

FINANCE AND ADMINISTRATION COMMITTEE – MARCH 1, 2011**COUNCIL EXPENDITURE BUDGETS**

(Deferred Item)

The Finance and Administration Committee, at its meeting of February 22, 2011 (Item 2 Report No. 4), recommended the following:

That this matter be deferred for consideration to the Finance and Administration Committee meeting of March 1, 2011.

Report of the Council Budgets Task Force, dated February 22, 2011**Recommendation**

The Council Budgets Task Force recommends:

1. That Option #6 as described in the attached report be approved; and
2. That the Council Member 2011 budgets be adjusted accordingly.

Contribution to Sustainability

N/A

Economic Impact

There are no economic impacts of this report, as the option proposed by the Council Budgets Task Force does not result in an increase in overall Council budgets.

Communications Plan

N/A

Purpose

The purpose of this report is to convey to the Finance and Administration Committee the Council Budgets Task Force's preferred option for allocating funds to discretionary Council Member budgets.

Background - Analysis and Options

On February 7, 2011, the Finance and Administration Committee recommended that a sub-committee composed of Councillors Carella, DeFrancesca, Iafrate and Racco be established to address the issues raised by Members of Council with respect to Council Expenditure Budgets. The sub-committee was directed to report back to the Finance and Administration Committee meeting of February 22, 2011.

The sub-committee (the Council Budgets Task Force) met on February 11th and February 16th to consider options that would address the issue of allocation of budget funds to Council discretionary budgets.

Following the discussion at the February 11th meeting, Finance staff provided 7 options for the Task Force's consideration on February 16th. The options illustrated various methodologies for allocating additional funds to the Ward Councillors.

2.2

The Council Budgets Task Force has recommended Option #6, as set out in the attached report. Pursuant to the Procedural By-law, a matter considered by a sub-committee that requires a decision of Council shall be separately reported to the appropriate committee, which is the purpose of this report.

Relationship to Vaughan Vision 2020/Strategic Plan

N/A

Regional Implications

There are no Regional implications associated with this report.

Conclusion

The Council Budgets Task Force's has recommended Option #6, as set out in the attached report.

Attachments

Report to the Council Budgets Tax Force Meeting – February 16, 2011

Report prepared by:

Barb Cribbett, CMA
Commissioner of Finance/City Treasurer

COUNCIL BUDGETS TASK FORCE MEETING – FEBRUARY 16, 2011**COUNCIL EXPENDITURE BUDGETS**

The Director of Budgeting and Financial Planning recommends that:

The following report on the Council Discretionary Expense Budget options be received for information and discussion purposes;

That the Council Budget Task Force provide direction on the preferred option to present to the Finance and Administration Committee.

Recommendation:

N/A

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.

Economic Impact

N/A

Communications Plan

N/A

Purpose

The purpose of this report is to provide Council Budget Task Force with additional information and details regarding the Council Discretionary Expense Budget options and associated outcome discussed on February 11, 2011.

Background – Analysis and Options

On February 11, 2011, The Council Budget Task Force directed staff to advised on the following information:

- a) That the budget of each Ward Councillor as currently calculated be augmented by funds derived from the reduction in the multiplier used in determining the budgets of Regional Councillors from 50% of the population of the City to 33.3% of the population, and that the allocation of the budgets for Ward Councillors be calculated in such a way as to give consideration to both the population of each Ward and the percentage of the number of businesses in each Ward; and
- b) That alternative options also be provided without reducing the Regional Councillors' budgets

In response to this request, the enclosed attachments reflect a summary and detail of options and budget changes.

2.4

Relationship to Vaughan Vision 2020/Strategic Plan

The Draft 2011/2012 Operating Budget is the process to allocate and approve the resources necessary to continue operations and implement Council's approved plans.

Regional Implications

There are no regional implications associated with this report.

Conclusion

Various Council Discretionary Expense Budget options have been provided to the Council Budget Task Force for review.

Staff is requesting the Council Budget Task Force select the preferred option to be presented to the Finance and Administration Committee.

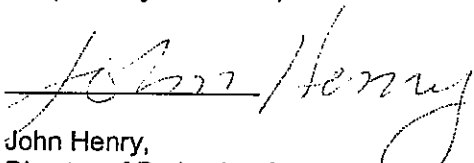
Attachments

Attachment #1-Summary of Council Budgets Task Force Options
Attachment #2-Council Budgets Task Force – Option Detail

Report prepared by:

John Henry, CMA
Director of Budgeting & Financial Planning
Ext. 8384.

Respectfully submitted,



John Henry,
Director of Budgeting & Financial Planning

Summary of Council Budget Task Force Options

Councillor	2011 - Discretionary Budget Option															
	Draft Budget		Option 1		Option 2		Option 3		Option 4 & 6 (Same)		Option 5		Option 7			
	Reg. alloc. Bus. Based	Budget Adjust.	Reg. alloc. \$0.75/Ward	Reg. alloc. Avg.	Budget Adjust.	Reg. alloc. 2/3 res. 1/3 bus.	Budget Adjust.	Reg. alloc. 2/3 res. 1/3 bus.	Budget Adjust.	Reg. alloc. 3/4 res. 1/4 bus.	Budget Adjust.	Reg. whole. 2/3 res. 1/3 bus.	Budget Adjust.			
Mayor Bevilacqua	110,625	-	110,625	110,625	-	110,625	-	110,625	-	110,625	-	110,625	(1)			
Regional Councillor Rosati	73,750	(24,583)	49,167	49,167	(24,583)	49,167	(24,583)	49,167	(24,583)	49,167	(24,583)	73,751	1			
Regional Councillor Michael Di Biase	73,750	(24,583)	49,167	49,167	(24,583)	49,167	(24,583)	49,167	(24,583)	49,167	(24,583)	73,751	1			
Regional Councillor Deb Schulte	73,750	(24,583)	49,167	49,167	(24,583)	49,167	(24,583)	49,167	(24,583)	49,167	(24,583)	73,751	1			
Ward 1 Councillor Iafate	31,250	3,843	46,875	40,984	9,734	42,948	11,698	43,930	12,680	45,421	14,171	44,936	11,698			
Ward 2 Councillor Carella	31,250	9,806	46,875	43,966	12,716	44,936	13,686	45,421	14,171	46,396	15,101	44,101	13,686			
Ward 3 Councillor DeFrancesca	29,000	16,303	43,500	44,401	15,401	44,101	15,101	43,951	14,951	37,678	16,678	39,737	15,101			
Ward 4 Councillor Yeung Racco	21,000	36,212	31,500	43,854	22,854	39,737	18,737	49,528	14,528	50,271	15,271	49,528	18,737			
Ward 5 Councillor Shefman	35,000	8,584	52,499	48,042	13,042	49,528	14,528	49,528	14,528	50,271	15,271	49,528	14,528			
Totals	479,375	-	479,375	479,372	(3)	479,377	2	479,376	1	479,376	1	553,130	73,755			
Tax rate adjustment													0.051%			
Average Ward Councillor	29,500	14,750	44,250	44,249	14,749	44,250	14,750	44,250	14,750	44,250	14,750	44,250	14,750			

2.5

Council Budgets Task Force - Option Detail

Attachment #2

Ward Data	2011 Pop. Est.	2010 # of Business Est.	2010 Employment Est.
Ward 1	62,500	475	11,266
Ward 2	62,500	1,212	19,885
Ward 3	58,000	2,015	30,380
Ward 4	42,000	4,352	86,763
Ward 5	70,000	1,061	11,961
Total	295,000	9,115	160,255

CPI 2006-2010 - cumm. 6.58%
CPI Adj. rate \$ 0.53

OPTION #1 - Regional population assignment = 1/3 & Ward Council assigned a business rate in addition to the existing budget

Inputs:
 Population assignment Mayor 75% Regional Ward Other
 Discretionary population rate 33.33% Per Data \$0.50
 Discretionary business rate \$8.09

Councillor	Salaries & Benefits	Discretionary Expenditure Formula						Budget Comparison			
		Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary (Opt. 1 Res +Bus.)	Revised 2011 Budget	Original 2011 Budget	Change
		Pop.	# of Bus.	Pop.	Bus.	Residential	Business				
Mayor Bevilacqua	\$138,916	221,250		\$0.50	\$8.09	\$110,625	\$0	\$110,625	\$249,541	\$249,541	\$0
Regional Councillor Rosati	\$89,548	98,333		\$0.50	\$8.09	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)
Regional Councillor Michael Di Biase	\$89,548	98,333		\$0.50	\$8.09	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)
Regional Councillor Deb Schulte	\$89,548	98,333		\$0.50	\$8.09	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)
Ward 1 Councillor Iafrate	\$89,548	62,500	475	\$0.50	\$8.09	\$31,250	\$3,843	\$35,093	\$124,641	\$120,798	\$3,843
Ward 2 Councillor Carella	\$89,548	62,500	1,212	\$0.50	\$8.09	\$31,250	\$9,806	\$41,056	\$130,604	\$120,798	\$9,806
Ward 3 Councillor DeFrancesca	\$89,548	58,000	2,015	\$0.50	\$8.09	\$29,000	\$16,303	\$45,303	\$134,851	\$118,548	\$16,303
Ward 4 Councillor Yeung Racco	\$89,548	42,000	4,352	\$0.50	\$8.09	\$21,000	\$35,212	\$56,212	\$145,760	\$110,548	\$35,212
Ward 5 Councillor Shefman	\$89,548	70,000	1,061	\$0.50	\$8.09	\$35,000	\$8,584	\$43,584	\$133,132	\$124,548	\$8,584
Totals	\$855,298	811,250	9,115			\$405,626		\$479,375	\$1,334,675	\$1,334,675	\$0.0



2.6

Council Budgets Task Force - Option Detail

OPTION #2 - Regional population assignment = 1/3 & Ward Council population rate changed to \$0.75

Inputs
 Population assignment
 Discretionary population rate (Mayor/Reg.) \$0.50
 Discretionary population rate (Ward) \$0.75
 Discretionary business rate \$0.00

Councillor	Discretionary Expenditure Formula										Budget Comparison		
	Salaries & Benefits	Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary Opt1 \$.75 ward Coun.	Revised 2011 Budget	Original 2011 Budget	Change		
		Pop.	# of Bus.	Pop.	Bus.	Residential	Business						
		Regional 33.33%	Ward Per Data	Other	Other								
Mayor Bevilacqua	\$138,916	221,250		\$0.00	\$110,625	\$0	\$110,625	\$249,541	\$249,541	\$0			
Regional Councillor Rosati	\$89,548	98,333		\$0.50	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)			
Regional Councillor Michael Di Biase	\$89,548	98,333		\$0.50	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)			
Regional Councillor Deb Schulte	\$89,548	98,333		\$0.50	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)			
Ward 1 Councillor Iafraite	\$89,548	62,500	475	\$0.75	\$46,875	\$0	\$46,875	\$136,423	\$120,798	\$15,625			
Ward 2 Councillor Carella	\$89,548	62,500	1,212	\$0.75	\$46,875	\$0	\$46,875	\$136,423	\$120,798	\$15,625			
Ward 3 Councillor DeFrancesca	\$89,548	58,000	2,015	\$0.75	\$43,500	\$0	\$43,500	\$133,048	\$118,548	\$14,500			
Ward 4 Councillor Yeung Racco	\$89,548	42,000	4,352	\$0.00	\$31,500	\$0	\$31,500	\$121,048	\$110,548	\$10,500			
Ward 5 Councillor Shefman	\$89,548	70,000	1,061	\$0.00	\$52,499	\$0	\$52,499	\$142,047	\$124,548	\$17,499			
Totals	\$855,298	811,250	9,115		\$479,375		\$479,375	\$1,334,675	\$1,334,675	\$0.0			

OPTION #3 - Regional population assignment = 1/3 & Ward Council population rate changed to \$0.625 & Business rate change to \$4.045 (AVG)

Inputs
 Population assignment
 Discretionary population rate (Mayor/Reg.) \$0.50
 Discretionary population rate (Ward) \$0.625
 Discretionary business rate \$4.045

2.7

Councillor	Discretionary Expenditure Formula										Budget Comparison		
	Salaries & Benefits	Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary Opt2 Avg Res&Bus.	Revised 2011 Budget	Original 2011 Budget	Change		
		Pop.	# of Bus.	Pop.	Bus.	Residential	Business						
		Regional 33.33%	Ward Per Data	Other	Other								
Mayor Bevilacqua	\$138,916	221,250		\$4.04	\$110,625	\$0	\$110,625	\$249,541	\$249,541	\$0			
Regional Councillor Rosati	\$89,548	98,333		\$4.04	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)			
Regional Councillor Michael Di Biase	\$89,548	98,333		\$4.04	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)			
Regional Councillor Deb Schulte	\$89,548	98,333		\$4.04	\$49,167	\$0	\$49,167	\$138,715	\$163,298	(\$24,583)			
Ward 1 Councillor Iafraite	\$89,548	62,500	475	\$4.04	\$39,063	\$1,921	\$40,984	\$130,532	\$120,798	\$9,734			
Ward 2 Councillor Carella	\$89,548	62,500	1,212	\$4.04	\$39,063	\$4,903	\$43,966	\$133,514	\$120,798	\$12,716			
Ward 3 Councillor DeFrancesca	\$89,548	58,000	2,015	\$4.04	\$36,250	\$8,151	\$44,401	\$133,949	\$118,548	\$15,401			
Ward 4 Councillor Yeung Racco	\$89,548	42,000	4,352	\$4.04	\$26,250	\$17,604	\$43,854	\$133,402	\$110,548	\$22,854			
Ward 5 Councillor Shefman	\$89,548	70,000	1,061	\$4.04	\$43,750	\$4,292	\$48,042	\$137,590	\$124,548	\$13,042			
Totals	\$855,298	811,250	9,115		\$442,502		\$479,372	\$1,334,672	\$1,334,675	(\$2.9)			

Council Budgets Task Force - Option Detail

Attachment #2

OPTION #4 - Regional population assignment = 1/3 & Ward Council population rate changed to \$0.67 & Business rate change to \$2.70 (2/3 res. - 1/3 bus.)

Inputs
 Population assignment: Mayor 75%, Regional 33.33%, Ward Per Data
 Discretionary population rate (Mayor/Reg): \$0.50
 Discretionary population rate (Ward): \$0.667
 Discretionary business rate: \$2.697

Councillor	Salaries & Benefits		Discretionary Expenditure Formula						Budget Comparison			
			Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary Opt 4- 66Res+.33Bus.)	Revised 2011 Budget	Original 2011 Budget	Change
			Pop.	# of Bus.	Pop.	Bus.	Residential	Business				
Mayor Bevilacqua	\$138,916		221,250		\$0.50	\$2.70	\$110,625	\$0	\$249,541	\$249,541	\$0	
Regional Councillor Rosati	\$89,548		98,333		\$0.50	\$2.70	\$49,167	\$0	\$138,715	\$163,298	(\$24,583)	
Regional Councillor Michael Di Biase	\$89,548		98,333		\$0.50	\$2.70	\$49,167	\$0	\$138,715	\$163,298	(\$24,583)	
Regional Councillor Deb Schulte	\$89,548		98,333		\$0.50	\$2.70	\$49,167	\$0	\$138,715	\$163,298	(\$24,583)	
Ward 1 Councillor Iafraite	\$89,548		62,500	475	\$0.67	\$2.70	\$41,667	\$1,281	\$132,496	\$120,798	\$11,698	
Ward 2 Councillor Carella	\$89,548		62,500	1,212	\$0.67	\$2.70	\$41,667	\$3,269	\$134,484	\$120,798	\$13,686	
Ward 3 Councillor DeFrancesca	\$89,548		58,000	2,015	\$0.67	\$2.70	\$38,667	\$5,434	\$133,649	\$118,548	\$15,101	
Ward 4 Councillor Yeung Racco	\$89,548		42,000	4,352	\$0.67	\$2.70	\$28,000	\$11,737	\$129,285	\$110,548	\$18,737	
Ward 5 Councillor Shefman	\$89,548		70,000	1,061	\$0.67	\$2.70	\$46,667	\$2,861	\$139,076	\$124,548	\$14,528	
Totals	\$855,298		811,250	9,115			\$454,794		\$1,334,677	\$1,334,675	\$2.0	

OPTION #5 - Regional population assignment = 1/3 & Ward Council population rate changed to \$0.67 & Business rate change to \$2.70 (3/4 res. - 1/4 bus.)

Inputs
 Population assignment: Mayor 75%, Regional 33.33%, Ward Per Data
 Discretionary population rate (Mayor/Reg): \$0.50
 Discretionary population rate (Ward): \$0.688
 Discretionary business rate: \$2.023

Councillor	Salaries & Benefits		Discretionary Expenditure Formula						Budget Comparison			
			Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary Opt5- .75Res +.25Bus.)	Revised 2011 Budget	Original 2011 Budget	Change
			Pop.	# of Bus.	Pop.	Bus.	Residential	Business				
Mayor Bevilacqua	\$138,916		221,250		\$0.50	\$2.02	\$110,625	\$0	\$249,541	\$249,541	\$0	
Regional Councillor Rosati	\$89,548		98,333		\$0.50	\$2.02	\$49,167	\$0	\$138,715	\$163,298	(\$24,583)	
Regional Councillor Michael Di Biase	\$89,548		98,333		\$0.50	\$2.02	\$49,167	\$0	\$138,715	\$163,298	(\$24,583)	
Regional Councillor Deb Schulte	\$89,548		98,333		\$0.50	\$2.02	\$49,167	\$0	\$138,715	\$163,298	(\$24,583)	
Ward 1 Councillor Iafraite	\$89,548		62,500	475	\$0.69	\$2.02	\$42,969	\$961	\$133,478	\$120,798	\$12,680	
Ward 2 Councillor Carella	\$89,548		62,500	1,212	\$0.69	\$2.02	\$42,969	\$2,452	\$134,969	\$120,798	\$14,171	
Ward 3 Councillor DeFrancesca	\$89,548		58,000	2,015	\$0.69	\$2.02	\$39,875	\$4,076	\$133,499	\$118,548	\$14,951	
Ward 4 Councillor Yeung Racco	\$89,548		42,000	4,352	\$0.69	\$2.02	\$28,875	\$8,803	\$127,226	\$110,548	\$16,678	
Ward 5 Councillor Shefman	\$89,548		70,000	1,061	\$0.69	\$2.02	\$48,125	\$2,146	\$139,819	\$124,548	\$15,271	
Totals	\$855,298		811,250	9,115			\$460,939		\$1,334,676	\$1,334,675	\$1.2	

Council Budgets Task Force - Option Detail

Attachment #2

OPTION #6 - Population assignment = 50% mayor - 22.25% Reg. - Ward Council at ward pop. + residential rate = \$0.67 & Business rate = \$2.70 (2/3 res. - 1/3 bus.)

Inputs:
 Population assignment: Mayor 50% Regional 22.22% Ward Other
 Discretionary population rate: \$0.667
 Discretionary business rate: \$2.697

Councillor	Salaries & Benefits	Discretionary Expenditure Formula						Budget Comparison			
		Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary Opt6 - .66Res+.33Bus.	Revised 2011 Budget	Original 2011 Budget	Change
		Pop.	# of Bus.	Pop.	Bus.	Residential	Business				
Mayor Bevilacqua	\$138,916	147,500	4,558	\$0.67	\$2.70	\$98,333	\$12,292	\$110,625	\$249,541	\$249,541	(\$1)
Regional Councillor Rosati	\$89,548	65,555	2,026	\$0.67	\$2.70	\$43,703	\$5,463	\$49,166	\$138,714	\$163,298	(\$24,584)
Regional Councillor Michael Di Biase	\$89,548	65,555	2,026	\$0.67	\$2.70	\$43,703	\$5,463	\$49,166	\$138,714	\$163,298	(\$24,584)
Regional Councillor Deb Schulte	\$89,548	65,555	2,026	\$0.67	\$2.70	\$43,703	\$5,463	\$49,166	\$138,714	\$163,298	(\$24,584)
Ward 1 Councillor Iafrate	\$89,548	62,500	475	\$0.67	\$2.70	\$41,667	\$1,281	\$42,948	\$132,496	\$120,798	\$11,698
Ward 2 Councillor Carella	\$89,548	62,500	1,212	\$0.67	\$2.70	\$41,667	\$3,269	\$44,936	\$134,484	\$120,798	\$13,686
Ward 3 Councillor DeFrancesca	\$89,548	58,000	2,015	\$0.67	\$2.70	\$38,667	\$5,434	\$44,101	\$133,649	\$118,548	\$15,101
Ward 4 Councillor Yeung Racco	\$89,548	42,000	4,352	\$0.67	\$2.70	\$28,000	\$11,737	\$39,737	\$129,285	\$110,548	\$18,737
Ward 5 Councillor Shefman	\$89,548	70,000	1,061	\$0.67	\$2.70	\$46,667	\$2,861	\$49,528	\$139,076	\$124,548	\$14,528
Totals	\$855,298	639,164	9,115			\$426,110		\$479,373	\$1,334,673	\$1,334,675	(\$2.0)

OPTION #7 - Regional Council Whole - Population assignment adj. to keep Mayor/Regional whole - residential rate = \$0.67 & Business rate = \$2.70 (2/3 res. - 1/3 bus.)

Inputs:
 Population assignment: Mayor 50% Regional 33.33% Ward Other
 Discretionary population rate: \$0.667
 Discretionary business rate: \$2.697

Councillor	Salaries & Benefits	Discretionary Expenditure Formula						Budget Comparison			
		Applied Data		Applied Rates		Discretionary sub-totals		Total Discretionary Opt6 - .66Res+.33Bus.	Revised 2011 Budget	Original 2011 Budget	Change
		Pop.	# of Bus.	Pop.	Bus.	Residential	Business				
Mayor Bevilacqua	\$138,916	147,500	4,558	\$0.67	\$2.70	\$98,333	\$12,292	\$110,625	\$249,541	\$249,541	(\$1)
Regional Councillor Rosati	\$89,548	98,335	3,038	\$0.67	\$2.70	\$65,557	\$8,194	\$73,751	\$163,299	\$163,298	\$1
Regional Councillor Michael Di Biase	\$89,548	98,335	3,038	\$0.67	\$2.70	\$65,557	\$8,194	\$73,751	\$163,299	\$163,298	\$1
Regional Councillor Deb Schulte	\$89,548	98,335	3,038	\$0.67	\$2.70	\$65,557	\$8,194	\$73,751	\$163,299	\$163,298	\$1
Ward 1 Councillor Iafrate	\$89,548	62,500	475	\$0.67	\$2.70	\$41,667	\$1,281	\$42,948	\$132,496	\$120,798	\$11,698
Ward 2 Councillor Carella	\$89,548	62,500	1,212	\$0.67	\$2.70	\$41,667	\$3,269	\$44,936	\$134,484	\$120,798	\$13,686
Ward 3 Councillor DeFrancesca	\$89,548	58,000	2,015	\$0.67	\$2.70	\$38,667	\$5,434	\$44,101	\$133,649	\$118,548	\$15,101
Ward 4 Councillor Yeung Racco	\$89,548	42,000	4,352	\$0.67	\$2.70	\$28,000	\$11,737	\$39,737	\$129,285	\$110,548	\$18,737
Ward 5 Councillor Shefman	\$89,548	70,000	1,061	\$0.67	\$2.70	\$46,667	\$2,861	\$49,528	\$139,076	\$124,548	\$14,528
Totals	\$855,298	737,506	9,115			\$491,672		\$553,130	\$1,408,430	\$1,334,675	\$73,755

Tax Rate Increase 0.055%