

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 11, 2008**

Item 1, Report No. 3, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on February 11, 2008.

**1            2008 DRAFT OPERATING BUDGET – ADDITIONAL RESOURCE REQUESTS**

(Referred from the Budget Committee meeting of January 29, 2008)

**The Budget Committee recommends that the following report of the City Manager, the Deputy City Manager / Commissioner of Finance & Corporate Services, the Senior Management Team, and the Director of Budgeting and Financial Planning, dated January 18, 2008, be received:**

The Budget Committee, at its meeting of January 29, 2008, recommended:

That this matter be referred to the Budget Committee meeting of February 5, 2008.

Council, at its meeting of January 28, 2008, approved the following:

Budget Committee recommendation for Item 1, Report No. 1, January 18, 2008:

- 1) That future budget agendas be provided in a timely manner to allow review by Members of Council, and the information provided in the budget reports be formatted for easy reference and explanations given for definitions; and
- 2) That the following report of the City Manager, the Deputy City Manager / Commissioner of Finance & Corporate Services, the Senior Management Team, and the Director of Budgeting and Financial Planning, dated January 18, 2008, be received.

Report of the City Manager, the Deputy City Manager / Commissioner of Finance & Corporate Services, the Senior Management Team, and the Director of Budgeting and Financial Planning, dated January 18, 2008

**Recommendation**

The City Manager, the Deputy City Manager / Commissioner of Finance & Corporate Services, the Senior Management Team, and the Director of Budgeting and Financial Planning recommend:

That the following report be received for information purposes and the recommended additional resource requests be approved.

**Economic Impact**

The additional resource requests are divided in 3 categories:

1. Regulatory Requirements
2. Maintain Service Levels
3. New Initiatives/Enhanced Service Levels

The impact of the recommended additional resource requests is \$3.28m. Incorporating the impact of the recommended additional resource requests will increase the 2008 Draft Operating Budget based on the approved guidelines from 4.52% to 7.52%. The corresponding annual tax impact on the average home in the City of Vaughan is approximately \$79 per year or \$6.58/month.

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Additional resource requests for the Vaughan Public Library were already included in the Draft 2008 Base Budget submission approved by the Library Board. For this reason these requests are identified separately in the report. The Library additional resource requests total \$406k, and equate to a .36 % tax rate increase.

#### **Communications Plan**

N/A

#### **Purpose**

To provide the Budget Committee with information on all additional resource requests, the process followed, and Senior Management Team's recommendation.

#### **Background**

On June 18, 2007, the Budget Committee approved the 2008 Operating Budget Guidelines. In recognizing that the budget guidelines are very restrictive and specifically do not permit additional funding for the following:

1. Regulatory requirements;
2. Maintain service levels;
3. Implement new initiatives/enhanced services.

The guidelines therefore must be complemented by a process that provides departments with the opportunity to formally submit requests for essential resources, not permitted within the base budget guidelines. This provides SMT and Council an opportunity to review and assess each request. Council approval is specifically required when new staff resources, a change in service levels, or new initiatives are brought forward.

Added to the process was a requirement for departments to provide additional value added information on the relationship to specific Vaughan Vision objectives, cost details, benefits of the request, specific risks or consequences to the municipality, etc. This information was instrumental in developing the final recommendation and frequently referred to by the Senior Management Team. For reference purposes, all departmental additional resource request schedules are provided in Section 3 of the Attachment.

With exception for the requests submitted as part of the Library Board recommendation, all other additional resource requests are *not* included in the 2008 draft base operating budget presented to Budget Committee on December 17, 2007. These requests are identified and presented separately in this report for Budget Committee/Council consideration.

#### **Summary of Department Requests**

In total, departments submitted 48 additional resource requests totaling \$4.47m in annual costs, reflecting a 4.1% tax rate increase over and above the recently presented base operating budget requirements. For presentation purposes, these requests are grouped into the following categories:

- ❖ Regulatory Requirements
- ❖ Maintain Service Levels
- ❖ New Initiatives/Enhances Services

Illustrated in the table below is a brief overview of the requests organizing the information for quick reference. Further summary information and details on each request are provided in section 2 and 3 of the enclosed Attachment.

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**Summary of Requests**

| <b>Type</b>                                    | <b>#</b>  | <b>\$</b>        | <b>%</b>      | <b>FTE Impact</b> | <b>% of total</b> |
|--|-----------|------------------|---------------|-------------------|-------------------|
| Regulatory Requirements                        | 7         | 308,609          | 6.9%          | 5.5               | 9.5%              |
| Maintain Service Levels                        | 27        | 3,101,532        | 69.5%         | 40.9              | 70.8%             |
| New Initiatives/ Enhanced Services             | 14        | 1,055,178        | 23.6%         | 11.4              | 19.7%             |
| <b>Total Department Requests</b>               | <b>48</b> | <b>4,465,319</b> | <b>100.0%</b> | <b>57.7</b>       | <b>100.0%</b>     |
| Library Board Requests <i>(in Base Budget)</i> | 4         | 406,800          |               | 1.0               |                   |
| <b>Total City Requests</b>                     | <b>52</b> | <b>4,872,119</b> |               | <b>58.7</b>       |                   |

As illustrated above, the majority of requests are related to maintaining existing service levels. Requests of this nature were anticipated due to the very restrictive base budget guidelines. Requests were also submitted in order to comply with regulatory requirements. This is a relatively small portion of total requests, 6.9%, but reflects a funding need to ensure mandatory legislative requirements are balanced against the risk and consequences of non-compliance. The balance of the requests are for new initiatives and enhanced services, which either improve efficiency and effectiveness or respond to new demands placed on the City. Of the 48 requests presented, 11 requests were carried over from the 2007 budget process, approximately \$670k.

In total, departments requested 57.7 new FTEs, (Fire & Rescue Services 32 FTE's) representing approximately 73% of all requests submitted or \$3.9m. The costs of the new staff additions are fully annualized, which can be adjusted for gapping. However, it should be noted that although gapping impacts the 2008 budget favourably, the balance of the costs will impact 2009. All complement related requests are updated to reflect recently approved labour agreements, with exception for Fire & Rescue Service department requests as a result of ongoing negotiations. Adjustments will be required to accommodate any additional impacts resulting from these discussions.

**Consideration of Additional Resource Requests**

Recognizing the challenge of balancing additional resource requests with limited funding options, SMT undertook a process to review and prioritize all additional resource requests. The process infuses a high degree of objectivity & transparency and the end result of this process is a recommended list of additional resource requests, prioritized based on a corporate blend of municipal risk exposure, maintaining service levels and Vaughan Vision goals and objectives.

Senior Management spent considerable effort and time reviewing every additional resource request, confirming individual request components, associated legislative requirements, and association to Vaughan Vision, etc. Multiple SMT meetings were held and the process resulted in many revisions to ensure consistency in the process and the prioritization of requests.

This was a very challenging task, as all requests are considered important and necessary by departments submitting them. It is important that the organization see that there is equity in the process and that it not be seen as arbitrary. Due to different perspectives, unique circumstances, and distinctive operating pressures, obtaining consensus on a prioritized list of requests was very onerous and required frequent discussions and a collective in-depth understanding in order to put the final list together. Senior Management recently concluded their review and is supportive of the final recommendation on additional resource requests for Budget Committee and Council

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consideration. The table below provides a brief overview of the recommended requests. A complete listing of all the recommended additional resource requests in order of priority is provided in section 1 of the enclosed Attachment.

**Recommendation Summary**

| <i>Type</i>                                    | <b>#</b>  | <b>\$</b>        | <b>%</b>      | <b>FTE Impact</b> | <b>% of total</b> |
|--|-----------|------------------|---------------|-------------------|-------------------|
| Regulatory Requirements                        | 7         | 308,609          | 9.4%          | 5.5               | 12.2%             |
| Maintain Service Levels                        | 20        | 2,798,025        | 85.4%         | 36.5              | 81.1%             |
| New Initiatives/ Enhanced Services             | 7         | 171,190          | 5.2%          | 3.0               | 6.7%              |
| <b>Recommended Totals</b>                      | <b>34</b> | <b>3,277,824</b> | <b>100.0%</b> | <b>45.0</b>       | <b>100.0%</b>     |
| Library Board Requests <i>(in Base Budget)</i> | 4         | 406,800          |               | 1.0               |                   |
| <b>Recommended ARR Totals</b>                  | <b>38</b> | <b>3,684,624</b> |               | <b>46.0</b>       |                   |

As illustrated above, the Senior Management Team is recommending 34 requests totaling \$3.8m, on an operating budget of \$182M and is equivalent to approximately \$31 per year to the average home in Vaughan or a 3.0% tax rate increase. This is a reduction of \$1.2m and 12.7 FTE's from the original requested amount. The majority of recommended requests, approximately 95%, is related to meeting regulatory requirements and maintaining existing service levels. This is a very responsible position as Vaughan has an obligation to comply with various legislative requirements and to continue to provide existing service levels to the community. The remaining requests are related to new initiatives that address emerging service needs or support Vaughan's immediate strategic initiatives. Any further reduction of the recommended additional resource requests may result in an inability to met legislative, service level, or strategic requirements.

Additional information on the recommended requests, including an itemized list arranged by priority, is provided in Section 1 of the Attachment. Section 3 of the Attachment provides specific detail on each request submitted.

**Relationship to Vaughan Vision 2020**

The 2008 Draft Operating Budget is the process to allocate and approve the resources necessary to continue operations and implement Council's approved plans.

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

**Regional Implications**

N/A

**Conclusion**

The base Budget submitted in December was developed by taking the approved 2007 Budget with very limited additions under the guidelines approved by the Budget Committee in June 2007. The guidelines did not allow for any provision to increase complement and resources to maintain levels of service or take on new initiatives. The purpose of this report is to provide the Budget Committee with the recommended Additional Resource Requests to maintain levels of service, address regulatory matters and undertake some new initiatives.

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**Attachments**

Attachment #1 – Additional Resource Requests Summary (available in the Clerk's Department)

**Report prepared by:**

Clayton Harris, CA, ext. 8475  
Deputy City Manager/Commissioner of Finance & Corporate Services

John Henry, CMA, ext. 8348  
Director of Budgeting & Financial Planning

Al Meneses, MBA, ext. 8401  
Manager of Operating Budget

(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.)



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**Purpose**

The purpose of this report is to provide Council with additional information regarding the request for funding assistance and for the requirement for implementation of irrigation of baseball diamonds.

**Background - Analysis and Options**

At the Committee of the Whole meeting of November 5, 2007, Mr. Dirk Driberg of the Vaughan Baseball Association made a deputation requesting funding assistance for the 2008 Canadian National Pee Wee Championships including support for transportation, communications, temporary facilities and security / traffic measures. Based on the deputation, Council directed staff to meet with Mr. Driberg and to provide additional information regarding the request for funding assistance and for the requirement for implementation of irrigation of the baseball diamonds.

Mr. Driberg provided the following breakdown of the items which comprise the \$35,000 funding assistance request:

| <b><u>Item</u></b>          | <b><u>Detail</u></b>  | <b><u>Estimated Costs</u></b> |
|-----------------------------|---|-------------------------------|
| <b>Transportation</b>       | Obligated to transport the 9 teams to and from games (require 2-3 buses)  | \$15,000                      |
| <b>Communications</b>       | Required to promote the tournament (print media, banners and media event)   | \$10,000                      |
| <b>Temporary Facilities</b> | 2 trailers required to be set up on-site as tournament headquarters and full service portable washrooms   | \$ 5,000                      |
| <b>Security / Traffic</b>   | Require security services each of the 5 evenings and pay duty police officers during the daytime for the duration of the event and traffic barricades | \$ 5,000                      |
| <b>Total</b>                |   | <b>\$35,000</b>               |

The request in the amount of \$35,000 would be subject to Budget Committee consideration during the 2008 budget deliberations. The \$35,000 impact will be a one time increase affecting the 2008 operating budget only.

In addition to the above funding assistance request, Mr. Driberg noted that both baseball diamonds at Concord Thornhill Regional Park need to be irrigated to meet the tournament standards criteria. As identified in the Committee of the Whole additional information item dated June 19, 2006, staff had requested funding for the premium baseball diamond irrigation system. A 2008 capital request for \$61,800 has been made to affect these modifications to the diamonds at Concord Thornhill Regional Park. Staff have made this request a top priority in the 2008 capital budget. Should Council approve this capital request during the 2008 budget deliberations for the implementation of the irrigation system at Concord Thornhill Regional Park prior to the beginning of March 2008, staff will be in a position to have contractors implement the irrigation system in time for the 2008 baseball permit season and be operational and supportive of the ongoing cultural practices throughout the summer of 2008 leading up to the tournament.

**Relationship to Vaughan Vision 2007**

This report is consistent with the priorities previously set by Council to serve our citizens and promote and the necessary resources have been allocated and approved.

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**Regional Implications**

N/A

**Conclusion**

That Council receive this report for information, and that Budget Committee consider a request for funding in the 2008 operating budget for \$35,000.00 in support of the 2008 Canadian National Pee Wee Championships.

**Attachments**

None

**Report prepared by:**

Paul Gardner, Director of Parks Development, Ext. 3209



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Item 3, Report No. 3, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on February 11, 2008.

**3** **PROPOSED 2008 CAPITAL BUDGET**

The Budget Committee recommends:

- 1) That the recommendation contained in the following report of the City Manager, the Deputy City Manager/Commissioner of Finance & Corporate Services, the Senior Management Team and the Director of Reserves & Investments, dated February 5, 2008, be approved;
- 2) That the following projects contained in the 2008 Draft Capital Budget, Building and Facility Infrastructure Reserve Pre '99, not be approved:

|            |   |           |
|------------|---|-----------|
| BF-8158-08 | MNR, Main Building Parking Lot Repaving | \$309,000 |
| BF-8113-08 | MNR, Main Building A/C & Heating System | \$254,400 |
- 3) That staff review the feasibility of declaring the table lands at Dufferin Street as surplus, if no longer required for municipal purposes, and any funds derived be allocated to the new City Hall and area related projects;
- 4) That the report on electronic signs previously requested by Council include the feasibility of retrofitting the signage of City Community Centres, including associated costs, with the Al Palladini Community Centre being given first consideration for the retrofit;
- 5) That staff review opportunities of replacing vehicles, where appropriate for operation, with vehicles that are more economical;
- 6) That transit reserves be moved into an infrastructure reserve fund as determined by the Treasurer, subject to allocating \$75,000 to Surveillance Cameras – Various Parks; and
- 7) That the presentation by the Deputy City Manager/Commissioner of Finance & Corporate Services, and related material, be received.

**Recommendation**

The City Manager, the Deputy City Manager/Commissioner of Finance & Corporate Services, the Senior Management Team and the Director of Reserves & Investments recommend:

1. That the following report be received;
2. That the proposed capital projects identified above the funding line and funded from other than taxation and long term debt totaling \$36,749,275 be approved (Attachment 2);
3. That the proposed capital projects identified above the funding line and funded from long term debt totaling \$9,423,800 be approved (Attachment 3); and
4. That the proposed capital projects identified above the funding line and funded from taxation be approved totaling \$6,595,630 be approved (Attachment 4).

**Economic Impact**

The proposed 2008 Capital Budget is \$52,768,705 and funded from various sources (Attachment .../2

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1). The Proposed Capital Budget is within Council approved policies and recognizes the limited amount of tax dollars available for capital work. The future operating budget impact of the proposed capital budget is \$1,655,337 or a 1.51% tax increase.

**Communications Plan**

The Public meeting to consider the Operating and Capital Budget will be advertised and a press release will be issued following approval.

**Purpose**

The purpose of this report is to provide the members of the Budget Committee an opportunity to comment on the Proposed 2008 Capital Budget.

**Background - Analysis and Options**

A number of issues were taken into consideration in the preparation of the capital budget. The continued pressures of growth, maintaining existing infrastructure and provision of new services were balanced against available funding, the impact on the operating budget and the available staff resources to undertake and properly manage the projects.

Total capital funds requested equals \$88,075,335. The Proposed 2008 Capital Budget submission totals \$52,768,705.

Capital projects are funded from four main sources:

- 1. Development Charges;
- 2. Reserves;
- 3. Long Term Debt; and
- 4. Taxation.

Departments have prioritized the projects within each funding source. Based on previously approved Council policies, Finance staff have assessed the availability of funding and established a funding line within each funding source. The following list summarizes the financial policy areas:

- 1. Level of Discretionary Reserves
- 2. Level of Working Capital
- 3. Level of Debt
- 4. The requirement of funds to be on hand prior to Project approval.

Over the years these policies have had a positive impact on the financial stability of the municipality. The key financial information/ratios approved by Council are being met. The following summarizes the key financial information ratios compared to targets approved by Council:

|                                | <u>Projected<br/>Dec. 31, 2007</u> | <u>Approved<br/>Target</u> |
|--------------------------------|------------------------------------|----------------------------|
| Net Development Charge Balance | \$65.4M                            | N/A                        |
| Discretionary Reserves         | 59.7%                              | 50% of own source revenues |
| Working Capital                | 11.6%                              | 10% of own source revenues |
| Debt Level *                   | 5.2%                               | 10% of own source revenues |

\*Includes Commitments for OSA & Vaughan Sports Complex

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#### Item 3, Budget Report No. 3 – Page 3

##### Development Charge Reserves

For the projects submitted to be funded from Development Charges, the following guidelines previously approved by Council were taken into consideration:

- 1) No service category with a positive balance should be placed into a pre-financing position (requirement of funds to be on hand);
- 2) With the exception of Management Studies, no service category pre-financing should not be increased; and
- 3) Commit no more than 50% of anticipated revenue for any service category that is already pre-financed.

Each department has prioritized the capital projects within each development charges funding source. Finance staff have assessed the funding availability and established a specific funding line for each service.

##### Taxation

Projects identified for taxation funding are non-growth related projects that have not other source of financing such as infrastructure maintenance and repairs. In addition, included in the funding request from taxation is the 10% co-funding requirement of the Development Charges Act for certain growth related services (Libraries, Recreational Complexes, Parks, Vehicles and Growth Related Studies). This taxation co-funding is particularly onerous in 2008 due to the taxation requirement for the Block 10 community centre, \$1.5m.

The amount of funding available for taxation funded projects is \$6,599,249 from the 2008 Operating Budget. The 2008 requests total \$18,186,760. Senior staff reviewed the \$18,186,760 in requests and prioritized projects totaling \$6,595,630 (Attachment 4). This was a challenging task as a number of important projects will not receive funding without increasing the allocation of tax funding from the operating budget. Given that there are insufficient funds provided from the 2008 Operating Budget to fund all the taxation funded capital projects, staff reviewed the list of previously approved taxation funded projects to determine potential surplus funds. There are no additional funds available from previously approved taxation funded capital projects. Of the \$6,595,630, \$2,665,530 relates to development charges co-funding required under the Development Charges Act. Any approval of taxation funded capital requests in excess of \$6,595,630 would have an additional impact on the 2008 Operating Budget and the property tax rate.

##### Long Term Debt

Capital projects identified for long-term debt financing tend to be large projects (road resurfacing, road reconstruction and rural road upgrading) that have no other source of funding other than taxation and have a long useful life.

Under Ontario Regulation 403/02, a municipality may borrow or undertake financial obligations provided that the annual repayment related to the debt and financial obligations do not exceed 25% of our own source revenues. It is recommended that the capital projects identified above the funding line from long term debt totaling \$9,423,800 (Attachment 3) be approved. With this approval, the City of Vaughan debt charges will be within the 10% debt policy approved by Council. The Annual Debt Repayment Limit calculated pursuant to Ontario Regulation 403/02 included the proposed debt charges and financial obligation is 3.93% of net revenue fund revenue well within the 25% maximum allowed under the regulation. The issuance of proposed 2008 Long term debt will have an estimated future operating budget impact of \$1,219,800.

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##### Reserve Continuity Schedule

The Preliminary Continuity Schedule of Capital Reserves and Development Charges (Attachment 5) identifies all the City's reserves and deferred revenue account and illustrates the estimated balance at the end of 2007. The continuity schedule is useful for tracking reserve balances and ensuring funds are on hand prior to project approval.

##### Operating Budget Implication

The Proposed 2008 Capital Budget funding lines have been recommended. Should Council approve the capital projects identified above the proposed funding line, the City will experience future net operating costs that are associated with the approved projects. The estimated future operating cost implication is estimated at \$1,655,337 or approximately 1.51% in property tax rate increase when the projects are complete. This excludes any lifecycle costs associated with the projects.

##### Relationship to Vaughan Vision 2020

The budget process links the Vaughan Vision 2020 through the setting of priorities and allocation of resources.

This report is consistent with the priorities previously set by Council and is the process whereby the necessary resources are allocated and approved.

##### Regional Implications

Not applicable.

##### Conclusion

The City Manager, the Deputy City Manager/Commissioner of Finance & Corporate Services, the Senior Management Team and Finance staff have reviewed the Capital Budget submission and have established priorities and appropriate funding lines. The Proposed 2008 Capital Budget is \$52,768,705. The operating budget implication for the Proposed 2008 Capital Budget included above the proposed funding lines in this report is \$1,655,337 or approximately 1.51% future property tax increase when the projects are complete.

##### Attachments

- Attachment 1 – Proposed 2008 Capital Budget Funding Summary
- Attachment 2 – Proposed 2008 Capital Budget Funded other than Taxation and Long-Term Debt
- Attachment 3 – Proposed 2008 Capital Budget funded from Long-Term Debt
- Attachment 4 – Proposed 2008 Capital Budget Funded from Taxation
- Attachment 5 – Preliminary Continuity Schedule of Capital Reserves and Development Charges

##### Report prepared by:

Ferruccio Castellarin, CGA  
Director of Reserves & Investments  
Ext. 8271

(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.)

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Item 4, Report No. 3, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on February 11, 2008.

**4 BATHURST STREET AND MARC SANTI BOULEVARD  
TRAFFIC CONTROL SIGNALS**

The Budget Committee recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Engineering and Public Works, dated February 5, 2008, be approved; and
- 2) That the Region of York be requested to install the subject traffic signals as soon as possible.

**Recommendation**

The Commissioner of Engineering and Public Works in consultation with the Deputy City Manager/Commissioner of Finance and Corporate Services recommends:

1. That, subject to the approval of the 2008 Capital Budget, in accordance with their Traffic Signal Warrant policy, the Region of York be requested to install traffic signals at the intersection of Bathurst Street and Marc Santi Boulevard; and
2. That the City of Vaughan fund the installation of these traffic signals in the amount of \$125,000 and once the Regional warrants are met, the City of Vaughan will request reimbursement from the Region of York for the full cost of the installation.

**Economic Impact**

A request for funding the cost of the installation of the traffic signals has been included in the draft 2008 Capital Budget. There will be ongoing costs (estimated to be \$4,000 annually) associated with the maintenance of the traffic signals until the signals are warranted in future Operating Budgets.

**Communication Plan**

A copy of this report will be forwarded to the Region of York for their action.

**Purpose**

To request the Region of York to install traffic control signals at the intersection of Bathurst Street and Marc Santi Boulevard.

**Background - Analysis and Options**

A request to provide safe pedestrian movement at the intersection of Bathurst Street and Marc Santi Boulevard was received in the fall, 2007. The concern is for the students and other pedestrians who are required to cross Bathurst Street to attend the new private high school or the Lebovic Jewish Community Centre. Several students that travel by transit are dropped off on the east side of Bathurst Street at Marc Santi Boulevard, where the existing bus stop is situated. As there is no traffic signal at this intersection, students cross the road when gaps in traffic occur.

The Region of York completed a review for the feasibility on the implementation of traffic signals at this intersection. The traffic signal did not fully meet requirements of the Region of York Traffic Signal Warrant for installation. The Region's policy does provide for installation of unwarranted

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signals at the municipality's cost if certain conditions are met. The Regional policy provides that if Warrant 1, minimum vehicle volumes, and Warrant 2, delay to cross traffic, are satisfied by at least 70%, then the local municipality can request the Region to install the traffic signals at the expense of the local municipality. The Region will review the warrants annually for up to 5 years. Should the warrant be met within the 5 year period following the installation of the traffic signals, the Region will then reimburse the municipality the full cost of installation.

The existing warrant values are: Warrant 1 – 66% and Warrant 2 - 80%. The Region recognizes the development growth and pedestrian crossing issues at this intersection and will allow traffic signals to be installed.

The installation of traffic signals will improve the overall traffic operations and safety at this intersection for vehicular and pedestrian traffic.

#### **Relationship to Vaughan Vision 2020**

Enhance and Ensure Community Safety, Health & Wellness – to advocate for, protect and enhance community safety, health and wellness through education, design and enforcement.

This report is consistent with the priorities previously set by Council.

#### **Regional Implications**

The Region of York will install the traffic signal control at the intersection of Bathurst Street and Marc Santi Boulevard and will invoice the City of Vaughan for the initial installation costs and for the annual maintenance cost until the signal is warranted.

#### **Conclusion**

Installation of a traffic signal at this intersection will improve safety for pedestrians. Based on the above review, should Council approve the funding and request the Region to proceed, the Region of York will install a traffic control signal at the intersection of Bathurst Street and Marc Santi Boulevard in 2008 and the City will pay for the installation. The City is required to pay for the maintenance of the traffic signal (annual cost \$4,000) until such time the traffic signal warrant is met.

#### **Attachments**

1. Location Map

#### **Report prepared by:**

Mike Dokman, Supervisor, Traffic Engineering, Ext. 3118

MD:mc

(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.)

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Item 5, Report No. 3, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on February 11, 2008.

5

**2008 DRAFT OPERATING BUDGET  
DEVELOPMENT PLANNING DEPARTMENT REVENUE SHORTFALL  
WORKPLAN/MITIGATION PLAN**

**The Budget Committee recommends that the following report of the Commissioner of Planning, dated February 5, 2008, be received:**

**Recommendation**

The Commissioner of Planning recommends that the following report be RECEIVED for information purposes.

**Economic Impact**

The Development Planning Department budgeted revenue amount for 2008 is \$2,875,600 and budgeted expense is \$2,647,030 compared to the 2007 Budget amounts of \$5,195,600 (revenue) and \$2,779,955 (expense).

**Communications Plan**

N/A

**Purpose**

To provide the Budget Committee with the Development Planning Department's Workplan/Mitigation in response to the revenue shortfall.

**Background - Analysis and Options**

In response to the Budget Committee meeting held January 18, 2008, this report has been prepared as a follow up to the Commissioner's verbal presentation.

In 2006, the Department took in a record amount of \$4,374,931 in planning application fees following the review of planning application fees and subsequent increase in fees. In 2007, the Department experienced a decline in fees to \$2,696,000 and the projected revenues for planning fees for 2008 are \$2,875,600. Revenue from planning fees between 2006 and 2007 declined by approximately 40% due primarily to the fact that the Department received fewer plans of subdivision applications (15 applications in 2006 to only 3 in 2007), resulting in a \$1,300,000 drop in fees for this type of application. The total number of planning applications received in 2006 was 317 compared to 235 applications in 2007. Notwithstanding the 40% decline in application fees between 2006 & 2007, the actual decline in the volume of applications was only 25%. The 235 new planning applications received during 2007 still represents a significant volume of applications for the Development Planning Department to process and although the projected revenues for 2008 are projected to be similar to 2007, it is expected that the number of applications the Department will receive in 2008 will also be consistent with 2007.

A factor contributing to the decline in planning applications is as a result of the servicing constraints facing most municipalities within York Region. The required YDSS infrastructure projects (conveyance and treatment) and the timing of those improvements, anticipated in 2012, has meant that there is a lack of servicing allocation available to accommodate new development proposals.

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In addition to the new applications that the Department will continue to receive during 2008, there exists a backlog of applications from previous years that still require ongoing staff time to manage and bring to completion. The total number of applications currently being dealt with by the 10 F/T Planners responsible for the development application file workload is approximately 600. Therefore, staff will be devoting more time to the processing of the backlog of planning applications. The current average file workload for each Planner is approximately 60 files per Planner based on the current staff complement of 10 Planners.

The Development Planning Department also has a Planner 1 staff position that is dedicated to the review and commenting of variance and consent applications to the Committee of Adjustment. In 2007, the Planner 1 reviewed 415 variance and 96 consent applications and provided support at evening meetings to the Committee of Adjustment and attended OMB hearings on behalf of the City. The salary of this staff member is covered entirely by the Development Planning Department Budget, however none of the revenue collected from Committee of Adjustment application fees is directed to defer the Planning Department budget expenses.

#### Initiatives Taken To Date

##### 1. Staff Redeployment and Vacant positions

In response to the decline in planning application revenue during 2007, the decision was made to place a hold on the recruitment of the 2 new F/T staff complement positions (1-GIS Technician and 1-Urban Designer) and deploy the existing Senior Environmental Planner. An Administrative position within the Development Planning staff complement to the Policy Planning Department. In addition, the Senior Environmental Planner and Office Co-coordinator positions were vacant for all of 2007 and the Department realized the benefit in savings in salary.

##### 2. Further Review of Planning Fees

C.N. Watson and Associates Ltd. are currently undertaking a further review and refinement of the City's planning fees. This review will examine the distribution of the current planning fee schedule by application type and should more accurately weight the fee structure (base fee plus per unit fee) to assist the Department in collecting full cost recovery for each application type. Given that we have a baseline of two years it is suggested that the City request C.N. Watson to re-visit Vaughan's full cost recovery model to verify its currency.

#### New Initiatives

##### 1. Conduct Policy Studies Internally with further deployment of staff from Development Planning to Policy

In addition to the 4 F/T staff that have been either transferred to the Policy Planning Department or placed on hold, it is also recommended that 2 additional Planners currently part of the Development Planning staff complement be seconded to the Policy Planning Department to assist in the preparation of the related Official Plan Review focused area studies. With the assistance from other department's including Engineering, Parks, Finance and Legal Services, the Planning Department will be in a position to undertake the preparation of a number of official plan review related studies in house, thereby saving several hundred thousand dollars in consulting costs. However, there still may be a need to retain consultants to conduct specialty work in support of certain components of these studies.

In 2007, the Department Organization Chart included a total approved complement of 32 F/T staff approved as part of the 2007 Budget process.



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The initiatives taken will have the effect of reducing the total complement within the Development Planning Department from a 2007 Budget approved staff complement of 32 F/T positions to 26 F/T staff for the 2008 Budget period. With the transfer of 2 additional Planners from the Development Planning Department to the Policy Planning Department the total number of Planners dedicated to the review of the backlog of approximately 600 planning applications will decline from 10 to 8, and the average number of applications per Planner will increase from 60 to 75. This is in contrast to other municipalities where the file load per Planner is much less (e.g. Brampton-26; Mississauga 30-35).

**Relationship to Vaughan Vision 2020**

This report is consistent with the priorities set forth in Vaughan Vision 2020, particularly “Plan & Manage Growth & Economic Vitality”.

**Regional Implications**

N/A

**Conclusion**

The management of the Development Planning Department will continue to monitor the situation to ascertain if the changes will have any impact upon the level of service to our clients and to be cognizant of any impact upon our employees and will on an as need basis report such impacts and recommend remedial actions to the City Manager for review.

**Attachments**

N/A

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