



**SPECIAL COUNCIL (BUDGET) MEETING –
DECEMBER 12, 2023
COMMUNICATIONS**

	<u>Rpt. No.</u>	<u>Item No.</u>	<u>Committee</u>
<u>Distributed December 11, 2023</u>			
C1. Memorandum from the Deputy City Manager, Chief Financial Officer & Treasurer, dated December 8, 2023.	51	1	Special Committee of the Whole (Budget)
C2. Presentation material.	51	1	Special Committee of the Whole (Budget)

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Please note there may be further Communications.



DATE: December 8, 2023

TO: Mayor and Members of Council

FROM: Michael Coroneos, Deputy City Manager, Chief Financial Officer & Treasurer

RE: COMMUNICATION – Special Council (Budget) – December 12, 2023

BY-LAW 224-2023 Fees and Charges

Recommendation

That the revisions in Schedule “B” City Clerk Office, Schedule “N” Classes of Business Licenses and Fees, and Schedule “I” Legal Services, Procurement, Real Estate and By-law Compliance, be approved.

Background

The Proposed 2024 Budget and 2025-2026 Financial Plan was considered at the November 29, 2023 Special Committee of the Whole (Budget) meeting. The fees presented at that meeting for Schedule “B” City Clerk Office were incorrectly transcribed.

Council approved By-law 137-2023 in September 2023 made changes to Schedule “N” Classes of Business Licenses and Fees, which were not incorporated in the fee schedules presented. Administrative errors were also identified in Schedules “N” and “I”.

This Communication advises that Schedules “B”, “N” and “I” attached to By-Law 224-2023 presented at this Special Council (Budget) meeting on December 12, 2023 have been corrected for approval.

For more information, contact Isabel Leung, Deputy City Clerk & Manager, Administrative Services ext. 8190

Respectfully submitted by

A handwritten signature in blue ink, appearing to read "Michael Coroneos".

Michael Coroneos
Deputy City Manager, Chief Financial Officer & Treasurer

Proposed 2024 Budget and 2025-2026 Financial Plan

Special Council (Budget)
December 12, 2023



Service Excellence

Awards & Recognition of the City's Accomplishments

1. **GFOA Distinguished Budget Presentation Award** for 2023 Budget Book
2. **MarCom Awards 2022** for excellence in marketing and communications
3. **Vaughan Public Libraries**, multiple awards at the annual **Ontario Library Association Annual Conference**
4. **2023 Festivals and Events Ontario Awards:**
 - Best promotional campaign for Concerts in the Park and Canada Day events
 - Top 100 Festivals and Events in Ontario for the Canada Day and Concerts in the Park events
5. **100th Year Anniversary Celebration** – Woodbridge Horticultural Society
6. **Ontario Public Works Association (OPWA) Project of the Year Award** for Smart Cities Road Patrol Solution project
7. **Bird Friendly City Certification** by Nature Canada
8. **Municipal Waste Associations Promotion & Education Award** for innovative campaign, tool, strategy, event, or program that engaged residents in waste diversion
9. **International Economic Development Council (IEDC) 2023 Excellence in Economic Development Awards**
10. **2023 Canadian Public Works Association National Public Works Week Award** for energizing and educating the public on the importance of public works to their daily lives

11. **2023 PJ Marshall Awards** for the Road Patrol Transformation through an Artificial Intelligence-based SmartCity Approach
12. **American Library Association's (ALA) PR XChange Awards:**
 - VMC Library Virtual Tour
 - VPL 2021 Annual Report
 - Masks in the Library
13. **2023 Canadian Human Resources Awards** - Winner of the Most Effective Recruitment Strategy Award
14. **2023 IFEA/ Haas & Wilkerson Pinnacle Awards** for:
 - Best Overall Sponsorship Program for Vaughan Celebrates;
 - Best Overall Entertainment Program for Winterfest; and
 - Best Promotional Brochure for Culture Days.
15. **National Procurement Institute 2023 Achievement of Excellence in Procurement Award and Accreditation for the National Institute for Public Procurement's Accreditation** for Quality Public Procurement.
16. **World Council on City Data (WCCD) certifications** for ISO 37120, 37122 and 37123 Series on City Data
17. **2023 Tree Cities of the World Award**
18. **Economic Developers Association of Canada (EDAC) 2023 Marketing Canada Awards**

Budget Summary

2024 Budget and 2025-2026 Capital Plan:

Tax Supported Programs

2024 Gross Operating
\$377 million

2024 Capital Budget \$191 million

2025-2026 Capital Plan \$297 million

3.0% Tax Rate Increase

Utility Rate Supported Programs

2024 Gross Operating
\$201 million

2024 Capital Budget \$25 million

2025-2026 Capital Plan \$90 million

3.9% Combined Water / Wastewater Rate Increase

9.5% Average Stormwater Charge Increase

Long-Range Fiscal Planning

Key findings from the Long-Range Fiscal Plan (LRFP) developed by Hemson Consulting and presented to Council in December 2022:

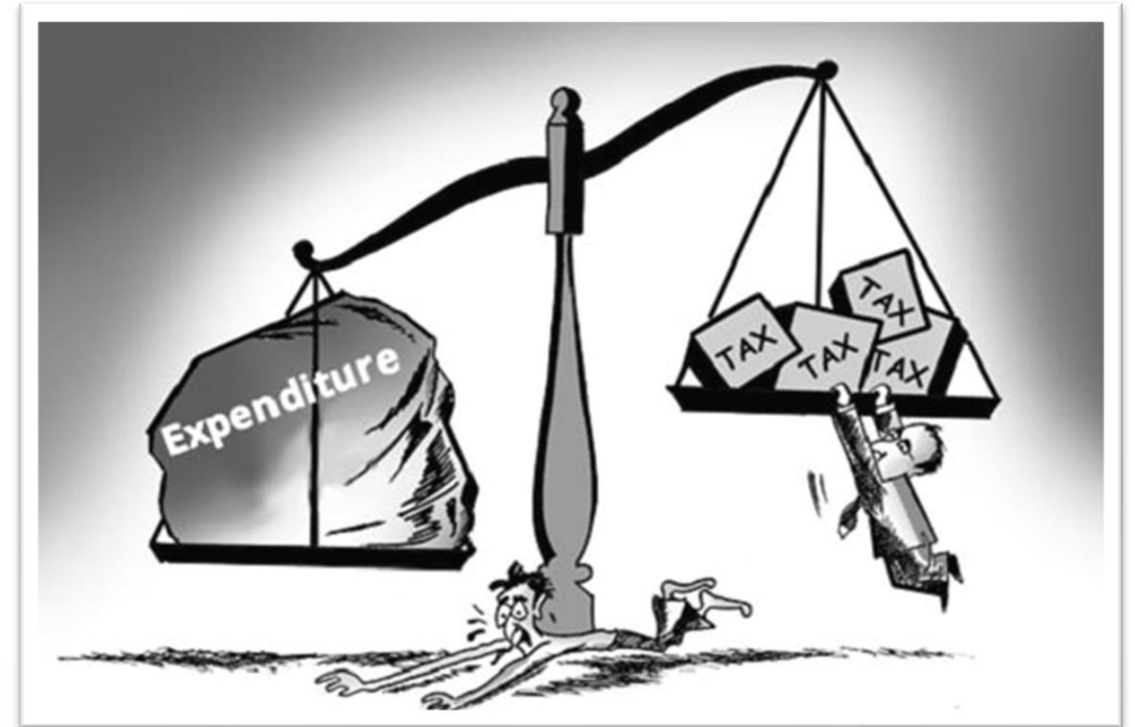
- Potential tax rate “spikes” due to pressures for repair / replacement of assets;
- Infrastructure funding gap between \$1.8 billion and \$2.0 billion (2022-2042); and
- Infrastructure reserves potentially drop below \$5 million by 2038.

LRFP informed development of the 2024 Budget and 2025-2026 Financial Plan:

- Long-term financial outlook - pressures proactively managed before they occur to keep tax rates affordable.

Potential Strategies to Narrow the Infrastructure Funding Gap (Recommended by Hemson Consulting):

- ✓ Manage timing / scope of capital projects
- ✓ Strategic use of debt
- ✓ Leverage discretionary reserves
- Implement a dedicated Infrastructure Levy



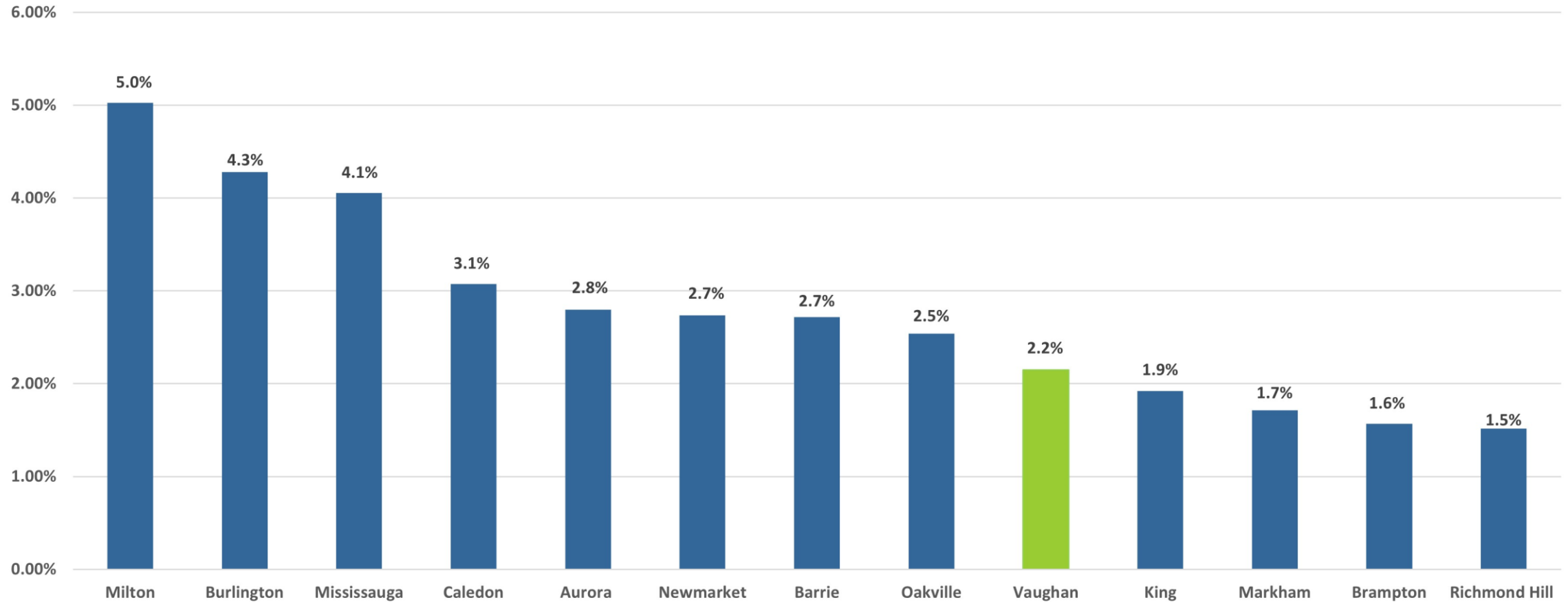
Financial Impact of Bill 23

- Bill 23 restricts and reduces the City's ability to collect revenue for growth related infrastructure
- Financial impact from Jun 1, 2023 to Dec 31, 2024 is estimated at \$47M (excluding parkland cash-in-lieu)
- Financial pressure has been contained in the current budget build through adjusting growth-related capital project spending
- Housing Accelerator Fund (HAF) will provide partial relief
- Long-term financial impact uncertain
- Depending on magnitude of pressures, this could result in:
 - Further delayed projects
 - Reduced service levels
 - Increased property taxes



Property Tax Rate Among Lowest in GTA

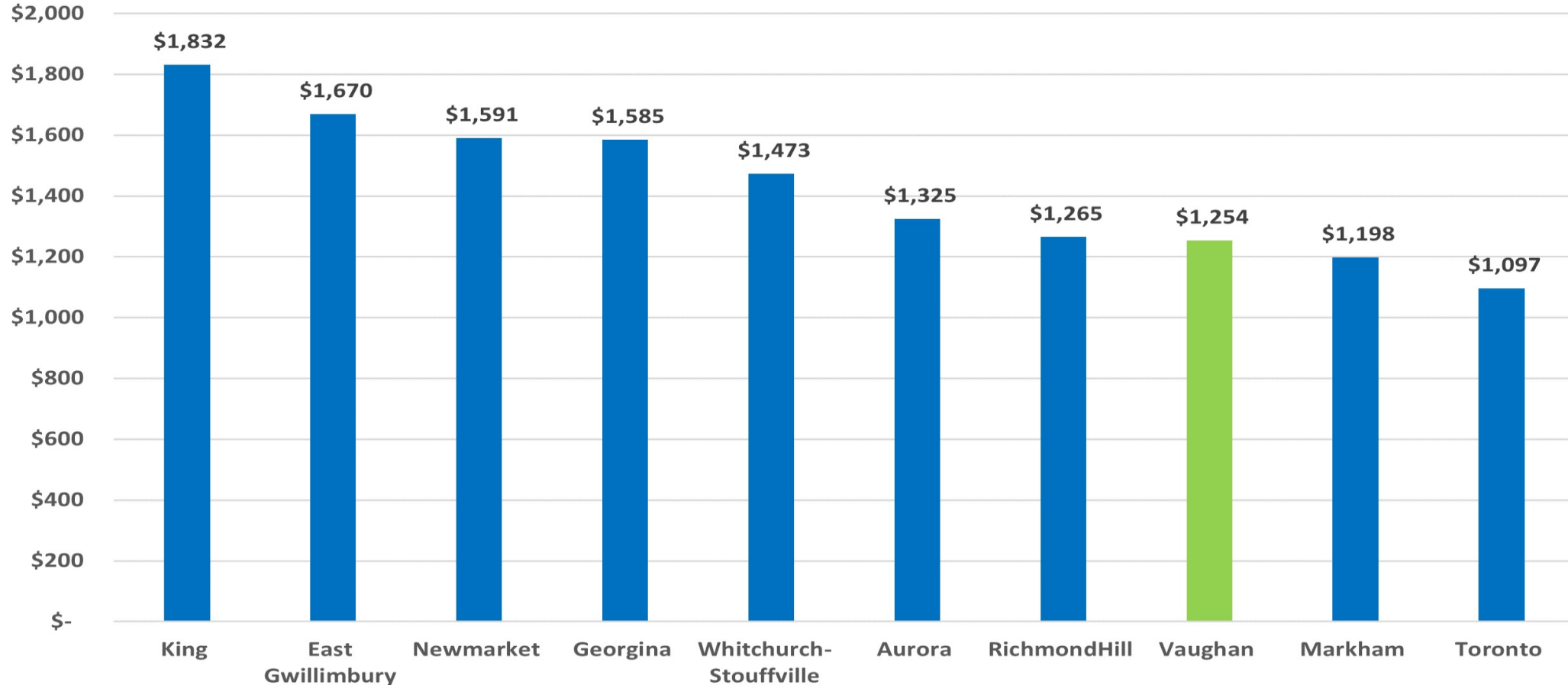
Municipal Property Tax Increases: Five Year Average (2019-2023)



* Proposed 2024 tax rate increase of 3.0% maintains Vaughan's 5-Year Average at 2.15% (2.2%)

Water and Wastewater Rates Among Lowest in York Region

2023 Annual Cost Based on 250 M³



- For 2024 the combined water and wastewater rate is \$5.2123/m³ representing a 3.9% increase over 2023.
- This equates to an annual cost for 2024 of \$1,303 for an average household that consumes 250 cubic metres and an increase of \$49.08 or \$4.09 per month compared to prior year.

What Do Taxes Fund? Understanding the Tax Bill



City Expenditures by Service

- \$0.18** Public Works & Road Services
- \$0.16** Fire and Rescue Services
- \$0.15** General Government, Legal & Clerks
- \$0.12** Infrastructure Development
- \$0.11** Community Services
- \$0.10** Capital Investment & Debt Servicing
- \$0.07** Planning & Growth
- \$0.06** Vaughan Public Libraries
- \$0.05** Fulfill Council's priorities by City Manager,
Internal Audit, Integrity Comm. and others
- \$1.00** Total