

# A Strong Markham BUDGET 2024

February 15, 2024



GOVERNMENT FINANCE OFFICERS ASSOCIATION

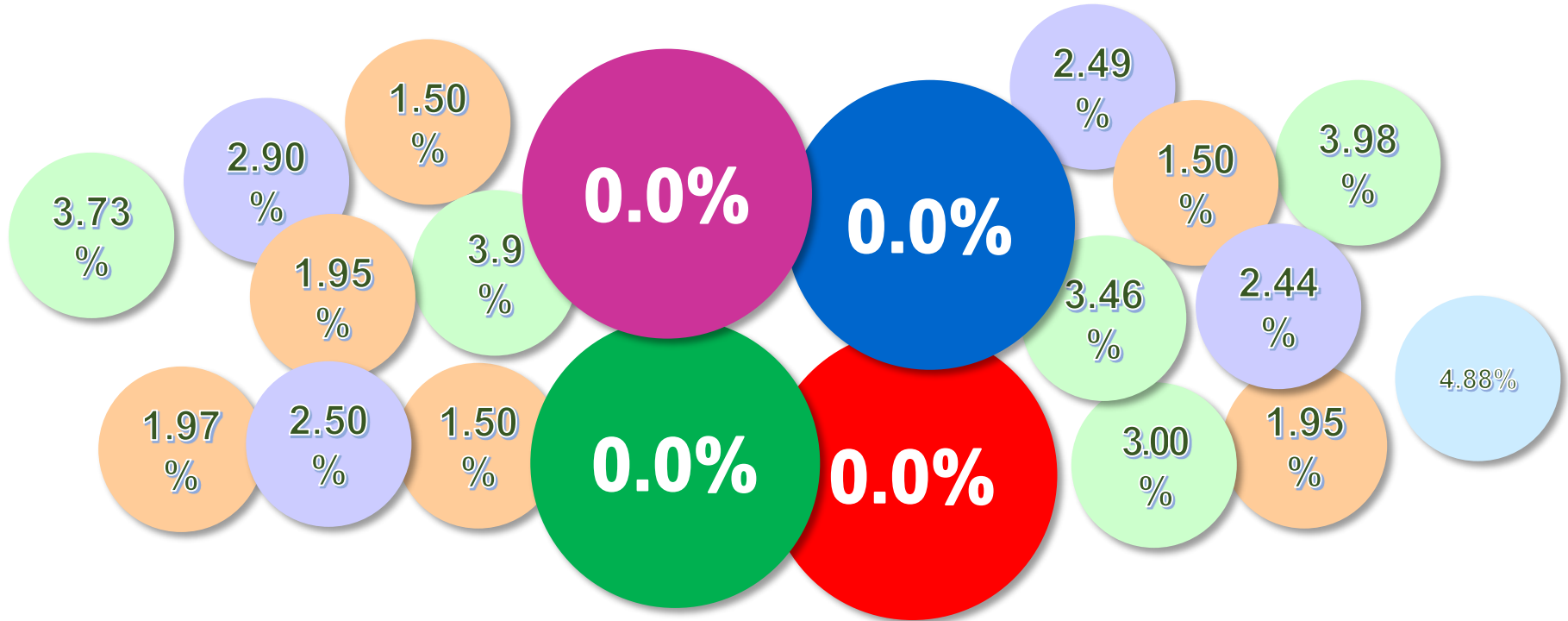
*Distinguished  
Budget Presentation  
Award  
2000-2023*



# A Strong Markham



# A Record of Fiscal Prudence

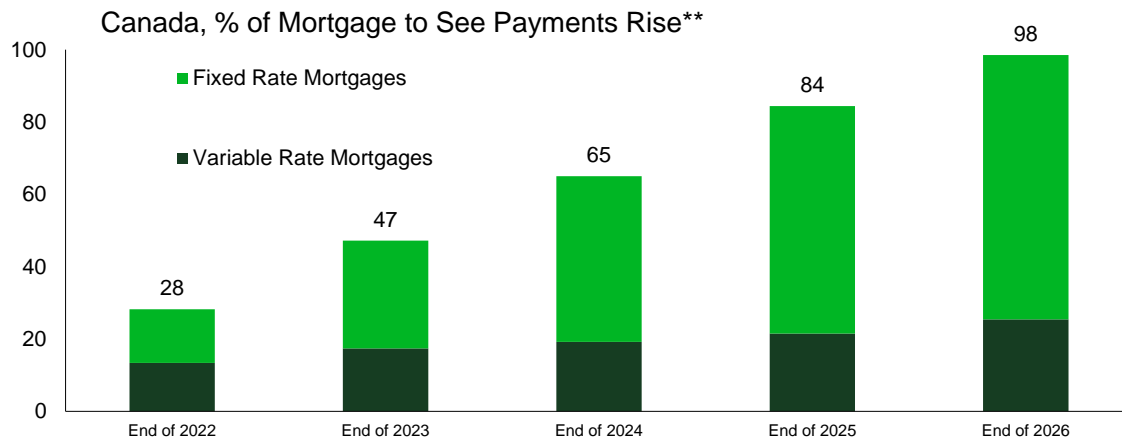


# Responsible Markham



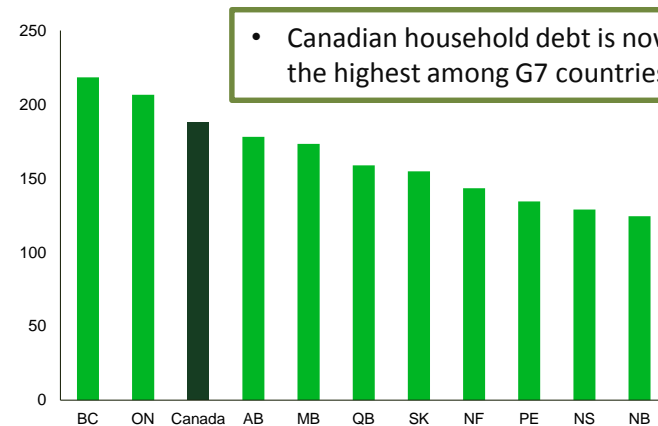
# A Strong Markham BUDGET 2024

## Economic Scan



- Debt may grow further with 65% of mortgages to see payments rise in 2024.

Household Debt-to-Disposable Income Ratio (%)\*\*



\*\*Source: Statistics Canada, TD Economics

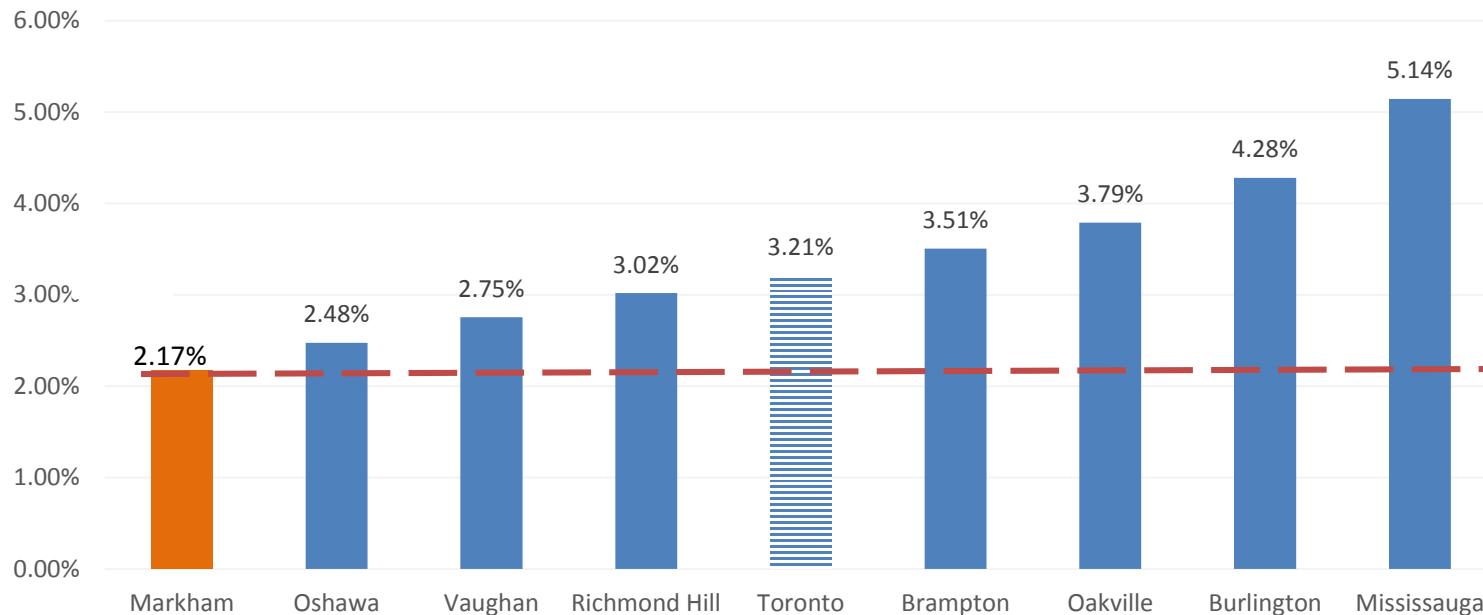
Markham has the  
**lowest 19-year**  
average tax rate increase in the **GTA**

**2.99%**  
2024 Tax Rate  
Increase = 2.29% Day-to-Day Operations  
0.70% Infrastructure Investment

# A Strong Markham BUDGET 2024

## Municipal Tax Comparison

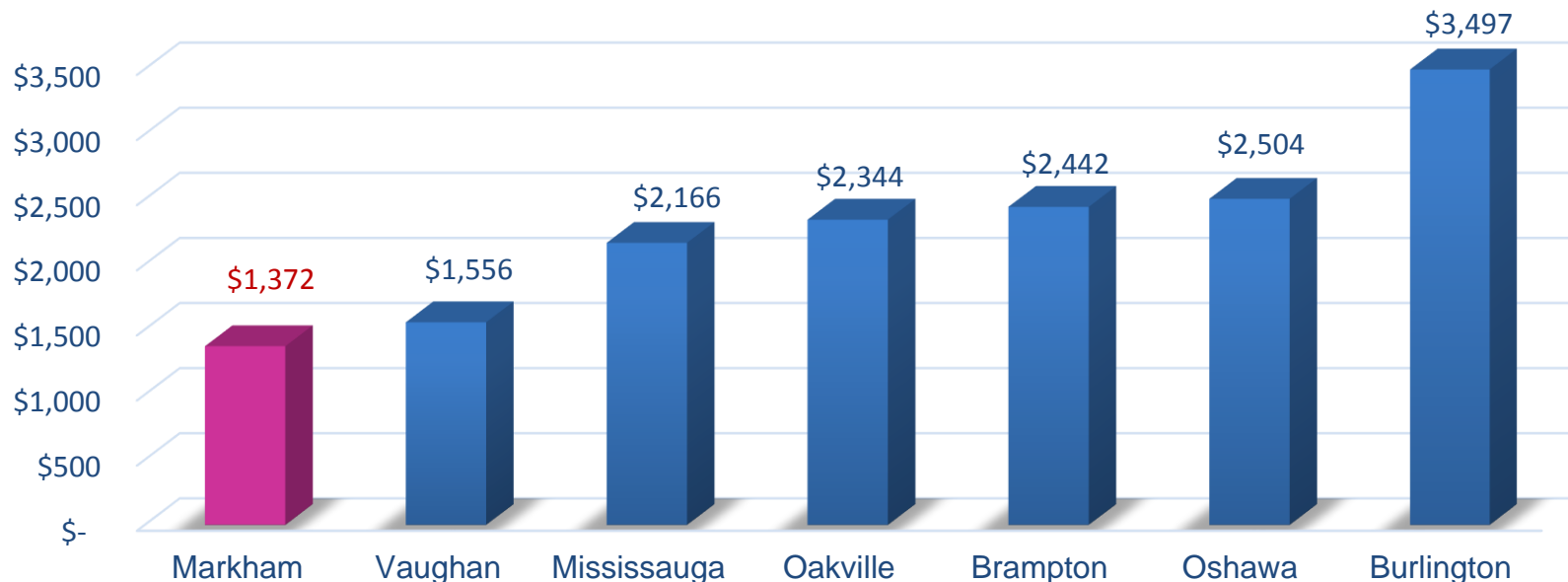
Comparison of 19-Year Average Tax Rate Increase (2006-2024)



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## Residential Tax Paid – City Share

### 2 Storey Home Residential Tax - City Share Only

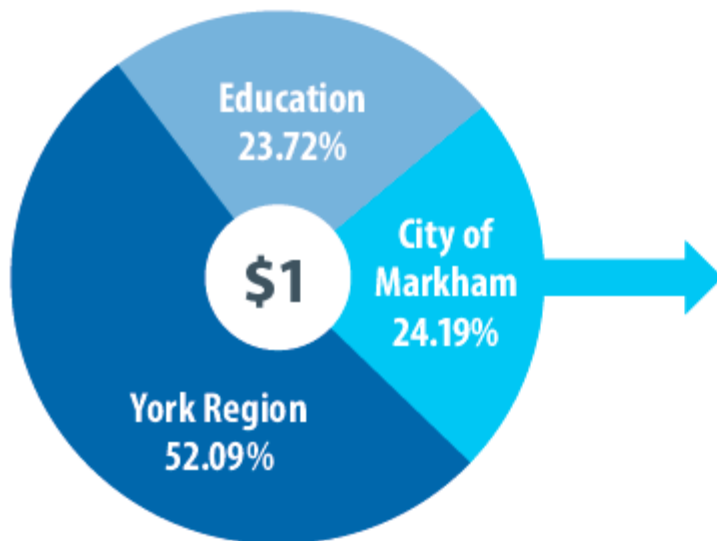


**Note:** All statistics from the 2022 BMA Municipal Study for 2-storey home. Toronto and Richmond Hill did not participate in the study.



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## Your Markham tax dollars - Markham services

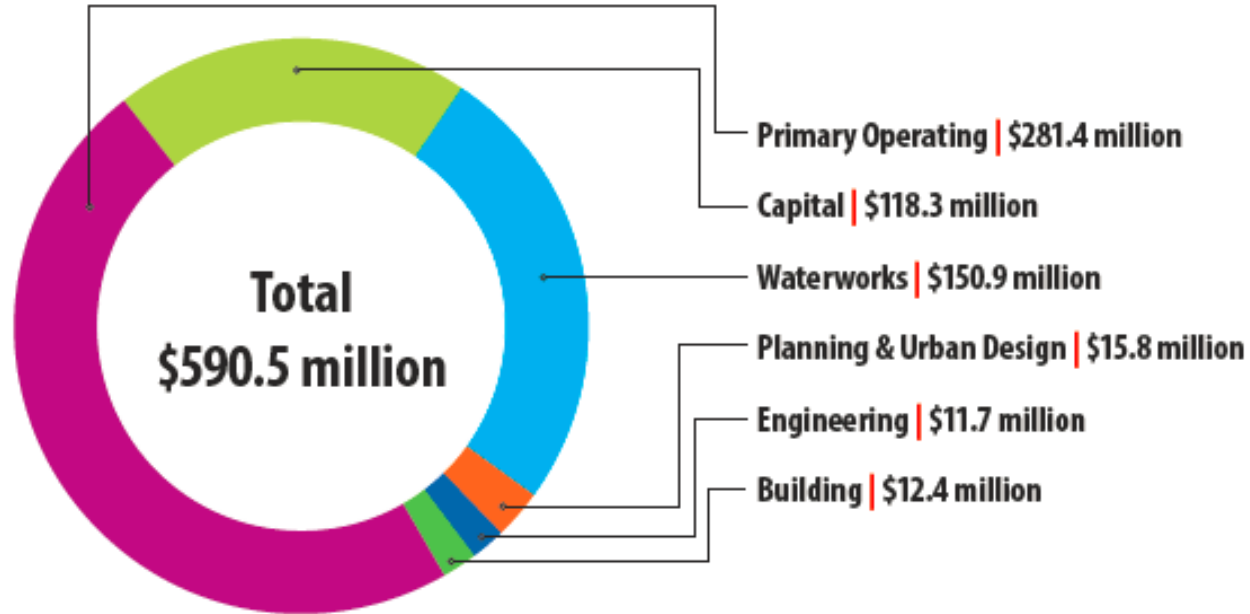


For every \$1.00 of property tax revenue Markham keeps...

- Fire & Emergency Services | \$0.30
- Road, Bridge & Sidewalks | \$0.21
- Library Services | \$0.12
- Parks Maintenance | \$0.11
- Waste, Recycling & Environmental Management | \$0.10
- Recreation Services | \$0.09
- Art & Culture | \$0.03
- Planning & Development | \$0.02
- Bylaw Enforcement & Licensing | \$0.02

# A Strong Markham BUDGET 2024

## 2024 Budget



# A Strong Markham BUDGET 2024

## 2024 Budget Considerations



### Personnel

- Staffing considerations including CUPE, Cost of Living Adjustments (COLA), Markham Professional Fire Fighters Association (MPFFA) and CUPE library settlements



### Growth

Maintenance for new:

- Roads, sidewalks and rear lanes
- Parks and Stormwater Management Ponds/natural areas
- Streetlights, and households for waste collection



### Business Continuity

- Corporate Rate Stabilization Reserve Payback (year 3 of 5)
- Winter maintenance and waste contract escalations
- Other contract escalations
- Insurance
- Infrastructure investment



# A Strong Markham BUDGET 2024

## Low-income Seniors Support

- Ⓜ New in 2024, Markham is introducing a new program to help keep seniors healthy and aging in place.
- Ⓜ The Low-Income Seniors Property Tax Assistance Program will support low-income seniors with an interest free repayment plan to help them clear their tax arrears.
- Ⓜ Once arrears are addressed, seniors will be registered in the existing Seniors Property Tax Deferral Program.



# A Strong Markham BUDGET 2024

## Key Capital Projects

- ☞ \$28.8M – Elgin Mills Road Widening – Woodbine to Warden Avenue (Property Acquisition)
- ☞ \$8.2M – Don Mills Channel Stormwater Management Pond Construction
- ☞ \$4.5M – City-wide Sidewalk Program Construction
- ☞ \$3.7M – City-wide Asphalt Resurfacing
- ☞ \$2.9M – Corporate Fleet Replacement
- ☞ \$2.7M – Markham Centre Trails: \$1.4 million (Construction - Warden Avenue to Verdale Crossing), \$1.3 million (Design - Apple Creek to Highway 7)
- ☞ \$1.6M – Cornell East (\$1.2 million) and Cornell West (\$0.4 million) Parkettes
- ☞ \$1.5M – AODA Playground Refurbishments – Year 2 of 4
- ☞ \$1.3M – Playstructure & Safety Surface Replacement
- ☞ \$1.1M – Centennial Community Centre Arena Pad Replacement
- ☞ \$1.0M – Main Street Markham Reconstruction and Sanitary Sewer Upgrade Design
- ☞ \$1.0M – Mount Joy Artificial Turf/Grade Beam Replacement

# Building Markham



# A Strong Markham BUDGET 2024

## Building Markham

- 🕒 \$33.6M – Road widening and construction  
(Elgin Mills from Woodbine to Warden Avenue, Rodick Road from 14<sup>th</sup> Avenue to Miller Avenue)
- 🕒 \$4.5M – New sidewalk construction
- 🕒 \$3.1M – New parks construction  
(Cornell Centre East & West Parkettes, James Cochrane Park Expansion, Innovation Park, and Songbird Park)
- 🕒 \$3.0M – Markham Centre and Rouge Valley Trails
- 🕒 \$1.0M – Main Street Markham Reconstruction and Sanitary Sewer Upgrade Design





# Resilient Markham



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## Resilient Markham

- ☉ \$10.4M – Repair and rehabilitation of recreation and cultural facilities
- ☉ \$8.2M – Don Mills stormwater pond (part of 30-year Flood Control Program)
- ☉ \$5.4M – Asphalt resurfacing, including curb, sidewalk and parking lot repairs
- ☉ \$2.5M – Facility upgrades including Mount Joy artificial turf/grade beam replacement, and refurbishment of basketball, tennis and pickleball courts



# Innovative Markham



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## Innovative Markham

- ④ \$2.5M - Grant funding to pilot real-world mobility solutions in Markham Centre from Ontario Vehicle Innovation Network (OVIN) Demonstration Zone
- ④ \$2.2M - Customer Relationship Management system to modernize and improve customer service provided by the Contact Centre and City departments
- ④ \$1.1M - City website and new mobile capability upgrades



# Inclusive Markham



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## Inclusive Markham

- Ⓜ \$2.8 million in 2024 will fund upgrades and improve accessibility in parks and playgrounds to meet AODA requirements
- Ⓜ In 2024, the Multi-Year Accessibility Plan will be refreshed to improve accessibility in the City
- Ⓜ The City and Destination Markham Corporation will co-host the 50th anniversary of the Little Native Hockey League (LNHL) 2024 Hockey Tournament



# A Strong Markham BUDGET 2024

## Total 2024 Impact Including Regional Tax and Water Rate

	2024 Increase	Increase
Tax rate increase – Markham (includes 0.7% Infrastructure Investment) 	2.99%	\$ 39.98
Tax rate increase – York Region 	3.75%	\$ 108.79
<b>Blended Tax Rate Increase (Local + Regional)</b>	<b>3.51%</b>	<b>\$ 148.77</b>
Water & wastewater fee increase 	3.54%	\$ 35.26
<b>Total 2024 Impact to Average Residential Property</b>		<b>\$ 184.03</b>

**Note:** Excludes the 2024 Stormwater Management fee increase of \$1, to \$54.

# A Strong Markham BUDGET 2024

## 2024 Operating Budget Details

(\$ Millions)	2023 \$	2024 \$	Increase/ (Decrease) \$	Tax Rate Increase/ (Decrease) %
<b>Revenues</b>	<b>267.76</b>	<b>276.14</b>	<b>8.38</b>	<b>(4.75%)</b>
<b>Expenditures</b>				
Personnel	151.56	158.42	6.86	
Non-Personnel	116.21	120.97	4.77	
<b>Total Expenditures</b>	<b>267.76</b>	<b>279.39</b>	<b>11.63</b>	<b>6.59%</b>
<b>Business As Usual</b>	<b>-</b>	<b>3.25</b>	<b>3.25</b>	<b>1.84%</b>
Payback of Corp Rate Stabilization (Yr 3 of 5)		0.79	0.79	0.45%
<b>Sub-Total</b>		<b>4.04</b>	<b>4.04</b>	<b>2.29%</b>
Infrastructure Investment		1.24	1.24	0.70%
<b>Net Shortfall</b>		<b>5.27</b>	<b>5.27</b>	<b>2.99%</b>

\***Note:** Excludes Planning & Design, Engineering, Building Standards and Waterworks as these do not impact tax rate. Numbers may not add due to rounding.

# A Strong Markham BUDGET 2024

## Impact to Average Residential Property



**\$46**

For the Average House



**\$20**

For the Average  
Condominium unit



**\$40**

For the Average  
Residential Property

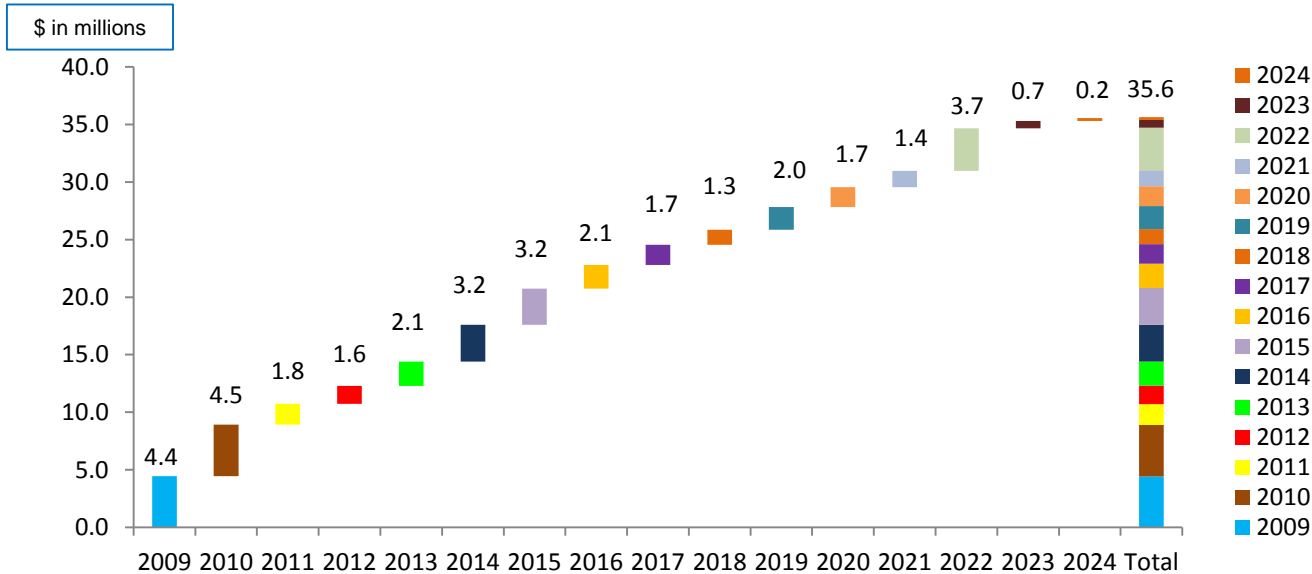
The proposed tax rate increase of **2.99%** represents an increase of ~\$40 for the average residential property



# A Strong Markham BUDGET 2024

## Excellence Through Efficiency and Effectiveness (E3)

Cumulative Savings and Revenue Enhancements to date: \$35.6M



2024 Savings and Revenue enhancements to date \$0.2M

Cumulative Savings of \$23.8M and Revenue enhancements of \$11.7M = Total to date \$35.6M

Total Savings and Revenue enhancements of \$35.6M – equates to tax rate increase avoidance of 28.12%

# A Strong Markham BUDGET 2024

## Infrastructure for a Strong Markham

**\$56.0M**

New road construction, repairs and rehabilitation and traffic improvements



**\$16.3M**

Exterior and interior facility improvements



**\$14.7M**

Parks construction and maintenance



**\$10.9M**

Flood control, stormwater management, ponds and culverts



**\$5.8M**

Implementation of tech infrastructure



**\$4.5M**

Water and wastewater system replacement/ upgrade



**\$4.4M**

Replacement of day-to-day City assets to serve the public



**\$3.9M**

Fleet replacement and repairs



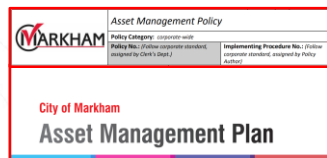
**\$1.8M**

Green initiatives and environmental strategies



# A Strong Markham BUDGET 2024

## Infrastructure for a Strong Markham



**\$10 B**  
asset base

\*Estimated replacement value from 2021 Asset Management Plan

# A Strong Markham BUDGET 2024

## Outcomes from a Strong Infrastructure



**92%**

of assets in  
very good or  
good condition



**80%**

of road network  
with Pavement  
Condition Index  
of Very Good



**98%**

of facilities have  
Facility Condition  
Index of Very Good  
or Good



**1.20**

Infrastructure  
Leakage  
Index

\*From 2021 Asset Management Plan

# A Strong Markham BUDGET 2024

## Financial Planning for Strong Infrastructure



**25 year**  
planning window



**Target 1%**  
annual incremental  
contributions to reserve

Available funding sources include: tax, Development Charges, water rate, stormwater fee, and external grants

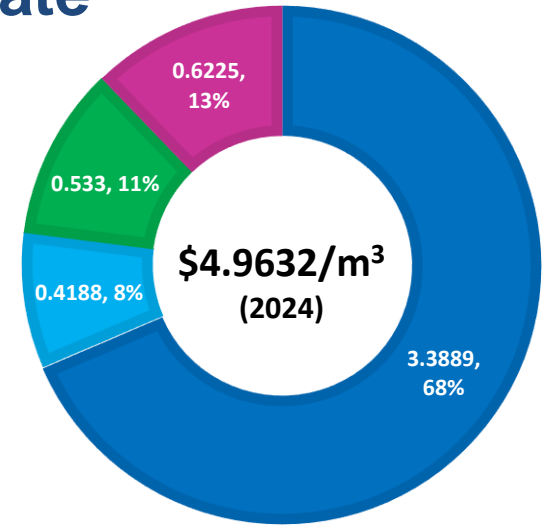
# A Strong Markham BUDGET 2024

## 2024 Water/Wastewater Rate

Markham customers pay a rate per cubic meter for water use. As per the chart, the rate consists of 4 components:

- ☞ **Region Wholesale Rate** - Nearly 70% of the water rate.
- ☞ **Non-Revenue Water** - Water lost through water main breaks.
- ☞ **Operating Expenditures** - Operation and maintenance of Markham's local water and wastewater systems
- ☞ **Reserve Contributions** - Looking ahead 25 years to set aside funds for Local system replacements and rehabilitations,

Taking all these into consideration, the 2024 increase is **3.54%** which represents an increase of **\$35.26** for the average Markham home.



- Region's Rate
  - NRW
  - Operating Expenditures
  - Reserve Contribution
- 30

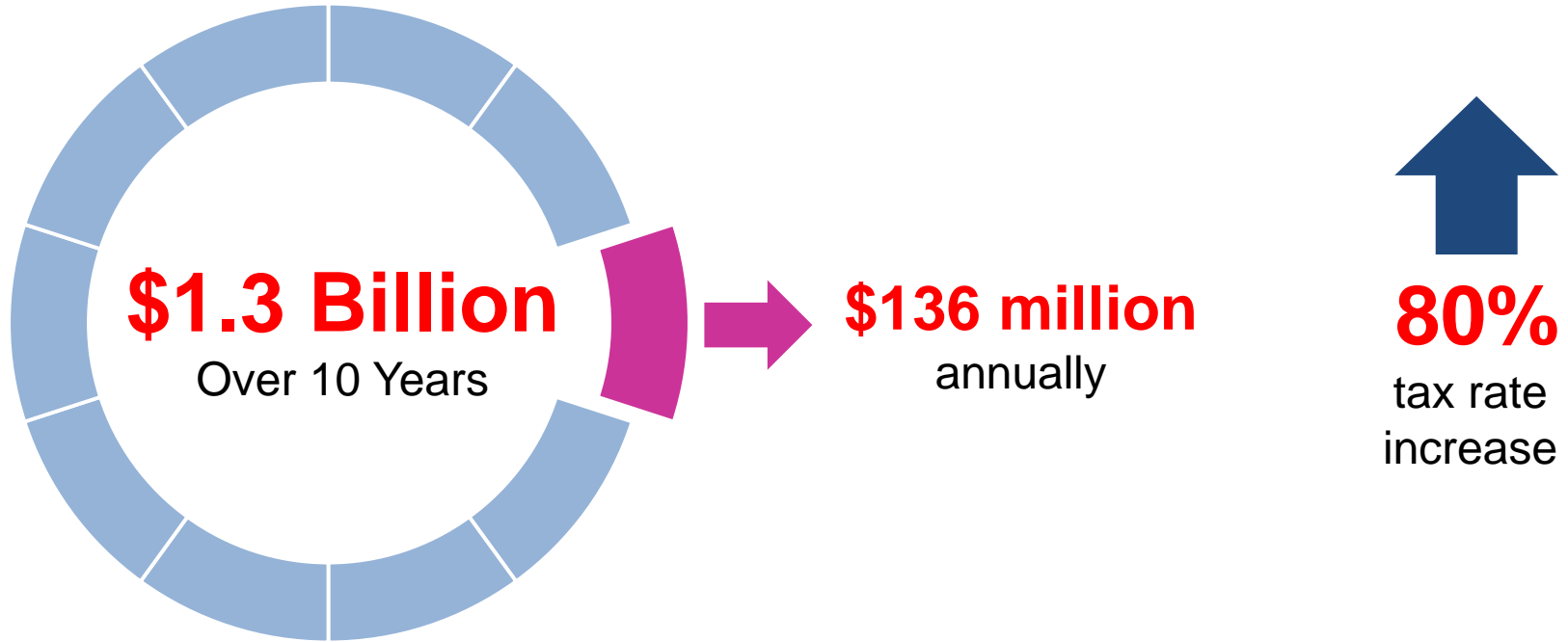
# A Strong Markham BUDGET 2024

## 2024 Budget Schedule

Milestones	Date	Description
Special Council Meeting #1	Monday, January 29, 2024	Tabling of the proposed 2024 Budget <input checked="" type="checkbox"/>
Public Meeting	Thursday, February 15, 2024	Public Meeting on the Budget including 2024 Water Rate <input checked="" type="checkbox"/>
Special Council Meeting #2	Wednesday, February 28, 2024	For potential amendments to Budget 2024

# A Strong Markham BUDGET 2024

## Bill 23, More Homes Built Faster





# A Strong Markham BUDGET 2024

