# BUDGET COMMITTEE APRIL 16, 2004

#### 2004 OPERATING BUDGET - BUDGET INITIATIVES

(Referred from the Budget Committee Meeting of March 31, 2004)

The Budget Committee at its meeting of March 31, 2004 recommended:

That this matter be referred to the Budget Committee meeting of April 8, 2004.

The Budget Committee at its meeting of March 12, 2004 recommended:

- 1) That this matter be referred to the next Budget Committee meeting;
- \* 2) That staff provide two separate lists of the 2004 Budget Initiatives; a list of initiatives to be discussed in open session and a list of initiatives that require to be discussed in closed session; and
  - 3) That the deputation of Mr. Paul De Buono, Vaughan Watch, P.O. Box 5126, Vaughan, L6A 1R6. be received.
  - \* Please see Attachments 1 & 2 on Page 6.2

Report of the City Manager dated March 12, 2004.

### **Recommendation**

The City Manager, in consultation with the Senior Management Team recommends:

That the budget initiatives contained within the attached document "2004 Budget Initiatives vers.12" be received and included in the multi-year operating budget plan.

# **Purpose**

To provide the Committee with a list of Budget initiatives for the 2004 operating budget.

### **Background**

The dramatic growth of the city over the past ten years and challenges confronting the corporation regarding the funding of major non-controllable expenses in the 2004 operating budget (Fire Halls, OMERS, library etc.) has put enormous pressure on the achievement of a balanced 2004 operations budget. To relieve some of this pressure, a budget initiative study was undertaken.

The objective was to identify:

- Service delivery options that will have the greatest impact on the operating budget;
- Service delivery options that will have an immediate impact on the 2004 operating budget;
- Service delivery options that do not simply ask city staff to do 'more with less;
- Service delivery options that will be viewed as 'sound fiscal choices' by constituents.

Services Assessment

Services were reviewed under the following criteria:

- What is it?
- Why are we doing it? (legislated, essential, value added, redundant etc.)
- How does it add value?
- How does it compare to other municipalities?
- How does it fit the strategic direction of the city?
- Can it be delivered within the cost projections provided for the 2004 budget?
- Is it being delivered efficiently?
- Are there alternative delivery options? (quality, quantity, frequency, etc.)

#### Resources Evaluation

Recognizing the funding challenges of the 2004 operating budget, identified services were also reviewed and evaluated as follows:

Sacred Cows: Any activity that occurs "just because" and adds no value to core

program delivery or city operations;

Barnacles: Any activity or process that has been created or creates bureaucracy;

Tough Choices: These are the "nice to have" but we can do with out" activities.

Breakthrough Ideas: Creative, innovative solutions that will save money and create or add

value, particularly to core services.

Extensive interviews with the members of SMT, Directors and selected Managers has resulted in the final compilation of the 2004 Budget Initiative List.

## Relationship to Vaughan Vision 2007

To realistically 'action' VV2007 initiatives, (appropriately prioritized and time-lined) and implement a performance management process to guide its development, the City Strategic Plan and the budgeting process must to be linked together. More specifically, the City's Strategic Plan must be implemented *within available resources*. When funding is not available, there are only two choices; increase revenues or re-allocate existing resources.

The re-allocation of resources should be managed through a strategic performance management program. Since this will be implemented in 2004, a series of interim initiatives must be undertaken to match the City's strategic direction to *available resources* – moving the strategy ahead with a balanced budget (VV 2007 Objective 2.1: "Ensure long term financial stability").

## Conclusion

Receive and include in the 2004 operating budget, the 2004 budget initiatives as submitted March 12, 2004.

### **Attachments**

Attachment #1 - 2004 Budget Initiatives vers. 12E-2

Attachment #2 - 2004 Budget Initiatives vers. 12E-1 (Confidential – Under Separate Cover)

Attachment #1

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	Budget Initiative	kevenue increase Annual	Revenue Increase 2004	Revenue Increase 2005	Revenue Increase 2006	Expense Decrease Annual	Expense Decrease 2004	Expense Decrease 2005	Expense Decrease 2006	One Time Recurring Investment Expense	One Time Recurring nvestment Expense	Comment	
188 5287												180	
200	Review and make recommendations for the vehicular accident response policy.									AA. LOVING OV - Jr.		Services bills \$750 Services bills \$750 flat foe for accident response to the insurance companies.	
N	Apply the pool Permit inspection fee of \$100 after the second inspection instead of the third. Currently By-law Enforcement receives \$100 after the third second in	22,000	14,520	7,480									
NA TEAC	Establish a Private Parling Company Respiration Fee. At parling Company Respiration Fee. At present, By line Enforcement has approximately 12 companies that the contracted by private property comens and therefore must be represently comens and therefore must be represently by the CEV as they issue CEV sockies include.	10,000	9,600	3,400									
201.100	Establish Fees for provente property Parking Enforcement. The current procurbe is for private property owners to simply sward a selete of authorization. Revenue can be realized by having the property owner enter into an appetenent. for sorvice delivery. This agreement would extraktion and hourly rate to be paid to the City for enforcement along with the currier of hours the commer widers to have enforcement pay weeks of month. Examples of property owners are, shopping mails, industrial complexes, export having and condominisms.												

180	2004 Budget initiatives ver. 12E-2 Rudget initiative	ivevenue Increase Arnual	Revenue	Revenue horses Revenue Increase	Revenue Increase	Revenue Increase Reduction/Productivity Indiathes Revenue Revenue Expense Expense Expense Parties Caperos Increase Increase Decrease Parties Annual A	Expense Decrease	Expense	Experse	One Time Recurring Investment Expense	Recurring Expense	
BA. End	increase the minimum parking frees for all parking frees for all parking freeses by \$6.00. Presently, 32,000 cleckets are written arranally and the fines range, for the common offensies, from \$20.2. \$20.0. Fire route, interfering with snow removal are \$75.0. Fire route, and deathed frees are \$30.0. The and cathod frees are established by provincial ingistation and would not be	000'002	132,000	00089						000'6		
16. 16.	Revises the Animal Control Centract for Scots. This represents \$250,000 per year. By having Ily-law staff perform the animal centrol function and have a shittening contract there could be a shittening contract there could be a shittening contract there is shittening.											(Saving TBD 2005)
100	Review the Promonde Transit Terminal					-5,000	-3,300	-1,700				
70.083	increases sporsorable funding. The Communities in Bloom programs should be community driven and innove toward "National Cost recovery" (currently approx. \$150K). The first step will be to identify the TBIE costs of the event and them reinforce the model to a community downspanent approach rather than a sta	30.000	30,000									30K is the Communication Dept. sponsorship target
EHOW	& Collective team.  Eliminate pesticide free artiatives (VEAC) in wards 4 & 5. Most municipalities have gone through this swerche afready and have developed different operating standards with restricted posticide use.					-100,000	98.000	-34,000				
PARKS	Selectively eliminate portable washrooms or recover the costs from the users					-5,000						

04 Bude	2004 Budget Initiatives ver. 12E-2			Several Increase	se/Experse Redu	Revenue Increase/Experse Reduction/Productivity Initiatives	y heltlethers					
	Budget Initiative	Processe Annual	Revenue	Revenue	Beverlub	Decrease	Decrease	Decrease	Decrease	One Time Investment	Recurring Expense	Comments
New Year	Initiate and complete a User Fee Study - The User Fee Policy must establish an equitable balance across all constituent groups, be easy to communicate and		5007	5007	9000	long.	POOZ					
2 5	maximize User Fee revenues for Best Value Service within available resources. Update the Recreation and Culture Stretegic Master Plan (to be completed 12/31/04)									75,000		
	implement a garbago bag/containne lima Consideration should be given to phasini in a bog limit over a two year period. (Rief to them 4, Riepott his 82 of the Committee of the Whale (Spicial — Operating Budget) of February 10, 2003.)  2 bog bousehold* = \$271,452. If Base on 67,863 households - \$271,452. If Base on 67,863 households - three bog limit)	271,452	178.158	92,284						a un cas e medicado manando sa monte escriberes		(200,000) for new staff and production of bag tags.
k .	Implement, a *510 CM por fer, thus box for to developers, to pay for this boxes for one homes (currently 2 free per household). This fere per appropriate two- fer incorporated in the subchiesory-like plan agreement. The menties would be paid to the City of Vasaghan Public Works Department (West lawing ment. And appropriate Department (West lawing ment.) The blue posters. If the developer closes not pay within a carcinot limit farme (as stoplated in the agreement), the Public Works Object mental would be the plan in the agreement), the Public Works Object mental would be the plan developer's Letter of Cerels for the mediates amount. Fitter of Cerels for the mediates amount. Fitter of these sovers				9	00979	44,550	-22,960				

-191,000 -128,066 -64,940 -461,000 -304,260 -156,746	Budget Initiative	Revenue Increase Annual	Revenue Increase 2004	Revenue Increaso 2005	Revenue Increase 2006	Decrease Annual	Expense Decrease 2004	Expense Decrease 2005	Expense Decrease 2005	One Time Recurring Investment Experse	One Time Recurring nvestment Expense	Comment	
-191,000 -126,666 64,940 -461,000 -304,280 -156,746	terminate contractors as years excepting in 2004. This is a provisional learn that we are potentiably eliminate for 2004. Theorem is a provisional learn that we have a potentiable eliminate for 2004. Indexect, this may not be sustainable for lawever, this may not be sustainable for 2005 or beyond the or the City's rapid growth. The City con't has 2 sweepers, and with the growth in mod kilometers is												
-461,000 -304,260 -156,740	ety a cese tame					.191,000	.126,060	-64,940					
461,000 304,260 156,740	filminate uktica week gatatige folloettion. (Calendarization may impact 2004 total saviegy)											Eliminating twice a week collection may require the City to pay a minimal penalty to the contractor for aftering the conditions of the confliction contract.	
-1/224,000 -512,000						.461,000	-304,260						
	illiminete divensely whorlow clearing in 2005. After this second year of the contract we could estimate the contract we could estimate the contract the single divensely windrow contractured residential divensely windrow represents the annual savings form the operating Budges with the bette full plantage Budges with the bette full be the full be contract could be cannot all a 2004 - contract could be cannot be contract could be	2				-1,024,000		-812,000	-612,000				
	to include 10% t of service.											\$270K Addition to the Engineering	

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100	COOR BRIDGE HERBORN SALES AND ADDRESS AND	Increase	Revenue	Revenue	Revenue	Expense	Cxpense	Expense	Expense	One Time	Recurring	
	Budget Initiative	Annual	2004	2005	2006	Annual	2004	2005	2006			Comment
五 .	Move from 3rd party software (Access data base optimite). On 5 Chands, ES software for production of the City's financial statements and Provincial financial information report. Reduces manual intervention and improves the thresholds and accuracy of financial					-1,000	099-	.340		000'01		
Ž.	renormers Move to a digital cheque signer from mechanical process for improved and increased staff efficiency as a result of a digital process as opposed to a mechanical encrease.					-1,000	-660	.340		7,000		
FIN-Tax	Increase the Tax Certificate Fee \$50 to	30,000	19,800	10,200								
TN - Pa	Lower the threshold for bid to \$35,000 from \$100,000 (fee depending on receipted conditions)	7,000	4,620	2,380								
785 Pu						-7,000	-4,620	-2,380				
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	E-Procurement (BID DOCUMENTS ON DEMAND)					-5,000	-3,300	-1,700				
2 10 17	Increase existing Bid Fees (increments of 2004) - see input sheet for breakdown.	6,000	3,300	1,700								
NH NH	Undertake a Crossing Guard Program review focusing on comparisons with other musicipalities, skillerly and deployment of human resources. The current amusi expense of this program is											Cathi Berge Is preparing a more detailed analysis. See Bud. Comm report 2/27/04 a
M IN. IN	\$992.025. Dovelop a recruitment advertising policy. The immediate reduction is 10%, Further cost reductions will be implemented with the deployment of the policy.					000'01-	۳					
No. 18	Printing cost reduction - NCR Forms					-1,500						

	C UC *			Bevonse Increa	se/Expense Redu	Revenue Increase/Expense Reduction/Productivity Installmen	у песытова						
2	2004 Budget Intratives ver. 1 ZE-Z Display to the second s	Neversia Increase Annual	Revenue Increase	Revenue Increase 2005	Revenue Increase 2006	Expense Decrease Annual	Expense Decrease 2004	Expense Decrease 2005	Expense Decrease 2006	One Time Investment	Recurring	Comment	
30 FN-III	Health & Safety Budget Reduction					-5,000	-3,300	-136,000					
33 FH-88	Move to Schedule 2 WSIB (Self Funding)												
100	\$20,000 or 18% Discretionary Expense Reduction					-20,000	-13,200	-6,800					
FRV. Co.	Net Expense Reduction & Additional Arteria Beventure					-15,000	-9,900	-5,100					
ubedu	Kicking theritage Study - Public Consultation for Detailed Streetscape Plan for the Neinburg Core and Nashville									2,000			
Olbesign	vellore District Study - Urban Design Guidelines for the Vellore District Centre									40,000			
ODesite	GO Station and Bridge in Maple - Dodgn development in conjunction with Civic Centre design (Nem to be Included in pelon control businet)									60,000			
	Increase planning application fees. (Amproved by Council 12/03)	133,000	133,000										
	Reduce professional fees for planning studies identified throughout the year. (Notes 1: Spread interest or compensations planning studies would not go forward to adeliose constituent concerns, would be deferred until staff resources could be identified, would be incomplete if nocessary experte roof					-180.00	180,000 -118,800	002'19					
positive										000'08			
	0124					100		000 110 1	-512,000	332,000			
	Column Totals	158,452	855,988	200,454		0 0 3,422,000							

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Budget Initiative	Annusi	2004 20	20
Total Summaries			
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Total expense reliections (2004 + 2005 + 2008) One time profestivity levestivent	332,000		
TOTAL BENEFIT: (Sevenue lictrostes a Expense Sevinas - one timo esperints)			