



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

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

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/m³ 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.

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.