

Committee of the Whole (2) Report

DATE: Tuesday, May 10, 2022

WARD(S): ALL

TITLE: 2021 YEAR END FISCAL HEALTH REPORT

FROM:

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

ACTION: FOR INFORMATION

Purpose

To report on the City's fiscal health for the year ending December 31, 2021.

Report Highlights

- The City's property tax supported operations ended 2021 with a surplus of \$5.8 million, attributed in part to unbudgeted Provincial funding to support COVID-19 related operating pressures.
- Transfers of \$1.0 million to the year-end expenditure reserve and \$4.8 million to the tax stabilization reserve were made to bring the ending financial position to balance.
- Combined, the rate supported operations ended 2021 with a \$17.2 million contribution to reserves.
- Total capital spending in 2021 was \$113.6 million.
- In 2021, 171 capital projects were closed and \$22.4 million returned to various originating reserves and reserve funds.

Recommendations

1. That the Fiscal Health Report as of December 31, 2021, be received.

Background

The fiscal health report tracks actual spending performance of the City's calendarized financial plan. This report provides the year-end financial position of the City as of December 31, 2021, on the same basis as the 2021 budget, with accompanying commentary on the contributing factors that have affected the City's fiscal health.

The year-end fiscal health report compares annual actual city operating, water, wastewater and stormwater operations, and capital results as of December 31, 2021, versus the approved budgets and on the same basis as the budget. This differs from the basis of accounting in the City's audited financial statements in some important ways. The full amortization of tangible capital assets and post-retirement benefits are excluded from this report while transfers to and from reserves, and net debenture financing requirements are included.

The City's draft audited financial statements are expected to be presented to Audit Committee and approved by Council in June 2022.

Previous Reports/Authority

[2021 Mid-Year Fiscal Health Report – June 30, 2021](#)

Analysis and Options

Executive Summary

The COVID-19 global pandemic continued to impact operational and financial results in 2021.

The emergence of additional waves and different variants of COVID-19 resulted in severe and prolonged lockdowns in 2021. The City of Vaughan continued to follow public health recommendations related to the COVID-19 global pandemic and measures were implemented to ensure safety and support for citizens, businesses, and employees. These measures included, but were not limited to:

- A freeze on property tax rates in 2021 to support residents and businesses during this challenging time;
- Closure of all City facilities and park amenities resulting in a loss of revenues in Recreation;
- Temporary layoffs and workforce re-balancing to correspond to the loss in revenues;
- Staff continued to work remotely where operationally feasible;
- Additional costs to protect employees and the public (social distancing); and,
- Requesting for and receiving financial support from senior levels of government.

The financial results for 2021 reflect the COVID-19 pandemic and measures taken by the City.

The City's year-end results for the property tax-supported operating budget and rate-supported operations are summarized in Table 1.

The City's property tax supported operations ended 2021, before year-end reserve transfers, in a surplus financial position of \$5.8 million, mainly due to receiving \$2.6 million in Phase 2 Safe Restart Agreement funding and \$8.3 million Provincial funding to support COVID-19 operating costs and pressures in 2021. This funding helped mitigate net pressures from foregone revenues and incremental costs with savings from avoided expenses due to closures and workforce re-balancing across various departments. Approximately \$1.0 million of the surplus was transferred to the Year-End Expenditure Reserve and the remaining \$4.8 million was transferred to the Tax Rate Stabilization Reserve to mitigate tax pressures in 2022 and beyond.

Combined, the water, wastewater and stormwater rate supported operations ended 2021 with reserve contributions totalling \$17.2 million which was \$7.8 million over budget.

The higher residential and commercial water and wastewater billings combined with lower-than-expected water purchases from York Region were the drivers for the increased reserve contributions. These reserve funds are necessary for future infrastructure replacements as these assets near the end of their useful life.

Both the City and the Region cancelled the 2021 rate increases for water and wastewater which is impacting both sales and purchase variances.

Lower than expected stormwater charges were offset by favourable variances in maintenance and administrative costs resulting in a favourable reserve contribution.

The City's capital budget year-end results are summarized in Table 2.

The 2021 approved capital budget included \$291 million in new projects and or increases to existing capital projects. As of December 31, 2021, after all in-year post-capital budget amendments, there were 556 open capital projects with \$490.3 million of available budget remaining.

Operating Results – as of December 31, 2021

Table 1			
\$ million	Budget	Actual	Variance
Property Tax Based Budget			
Revenues	317.9	322.7	4.7
Expenditures	317.9	316.8	1.1
Net	\$ -	\$ 5.8	\$ 5.8
Water Rate Based Budget			
Revenues	68.1	73.0	4.9
Expenditures	64.7	66.3	(1.5)
Lifecycle Contribution	\$ 3.4	\$ 6.8	\$ 3.4
Wastewater Rate Based Budget			
Revenues	90.3	95.1	4.8
Expenditures	86.5	87.8	(1.3)
Lifecycle Contribution	\$ 3.8	\$ 7.2	\$ 3.5
Stormwater Charge Based Budget			
Revenues	10.6	9.9	(0.7)
Expenditures	8.3	6.8	1.5
Lifecycle Contribution	\$ 2.3	\$ 3.2	\$ 0.9
Note - numbers may not add due to rounding			

Capital Results – as of December 31, 2021

Table 2						
Capital Projects \$ million	Total Projects	2021	Life-to-Date			
		Year-End Actuals	Total Budget	Total Actual	Total Variance	% Spent
Open Projects	556	\$ 113.6	1,075.5	586.2	489.3	45%
In-Year Closed Projects	171	-	125.0	102.6	22.4	85%
TOTAL	727	\$ 113.6	\$ 1,200.5	\$ 688.8	\$ 511.7	57%
Note - numbers may not add due to rounding						

DISCUSSION

Operating Budget Results

Total City revenues at year-end were \$322.7 million or 1.5% higher than budgeted.

\$ million	Total Operating		Variance			
	Budget \$	Actual \$	Operating (non-COVID) \$	COVID-19 \$	Total	
					\$	%
Fees and Charges Revenue	48.6	46.7	8.3	(10.2)	(1.9)	(3.9%)
Corporate Revenues	22.6	42.7	4.2	15.9	20.1	88.9%
Reserve Transfers	28.0	13.1	(14.9)	-	(14.9)	(53.2%)
Taxation	218.7	220.2	1.4	-	1.4	.6%
Total Revenues	\$ 317.9	\$ 322.7	\$ (1.0)	\$ 5.7	\$ 4.7	1.5%

Note - numbers may not add due to rounding

Operating Revenue Variances:

Fees and Charges Revenue – unfavourable variance of \$1.9 million consists of:

Non-COVID-19 (favourable variance of \$8.3 million):

- Higher fee collection in Building Standards (BSD) and Development Planning of \$8.2 million

COVID-19 (unfavourable variance of \$10.2 million):

- Lower fee revenues of \$10.1 million mainly in Recreation/Community Development and By-Law & Compliance, Licensing & Permit Services.

Corporate Revenues – favourable variance of \$20.1 million consists of:

Non-COVID-19 (favourable variance of \$4.2 million):

- Total dividends received from Alectra in 2021 was higher by \$2.5 million, due mainly to better than planned results for the utility company in 2020, (Q4 2020 dividends were declared and distributed to the City in Q1 2021); and
- Higher fines & penalties of \$3.5 million due to increased deferral of tax payments.

COVID-19 (favourable variance of \$15.9 million):

- Unbudgeted Safe Restart Phase 2 and Provincial COVID Funding of \$10.9 million.
- Recovery of unbudgeted costs for vaccination clinics from York Region of \$1.6 million.

Reserve Transfers – Non-COVID-19 unfavourable variance of \$14.9 million consists of:

- Lower than budgeted transfers from Building Standards and Development Engineering due to higher fee collection and lower full costs, delay in YMCA loan repayment (these debt servicing costs are funded mainly by reserves) and no draw from the Insurance Reserve required due to lower than budgeted insurance costs.

Taxation – Non-COVID-19 favourable variance of \$1.4 million consists of:

- Higher supplemental taxes due to increased activity and enhancements to properties included in assessments.

Total City Expenditures at year-end were \$316.8 million or 0.4% lower than budgeted.

\$ million	Total Operating		Variance			
	Budget \$	Actual \$	Operating (non-COVID) \$	COVID-19 \$	Total	
					\$	%
Departmental	284.6	272.5	9.7	2.5	\$ 12.1	4.3%
Reserve Contrib. & Corp. Exp.	11.9	33.3	(18.8)	(2.7)	\$ (21.4)	(180.0%)
Long Term Debt	10.6	7.3	3.3	-	\$ 3.3	31.1%
Contingency	7.1	0.0	7.1	-	\$ 7.1	100.0%
Capital from Taxation	3.7	3.7	-	-	\$ -	-
Total Expenditures	\$ 317.9	\$ 316.8	\$ 1.3	\$ (0.2)	\$ 1.1	0.4%

Note - numbers may not add due to rounding

Operating Expenditure Variances:

Departmental – favourable variance of \$12.1 million consists of:

Non-COVID-19 (favourable variance of \$9.7 million):

- Net savings in labour related costs of \$11.2 million due to gapping and delays in filling vacant positions.
- Timing differences in non-labour expenditures, primarily in contractors, supplies, and material of \$5.0 million, and
- Partially offset by contributions to reserves in Building Standards and Development Planning not budgeted (\$6.5 million).

COVID-19 (favourable variance of \$2.5 million):

- Savings in labour costs of \$1.2 million due to workforce re-balancing measures in response to COVID-19.

- Lower contractor and contractor materials, supplies, and materials of \$1.3 million in Recreation

Reserve Contributions & Corporate Expenses – unfavourable variance of \$21.4 million consists of:

Non-COVID-19 (unfavourable variance of \$18.8 million):

- Labour gapping budgeted in Corporate but realized in departments (\$5.8 million)
- Contributions to insurance reserve, winter reserve, and employer benefit reserves of \$13.1 million per consultants' and actuary's reports not budgeted.

COVID-19 (unfavourable variance of \$2.7 million):

- Un-budgeted costs of vaccination clinics of \$1.5 million (recovered from York Region as reflected in revenues); and
- COVID-19 expenses (security guards, PPE, additional cleaning, overtime, etc.) of \$1.4 million not budgeted, offset by lower expenses funded by the Municipal Accommodation Tax of \$0.2 million.

Long-Term Debt – Non COVID-19 favourable variance of \$3.3 million was due to delay in the loan conversion for the YMCA at the Vaughan Metropolitan Centre.

Contingency – No expenses were charged to the Contingency account – favourable variance of \$7.1 million, which offset other pressures throughout the City.

A summary of operating results are included in Attachment 1 and 2; Attachment 3 provides commentary at the Portfolio/Office level.

Water, Wastewater, and Stormwater Results

Total revenues for water, wastewater and stormwater billings were \$178.0 million, or 5.3% greater than budget. Total expenses for water, wastewater and stormwater billings were \$178.0 and include a contribution of \$17.2 million to reserves for the future replacement of tangible capital assets.

Table 5				
\$ million	Budget	Actual	Variance	
			\$	%
Revenues				
Water	68.1	73.0	4.9	7.2%
Wastewater	90.3	95.1	4.8	5.3%
Stormwater	10.6	9.9	(0.7)	(6.4%)
Total Revenues	\$ 169.0	\$ 178.0	\$ 9.0	5.3%
Expenses				
Water	68.1	73.0	(4.9)	(7.2%)
Wastewater	90.3	95.1	(4.8)	(5.3%)
Stormwater	10.6	9.9	0.7	6.4%
Total Expenses	\$ 169.0	\$ 178.0	\$ (9.0)	(5.3%)
Total	\$ -	\$ -	\$ -	-
Note - numbers may not add due to rounding				

- Wastewater billing is based on water consumption and therefore trends closely to water consumption. As a result of increased billings, the water and treatment charges (direct cost) were expected to be higher than budgeted. However, due to the York Region freeze on rates, the purchases remained under budget.
- Non-Revenue Water (NRW) was higher than budgeted. Several initiatives, including meter replacements, are underway to find and reduce NRW.
- Other expenses were lower than budget due to Maintenance and Installation Costs lower by 11.3%. Timing of meter installations and hydrant inspections, other maintenance activities and temporary vacancies resulted in lower expenses.
- Labour costs were lower by 19.5% mainly due to postponing hiring while assessing vacancies against needs and lower than expected training due to COVID-19 and limited availability of Ministry of Environment, Conservation and Parks (MECP) compliant virtual training.

Total lifecycle contributions to reserves were \$17.2 million, or 182% of budget

Contributions to rate supported asset replacement reserves were \$7.8 million over budget due to higher-than-expected total revenues and lower than expected York Region purchases mentioned above.

Capital Budget Results

In 2021, Departments projected to spend over \$200 million on capital projects. At year end, there was a total of 556 open capital projects with actual spending of approximately \$114 million.

Table 6 below summarizes 2021 variance for the 556 open projects as of year-end.

Table 6					
Managing Portfolio \$ million	2021 Year End				
	Total Projects	Planned Spend	Total Actual	Total Variance	% Spent
Infrastructure Development	226	68.9	62.5	6.5	91%
Planning & Growth Management	116	66.2	26.1	40.2	39%
Public Works	130	45.7	9.0	36.7	20%
Community Services	17	6.8	7.8	(1.0)	114%
Corporate Services & Chief Financial Officer	17	6.4	3.5	2.8	56%
Office Fire & Rescue Services	32	3.8	0.3	3.6	7%
Vaughan Public Libraries	6	3.0	2.2	0.8	72%
Administrative Services & City Solicitor	3	0.6	0.3	0.3	50%
Economic & Cultural Development	2	0.2	0.2	0.0	87%
Transformation & Strategy	4	0.6	0.2	0.4	32%
Corporate & Strategic Communications	2	0.1	-	0.1	0%
Real Estate	1	-	1.6	(1.6)	-
Total	556	\$ 202.3	\$ 113.6	\$ 88.7	56%
<small>Note - numbers may not add due to rounding</small>					

As of December 31, 2021, there was a total of 556 open capital projects with a total project spend of approximately \$586 million, and approximately \$490 million of budget remaining; 64% of projects, or 355 projects are related to Roads, Vehicles & Equipment, Buildings & Facilities, and Parks & Open Spaces.

Table 7 summarizes the 556 open capital projects by asset group and life-to-date variance.

Asset Group \$ million	Life-to-Date			
	Total Projects	Total Budget	Total Actuals	Available Budget
Roads	120	310.2	157.6	152.6
Vehicles & Equipment	87	18.6	8.7	9.9
Buildings & Facilities	80	336.7	261.6	75.1
Parks and Open Space	68	102.7	32.6	70.2
Studies & New Initiatives	72	47.1	24.4	22.7
Water Services	26	96.1	39.4	56.7
Information Technology	26	26.8	16.4	10.5
Stormwater Management	25	62.3	8.9	53.4
Water & Wastewater Infrastructure	11	10.7	3.6	7.1
Development Services	14	6.0	2.4	3.6
Local Boards	9	16.5	6.0	10.5
Wastewater Services	15	37.9	21.1	16.8
Land	2	3.1	1.9	1.2
Parkland Acquisition	1	1.6	1.6	0.0
Total	556	\$ 1,076.4	\$ 586.2	\$ 490.3
Note - numbers may not add due to rounding				

The detailed list of open capital projects is included in Attachment 4.

Departments closed 88 projects in the second half of 2021, returning \$15.7 million to reserves, bringing the total returned to reserves from closed projects in 2021 at \$22.4 million.

Table 8 below provides a breakdown of all projects closed as of December 31, 2021.

Portfolio	Total Closed Projects	Returned to Reserves \$ million
Infrastructure Development	78	6.1
Public Works	56	1.7
Planning & Growth Management	16	12.9
Community Services	10	0.1
Economic & Cultural Development	3	1.5
Corp. Serv., Library, City Treasurer/CFO	8	0.1
Total	171	\$ 22.4
Note - numbers may not add due to rounding		

A complete list of Closed Projects can be found [online](#).

Capital Transfers Authorized by the Chief Financial Officer/City Treasurer

The Chief Financial Officer/City Treasurer has the delegated authority to approve any operating or capital realignments between departments, provided they are fiscally neutral. A summary of these changes is incorporated into the semi-annual reporting process.

The following authorized capital budget amendments summarized in table 9 were processed 2021:

Table 9		
From	To	Amount
BF-8739-21 Electrical Renewal Service and Distribution- Replacment	BF-8843-21 Facility & Energy Renewal FH7-1	269,273
\$300,000 CD-2001-16 2018 Road Rehab/Reconstr & \$500,000 ID-2064-20 2022 Road Rehab/Reconstr	CD-2026-17 2019 Road Reahb/Reconstr	800,000
SE-0078-16 Procurement Modernization	FI-2533-18 Finance Modernization	100,000
ID-2083-19 Huntington Rd Reconstr- Langstaff Rd to Nashville	ID-2058-20 Kleinburg Nashville PD6 Major Mac Watermain PTS 1&2 @ Broda Dr Rehab	1,210,000
\$515,000 from DE-7298-19 Watermain Rep	CD-2002-16 2018 Watermain repl (\$165,000) and to ID-2046-18 "2020 Watermain Repl" (\$350,000)	515,000
FL-9566-19 Replace Unit #1917	FL-9558-19-Replace Unit #1358,1369,1360	5,000
EV-2134-19 Backflow Prev Progr	EV-2538-20 Reloc of West bulk WS	120,000
EV-2129-19 Stormwaer Pond cleanout- Forest Pond	EV-2127-19 Stormwater Pond cleanout- Keega/Springside/Aviva Pond	500,000
DT-7120-13 Black Creek Renewal	DE-7176-17 Black Creek Renwal Design and Construction	215,785
ID-2061-19 2021 Watermain Repl	ID-2046-18 2020 Watermain Replas	2,420,917
DP-9559-17 Office Renovations	DP-9589-19 Workspace accommodation	52,049
BF-8789-19 Heat Recovery Unit (KDH) Repl	BF-8787-19 HVAC & RTU1 Replacement Father Ermanno	100,000
BF-8789-19 Heat Recovery Unit (KDH) Repl	BF-8641-18 Various Community Centres - Replacement of Cooling Towers	180,000
RP-7138-20 Fire Stations – Hatch Pavement Markets (City Streets).	RP-7139-20 Fire Stations – Hatch Pavement Markings (Regional Roads)	144,200
FI-0085-18 Tax Manager Software (TXM) Discovery	FI-0073-19 New Property Tax System	30,747
EN-1958-13 Corp Asset Management	FI-2533-18 Finance Modernization	500,000
FL-5225-14 Pk-4 New sand and salt conveyor loaders	FL-5291-20 PW-Roads 3 Addit slide-in salters	25,399

Continuity Schedule of Reserves and Reserve Funds

Table 10						
Reserve Balances \$ million	Opening Balance	Revenues	Expenses	Closing Balance Before Commitments	Commitments	Closing Balance After Commitments
Obligatory Reserves						
City-Wide Development Charges	456.5	83.4	48.5	491.4	305.1	186.3
Area-Specific Development Charges	13.0	3.0	0.1	15.9	17.7	(1.8)
Restricted Grant	29.1	19.3	15.7	32.8	29.6	3.2
Other	121.3	64.3	4.6	181.0	5.2	175.8
Sub-Total	\$ 620.0	\$ 169.9	\$ 68.9	\$ 721.1	\$ 357.6	\$ 363.5
Discretionary Reserves						
Infrastructure Development	241.2	36.8	24.3	253.7	89.2	164.5
Capital from Taxation	23.5	4.2	4.3	23.4	18.4	5.0
Corporate	18.0	0.2	-	18.3	-	18.3
Special Purpose	8.9	2.7	0.0	11.6	12.8	(1.2)
Sustainability	65.7	35.8	5.3	96.2	1.0	95.2
Sub-Total	\$ 357.3	\$ 79.8	\$ 33.9	\$ 403.1	\$ 121.5	\$ 281.7
Total	\$ 977.3	\$ 249.7	\$ 102.8	\$ 1,124.2	\$ 479.0	\$ 645.2
<small>Note - numbers may not add due to rounding</small>						

At year-end, the reserve balance before commitments was \$1,124.2 million, as summarized in table 10. Net reserve activity of \$479.0 million is committed against these reserves and reserve funds. After this activity is accounted for, the total reserves and reserve fund balances as of December 31, 2021, was \$645.2 million, of which \$363.5 million was for obligatory reserves and \$281.7 million was in discretionary reserves.

Total Development Charges (DCs) revenues of \$86.4 million is comprised of \$83.0 million in DC collections and \$3.4 million investment income. Collections have rebounded significantly and have now passed the historical annual averages due to high-rise residential and non-residential developments outside of the 2018 DC pre-payment agreements. Compared to the same period in 2020, City-wide DC collections have increased by 396.7% or \$64.0 million.

The Detailed Reserve Continuity Schedule can be found [online](#).

Financial Ratios

Financial Ratios in alignment with Corporate Targets

Discretionary reserves provide the City with financial flexibility in order to safeguard against economic downturns and finance operations internally. To ensure the sustainability of these reserves, the City has adopted associated targets. The City also has a target ratio for debt services costs. The table below provides the status of these targets at the end of 2021.

Policy Ratio	2021	2020	Target
Discretionary Reserve	>50%	>50%	>50% Of Own Source Revenues
Working Capital*	5.5%	5.5%	Up To 10% Of Own Source Revenues (tax only)
Tax Rate Stabilization*	2.0%	1.1%	Up To 10% Of Own Source Revenues (tax only)
Debt Service	2%	2%	<10% Of Own Source Revenues

* In 2020 and prior, the Ratio for Working Capital Reserve included Tax Rate Stabilization Reserve. In 2021, these reserves were separated and a ratio for each reserve was created to measure and improve the fiscal health of the City. In addition, own-source revenues now include all revenues (except for Rate revenues) per the updated Consolidated Reserve and Reserve Fund Policy.

Discretionary Reserve Ratio - The greatest pressure on discretionary reserves is largely due to funding infrastructure replacement as the City’s initial stock of infrastructure assets begin to reach the end of their useful lives.

Working Capital Ratio and Tax Rate Stabilization Ratio – Contributions to Working Capital Reserve and Tax Stabilization Reserve occur when the City achieves a surplus; these reserves can be sources of funding to address a year-end deficit position. In 2021, approximately \$4.8 million of the operating surplus from taxation was transferred to the Tax Rate Stabilization Reserve.

Debt Service Ratio - The City’s policy limits debt to a maximum of 10 percent of total the City’s own-source revenue, which is significantly lower than the Province’s 25 per cent maximum. Total debenture outstanding principal as of December 31, 2021 was approximately \$11.5 million (2020 - \$17 million). In 2021 the total debt repayment costs were \$6.1 million (2020 - \$6.3 million), \$5.7 million in principal and \$0.4 million in interest. Repayment costs of \$6.1 million represents approximately 2 percent of the City’s own source revenues. The Debt Service Ratio continued to improve in 2021, this was achieved in part by looking for responsible and innovative ways to fund capital projects. It is worth noting however, that while debt financing can be an additional tool to fund infrastructure in the City, fiscal prudence and due diligence are necessary to ensure the City’s long-term financial sustainability and flexibility.

The City is working to complete a long-term fiscal plan that would take into consideration the City’s Term of Council strategic plan, growth plans, asset management plan, development charge study, and treasury management strategy. An Operating Budget Policy and a Capital Budget Policy were developed and introduced in 2021 which will compliment this long-term fiscal plan. In addition, the Consolidated Reserve and Reserve Fund Policy was updated to provide flexibility and allow the City to be more strategic in the use of reserves and reserve funds (RRFs) and ensure the City’s RRFs remain healthy and a key ongoing tool of the Long-Range Fiscal Plan. Recommendations resulting from the analysis will be considered in the City’s multi-year

financial plan to ensure financial decisions are mindful of short-term and long-term financial impacts from the City’s growth and desired levels of services.

Grant Activity Update

Since 2017, all grant activity is centrally tracked by the Municipal Partnership Office in Economic and Cultural Development. Keeping city-wide priorities in mind, this office identifies and communicates funding opportunities, supports applications, and ultimately reports on the outcomes in partnership with the Financial Planning and Development Finance Department.

Table 11 below summarizes grants applied for and awarded in 2021; however, grants awarded in 2021 may not have been fully received by December 31, 2021. Table 12 summarizes actual grant revenue received in 2021.

Table 11		
Grants Awarded	Capital Grants Awarded	Operating Grants Awarded
Canada Community Revitalization Fund (CCRF)	2,231,250	
Reconnect Festivals and Events		227,000
Audit & Accountability Fund		325,000
Canada Summer Jobs		209,019
Celebrate Canada		17,580
Central Counties Partnership Program		10,000
Mainstreet Community Activator Program		115,000
Fire Safety Grant		80,100
Friends of the Environment Foundation Grant		5,000
Greening Action Partnership Fund		5,000
Invest in Canada Infrastructure Program COVID Resiliency Stream	15,138,206	
Municipal Assset Management Program (MAMP)		50,000
Ontario Sport Hosting Fund	19,000	
Sub-totals	\$ 17,388,456	\$ 1,043,699
Total Grants Awarded in 2021	\$	18,432,155
<small>Note - grants awarded may not have been received in 2021</small>		

In 2021, the City received approximately \$15 million in grant revenues, excluding Canada Community-Building Funding (formerly Gas Tax) of \$19 million.

Table 12		
2021 Grant Funding Received	Capital Grants	Operating Grants
Clean Water and Wastewater Fund	793,693	
Disaster Mitigation and Adaptation Fund	310,664	
Sustainable Neighbourhood Action Plan	72,256	
Canada Summer Jobs		168,191
Celebrate Canada		17,580
Recreation Virtual Programs		15,000
Reconnect Festivals and Events		64,225
Public Library Operating Grant		143,234
Audit & Accountability Fund		270,982
Fire Prevention Grant		80,100
Waste Diversion Ontario Grant		1,568,567
VBEC - Core Funding		177,273
VBEC – Starter Company Plus		144,900
Tourism Vaughan – Ontario Grant		166,537
Tourism Industry Association of Ontario		42,663
Safe Restart Agreement – Phase 2		2,602,000
Provincial COVID Funding		8,311,944
Sub-totals	\$ 1,176,614	\$13,773,195
Total Grants Received in 2021	\$	14,949,808
Note - numbers may not add due to rounding		

Broader Regional Impacts/Considerations

Not applicable.

Conclusion

The report is consistent with the priorities set in the Service Excellence Strategic Initiatives under Operational Performance: Financial Sustainability.

The City’s tax and rate based operating results tracked favourably compared to the budget for fiscal year 2021. However, as uncertainty to the extent of the pandemic and recovery period remains, staff are assessing the financial impact for 2022 that could include continued weakness in Recreation revenues. Staff will continue to monitor the financial health of the organization, provide advice and guidance to departments, and take steps to mitigate all pressures, including utilizing funding from reserves and senior levels of government as necessary.

The Fiscal Health Report will continue to evolve to ensure it continues to provide relevant information that assists in ensuring the financial sustainability of the City. Consistent with current practices, regular updates advising of changes in the City’s financial landscape will be brought forth to Council.

For more information, please contact:

Michael Marchetti, Director, Financial Planning & Development Finance, ext. 8271

Nancy Yates, Acting Director, Financial Services, ext. 8984

Attachments

1. City Operating – 2021 Revenue/Expense Summary
2. Consolidated 2021 Operating Budget Results Summary
3. Portfolio/Department Commentary
4. Capital Project Listing

Prepared by

Kenneth Quan, Manager, Corporate Financial Planning & Analysis, ext. 8029

Kelly Sutton, Supervisor, Fiscal Planning & Policies, ext. 8252

Approved by



Michael Coroneos, DCM Corporate Services, City Treasurer and CFO

Reviewed by



Nick Spensieri, City Manager