

Draft 2017 Budget and 2018 Financial Plan

Presentation to
Finance, Administration and
Audit Committee
November 7, 2016
Committee Room 242/243



What Have We Achieved?

- Tax rate increases kept to **3% per year**
- **\$3.3 million in savings** for 2017 while maintaining service levels
- Positions the City to **deliver on Council's Priorities**
- Targets completion of **244 of 359 open capital projects** and commits **\$260 million for 369 new projects**
- Focuses on **improving service delivery**, managing growth, and delivering services more effectively and efficiently

2

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VAUGHAN

How Did We Develop This Plan?

3

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Strategy Map

- Outlines Vaughan's **vision, mission, values**
- Brings **focus and alignment** to position City for success
- **16 priorities** for this term of Council supported by 10 Service Excellence Initiatives

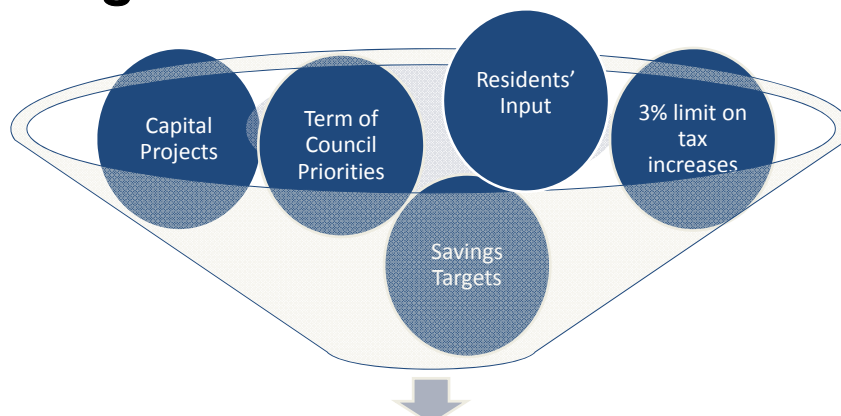


4

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Budget Considerations



Draft 2017 Budget and 2018 Plan

5

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What Are The Numbers?

6

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2017 Budget 2018 Plan

\$M	2016 Approved Budget	2017 Budget	2018 Plan
Gross Operating	265.2	277.1	289.2
Non-Tax Revenue	84.6	89.7	89.8
Net Operating	180.6	187.4	199.4
Assessment Growth	1.9	1.6	3.2
Supplemental Taxation & PIL	5.8	5.8	5.8
Efficiency Target			4.8
Net Levy Requirement	174.8	180.1	185.6
Incremental Tax Rate	2.90%	3.00%	3.00%
Capital - Open		158.3	
- New		114.0	145.6

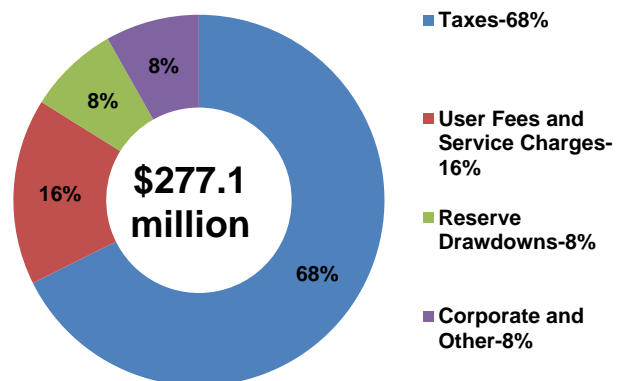
7

Attachment 1 Reference: Page 7, 14 and 39

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2017 Draft Operating Revenues

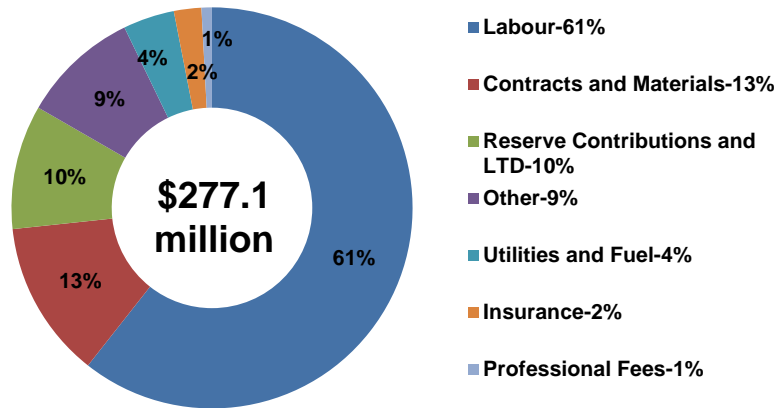


8

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Draft 2017 Operating Expenditures



9

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Operating Expenditures by Type

\$M	2016 Approved Budget	2017 Proposed Budget	2018 Plan	Average % Increase
Labour	156.9	168.0	172.7	8.47%
Contracts & Materials	33.3	35.2	36.5	7.55%
Reserve Contributions & LTD	29.6	27.8	31.6	0.75%
Other	25.9	26.2	22.7	-5.52%
Utilities & Fuel	10.9	11.5	12.2	8.55%
Insurance	6.1	6.2	6.5	4.06%
Professional Fees	2.5	2.3	2.2	-10.17%
Total Expenditures	265.2	277.1	284.4	5.80%

10

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\$3.3 million in Savings

\$1.3 million

- More closely align revenues and fees to the costs of providing service

\$0.8 million

- Cost recovery from capital program

\$0.7 million

- Alignment of department budgets with historical actual spend

\$0.3 million

- Better planning of maintenance activities

\$0.2 million

- Efficiencies achieved through contract negotiations

11

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Proposed 2017 ARRr



6 firefighters, 4 captains, 1 assistant deputy fire chief



Positions to maintain service delivery



Growth related and fee funded positions

12

Attachment 1 Reference: Page 247

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Proposed 2017 ARR



Positions to assist with achieving Service Excellence

Investments in:
Contract costs for software solutions
Economic Development
Asset Management



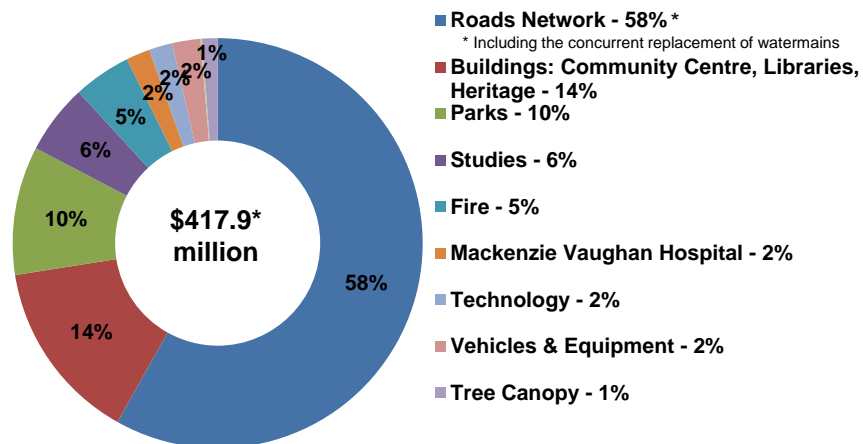
13

Attachment 1 Reference: Page 247

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Capital Plan



14

Attachment 1 Reference: Page 8; 51

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Capital Plan linked to Strategy Map

TERM OF COUNCIL PRIORITIES \$M	# Projects	Open	2017 Budget	2018 Plan	Total
Improve municipal road network	34	13.49	3.55	3.77	20.81
Continue to develop transit, cycling and pedestrian options to get around the City	51	14.88	5.85	5.23	25.96
Facilitate the development of the VMC	25	17.46	8.27	67.91	93.64
Support the development of the hospital	3	8.31	0.00	0.00	8.31
Re-establish the urban tree canopy	9	0.01	2.54	2.54	5.10
Invest, renew and manage infrastructure and assets	424	54.96	62.52	48.52	166.00
Continue to ensure the safety and well-being of citizens	20	7.09	0.53	3.63	11.26
Meet Council tax rate targets (no greater than 3%)	1	0.05	0.00	0.00	0.05
Update the Official Plan and supporting studies	29	5.33	1.43	1.83	8.59
Attract investment and create jobs	11	2.39	0.14	0.00	2.53
Create and manage affordable housing options (secondary suites)	1	0.01	0.00	0.00	0.01
Continue to cultivate an environmentally sustainable city	14	7.85	16.86	0.00	24.71
Support and promote arts, culture, heritage and sports in the community	60	24.68	9.71	11.18	45.57
Continue to advance a culture of excellence in governance	8	0.02	0.44	0.36	0.82
Enhance civic pride through a consistent city-wide approach to citizen engagement	10	0.02	1.02	0.44	1.48
Operational Performance	6	0.64	0.21	0.19	1.04
Staff Engagement	18	0.88	0.98	0.00	1.85
Citizen Experience	4	0.18	0.00	0.00	0.18
Total New Capital Projects	728	158.26	114.05	145.60	417.91

*Some projects span multiple years

15

Attachment 1 Reference: Page 52; 54

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Improve Municipal Road Networks



Total Capital Plan - \$20.1 million
On – going Activities - \$20.4 million

16

Attachment 1 Reference: Page 23

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Continue to develop options to get around the City



Total Capital Plan - \$25.9 million

Attachment 1 Reference: Page 24

17

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Facilitate the development of the VMC

TORONTO-YORK SPADINA SUBWAY EXTENSION



Total Capital Plan - \$93.6 million

18

Attachment 1 Reference: Page 25

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Support the development of the hospital



19

Attachment 1 Reference: Page 26

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Re-establish the urban tree canopy



Total Capital Plan - \$5.1 million

20

Attachment 1 Reference: Page 26

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Invest, renew and manage infrastructure assets



Total Capital Plan - \$166.0 million

21

Attachment 1 Reference: Page 27

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Continue to ensure the safety and well-being of citizens



Total Capital Plan - \$11.3 million
Investment in Public Awareness Programs - \$70,000



22

Attachment 1 Reference: Page 28

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Meet Council tax rate targets - no greater than 3%



Total Capital Plan - \$0.05 million

23

Attachment 1 Reference: Page 29

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Update the Official Plan and supporting studies



Total Capital Plan - \$8.6 million

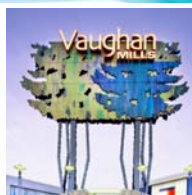
24

Attachment 1 Reference: Page 30

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Attract investment & create jobs



Total Capital Plan - \$2.5 million

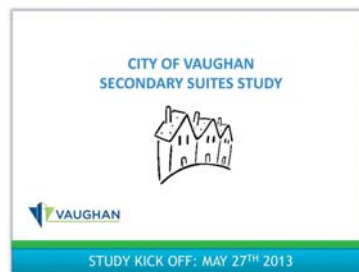
25

Attachment 1 Reference: Page 31

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Create and manage affordable housing options (secondary suites)



Sep 14, 2012 | Vote 0 0

30 new affordable housing units released in Vaughan

Source: Yorkregion.com

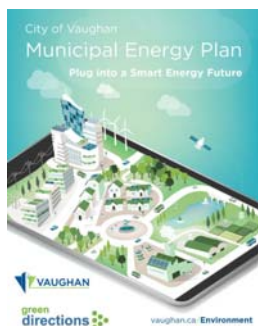
26

Attachment 1 Reference: Page 31

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Continue to cultivate an environmentally sustainable city



Black Creek Renewal

Total Capital Plan - \$24.7 million

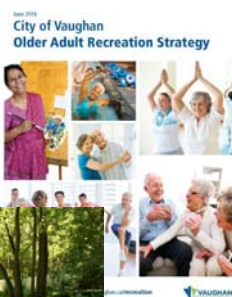
27

Attachment 1 Reference: Page 32

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Support and promote arts, culture, heritage and sports



Total Capital Plan - \$45.6 million

28

Attachment 1 Reference: Page 33

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Continue to advance a culture of excellence in governance



Total Capital Plan - \$0.8 million

29

Attachment 1 Reference: Page 34

November 7, 2016



Enhance civic pride with consistent approach to citizen engagement



Total Capital Plan - \$1.5 million

30

Attachment 1 Reference: Page 35

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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 of Service
- Delivery of Service
- User Experience



SERVICE EXCELLENCE STRATEGIC INITIATIVES			
CITIZEN EXPERIENCE			
Customer Engagement and Service Delivery <ul style="list-style-type: none"> • Enhance service delivery through digital channels (phone, web, mobile) • Develop a service level standard to ensure service excellence 	Service Delivery Options <ul style="list-style-type: none"> • Enhance service delivery options and expand service to reach residents in the desired level of service 	Operational Performance <ul style="list-style-type: none"> • Develop and implement a digital service strategy that defines how the City will deliver services through digital channels (phone, web, mobile) 	Operational Performance <ul style="list-style-type: none"> • Develop and implement a digital service strategy that defines how the City will deliver services through digital channels (phone, web, mobile)
STAFF ENGAGEMENT			
Staff Engagement <ul style="list-style-type: none"> • Develop a strategic plan to support engagement through change • Develop a strategic plan to support engagement through change • Develop a strategic plan to support engagement through change 	Operational Performance <ul style="list-style-type: none"> • Develop and implement a digital service strategy that defines how the City will deliver services through digital channels (phone, web, mobile) 	Operational Performance <ul style="list-style-type: none"> • Develop and implement a digital service strategy that defines how the City will deliver services through digital channels (phone, web, mobile) 	Operational Performance <ul style="list-style-type: none"> • Develop and implement a digital service strategy that defines how the City will deliver services through digital channels (phone, web, mobile)



Total Capital Plan - \$3.1 million

31

Attachment 1 Reference: Page 35

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How Does It Affect The Taxpayer?

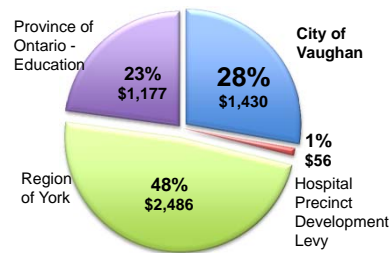
32

November 7, 2016

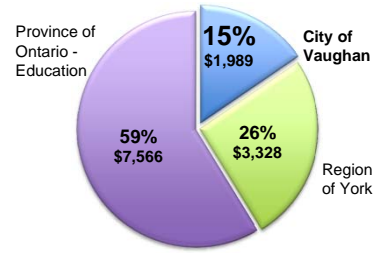


Vaughan's Portion of the 2017 Tax Bill

Average Residential Tax Bill



Average Commercial Tax Bill



*Based on York Region's 2016 Budget

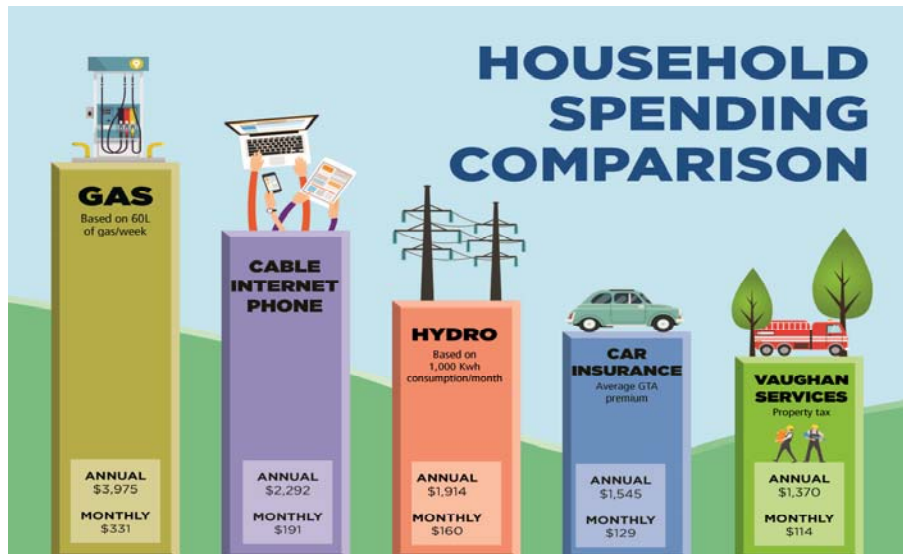
33

Attachment 1 Reference: Page 21

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HOUSEHOLD SPENDING COMPARISON



* Figures based on local service provider information

** Based on an estimated average assessed value of \$626,000

34

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Value for Your Tax Dollars



22 cents go to Public Works to maintain street and traffic lights, and clear roads during the winter



19 cents go to Community Services for recreation programs, parks maintenance and by-law enforcement



17 cents go to Fire to help keep residents safe



16 cents go to General Government, Legal and Clerks to provide internal resources to support service delivery



10 cents go to Capital Investment and Debt Servicing to build and repair City infrastructure (roads, pipes, buildings)



7 cents go to Libraries for books, resources and programs



7 cents go to Planning and Growth to manage the growth of the city



1 cent goes to the City Manager to support the City's vision



1 cent goes to Council, Internal Audit and the Integrity Commissioner to maintain governance of the City



35

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Upcoming Budget Meetings

- **November 14** – Departmental questions and answers
- **November 28** – Expected recommendation to council
- **December 13** – Special Council to approve the budget

Public deputations are encouraged at all budget meetings

36

November 7, 2016

