

**CITY OF VAUGHAN
REPORT NO. 6 OF THE
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE**

*For consideration by the Council
of the City of Vaughan
on June 19, 2018*

The Finance, Administration and Audit Committee met at 9:36 a.m., on Wednesday, June 6, 2018.

Present: Councillor Rosanna DeFrancesca, Chair
Hon. Maurizio Bevilacqua, Mayor
Regional Councillor Mario Ferri
Regional Councillor Gino Rosati
Regional Councillor Sunder Singh
Councillor Marilyn Iafrate (11:21 a.m.)
Councillor Tony Carella
Councillor Sandra Yeung Racco
Councillor Alan Shefman

The following items were dealt with:

1 2017 DRAFT CONSOLIDATED FINANCIAL STATEMENTS

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018:

Recommendations

1. That the 2017 Draft Consolidated Financial Statements, Vaughan Public Library Board Financial Statements, Board of Management for The Kleinburg Business Improvement Area Financial Statements, the Statement of Revenue and Expenditures and Fund Balances of the Mayor's Gala and Golf Events and the Trust Fund Financial Statements be approved. (Attachment 1)
2. That the KPMG Audit Findings Report for the year ended December 2017 be received. (Attachment 2)

2 INTERNAL AUDIT REPORT – CONSTRUCTION AUDIT OF FIRE STATION 7-4: PHASE 1

The Finance, Administration and Audit Committee recommends:

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- 1) That the recommendation contained in the following report of the Director of Internal Audit, dated June 6, 2018, be approved;
- 2) That Council receive quarterly updates of the progress of the management actions outlined in this report; and
- 3) That the presentation and Communication C5, presentation material entitled, *“Construction Audit of Fire Station 7-4: Phase 1”*, be received.

Recommendations

1. That the Internal Audit Report on the Construction Audit of Fire Station 7-4: Phase 1 be received.

**3 INTERNAL AUDIT REPORT – FORESTRY AND HORTICULTURE
OPERATIONS AUDIT**

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Director of Internal Audit, dated June 6, 2018, be approved; and
- 2) That the presentation and Communication C6, presentation material entitled, *“Forestry and Horticulture Operations Audit”*, be received.

Recommendations

1. That the Internal Audit Report on the Audit of Forestry and Horticulture Operations be received.

4 INTERNAL AUDIT REPORT – WINTER MAINTENANCE AUDIT

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Director of Internal Audit, dated June 6, 2018, be approved; and
- 2) That the presentation and Communication C7, presentation material entitled, *“Winter Maintenance Audit”*, be received.

Recommendations

1. That the Internal Audit Report on the Audit of Winter Maintenance be received.

**5 REVIEW OF CITY OF VAUGHAN RESPONSE TO APRIL 14-15, 2018
ICE STORM**

The Finance, Administration and Audit Committee recommends:

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- 1) That the recommendation contained in the following report of the Deputy City Manager, Public Works, dated June 6, 2018, be approved;
- 2) That the presentation and Communication C8, presentation material entitled, *“Review of City of Vaughan Response to April 14-15, 2018 Ice Storm”*, be received; and
- 3) That the following be approved in accordance with Communication C1, memorandum from the Deputy City Manager, Public Works, dated June 6, 2018:
 1. That Council receive this report for information.

Recommendations

1. That Council receive this report for information.

6 DEVELOPMENT CHARGES – SEMI-ANNUAL ADJUSTMENT

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018, be approved;
- 2) That the following be approved in accordance with Communication C2, memorandum from the Chief Financial Officer and City Treasurer, dated May 28, 2018:
 1. That in accordance with the appropriate semi-annual adjustment sections of the City-Wide Development Charge and Special Service Area Development Charge by-laws that the associated rates be increased by 1.8% effective July 1, 2018; and
 2. That the following revised Development Charge Rates (Attachments 1 and 2) be approved.

Recommendations

1. That the recommendation for the semi-annual adjustment to the City-Wide Development Charge and Special Service Area Development Charge by-laws be brought forward via a communication to the Finance, Administration and Audit Committee on June 6, 2018, upon receipt of the Statistics Canada Quarterly, Construction Price Statistics.

**7 2018 ADOPTION OF TAX RATES AND THE ISSUANCE OF
PROPERTY TAX NOTICES – ALL WARDS**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018:

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Recommendations

1. That a by-law be enacted for the adoption of Municipal, Regional and Education property tax rates, as submitted in Attachment 1. Such by-law permits staff to proceed with the issuance of the final property tax bill.

8 TERM OF COUNCIL SERVICE EXCELLENCE STRATEGY MAP (2014-2018) ACHIEVEMENTS AND 2018 YEAR END PROJECTIONS REPORT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Senior Manager, Strategic Planning, Transformation and Strategy, dated June 6, 2018:

Recommendations

1. That the Report on the Term of Council Service Excellence Strategy map be received.

9 2017 ANNUAL INVESTMENT REPORT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018:

Recommendations

1. That this report be received for information.

10 MUNICIPAL ACCOMMODATION TAX (MAT) – A FORWARD PLAN FOR THE CITY OF VAUGHAN

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations and Chief Financial Officer and City Treasurer, dated June 6, 2018:

Recommendations

1. THAT, Council approve a Municipal Accommodation Tax (MAT) Consultation Program, as substantially presented in this report, including: market and fiscal assessment, industry engagement, governance options and corporate municipal implications; and
2. THAT, upon completion of the Municipal Accommodation Tax (MAT) Consultation Program staff be authorized to incorporate the findings of the Consultation Program, and proposed recommendations into the 2019 Budget Process.

11 GRANT FUNDING PROCESS UPDATE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of

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**the Chief Corporate Initiatives and Intergovernmental Relations,
dated June 6, 2018:**

Recommendations

1. THAT Council approve the updated Grant Funding Policy as presented, including giving Staff the authority to apply for grant funding that supports and aligns to the strategic initiatives and priorities of the City; and
2. THAT Council approve the amendments to by-law 78-2010.

12 REGULATORY POLICY: ASSET MANAGEMENT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Public Works, dated June 6, 2018:

Recommendations

1. That this report be received for information purposes.

13 RECRUITMENT POLICY REVIEW TASK FORCE – FINDINGS REPORT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the City Clerk, dated June 6, 2018:

Recommendations

The City Clerk provides the following recommendation on behalf of the Recruitment Policy Review Task Force:

1. That the current Recruitment Policy (as approved in 2015) be maintained without changes, as reflected in the contents and references in Item 1 of the Recruitment Policy Review Task for meeting of May 22, 2018 (Attachment 1), which are consistent with the Ontario Municipal Act and all other applicable legislation.

**14 AMENDMENT TO CITY OF VAUGHAN BY-LAW 72-2003 TO
DELEGATE AUTHORITY RELATING TO PROPERTY ASSESSMENT
AND TAXATION APPEALS**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018:

Recommendations

That subsection 8 of the City's Delegation By-law No. 72-2003 be amended to reflect the Manager of Property Tax & Assessment and/or the Supervisor of Assessment and/or the Assessment Review Officer

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15 FISCAL HEALTH REPORT – FOR THE QUARTER ENDING MARCH 31, 2018

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018, be approved;
- 2) That the following be approved in accordance with Communication C3, memorandum from the Chief Financial Officer and City Treasurer, dated June 6, 2018:
 1. That this Communication and the Attachment 1 - Financial Summary to the Fiscal Health Report- For the Quarter Ending March 31, 2018 be received; and
- 3) That the following be approved in accordance with Communication C4, memorandum from the Chief Financial Officer and City Treasurer, the Deputy City Manager, Public Works, the Director of Financial Services/Deputy City Treasurer and the Director of Environmental Services dated June 6, 2018:
 1. That the approved budget for Capital Project EV-2122-18 Stormwater Climate Change Mitigation Measures be increased by \$299,900, funded from the MCIP; and
 2. That inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budget as identified above be deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002, as amended.

Recommendations

1. That the Fiscal Health Report for the Quarter Ending March 31, 2018 be received.

16 2017 DEVELOPMENT CHARGES RESERVE FUND AND SPECIAL FUNDS STATEMENT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018:

Recommendations

1. That the 2017 Development Charges Reserve Fund and Special Fund Statement be received for information purposes.
2. That the 2017 Development Charges Reserve Fund and Special Fund Statement be made available to the public and that a copy be

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forwarded to the Ministry of Municipal Affairs and Housing on request.

**17 CONCORD GO CENTRE SECONDARY PLAN COMPREHENSIVE
TRANSPORTATION STUDY – TRANSPORTATION MASTER PLAN –
REQUEST FOR BUDGET CONSOLIDATION AND AMENDMENT TO
EXPAND SCOPE OF WORK**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Public Works, dated June 6, 2018:

Recommendations

1. THAT Capital Projects DE-7158-15 – Concord Go Secondary Plan Feasibility Study and DE-7185-17 Concord Go Station Business Case Development be consolidated to DE-7169-16 Concord GO Centre Secondary Plan Comprehensive Transportation Study - Transportation Master Plan;
2. THAT Council approve a budget amendment to Capital Project DE-7169-16 - Concord GO Comprehensive Transportation Study- Transportation Master Plan inclusive of administration recovery and applicable taxes in the amount of \$325,000, with funding from City-wide Development Charges - Engineering to include an expanded project scope to provide for the completion of a Schedule C road project in accordance with the Municipal Engineers Association Municipal Class Environmental Assessment (MCEA); and
3. THAT the inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budget identified as “Concord GO Centre Secondary Plan Comprehensive Transportation Study – Transportation Master Plan – Request for Budget Consolidation and Amendment to Expand Scope of Work” is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002.

**18 LED STREET LIGHT RETROFIT PROJECT – UPDATE AND BUDGET
AMENDMENT**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Public Works, dated June 6, 2018:

Recommendations

1. That Staff proceed with a competitive procurement for the installation of LED street lights and adaptive controls, as part of the City-wide LED street light retrofit project, financed internally by the City;

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2. That a capital budget amendment to Capital Project RP-2058-15 LED Streetlight Conversion in the amount of \$9.98 million, inclusive of applicable taxes and administration recovery, be approved with internal financing from the City; and
3. That the inclusion of this matter on a Public Committee or Council agenda with respect to increasing the Capital Budget identified as "LED Street Light Retrofit Project – Update and Budget Amendment" be deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002, as amended.

19 ONTARIO'S MAIN STREET REVITALIZATION INITIATIVE - ENABLING BY-LAW FOR MUNICIPAL FUNDING AGREEMENT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations, dated June 6, 2018:

Recommendations

1. That the Mayor, City Clerk and/or City Treasurer be authorized to execute the Municipal Funding Agreement for the transfer of Main Street Revitalization Initiative funds between the Association of Municipalities of Ontario and the City of Vaughan, as per Attachment 1;
2. That a segregated obligatory interest-bearing reserve fund be established for the purpose of Main Street Revitalization Initiative funding;
3. That the City commit to implementing projects and spending Main Street Revitalization Initiative funding in accordance with provisions specified in the Municipal Funding Agreement; and
4. That Council enact a by-law, substantially in the form set out in Attachment 4, to satisfy the requirements of the Association of Municipalities of Ontario.

20 PROCUREMENT ACTIVITY REPORT – Q1 ENDING MARCH 31, 2018

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated June 6, 2018:

Recommendations

1. The Q1 2018 Procurement Activity Report be received.

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**21 CAPITAL BUDGET AMENDMENT - WASTEWATER SEWER
CROSSING HIGHWAY 427 EXPANSION PROJECT VAUGHAN WEST
EMPLOYMENT AREA - BLOCK 59**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Planning and Growth Management and Deputy City Manager, Public Works, dated June 6, 2018:

Recommendations

1. That a new 2018 capital project be created in the amount of \$450,000 inclusive of applicable taxes and administration recovery for the design and construction of a steel casing pipe crossing under the Highway 427 Expansion, funded from a contribution from the Block 59 West Landowners Group;
2. That a By-law be enacted authorizing the Mayor and Clerk to execute a Financial Agreement with the Block 59 West Landowners Group to secure the necessary funds for the design and construction of a steel casing pipe crossing the Highway 427 Expansion within Block 59;
3. That a By-law be enacted authorizing the Mayor and Clerk to execute the necessary Agreement (s) with the Ministry of Transportation of Ontario to include the installation of the steel casing pipe crossing in conjunction with the construction of the Highway 427 Expansion; and
4. That the inclusion of this matter on a Public Committee or Council agenda with respect to amending the Capital Budget identified as "Capital Budget Amendment- Wastewater Sewer Crossing Highway 427 Expansion Project Vaughan West Employment Area -Block 59" is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-200, as amended.

22 YORK UNIVERSITY HEALTH SCIENCE CENTRE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following resolution of Mayor Maurizio Bevilacqua, dated June 6, 2018:

Member's Resolution

Submitted by Mayor Maurizio Bevilacqua

Whereas, the Office of the Mayor has been in discussion with the President of York University to identify opportunities for the university to expand its Faculty of Health Services.

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Whereas, the Office of the Mayor has received a letter from York University, Ms. Rhonda L. Lenton PhD, President and Vice-Chancellor dated May 30, 2018. (Attachment)

Whereas, the letter identifies that Health Sciences is one of the University's most rapidly growing fields of study and that the advancement of a Health Sciences Centre in Vaughan will allow York University to offer state-of-the-art training programs from undergraduate to graduate to continuing education.

Whereas, a York University Health Sciences Centre within the Vaughan Healthcare Centre precinct would bring education opportunities directly to the hospital complex and provide an outstanding world class venue for the integrated training of healthcare professionals and for collaborative, timely and impactful world class research, aimed at improving the lives of residents of Vaughan and York Region.

Whereas, post-secondary education is fundamental to safeguarding and elevating the quality of life for residents and people of all ages.

Whereas, Council and administration have dedicated ongoing efforts to attract, secure and bring a university campus to the City of Vaughan, which would be a first for our growing city.

Whereas, investing in education is fundamental to city-building and combating social challenges.

Whereas, access to education is essential to planning a more promising future for the City of Vaughan.

Whereas, a well-educated workforce is necessary to have a strong, dynamic and competitive local economy and essential to attract and retain job-creating investments to our community.

Whereas, The City of Vaughan Official Plan 2010 supports the creation of a significant medical health cluster and the development of a new hospital in the northwest quadrant of Jane Street and Major Mackenzie Drive. (Section 5.2.4).

Whereas, The City of Vaughan acquired an 82-acre parcel located in the northwest quadrant of Major Mackenzie Drive and Jane Street to create an urban healthcare Precinct anchored by a new healthcare hospital, the Mackenzie Vaughan Hospital.

Whereas, in November 2013 City of Vaughan adopted the Vaughan Healthcare Centre Precinct Plan

Whereas, The Precinct Plan intends to accommodate a range of healthcare and related uses in addition to the principle use of the Mackenzie Vaughan Hospital.

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Whereas, permitted uses include: Education, training, meeting or conference facilities related to healthcare;

It is therefore recommended:

- 1. That Council support the formation of a partnership between the City of Vaughan, York University, and Mackenzie Health to advance the opportunity to locate York University's world-class health science centre at the Vaughan Healthcare Precinct;**
- 2. That Council direct the City Manager to form a Staff team to work with York University and Mackenzie Health to prepare a tri-party Memorandum of Understanding (MOU) which outlines the guiding principles that could advance the proposal;**
- 3. That Staff report to Council with next steps and a MOU at the earliest possible date.**

23 OTHER MATTERS CONSIDERED BY THE COMMITTEE

23.1 CONSIDERATION OF AD HOC COMMITTEE REPORTS

The Finance, Administration and Audit Committee recommends:

That the following Ad Hoc Committee report be received:

- 1. Recruitment Policy Review Task Force meeting of May 22, 2018 (Report No. 3).**
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The meeting adjourned at 12:37 p.m.

Respectfully submitted,

Councillor Rosanna DeFrancesca, Chair