

Residential Operations 2009 Budget Document

Section I. Existing Services and Service Levels:

Residential Property Management within Human Services provides services and program delivery to Peel Living residents, in the following areas:

- The Residential Operation provides property management services to 70 Peel Living buildings and supervision of 80 site staff
- Resident Services provides frontline customer service contact to Peel Living residents including applicant offers of accommodation on vacant units and action on non rent and rental arrears cases at the Landlord and Tenant Board
- Property Maintenance oversees preventative maintenance contracts in retrospect to cost and quality and ensures compliance with the Ontario Fire Code

Key initiatives in 2008 included:

- Resident calls are answered by the Corporate Customer Contact Centre allowing a live operator response. This action responded to resident dissatisfaction on staff availability via telephone.
- The Maintenance Call Line provides resident maintenance service to the portfolio. The operator receives all resident requests for repairs and creates an electronic work order dispatched to the superintendent. This improvement results in faster service and reporting on the status of work orders.
- Superintendents and cleaners moved to a five day week schedule (Monday to Friday) with alternate arrangements for weekends. The change from staff spread over a seven day schedule returns Peel Living to full staffing during the week and improved focus and attention to core building duties.

Section II. Resources to Deliver 2008 Services:

Current \$'000	2007 Actual	2008 Budget	2008 Projection	2008 Variance Under/(Over)
Total Expenditures	\$6,933	\$7,894	\$7,460	\$434
Total Revenue	\$6,713	\$7,894	\$7,460	\$434
Net Cost	\$220	NIL	NIL	NIL
FTE	47.0	48.0	48.0	48.0

2008 Budget:

For 2008, the Residential Operations total operating budget was approved at \$7.9 million. The total costs are fully charged to Peel Living. The approved staff complement level is 48.0 FTE.

2008 Projection:

The division is expected to end 2008 with an under expenditure of \$0.4 million. This is primarily driven by lower overall operating expenditures, primarily in salaries and benefits and external contract costs.

Outputs/Outcomes:

Outputs/Outcomes for the division are reported in the Peel Living budget.

Section III. Performance Measurement/Benchmarking:

There is no recognized sector performance measurement or benchmarking in social housing. On a semi-annual basis, the Board receives a report on arrears control in relation to three other Ontario municipal social housing providers with Peel Living continually demonstrating the lowest arrears control record. In 2009, this report will expand to become a revenue management report and include other revenue items such as maintenance tenant charges, and misrepresentation of income payments.

In 2009, Peel Living will strive to achieve the Certified Building Program designation recently introduced by the Federation of Rental Providers Ontario (FRPO) on a pilot basis and evaluate the results. This is the first private rental sector benchmark in North America.

Peel Living operates under provincial funding formulas established by the Ministry of Municipal Affairs and Housing. The formulas provide guidelines for operating costs which are indexed annually. Mortgages and property taxes are funded dollar-for-dollar.

Section IV. 2009 Base Pressures:

Cost of Living Increase/Inflation:

The base pressures are increasing by \$0.5 million over 2008 budget, primarily related to inflationary increases in the area of salary and benefits and normal staff progression through the salary ranges. The budget increases are fully recovered from Peel Living. Increases are identified in Appendix I.

Section V. Cost Mitigation Through Efficiencies and Recoveries:

Efficiencies:

The division has reduced the expenditures by \$0.2 million, primarily in the areas of external consultants and collection expenditures, capturing the benefit of process change improvements. The recoveries from Peel Living will be reduced.

Section VI. Challenges and Emerging Trends:

Cumulative impacts of changing resident characteristics due to both provincial application policies and broader societal focus are creating building, resident and community concerns at several sites.

Section VII. 2009 Program Pressures – Current:

Not Applicable

Section VIII. 2009 Program Pressures – Capital:

There are no capital pressures in the Residential Property Management division. All projects requested are reported under Peel Living and approved by the Board of Directors as part of the annual budget process.

Section IX. 2009 Summary:

Budget Summary \$'000s	2008 Budget	2008 Projection	2009 Proposed	2010 Forecast	2011 Forecast
Current Budget – Total Expenditures	\$7,894	\$7,460	\$8,246	\$8,580	\$8,880
Current Budget – Total Revenue	\$7,894	\$7,460	\$8,246	\$8,580	\$8,880
Current Budget – Net Cost	NIL	NIL	NIL	NIL	NIL
FTE	48.0	48.0	48.0	50.0	50.0
Capital Carry Forward from prior year			N/A	N/A	N/A
New Capital			N/A	N/A	N/A
Total Capital Available			N/A	N/A	N/A
Forecasted Capital Spending			N/A	N/A	N/A

Future Outlook:

2010 and 2011 Current Budget:

The program continues to face operational inflationary pressures which will increase the current budget at an estimated 3.5 per cent per annum over the next several years.

2009 - 2018 Capital Plan:

There are no capital pressures in the Residential Property Management division. All projects requested by the division are reported under Peel Living.

Service Level Contract for 2009:

Resources:

The 2009 Current Budget for Residential Operations has a total expenditure of \$8.2 million and a net expenditure of \$0 million, with a net increase of \$0.4 million from 2008 budget.

Outputs/Outcomes:

Outputs/Outcomes for the division are reported in Peel Living budget documentation.

Section X. Pressures not included in 2009 Budget

The Ministry of Municipal Affairs and Housing has announced the first comprehensive review of the *Social Housing Reform Act (SHRA)* since enactment in 2001 which may impact key processes and staffing in the future.

Appendices:

Appendix I	2009 Current Pressures
Appendix II	2009 Capital Overview – N/A
Appendix III	Existing Capital Project List – N/A
Appendix IV	2009 New Capital Detail – N/A
Appendix V	Ten Year Capital Plan – N/A
Appendix VI	Performance Measures/Benchmarks – N/A
Appendix VII	Staffing Information
Appendix VIII	User Fees – N/A

**APPENDIX I
RESIDENTIAL OPERATIONS
2009 CURRENT PRESSURES (\$'000)**

	Residential Operations		
	Total Expenditures	Total Revenue	Net Cost
2008 Revised Cost of Service	7,894	7,894	-
Annualizations - Section IV <i>Subtotal</i>			
Cost of Living Increase/Inflation - Section IV			
1 Cost of living increases primarily driven by salaries and wages, fully recovered from Peel Living. Major external vendor service costs are remaining static.	542	542	-
<i>Subtotal</i>	542	542	-
Efficiencies - Section V			
1 Reduction in external consultant costs	(190)	(190)	-
<i>Subtotal</i>	(190)	(190)	-
Recoveries - Section V <i>Subtotal</i>			
2009 Base Changes	352	352	-
Growth - Section VII <i>Subtotal</i>			
Service Demand - Section VII <i>Subtotal</i>			
Subsidy and Fee Changes - Section VII - N/A <i>Subtotal</i>			
Other - Section VII <i>Subtotal</i>			
2009 New Pressures	-	-	-
Total 2009 Pressures	352	352	-
2009 Recommended Cost of Service	8,246	8,246	-

**APPENDIX VII
RESIDENTIAL OPERATIONS
STAFFING INFORMATION**

Program	2008 Revised Complement	Change Request for 2009	2009 Council Approved
Residential Operations	41.0	-	41.0
Residential Operations Share of Human Services Administration & Integrated Business Support Staff Allocation	7.0	-	7.0
Total	48.0	-	48.0

Change Request for 2009 Commentary