



Report to: General Committee

Meeting Date: June 11, 2019

SUBJECT: 2020 Budget Schedule
PREPARED BY: Matthew Vetere, Manager, Budgeting

RECOMMENDATION:

- 1) That the report dated June 11, 2019 titled “2020 Budget Schedule” be received; and,
- 2) That the following schedule for the 2020 Budget be approved with the dates and times below:

Meeting #1 – Tuesday, September 24, 2019 (9:00 a.m. to 12:00 p.m. Council Chamber)

Meeting #2 – Friday, September 27, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Meeting #3 – Friday, October 4, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Meeting #4 – Tuesday, October 29, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Meeting #5 – Friday, November 1, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Meeting #6 – Tuesday, November 5, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Meeting #7 – Friday, November 8, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Meeting #8 – Tuesday, November 12, 2019 (3:00 p.m. to 5:00 p.m. – Council Chamber)

General Committee – Monday, November 18, 2019 (9:30 a.m. – Council Chamber)

- Draft presentation of the proposed 2019 Budget for the public meeting

Meeting #9 – Tuesday, November 19, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

Public Meeting – Wednesday, November 27, 2019 (7 p.m. to 9 p.m. – Council Chamber)

- Feedback from the public meeting will be incorporated into the report to Council

Council Decision – Tuesday, December 10, 2019 (1:00 p.m. – Council Chamber)

Press Conference – Wednesday, December 11, 2019 (2 p.m. – Canada Room); and,

- 3) That the following schedule for the 2020 Water & Wastewater Rate be approved with the dates and times below:

General Committee – Monday, October 7, 2019 (9:30 a.m. – Council Chamber)

Public Meeting – November 5, 2019 (6:30 p.m. – Council Chamber)

- Feedback from the public meeting will be incorporated into the report to Council

Council Decision – Wednesday, November 13, 2019 (1:00 p.m. – Council Chamber); and further,

- 4) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain approval on the proposed meeting dates for:

- 1) 2020 Budget; and
- 2) 2020 Water & Wastewater Rate

BACKGROUND:

The 2020 Budget process will include nine Budget Committee meetings that will be held over the months of September, October and November 2019. In addition, input will be sought through a public meeting to be held on November 27, 2019 at the Civic Centre. Staff will incorporate feedback from the public meeting into the report to Council. It is proposed that a Council decision on the 2019 Budget will be made on December 10, 2019, followed by a press conference on December 11, 2019.

The 2020 water & wastewater rate will be discussed at General Committee on October 7, 2019. A public meeting will be held on November 5, 2019 at the Civic Centre. Staff will incorporate feedback from the public meeting into the report to Council on November 13, 2019. The new rate will become effective April 1, 2020.

OPTIONS/ DISCUSSION:

Markham is focused on effective fiscal management and operational excellence to ensure sustainability of our City for the future.

1. 2020 Budget

Staff commenced the 2020 Budget in March 2019 with the annual Life Cycle Reserve Study update. The goal of the update is to determine if there are sufficient funds in the Life Cycle Replacement & Capital Reserve Fund at the end of the 25-year period. Details of the 2019 update will be provided at the first Budget Committee meeting on September 24, 2019.

Preliminary operating and capital budgets will be developed with consideration of items such as the departmental business plans, Life Cycle Reserve Study, Development Charges Background Study. Consideration will also be given to findings from an economic (fiscal) scan, which is a forecast of items that may have a financial impact on the budget such as collective agreements, inflation, interest rates and legislative changes.

A comprehensive review of budgets will be conducted by Staff, Commissioners and the CAO prior to being presented to the Budget Committee.

1a. Budget Committee and Other Meeting Dates

The proposed dates for the Budget Committee meetings to review, discuss and approve the 2019 Budget are outlined below:

Budget Committee

- Meeting #1** – Tuesday, September 24, 2019 (9:00 a.m. -12:00 pm, Council Chamber
– **2020 Budget Overview** (including review of the budget process, fiscal scan, overview of the Primary Operating budget, Capital budgets and Life Cycle Reserve Study update)
- Meeting #2** – Friday, September 27, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)
– **Department presentations and Capital review**
- Meeting #3** – Friday, October 4, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)
– **Continuation of Department presentations and Capital review**
- Meeting #4** – Tuesday, October 29, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)
– **Continuation of Department presentations and Capital review**
- Meeting #5** – Friday, November 1, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)
– **Continuation of Department presentations and Capital review**
- Meeting #6** – Tuesday, November 5, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)
– **Continuation of Department presentations and Capital review**
- Meeting #7** – Friday, November 8, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)
– **Continuation of Department presentations and Capital review**
- Meeting #8** – Tuesday, November 12, 2019 (3:00 p.m. to 5:00 p.m. – Council Chamber)
– **Primary Operating Budget**
- General Committee** – Monday, November 18, 2019 (9:30 a.m. – Council Chamber)
– Draft Operating Budget Public Meeting Presentation (based on the budget status following the November 12 Budget Committee meeting)

Meeting #9 – Tuesday, November 19, 2019 (9:00 a.m. to 12:00 p.m. – Council Chamber)

– **Building, Planning, Engineering and Waterworks Operating Budgets**

Public Meeting – November 27, 2019 (7:00 p.m. to 9:00 p.m. – Council Chamber)

- Public input to the 2020 Budget
- Staff will incorporate feedback from the public meeting into the report to Council

Council – Tuesday, December 10, 2019 (1:00 p.m. – Council Chamber)

- Council decision on 2020 Budget

Press Conference – Wednesday, December 11, 2019 (2 p.m. – Canada Room)

- Press conference and media release on 2020 Budget

1b. Communications Plan

All Budget Committee meetings are open to the public, and the meetings are streamed through Markham's website. Following the meetings, the presentation can be viewed and listened to on the Markham's website.

Notices of the Budget Committee meetings will be advertised in the Economist & Sun, Thornhill Liberal, SNAPd, Markham Review, 105.9 The Region, Markham's electronic information boards, social media, and on Markham's website.

1c. Paperless Capital Budget

On-line access to capital request forms was implemented in 2013 to align with the paperless agenda initiative. The process of accessing 2020 capital request forms on-line will be provided to Members of Council on Tuesday, September 10, 2019. Training, if required, will be provided prior to the budget deliberation process.

Capital Budget binders will be provided only on an exception basis. Requests should be made to Matthew Vetere by Tuesday, August 20, 2019.

1d. Process Improvements

As part of the City's continuous improvement to the budget process and based on Committee comments during the 2019 Budget process, Staff are proposing the following enhancements for the 2020 Budget review.

Department budget presentations

For the 2020 Budget process, Directors will make a presentation to Budget Committee on their department's operating and capital budgets to provide Committee with an overall perspective of the department's objectives and outcomes. The presentations will focus on

the department's organizational structure, its roles and responsibilities, alignment to the strategic plan, and new operating budget requests. As part of the presentation, the capital budget submissions will be reviewed on an exception basis.

These presentations will take place over meetings #2-7 beginning September 27th.

Detailed operating statements for the departments will be provided to Members of Council on Tuesday, September 10, 2019.

Capital budget requests and additional details

In prior years each capital project was submitted for review on a two page request form. As a means of streamlining the process the capital request form has been condensed to one page. Sections removed from the form to incorporate this change are incorporated within the remaining sections or were deemed redundant based on staff processes. An example of the one page form can be found in Appendix A.

To complement this change and based on Committee comments during the 2019 Budget process, staff will provide additional information to further explain capital projects over \$500,000 or capital projects that are politically sensitive.

2. 2020 Water & Wastewater Rate

Markham owns and operates the water distribution and wastewater collection systems, and purchases water supply and wastewater treatment from the Region of York. The Region of York purchases water from the City of Toronto and the Region of Peel.

The 2020 water & wastewater rate will be discussed at General Committee on October 7, 2019. A public meeting will be held on November 5, 2019 at the Civic Centre. Staff will incorporate feedback from the public meeting into the report to Council on November 13, 2019. The new rate will be effective April 1, 2020.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable.

RECOMMENDED BY:

Joel Lustig
Treasurer

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix A – 2020 One Page Capital Form