

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 1, Report No. 9, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on December 14, 2009.

**1** **PROPOSED 2010 CAPITAL BUDGET**  
(Referred Item)

The Budget Committee recommends:

- 1) That the following report of the City Manager, the Senior Management Team and the Director of Reserves & Investments, dated November 10, 2009, be approved;
- 2) That appropriate staff conduct an audit of the various Soccer Clubs in the City of Vaughan, to determine the following information, and any other data staff may deem significant in respect of these matters:
  - the total number of players registered as players by each club, broken down by age category;
  - the total number of players who live in the City of Vaughan;
  - the number of fields, broken down accurately as to category, that are regularly used/assigned to the respective clubs (premium, senior, mini and mini-mini); andthat such report be treated as a priority, in order to be considered as part of the 2010 budgetary process;
- 3) That staff be requested to report on the possibility of phasing the Concord West Streetscaping Master Plan over two years commencing in 2010 and the 2010 portion being funded from a portion of the \$150,000 taxation dollars identified in the memorandum of the Director of Reserves and investments, dated December 1, 2009;
- 4) That the following be received:
  - a) Memorandum from the Commissioner of Community Services, entitled “Additional Information – Kleinburg Nobleton Soccer Club Deputation”, dated December 1, 2009;
  - b) Memorandum from the Director of Reserves & Investments, entitled “Additional Information – Proposed 2010 Capital Budget” with respect to Maple Streetscaping along Major Mackenzie (Project DP-9017-10) and Concord West Streetscaping Master Plan Study (DP-9018-10), dated December 1, 2009;
  - c) Memorandum from the Director of Enforcement Services, entitled “Additional Information – Capital Budget Item 1, Budget Committee”, dated December 1, 2009; and
  - d) Letter from the Chief Executive Officer, Vaughan Public Libraries, entitled “Response to Budget Committee’s Request re: Proposed 2010 Capital Budget / Vaughan Public Library Board”, dated November 24, 2009;
- 5) That the following deputations and written submission be received:
  - a) Mr. Michael Fenuta and Mr. Michael Pozzolo, Glen Shields Soccer Club, and written submission of Mr. Vince Marhese, President, Glen Shields Soccer Club, 7894 Dufferin Street, Concord, L4K 1R6, dated November 19, 2009;
  - b) Mr. Claudio Tersigni, Kleinburg Nobleton Soccer Club, Box 358 Kleinburg, L0J 1C0;
  - c) Mr. Peter Pallotta, 254 Maria Antonia Road, Woodbridge, L4H 2Z4; and
  - d) Ms. Deb Schulte, 76 Mira Vista Place, Woodbridge, L4H 1K8; and

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 1, Budget Report No. 9 – Page 2

**6) That the following written submission be received:**

**a) Ms. Carrie Liddy, dated November 29, 2009.**

Council, at its meeting on November 24, 2009, adopted the following (Item 1, Report No. 8)

The Budget Committee recommends:

- 1) That the following report of the City Manager, the Senior Management Team and the Director of Reserves & Investments, dated November 10, 2009, be received and referred to the Budget Committee meeting of December 1, 2009;
- 2) That staff provide a report to the Budget Committee meeting of December 1, 2009 regarding the request received from the Kleinburg Nobleton Soccer Club (KNSC) and that such report include the financial support and contribution by KNSC for the replacement of the existing field with an artificial surface field; and  
  
That staff report on the approved repair funds;
- 3) That staff provide a report on the assessment of the correct amounts to be allocated for the streetscaping along Major Mackenzie Drive from the various funding sources;
- 4) That staff be requested to review the capital budget and report back with a view to finding the necessary funds to facilitate the Concord West Streetscape Master Plan Study in 2010;
- 5) That the Vaughan Public Library Board be requested to consider providing some innovative library services for the residents in areas where no stand alone library has been considered to be built;
- 6) That the presentation of the City Manager and presentation material entitled, "City of Vaughan Proposed 2010 Capital Budget", be received;
- 7) That the deputation of Mr. Claudio Tersigni, President , Kleinburg Nobleton Soccer Club, Box 358, Kleinburg, L0J 1C0, and written submission dated October 23, 2009, be received;
- 8) That the following written submissions be received:
  - a) Ms. Dawna Guglielmi, Kleinburg BIA Chair, The Village of Kleinburg Business Improvement Association, Box 152, Kleinburg, L0J 1C0, dated November 5, 2009; and
  - b) Mr. Mike Catalano, dated November 4, 2009.

Report of the City Manager, the Senior Management Team and the Director of Reserves & Investments, dated November 10, 2009

**Recommendation**

The City Manager, the Senior Management Team and the Director of Reserves & Investments recommend:

That the following report on the Proposed 2010 Capital Budget be received for information and discussion purposes.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 1, Budget Report No. 9 – Page 3

#### **Contribution to Sustainability**

In the preparation of the proposed 2010 Capital Budget, staff took into consideration The Principles of Sustainability in how the City provides services and infrastructure as detailed in “Green Directions Vaughan”.

#### **Economic Impact**

The proposed 2010 Capital Budget totals \$49,276,959 and is funded from a variety of sources (Attachment 1). The proposed 2010 Capital Budget is within Council approved policies with the exception City Wide Development Charges – Fire Services and recognizes the limited tax dollar and limited resources available for capital work.

The future operating budget impact of the proposed 2010 Capital budget is \$3,517,334 or a 2.8% tax increase when the projects are complete.

#### **Communications Plan**

The Budget Committee meetings are advertised and open to the public. In addition, the final Public meeting to consider the Capital Budget will be advertised and a press release will be issued following Council approval. The highlights from the Capital Budget will also be incorporated into the overall communication strategy for the 2010 Budget.

#### **Purpose**

The purpose of this report is to provide the members of the Budget Committee an opportunity to comment on the Proposed 2010 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 maintaining existing infrastructure, growth and provisions of new servicing requirements for growth are balanced against available funding, the current financial impact on the economy and the impact on future operating budgets.

During the summer of 2009, the Federal and Provincial Governments announced the listing of successful projects totalling \$30.9M receiving funding under the Infrastructure Stimulus Fund (ISF) and the Recreational Infrastructure Program (RiNC). In total 177 projects were approved. Given the stringent program timelines for these projects, staff have given top priority to these projects and assigned staff accordingly. The proposed 2010 Capital Budget submission reflects the available staff resources to undertake or manage the projects being submitted for consideration.

The total capital funds requested equals \$90,511,753. The proposed 2010 Capital Budget submission totals \$49,276,959.

Capital projects are funded from four (4) main sources:

1. Development Charges;
2. Reserves;
3. Long Term Debt;
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:

.../4

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 1, Budget Report No. 9 – Page 4

- 1) Level of Discretionary Reserves;
- 2) Level of Working Capital;
- 3) Level of Debt;
- 4) 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 compared to targets approved by Council:

	<u>Projected</u> <u>Dec. 31, 2009</u>	<u>Approved</u> <u>Target</u>
Net Development Charge Balance	\$81.7M	N/A
Discretionary Reserve Ratio	50.4%	< 50% of own source revenue
Working Capital	11.97%	< 10% of own source revenue
Debt Level *	6.3%	> 10% of own source revenue

\*Includes Commitments for OSA and Vaughan Sports Complex. The calculation excludes the impact of issuing debt to fund the hospital contribution until the debt is actually issued.

**Development Charge Reserves**

For the projects submitted to be funded from Development Charges, the following Council endorsed guidelines 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 be increased; and
- 3) Commit no more than 50% of anticipated revenues for any service category that is already pre-financed.

Each department prioritized the capital projects within each development charge funding source. Finance staff have assessed the funding availability and established a specific funding line for each funding source. With the exception of Fire Services, the 2010 Capital Budget is within these guidelines. Overall development charge accounts should have a positive balance not withstanding the deficit in the Management Studies and Fire Services development charge accounts.

**Taxation**

Capital projects identified for taxation funding are non-growth projects that have no 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).

The amount of funding available for taxation funded projects is \$6,564,747 from the 2010 Operating Budget. The 2010 taxation funded requests total \$23,308,535. Senior staff reviewed the \$23,308,535 in requests and prioritized projects totalling \$6,564,747 (Attachment 4). This was a challenging task as a number of 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 2010 Operating Budget to fund all the taxation funded capital projects, staff reviewed the list of previously approved taxation funded projects to determine potential surplus

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 1, Budget Report No. 9 – Page 5

funds. There are no additional funds from previously approved taxation funded capital projects. Any approval of taxation funded capital requests in excess of \$6,564,747 would have an additional impact on the 2010 Operating Budget and the property tax rate.

#### **Long Term Debt**

The Capital projects identified for long term debt financing are typically large projects (road resurfacing, road reconstruction and road upgrading) that have no other source of funding other than taxation.

Under Ontario Regulation 403/02, a municipality may borrow or undertake financial obligations provided that the annual repayment limit related to the debt and financial obligations do not exceed 25% of net revenue fund revenue. It is recommended that the capital projects identified above the funding line from long term debt totalling \$4,579,000 be approved (Attachment 3).

Once Council approves the long term debt funded capital projects, staff will prepare the tender and request for the approval of the award of tender. When these projects are complete and costs finalized, the City requests and authorizes the Region of York to issue the debenture on the City's behalf.

Taking into account the additional debt contemplated by the proposed capital budget, the City of Vaughan debt charges are still within the 10% debt ratio policy approved by Council. The annual debt repayment limit calculated pursuant to Ontario Regulation 403/02 for the proposed debt charges and financial obligation is 4.8% of net revenue fund, revenue well within the 25% maximum allowed under the regulation. The City's debt limit policy utilizes a more conservative definition of "own source revenues". The debt ratio under the City's policy is 6.3%.

The issuance of the long term debt as identified in the 2010 Capital Budget will have an estimated future annual operating budget impact of approximately \$593,000. This amount will depend on interest rates at the time of issuance.

#### **Operating Budget Implications**

The Proposed 2010 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 \$3,517,334 or 2.8% in property tax rate increase when the projects are complete. This excludes any life cycle costs associated with the projects.

#### **Reserve Continuity Schedule**

The Preliminary Continuity Schedule of Capital Reserves and Development Charges (Attachment 5) identifies all the City reserves and deferred revenue accounts (DC's) and illustrates the estimated balance at the end of 2009. The Continuity Schedule of Capital Reserves and Development Charges is useful for tracking reserve balances and ensuring funds are on hand prior to project approval.

#### **Relationship to Vaughan Vision 2020/Strategic Plan**

The budget process links the Vaughan Vision 2002 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.

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 1, Budget Report No. 9 – Page 6

**Regional Implications**

Not applicable.

**Conclusion**

The City Manager with the Senior Management Team and Finance staff have reviewed the 2010 capital submission and established priorities and appropriate funding lines. The Proposed 2010 Capital Budget is \$49,276,959.

The operating budget implication for the proposed 2010 Capital budget included in this report is \$3,517,334 or approximately 2.8% property tax increase when the projects are complete.

**Attachments**

Attachment 1 – Proposed 2010 Capital Budget Funding Summary

Attachment 2 – Proposed 2010 Capital Budget Funded other than Taxation and Long Term Debt

Attachment 3 – Proposed 2010 Capital Budget Funded from Long Term Debt

Attachment 4 – Proposed 2010 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.)

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 2, Report No. 9, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on December 14, 2009.

**2            OPERATING BUDGET QUARTERLY REPORT ENDING SEPTEMBER 30, 2009**

**The Budget Committee recommends approval of the recommendation contained in the following report of the Director of Budgeting and Financial Planning, dated December 1, 2009:**

**Recommendation**

The Director of Budgeting and Financial Planning recommends:

That the 2009 Third Quarter Variance Report be received for information purposes.

**Contribution to Sustainability**

Sustainability by definition focuses on the ability to maintain a function over a period of time. Consistent monitoring of planned vs. actual financial results aides decision makers in determining if the City's operations and annual financial plan are sustainable.

**Economic Impact**

Not applicable

**Communication Plan**

Not applicable

**Purpose**

To report on the 2009 year-to-date actual operating results compared to the calendarized operating budget, as at September 30, 2009.

**Background – Analysis and Options**

The attached third quarter variance report compares the current status of actual departmental and corporate operating results for the nine-month period ending September 30, 2009, relative to the 2009 year-to-date operating budget. The year-to-date operating budget is calendarized based primarily on the spending patterns and trends of previous years, as per departmental submissions. The variance report is prepared on a partial accrual basis, where only major revenue streams or expenditures not booked, but incurred to date, have been estimated and accrued.

**Third Quarter Overview – Ahead of Budget**

At the end of the third quarter, the City experienced a \$2.5m favourable variance, representing an 8.2% variance on the City's 2009 third quarter operating budget. This favourable variance is comprised of \$4.4m favourable expenditure variance, which is offset by a \$1.9m unfavourable revenue variance. The annual operating budget for the City is \$194.9m, of which 28.1% in expenses and 10.8% in revenues remain to be realized. A detailed report is attached, which provides specific variance detail by department and corporate categories.

It is important to note, the combined favourable variance is not directly indicative of the City's final year-end position; it simply compares the City's actual financial position to the approved budget at a point in time. The current favourable position may be eroded due to unforeseen events such as winter storms, an economic downturn, or a delay in expenses to the last quarter of the year.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 2, Budget Report No. 9 – Page 2

The main areas that contributed to the positive \$2.5m variance are summarized below.

#### City Revenue Variance

Actual revenues were \$173.9m as of September 30, 2009, and represent a \$1.9m unfavourable variance when compared to the year-to-date revenue budget of \$175.7m. The variance resulted from the following *main* components.

- A \$2.7m unfavourable variance in supplemental taxation revenue caused by MPAC processing delays, which should be corrected by the fourth quarter.
- A \$714k unfavourable variance in fees and service charges largely related to planning applications, timing of recreation revenue, and lower than anticipated enforcement services revenue. These variances were partially offset by higher than anticipated revenues in Fire, Building Standards, and other departments.
- Actual transfers from reserves were \$536k less than anticipated. This is largely related to a reduced engineering reserve transfer caused by favourable variances in associated department expenditures. Variances also occurred in transfers from building standards, fleet, parks, and finance from capital reserves.
- The above unfavourable variances were partially offset by the following:
  - A \$1.7m favourable corporate revenue position, mainly a result of higher than expected Hydro dividends of approximately \$1.3m and investment income.
  - Payments in lieu (PILs) came in \$331k higher than budget due to a planned vs. actual timing difference. This variance will be reduced or eliminated in the following quarter after the final billing is issued and collected.

#### City Expenditure Variance Overview

Actual total expenditures were \$140.1m as of September 30, 2009, and represent a \$4.4m favourable variance when compared to the year-to-date expenditure budget of \$144.5m. The variance resulted from the following *main* components.

- The largest component driving the City's favourable expenditure variance was a favourable position in total department expenses, approximately \$4.8m, despite the significant unfavourable variance experienced in winter control as a result of the extreme weather conditions. The majority of the department variance is attributed to salary savings resulting from vacancies and delays in hiring recently approved staff.
- Another component was the \$1.6m favourable variance in long-term debt which was a result of payment timing differences.
- Lastly, the \$692k favourable variance in corporate contingency was due to anticipated expenses that have not been realized.
- The above noted favourable variances were reduced by a \$2.7m unfavourable variance in corporate expenses, of which \$1.3m resulted from a Building Standards reserve contribution and \$750k was related to anticipated salary gapping. Unfavourable variances in elections, OMB hearings and tax adjustment costs also contributed to the remaining variance.

For quick reference purposes, a summary of the variances by major category is provided below followed by explanations for specific variances.

Variance Summary:



CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

City of Vaughan  
2009 Operating Budget  
Third Quarter Variance Summary

<u>Revenues</u>		Variance in \$mil
<b><i>Taxation</i></b>		
Supplemental	<u>(2.7)</u>	(2.7)
<b>Payment in Lieu</b>		<b>0.3</b>
<b><i>Reserves</i></b>		
Engineering Reserve		<b>(0.5)</b>
<b><i>Fees &amp; Service Charges</i></b>		
Enforcement	(0.4)	
Recreation	(0.4)	
Development Planning	(0.5)	
Fire & Rescue Services	0.3	
Other	<u>0.3</u>	<b>(0.7)</b>
<b><i>Corporate Revenues</i></b>		
Hydro Dividends	1.3	
Investment Income	0.7	
Other	<u>(0.3)</u>	<u>1.7</u>
<b>Total Revenues</b>		<b>(1.9)</b>
<b><u>Expenditures</u></b>		
<b><i>Departmental Expenses</i></b>		
Building Standards	0.6	
Information & Technology Management	0.6	
Development & Transportation Engineering	0.5	
Engineering Services	0.5	
Buildings & Facilities	0.5	
Vaughan Public Libraries	0.5	
Enforcement Services	0.4	
City Clerk	0.3	
Development Planning	0.3	
Public Works	(0.4)	
Other-(various departments)	<u>1.0</u>	<b>4.8</b>
<b><i>Corporate &amp; Election</i></b>		
Building Standards Reserve Contribution	(1.3)	
Salary Savings from Turnover	(0.7)	
Other	<u>(0.7)</u>	<b>(2.7)</b>
<b><i>Long Term Debt</i></b>		<b>1.6</b>
<b><i>Contingency</i></b>		<u><b>0.7</b></u>
<b>Total Expenditures</b>		<u><b>4.4</b></u>
<b>Third Quarter Revenues Net of Expenditures</b>		<u><b>\$ 2.5</b></u>

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 2, Budget Report No. 9 – Page 4

#### **Specific Variance Explanations:**

Listed below are explanations for significant revenue and expenditure variances. As per prior practice, department explanations are required for all unfavourable variances and any favourable variances in excess of \$100,000. Explanations for corporate revenue and expenditure variances are also included, following the major department variance explanations.

#### **City Council**

##### Expenditure variance - \$121,537 or 12.1% favourable

Council expenditures were favourable and related to under spending in part-time, travel/conference, printing, mailings and the remaining balance was distributed among various other accounts.

#### **City Manager**

##### Fire and Rescue Services

##### Revenue variance - \$253,773 or 144.7% favourable

The third quarter revenue position has exceeded the annual budget by 12%. The majority of the favourable variance, approximately \$195k, is mainly attributed to higher emergency call outs due to an increase in motor vehicle accidents. The balance of the variance is related to an increase in revenues for external mechanical services provided to municipalities and requested fire prevention inspections for commercial and industrial buildings.

##### Expenditure variance - \$76,170 or 0.3% unfavourable

The unfavourable variance was largely a result of over spending in vehicle maintenance and repairs, approximately \$199k, as a result of an increasing fleet and recoverable municipal area vehicle servicing. In addition, an unfavourable variance of \$67k was experienced in protective clothing and uniforms, due to an earlier than planned bulk purchase.

The above variance was partially offset by a \$187k favourable variance in labour costs resulting from several retirements, parental-leaves and long term disability, including overtime coverage for higher than normal sick time and the August 20 Tornado. The remainder of the variance was an equalized combination of minor variances across multiple accounts.

#### **Commissioner of Finance and Corporate Services**

##### Expenditure variance - \$104,729 or 28.5% favourable

The favourable variance was a result of staff vacancies, which resulted in savings in the labour and other associated accounts. The favourable variance will continue to year-end.

#### **City Financial Services**

##### Expenditure variance - \$106,498 or 5.4% favourable

Majority of the favourable expenditure variance relates to \$84k savings in labour costs caused by staff vacancies. The remainder of the variances lie in associated accounts such as training and development, office supplies, furniture, and other accounts.

#### **Reserves and Investments**

##### Expenditure variance - \$120,176 or 16.4% favourable

The favourable variance was caused by delays in hiring the 2009 approved grant specialist and investment analyst positions, approximately \$91K. The remainder of the variance is due to \$22k posting error and other minor favourable variances.

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 2, Budget Report No. 9 – Page 5

**Commissioner of Legal and Administrative Services**

City Clerks

Expenditure variance - \$261,149 or 9.6% favourable

The Clerk's overall favourable expenditure variance is primarily attributed to Clerk's Mailroom/Print Shop, Records Management, and Administration divisions. The favourable variances were a result of the following main points:

- A \$105k variance in the Mailroom/Print Shop was related to savings realized in postage, printing and supplies, which are dependent on citywide departmental needs.
- A \$72k variance in Records Management was largely a result of labour savings due to a delay in hiring approved staff complement.
- The \$64k favourable variance in Administration was mainly a result of savings in the delay of hiring a contract person for a maternity leave replacement and savings in training and development, advertising and other accounts. These savings will be minimized by year-end as expenditures are processed and incurred over the next few months.

City Clerks Licensing

Revenue variance - \$168,429 or 26.9% favourable

Licensing revenue has reached 99% of the annual revenue budget by third quarter. The favourable variances were a result of the following main points:

- An increase in marriage license applications, approximately \$70k, caused by the City of Toronto strike,
- The issuance of 6 additional taxi plate licenses, approximately \$45k.
- Greater than expected tow truck applications requests, approximately \$30k.
- Other minor favourable variances were experienced in eating establishments, public garages and driving school categories.
- The above favourable variance was offset by an unfavourable variance of \$27k in massage parlour licenses as result of forced closures by the Enforcement Department.

Expenditure variance - \$32,229 or 8.7% unfavourable

The unfavourable variance is largely related to higher than anticipated purchases of marriage licenses resulting from the City of Toronto strike, approximately \$72k. This variance was partially offset by a favourable variance in labour costs of \$29k resulting from an unfilled position. The remaining variance consisted of various minor variances experienced in materials and supplies and other accounts.

Committee of Adjustment

Revenue variance - \$63,045 or 17.5% unfavourable

Application volumes submitted to date have been lower than initially anticipated due to general economic conditions.

City Clerks Insurance

Expenditure variance - \$174,700 or 8.9% unfavourable

The insurance expense was higher than planned due to unforeseen increases in the 2009-2010 insurance premium issued in July.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 2, Budget Report No. 9 – Page 6

##### Legal Services

Revenue variance - \$6,248 or 11.8% unfavourable

This variance is a result of lower than anticipated registration fees.

Expenditure variance - \$243,854 or 21.1% unfavourable

The unfavourable expenditure is a result of greater than forecasted professional fee costs for external counsel regarding three compliance audits and an appeal for a court decision upholding various City by-laws. These additional costs are expected to continue. The above variance was slightly offset by other minor favourable variances.

##### Enforcement Services

Revenue variance - \$418,480 or 30.1% unfavourable

The unfavourable variance was caused in part by a reduction of the 2009 additional enforcement staff requests, for which was not reflected in department revenue budget. Similarly, the anticipated full-year revenue for the administrative monetary penalties initiative was prematurely factored into the 2009 department budget, when the actual go live date was August 2009. These items prevented the department from meeting 2009 revenue targets.

Expenditure variance - \$390,014 or 13.4% favourable

The favourable variance consists of \$282k savings in labour costs related to vacant positions and delays in hiring the 2009 approved sign-enforcement staff. There was \$92k savings in service contracts and materials/supplies due to delays in invoice payments which will correct itself in the fourth quarter. The above variances were partially offset by higher than anticipated overtime costs for noise monitoring, which is partially funded by associated paid duty revenue.

##### Human Resources

Expenditure variance - \$194,902 or 8.9% favourable

The majority of the favourable variance, approximately \$146k, is located in labour costs associated with two maternity leaves and a delay in hiring a contract position. The above positive variance will likely be reduced in the fourth quarter as a result of anticipated paid vacation for departing staff member. Corporate training also contributed \$63k to the positive variance account, but is anticipated to be reduced in the fourth quarter with on-going accessibility training. The above variances were partially offset by an unfavourable variance in professional fees due to a higher volume of legal fees related to arbitration costs for VFRS and CUPE union grievances and the staff survey. The remainder of the favourable variance is a combination of payment delays for the September service awards event and other minor accounts.

#### **Commissioner of Community Services**

##### Recreation

Revenue variance - \$414,245 or 3.3% unfavourable

The unfavourable revenue variance is primarily due to revenue posting and calendarization anomalies created by the early October vs. late September program start dates. The revenue variance should correct itself in the fourth quarter, when budget vs. actuals will more closely align.

##### Building and Facilities

Expenditure variance - \$585,645 or 5.0% favourable

The favourable variance largely consists of a \$250k favourable variance in labour costs related to vacancies caused by turnover and a \$279k favourable variance in utilities as a

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 2, Budget Report No. 9 – Page 7

result of payment processing timing delays. The balance of the variance is located in maintenance, garbage disposal services, and charges from other departments which are also a result of payment processing timing delays. It is expected that variances resulting from timing delays will correct themselves in the fourth quarter.

#### Fleet

##### Expenditure variance - \$171,948 or 24.3% favourable

The largest portion of the favourable variance, approximately \$117k, is related to labour savings resulting from a vacant position, which was recently filled in fourth quarter. In addition, a \$25k favourable variance was experienced in charges from other departments, which will be processed in the next quarter. The remainder of the variance relates to minor variances in maintenance repairs, materials and supplies and other various accounts. It should be noted that the fleet department is funded through fleet reserve contributions and therefore no net impact was experienced.

#### Parks Operations-Cemeteries

##### Revenue variance - \$16,668 or 30.9% unfavourable

The unfavourable variance was for less than expected sale of plots, foundations, and other services.

#### Parks Operations

##### Expenditure variance - \$122,971 or 1.5% unfavourable

The variance consists largely of a \$468k unfavourable position experienced in contractor and contractor maintenance expenses attributable to \$160k in emergency fence and retaining wall repairs, a \$156k posting error to be corrected in the fourth quarter, and increased snow clearing costs experienced early in the year. In addition, machine time was also unfavourable by \$203k due to severe winter conditions earlier in the year requiring longer equipment run times.

The above unfavourable variances were mostly offset by \$438k in net labour savings resulting from full time vacancies and long term disability absences. Other favourable variances consisted of \$47k in utilities and \$26k in charges from other departments caused by payment processing timing differences. A mixture of various other minor account variances in computer hardware/software, small tools and equipment, protective clothing etc. also contributed to the remaining difference.

### **Commissioner of Planning**

#### Development Planning

##### Revenue variance - \$483,990 or 27.4% unfavourable

The variance is a result of reduced applications received during this time period e.g. (Official Plan and Zoning By-law Amendments, Subdivisions, Part-Lot Control, Site-Plans and Condominiums). However, budgeted revenues may materialize before the end of the year, barring any unforeseen events or market conditions.

##### Expenditure variance - \$265,657 or 13.9% favourable

The majority of the variance, approximately \$211k, is related to labour savings caused by two maternity leaves backfilled by lower cost contract staff and an approved position transfer to Policy Planning. In addition, there is a net favourable variance in professional fees when including the reserve funding transfer for the Major Mackenzie streetscape study. The balance of the variance consists of multiple minor variances.

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 2, Budget Report No. 9 – Page 8

Building Standards

Revenue variance - \$218,523 or 3.3% favourable

Approximately 67% of the variance is a result of substantially higher than expected building permit volumes received during the third quarter. The remainder of the variance was related to other service charges such as sign and title restriction fees among other related fees.

It is unknown if the higher than expected building permit volumes will continue. The increased permit activity could result in a contribution to the Building Standards Continuity Reserve Fund at the end of the year. The Building Standards Department will continue to monitor permit activity and if required, will review the building permit fee structure and make recommendations accordingly.

Expenditure variance - \$584,003 or 12.9% favourable

The majority of the favourable expenditure variance relates to vacancies which have resulted in savings in the salary, benefits, and associated accounts, including office equipment, computer hardware, software, training and development. It is expected that this favourable variance will continue to the end of the year.

**Commissioner of Economic and Technology Development and Corporate Communications**

Economic and Business Development

Revenue variance - \$142,747 or 29.7% unfavourable

The unfavourable revenue variance can be attributed to a delay in Communities in Bloom (CIB) receivables and tourism advertising revenues not realized due to a temporary redirection of resources to Communities in Bloom and economic pressures. The unfavourable revenue variance should improve, but may not be fully corrected by year-end.

Expenditure variance - \$190,985 or 15.2% favourable

The department's favourable expenditure variance is attributed to a combined favourable variance of \$163k in special events, promotion and education, travel and advertising as a result of a reduction in public relations activities. The remainder of the variance was distributed in related expense accounts.

Information Technology Management

Expenditure variance - \$566,237 or 11.9% favourable

The favourable variance is made up of first, savings of \$155k in labour costs mainly in full time salaries due to longer period than anticipated to fill previously approved complement. Secondly, the service contract account was under spent by \$146k, as a result of delays in contract renewals and invoice processing. Thirdly, the communications account was under spent by \$116k, due to cost savings and delays in securing communications services. The remaining balance consists of many smaller account variances. It is anticipated that as payments are processed the overall favourable variances will be reduced by the end of 2009.

Corporate Communications

Expenditure variance - \$111,389 or 10.1% favourable

The majority of the favourable variance, approximately \$69k, is due to the hiring delay of an approved Communications Specialist, as a result of the job evaluation process. The remainder of the variance consists of a combination of savings in computer hardware/software, advertising and other expense accounts offset by overspending in contractor and contract materials for corporate events, which is counter balanced by event sponsorship revenues.

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 2, Budget Report No. 9 – Page 9

**Commissioner of Engineering and Public Works**

Development and Transportation Engineering

Revenue variance - \$24,901 or 12.8% unfavourable

The unfavourable variance was mainly related to a revenue decline in recoverable expenses caused by the surcharge levied for work the developer has failed to do in a timely manner. As a result, developers undertook their work requirements to avoid a surcharge. The remainder of the variance is due to a decline in infill and new development permit applications resulting from the economic slowdown. It is anticipated that these areas will not recover by the end of the year.

Expenditure variance - \$457,985 or 17.6% favourable

Most of the favourable variance was due to labour savings. Two of these positions were recently filled during the third quarter. However, there are three positions that continue to be vacant, two of which are 2009 approved complements that are currently in the job evaluation process. It is not anticipated that the positions will be filled before the end of the year.

Engineering Services

Revenue variance - \$11,904 or 11.0% unfavourable

The variance is related to road occupancy permits, which are expected to meet annual budget expectations in the next quarter.

Expenditure variance - \$476,551 or 20.1% favourable

The majority of the variance, approximately \$335k, is principally found in net labour costs due to delays in the hiring of three positions, including the Director's role which was filled in the second quarter. Other expenditures impacted by the above variances include training, membership and mileage. Unfavourable variances in professional fees and computer hardware/software were also experienced, but anticipated to align with budget in the fourth quarter. The remaining \$101k favorable variance in contactor and contract materials was a result of work deferred to the fourth quarter.

Public Works-Operations

Revenue variance - \$31,807 or 7.8% unfavourable

The unfavourable revenue variance is caused by \$28k lower than expected revenue in the Roads Department from recoverable expenses for street lighting activities due to the decline in accidents. The remainder of the variance is in the Waste Division whereby there was a decrease of sales for blue boxes, green bins and garbage, which was mostly counter balanced by a \$45k favourable variance in the Ontario Specific Grant funding.

Expenditure variance - \$357,927 or 1.2% unfavourable

The above variance consists of \$771k unfavourable variance in winter control, which is partially offset by favourable variances in Waste, Roads and Administration divisions.

*Winter Control* – The \$771k unfavourable variance in winter operations was caused by the severe winter storms experienced in the early part of 2009. This created a \$783k variance in contract accounts for servicing requirements and a \$92k variance in material accounts for salt purchases. The above variances were offset by favourable variances in labour and other accounts.

*Roads* – The \$138k favourable variance in roads operations was related to a \$323k favourable variance in contracts due to a delay in maintenance programs, which will be caught up in the last quarter. The above variance was offset by a \$140k variance in labour costs due to full time position reclassifications and increase costs in part time and overtime accounts. In addition, a \$69k unfavourable variance was experienced in materials required for pot hole and rural road repairs created by the extreme winter earlier in the year.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 2, Budget Report No. 9 – Page 10

*Waste* – The \$172k favourable variance in waste was due to \$85k under spending in contracts due to a change in growth projections, \$30k in labour vacancies and \$34k in advertising as less printed ads were used. The remainder \$23k favourable variance is in other minor accounts.

*Administration* - The \$103k favourable variance in administration was largely a result of savings in labour costs, approximately \$84k, due to vacancies. The remaining balance consists of a blend of many other minor variances.

#### **Vaughan Public Libraries**

*Expenditure variance - \$450,146 or 5.5% favourable*

Most of the favourable variance is a result of the following:

- Approximately \$437k was in salaries and benefits for temporary vacancies, leave of absences and wage differentials.
- Buildings and facilities maintenance was under spent by \$78k due to less than expected repairs of library facilities.
- The periodicals account was favourable by \$63k as a result of free access to database that was offered by Knowledge Ontario program.
- Joint service charges were favourable for \$46k which will be realized before the end of the year.
- Resources-books were overspent by \$153k due to timing differences which are expected to self correct before year-end. This variance partially offset the above favourable variances. Savings in other minor accounts contributed to the remainder of the variance.

#### **Corporate Revenues**

Supplemental Taxation

*Revenue variance - \$2,698,245 or 99.9% unfavourable*

This variance is caused by a delay in MPAC's processing of tax assessments, which in turn delayed the collection of City supplemental taxes. It is anticipated the revenues will be collected by fourth quarter.

#### Reserves

*Revenue variance - \$536,409 or 6.14% unfavourable*

Revenues from reserves were \$536k unfavourable, largely due to the engineering reserve being under budget by approximately \$541k as a result of lower departmental expenses. Unfavourable variances were also experience in the Building Standards and Fleet reserve transfers for reasons similar to those illustrated above. These variances were offset by a \$147k positive showing in finance from capital due to an increase in capital projects and a favourable variance in the insurance reserve transfer to cover the unanticipated insurance premium increases previously illustrated in the Clerks Insurance section.

#### Payment in lieu/other

*Revenue variance - \$331,006 or 13.4% favourable*

These variances are due to the timing of final PIL billings.

#### General Corporate Revenues

*Revenue variance - \$1,735,037 or 12.8% favourable*

Corporate revenues are favourable largely as a result of greater than anticipated Hydro dividend and investment income earnings, \$1.3m and \$707k, respectively. Although, investment income has performed well year to date, there is economic pressure to reduce bank rates, which may impact on the City's ability to maintain these performance figures.



## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 2, Budget Report No. 9 – Page 11

The above figures are offset by a \$175k unfavourable showing in POA revenue due to a backlog in regional processing. These funds are anticipated to be forthcoming in the fourth quarter. In addition, tax certificates and document revenue was unfavourable \$174k, due to a process delay in setting up the "New Account Fee" and "New Ownership Fee". The account should see a correction within the fourth quarter. The remaining balance consists of unfavourable variances in fines and penalties, miscellaneous revenues, etc, largely due to timing differences.

#### **Corporate Expenditures**

Corporate and Election Expenditures

*Expenditure variance - \$2,713,765 or 47% unfavourable*

The majority of the unfavourable variance consists of the following explanations:

1. A \$1.3m unfavourable variance was due to a substantial transfer to Building Standards Reserve Contribution, resulting from a combination of lower than anticipated expenditures and higher building code permit revenues. Bill 124 imposes cost and price restrictions on the building code permit fees to the extent that revenues cannot exceed reasonable and anticipated costs. For this reason revenue surpluses are transferred to the reserve to provide future service continuity, as per the City's policy.
2. A \$750k unfavourable variance was experienced in salary gapping and was anticipated since salary savings are budgeted corporately, but realized within individual departments. This variance will continue to be presented throughout the year and naturally offset by the actual salary savings realized within departments.
3. The \$249k unfavourable variance in election expenses was for professional fees paid for compliance audits performed during the year.
4. The Major OMB hearings account was unfavourable \$246k as a result of three lengthy and significantly complex Ontario Municipal Board matters, where external consultants were retained for legal advice and representation and to provide expert evidence on policy and development planning, traffic and transportation, heritage architecture and market economy matters. The variance is expected to continue to the year end.
5. The \$120k unfavourable variance in tax adjustments was due to the timing of the release of ARB decisions and subsequent adjustments. Also, for third quarter, an increase in the elderly homeowners' rebates was experienced, which contributed to the unfavourable variance. The remaining balance consisted of a variety of minor account variances.

Long Term Debt

*Expenditure variance - \$1,579,939 or 19.15% favourable*

This expense has a favourable variance as a result of timing issues. It is anticipated that the variance will be minimized by year end.

Corporate Contingency

*Expenditure variance - \$691,858 or 79.8% favourable*

A favourable variance in contingency was experienced due to anticipated corporate expenses that have not yet been realized.

#### **Relationship to Vaughan Vision 2020 / Strategic Plan**

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

#### **Regional Implications**

None

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 2, Budget Report No. 9 – Page 12

**Conclusion**

Based on the 2009 quarter ending September 30, 2009, the favourable variance was \$2.5m. If trends continue and barring any unforeseen events, our year-end variance should be favourable. Over the past few years, the operating budget has relied on a prior year's surplus of \$2.5m to assist in balancing the budget. At this point in time, we anticipate that 2009 will not be different than previous years.

**Attachments**

Attachment 1: Third Quarter Variance Report

**Report prepared by:**

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

Ursula D'Angelo, CGA  
Manger of Operating Budgets  
Ext. 8401

(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.)

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 3, Report No. 9, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on December 14, 2009.

**3** **ANIMAL CONTROL BY-LAW FEE AMENDMENTS**

**The Budget Committee recommends approval of the recommendation contained in the following report of the Commissioner of Legal and Administrative Services and City Solicitor and the Director of Enforcement Services, dated December 1, 2009:**

**Recommendation**

The Commissioner of Legal and Administrative Services and City Solicitor and the Director of Enforcement Services, in consultation with the Manager of Special Projects, Licensing & Permits and Risk Management, recommend:

1. That Notice be given of the amendment to the Fees, for Dog and Cat Licenses, and Impounding and Boarding; and
2. That Schedule 'A' of Animal Control By-law 53-2002 be amended to modify the licensing and impound related fees as outlined in the report.

**Contribution to Sustainability**

Online renewals will reduce the need to attend in person, reducing automobile use and adjusting fees will improve contribute to financial sustainability.

**Economic Impact**

There is a potential to generate additional licensing revenue which would offset costs of the online license renewal program of \$45,000.00. This amount is included in the 2010 Capital Budget.

**Communications Plan**

The fee changes will be communicated to the agencies selling licenses on behalf of the City. The fee change will also be listed on the City's website. The Licensing Department will be preparing a renewal notice including the new fees which will be mailed out to current dog and cat licenses.

**Purpose**

To amend the Animal Control By-law by establishing uniform fees and implement online license renewal.

**Background - Analysis and Options**

The City of Vaughan Animal Control By-law 53-2002, requires owners of dogs and cats to license the animals annually. Currently, licenses are available from the Clerk's Department, from participating veterinary offices, and from the City's animal control contractor.

Although exact numbers of dogs and cats in the City is not known, a recent study by the Pathwise Group and a survey conducted by Ispos-Reid would suggest that the numbers could be as high as 30,000 - 40,000.

Historically, the number of licenses sold each year has represented only a very small fraction of the number of dogs and cats, perhaps as low as 3%.

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 3, Budget Report No. 9 – Page 2

In addition, the current By-law provides the fee to be waived, or reduced, for those animals spayed or neutered, animals that are micro chipped, and licenses sold by the animal control provider and community partners.

Table #1 below demonstrates the number of licenses issued and the proportion of licenses for which fees were not received.

**Table #1**

Year	Dog Tags Issued	Dogs Tags No Fee Received	Cats Tags Issued	Cat Tags No Fee Received
2007	1472	1014	70	50
2008	1710	980	109	62
2009 (YTD)	984	798	70	51

The current fee schedule is in need of updating for a number of reasons:

1. the current business model is not efficient and is not at a cost recovery level;
2. other municipalities have stopped offering discounts for micro chipping and spay or neutering.

Table #2 demonstrates a benchmark for other municipalities' licensing fees. Vaughan's fees are below the average fees of the comparators. King, Brampton and Aurora have eliminated the discounts for spayed/neutered animals.

**Table #2**

City	Intact	Sterilized
Aurora	\$30	\$30
Brampton	\$20	\$20
Kingston	\$40	\$15
London	\$50	\$31
Mississauga	\$40	\$20
Town of Markham	\$41.50	\$26
Town of Richmond Hill	\$25	\$10
Township of King	\$22.50	\$22.50
Cambridge	\$25	\$15
City of Burlington	\$50	\$25
Waterloo	\$37	\$22
<b>Vaughan</b>	<b>\$20</b>	<b>\$10</b>
<i>Average Fee</i>	<i>\$34</i>	<i>\$22</i>

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 3, Budget Report No. 9 – Page 3

Staff are recommending a two phased approach to modifying the animal licensing methodology in Vaughan.

1. Amend the Animal Control By-law 53-2002 to discontinue the discounts for spay, neutered and micro chipped animals. The following license fees are proposed:
  - Dogs and Cats \$20
  - Aggressive/Vicious Breeds of Dogs \$50
  - Seniors - \$10 per animal
  
2. Implement an online license renewal program. Staff have identified a program from an external vendor, the same vendor that manages the City of Vaughan's online ticket payment process. This program request is included in the 2010 Capital Budget. The cost of the implementation of the online pet license program is \$45,000. The implementation timeline will be dependant on how the ITM department prioritizes the project.

The elimination of reduced cost licenses and the convenience of online renewals should provide increased fee revenues.

(If all licenses issued in 2008 had been sold at \$20, the revenue would have been \$36,380, as opposed to \$6,695).

Strategies still need to be identified to increase compliance with the pet licensing requirements. The City attempted to have door to door canvassers solicit the sales of licenses on a commission basis. This program was not successful.

Other municipalities across Canada use very aggressive enforcement strategies that have proven very successful. These strategies are costly to implement and maintain, and may not meet public expectations of pet licensing enforcement.

As the city of Vaughan moves towards having its own animal shelter late in 2010, the potential exists for developing adoption and licensing projects geared to increasing compliance with the licensing requirements. Talks are already underway with external suppliers to provide those purchasing animal licenses with valuable coupons or gifts. Additional reports will be provided as these initiatives take shape.

#### Impounds and Boarding Fees

Schedule 'A' also requires updating of the impounding fees. Currently, there is an escalating fee for repeat impounds, but the daily boarding fee remains unchanged and is unrealistically low (\$8 per day) compared to commercial boarding rates, generally \$20 - \$30 per day. The current cost of boarding a dog or cat does not result in a cost recovery model when compared against the costs of food and staffing to care for the animal.

As outlined in Table #3, staff are recommending changes to both the impound and boarding fees, to be phased-in over the next year.

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 3, Budget Report No. 9 – Page 4

**Table #3**

Impound Occurrence	Impound Fee (Current)	Boarding Fee per day (Current)	Impound Fee (Proposed)	Impound Fee (Proposed)	Boarding Fee per day (Proposed)	Boarding Fee per day (Proposed)
			Effective January 1, 2010	Effective November 1, 2010	Effective January 1, 2010	Effective November 1, 2010
First	\$15	\$8	\$18	\$20	\$12	\$20
Second	\$30	\$8	\$35	\$40	\$12	\$20
Third & Subsequent	\$50	\$8	\$55	\$60	\$12	\$20

**Relationship to Vaughan Vision 2020/Strategic Plan**

This report is in keeping with the Vaughan Vision Service Excellence strategic initiatives. The necessary resources have been identified and allocated

**Regional Implications**

Not applicable.

**Conclusion**

Fees associated to animal control have not been adjusted for several years. The Animal Control By-law 53-2002 should be amended to bring the animal licensing and impound fees in line with other municipalities.

**Attachments**

None

**Report prepared by:**

Tony Thompson

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 4, Report No. 9, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on December 14, 2009.

---

**4** **CHARACTER COMMUNITY BUDGET**

**The Budget Committee recommends that the following report of the Character Community Committee, dated December 1, 2009, be received.**

**Recommendation**

The Character Community Committee recommends that a \$10,000.00 budget be approved for Character Community Initiatives and that such funds come from the City's Operating Budget.

**Contribution to Sustainability**

Continued participation in Character Community will ensure that the City is able to model the attributes advocate for their citizens thereby resulting in a strengthened community.

**Economic Impact**

The Character Community of York Region Foundation provides some of the necessary supplies for the City's Character Community Week. However other costs associated with Character Community are not funded by the Region and as such have currently been absorbed within current Operational Budgets for the last three years. Currently funding for the speaker series (circa \$5,000 per year) and special events related to Character Community have been found within the existing Human Resource budget. Vaughan's Character Community Committee believes that there is a need to ensure sustainable funding to be set aside for future years as the current Initiatives continue and develop and grow.

**Communications Plan**

N/A

**Purpose**

The purpose of this report is to seek sustainable funding for Character Community Week and Character Community Initiatives.

**Background - Analysis and Options**

Council at its meeting on October 9, 2007 approved Character Communities Week and approved that the City of Vaughan continue to develop public education and awareness initiatives surrounding Character Community. A Working Committee with representation from Council and staff has prepared a number of initiatives over the last three years to showcase the importance of Vaughan as a Character Community.

A Character Community is one in which elected officials, community leaders, citizens and staff recognize and promote good character. Everyone works together to ensure that families are strong, homes and streets are safe, education is effective, business is productive, neighbors care about one another, and people make wise choices for their families and lives. In short, a Character Community has leaders who are models of the character attributes they advocate for their citizens.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 4, Budget Report No. 9 – Page 2

#### **Relationship to Vaughan Vision 2020/Strategic Plan**

All initiatives of Vaughan Vision 2020 are included with the adoption and continuation of the Character Community program including Service Excellence by preserving our heritage and supporting diversity, arts and culture, Management Excellence by demonstrating leadership and promoting effective governance, and Staff Excellence by valuing and encouraging a highly motivated workforce.

#### **Regional Implications**

The City will continue to work with the Character Community Committee of York Region and other municipal stakeholders to expand, grow and partner in its involvement with the Character Community mandate for the Region as a whole.

#### **Conclusion**

A Working Committee with representation from Council and staff has prepared a number of initiatives over the last three years to foster the importance of Vaughan as a Character Community. In order to further develop public education and awareness surrounding Character Community Initiatives, sustainable funding needs to be allocated towards this initiative.



CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 5, Report No. 9, of the Budget Committee, which was adopted, as amended, by the Council of the City of Vaughan on December 14, 2009, as follows:

***By receiving the confidential memorandum from the City Clerk and Returning Officer, dated December 10, 2009.***

5

**2010 ELECTION BUDGET**

The Budget Committee recommends:

- 1) That the following report of the City Clerk, dated December 1, 2009, be approved; and
- 2) That the written submission of Ms. Carrie Liddy, dated November 29, 2009, be received.

**Recommendation**

The City Clerk recommends that:

- 1) The 2010 Election Budget be approved; and
- 2) A report be submitted subsequent to the 2010 Election on any unbudgeted expenditures incurred by the City Clerk in carrying out his mandate to conduct the election.

**Contribution to Sustainability**

N/A

**Economic Impact**

The Election Reserve Account has been established to fund elections and by-elections. Contributions to the Reserve are made each year, with the account growing to \$1.25 million by the time the election is held in late 2010. Expenses to date totaling approximately \$16,000 will ultimately be funded by transfers from the election reserve to the City Clerk's operating budget. Approximately \$265,000 in compliance audit costs arising from the 2006 election will be funded from other sources.

The actual expenditures arising from the 2006 election (excluding compliance audit costs, legal fees) totaled approximately \$688,000. Total forecasted expenditures for 2010, subject to such additional expenditures as the City Clerk may consider necessary in order to carry out the election (as dictated by as yet unknown circumstances, and beyond the \$65,000 contingency built into the budget) are estimated to be \$985,000. Growth (number of new polling locations), additional hours and days for advance voting, new voting locations for advance voting, additional equipment required to facilitate advance voting, a refined training program, an enhanced media/awareness program, and the introduction of new staffing components, account for the difference in cost.

**Communications Plan**

No specific communications are planned for the election budget, as it will form part of the overall City budget. Significant communications will be undertaken to support the election itself, including newspaper notices, direct mail, short instructional videos, the creation of a dedicated web site, and other media initiatives.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 5, Budget Report No. 9 – Page 2

#### Purpose

The purpose of this report is to provide information on the key cost elements of the City Clerk's plans for the delivery of the 2010 general municipal election.

#### Background - Analysis and Options

The City Clerk, as Returning Officer, has statutory responsibility to conduct municipal elections. The following information sets out the forecasted expenditures required to carry out the statutory and logistical requirements for delivering a fair and proper election in accordance with the *Municipal Elections Act* and the principles that guide municipal clerks in their election-related duties.

In preparing for the 2010 election, the City Clerk has taken note of the decision of Mr. Justice Howden following the 2006 election, and has incorporated measures and funding that address the issues and concerns identified by the Court.

The forecasted expenditures do not assume the introduction of a contribution rebate program, as Council has not yet made a decision in that regard (the matter is to be considered by Committee of the Whole on December 1, 2009).

Election costs have been summarized under five different headings for convenience:

- Staffing Costs
- Computers, Equipment and Software
- Media/Statutory Advertising
- Printing/Postage
- Sundry
- Contingency

Within each category, a short explanation of the key components is provided.

#### 1. Staffing

The most significant component of staffing cost is associated with the number of persons required to support the election on election day and for advance voting. The majority of Election Day positions are filled through the appointment of non-City staff. City staff are appointed to key positions (such as TDRO). The key election day positions are as follows:

- Tabulating Deputy Returning Officer (TDRO):  
Located at each polling location, responsible for the processing of marked ballots through the tabulators during election day and for transferring the tabulators to election central at the close of polls.
- Deputy Returning Officer (DRO):  
responsible for setting up of voting places, the opening and closing of polls, issuance of ballots and striking voters off of voters list, processes declarations of citizenship, administers appropriate oaths, processes all required documentation at end of voting day and provides back-up assistance, as necessary.
- Managing Deputy Returning Officer (MDRO):  
maintains order at multiple poll voting places, supervises all administrative and voting procedures, processes declarations of citizenship, administers appropriate oaths and provides back-up, as required.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 5, Budget Report No. 9 – Page 3

- Revision Officer (RO)  
assists in setting up voting place, verifies identification of voters and checks to see that voter is on the list, processes applications to amend voters list, administers oath if required), assists voter in the voting station and assists with the closing of the voting place.
- Remake Officer  
(new position) processes the exchange of ballots that have been inappropriately marked or are unreadable by the tabulator, thereby preventing delays and ensuring the proper reconciliation of ballot forms. Approximately 65 positions will be deployed at multiple poll locations.

In addition to the above positions a number of standby staff are in place to step into the above positions in the event of an emergency or illness. Hall monitors are employed to assist in schools. Security personnel are employed to assist with traffic and security at election central.

For the 2010 election all of the above positions will be deployed. As a result of staffing the new 'Remake' position, extended hours and days, as well as growth which has occurred since the last election, it is expected that the number of election workers hired will increase to approximately 1,170, an increase of 245 people over 2006 staffing levels

Field supervisory staffing will also be increased, so that Ward Captains will be afforded the opportunity to visit assigned polling locations multiple times throughout Election Day, and spend more time with staff at those locations to ensure that the election is conducted in accordance with the prescribed procedures. Ward Captains positions will be filled from existing City complement.

Further, to supplement the current Clerk's Department staff over the course of the election year, an election coordinator (contract position) will be hired to oversee certain election processes (such as staffing, forms processing, technical writing). In addition, a part-time election assistant will be hired to assist with the various administrative functions required for the 2010 election (such as filing, tracking of expenditures, materials and supplies ordering and tracking). Other staffing expenditures (particularly with respect to participants on the City Clerk's Election Project Team) will be absorbed within existing departmental budgets.

Staffing expenditures are expected to be in the order of \$305,000.

#### 2. Computer Equipment and Software

The election is highly reliant on secure technology to assist in the voting process, tabulation, and the compilation of votes. Included in expenditure forecasts are funds for:

- 130 tabulator units (tabulators for both the 2010 and 2014 election are being leased, at the rate of \$120,000 per year for five years, including by-election rental for the intervening years)
- Voter accessibility accessories (primarily for use during Advance Voting Week, and at certain polls (such as seniors' care facilities) on Voting Day)
- Computers, printers and software to support a live voters list for "anywhere voting" during Advance Voting Week, and including contracted services for that purpose

Computer, Equipment and Software costs are expected to be in the range of \$165,000.

#### 3. Media Campaign/Statutory Advertising

These expenditures meet both the statutory requirements on the distribution of election related information, and also further the City's response to the concerns and issues raised in the 2006 litigation:

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 5, Budget Report No. 9 – Page 4

- Creation of a new brand for the 2010 municipal election.
- placement of statutory and informational advertisements
- media campaign to educate voters on voting opportunities and processes, including ballot-marking requirements
- creation and support of Election Website (contracted staff)
- video production (including ballot marking, tabulator use)

Expenditures, including staffing costs to create and support the website, are estimated to be approximately \$275,000.

#### 4. Printing/Postage

Opportunities will be taken to combine mailings where possible and so printing and postage expenses have been forecasted at the 2006 level:

- printing of voters lists
- printing of various forms required for the election
- postage for voter cards

Total expenditures are estimated at \$140,000 in this category.

#### 5. Sundry

- meals for election staff at election central
- identification for election workers
- mileage/parking at advance voting locations
- carrying cases, headsets for call takers on election day
- election supplies for election day
- furniture rentals for advance voting locations and schools, where required.

Expenditures are estimated at \$35,000 in this category.

#### 6. Contingency

An amount of \$65,000 has been included as a contingency for unforeseen events and expenditures.

### Relationship to Vaughan Vision 2020/Strategic Plan

This report supports the objectives of Vaughan Vision 2020, particularly with respect to –

#### MANAGEMENT EXCELLENCE:

Demonstrate Leadership & Promote Effective Governance.

### Regional Implications

N/A

### Conclusion

Expenditures for the 2010 election are provided for from within the funding levels in the Election Reserve Account. A report will be submitted subsequent to the 2010 Election on any unbudgeted expenditures incurred by the City Clerk in carrying out his mandate to conduct the election.

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 5, Budget Report No. 9 – Page 5

Funding for any contribution rebate program that Council might establish would have to be separately identified.

**Attachments**

N/A

**Report prepared by:**

Joseph Chiarelli, Manager, Special Projects, Licensing and Permits  
Jeffrey A. Abrams, City Clerk

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 6, Report No. 9, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on December 14, 2009.

**6** 2010 BUDGET FORUM & RESULTS

The Budget Committee recommends:

- 1) That the recommendation contained in the following report of the City Manager, dated December 1, 2009, be approved;
- 2) That staff be requested to report to the next Budget Committee meeting any outstanding issues arising from the Information/Consultation Forum; and
- 3) That the written submission of Ms. Jane Hunter, dated December 1, 2009, be received and that staff provide a report on the tennis courts in the Bindertwine area.

**Recommendation**

The City Manager in consultation with the Director of Budgeting & Financial Planning recommends:

That the following report be received for information purposes.

**Contribution to Sustainability**

Sustainability by definition focuses on the ability to maintain a function over a period of time. Responsible budgeting allocates resources in a responsible way to sustain the City's operations and aspirations, balancing both current and future requirements. The process of obtaining public input into the budget process is essential to validate the needs of the community and balance them within available resources. The 2010 budget approach seeks to minimize the current year requirements, while continuing to meet the requirements of the future.

**Economic Impact**

There are no direct implications of this report.

**Communications Plan**

Not applicable

**Purpose**

The purpose of this item is to report on the input received from the Public Budget Forum, held at the Civic Centre on November 16, 2009, for the benefit of the members of the Budget Committee and Council.

**Background – Analysis & Options**

Public consultation and input is an important element of the 2010 budget process. As part of the City's approved 2010 budget process and consistent with the previous year's process, a budget forum was held to educate and inform the public and to receive public input into the 2010 budget process. The forum was held at the following location and time:

- Civic Centre – Monday November 16 – 7:00 pm

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 6, Budget Report No. 9 – Page 2

#### Early Promotion

To ensure the community was aware of this event, a very aggressive communication/promotion plan for the City's 2010 Budget Forum was followed and consisted of:

- 1) Access Vaughan phone promotion, registration, and reminders
- 2) Event promotion on the City's website
- 3) Local media advertisements and news releases
- 4) Mobile signs
- 5) Poster advertising in city facilities (civic centre, libraries, community centres)
- 6) Electronic bulletins

#### Our Message to the Community - Value for your Property Tax Dollar

A focal point of the 2010 Budget Forum was to communicate key messages and highlights on the draft budget and process. The information provided was intended to educate residents on the draft 2010 budget and also generate discussion and feedback. Listed below are the main topics presented.

- ***City services and facilities the resident receives***  
In order to put local tax dollars into context for discussion purposes, it was necessary to highlight the vast quantity of City services and facilities that are provided and available to residents for their local property tax dollars; approximately \$1,161 for the average home in Vaughan based on the draft 2010 budget.
- ***Service improvements / expansions in the 2010 Budget***  
Included in the draft budget are proposed improvements and the expansions necessary to support the needs of a growing community. The following examples were provided.
  - Community Facilities*
    - Opening a North Thornhill Community Centre
    - Combining services for residents in a new Civic Centre
  - Community Safety*
    - Hiring firefighters for a new fire station
    - Major road repairs throughout Vaughan
  - Environmental Stewardship*
    - Implementing green direction strategies
    - Building environmentally sustainable facilities
  - Job Creation*
    - Renewing our economic development strategy
    - Creating jobs through economic stimulus projects
- ***The minimal cost to the average tax payer***  
For the average residential property in Vaughan, the local property tax increase associated with the draft 2010 budget is \$38. This increase is necessary to sustain current service levels and the improvements noted above. Community service improvements and growth account for 80% of the increase. Based on the above, the average residential property in Vaughan will pay \$1,161 for local city services.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

#### Item 6, Budget Report No. 9 – Page 3

- **Sound financial management & value for property tax dollars**

As a result of sound financial management practices at the City over the years, residents are offered good value for their local property tax dollars. A founding principle of the 2010 budget was to sustain and, in a number of instances, improve service with a minimum tax increase. The 2010 budget achieves this objective. Listed below are a few examples of Vaughan's successes:

- One of the lowest tax rates in the GTA
- The recession had minimal impact on Vaughan
- Recognized by the Province for good management

#### **Engaging our Citizens**

The 2010 Budget Forum was open to all citizens and the intent was to acquire feedback with respect to the services provided by the City and whether or not residents believe they are getting value for their property tax dollar. To achieve the maximum benefit from the forum, residents were engaged using two methods:

##### 1. Audience Response Technology

This method allows large groups of residents to simultaneously and anonymously answer multiple choice questions and graphically displays the aggregate result for all to see. The use of this tool creates an interactive and fun environment increasing attentiveness and knowledge retention. It also helps to immediately confirm the audiences understanding of key points or topics.

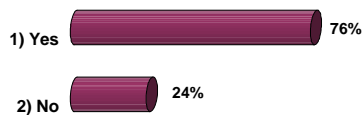
##### 2. Deputations

In addition to the audience response technology, the attendees were provided an opportunity to provide comments or ask questions. This method assisted the City in obtaining more specific detail on the needs of citizens attending.

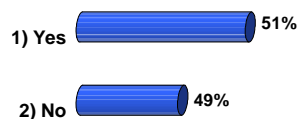
#### **Forum Results & Community Feedback**

Approximately 50 residents attended the forum. Of the residents participating in the event, the majority responded that Vaughan is focusing on the right improvements, providing the right local services, and that they are getting value for their tax dollars. Illustrated below are the results of these topic questions:

##### Is the City focusing on the right improvements?



##### Is the City taking the right approach?



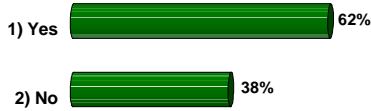


CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 6, Budget Report No. 9 – Page 4

Are we providing the right local services?



Overall are you getting value for your local tax dollars?



In addition to the above questions, the audience was asked questions to better gauge their understanding on selected topics. These questions were intended to create a fun environment, increase attentiveness, and increase knowledge retention. Nevertheless, the responses to these questions are interesting and summarized below:

- The majority, approximately 55% of the audience, overestimated the percentage of local tax dollars that remain in Vaughan.
- Over 80% of the audience were not aware of the significant cost to operate a fire station 24/7
- Half the audience believed that their local property taxes would be higher than their car insurance premium. This however, is contrary to information that indicates property taxes for the average home (\$1,161) is less than the average car insurance premium (\$1,500).

The above responses suggest there is a continuing need to educate residents on the cost of municipal services provided, how much of the property tax dollar stays in Vaughan, and the perspective of local tax dollars when compared to other household items.

At the end of the forum a final question was asked to better understand which method of communication the audience found most effective. Surprisingly, 37% of the audience indicated electronic news letters to be the most effective. When the City’s website is added (+14%) the percentage of residents who prefer electronic communication jumps to 51%. These results will be useful in planning future events. Detailed below are the results.

Which method of communication do you find most effective?



Deputations and Resident Comments

In addition to the above interactive questions the audience was encouraged to provide comments or ask questions. In total, 15 residents or 30% of the audience stepped up to the podium to provide their comments (deputations). A complete set of notes on the 2010 Budget Forum, recorded and prepared by the Clerks department, is provided as Attachment 1 for Budget Committee consideration. Listed below are the main deputation topics related to the draft 2010 budget.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 6, Budget Report No. 9 – Page 5

**Reoccurring Themes** (mentioned by more than one resident):

- Road repairs
  - Woodbridge road repairs
  - Conley street road repairs (Thornhill/Concord)
  - Thornhill woods traffic calming measures
  - The need for a sidewalk on Rutherford Rd. (between Dufferin & Bathurst)
- Trail & pathway expansions to link parks and neighborhoods
  - Angelina Avenue to Martin Grove Fields
  - Woodbridge/Kleinberg areas
- Providing meeting space for associations ( Air Cadets, Parkinson's, etc)

**Individual Requests** were also presented:

- Bindertwine Park - tennis court resurfacing
- Bindertwine Park - artificial soccer turf
- Funding for a judicial review
- Funding for a multicultural youth talent presentation
- Etc.

### Continuing Opportunities for Public Engagement

Two-way communication is important. Continuing opportunities for public input will be provided through a mixture of public engagement activities, which are further expanded below.

#### ***The Budget Forum On-line***

The City website is the City's primary communication vehicle. For citizens unable to attend the Budget Forum, a video of the presentation, a copy of the hand-out and a brief survey (based on the forum questions) are available on the City's website until Dec. 6<sup>th</sup>. This event was promoted through news releases, e-newsletters, and listed as a featured project on the City's website home page. The survey results will be provided to the Budget Committee at a later date, unless participation is poor.

#### **Chamber of Commerce Event**

A budget overview will be presented at a Chamber of Commerce event by the Budget Chair/City Manager to inform and engage Chamber members. This event is scheduled for December 4<sup>th</sup>.

#### ***Council/Budget Committee Meetings***

Throughout the budget process, scheduled Budget Committee meetings are open to the public. Vaughan residents have an opportunity to participate in any of the Budget Committee meetings scheduled over the next few months, including an opportunity to provide input at a Special Council meeting anticipated in January, to obtain public input before the budget is approved. These dates are as follows:

##### Scheduled Budget Committee Meetings

- Dec 1 – 9:00 – 10:30
- Dec 15 – 9:00 – 11:30
- Dec 22 – 9:00 – 11:30

##### Special Council Public Input Session

- Anticipated in January (TBD)

In addition, the City of Vaughan is undertaking a number of strategic initiatives which incorporate significant public engagement. Although separate processes, public feedback obtained at these events will migrate into recommendations and the budget decision-making process.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 6, Budget Report No. 9 – Page 6

#### ***Further Opportunities for Public Input***

The City will be communicating key messages on the draft budget through various communication vehicles. They will be used to inform residents, businesses and the media on budget developments, successes, and key highlights.

Editorial coverage – The budget process will be featured in several stories for publication, including Council columns in local newspapers. As the budget process unfolds, editorials and updates will be added to the City's website to keep the public informed.

E-newsletter – The corporate e-newsletter list, with its current circulation of approximately 6,000, will be used to issue e-blasts or bulletins on budget successes and developments. E-newsletter content may also be included in newsletters from Council.

Media Relations - The media will be informed of any related events through media advisories and news releases will be issued for all major milestones of the budget process.

#### **Relationship to Vaughan Vision 2020 / Strategic Plan**

The process of obtaining public input into the budget process is critical. The budget process is where Council allocates resources and establishes priorities to achieve its vision.

#### **Regional Implications**

There are no regional implications as a result of this report.

#### **Conclusion**

As part of the City's approved 2010 budget process and consistent with the previous year's process, a Budget Forum was held to educate and inform the public and to receive public input into the 2010 budget process. A focal point of the 2010 Budget Forum was to communicate the following key messages:

- City services and facilities the resident receives
- Service improvements / expansions in the 2010 budget
- The minimal cost to the average tax payer
- Sound financial management
- Value for property tax dollars

The Forum was open to all citizens and the intent was to get feedback with respect to the services provided by the City and whether or not residents believe they are getting value for their property tax dollar. Citizens were engaged through the use of audience response technology and deputations. Overall, the majority of residents participating in the event responded that:

- Vaughan is focusing on the right improvements
- Vaughan is providing the right local services
- Residents are getting value for their tax dollars

The resident feedback indicates a high degree of satisfaction with the City's operations and the efforts of Council and staff. However, there were a number of deputations and specific items identified, which are further detailed in the attachment provided.

Public engagement is an important and vital component of the budget process. Continuing opportunities for public input will be provided through a mixture of activities, including but not limited to website content, budget committee meetings, a chamber of commerce event, editorial coverage, etc.

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 6, Budget Report No. 9 – Page 7

**Attachments**

Attachment 1– 2010 Budget Forum Notes (resident comments)

**Report prepared by:**

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

(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.)

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

Item 7, Report No. 9, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on December 14, 2009.

**7 FUNDING OF VOICES OF VAUGHAN CAMPAIGN 2009/2010**

**The Budget Committee recommends that in accordance with the memorandum of the Director of Corporate Communications and the Director of Economic Development, dated November 30, 2009, this matter be referred to a future meeting for staff to explore further opportunities relating to budget implications.**

**Recommendation**

The Director of Corporate Communications and the Director of Economic Development in consultation with the Chair of the Strategic Planning Communications Sub-Committee recommend:

1. That the Voices of Vaughan funding report be received; and
2. Funding for Option One or Option Two of the proposed campaign be considered in the 2010 budget process.

**Contribution to Sustainability**

Economic growth and vitality are two key components to sustainability. The proposed campaign is comprised of a set of communication actions related to attracting and retaining business investments and promoting Vaughan’s world-class attractions, galleries and retail amenities. The communication efforts of the proposed Voices of Vaughan campaign will contribute directly to the economic vitality of the City.

**Economic Impact**

The work and initiatives identified in the campaign will be lead by staff in the Corporate Communications Department and Economic Development Department with oversight by the Strategic Planning Committee’s Communications Sub-Committee. However, an additional staff resource will be required on a temporary contract position in Economic Development to manage the day-to-day campaign. Term of the contract would be February 1, 2010 through July 2, 2010.

The proposed budget for the Voices of Vaughan campaign has two options. Each option total includes all costs associated with media placement, production costs and the additional staffing request.

***Option One:***

Media Costs:	\$	212,000
Production Costs:	\$	25,000
Staffing Costs:	\$	31,000
Total Costs:	\$	<u>268,000</u>

***Option Two:***

Media Costs:	\$	341,000
Production Costs:	\$	35,000
Staffing Costs:	\$	31,000
Total Costs:	\$	<u>407,000</u>

The funding of either option one or option two of the proposed Voices of Vaughan campaign is being requested for consideration in the 2010 Operating Budget.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009

Item 7, Budget Report No. 9 – Page 2

#### **Communications Plan**

As described in item.

#### **Purpose**

To receive the report and approve funding for the Voices of Vaughan campaign.

#### **Background - Analysis and Options**

At the direction of the Strategic Planning Committee, the "I Love Vaughan" campaign was identified as a key component of the City's Strategic Communications Plan drafted by Sussex Strategy Group and adopted by Council in May, 2009.

As outlined in the Strategic Communications Plan, the objectives of the "I Love Vaughan" campaign are:

1. Promote the City to attract more businesses and jobs; to draw more visitors to its world-class parks, venues, attractions and green spaces and encourage people to consider Vaughan as a place of residence.
2. Highlighting the progressive and good work the City is doing
3. Reinforce positive feelings about Vaughan.

Although all work with the Sussex Group has been completed, staff of the Corporate Communications Department and Economic Development Department in consultation with the Strategic Planning Committee's Communication Sub-Committee have continued to identify the resources needed to implement the proposed "I Love Vaughan" advertising campaign as the campaign will focus on economic and tourism initiatives which promote economic vitality.

Through this work it was recommended at the Sub-Committee that the campaign be renamed Voices of Vaughan to better align with the proposed tactics and mission statement that staff had proposed.

#### **Campaign Mission Statement:**

To generate awareness in the Greater Toronto Area (GTA) of the attributes that make Vaughan a unique, innovative, progressive and vibrant community in which to conduct business and visit.

#### **Campaign Strategy:**

The strategy will focus on the basic tenants of place making using four key themes;

1. Open for Business
2. Metropolitan
3. Active
4. Green

Place making is an integral part of the work being undertaken within the new official plan and is a key component of economic development. Citing the work of Richard Florida, one of the world's leading public intellectuals on economic competitiveness, demographic trends, and cultural and technological innovation, "Place is the natural, built, and psychological settings of the community. It is the distinct "vibe" that makes communities unique from one another. People want to live in communities that are unique and inspiring to them."

The strategy, therefore, will be a catalyst to the forthcoming Economic Development Strategy (projected to be delivered to Council no later than September, 2010) and will identify strategic partnerships to promote the strength and vibrancy of the business community in Vaughan.

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 14, 2009**

#### Item 7, Budget Report No. 9 – Page 3

In addition, the strategy supports the launch of a new visual identity (logo) for the City of Vaughan. The new logo will be introduced in conjunction with the opening of the new city hall.

#### Communication Objectives:

1. Motivate people to 'click or call' and request more information as to why Vaughan is an ideal location for their business to locate or expand within the GTA.
2. Increase tourism activity in Vaughan from visitors throughout the GTA and as a result strengthen the local tourism infrastructure.
3. Re-invigorate positive feelings about Vaughan from its residents and businesses.
4. Support the Introduction of a new visual identity for the City.

#### Campaign Tactics:

The advertising campaign will use traditional media, new media, public relations and special events to fulfill the objectives of the campaign. In addition, staff will work at creating strategic partnerships with local Non Government Organizations and Associates (i.e., Vaughan Chamber of Commerce) that work each day to making Vaughan a better city in which to do business.

Local residents and businesses that are connected to one of the four key themes will be engaged to give testimonials that invite business leaders and residents of communities across the GTA to find out what they already know — that Vaughan is a unique, innovative, progressive and vibrant community to visit and conduct business.

The Voices of Vaughan campaign will finish with a pinnacle event tentatively called Welcome to Vaughan Day(s) in late spring. This day will see the City, its residents and businesses sharing all that Vaughan has to offer with its neighbours to the north, south, east and west. It will kick off the spring/summer tourist season by inviting GTA residents to visit many of the world-class attractions in the City such as the McMichael Gallery, Canada's Wonderland, and the Kortright Conservation Area. The City's tourism office, managed by Economic Development, will work with these and many other local tourism stakeholders to create an unforgettable experience.

#### **Relationship to Vaughan Vision 2020/Strategic Plan**

This report supports the strategic initiative to "ensure citizen-focused communications" and the new Communications Strategy.

#### **Regional Implications**

The campaign supports the expansion of tourism and business activities in York Region.

#### **Conclusion**

This report is being tabled for discussion and input. The implementation of the Voices of Vaughan campaign will promote the City as a unique, innovative, progressive and vibrant community in which to visit and conduct business.

#### **Attachments**

None

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

Madeline Zito, Director of Corporate Communications, ext. 8027  
Tim Simmonds, Director of Economic Development, ext. 8427