

	C 12
	COMMUNICATION
FAA -	FEB 9/15
ITEM -	1

Status Update: 2015-2018 Financial Plan

Presentation to
Finance, Administration and Audit Committee
February 9, 2015
Council Chamber



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**Financial Sustainability:
Always a Key Priority**

Agenda

- DRAFT 2015 Budget and 2016-18 Plan
- Council Direction
- 2015 Budget Reduction Plan
- 2016 and Beyond
- Discussion and Q and A



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Summary of Net Pressures

(Draft , as presented on January 12,2015)

	2015		2016		2017		2018	
	\$M	%	\$M	%	\$M	%	\$M	%
Status Quo Pressures (Price Only)	5.7	3.46	8.2	4.63	6.3	3.25	6.8	3.29
Net Growth Pressures	3.0	1.84	3.4	1.92	2.3	1.16	3.7	1.76
New Category Pressures	2.2	1.35	1.0	0.58	1.0	0.51	0.6	0.29
Incremental Levy Requirement	10.9	6.65	12.7	7.13	9.6	4.93	11.1	5.35
Ice Storm Tree Replacement (Top Up Funding)	0.8	0.49	0.7	0.45	0.0	0.00	0.0	0.00
Total Draft 2015 Financial Plan	11.7	7.14	13.4	7.58	9.6	4.93	11.1	5.35



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Source: C10.3
Note: Some numbers may not add due to rounding

Council Direction

- Work toward a set target of no more than 3% for each year of the term of Council
- Staff to consider all options for achieving the target including revenue generation, service level adjustments, and new funding request prioritization
- Recommendations to incorporate service level and risk implications



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2015 Budget Reduction Plan

	Status Quo \$M	Net Growth \$M	New \$M	Total \$M	%
Incremental Levy Requirement January 12th, 2015	5.73	3.03	3.01	11.77	7.14
Less:					
<u>Department Efficiencies:</u>					
- Removal of Commissioner of Community Services	0.30				
- Building & Facilities Savings	0.50				
- Fleet Savings	0.15				
- Staff Vacancies (Salary Gapping)	0.16				
- Add'l Cost Recovery (Recreation & Facilities)	0.35				
<u>Corporate Adjustments:</u>					
- Investments: VHI Dividend Policy Adj.	0.89				
- Infra. Reserve Cont. Adj. - Park/Fleet Capital Timing		0.28			
- Infra. Reserve Policy Contribution Adj. (50%)		0.50			
<u>Resource Request Deferrals:</u>					
- Civic Centre Resource Library - Add'l Gapping		0.86			
- Deferral of ARR's (Attachment 1 pg. 10.11- 10.12)		1.25	0.83		
- Removal of Ice Storm Tree Levy (top up funding only)			0.80		
Reduction	-2.19	-2.89	-1.63	-6.71	
Incremental Levy Requirement February 12th, 2015	3.38	0.14	1.38	4.90	3.00



2016 and Beyond

- Emphasis is on finalizing the 2015 budget to allow City business to continue
- Achieving 3% target for 2016 -2018 will take more time
- Direction required on windrow snow clearing due to the tender timing
- Moving forward, consider a task force to study options available to achieve Council's 3% target for 2016 - 18
- The City Manager or delegate to report back in March with a proposed structure, terms of reference, topic sequencing and reporting framework



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Examples of Topics for Task Force Study

	Task Force
<u>Options for Innovative Service Delivery</u>	
Expansion/Integration of Access Vaughan and other Departments	Report TBD
Economic Development Services delivery	Report TBD
<u>Options to Reduce or Eliminate Programs or Services</u>	
Animal Shelter Review	Report Q1-15
Reduce Crossing Guards	Report Q2-15
Uplands Best Use Study	Report Q2-15
<u>Options to Increase Existing User Fees or Introduce New Fees</u>	
Fee Review for Recreation and Culture	Report Q3-15
Fee Review for By-Law and Compliance	Report TBD
Fee Review for Planning	Report TBD

- *Other items may be added*



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Discussion Q and A



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