



 FINANCE

As published October 29, 2024

Finance

The Finance department provides governance and leadership in finance, budgets, technology, and procurement for the Town of Aurora. The department works with both internal and external clients to support the Town’s financial, procurement and technological goals. Internally, Finance provides strategic financial advice to help to achieve both short and long-term goals and implements new technology to support modernization. Finance also has a governance role to ensure regulatory requirements are met under the Municipal Act, Public Sector Accounting Board standards and the Procurement Bylaw.

Net budget by division

	2024 Budget		2025 Budget		2026 Budget	
	Gross	Net	Gross	Net	Gross	Net
Budget (\$000's)						
Treasurer's Office	450.6	441.6	455.5	455.5	474.8	474.8
Financial Management	805.7	805.7	898.3	851.6	1,002.2	902.5
Financial Reporting and Revenue	1,639.7	1,011.0	1,785.8	1,046.9	1,856.3	1,095.9
Information Technology Services	4,697.8	4,335.4	4,733.5	4,647.3	4,871.3	4,871.3
Procurement Services	647.5	647.5	654.0	654.0	682.3	682.3
Net Budget	8,241.2	7,241.2	8,527.2	7,655.3	8,886.8	8,026.7
Budget Change			285.9	414.1	359.7	371.4
2024 Outlook			8,448.7	7,650.5	8,800.3	8,022.1
Change to Outlook			78.5	4.8	86.6	4.6
Permanent Full-Time Staffing (FTE):						
Opening Staffing				44.0		45.0
New				1.0		-
Total Staffing				45.0		45.0
2024 Outlook				45.0		45.0
Change to Outlook				-		-

Finance divisions

Financial Management

Financial Management leads the strategic long-term planning, multi-year Operating and Capital Budget and in-year forecast reporting. The team performs analysis and makes recommendations that support the Fiscal Strategy. They also manage the Town’s cash flow and investments to align with reserve and investment strategies. Other responsibilities include grant management and playing a key role in capital asset management.

Financial Reporting and Revenue

Financial Reporting and Revenue is responsible for financial accounting and external reporting, expenditure management, protecting the Town's assets through development of financial policies, procedures and controls, and billing and collections relating to water, taxes, development charges etc.

Information Technology Services

Information Technology Services (IT) provides services and support to all departments including project services for all technology initiatives and information technology infrastructure management. IT leads the Town's effective and innovative use of technology to become a progressive municipality that delivers exceptional and modern digital services.

Procurement Services

Procurement Services manages the process for effective procurement of goods and services, promotes the principle of fair and open competition in the acquisition process and adherence to Procurement Bylaw and trade treaties. The division develops procurement strategies and analyzes business requirements and spending patterns to identify opportunities for more strategic sourcing.

Finance supports the implementation of the Strategic Plan and other key plans

The Finance department has a governance role that supports the Strategic Plan and other plans that support fiscal and technology objectives.

Strategic Plan

The Finance department supports many of the guiding principles of the strategic plan. Finance supports an exceptional quality of life for all objectives:

- **Invest in sustainable infrastructure** by investing in technology infrastructure and developed the Fiscal Strategy which ensures growth and capital planning are aligned
- **Strengthening the fabric of our community** through the implementation of online tools that support residents access to Town services
- **Promoting service accountability, excellence and innovation** by expanding e-services, following multi-year budgeting practices, developing longer-term plans and the Fiscal Strategy

Multi-year budget process



Finance is also committed to leadership in corporate and financial management and progressive corporate excellence, innovation and continuous improvement.

Fiscal Strategy

The Fiscal Strategy provides a long-term view of financial stewardship and financial management of the Town's resources. It ensures that the Town maintains the desired service levels and adapts to growth while managing the fiscal impacts year-over-year. It will enable the Town to adapt to changing economic circumstances and ensure the ability to effectively maintain and replace assets.

The Fiscal Strategy is built upon the four strategic pillars of capital planning, reserve management, debt management and revenue management. The four pillars of Fiscal Strategy must work together to achieve financial sustainability. Through the enforcement of Fiscal Strategy pillars, the Town ensures that sustainable capital and operating budgets are developed and delivered for the Town.

Corporate Technology Strategic Plan

The Technology Strategic Plan was published in the fall of 2019. The Plan provides a five-year recommended direction for the Town. The Plan has been embraced by the Town and many of the report's recommendations have already been implemented.

In 2025, Finance will work with a consultant to develop the next five-year Technology Strategic Plan. This plan will leverage the work done by the previous plan and build off that foundation.

Asset Management Plan

The Asset Management Plan presents the outcomes of the municipality's asset management program and identifies the resource requirements needed to maintain a defined level of service. The Plan includes a state of infrastructure of core assets and recommended asset management strategies to mitigate poor infrastructure health. The Plan is a living document that is updated regularly as additional asset and financial data becomes available. Regular plan updates allow the Town to re-evaluate the state of infrastructure and identify how asset management and financial strategies are progressing.

The Town's Plan was recently updated in 2024. This plan which now defines clear levels of service for each asset category, plays a key role in supporting the capital planning, reserve management and debt management pillars of the Fiscal Strategy.

2024 accomplishments

- Awarded the Government Finance Officers Association Distinguished Budget Presentation Award
- Co-led the review and update of the Town's Asset Management Plan, ensuring compliance with all provincial regulations prior to the July 1, 2025, deadline.
- Creation and adoption of the 2024 DC Study and By-law, as well as amendments in response to legislation change
- Successfully completed the audit of the 2023 financial statements using the new financial system
- Implemented the network infrastructure supporting Aurora Town Square
- Led 93 procurements supporting over \$45.5 million in new contracts over the last 12 months
- Completed the public consultation for the water & wastewater rate study
- Completed over 90 percent of the actions identified in the 2019 Technology Strategic Plan
- Continued to enhance cybersecurity at the Town including the rollout of multi-factor authentication, geofencing, the latest anti-spam and malware technology and 24/7 monitoring of security events
- Implemented software to support tracking of objectives and key results and a new digital road occupancy permit online system for use by residents

Finance AT A GLANCE



3.44

The Town's average rate of return on its investments in 2023



9,365

total # of invoices processed*



18,111

total # of water accounts



3,989

water accounts set up for e-billing



3,016

devices supported*



3,972

IT help desk requests*



16,077

water meters with radio read devices (MXUs)



394 GIS Data and mapping requests*



195

average monthly ownership changes



93

procurement contracts awarded in the last 12 months



\$45.5M

value of awarded procurement contracts in the last 12 months



1,112

bid takers in the last 12 months



47

procurement training sessions in the last 12 months

106

procurement support sessions attendees in the last 12 months

311

bids received in the last 12 months

167

change orders processed in the last 12 months

\$9.8M

value of change orders in the last 12 months

204

supplier registration processed in the last 6 months



24,741,941 cyber threats blocked*



80,347 malicious emails blocked*

High 3 / Med 522 / Low 200

Security Information and Event Management (SIEM) severity alerts detected and mitigated**

*FROM JANUARY TO SEPTEMBER 2024 **SIEM DATA IS FOR JUNE AND JULY ONLY. THIS SYSTEM WENT LIVE IN MAY 2024.

Operating Budget

Overview

The operating budget for the Finance department includes an increase of \$414,100 on the tax levy in 2025 and an increase of \$371,400 in 2026. The main drivers of the increase includes salaries and benefits increases for existing staff, the phase in of the financial system subscription costs, the addition of one Financial Management Advisor, in 2025, to increase the Town's capacity to apply for grant opportunities.

Operating financial summary

\$000's	Net Actual Results		2024	2024	2025	2026
	2022	2023	Net Fcst*	Budget	Budget	Budget
Expenditures	6,050.6	7,831.1	8,219.5	8,241.2	8,527.2	8,886.8
Non-Tax Revenues	(660.8)	(1,117.3)	(1,068.6)	(1,000.0)	(871.8)	(860.1)
Net Tax Levy	5,389.8	6,713.8	7,150.9	7,241.2	7,655.3	8,026.7
% Tax Funded	89%	86%	87%	88%	90%	90%
Net Budget Change	\$	1,324.0	437.1	90.3	414.1	371.4
	%	24.6%	6.5%	1.3%	5.7%	4.9%

*Net forecast as of August 31, 2024

Changes to the multi-year budget

The Finance budget includes minor changes to the outlook including increases to salaries and benefits, to reflect the current staff complement, which were offset by savings in photocopier and IT contracts and an increase in water and tax administration revenues.

Budget change to outlook

	2025		2026	
	FTE	\$000's	FTE	\$000's
2024 Budget Outlook	45	7,650.5	45	8,022.1
Prior year adjustments				4.8
Budget Changes to Outlook				
Salaries and benefits adjustments		45.3		8.8
Photocopier contract savings		(5.1)		(0.7)
IT contracts savings		(8.2)		-
Water and tax administration revenues		(39.2)		(8.3)
Next Generation 911 Service		12.0		-
Budget Change to Outlook	45	4.8	45	4.7
Total Budget	45	7,655.3	45	8,026.7

Budget change summary

	2025		2026	
	FTE	\$000's	FTE	\$000's
Starting Budget	44	7,241.2	45	7,655.3
Base				
Salaries & Benefits including COLA, step increases, gapping and other approved staffing actions	-	256.8	-	250.0
Capital recovery for asset management position	-	(56.5)	-	(3.1)
Photocopier contract savings	-	(4.7)	-	(0.1)
Removal of safe recovery grant funds	-	100.0	-	-
Software licences, maintenance and support	-	11.9	-	23.7
Telecommunications	-	-	-	3.3
Audit fees	-	3.0	-	2.0
Tax and water administration revenues inflation and trend increase	-	(53.7)	-	(18.4)
Other minor adjustments	-	(3.1)	-	7.0
	-	253.7	-	264.4
Capital Operating Costs				
Phase in of new financial system over four years (offset partially by user rate recovery in corporate items budget)	-	107.1	-	86.2
Additional HRIS module implementation	-	25.6	-	2.6
	-	132.7	-	88.8
Enhancements and Transformation				
Increase capacity to apply for and achieve more grant funding	1	15.7	-	18.2
Next Generation 911 Service	-	12.0	-	-
	1	27.7	-	18.2
Budget Change	1	414.1	-	371.4
Total Budget	45	7,655.3	45	8,026.7

Multi-year operating budget priorities

In 2025, the objectives for Finance support a modernized Town and strong financial policy.

Expanding upon the capabilities of the new financial system

In 2023, Finance implemented a new financial system. Through 2026, Finance plans to further leverage the system by enhancing reporting capabilities, streamlining processes and continuing to educate staff across the organization.

Procurement Services is exploring the wider range of options available in the system to leverage all types of procurements identified in the Procurement Policy, while also looking at ways to streamline the process and reduce the length of time it takes to complete a procurement.

Seeking out new grant opportunities

Finance is proposing a new position in 2025 dedicated to managing grants. If approved, this role will help develop a formal grant management framework with clear policies and processes in 2025. It will also enable the Town to apply for more grants to support operating programs and capital projects. As grant opportunities grow, this work will support the revenue management pillar of the Fiscal Strategy by generating revenue and easing the burden on tax and rate payers.

Continued focus on strong cybersecurity

IT will continue to implement cybersecurity improvements through the refreshing of both software and hardware solutions which support strong cyber protection and build upon the tools already in place.

Continued implementation of the Fiscal Strategy

Finance will continue to implement the actions identified in the Fiscal Strategy, including developing financial policies and analysis to support long-term financial sustainability including a policy for grant management and the development of long-term growth models for development charge revenues and tax assessment value in 2025. Finance will complete the development of a revenue management policy in 2026.

Business case –Enhancement

Expand the Town’s capacity to seek out and apply for more grant revenue

Recommendation:

A new Grant Management Advisor position be created within the Financial Management division. This role will support the Town to actively manage and administer the grant portfolio, including maintenance of the grant registry, ensure compliance with all applicable grant agreement milestones, maximization of access to available grant monies, support of grant application development and various supporting analytical work.

Rationale/Benefits:

This position will address a growing workload burden associated with maximizing the Town’s access to a growing breadth of grant opportunities which have been subject to increased application and reporting complexity. Specifically, this position will:

- Develop a strategic approach to grant management
- Seek out and assist the Town in applications for grant opportunities
- Maintain an up-to-date listing of the Town’s current grant agreements along with their key action milestones
- Lead the coordination of grants to ensure the Town’s compliance with all active grant agreement reporting and other milestone requirements
- Perform analysis in support of grant funding applications
- Input to operating and capital initiative funding strategies which may include a grant dimension
- Prepare routine reports to senior management and Council on the Town’s grant portfolio
- Support all audit or other inquiries relating to the Town’s grant portfolio

The number of municipal grant opportunities has consistently increased over the past years and shows little sign of slowing. This increase has been experienced from all channels including the federal and provincial governments, as well as the private sector.

Competition for grant dollars is increasingly fierce; meaning the Town’s applications for these funds must be of the highest quality, minimizing any opportunity for elimination from consideration.

Historically, the management of the Towns’ grant portfolio has represented one of many responsibilities for one Financial Management Advisor in addition to their regular duties. The current grant management efforts are now being performed at the expense of other responsibilities which is not sustainable in the long run and does not provide the amount of time needed to apply for additional grants with high quality applications. Currently there are more grants available than the Town has resources to apply for.

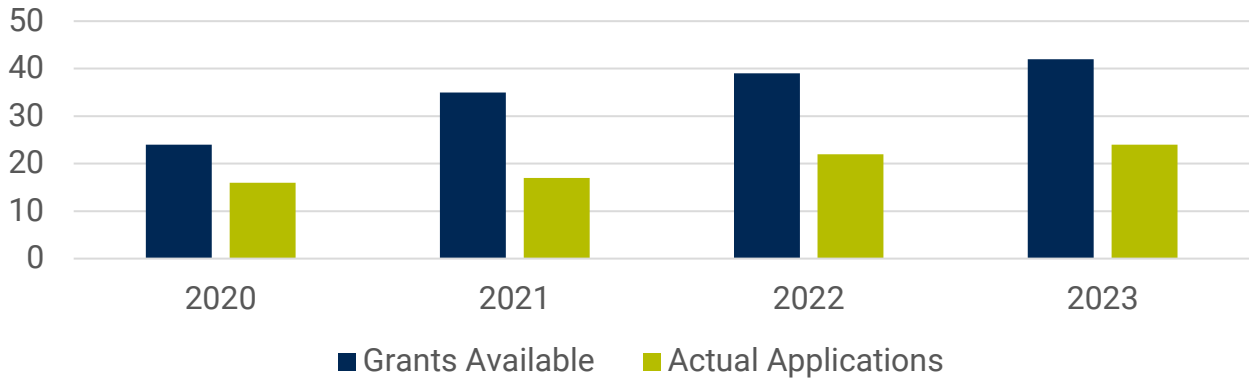
This new position’s day-to-day focus will be grant management which will enable the Town to maximize the benefit obtained from grants. This should enable a much-needed increase in overall grant revenues to support capital projects and operating programs, as well as greatly enhance grant reporting for the Town.

Impact of Not Proceeding or Delay:	Incremental Operating Budget Impact:		
<p>Without this position, the Town will not have sufficient capacity to explore and potentially access many grant opportunities.</p> <p>Without additional grants, the tax and ratepayers will need to pay for programs and capital projects for which grants are available with an application.</p> <p>Applications and reporting requirements for grants are increasing resulting in the capacity within the existing staff declining, leaving less time for grant applications.</p>		2025	2026
	Staffing - # of FTE	1.0	
	Expenditures (\$000s):		
	Wages and Benefits	62.5	71.2
	Savings/Efficiencies		
	Other		
	Subtotal	62.5	71.2
	Non-Tax Revenues:		
	User Fees/Revenues		
	Reserves	46.7	53.0
Subtotal	46.7	53.0	
Net Tax Impact	15.7	18.2	

Comparative Analysis / Performance Metrics:

The Town is losing out on available grant opportunities due to limited capacity to apply

Number of grant opportunities vs applications
(adjusted for one-time COVID-19 grants)

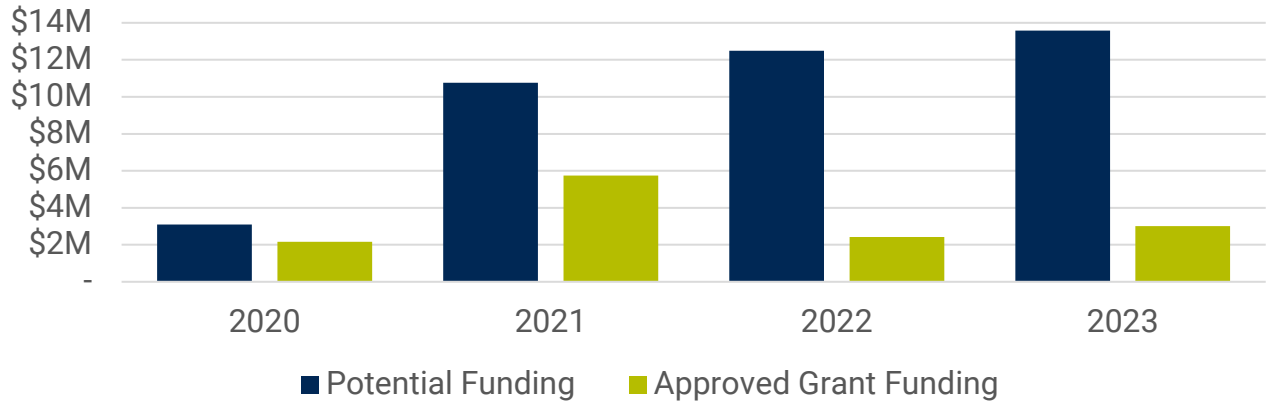


The chart above summarizes the available grant opportunities from all channels that Aurora could have possibly tapped into versus the number of grant applications over the past four years.

The Town was unable to take full advantage of the grant opportunities that were available due to limited staff capacity. Since the number of grants continues to grow each year more resources are needed. With more capacity the Town will be able to apply for more grants and also seek out other opportunities.

Increased grant capacity will lead to more grant funding for the Town

Grant funding available vs approved
(adjusted for one-time COVID-19 grants)



As grant programs continue to grow and competition for these scarce dollars increase, application requirements have become more comprehensive and time-consuming resulting in a significantly increased level of effort that is required by staff to maximize the Town’s chance of success.

The Town has been unable to keep up with grant opportunities because the Town presently only has a part of one staff’s time dedicated to this task. As the applications become more complex and in an environment of growing opportunities, dedicated focus is needed on grants to increase the number of applications and improve the Town’s success in being award grants.

Capital Budget

Overview

Finance plans to spend \$4.0 million in 2025 on capital projects of the total \$15.3 million in Capital Budget Authority. This includes \$14.1 million for asset management projects, \$0.6 million for growth and new projects and \$0.6 million studies and other in 2025.

2025 Capital Budget Authority

(\$000s)	Previously Approved Budget	2025 Budget		Capital Budget Authority Cash Flow			
		Capital Budget Authority*	Budget Change	Actuals to Dec/23	2024 Forecast	2025	2026+
Asset Management	11,266.4	14,107.4	2,841.0	6,526.3	2,313.5	3,469.5	1,798.0
Growth & New	568.1	568.1	(0.0)	240.0	103.1	225.0	-
Studies & Other	445.0	615.0	170.0	156.3	161.4	277.3	20.0
Approved Budget	12,279.5	15,290.5	3,011.0	6,922.6	2,578.0	3,971.8	1,818.0
Capital Program							
Finance	8,672.8	10,622.8	1,950.0	5,988.4	1,502.9	1,731.5	1,400.0
IT Services	2,593.5	3,484.5	891.0	538.0	810.5	1,738.0	398.0

* Includes all active project budgets, adjustments to project budgets and new budget commitments

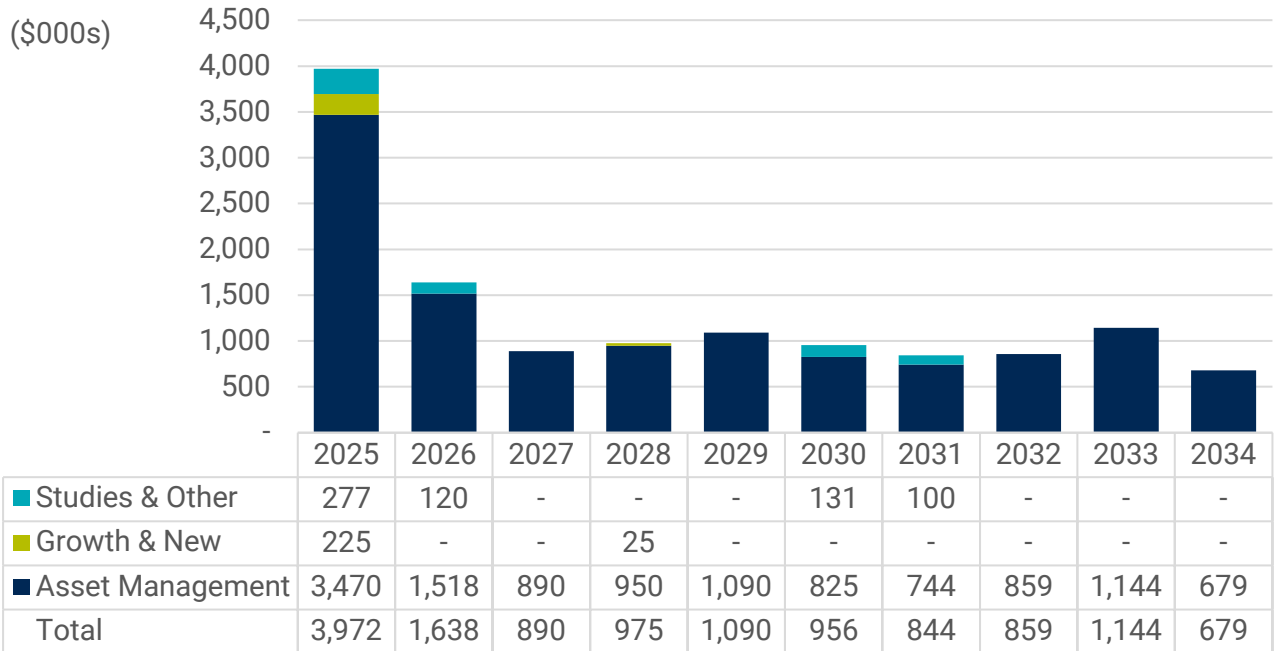
Capital program

The 2025 Capital Budget includes capital program approval for Information Technology and a new program for Finance asset management capital projects. These programs provide the Town with flexibility to move funding between projects while not exceeding the Capital Budget Authority for the capital program and the planned 2025 capital cash flow. The detailed list of projects in the program are included in Tab 16 – Asset Management Capital.

10-year capital plan

The 10-year capital plan includes \$13 million in capital projects. The 10-year plan will invest \$12.2 million in asset management. This represents 93 percent of the 10-year plan. Most of the planned spending in 2025 is to support the asset management projects which includes water meter replacement project and IT infrastructure replacement.

10-year capital plan



Key capital initiatives

The capital plan for Finance supports asset management and continuous improvement. The 2025 budget includes the following key projects to support these initiatives:

Focus on strategic asset management

Finance will continue to replace water meters for both commercial and residential customers. The new meters are more accurate and precise in measuring water consumption and support the advanced metering infrastructure to automate the collection of water meter reads, enabling the Town to provide better customer service and address metering issues proactively.

The IT division will support asset management by refreshing aging infrastructure to ensure assets are current and within their serviceable life. This will ensure Town systems are reliable and less likely to fail resulting in staff and residents losing access to Town services.

Strong focus on cybersecurity, asset management and continuous improvement

As part of the Town's fulsome cybersecurity strategy, the Capital Budget includes projects that support timely asset management and continuous improvement of current and future technology. This includes services for:

- **Replace current endpoint anti-malware software** with a Gartner top rated enterprise endpoint security platform designed to prevent, detect, investigate, and respond to advanced threats. This software is considered next generation and will give added protection for all our endpoint devices.
- **Identity management** cybersecurity control to ensure only users with proper credentials and access are allowed to into the Town's network and software applications.
- **Centralized vulnerability scanning** system regularly scans all devices connected to the network comparing the scans to vendor provided database lists of released security patches. IT staff will then proactively apply all missing security patches reducing vulnerability to cyber-attacks.
- **Cloud security** is another critical cybersecurity control that will provide all staff with enhanced security for any of the cloud-based software currently used including financial systems.
- **Network access control** is the process of restricting unauthorized users and devices from gaining access to our network. This ensures only users who are properly authenticated and devices that are authorized and compliant with the Town's security policies can access the network.

Support technological needs of a growing community

Finance is working with other departments to implement solutions that will support more online services for residents and businesses. These include:

- Replacing the existing customer relationship management system to be able to provide better service to residents and local businesses
- Online tax and water billing management through the new financial system and the automated water meter read system
- The ArcGIS Portal to easily share existing GIS data such as maps, scenes, applications, and other geographic information to internal users, other municipalities, York Region, and external business partners

Progress on departmental objectives

These objectives were established through the annual budget process. The following provides a status update on the progress of completing the objectives and identifies new initiatives.

New objectives

Development of a Finance tool kit for managers

Finance will work with managers to develop a tool kit to be available on the intranet. This tool kit will offer managers a wide range of reference documents to assist them with their accounting, procurement and budget management responsibilities.

Development of the next Technology Strategic Plan

Engage a consultant to assist in the development of the next Technology Strategic Plan. This plan will build upon the work completed through the implementation of the actions in the plan approved in 2019.

Upgrade CityView to CityView Workspace

Upgrading to CityView Workspace will provide all users a new browser-based interface that can be accessed via an internet connection. This will provide staff with a clean modern interface and provides a visual task bar that will provide newer or occasional users of the system a process that will walk staff through each step, while reducing the administrative demands on IT.

Town Hall data centre refresh

The data centre hardware refresh includes new server hardware that IT staff can provision for various new or upgraded applications. The refresh will also provide server redundancy resulting in greater uptime for applications. A new storage area network will provide the disk space necessary for the new servers and applications.

Completed objectives

Online submission of road occupancy permits

An online submission portal will allow all residents or contractors to apply and make payment for Road Occupancy Permits online. Applicants will be able to apply and pay for permits easily through a link on the Town's website. This project will provide efficiency and cost savings to a currently manual process. This project also aligns with the Town's overall goal of providing more digital services to residents.

Corporate Technology Strategic Plan

Continued implementation of the five-year Technology Strategic Plan includes the established Corporate IT Governance Committee with a vision to guide the Corporation towards defining and using appropriate technology effectively and quarterly meetings with the business units held for improved collaboration. The IT risk registrar was established and policy development underway. Many technology projects implemented including Laserfiche portal enabling access to archived Council agendas and minutes, Human Resources Information System launched, new telephony system, and e-permitting for building permit application submissions.

Objectives in progress

Expand upon reporting and other available capabilities within the new financial system

Identify reporting needs across the organization to develop new reports and dashboards. Finance plans to explore using the financial system project management module for improving reporting and management of investments in 2024 and cash flow and grants in 2025.

Implement a new customer relationship management system

IT will continue to work with a cross-functional team from other departments to select and implement a new customer relationship management system which will best meet the needs of residents and staff.

Further enhance network access security

IT is implementing technology which will further tighten cybersecurity through network access control improvements. This strengthens the Town's ability to ensure that only users who are authenticated and devices that are authorized and compliant with security policies can enter the network.

Implement internet redundancy and load balancing

Providing a constant and reliable internet connection is critical as the Town is relying more on cloud-based services and data storage. Internet redundancy will add a second (different) internet service provider into the Town's IT infrastructure. Then load balancing technology will automatically route any internet traffic to the less busy provider. If one of the providers goes down, the load balancer will automatically reroute all traffic to the still functioning service provider.

Expand upon efficiencies in procurement

Identify divisional needs across the organization to expand upon driving efficiencies in procurement, with the consideration of the client's experience. This includes blanket purchase order opportunities, development of standardized bid templates and measuring procurement timelines to establish a baseline for improvements.

The Procurement Bylaw will also be updated to streamline the non-standard procurement and exception process, which will also include an update to the procurement thresholds.

Stay current on cybersecurity initiatives

Last year, the Town engaged a cybersecurity consultant to perform a full review of Town's cybersecurity posture. This was a fulsome review and compared our current state to industry standard benchmarks such as National Institute of Standards and Technology and the Centre for Internet Security Critical Security Controls. A roadmap was put in place to fill any gaps and stay current on cybersecurity. Several new capital projects for 2023 are approved to further strengthen our cybersecurity footprint.

Online purchase of blue boxes and green bins

This will allow all residents to order and submit payment for new blue boxes or green bins directly from the Town's website. The order will be processed by the Town and forwarded to Green For Life for fulfillment and delivery to the resident. This project will provide efficiency and cost savings to a currently manual process. This project also aligns with the Town's overall goal of providing more digital services to residents.

Digital transformation of financial processes to improve the customer experience and enhance service delivery while being efficient

In 2020, Finance implemented the ability for water customers to receive their bills through email. More improvements are expected as Finance works toward implementing the ability for residents to monitor water reads online and expand email billing.

Develop financial management policies and training for non-financial staff to enable them to better understand their budgets and financially manage operational needs

Over the course of 2024 to 2026, the team will continue to document more of the Town's best practices through development of further financial management policies and their associated processes. These policies will be included as part of Finance's planned manager finance tool kit which is under development. The development of a formal financial management training program remains a priority for the Financial Management division. This training program will be built upon the newly developed financial management policies and processes.

Implementation of automated water metering technology

In 2021, Council approved the implementation of the automated water metering technology. Implementation is planned to be completed in 2025.

Abandoned objectives

None