



**CITY OF VAUGHAN
SPECIAL COUNCIL MINUTES
DECEMBER 10, 2012**

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CITY OF VAUGHAN
SPECIAL COUNCIL MEETING
MONDAY, DECEMBER 10, 2012

MINUTES

+/- 8:30 P.M.

Council convened in the Municipal Council Chamber in Vaughan, Ontario, at 8:47 p.m.

The following members were present:

Hon. Maurizio Bevilacqua, Mayor
Regional Councillor Gino Rosati
Regional Councillor Michael Di Biase
Regional Councillor Deb Schulte
Councillor Tony Carella
Councillor Rosanna DeFrancesca
Councillor Sandra Yeung Racco

190. CONFIRMATION OF AGENDA

MOVED by Regional Councillor Di Biase
seconded by Councillor Racco

THAT the agenda be confirmed.

CARRIED

191. DISCLOSURE OF INTEREST

There was no disclosure of interest by any member.

192. USER FEE/SERVICE CHARGE REVIEW & BY-LAW UPDATES
(Item 1, Finance and Administration Report No. 15)

MOVED by Councillor Carella
seconded by Regional Councillor Schulte

THAT the Finance and Administration Committee recommendation of December 10, 2012, be adopted without amendment:

1. That the recommendation contained in the following report of the Commissioner of Finance & City Treasurer and the Director of Budgeting and Financial Planning, dated December 10, 2012, be approved; and
2. That the deputation of Mr. Richard Lorello, Treelawn Boulevard, Kleinburg, be received.

CARRIED

Recommendation

The Commissioner of Finance & City Treasurer and the Director of Budgeting and Financial Planning, in consultation with City departments recommend:

That the user fee/service charge schedule outlined in Attachment #2 be approved and effective January 1st, 2013.

Contribution to Sustainability

Sustainability seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future. Therefore, to ensure services are adequately funded it is important to sustain or improve revenue/cost relationships. Otherwise, any reduction in a user fee or service charge cost recovery ratio will have a corresponding and direct impact on the City's levy and/or service level funding. As part of the City's Draft 2013 Budget and 2014-2016 Operating Plan, departments were required to review user fees and service charges and make adjustments to sustain or improve revenue/cost relationships.

Economic Adjustment

The proposed economic adjustments are price related only and have been incorporated in the Draft 2013 Budget and 2014-2016 Operating Plan. The associated total budget adjustments are illustrated below:

	2013	2014	2015	2016
Total Fee Adjustment	\$206k	\$215k	\$210k	\$228k

A price variance budget summary is provided as Attachment #1, which illustrates the overall budget change for each by-law and the corresponding department section. Proposed individual user fee and service charge changes are provided as Attachment #2.

Communications Plan

Vaughan residents are invited to attend this public meeting to provide comments with respect to this matter. The community has been notified of an opportunity for public input on user fee/service charge adjustments, consistent with the City's public notification by-law. Efforts consist of:

- Local media advertisements, beginning Nov. 24th
- City website – City Page Online

The Finance and Administration Committee will be followed immediately after adjournment by a Special Council Meeting to adopt the recommendations of the Finance and Administration Committee and any necessary by-laws. Agendas will be available in the City Clerk's Office on Friday, November 30, 2012.

Purpose

The purpose of this report is to provide the Finance and Administration Committee with information on proposed changes to user fees and service charges for the period 2013 to 2016.

Furthermore, given some user fee and service charges expire on December 31st, 2012 the intent of this report is to have updated by-laws in effect as of January 1st, 2013.

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The by-laws affected by this report are listed below.

Fees and Charges By-Law	By-Law 396-2002 as amended by Fee Schedule By-Law 13-2012
Planning Application Fees	By-Law 48-2011
Animal Licensing and Associated Fees	By-Law 53-2002 as amended by Fee Schedule By-Law 2-2010
Business Licenses and Fees	By-Law 315-2005 as amended by By-Law 177-2011
Special Events Permits	By-Law 370-2004
Filming Event	By-Law 371-2004
Newspaper Boxes	By-Law 372-2004

Background Analysis and Options

Inherent in the 2013-2016 Operating Budget Guidelines is a continued emphasis on maximizing the cost recovered on services provided. In addition to adjusting revenues for anticipated changes in activity volume, departments were requested to:

- ❖ Increase fees and charges in relation to annual cost increases, at minimum by the rate of inflation, in scheduled increments, unless otherwise specified.
- ❖ Incorporate a net full cost benefit in fees set for external inter-municipal services
- ❖ Submit new user fee and service charge opportunities

Most of the City's fees/charges are based on existing studies and multi-year by-laws; therefore prior year budget guidelines focused only on the General User Fee By-law, which captures a variety of minor/miscellaneous items. However with the emergence of multi-year planning and varying by-law intervals/expiry dates, this process was expanded to coordinate and consolidate the planning of user fee/service charge by-laws for review, update and approval under one common process and 4 year term. To ensure fees are effective at the beginning of each year and inline with budgeted revenue targets, user fees and service charge by-laws will need to be approved prior to finalizing the budget. Opportunities for future adjustments will be accommodated annually through the budget process.

Due to the number of fees and service charges within the City this action is being phased over time, with other by-laws (e.g. Recreation fees, Building Code fees, etc) coming onboard with future budget processes. Until then, these user fees and service charges will follow the existing by-law timelines. Once fully in effect, this action should streamline the process and ensure all user fee/service charge by-laws are reviewed together and updated regularly, providing a more holistic representation of the City's revenue generating efforts.

User Fee/Service Charge Review Results

The budget adjustments associated with department submitted user fee and service charge price increases discussed above are as follows:

By-Law	Dept/Desc	2012	2013		2014		2015		2016	
		Budget	Price Var.		Price Var.		Price Var.		Price Var.	
			\$	%	\$	%	\$	%	\$	%
By-Law 13-2012	General Fees - Multiple Dept.	2,570,153	84,836	3.3%	39,840	2.0%	67,319	2.4%	43,552	2.1%
By-Law 48-2011	Development Planning	3,183,642	99,618	3.1%	152,101	4.5%	116,996	3.0%	159,376	4.0%
By-Law 2-2010	Enforcement/Animal Licens.	45,600	-	0.0%	-	0.0%	2,000	4.4%	-	0.0%
By-Law 177-2011	Clerks/Licensing	930,840	20,943	2.2%	21,787	2.2%	22,626	2.2%	23,763	2.2%
By-Law 370-2004	Clerks/Perm. Spec. Events	14,625	340	2.3%	359	2.3%	378	2.2%	419	2.3%
By-Law 371-2004	Clerks/Perm. Filming Events	10,750	120	1.1%	798	15.6%	798	2.3%	798	2.2%
By-Law 372-2004	Clerks/Perm. Newspaper boxes	5,250	105	2.0%	105	2.0%	105	1.9%	105	1.9%
TOTAL		6,760,860	205,962	3.0%	214,990	3.2%	210,222	2.7%	228,013	3.0%

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The above adjustments are included in the Draft 2013 Budget and 2014-2016 Operating Plan. It should be noted, that the above only reflects budget adjustments related to price adjustments and does not incorporate any volume changes.

In general, departments followed the budget guidelines and increased fees accordingly. Based on 5 year historical average trends the guidelines suggested a minimum increase of 2.2%. As illustrated above, the revenue budgets increased on average by 2.98% over the 4 year term and total increases per by-law ranged from 0 to 15.6%. There are a few fees, which are based on activity cost recovery and these items will not illustrate price increases. Most 0% increases are a result of regulations, demand restrictions, or periodic increases every number of years. The 0% increase in animal licensing by-law 2-2010 (except for 2015) is a consequence of being consistent with other municipalities' pricing strategies. The most significant budget increase is related to the Development Planning Department, which is gradually increasing fees in an effort to achieve full cost recovery. The second largest budget increase is related to the General Fees by-law 13-2012, which includes fees for services offered by several departments. Most of this increase in 2013 is related to Finance and Building Standards departments, which generate approximately \$26K and \$22K respectively.

New User Fees & Service Charges

As a result of the review, only a few new user fees related to the General Fee By-law were proposed and they are as follows:

- Animal Services added two new fees for animal surrenders and animal disposals. These new fees are expected to generate approximately \$1,450 for 2013.
- Parks & Forestry Operations added several new fees for tree dedications, park bench dedications, private property tree protection permit administration fee and access agreements administration fee. These new fees are expected to generate approximately \$11k - \$13K each year for the four year period.
- Public Works Department added a fee for roads pre-event inspection and traffic control fee for special events. There is no budget impact as the volume is unknown and the department will revisit next year once more experience is developed.
- No new fees were proposed for periods 2014 to 2016.

Below is a table of new user fees proposed at the City and associated budget amounts for each year from 2013 to 2016.

Dept	Description	2013 Budget	2014 Budget	2015 Budget	2016 Budget
Enforcement	Animal Surrender Fee	1,200	1,200	1,200	1,200
	Animal Disposal Fee	250	250	250	250
Public Works	Roads Pre-event Inspection	-	-	-	-
	Traffic Control for Special Events	-	-	-	-
Parks	Private Property Tree Protection Permit Admin Fee	6,760	7,290	7,840	8,468
	Tree Dedication	1,596	1,632	1,662	1,692
	Tree Dedication Admin Fee	156	162	168	174
	Park Bench Dedication	2,555	2,610	2,670	2,730
	Park Bench Dedication Admin Fee	52	54	56	58
	Access Agreements Admin Fee	312	324	336	348
	TOTAL	12,881	13,522	14,182	14,920

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Enclosed in Attachment #2 are the department proposed user fees and service charges for Finance and Administration Committee's consideration.

Relationship to Vaughan Vision 2020

This report is consistent with the budget guidelines and priorities previously set by Council.

Regional Implications

There are no Regional implications associated with this report

Conclusion

Inline with the 2013-2016 Operating Budget Guidelines there is a continued emphasis on maximizing the cost recovered on services through user fees. Given, varying by-law intervals/expiry dates and the emergence of multi-year planning this process was expanded to coordinate and consolidate the planning of user fee/service charge by-laws under one common process. This action is being phased-in over time. As a result of the above, a review of several by-laws has taken place and specific results are provided in Attachment #2. Included with the results, are new fees proposed by the Enforcement Services, Parks Operations, and Public Works departments. Illustrated below is a brief summary of the total budget adjustment resulting from this process.

	2013	2014	2015	2016
Total Fee Adjustment	\$206k	\$215k	\$210k	\$228k

The above figures have been incorporated in the Draft 2013 Budget and 2014-2016 Operating Plan.

The community has been notified of an opportunity for public input on user fee/service charge adjustments, consistent with the City's public notification by-law. The Finance and Administration Committee will be followed immediately after adjournment by a Special Council Meeting to adopt the recommendations of the Finance and Administration Committee and any necessary by-laws.

Attachments

Attachment 1 – User Fee/Service Charge - Price Variance Budget Summary

Attachment 2 – Proposed User Fee/Service Charge Amendments

Report prepared by

Ursula D'Angelo, CGA
Manager, Operating Budget & Activity Costing
Ext 8401

(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.)

193. BY-LAWS

MOVED by Regional Councillor Di Biase
seconded by Regional Councillor DeFrancesca

THAT the following by-laws be enacted:

By-Law Number 182-2012 A By-law to amend By-law Number 396-2002, as amended, to provide for fees and charges by amending Schedules "A", "B", "C", "E", "F", "G", "I", "J", "K", "L", and "M". (User Fees and Charges By-

	law 396-2002) (Item 1, Finance and Administration Committee, Report No. 15)
By-Law Number 183-2012	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 1, Finance and Administration Committee, Report No. 15)
By-Law Number 184-2012	A By-law to amend By-law 372-2004, being a By-law to provide for the issuing, revoking, and/or suspending of permits and for regulating and inspecting Newspaper Boxes within the City of Vaughan (Item 1, Finance and Administration Committee, Report No. 15)
By-Law Number 185-2012	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 1, Finance and Administration Committee, Report No. 15)
By-Law Number 186-2012	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 1, Finance and Administration Committee, Report No. 15)
By-Law Number 187-2012	A By-law to impose a tariff of fees for the processing of Planning Applications and to repeal By-law Number 48-2011, being a prior by-law imposing a tariff of fees for Planning Applications. (Item 1, Finance and Administration Committee, Report No. 15)

CARRIED

194. CONFIRMING BY-LAW

MOVED by Councillor Racco
seconded by Regional Councillor Rosati

THAT By-law Number 188-2012, being a by-law to confirm the proceedings of Council at its meeting on December 10, 2012, be enacted.

CARRIED

195. ADJOURNMENT

MOVED by Councillor Carella
seconded by Regional Councillor Rosati

THAT the meeting adjourn at 8:49 p.m.

CARRIED