

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 17, 2012

Item 1, Report No. 4, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on April 17, 2012.

1 NAMING OF STORM WATER MANAGEMENT PONDS AND ASSOCIATED SIGNAGE

The Finance and Administration Committee recommends:

- 1) That this matter be referred to staff for a report by June 2012 with respect to the discussion of naming the ponds, sign placement and sign size; and
- 2) That staff investigate the implementation of an Adopt-a-Pond program, including other opportunities that would encourage community engagement.

Recommendation

The Commissioner of Engineering and Public Works recommends that Council approve:

1. The proposed policy for naming stormwater management ponds as outlined in this report;
2. The Storm Water Management Pond sign design, consistent with other City signing, and reflecting the growing emergence of operating stormwater ponds as community amenities, as depicted in Attachment 2; and
3. That the Additional Resource Request for \$309,955 be considered as part of draft 2012 Water and Wastewater Budget submitted for Council consideration.

Contribution to Sustainability

Storm water management ponds are vital in mitigating the threat of flooding, by slowing the flow of water into local creeks and rivers.

In the report titled "CREATING A SENSE OF PLACE: ASSIGNING A DISTINCT NAME TO ALL STORM WATER MANAGEMENT PONDS ON PUBLIC LANDS IN THE CITY OF VAUGHAN" it was also indicated that, "*Such ponds, as a feature of the local landscape, have another, as yet unacknowledge benefit: they introduce water and greenery into neighbourhoods, softening our environment, and increasing the pleasant feel of any area, especially as the trees and other greenery which ring each pond mature and add height and depth to the local landscape---all of which contributes to sustainable urban and suburban living.*"

Economic Impact

The financial impact of the proposed signage would be \$280,000 for the signs and \$29,955 for seasonal labourers to install these signs, bringing the total cost to \$309,955.

As part of the 2012 Water/Wastewater Budget, an Additional Resource Request has been submitted that would provide funding to install 140 signs, based on the sign shown in Attachment 2.

Funding would be from the Water and Wastewater Budget.

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Communications Plan

Conditional upon the approval of the Additional Resource Request contained in the 2012 Water and Wastewater Budget for funding of this project, Public Works will work with Corporate Communications to develop a communications strategy to advise the public, and map producers and providers, of this initiative.

Purpose

To obtain Council approval of the proposed storm water management pond naming policy, and, obtain Council direction with respect to choosing the type of sign to be installed at the City's storm water management ponds.

Background - Analysis and Options

Item 24, Report No. 36, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on July 13, 2010, recommended:

- "1) that appropriate staff bring forward a policy for assigning place names to each of the 120 storm water management ponds that are on public land within the City of Vaughan and/or are managed by the City of Vaughan; and*
- 2) that a simple, low-cost sign, similar to local street name signs, be posted at each pond, facing the most travelled roadway abutting each pond; and*
- 3) that businesses that publish maps of the City of Vaughan that are offered for sale to the general public be supplied with both a list of the named ponds and a map of the City upon which the location and names of the ponds have been indicated, with the request that future editions of such maps as published by them indicate the location of each pond and incorporate their assigned names; and*
- 4) that this policy be applied as additional storm water management ponds are built across the City."*

Part A: Proposed Naming Policy

The previously noted Council report indicated that

"The easiest means of achieving this end is to lay down a simple procedure. For instance, along a regional road with several such ponds, the largest could take its name from the regional road, and all others from the next busiest of abutting streets. In this rather logical way, the name of each pond will be quickly established in the public's mind, and reinforced with simple but effective signage, something equivalent to the standard local street sign, posted between each pond and the street from which its name derives."

Staff has reviewed the above noted approach and recommend that the following be adopted as the policy for the naming of the City's storm water management (SWM), ponds:

1. SWM ponds that are located on the same property as a City-owned park or open space, shall incorporate the park or open space's name into the pond name. For example, the SWM pond at the Sugarbush Heritage Park would be named the "Sugarbush Storm Water Management Pond".

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2. SWM ponds located on lands containing City-owned facilities, such as the City's Joint Operations Centre, shall be named after the facility, or a derivative of. For example, the SWM pond fronting on Rutherford Road at the City's Joint Operations Centre, would be named the "J.O.C. Storm Water Management Pond".
3. SWM ponds that are not part of a City-owned park or facility, and front onto a Regional road, shall be named in after the Regional road fronting the pond, and the closest intersecting street. For example, the SWM pond located on the north side of Major Mackenzie Avenue, just west of Melville Avenue, would be named the "Major Mackenzie / Melville Storm Water Management Pond".
4. SWM ponds that only front onto local streets, shall be named in accordance with the street where there is public access to the pond and the closest intersecting street. For example, the storm pond located on the east side of Creditstone Road, north of and Graniteridge Road, would be named the "Creditstone/Granitridge Storm Water Management Pond".
5. In cases where SWM ponds only front onto local streets, and where there are multiple access points to the pond, staff be given sufficient latitude to name the ponds in accordance with the general principles noted above, taking into account: the abutting major and minor streets, existing storm ponds names (where they may exist), and other related factors.

Part B – Sign Design

The previous Council report noted that the type of sign that was to be installed at the City's SWM ponds was to be a "low cost sign", similar in nature to a street name sign. In accordance with the foregoing, staff has prepared a version of the proposed SWM pond signage.

Attachment 1 is based on a common 30 cm x 90 cm aluminium sign blank. The cost to produce this type of sign has been estimated to be \$120 per sign, excluding hardware. Mounting of the sign would be done on a single, stand-alone post.

In keeping with the intent of the previous report to transform the ponds, "*into a neighbourhood amenity rather than a functional feature, bonus streetscaping rather than an engineering necessity*", staff also prepared a more elaborate sign design.

Attachment 2 is similar in nature to the signs located at the City's parks. It is larger in size than the sign shown in Attachment 1, and is estimated to cost approximately \$2,000 per sign. Mounting would be done on two wood or metal posts.

There are approximately 140 SWM ponds in the City. The total cost for signage and hardware based on Attachment 1, would be approximately \$25,000. The total cost for signage and hardware based on Attachment 2, would be approximately \$280,000. Installation costs are estimated to be \$29,955, based on using seasonal labourers.

In reflection of the growing emergence of these ponds on community amenities, staff recommend the adoption of signing depicted on Attachment 2. This design reflects consistency with signage at other City owned amenities such as community parks.

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Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and ties into the following Vaughan Vision 20/20 Goals and Objectives:

Goal: Organizational Excellence
Objective: Manage Corporate Assets

Regional Implications

There are no Regional implications as a result of the recommendations contained in this report.

Conclusion

In accordance with Council's previous direction, it is recommended that the proposed policy for naming SWM ponds, as outlined in this report, be approved.

Given the previous recommendation to install low cost signage, and at the same time transform the ponds into neighbourhood amenities, Council direction is respectfully requested with respect to the type of signage that is to be installed at the City's storm water management ponds.

Installation of such signage is conditional upon the approval of the Additional Resource Request contained in the 2012 Water/Wastewater Budget.

Depending upon Council's direction, the Additional Resource Request in the draft 2012 Water/Wastewater Budget may require adjusting downward.

Attachments

Attachment 1 – Sign "A" (30 cm x 90 cm aluminum sign blank)
Attachment 2 – Sign "B", (custom design)

Report prepared by:

Brian T. Anthony, Director of Public Works Ext 6116

(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. 4, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on April 17, 2012.

2 2012 PROPOSED WATER & WASTEWATER OPERATING BUDGET

The Finance and Administration Committee recommends:

- 1) That clauses 1, 2, 4 and 5 of the recommendation contained in the following report of the City Manager, the Commissioner of Finance/City Treasurer, the Commissioner of Engineering and Public Works, the Director of Public Works and the Director of Financial Services, dated April 2, 2012, be approved, subject adding the word “draft” in clause 2, and replacing the word “proposed” with “draft” in clause 4, so that it now reads:
 - “2) That the draft consumption rates for Water and Wastewater in Schedule “A” of By-Law 12-74 and 167-73 be amended to reflect the Regional rate increase, City operating and City capital requirements, Attachment 1; and
 - (a) The City’s water rate be increased from 116.26¢ to 124.40¢ per cubic meter effective in June 2012 the day after the Water By-law is adopted; and
 - (b) The City’s wastewater rate be increased from 124.58¢ to 138.04¢ per cubic meter effective in June 2012 the day after the Wastewater By-law is adopted; and
 - 4) That the draft 2012 Water & Wastewater Operating Budgets and corresponding rate increases be forwarded to a Special Council meeting;”
- 2) That the additional Resource Requests, Attachment 3, be revised in accordance with the storm water management pond signage discussion;
- 3) That staff provide a report with respect to revising the budgeting of the Storm Water Management Ponds from a use based formula; and
- 4) That the presentation by the Commissioner of Finance/City Treasurer, and Communication C1, presentation material, dated April 2, 2012, be received.

Recommendation

The City Manager, the Commissioner of Finance/City Treasurer, the Commissioner of Engineering and Public Works, the Director of Public Works and the Director of Financial Services recommend:

- 1) That the following report be received; and
- 2) That the consumption rates for Water and Wastewater in Schedule “A” of By-Law 12-74 and 167-73 be amended to reflect the Regional rate increase, City operating and City capital requirements, Attachment 1; and
 - (a) The City’s water rate be increased from 116.26¢ to 124.40¢ per cubic meter effective in June 2012 the day after the Water By-law is adopted; and
 - (b) The City’s wastewater rate be increased from 124.58¢ to 138.04¢ per cubic meter effective in June 2012 the day after the Wastewater By-law is adopted; and

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- 3) That the additional Resource Requests, Attachment 3 be approved; and
- 4) That the proposed 2012 Water & Wastewater Operating Budgets and corresponding rate increases be forwarded to a Special Council meeting; and
- 5) That the City Clerk be directed to schedule an evening Special Council Meeting to receive public deputations and to consider for final approval the 2012 Proposed Water & Wastewater Budgets and corresponding rate increases.

Contribution to Sustainability

The 2012 recommended consumption rates will continue to provide sufficient funds to maintain the City's water and wastewater system in the future in accordance with the Safe Drinking Water Act.

Economic Impact

For 2012 the City's share of the proposed water/wastewater rate increase is 2.80% and the Region of York's share for purchased services is 6.17% resulting in a combined rate increase of 8.97%. The annual residential impact on an average household consumption of 300 cubic meters of water per year is an additional \$64.80 or \$5.40 per month.

Water and Wastewater Purchased Services from York Region	6.17%	6.17%	69%
Unmetered Water	0.34%	}	
Maintenance	0.19%		
Administration, Financing and Overheads	0.18%		
Joint Services	0.01%		
Infrastructure Contribution to Reserves	2.08%		
<hr/>			
2012 Increase	8.97%	8.97%	100%

The sales of water will generate a net contribution of \$4.8 million to the water reserve and wastewater services will generate \$5.1 million to the wastewater reserve thereby providing the necessary funds to maintain a financially sustainable water and wastewater systems for the future as required by the Safe Drinking Water Act (SDWA).

The proposed consumption rates for water and wastewater are supported by the rate study conducted by Watson and Associates in 2009.

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Communications Plan

The approved Water & Wastewater rates will be advertised per City policy in the local newspapers and the City's web site. Staff are also developing with the Corporate Communications department a list of questions and answers to respond to the public and media. The City of Vaughan 2012 Water/Wastewater Budget and proposed 2012 rates were prepared in alignment with mandated provincial legislation for a financial plan for water systems, and guidelines for financially sustainable drinking water and wastewater systems as well as to ensure the highest quality of water in the City of Vaughan.

Purpose

To adopt the water and wastewater operating budgets and the corresponding proposed consumption rates.

The 2012 proposed water rate increase is 7.0% and wastewater rate increase is 10.8%. Both rates incorporate the Region of York increases and the City's operating, maintenance and infrastructure reserve increases. The combined rate increase is 8.97% of which 6.2% (69%) is attributable to Region of York.

The proposed consumption rates are based on the 2009 rate study report that supports the move towards full cost recovery as required by the Safe Drinking Water Act.

The City's consumption rates are still very competitive as demonstrated on Attachment No. 2.

Background Analysis and Options

SUMMARY - 2012 WATER AND WASTEWATER PROPOSED CONSUMPTION RATES

The major source of revenue for water and wastewater operations is consumption rates, totalling \$93.9 million for 2012 of which \$68.1 million is paid to the Region of York. The consumption rate revenues net of operating costs and Region of York purchases are transferred to the City's respective water and wastewater reserves. The net earnings provide for the future renewal and replacement of the City's underground infrastructure.

The proposed 2012 water and wastewater budgets are attached including the draft 2011 actuals. The 2011 water and wastewater operating and capital financial results form part of the City's consolidated Financial Statements.

The following attachments are included: 2012 Proposed Water and Wastewater Budgets including the draft 2011 Actuals Attachment No. 1, the Municipal Rate Comparison Attachment No. 2, Additional Resource Requests & New Complements Summary - Water & Wastewater Attachment No. 3, Water, Wastewater & Drainage 2012 Business Plan, Attachment No. 4.

Annual Residential Impact

The average residential customer with a consumption of 300 cubic meters of water per annum will see a combined increase of \$65 (\$45 is the Region of York portion) or 8.97%. The increase in the water and wastewater rates on a monthly basis is \$5.40.

The 2012 budgets include an annual rate increase of 7.0% for water and a 10.8% increase for wastewater for a combined increase of 8.97%.

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The net rate increase impact is the result of:

- The Regional increase of 7.7% for the cost of potable water and an increase of 12% for wastewater services. This increase is based on Regional water and wastewater reserve adequacy study.
- The impact of inflationary pressures.
- The net increases in maintenance, administration, additional staffing resources and other expenditures.
- The required increase in the contribution to the water and wastewater reserves.

Following is a breakdown of the combined water and wastewater increase:

Water and Wastewater Purchased Services from York Region	6.17%	6.17%	69%	
Unmetered Water	0.34%	}		
Maintenance	0.19%			
Administration, Financing and Overheads	0.18%		.72%	8%
Joint Services	0.01%			
Infrastructure Contribution to Reserves	2.08%	2.08%	23%	
2012 Increase	<u>8.97%</u>	<u>8.97%</u>	<u>100%</u>	

Rate Components

The largest cost component of the consumption rate is the purchase of potable water and wastewater services from the Region as shown below. Water purchases and wastewater purchased services in particular have gone up over the past number of years by approximately 10% annually. Both increases are primarily due to the need to build reserves for future Regional infrastructure requirements.

The City, like the Region, needs to ensure that sufficient reserves will be available for future infrastructure replacement. A significant component of the proposed consumption rates is "Contribution to Reserves". These are the funds that are transferred to the reserves each year for the future water & wastewater infrastructure replacement. The City consumption rates are moving to full cost recovery and are supported by the 2009 Rate Study.

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The 2012 water and wastewater rate components are as follows:

	Water	Wastewater	Combined
Regional Purchased Services	\$0.7510	\$0.8848	\$1.6358
Unmetered Water	0.1104	0.00	0.1104
Maintenance	0.1289	0.1469	0.2758
Other	0.1109	0.0607	0.1716
Lifecycle Contribution - Reserve	0.1428	0.2880	0.4308
Total	\$1.2440	\$1.3804	\$2.6244

The Safe Drinking Water Act (SDWA) – Licencing Requirements

The Safe Drinking Water Act (SDWA) is comprehensive in its legislative requirements and was enacted to place all legislation and regulations relating to the treatment and distribution of drinking water into one Act. The SDWA expands on existing policy and practices and introduces new regulations to protect drinking water. It includes certification of drinking water system operators and analysts and puts in place certain financial reporting requirements and the need for municipalities to develop financially sustainable water treatment and distribution systems.

Drinking Water Quality Management Standard (DWQMS)

Fourteen of the recommendations Mr. Justice Dennis O'Connor made, in the final report of the Walkerton Commission of Inquiry, relate to the development of the new approvals framework for municipal residential drinking water systems. The new program, the Municipal Drinking Water License Program, is based on Recommendation No. 71 of the Walkerton Commission of Inquiry Part Two Report: As part of obtaining a Drinking Water Licence for the system(s), there is a requirement to have a Financial Plan in place. The Sustainable Sewage and Water Systems Act (SWSSA) requires that the approved financial plan must apply for a period of at least six years, and include details of the drinking water system's proposed or projected:

- Financial Position
- Financial Operations
- Gross Cash Receipts & Gross Cash Payments

The City's financial plan was approved by Council on June 11, 2010, submitted to the Ministry of the Environment on June 18, 2010, and submitted to the Ministry of Municipal Affairs and Housing on June 25, 2010.

2009 Water Rate Study

The City undertook an RFP process for consulting services and a contract was awarded to Watson and Associates who partnered with an engineering firm AECOM. Watson and AECOM undertook a full review of water, wastewater and storm services that would result in recommendations that would over time move consumption rates to a full cost recovery level.

The rate study determined asset replacement costs, replacement timelines, growth levels, consumption levels, revenue projections, operational cost projections, etc for the period 2008 to 2033, a 25 year forecast period.

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The study revealed that the City's underground infrastructure is relatively new therefore significant rehabilitation or replacement will not be required in the near future. In addition, based on the water and wastewater reserve levels the City is well positioned to phase in any rate increase over time to reach full cost recovery required by the Safe Drinking Water Act.

In the near future, the City will have to undertake a new study so that the various components such as consumption levels, growth and infrastructure requirements can be updated. A newer study will provide current information to better determine the appropriate full cost recovery rate required to maintain a sustainable water and wastewater system.

Water Conservation

Water conservation is an important issue for the future growth and development of York Region. As part of the Ministry of the Environment's approval to York Region for the twinning of the South-East Collector Trunk Sewer, and the inter-basin water transfer, the Region, and all of its area municipalities, must implement a water conservation program, along with a sewage inflow/infiltration program. Combined, these two strategies must show a 10% reduction in peak flows to the treatment facility.

Recent work undertaken by York Region and the local municipalities has shown that the average household's consumption of water has been steadily decreasing over the past few years. This is no doubt in part due to more public awareness about water conservation, as well as changes in plumbing fixtures and home appliances. Low flush toilets, low flow shower heads, and high efficiency washing machines are just a few examples of where changes in design have allowed for significantly less water to be used per household.

Public Works has undertaken a number of initiatives to reduce unmetered water use. Although flushing of watermains is required to ensure water quality is maintained in areas with low consumption, the water sampling protocol in place allows for better identification of when this needs to occur.

The banding of hydrants has reduced unauthorized water taking, and encourages water haulers to source water from one of the City's four water filling stations.

The anode protection program for iron watermains, initiated in 2005 and still underway today, continues to perform very well, yielding a 50% decrease in the number of water main breaks in the water distribution system.

In the fall of 2010, Public Works initiated an industrial/commercial/institutional (ICI) water meter calibration program. The goals of this project are to:

- ensure that the large ICI water meters are registering within the AWWA approved limits;
- ensure that the large ICI water meters are not being by-passed;
- determine the amount of water that has not been captured for billing purposes, as a result of large ICI water meters that may not be registering within the AWWA limits.

There are a total of 2,951 ICI water meters. At the end of 2011, a total of 1,358 water meters had been inspected. Water meters that can be re-calibrated to meet AWWA limits are done so at the time of the inspection. Water meters that cannot be re-calibrated are identified for replacement. As part of the 2012 Water Operating Budget, funds have been budgeted to start replacing those meters that cannot be repaired.

Based on preliminary results from the 1,358 meters that have been tested, staff indicate this initiative is expected to reduce the amount of unmetered water by approximately 1.6 percent annually.

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Developers are required to implement a flushing program to ensure that water quality is maintained in accordance with all applicable legislation. Measures have been put in place to capture this data and charge developers for the water they use in this process, until sufficient users are in place to ensure a changeover of water takes place in new development water mains,

York Region's "Water For Tomorrow" Program

The "Water for Tomorrow" program continues to provide programs and initiatives to reduce the consumption and loss of drinking water, initiatives undertaken to date include:

- rebates for purchasing and installing a water efficient toilet;
- rebates for purchasing and installing a water efficient furnace humidifier;
- rebates for purchasing water efficient clothes washers;
- rain barrels sales to York Region residents at a cost that is well below market rates;
- water efficient landscape visits and industrial/commercial water audits to encourage water consumers to conserve water use and assists in reducing energy consumption and their carbon footprint; and,
- rebates and incentives for commercial operations aimed at commercial kitchens, laundromats, and large volume industrial users.

The Region of York has released its long term water strategy that outlines the 40 year strategy that will put in place sustainable measures to ensure water conservation is implemented across the Region. The City has recently committed to the strategy, and in the near future, additional programs will be put forward by staff for consideration as part of the budget process. The Region's water conservations strategy can be seen on the Region's web site at: www.york.ca

2012 Water Budget / Actual - Revenue & Expenditure Highlights

2012 Water Budget Factors

The consumption volume is conservatively estimated and is developed based on current consumption patterns, annual growth estimates noted below and does not reflect any weather predictions. The budgeted 2012 water billing revenue includes a 2.0% (3.0% 2011) growth factor for residential, 1.00% (1.75% 2011) commercial growth factor and an 8.97% water rate increase.

Over the past few years (2009 to 2011) the Regional cost of potable water has increased by 10% annually, however for the period from 2012 to 2015 the increases in the cost of potable water will be less coming in at 7.7%, 7.6%, 7.5% and 7.4% respectively.

Expenditures generally reflect gapped new staffing requirements, cost of living increases and inflationary pressures.

Water Rate Forecast

Over the next three years it is expected that the City's water rate will increase in the range of approximately 7% to 9%. This level of rate increase is necessary to provide for the forecasted Region of York increases for the on-going maintenance of the underground infrastructure and to provide funds for the future renewal of the water distribution system. The water consumption rate will be developed in conjunction with the 2009 consumption rate study.

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2012 Proposed Water Budget Highlights

Revenues:

The recommended water rate of 124.40 cents per cubic meter is based on the proposed operating and capital budgets and represents the next step in achieving full cost recovery as supported by the rate study.

The budgeted residential and commercial water billings in 2012 include a 7.00% rate increase combined with lower than average new account activity forecasted. The revenues are expected to be \$45.0 million with water purchases from the Region at \$31.6 million, including unmetered water, resulting in a gross margin of \$13.4 million.

Other revenue for bulk water sales is budgeted at \$250K up slightly from previous years as 2011 sales experienced a slight increase over budget. Installation activity is expected to be slightly lower than last year's budget at \$976K. Interest revenue is expected to exceed 2011 due to slightly higher interest rates and a higher reserve level balance.

Unmetered (Non-Revenue) Water Consumption

The 2012 unmetered water is budgeted at 13% the same level as last year. The unmetered water loss for 2011 is 12.7%.

The City undertook a Water Audit that was completed in 2011 by Fabian Papa & Partners Inc. in accordance with the International Water Association (IWA) and American Water Works Association (AWWA) methodology. For the City's billing year 2010, the audit identified the City's non-revenue water (NRW) consumption to be 13.7% of the total bulk volume supplied to the City. NRW usage takes place through: fire suppression and fire training, irrigating sports fields, main flushing and maintenance, street sweeping, water main breaks and service leaks, testing and flushing water mains in new developments due to Provincial water regulations.

The NRW can be broken down as:

- Apparent Losses – Customer meter degradation
- Real Losses – Leakage on mains, service connections
- Unbilled Consumption – Fire suppression, irrigation of sports fields

Water/wastewater services are recovered internally for City purposes; such as recreation's swimming pools, City buildings and facilities.

As indicated previously, a number of initiatives are currently underway by staff to maintain and reduce (where possible) the overall yearly non-revenue consumption. The highest potential for improvement lies within the apparent and real loss components.

Expenditures:

2012 budgeted expenditures total \$9.9 million covering maintenance, administration, financing, overhead and other costs which are up \$0.5 million from last year's budget. Maintenance increases are primarily due to additional resource requests and increased funding for existing programs. General administration is up due to new hires and cost of living increases.

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Additional Resource Requests – Water

For 2012, the additional resource requests (ARR) are outlined on Attachment # 3. The additional funds are included in the attached water and wastewater budgets and have been gapped. The additional staff complements in Public Works are required to meet growing demands, City initiatives and are fully funded by water consumption rates.

- .31 FTE Clerk Typist Position

Existing PT to FT position to handle water and sewer related queries, meter sales and processing service connection payments will promote better service levels

- .31 FTE Technical Clerk Position

Existing PT to FT position to prepare water and wastewater contracts which will improve preparation and turnaround time for Purchasing to manage tenders more efficiently

- 1.0 FTE Water Resources Analyst (Develop/Transport Engineering Services)

Management and implementation of the City's Storm Water Management Retrofit program, rate/implementation study and monitoring public awareness programs. Fundamental in implementing corporate sustainability objectives identified by the City's Growth Management Strategy 2031 and Green Directions Vaughan

- 1.40 FTE Project Managers (Engineering Services)

To facilitate in the delivery of watermain and sewer design and construction for the capital program. Significant increases are anticipated in the watermain replacement and rehabilitation program as 115km of metallic watermain pipe reaches the end of its service life. As a result, design work load will increase in order that these assets are maintained at acceptable service levels

Maple Pressure District 8 Pump Station Decommissioning

An environmental assessment study was completed in 2011 for the purpose of decommissioning the City's existing Maple Pressure District 8 Pump Station. The decommissioning of this facility will result in overall system efficiencies within the service area, reduced energy consumption and realize an annual operating and maintenance cost savings.

The capital costs associated with the detailed design and associated system connection to York Region's Keele Street transmission watermain have been approved as part of the 2012 Capital Budget with funding from the Water Reserve. It is anticipated the construction costs to decommission the pump station will be budgeted for as part of the 2013 Capital Budget process.

2011 Actual Water Highlights

Actual 2011 total water billings of \$40.5 million came in on budget. Residential billings at \$24.4 million were down slightly by 2.6% and Commercial at \$16.1 million up by 3.7% compared to budget.

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It should be noted that the average household water consumption has continued to decline over the past five years due to both conservation efforts and weather patterns. Over the five year period annual consumption per household has decreased from 338m³ to 287m³. Bulk sales came in slightly over budget and installation service fees slightly under budget.

A \$1.0M credit adjustment from 2006-2010 was booked from the Region of York for incorrect water reads and programming errors that were identified.

Actual maintenance expenditures came in at \$4.8 million, under budget by \$0.7 million. Maintenance is primarily under budget as a result of fewer customer service requests and emergency contracted activity than anticipated. Administration came in at \$1.2 million and is slightly under budget due to staff vacancies. The remaining expenditures came in on budget.

Water Lifecycle Contribution - Reserve

In 2011 through water operations, the net of all revenues and costs resulted in \$6.1 million (\$3.9M 2010) being transferred to the water reserve.

The 2012 budgeted transfer from water operations to the water reserve is \$4.8 million. These funds will provide for the future requirements of the water infrastructure. The forecasted Capital drawdown on the reserve in 2012 for water related infrastructure needs is expected to be \$3.8 million.

Committed capital costs represent approved capital projects not yet begun or completed and total \$6.9 million.

The budgeted reserve balance at the end of 2012 is projected to be \$24.7 million (2011 actual \$23.7m) after committed capital projects. These funds will provide for the future requirements of the water infrastructure to ensure the City's drinking water systems are financially sustainable as required under the new Municipal Drinking Water Licence Program.

2012 Wastewater Budget / Actual - Revenue & Expenditure Highlights

2012 Wastewater Budget Factors

The budgeted 2012 wastewater billing revenue includes a 2.0% (3.0% 2011) residential, 1.0% (1.75% 2011) commercial growth factor and a 10.8% wastewater rate increase. The volume of wastewater is not metered. The wastewater consumption volume is based on water sold to the consumer.

Over the past few years (2009 to 2011) the Regional cost of wastewater services has increased by 10% annually, however for the period 2012 to 2015 the cost of these services will increase to 12%.

Expenditures generally reflect gapped new staffing requirements, cost of living increases and inflationary pressures.

Wastewater Rate Forecast

Over the next three years it is expected that the City's wastewater rate will increase in the range of approximately 9% to 11%. This level of rate increase is necessary to provide for the forecasted Region of York increases for the on-going maintenance of the underground infrastructure and to provide funds for the future renewal of the wastewater/storm infrastructure system. The wastewater rate will be developed in conjunction with the 2009 consumption rate study.

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2012 Proposed Wastewater Budget Highlights

Revenues:

The recommended wastewater rate of 138.04 cents per cubic meter is based on the proposed operating and capital budgets and represents the next step in achieving full cost recovery as supported by the rate study.

The budgeted residential and commercial wastewater billings in 2012 include a 10.8% rate increase combined with lower than average new account activity forecasted and growth. The revenues are expected to reach \$48.9 million with the expected wastewater services from the Region at \$36.4 million leaving a gross margin of \$12.4 million. The cost of wastewater disposal service from the Region includes a 12.0% increase. The Region's treatment cost for wastewater is based on potable water purchased by the City.

Installation and service fees are expected to be lower at 100K down from \$225K, these are driven by demand. The 2012 local improvement revenue is budgeted at \$213,200 and is offset by the cost of debentures of \$213,200. Interest revenue is expected to exceed 2011 due to slightly higher interest rates and a higher reserve level balance.

Expenditures:

2012 budgeted expenditures total \$8.0 million covering maintenance, administration, storm sewer, financing, joint services, overhead and other costs and are in line compared to last year's budget at \$7.9 million.

Additional Resource Requests – Wastewater

For 2012, the additional resource requests (ARR) are outlined on Attachment # 3. The funds are included in the attached wastewater budget and have been gapped. These resource requests are for additional complements in Public Works to meet growing demands.

- .60 FTE Project Managers (Engineering Services)

To facilitate in the delivery of watermain and sewer design and construction for the capital program. Significant increases are anticipated in the watermain replacement and rehabilitation program as 115km of metallic watermain pipe reaches the end of its service life. As a result, design work load will increase in order that these assets are maintained at acceptable service levels

- .66 FTE Storm Pond District Name Sign Installations

Two seasonal labourers to install signs at all City owned storm water management ponds on public lands.

2011 Actual Wastewater Highlights

Actual 2011 total wastewater billings of \$42.8 million are slightly over budget by \$0.2 million. Wastewater revenue is billed based on water consumption. There are no meters since they are impractical in this application. Residential actual billings totalled \$25.5 million, under by \$0.8 million budget and Commercial and Industrial actual billings totalled \$17.3 million, up by \$1.0 million compared to budget. Installation revenue came in below budget at \$98K. Installation revenues are impacted by demand.

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2011 Actual expenditures total \$6.7 million covering maintenance, administration, storm sewer, financing, overhead and other costs, down by 15.1% when compared to budget. Actual maintenance expenditures came in at \$3.2 million, under budget by \$0.5 million as a result of less than anticipated activity. Storm sewer maintenance came in at \$1.4 million under budget by \$0.7 million as a result of less than expected activity. The balance of expenditures came in on budget.

Back-water Valve Installation Subsidy Program Update

On May 5, 2009, Council approved the Back-water Valve Installation Subsidy program. The necessary by-law has been enacted, and the program has been advertised to the public. The subsidy allows for a maximum subsidy of \$750 per property. Initially, sufficient funding was budgeted to provide 150 approvals at the maximum subsidy. In 2010, there were three applications approved, and in 2011, there were five applications approved. Based on the historical take-up of this program, the budget allocation has been reduced to provide for a total of ten subsidies at the maximum amount of \$750

Wastewater Lifecycle Contribution - Reserve

The 2012 budgeted transfer of \$5.1 million from wastewater/storm operations to the reserve is higher at \$1.4 million over last year's budget. The capital drawdown on the reserve in 2012 for is expected to be at \$22K.

In 2011 through wastewater operations, the net of all revenues and costs resulted in \$4.8 million (\$3.9m 2010) being transferred to the wastewater reserve fund.

Committed capital costs represent projects not yet begun or completed and totals \$1.2 million.

The budgeted reserve balance at the end of 2012 is projected to be \$29.4 million after committed capital projects. These funds will provide for the future requirements of the wastewater infrastructure to ensure the City's wastewater system are financially sustainable as required by the SDWA.

Relationship to Vaughan Vision 2020

Establishes the budget and resources required to maintain service levels and undertake Council priorities in this area. Promote community safety, health and wellness, managing corporate assets and ensure financial sustainability.

Regional Implications

No Implications

Conclusion

Based on the rate study review the City's water, wastewater rates are continuing to move towards full cost recovery. The 2012 draft water/wastewater budgets will generate sufficient funds to maintain a financially sustainable reserve for the future thereby meeting the SDWA requirements.

Based on the proposed rate increase for water and a rate increase for wastewater the impact to the ratepayer that consumes 300 cubic meters per year will be approximately \$64.80 or \$5.40 per month.

It is therefore recommended that the City's water rate be increased to 124.04 cents per cubic meter and that the wastewater rate be increased to 138.04 cents per cubic meter both effective June 2012.

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Attachments

- Attachment No. 1: The 2012 Proposed Water and Wastewater Budgets including 2011 Draft Water and Wastewater Actual Operating Results
Attachment No. 2: 2012 Water and Wastewater Municipal Rate Comparison
Attachment No. 3: Additional Resource Requests & New Complements Summary - Water & Wastewater
Attachment No. 4: Water, Wastewater & Drainage 2012 Business Plan

Report prepared by:

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Ext. 8272

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(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. 4, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on April 17, 2012.

3

TRUST FUND REPORTING

The Finance and Administration Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance & City Treasurer, dated April 2, 2012:

Recommendation

The Commissioner of Finance & City Treasurer recommends:

That the following report be received.

Contribution to Sustainability

Not applicable

Economic Impact

There is no economic impact associated with this report.

Communications Plan

Not applicable

Purpose

The purpose of this report is to respond to an inquiry from a member of the public and clarify for the public record the reporting of trust funds.

Background Analysis and Options

A member of the public requested information, at both the February 13, 2012 Special Council Meeting and in recent correspondence, regarding the disclosure of trust funds on the City of Vaughan Annual Financial Statements, in particular a trust established in 2003, disclosure of the current Mayor's trust fund and disclosure of the Vaughan Health Care Foundation Trust Fund.

Trust Funds Established in 2003

In 2003, the City's December 31, 2003 audited Financial Statements reflected two new trust funds, the Vaughan Health Care Facility Trust and the Mayor Di Biase Foundation Trust

The Vaughan Health Care Facility Trust was established in 2003 to align with Council's creation of the Vaughan Health Care Facility Task Force, which was charged with conducting a hospital needs study. The Michael Di Biase Foundation Trust was also established as a result of the April 14, 2003 Council Meeting for the purpose of holding donated funds from the Mayor's Gala and the Mayor's Charity Golf Tournament in trust until the Michael Di Biase Charitable Foundation was separately incorporated.

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These two trusts were disclosed on the City of Vaughan annual audited financial statements for 3 years for the Michael Di Biase Foundation (2003 to 2005) and 4 years for the Vaughan Health Care Facility (2003 to 2006). The 2003 to 2007 City of Vaughan Trust Funds - Statement of Financial Activities and Changes in Fund Balances are included as Attachment #1. Please note that neither the Vaughan Health Care Facility Trust nor the Michael Di Biase Foundation Trust are reflected on the 2007 Statements as all funds had been disbursed in accordance with Council direction.

Donations from the public for the Mayor's Gala and the Mayor's Golf Tournament were deposited on an interim basis into the Michael Di Biase Foundation Trust in 2003 and 2004. In 2005, the proceeds from the 2003 and 2004 Mayor's Gala were transferred into the Vaughan Health Care Facility Trust and the net amount remaining in the Michael Di Biase Foundation Trust was transferred to the Michael Di Biase Charitable Foundation Inc. which was incorporated on February 27, 2004 as a separate entity from the City of Vaughan. As of the end of December 31, 2005, the Michael Di Biase Foundation Trust was closed out, as all funds that had been held in trust on a temporary basis had been disbursed.

During 2005 and 2006, the Vaughan Health Care Facility Trust transferred the balance remaining in the trust to the Vaughan Health Care Foundation (an entity separate from the City of Vaughan and registered as a Canadian Registered Charity January 16, 2004), as authorized by Council on February 28, 2005. The Vaughan Health Care Facility Trust was closed out in 2006, once all funds had been distributed.

Subsequent to the disbursement of the funds held in trust in the Vaughan Health Care Facility Trust and the Michael Di Biase Foundation Trust to external corporations, as noted above, the trust funds were closed out and no further financial statement disclosure was made in the City of Vaughan annual financial statements.

Donations from Mayor's Gala and Mayor's Golf Tournament Post 2006

Since 2006, no trust fund has been established by Council for the purposes of holding donations from the Mayor's Golf Tournament or the Mayor's Gala. The net proceeds from these charitable events were distributed in accordance with Council resolutions from the February 28, 2005 Council Meeting.

Donations currently received from the annual Mayor's Gala and the Mayor's Golf Tournament are distributed in accordance with the Council approved resolution of January 31, 2012 (Attachment #2).

Vaughan Health Care Foundation:

The Vaughan Health Care Foundation is not a subsidiary of the City of Vaughan. The Vaughan Health Care Foundation was registered as a Canadian Registered Charity January 16, 2004. Complete details regarding annual Registered Charity Information Returns for the Vaughan Health Care Foundation since its inception in 2004 can be found on the Canada Revenue Agency website (see attachment #3)

Relationship to Vaughan Vision 2020

Not applicable

Regional Implications

No Implications

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Conclusion

The Vaughan Health Care Facility Trust and the Michael Di Biase Foundation Trust were established by the City of Vaughan to hold donated funds on a temporary basis until corporations and bank accounts could be set up for the new external corporations (the Vaughan Health Care Foundation and the Michael Di Biase Charitable Foundation Inc.). Once the donated funds had been distributed in accordance with Council's direction, the trusts were closed out and no longer reported on the City's annual financial statements since at least 2006.

The donations received from the Mayor's Gala and the Mayor's Golf Tournament are now distributed in accordance with the Council approved resolution of January 31, 2012 (attachment #2).

Attachments

Attachment #1: The Corporation of the City of Vaughan Trust Funds 2003 to 2007
Attachment #2: Extract from Council Meeting Minutes of January 31, 2012
Attachment #3: Canada Revenue Agency – Canadian Registered Charity

Report prepared by:

Barb Cribbett, CMA
Commissioner of Finance & City Treasurer
Ext. 8475

(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.)

Regional Councillor Di Biase declared an interest with respect to the foregoing matter as he is a director of the Michael Di Biase Foundation, and did not take part in the discussion or vote on the matter.

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Item 4, Report No. 4, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on April 17, 2012.

4 FINANCE COMMISSION RE- ORGANIZATION AND RECRUITMENT PROCESS

The Finance and Administration Committee recommends:

- 1) That clauses 1 to 3 of the recommendation contained in the following report of the Commissioner of Finance & City Treasurer, dated April 2, 2012, be approved; and
- 2) That the Mayor identify Members of Council who will participate in the selection process for the Director of Development Finance & Investments and the Director of Purchasing, at a later date.

Recommendation

The Commissioner of Finance & City Treasurer recommends:

1. That the Capital & Asset Management function be transferred under the Director of Budgeting & Financial Planning on a permanent basis; and
2. That the proposed realigning of job responsibilities in “Chart 1- Proposed Position Changes” be approved; and
3. That the position title for the Director of Reserves & Investments be amended to Director of Development Finance & Investments and the job description be appropriately revised; and
4. That Council identify Members of Council who will participate in the selection process for the Director of Development Finance & Investments and the Director of Purchasing.

Contribution to Sustainability

Not applicable

Economic Impact

There is no economic impact associated with this report. The proposed re-organization is within the existing Finance Commission budget and complement.

Communications Plan

The Finance Commission re-organization will be communicated internally to the staff in the Finance Commission and across the City departments.

Purpose

The purpose of this report is to seek Council approval of a re-organization of the Finance Commission, while maintaining the approved Commission complement and to initiate the recruitment process for two director positions in the Finance Commission.

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Executive Summary

As a result of the retirement of the Director of Reserves & Investments in 2011, an opportunity arose to realign the Capital and Operating Budget functions in the Finance Commission, as well as to refocus the job responsibilities of the vacant Director position. In addition, the Director of Purchasing recently announced his intention to retire, therefore there is a need to initiate a recruitment process for both the vacant Director of Reserves & Investment position, and the Director of Purchasing.

The proposed re-organization in the Finance Commission is summarized as follows:

1. Phase 1 – Transfer the Capital & Asset Management functions from the Director of Reserves & Investments to the Director of Budgeting & Financial Planning.
2. Phase 2
 - a. Amend the title and job description for the Director of Reserves & Investments to Director of Development Finance & Investments, and to initiate the recruitment of the Director of Development Finance & Investments
 - b. Amend the structure and job descriptions of the Budgeting and Financial Planning Department
 - c. Initiate the recruitment process for the Director of Purchasing

Background Analysis and Options

1 - Phase 1

In the second quarter of 2011, the Director of Reserves & Investments retired. As a result of the vacancy, and in order to manage the preparation of the 2012 Operating and Capital budget process, the reporting relationship of the following areas in the Finance Commission changed on an interim basis, pending any potential impact of the City Manager's Corporate re-organization and the completion and approval of the 2012 budget:

- Capital Budgets
- Development Charges
- Investments
- Letters of Credit/Securities

The following reorganization has been in effect on an interim basis since last July and has been successful in aligning resources with department processes and evolving needs, resulting in more efficient operations and better client servicing, as well as improved co-ordination of operating and capital budgets during the 2012 budget process. Further details and justification are provided below:

Capital & Asset Management

This section reported to the Director of Reserves & Investments and is responsible for the implementation, development, and coordination of the capital budget process, grant funding, as well as capital accounting responsibilities including the annual calculations involved with the reporting of capital asset historical cost, associated depreciation expenses and the capture of new capital asset costs (constructed and conveyed) on the City's annual financial statements.

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Opportunity: The Director of Reserves & Investments retired on July 31, 2011, which presented an opportunity to transfer the Capital & Asset Management function to the Director of Budgets & Financial Planning.

The interim reorganization created synergies and better coordination and integration between capital budgeting, operating budgeting and long range financial planning processes and combined these activities under the leadership of the Director of Budgeting and Financial Planning.

Recommendation:

- That the Capital and Asset Management function be transferred under the Director of Budgeting & Financial Planning on a permanent basis.

2 - Phase 2

a) Director of Reserves & Investments

This position (vacant as a result of a retirement) currently reports to the Commissioner of Finance & City Treasurer and was responsible for Capital Budgets, Reserves, Investments and the Development Charge process and revenues and letters of credit/securities.

Opportunity: As a result of the transfer of the Capital and Asset Management functions to the Director of Budgets & Financial Planning, the opportunity now exists to amend the Director of Reserves & Investments position to a Director of Development Finance & Investments. The opportunity is to emphasize the investment aspect of the position through the development of an investment strategy, including long range cash flow, a strategy regarding long term financing and a more active bond investment strategy, including bond trading as well as holding to maturity. The investment analyst position, which is currently vacant, would report directly to the Director position to provide support to the evolving investment strategy. The Director position would continue to be responsible, (through the Capital Revenue Analyst) for the City's development charge by-law administration, letters of security and other securities, as well as financial aspects of development agreements and development charge credit/deferral agreements.

Recommendation:

- That the position title for the Director of Reserves & Investments be amended to Director of Development Finance & Investments and the job description be appropriately revised
- That Council identify Members of Council who will participate in the selection process for the Director of Development Finance & Investments

b) Budget and Financial Planning Department

As noted under Phase 1, the Capital and Asset Management Section of the previous Reserves and Investments Department merged with the Budgeting and Financial Planning Department in July 2011. This action was necessary in order to co-ordinate Capital and Operating planning activities for the 2012 budget process. This transition was successful in delivering multi-year operating and capital budgets.

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It has been over six months since the transition occurred, which has allowed time to assess opportunities to better align the newly merged department's organizational structure. The main opportunity resides in streamlining and resourcing the capital and reserves planning activity, which can be accomplished by realigning job responsibilities and redeploying long-range financial planning staff.

The Budgeting and Financial Planning Department is organized such that budget analysts are assigned responsibility for Commission portfolios, working with the departments in a specific commission to provide financial assistance and functional guidance with operating budget activities, financial analysis, reporting requirements, etc. The intent is to mirror this structure to create department specialists within capital, who will be responsible for a broader range of associated department portfolio activity, such as capital and reserve planning and forecasting, expense monitoring, PSAB and year-end activities, policy development, etc. This evolution will complement the staffing structure on the operating side, which has been met with very positive results.

The Capital & Asset Management Section

This section is currently responsible for a number of processes including, but not limited to capital accounting, capital budgeting, reserve management, grant processing, reporting and year-end responsibilities including tangible capital asset reporting, etc. Currently, there is a Senior Analyst, Asset Management position dedicated to the tangible capital asset process (change proposed for this position), the Grants Specialist dedicated to the grant process, the Capital Finance Accountant and Capital Clerk who are responsible for the accounting function, and a Manager who oversees these processes in addition to capital, reserve, and debenture annual planning, etc. The planning and policy component of this area is under resourced, which has historically prevented further development of policies and recommendations. This situation will only be exacerbated with the emerging requirements of four year capital budgets, multi-year reserve continuity planning, reserve adequacy and reallocation, development of a capital reserve policy, control policy, etc.

Long-Range Financial Planning

Focused on understanding tax rate implications, a small team comprised of the Manager of Financial Planning and the Financial Planning & Forecasting Analyst was assembled in the budgeting and financial planning department to develop integrated capital and operating forecasting models and associated policies. The largest component of this work involves forecasting future municipal infrastructure, gathering asset replacement values and life cycles, and forecasting reserve balances. Not only did these efforts greatly assist the City in addressing the City's financial challenges, it also provided a foundation for the Manager of Capital & Asset Management to successfully implement PSAB tangible capital asset requirements. It was also instrumental in moving the City towards multi-year budgeting.

The interim merger of the Capital and Asset Management Section with the Budgeting and Financial Planning Department has created opportunities to further integrate and streamline processes. With four year operating budgets underway and operating portfolios established, the focus of the financial planning group has migrated towards capital renewal, long-term reserve planning and policy efforts. Integrating these positions within the capital and reserve section process will address the gaps previously mentioned, remove any redundant efforts, and leverage natural synergies. Proceeding with this change will balance resources and focus both areas on multi-year planning, policy development, and move towards a more integrated budget process.

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Through this evolution long-range financial planning will be transitioned into portfolio activities, and multi-year budgets, long-term forecasts and policy efforts will be now become the responsibility of the Operating and Capital sections. Furthermore as a result of the recent interim merger, these sections are now working together to achieve common goals and present integrated financial plans. It is also anticipated both sections will forecast beyond the multi-year budget horizon. Through these efforts the foundation for future Financial Master Plan updates is integrated.

Opportunity

The intent of the reorganization is to develop three portfolio groups within the Capital and Asset Management section. Staff assigned to any of the capital portfolios will become specialists and responsible for “cradle to grave” capital processes within their assigned portfolio i.e. capital planning, reserves forecasting, PSAB tangible capital asset inventory and life- cycle updating, developing repair and replacement plans, etc. There are a number of advantages to this approach, including:

- Creating area specialists and a single point of contact
- Breaking down task based silos
- Improving resource assignment flexibility
- Enhancing staff engagement by providing greater exposure/ownership
- Complement the operating portfolio staffing structure
- Etc.

The above portfolio groups will receive continued support from the Capital Finance Accountant and Capital Clerk positions.

One portfolio will have an elevated level of responsibility, for example: supervising other portfolio groups, corporate consolidation, leading policy development, etc. This will require a supervisory level position and the portfolio will be allocated fewer departments to allow time for the additional responsibilities illustrated above.

Changes in Position Titles

To achieve the above vision, the following position changes are required:

Chart 1 – Proposed Position Changes	
From Current Positions	To Proposed Positions
Financial Planning & Forecasting Analyst	Capital and Reserve Supervisor
Senior Analyst, Asset Management	Senior Capital & Reserve Analyst
Manager of Financial Planning (currently vacant)	Senior Capital & Reserve Analyst

The above proposed changes are within the Finance Commission approved complement and budget. A small residual balance of approximately \$5,000 will be transferred into the part-time salary account to assist with peak period workload issues.

Recommendation:

That the proposed realigning of job responsibilities in “Chart 1- Proposed Position Changes” be approved

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c) – Director of Purchasing

The City of Vaughan's Director of Purchasing has recently announced his intention to retire by the end of May 2012. The Purchasing Department has a very heavy workload, particularly once the City's annual budgets are approved, and it is important to the City's operation to try to maintain the staff levels in order to minimize the impact of staff vacancies on other departments, therefore the recruitment process to replace the Director of Purchasing should be commenced as soon as possible.

Recommendation:

That Council identify Members of Council who will participate in the selection process for the Director of Purchasing.

Relationship to Vaughan Vision 2020

Not applicable

Regional Implications

No Implications

Conclusion

Staff recommend the re-organization of the Finance Commission while staying within the approved Commission complement and budget, as outlined in this report and the initiation of the recruitment process for two director positions in the Finance Commission.

Attachments

Attachment 1: Organizational Charts

Report prepared by:

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Ext. 8475

(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.)