

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 7, 2016

Item 16, Report No. 7, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on June 7, 2016.

16

BUDGET AMENDMENT: STORMWATER PROGRAM RESOURCING

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer/City Treasurer and the Director of Financial Services/Deputy City Treasurer, dated May 30, 2016:

Recommendation

The Chief Financial Officer/City Treasurer and the Director of Financial Services/Deputy City Treasurer in consultation with the Director of Environmental Services:

- 1) That one full-time Senior Financial Analyst, with expertise in water, wastewater and stormwater accounting, be added to address resourcing requirements associated with the City of Vaughan's new Stormwater Program; and
- 2) That the position be fully funded in the first year by reallocating Professional Services Fees that were approved through the 2016 Wastewater/Stormwater Operation Budget approval process; and
- 3) On an ongoing basis that the position be fully funded by Stormwater Charges and the Stormwater Reserve.

Contribution to Sustainability

Effective implementation and management of the Stormwater Charge program will help contribute to Council's priority of environmental sustainability. The City will be better able to manage storm events through expanded and improved stormwater infrastructure.

Economic Impact

The one full-time position will be funded through stormwater charges and the Stormwater Reserve, as needed, with no impact on the tax base.

The annual estimated cost for this new position to facilitate the implementation of the stormwater billing is approximately \$137,000. Details are outlined in the attached Additional Resource Request (ARR).

The stormwater billing process will be repeated on an annual basis and, as such, it is important to develop internal expertise to support the process. In order to ensure ongoing internal support for the program, \$50,000 will be reallocated from Professional Service Fees, along with additional labour gapping, to fund this new position for the remainder of 2016. The position will be funded through stormwater charges on a go forward basis.

Communications Plan

The position will be advertised both internally and externally, allowing the department to attract a wider pool of candidates to be considered for this new and emerging stormwater management program.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 7, 2016

Item 16, Finance Report No. 7 – Page 2

Purpose

The purpose of this report is to seek Council approval for a new full-time Senior Financial Analyst position in order to support and fulfill Council's direction to implement a new Stormwater Charge for the City of Vaughan.

Background - Analysis and Options

The Additional Resource Request (ARR) is a result of an expertise gap and staffing needs to undertake the implementation and management of a new stormwater charge program.

The City of Vaughan, through RFP 14-043, hired an external consultant, Watson & Associates Economists Ltd., to work with staff on the development of a stormwater charge. The new stormwater charge is intended to offset stormwater infrastructure costs and mitigate against storm related damages.

The Stormwater Charge will be added to Water and Wastewater bills that are produced by PowerStream Inc. (PowerStream) on behalf of the City of Vaughan. Residential, commercial and industrial building type and location information will be extracted from the City's tax billing database, manipulated, formatted and sent to PowerStream. PowerStream will import the data into their billing application and add the charge to customers' bills.

The Senior Financial Analyst will work closely with the tax department and ITM to extract and manipulate data in order to meet PowerStream billing requirements. This process will take place on a frequent basis to ensure that PowerStream's billing application is up to date.

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

The Senior Financial Analyst position, as requested, will be primarily dedicated to the implementation and management of the City's new Stormwater Charge program. The dedicated income stream collected through the stormwater charge will be used to help ensure that necessary infrastructure is built and maintained to mitigate against storm related damages. This proactive approach aligns with Council's priority of building an environmentally sustainable city.

Regional Implications

N/A

Conclusion

The Additional Resource Request will be dedicated to the implementation and management of the City's new Stormwater Charge program. The new position will be funded through a reallocation of funds and stormwater income on a go forward basis.

The additional resource will have no negative impact on taxation for the City and is therefore being brought forward for consideration to be added to the approved 2016 Budget.

Attachments

1. Attachment – Additional Resource Request

Report prepared by:

Sean Skinkle, Acting Finance Manager, Water/Wastewater/Stormwater

(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.)

BUDGET AMENDMENT: STORMWATER PROGRAM RESOURCING**Recommendation**

The Chief Financial Officer/City Treasurer and the Director of Financial Services/Deputy City Treasurer in consultation with the Director of Environmental Services:

- 1) That one full-time Senior Financial Analyst, with expertise in water, wastewater and stormwater accounting, be added to address resourcing requirements associated with the City of Vaughan's new Stormwater Program; and
- 2) That the position be fully funded in the first year by reallocating Professional Services Fees that were approved through the 2016 Wastewater/Stormwater Operation Budget approval process; and
- 3) On an ongoing basis that the position be fully funded by Stormwater Charges and the Stormwater Reserve.

Contribution to Sustainability

Effective implementation and management of the Stormwater Charge program will help contribute to Council's priority of environmental sustainability. The City will be better able to manage storm events through expanded and improved stormwater infrastructure.

Economic Impact

The one full-time position will be funded through stormwater charges and the Stormwater Reserve, as needed, with no impact on the tax base.

The annual estimated cost for this new position to facilitate the implementation of the stormwater billing is approximately \$137,000. Details are outlined in the attached Additional Resource Request (ARR).

The stormwater billing process will be repeated on an annual basis and, as such, it is important to develop internal expertise to support the process. In order to ensure ongoing internal support for the program, \$50,000 will be reallocated from Professional Service Fees, along with additional labour gapping, to fund this new position for the remainder of 2016. The position will be funded through stormwater charges on a go forward basis.

Communications Plan

The position will be advertised both internally and externally, allowing the department to attract a wider pool of candidates to be considered for this new and emerging stormwater management program.

Purpose

The purpose of this report is to seek Council approval for a new full-time Senior Financial Analyst position in order to support and fulfill Council's direction to implement a new Stormwater Charge for the City of Vaughan.

Background - Analysis and Options

The Additional Resource Request (ARR) is a result of an expertise gap and staffing needs to undertake the implementation and management of a new stormwater charge program.

The City of Vaughan, through RFP 14-043, hired an external consultant, Watson & Associates Economists Ltd., to work with staff on the development of a stormwater charge. The new stormwater charge is intended to offset stormwater infrastructure costs and mitigate against storm related damages.

The Stormwater Charge will be added to Water and Wastewater bills that are produced by PowerStream Inc. (PowerStream) on behalf of the City of Vaughan. Residential, commercial and industrial building type and location information will be extracted from the City's tax billing database, manipulated, formatted and sent to PowerStream. PowerStream will import the data into their billing application and add the charge to customers' bills.

The Senior Financial Analyst will work closely with the tax department and ITM to extract and manipulate data in order to meet PowerStream billing requirements. This process will take place on a frequent basis to ensure that PowerStream's billing application is up to date.

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

The Senior Financial Analyst position, as requested, will be primarily dedicated to the implementation and management of the City's new Stormwater Charge program. The dedicated income stream collected through the stormwater charge will be used to help ensure that necessary infrastructure is built and maintained to mitigate against storm related damages. This proactive approach aligns with Council's priority of building an environmentally sustainable city.

Regional Implications

N/A

Conclusion

The Additional Resource Request will be dedicated to the implementation and management of the City's new Stormwater Charge program. The new position will be funded through a reallocation of funds and stormwater income on a go forward basis.

The additional resource will have no negative impact on taxation for the City and is therefore being brought forward for consideration to be added to the approved 2016 Budget.

Attachments

1. Attachment – Additional Resource Request

Report prepared by:

Sean Skinkle, Acting Finance Manager, Water/Wastewater/Stormwater

Respectfully submitted,

Laura Mirabella-Siddall CPA, CA
Chief Financial Officer/City Treasurer

Dean Ferraro CPA, CA
Director of Financial Services/Deputy City Treasurer

**CITY OF VAUGHAN
2016-2019 OPERATING BUDGET**

Attachment 1

ADDITIONAL RESOURCE REQUEST

Request Title Senior Financial Analyst - Stormwater

Business Unit # 2350001 Wastewater

Related Program

Program Classification

Annual Budget Change Summary

Financial Components	2016	2017	2018	2019	2016-2019 Sub-total	2020 (One Time. Adj.)	2016-2020 Sub-total
Staffing							
Complements	1.00	-	-	-	1.00	-	1.00
Net FTE's	1.00	-	-	-	1.00	-	1.00
Operating Revenue	-	-	-	-	-	-	-
Operating Costs	Gapped Aug 1, 2016						
Staffing & Benefits	55,598	-	-	-	55,598	-	55,598
Other continuous costs	1,750	-	-	-	1,750	-	1,750
One-time expenses	1,548	(1,548)	-	-	-	-	-
Offsets/reductions	(58,896)	-	-	-	(58,896)	-	(58,896)
Net Operating Budget	\$ 0	\$ (1,548)	\$ -	\$ -	\$ (1,548)	\$ -	\$ (1,548)
Associated Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1A) Request Description: Please provide a brief description of the request.

Please check one: ☒ Departmental ☐ Corporate

The Additional Resource Request (ARR) is a result of an expertise gap and staffing needs to undertake the implementation and management of a new stormwater program. The City of Vaughan, hired an external Consultant, Watson and Associates, to work with staff on the development of a stormwater rate. The new stormwater rate will be a new source of revenue for the city intended to offset stormwater infrastructure costs and mitigate storm related damages. The Stormwater Rate will be added to Water and Wastewater bills that are produced by PowerStream Inc. (PowerStream) on behalf of the City of Vaughan. Residential, commercial and industrial building type and location information will be extracted from the City's tax billing database, manipulated, formatted and sent to PowerStream. PowerStream will import the data into their billing application and add the charge to customers' bills. The Senior Financial Analyst will work closely with PowerStream, the City's tax department and ITM to extract and manipulate data in order to meet PowerStream billing requirements. This process will take place on a frequent basis to ensure that PowerStream's billing application is up to date. This request will have no tax impact as it will be offset by Professional Services Fees in 2016 and stormwater revenue afterwards.

1B) If this request is part of a project with multiple milestones then please fill in the following table:

Milestones or Deliverables	Timelines	Comments

1C) Impact on other departments (cost/time/benefit):

Department Impacted	Describe Impact (Cost/time/benefit)	Were they Consulted?
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No

Other comments:

CFO APPROVAL: _____

Date: _____

Budget Staff
Use Only

☐ 1st Submission

☐ Previously Recognized

Submitted for year:

Recognized for year:

Request Title	Senior Financial Analyst - Stormwater					
2) Relationship to Vaughan Vision 2020 - Goals / Objectives / Initiatives						
A) Identify the <u>specific initiative</u> on the Vaughan Vision 2020 initiative list this resource request supports (new or implementation of): Choose an Initiative from the drop down list and then choose the relationship with the initiative in the Green cell using the drop down provided.						
Theme	Goal	↓ Initiative (Use drop down list) ↓	Ref #	Date	Priority	Request/Initiative Relationship (choose 1)
B) Describe and clearly demonstrate how the request links to the Vaughan Vision 2020:						
3) Related Performance Indicators & Business Plan Link						
Please provide information on top 3 performance measures:						
	Name/description of service level target:		Target Level	Current Level	Level w/ ARR	
1)						
2)						
3)						
Describe how this request relates to Departmental Business Plan:						
4) Value Proposition						
Please detail both qualitative and quantitative benefits of the request						
Qualitative: Please select up to 2 actions which best describe this request						
	Primary <input style="width: 150px;" type="text"/>			Secondary <input style="width: 150px;" type="text"/>		
Briefly explain how this request helps achieve the actions selected above. How does this request make a difference in these areas? Can improvements be defined (i.e. surveys, measures, etc.)?						
Quantitative: Please provide explanation of how this request improves efficiency. Note that performance measures are captured in section 3. This section is for efficiency improvements.						
Year	Type	Change/Saving	Units	Detail of Cost Reductions/Budget Savings		Incl. in offsets (Section #9)?
5) Alternatives						
Are there alternatives or options? Please explain what they are and why they are not the primary approach.						

Request Title

Senior Financial Analyst - Stormwater

6) Implications/Consequences (if request not approved)**A) Please check off how the request relates to the following:****Legislative/Regulatory Requirement due to Law, Regulation, or Act. (NOTE: A By-Law is not a legal requirement)**

1) Is there a federal or provincial statute or regulation which makes implementation of this request mandatory? If yes, specify which statute/regulation and relevant section(s) and if there is a due date for implementation. If no, skip to question 2.

2) If no to question #1, is there a federal or provincial statute or regulation which is related to this request? If yes, specify which statute/regulation and relevant section(s) and indicate how it is related.

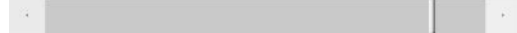
3) What are the consequences of non-compliance? Specify if there is a fine or other penalty and the amount.

- ☐ None
- ☐ Little consequence of non compliance
- ☒ Significant external repercussion/penalty

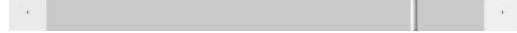
4) Current status of compliance:

Risk Management

(To move within the range, click on indicator and slide it with your mouse or click on arrows at the end of the scale)

Probability of Litigation

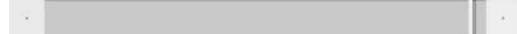
None Low Medium High

Financial Impact

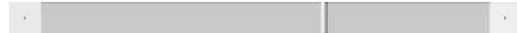
\$0 \$10,000 \$100,000 \$1,000,000 > \$10,000,000

Health and Safety Risk (click on the word)

- ☐ None ☐ Internal ☒ External ☐ Both

Probability of Health & Safety Issue

None Low Medium High

Health and Safety Magnitude

None Minor Major Severe

Comments

Please describe the type and nature of risk

Internal Operational Requirements

- ☐ None
- ☐ Service provided with minor internal issues -slight inconvenience
- ☒ Inability to support the department's directive
- ☐ Direct affect on multiple departments
- ☐ Citywide implications

Comments

B) Briefly illustrate any other impacts/consequences not detailed above and those who will be affected if the request is not approved. (e.g. staff, residents, community, etc.)

Request Title	Senior Financial Analyst - Stormwater			
7) Complement Details - Skip to Section 8 if no Staff is requested				
Do not gap positions - If required, please contact the Budget Dept. for instructions Future year progressions & eco. adj. will be calculated corporately by the Budget Dept.				
Complement Information	Position #1	Position #2	Position #3	Sub-total
Budget Year	2016			
Position title	Senior Financial Analyst			
Estimated start date	August 1, 2016			
# of positions requested	1.00			1.00
Full-time equivalents (FTEs)	1.00			1.00
Position type	Full-time			
Position agreement classification	Mgmt/Non-union			
If contract, specify length (months or yrs.)	0			
If Casual/Seasonal PT enter Hourly wage				
Business unit # (override if different than # shown)	2300001			
Grade level	7			
Est. starting step	5			
Desktop (HR) Review Performed?	No			
B&F Accommodations Available?	Yes			
ITM Hardware required?	Yes			
Capital Equipment Required?	No			
Complement Annual Cost Detail				
Annual full-time \$	103,438			103,438
Annual part-time \$	-	-	-	-
Annual shift premiums, etc.	-	-	-	-
Annual overtime \$	-	-	-	-
* PT vacation pay (calculated field)	-	-	-	-
* Annual benefits (calculated field)	29,997	-	-	29,997
* FT contract benefits in lieu (calculated field)	-	-	-	-
Subtotal (Per Employee)	\$ 133,435	\$ -	\$ -	\$ 133,435
Subtotal (Per Position)	\$ 133,435	\$ -	\$ -	\$ 133,435
Continuous costs	(BU & Acct #)	Please fill in per Complement. The total will account for multiple positions if indicated above.		
1) Office Supplies	2350001.7200	250		250
2) Training & Development	2350001.7115	500		500
3) Memberships/Dues/Fees	2350001.7105	1,000		1,000
4)				-
Subtotal (Per Employee)	\$ 1,750	\$ -	\$ -	\$ 1,750
Subtotal (Per Position)	\$ 1,750	\$ -	\$ -	\$ 1,750
One-time costs	(BU & Acct #)	Please fill in per Complement. The total will account for multiple positions if indicated above.		
1) Computer Hardware	2350001.7211.01	1,200		1,200
2) Office Equip. & Furniture	2350001.7210	348		348
3)	#N/A			-
4)	#N/A			-
Subtotal (Per Employee)	1,548	-	-	1,548
Subtotal (Per Position)	\$ 1,548	\$ -	\$ -	\$ 1,548
2016 Total Annual Costs	\$ 136,733	\$ -	\$ -	\$ 136,733
2017 Total Annual Costs	\$ -	\$ -	\$ -	\$ -
2018 Total Annual Costs	\$ -	\$ -	\$ -	\$ -
2019 Total Annual Costs	\$ -	\$ -	\$ -	\$ -
Additional Comments:				

Request Title		Senior Financial Analyst - Stormwater							
8) Capital Funding									
Are there any Capital requests already submitted/approved or to be submitted related to this ARR? (e.g. new car)									
	ASSOCIATED CAPITAL FUNDING	Status	Year asset Available for use	Proj #	2016	2017	2018	2019	Total
1									
2									\$ -
3									\$ -
TOTAL ASSOCIATED CAPITAL FUNDING					\$ -	\$ -	\$ -	\$ -	\$ -
9) Financial/Resource Detail									
Component		BU Acct. #		2016		2017	2018	2019	2020
						Budget			Full-Yr. Adj.
REVENUE - continuous operating detail									
1									
2									
3									
4									
Subtotal					-	-	-	-	
REVENUE - one-time operating detail									
1									-
2									-
Subtotal					-	-	-	-	-
EXPENSES - continuous operating detail (For staffing costs please fill out section 7)									
1	* Staffing costs (calculated field)	(From sect. 7)		43,099	-	-	-	-	
2	* Benefits	(From sect. 7)		12,499	-	-	-	-	
3	* Complement sch. Expenses (calculated field)	(From sect. 7)		1,750	-	-	-	-	
4									
5									
6									
7									
Subtotal					57,348	-	-	-	
EXPENSES - one-time operating detail (For staffing costs please fill out section 7)									
1	* Complement sch. Expenses (calculated field)	(From sect. 7)		1,548	-	-	-	-	-
2									-
3									-
Subtotal					1,548	-	-	-	-
OFFSETS - cost savings, reductions, etc.									
1	Procurement Services Professional Fees			(50,000)					
2	Labour Gapping			(8,896)					
3									
Subtotal					(58,896)	-	-	-	
TOTAL OPERATING BUDGET CHANGE					0	-	-	-	-
COMPLEMENTS & FTE's					2016	2017	2018	2019	Total
# of positions requested		(From sect. 7)		1.00	-	-	-	-	1.00
FTE's		(From sect. 7)		1.00	-	-	-	-	1.00
FTE reductions/offsets		(Manual Field)							-
Net FTE's				1.00	-	-	-	-	1.00