

CITY OF VAUGHAN
REPORT NO. 1 OF THE
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE

*For consideration by the Council
of the City of Vaughan
on January 24, 2017*

The Finance, Administration and Audit Committee met at 9:35 a.m., on January 16, 2017.

Present: Councillor Rosanna DeFrancesca, Chair
Regional Councillor Michael Di Biase
Regional Councillor Mario Ferri
Regional Councillor Gino Rosati
Councillor Marilyn Iafrate
Councillor Sandra Yeung Racco
Councillor Alan Shefman

The following items were dealt with:

**1 2017 DRAFT WATER, WASTEWATER AND STORMWATER OPERATING BUDGETS
 AND THE 2018 PLAN**

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the City Manager, the Chief Financial Officer & City Treasurer, the Director of Environmental Services and the Director of Financial Services/Deputy Treasurer, dated January 16, 2017, be approved;**
- 2) That staff be requested to prepare a resolution to be forwarded to the Province of Ontario requesting relief and assistance from the high cost of providing Water and Wastewater services for Regional and Local Municipalities across the Province;**
- 3) That the following be approved in accordance with Communication C1 memorandum from the Deputy City Manager, Public Works, the Chief Financial Officer and City Treasurer, the Director of Environmental Services and the Director of Financial Services/Deputy City Treasurer, dated January 16, 2017:**

That the sections in this communication replace the sections in 1.39 and 1.41 of #P and M, respectively of the Water, Wastewater and Stormwater Service Charges (Attachment 3);

- 4) That Communication C2, presentation material, entitled, “*Water/Wastewater/Stormwater 2017 Draft Budget*”, dated January 16, 2017, be received; and**

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5) That the following deputations be received:

- 1. Mr. Gerry O'Connor, Pennycross Court, Woodbridge; and**
- 2. Ms. Daniela Palma, Golden Orchard Road, Maple.**

Recommendation

The City Manager, the Chief Financial Officer & City Treasurer, the Director of Environmental Services and the Director of Financial Services/Deputy Treasurer recommend:

1. That the draft 2017 budget including rate changes for Water and Wastewater reflecting the Regional Rate increase, new Stormwater charges, City operating and City capital requirements be approved as follows:
 - a) That the City's water rate be increased from \$1.5815 to \$1.7159 per cubic metre effective after Council approval;
 - b) That the City's wastewater rate be decreased from \$2.1426 to \$2.0663 per cubic metre effective after Council approval;
 - c) That the City's stormwater classification charges be approved;
 - d) That the stormwater portion of the wastewater reserve, reconciled as at December 31, 2016, transfer from the Wastewater Reserve to the new Stormwater Reserve be approved;
 - e) That the funding source for approved stormwater capital projects be changed from the wastewater reserve to the stormwater reserve;
 - f) That the capital projects FL-5531-17, FL-5532-17 and EV-2118-17 in the amount of \$160,680.00, \$43,260.00 and \$154,500.00 respectively, as outlined in Attachment 4 for a total of five new vehicles and a water and wastewater rate study be approved;
 - g) That the Additional Resource Request (ARR) as outlined in Attachment 2 be approved;
 - h) That the service charges for water, wastewater and stormwater as outlined in Attachment 3 be approved;
 - i) That any necessary by-laws be introduced; and
 - j) That the water-consumption rate and the wastewater-discharge rate set out in Attachment 3 come into effect on April 1, 2017.

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**UPLANDS GOLF & SKI CENTRE
RESULTS OF RFI16-276
OPTIONS FOR FUTURE OPERATIONS & PROPERTY MANAGEMENT
WARD 5**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Planning & Growth Management and the Director of Parks Development (Chair of Uplands Operations Committee), dated January 16, 2017:

Recommendation

The Deputy City Manager, Planning & Growth Management and the Director of Parks Development (Chair of Uplands Operations Committee) in consultation with the Deputy City Manager of Community Services, Director of Recreation Services, Chief Financial Officer & City Treasurer and the Director of Procurement Services recommend:

1. That staff report back to a future Committee meeting with RFP results and a recommendation to establish a new management agreement for the Uplands Golf & Ski Centre.

3 FINANCIAL SUSTAINABILITY PROGRAM AND FISCAL FRAMEWORK GUIDING PRINCIPLES

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer and Director of Financial Planning & Development Finance and Deputy City Treasurer, dated January 16, 2017, be approved; and
- 2) That Communication C3, presentation material, entitled, “*Financial Sustainability Program and Fiscal Framework Guiding Principles*”, dated January 16, 2017, be received.

Recommendation

The Chief Financial Officer and City Treasurer and Director of Financial Planning & Development Finance and Deputy City Treasurer, in consultation with the Corporate Management Team, the Fiscal Framework Senior Management Advisory Team and the Development Charge By-law Review Senior Management Advisory Team recommend:

1. That the Financial Sustainability Program work plan be received; and
2. That the Fiscal Framework Guiding Principles be endorsed.

TASK FORCE FINDINGS REPORT: COUNCIL EXPENDITURES

The Finance, Administration and Audit Committee recommends that consideration of this matter be deferred to a future Committee of the Whole (Working Session) to allow for further debate, discussion and clarification.

Recommendation

The City Clerk, on behalf of the Council Expenditure and Code of Conduct Review Task Force, forwards the following for Council's consideration, as the first phase of the Task Force's Findings Report:

That the recommendation contained in the report of the Chief Financial Officer and City Treasurer, the City Clerk, and the Director of Financial Planning & Development Finance and Deputy City Treasurer, on behalf of the Council Expenditure and Code of Conduct Review Task Force, dated December 13, 2016, be approved subject to amending the recommendations to read as follows:

1. That the following recommended amendments to the Council Member Expense Policy (CL 12) be approved, as the first phase of the Task Force's Findings Report:
 - a. That the source of City funding be identified on any advertisements placed by the Mayor and Members of Council;
 - b. That advertising funded by third parties or paid for by a Member of Council using personal funds shall not be permitted;
 - c. That the election year advertising cut-off date shall remain as June 30;
 - d. That in an election year, paid advertisements or corporate newsletters (including enewsletters) after the cut-off date may be permitted only if directly related to city business such as communicating with respect to a pending Planning Act application or development matter, the facilitation of a community meeting, the opening of a city facility, and community consultations relating to a matter to be considered by Council before the end of the term. After the cut-off date advertising may not be placed to issue greetings on behalf of a councillor or merely to provide contact information;
 - e. That business card publications shall be permitted; however care shall be taken to avoid multiple business cards from different Council Offices in one publication;
 - f. That if a corporate greeting is placed, no individual ads (or business cards) shall be permitted, particularly for holiday greetings;
 - g. That the Office of Corporate Communications inform Council of all corporate advertisements annually;
 - h. That as a principle, the manner of advertising chosen shall be made on the basis of reaching the most residents for the lowest cost;
 - i. That congratulatory letters (provided they are at no cost) shall not be subject to the restrictions in the expense policy regarding paid advertising;
 - j. That 'on-line publications' shall be added to the list of media eligible for paid postings;

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- k. That the \$2000/\$4000 (Council Member/Mayor) limit for advertisements in 'charitable' publications shall be maintained, but for other publications there shall be no maximum otherwise so long as the advertising expense is within budget;
 - l. That the definition of Social Community Event shall be "a social event such as a picnic, public skate or swim, movie night or similar public gathering arranged by a Member or Members of Council to support community building and/or public access to elected officials";
 - m. That Council may host up to 2 Social Community events per year and approval of this policy recognizes conformity with the Code of Ethical Conduct on Gifts and Benefits Rule No. 2 1 U) and further that any additional events by any Member of Council will require preapproval or authorization from Council;
 - n. That Social Community Events are to be funded entirely by donations and sponsorships, with the exception of reasonable indirect city expenses such as council staff time;
 - o. That a post Social Community Event filing shall be required setting out the donations and services that have been provided to support the event and further that monetary transactions continue to be processed through the City's Financial Services;
 - p. That there must be full transparency when sponsors are involved in Social Community Events and that Sponsorships shall only be provided in conjunction with set criteria to be defined;
 - q. That in circumstances where an unforeseen expenditure from the Council Corporate Budget is proposed, and where in the joint opinion of the City Clerk and the Chief Financial Officer and City Treasurer, the expenditure is warranted but not so substantial as to require a report to Council (either due to time constraints or the minor nature of the expenditure) such expenditures shall be consolidated into a monthly expenditure report; and
- 2. That the standard operating procedure for Member Hosted Social Events as outlined in Attachment 1 and the accompanying report template presented in Attachment 2 be approved, recognizing that the completion and posting of this template fulfils the reporting requirements under Rule Nos 2 and 3 of the Code of Ethical Conduct for Members of Council (CL11);
 - 3. That the standard operating procedures for Attending a Charitable Fund-raising Event as outlined in Attachment 1 be approved;
 - 4. That the reporting threshold for funds received by any one source during the course of a calendar year for a Member Organized Community Event under Rule No 2 of the Code of Ethical Conduct for Members of Council (CL 11) be amended from \$500 to \$800;
 - 5. That Communication C1, (Attachment 3 to this report), from the Council Expenditure and Code of Conduct Review Task Force meeting of December 13, 2016, be considered as part of the Task Force findings; and
 - 6. That the Clerk, on behalf of the Council Expenditure and Code of Conduct Review Task Force, forward the foregoing recommendations to the Finance, Administration and Audit Committee of January 16, 2017 for consideration.

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ELECTION OF CHAIR

The Finance, Administration and Audit Committee recommends that Council waive the requirements of Section 1.3 (2) b.vi of the Procedure By-Law Number 7-2011 to permit the re-appointment of Councillor DeFrancesca as the Chair of the Finance, Administration and Audit Committee until the completion of the 2018 Operating and Capital Budget process.

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OTHER MATTERS CONSIDERED BY THE COMMITTEE

8.1 CONSIDERATION OF AD HOC COMMITTEE REPORTS

The Finance, Administration and Audit Committee recommends:

That the following Ad Hoc Committee report be received:

1. Cycling and Pedestrian Advisory Task Force meeting of December 7, 2016 (Report No. 6).
2. Council Expenditure and Code of Conduct Review Task Force meeting of December 13, 2016 (Report No. 8).

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The meeting adjourned at 12:25 p.m.

Respectfully submitted,

Councillor Rosanna DeFrancesca, Chair