



**FIRST MEETING OF THE
2017 BUDGET COMMITTEE
CANADA ROOM, MARKHAM CIVIC CENTRE
OCTOBER 11, 2015**

MINUTES

Attendance:

Members Present: Councillor Logan Kanapathi, Chair Councillor Amanda Collucci, Vice-Chair Mayor Frank Scarpitti Deputy Mayor Heath (ex-officio) Regional Councillor Nirmala Armstrong Regional Councillor Jim Jones Councillor Alex Chiu Councillor Don Hamilton Councillor Karen Rea Regrets: Councillor Alan Ho	Staff Present: Andy Taylor, Chief Administrative Officer Trinela Cane, Commissioner of Corporate Services Brenda Librecz, Commissioner of Community & Fire Services Jim Baird, Commissioner of Development Services Catherine Conrad, City Solicitor Joel Lustig, Treasurer Andrea Tang, Senior Manager of Financial Planning Mark Visser, Senior Manager of Financial Strategy & Investments Laura Gold, Council/Committee Coordinator
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The Budget Committee convened at 9:05 a.m. with Councillor Logan Kanapathi presiding as Chair.

1. 2017 Budget Presentation

Andrea Tang, Senior Manager of Financial Planning and Mark Visser, Senior Manager of Financial Strategy & Investment provided a presentation on the 2017 Budget. The presentation included the following: an overview of the budget process and communication plan; an economic scan; an overview of the proposed budget; highlights from the capital budget; and the next steps. Staff showed a new budget video that explains how Markham develops the annual budget. The video can be accessed through the City's portal.

Discussion

Committee Members discussed the following:

Pre Budget Process

A Committee Member asked about the process undertaken to review the budget prior to presenting it to the Budget Committee. Staff advised that the 2017 budget process started in April. During this time, meetings were held with the Mayor, Budget Chief, and Vice-Chair of the Budget Committee to obtain direction and feedback on the budget.

Collective Agreement Negotiations

Staff were requested to provide an update on the Canadian Union of Public Employees (CUPE) and Markham Professional Fire Fighters Association (MPFFA) collective agreement negotiations at a future Budget Committee meeting.

By-Law Fees

Staff were requested to investigate the possibility of increasing by-law fees, particularly for illegal signs, and uncut grass. Staff advised that parking fines are similar to other municipalities.

Parking

The Committee asked staff to provide the revenue received from overnight parking, parking machines, and all parking sources combined per year.

Pan Am Centre

The Committee asked when the Pan Am Centre is anticipated to generate enough revenue to cover its operational costs. Staff advised that all of Markham's recreational facilities receive a subsidy.

Assessment Growth

It was suggested that the Budget Committee be provided the impact on the 2017 growth forecast by excluding the 2016 growth.

Official Plan

A Committee Member asked if the City's Official Plan will be approved in 2017. Staff anticipates that the majority of the plan will be approved in 2017, but components of the plan being appealed to the Ontario Municipal Board may not be approved by the end of 2017.

Asset Management Plan and Strategy

The Committee asked if the City's Asset Management Plan will be submitted on time to meet the Province's deadline of December 31, 2016. Staff advised that the plan will be presented to Council at the end of October, and it will be submitted to the Province shortly thereafter.

Payroll Administrators and Parks Operations Supervisor Positions

A Committee asked that the roles and responsibilities of the Payroll Administrators and Parks Operations Supervisor positions be provided. Staff explained that the two part-time Payroll Administrator positions are being requested to be converted to full time positions for cost avoidance purposes, including reducing staff overtime. There are currently 4 Payroll staff delivering the work equivalent to 5 staff due to overtime.

The City has also been ramping up funds for the proposed new Parks Operations Supervisor position, as the need for the position was anticipated based on the growth in the number of part time Parks staff.

Frontline Staff

The Committee asked if enough frontline staff are being hired to support growth. Staff advised that additional part-time budget for roads and park maintenance is added to the budget every year based on the additional km of roads and hectares of parks.

Street-Light Electrical Engineer

The Committee asked what the role of the new proposed street-light engineer will be. Staff advised that the Street-light engineer will be hired to review street-light requirements for new and existing developments. This role was previously undertaken by PowerStream, but is being brought in-house to have more oversight over the role.

Engineer

A Committee Member asked if a consultant will be hired when the City is hiring an Engineer to work on the Development Charges Background study. Staff advised that the consultant and the Engineer will undertake different roles.

Life Cycle Replacement and Capital Reserve Fund and the Proposed Infrastructure Surcharge

The Committee had a lengthy discussion on pressures facing the Life Cycle Replacement and Capital Reserve Fund and the strategy to ensure there are enough funds in the reserve for the rehabilitation and replacement of the City's existing infrastructure for the next 25 years based on known inflows and outflows.

The Committee asked if condition assessments of assets up for replacement/rehabilitation are conducted prior to adding the asset to the capital budget and if there is a list of the City's assets broken down by type. Staff advised that a condition assessment of assets is conducted prior to submitting a capital budget request. In some cases, capital budget requests are made prior to condition assessment (for example, condition assessment on tennis court resurfacing/tennis court reconstruction are done after the tennis season is over), however the project won't proceed unless deemed by condition assessment.

A Committee Member requested that the Budget Committee have a more in-depth discussion on the proposed infrastructure surcharge.

Staff was requested to provide the 2010 consultant report on costing for different intensification scenarios.

Presenting the Budget to the Public

The following suggestions were made for information being presented to the public on the budget:

- Include information from the budget video explaining municipal revenue and expenditures;
- Provide examples of E3 initiatives implemented by City (e.g. saving \$400K from reducing waste tonnage);
- Simplify why funds need to be raised for infrastructure;

Moved by Mayor Frank Scarpitti

Seconded by Councillor Amanda Collucci

That the 2017 Budget Presentation be received; and,

That the Budget Committees suggestions/questions be received.

Carried

2. Adjournment

The Budget Committee adjourned at 12:34 p.m.