



**FIRST MEETING OF THE  
2013 BUDGET SUB-COMMITTEE  
CANADA ROOM, MARKHAM CIVIC CENTRE  
October 5, 2012**

**MINUTES**

**Attendance:**

**Members Present:**

Mayor Frank Scarpitti (ex-officio)  
Deputy Mayor Heath (ex-officio)  
Regional Councillor Gord Landon, Chair  
Regional Councillor Jim Jones  
Regional Councillor Joe Li  
Councillor Don Hamilton  
Councillor Alan Ho  
Councillor Logan Kanapathi  
Councillor Howard Shore

**Guests:**

Councillor Alex Chiu  
Councillor Valerie Burke  
Councillor Carolina Moretti

**Regrets:**

Councillor Colin Campbell

**Staff Present:**

Gary Adamkowski, Director of Asset Management  
Jim Baird, Commissioner of Development Services  
Trinela Cane, Commissioner of Corporate Services  
Catherine Conrad, City Solicitor  
Mary Creighton, Director of Recreation Services  
Paul Ingham, Director of Operations  
Nasir Kenea, Chief Information Officer  
Joel Lustig, Treasurer  
Rino Mostacci, Director of Planning & Urban design  
Mona Nazif, Senior Manager, Human Resources Client Services  
Bill Snowball, Fire Chief  
Andrea Tang, Manager of Financial Planning  
Laura Gold, Council/Committee Coordinator

The Budget-Sub-Committee convened at 9:02 p.m. with Regional Councillor Gord Landon presiding as Chair.

**1. 2013 CAPTIAL BUDGET**

Ms. Andrea Tang, Manager of Financial Planning, provided a presentation entitled “2013 Budget”. The presentation included: an overview of the budget process; economic trends & fiscal scan; an overview of the 2013 budget; future budget challenges; 2013 budget highlights and the next steps.

The following discussion of the presentation occurred:

**A. Fiscal Scan**

***Staff Salaries***

There was a discussion on the pay structure used to compensate Markham staff. It was advised that the majority of full time and part time staff are paid based on progression through a grid. For example the pay of full time non-union staff is increased based on progression through four steps based on experience, time in the position and performance. It was noted that performance is measured based on an employee's annual performance review and that performance reviews are tied to the core competencies and objectives of the position as well as to corporate objectives. The Committee wanted to ensure that the targets being set for employees encouraged them to achieve above and beyond their everyday roles and responsibilities.

It was clarified that City provides no bonus pay.

It was recommended that the Director of Human Resources come to a future Budget Sub-Committee meeting to discuss the pay structure for Markham employees.

Staff clarified that the 2013 budget currently includes no salary increases for staff.

***City of Markham Regional Sports Park***

It was requested that the Regional Sports Park be referred to as the City of Markham Sports Park on slide 13 in the budget public meeting presentation.

***Roads & Park Lands***

It was requested that more detailed information be provided with respect to how much it cost to maintain a road per km and park lands per hectore.

***Street Light Locate Fees***

It was explained that the street light locate fee is a new fee being charged by Powerstream. The utility locates are required prior to any excavation taking place within the City's Right-of-Way to identify the locations of existing underground services. Underground services are marked using Utility locating instruments, supported by as-built drawings.

***Legislative Requirements***

Deputy Mayor Jack Heath requested more information on the personnel ramp-up for the new facilities.

## **B. 2013 Capital Budget**

### ***Life Cycle Reserve Study***

A Member recommended that all forestry should be included in the life cycle reserve study, as to date only a portion of trees have been incorporated into the study.

There was a request for staff to provide a workshop at the General Committee on the emerald ash borer trees. Staff advised that a workshop on this matter is scheduled for this fall.

It was requested that on slide 25 of the public budget presentation that it be emphasized that only a portion of trees are included in the life cycle reserve study.

It was suggested that staff include a slide on the life cycle reserve study to identify the changes in the future replacement expenditures over 25 years where compared to the previous year's update on the life cycle reserve study.

It was noted that Rouge National Urban Park (RNUP) could have an impact on the life cycle reserve study in the future, as currently it is unclear what costs will be covered by Markham and what costs will be covered by the federal government.

It was questioned if the Toronto Region and Conservation Authority (TRCA) would pay for any of the costs associated with RNUP (e.g. erosion and flood control). Staff advised that the role of the TRCA is regulatory in nature and that it provides no funding for private or public agency lands. Whereas, most of the valley lands in question are owned by the City of Markham.

The status of capital requirements for Toogood pond was questioned. Staff advised that Toogood pond will be scheduled for regrinding in the next few years, as this process was last undertaken approximately 16 years ago.

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The Budget Sub-Committee went in-camera at 10:15 a.m.

Moved by Councillor Logan Kanapathi  
Seconded by Deputy Mayor Jack Heath

That, in accordance with Section 239 (2) (b) of the Municipal Act the Budget Sub-Committee resolve into an in-camera session to discuss the following confidential matter:

- 1) A personnel matter about an identifiable individual, including City employees.

CARRIED.

Moved by Deputy Mayor Heath

Seconded by Councillor Alan Ho

That the Budget Sub-Committee rise from an in-camera session (10:36 a.m.)

CARRIED.

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### ***2013 E3 Initiatives***

The Committee requested that staff ensure that it is clear to residents who previously received a waste rebate cheque that they are still receiving the rebate. The rebate will now be received through a deduction to the resident's property taxes.

It was requested that the reduction in the number of capital budget binders prepared to review the 2013 budget be highlighted under the Greenprint.

Graham Seaman was requested to explain past accomplishments from the energy conservation projects and the actual savings realized. An email will be sent to Members of Council outlining the details of the program.

### **C. 2013 Preliminary Operating Budget**

It was requested that on slide 43 under total revenues that it be clarified that assessment growth represents additional tax revenue from new homes and businesses and that the percentage increase be removed for the Budget Public Meeting.

It was questioned if the City had enough forestry staff to carry out its roles and responsibilities. Staff advised that the department will be in a good position with the 2012 staff and the 2013 staff request. Also, due to vacancies recently being filled and new more efficient equipment that was recently purchased.

### **D. Assessment and Property Taxes**

It was questioned how the current re-assessment of property values will affect residents.

Staff advised that the tax rate for calculating the City of Markham portion of the property taxes is adjusted downward by the average residential class assessment increase in Markham, which is approximately 31.55% over 4 years or 7.86% in 2013. Therefore, if a resident's property assessment increase was above the average of 7.86% then their property taxes will increase due to the re-assessment and if a resident's property assessment increase was below the average of 7.86% then their property taxes will go down due to the reassessment.

It was noted that any tax decreases will be implemented in the first year and that any tax increases will be phased in over four years.

It was questioned why properties are assessed every four years rather than on an annual basis. It was noted that the re-assessment period is mandated by the province.

It was requested that a slide be added to the budget public meeting presentation regarding the re-assessment and appeal process.

#### **E. Future Budget Challenges**

It was requested that slide 50 be updated for the Budget Public Meeting to reflect that there is sufficient funding for owned assets rather than known assets, except for assets not fully addressed.

#### **F. Highlights of 2013 Proposed Capital Budget**

It was requested that for the Budget Public Meeting the header on slide 58 be updated to say transportation since transit is under the Region's jurisdiction.

#### ***Light Emitting Diode Program***

Staff advised that light emitting diode (LED) program will focus on the replacement of the cobra style head fixtures on collector and regional roads, as the LED industry for other types of light fixtures is still not mature. The LED lights will replace approximately half of the City's street lights. Currently, staff are short listing potential suppliers of the LED lights. Once this is complete, staff will test the lights of the shortlisted suppliers of the LED lights. A report will then be brought forward to the General Committee in early 2013 on this matter.

#### ***Storm Water Management***

A Member was concerned that the City is not spending enough money on storm water management relative to other projects. It was requested that the details of the 1.7 M Stormwater Management Program that is included in the proposed 2013 capital budget be provided.

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## **2. ADJOURNMENT**

Moved by Councillor Don Hamilton

Seconded by Councillor Alan Ho

That the Budget Sub-Committee adjourn at 11: 39 p.m.

**CARRIED.**