



Town of Newmarket

Agenda

Special Committee of the Whole

Monday, November 13, 2017 at 10:00 AM

Council Chambers

Declarations of Pecuniary Interest

Presentation

1. **Capital and Rate Supported Operating Budgets Presentation**
The Director of Financial Services/Treasurer will be in attendance to present on the matter.

Note: Presentation to be distributed when available.

Deputations

Items

2. **Capital and Rate Supported Operating Budgets**
 1. That Corporate Services Report – Financial Services 2017-56 dated November 9, 2017 regarding the 2018 Capital and Rate Supported Operating Budgets be received and the following recommendations be adopted:
 - a. That Committee review the information provided and provide direction; and,
 - b. That such direction be incorporated into a consolidated budget recommendation which will be presented to Committee of the Whole on November 27, 2017.

Adjournment



CORPORATE SERVICES COMMISSION
Financial Services

TOWN OF NEWMARKET
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November 9, 2017

CORPORATE SERVICES REPORT – FINANCIAL SERVICES 2017-56

TO: Mayor Tony Van Bynen and Members of Council

SUBJECT: Capital and Rate Supported Operating Budgets

ORIGIN: Director, Financial Services/Treasurer

Recommendations:

1. That Corporate Services Report – Financial Services 2017-56 dated November 9, 2017 regarding the 2018 Capital and Rate Supported Operating Budgets be received and the following recommendations be adopted:
 - a) That Committee review the information provided and provide direction;
 - b) And that such direction be incorporated into a consolidated budget recommendation which will be presented to Committee of the Whole on November 27, 2017.

COMMENTS:

Purpose

The purpose of the November 13, 2017 Special Committee of the Whole meeting is to facilitate discussion on the proposed \$40 million in rate-supported operations (water, wastewater, stormwater, building) and \$26 million in capital expenditures.

Budget Impact

The proposed capital budget of \$25,933,120 fits within existing funding envelopes and has no additional budget impact.

The proposed water, wastewater and stormwater budgets align with their Council-approved 6-year financial plans. The combined water/wastewater increase would be 6.21% or \$67.71 for the average residential property. The stormwater increase of 12.3% would be \$3.72 per year for the average residential property.

Summary

Most of the information was presented with the Preliminary Draft Budget on October 16, 2017 or was included with Financial Services Report 2017-49 - Supplementary Information for Preliminary Draft Budgets. Staff has continued to refine the budget. Any changes will be noted.

Water and Wastewater Budgets

The combined water/wastewater rate was initially estimated to be an increase of 6.84% or \$74.53 for the average residential property. The final calculations have reduced this to 6.21% and \$67.71. This is being provided for information purposes. Recommended fees and charges for water and wastewater will come forward with others to Committee of the Whole on November 27, 2017.

The rate increases are in alignment with the 6-year Financial Plans and the phasing in of tiered water rates. This strategy will make water more affordable for residents and small businesses and will be fully implemented by 2020.

Capital Budget

Grant applications have been or will be submitted for the following projects:

- Vehicle Charging Stations - \$18,000
- Lighting of Pathways - \$180,000
- LED Lighting Upgrade - \$28,000
- REALice Water Treatment - \$42,500
- Greenhouse Operating System - \$20,000

The last four projects were originally deferred. In addition, a vehicle purchase (\$33,000) for Legislative Services originally included in the deferred list is actually a replacement request. As a result, \$303,500 has been added to the initial capital requests and the deferred list has been reduced by the same amount.

Revised capital lists for recommended and deferred projects are attached as appendices to this report. These replace the previously distributed appendices B1 and B2.

Next Steps

The information provided at the two Special Committees of the Whole – November 13, 2017 on Capital and Rate-Supported Operating Budgets, and November 20, 2017 on the Tax-Supported Operating Budget - are intended to help inform Committee's decisions on the budgets. Direction provided will be incorporated into a draft budget to be presented to Committee of the Whole on November 27, 2017.

In addition to general confirmation or revision of the budget recommendations, specific direction is being sought on:

1. Decision Packages to be included in the budget or deferred
2. Capital Projects to be included or deferred
3. Options for managing the Extraordinary Budget Items
4. Options for achieving \$200,000 in savings
5. Strategy for Bill 148

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This report links to Newmarket's key strategic directions in being Well Managed through fiscal responsibility.

CONSULTATION

On October 23, 2017 Joint Council Committee (JCC) recommended the Central York Fire Services (CYFS) capital budget. In compliance with the Joint Services Agreement, the capital budget was forwarded to Aurora's General Committee for review on November 7, 2017. Aurora Council is supportive of the budget.

The Water, Wastewater and Stormwater budgets have been based on their current 6-year financial plans with amendments as noted in the presentation.

HUMAN RESOURCE CONSIDERATIONS

Additional staffing resources are required to maintain service levels for a growing community and to address mandatory requirements. In accordance with the assumptions for the 2018 budget, none of them are enhancements. The rate supported budgets include the following Decision Package requests:

- Senior Climate Change Coordinator - Conversion of a contract position to permanent full-time and recognition that grant funding may not be sustainable. This was included in Stormwater's 6-year financial plan. This is a growth expense – maintaining service levels for a growing community.
- Water Quality Analyst – conversion of a contract position to permanent full-time. There would be a minor increase in the cost of benefits. This addresses a mandatory requirement.
- GIS Technician – new position. This is a growth expense – maintaining service levels for a growing community.

BUDGET IMPACT

Operating Budget (Current and Future)

The proposed water, wastewater and stormwater budgets align with their Council-approved 6-year financial plans. The combined water/wastewater increase would be 6.21% or \$67.71 for the average residential property. The stormwater increase of 12.3% would be \$3.72 per year for the average residential property.

Capital Budget

The proposed capital budget of \$25,933,120 fits within existing funding envelopes and has no additional budget impact.

The Capital Budget includes \$1,268,500 in funding from potential grants. Should the Town not be successful in receiving the full amount of funding a report will be brought to Council seeking direction.

CONTACT

For more information on this report, contact: Mike Mayes at 905-953-5300, ext. 2102 or via e-mail at mmayes@newmarket.ca



Mike Mayes, CPA, CGA, DPA
Director, Financial Services/Treasurer



Esther Armchuk, LL.B.
Commissioner, Corporate Services

MM/lm

Attachments:

Appendix B1 – 2018 Capital Budget Request – Recommended

Appendix B2 – 2018 Capital Budget Request – Deferred

2018 CAPITAL BUDGET REQUEST - Deferred

Date: November 8, 2017

Line #	Commission / Department	Project Name	Priority Ranking	Annual or Committed	Category	Total Cost	2018 Cost	ARF	DC	Reserves & Reserve Funds	Gas Tax	General	Other Funding Source	Infrastructure Grant	Operating Impact - 2018	Operating Impact - rates	Operating Impact - 2019	Additional Capital Needs
71	General Government	Business Continuity Plan	3		Other	50,000	50,000					50,000						
72	DIS	Kingdale Shoulder Rehabilitation	3		Other	70,000	70,000	-		-	-	70,000	-					
73	DIS	Asphalt Paving of Old Ballhurst Street	3		Other	275,000	275,000	-		-	-	275,000	-					
74	DIS	Retractable Awning Patio - Seniors Meeting Place	3		Other	250,000	250,000	-		-	-	250,000	-					
75	DIS	Facility Improvement	3		Other	656,500	656,500				-	656,500						
76	DIS	Self Cleaning Washroom	3		Other	150,000	150,000	-		-	-	150,000	-					
77	DIS	Trail Paving John F Smith Trail	3		Other	275,000	275,000	-		-	-	275,000	-					
78	DIS	Paving of Limestone Walkways	3		Other	134,745	134,745	-		-	-	134,745	-					
Total Deferred						\$1,861,245	\$1,861,245	\$0	\$0	\$0	\$0	\$1,861,245	\$0	\$0	\$0	\$0	\$0	\$0

2018 CAPITAL BUDGET REQUEST - Recommended

Date: November 8, 2017

Line #	Commission / Department	Project Name	Priority Ranking	Annual or Committed	Category	Total Cost	2018 Cost	ARF	DC	Reserves & Reserve Funds	Gas Tax	General	Other Funding Source	Infrastructure Grant	Operating Impact - 2018	Operating Impact - 2019	Additional Capital Needs
1	CYFS	Pads for Suppression and Prevention	3		Other	19,500	19,500			11,573			7,927		2,500		
2	CYFS	Life Cycle Replacement of Personal Protective Equipment	2		Replacement	55,000	55,000	55,000									
3	CYFS	Personal Protective Equipment & Uniforms for New recruits	1		Growth	27,000	27,000		16,025				10,975				
4	CYFS	Purchase of an Additional Prevention Vehicle	3		Growth	38,500	38,500		22,850				15,650		500		
5	CYFS	Replacement of Equipment	2		Replacement	100,000	100,000	100,000									
6	CYFS	New Fire Engine for Station 4-5	3		Growth	985,000	400,000		237,400			35,000	162,600				
7	Newmarket Fire	LED Sign for Station 4-1	1		Other	35,000	35,000										
8	Newmarket Fire	Rod Replacement- Station 4-2	2		Replacement	170,000	170,000	170,000									
9	Library	Computer Hardware & Software	2	Annual	Replacement	52,200	52,200	52,200									
10	Library	Equipment	2		Replacement	6,000	6,000	6,000									
11	General Government	DC Background Study	1		Growth	70,000	35,000		35,000								
12	Communications	Web Project & AODA Compliance	1		Other	25,000	25,000					25,000					
13	IT	Upgrade/Replace Desktop and Peripheral Equipment	2	Annual	Replacement	183,000	163,000	163,000									
14	IT	Server Room Equipment Replacement	2	Annual	Replacement	195,000	195,000	195,000									
15	IT	Software Licenses	2	Annual	Replacement	98,000	98,000	98,000									
16	IT	Upgrade/Replace ERP systems	2	Annual	Replacement	200,000	200,000	200,000									
17	IT	Storage Attached Network Replacement	2		Replacement	90,000	90,000	90,000									
18	IT	GIS Upgrade & Replacement	2		Replacement	50,000	50,000	50,000									
19	IT	Internet Voting	1		Other	60,000	60,000					60,000					
20	Legislative Services	Vehicle Equipment for Enforcement Officers	1		Growth	50,000	50,000			50,000							
21	Legislative Services	Additional Vehicle for Enforcement Officers	1		Growth	33,000	33,000			33,000							
22	Recreation & Culture	Culture Master Plan	3		Other	150,000	75,000			75,000							
23	Recreation & Culture	Theatre	2		Replacement	400,000	400,000			400,000							
24	DIS -Planning	Mulock GO Station Secondary Plan	1		Growth	250,000	250,000		250,000								
25	DIS -Planning	Official Plan Review	1		Growth	250,000	250,000		250,000								
26	DIS -Planning	Heritage Cons. Dist. Update	2		Growth	50,000	50,000		50,000								
27	DIS -Planning	Old Main Street Tertiary Plan	2		Other	65,000	65,000			65,000							
28	DIS -Planning	Residential Parking Review	2		Growth	100,000	100,000		100,000								
29	DIS -Planning	Community Energy Plan Implementation	1		Other	310,000	310,000					205,000	105,000				
30	DIS -Planning	Urban Centres Road Network Centerline Study	3		Growth	200,000	200,000		200,000								
31	DIS	Install Street Lights on Bathurst Street	1		Growth	60,000	60,000		60,000								
32	DIS	Washway Modifications	1		Replacement	150,000	150,000	150,000									
33	DIS	Trail Lighting - TTT Tannery to CN Crossing	1		Other	160,000	160,000					80,000	80,000				
34	DIS	Davis & Bathurst Intersection Improvements (Sidewalk & Streetlighting)	2		Growth	1,550,000	1,550,000		1,550,000							50,000	
35	DIS	Engineering/Design for Future Projects	2	Annual	Replacement	850,000	850,000	850,000									
36	DIS	Yonge St. North of Davis to Green Lane Consulting	2		Growth	500,000	500,000		500,000								
37	DIS	Municipal Infrastructure Projects	2	Annual	Replacement	4,235,000	4,235,000	2,135,000			2,100,000						
38	DIS	Yonge Street YRTTC Project Consulting	2	2017 Committed	Growth	200,000	200,000		200,000								
39	DIS	Streetscaping - VIVA Project	3		Growth	400,000	400,000		400,000								
40	DIS	Active Transportation Plan Implementation	1	2017 Committed	Growth	150,000	150,000		150,000								
41	DIS	Bridge and Culvert Inspection, Repair and Replacement	1	Annual	Replacement	550,000	550,000	275,000					275,000				
42	DIS	Magne Centre Roof Replacement	1		Replacement	950,000	950,000	950,000									
43	DIS	Town Energy Reduction Plan	1		Other	40,000	40,000					40,000					
44	DIS	Demolition of Scout Hall	1		Replacement	65,000	65,000	65,000									
45	DIS	Satellite Building - Glenway	3		Growth	500,000	500,000		500,000								
46	DIS	395 Mulock Building Maintenance Need	2		Replacement	125,000	125,000	125,000									
47	DIS	Farmbank Farmhouse Maintenance	2		Replacement	600,000	600,000			250,000			350,000				
48	DIS	All Other Facility Maintenance Needs	2	Annual	Replacement	934,500	934,500	934,500									
49	DIS	Accessible Upgrade to Park Washrooms	1		Replacement	50,000	50,000	50,000									
50	DIS	Urban Forestry Management Program	1		Other	50,000	50,000					50,000					
51	DIS	Sundia Park Development	2	2017 approved without amount	Growth	230,020	230,020		141,300				88,720			10,000	

2018 CAPITAL BUDGET REQUEST - Recommended

Date: November 8, 2017

Line #	Commission / Department	Project Name	Priority Ranking	Annual or Committed	Category	Total Cost	2018 Cost	ARF	DC	Reserves & Reserve Funds	Gas Tax	General	Other Funding Sources	Infrastructure Grant	Operating Impact - 2018	Operating Impact - Rates	Operating Impact - 2019	Additional Capital Needs
52	DIS	Sports Field Lighting Replacement	2		Replacement	1,016,000	1,016,000	1,016,000	-	-	-	-	-	-	-	-	-	-
53	DIS	Recreation Playbook Implementation	1	2017 Committed	Growth	1,013,000	1,013,000	-	911,700	101,300	-	-	-	-	-	-	50,000	-
54	DIS	Secondary Pkwn - Historic Park Design & Implementation	1		Growth	150,000	150,000	-	135,000	15,000	-	-	-	-	-	-	182,000	-
55	DIS	George Richardson Park North Playing Site for User Groups	2		Replacement	275,000	275,000	275,000	-	-	-	-	-	-	-	-	-	-
56	DIS	Outdoor Trail	2		Replacement	100,000	100,000	100,000	-	-	-	-	-	-	-	-	-	-
57	DIS	Netting for Ball Diamonds	2	2017 Committed	Replacement	225,000	225,000	225,000	-	-	-	-	-	-	-	-	-	-
58	DIS	Tree Canopy Increasing Planting	3		Other	90,000	90,000	-	-	-	-	-	-	-	-	-	-	-
59	DIS	Truck - Solid Waste	2		Growth	50,000	50,000	-	45,000	5,000	-	-	-	-	-	-	-	-
60	DIS	Vehicles and Equipment Replacement	2	Annual	Replacement	1,254,000	1,254,000	1,254,000	-	-	-	-	-	-	-	-	-	-
61	DIS	Mini Excavator	2		Growth	95,000	95,000	-	95,000	-	-	-	-	-	-	-	-	-
62	DIS	Asset Management Strategy	1		Replacement	496,400	496,400	326,400	-	-	-	-	170,000	-	-	-	-	-
63	DIS	Capital Projects - Engineering Staff Time Implementation	2	Annual	Replacement	900,000	900,000	900,000	-	-	-	-	-	-	-	-	-	-
64	Water	Watermain Replacement - 380 Bayview Parkway	2		Replacement	100,000	100,000	100,000	-	-	-	-	-	-	-	-	-	-
65	Water & Wastewater	Water/Wastewater Master Servicing Study Implementation	2	2017 Committed	Growth	1,281,500	1,281,500	-	1,281,500	-	-	-	-	-	-	-	-	-
66	Storm Water	Stormwater Management Pond Clean Outs	1		Other	714,000	714,000	714,000	-	-	-	-	-	-	-	-	-	-
67	Storm Water	Low Impact Development (LID) & New Stormwater Facilities	3	2017 Committed	Other	200,000	200,000	200,000	-	-	-	-	-	-	-	-	-	-
68	DIS	Hackett Park Trail & Breathing Space Construction	1		Growth	1,700,000	1,700,000	-	1,530,000	170,000	-	-	-	-	-	-	-	-
69	DIS	Vehicle Charging Stations	3		Other	18,000	18,000	-	-	-	-	-	18,000	-	-	-	-	-
70	DIS	Lighting of Pathways	1		Other	180,000	180,000	-	-	-	-	-	180,000	-	-	-	-	-
80	DIS	LED Lighting Upgrade	3		Other	28,000	28,000	-	-	-	-	-	28,000	-	-	-	-	-
81	DIS	REALize Water Treatment	3		Other	42,500	42,500	-	-	-	-	-	42,500	-	-	-	-	-
82	DIS	Greenhouses Operating System	3		Other	20,000	20,000	-	-	-	-	-	20,000	-	-	-	-	-
79	Legislative Services	Vehicle Replacement	2		Replacement	33,000	33,000	33,000	-	-	-	-	-	-	-	-	-	-
TOTAL						\$28,628,120	\$25,933,120	\$11,857,100	\$8,660,775	\$1,265,873	\$2,100,000	\$495,000	\$1,554,372	\$0	\$3,000	\$0	\$302,000	