



Town of Newmarket
395 Mulock Drive P.O. Box 328,
Newmarket, Ontario, L3Y 4X7

Email: info@newmarket.ca | Website: newmarket.ca | Phone: 905-895-5193

2020 Budget Decision Packages Staff Report to Council

Report Number: 2020-26

Department(s): CAO's Office

Author(s): Jag Sharma

Meeting Date: April 27, 2020

Recommendations

1. That the report entitled 2020 Budget Decision Packages dated April 27, 2020 be received; and,
2. That the provision in the 2020 budget for decision packages be allocated as outlined in this report; and,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Executive Summary

Not applicable.

Purpose

The purpose of this report is to provide a review of the \$779,977 provision in the 2020 budget for decision packages. This report recommends an allocation for those funds.

Background

Report 2019-130, Draft 2020 Operating and Capital Budgets, recommended the Town's budgets for 2020. The tax-supported and rate-supported operating budgets included Decision Packages for the base and operating budgets. Decision Packages are

requests for additional spending to support new initiatives. They include all of the relative incremental costs and potential revenues: as such, they are "mini business cases." All requests to increase the approved staffing complement require a Decision Package.

\$1,287,017 was included in the budget and factored into the 2020 tax, water and wastewater rates, however only \$507,040 was allocated. The remaining \$779,977 was included in the budget as a provision pending further review.

The service delivery review by Strategy Corp, REV It Up, has been completed and an implementation plan is being presented. It is now appropriate to deal with the outstanding issue from the 2020 budget.

Discussion

The recommended funding allocations reflect staff's efforts to minimize tax levy and utility rate impacts, and only consider budget neutral staff positions of high importance. See Appendix A for the listing.

- Facilities Capital Project Management is required to provide effectiveness and efficiency to maintain our facility standards. This position will be funded by the capital budget and will reduce the requirement for external consulting. Recruitment is to be deferred until the Town returns to full operations.
- Cyber Security Awareness Platform is a critical risk mitigation and should have been included in the initial budget recommendation.
- Grant Coordinator Position to Full time is the creation of a fulltime permanent position for a current contract employee. This position pays for itself by increasing our grant funding. Immediate action is recommended to ensure that we are prepared for the anticipated federal and provincial recovery grants.
- Natural Heritage Asset Maintenance Program will maintain and protect our trees and other natural assets. It will work the conservation authority on projects like public safety and EAB. The position is funded from savings on contract positions. Recruitment is to be deferred until the Town returns to full operations.
- Asset Maintenance Through Plumbing entails hiring an in-house plumber to replace contracting out the work. The Town has sufficient needs to support this. There would be a net savings.
- Water/Waste Water - Licences for Accela is to provide access to our new land use software to water and wastewater. This should have been included in the original recommendation.
- Smart Meter & Stormwater services - Customer support is to meet growing customer demands. Various initiatives that the Town is undertaking are resulting in more inquiries through Customer Service. On a trial basis, funding is recommended for a contract position.
- IT Project Manager will support our drive for efficiency through technology. The second manager would support projects such as Accela, the new land use software. It is recommended to be funded on a trial basis to determine the extent of the need.

Conclusion

The recommended allocation of funding for Decision Packages reflect staff's effort to reduce cost and continue with priority business decisions.

Business Plan and Strategic Plan Linkages

The recommendations support several Council Strategic Priorities. And form a foundation for moving forward with REV It Up initiatives.

Consultation

The Decision Packages in each of the attachments were reviewed in detail by both SLT and OLT. They align with the REV It Up review.

Human Resource Considerations

These recommendations would result in a 5.7 increase to full time equivalents (FTE's) in the approved staffing compliment. This consorts of:

- 4 permanent full time positions funded by internal savings
- 1.7 contract positons on a test basis to determine if resources are required to manage additional service requirements.

Budget Impact

The 2020 budget included a provision of \$779,977 for Decision Packages subject to further review. This reports recommends allocating \$184,850 of this - \$118,010 in the tax-supported budget and \$66,840 in the rate-supported budgets.

After allocating funds as recommended, the operating budget will still contain \$595,127 in unallocated finds - \$372,133 in the tax-supported budget and \$222,994 in the rate-supported.. The \$372,133 of tax rate supported be directed to the appropriate reserve as identified by the Treasurer until the financial uncertainty around Covid 19 is better understood. The \$222,994 of rate-supported budget would be available for Council Priorities or specific reserves.

In addition, the budget will include the full year costs for these projects. There are benefits to this. Not deferring the annualization to next year eliminates a budget driver for 2021.As recruitment will be later in the year, there will be savings for the 2020 year through additional hiring gaping.

Attachments

Appendix A: Decision Packages to be allocated fund next year

Approval

Jag Sharma, Chief Administrative Officer

Contact

For more information contact Jag Sharma, Chief Administrative Officer at jsharma@newmarket.ca