenditures	\$5,997,618	\$4,985,355	\$7,236,500	\$7,216,100	(\$20,400)	(0.3%)
User Fees	(134,415)	(228,765)	(342,800)	(121,700)	221,100	
Grants / Donations	(339,765)	(243,072)	(289,100)	(264,800)	24,300	
Reserve and Reserve Funds	(453,487)	(471,025)	(1,364,100)	(1,329,600)	34,500	
Total Revenues	(927,667)	(942,863)	(1,996,000)	(1,716,100)	279,900	14.0%
Net Budget	5,069,950	4,042,493	5,240,500	5,500,000	259,500	5.0%

2023 Office of the City Manager Department Budget Highlights By Budget Category

Budget Category	2022 Approved Budget	Base	Legislated	Annualization	New / Growth Staff and Programs	2023 Draft Budget
Personnel - Full-Time	\$4,668,400	(\$52,000)	\$0	\$0	\$0	\$4,616,400
Personnel - Casual	93,900	25,200	0	0	0	119,100
Contracts / Services	1,440,100	(224,400)	0	0	84,100	1,299,800
Materials / Supplies	233,300	800	0	0	0	234,100
Other Expenditures	528,800	22,200	0	0	0	551,000
Transfer to Other Funds	272,000	0	0	0	0	272,000
Total Expenditures	\$7,236,500	(\$228,200)	\$0	\$0	\$84,100	\$7,092,400
User Fees	(342,800)	221,100	0	0	0	(121,700)
Grants / Donations	(289,100)	24,300	0	0	0	(264,800)
Reserve and Reserve Funds	(1,364,100)	158,200	0	0	0	(1,205,900)
Total Revenues	(\$1,996,000)	\$403,600	\$0	\$0	\$0	(\$1,592,400)
Net Budget	\$5,240,500	\$175,400	\$0	\$0	\$84,100	\$5,500,000

FINANCIALS

2023 Office of the City Manager Department Budget Summary by Division

Budget Category	2021 Actuals	Preliminary Actuals 31-Oct-22	2022 Approved Budget	2023 Draft Budget	Variance (Favourable) / Unfavourable	% Change
Office of the City Manager	\$770,107	\$505,707	\$679,100	\$703,100	\$24,000	
Strategy and Transformation	1,232,558	979,304	1,238,100	1,369,000	130,900	
Economic Development and RH Centre	665,857	627,964	905,200	924,700	19,500	
Legal Services	2,401,428	1,929,517	2,418,100	2,503,200	85,100	
Total Net Budget	\$5,069,950	\$4,042,493	\$5,240,500	\$5,500,000	\$259,500	5.0%

2023 Budget Highlights

The Office of the City Manager Department provides corporate leadership in the overall management of the City's other departments through its various divisions: Strategy and Transformation, Economic Development and Richmond Hill Centre and Legal Services.

- The department budget is mainly comprised of personnel expenses, which have increased due to general cost of living, grade/step and benefit rate increases.
- Casual Wages budget increase reflects resource requirements for an intern and co-op student under the Strategy and Transformation Division.
- As part of the Diversity, Equity and Inclusion (DEI) initiative, additional budget has been considered for a DEI Contractor, starting in July 2023, to implement the DEI strategy.



OFFICE OF THE CITY MANAGER ADMIN



OFFICE OF THE CITY MANAGER ADMIN

The Office of the City Manager Admin section reflects all centralized expenses for the department. Some of these departmental expenditures include office supplies, conferences, external training, in addition to staffing costs for the City Manager and Executive Assistant. The Office of the City Manager is also responsible for overseeing and directing the administrative and operational functions of all departments.



FINANCIALS

2023 Office of the City Manager Admin Budget Highlights

Budget Category	2021 Actuals	Preliminary Actuals 31-Oct-22	2022 Approved Budget	2023 Draft Budget	Variance (Favourable) / Unfavourable	% Change
Personnel - Full-Time	\$533,437	\$406,961	\$666,100	\$509,200	(\$156,900)	
Personnel - Casual	149,001	0	0	0	0	
Contracts / Services	67,026	86,173	173,200	123,000	(50,200)	
Materials / Supplies	20,038	12,573	51,100	70,100	19,000	
Other Expenditures	666	0	25,800	800	(25,000)	
Total Expenditures	\$770,167	\$505,707	\$916,200	\$703,100	(\$213,100)	(23.3%)
User Fees	(60)	0	(237,100)	0	237,100	
Total Revenues	(\$60)	\$0	(\$237,100)	\$0	\$237,100	100.0%
Net Budget	\$770,107	\$505,707	\$679,100	\$703,100	\$24,000	3.5%

VARIANCE DRIVERS

Accounts	Variance (\$)	Variance (%)	Drivers (Explanation)
Personnel - Full-Time	(\$156,900)	-23.6%	Brand Partnerships program was eliminated in 2022 and Brand Partnerships Project Manager position was repurposed to the Economic Development & Richmond Hill Centre Division
Contracts / Services	(\$50,200)	-29.0%	Brand Partnerships program had included \$50,200 budget for consulting contracts, which was eliminated from the 2023 Operating Budget
Materials / Supplies	\$19,000	37.2%	Tuition budget from the other divisions are now centralized under Office of the City Manager Admin section
Other Expenditures	(\$25,000)	-96.9%	Brand Partnerships program had included \$25,000 budget for program expenditures, which was eliminated from the 2023 Operating Budget
Total Expenditures	(\$213,100)	-23.3%	-
User Fees	\$237,100	-100.0%	Brand Partnerships program had included \$237,100 budget for program revenues, which was eliminated from the 2023 Operating Budget
Total Revenues	\$237,100	-100.0%	-



STRATEGY AND TRANSFORMATION

STRATEGY AND TRANSFORMATION

WHO?

The Strategy and Transformation Division supports the City Manager in directing and championing the City's long-term strategic planning, government relations and advocacy and grant acquisition and focus on enterprise management frameworks development monitoring and reporting.

WHAT?

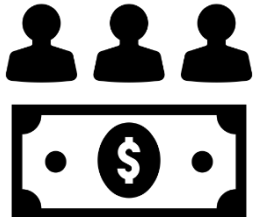
Development and delivery of strategies, Lean process reviews and training, service catalogues and organizational goals with ongoing performance measurement development.

HOW?

This Division leads the corporate innovation and transformation agenda through digital transformation projects, office modernization study, LEAN continuous improvement and enterprise performance reporting development and strategy development.



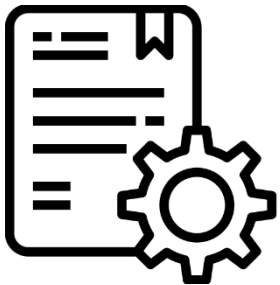
METRICS



Developed applications and awarded \$1.6M in grant funding in 2022



Launched Customer Facing Digital Services totaling 85 with over 6,700 transactions totaling \$2.5M completed through digital channels



Completed Lean project leading to a reinvestment of 1,260 hours of staff time annually completed through digital channels through 3rd quarter 2022

FINANCIALS

2023 Strategy and Transformation Budget Highlights

Budget Category	2021 Actuals	Preliminary Actuals 31-Oct-22	2022 Approved Budget	2023 Draft Budget	Variance (Favourable) / Unfavourable	% Change
Personnel - Full-Time	\$857,148	\$730,420	\$1,165,400	\$1,198,000	\$32,600	
Personnel - Casual	348,462	251,326	0	32,500	32,500	
Contracts / Services	50,259	124,963	201,000	161,100	(39,900)	
Materials / Supplies	5,158	8,558	22,700	10,700	(12,000)	
Other Expenditures	6,341	3,607	4,000	8,200	4,200	
Total Expenditures	\$1,267,368	\$1,118,873	\$1,393,100	\$1,410,500	\$17,400	1.2%
Grants / Donations	0	(114,480)	0	0	0	
Reserve and Reserve Funds	(34,810)	(25,089)	(155,000)	(41,500)	113,500	
Total Revenues	(\$34,810)	(\$139,569)	(\$155,000)	(\$41,500)	\$113,500	73.2%
Net Budget	\$1,232,558	\$979,304	\$1,238,100	\$1,369,000	\$130,900	10.6%

VARIANCE DRIVERS

Accounts	Variance (\$)	Variance (%)	Drivers (Explanation)
Personnel - Full-Time	\$32,600	2.8%	Full-time salaries and benefits increased mainly due to step level, benefit rates and general cost of living increases for staff
Personnel - Casual	\$32,500	0.0%	Casual wages increase reflects additional budget for co-op student and intern
Contracts / Services	(\$39,900)	-19.9%	Overall decrease due to removal of prior year budget for Diversity, Equity & Inclusion Strategy (\$100,000), which was fully funded from the Tax Rate Stabilization Reserve. Offset by a consulting contracts budget increase of \$84,100 for a DEI contractor, starting July 1, 2023.
Materials / Supplies	(\$12,000)	-52.9%	Reallocation of \$13,000 in Tuition budget to Office of the City Manager Admin section
Other Expenditures	\$4,200	105.0%	Budget increase to account for additional minor capital requirements
Total Expenditures	\$17,400	1.2%	-
Reserve and Reserve Funds	\$113,500	-73.2%	Removal of prior year budget for Diversity, Equity & Inclusion Strategy (\$100,000), which was fully funded from the Tax Rate Stabilization Reserve
Total Revenues	\$113,500	-73.2%	-



ECONOMIC DEVELOPMENT AND RICHMOND HILL CENTRE

ECONOMIC DEVELOPMENT AND RICHMOND HILL CENTRE

WHO?

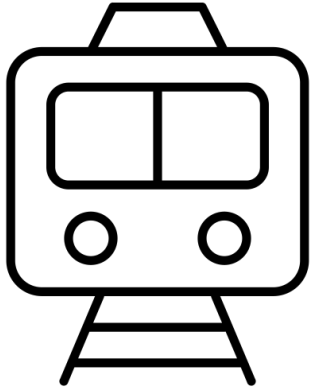
The Economic Development and Richmond Hill Centre Division includes a team of professional planners, engineers, project managers and economic developers.

WHAT?

The Division leads business attraction, investment and retention approaches in partnership with other government and community partners. The Division is also responsible for coordinating the corporate response to the Yonge North Subway Extension Project and leading the growth and development of Richmond Hill Centre.

HOW?

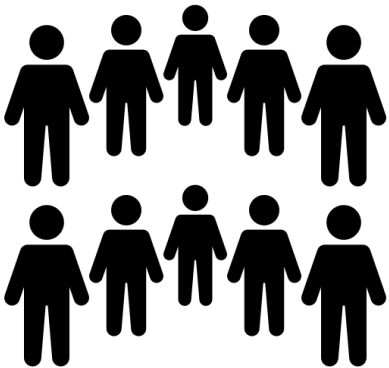
Staff partner with internal and external stakeholders, including provincial and regional partners, to advance and advocate for City objectives, including the Yonge North Subway Extension and the creation of the Richmond Hill Centre. Economic development staff deliver programs that support the attraction, retention and expansion of businesses. Services are also offered by the Small Business Enterprise Centre (SBEC), which is funded through a partnership between the City and the Province of Ontario, to support small business and entrepreneurship.



Approval and funding for the Yonge North Subway Extension to Richmond Hill Centre, including the approval of **2 stations** (High Tech and Bridge) in Richmond Hill



Partnered with OCAD University to launch the Centre for Local Innovation and Collaboration to support **17 local businesses** with product commercialization



Through the SBEC Program:

- **26** businesses started
- **9** business expanded
- **30** jobs created

FINANCIALS

2023 Economic Development and Richmond Hill Centre Budget Highlights

Budget Category	2021 Actuals	Preliminary Actuals 31-Oct-22	2022 Approved Budget	2023 Draft Budget	Variance (Favourable) / Unfavourable	% Change
Personnel - Full-Time	\$753,759	\$585,631	\$843,800	\$1,071,900	\$228,100	
Personnel - Casual	71,047	99,499	93,900	86,600	(7,300)	
Contracts / Services	50,086	49,603	616,200	531,500	(84,700)	
Materials / Supplies	2,509	14,971	12,600	12,400	(200)	
Other Expenditures	158,177	64,248	99,000	82,000	(17,000)	
Total Expenditures	\$1,035,579	\$813,952	\$1,665,500	\$1,784,400	\$118,900	7.1%
Grants / Donations	(339,765)	(128,592)	(289,100)	(264,800)	24,300	
Reserve and Reserve Funds	(29,957)	(57,395)	(471,200)	(594,900)	(123,700)	
Total Revenues	(\$369,722)	(\$185,987)	(\$760,300)	(\$859,700)	(\$99,400)	(13.1%)
Net Budget	\$665,857	\$627,964	\$905,200	\$924,700	\$19,500	2.2%

VARIANCE DRIVERS

Accounts	Variance (\$)	Variance (%)	Drivers (Explanation)
Personnel - Full-Time	\$228,100	27.0%	Reassignment of full time headcount complement from City Manager Admin section to a Manager (Development RH Centre), offset by reductions in contracts budget and fully funded from Strategic Rapid Transit Reserve
Personnel - Casual	(\$7,300)	-7.8%	Budget reduction to reflect resourcing needs
Contracts / Services	(\$84,700)	-13.7%	Removal of prior year budget for Manager (Development RH Centre) contract
Materials / Supplies	(\$200)	-1.6%	-
Other Expenditures	(\$17,000)	-17.2%	Reduction in Small Business Enterprise Centre (SBEC) program expenditures based on new agreement with the Province.
Total Expenditures	\$118,900	7.1%	-
Grants / Donations	\$24,300	-8.4%	Budget adjustment to provincial SBEC grant based on timing of expenses
Reserve and Reserve Funds	(\$123,700)	26.3%	Budget increase mainly related to the annualization of contract and full-time staff at RH Centre
Total Revenues	(\$99,400)	13.1%	-



LEGAL SERVICES

LEGAL SERVICES

WHO?

The Legal Services Division provides a range of legal services to City Council, Committees and City Departments including legal opinions, representation of the City before the Ontario Land Tribunal, other tribunals and the courts.

WHAT?

The Legal Services Division also includes the corporate Insurance Risk Management program. This program is designed to protect and conserve City resources from unanticipated losses.

HOW?

The division is consulted in the processing of subdivision agreements, have carriage of real estate transactions and draft other legal agreements for the City.



METRICS



362 insurance claims
processed



92 Development
Agreements handled

FINANCIALS

2023 Legal Services Budget Highlights

Budget Category	2021 Actuals	Preliminary Actuals 31-Oct-22	2022 Approved Budget	2023 Draft Budget	Variance (Favourable) / Unfavourable	% Change
Personnel - Full-Time	\$1,752,705	\$1,565,148	\$1,993,100	\$2,045,700	\$52,600	
Personnel - Casual	70,678	37,148	0	0	0	
Contracts / Services	267,694	404,856	449,700	399,500	(50,200)	
Materials / Supplies	158,594	125,875	146,900	140,900	(6,000)	
Other Expenditures	402,833	187,096	400,000	460,000	60,000	
Transfers to Other Funds	272,000	226,700	272,000	272,000	0	
Total Expenditures	\$2,924,504	\$2,546,824	\$3,261,700	\$3,318,100	\$56,400	1.7%
User Fees	(134,355)	(228,765)	(105,700)	(121,700)	(16,000)	
Reserve and Reserve Funds	(388,721)	(388,541)	(737,900)	(693,200)	44,700	
Total Revenues	(\$523,076)	(\$617,306)	(\$843,600)	(\$814,900)	\$28,700	3.4%
Net Levy Requirement	\$2,401,428	\$1,929,517	\$2,418,100	\$2,503,200	\$85,100	3.5%

VARIANCE DRIVERS

Accounts	Variance (\$)	Variance (%)	Drivers (Explanation)
Personnel - Full-Time	\$52,600	2.6%	Full-time salaries and benefits increased mainly due to grade/step level, benefit rates and general cost of living increases for staff
Contracts / Services	(\$50,200)	-11.2%	Removal of prior year budget of \$50,000 for insurance consultant report, which was fully funded from the Insurance Reserve Fund
Materials / Supplies	(\$6,000)	-4.1%	Reallocation of \$5,000 in Tuition budget to Office of the City Manager Admin section
Other Expenditures	\$60,000	15.0%	Higher insurance deductible levels resulting in \$50K budget increase to Legal Fees budget and \$10,000 increase to Adjusters Fees budget
Total Expenditures	\$56,400	1.7%	-
User Fees	(\$16,000)	15.1%	Increase related to agreement preparation revenues based on historical trend and anticipated volume of prepared subdivision and other agreements
Reserve and Reserve Funds	\$44,700	-6.1%	Removal of year budget of \$50,000 for insurance consultant report, which was fully funded from the Insurance Reserve Fund
Total Revenues	\$28,700	-3.4%	-

BUSINESS CASES



DIVERSITY, EQUITY AND INCLUSION MANAGER – CONTRACT

Overview/Background

In November 2020, Council adopted four strategic priorities for 2020-2022, one of them being “a Strong Sense of Belonging.” A Diversity, Equity and Inclusion (DEI) initiative was identified as an implementation item for this priority.

Since that time a number of DEI efforts have been undertaken, including a DEI Assessment and, in late 2022, a DEI Strategy (funded from the 2022 Operating Budget) has begun with anticipated completion in early 2023. In advance of the completion of the strategy, and in order to resource the initial implementation, this business case recommends hiring a temporary DEI Manager. Depending on the outcome of the DEI Strategy and the resources that may be required to implement it over the longer term, a permanent increase in FTE may be recommended for Council consideration in future budgets.

Project Description

The Diversity, Equity and Inclusion Manager will provide subject matter expertise and strategic advice to ELT and people leaders on matters relating diversity, equity and inclusion; lead the ongoing development and implementation of the City’s Diversity, Equity and Inclusion Strategy; support the development and implementation of inclusive practices internally within the City (details will come out of the strategy work but are expected to include recruitment, training, a DEI policy lens, etc.); and partner with City leaders to develop and deliver external initiatives, including community engagement, in a way that increases a sense of inclusion and belonging among residents and businesses in Richmond Hill. The role will also be responsible for developing, implementing and maintaining a model to measure progress against the City’s DEI Strategy and efforts to communicate success and identify areas for continuous improvement in accordance with the City’s Organizational Management Framework and to support reporting on the City’s Strategic Plan implementation.

Stakeholders & Impacts

This role is key to the implementation of the DEI Strategy, expected to be completed by March 2023, by leading the change management needed to support the organization to deliver services in a way that supports diversity, equity and inclusion in and for the Richmond Hill community. This position helps to shape the wider view of Richmond Hill responding to its changing community needs within the context of a larger societal discussions about inclusion, especially in public services.

Resources Requirements/Project Costs

The budget requirement for a DEI Manager for a six-month term (beginning on July 1, 2023) is \$84,150 based on a compensation evaluation undertaken by Human Resources. Costs for supplies, including information technology for this position, can be accommodated in the Strategy and Transformation Division budget of the City Manager’s Office.

Relationship to Council’s Strategic Priorities 2020-2022:

In November 2020, Council adopted four strategic priorities for 2020-2022, one of them being “a Strong Sense of Belonging.” A Diversity, Equity and Inclusion initiative was identified as an implementation item for this priority. The DEI Manager will lead the realization the DEI Strategy, expected to be completed in March 2023.

Climate Change Considerations:

Climate change considerations are not applicable to this business case.

Comparative Analysis

Many municipalities, including Markham, Vaughan, Brampton, Guelph, London, Kitchener, Waterloo, Toronto, and others have a role similar to this, very often a Manager, Director or Executive Lead, to lead the change management required to deliver on a DEI Strategy.

Given the scope and volume of work required to undertake these efforts, as well as a growing community expectation that municipalities do more work in this area, a dedicated position is required. Depending on the final outcome of the DEI Strategy in 2023 and the resources that may be required to implement it over the longer term, a permanent increase in FTE may be recommended for Council consideration in future budgets.

Analysis of Alternative Approaches

The City does not currently have in-house expertise on DEI and therefore in addition to the challenge of adequate resources for this work, a dedicated expert with DEI related and lived-experience is the only way that the City can comprehensively advance this work credibly and in a timely way.

Cost and Benefit Analysis

The costs associated with hiring a temporary DEI Manager are identified as \$84,150 for a projected six-month term. The potential benefit of having a qualified lead for the City's DEI work is not easily measured, but will impact the organization's ability to work with the community as it would demonstrate a commitment to anti-discrimination, fairness and inclusion.

Conclusions and Recommendations

Hiring a contract DEI Manager to lead the initial implementation of the DEI Strategy is crucial to ensuring that the City's work to date to understand and prioritize where improvements can be made are realized. It is the next step to deliver on Council's 2020-2022 Strategic Priority of "A Strong Sense of Belonging."

Richmond **Hill**