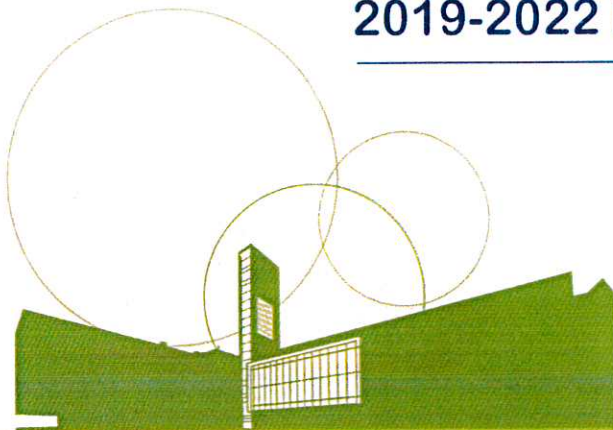


C2
COMMUNICATION
FAA- Nov 6/17
ITEM - 1

Draft 2018 Budget and 2019-2022 Financial Plan

Finance, Administration and Audit
Committee

November 6, 2017



This is Vaughan

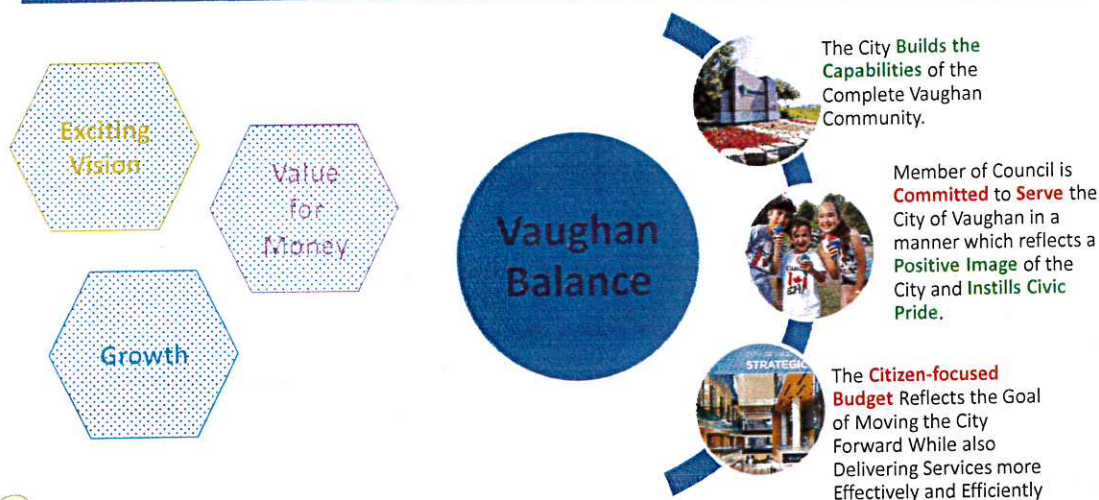


2

Financial Sustainability – Always a Priority



Exciting Vision, Responsible Governance



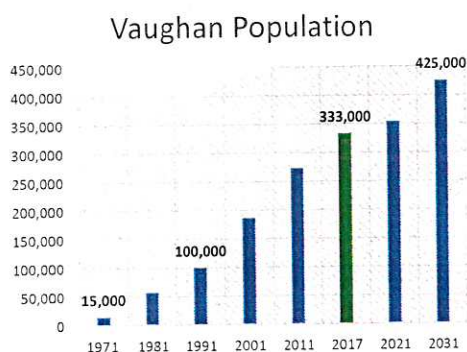
3

Financial Sustainability – Always a Priority

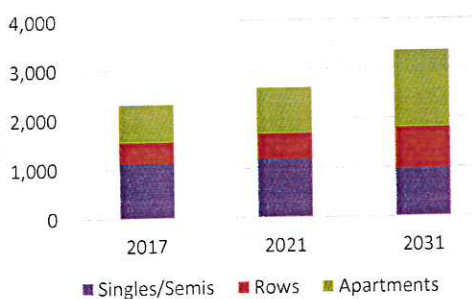


VAUGHAN

Vaughan Growth



Vaughan Household Units



Source: York Region & Hemson estimates

Note: The data is to show trend only, the figures will be further refined through updates of new growth plans currently underway by the Province, Region and the City

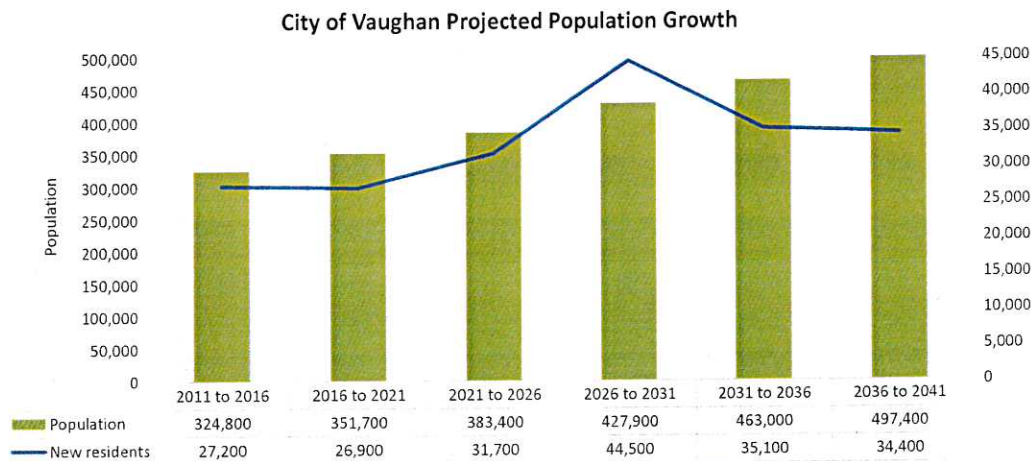
4

Financial Sustainability – Always a Priority



VAUGHAN

Accommodating up to 64% More Residents



5

Note: The data is to show trend only, the figures will be further refined through updates of new growth plans currently underway by the Province, Region and the City

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan - shifting to more mature and dense community



- Keeping up with service levels to meet demands arising from growth
- Infrastructure - more complex and costly



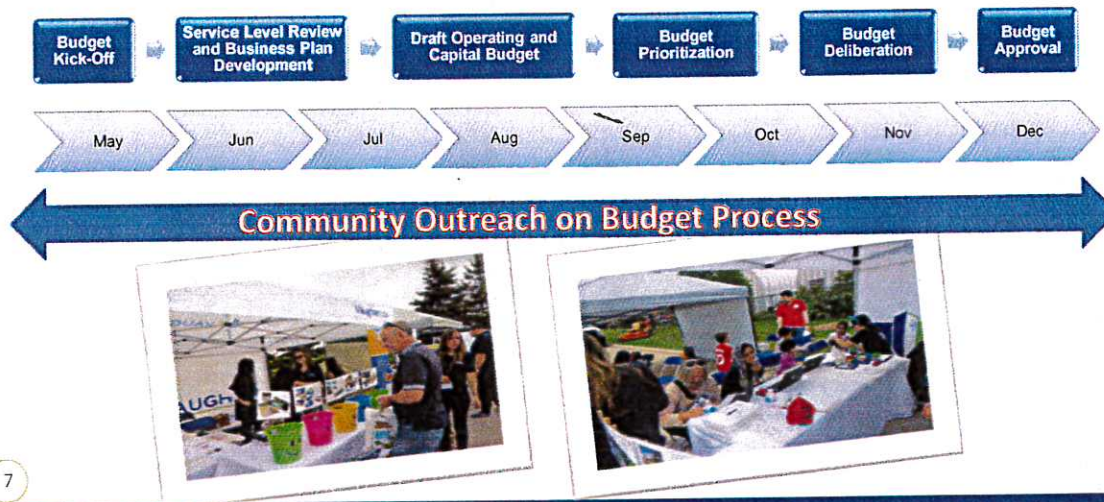
6

Financial Sustainability – Always a Priority



VAUGHAN

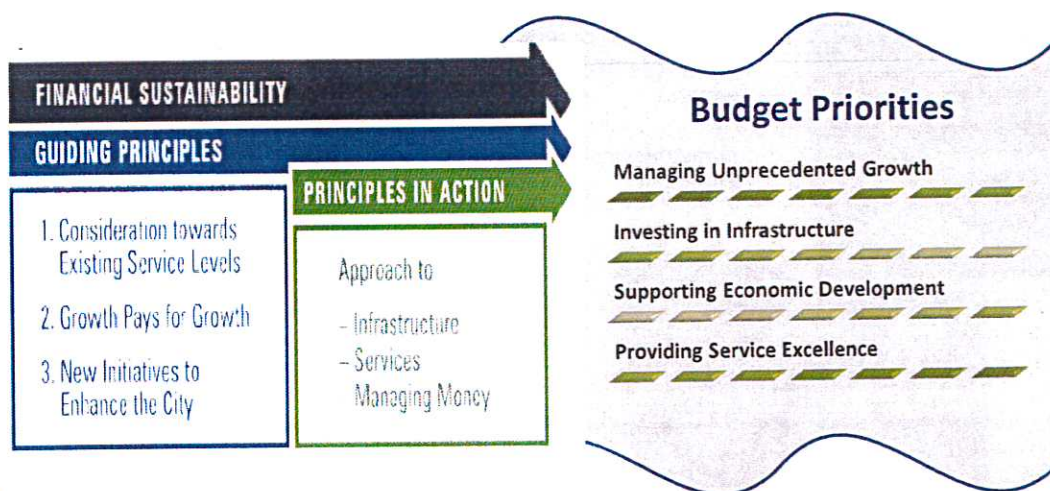
Budget Process



Financial Sustainability – Always a Priority



Budget Guiding Principles Supports Budget Priorities



Financial Sustainability – Always a Priority



2018 Operating and Five Year Capital Plan

Tax Supported Programs

2018 Gross Operating
\$297 million

Five Year Capital Plan
\$532 million

Utility Rate Supported Programs

2018 Gross Operating
\$161 million

Five Year Capital Plan
\$59 million

9

Financial Sustainability – Always a Priority



VAUGHAN

2018 Proposed Tax Supported Operating Budget

\$M	2017 Approved	2018 Proposed Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Gross Operating	278.4	296.8	303.6	311.3	320.5	329.4
Less: Non-Tax Revenue	89.7	100.8	101.9	101.9	103.3	103.9
Net Operating	188.7	196.0	201.7	209.3	217.3	225.5
Assessment Growth	2.9	1.8	1.7	1.8	1.8	1.9
Supplemental Taxation & PIL	5.8	5.8	5.8	5.8	5.8	5.8
Net Levy Requirement	179.9	190.2	197.6	205.3	213.3	221.7
Incremental Levy Requirement	5.2	5.5	5.7	5.9	6.2	6.4
Incremental Tax Rate	2.90%	3.00%	3.00%	3.00%	3.00%	3.00%

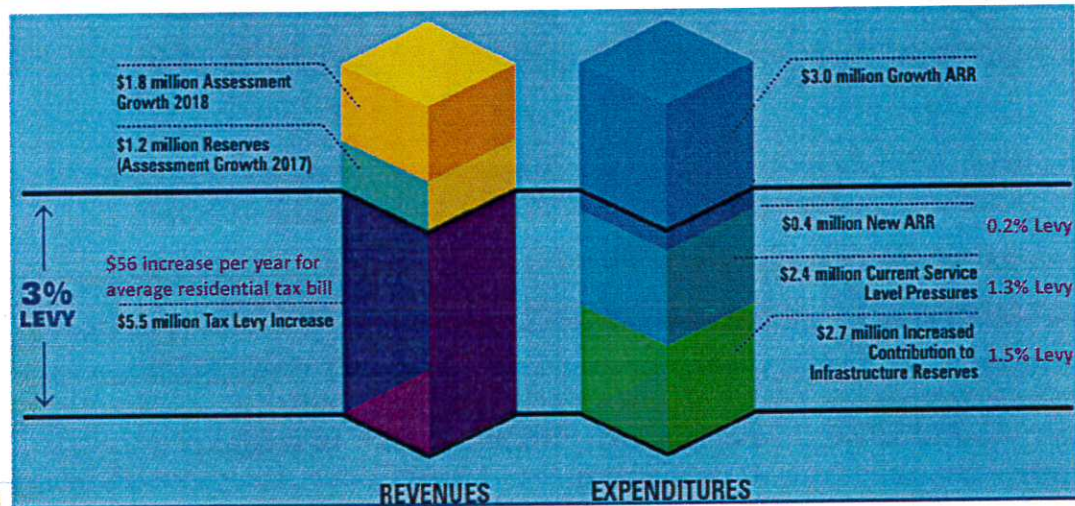
10

Financial Sustainability – Always a Priority



VAUGHAN

2018 Tax Levy Increase Analysis



11

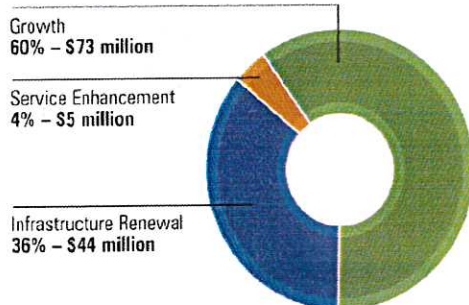
Financial Sustainability – Always a Priority



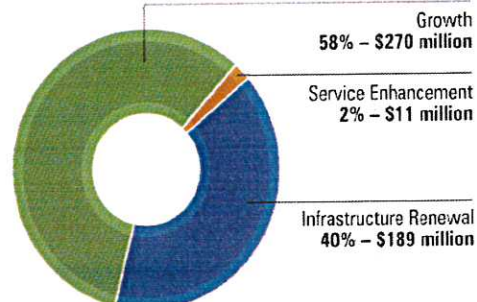
Sustainable Capital Project Investments

A Responsible Balanced Plan to Maintain Today's Infrastructure and to Build for Tomorrow

2018 Capital Investment



2019-2022 Capital Plan



12

Financial Sustainability – Always a Priority



Budget Links to Strategy Map

Term of Council
Service Excellence
Strategy Map
(2017-2018)

VAUGHAN



Key Activities

Trackable
Milestones

Financial Sustainability
Fiscal Framework

People

Process

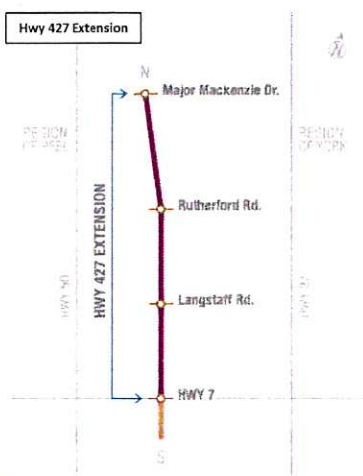
Technology

13

Financial Sustainability – Always a Priority



Improve Municipal Road Networks



Total Capital Plan - \$96.4 million
Active Projects - \$17.9 million

14

Budget Book Vol. 1: Page 28

Financial Sustainability – Always a Priority



Continue to develop options to get around the City



Total Capital Plan - \$7.5 million
Active Projects - \$14.5 million



15

Budget Book Vol. 1: Page 29

Financial Sustainability – Always a Priority



VAUGHAN

Facilitate the development of the VMC



Total Capital Plan - \$95.6 million
Active Projects - \$25.4 million

Budget Book Vol. 1: Page 30

16

Financial Sustainability – Always a Priority



VAUGHAN

Support the development of the hospital



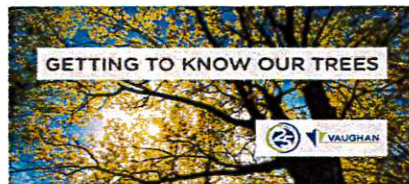
17

Budget Book Vol. 1: Page 31

Financial Sustainability – Always a Priority



Re-establish the urban tree canopy



Total Capital Plan - \$12.6 million

18

Budget Book Vol. 1: Page 32

Financial Sustainability – Always a Priority



Invest, renew and manage infrastructure assets



Total Capital Plan - \$274.3 million
Active Projects - \$132.8 million

Budget Book Vol. 1: Page 32

19

Financial Sustainability – Always a Priority



VAUGHAN

Continue to ensure the safety and well-being of citizens



Total Capital Plan - \$13.4 million

Budget Book Vol. 1: Page 34

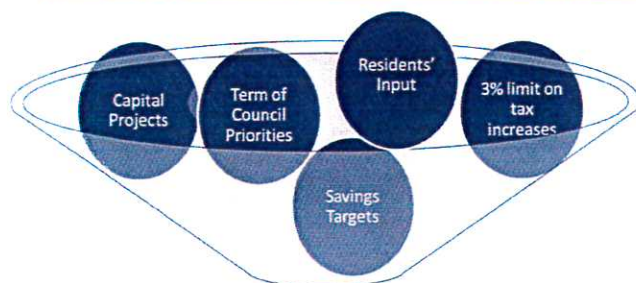
20

Financial Sustainability – Always a Priority

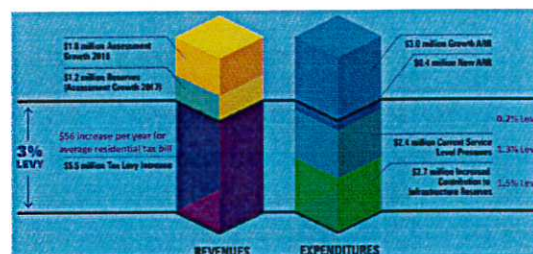


VAUGHAN

Meet Council tax rate targets - no greater than 3%



Draft 2018 Budget and Five Year Plan



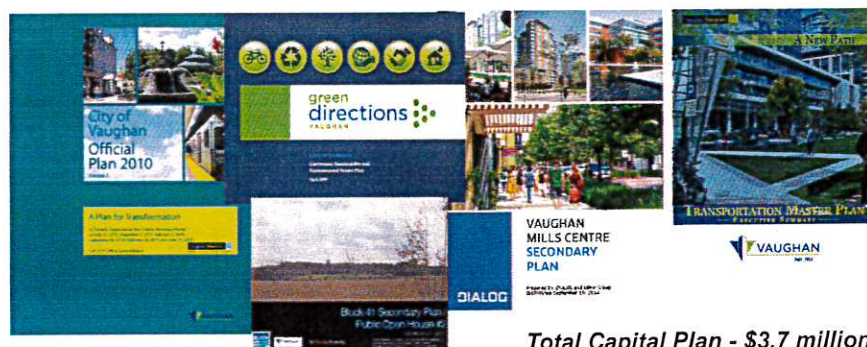
21

Budget Book Vol. 1: Page 34

Financial Sustainability – Always a Priority



Update the Official Plan and supporting studies



Total Capital Plan - \$3.7 million
Active Projects - \$7.3 million

22

Budget Book Vol. 1: Page 34

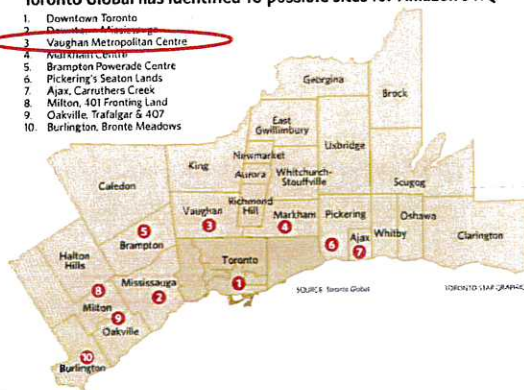
Financial Sustainability – Always a Priority



Attract investment & create jobs

Toronto Global has identified 10 possible sites for Amazon's HQ

1. Downtown Toronto
2. ~~Downtown Mississauga~~
3. Vaughan Metropolitan Centre
4. Markham Centre
5. Brampton Powerade Centre
6. Pickering's Seaton Lands
7. Ajax, Carruthers Creek
8. Milton, 401 Fronting Land
9. Oakville, Trafalgar & 407
10. Burlington, Bronte Meadows



Total Capital Plan - \$4.6 million

Budget Book Vol. 1: Page 36

23

Financial Sustainability – Always a Priority



VAUGHAN

Create and manage affordable housing options (secondary suites)

Woodbridge Housing Development



CITY OF VAUGHAN
SECONDARY SUITES STUDY



VAUGHAN

STUDY KICK OFF: MAY 27TH 2013

Sep 14, 2012 | Vote 0 0

30 new affordable housing units released in Vaughan

Source: Yorkregion.com

Budget Book Vol. 1: Page 37

24

Financial Sustainability – Always a Priority



VAUGHAN

Continue to cultivate an environmentally sustainable city

LED Street Light Retrofit



Black Creek Renewal Project

25

Total Capital Plan - \$1.7 million
Active Projects - \$21.9 million

Budget Book Vol. 1: Page 38

Financial Sustainability – Always a Priority



Support and promote arts, culture, heritage and sports



June 2016
City of Vaughan
Older Adult Recreation Strategy



Total Capital Plan - \$76.2 million
Active Projects - \$38.9 million

Budget Book Vol. 1: Page 38

Financial Sustainability – Always a Priority



Continue to advance a culture of excellence in governance



Total Capital Plan - \$2.1 million

27

Budget Book Vol. 1: Page 39

Financial Sustainability – Always a Priority



VAUGHAN

Enhance civic pride with consistent approach to citizen engagement



Total Capital Plan - \$0.4 million

28

Budget Book Vol. 1: Page 40

Financial Sustainability – Always a Priority



VAUGHAN

Establish a lobbyist registry



Lobbyist Registry

The Lobbyist Registry is a tool that provides accountability and transparency to lobbying activities by giving the public access to information about who is communicating with public office holders.

Am I A Lobbyist 	Register Lobbying Activity 	Lobbyist Registry 
Lobbyist Code of Conduct 	FAQ's 	Background 

29

Budget Book Vol. 1: Page 40

Financial Sustainability – Always a Priority



VAUGHAN

Service Excellence Initiatives



2016 Citizen Survey

We're reaching out to residents to find out what matters most to YOU

Share your opinion about:

- Quality
- Delivery
- Use

SERVICE EXCELLENCE STRATEGIC INITIATIVES	
CITIZEN EXPERIENCE	STAFF EXPERIENCE
<ul style="list-style-type: none"> • Streamline and improve service delivery • Enhance service delivery through digital channels • Improve service delivery through digital channels • Enhance service delivery through digital channels 	<ul style="list-style-type: none"> • Streamline and improve service delivery • Enhance service delivery through digital channels • Improve service delivery through digital channels • Enhance service delivery through digital channels
COMMUNITY ENGAGEMENT	STAFF EXPERIENCE
<ul style="list-style-type: none"> • Streamline and improve service delivery • Enhance service delivery through digital channels • Improve service delivery through digital channels • Enhance service delivery through digital channels 	<ul style="list-style-type: none"> • Streamline and improve service delivery • Enhance service delivery through digital channels • Improve service delivery through digital channels • Enhance service delivery through digital channels
STAFF EXPERIENCE	STAFF EXPERIENCE
<ul style="list-style-type: none"> • Streamline and improve service delivery • Enhance service delivery through digital channels • Improve service delivery through digital channels • Enhance service delivery through digital channels 	<ul style="list-style-type: none"> • Streamline and improve service delivery • Enhance service delivery through digital channels • Improve service delivery through digital channels • Enhance service delivery through digital channels



Total Capital Plan - \$3.6 million

30

Budget Book Vol. 1: Page 41-43

Financial Sustainability – Always a Priority



VAUGHAN

Understanding the Tax Bill

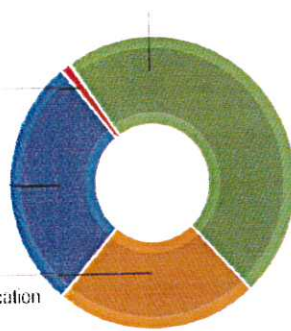
Average Residential Tax Bill

York Region
48% – \$3,314

Hospital Precinct
Development Levy
1% – \$73

City of Vaughan
28% – \$1,927

Province of Ontario - Education
23% – \$1,595



Note: based on average assessment value of \$891,000.

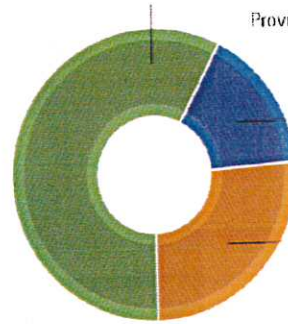
31

Commercial Tax Bill

Province of Ontario - Education
58% – \$988

City of Vaughan
16% – \$265

York Region
26% – \$439



Note: based on assessment value of \$100,000

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan's Taxes – Municipal & Regional Services



The City of Vaughan provides services such as:

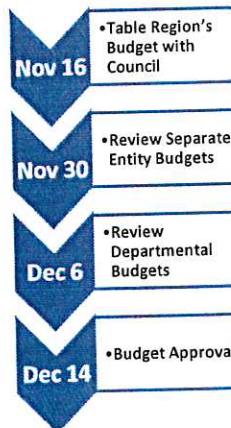
- Local roads
- Sidewalks
- Snow removal local roads and sidewalks
- Curbside waste pick-up
- By-law enforcement
- Animal services
- Licensing and permits
- Fire and rescue services
- Parks
- Community centres
- Libraries
- Crossing guards
- Water transmission and distribution
- Wastewater collection and transmission
- Stormwater management
- Tree and plant maintenance along local roads



York Region provides services such as:

- Regional roads
- Snow removal on regional roads
- Public transit (YRT, viav)l
- Processing of recycling and compostable
- Landfill disposal
- Police services
- Paramedic services
- Social services and social housing
- Public health services
- Water transmission, treatment and storage
- Wastewater transmission and treatment
- Tree maintenance along regional roads

York Region's Budget Deliberation Schedule



32

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan's Taxes – Provincial Education Taxes



The rates for the education portion of the tax are established by the Minister of Finance, and the education tax rates are set in Ontario Regulation 400/98 under the Education Act

33

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan's Taxes – Comparison Tax Rate Increases

	5 Year Average	2017	2016	2015	2014	2013
Mississauga	5.54%	5.70%	4.88%	4.00%	6.10%	7.00%
Caledon	4.89%	4.67%	4.28%	4.82%	4.98%	5.70%
Brampton	4.36%	3.30%	4.90%	5.79%	2.90%	4.90%
Burlington	3.83%	4.42%	3.14%	3.65%	3.50%	4.46%
Richmond Hill	3.47%	4.39%	4.20%	4.20%	2.04%	2.50%
Milton	3.40%	5.30%	2.00%	3.06%	3.63%	3.00%
Aurora	3.20%	3.10%	1.80%	3.91%	3.75%	3.42%
Newmarket	3.19%	2.99%	2.99%	3.50%	2.72%	3.74%
King	2.98%	2.98%	2.95%	2.97%	2.59%	3.42%
Barrie	2.90%	3.09%	2.91%	3.19%	2.03%	3.30%
Vaughan	2.74%	2.90%	2.90%	2.70%	2.50%	2.69%
Oakville	2.70%	3.21%	2.40%	2.79%	2.11%	3.01%
Markham	2.48%	3.46%	2.44%	2.50%	2.49%	1.50%

34

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan's Taxes – Comparison Residential Tax Rates

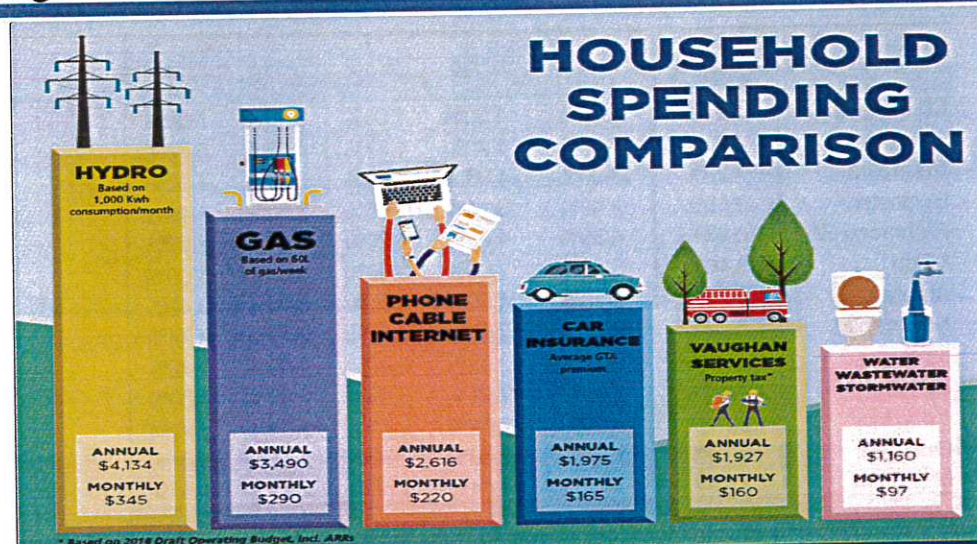
Municipality	5 Year Average			
	Municipal	Regional	Education	Total
Barrie	0.90%	0.00%	0.20%	1.09%
Brampton	0.48%	0.42%	0.20%	1.09%
Newmarket	0.39%	0.41%	0.20%	0.99%
Burlington	0.36%	0.32%	0.20%	0.88%
Caledon	0.36%	0.33%	0.20%	0.88%
Aurora	0.35%	0.41%	0.20%	0.95%
King	0.34%	0.41%	0.20%	0.94%
Oakville	0.33%	0.32%	0.20%	0.85%
Mississauga	0.30%	0.42%	0.20%	0.91%
Vaughan	0.27%	0.41%	0.20%	0.87%
Richmond Hill	0.26%	0.41%	0.20%	0.86%
Milton	0.26%	0.32%	0.20%	0.77%
Markham	0.25%	0.41%	0.20%	0.85%

35

Financial Sustainability – Always a Priority



Vaughan Household Spending



36

Financial Sustainability – Always a Priority



2018 Proposed Rate Supported Operating Budget

(\$M)	Water	Wastewater	Stormwater	Total
Revenue	67.5	81.6	9.2	158.3
Purchases	48.0	68.2		116.2
Gross Margin	19.5	13.4	9.2	42.1
Other Revenue	1.6	0.9	0.5	3.0
Expenditures				
Maintenance & Installation	6.3	4.0	3.9	14.2
General Administration	5.1	2.8	2.9	10.8
Other	1.1	0.5	1.7	3.3
Lifecycle Contribution	8.6	7.0	1.2	16.8
Total	21.1	14.3	9.7	45.1
Net	0.0	0.0	0.0	0.0

37

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan's Rates – Water & Wastewater

Safe drinking water	Effective wastewater collection	Stormwater management
---------------------	---------------------------------	-----------------------

- The objective is to ensure financially viable and sustainable water, wastewater and stormwater services for both the short and long-term
- For 2018, the combined water and wastewater draft rate is \$4.1566/m³ representing a 9.90% increase over 2017
- Based on the 2018 water and wastewater draft rate, the average household will pay an additional:

	Annual	Monthly
Water	\$45.36	\$3.78
Wastewater	\$54.62	\$4.55
Total	\$99.98	\$8.33

38

Financial Sustainability – Always a Priority



VAUGHAN

Vaughan's Rates – Stormwater Charges

Property Type	Draft Stormwater Charge – exemptions applied (2018)
Residential – Low Density (detached home) – per unit	\$50.00
Residential – Medium Density (townhouse, semi-detached) – per unit	\$30.61
Residential – High Density (condominium)	\$184.00
Non-Residential – Small (< 1 ac)	\$41.28
Non-Residential – Medium (1-10 ac)	\$1,066.21
Non-Residential – Large (>10 ac)	\$16,740.78
Agricultural/Vacant	\$694.65

* There is no change to stormwater charge

39

Financial Sustainability – Always a Priority



Vaughan's Rates – Municipal Comparison

Annual Cost to the Average Household*

Annual Cost Based on 267 m³



*Total Water/Wastewater billing based on an average consumption/usage of 267m³ per year.

40

Financial Sustainability – Always a Priority



Upcoming Budget Meetings

- **November 6** – Budget Overview
- **November 13** – Departmental Review
- **November 23** – Budget Wrap-up

*Public deputations are
encouraged at all budget meetings*

41

