

## CITY OF VAUGHAN

### EXTRACT FROM SPECIAL COUNCIL MEETING MINUTES OF MARCH 3, 2008

Item 1, Report No. 5, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on March 3, 2008.

#### **1 POTENTIAL BUDGET REDUCTIONS**

**The Budget Committee recommends:**

- 1) **That the additional resource requests and amendments outlined in the subject report, be approved; and**
- 2) **That the following report of the City Manager, Deputy City Manager/Commissioner of Finance & Corporate Services, and the Director of Budgeting & Financial Planning, dated February 25, 2008, be received.**

#### **Recommendation**

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

That in order to meet the Budget Committee targeted 2008 tax rate increase of 4%, the Budget Committee approve the 2008 base budget and additional resource requests with the amendments as outlined in the following report.

#### **Economic Impact**

The following report responds to the request from the Budget Committee on February 08, 2008 to reduce the draft 2008 operating budget from a tax rate impact of 7.6% to under 4% without impacting service levels.

#### **Communications Plan**

Not required at this point in time. The statutory public meeting on the budget is scheduled for March 4, 2008 at 7:00 pm at the Civic Centre. A report and presentation will be available to the public.

#### **Purpose**

To provide the Budget Committee with an option to reduce the draft operating budget tax rate impact from 7.6% (approx. \$80.00 per year for the average household in Vaughan) to a target of less than 4% (approx. \$42.00 per year).

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

Following the February 08, 2008 Budget Committee meeting staff undertook a review of the City's draft 2008 operating budget and the additional resource requests with the objective of responding to the direction from Budget Committee to reduce the 2008 tax rate impact. Meeting this request has been a very difficult and challenging task, as the City's growth continues to be significant which places increasing demands on existing service levels. A very comprehensive budgeting process had been developed to maintain service levels with a minimal increase on taxes. This process consisted of two main components, the base budget as per Council approved guidelines and additional resource requests for Budget Committee's consideration. The objective of the approach was to add to the 2007 base only amounts that are contractual, amounts over which the City has limited control and only add additional resource requests after they are individually scrutinized by the Senior Management Team and the Budget Committee.

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The base operating budget as per Council’s guidelines, based primarily on contract pressures and other commitments, exceeds the tax rate impact target of 4% directed by the Budget Committee. The base budget tax rate increase, approximately 4.6%, is largely driven by the following three main issues:

<b>Significant Budget Pressures</b>	<b>Amount</b>	<b>Tax rate Impact</b>
<ul style="list-style-type: none"> <li>• Development Planning Revenue Reduction</li> <li>• Tax Rate Stabilization Reserve Contribution Reduction</li> <li>• Long Term Debt Increase</li> </ul>	<p>\$2.32m</p> <p>\$1.03m</p> <p>\$1.25m</p>	<p>2.1%</p> <p>0.9%</p> <p>1.1%</p>
<b>Total</b>	<b>\$4.60m</b>	<b>4.1%</b>

In addition to the base operating budget, the City Manager and the Senior Management Team recommended additional resource requests to the Budget Committee for consideration, Attachment 1. These requests were significantly reduced from what departments had requested.

The additional resource requests were evaluated based on the following criteria:

1. Mitigating municipal risk;
2. Maintaining levels of service; and
3. Achieving Vaughan Vision initiatives.

To achieve the Budget Committee’s mandate, including maintaining levels of service, the following amendments to the 2008 Operating Budget are submitted for the Committee’s consideration.

<b>Action Items</b>	<b>2008 Budget Reduction</b>	<b>Tax Rate Impact</b>	<b>Comments</b>
<p><b>1. Planning revenue shortfall strategy</b>  <i>Delete vacant Planning Dept positions approved in 2007 from the complement</i></p> <p><i>Utilize planning staff to conduct policy and planning studies internally</i></p>	<p>(145,000)</p> <p>(320,000)</p>	<p>-0.13%</p> <p>-0.29%</p>	<p>Budgeted salary &amp; benefit associated with the Urban Designer and GIS Technician complement positions approved in 2007.</p> <p>Commissioner of Planning has identified a number of development studies to be partially performed in-house.</p>
<p><b>2. Fire Dept. request to staff a reserve aerial truck deferred</b></p>	(1,397,054)	-1.27%	To be considered as part of the Fire Master Plan implementation strategy
<p><b>3. Emergency Planning staff request deferred</b></p>	(49,417)	-0.04%	To be considered once new legislation is in place and requirements are defined.
<p><b>4. Pierre Berton resource material request reduction</b></p>	(171,250)	-0.16%	Library staff proposed a reduction from the original \$250k submission to \$85k
<p><b>5. Additional Resource Request - new complement gapping</b></p>	(675,000)	-0.61%	All new complement positions gapped for 6 months - Start date July 1st, 08 balance funded in 2009 budget

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<b>6. Citywide salary gapping estimate</b>	(265,000)	-0.24%	Increased to \$1m
<b>7. Tax rate stabilization reserve funding</b>	(520,000)	-0.47%	Reconsider Council direction on the tax rate stabilization reserve withdrawal. Reduce the \$1m reduction to \$500,000. More closely matches the \$2.3m planning revenue decline with the funding from the Stabilization reserve. As the planning revenue recovers there will be a corresponding decrease in the amount taken from the Stabilization Reserve.
<b>8. Supplemental taxation revenue</b>	(200,000)	-0.18%	Current information has indicated there is an opportunity to increase the revenue budget
<b>9. Debenture reserve withdrawal</b>	(265,000)	-0.24%	Utilizing the debenture reserve to smooth the escalating costs of long term debt roads program
<b>Total Reduction</b>	(4,007,721)	-3.63%	
<b>REVISED TAX RATE IMPACT</b>		<b>3.98%</b>	(7.6% tax increase less action items)
<small>Note: Figures have been rounded for illustration purposes</small>			

The amendments presented above meet the Budget Committee's tax rate increase target while maintaining service levels. It should be noted that gapping new complements (#5) will have an impact on the 2009 operating budget. Although, this action will result in a 2008 budget reduction, the balance of the full year impact in 2009 will be approximately \$716K or roughly a .65% tax increase.

**Relationship to Vaughan Vision 2020**

This report is part of the process of Council setting its priorities for the year.

**Regional Implications**

None

**Conclusion**

The report is provided in response to the Budget Committee direction on February 08, 2008. It meets the Committee's direction, however it does not include any additional funding to address infrastructure repair and replacement.

**Attachments**

Attachment 1 – Additional Resource Requests

**Report prepared by:**

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

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Al Meneses, MBA  
Manager 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.)

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Item 2, Report No. 5, of the Budget Committee, which was adopted, as amended, by the Council of the City of Vaughan on March 3, 2008, as follows:

***By receiving the memorandum from the Director of Reserves & Investments, dated March 3, 2008.***

**2      2008 CAPITAL BUDGET AMENDMENT – MCNAUGHTON PREMIUM SOCCER FIELD**

The Budget Committee recommends:

- 1)      That Clauses 2 and 3 contained in the following report of the Commissioner of Community Services, dated February 25, 2008, be approved;
- 2)      That staff be directed to facilitate the conversion of the existing McNaughton premium soccer field (Capital Project PK-6214-08) to an artificial turf soccer field; and
- 3)      That staff provide additional information clearly outlining funding sources and maintenance savings illustrating the increase in revenues by moving to artificial turf fields.

**Recommendation**

The Commissioner of Community Services in consultation with the Directors of Reserves and Investments and Parks Development recommends:

- 1) That Budget Committee provide direction on whether to facilitate the conversion of the existing McNaughton premium soccer field (capital project PK-6214-08) to an artificial turf soccer field or to rehabilitate to a natural turf soccer field; and,
- 2) That the operating budget be amended to reflect the \$20,000 annual savings in maintenance costs; and,
- 3) That once the artificial turf soccer field is operational, the net difference in revenues received from the rental of the McNaughton premium soccer field versus that of revenues from the artificial turf soccer field be deposited in a special reserve to offset future major artificial turf rehabilitation costs.

**Economic Impact**

Additional funding in the amount of \$781,250 is required to augment the funds allocated in capital project PK-6214-08 McNaughton Premium Soccer Field (\$377,500) and the financial commitment by the Vaughan Soccer Club Inc. of \$120,000. Annual operating costs totaling \$6,000 (currently \$26,000) will be required should the artificial turf soccer field be constructed.

**Communications Plan**

As a potential funding partner, the Vaughan Soccer Club will be informed of the Budget Committee's decision regarding the conversion of the existing McNaughton premium soccer field to an artificial turf soccer field.

**Purpose**

The purpose of this report is to seek Budget Committee direction on whether to facilitate the conversion of the existing McNaughton premium soccer field (capital project PK-6214-08) to an artificial turf soccer field or to rehabilitate to a natural turf soccer field.

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

Soccer is currently the number one organized sport in Ontario with respect to participation numbers. Annual increases in the number of participants are no longer an unexpected surprise. This growth indicates a very promising future for Vaughan's soccer organizations. However, the reality is that many participants may possibly be turned away due to lack of playing facilities. In order to meet the growing demands, new fields must be constructed or field usage times must be expanded (or a combination of both).

The following information outlines both the benefits/advantages and the disadvantages for natural turf fields and for artificial turf fields.

#### **Natural Turf Soccer Fields**

Given the pressures to provide time allocations for soccer fields, there is ongoing discussion regarding use of the fields during inclement weather versus having quality fields that can be maintained within reasonable operating budget. Natural turf soccer fields are permitted from mid-May through to the end of September and as such, potential revenue generation is limited to this 4.5 month period. Use of natural turf fields is entirely dependant upon weather conditions and play is restricted during and immediately following rain storms in order to protect the fields from damage and avoid costly repairs.

One of the difficulties with natural fields is that there is a significant cost to build them (approx. \$339,900 depending on existing site conditions). To build a natural turf premium soccer field, the site must be rough graded, drainage installed, top soiled (with appropriate soil mixture), fine graded to allow for proper surface drainage construction, sodded, fenced, irrigated and lined.

The greatest drawback to a natural turf field is the high cost of annual maintenance (\$26,000) required to keep these facilities operational and safe. Natural turf fields wear in the same location and the turf is continually in need of replacement and repair to ensure safe playing conditions. In order to sustain optimum, safe playing conditions, playing times must be limited (ie: 2 consecutive days of rest) and downtime for field repairs / maintenance are frequent and usually of significant duration.

Typical maintenance of turf fields includes replacement of sod in the goal mouths and at half field, grass cutting, watering, aerating, top-dressing and overseeding, irrigation repairs, fertilizing and lining and the average cost per year is approximately \$26,000. Presently, no revenue derived from permitting fees is allocated for soccer field maintenance.

#### **Artificial Turf Soccer Fields**

Municipalities and private organizations (Mississauga, Oakville, Brampton, Toronto and Vaughan) are constructing artificial turf fields as an alternative to natural grass fields. The reason for this consideration is that artificial turf maximizes field usage opportunities with minimal annual maintenance requirements.

An artificial turf field provides a quality playing surface, which is subject to minimal wear and tear, is playable in all types of weather conditions, and extends the playing season dramatically. Permit allocations can be made in March, April, May, October, November and December which translates into an additional 18 weeks of potential field usage and revenue.

The maintenance required on an artificial turf field is minimal (approx. \$6,000) and consists of grooming the field twice annually to redistribute the rubber infill material. No rest period for an artificial turf field is required and downtime in order to perform maintenance is virtually eliminated. Again, field usage is maximized alleviating some of the pressure from sports groups to provide playing facilities and revenues are increased.

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The greatest drawback of the artificial turf soccer field is that it does require a substantial initial capital expenditure (approx. \$1,150,000). To build an artificial turf senior soccer field the site must be rough graded, base granular installed to allow for drainage, the artificial turf material installed, and fencing, concrete curbing and lighting installed.

The artificial turf surface material will have to be replaced due to degradation every 10 - 12 years at an approximate cost of \$400,000. The granular base on which the artificial surface is installed will not have to be replaced.

#### **Public/Private Partnership Commitment**

Based on concerns for player safety (referees have had to cancel games due to the condition of the field) and the excessive “down time” that the existing natural turf premium field experiences, the Vaughan Soccer Club Inc. has expressed an interest in contributing funds for the installation of an artificial turf soccer field at McNaughton Park (Attachment ‘A’). Vaughan Soccer has committed \$120,000 as a lump sum payment prior to the project tender to this public/private partnership. This funding commitment is exclusive to the conversion of the existing premium soccer field at McNaughton Park into an artificial turf soccer facility.

#### **Case Study – Rental Summary Comparisons**

The Recreation Department compiled rental summary reports for the existing McNaughton premium soccer field and for Vaughan Grove artificial turf soccer field. By comparison (Attachment B), for the period of March 1, 2007 to November 30, 2007 the Vaughan Grove artificial turf soccer field had an additional 331 bookings and generated an additional \$73,345.23 in revenue over and above that of the McNaughton premium soccer field. It is anticipated that any additional revenues generated by the artificial turf field over and above that was generated by the premium field would be deposited in a special reserve to offset future major artificial turf rehabilitation costs.

#### **Funding Artificial Turf Soccer Fields**

The City of Vaughan is currently in the process of preparing an updated 2003 Development Charges Background Study for the period 2008-2013. Artificial turf soccer fields are not included in the current Development Charges Background Study; but these works could be funded from Development Charges. Artificial turf soccer fields will be added as part of the 2003 Development Charges Background Study update. Should Budget Committee approve this project in the amended amount of \$1,158,750, the funding would be \$377,500 from the Parks Infrastructure, \$120,000 from Vaughan Soccer Club, \$595,125 from City Wide Development Charges – Park Development and \$66,125 from taxation. All the identified funding, with the exception of taxation, is available. If Budget Committee approves the funding these works that were not considered in the 2003 Development Charges Background Study approximately \$600,000 of future park development will be deferred to years beyond the projected 10 year timeframe identified in the 2003 Development Charges Background Study.

However, should the Budget Committee not approve the request to construct an artificial turf soccer field at McNaughton, the McNaughton soccer field still needs to be rehabilitated as a premium soccer field and \$377,500 funded from the Parks Infrastructure Reserve is still required.

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

This report is consistent with the priorities previously set by Council in Vaughan Vision 2020 as it “Enhances and Ensures Community Safety, Health and Wellness” as well as “Pursuing Excellence in Service Delivery”.

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**Regional Implications**

Not Applicable.

**Conclusion**

The Vaughan Soccer Club's members have increased by 59% between 2002 and 2007. The conversion of the existing McNaughton premium soccer field to an artificial turf soccer field will offset some of the immediate needs of the Vaughan Soccer Club.

Should Budget Committee approve this project to construct an artificial soccer turf in the amended amount of \$1,158,750, the funding would be \$377,500 from the Parks Infrastructure, \$120,000 from Vaughan Soccer Club, \$595,125 from City Wide Development Charges – Park Development and \$66,125 from taxation. All the identified funding, with the exception of taxation, is available.

However, should the Budget Committee not approve the request to construct an artificial turf soccer field at McNaughton, the McNaughton soccer field still needs to be rehabilitated as a premium field and \$377,500 funded from the Parks Infrastructure Reserve is still required.

**Attachments**

Attachment 'A' - Letter of Funding Commitment from Vaughan Soccer Club Inc.  
Attachment 'B' – Rental Summary Reports (March 1, 2007 – November 30, 2007)

**Report prepared by:**

Paul Gardner, Director of Parks Development, ext. 3209  
Ferruccio Castellarin, Director of Reserves and Investments, ext. 8271

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)



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

**3**

**DRAFT 2008 CAPITAL BUDGET  
ADDITIONAL INFORMATION - PROJECT BF-8195-08  
VELLORE VILLAGE FITNESS CENTRE**

**The Budget Committee recommends:**

- 1) That staff be requested to contact the School Board to explore opportunities for partnering with respect to the Vellore Village Fitness Centre; and**
- 2) That the memorandum of the Director of Reserves & Investments, dated February 25, 2008, be received.**

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Item 4, Report No. 5, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on March 3, 2008.



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**DRAFT 2008 CAPITAL BUDGET  
ADDITIONAL INFORMATION- BEAVERBROOK HOUSE & BATHURST CLARK LIBRARY**

**The Budget Committee recommends that the memorandum of the Director of Reserves & Investments, dated February 25, 2008, be received.**

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**EXTRACT FROM SPECIAL COUNCIL MEETING MINUTES OF MARCH 3, 2008**

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

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**5      2008 DRAFT CAPITAL BUDGET – VAUGHAN PUBLIC LIBRARY BOARD REQUEST**

**The Budget Committee recommends:**

- 1)      That this matter be deferred to the Budget Committee meeting of March 3, 2008, to provide an opportunity for Library staff and City staff to review the Vaughan Public Library Board's request and report back in detail; and**
- 2)      That the correspondence from Gino Rosati, Chair, Vaughan Public Library Board, 900 Clark Avenue West, Vaughan, L4J 8C1, dated February 22, 2008, be received.**

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**EXTRACT FROM SPECIAL COUNCIL MEETING MINUTES OF MARCH 3, 2008**

Item 6, Report No. 5, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on March 3, 2008.

6

**YORK REGIONAL POLICE MILITARY TATTOO**  
(Referred from the Council meeting of February 25, 2008)

**The Budget Committee recommends:**

- 1) **That the City of Vaughan support the York Regional Police 2008 Military Tattoo by sponsoring the event as a Silver Partner in the amount of \$2,500; and**
- 2) **That budgetary guidelines be developed for future sponsorship requests of this nature.**

Council, at its meeting of February 25, 2008, approved:

That this matter be referred to the Budget Committee meeting of February 26, 2008 for further discussion; and

That the memorandum from the Deputy City Clerk, dated February 22, 2008, be received.

**Committee of the Whole recommendation of February 19, 2008**

The Committee of the Whole recommends that the deputation of Mr. Robert G. Whitman, York Regional Police, 17250 Yonge Street, Newmarket, L3Y 4W5, and information material submitted, be received, and referred to staff to report back on the request for sponsorship, including the City's policy regarding such request.

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Item 7, Report No. 5, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on March 3, 2008.

**7**

**INFRASTRUCTURE**

**The Budget Committee recommends:**

**That in light of the pressing need to implement a long range program to fund infrastructure renewal in the City of Vaughan; and**

**In light of the funding plan presented to the Budget Committee by our staff; and**

**In light of the decision by the Budget Committee to defer implementing a decision on initiating this program until 2009:**

**That funding be provided to an amount of \$5,000 to be used throughout the remainder of 2008 to inform and educate residents about municipal infrastructure needs, the overall issue of infrastructure renewal in Canada generally and Vaughan specifically, and the program being proposed to fund infrastructure renewal in the City of Vaughan.**

The foregoing matter was brought to the attention of the Committee by Councillor Shefman.

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Item 8, Report No. 5, of the Budget Committee, which was adopted without amendment by the Council of the City of Vaughan on March 3, 2008.



**8**

**ENVIRONMENT DAYS**

**The Budget Committee recommends that staff provide a report with respect to holding three Environment Days with funding provided up to a limit of \$6,000.**

The foregoing matter was brought to the attention of the Committee by Councillor Shefman.

Please also refer to Item 5, Report No. 2, Environment Committee.

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Item 9, Report No. 5, of the Budget Committee, which was adopted, as amended, by the Council of the City of Vaughan on March 3, 2008.

***By receiving the memorandum from the Deputy City Manager/Commissioner of Finance & Corporate Services, dated March 3, 2008.***

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**TRADE MISSIONS**

**The Budget Committee recommends that an additional travel supplement of 50% of the costs for each individual Member of Council participating on a Council approved trade mission in 2008, be added to the Member of Council's individual budget.**

The foregoing matter was brought to the attention of the Committee by Councillor Yeung Racco.