



**BUILDING MARKHAM'S  
FUTURE TOGETHER**  
2015-2019 Strategic Plan



# **2020 Budget Budget Committee Meeting #9 November 12<sup>th</sup>, 2019**



## Agenda

1. Approve minutes of the November 6 & 8 Budget Committee meetings #7 & 8
2. 2020 Operating Budget
3. Next Steps
4. Recommendations

## Approve minutes of the November 6 & 8 Budget Committee meetings

- Refer to Appendix A

## Revenues

(\$ Millions)

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

	2019 \$	2020 \$	Increase/ (Decrease) \$	Tax Rate Decrease %
<b>Total Revenues</b>	<b>233.04</b>	<b>236.54</b>	<b>3.50</b>	
Assessment growth (1.24%)			1.96	
Annual CPI and volume adjustments for user fees and rentals			1.18	
E3 - net revenue based on operational review			0.36	
<b>Total Revenue Increase</b>			<b>3.50</b>	<b>(2.21%)</b>

## Expenditures

(\$ Millions)

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

	2019 \$	2020 \$	Increase/ (Decrease) \$	Tax Rate Increase %
<b>Total Expenditures</b>	<b>233.04</b>	<b>239.22</b>	<b>6.18</b>	
<b>Personnel Costs</b>				
Existing staff and benefits			2.91	
New staffing requests			0.64	
			<b>3.55</b>	
<b>Growth</b>				
Future staff ramp-ups related to new facilities			1.11	
Growth (roads & parks including part-time staff, waste, winter maintenance)			0.29	
Transfer to capital program			0.54	
Capital induced operating costs			0.28	
			<b>2.22</b>	
<b>Municipal Service Contracts</b>				
Contract escalations (Catchbasin cleaning, winter maintenance)			1.11	
Other			0.27	
			<b>1.38</b>	
<b>E3 - net savings based on operational review, support services and awards</b>			<b>(0.97)</b>	
<b>Total Expenditure Increases</b>			<b>6.18</b>	<b>3.91%</b>



## Staffing Requests

<b>Tax Positions</b>	<b>No. of Positions</b>	<b>Net tax impact \$</b>
New Position Requests	7	431,872
Conversions to Full-time	8	0
New Position Requests - Part-Time or Contract	5	0
Benefits		203,998
<b>TOTAL TAX FUNDED POSITIONS</b>	<b>20</b>	<b>635,870</b>

<b>Non-Tax Positions</b>	<b>No. of Positions</b>	<b>Net non-tax impact</b>
New Position Requests	4	406,477
Benefits		112,797
<b>TOTAL NON-TAX FUNDED POSITIONS</b>	<b>4</b>	<b>519,274</b>

## Staffing Requests – Tax Funded Positions

Business Unit	Position Title	No. of Positions	A	B	A-B	% to existing dept. FT headcount	Existing like positions
			Salary	Expense/ Revenue Offsets	Net Tax Funded Impact		
			\$	\$	\$		
<b><i>1. New Position Requests</i></b>							
ITS	Cyber Security Specialist	1	91,690	18,338	73,352	2.8%	1
Sustainability & Asset Management	Manager, Corporate Asset Management	1	123,719	0	123,719	5.6%	0
Legislative Services	Corporate Privacy & Records Analyst	1	84,469	19,428	65,041	1.4%	2
Legal Department	Assistant City Solicitor	1	145,854	96,264	49,590	8.3%	4
Fire Services	Fire Training Officer	1	120,170	0	120,170	0.4%	5
Operations	Facility Yard Maintenance Operator East Works Yard	1	59,259	59,259	0	0.8%	1
Fire Services	Fire Prevention/ Education Officer Markham Centre	1	76,289	76,289	0	0.4%	14
<b><i>Total New Position Requests</i></b>		<b>7</b>	<b>701,450</b>	<b>269,578</b>	<b>431,872</b>		



## Staffing Requests – Tax Funded Positions

Business Unit	Position Title	No. of Positions	A	B	A-B	% to existing dept. FT headcount	Existing like positions
			Salary	Expense/ Revenue Offsets	Net Tax Funded Impact		
			\$	\$	\$		
<b><u>2. Conversions of Full-Time Contract or Part-Time to Full-Time</u></b>							
Sustainability & Asset Management	Energy Management Coordinator	1	104,877	104,877	0	5.6%	0
Operations	Urban Forestry Technologist	1	71,053	71,053	0	0.8%	0
Operations	Parks Renaissance Planner	1	83,787	83,787	0	0.8%	0
Legislative Services	Provincial Offences Officer I	4	284,212	284,212	0	5.5%	12
Theatre	Theatre Business Coordinator	1	77,402	77,402	0	3.4%	1
<b><u>Total Conversions to Full-time</u></b>		<b>8</b>	<b>621,331</b>	<b>621,331</b>	<b>0</b>		
<b><u>3. New Position Requests - Part-Time or Contract</u></b>							
Sustainability & Asset Management	Project Manager - East Works Yard	1	104,877	104,877	0		
Operations	115 day staff - East Works Yard	4	100,022	100,022	0		
<b><u>Total New Position Requests - Part-Time or Contract</u></b>		<b>5</b>	<b>204,899</b>	<b>204,899</b>	<b>0</b>		
<b>Benefits</b>			<b>384,078</b>	<b>180,080</b>	<b>203,998</b>		
<b><u>TOTAL TAX FUNDED POSITIONS</u></b>		<b>20</b>	<b>1,911,758</b>	<b>1,275,888</b>	<b>635,870</b>		





## Staffing Requests – Non-Tax Funded Positions

Business Unit	Position Title	Funding Source	No. of Positions	Salary \$	% to existing dept. FT headcount	Existing like positions
<b><u>1. New Position Requests</u></b>						
Planning & Design	Senior Planner Secondary Plans	Development Charges	1	91,846	1.8%	10
Planning & Design	Project Manager - Parks & Open Spaces Development	Development Charges	1	104,877	1.8%	4
Engineering	Senior Development Engineer Secondary Plans	Development Charges	1	104,877	2.0%	4
Engineering	Senior Transportation Engineer Secondary Plans	Development Charges	1	104,877	2.0%	2
<b><u>Total New Position Requests</u></b>			<b>4</b>	<b>406,477</b>		
<b>Benefits</b>				<b>112,797</b>		
<b><u>TOTAL NON-TAX FUNDED POSITIONS</u></b>			<b>4</b>	<b>519,274</b>		

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

	2019 \$	2020 \$	Increase/ (Decrease) \$	Tax Rate Increase/ (Decrease) %
<b>Revenues</b>	<b>233.04</b>	<b>236.54</b>	<b>3.50</b>	<b>(2.21%)</b>
<b>Expenditures</b>				
Personnel	136.03	140.69	4.66	
Non-Personnel	97.01	98.53	1.52	
<b>Total Expenditures</b>	<b>233.04</b>	<b>239.22</b>	<b>6.18</b>	<b>3.91%</b>
<b>Shortfall: Day-to-day operations</b>	<b>-</b>	<b>2.68</b>	<b>2.68</b>	<b>1.70%</b>
<b>Infrastructure Investment</b>	<b>-</b>	<b>0.79</b>	<b>0.79</b>	<b>0.50%</b>
<b>Net Shortfall</b>	<b>-</b>	<b>3.47</b>	<b>3.47</b>	<b>2.20%</b>




## Impact to Average Residential Property

Property Type	2019 Average Current Value	2.20% Tax Rate Increase
Residential Homes* 	\$790,464	\$27.85
Residential Condominiums 	\$401,508	\$14.96
<b>Average</b> (Homes & Condominiums)	<b>\$772,253</b>	<b>\$27.21</b>

Every 1% tax rate increase (local portion only) is equivalent to an increase of \$12.37 in property taxes for an average residential property

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

## Impact to Average Residential Property

	2020 Increase	Increase \$
Tax rate increase – Markham  (includes 0.5% Infrastructure Investment)	2.20%	27
Tax rate increase – York Region 	2.96%	75
Water & wastewater fee 	7.80%	74
<b>Total</b>		<b>176</b>

- Excludes continuation of the \$47 stormwater fee

## Next Steps

- General Committee: Monday, November 18<sup>th</sup> – consent item on the 2020 Budget presentation for the public meeting
- Budget Committee Meeting #10 (Building, Engineering, Planning, Waterworks Operating Budgets): Tuesday, November 19<sup>th</sup> – 9:00 a.m. – 12:00 p.m.
- Public Consultation Meeting: Wednesday, November 27<sup>th</sup> – 7:00 p.m.
- Council Decision: Tuesday, December 10<sup>th</sup> – 1:00 p.m. – Council Chamber
- Press Conference: Wednesday, December 11<sup>th</sup> – 2:00 p.m. – Canada Room

## Recommendation

- That Budget Committee approve a proposed operating budget tax rate increase of 2.20% to be presented at the November 27<sup>th</sup> public consultation meeting; and
- That the 2020 Budget presentation for the public consultation meeting be posted on the City's website on November 19<sup>th</sup>



**THANK YOU FOR ATTENDING**

