

DRAFT 2004 OPERATING BUDGET

Recommendation

The City Manager and the Commissioner of Finance & Corporate Services in consultation with the Senior Management Team and the Director of Budgeting & Financial Planning recommend:

That the following report be received for information purposes;

That Attachment 1 outlining the \$10M reduction in the shortfall in the 2004 Draft Operating Budget, as directed by the Budget Committee, be received for discussion purposes; and

That Attachment 2, the revised list of new complement requests be approved.

Purpose

To provide a report to the Budget Committee responding to the request to reduce the shortfall in the 2004 Draft Operating Budget by \$10M. The detailed response to the request is provided in Attachment 1.

Background – Analysis and Options

Many municipalities in the GTA are experiencing similar issues in their budget deliberations; significant increases in costs, reductions in revenue and other factors beyond the control of the municipality. There is not one or two specific issues, but rather a number of issues that are varied in nature. The issues relate to external factors (OMERS and economic factors, the provision of additional facilities to maintain service levels and many other factors. These types of impacts are accentuated in a high growth municipality like Vaughan. All of these impacts are permanent in nature and require permanent funding sources.

At the March 31, 2004 Budget Committee staff were directed to bring back a report that reduces the 2004 operating budget shortfall of \$18.9M by \$10M. An identification of how the budget shortfall was reduced, and the amount achieved, is provided later in this report.

There are a Number of Factors that Impact the City's Tax Rate

The City's operating budget is funded from two (2) main sources, user fees and taxation. Taxation makes up approximately 55% of the funding. The level of taxation funding is more stable whereas user fees are more susceptible to fluctuations as a result of such factors as general economic conditions.

The City's budget is impacted each year by the following factors:

1. Inflation and other cost increases;
2. Costs to maintain an aging infrastructure;
3. The impact of serving new growth;
4. Economic slowdown;
5. New or enhanced services offered by the City;
6. User fee revenue not keeping pace with cost increases.

In any given year these factors can have a significant impact on operating budget expenditures and to the extent that user fees do not keep pace with cost increases the legislative requirement to have a balanced budget must be met using property taxes.

Assessment Growth Does Not Cover all Cost Increases

Each year there is additional residential, commercial and industrial development in the City. The additional assessment provides additional tax revenues to the City, however there are also additional costs to offset this additional tax revenue. These include the cost for services provided directly to be property owner such as waste collection, winter control and less direct services such as fire, recreation, parks and library services.

In addition, without a tax rate increase existing homes and businesses and new homes and businesses are billed property taxes based on the prior year's tax rate. The rate must be increased to reflect the anticipated cost to provide existing services the following year.

Efficient Use of Your Property Tax Dollar

Over the years the City of Vaughan has maintained low tax rates relative to inflation and to other communities in the GTA. Since 1993 to the end of 2003 the cumulative impact of inflation has been 22.9%, yet the cumulative impact of increases in the City of Vaughan portion of the property tax rate has only been 14.4%. In addition, Vaughan's tax rate is approximately 10% lower than next lowest municipality outside of Toronto. In 2003, the average Vaughan household remitted \$688 in municipal taxes; this amount is lower than the average homeowners annual cost of natural gas, hydro and home insurance in 2003. This cost comparison is illustrated below.

COST FOR AN AVERAGE HOUSEHOLD IN 2003

	Monthly	Annual
Hydro*	\$93	\$1,116
Natural Gas*	\$72	\$864
Home Insurance*	\$62	\$744
City of Vaughan Tax Portion	\$57	\$688

* Source – Region of York's 2004 Budget Presentation

Vaughan's portion of the property tax bill (\$688) pays for the following: Fire Protection, Waste Collection, Snow Clearing, Parks Development and Maintenance, Recreation Services, Libraries, etc.

2004 Draft Operating Budget Expenditure Overview

To assist members of the Budget Committee in assessing the impact of the exercise to reduce the budget shortfall by \$10 million, staff have provided a high level summary of the City's 2004 operating budget expenditures. The 2004 Draft Operating Budget expenditure overview illustrates the difficulty in realizing the \$10 million target. Highlighted below for the Budget Committee's information is the Draft 2004 Operating Budget Expenditure Overview.

Salaries & Benefits	\$78.4m	54.2%
Contracted Services	\$18.8m	13.0%
Reserve & Debenture Contributions	\$12.8m	8.9%
Mtce/Utilities/Materials	\$13.2m	9.1%
Capital Budget Funding from Taxation	<u>\$ 6.5m</u>	<u>4.5%</u>
Sub-total	\$129.7m	89.7%

Tax Adjustments	\$ 1.4m	1.0%
Copiers/printing/postage	\$ 1.5m	1.0%
Professional Fees	\$ 2.2m	1.5%
Computer hardware/software	\$ 1.4m	1.0%
Hydro joint services revenue provision	\$ 0.9m	0.6%
Office supplies and equipment	\$ 0.8m	0.5%
Other	\$ 6.8m	4.7%
Total	\$144.7m	100.0%

The above list illustrates that approximately 90% of the expenditures in the Draft 2004 Operating Budget are committed or cannot readily be reduced.

Summary - Reduction in the Budget Shortfall

The targeted reduction of \$10M was first reduced by the new initiatives previously provided to the Budget Committee, a reduction of \$1.2M. Secondly, the City's new complement requests were reduced to those identified on Attachment 2, a savings of \$.9M. It was further reduced by eliminating the controllable expenditure requests of \$.8M. The balance, \$7.1M was apportioned to the Office of the City Manager, each Commissioner and the Vaughan Public Library Board. The results of this exercise are summarized below. The details are provided in Attachment 1.

	Target	Reduction
City of Vaughan	\$5,765,000	\$5,852,937
Vaughan Public Library Board	<u>\$1,335,000</u>	<u>\$598,000</u>
Total	<u>\$7,100,000</u>	<u>\$6,450,937</u>

The items identified to reduce the shortfall include a combination of expense reductions and revenue increases. If all these additional budget initiatives are approved there will be an impact on services.

Future 2005 Operating Budget Impacts

For the information of the Budget Committee and to provide insight into future budget deliberations staff have identified some of the issues that will impact the 2005 operating budget.

Estimated 2005 Impact

Vellore Community Centre	\$1m
Fire Stn 7-9 full year staffing	\$1m
Long Term Debt repayment	\$1.5m
Contracted Services	\$2m
Vellore / WEA District Parks	\$0.4m
Infrastructure Reserve Contribution	\$1m
Building Permit Fees (Bill 124)	impact uncertain
Changes in non-tax revenue	unknown
Wage Settlements	unknown
Insurance increase	unknown

It is anticipated that there will be other impacts that will be identified during the 2005 operating budget process, including additional inflationary and other unknown cost or revenue impacts.

As we move forward it is important that all the implications of decisions is provided as part of the reporting to Council. With respect to the 2004 Draft Capital Budget staff have further highlighted the future impact on the operating budget of capital budget decisions.

Conclusion

Staff has provided the Budget Committee with a report that identifies opportunities to reduce the 2004 operating budget shortfall. The options represent a number of reductions across the organization. Many on their own do not appear significant, however collectively they represent a reduction in the resources available to staff to do their job. The reduction in expenses reduces the flexibility of departments to respond to budget situations that arise throughout the year. There will be an even greater need for departments to monitor their budgets throughout 2004.

In addition, each year the City's operating budget relies upon a \$2.5M surplus from the prior year. Surpluses have been declining as, each year the reasons for the surpluses are reviewed and the following year's budgets are adjusted accordingly. The surplus for the past two (2) years have been very close to the \$2.5M required for carry forward to the following year's budget. The continuation of these previously experienced surpluses is unlikely to continue into the future. If this is the case there will be a direct impact on funding and the City's tax rate. This will add to the continued upward pressure on property taxes that is expected into the future.

Attachments

- Attachment 1 – 2004 Budget – Incremental Reductions
- Attachment 2 – 2004 Draft Operating Budget - New Complement Requests

Respectfully submitted,

Michael DeAngelis
City Manager

Clayton D. Harris, CA
Commissioner of Finance & Corporate Services

2004 Budget - Incremental Reductions (Version 3)

Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
1 Fire	Full Time Salaries and Benefits - gapping savings relating to Stn 7-8 and Stn 7-9	120,552		If Stn 7-9 is not opened, we can defer the reserve contributions one year.
2 Fire	Apparatus and Equipment Reserve Fund contribution	275,950		No additional contribution to the reserve. Inability to fund future Fire infrastructure.
3 Fire	Reduction to various accounts except revenue, salary related, insurance and reserves.	193,970		Detrimental impact to the quality and efficiency of operations.
4 Fire	Overtime and Acting Pay plus applicable benefits reduction	176,940		Overtime reduced for backfilling for sick time. Impact is daily staffing levels fall below current minimum levels
5 Fire	Full Time Salaries and Benefits	182,588		Defer Stn 7-9 hiring of 8 Firefighters from August to Jan 2005. Delay improvements to fire protection service in WEA/ West Vaughan.
6				
7	Reductions	950,000		
8	Target	950,000		
9				
10	Vaughan Public Libraries			
11				
12	Vaughan Public Libraries Reduction from the amount provided in the revenue and expenditure summary presented to the Budget Committee, March 31, 2004	598,000		
13				
14	Reductions	598,000		
15	Target	1,335,000		
16				
17				
18 Financial Services	Professional Fees	20,000		Reduction in funds for special audits
19 Financial Services	Increased Assessment Roll management		75,000	
20 Financial Services	Computer	1,000		
21 Financial Services	Computer	3,000		
22 Financial Services	Training & Development	2,000		
23 Financial Services	Office Equipment	1,000		

2004 Budget - Incremental Reductions (Version 3)

Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
24	Financial Services	Computer	1,000	
25	Financial Services	Professional Fees	1,000	
26	Financial Services	Overtime	2,000	
27	Reserves & Invest.	Office Equip	1,200	
28	Reserves & Invest.	Computer	1,000	
29	Reserves & Invest.	Overtime	1,000	
30	Reserves & Invest.	Subscription	1,000	
31	Reserves & Invest.	Sundry	1,000	
32	Reserves & Invest.	Office Supplies	500	
33	Budget & F.P.	Part time	1,000	
34	Budget & F.P.	Office Equip	2,500	
35	Budget & F.P.	Computer	1,500	
36	Budget & F.P.	Overtime	600	
37	Purchasing	Office Equip	300	
38	Purchasing	Computer	500	
39	Purchasing	Cell Phone	1,000	
40	Purchasing	Overtime	1,000	
41				
42		Reductions/Revenue Increases	45,100	75,000
43		Target	115,000	
44				
45				
46		Legal & Administrative Services		
47	Commissioner	Reduce professional Fees	5,000	
48	Legal	Eliminate unfilled non union position	96,000	The position is not being budgeted in 2004.
49	H.R.	Reduce salary of Crossing Guards to \$11.00 per hour in 2004 from \$12.00 and Reduce number of crossing guards to 70 or 1.25 per school from 2 per school.	115,000	This will impact the morale of the guards resulting in potential community complaints
50	H.R.	Stop loss Insurance	100,000	Charged to the employee benefits reserve
51	H.R.	Reduce the training Budget	20,000	Elimination of supervisory training

2004 Budget - Incremental Reductions (Version 3)

Function		Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
52	H.R.	Further reduce advertising costs	20,000		Size of recruitment ads will be reduced
53	H.R.	Institute policy of not filling clerical absences with temporary personnel unless absent for 10 days or more	50,000		Reduced productivity because other staff will have to fill-in. Savings will be recovered from individual departments
54	Enforcement	Increase parking ticket revenue		240,000	Increase in constituent complaints
55	Clerks	Office and Equipment	1,300		
56	Clerks	Headsets	1,000		
57	Clerks	Printer	3,000		
58	Clerks	Laptop	3,500		
59	Clerks	Records Management Supplies	9,000		
60	Clerks	Fuel - Internal	1,000		
61	Clerks	General Vehicle Repairs	2,500		
62	Clerks	Vehicle Licensing	110		
63	Clerks	Block Purchases - Postage	48,000		
64	Clerks	Print Shop Paper/Printing/Supplies	12,750		
65	Clerks	Licensing Revenue	16,500		
66					
67		Reductions/Revenue Increases	504,660	240,000	
68		Target	745,000		
69					
70					
71		Economic Technology Development & Corporate Communications			
72					
73	Communications	Office Equipment	6,000		No Service Level Impact -- office equipment intended for new position
74	Communications	Computer Software	4,000		No Service Level Impact -- to support new position (not approved)
75	Communications	Computer Hardware	4,000		No Service Level Impact -- to support new position (not approved)

2004 Budget - Incremental Reductions (Version 3)

	Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
76	Communications	Printing Internal - Annual Report	31,000		2003 Corporate Annual Report will not be printed and distributed, as in past years, to every household. It will be published in an electronic format only, and posted to the City's website.
77	Communications	Professional Fees	25,000		Media training for Council and Senior Management will be sharply reduced or eliminated.
78	Communications	Advertising	30,000		Weekly City Page will no longer be published in local paper. Statutory ads will be booked as regular ads (costs already budgeted).
79	Communications	Winterfest	30,000		Permanently cancel Winterfest event. This one-day event loses approx. \$30,000 every year. NOTE: these funds have already been spent but achieved 30K additional sponsorship program revenue this year allowing us to cover this loss and still save the 30K in the budget.
80	Communications	Thornhill Village Festival Float	2,500		Council will not have a parade float to ride.
81	Communications	Santa Fest/Float	2,500		Council will not have a parade float to ride.
82	Communications	Doors Open Vaughan	2,000		City will not provide food and drink to public attending this community event.
83	Communications	Internet Communications	25,000		New features for City's website to be delayed, including Event photo galleries and interactive overview or virtual tour of the City.
84	Communications	Grouped Expenses	14,000		This category includes various public relations initiatives to be limited, including Phase II of promoting Vaughan Vision to specific stakeholders.
85					
86	Economic Development	Part-time	10,284		No data updating to produce a 2005 Business Directory (summer stud)
87	Economic Development	Office Equipment	3,200		No Service Level Impact
88	Economic Development	Hardware Equipment - Phones	1,300		No service Level Impact

2004 Budget - Incremental Reductions (Version 3)

	Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
89	Economic Development	Cell Phones	400		No Service Level Impact
90	Economic Development	Digital Camera	1,200		Must rely on the presence of Corp Comm staff to record events
91	Economic Development	Foreign Business Development	50,000		No international travel nor monies to entertain incoming delegations
92	Economic Development	Print Ads	25,000		Forfeit presence in Economic Development/Site selection publications where all neighbouring municipalities will be present/visible (Ontario Report in Site Selection magazine)
93	Economic Development	Promotional Items	25,000		Limited supply of promotional items available to Mayor and Members of Council for gifting purposes
94	Economic Development	Corporate Image	8,000		No new Corporate Video in 2004
95	Economic Development	Media Placement	26,000		No Autumn Radio Campaign: diminished business attraction profile
96	Economic Development	Urban Design Awards	5,000		Postponed until 2005: lost public relations/community building opportunity
97	Economic Development	Training & Development	5,000		Impacts staffs ability to update knowledge of new trends in Ec Dev
98	Economic Development	PEMD-I (Program for Export Market Development - Investment)	15,000		Reduced project scope for this matched-funding federal programme aimed at increasing investor-readiness
99	ITS	Part-time	10,339		Delays in addressing system problems will be experienced, and systems will not be maintained after hours and weekends.
100	ITS	Office Equipment	10,000		Filing cabinets will not be purchased. Files will be kept in boxes and will NOT be secured.
101	ITS	Computer Software	55,000		Remote PC management software will not be deployed - lost opportunity to achieve greater long-term efficiency
102	ITS	Professional Fees	35,000		Reduce use of external Bell technicians - will result in delayed service to internal users.

2004 Budget - Incremental Reductions (Version 3)

Function		Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
103	ITS	Seminars/Workshops	3,000		J.D.Edwards users conference will NOT be attended - missed opportunity to gain insight on product development & influence future changes
104	Commissioner	Computer Hardware	1,000		No Service Level Impact
105	Commissioner	Professional Fees	5,000		No Impact
106					
107		Reductions	470,723		
108		Target	470,000		
109					
110					
111					
112					
113					
114		Community Services			
115					
116	Building & Facilities	Tender Advertising	300		Reduce the number of newspapers that will advertise notices.
117	Building & Facilities	Cell Phones	2,500		Savings will be realized by pooling air time contracts with Fleet and through converting cell phone use to Telus Mike system two way radios.
118	Building & Facilities	Chancellor CC - Costs For Additional Facilities	72,000		Delay opening of the Chancellor Community Centre additional facilities from December 2004 to Spring 2005.
119	Building & Facilities	City Wide General Maintenance	190,000		Eliminate scheduled replacements of building equipment. Maintenance and repairs will be performed on an emergency basis only.
120	Building & Facilities	Civic Centre 3rd Floor Security	30,000		Eliminate the security guard at the 3rd floor entrance.
121	Building & Facilities	Computer Equipment	7,000		Eliminate enhancements to the Building Automation Systems for energy management software and PC upgrades. Consumption of utilities will not be reduced.

2004 Budget - Incremental Reductions (Version 3)

	Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
122	Building & Facilities	Garnet Williams Costs to Maintain Additional Square Footage.	25,000		Cleaning and service to the new Senior's room and fitness expansion will be reduced.
123	Building & Facilities	Maple Community Centre Costs to Maintain Additional Square Footage	107,500		Delay the opening and reduce level of cleaning service.
124	Building & Facilities	Office Equipment	3,000		Eliminate the purchase of storage units and filing cabinets for the construction division.
125	Building & Facilities	Overtime	970		Reduce staff attendance and cleaning at public hearings.
126	Building & Facilities	New Community Centre - Vellore Village	145,000		Delay opening of new centre.
127					
128	Parks	Block Tree Pruning	100,000		Eliminate scheduled tree pruning. Removal of fallen trees and brush will be done on an emergency basis only.
129	Parks	Boulevard Grass Maintenance	40,000		Reduce contract for boulevard maintenance. Maintenance levels on boulevards will be reduced. Emergency repairs only.
130	Parks	Cell Phones	3,000		Savings will be realized by pooling the Telus contract for Community Services.
131	Parks	Computer Equipment	5,500		Eliminate purchase of scanners, printers and additional software.
132	Parks	Repairs, Materials and Supplies	30,000		Plant materials and locations reduced city wide. Vandalized and damaged park equipment and plant material will not be replaced. Safety repairs only.
133	Parks	Office Equipment	4,000		Office equipment will not be purchased for satellite yards
134	Parks	Overtime	30,000		Reduction of winter plowing and sand/salt application during non-work hours. Discontinue grass cutting as a result of heavy rain. Eliminate weekend flower-bed watering.
135	Parks	PT Staff	91,000		Reduce PT winter staff to 4 months from 6 months (Dec. to March) and reduce PT summer staff to 5 months from 6 months. Cancel salt strip sweeping. Sidewalk clearing routes will be larger taking more time to complete.

2004 Budget - Incremental Reductions (Version 3)

	Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
136	Parks	Sidewalk Snow Removal	40,000		Reduction of sand and salt to sidewalks.
137	Parks	Tree Fertilizing	3,000		Eliminate tree fertilizing.
138	Parks	Tree Mulching	12,000		Eliminate decorative mulch on streetscapes and parks.
139	Parks	Woodbridge Yard	10,000		Eliminate parking resurfacing gate replacement and fence repairs.
140	Parks Development	Cell Line Charges	2,500		Savings will be realized by pooling the Telus contract for Community Services.
141	Parks Development	Computer Equipment	2,000		Eliminate AutoCAD upgrades.
142	Parks Development	Office Equipment & Furniture	500		Eliminate chair replacement.
143	Parks Development	Overtime	2,600		Reduced level of inspections on capital budget projects and the reduction of staff attending evening community meetings.
144	Parks Development	Professional Fees	10,000		Limit the number of geotechnical, electrical, topographic surveys and utility locates for park construction projects.
145	Parks Development	Sundry	2,500		Reduce courier services and photographic supplies and processing.
146	Parks Development	Training & Development	1,500		Reduce staff training.
147	Recreation & Culture	Amici Museum & Italian Interpretive Centre	70,000		Delay opening of this program from 2004 to 2005 (coinciding with the revised opening of the Maple CC).
148	Recreation & Culture	Cell Phones	1,000		The savings will be realized by pooling the Telus contract for Community Services (cell phones are used for the safety and for parent contact in summer camp programs and winter programs).
149	Recreation & Culture	Chancellor CC Expansion - Costs For Additional Facilities	63,400		Delay opening of the Chancellor Community Centre additional facilities from December 2004 to Spring 2005.
150	Recreation & Culture	Computer Equipment	8,000		Eliminate the purchase of printers for centres issuing community notices for residents.
151	Recreation & Culture	Gallanough Resource Centre	30,000		Eliminate the City's grant for the Librarian at this location.
152	Recreation & Culture	PT Staff	29,820		Reduce hours of PT staff at customer service centres in recreation facilities.

2004 Budget - Incremental Reductions (Version 3)

Function		Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
153	Recreation & Culture	Office Equipment	16,000		Eliminate the replacement of equipment older than 15 years old and do not purchase storage units to hold protected and private records for Community Service Organizations.
154	Recreation & Culture	Overtime	1,000		Encourage staff to take lieu time rather than pay.
155	Recreation & Culture	Professional Fees	64,400		New revenue generating studies will be delayed until 2005. Eliminate offsite camp staff training.
156	Recreation & Culture	Revenue Increases		177,400	Increase revenues in the following areas: After School, Aquatics, Fitness Memberships, Personal Training and Facility Rentals
157	Recreation & Culture	Sports Village Ice Reduction Subsidy		120,000	Eliminate the subsidy for minor hockey and figure skating organizations for the use of The Sports Village ice. The 120K represents the 2004 portion of the subsidy recovery. The impact would be revisiting the three year rental rate schedule approved by Council in 2003.
158	Recreation & Culture	Sundry	1,000		Reduce purchase of camp items to support the Special Needs Camps.
159	Recreation & Culture	Vellore Interpretive Cultural Centre	70,000		Delay opening of this program and location from 2004 to 2005.
160					
161		Reductions/Revenue Increases	1,327,990	297,400	
162		Target	1,625,000		
163					
164		Planning Department			
165					
166	Planning	(2) Summer Students Planning Dept.	14,000		Loss of Professional devt. Support of Vaughan Students /community goodwill and loss of research/data management, data entry into DTA.
167	Planning	Over Time Reduction (CofA Meetings)	2,000		No departmental representation at Committee Meetings - only supported by written comments.

2004 Budget - Incremental Reductions (Version 3)

	Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
168	Building Standards	(2) Summer Students	12,600		Delays in response to lot grading complaints
169	Building Standards	(4) Summer Students	25,200		No final Exterior Inspections for New Residential Construction and deferring the resolution of problem permit applications. If these student are eliminated a alternative must be developed to ensure we are in compliance with the act
170	Building Standards	(1) Part-Time Applications Expediter (Zoning)	27,800		Increased Turn-Around Times for Lawyers Compliance Letters and No Special Pick-Up Service during vacations and sickness.
171	Building Standards	(2) Part-Time Plumbing Inspectors	69,200		Increased response times for Plumbing Inspections 24 hrs to 48 hrs +
172	Building Standards	Over Time Reduction (CofA Meetings)	2,000		No departmental representation at Committee Meetings
173	Urban Design	Part-Time Inspections (Letters of Credit)	4,148		No impact
174	Urban Design	Part-Time Clerical (Relief Position)	2,616		No impact as long as position can be covered during vacations and sickness by other clerical staff
175	Urban Design	Overtime Reductions	4,500		Increased response times on site plan applications and streetscape work
176	Urban Design	Computer Hardware (Colour Printer)	5,000		Potential \$3,000 shortfall on hardware purchase
177	Urban Design	Computer Software (License Microstation)	1,000		No impact
178	Commissioner	Sale of Maps etc		5,000	
179					
180		Reductions	170,064	5,000	
181		Target	175,000		
182					
183		Engineering & Public Works			
184					
185	Eng. Admin.	Office Equipment and Furniture	1,000		Eliminate planned purchase of filing cabinets
186	Development Engineering	Part Time Staff	6,720		Has an adverse impact on planning and studies area in ability to bring water and sewer models up to date and do data entry.

2004 Budget - Incremental Reductions (Version 3)

	Function	Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
187	Development Engineering	Subscriptions and Publications	550		
188	Development Engineering	Computer Hardware/Software	31,100		Intended to buy computers to run sewer and water models. Elimination would not allow us to keep up with technology in modelling (reduces our ability to check analysis submitted by consultants in development applications).
188	Development Engineering	Revenue From ESA Peer Reviews		28,000	
189	Traffic & Transport Engineering	Part Time Staff	16,800		Eliminate co-op students, does not provide vacation relief for permanent staff or allow expanded data gathering and reviews.
190	Traffic & Transport Engineering	Professional Fees	8,000		Eliminate planned traffic calming management study - review of existing policy/practice and recommendations for future.
191	Engineering & Construction Services	Overtime	30,000		Freeze all overtime for construction staff. Will eliminate inspection staff on evening and weekend work and will potentially delay the completion of projects.
192	Engineering & Construction Services	Part Time	73,000		Eliminate 2 students and part-time inspector. Reduces ability to respond to field requests and operate second survey crew.
193	Engineering & Construction Services	Cellular Telephones	1,000		
194	Engineering & Construction Services	Subscriptions/ Publications	750		
195	Engineering & Construction Services	Seminars and Workshops	10,000		Eliminate AutoCad and Public Works Management System training and upgrades.
196	Engineering & Construction Services	Professional Fees	2,500		Covered in capital for budget and culvert assessment

2004 Budget - Incremental Reductions (Version 3)

Function		Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
197	Public Works Admin	Professional Fees	3,500		Eliminate snow call center and temporary staff through agencies.
198	Public Works Admin	Office Furniture	3,500		Do not replace dispatch furniture.
199	P.W. Road Accounts	Hot Mix Patching	160,000		Eliminate burning and reshaping contractor no ponding problems repaired; patch only. This will lead to an inability to respond to complaints.
200	P.W. Road Accounts	Spray Patching	85,000		Eliminate spray patching repair contractor pot holes repaired with cold mix only. This will lead to an inability to respond to complaints.
201	P.W. Road Accounts	Gravel Resurfacing	100,000		Eliminate re-surfacing of gravel roads, grading only. This will lead to an inability to respond to complaints.
202	P.W. Road Accounts	Catch Basin Cleaning	127,000		Eliminate all catch basin cleaning, potential for localized flooding increased.
203	P.W. Road Accounts	Boulevard Interlock Repair	100,000		Eliminate this program. Increased potential for liability claims.
204	P.W. Road Accounts	Global Positioning System (GPS)	70,000		Eliminate this program. Impact on ability to manage liability claims and future salt management legislation, and will remove Vaughan from a leadership position in this area.
205	Various Roads & Parks	Sidewalk Snow Ploughing (Winter Temporary Staff)	70,000		Eliminate sidewalk snow ploughing and rely on enforcement of By-law. This would result in approx. \$70,000 savings through the elimination of Temporary Employees for the 2004/2005 winter. Increased complaints about sidewalks and potential for more liability claims.
206	Solid Waste	Yard Waste Collection	575,000		Eliminate summer collection of yard waste, provide 8 week collection in Spring and Fall only.
207	Roads	Street Sweeping	100,000		Contract price reduction.

2004 Budget - Incremental Reductions (Version 3)

Function		Initiative	Expense Reduction 2004	Revenue Increase 2004	Impact
208	Roads	Snow Removal	81,580		Reduce snow removal amount and reduce level of service. Potential for complaints from residents in cul-de-sacs.
209					
210		Reductions	1,657,000	28,000	
211		Target	1,685,000		

	Grand Total Reductions	5,723,537	
	Grand Total Revenue Increases		645,400
	Grand Total (cumulative effect of expense & revenue)	6,368,937	
	Target	7,100,000	
	Performance to Target	731,063	

A
Budget Increase
2003 to 2004

B
Budget Initiative

C
Net Effect to 2004
Budget

Advertising	93	168	-75
Computer HW/SW	344	140	204
Cellular	36	12	24
Office Equipment	79	55	24
Office Supplies	14	22	-8
Overtime	56	254	-198
Part-Time	1,603	350	1,253
Professional Fees	390	180	210

Column A shows the dollar increase for the 2004 budget over 2003 actual

Column B shows the dollar reductions through the 10M initiative

Column C shows the net effect Column A MINUS Column B

CITY OF VAUGHAN
2004 DRAFT OPERATING BUDGET

NEW COMPLEMENT REQUESTS

BUDGET COMMITTEE - MARCH 8, 2004

Department	Position Description	Status	Full Comp.	2004 FTE	Grade / Level	Rate / Level	OT Pay Y / N	2004 Salary	2004 Benefits	2004 Other	Offsetting Reductions	2004 Budget Impact
<u>NEW COMPLEMENTS REQUIRING COUNCIL APPROVAL</u>												
Clerks - Council Admin. Assts.	Special Assistant - Communication Management	F/T	1.0	1.0	6	1	N	\$55,100	\$13,780	\$8,600	\$0	\$77,480
Buildings and Facilities	Assistant Foreperson - Vellore Comnty. Centre	F/T	1.0	0.2	F	Start	Y	\$6,960	\$1,740	\$0	\$0	\$8,700
	Facility Operator II - Vellore Comnty. Centre	F/T	3.0	0.6	D	Start	Y	\$19,570	\$4,895	\$1,500	\$0	\$25,965
	Facility Operator II - G.A. Williams / Maple Comnty. Centre	F/T	1.0	0.2	D	Start	Y	\$6,525	\$1,630	\$500	\$0	\$8,655
TOTAL FULL TIME NEW COMPLEMENT REQUESTS REQUIRING COUNCIL APPROVAL			6.0	2.0	N/A	N/A	N/A	\$88,154	\$22,046	\$10,600	\$0	\$120,800
<u>NEW COMPLEMENTS ALREADY APPROVED BY COUNCIL</u>												
Fire and Rescue Services	Firefighters - Station # 79	F/T	12.0	6.1	4th Class	70%	Y	\$272,240	\$68,060	\$29,700	\$0	\$370,000
Economic and Business Develop.	Citizen Care Centre Manager	F/T	1.0	1.0	8	1	N	\$66,670	\$16,670	\$3,000	\$0	\$86,340
Operational Audit Dept.	Manager	F/T	1.0	1.0	10	2	N	\$84,515	\$21,130	\$10,000	\$0	\$115,645
TOTAL FULL TIME NEW COMPLEMENT REQUESTS APPROVED BY COUNCIL			14.0	8.1	N/A	N/A	N/A	\$423,425	\$105,860	\$42,700	\$0	\$571,985
TOTAL 2004 BUDGET IMPACT OF NEW COMPLEMENT REQUESTS											\$692,785	