



**CITY OF VAUGHAN  
SPECIAL COUNCIL (BUDGET) MEETING MINUTES  
JANUARY 30, 2018**

**Table of Contents**

<b><u>Minute No.</u></b>		<b><u>Page No.</u></b>
12.	CONFIRMATION OF AGENDA.....	1
13.	DISCLOSURE OF INTEREST.....	1
14.	COMMUNICATIONS.....	2
15.	TRAFFIC CONTROL SIGNALS AT TESTON ROAD AND MOSQUE GATE (Referred) Finance, Administration and Audit, Report No. 13, Item 2, Council, December 11, 2017. ....	2
16.	2018 STORMWATER CHARGE (Referred) Finance, Administration and Audit Committee Report No. 1, Item 1, January 22, 2018. ....	3
17.	DRAFT 2018 BUDGET AND 20S19-2022 FINANCIAL PLAN (Referred) Finance, Administration and Audit Committee, Report No. 13, Item 1, November 23, 2017. ....	7
18.	BY-LAWS .....	19
19.	CONFIRMING BY-LAW.....	21
20.	ADJOURNMENT .....	22

**CITY OF VAUGHAN**  
**SPECIAL COUNCIL (BUDGET) MEETING**

**TUESDAY, JANUARY 30, 2018**

**MINUTES**

**7:00 P.M.**

Council convened in the Municipal Council Chamber in Vaughan, Ontario, at 7:03 p.m.

The following members were present:

Hon. Maurizio Bevilacqua, Mayor  
Regional Councillor Mario Ferri  
Regional Councillor Gino Rosati  
Regional Councillor Sunder Singh  
Councillor Tony Carella  
Councillor Rosanna DeFrancesca  
Councillor Marilyn Iafrate  
Councillor Alan Shefman  
Councillor Sandra Yeung Racco

**12. CONFIRMATION OF AGENDA**

MOVED by Regional Councillor Ferri  
seconded by Councillor DeFrancesca

THAT the agenda be confirmed.

CARRIED

**13. DISCLOSURE OF INTEREST**

There was no disclosure of interest by any member.

*At this point in the meeting, the Chief Financial Officer and City Treasurer gave a presentation with respect to Item 3, DRAFT 2018 BUDGET AND 2019-2022 FINANCIAL PLAN.*

*Refer to Minute No. 17 for further disposition.*

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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### **14. COMMUNICATIONS**

MOVED by Councillor DeFrancesca  
seconded by Councillor Carella

THAT Communications C1 to C7 inclusive be received and referred to their respective items on the agenda.

CARRIED

### **15. TRAFFIC CONTROL SIGNALS AT TESTON ROAD AND MOSQUE GATE** (Referred) Finance, Administration and Audit, Report No. 13, Item 2, Council, December 11, 2017.

MOVED by Councillor Iafrate  
seconded by Regional Councillor Ferri

- 1) THAT the following be approved in accordance with Communication C7, Members Resolution from Councillor Iafrate, dated January 30, 2018:
  1. That Vaughan Council requests York Region to install traffic control signals at Teston Road and Mosque Gate and have them operational no later than 2019; and
  2. That York Region be requested to fund the capital, life-cycle and operating costs of the presently warranted traffic control signals;
- 2) THAT the following recommendations of Item 2, Finance, Administration and Audit Committee Report No. 13, be approved;
  - 1) That consideration of this matter be referred to the January 30, 2018, Special Council (Budget) meeting;
  - 2) That Communication C2 from the Deputy City Manager, Public Works, dated November 23, 2017, be received and referred to the January 30, 2018, Special Council (Budget) meeting to continue deliberations;
  - 3) That the following deputations, be received:
    1. Mr. Mohammad Bhatti, Nasir Drive, Maple;
    2. Mr. Abdool Rahman, Bashir Street, Maple;
    3. Mr. Karim Tahir, Zafarullah Khan Crescent, Maple; and
    4. Mr. Muzaffai Sheikh, Cranston Park Avenue, Maple; and

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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- 3) That the Members Resolution, submitted by Councillor Iafrate, dated November 23, 2018, be received.

CARRIED

### **16. 2018 STORMWATER CHARGE**

(Referred) Finance, Administration and Audit Committee Report No. 1, Item 1, January 22, 2018.

MOVED by Councillor Yeung Racco  
seconded by Regional Councillor Singh

THAT the following recommendations of Item 1, Finance, Administration and Audit Committee Report No. 1, be approved;

- 1) That the recommendation contained in the following report of the Deputy City Manager, Public Works and the Chief Financial Officer and City Treasurer, dated January 22, 2018, be approved;
- 2) That the deputation of Mr. Riccardo Bozzo, Highway 27, Kleinburg, be received; and
- 3) That Communication C1, presentation material entitled, *“2018 Stormwater Charge”*, be received.

CARRIED

The Finance, Administration and Audit Committee at its meeting of January 22, 2018, (Item 1, Finance, Administration and Audit Committee Report No. 1), recommend:

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager, Public Works and the Chief Financial Officer and City Treasurer, dated January 22, 2018, be approved;
- 2) That the deputation of Mr. Riccardo Bozzo, Highway 27, Kleinburg, be received; and
- 3) That Communication C1, presentation material entitled, *“2018 Stormwater Charge”*, be received.

# **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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Report of the Deputy City Manager, Public Works and Chief Financial Officer and City Treasurer, dated January 22, 2018

## **Purpose**

To respond to the motion at the Finance, Administration and Audit Committee on November 6, 2017, that staff review the application of the stormwater charge as implemented for commercial and agricultural properties in rural areas and bring forward recommendations for refinements as part of the 2018 Budget process, including the necessary off-setting adjustments to other property categories.

## **Recommendations**

1. That as a part of the 2018 Budget process Council approve the refinements to the Stormwater charge for the seven property types and inclusion of an eighth category: “Non-residential (large) rural”;
2. That “Non-residential (large) rural” properties be those located outside the urban boundary as defined in the Vaughan Official Plan;
3. That any adjustments made be completed during the budget planning process and incorporated into the proposed stormwater charge for the forthcoming budget year;
4. That this report be referred to Special Council Meeting on January 30, 2018.

## **Report Highlights**

- Council directed staff to report back with a review of the large commercial property category and agricultural property category in rural areas.
- The method for estimating stormwater run-off will continue to be derived from the City’s engineering design run-off coefficient
- A new property category for non-residential (large) properties which fall outside the urban boundary be defined

## **Background**

**The 2017 budget included a new stormwater charge to fund a comprehensive stormwater program which would help mitigate the effects of climate change**

The stormwater charge is applied to properties based on the estimated amount of stormwater run-off. The stormwater run-off coefficient is a number used in the City’s Engineering Design Standards which developers must use to manage stormwater when planning a community. City staff determined that using the stormwater run-off coefficient was the most equitable factor for determining the charge as the engineering design standards are used consistently across the City.

A communication plan was implemented prior to and during the implementation of the stormwater charge on the water and wastewater bill. The stormwater charge was applied to 85,652 properties over a 12-week period beginning June 2017. The

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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stormwater charge was successfully implemented as only 36 property owners asked for a formal review of the stormwater charge.

### **Council directed staff to further refine the stormwater charge for commercial and agricultural properties in rural areas**

Nearly all of the 36 formal reviews were large commercial (7) and agricultural (25) properties in rural areas, Council asked staff to look for further refinements to the stormwater charge. Council was aware that any refinements would include a necessary change in the stormwater charge for the other property categories.

#### **Previous Reports/Authority**

[Stormwater charge in Rural Areas and feedback from Stormwater Charge Implementation](#), Finance, Administration and Audit Committee, Nov 6, 2017.

[Stormwater Infrastructure Funding Study – City Wide](#), Finance, Administration and Audit Committee, Feb 29, 2016.

[Stormwater Infrastructure Funding Study Update](#), Finance, Administration and Audit Committee, May 4, 2015.

#### **Analysis and Options**

**Refining the stormwater charge for commercial and agricultural properties in rural areas included using the urban boundary and referring to the recently updated Engineering Design Standards.**

The Vaughan Official Plan urban boundary was used to identify rural commercial properties and agricultural properties. Eleven large commercial properties were identified outside of the urban boundary.

Staff also updated the Stormwater classification charges based on changed run-off coefficients contained in the recently updated Engineering Design Standards as some were updated and, therefore, different from the run-off coefficients used in the Stormwater Infrastructure Funding Study which developed the original stormwater charge.

### **A new property category for large (more than 10 acres) commercial properties was developed using a smaller stormwater run-off coefficient**

Creating a new category of *Non-Residential (Large) - Rural* using a runoff coefficient of 0.45 (as opposed to 0.9 for large non-residential) would address those properties assessed as commercial, but lay outside the urban boundary. This run-off coefficient was considered appropriate given that rural areas are not connected by stormwater piping and the level of service differs from similar sized properties in urban settings.

**The run-off coefficient for agricultural properties remains the same as the one used in the 2017 budget as this coefficient had already been lowered by staff in the original stormwater infrastructure funding study**

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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In the original stormwater infrastructure funding study it was determined that the run-off coefficient in the engineering design standards should be lowered from 0.25 to 0.1 as there was a recognition that the stormwater service received by these properties was not the same as those in urban areas.

In the review completed at the request of the Finance, Administration and Audit (FAA) Committee on November 6, 2017, staff did not update the run-off coefficient of the agricultural properties as staff have determined that 0.1 is an appropriate run-off coefficient to use for agricultural properties.

### **Financial Impact**

As discussed in the report on November 6, 2017 at the FAA Committee, staff had consolidated the city's properties into 7 property categories and used the stormwater run-off coefficients for these property categories to develop the stormwater charge used in the 2017 Budget. As requested in a motion by FAA Committee, staff were asked to review the application of the stormwater charge for the large commercial property category in rural areas and the agricultural property category for the 2018 Budget.

A new property category was developed for large commercial properties in rural areas and the run-off coefficients from the updated Engineering Design Standards were used to determine the proposed stormwater charges for the 2018 Budget for all property categories.

Table 1 outlines the current and proposed charges for 2018.  
Table 1

<b>Property Type</b>	<b>Charge-Current</b>	<b>Charge-Revised</b>	<b>Change in Charge</b>
Non-Residential (small)	41.28	43.93	<b>2.65</b>
Non-Residential (medium)	1,066.21	1,134.91	<b>68.70</b>
Non-Residential (large)	16,740.78	17,333.47	<b>592.69</b>
Non-Residential (large)- rural	N/A	10,207.47	<b>10,207.47</b>
Agricultural/Vacant	694.65	613.26	<b>(81.39)</b>
Residential (Low Density)	50.00	49.20	<b>(0.80)</b>
Residential (Medium Density)	30.61	32.08	<b>1.47</b>
Residential (High Density)	184.00	192.83	<b>8.83</b>

# **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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## **Broader Regional Impacts/Considerations**

There are no Regional implications with the adoption of this report.

## **Conclusion**

As a result of the introduction of the Non-Residential (Large) – Rural and updated run-off coefficients the new Stormwater Charges are as reflected in Table 1.

**For more information**, please contact: Jennifer Rose, Director of Environmental Services, x 6116.

## **Attachments**

**N/A**

## **Prepared by**

Chris Wolnik, Manager Wastewater and Stormwater Services, x 6152

Sean Skinkle, Finance Manager, Water, Wastewater and Stormwater, x 8486

## **17. DRAFT 2018 BUDGET AND 2019-2022 FINANCIAL PLAN**

(Referred) Finance, Administration and Audit Committee, Report No. 13, Item 1, November 23, 2017.

MOVED by Councillor DeFrancesca  
seconded by Councillor Carella

- 1) THAT the following be approved in accordance with Communication C1, from the Deputy City Manager, Planning and Growth Management and the Deputy City Manager, Public Works:
  1. THAT a 2018 capital project with a budget of \$50,000 to fund the establishment of two additional Community Gardens, funded from the Capital from Taxation Reserve, be approved;
- 2) THAT the following be approved in accordance with Communication C2, from the Deputy City Manager, Public Works, Director of Environmental Services and Director of Financial Services/Deputy City Treasurer:
  1. That Water Meter Cost in Section C of Service Charges in 2018 Budget Book - Volume 3 User Fees Schedules 177-2016 Water to be replaced;
- 3) THAT the following be approved in accordance with Communication C3, from the Chief Financial Officer and City Treasurer and the Interim Director of Financial Planning and Development Finance and Deputy City Treasurer:
  1. That the Draft 2018 Budget and 2019-22 Financial Plan be updated



## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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to include the capital budget amendments outlined below:

- a) The capital budget for capital project DE-7175-17 - VMC Edgeley Pond Construction be amended to redistribute the total funding requirement over a three-year period where the funding sources are aligned with the City's Black Creek Financial Strategy;
  - b) The scope of the capital project CD-2002-16 - 2018 Watermain Replacement be adjusted and the capital budget be increased by \$2.32 million of which \$1 .80 million will be funded by Citywide Engineering Development Charges and \$0.52 million will be funded from the Water Reserve; and
  - c) The tables in the Draft 2018 Budget and 2019-2022 Financial Plan Budget Book be updated to reflect the following:
    - i. 2018 capital budget of \$1.87M for RE-9537-17 - VMC library, Recreation and YMCA; and
    - ii. 2018 capital budget of \$3.96M for PK-6595-18 North Maple Regional Park.
- 4) THAT the following be approved in accordance with Communication C4, from the Chief Financial Officer and City Treasurer and the Interim Director of Financial Planning and Development Finance and Deputy City Treasurer:
- 1. That the Draft 2018 Budget and 2019-2022 Plan be amended to include a revised assessment growth rate of 1.9041 % for 2018; and
  - 2. That the increased growth assessment revenue resulting from Recommendation 1 be allocated as follows:
    - a. Increase the balance in the tax rate stabilization reserve by \$0.6M to provide flexibility in future years to mitigate growth related costs;
    - b. Augment funding for Service Excellence Initiatives by \$0.25M to support programs that increase citizen experience and operational efficiency to better position the City to manage future growth;
    - c. Increase the 2018 operating contingency by \$0.3M; and
    - d. Allocate \$0.3M to help fund the non-development charge funded portion of growth-related capital;
- 5) THAT the recommendation of Item 1, Finance, Administration and Audit

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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Committee Report No. 13, be approved;

- 6) THAT the recommendation of Item 1, Finance, Administration and Audit Committee Report No. 12, be approved;
- 7) THAT the recommendation of Item 1, Finance, Administration and Audit Committee Report No. 11, be approved;
- 8) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017, be approved;
- 9) That Communication C6, presentation material entitled “Draft 2018 Budget and 2019—2022 Financial Planning”, be received; and
- 10) That the following deputations be received:
  1. Mr. Richard Lorello, Treelawn Boulevard, Kleinburg; and
  2. Mr. Kevin Hanit, Queensbridge Drive, Concord.

### **CARRIED**

The Finance, Administration and Audit Committee, at its meeting of November 23, 2017, (Item 1, Finance, Administration and Audit Committee Report No. 13), recommended:

- 1) That the report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer dated November 13, 2017, be referred to the January 30, 2018, Special Council (Budget) meeting to continue deliberations;
- 2) That the following recommendation contained in Communication C1, Member’s Resolution from Regional Councillor Singh, dated November 23, 2017, be referred to the January 30, 2018, Special Council (Budget) meeting to continue deliberations:
  1. That staff be directed to add a Community Gardens 2018 capital project to the Draft 2018 Budget for Council’s consideration;
  2. That the Community Gardens 2018 project include a minimum of one community garden per ward;
  3. That staff work within the framework of the approved Community Garden Policy to engage Council members and the community in

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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identifying the appropriate locations on City-owned lands;

4. That staff bring a communication to the January 30, 2018, Special Council (Budget) meeting that identifies appropriate fiscally neutral 2018 funding sources for the capital project by proposing corresponding offsets in the Draft 2018 Budget;
  5. That staff be directed to consider the ongoing operations and maintenance of the Community Gardens in the 2018 Budget Process; and
- 3) That the following deputations, be received:
1. Mr. Kevin Hanit, Queensbridge Drive, Concord; and
  2. Mr. Richard Lorello, Treelawn Boulevard, Kleinburg.

### Report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 13, 2017

The Finance, Administration and Audit Committee, at its meeting of November 13, 2017, (Item 1, Finance, Administration and Audit Committee Report No. 12), recommended:

- 1) That the report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017, be referred to the November 23, 2017, Finance, Administration and Audit Committee meeting to continue deliberations;
- 2) That the following presentations and Communication C5, presentation material titled "Vision, Leadership and Responsibility, Volume 1, Draft 2018 and Budget and 2019 – 2022 Financial Plan", be received and referred to the November 23, 2017, Finance, Administration and Audit Committee meeting to continue deliberations :
  1. Chief Financial Officer and City Treasurer;
  2. Deputy City Manager, Public Works;
  3. Director of Parks Operations;
  4. Deputy City Manager, Community Services;
  5. Chief Executive Officer, Vaughan Public Libraries; and
  6. Chief Corporate Initiatives and Intergovernmental Relations;
- 3) That the following be approved in accordance with Communication C4, from the Deputy City Manager, Community Services, and the Director, Recreation Services, dated November 13, 2017, and referred to the Finance, Administration and Audit Committee meeting to continue

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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deliberations:

1. That the cost options associated with a proposed pilot project for youth (“Open to You(th)”), be received;
- 4) That the following deputations, be received:
  1. Mr. Kevin Hanit, Queensbridge Drive, Concord;
  2. Ms. Monika Sudds, Oren Street, Kleinburg;
  3. Ms. Melanie Borel, Bologna Road, Woodbridge;
  4. Mr. Liviu Zugravu, Scarborough;
  5. Ms. Heather Reppin, Tulip Drive, Brampton;
  6. Ms. Lydia Carroccia, Flushing Avenue, Woodbridge; and
  7. Mr. Richard Lorello, Treelawn Boulevard, Kleinburg; and
- 5) That the following Communications, be received:
  - C1 Chief Financial Officer and City Treasurer, the Director of Financial Planning and Development Finance and Deputy City Treasurer, dated November 10, 2017;
  - C2 Chief Financial Officer and City Treasurer, the Director of Financial Planning and Development Finance and Deputy City Treasurer, dated November 10, 2017; and
  - C3 Ms. Susan Jagminas, dated November 11, 2017.

Report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017

The Finance, Administration and Audit Committee, at its meeting of November 6, 2017, (Item 1, Finance, Administration and Audit Committee Report No. 11), recommended:

- 1) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017, be referred to the November 13, 2017, Finance, Administration and Audit Committee meeting to continue deliberations;
- 2) That the following be approved in accordance with Communication C1, from the Deputy City Manager of Public Works, the Chief Financial Officer and City Treasurer, and the Director of Environmental Services, dated November 2, 2017 and referred to the November 13, 2017, Finance, Administration and Audit Committee meeting to continue deliberations:
  1. That the recommended Draft 2018 Budget be updated to include

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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both the capital and operating impacts of the Smart Water Meter Project as outlined in this communication;

2. That upon further investigation into the merits of internal or external borrowing for the project, that the Chief Financial Officer and City Treasurer be delegated the authority to finance the project with the method that minimizes financial risk and interest costs and maximizes value for money; and
3. That staff be directed to pursue a partnership with Alectra to implement an Advanced Metering Infrastructure solution;
- 3) That the presentation by the Chief Financial Officer and City Treasurer and Communication C2, presentation material titled “Draft 2018 Budget and 2019-2022 Financial Plan”, dated November 6, 2017, be received; and
- 4) The following deputations be received:
  1. Mr. Kevin Hanit, Queensbridge Drive, Concord;
  2. Mr. Adriano Volpentesta, America Avenue, Vaughan; and
  3. Mr. Richard Lorello, Treelawn Boulevard, Kleinburg.

Report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017

### **Recommendation**

The Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, in consultation with the City Manager and the Senior Management Team recommend:

1. That the presentation on the DRAFT 2018 Budget and 2019 - 2022 Financial Plan (the “2018 Budget Book”) be received;
2. That Council approve the 2018 tax supported operating budget with budgeted operating gross expenditures of \$296.8 million and budgeted revenues of \$296.8 million;
3. That Council approve the 2018 water, wastewater rate and stormwater charge supported operating budget (collectively the “Rate Budgets”) with budgeted operating gross expenditures of \$161.3 million and budgeted revenues of \$161.3 million;
4. That the list of 2018 capital projects, together with their total costs in the amount of \$121.2 million, summarized in Volumes 1 and 2 and detailed in Volume 3 of the Draft 2018 Budget and 2019 - 2022 Financial Plan, be

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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approved subject to annual capital funding;

5. That the list of 2019 - 2022 capital projects together with their total costs, outlined in Volume 3 of the Draft 2018 Budget and 2019 - 2022 Financial Plan, be recognized;
6. That the draft 2018 operating and capital spending authority be approved and the 2019-2022 plan be recognized as outlined in the 2018 Budget Book Volume 1, 2 and 3.
7. That the City Clerk and/or CFO & City Treasurer be authorized to apply for grants and to execute required documents including but not limited to funding agreements, should grants be made available related to initiatives within the approved or recognized budget.
8. That for user fees and service charges:
  - a. The schedules outlined in Volume 3 of the 2018 Budget Book be approved;
  - b. That the necessary by-laws be passed with effective dates of January 1, 2018;
  - c. That should the indexing of the user fees and service charges not be prescribed in the respective by-law and a budget not be passed by January 1<sup>st</sup> in a given year, the Treasurer be authorized to apply a 3 per cent fee/charge increase for economic adjustment, on January 1<sup>st</sup> of each year in 2019 and years after; and
  - d. That the Treasurer be authorized to revise Harmonized Sales Tax (HST) applicability for user fees and service charges as required by legislation.
9. That this matter and any comments received be referred to the next Finance, Administration and Audit Committee to continue deliberations.

### **Contribution to Sustainability**

The City's multi-year budget and financial plan contribute to sustainability by planning for the collection of revenues and allocation of resources to deliver the City's programs and services, achieve the priorities set out in the Term of Council Service Excellence Strategy map and investing in infrastructure with a view toward achieving long-term financial sustainability.

### **Economic Impact**

**Tax rate increases set to a maximum of 3 per cent annually for the next three years.**

At the January 12, 2015 meeting of the Finance, Administration and Audit (FAA)

## SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018

Committee, the following Committee recommendation was received and subsequently approved at Council:

*That recognizing the community's need for fiscal restraint, over the next few months the Finance, Administration and Audit Committee and City staff shall be directed to work toward a set target not to exceed 3% per annum for the period of 4 years.*

The proposed 2018 tax supported operating budget includes a property tax increase of three per cent, which is an increase of approximately \$56 for the average annual residential tax bill. If adopted as presented, the draft 2018 property tax supported operating budget would have the following economic impacts, consistent with Council's direction:

**Table2: Draft 2018 Property Tax Supported Operating Budget**

<b>\$ M</b>	<b>2017 Approved</b>	<b>2018 Proposed Budget</b>
Gross Operating	278.4	296.8
Less: Non-Tax Revenue	89.7	100.8
Net Operating	188.7	196.0
Assessment Growth	2.9	1.8
Supplemental Taxation and PIL	5.8	5.8
Net Levy Requirement	179.9	190.2
<b>Incremental Levy Requirement</b>	<b>5.2</b>	<b>5.5</b>
<b>Incremental Tax Rate</b>	<b>2.90%</b>	<b>3.00%</b>

Note: some numbers may not add due to rounding.

### **Property Tax Supported and Rate Budgets Tabled Together**

The tax supported budget has been tabled prior to the end of the fiscal year for the past three years. Beginning with the 2018 budget, the Rate Budgets are being tabled at the same time as the tax supported budget.

### **The Draft 2018 Budget and 2019-2022 Financial Plan includes a 2019-2022 operating and capital forecast at a summary level**

The progress on the current Term of Council Service Excellence Strategy Map and projections identified in the department business plans help inform the development of a 2019 -2022 operating and capital forecast. This forecast is intended to provide staff with the information they require for department business planning, and to provide community stakeholders with the planned progress of City

# SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018

initiatives. Staff are currently undertaking the preliminary work on refreshing Vaughan Vision 2020 (the City's long-term vision) and the development of the next Term of Council Strategy Map with work beginning in 2017, continuing into 2018 with final deliberations and approval to occur in conjunction with the start of the new Council at the end of 2018 or early 2019. Any amendments to priorities and strategic initiatives that result from this update will be incorporated into future budget processes.

The following table presents the 2018 proposed budget and 2019-2022 forecasted gross operating expenditures by Portfolio/Office.

**Table1: Gross Expenditures by Portfolio/Office**

\$ M	2017 Approved	2018 Proposed Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan
<b>Community Services</b>						
Fire and Rescue Services	48.3	49.5	51.3	52.1	52.4	52.7
Recreation and Other Community Services	54.0	54.9	56.7	57.3	57.4	57.5
	102.2	104.4	107.9	109.4	109.8	110.2
<b>Public Works</b>	206.9	223.7	239.9	255.2	263.5	270.3
<b>Planning and Growth Management</b>	24.7	26.3	26.4	26.3	26.2	26.3
<b>Corporate Services</b>	28.0	28.6	29.6	30.5	31.5	31.5
<b>Vaughan Public Libraries</b>	17.9	19.2	20.1	20.3	20.3	20.4
<b>Other Offices</b>	50.5	56.0	55.4	60.2	67.6	75.3
<b>Combined Tax and User Rate Gross Expenditures</b>	<b>430.2</b>	<b>458.1</b>	<b>479.4</b>	<b>501.9</b>	<b>518.9</b>	<b>534.0</b>
<b>Less: Water, Wastewater and Stormwater</b>	<b>151.8</b>	<b>161.3</b>	<b>175.8</b>	<b>190.6</b>	<b>198.4</b>	<b>204.6</b>
<b>Tax Rate Gross Expenditures</b>	<b>\$278.4</b>	<b>\$296.8</b>	<b>\$303.6</b>	<b>\$311.3</b>	<b>\$320.5</b>	<b>\$329.4</b>

## Communications Plan

The following key themes resonate throughout all budget communications:

- Keeping taxes low
- Maintaining service levels
- Moving forward with city-building initiatives
- Ensuring an open and transparent process

A comprehensive multi-channel public communication plan has been developed to support the budget and to help ensure Vaughan residents have opportunities to be informed and involved in the budget process.

The communications plan includes a mix of communications channels to ensure all residents can be informed and involved in their preferred format: print/online/in-person. Communications tactics include:

- Print material (flyers and posters)
  - distributed to community centres, libraries, seniors' groups,



## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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- ratepayer associations
- Advertisements, including meeting dates, times and topics to be covered
- Media outreach
- Public meetings that are also streamed online
- Enhanced web content
- Online feedback form and telephone hotline
  - feedback received will be incorporated into presentations at FAA meetings
- eCommunications (social media, eNewsletters)

### **Public Outreach on the Budget Process Occurs Year-round.**

Outreach on the budget process is often a year round activity for the administration, both in formal and informal settings. This year, the Finance Office, in collaboration with the Asset Management Section of the Public Works Portfolio, created a new financial sustainability booth for both the Public Works Day and Concerts in the Park at City Hall. Both event booths were well attended and staff engaged the public through priority setting games, surveys on value for services and general education/discussions on the financial and infrastructure issues within the City. The feedback on the booths were positive and staff intend to continue with the initiative in 2018.

### **Making Strides to Improve the Budget Book**

The Budget Book received a refresh in 2016 as a result of staff making strides to achieve clear and easy to understand content. This year further improvements have been made to streamline the budget for easier navigation. A new section titled “This is Vaughan” provides an update on progress toward achieving the Council’s priorities on the Term of Council Service Excellence Strategy Map and outlines the actions planned for 2018 and 2019-2022.

### **Purpose**

The purpose of this report is to present the Finance, Administration and Audit Committee with the DRAFT 2018 Budget Book that outlines the DRAFT 2018 Budget and 2019 - 2022 Financial Plan and the corresponding tax adjustments and water and wastewater rate increase that, if adopted, would allow the City to continue providing a wide range of services and infrastructure to Vaughan households and business.

### **Background - Analysis and Options**

#### **The Citizen Satisfaction Survey shows that residents are happy with the programs and services provided by the City**

Citizen Satisfaction Surveys are an important tool to hear from citizens about their

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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top-of-mind issues of concern and satisfaction with city services. The results of the Survey provides the City with valuable feedback from residents which inform policy decisions, budgetary spending and continuous improvement.

Overall the City is meeting the needs of residents, providing for a good quality of life, satisfaction for taxpayer dollars and a positive customer service experience. Findings from the last Citizen Satisfaction Survey indicate that 97% of respondents felt the quality of life in the City was very good or good. In addition, 94% of residents indicated that they were satisfied or very satisfied with the delivery of all services provided by the City.

The proportion of residents who believe they receive good value for their tax dollars has also increased and is now at the highest level recorded over the years with 85% of the residents agreeing that they receive at least fairly good value for their tax dollars, up 13% from 2014.

As we continue to deliver the Term of Council Service Excellence Strategy Map, the information gathered through the 2016 Citizen Satisfaction Survey will measure the impact of delivering on Council's priorities and service delivery improvements.

### **Financial Sustainability is a Service Excellence Initiative on the City Strategy Map**

Earlier in 2017, City Council approved a new Fiscal Framework through the Financial Sustainability Service Excellence initiative. This framework included guiding principles to inform staff and Council on decision making related to financial matters. In alignment with the guiding principles, the objective of the City's financial planning process is to develop a multi-year budget that balances the need to maintain existing services, accommodate growth requirements, undertake corporate initiatives and safeguard water resources against the City's capacity to fund them. The City's financial management policies and practices are based on legislation and best practices to maintain the City's strong financial position.

### **Building Capacity while Ensuring that Growth Pays for Growth**

The City is growing rapidly. We are delivering on the vision of being a City of Choice, improving service delivery, managing growth and delivering services more effectively and efficiently. This is being done while maintaining tax rate increases that are aligned with the target set by Council while ensuring that growth pays for growth.

The DRAFT 2018 Budget is aligned with the term of council priorities and the service excellence strategic initiatives presented in the Term of Council Service Excellence Strategy Map. The plan provides a focused set of priorities for the corporation to deliver on our mission of citizens first through service excellence. The plan also aligns the City's 2018 budget with the priorities and goals of the

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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strategic plan while keeping the tax rate in line with targets set by Council. This budget also presents a plan for achieving the City's priorities in the 2019 to 2022 period.

Focusing on service excellence means that we will seek out ways to improve how residents and businesses experience our services. The goal is to offer great value in our programs and services while also seeking efficiencies in how services are delivered. This will include identifying opportunities to use technology and apply digital strategies to improve our ability to deliver service excellence cost-effectively.

The draft 2018 budget outlined in the attached Draft 2018 Budget Book sets out staff's recommended operating allocations to deliver the City's programs and services over the next year including additional resource requests. It also provides information about capital projects that are underway, recommended new capital projects and forecasts for the City's obligatory and discretionary reserves. Investments in the Service Excellence Initiative projects proposed in this 2018 Budget Book will help achieve department efficiencies to ensure we will achieve Council's mandated maximum tax rate increases of not more than three per cent per year.

### **Relationship to Term of Council Service Excellence Strategy Map (2014-2018)**

This report is consistent with the Term of Council Priority to meet Council tax rate targets of no greater than three percent and the Service Excellence Initiative related to Financial Sustainability.

### **Regional Implications**

The Rate Budgets include wholesale purchases from the Region for 2018 representing 77 per cent of the City's combined water and wastewater costs.

The residential and business tax bills include levies from the City of Vaughan, the Region of York and the Province. The proposed tax levy increase presented in the Draft 2018 Budget Book is for the City's share, which is approximately 28% of the total average residential tax bill or 16% of the average business tax bill. The Region's budget will be tabled to York Region's Council on November 16, 2017.

### **Conclusion**

The DRAFT 2018 Budget and 2019 -2022 Financial Plan is aligned with the Term of Council Service Excellence Strategy Map. The infrastructure investments have also been aligned to Council's priorities. This draft budget provides a financial framework within which the corporation can move forward in delivering the needed services and infrastructure to Vaughan citizens, while continuing its pursuit of service excellence.

### **Attachments**

Attached Draft 2018 Budget Book is set out as follows:

#### **Draft 2018 Budget Book**

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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- Draft 2018 Budget and 2019 -2022 Financial Plan Volume 1 – Budget Overview
- Draft 2018 Budget and 2019 -2022 Financial Plan Volume 2 – Department Budgets
- Draft 2018 Budget and 2019 -2022 Financial Plan Volume 3 – Appendices and Proposed User Fees/Service Charges

Attachments have been posted on-line and a hard copy of each attachment is on file in the Office of the City Clerk. They can be found by clicking on this [link](#).

**(Attachments to this report were previously distributed with the Agenda for the November 6, 2017, Finance, Administration and Audit Committee meeting)**

**Report prepared by:**

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Manager, Financial Planning & Analysis

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

### **18. BY-LAWS**

MOVED by Regional Councillor Ferri  
seconded by Councillor Iafrate

THAT the following be approved in accordance with Communication C5, from the Deputy City Manager, Planning and Growth Management and the Director of Development Planning, dated January 30, 2018:

1. THAT Schedule "A" of the Tariff of Fees By-law for Planning Applications (By-law 018-2018) BE AMENDED as follows:

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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- i) That the fee for a Site Development Application, specifically the Non-Residential and Mixed-Use fees expressed as a per 100m<sup>2</sup> charge be revised to a per square metre (m<sup>2</sup>) charge.

CARRIED

MOVED by Councillor Yeung Racco  
seconded by Councillor Sehman

THAT the following by-law be enacted, as amended:

By-Law Number 018-2018	A By-law to impose a tariff of fees for the processing of Planning Applications and to repeal By-law Number 168-2017, being a prior by-law imposing a tariff of fees for Planning Applications. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Council, September 26, 2017, Item 6, Finance, Administration and Audit Committee, Report No. 8)
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CARRIED

MOVED by Councillor Iafrate  
seconded by Regional Councillor Rosati

THAT the following by-law be enacted:

By-Law Number 016-2018	A By-law to amend City of Vaughan By-Law Number 087-2016, as amended, with respect to wastewater rates and to repeal by-law 009-2017. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Item 1, Finance, Administration and Audit Committee, Report No. 11)
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By-Law Number 017-2018	A By-law to amend City of Vaughan By-Law Number 177-2016, as amended, with respect to water rates and to repeal by-law 010-2017. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Item 1, Finance, Administration and Audit Committee, Report No. 11)
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## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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| By-Law Number 019-2018 | A By-law to amend By-law 315-2005, as amended, being a By-law to provide for the licensing, regulating and governing of certain businesses, activities and undertakings in the City of Vaughan. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Item 1, Finance, Administration and Audit Committee, Report No. 11)               |
| By-Law Number 020-2018 | A By-law to amend By-law 370-2004, as amended, being a By-law to provide for the issuing, revoking, and/or suspending of permits and for regulating and inspecting special events within the City of Vaughan. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Item 1, Finance, Administration and Audit Committee, Report No. 11) |
| By-Law Number 021-2018 | A By-law to amend By-law 371-2004 being a by-law to provide for the issuing, revoking, and/or suspending of permits and for regulating and inspecting filming events within the City of Vaughan. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Item 1, Finance, Administration and Audit Committee, Report No. 11)              |
| By-Law Number 022-2018 | A By-law to amend By-law Number 171-2013 to provide for fees and charges under the Municipal Act. (Item 3, Special Council (Budget) Meeting, January 30, 2018, Item 1, Finance, Administration and Audit Committee, Report No. 11)   |

CARRIED

### **19. CONFIRMING BY-LAW**

MOVED by Councillor Yeung Racco  
seconded by Councillor DeFrancesca

THAT By-law Number 024-2018, being a by-law to confirm the proceedings of Council at its meeting on January 30, 2018, be enacted.

CARRIED

## **SPECIAL COUNCIL (BUDGET) MEETING MINUTES – JANUARY 30, 2018**

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### **20. ADJOURNMENT**

MOVED by Councillor Carella  
seconded by Regional Councillor Ferri

THAT the meeting adjourn at 8:02 p.m.

CARRIED

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Hon. Maurizio Bevilacqua, Mayor

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Barbara A. McEwan, City Clerk