

February 26, 2019

REPORT TO THE CHIEF ADMINISTRATIVE OFFICER
FROM THE CORPORATE SERVICES DEPARTMENT

ON

CORPORATE SERVICES DEPARTMENT 2018 YEAR IN REVIEW

PURPOSE

To present the 2018 Year in Review for the Corporate Services Department.

COUNCIL STRATEGIC PLAN

This report supports Council's goals and objectives regarding:

- **Infrastructure** - invest in the long-term financial stability of our assets and improve the overall infrastructure standards of the City by setting infrastructure priorities and supporting applications to access additional funding available through higher levels of government.
- **Governance** - be recognized for excellence in public service in local government by empowering accurate and timely data-driven decision making

SUMMARY

The Corporate Services Department was created during the City's corporate restructure in February 2018. Under the guidance of the Corporate Services Director, the department provides financial, information technology (IT), and legislative services.

The Finance team comprises the Financial Services Division (payroll, accounting [accounts payable], revenue, and taxation), the Risk Management Division (liability and property insurance, claims, and risk mitigation), and the Planning and Procurement Division (budget, asset management, procurement, and stores).

The Legislative Services Division provides support for Council meetings and other legislative requirements, including records management for the City.

The IT Division provides GIS (mapping), client, business analysis, and database and security services and manages and administers the City's electronic equipment and many corporate applications.

As a support department, our team primarily interfaces and supports the operational departments in various ways.

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RECOMMENDATION:

For Council information only.

DISCUSSION**Financial Services Division**

The Financial Services Division is responsible for financial oversight for the City. This includes the accurate and timely processing of financial information, such as vendor invoices or employee payroll, as well as the creation of financial reports that summarize and analyze information for operational decision making. Through the increased use of technology, the Financial Services Division is finding efficiencies in day-to-day processing, which allows staff to focus on value-added services. As part of this transformation, employees are being trained as generalists, as opposed to specialists, in many of our divisions. The Financial Services Division is a prime example of cross-training, where staff are able to learn and understand the roles in different areas of finance. This has led to efficiencies such as shared workload, knowledge transfer, and the ability to distribute employees' job duties for sick/vacation coverage.

By utilizing and enhancing the capacity of financial systems, the Financial Services Division has realized efficiencies through automation of standard processes. The Accounting Section (accounts payable) is in the process of transitioning from paper signatures to electronic signatures on most documents and, through 2019, will be updating the corporate Mastercard Purchase Program to a more robust digital platform. The Accounting Section has initiated the implementation of an electronic fund transfer (EFT) process for staff and vendor cheques, with a goal of significantly reducing the number of printed cheques each week. These digital enhancements are available now that the Financial Services Division has started to upgrade JD Edwards (JDE), the City's enterprise financial system.

The Revenue and Taxation Section is the customer-focused, public-facing group of the Financial Services Division and provides service and direction to members of the public when they enter City Hall to make payments and seek assistance. The team administers property taxation, collections, appeals, utility fees, and accounts receivable. The Revenue and Taxation Section is assisting the IT Division with various software upgrades and implementations that have a revenue component. The section is also an integral part of the near-future process to provide additional locations throughout other City facilities for residents to pay their property taxes and utility fees. The Revenue and Taxation Section also provides education to the public through various types of media to explain the property tax and utility billing processes and promotes the MyCity app as a customer-friendly way to access account information.

Payroll

In 2017, the Payroll Section successfully completed a significant upgrade to the JDE payroll module. As a result, JDE was fully automated for employee benefit enrollments in 2018, which resulted in less time spent setting up new employees or transferring existing employees within union groups. Over the next few years, as the other modules in the JDE system are upgraded, the Payroll Section will add additional automation and efficiencies, particularly as they tie to the Human Resources and Safety Department (HRS) and its hiring process. In 2018, the City selected Desjardins as the new carrier for employee benefits, and the Payroll and HRS teams successfully

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transitioned the organization through the January 2019 switchover date. All benefits that were previously covered under three carriers are now covered under a single carrier. The City no longer self-administers benefits, which is expected to create time savings in the Payroll Section that will be shifted toward increasing the electronic services for the City's employees.

With a never-ending schedule of biweekly payroll, time management is key in ensuring we are meeting the needs of our internal and external customers and ensuring that everyone is paid accurately and on time.

In addition to efficiencies in the day-to-day processing, the Financial Services Division has introduced significant changes to the system tools and processes for internal and external reporting. Many of the process improvements have come about through ongoing discussions with the other City departments as the division interprets the available financial data and how it can be collected and reported in a more efficient manner. The external financial statements and government reports are now produced using CaseWare software, which has significantly reduced the risk of error and decreased the preparation time for these documents. To aid Council in understanding the scope of what the Financial Services Division does, some statistics are outlined in the chart below.

Accounts Payable

	Invoices Processed	Cheques Issued
2017	34,118	10,599
2018	34,403	10,973
Change	+8.3%	+3.5%

Banking and Investments

2018 interest from investments and banking:

- increase of 16.3% over 2017 interest

Revenue

Each year, the Revenue and Taxation Section:

- manages over 36,000 property tax folios
- accepts over 26,000 applications for Home Owner Grants
- creates, sends, and collects over 9,000 invoices, worth \$9.5 million
- manages over 22,000 utility accounts

Planning and Procurement Division

The Planning and Procurement Division is located at the Civic Operations Centre and provides financial planning, purchasing and stores, and asset management services. The team works closely with the City's operations teams and other divisions, assisting with the purchase of goods and services; providing support in development of capital projects costs, forecasts, and annual budgets; and leading the development of a long-term asset management plan for the City.

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The Planning and Procurement Division is responsible for the following three pillars of activity within the organization:

- developing the annual budgeting process
- developing, coordinating, and maintaining the corporate asset management plans and creating the link between the City's operational activities and the long-term financial plan
- delivering organization procurement activities in a compliant, fair, open, and transparent manner

Financial Planning Section

The Financial Planning Section has focused on a number of key deliverables to support the organization, including the following:

- developing a process to enhance the real-time reporting of the capital spending against various programs and projects
- creating a stronger understanding of the differences between capital-type spending items and operating spending
- finding efficiencies in processes to help close out capital projects quicker throughout the year so as to provide more timely and accurate reporting
- enhancing the overall planning and budgeting processes, including the development of long-term (10 years and longer) capital plans
- revising the budget book and the City's Annual Report to introduce an easier-to-understand format of financial information for the public

Asset Management Section

Throughout most of the past year, the leadership role for the Asset Management Section has been vacant. In September, we welcomed a new Asset Management Supervisor, who has been tasked with establishing and leading the asset management program for the City, with the support of the asset stakeholders (particularly, the Civic Operations Department). Towards the end of 2018, the Corporate Services and Civic Operations Directors began to formalize a process for asset management to create the link between ongoing operations maintenance and long-term financial planning for renewing and replacing the City's aging infrastructure. The initial drafts of the long-term plans will be introduced to Council in 2019.

Purchasing and Inventory Control Section

The Purchasing and Inventory Control Section is in the midst of transforming from being a purchasing division to having a stronger role with strategic sourcing. To support this evolution, a procurement review is underway to look at all of the organization's purchasing processes, templates, and related activities, with the goal of addressing its evolving needs. The primary principle behind strategic sourcing is to engage with the venter community to achieve the best value for the City. In fall 2018, a number of legacy and Council purchasing policies were replaced with a single Council procurement policy that focuses on organizational governance and procurement principles, which was an initial step in this evolution.

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2018 Procurement Activities

Category	Count	Value
Requests for Proposal	16	\$26,339,000
Requests for Quote	16	\$2,723,000
Notices of Intent	6	\$609,000
Asset Disposal	123	\$228,000
Invitations to Tender	13	\$7,374,000
Requests for Information	1	\$0
Requests for Expression of Interest	1	\$0
Contracts	67	\$27,155,000
Purchase Orders	2,470	\$8,398,500

2018 Contracts Count by Value

Count	Value
27	<\$25,000
7	\$25,000–\$50,000
7	\$50,000–\$75,000
26	>\$75,000

2018 Procurement Activities Percentage by Department

Department	Percentage
Administration (Chief Administrative Officer's Office)	<1%
Civic Operations	73%
Corporate Services	3%
Community and Protective Services	14%
Development, Engineering, and Sustainability	9%
Human Resources and Safety	<1%

Risk Management Division

The Risk Management Division is more outward facing, and it strives to keep our city's population of approximately 90,000 people and all our visitors as safe as reasonably possible.

The Risk Management Division's aim is to support community events and activities by identifying potential loss exposures and recommending risk treatment options to reduce, retain, exploit, or transfer risks based on corporate risk appetite and tolerance. The division's goal is to create and maintain a risk-aware culture throughout the community that aligns and supports the goals of the City's Corporate Strategic Plan.

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The team is always available to listen to and respond to safety and property concerns. By keeping the public safe and free of injury, our city will be stronger, healthier, and more productive. Through the Risk Management Division's proactive approach to reducing the risk of injuries in Kamloops, pressure is taken off of our health care system and the financial burden on taxpayers is reduced. The Risk Management Division leads by example and encourages all City staff and the public to look out for potential hazards and to report them through the City's request for service process or through the myKamloops app.

City staff report all incidents to the Risk Management Division for review so that corrective action can be taken, if necessary. The incidents and claims statistics information is extremely valuable in reducing risk and making our city safer. The City also sees financial savings when risks are addressed and incidents and claims are reduced.

The Risk Management Division submits a Risk Management Grant application to the Municipal Insurance Association of British Columbia (MIABC) on an annual basis. Since the inception of the MIABC's Risk Management Grant in 2009 until now, all of the City's grant applications have been successful. To date, the City has received \$188,000 in Risk Management Grant funding from the MIABC. The funding is used to reduce liability and property loss exposures throughout the city. An application will be made again in 2019.

In 2018, the MIABC Risk Management Grant was used to fund many initiatives to reduce risk throughout the city. The Risk Management Division was able to use the funds to paint yellow edges on the stairs and install handrails on all stairs at the Sandman Centre to reduce the risk of someone falling down the stairs. The City was able to use the funds for fall protection in a couple of locations. A three-bar horizontal rail and post barrier was installed on the north side of Seymour Street, which replaced the old, deteriorating cables and posts. Vertical metal rails were installed on a retaining wall at Kamloops Memorial Hill Park to reduce the risk of a 5 ft. fall.

The Risk Management Division networks with other risk management professionals across Canada. It shares risk-reducing ideas and examples of common municipal hazards and claims, which helps reduce or eliminate those types of hazards and potential claims in our city.

With the assistance of an enterprise risk management program, the Risk Management Division and City staff will continue to find ways to improve and address strategic, operational, financial, and hazardous risks.

Office Services Section - On Call Clerical

The Office Services Section joined the Corporate Services Department in 2018. This section supports the City by providing on call clerical relief for sick and/or vacation coverage and providing assistance during departmental peak times. We are striving to hire employees who are a good fit for the culture of the whole organization and who will add to our vast range of knowledge and skills. Six on call employees work in multiple locations throughout the organization in approximately 21 different job roles. The knowledge and experience gained and the relationships built while working on call benefit the organization in the end, as these employees often move on to permanent positions. We view this position as an important entry point to the City.

Legislative Services Division

In 2018, the Legislative Services Division had a busy year. The core responsibilities of the division include preparing Council agendas and minutes, providing procedural and administrative support at Council Meetings, providing legislative and procedural guidance to Council and staff, supporting committee liaisons and recording secretaries with meeting the statutory requirements of Council committees, processing an increasing number of Freedom of Information (FOI) requests, and providing records management and retention support.

Through the *Freedom of Information and Protection of Privacy Act*, citizens can request information from the City. These requests take a variety of forms and can be as simple as providing a one-page response to a question or as complex as providing copies of thousands of pages of documents. The ever-changing nature and increasing volume of these requests creates significant time challenges for the Legislative Services Division. The following chart shows how FOI requests have increased over the past several years.

FOI	2013	2014	2015	2016	2017	2018
Requests received	69	72	80	96	119	122
No. of response pages*	-	-	-	8,604	3,808	7,005
Total staff hours	382.50	396.55	681.55	406	311.15	725.25

*2016 was the first year that the number of pages was tracked.

In addition to fulfilling its core responsibilities, the Legislative Services Division facilitated the municipal election, which was a huge undertaking for the division. Some facts and figures from the 2018 Election are as follows:

- four days of voting for general voters (three days of advanced voting plus general voting day on October 20, 2018)
- 17 locations for general voters (16 regular polling locations plus mail-in ballots)
- special voting opportunities at 12 different locations (11 assisted living facilities plus one poll at Thompson Rivers University)
- a total of 204 election staff (51 new and 153 returning)
- election was \$25,000 (17%) under budget

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In 2018, the Legislative Services Division welcomed the Records Management Section. The Records Management Section helps the City to meet legislated requirements regarding the storage and disposal of hard and soft records and provide a structure that makes it easier for employees to find documents. During the year, the Records Management Section continued to work with various divisions to provide documents such as corporate forms, contracts, agreements, and Council policies through our records management software, KRIMSON.

The following documents were made available in KRIMSON in 2018:

- bylaws: 2,917
- contracts: 570
- corporate forms solution: provided access to 1,000 forms (and purged 1,000 inactive forms)
- corporate reports: 104 (e.g. master plans, strategic plans, annual reports, neighbourhood plans, sector plans, official community plan, etc.)
- geotechnical reports: 94 digitized and uploaded to KRIMSON out of 2,248
- images: 150 (high-value images worthy of long-term retention)

Information Technology Division

In 2018, the IT Division supported the City by servicing technology systems and providing services to all employees and departments. The range of services IT provides is extensive and varied, and it includes delivering, or assisting in the delivery of, the following:

- project implementation, including the Whoosh pay-by-phone parking rollout and the Kamloops International Buskers Festival website
- application upgrades, including JDE and Tempest
- operational activities, including mapping and support of the southwest industrial lands and mapping and support of the City's Official Community Plan
- operational improvements, including using GIS-based flood mapping tools where water levels were predicted, which eliminated the need to deploy flood mitigation barriers (based on past deployments) and saved the Province over \$200,000

The IT Division also participated in a partnership with the Kamloops Innovation Centre (KIC), where some staff worked at KIC's facility alongside Kamloops technology companies and tested mobile workforce technologies.

The IT Division consists of four groups that work closely with one another and with all departments and divisions across the organization.

In mid-2018, the City hired a new IT Manager, who brought a wealth of public and private sector experience and who will be leading initiatives to modernize our IT systems and services.

In late 2017, an external consultant was engaged to perform a current state, future state, and recommendations analysis of the City's technology. The resulting digital strategy was delivered to the City and Council in mid-2018. The IT Division has begun to address a number of the recommendations and technology foundation upgrades to ensure that the technology supporting the varied City services is accessible and reliable. These will continue in 2019 and beyond.

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The IT Division manages and administers the following:

- 550 laptop and desktop computers
- 400 mobile devices
- 900+ user accounts
- 350 servers
- 70 corporate applications
- 33,000 properties (locations) maintained in the GIS system
- 4.7 million assets and features maintained in the GIS system
- 7,000 IT helpdesk requests were handled in 2018

Business Analysis Services Section

The Business Analysis Services Section assists other departments in developing and evaluating requests for proposals, documenting current and future state processes, and implementing software upgrades and new systems. This division is the first point of contact for new system requests, it acts as the bridge between departments and the IT Division, and it works closely with the requesting departments to define and implement applications and processes.

Database and Security Section

The Database and Security Section is responsible for technical services such as administering and managing computer servers, the network, storage, and databases. The section designs new technical solutions and ensures that the IT infrastructure is available and accessible by all departments.

Client Services Section

The Client Services Section provides helpdesk services to all City employees and departments. It fields over 7,000 requests per year and handles all aspects of employee computer workstations, including set-up, administration, support, and replacement.

GIS Section

The GIS Section is responsible for all internal and external geographic data analysis and mapping services, including utility and asset mapping, developing in-field apps to assist field crews (e.g. riverbank dike inspections), and supporting development projects such as KAMPLAN. The City's GIS program scored 16th in the Geospatial Maturity Index out of 146 public sector agencies across Canada.

Future Opportunities

Looking forward into 2019 and the years to come, the Corporate Services Department plans to continue searching for process efficiencies so that value-added services can be incorporated into the day-to-day operations of all teams. The following is a list of some of our goals:

- continue to upgrade and enhance the functionality of the JDE system to take advantage of digital services for staff and the public

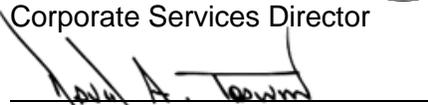
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- succession planning by ensuring process documentation and mapping is up to date in all areas
- work towards providing opportunities for citizens to make payments for multiple City services at various City locations a one-stop shop
- create easy to understand videos and written publications for various financial activities (taxes, budget, etc.)
- continue implementing the digital strategy recommendations and technology foundation upgrades
- complete the procurement review and begin the transition to strategic sourcing
- develop an initial asset management plan for technological equipment
- investigate enhanced meeting software solution for Council agendas



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Approved for Council

KH/ts/kjm/lm