

COUNCIL EXPENDITURE BUDGETS**Recommendation**

The City Clerk on behalf of the Council Budgets Task Force recommends:

1. That the formula for calculating Council's Discretionary Budgets be revised to include a \$0.70 residential rate per capita and a \$1.25 business rate per business count, as detailed in Attachment 1;
2. That for the purpose of developing the Ward Council Budgets the above recommended rates are to be applied to estimated ward population and business data provided by the City Clerk and Economic Development Department;
3. That for the purpose of developing the Mayor's and Regional Councillor Budgets the above recommend rates are to be applied using a 50% and 34% allocation of estimated total population and businesses, respectively, provided by the City Clerk and Economic Development Department;
4. That for the purposes of developing future budgets, the residential and business rates be increased in relation to the Toronto CPI index, rounded up to the nearest cent; and
5. That budget changes related to the new formula be incorporated into the Draft 2012 Operating Budget and 2012 -2014 operating forecasts.

Contribution to Sustainability

N/A

Economic Impact

Approval of the recommendation in this report will result in the following budget increases:

| | 2012 | 2013 | 2014 |
|-------------------------------|-------------|-------------|-------------|
| Budget Change | \$46,907 | \$37,779 | \$40,265 |
| Avg. Councillor Budget Change | \$5,200 | \$4,200 | \$4,500 |
| Tax Rate Increase | 0.03% | 0.02% | 0.03% |

Communications Plan

N/A

Purpose

The purpose of this report is to provide the Finance and Administration Committee with the Council Budgets Task Force's recommendation for allocating funds to the Council discretionary budgets.

Background - Analysis and Options

On June 28, 2011, the Finance and Administration Committee recommended that the Council Budgets Task Force be re-established to review the Council expense budget which was endorsed by Council on April 5, 2011. Members of the Council Budgets Task Force are Mayor Bevilacqua, Regional Councillor Rosati, and Councillors Carella, DeFrancesca, and Racco. The Task Force met on November 25 and December 9, 2011. At the December 9, 2011 meeting, the Task Force made the following motion:

The Council Budgets Task Force recommends to Council:

- 1) *That the formula for calculating the Council Budgets be revised to include a business and residential rate per capita in accordance with the comments from the members of the Task Force;*
- 2) *That for the purposes of developing future budgets, the rate be increased in relation to the CPI;*
- 3) *That the impacts related to the new formulas be incorporated into the Draft 2011/2014 Budgets; and*
- 4) *That a report be prepared for submission to the Finance and Administration Committee meeting of January 16, 2012, on behalf of the Council Budgets Task Force to implement the Task Force's recommendations.*

Attachment 1 provides detailed results of the Task Force's recommendation. Approval of the Task Force's recommendation will result in a tax rate increase of 0.03% in 2012, 0.02% in 2013, and 0.03% in 2014.

Relationship to Vaughan Vision 2020/Strategic Plan

N/A

Regional Implications

N/A

Conclusion

The Council Budgets Task Force's recommendation is before the Committee for consideration.

Attachments

Attachment 1 - 2012 – 2014 Draft Council Budgets

Report prepared by:

R. Magnifico
Assistant City Clerk

Respectfully submitted,

Jeffrey A. Abrams
City Clerk

**City of Vaughan
2012-2014- Draft Council Budgets**

Summary of Draft Council Budget Task Force

| | 2012 | | 2013 | | 2014 | |
|--------------------------------------|--------------------|-----------------|--------------------|-----------------|--------------------|-----------------|
| | Draft Budget | Budget Increase | Draft Budget | Budget Increase | Draft Budget | Budget Increase |
| Members of Council | | | | | | |
| Mayor Bevilacqua | \$254,593 | \$5,052 | \$262,147 | \$7,554 | \$270,196 | \$8,049 |
| Regional Councillor Rosati | \$167,095 | \$3,797 | \$172,184 | \$5,089 | \$177,608 | \$5,424 |
| Regional Councillor Michael Di Biase | \$167,095 | \$3,797 | \$172,184 | \$5,089 | \$177,608 | \$5,424 |
| Regional Councillor Deb Schulte | \$167,095 | \$3,797 | \$172,184 | \$5,089 | \$177,608 | \$5,424 |
| Ward 1 Councillor Iafate | \$136,027 | \$5,229 | \$139,085 | \$3,058 | \$142,346 | \$3,261 |
| Ward 2 Councillor Carella | \$136,947 | \$6,149 | \$140,061 | \$3,114 | \$143,381 | \$3,320 |
| Ward 3 Councillor DeFrancesca | \$134,527 | \$5,979 | \$137,477 | \$2,950 | \$140,622 | \$3,145 |
| Ward 4 Councillor Yeung-Racco | \$125,771 | \$5,223 | \$128,130 | \$2,359 | \$130,643 | \$2,513 |
| Ward 5 Councillor Shefman | \$142,432 | \$7,884 | \$145,909 | \$3,477 | \$149,614 | \$3,705 |
| Total | \$1,431,582 | \$46,907 | \$1,469,361 | \$37,779 | \$1,509,626 | \$40,265 |
| Tax Rate Adjustment | | -0.03% | | 0.02% | | 0.03% |

2012 Budget Forecast

| Members of Council | Non-Discretionary Expenses | | | Discretionary Expense Formula Components | | | | Combined | | |
|---|----------------------------|------------------|-----------------------------|--|----------|---------------|----------|---|---------------------------|-----------------|
| | Council Remuneration | Council Benefits | Total Salaries and Benefits | Applied Figures ¹ | | Applied Rates | | Total Discretionary Expenditures ³ | Draft 2012 Council Budget | Budget Increase |
| | | | | Population | Business | Residence | Business | | | |
| Mayor Bevilacqua ² | \$115,763 | \$23,731 | \$139,494 | 155,625 | 4,929 | \$0.70 | \$1.25 | \$115,099 | \$254,593 | \$5,052 |
| Regional Councillor Rosati ² | \$72,216 | \$17,332 | \$89,548 | 104,852 | 3,321 | \$0.70 | \$1.25 | \$77,547 | \$167,095 | \$3,797 |
| Regional Councillor Michael Di Biase ² | \$72,216 | \$17,332 | \$89,548 | 104,852 | 3,321 | \$0.70 | \$1.25 | \$77,547 | \$167,095 | \$3,797 |
| Regional Councillor Deb Schulte ² | \$72,216 | \$17,332 | \$89,548 | 104,852 | 3,321 | \$0.70 | \$1.25 | \$77,547 | \$167,095 | \$3,797 |
| Ward 1 Councillor Iafate | \$72,216 | \$17,332 | \$89,548 | 65,300 | 615 | \$0.70 | \$1.25 | \$46,479 | \$136,027 | \$5,229 |
| Ward 2 Councillor Carella | \$72,216 | \$17,332 | \$89,548 | 60,600 | 2,047 | \$0.70 | \$1.25 | \$44,979 | \$136,947 | \$6,149 |
| Ward 3 Councillor DeFrancesca | \$72,216 | \$17,332 | \$89,548 | 43,890 | 4,400 | \$0.70 | \$1.25 | \$36,223 | \$134,527 | \$5,979 |
| Ward 4 Councillor Yeung-Racco | \$72,216 | \$17,332 | \$89,548 | 73,140 | 1,349 | \$0.70 | \$1.25 | \$52,884 | \$125,771 | \$5,223 |
| Ward 5 Councillor Shefman | \$72,216 | \$17,332 | \$89,548 | | | \$0.70 | \$1.25 | | \$142,432 | \$7,884 |
| Totals | \$693,491 | \$162,387 | \$855,878 | | | | | \$575,704 | \$1,431,582 | \$46,907 |

Note: ¹ Estimated population and businesses for 2012 are 308,230 and 9,762 respectively as provided by Clerk's Department and Economic & Technology Development (ETD)

² Mayor's and Regional Councillors' discretionary expenses are based on approximately 1/2 and 1/3 of estimated population and businesses, respectively

³ Total Discretionary Expenditures = Applied Population and Business Figures * Associated Applied Residence and Business Rates

A + B = C

**City of Vaughan
2012-2014- Draft Council Budgets**

2013 Budget Forecast

| Members of Council | Non-Discretionary Expenses | | | Discretionary Expense Formula Components | | | | | Combined | |
|---|----------------------------|------------------|-----------------------------|--|----------|----------------------------|----------|---|---------------------------|-----------------|
| | Council Remuneration | Council Benefits | Total Salaries and Benefits | Applied Figures ¹ | | Applied Rates ³ | | Total Discretionary Expenditures ⁴ | Draft 2013 Council Budget | Budget Increase |
| | | | | Population | Business | Residence | Business | | | |
| Mayor Bevilacqua ² | \$115,763 | \$23,731 | \$139,494 | 162,628 | 5,126 | \$0.71 | \$1.28 | \$122,653 | \$262,147 | \$7,554 |
| Regional Councillor Rosati ² | \$72,216 | \$17,332 | \$89,548 | 109,570 | 3,454 | \$0.71 | \$1.28 | \$82,636 | \$172,184 | \$5,089 |
| Regional Councillor Michael Di Biase ² | \$72,216 | \$17,332 | \$89,548 | 109,570 | 3,454 | \$0.71 | \$1.28 | \$82,636 | \$172,184 | \$5,089 |
| Regional Councillor Deb Schulte ² | \$72,216 | \$17,332 | \$89,548 | 109,570 | 3,454 | \$0.71 | \$1.28 | \$82,636 | \$172,184 | \$5,089 |
| Ward 1 Councillor Iafate | \$72,216 | \$17,332 | \$89,548 | 68,239 | 640 | \$0.71 | \$1.28 | \$49,537 | \$139,085 | \$3,058 |
| Ward 2 Councillor Carella | \$72,216 | \$17,332 | \$89,548 | 68,239 | 1,405 | \$0.71 | \$1.28 | \$50,513 | \$140,061 | \$3,114 |
| Ward 3 Councillor DeFrancesca | \$72,216 | \$17,332 | \$89,548 | 63,327 | 2,129 | \$0.71 | \$1.28 | \$47,929 | \$137,477 | \$2,950 |
| Ward 4 Councillor Yeung-Racco | \$72,216 | \$17,332 | \$89,548 | 45,865 | 4,576 | \$0.71 | \$1.28 | \$38,582 | \$128,130 | \$2,359 |
| Ward 5 Councillor Shefman | \$72,216 | \$17,332 | \$89,548 | 76,431 | 1,403 | \$0.71 | \$1.28 | \$56,361 | \$145,909 | \$3,477 |
| Totals | \$693,491 | \$162,387 | \$855,878 | | | | | \$613,483 | \$1,469,361 | \$37,779 |

A

B =

C

*Note: ¹ Estimated population and businesses are 322,100 and 10,152 respectively. They are based on the 2012 estimates + 4.5% historical population growth and 4% estimated growth provided by ETD
² Mayor's and Regional Councillors' discretionary expenses are based on approximately 1/2 and 1/3 of estimated population and businesses, respectively
³ Residence and Business Rate increase by CPI (2%)
⁴ Applied Population and Business Figures * Associated Applied Residence and Business Rates*

2014 Budget Forecast

| Members of Council | Non-Discretionary Expenses | | | Discretionary Expense Formula Components | | | | | Combined | |
|---|----------------------------|------------------|-----------------------------|--|----------|----------------------------|----------|---|---------------------------|-----------------|
| | Council Remuneration | Council Benefits | Total Salaries and Benefits | Applied Figures ¹ | | Applied Rates ³ | | Total Discretionary Expenditures ⁴ | Draft 2014 Council Budget | Budget Increase |
| | | | | Population | Business | Residence | Business | | | |
| Mayor Bevilacqua ² | \$115,763 | \$23,731 | \$139,494 | 169,947 | 5,331 | \$0.73 | \$1.30 | \$130,702 | \$270,196 | \$8,049 |
| Regional Councillor Rosati ² | \$72,216 | \$17,332 | \$89,548 | 114,501 | 3,592 | \$0.73 | \$1.30 | \$88,060 | \$177,608 | \$5,424 |
| Regional Councillor Michael Di Biase ² | \$72,216 | \$17,332 | \$89,548 | 114,501 | 3,592 | \$0.73 | \$1.30 | \$88,060 | \$177,608 | \$5,424 |
| Regional Councillor Deb Schulte ² | \$72,216 | \$17,332 | \$89,548 | 114,501 | 3,592 | \$0.73 | \$1.30 | \$88,060 | \$177,608 | \$5,424 |
| Ward 1 Councillor Iafate | \$72,216 | \$17,332 | \$89,548 | 71,309 | 665 | \$0.73 | \$1.30 | \$52,798 | \$142,346 | \$3,261 |
| Ward 2 Councillor Carella | \$72,216 | \$17,332 | \$89,548 | 71,309 | 1,461 | \$0.73 | \$1.30 | \$53,833 | \$143,381 | \$3,320 |
| Ward 3 Councillor DeFrancesca | \$72,216 | \$17,332 | \$89,548 | 66,177 | 2,214 | \$0.73 | \$1.30 | \$51,074 | \$140,622 | \$3,145 |
| Ward 4 Councillor Yeung-Racco | \$72,216 | \$17,332 | \$89,548 | 47,929 | 4,759 | \$0.73 | \$1.30 | \$41,095 | \$130,643 | \$2,513 |
| Ward 5 Councillor Shefman | \$72,216 | \$17,332 | \$89,548 | 79,871 | 1,459 | \$0.73 | \$1.30 | \$60,066 | \$149,614 | \$3,705 |
| Totals | \$693,491 | \$162,387 | \$855,878 | | | | | \$653,748 | \$1,509,626 | \$40,265 |

A

B =

C

*Note: ¹ Estimated population and businesses are 336,595 and 10,559 respectively. They are based on the 2013 estimates + 4.5% historical population growth and 4% estimated growth provided by ETD
² Mayor's and Regional Councillors' discretionary expenses are based on approximately 1/2 and 1/3 respectively of estimated population and businesses, respectively
³ Residence and Business Rate increase by CPI (2%)
⁴ Applied Population and Business Figures * Associated Applied Residence and Business Rates*