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**Pages**

1. **CALL TO ORDER**
2. **DISCLOSURE OF PECUNIARY INTEREST**
3. **APPROVAL OF THE NOVEMBER 2, AND DECEMBER 1, 2021 BUDGET COMMITTEE MINUTES** 3
4. **2022 OPERATING BUDGET PRESENTATION** 17

1. User Fees (continuation) New Business Licensing Fees (slide 31)
2. Municipal Election Contribution Rebate Program
3. Closed session
4. Parking – Revisions
5. Recommendations

**5. CONFIDENTIAL MATTERS****5.1. Confidential Matter Item No. 1**

In accordance with Section 239 of the Municipal Act the Budget Committee will enter into a closed session for the following reasons:

- The security of the property of the City [Section 239 (a)];
- A trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization [Section 239 (i)]; and
- A position, plan, procedure, criteria or instruction to be applied to any

negotiations carried on or to be carried on by or on behalf of the municipality or local board; 2001, c. 25, s. 239 (2); 2017, c. 10, Sched. 1, s. 26 [Section 239 (k)].

## **5.2. Confidential Matter Item No. 2**

In accordance with Section 239 of the Municipal Act the Budget Committee will enter into a closed session for the following reasons:

- Personal matters about an identifiable individual, including City or local board employees [Section 239 (2) (b)]; and
- Labour relations or employee negotiations [Section 239 (2) (d)].

## **6. NEW BUSINESS**

## **7. NEXT MEETING DATE**

## **8. ADJOURNMENT**



## Budget Committee Minutes

**Meeting No. 6**

**November 2, 2021, 9:00 AM - 12:00 PM**

**Live streamed**

Members	Councillor Amanda Collucci, Chair Councillor Andrew Keyes, Vice-Chair Mayor Frank Scarpitti (ex-officio) Deputy Mayor Don Hamilton	Councillor Keith Irish Councillor Reid McAlpine Councillor Karen Rea Councillor Khalid Usman
Regrets	None	
Roll Call	Regional Councillor Jack Heath Regional Councillor Jim Jones Councillor Isa Lee Andy Taylor, Chief Administrative Officer Trinela Cane, Commissioner, Corporate Services Arvin Prasad, Commissioner Development Services Claudia Storto, City Solicitor and Director of Human Resources Joel Lustig, Treasurer Adam Grant, Fire Chief Mary Creighton, Director of Recreation Services Biju Karumanchery, Director of Planning and Urban Design Graham Seaman, Director, Sustainability & Asset Management	Morgan Jones, Commissioner Lisa Chen, Senior Manager, Financial Planning & Reporting, Financial Services Jay Pak, Manager, Budgets Alison , Senior Financial Analyst Jemima Lee, Senior Financial Analyst Veronica Siu, Manager, Budgets Laura Gold, Council and Committee Coordinator Mary-Jane Courchesne, Acting Council/Committee Coordinator Eddy Wu, Director, Environmental Services Alice Lam, Director of Operations Stephanie DiPerna, Director, Building Standards Germaine D'Silva, Senior Financial Analyst

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### 1. CALL TO ORDER

The Budget Committee convened at 9:03 AM with Councillor Amanda Collucci in the Chair.

## **2. DISCLOSURE OF PECUNIARY INTEREST**

There were no disclosures of pecuniary interests.

## **3. APPROVAL OF MINUTES OF OCTOBER 20, 2021 AND OCTOBER 22, 2021**

Moved by Councillor Khalid Usman

Seconded by Councillor Andrew Keyes

That the Minutes of the October 20, 2021 and October 22, 2021 Budget Committee be approved as presented.

**Carried**

## **4. 2022 PROPOSED OPERATING BUDGETS**

**The discussion of the Primary Operating Budget was deferred to the next Budget Committee Meeting.**

Committee proceeded with discussion of Building, Planning & Design, Engineering and Waterworks Operating Budgets.

Lisa Chen, Senior Manager of Financial Planning & Reporting provided the “2022 Proposed Building, Planning & Design, Engineering and Waterworks Operating Budgets” overview presentation.

Committee provided the following feedback on the “2022 Proposed Building, Planning & Design, Engineering and Waterworks Operating Budgets” overview presentation:

### Planning & Design and Engineering Budget Reserve

Councillor Reid McAlpine asked how the City’s reserve target rate was arrived at.

### 2022 Proposed Engineering Operating Budget

Councillor Reid McAlpine asked for an explanation of Engineering’s revenue and expenses. He also questioned whether Engineering has sufficient resources to manage the increased applications received in 2021.

### 2022 Water and Wastewater 4-Year Incremental Rate Phase-in - Impact of Not Increasing Rate in 2020 & 2021

## Budget Committee Minutes

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Councillor Karen Rea asked what the incremental water/wastewater rate phase-in translates to for residents' water bills.

Mayor Frank Scarpitti asked the following:

- (i) Whether the City's projected shortfall at the end of 25 years will hamper the City's capital program in the next few years;
- (ii) Whether there is a possibility to delay the recommended option to recover the additional shortfall of phasing in an increase of 0.4% over 4 years to 2023, rather than begin in 2022; and

Staff provided the following responses to inquiries from the Committee:

Planning & Design and Engineering Budget Reserve

Staff advised that the reserve rate was calculated based 1 to 1.5 times the annual expenditures to ensure that the City has sufficient funds to maintain the normal operations in the event of a downturn in the economy.

2022 Engineering Operating Budget

Staff advised that fees are forecasted based on the number of development applications anticipated to be approved. Engineering has collected fees sooner than expected, as a result of development applications being submitted earlier than anticipated.

In response to the increased 2021 revenues, staff indicated there is sufficient resources to manage the increased development applications at this point in time and there will be a review of development process to utilize resources efficiently to ensure continuation of timely reviews.

2022 Water and Wastewater 4-Year Incremental Rate Phase-in - Impact of Not Increasing Rate in 2020 & 2021

Staff advised that the impact of the incremental 4-year phase-in at \$0.0184/m<sup>3</sup> would be approximately \$3.80 annually for an average household in Markham.

In response to the Mayor's enquiry:

- (i) Staff advised that the City's capital program is not anticipated to be impacted, however, the numbers will have to be rerun to determine the impact.
- (ii) Staff advised that there may be implications to delay the start of the 4-year phase in rate increase to 2023.

Staff were requested to report back to Budget Committee with a analysis of implications and impacts of delaying the start of the 4-year phased in for the water/wastewater rate increase to 2023.

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Andy Taylor, CAO, advised that the Executive Leadership Team (ELT) is reviewing a number of staff positions. Unfortunately this year, the Staffing review and the Budget meetings are occurring at the same time. It is anticipated that ELT will report back to the Budget Committee regarding critical staffing requests which may necessitate adjusting personnel numbers.

**Presentation**

Moved by Councillor Karen Rea

Seconded by Councillor Reid McAlpine

That the presentation “2022 Proposed Building, Planning & Design, Engineering and Waterworks Operating Budgets” be received as presented.

**Carried****5. NEW BUSINESS**

There was no new business.

**6. NEXT MEETING DATE**

The next meeting of the Budget Committee will be held on November 9, 2021.

**7. ADJOURNMENT**

The Budget Committee adjourned at 9:53 AM.



## Budget Committee Minutes

**Meeting No. 7**

**December 1, 2021, 9:00 AM - 12:00 PM**

**Live streamed**

Members	<p>Councillor Amanda Collucci, Chair</p> <p>Councillor Andrew Keyes, Vice-Chair</p> <p>Mayor Frank Scarpitti (ex-officio)</p> <p>Deputy Mayor Don Hamilton</p>	<p>Councillor Keith Irish</p> <p>Councillor Reid McAlpine</p> <p>Councillor Karen Rea</p> <p>Councillor Khalid Usman</p>
Roll Call	<p>Regional Councillor Jim Jones</p> <p>Regional Councillor Jack Heath</p> <p>Councillor Isa Lee</p> <p>Andy Taylor, Chief Administrative Officer</p> <p>Trinela Cane, Commissioner, Corporate Services</p> <p>Arvin Prasad, Commissioner Development Services</p> <p>Claudia Storto, City Solicitor and Director of Human Resources</p> <p>Joel Lustig, Treasurer</p> <p>Bryan Frois, Manager of Executive Operations &amp; Strategic Objectives</p> <p>Kimberley Kitteringham, City Clerk</p> <p>Martha Pettit, Deputy Clerk</p> <p>Scott Chapman, Manager of Elections</p> <p>Jeff Baker, Supervisor, Business Licensing &amp; Standards</p> <p>Adam Grant, Fire Chief</p> <p>Chris Nearing, Deputy Fire Chief</p> <p>Matthew Keay, Deputy Fire Chief</p> <p>Christina Kakaflikas, Director of Economic Growth, Culture and Entrepreneurship</p>	<p>Mary Creighton, Director of Recreation Services</p> <p>Biju Karumanchery, Director of Planning and Urban Design</p> <p>Graham Seaman, Director, Sustainability &amp; Asset Management</p> <p>Catherine Biss, Chief Executive Officer</p> <p>Morgan Jones, Commissioner of Community Services</p> <p>Lisa Chen, Senior Manager, Financial Planning &amp; Reporting, Financial Services</p> <p>Jay Pak, Manager, Budgets</p> <p>Laura Gold, Council and Committee Coordinator</p> <p>Eddy Wu, Director, Environmental Services</p> <p>Alice Lam, Director of Operations</p> <p>Chris Bullen, Manager, By-Law &amp; Regulatory Services</p> <p>Anthony Fabrizi, Assistant Manager, By-Law (Parking Control)</p> <p>Mark Visser, Senior Manager, Financial Strategy &amp; Investments</p>

Frank Clarizio, Director of Engineering   Tony Boyko, Manager of Building  
Sumon Acharjee, Chief Information   Inspections  
Officer

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**1.      CALL TO ORDER**

The Budget Committee convened at 9:05 AM with Councillor Amanda Collucci in the Chair.

**2.      DISCLOSURE OF PECUNIARY INTEREST**

There were no disclosures of pecuniary interest.

**3.      2022 OPERATING BUDGET PRESENTATION**

**1) 2022 Proposed Operating Budget**

Andy Taylor, CAO provided opening remarks, and the activities undertaken by the Executive Leadership Team following Budget Committee's direction to staff on October 1, 2021.

Trinela Cane, Commissioner, Corporate Services, provided an overview of the initiatives arising from the opportunity assessment to modernize and transform business processes, and to find efficiencies to reduce the 2022 and future year's budget impact.

Lisa Chen, Senior Manager, Financial Planning & Reporting, Financial Services, presented to the 2022 Proposed Operating Budget.

Committee provided the following feedback on the proposed 2022 Operating Budget:

- Suggested that complaints pertaining to trees, by-laws, and roads should be included as part of the Critical After Hour Services;
- Suggested residents may prefer speaking with a person than with artificial intelligence;
- Noted the challenges of pursuing paperless communications, in particular, communicating with residents by email when there is no public directory of resident email addresses and due to requiring consent to email them;
- Supported improving the City's digital customer tools;
- Supported digitally modernizing the City's services and operations;

- Suggested speaking with Peter Bethlenfalvy, President of the Ontario Treasury Board and Minister Responsible for Digital and Data Transformation on the digital modernizing of the City's services;
- Asked for more information on some of the new position requests (Parks Planning Group, and Development Technician);
- Suggested that the proposed Parks Planning Group be part of the Operations Department.

Staff provided the following responses to inquiries from the Committee:

#### Critical After Hour Services

Staff advised that they will be reviewing which issues will be addressed as part of the Critical After Hour Services. The line will be to address emergencies, as staff will need to be mobilized after hours to respond to the issues.

#### Bot (AI) Operator

Staff advised that residents that are still not comfortable in a digital world will be able to speak with a live operator.

#### Elimination of Paper

Staff advised that they are aware that there are limitations to reducing paper and that a conscious effort needs to be made to reach diverse groups. Staff further advised that there are still statutory requirements to print required notices in the newspaper.

Staff also emphasized there's significant internal savings to the City by going paperless through reduced spending in printing equipment, mailings and records management.

#### Residents' Email Listings

Staff advised that the City's customer management tool will be used to collect residents' email addresses that consent to receiving communications from the City.

#### Digitalization and Modernizing the City

Staff advised that Peter Bethlenfalvy, President of the Ontario Treasury Board and Minister Responsible for Digital and Data Transformation has been invited to meet with the Directors, and the Executive Management Team to discuss the digitalization and modernizing of the City's services.

### Reduce Contract Escalations

Staff clarified that the savings derived from reducing contract escalations is pertaining to non-personnel contracts rather than employment contracts.

### New Staffing Requests

Staff are requesting that a new Parks Planning Group be created. The positions would be funded by development charges. Neighbouring municipalities have similar teams. Currently, Markham has no staff to perform this function, and as a result, the City often runs into issues pertaining to park location/amenities after development applications are approved. Staff believe that investing in this team will provide the City with a return on its investment by preventing issues, managing quality and standardizing and expediting the parks development process. Detailed design work for parks will continue to be outsourced, as it typically is by municipalities.

Staff clarified that two contract positions are being converted into two full time Development Technician positions.

Staff confirmed that the proposed new Community Garden position has been removed from the new staffing requests.

## **2) User Fee Updates**

### **A. Recreation, Sports Field and Library**

Mary Creighton, Director of Recreation, presented the user fee updates for Recreation, Sports Field, and Library.

Committee provided the following feedback relative to the staff presentation:

- Questioned if staff are experiencing a hard time recruiting staff to fill positions paid the minimum wage;
- Questioned how staff determined the proposed recreational fee increase;
- Noted the challenge in finding the appropriate balance between recreation services provided by the free market versus recreational services provided by the City;
- Questioned if the City's recreational services is consistent with its vision of providing the services if the program was being developed from scratch today;
- Noted the importance of providing recreational services to those unable to afford the service, and questioned if the City provides subsidies to those in need.

Staff provided the following response to inquires from the Committee:

Proposed Fee Increase

Staff advised that the proposed fee increase of 2.75% for “Learn to Programs” within the aquatics, sports, camps and general programing is based on what staff felt the market can handle. The fee increase will only cover a small portion of the City’s increase in expenses due to an increase in minimum wage, utility costs, and other costs.

Staff Recruitment

Staff confirmed that the City has been having a difficult time recruiting staff to fill positions paid the minimum wage.

Fee Subsidy

Staff will provide interested residents with information on programs that subsidise recreational fees, such as the Jump Start program. Staff agreed to look at ways to educate residents on these programs, recognizing that residents in need may not always approach the City for assistance.

Role of Recreation

Recreational services play an important role in providing wellness services to Markham residents. The challenge is the benefits are often derived by other organization, such as post secondary institutions and hospitals. The importance of looking at the services holistically was emphasized.

Demand for Fitness Facilities

Markham has currently opened the Thornhill Community Centre, the Markham Pan Am Centre, and the Milliken Community Centre. Staff are monitoring the number of patrons prior to opening more facilities. It is anticipated that attendance at these facilities will increase gradually overtime. Staff will bring forward a re-opening plan for recreational facilities to the General Committee in 2022.

**B. Culture**

Christina Kakaflikas, Director of Economic Growth, Culture and Entrepreneurship, presented the Culture fee increases.

The Committee did not have any questions on the proposed Culture fee increases.

Recommendation – Recreation, Library and Culture Fees

Committee approved the proposed increase to the Recreation, Library, and Cultural fees. (Note: the original staff recommendations outlined inaccurate effective dates. September 1, 2022 effective dates have been adjusted to July 1, 2022, affecting recommendation 1 and 3 below.)

**Moved by Mayor Frank Scarpitti**

**Seconded by Councillor Karen Rea**

1. **That all direct program, drop in, membership and facility permit rates increase by 2.75%, effective July 1, 2022**
2. **That all outdoor sports field rental rates increase by 2.75% effective May 1, 2022**
3. **That all Library services user fees including paid programming, room bookings and facility rentals increase by 2.75%, effective July 1, 2022**
4. **That all Museum user fees increase by 2.75%, effective March 1, 2022**
5. **That all Art Gallery camp programs and rental fees increase by 2.75%, effective July 1, 2022**
6. **That all Theatre camp programs and ticket handling fees increase by 2.75%, effective July 1, 2022**
7. **That Staff do all things necessary to give effect to this resolution**

**Carried**

**C. Parking Initiatives**

Anthony Fabrizi, Assistant Manager, By-Law (Parking Control), presented the proposed parking initiatives.

Chris Bullen, Manager, By-Law & Regulatory Services, was available to help answer questions.

Committee provided the following feedback relative to the proposed parking initiatives:

- Expressed concern that requiring residents to pay for an overnight parking exemption may lead to residents driving while under the influence;

- Suggested that there should be no limit to the number of overnight parking exemptions a resident can purchase;
- Expressed concern that there will be a backlash if the City starts to suddenly fine people for parking on their lawns/extended driveways when this has not been regularly enforced in the past;
- Expressed concern that charging for overnight parking exemptions, and fining for parking on your lawn may affect some communities more than others;
- Requested a summary of where fines are being issued for parking overnight without a permit;
- Supported increasing the fine for parking overnight without a parking permit, but suggested the fine should be raised slowly as the fine was recently increased;
- Questioned how Markham's parking fines compare to neighbouring municipalities fines;
- Questioned if fines could be created on a scale, such as that the fee increases with number of offences;
- Suggested that residents with existing pads be exempted or grandfathered into the policy, noting that a permit fee could still be required;
- Suggested fines for parking on your driveway could be higher;
- Supported an overnight parking exemption fee, but suggested possibly providing a certain number free of charge prior to charging the fee;
- Noted that charging a fee is one method of making residents aware that there is a cost to providing the service;
- Noted that receiving a parking ticket is one method of educating residents not to park on street overnight without a permit;
- Suggested that these decisions should be addressed upon completion of the parking strategy, which is currently part of the 2022 capital budget;
- Suggested possibly holding a public meeting on the proposed parking initiative.

Staff provided the following responses to inquiries from the Committee:

#### Overnight Exemptions

Staff advised that many municipalities charge an overnight parking exemption fee, and that some municipalities provide a limit on the number of exemptions per year. Staff noted that overnight parking exemption limits in Markham would likely be determined based on the street. Staff confirmed that the new system will permit residents to purchase an overnight parking exemption permit through a fully automated system.

### Parking Fines

Staff advised that Markham's parking fines are similar to other neighbouring municipalities. Staff further advised that a fine can be set on a scale based on the number of offences, but noted it would be more challenging to administer parking fines.

### Parking Strategy

Staff advised that they will be reporting back to the Development Services Committee on the terms of reference for the parking strategy in Q2 or Q3 of 2022. The project will be City wide and very comprehensive. A consultant will be hired to undertake the work, and it is anticipated that it will take two years to develop the strategy. The Development Services Commission will be leading the project, and By-Laws & Enforcement will be consulted on the project.

### Charging for Parking on your Front Lawn

Staff advised that City will be able to fine residents for parking on their front lawn, as it is being proposed to be made a parking offence.

The Committee provided staff with the following direction:

Staff were directed to review the affect of the proposed overnight exemption fee on different groups of residents considering social economical, cultural, and housing differences. Staff were suggested to look at possibly providing a certain number of exceptions for overnight parking permits free of charge, or/and providing exemptions to certain groups of residents.

Staff were also directed to further consider the implications of charging a fine for parking on your front lawn/extended driveways.

### **D. Licensing**

This Item was not discussed.

#### **3) Municipal Election Contribution Rebate Program**

This item was not discussed.

#### **4) Closed Session**

The confidential items were not discussed.

#### **5) Recommendations**

The Committee approved the Recreation, Culture, and Library motion (refer to 2) B.) All other motions will be dealt with at the next meeting.

#### **4. CONFIDENTIAL ITEM**

##### **4.1 Confidential Matter Item No. 1**

This confidential matter was not discussed.

In accordance with Section 239 of the Municipal Act the Budget Committee will enter into a closed session for the following reasons:

- The security of the property of the City [Section 239 (a)];
- A trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization [Section 239 (i)]; and
- A position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board; 2001, c. 25, s. 239 (2); 2017, c. 10, Sched. 1, s. 26 [Section 239 (k)].

##### **4.2 Confidential Matter Item No. 2**

This confidential matter was not discussed.

In accordance with Section 239 of the Municipal Act the Budget Committee will enter into a closed session for the following reasons:

- Personal matters about an identifiable individual, including City or local board employees [Section 239 (2) (b)]; and
- Labour relations or employee negotiations [Section 239 (2) (d)].

#### **5. NEW BUSINESS**

The Committee requested that the Friday, December 3<sup>rd</sup>, 2021, Budget Committee Meeting start at 8:00 AM rather than 9:00 AM to provide more time to cover the agenda material.

The Mayor requested that on a go forward basis that Agendas for Standing Committees, and Sub-Committees of Council be circulated through eSCRIBE, and/or uploaded in the Outlook meeting request. The Mayor clarified that the agendas no longer need to be circulated by email.

**6. NEXT MEETING DATE**

The next Budget Committee meeting date will be December 3, 2021 at 8:00 AM.

**7. ADJOURNMENT**

Moved by Councillor Khalid Usman

Seconded by Deputy Mayor Don Hamilton

That Budget Committee adjourned at 12:00 PM.

Carried



MARKHAM

**2022 Budget**  
**Budget Committee Meeting #7**  
**December 1, 2021**



## Agenda

### 2022 Budget Overview

1. Proposed 2022 Operating Budget
  - a. October 1, 2021 Recap and Staff Direction
  - b. Opportunity Assessment
  - c. Budget Reductions
  - d. Staffing Requests
  - e. Impact of Minimum Wage Increase
  - f. User Fee Updates
  - g. Municipal Election Contribution Rebate Program
2. Closed Session
3. 2021 Operating Budget Shortfall Phase-In
4. 2022 Budget Impact to Average Residential Property
5. Recommendations



## Proposed 2022 Operating Budget – October 1, 2021 Recap

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

(\$ Millions)	2021 \$	2022 \$	Increase/ (Decrease) \$	Tax Rate Increase/ (Decrease) %
<b>Revenues</b>	<b>244.52</b>	<b>246.25</b>	<b>1.73</b>	<b>(1.05%)</b>
<b>Expenditures</b>				
Personnel	143.75	146.11	2.36	
Non-Personnel	100.77	104.54	3.77	
<b>Total Expenditures</b>	<b>244.52</b>	<b>250.65</b>	<b>6.13</b>	<b>3.72%</b>
<b>Shortfall: Day-to-day operations</b>	<b>(0.00)</b>	<b>4.40</b>	<b>4.40</b>	<b>2.67%</b>
<b>Infrastructure Investment</b>		<b>0.82</b>	<b>0.82</b>	<b>0.50%</b>
<b>Net Shortfall</b>		<b>5.22</b>	<b>5.22</b>	<b>3.17%</b>



## Proposed 2022 Operating Budget – October 1, 2021 Recap

### (Excl. Planning & Design, Engineering, Building Standards and Waterworks)

(\$ Millions)		Tax Rate Increase
	\$	%
<b>2022 Budget Shortfall</b>	<b>5.22</b>	<b>3.17%</b>
2021 Budget Shortfall	3.60	2.19%
2022 Cumulative Budget Shortfall	8.82	5.36%

In addition to the 2022 Budget Shortfall, the City approved a 0% tax rate increase in 2021, funding the \$3.6M (2.19%) budget shortfall temporarily from the Corporate Rate Stabilization Reserve. The 2022 Cumulative Budget Shortfall is \$8.8M, or 5.36%.

On October 1, 2021, Budget Committee directed staff to look for ways to mitigate the 2022 tax rate increase:

1. Leveraging efficiencies through the investment in technology to the greatest extent possible
2. Realign services to leverage value in the City's operations (learn from the City's COVID experience).
3. Work to reduce the 2022 tax increase
4. Close the budgetary gap from the 2021 operating budget over the next 3-4 years



## Proposed 2022 Operating Budget

### Opportunity Assessment

Keeping Our  
Community Safe and  
Fiscally Sound

Serving our Community  
Better and Smarter

Diversifying our  
Revenue Sources



## Proposed 2022 Operating Budget – Opportunity Assessment

### KEEPING OUR COMMUNITY SAFE AND FISCALLY SOUND

Modernizing the  
Fire Service

Markham Fire and  
Emergency Services  
Dispatch  
Partnership with  
Barrie

Traffic and  
Pedestrian Crossing  
Safety  
Enhancements

Bylaw Services  
Modernization



## Proposed 2022 Operating Budget – Opportunity Assessment

### SERVING OUR COMMUNITY BETTER AND SMARTER

After-hours  
dispatch for  
critical services

Modernize  
customer  
service and  
implement  
Community  
Ambassador  
model

Investment in  
staff to plan for  
new parks,  
deliver  
infrastructure  
faster and  
expedite the  
development  
process

Improved infill  
construction  
management

Support City's  
sustainability  
goals by going  
paper-free

Optimization of  
technology  
tools



## Proposed 2022 Operating Budget – Opportunity Assessment

### DIVERSIFYING OUR REVENUE SOURCES

Recreation,  
Library and  
Culture user fee  
increases to  
mitigate  
inflationary  
pressures and  
Ontario  
Government's  
minimum wage  
increase

Digital Railway  
Banner  
Commercial  
Advertising and  
Community  
Messaging

Cap election  
rebate and  
eliminate rebate  
for non-Markham  
residents

Expansion of  
Administrative  
Monetary  
Penalties System

New parking,  
towing and  
licensing fees



## Proposed 2022 Operating Budget – Budget Reductions

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

(\$ Millions)	2022 (Oct. 1, 2021) \$	2022 (Dec. 1, 2021) \$	2022 Inc. / (Dec.) from Oct. 1, 2021 \$
<b>Revenues</b>	<b>246.25</b>	<b>246.62</b>	<b>0.37</b>
<b>Expenditures</b>			
Personnel	146.11	145.14	(0.97)
Non-Personnel	104.54	103.87	(0.67)
<b>Total Expenditures</b>	<b>250.65</b>	<b>249.00</b>	<b>(1.65)</b>
<b>Shortfall: Day-to-day operations</b>	<b>4.40</b>	<b>2.38</b>	<b>(2.02)</b>
<b>Infrastructure Investment</b>	<b>0.82</b>	<b>0.82</b>	<b>0.00</b>
<b>Net Shortfall</b>	<b>5.22</b>	<b>3.20</b>	<b>(2.02)</b>
<b>Tax Rate Increase</b>	<b>3.17%</b>	<b>1.95%</b>	<b>-1.22%</b>



## Proposed 2022 Operating Budget – Budget Reductions

in \$'000s

	Amount	% Impact
<b>Day-to-day operations budget shortfall - October 1, 2021</b>	<b>5,225</b>	3.17%
<b>Personnel</b>		
Labour relations	(1,555)	-0.94%
New staffing requests - net decrease from placeholder	(125)	-0.08%
Minimum wage impact effective January 1, 2022	431	0.26%
	<b>(1,249)</b>	-0.76%
<b>Non-Personnel</b>		
Print and Mail Strategy	(112)	-0.07%
Reduce contract escalations	(73)	-0.04%
Elimination of non-Markham residents Election Rebate + max of \$150 rebate	(129)	-0.08%
	<b>(314)</b>	-0.19%
<b>Revenues</b>		
Recreation, Sports Fields, Culture and Library user fees to mitigate minimum wage increases	(225)	-0.14%
Digital Railway Banner commercial advertising and community messaging	(230)	-0.14%
	<b>(455)</b>	-0.28%
<b>Total Budget Reductions</b>	<b>(2,018)</b>	-1.22%



## 2022 Proposed Operating Budget – Staffing Requests Approved Mid-Year 2021

<b>Tax Funded Budget - Approved Mid-Year 2021</b>	<b>No. of Positions</b>	<b>A Salary and Benefits</b>	<b>B Expense / Revenue Offsets</b>	<b>C = A - B Net Tax Funded Impact</b>
<b><u>New Position Requests - Full-Time (Tax Funded)</u></b>				
By-Law Supervisor	1	122,390	-	122,390
Assistant Manager By-Law	1	139,755	-	139,755
<b><i>Total New Position Requests - Full-Time</i></b>	<b>2</b>	<b>262,144</b>	<b>-</b>	<b>262,144</b>
<b><u>New Position Requests - Contract (Tax Funded)</u></b>				
Accounts Payable Supervisor (3-year contract)	1	95,422	-	95,422
<b><i>Total New Position Requests - Contract</i></b>	<b>1</b>	<b>95,422</b>	<b>-</b>	<b>95,422</b>
<b><i>TOTAL APPROVED MID-YEAR 2021</i></b>	<b>3</b>	<b>357,566</b>	<b>-</b>	<b>357,566</b>



## Proposed 2022 Operating Budget – Staffing Requests

### Tax Funded 2022 Requests

Tax Funded Budget - 2022 Request	No. of Positions	A Salary and Benefits	B Expense / Revenue Offsets	C = A - B Net Tax Funded Impact
<b><u>New Position Requests - Conversion (Tax Funded)</u></b>				
Senior Buyer	1	112,113	94,877	17,236
Building Automation Systems Coordinator	1	102,733	58,000	44,733
<b><i>Total New Position Requests - Conversion (Tax Funded)</i></b>	<b>2</b>	<b>214,847</b>	<b>152,877</b>	<b>61,970</b>
<b><u>New Position Requests - Contract (Tax Funded)</u></b>				
Right-of-Way Technician (2-year contract)	1	79,723	79,723	-
<b><i>Total New Position Requests - Contract</i></b>	<b>1</b>	<b>79,723</b>	<b>79,723</b>	<b>-</b>
<b>TOTAL TAX FUNDED BUDGET</b>	<b>3</b>	<b>294,570</b>	<b>232,600</b>	<b>61,970</b>



## Proposed 2022 Operating Budget – Staffing Requests

### Non-Tax Funded 2022 Requests

Non-Tax Funded Budget - 2022 Position	Funding Source	No. of Positions	A	B	C = A - B
			Salary and Benefits	Expense / Revenue Offsets	Non-Tax Funding
<b><u>New Position Requests - Full-Time (Non-Tax Funded)</u></b>					
Senior Environmental Engineer	Development Fees and DC	1	139,200	-	139,200
Capital Works Engineer	DC	1	139,200	-	139,200
Traffic Systems Engineer	DC	1	139,200	-	139,200
Parks Planning - Planner I	DC	1	102,733	-	102,733
Parks Planning - Senior Planner	DC	2	243,808	-	243,808
Parks Planning - Project Manager	DC	1	139,200	-	139,200
Committee of Adjustment Supervisor	Development Fees	1	122,390	-	122,390
Development Technician, Committee of Adjustment	Development Fees	1	77,325	-	77,325
Development Review Supervisor, Urban Design	Development Fees	1	139,755	-	139,755
Senior Planner	Development Fees	1	122,390	-	122,390
Client Advisor - Infrastructure and CyberSecurity	Life Cycle	1	144,358	-	144,358
<b><i>Total New Position Requests - Full-Time</i></b>		12	<b>1,509,556</b>	-	<b>1,509,556</b>



## Proposed 2022 Operating Budget – Staffing Requests

### Non-Tax Funded 2022 Requests (continued)

Non-Tax Funded Budget - 2022 Position Requests (continued)					
		A	B	C = A - B	
Non-Tax Funded Budget - 2022 Position	Funding Source	No. of Positions	Salary and Benefits	Expense / Revenue Offsets	Non-Tax Funding
<b><u>New Position Requests - Conversion (Non-Tax Funded)</u></b>					
Client Advisor	Life Cycle	1	144,358	122,379	21,979
Manager, Corporate Security	Life Cycle	1	139,200	118,007	21,193
Development Technician, Applications Intake	Development Fees	2	143,118	81,771	61,347
Asset Management Analyst	Waterworks	1	114,000	160,000	(46,000)
<b><i>Total New Position Requests - Conversion (Non-Tax Funded)</i></b>		<b>5</b>	<b>540,676</b>	<b>482,156</b>	<b>58,519</b>
<b><u>New Position Requests - Contract (Non-Tax Funded)</u></b>					
Law Clerk (3-year contract)	Development Fees	1	87,439	-	87,439
Net Zero Project Manager (2.5-year contract)	Life Cycle	1	118,477	-	118,477
<b><i>Total New Position Requests - Contract (Non-Tax Funded)</i></b>		<b>2</b>	<b>205,916</b>	<b>-</b>	<b>205,916</b>
<b><i>TOTAL NON-TAX FUNDED BUDGET</i></b>		<b>19</b>	<b>2,256,148</b>	<b>482,156</b>	<b>1,773,992</b>



## Minimum Wage Increase – January 1, 2022

In the 2021 Fall Economic Statement, the Ontario government announced it would introduce legislation to increase the general minimum wage from \$14.35 to \$15.00 per hour (4.5% increase) effective January 1, 2022

- The City will adjust Part-Time salaries where applicable and address compression issues and to remain competitive
- Total 2022 financial impact including 8.3% benefits is \$430,800
- Recreation portion \$362,000 (84%) of total impact
  - \$143,000 (39.5%) tax funded and \$219,000 (60.5%) user fee increase, partial year impact
  - 2.75% user fee increase



## Proposed 2022 Operating Budget

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

(\$ Millions)	2021 \$	2022 \$	Increase/ (Decrease) \$	Tax Rate Increase/ (Decrease) %
<b>Revenues</b>	<b>244.52</b>	<b>246.62</b>	<b>2.10</b>	<b>(1.27%)</b>
<b>Expenditures</b>				
Personnel	143.75	145.14	1.39	
Non-Personnel	100.77	103.87	3.09	
<b>Total Expenditures</b>	<b>244.52</b>	<b>249.00</b>	<b>4.48</b>	<b>2.72%</b>
<b>Shortfall: Day-to-day operations</b>	<b>(0.00)</b>	<b>2.38</b>	<b>2.38</b>	<b>1.45%</b>
<b>Infrastructure Investment</b>		<b>0.82</b>	<b>0.82</b>	<b>0.50%</b>
<b>Net Shortfall</b>		<b>3.20</b>	<b>3.20</b>	<b>1.95%</b>



## **Proposed 2022 Operating Budget**

### **Diversifying our Revenue Sources Recreation, Sports Fields and Library User Fee Changes**

Mary Creighton, Director, Recreation Services



## Diversifying our Revenue Sources – User Fee Changes

### **Recreation including Sports Fields**

OUR MISSION is to provide high quality, safe and fun programs and services that are inclusive, accessible and affordable for all residents.

Recreation Services provide three service delivery methods that include:

- Direct programming – Represents 43% of revenue collected
- Drop in opportunities – Represents 6% of revenue collected
- Membership – Represents 9% of revenue collected
- Facility Permit: Provision of facilities for use by recreational and competitive sport delivered by community partners – Represents 35% of revenue collected



## Diversifying our Revenue Sources – User Fee Changes

### Direct Programs

**Direct programs** include “Learn to Programs” within aquatics, sports, camps and general programming.

These programs are instructional based and are accompanied by a paid instructor.

Learn to Programs are user fee based, participants pay a fee to take part in the program which are available for all age groups: parent and tots to older adults.

**Staff recommend increasing all eligible base rates by 2.75% in this category with the exception of Aquatic Leadership training courses which are established in conjunction with the Life Saving Society, effective July 1, 2022**



## Diversifying our Revenue Sources – User Fee Changes

### Drop In Programs

- **Drop In** opportunities include scheduled times in community centres where an activity is open for public use for a variety of age groups.
- These programs allow for the greatest benefit to the community based on cost and accessibility, which aligns with Recreation's priority to provide opportunities for accessible and affordable service for all residents without barriers to participation.

**Staff recommend increasing all eligible base rates by 2.75% in this category, effective July 1, 2022**



## Diversifying our Revenue Sources – User Fee Changes

### Fitness

- Fitness includes memberships, personal training and group classes.
- A supplementary review was completed on Fitness offerings within Recreation.
- Comparator municipalities are currently experiencing low participation levels and low membership enrollment in their Fitness portfolio, which they believe could be as a result of their current membership rates are priced above market trends. Minimal increase only.

**Staff recommend increasing all eligible base rates by 2.75% in this category effective July 1, 2022**



## Diversifying our Revenue Sources – User Fee Changes

### Facility Permits

- **Facility Permits** is the provision of facilities to local sport and community organizations, and private rentals.
- Recreation Services partners with over 200 sport organizations and permits space and city assets to groups to deliver competitive and community sport programming.
- User groups pay a permit fee for the use of City assets.
- City assets include hockey arenas, baseball diamonds, soccer fields, cricket pitches pools, meeting rooms and hall rentals.

**Increasing all eligible outdoor sports field rental rates by 2.75% in this category effective May 1, 2022.**

**Staff recommend increasing all eligible base rates by 2.75% in this category effective July 1, 2022, with the exception of midnight ice rental which is to**



## Diversifying our Revenue Sources – User Fee Changes

### Library User Fees

Library services includes paid programming, room bookings and facility rentals.

**Staff recommend increasing all eligible base rates by 2.75% effective July 1, 2022**



## **Proposed 2022 Operating Budget**

### **Diversifying our Revenue Sources Culture User Fee Changes**

Christina Kakaflikas  
Director, Economic Growth, Culture and Entrepreneurship



## Diversifying our Revenue Sources – User Fee Changes

### **Culture Services User Fees**

To mitigate wage rate increases and remain competitive, staff recommend the following user fees be increased in 2022:

#### **Museum**

All user fees increasing by 2.75% effective March 1, 2022

#### **Art Gallery**

Camp programs and rental fees, increasing by 2.75% effective July 1, 2022

#### **Theatre**

Camp programs and ticket handling fees increasing 2.75% effective July 1, 2022



## **Proposed 2022 Operating Budget**

### **Diversifying our Revenue Sources Parking Initiatives and User Fee Changes**

Anthony Fabrizi, Assistant Manager, By-Law Services  
Christopher Bullen, Manager, By-Law Services



## Overnight Exemption Fee Initiative

- Overnight parking exemptions currently have no fees associated with the requests. Administrative costs for managing these exemptions are not recovered.
- Charging a nominal fee will allow for cost recovery and assist in managing exemption volumes.
- Some surrounding municipalities (Vaughan, Richmond Hill, Newmarket and Toronto) charge a fee for providing an overnight parking exemption. Richmond Hill and Newmarket charges \$5.00 per night while Vaughan and Toronto charges \$7.00 per night. Others have temporary permits or visitor permits with fees related to length of stay.
- Based on similar fees charged, staff are proposing a \$7.00 fee per exemption. It is proposed that an online system built upon the Parking Penalty Payment program, could be utilized by customers to obtain an overnight permit using plate information and a credit card. If approved, it is anticipated to start April 1, 2022.
- A reduction in the number of customers utilizing this service is expected given the associated fees. However, experience from other municipalities indicates that only a 15% reduction in demand. Table 1 below illustrates the potential (annual) revenue, with the assumption of reduced customers by 15%.

**TABLE 1**

YEAR	HISTORICAL OVERNIGHT EXEMPTION REQUEST VOLUMES	POTENTIAL REVENUES (Annualized)
2020	39,489	\$0
2021	34,721	\$0
2022	29,750	\$208,250



## Increases to Monthly Parking Permit Fees

- Monthly Permits currently have a fee of \$55.00.
- Approximately 100 streets have permit revenue, but 220 streets are approved City-Wide.
- Staff are proposing a fee increase of \$5.00 to reflect and recover higher operating costs. Most municipalities across the Greater Toronto Area have an increased fee structure related to CPI. The table below illustrates potential volumes and revenues.
- Potential additional annual revenues of \$17,500 could be realized if volumes remain at current levels. Effective date is April 1, 2022.
- Expansion of permit sales to additional streets could generate more revenue, however, parking penalty revenue may be impacted as or if more permits are sold.\*

YEAR	PERMITS SOLD	\$55.00 CURRENT FEE AND REVENUES	PROPOSED \$60 FEE AND REVENUES
2020	4,755	\$261,525	
2021	1,740	\$95,700	
2022	3,500	\$192,500	\$210,000

\*Expansion of Monthly Permits would generate additional revenues depending on uptake and enrollment, however, it is important to note that as Monthly Permit Sales increase, parking ticket issuance for those offences would decrease. Depending on the ratios, expanding monthly permit sales and areas could negatively impact parking revenues since some vehicles currently ticketed multiple times for overnight parking would no longer be ticketed and could result in a revenue loss.



## Extended Driveways – Front Yard Parking

- Front-yard parking offences are currently enforced using Zoning related Bylaws. Little fine revenue is realized and the enforcement process is labour-intensive.
- Each year, approximately 600 front-yard parking complaints are received.
- Enforcing extended driveway parking by amending the Parking Bylaw, will address resident concerns about community standards, and enhance enforcement effectiveness. Effective date would be April 1, 2022
- Parking Enforcement Officers would enforce on a complaint basis and staff are recommending a penalty of \$60.00. This penalty is in line with other municipalities' sidewalk and boulevard related offences. The Table below illustrates potential revenues assuming complaint volume remains at current levels\*

YEAR	OVERNIGHT OFFENCES	REVENUES
2021	600	\$0
2022	600	\$28,800

\* A collection rate of 80% is being used given that disputed tickets may have fines cancelled or reduced.



## Diversifying our Revenue Sources – User Fee Changes

### Parking

Description	Current Fee	Fee Increase %	New Fee Effective (Jan. 1, 2022)	Rate Increase
Monthly Parking Permit	\$55.00	9.09%	\$60.00	\$5.00
Description			New Fee	Effective Date
Overnight Exemption Fee	New		\$7.00	Apr. 1, 2022
Front Yard Parking Offences	New		\$60.00	Apr. 1, 2022



## **Proposed 2022 Operating Budget**

### **Diversifying our Revenue Sources New Business Licensing Fees**

Jeff Baker, Supervisor, Licensing and Business Standards  
Martha Pettit, Deputy City Clerk



## Proposed New Licensing Categories

- Staff propose to modify & expand the City's current business licensing categories to: 1. align with current practices of other Ontario municipalities; 2. to further support public health & safety and consumer protection.
- Proposed new licensing categories include:
  1. Private Transportation Companies (PTCs)
  2. Driving School Instructors
  3. Tow Truck Companies
  4. Food Trucks
  5. Commercial Dog Walkers
  6. Vape Stores
- New licensing fee revenues will offset unfavorable variances in licensing revenue budgets resulting from industry changes & the COVID19 Pandemic.



## Proposed New Licensing Categories - PTCs

### 1. Private Transportation Companies (PTCs)

- Not currently licensed in Markham but are operating in the City.
- Staff to present a proposed PTC regulatory framework and associated by-law amendments at the December 7<sup>th</sup> General Committee meeting.
- Fees By-law will have to be amended to add an annual licensing fee for PTC companies as well as a .30 cent per ride levy.
- Projected annual licensing fee revenue of \$10,000 - \$15,000 and an additional \$125,000 in revenue from the “per trip” ride levy.
- 2022 projected revenue from traditional taxicabs is \$70,000 (far short of the budgeted amount for taxicabs \$309,000).
- The estimated PTC licensing revenue will help mitigate the unfavorable variance in taxicab licence revenue.



## Proposed New Licensing Categories - Driving School Instructors

### 2. Driving School Instructors

- City currently licenses driving schools & administers a fee for the plate but does not currently license the Driving School Instructors themselves.
- Staff propose amending the *Fees By-law* to add a \$100 fee for each Driving School Instructor.
- This amendment aligns with current practice of licensing taxi, limo and tow truck drivers; some GTHA municipalities already license Driving School Instructors for public safety and consumer protection purposes.
- Staff anticipate between 120-140 licensed driving instructors for 2022, creating \$12,000 - \$14,000 in potential new annual revenue.



## Proposed New Licensing Categories - Tow Truck Companies

### 3. Tow Truck Companies

- The City's current *Mobile Licensing By-law* has a fee for Tow Truck Owners and Tow Truck Drivers, but not for the Tow Truck Company (the single company (entity) that operates the fleet of tow trucks).
- Staff propose an amendment to add a definition for "Tow Truck Company" to the *Mobile Licensing By-law*, and amend the *Fees By-law* to add a \$550 annual fee for Tow Truck Companies.
- This amendment would assist with by-law enforcement and would be in alignment with the discussions currently underway at the Provincial Working Group.
- Newmarket has recently amended its by-law to include Tow Truck Companies.
- Based on current data, staff anticipate 45-50 Tow Truck Company licences, and project potential new revenue for 2022 to be \$24,000 - \$27,000.



## Proposed New Licensing Categories – Food Trucks

### 4. Food Trucks

- Since the onset of the COVID19 Pandemic, the City has been approached by several operators requesting a City Food Truck licence.
- Toronto, Mississauga, Hamilton, Windsor, Richmond Hill and Georgina are among those who currently license Food Trucks.
- Staff propose an amendment to the current *Mobile Licensing By-law*, Schedule 5 (to add an additional category for Refreshment Vehicle type)
- Staff propose that separate fees be initiated for the Food Truck Vehicle and the Food Truck Driver/Operator (in line with tow trucks, taxis and refreshment vehicles)
- Potential revenue based on the number of inquiries received would be \$13,000 - \$16,000 (includes Food Truck Driver/Operator and Food Truck Vehicle fees).



## Proposed New Licensing Categories – Commercial Dog Walkers

### 5. Commercial Dog Walkers

- Commercial dog walkers are a growing safety concern in the City's off-leash parks due to the number of dogs they bring to parks and their ability to control/monitor each dog in their care.
- Currently Toronto, Brampton and Mississauga license commercial dog walkers for health and safety and consumer protection purposes.
- A scan of Canada 411 indicates there are companies currently offering dog walking services in Markham.
- Staff propose an amendment to the City's *Animal Protection & Services By-law* to add a definition & provisions for Commercial Dog Walkers.
- Staff propose an amendment to the *Fees By-law* to add an annual fee of \$266 (based on benchmarking) for Commercial Dog Walkers.
- Staff project the potential new revenue associated with the licensing of Commercial Dog Walkers to be \$6,000 - \$8,000 annually.



## Proposed New Licensing Categories – Vape Stores

### 6. Vape Stores

- Public health concerns have been raised around the sale & use of vaping products.
- Currently Toronto and Oakville license Vape Stores (fees are \$645 and \$191 respectively).
- Staff propose amendments to the *Stationary Licensing By-law* to provide for definitions and provisions for Vape Store Operators.
- Staff propose amendments to the City's *Fees By-law* to add an annual licence fee of \$399 for Vape Stores, which is in line with current fee for a tobacco license
- Based on current data, projected revenue from this proposed licence category would be \$30,000 - \$39,000



## Summary

- The City is committed to the well-being of all residents and visitors.
- Business Licensing and Standards staff continue to promote and support public health & safety and consumer protection measures as part of their licensing frameworks.
- The proposed 6 new licensing categories have been identified by staff as areas where new regulations are required.
- Staff feel the fees and regulations being proposed are fair and in-line with other municipalities who have similar licensing frameworks.



## Diversifying our Revenue Sources – User Fee Changes

### New Licensing Fees

Description	New Fee	Effective Date
Private Transportation Companies 1 - 50 vehicles	\$750.00	Apr. 1, 2022
Private Transportation Companies 51 to 100 vehicles	\$2,500.00	Apr. 1, 2022
Private Transportation Companies 101 to 500 vehicles	\$7,500.00	Apr. 1, 2022
Private Transportation Companies 500 or more vehicles	\$15,000.00	Apr. 1, 2022
Private Transportation Companies (PTCs) - per ride levy	\$0.30	Apr. 1, 2022
Driving School Instructors	\$100.00	Jan. 1, 2022
Tow Truck Companies	\$550.00	Jan. 1, 2022
Food Trucks - per vehicle	\$530.00	Apr. 1, 2022
Food Trucks - per driver/attendant	\$265.00	Apr. 1, 2022
Commercial Dog Walkers	\$266.00	Apr. 1, 2022
Vape Stores	\$399.00	Apr. 1, 2022



## **Proposed 2022 Operating Budget**

### **Diversifying our Revenue Sources Municipal Election Contribution Rebate Program**

Scott Chapman, Manager, Elections

Kimberley Kitteringham, Director, Legislative Services & Communications



## Background

- Candidate Contribution Rebate Program (CCRP) established in 2003
- Provides fundraising support to candidates running for Markham City Council in a municipal election
- Policy Objectives:
  - Level the playing field between incumbent and non-incumbent candidates
  - Foster engagement among voters in the election of their own Council
  - Curtail the influence of wealthier donors, corporations, and special interest groups on Markham election financing

### CCRP Rebate Formula (Current)

Contribution Amount	Rebate
\$551 – \$1,200 (max.)	\$350
\$301 – \$550	\$225 + 50% of contribution amount in excess of \$300
\$50 – \$300	\$75% of contribution amount



## Background (Continued)

### CCRP Cost Impact (2003-2018)

Election Year	Rebates Issued (Count)	Rebates Issued (\$)
2003	1,996	\$ 157,275
2006	2,229	\$ 368,435
2010*	2,583	\$ 459,181
2014	2,781	\$ 546,363
2018	2,300**	\$ 549,964**
<b>Total</b>		<b>\$ 2,081,028</b>
<i>*2010 includes rebates issued for 2009 Ward 3 By-Election</i>		

### \*\*Notes on 2018 Municipal Election

- City paid \$549,964 in rebates
- Additional \$226,096 in rebates invalidated due to non-compliance with CCRP by-law
- Non-compliance sources:
  - Contributor did not apply for rebate
  - Candidate did not file a complete campaign financial statement
- Had full by-law compliance been achieved, the City would have paid **\$776,060** in rebates



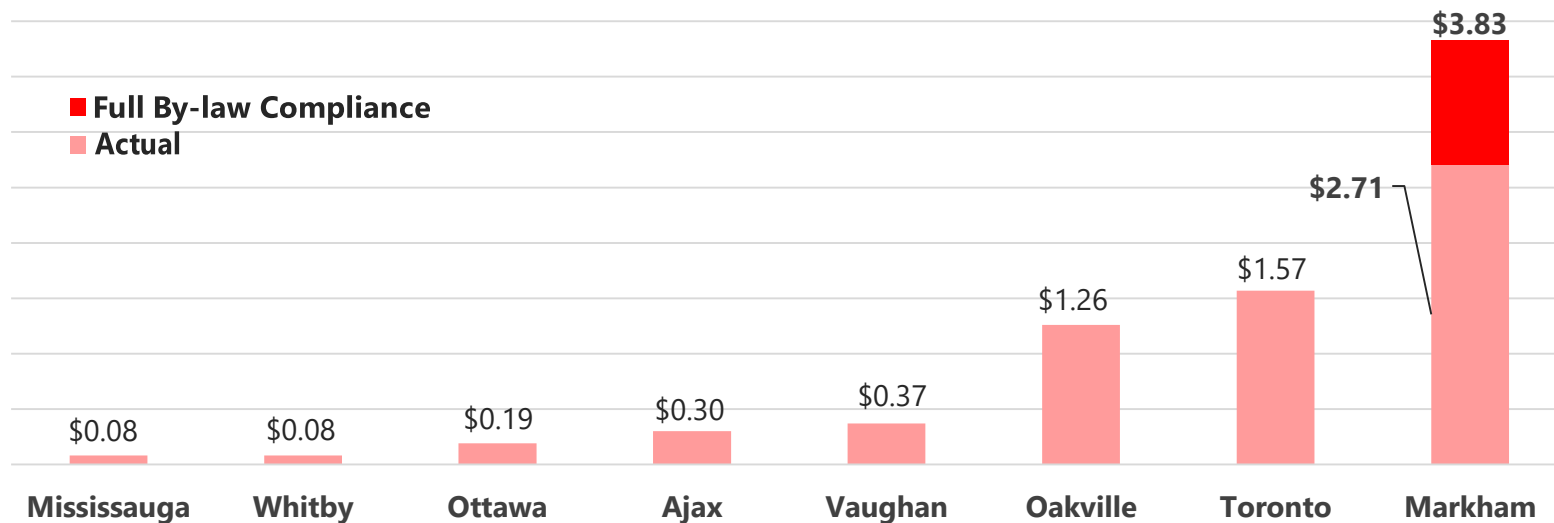
## Discussion

- CCRP is the City's most significant election-related expense
  - Equivalent to nearly 50% of City's overall election budget
- Funds historically allocated to less than 1% of all Markham voters
- Program costs have increased with each election
- Unclear whether the program's policy objectives are being furthered
  - Program used equally by incumbents and non-incumbents
  - Upward pressure on average donation size under existing cap



## Municipal Comparison

Rebate Program Cost Per Voter (2018 Municipal Election)



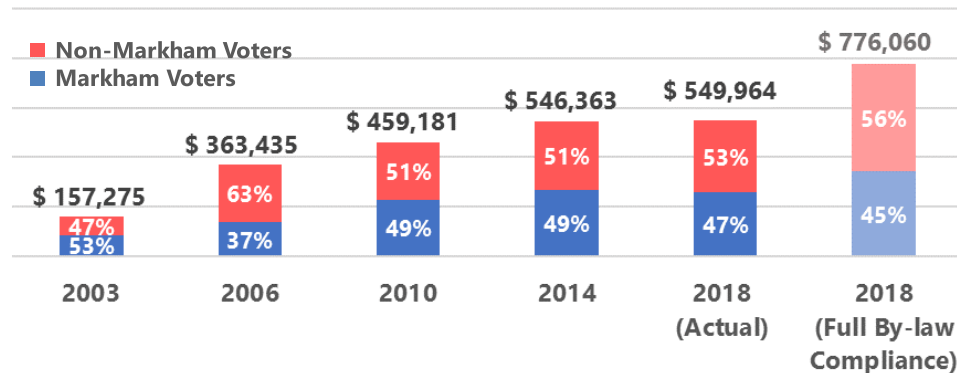


## Recommendation 1

### **Recommendation 1: Restrict rebates to Markham voters**

- CCRP funded entirely by Markham voters (i.e., taxpayers)
- Currently, rebates can be claimed by Markham and non-Markham voters
- 53% of rebates issued to date (\$1.1 million) claimed by non-Markham voters
- Policy rationale:
  - Ensures program funds are directed toward the people supplying them
  - Added incentive to get on the Voters' List
- **This would not prevent non-voters from donating to candidates in Markham**

Rebates Issued (\$) in Markham Municipal Elections  
(2003-2018)





## Recommendation 2

### **Recommendation 2:    *Lower the maximum rebate cap per person from \$350 to \$150***

- Markham currently awards one of the highest maximum rebates of any municipal rebate program in Ontario (\$350 per person)
- Maintaining existing cap has required continuous increases to program funding
- Upward pressure on average donation size under existing cap
- Policy rationale:
  - Encourage fundraising through smaller-dollar donations to produce campaigns reflecting broad support for the candidate



## Recommendations 1 & 2 – Cost Impact

### CCRP Cost Impact - 2018 Municipal Election (Recommendations 1 & 2)

	A	B	C=A+B
	Actual \$	Non-Compliant \$	Total \$
<b>2018 Rebate Program</b>	549,964	226,096	776,060
<b>Less: Non-Markham Voters (i)</b>			
<i>Recommendation 1</i>	(292,022)	(132,033)	(424,055)
<b>Markham Voters Only</b>	257,942	94,063	352,005
<b>\$150 Rebate Cap per Person (ii)</b>			
<i>Recommendation 2</i>	(105,469)	(38,536)	(144,005)
<b>Markham Voters Only with \$150 Rebate Cap per Person</b>	152,473	55,527	<b>208,000</b>
<b>Projected Cost Avoidance (i + ii)</b>	(397,491)	(170,569)	(568,060)



## Financial Considerations

- The City currently sets aside \$181,000 annually for the CCRP, which ramps up to \$724,000 per election ( $\$181,000 \times 4$  years)
- Should Council approve the proposed program amendments, approximately \$208,000 (\$52,000 per year) would be required for the 2022 Municipal Election
- This would achieve a cost reduction of:
  - 2022 Municipal Election: \$516,000 ( $\$724,000 - \$208,000$ ); AND
  - 2022 City Budget: \$128,000 ( $\$181,000 - \$52,000$ )



# **Proposed 2022 Operating Budget** **in camera session**



## 2021 Budget Shortfall Phase-In

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

		Tax Rate Increase
(\$ Millions)	\$	%
<b>2021 Budget Shortfall</b>	<b>3.60</b>	<b>2.19%</b>
Extend Markham Centre Library ramp-up from 8 to 12 years, ending 2032 (2 of 12)	(0.08)	
Extend year-end accounting accrual ramp-up from 8 to 10 years, ending 2025 (7 of 10)	(0.12)	
Increase salary gapping	(0.25)	
	<u>(0.45)</u>	<b>-0.27%</b>
<b>2021 Budget Shortfall to be phased in 2023 to 2025</b>	<b>3.15</b>	<b>1.91%</b>
<b>Transfer from Corporate Rate Stabilization</b>	<b>(3.15)</b>	<b>-1.91%</b>
<b>2022 Budget Impact from 2021 Budget Shortfall</b>	<b>-</b>	<b>0.00%</b>

Staff will seek ways to address the 2021 budget shortfall through modernization and efficiencies to mitigate future tax rate increases in the 2023 - 2025 budgets



## Proposed 2022 Operating Budget

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

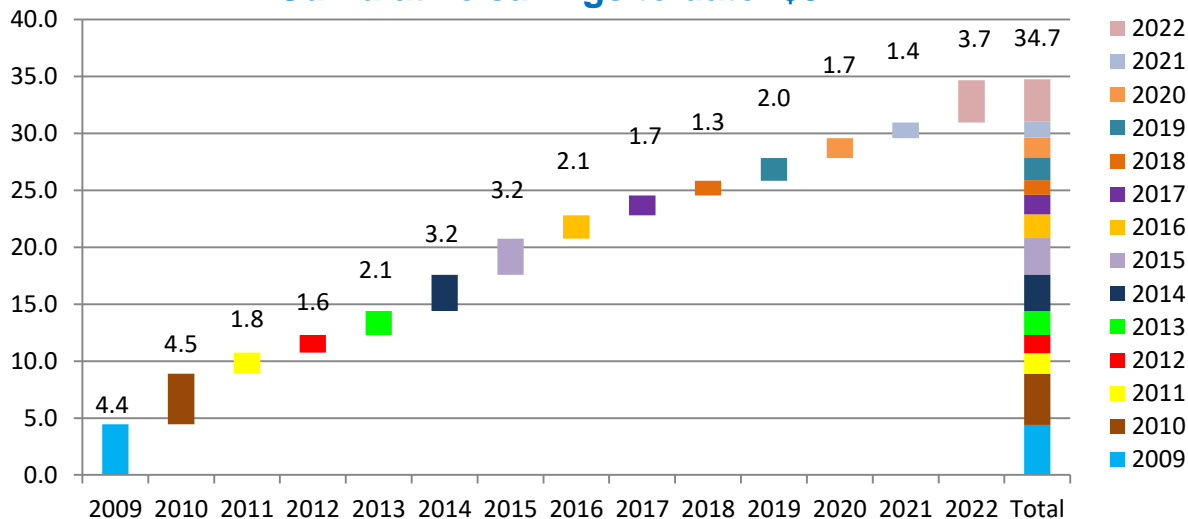
(\$ Millions)	2021 \$	2022 \$	Increase/ (Decrease) \$	Tax Rate Increase/ (Decrease) %
<b>Revenues</b>	<b>244.52</b>	<b>246.62</b>	<b>2.10</b>	<b>(1.27%)</b>
<b>Expenditures</b>				
Personnel	143.75	145.14	1.39	
Non-Personnel	100.77	103.87	3.09	
<b>Total Expenditures</b>	<b>244.52</b>	<b>249.00</b>	<b>4.48</b>	<b>2.72%</b>
<b>Shortfall: Day-to-day operations</b>	<b>(0.00)</b>	<b>2.38</b>	<b>2.38</b>	<b>1.45%</b>
<b>Infrastructure Investment</b>		<b>0.82</b>	<b>0.82</b>	<b>0.50%</b>
<b>Net Shortfall</b>		<b>3.20</b>	<b>3.20</b>	<b>1.95%</b>



## Proposed 2022 Operating Budget

Excellence Through Efficiency and Effectiveness (E3)

Cumulative savings to date: \$34.M



2022 savings to date  
\$3.7M

Cumulative  
savings to date  
\$34.7M

Total savings  
\$34.7M – equates to  
tax rate increase  
avoidance of 27.6%



## 2022 Budget Overview



Budget	Amount
Primary Operating	\$ 249.8
Waterworks Operating	137.4
Engineering Operating	12.8
Planning & Design Operating	10.2
Building Services Operating	9.6
<b>Total Operating</b>	<b>419.9</b>
<b>Total Capital</b>	<b>99.6</b>
<b>Total Budget (in millions)</b>	<b>\$ 939.3</b>

Funding Sources	Amount
Property Taxes	\$ 173.1
Water and Wastewater Fees	137.4
Reserves and Reserve Funds	68.6
Development Fees	33.2
Development Charges	27.8
Investment Income	25.2
Rentals, Licences, Permits, Fines and Penalties	23.9
User Fees	21.6
Other	8.7
<b>Total Funding Sources (in millions)</b>	<b>\$ 519.5</b>

Primary Operating Budget includes a \$28M contribution to the Life Cycle Capital Repair and Replacement Reserve Fund



## 2022 Budget Impact to Average Residential Property




Property Type	2021 Average Current Value	1.95% Tax Rate Increase
Residential Homes* 	\$987,755	\$29.56
Residential Condominiums 	\$421,000	\$12.60
<b>Average</b> (Homes and Condominiums)	<b>\$846,462</b>	<b>\$25.33</b>

Every 1% tax rate increase (local portion only) is equivalent to an increase of \$12.99 in property taxes for an average residential property

\* Residential Homes include single family detached, linked homes, freehold townhouses, and semi-detached.



## 2022 Budget Impact to Average Residential Property

		2022 % Increase	Increase \$
Tax rate increase – Markham (includes 0.5% Infrastructure Investment)		1.95%	25.33
Tax rate increase – York Region		2.96%	81.79
Water & wastewater fee		3.30%	30.85
<b>Total</b>			<b>\$137.97</b>

Note: Excludes continuation of the \$52 stormwater fee



## Recommendations

### Budget Public Meeting Presentation

1. That Budget Committee approve a \$3,150,000 transfer from the Corporate Rate Stabilization to provide temporary funding for the 2021 Budget shortfall; and
2. That Budget Committee approve a proposed operating budget tax rate increase of 1.95% be presented at the December 8, 2021 Budget Public meeting; and
3. That Staff do all things necessary to give effect to this resolution



## **Recommendations**

### **Recreation, Library, and Culture User Fees**

1. That all direct program, drop in, membership and facility permit rate increase by 2.75%, effective July 1, 2022
2. That all outdoor sports field rental rates increase by 2.75% effective May 1, 2022
3. That all Library services user fees including paid programming, room bookings and facility rentals increase by 2.75%, effective July 1, 2022
4. That all Museum user fees increase by 2.75%, effective March 1, 2022
5. That all Art Gallery camp programs and rental fees increase by 2.75%, effective July 1, 2022
6. That all Theatre camp programs and ticket handling fees increase by 2.75%, effective July 1, 2022
7. That Staff do all things necessary to give effect to this resolution



## **Recommendations**

### **Parking Initiatives - User Fees**

1. That the increase in fees for monthly parking permits and overnight parking permits be approved, and that a new parking offence be created for parking on extended driveways; and further
2. That Staff do all things necessary to give effect to this resolution



## Recommendations

### New Licensing Fees

1. That the following new licensing fees be approved:

Description	New Fee	Effective Date
Private Transportation Companies 1 - 50 vehicles	\$750.00	Apr. 1, 2022
Private Transportation Companies 51 to 100 vehicles	\$2,500.00	Apr. 1, 2022
Private Transportation Companies 101 to 500 vehicles	\$7,500.00	Apr. 1, 2022
Private Transportation Companies 500 or more vehicles	\$15,000.00	Apr. 1, 2022
Private Transportation Companies (PTCs) - per ride levy	\$0.30	Apr. 1, 2022
Driving School Instructors	\$100.00	Jan. 1, 2022
Tow Truck Companies	\$550.00	Jan. 1, 2022
Food Trucks - per vehicle	\$530.00	Apr. 1, 2022
Food Trucks - per driver/attendant	\$265.00	Apr. 1, 2022
Commercial Dog Walkers	\$266.00	Apr. 1, 2022
Vape Stores	\$399.00	Apr. 1, 2022

2. That Staff do all things necessary to give effect to this resolution



## Recommendations

### Municipal Election Contribution Rebate Program

1. That the City of Markham's Municipal Election Candidate Contribution Rebate Program's enabling by-law (By-law 2018-17) be amended to:
  - Restrict rebates to Markham voters;
  - Lower the maximum rebate cap per person from \$350 to \$150
2. That staff be authorized and directed to do all things necessary to give effect to this resolution.



## Next Steps

	Date	Description
Meeting #8	Friday, December 3	If required
Public Meeting	Wednesday, December 8	Budget presentation for the Public Meeting 6:30 pm to 8:30pm – open to the public by Zoom
<b>Council</b>	<b>Tuesday, December 14</b>	<b>Council decision 1 to 4:30pm</b>
Press Conference	Wednesday, December 15	10:00 am to noon



## 2022 Budget Budget Committee Meeting #7 December 2, 2021



**East Works Yard**  
(artist rendering)