CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 21, 2017

Item 1, Report No. 12, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on November 21, 2017.

DRAFT 2018 BUDGET AND 2019-2022 FINANCIAL PLAN

(Referred)

The Finance, Administration and Audit Committee recommends:

1

1) That staff report back to the November 23, 2017, Finance, Administration and Audit Committee meeting with a report outlining the costs and potential funding sources for traffic signals at Mosque Gate and Teston Road.

Further consideration of the Draft 2018 Budget and 2019-2022 Financial Plan was deferred to the November 23, 2017, Finance, Administration and Audit Committee meeting to continue deliberations (see 2. OTHER MATTERS CONSIDERED BY THE COMMITTEE, Item 2.1: DRAFT 2018 BUDGET AND 2019-2022 FINANCIAL PLAN).



memorandum		
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COMMUNICATION		
FAA- NOV 13/17		
ITEM		

- DATE: November 10, 2017
- TO: MAYOR AND MEMBERS OF COUNCIL
- FROM: LAURA MIRABELLA-SIDDALL, CHIEF FINANCIAL OFFICER AND CITY TREASURER LLOYD NORONHA, DIRECTOR OF FINANCIAL PLANNING AND DEVELOPMENT FINANCE AND DEPUTY CITY TREASURER

RE: FINANCE, ADMINISTRATION AND AUDIT COMMITTEE – November 13, 2017 DRAFT 2018 BUDGET AND 2019-2022 PLAN

Purpose

This communication is to provide more information on Figure 10: 2018 Budget and 2019-2022 Financial Plan, found on page 49 of the Draft 2018 Budget and 2019-2022 Financial Plan (the "Budget Book), Volume 1.

Background

Figure 10: 2018 Budget and 2019-2022 Financial Plan on page 49 of the draft budget book summarizes the tax levy requirement for the 2018 budget and forecasted 2019-2022 expenditures and revenues. The purpose of this table was to demonstrate the resulting three percent tax levy increase over the next five years, but was not presented for the explicit purpose of year over year comparative analysis. This type of analysis requires additional insights as presented below.

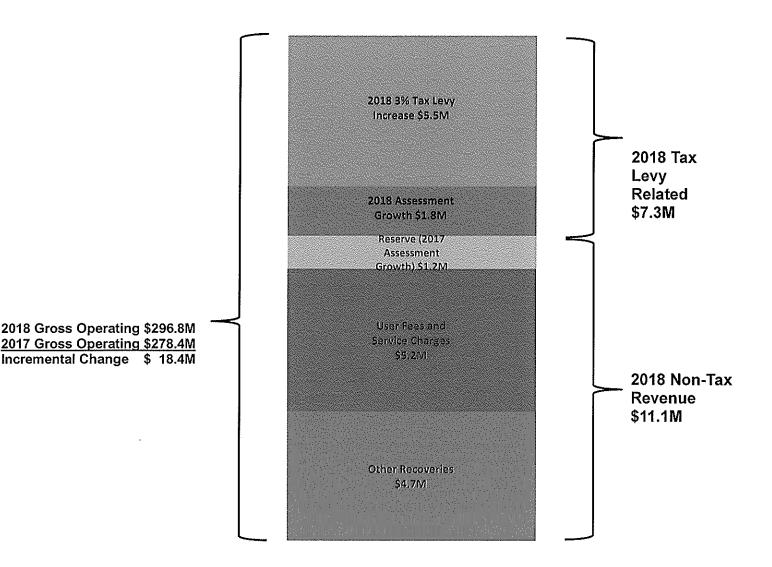
The table below illustrates the calculation of incremental gross operating expenditure, non-tax revenues and resulting tax levy requirements.

	2017 Approved Budget	2018 Proposed Budget	Incremental Change (\$million)
Gross Operating	278.4	296.8	\$18.4
Less: Non-Tax Revenue	89.7	100.8	\$11.1
Net Operating	188.7	196.0	\$7.3

The net operating expenditure increase of \$7.3 million is proposed to be funded from \$1.8 estimated assessment growth for 2018 and a \$5.5 million tax levy increase (three percent tax rate increase).

The figure below further illustrates that the gross expenditure incremental increase of \$18.4 million is proposed to be funded from the following sources:

- \$4.7 million from other recoveries, such as internal recoveries from capital projects
- \$5.2 million from increased user fees and service charges through either increased volume of activity or through price increases, such as increased development application fees
- \$1.2 million from residual 2017 assessment growth to be drawn from the Tax Rate Stabilization Reserve
- \$1.8 million from the estimated 2018 Assessment Growth
- \$5.5 million from the proposed 2018 tax levy increase



Overall, the Draft 2018 Budget provides a balanced budget in which all proposed incremental expenditures are fully offset by proposed incremental revenues. The three per cent tax levy increase represents a little under thirty per cent of these increased revenues, which is largely being used to maintain service levels and increase contributions to infrastructure reserves. The remaining seventy per cent of increased

expenditures are being funded from predominantly growth related funding sources and are in turn largely being used towards growth driven expenditures.

Respectfully submitted,

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

Lloyd Noronha, CPA, CMA Director, Financial Planning and Development Finance and Deputy City Treasurer



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<u>c 2</u>	
COMMUNICATION	
FAA- NOV 13/17	
ITEM	

- DATE: November 10, 2017
- TO: MAYOR AND MEMBERS OF COUNCIL
- FROM: LAURA MIRABELLA-SIDDALL, CHIEF FINANCIAL OFFICER AND CITY TREASURER LLOYD NORONHA, DIRECTOR OF FINANCIAL PLANNING AND DEVELOPMENT FINANCE AND DEPUTY CITY TREASURER
- RE: FINANCE, ADMINISTRATION AND AUDIT COMMITTEE November 13, 2017 2016 Operating Budget Results

Purpose

This communication is to provide more information on the subject matter of a deputation from the November 6, 2017 Finance, Administration and Audit Committee meeting regarding the \$8.5 million expenditure variance presented in the Fiscal Health Report – Year Ending December 31, 2016 (the "FHR").

Background

At the November 6 meeting of the Finance, Administration and Audit Committee, a deputant inquired as to the the City's 2016 year- end financial result comparing to the 2016 budget.

Below is an excerpt from the Fiscal Health Report - Year Ending December 31, 2016.

Operating Results - Year ending December 31, 2016

	Budget	Actual	Variance
Property Tax Based Budg	et		
Revenues	265.2	272.3	7.1
Expenditures	265.2	273.7	-8.5
Net	0.0	-1.4	-1.4
Reserve Transfers		•	
Winterization Reserve		0.7	0.7
Working Capital Reserve		0.7	0.7
Year End	0.0	0.0	0.0
Position	0.0	0.0	0.0

The \$8.5 million variance in gross expenditure was primarily driven by transfer to reserves, which was in turn linked to \$7.1 million of increased revenues. In fiscal year 2016, the City saw a spike in building permits, other planning related applications and application for licenses, in part due to an upcoming increase in education development charges and for new Ontario Building Code energy efficiencies requirement. These additional revenues were transferred to their corresponding reserves such as the Building Standard Continuity Reserve. These reserve activities are accounted for both on the revenue and expenditure lines and therefore result in a neutral impact to the City's annual operating budget.

Bill 124 imposes specific restrictions on the use of building code revenues, the City utilizes the obligatory Building Standard Continuity Reserve to accumulate annual building code surplus which are used to provide service continuity when building code costs exceed revenues.

Overall the City's property tax based financial results ended 2016 in a deficit position of \$1.4 million primarily because of winter control activities that were caused by some extreme weather in the fourth quarter of

2016, representing 0.5% of the budgeted gross expenditure of \$265.2 million. This net budget variance is considered to be within a reasonable margin of error and is indicative of a budget that neither over taxes, nor under taxes residents and businesses unduly. The utilization of reserves to help smooth the impacts of cyclical effects such as building permit activity and winter maintenance is a fiscally prudent practice and widely used amongst Ontario municipalities.

Respectfully submitted,

L'auro llevalelle

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

Lloyd Noronha, CPA, CMA Director, Financial Planning and Development Finance and Deputy City Treasurer

Subject:

Feral Cat Issue in Vaughan - please support a humane solution

FAA - NOV 13/17_
ITEM

From: Susan Jagminas [mailto:sjagminas@gmail.com]
Sent: Saturday, November 11, 2017 11:54 AM
To: <u>Clerks@vaughan.ca</u>
Subject: Fwd: Feral Cat Issue in Vaughan - please support a humane solution

My understanding is that there is a meeting coming up on November 13 that will seek public input on the budget. My understanding is that there will be representatives there to ask about a Trap Neuter Return (TNR) program. I would like to offer my support and submit this for consideration by Council. I do not live in Vaughan, but live in nearby Georgina, where a TNR program has recently been approved.

Thank you

Susan Jagminas

------ Forwarded message ------From: **Susan Jagminas** <<u>sjagminas@gmail.com</u>> Date: Sat, Nov 11, 2017 at 11:51 AM Subject: Feral Cat Issue in Vaughan - please support a humane solution To: <u>maurizio.bevilacqua@vaughan.ca</u>, <u>mario.ferri@vaughan.ca</u>, <u>gino.rosati@vaughan.ca</u>, <u>sunder.singh@vaughan.ca</u>, <u>marilyn.iafrate@vaughan.ca</u>, <u>tony.carella@vaughan.ca</u>, <u>nancy.tamburini@vaughan.ca</u>, <u>sandra.racco@vaughan.ca</u>, <u>alan.shefman@vaughan.ca</u>

I don't live in Vaughan, but I live just a little bit north, in the Town of Georgina. I work in cat rescue, specifically with a group called "Georgina Feral Cat Committee", although this email is not written on behalf of the group, only written from the perspective of someone who volunteers in her community towards helping those less fortunate, which in this case are homeless cats.

It's my understanding that Vaughan staff and Council are not interested in doing anything to help the homeless (feral) cat situation in Vaughan. In fact, I understand that Vaughan staff, with Council's approval, are actively engaged in activities that are knowingly hurting and ultimately going to kill these cats. That includes removing shelters put there on the very same day that the cold sets in. It also includes trapping them, and then ultimately having to put them down because they will be deemed unadoptable. My understanding is that you have no programs in place to work with the community to manage the feral cat population. Why is that?

Perhaps you should consider speaking with your counterparts in municipalities across the province, who have adopted programs to work with the local community to address the feral cat issue. You don't have to look far either. Perhaps you could look to your colleagues in the Town of Georgina, who recently approved a 2 year TNR (trap, neuter, return) pilot program, that is community driven, a humane alternative and makes good financial sense. They know that killing cats is not the answer.

Regards,

Susan Jagminas



memorandum

		COMMUNICATION	
DATE:	November 13, 2017	FAR NOV BHT	
TO:	Mayor and Members of Council	ITEM -	
FROM:	Mary Reali, Deputy City Manager, Community Services Sunny Bains, Director, Recreation Services		
RE:	Communication: Finance, Administration and Audit Committee (November 13, 2017 – PM Meeting) Member's Resolution, Open to You(th) Pilot Project		

Recommendation

CANADA 150

The Deputy City Manager, Community Services and the Director of Recreation Services, in consultation with the Chief Financial Officer and City Treasurer and the Director of Financial Planning and Development Finance and Deputy City Treasurer recommend:

1. That the cost options associated with a proposed pilot project for youth ("Open to You(th)") be received.

<u>Purpose</u>

The purpose of this communication is to inform Council of the cost options associated with a proposed pilot project for youth ("Open to You(th)"), as per the Member's Resolution received at the November 6, 2017 meeting of the Finance, Administration and Audit Committee.

Economic Impact

Due to the potential economic impact, three cost options are being presented for consideration:

Option 1: Extend hours for one evening at DCCC and APCC - \$7,000 impact

Operating hours would be extended for one weekday (e.g. Tuesdays at DCCC and Thursdays at APCC) from 9:00pm to midnight. The economic impact would be approximately \$3,500 for each centre, for a total impact of \$7,000 in labour costs for the summer months (July and August).

Staff is recommending that this option be approved for implementation in the summer of 2018 as a pilot program. The department will strive to absorb the economic impact of this option (\$7,000) in the current operating budget with limited impact to its cost recovery rate of 95% of direct recreation operating costs. Staff will monitor participation levels of the pilot program under Option 1 to develop a business case that supports the feasibility of expanding the pilot program and submitting the associated costs for future budget consideration.

Option 2: Extend hours Monday - Friday (5 days) at DCCC and APCC - \$35,380 impact

Operating hours would be extended Monday through Friday at each community centre, from 9:00pm to midnight. The economic impact would be approximately \$17,690 for each centre, for a total impact of \$35,380 in labour costs for the summer months (July and August).

To proceed with this option, an Additional Resource Request without offsets would be required as part of the 2018 budget deliberations.



CANADA 150

Option 3: Extend hours every day of the week (7 days) at DCCC and APCC - \$70,000 impact

Operating hours would be extended Monday through Sunday at each community centre, from 9:00pm to midnight. The economic impact would be \$36,000 for DCCC and \$34,000 for APCC, for a total impact of \$70,000 in labour costs and materials/equipment, for the summer months (July and August).

To proceed with this option, an Additional Resource Request without offsets would be required as part of the 2018 budget deliberations.

Background

Youth between the ages 10 to 19 represent approximately 13% of Vaughan's population and are a key age group in the delivery of recreation services. As per the *Active Together Master Plan*, in servicing and building capacity for youth, the City should focus on self-structured and drop-in programs that provide recreation opportunities that fit their schedule. Vaughan currently provides these opportunities through a number of youth spaces at community centres throughout the City. These spaces provide a variety of drop-in programs and activities and a place for youth to socialize.

Currently, the department provides youth with:

- 1. Youth Drop-in Sports and Games Room: annual membership is \$16. Approximately 1,200 youth participate in the Youth Membership program, with the busiest centres being Dufferin Community Centre and Vellore Village Community Centre, with 360 and 305 youth memberships, respectively.
- 2. **Registered Programs**: offer a wide range of programs, from creative and performing arts, to professional development and Technology programs. In 2016, youth participation in recreation programs increased by 37% with approximately 500 registrations.
- 3. Fitness Memberships and Drop-in: offer subsidized fitness membership options, from one month to 1-year. Currently, over 1,000 youth are members at City fitness facilities. Drop-in fitness options also available.
- 4. Youth Week: city wide annual event during May 1-7. Offer free recreation programs and activities, as well as guest speakers. Hundreds of youth participate every year at Youth week.

Recreation Services is committed to providing quality recreation activities, community space, and events in an accessible, equitable and efficient manner. Through the city's 10 community centres that include 7 fitness facilities, 13 indoor pools and 6 arenas, the department strives to provide a variety of basic, value-added, and premium recreational programs that promote health, wellness and active living for all ages.



memorandum

Report prepared by:

Sunny Bains, Director, Recreation Services, ext. 8336; and Paola D'Amato, Recreation Manger, Business and Creative Services, ext. 8806

Respectfully submitted,

Mary Reali Deputy City Manager, Community Services

Sunny Bains Director, Recreation Services

Vision, Leadership and Responsibility

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VOLUME 1 Draft 2018 Budget and 2019-2022 Financial Plan

C 5 COMMUNICATION

FAA. NOV 13/17

MEM

VAUGHAN





PUBLIC WORKS

Vaughan

MOTORS LTD. 15-243

02-1298

GALLOWAY MOTORS LTD.

CREIGHTLINER BRADFORD

Milano

Citizen Satisfaction

<image/>	91%	Solid Waste Services
	90%	 Maintenance of Parks and Green Spaces
	86%	Road Snow Removal
	83%	Road Condition
	62%	 Cycling infrastructure and bike lanes
	25%	 Traffic flow and congestion
		·

62% of citizens report transportation is the most important local issue

CITY OF VAUGHAN | Volume 1 | Draft 2018 Budget and 2019-2022 Financial Plan



Meeting Needs Achieves Citizen Satisfaction



Transportation and Roads







2017 Key Accomplishments

Roads

- Assumed 31 kms road
- Rehabilitated 38 lane kilometers
- Managed over 100 service contracts
- Advanced major third party projects

Winter

- Implemented winter maintenance contract
- Cleared 1,152 kms of sidewalks
- Ploughed almost 1,000 lane kms of roadway

Traffic

- Conducted 490 traffic studies and safety assessments
- Assumed delivery of the School Crossing Guard Program
- Optimized traffic flow on Clarke Avenue







2018 Commitments

Planning

- Complete major transportation studies
- Advance Metrolinx RER related improvements
- Create road safety and transportation data management program

Engineering

- Complete 2018 road rehabilitation/construction program
- Initiate the Dufferin Operations Centre Improvements
- Award and advance the LED Streetlight project
- Design the Bass Pro Mills Drive extension to Jane Street

Operations

- Maintain the City's roads and boulevard
- Implement VMC Operations and Maintenance Plan



Pedestrian and Bicycle Master Plan















Advance Metrolinx, MTO and York Region Projects



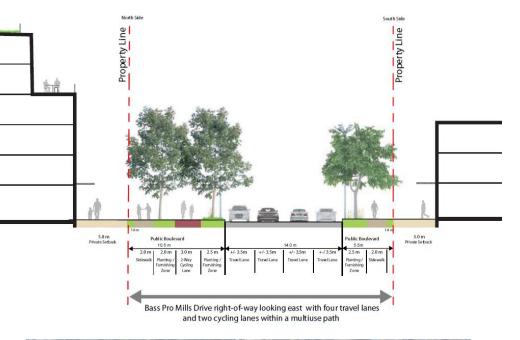






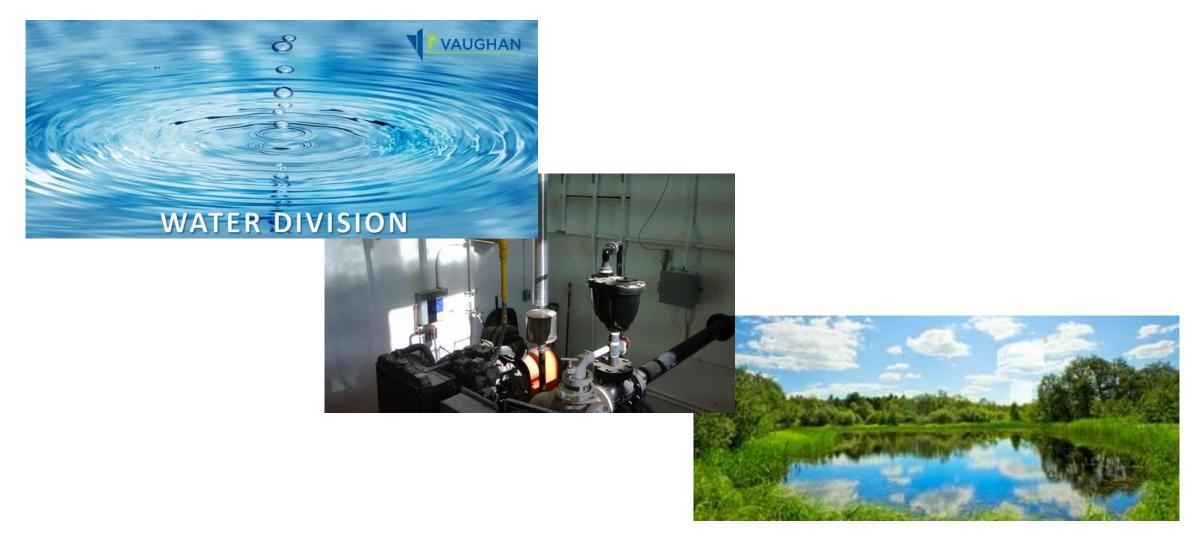
Bass Pro Mills Drive



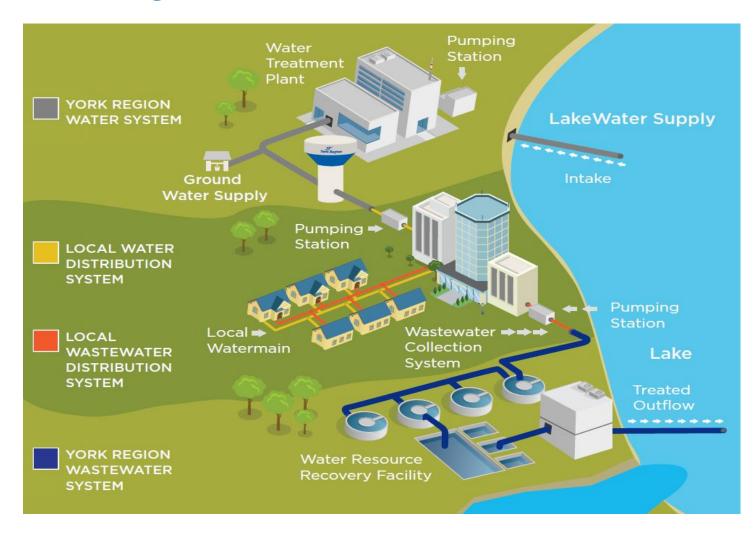




Water, Wastewater and Stormwater

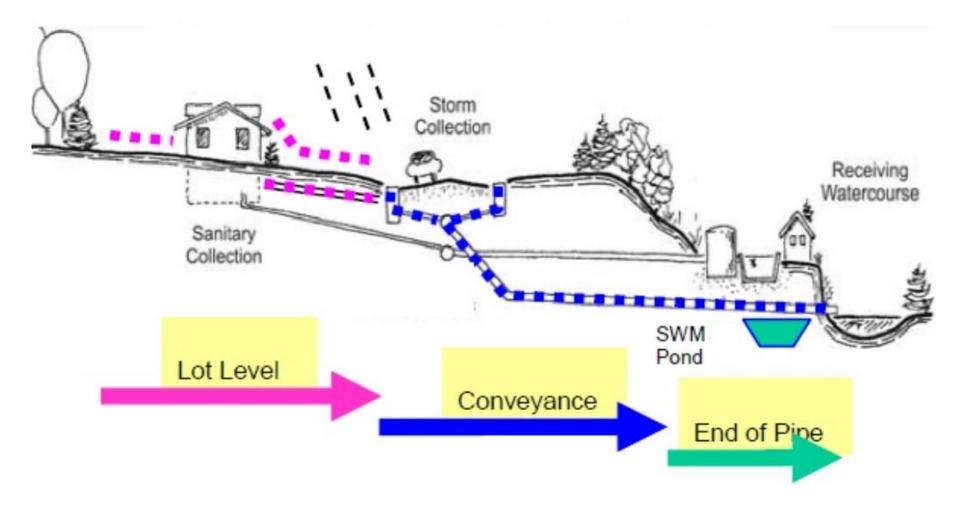


Understanding our Water & Wastewater Services





Understanding our Stormwater Services



2017 Accomplishments

Water

- Delivered over 33,000,000,000 litres of safe clean reliable drinking water
- Assumed 29,000 metres of watermains
- Completed Smart Water Meter Feasibility Study

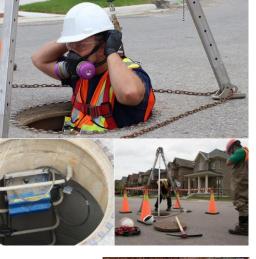
Waste Water

- Conveyed 34,000,000,000 litres of wastewater
- Assumed 28,000 metres of sanitary sewer
- Completed the Inflow and Infiltration strategy

Stormwater

- Managed \$1.3B stormwater management system
- Secured CWWF funding for critical infrastructure projects
- Initiated Rainbow Creek Outfall and Ashbridge Pond improvements











2018 Key Commitments

Planning

- Complete the water and waste water master plan
- Initiate study for interim servicing of Block 27 and 41
- Advance stormwater climate change mitigation measures

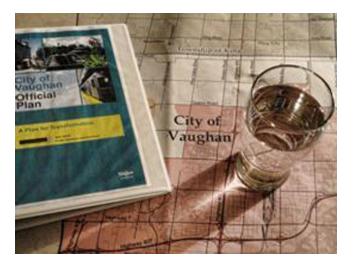
Engineering

- Complete design and commence construction of Edgeley Pond and Park
- Complete 2018 watermain renewal and replacement program
- Initiate the Smart Water Meter Project

Operations

- Deliver safe and reliable drinking water to all Vaughan citizens
- Fully implement mobile technology to optimize service delivery
- Develop a comprehensive network models for system optimization







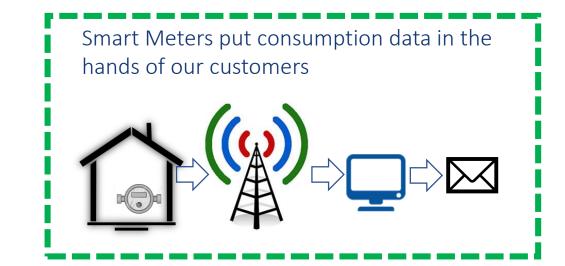


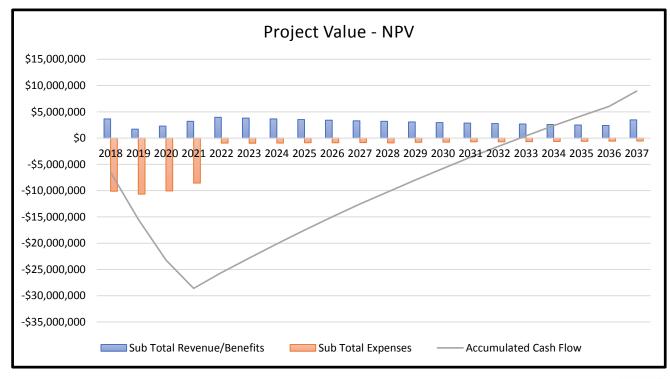


Smart Water Meters

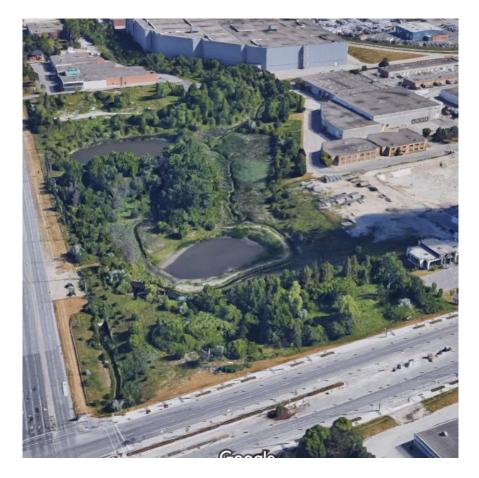
- Empowers Customers
- Improves the Environment
- Lowers operating costs







Begin Edgeley Pond and Park Construction





Solid Waste Services



2017 Key Accomplishments



Solid Waste

- Collected 72,509 tonnes of solid waste (Q3 2017)
- Diverted 45,480 tonnes of solid waste from landfill (Q3 2017)
- Awarded new multi-year waste collection contract
- Delivered three new programs
- Completed implementation planning for multi-residential building collection







2018 Commitments

Solid Waste

- Support York Region target to divert 90 % of solid waste from landfill
- Complete Phase 1 multi-residential building collection
- Implement Vaughan Landfill groundwater monitoring infrastructure renewal
- Enhance promotional, communication and self-serve information sharing









Parks and Forestry Services













2017 Key Accomplishments

Parks

- Inspected and repaired 200 playgrounds
- Maintained more than 200 parks
- Cut 800 acres of grass over 14 times
- Created Canada 150 horticulture displays
- Implemented Phase 1 of the Beautification Strategy





Village of Maple, City of Vaughan









Forestry

- Planted approximately 6,000 residential street trees
- Inspected 2,259 trees for protection or removal
- Inspected 4,121 trees for removals and priority maintenance



2018 Recommended Commitments

Planning

- Develop community tree maintenance program
- Finalize the street tree inventory and asset management plan

Engineering

- Implement Phase 2 of the Beautification Strategy
- Plant 6,500 trees to re-establish the urban tree canopy

Operations

- Deliver parks and forestry services meeting or exceeding service standards
- Assume North Maple Park Phase 1, Woodgate Pines and East's Corner's Parks
- Assume Carville District Neighbourhood Park, Woodbridge Crossing Park, Maple GO parkettes and 2 Block 55 parkettes













PARKS DEVELOPMENT

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New Parks – Keeping Pace with New Development



Park Revitalization – Meeting the Community's Needs



Trails – Advancing City-wide and Local Trails





COMMUNITY SERVICES



Quality of Life in Vaughan is good or very good

Source: 2016 Vaughan Citizen Satisfaction Survey



Source:	2016	Vaughan	Citizen	Satisfaction	Survey
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National

Norm

95%

83%

77%

n/a

74%









Did You Know

Municipal Elections Act Provincial Offences Act Highway Traffic Act Ontario Gaming and Lottery Corporation Act Employment Standards Act Condominium Act Accessibility for Ontarians with Disabilities Act Ontario Fire Code Occupational Health and Safety Act Fire Prevention and Protection Act Weed Control Act Trespass to Property Act Technical Safety Standards Authority Electrical Safety Authority Operating Engineers Act Collective Agreements Dangerous Goods and Transportation Act Ontario Fire Marshal Annual Compliance Report Public Pools, Reg 565 Emergency Management and Civil Protection Act, Ont Reg 380-04 Animal Health Act Canadian Standard Association Smoke Free Ontario Act Public Spa, Reg 428/05 Municipal Freedom of Information and Protection of Privacy Act Physical Activity and Sports Act Horse Riding Safety Act Gaming Control Act Pounds Act Ministry of Transportation **Environmental Protections Act** Child and Family Services Act, RSO c11 Workplace Safety and Insurance Board Ontario Building Code Protective Equipment, Reg 714/94 Municipal Act Ministry of Tourism and Recreation Act Endangered Species Act Statutory Powers Procedure Act National Fire Protection Association Dog Owners' Liability Act

Protect lives, property & the environment

Current trends

- Opening of Fire Station 7-3 (June 26, 2017)
- Training Tower
- Secondary Suites
- McDonald's "Coffee with a Firefighter"
- Four 2017 Fire Safety Awards from the Fire Marshal's Public Fire Safety Council
- First Female Firefighter Camp (ages 15 to 18)



Fire & Rescue Service



Did You Know





Protect lives, property & the environment

2018 Outlook



- Fire Master Plan completed
- Station 7-4 construction will begin
- Preparing for the opening of the Toronto-York Spadina subway expansion by providing specialized training for emergency response
- Continue refinement / enhancement of public education programs

Fire & Rescue Service

Health & Safety of the Public

Current trends

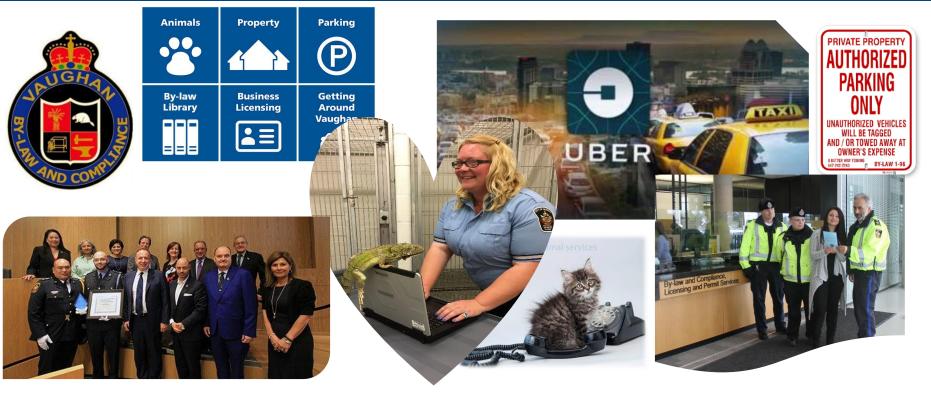
- Regulations for the private ground passenger transportation industry, including ride-sharing services
- Licensing and regulation of renovators, pool installers, pavers, fence installers and landscapers, animal-related business licensing
- On-line virtual parking permit system
- Continued modernization of regulatory by-laws (By-law Strategy)

By-law & Compliance, Licensing & Permit Services





Did You Know

















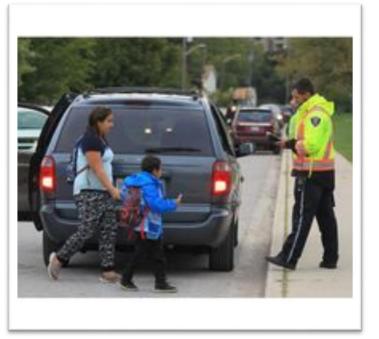






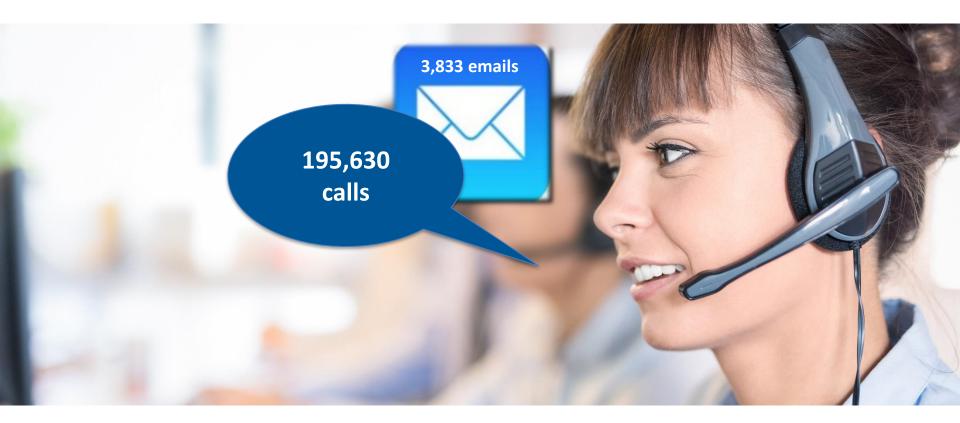
Health & Safety of the Public

2018 Outlook



By-law & Compliance, Licensing & Permit Services

- MNR Animal Shelter feasibility study
- Parking enforcement strategy for the VMC
- Conduct an update to its parking ticket issuance system
- Key Stakeholder in City's Event Strategy
- City's By-law & Licensing Review



Access Vaughan

CONNECT WITH US

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10

Active Living ... Health & Wellness

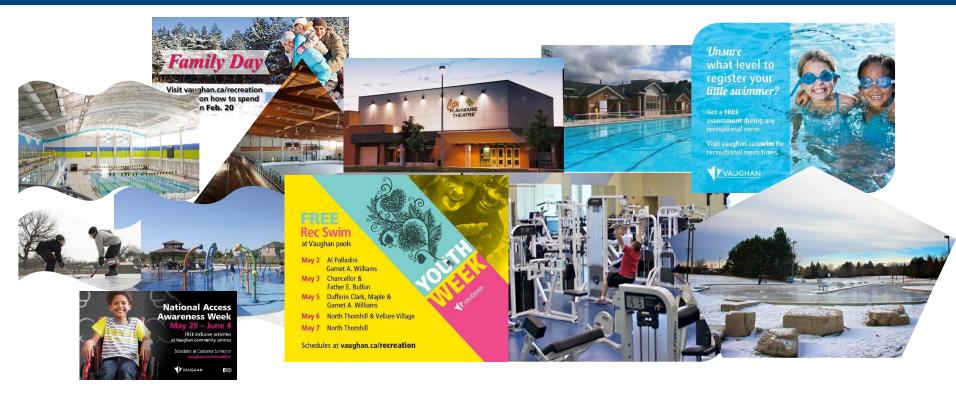
Current trends

- Implementation of Older Adult Strategy (June 2016)
- Grants from Canadian Heritage, Ontario Seniors
 Community and Ontario Sports and Recreation
- Largest Canada Day celebration in commemoration of Canada's 150th birthday
- Uplands Golf & Ski Centre long-term lease agreement
- Infrastructure projects at Community Centres
- Energy savings

Recreation Services



Did You Know



VAUGHAN Celebrates

Winterfest • Concerts in the Park • Canada Day

ALL THE IN

Active Living ... Health & Wellness

2018 Outlook



- Develop a Recreation Service Plan
- Enhance a Customer Service Strategy
- Open and operate the Pierre Berton Discovery Centre
- Develop a corporate-wide Events Strategy
- Develop cleaning and maintenance standards for Recreation Facilities
- Active Together Master Plan (ATMP) Committee
- Planning for Block 11 | Carville and VMC







Vaughan Libraries are Vibrant Community Hubs



Vaughan Libraries Foster Growth and Innovation



CITY OF VAUGHAN | Volume 1 | Draft 2018 Budget and 2019-2022 Financial Plan

Vaughan Libraries Ensure Citizen Inclusion



ECONOMIC DEVELOPMENT AND CULTURE SERVICES

Ouality Care

- Average annual business growth rate (2010-2016): 4%
- Average annual employment growth rate (2010-2016: 3%
- Jobs (2016): 208,827
- Business establishments (2016): 11,370
- Vaughan's ICI space is in high demand:
 - Industrial availability rate in Q3 2017 is 2.7% full occupancy
 - Industrial lease rates are rising
 - Office availability rate in Q2 2017 is 4.9%



Opportunities for Economic Development and Culture

- Interest in the VMC as office node is growing
- Vaughan Enterprise Zone is continuing to see large industrial users
- **Spec projects are on the rise**: 1.2 million SF of industrial space will be built over the next two years
- Private sector uptake of co-working spaces is building the business support ecosystem in Vaughan
- MEDG and MRIS have invested \$378K in entrepreneurship programming



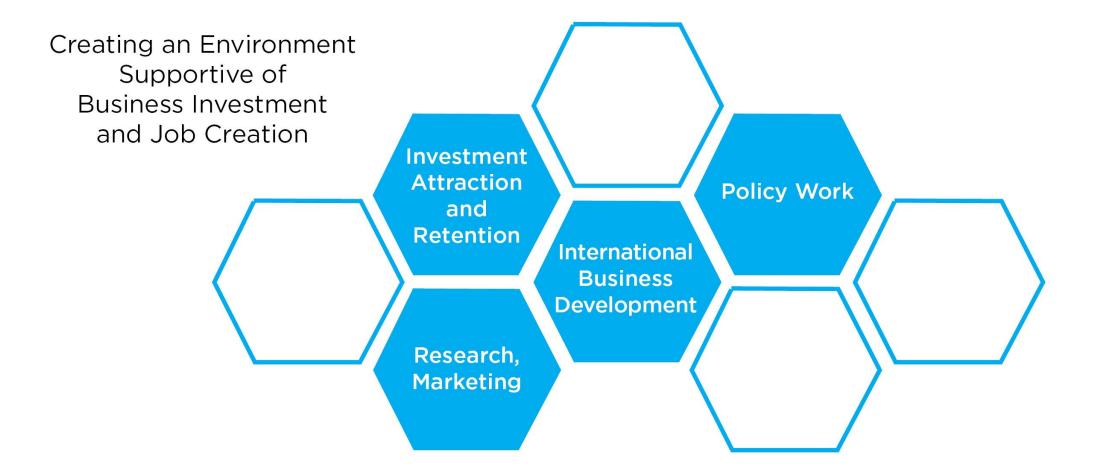
Economic Development and Culture is...



Managing Transactions Fostering Incubation Creating Aspirations to drive long-term Economic Development



Attracting Investment and Creating Jobs





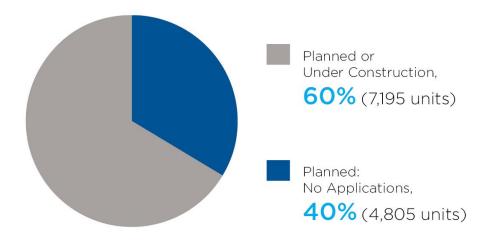
- 2017 Business Development Completions: 600,000 SF+
- Business Mission to China and Vietnam: November 2017
- Official Delegation Visit: Sora, Italy
- Official Delegation Visit: Baguio City, Philippines

- 2017/2018 Business Development Programs:
 - Business investment attraction and job creation
 - Initiation of the Economic Development and Employment Sectors study
 - Refresh of marketing and collateral materials, including website
 - Completion of 2016 Census analyses



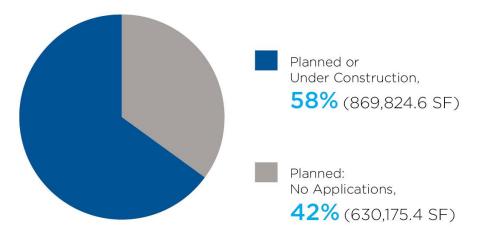
Stages of **Completion**:

residential: 12,000 units



Source: City of Vaughan, Development Planning Department, June 2017

office space: 1.5 million SF



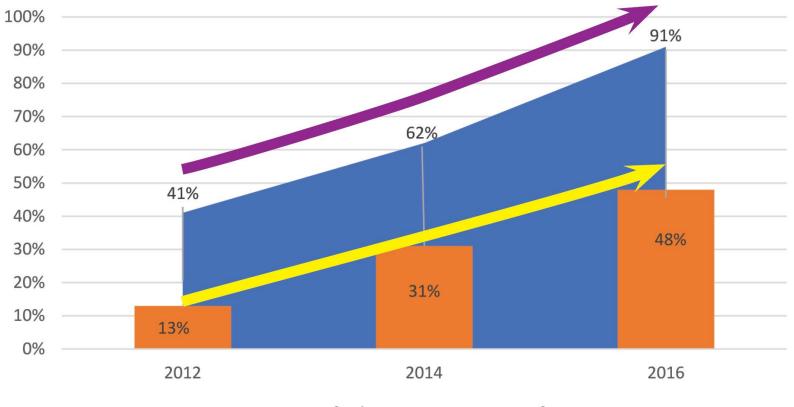


Vaughan Metropolitan Centre - Downtown Under Construction





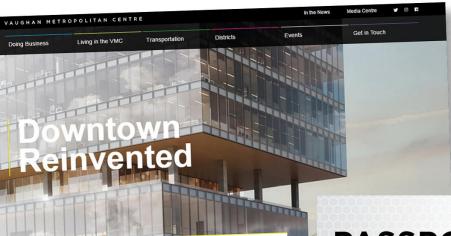
Awareness Level of Subway and VMC Growing



Awareness of Subway
Awareness of VMC



Capitalizing on the VMC



Welcoming you to a world of opportunities!

The City of Vaughan's new downtown – the Vaughan Metropolitan Centre (VMC) located at Highway 7 and Jane Street – is fast becoming the heart of the community, brimming with new talent, innovation and urban amenities.

The VMC is one of Canada's largest master planned communities, complemented by a world-class transit system offering residents and businesses seamless connectivity throughout the Greater Toronto Area (GTA). The Toronto Transit Commission's (TTC) line 1 Yonge University subway extension, including services for the new Yiva bus rapidway on Highway 7, along with the new SmattCentres Place Bus Terminal are all slated to come online over the next year.

A crucial concept underpinning the VMC is that adjacent housing and urban amenities are being leveraged by top employers to attract talent.

Those employers include KPMG, which has located more than 600 staff in the VMC's first office building, the 15-storey KPMG Tover at SmartCentres Place. Other tenants include Miller Thomson, GFL Environmental, and Harley-Davidson Canada.

Strategically located in Canada's largest economic hub in southern Ontario, the VMC will redefine 21st-century downtowns and be a destination of choice for businesses and residents in the GTA and beyond.

The Vaughan Metropolitan Centre - it'll move you!

EXPLORE OUR INTERACTIVE MAP

VMC Microsite

PASSPORT To Ride



Win a chance to be on a **VIP** preview train that will make its first ride into the **VMC** subway station this December.



Raising Awareness of the VMC and **Promoting** Key Assets

- Community engagement strategy 2015 2017
- Passport to Ride contest
- VMC Microsite
- TTC Opening day

2018 VMC Programs

- Office attraction marketing initiatives
- Microsite and 3D map improvements
- Cultural activations (eg. construction hoarding, public realm programming)
- Development progress documentation



Two pilot programs: The **Bridge@Lebovic** and **Test City** programs help firms to commercialize new products and establish a home in Vaughan.

- The Bridge@Lebovic 4,000 SF co-working space is at capacity 16 desks rented.
- Twenty-one unique enterprises or business organizations have utilized the resources at Lebovic.

More importantly, other co-working spaces have now taken hold in Vaughan – YEDI, The Hub

• **Test City pilots**: Eight companies have gone through the program, two additional companies are coming on board





Through the development of Vaughan's entrepreneurial cluster, VBEC empowers entrepreneurs and SMEs to start or grow their businesses.

Core Services

- Business Registrations: 486 master business licenses registered
- 177 businesses started or expanded
- 357 jobs created
- 2,356 general inquiries

Mentorships and Micro-Grants

- Starter Company Plus (2017–2019): 120 entrepreneurs to be trained; 157 applicants
- Summer Company: 28 participants; 54 jobs created
- Starter Company: 127 businesses started or expanded; 112 jobs created

Figures are based on activity from January to August 2017.



Leveraging Provincial Dollars for Local Entrepreneurs

VBEC receives \$378K in provincial funding

Building Capacity in Art and Culture

Enabling community stakeholders, residents and businesses to participate in art and culture

- On the Slate Atrium Gallery featured four exhibitions in 2017: 138,000 art viewer impressions annually
- Vaughan Corporate Art Collection: Thirty acquisitions in 2017

2017 Culture Programs:

- Culture Days, International Women's Day, Youth Arts Week
- Canada 150: VaughanLink Ambassadors, Dream Weavers, E!Games Challenge



- Fifty-eight arts and culture partnerships
- Social media impressions: 150K
- Number of participants: 30K+



Art and Culture as Drivers of Placemaking



Establishing Vaughan's Public Art Program

Creating a sense of place and community fosters creative thought, ideas and expression.

Establishing the framework to encourage Public art:

- Public art program brand identity package
- Public art awareness campaign and communications plan
- Toolkit for commissioning and acquiring public art
- Public art collection management policies and procedures





VMC-based projects will be the focus for 2018.

- Focus Study for Cultural Arts Centre
- Transit Square and VMC-area events and activations

Becoming a resource portal for creative opportunities:

- Creative partnership development
- Point-of-access for information on grants and programs
- Support as cultural advisors





acceleration for creative entrepreneurs



Keeping a robust dialog with the business community allows us to establish benchmarks to gauge business health over time and deliver the services that are needed and relevant.

2016 Citizen Satisfaction Survey:









FINANCE, ADMINISTRATION AND AUDIT COMMITTEE

DRAFT 2018 BUDGET AND 2019-2022 FINANCIAL PLAN (Referred)

The Finance, Administration and Audit Committee, at its meeting of November 6, 2017, (Item 1, Finance, Administration and Audit Committee Report No. 11), recommended:

- 1) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017, be referred to the November 13, 2017, Finance, Administration and Audit Committee meeting to continue deliberations;
- 2) That the following be approved in accordance with Communication C1, from the Deputy City Manager of Public Works, the Chief Financial Officer and City Treasurer, and the Director of Environmental Services, dated November 2, 2017 and referred to the November 13, 2017, Finance, Administration and Audit Committee meeting to continue deliberations:
 - 1. That the recommended Draft 2018 Budget be updated to include both the capital and operating impacts of the Smart Water Meter Project as outlined in this communication;
 - 2. That upon further investigation into the merits of internal or external borrowing for the project, that the Chief Financial Officer and City Treasurer be delegated the authority to finance the project with the method that minimizes financial risk and interest costs and maximizes value for money; and
 - 3. That staff be directed to pursue a partnership with Alectra to implement an Advanced Metering Infrastructure solution;
- 3) That the presentation by the Chief Financial Officer and City Treasurer and Communication C2, presentation material titled "Draft 2018 Budget and 2019-2022 Financial Plan", dated November 6, 2017, be received; and
- 4) The following deputations be received:
 - 1. Mr. Kevin Hanit, Queensbridge Drive, Concord;
 - 2. Mr. Adriano Volpentesta, America Avenue, Vaughan; and
 - 3. Mr. Richard Lorello, Treelawn Boulevard, Kleinburg.

Report of the Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, dated November 6, 2017

Recommendation

The Chief Financial Officer and City Treasurer, the Director of Financial Planning & Development Finance and Deputy City Treasurer, and the Director of Financial Services and Deputy City Treasurer, in consultation with the City Manager and the Senior Management Team recommend:

1. That the presentation on the DRAFT 2018 Budget and 2019 - 2022 Financial Plan (the "2018 Budget Book") be received;

- 2. That Council approve the 2018 tax supported operating budget with budgeted operating gross expenditures of \$296.8 million and budgeted revenues of \$296.8 million;
- 3. That Council approve the 2018 water, wastewater rate and stormwater charge supported operating budget (collectively the "Rate Budgets") with budgeted operating gross expenditures of \$161.3 million and budgeted revenues of \$161.3 million;
- 4. That the list of 2018 capital projects, together with their total costs in the amount of \$121.2 million, summarized in Volumes 1 and 2 and detailed in Volume 3 of the Draft 2018 Budget and 2019 2022 Financial Plan, be approved subject to annual capital funding;
- 5. That the list of 2019 2022 capital projects together with their total costs, outlined in Volume 3 of the Draft 2018 Budget and 2019 2022 Financial Plan, be recognized;
- 6. That the draft 2018 operating and capital spending authority be approved and the 2019-2022 plan be recognized as outlined in the 2018 Budget Book Volume 1, 2 and 3.
- 7. That the City Clerk and/or CFO & City Treasurer be authorized to apply for grants and to execute required documents including but not limited to funding agreements, should grants be made available related to initiatives within the approved or recognized budget.
- 8. That for user fees and service charges:
 - a. The schedules outlined in Volume 3 of the 2018 Budget Book be approved;
 - b. That the necessary by-laws be passed with effective dates of January 1, 2018;
 - c. That should the indexing of the user fees and service charges not be prescribed in the respective by-law and a budget not be passed by January 1st in a given year, the Treasurer be authorized to apply a 3 per cent fee/charge increase for economic adjustment, on January 1st of each year in 2019 and years after; and
 - d. That the Treasurer be authorized to revise Harmonized Sales Tax (HST) applicability for user fees and service charges as required by legislation.
- 9. That this matter and any comments received be referred to the next Finance, Administration and Audit Committee to continue deliberations.

Contribution to Sustainability

The City's multi-year budget and financial plan contribute to sustainability by planning for the collection of revenues and allocation of resources to deliver the City's programs and services, achieve the priorities set out in the Term of Council Service Excellence Strategy map and investing in infrastructure with a view toward achieving long-term financial sustainability.

Economic Impact

Tax rate increases set to a maximum of 3 per cent annually for the next three years.

At the January 12, 2015 meeting of the Finance, Administration and Audit (FAA) Committee, the following Committee recommendation was received and subsequently approved at Council:

That recognizing the community's need for fiscal restraint, over the next few months the Finance, Administration and Audit Committee and City staff shall be directed to work toward a set target not to exceed 3% per annum for the period of 4 years.

The proposed 2018 tax supported operating budget includes a property tax increase of three per cent, which is an increase of approximately \$56 for the average annual residential tax bill. If

adopted as presented, the draft 2018 property tax supported operating budget would have the following economic impacts, consistent with Council's direction

\$ M	2017 Approved	2018 Proposed Budget
Gross Operating	278.4	296.8
Less: Non-Tax Revenue	89.7	100.8
Net Operating	188.7	196.0
Assessment Growth	2.9	1.8
Supplemental Taxation and PIL	5.8	5.8
Net Levy Requirement	179.9	190.2
Incremental Levy Requirement	5.2	5.5
Incremental Tax Rate	2.90%	3.00%

Table2: Draft 2018 Property Tax Supported Operating Budget

Note: some numbers may not add due to rounding.

Property Tax Supported and Rate Budgets Tabled Together

The tax supported budget has been tabled prior to the end of the fiscal year for the past three years. Beginning with the 2018 budget, the Rate Budgets are being tabled at the same time as the tax supported budget.

The Draft 2018 Budget and 2019-2022 Financial Plan includes a 2019-2022 operating and capital forecast at a summary level

The progress on the current Term of Council Service Excellence Strategy Map and projections identified in the department business plans help inform the development of a 2019 -2022 operating and capital forecast. This forecast is intended to provide staff with the information they require for department business planning, and to provide community stakeholders with the planned progress of City initiatives. Staff are currently undertaking the preliminary work on refreshing Vaughan Vision 2020 (the City's long-term vision) and the development of the next Term of Council Strategy Map with work beginning in 2017, continuing into 2018 with final deliberations and approval to occur in conjunction with the start of the new Council at the end of 2018 or early 2019. Any amendments to priorities and strategic initiatives that result from this update will be incorporated into future budget processes.

The following table presents the 2018 proposed budget and 2019-202 forecasted gross operating expenditures by Portfolio/Office.

\$ M	2017 Approved	2018 Proposed Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Community Services						
Fire and Rescue Services	48.3	49.5	51.3	52.1	52.4	52.7
Recreation and Other Community Services	54.0	54.9	56.7	57.3	57.4	57.5
	102.2	104.4	107.9	109.4	109.8	110.2
Public Works	206.9	223.7	239.9	255.2	263.5	270.3
Planning and Growth Management	24.7	26.3	26.4	26.3	26.2	26.3
Corporate Services	28.0	28.6	29.6	30.5	31.5	31.5
Vaughan Public Libraries	17.9	19.2	20.1	20.3	20.3	20.4
Other Offices	50.5	56.0	55.4	60.2	67.6	75.3
Combined Tax and User Rate Gross Expenditures	430.2	458.1	479.4	501.9	518.9	534.0
Less: Water, Wastewater and Stormwater	151.8	161.3	175.8	190.6	198.4	204.6
Tax Rate Gross Expenditures	\$278.4	\$296.8	\$303.6	\$311.3	\$320.5	\$329.4

Table1: Gross Expenditures by Portfolio/Office

Communications Plan

The following key themes resonate throughout all budget communications:

- Keeping taxes low
- Maintaining service levels
- Moving forward with city-building initiatives
- Ensuring an open and transparent process

A comprehensive multi-channel public communication plan has been developed to support the budget and to help ensure Vaughan residents have opportunities to be informed and involved in the budget process.

The communications plan includes a mix of communications channels to ensure all residents can be informed and involved in their preferred format: print/online/in-person. Communications tactics include:

- Print material (flyers and posters)
 - o distributed to community centres, libraries, seniors' groups, ratepayer associations
- Advertisements, including meeting dates, times and topics to be covered
- Media outreach

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- Public meetings that are also streamed online
- Enhanced web content
- Online feedback form and telephone hotline
 - o feedback received will be incorporated into presentations at FAA meetings
- eCommunications (social media, eNewsletters)

Public Outreach on the Budget Process Occurs Year-round.

Outreach on the budget process is often a year round activity for the administration, both in formal and informal settings. This year, the Finance Office, in collaboration with the Asset Management Section of the Public Works Portfolio, created a new financial sustainability booth for both the Public Works Day and Concerts in the Park at City Hall. Both event booths were well attended and staff

engaged the public through priority setting games, surveys on value for services and general education/discussions on the financial and infrastructure issues within the City. The feedback on the booths were positive and staff intend to continue with the initiative in 2018.

Making Strides to Improve the Budget Book

The Budget Book received a refresh in 2016 as a result of staff making strides to achieve clear and easy to understand content. This year further improvements have been made to streamline the budget for easier navigation. A new section titled "This is Vaughan" provides an update on progress toward achieving the Council's priorities on the Term of Council Service Excellence Strategy Map and outlines the actions planned for 2018 and 2019-2022.

Purpose

The purpose of this report is to present the Finance, Administration and Audit Committee with the DRAFT 2018 Budget Book that outlines the DRAFT 2018 Budget and 2019 - 2022 Financial Plan and the corresponding tax adjustments and water and wastewater rate increase that, if adopted, would allow the City to continue providing a wide range of services and infrastructure to Vaughan households and business.

Background - Analysis and Options

The Citizen Satisfaction Survey shows that residents are happy with the programs and services provided by the City

Citizen Satisfaction Surveys are an important tool to hear from citizens about their top-of-mind issues of concern and satisfaction with city services. The results of the Survey provides the City with valuable feedback from residents which inform policy decisions, budgetary spending and continuous improvement.

Overall the City is meeting the needs of residents, providing for a good quality of life, satisfaction for taxpayer dollars and a positive customer service experience. Findings from the last Citizen Satisfaction Survey indicate that 97% of respondents felt the quality of life in the City was very good or good. In addition, 94% of residents indicated that they were satisfied or very satisfied with the delivery of all services provided by the City.

The proportion of residents who believe they receive good value for their tax dollars has also increased and is now at the highest level recorded over the years with 85% of the residents agreeing that they receive at least fairly good value for their tax dollars, up 13% from 2014.

As we continue to deliver the Term of Council Service Excellence Strategy Map, the information gathered through the 2016 Citizen Satisfaction Survey will measure the impact of delivering on Council's priorities and service delivery improvements.

Financial Sustainability is a Service Excellence Initiative on the City Strategy Map

Earlier in 2017, City Council approved a new Fiscal Framework through the Financial Sustainability Service Excellence initiative. This framework included guiding principles to inform staff and Council on decision making related to financial matters. In alignment with the guiding principles, the objective of the City's financial planning process is to develop a multi-year budget that balances the need to maintain existing services, accommodate growth requirements, undertake corporate initiatives and safeguard water resources against the City's capacity to fund them. The City's financial management policies and practices are based on legislation and best practices to maintain the City's strong financial position.

Building Capacity while Ensuring that Growth Pays for Growth

The City is growing rapidly. We are delivering on the vision of being a City of Choice, improving service delivery, managing growth and delivering services more effectively and efficiently. This is being done while maintaining tax rate increases that are aligned with the target set by Council while ensuring that growth pays for growth.

The DRAFT 2018 Budget is aligned with the term of council priorities and the service excellence strategic initiatives presented in the Term of Council Service Excellence Strategy Map. The plan provides a focused set of priorities for the corporation to deliver on our mission of citizens first through service excellence. The plan also aligns the City's 2018 budget with the priorities and goals of the strategic plan while keeping the tax rate in line with targets set by Council. This budget also presents a plan for achieving the City's priorities in the 2019 to 2022 period.

Focusing on service excellence means that we will seek out ways to improve how residents and businesses experience our services. The goal is to offer great value in our programs and services while also seeking efficiencies in how services are delivered. This will include identifying opportunities to use technology and apply digital strategies to improve our ability to deliver service excellence cost-effectively.

The draft 2018 budget outlined in the attached Draft 2018 Budget Book sets out staff's recommended operating allocations to deliver the City's programs and services over the next year including additional resource requests. It also provides information about capital projects that are underway, recommended new capital projects and forecasts for the City's obligatory and discretionary reserves. Investments in the Service Excellence Initiative projects proposed in this 2018 Budget Book will help achieve department efficiencies to ensure we will achieve Council's mandated maximum tax rate increases of not more than three per cent per year.

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

This report is consistent with the Term of Council Priority to meet Council tax rate targets of no greater than three percent and the Service Excellence Initiative related to Financial Sustainability.

Regional Implications

The Rate Budgets include wholesale purchases from the Region for 2018 representing 77 per cent of the City's combined water and wastewater costs.

The residential and business tax bills include levies from the City of Vaughan, the Region of York and the Province. The proposed tax levy increase presented in the Draft 2018 Budget Book is for the City's share, which is approximately 28% of the total average residential tax bill or 16% of the average business tax bill. The Region's budget will be tabled to York Region's Council on November 16, 2017.

Conclusion

The DRAFT 2018 Budget and 2019 -2022 Financial Plan is aligned with the Term of Council Service Excellence Strategy Map. The infrastructure investments have also been aligned to Council's priorities. This draft budget provides a financial framework within which the corporation can move forward in delivering the needed services and infrastructure to Vaughan citizens, while continuing its pursuit of service excellence.

Attachments

Attached Draft 2018 Budget Book is set out as follows: **Draft 2018 Budget Book**

• Draft 2018 Budget and 2019 -2022 Financial Plan Volume 1 – Budget Overview

- Draft 2018 Budget and 2019 -2022 Financial Plan Volume 2 Department Budgets
- Draft 2018 Budget and 2019 -2022 Financial Plan Volume 3 Appendices and Proposed User Fees/Service Charges

Attachments have been posted on-line and a hard copy of each attachment is on file in the Office of the City Clerk. They can be found by clicking on this <u>link</u>.

(Attachments to this report were previously distributed with the Agenda for the November 6, 2017, Finance, Administration and Audit Committee meeting)

Report prepared by:

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(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.)