

# 2015 Budget

City of Markham  
Ontario, Canada



**MARKHAM PAN AM CENTRE**

A LEGACY OF THE PAN AND PARAPAN AMERICAN GAMES

**CENTRE PANAMÉRICAIN DE MARKHAM**

UN LEGS DES JEUX PANAMÉRICAINS ET PARAPANAMÉRICAINS

16 Main Street Unionville





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Markham  
Ontario**

For the Fiscal Year Beginning

**January 1, 2014**

Executive Director



## 2015 EXECUTIVE SUMMARY

The City of Markham is a municipality of approximately 336,000 residents centrally located within the Greater Toronto Area. Markham is a diverse and dynamic community that continues to experience tremendous growth.

Founded in the 1790's, Markham has evolved into a prosperous community which features a rich heritage, outstanding community planning and services, and a vibrant local economy. Markham is home to more than 9,000 businesses and 164,000 jobs, many of which are aligned with growth in high technology, life sciences, financial services and communications. This is primarily due to a well defined transportation and communication network, high quality facilities, a diverse and highly educated labour force and pro-business environment.

Markham has developed a reputation for exemplary fiscal leadership while continuing to drive value for our residents. This has earned Markham numerous accolades pertaining to achievements on low property tax rate increases, and investments in state-of-the-art facilities and services. In 2013, Markham became the first Ontario municipality to be ranked #1 for financial performance and transparency by The Frontier Centre for Public Policy through its influential Local Government Performance Index, and the #1 ranking was maintained in 2014.

Markham's 2014 Commercial, Industrial, and Multi-Residential tax rates continue to be the lowest in York Region and among the lowest in the GTHA (Greater Toronto and Hamilton Area). The NRU (Novae Res Urbis), a Toronto based publication, identified Markham once again as a leader in fiscal responsibility when comparing the 2014 tax rates of 27 municipalities.

Through prudent fiscal management, Markham has continued to successfully enhance service levels to our residents while maintaining low tax rates year over year making it the benchmark for other municipalities to follow. Markham has made significant infrastructure investments in roads and bridges to improve traffic flow, and award winning community facilities to build on its commitment to enhance service levels. A prime example is the Cornell Community Centre & Library which is a LEED Silver Certified Centre that has garnered numerous international recognition for its design, including: International Interior Design Association – 2014 Award of Excellence, Association of Registered Interior Designers of Ontario (ARIDO) – 2014 Award of Excellence and 2014 Award of Merit, Parks & Recreation Ontario – 2014 PRO Award, and Interior Design Magazine – Best of Year Merit Award 2013.

On November 23, 2014 the Pan Am Centre was officially opened and was welcomed by over 3,000 Markham residents who came to partake in the opening festivities. With the Pan Am and ParaPan Am games set to commence in July and August of 2015 respectively, Markham will play a significant role as an Official host city and expects to host an estimated 250,000 international visitors during this time. The Centre will host water polo, badminton and table tennis as part of the 2015 Pan/Para Pan American Games.



Early in 2015, York University officially endorsed the building of a new campus in Markham, and on May 20<sup>th</sup>, the approval of the project from the Ontario government was officially announced. York Regional Council has committed up to \$25 million toward the new facility which will be located in the City of Markham’s Markham Centre, providing easy access to transit, major employers, research centres and the Markham Pan Am Centre. The site will be an integral part of a developing urban centre that will provide many amenities to students. As such, it leverages infrastructure investments already made by government and draws on private and public sector partnerships to optimize value. Implications to the City are expected to be immensely positive with an estimated \$500 million in economic benefits from construction, 400 new on-campus jobs and \$37 million contributed to the local economy annually. The campus is expected to be home to 5,000 students within 5 years, and growing to 10,000 to 20,000 in 20 years.

Markham is one of the few municipalities to be honoured with two Recycling Council of Ontario (RCO) Platinum Awards for achieving top-recycler status. Markham’s waste diversion rate of 80% through reduction, reuse and recycling initiatives, is amongst the highest municipal diversion rates in Ontario. In order to achieve a high diversion rate, Markham Council approved the implementation of the clear bag program which requires all Markham residents to use clear garbage bags. The clear garbage bag encourages behavioural change and ensures recyclable items or items banned from disposal are not included in the waste stream. To date, Markham is the largest municipality in Ontario to adopt a clear bag program.

The downturn in economic climate in 2009 spurred a need for the City to turn to innovative ways to maintain the trend of low tax rates while continuing to expand and improve services. Markham responded by introducing a continuous improvement program, Excellence through Efficiency and Effectiveness (E3) which has achieved over \$20 million in operational savings and revenue enhancements since its inception. These measures have prevented the need for a 20 per cent tax increase over that period. In 2015 Markham will continue to pursue opportunities for further efficiencies and business transformation.

On March 31, 2015, Council approved the 2015 Budget of \$426.52M, and the breakdown is illustrated below:



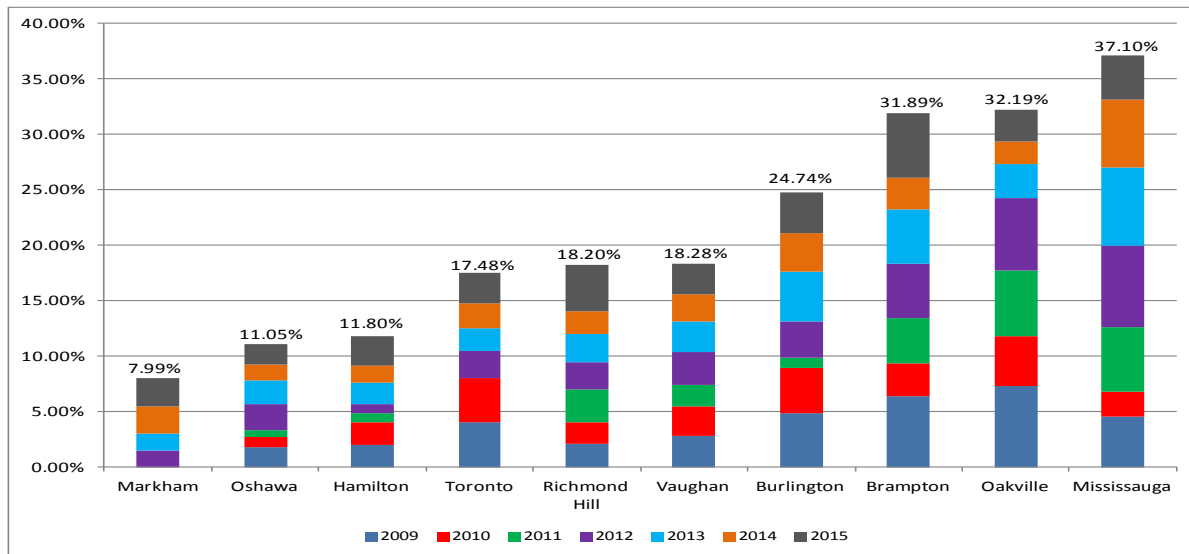
The 2015 Budget includes a 2.34 per cent tax rate increase to maintain day-to-day city operations, and a 0.16 per cent tax rate increase for continuing costs associated with the December 2013 ice storm. The 2.5 per cent tax rate increase represents an additional \$27.50 for the average residential household in Markham.

The approved 2.5 per cent tax rate increase was a reduction from the original proposed rate of 3.81 per cent. This represented a \$1.67 million reduction in net expenses which is a testament to the concerted and collaborative effort by Markham staff and Council to maintain Markham’s leadership status for low tax rate increases.

Among other components, the 2015 Budget includes \$2.71 million for growth-related services, including maintenance for 23 km of new roads and 30 acres of parkland, installation of 420 new energy efficient LED streetlights, and an increase of 2,400 tonnes for waste collection.

From 2009 to 2015, Markham’s total tax rate increase was 7.99 per cent; an average of just over one per cent a year over the past seven-year period, and the lowest among the 27 municipalities in the GTHA.

**Tax Rate Comparison with Other Municipalities**  
7 Year Total (2009-2015)



All Budget Committee meetings were open to the public, and the meetings were audio-streamed through Markham’s portal. Following the meetings, the presentations were available to be viewed and listened to on the City’s website. Notices of the Budget Committee meetings were advertised in the local newspaper, through social media and on Markham’s portal. A public consultation meeting was held on March 23, 2015 at the Markham Civic Centre and a General Committee meeting was held on March 31, 2015. In addition, as part of the 2015 budget process, the City continued to utilize its innovative Citizen Budget Tool to engage residents in the budget process. This online tool helps residents better understand how their tax dollars are used for Markham’s programs and services. It also provides an opportunity to express their views on how residential tax dollars should be used.



The Budget Committee, which consists of Members of Council, supported by Senior Staff, encouraged input and feedback from stakeholders and used a management-by-facts approach to ensure taxpayers are receiving value for money.

The 2015 Budget is a fiscally responsible budget that maintains low tax rates while providing new and important community infrastructure, as well as world class facilities. Additionally, an annual storm water fee was introduced in 2014 to be added to each resident tax bill in 2015. This is a 30-year initiative to help limit flooding risks in urban areas and improve storm drainage. Ultimately, Council approved the 2015 budget through a transparent and consultative process.

### **Operating Budget Highlights**

Every year, the Operating budget process involves an understanding of the current economic climate and a resulting collaborative effort from both Council and Staff to deliver a balanced budget which meets resident expectations while incorporating minimal tax rate increases in the process.

The most prevalent economic pressures typically stem from general inflation, increasing utility costs and third party contract renewals such as winter maintenance and waste collection contracts.

Markham is a growing municipality, and budgetary requirements increase as the City continues to add to its inventory of parks, streetlights, and roads each year, requiring additional resources to maintain and replace assets.

The 2015 Operating Budget included an expenditure increase of \$11.50M, offset by an increase in revenues of \$8.52M, resulting in a net shortfall of \$2.98M, equivalent to a tax rate increase of 2.34%.

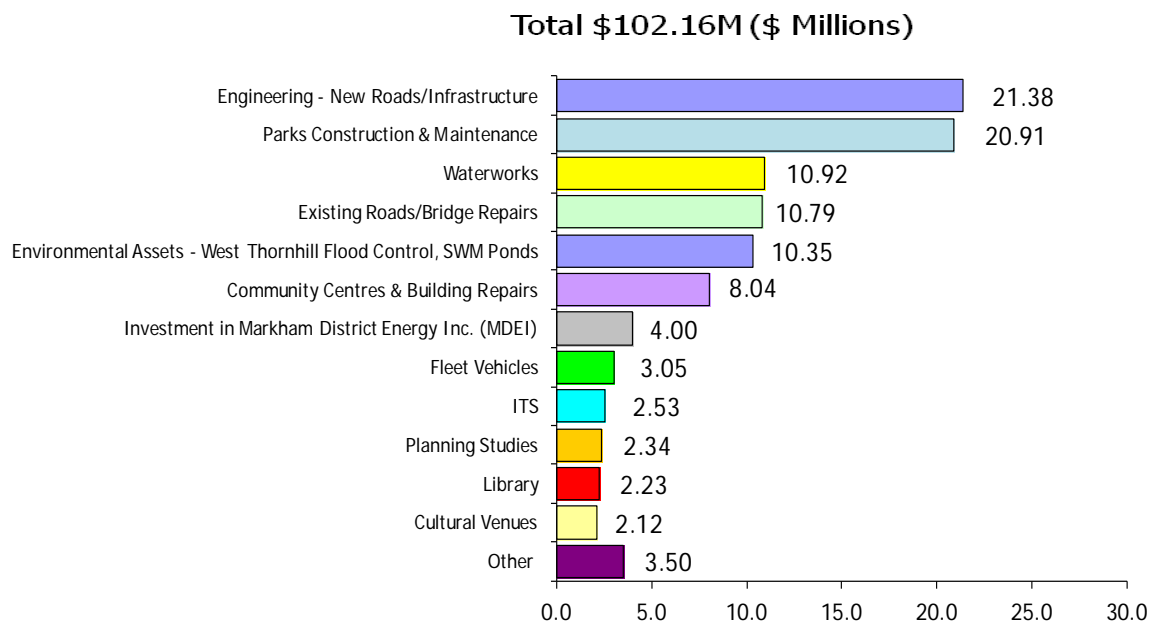
Due to the extraordinary circumstances resulting from the December 2013 ice storm, Council approved an additional 0.16% tax rate increase to partially fund the response and recovery costs. The 2015 Operating budget represents year 2 of this 3-year phased approach.

In summary, Council approved a total tax rate increase of 2.50%: 2.34% to support day-to-day operations and 0.16% to fund the response and recovery costs associated with the December 2013 ice storm. The 2015 Budget aligns with the Council approved strategic priorities which address social, economic and environmental considerations. The Budget includes service level enhancements while providing Markham residents value for their money. The 2015 Operating Budget achieves fiscal sustainability by not using one-time funding to balance the budget.

## Capital Budget Highlights

The approval of the 2015 Capital Budget of \$102.16 million was achieved through a comprehensive process designed to effectively address each of the City’s strategic priorities. Maintaining the model of longer-term thinking towards capital investments, the City assures that the existing community facilities are maintained in a state of good repair for years to come. Overall the capital budget demonstrates the City’s commitment to its residents by making the appropriate plans to invest in their future needs.

The chart below illustrates the Capital Budget by type:



The 2015 Capital Budget includes service level enhancements for the Flood Control Implementation at West Thornhill, design and construction of 14 new parks to accommodate the growing population, a number of major construction programs to support transportation infrastructure, service level enhancements at Community Centres, Libraries, Fire Stations and the Civic Centre, continuation of the tree planting initiative, and the Emerald Ash Borer program. In addition, the City has allocated funding towards the construction of new cycling and trail paths, sanitary sewer construction & replacement, water system upgrade and a business continuity plan.

### Looking Ahead : Building Markham’s Future Together and Strategic Focus

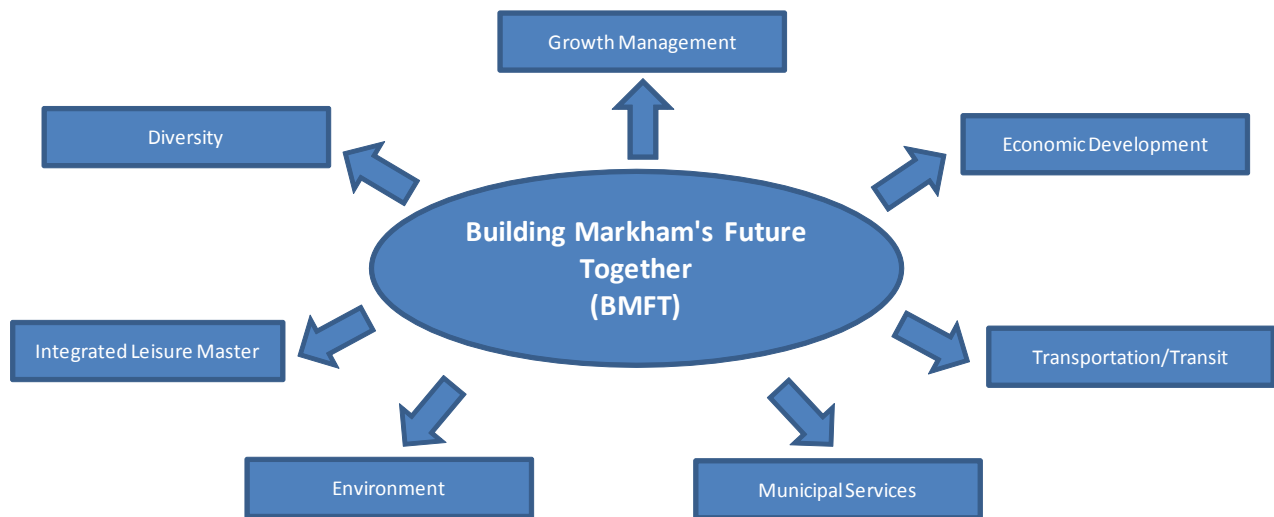
Since 2007, Markham has pursued the Council approved strategic plan – Building Markham’s Future Together (BMFT). Thousands of residents provided input to this plan during the award-winning “Click with Markham” consultation, and residents continue to share ideas through committees and meetings.

In the Fall of 2013, the City launched its BMFT “Road Show” to inform residents of the outstanding achievements so far and plans for the future. The show included touring



several Markham facilities and displaying the most notable achievements, along with an interactive kiosk.

Master plans are now in place for the following seven strategic priorities:



In addition, the new City of Markham Official Plan sets out a long-term vision for the continued development of Markham as a vibrant, liveable city. It provides direction to Council, residents, businesses and investors about the appropriate form of development for Markham over the next 20 years. It also provides direction on the provision of services, such as transportation, that support development.

### **Growth Management**

The province of Ontario and York Region has identified Markham as a growth municipality and the City is required to plan for a population of approximately 422,000 by 2031. This represents growth of more than 90,000 people over the next 20 years.

The City is developing a “Made in Markham” plan for sustainable growth in response to provincial growth initiatives and directives. It will protect our natural and cultural heritage, and provide the necessary infrastructure and services for social and economic well-being for new communities, without adversely affecting existing neighbourhoods. The City values the opinions of its residents and has begun to consult with the public on these plans.

### **Economic Development**

“Markham 2020” is Council’s approved 10-year economic strategy and was launched in 2008 to guide Markham’s economic development and to shape Markham’s future as one of Canada’s leading communities in the knowledge-based economy. Currently in its seventh year of implementation, the strategy will be reviewed in 2015 to ensure it remains an appropriate blueprint to guide economic development to the year 2020. The Economic Strategy review will take place in collaboration with strategic partners and is



meant as an opportunity to make necessary adjustments to the existing strategy. The review is not meant to change the key areas of focus (ie. targeted sectors, markets, and enablers).

Lauded by Dr. Richard Florida and by TD Canada Trust Chief Economist Don Drummond, our strategy is a vision for tomorrow's Markham and a set of plans to make that vision a reality.

“Markham 2020” targets four key sectors of opportunity:

- Convergence of Information and Communications Technology and Life Sciences
- Information, Entertainment and Cultural Industries
- Professional, Scientific and Technical Services
- Finance and Insurance

These sectors present dynamic business opportunities and employment growth. Together, they will provide focus for the pursuit and development of Markham's future prosperity and employment supply.

### **Transportation/Transit**

Rapid growth in the Greater Toronto & Hamilton Area (GTHA), York Region and Markham has resulted in many transportation challenges. These include:

- Congested city streets and highways
- Congested transit in part of the GTHA
- Environmental issues
- Noise pollution
- Reduced quality of life

Smart cities provide integrated, efficient and affordable transportation and transit choices for business and leisure use. The Markham Transportation Strategic Plan is a critical component of the City's corporate strategy. Once fully developed, Markham Centre and its associated Mobility hub will provide highly sophisticated and integrated opportunities for pedestrian, road, rail, cycle and rapid transit travel. They will define Markham's new downtown area and connect the City's many diverse communities. The main benefits of Urban Growth Centres such as Markham Centre and Langstaff Gateway will allow residents easy access to a range of amenities, employment opportunities and close proximity to rapid transit. This will reduce the number and the distance of the trips.

The bus rapid transit project (BRT) along Highway 7 will allow rapid transit buses to move out of congested traffic enabling travelers to get around the region faster on transit. With 34.2km of planned routes across the entire York Region, the BRT will provide more reliable service to passengers with more frequent services during peak travel periods and enhanced connections to GO transit, regional transit and future extensions to the existing subway network.



## **Municipal Services**

Markham provides thousands of services to its residents and prides itself on providing high quality services. Our residents expect quality services that are cost-effective and responsive to their needs. Optimizing service delivery requires setting priorities and making choices. The City's commitment to service excellence extends through its one-stop Contact Centre, convenient counter services with extended hours from 5pm to 7pm every Thursday, community centres and libraries, online services, industry leading waste management and drinking water programs and reliable fire and emergency services.

## **Environment**

The GreenPrint, Markham's Community Sustainability Plan encourages citizens, organizations and businesses to participate in creating a sustainable city. The plan includes :

- Policies to protect air, land, water, habitat and all living species
- A multi-year, multi-language education and communication strategy
- Partnerships with all levels of government to endorse and support sustainability
- A comprehensive Climate Action Plan

The Greenprint's goal to achieve a sustainable city is reliant on its ability to achieve net zero energy, water, waste and emissions by 2050. The net zero approach to resource use and management means that core services such as energy and water use, and the resultant waste and emissions produced, are equally offset by mitigating measures. And more importantly, the net zero approach will ensure that quality of life is preserved for future generations.

## **Integrated Leisure Master Plan**

The City's Integrated Leisure Master Plan centres around a 10 year strategy that Markham's decision-making and resource allocation strategies with regard to parks, recreation, culture and library service and facility needs. The Plan is based heavily on consultation with the public and stakeholders, as well as an understanding of local demand factors and future trends. Implementation of the Integrated Leisure Master Plan will define Markham as a destination of choice for active community living.

With the opening of the Markham Pan Am Centre, a Sport Strategy will be developed to nurture and grow our community sport network and raise the profile of Markham through sport tourism. Sport tourism is the fastest growing tourism sector, and with the facilities that Markham has built, we have the capacity to host regional, national and international events, while supporting local sport development.

The Recreation Services Department extends beyond the walls of the City owned and operated facilities. The Department builds on creative partnerships to deliver services in schools, parks, and elsewhere based on community needs.

## **Diversity**

Markham is Canada's most diverse city and, through our city's diversity action plan, Everyone Welcome, continues to focus on inclusivity. Our goal is to ensure that residents of all ages, backgrounds and abilities are welcomed, valued and engaged.

The Plan includes:

- Diversifying their Boards and Committees
- Providing better library services for seniors and the print-disabled
- Making online information available to residents of all ability levels
- Mandatory Diversity Training for all Markham staff in 2014
- Reduce barriers to voting through on-line voting enhancements

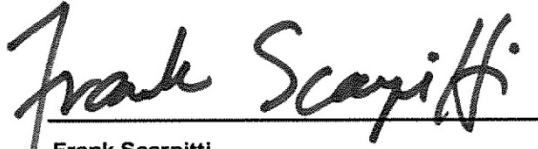
Markham also celebrates and embraces its diversity and the contribution of residents to our community through its many cultural festivals and activities such as the Many Faces of Markham Event to commemorate the International Day for the Elimination of Racial Discrimination, Black History Awards Celebration, the South Asian Festival, Chinese New Year, Taste of Asia and flag raising ceremonies. Markham also hosts annual family events including Canada Day, and the RBC Markham Milliken Children's Festival to provide an opportunity for the whole community to come together to celebrate the diversity that makes Markham great.


## **Summary**

Markham's ongoing commitment to offer world class services and infrastructure to its residents continues to drive the proactive and innovative approach to achieve these goals. Through ambitious initiatives and prudent planning, Markham has repeatedly achieved success in delivering state-of-the-art facilities and award winning services, while always maintaining its role as a responsible steward by keeping taxes at the lowest rate throughout the GTHA. Through its numerous achievements, Markham has earned a reputation of being a premier municipality, with the ability to deliver quality results and establish itself at the forefront of new initiatives and programs.

The unique perspective from having a deeply rooted heritage combined with a progressive approach to government makes Markham a distinctively premium municipality in which to reside for both residents and businesses alike. The diversity within the community has attracted many more residents, as the City continues to enjoy population growth. High-value businesses remain committed to their presence here and help towards creating a strong foundation for re-investment, aiding economic prosperity. As we move forward, Markham will maintain its commitments towards making the municipality an enviable and thriving region, as well as maintaining its hard earned and well deserved reputation.



  
Frank Scarpitti  
Mayor

  
Logan Kanapathi  
Budget Chief & Ward 7 Councillor

  
Amanda Collucci  
Vice Chair, Budget Committee & Ward 6 Councillor

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Alternate formats available upon request

## TABLE OF CONTENTS

Section	Page
<b>1. City Overview</b>	
Markham and the North American Market	1
Markham Street Map	2
Markham Coat of Arms and Motto	3
Markham Council	4
Organization Structure	5
2015 Budget Full Time Complement	6
History of Markham	9
Economic Profile	11
New Dwelling Units and Construction Values	20
<b>2. Corporate Strategic Plan</b>	
Strategic Plan and Initiatives – Building Markham’s Future Together	21
<i>Growth Management</i>	22
<i>Transportation/Transit</i>	24
<i>Environment</i>	26
<i>Municipal Services</i>	29
<i>Parks, Recreation, Culture &amp; Library Master Plan/Public Safety</i>	31
<i>Diversity</i>	33
<i>Markham 2020 – Economic Development Strategy</i>	37
<b>3. 2015 Budget</b>	
Business Planning and Budgeting Process	38
2015 Budget Overview	40
Long Term Operating Budget Forecast	45
Long Term Capital Budget Forecast	47
<b>3a. Funds Summary</b>	
Summary of Funds Overview	49
2013 to 2015 Summary of Reserve Funds	51
Reserve and Reserve Fund	
<i>Description of Funds</i>	52
<i>Continuity Schedule</i>	56
<i>Explanation of Changes</i>	57
Trust Funds	
<i>Description of Trust Funds</i>	59
<i>Continuity Schedule</i>	60



<b>3b. Budget Presentation</b>	
Public Consultation Meeting Presentation	61
2015 Budget Report to Council	84
Media Release	94
<b>3c. 2015 Operating Budget</b>	
Operating Budget Summary	98
Operating Budget	107
Consolidated by Department and Commission	108
Consolidated by Commission and Account	111
Consolidated by Fund	112
<b>3d. 2014 Capital Budget</b>	
Capital Budget	113
Capital Budget by Commission	119
Capital Budget by Department	120
Sources of Funding	125
Capital Budget by Department & Funding Source	127
Capital Induced Operating Costs	128
Long Term Capital Budget Forecast	129
Capital Project Requests for Projects Over \$1 Million	131
<b>3e. Waterworks, Building, Planning, &amp; Engineering Budget</b>	
Building Standards Budget	153
Planning & Design Budget	156
Engineering Budget	159
Waterworks Budget	162
<b>4. Budget Policies and Guidelines</b>	
Financial Policies	166
Budgeting Policies	170
Multi-Year Budgeting Instructions and Guidelines	172
Investment Policies	186
Development Charge Borrowing Policies	198
Investment Allocation Interest Policies	200
Reserve Policies	201
Debt Policies	204
2015 Operating Budget Guidelines	205
2015 Capital Budget Guidelines	211
2015-2018 Projects Budget Process Guidebook	217
Capital Budget Control Policy	233
Expenditure Control Policy	238

Donations Policy	247
Tangible Capital Assets Policy	254
Payment Acceptance Policy	268
<b>5. Commission Overview, Business Plans &amp; Detailed Operating Budget</b>	
Business Plans Introduction	270
Mayor and Council	279
Chief Administrative Officer	280
<i>Legal Services</i>	284
<i>Human Resources</i>	286
<i>Sustainability Office</i>	289
Corporate Services	292
<i>Corporate Communications and Community Engagement</i>	296
<i>Finance</i>	298
<i>Information Technology Services</i>	300
<i>Legislative Services</i>	304
Development Services	306
<i>Building Standards</i>	310
<i>Engineering</i>	312
<i>Planning and Urban Design</i>	314
<i>Economic Development</i>	316
Community and Fire Services	319
<i>Asset Management</i>	330
<i>Culture</i>	333
<i>Fire and Emergency Services</i>	336
<i>Markham Public Library</i>	339
<i>Operations</i>	342
<i>Environmental Services</i>	345
<i>Recreation Services</i>	348
Corporation Consolidated	351
<b>6. Glossary</b>	
<i>Acronyms</i>	352
<i>Glossary of Terms</i>	355

## Markham and the North American Market



## Markham and the Greater Toronto Area







## CITY OF MARKHAM COAT OF ARMS



<b>Lion</b>	Strength
<b>Wheat</b>	Agricultural History
<b>Coronet</b>	Canadian Maple Leaf
<b>Helmet</b>	From Sir Markham's Coat of Arms
<b>Horses</b>	Early Transportation and Strength
<b>Medallion</b>	From Berczy Coat of Arms (First Settlers); Fleur De Lis - and the two Acorns for growth
<b>Shield</b>	Four Rosettes for 4 communities: Markham, Milliken, Thornhill, Unionville; Sun Rising -Growth and Strength; Lower Section Computer Chips for a high-tech community
<b>Base</b>	Bed of different flowers, representing the different cultures that make up Markham
<b>Motto</b>	<b>"LEADING WHILE REMEMBERING"</b> - Recognizing Markham's municipal leadership, while remembering the contribution of past settlers and residents and our colourful history.

# 2014-2018 Council of the City of Markham



**Mayor  
Frank Scarpitti**



**Regional Councillor &  
Deputy Mayor Jack Heath**



**Regional Councillor  
Jim Jones**



**Regional Councillor  
Joe Li**



**Regional Councillor  
Nirmala Armstrong**



**Ward 1 Councillor  
Valerie Burke**



**Ward 2 Councillor  
Alan Ho**



**Ward 3 Councillor  
Don Hamilton**



**Ward 4 Councillor  
Karen Rea**



**Ward 5 Councillor  
Colin Campbell**



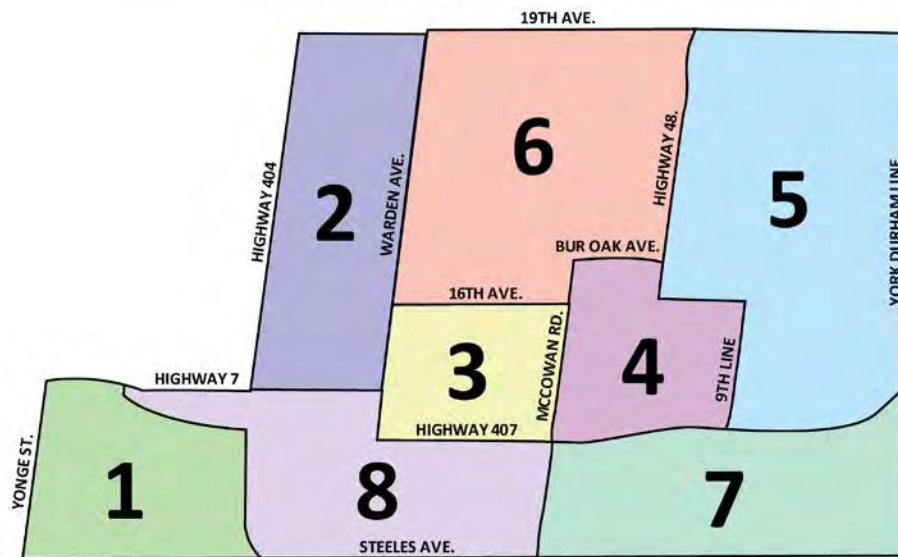
**Ward 6 Councillor  
Amanda Collucci**



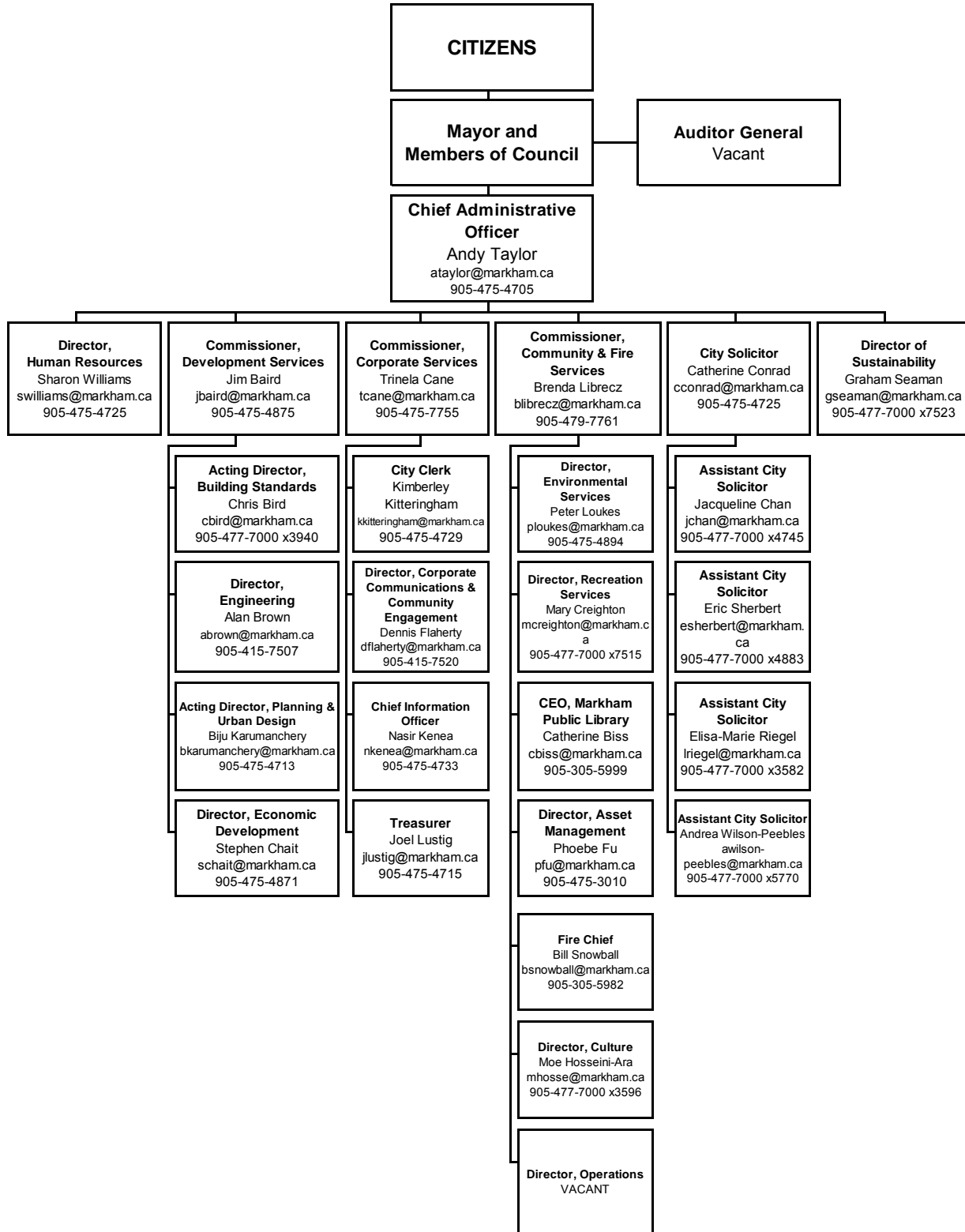
**Ward 7 Councillor  
Logan Kanapathi**



**Ward 8 Councillor  
Alex Chiu**



# ORGANIZATION STRUCTURE





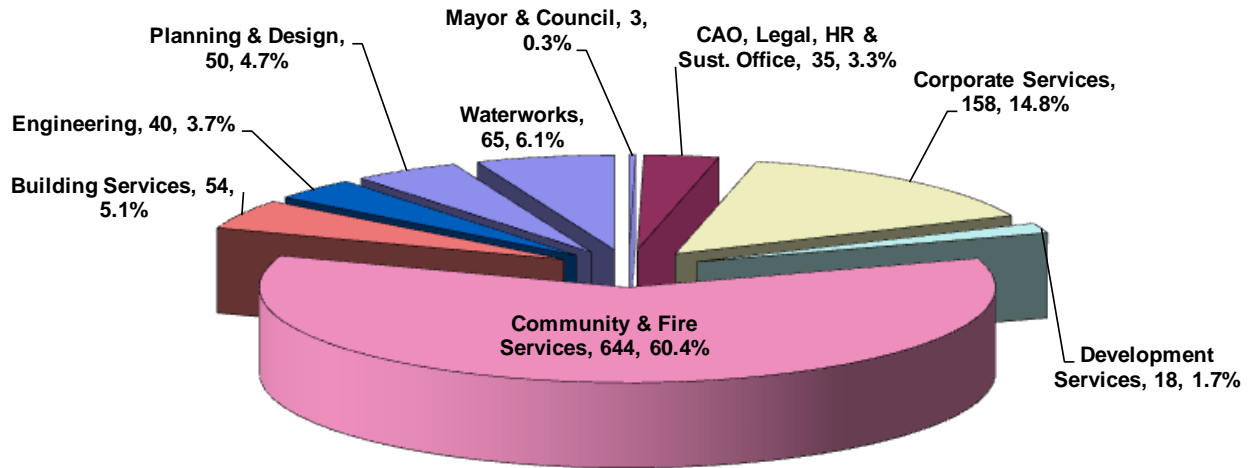
## 2015 BUDGET HEAD COUNT

### APPROVED FULL TIME COMPLIMENT

Department / Commission	2012	2013	2014	2015
<b>Mayor &amp; Council*</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Human Resources	18	18	18	18
Legal Services	10	10	10	10
Sustainability Office	3	3	3	3
CAO's Office	5	4	4	4
<b>Total CAO, Legal, HR &amp; Sustainability Office</b>	<b>36</b>	<b>35</b>	<b>35</b>	<b>35</b>
Contact Centre	7	6	0	0
Communications & Community Relations	13	13	13	14
Financial Services	47	48	48	49
Information Technologies Services	32	32	33	34
Legislative Services	53	53	59	59
Commissioner's Office	3	2	2	2
<b>Total Corporate Services</b>	<b>155</b>	<b>154</b>	<b>155</b>	<b>158</b>
Economic Development	7	7	7	7
Engineering	37	39	39	40
Planning & Design	44	47	50	50
Commissioner's Office	11	11	11	11
<b>Total Development Services</b>	<b>99</b>	<b>104</b>	<b>107</b>	<b>108</b>
Arts Centres	7	7	7	8
Asset Management	26	27	30	31
Fire Services	278	278	278	278
Fleet	10	10	10	10
Library	63	70	70	70
Museum	6	6	6	6
Operations & Asset Management Admin.	2	0	0	0
Operations Admin.	15	15	15	14
Parks	46	46	46	46
Recreation Services	95	109	109	120
Roads	34	35	35	37
Theatre	10	10	10	10
Traffic Operations	4	4	4	4
Waste Management	6	6	6	5
Commissioner's Office	4	4	4	5
<b>Total Community &amp; Fire Services</b>	<b>606</b>	<b>627</b>	<b>630</b>	<b>644</b>
<b>Sub Total</b>	<b>899</b>	<b>923</b>	<b>930</b>	<b>948</b>
<b>Building Services</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>
<b>Waterworks</b>	<b>62</b>	<b>64</b>	<b>64</b>	<b>65</b>
<b>Total Corporation</b>	<b>1,015</b>	<b>1,041</b>	<b>1,048</b>	<b>1,067</b>

\* Excludes Mayor & Council Members

## 2015 Budget Full Time Headcount by Area



### Summary of Changes to Approved Full Time Complement

#### **2015 Budget**

The 2015 approved full time complement of 1,067 represents an addition of 19 new full time staff. 8 positions were added through the 2015 Budget process. The details of these 8 positions are shown on the following page. The remaining 11 positions were approved during 2014 for the Pan Am facility. The increase is due to the overall growth of the City and to the City's commitment to maintain service levels.



## DETAILS OF 2015 STAFF ADDITIONS

### 2015 BUDGET

<b>Corporate Services</b>		
<b>Corporate Communications</b>	Event Coordinator	1
<b>Financial Services</b>	Senior Buyer	1
<b>IT Services</b>	Infrastructure Network Support Specialist	1
<b>Community &amp; Fire Services</b>		
<b>Asset Management</b>	Utilities Technician	1
	Project Engineer	1
<b>Operations</b>	Operations Labourer/Driver	2
<b>Waterworks</b>	Business Compliance Certification Clerk	1
<b>Total</b>		<b>8</b>

## HISTORY OF MARKHAM



The source from which Markham draws its name is rich in both resonance and history.

When Upper and Lower Canada were established in 1791, John Graves Simcoe was appointed the first Lieutenant-Governor of Upper Canada. Simcoe named the Township of Markham, north of the Town of York (now Toronto), after his friend, William Markham, the Archbishop of York.

Markham Township was originally surveyed in 1793-94, but not until 1801 was the land divided into 10 concessions running north and south, with 6 side roads running east/west. Eventually, the boundaries of Markham Township occupied the area, as follows:

NORTH: Whitchurch Town Line (Hwy. #47)  
SOUTH: Scarborough Town Line (Steeles Avenue)  
EAST: Pickering Town Line  
WEST: Vaughan Town Line (Yonge Street)

In 1794, William Berczy led 75 German families from New York State to Markham Township. Each was granted 200 acres. Because of hardships, many returned to York and Niagara. In 1797, because of the revolution in France, many nobility fled the country and set off for Canada to take advantage of free land grants in Upper Canada. They were totally unprepared for survival under such crude conditions and most of them returned to their homeland.

From 1803 - 1812, the largest group of settlers was Pennsylvania Germans, most of who were Mennonites. These highly skilled craftsmen and knowledgeable farmers had the best chance for survival because they had already survived harsh conditions in Pennsylvania.





From 1830 onwards, many Irish, Scottish and English immigrated to Upper Canada to escape the famine and overpopulation of their homeland.

Markham's early years blended the rigours of homesteading with the development of agricultural-based industries. The many rivers and streams in the Township soon supported water-powered saw and gristmills, and later woollen mills.

With improved transportation routes, such as Yonge Street and the growing population, urbanization increased. By 1857 most of the Township had been cleared of timber and was under cultivation. Villages like Thornhill, Unionville and Markham greatly expanded and new, specialized industries such as wagon works, tanneries, farm implement and furniture factories sprang up.

In 1871, the Toronto and Nipissing Railway Company, with stations in Unionville and Markham, officially opened its line from Scarborough to Uxbridge. Initially, the railway brought renewed prosperity and rapid development. Farmers and millers had a more convenient means of transporting their products to Toronto. Other merchants had easier access to supplies and business boomed.

The first form of structured municipal government occurred in 1850 when the Township of Markham was created. On November 20, 1872, the Warden of York County signed the By-law of Incorporation, which provided for the election of a Council for the Village of Markham. The Village of Markham grew to a population of 1100 by 1891.

The increased communication with Toronto brought on by the railway and further enhanced by the development of the telegraph, the telephone and the automobile, ultimately led to the demise of the villages in the Township after the turn of the century. Local industries were simply unable to compete with the larger manufacturers and suppliers of Toronto, and Markham soon reverted to a quiet, rural community.

From 1945 onward, the face of Markham began to change rapidly. It was no longer a community whose inhabitants worked mainly within the area. It evolved into a community for those who commuted to work in Toronto. As a result, rural Markham disappeared in the face of tremendous urban growth.

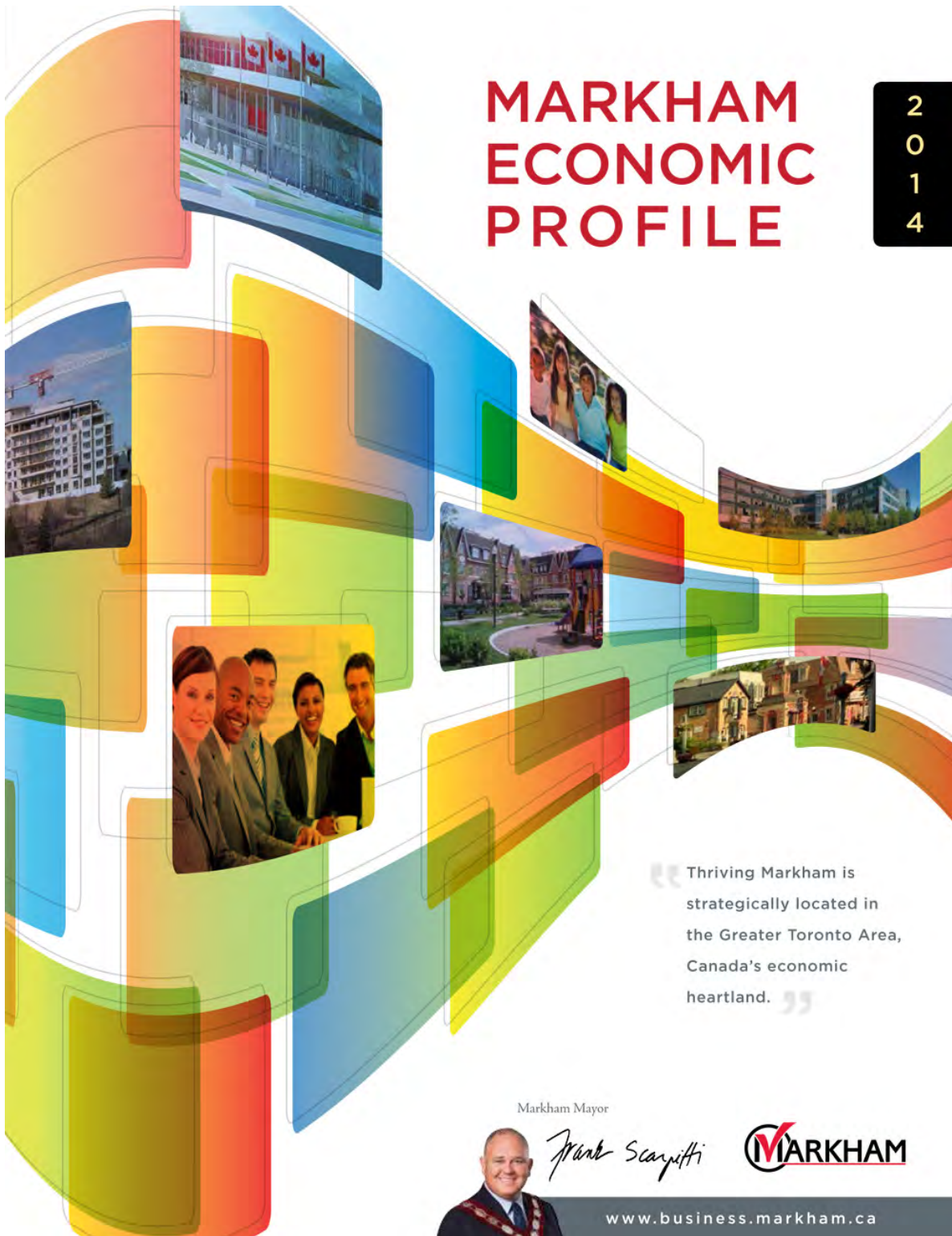
By 1969, the Township of Markham consisted of several villages, including Markham, Unionville, and parts of Thornhill. In 1971, the Regional Municipality of York was established. Northern portions of Markham Township were annexed to the municipalities of Richmond Hill and Whitchurch-Stouffville, while the balance of Markham Township was incorporated in the Town of Markham and the present Town boundaries set.

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is estimated to be 332,889 by the end of 2013. Through this change and growth, many reminders of Markham's roots endure. Still rich in fertile farmland, it stands as Canada's pre-eminent high technology centre, known worldwide for innovative products and services.

## ECONOMIC PROFILE

# MARKHAM ECONOMIC PROFILE

2  
0  
1  
4



“ Thriving Markham is strategically located in the Greater Toronto Area, Canada’s economic heartland. ”

Markham Mayor



*Mark Scarpitti*



[www.business.markham.ca](http://www.business.markham.ca)

Expanding business base. Motivated, highly educated workforce. Affluent, diverse population. By every measure, Canada's high-tech capital - and 16th largest municipality - is thriving.

The award-winning City of Markham is the largest of nine communities in York Region, with a population of over **342,000** and a land area of **212 square kilometres**.



Of the **9,900 companies in Markham**, there are more than **400 Canadian head offices** located here - including IBM, Aviva Insurance, AMD, Bank of China, GE Digital Energy, Honeywell, Huawei Technologies, Lenovo, Johnson & Johnson, Toshiba, Honda and Hyundai.

**158,000**



**34,000**

Over **1,000 technology and life sciences companies** are based in Markham. These two sectors alone **employ 34,000 people** - over one-fifth of the total workforce of **158,000**.

### Strategies for Growth

Markham is maintaining its economic momentum by following its 10-year economic strategy, Markham 2020. In targeting specific growth sectors, the City continues to attract companies specializing in ICT, life sciences, financial services, design and engineering, professional scientific services, and information and cultural industries. Here, businesses find skilled workers from around the world who are drawn to Markham for its exceptional quality of life (see page 8).

Internationally, the City's profile has benefited from several economic alliances and a frequent exchange of business missions to and from Asia, the USA and Europe - reaching out to global markets to bring investment into Markham as well as opening doors for Markham-based businesses to expand.

### Markham's

# TOP 20 EMPLOYERS

3

- IBM CANADA LTD.
- CITY OF MARKHAM
- TD WATERHOUSE INC.
- MARKHAM STOUFFVILLE HOSPITAL
- AMD TECHNOLOGIES INC.
- THE MILLER GROUP
- CGI INFORMATION SYSTEMS
- JOHNSON AND JOHNSON INC.
- ESTEE LAUDER
- THE LIBERAL
- CAA SOUTH CENTRAL ONTARIO
- ALLSTATE INSURANCE
- FIRST STUDENT CANADA
- MMM GROUP
- GE DIGITAL ENERGY
- AECOM
- HOMELIFE BAYVIEW REALTY INC.
- HONDA CANADA
- TOSHIBA CANADA LTD.
- AUTOLIV ELECTRONICS CANADA INC.

Data source: 2013 York Region Employment Survey

## High Tech Cluster

# HIGH-TECH CLUSTER

4

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Computer Systems Design and Related Services	258
Engineering Services	96
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	79
Electronic and Precision Equipment Repair and Maintenance	55
Management Consulting Services	53
Graphic Design Services	47
Electronic Components, Navigational and Communications Equipment and Supplies Wholesaler-Distributors	31
Wireless Telecommunications Carriers (except Satellite)	31
Data Processing, Hosting, and Related Services	23
Navigational, Measuring, Medical and Control Instruments Manufacturing	19
Semiconductor and Other Electronic Component Manufacturing	17
Wired Telecommunications Carriers	17
Software Publishers	15
Research and Development in the Physical, Engineering and Life Sciences	15
Other Telecommunications	12
Other Scientific and Technical Consulting Services	12
Management of Companies and Enterprises	12
Computer and Peripheral Equipment Manufacturing	11
Environmental Consulting Services	11
Electrical Equipment Manufacturing	8
All Other Professional, Scientific and Technical Services	8
Surveying and Mapping (except Geophysical) Services	6
All Other Electrical Equipment and Component Manufacturing	5
Electric Power Generation	5
Industrial Design Services	5
Telephone Apparatus Manufacturing	3
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	3
Other Communications Equipment Manufacturing	3
Communication and Energy Wire and Cable Manufacturing	3
Geophysical Surveying and Mapping Services	3
Internet Publishing and Broadcasting, and Web Search Portals	2
Audio and Video Equipment Manufacturing	1
Manufacturing and Reproducing Magnetic and Optical Media	1
Research and Development in the Social Sciences and Humanities	1
<b>TOTAL</b>	<b>871</b>

Note: Data was obtained from the 2014 York Region Business and Employment Survey. While every effort has been made to ensure the accuracy of this information, the Regional Municipality of York and the City of Markham can accept no responsibility for any inaccuracies, errors or omissions. Some industry categories can be found under both the high-tech and life sciences clusters because the functions of the companies support both sectors.

# LIFE SCIENCES CLUSTER

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Professional Machinery, Equipment and Supplies Wholesaler-Distributors	41
Medical Equipment and Supplies Manufacturing	30
Medical and Diagnostic Laboratories	20
Computer Systems Design and Related Services	15
Research and Development in the Physical, Engineering and Life Sciences	13
Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors	12
Office Administrative Services	10
Management of Companies and Enterprises	8
Navigational, Measuring, Medical and Control Instruments Manufacturing	7
Testing Laboratories	6
Home Health Care Services	5
Toiletries Preparation Manufacturing	3
Management Consulting Services	3
Other Scientific and Technical Consulting Services	2
Pharmaceutical and Medicine Manufacturing	2
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	1
Research and Development in the Social Sciences and Humanities	1
<b>TOTAL</b>	<b>179</b>

5

## Industrial/Commercial Activity

# INDUSTRIAL/COMMERCIAL ACTIVITY

### Development Activity

6

From premium corporate, commercial and industrial developments to outstanding mixed-used communities, Markham is creating the infrastructure needed to sustain a vibrant environment for all. This includes working to maintain the lowest tax rates in the GTA.

#### 2014 Tax Rates (%)

	COMMERCIAL	INDUSTRIAL
Toronto	2.90	2.94
Mississauga	2.10	2.47
Vaughan	1.79	2.09
<b>Markham</b>	<b>1.76</b>	<b>2.04</b>

#### Value of Construction

(January–December 2014)



#### Number of Building Permits Issued

(January–December 2014)



Miscellaneous includes Agricultural, Swimming Pools, Demolitions, Septic, Signs, Tents, Decks, Designated Structures, Heating & Plumbing Only and Partial Permits.

## Industrial Commercial Development

### Industrial & Business Parks, 2014

Industrial available land – serviced and market ready  
 Industrial available land – unserviced  
 Average price per acre

586.38 acres  
 377.59 acres  
 \$574,750 – \$726,000

Commercial available land – serviced and market ready  
 Commercial available land – unserviced  
 Average price per acre

286.03 acres  
 99.78 acres  
 \$1,089,000 – \$1,331,000

### Industrial Inventory, 2014 (Q4)

Total inventory (sq.ft.)  
 Vacancy rate – class A  
 Average net rent (sq.ft.)

32,073,869  
 2.3%  
 \$5.85

### Commercial Office Inventory, 2014 (Q4)

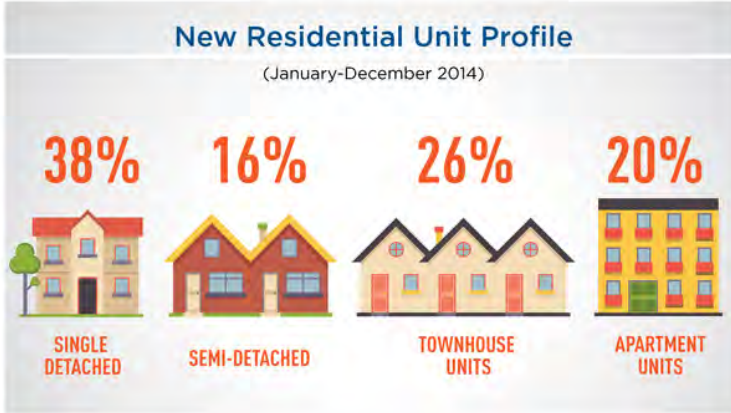
Total inventory (sq.ft.)  
 Vacancy rate – class A  
 Average net rent (sq.ft.)

5,407,828  
 9.8%  
 \$17.29

All values are in Canadian Dollars. Source: Colliers International

## RESIDENTIAL ACTIVITY & UTILITIES

### Residential Development



**Number of New Residential Units Per Year**  
(January-December 2014)



**Average House Prices** (Royal LePage Q4 2014)



### Municipal Utilities

#### Water & Sewer Infrastructure, 2014 Rate

Water & wastewater rate per cubic metre	\$3.0649/m <sup>3</sup>
Sanitary sewers	909.9 km
Water mains	1054.0 km

#### Electricity Costs and Charges, Business Rates

##### 50KW OR LESS

Distribution rate	\$0.0134/kWh
Monthly fixed charge	\$27.12 per month

##### GREATER THAN 50KW DEMAND

Distribution rate	\$2.6226/kW
Monthly fixed charge	\$152.86 per month

## Quality of Life

# QUALITY OF LIFE

8

A key part of Markham's competitiveness strategy is to build and maintain a community that appeals to an upscale, well-educated, culturally diverse workforce.

Throughout Markham, families have the opportunity to enjoy award-winning community centres and libraries, top-performing schools, prestigious neighbourhoods, festive celebration events, and charming heritage villages. The City supports a Group of Seven-inspired art gallery, a museum, a 500-seat theatre and extensive parklands.

Markham's Greenprint strategy drives many initiatives to create a healthier, more sustainable community for all. Among many

successes, the City boasts the highest waste diversion rate in the Greater Toronto Area.

Markham is home to high-quality healthcare services through the expanded Markham Stouffville Hospital and other facilities, and to Seneca College, a premier post-secondary educational research and training facility. For details on available programs, visit [www.senecacollege.ca/markhamlocation](http://www.senecacollege.ca/markhamlocation).

## Seneca

### Recreation & Culture

Number of Parks	209
Trails/pathway system (km)	132.1
Public Libraries	7
Community centres & facilities	29
Golf Courses	9
Ice Arenas	10 pads
Flato Markham Theatre, Markham Museum, Varley Art Gallery	
Heritage areas - Thornhill Village, Unionville Village, Markham Village, Buttonville Village	

### Public Health & Education

Markham Stouffville Hospital (beds)	256
Shouldice Hernia Centre (beds)	89
Elementary schools	73
High schools	14
Community Colleges (within 1 hr drive)	8
Universities (within 1 hr drive)	7

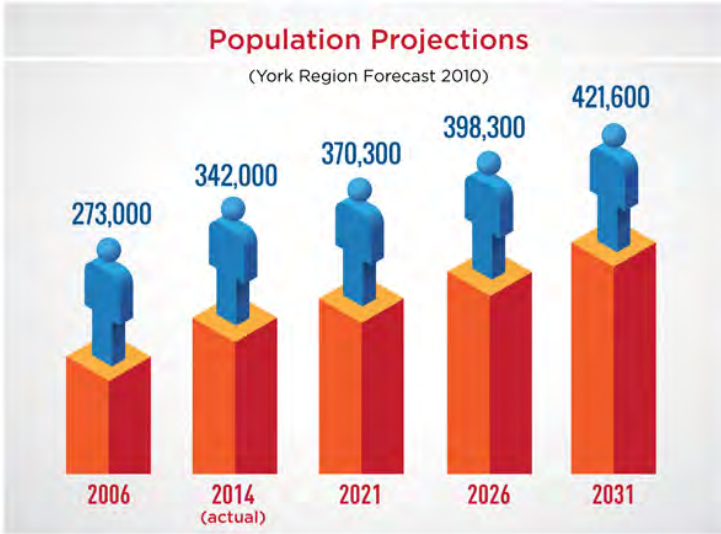
### Transportation Infrastructure & Service Providers

Roads (excludes private roads)	1223 km
Highways (404 and 407)	32 km
Sidewalks	1,029.4 km
York Region Transit (YRT)/Viva	<a href="http://www.yorkregiontransit.com">www.yorkregiontransit.com</a>
Toronto Transit Commission (TTC)	<a href="http://www.ttc.ca">www.ttc.ca</a>
GO Transit	<a href="http://www.gotransit.com">www.gotransit.com</a>
CN Rail	<a href="http://www.cn.ca">www.cn.ca</a>
407 ETR	<a href="http://www.407etr.com">www.407etr.com</a>
Toronto Buttonville Municipal Airport	<a href="http://www.torontoairways.com">www.torontoairways.com</a>





## DEMOGRAPHIC PROFILE



### Mother Tongue Breakdown

(2011 Census)



9

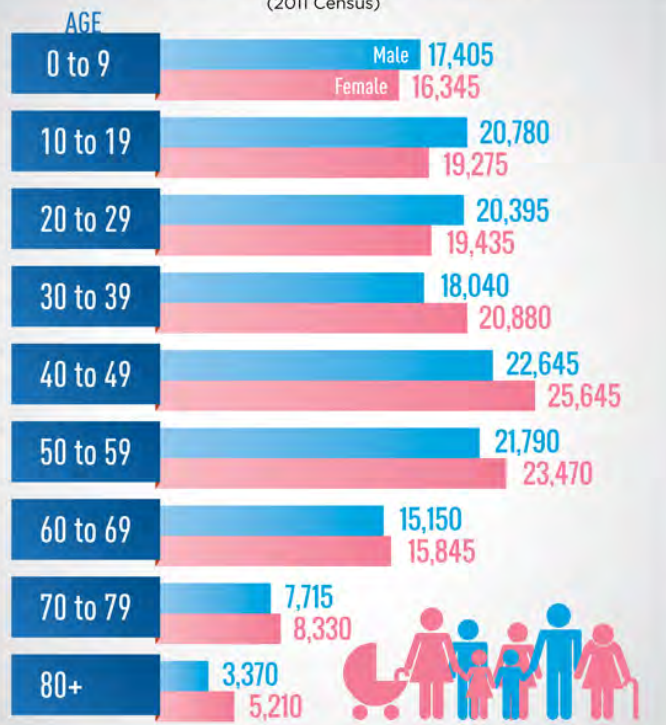
### Educational Attainment

(2011 National Household Survey)



### Population Age Characteristics

(2011 Census)



## Labour Force Profile

# ABOUT FORCE PROFILE

### Basic Indicators

(2011 National Household Survey)

Number of Persons Employed	160,225
Unemployment Rate	8.1%
Labour Force Participation Rate	64.7%

10

### Income Levels of Persons Reporting Income

(2011 National Household Survey)

### Labour Force by Industry

(2011 National Household Survey)

	%
Finance, Insurance, and Real Estate	12.6
Professional, Scientific and Technical	11.6
Retail Trade	10.3
Manufacturing	9.6
Health Care and Social Assistance	8.0
Wholesale Trade	7.5
Educational Services	6.5
Accommodation and Food Services	6.3
Information, Cultural, Arts, Entertainment and Recreation	5.0
Public Administration	3.8
Construction	3.5
Other	15.3



Markham Average  
**\$42,610**



Ontario Average  
**\$42,264**



Canadian Average  
**\$40,650**

### Wage Rates

(Ministry of Labour)

#### Minimum Wage Rate (current as of publication)

Under 18 years of age	\$ 10.30
Over 18 years of age	\$ 11.00

#### Average Earnings, by Selected Occupation, in the Greater Toronto Area (2011, Statistics Canada)

Sales and service	\$ 28,600
Art, culture, recreation and sport	\$ 35,500
Processing, manufacturing and utilities	\$ 40,100
Trades, transport and equipment operators and related	\$ 45,300
Health	\$ 47,400
Business, finance and administrative	\$ 48,000
Social Science, education, government service and religion	\$ 60,700
Natural and applied sciences and related	\$ 62,200
Management	\$ 90,100

Note: For other Census and National Household Survey topics, please visit [www.statcan.gc.ca](http://www.statcan.gc.ca). Data for Average Earnings by Selected Occupation is based on the Toronto census metropolitan area (CMA), from Statistics Canada Table 202-0106 - Earnings of individuals, by selected characteristics and National Occupational Classification (NOC-S), 2011 constant dollars, annual, CANSIM (database), (accessed: 2013-11-20)



## NEW DWELLING UNITS (RESIDENTIAL & NON-RESIDENTIAL) AND CONSTRUCTION VALUES

### Number of New Dwelling Units Issued in Year 2014

Single Dwellings	534
Double Dwellings	175
Row Dwellings	384
Mixed Residential	-
Apartments	1,281
<b>Total</b>	<b>2,374</b>

### Construction Value of Permits Issued in 2014

Residential	546,208,556
Mixed Residential	-
Industrial, Commercial Institutional & Government	273,003,480
Other	66,031,768
<b>Total</b>	<b>885,243,804</b>

## STRATEGIC PLAN AND INITIATIVES

### **Building Markham's Future Together (BMFT) 2009 to 2014**

Markham experienced dramatic growth and change during the past decade which required the city to prepare for and manage this change. In 2007, recognizing that the City must take the right steps today to prepare for the future, Markham Council and Senior Staff identified six strategic priorities for Markham. These priorities were confirmed by Markham residents and stakeholders through an extensive public consultation program, including an innovative online survey process called Click With Markham.

In 2012, Council and Senior Staff came together to review BMFT accomplishments and identify a workplan to 2014. As part of the discussion, it was agreed that Markham 2020 – the Economic Development Strategy, that was nearing completion when BMFT was developed, would also be included in Council's Strategic Plan.

In 2015, Council and Senior Staff are updating BMFT. BMFT 2015 to 2019 will be adopted in the Fall of 2015 and will replace BMFT 2009 to 2014.

### **Short-Term Goals**

Building Markham's Future Together represents Markham's strategic direction and includes 32 action plans associated with the six strategic priorities (Growth Management, Transportation/Transit, Environment, Municipal Services, Parks, Recreation, Culture & Library Master Plan/Public Safety and Diversity). In 2008, Markham made significant short term progress on the associated action plans, continuation of public consultation and conducting community-based research.

Also, in early 2009, community residents and stakeholders were invited to attend a series of introductory public meetings and discussions on each of the six strategic priorities. The goal of these meetings was to increase community understanding of the action plans and for residents and stakeholders to provide their views on important elements for Markham to consider in developing and implementing specific plans and programs. This process will continue until the 32 action plans are all completed.

### **Long-Term Goals**

BMFT helped Markham to create a long term community sustainability plan: Greenprint, Markham's Sustainability Plan (Greenprint). Greenprint is a plan to help the City achieve a balance among environmental, social/cultural and economic factors. The planning process of Greenprint began in early 2009 and is a companion process to Building Markham's Future Together

The following section outlines Markham's progress to date on the 32 action plans associated with the six strategic priorities and progress on the Markham 2020 – Economic Development Strategy.

## GROWTH MANAGEMENT



### Managing the City's growth:

Through the City's Click with Markham campaign, residents identified managing growth as a top priority. Markham has been identified as a growth municipality by the Region of York and the Province of Ontario. The City's strategy to manage the challenges of growth includes:

- Pace of Growth
- Land use
- Environmental protection
- Agriculture
- Cultural heritage
- Economy
- Housing mix
- Quality of life
- Transportation
- Infrastructure

### The City's plan:

- **Develop a "Made in Markham" Growth Management Strategy by Q2 2010. The Strategy will form the basis for a long term vision and plan for sustainable community growth.**

*Status: Completed*

The City developed a 'Made in Markham' plan for sustainable community growth in response to provincial growth initiatives. The plan will protect the City's natural and cultural heritage, and provide for social and economic well-being. The development of a Growth Management Strategy was completed in May 2010. The Strategy is based on an 'environment first' approach, starting with the identification and protection of a City-wide natural heritage network "the greenway system" which represents 35% of the City lands. The draft Official Plan was presented to Council in September 2012, and a series of community open houses and a public meeting was held in the Fall of 2012. The Official Plan has been approved by Markham Council and is under appeal to the Ontario Municipal Board. It is anticipated that the hearing will happen in 2015 with a decision in early 2016.

- **Develop a plan to deliver the services required to accommodate growth.**

*Status: Underway*

The City is developing a plan to deliver the additional infrastructure and services to support the new communities. Where these services are not provided directly by Markham, the City will coordinate with other levels of government and other agencies to ensure the appropriate services are delivered. Work on a Master Servicing Plan and the Transportation Strategic Plan has been completed. The

Integrated Leisure Master Plan (ILMP) has also been completed. The ILMP has a ten year planning horizon, and through an intensive process of community engagement and consultation, the Project developed a Master Plan for Markham's future parks, recreation, cultural facilities and libraries. The ILMP process involved extensive consultation with Council, resulting in an approval of the ILMP recommendations in April 2010 - the first of Council's strategic priorities (Building Markham's Future Together) to be completed. In addition, the City is working on a Community Infrastructure Capacity Review to identify the overall community infrastructure needed to accommodate growth (e.g. health care services, education, etc).

➤ **Develop a financial strategy to implement Markham's growth plan.**

*Status: Completed*

Financial analysis for the growth alternative was undertaken. The City will continue to work with all levels of government to reform legislation, develop new fiscal tools and directly provide the funding for necessary infrastructure.

A new Development Charges By-law was adopted by Council in May 2013.

➤ **Keep citizens involved and informed every step of the way.**

*Status: Completed.*

An extensive public consultation program was undertaken, including over 20 community meetings on individual background studies, and a number of community meetings, stakeholder meetings and online consultation regarding the growth alternatives in 2009 and 2010. Public consultation on the new Official Plan began in the spring of 2011, with a public open house/public meeting and stakeholder consultation to discuss the approach for the new Official Plan. Staff provided updates to the Development Services Committee throughout 2012 which were accessible to the public. A series of community open houses and a public meeting was held in the Fall of 2012. The Official Plan was adopted by Markham Council in 2013 and approved by the Region of York in June 2014. Presentations and staff reports regarding the Growth Strategy and related studies are available on the City's web portal. The City also developed a Workbook that summarized the proposed alternatives and provided an opportunity for the reader to provide their opinions on these alternatives.

In 2013 the City commenced review and consolidation of the City's 49 non-statutory and statutory secondary plans through Managing Growth and Impact on Service Delivery initiative.

By the end of 2014 a number of studies had been commenced to develop sustainable processes to manage growth in the Community Expansion Area. These included:

- Transportation Engineering/Traffic Operations
- Capital Works
- Development Engineering
- Parks & Open Space Development
- Urban Design

## TRANSPORTATION/TRANSIT



### **Improving transportation and transit:**

Rapid growth in the Greater Toronto Area, York Region and Markham has resulted in many transportation challenges. These include:

- Congested city streets and highways
- Environmental issues
- Noise pollution
- Reduced quality of life

Markham needs a transportation/transit vision, along with an implementation plan, a funding strategy and a partnership framework. The City needs to take steps now to protect its neighbourhoods and encourage economic growth.

### **The City's plan:**

- **Work with partners to address Markham's transit challenges by Q4 2011 and beyond.**

*Status: On-going*

The City continues to work in partnership with York Region, Metrolinx, and other levels of government and government agencies – including Toronto, GO Transit and other stakeholders. Together, the City plans to build an integrated Greater Toronto Area transit system and road network. This would address road improvements for the 400 series highways, as well as local and regional roads.

The City has been providing input into the York Region's Transportation Plan Update and reflecting comments from Council, residents and businesses. The City also made submissions to Metrolinx regarding the Yonge Subway extension to Richmond Hill/Langstaff, and encouraged more funding from the Province for other rapid transit projects in Markham. The City, along with York Region Transit, Ministry of Transportation Ontario (MTO), 407 Express Toll Route (ETR) and York Region's staff have been exploring opportunities to make Langstaff and Markham Downtown as true transit hubs where there will be major origin and destination of many trips as well as important inter-modal hubs. The Region and the City have completed the Master Transportation Plans to 2031 which includes

additional transit initiatives and provides a transportation strategy requirement to accommodate growth to 2031.

➤ **Develop the City's rapid transit infrastructure throughout 2009 and over the next 8 years.**

Status: *Underway*

This can include a number of transit initiatives. For example: extending the Yonge Subway line to Hwy 7, providing Viva and/or GO "Centre to Centre" service, improving GO service levels and services along the 407, supplemented by sufficient local transit service where required. While the City is not directly responsible for providing transit services, City staff continues to work closely with various transit authorities (York Region Transit, GO Transit) and request service improvements. To complement the increased level of service, the City is creating communities that emphasize public transit as a viable alternative to private cars as a mode of transportation. In all planning exercises, transit service is given a high priority as well as other supporting infrastructure to attract more transit users.

➤ **Create transit-friendly policies in all aspects of City planning in 2011 and beyond.**

Status: *Underway*

This includes transit oriented development land use, Travel Demand Management, live/work balance, education, High Occupancy Vehicle (HOV) lanes, parking, bicycle network, safe streets and developing environmentally friendly transportation modes to reduce Single Occupant Vehicle (SOV). Policy must address live/work balance, higher density, infrastructure, transit nodes and corridors.

The City has received a number of higher density mixed used development applications. City staff have been working with these applicants and have shown leadership in developing transit oriented development. The Cycling and Pedestrian Advisory Committee (CPAC) continues to provide valuable inputs into the promotion of active transportation as well as other measures to make personal transportation more environmentally friendly. Phase 1 of Plan was completed in late 2013.

Policies are being developed for intensification areas to reduce the number of trips (through mixed land use), reduce auto use (parking policy, carpool lanes, proximity to alternative modes,) and encourage the use of other modes especially Active Transportation (bike lanes, continuous sidewalks). The Markham Transportation Strategic Plan (MTSP) investigates a number of policy issues.

The City approved \$3.9 million for multi-use pathways in Markham from Toogood Pond to McCowan Rd and implement signage.



## ENVIRONMENT



### Protecting the City's environment:

Human activity is significantly changing the environment on a global scale. Markham's air, land, water and habitats are all affected. The City urgently needs a coordinated strategy to promote a sustainable community.

### The City's plan:

- **Create a final Greenprint, Markham's Sustainability Plan (Greenprint) strategy for Markham by Q2 2011.**

*Status: Completed*

The Greenprint is the overarching strategic document for this area of focus but also goes far beyond the environment and includes social, culture and economic strategies. The Greenprint was endorsed by Council in June 2011 and the official launch was held in October 2011. The plan includes:

- Policies to protect air, land, water, habitat and all living species
  - Completion of Storm Water Management Facility Database and Maintenance Manual – Storm Water Management (SWM) Facilities Maintenance and Retrofit.
  - Water management principles, aligning with the Greenprint Pillars of sustainability, have been developed for the City.
- A multi-year, multi-language education and communication strategy
  - Two Sustainability Fairs were held: the first in October 2009 that was attended by over 100 people and provided an opportunity for the City to receive input on the 12 Goal Areas of the Greenprint. The second fair was held in November 2010 that provided opportunities for residents to learn about local food and the Greenprint.
  - The launch of the Greenprint was held in October, 2011 to finalize the development process and introduce the completed plan.
- Partnerships with all levels of government to endorse and support sustainability
  - Partnerships and collaborations include: York Region; Ontario Government (Ministry of Education); Metrolinx; York University (Social Sustainability Workshop); York Region District School Board; York Region Catholic School Board; Federation of Canadian Municipalities;

Association of Municipalities of Ontario; Municipalities with best practices in community sustainability (i.e. Whistler, BC)

- Markham received three years of funding for Embedded Energy Manager from PowerStream and the Ontario Power Authority (OPA) for corporate energy conservation till 2014.
  - A comprehensive Climate Action Plan
    - A report for Partners for Climate Protection milestones 1 and 2 was completed in 2009.
    - The Greenprint is the City's Climate Action Plan and it is targeted to address the Partners for Climate Protection milestones.
- **Adopt green building standards and green community standards by Q2 2011.**

*Status: On-going*

The City wants to make Markham a recognized leader in environmental standards.

- Phase 1 Report on "Leadership in Energy and Environmental Design (LEED) and Beyond - Markham Sustainable Development Standards and Guidelines" was presented to Environmental Issues and Sustainability Committee (January 2009). Phase 1 Study report is being updated to align with the new Official Plan policies. A report will be brought forward to Council in 2015.
  - Phase 2 is to develop Sustainable Development Standards and Guidelines for Neighbourhoods. This study will proceed in 2015.
- **Develop and implement a community-wide zero waste strategy.**

*Status: On-going*

The City wants Markham to adopt best practices to move towards a zero waste ecological footprint policy as a baseline and model for residents to follow.

- City owned facilities such as Markham Civic Centre and 555 Miller Avenue Operations Yard, along with the Unionville Meadows Public School and Markham sponsored special events are Zero Waste. Launch Zero Waste School Program.
- The City has achieved an 80% (MPMP) municipal diversion rate which is the best in the GTA and among top of class for North America.
- Diversion Strategy Implementation includes – Carpet recycling depot established, expanded electronic waste diversion program, develop 'move out' program, develop annual "Environmental Days" for residents, curbside bag changes and establish retail bag policy.

- **Prepare a Public Realm Policy and Program.**

*Status: Underway*

The City wants to build on existing programs to improve all parks, streets and natural areas.

- Implementation of Pesticide By-law and Education Plan in 2009.
- Ongoing implementation of the Trees for Tomorrow program which has a goal to plant 90,000 trees over the four-year period of 2010 to 2014. Markham Trees for Tomorrow will adapt to meet the needs or challenges

of a changing environment with the intent to protect the urban forest. Planted 300,00 trees through the Trees for Tomorrow program (2008-2013)

- Community tree plantings, stewardship events and educational outreach programming are on-going.
- A Public Realm Advisory Committee was established in 2011 and demonstration projects have been undertaken at flowering trees in parks, bulbs in grass, mural and artful bike racks at Pomona Mills. The strategy was completed in 2014. Implementation will continue in 2015.
- Rouge Park – Markham has been working with the Rouge Park Alliance as well as other stakeholders to support the creation of a major conservation area that will balance uses with agriculture and the natural environment. In 2015, Markham will continue to work with Parks Canada on the vision for the Rouge National Urban Park in Markham.

➤ **Develop strategies to maintain healthier, greener communities.**

*Status: on-going*

This includes boosting local food production, building more bike paths and walking trails, and improving the safety and security of City neighborhoods.

- A new farmers' market at the Stiver Mill, Unionville (July 2009)
- Guidelines for new community gardens (Q2 2009)
- Sustainability Fairs in 2009 and 2010 were held featuring local food and food security.
- The City worked with Seeds of Change for an event on community gardening in April 2011 and 2012.
- In 2013, a report on Community Allotment Garden principles, guidelines and pilot projects was presented to Council. Two community groups piloted the community garden establishment process with the City in the spring/summer 2013. The program rolled out city wide in 2014.
- Staff in Sustainability Office and Parks Design continues to develop the design for a new allotment gardens in Markham.

➤ **Develop a funding strategy and modeling tool to support these initiatives.**

*Status: Underway*

The model must be created with the goal of sustainability in mind. To accomplish this, it must be created around a triple bottom line: a social, economic, and environmental framework.

- Incorporated Greenprint alignment discussion as part of the 2012 Capital Budget process.
- In 2011, Markham became the first municipality to use the Global Reporting Initiative (GRI), a standard used by many Canadian and international corporations. In 2015, the City is once again using the GRI for Sustainability Reporting. By integrating sustainability indicators into its annual report, the City presents a complete picture of its financial, social and environmental status in a single document, giving residents and other stakeholders one convenient source for important information about their City.



### **Excellence in municipal services:**

Markham provides hundreds of services to its residents and prides itself on providing high quality services. City residents expect quality services that are cost-effective and responsive to their needs. Optimizing service delivery requires setting priorities and making choices.

The City developed a framework for reviewing services promoting elements of;

- Service Excellence
- Service Innovation
- Service Value

Performance measurements will be used to ensure that expectations are met or surpassed, services are delivered efficiently and effectively, and improvement areas are identified. The City will also develop a systematic way to review and evaluate competing demands for municipal resources.

**The goal:** to ensure the most effective, economical and sustainable priorities are set.

### **The City's plan:**

- Complete all planned service improvements.

*Status: Completed*

Project teams reported to Council as they completed this work. The City built a municipal services model by pursuing excellence in service delivery in the following:

- **Service Promise** – What can you expect from the service the City is providing to you and what can you do if the City does not meet your expectations?
- **Service Value** – Why is the service the City provides important and valuable to you and/or the community, as a whole? Is the City delivering service in the most effective and efficient manner?
- **Measurement** – Did the City meet the expectations and live up to the Service Promise?

- **Service Innovation** – To provide new and creative ways of delivering municipal services. Focus on results and outcomes that demonstrate leadership and innovation in all municipal services, and communicating these results effectively to residents.
- **Completed Projects** – Roadway winter maintenance service level review; improved property standards through beautification; zero waste initiative at Civic Centre; shopping cart By-law; recycling at super mailboxes, sports fields and on Main Streets; after hours call pick-up in By-laws; water calls moved to Contact Centre.

➤ **Develop a clear process to evaluate City services.**

*Status: Completed*

Building on the excellence model, municipal services are driven by innovation, integration and a focus on value to residents and businesses.

➤ **Develop a service planning framework for corporate policy development to guide service levels and innovative and sustainable practices.**

*Status: On-going*

This includes service level accountability and review, reporting and communication. Where practical, the City will aim to reduce the cost of delivery while improving City services.

**Operations Service Planning** – Project teams built a municipal services model for the City Operations Department using the elements of service promise, innovation, and value. Staff completed end-to-end process mapping to document service delivery standards to ensure consistent and measurable results. Phase 2 was completed with staff developing standard operating procedures, service levels and benchmarks.

**Waterworks Service Planning** – The Waterworks Department completed the service planning exercise in 2013.

**Enhancing Customer Experience Service Planning** – commenced in Q4 of 2013 to identify, review and develop recommendations to improve the current business processes and practices, and determine potential business transformation opportunities for enhancing customer experience while obtaining service levels. This project is expected to be completed in 2015 with implementation on-going in 2016 and beyond.

## PARKS, RECREATION, CULTURE & LIBRARY MASTER PLAN/PUBLIC SAFETY



### Investing in the City's quality of life:

The City can enrich community life and create more "liveable" communities when the City invests in health, wellness, and lifelong learning programs. This includes:

- Enhancing City community parks, recreation, culture and library programs and service delivery systems
- Making community safety a priority in developing programs, policies and facilities

### The City's plan:

- **Update and create an Integrated Leisure Master Plan (ILMP) by Q2 2010.**

*Status: Completed*

The City needs to create short, medium and long-term priorities for City parks, recreation, culture and library programs and facilities. The City bases the priorities on a sustainable financial model.

- Promote and create opportunity for lifelong active living.
- Review programs, facilities, and public spaces to ensure they reflect and respect the needs of the City's diverse communities
- Ensure Markham's green spaces fit the needs of local neighbourhoods and create interplay between active and passive leisure opportunities
- Engage the public and stakeholders in developing the Master Plan.

The ILMP was approved by Council in April 2010. It will be implemented over the next 10 years.

The Pan Am Centre was completed and officially opened in November of 2014. The new centre will host badminton, water polo, table tennis and para table tennis for the 2015 Pan Am/Parapan Am Games.

In 2010, the City acquired land for a sports park and in 2011, commenced work on the planning for the South East Community Centre and Library. Construction commenced on the South East Community Centre and Library in late 2014 and is anticipated to be completed in 2016.

Markham expanded its parks system in 2014, completing eleven new parks, including the Roseberry and Civic Mall Parks in Markham Centre. Collaborating with Lake Simcoe Region Conservation Authority (LSRCA) and Toronto and Region Conservation Authority (TRCA), the City finished the first phase of the



Multi-use Pathway Trail and completed arrangement for attaching the parkland to the Rouge Urban National Park.

The development for the Culture Plan and the Park Amenities/Park Renaissance were completed in 2014.

➤ **Create Markham's first Community Safety Plan by Q4 2012.**

*Status: Deferred*

The City needs to develop a comprehensive strategic plan that will provide sustainable solutions to enhance community safety in Markham. A Community Safety Plan benefits from strong linkages with social service and enforcement agencies, urban growth, built form, transportation, and parks, recreation, culture, library programs and facilities.

- Engage the public in defining “community safety” in Markham
- Strengthen neighbourhoods and invest in children, youth, and families
- Build community partnerships, including the role of enforcement and policing
- Design and retrofit facilities with community safety in mind
- Maximize synergies with other Council Priorities by sequencing this project to benefit from work underway in the areas of urban growth, transportation, and the leisure master plan.
- Phase I of the Community Safety plan commenced in 2011 and was completed in 2013.

This initiative has been deferred.



### **Celebrating the City's diversity:**

Markham communities represent the full range of human experience, from all stages of life, abilities and ethno-cultural backgrounds. To serve them better, the City needs to develop a clear strategy and related policies to:

- Promote unity and inclusiveness
- Provide programs and services that address the diverse needs of Markham residents.

### **The City's plan:**

- **Engage Markham's diverse communities.**

*Status: On-going*

The City continues in taking steps to involve diverse groups in activities and initiatives, including regular focus groups and fostering a welcoming environment at all City facilities with a "doors wide open" philosophy. Five external consultations regarding the Diversity initiative were conducted with the community. The information arising from these consultations was utilized in the formulation of a Diversity Action Plan for the City that was released in the summer of 2009. A first draft of the Diversity Action Plan was circulated for stakeholder feedback in November 2009.

The Diversity Action Plan was approved in Q2 2010 and formally launched to the public in July 2010. The Diversity Action Plan Implementation Committee has been established to help with the implementation of 68 recommendations.

- To commemorate the International Day for the Elimination of Racial Discrimination, the City of Markham held the annual Many Faces of Markham event to celebrate the diversity within Markham. The 13th Annual Many Faces of Markham event "Waving Flags, United We are!" was held in March 2011. In 2014, in addition to the writing and art competition, a video component was included. There were more than 1,000 submissions from various schools across Markham.
- In March 2012, Markham hosted the "Straight Talk" panel event to address the community's concerns about media representation of diverse groups.





- Black History month is celebrated annually in February in partnership with York District School Board and Markham's African Caribbean Association.

➤ **Foster a greater understanding of diversity across Markham through community partnerships.**

*Status: On-going*

This will help the City to align the City's services and programs with the needs of Markham residents. It will also demonstrate the City's commitment to unity, and commitment to respecting and promoting human rights. The City of Markham became a member of the United Nations Education, Scientific and Cultural Organization - Coalition of Municipalities Against Racism in the winter of 2009. Many Faces of Markham event was held in April 2009. The City partnered with the York Region District School Board and proclaimed Black History Month in February 2010. The City also proclaimed "Diversity Day" in June 2010. In July 2012, the World Unity Festival was the first introduction of a City-wide festival involving dance, entertainment and food representing cultures from around the world. This will continue to be an annual event in Markham.

In 2014, the Reelword Film Festival was hosted in Markham.

➤ **Enhancing Markham boards and committees.**

*Status: On-going*

The City approved the establishment of a Seniors Committee in September 2009. The City also reviewed the mandates of the Race Relations Committee, the Markham Advisory Committee on Accessibility, and the Mayor's Youth Task Force. In the 2014 municipal election, Markham developed a comprehensive accessibility and diversity plan to reduce barriers to voting. New features such as the expansion of on-line voting to those using tablets or smart phones provided access to voters anywhere, anytime, and ensured eligible voters with disabilities could vote from the convenience of their home using their own assistive devices.

➤ **Find ways to make City services more accessible.**

*Status: On-going*

The City's goal is to reduce barriers to as many people as possible in the physical environment, customer service and communications. This includes new multilingual services and assistive communication technologies.

The City recently completed the accessibility upgrades which were funded from the Infrastructure Program for \$3.0 million. In addition, upgrades to the Markham Flato Theatre are were completed in 2013.

As part of the City's commitment to Diversity, the City will work to develop a profile that will show the diversity of Markham's supplier chain.

➤ **Develop an effective communications plan.**

*Status: Underway*

The City's goal is to increase awareness of its diversity strategy and foster a sense of inclusion across all Markham communities.

- Customer Service Training was provided to approximately 900 City Staff in Q2 2009.
- A Social Media policy was developed in 2011, and a strategy for using social media was developed in 2013/2014 to reach the Markham population.
- Staff Development of a diversity related communications plan was completed in 2014.

The Markham Public Library offers many programs to help seniors to access community and government resources programs that offer alternate ways to read. As well, the multilingual collection has been enhanced to accommodate people who speak and read diverse languages.

➤ **Engage and educate City staff.**

*Status: Underway*

The City will develop a vision statement, strategy and comprehensive work plan to move Staff towards an increased level of “Diversity Competence.” This will include mandatory training for all staff, inclusive human resources practices with a special focus on hiring, opportunities for staff to mentor diverse individuals in their career development, an effective communications plan and a program to measure success.

- The Diversity Action Plan was approved in June 2010 with 68 recommendations that are now being implemented throughout the City.
- The Diversity Intranet Site was developed to engage and educate City Staff about diversity.
- As of the end of 2011, more than 500 employees attended the Respect in the Workplace – Anti Harassment training.
- All City Staff will participate in Customer Service Standard training as it relates to people with a disability. To date, over 2,000 full time and part time staff have been trained and training continues on an ongoing basis.
- Markham received the Excellence Canada Award – Ontario Accessibility Award.
- Accessibility Advisory Committee (AAC) and City Staff finalized the Accessibility Design Guidelines which were approved by Council in 2011. The purpose of the guidelines is to identify, remove and prevent barriers and provide solutions particularly in the built environment. The next steps are to ensure that a formalized Accessibility Guidelines accountability framework is established to ensure that the guidelines are implemented in an effective and efficient manner.
- Staff have finalized an “inclusion tool”, and diversity training is being provided for all staff. The tool helps Staff deal effectively with diversity related situations including those related to customer service.
- In Q4 2014, an employment for person with disabilities pilot was developed working with other levels of government as well as the



development and roll out of diversity and including training for regular full time staff.

- Continue to deliver employment related workshops to residents and newcomers at the Welcome Centres and libraries on a regular basis.

## MARKHAM 2020 – ECONOMIC DEVELOPMENT STRATEGY



### **Celebrating the City's economy:**

Markham's Economic Development Strategy establishes, promotes and supports Markham as the best location for diverse high-tech and knowledge-based businesses:

- Economic strategy
- Infrastructure development
- Retention and attraction marketing
- Branding of Markham for business development
- Partnerships

### Economic Strategy highlights:

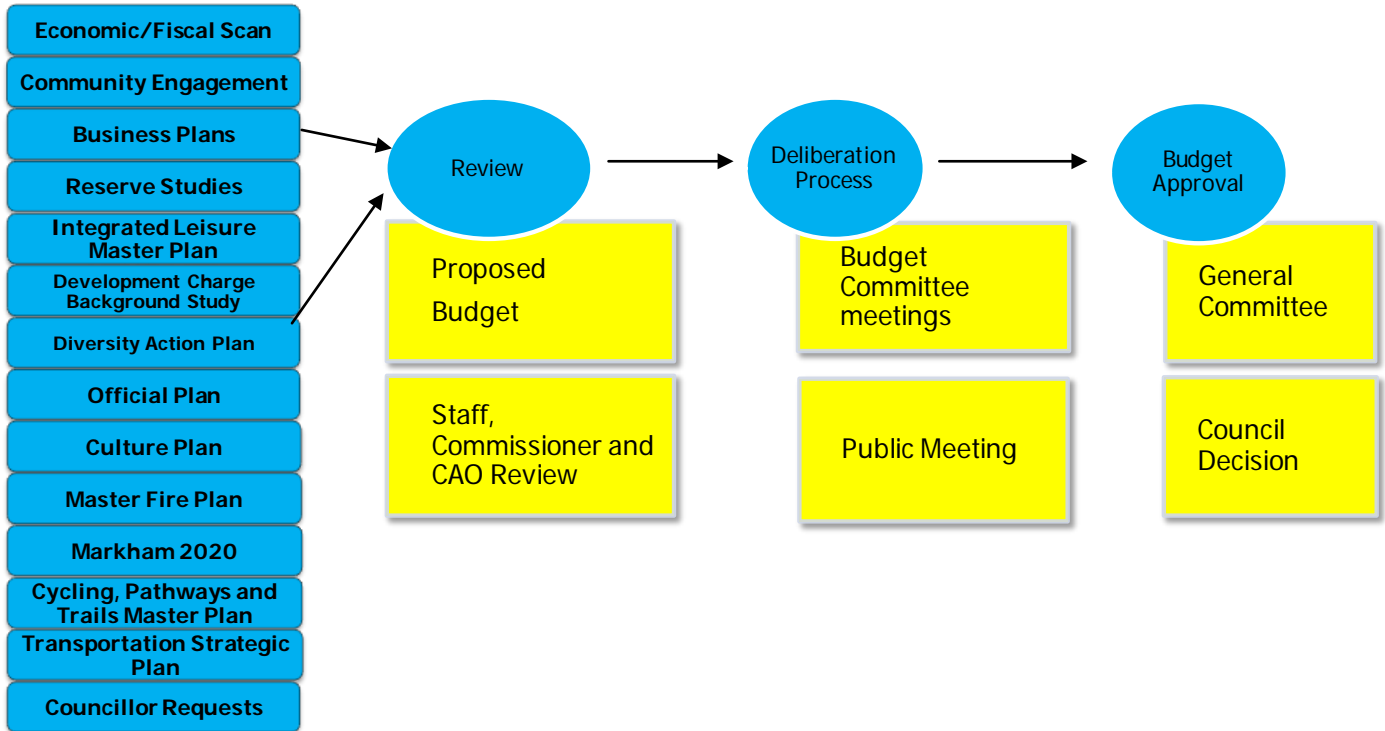
The Markham Convergence Centre (MCC) is a successful “hub” helping businesses grow, regardless of where they are in their business life cycle. The 30,000 sq. ft. building is virtually 100% leased and is home to ventureLAB, the Markham Board of Trade, York Angels, and Innovation York.

Markham continued to attract foreign direct investment generating more than 300 jobs within Markham. New investments were made in Markham by AVIVA Insurance (UK), Huawei Technologies (China), Shinhan Bank (Korea), CenturyLink (USA), and Mobis (Korea).

Markham's Small Business Centre continues to be ranked as one of the best in Ontario by the Provincial Government, and has fostered continuing partnerships with George Brown College, Seneca College, York University, the Association of Canadian Chinese Entrepreneurs and ventureLAB.

Markham's Economic Development Strategy will be updated in 2015/16.

## 2015 BUSINESS PLANNING AND BUDGETING PROCESS HIGH LEVEL





## 2015 BUSINESS PLANNING AND BUDGETING PROCESS DETAILED LEVEL

Month/ Year	Day	Business Planning (Strategy Rep)	Budget (Financial Services)
Jan 2014		Strategy Managers gather Background Information on internal and external trends	
Feb 2014	19	Corporate Business Plan Session of ELT and DF - Presenting Background Information - both internal and external trends	
Mar 2014	5	Corporate Business Plan Session of ELT and DF - identification of focus areas for Corporate Objectives	
Apr 2014	2	Corporate Business Plan Session of ELT and DF - Overview of focus areas and proposed Corporate Objectives	
May 2014		Departments incorporate Corporate Objectives into Departmental Business Plan	
Jun 2014	26	Corporate Business Planning Session of ELT and DF - review of Corporate Objectives	
Jul 2014	7-16	Final Corporate Objectives presented to ELT	Capital Budget database open for input of 100% life cycle and 100% Development Charges funded projects
	25	Departments work on Business Plans	Distribution of operating budget template, operating budget guidelines and new staffing request form
Aug 2014	11-15	Business Plan submitted to Strategy Managers to prepare template	Pre-approval of 2015 core capital projects due to Finance
	20-29	DF committee & Strat Man. review Business Plans/2015 Projects	Complete input of 100% life cycle and 100% Development Charges funded projects (2015 to 2018)
Sep 2014	2-19	DF & Strat Man. review Business Plans/2015 Projects and prioritize	Commissioner review of 100% life cycle and 100% DC funded projects
	14-15	Business Plans reviewed by each Commission	Report to General Committee on Pre-approval of 2015 core capital projects
	19-24	DF committee & Strat Man. review Commission work in preparing for presenting to ELT	Department submission of growth and price related operating budget requests (operating budget template)
	22&29		Commission review of 100% life cycle and 100% DC funded projects with Finance
Oct 2014	22	ELT and DF final review of Business Plans	Finalize submissions for operating budget requests (operating budget template), new staffing requests and capital requests (operating non-life cycle, gas tax and split funded projects)
Nov 2014	3-14		Commission review of operating budget, new staffing requests and capital requests (operating non-life cycle, gas tax and split funded projects) with Finance
	17-21		Consolidation of operating budget, new staffing requests (Finance)
	24-Dec 1		DF review of operating non-life cycle, gas tax and split funded projects and new staffing requests.
Dec 2014	1		ELT review of operating and new staffing requests
	8		Operating Budget database open for input
	15		ELT review of capital budget
Jan 2015			Finalize operating and capital budgets based on ELT review
	19		Complete input of ELT approved operating budget requests to the Operating Budget database
Feb 2015	4		Budget Committee Meeting #1 Budget process, Citizen Budget Tool, fiscal scan, overview of budgets (Operating and Capital), and Life Cycle reserve study update
	9		Budget Committee Meeting #2 Capital Budget
	10		Budget Committee Meeting #3 Capital Budget
	18		Budget Committee Meeting #4 Councillor Requests
			Budget Committee Meeting #5 Councillor Requests and Operating Budget
Mar 2015	9		Budget Committee Meeting #6 Operating Budget, 2015 Celebrate Markham Grant Allocation
	27		Budget Committee Meeting #7 Continuation of 2015 Celebrate Markham Grant Allocation, recommendation of the budget and tax rate increase to General Committee
	31		Council Decision
Apr 2015	1		Press Conference

<b>BUP</b>	Business Unit Profile
<b>ELT</b>	Executive Leadership Team
<b>DF</b>	Directors' Forum

## 2015 BUDGET OVERVIEW

### Budget Framework

Council meets every four years to set the City's goals and priorities. For 2015, Council's strategic priorities continue to address the initiatives defined in the 2007 – 2010 Council term:

- Growth Management
- Transportation
- Environment and Sustainability
- Municipal Services
- Integrated Leisure Master Plan/Public Safety
- Diversity
- Markham 2020 – Economic Development Strategy

These strategic priorities are discussed in further detail in the “Corporate Strategic Plan” section and the specific capital projects related to these initiatives are included under the “Capital Budget” section.

The corporate goals combined with Council's strategic priorities lay the foundation to determine Markham's Business Plans (BP). The BP forms the basis for the Budget process. The Budget provides a framework to put the BP into action.

### Rollout of New Business Planning Template for 2015

In the City's ongoing commitment to continuous improvement and excellence, the Executive Leadership Team (ELT) developed four long term corporate goals in the third quarter of 2013. The four corporate goals are: Exceptional Services by Exceptional People, Engaged, Diverse and Thriving City, Safe and Sustainable Community, and Stewardship of Money and Resources. A new Business Planning template was then developed to drive alignment between the new corporate goals and department objectives. The new template was piloted during the 2014 business planning process and was deemed successful and subsequently introduced corporate-wide to improve the efficiency and effective use of City resources.

### Budget Process

In August 2014, staff began working on the business plans for 2015 for the respective Business Units. Each business unit was required to fill out a BP that serves as a single reference for identifying 2015 proposed objectives of each business unit, in alignment to the corporate goals and Council priorities. With reference to BP, each business unit proposed its 2015 unit operating budget and capital project budget that together form the Budget of the unit.

A series of presentations, highlighting the proposed 2015 BPs and aligning the plan to Council's priorities, were made by the respective department heads to the Directors' Forum (DF). 6 workshops for Directors' Forum (DF) and Chief Administrative Officer



(CAO) and Commissioners (ELT) were held in October 2014 to finalize the initiatives to be undertaken in 2015.

A total of seven Budget Committee meetings were held in the period from January 2015 to March 2015 to discuss, review and finalize the 2015 Operating and Capital Budget. As well, one public consultation meeting was held on March 23, 2015 as an opportunity for residents, business and community leaders to obtain an overview of the City’s budget process and the status of the 2015 Budget. Attendees were invited to inquire about the budget and to provide feedback at these meetings.

On March 31, 2015 Council approved the Capital Budget and Waterworks Operating Budget as well as the Operating, Planning & Design, Engineering, and Building Budgets for 2015.

### Budget Summary

The total approved 2015 Budget is \$426.5M and the breakdown is as follows:

Operating	\$185.9M
Library	\$13.4M
Capital	\$102.2M
Waterworks	\$101.8M
Planning and Design	\$8.2M
Engineering	\$6.6M
Building Standards	\$8.5M
Total	<u><u>\$426.5M</u></u>

### Operating Budget

The City of Markham annually performs an economic and fiscal scan to consider both external and internal factors in developing the 2015 Operating Budget.

Among the most prominent factors from the economic scan were:

- General Inflation (CPI, All items Jan 2014-Jan 2015, Toronto = 2.1% , Energy and Construction Indexes)
- Wage Settlements based on collective agreements(Canadian Union of Public Employees, Markham Professional Fire Fighters Association, and Cost of Living Adjustment for non-union staff)
- Hydro and Streetlight Hydro rate increases forecasted by Hydro provider = 7.7%
- Lowered Key Interest Rates from Bank of Canada from 1% to 0.75% (to mitigate rising oil prices)
- Ontario Unemployment Rates = 6.9% (as of Feb 2015, no change from Feb 2014)
- Housing sales increases (up 7.8% as of Feb 2015)

From a fiscal scan perspective, the City also considered the following:



- Rising personnel costs from inflation, increased benefits costs, provincial mandated minimum wage increases, and new staffing requests
- Growth related costs including:
  - Personnel ramp up to support new and existing facilities (Markham Pan Am Centre, Cornell Fire Station, Southeast Community Centre and Library, etc.)
  - Waste collection (2.5% increase in waste tonnage)
  - Winter maintenance (23 additional kms of roads)
  - Road (23 additional kms of roads) and Park maintenance (12 additional hectares of parks)
  - Streetlight hydro and maintenance throughout the City
- Municipal Service contracts including Utilities, Winter maintenance, and Waste collection increases
- Infrastructure costs including Life cycle and Water Reserve studies to determine the adequacy of the reserves for future replacement of existing assets against projected inflows over the next 25 years
- Provincial legislation (e.g. Transit, Accessibility, Carbon Tax).

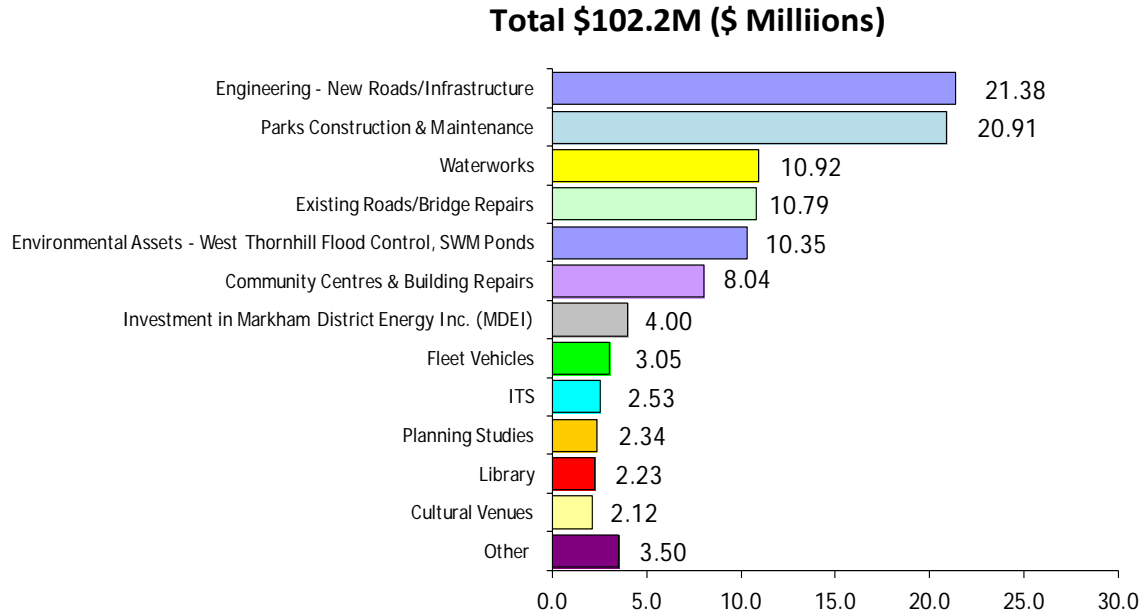
Together, these factors resulted in an \$11.5M impact to the Operating budget expenditures, offset by an increase in revenues of \$8.5M resulting in a net shortfall of \$3.0M, equivalent to a tax rate increase of 2.34%. In addition, due to the extraordinary circumstances resulting from the December 2013 ice storm, Council approved an additional 0.16% tax rate increase to partially fund the response and recovery costs. The 2015 Operating budget represents year 2 of the 3-year phased approach.

In summary, Council approved a total tax rate increase of 2.50%: 2.34% to support day-to-day operations and 0.16% to fund the response and recovery costs associated with the December 2013 ice storm.



## Capital Budget

The breakdown of the City of Markham's approved \$102.2M Capital Budget is shown below, by type:



In September and November 2014, two 2015 Capital Budget pre-approval reports were approved by Council. The two reports included 46 projects totaling \$35.2M. Pre-approval was requested in order to achieve better pricing and to begin the procurement process ahead of the construction season.

Council subsequently approved an additional 236 projects totaling \$67.0M on March 31, 2015. The total approved 2015 capital budget was \$102.2M

Pre-Approved	# Projects	\$
First Request: September 23rd	13	26.6M
Second Request: November 17th	33	8.5M
<b>Total Pre-Approved</b>	<b>46</b>	<b>35.2M</b>
Remaining Projects to be Approved	236	67.0M
<b>Total</b>	<b>282</b>	<b>102.2M</b>

The 2015 Capital Budget includes service level enhancements for the Flood Control Implementation at West Thornhill, design and construction of 14 new parks to accommodate the growing population, a number of major construction programs to support transportation infrastructure, service level enhancements at Community Centres, Libraries, Fire Stations and the Civic Centre, continuation of the tree planting initiative, and the Emerald Ash Borer program. In addition, the City has allocated funding towards the

construction of new cycling and trail paths, sanitary sewer construction & replacement, water system upgrade and a business continuity plan.

The 2015 Capital Budget reflects the City's commitment to maintain service levels to the community and balances social needs with fiscal prudence. This is a reflection of the City's commitment towards fiscal stewardship. Further, consistent with existing City policies, one-time funding is not used to balance the operating budget and the City's commitment to increase contribution to the capital program by \$0.5M is maintained. The City has also continued to ramp-up the Operating budget for future expenditures related to new Community Centres, Pan Am Facility, Libraries and Fire Stations. In addition, the City has continued to contribute to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds.

### **Waterworks Budget**

Council approved the 2015 Waterworks Budget of \$101.8M. This marks an increase of \$5.3M over the 2014 Operating Budget. The 2015 Water and Wastewater rate of \$3.3154/m<sup>3</sup> effective April 1<sup>st</sup>, 2015 (an increase of 8.2% over 2014's rate) is incorporated into the 2015 Waterworks operating budget.

### **Planning & Design Budget**

Planning is primarily funded through Planning Fees and for 2015, Council approved the Planning & Design Budget of \$8.2M. This represents an increase of \$0.3M over the 2014 Budget.

### **Engineering Budget**

Engineering is primarily funded through Engineering Fees and for 2015, Council approved the Engineering Budget of \$6.6M. This represents an increase of \$0.1M from the 2014 Budget.

### **Building Standards Budget**

Building is primarily funded through Building Licenses and Permits and for 2015, Council approved the Building Services Budget of \$8.5M. This represents an increase of \$0.1M from the 2014 Budget.



## LONG TERM OPERATING BUDGET FORECAST

### Fiscal Prudence

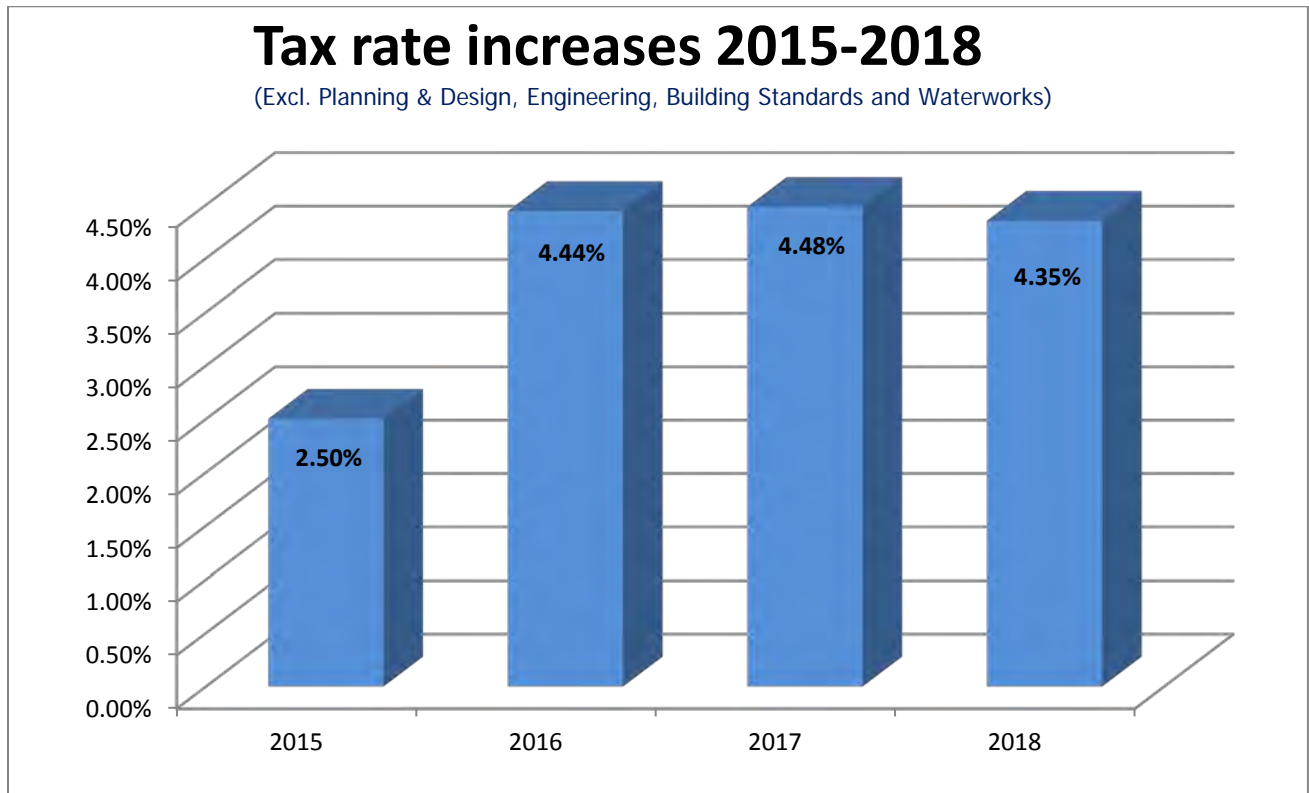
Markham has remained financially prudent by continuing to adopt the following policies:

- not using one-time funding to balance the Operating Budget
- not using prior year surpluses to balance the Operating budget
- commitment to allocate additional funding to the Capital program

Building Markham's Future Together now represents Markham's strategic direction and includes 32 action plans associated with the seven strategic priorities (Growth, Economic Development, Transportation and Transit, Municipal Services, Environment and Sustainability, Leisure, Recreation and Culture and Diversity). These strategic priorities are incorporated and considered during the City's annual budget process.

In response to the need to develop future budgets, a multi-year budgeting Guidelines & Instructions document was prepared in July 2014 to align with the Corporate goal of "Stewardship of Money and Resources." The document outlines an extensive and comprehensive process to develop a rolling four-year budget with year 1 tabled for council approval, accompanied by a three-year forecast for years two, three and four.

Council approved a 2.50% tax rate increase for the 2015 fiscal year, and based upon the new multi-year forecasting principles, the 2016-2018 outlook is as follows (as at March 2015):



The implementation of multi-year budgets further enhances the budgeting process, and aligns the budgeting process with the corporate goal “Stewardship of Money and Resources”. The enhancements in budgeting will benefit the City through the development of multi-year budgets that:

- align to departmental Business Plans and corporate objectives;
- forecast future tax rate increases;
- ensure cost and revenue drivers are consistently applied across the organization;
- increase precision of budgeting; and
- assist in providing explanations for budget variances when they occur.

A rolling multi-year budget process will assist in identifying future opportunities and challenges. Therefore, the City can be more proactive in capitalizing on opportunities, and mitigating challenges. A better understanding of the financial implications of decisions is also highlighted by the multi-year forecasts.

A Multi-Year Budgeting Committee was formed, comprising of members from across the organization, with at least one representative from each Commission. Working collaboratively in their role as Committee Members, the criteria and framework that guides the multi-year budgeting process was developed. Committee members continue to act as liaises for their respective Commissions by facilitating the upstream and downstream flow of information, including:

- Identifying Commission issues and opportunities;
- Validating assumptions – e.g. cost drivers such as utility rates, benefits;
- Gathering Information – e.g. unit counts that will drive assumption on assessment growth, additional waste tonnage and additional water sales and purchases; public park and road network assumptions leading to additional funds required to maintain new hectares of parks and kilometres of roads.

In this process, the first year of the four year budget will be approved by Council, accompanied by a three-year forecast for years two, three and four. The multi-year budget process will allow the City to be more proactive in capitalizing on opportunities, and mitigating challenges.



# LONG TERM CAPITAL BUDGET FORECAST

## Growth Related Projects

Capital Infrastructure related to growth in the City is both material in dollars and critical to the City's service level commitments to its residents and business owners. Capital infrastructure projects include water/sewer, roads, community centres, libraries, parks, and fire stations. As the City grows, the infrastructure that serves and supports the new communities must grow also.

Growth related capital is mainly funded (90%) from Development Charges (DC's) collected from Developers in the City of Markham. The remaining 10% is funded by the City through non-DC sources. Development Charges are governed by the City's DC By-laws, which are updated every five years or earlier. The City of Markham, like many Ontario municipalities, updated its Development Charges Background Study (DC Study) and DC By-laws in 2013.

A preliminary capital forecast based on the proposed 2013 DC Study information, which is subject to Council approval, is included for the period 2016 to 2020:

### 2016 to 2020 Capital Budget Forecast

(in thousands of constant dollars – gross cost)

Category	2016	2017	2018	2019	2020	TOTAL
(A) General Government	1,455.5	1,455.5	1,455.5	1,455.5	1,455.5	<b>\$14,555.0</b>
(B) Library	7,601.1	0.0	0.0	0.0	0.0	<b>\$7,601.1</b>
(C) Fire Services	10,228.9	4,894.5	0.0	0.0	0.0	<b>\$15,198.4</b>
(D) Indoor Recreation	0.0	0.0	0.0	0.0	0.0	<b>\$0.0</b>
(E) Park Development & Facilities	21,795.6	7,214.4	19,527.2	22,870.3	21,224.7	<b>\$135,003.3</b>
(F) Public Works	8,974.2	108.9	379.1	382.0	375.6	<b>\$12,131.2</b>
(G) Parking	237.5	0.0	199.8	0.0	237.5	<b>\$674.8</b>
<b>TOTAL</b>	<b>\$50,292.8</b>	<b>\$13,673.3</b>	<b>\$21,561.6</b>	<b>\$24,707.8</b>	<b>\$23,293.3</b>	<b>\$185,163.8</b>

Notes: Listing of Growth Category Details

- A. Growth Studies
- B. Buildings, Land, Furniture & Equipment, Collection Materials
- C. Buildings, Land, Furniture & Equipment, Firefighter Equipment, Fire Vehicles
- D. Major Facilities, Land, Furniture & Equipment
- E. Park Development, Equipment, Buildings
- F. Buildings, Land, Furniture & Equipment, City Fleet
- G. Parking Studies, Parking Spaces

## Non-Growth Related Projects

In 2005, Council approved a reserve study that examined, among other topics, the projected rehabilitation and replacement expenditures related to the City's aging capital infrastructure (e.g. bridges, roads, vehicles). The study identified the age of the assets, the expected life cycle of the assets and projected replacement costs in order to quantify the City's future expenditures, by year. A reserve fund, the Life Cycle Replacement and Capital Reserve, was established to provide a source of funding for the future repair, preventative maintenance and replacement of infrastructure. More details on this reserve are included in the Reserve Policy section.

The City's Reserve Study is updated annually to account for additional assets, the refinement of assumptions on asset replacement cycles, and for adjustments to replacement costs. The following chart projects the City's non-growth related capital expenditures (e.g. repairs, preventative maintenance, replacement of infrastructure) based upon inventory in the life cycle reserve model.

### 2016 to 2020 Capital Budget Forecast

(in thousands of constant dollars - gross cost)

CATEGORY	2016	2017	2018	2019	2020	TOTAL
Fire Fighter Equipment	187.1	180.6	380.8	207.8	424.7	\$1,606.8
Traffic Signals	339.8	165.1	114.0	184.9	291.7	\$1,348.9
ITS Infrastructure	706.3	1,478.8	1,285.8	2,696.9	1,175.4	\$8,746.1
Parks	3,879.4	2,235.9	2,408.2	2,272.6	2,185.0	\$17,189.8
Library Collections	2,573.2	2,610.8	2,651.1	2,891.5	2,940.8	\$15,992.5
Streetlights	1,499.8	232.7	1,612.6	147.0	326.0	\$7,140.5
Vehicles	1,505.2	1,561.1	2,152.9	3,834.5	1,691.2	\$13,267.5
Structures (Bridges & Culverts)	3,323.0	1,716.7	1,848.6	5,498.3	1,464.1	\$14,504.1
Storm Sewers, Storm Water Mgmt & Landfill	6,079.5	1,303.6	2,568.4	1,356.3	2,272.5	\$16,535.7
Roads	7,198.2	7,375.7	7,261.6	8,068.7	7,693.5	\$44,499.7
Facilities	9,649.0	17,490.4	9,363.1	6,751.4	17,354.5	\$69,798.4
<b>TOTAL</b>	<b>\$36,940.5</b>	<b>\$36,351.4</b>	<b>\$31,647.1</b>	<b>\$33,909.9</b>	<b>\$37,819.4</b>	<b>\$210,630.0</b>

## SUMMARY OF FUNDS – OVERVIEW

The City's financial statements are made up of the following 3 funds as follows:

1. Operating Fund
2. Capital Fund
3. Reserves/Reserve Funds

### **Basis of Accounting / Budgeting**

The City of Markham prepares its financial information in accordance with the local government accounting standards of the Public Sector Accounting Board of the Chartered Professional Accountants Canada (CPA).

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned, and expenditures are recognized as they are incurred as a result of receipt of goods or services and the creation of a legal obligation to pay.

The only exceptions to the above basis of accounting are the Trust Funds, for which all capital receipts, income and expenditure are reported on the cash basis of accounting (recognizing revenues and expenses when cash is received or disbursed) except for administrative expenses and interest income, which are reported on the accrual basis. Trust funds and their related operations administered by the municipality are not consolidated but reported separately.

The City of Markham prepares budgets for the Operating, Capital, Building Standards, Engineering, Planning & Urban Design, Waterworks and Business Improvement Area (BIA) funds (described below).

The basis of budgeting is the same as the basis of accounting, i.e. the accrual basis.

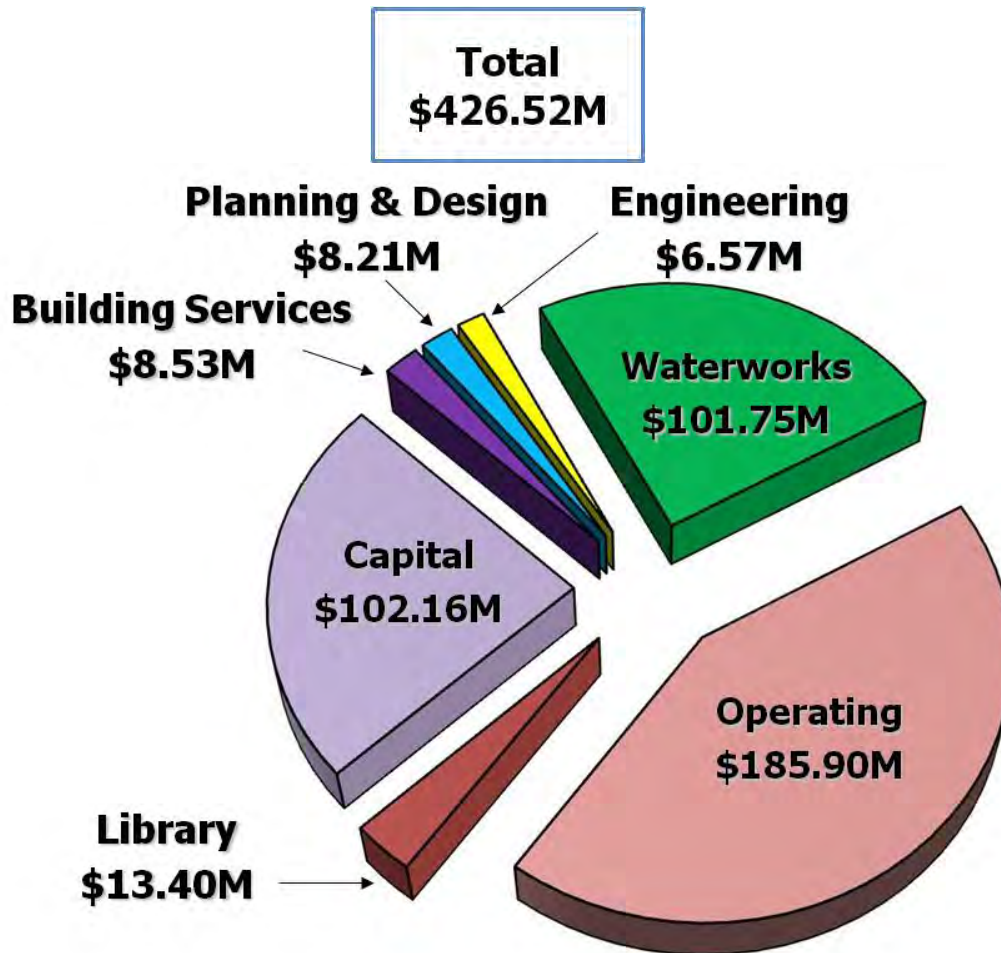
### **Operating Fund**

Funds all City of Markham operations. Tax revenue is the main source of funding. The fund also includes water and sewer operations with water billings being the main source of revenue.

Specifically, the Operating Fund is comprised of Operating, Library, Building Services, Planning & Design, Engineering, and Waterworks.



The 2015 approved funding for the overall budget is broken out as follows:



The approved funding for the Operating budget totaled \$324.36M.

The balance in the operating fund as of January 1 is transferred to the Reserve/Reserve fund during the year.

### Capital Fund

Provides funding for all capital projects in the City of Markham. The main sources of funding come from,

- Development charges,
- Transfers from Operating Fund – Tax rate funding
- Transfers from Reserves

As shown above, the approved 2015 Capital Fund Budget is \$102.16M.

The balance in the capital fund as of January 1 represents un-expended capital funding at year-end.

## Reserves/Reserve Funds

A reserve is an allocation of accumulated net revenue that is established by Council for a particular purpose. Interest earned on the invested earnings is reported as operating fund earnings and not accumulated in the reserve.

A reserve fund is an allocation of accumulated net revenue, similar to a reserve. It differs from a reserve due to its assets being segregated, restricted, and utilized for a specific purpose. Interest earned on the invested earnings is accumulated in the reserve fund.

There are two types of reserve funds:

- Obligatory reserve funds - required under provincial statute
- Discretionary reserve funds - created by Council for a specified future use

## Trust Funds

Trust Funds and their related operations are administered by the municipality and not consolidated, but are reported separately.

### 2013 TO 2015 SUMMARY OF RESERVE AND RESERVE FUNDS (000's)

	2013 Actual	2014 Actual	2015 Budget
Balance as of January 1	236,856	247,328	199,499
Other Revenue	1,497	1,147	8,736
Dividend from Markham Enterprises Corporation	5,585	5,162	-
Transfers in from Operating Fund	43,111	30,551	42,163
Transfer out to Capital Fund (net of unspent)	(39,721)	(84,689)	(62,566)
<b>Balance as of December 31</b>	<u>247,328</u>	<u>199,499</u>	<u>187,832</u>
Development Charges Reserve Funds *	111,542	89,965	77,945
<b>Total</b>	<u>358,870</u>	<u>289,464</u>	<u>265,777</u>

\* The City's practice is to fund all Development Charge funded projects up to \$1,000,000 immediately upon budget approval. Projects in excess of \$1,000,000 are funded quarterly based on cash flow requirements.



## DESCRIPTION OF RESERVES AND RESERVE FUNDS

The maintenance of Reserves and Reserve Funds is very important to the City of Markham, since the availability of these sources of funding provides Council and senior management with greater flexibility in planning for the future. At December 31, 2014, the balance in the City's Reserves and Reserve Funds was \$289.5 million.

### RESERVES

#### Definition

A reserve is an allocation of accumulated net revenue that is established by Council for a particular purpose. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Interest earned on the invested earnings is reported as operating fund earnings and not accumulated in the reserve.

<b>BUILDING FEE</b>	Funds to help cover costs in “down cycle” years of lower volume activity for the Building department.
<b>CAPITAL GAIN</b>	Allows the City to transfer year end capital gain surplus which can be drawn to fund budget deficit in the investment income and capital gain account and to fund investment interest budget.
<b>CORPORATE RATE STABILIZATION</b>	Minimizes the effect of any large variations in major sources of ongoing operating revenue and expenditures; funded from prior year operating surpluses.
<b>DEVELOPMENT FEE</b>	Funds to stabilize fluctuations in development fee rates and to fund actual shortfall in Engineering and Planning in future years.
<b>ELECTION REBATE</b>	To fund future Election Contributions Rebate Program expenses.
<b>FACILITY RAMP -UP</b>	Funds to be utilized to partially offset costs associated with future staffing requirements at new Community Centres and Fire stations that the City will add to its inventory.
<b>FIREFIGHTERS SICK LEAVE BENEFITS</b>	Funds payouts of unused sick leave benefits upon Firefighters' termination required under Firefighters collective agreement.
<b>INSURANCE</b>	Allows the City to increase future insurance deductibles in order to reduce annual premium costs; funded from annual operating surplus in insurance accounts.

**LONG TERM DISABILITY  
BENEFITS**

Accumulate funds to pay for all long term disability benefits and associated administrative expenses.

**PARTNERSHIPS**

Accumulate funds received from partnership agreements entered into by the City with entities that add value to the partner and the City. Funds will be utilized for projects that build community pride, celebrate cultural diversity and promote the City's commitment to the environment

**WASTE MANAGEMENT  
STABILIZATION/CAPITAL**

Funds temporary fluctuations in the commodities market for recyclables and garbage disposal fees.

**WATERWORKS/  
STABILIZATION/CAPITAL**

Funds to be utilized to offset fluctuations in gross profit on water sales to residents and to fund repairs/replacements of waterworks capital infrastructure.



## **RESERVE FUNDS**

### **Definition**

A reserve fund is an allocation of accumulated net revenue, similar to a reserve. It differs from a reserve in that reserve fund assets are segregated and restricted to meet a specific purpose. Investment income is accumulated in the reserve fund. There are two types of reserve funds: Obligatory reserve funds are required under provincial statute, while discretionary reserve funds are created by Council for a specified future use.

### **EMERALD ASH BORER**

Funds to be utilized to remove and replace infected trees to protect the City's environmental, social, health and economic benefits of urban forest

### **ENVIRONMENTAL LAND ACQUISITION**

Funds to be utilized to acquire property identified by the City to be environmentally sensitive

### **ENVIRONMENTAL SUSTAINABILITY**

Funds to be utilized for City and community based projects and initiatives that promote environment responsibility and enhances the City's natural resources (water, air quality, soils and natural features).

### **HERITAGE PRESERVATION**

Provides funding to protect and preserve heritage buildings in the City.

### **LAND ACQUISITION RESERVE FUND**

Allows the City to finance the purchase of strategic land acquisitions that are non-growth and that are not environmentally sensitive.

### **LIBRARY BUILDING PROGRAM**

Funds to be utilized for future library building projects, which are not covered by development charges.

### **LIFE CYCLE REPLACEMENT AND CAPITAL**

To fund asset life cycle replacements and other major capital investments in future years.

### **MARKHAM HERITAGE LOANS**

Provides interest bearing loans to property owners to allow repair, renovation or reconstruction of the property so that it presents a historical and authentic appearance.

### **TREES FOR TOMORROW**

Funds to be utilized to encourage tree plantings and public awareness by community groups and non-government organizations.

### **MUSEUM ENDOWMENT**

Funds museum-related capital projects; funded by donations from the general public & community organizations.

<b>NON- DC GROWTH</b>	Used to accumulate and maintain any Pre-Development Charges Act Engineering levies collected in respect of development; represents the non-growth portion of development charges
<b>POST RETIREMENT BENEFITS</b>	Funds to be utilized to fund future cost of post retirement benefits for eligible retiring employees.
<b>STORM WATER FEE</b>	Funds to be utilized to fund flood control implementation programs.
<b>THEATRE ENDOWMENT AND THEATRE CAPITAL IMPROVEMENT FUNDS</b>	Funds the capital expenditures for the Markham Theatre.
<b>WSIB</b>	Allows the City to self-fund staff benefits previously covered by Workplace Safety Insurance Board (WSIB); funded from operating surplus in benefits accounts.
<b>DEVELOPMENT CHARGES</b>	Accumulates charges collected from developers according to the Development Charge Act, 1997. The reserve provides funding for eligible growth-related projects in the City's Capital Budget.
<b>WATERWORKS</b>	Funds to be used for the upgrade and replacement of City water infrastructure.
<b>ROAD RESURFACING</b>	Funds road completion in industrial subdivisions.
<b>PARKS 5% CASH IN LIEU</b>	Funds the acquisition of new parkland, recreation facilities and equipment.
<b>GAS TAX REVENUE</b>	To fund eligible projects identified under the terms of agreement with federal government.



## RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE

Description	Actual Balance December 31, 2013	Actual Balance December 31, 2014	2015 Budget			Estimated Balance December 31, 2015 \$
			Developer and Other Contributions \$	Transfer from Operating Funds \$	Transfer to Capital Funds \$	
<b><u>RESERVES</u></b>						
Berczy Land Scene Feature	202,969	202,969				202,969
Building Fee	14,003,061	13,104,577		(1,464,007)	(557,954)	11,082,616
Capital Gain Reserve	3,456,636	3,680,480				3,680,480
Corporate Rate Stabilization	17,962,908	15,259,216		(1,338,157)		13,921,059
Development Fee	(3,503,231)	(7,966,083)		(2,437,810)	(709,761)	(11,113,654)
Election Expenses	917,534	149,597		300,000		449,597
Election Rebate	210,000	280,000		70,000		350,000
Facility Ramp - Up	9,430,878	10,016,882		2,973,201		12,990,083
Firefighter's Sick Leave Benefits	6,406,300	6,463,378		41,000		6,504,378
Insurance	3,135,344	3,316,420				3,316,420
Long Term Disability Benefit	14,463,860	15,904,266				15,904,266
Partnership	15,612	15,612				15,612
Recreation & Culture Capital Replacement	-	-		369,262		369,262
Train Anti-Whistling	317,900	317,900				317,900
Waste Management Stabilization / Capital	27,883	27,883				27,883
Waterworks Stabilization / Capital	42,228,000	49,204,313		15,588,562	(11,879,379)	52,913,496
<b>Total Reserves</b>	<b>109,275,654</b>	<b>109,977,410</b>	<b>-</b>	<b>14,102,051</b>	<b>(13,147,094)</b>	<b>110,932,367</b>
<b><u>RESERVE FUNDS</u></b>						
Cemetary Operations	109,129	110,594				110,594
Deginated Heritage Property Grant	36,637	32,606				32,606
Emerald Ash Borer	595,781	1,157,944			(4,528,600)	(3,370,656)
Environmental Land Acquisition	8,076,160	8,432,789				8,432,789
Environmental Sustainability	185,626	152,633				152,633
Heritage Preservation	85,229	95,157			(30,000)	65,157
Land Acquisition Reserve Fund	4,218,049	(24,296,264)				(24,296,264)
Library Building Program	5,777,603	5,855,141				5,855,141
Life Cycle Replacement & Capital	80,023,869	65,714,837		28,051,308	(34,107,226)	59,658,919
Markham Heritage Loans	305,739	309,843				309,843
Markham Trees for Tomorrow	235,634	238,796				238,796
Museum Endowment	60,627	61,319				61,319
Non DC Growth	14,396,025	11,795,295			(2,387,260)	9,408,035
Post-Retirement Benefits	11,250,674	12,238,577				12,238,577
Public Art Acquisition	-	450,703				450,703
Stormwater Fee	-	(77,734)				(77,734)
Theatre Capital Improvement Fund	261,644	281,595				281,595
Theatre Endowment	349,453	353,763		10,000		363,763
Workplace Safety Insurance Board (WSIB)	2,872,831	3,040,066				3,040,066
WSIB Excess Compensation	-	185,000				185,000
Waterworks	230,866	233,964				233,964
Road Resurfacing	753,283	342,488				342,488
Parks 5% Cash in Lieu	286,195	(4,349,132)				(4,349,132)
Tree Replacement	6,053	6,136				6,136
Gas Tax Revenue	7,935,691	7,156,045	8,736,109		(8,366,066)	7,526,088
<b>Total Reserve Funds</b>	<b>138,052,798</b>	<b>89,522,163</b>	<b>8,736,109</b>	<b>28,061,308</b>	<b>(49,419,152)</b>	<b>76,900,428</b>
<b>Total Reserve And Reserve Funds</b>	<b>247,328,452</b>	<b>199,499,574</b>	<b>8,736,109</b>	<b>42,163,359</b>	<b>(62,566,246)</b>	<b>187,832,796</b>
<b>Development Charges Reserve Funds *</b>	<b>111,542,086</b>	<b>89,964,841</b>	<b>19,579,038</b>	<b>-</b>	<b>(31,599,104)</b>	<b>77,944,775</b>
<b>Total</b>	<b>358,870,538</b>	<b>289,464,415</b>	<b>28,315,147</b>	<b>42,163,359</b>	<b>(94,165,350)</b>	<b>265,777,571</b>

\* The City's practice is to fund all Development Charge funded projects up to \$1,000,000 immediately upon budget approval. Projects in excess of \$1,000,000 are funded quarterly based on cash flow requirements.

## RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<b><u>Building Fee</u></b>			
Transfer from Operating Fund	(1,464,007)		Transfer of Building Operating Budget based on 2015 projected performance
Transfer to fund Capital Projects		(557,954)	Funding of 2015 capital projects associated with Building department
<b><u>Corporate Rate Stabilization</u></b>			
Transfer of 2014 Operating deficit	(1,338,157)		Transfer of Operating deficit for 2014 based on actual performance
<b><u>Development Fee</u></b>			
Transfer from Operating Fund	(2,516,688)		Transfer of Planning and Engineering Operating Budget based on 2015 projected performance
Transfer from Operating Fund	78,878		Transfer to reserves in order to sustain Planning and Engineering department capital requirements
Transfer to fund Capital Projects		(709,761)	Funding of 2015 capital projects associated with Planning and Engineering department
<b><u>Election Expenses</u></b>			
Transfer from Operating Fund	300,000		Transfer to fund future election costs
<b><u>Election Rebate</u></b>			
Transfer from Operating Fund	70,000		Transfer to fund future election rebate costs
<b><u>Facility Ramp UP</u></b>			
Transfer of funds for future maintenance	2,973,201		Amount transferred to fund future cost of facilities
<b><u>Firefighter's Sick Leave Benefits</u></b>			
Transfer from Operating Fund	41,000		Annual transfer to fund future payout of unused sick leave benefits upon fire fighter's termination
<b><u>Recreation &amp; Culture Capital Replacement</u></b>			
Transfer of funds for future replacement	369,262		Transfer to reserves in order to sustain Recreation and Capital Replacement requirements
<b><u>Waterworks Stabilization / Capital</u></b>			
Transfer from Waterworks Operating Fund net of 2014 surplus	15,588,562		Transfer to reserves in order to sustain future Waterworks replacement and rehabilitation requirements
Funding of Capital Projects		(11,879,379)	Transfer to Capital Budget on order to fund Waterworks 2015 capital projects
<b><u>Emerald Ash Borer</u></b>			
Transfer to fund Capital Projects		(4,528,600)	Funding of 2015 capital projects
<b><u>Heritage Preservation</u></b>			
Transfer to fund Capital Projects		(30,000)	Funding of 2015 capital projects associated with Heritage Preservation
<b><u>Life Cycle Replacement &amp; Capital</u></b>			
Transfer from Operating Fund	28,051,308		Transfer from Operating Budget to fund asset life cycle replacements
Transfer to fund Capital Projects		(34,107,226)	Funding of 2015 capital projects associated to asset replacements
<b><u>Non Development Charges Growth</u></b>			
Transfer to fund Capital Projects		(2,387,260)	Funding of 2015 capital projects associated with non-growth related area





## RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<b><u>Theatre Endowment</u></b>			
Transfer from Operating Fund	10,000		Transfer from Culture Operating Budget for future Theatre capital expenditures net of transfer to operating fund
<b><u>Gas Tax Revenue</u></b>			
Transfer from Other Revenue	8,736,109		Gas tax revenue received from federal government transferred funds for capital projects
Transfer to fund Capital Projects		(8,366,066)	Funding of 2015 capital projects identified as gas tax revenue eligible or for capital projects to be developer funded

## DESCRIPTION OF TRUST FUNDS

The City of Markham has six Trust Fund accounts. A brief description of each of the fund is given below.

### **MORGAN PARK TRUST FUND**

The T. & G. Morgan Memorial Fund in Markham Village was established in 1918 as a result of the last Will and Testament of George Morgan to hold funds, the interest earned on which can be used to offset certain maintenance costs of Morgan Park.

The Morgan Park Redevelopment Trust Fund was established by Council Resolution on December 11, 1991 to receive charitable donations to be used towards the redevelopment of Morgan Park.

### **VARLEY-MCKAY ART FOUNDATION TRUST FUND**

The Varley-McKay Art Foundation Trust Fund was established by Council Resolution on December 11, 2001. This trust is funded by the amount received from the Estate of Kathleen G. McKay. Interest earned on these funds is available to the Varley-McKay Art Foundation of Markham to fund art appreciation and development.

### **MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE TRUST FUND**

The Markham Environmental Advisory Committee (previously Markham Conservation Committee) Trust Fund was established by Council Resolution on April 15, 1992 to receive donations, grants, subsidies, and other amounts, to be used to cover costs associated with conservation and naturalization programs and projects undertaken by the Markham Environmental Advisory Committee.

### **CEMETARY TRUST FUND**

The Cemetery Trust Fund was established under the Regulations of the Cemeteries Act to accumulate certain funds from the sale or transfer of an interment right to a purchaser in accordance with the Regulations. These funds are to be held in trust for the care and maintenance of the cemeteries. Interests earned on amounts held by the Fund are used towards the maintenance, security and preservation of the cemetery, its grounds, buildings, equipment and markers in accordance with the Regulations.

### **OLDER ADULTS IN ACTION TRUST FUND**

Council Resolution established the Older Adults In Action Trust Fund on March 10, 1998 to collect donations for the Club and Older Adult Centre.

### **MARKHAM HISTORY – RESEARCH AND PUBLICATION TRUST FUND**

The Markham History – Research & Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in



Markham's history. The Trust is funded from cash and securities received from organizations involved in the creation of the original trust fund - Markham History Book Committee, the Markham & District Historical Society and the Museum Advisory Board.

## TRUST FUND CONTINUITY SCHEDULE

### Statement of Financial Position

December 31, 2014 with comparative figures for 2013

	2014						2013	
	Morgan Park Trust	Varley-McKay Trust	Markham Environmental Advisory Committee Trust	Cemetery Trust	Older Adults In Action Trust	Markham History Research & Publication Trust	Total	Total
Cash	\$ 72,678	\$ 1,302,788	\$ 8,893	\$ 821,739	\$ 9,223	\$ 86,459	\$ 2,301,780	\$ 2,336,545
Payable to Varley-McKay Foundation	-	(3,984)	-	-	-	-	(3,984)	(54,653)
<b>Fund balance</b>	<b>\$ 72,678</b>	<b>\$ 1,298,804</b>	<b>\$ 8,893</b>	<b>\$ 821,739</b>	<b>\$ 9,223</b>	<b>\$ 86,459</b>	<b>\$ 2,297,796</b>	<b>\$ 2,281,892</b>

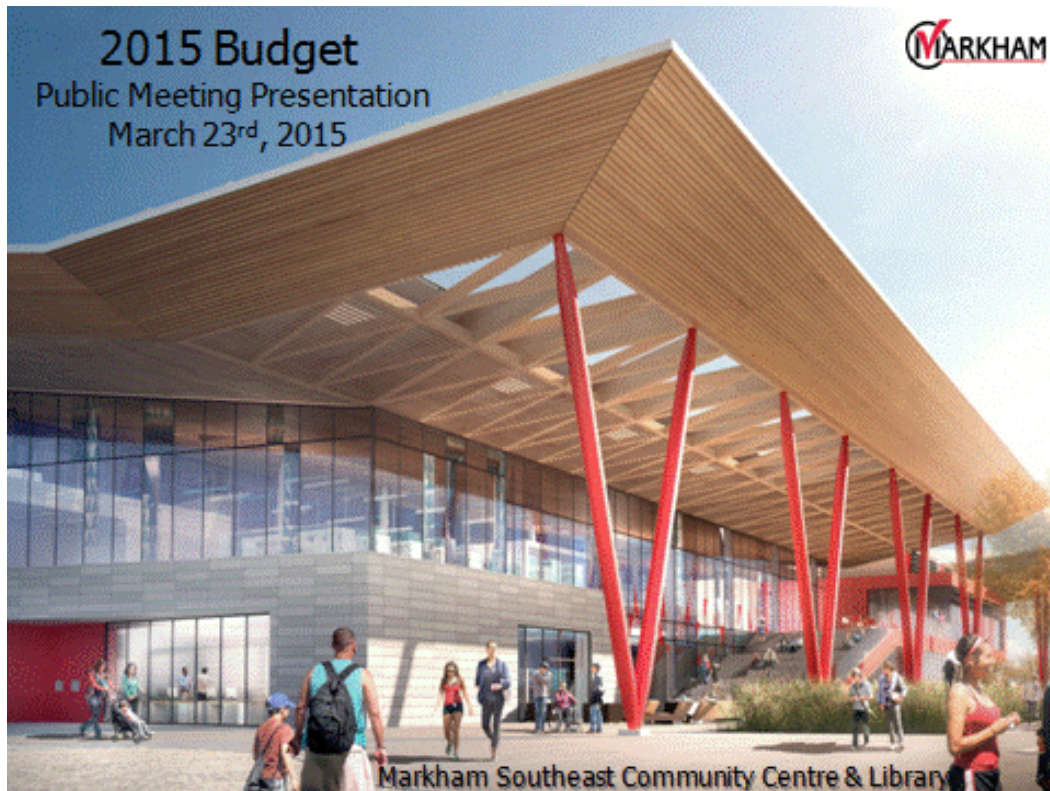
### Statement of Financial Activities and Fund Balances

Year ended December 31, 2014 with comparative figures for 2013

Receipts								
Interest Earned	2,666	49,107	361	29,726	333	3,099	85,292	86,618
Sale of plots	-	-	-	12,130	-	-	12,130	20,978
	2,666	49,107	361	41,856	333	3,099	97,422	107,596
Expenses								
Distributed to Foundation	-	(49,107)	(2,685)	(29,726)	-	-	(32,411)	(30,390)
	-	(49,107)	(2,685)	(29,726)	-	-	(81,518)	(80,596)
Excess/(Shortfall) of receipts over expenses	2,666	-	(2,324)	12,130	333	3,099	15,904	27,000
Fund balance, beginning of year	\$ 70,012	\$ 1,298,804	\$ 11,217	\$ 809,609	\$ 8,890	\$ 83,360	\$ 2,281,892	\$ 2,254,892
<b>Fund balance, end of year</b>	<b>\$ 72,678</b>	<b>\$ 1,298,804</b>	<b>\$ 8,893</b>	<b>\$ 821,739</b>	<b>\$ 9,223</b>	<b>\$ 86,459</b>	<b>\$ 2,297,796</b>	<b>\$ 2,281,892</b>

The accompanying notes are an integral part of these financial statements.

## PUBLIC CONSULTATION MEETING PRESENTATION

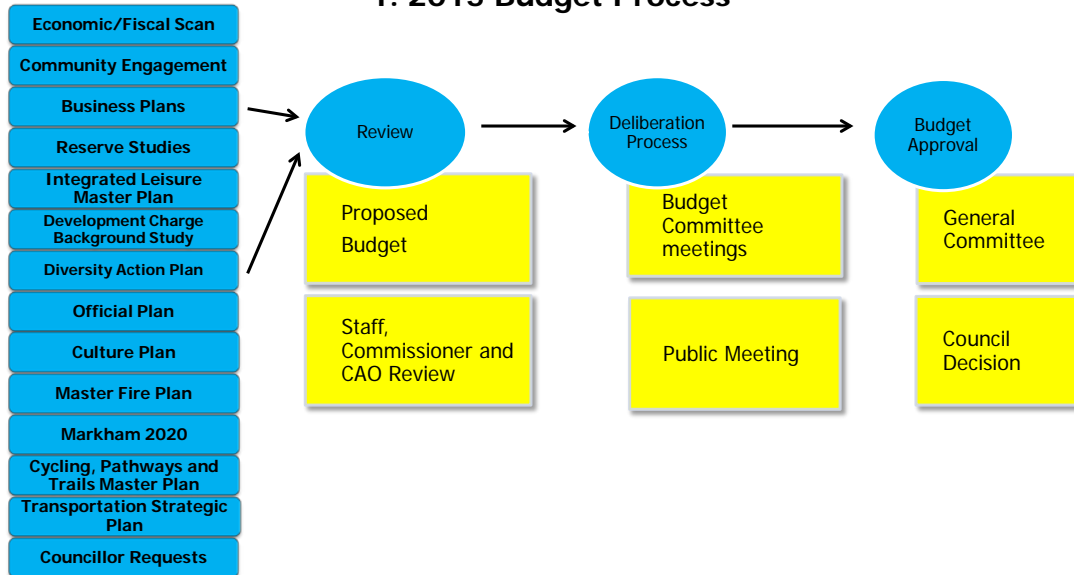


### Agenda

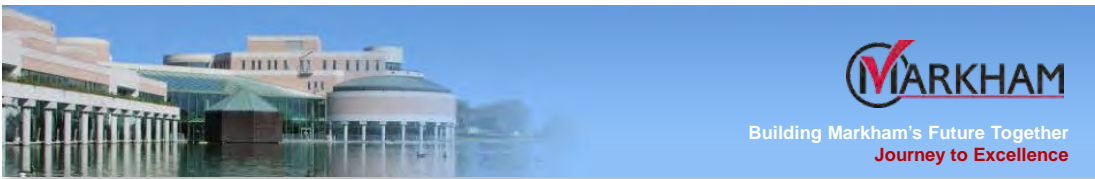
1. 2015 Budget Process and Communication Plan
2. Citizen Budget
3. Economic and Fiscal Scan
4. 2015 Proposed Budget Overview
  - a. Operating
  - b. Capital
5. 2015 Capital Budget Highlights
6. Next Steps



## 1. 2015 Budget Process



Slide 3



## 1. 2015 Budget Process (cont'd)

Seven Budget Committee meetings have taken place/are scheduled:

1. January 23<sup>rd</sup> - Budget process, Citizen Budget Tool, fiscal scan, overview of budgets (Operating and Capital), and Life Cycle reserve study update
2. February 4<sup>th</sup>, 9<sup>th</sup> – Capital Budget
3. February 10<sup>th</sup> – Councillor Requests
4. February 18<sup>th</sup> – Councillor Requests and Operating Budget
5. March 9<sup>th</sup> – Operating Budget, 2015 Celebrate Markham Grant Allocation
6. March 27<sup>th</sup> – Continuation of 2015 Celebrate Markham Grant Allocation, recommendation of the budget and tax rate increase to General Committee

Once the Budget Committee and Public meetings are complete, the following process will take place to finalize the budget:

- |                                  |   |
|----------------------------------|---|
| 1. March 31 <sup>st</sup> , 2015 | General Committee - recommendation to Council |
| 2. March 31 <sup>st</sup> , 2015 | Council Decision                              |
| 3. April 1 <sup>st</sup> , 2015  | Press Conference                              |

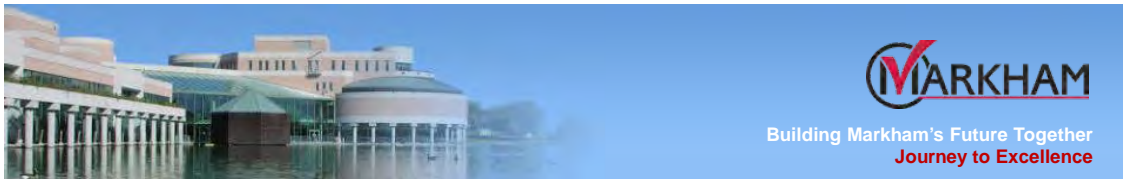
Slide 4



## 1. 2015 Budget Process (cont'd) Communication Plan

1. All Budget Committee meetings are open to the public, and the meetings are audio streamed through Markham's web portal. Following the meetings, the presentation can be viewed and listened to on the City's website.
2. Notices of the Budget Committee meetings have been advertised in the Economist & Sun, Thornhill Liberal, SNAPd, Markham Review, Region's radio station 105.9, Markham's electronic information boards, social media, and on Markham's web portal.
3. Markham's innovative Citizen Budget Tool is available on Markham's web portal (under Municipal Government: Budget and Business Plan section) for the 2015 budget process. This is the 2<sup>nd</sup> year utilizing the tool and it provides residents the opportunity to express their views on how residential tax dollars should be used.

Slide 5



## 2. Citizen Budget



1. An interactive budget awareness tool to increase citizen awareness and involvement in the City's budget
2. The goal is to consult citizens on their budget priorities, while educating them about local services and their costs. It is:
  - a. Not to provide valid statistics on resident perception and attitudes
  - b. Not to drive budget decisions
3. Citizens have the opportunity to input their own property value assessment into the tool to see how changes potentially impact their own property tax bills

Slide 6



## 2. Citizen Budget cont'd

1. The tool is an interactive budget simulator which allows respondents to maintain, increase or decrease the tax dollars allocated to a selection of services in 5% increments up to +/- 20%

CITY SERVICES	Your choice
<p><b>Fire &amp; Emergency Services</b></p> <p>The City protects public safety and properties by delivering <a href="#">prevention and public fire education programs</a> and responding to <a href="#">emergencies</a>. In 2012, we answered 66,000 phone calls for assistance, responded to 6,905 emergencies with an average response time of 6.07 minutes, promoted fire safety in over 300 school visits, conducted 1,800 property visits to ensure fire code compliance, provided over 30,000 hours of technical employee training, and maintained an emergency preparedness program.</p>  <p><b>How would you adjust your property tax funding to Fire &amp; Emergency Services?</b></p>	<p style="text-align: center;"><b>\$/year</b></p> <p style="text-align: center;">-    \$314    +</p> 

Slide 7



## 2. Citizen Budget cont'd

1. 2,130 visitors to the web page last year
2. 89 completed surveys
3. Over 70% of visitors who responded said they were now more aware of the City of Markham's services and were satisfied or very satisfied with the services the City provides
4. Quotes:
  - a. "I thank you for the opportunity to give you my views."
  - b. "Overall I am very proud of our city and very pleased with the services offered. Keep up the great work!"
  - c. "The City of Markham does good work. I've been to open houses, learned a lot and would encourage more to do the same."

Slide 8



### 3. Economic Scan

#### Inflation

1. CPI, All Items (Jan. 2014 to Jan. 2015): Canada 1.0%, Ontario 1.6%, Toronto 2.1%
2. Energy Index (Jan. 2014 to Jan. 2015): -12.9% (Dec: -6.4%)
3. Construction Index (Dec. 2013 to Dec. 2014): 1.4%

#### Other Pressures

1. Wage Settlements for Canadian Union of Public Employees (CUPE) collective agreement, Markham Professional Fire Fighters Association (MPFFA) collective agreement, cost of living adjustment for Non-Union
2. 7.7% rate increase for hydro and streetlight hydro (as per PowerStream)
3. Contract escalation tied to CPI (Winter maintenance, waste collection)
4. Unemployment rate in Ontario is 6.9% for February 2015 unchanged from February 2014

#### Interest Rate

1. On January 21, 2015 the Bank of Canada lowered its overnight lending rate (or key interest rate) from 1 percent to 0.75 percent, as a means of lessening the impact of declining oil prices

#### Housing

1. Markham housing sales in Feb. 2015 are up 7.8% and the average price is up 13.0% when compared to Feb. 2014<sup>(1)</sup>
2. GTA housing sales for 2015 are expected to increase by 1.4% with prices increasing by 3.1%<sup>(2)</sup>
3. While the GTA condo market bounced back in 2014, it is anticipated that fewer new projects will be launched in 2015 even with lower interest rates <sup>(3)</sup>

Sources: (1) Toronto Real Estate Board - <http://www.torontorealestateboard.com/>

Slide 9

(2) Canadian Mortgage and Housing Corporation – "Housing Market Outlook" GTA – Fourth Quarter 2014 release

(3) February 2, 2015 article on the Star "Condo Market Bounces Back Across GTA after 2013 slump"



### 3. Excellence through Efficiency & Effectiveness (E3)

1. As early as 2007, Markham saw signs the economy was faltering. By 2008, it was clear that the City needed to take action to reduce the impact of the impending recession on residents
2. During the 2008 budget process, Council made it clear that it was prudent to develop and implement a sustainable process to deliver the lowest possible tax increases in future years
3. In an effort to achieve this vision, the project "Excellence through Efficiency & Effectiveness" (E3) was launched in March 2008 and endorsed by Council in June 2008
4. The E3 project involves a corporate wide business transformation through the review of services to find as many efficiencies as possible, maximize revenue opportunities and minimize tax rate increases

Slide 10



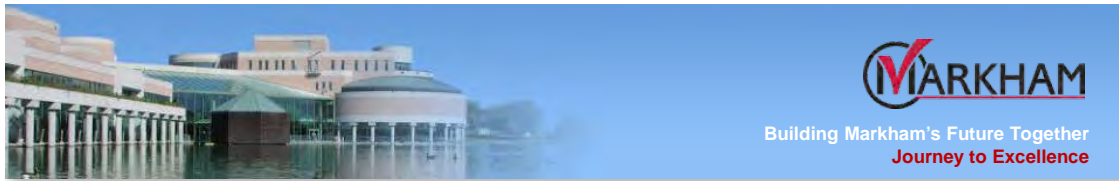


### 3. Excellence through Efficiency & Effectiveness (E3) (\$ in Millions)

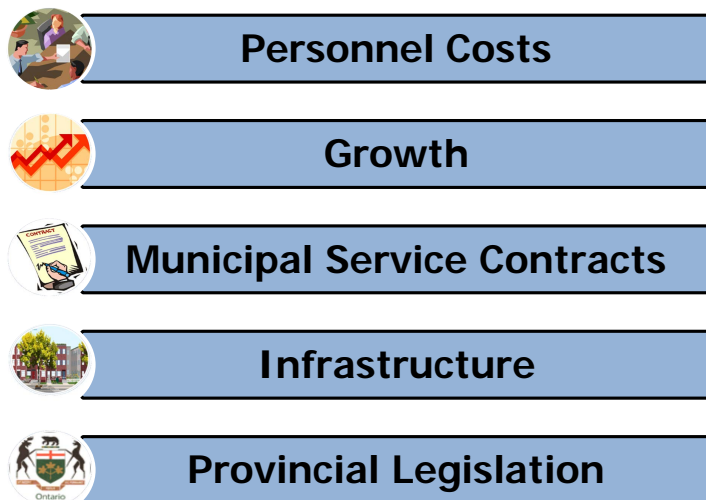
	2009	2010	2011	2012	2013	2014	2015	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Expenditure reductions	2.8	3.1	0.3	1.0	0.8	2.1	2.9	13.0
Revenue enhancements	1.6	1.2	1.5	0.6	1.3	1.1	0.3	7.6
<b>Total</b>	<b>4.4</b>	<b>4.3</b>	<b>1.8</b>	<b>1.6</b>	<b>2.1</b>	<b>3.2</b>	<b>3.2</b>	<b>20.6</b>

1. From 2009 – 2015, over \$20M of revenue enhancements and expenditure reductions have been implemented to offset potential tax increases
2. Otherwise a requirement of a 20% increase in property taxes - an increase that would have been paid out year after year by Markham taxpayers on a cumulative basis
3. In addition, other initiatives were implemented that strengthened the organization's ability to serve customers, support staff engagement, avoid future costs, and improve quality of services

Slide 11



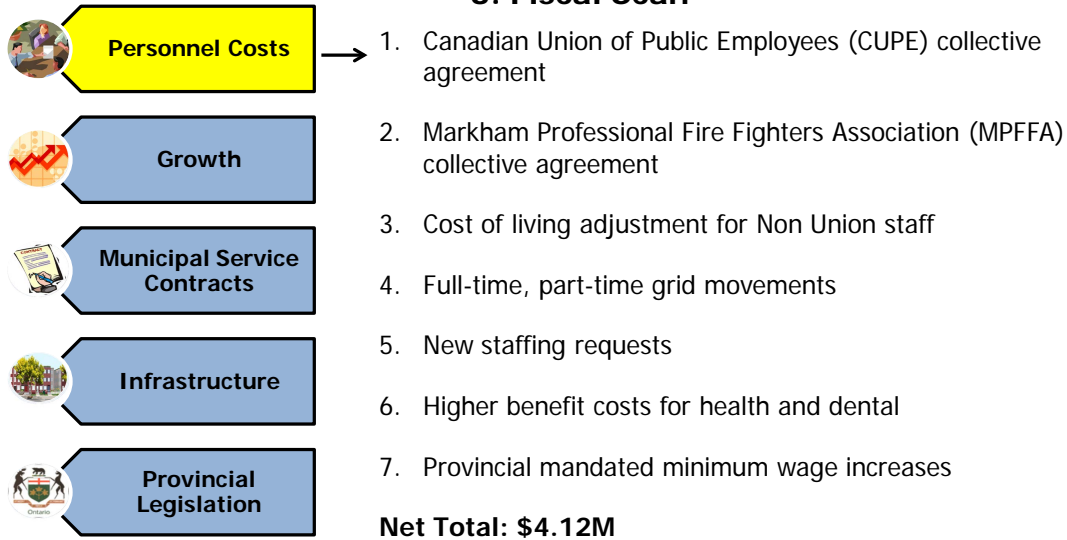
### 3. Fiscal Scan



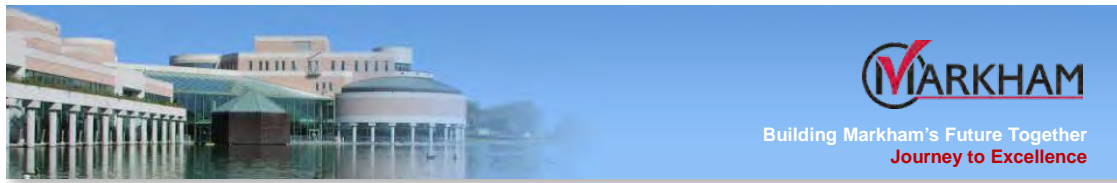
Slide 12



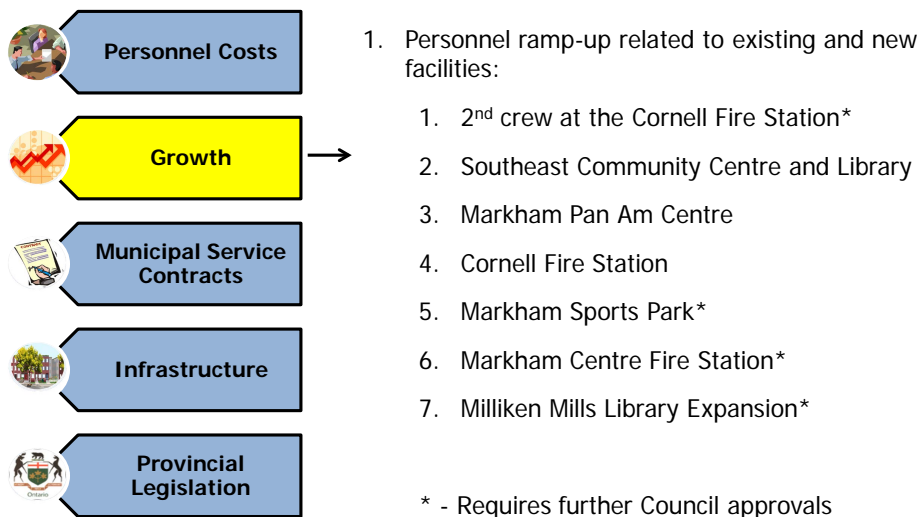
### 3. Fiscal Scan



Slide 13



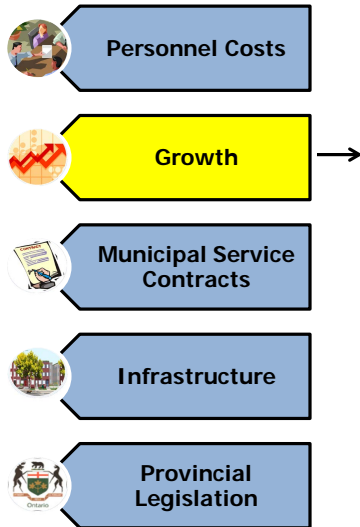
### 3. Fiscal Scan (cont'd)



Slide 14



### 3. Fiscal Scan (cont'd)



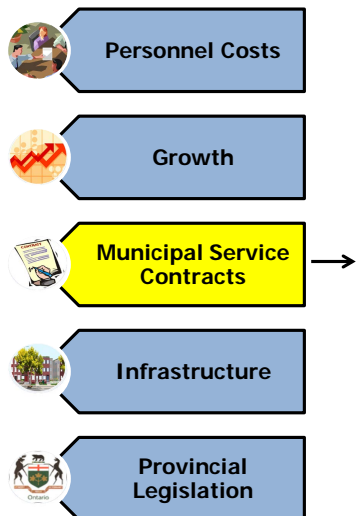
1. Increase in costs related to:
  - a. 2,400 tonnes or 2.5% increase in waste tonnage – collection
  - b. 23 additional kms of road – maintenance, street & catchbasin cleaning
  - c. 420 new streetlights – power, maintain & repair
  - d. 12 additional hectares of parks – park maintenance
  - e. 18.6 hectares of park maintenance related to window streets, valleys & natural areas and stormwater management ponds
  - f. Winter maintenance – 23 additional kms of roads
2. Transfer to capital program \$0.21M

**Total: \$2.71M**

Slide 15



### 3. Fiscal Scan (cont'd)



#### Contract Escalations

1. Utility rate increases (facility and streetlight hydro and water)
2. Waste collection contract (CPI increases) and tipping fees
3. Winter Maintenance (CPI increases)
4. Various /other contract escalations

**Sub-total: \$1.52M**

#### Service Level Enhancements

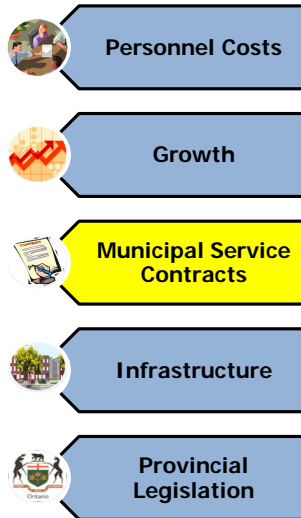
1. Celebrate Markham grants
2. Library after hours study halls

**Sub-total: \$0.13M**

Slide 16



### 3. Fiscal Scan (cont'd)



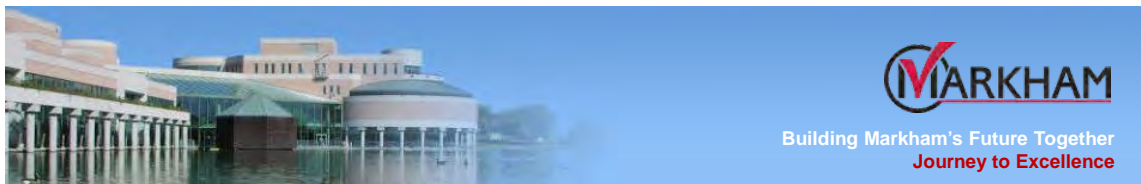
#### Other Adjustments

1. Support services to Building, Planning & Design, Engineering & Waterworks (\$0.56M)
2. Completion of Library capital project payback (\$0.19M)
3. Other \$0.14M

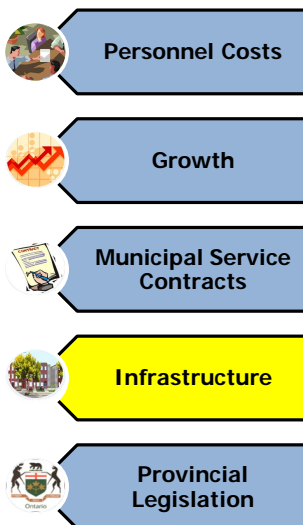
**Sub-total: (\$0.61M)**

**Total: \$1.04M**

Slide 17



### 3. Fiscal Scan (cont'd)



1. The Life Cycle and Water & Wastewater reserve studies are updated annually to determine the adequacy of the reserves for future replacement of existing assets against projected inflows
2. There are infrastructure pressures identified in the following areas:

#### Life Cycle Reserve Study

1. Replacement of new assets in the future

#### Water and Wastewater Reserve Study

1. Increases from the Region of York
2. Sustainability of future water rates

#### Development Charges Background Study

1. Non-growth portion of City-wide hard and soft services

#### Other potential unfunded Capital Projects

Slide 18



### 3. Fiscal Scan (cont'd)

Personnel Costs

Growth

Municipal Service Contracts

Infrastructure

Provincial Legislation →

#### New Official Plan

Markham Council in December 2013 adopted a new Official Plan (OP) which was approved by the Region of York (ROY) in June 2014. The new OP conforms with the Provincial Growth Plan and Greenbelt Plan, and with the new ROY Official Plan. It focuses on intensification and transit oriented development within existing areas, and includes 900 hectares of urban expansion lands. It requires significant public/private investment in hard and soft infrastructure to support growth

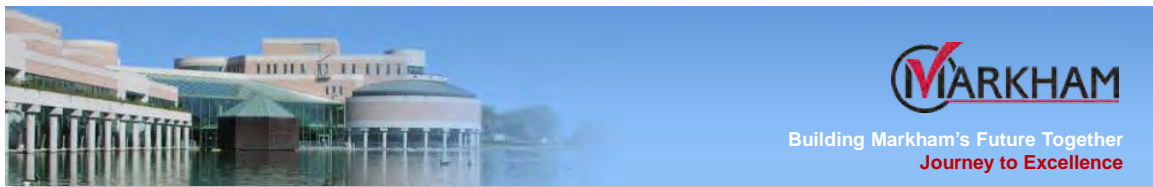
It is currently under appeal to the Ontario Municipal Board (OMB). The individual appeals are under review and negotiation, with anticipated approval by the OMB, with modifications, in 2016

#### Accessibility

The goal of the Accessible Customer Service Standard (Accessibility for Ontarians with Disabilities Act) is to make Ontario fully accessible by 2025. Markham is implementing its multi-year Accessibility Plan which includes 2015 items such as:

1. Ongoing Accessibility Committee review of site plans
2. Continued review of Portal to ensure easier access to information
3. Public Realm initiatives

Slide 19



### 3. Fiscal Scan (cont'd)

Personnel Costs

Growth

Municipal Service Contracts

Infrastructure

Provincial Legislation →

#### Carbon Tax

Ontario Premier has not ruled out a market mechanism to drive carbon dioxide emission reductions. Possible options include:

1. Carbon Tax similar to BC - Municipalities pay a tax of \$30 per ton of Greenhouse Gas (GHG) which goes into a fund to reinvest in municipal GHG reduction projects
2. Organizations would have a cap of GHG emissions that reduces 1-2% annual and could then buy or sell emissions credits if they are above or below the cap that year

#### Advisory Council on Government Assets

The proceeds of any divestment estimated to be \$2-3 billion would be used for public transportation infrastructure investment. Includes a recommendation for Hydro One to divest of its local distribution businesses; specifically Hydro Brampton and the rural distribution services in Hydro One Networks

Slide 20



### 3. Fiscal Scan (cont'd)

Personnel Costs

Growth

Municipal Service Contracts

Infrastructure

Provincial Legislation →

Bill 168 - Occupational Health and Safety Amendment Act (Violence and Harassment in the Workplace) 2009

An amendment to the Act came into effect on June 15, 2010. It strengthens the protection of workers against violence and harassment in the workplace. All existing full-time staff have attended training and all new regular full-time staff are required to attend an orientation which includes health and safety training.

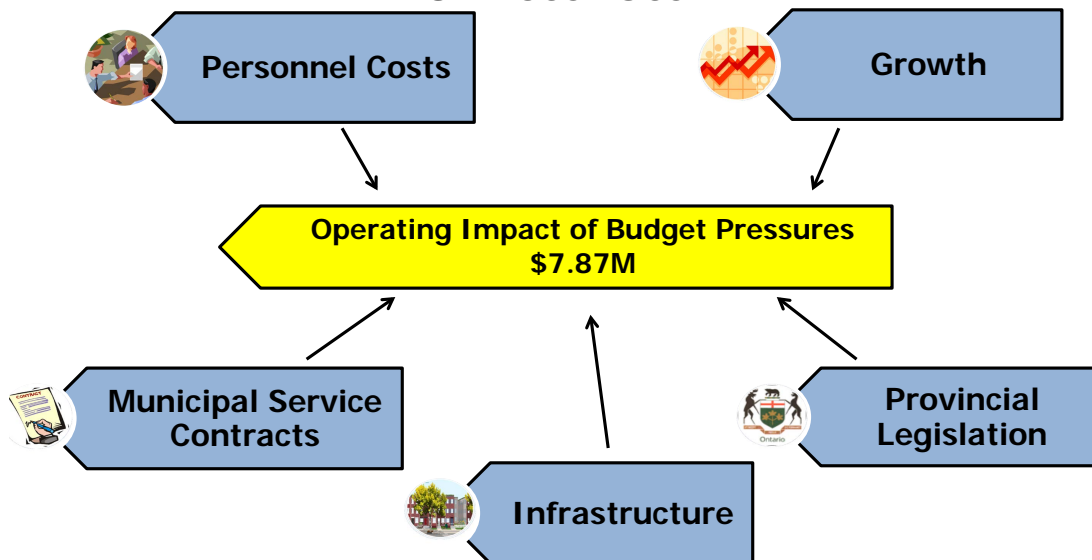
Bill 18, the Stronger Workplaces for a Stronger Economy Act (Minimum Wage) 2014

Effective June 1, 2014 the minimum wage in Ontario has been increased from \$10.25/hour to \$11.00/hour. Future minimum wage increases are tied to the Consumer Price Index for Ontario which will be announced by April of each year, and come into effect on Oct. 1.

Slide 21



### 3. Fiscal Scan



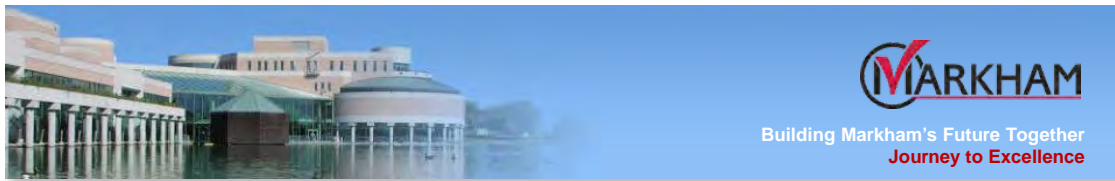
Slide 22



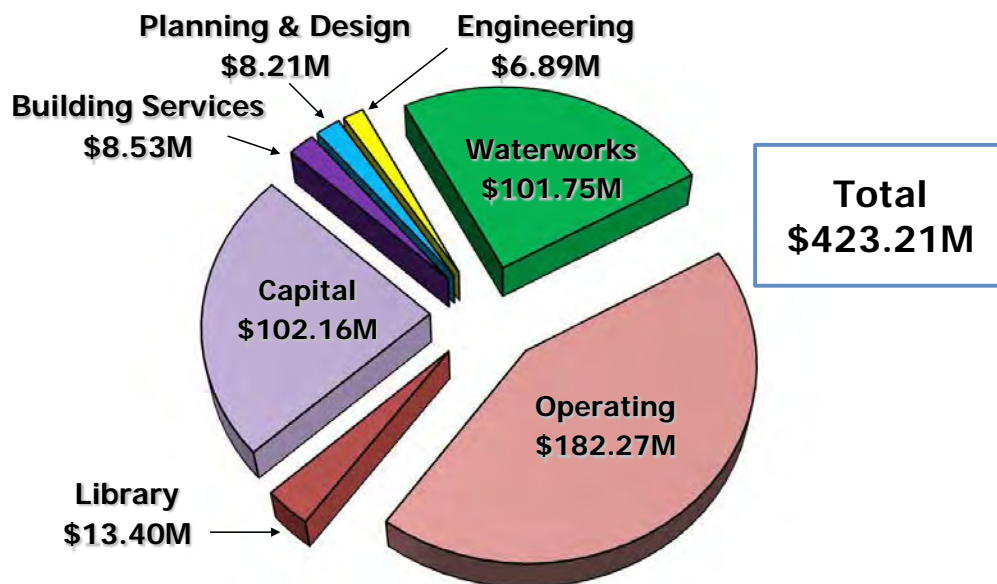
### 3. Fiscal Scan Fiscal Stewardship

1. Financial Prudence
  - Continued policy of not using one-time funding to balance the Operating Budget
  - Continued commitment to allocate additional funding to the Capital program
2. Ramp-ups
  - Continued policy of phasing in the personnel expenditures for new facilities to ensure there is no significant tax rate increase required in the year the facility opens
3. Service Levels
  - Maintain or enhance service levels
4. Reserve Studies
  - Annual update of the Capital Life Cycle Repair and Replacement Reserve Study and the Water/Wastewater Reserve Study

Slide 23



### 4. 2015 Proposed Budget



Slide 24



## 4a. 2015 Proposed Operating Budget Summary

(\$ Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	2014 \$	2015 \$	Increase/ (Decrease) \$	Tax Rate Increase %
<b>Revenues</b>	<b>187.59</b>	<b>192.48</b>	<b>4.89</b>	
<b>Expenditures</b>				
<b>Personnel</b>	<b>111.49</b>	<b>116.55</b>	<b>5.06</b>	
<b>Non-Personnel</b>	<b>76.10</b>	<b>78.91</b>	<b>2.81</b>	
<b>Total Expenditures</b>	<b>187.59</b>	<b>195.46</b>	<b>7.87</b>	
<b>Net Shortfall</b>	<b>-</b>	<b>2.98</b>	<b>2.98</b>	<b>2.34%</b>
<b>Ice Storm (Year 2 of 3)</b>	<b>-</b>	<b>0.21</b>	<b>0.21</b>	<b>0.16%</b>
<b>Net Shortfall</b>	<b>-</b>	<b>3.19</b>	<b>3.19</b>	<b>2.50%</b>

Slide 25



## 4a. 2015 Proposed Operating Budget - Revenues

(\$ Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	2014 \$	2015 \$	Increase/ (Decrease) \$
<b>Total Revenues</b>	<b>187.59</b>	<b>192.48</b>	<b>4.89</b>
Assessment growth (2.42%)			3.08
CPI and volume adjustments for user and program fees			0.60
Annualization of Pan Am facility (\$0.25M net of expenses)			0.53
Theatre ticket revenue (against corresponding increase in expenses)			0.25
Museum and Theatre - Subsidies reduction			0.15
Administrative Monetary Penalties			0.10
Other revenue			0.19
<b>Total Revenue Increase</b>			<b>4.89</b>

Slide 26





## 4a. 2015 Proposed Operating Budget - Expenditures

(\$ Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	<u>Increase/ (Decrease) \$</u>
<b>Personnel Costs</b>	
Existing staff and benefits	4.12
New staffing requests (8 requests with alternative funding sources)	-
	<u>4.12</u>
<b>Growth</b>	
Future staff ramp-up related to new facilities	0.94
Growth (roads, parks, waste, streetlights, winter maintenance)	1.33
Transfer to capital program	0.21
Capital induced operating costs	0.23
	<u>2.71</u>
<b>Municipal Service Contracts</b>	
Utilities	0.94
Waste collection and tipping fees	0.28
Other contract escalations	0.18
Winter maintenance	0.12
Celebrate Markham grants	0.12
Library after hours study halls	0.01
Support services for Building, Engineering, Planning & Design, Waterworks	(0.56)
Completion of Library head office capital project payback	(0.19)
Other	0.14
	<u>1.04</u>
<b>Total Expenditures</b>	<u><b>7.87</b></u>

Slide 27



## 4a. Multi-Year Budget (2015-2018)

1. In 2014, a multi-year budget for 2015-2018 was developed which aligns to the corporate goal "Stewardship of Money and Resources"
2. In this process, the first year of the four year budget will be approved by Council, accompanied by a three-year forecast for years two, three and four
3. The multi-year budget process will allow the City to be more proactive in capitalizing on opportunities, and mitigating challenges

Slide 28

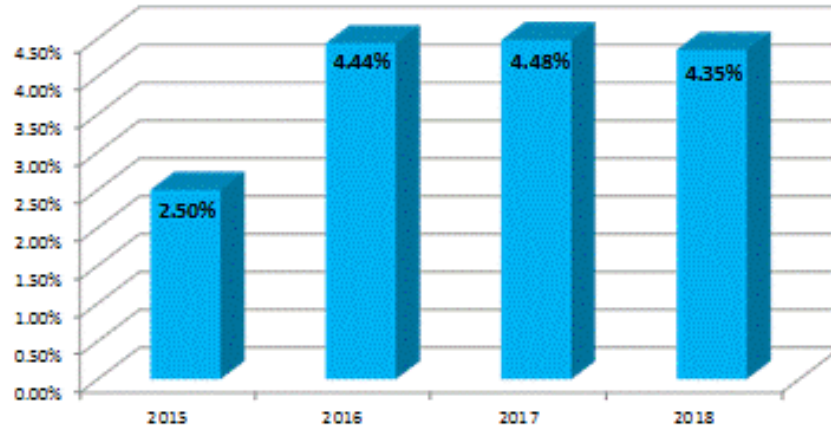


## 4a. Multi-Year Budget (2015-2018) cont'd

(\$ Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

### Tax rate increases

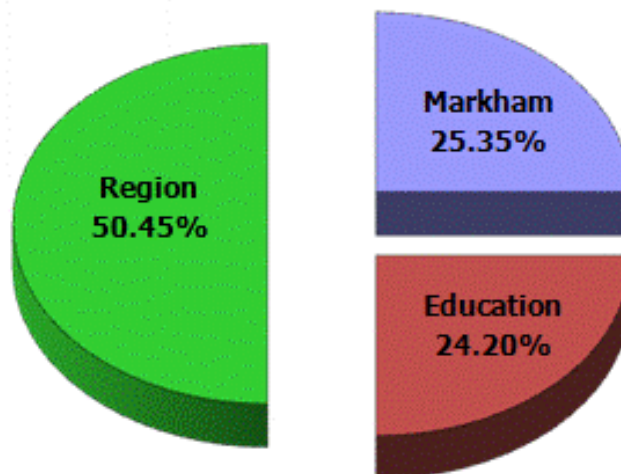


Slide 29



## 4a. Assessment and Property Taxes

2015 Property Tax Distribution  
Residential

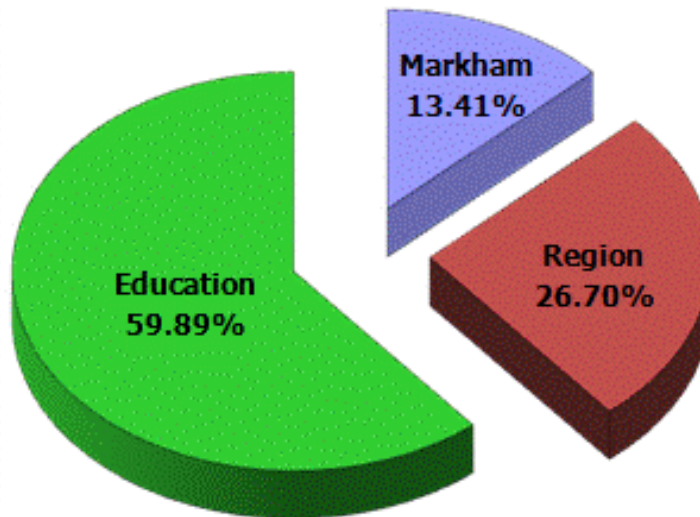


Slide 30



#### 4a. Assessment and Property Taxes

2015 Property Tax Distribution  
Non-Residential



Slide 31



#### 4a. 2015 Operating Budget

#### B. Impact of Markham Proposed Tax Rate Increase on an Average Residential Property

2015 Average Current Value in Markham

Residential Home\* \$597,000

Residential Condominium \$333,000

1% Tax Rate Increase for City's Tax Levy: \$11.00

Tax Dollar Impact per Household

**2.50% Tax Rate Increase for City's Tax Levy: \$27.50**

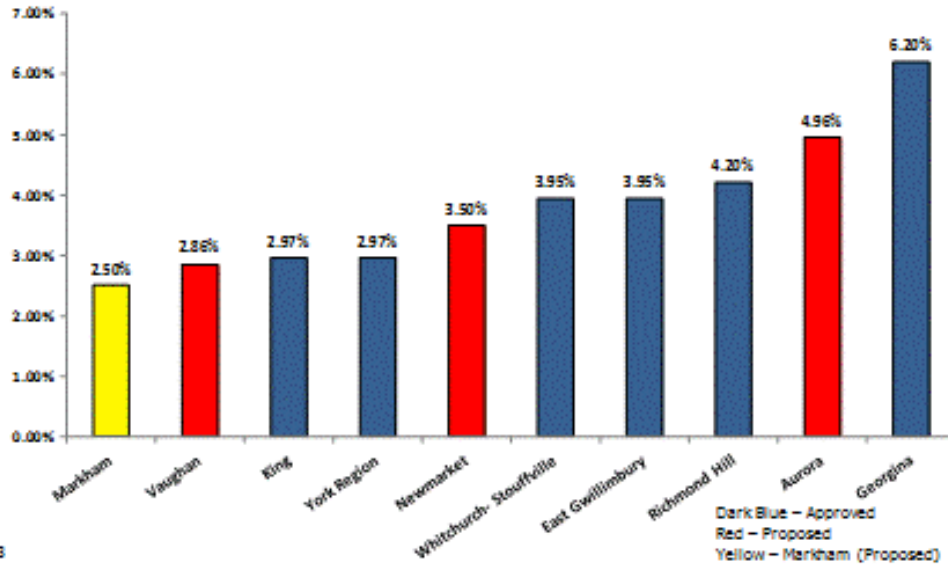
\* Residential home includes single detached, linked homes, freehold townhouses and semi-detached

Slide 32



### 4a. 2015 Operating Budget

#### Comparison of Proposed/Approved Tax Rate Increase – York Region

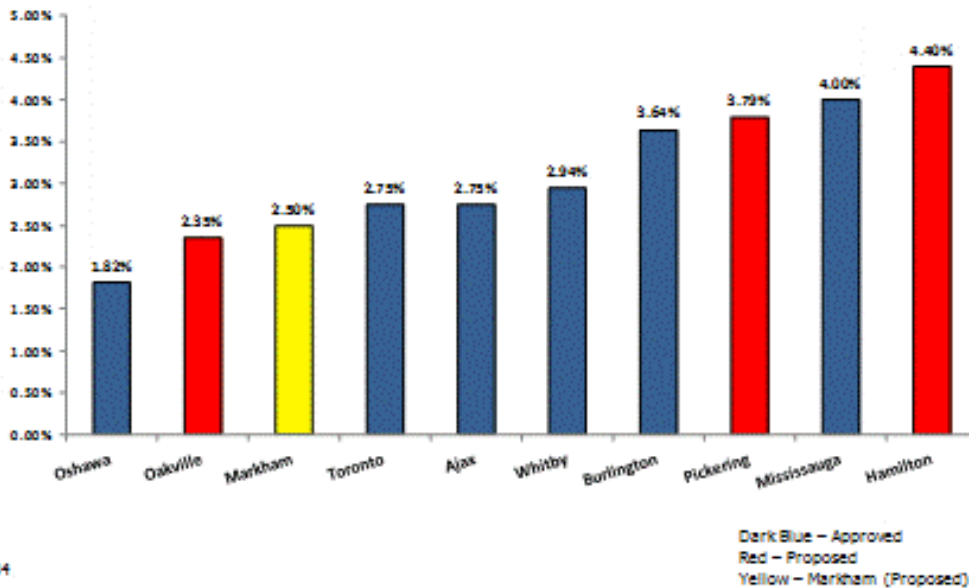


Slide 33



### 4a. 2015 Operating Budget

#### Comparison of Proposed/Approved Tax Rate Increase



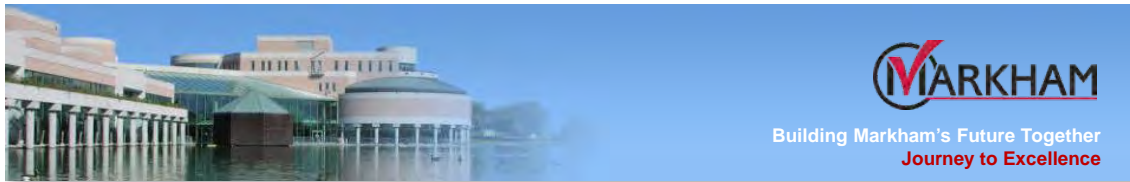
Slide 34



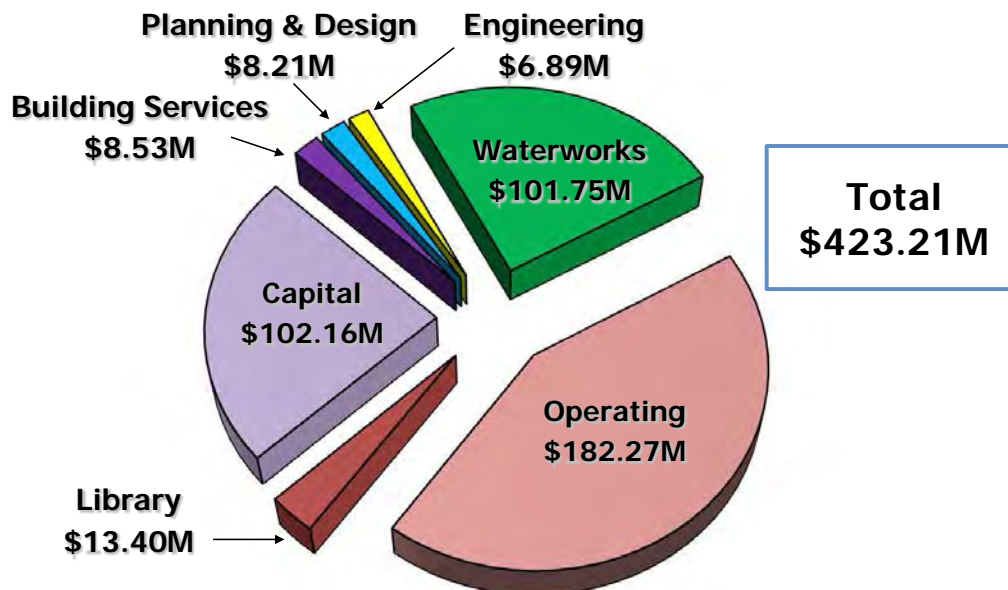
### 4a. Stormwater Fee

1. New stormwater fee to be introduced in 2015, as a 30 year initiative, to improve storm drainage capacity and limit flooding risks in urban areas
2. Council approved a \$47 annual fee per residential property effective 2015
3. PowerStream is currently upgrading their Customer Information System and implementation will not be completed in time accommodate the City's billing requirements in 2015. The stormwater fee will be included as a separate fee on the 2015 tax bill as a conduit to initiate the collection of fees for the stormwater project
4. Staff are currently undertaking a cost benefit analysis to determine the most viable option for fee collection purpose
5. Implementation of the non-residential Stormwater Fee is delayed to 2016 until completion of the communication engagement process with the business community to seek input on methods of apportioning the non-residential share (40%) of the City-wide flood control program

Slide 35



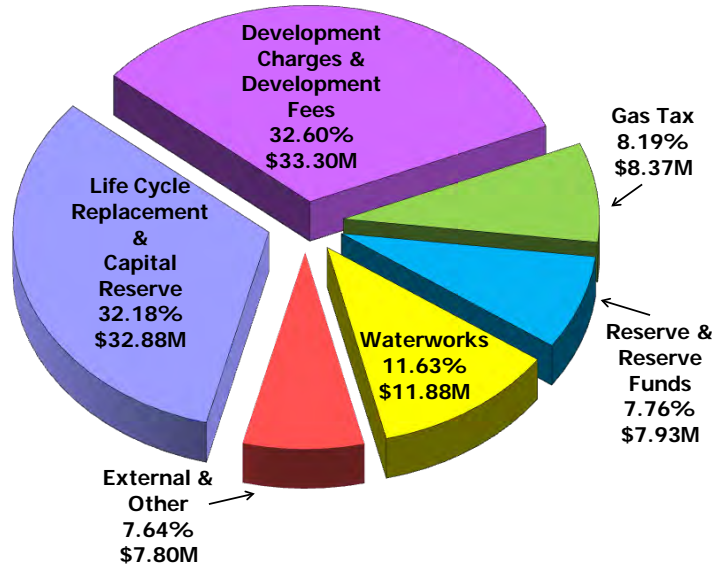
### 4. 2015 Proposed Budget



Slide 36



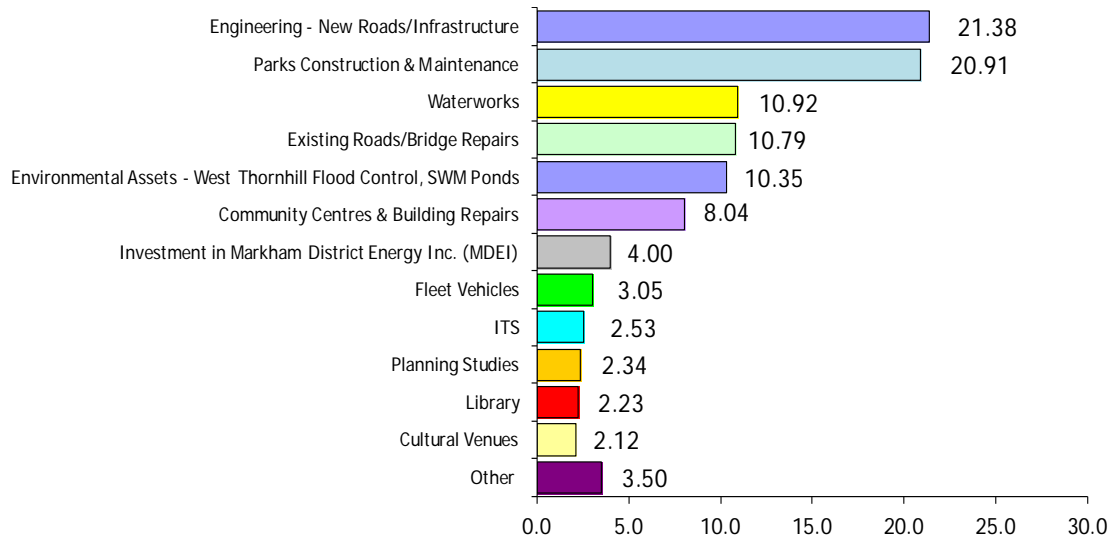
### 4b. 2015 Capital Budget Funding Sources Total \$102.16M (\$ Millions)



Slide 37



### 4b. 2015 Capital Budget Expenditure Types Total \$102.16M (\$ Millions)



Slide 38



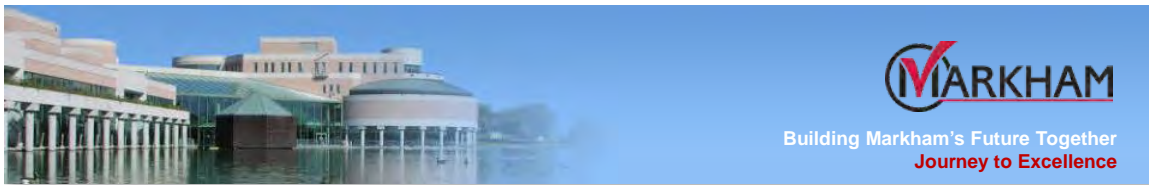
## 5. Highlights of 2015 Proposed Capital Budget Environment (\$ in Millions)

1. Environmental Asset Program (includes Flood Control Implementation – West Thornhill*)	\$10.35
2. Emerald Ash Borer Program – Year 3 of 5	\$4.53
3. Investment in Markham District Energy Inc. (MDEI)	\$4.00
4. PowerStream Embedded Energy Projects	\$0.26
5. Continuation of the Trees for Tomorrow Initiative and Replacement of Trees*	\$0.12
6. Waste Management Initiatives (includes Specialty Recycling Containers*)	\$0.05

\* - service level enhancement



Slide 39



## 5. Highlights of 2015 Proposed Capital Budget Growth (\$ in Millions)

1. New Parks Design and Construction	\$ 12.80
<ul style="list-style-type: none"> <li>1. Berczy Square Park – Design &amp; Construction (0.3 acres, opening: Fall 2015)</li> <li>2. Wismer Donald Mingay Woodlot Park – Construction (7 acres, opening: Fall 2015)</li> <li>3. Box Grove Hill East Parkette – Design &amp; Construction (0.25 acres, opening: Early 2016)</li> <li>4. Greensborough Williamson/ A. Paterson N. P. – Construction (3.9 acres, opening: Fall 2016)</li> <li>5. Monarch Cathedraltown North Park – Construction (8 acres, opening: Fall 2016)</li> <li>6. South East Community Centre Park – Construction (5 acres, opening: Fall 2016)</li> <li>7. Wismer Hwy #48 Museum Park North – Construction (1.2 acres, opening: Fall 2016)</li> <li>8. East Cathedral Park (Read's Corner) – Design &amp; Construction (1.9 acres, opening: Fall 2016)</li> <li>9. Southwest Cathedral Monarch Memorial Park – Construction (3.2 acres, opening: Fall 2016)</li> <li>10. Box Grove Hill South East Parkette – Design (1.5 acres, opening: Fall 2017)</li> <li>11. Cornell Madison Rouge/Riverlands North and South – Design (3.9 acres, opening: Fall 2017)</li> <li>12. Markham Village Library Square – Design (5.2 acres, opening: Fall 2017)</li> <li>13. Morgan Park – Design (4.39 acres, opening: Fall 2017)</li> <li>14. Cornell Community Park – Design (33.8 acres, opening: Early 2018)</li> </ul>	



Slide 40



## 5. Highlights of 2015 Proposed Capital Budget

### Transportation and Transit (\$ in Millions)

- |  |        |
|--|--------|
| 1. Hwy 404 Bridge North of Hwy 7 – Additional Funding for Construction<br>(Overall cost: \$38.44, Markham's share including this request: \$12.44) | \$5.03 |
| 2. Municipal Road South of 14 <sup>th</sup> Avenue – Middlefield to 14 <sup>th</sup> Avenue – Construction   | \$4.01 |
| 3. Multi-use Pathways – Phase 2 of 4 - Construction  | \$3.96 |
| 4. Streetlight Underground Cable and Pole Replacement and Inspection Program   | \$2.88 |
| 5. Miller Avenue – Warden to Birchmount – Phase 1 – Design   | \$0.77 |
| 6. Traffic Control Signals & Traffic Operational Improvements<br>(also included in Integrated Leisure Master Plan/Public Safety)                   | \$0.41 |



Slide 41



## 5. Highlights of 2015 Proposed Capital Budget

### Service Levels (\$ in Millions)

- |   |        |
|---|--------|
| 1. Exterior and interior facility improvement program at Community Centres, Libraries, Fire Stations and Civic Centre | \$8.04 |
| 2. Watermain and Sanitary Sewer construction and replacement program  | \$6.23 |
| 3. Roads rehabilitation program   | \$5.34 |
| 4. Library Collections  | \$2.04 |
| 5. Water System and Water Meter replacement/upgrade program   | \$1.08 |
| 6. Tennis Courts Resurfacing  | \$0.45 |
| 7. Sportsfield Maintenance and Reconstruction   | \$0.12 |



Slide 42



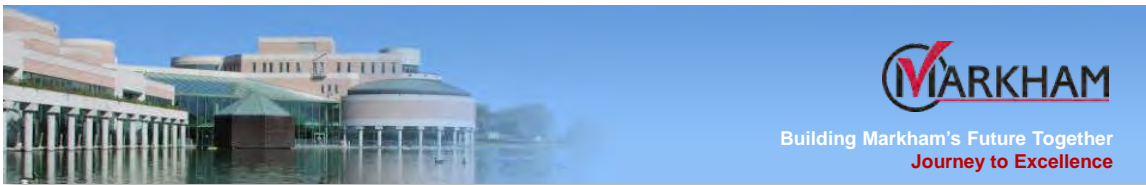


## 5. Highlights of 2015 Proposed Capital Budget Integrated Leisure Master Plan/Public Safety (\$ in Millions)

- |  |        |
|--|--------|
| 1. Play Structure Replacements   | \$0.88 |
| 2. Fire Services Vehicle Replacements  | \$0.78 |
| 3. Fire and Emergency Services Capital Program   | \$0.60 |
| 4. Traffic Control Signals and Traffic Operational Improvements<br>(also included in Transportation and Transit) | \$0.41 |
| 5. Former Sabiston Landfill – Monitoring   | \$0.16 |



Slide 43



## 5. Highlights of 2015 Proposed Capital Budget Diversity (\$ in Millions)

- |  |        |
|--|--------|
| 1. Pedestrian Accessibility Improvements – Phase 5 of 6 (Audible)* | \$0.12 |
| 2. Language Line Service   |        |
| 3. Career Bridge/Ability Edge Program                              |        |

\* - service level enhancement



Slide 44



## 6. Next Steps

1. Budget Committee – March 27<sup>th</sup>, 2015 at 1:00pm in the Canada Room
2. General Committee – March 31<sup>st</sup>, 2015 at 5:30pm in the Council Chamber
3. Council Decision – March 31<sup>st</sup>, 2015 at 7:00pm in the Council Chamber
4. Press Conference – April 1<sup>st</sup>, 2015 at 10:00am in the Canada Room

Slide 45



**THANK YOU FOR ATTENDING MARKHAM'S PUBLIC MEETING**

Slide 46



**SUBJECT:** 2015 Budget

**PREPARED BY:** Andrea Tang, Manager of Financial Planning

**RECOMMENDATION:**

- 1) That the report dated March 31, 2015 entitled, "2015 Budget" be received;
- 2) And that Council approve a 2.34% tax rate increase to the City's tax levy to support the City's day-to-day operations;
- 3) And that Council approve an additional 0.16% tax rate increase to fund the response and recovery costs associated with the December 2013 ice storm (Year 2 of 3);
- 4) And that Council approve the 2015 Operating Budget for City services totalling \$185,892,264 (excluding the 2014 deficit) which includes a 2.50% tax rate increase over 2014 (\$174,882,262), of which the principal components are detailed in Appendix 1;
- 5) And that Council approve the 2015 Library Operating Budget totalling \$13,403,487, the principal components of which are detailed in Appendix 2;
- 6) And that the gross operating expenditures of \$199,295,751 (Operating \$185,892,264 + Library \$13,403,487), (excluding the 2014 deficit), be funded from the following sources:

	<u>2015 Budget \$</u>
Taxation Levies	136,791,439
Payments-in-lieu of Taxes	1,209,007
Grant & Subsidy Revenues	1,539,126
General Revenues (Investment Income, Fines, Permits, Interest & Penalties)	30,394,738
User Fees & Service Charges	24,248,707
Other Income / Recoveries	<u>5,112,734</u>
<b>Total Revenues</b>	<b><u>199,295,751</u></b>

- 7) And that Council approve the remaining 2015 Capital Budget totalling \$66,988,600 of which the projects are detailed in Appendix 3;
- 8) And that Council approve the 2015 Planning & Design Operating Budget totalling \$8,212,073, (excluding the 2014 deficit), the principal components of which are detailed in Appendix 4;

- 9) And that Council approve the 2015 Engineering Operating Budget totalling \$6,566,574, (excluding the 2014 deficit), the principal components of which are detailed in Appendix 5;
- 10) And that Council approve the 2015 Building Standards Operating Budget totalling \$8,529,259, (excluding the 2014 deficit), the principal components of which are detailed in Appendix 6;
- 11) And that Council approve the 2015 Waterworks Operating Budget totalling \$101,754,579, (excluding the 2014 adjustment), the principal components of which are detailed in Appendix 7;
- 12) And that upon finalization of the 2014 audited financial statements, the 2015 Operating, Planning & Design, Engineering, Building Standards, and Waterworks Operating Budgets be adjusted to reflect the 2014 operating results;
- 13) And that By-law 2002-276, a by-law to impose fees and charges for services or activities provided by the City of Markham, be amended to reflect the following changes in Finance and Tax fees and charges effective June 1, 2015:
  - a. Ownership Change Administration Fee from \$31.00 to \$34.00
  - b. Non-Property Tax related charge added to the tax account from \$36.00 to \$45.00
  - c. Returned Cheque Fee from \$36.00 to \$40.00
  - d. Tax Certificate from \$60.50 to \$76.00
- 14) And that the Treasurer be authorized to set future increases for the above Finance and Tax fees and charges annually based on the change in the Consumer Price Index (Toronto All Items September -September) with such increases effective January 1 and rounded to the nearest half dollar;
- 15) And that a copy of the Budgets be made available to the public through the Clerk's Department, the City website and each of the Markham Public Libraries;
- 16) And that the "Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09" be received for information purposes;
- 17) And that this report be brought forward to Council on Tuesday, March 31, 2015 for approval;
- 18) And further, that Staff be authorized and directed to do all things necessary to give effect to this resolution.



**PURPOSE:**

To obtain Council approval of the City of Markham's 2015 Operating Budget which recommends a total 2.50% tax rate increase comprised of a 2.34% tax rate increase to support the day-to-day operations, and a 0.16% tax rate increase to address the response and recovery costs associated with the December 2013 ice storm (Year 2 of 3).

**BACKGROUND:**

Seven Budget Sub-committee meetings were held from January to March 2015 to discuss and review the 2015 Operating and Capital Budgets.

All Budget Committee meetings were open to the public, and the meetings were audio streamed through Markham's web portal. Following the meetings, the presentation could be viewed and listened to on the City's website. A public consultation meeting was held on March 23<sup>rd</sup>, 2015 at 7pm at the Civic Centre. In addition, there was a meeting held on February 25, 2015 at 7pm at the Civic Centre with the Markham Action Group for Improved Community (MAGIC). MAGIC provides support to Markham Community Ratepayer Associations.

At the public consultation meeting four residents gave deputations on the budget. Staff are currently addressing the items raised at the meeting.

Markham's innovative Citizen Budget Tool was available on Markham's web portal (under Municipal Government: Budget and Business Plan section) for the 2015 budget process. This is the 2nd year utilizing the tool and it provides residents the opportunity to express their views on how residential tax dollars should be used.

The following topics were discussed at the Budget Committee meetings:

- a fiscal scan including economic trends and budgetary pressures;
- a review of the 2015 operating and capital budgets;
- a review of the 2015 new support staffing requests;
- a review of the 2015 Councillor requests;
- the City's asset lifecycle reserve study.

The 2015 Library budget is \$13,403,487, details of which are shown in Appendix 2.

In September and November 2014, two 2015 Capital Budget pre-approval reports were approved by Council. The two reports included 46 projects totaling \$35,175,000. Pre-approval was requested in order to achieve better pricing and to begin the procurement process ahead of the construction season.

The approval of \$66,988,600 requested in this report is for the remaining 236 projects.

<b>Pre-Approved</b>	<b># Projects</b>	<b>\$</b>
First Request: September 23rd	13	26,647,500
Second Request: November 17th	33	8,527,500
<b>Total Pre-Approved</b>	<b>46</b>	<b>35,175,000</b>
Remaining Projects to be Approved	236	66,988,600
<b>Total</b>	<b>282</b>	<b>102,163,600</b>

The Development Fee By-law was amended on December 16, 2014 to include a 3.6% increase in the 2015 Building fees for Building Permit applications, a 15% increase in Planning & Urban Design and a 10% increase Engineering fees. The 2015 operating budgets for the following Development Services departments are: Planning & Design at \$8,212,073 with a budgeted draw from reserve of \$963,264, Engineering at \$6,566,574 with a budgeted draw from reserve of \$1,474,546, and Building Standards at \$8,529,259 with a budgeted draw from reserve of \$1,464,007.

The 2015 Water and Wastewater rate of \$3.3154/m<sup>3</sup> effective April 1<sup>st</sup>, 2015 (an increase of 8.2% over 2014's rate) is incorporated into the 2015 Waterworks operating budget of \$101,754,579.

In summary, the total 2015 Budget is \$426,521,836 and the breakdown is as follows:

	<u>\$</u>
Operating Budget	185,892,264
Library	13,403,487
Capital Budget	102,163,600
Planning & Design	8,212,073
Engineering	6,566,574
Building Standards	8,529,259
Waterworks	<u>101,754,579</u>
Total 2015 Budget	<u>426,521,836</u>



**DISCUSSION:**

**2015 Operating Budget**

The following exhibit reconciles the 2014 approved Operating Budget to the 2015 Operating Budget from \$187,591,019 to \$199,295,751 (figures include Library and exclude Planning & Design, Engineering, Building Services and Waterworks):

<u>REVENUES</u>	<u>2015 Budget \$</u>
Approved 2014 Budget Revenues	187,591,019
Assessment Growth including Supplemental Taxes (Property taxes from new homes and businesses)	3,075,000
2.34% Operating Tax Increase	2,975,000
0.16% Tax Increase for December 2013 Ice Storm	212,000
Markham Enterprise Corporation Dividend and Hydro Interest (including 1st year of solar dividend)	3,629,652
CPI and Other Adjustments for User and Program Fees	600,313
Annualization of Pan Am Facility	530,539
Theatre Professional Entertainment Series (corresponding offset in expenses)	246,500
Museum and Theatre - Subsidy Reduction	150,000
Other	285,728
Total 2015 Budget Revenues - excluding 2014 deficit	<u>199,295,751</u>

<u>EXPENDITURES</u>	
Approved 2014 Budget Expenditures	187,591,019
Salaries and Benefits	4,132,207
Markham Enterprise Corporation Dividend and Hydro Interest (including 1st year of solar dividend)	3,629,652
Growth (roads, waste, parks, streetlights and winter maintenance)	1,756,873
Municipal Service Contracts	1,650,000
Support Services for Building, Engineering, Planning & Design, Waterworks/Corporate Items/Other	536,000
Total 2015 Budget Expenditures - excluding 2014 deficit	<u>199,295,751</u>

The 2014 operating results are excluded from the above figures until the City’s audited financial statements are finalized and approved by Council. Staff will present the 2014 consolidated financial statements to General Committee in April 2015. Upon finalization of the 2014 audited financial statements, the 2015 Operating (including Library), Planning & Design, Engineering, Building Standards and Waterworks budgets will be adjusted to reflect the deficit/adjustment in revenues and offsetting expenditures.

The 2015 Budget aligns with the Council approved strategic priorities which address social, economic and environmental considerations. The Budget includes service level enhancements while providing Markham residents value for their money. The 2015 Operating Budget achieves fiscal sustainability by not using one-time funding to balance the budget.

During the budget development process, the City of Markham addressed the challenge of delivering a balanced budget with a reasonable tax rate increase in response to increased operating expenditures resulting from economic and growth pressures.

Economic pressures stem from general inflation, increasing utility costs and third party contract renewals such as winter maintenance contracts.

Markham is a growing municipality, and budgetary requirements increase as the City continues to add to its inventory of parks, streetlights, and roads each year, requiring additional resources to maintain and replace assets. Further, Markham has exhibited sound fiscal management by phasing-in future personnel costs related to facility openings for the South East Community Centre and Library, Pan Am Facility, City of Markham Sports Park, Markham Centre Fire Station, Milliken Mills Library Expansion and 2<sup>nd</sup> crew at the Cornell Fire Station some of which are subject to Council approval. Markham continues the policy of allocating the first \$0.5M from new assessment growth revenues to support a sustainable capital program.

To mitigate the impact of economic and growth pressures, Staff continues to make every effort to find efficiencies to reduce operating costs and explore sustainable revenue sources through our continuous improvement program, Excellence through Efficiency and Effectiveness (E3). Through the E3 program the City has achieved over \$20M in operational savings and revenue enhancements since 2009 which would have resulted in a need for a 20 per cent tax increase over that period.

### **Adjustments to the 2015 Operating Budget**

#### **A. Markham Enterprise Corporation Dividend and Interest**

The City receives annually a dividend from Markham Enterprise Corporation and interest income on loans to Powerstream, Markham Enterprise Corporation, and Markham District Energy. Of the funding received, \$1M is retained in the Operating Budget as a means of reducing the tax rate increase while the majority of the funding goes to the Life Cycle Repair and Replacement Reserve.

The 2015 Budget reflects an increase of \$3.6M from dividends and interest revenues primarily due to 2015 being the first year of the City receiving a solar dividend. The net impact to the budget is zero as there is a corresponding increase of \$3.6M in the transfer to reserves expense.

#### **B. User Fee Changes Over and Above Consumer Price Index (CPI)**

While it is the City's policy to increase user fees by CPI each year, Staff reviewed Finance related fees and identified additional increases based on municipal comparators. The fees identified were: Ownership change administrative fees, non-property tax related charge added to the tax account, returned cheque fees, and tax certificates. The fees will become effective in June 2015. These adjustments resulted in additional revenue of approximately \$0.04M for 2015 and \$0.03M in 2016 due to annualization (January-May).

### **Summary**

In summary, the 2015 Operating Budget has an increase in expenditures of \$11.71M (including \$0.21M for continuing costs associated with the December 2013 ice storm), offset by an increase in revenues of \$8.52M, resulting in a net shortfall of \$3.19M, equivalent to a total tax rate increase of 2.50%: 2.34% to support day-to-day operations





and 0.16% to fund the response and recovery costs associated with the December 2013 ice storm (Year 2 of 3).

### **Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09**

Ontario Regulation 284/09 requires the 2015 Budget be provided in accordance to the Public Sector Accounting Board 3150 format prior to budget approval. The City's financial statements, specifically the Accumulated Surplus, now include the impact of tangible capital asset (TCA) amortization, and the full accrual method of accounting.

Ontario Regulation 284/09 states that municipalities may exclude from budgets, all or a portion of the estimated cost of certain expenses. Exclusion of these expenses allows for preparation & presentation of a traditionally balanced budget. Expenses eligible for exclusion from budget are:

1. Amortization; and
2. Post-employment benefits

Hence, the 2015 Budget is restated in accordance to Ontario Regulation 284/09 as part of the 2015 Budget approval process.

### **FINANCIAL CONSIDERATIONS:**

The 2015 Budget excludes the following expenses:

1. The budget excludes TCA amortization expenses in the amount of \$68.81M, and includes reserve contributions of \$41.81M to reserves and reserve funds. Therefore, the budget is restated to comply with the Regulation.

The Life Cycle and Waterworks reserve studies were implemented in 2005 and 2007 respectively to address the funding requirements for on-going capital replacements and preventative maintenance of the City's capital assets over their useful lives. The City updates the reserve studies annually to ensure that there are adequate funding, based on known inflows and outflows, in the reserves for the next 25 years.

The 2014 update of the Life Cycle Reserve Study identified that the Life Cycle Replacement and Capital reserve has sufficient funds for the major replacement and rehabilitation of existing assets for the next 25 years (2015 to 2039) based on projected inflows and work programs.

2. The budget excludes the current year's post employment benefit expenses estimated at \$0.87M based on actuarial valuation. This is consistent with prior year budgeting practice. However, the City will be fully funding the 2015 post employment benefit obligations as part of the year-end accounting accruals and other adjustments;

The restatement of the 2015 Budget in accordance with the full accrual method of accounting and Ontario Regulation 284/09 results in a projected a deficit of (\$6.81M). Details of the restated budget are outlined in Exhibit 1 and restatement of revenues and expenses to the balanced budget are highlighted below:

	<u>Reference to Exhibit 1</u>	<u>\$ in M</u>
Balanced Budget		0.00
Revenues:		
Net (new) revenues to fund Capital	2	47.86
Expenses:		
Less: transfer to reserve/reserve funds	3	41.81
TCA amortization	4	(68.81)
Post-employment benefits	5	(0.87)
Non-tangible capital assets	6	(26.80)
Adjusted budget - 2015 budget deficit	7	<u>(6.81)</u>



**EXHIBIT 1**

**2015 CONSOLIDATED BUDGET**

**- Re-stated in Accordance with the Full Accrual Method of Accounting -  
- In Compliance with Ontario Regulation 284/09 -**

**REVENUES**

- City (excl. Library, Planning & Design, Engineering, Building Standards and Waterworks)		\$198,213,154	
- Library		\$1,082,597	
- Planning & Design		\$7,248,809	
- Engineering		\$5,092,028	
- Building Standards		\$7,065,252	
- Waterworks		\$101,754,579	
<b>Total Revenues from Operations</b>			<b>\$320,456,419</b>
Non-Tangible Capital		\$26,803,300	
Tangible Capital Assets		\$75,360,300	
<b>Total Capital - Tangible &amp; Non-Tangible</b>		<b>\$102,163,600</b>	
<i>Less: Transfer from Reserve / Reserve Funds</i>	(1)	<b>(\$54,300,180)</b>	
<b>Net (new) Revenues to fund Capital</b>			<b>(2) \$47,863,420</b>
<b>TOTAL REVENUES</b>			<b>\$368,319,839</b>

**EXPENSES**

- City (excl. Library, Planning & Design, Engineering, Building Standards and Waterworks)		\$185,892,264	
- Library		\$13,403,487	
- Planning & Design		\$7,248,809	
- Engineering		\$5,092,028	
- Building Standards		\$7,065,252	
- Waterworks		\$101,754,579	
<b>Total Operating Expenses</b>		<b>\$320,456,419</b>	
<i>Less: Transfer to Reserve / Reserve Funds</i>	(3)	<b>(\$41,812,451)</b>	
<i>Add: TCA Amortization Expenses</i>	(4)	<b>68,810,629</b>	
<i>Add: Post-employment benefit Expenses</i>	(5)	<b>\$867,500</b>	
<b>Net Operating Expenses</b>			<b>\$348,322,097</b>
Non-Tangible Capital	(6)	\$26,803,300	
Tangible Capital Assets		\$75,360,300	
<b>Total Capital Expenses</b>		<b>\$102,163,600</b>	
<i>Less: Tangible Capital Assets Capitalized</i>		<b>(\$75,360,300)</b>	
<b>Net Capital Expenses - Not Capitalized</b>			<b>\$26,803,300</b>
<b>TOTAL EXPENSES</b>			<b>\$375,125,397</b>
<b>ADJUSTED BUDGET: 2015 FULL ACCRUAL ACCOUNTING BUDGET DEFICIT</b>			<b>(7) (\$6,805,558)</b>

**NOTES:**

- (1) Represents transfers from reserves and/or reserve funds to fund expenditures. These are not considered revenues under the full accrual method of accounting.
- (2) Represents new revenues to fund the 2015 capital budget
- (3) Represents contributions to reserves and/or reserve funds. These are not considered expenditures under the full accrual method of accounting, but become part of the actual year end surplus (retained earnings).
- (4) TCA Amortization Expenses are calculated based on actual amortization expenses from "in-service" assets as of 2014 and amortization expenses for assets projected to be "in-service" in 2015 using the 1/2 year rule.
- (5) Post-employment Benefit Expenses are 2015 estimates provided by Morneau Shepell.
- (6) Non-Tangible Capital are included in the 2015 capital budget, and they will be restated as operating expenses.
- (7) Projected deficit is based on the restated 2015 budget.

**HUMAN RESOURCES CONSIDERATIONS**

Not applicable.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not applicable.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not applicable.

**RECOMMENDED**

BY: \_\_\_\_\_



Joel Lustig, Treasurer



Trinela Cane, Commissioner,  
Corporate Services

**ATTACHMENTS:**

Appendix 1 – 2015 Total Corporation Operating Budget (Including Library, excluding Planning & Design, Engineering, Building Standards and Waterworks)

Appendix 2 – 2015 Library Operating Budget

Appendix 3 – 2015 Capital Budget (including Pre-Approved Capital Projects)

Appendix 4 – 2015 Planning & Design Operating Budget

Appendix 5 – 2015 Engineering Operating Budget

Appendix 6 – 2015 Building Standards Operating Budget

Appendix 7 – 2015 Waterworks Operating Budget

Appendix 8 – By-law XXXX-XXX A by-law to amend By-law No. 2002-276



## Markham's 2015 Budget Delivers Value for Markham Residents

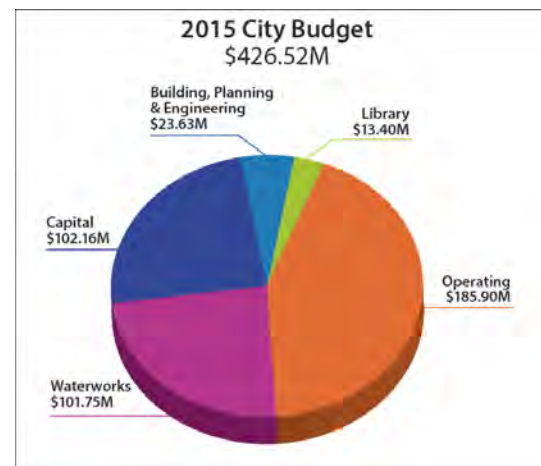
*Lowest seven-year tax rate increase across GTA municipalities*

**MARKHAM, ON – April 1, 2015** – Markham Council approved the City's 2015 Budget and a tax rate increase of 2.5% at the Council meeting on March 31.

The 2015 Budget includes a 2.34 per cent tax rate increase to maintain day-to-day city operations, and a 0.16 per cent tax rate increase for continuing costs associated with the December 2013 ice storm.

The 2.5 per cent tax rate increase represents an additional \$27.50 for the average residential household in Markham. Based on 2014 data from the municipal news publication *Novae Res Urbis* (NRU), and public reports on 2015 municipal tax rate increases, Markham's seven-year tax rate increase of 7.99 per cent is the lowest among 27 GTA municipalities.

"Markham has continued to keep tax rate increases low through our innovative E3 program which has achieved over \$20M in operational savings and revenue enhancements since 2009," said Markham Mayor Frank Scarpitti. "These measures have prevented the need for a 20 per cent tax increase over that period. In 2015 we will continue to pursue opportunities for further efficiencies and business transformation"



The 2015 Budget includes \$2.71 million for growth-related services, including maintenance for 23 km of new roads and 30 acres of parkland, installation of 420 new energy efficient LED streetlights, and an increase of 2,400 tonnes for waste collection.

Budget Chief Councillor Logan Kanapathi said, "Markham Council has approved a fiscally responsible budget that keeps taxes low while providing new and important community infrastructure, and world class facilities like the Markham Pan Am Centre and the Southeast Community Centre and Library. In 2015 we're investing in new infrastructure, an expanded multi-use pathway system and 14 additional parks. This budget will help keep Markham thriving, and ensure a safe and vibrant community for residents."

"Through excellent collaboration and teamwork by Markham staff and Council, each department took on the challenge to find ways to bring the budget shortfall down and reduce the tax rate increase from the original proposed 3.81 per cent, to the approved 2.5 per cent. We are proud of the balance we have achieved to maintain excellent service levels so our residents receive the best value for their tax dollars", said Budget Committee Vice Chair Councillor Amanda Collucci.

Markham collects property taxes on behalf of York Region and the Province of Ontario, with more than 50 per cent of all Markham taxes going to York Region. The City of Markham retains about 25 per cent of the taxes collected with the remaining 25 per cent going to the Province for education.

Mayor Scarpitti also said, “Markham continues to take a business-like, entrepreneurial approach to our budget and our bottom line. Our rigorous approach to fiscal and operational management has meant an average annual tax rate increase of just over one percent in the past seven years. This fiscal performance is unprecedented in the GTA.”

- 30 -

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### 2015 Budget Highlights

- \$30.4 million to address the renewal of existing assets
- \$12.8 million for the design and construction of 14 new city parks
- \$4.5 million to address the impact of the Emerald Ash Borer infestation
- \$4.0 million for 2.8 km of new multi-use pathways
- \$8.5 million for the Markham Flood Control Program

### Backgrounder Follows

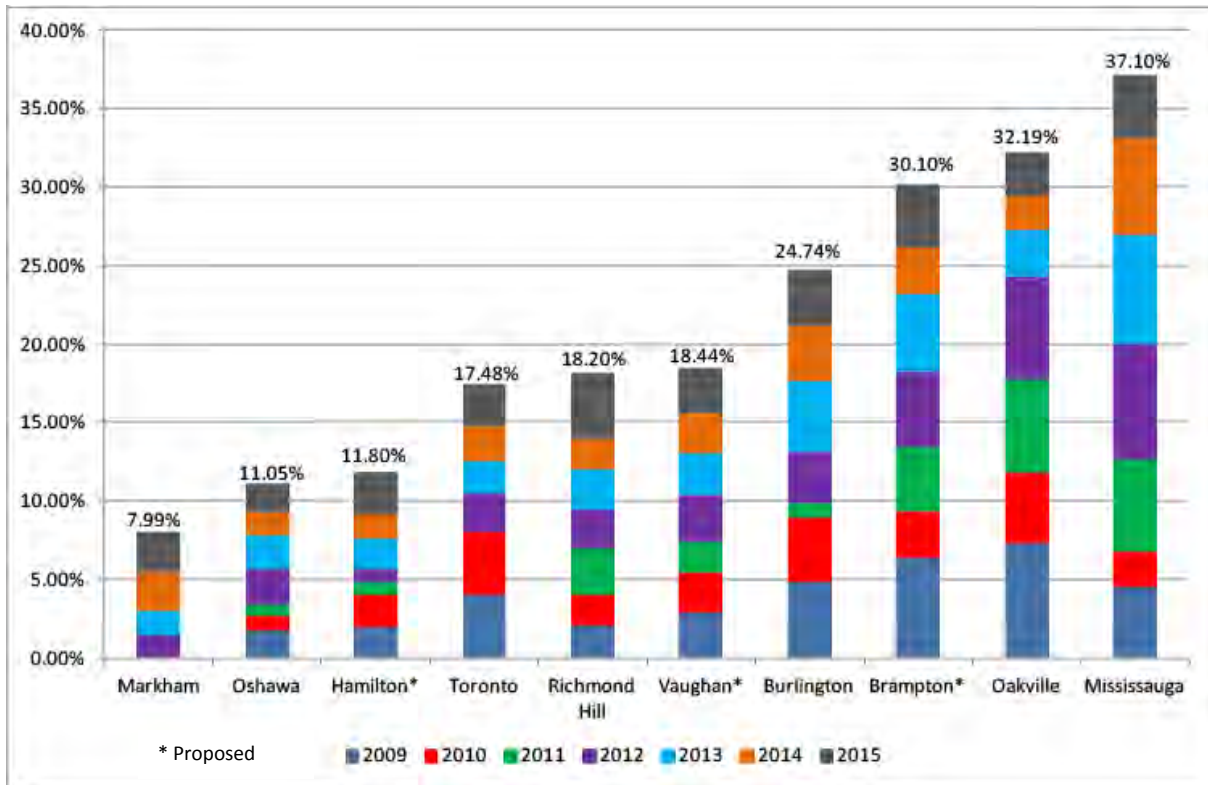
Markham Mayor Frank Scarpitti: [fscarpitti@markham.ca](mailto:fscarpitti@markham.ca) or 905-475-4872

**Media inquiries / interview requests:** Dennis Flaherty, Director, Corporate Communications, 905-415-7520, [dflaherty@markham.ca](mailto:dflaherty@markham.ca)

**About Markham:** Markham, a municipality with more than 340,000 residents centrally located in the Greater Toronto area, is home to more than 400 corporate head offices and more than 1,100 high tech and life science companies. Founded in the 1790s, Markham is now Canada’s most diverse community, enjoying a rich heritage, outstanding community planning and services, and a vibrant local economy. Markham has received the Excellence Canada PEP III Integrated and Accessibility Awards, and multiple heritage and environmental awards. Markham is proud to be an official Host City for the 2015 Pan American and Parapan American Games. [markham.ca](http://markham.ca)

## BACKGROUND

### Tax Rate Comparison With Other Municipalities Seven-Year Total (2009-2015)



## SELECTED PROJECTS/PRIORITIES FUNDED IN THE 2015 BUDGET

Full details of the Markham Budget can be found on our website at [markham.ca](http://markham.ca).

### Growth Management:

- New parkland design and construction (Total of 79.6 acres):
  - Berczy Square Park – design & construction (0.3 acres, opening: Fall 2015)
  - Wismer Donald Mingay Woodlot Park – construction (7.0 acres, opening: Fall 2015)
  - Box Grove Hill East Parkette – design & construction (0.3 acres, opening: Early 2016)
  - Greensborough Williamson/ A. Paterson Park – construction (3.9 acres, opening: Fall 2016)
  - Monarch Cathedraltown North Park – construction (8.0 acres, opening: Fall 2016)
  - South East Community Centre Park – construction (5.0 acres, opening: Fall 2016)
  - Wismer Hwy #48 Museum Park North – construction (1.2 acres, opening: Fall 2016)
  - East Cathedral Park – design & construction (1.9 acres, opening: Fall 2016)
  - Southwest Cathedral Monarch Memorial Park – construction (3.2 acres, opening: Fall 2016)
  - Box Grove Hill South East Parkette – design (1.5 acres, opening: Fall 2017)
  - Cornell Madison Rouge/Riverlands Park – design (3.9 acres, opening: Fall 2017)
  - Markham Village Library Square Park – design (5.2 acres, opening: Fall 2017)
  - Morgan Park – design (4.4 acres, opening: Fall 2017)
  - Cornell Community Park – design (33.8 acres, opening: Early 2018)

**Transportation:**

- Bridge over Hwy 404, north of Hwy 7 - construction
- Municipal Road South of 14<sup>th</sup> Avenue – Middlefield to 14<sup>th</sup> Avenue – construction
- Multi-use pathways – Phase 2 of 4 - construction
- Streetlight underground cable and pole replacement and inspection program
- Miller Avenue – Warden to Birchmount – Phase 1 – design
- Traffic control signals & traffic operational improvements

**Environment:**

- Environmental asset program, including flood control implementation in West Thornhill
- Emerald Ash Borer management program
- Investment in Markham District Energy Inc. (MDEI)
- Energy conservation program, including facility energy conservation retrofits
- Continuation of the “Trees for Tomorrow” initiative

**Municipal Services:**

- Facility improvement program at community centres, libraries, fire stations, cultural venues and the Civic Centre
- Watermain and sanitary sewer construction and replacement program
- Roads rehabilitation program
- Library collections
- Water System and Water Meter replacement/upgrade program
- Tennis courts resurfacing
- Sportsfield maintenance and reconstruction

**Integrated Leisure Master Plan/Public Safety:**

- Play structure replacements
- Fire services vehicle replacements
- Fire and Emergency Services capital program, including replacement of firefighting equipment
- Former Sabiston Landfill monitoring

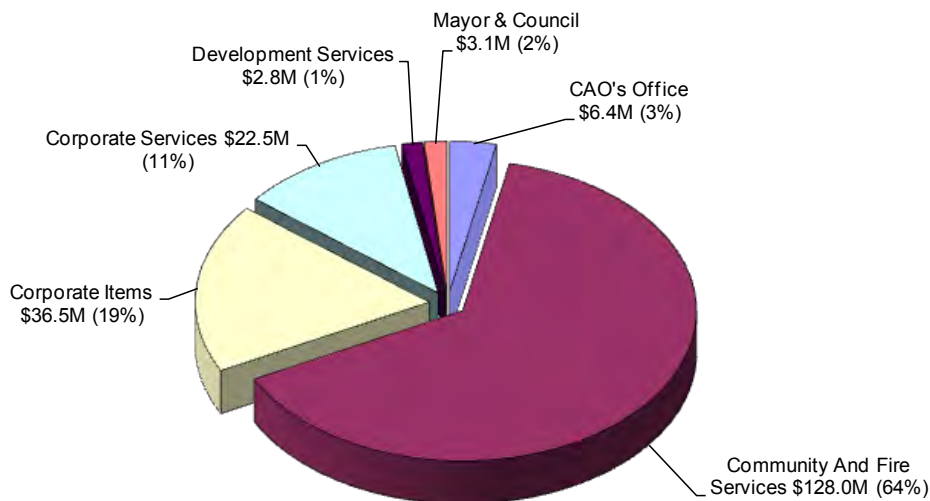


## 2015 OPERATING BUDGET SUMMARY

### Expenditures

The 2015 Operating Budget for City services totals \$199,295,751 excluding prior year surplus/deficit, Waterworks, Building Standards, Planning & Design, and Engineering. This represents an increase of \$11.8 million over the 2014 Operating Budget. The chart below shows the composition of the Operating Budget expenditures by Commission.

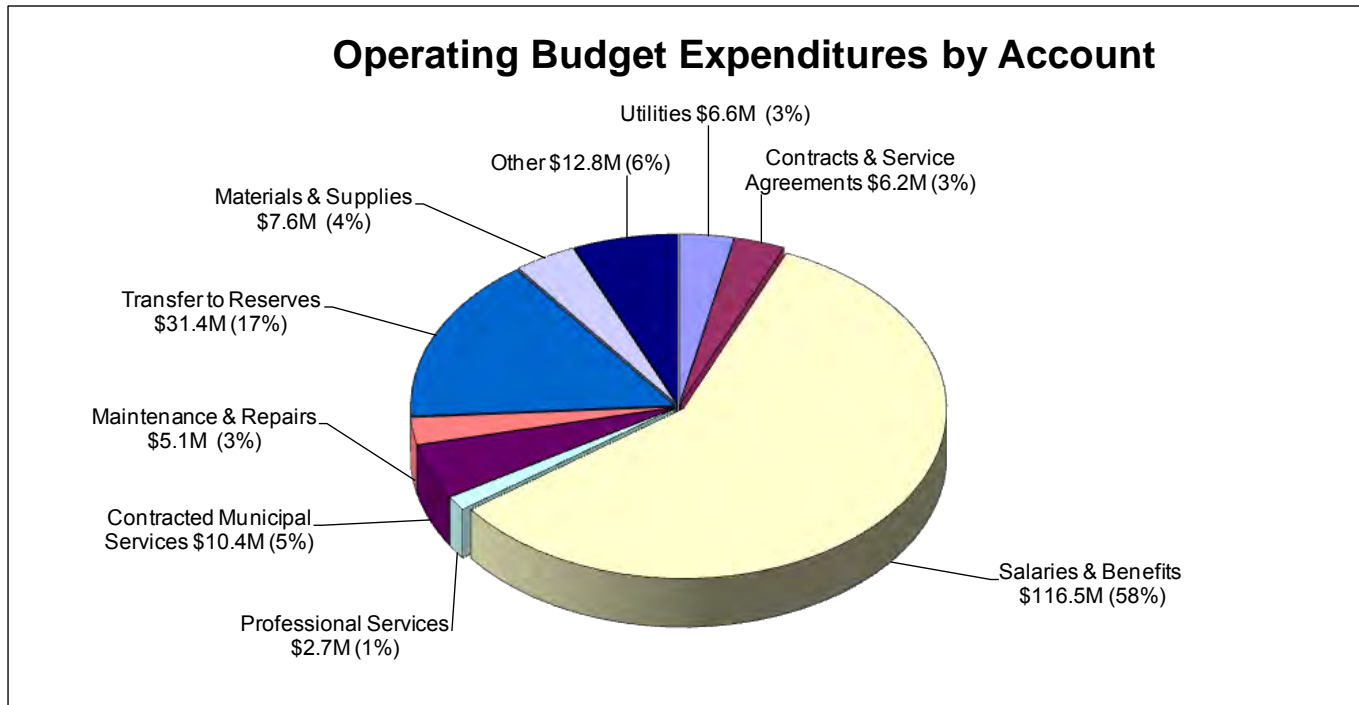
**Operating Budget Expenditures by Commission**  
 (excluding Waterworks, Building, Planning & Design, and Engineering)



The Community & Fire Services Commission accounts for 64% of the total budget expenditures. This Commission includes Asset Management, Culture Services, Environmental Services, Fire and Emergency Services, Markham Public Library, Operations and Recreation Services.

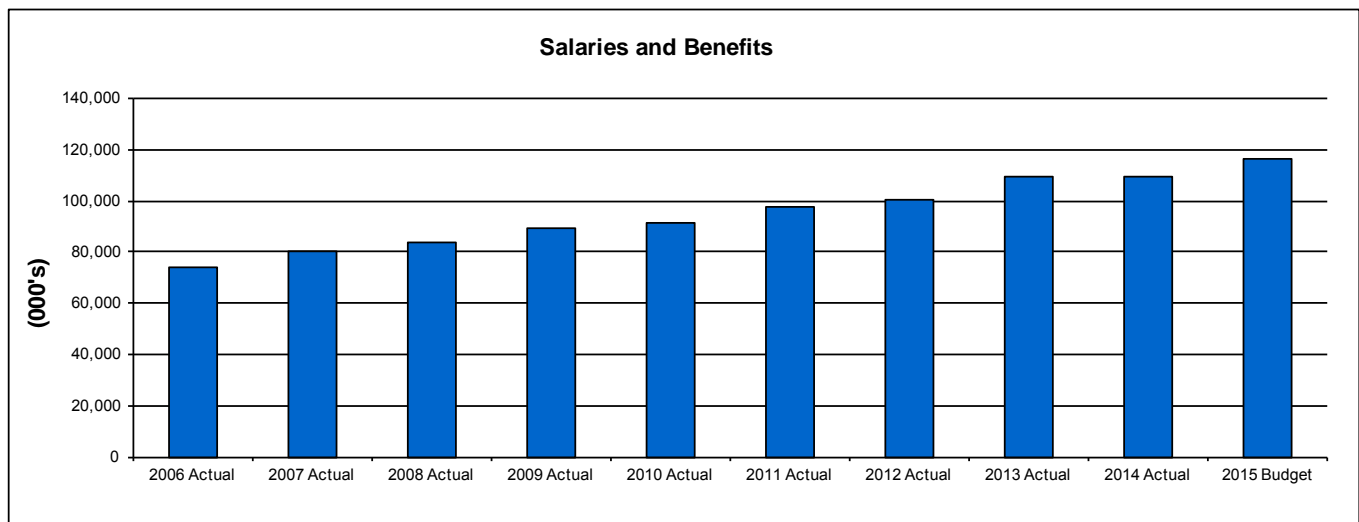
Corporate Items (comprised largely of transfer to reserves for the tax funded portion of the 2015 Capital Budget program) represents 19% of the budget.

The 2015 Operating Budget expenditures are also broken down by account. The chart below indicates that 58% of budgeted expenditures relate to salaries and benefits. The next highest component is transfer to reserves, which represents 17% of the total budget. The 'Other' category, which accounts for 6% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, promotion and advertising.



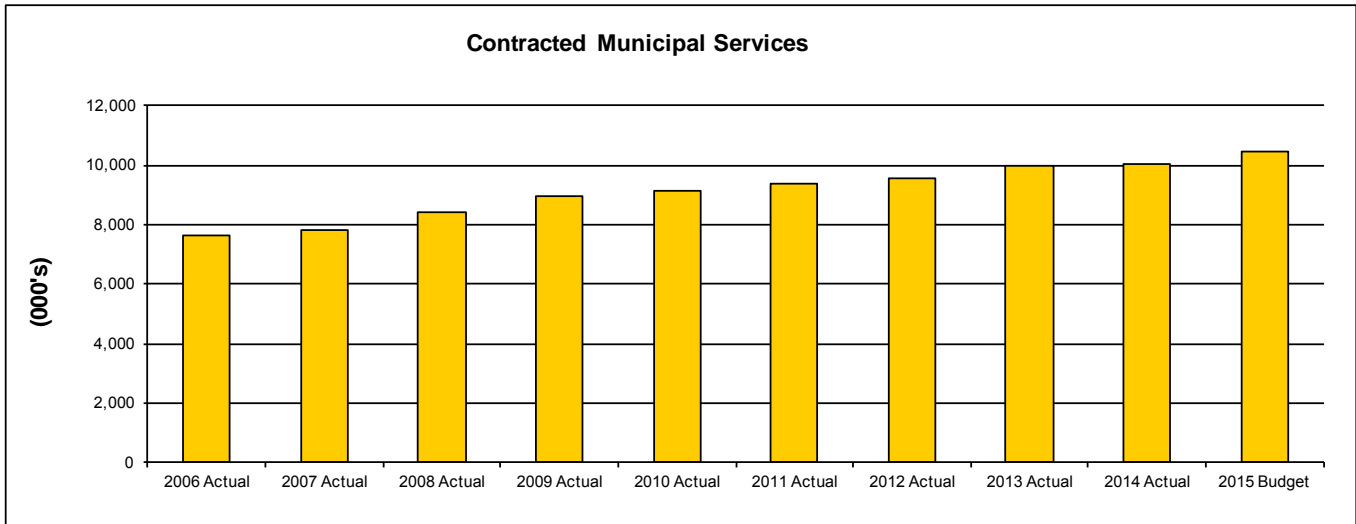
## Salaries and Benefits

The salary expenditures increase year over year due to the cost of living adjustment, grid movement and negotiated union agreements.



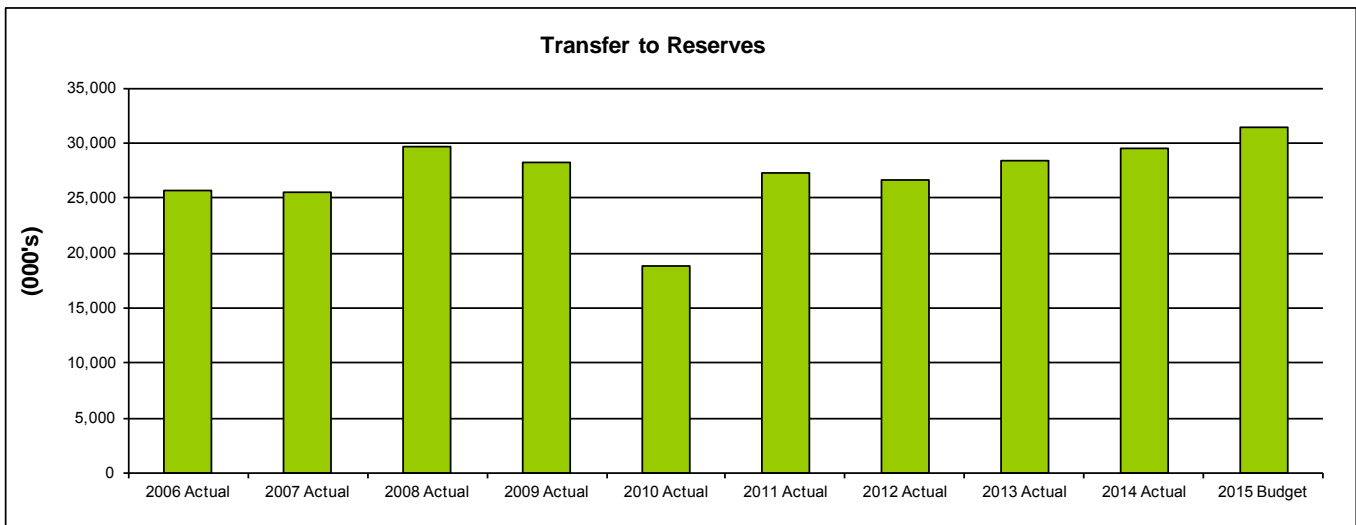
## Contracted Municipal Services

The contracted municipal services show a continuous increasing trend year over year. This increase is mainly resulting from both growth and inflation of the City's contracts.



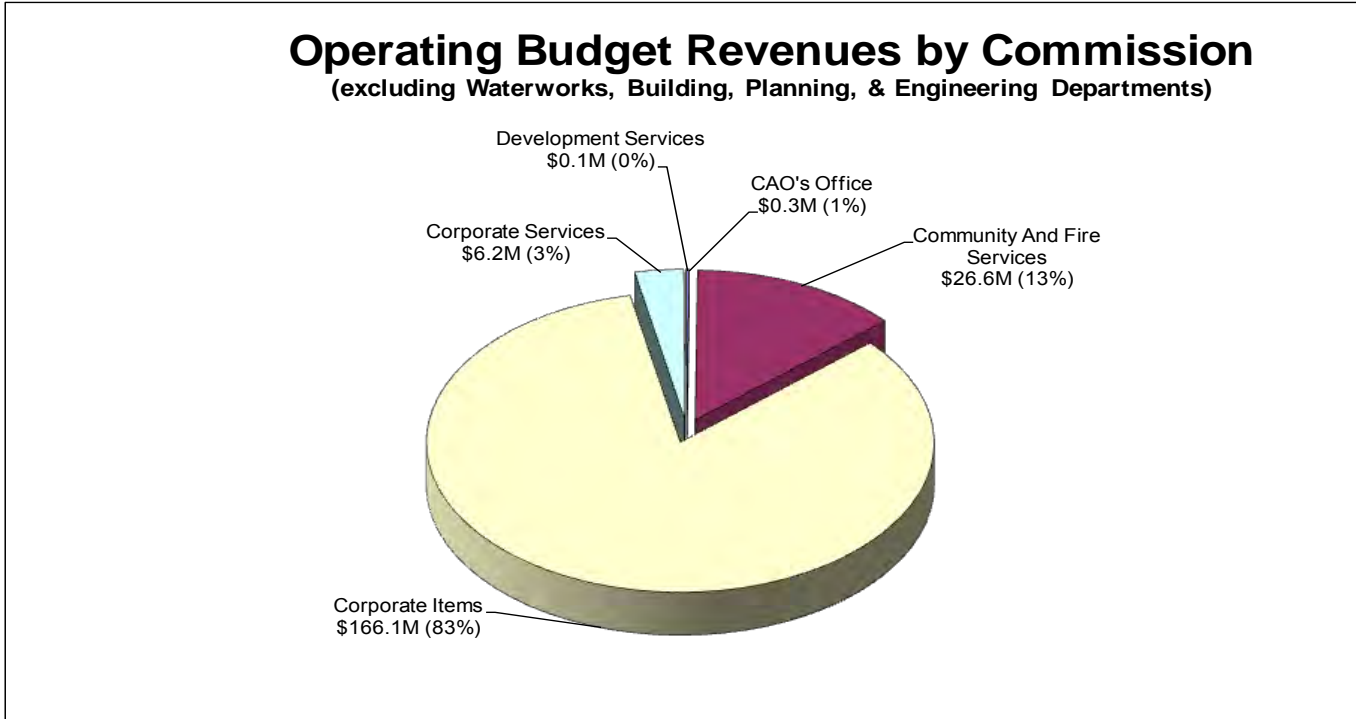
## Transfer to Reserves

The majority of the transfer to reserves include the tax funded portion of the 2015 Capital Budget program.

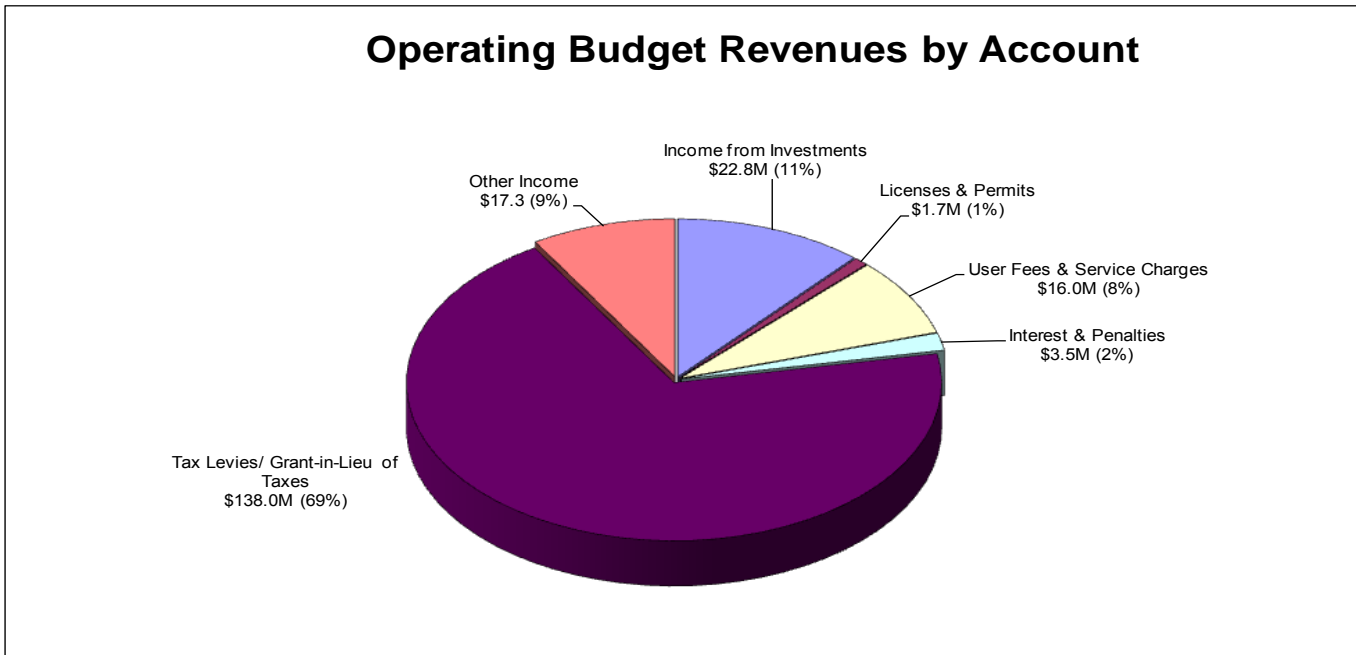


## Revenues

The \$199,295,751 Operating Budget is funded mainly through revenues associated with the following Commissions: Corporate Items (83%) and Community and Fire Services (13%). Corporate items include taxation revenues, investment income, and interest & penalties.



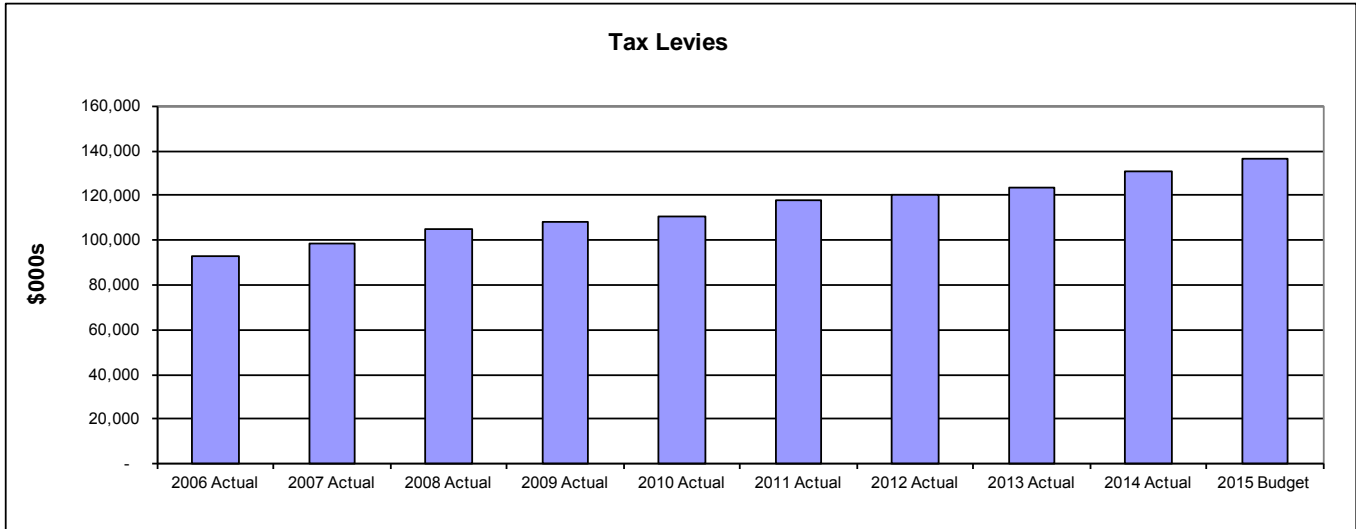
And 70% of the Operating Budget is funded through taxation revenues as shown in the graph below.



## Major Revenue Sources

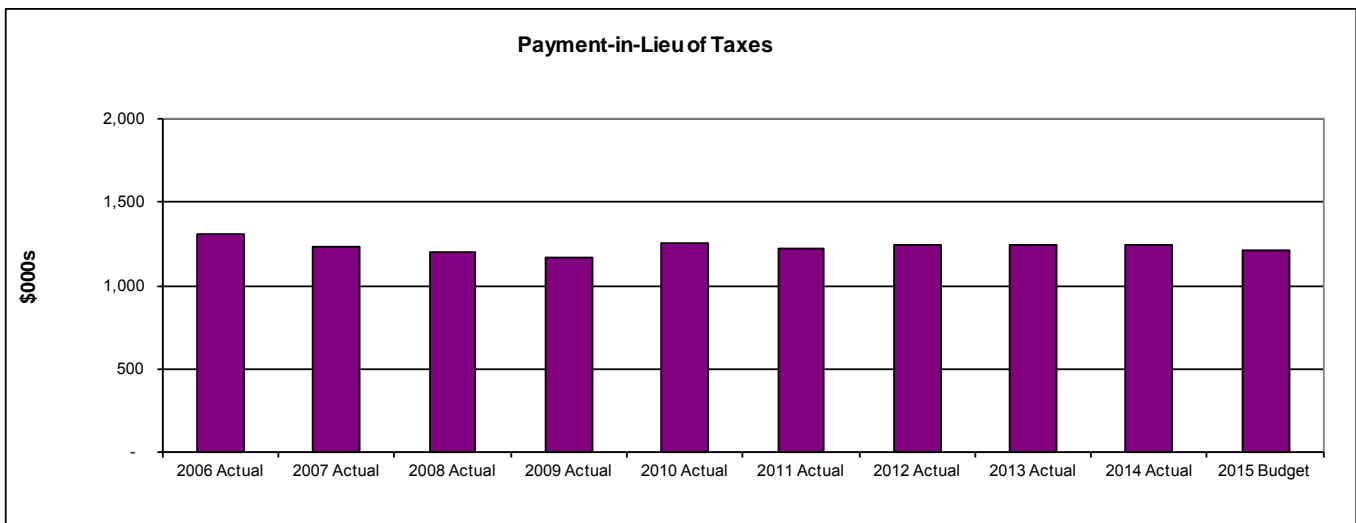
### Tax Levies

Tax levies is paid by the City's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class. Budgeted 2015 tax levies is at \$136.8 million, an increase of \$6.3 million from 2014. The tax revenue has increased steadily in the past years due to assessment growth in the City. The assessment growth is 2.42% in 2015 versus 2.09% in 2014.



### Payment-in-Lieu of Taxes

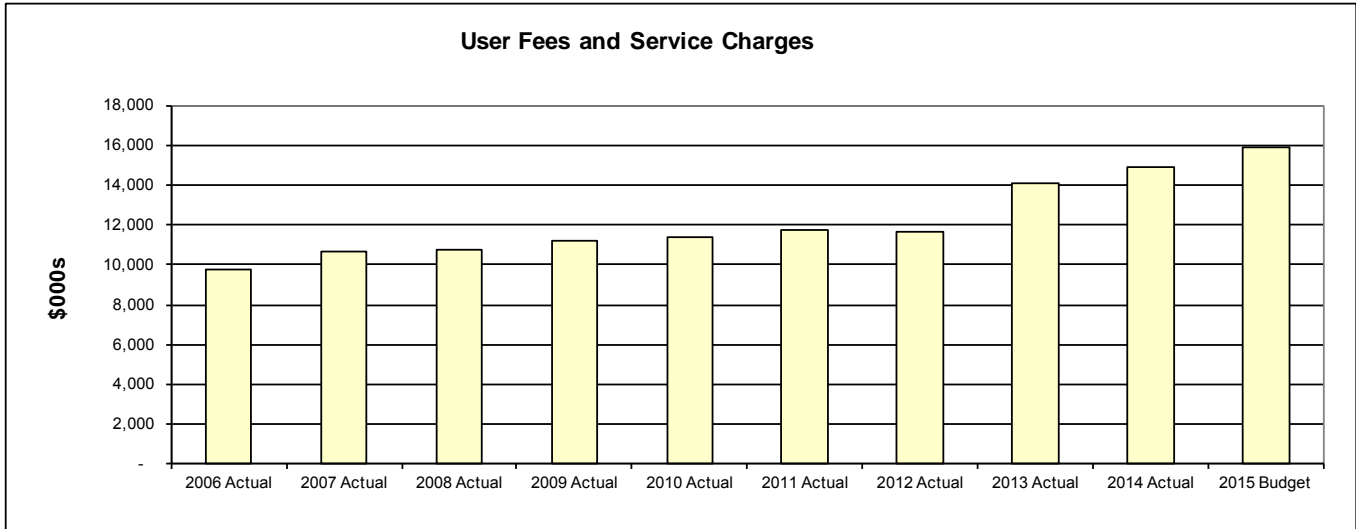
Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies. The 2015 Budget is \$1.2 million which is trending consistently with prior years.





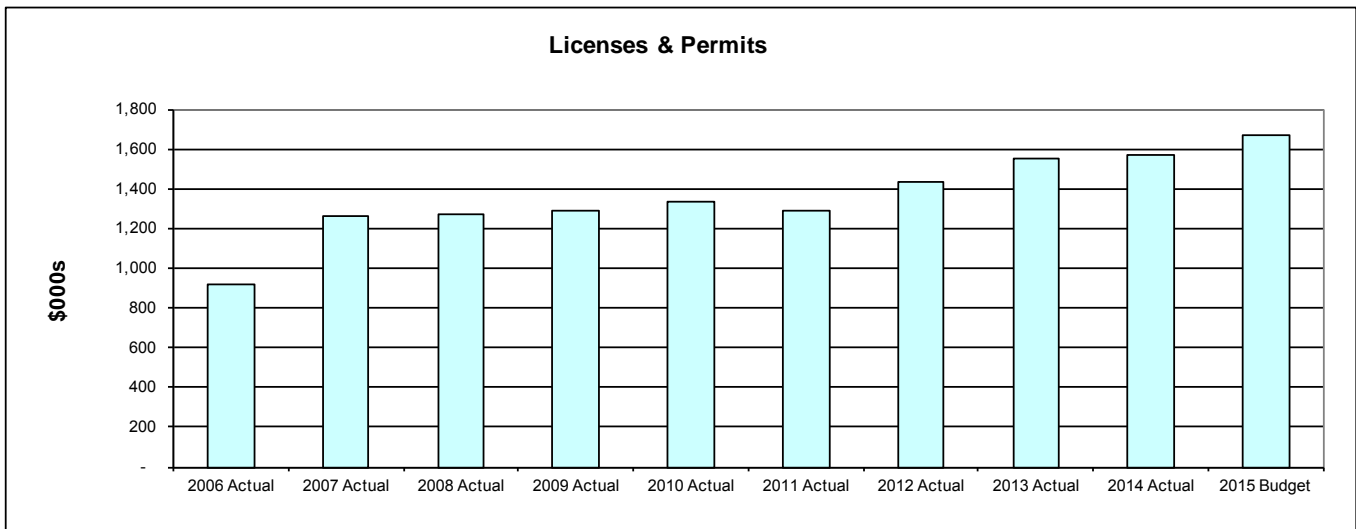
## User Fees & Service Charges

User Fees and Service Charges are paid by individuals or organizations to the City for the use of City facilities (e.g. recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. planning, engineering & design fees). The budget of \$ 15.9 million represents an increase of \$0.7 million over 2014 levels, which resulted mainly from a CPI increase and the opening of the new Pan Am facility.



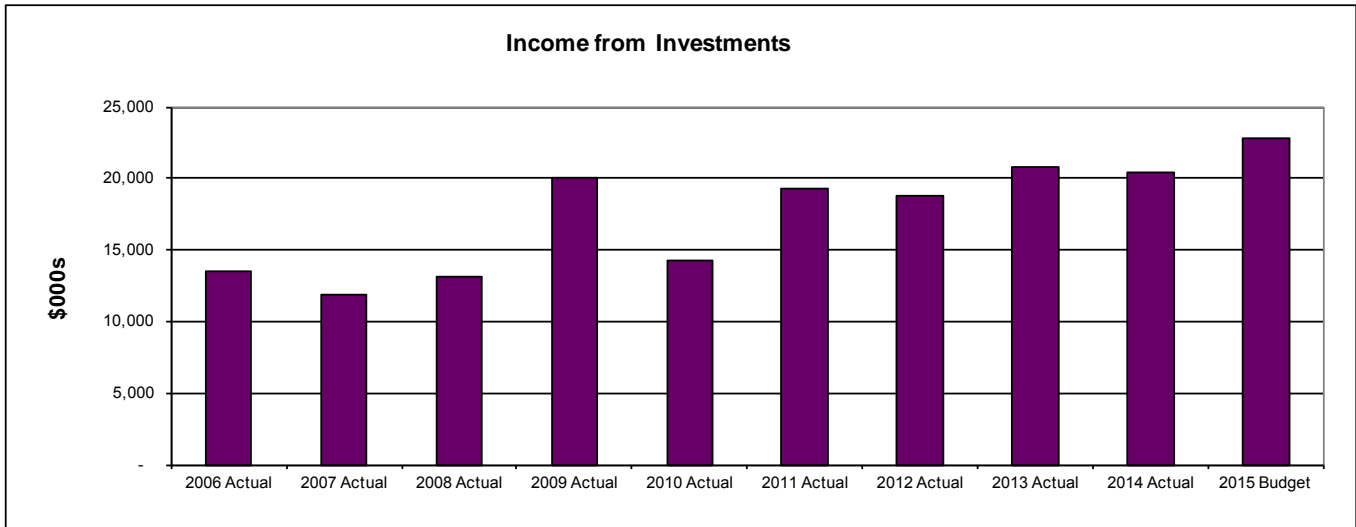
## Licenses & Permits

The Licenses and Permits revenues are generated by Legislative Services from the sale of business, marriage and other licenses. The 2015 Budget of \$1.7 million represents an increase of \$0.1 million over 2014 levels, which resulted mainly from a CPI increase.



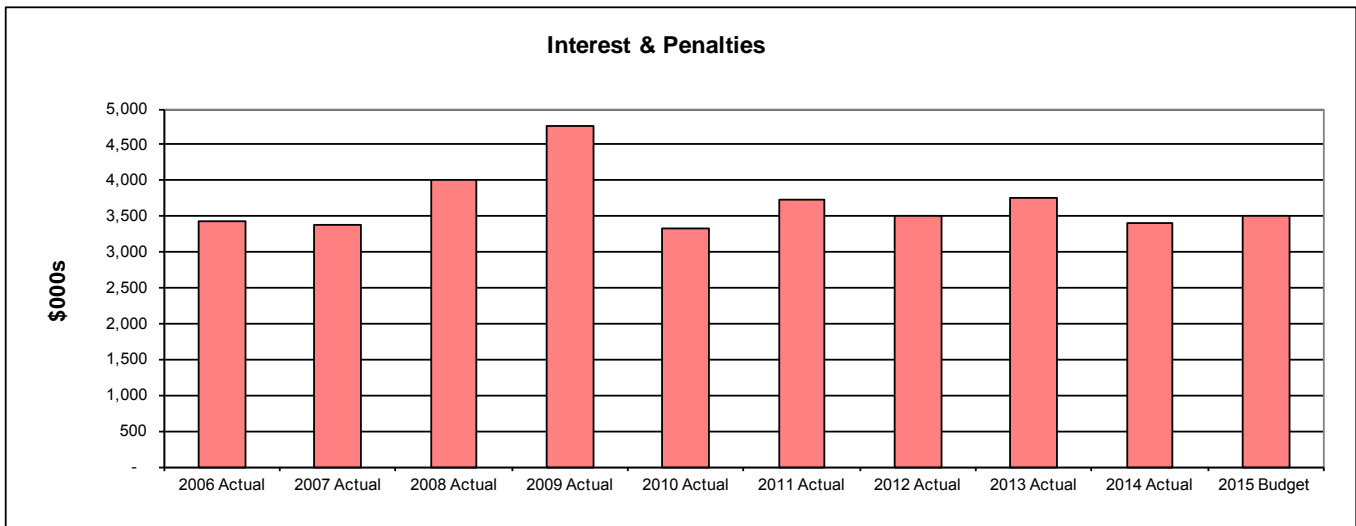
## Income from Investments

The City earns income on investments for all major City funds and reserves. Income from investments is at \$22.8 million.



## Interest and Penalties

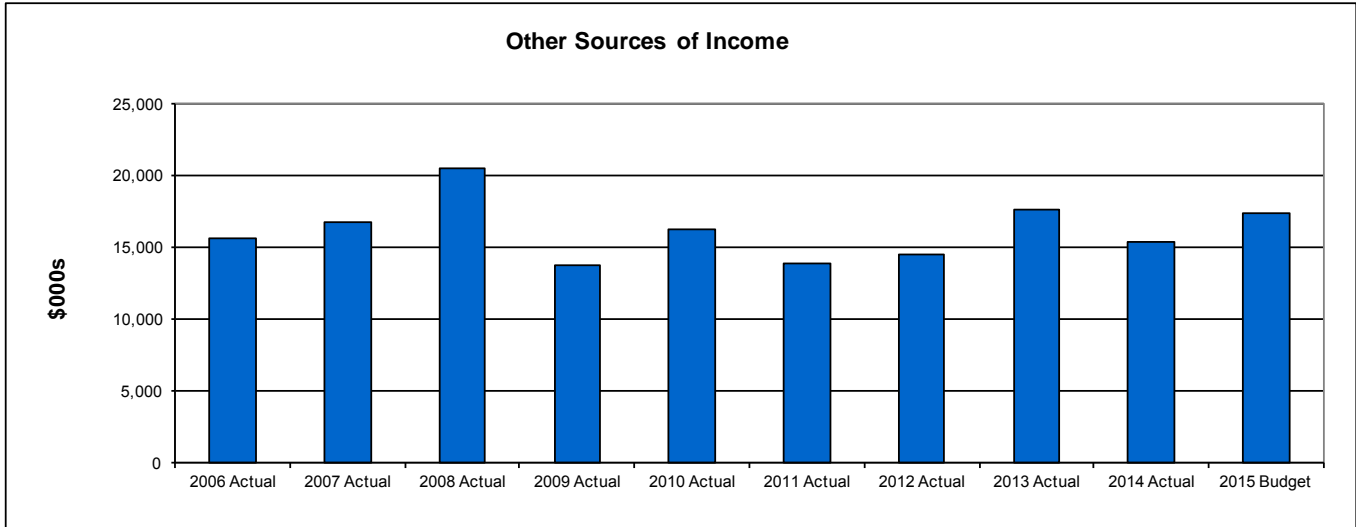
Interest and penalties for late payment of property tax bills is \$3.5 million.





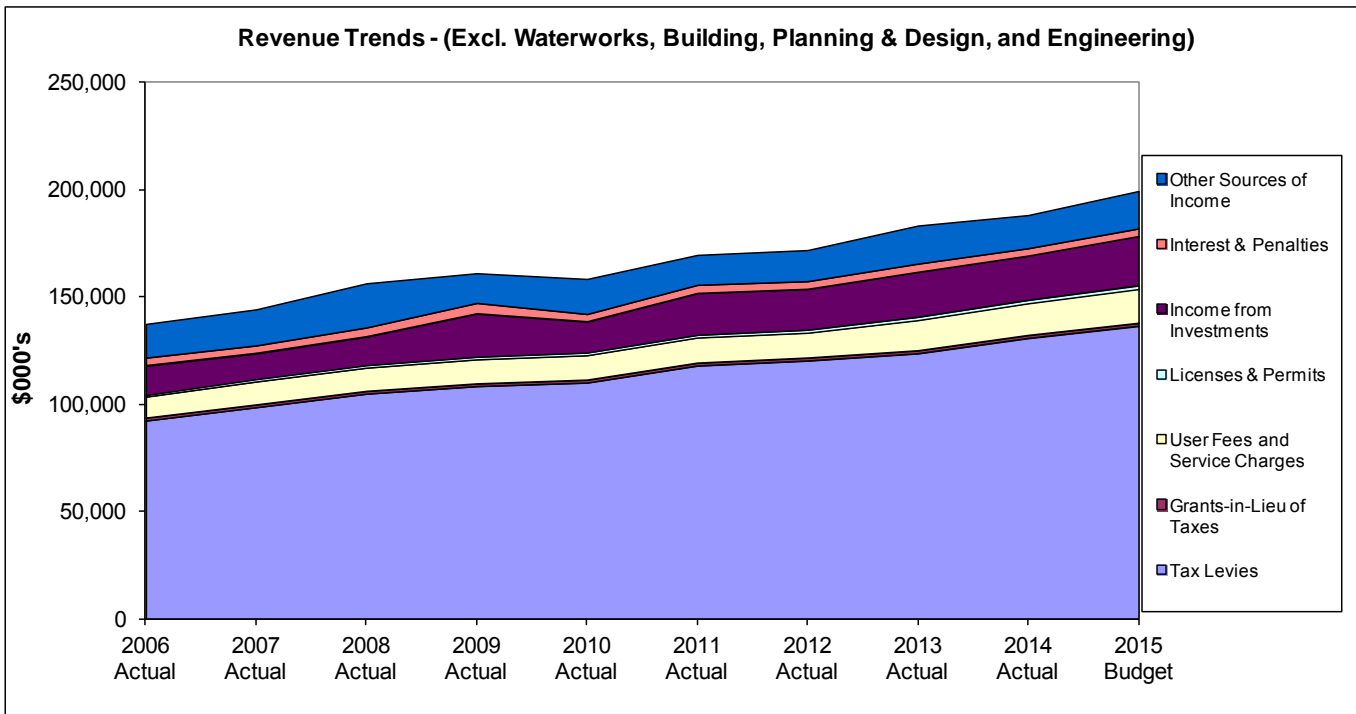
## Other Income

Other Income budget of \$17.4 million, an increase of \$2.0 million from 2014 actuals, is primarily due to the inclusion of the prior year surplus in 2014, which is not budgeted for.



## Revenue Summary

On a consolidated basis, City revenues are expected to grow steadily in 2015. The main reasons for the increase are related to assessment growth, core services revenue strategies, and other operational revenues. Revenue estimations are based on historical trending, market conditions, and consultation between departments. Revenues from Waterworks, Building, Planning & Design, and Engineering are reported separately in each department's revenues.





Highlights of the 2015 Operating Budget include:

**New Assessment Growth of 2.42%**

- \$3.08 million in additional tax revenues.

**Service levels are enhanced**

- Service levels are enhanced in 2015 including new and important community infrastructure, and world class facilities like the Markham Pan Am Centre and the Southeast Community Centre and Library. In 2015 Markham is investing in new infrastructure, an expanded multi-use pathway system and 14 additional parks.

**Fiscal Stewardship Leadership**

- Continued commitment to increase the City's investment in Capital Projects by \$500,000 each year.
- The City updates both the Lifecycle Reserve Study and the Water & Wastewater Reserve Study annually to determine if there are adequate funds to sustain future rehabilitation and replacement requirements based on projected inflows for the next 25 years
- Continued policy of not using one-time revenues to balance operating budget.

**Continuation of Council Grants**

- Grants budget of \$418,250 in 2015.

**Other**

- The Greenprint, Markham's Sustainability Plan, will play a role in public education and awareness as well as developing and promoting the local food agenda and the mitigation and adaptation measures associated with a climate change action plan.
- Continuation of the Language Line Service which is an on-demand language service that provides residents immediate access to interpretation in over 175 languages
- Accessibility Improvement Plan for City facilities to perform accessibility audits and retrofit upgrade programs
- Support of the Career Bridge and Ability Edge Program
  - The Career Bridge program provides a crucial bridge between the international and Canadian workplace. Career Bridge eliminates significant employment barriers often faced by qualified, experienced professionals who are eager and ready to resume their careers in Canada
  - Ability Edge is an internship program for graduates with self-declared disabilities to assist them in gaining career-building work experience.



# CITY OF MARKHAM 2015 OPERATING BUDGET

(EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenue</b>								
TAX LEVIES	\$123,989,444	\$131,119,518	\$127,479,114	\$133,604,439	\$6,125,325	4.8%	\$2,484,921	1.9%
GRANTS-IN-LIEU OF TAXES	1,248,861	1,247,214	1,209,007	1,209,007	0	0.0%	(38,207)	-3.1%
GRANTS AND SUBSIDIES	1,716,272	1,560,838	1,554,994	1,539,126	(15,868)	-1.0%	(21,712)	-1.4%
LICENCES & PERMITS	1,547,418	1,636,006	1,523,988	1,665,133	141,145	9.3%	29,127	1.8%
INTEREST & PENALTIES	3,762,868	3,392,581	3,375,000	3,500,000	125,000	3.7%	107,419	3.2%
INCOME FROM INVESTMENTS	20,740,439	20,440,378	19,150,723	22,780,375	3,629,652	19.0%	2,339,997	11.4%
FINES	2,397,264	2,401,283	2,449,230	2,449,230	0	0.0%	47,947	2.0%
USER FEES & SERVICE CHARGES	14,125,955	14,864,715	15,205,599	15,886,894	681,295	4.5%	1,022,179	6.9%
RENTALS	6,896,440	7,210,440	7,250,142	7,726,227	476,085	6.6%	515,787	7.2%
SALES	588,826	536,527	702,732	635,586	(67,146)	-9.6%	99,059	18.5%
RECOVERIES & CONTRIBUTIONS	1,611,889	1,405,217	1,710,645	1,675,227	(35,418)	-2.1%	270,010	19.2%
OTHER INCOME	7,989,060	6,835,653	2,834,520	3,437,507	602,987	21.3%	(3,398,146)	-49.7%
2.33% Property Tax Increase	0	0	2,826,325	2,975,000	148,675	5.3%	2,975,000	0.0%
0.16% for the December 2013 Ice Storm	0	0	194,000	212,000	18,000	9.3%	212,000	0.0%
<b>Total Revenues</b>	<b>\$186,614,736</b>	<b>\$192,650,370</b>	<b>\$187,466,019</b>	<b>\$199,295,751</b>	<b>\$11,829,732</b>	<b>6.3%</b>	<b>\$6,645,381</b>	<b>3.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$110,411,435	\$110,161,501	\$111,584,307	\$116,545,345	\$4,961,038	4.4%	\$6,383,844	5.8%
PRINTING & OFFICE SUPPLIES	465,493	412,387	589,731	597,329	7,598	1.3%	184,942	44.8%
PURCHASES FOR RESALE	420,930	405,944	349,350	332,326	(17,024)	-4.9%	(73,618)	-18.1%
OPERATING MATERIALS & SUPPLIES	2,536,433	2,456,639	2,893,587	2,949,982	56,395	1.9%	493,343	20.1%
VEHICLE SUPPLIES	1,674,597	1,885,637	1,726,147	1,776,847	50,700	2.9%	(108,790)	-5.8%
SMALL EQUIPMENT SUPPLIES	7,749	7,428	15,091	5,471	(9,620)	-63.7%	(1,957)	-26.3%
BOTANICAL SUPPLIES	285,957	222,222	267,197	253,079	(14,118)	-5.3%	30,857	13.9%
CONSTRUCTION MATERIALS	2,624,815	2,199,789	1,471,637	1,709,928	238,291	16.2%	(489,861)	-22.3%
UTILITIES	5,654,283	6,246,761	5,982,172	6,582,310	600,138	10.0%	335,549	5.4%
COMMUNICATIONS	1,758,115	1,619,362	1,370,559	1,397,371	26,812	2.0%	(221,991)	-13.7%
TRAVEL EXPENSES	329,599	237,496	386,151	389,629	3,478	0.9%	152,133	64.1%
TRAINING	608,979	527,841	793,853	783,459	(10,394)	-1.3%	255,618	48.4%
CONTRACTS & SERVICE AGREEMENTS	5,357,513	6,061,150	6,154,151	6,198,315	44,164	0.7%	137,165	2.3%
MAINT. & REPAIR-TIME/MATERIAL	4,736,027	5,301,294	4,146,459	5,075,546	929,087	22.4%	(225,748)	-4.3%
RENTAL/LEASE	1,183,608	1,274,390	753,647	663,925	(89,722)	-11.9%	(610,465)	-47.9%
INSURANCE	1,832,352	1,931,800	2,267,919	2,267,919	0	0.0%	336,119	17.4%
PROFESSIONAL SERVICES	2,601,220	2,312,715	2,399,824	2,654,817	254,993	10.6%	342,102	14.8%
LICENCES, PERMITS, FEES	635,936	736,104	693,333	784,241	90,908	13.1%	48,137	6.5%
CREDIT CARD SERVICE CHARGES	315,851	310,537	219,313	219,313	0	0.0%	(91,224)	-29.4%
PROMOTION & ADVERTISING	1,330,514	1,280,683	1,285,109	1,275,560	(9,549)	-0.7%	(5,123)	-0.4%
CONTRACTED MUNICIPAL SERVICES	9,992,792	9,998,960	9,913,679	10,445,744	532,065	5.4%	446,784	4.5%
OTHER PURCHASED SERVICES	1,205,036	1,143,848	1,142,924	1,142,924	0	0.0%	(924)	-0.1%
WRITE-OFFS	146,143	2,404,348	272,100	437,100	165,000	60.6%	(1,967,248)	-81.8%
OTHER EXPENDITURES	2,597,833	35,469,361	3,454,596	3,574,019	119,423	3.5%	(31,895,342)	-89.9%
TRANSFERS TO RESERVES	31,011,828	(3,427,176)	27,333,183	31,387,412	4,054,229	14.8%	34,814,588	-1015.8%
<b>Total Expenses</b>	<b>\$189,725,038</b>	<b>\$191,181,021</b>	<b>\$187,466,019</b>	<b>\$199,449,911</b>	<b>\$11,983,892</b>	<b>6.4%</b>	<b>\$8,268,890</b>	<b>4.3%</b>
<b>Surplus/(Deficit)</b>	<b>(3,110,302)</b>	<b>1,469,349</b>	<b>-</b>	<b>(154,160)</b>	<b>-\$154,160</b>		<b>-\$1,623,509</b>	<b>-110.5%</b>
<b>Full Time Compliment</b>	<b>1,041</b>	<b>1,048</b>	<b>1,048</b>	<b>1,067</b>				

In accordance to Ontario Regulation 284/09, municipalities may exclude from budget, all or a portion of the estimate costs of amortization, post-employment benefits, solid waste, landfill closure and post closure expense to allow for preparation of a balanced budget. The City's budgets as shown above exclude such items. Further, as per the Regulation, the impact of these excluded expenses must be reported under the new financial disclosure requirements (refer to page 92 for the restated 2015 budget).

## 2015 OPERATING BUDGET SUMMARY NET CHARGE AGAINST TAX RATE

Department/Commission	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
	\$	\$	Approved	Incr.(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	1,799,275	1,983,190	2,139,919	156,729	0	340,644	18.9%
Mayor & Councillors	846,969	938,035	958,970	20,935	0	112,001	13.2%
<b>Total Council</b>	<b>2,646,244</b>	<b>2,921,225</b>	<b>3,098,889</b>	<b>177,664</b>	<b>0</b>	<b>452,645</b>	<b>17.1%</b>
CAO's Office	1,046,859	1,068,699	1,067,095	(1,604)	(0)	20,236	1.9%
Human Resources	2,911,029	3,119,413	3,154,824	35,411	0	243,795	8.4%
Legal Dept.	1,314,821	1,506,546	1,529,059	22,513	0	214,238	16.3%
Sustainability Office	292,416	269,966	346,701	76,735	0	54,285	18.6%
<b>Total CAO</b>	<b>5,565,125</b>	<b>5,964,624</b>	<b>6,097,679</b>	<b>133,055</b>	<b>0</b>	<b>532,554</b>	<b>9.6%</b>
Commissioner's Office	350,504	383,431	384,574	1,143	0	34,070	9.7%
Corporation Communications & Community Engagement	1,379,110	1,311,458	1,499,047	187,589	0	119,937	8.7%
Financial Services	3,780,138	4,147,149	4,370,610	223,461	0	590,472	15.6%
ITS Department	6,210,566	6,459,611	6,883,470	423,859	0	672,904	10.8%
Legislative Services	3,188,306	2,727,118	3,196,142	469,024	0	7,836	0.2%
<b>Total Corporate Services</b>	<b>14,908,624</b>	<b>15,028,767</b>	<b>16,333,843</b>	<b>1,305,076</b>	<b>0</b>	<b>1,425,219</b>	<b>9.6%</b>
Commissioner's Office	1,140,664	1,141,068	1,197,338	56,270	0	56,674	5.0%
Economic Development	1,315,888	1,510,710	1,539,556	28,846	0	223,668	17.0%
<b>Total Development Services</b>	<b>2,456,552</b>	<b>2,651,778</b>	<b>2,736,894</b>	<b>85,116</b>	<b>0</b>	<b>280,342</b>	<b>11.4%</b>
Commissioner's Office	711,224	646,982	817,161	170,179	0	105,937	14.9%
Asset Management	7,639,399	7,742,570	8,023,059	280,489	0	383,660	5.0%
Culture	2,305,507	2,234,389	2,400,539	166,150	0	95,032	4.1%
Fire Services	33,691,502	33,190,463	33,527,422	336,959	0	(164,080)	-0.5%
Markham Public Libraries	10,827,534	10,605,822	10,716,173	110,351	0	(111,361)	-1.0%
Operations	27,066,277	24,731,367	26,580,311	1,848,944	0	(485,966)	-1.8%
Operations & Asset Mgt -Administration	1,894,349	1,888,764	1,838,237	(50,527)	(0)	(56,112)	-3.0%
Recreation Services	8,477,444	7,438,777	9,540,161	2,101,384	0	1,062,717	12.5%
Waste	7,662,318	7,938,368	8,039,248	100,880	0	376,930	4.9%
<b>Total Community And Fire Services</b>	<b>100,275,554</b>	<b>96,417,502</b>	<b>101,482,311</b>	<b>5,064,809</b>	<b>0</b>	<b>1,206,757</b>	<b>1.2%</b>
<b>Corporate Items</b>	<b>(124,504,599)</b>	<b>(122,983,896)</b>	<b>(129,749,616)</b>	<b>(6,765,720)</b>	<b>0</b>	<b>(5,245,017)</b>	<b>4.2%</b>
<b>Total Corporation (Excl. WW &amp; Build. Std.)</b>	<b>1,347,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,347,500)</b>	<b>-100.0%</b>
<b>Planning &amp; Design</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Engineering</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Building Standards</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Waterworks</b>	<b>(1,991,710)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,991,710</b>	<b>-100.0%</b>
<b>Total Corporation</b>	<b>(644,210)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>644,210</b>	<b>-100.0%</b>



## 2015 OPERATING BUDGET SUMMARY – EXPENDITURES

Department/Commission	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
	\$	\$	Approved	Incr(Decr.)	%Change	Incr.(Decr.)	% Change
	\$	\$	\$	\$		\$	
Administrative Costs	1,799,275	1,983,190	2,139,919	156,729	0	340,644	18.9%
Mayor & Councillors	861,441	938,035	958,970	20,935	0	97,529	11.3%
<b>Total Council</b>	<b>2,660,716</b>	<b>2,921,225</b>	<b>3,098,889</b>	<b>177,664</b>	<b>0</b>	<b>438,173</b>	<b>16.5%</b>
CAO's Office	1,405,347	1,068,699	1,067,095	(1,604)	(0)	(338,252)	-24.1%
Human Resources	2,911,139	3,119,413	3,154,824	35,411	0	243,685	8.4%
Legal Dept.	1,515,424	1,741,098	1,769,944	28,846	0	254,520	16.8%
Sustainability Office	535,883	417,966	436,701	18,735	0	(99,182)	-18.5%
<b>Total CAO</b>	<b>6,367,793</b>	<b>6,347,176</b>	<b>6,428,564</b>	<b>81,388</b>	<b>0</b>	<b>60,771</b>	<b>1.0%</b>
Commissioner's Office	350,504	383,431	384,574	1,143	0	34,070	9.7%
Corporation Communications & Community Engagement	1,878,092	2,078,658	2,266,247	187,589	0	388,155	20.7%
Financial Services	4,731,705	4,989,695	5,270,886	281,191	0	539,181	11.4%
ITS Department	6,210,919	6,469,111	6,892,970	423,859	0	682,051	11.0%
Legislative Services	7,433,196	7,104,410	7,719,621	615,211	0	286,425	3.9%
<b>Total Corporate Services</b>	<b>20,604,416</b>	<b>21,025,305</b>	<b>22,534,298</b>	<b>1,508,993</b>	<b>0</b>	<b>1,929,882</b>	<b>9.4%</b>
Commissioner's Office	1,140,664	1,141,068	1,197,338	56,270	0	56,674	5.0%
Economic Development	1,488,662	1,592,544	1,621,390	28,846	0	132,728	8.9%
<b>Total Development Services</b>	<b>2,629,326</b>	<b>2,733,612</b>	<b>2,818,728</b>	<b>85,116</b>	<b>0</b>	<b>189,402</b>	<b>7.2%</b>
Commissioner's Office	711,224	646,982	817,161	170,179	0	105,937	14.9%
Asset Management	8,027,945	7,988,624	8,352,247	363,623	0	324,302	4.0%
Culture	5,670,832	5,031,163	5,651,649	620,486	0	(19,183)	-0.3%
Fire Services	33,990,661	33,532,924	33,873,734	340,810	0	(116,927)	-0.3%
Markham Public Libraries	11,799,918	11,679,257	11,798,770	119,513	0	(1,148)	0.0%
Operations	28,150,815	25,812,180	27,669,124	1,856,944	0	(481,691)	-1.7%
Operations Administration	2,098,597	2,091,829	2,041,302	(50,527)	(0)	(57,295)	-2.7%
Recreation Services	25,442,816	25,681,486	28,471,710	2,790,224	0	3,028,894	11.9%
Waste	8,921,384	9,229,222	9,347,352	118,130	0	425,968	4.8%
<b>Total Community And Fire Services</b>	<b>124,814,192</b>	<b>121,693,667</b>	<b>128,023,049</b>	<b>6,329,382</b>	<b>0</b>	<b>3,208,857</b>	<b>2.6%</b>
<b>Corporate Items</b>	<b>32,335,057</b>	<b>32,745,034</b>	<b>36,392,223</b>	<b>3,647,189</b>	<b>0</b>	<b>4,057,166</b>	<b>12.5%</b>
<b>Total Corporation (Excl. WW &amp; Build. Std.)</b>	<b>189,411,500</b>	<b>187,466,019</b>	<b>199,295,751</b>	<b>11,829,732</b>	<b>0</b>	<b>9,884,251</b>	<b>5.2%</b>
<b>Planning &amp; Design</b>	<b>5,710,688</b>	<b>6,974,242</b>	<b>7,248,809</b>	<b>274,567</b>	<b>0</b>	<b>1,538,121</b>	<b>26.9%</b>
<b>Engineering</b>	<b>4,216,884</b>	<b>4,990,672</b>	<b>5,092,028</b>	<b>101,356</b>	<b>0</b>	<b>875,144</b>	<b>20.8%</b>
<b>Building Standards</b>	<b>7,169,474</b>	<b>6,847,131</b>	<b>7,065,252</b>	<b>218,121</b>	<b>0</b>	<b>(104,222)</b>	<b>-1.5%</b>
<b>Waterworks</b>	<b>88,468,110</b>	<b>96,505,681</b>	<b>101,754,579</b>	<b>5,248,898</b>	<b>0</b>	<b>13,286,469</b>	<b>15.0%</b>
<b>Total Corporation</b>	<b>294,976,656</b>	<b>302,783,745</b>	<b>320,456,419</b>	<b>17,672,674</b>	<b>0</b>	<b>25,479,763</b>	<b>8.6%</b>

## 2015 OPERATING BUDGET SUMMARY – REVENUES

Department/Commission	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
	\$	\$	Approved	Incr.(Decr.)	%Change	Incr.(Decr.)	%Change
Administrative Costs	0	0	0	0	0	0	0.0%
Mayor & Councillors	14,472	0	0	0	0	(14,472)	-100.0%
<b>Total Council</b>	<b>14,472</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(14,472)</b>	<b>-100.0%</b>
CAO's Office	358,488	0	0	0	0	(358,488)	-100.0%
Human Resources	110	0	0	0	0	(110)	-100.0%
Legal Dept.	200,603	234,552	240,885	6,333	0	40,282	20.1%
Sustainability Office	243,467	148,000	90,000	(58,000)	(0)	(153,467)	-63.0%
<b>Total CAO</b>	<b>802,668</b>	<b>382,552</b>	<b>330,885</b>	<b>(51,667)</b>	<b>(0)</b>	<b>(471,783)</b>	<b>-58.8%</b>
Commissioner's Office	0	0	0	0	0	0	0.0%
Corporation Communications & Community Engagement	498,982	767,200	767,200	0	0	268,218	53.8%
Financial Services	951,567	842,546	900,276	57,730	0	(51,291)	-5.4%
ITS Department	353	9,500	9,500	0	0	9,147	2591.2%
Legislative Services	4,244,890	4,377,292	4,523,479	146,187	0	278,589	6.6%
<b>Total Corporate Services</b>	<b>5,695,792</b>	<b>5,996,538</b>	<b>6,200,455</b>	<b>203,917</b>	<b>0</b>	<b>504,663</b>	<b>8.9%</b>
Commissioner's Office	0	0	0	0	0	0	0.0%
Economic Development	172,774	81,834	81,834	0	0	(90,940)	-52.6%
<b>Total Development Services</b>	<b>172,774</b>	<b>81,834</b>	<b>81,834</b>	<b>0</b>	<b>0</b>	<b>(90,940)</b>	<b>-52.6%</b>
Commissioner's Office	0	0	0	0	0	0	0.0%
Asset Management	388,546	246,054	329,188	83,134	0	(59,358)	-15.3%
Culture	3,365,325	2,796,774	3,251,110	454,336	0	(114,215)	-3.4%
Fire Services	299,159	342,461	346,312	3,851	0	47,153	15.8%
Markham Public Libraries	972,384	1,073,435	1,082,597	9,162	0	110,213	11.3%
Operations	1,084,538	1,080,813	1,088,813	8,000	0	4,275	0.4%
Operations Administration	204,248	203,065	203,065	0	0	(1,183)	-0.6%
Recreation Services	16,965,372	18,242,709	18,931,549	688,840	0	1,966,177	11.6%
Waste	1,259,066	1,290,854	1,308,104	17,250	0	49,038	3.9%
<b>Total Community And Fire Services</b>	<b>24,538,638</b>	<b>25,276,165</b>	<b>26,540,738</b>	<b>1,264,573</b>	<b>0</b>	<b>2,002,100</b>	<b>8.2%</b>
<b>Corporate Items</b>	<b>156,839,656</b>	<b>155,728,930</b>	<b>166,141,839</b>	<b>10,412,909</b>	<b>0</b>	<b>9,302,183</b>	<b>5.9%</b>
<b>Total Corporation (Excl. WW &amp; Build. Std.)</b>	<b>188,064,000</b>	<b>187,466,019</b>	<b>199,295,751</b>	<b>11,829,732</b>	<b>0</b>	<b>11,231,751</b>	<b>6.0%</b>
<b>Planning &amp; Design</b>	<b>5,710,688</b>	<b>6,974,242</b>	<b>7,248,809</b>	<b>274,567</b>	<b>0</b>	<b>1,538,121</b>	<b>26.9%</b>
<b>Engineering</b>	<b>4,216,884</b>	<b>4,990,672</b>	<b>5,092,028</b>	<b>101,356</b>	<b>0</b>	<b>875,144</b>	<b>20.8%</b>
<b>Building Standards</b>	<b>7,169,474</b>	<b>6,847,131</b>	<b>7,065,252</b>	<b>218,121</b>	<b>0</b>	<b>(104,222)</b>	<b>-1.5%</b>
<b>Waterworks</b>	<b>90,459,820</b>	<b>96,505,681</b>	<b>101,754,579</b>	<b>5,248,898</b>	<b>0</b>	<b>11,294,759</b>	<b>12.5%</b>
<b>Total Corporation</b>	<b>295,620,866</b>	<b>302,783,745</b>	<b>320,456,419</b>	<b>17,672,674</b>	<b>0</b>	<b>24,835,553</b>	<b>8.4%</b>



## OPERATING BUDGET BY COMMISSION AND ACCOUNT (\$000's) (EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

COMPARISON BY COMMISSION					COMPARISON BY ACCOUNT				
	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>Change</u> <u>Incr./(Decr.)</u>			<u>2014 Budget</u>	<u>2015 Budget</u>	<u>Change</u> <u>Incr./(Decr.)</u>	
			\$	%				\$	%
<b><u>REVENUES *</u></b>					<b><u>REVENUES *</u></b>				
Mayor & Council	0	0	0	0%	Taxation Revenues	131,708	138,000	6,292	5%
CAO's Office	383	331	-52	-14%	Grant & Subsidy Revenues	1,555	1,515	-40	-3%
Corporate Services	5,997	6,200	203	3%	General Revenues	26,724	30,395	3,671	14%
Development Services	82	82	0	0%	User Fees and Service Charges	23,158	24,330	1,172	5%
Community And Fire Services	25,276	26,541	1,265	5%	Other Income	3,672	4,401	729	20%
Corporate Items	155,728	166,142	10,414	7%	Inter-departmental	649	655	6	1%
<b>Total Revenues</b>	<b><u>187,466</u></b>	<b><u>199,296</u></b>	<b><u>11,830</u></b>	<b><u>6%</u></b>	<b>Total Revenues</b>	<b><u>187,466</u></b>	<b><u>199,296</u></b>	<b><u>11,830</u></b>	<b><u>6%</u></b>
<b><u>EXPENDITURES *</u></b>					<b><u>EXPENDITURES *</u></b>				
Mayor & Council	2,921	3,099	178	6%	Personnel Services	111,589	116,545	4,956	4%
CAO's Office	6,347	6,429	82	1%	Materials & Supplies	7,274	7,202	-72	-1%
Corporate Services	21,025	22,534	1,509	7%	Purchased Services	37,872	40,308	2,436	6%
Development Services	2,734	2,819	85	3%	Capital Asset Acquisition	0	0	0	0%
Community And Fire Services	121,694	128,023	6,329	5%	Financial Expenses	367	437	70	19%
Corporate Items	32,745	36,392	3,647	11%	Other Expenditures	3,031	2,989	-42	-1%
					Transfers to Own Funds	27,333	31,815	4,482	16%
<b>Total Expenditures</b>	<b><u>187,466</u></b>	<b><u>199,296</u></b>	<b><u>11,830</u></b>	<b><u>6%</u></b>	<b>Total Expenditures</b>	<b><u>187,466</u></b>	<b><u>199,296</u></b>	<b><u>11,830</u></b>	<b><u>6%</u></b>

\* Excludes prior years surplus/(deficit)



## 2015 CORPORATION BUDGET (\$000's)

### ALLOCATION OF REVENUE & EXPENDITURE BY FUND

Fund	Operating Fund	Capital Development Fund	Planning & Design	Engineering	Building Fee	Waterworks/ Stabilization Capital Reserve	TOTAL
<b>Revenues</b>							
Property Tax	136,791	-	-	-	-	-	136,791
Other Taxes	1,209	-	-	-	-	-	1,209
Grants	1,539	-	-	-	-	-	1,539
Licences & Permits	1,665	-	-	-	7,035	-	8,700
Interest & Penalties	3,500	-	-	-	-	-	3,500
Investment Income	22,780	-	-	-	-	-	22,780
Fines	2,449	-	-	-	-	-	2,449
User Fees & Service Charges	15,887	-	7,249	5,027	30	645	28,838
Rental & Sales Income	8,362	-	-	-	-	299	8,661
Billings	-	-	-	-	-	100,438	100,438
Other Income	5,114	-	-	65	-	373	5,552
Capital Fund	-	102,164	-	-	-	-	102,164
Transfer from Reserves	-	-	963	1,475	1,464	-	3,902
	<b>199,296</b>	<b>102,164</b>	<b>8,212</b>	<b>6,567</b>	<b>8,529</b>	<b>101,755</b>	<b>426,523</b>
<b>Expenditures</b>							
Salaries & Benefits	116,545	-	5,763	4,444	5,774	7,223	139,749
Printing & Office Supplies	597	-	43	32	57	33	762
Operating Materials & Supplies	2,950	-	7	11	24	127	3,119
Vehicle Supplies	1,777	-	-	-	-	-	1,777
Construction Materials	1,710	-	-	-	-	630	2,340
Utilities	6,582	-	-	-	-	56	6,638
Communications	1,397	-	16	28	36	107	1,584
Travel & Training Expenses	1,173	-	44	30	32	103	1,382
Contracts & Service Agreements	6,198	-	2,273	1,935	2,555	3,146	16,107
Maintenance & Repair	5,076	-	-	3	-	400	5,479
Rental/Lease	664	-	3	6	-	6	679
Insurance	2,268	-	-	-	-	-	2,268
Professional Services	2,655	-	39	45	11	113	2,863
Licences, Permits & Credit Card Charges	1,004	-	25	31	40	55	1,155
Promotion & Advertising	1,276	-	4	-	-	3	1,283
Contracted Municipal Services	10,446	-	-	-	-	73,794	84,240
Other Purchased Services	1,143	-	-	-	-	2,336	3,479
Other Expenditures	4,448	-	(5)	2	-	26	4,471
Capital Expenditures	-	102,164	-	-	-	-	102,164
Transfers to Reserves	31,387	-	-	-	-	13,597	44,984
	<b>199,296</b>	<b>102,164</b>	<b>8,212</b>	<b>6,567</b>	<b>8,529</b>	<b>101,755</b>	<b>426,523</b>

Refer to page 127 for a detailed breakdown by department of the Capital budget

## 2015 CAPITAL BUDGET

### Definition of Capital

A project or an acquisition must meet the following requirements to be considered a Capital Expenditure:

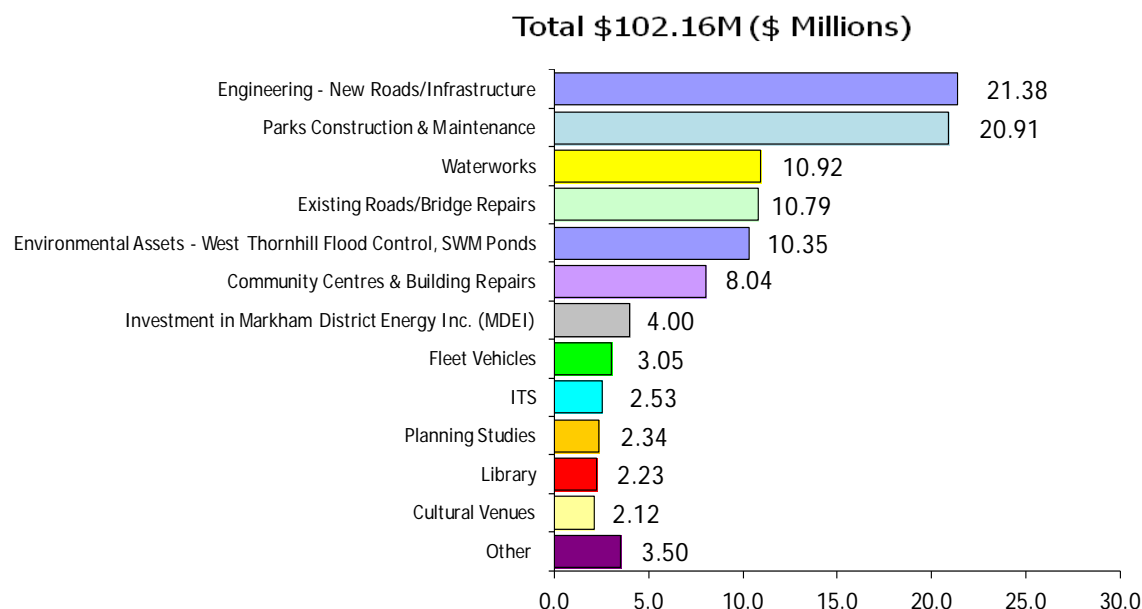
- Must have an expected useful life longer than one year
- Total costs must meet or exceed \$5,000
- Must align with the City's Corporate Goals

### Multi-Year/Prior Year Projects

Periodically, Capital projects are phased in over several years and departments will provide a quarterly cash flow on the capital submission forms. While not included in this document, a monthly report is provided by Finance to Senior Staff on these cash flows as well as the capital projects' spend vs. budget for tracking purposes.

### Budget Overview

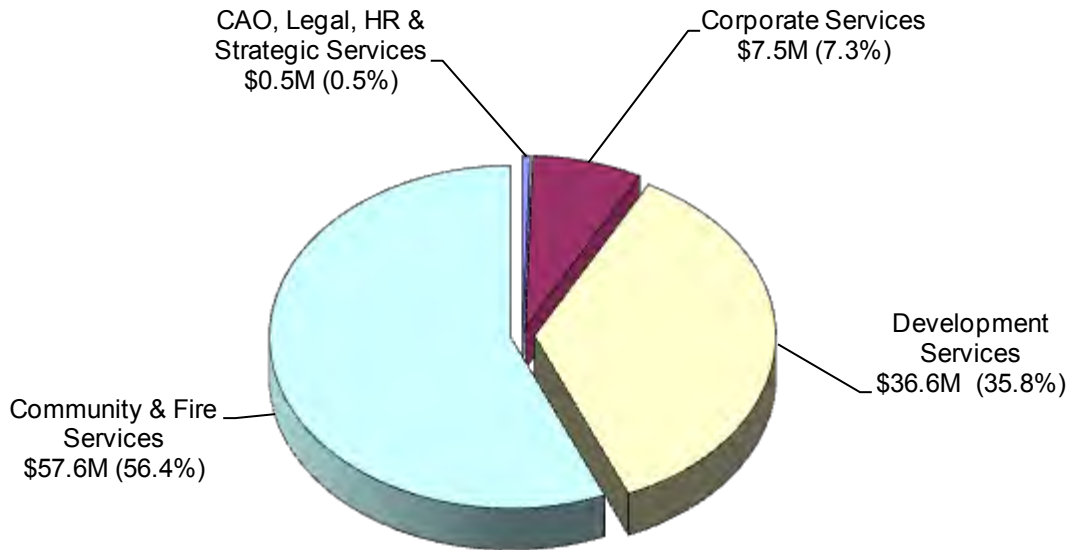
The breakdown of the City of Markham's approved \$102.16M Capital Budget is shown below, by type:



The 2015 Capital Budget of \$102,163,600 is funded through a variety of sources. \$32,877,223 (32%) of the Capital Budget is funded through the Life Cycle Replacement and Capital Reserve and it is included as a 'Transfer to Reserves' in the Operating Budget. This marks a \$1,356,295 increase in Life Cycle Replacement and Capital Reserve funding from 2014 levels. Contributions from Developer Charges (DCA) and Reserves also account for large portion of the Capital Budget funding. The capital budget by commission is presented in the exhibit on the following page.



### 2015 Capital Budget by Commission



Approximately 64% of the current year Capital Budget is identified through two long-term studies: Life Cycle Reserve study and the Development Charges Background study.

The purpose of the Life Cycle Reserve study is to address the ongoing replacement and rehabilitation requirements for the aging City assets (facilities, roads, water/sewer, etc) over a 25 year period. The 2015 and future year Capital budgets are based upon the Life Cycle Reserve study, and condition assessments are performed to determine if the replacements are required. (e.g. 2015 has \$32.9M of projects funded from the Life Cycle Replacement and Capital Reserve Fund).

The Development Charges Background study has two components relating to growth: City-Wide Hard services (e.g. relating to cost recovery for major roads, sidewalks, streetlights and storm water management), and City-Wide Soft services (e.g. relating to cost recovery for facilities, parks development and public works).

The Development Charges (DC) Background Study for City-Wide hard and soft services was updated in 2013. The study for hard services covers the period 2013-2031, and the study for soft services covers the period 2013-2022. (e.g. 2015 has \$32.0M of projects funded from the DC Reserves).

The “Long Term Capital Budget Forecasts” for growth (Development Charges) and non-growth (Life Cycle Reserves) provided on page 129 and 130 are tools that departments use when determining the current year capital budget. Project submissions will vary as asset conditions are reviewed each year to determine appropriate replacement time.

The remaining 36% of the 2015 Capital budget is funded through various sources as identified in the 'Sources of Funding' section. (E.g. tax funded, provincial grants, and other reserves)

Capital Induced costs (see page 128) are directly added to the City's Operating budget during the year of completion. For projects that take more than one year to complete (eg. ITS project spans beyond 2015), the associated capital induced costs are incorporated in the Operating budget for the year of implementation.

## **Building Markham's Future Together**

The following section summarizes Capital projects beginning in 2015 as they relate to Council's long term strategic plan of Building Markham's Future Together.

### **Growth Management**

#### *New Parks Assessment, Design and Construction*

- \$12.80 million. Construction of Wismer Donald Mingay Woodlot Park, Greensborough Williamson/A. Paterson North Park, Monarch Cathedraltown North Park, South East Community Centre Park, Wismer Hwy #48 Museum Park North, and Southwest Cathedral Monarch Memorial Park. Design and construction of Berczy Square Park, Box Grove Hill East Parkette, and East Cathedral Park. Design of Box Grove Hill South East Parkette, Cornell Madison Rouge/Riverlands North and South, Markham Village Library Square, Morgan Park, and Cornell Community Park.

### **Transportation**

#### *Highway 404 Bridge North of Highway 7 – Additional Funding for Construction*

- \$5.03 million. Additional funding for the construction of a mid-block crossing across Highway 404, north of Highway 7.

#### *Municipal Road South of 14<sup>th</sup> Avenue – Middlefield to 14<sup>th</sup> Avenue - Construction*

- \$4.01 million. Construction of an east/west Municipal Road south of 14<sup>th</sup> Avenue, from Middlefield Road to 14<sup>th</sup> Avenue, to provide access to the South East Community Centre and Library.

#### *Multi-use Pathways – Phase 2 of 4 – Construction*

- \$3.96 million. Construction of multi-use pathways, including pathways, bridges, entry features and signage.

#### *Streetlight Underground Cable and Pole Replacement and Inspection Program*

- \$2.88 million. Inspection, repair and replacement of deteriorated streetlights and cables.



### *Miller Avenue – Warden to Birchmount – Phase 1 – Design*

- \$0.77 million. Design of an extension of Miller Avenue from Warden Avenue to Birchmount Road.

### *Traffic Control Signals and Traffic Operational Improvements*

- \$0.41 million. Design and construction of new traffic control signals and replacement of existing ones as identified in the traffic signals life cycle studies. Also included in the Integrated Leisure Master Plan/Public Safety section.

## **Environmental and Sustainability**

### *Environmental Assets Program*

- \$10.35 million. Flood remediation program in West Thornhill area. Rehabilitation of storm sewer pipes, and condition assessment of Stormwater Management Ponds.

### *Emerald Ash Borer Program*

- \$4.53 million. Implementation of the Emerald Ash Borer Management Plan. Removal, disposal, stumping, supply and maintenance of infested trees and newly planted trees.

### *PowerStream Embedded Energy Projects and Integrated Community Energy Plan*

- \$0.26 million. Implementation of Markham facility wide energy conservation retrofits and energy monitoring tool. Development of an energy descent strategy as recommended by Greenprints.

### *Continuation of the Trees for Tomorrow Initiative & Replacement of Trees*

- \$0.12 million. Continuation of Trees for Tomorrow program which allows for the supply, planting and maintenance of trees in parks and open spaces in the City to enhance current trees cover levels. Tree replacement program to replace any dead, diseased or damaged trees.

### *Waste Management Initiatives*

- \$0.05 million. Replacement of lost/damaged recycling containers at supermail boxes. Replenishment of the Markham Environmental Sustainability Fund to provide supplementary financial support to Town and community-based programs and initiatives that promote environmental responsibilities and innovation.

## **Municipal Services**

### *Exterior and Interior Facility Improvement Program at Community Centres, Libraries, Fire Stations, Cultural Venues and Civic Centre*

- \$8.04 million. Various maintenance & upgrades at City-owned facilities.

#### *Watermain and Sanitary Sewer Construction and Replacement Program*

- \$6.23 million. Replacement of watermains and sanitary sewers at various locations.

#### *Road Rehabilitation Program*

- \$5.34 million. Various road resurfacing and improvement projects.

#### *Library Collections*

- \$2.04 million. Replacement and updating of library materials.

#### *Water System & Water Meter Replacement & Upgrade Program*

- \$1.08 million. Water distribution system condition assessment. Water system appurtenances repairs, upgrades and dead end elimination. Water System Process Audit. Replacement of residential and ICI water meters that have reached their life expectancies.

#### *Tennis Courts Resurfacing*

- \$0.45 million. Repair and resurfacing of tennis courts at various locations.

#### *Sportsfield Maintenance and Reconstruction*

- \$0.12 million. Ongoing renovation of various sportsfields in parks and at schools.

### **Integrated Leisure Master Plan/Public Safety**

#### *Play Structure and Safety Resurfacing*

- \$0.88 million. Installation of safety surface and playground equipment at various park locations.

#### *Fire Services Vehicle Replacement*

- \$0.78 million. Replacement of various fire pumpers and vehicles that have reached the end of their lifespan.

#### *Fire & Emergency Services Capital Program*

- \$0.60 million. Replacement of old and damaged firefighter tools and equipments as well as medical equipment. Phase 1 of 4 to replace signs at fire stations to Marquee signs. Purchase of new equipment for 2<sup>nd</sup> crew at Cornell Fire Station.

#### *Traffic Control Signals and Traffic Operational Improvements*

- \$0.41 million. Design and construction of new traffic control signals and replacement of existing ones as identified in the traffic signal life cycle studies. Also included in the Transportation section.

#### *Former Sabiston Landfill - Monitoring*



- \$0.16 million. Management of the Former Sabiston Landfill site at Settlers Park to ensure appropriate protection to abutting properties and German Mills Creek.

## **Diversity**

### *Pedestrian Accessibility Improvements*

- \$0.12 million. Installation of accessible pedestrian signals at 9 traffic intersections.

### *Language Line Service*

### *Career Bridge/Ability Edge Program*

## 2015 CAPITAL BUDGET SUMMARY BY COMMISSION

	<u>2014 Budget</u>	<u>2015 Budget</u>
<b>Development Services</b>		
Building Services	\$993,900	\$50,900
Planning	\$2,439,400	\$2,339,100
Design	\$9,054,300	\$12,797,900
Engineering	<u>\$42,592,200</u>	<u>\$21,384,300</u>
	\$55,079,800	\$36,572,200
<b>CAO, Legal, HR &amp; Sustainability Office</b>		
Sustainability Office	\$578,600	\$486,900
CAO's Office	<u>\$100,000</u>	<u>\$51,800</u>
	\$678,600	\$538,700
<b>Corporate Services</b>		
ITS	\$2,401,800	\$2,526,000
Financial Services	\$841,400	\$4,899,000
Corporate Communications	<u>\$36,400</u>	<u>\$69,600</u>
	\$3,279,600	\$7,494,600
<b>Community &amp; Fire Services</b>		
Culture	\$270,400	\$280,200
Museum	\$982,700	\$1,425,200
Theatre	\$160,400	\$291,500
Arts Centres	\$0	\$123,500
Commissioner's Office - Community & Fi	\$0	\$150,900
Fire	\$869,900	\$598,200
Recreation Services	\$1,765,500	\$2,234,400
Library	\$2,317,200	\$2,226,800
Operations - Roads	\$6,813,600	\$7,021,500
Operations - Parks	\$4,913,500	\$8,112,400
Operations - Traffic	\$1,038,000	\$887,400
Operations - Fleet	\$2,918,300	\$3,052,800
Facility Assets	\$19,060,500	\$6,067,700
Environmental Assets	\$7,096,400	\$10,348,100
Right-of-Way Assets	\$5,313,300	\$3,770,200
Waste Management	\$138,600	\$48,500
Waterworks	<u>\$7,183,000</u>	<u>\$10,918,800</u>
	\$60,841,300	\$57,558,100
<b>Total Capital Budget</b>	<u><u>\$119,879,300</u></u>	<u><u>\$102,163,600</u></u>



## 2015 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Project Description		Funding Sources				
		Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer
<b>Development Services</b>						
<b>Building Services</b>						
15015	Sign By-law Review - Electronic Signage	50,900				50,900
<b>TOTAL Economic Development</b>		<b>50,900</b>				<b>50,900</b>
<b>Planning</b>						
15016	Consolidated Zoning By-law Program Phase 2 of 4	630,000				630,000
15017	Consultant Studies	117,000			105,300	11,700
15018	Designated Heritage Property Grant Program	30,000				30,000
15019	Future Urban Areas - Phase 3 of 5	310,000			279,000	31,000
15020	Growth Monitoring Program & Data Collection	18,000			16,200	1,800
15021	Heritage Façade Improvements/Sign Replacement	33,200				33,200
15022	Official Plan - OMB	550,000			495,000	55,000
15023	Population and Employment Forecasting	100,000			90,000	10,000
15024	Review and Update Development Fee Model	50,900				50,900
15025	Secondary Plan Program - Phase 3 of 10	500,000			450,000	50,000
<b>TOTAL Planning</b>		<b>2,339,100</b>			<b>1,435,500</b>	<b>903,600</b>
<b>Design</b>						
15001	Box Grove Hill East Parkette - Design and Construction	290,400	29,040		261,360	
15002	Cornell Community Park - Design	996,800	99,680		897,120	
15003	East Cathedral Park (Read's Corner) - Design	61,300	6,130		55,170	
15004	Greensborough Williamson / A. Paterson N. P. Construction.	1,016,800	101,680		915,120	
15005	Monarch Cathedraltown North Park -Construction	1,481,400	148,140		1,333,260	
15007	South East Community Centre Park - Construction	2,726,300	272,630		2,453,670	
15008	Southwest Cathedral Monarch Memorial Park - Design	85,300	8,530		76,770	
15009	Wismer Donald Mingay Woodlot Park - Construction	1,016,800	101,680		915,120	
15027	Berczy Square Park - Design & Construction	673,200	67,320		605,880	
15029	Box Grove Hill South East Parkette - Design	103,600			93,240	10,360
15031	Cornell Madison Rouge / Riverlands North and South - Design	36,300			32,670	3,630
15032	Expedited Core Capital Parks Program	279,800			251,820	27,980
15033	Markham Village Library Square - Design	268,000			134,000	134,000
15034	Morgan Park - Design	147,000			73,500	73,500
15035	Sports Park - Interim Park Facilities	255,900				255,900
15036	Wismer Hwy #48 Museum Park North - Construction	1,599,900			1,439,910	159,990
15037	Yonge & Colborne Heritage Streetscape Improvements	99,900	66,600			33,300
15304	East Cathedral Park (Read's Corner) - Construction	675,500			607,950	67,550
15305	Southwest Cathedral Monarch Memorial Park - Construction	983,700			885,330	98,370
<b>TOTAL Design</b>		<b>12,797,900</b>	<b>901,430</b>		<b>11,031,890</b>	<b>864,580</b>
<b>Engineering</b>						
15044	Downstream Improvement Work SWM Strategy	533,100		186,585	346,515	
15046	Engineering Studies	100,000			100,000	
15050	Highway 7 Streetscaping	324,600			324,600	
15051	Highway 7 Watermain	534,800				534,800
15055	Markham Centre - Parking Business Plan	185,900			185,900	
15056	Markham Centre MESP Consolidation	557,700			557,700	
15057	Markham Centre Transportation Study	247,900			247,900	
15060	Miller Avenue - Woodbine Avenue to Rodick (Property)	176,700			176,700	
15067	Transportation Demand Management Studies	38,100			38,100	
15306	Main St. Mkhm - 16th to Major Mac – Landscape Median	97,800			88,020	9,780
15038	Allstate Parkway Extension Highway 7 to 16th Ave (EA)	247,900			247,900	
15040	Church Street - Ninth Line to Bur Oak Ave Utility Relocate	123,900			123,900	
15041	Cycling Awareness Program (CPAC)	223,000			74,334	148,666
15043	Downstream Improvement Work Program	644,500		225,575	418,925	
15045	Engineering Salary Recovery	434,500				434,500
15046	Engineering Studies	519,700			519,700	
15047	Existing Woodbine Ave (By-pass to By-pass) EA	309,800			278,820	30,980
15049	Hwy 404 Mid-block Crossing, N of Hwy 7 Overall: \$38.4M	5,026,000			5,026,000	
15052	Intersection Improvements	495,700			495,700	
15053	Markham Brownfield Policy	90,000			90,000	
15054	Markham Centre - 3 Bridges over GO Line (EA)	725,600			725,600	
15058	Markham Rd Sewer Improvements & Pumping Station (EA)	495,700			495,700	
15061	Miller Avenue-Warden to Birchmount - Phase 1 of 6 (Design)	772,900			772,900	
15062	Multi-Use Pathways 2015 - Phase 2 of 4	3,960,000			1,263,500	2,696,500
15063	Municipal Rd. South of 14th. Middlefield to 14th (Con)	4,014,000			4,014,000	
15064	Smart-Commute Markham - Richmond Hill	87,600				87,600
15065	Strategic Regional Research Alliance (SRRA)	35,000			35,000	
15067	Transportation Demand Management Studies	72,100			72,100	
15068	Woodbine Steeles Sanitary Pumping Station/Sewer (EA)	309,800			309,800	
<b>TOTAL Engineering</b>		<b>21,384,300</b>		<b>412,160</b>	<b>17,029,314</b>	<b>434,500</b>
<b>TOTAL Development Services</b>		<b>36,572,200</b>	<b>901,430</b>	<b>412,160</b>	<b>29,496,704</b>	<b>434,500</b>
		<b>5,327,406</b>				

# 2015 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Project Description	Funding Sources					Other
	Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer	
<b>CAO, Legal, HR, &amp; Sustainability Office</b>						
<i>Sustainability Office</i>						
15307 PowerStream Embedded Energy Projects	264,600					264,600
15069 Bayview Glen SNAP – Pilot Implementation Phase	222,300	100,000				122,300
<b>TOTAL Sustainability Office</b>	<b>486,900</b>	<b>100,000</b>				<b>386,900</b>
<i>CAO's Office</i>						
15071 Council Strategic Plan	51,800	51,800				
<b>TOTAL CAO's Office</b>	<b>51,800</b>	<b>51,800</b>				
<b>TOTAL CAO, Legal, HR, &amp; Sustainability Office</b>	<b>538,700</b>	<b>151,800</b>				<b>386,900</b>
<b>Corporate Services</b>						
<i>ITS</i>						
15308 Budgeting Software	101,800	81,440				20,360
15072 Planning - ArcGIS for Desktop Basic Licences	35,600					35,600
15073 Development Services - AMANDA Batch Scheduler (Module)	20,400					20,400
15076 Administrative Monetary Penalties System (AMP)	40,700	40,700				
15077 Milliken Mills C.C. computer lab hardware replacement	10,200		10,200			
15079 Recreation - Employee Time Tracking System	15,300	15,300				
15080 Recreation program drop-in card readers.	15,300	15,300				
15081 Registration System (Class) Replacement/Upgrade	81,400	81,400				
15085 Library - Kurzweil Upgrade and PAC conversion	10,200		10,200			
15086 Library - Upgrade of Telecirc and Server	18,800	18,800				
15089 Library - Symphony to Blue Cloud Migration (Phase 1 of 2)	35,600	35,600				
15090 Library Barcode Reader Replacement	28,500		28,500			
15091 Fire - Replacement of 15 Dot Matrix printers	22,900		22,900			
15092 Fire - Training Laptops and Projectors	33,300	33,300				
15093 Operations - Mobile Work Management	45,800	45,800				
15094 Waste Management - Mobile Work Management	15,300	15,300				
15095 WW - Backflow Portal Enhancements	18,300					18,300
15096 WW - Bridge Software (Compliance365)	15,300					15,300
15097 WW - Business and Location Intelligence Expansion	42,500					42,500
15098 WW - DARTS Phase 3 of 3	50,900					50,900
15099 WW - Upgrade to InteleX 6	15,300					15,300
15100 WW- Adobe LiveCycle Enterprise Suite 4	61,100					61,100
15101 Customer Engagement Technology Plan - Phase 1	50,900	50,900				
15102 Core IT Infrastructure	1,631,200	80,000	1,281,518			269,682
15309 IT Internal Project Management	109,400		86,428			22,972
<b>TOTAL ITS</b>	<b>2,526,000</b>	<b>513,840</b>	<b>1,439,746</b>			<b>572,414</b>
<i>Financial Services</i>						
15104 Internal Project Management	899,000			899,000		
15311 Investment in Markham District Energy Inc.	4,000,000					4,000,000
<b>TOTAL Financial Services</b>	<b>4,899,000</b>			<b>899,000</b>		<b>4,000,000</b>
<i>Corporate Communications</i>						
15108 Replacement of Backlit Frames for Advertising in Facilities	69,600		69,600			
<b>TOTAL Corporate Communication</b>	<b>69,600</b>		<b>69,600</b>			
<b>TOTAL Corporate Services</b>	<b>7,494,600</b>	<b>513,840</b>	<b>1,509,346</b>	<b>899,000</b>		<b>4,572,414</b>
<b>Community &amp; Fire Services</b>						
<i>Culture</i>						
15109 Corporate Volunteer Management Program	31,000	31,000				
15112 Culture Public Art	249,200	45,000				204,200
<b>TOTAL Culture</b>	<b>280,200</b>	<b>76,000</b>				<b>204,200</b>
<i>Museum</i>						
15113 Museum Annual Building Maintenance Program	214,000		165,511			48,489
15114 Museum Artifact Restoration	30,000		30,000			
15115 Museum Exhibitions	15,000		15,000			
15116 Museum Facility Improvements	306,800		306,800			
15117 Museum HVAC - Transportation Building	44,300		44,300			
15118 Museum Kinnee Barn Repairs	187,700		187,700			
15119 Museum Painting	63,000		63,000			
15120 Museum Site Improvements	507,500		507,500			
15121 Museum Strategic Plan	30,000	30,000				
15122 Museum Strickler Barn - Design	26,900		26,900			
<b>TOTAL Museum</b>	<b>1,425,200</b>	<b>30,000</b>	<b>1,346,711</b>			<b>48,489</b>
<i>Theatre</i>						
15123 Theatre Cabinets and Riser Replacement	22,600		22,600			
15124 Theatre Facility Lighting	25,800		25,800			
15125 Theatre Lighting, Audio, AV & Stage Equipment	150,300		150,300			
15126 Theatre Lobby and Backstage Painting	50,300		50,300			
15127 Theatre Rehearsal Hall Improvements	24,600		24,600			
15128 Theatre Roofing Fall Arrest System	17,900		17,900			
<b>TOTAL Theatre</b>	<b>291,500</b>		<b>291,500</b>			





## 2015 CAPITAL BUDGET SUMMARY BY DEPARTMENT

		Funding Sources				
Project Description	Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer	Other
<b>Arts Centres</b>						
15129	Gallery Common Area Works	58,200		58,200		
15130	Gallery Courtyard Design	20,400		20,400		
15132	Gallery Floor Painting/Sealant	14,400		14,400		
15133	Gallery McKay Exterior Painting	30,500		30,500		
<b>TOTAL Arts Centres</b>		<b>123,500</b>		<b>123,500</b>		
<b>Commissioner's Office - Community &amp; Fire</b>						
15135	2015 -Business Continuity Plan - Phase 2 of 2	50,900	40,720			10,180
15137	Municipal Designation Program - Pan Am Components	100,000	100,000			
<b>TOTAL Commissioner's Office - Community &amp; Fire</b>		<b>150,900</b>	<b>140,720</b>			<b>10,180</b>
<b>Fire &amp; Emergency Services</b>						
15010	Firefighter Equipment for Cornell Second Crew	124,300			124,300	
15138	Bunker Gear Life Cycle Replacement	151,500		93,000		58,500
15139	Fire Station 99 - Requirements for 2nd Crew	18,300			18,300	
15140	Fire Station Signs - Phase 1 of 4	40,700	40,700			
15142	Firefighting Tools & Equipment Replacement	101,000		101,000		
15143	Hazardous Materials Equipment and Thermal Cameras	26,700		26,700		
15144	Replacement of Equipment due to Staff Retirements	95,000		76,300		18,700
15145	Special Rescue - Rope	25,400	25,400			
15146	Station 95 East Apparatus Apron	15,300		15,300		
<b>TOTAL Fire &amp; Emergency Services</b>		<b>598,200</b>	<b>66,100</b>	<b>312,300</b>	<b>142,600</b>	<b>77,200</b>
<b>Recreation Services</b>						
15147	Angus Glen counter top replacement	22,400		22,400		
15148	Angus Glen pool security reconfiguration	76,300				76,300
15149	Angus Glen rink board replacement	22,000		22,000		
15150	Armadale C.C. Blind Replacement	9,700		9,700		
15151	Armadale C.C. Lobby washroom renovation	35,600		35,600		
15152	Buttonville Institute replacement of concrete stairs	15,100		15,100		
15153	Centennial C.C. Pool Change room doors	17,900		17,900		
15154	Clatworthy Arena Boiler replacement	6,600		6,600		
15155	Clatworthy Arena Door Replacement	28,500		28,500		
15156	Clatworthy Arena Rinkboard & Glass Replacement	230,800		230,800		
15157	Crosby Arena exterior wall insulation	68,300		68,300		
15158	Crosby Arena South Board Room Cabinets	8,200		8,200		
15159	Markham Village First Floor Washroom Replacement	66,400		66,400		
15160	Milliken Mills C.C Library Carpet	88,400		88,400		
15161	Milliken Mills C.C. Administrative Work Stations	28,100		28,100		
15162	Milliken Mills C.C. Flooring Multi-Purpose Room C	11,200		11,200		
15163	Milliken Mills C.C. HVAC replacement	62,200		62,200		
15164	Milliken Mills C.C. tables and pool viewing furniture	24,400		24,400		
15165	Milliken Mills Soccer Dome emergency exit door replacement	9,200		9,200		
15166	Milliken Mills Soccer Dome Fence/ Gates	10,200		10,200		
15167	Milliken Mills Soccer Dome Washroom renovation	10,200		10,200		
15168	Morgan Pool sand filter replacement	6,600		6,600		
15169	Mount Joy Boiler replacement	22,400		22,400		
15171	Recreation - Older Adult Plan	76,300	76,300			
15172	Recreation AED Program	8,200		8,200		
15173	Recreation Aquatic Equipment	56,400		56,400		
15174	Recreation Fitness Equipment	128,700		128,700		
15176	Recreation Program Equipment	65,000		65,000		
15177	Recreation Table and Chairs replacement	48,100		48,100		
15178	Rouge River C.C. Bathroom renovation	45,500		45,500		
15179	Rouge River C.C. Kitchen Equipment	7,600		7,600		
15180	Rouge River C.C. lighting	10,200		10,200		
15181	Rouge River/ Markham Green Golf Course Irrigation	529,200		529,200		
15183	Thornhill C.C. Arena Bleacher Replacement	25,100		25,100		
15184	Thornhill C.C. Flooring Replacement	29,500		29,500		
15185	Thornhill C.C. library lighting upgrades	101,800		101,800		
15186	Thornhill C.C. Scaffold Replacement	7,600		7,600		
15187	Thornhill C.C. Washroom Partitions	15,300		15,300		
15188	Thornhill CC- Halls Wall Covering Replacement	18,300		18,300		
15189	Thornhill CC- Marquee Replacement	40,900		40,900		
15190	Thornlea Pool Ceramic Tile replacement	37,800		37,800		
15191	Thornlea Pool Fisher Valve Replacement	10,200		10,200		
15192	Unionville Train Station Painting	25,500		25,500		
15193	Water St Seniors Centre Millwork Replacement	66,500		66,500		
<b>TOTAL Recreation Services</b>		<b>2,234,400</b>	<b>76,300</b>	<b>2,081,800</b>		<b>76,300</b>
<b>Markham Public Library</b>						
15011	Library Collections	2,035,600		2,035,600		
15194	Library Electronic Resources Upgrade	60,000	60,000			
15195	Replace Library Furniture & Equipment	65,700		65,700		
15196	Replace Library Shelving	65,500		65,500		
<b>TOTAL Markham Public Library</b>		<b>2,226,800</b>	<b>60,000</b>	<b>2,166,800</b>		

## 2015 CAPITAL BUDGET SUMMARY BY DEPARTMENT

		Funding Sources				
<i>Project Description</i>	<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
<b>Operations - Roads</b>						
15012 Asphalt Resurfacing	5,340,500		5,340,500			
15197 Boulevard Repairs	51,800		51,800			
15198 Bridge Structure Preventative Maintenance	46,500		46,500			
15199 City Owned Fence Replacement Program	117,300		117,300			
15200 Don Mills Storm Channel	18,800		18,800			
15201 Emergency Repairs	103,500		103,500			
15202 Guiderail- Install/Repair/Upgrade	114,000		114,000			
15203 Localized Repairs - Curb & Sidewalk	535,700		535,700			
15204 Parking Lots - Localized Repairs	103,500		103,500			
15205 Parking Lots- Rehabilitation	38,200		38,200			
15206 Railway Crossing Improvements	50,400		50,400			
15207 Retaining Walls Program	81,400		81,400			
15208 Secondary Roadworks	289,500					289,500
15209 Storm Sewer Inspection	104,300		104,300			
15210 Storm Water Retention Pond Maintenance Program	26,100		26,100			
<b>TOTAL Operations - Roads</b>	<b>7,021,500</b>		<b>6,732,000</b>			<b>289,500</b>
<b>Operations - Parks</b>						
15013 Emerald Ash Borer Program - Year 3 of 5	4,528,600					4,528,600
15212 Adopt a Park & Colour Your Corner	6,000	6,000				
15213 Bleachers (Metal) Replacement	85,700		85,700			
15214 City Park Furniture / Amenities	136,400		136,400			
15215 Court Resurfacing/Reconstruction	445,900		264,600			181,300
15217 Electrical & Cabling	35,500		35,500			
15218 Fence (Backstop and Outfield) Replacement	182,800		182,800			
15219 Fence (Tennis Courts)	33,900		33,900			
15220 Floodlights, Poles & Cross Arms Replacement	513,700		513,700			
15221 Gazebo Replacement	107,400		107,400			
15223 Goal Posts Replacement	20,700		20,700			
15224 Markham Trees for Tomorrow	120,000					120,000
15225 Parks Backflow Prevention Program- Year 1 of 2	150,000		150,000			
15226 Parks Name & By Law Signage - Phase 1 of 3	66,000			66,000		
15227 Paving Pathways/Facilities & Stairways Repairs	326,900		326,900			
15228 Playstructure & Rubberized Safety Surface Replacement	939,900		939,900			
15229 Public Realm-Markham's Shared Places Our Spaces	150,000					150,000
15230 Replacement/New Boulevard/Park Trees	95,500		95,500			
15231 Sportsfield Maintenance & Reconstruction	120,000		120,000			
15232 TRCA 50/50 Community Projects	20,000	20,000				
15233 Volunteer Ice Rink Program	15,300	15,300				
15310 Recycling Containers - Main St. Unionville	12,200		12,200			
<b>TOTAL Operations - Parks</b>	<b>8,112,400</b>	<b>53,500</b>	<b>3,013,000</b>	<b>66,000</b>		<b>4,979,900</b>
<b>Operations - Traffic</b>						
15234 Pedestrian Accessibility Improvement-Ph 5 of 6 (Design, CA)	121,000	121,000				
15235 Power Supply Relocation - Traffic Signals	74,500	74,500				
15236 Traffic Assets (Life Cycle) Replacement	253,400		253,400			
15237 Traffic Control Signal Design & Construction	408,000			408,000		
15238 Traffic Operational Improvements	30,500	30,500				
<b>TOTAL Operations - Traffic</b>	<b>887,400</b>	<b>226,000</b>	<b>253,400</b>	<b>408,000</b>		
<b>Operations - Fleet</b>						
15239 Corporate Fleet Refurbishing	36,100		36,100			
15240 Corporate Fleet Replacement - Fire	777,400		777,400			
15241 Corporate Fleet Replacement - Non-Fire	1,649,300		1,649,300			
15243 New Fleet - Parks	145,200			145,200		
15244 New Fleet - Roads	62,800			62,800		
15245 New Fleet - Waterworks	28,200					28,200
15246 Waterworks Fleet Replacement	103,800					103,800
15247 Winter Maintenance Vehicles	250,000			250,000		
<b>TOTAL Operations - Fleet</b>	<b>3,052,800</b>		<b>2,462,800</b>	<b>458,000</b>		<b>132,000</b>



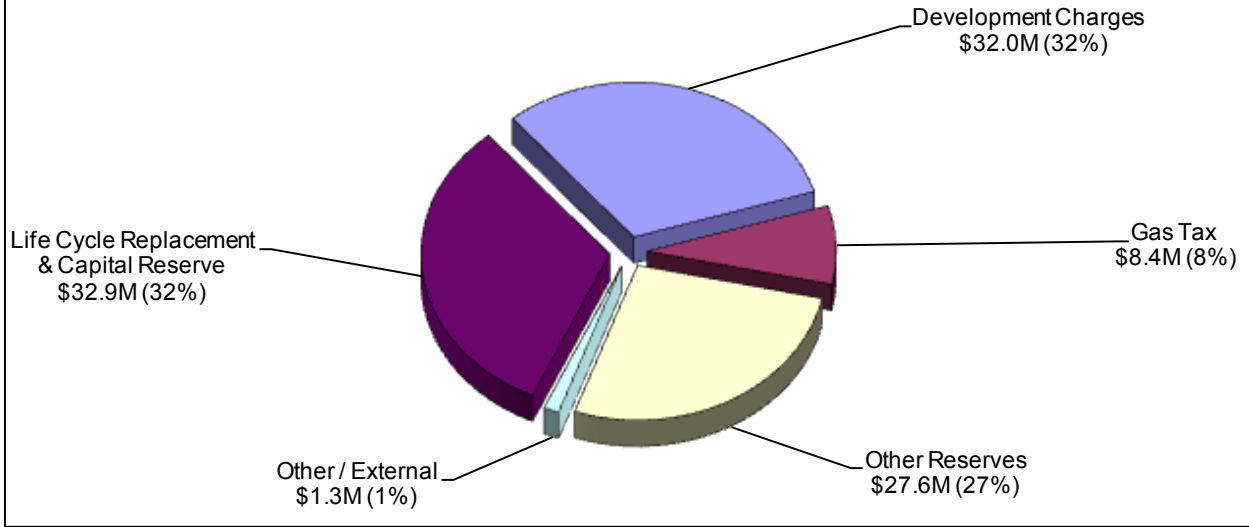
## 2015 CAPITAL BUDGET SUMMARY BY DEPARTMENT

		Funding Sources				
<i>Project Description</i>	<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
<b>Asset Mgmt - Facility Assets</b>						
15248	8100 Warden Facility Improvements	85,100		85,100		
15249	Accessibility Retrofit Program	152,300		152,300		
15250	Bird Safe Film	50,800		50,800		
15251	Building Condition Audits - FTE	133,600		133,600		
15252	Civic Centre Improvements	264,300		264,300		
15253	Civic Centre Site Safety and Accessibility Improvements	965,200		725,376		239,824
15254	Corporate Accommodations	315,000		315,000		
15255	Corporate Security Operations & System Upgrades	315,300		315,300		
15256	Facility Project Engineer - Contract (Year 3 of 3)	133,600		133,600		
15257	Fire Facility Improvements	128,800		128,800		
15259	Library Facility Improvements	143,300		143,300		
15260	Municipal Building Backflow Prevention Testing	20,300		20,300		
15261	Operations Facilities - Fuel Facilities Improvements	1,611,900		1,611,900		
15262	Operations Facilities Improvements	418,900		418,900		
15263	Other Facility Improvements	20,700		20,700		
15264	Recycling Depot Improvements	26,800		26,800		
15265	Roofing Maintenance and Repair	50,800		50,800		
15266	Roofing Replacement Projects	1,152,900		1,152,900		
15267	Satellite Community Centre Improvements	50,200		50,200		
15269	Tennis Clunhouse Improvement	27,900		17,250		10,650
	<b>TOTAL Asset Mgmt - Facility Assets</b>	<b>6,067,700</b>		<b>5,817,226</b>		<b>250,474</b>
<b>Asset Mgmt - Environmental Assets</b>						
15014	West Thornhill Flood Control Construction - Ph 1B & 1C	8,479,000				8,479,000
15270	Erosion Restoration- 110/130 Denison Street (Construction)	200,000		71,200	128,800	
15271	Storm Sewer Pipe Rehabilitation	625,900		169,100		456,800
15272	SWM Pond Cleaning - ID#7 and ID#59	1,043,200				1,043,200
	<b>TOTAL Asset Mgmt - Environmental Assets</b>	<b>10,348,100</b>		<b>240,300</b>	<b>128,800</b>	<b>9,979,000</b>
<b>Asset Mgmt - Right-of-Way Assets</b>						
15273	Bridges and Culverts - Condition Inspection	63,200		63,200		
15274	Former Sabiston Landfill - Monitoring	156,500		156,500		
15275	ROW Assets - Structures Program-FTE	131,600		131,600		
15276	Streetlight Underground Cable - Condition Inspection	175,600		175,600		
15277	Streetlighting - Miscellaneous Requests	101,800	101,800			
15278	Streetlights - Pole Replacement Program	198,100		198,100		
15279	Streetlights - Underground Cable Replacement/ Repair	2,503,700		2,503,700		
15280	Structures Rehabilitation (4 Structures) - Design & Const.	412,000		412,000		
15281	Survey Monument Replacement	27,700		27,700		
	<b>TOTAL Asset Mgmt - Right-of-way Assets</b>	<b>3,770,200</b>	<b>101,800</b>	<b>3,668,400</b>		
<b>Waste &amp; Environmental Mgmt</b>						
15282	Replenishing the MESF Reserve	15,400	15,400			
15283	Specialty Recycling Containers Program	33,100	33,100			
	<b>TOTAL Waste &amp; Environmental Mgmt</b>	<b>48,500</b>	<b>48,500</b>			
<b>Waterworks</b>						
15284	12 Month Wastewater Flow Monitoring - Ph 3 of 8	152,600				152,600
15285	Annual Leak Detection Program - Phase 3 of 5	179,100				179,100
15286	Bulk Water Sales Station	101,800				101,800
15287	Carlton Road Pumping Station Upgrade	908,000				908,000
15288	Cathodic Protection of Iron Watermains Program	555,500				555,500
15289	Equipment Upgrades at Calvert Rd Pumping Station	111,900				111,900
15290	Manhole Sealing - Phase 1 of 3	100,700				100,700
15291	Sanitary Lateral Inspection	419,100				419,100
15292	Sanitary Sewer Design	78,400				78,400
15293	Sanitary Sewer System Upgrade/Rehab Program	1,087,200				1,087,200
15294	Sanitary System Downspout Disconnection Prog - Ph 3 of 5	361,700				361,700
15295	Sanitary Trunk Sewer and Manhole Inspection	106,300				106,300
15296	Transient Analysis & Flow Test	139,900				139,900
15297	Water Fountain Installation in Simonston Park	167,300				167,300
15298	Water Meter Replacement/Upgrade Program	555,300				555,300
15299	Water System Physical Condition Assessment	223,900				223,900
15300	Water System Upgrade Program	299,500				299,500
15301	Watermain Construction and Replacement Program	4,925,700				4,925,700
15302	Watermain Construction Design	139,600				139,600
15303	WW - Environmental Services Overall Data Strategy - Ph 2/2	305,300				305,300
	<b>TOTAL Waterworks</b>	<b>10,918,800</b>				<b>10,918,800</b>
	<b>TOTAL Community &amp; Fire Services</b>	<b>57,558,100</b>	<b>878,920</b>	<b>28,509,737</b>	<b>1,203,400</b>	<b>26,966,043</b>
	<b>TOTAL 2015 CAPITAL BUDGET</b>	<b>102,163,600</b>	<b>2,445,990</b>	<b>30,431,243</b>	<b>31,599,104</b>	<b>434,500</b>

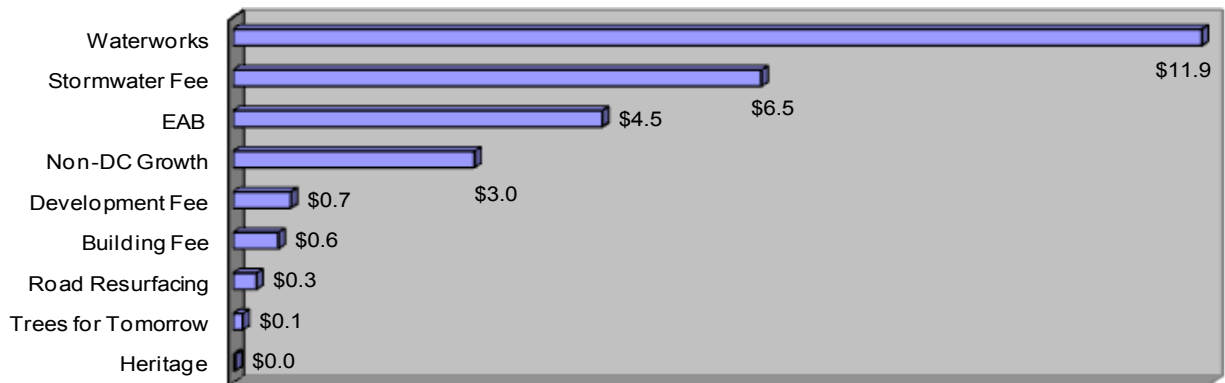
## 2015 CAPITAL BUDGET SOURCES OF FUNDING

<b>LIFE CYCLE REPLACEMENT &amp; CAPITAL RESERVE</b>		32,877,233
<b>DEVELOPMENT CHARGES (DCA)</b>		31,599,104
<b>FEDERAL GAS TAX GRANT</b>		8,366,066
<b>OTHER SOURCES</b>		
Waterworks Reserve	11,879,379	
Stormwater Fee Reserve Fund	6,479,000	
Emerald Ash Borer Reserve Fund	4,528,600	
Non-DC Growth	2,962,640	
Development Fees	709,761	
Capital From Previous Years (Carry Forward)	654,613	
Building Fee Reserve	557,954	
Developer Funding	434,500	
Region of York	383,300	
Roads Resurfacing Reserve Fund	289,500	
Tennis Clubs	191,950	
Trees for Tomorrow Reserve Fund	120,000	
Don Watershed Grant	100,000	
Heritage Reserve Fund	30,000	
<b>TOTAL OTHER SOURCES</b>	29,321,197	
<b>TOTAL CAPITAL &amp; OTHER PROGRAMS BUDGET</b>		102,163,600

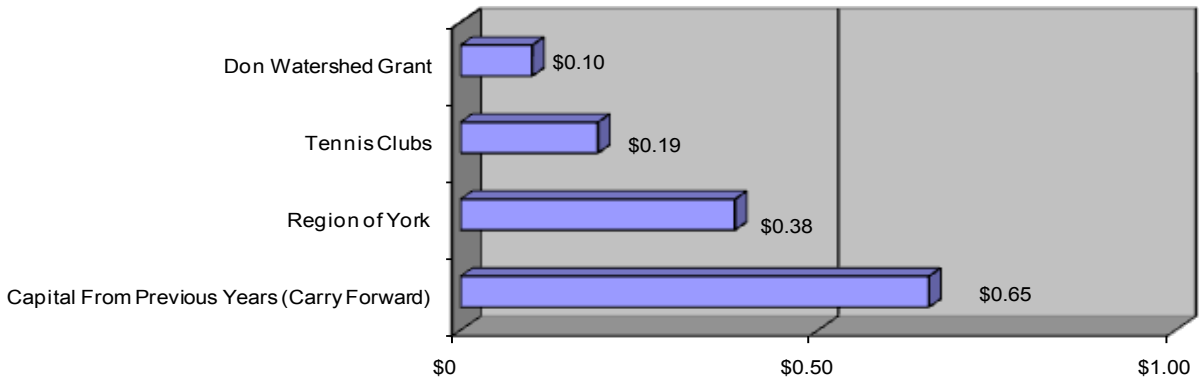
### 2015 Sources of Capital Funding Budget \$102.2M



**Chart "A"**  
Details of Other Reserves Funding Total \$27.6M



**Chart "B"**  
Details of Other / External Funding Total \$1.3M



## 2015 CAPITAL BUDGET BY DEPARTMENT AND BY FUNDING SOURCE (\$'000s)

	Operating Life-Cycle Replacement & Capital	Operating Non-Life Cycle	Development Charges	Gas Tax Revenues	Waterworks/ Stabilization Capital Reserve	Non- DC Growth	Development & Building Fees	Other	Total
<i>Building Services</i>	-	-	-	-	-	-	51	-	51
<i>Planning</i>	-	-	1,436	-	-	-	840	63	2,339
<i>Design</i>	-	901	11,032	-	-	575	-	289	12,798
<i>Engineering</i>	412	-	17,029	149	535	2,387	88	785	21,384
<b>Development Services</b>	<b>412</b>	<b>901</b>	<b>29,497</b>	<b>149</b>	<b>535</b>	<b>2,963</b>	<b>979</b>	<b>1,137</b>	<b>36,572</b>
<i>Sustainability Office</i>	-	100	-	287	-	-	-	100	487
<i>CAO Office</i>	-	52	-	-	-	-	-	-	52
<b>CAO, Legal, HR &amp; Sustainability Office</b>	<b>-</b>	<b>152</b>	<b>-</b>	<b>287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>539</b>
<i>ITS</i>	1,440	514	-	-	291	-	282	-	2,526
<i>Financial Services</i>	-	-	899	4,000	-	-	-	-	4,899
<i>Corporate Communications &amp; Community Relations</i>	70	-	-	-	-	-	-	-	70
<b>Corporate Services</b>	<b>1,509</b>	<b>514</b>	<b>899</b>	<b>4,000</b>	<b>291</b>	<b>-</b>	<b>282</b>	<b>-</b>	<b>7,495</b>
<i>Culture</i>	-	76	-	204	-	-	-	-	280
<i>Museum</i>	1,347	30	-	-	-	-	-	48	1,425
<i>Theatre</i>	292	-	-	-	-	-	-	-	292
<i>Art Centre</i>	124	-	-	-	-	-	-	-	124
<i>Commissioner's Office - Comm &amp; Fire</i>	-	141	-	-	3	-	7	-	151
<i>Fire &amp; Emergency Services</i>	312	66	143	-	-	-	-	77	598
<i>Recreation Services</i>	2,082	76	-	76	-	-	-	-	2,234
<i>Markham Public Library</i>	2,167	60	-	-	-	-	-	-	2,227
<i>Operations - Roads</i>	6,732	-	-	-	-	-	-	290	7,022
<i>Operations - Parks</i>	3,013	54	66	150	-	-	-	4,830	8,112
<i>Operations - Traffic</i>	253	226	408	-	-	-	-	-	887
<i>Operations - Fleet</i>	2,463	-	458	-	132	-	-	-	3,053
<i>Asset Management - Facility Assets</i>	5,817	-	-	-	-	-	-	250	6,068
<i>Asset Management - Environmental Assets</i>	240	-	129	3,500	-	-	-	6,479	10,348
<i>Asset Management - Right of Way Assets</i>	3,668	102	-	-	-	-	-	-	3,770
<i>Waste &amp; Environmental Management</i>	-	49	-	-	-	-	-	-	49
<i>Waterworks</i>	-	-	-	-	10,919	-	-	-	10,919
<b>Community &amp; Fire Services</b>	<b>28,510</b>	<b>879</b>	<b>1,203</b>	<b>3,931</b>	<b>11,054</b>	<b>-</b>	<b>7</b>	<b>11,975</b>	<b>57,558</b>
	<b>30,431</b>	<b>2,446</b>	<b>31,599</b>	<b>8,366</b>	<b>11,879</b>	<b>2,963</b>	<b>1,268</b>	<b>13,211</b>	<b>102,164</b>



## 2015 CAPITAL INDUCED OPERATING COSTS

<u>Project #</u>	<u>Department/Capital Project Description</u>	<u>2015 Annualized Operating Impact</u>	<u>Comments</u>
<b><u>ITS</u></b>			
15072	Planning - ArcGIS for Desktop Basic Licences	9,500	
15073	Development Services - AMANDA Batch Scheduler	9,000	
15308	Finance - Budgeting Software	8,750	Software maintenance, licences
15076	Administrative Monetary Penalties System (AMP)	9,000	Software and hardware maintenance
15086	Library - Upgrade of Telecirc and Server	2,000	
15092	Fire - Training Laptops and Projectors - Phase 1 of 2	2,500	
15093	Operations - Mobile Work Management	2,500	Software and hardware maintenance
15094	Waste Management - Mobile Work Management	15,940	Software and hardware maintenance
15096	WW - Bridge Software (Compliance365)	10,000	
15101	Customer Engagement Technology Plan - Phase 1 of 2	7,500	
		<b><u>\$76,690</u></b>	
<b><u>Corporation Communications</u></b>			
15108	Replacement of Backlit Frames for Advertising in Facilities	(5,800)	Additional revenue
		<b><u>(\$5,800)</u></b>	
<b><u>Operations - Traffic</u></b>			
15237	Traffic Control Signal Design & Construction	3,950	
		<b><u>\$3,950</u></b>	
<b><u>Operations - Fleet</u></b>			
15243	New Fleet - Parks	11,700	Maintenance and fuel
15244	New Fleet - Roads	2,000	Maintenance and repairs
15245	New Fleet - Waterworks	5,000	Maintenance and fuel
		<b><u>\$18,700</u></b>	
	<b>Total Capital Induced Operating Costs</b>	<b><u>\$93,540</u></b>	

## LONG TERM CAPITAL BUDGET FORECAST

### Growth Related Projects

Capital Infrastructure related to growth in the City is both material in dollars and critical to the City's service level commitments to its residents and business owners. Capital infrastructure projects include water/sewer, roads, community centres, libraries, parks, and fire stations. As the City grows, the infrastructure that serves and supports the new communities must grow also.

Growth related capital is mainly funded (90%) from Development Charges (DC's) collected from Developers in the City of Markham. The remaining 10% is funded by the City through non-DC sources. Development Charges are governed by the City's DC By-laws, which are updated every five years or earlier. The City of Markham, like many Ontario municipalities, updated its Development Charges Background Study (DC Study) and DC By-laws in 2013.

A capital forecast based on the 2013 DC Study information, is included for the period 2016 to 2020:

### 2016 to 2020 Capital Budget Forecast

(in thousands of constant dollars – gross cost)

Category	2016	2017	2018	2019	2020	TOTAL
(A) General Government	1,455.5	1,455.5	1,455.5	1,455.5	1,455.5	<b>\$14,555.0</b>
(B) Library	7,601.1	0.0	0.0	0.0	0.0	<b>\$7,601.1</b>
(C) Fire Services	10,228.9	4,894.5	0.0	0.0	0.0	<b>\$15,198.4</b>
(D) Indoor Recreation	0.0	0.0	0.0	0.0	0.0	<b>\$0.0</b>
(E) Park Development & Facilities	21,795.6	7,214.4	19,527.2	22,870.3	21,224.7	<b>\$135,003.3</b>
(F) Public Works	8,974.2	108.9	379.1	382.0	375.6	<b>\$12,131.2</b>
(G) Parking	237.5	0.0	199.8	0.0	237.5	<b>\$674.8</b>
<b>TOTAL</b>	<b>\$50,292.8</b>	<b>\$13,673.3</b>	<b>\$21,561.6</b>	<b>\$24,707.8</b>	<b>\$23,293.3</b>	<b>\$185,163.8</b>

Notes: Listing of Growth Category Details

- A. Growth Studies
- B. Buildings, Land, Furniture & Equipment, Collection Materials
- C. Buildings, Land, Furniture & Equipment, Firefighter Equipment, Fire Vehicles
- D. Major Facilities, Land, Furniture & Equipment
- E. Park Development, Equipment, Buildings
- F. Buildings, Land, Furniture & Equipment, City Fleet
- G. Parking Studies, Equipment, Parking Spaces





## Non-Growth Related Projects

In 2005, Council approved a reserve study that examined, among other topics, the projected rehabilitation and replacement expenditures related to the City's aging capital infrastructure (e.g. bridges, roads, vehicles). The study identified the age of the assets, the expected life cycle of the assets and projected replacement costs in order to quantify the City's future expenditures, by year. A reserve fund, the Life Cycle Replacement and Capital Reserve, was established to provide a source of funding for the future repair, preventative maintenance and replacement of infrastructure. More details on this reserve are included in the Reserve Policy section.

The City's Reserve Study is updated annually to account for additional assets, the refinement of assumptions on asset replacement cycles, and for adjustments to replacement costs. The following chart projects the City's non-growth related capital expenditures (e.g. repairs, preventative maintenance, replacement of infrastructure) based upon inventory in the life cycle reserve model.

### 2016 to 2020 Capital Budget Forecast

(in thousands of constant dollars - gross cost)

CATEGORY	2016	2017	2018	2019	2020	TOTAL
Fire Fighter Equipment	187.1	180.6	380.8	207.8	424.7	\$1,606.8
Traffic Signals	339.8	165.1	114.0	184.9	291.7	\$1,348.9
ITS Infrastructure	706.3	1,478.8	1,285.8	2,696.9	1,175.4	\$8,746.1
Parks	3,879.4	2,235.9	2,408.2	2,272.6	2,185.0	\$17,189.8
Library Collections	2,573.2	2,610.8	2,651.1	2,891.5	2,940.8	\$15,992.5
Streetlights	1,499.8	232.7	1,612.6	147.0	326.0	\$7,140.5
Vehicles	1,505.2	1,561.1	2,152.9	3,834.5	1,691.2	\$13,267.5
Structures (Bridges & Culverts)	3,323.0	1,716.7	1,848.6	5,498.3	1,464.1	\$14,504.1
Storm Sewers, Storm Water Mgmt & Landfill	6,079.5	1,303.6	2,568.4	1,356.3	2,272.5	\$16,535.7
Roads	7,198.2	7,375.7	7,261.6	8,068.7	7,693.5	\$44,499.7
Facilities	9,649.0	17,490.4	9,363.1	6,751.4	17,354.5	\$69,798.4
<b>TOTAL</b>	<b>\$36,940.5</b>	<b>\$36,351.4</b>	<b>\$31,647.1</b>	<b>\$33,909.9</b>	<b>\$37,819.4</b>	<b>\$210,630.0</b>

## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

The following pages highlight the major capital projects for the City. Each page provides specific project details including the impact on future operating budgets. The amount of impact is referred to in the following terms: Positive, Negligible, Slight, Moderate and High. Examples of costs that may impact future operating budgets are: personnel, maintenance and repairs, utilities, and supplies.

**Positive** - The project will either generate some revenue to offset expenses, will actually reduce operating costs or will afford a future cost avoidance.

**Negligible** - The impact will be less than \$10,000 annually

**Slight** - The Impact will be between \$10,001 and \$50,000 annually

**Moderate** - The impact will be between \$50,001 and \$100,000 annually

**High** – The impact will result in an increase of \$100,001 or more annually

The figures provided are estimates based on the data available at the time of developing the budget.



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION SUMMARY

Project #	Project Description	Total Cost	Operating Cost Impact Range	
			From	To
15004	Greensborough Williamson / A. Paterson N. P. Construction	\$1,016,800	\$10,001	\$50,000
15005	Monarch Cathedraltown North Park -Construction	\$1,481,400	\$10,001	\$50,000
15007	South East Community Centre Park - Construction	\$2,726,300	\$10,001	\$50,000
15009	Wismer Donald Mingay Woodlot Park - Construction	\$1,016,800	\$10,001	\$50,000
15011	Library Collections	\$2,035,600	\$0	\$10,000
15012	Asphalt Resurfacing	\$5,340,500	\$0	\$0
15013	Emerald Ash Borer Program - Year 3 of 5	\$4,528,600	\$10,001	\$50,000
15014	West Thornhill Flood Control Construction - Ph 1B & 1C	\$8,479,000	\$0	\$10,000
15036	Wismer Hwy #48 Museum Park North - Construction	\$1,599,900	\$0	\$10,000
15049	Hwy 404 Mid-block Crossing, N of Hwy 7 Overall: \$38.4M	\$5,026,000	\$0	\$10,000
15062	Multi-Use Pathways 2015 - Phase 2 of 4	\$3,960,000	\$0	\$10,000
15063	Municipal Rd. South of 14th. Middlefield to 14th (Con)	\$4,014,000	\$0	\$10,000
15102	Core IT Infrastructure	\$1,631,200	\$0	\$10,000
15241	Corporate Fleet Replacement - Non-Fire	\$1,649,300	\$10,001	\$50,000
15261	Operations Facilities - Fuel Facilities Improvements	\$1,611,900	\$100,000	
15266	Roofing Replacement Projects	\$1,152,900	\$0	\$10,000
15272	SWM Pond Cleaning - ID#7 and ID#59	\$1,043,200	\$0	\$10,000
15279	Streetlights - Underground Cable Replacement/ Repair	\$2,503,700	\$0	\$10,000
15293	Sanitary Sewer System Upgrade/Rehab Program	\$1,087,200	\$0	\$10,000
15301	Watermain Construction and Replacement Program	\$4,925,700	\$0	\$10,000
	<b>Total</b>	<b>\$56,830,000</b>		

**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name** Greensborough Williamson / A. Paterson N. P.  
Construction

**Project Number** 15004

**Estimated Total Cost of Project**

1,016,800

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**Commission** Development Services

**Department** Design

**Project Description**

This project is to hire a contractor to build this 3.88 ac / 1.57 ha neighborhood park.

***Location***

**Corner of Desjardin Dr. and Williamson Rd. in Greensborough.**

**Work to be Performed** Park program includes a junior / senior playground, shade structure, outdoor fitness equipment, winter water service, walkways, seating, and landscaping.

***Reason for Work***

Park needs to be constructed to accommodate growth.

***Impact on Future Operating Budgets: Slight \$10,001 to \$50,0000***

**Estimated Project Completion Date – June 2016.**



**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name** Monarch Cathedraltown North Park -Construction  
**Project Number** 15005

**Estimated Total Cost of Project**

1,481,400

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**Commission** Development Services  
**Department** Design

**Project Description**

This project is to hire the contractor to construct this 5.157 ac. / 2.08 ha neighborhood park.

***Location***

Surrounded by Gillings St, Helford At. And Livante Crt. in Greensborough.

**Work to be Performed**

Park facilities include junior / senior children’s play facilities, soccer field, shade structure, basketball court, outdoor fitness equipment, winter water service, seating, walkways and landscaping.

**Reason for Work**

*Park needs to be constructed to accommodate growth*

***Impact on Future Operating Budgets Slight \$10,001 to \$50,0000***

**Estimated Project Completion Date – June 2016.**

**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name**                      **South East Community Centre Park - Construction**

**Project Number**                  **15007**

**Estimated Total Cost of Project**

2,726,300
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**Commission**                      **Development Services**

**Department**                    **Design**

**Project Description**

To hire the contractor to construct this new 5 ac. / 2.02 ha neighbourhood park.

***Location***

**14<sup>th</sup> Avenue immediately to the east of the new South East Community Centre.**

**Work to be Performed**

Park facilities include a large shade pavilion, water play facility, junior and senior playgrounds, mini skateboard park, outdoor fitness equipment, shade structures, plaza, 'common green', walkways, seating and landscaping.

***Reason for Work***

*Park needs to be constructed to accommodate growth*

***Impact on Future Operating Budgets: Slight \$10,001 to \$50,0000***

**Estimated Project Completion Date – December 2016.**



**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name** Wismer Donald Mingay Woodlot Park - Construction

**Project Number** 15009

**Estimated Total Cost of Project**

1,016,800

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**Commission** Development Services

**Department** Design

**Project Description**

This project is to hire the contractor to construct this 7.2 acre (2.9 ha) woodlot park.

***Location***

South of Wismer Public Elementary School off Mingay.

**Work to be Performed**

Park facilities include a junior/senior playground, shade structure, pathways, woodlot trails, seating, landscaping.

***Reason for Work***

*Park needs to be constructed to accommodate growth*

***Impact on Future Operating Budgets: Slight \$10,001 to \$50,000***

**Estimated Project Completion Date –July 2016**

## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name**                **Library Collections**

**Project Number**        **15011**

**Estimated Total Cost of Project**

2,035,600
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**Commission**                **Community & Fire Services**

**Department**              **Markham Public Library**

### **Project Description**

#### ***Location***

City-wide – All Markham Public Library locations

#### **Work to be Performed**

To purchase library collection materials for use by residents. Includes periodicals, electronic resources, books, multilingual materials, French materials, media, CDs, talking books, and processing supplies.

#### ***Reason for Work***

To maintain public library collections for public use.

#### ***Impact on Future Operating Budgets***

**Negligible** – The impact will be less than \$10,000 annually.

**Estimated Project Completion Date** – December 2015





## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** Asphalt Resurfacing

**Project Number** 15012 – Asphalt

**Estimated Total Cost of Project**

5,340,500

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**Commission** Community & Fire Services

**Department** Operations - Roads

### **Project Description**

Asphalt resurfacing of roads throughout the City utilizing a pavement management program to select rehabilitation candidates.

### **Location**

City Wide

### **Work to be Performed**

Asphalt resurfacing of approximately 15kms of roadway, and pavement preservation of approximately 20kms of roadway. Under this program we also include material testing, route and seal, interlocking repair as it relates to asphalt resurfacing, the asphalt cement index, and the purchase of steel products such as maintenance hole frames and lids and catch basin frames and lids.

### ***Reason for Work***

To maintain an acceptable pavement condition index by using cost effective strategies designed to extend the pavement life and reduce overall maintenance costs of the road network.

### **Impact on Future Operating Budgets**

**Positive** - The project which will either lead to reduced operating costs or will afford future cost avoidance.

**Estimated Project Completion Date** – December 2015

## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** Emerald Ash Borer Program - Year 3 of 5

**Project Number** 15013

**Estimated Total Cost of Project**

4,528,600
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**Commission** Community & Fire Services

**Department** Operations - Parks

### **Project Description**

This project will address the due diligence issues and tree canopy restoration, resulting from the decline in our urban forest due to the Emerald Ash Borer (EAB) infestation. Project components include treatment, removal of trees, disposal, stumping, supply, installation and maintenance of the newly planted trees citywide.

**Location** *Citywide*

### **Work to be Performed**

*Communications strategy, treatment, assessment, tree removal, stumping, planting & watering, woodland inventory and removals*

### **Reason for Work**

To deal with the effects and impacts of the EAB upon all City owned ash trees and to address safety and hazardous issues first and replace and replant ash trees; To re-assess annually the health and structure of ash trees, data collection, updates and continuation of data captured of all remaining boulevard and park trees.

**Impact on Future Operating Budgets** *Slight - The Impact will be between \$10,001 and \$50,000 annually*

**Estimated Project Completion Date** – This is a 5 year program, commencing in 2013, estimated to be completed by year end of 2017.



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** West Thornhill Flood Control Construction - Ph 1B & 1C

**Project Number** 15014

**Estimated Total Cost of Project**

8,479,000

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**Commission** Community & Fire Services

**Department** Asset Mgmt -Environmental Assets

### **Project Description**

To continue with the flood remediation program in West Thornhill area based on Class EA study recommendations. This budget request is for the construction of Phases 1B and 1C areas.

### **Location**

Phase 1B: Laureleaf Road, Poinsetta Drive, Wildrose Crescent, Glencrest Park Easement and Multiflora Place

Phase 1C: Canadiana Drive

### **Work to be Performed**

To continue with the flood remediation program in West Thornhill area based on Class EA study recommendations. This capital project request is for construction of Phases 1B and 1C areas.

### **Reason for Work**

This project will improve the health and safety of Markham residents in terms of flood protection and reduction in basement flooding risks.

### **Impact on Future Operating Budgets**

**Negligible** - The impact will be less than \$10,000 annually

### **Estimated Project Completion Date**

December 2016

**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name** Wismer Hwy #48 Museum Park North - Construction

**Project Number** 15036

**Estimated Total Cost of Project**

1,599,900

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**Commission** Development Services

**Department** Design

**Project Description**

This project is to hire the contractor to construct this new 1.2 ac (0.5 ha) neighborhood park.

***Location***

**On Highway 48 / Main Street Markham North, immediately north of the Markham Museum.**

**Work to be Performed**

Park facilities to include a large park pavilion, shade structures, junior / senior play ground, water play facility, adult fitness equipment, pathways, seating, and landscaping.

***Reason for Work***

Park needs to be constructed to accommodate growth.

***Impact on Future Operating Budgets***

***Slight - \$10,001 to \$50,0000***

**Estimated Project Completion Date – December 2016.**



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** Hwy 404 Mid-block Crossing, N of Hwy 7 Overall: \$38.4M

**Project Number** 15049

**Estimated Total Cost of Project**

5,026,000

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**Commission** Development Services

**Department** Engineering

**Project Description** Highway 404 Mid-Block Crossing, North of Highway 7. Region of York to manage Construction. Cost is to be shared with Region and Richmond Hill in accordance to the Tri-Party Agreement. This request is to cover the updated estimate of the City's portion of the total works for the project.

***Location***

Highway 404, Mid-Block Crossing, North of highway 7, from Allstate Parkway and Centurian to East Pearce, Richmond Hill.

**Work to be Performed**

Construction of new structures (flyover)

***Reason for Work***

East West link over Highway 404 is required for future development from Richmond Hill and markham.

***Impact on Future Operating Budgets***

**Negligible** - The impact will be less than \$10,000 annually

**Estimated Project Completion Date** – Region to tender/construct– Start construction 2016, complete by 2017.

**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name**                      **Multi-Use Pathways 2015 - Phase 2 of 4**

**Project Number**                **15062**

**Estimated Total Cost of Project**

3,960,000
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**Commission**                      Development Services

**Department**                    Engineering

**Project Description**

Phase 2 of Multi-Use Path Project - Including Bridge structures. Entry features and signages for all MUP will also be included.

***Location***

Markham multi-use Pathway for the following locations:

East of Markham Road to 14<sup>th</sup> Ave. through the Rough River valleys including 3 pedestrian bridges.

**Work to be Performed**

Construct bridges and multiuse pathways.

***Reason for Work***

Provide pedestrian access and to adhere to council directions/initiatives with Multiuse path program.

***Impact on Future Operating Budgets***

**Negligible** - The impact will be less than \$10,000 annually

**Estimated Project Completion Date** – End of 2016.



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** Municipal Rd. South of 14th. Middlefield to 14th (Con)

**Project Number** 15063

**Estimated Total Cost of Project**

4,014,000

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**Commission** Development Services

**Department** Engineering

### **Project Description**

Construction of E/W Municipal Road South of 14th, from Middlefield to 14th Ave. This is to provide access to the SECCL community centre in accordance to Council Report June 11, 2013. The developer is currently undertaking the design for the road and is expected to construct it in 2015.

### **Location**

Municipal Road South of 14<sup>th</sup> Ave. from Middle Field to 14<sup>th</sup> Ave. South of proposed community Centre.

### **Work to be Performed**

Construct a municipal road connecting Middlefield Rd and 14<sup>th</sup> Avenue, surrounding the new community center.

### **Reason for Work**

Provide vehicular/pedestrian access to new community Center.

### **Impact on Future Operating Budgets**

Negligible – The impact will be less than \$10,000 annually.

**Estimated Project Completion Date** – *To be completed in Summer, 2016*

**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name**            **Core IT Infrastructure**

**Project Number**        **15102**

**Estimated Total Cost of Project**

1,631,200
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**Commission**            Corporate Services

**Department**            ITS

**Project Description**    Consists of 7 Sub items - all Life Cycle replacement

**Location**                Civic Centre

**Work to be Performed**

Life Cycle hardware replacement

***Reason for Work***

Due to aging infrastructure hardware

***Impact on Future Operating Budgets***

**Slight - Negligible**

**Estimated Project Completion Date** – 80% by December 2015 remaining 20% by Q2 2016.





## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** Corporate Fleet Replacement - Non-Fire

**Project Number** 15241

**Estimated Total Cost of Project**

1,649,300

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**Commission** Community & Fire Services

**Department** Operations - Fleet

### **Project Description**

2015 Annual Fleet Replacement Program based on the Council adopted Corporate Fleet Policy Guidelines. Life cycle costing targets optimal replacement intervals (ORI) which identifies the most cost effective time period for replacement. All vehicles and equipment contained in this program have reached or surpassed the ORI

*Location* N/A

### **Work to be Performed**

*Replacement of vehicles and equipment*

### **Reason for Work**

Met required fleet replacement guideline with respect to lifecycle replacement criteria

### **Impact on Future Operating Budgets**

Slight - The Impact will be between \$10,001 and \$50,000 annually

**Estimated Project Completion Date** – June 2016

**CAPITAL PROJECT REQUESTS FOR  
PROJECTS OVER \$1 MILLION**

**Project Name**                      **Operations Facilities - Fuel Facilities Improvements**

**Project Number**                **15261**

**Estimated Total Cost of Project**

1,611,900
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**Commission**                      **Community & Fire Services**

**Department**                    **Asset Mgmt - Facility Assets**

**Project Description**

Project includes Fuel Tank delivery and control improvements works at various Operations Facilities, triggered by new code compliance requirements.

**Location**

*555 Miller Works Yard, Central Parks Shop, Milne Park Shop, East Parks Shop and West Parks Shop.*

**Work to be Performed**

Decommissioning and removal of fuel tanks and fuel pumps on all 5 sites. Supply and install new fuel facilities at 555 Miller Works Yard and Central Parks Shop (2 sites).

***Reason for Work***

*Fuel facilities are at the end of their useful life and no longer code compliant.*

***Impact on Future Operating Budgets***

***High*** - *The impact will result in an increase of \$100,001 or more annually*

**Estimated Project Completion Date** – December, 2017.



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name**                      Roofing Replacement Projects

**Project Number**                  15266

**Estimated Total Cost of Project**

1,152,900
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**Commission**                      Community & Fire Services

**Department**                    Asset Mgmt - Facility Assets

### **Project Description**

This project includes roofing and accessories replacement works at various locations throughout the City.

### ***Location***

City-wide – various facilities including Civic Centre, Crosby Arena, Milliken Mills Community Centre, Museum and Milne Park

### **Work to be Performed**

Replace roofs, skylights and sealants at parts of these facilities

### ***Reason for Work***

To maintain City owned facilities in a good state of repair

### ***Impact on Future Operating Budgets***

Negligible - The impact will be less than \$10,000 annually

**Estimated Project Completion Date** – July, 2016

## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** SWM Pond Cleaning - ID#7 and ID#59

**Project Number** 15272

**Estimated Total Cost of Project**

1,043,200

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**Commission** Community & Fire Services

**Department** Asset Mgmt -Environmental Assets

### **Project Description**

Sediment cleaning of two (2) wet Ponds: ID #59: Berczy Village - Pond I and ID#7: SE Quadrant Brown's Corner.

### **Location**

- ID#7 (Ward #8): SE Quadrant Brown's Corner – North east corner of Highway ETR 407 and Rodick Road.
- ID#59 (Ward #6): Berczy Village – Pond I - South east corner of Major Mackenzie Drive and Keneddy Road.

### **Work to be Performed**

Sediment cleaning of two (2) wet ponds: ID #59 (Berczy Village – Pond I) and ID#7 (SE Quadrant Brown's Corner)

### **Reason for Work**

To improve the downstream water quality, enhance fish habitat and maintain a sustainable healthy ecosystem that is line with City's Greenprint initiative.

### **Impact on Future Operating Budgets**

Negligible - The impact will be less than \$10,000 annually

### **Estimated Project Completion Date**

December 2016



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name** Streetlights - Underground Cable Replacement/ Repair

**Project Number** 15279

**Estimated Total Cost of Project**

2,503,700

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**Commission** Community & Fire Services

**Department** Asset Mgmt - Right-of-way Assets

### **Project Description**

Replacement of the underground streetlight cables due to frequent faults in older areas. These cables were installed prior to 1960s.

### ***Location***

20 Km City wide

### **Work to be Performed**

Replacement of underground streetlight cables due to frequent faults in older areas.

### ***Reason for Work***

To maintain the existing assets through lifecycle program and improve the service levels for residents.

### ***Impact on Future Operating Budgets***

**Negligible** - The impact will be less than \$10,000 annually

### **Estimated Project Completion Date**

December 2016

## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name**                    **Sanitary Sewer System Upgrade/Rehab Program**

**Project Number**                **15293**

**Estimated Total Cost of Project**

1,087,200
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**Commission**                    **Community & Fire Services**

**Department**                    **Waterworks**

### **Project Description**

Structural and service repairs of sanitary manholes. Mainline and lateral distribution system including grouting works for infiltration. All repairs are completed with trenchless methods and remotely completed inside the sewers through the manhole from the road surface.

### **Location**

City wide

### **Work to be Performed**

Structural and service repairs of sanitary manholes, mainline and lateral distribution system including grouting works for infiltration. All repairs are completed with trenchless methods and remotely completed inside the sewers through the manhole from the road surface.

### **Reason for Work**

Rehabilitation and repairs of sanitary sewers for defects identified in previous years' sanitary sewer inspection program.

### **Impact on Future Operating Budgets**

**Negligible** - *The impact will be less than \$10,000 annually*

**Estimated Project Completion Date** – November 30, 2015



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

**Project Name**                      **Watermain Construction and Replacement Program**

**Project Number**                    **15301**

**Estimated Total Cost of Project**

4,925,700
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**Commission**                      Community & Fire Services

**Department**                      Waterworks

### **Project Description**

Replacement of watermains at the end of their lifecycle.

### **Location**

1. Miller Ave (Woodbine to Rodick Rd – Engineering project)
2. Yonge St (Langstaff to Kirk Dr – Asset Mgmt project)
3. Hwy 7 (Warden Ave to Railroad tracks – York Region project)
4. Fairway Heights Dr (Steeles Ave to Fairway Hts Cres - Asset Mgmt project)
5. Almond Ave (Grandview Ave to Pinevale Rd - Asset Mgmt project)
6. Natalie Ct looping - Asset Mgmt project)
7. Markham Rd looping - Asset Mgmt project)
8. McCowan Rd disconnection - Asset Mgmt project)
9. Laureleaf Rd and Canadiana Drive (in conjunction with Asset Mgmt storm sewer project)

**Work to be Performed** - Replacement of watermains at the end of their lifecycle.

**Reason for Work** - Maintain and replace municipal services to reduce service interruptions, maintain water quality, reduce risks and liabilities, and provide continuing good customer service.

### **Impact on Future Operating Budgets**

**Negligible** - The impact will be less than \$10,000 annually

**Estimated Project Completion Date** – November 30, 2015

## BUILDING STANDARDS BUDGET

The Building Standards Department is responsible for the administration of Ontario Building Code and other applicable laws including the City's zoning by-laws. The department issues building permits and provides inspections for all new or renovated buildings within Markham's borders, and its Operating budget funds all operations related to this department's work. Building Standards operations is part of the Operating Fund but it is identified separately due to its self-funding nature.

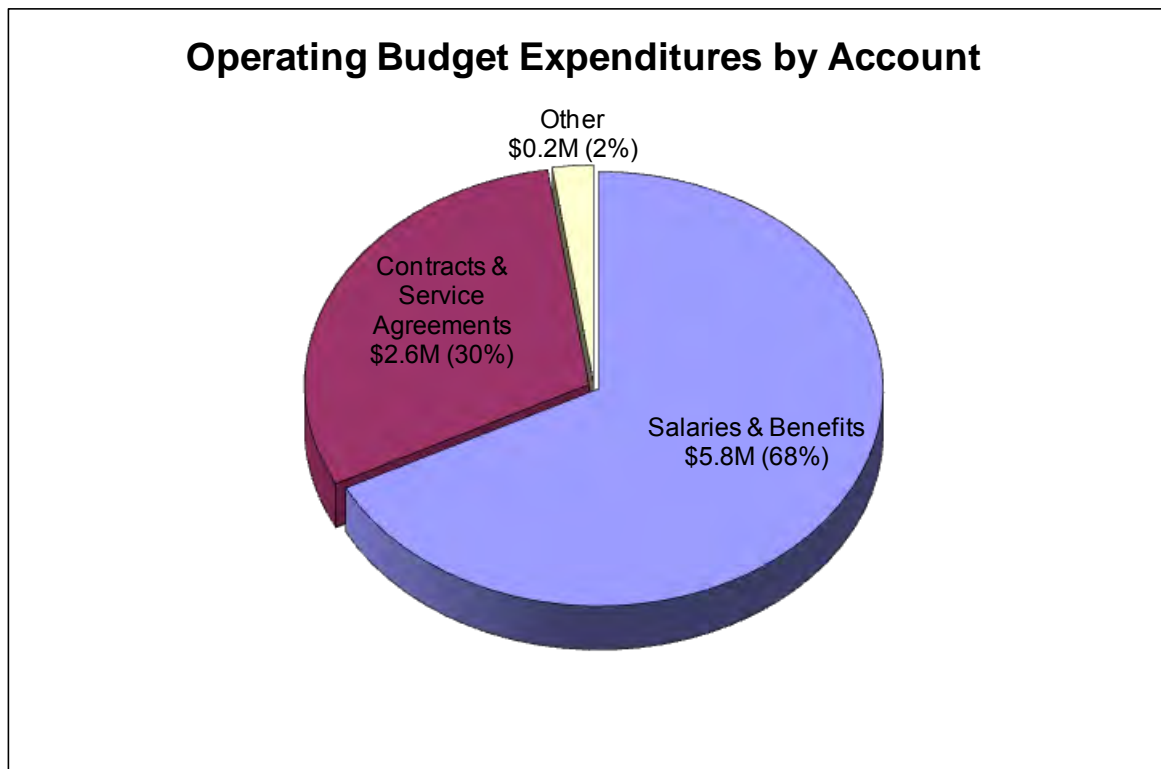
The new Building Code Statute Law Amendment Act, 2002 (Bill 124) took effect July 1, 2005. This legislation stipulates fees must not exceed the anticipated reasonable cost to administer and enforce the Act and that revenues and costs be reported separately.

### Operating Budget

#### Expenditures

The 2015 Operating Budget for Building totals \$8,529,259 (before transfers to/from reserves). This marks an increase of \$143,211 from the 2014 Operating Budget due to an increase in expenditures.

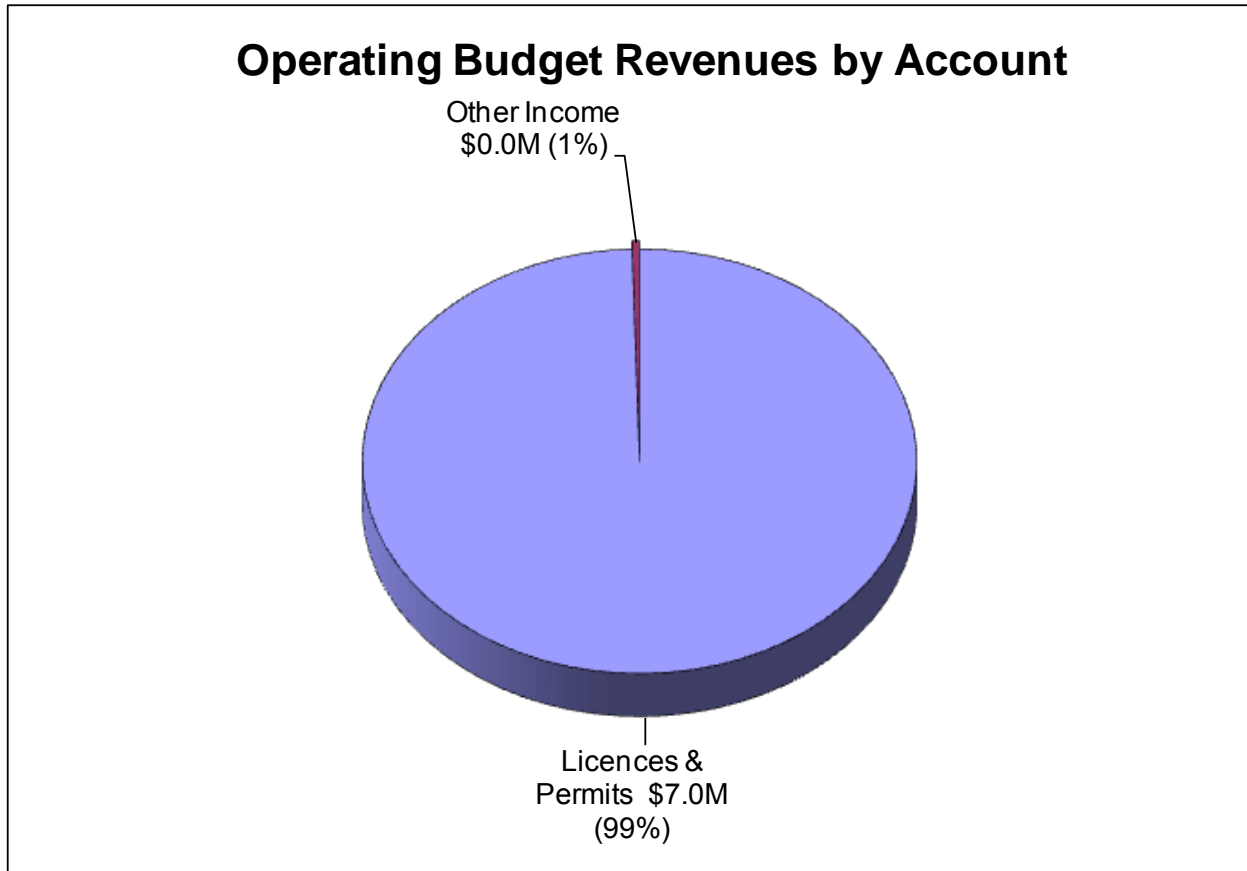
The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 68% of the Operating Budget. Contracts & Service Agreement represents 30% of the Operating Budget which include indirect costs such as ITS equipment, other department's services, overhead costs, and other expenditures accounting for 2%.





## Revenues

The Operating Budget is funded mainly through revenues from Licences and Permits related to Building permit applications.



## Capital Budget

The 2015 Building Standards Capital Budget totals \$50,900. The capital project is for the review of the sign by-law which is funded from Building fees.



## BUILDING STANDARDS CONSOLIDATED 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenue</b>									
LICENCES & PERMITS	\$9,257,882	\$7,098,276	\$6,816,991	\$7,035,112	\$218,121	3.2%	(\$63,164)	-0.9%	
USER FEES & SERVICE CHARGES	71,274	76,448	30,140	30,140	0	0.0%	(46,308)	-60.6%	
OTHER REVENUE	(15,550)	(5,250)	0	0	0	0.0%	5,250	-100.0%	
<b>Total Revenues</b>	<b>\$9,313,606</b>	<b>\$7,169,474</b>	<b>\$6,847,131</b>	<b>\$7,065,252</b>	<b>\$218,121</b>	<b>3.2%</b>	<b>(\$104,222)</b>	<b>-1.5%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$5,038,492	\$5,235,064	\$5,702,212	\$5,774,296	\$72,084	1.3%	\$539,232	10.3%	
PRINTING & OFFICE SUPPLIES	63,430	53,661	57,000	57,000	0	0.0%	3,339	6.2%	
OPERATING MATERIALS & SUPPLIES	18,969	12,280	23,500	23,740	240	1.0%	11,460	93.3%	
COMMUNICATIONS	23,635	34,728	34,040	35,800	1,760	5.2%	1,072	3.1%	
TRAVEL EXPENSES	3,310	3,803	6,000	6,000	0	0.0%	2,197	57.8%	
TRAINING	24,874	19,598	30,000	26,000	(4,000)	-13.3%	6,402	32.7%	
CONTRACTS & SERVICE AGREEMENTS	2,148,528	2,484,796	2,484,796	2,555,923	71,127	2.9%	71,127	2.9%	
RENTAL/LEASE	111	0	2,500	0	(2,500)	-100.0%	0	0.0%	
PROFESSIONAL SERVICES	222	5,247	16,000	10,500	(5,500)	-34.4%	5,253	100.1%	
LICENCES, PERMITS, FEES	20,049	19,733	19,000	25,000	6,000	31.6%	5,267	26.7%	
CREDIT CARD SERVICE CHARGES	19,662	15,058	10,000	15,000	5,000	50.0%	(58)	-0.4%	
PROMOTION & ADVERTISING	2,149	0	1,000	0	(1,000)	-100.0%	0	0.0%	
TRANSFERS TO RESERVES	0	(714,494)	(1,538,917)	(1,464,007)	74,910	-4.9%	(749,513)	104.9%	
<b>Total Expenses</b>	<b>\$7,363,431</b>	<b>\$7,169,474</b>	<b>\$6,847,131</b>	<b>\$7,065,252</b>	<b>\$218,121</b>	<b>3.2%</b>	<b>(\$104,222)</b>	<b>-1.5%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>(\$1,950,175)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Full Time Compliment</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>					

Changes in the 2015 Budget from the 2014 Budget over \$50,000:

Licences & Permits: Increase is due to the increased number of permits expected in 2015.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's Salary Grids.

Contracts & Service Agreements: Increase is due to the annual adjustment of support costs charged from the City to the department.

Transfers to Reserves: Adjustment to balance the department's budget to zero.

## PLANNING & DESIGN BUDGET

The Planning & Design Department is responsible for the long range strategic planning and current development control, formulation of plans, policies, regulations, and guidelines on land use, development, urban design, and growth management; processing and evaluation of development applications; data collection, analysis, research and monitoring on land use, planning policy and growth related matters; digital mapping related functions; community outreach, liaison and information.

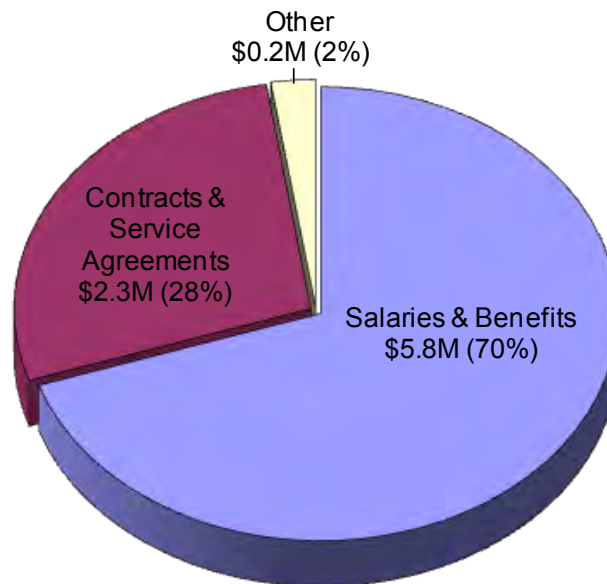
### Operating Budget

#### Expenditures

The 2015 Operating Budget for Planning & Design totals \$8,212,073 (before transfers to/from reserves). This marks an increase of \$382,805 from the 2014 Operating Budget due to an increase in expenditures.

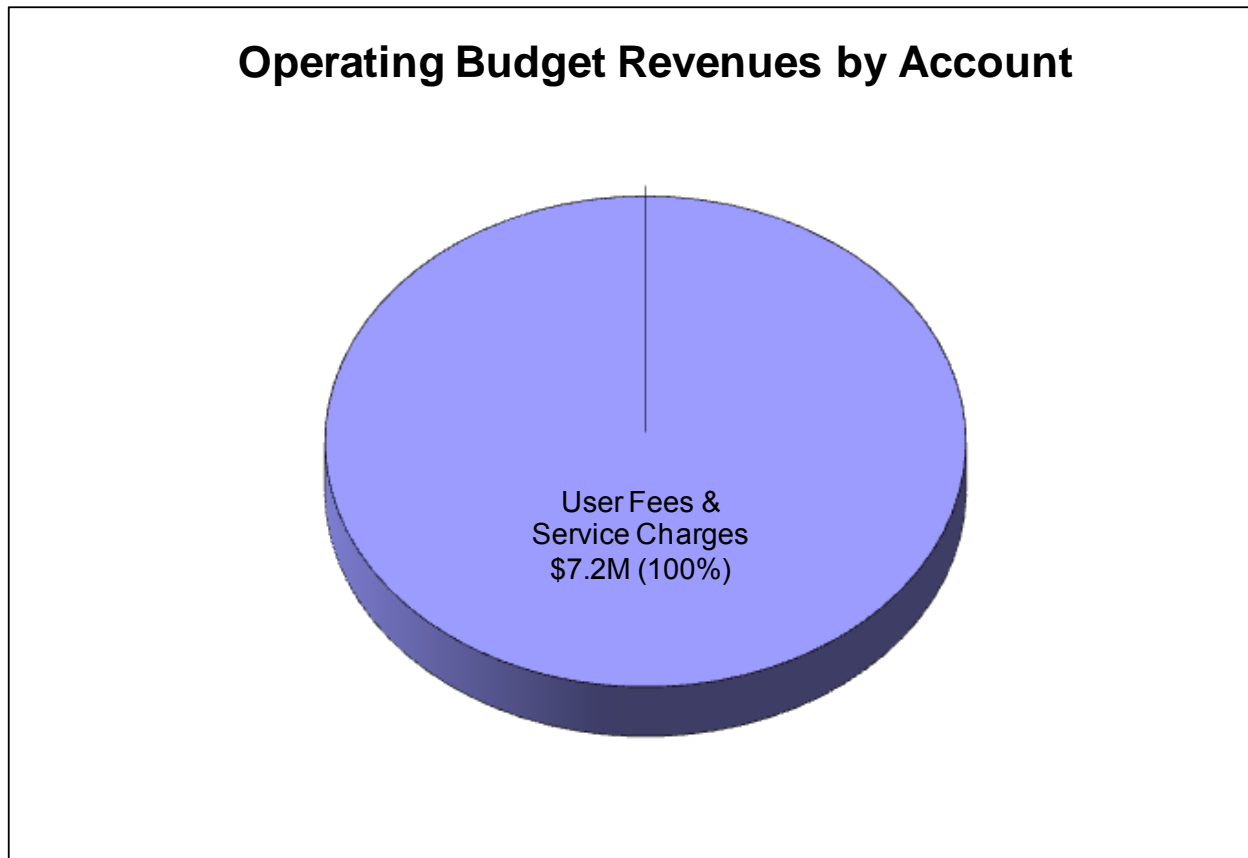
The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 70% of the Operating Budget. Contracts & Service Agreement represents 28% of the Operating Budget which include indirect costs such as ITS equipment, other department's services, overhead costs, and other expenditures accounting for 2%.

#### Operating Budget Expenditures by Account



## Revenues

The Operating Budget is funded through revenues from User Fees & Service Charges related to Planning Fees.



## Capital Budget

The 2015 Planning Capital Budget totals \$2,339,100 which is primarily funded from Development Charges. The capital projects include future urban area and secondary plan studies, annual advisory and improvement programs, and development area studies.

The 2015 Design Capital Budget totals \$12,797,900 which is primarily funded from Development Charges. The capital projects include the design and construction of 14 new parks.



## PLANNING & DESIGN CONSOLIDATED 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$5,199,531	\$5,760,592	\$6,974,242	\$7,248,809	\$274,567	3.9%	\$1,488,217	25.8%
OTHER REVENUE	400	48,485	0	0	0	0.0%	(48,485)	-100.0%
<b>Total Revenues</b>	<b>\$5,199,931</b>	<b>\$5,809,077</b>	<b>\$6,974,242</b>	<b>\$7,248,809</b>	<b>\$274,567</b>	<b>3.9%</b>	<b>\$1,439,732</b>	<b>24.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,212,480	\$5,325,450	\$5,629,937	\$5,762,870	\$132,933	2.4%	\$437,420	8.2%
PRINTING & OFFICE SUPPLIES	35,061	38,292	43,092	29,723	(13,369)	-31.0%	(8,569)	-22.4%
OPERATING MATERIALS & SUPPLIES	44,407	4,311	6,803	6,803	0	0.0%	2,492	57.8%
COMMUNICATIONS	7,643	12,297	10,869	16,269	5,400	49.7%	3,972	32.3%
TRAVEL EXPENSES	34,037	33,066	29,342	29,342	0	0.0%	(3,724)	-11.3%
TRAINING	16,554	8,444	15,000	15,000	0	0.0%	6,556	77.6%
CONTRACTS & SERVICE AGREEMENTS	2,585,861	2,022,894	2,028,294	2,272,766	244,472	12.1%	249,872	12.4%
RENTAL/LEASE	0	1,470	3,000	3,000	0	0.0%	1,530	104.1%
PROFESSIONAL SERVICES	680,960	25,655	38,748	38,748	0	0.0%	13,093	51.0%
LICENCES, PERMITS, FEES	42,625	36,248	22,995	22,995	0	0.0%	(13,253)	-36.6%
CREDIT CARD SERVICE CHARGES	5,252	5,254	1,823	1,823	0	0.0%	(3,431)	-65.3%
PROMOTION & ADVERTISING	13,737	6,673	4,365	4,365	0	0.0%	(2,308)	-34.6%
OTHER EXPENDITURES	15,201	7,689	(5,000)	(5,000)	0	0.0%	(12,689)	-165.0%
TRANSFERS TO RESERVES	39,439	(1,720,828)	(855,026)	(963,264)	(108,238)	12.7%	757,564	-44.0%
<b>Total Expenses</b>	<b>\$8,733,257</b>	<b>\$5,806,915</b>	<b>\$6,974,242</b>	<b>\$7,235,440</b>	<b>\$261,198</b>	<b>3.7%</b>	<b>\$1,428,525</b>	<b>24.6%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$3,533,326</b>	<b>(\$2,162)</b>	<b>\$0</b>	<b>(\$13,369)</b>	<b>(\$13,369)</b>	<b>0.0%</b>	<b>(\$11,207)</b>	<b>518.4%</b>
<b>Full Time Compliment</b>	<b>47</b>	<b>50</b>	<b>50</b>	<b>50</b>				

Changes in the 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased number of applications expected in 2015 and increased rates for fees.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's Salary Grids.

Contracts & Service Agreements: Increase is due to the annual adjustment of support costs charged from the City to the department.

Transfers to Reserves: Adjustment to balance the department's budget to zero.

## ENGINEERING BUDGET

The Engineering Department is responsible for the planning and delivery of infrastructure, transportation, and environmental engineering. This includes: new subdivision & site plan applications, construction of storm & sanitary sewers, watermains, and roads.

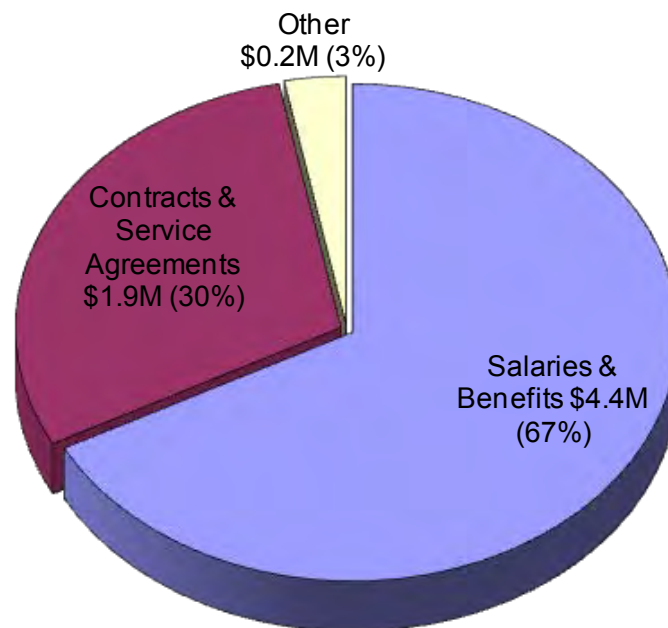
### Operating Budget

#### Expenditures

The 2015 Operating Budget for Engineering totals \$6,566,574 (before transfers to/from reserves). This marks an increase of \$38,767 from the 2014 Operating Budget due to an increase in contract service agreements and other expenditures.

The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 67% of the Operating Budget. Contracts & Service Agreement represents 30% of the Operating Budget which include indirect costs such as ITS equipment, other department's services, overhead costs, and other expenditures accounting for 3%.

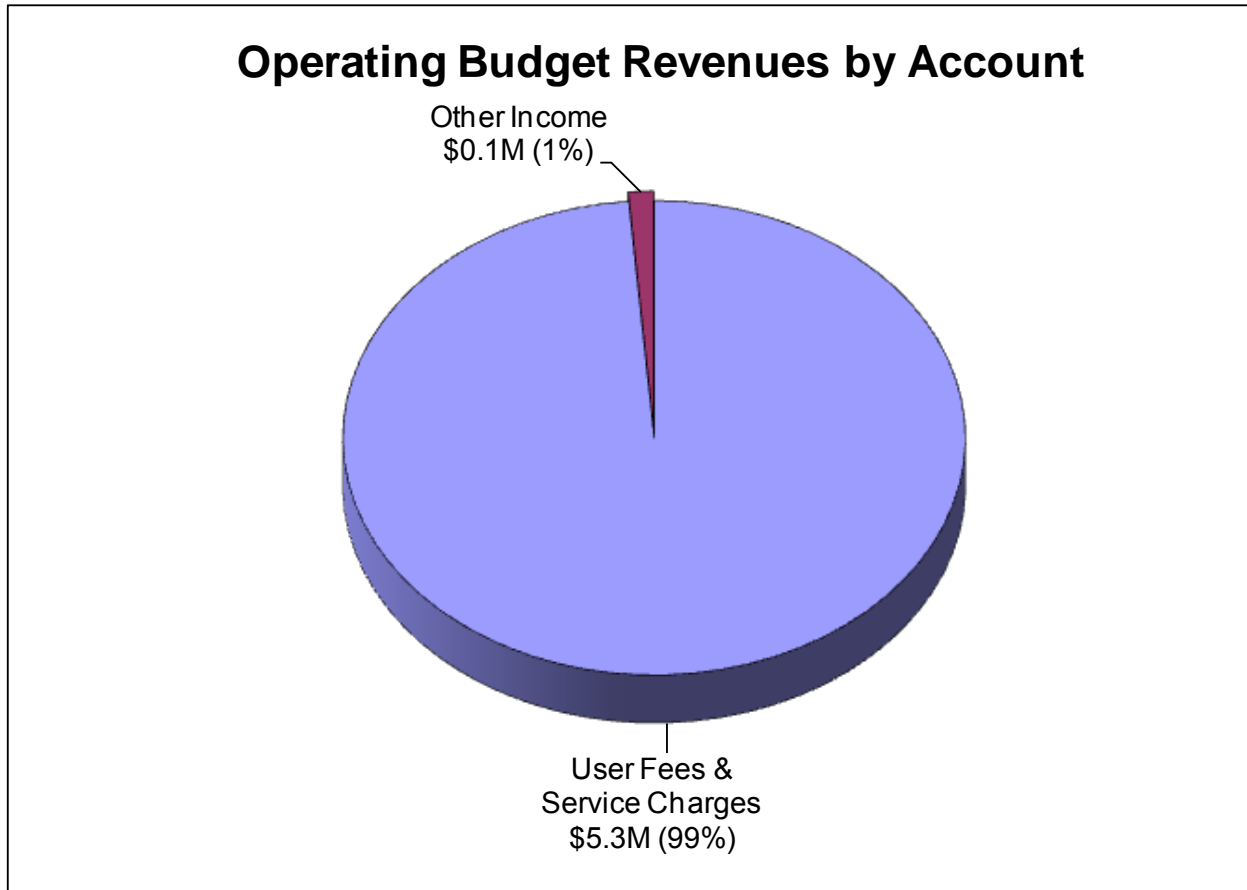
### Operating Budget Expenditures by Account





## Revenues

The Operating Budget is funded mainly through revenues from User Fees & Service Charges related to Engineering Fees.



## Capital Budget

The 2015 Engineering Capital Budget totals \$21,384,300 which is primarily funded from Development Charges. The capital projects include the design and construction of roads and transportation studies.



## ENGINEERING CONSOLIDATED 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenue</b>									
USER FEES & SERVICE CHARGES	\$4,604,514	\$4,113,444	\$4,926,607	\$5,027,032	\$100,425	2.0%	\$913,588	22.2%	
RECOVERIES & CONTRIBUTIONS	52,139	105,065	54,065	64,996	10,931	20.2%	(40,069)	-38.1%	
OTHER REVENUE	0	(1,625)	0	0					
<b>Total Revenues</b>	<b>\$4,791,824</b>	<b>\$4,216,884</b>	<b>\$4,980,672</b>	<b>\$5,092,028</b>	<b>\$111,356</b>	<b>2.2%</b>	<b>\$875,144</b>	<b>20.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$4,030,935	\$4,305,174	\$4,381,956	\$4,444,186	\$62,230	1.4%	\$139,012	3.2%	
PRINTING & OFFICE SUPPLIES	13,842	28,258	21,000	32,000	11,000	52.4%	3,742	13.2%	
OPERATING MATERIALS & SUPPLIES	14,796	5,826	21,000	11,000	(10,000)	-47.6%	5,174	88.8%	
COMMUNICATIONS	15,522	25,257	20,696	27,500	6,804	32.9%	2,243	8.9%	
TRAVEL EXPENSES	10,296	6,310	20,000	15,000	(5,000)	-25.0%	8,690	137.7%	
TRAINING	6,703	7,505	18,000	14,500	(3,500)	-19.4%	6,995	93.2%	
CONTRACTS & SERVICE AGREEMENTS	7,681,015	1,907,578	1,998,355	1,935,388	(62,967)	-3.2%	27,810	1.5%	
MAINT. & REPAIR-TIME/MATERIAL	3,791	(122)	3,000	3,000	0	0.0%	3,122	-2559.0%	
RENTAL/LEASE	8,664	8,726	9,000	6,000	(3,000)	-33.3%	(2,726)	-31.2%	
PROFESSIONAL SERVICES	979,771	6,622	10,000	45,000	35,000	350.0%	38,378	579.6%	
LICENCES, PERMITS, FEES	18,235	14,667	24,800	31,000	6,200	25.0%	16,333	111.4%	
TRANSFERS TO RESERVES	39,439	(2,102,973)	(1,547,135)	(1,474,546)	72,589	-4.7%	628,427	-29.9%	
OTHER EXPENSES	0	4,056	0	2,000	2,000	0.0%	(2,056)	-50.7%	
<b>Total Expenses</b>	<b>\$12,823,009</b>	<b>\$4,216,884</b>	<b>\$4,980,672</b>	<b>\$5,092,028</b>	<b>\$111,356</b>	<b>2.2%</b>	<b>\$875,144</b>	<b>20.8%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$8,031,185</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Full Time Compliment</b>	<b>39</b>	<b>39</b>	<b>39</b>	<b>40</b>					

Changes in the 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased construction charges expected in 2015.

Salaries & Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Contracts & Service Agreements: Increase is due to the annual adjustment of support costs charged from the City to the department.

Transfers to Reserves: Adjustment to balance the department's budget to zero.





## **WATERWORKS BUDGET**

Operations relating to water and sanitary sewer are identified separately due to its self-funding nature. User fees from water billings are the main source of funding for the Waterworks Budget.

In 2007, the City of Markham implemented a Water & Wastewater Reserve Study to address the ongoing replacement and rehabilitation requirements for the aging water and sewer systems. The study made recommendations to the level of Water & Wastewater Infrastructure Surcharge to charge in order to sustain projected replacement and rehabilitation costs over the next 25 years.

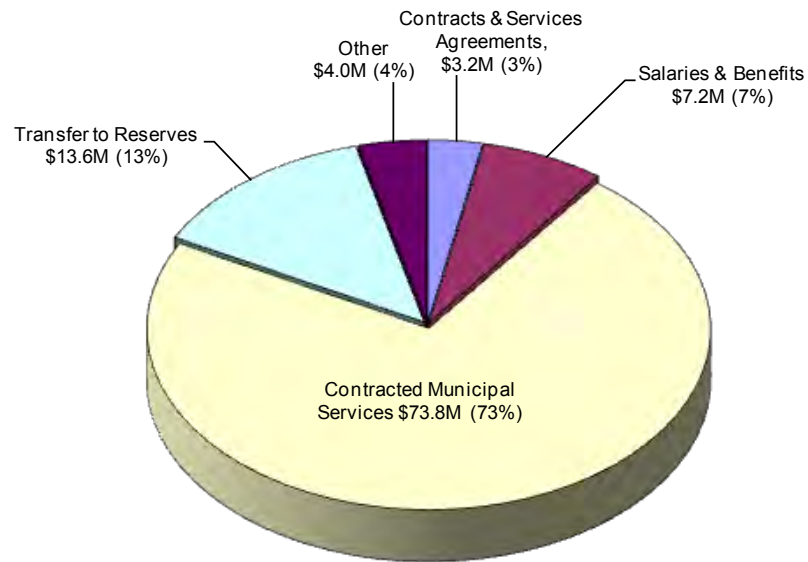
### **Operating Budget**

#### **Expenditures**

The 2015 Operating Budget for Waterworks totals \$101,754,579 (excluding prior year's surplus). This marks an increase of \$5.2 million over the 2014 Operating Budget.

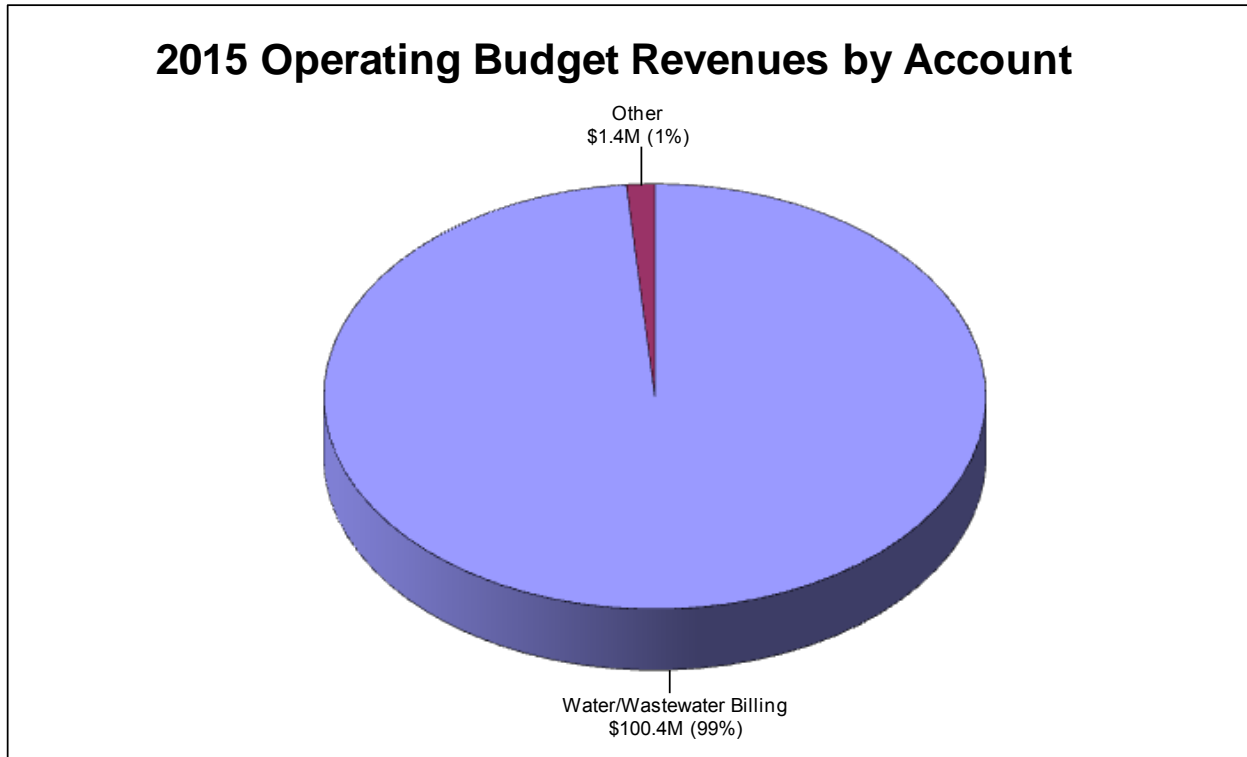
The figure below indicates that the major portion of budgeted expenditures is Contracted Municipal Services, which is for the purchase of water from the Region of York. Transfer to Reserves, which accounts for 13% of the Operating Budget, represents transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements. Contract & Service Agreements, which accounts for 3% of the Operating Budget, includes items such as inspection & cleaning of the sewer line, maintenance & repair of the water & sewer system, water sampling & testing, installation & maintenance of meters, and water/wastewater reading & billing.

## 2015 Operating Budget Expenditures by Account



## Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. Please refer to the figure below. The City's water/wastewater rates have increased by 8.2% from the previous year's level primarily as a result of the wholesale water rate increase from the Region of York effective April 1, 2015 (7.3% impact) and adjustments to the water/waste water surcharge to address the ongoing replacement & rehabilitation requirements for Waterworks infrastructure (0.9% impact).



## Capital Budget

The 2015 Waterworks Capital Budget totals \$10,918,800 which is fully funded from the Waterworks reserve. The capital projects include annual programs for watermain construction/replacement, relining of watermain, water meter replacement, and upgrades to water and sewer system. The Waterworks reserve also funds capital projects managed by other departments (such as ITS, Engineering and Fleet). The 2015 capital budget includes funding from Waterworks reserve in the amount of \$11,879,379.

## WATERWORKS CONSOLIDATED 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
TAXES - OTHER CHARGES	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
FINES/ BILLINGS	85,543,437	90,775,398	95,207,091	100,437,839	5,230,748	5.5%	9,662,443	10.6%	
USER FEES & SERVICE CHARGES	630,410	469,542	627,260	645,410	18,150	2.9%	175,868	37.5%	
SALES	420,499	480,988	298,830	298,830	0	0.0%	(182,156)	-37.9%	
RECOVERIES & CONTRIBUTIONS	278,885	219,992	372,500	372,500	0	0.0%	152,508	69.3%	
OTHER REVENUE	(99,959)	28,905	0	0	0	0.0%	(28,905)	-100.0%	
TRANSFERS FROM RESERVES	(696,607)	(1,515,001)	0	0	0	0.0%	1,515,001	-100.0%	
<b>Total Revenues</b>	<b>\$86,076,665</b>	<b>\$90,459,820</b>	<b>\$96,505,681</b>	<b>\$101,754,579</b>	<b>\$5,248,898</b>	<b>5.4%</b>	<b>\$11,294,759</b>	<b>12.5%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$6,488,898	\$6,775,392	\$6,973,106	\$7,222,734	\$249,628	3.6%	\$447,342	6.6%	
PRINTING & OFFICE SUPPLIES	29,307	25,979	33,292	33,292	0	0.0%	7,313	28.1%	
OPERATING MATERIALS & SUPPLIES	114,414	96,443	126,705	126,705	0	0.0%	30,262	31.4%	
CONSTRUCTION MATERIALS	556,174	549,307	667,612	630,347	(37,265)	-5.6%	81,040	14.8%	
UTILITIES	29,592	31,310	36,342	55,759	19,417	53.4%	24,449	78.1%	
COMMUNICATIONS	65,394	75,154	106,641	106,641	0	0.0%	31,487	41.9%	
TRAVEL EXPENSES	20,941	26,752	47,000	47,000	0	0.0%	20,248	75.7%	
TRAINING	45,592	51,499	56,250	56,250	0	0.0%	4,751	9.2%	
CONTRACTS & SERVICE AGREEMENTS	2,808,383	3,022,472	3,040,210	3,146,400	106,190	3.5%	123,928	4.1%	
MAINT. & REPAIR- TIME/MATERIAL	317,424	336,601	355,456	399,956	44,500	12.5%	63,355	18.8%	
RENTAL/LEASE	1,262	5,583	6,000	6,000	0	0.0%	417	7.5%	
PROFESSIONAL SERVICES	111,403	82,881	113,000	113,000	0	0.0%	30,119	36.3%	
LICENCES, PERMITS, FEES	46,317	37,795	54,800	54,800	0	0.0%	17,005	45.0%	
CREDIT CARD SERVICE CHARGES	313	483	250	250	0	0.0%	(233)	-48.2%	
PROMOTION & ADVERTISING	1,597	0	3,000	3,000	0	0.0%	3,000	0.0%	
CONTRACTED MUNICIPAL SERVICES	61,845,156	65,735,067	68,765,287	73,794,495	5,029,208	7.3%	8,059,428	12.3%	
OTHER PURCHASED SERVICES	2,019,075	2,280,623	2,280,620	2,336,094	55,474	2.4%	55,471	2.4%	
WRITE-OFFS	3,389	6,187	25,000	25,000	0	0.0%	18,813	304.1%	
TRANSFERS TO RESERVES	13,087,047	12,300,105	13,815,110	13,596,856	(218,254)	-1.6%	1,296,751	10.5%	
OTHER EXPENSES	0	(3,111,979)	0	0	0	0.0%	3,111,979	-100.0%	
<b>Total Expenses</b>	<b>\$87,591,668</b>	<b>\$88,327,654</b>	<b>\$96,505,681</b>	<b>\$101,754,579</b>	<b>\$5,248,898</b>	<b>5.4%</b>	<b>\$13,426,925</b>	<b>15.2%</b>	
<b>Net Expenditures/ (Revenues)</b>	<b>\$1,515,003</b>	<b>(\$2,132,166)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$2,132,166</b>	<b>-100.0%</b>	
<b>Full Time Compliment</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>65</b>					

Changes in the 2015 Budget from the 2014 Budget over \$50,000:

Fines/Billings: Increase in water sales due to water rate increase and volume adjustments

Salaries & Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids

Contracts & Service Agreements: Increase in water meter purchases due to anticipated growth as well as increased cost of the water billing contract with PowerStream

Contracted Municipal Services: Increased water purchases from the Region of York based on increased rates and volume adjustments

Other Purchased Services: Increase in indirect cost chargeback to Waterworks

Transfer to Reserves: Transfer to balance budget to zero.

## FINANCIAL POLICIES

### Financial Planning Policy

#### Budget Process

##### Proposed Budget

A proposed budget shall be prepared by the Financial Planning department with the participation of all of the City's business units within the provisions of the City's charter.

- The Budget shall include five basic segments for review and evaluation:
  - Taxation Revenues
  - Other Operation Revenues
  - Personnel Costs
  - Operations and Maintenance Costs (Non personnel costs)
  - Capital Costs
- The Budget review process shall include the City's Budget Committee participation in the development of each of the above segments of the proposed budget and public hearings to enable community participation and input.
- The Budget process shall be for a sufficient time span to adequately address policies and fiscal issues by the Budget Committee.
- The proposed Budget shall be presented by the Budget Committee to the General Committee for consent and subsequently to the Council.

#### Adoption of Budget

Upon receiving the recommendations from the General Committee, the Council will subsequently adopt by resolution such Budget, as the City's annual Budget for the year beginning January 1. It is not uncommon for municipalities to approve the budget post January 1 of the budget year. The City's 2015 Budget was approved on March 31, 2015.

#### Balanced Budget

In 2015, the City developed a balanced budget and was restated in accordance to Ontario Regulation 284/09 as part of the 2015 budget approval process.

Ontario Regulation 284/09 states that municipalities may exclude from budget, all or a portion of the estimated costs of amortization, post-employment benefits, solid waste landfill closure and post-closure expenses. Exclusion of these expenses allows for preparation and presentation of a traditionally balanced budget.

Further, as per the Regulation, the impact of these expenses that are excluded from the budget must be reported to Council under the new financial disclosure requirement.

#### Deficit Avoidance

Annual budgets will continue to show fiscal restraint. In any given year when revenue shortfalls or unforeseen expenditures appear to be more than temporary, both the Capital and Operating Budgets will be reviewed and a number of alternatives will be



identified to minimize the City's exposure including reallocating budgets and spending constraints.

### **Amendments to Approved Budget**

The Chief Administrative Officer (CAO) is authorized to freeze or reduce operating line item budget spending as fiscal conditions dictate. The CAO is to advise Council of the freezes or reductions at the earliest possible opportunity. Any amendments that may be required to the approved budget shall be made only after approval by the Council.

### **Post Budget Reallocation**

Reallocation of funds may be done between departments at the Commission level and among programs within a department and requires approval by the Commissioner.

### **Reporting**

Monthly financial reports will be distributed to the respective department heads to enable them to manage their budgets and enable the Treasurer to monitor and control the budget as authorized by the Council.

Summary financial and budgetary reports will be presented quarterly to the Council by Finance. Such reports will be in a format that will enable the Council to understand the budget and the financial status of the City.

### **Operating Fund Balance**

Actual surplus during a budget period will be transferred to the Corporate Rate Stabilization Reserve as a top up to a level equivalent to 15% of local tax revenues. This level is based on the Government Finance Officer Association's recommended "best practices" level of funding for the rate stabilization reserve. Funds remaining after the top up, if any, will replenish the Environmental Land Acquisition Reserve Fund, and any remaining funds thereafter will be transferred to the Life Cycle Replacement and Capital Reserve Fund.

### **Long Range Planning**

#### **General**

The Development Services Commission manages the comprehensive planning of growth related development and conservation within the City. The Commission coordinates the preparation and revision of the general plan that includes policies and regulations for land use and conservation, and multi year development plans for transportation, public facilities, parkland and environmental protection.

#### **Master Plans**

These master plans include capital infrastructure items that have operating budget impacts and support the general plan for Recreation, Parks, Fire Stations, Community Centres, and Libraries.

#### **Adequate facilities**

The City adopts a 5 year master plan for its infrastructure to serve the pace of development.

## **Capital Improvement Plan**

The capital budget prepared annually identifies the revenue sources and expenditures for the budget year, and future phases if applicable. The plan is updated annually.

## **Funding of Capital Improvement**

The City shall attempt to fund capital projects through developer's contribution wherever possible. When such funds are not sufficient or if projects do not meet the criteria for developer's funds, the City shall utilize dedicated reserves to fund the capital projects. The City shall transfer from its operating funds up to \$500,000 from the net annualized growth in assessment each year.

## **Rehabilitation and Replacement**

The City intends to set aside funds in accordance to the Life Cycle Reserve Study to finance regular ongoing rehabilitation and replacement needs consistent with the City's policy of keeping its fixed assets in good condition and maximize the assets useful life.

## **Post Budget Approval – Controlling Expenditures**

The timely closing of capital projects is imperative to ensure that funds are not spent unnecessarily, and to ensure that any surplus funds are returned to their original source(s).

In the event that an invoice is received after the closure of a capital project, the Treasurer has the authority to approve payment of the invoice from the funding source(s) originally approved for the project; that is, providing the total cost of the project is within the original project budget. Invoices not within the original budget must be addressed according to the Expenditure Control Policy and other sections of the Capital Budget Control Policy.

## **Revenues**

### **Use of one time revenues**

The City shall not utilize one time revenues for ongoing expenditures. However, one-time revenues may be used to fund non-recurring expenditures or services that can be completed within a specific amount of time without significant disruption to the City provided it is duly approved by Council. Unallocated one time revenue is transferred to the Corporate Rate Stabilization Reserve.

### **User Fees and Revenue Diversification**

The City will establish cost recovery policies for user fees that will continue to be charged. These policies will determine the percentage of full service costs to be recovered through fees. The level of cost recovery will be routinely adjusted to ensure that rates are current, equitable and competitive. The City will strive to maintain a diversified and stable revenue system to shelter the City from short run fluctuations in any one revenue source and to ensure its ability to provide ongoing service.



### Use of Prior Year's Surplus/Deficit

The City will continue to reduce its dependence on prior year's surplus to balance the current year's budget. The prior year's surplus will be automatically transferred to the Corporate Rate Stabilization Reserve as a top up to a level equivalent to 15% of local tax revenues. Funds remaining after the top up, if any, will replenish the Environmental Land Acquisition Reserve Fund and any remaining funds thereafter will be transferred to the Life Cycle Replacement and Capital Reserve Fund. In the event of a deficit, it will be funded through the Corporate Rate Stabilization Reserve, or by a one-time tax rate adjustment.



## **BUDGETING POLICIES**

### **Basis of Accounting / Budgeting**

The City of Markham prepares its financial information in accordance with the local government accounting standards of the Public Sector Accounting Board of the Chartered Professional Accountants Canada (CPA).

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned, and expenditures are recognized as they are incurred as a result of receipt of goods or services and the creation of a legal obligation to pay.

The only exceptions to the above basis of accounting are the Trust Funds, for which all capital receipts, income and expenditures are reported on the cash basis of accounting (recognizing revenues and expenses when cash is received or disbursed) except for administrative expenses and interest income, which are reported on the accrual basis. Trust funds and their related operations administered by the municipality are not consolidated but reported separately.

The City of Markham prepares budgets for the Operating, Capital, Building Standards, Engineering, Planning & Urban Design, Waterworks and Business Improvement Area (BIA) funds (described below).

The basis of budgeting is the same as the basis of accounting, i.e. the accrual basis.

### **Operating Fund**

Funds all City of Markham operations except for Waterworks, Building Standards, Engineering and Planning & Urban Design operations. Tax revenue is the main source of funding.

### **Capital Fund**

The tangible capital assets at the City are capitalized at historical costs and are amortized over the assets useful lives.

### **Building Standards Fund**

Fund all Building permit and inspection operations. Building permit revenues are the main source of funding.

### **Development Fee Fund**

Fund all Engineering and Planning & Urban Design department operations. Engineering and Planning fee revenues are the main sources of funding.



## **Waterworks Fund**

Funds all water and sanitary sewer operations. Water billings are the main source of funding.

## **BIA Fund**

Provide funding for the Markham and Unionville Business Improvement Areas (BIA's). The BIA's were established in accordance with Section 220 of the Municipal Act for the purpose of providing improvement, beautification of land, buildings and structures in the area and the promotion of the area as a business and shopping district. Funding is primarily provided by a special tax levy charged to the member businesses of the BIA.

## **Trust Fund**

The fund receives payments from individuals or organizations to be used solely for a specific purpose. They are set up under a trust agreement appointing the City as trustee and outlining its responsibilities. The funds are administered by the City but not consolidated with the operating statement.

At the end of 2014, the City of Markham had 6 trust funds with a total balance of \$2,297,796.

## **Buttonville Airport Fund**

The fund accumulates operating grants paid by the Region of York for the operating of the Buttonville airport and transfers them to Toronto Airways Limited (TAL), the operator of the airport. The Toronto Buttonville Municipal Airport (Markham) Inc. (TOWNCO) leases the airport land from TAL and subleases them back to TAL. This arrangement makes TAL eligible for Regional Grant funding. The City of Markham operates the bank accounts for TOWNCO in the transfer of these funds to TAL but does not make any grants itself.

## **Reserve and Reserve Funds**

As at December 31, 2014, there were 16 Reserves and 25 Reserve Funds. Out of the total of 41 funds, 36 were discretionary (i.e. set aside by Council) and 5 obligatory (i.e. mandated by legislation). The uncommitted balance in the funds as of December 31, 2014 was \$141,315,137.

## Multi-Year Budgeting Instructions and Guidelines

### Corporate Goals and Objectives

The corporate business planning process establishes and reinforces the relationship between corporate goals and objectives with operational plans and resources. The City of Markham Business Plan identifies the “Stewardship of Money and Resources” as a key corporate goal with the accompanying goal statement:

*“We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.”*

Fiscally prudent policies combined with a rigorous budgetary process allow the City to deliver services efficiently and effectively to the community, while mitigating the need for significant tax rate increases.

### Budgets Overview

The proposed budget is prepared by the Financial Planning Department in collaboration with all of the City’s business units.

*Ontario Regulation 284/09* provides municipalities the ability to exclude from the budget: all or a portion of the estimated costs of amortization, post-employment benefits, solid waste landfill closure and post-closure expenses. The City’s budget excludes these expenses to allow for the preparation and presentation of a traditionally balanced budget. The Budget is restated in accordance to *Ontario Regulation 284/09* as part of the annual Budget approval process.

The *Ontario Municipal Act* allows a municipality to prepare and adopt in principle, a multi-year budget covering a period of two to five years. However, the annual review and approval of the first year of a multi-year budget is mandated. Markham will develop annual budgets for review and approval, accompanied by four-year rolling forecasts.

### Multi-year Budgeting

A rolling four-year budget is developed with an approved annual budget for year one, accompanied by a three-year forecast for years two, three and four.

The implementation of multi-year budgets will further enhance the budgeting process, and align the budgeting process with the corporate goal “Stewardship of Money and Resources”. The enhancements in budgeting will benefit the City through the development of multi-year budgets that:

- align to departmental Business Plans and corporate objectives;
- forecast future tax rate increases;
- ensure cost and revenue drivers are consistently applied across the organization;
- increase precision of budgeting; and
- assist in providing explanations for budget variances when they occur.

A rolling multi-year budget process will assist in identifying future opportunities and challenges. Therefore, the City can be more proactive in capitalizing on opportunities, and mitigating challenges. A better understanding of the financial implications of decisions is also highlighted by the multi-year forecasts.

## **Multi-Year Budgeting Committee**

A Multi-Year Budgeting Committee was formed, comprising of members from across the organization, with at least one representative from each Commission. Working collaboratively in their role as Committee Members, the criteria and framework that guides the multi-year budgeting process was developed. Committee members continue to act as liaises for their respective Commissions by facilitating the upstream and downstream flow of information, including:

- Identifying Commission issues and opportunities
- Validating assumptions – e.g. cost drivers such as utility rates, benefits
- Gathering Information – e.g. unit counts that will drive assumption on assessment growth, additional waste tonnage and additional water sales and purchases; public park and road network assumptions leading to additional funds required to maintain new hectares of parks and kilometres of roads

## Contact List

<b>Commission</b>	<b>Department</b>	<b>Finance Dept. Contact</b>
Office of the CAO	Human Resources Legal Services Sustainability Office	Andrea Tang Manager, Financial Planning Ext. 2433
Corporate Services	Legislative Services Corporate Communications & Community Engagement Financial Services Information Technology Services	
Development Services	Building Standards Economic Development Engineering Planning & Urban Design Strategy and Innovation	Matthew Vetere Senior Financial Analyst Ext. 2463
Community & Fire Services	Asset Management Culture Services Fire & Emergency Services Recreation Services	Jonathan Tate Senior Business Analyst Ext. 2432
	Environmental Services Waterworks Markham Public Library Operations	Veronica Siu Senior Business Analyst Ext.2232



## Budget Process Timetable

<b>City of Markham 2015 – 2018 Budget Process Timetable</b>	
<b>Dates</b>	<b>Activity</b>
July 7	Capital Budget database open for input of 100% life cycle and 100% Development Charges funded projects
July 25	Distribution of operating budget template, operating budget guidelines and new staffing request form
August 29	Complete input of 100% life cycle and 100% Development Charges funded projects (2015 to 2018)
September 2-19	Commissioner review of 100% life cycle and 100% DC funded projects
September 19	Department submission of growth and price related operating budget requests (operating budget template)
Week of 22 & 29	Commission review of 100% life cycle and 100% DC funded projects with Finance
October 17	Finalize submissions for operating budget requests (operating budget template), new staffing requests and capital requests (operating non-life cycle, gas tax and split funded projects) based on ELT approved Business Plans
October 20 to 31	Commission review of operating budget, new staffing requests and capital requests (operating non-life cycle, gas tax and split funded projects) with Finance
November 3 to 7	Consolidation of operating budget, new staffing requests (Finance)
Week of November 10	DF review of operating non-life cycle, gas tax and split funded projects and new staffing requests. Ensure alignment with Departmental Business Plans
Week of November 17	ELT review of operating and new staffing requests Operating Budget database open for input
Week of November 24	ELT review of capital budget
Week of December 1	Finalize operating and capital budgets based on ELT review
December 17	Complete input of ELT approved operating budget requests to the Operating Budget database
End of January/ Early February	Budget Committee review

## Operating Budget

The development of the operating budget must take into account the various factors that impact funding requirements such as growth, price increases, and new initiatives. These factors must be weighed against available funding. A key objective of the City is to maintain existing service levels and ensure the sustainability of assets, with the lowest possible impact on the tax rate. Specific actions that support this objective are:

- Controlling the budget pressures such as growth, price increases, and new initiatives
- Utilize a strict funding evaluation process
- Explore options for user fees and charges
- Net zero impact adjustments
- Increased operational efficiency

The operating budget includes three components for review and evaluation:

- Personnel Costs
- Non-personnel costs
- Revenues

As part of the annual budget process, business units will review the base budget (previous year's approved budget), and identify budget reallocations and incremental changes where applicable.

## Personnel Costs

### **Full-time salaries – Existing Staff**

*Responsibility: Finance*

Budgets will be based on existing complement and existing and forecast salary/wage labour agreements. Where agreements are not in place, an assumption will be used as placeholder.

Grid progression by employee will be adjusted in accordance to the individual employee's progression along the salary grid.

### **Part-time salaries – Existing Staff**

*Responsibility: Finance and Human Resources*

For part-time Union employees, budgets will be adjusted based on the existing and/or forecast salary/wage labour agreements.

The part-time salary grid will be reviewed by Human Resources to ensure compliance with the Minimum Wage Provisions of the Employment Standards Act.

### **Full-time and Part-time Overtime**

*Responsibility: Finance and Business Units*

Budgets will be adjusted based on the existing salary/wage labour agreements. Where agreements are not in place, an assumption will be used as placeholder. Request for increases in overtime budget will be made as part of the New Staffing Request process.

### **Full-time Benefits**

*Responsibility: Finance and Human Resources*

The full-time benefit rate, currently at 27.5% of wages, will be reviewed by Finance and Human Resources. The benefit rate is established with consideration given, but not limited to, the following major items:



- Canada Pension Plan
- Employment Insurance
- Ontario Municipal Employees Retirement System (OMERS)
- Health and Dental
- Workplace Safety and Insurance Board (WSIB)
- Employer Health Tax
- Long Term Disability (LTD)

To establish the full-time benefits budget, the benefit rate will be applied against full-time salaries.

### **Part-time Benefits**

*Responsibility: Finance and Human Resources*

The part-time benefit rate, currently at 8.3% of wages, will be reviewed by Finance and Human Resources. Benefit rate is established based on consideration for, but not limited to, the following major items:

- Canada Pension Plan
- Employment Insurance
- Workplace Safety and Insurance Board
- Employer Health Tax

To establish the part-time benefits budget, the benefit rate will be applied against part-time salaries.

### **Allowances**

Mileage – mileage reimbursement per kilometre will be made in accordance to the Business Expense and Conference Policy.

Shift premium – Budget for shift premiums will be calculated in accordance with the City's Collective Agreements.

### **New Staffing Requests**

*Responsibility: Business Units*

Completion of the New Staffing Request form (Appendix A) is required for all new staffing requests (full-time, part-time, contract, conversions and overtime).

For 2015, all service levels are to be maintained at status quo. For growth related new staffing requests, business units should identify efficiencies and/or technological efficiencies as means to mitigate the financial implications.

Business Units are required to submit their New Staffing request(s) to their respective Commissioner for review and prioritization within the Commission. Each Commission will finalize and recommend new staffing requests for the Executive Leadership Team's (ELT) review and consideration. New staffing requirements that are linked to a capital project should be clearly identified as such. A New Staffing request is required as personnel requirements linked to an approved capital project are still subject to review.

ELT will review and prioritize all staffing requests and provide a recommendation to the Budget Sub-Committee for review and consideration, followed by General Committee and Council decisions.

All approved full-time positions are budgeted for the full calendar year.

### **Personnel Ramp-up for Future Facilities**

*Responsibility: Finance and Business Units*

When a future facility is anticipated to be in-service, personnel costs for the facility (Recreation and Fire: full-time salaries and benefits, Library and Operations Works Yard: full-time and part-time salaries and benefits) will be added to the base budget over several years in order to avoid a significant tax rate increase in the year when the facility opens.



## Non-personnel Costs

Business Units may reallocate base budget amounts between non-personnel accounts, provided the overall non-personnel budget is maintained.

Business Units should identify efficiencies, where feasible and sustainable, to minimize budget implications while maintaining service levels.

All non-personnel accounts are to be maintained at the previous year's base budget, except for budget changes as a result from the following:

- Price adjustments - External service contract commitments
- Price adjustments - Commodity price increases/decreases
- Growth related requirements as outlined under Section 3 (Page 8)
- Council approved recommendations
- Annualization
- Capital induced operating costs
- Indirect cost recoveries

Business Units should first identify opportunities for budget reallocation from existing budget item(s) or revenue recoveries to offset/partially offset the budget implications.

### **Price Adjustments – External Service Contract Commitments**

*Responsibility: Finance and Business Units*

Price adjustments will be based on approved contracts (such as waste management, winter maintenance and PowerStream joint services) or supported trends.

### **Price Adjustments – Commodity Price Changes**

#### **Utilities**

*Responsibility: CET, Sustainability Office, Finance and Business Units*

For utility price increases such as hydro and natural gas, the Corporate Energy Team (CET) will determine the budgeted price based on forecasts from supported sources such as PowerStream and Markham District Energy Inc. (MDEI).

Business Units, with support from the Sustainability Office and Finance, are responsible to determine the budgeted volume based on supported trends, historical data and energy conservation plans where applicable.

#### **Fuel**

*Responsibility: Finance and Operations*

Price adjustments will be based on supported trends and forecasts, and volume will be based on historical trends and capital induced operating requirements for new fleet, if applicable.

## **Postage**

*Responsibility: Finance and Legislative Services*

Price adjustments will be based on supported trends and forecasts, and volume will be based on historical trends. Cost and volume are increasing and Business Units are encouraged to search for mitigating strategies or alternate delivery formats.

## **Growth-related Requirements**

The following growth-related requirements are identified:

- additional kilometres of roads for winter maintenance
- additional hectares of parks
- additional waste tonnage for waste collection
- additional streetlight hydro and maintenance
- additional water purchases
- additional facility assets
- \$500k from assessment growth to support capital expenditures

## **Additional Kilometres of Roads for Winter Maintenance**

*Responsibility: Engineering, Finance and Operations*

Engineering will provide the anticipated volume based on assumed and/or projected assumed sub-division and site plan agreements.

Finance will provide information on the winter maintenance cost/km based on historical data.

Operations will identify potential efficiencies to offset the financial implications.

## **Additional Hectares of Parks**

*Responsibility: Urban Design, Finance and Operations*

Urban Design will provide the anticipated volume based on projected park openings.

Finance will provide information on the park maintenance cost/hectare based on historical data.

Operations will identify potential efficiencies to offset the financial implications.

## **Additional Waste Tonnage for Waste Collection**

*Responsibility: Planning/Building Standards, Finance and Waste & Environmental Management*

Planning/Building Standards will identify the projected growth (increase in households by single residential and multi-residential).

Price will be based on the existing contract.

### **Additional Streetlight Hydro and Maintenance**

*Responsibility: Asset Management and Finance*

Asset Management will identify the projected increase in streetlights.

CET will determine the budgeted price for streetlight hydro based on forecasts from supported source such as PowerStream.

Finance will provide information on the streetlight maintenance cost/streetlight based on historical data.

### **Additional Water Purchases**

*Responsibility: Planning/Building Standards, Waterworks and Finance*

Planning and Building Standards will identify the projected growth.

Price will be based on Region of York's approved/projected water rate.

### **Additional Facility Assets**

*Responsibility: Asset Management*

Asset Management will provide the anticipated volume based on projected additional facility openings in combination with the maintenance cost per square metre of gross floor area, based on historical data.

Asset Management will identify potential efficiencies to offset the financial implications.

### **\$500k from Assessment Growth to Support Capital Expenditures**

*Responsibility: Finance*

In accordance to the Financial Policy, the first \$500k from assessment growth will be transferred from the Operating fund to the Life Cycle Replacement and Capital Reserve Fund to support capital programs.

### **Council Approved Recommendations**

*Responsibility: Business Units*

Any operating budget implications from Council approved recommendations will be included. Where feasible, Business Units should identify potential offsets and/or budget reallocations to minimize the budget impact.



## **Annualization**

*Responsibility: Finance and Business Units*

Budgets will be annualized to include the incremental costs in order to bring the base budget to the required total (due to in-year initiatives/contracts).

## **Capital-induced Operating Costs**

*Responsibility: Finance and Business Units*

Capital induced operating costs identified in the Capital Budget process will be included in the Operating Budget.

## **Indirect Cost Recoveries**

*Responsibility: Finance*

Finance reviews and adjusts accordingly the annual indirect costs recoveries from Planning & Design, Engineering, Building Standards, and Waterworks.

## **Revenues**

### **Taxation Revenues**

*Responsibility: Planning, Building Standards and Finance*

Planning and Building Standards will provide information on unit counts that drive the assumptions on assessment growth.

Finance will determine the additional property taxes that will be collected based on the projected assessment growth.

### **User Fees and Service Charges**

*Responsibility: Business Units*

As approved by Council, Business units are directed to increase existing user fees and service charges by a percentage equal to the greater of the Consumer Price Index (CPI) or the salary/wage labour agreement (CUPE) increases. Business Units will need to communicate during the budget process, if their respective fees and charges are to change by an amount other than prescribed. This applies to changes that are either greater than or less than the prescribed increase.

Business units are encouraged to explore and identify new user fee and service charge opportunities. To establish the budget, include information on the proposed fee and the anticipated volume.

### **Grants and Subsidies**

*Responsibility: Business Units*

Business units are encouraged to find and pursue opportunities for grants and subsidies. However, grant or subsidy revenues must be sustainable in order to be added to the base budget.

### **Licenses and Permits**

*Responsibility: Business Units*

As approved by Council, Business units are directed to increase existing license and permit fees by a percentage equal to the greater of the Consumer Price Index (CPI) or the salary/wage labour agreement (CUPE) increases. Business Units will need to communicate during the budget process, if their respective fees are to change by an amount other than prescribed. This applies to changes that are either greater than or less than the prescribed increase.

Business units are encouraged to explore and identify new license and permit fee opportunities. To establish the budget, include information on the proposed fee and the anticipated volume.

## Investments

*Responsibility: Finance*

Ontario Regulation 438/97 Eligible Investments and Related Financial Agreements requires that municipalities only invest in securities outlined by the Regulation. The projections for investment revenues are based on the portfolio balance and forecast interest rates.

## Non-Tax Funded Operating Budgets

There are four non-tax funded operating budgets: Planning & Design, Engineering, Building Standards and Waterworks. The revenues for these budgets are based off of development fees (Planning & Design, Engineering and Building Standards) and user charges (Waterworks). Although the revenues are not derived from tax rates, the same guidance and rigour in developing the budgets should be applied.

### Planning & Design, Engineering and Building Standards

*Responsibility: Finance and Development Services*

The development fee model is updated annually to determine the budgeted Building and Planning Fees. To determine the budgeted revenues, Business Units' will provide forecast activity volumes as an input to the model.

### Waterworks

*Responsibility: Finance and Waterworks*

The water and wastewater reserve study is updated annually to determine the budgeted retail water and wastewater rates. To determine the budgeted revenues, Waterworks will provide forecast sales volumes as an input to the model.

## Non-Personnel Expenditures and Revenues Template

A spreadsheet template will be distributed to all Business Units for completion. The template will be used to facilitate the collection and consolidation of all high level operating budget changes. The completed templates will be presented to Directors' Forum and the Executive Leadership Team for review, and only the approved changes are entered into the operating budget database.

A personnel expenditures template will not be distributed, as all personnel changes will be inputted into the operating budget database by Finance.

A sample of the non-personnel expenditures and revenues template is provided below:

Department	Revenue / Non- Personnel Expenditure	Driver	Item	Description / Assumptions	Incremental Increase / (Decrease) to Previous Year's Budget			
					2015	2016	2017	2018



## Template Fields

The following section provides a description of the data input required in each of the template fields.

### Department

Enter the department name here.

### Revenue/Non-Personnel Expense

Enter operating budget type that the change will apply to. The field has a drop-down menu where the available selections are:

- Revenues
- Non-Personnel Expense

### Driver

Enter the driver for the budget change. The field has a drop-down menu where the available selections are:

- Price
- Growth
- Service Level Enhancement
- Efficiencies
- Other Adjustments

### Item

Enter the item(s) this change is attributed to or will be applied towards.

### Description/Assumptions

Enter a description of the change to the budget, along with assumptions used in forecasting the budget impact.

### Incremental Increase/ (decrease) to Previous Year's Budget

Enter the incremental increase/decrease to the budget in dollars. The following examples are provided reference:

Example 1 – A new initiative starting in 2015 will require expenditures of \$10,000 per year. The level of expenditure will remain constant in following years. An amount of \$10,000 should be entered in the 2015 column, which becomes the base amount for future years. As there is no incremental change in future years, no inputs are required.

Example 2 – A new initiative starting in 2015 will require \$10,000 per year in the first two years but then starting in 2017 the required expenditure increases to \$16,000 per year. Data should only be entered in the 2015 and 2017 columns, as those are the only years where an incremental change is forecasted. The input for the 2015 column should be \$10,000. The incremental change of \$6,000 (calculated as \$16,000 minus \$10,000) should be the input for the 2017 column.



## Examples of Budget Changes

Dept	Revenue / non personnel exp.	Driver	Item	Description / Assumptions / Rationale	Incremental Increase / (Decrease) to previous year's budget			
					2015	2016	2017	2018
Waste Mgmt	Non-Personnel Exp.	Growth	Waste - Growth	2015: 1,400 new homes, which is equivalent to 1,500 tonnes. 2016-2018: Forecast 1,000 new homes per year (equivalent to 1,070 tonnes) 2014 Budget: \$8.1M	194,000	140,742	143,539	146,391
Waste Mgmt	Non-Personnel Exp.	Price	Waste - Price	2015-2018: 2.1% estimated CPI increase (based on Jul 2014 12-month average ON All-Items) Fuel adjustment 0.2% based on average price for Jan - Jul 2014 2014 Budget: \$8.1M	161,000	164,146	167,408	170,734
Operations: Roads	Non-Personnel Exp.	Service Level Enhancements	Loaders - Rear Lane Service	As approved by Council on Oct 8, 2013: Increase in hired loaders from 28 to 35 to accommodate increased service level for rear lane snow clearing	81,879	-	-	-
Asset Mgmt	Non-Personnel Exp.	Efficiencies	LED Streetlight Initiative	LED streetlight Initiative: total annualized savings of \$960k of which 80% or \$768k will be realized in 2015.75% of the savings are transferred to reserve to payback for the capital project and 25% to Operating 2016-2018: Remaining savings realized	192,000	48,000	-	-
Financial Services	Revenue	Growth	Assessment Growth	2015: Estimated assessment growth of 2.09% 2016-2018: Estimated assessment growth 2.00%	2,539,000	2,426,000	2,426,000	2,426,000
Recreation	Revenue	Price	Recreation Revenues	2015: 2.1% CPI increase (Mar 2014 - Toronto All-Items) x \$15M base revenues 2016-2018: Estimated CPI increase 1.5%	315,000	229,725	233,171	236,668
Financial Services	Revenue	Efficiencies	Mortgage Administrative Fees	New fees \$8 x 9,700 accounts x 2/year	155,200	-	-	-
Asset Mgmt	Revenue	Other adjustments	Utility Permit Fees	Volume adjustment based on historical average	76,000			



## INVESTMENT POLICIES

### OBJECTIVES

In order of priority, the investment objectives of the City are:

- Legality of Investments
- Preservation of Principal
- Maintenance of Liquidity
- Competitive Rate of Return

### LEGALITY OF INVESTMENTS

The legal authority to invest funds comes from the Municipal Affairs Act. Investments shall be in conformance with the Ontario Municipal Act and O.Reg. 438/97 – Eligible Investments and Related Financial Agreements (See Appendix A).

Investments made by the City are further restricted by the limitations and terms outlined in this policy. Where the City of Markham has excess funds not required immediately, such funds may be invested only in:

- Bonds, debentures, treasury bills or other forms of indebtedness of or guaranteed by the Government of Canada
- Bonds, debentures, treasury bills or other forms of indebtedness of or guaranteed by any province of Canada
- The Municipal Finance Authority of British Columbia.
- Bonds, debentures, or promissory notes of a metropolitan, regional or district municipality or of a municipality as defined in the Municipal Affairs Act
- Bonds, term deposits, deposit receipts, deposit notes, certificates of deposit, banker's acceptances and other similar instruments issued, accepted, guaranteed or endorsed by a Schedule I or a Schedule II Bank.

Additionally, the City may use funds to cover shortfalls in the City's Development Charge reserves so long as the interest charged to such reserves are at a competitive interest rate.

### PRESERVATION OF PRINCIPAL

Preservation of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

This policy acts to minimize credit risk, i.e. the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized



## **Safety**

All investments must rate at least “AA Low” or the equivalent from the Dominion Bond Rating Service, the Canadian Bond Rating Service, or Standard and Poors and/or a commercial paper rating of R1 Low or better from DBRS.

## **Diversification**

Investments shall be diversified by:

- Limiting investments in securities that have higher credit risks;
- Investing in securities of varying maturities while providing for stability of income;
- Continuously investing a portion of the portfolio in readily available funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations; and
- Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding Canadian Treasury securities). The limits are as follows:

## **Federal/Provincial Government Securities**

Securities offered by, or unconditionally guaranteed by, the government of Canada or a province of Canada, shall comprise not less than 40% of the total investment portfolio at all times, and may comprise 100% of the portfolio.

The following limitations apply:

- Government of Canada - no limit
- Province of Ontario - no limit
- Other provinces - maximum 20%

## **Municipal Government Securities**

Municipal securities cannot exceed 30% of the total investment portfolio and any one municipality cannot exceed 15% of the total portfolio.

## **Financial Institutions**

Investments in eligible financial institutions shall not exceed 60% of the total portfolio. The following limitations will apply to the individual institutions:

- the five major Canadian chartered banks (Canadian Imperial Bank of Commerce, Bank of Montreal, Royal Bank, Scotia Bank, TD Canada Trust) – individual maximum of 20%
- other Canadian chartered banks and Schedule II banks - in aggregate 25% with individual maximum of 15%

The Investment Analyst, under the direction of the Treasurer is permitted to deviate +/- 5% from the above targets to take advantage of changing market conditions.

## **MAINTENANCE OF LIQUIDITY**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may reasonably be anticipated.

Investments are limited to an individual term of twelve years. Investments for terms in excess of one year are restricted to any of the Canadian Federal, Provincial, and Municipal Governments, the 5 largest Canadian Schedule I banks ranked by assets, and institutions guaranteed by the aforementioned.

## **COMPETITIVE RATE OF RETURN**

The investment portfolio shall be designed with the goal of maximizing the long term rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

The investment portfolio shall be designed with the objective of regularly exceeding the average return on three-month Treasury bills. This index is considered an appropriate benchmark for risk-less investment transactions and therefore represents a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

Return on investment is of secondary importance when compared to the safety and liquidity objectives.

The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

To take advantage of short-term fluctuations in interest rates, securities may be sold prior to maturity. All realized and unrealized capital gains/losses will be identified in the annual investment report.

## **ADMINISTRATIVE PROCEDURES**

The Commissioner of Corporate Services or the Treasurer will have signing authority on all investments that require wire transfers. The Investment Manager will enter into all investment transactions on behalf of the City of Markham and will provide monthly updates on the portfolio performance to the Commissioner of Corporate Services and the Treasurer.

All investment transactions are recorded and interest earnings distributed to the various funds in accordance with City policies and generally accepted accounting principles for municipalities.

### **Authorized Financial Institutions and Brokers/Dealers**

The following is a current list of all financial institutions authorized to provide investment services to the City of Markham. This list will be maintained and updated as the business environment changes:

- TD Canada Trust
- CIBC World Market Inc.



- Scotia McLeod Inc.
- RBC Dominion Securities Inc.
- Royal Bank of Canada
- Bank of Montreal
- HSBC Bank Canada
- Canaccord Capital

## **Reporting**

The Investment Analyst shall prepare a quarterly investment report, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter.

The report will summarize recent market conditions, economic developments, anticipated market movements and investment strategies employed in the most recent fiscal quarter. The report shall explain the quarter's total investment return and compare the return with budgetary expectations. The reports shall indicate any areas of policy concern and/or planned revision of investment strategies.

This management summary will be prepared in a manner that will allow the Finance & Administrative Committee to ascertain whether investment activities during the reporting period have conformed to the investment policy.

The interim report will include the following:

- Listing of individual securities held at the end of the reporting period;
- Realized gains or losses resulting from the sale of investments that were not held until maturity;
- Average weighted yield of the Fund's investments as compared to applicable benchmarks;
- Listing of all investments by maturity date;
- Percentage of total portfolio that each type of investment represents.

APPENDIX A  
**ELIGIBLE INVESTMENTS UNDER THE MUNICIPAL ACT**  
**ONTARIO REGULATION 438/97**

**ELIGIBLE INVESTMENTS AND RELATED FINANCIAL AGREEMENTS**

1. A municipality does not have the power to invest under section 418 of the Act in a security other than a security prescribed under this Regulation. O. Reg. 438/97, s. 1; O. Reg. 399/02, s. 1.
2. The following are prescribed, for the purposes of subsection 418 (1) of the Act, as securities that a municipality may invest in:
  1. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by,
    - i. Canada or a province or territory of Canada,
    - ii. an agency of Canada or a province or territory of Canada,
    - iii. a country other than Canada,
    - iv. a municipality in Canada including the municipality making the investment,
      - iv.1 the Ontario Strategic Infrastructure Financing Authority,
    - v. a school board or similar entity in Canada,
      - v.1 a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000,
      - v.2 the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002,
    - vi. a local board as defined in the Municipal Affairs Act (but not including a school board or a municipality) or a conservation authority established under the Conservation Authorities Act,
      - vi.1 a board of a public hospital within the meaning of the Public Hospitals Act,
      - vi.2 a non-profit housing corporation incorporated under section 13 of the Housing Development Act,
      - vi.3 a local housing corporation as defined in section 2 of the Social Housing Reform Act, 2000, or
    - vii. the Municipal Finance Authority of British Columbia.
  2. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if,
    - i. the bond, debenture or other evidence of indebtedness is secured by the assignment, to a trustee, as defined in the Trustee Act, of payments that Canada or a province or territory of Canada has agreed to make or is required to make under a federal, provincial or territorial statute, and
    - ii. the payments referred to in subparagraph i are sufficient to meet the amounts payable under the bond, debenture or other evidence of indebtedness, including the amounts payable at maturity.

3. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments the terms of which provide that the principal and interest shall be fully repaid no later than two years after the day the investment was made, if the receipt, note, certificate or instrument was issued, guaranteed or endorsed by,
  - i. a bank listed in Schedule I, II or III to the Bank Act (Canada),
  - ii. a loan corporation or trust corporation registered under the Loan and Trust Corporations Act, or
  - iii. a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies.
- 3.1 Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments the terms of which provide that the principal and interest shall be fully repaid more than two years after the day the investment was made, if the receipt, note, certificate or instrument was issued, guaranteed or endorsed by,
  - i. a bank listed in Schedule I, II or III to the Bank Act (Canada),
  - ii. a loan corporation or trust corporation registered under the Loan and Trust Corporations Act,
  - iii. a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies.
4. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by an institution listed in paragraph 3.
5. Short term securities, the terms of which provide that the principal and interest shall be fully repaid no later than three days after the day the investment was made, that are issued by,
  - i. a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000,
  - ii. the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002, or
  - iii. a board of a public hospital within the meaning of the Public Hospitals Act.
6. Bonds, debentures, promissory notes, other evidence of indebtedness or other securities issued or guaranteed by the International Bank for Reconstruction and Development.
- 6.1. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by a supranational financial institution or a supranational governmental organization, other than the International Bank for Reconstruction and Development.
7. Asset-backed securities, as defined in subsection 50 (1) of Regulation 733 of the Revised Regulations of Ontario, 1990 made under the Loan and Trust Corporations Act.
- 7.1 Bonds, debentures, promissory notes or other evidence of indebtedness issued by a corporation that is incorporated under the laws of Canada or a province of

Canada, the terms of which provide that the principal and interest shall be fully repaid more than five years after the date on which the municipality makes the investment.

7.2 Bonds, debentures, promissory notes or other evidence of indebtedness issued by a corporation that is incorporated under the laws of Canada or a province of Canada, the terms of which provide that the principal and interest shall be fully repaid more than one year and no later than five years after the date on which the municipality makes the investment.

8. Negotiable promissory notes or commercial paper, other than asset-backed securities, maturing one year or less from the date of issue, if that note or commercial paper has been issued by a corporation that is incorporated under the laws of Canada or a province of Canada.

8.1 Shares issued by a corporation that is incorporated under the laws of Canada or a province of Canada.

9. Bonds, debentures, promissory notes and other evidences of indebtedness of a corporation incorporated under section 142 of the Electricity Act, 1998.

10. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if the municipality first acquires the bond, debenture, promissory note or other evidence of indebtedness as a gift in a will and the gift is not made for a charitable purpose.

11. Securities of a corporation, other than those described in paragraph 10, if the municipality first acquires the securities as a gift in a will and the gift is not made for a charitable purpose.

12. Shares of a corporation if,

- i. the corporation has a debt payable to the municipality,
- ii. under a court order, the corporation has received protection from its creditors,
- iii. the acquisition of the shares in lieu of the debt is authorized by the court order, and
- iv. the treasurer of the municipality is of the opinion that the debt will be uncollectable by the municipality unless the debt is converted to shares under the court order. O. Reg. 438/97, s. 2; O. Reg. 265/02, s. 1; O. Reg. 399/02, s. 2; O. Reg. 655/05, s. 2; O. Reg. 607/06, s. 1; O. Reg. 39/07, s. 1.

**3. (1)** A municipality shall not invest in a security under subparagraph 1 iii, v.1, v.2, vi.1, vi.2 or vi.3 or paragraph 3.1 or 4 of section 2 unless the bond, debenture, promissory note or evidence of indebtedness is rated,

- (a) Revoked: O. Reg. 265/02, s. 2 (1).
- (b) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
- (b.1) by Fitch Ratings as "AA-" or higher;
- (c) by Moody's Investors Services Inc. as "Aa3" or higher; or



- (d) by Standard and Poor's as "AA-" or higher. O. Reg. 438/97, s. 3 (1); O. Reg. 265/02, s. 2 (1); O. Reg. 399/02, s. 3 (1); O. Reg. 655/05, s. 3 (1, 2); O. Reg. 607/06, s. 2; O. Reg. 39/07, s. 2.
- (2) Revoked: O. Reg. 655/05, s. 3 (3).
- (2.1) A municipality shall not invest in a security under paragraph 6.1 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AAA";
  - (b) by Fitch Ratings as "AAA";
  - (c) by Moody's Investors Services Inc. as "Aaa"; or
  - (d) by Standard and Poor's as "AAA". O. Reg. 655/05, s. 3 (4).
- (3) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures more than one year from the date of issue unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AAA";
  - (a.1) by Fitch Ratings as "AAA";
  - (b) by Moody's Investors Services Inc. as "Aaa"; or
  - (c) by Standard and Poor's as "AAA". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (2); O. Reg. 655/05, s. 3 (5).
- (4) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures one year or less from the date of issue unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "R-1(high)";
  - (a.1) by Fitch Ratings as "F1+";
  - (b) by Moody's Investors Services Inc. as "Prime-1"; or
  - (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (3); O. Reg. 655/05, s. 3 (6).
- (4.1) A municipality shall not invest in a security under paragraph 7.1 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "A" or higher;
  - (b) by Fitch Ratings as "A" or higher;
  - (c) by Moody's Investors Services Inc. as "A2"; or
  - (d) by Standard and Poor's as "A". O. Reg. 655/05, s. 3 (7).
- (4.2) A municipality shall not invest in a security under paragraph 7.2 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
  - (b) by Fitch Ratings as "AA-" or higher;
  - (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
  - (d) by Standard and Poor's as "AA-" or higher. O. Reg. 655/05, s. 3 (7).



- (5) A municipality shall not invest in a security under paragraph 8 of section 2 unless the promissory note or commercial paper is rated,
- (a) by Dominion Bond Rating Service Limited as "R-1(mid)" or higher;
  - (a.1) by Fitch Ratings as "F1+";
  - (b) by Moody's Investors Services Inc. as "Prime-1"; or
  - (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (4); O. Reg. 655/05, s. 3 (8).
- (6) If an investment made under paragraph 7 or 8 of section 2 falls below the standard required under subsection (3), (4) or (5), as the case may be, the municipality shall sell the investment within 30 days after the day the investment falls below the standard. O. Reg. 265/02, s. 2 (2).
- (7) A municipality shall not invest in a security under paragraph 9 of section 2 unless, at the time the investment is made and as long as it continues, the investment ranks, at a minimum, concurrently and equally in respect of payment of principal and interest with all unsecured debt of the corporation. O. Reg. 265/02, s. 2 (2).
- (8) A municipality shall not invest in a security under paragraph 9 of section 2 unless, at the time the investment is made, the total amount of the municipality's investment in debt of any corporation incorporated under section 142 of the Electricity Act, 1998 that would result after the proposed investment is made does not exceed the total amount of investment in debt, including any interest accrued on such debt, of the municipality in such a corporation that existed on the day before the day the proposed investment is to be made. O. Reg. 265/02, s. 2 (2).
- (9) Any investment made under paragraph 9 of section 2, including any refinancing, renewal or replacement thereof, may not be held for longer than a total of 10 years from the date such investment is made. O. Reg. 265/02, s. 2 (2).
- (10) Subsections (7), (8) and (9) do not prevent a municipality from holding or disposing of a security described in paragraph 9 of section 2 issued by a corporation incorporated under section 142 of the Electricity Act, 1998, if the municipality acquired the security through a transfer by-law or otherwise under that Act. O. Reg. 655/05, s. 3 (9).
- (11) A municipality shall sell an investment described in paragraph 10 or 11 of section 2 within 90 days after ownership of the investment vests in the municipality. O. Reg. 655/05, s. 3 (9).
- (12) If an investment described in subsection (1), (2.1), (4.1) or (4.2) falls below the standard required by the subsection, the municipality shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 655/05, s. 3 (9).
- 4. (1)** A municipality shall not invest more than 25 per cent of the total amount in all sinking and retirement funds in respect of debentures of the municipality, as estimated by its treasurer on the date of the investment, in short-term debt issued or guaranteed by the municipality. O. Reg. 438/97, s. 4 (1).



(2) In this section, "short-term debt" means any debt, the terms of which provide that the principal and interest of the debt shall be fully repaid no later than 364 days after the debt is incurred. O. Reg. 438/97, s. 4 (2).

**4.1** (1) A municipality shall not invest in a security under paragraph 7 of section 2 or in a promissory note or commercial paper under paragraph 8 of section 2 unless, on the date that the investment is made,

- (a) the municipality itself is rated, or all of the municipality's long-term debt obligations are rated,
  - (i) by Dominion Bond Rating Service Limited as "AA(low)" or higher,
  - (i.1) by Fitch Ratings as "AA-" or higher,
  - (ii) by Moody's Investors Services Inc. as "Aa3" or higher, or
  - (iii) by Standard and Poor's as "AA-" or higher; or
- (b) the municipality has entered into an agreement with the Local Authority Services Limited and the CHUMS Financing Corporation to act together as the municipality's agent for the investment in that security, promissory note or commercial paper. O. Reg. 265/02, s. 3; O. Reg. 399/02, s. 4; O. Reg. 655/05, s. 4 (1, 2).

(1.1) A municipality shall not invest in a security under paragraph 7.1 or 8.1 of section 2 unless, on the date the investment is made, the municipality has entered into an agreement with the Local Authority Services Limited and the CHUMS Financing corporation to act together as the municipality's agent for the investment in the security. O. Reg. 655/05, s. 4 (3).

(1.2) Subsection (1.1) does not apply to investments in securities by the City of Ottawa if all of the following requirements are satisfied:

1. Only the proceeds of the sale by the City of its securities in a corporation incorporated under section 142 of the Electricity Act, 1998 are used to make the investments.
2. The investments are made in a professionally-managed fund.
3. The terms of the investments provide that,
  - i. where the investment is in debt instruments, the principal must be repaid no earlier than seven years after the date on which the City makes the investment, and
  - ii. where the investment is in shares, an amount equal to the principal amount of the investment cannot be withdrawn from the fund for at least seven years after the date on which the City makes the investment.
4. The City establishes and uses a separate reserve fund for the investments.
5. Subject to paragraph 6, the money in the reserve fund, including any returns on the investments or proceeds from their disposition, are used to pay capital costs of the City and for no other purpose.

6. The City may borrow money from the reserve fund but must repay it plus interest. O. Reg. 655/05, s. 4 (3).
- (2) The investment made under clause (1) (b) or described in subsection (1.1), as the case may be, must be made in the public sector group of funds of the Local Authority Services Limited and the CHUMS Financing Corporation with,
- (a) another municipality;
  - (b) a public hospital;
  - (c) a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000;
  - (d) the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002;
  - (e) a school board; or
  - (f) any agent of an institution listed in clauses (a) to (d). O. Reg. 265/02, s. 3; O. Reg. 655/05, s. 4 (4); O. Reg. 607/06, s. 3.
5. A municipality shall not invest in a security issued or guaranteed by a school board or similar entity unless,
- (a) the money raised by issuing the security is to be used for school purposes; and
  - (b) Revoked: O. Reg. 248/01, s. 1. O. Reg. 438/97, s. 5; O. Reg. 248/01, s. 1.
6. (1) A municipality shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 438/97, s. 6 (1).
- (2) Subsection (1) does not prevent a municipality from continuing an investment, made before this Regulation comes into force, that is expressed and payable in the currency of the United States of America or the United Kingdom. O. Reg. 438/97, s. 6 (2).
7. (1) Before a municipality invests in a security prescribed under this Regulation, the council of the municipality shall, if it has not already done so, adopt a statement of the municipality's investment policies and goals. O. Reg. 438/97, s. 7.
- (2) In preparing the statement of the municipality's investment policies and goals under subsection (1), the council of the municipality shall consider,
- (a) the municipality's risk tolerance and the preservation of its capital;
  - (b) the municipality's need for a diversified portfolio of investments; and
  - (c) obtaining legal advice and financial advice with respect to the proposed investments. O. Reg. 265/02, s. 4.
- (3) Revoked: O. Reg. 655/05, s. 5.
- (4) In preparing the statement of the municipality's investment policies and goals under subsection (1) for investments made under paragraph 9 of section 2, the council of the municipality shall consider its plans for the investment and how the proposed investment would affect the interest of municipal taxpayers. O. Reg. 265/02, s. 4.

8. (1) If a municipality has an investment in a security prescribed under this Regulation, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council, each year or more frequently as specified by the council, an investment report. O. Reg. 438/97, s. 8 (1).
- (2) The investment report referred to in subsection (1) shall contain,
- (a) a statement about the performance of the portfolio of investments of the municipality during the period covered by the report;
  - (b) a description of the estimated proportion of the total investments of a municipality that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year's report;
  - (c) a statement by the treasurer as to whether or not, in his or her opinion, all investments are consistent with the investment policies and goals adopted by the municipality;
  - (d) a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
  - (e) such other information that the council may require or that, in the opinion of the treasurer, should be included. O. Reg. 438/97, s. 8 (2); O. Reg. 655/05, s. 6.
- (3) Upon disposition of any investment made under paragraph 9 of section 2, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council a report detailing the proposed use of funds realized in the disposition. O. Reg. 265/02, s. 5.
- 8.1** If an investment made by the municipality is, in the treasurer's opinion, not consistent with the investment policies and goals adopted by the municipality, the treasurer shall report the inconsistency to the council of the municipality within 30 days after becoming aware of it. O. Reg. 655/05, s. 7.
9. (1) Despite this Regulation, an investment by a municipality in bonds, debentures or other indebtedness of a corporation made before March 6, 1997 may be continued if the bond, debenture or other indebtedness is rated,
- (a) Revoked: O. Reg. 265/02, s. 6.
  - (b) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
  - (b.1) by Fitch Ratings as "AA-" or higher;
  - (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
  - (d) by Standard and Poor's as "AA-" or higher. O. Reg. 438/97, s. 9 (1); O. Reg. 265/02, s. 6; O. Reg. 399/02, s. 5; O. Reg. 655/05, s. 8.
- (2) If the rating of an investment continued under subsection (1) falls below the standard required by that subsection, the municipality shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 438/97, s. 9 (2).

## **DEVELOPMENT CHARGE BORROWING POLICIES**

### **OBJECTIVE**

The objective of this policy is to provide a framework with respect to borrowing funds to complete Development Charge (DC) related capital projects.

### **SOURCES OF BORROWING**

This section outlines the sources of funding available when the DC Reserves are in (or are approaching) a deficit balance.

#### **Internal Borrowing**

The City may loan the DC reserves up to a cumulative maximum of 25% of the previous year's average general portfolio balance (i.e. the City's cash and investments, as defined under the Eligible Investments section of the Municipal Act, that are not attributable to interest bearing reserves, reserve funds, and trust funds). For example if the average general portfolio balance was \$200 million, the City could provide up to \$50 million of funds to the DC reserves. The 25% limit was chosen as it still allows the City to maintain a high level of liquidity and mirrors the 25% annual repayment limit decided upon by the Ministry of Municipal Affairs and Housing.

#### **Term of Borrowing**

The internal borrowing provided from the City's General Portfolio will act as a loan for a predetermined period of time. DC Reserves will be able to continue to use these funds while there is a negative balance. At any time, the City can decide to call upon these funds if the money is needed elsewhere. It would be at this point, the DC Reserve would turn to external borrowing. (Note: there would need to be enough time to secure external borrowing before the loan could be called).

#### **Internal Borrowing Interest Rate**

The internal borrowing rate will be based on the York Region debenture rate for a similar term as the internal borrowing is estimated to be required.

#### **External Borrowing**

Any funding requirements not covered by internal borrowing will require external borrowing. The determination of the source of the funds (i.e. debenturing through the Region of York or borrowing through a bank or government agency) will be made at that time depending on the length of term required, market conditions and rates. All external borrowing needs to be coordinated through the Region of York.

### **ADMINISTRATION**

Any external borrowing will be brought to Council for approval. Any internal borrowing will be approved by the Treasurer and be reported to Council no fewer than twice per year. The determination of the borrowing source will be at the discretion of the Treasurer of the City of Markham.



Any internal borrowing will be tracked and accounted for in the same manner as the City's existing investment portfolio.

As per the Municipal Act, before authorizing any specific work or class of work or any increase in the expenditure for a previously authorized specific work or class of work that would require a long term debt or financial obligation, the Treasurer will calculate an updated annual repayment limit using the most recent debt and financial obligation limit determined by the Ministry of Municipal Affairs and Housing.

## **INVESTMENT ALLOCATION INTEREST POLICIES**

### **OBJECTIVE**

The objective of this policy is to provide a framework with regards to the recording and allocation methods of the City's investment interest income (including bonds, money market, interest earned on bank balances, etc).

### **INTEREST ALLOCATION**

This section outlines the methods for allocating interest to various City Reserves and Reserve Funds.

#### **Development Charges Reserves**

The Development Charge Reserves have its own segregated investment pool. The interest generated from these investments is fully allocated to the Development Charge Reserves on a monthly basis.

#### **Interest Bearing Reserves and Reserve Funds**

There are no specific investments made on behalf of reserve and reserve funds. Interest is calculated and allocated monthly. The amount of interest is determined by applying the average money market rate earned by the City in a given month to the previous month's ending reserve balance. Any reserves or reserve funds with negative balances will be charged at a rate of prime.

#### **Varley Trust**

Through a past agreement with the Varley Trust, interest is calculated and allocated monthly by applying the average bond market rate (exclusive of capital gains) earned by the City in a given month to the previous month's ending reserve balance.

#### **General Portfolio**

The remaining interest not allocated to the above reserves and trusts is deemed to be the interest earned on the general portfolio.

### **CAPITAL GAINS RESERVE**

The Treasurer has the authority to transfer year-end surpluses in the Capital Gains account to a Capital Gains Reserve.

The Capital Gains reserve can only be drawn upon in the following situations:

- Funds are required to make up for a current year budget deficit in the Investment Interest or Capital Gains accounts
- Funds are required to set the Investment Interest budget for the following year budget



## RESERVE POLICIES

### Asset Life Cycle Reserve Study

In 2005, Council approved a reserve study that examined the City's Reserves and Reserve Funds with the purpose of:

- Determining the adequacy of the City's Reserves to meet known future expenditures (Infrastructure/Capital Asset Rehabilitation/Replacements) for 25 years based on projected inflows
- Determining the adequate level for the City's corporate rate stabilization/contingency reserve based upon comparisons and benchmarking with other Municipalities and "best practices"
- Reviewing, consolidating and refining policies for the City's various reserves and reserve funds

The following sections provide more details on the Reserve Study and policies Council approved.

### Life Cycle Replacement and Capital Reserve Fund

One of the major recommendations from the 2005 Reserve Study was the consolidation of reserves into the Life Cycle Replacement and Capital reserve or the financial impact of these recommendations (e.g. the reserves that were consolidated to create the Life Cycle Replacement and Capital Reserve)). This reserve is to fund the replacement of the City's aging infrastructure and for major capital expenditures approved by Council.

Funding for this reserve will come from the following sources:

- The City's Operating Budget contribution to Capital;
- Future interest income (in excess of \$1M) from long-term loans and future dividends from Markham Enterprises Corporation, a wholly-owned subsidiary, and its subsidiaries;
- Proceeds from the sale of asset, excluding land; and
- Future year-end Operating Budget Surpluses

### Corporate Rate Stabilization Reserve

The purpose of this reserve is to maintain the City's cash flow, minimize need for short-term borrowing, fund urgent expenditure requirements, minimize changes in the property tax rate, and to smooth out fluctuations due to one-time expenditures.

Based on Government Finance Officer Association's (GFOA) recommended best practices, the balance in the Corporate Rate Stabilization reserve was established at 15% of the local tax revenues.

In addition, future year-end operating budget surpluses, if any, will be used to top-up this reserve to the target balance. As explained in the Future Operating Surplus section, below, once the target balance in the Corporate Rate Stabilization is achieved,



remaining year-end surpluses, if any, will be allocated to other reserves in a sequential order, as approved by Council.

### **Other Reserve Study Recommendations and Policies**

- **Non-DC Growth Reserve Fund** – intended for the purpose of funding the non DC component of growth related projects. See “Development Charge (DC) Projects – Non-DC Reserve Funding” section in the Capital Budget Guidelines section for further information on the City’s requirement to fund a portion of growth related new capital infrastructure projects. Proceeds from future land sales will be the source of funding for this reserve.
- **Facility Ramp-up Reserve** – funded from the operating budget dollars included in previous years’ budgets to ramp-up for facility operating costs. Intended use of this reserve was not defined when the reserve was established, however, it was used to fund non-growth facility-related capital projects in the past, with Council approval. Balance at the end of each fiscal year will be transferred to the Corporate Rate Stabilization Reserve.
- **Environmental Land Acquisition Reserve Fund** – a new reserve established in 2005 to provide a source of financing for the City to acquire/protect environmentally sensitive land. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve. As well, any remaining year end surpluses after topping up the stabilization reserve will be used to replenish expenditures in the Reserve Fund.
- **Environmental Sustainability Reserve Fund** – intended to provide a source of funding for internal (City) and external (e.g. Community groups) initiatives that are environmental in nature. A base level of \$150,000 was established for this fund. The process to replenish the base for expenditures is through the following year’s Capital Budget process.
- **Land Acquisition Reserve Fund** - a new reserve established in 2005 to provide a source of financing for the City to acquire land that is strategic in nature, non-growth (and thus cannot be DC-funded), and not environmentally sensitive. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.

### **Future Operating Surpluses**

Prior to the 2005 Reserve study, year-end Operating Budget surpluses were directed to the Corporate Rate Stabilization reserve. The 2005 Reserve study established a target balance for the Corporate Rate Stabilization reserve at 15% of local tax revenues. Accordingly, a policy was adopted by Council to prioritize the funding of Reserves from future operating surpluses:

Future year-end surpluses, if any, in the operating budget will be allocated to top-up the Corporate Rate Stabilization reserve to 15% of local tax revenues first. Year-end surpluses remaining, if any, after topping up the stabilization reserve will be used to replenish expenditures in the Environmental Land Acquisition Reserve Fund (second priority) and the Life Cycle Reserve Fund (third priority). Should future year-end



surpluses not be sufficient to top-up the Stabilization and replenish the Environmental Land Acquisition reserve fund, the funding requirements should be included for discussion in the following year's budget discussions.

### **Waterworks Reserves**

Waterworks Reserves is water rate funded and offsets fluctuations in gross profit on water sales to residents and funds repairs/ replacements of waterworks capital infrastructures.

In 2007, Council approved the Water and Wastewater Reserve Study with the purpose of:

- Addressing the ongoing replacement and rehabilitation requirements for the Waterworks infrastructure over their useful lives
- Determining the adequacy of the City's Waterworks Reserves to meet known future expenditures for 25 years

Based on the future replacement and rehabilitation program as identified in the Water and Wastewater Reserve Study, the Waterworks Reserves will require additional funding in order to sustain future replacement and rehabilitation requirements. As a result, effective January 1, 2008, a Water & Wastewater Infrastructure Surcharge was implemented, to be phased-in over 10 years. Any potential increase to the approved surcharge will be brought forward to Council through the annual reserve study update and the annual budget process.

## DEBT POLICIES

Borrowing has its appropriate place in making prudent financing decisions. The City will continue to capitalize on fluctuations in interest rates and recognize when borrowing is appropriate to minimize the impact on tax rates. Building growth related infrastructure in advance of development combined with the fluctuations in development charge revenues, may result in a future need to borrow.

### **Policy on Debt Issuance**

Markham will strive to maintain its status as a “Pay As You Go” Community and the City will only consider borrowing for growth related capital projects.

### **Provincial Guidelines**

- Annual payments relating to debt and financial obligations should not be more than 25% of own source revenues and fund revenues, not including Municipal electrical utilities revenues.
- Markham’s annual repayment limit for 2014 is approximately \$70.3 million.



## 2015 OPERATING BUDGET GUIDELINES

### General Narrative and Assumptions

The 2015 Budget:

- *Provides that current revenues are sufficient to support current expenditures ("We are living within our means" without drawing down reserves for operating purposes)*
- *Maintains the City's general reserves*
- *Provides sufficient maintenance and replacement dollars to ensure capital facilities and equipment are properly maintained*
- *Maintains all the quality of life programs that residents have become accustomed to, and addresses increasing service levels based on demand where necessary*
- *Maintains a competitive compensation and benefits package for our work force.*

Projected costs and revenues are estimates and are subject to variations inherent in all such projections. Consequently, the estimates should not be viewed as precise predictions, but rather as indications of expected trends, given certain expenditure, revenue, and financing assumptions.

It is assumed that:

- Gross Assessment Growth will be 2.42%

The above assumption does not necessarily mean there is an absolute increase in either expenditures or tax dollars.

The focus of the 2015 budget revolves around infrastructure management, environment, and transportation issues. This budget provides for adequate maintenance of capital, equipment, and for future replacement of equipment. Through the 2015 Budget Process, the City continues its strategic thinking at all levels of the organization and critically evaluates the status quo.

The City will continue to focus on cost recovery through its use of User Fees.

### Budget Preparation Guidelines

The 2015 Budget is budgeted at 2014 base levels except for additional funding related to:

- Salary and benefits increases (CUPE and MPFFA wage settlement, OMERS pension rate changes, grid movement)
- Contract escalations and inflationary pressures
- Increased operating costs related to more households, kilometres of roads and new parks
- Operating costs associated with aging infrastructure

Excluding the predetermined increases mentioned above, departments should complete a business case and fill out a form requesting changes to the base budget for any additional funding requirements for new initiatives, programs, growth, or service level changes. Business cases are expected to contain a 'Value Proposition', meaning that the department has to clearly identify a corresponding incremental benefit to the City that the additional funds would generate. Each form requesting a change to the base budget (including completed business cases) will be approved at the Commissioner level before submission to Financial Planning.

### **No New Debt**

The City will not make a provision for the issuance of debt in this budget. The City's share of any work to be done under section 391 of the Municipal Act – Fee and/or Charges bylaw will not constitute debt as defined here.

### **Establish the Base Level**

The base level for the 2015 budget will be the 2014 cost of providing all the services approved in the 2015 budget, except for one-time projects.

The 2015 base level budget is set by taking the inputs approved in the 2014 budget and costing them, adjusting them for the annualized costs, growth and inflation, in that order.

- **Annualized Costs** - For example, last year's budget might have included a contract to start in April; this year's budget includes the full year's costs. If a contract had a price escalation midway in 2014. These costs are identified and included in the 2015 Base Budget.
- **Growth** - Allow for growth that will occur in the City in 2015. For example, if new roads were constructed in 2014, their upkeep would be part of the 2015 growth adjustment. Requests for new growth dollars must be documented. In order to obtain new growth dollars, there must be the identification of documented productivity, technological, or personnel efficiencies on the expense side or revenue enhancements to offset the request for new growth dollars. Only the portion of the cost from the date of the growth's impact to the end of the year is included in the Budget. However, departments should indicate the full-year cost of the growth.
- **Inflation** - All departments are expected to absorb this inflation within their 2015 approved budgets. However, exceptions are made for extraordinary commodity price increases and contractually related increases.

### **Service Level Changes**

In each department, a critical analysis will be performed to determine where increased efficiencies and possible cost savings could be achieved through the redeployment of staff. If current levels are deemed adequate, departments will include all existing services at 2014 levels in their 2015 base budget submission. Any requests for funding to increase service levels require submission of a form requesting changes to the base budget to justify the additional costs.



## **New Programs**

Requests and business cases for additional funds related to the identification of new programs must be filled out on the form requesting changes to the base budget. Only the portion of the cost from the date of implementation to the end of the year is included in the Budget. However, departments will indicate the full-year cost of the program.

## **Salaries and Benefits - Full Time**

The City continues to scrutinize personnel costs as a percentage of the budget. Financial Planning provides the salary figures for the 2015 base budget. The 2015 base budget from each Department includes only the 2014 full time approved complement. Financial Planning completes the 2015 Human Resources portion of the budget and sends the data to the respective budget coordinators for confirmation regarding positions and grades of full time staff. New headcount requests must be filled out on the forms and identified the associated new revenue and cost savings. All new headcounts were reviewed and approved by Senior Management, CAO and Council.

In 2014, Council approved a 3 year general wage increase for full-time non-union staff (2013:1.5%, 2014:1.9%, and 2015:1.9%). All increases are effective April 1. The increases are in line with comparator settlements.

## **Fringe Benefits**

2015 fringe benefits are based on known benefit rate increases provided by the Human Resources Department. In addition, the Financial Planning Department performs an analysis of 2014 actual benefit costs and reflects its findings in the 2015 budget.

## **Part Time Salaries**

The 2015 Budget Guidelines require that all permanent part-time staff be budgeted for by person/position. 2015 costs and any annualized costs are provided to Financial Planning by the Departments. The annualization of part-time job evaluation is included in the base budget.

## **Shift Premium**

Shift Premium will be budgeted at 2015 levels.

## **Overtime Dollars and Hours**

Overtime dollars and hours will be budgeted at 2015 levels.

## **Rate Increases**

Increases have been provided for as follows:

## **Investment Income:**

The forecasted 2015 interest rate of 4.0% is used for budgeting. The Financial Planning Department incorporates this rate in the development of the investment income budget.

## **Sales Taxes**

Municipalities are entitled to a 78% rebate on the PST component of HST, or 6.24%, and 100% federal GST rebate, or 5%. The total rebate is 11.24%. On items that the municipalities did not pay PST prior to the harmonization, there is a maximum net impact of 1.76%. For example, a \$100 purchase that is subject to \$8.00 of PST will receive a rebate of \$6.24 (78% of the 8%); therefore, the net impact to the City is \$1.76 (\$8.00 - \$6.24).

HST also impacts the City's revenues from recreation programs such as ice rentals, facility rentals, fitness memberships and program registrations relating to participants aged 14 and above, as these services are subject to HST.

## **Use of Accrual Basis for Budgeting**

### **Expenses**

Expense items are budgeted for in the month when the goods or services are expected to be received and not in the month when payment is to be made. For example, if a purchase order is issued in November and the goods are expected to arrive in December with payment terms of 45 days, the expenditure is budgeted in December. The actual goods will be paid for in early February due to the terms of the invoice.

### **Revenues**

Revenue items are budgeted for in the month in which the revenue is earned and not in the month when payment is received. For example, if a group rents the arena in December but is given 30 days to pay, the revenue is budgeted for in December since this is when the service was provided. The money for the rental will be collected in January next year.

### **Utilities**

The City is at spot rate for both natural gas and hydro in 2015, and it has been reflected in the 2015 Budget. Overall, the City's utility volumes have been reduced from the 2014 level resulting from Facility Energy Retrofits initiatives and adjusted for new facilities in the 2015 budget.

### **User Fees and Service Charges**

User Fees in Recreation and Culture, Engineering and Planning Departments were adjusted to reflect market conditions & general inflation where applicable.

### **Debt Charges**

Currently, the only debt Markham has is a 20-year loan from the Canada Mortgage and Housing Corporation (CMHC) and facilitated by the Region of York. The City borrowed \$12 million from CMHC in 2010 to construct the Birchmount Energy Centre. This plant is being operated by Markham District Energy (MDE) and the annual lease payment made by MDE to Markham more than offset the annual principal and interest payments.



## **Identification of Major Service Contracts**

The identification of major service contracts up for renewal in 2015 is completed by Financial Planning with the assistance from the Purchasing Department and factored into the Budget.

## **Budget Administrative Guidelines**

### **Budget Transfers**

Budget transfers refer to permanent transfers in the Budget and are not intended as a method of reallocation for budget overspending.

Forms do not have to be completed for re-allocation of dollars within a department. However, re-allocation of dollars may also be done between departments within each Commission. All transfers are tracked and recorded by the Financial Planning Department. Total 2015 budget dollars for the Commission do not change. Any cross-departmental transfers within the same Commission need to be approved at the Commissioner level.

### **Budget Spending**

The City Budget cannot be overspent. There may be variations throughout the year within the various cost centres and line items and the following levels of authority are required if these situations occur.

- Any Commission Level overspending requires the approval of the CAO.
- Within the Commission there may be Departments or line items that may exceed the budget. Provided these stay within the Commission, the Commissioner is authorized to make the necessary balancing decisions. Commissioners are responsible to ensure that procedures are in place to prevent budget overspending.

The Executive Leadership Team (ELT) regularly undertakes a detailed review of budget over/under spending and makes decisions on spending reallocations, if required.

Unless prior authorization is given, all departments will be expected to contain expenditures within budgeted amounts.

### **Budget Monitoring**

Budget status reports are prepared on a monthly basis for ELT. These provide a comparison between actual revenues and expenditures to budgeted amounts. Further regular reports are presented to the General Committee, which include a detailed analysis of variances.

Monthly financial statements are delivered by Financial Reporting to each Commission by the 5<sup>th</sup> business day of the following month. Based on this information, departments provide Financial Planning with details of material variances and projections for the remainder of the year.



Financial Planning consolidates the information and presents a reporting package to the General Committee.

### **Monthly Budget Reporting Content**

Financial Planning reports on operating budget variances to Senior Management monthly and to Council quarterly.

### **Vacancies**

Vacancies not filled within six months from the date of occurrence are subject to review by the Chief Administrative Officer (CAO).

### **Overtime**

The Directors for their respective departments are responsible to monitor overtime on a monthly basis.

### **Year-end Projections**

Factors that may affect the year-end projection and feedback from all departments are incorporated in the mid-year and third quarter forecasts to Council.



## 2015 CAPITAL BUDGET GUIDELINES

### Key Dates

<b>July 2014</b>	Capital Database was opened for submissions from departments which were due by the middle of June 2014
<b>November 2014</b>	Director’s Forum (DF) reviewed the 2015 Capital Budget Submissions and provided a recommendation to the CAO, Executive Leadership Team (ELT)
<b>December 2014</b>	ELT & DF had joint reviews of the 2015 Capital Budget
<b>February 2015</b>	Approval of the 2015 Capital Budget by ELT
<b>March 2015</b>	Council approval of the 2015 Capital Budget

### Project Categories and Guiding Principles

The life of a capital project can range anywhere from months to several years depending on the size and scope of the project. In order to maximize the City of Markham’s ability to manage capital projects and cash flow, capital projects will be categorized according to the project nature and the amount of time required to complete the project.

- All capital projects requested and approved through the annual capital budget process must be initiated in the calendar year of approval.
- All capital projects submitted for budget approval must be categorized as “Major”, Minor” or “Annual”, according to the guiding principles for each category, and defined in the table below

<b>PROJECT CATEGORY</b>	<b>GUIDING PRINCIPLES</b>
Major	<ul style="list-style-type: none"> <li>- Multi-year.</li> <li>- Non-recurring.</li> </ul>
Minor	<ul style="list-style-type: none"> <li>- Non-recurring.</li> <li>- Completed within 12 months of initiation date.</li> <li>- Invoices processed and projects “closed” 3 months after project completion.</li> </ul>
Annual	<ul style="list-style-type: none"> <li>- Recurring.</li> <li>- Completed within the calendar year of approval.</li> <li>- Invoices processed and project “closed” no later than Q1 of the year following approval.</li> </ul>

## 2015 Capital Database

The Capital Database is used to input all relevant information related to each capital project request. Departments are required to complete the following fields in the 2015 Capital Database the projects planned for 2015:

- Project Information Worksheet which requires departments to provide the following information:
  - Project Manager
  - Project Type (i.e. New Asset/Expansion, Repairs/Replacements, Studies)
  - Detailed Project Description
  - Project Ranking
  - Project Cost
  - Cost of future phases, if applicable
  - Funding Sources
  - Impact on Operating Costs
  - Cash Flow Projection
  - Procurement Plan
  - ITS requirements
  - Link to Council priorities
  
- DC / Life Cycle Projects Worksheet
  - Applicable when Development Charges (DC) has been identified as a funding source for the Capital Project. Departments are required to outline and compare the 2015 capital project request against the year and costs that have been identified in the DC Background Study. An explanation is required when the year and/or costs deviate from the DC Background Study.
  - Applicable when Life Cycle Replacement and Capital Reserve Fund has been identified as a funding source for repair/replacement of assets. Departments are required to complete the worksheet which compares the 2015 capital project request against the Asset Life Cycle Reserve Study. An explanation is required when the year and/or costs deviate from the Asset Life Cycle Reserve Study.
  
- Other Projects Worksheet
  - Applicable to all non-DC and non-Life Cycle projects. Indicate how Service Level will be affected by the project; that is, whether service level will be 'Maintained', 'Increased' or 'Decreased' after implementation. If the response is either 'Increase' or 'Decrease', a detailed explanation is required.

## Capital Projects / Acquisitions

A project or acquisition must meet both of the following requirements to be considered a Capital Expenditure:



- It must have future value with an expected useful life longer than 1 year.
- The total cost is \$5,000 or greater.

### **Priority Setting**

Submissions for Operating non-life cycle funded capital projects (tax rate) will be considered in accordance with their priority ranking. Projects should be ranked as follows:

#### **Rank 1**

- Projects that have received approval from Council
- Projects that are required due to legal / legislative requirements
- Life cycle funded projects with confirmed need based on condition assessment

#### **Rank 2**

- Continuation of an existing project (i.e. second phase)
- Life cycle funded projects without confirmed need based on condition assessment
- Projects that have been reported to Council but pending Council decision
- Projects that are politically sensitive
- Projects that increase efficiency or reduce/eliminate risks
- Projects that are deferred from previous year

### **2015 Business Plans**

The 2015 Business Plans were incorporated into the 2015 Capital and Operating Budget process.

### **Funding from Life Cycle Replacement & Capital Reserve**

In 2005, Council approved the establishment of Life Cycle Replacement & Capital Reserve to address on-going capital replacement and preventive maintenance of capital assets and for major capital expenditures approved by Council. Capital projects with the Life Cycle Replacement and Capital Reserve as a source of funding should also include the year of replacement identified in the Asset Life Cycle Reserve Study.

### **Special Funding**

Departments are required to identify projects in the 2015 Capital database that may require upfront financing by the City because the proposed funding (e.g. sale of assets, grants, subsidies, recoveries from other levels of government) will not be available at the time of expenditure.

### **Projects Managed by Other Departments**

#### **Information Technology Services (ITS):**

Departments are required to identify all discretionary IT requirements. Such projects include new corporate applications – training management system, corporate project

management system. Non-discretionary requirements (e.g., PC upgrades / replacements, etc.,) are managed by ITS separately.

### **Capital Assets/Fleet:**

All business cases & 2015 Capital Funding Request forms for new fleet should be forwarded to Operations-Fleet department for review and verification of cost/standards. Operations-Fleet will submit Capital Funding Request form(s) to Finance for new fleet vehicles required in 2015.

Operations-Fleet will conduct condition assessments on replacement vehicles identified in the Asset Life Cycle Reserve Study as requiring replacement in 2015.

### **Council Request**

Council members are encouraged to identify projects that should be included in the 2015 Budget submission. The requests will be summarized and distributed to the respective departments for comments which will be addressed at the Budget Committee meetings.

### **Taxes (Provincial & Federal)**

Harmonized Sales Tax (HST) of 13% is levied on purchases made in Ontario. For most purchases, Ontario municipalities are entitled to HST Rebate of 11.24%, resulting in a net 1.76% HST impact. For purchases and improvements of eligible capital properties for commercial activities, Ontario municipalities are entitled to HST Input Tax Credit of 13%. All capital projects must be budgeted at project cost excluding taxes. All applicable taxes impact (1.76% HST) must be identified separately.

For example, a project with a quote/estimate of \$200,000 should be budgeted at \$203,520 with net HST impact (\$3,520) identified separately.

### **Development Charge (DC) Projects – Non Growth DC Reserve Fund**

The City collects Development Charges (DC's) from developers to construct growth-related infrastructure, such as roads, parks, fire stations and community centres. Development Charges collected from developers are deposited in a DC Reserve Fund until funding for the growth-related capital project is required. Certain Development Charge projects require non-development charge reserve funding equivalent to 10% of the project cost. Items exempt from the 10% non-growth DC charge are:

- Water supply services, including distribution and treatment services;
- Waste water services, including sewers and treatment services;
- Storm water drainage and control services;
- Services related to a highway (as defined in subsection 1 of the Municipal Act);
- Electrical power services;
- Police services;
- Fire protection services;
- Other services as prescribed.



Projects that do not fall under one of the above exemptions must be noted as requiring 10% Development Fee funding or an alternative non-growth DC source such as other reserves. For example, a new park with a project cost of \$100,000, inclusive of taxes, would have Development Fee funding of \$10,000 (10%) and Development Charge funding of \$90,000 (90%).

### **Projects with Zero Cost**

Departments are required to budget for all projects that they propose to undertake, even those that have a zero net City cost. For example, if a project requires that the City undertake works for other local governments, utilities or developers that will be funded through subsidies or recoveries, then the project should be included in the Capital Budget with appropriate gross subsidies, recoveries and net cost. If the City is to undertake the project, it must be budgeted.

### **Donations and Donations-In-Kind**

Donations and Donations-In-Kind should be included in the 2015 Capital Budget submissions. The funding source should be identified as 'Other' with a description of *Donation* or *Donation-In-Kind*.

### **Capital Improvements in Specific Areas**

Capital improvements that benefit specific residents in an area are recoverable from the residents that benefit from the improvement. The funding source for such projects should be identified as either: Local Improvement Charges; Section 391 – Fees & Charges By-law; or Section 326 – Special Service Charge By-law of the Municipal Act, 2001.

### **Capital Induced Operating Costs**

Future operating costs (personnel and non-personnel) associated with capital projects must be identified in order to be included in the operating budget.

### **Quotes**

To provide more accurate budget figures, where appropriate, all capital projects put forward should have written quotes from vendors.

### **Endowment Reserve Funds**

Capital Projects that will be funded from Endowment Funds, such as the Museum and Theatre, should be included in Capital Budget submissions.

### **Post Budget Approval – Controlling Capital Expenditures**

**Under Spending** In accordance with the Capital Budget Control Policy, when a Capital Project is cancelled or a completed project results in unspent dollars, those dollars must be returned to the original funding source(s) of the project.

## **Over Spending**

Capital contract overruns that exceed budget must follow the Capital Budget Control Policy for Request for Additional Funding of an Approved Capital Project.



# 2015-2018 Projects Budget Process Guidebook

## Overview

The Projects Budget process includes both Tangible Capital Projects and One-Time Operating Projects.

In compliance with PSAB Section 3150 the City will capitalize Tangible Capital Assets (TCA) and amortize these over the useful life of the asset. Projects which meet the definition of TCA will be capitalized. Projects which are One-Time Operating projects are not eligible for capitalization.

## Log In Instructions

- The database is located on the “U” drive.  
**U:\markham.ca\data\Corporate Budgets**
- **2015 Budget\2015 PROJECTS BUDGET\**
- To map to the U drive, refer to the section titled “**Mapping the U Drive**”.
- Open the U drive found from Windows Explorer.
- Double click on the folder named “**2015 Budget**”, followed by the folder named “**2015 Projects Budget.**”
- Double click on the shortcut “2015 Live Capital”. This will open Microsoft Access and prompt you for a password.
- Enter your department user name and password as provided by Finance to Access the database.

## Mapping the U Drive

- To map to the U drive, open Windows Explorer
- Select “Tools”
- From the drop down menu select “Map Network Drive...”
- A new window titled “Map Network Drive” will appear
- In the section for Drive, enter **U:**
- In the section for Folder, enter **\\markham.ca\data\Corporate Budgets.**
- Ensure that the check box section to “**Reconnect at logon**” is selected.
- Select “**finish**”.

**\*\* Caution: Once a record is entered, it is automatically added to the database. Access automatically saves the database as soon as a record is changed, or added. \*\***



## New For Windows 2007

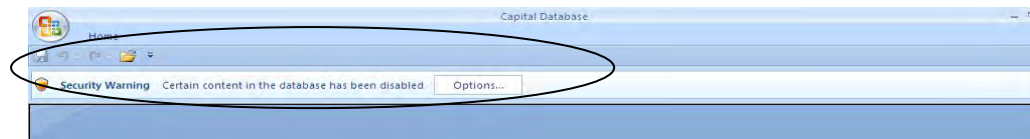
A “security” message may appear once you are in the Access Database.

“Security Warning. Certain content in the database has been disabled. Options...”

Select the Options... button.

Select “Enable this content”

In order to access the functions in the Projects Budget Database, ensure that “Enable this content” is selected.





## 2015 Project Budget Main Menu

This is the first screen with which the user is presented. The following 4 options are available to users:

1. Open Project Form
  - This takes the user to the Project Information form.
2. Print Reports
  - Generates reports based on department(s) or project information.
  - Select the required report.
  - Highlight the required department(s).
3. Instructions
  - Provides the link to the Budget Process Guideline.
  - This may also be accessed directly through the U drive in **2015 Budget\2015 PROJECTS BUDGET\**
4. Exit Database
  - Terminates the program.

### 1. Project Form

There are 4 tabs at the top of the screen. Each tab has its own separate form. **All tabs must tie back to the cost in the project details as entered in the Project Information tab.**

Tabs

1. Project Information
2. Project Planning
3. DCA or Life Cycle Projects
4. Project Rationale

Each tab has 5 buttons:

1. New – Saves the current project and opens a new one.
2. Print – Generates and prints a 2 page report with the information provided. ESC to exit print preview after making this selection.
3. Copy – Creates an exact duplicate of the current project.
4. Close – Saves and returns to the main menu.
5. Delete – Removes the current project from the database.

Projects which have been entered may be selected from the “Find Project” drop down menu. In order to switch projects, create a new one, print or close a project, there must be no errors on the page. (E.g. the Funding should equal the Project Cost). Should the system detect an error, it will alert the user and indicate where to correct the error.

**Cost Quote: (Important) Include the pre-tax cost.**

HST: Ensure that the HST box is checked off. This will automatically calculate the HST impact of 1.76%.

### 1.1 Project Information

The screenshot shows a software interface with several tabs: "Project Information", "Project Planning", "DCA or LifeCycle Projects", and "Project Rationale". The "Project Information" tab is active and circled in red. The form includes the following sections:

- Project Details:** Project Name (Asphalt Resurfacing), Year (2016), Project Number, Department (Operations - Roads), Project Mgr. (Mike Brady), Ward (CW, 1-8), Project Description, Project Type (Repair/Replace), TCA/Operating (Tangible Capital Asset), and Category (Major).
- Cost Breakdown:** Project Cost and Future Phases sections with fields for Cost/Quote (5,027,200), Internal Chargeback (0), External Consulting (0), Contingency %, Sub Total (5,027,200), HST (1.76%) (88,479), and Total Project Cost (5,115,700).
- Project Induced Annual Operating Costs:** A table for Personnel and Non Personnel Costs, with Revenue and Net values all set to 0.
- Funding Comments:** A text field containing "Gas Tax".
- Components Table:** A table with columns for Funding Type, Comments, Budget, and Future Phases. It lists "Operating Funded Life Cycle" (Budget: 5,115,700) and "Gas Tax" (Budget: 0).

This form is used to enter details of each project for their department(s). The following briefly describes the requirements for each field:

**Project Name:** Enter a descriptive name of the project. Do not include the word “annual” in the project name.

**Department:** Select the department from the drop down menu. If a department is not selected it will not appear in the project summary report.

**Project Manager:** Enter the name of the person responsible for managing the project, including the budgeting and tracking of costs.

**Ward:** Check the box(es) for the ward(s) that will be affected by the project. If it affects the entire city, check the box labeled ‘CW’. Community centres should only fall under one ward and not multiple wards.



**Project Desc:** Enter detailed information about the project, including what benefits there will be to the City. The description must be clear and concise and not just a repeat of the project name.

**Year:** Select from the drop down menu the year that the capital project is being requested (note the selection should reflect the year that the project will be procured and/or take place). If the user selects a year other than 2015, the Year and Project Name fields will be highlighted to alert the user to make sure they have indicated the correct year.

**Ranking:** Rank the according to its priority:

1 - Have to go

2 - Should go

Ranking 1 – “Have to Go”

- Council Approved
- Legislative Requirement
- Life Cycle Funded Projects with confirmed need based on condition assessment

Ranking 2 – “Should Go”

- Phased projects (i.e. Phase 2 of 3)
- Life Cycle Funded Projects without confirmed need
- Reports to Council providing overview of potential , but pending a decision/direction from Council
- Politically sensitive
- Increase efficiency
- Reduce / Eliminate risks
- Deferred from Previous Year

**Include on List:** Check this box if the project should be included in the Projects Summary report. Only system administrators have access to uncheck this box. If you wish to have the project removed from the list, please contact your administrator. The project will remain in the system but will not be part of the 2014 Projects Budget summary.

**Project Type:** Select the appropriate type of project from the drop down menu.

1. New asset/expansion
2. Repair/Replacement
3. Studies/Pilot

**Project Number:** To be completed by Finance

**TCA/Operating:** Select Tangible Capital Asset (TCA) or Operating. Consult with Finance if required.

**Category:** pick one of the categories from the drop down list - Annual, Major and Minor. Here are the criteria for categories:

**Annual**

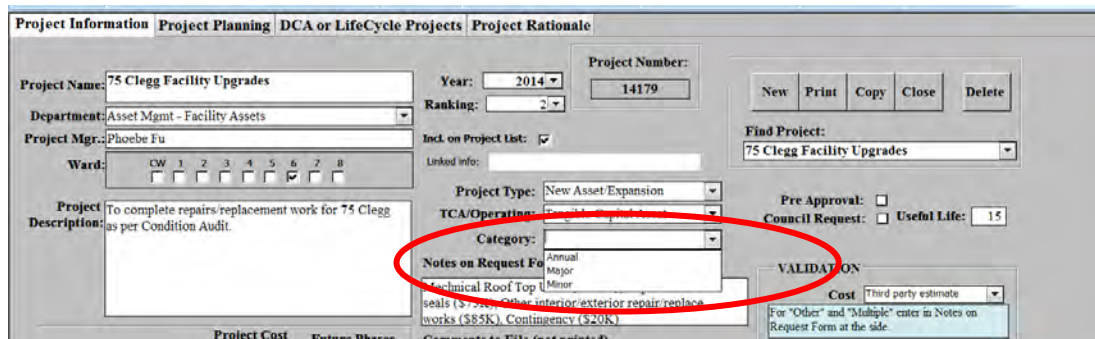
- Completed within calendar year
- Recurring

**Major**

- Multi-year
- Non-recurring

**Minor**

- Completed within one year from initiation date
- Non-recurring



**Find Project:** In order to switch to a different project that has already been set up, access the drop down menu in this field. If a project is no longer required it may be deleted. Deleting will remove the entire project and all information.

**Pre-Approval:** Check this box if the project needs to be pre-approved.

**Council Request:** Check this box if the project has been requested by Council.

**Useful Life:** Input the estimated useful life of the asset being purchased in this field. The useful life is the period over which the asset is expected to be available for use based on PSAB. Ensure that the useful life matches that in the Life Cycle Study if it is life cycle funded.

**Project Cost:** Enter the estimated project cost.

Costs to be broken down by:

1. Cost/Quote
2. Internal Chargeback (employee chargeback cost)



- 3. External Consulting
- 4. Contingency (refer to Table A)
- 5. HST (1.76%) (formula driven HST impact)

**Table A – Contingency Percentages**

Type	Thresholds			
	Under \$500,000	\$500,000 to \$1 million	\$1 million to under \$5 million	\$5 million & over
	Actual	Actual	Actual	Actual
Existing Facility	10%	10%	10%	5%
Roads/Bridges	10%	8%	5%	5%
New Facility			10%	5%
New Parks	7%	8%	6%	
Sidewalks/Illumination	5%	9%	8%	
Water - Relining/Cathodic	8%	9%		
Watermain & Sewer Replacement	10%	4%	3%	

The blank fields are due to the fact that there was no historic data in the particular category when the analysis was undertaken. Should you have a project that fits within these categories, please identify a rate based (note: maximum at 10%). **All professional fee or consultant related costs are set at 10%.**

**Future Phases:** If costs are forecast to be incurred beyond the budget year, enter costs into these fields in the same manner as the Project Cost column.

**Notes on Request Form:** Any notes which the user wants to be included with the Project Appropriation Form should be entered in the textbox. This includes additional qualitative and quantitative details, DCA allocations, and validation for 'other' and 'multiple'.

**Provide qualitative and quantitative descriptions:** Examples: 1. Number of chairs being replaced, type of chairs being replaced with, current inventory, indicate if chairs are interchangeable between community centres. 2. Carpet replacement: indicate condition of current carpet, square footage being replaced, cost per square foot, risk if carpet is not replaced. 3. Trees: indicate the number of trees, location of trees, type of trees and cost per tree. 4. Painting: indicate area being painted, condition of existing area being painted, risk associated if area is not painted.

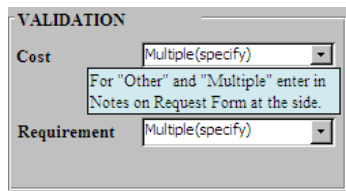
**If the request is an annual program, the following statement must be included in the Notes section "This is an annual program and funding will be requested each year". Also, the project cost must tie to the past 3 year average actual spending and the 3-year average should be noted in the Notes section.**

If the request has multiple phases, provide a status update on the previously approved phase(s), provide details on the current phase being requested and details on the future phase(s). Also, include the total program cost and identify whether there is any change to the total program cost.

**Comments to File:** Enter any additional comments regarding the project that will not be printed on the Project Appropriation Form.

## **\*\*Mandatory Fields**

Example



**\*\*Cost Validation:** Select from the drop down menu the cost validation for the project. Ensure that the supporting back up is available to as requested. Back up may be attached to the U drive in the Project Documents by department folder. **2015**

**Budget\2015 PROJECTS BUDGET\Projects Budget\Project Document\**

1. Recent Awards: refer to the most recent awards to validate the cost. Ensure documentation is available when requested to provide.
2. Internal peer review: Internal peer review based on i.e. based on departmental input to substantiate their needs. (e.g. facilities requests on behalf of recreation—the request needs to be substantiated by recreation).
3. External peer review: review based on external sources e.g. consultants.
4. Third party estimates (quotes from vendors): estimates provided by vendors.
5. Published Guidelines: costs based on industry standards and/or published guidelines.
6. Other: specify other validation in the Notes to Request Form field.
7. Multiple: specify multiple selections from above in the Notes to Request Form field.

**\*\*Requirement Validation:** Select from the dropdown menu the requirement validation for the project.

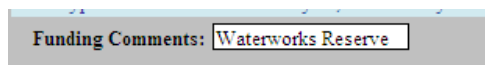
1. Condition assessment: assessment by City staff or consultants on the condition of the asset and the need for repair/replacement/rehabilitation.
2. Visual inspection: inspection of the asset to determine if the asset needs repair/replacement/rehabilitation.
3. Documentation (based on historical data): requirement based on studies conducted, life cycle study, departmental study, industry standards.
4. Legislative compliance: requirement based on legislation.



5. Frequency of repairs/break-downs: based on the asset's needs in order to maintain it in a condition suitable to daily usage. Determine the frequency of repairs/break-downs based on historical information as well as future needs.
6. Other: specify other validation in the Notes to Request Form field.
7. Multiple: specify multiple selections from above in the Notes to Request Form field

**\*\*Funding Comments:** indicate the funding source if it is other than DC, Operating Funded Non-Life Cycle or Operating Funded Life Cycle (E.g. Waterworks reserve, Heritage reserve, Pre-DC, Ramp up, etc.).

#### Example



**Funding:** Select the Source of Funding from the list in the drop down menu.

If funding is other than Operating Funded-Non Life Cycle, Operating Funded-Life Cycle or DCA, the funding source must be identified in the Funding Comments box. If **Other Internal or External** is selected, the user must specify the source in the Funding Comments box. For example, Other Internal could be "Operating Savings from Account" (please include the account #) and Other External could be Fundraising, Grants, Region of York, Toronto & Region Conservation Authority, or York Region District School Board).

#### **Changes Made During Reviews**

For tracking purposes, changes to project funding require a new box to be added in the Funding Type section with details included in the Comments beside the funding type to explain the change.

Reductions in funding should be indicated as a negative amount. If there are different components to the funding or funding for future phases, these should be indicated in this section.

Note: **Total Funding must match the Total Project Cost** in order for the user to leave the tab and have the information saved.

#### ***Project Induced Annual Operating Costs***

If the project has an impact on operating costs, they should be entered in these fields. There are 2 buttons linking the form to either personnel or non-personnel operating costs.

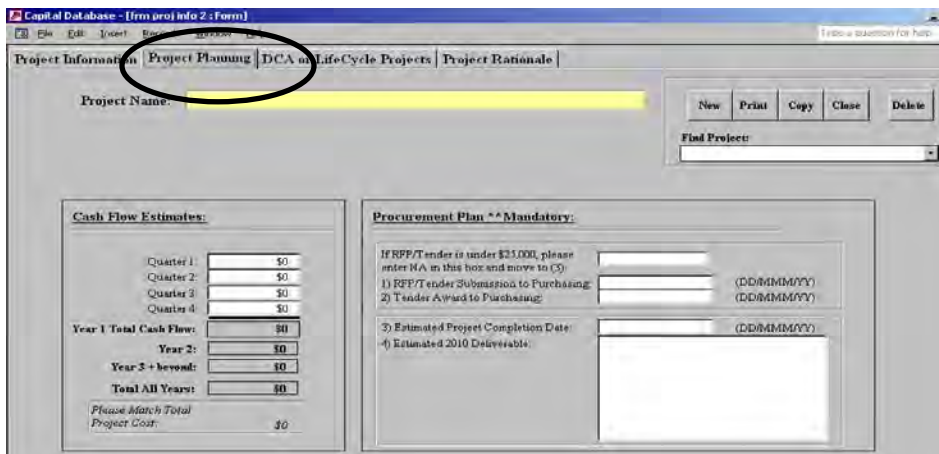


Project Induced Annual Operating Costs			
Personnel Costs		Non Personnel Costs	
Personnel:	Non Pers.:	Revenue:	Net:
0	0	0	0

Ensure that all fields are completed.

Non-Personnel: ensure that the correct cost centre is selected. In the first comment section include a brief description of the cost. In the second “comments” section include the qualitative/quantitative support for the request. Provide the rationale for the non-personnel request.

## 1.2 Project Planning



This section is to provide details relating to cash flow estimates and project procurement to comply with the Auditor General’s plan.

**Cash Flow Estimates:** Enter the estimates for the required cash flow during the four quarters of the budget year. **Note: Total cash flow must equal total project cost in the Project Info section.**

Ensure that the quarterly cash flow is in line with the procurement section. i.e. if there is a cash flow in quarter 1, then there should be an award date in the first quarter. Tender dates may take place prior to the budget year.

The cash flow for the project is required to be allocated to year 1, year 2 and year 3+. Indicate how much of the project’s budget will be spent in Year 1 (2014) in the quarterly cash flow estimate section. Future phases are to be allocated to Year 2 (2014), and Year 3 + beyond.

### Procurement Plan \*\*Mandatory\*\*

**If the procurement is under \$25,000, enter NA and proceed to 3. Otherwise, complete all sections.**



1. **RFP/Tender Submission to Purchasing:** Estimated date to send bid documents, project specifications and other information to the Purchasing department. Format (DD/MMM/YY)
2. **Tender Award to Purchasing:** Estimated date to have Purchasing award the tender to the vendor. Format (DD/MMM/YY)
3. **Estimated Project Completion Date:** Estimate for project to be fully in service. Format (DD/MMM/YY)
4. **Estimated Deliverable:** Estimated plan for milestone to be completed by year end. Year end milestone deliverable plan.

### 1.3 DCA or Life Cycle Projects

Project Information | Project Planning | **DCA or Life Cycle Projects** | Project Rationale

Project Name:

New Print Copy Close Delete

Find Project:

**DCA**

Select DCA Assets

Total DCA COST SELECTED

TOTAL cost identified in this project:

**Life Cycle**

Select Assets

Total Pre-Tax Cost  Total Cost with HST

Year identified in the study

Life Cycle cost identified in this project:

Add Hyper Links:

Link	Comments
<input type="text"/>	<input type="text"/>

DCA or Life Cycle: Explain if there is a change in the year and/or cost:

Indicate the year identified in the Life Cycle study.

**Users are required to complete this worksheet only if the required funding source is identified as DC or Life Cycle reserves.**

#### DCA

All DC funding should be matched to projects identified in the DC Background Study.

#### Select DCA Assets:

Click this button to select assets from the DC Background Study. After clicking this button, a new window will open.

Choose the asset from the “Location” dropdown list to highlight it and then enter the amount required in the “Amount Required” field.

Location	Component	Description	Year	Amount Required	Amt. in Study	Used to Date (incl. amt entered)	Remaining	Comments
Boxgrove Community Park	Park Summary	Land Development	2013	0	\$7,769,406	\$0	\$7,769,406	
Berzcy Park near Williams St	Park Summary	Land Development	2017					
Box Grove Rennie Ave NBHD Park	Park Summary	Land Development	2016					
Boxgrove Community Park	Park Summary	Land Development	2013					
Boxgrove Community Park Washroom Pavilion and	Park Summary	Land Development	2014					
Boxgrove Hill East Parkette	Park Summary	Land Development	2017					
Boxgrove Hill South East Parkette	Park Summary	Land Development	2013					
Boxgrove Southeast Heritage House Parkette	Park Summary	Land Development	2013					
Brother Andre Mt Joy Comm. Park Maintenance S	Park Summary	Land Development	2014					
Cornell Centre Mattamy N.P.	Park Summary	Land Development	2017					
Cornell Centre Mattamy Woodlot Park	Park Summary	Land Development	2016					
Cornell Centre South NBHD Park (HR)	Park Summary	Land Development	2015					
Cornell Community Centre Square	Park Summary	Land Development	2015					
Cornell Community Park	Park Summary	Land Development	2014					

If the project was not identified in the DC Background Study, click on the “Location” drop down list and choose “Not Identified in Study” and then enter the amount required in the “Amount Required” field.

Alternatively, if a project from the DC Background Study is to be substituted with the requested project, then the project to be substituted may be selected from the “Location” dropdown list.

### Explain if there is a change in the year/cost:

An explanation is required if the DCA amount is different than the study cost or year. (i.e. cost is higher/lower; year is accelerated/deferred) and reason.

### Life Cycle

**Select Assets:** Select this button to select assets from the Life Cycle projects listed. Click on the asset to highlight it and then enter the amount required. The amount in the life cycle is pre-tax. The user must input the amount in the “Amount Required” field. This number can be cleared by clicking the asset number again which will change the colour back to white.

**Life Cycle Cost Identified in This Project:** the amount displayed is the cost for the project and should tie to the funding type selected in the Project Information tab.

**\*\*Life Cycle “Year identified in study”:** indicate the year of replacement as identified in the life cycle study.



Note that the asset listing in the Life Cycle Assets section contains the prior year's Life Cycle study data. This will be updated once the current year Life Cycle study is completed.

**Explain if there is a change in the year/cost:**

An explanation is required if the DCA or Life Cycle amount is different than the study cost or year. (i.e. cost is higher/lower; year is accelerated/deferred) and reason.

If there are error messages showing in the bottom of either the DCA or Life Cycle box or the cost is different than the DCA or Life Cycle study, a detailed explanation is required in the section, **Explain if there is a change in the year/cost.**

**Add Hyperlinks:** Add supporting documentation to the project using “Add Hyper Links” as outlined below.

### Add Hyper Links

In this area users can provide backup documents relating to the project request. If the document is on CCBS include the full URL path in the link field. This would look like this: <http://development/clerks/DocExtract.asp?Document=cl060425-006a-0002.htm>

If it is a file on the computer, it must be saved on a shared network directory which the intended audience has access to. Include both the directory and the filename. E.g.: *U:\2015 Budget\2015 Projects Budget\Project Document\dept name\project name.xlsx*. If changes are made to a file and it is being saved under a different name/version, ensure that the link is updated.

Add any comments which are applicable to the supporting documents.

## 1.4 Project Rationale

Project Information | Project Planning | DCA or LifeCycle Projects | **Project Rationale**

Project Name:

\* Business Case - Rationale for project submission  
 \* Required for all Capital requests

**BUILDING MARKHAM'S FUTURE TOGETHER: Describe how this project/initiative advances the objectives of BMFT.**

Primary Objective:

Properly paved and well maintained roads help reduce accidents and promotes safe movement of traffic reducing traveling time. Contracts within this program call for reharvesting and recycling of construction materials. Strategies include warm mix designs which lowers emissions, utilizes asphalt from roof shingles and recycles aggregate.

i) Project Class:

ii) What is the rationale for this project? Comment on Project Class.  
 Condition assessment is conducted bi-annually to determine specific locations. This is followed by a detailed visual inspection by Operations staff which verifies the laser condition assessment. Identified in Lifecycle reserve.

iii) What are the implications of this project not being approved?  
 Pavement conditions deteriorate resulting in unsafe roads and sidewalks. Program targets various road rehabilitation strategies in order to optimize funding. Significant cost increase to pavement management program if not approved.

iv) What alternatives were considered?  
 Cost effective strategies are designed to extend pavement life and reduce overall maintenance costs of both the road and sidewalk network. No alternatives are available.

Buttons: New, Print, Copy, Close, Delete  
 Find Project:

Building Markham's Future Together – Drop down box to select the key alignment to one of the seven Council strategic priorities and the selection is as follows:

- Diversity
- Greenprint
- Growth Management
- Integrated Leisure Master Plan
- Markham 2020 Economic Development Strategy
- Municipal Services
- Transportation and Transit

Please describe how the project aligns with the selected Council strategic priority in the text box. Detail description for the Council strategic priorities can be found on the intranet site: [http://www.markham.ca/NR/rdonlyres/0163EF46-AC3D-4E6B-ADBD-8B6C9C0FD61A/0/BMFT\\_brochure08.pdf](http://www.markham.ca/NR/rdonlyres/0163EF46-AC3D-4E6B-ADBD-8B6C9C0FD61A/0/BMFT_brochure08.pdf)

In each of the text boxes, provide as much detail as possible regarding the project.

1. Project class: Select from the drop down menu items.
2. What is the rationale for this project? Comment on service level. Provide clear and concise justification for the project.
3. What are the implications of this project not being approved? Indicate the risk or implications if the project is not approved. Indicate the impact it will have on future service or additional future costs.



4. What alternatives were considered? Indicate the alternatives and why it may/may not be feasible.

## 2. Print Reports – Report Menu



From the Main Menu, the Print Reports menu will show this window.

There are multiple reports to select from. Select the one which is required and then select the department(s). Note: more than one report may be selected at a time. If no department is selected, it will generate the report based on all of the departments listed.

If applicable, select ranking from the drop down menu where user has the following options to print:

- Rank 1 Projects only
- Rank 2 Projects only
- Rank 1&2 Projects
- Rank 3 Projects only

Leave this field blank if all projects are to be printed.

Note: Default is currently set to print Rank 1&2 projects only.

The report menu can also generate a report based on the project instead of the department as a whole. This is done by selecting the Project Name from the drop down menu.

To print the report, make sure all information has been given, and then click the “Print” button. This will generate a print preview before it is printed.

The Project Appropriation Form must be printed **double sided**. Ensure that the print properties are updated before printing.

### 3. Instructions

The instructions button contains the link to this document should a soft copy version be required.



## CAPITAL BUDGET CONTROL POLICY

### Purpose

The Capital Budget Control Policy will provide the necessary guidelines to improve the management, administration, and reporting of capital projects.

The aim of this policy is to define the following:

- Project Categories and Guiding Principles for capital budgeting.
- Standardized Contingency Percentages for capital budgeting.
- The return of surplus funds after a contract has been awarded.
- Capital Budget reporting requirement to Council.
- Process for requesting new capital projects after the annual budget has been approved.
- Process for requesting the Consolidation of capital projects with similar scope.
- Process for requesting a change to the scope of an approved capital project.
- Process for requesting additional funding for an approved capital project.
- Process for closing capital projects and the return of unexpended funds to reserves.

### Project Categories and Guiding Principles

The life of a capital project can range anywhere from months to several years depending on the size and scope of the project. In order to maximize the City of Markham’s ability to manage capital projects and cash flow, capital projects will be categorized according to the project nature and the amount of time required to complete the project.

- All capital projects requested and approved through the annual capital budget process must be initiated in the calendar year of approval.
- All capital projects submitted for budget approval must be categorized as “Major”, Minor” or “Annual”, according to the guiding principles for each category as defined in the table below

PROJECT CATEGORY	GUIDING PRINCIPLES
Major	<ul style="list-style-type: none"> <li>- Multi-year</li> <li>- Non-recurring</li> </ul>
Minor	<ul style="list-style-type: none"> <li>- Non-recurring</li> <li>- Completed within 12 months of initiation date</li> <li>- Invoices processed and projects “closed” 3 months after project completion</li> </ul>
Annual	<ul style="list-style-type: none"> <li>- Recurring</li> <li>- Completed within the calendar year of approval</li> <li>- Invoices processed and project “closed” no later than Q1 of the year following approval</li> </ul>



## Standardized Contingency Percentages

In 2013 Finance undertook an extensive analysis of the contingency purchase orders (PO's) as a percentage of the awarded contracts to determine reasonable project contingencies, by project type and dollar thresholds.

- The standardized contingency percentages for hard costs (construction) are provided below
- The standardized contingency percentage for soft costs (consulting & professional fees) is 10% for all project types and dollar thresholds.
- The appropriate contingency amount (as per the standardized contingency percentages for hard and soft costs) will be included in the capital project estimate submitted for budget approval.
- Project contingency amount(s) will be proportionally adjusted according to any approved changes to project budget amount.
- Consideration for a contingency in excess of the standardized amount must be submitted to the respective Commissioner and the CAO, with a business case to support the request for approval.

Project Type	THRESHOLDS			
	Under \$500,000	\$500,000 to \$1 million	\$1 million to under \$5 million	\$5 million and over
Existing Facility	10%	10%	10%	5%
Roads / Bridges	10%	8%	5%	5%
New Facility	N/A	N/A	10%	5%
New Parks	7%	8%	6%	N/A
Sidewalks / Illumination	5%	9%	8%	N/A
Water – Relining / Cathodic	8%	9%	N/A	N/A
Watermain & Sewer Replacement	10%	4%	3%	N/A

## Return of Surplus Funds after Contract Award

Estimated costs for contracted goods or services are included in the project submission during the annual capital budget process. In the event that the actual amount awarded for a contract is less than the amount included in the budget estimate, the excess funding will be returned to the original funding source(s). Also, the total project budget, including the standardized contingency amount, will be reduced accordingly.



## Capital Budget Reporting

The Treasurer will report to Council semi-annually on the status of all capital projects. This regular reporting will provide Council with the tools necessary to make informed decisions on all capital related items requiring their approval.

### ➤ **Status Updates from Departments**

To accurately administer and report on the capital budget, Departments will be required to forward to Finance, on a quarterly basis, an accurate status of each project owned or managed by them. The status must include a description of the work in progress, the percentage of work complete and a projected forecast for completion. Departments should also disclose any third party agreements or other situations that may delay the initiation or the completion of the project.

### ➤ **Semi-annual Status Report to Council**

On a semi-annual basis, Finance will consolidate the information received from the Departments and report to Council on the status of capital works.

The report will include a summary of the encumbrances to date, the percentage of budget encumbered, the known commitments and expenditures, and a detailed listing of capital projects to be closed. The information provided will also include all changes to reserves and reserve funds resulting from project closures.

The particulars in the report will be provided for information purposes only.

## Request for New Capital Project after Annual Budget has been Approved

Throughout the year, there may be the need to commence a project that was not anticipated during the annual capital budget process.

- Departments must submit their new project requests, supported by a business case, to the Treasurer.
- Depending on the timing of the submission and on the significance of the initiative, the request will be submitted for Council approval:
  - As part of the semi-annual capital project status report, OR
  - Directly to Council with the consent of the Treasurer.

## Request to Consolidate Capital Projects with Similar Scope

Many capital projects are submitted each year as part of an asset repair or replacement program, and are not always completed within the calendar year in which they are approved. This results in multiple, active projects of similar scope and can be cumbersome to manage. Departments may request that projects of similar scope be consolidated. This option is available only for projects classified as “Major”.

- Requests for consolidation of Major projects of similar scope must be submitted to the Treasurer for review.
- The request should clearly outline the incomplete works of each project and their anticipated cost.

- Any identified budget excess will be returned to the original funding source(s).

### **Request to Change the Scope of an Approved Capital Project**

A considerable effort is expended in assessing the capital assets of the organization and the needs of the Community in preparation for the annual capital budget. However, throughout the life of a capital project the scope may change (additional works, materials or expanded mandate) as the priorities of the organization and Community change.

- Departments must forward all scope change requests to the CAO for consideration.
- The request should include:
  - The project name, original scope and budget;
  - The impact of not proceeding with the project as originally defined;
  - The scope and budget of the revised project;
  - The benefits of approving the revised project.

### **Requesting Additional Funding for an Approved Capital Project**

During the annual capital budget process, Departments make every attempt to ensure that the budget request is sufficient to complete the defined scope of the project. Unanticipated costs, emergency purchases or approved scope changes may prompt the need for additional funding. All approved budget increases will be funded from the established capital contingency project(s) appropriate to the project scope.

- Approval for the use of capital contingency project funds is governed by the signing authority levels in the corporate “Expenditure Control Policy”, (*Capital Overruns, section 6.03*).
- At the discretion of the Treasurer, a report to Council may be required (from the requesting Department) if the funding request will drive the capital contingency project into a negative balance.
- The use of capital contingency funds will be reported to the CAO and Commissioners on a quarterly basis.
- The amounts required to top up the contingency projects to their respective maximum funding amounts, will be included in the semi-annual capital status report to Council.

Following is the list of the approved capital contingency projects, by funding type & use and the maximum funding amount for each.

Non-DC Contingency	\$250,000	Tax funded portion of requirement
Design DC Contingency	\$100,000	90% DC portion of requirement
Planning DC Contingency	\$50,000	90% DC portion of requirement
Engineering DC Contingency	\$100,000	DC portion of requirement
Waterworks Contingency	\$100,000	Waterworks Stabilization/Capital requirement



## **Closing Capital Projects and Return of Unexpended Funds**

The timely closing of capital projects is imperative to ensure that funds are not spent unnecessarily, and to ensure that any surplus funds are returned to their original source(s).

In the event that an invoice is received after the closure of a capital project, the Treasurer has the authority to approve payment of the invoice from the funding source(s) originally approved for the project; that is, providing the total cost of the project is within the original project budget. Invoices not within the original budget must be addressed according to the Expenditure Control Policy and other sections of this Capital Budget Control Policy.

## **Expenditure Control Policy**

### **1 POLICY**

1.01 All employees shall obtain appropriate authorization for any expenditure of funds.

### **2 PURPOSE**

2.01 The purpose of this policy is to establish internal controls over the authorization of expenses.

This procedure is subject to the limitations and guidelines established within Markham's Purchasing By-law #2004-341.

### **3 SCOPE**

3.01 This policy applies to all authorized individuals making payments on behalf of Markham. The responsibility of any employee referred to in this Policy may be temporarily assumed by their designate.

3.02 The approval authority thresholds identified include taxes except for sections under 7.01, 7.02 and 7.03.

### **4 RESPONSIBILITY**

4.01 It will be the responsibility of all Markham employees to ensure that all requirements of the Policy are complied with.

4.02 Staff whose names are approved by the appropriate Commissioner or Chief Administrative Officer (CAO) will have signing authority. Those individuals responsible for approving expenditures are also responsible for the legitimacy of the expenses.

4.03 Accounts Payable is responsible for ensuring that no payments are made without appropriate authorization.

4.04 The Treasurer is responsible for the administration of this Policy and will recommend to the CAO any amendments that may be required.

4.05 The CAO will be authorized to approve any amendments suggested by the Treasurer.



## 5 DEFINITIONS

“**Barter Transactions**” means an exchange of goods or services between two or more parties where no money changes hands;

“**Blanket Purchase Order**” refers to a contract between Markham and a supplier to facilitate the procurement of repetitively used goods and services for a specified term;

“**Capital Budget**” means a financial plan outlining expenditures and revenues of a Capital Project that is formally reviewed and approved by Council;

“**CCC**” means the CAO and Commissioner’s Committee;

“**Cheque Requisition**” means a form requesting a cheque be prepared for payment of non-invoice related transactions (i.e., seminar, conference, and membership);

“**Commissioner**” means a person appointed by Council with administrative responsibilities of a group of departments;

“**Commitment**” means an act in the form of a contract or purchase order binding Markham to a financial obligation;

“**Contingency**” means an unexpected requirement not specified in the original scope of a project that may result in a project change and additional cost;

“**Cost Centre Manager**” means a person holding a position that has staff reporting directly to him/her and has authority over the scheduling of work and is responsible for the work that these staff produce (e.g., Supervisor, Coordinator, etc.);

“**Criteria**” means a set of rules the conformance to which will govern the authority limits to award a contract

“**Council**” means the Council of the Corporation of the City of Markham;

“**Designate**” means the staff member who may be temporarily appointed to act on behalf of an authority named in this Policy;

“**Developer**” means a contractor/person who has entered into an agreement with Markham for the development of the land/property;

“**Director**” means a person holding a management position of Director within a department and includes the Treasurer, Fire Chief, Deputy Fire Chief, Solicitor, Clerk, Architect and Chief Information Officer (CIO), and any other title approved by Human Resources as a staff position equivalent to that of a Director;

“**Finance and Administrative Committee**” means the finance Standing Committee of Council and includes any committee that may replace this as approved by Council;

“**Fixed Purchase Order**” refers to a contract between Markham and a supplier to facilitate the procurement of goods and services for a fixed amount during a specified term;

“**Manager**” means a person holding a management position of Manager within a department and includes the Project Manager, Assistant Solicitors and Deputy Clerk and any other title approved by Human Resources as a staff position equivalent to that of a Manager;

“**Markham**” means the Corporation of the City of Markham’

“**Operating Budget**” means a financial plan, outlining expected revenues, expenses and expenditures for operations, that is formally reviewed and approved by Council;

“**Overruns**” means an increase in costs resulting from unforeseen additional services or materials and includes all addenda, change orders, and extensions to the original contract or purchase order value. Overruns resulting from a change in scope from the original contract must be identified and dealt with as a new purchase;

“**Petty Cash**” means a small amount of cash available for necessary minor purchases;

“**Purchase Order**” means a purchase order issued by the Purchasing Department that confirms Markham’s intent to procure goods and services for a price and from the vendor as stated in the purchase order;

“**Treasurer**” means the Council appointed Treasurer of the Corporation of the City of Markham;

“**User Department**” means the department within Markham requiring goods and services to be purchased.

## 6 COMMITMENTS

6.01 The general level of authority to authorize awards within Markham’s approved Operating and Capital budgets will be as follows:

a. Value <\$5,000

The user department Commissioner or designate delegate shall award purchases of goods and services under \$5000.

b. Contract awards that are within the Established Criteria:

<b>Contract Value</b>	<b>Approval Authority</b>
\$5,000 - 25,000	Manager
\$25,001 - \$100,000	Director
100,001 - \$350,000	Commissioner
>\$350,000	CAO



c. Contract awards that are outside the established criteria:

<b>Contract Value</b>	<b>Approval Authority</b>
\$5,000 - \$25,000	Manager
\$25,001 - \$50,000	Director
\$50,001 - \$100,000	Commissioner
100,001 - \$350,000	CAO
>\$350,000	Council

**Established Criteria**

The following criteria must be met to enable award of contracts:

- The expenses relating to the goods/services is included in the budget (Operating/Capital)
- The award is within budget
- The award results from the normal tendering process
- The award is to the lowest priced proponent
- The term of the contract is for a maximum of four(4) years
- There are no litigation between the successful bidder and Markham
- There are no bidder protests at the time of contract award

**6.02 Contingencies**

a) For approved contingencies, the Director of the User Department responsible for the project will have the authority to authorize project changes. It is the responsibility of the Director of the User Department to ensure that the project contingency fund does not exceed the original contingency funding allowance on the contract award.

**6.03 Capital Overruns**

The level of authority for capital expenditures that exceed awarded commitments (contract overruns) will be as follows:

<b>Dollar Threshold*</b>	<b>Approval Authority</b>
\$0 - \$10,000	Director
\$10,001 - \$50,000	Commissioner
\$50,001 - \$100,000	CAO
>\$100,000	Council

\*The dollar threshold limits are cumulative in nature. Two individual capital overruns at \$9,000 each for a cumulative total of \$18,000 will require the Commissioner’s authorization.

a) Approval for a capital overrun must be obtained from the appropriate authority level via an email and a Purchase Order Adjustment Authorization Form (POAAF) must be completed within 10 business days with the email attached.



- b) The Treasurer will review compliance and report any exceptions periodically to CCC.

#### 6.04 **Operating Overruns**

- a) The User Department Commissioner may approve overruns to contracts drawn from Operating budgets. The User Department Commissioner may approve overspending of any particular budget line by making the necessary balancing decisions with other operating budgets within their Commission. Commissioners are responsible to ensure that procedures are in place to prevent total budget overspending.

#### 6.05 **Single Change Order With Budget Remaining Including Contingencies**

- a) The approval authority level for a single change order is as follow:

<b>Dollar Threshold</b>	<b>Approval Authority</b>
\$0 - \$50,000	Director
\$50,001 - \$100,000	Commissioner
\$100,001 to limit	CAO

### 7 **PROCEDURES**

#### 7.01 **Goods and Services less than \$100 (excluding Taxes)**

- a) Goods and services costing less than \$100 required in the normal course of business may be paid for from Petty Cash or by using the Corporate Procurement Card.
- b) All withdrawals from Petty Cash and all expenditures using Petty Cash must be authorized by the employee's next level of authority.
- c) Invoices will be approved by the appropriate authority and sent to the Accounts Payable Department for payment.

#### 7.02 **Goods and Services greater than \$100 and less than \$5,000 (excluding Taxes)**

Goods and services costing more than \$100 and less than \$5,000, required in the normal course of business, may be purchased without a purchase order either through normal invoice procedures or by using the Corporate Procurement Card, except in the case of regular predictable expenses such as rent or utilities.

- a) Invoices will be approved by the appropriate authority and sent to the Accounts Payable Department for payment.



### 7.03 **Goods and Services greater than \$5,000 (excluding Taxes)**

- a) For goods and services costing more than \$5,000, a purchase order must be issued. The purchase order could be either a blanket, fixed or regular purchase order depending on the type of purchase.
- b) For purchases using a blanket or regular purchase order, invoices duly approved by the appropriate level of authority (sign off on the invoice), will be sent to Accounts Payable for payment processing.
- c) For fixed purchase orders, the invoices will be paid automatically by the Accounts Payable Department without the need for approval by the User Department. It is the responsibility of the User Department to inform Accounts Payable to stop payment for any reason before the payment is due.

### 7.04 **Contingencies**

- a) Any contingency fund authorized in a contract award will be issued on a separate purchase order. Authorized project change invoices will be posted against the contingency purchase order.

### 7.05 **Invoice Authorization for Payment**

- a) All invoices for expenditures less than \$5,000 must be signed by a Supervisor / Coordinator.
- b) All invoices for expenditures greater than \$5,000 must have two signatures / initials as follows (e.g. initials):
  - i. The first initial can be any staff member, within the User Department, that has been authorized by the User Department Commissioner.
  - ii. For purchases less than \$100,000 the second initial must be a manager's initials.
  - iii. For purchases above \$100,000 the second initial must be a Director's initials.
  - iv. Initials will be written on the face of the invoice. Accounts Payable will check to see that there are two sets of initials, ensuring that one is the appropriate Director or Manager.
- c) Invoices that do not have the correct purchase order and line item number noted will be returned to the Vendor for correction

### 7.06 **Write-Offs**

Authorization to write-off outstanding amounts owing to Markham as uncollectible is as follows:

- Write-off of any non-tax related invoices up to \$10,000 will be reviewed and authorized by the Treasurer. Council approval is required for any write-off in excess of \$10,000.

- Write-off of any tax related items that are tax reductions and are the result of successful appeal of assessment or taxes by a taxpayer will be reviewed and authorized by the Treasurer without any monetary ceiling.
- Write-off's requiring Council approval as mandated by legislation will be forwarded to Council through a report.
- Write-off's that have specifically been provided for within the approved budget and/or year end closing provision, will be reviewed and authorized by the Treasurer.
- Allowances that have been provided for in the General Ledger will be reviewed and authorized by the Treasurer.

## 8 MISCELLANEOUS AUTHORITIES

### 8.01 Accounting

#### a) Personal Expense Claims

	Authority
a) Personal Expense Claims	
Staff member	Manager
Manager	Next Level/Director
Director	Next Level/Commissioner
Commissioner	Chief Administrative Officer
Chief Administrative Officer	Commissioner of Corporate Services
Councillor	Councillor
b) Cheque requisitions	Manager/Director as per clause 7.05
c) Procurement Card Purchase	Manager and/or Director
d) Petty Cash Expenditures	Manager

### 8.02 Payroll / Personnel

	Authority
a) Time Sheets	Cost Centre Manager
b) Overtime	Cost Centre Manager
c) Vacation	Cost Centre Manager
d) Salary Memorandums	Director - Human Resources
e) Termination/Leave of Absence	Director - Human Resources

### 8.03 Letters of Credit – Draws, Reductions, Releases

	Authority
a) up to \$100,000	Manager
b) up to \$350,000	Director
c) up to requested value	CAO, Commissioner, Treasurer



#### 8.04 Miscellaneous

	<b>Authority</b>
a) Disposal of surplus assets	Chief Administrative Officer or Treasurer
b) Acquisition of computer equipment and software	Chief Administrative Officer

#### 8.05 Treasurer's Authority

Despite any other provision in this Policy, the Treasurer is authorized to pay the following accounts, provided that funds are available in the Operating Budget or a Capital Project for that purpose:

- a) all salaries, wages and benefits due to any person in the employ of Markham;
- b) all retiring allowances and mandatory sick pay grants upon Human Resources approval due to any person previously in the employ of Markham;
- c) all accounts for telephones, postage and utilities supplied to Markham;
- d) all accounts for fees and levies payable to the federal, provincial or other municipal government, or to any agency, board or commission thereof;
- e) all accounts for payments of principal or interest on debentures, loans or overdrafts, including foreign exchange;
- f) all accounts for payments to the school boards of amounts raised for them by tax;
- g) all accounts relating to employee pension deductions and employer pension contributions in respect of the salaries and wages of those persons who are paid by or employed by Markham, and which are payable in respect of any duly authorized registered pension plan on behalf of the respective employee.

#### 8.06 Barter Transactions

Barter transactions represent an expense to Markham in the amount of the cost of the items Markham is bartering. Authorizations for barter transactions shall follow the same process as for a standards purchase, in the amount of the value of the barter. Sales taxes must be accounted for as for a standard purchase.

### 9 AUDIT

Any or all of the procedures cited in this document may be audited by the Corporate Services Commission or the Auditor General.

**10 ATTACHMENTS**

- Cheque Requisition Form
- Expenditure Control Form
- Purchase Order Adjustment Authorization Form (POAAF)

**11 REFERENCES and RELATED STATEMENTS of POLICY and PROCEDURE**

- Petty Cash Policy
- Business Expenses & Conferences Policy
- Corporate Procurement Card Policy
- Purchasing By-law #2004-341



## DONATIONS POLICY

### 1. Purpose Statement

To provide a corporate policy for receiving donations to the City of Markham and the issuance of income tax receipts for those donations. This policy applies where an income tax receipt is requested.

This policy does not apply to donations made to the Markham Public Library, the Varley-McKay Art Foundation and The Friends of the Markham Museum Foundation, as these entities follow separate donation policies and/or procedures.

### 2. Applicability and Scope Statement

This policy applies to all employees of the City of Markham, except those of the Markham Public Libraries. The Markham Public Libraries have separate policies approved by Library Board dealing with donations and issue their own official tax receipts.

All donations will be in keeping with the City of Markham's Vision and Mission and will not in any way reflect negatively on the City's public image. The City of Markham reserves the right to reject any gift or donation in whole or in part.

### 3. Background

The City may accept donations and provide "official tax receipts for income tax purposes" as prescribed by Revenue Canada. Therefore it is necessary to establish a policy for handling donations. The City recognizes and will adhere to the guidelines set out in the Canadian Income Tax Act.

### 4. Definitions (If applicable, define any terminology or interpret meanings of a general term)

"Advantage" means the benefit provided to the donor in return for their donation

"City" means The Corporation of the City of Markham;

"Commissioner" means a person appointed by Council with administrative responsibilities for a group of departments;

"Council" means the Council of The Corporation of the City of Markham;

"Designate" means the City staff member who may be temporarily appointed to act on behalf of an authority named in this policy;

"Director" means a person holding a management position of Director within a Department and includes the Treasurer, Fire Chief, City Solicitor, City Clerk, City Architect and/or General Manager;

"Donation" means a financial contribution, cash, property, or items such as art, furniture, equipment, materials of historical interest;

“Donor” means a person or organization that provides a donation to the Corporation of the City of Markham;

“Fair Market Value” the price an item would bring on an open and free market between a willing buyer and a willing seller who are acting independently of each other.

“Gift” see donation, these terms are interchangeable;

“Gift in Kind” is a non-money donation;

“Money” includes bank notes, cheques, money orders, credit card or debit card transactions and currency/cash.

“An Official City Event” is an event approved by Council and supported by a Committee of Council or designated Councillor, where the proceeds will be directed to an existing, or future, City asset and the City controls the event’s spending.

The report must include:

- a) a request for the event to be classified as an “Official City Event”
- b) a detailed budget
- c) the City asset benefiting from the event
- d) identification/approval of the Committee of Council or appointment of the Councillor designate on the Committee supporting or organizing the event

A follow-up report must be submitted to Council highlighting material variances and the net contribution amount to the City.

“Relative” is defined as parent, sibling, child, grandparent, uncle, aunt, and parent in-law;

“Treasurer” means the Council appointed Treasurer of the Corporation of the City of Markham;

## **5. Policy Statements**

### **1 SOLICITATION**

No individual or organization shall solicit funds in the name of or on behalf of the City without approval of the Chief Administrative Officer or Council or their approved designate unless they are doing so on behalf of an Official City Event.

### **2 GENERAL RULES**

2.01 Revenue Canada’s definition of a donation\gift is “a voluntary transfer of property owned by a donor to a City, in return for which no benefit flows to the donor”

2.02 To have a valid donation\gift, there must be an intention to give, a delivery, and an acceptance. Because there must be an acceptance by the City, a donation is not completed until it is accepted.



2.03 The transfer is made without the expectation of return.

2.04 When a Donor receives an advantage, the Fair Market Value of the advantage must be deducted from the donation value and the tax receipt will be issued for the reduced amount. If the value of the advantage exceeds 80% of the donation value, no tax receipt can be issued. When the fair market value of the advantage does not exceed the lesser of \$75.00 or 10% of the amount of the donation, the advantage is considered nominal and nominal value advantages are not deducted from the donation value.

### **3 QUALIFYING DONATIONS**

Donations that qualify for official tax receipts generally include:

- (a) cash
- (b) capital, real or depreciable property
- (c) personal-use property, works of art, jewelry, rare book, stamp, or coin
- (d) a leasehold interest or a residual interest in real property
- (e) donations of life insurance policies
- (f) donations under will

Special rules exist for donations of cultural property and donations of ecologically sensitive lands.

### **4 NON QUALIFYING DONATIONS**

4.01 Contributions of skills or time through volunteer service do not qualify as donations.

4.02 The payment of a basic fee for admission to an event or to a program does not qualify as a donation that is eligible for the issuance of a tax receipt. An exception to this rule is available for the purchase of a ticket to a fund-raising dinner, ball, concert, and show or like event. In this case, the donation is valued as the difference between the fair market value of the food, entertainment, prizes and the purchase price of the ticket. As per the Revenue Canada guidelines, the City will not issue a tax receipt if the total value of the food, entertainment & prizes received exceeds 80% of the purchase price of the ticket.

4.03 When a donor requests the City to pay for a portion of the donation and the amount paid by the City to the donor exceeds 80% of the total value of the donation, a tax receipt will not be issued. For example a piece of land valued at \$100,000 is offered to the City for \$85,000 with the request that the City issue a tax receipt for the difference, \$15,000. Since the amount to be paid by the City is in excess of 80% of the value of the land, the City is unable to issue a tax receipt for the difference.

4.04 When the donor has directed the funds to a specific person or family, a tax receipt will not be issued.

4.05 Donations that have a direct benefit to the donor or any relative of the donor, a tax receipt will not be issued.



4.06 Donations made in exchange for consideration of a right, privilege, material benefit or advantage such as promotion or advertising for the donor's purposes do not qualify for income tax credits under the Income Tax Act, and no income tax receipt can be issued.

4.07 The Canada Revenue Agency's (CRA) regulations on donations where the donor's company name and;

- company logo; or

- slogan; or

- address/phone numbers

is listed in promotional material, would not qualify for a tax receipt. The reason is that this is deemed as "significant advertising/promotion" for the donor (i.e. it is a form of advertising/promotion and sponsorship for the donor company).

## **5 ISSUANCE OF TAX RECEIPTS**

5.01 Upon the Treasurer's or designate confirmation that the donation is in compliance with this policy and the donation has been received, the Treasurer or designate shall issue an "official tax receipt for income tax purposes" and the Finance Department shall arrange for the applicable insurance coverage, if required.

5.02 All requests for tax receipts must be accompanied by appropriate donor and donation information as detailed on the "Gift in Kind/Conditional Gift Receipt of Donation" form or "Money Donation Receipt Request" form.

5.03 For on-line Money donations, tax receipts will be electronically issued directly to the donor, as prescribed by the CRA's "Computer-Generated Official Donation Receipts" policy.

5.04 Income tax receipts shall be issued for donations of \$25.00 or more, unless specifically requested by the donor and approved by the City.

5.05 The date of donation is the date the donation was received or the title to the asset transferred. Donations received after December 31 may not be included in the prior year's donation unless the donation was post marked in the previous year.

5.06 Revenue Canada ultimately determines the value of the donation, which is permitted for income tax deduction.

## **6 ACCOUNTING FOR DONATION OF MONEY**

6.01 For cash donations, the receipt must be made out to the person delivering the donation. All cash donations greater than two hundred and fifty dollars must be received at the Cash Management office. Cash donations of two hundred and fifty dollars or less can be received at the appropriate cultural office or the Cash Management office.

6.02 All cheque donations will be required to have been cleared by the City's financial institution. Upon successful completion of this waiting period, qualifying donors will



receive a tax receipt for their donation. The official tax receipt must be made out to the same name and address appearing on the cheque or other form of payment.

6.03 Cheques, money orders and bank drafts should be made out to “The Corporation of the City of Markham”, “Markham Theatre”, “Markham Museum”, or “Frederick Horman Varley Art Gallery”. No third party cheques will be accepted.

## **7 ACCOUNTING FOR DONATIONS OF GIFTS-IN-KIND**

7.01 The City of Markham will only issue official tax receipts for Gift in Kind donations where the donation provides a clear benefit to the City of Markham.

7.02 The value placed on Gift-in-Kind items will be determined by the item’s Fair Market Value.

7.03 Valuation of Fair Market Value should be based on an arm's length sale and purchase of similar property at or near the same date. A minimum of two appraisals are required to be completed by a qualified dealer, appraiser or other knowledgeable individual who is familiar with the market for the object or property, whenever possible Art appraisers are to be members of ADAC (Art Dealers Association of Canada). The dealer, appraiser or other knowledgeable individual must not be associated with the donor. The appraisals shall be in the form and content acceptable to the Treasurer or designate. Any appraisal not sufficient in form and content may be rejected, and one or more additional satisfactory appraisals may be required to be produced before an official tax receipt is issued.

7.04 If the item is valued at \$1,000 or less, an employee qualified to make the appraisal for such items may complete an appraisal of the item.

7.05 If the item is valued at more than \$1,000 two outside appraisals are required, unless there is a ready market for the item from which the fair market value can be ascertained. Where two or more appraisals have been obtained, the average of these appraisals will be considered the fair market value as long as the appraisals are to the satisfaction of the Treasurer or designate.

7.06 The receipt shall be in the amount of the average appraised value. The receipt shall also indicate a description of the object and the name and address of the appraiser, and shall be dated the day on which the City received the Donation. If the two appraisals received significantly differ in appraised values, a third appraisal may be requested in an effort to clarify the true value.

## **8 ACCOUNTING FOR DONATIONS OF CULTURAL PROPERTY**

8.01 Cultural property are items that are deemed by the Canadian Cultural Property Export Review Board to have "outstanding significance and national importance" to Canada. Criteria in determining the “significance and importance” can include; the items close association with Canadian history or national life and/or its aesthetic qualities and/or its value in the study of the arts or sciences.

8.02 The donation of cultural property must be certified as such by the Canadian Cultural Property Export Review Board.

8.03 The receiving department shall be responsible to determine if a Cultural Property item is to be accepted and to formalize the transfer of ownership from the donor to the City of Markham.

8.04 The receiving Department shall be responsible for making application to the Canadian Cultural Property Export Review Board for Certification of Cultural Property for Income Tax Purposes.

8.05 Income tax receipts will be approved by the Canadian Cultural Property Export Review Board (CCPERB) and fair market value is determined by the CCPERB on the date ownership is transferred to the City.

## **9 ACCOUNTING FOR DONATIONS FOR SPECIFIC PURPOSES**

9.01 Donations and requests for donations that are made for specific purposes will require Council approval. These requests may originate from individuals, organizations, or Council directly. Long-term programs, where cash inflows and expenditures may span many years are best handled through the establishment of a reserve fund. Examples include donations for specific capital projects, or donations to assist with specific ongoing operational needs, such as for the Museum, Theatre or the Frederick Horsman Varley Art Gallery. Any new programs would require that Council authorize the creation of a new reserve fund.

9.02 Requests to direct donations to a specific operation or for specific capital projects, such as to a community or cultural centre, which are generally short-term in nature (i.e. less than one year), are best handled by depositing to the revenue account of the appropriate capital account.

## **10 ACCOUNTING FOR DONATIONS TO SUPPORT ORGANIZATIONS INDEPENDENT OF THE CITY**

10.01 Organizations that offer programs of genuine benefit to the community may request that the City receive donations on their behalf for the purpose of issuing income tax receipts. Under the Income Tax Act, the City cannot issue income tax receipts for funds that it will not itself be responsible for spending. Such organizations should receive their donations directly, and register as a Charity with Revenue Canada if they wish to provide income tax receipts.

10.02 The City may however accept these types of donations with the understanding that no official tax receipt will be issued.

## **11 ACCEPTANCE**

The Treasurer or designate is the final level of acceptance for all donations requiring tax receipts to the City of Markham. The Treasurer or designate may grant approval for official tax receipts for money donations made through a Council approved fund raising effort, i.e. the Markham Theatre Membership Drive.



## **12 ASSOCIATED COSTS**

Unless otherwise agreed upon by the City, the donor will be responsible for any of the following costs (where applicable):

1. transporting the item;
2. appraisal or evaluation by a certified agency;
3. photographs for inventory and insurance purposes;
4. conservation treatment, if required.

Where the City agrees to incur any of the above costs, these costs will be expensed to the receiving Department.

## **13 FINANCIAL IMPLICATIONS**

Financial implications of accepting a donation should be a consideration in the assessment of the donation acceptance. Some of the financial costs to consider are; cost of project implementation, installation of the work, restoration, and ongoing maintenance of the donation.

## **14 CONTROL OF RECEIPTS**

All used & unused receipts will be securely stored in the Finance Department until needed. All used receipts will be retained for the period required by law in adherence to the "Income Tax Regulation 5800" or any successor legislation or regulation.

### **6. Roles and Responsibilities**

It is the responsibility of all City employees to ensure the requirements of this Policy are complied with.

It is the responsibility of the receiving department to ensure appropriate acknowledgement of any such donation is provided, and to ensure the Treasurer or designate is informed of all donations requiring official tax receipts and insurance.

Finance Department is responsible for assessing donations to ensure that appropriate receipts are issued for income tax purposes.

Finance Department is responsible for making the necessary insurance arrangements for all property as advised of.

Finance Department will monitor the regulatory changes to the Income Tax Act and the changing needs of the organization and update this policy as required.

Finance & ITS departments will ensure the electronic issuance of tax receipts is in compliance with CRA policies and guidelines.

# TANGIBLE CAPITAL ASSETS POLICY

## Introduction

The Public Sector Accounting Board (PSAB), a branch of the Canadian Institute of Chartered Accountants, was created in 1981 as an independent body with the authority to set accounting standards for the public sector. In June 2006, PSAB approved the revisions to Section 3150 of the Public Sector Accounting Handbook - Tangible Capital Assets stating that effective January 1, 2009 all municipal governments would be required to capitalize tangible capital assets (TCA) at historic cost and amortize these assets over their useful lives.

In order to be fully compliant with the new requirements, all tangible capital assets currently owned by the City of Markham (City) were inventoried and valued at their historic costs. The useful life of each asset, or asset class, was determined and amortization was calculated from the time the asset was put into service. The City's 2009 Financial Statements included 2008 comparative numbers along with a budget. The City's 2008 Financial Statements was restated to be PSAB 3150 compliant.

Effective January 1, 2009, the City's Capital Budget must include only projects which meet the criteria laid out in this document for tangible capital assets. All other expenditures must be included in the Operating Budget and be expensed in the period in which they are incurred.

A glossary of terms related to account for tangible capital assets is included in Appendix A.

## Scope

This policy will apply to all City departments, boards and commissions, agencies and other organizations falling within the reporting entity of the City.

## Purpose

The purpose of the following policy is to provide clear direction to ensure the City's assets are recorded in a fixed asset register, at historic values and amortized over their useful lives, in a consistent manner in accordance with the guidelines established in PSAB 3150.

This policy will provide the framework to achieve the following outcomes:

- Compliance with PSAB 3150
- Consistent accounting treatment of asset related expenditures
- Gather and maintain information needed to prepare financial statements
- Fiscal responsibility
- Users of the financial report are able to discern information about investments in property, plant and equipment, and the changes in such investments.



## Policy Statement

All assets owned by the City of Markham, which meet the definition of a tangible capital asset will be capitalized and amortized over its useful life.

### 1. TCA Definition

According to PSAB 3150 Section .05, tangible capital assets are defined as non-financial assets having physical substance that:

- Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- Have useful economic lives extending beyond an accounting period;
- Are to be used on a continuing basis; and
- Are not for sale in the ordinary course of operations.

#### 1.1 Assets Exclusions

The following assets are to be excluded from the TCA policy:

- Intangible assets including copyrights, trademarks, patents, goodwill and easements;
- Natural resources – trees, woodlots(land value capitalized only)
- Works of Art, Historical Treasures, Archival records – as they have cultural, aesthetic or historical value that is worth preserving in perpetuity, but has no direct future benefit which is measurable. The existence and nature of this property must be disclosed on the Financial Statements (Section PS 3150.42(e)).
- Studies including environmental assessments which are not directly related to an acquisition of a TCA.
- Assets listed for sale if the following conditions are met:
  - The asset is in a condition to be sold
  - There is an active market for the asset
  - There is a plan for selling the asset; and,
  - It is reasonably anticipated that the sale to a purchaser external to the City will be completed within one year of the reporting date.

#### 2.0 Asset Categories

An asset category is a grouping of assets of similar in nature or function in the City's operation. The following is a list of the City's asset categories:

- Equipment
- Furniture & Fixtures
- Infrastructure
- Land
- Library Furniture & Fixtures
- Library Media Collection
- Parks & Pathways
- Vehicles

- Waterworks Equipment
- Waterworks Infrastructure
- Waterworks Vehicles

### **3.0 Capitalization**

Tangible capital assets will be capitalized (recorded in the fixed asset register) according to the following thresholds:

- All land;
- All buildings;
- Civil infrastructure systems (built assets such as roads, bridges, sewers, water, parks etc. with unit cost of \$25,000 or greater, assets less than \$25,000 should be pooled where their pooled value exceeds \$50,000);
- All others with unit cost of \$5,000 or greater.
- Assets between \$1,000 and \$5,000 where their pooled value exceeds \$50,000

Betterments (see Section 12) to existing assets will be capitalized when unit costs exceed the approved threshold.

Thresholds will be reviewed on an annual basis. Changes to the thresholds will require the approval of the Treasurer.

### **4.0 Opening Valuations**

In order to meet PSAB compliance, the following information was collected during the initial recognition and set up of individual asset:

- Description of asset
- Year of acquisition
- Serial ID (or unique asset ID)
- Original historical cost including betterments
- Amortization calculations to date

### **5.0 Valuation**

A tangible capital asset will be recorded at cost plus all charges necessary to place the asset in its intended location and condition for use.

#### **5.1 Purchased assets**

Cost is the gross amount of consideration paid to acquire an asset. It includes all non-refundable taxes and duties, freight and delivery charges, installation and site preparation costs, and any other costs necessary to put the asset in the condition necessary for its intended use. It is net of any trade discounts or rebates.

Cost of land includes purchase price plus legal fees, land registration fees and transfer taxes. Also, any costs to make the land suitable for intended use, such as pollution mitigation, demolition and site improvements that become part of the land will be included. In the case of park land, the cost of all landscaping required to put the park into service will be added to the cost of the land.



When two or more assets are acquired for a single purchase price, it is necessary to allocate the purchase price to the individual asset acquired. Allocation will be based on the market value of each asset at the time of acquisition or some other reasonable basis if market value is not readily determinable.

### **5.2 Acquired, Constructed or Developed Assets**

The value of an asset will include all costs directly attributable (e.g., construction, architectural and other professional fees) to the acquisition, construction or development of the asset.

The cost associated with internal staff time for design, inspection, administrative and other similar costs will be capitalized when the value can be determined. TCA related projects which are undertaken by the City's Engineering & Urban Design departments will be charged as a percentage of the project cost to cover internal staff time. This rate will be reviewed on an annual basis and adjusted at the discretion of the Treasurer.

Capitalization of general administrative overhead, for example an allocation of fixed costs such as occupancy costs for the design department or an allocation of the costs of corporate departments such as human resources, legal, purchasing and accounting, is prohibited. Capitalization of carrying costs ceases when no construction or development is taking place or when the tangible capital asset is ready for use.

Any cost that is not necessary for the completion of the acquisition, betterment or construction of an asset cannot be capitalized.

All eligible costs will accumulate within the City's Work in Progress (see Section 6.0) account until such time as the asset is put into service.

### **5.3 Capitalization of Interest Costs**

Borrowing costs incurred by the acquisition, construction and production of an asset that takes a substantial period of time to get ready for its intended use will be capitalized as part of the cost of that asset.

Capitalization of interest costs will commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use are in progress. Capitalization will be suspended during periods in which active development is interrupted. Capitalization will cease when substantially all of the activities necessary to prepare the asset for its intended use are complete. Substantially all of the activities are complete when only minor or no modifications are outstanding.

### **5.4 Donated or Conveyed Assets**

The cost of donated assets that meet the criteria for recognition will be equal to the fair value at the time of donation. Fair value for donated assets will be determined using market values, appraisal values, or an estimate of replacement cost.

Infrastructure assets conveyed to the City by developers will be recognized on the City's Financial Statements in the year they are accepted by the City for maintenance. These conveyed assets will be valued using the approved engineering consultant's estimates provided by developers at the time of subdivision registration.



The cost of land acquired by the City without consideration, including donated or conveyed land, will be equal to fair value at the time of acquisition. Fair value will be determined using an estimate of the current market value.

Ancillary costs associated with the donated/conveyed asset will also be capitalized.

### **6.0 Capital Work in Progress**

The total cost of TCA, which meet the defined thresholds, currently under construction and not ready to be put into service at the end of the reporting year, will be reported as Work-In-Progress (WIP) on the City's Statement of Financial Position.

Eligible pre-construction costs incurred prior to the actual acquisition or construction of a TCA will be accumulated for each TCA or project as WIP. If in a subsequent period it is determined that the acquisition, development or construction of the TCA will not proceed, the costs accumulated as WIP will be immediately expensed.

### **7.0 Componentization**

Tangible capital assets may be accounted for using either the single asset or component approach. Whether the component approach is to be used will be determined by the usefulness of the information versus the cost of collecting and maintaining information at the component level.

Factors to consider when determining whether to use a component approach include:

- Major components may have significantly different useful lives and consumption patterns than the related tangible capital asset.
- Value of components in relation to the related tangible capital asset.

Major components will be grouped when the assets have similar characteristics and estimated useful lives or consumption rates.

Expenditures, regardless of value, related to assets capitalized using the single asset approach but do not extend the useful lives or improve the economic benefit of the assets must be expensed in the period in which they occur.

Please see Appendix B for a detailed list of asset groups and components.

### **8.0 In Service Date**

The in service date for a TCA is the date at which the City begins to utilize the TCA. Confirmation that a TCA is in service could include such indicators as the receipt of an occupancy permit, certificate of substantial completion or certificate of acceptance by the City.

Conveyed linear assets will be considered in service by the City when a registered plan is accepted for maintenance through a Council resolution.

Land conveyed to the City through registered subdivision agreements will be recognized when there is evidence that land title has been transferred.

### **9.0 Useful Life**

Useful life is the period over which an asset is expected to be available for use by the City. It is normally the shortest of the asset's physical, technological, commercial or



legal life. Some of the factors that are considered when determining an asset's useful life are the asset's intended use, construction type, current maintenance policies and technological changes.

A comprehensive list of useful life of the City's assets, by category, is attached (Appendix B).

The appropriate amortization period for each assets category has been determined at a corporate level with input from user departments. The useful lives of the City's assets will be reviewed on a regular basis and revised, with the approval of the Treasurer, when the appropriateness of a change can be clearly demonstrated.

### **10.0 Amortization/Depreciation**

Amortization is an accounting process that allocates the cost of an asset over accounting periods, as an expense of its useful life. Amortization charges are included in the cost of operations and contribute directly to the net annual operating results.

In general, the City uses or consumes a TCA relatively evenly over the life of the asset. Hence, the most appropriate method for calculating amortization is the straight-line method.

Amortization will begin in the year an asset is put in service. For projects with distinctive phases, amortization will begin with the completion of each phase. Regardless of the month an asset is put in service, half of the annual amortization expense will be charge in the first year.

The amortization method will be reviewed on a regular basis and will be revised when the appropriateness of a change can be clearly demonstrated.

### **11.0 Disposal**

The guidelines for the disposal of tangible capital assets are governed by the Purchasing Bylaw.

Pooled assets will continue to be depreciated over their full lives regardless of the service status of the individual asset in the pool. Non pooled assets will be accounted for as outlined below:

The gain or loss on the disposal of an asset is the difference between the net book value of the asset (at the time of disposal) and the proceeds from the disposal. The gain or loss on disposal of the asset will be charged to the appropriate operating account.

In cases where the tangible capital assets are permanently taken out of service, destroyed or replaced due to obsolescence, scrapping or dismantling, the department head or designate must notify Finance Department of the asset ID, asset description and effective date. The Finance department is responsible for adjusting the asset registers and writing down the asset to the estimated residual value.

Amortization of assets which are temporarily taken out of service should continue to be recorded as if the asset were in use. If the asset is redeployed, the useful life should be determined based upon the new usage of the asset.

### **12.0 Write Down/Write Off**

Pooled assets will continue to be depreciated over their full lives regardless of the service status of the individual asset in the pool. Non pooled assets will be accounted for as outlined below:

The value of a tangible capital asset will be written down when conditions indicate that the service potential to be derived from the asset has been diminished. These conditions include but are not limited to:

- A change in the extent to which the TCA is used
- A change in the manner in which the TCA is used
- Significant technological developments
- Physical damage
- Removal of the TCA from service
- A decline in or cessation of the need for the services provided by the TCA
- A decision to halt construction of the TCA before it is complete or in useable or saleable condition
- A change in the law or environment affecting the extent to which the tangible capital asset can be used.

The impairment to the tangible capital asset must be permanent in nature and the rationale must be documented. The TCA would be written down to the revised estimate of the value of the asset's remaining service potential.

A write down cannot be reversed.

### **13.0 Maintenance vs. Betterment**

PSAB 3150 .21 states that the following basic distinctions can be used to identify maintenance and betterments:

- Maintenance and repairs maintain the predetermined service potential of a TCA for a given useful life. Such expenditures are expensed in the accounting period in which they are incurred.
- Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the cost of the related asset.

Expenditures, regardless of value, which do not extend the useful life or improve the economic benefit of the asset, must be expensed in the period in which they occur.

### **14.0 Capital Leases**

A capital lease is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership of property to the City. For substantially all of the benefits and risks of ownership to be transferred, one or more of the following conditions must be met:

- There is reasonable assurance that the City will obtain ownership of the leased property by the end of the lease term.



- The lease term is of such duration that the City will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
- The City would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

The process to account for a capital lease is the same as acquiring a capital asset and incurring a liability.

Notwithstanding the above, leases will be considered operating leases, therefore expensed, when the net present value of the future minimum lease payments or fair value, whichever is less, is less than \$10,000.

### **15.0 Accountability**

Operating departments are responsible for:

- Providing information on capital request forms identifying all information required for the eventual calculation of amortization.
- Advising the Manager of Finance Planning of all acquisitions, disposals and asset life expectancy changes.
- Ensuring proper control of tangible capital assets is maintained.
- Providing information about the availability, condition and usage of the asset as required.
- Correct allocation of all expenses whether capital or operating. Note that all expenses charged to a capital WIP project must meet the definition of eligible costs for a TCA.
- Ensuring expenses are charged to the correct WIP account. Department must bear in mind that all WIP transactions will be audited for eligibility as part of the annual external audit.

**Finance is responsible for:**

- Maintaining the City's asset register
- Accounting for all TCA in accordance with this policy
- Reporting of all TCA in the financial statements of the City
- Establishing policies in compliance with PSAB, the Municipal Act and other Ministry guidelines.
- Updating this policy as required and monitoring compliance on an ongoing basis.
- Recording capital assets appropriately, confirming departments are charging expenses correctly, and that all asset costs are valid.
- Ensuring reporting requirements for provincially, federally or other funding sourced programs appropriately and accurately reflecting the impacts of PSAB (if any)
- Regular review of the useful life of each asset class.
- Periodic physical inventories, including spot-checks where feasible, to ensure all asset are still in use and available.
- Reporting to departments regarding capital assets
- Ensuring that assets convey through development agreements are captured including the required values needed for PSAB compliance.

## APPENDIX A

### **Glossary of Terms**

**Amortization** is the accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use. Amortization expense is an important part of the cost associated with providing services, regardless of how the acquisition of tangible capital assets is funded. Depreciation accounting is another commonly used term to describe the amortization of tangible capital assets.

**Assets** are economic resources controlled as a result of past transactions or events and from which future economic benefits may be obtained. Assets have three essential characteristics:

- a) they embody a future benefit that involves a capacity, singly or in combination with other assets, to provide future net cash flows, or to provide goods and services;
- b) the City can control access to the benefit; and
- c) the transaction or event giving rise to the control of the benefit has already occurred.

**Asset impairment** occurs when conditions indicate that a tangible capital asset no longer contributes to the City's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value.

**Betterment** is a cost incurred to enhance the service potential of a tangible capital asset. Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the tangible capital asset's cost.

**Capitalization threshold** (recognition threshold) is the value above which assets are capitalized and reported in the financial statements.

#### **Capital Lease**

A capital lease is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership of property to the City. For substantially all of the benefits and risks of ownership to be transferred to the lessee, one or more of the following conditions must be met;

- a) There is reasonable assurance that the City will obtain ownership of the leased property by the end of the lease term.
- b) The lease term is of such duration that the City will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
- c) The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

**Carrying costs** are costs directly attributable to an asset's acquisition, construction or development activity where, due to the nature of the asset, it takes a long period of time to get it ready for its intended use. Typical carrying costs could include:



- technical and administrative work prior to commencement of and during construction;
- overhead charges directly attributable to construction or development; and
- interest.

**Conveyed Assets** include all assets which are constructed by a developer and where ownership is transferred to the City in accordance with the registered subdivision agreement. These assets could include land, roads, stormwater ponds, sidewalks, street signs, water, waste water & sanitary sewage systems.

**Component** is a part of an asset with a cost that is significant in relation to the total cost of that asset. Component accounting recognizes that each part might have a different useful life and requires separate accounting for each component that has a different useful life than the whole asset does.

**Cost** is the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset, and includes all costs directly attributable to the asset's acquisition, construction, development or betterment, including installing the asset at the location and in the condition necessary for its intended use. The cost of a contributed tangible capital asset, including a tangible capital asset in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution. Capital grants would not be netted against the cost of the related tangible capital asset. The cost of a leased tangible capital asset is determined in accordance with Public Sector Guideline PSG-2 Leased Tangible Capital Assets.

**Depreciation** is the expense in an accounting period arising from the application of depreciation accounting.

**Directly attributable costs** refers to direct incremental expenses incurred for technical and administrative activities related to the construction of a tangible capital asset. These costs could include the salaries and benefits for internal staff doing design work related to the construction project. It would not include an allocation of fixed costs such as occupancy costs for the design department or an allocation of the costs of corporate departments such as human resources, legal, purchasing and accounting. These latter costs are incurred whether or not the construction project is undertaken and, therefore, would not be incremental overhead expenses directly attributable to the cost of the project. Refer also to the definitions of direct costs and indirect costs.

**Direct costs** are incremental costs incurred for the acquisition, construction or development of a tangible capital asset. Direct costs would not have been incurred other than to acquire, construct or develop the tangible capital asset. For example, materials and supplies, equipment, temporary site buildings, legal and other professional fees, etc., could be considered direct costs.

**Expenses**, including losses, are decreases in economic resources, either by way of outflows or reductions of assets or incurrence of liabilities, resulting from the operations, transactions and events of the accounting period. Expenses include transfer payments due where no value is received directly in return. Expenses include the cost of economic resources consumed in, and identifiable with, the operations of the accounting period. For example, the cost of tangible capital assets is amortized to

expenses as the assets are used in delivering programs. Expenses do not include debt repayments or transfers to other local governmental units in the City's reporting entity.

**Fair value** is defined in accounting standards as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction who are under no compulsion to act.

**Financial assets** are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets include but are not limited to, cash, investments, accounts receivable, inventory held for resale.

**Full accrual basis of accounting** recognizes the financial effects of transactions in the period(s) in which they occur irrespective of when the cash has been received or paid.

It requires that tangible capital assets be reported on the balance sheet (statement of financial position) at historical cost and expensed (amortized) in the annual results of operations over their estimated useful lives.

**Gains** can arise from peripheral or incidental transactions and events affecting a local government. Such transactions and events include the disposition of assets purchased for use and not for resale, and the liquidation or refinancing of debt.

**Indirect costs** are costs incurred for a common or joint purpose and, therefore, can not be identified readily and specifically with an activity related to the acquisition, construction or development of a tangible capital asset. For example, executive management, occupancy costs for general administrative buildings, corporate services (accounting, payroll, legal, technology, etc.), general local government, etc., would be considered indirect costs.

**Liabilities** are present obligations to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. Liabilities have three essential characteristics:

- a) they embody a duty or responsibility to others, leaving little or no discretion to avoid settlement of the obligation;
- b) the duty or responsibility to others entails settlement by future transfer or use of assets, provision of goods or services, or other form of economic settlement at a specified or determinable date, on occurrence of a specified event, or on demand; and
- c) the transactions or events obligation have already occurred.

**Losses** can arise from peripheral or incidental transactions and events. Such transactions and events include the disposition of assets purchased for use and not for resale, and the liquidation or refinancing of debt.

**Market value** is defined as the estimated amount for which a property would be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion.



**Maintenance and repairs** maintain the predetermined service potential of a tangible capital asset for a given useful life. Such expenditures are charged in the accounting period in which they are made.

**Net book value** of a tangible capital asset is its cost, less accumulated amortization and the amount of any write-downs.

**Non-financial assets** include tangible capital assets and other assets such as prepaid expenses and inventories of supplies. Non-financial assets are acquired, constructed or developed assets that are normally employed to deliver services, may be consumed in the normal course of operations and are not for sale in the normal course of operations.

**Pooled Assets** are assets that have a unit value below the capitalization threshold but have a material value as a group. Although recorded in the financial systems as a single asset, each unit may be recorded in the asset sub-ledger for monitoring and control of its use and maintenance. Examples could include personal computers, furniture and fixtures, small moveable equipment, etc.

**Residual value** is the estimated net realizable value of a tangible capital asset at the end of its useful life.

**Revenues**, including gains, can arise from: taxation; the sale of goods; the rendering of services; the use by others of economic resources yielding rent, interest, royalties or dividends; or receipt of contributions such as grants, donations and bequests. Revenues do not include borrowings, such as proceeds from debt issues or transfers from other local governmental units..

**Service potential** is tangible capital asset's output or service capacity, normally determined by reference to attributes such as physical output capacity, quality of output, associated operating costs and useful life.

**Straight-line amortization** allocates the cost less estimated residual value of a capital asset equally over each year of its estimated useful life.

**Useful life** is the estimate of either the period over which a tangible capital asset can be used, or the number of production or similar units that it can obtain from the tangible capital asset. The life of a tangible capital asset may extend beyond its useful life. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

**Write-down** is a reduction in the cost of a tangible capital asset to reflect the decline in the asset's value due to a permanent impairment.



**APPENDIX B**

Category 1	Category 2	Category 3	Recording Method	Useful Life (Years)	Components	
Buildings			Single Asset	40		
Equipment	Facility Equipment		Pooled by year	10	Indoor Cleaning/Maintenance, Kitchen, Theatre, etc.	
	Facility Recycling Containers		Pooled by year	10		
	Fire Services Equipment		Pooled by year	11		
	ITS Equipment		Pooled by year	7	Audio/Visual, Computers, Fire Dispatch, Library 3M HW, Network Device, Peripherals, Print Shop Equip, Printers, Servers & Telecomm.	
	Non-Licensed Construction/Maintenance Equipment		Pooled by year	7		
	Parking Machines		Pooled by year	10		
	Recreation Fitness & Program Equipment		Pooled by year	5		
	Solar PV Panels		Single Asset	20		
Furniture & Fixtures	Facility Furniture		Pooled by year	10		
	Office Furniture		Pooled by year	15		
Infrastructure	Bridges	Substructure	Single Asset	75		
		Superstructure	Single Asset	25		
	Culverts		Pooled by year	50		
	Fencing		Pooled by year	20		
	Guide Rails		Pooled by year	20		
	Masonry Features		Pooled by year	40		
	Parking Lots	Paved Surface		Pooled by year	25	
		Sub-base		Pooled by year	45	
	Pedestrian Bridges		Pooled by year	40		
	Retaining Walls		Pooled by year	20		
	Right-Of-Ways (ROW's)	Road Surface		Pooled by year	25	Asphalt surface-roads & laneways, curbs and speed humps.
		Sidewalks		Pooled by year	45	Concrete surface of sidewalks
		Sub-base		Pooled by year	45	Drainage, aggregate & earthwork.
	Signals	Controllers		Pooled by year	10	
		Electrical, Poles & Heads		Pooled by year	22	
	Signs		Pooled by year	10		
	Storm Sewer Systems		Pooled by year	88		
	Stormwater Lift Stations	Building Structure		Single Asset	100	
		Electrical		Single Asset	50	
		Process Mechanical		Single Asset	25	
		Substructure - Concrete		Single Asset	100	
Substructure - Misc. Metals			Single Asset	50		
Street Lights		Pooled by year	35			
SWM Ponds		Single Asset	10			
Traffic Islands		Pooled by year	25			
Land	Land Parcels		Single Asset	n/a		
	Land Under ROW's		Single Asset	n/a		
	Park Landscaping		Single Asset	n/a		
Library Furniture & Fixtures	Library Furniture & Fixtures		Pooled by year	10		
Library Media Collection	Library Media Collection		Pooled by year	7		

Category 1	Category 2	Category 3	Recording Method	Useful Life (Years)	Components
Parks & Pathways	Other Structures	Lighting	Pooled by year	30	Pathway & sportfield lighting.
		Park Furnishings	Pooled by year	10	Benches, waste receptacles, signage.
		Shelters	Pooled by year	40	Park buildings, gazebos, arbors.
		Skate Parks	Pooled by year	25	
		Sportsfield Structures	Pooled by year	10	Fencing, Court surfaces, Bleachers, Goal posts.
	Pathways		Pooled by year	15	
	Playground Structures		Pooled by year	15	
	Site Servicing & Drainage		Pooled by year	60	Water supply & drainage.
	Waterplay Structures		Pooled by year	20	
Vehicles	Fire Apparatus		Pooled by year	9	
	Licensed Vehicles		Pooled by year	7	
Waterworks Equipment	O&M Tools and Equipment		Pooled by year	9	
Waterworks Infrastructure	Drinking Water Distribution System		Pooled by year	60	
	Sanitary Sewage Collection System		Pooled by year	85	
	Sanitary Sewage Pumping Stations	Architecture	Single Asset	50	
		Building Mechanical	Single Asset	25	
		Building Structure	Single Asset	100	
		Civil access area	Single Asset	50	
		Civil - Fence and Pavement	Single Asset	20	
		Civil - Underground Piping (50)	Single Asset	50	
		Civil - Underground Piping (100)	Single Asset	100	
		Electrical (25)	Single Asset	25	
		Electrical (50)	Single Asset	50	
		Instrumentation & Control	Single Asset	15	
		Machinery	Single Asset	50	
		Process Mechanical	Single Asset	25	
		Substructure - Concrete	Single Asset	100	
Substructure - Misc. Metals	Single Asset	50			
Waterworks Vehicles	Licensed Vehicles		Pooled by year	7	

## **PAYMENT ACCEPTANCE POLICY**

### **1.) Purpose Statement**

To provide direction on the forms of payment accepted by the organization (both on-line & in-person) and set limits by payment type. This policy replaces the Council approved "Credit Card Acceptance Policy" dated June 5, 2000.

### **2.) Applicability and Scope Statement**

This policy applies to all staff and all payments received by the organization.

### **3.) Background**

The implementation of the Portal in 2011 provides new opportunities to expand services to the public and provides new on-line payment methods including credit cards and debit card payments.

### **4.) Definitions**

Third-party cheque – is any cheque made payable to someone other than Markham, and that has been endorsed by the payee and then made payable to Markham.

### **5.) Policy Statements**

#### **Credit Card Acceptance (on-line & in-person)**

Credit cards shall not be processed for more than the amount of the transaction i.e. no cash back

Credit cards are not to be accepted as payment for the following revenue sources:

- Property taxes
- Development charges
- Water Payments
- Any fees or charges collected by Markham on behalf of a third party
- Refundable / Security deposits (eg. Pool Permit Deposits)
- Transactions / Invoices / Agreements over \$5,000 inclusive of tax
- No partial payments are to be accepted for Transactions/Invoices/Agreements over \$5,000 inclusive of tax

#### **Debit Card Acceptance (on-line & in-person)**

There are no limitations associated with the acceptance of Debit cards.

#### **Cheques, Money Orders and Bank Drafts (in-person)**

*For services provided by Markham, all Cheques, Money Orders or Bank Drafts may only be accepted when made payable to Markham. If Markham is accepting payment for a third party the Cheque, Money Order or Bank Draft may only be accepted when made payable to the name of that organization. Markham does not accept third-party cheques.*



### **Cash (in-person)**

Only Canadian currency will be accepted.

### **Service Charges**

The service charges associated with the use of credit and debit cards will be charged to the department for which the revenue was booked.

### **New Services/Revenue Sources**

The Treasurer or designate has the authority to determine if Credit or Debit card payments will be accepted for any new services/revenue sources.

## **6.) Roles and Responsibilities**

Treasurer or designate has the authority to adjust the transaction limits as required to account for inflation or general user fee increases.

Directors will be responsible for implementation of and adherence of this policy regarding payments received by their department.

Financial Services will be responsible for updating this policy and auditing the adherence of this policy.

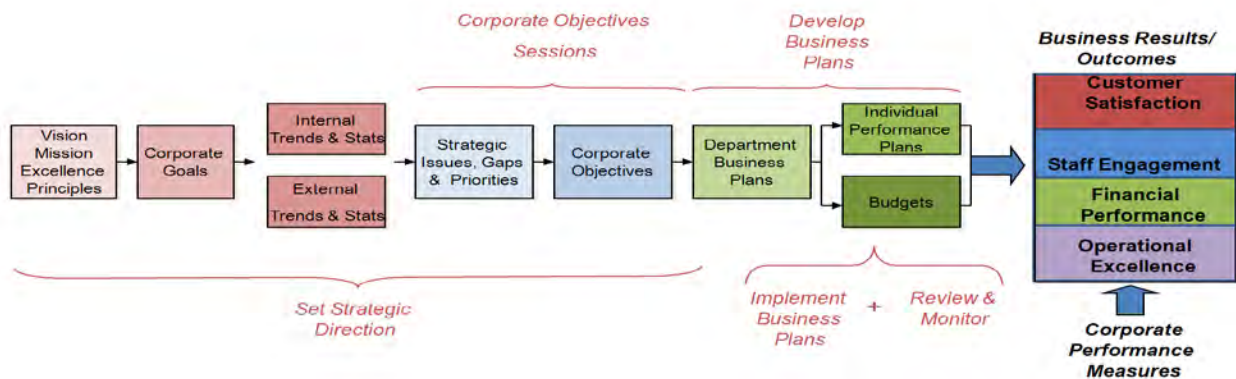
## BUSINESS PLAN INTRODUCTION

The Business Units of this organization report to one of the following Commissions:

- CAO's Office,
- Corporate Services,
- Development Services, or,
- Community and Fire Services.

The next section outlines the annual business planning process, an overview of each commission, business plans and operating budgets by each business unit.

### Annual Business Planning Process



Financial performance is one of the four drivers of the Excellence Markham Framework. The Corporate Planning process includes the setting of Council term priorities and the implementation of those priorities through annual business plans and individual employee performance plans. The City's ABPP demonstrates the alignment of the organization and individual departmental plans to the overall strategic direction of the Corporation on an annual basis. In 2014, the process was retooled, with the involvement of the CAO, Commissioners, and Directors, replacing the Business Unit Profiles (BUP) with Corporate and Departmental Business Plans. Part of the retooling included the creation of four Corporate Goals with accompanying descriptive statements to identify the longer term focus of this corporation.

Two key outputs of the Annual Business Planning Process include a Corporate Business Plan (CorpBP) and the individual Departmental Business Plan (DeptBP). The Corporate Business Plan outlines the corporate objectives and actions of the organization over a number of years that are intended to help achieve the Corporate Goals. It guides the development of the DeptBP by ensuring each department contributes to the relevant corporate objectives, in addition to other major or important initiatives a department may need to undertake to maintain and advance its business operations.



The business plans provide a reference for identifying the key annual objectives and how well the department is performing. It is a planning tool and informs others of the nature of our business.

The annual CorpBP identifies:

- Corporate Goals that the organization is pursuing over a number of years
- Corporate Objectives that further each of the Corporate Goals, along with key performance indicators (KPI)
- Corporate Actions to achieve the Corporate Objectives

The annual DeptBP identifies:

- Linkages to the Corporate Goals, Corporate Objectives and Corporate Actions outlined in the CorpBP
- Departmental Objectives and Departmental Actions, along with the KPIs

The City regards overall success in a balanced manner and the KPIs are developed for each Corporate Goal. Trends and inter-relationships among the KPIs will be utilized to identify objectives that are working well, and others that require attention.

The DeptBP identifies the proposed objectives and actions for the upcoming year, followed by the annual corporate budgeting process where changes to resource requirements, eg. funding, staffing, etc., are addressed. Annual actions will be incorporated into the individual staff performance plan.

Of note, 2015 is a transitional year in terms of the format of the business plans as the pilot templates from 2014 were rolled out to the entire organization in 2015. The 2016 format will be updated to a more “reader friendly” version.

## 2015 Corporate Business Plan Summary

Markham has been a member of Excellence Canada (formerly National Quality Institute) since 2000. The framework guides how the City manages the whole organization, resulting in satisfied customers, efficient systems and processes and engaged staff – all at a reasonable cost. The City implemented the Excellence Canada’s 4 level Progressive Excellence Program (PEP) in 2001 and quickly attained PEP Level 1 and PEP Level 2 status. After making improvements to the plan over time, the City attained PEP Level 3 status in 2010, receiving the Silver Award for Integrated Quality and Healthy Workplace. The next goal is to achieve PEP Level 4 – Gold status in 2015.

Excellence Markham is made up of four pillars: Customer Satisfaction, Operational Excellence, Staff Engagement and Financial Performance. Each pillar forms the foundation from which the City’s long term Corporate goals were created.



As the chart above indicates, the resulting four Corporate goals are tied directly to the guiding principles of the Excellence Markham Framework. Specifically, Customer Satisfaction and Staff Engagement drive the Corporate goal of Exceptional Services by Exceptional People, Operational Excellence drives the Corporate goal of an Engaged,



Divers, and Thriving City as well as a Safe and Sustainable Community, and finally, Financial Performance drives the Corporate goal of Stewardship of Money and Resources. Each goal has one or two goal statements that further clarify the goals outcome. These goals are enforced throughout the follow sections and ultimately incorporated into the individual business plans for each department.



## Corporate Business Plan

### Corporate Goal: Exceptional Services by Exceptional People

*We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objectives		
Customer Service Plan	People Plan	Leveraging Technology Program
Implement “City-wide Customer Experience Strategy” to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018	Implement a “Corporate People Plan” by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher	Implement a “multi-year technology roadmap” to improve customer service, efficiency, and effectiveness by 2018.
Actions		
<b>Complete City-wide Customer Experience Strategy. Service Planning at the Civic Centre Counters and Civic Centre Counter Renovations projects under development.</b> – Community & Fire Services (Sponsor) and CSC	<b>Refresh core competencies to support the organization's strategic direction</b> - Human Resources	<b>Complete the development of a digital strategy to provide a corporate technology roadmap for the next 3-5 years</b> - ITS and relevant departments
<b>Develop a Disclosure Policy to enhance transparency and accountability within the City</b> - Legislative Services	<b>Adopt and develop processes required to implement a Talent Review</b> - Human Resources	<b>Implement an E-Plan solution for building permit and development plan review</b> - ITS and relevant departments
	<b>Implement an employee portal</b> - ITS and relevant departments	<b>Procure and implement an e-agenda solution for Council and Committee reports (contingent on E-Plan)</b> - ITS, Legislative Services and Legal
<b>Clarify Governance and Roles between City and MPL – Markham Public Library</b>		<b>Continue to investigate an HRIS solution to manage the human resources functions</b> - ITS and relevant departments



## Corporate Goal: Engaged Diverse and Thriving City

*We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community.*

*We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.*

Corporate Objective		
Community Engagement		
Implement the “ <i>Corporate Community Engagement Plan</i> ” through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.		
Actions		
<b>Develop a Community Activation Strategy Framework and Model</b> - Community & Fire Services(Sponsor)and CC&CE - Applicable Departments	<b>Ensure successful Pan Am/Parapan Games through Markham as a Hosting City</b>  <b>Implement Pan Am/Parapan Games Activation Plan</b> - Community & Fire Services/CC&CE - All Departments  <b>Position the Markham Pan AM Centre as a sport destination</b> - Recreation	<b>Pilot/Develop a Corporate Volunteer Management program as part of the City-wide Volunteer Management Project</b> - Culture  <b>Adopt the City-wide Volunteer Management Project</b> - Applicable Departments
<b>Update the Older Adult strategy-</b> Recreation	<b>Support the implementation of the Public Realm &amp; Parks Renaissance Strategic Plan</b> - Operations and applicable departments	<b>Land for Training Facility and Fire Station in Markham Centre</b> - Fire
<b>Modernize the City's Zoning By-law</b> - Planning and Building	<b>Develop and implement a four-year Corporate Communications Strategy</b> - Corp Comm	<b>Attract a new post-secondary institution</b> - Economic Development and relevant departments

## Corporate Goal: Safe and Sustainable Communities

*We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.*

Corporate Objectives	
Sustainable and Integrated Growth Management	Corporate Resiliency
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm	Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.
Actions	
<p><b>Revise the Development Engineering Approval Process (Refer to Project Charter 'A' of the Sustainable and Integrated Growth Program</b></p> <p><b>Define roles &amp; establish consultative/coordinated response to growth impacts on municipal operations and budgets</b> -Engineering and Community and Fire Services Commission</p> <p><b>Coordinate Capital Program Process</b> -Engineering</p> <p><b>Complete the Planning Development approval Project</b> - Planning</p> <p><b>Complete Subwatershed Study, Community Master Plan and Secondary Plans for the Future Urban Area Secondary Plan</b> - Planning</p> <p><b>Develop a Park Development Strategy</b> - Planning</p> <p><b>Develop a Storm Sewer Maintenance Policy and Process</b> - Environmental Services, Asset Management, Engineering</p> <p><b>Review opportunities to change the management model for the 4 City Depots</b> - Environmental Services</p>	<p><b>Complete Business Continuity Plan</b> - Community &amp; Fire Services and Building Department - All Departments</p>



## Corporate Goal: Stewardship of Money and Resources

*We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.*

Corporate Objective		
Multi Year Budget		
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements		
Actions		
<b>Implement a guiding document for use in the development of the comprehensive and integrative multi-year budget</b> -Finance & Applicable Departments	<b>Restore Sustainable Funding Source for Development Applications</b> - Planning, Finance and Engineering	<b>Develop a City-wide parks needs assessment forecast</b> - Finance
<b>Complete a pricing and subsidy strategy</b> - Recreation		<b>Develop and implement a Corporate Sponsorship Strategy</b> - Corp Comm

## BUSINESS PLAN TABLE OF CONTENTS

<b>Mayor and Council</b>	279
<b>Chief Administrative Officer</b>	280
<i>Legal Services</i>	284
<i>Human Resources</i>	286
<i>Sustainability Office</i>	289
<b>Corporate Services</b>	292
<i>Communications and Community Relations</i>	296
<i>Finance</i>	298
<i>Information Technology Services</i>	300
<i>Legislative Services</i>	304
<b>Development Services</b>	306
<i>Building Standards</i>	310
<i>Engineering</i>	312
<i>Planning and Urban Design</i>	314
<i>Economic Development</i>	316
<b>Community and Fire Services</b>	319
<i>Asset Management</i>	330
<i>Culture</i>	333
<i>Fire and Emergency Services</i>	336
<i>Markham Public Library</i>	339
<i>Operations</i>	342
<i>Waste Management</i>	346
<i>Waterworks</i>	347
<i>Recreation Services</i>	348
<i>Corporate Consolidated</i>	351



## MAYOR AND COUNCIL 2015 OPERATING BUDGET

<u>Description</u>	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>2015 Bud. vs. 2014 Bud.</u>		<u>2015 Bud. Vs. 2014 Act.</u>		
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>									
RECOVERIES AND CONTRIBUTIONS	\$0	\$14,472	\$0	\$0	\$0		(\$14,472)	-100.0%	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$2,381,876	\$2,443,836	\$2,660,848	\$2,856,512	\$195,664	7.4%	\$412,676	16.9%	
PRINTING & OFFICE SUPPLIES	23,544	25,053	23,441	23,441	0	0.0%	-1,612	-6.4%	
OPERATING MATERIALS & SUPPLIES	13,560	36,840	11,900	11,900	0	0.0%	-24,940	-67.7%	
VEHICLE SUPPLIES	5,278	5,216	3,200	3,200	0	0.0%	-2,016	-38.7%	
COMMUNICATIONS	1,048	904	15,434	15,434	0	0.0%	14,530	1607.3%	
TRAVEL EXPENSES	111,400	37,288	92,395	92,395	0	0.0%	55,107	147.8%	
TRAINING	304	92	5,594	5,594	0	0.0%	5,502	5980.4%	
MAINT. & REPAIR-TIME/MATERIAL	0	0	7,230	7,230	0	0.0%	7,230		
RENTAL/LEASE	543	4,738	14,229	14,229	0	0.0%	9,491	200.3%	
PROFESSIONAL SERVICES	0	11,133	6,589	6,589	0	0.0%	-4,544	-40.8%	
LICENCES, PERMITS, FEES	5,150	3,657	2,585	2,585	0	0.0%	-1,072	-29.3%	
PROMOTION & ADVERTISING	74,831	80,207	41,630	41,630	0	0.0%	-38,577	-48.1%	
OTHER PURCHASED SERVICES	0	0	0	18,150	18,150		18,150		
MISCELLANEOUS EXPENSES	0	12,255	36,150	0	-36,150	-100.0%	-12,255	-100.0%	
<b>Total Expenses</b>	<b>\$2,617,534</b>	<b>\$2,661,219</b>	<b>\$2,921,225</b>	<b>\$3,098,889</b>	<b>\$177,664</b>	<b>6.1%</b>	<b>\$437,670</b>	<b>16.4%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$2,617,534</b>	<b>\$2,646,747</b>	<b>\$2,921,225</b>	<b>\$3,098,889</b>	<b>\$177,664</b>	<b>6.1%</b>	<b>\$452,142</b>	<b>17.1%</b>	
<b>Full Time Compliment</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and benefits – Increase due to annualization of cost of living adjustment and movement of staff along the City’s salary grids and increased headcount

## Chief Administrative Officer (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 1041 and approximately 1400 part time/seasonal staff who respond to issues of the growing City of Markham and the high expectations that the public has for superior service delivery. The responsibilities of the CAO include management of a \$463.5 million dollar budget, overseeing municipal operations and ensuring Council's priorities and strategic directions are achieved. Direct reports to the Chief Administrative Officer include the Commissioners of Corporate Services, Community and Fire Services and Development Services, as well as the Directors of Human Resources and Sustainability Office, the City Solicitor, the Manager Strategic Initiatives and the Manager of Executive Operations.

The Executive Leadership Team (ELT) supports the management of the City's operations and is comprised of the CAO, Commissioners of Corporate Services, Community and Fire Services and Development Services, the Director of Human Resources, the City Solicitor and the Manager of Executive Operations. The ELT meets weekly, is chaired by the CAO, and addresses City operations and issues.

The CAO's Commission consists of the following Business Units:

- Legal Services
- Human Resources
- Sustainability Office

### ***Legal Services***

Reporting to the Chief Administrative Officer, the Legal Services Department provides a full range of legal advice and support to Council, its committees and City staff. As a municipal corporation, the City is subject to all laws of the Federal and Provincial governments.

The primary functions and duties of the Legal Services Department include:



- Legal advice to Council and its committees regarding legal issues, liability and applicability of provincial legislation
- Representation at all Ontario Municipal Board hearings
- Conduct or defend all legal actions instituted by or commenced against the City in all levels of the Ontario court system
- Preparation and review of all development agreements (subdivision, site plan) and other contracts/agreements
- Negotiation, preparation, review and registration of documents required for the acquisition and sale of real property
- Drafting and review of by-laws
- Provision of legal advice and direction to all municipal departments
- Meetings with other government agencies, including provincial ministries and York Region, to resolve issues
- Assistance to the By-law Enforcement Department in the enforcement and prosecution of City regulatory and zoning by-laws, including representation of the Licensing Manager at Licensing hearings

### ***Human Resources***

The Human Resources department supports the achievement of the City of Markham's goals by providing a full range of strategic human resources management solutions in the areas of workforce development, business transformation, positive stakeholder relations, and occupational health, wellness and safety. The department is also the corporate sponsor and champion of the City's comprehensive multi-year Diversity Action Plan "Everyone Welcome" which lays out the paths that the City will travel toward an inclusive Markham. The City employs 1033 full-time staff supported by part time and temporary peak-season staff in areas such as the Contact Centre, Recreation Services and the Operations Department.

### ***Sustainability Office***

Reporting to the CAO, the Sustainability Office champions the implementation of the Greenprint, Markham's Sustainability Plan, in partnership with staff and the community.

The Greenprint was developed with extensive consultation and is a 50-100 year vision for Markham to become the most sustainable community in North America; it is based on the three sustainability pillars of:

- Social & Cultural Well-Being
- Economic Vitality
- Environmental Health

The Greenprint has 12 priority areas and 241 recommendations that are new or build on existing initiatives of Markham staff and the community, monitoring and tracking of the priority indicators and recommendations will be by the Sustainability Office.





The Sustainability Office leads specific implementation initiatives of the Greenprint and provides sustainability support services to Council, staff and the community.

## CAO, LEGAL, HR AND SUSTAINABILITY OFFICE

### 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
USER FEES & SERVICE CHARGES	115,444	\$200,603	\$234,552	\$240,885	\$6,333	2.7%	\$40,282	20.1%	
RECOVERIES & CONTRIBUTIONS	(22,224)	(14,096)	0	0	-	-	14,096.00	-100.0%	
OTHER REVENUE	653,373	616,161	148,000	90,000	(58,000)	-	(526,161)	-85.4%	
<b>Total Revenues</b>	<b>\$746,593</b>	<b>\$802,668</b>	<b>\$382,552</b>	<b>\$330,885</b>	<b>(\$51,667)</b>	<b>-13.5%</b>	<b>(\$471,783)</b>	<b>-58.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	4,767,013	\$4,827,488	\$5,073,508	\$5,081,081	\$7,573	0.1%	\$253,593	5.3%	
PRINTING & OFFICE SUPPLIES	28,973	24,558	28,622	39,622	11,000	38.4%	15,064	61.3%	
OPERATING MATERIALS & SUPPLIES	110,543	103,805	103,656	102,656	(1,000)	-1.0%	(1,149)	-1.1%	
UTILITIES	0	0	(10,896)	(10,896)	0	0.0%	(10,896)		
COMMUNICATIONS	12,596	26,426	17,452	17,452	0	0.0%	(8,974)	-34.0%	
TRAVEL EXPENSES	25,056	31,911	38,707	46,207	7,500	19.4%	14,296	44.8%	
TRAINING	263,156	240,543	298,279	298,279	0	0.0%	57,736	24.0%	
CONTRACTS & SERVICE AGREEMENTS	(180,205)	(228,589)	(177,572)	(178,318)	(746)	0.4%	50,271	-22.0%	
MAINT. & REPAIR - TIME & MATERIAL	5,679	16,874	0	0	0		(16,874)	-100.0%	
RENTAL/LEASE	531,541	495,711	6,444	6,444	0	0.0%	(489,267)	-98.7%	
PROFESSIONAL SERVICES	624,096	324,701	541,281	544,107	2,826	0.5%	219,406	67.6%	
LICENCES, PERMITS, FEES	64,611	54,280	65,626	66,626	1,000	1.5%	12,346	22.7%	
PROMOTION & ADVERTISING	151,882	232,746	249,281	230,781	(18,500)	-7.4%	(1,965)	-0.8%	
OTHER EXPENDITURES	245,772	217,339	259,696	184,527	(75,169)	-28.9%	(32,812)	-15.1%	
<b>Total Expenses</b>	<b>\$6,650,713</b>	<b>\$6,367,793</b>	<b>\$6,494,084</b>	<b>\$6,428,568</b>	<b>(\$65,516)</b>	<b>-1.0%</b>	<b>\$60,775</b>	<b>1.0%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$5,904,120</b>	<b>\$5,565,125</b>	<b>\$6,111,532</b>	<b>\$6,097,683</b>	<b>(\$13,849)</b>	<b>-0.2%</b>	<b>\$532,558</b>	<b>9.6%</b>	
Full Time Compliment	35	35	35	35					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Solar Revenue: Budget adjusted to reflect rooftop lease revenue only

Miscellaneous Expenses: Reduction of subsidies to Markham Convergence Centre



**CAO'S OFFICE – COMMISSION SUPPORT**  
**2015 OPERATING BUDGET**

<u>Description</u>	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>2015 Bud. vs. 2014 Bud.</u>		<u>2015 Bud. Vs. 2014 Act.</u>		
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenues</b>									
OTHER INCOME	-	358,488	-	-	-	0.0%	(358,488)	-100.0%	
<b>Total Revenues</b>	-	<b>358,488</b>	-	-	-	<b>0.0%</b>	<b>(358,488)</b>	<b>-100.0%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$779,999	\$834,023	\$787,544	\$799,307	\$11,763	1.5%	(\$34,716)	-4.2%	
PRINTING & OFFICE SUPPLIES	2,917	3,015	4,818	4,818	-	0.0%	1,803	59.8%	
OPERATING MATERIALS & SUPPLIES	1,985	2,582	2,720	1,720	(1,000)	-36.8%	(862)	-33.4%	
COMMUNICATIONS	3,571	10,782	4,134	4,134	-	0.0%	(6,648)	-61.7%	
TRAVEL EXPENSES	10,537	6,980	23,186	23,186	-	0.0%	16,206	232.2%	
TRAINING	2,738	1,064	3,960	3,960	-	0.0%	2,896	272.2%	
CONTRACTS SERVICES AGREEMENT	(384)	(16,089)	17,069	15,876	(1,193)	-7.0%	31,965	-198.7%	
RENTAL/LEASE	-	484,561	555	555	-	0.0%	(484,006)	-99.9%	
LICENCES, PERMITS, FEES	16,575	16,936	5,913	52,826	46,913	793.4%	35,890	211.9%	
OTHER EXPENSES	22,954	61,493	218,800	160,713	(58,087)	-26.5%	99,220	161.4%	
<b>Total Expenses</b>	<b>\$840,892</b>	<b>\$1,405,347</b>	<b>\$1,068,699</b>	<b>\$1,067,095</b>	<b>(\$1,604)</b>	<b>-0.2%</b>	<b>(\$338,252)</b>	<b>-24.1%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$840,892</b>	<b>\$1,046,859</b>	<b>\$1,068,699</b>	<b>\$1,067,095</b>	<b>(\$1,604)</b>	<b>-0.2%</b>	<b>\$20,236</b>	<b>1.9%</b>	
<b>Full Time Compliment</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Other Expenses: Reduction of subsidies to Markham Convergence Centre

## LEGAL 2015 BUSINESS PLAN (PAGE 1 OF 2)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018	To improve customer service and business process efficiencies	Undertake a Customer Satisfaction Survey for internal customers Process mapping of the Site Plan /Subdivision Agreement Process	Achieve overall customer satisfaction Train employees in process mapping and begin with Development Agreement Processes					80%	
	Ensure that the City's Council's directions are implemented legally and in a manner that protects the City's legal, financial and other interests	Provide strategic legal advice and services in support of the development/planning, real property, litigation/Ontario Municipal Board and other legal and policy matters							
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher	Assist in the Implementation of the People Plan Goals	Develop a succession plan for the next five year period	Key positions filled before they are vacated (retirement) or as required						
		Update job descriptions of Non-Union mission critical and Senior Managers and above positions	% of positions vacant (not more than X weeks) or average time to fill vacancy						
	To improve staff satisfaction and engagement in the Department	Identify and deliver a Staff Satisfaction improvement project within the Department Implement the Corporate Staff Satisfaction Project - Recognition and TBA	5% improvement in selected driver over two year period						
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018	Ensure that the City has sustainable Electronic Document Management System that meets the City's needs and complies with applicable legislation	Assist in the development of the Electronic Agenda Management System							
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan"	Support the implementation of the "Corporate Community Engagement Plan"	Support the implementation of the Pan Am / Parapan Am Games Support the implementation of the Public Realm Strategy: Framework and Implementation, Phase 1							
<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm	We will provide professional strategic advice and services in support of City initiatives as required including expert advice to support the organization's compliance with legislation	Provide advice and services in support of: -Sustainable and Integrated Growth Management -Engineering Development Approvals -Engineering Capital Delivery -Planning Development Approvals -FUA Secondary Plan -Intensification Secondary Plans -Streetscape and Parks Program							
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	We will ensure the Legal Services Department has sound emergency planning strategies and procedures in	Complete a Business Continuity Plan for the Department Participate in Emergency Management Exercise and Training							
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
In 2015 develop and implement a comprehensive and integrated multi-year Business Plan and Budget that results in sustainable allocation of City resources to meet current and future requirements.									



## LEGAL 2015 BUSINESS PLAN (PAGE 2 OF 2)

### 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$115,444	\$200,603	\$234,552	\$240,885	\$6,333	2.7%	\$40,282	20.1%
<b>Total Revenues</b>	<b>\$115,444</b>	<b>\$200,603</b>	<b>\$234,552</b>	<b>\$240,885</b>	<b>\$6,333</b>	<b>2.7%</b>	<b>\$40,282</b>	<b>20.1%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$1,402,899	\$1,395,400	\$1,407,662	\$1,484,029	\$76,367	5.4%	\$88,629	6.4%
PRINTING & OFFICE SUPPLIES	5,030	3,337	6,320	6,320	-	0.0%	2,983	89.4%
OPERATING MATERIALS & SUPPLIES	18,378	25,755	9,261	9,261	-	0.0%	(16,494)	-64.0%
COMMUNICATIONS	3,228	5,798	3,197	3,197	-	0.0%	(2,601)	-44.9%
TRAVEL EXPENSES	5,613	4,576	6,942	6,942	-	0.0%	2,366	51.7%
TRAINING	-	-	1,189	1,189	-	0.0%	1,189	0.0%
CONTRACTS & SERVICE AGREEMENTS	(54,296)	(59,787)	(59,787)	(57,308)	2,479	-4.1%	2,479	-4.1%
RENTAL/LEASE	-	5,860	1,520	1,520	-	0.0%	(4,340)	-74.1%
PROFESSIONAL SERVICES	381,101	105,228	321,572	271,572	(50,000)	-15.5%	166,344	158.1%
LICENCES, PERMITS, FEES	37,617	29,257	43,222	43,222	-	0.0%	13,965	47.7%
<b>Total Expenditures</b>	<b>\$1,799,570</b>	<b>\$1,515,424</b>	<b>\$1,741,098</b>	<b>\$1,769,944</b>	<b>\$28,846</b>	<b>1.7%</b>	<b>\$254,520</b>	<b>16.8%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$1,684,126</b>	<b>\$1,314,821</b>	<b>\$1,506,546</b>	<b>\$1,529,059</b>	<b>\$22,513</b>	<b>1.5%</b>	<b>\$214,238</b>	<b>16.3%</b>
<b>Full Time Compliment</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Professional Services – Reduced based on historical trending

## HUMAN RESOURCES 2015 BUSINESS PLAN (PAGE 1 OF 3)

<b>Corporate Goal and Statement</b>										
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results						
				2013	2014	2015	2016	Target	Year	
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Provide expert advice and guidance in the area of training (and other areas as needed) to support the customer experience strategy and its implementation	Develop and start to roll out staff training options to support the corporate customer service strategy	All identified and required staff have taken the training			50%	50%			
	Align with cascaded Customer Experience Strategy action	Develop and implement a customer survey (cascaded action)	Customer survey is implemented and satisfaction rating is above satisfactory			100%				
Clarify governance roles between City and Markham Public Library	Align with corporate governance objectives	Develop service level agreement between Human Resources and Markham Public Library	Service level agreement complete			100%				
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Lead and facilitate the implementation of the People Plan goals working with ELT, DF and all business units from 2015 to 2018 (lead)	Refresh core competencies to support the organization's strategic direction	Refreshed competencies are approved			100%				
			Refreshed competencies are available on the Intranet			100%				
			Refreshed competencies are embedded in core people programs and processes (staffing, training, performance review, talent assessment)			50%	50%			
			Update job descriptions for Non Union mission critical and Senior Manager and above positions (cascaded action)	Completed						
			Conduct targeted strategic workforce planning pilot with 1 or 2 departments to identify high risk areas through analysis of attrition, recruitment difficulty, demographic and retirement data, as well as external labour force supply	Analysis conducted and presented for one or two specific departments as a pilot			100%			
			Develop and adopt the processes required to implement a Q1/16 Talent Review including: the identification of Non Union employees who are high potentials or high performers, as well as succession planning for Senior Managers and above and mission critical positions	Processes developed and ready for implementation in Q1/16			100%			
			Conduct preliminary research to support the development of a corporate compensation philosophy	Preliminary research conducted			100%			
		Begin to align people programs with refreshed competencies, the organization's direction and the organization's business plan (training, staffing, compensation, performance review, talent reviews)	Degree of alignment			25%	50%			
	Provide professional support to attract, effectively deploy, develop, engage, recognize and retain high quality individuals that meet the needs of the organization	Develop and present a comprehensive review of the employee service awards program and then roll out program to organization	Proposed program recommendations are approved			100%				
			New program is rolled out to organization			40%	60%			
Provide expert advice and guidance to build a safe workplace for all staff that meets legislative requirements and that reduces health and safety risks	The establishment of an updated workplace Health and Safety Management System (HSMS). The HSMS is a comprehensive set of policies supported by standards, programs and guidelines that ensure that all aspects of workplace health and safety are addressed including legislative compliance.	Completion of program development			50%	50%				
		Policies and tools are available on the Intranet			50%	50%				
Provide expert advice and services to support a healthy workplace	Complete the development of the Attendance Management program including policies, procedures and tools relating to short and long term disability and accommodation to ensure the early and safe return to work of employees by end of 2015	Policies and tools are available on the Intranet			100%					
		Program rolled out to all relevant stakeholders			100%					
Develop and/or implement 2014 Staff Satisfaction organization improvement action plan	Implement corporate Staff Satisfaction Improvement Project (cascaded action)	Degree of implementation			50%	50%				
		Complete a department Staff Satisfaction improvement project (cascaded action)	Degree of implementation			50%	50%			
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Provide efficient and streamlined customer service delivery by leveraging and implementing modern technology solutions	Partner with ITS, Finance and the Commissions to further define the governance and business framework of a potential HRIS partnership with like organizations (cascaded action)	Degree of implementation			50%	50%			
		Continue to move the e-learning initiative forward - roll out protocols, work with ITS to ensure that necessary technology infrastructure is in place to support the program	e-Learning protocol document is on the Intranet			100%				
			Percentage of regular full time employees using e-Learning		30%	50%	75%			
			Percentage of learning programs delivered through e-Learning		30%	40%	45%			
	Update department portal web content and ensure alignment with AODA requirements (cascaded action)	Completed			100%					



## HUMAN RESOURCES 2015 BUSINESS PLAN (PAGE 2 OF 3)

<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2013	2014	2015	2016		
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Provide advice, guidance and support to the "Corporate Community Engagement Plan"	Participate as member of Steering Committee in the development, roll out and implementation of the City-wide Volunteer Management Project <i>(cascaded action)</i>	Percentage of completion			75%	25%		
	Support the Hosting Pan Am / Parapan Am Games: Corporate Planning and Implementation	Provide all facets of HR advice and guidance with the respect to the hosting of the Games before, during and after (including staffing, training, labour relations etc.) <i>(cascaded action)</i>	Corporate level- percentage of grievances / complaints settled through internal efforts		100%	100%	100%		
	Provide leadership and expertise to the organization to implement the Diversity Action Plan recommendations in support of building a diverse, liveable, caring and interconnected community by the end of 2019	Develop framework for monitoring and tracking the implementation of the Diversity Action Plan goals for 2015 to 2018	Tracking framework in place			100%			
		Develop a diversity and inclusion policy statement	Diversity and inclusion policy in place			100%			
		Work with departments to make headway in DAP recommendations including procurement diversity, Older Adult Recreation strategy, completion of Recreation pricing and subsidy strategy	Recommendations continue to move forward			Ongoing			
		Assume leadership for the Accessibility portfolio being transferred from the Sustainability Department	Implementation of portfolio transfer completed			100%			
		Consult, develop and roll out training and tools to support staff in effectively handling customer service situations involving mental health issues	Training, tools and resources are in place and rolled out to relevant employee groups			75%	25%		
n/a	Provide human resources related advice and support as needed	Provide human resources related advice and support to this corporate initiative as defined and identified by Leads	As determined by Lead						
<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Provide human resources related advice and support as required	Provide human resources related advice and support to this corporate initiative as required by the Leads	As determined by Lead						
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Ensure the Human Resources Department has a business continuity plan in place	Start the process of developing a Business Continuity Plan for human resource related components using the identified corporate framework <i>(cascaded action)</i>	Degree of implementation			50%	50%		
	Support the organization's emergency management requirements	Participate in Emergency Management exercise and training initiatives <i>(cascaded action)</i>	Participation			100%			
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Contribute to the organization's commitment to fiscal accountability and value for tax dollar by managing costs and/or identifying revenue streams	Where practical, identify revenue opportunities that can offset the tax rate and continue to use fiscal accountability as a budgeting criteria <i>(cascaded action)</i>	Fiscal accountability continued to be used as a budgeting criteria						Ongoing



## HUMAN RESOURCES 2015 BUSINESS PLAN (PAGE 3 OF 3)

### 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
OTHER REVENUE	\$483	\$110	\$0	\$0	\$0	0.0%	(\$110)	-100.0%
<b>Total Revenues</b>	<b>\$483</b>	<b>\$110</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$110)</b>	<b>-100.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$2,228,608	\$2,231,164	\$2,305,860	\$2,352,568	\$46,708	2.0%	\$121,404	5.4%
PRINTING & OFFICE SUPPLIES	20,289	15,916	14,985	25,985	11,000	73.4%	10,069	63.3%
OPERATING MATERIALS & SUPPLIES	89,273	63,834	91,190	91,190	0	0.0%	27,356	42.9%
COMMUNICATIONS	5,086	8,145	8,657	8,657	0	0.0%	512	6.3%
TRAVEL EXPENSES	4,002	14,680	4,204	11,704	7,500	178.4%	(2,976)	-20.3%
TRAINING	260,398	230,148	275,000	275,000	0	0.0%	44,852	19.5%
CONTRACTS SERVICES AGREEMENT	(93,736)	(117,474)	(99,615)	(100,739)	(1,124)	1.1%	16,735	-14.2%
RENTAL/LEASE	1,687	5,290	4,051	4,051	0	0.0%	(1,239)	-23.4%
PROFESSIONAL SERVICES	231,632	218,868	219,709	219,709	0	0.0%	841	0.4%
LICENCES, PERMITS, FEES	9,884	7,380	16,091	16,091	0	0.0%	8,711	118.0%
PROMOTION & ADVERTISING	148,331	232,726	249,281	230,781	(18,500)	-7.4%	(1,945)	-0.8%
MISCELLANEOUS EXPENSES	2,903	462	30,000	19,831	(10,169)	-33.9%	19,369	4192.4%
<b>Total Expenses</b>	<b>\$2,908,357</b>	<b>\$2,911,139</b>	<b>\$3,119,413</b>	<b>\$3,154,828</b>	<b>\$35,415</b>	<b>1.1%</b>	<b>\$243,689</b>	<b>8.4%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$2,907,874</b>	<b>\$2,911,029</b>	<b>\$3,119,413</b>	<b>\$3,154,828</b>	<b>\$35,415</b>	<b>1.1%</b>	<b>\$243,799</b>	<b>8.4%</b>
<b>Full Time Compliment</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

No significant changes



## SUSTAINABILITY OFFICE 2015 BUSINESS PLAN (PAGE 1 OF 3)

<b>Corporate Goal and Statement</b>											
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.											
Corporate Objectives	2015 Department Objectives	2015 Department Actions	Department Performance Measures	Results					Target	Year	
				2010	2011	2012	2013	2014			
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018	Support the development and implementation of the Customer Experience Strategy to achieve corporate overall satisfaction rate of 80+% by end of 2018	Participate in the Customer Service Plan working group or committee to represent our interests and ensure alignment of our work.	Overall Customer Satisfaction			1	1		80%	2018	
	Develop and implement a complementary Customer Service Plan for the Sustainability Office that is used for continuous improvement so we as a team achieve over 80% customer satisfaction by end of 2018	Analyze results from 2014 survey's undertaken and implement changes to improve services to achieve 80% customer satisfaction. Conduct one customer service survey.	Third party recognition for sustainability excellence								
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher	Maintain or improve the current Organization Engagement score of 89.9% for Sustainability Office.	Continue to implement our staff recognition points system, improve as necessary and share widely with colleagues in other departments.	Organizational Outcome Index from Staff satisfaction survey			79.2		89.6	90	2016	
		As a team focus on improving Satisfaction with Physical Work Environment and Resources and Supplies scores for the 2016 Staff Survey.	Satisfaction with Physical Work Environment score from Staff Satisfaction survey		71	75		80.9	85	2016	
		Identify mission critical non-union staff and update related job descriptions.	Resources and Supplies score from Staff Satisfaction survey				80.6		88.9	90	2016
		Support the corporate score improvement focus of Strategic Leadership	Strategic Leadership of Director/Head of Department				59.7		74.7	80	2016
		Continue to develop an empowered, collaborative, well-trained and high functioning team that delivers quality services, policies, projects and programs on time and on budget	Number of learning hours per regular full time employee		22.7	4.4	5.5			20	2015
			Services (projects/applications/permits/processes) meeting targeted time frames and service levels							100%	2015
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Improve the usability and navigation within and to the Sustainability pages of Portal.	Continue updating the Sustainability Office's portal pages content and structure and implement the Portal Steering Committee's framework when ready.	Sustainability Office Portal Page Views					899 for July/14	12000	2015	
	Complete implementation of a the Energy Management Information System (EMIS) that provides consolidated access to utility consumption information to improve efficiency and customer service.	Ensure that relevant staff have necessary training, tools and knowledge to utilize the Energy Management Information System (EMIS). And develop business case for centralizing BAS/submetering system to one resource, this will include operating protocols.									



## SUSTAINABILITY OFFICE 2015 BUSINESS PLAN (PAGE 2 OF 3)

<b>Corporate Goal and Statement</b>											
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community.											
Corporate Objectives	2015 Department Objectives	2015 Department Actions	Department Performance Measures	Results				Target	Year		
				2010	2011	2012	2013			2014	
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018	Support the development and implementation of the Corporate Community Engagement Plan.	Align the Sustainability Office's community outreach with the Community Activation Strategy	Awareness - We will improve community Greenprint/general sustainability awareness. Measured by survey.				n/a		10	2015	
		Be engaged in the Volunteer Management Project to ensure our volunteer program aligns with the Corporate initiatives.	Education - We will improve community sustainability education. Measured by event participation, Enviro-Pac signouts and more.						1000	2014	
		Continue to develop and implement general sustainability, and more specifically Energy + Climate and Food Security, media materials and programs that improve awareness, education and engagement of the community using the tools, tactics and best practises identified in the Plan.	Engagement - Number of Sustainability volunteers.						50	2014	
		Support implementation of the Pan Am/ParaPan Am Games in Markham.	Engagement - Sustainability volunteer average hours						50	2014	
			Engagement - Sustainability Program participation						2000	2014	
		Roll out and refine the Corporate Sustainability Education Program e-learning modules - Greenprint Overview and Energy at Work and at Home	Percent of staff that have completed Corporate Sustainability Education e-learning modules						10	2015	
<b>Corporate Goal and Statement</b>											
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.											
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm	Support the development and implementation of the Sustainable and Integrated Growth Project.	Finalize all major Rouge National Urban Park Supplemental Agreements and present to Council for authority to execute, including: municipal services, PILs, governance, financial and policy matters.							Negotiations Complete	2015	
		Continue to implement Markham's Corporate Energy Management Plan to reduce energy risk via conservation, efficiency and investment in renewable energy.	Corporate Facility GHG Emissions per square meter							5%	2019
		Continue to Develop Markham's Municipal Energy Plan and complete the Community Energy Plan tool to support the Future Urban Area Secondary Plans	Reduction of community GHGs due to Sustainability Office community initiatives							Develop methodology to monitor and report on community reductions	2016
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Support the development of a comprehensive and synergistic enterprise risk management program encompassing Business Continuity and Emergency Management	Support the implementation of the recommendations from the Business Impact Assessment to ensure Business Continuity									
		Participate in Emergency Management Exercise and Training, as required.									
		To complement the accountability framework, continue improving our integrated Sustainability Reporting within the Annual Report.	GRI level/number of indicators reported		Annual Report - GRI 3.1 Self Declared C	Annual Report - GRI 3.1 Self Declared C	2013 Annual Report - G4, self declared core, added water data	2014 Annual Report - G4 audited core, add waste data		2015	
<b>Corporate Goal and Statement</b>											
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.											
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Support the development and implementation of the multi-year budget through thoughtful medium to long-term program outcome planning and budgeting	Undertake staff work planning to achieve our 2015 objectives in Q4 of 2014 and review regularly in 2015 to ensure success.	% of capital budgets within initial approved budget								
		Identify, where practical, enhanced and/ or alternative revenue opportunities that can offset the tax rate	Energy savings								
			Energy revenues								
			Costs avoided due to partnerships and collaborations								
		Net Cost per capita to operate municipality									



## SUSTAINABILITY OFFICE 2015 BUSINESS PLAN (PAGE 3 OF 3)

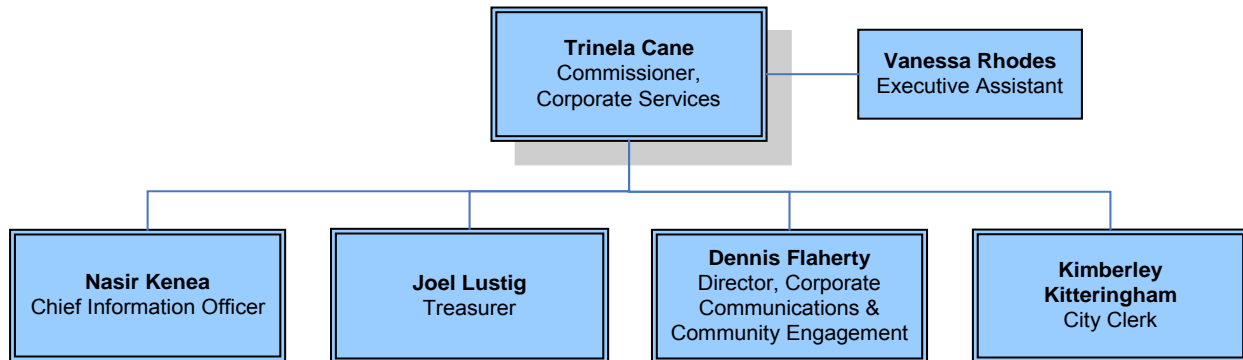
### 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
OTHER REVENUE	\$1,101	\$5,564	\$0	\$16,000	\$16,000	0.0%	\$10,436	187.6%
SOLAR REVENUE	311,332	237,903	148,000	74,000	(74,000)		(163,903)	-68.9%
<b>Total Revenues</b>	<b>\$312,433</b>	<b>\$243,467</b>	<b>\$148,000</b>	<b>\$90,000</b>	<b>(\$58,000)</b>	<b>0.0%</b>	<b>(\$153,467)</b>	<b>-63.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$355,507	\$366,901	\$425,534	\$445,177	\$19,643	4.6%	\$78,276	21.3%
PRINTING & OFFICE SUPPLIES	737	2,290	2,499	2,499	-	0.0%	209	9.1%
OPERATING MATERIALS & SUPPLIES	907	11,634	485	485	-	0.0%	(11,149)	-95.8%
UTILITIES	-	-	(10,896)	(10,896)	-	0.0%	(10,896)	0.0%
COMMUNICATIONS	711	1,701	1,464	1,464	-	0.0%	(237)	-13.9%
TRAVEL EXPENSES	4,904	5,675	4,375	4,375	-	0.0%	(1,300)	-22.9%
TRAINING	20	9,331	18,130	18,130	-	0.0%	8,799	94.3%
CONTRACTS SERVICES AGREEMENTS	(31,789)	(35,239)	(35,239)	(36,147)	(908)	2.6%	(908)	2.6%
RENTAL/LEASE	-	-	318	318	-	0.0%	318	0.0%
LICENCES, PERMITS, FEES	535	707	400	400	-	0.0%	(307)	-43.4%
OTHER EXPENDITURES	237,723	172,883	10,896	10,896	-	0.0%	(161,987)	-93.7%
<b>Total Expenditures</b>	<b>\$569,255</b>	<b>\$535,883</b>	<b>\$417,966</b>	<b>\$436,701</b>	<b>\$18,735</b>	<b>4.5%</b>	<b>(\$99,182)</b>	<b>-18.5%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$256,822</b>	<b>\$292,416</b>	<b>\$269,966</b>	<b>\$346,701</b>	<b>\$76,735</b>	<b>28.4%</b>	<b>\$54,285</b>	<b>18.6%</b>
Full Time Compliment	3	3	3	3				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Solar Revenue: Budget adjusted to reflect rooftop lease revenue only

## CORPORATE SERVICES



The Corporate Services Commission provides financial, administrative and technical services that enhance our customers' and partners' current and future performance. This is accomplished through the delivery of timely, accurate, and complete analysis, strategic advice and information, and the fulfillment of fiduciary, and legislative responsibilities of the Corporation.

The Commission has a full time complement of 158 employees representing the following departments, each with their own areas of expertise and responsibility.

- Information Technology Services
- Financial Services
- Corporate Communications and Community Engagement
- Legislative Services

### ***Information Technology Services***

Information Technology Services (ITS) supports the Corporation in its objective to provide effective public services and maintain efficient government operations through appropriate and innovative use of information and communication technologies. The Department is comprised of three divisions:

- Technology (Network Infrastructure, Desktop, Telecommunication, and Audio Visual support)
- Client Delivery (Service Desk, Project Delivery, and Support)
- Applications and GIS (Business Applications and Web, Data Management, GIS Services, and Support)

### ***Financial Services***

Financial Services consists of a team of experts that coordinate and analyze all financial transactions to enable our customers and partners to make effective business



decisions. The primary role of the department is to ensure the financial integrity of the City. The department is divided into five divisions, consisting of the following:

- Financial Planning
- Financial Reporting & Payroll
- Procurement & Accounts Payable
- Financial Strategy & Investments (Development Finance, Investments, Risk Management, and Special Projects)
- Revenues (Tax Billing and Collection, Assessment Review, Cash Management)

### ***Corporate Communications and Community Engagement***

Corporate Communications and Community Engagement leads and manages Markham's public and internal staff communications programs through Markham's website and intranet, printed and digital publications, social media, advertising and media relations.

The department also:

- Provides special event support and management of Markham's corporate events
- Administrative support to community events
- Manages Markham's corporate sponsorship program
- Leads corporate community engagement activities

Communications staff develop and implement communication and marketing plans to support key Markham strategies, programs and initiatives; write, design and produce print, video and electronic materials; provide issue management support; and manage Markham's corporate brand, identity and reputation.

### ***Legislative Services***

Legislative Services Department staff are familiar faces to many Markham residents and businesses. The Department is divided into four divisions:

- Clerks
- By-law & Regulatory Services
- Licensing and Standards
- Contact Centre

The Clerks Division is the liaison between Council, staff and the public. It is responsible for: producing Council and committee meeting notices, agendas and minutes; responding to requests for information held by the municipality; organizing and

administering municipal elections; registering deaths and issuing marriage licenses; as well as performing civil marriage ceremonies. The Division also provides corporate support and customer services such as mail and print services, records management and sale of plots for public cemeteries.

The By-law & Regulatory Services Division provides frontline field services to Markham residents and businesses. Using their community relations and regulatory compliance skills, By-law Staff maintain community standards in areas such as land use, property maintenance, and signage. City-wide Parking Control is also a responsibility of staff, with school zones and accessible parking enforcement being key service areas. Division staff work closely with residents and businesses to educate and ensure compliance with licensing, property standards and parking regulations. By-law Officers address issues related to such things as noise control and control of parking spaces for persons with disabilities.

The Licensing & Standards Division provides frontline field services to Markham residents and businesses in the areas of animal services, including domestic animals & wildlife and mobile & stationary business licensing including regulating mobile signs. Division staff work closely with residents and businesses to educate and ensure compliance with all City licensing regulations. Licensing Officers address issues related to such things as taxi and limousine industries, driving school operators, and the tow truck industry.

In addition to telephone, email and in-person customer inquiry support for numerous City Departments, the Contact Centre processes recreation program registrations, tender disbursements, parking permits, and animal and business licenses.



## CORPORATE SERVICES

### 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$1,462,469	\$1,473,844	\$1,523,988	\$1,565,133	\$41,145	2.7%	\$91,289	6.2%
INCOME FROM INVESTMENTS	30,010	29,726	13,800	13,800	0	0.0%	(15,926)	-53.6%
FINES	2,397,264	2,383,283	2,446,230	2,546,230	100,000	4.1%	162,947	6.8%
USER FEES & SERVICE CHARGES	1,254,336	1,512,465	1,407,077	1,474,554	67,477	4.8%	(37,911)	-2.5%
RENTALS	70,899	80,450	81,607	81,607	0	0.0%	1,157	1.4%
SALES	33,711	19,965	41,531	41,531	0	0.0%	21,566	108.0%
RECOVERIES & CONTRIBUTIONS	120,948	173,973	553,305	548,600	(4,705)	-0.9%	374,627	215.3%
OTHER INCOME	111,190	22,086	2,000	2,000	0	0.0%	(20,086)	-90.9%
INTERDEPARTMENTAL RECOVERIES	0	0	(73,000)	(73,000)	0	0.0%	(73,000)	0.0%
<b>Total Revenues</b>	<b>\$5,480,827</b>	<b>\$5,695,792</b>	<b>\$5,996,538</b>	<b>\$6,200,455</b>	<b>\$203,917</b>	<b>3.4%</b>	<b>\$504,663</b>	<b>8.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$15,610,985	\$16,152,605	\$16,017,731	\$17,340,893	\$1,323,162	8.3%	\$1,188,288	7.4%
PRINTING & OFFICE SUPPLIES	174,312	108,647	222,000	222,100	100	0.0%	113,453	104.4%
PURCHASES FOR RESALE	76,800	91,200	67,200	67,200	0	0.0%	(24,000)	-26.3%
OPERATING MATERIALS & SUPPLIES	59,186	(27,502)	(4,163)	(34,263)	(30,100)	723.0%	(6,761)	24.6%
COMMUNICATIONS	1,145,464	963,914	969,394	1,024,394	55,000	5.7%	60,480	6.3%
TRAVEL EXPENSES	42,016	29,322	45,958	45,958	0	0.0%	16,636	56.7%
TRAINING	63,683	55,750	145,220	147,448	2,228	1.5%	91,698	164.5%
CONTRACTS & SERVICE AGREEMENTS	1,867,594	1,965,479	2,089,499	2,243,787	154,288	7.4%	278,308	14.2%
MAINT. & REPAIR-TIME/MATERIAL	84,358	90,084	98,188	132,503	34,315	34.9%	42,419	47.1%
RENTAL/LEASE	129,507	159,549	126,045	126,045	0	0.0%	(33,504)	-21.0%
PROFESSIONAL SERVICES	384,515	368,148	472,433	459,433	(13,000)	-2.8%	91,285	24.8%
LICENCES, PERMITS, FEES	109,398	117,399	129,021	112,021	(17,000)	-13.2%	(5,378)	-4.6%
CREDIT CARD SERVICE CHARGES	23,538	34,771	20,196	20,196	0	0.0%	(14,575)	-41.9%
PROMOTION & ADVERTISING	163,305	173,020	189,785	189,785	0	0.0%	16,765	9.7%
KEY COMMUNICATION PROGRAMS	294,712	302,056	431,648	431,648	0	0.0%	129,592	42.9%
OTHER PURCHASED SERVICES	3,205	9,972	3,550	3,550	0	0.0%	(6,422)	-64.4%
WRITE-OFFS	6	9,559	100	100	0	0.0%	(9,459)	-99.0%
OTHER EXPENDITURES	27,761	443	1,500	1,500	0	0.0%	1,057	238.6%
<b>Total Expenses</b>	<b>\$20,260,345</b>	<b>\$20,604,416</b>	<b>\$21,025,305</b>	<b>\$22,534,298</b>	<b>\$1,508,993</b>	<b>7.2%</b>	<b>\$1,929,882</b>	<b>9.4%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$14,779,518</b>	<b>\$14,908,624</b>	<b>\$15,028,767</b>	<b>\$16,333,843</b>	<b>\$1,305,076</b>	<b>8.7%</b>	<b>\$1,425,219</b>	<b>9.6%</b>
<b>Full Time Compliance</b>	<b>154</b>	<b>155</b>	<b>155</b>	<b>158</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Fines - Additional fine revenue related to the Administrative Monetary Penalties Program.

User Fees & Services Charges - New property and mortgage fees in 2015.

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Communications – Additional costs related to the increases in postage rates for mail.

Contracts & Service Agreements - Increase in software and licensing contracts in IT Services



# CORPORATE COMMUNICATIONS AND COMMUNITY ENGAGEMENT 2015 BUSINESS PLAN (PAGE 1 OF 2)

Corporate Goal and Statement											
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.											
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					Target	Year	
				2010	2011	2012	2013	2014			
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Develop and successfully execute the communications plans associated with each customer service plan.	Develop Service level agreements with each department to align with the customer experience strategy	Average overall satisfaction for formal survey(s) completed (%)	66%	82%	n/a			≥80%	Ongoing	
		Develop Communications Services Guide by Q2 2015	Average extremely/very satisfied for formal survey(s) completed (%)	34%	40%	n/a			≥35%	Ongoing	
		Update social media policy and other department policies	# Bandstand, Road Closure and Banner applications	n/a	n/a	n/a	202				
	Ensure Markham's operational activities are in conformance with key policies on external communications and programs	Complete a Departmental Review and Client survey to develop a Departmental Improvement Framework for implementation in Q1 2015	No. of design projects completed in-house	595	607	383	708		700	Ongoing	
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement Index of 83.3% or higher.	Assist in the enhancement of organization engagement	Develop and successfully execute the communications plan associated with the People Plan.	Healthy Work Environment Index from Staff Satisfaction Survey	49%	n/a	56%	n/a		75%	2018	
		Based on the 2014 staff satisfaction survey Communications will identify a key area for improvement	Staff absenteeism (days)	10.1	6.5	4.1	2.3		8.4	Ongoing	
		Identify and update job descriptions of non-union mission critical and senior managers	Number of learning hours per regular full time employee	5.3	3.3	3.5	4.1		20	2018	
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Advance new and effective digital technology options for integration into the technology roadmap	Increased awareness of the technology road map through the use of Markham's existing digital technology tools	Digital media presence on the Facebook, twitter, YouTube, LinkedIn and the web as measured by viral reach and web hits								
		Monitor and audit departmental updates to web portal content for AODA compliance									
		Develop and implement a four-year Media Communications Channel Strategy by Q4 2015									
<b>Corporate Goal and Statement</b> Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.											
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Provide leadership on Markham's Corporate Community Engagement Plan	Community Activation Strategy to provide toolkit for directors and managers for implementation in Q1 2015.	# of Community Events Supported	183	438	220	119				
		Support the implementation of the Pan Am Para Pan Am games	# of Corporate Events Support	n/a	n/a	n/a	108				
		Ensure alignment of City events to the city-wide volunteer management program	Average Public Attendance per corporate community event		751	n/a	1,000				
	Provide leadership and support to corporate initiatives promoting inclusivity	Develop and implement a four-year Corporate Communications Strategy including initiatives to support and promote inclusivity. Council approval by Q3 2015		# of Corporate Events Support	n/a	n/a	n/a	108			
				No. of media releases	164	127	56	108		150	Ongoing
				Average number of local media impressions per media release		320,000	375,000	415,000			
				Number of media inquiries	43	115	98	175			
				Percentage of media inquiries addressed within prescribed deadline		98%	98%	96%		1	Ongoing
			Number of media events	42	58	33	41				
			Average number of media stories per corporate media event		6	9	14				
			Number of City E- News	n/a	n/a	166	130				
Support Corporate initiatives associated with Markham's economic development	Provide communications support to initiatives related to Markham 2020	Provide deliverables on time and on assigned budget									
<b>Corporate Goal and Statement</b> Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.											
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Provide support on sustainable integrated growth management initiatives	Provide writing and graphic support on all published materials with emphasis on sustainable community planning and infrastructure management									
		Successful development and execution of Markham's external financial and annual reports with continued use of corporate social responsibility reporting and GRI benchmarks									
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.		Following the Business Impact Assessment, develop a Business Continuity plan related to Corporate Communications and Community Engagement in order to minimize service disruptions in case of an emergency situation.	Number of loss days due to injury				0		0	Ongoing	
<b>Corporate Goal and Statement</b> Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.											
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Provide continued focus on revenue enhancements through corporate sponsorship and cost savings through efficient use of resources	Reduce the net cost of Markham Life through increased advertising	Net cost per household						≤ budget	Ongoing	
		Develop and implement a Corporate Sponsorship Strategy by Q1 2015	Net cost of Markham Life per household	\$ 1.07	\$ 0.09	\$ 0.26	\$ -		\$ -		
			Gross Revenue from sponsorships / facility advertising and sales	\$ 107,712	\$ 78,592	\$ 308,771	\$ 238,904		540,000	Ongoing	



**CORPORATE COMMUNICATIONS AND COMMUNITY ENGAGEMENT  
2015 BUSINESS PLAN (PAGE 2 OF 2)**

**2015 OPERATING BUDGET**

<u>Description</u>	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>2015 Bud. vs. 2014 Bud.</u>		<u>2015 Bud. Vs. 2014 Act.</u>		
					<u>\$ Incr./Decr.)</u>	<u>% Change</u>	<u>\$ Incr./Decr.)</u>	<u>% Change</u>	
<b>Revenues</b>									
USER FEES & SERVICES CHARGES	\$383,686	\$371,211	\$373,700	\$373,700	\$0	0.0%	\$2,489	0.7%	
RECOVERIES & CONTRIBUTIONS	120,948	127,771	466,500	466,500	\$0	0.0%	\$338,729	265.1%	
OTHER REVENUES	0	0	0	0	\$0	0.0%	\$0	0.0%	
INTERDEPARTMENTAL RECOVERIES	0	0	(73,000)	(73,000)	\$0	0.0%	(\$73,000)	0.0%	
<b>Total Revenues</b>	<b>\$504,634</b>	<b>\$498,982</b>	<b>\$767,200</b>	<b>\$767,200</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$268,218</b>	<b>53.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$1,313,215	\$1,340,763	\$1,395,211	\$1,585,702	\$190,491	13.7%	\$244,939	18.3%	
PRINTING & OFFICE SUPPLIES	\$20,209	\$19,026	\$15,327	15,327	0	0.0%	(3,699)	-19.4%	
OPERATING MATERIALS & SUPPLIES	\$44,207	\$47,830	\$13,158	13,158	0	0.0%	(34,672)	-72.5%	
COMMUNICATIONS	\$2,705	\$3,895	\$7,123	7,123	0	0.0%	3,228	82.9%	
TRAVEL EXPENSES	\$10,152	\$763	\$12,779	12,779	0	0.0%	12,016	1574.8%	
TRAINING	\$486	\$0	\$21,000	21,000	0	0.0%	21,000	0.0%	
CONTRACTS SERVICES AGREEMENTS	(\$116,693)	(\$124,698)	(\$124,697)	(127,599)	(2,902)	2.3%	(2,901)	2.3%	
RENTAL/LEASE	\$0	\$12,160	\$0	0	0	0.0%	(12,160)	-100.0%	
PROFESSIONAL SERVICES	\$87,407	\$95,837	\$115,909	115,909	0	0.0%	20,072	20.9%	
LICENCES, PERMITS, FEES	\$712	\$395	\$1,000	1,000	0	0.0%	605	153.2%	
PROMOTION & ADVERTISING	\$163,305	\$172,441	\$189,300	189,300	0	0.0%	16,859	9.8%	
KEY COMMUNICATION PROGRAMS	\$294,712	\$302,056	\$431,648	431,648	0	0.0%	129,592	42.9%	
OTHER PURCHASED SERVICES	\$0	\$0	\$900	900	0	0.0%	900	0.0%	
WRITE-OFFS	\$0	\$7,446	\$0	0	0	0.0%	(7,446)	-100.0%	
MISCELLANEOUS EXPENSES	\$0	\$178	\$0	0	0	0.0%	(178)	-100.0%	
<b>Total Expenses</b>	<b>\$1,820,417</b>	<b>\$1,878,092</b>	<b>\$2,078,658</b>	<b>\$2,266,247</b>	<b>\$187,589</b>	<b>9.0%</b>	<b>\$388,155</b>	<b>20.7%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$1,315,783</b>	<b>\$1,379,110</b>	<b>\$1,311,458</b>	<b>\$1,499,047</b>	<b>\$187,589</b>	<b>14.3%</b>	<b>\$119,937</b>	<b>8.7%</b>	
<b>Full Time Compliment</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>14</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount



## FINANCE 2015 BUSINESS PLAN (Page 1 of 2)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practice									
Corporate Objectives	Corporate Actions	Corporate Measures of Success	Results				Target	Year	
			2009	2010	2011	2012			2013
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Implement the "City-wide Customer Experience Strategy" across the organization.	Overall External Customer Satisfaction							
		Overall Internal Customer Satisfaction	76%	73%	76%	74%		80%	
		Services (projects/applications/permits/processes) meeting targeted time frames and service outcome							
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Implement "Corporate People Plan" goals.  Undertake Corporate Improvement project as identified from the Staff Satisfaction Survey.	Healthy Work Environment Index from Staff Satisfaction Survey		62.6%		64.1%		75.0%	
		Staff absenteeism	5.8	6.3	6.6	6.2		8.4	
		Number of learning hours per regular full time employee			3.2	3.5		20	
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Implement an innovative "multi-year technology roadmap".  <b>Continue to pursue these four major initiatives at a Corporate level:</b> <ul style="list-style-type: none"> <li>• Markham Portal (phase 4): Implement employee portal and enhancements to on-line services</li> <li>• Electronic Agenda Management System: Implement for Committee and Council meetings.</li> <li>• Electronic Plan Service Delivery: Implement Phase One</li> <li>• Human Resources Information System : Vendor selection recommendation developed</li> </ul>	Excellence Markham internal assessment score							
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Implement the "Corporate Community Engagement Plan" including the following key initiatives: <ul style="list-style-type: none"> <li>• Hosting Pan Am / Parapan Am Games: Corporate Planning and Implementation</li> <li>• Community Activation Strategy: Framework and Model</li> <li>• Older Adult Plan: Program and Services Inventory</li> <li>• City-wide Volunteer Management Project: Comprehensive Process, Procedure and Policies</li> <li>• Public Realm Strategy: Framework and Implementation, Phase 1</li> </ul>	Number of Volunteers involved in City run activities as a percentage of the population							
		Average hours per volunteer in City run activities							
		Event participation per capita							
		Program participation per capita							
		Assessment Composition (Industrial Commercial vs. Residential)	80/20	80/20	80/20	80/20	80/20	75/25	
		Perception of quality of life							
		% of population with post secondary education			59				
		Jobs per working age person			0.85				
		Employment growth rate in targeted sectors	27.7%	32.0%	31.6%	35.8%			
		% of annual population growth			2.2%	2.6%	2.8%		
<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Implement the "Sustainable and Integrated Growth Management" as follows: <ul style="list-style-type: none"> <li>• Engineering Development Approvals: Implement the Integrated Engineering Development approval Project</li> <li>• Engineering Capital Delivery: Implement the Engineering Capital Delivery Project</li> <li>• Planning Development Approvals: Codify and improve the development approval review and approval process, with a focus on streamlining and inter department/agency coordination</li> <li>• Future Urban Area Secondary Plan: Completion of Subwatershed Study and Community Master Plan and Secondary Plans</li> <li>• Intensification Secondary Plans: Markham Centre and Cornell Centre Secondary Plan adoption</li> <li>• Streetscapes and Parks: Integrated, multidisciplinary Markham Centre Team and expedited park development program</li> </ul>	Emergency incidents responded to in target timeframe							
		Percentage of Low Density Housing vs. Medium/ High Density							
		Tree canopy				18.0%			
		Corporate Greenhouse Gas Emissions per capita (direct and indirect, includes energy, waste and water)							
		Ratio of cycling and pedestrian pathways (km) vs. roads (km)							
		Community waste diversion rate	69.0%	74.0%	72.0%	80.0%			
		Perception of safety in the community							
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Build a comprehensive and synergistic enterprise risk management program encompassing Business Continuity and Emergency Management	Crime Rate							
		Number of loss days due to injury							
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Implement a concise guiding document for use in the development of the comprehensives and integrative multi-year budget.	Debt Servicing Cost as a % of Total Operating Revenue	0.00%	0.34%	0.31%	0.31%		<25%	Ongoing
		General tax rate increase compared to City's index (CPI, energy, union/staff increases...)							
		Adequacy of funding years in the reserve based on known inflows to sustain future rehabilitation and replacement requirements for the next 25 years	25	25	25	25			
		Average annual budget variance (%) of all closed capital projects (initial approved budget)							
		Net cost per household to operate municipality	\$997	\$988	\$1,005	\$1,030	\$1,039		



## FINANCE 2015 BUSINESS PLAN (Page 2 of 2)

### 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$669,396	\$933,998	\$837,841	\$900,276	\$62,435	7.5%	(\$33,722)	-3.6%
RECOVERIES & CONTRIBUTIONS	\$0	\$0	\$4,705	0	(4,705)	-100.0%	0	0.0%
OTHER INCOME	107,990	17,569	0	\$0	0	0.0%	(17,569)	-100.0%
<b>Total Revenues</b>	<b>\$777,386</b>	<b>\$951,567</b>	<b>\$842,546</b>	<b>\$900,276</b>	<b>\$57,730</b>	<b>6.9%</b>	<b>(\$51,291)</b>	<b>-5.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,409,607	\$4,498,835	\$4,638,298	\$4,944,270	\$305,972	6.6%	\$445,435	9.0%
PRINTING & OFFICE SUPPLIES	82,127	74,847	92,262	92,362	100	0.1%	17,515	23.4%
OPERATING MATERIALS & SUPPLIES	(111,703)	(116,856)	(67,021)	(97,121)	(30,100)	44.9%	19,735	-16.9%
COMMUNICATIONS	4,546	5,194	5,667	5,667	0	0.0%	473	9.1%
TRAVEL EXPENSES	4,842	3,870	3,844	3,844	0	0.0%	(26)	-0.7%
TRAINING	9,378	15,551	24,390	24,390	0	0.0%	8,839	56.8%
CONTRACTS & SERVICE AGREEMENTS	42,943	47,012	24,791	60,010	35,219	142.1%	12,998	27.6%
MAINT. & REPAIR-TIME/MATERIAL	2,446	2,690	3,519	3,519	0	0.0%	829	30.8%
RENTAL/LEASE	3,745	8,491	8,640	8,640	0	0.0%	149	1.8%
PROFESSIONAL SERVICES	102,181	92,346	142,359	129,359	(13,000)	-9.1%	37,013	40.1%
LICENCES, PERMITS, FEES	81,159	84,917	102,437	85,437	(17,000)	-16.6%	520	0.6%
CREDIT CARD SERVICE CHARGES	9,781	14,795	10,409	10,409	0	0.0%	(4,386)	-29.6%
WRITE-OFFS	6	13	100	100	0	0.0%	87	0.0%
OTHER EXPENSES	0	0	1		(1)	-100.0%	0	
<b>Total Expenses</b>	<b>\$4,641,058</b>	<b>\$4,731,705</b>	<b>\$4,989,696</b>	<b>\$5,270,886</b>	<b>\$281,190</b>	<b>5.6%</b>	<b>\$539,181</b>	<b>11.4%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,863,672</b>	<b>\$3,780,138</b>	<b>\$4,147,150</b>	<b>\$4,370,610</b>	<b>\$223,460</b>	<b>5.4%</b>	<b>\$590,472</b>	<b>15.6%</b>
<b>Full Time Compliment</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>49</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Service Charges – New property and mortgage fees in 2015.

Salaries and Benefits – Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

## INFORMATION TECHNOLOGY SERVICES 2015 BUSINESS PLAN (Page 1 of 4)

Corporate Goal and Statement										
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					Target	Year
				2010	2011	2012	2013	2014		
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	To enable the Business Units across the corporation to provide high quality services to their clients through robust and reliable information and communication technology solutions	Upgrade the business system used by the city staff to manage recreation programs and facilities (CLASS) to keep it current, meet the emerging business needs as well as the increasing customer demands through new and enhanced functionalities.	# of formal customer satisfaction surveys completed	1	0	1	0		1 every 2 years	
		In order to deliver improved service levels and responsiveness to citizens, ITS will upgrade the business system used by the Contact Centre (ACR) to track, route and manage citizen inquiries and requests including requests that are submitted through the portal.	Overall satisfaction (satisfied and above) for formal survey(s) completed (%)	86%	n/a	52%	n/a		≥80%	
		As part of the lifecycle replacement program, ITS will replace existing server hardware that hosts the City's numerous business systems and corporate data to ensure reliability of the technology environment and information availability, and reduce the inherent risks associated with aging technology infrastructure.	Average extremely/very satisfied for formal survey(s) completed (%)	54%	n/a	52%	n/a		≥35%	
		As part of the lifecycle replacement program, ITS will replace the Library's aging audio and video equipment to ensure business requirements are met and also to provide opportunity to improve employee productivity and efficiency.	# of informal satisfaction surveys completed	12	12	12	12		12	
		Replace the technology infrastructure of the portal environment to ensure service availability and reliability for 24/7 as part of life cycle. In addition, renew/negotiate a new contract for hosting and managed services with the service provider. Project to be undertaken in partnership with the Region of York and is to be completed by July 2015.	Average customer satisfaction % - very satisfied	62%	61%	65%	72%		≥75%	
		Provide the information technology requirements to facilitate the enhanced Civic Center Customer Counter Service Delivery Model	Business continuity service achievement (%)	99.97%	99.98%				N/A	
		Implement client initiated technology solutions as approved through the City's Capital budget process. Project plan for each initiative will be developed and completion time identified.	Call abandonment at Service Desk	15%	16%	14%	15%		7%	
			Average number of answered calls by Service Desk/month	993	1064	925	936		N/A	
			Calls resolved on first contact at Service Desk	45%	42%	40%	56%		50%	
			Incidents resolved within severity-based set targets	70%	71%	82%	92%		85%	
			Administrative requests resolved within severity-based set targets						85%	
			Net Cost per household	50.91	50.42	53.28	28.7		at or below approved budget	Ongoing
			Change Management							
		Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement Index of 83.3% or higher.	To foster an engaging and supportive work environment that enables staff excellence through enhanced collaboration and high performance	Based on the outcomes of the 2014 Staff Satisfaction Survey, ITS will identify the areas for improvement, establish action plans and accordingly work towards addressing the employee concerns for 2015.	Staff absenteeism	3.2	2.9	5.5	4.1	
Implement an employee portal to help build a strong corporate culture through more effective and efficient employee collaboration and communication, and also improve access to information/documents etc. by end of 2015. (Phase 4)	Number of learning hours per regular full time employee			3.2	2.3	8.2	13		0	Ongoing
Identify and update job descriptions of Non-Union mission critical and Senior Managers and above positions	Staff satisfaction			78%	n/a	73%	n/a		≤80%	Ongoing
capacity as an outcome of the Digital Markham strategy	Organizational Outcome Index from Staff satisfaction survey								≤80%	Ongoing
	Healthy Work Environment Index from			69%	n/a	67%	n/a		≤80%	Ongoing
	Staff Turnover			4.0%	3.1%	0.0%	0.0%		≤7.5%	Ongoing



## INFORMATION TECHNOLOGY SERVICES 2015 BUSINESS PLAN (Page 2 of 4)

Corporate Goal and Statement									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	Complete the development of a digital strategy for the city that provides corporate technology roadmap for the next 3-5 years, identifies the associated resources to deliver on the strategy and recommend the relevant governance for executing the strategy. This will be undertaken through both internal and external engagement. This also includes implementation of priorities identified for 2015.							
		Implement a technology solution to transform the existing paper based building permit and plan review and approval process to a fully electronic and efficient system. This is done in a phased approach, with the initial implementation focused in the Building department and to be completed by end of 2015.							
		Implement a technology solution that facilitates automation of Council and Committee reports, agenda and minute preparation process, as well as the on-line publishing of public meeting materials for citizens by end of 2015. The schedule for this project may be impacted by the electronic plan review solution implementation being planned to be initiated in 2015.							
		Implement a technology system that helps to manage the human resources functions of the organization to improve the automation of related processes, better management and access to information, and provide enhanced reporting. This project is planned to be undertaken in collaboration with the Region of York with the focus for 2015 being finalizing the feasibility and implementation plan and initiation of the implementation before end of 2015.							
		Investigate and implement a contract management solution that provides the ability to track and notify city staff regarding its contract agreement requirements.							
		Increase and further enhance services provided through the portal, including possible navigation and/or limited look and feel changes (Phase 4)							
		Continue to enhance the city portal content towards compliance with Accessibility for Ontarians with Disabilities Act requirements with completion by end of 2015. This will ensure the content on the City portal is usable to all citizens irrespective of their abilities.							
		Initiate the implementation of an Enterprise Asset Management system to provide functionality in the areas of Life Cycle, Work Order, Facility Management, and Capital Asset Mgmt. This project will allow proper management of corporate assets including all underground and aboveground infrastructures and lifecycle. The initial phase will be with Operations department in 2015 pending ELT decision.							
		Investigate options and make recommendation for a Registration and Booking system that will be implemented in 2017							
		Implement and maintain secured, efficient and sustainable information technology infrastructure	Implementation of technical and operational requirements set by the Payment Card Industry to protect credit card holder data						
Corporate Goal and Statement									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Enable and support Business Units with information and communication technology solutions that facilitate community engagement and services to diverse population	Implement the strategic recommendations of the most effective technology solutions to communicate and share information with the citizens at the various city facilities. The solutions are expected to meet the business needs of the particular facility while maintaining corporate view of the technology solutions being in place.							
		Implement a technology solution that provides the citizens of Markham the opportunity to view council meetings through a video streaming capability through the portal by end of Q2, 2015.							
		Support the implementation of the Pan Am / Parapan Am Games							
	Partner with internal and external parties to promote the economic development objectives through technology	Explore the opportunity to establish a partnership agreement with the Region of York to leverage a cost efficient broadband connectivity to city facilities. This project is dependent on the decision at the Region, however, staff will monitor and work towards leveraging any long term benefit this may provide to the City and its citizens.							
		Propose a plan and initiate a pilot program that will facilitate making City owned data accessible to the broader public without compromising privacy. This initiative will promote transparency and provides opportunity for citizens to be creative in using the data for the broader public interest. Project to be initiated by end of Q1, 2015.							

## INFORMATION TECHNOLOGY SERVICES 2015 BUSINESS PLAN (Page 3 of 4)

<b>Corporate Goal and Statement</b>										
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					Target	Year
				2010	2011	2012	2013	2014		
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.		Procurement of technology solutions in line with the minimum requirements identified in Green Procurement Guide Lines								
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.		Following the Business Impact Assessment, develop a Business Continuity plan related to Information Technology Services in order to minimize service disruptions in case of an emergency situation.								
		Participate in Emergency Management Exercise and Training, as required	Number of loss days due to injury				0		0	Ongoing
<b>Corporate Goal and Statement</b>										
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.										
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Maintain the life cycle of technology assets in line with corporate objective	Establishment of a reliable secondary data centre to be used to backup and restore technology services in an efficient and effective manner such that it permits quick restoration of critical services in case of a disaster at the primary data centre. The projects is planned to be undertaken in partnership with another municipality, and agreement is to be finalized and implementation to be started by end of 2015.								
		Provide support for the implementation of a multi-year budgeting process and the technology solution as required.								



**INFORMATION TECHNOLOGY SERVICES**  
**2015 BUSINESS PLAN (Page 4 of 4)**  
**2015 OPERATING PLAN**

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
<b>Revenues</b>									
SALES	\$820	\$353	\$500	\$500	\$0	0.0%	\$147	41.6%	
RECOVERIES & CONTRIBUTIONS	0	0	7,000	7,000	\$0	0.0%	\$7,000	0.0%	
OTHER REVENUE	0	0	2,000	2,000	\$0	0.0%	\$2,000	0.0%	
<b>Total Revenues</b>	<b>\$820</b>	<b>\$353</b>	<b>\$9,500</b>	<b>\$9,500</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$9,147</b>	<b>2591.2%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$3,855,343	\$3,962,096	\$3,991,842	\$4,244,735	\$252,893	6.3%	\$282,639	7.1%	
PRINTING & OFFICE SUPPLIES	4,297	6,496	14,199	14,199	0	0.0%	7,703	118.6%	
OPERATING MATERIALS & SUPPLIES	7,892	4,477	10,902	10,902	0	0.0%	6,425	143.5%	
COMMUNICATIONS	785,608	581,481	644,353	654,353	10,000	1.6%	72,872	12.5%	
TRAVEL EXPENSES	4,430	2,439	8,196	8,196	0	0.0%	5,757	236.0%	
TRAINING	32,666	21,414	65,000	67,228	2,228	3.4%	45,814	213.9%	
CONTRACTS & SERVICE AGREEMENTS	1,544,859	1,539,233	1,569,399	1,693,822	124,423	7.9%	154,589	10.0%	
MAINT. & REPAIR-TIME/MATERIAL	35,367	34,972	48,799	83,114	34,315	70.3%	48,142	137.7%	
RENTAL/LEASE	314	711	2,341	2,341	0	0.0%	1,630	229.3%	
PROFESSIONAL SERVICES	99,542	55,731	112,041	112,041	0	0.0%	56,310	101.0%	
LICENCES, PERMITS, FEES	1,796	1,929	2,039	2,039	0	0.0%	110	5.7%	
<b>Total Expenses</b>	<b>\$6,372,114</b>	<b>\$6,210,979</b>	<b>\$6,469,111</b>	<b>\$6,892,970</b>	<b>\$423,859</b>	<b>6.6%</b>	<b>\$681,991</b>	<b>11.0%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$6,371,294</b>	<b>\$6,210,626</b>	<b>\$6,459,611</b>	<b>\$6,883,470</b>	<b>\$423,859</b>	<b>6.6%</b>	<b>\$672,844</b>	<b>10.8%</b>	
<b>Full Time Compliment</b>	<b>32</b>	<b>33</b>	<b>33</b>	<b>34</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Contracts & Service Agreements – Increase in software and licensing contracts in IT Services

# LEGISLATIVE SERVICES 2015 BUSINESS PLAN (Page 1 of 2)

Corporate Goal and Statement									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					
				2010	2011	2012	2013	Target	Year
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Provide excellent Council & Committee administration.	Expand use of e-agendas to all Advisory Committee and Boards to reduce paper usage, increase efficiencies and better serve customer needs.	% of Advisory Committees offered an e-agenda.				10%	100%	2018
		Review staff report templates and associated report creation processes including the review of SharePoint to ensure only those reports that require Council approval are reviewed by Council.	% of Staff Reports Received on Time for Council/Standing Comm. Agendas	64%	64%	50%	25%	90%	2017
		Review of Council's Procedural By-law to ensure procedural transparency and correct outstanding deficiencies in the by-law.	# of public and Council complaints received regarding Procedural Matters.					0	on going
	Provide excellent resident and business customer service.	Conduct a formal customer service survey in By-Law services and Licensing and Standards areas.	Average overall satisfaction for formal survey(s) completed (%)	n/a	n/a	n/a	n/a	≥80%	on going
		Implement the recommendations originating from the DPRA Consultants review of Markham's Animal Services Program.	# of Formal MFPPA Requests Received	54	94	95	90		
		Implement a Routine Disclosure Policy to facilitate access to Municipal Information.	% of calls answered in the Contact Centre within 30 seconds (excluding switchboard)	70%	71%	72%	70%	70%	on target
		Implement an appointment-based system for First Attendance matters to provide enhanced customer service.							
	Ensure all services are fully accessible.	Collect email address for all business licence holders in an effort to send out all notices through email instead of Canada Post.							
		Report to Council on 2014 Municipal Election Accessibility Enhancements.	# of accessible taxis available to the public.				0	5	2015
	Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement Index of 83.3% or higher.	Improve staff satisfaction.	Review of Markham's Regulatory framework with respect to accessible taxis to ensure compliance with the AODA (Accessibility for Ontarians with Disabilities Act) and meet customer needs.						
Based on the feedback received through the 2014 Staff Satisfaction Survey, Legislative Services Staff will identify areas of improvement for implementation in 2015.			Healthy Workplace Environment Index (from staff survey)	50%	n/a	68%	n/a	≥75%	on going
Identify and update job descriptions of Non-Union mission critical and Senior Managers.			Recognition rating (from staff survey)	34%	n/a	60%	n/a	≥65%	on going
			Staff Satisfaction rating (from staff survey)	59%	62%	74%	n/a	≥80%	on going
			Completion rate for performance management (as of March deadline).	98%	100%	44%	n/a	100%	on going
			Average Corporate learning hours per full-time employee.	3.9	3.8	7.6	3.7	20	on going
			Staff absenteeism (average # of days per employee).	7.6	9.8	6.4	7.4	≤ 8.4	on going
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Leverage technology solutions to improve efficiencies.	Staff turnover rate.		2%	6%	2%	4%	≤ 7.5%	on going
		Migrate liquor and lottery licences to an online application.	% of Parking Tickets Paid On-Line.	28%	21%	27%	32%		
		Implement a Dashboard for communicating Contact Centre related information to senior management and Members of Council.	% of licence applications available for completion and submission online.	0%	0%	54%	54%	60%	2016
		Implement an enhanced remote call system for the Contact Centre.	% of licence applications submitted online.	0%	0%	23%	17%	60%	2016
		Ensure portal web content is in compliance with AODA (Accessibility for Ontarians with Disabilities Act).	% of licence applications fully integrated with City system.	0%	0%	18%	18%	100%	2016
	Based on the outcome and functionality of the e-plan project, implement a new E-Agenda.								
Corporate Goal and Statement									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Support the Corporate Community Engagement Plan	Support the implementation of the Pan Am/Parapan Am Games. Begin annual Board and Committee diversity questionnaire reporting.							
Corporate Goal and Statement									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.									
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Improve safety in communities.	Incorporate a Crime Prevention Through Environmental Design (CPTED) strategy in daily field enforcement.	Average # of Daily Property Standards Inspections per Officer (includes zoning, clean yards, and Property Standards).	8	8	7	6	5	on target
		Complete the Legislative Services Business Continuity Plan.	Average # of Unscheduled In-Field Vehicle Inspections per Officer per Month.	48	62	7	11	150	on going
		Participate in Emergency Management Exercise and Training.	Average # of Property Standards violations issued annually.	986	926	1363	1328	1150	on target
			Average # scheduled and non-scheduled inspection of mobile licence holders.	1880	1584	1149	575	1800	on going
	Ensure the protection of Markham's wildlife and preserve natural habitat.	Implement a wildlife strategy.							
Corporate Goal and Statement									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Improve operational efficiency of services.	Consolidate paper shredding service corporate wide to achieve the best value for our money. Establish a mail reduction strategy to reduce the amount of money spent on postage. Establishment of Administrative Monetary Penalties Program to ensure the City collects fines owed and alleviate the number of court prosecutions. Eliminate mailed receipts issued by the Contact Centre for program registration.	% reduction of \$ spent on non-statutory mail.					25% reduction/year	on going



## LEGISLATIVE SERVICES 2015 BUSINESS PLAN (Page 2 of 2)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
LICENCES & PERMITS	\$1,462,469	\$1,473,844	\$1,523,986	\$1,565,133	\$41,147	2.7%	\$91,289	6.2%	
INCOME FROM INVESTMENTS	30,010	29,726	13,800	13,800	0	0.0%	(15,926)	-53.6%	
FINES	2,397,264	2,383,283	2,446,230	2,546,230	100,000	4.1%	162,947	6.8%	
USER FEES & SERVICE CHARGES	201,254	207,256	195,536	200,578	5,042	2.6%	(6,678)	-3.2%	
RENTALS	70,899	80,450	81,607	81,607	0	0.0%	1,157	1.4%	
SALES	32,891	19,612	41,031	41,031	0	0.0%	21,419	109.2%	
RECOVERIES & CONTRIBUTIONS	0	46,202	75,100	75,100	0	0.0%	28,898	62.5%	
OTHER INCOME	3,200	4,517	0	0	0	0.0%	(4,517)	-100.0%	
<b>Total Revenues</b>	<b>\$4,197,987</b>	<b>\$4,244,890</b>	<b>\$4,377,290</b>	<b>\$4,523,479</b>	<b>\$146,189</b>	<b>3.3%</b>	<b>\$278,589</b>	<b>6.6%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$5,684,519	\$6,031,467	\$5,625,656	\$6,198,006	\$572,350	10.2%	\$166,539	2.8%	
PRINTING & OFFICE SUPPLIES	67,536	5,841	98,950	98,950	0	0.0%	93,109	1594.1%	
PURCHASES FOR RESALE	76,800	91,200	67,200	67,200	0	0.0%	(24,000)	-26.3%	
OPERATING MATERIALS & SUPPLIES	118,664	37,047	38,798	38,798	0	0.0%	1,751	4.7%	
COMMUNICATIONS	352,179	372,701	310,726	355,726	45,000	14.5%	(16,975)	-4.6%	
TRAVEL EXPENSES	12,512	12,114	11,575	11,575	0	0.0%	(539)	-4.4%	
TRAINING	21,153	18,785	32,209	32,209	0	0.0%	13,424	71.5%	
CONTRACTS & SERVICE AGREEMENTS	406,222	512,167	628,241	626,102	(2,139)	-0.3%	113,935	22.2%	
MAINT. & REPAIR-TIME/MATERIAL	46,545	52,422	45,870	45,870	0	0.0%	(6,552)	-12.5%	
RENTAL/LEASE	125,448	138,187	115,064	115,064	0	0.0%	(23,123)	-16.7%	
PROFESSIONAL SERVICES	93,553	98,794	102,124	102,124	0	0.0%	3,330	3.4%	
LICENCES, PERMITS, FEES	25,731	30,158	14,060	14,060	0	0.0%	(16,098)	-53.4%	
CREDIT CARD SERVICE CHARGES	13,757	19,976	9,787	9,787	0	0.0%	(10,189)	-51.0%	
OTHER PURCHASED SERVICES	3,205	9,972	2,650	2,650	0	0.0%	(7,322)	-73.4%	
OTHER EXPENDITURES	27,361	265	1,500	1,500	0	0.0%	1,235	466.0%	
<b>Total Expenses</b>	<b>\$7,075,185</b>	<b>\$7,431,096</b>	<b>\$7,104,410</b>	<b>\$7,719,621</b>	<b>\$615,211</b>	<b>8.7%</b>	<b>\$288,525</b>	<b>3.9%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$2,877,198</b>	<b>\$3,186,206</b>	<b>\$2,727,120</b>	<b>\$3,196,142</b>	<b>\$469,022</b>	<b>17.2%</b>	<b>(\$9,936)</b>	<b>-0.3%</b>	
Full Time Compliment	59	59	59	59					

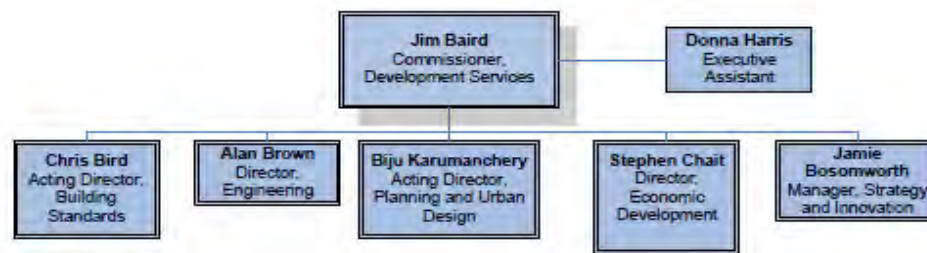
Changes in 2015 Budget from the 2014 Budget over \$50,000:

Fines – Additional fine revenue related to the Administrative Monetary Penalties Program.

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount



## DEVELOPMENT SERVICES



The commission provides direction and support to envision, create and deliver the most livable community in North America. This is achieved through a multi-disciplined team of professionals and administrative staff, balancing individual customer and partner's requirements with the broader public interest. This includes safe buildings, a healthy environment, a strong local economy, well-planned neighborhoods, quality infrastructure, and a people friendly community.

The following Business Units are included under Development Services Commission:

- Building Standards
- Planning and Urban Design
- Engineering
- Economic Development

Currently, there are 162 full time employees who are responsible for the day-to-day operations of the various divisions and departments.

### **Building Standards**

The department's mission is to enhance the quality of community life with particular emphasis on environmental, health, accessibility, and life safety issues related to building construction. This is accomplished by delivering the optimum level of service achievable in a timely, cost-effective and consistent manner within a corporate climate that is open, responsive, progressive and fair. The department is a leader in using technologies and practices that facilitate sustainable development, prevent buildings failure and effect reasonable compliance with building regulations.

The Building Standards Department is responsible for the administration of Ontario Building Code and other applicable laws including the City's zoning by-laws. The department issues building permits and provides inspections for all new or renovated



buildings within Markham's borders. Each building's addition or renovation is issued a building permit and inspected for the following major building components:

- Architectural
- Mechanical
- Structural
- Plumbing
- Zoning
- Application Review

## **Engineering**

This department promotes excellence and innovation in the planning and delivery of infrastructure, transportation and environmental engineering. The department consists of the following sections:

- Development and Transportation
- Inspection
- Infrastructure and Capital Projects

## **Development and Transportation**

The development and transportation section is responsible for managing, reviewing for quality control and approving a variety of Municipal Engineering and transportation related projects. These projects include:

- New subdivisions applications
- Site plan applications
- Transportation planning proposals
- Storm water management proposals
- Municipal servicing and infrastructure design and construction
- Travel Demand Management

## **Inspection**

The inspection section ensures that all municipal infrastructures listed below are installed in accordance with the City's standards.

- Storm and sanitary sewer construction
- Water main construction
- Road construction
- Grading
- Service connection
- Utilities
- Reduction and/or release of engineering-related securities
- Pool inspection

### ***Infrastructure and Capital Projects***

This area is responsible for major infrastructure and capital projects undertaken by the City. Most of these projects consist of roads construction and installation of water services. The department advises and plans for these projects, but construction of the building is contracted out to an external construction company.

### **Planning & Urban Design**

This department creates civic pride through excellence in community planning and development. The Planning and Urban Design department activities relate to long range strategic planning and current development control; formulation of plans, policies, regulations and guidelines on land use, development, urban design and growth management; processing and evaluation of development applications; data collection, analysis, research and monitoring on land use, planning policy and growth related matters; digital mapping related functions; community outreach, liaison and information. This department is currently the lead department for the City in managing a new Official Plan meeting the requirements of Provincial policies.

### **Economic Development**

The Economic Development department generates economic prosperity for the City and its residents by aggressively marketing Markham as the best place to work in and as Canada's high-tech capital. This success is accomplished through the motivated staff, timely and insightful research, targeted marketing, enabling strategies, and outstanding "one-stop service". Some of the services provided include:

- Business attraction
- Business retention and expansion
- Small business/entrepreneur development
- Economic research
- Advertising, marketing, and promotion



## DEVELOPMENT SERVICES

### 2015 OPERATING BUDGET

<u>Description</u>	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>2015 Bud. vs. 2014 Bud.</u>		<u>2015 Bud. Vs. 2014 Act.</u>		
					<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>									
GRANTS AND SUBSIDIES	\$118,537	\$165,433	\$60,500	\$60,500	\$0	0.0%	(\$104,933)	-63.4%	
USER FEES & SERVICE CHARGES	8,202	3,174	10,500	10,500	0	0.0%	7,326	230.8%	
RECOVERIES & CONTRIBUTIONS	9,000	4,167	10,834	10,834	0	0.0%	6,667	160.0%	
OTHER REVENUE					0	0.0%	0	0.0%	
<b>Total Revenues</b>	<b>\$135,739</b>	<b>\$172,774</b>	<b>\$81,834</b>	<b>\$81,834</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$90,940)</b>	<b>-52.6%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$1,897,271	\$1,918,432	\$1,933,900	\$2,036,418	\$102,518	5.3%	\$117,986	6.2%	
PRINTING & OFFICE SUPPLIES	24,682	16,209	32,476	32,476	0	0.0%	16,267	100.4%	
OPERATING MATERIALS & SUPPLIES	3,501	3,451	6,097	6,097	0	0.0%	2,646	76.7%	
COMMUNICATIONS	4,317	4,121	6,169	6,169	0	0.0%	2,048	49.7%	
TRAVEL EXPENSES	32,789	23,072	52,051	52,051	0	0.0%	28,979	125.6%	
TRAINING	2,451	6,190	16,491	16,491	0	0.0%	10,301	166.4%	
CONTRACTS SERVICES AGREEMENTS	307,933	314,387	320,000	320,000	0	0.0%	5,613	1.8%	
RENTAL/LEASE	2,237	33,208	9,676	9,676	0	0.0%	(23,532)	-70.9%	
PROFESSIONAL SERVICES	0	0	6,998	4,596	(2,402)	-34.3%	4,596	0.0%	
LICENCES, PERMITS, FEES	9,082	11,934	5,325	5,325	0	0.0%	(6,609)	-55.4%	
CREDIT CARD SERVICE CHARGES	0	0	321	321	0	0.0%	321	0.0%	
PROMOTION & ADVERTISING	428,335	300,485	367,477	352,477	(15,000)	-4.1%	51,992	17.3%	
OTHER EXPENDITURES	758	0	(10,000)	(10,000)	0	0.0%	(10,000)	0.0%	
<b>Total Expenses</b>	<b>\$2,713,356</b>	<b>\$2,631,489</b>	<b>\$2,746,981</b>	<b>\$2,832,097</b>	<b>\$85,116</b>	<b>3.1%</b>	<b>\$200,608</b>	<b>7.6%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$2,577,617</b>	<b>\$2,458,715</b>	<b>\$2,665,147</b>	<b>\$2,750,263</b>	<b>\$85,116</b>	<b>3.2%</b>	<b>\$291,548</b>	<b>11.9%</b>	
<b>Full Time Compliment</b>	<b>163</b>	<b>161</b>	<b>161</b>	<b>162</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's Salary Grids.

# BUILDING STANDARDS 2015 BUSINESS PLAN (Page 1 of 2)

Corporate Goal and Statement										
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results			Target	Year		
				2010	2011	2012			2013	
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.		Survey all classes of customers to determine their needs and satisfaction with current service delivery	Overall customer satisfaction rate	78%			87%	>80%	2015	
			Services provided within target timeframes	62%	72%	52%		>80%	2016	
	Improve permit issuance timeframes, which was the most commonly cited "one thing we can do better" in the 2013 customer survey	Develop a <b>fast track service</b> for time sensitive permit applications, including housing repeats, business alterations and homeowner projects	Applications responded to within provincial timeframes (MPMP)	52%	58%	56%		>80%	2015	
			Applications that are filed complete (MPMP)	53%	77%	60%		>80%	2015	
			Permits applied for in calendar year that are issued in six months or less	83%	80%			>80%	2015	
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.		Establish a <b>staff advisory group</b> to make suggestions and champion staff engagement and other workplace improvements	Healthy Work Environment Index from Staff Satisfaction Survey		64%		62.4%	83%	2018	
			Staff absenteeism	6.6	6.2	7.6		8.4	2014	
			Annual learning hours per regular full time employee					30	2014	
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Champion business innovation and use of technology at Corporate level, and through Department business initiatives	Participate in leading the <b>Digital Markham Project</b> , the <b>leveraging technology committee</b> and <b>portal steering committee</b>	Track usage of Department's new <b>web pages and online services</b> . Develop an action plan for updating and building additional content based on usage data. Increase self help information in preparation for ePlan implementation.							
			Modernize building permit application and review systems through process change and use of technology	Implement <b>e-Plan</b> . Pilot implementation for production house builders Q2 2015, all permits by Q4 2015. Develop online webinar and in-house training on ePlan permit submission by production builders in Q4 2014. Expand training and system rollout through 2015.						
			Online service percentage - permits					<1%	>50%	2016
			Online service percentage- compliance letters					8%	>50%	2016
			Online service percentage- zoning inquiries					100%	100%	2015
Corporate Goal and Statement										
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.										
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.		Assist the <b>Pan Am</b> Organizing Committee by advising on on zoning matters at various facility locations, and by expediting Pan Am related building permits.							2016	
			Increase and improve communication with industry	Initiate an annual <b>builder forum</b> to better engage the industry and solicit recommendations for improving service delivery						2016
		Modernize the City's <b>Sign By-Laws</b>								
Corporate Goal and Statement										
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.										
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.		Recommend process changes to <b>site plan approval</b> to improve development services effectiveness and conditional permit enforcement (with Planning, Legal Services)	Conditional permit agreement compliance rates.			20%	10%	80%	2016	
			Site plan approval timeframes.							2016
	Reduce barriers to disabled persons in accessing and using new buildings	Prioritize enforcement of increased <b>barrier free</b> amendments to the building code beginning January 1, 2015							2015	
									2015	
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.		Lead the City's <b>Business Continuity Plan</b> project, and complete the Department's Plan								
			Create a revised template for <b>Departmental policies &amp; procedures</b> . Update and electronically catalogue all existing procedures							
			Undertake a core service review, and create new <b>operational policies</b> for professionally designed buildings, closing permits and other key service areas	Dormant/open building permits inspected and closed	259	291	401		300	2015
Corporate Goal and Statement										
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.										
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Sustain and secure a building permit revenue/cost balance to maintain stable funding of Building Standards operations through periods of variable development volume	Update the Building permit fee bylaw annually on the basis of an analysis of anticipated costs	Year end reserve balance as a % of one years' total operating cost	95	167	190	na	100	2015	
			Revenue average over 3 years, compared to total operating cost	150	184	162	na	100	2015	
			Annual user fee increase	9	0	4.5	na	<5%	2015	
			number of new staff positions	0	0	0	0	<2	2015	
			Number of applications processed per examiner	529	524	418		>250	2015	
			Department operating cost per \$1000 of construction value average over three years [MPMP]	\$4.56	\$3.72	\$5.00		<\$9	2015	



## BUILDING STANDARDS 2015 BUSINESS PLAN (Page 2 of 2)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenue</b>								
LICENCES & PERMITS	\$9,257,882	\$7,098,276	\$6,816,991	\$7,035,112	\$218,121	3.2%	(\$63,164)	-0.9%
USER FEES & SERVICE CHARGES	71,274	76,448	30,140	30,140	0	0.0%	(46,308)	-60.6%
OTHER REVENUE	(15,550)	(5,250)	0	0	0	0.0%	5,250	-100.0%
<b>Total Revenues</b>	<b>\$9,313,606</b>	<b>\$7,169,474</b>	<b>\$6,847,131</b>	<b>\$7,065,252</b>	<b>\$218,121</b>	<b>3.2%</b>	<b>(\$104,222)</b>	<b>-1.5%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,038,492	\$5,235,064	\$5,702,212	\$5,774,296	\$72,084	1.3%	\$539,232	10.3%
PRINTING & OFFICE SUPPLIES	63,430	53,661	57,000	57,000	0	0.0%	3,339	6.2%
OPERATING MATERIALS & SUPPLIES	18,969	12,280	23,500	23,740	240	1.0%	11,460	93.3%
COMMUNICATIONS	23,635	34,728	30,800	35,800	5,000	16.2%	1,072	3.1%
TRAVEL EXPENSES	3,310	3,803	6,000	6,000	0	0.0%	2,197	57.8%
TRAINING	24,874	19,598	30,000	26,000	(4,000)	-13.3%	6,402	32.7%
CONTRACTS & SERVICE AGREEMENTS	2,148,528	2,484,796	2,488,036	2,555,923	67,887	2.7%	71,127	2.9%
RENTAL/LEASE	111	0	2,500	0	(2,500)	-100.0%	0	0.0%
PROFESSIONAL SERVICES	222	5,247	16,000	10,500	(5,500)	-34.4%	5,253	100.1%
LICENCES, PERMITS, FEES	20,049	19,733	19,000	25,000	6,000	31.6%	5,267	26.7%
CREDIT CARD SERVICE CHARGES	19,662	15,058	10,000	15,000	5,000	50.0%	(58)	-0.4%
PROMOTION & ADVERTISING	2,149	0	1,000	0	(1,000)	-100.0%	0	0.0%
TRANSFERS TO RESERVES	0	(714,494)	(1,538,917)	(1,464,007)	74,910	-4.9%	(749,513)	104.9%
<b>Total Expenses</b>	<b>\$7,363,431</b>	<b>\$7,169,474</b>	<b>\$6,847,131</b>	<b>\$7,065,252</b>	<b>\$218,121</b>	<b>3.2%</b>	<b>(\$104,222)</b>	<b>-1.5%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>(\$1,950,175)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>
<b>Full Time Complement</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Licences & Permits: Increase is due to the increased number of permits expected in 2015.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's Salary Grids.

Contracts & Service Agreements: Increase is due to the annual adjustment of support costs charged from the City to the department.

Transfers to Reserves: Adjustment to balance the department's budget to zero.

## ENGINEERING 2015 BUSINESS PLAN (Page 1 of 2)

<b>Corporate Goal and Statement</b>										
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year	
				2010	2011	2012	2013			
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Gage development industry level of satisfaction with Department	Complete a Customer Satisfaction Survey	Improve Customer Satisfaction Ratings related to Development					80%	2018	
	Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.		Identify and update job descriptions of Non-Union mission critical positions						83%	2018
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.			Complete Engineering Staff Satisfaction improvement project	Corporate Organizational Engagement Index						
	Staff Mentoring and Training	Establish candidates for future Management Positions								
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Update Development Applications and review systems through process change and use of technology	Implement first phase of e-plan projects Implement training process review	Make sure staff are properly equipped to use e-plan to provide approval for all Development Applications					80%	2018	
	Provide better communication to residents re status of Capital Projects	Update Engineering pages on City Website for Major Projects							2018	
<b>Corporate Goal and Statement</b>										
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.										
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Finalize Mobility Hub requirements	Engage Metrolinx, Region of York and Public to finalize Mobility Hub and station requirements (Markham Centre, Langstaff, Box Grove, John St. etc.)	Concept Plan Endorsed by Agencies					100%	2018	
	Resolve Anti-Whistling objectives in Markham on Stouffville Line	Update safety audits, cost estimates and liability issues and report to Council	Council direction to proceed or not						2015	
<b>Corporate Goal and Statement</b>										
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.										
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	<b>Engineering Development Approvals</b> Ensure the City's Development Engineering Approvals Process is efficient, timely and collaborative Improve cross-departmental communication and co-operation between Development Services Commission and Community and Fire Service Commission	Revise the Development Engineering Approval Process to define roles and establish consultative/coordinated response to growth impacts on municipal operations and budgets. (Refer to Project Charter 'A' of the Sustainable and Integrated Growth Program)						100%	early 2015	
	<b>Engineering Capital Delivery</b> Clarify Capital Program Process with all affected Internal Departments and External Agencies to ensure adequate funding is available and projects are completed efficiently	Coordinate Capital Program Process. Ensure funding resources and create efficient processes (Refer to Project Charter 'B' of the Sustainable and Integrated Growth Program)								
		Develop a Storm Sewer Maintenance Policy and Process						100%	early 2015	
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Establish Succession Planning	Complete Engineering Business Continuity Plan	Establish candidates for future Management Positions							
<b>Corporate Goal and Statement</b>										
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.										
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Ensure a Sustainable Funding Model is in place to fund operating budget for Department	Restore Sustainable Funding Source for Development applications	Reserve balance based on Operating Budget					200	2021	
	Update 10 year Capital Program	Ensure 10 year Capital Program meets Requirements for 2031 OP							2015	
	Improve quality of Capital Program Delivery and Financial Management	Implement CAQC under Inspection Group							2015	



## ENGINEERING 2015 BUSINESS PLAN (Page 2 of 2)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenue</b>									
USER FEES & SERVICE CHARGES	\$4,604,514	\$4,113,444	\$4,926,607	\$5,027,032	\$100,425	2.0%	\$913,588	22.2%	
RECOVERIES & CONTRIBUTIONS	52,139	105,065	54,065	64,996	10,931	20.2%	(40,069)	-38.1%	
OTHER REVENUE	0	(1,625)	0	0					
<b>Total Revenues</b>	<b>\$4,791,824</b>	<b>\$4,216,884</b>	<b>\$4,980,672</b>	<b>\$5,092,028</b>	<b>\$111,356</b>	<b>2.2%</b>	<b>\$875,144</b>	<b>20.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$4,030,935	\$4,305,174	\$4,381,956	\$4,444,186	\$62,230	1.4%	\$139,012	3.2%	
PRINTING & OFFICE SUPPLIES	13,842	28,258	21,000	32,000	11,000	52.4%	3,742	13.2%	
OPERATING MATERIALS & SUPPLIES	14,796	5,826	21,000	11,000	(10,000)	-47.6%	5,174	88.8%	
COMMUNICATIONS	15,522	25,257	20,696	27,500	6,804	32.9%	2,243	8.9%	
TRAVEL EXPENSES	10,296	6,310	20,000	15,000	(5,000)	-25.0%	8,690	137.7%	
TRAINING	6,703	7,505	18,000	14,500	(3,500)	-19.4%	6,995	93.2%	
CONTRACTS & SERVICE AGREEMENTS	7,681,015	1,907,578	1,998,355	1,935,388	(62,967)	-3.2%	27,810	1.5%	
MAINT. & REPAIR-TIME/MATERIAL	3,791	(122)	3,000	3,000	0	0.0%	3,122	-2559.0%	
RENTAL/LEASE	8,664	8,726	9,000	6,000	(3,000)	-33.3%	(2,726)	-31.2%	
PROFESSIONAL SERVICES	979,771	6,622	10,000	45,000	35,000	350.0%	38,378	579.6%	
LICENCES, PERMITS, FEES	18,235	14,667	24,800	31,000	6,200	25.0%	16,333	111.4%	
TRANSFERS TO RESERVES	39,439	(2,102,973)	(1,547,135)	(1,474,546)	72,589	-4.7%	628,427	-29.9%	
OTHER EXPENSES	0	4,056	0	2,000	2,000	0.0%	(2,056)	-50.7%	
<b>Total Expenses</b>	<b>\$12,823,009</b>	<b>\$4,216,884</b>	<b>\$4,980,672</b>	<b>\$5,092,028</b>	<b>\$111,356</b>	<b>2.2%</b>	<b>\$875,144</b>	<b>20.8%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$8,031,185</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Full Time Compliment</b>	<b>39</b>	<b>39</b>	<b>39</b>	<b>40</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Services Charges - Increase is due to the increased construction charges expected in 2015.

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Contracts & Service Agreements - Increase is due to the annual adjustment of support costs charged from the City to the department.

Transfers to Reserves - Adjustment to balance the department's budget to zero.



## PLANNING & URBAN DESIGN 2015 BUSINESS PLAN (Page 1 of 2)

<b>Corporate Goal and Statement</b>										
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results			Target	Year		
				2010	2011	2012			2013	
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.		Complete a Customer Satisfaction Survey	Customer Satisfaction Rating				80%	2018		
		Make Staff Satisfaction a regular item on team/department meetings								
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.		Undertake Corporate Improvement Project identified from the Staff Satisfaction Survey	Corporate Organizational Engagement Index				83%	2018		
		Identify and update job descriptions of Non-Union mission critical Staff								
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Update planning applications and review systems through process change and use of technology	Implement the first phase of e-plan project	Online service percentage - permits				<1%	>50%	2016	
		Update Development/Planning pages on the city Website	Online service percentage- compliance letters				8%	>50%	2016	
			Online service percentage- zoning inquiries				100%	100%	2015	
<b>Corporate Goal and Statement</b>										
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.										
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.		Support the implementation of the Pan Am/Parapan Am Games								
							30%	2018		
Ensure an excellent urban experience in Markham Centre		Establish an Architectural Advisory Committee	Employment and Residential Growth				50%	2018		
		Modernize the City's Zoning By-law								
			Perception of Quality of Life				100%	2018		
<b>Corporate Goal and Statement</b>										
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.										
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Streamline approval processes for developments subject to Site Plan Approval (planning, engineering, building and legal)	<b>Site Plan Approval Project.</b> Recommend process changes to make site plan approval more efficient and improve conditional permit enforcement (with Building, Legal Services)	Conditional permit agreement compliance rates.			20%	0.1	80%	2016	
		Develop a new legal agreement/undertaking process	Overall External Customer Satisfaction					100%	2015	
		Ensure an efficient and effective Development Approval process	Complete the Planning Development approval Project	Overall External Customer Satisfaction					100%	2015
		Advance the Future Urban Area Project in order to expedite development in North Markham	Complete Sub Watershed Study, Community Master Plan and Secondary Plans for the Future Urban Area Secondary Plans.	Overall Internal and External Customer Satisfaction					75%	2016
		Update Secondary Plans	Update Plans for Cornell, Unionville, Hwy 48, Langstaff, Yonge St, etc...	% of Annual Population Growth					20%	2018
		Expand Park Delivery Program to ensure Parks are delivered concurrent with development	Develop a Park Development Strategy	Number of parks delivered to the Operations Department per year					8	2018
		Build AMANDA so all parks are on the system								
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.		Complete Department Business Continuity Plan								
<b>Corporate Goal and Statement</b>										
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.										
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Ensure a Sustainable Funding Model is in place to fund operating budget for Department	Restore Sustainable Funding source for Development Applications	Reserve balance based on operating budget					200%	2018	



## PLANNING & URBAN DESIGN 2015 BUSINESS PLAN (Page 2 of 2)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenue</b>									
USER FEES & SERVICE CHARGES	\$5,199,531	\$5,760,592	\$6,974,242	\$7,248,809	\$274,567	3.9%	\$1,488,217	25.8%	
OTHER REVENUE	400	48,485	0	0	0	0.0%	(48,485)	-100.0%	
<b>Total Revenues</b>	<b>\$5,199,931</b>	<b>\$5,809,077</b>	<b>\$6,974,242</b>	<b>\$7,248,809</b>	<b>\$274,567</b>	<b>3.9%</b>	<b>\$1,439,732</b>	<b>24.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$5,212,480	\$5,325,450	\$5,629,937	\$5,762,870	\$132,933	2.4%	\$437,420	8.2%	
PRINTING & OFFICE SUPPLIES	35,061	38,292	43,092	29,723	(13,369)	-31.0%	(8,569)	-22.4%	
OPERATING MATERIALS & SUPPLIES	44,407	4,311	6,803	6,803	0	0.0%	2,492	57.8%	
COMMUNICATIONS	7,643	12,297	10,869	16,269	5,400	49.7%	3,972	32.3%	
TRAVEL EXPENSES	34,037	33,066	29,342	29,342	0	0.0%	(3,724)	-11.3%	
TRAINING	16,554	8,444	15,000	15,000	0	0.0%	6,556	77.6%	
CONTRACTS & SERVICE AGREEMENTS	2,585,861	2,022,894	2,028,294	2,272,766	244,472	12.1%	249,872	12.4%	
RENTAL/LEASE	0	1,470	3,000	3,000	0	0.0%	1,530	104.1%	
PROFESSIONAL SERVICES	680,960	25,655	38,748	38,748	0	0.0%	13,093	51.0%	
LICENCES, PERMITS, FEES	42,625	36,248	22,995	22,995	0	0.0%	(13,253)	-36.6%	
CREDIT CARD SERVICE CHARGES	5,252	5,254	1,823	1,823	0	0.0%	(3,431)	-65.3%	
PROMOTION & ADVERTISING	13,737	6,673	4,365	4,365	0	0.0%	(2,308)	-34.6%	
OTHER EXPENDITURES	15,201	7,689	(5,000)	(5,000)	0	0.0%	(12,689)	-165.0%	
TRANSFERS TO RESERVES	39,439	(1,720,828)	(855,026)	(963,264)	(108,238)	12.7%	757,564	-44.0%	
<b>Total Expenses</b>	<b>\$8,733,257</b>	<b>\$5,806,915</b>	<b>\$6,974,242</b>	<b>\$7,235,440</b>	<b>\$261,198</b>	<b>3.7%</b>	<b>\$1,428,525</b>	<b>24.6%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$3,533,326</b>	<b>(\$2,162)</b>	<b>\$0</b>	<b>(\$13,369)</b>	<b>(\$13,369)</b>	<b>0.0%</b>	<b>(\$11,207)</b>	<b>518.4%</b>	
Full Time Compliment	47	50	50	50					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Services Charges - Increase is due to the increased number of applications expected in 2015 and increased rates for fees.

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Contracts & Service Agreements - Increase is due to the annual adjustment of support costs charged from the City to the department.

Transfers to Reserves - Adjustment to balance the department's budget to zero.

## ECONOMIC DEVELOPMENT 2015 BUSINESS PLAN (Page 1 of 2)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Economic Development Dept. will implement the "City-wide Customer Experience Strategy" across the Department.	Conduct customer survey amongst International Investment Attraction program clients	Overall customer satisfaction rate	75%	80%			>80%	2015
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Economic Development Dept. will implement corporate improvement projects.	Identify and update job descriptions of Non-Union mission critical and Senior Managers and above positions	Submit completed job descriptions for Non-Union mission critical staff and management positions					100%	2015
		Complete a Staff Satisfaction improvement project	Department staff to successfully implement an agreed-to improvement project					100%	2015
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Economic Development Dept. will implement technology-based service delivery improvements.	Update the Department portal web content and AODA compliance in accordance to the framework developed by the Portal Steering Committee	Increase Economic Development website traffic (# of home page hits)			3000	3900	5000	2015
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Economic Development Dept. will support implementation of the Pan Am/Parapan Am Games, and involve/engage business associations in the delivery of economic development programs.	Host business delegations representing countries participating in Pan Am/Parapan Am Games	Number of national business and government delegations hosted due to Pan Am/Parapan Am Games					4	2015
	Economic Development will promote Markham as the best place in Canada to locate knowledge-based businesses.	Attract a new post-secondary institution to locate within City of Markham	Achieve commitment of new York University campus in Markham Centre					Prov. approval	2015
<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and									
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.									
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Economic Development will develop a Department business continuity plan.	Complete business continuity plan	Business continuity plan completed					Year end	2015
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Economic Development will identify and implement opportunities to reduce tax-funded projects.	Identify opportunities to reduce tax-funded expenditures	Secure \$100,000+ in grants and sponsorships					\$100,000	2015



## ECONOMIC DEVELOPMENT 2015 BUSINESS PLAN (Page 2 of 2)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
<b>Revenue</b>									
GRANTS AND SUBSIDIES	\$118,537	\$165,433	\$60,500	\$60,500	\$0	0.0%	(\$104,933)	-63.4%	
USER FEES & SERVICE CHARGES	8,202	3,174	10,500	10,500	0	0.0%	7,326	230.8%	
RECOVERIES & CONTRIBUTIONS	9,000	4,167	10,834	10,834	0	0.0%	6,667	160.0%	
OTHER REVENUE	0	0	0	0	0	0.0%	0	0.0%	
<b>Total Revenues</b>	<b>\$135,739</b>	<b>\$172,774</b>	<b>\$81,834</b>	<b>\$81,834</b>	<b>\$0</b>	<b>0.0%</b>	<b>(90,940)</b>	<b>-52.6%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$803,009	\$828,937	\$830,214	\$874,060	\$43,846	5.3%	\$45,123	5.4%	
PRINTING & OFFICE SUPPLIES	21,321	13,597	18,776	18,776	0	0.0%	5,179	38.1%	
OPERATING MATERIALS & SUPPLIES	1,826	2,027	5,454	5,454	0	0.0%	3,427	169.1%	
COMMUNICATIONS	4,489	4,095	5,101	5,101	0	0.0%	1,006	24.6%	
TRAVEL EXPENSES	27,655	12,871	33,919	33,919	0	0.0%	21,048	163.5%	
TRAINING	360	2,163	6,311	6,311	0	0.0%	4,148	191.8%	
CONTRACTS SERVICES AGREEMENTS	329,066	314,387	320,000	320,000	0	0.0%	5,613	1.8%	
RENTAL/LEASE	213	2,493	938	938	0	0.0%	(1,555)	-62.4%	
LICENCES, PERMITS, FEES	6,794	7,607	4,354	4,354	0	0.0%	(3,253)	-42.8%	
PROMOTION & ADVERTISING	428,335	300,485	367,477	352,477	(15,000)	-4.1%	51,992	17.3%	
<b>Total Expenses</b>	<b>\$1,623,068</b>	<b>\$1,488,662</b>	<b>\$1,592,544</b>	<b>\$1,621,390</b>	<b>\$28,846</b>	<b>1.8%</b>	<b>\$132,728</b>	<b>8.9%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,487,329</b>	<b>\$1,315,888</b>	<b>\$1,510,710</b>	<b>\$1,539,556</b>	<b>\$28,846</b>	<b>1.9%</b>	<b>\$223,668</b>	<b>17.0%</b>	
<b>Full Time Compliment</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

No significant changes.



**DEVELOPMENT SERVICES COMMISSIONER'S OFFICE**  
**2015 OPERATING PLAN**

<u>Description</u>	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>2015 Bud. vs. 2014 Bud.</u>		<u>2015 Bud. Vs. 2014 Act.</u>		
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>									
OTHER INCOME	0	0	0	0	\$0	0.0%	0	0.0%	
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$1,094,262	\$1,089,495	\$1,103,686	\$1,162,358	58,672	0.0%	\$72,863	6.7%	
PRINTING & OFFICE SUPPLIES	64	449	331	331	0	0.0%	(118)	-26.3%	
OPERATING MATERIALS & SUPPLIES	1,675	1,424	643	643	0	0.0%	(781)	-54.8%	
COMMUNICATIONS	503	26	1,068	1,068	0	0.0%	1,042	4007.7%	
TRAVEL EXPENSES	5,134	10,201	18,132	18,132	0	0.0%	7,931	77.7%	
TRAINING	2,091	4,027	10,180	10,180	0	0.0%	6,153	152.8%	
RENTAL/LEASE	2,024	30,715	8,738	8,738	0	0.0%	(21,977)	-71.6%	
PROFESSIONAL SERVICES	0	0	6,998	4,596	0	0.0%	4,596	0.0%	
LICENCES, PERMITS, FEES	2,288	4,327	971	971	0	0.0%	(3,356)	-77.6%	
CREDIT CARD SERVICE CHARGES	0	0	321	321	0	0.0%	321	0.0%	
OTHER EXPENSES	83	0	(10,000)	(10,000)	0	0.0%	(10,000)	0.0%	
<b>Total Expenses</b>	<b>\$1,108,124</b>	<b>\$1,140,664</b>	<b>\$1,141,068</b>	<b>\$1,197,338</b>	<b>\$58,672</b>	<b>0.0%</b>	<b>\$56,674</b>	<b>5.0%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,108,124</b>	<b>\$1,140,664</b>	<b>\$1,141,068</b>	<b>\$1,197,338</b>	<b>\$56,270</b>	<b>0.0%</b>	<b>\$56,674</b>	<b>5.0%</b>	
<b>Full Time Compliment</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and Benefits – Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount



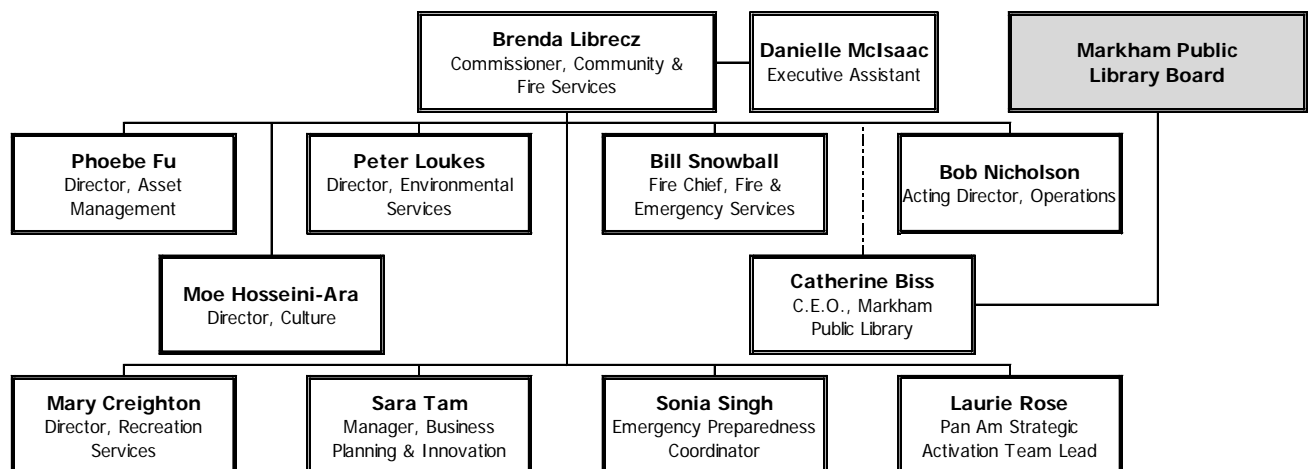
## COMMUNITY AND FIRE SERVICES COMMISSION

“*Working with the community to make Markham a vibrant place to live, work and play,*” is the mission statement of the Community & Fire Services Commission. Services to the public are delivered by seven departments, as coordinated by the Commissioner’s Office.

These departments include:

1. Asset Management
2. Culture
3. Environmental Services
4. Fire & Emergency Services
5. Markham Public Library
6. Operations (*Roads/Parks/Fleet*)
7. Recreation Services

The Commissioner’s Office has additional responsibilities in the areas of overall coordination of business operations and strategic activities at the Commission level, emergency preparedness for the overall organization, and special initiatives such as the Toronto 2015 Pan Am/Parapan Am Games. The Community & Fire Services Commission organizational structure is shown below.



In 2015, the Commission, including Waterworks, had an approved full-time complement of 709 positions, a gross operating expenditures budget of \$229.8 million, revenues budgeted at \$128.3 million, and a capital budget of \$57.6 million.

The commitment and dedication of our staff are recognized externally as their programs and practices have garnered numerous distinction and prestige for the City of Markham. Recent awards include:

- Applause! Award (*Firefighter Cadet Program*)
- Creative Excellence Award – Second Place (*Firefighter Recruitment Campaign*)
- MarCom Platinum Award (*Employee Publication, 2011 Accomplishments & 2012 Priorities*)
- Ontario Association of Art Galleries Design Award (*Kai Chan catalogue*)
- Ontario Waste Minimization Gold Award
- Association of Registered Interior Designers of Ontario Award of Excellence – Public & Institutional (*Cornell Community Centre & Library*)
- Association of Registered Interior Designers of Ontario Award of Merit – Library Millwork (*Cornell Community Centre & Library*)
- Attractions Ontario Co-op Student of the Year Award (*Markham Museum: Susan Mackie*)
- City of Markham Design Excellence Award of Excellence – Building of Significance (*Cornell Community Centre & Library*)
- City of Markham Design Excellence Award of Excellence – Building of Significance (*Sliver Mill*)
- City of Markham Design Excellence Award of Excellence – Building of Significance, Open Space and Public Realm (*Markham Pan Am Centre*)
- City of Markham Design Excellence Award - Jury Award (*Markham Pan Am Centre*)
- E.A. Danby Award – Certificate of Merit (*WOW (Water on Wheels) Public Outreach Program*)
- Institute of Public Administration of Canada Award - Gold for Innovative Management (*Library Customer Service Revolution*)
- International Interior Design Association Award of Excellence (*Cornell Community Centre & Library*)
- Job Skills Newcomer Division Award (*City of Markham*)
- Park & Recreation Ontario Award of Excellence - Design (*Cornell Community Centre & Library*)
- Recycling Council of Ontario Award - Gold for Waste Diversion (*Achievement of 80% Curbside Diversion*)
- Recycling Council of Ontario Award - Silver for Communications (*Clear Bag Education Program*)
- Recycling Council of Ontario Award - Bronze for Municipal Special Project (*Zero Waste for Schools Program*)
- Recycling Council of Ontario Award (*Zero Waste Program at the Marleigh Retirement Facility*)
- The Athletic Business Conference & Expo Award of Merit (*Cornell Community Centre & Library*)



- Asphalt Recycling and Reclaiming Association Special Recognition Award (*Full Depth Reclamation with Foamed Asphalt*)
- Friends of Deafblind Ontario Services Award (*Varley Art Gallery*)
- Société des Musées Québécois Award – Publication of the Year (*The Plastics and Beyond: Montréal, 1955-1970*)

### Some Commission Facts

(2014 Data)

• Number of annual visits at recreation facilities:	8.2 million
• Number of all direct recreation program registrations:	69,678
• Number of sportsfield hours booked:	65,851
• Total library items (include ebooks) borrowed:	4.5 million
• Total number of library visits (in-person and electronic):	4.8 million
• Size of municipal art gallery and museum collection:	79,196 items
• Number of visitors at Markham Museum, Markham Theatre, and Varley Art Gallery:	190,291
• Number of calls answered by Fire Dispatch:	66,000+
• Number of emergency incident response from Fire Department:	6,910
• Number of emergency vehicle movements:	12,369
• Traffic investigations:	793
• Tree preservation applications:	1,000
• Total City parks and valleylands:	1,325 ha
• City-maintained roads:	2,010 lane km
• City sidewalks maintained:	1,040 km
• Number of fleet vehicles maintained:	850
• Number of facilities maintained:	180 buildings
• Tonnes of waste diverted from landfill by curbside collection:	64,500
• Cubic metres of water consumed:	30.3 million

Corporate direction guides the focus of our Commission and the work of each department and its business plan:

### Simplified Corporate Business Plan (Goals & Objectives)

<b>Goal &amp; Goal Statement</b>	<b>Exceptional Services by Exceptional People</b> 	<b>Engaged, Diverse and Thriving City</b> 	<b>Safe and Sustainable Community</b> 	<b>Stewardship of Money and Resources</b> 
	<p>We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.</p>	<p><b>We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community.</b></p> <p><b>We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.</b></p>	<p>We will protect the public and respect the natural and built environment through excellence in sustainable community planning, infrastructure management, and programs.</p>	<p><b>We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.</b></p>
<b>Community &amp; Fire Services Commission Alignment</b>	<b>Highlight of Corporate Objectives Supported</b>			
	<ul style="list-style-type: none"> <li>• Complete a customer survey (All)</li> <li>• Align to the "City-wide Customer Experience Strategy" - Civic Centre Service Counter Renovations component (Asset Management)</li> <li>• Develop technology roadmap - Improve data management (Environmental Services)</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a volunteer management program for the Corporation (Culture)</li> <li>• Implement Corporate Community Engagement Plan - Develop Older Adult Strategy (Recreation Services)</li> <li>• Implement Pan Am / Parapan Am Games (All)</li> <li>• Support growth of sport in our community - Develop operating plan for Pan Am Centre and position it as a sport destination (Recreation Services)</li> </ul>	<ul style="list-style-type: none"> <li>• Complete Business Continuity Plan (All)</li> <li>• Align organizational processes and accountability:               <ul style="list-style-type: none"> <li>• Storm Sewer Maintenance (Environmental Services)</li> <li>• Review City Depot Management Model (Environmental Services)</li> <li>• Clarify governance and roles between City and MPL (Markham Public Library)</li> <li>• Park Renaissance Strategic Plan (Operations)</li> </ul> </li> <li>• Implement risk management framework - Emergency Management (Fire &amp; Emergency Services &amp; Commissioner Office)</li> </ul>	<ul style="list-style-type: none"> <li>• Develop multi-year budget:</li> <li>• Implement Master Fire Plan (Fire &amp; Emergency Services)</li> <li>• Develop multi-year budget - Implement a pricing and subsidy strategy (Recreation Services)</li> </ul>

### Organizational Alignment of Work





A brief summary of each department is provided below:

### **Asset Management**

The Asset Management Department is responsible for facility assets and right of way assets.



**Facility Assets** is responsible for the provision of project management services to all internal departments for new and existing facilities to achieve safety, functional use, comfort, user-friendliness, and energy efficiency. Examples include construction of the new Southeast Community Centre and Library and the Markham Pan Am Centre. The key responsibilities include:

- Manage city-wide services such as security, accessibility, corporate accommodations, maintenance contracts, life cycle study updates, and energy retrofits.
- Operate the Civic Centre and 8100 Warden Avenue and mechanically operate the Varley Art Gallery, Markham Village Library, Fire Station 93 & 99 and the Museum Collections Building.
- Maintain and manage life cycle repair projects for 87 facilities such as smaller community centres, libraries, fire stations, heritage sites, and city-owned homes.

**Right-of-Way Assets** is responsible for providing technical assistance and advice to internal departments to achieve the most effective engineering solutions for new and replacement municipal infrastructure. This group includes Right-of-Way Assets, Utilities and Survey, Asset Database, and Stormwater sections.

- Right-of-Way Assets is responsible for the planning of the City's capital works rehabilitation programs such as bridge, culvert and storm sewer outfalls inspection and rehabilitation. It works closely with the Engineering and Operations Departments.
- Utilities and Survey section administers and coordinates utility approvals within the City's right-of-ways, provides survey services to various internal departments, and maintains the street lighting system.
- Asset Database section manages asset inventories of roads, water, sanitary sewer, storm sewer, streetlights, parks, and parks amenities in corporate databases, infrastructure management system and Geographic Information System (GIS) maps, and provides engineering drawings for staff access. It also



manages the City's closed landfill, including the operation of the gas collection system and monitoring methane and leachate levels.

- Stormwater section manages the City's Stormwater infrastructure, such as storm management pond clean-up and the rehabilitation and upgrades of existing storm sewers.

## ***Culture***

The Culture Department is responsible for overseeing the development and celebration of the community's cultural identity and in managing the direction and operations of the three municipal cultural venues in Markham. The department is guided by its Culture Plan and is responsible for the management of the Public Art program, development of the Corporate Volunteer Management program, and the review of the Celebrate Markham Grant program.



***Flato Markham Theatre for Performing Arts*** offers entertainment/event services (rentals), and programs to Markham, York Region, and the Greater Toronto Area (GTA). In its 30<sup>th</sup> season, it serves more than 145,000 patrons annually. With globally acclaimed artists, Canadian and GTA Premieres, and Exclusive Presentations, this fully accessible 530-seat theatre offers innovative programming in a welcoming ambience through its new signature Diamond Series. The Theatre has evolved beyond its walls to deliver quality programming with its "Discovery" Programs that support education and community outreach initiatives, including performing arts programs for children 4 through 14 year-old and its Every Child Every Year program, which allows Markham elementary students to attend one educational performance every year, free of admission fee.

***Markham Museum*** connects the history of Markham from First Nation's to today's brand new 'settlers' by examining our environment and the tools we use to adapt to our changing world. Technologies shared by all cultures help us understand our shared histories, for example, ceramics, metal working, print making, textiles and food preparation. The Museum explores the layers of settlement and the resulting changes that Markham has experienced and offers exhibits, school programs, public programs and events, private event venues, and research facilities. The Collection and Exhibition Hall provides a safe environment for the preservation and conservation of over 70,000 artifacts and archives. The Museum is receiving national attention for its unique and effective way of connecting with its community and for its environmental programs. Both the Canadian Museum Association and the Ontario Museum Association have held major events at Markham Museum in the past two years.

The **Varley Art Gallery of Markham** presents exhibitions of historical and contemporary Canadian art and offers educational programs for community members of all ages. Through research, exhibitions, public programs and publications, the Gallery explores the art of founding Group of Seven member F.H. Varley, his peers and the artists that have explored and shaped Canadian artistic practice. The Gallery also operates the McKay Art Centre, once the home of F.H. Varley. This historic site features art exhibitions by community artists. The Varley has a wide range of programs for artists and aspiring artists of all ages. These include hands-on art classes, seasonal art camps, workshops, and talks with artists and curators. Several educational programs are available to schools groups, including interactive gallery tours and hands-on studio activities.

### **Environmental Services**

The Environmental Services Department oversees two business units - Waste & Environmental Management and Waterworks, supported by business compliance functions.

**Waste & Environmental Management** is responsible for the management of curbside pickup of household recyclables, garbage, organic waste, and yard waste and in 2010, a broader environmental focus was incorporated into its mandate. Other services include the operation of recycling depots, large appliances / metal pickup, special recycling programs, policy development, and public education programming. Markham's current diversion rate is 81%.

**Waterworks** is responsible for the provision of safe drinking water for domestic and commercial use throughout Markham. This responsibility includes replacement, rehabilitation and upgrade of the water and wastewater systems, the maintenance and repair of watermains up to the property line as well as the water meters inside the house. This group is also responsible for the maintenance and repair of sanitary sewers and related infrastructure up to the property line. Another important service is the regular sampling of the water distribution system to ensure the quality of water for human consumption. A key focus for the next several years is the development and implementation of water conservation programs and practices.

**Business Compliance** is responsible for ensuring the department is compliant with corporate financial procedures, legislative requirements for technical and health and safety training, and Ministry of Environment regulations for the Drinking Water Quality Management Standard.



## **Fire & Emergency Services**

The Fire & Emergency Services Department is responsible for providing safety and property protection to those who live, work or play in the community. This is achieved by providing quality preventative, educational, and emergency services in a professional, sensitive and caring manner. These services are supported internally by the Training, Mechanical, Communications, and Administration divisions. Services are deployed from nine fire stations and an administrative office.



Additionally, this department is committed to Public Education and reaching out to the diverse community by providing over 280 school visits a year and attending in excess of 400 community events. It partners with the Commissioner's Office to deliver the corporate Emergency Preparedness program, where a Deputy Fire Chief performs the function of the Certified Community Emergency Manager.

## **Markham Public Library**

Markham Public Library (MPL) is responsible for the delivery of library services through seven branches and its website. Administratively, it reports to the Markham Public Library Board, and the Commissioner of Community & Fire Services. The Library's mission is to *"make Markham the premier place to live and work in the GTA through library services that enhance quality of life and help everyone achieve their full potential."*



MPL is committed to providing exceptional library services through innovative business models that respond to resident needs and priorities, use resources efficiently, and maximize return on investment (ROI) for tax dollars. Markham's library branches serve as community hubs – accessible and inclusive places that strengthen neighbourhoods, connect newcomers, celebrate diversity, support local innovation and creativity, and advance Markham's position as an engaged, literate and digitally-skilled city. MPL

services, collections and programs are focused on lifelong self-directed learning, development of literacy skills (print, media and digital), support of educational and career achievement, and inclusive community development.

As one of the most innovative and most efficiently operated public libraries in Canada, MPL's innovations include the award-winning C3™ - Customer Centred Classification system, the Learning Place business model for library programs, and the Customer Service Revolution initiative which won the 2014 Gold Award for Innovative Management from the Institute of Public Administration of Canada (IPAC). MPL is also a library sector leader in the implementation of RFID-based self-service technology – in 2014, 83% of borrowing transactions were completed by customers through self-service options.

## Operations

The Operations Department is responsible for the maintenance of roads and parks in the City of Markham, supported by Fleet & Supplies, and Business & Technical Services.



- **Roads Division** is responsible for the maintenance of the City's municipal road and sidewalk network. Activities include winter maintenance, complete road rehabilitation, localize asphalt and concrete repairs, and maintenance of traffic safety devices, such as signs and guide rails. Other services include supporting special events through road closures, traffic control, street sweeping, and maintenance of the storm water sewer system.
- **Parks Division** is responsible for turf maintenance of parks and boulevards, urban forestry, and maintenance of park amenities such as play structures, sports field structures, irrigation systems, baseball diamonds, soccer fields, cricket and rugby pitches, and tennis courts. Other services include horticulture (flower and plant barrels, hanging baskets, park gardens and entrance features to the municipality), special events support, winter maintenance of parking lots and walkways of city-owned facilities, and monitoring of natural areas and valleylands.
- **Fleet & Supplies** is responsible for the maintenance, repair, acquisition, parts inventory management, and safe operation of the diverse municipal fleet and equipment assets, including Fire & Emergency vehicles and apparatus. City fleet is maintained and operated in a safe and cost effective manner through the



development of equipment specifications, operator training programs and repair and maintenance procedures and schedules that allow the user departments to safely and efficiently provide their various services.

- **Business & Technical Services** is responsible for the coordination and management of and business and technical services, including traffic operations. Business and technical services include budget management and accounting activities, asset and life cycle analysis, coordination of development application review, and the Tree Preservation and Community Engagement Programs. Traffic Operations maintains operational safety of the municipal road network by conducting technical traffic studies and investigations, recommendations for traffic control devices, on-street parking regulations, traffic calming, management of all municipal traffic signals, and administering the “Safe Streets” and School Crossing Guard programs.

### **Recreation Services**

The Recreation Services Department advocates for health and wellness, creating a sense of community, belonging, and enjoyment.



The department is committed to improving the quality of life for Markham residents through the provision of quality leisure programming, well-maintained, and welcoming community facilities. The department combines a direct service delivery approach in the provision of recreational, aquatic, camps, fitness and lifestyle programming for individuals of all ages with ongoing community development work with minor sport organizations, community groups, not-for-profit organizations, and other key stakeholders. As well, through the 6 major community centres and 17 satellite facilities, thousands of hours are permitted annually to various community-based organizations.

With the opening of the Markham Pan Am Centre, a Sport Strategy will be developed to nurture and grow our community sport network and raise the profile of Markham through sport tourism. Sport tourism is the fastest growing tourism sector, and with the facilities that Markham has built, we have the capacity to host regional, national and international events, while supporting local sport development.

The Recreation Services Department extends beyond the walls of the City owned and operated facilities. The Department builds on creative partnerships to deliver services in schools, parks, and elsewhere based on community needs.



## COMMUNITY AND FIRE SERVICES 2015 OPERATING BUDGET

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
					\$ Incr./Decr.	% Change	\$ Incr./Decr.	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$1,568,735	\$1,568,212	\$1,475,494	\$1,454,479	(21,015)	-1.4%	(\$113,733)	-7.3%
LICENCES & PERMITS	84,949	91,288	100,000	100,000	-	0.0%	8,712	9.5%
FINES	0	18,000	3,000	3,000	-	0.0%	(15,000)	-83.3%
USER FEES & SERVICE CHARGES	12,743,168	13,145,197	13,572,470	14,229,888	657,418	4.8%	1,084,691	8.3%
RENTALS	6,408,892	6,724,398	7,094,283	7,582,845	488,562	6.9%	858,447	12.8%
SALES	555,115	516,691	661,201	594,055	(67,146)	-10.2%	77,364	15.0%
RECOVERIES & CONTRIBUTIONS	1,432,323	1,169,914	1,146,506	1,115,793	(30,713)	-2.7%	(54,121)	-4.6%
OTHER INCOME	448,505	590,630	501,503	732,683	231,180	46.1%	142,053	24.1%
INTERDEPARTMENTAL RECOVERIES	714,308	714,308	721,708	727,995	6,287	0.9%	13,687	1.9%
<b>Total Revenues</b>	<b>\$23,955,995</b>	<b>\$24,538,638</b>	<b>\$25,276,165</b>	<b>\$26,540,738</b>	<b>\$1,264,573</b>	<b>5.0%</b>	<b>\$2,002,100</b>	<b>8.2%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$78,029,406	\$79,619,548	\$80,233,771	\$82,665,966	\$2,432,195	3.0%	\$3,046,418	3.8%
PRINTING & OFFICE SUPPLIES	213,982	239,108	296,561	293,059	(3,502)	-1.2%	53,951	22.6%
PURCHASES FOR RESALE	344,130	333,248	282,150	265,126	(17,024)	-6.0%	(68,122)	-20.4%
OPERATING MATERIALS & SUPPLIES	2,349,643	2,339,447	2,798,223	2,436,971	(361,252)	-12.9%	97,524	4.2%
VEHICLE SUPPLIES	1,663,842	1,828,704	1,722,947	1,773,647	50,700	2.9%	(55,057)	-3.0%
SMALL EQUIPMENT SUPPLIES	7,749	7,428	15,091	5,471	(9,620)	-63.7%	(1,957)	-26.3%
BOTANICAL SUPPLIES	285,957	222,222	267,197	253,079	(14,118)	-5.3%	30,857	13.9%
CONSTRUCTION MATERIALS	2,624,815	1,889,722	1,471,637	1,713,428	241,791	16.4%	(176,294)	-9.3%
UTILITIES	5,654,283	6,265,982	5,830,586	6,385,918	555,332	9.5%	119,936	1.9%
COMMUNICATIONS	299,303	309,080	340,856	333,566	(7,290)	-2.1%	24,486	7.9%
TRAVEL EXPENSES	117,342	120,683	154,018	153,018	(1,000)	-0.6%	32,335	26.8%
TRAINING	279,385	239,436	327,314	315,647	(11,667)	-3.6%	76,211	31.8%
CONTRACTS & SERVICE AGREEMENTS	9,707,448	11,203,896	10,399,324	11,307,566	908,242	8.7%	103,670	0.9%
MAINT. & REPAIR-TIME/MATERIAL	4,476,208	5,202,716	4,661,566	4,935,813	274,247	5.9%	(266,903)	-5.1%
RENTAL/LEASE	519,780	581,054	570,155	507,531	(62,624)	-11.0%	(73,523)	-12.7%
INSURANCE	17,380	11,963	13,263	13,263	0	0.0%	1,300	10.9%
PROFESSIONAL SERVICES	1,542,718	1,620,813	1,322,351	1,595,975	273,624	20.7%	(24,838)	-1.5%
LICENCES, PERMITS, FEES	431,120	538,300	474,531	582,064	107,533	22.7%	43,764	8.1%
CREDIT CARD SERVICE CHARGES	290,480	300,108	198,796	198,796	0	0.0%	(101,312)	-33.8%
PROMOTION & ADVERTISING	477,034	482,179	396,378	427,178	30,800	7.8%	(55,001)	-11.4%
CONTRACTED MUNICIPAL SERVICES	9,992,792	10,023,456	9,913,679	10,470,895	557,216	5.6%	447,439	4.5%
OTHER PURCHASED SERVICES	834,288	765,359	769,374	769,374	0	0.0%	4,015	0.5%
WRITE-OFFS	115,764	(20,789)	0	0	0	0.0%	20,789	-100.0%
OTHER EXPENDITURES	138,476	156,520	132,934	172,338	39,404	29.6%	15,818	10.1%
TRANSFERS TO RESERVES	477,752	534,009	472,360	447,360	(25,000)	-5.3%	(86,649)	-16.2%
<b>Total Expenses</b>	<b>\$120,891,077</b>	<b>\$124,814,192</b>	<b>\$123,065,062</b>	<b>\$128,023,049</b>	<b>\$4,957,987</b>	<b>4.0%</b>	<b>\$3,208,857</b>	<b>2.6%</b>
<b>Net Expenditures(Revenues)</b>	<b>\$96,935,082</b>	<b>\$100,275,554</b>	<b>\$97,788,897</b>	<b>\$101,482,311</b>	<b>\$3,693,414</b>	<b>3.8%</b>	<b>\$1,206,757</b>	<b>1.2%</b>
<b>Full Time Compliment</b>	<b>627</b>	<b>630</b>	<b>630</b>	<b>644</b>				

Changes in 2015 Budget from the 2014 Budget over \$100,000:

User Fees & Services Charges – Increase in ticket sales, camps, and programming revenues

Rentals - Increase related to Pan Am Facility and rental revenues from City owned properties

Other Income - Increase due to Fitness centre and Cornell revenue ramp up

Operating Materials & Supplies – Increase related to Pan Am Facility

Construction Materials –

Utilities – Increase due to a full year of utilities at the Pan Am facility

Contracts & Service Agreements - Increase due to growth and prices in Roads for winter maintenance

Maintenance & Repair – Increase due to growth and prices in Roads for winter maintenance



Professional Services – Theatre increase based on 3-year historical trending of expenses

Licences, Permits & Fees – Increase in tipping fees due to increased costs to dump street sweeping materials

Contracted Municipal Services - Increase due to price increase and growth for Streetlight Hydro.



## ASSET MANAGEMENT 2015 BUSINESS PLAN (Page 1 of 3)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Align to the "City-wide Customer Experience Strategy" and provide satisfied customer service for internal and external clients	Asset Management to complete a customer survey. Conduct Customer Satisfaction Surveys every other year for 3 services (Utility approval; Mapping services; Space Planning)	Number of informal survey completed (#)	2				Every 2 Years, 80% Satisfied	TBD
		ROW - Provide utility approvals and inspection services per MAA requirements, with the services delivered within agreed upon timeframe	# of utility permits issued and inspected per staff per year	1089	1060	1182	1262	TBD	TBD
		ROW - Provide support services to Environmental Service Department on City-wide sanitary monitoring, capacity assessment and rehabilitation work including W reduction on a timely manner		N/A	N/A	N/A	N/A	TBD	TBD
		Facilities - Corporate Accommodation - complete Corporate Accommodation requests (space planning) to accommodate clients requirements	# space planning requests completed	N/A	N/A	N/A	N/A	TBD	TBD
		Asset Management (Facilities) - Civic Centre Service Counter Renovations; Renovate the main floor of the Civic Centre to align with Enhancing Customer Experience project - Initiate construction Q2 of 2015		N/A	N/A	N/A	N/A	N/A	TBD
		TAX FUNDING REQUIRED: Thornhill Library Lighting Improvements (\$25,000) to enhance customer experience		N/A	N/A	N/A	N/A	N/A	TBD
	Overall Internal Customer Satisfaction - To increase staff satisfaction and engagement within the department	Asset Management to complete a Staff Satisfaction improvement project	Recognition rating (from staff survey)	67%	N/A	54%	N/A	>=65%	TBD
			Staff Satisfaction rating (from staff survey) - overall driver	84%	N/A	69%	N/A	>=80%	TBD
			Number of learning hours per regular full time employee	14.3	11.6	5.0	TBD	TBD	TBD
	Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Implement "Corporate People Plan" Goals	Asset Management to identify and update job description of Non-Union mission critical and Senior Managers and above positions	Healthy Work Environment Index (from Staff Survey)	78%	N/A	70%	N/A	>=75%
Staff absenteeism (average # of days per employee)				14%	8%	10%	N/A	20%	TBD
Provide sufficient staff resources to support Facility Maintenance/Operations functions		Oversees and manage City Facility Assets including condition assessment, operations and maintenance activities - a) Operate Civic Centre and 8100 Warden. b) Mechanical /electrical operation of Markham Village Library, Varley Art Gallery, Museum Collections Building, Fire Station 93 & 99. c) Maintain Fire, Library, Operations, Satellite Community Centres and Other/Leased facilities.	Facility Maintenance - # of facilities maintained	166	174	174	176	N/A	TBD
			# of facility work orders generated	1099	1130	1264	1916	N/A	TBD
			Average # of days for facility work order to be completed	n/a	6	6	6	7	TBD
			SF of facilities - Operated	327,990	327,990	327,990	327,990	N/A	TBD
			SF of facilities - Maintained	599,863	599,864	599,865	599,866	N/A	TBD
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.		Asset Management to update their portal web-content and AODA (Accessibility for Ontarians with Disabilities Act) compliance in accordance to the framework developed by the Portal Steering Committee		N/A	N/A	N/A	N/A	N/A	TBD
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Asset Management to support the implementation of the Pan Am / Parapan Am Games	Asset Management (Facilities) - Support the implementation of the Pan Am / Parapan Am Games: Resolve Markham Pan Am Centre deficiencies and warranty issues by Q4, 2015; construct public Art / Water Feature; support initiatives related to the Pan Am Games		N/A	N/A	N/A	N/A	N/A	TBD
		FUNDING REQUIRED: Markham Pan Am Centre - Public Art/Water Feature (\$1.2M)		N/A	N/A	N/A	N/A	N/A	TBD
		Asset Management to align with Community Activation Strategy, as required		N/A	N/A	N/A	N/A	N/A	TBD
		Asset Management to adopt the City-wide Volunteer Management Project, as required		N/A	N/A	N/A	N/A	N/A	TBD
	(DF) Managing Growth Impact on Service Delivery (Support) - Provide input and Review resources requirements to Manage Capital projects that expands community capacity	Increase intra-departmental communications - Implement ROW review requirements with Development Services by Q1, 2015		N/A	N/A	N/A	N/A	N/A	TBD
		Facilities - Complete construction of SECCL by Q4, 2015	# of capital project that expand community capacity	2	3	3	0	1	TBD
		ROW - Implement Flood Remediation Program in West Thornhill - complete Phase 1A by Q2, 2015 TAX FUNDING REQUIRED: Stiver Mill Phase 2 Conceptual Plan (\$45,000)		N/A	N/A	N/A	N/A	N/A	TBD



## ASSET MANAGEMENT 2015 BUSINESS PLAN (Page 2 of 3)

<b>Corporate Goal and Statement</b>										
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year	
				2010	2011	2012	2013			
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and high quality and relevant public realm.	To develop and maintain a Business Continuity Plan that identifies essential services and resources	Prepare Asset Management Business Continuity Plan by Dec 2015	Days loss due to injury	N/A	N/A	N/A	N/A	N/A	TBD	
	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	Asset Management (Facilities) - Prepare Draft Asset Management Plan for Facilities by Q1 2015. Implement recommended Facility Management service delivery model by Q4 2015 including appropriate required resourcing.		N/A	N/A	N/A	N/A	N/A	TBD	
	Manage Capital projects to improve City's infrastructure that minimizes City's risk	ROW - Don Mill Channel Class EA Study - completion by Q4 2015		N/A	N/A	N/A	N/A	N/A	TBD	
				N/A	N/A	N/A	N/A	N/A	TBD	
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.		Asset Management to support the Sustainable and Integrated Growth Management Projects, as required		N/A	N/A	N/A	N/A	N/A	TBD	
		PERSONNEL: One (1) Manager, Facility Maintenance (FTE) to ensure city assets are maintained, repaired, managed efficiently to minimize risk to the City		N/A	N/A	N/A	N/A	N/A	TBD	
		TAX FUNDING REQUIRED: Streetlight Misc. Requests (\$100,000) to provide lighting requirements per approved legislation		N/A	N/A	N/A	N/A	N/A	TBD	
		Asset Management to participate in Emergency Management Exercise and Training, as required		N/A	N/A	N/A	N/A	N/A	TBD	
<b>Corporate Goal and Statement</b>										
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.										
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Efficiently manage life cycle reserve, condition assessment, capital budget requests and databases	Complete life cycle reserve by Q1, 2015. Complete 2016 capital budget request by Q2, 2015	Adequacy of funding years in the reserve based on known inflows to sustain future rehabilitation and replacement requirements for the next 25 years	25	25	25	25	25	TBD	
	ROW - Develop and Implement City-wide Stormwater Fee Structure	Fee Implementation by Q2, 2015		N/A	N/A	N/A	N/A	N/A	TBD	
	ROW - Develop Business Case for Streetlight Maintenance and Locates	Asset Management (ROW) - Develop business case for Streetlight maintenance and locates program, and support with appropriate resourcing by Q1 2015.		N/A	N/A	N/A	N/A	N/A	TBD	
		PERSONNEL: Implementation of recommendation from Business case by Q1 2015, including request for one (1) FTE to manage the streetlight maintenance and streetlight cable locates program.		N/A	N/A	N/A	N/A	N/A	TBD	
	Provide sufficient staff resources to complete capital projects as planned	Asset Management (Facilities) - Provide sufficient staff resources to complete capital project - to support the state of good repairs for existing aging facilities infrastructure including heritage assets at all Markham facilities.	ROW: % Completion of capital projects (planned vs. actual)		N/A	74%	80%	69%	>=80%	TBD
			Facility Assets: % Completion of capital projects (planned vs. actual)		83%	85%	67%	90%	90%	TBD
		PERSONNEL: Convert existing contract One (1) project manager to FTE to support Culture, Heritage, and Life Cycle capital projects			N/A	N/A	N/A	N/A	N/A	TBD
			Net cost per household		N/A	N/A	N/A	N/A	N/A	TBD
Participate in the Energy Management Team and support Energy reduction programs throughout the City	Asset Management to identify, where practical, enhanced and/or alternative revenue opportunities that can offset the tax rate	Streetlighting energy intensity (KWh/fixture/year) - 5 year target 20%		N/A	N/A	N/A	N/A	N/A	TBD	



## ASSET MANAGEMENT 2015 BUSINESS PLAN (Page 3 of 3)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
<b>Revenues</b>									
USER FEES & SERVICE CHARGES	\$173,543	\$236,317	\$140,000	\$174,000	\$34,000	24.3%	(62,317)	-26.4%	
RENTALS	110,175	104,033	68,654	147,788	79,134	115.3%	43,755	42.1%	
SALES	8,323	9,579	0	0	0	0.0%	(9,579)	-100.0%	
RECOVERIES & CONTRIBUTIONS	113,119	38,617	30,000	0	-30,000	-100.0%	(38,617)	-100.0%	
INTER-DEPARTMENTAL RECOVERIES	0	0	7,400	7,400	0	0.0%	7,400	0.0%	
<b>Total Revenues</b>	<b>\$405,160</b>	<b>\$388,546</b>	<b>\$246,054</b>	<b>\$329,188</b>	<b>\$83,134</b>	<b>33.8%</b>	<b>(\$59,358)</b>	<b>-15.3%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$2,397,299	\$2,550,729	\$2,636,550	\$2,658,654	\$22,104	0.8%	\$107,925	4.2%	
PRINTING & OFFICE SUPPLIES	7,642	9,972	13,546	13,046	(500)	-3.7%	3,074	0.0%	
OPERATING MATERIALS & SUPPLIES	94,553	72,355	122,530	122,280	(250)	-0.2%	49,925	69.0%	
SMALL EQUIPMENT SUPPLIES	0	0	(97)	(97)	0	0.0%	(97)	0.0%	
CONSTRUCTION MATERIALS	0	0	1,028	1,028	0	0.0%	1,028	0.0%	
UTILITIES	562,398	587,782	504,114	472,908	(31,206)	-6.2%	(114,874)	-19.5%	
COMMUNICATIONS	15,771	20,970	18,978	20,478	1,500	7.9%	(492)	-2.3%	
TRAVEL EXPENSES	11,886	7,976	12,425	12,425	0	0.0%	4,449	0.0%	
TRAINING	4,170	9,944	11,631	11,631	0	0.0%	1,687	17.0%	
CONTRACTS SERVICES AGREEMENTS	901,316	811,376	904,562	970,071	65,509	7.2%	158,695	19.6%	
MAINT.& REPAIR - TIME & MATERIAL	1,716,019	1,762,034	1,822,415	1,826,446	4,031	0.2%	64,412	3.7%	
RENTAL/LEASE	0	1,819	0	0	0	0.0%	(1,819)	-100.0%	
PROFESSIONAL SERVICES	0	1,930	6,000	6,000	0	0.0%	4,070	210.9%	
LICENCES, PERMITS, FEES	14,681	13,170	9,710	9,710	0	0.0%	(3,460)	-26.3%	
CREDIT CARD SERVICE CHARGES	99	121	0	0	0	0.0%	0	0.0%	
CONTRACTED MUNICIPAL SERVICES	2,421,291	2,208,828	1,887,667	2,227,667	340,000	18.0%	18,839	0.9%	
WRITE-OFFS	52,080	(31,061)	0	0	0	0.0%	31,061	0.0%	
<b>Total Expenses</b>	<b>\$8,199,205</b>	<b>\$8,027,945</b>	<b>\$7,951,059</b>	<b>\$8,352,247</b>	<b>\$401,188</b>	<b>5.0%</b>	<b>\$324,302</b>	<b>4.0%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$7,794,045</b>	<b>\$7,639,399</b>	<b>\$7,705,005</b>	<b>\$8,023,059</b>	<b>\$318,054</b>	<b>4.1%</b>	<b>\$383,660</b>	<b>5.0%</b>	
<b>Full Time Compliment</b>	<b>27</b>	<b>30</b>	<b>30</b>	<b>31</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Rentals - Increase in rental revenues from City owned properties.

Contracts Services Agreements - Increase due to growth and price escalation on various Citywide contracts.

Contracted Municipal Services - Increase due to price increase and growth for Streetlight Hydro.



## CULTURE 2015 BUSINESS PLAN (Page 1 of 3)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					
				2010	2011	2012	2013	Target	Year
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	To maintain a high level of participation/customer satisfaction.	Streamline and develop a departmental approach to summer camps and programs.	Percentage of extremely satisfied with summer camps	N/A	N/A	N/A	25%	25%	2016
			Percentage of very satisfied with summer camps	N/A	N/A	N/A	26%	30%	2016
			Average fill rates for community and camp programs	83%	77%	74%	77%	80%	2016
	Align with City wide customer experience strategy.	Complete customer survey.		N/A	N/A	N/A	N/A	N/A	N/A
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	To increase staff satisfaction and engagement in the department.	To implement a program to regularly improve on staff satisfaction and engagement by working on improvements identified from the last staff satisfaction survey (internal communication and strategic leadership) and other sources of input.	Average number of corporate learning hours per regular full time employee (i.e. Health & Safety, Telephone Dr)	7%	5%	2%	TBD	8%	2016
			Workload index from the staff satisfaction survey	34%	N/A	38%	N/A	60%	2016
			Healthy work environment from the staff satisfaction survey	71%	N/A	66%	N/A	70%	2016
		To review the professional development plan for the Department and to implement a new departmental organization structure.		N/A	N/A	N/A	N/A	N/A	N/A
		Update job descriptions of non union/mission critical positions as required.		N/A	N/A	N/A	N/A	N/A	N/A
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.		Update portal web content as per portal steering committee.		N/A	N/A	N/A	N/A	N/A	N/A
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	To develop a volunteer management program for the Corporation.	Pilot the one year Volunteer Management program. Track and report on results.	Number of annual volunteer hours	10,727	18,934	24,997	25,578	26,000	2016
			Number of annual volunteers **	123	120	125	325	500	2016
	Align with the community activation strategy.			N/A	N/A	N/A	N/A	N/A	N/A
	To support implementation of Pan Am/ParaPan Am Games.	Participate on Pan Am Culture Committees and undertake culture related activities for the games.		N/A	N/A	N/A	N/A	N/A	N/A
	To ensure welcoming and inclusive programming for participants in our programs.	Implement an inclusive and welcoming measure in the culture surveys using the camp survey as a pilot.	Welcoming and inclusive rating to be determined and integrated in actual surveys. *	N/A	N/A	N/A	N/A	N/A	2015
	To ensure welcoming and inclusive spaces for community groups/organizations.	Work closely with our community partners to promote/increase awareness of our facilities and services. Partnering with H/R and other community organizations. Increase awareness about the community service group program. *	Number of community organizations that use cultural venues annually. Members must meet qualifications defined in policy PO 02.01. *	N/A	N/A	N/A	N/A	N/A	2015
	To implement and review the Flato Markham Theatre Strategic Plan.	To expand the Discovery programs to include new youth camps in satellite venues. And to sustain growth of Every Child Every Year project.		N/A	N/A	N/A	N/A	N/A	N/A
	To implement the Varley Art Gallery Strategic Plan.	To activate the 2016-2020 strategic planning process.		N/A	N/A	N/A	N/A	N/A	N/A
				N/A	N/A	N/A	N/A	N/A	N/A
		To finalize the design plan for the Varley Courtyard and related Signage by 3 <sup>rd</sup> quarter of 2015 and to request for 2016 funding (capital and operating) to implement the design and undertake the construction.		N/A	N/A	N/A	N/A	N/A	N/A
	To develop and implement the Markham Museum Strategic Plan.	To support the alignment of the Foundation and the Varley team to achieve strategy.		N/A	N/A	N/A	N/A	N/A	N/A
		To create a strategic plan for the Markham Museum.		N/A	N/A	N/A	N/A	N/A	N/A
		To activate capital improvements to Mount Joy School Administrative Building and on going lifecycle projects.		N/A	N/A	N/A	N/A	N/A	N/A
	To implement the public art program and annual plans to bring art into places where people live, work and come together	To continue to implement and monitor the approved 3 year public art plan. Including South East Community Centre and Library and Pan Am.	Number of public art installations/year	N/A	N/A	N/A	2	2	2016
			Annual funds negotiated for Public Art through Developers Percentage of amount invested in public art vs development fees. Actual percentage of public art contribution as a percentage of construction cost. One for private and one for municipal. *	N/A	N/A	N/A	N/A	100000	2015
To engage the community leaders to foster awareness of the culture agenda (advisory/foundations boards)	Connecting the strategic plan of the venues to the boards. Encouraging the volunteer boards to be engaged within the business model and strategic plans. Connecting with the MOU's and Terms of Reference of the Boards/Foundation.	Number of hours contributed annually by board/foundation volunteers. *	169.5	186.3	547	376	400	2015	
Establish internal guidelines for cultural enhancements to civic facilities as new buildings are constructed or as renovation projects occur. (CP # 24)	Formalize an approach by working with Assets Management, Parks, Recreation and Markham Public Library.	As part of developing this approach, we will devise a measurement.	N/A	N/A	N/A	N/A	N/A	2015	
To design programs and services to align with professional/academic standards within the cultural arts that are meet the needs of the community.	Devise a methodology and approach for determining and measuring compliance to professional standards for curated programs.	Number of curated exhibits at the Gallery and Museum/programs at the Theatre in compliance with the professional standards annual. **	N/A	N/A	N/A	N/A	N/A	2015	

## CULTURE 2015 BUSINESS PLAN (Page 2 of 3)

<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results		Year			
				2010	2011		2012	2013	Target
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	To act as a role model to fulfill the City's environmental and sustainability plan through partnerships and education (Museum).	Review and develop programs and partnerships (internal/external) that are aligned to the Greenprint plan.	As part of developing this approach, we will devise a measurement.	N/A	N/A	N/A	N/A	N/A	2016
	To ensure continuity of operations in times of crisis affecting business units.	Adopt risk management program.	Corporate business continuity plan.	N/A	N/A	N/A	N/A	N/A	2015
		Complete Business Continuity Plan.		N/A	N/A	N/A	N/A	N/A	TBD
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.									
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	To maintain fiscal responsibility while providing engaging and enriching cultural opportunities.	Realign the budget by function and use consistent language across the department	Net cost per household.	22	24	24	24	24	2015
	To ensure adequate resources to deliver on departmental capital/lifecycle plan in an efficient and effective manner.	Align roles with Asset Management and Culture related to lifecycle and facility management.	Completion rate of capital projects.	N/A	N/A	N/A	N/A	80	2015
To continue to seek opportunities for grants, donations and sponsorships.	To increase fundraising activities through the hiring of a Development Officer.	Hire a Culture Department Development Officer.	Annual revenue generated through grants, donations and sponsorships as a percentage of total operating revenues.	13	5	12	13	15	2015



## CULTURE 2015 BUSINESS PLAN (Page 2 of 3)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$264,123	\$281,066	\$227,300	\$195,285	(\$32,015)	-14.1%	(\$85,781)	-30.5%
USER FEES & SERVICE CHARGES	2,418,186	2,448,520	1,979,572	2,417,414	437,842	22.1%	(31,106)	-1.3%
RENTALS	343,844	400,022	357,073	453,561	96,488	27.0%	53,539	13.4%
SALES	112,507	84,105	110,829	50,850	-59,979	-54.1%	(33,255)	-39.5%
RECOVERIES & CONTRIBUTIONS	58,969	59,667	45,000	57,000	12,000	26.7%	(2,667)	-4.5%
OTHER INCOME	75,300	91,945	77,000	77,000	0	0.0%	(14,945)	-16.3%
<b>Total Revenues</b>	<b>\$3,272,929</b>	<b>\$3,365,325</b>	<b>\$2,796,774</b>	<b>\$3,251,110</b>	<b>\$454,336</b>	<b>16.2%</b>	<b>(\$114,215)</b>	<b>-3.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$3,398,464	\$3,497,359	\$3,242,794	\$3,496,088	\$253,294	7.8%	(\$1,271)	0.0%
PRINTING & OFFICE SUPPLIES	55,487	74,131	78,390	68,549	(9,841)	-12.6%	(5,582)	-7.5%
PURCHASES FOR RESALE	53,112	28,920	45,000	9,000	(36,000)	-80.0%	(19,920)	-68.9%
OPERATING MATERIALS & SUPPLIES	226,892	161,791	232,596	199,196	(33,400)	-14.4%	37,405	23.1%
VEHICLE SUPPLIES	0	0	500	500	0	0.0%	500	0.0%
SMALL EQUIPMENT SUPPLIES	3,623	2,170	1,500	1,500	0	0.0%	(670)	-30.9%
UTILITIES	210,144	245,883	234,829	235,254	425	0.2%	(10,629)	-4.3%
COMMUNICATIONS	31,852	37,017	50,335	44,335	(6,000)	-11.9%	7,318	19.8%
TRAVEL EXPENSES	13,163	18,076	23,721	22,721	(1,000)	-4.2%	4,645	25.7%
TRAINING	10,728	3,728	12,083	12,083	0	0.0%	8,355	224.1%
CONTRACTS & SERVICE AGREEMENTS	97,206	102,042	107,296	107,131	(165)	-0.2%	5,089	5.0%
MAINT. & REPAIR-TIME/MATERIAL	150,118	117,742	111,438	107,438	(4,000)	-3.6%	(10,304)	-8.8%
RENTAL/LEASE	11,759	16,024	22,424	13,424	(9,000)	-40.1%	(2,600)	-16.2%
PROFESSIONAL SERVICES	786,335	877,042	567,598	813,987	246,389	43.4%	(63,055)	-7.2%
LICENCES, PERMITS, FEES	78,452	61,180	58,660	65,460	6,800	11.6%	4,280	7.0%
CREDIT CARD SERVICE CHARGES	10,188	8,021	(10,941)	(10,941)	0	0.0%	(18,962)	-236.4%
PROMOTION & ADVERTISING	384,605	373,008	278,291	313,891	35,600	12.8%	(59,117)	-15.8%
OTHER PURCHASED SERVICES	10,785	13,359	17,372	17,372	0	0.0%	4,013	30.0%
OTHER EXPENDITURES	1,243	10,394	3,000	3,000	0	0.0%	(7,394)	-71.1%
TRANSFERS TO RESERVES	23,300	22,945	35,000	10,000	(25,000)	-71.4%	(12,945)	-56.4%
<b>Total Expenses</b>	<b>\$5,557,456</b>	<b>\$5,670,832</b>	<b>\$5,111,886</b>	<b>\$5,529,988</b>	<b>\$418,102</b>	<b>8.2%</b>	<b>(\$140,844)</b>	<b>-2.5%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$2,284,527</b>	<b>\$2,305,507</b>	<b>\$2,315,112</b>	<b>\$2,278,878</b>	<b>(\$36,234)</b>	<b>-1.6%</b>	<b>(\$26,629)</b>	<b>-1.2%</b>
Full Time Compliment	23	23	23	24				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Service Charges – Increase in ticket sales, camps, and programming revenues

Rentals – Increase due to reallocation from Bar Sales to Rentals at Markham Theatre

Sales – Decrease due to reallocation of Bar Sales to Rentals at Markham Theatre

Salaries and Benefits – Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Professional Services – Based on 3-year historical trending of expenses

# FIRE AND EMERGENCY SERVICES 2015 BUSINESS PLAN

## (Page 1 of 3)

### Corporate Goal and Statement

Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.

Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	To provide satisfied customer service for internal and external clients and align with City customer service experience strategy.	Continue to conduct customer satisfaction surveys.	Continue to maintain 80% or higher performance rating.	TBC	TBC	TBC	TBC	>80%	2015
		Enroll staff in mandatory Corporate customer service training.	100% staff completion rate.	N/A	N/A	N/A	N/A	100%	2015
		Monitor dispatch time, turnout time, travel time to ensure specific areas of the standard are being met. Improve and implement technology to accurately measure response time.	In accordance with National Fire Protection Association (NFPA) 1710 Standards.	N/A	N/A	N/A	N/A	NFPA 1710	TBD
		Appropriate Response to Customer Care requests.	Adhere to established timelines for CARE requests.	N/A	N/A	N/A	57 percentile	75 percentile	2015
		Maintain and improve customer service levels		N/A	N/A	N/A	N/A	N/A	N/A
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Increase staff satisfaction and engagement within the Department	Address issues identified in the staff satisfaction survey.	Improve ratings on next staff satisfaction survey. Increase ratings by 10%.	N/A	N/A	N/A	N/A	>50%	2015
		Move towards NFPA standards completion of QFM certification for all staff position .	50% of staff to be certified by 2015.	N/A	N/A	N/A	N/A	50%	2015
		Update job descriptions of mission critical positions and senior managers (HR request)		N/A	N/A	N/A	N/A	N/A	2015
	Maintain healthy and safe workplace.	On-going health and safety training programs and quarterly Health and Safety Meetings.	100% compliance with the Act.	N/A	N/A	N/A	N/A	100%	2015
		Implement recommendations from Fitness Committee. Purchase of new fitness equipment.	Provide spin bikes to all Fire Stations.	N/A	N/A	N/A	N/A	100%	2015
	Comply with legislative requirements including the Health and Safety Act.	Comply with legislative requirements including the Health and Safety Act.		N/A	N/A	N/A	N/A	N/A	N/A
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Expansion of AVL/GPS.	Work with IT and Operations on implementation.	Improved deployment of resources.	N/A	N/A	N/A	N/A	N/A	2015
	To Provide a system to accurately track training records and training delivery as well as administration.	Utilize Global Innovations training software to improve documentation and compliance management.	Implementation of Global Innovations system to all staff.	N/A	N/A	N/A	N/A	100%	2015
	Link Fire Prevention records to AMANDA	Implement pre-planned program	Complete vulnerable occupancies and targeted addresses.	N/A	N/A	N/A	N/A	200	2015
	Update portal content as per Portal Steering Committee recommendations.	Continuously review portal content for Fire Department.		N/A	N/A	N/A	N/A	N/A	2015

### Corporate Goal and Statement

Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	To deliver public education and prevention programs that are inclusive, accessible and provide enjoyable learning	Contribute to PanAm working groups (Fire Prevention, CBRNE, Communication plan, Emergency planning, Transportation)		N/A	N/A	N/A	N/A	N/A	N/A
	To deliver programs that promote fire safety and healthy living to Markham residents.	Ongoing assessment to ensure the programs are meeting the needs of the community for the provision of fire safety education and healthy living		N/A	N/A	N/A	N/A	>2013	2015
	Deliver programs that meet the needs of targeted groups to ensure their fire needs are met	Maintain and update planning documents as requested by City, Province, Toronto 2015, Region.	Successful completion of plans.	N/A	N/A	N/A	N/A	N/A	2015
	Monitor and evaluate recommendations from the Master Fire Plan, assess items in life cycle based on annual condition assessment, adjust life cycle as necessary.	Fire to implement the recommendations of the Master Fire Plan based on the annual evaluations. Complete review of the life cycle items, adjust and purchase as necessary	Keeping pace with recommendations of the Master Fire Plan in accordance with annual budgets.	N/A	N/A	N/A	N/A	100%	2015



## FIRE AND EMERGENCY SERVICES 2015 BUSINESS PLAN (Page 2 of 3)

<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					
				2010	2011	2012	2013	Target	Year
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	To ensure continuity of operations while following green print recommendations for fire stations, apparatus and equipment	Implement green print recommendations and initiatives	Reduction in paper, fuel and utility costs.	N/A	N/A	N/A	N/A	>2013	2015
	Station Upgrades. a) Kitchen at Cornell for 2nd crew b) Read-a-graph signs, 2 of 8 stations c) Station 95 East Apparatus Apron	a) Provide adequate resources to accommodate second crew b) Update to digital signs two stations per year as per recommendation from Ice Storm c) Replace with concrete to reduce wear on apparatus tires (all subject to funding approval)	Completion of projects on time and on budget.	N/A	N/A	N/A	N/A	100%	2015
	Training a) Live Fire Training b) Special Rope Rescue Training	a) Attend Richmond Hill training tower for additional 10 days b) At present MFES is not trained or equipped to conduct these technical specialties rope rescue and requires outside fire services to respond into Markham to conduct rescue (all subject to funding approval)	a) All recruits trained in Life Fire at Richmond Hill Training Centre. b) Respond to Rope Rescue by 2015.	N/A	N/A	N/A	N/A	100%	2015
	Replacement of Equipment due to Staff retirements	Firefighters trained to replace suppression vacancies and retirements; Fire Prevention Officer trained (subject to funding approval)	Completion of procurement for new staff.	N/A	N/A	N/A	N/A	100%	2015
	Regional Emergency radio operating fees	Maintain Fire Department Share of Emergency Radio System (subject to funding approval)	Maintain Fire Department Share of Emergency Radio System.	N/A	N/A	N/A	N/A	100%	2015
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Complete Business Continuity work	• Completion of Business Continuity Plan by 2015. • Continuous review of Standard Operating Procedures	Policies review cycle of max 4 years.	N/A	N/A	N/A	N/A	100%	2019
	Adopt a risk management principals	Implement recommendations from Fire Master Plan & Fire Underwriters Survey.	Completion of measures in accordance with implementation schedule and budget approval.	N/A	N/A	N/A	N/A	N/A	2015
	Fire Department lead in Emergency Management Exercises and Training	Engage additional senior staff in roles & responsibilities of EOC and IMS Principals.	Additional redundancies for EOC positions.	N/A	N/A	N/A	N/A	N/A	2015
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	To maintain or reduce the cost per capita of the Fire Service while maintaining the service levels.	To monitor and analyze data to ensure efficiencies for the services and programs delivered	In accordance with MPMP.	N/A	N/A	N/A	N/A	*=2014	2015
	Monitor and evaluate recommendations from the Master Fire Plan, assess items in life cycle based on annual condition assessment, adjust life cycle as necessary.	To implement the recommendations of the Master Fire Plan based on the annual evaluations. Complete review of the life cycle items, adjust and purchase as necessary. Land for training facility and Fire Station in Markham Centre.	Keeping pace with recommendations of the Master Fire Plan in accordance with annual budgets.	N/A	N/A	N/A	N/A	100%	2015
	Fire Alarm installation for Fire Station	Installation of automatic fire detection at all Fire Stations. Reduce risk of undetected fire incidents (subject to funding approval)	Installation of automatic fire detection at all Fire Stations will be completed by the end of 2015.	N/A	N/A	N/A	N/A	100%	2015





## FIRE AND EMERGENCY SERVICES BUSINESS PLAN (Page 3 of 3)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
FINES	\$0	\$18,000	\$3,000	\$3,000	0	0.0%	(15,000)	-83.3%	
USER FEES & SERVICE CHARGES	14,951	16,471	31,500	32,351	851	2.7%	15,880	96.4%	
SALES	912	0	2,000	2,000	0	0.0%	2,000	0.0%	
RECOVERIES & CONTRIBUTIONS	262,166	241,207	280,961	280,961	0	0.0%	39,754	16.5%	
OTHER INCOME	23,080	23,481	25,000	28,000	3,000	12.0%	4,519	19.2%	
<b>Total Revenues</b>	<b>301,109</b>	<b>299,159</b>	<b>342,461</b>	<b>\$346,312</b>	<b>\$3,851</b>	<b>1.1%</b>	<b>\$47,153</b>	<b>15.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$33,156,236	\$33,145,181	\$32,611,600	\$32,884,989	\$273,389	0.8%	(\$260,192)	-0.8%	
PRINTING & OFFICE SUPPLIES	16,849	18,757	29,981	29,981	0	0.0%	11,224	59.8%	
PURCHASES FOR RESALE	3,466	402	3,883	3,883	0	0.0%	3,481	865.9%	
OPERATING MATERIALS & SUPPLIES	296,014	319,102	400,989	375,989	(25,000)	-6.2%	56,887	17.8%	
VEHICLE SUPPLIES	1,696	1,024	2,913	2,913	0	0.0%	1,889	184.5%	
UTILITIES	233,692	268,592	254,655	252,150	(2,505)	-1.0%	(16,442)	-6.1%	
COMMUNICATIONS	14,714	16,436	27,365	27,365	0	0.0%	10,929	66.5%	
TRAVEL EXPENSES	22,108	16,925	26,908	26,908	0	0.0%	9,983	59.0%	
TRAINING	19,255	13,072	32,545	29,045	(3,500)	-10.8%	15,973	122.2%	
CONTRACTS & SERVICE AGREEMENTS	30,169	46,345	32,090	77,090	45,000	140.2%	30,745	66.3%	
MAINT. & REPAIR-TIME/MATERIAL	87,482	66,968	117,000	103,690	(13,310)	-11.4%	36,722	54.8%	
RENTAL/LEASE	1,471	3,682	3,297	3,297	0	0.0%	(385)	-10.5%	
PROFESSIONAL SERVICES	13,026	17,929	10,434	10,434	0	0.0%	(7,495)	-41.8%	
LICENCES, PERMITS, FEES	5,699	4,824	5,000	5,000	0	0.0%	176	3.6%	
OFFICE FURNISHINGS & EQUIPMENT	0	0	1	0	(1)	-100.0%	0	0.0%	
TRANSFERS TO RESERVES	41,000	41,000	41,000	41,000	0	0.0%	0	0.0%	
OTHER EXPENSES	28,800	10,422	0	0	0	0.0%	(10,422)		
<b>Total Expenses</b>	<b>\$33,971,677</b>	<b>\$33,990,661</b>	<b>\$33,599,661</b>	<b>\$33,873,734</b>	<b>\$274,073</b>	<b>0.8%</b>	<b>(\$116,927)</b>	<b>-0.3%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$33,670,568</b>	<b>\$33,691,502</b>	<b>\$33,257,200</b>	<b>\$33,527,422</b>	<b>\$270,222</b>	<b>0.8%</b>	<b>(\$164,080)</b>	<b>-0.5%</b>	
<b>Full Time Compliment</b>	<b>278</b>	<b>278</b>	<b>278</b>	<b>278</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.



# MARKHAM PUBLIC LIBRARY 2015 BUSINESS PLAN

## (Page 1 of 3)

**Corporate Goal and Statement**

Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.

Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					
				2010	2011	2012	2013	Target	Year
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Excellence in customer experience advanced through annual cycle of resident focus groups and surveys, providing data for service improvement	<ul style="list-style-type: none"> <li>Implement resident focus group and survey in high priority service improvement area (TBD) to identify customer priorities &amp; expectations</li> <li>Develop &amp; implement evidence-based improvement plan for the selected service area</li> </ul>	Overall Customer Satisfaction	8.0	7.8	7.5	8.1	TBD	TBD
	Participate in the creation of the City-wide Customer Experience Strategy through coaching and leadership and provide customer-centric focus on service delivery at all branch locations	<ul style="list-style-type: none"> <li>Improve customer service through Call Centre Software Licenses, Telecirc Replacement, Social Library (Sirsi), Texting Message (Sirsi) &amp; 2nd Gen Barcode Readers</li> </ul>	Improved Customer Satisfaction with C	N/A	N/A	N/A	N/A	TBD	TBD
		<ul style="list-style-type: none"> <li>Implement a customer-mapping project to identify in-branch use patterns, and develop KPIs that accurately measure usage trends</li> </ul>	Customer-mapping project meeting targeted time frame and service outcome	N/A	N/A	N/A	N/A	N/A	TBD
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Corporate People Plan advanced through MPL learning & growth strategy	<ul style="list-style-type: none"> <li>Implement an MPL recognition policy, with a training program for managers &amp; supervisors</li> </ul>	Healthy Work Environment Index from Staff Satisfaction Survey	63%	N/A	66%	N/A	70%	2018
			Staff absenteeism (average # of days per FTE)	8.2	6.7	7.1	N/A	N/A	TBD
	Employee engagement & organizational commitment strengthened	<ul style="list-style-type: none"> <li>Undertake improvement project (as identified through the 2014 Staff Satisfaction Survey) to improve Organizational Engagement</li> <li>Continue ongoing intensive training cycle, particularly for customer service, e-services, &amp; emerging customer priority needs</li> </ul>	Organizational Engagement Index from Staff Satisfaction Survey	N/A	N/A	75%	N/A	77%	2018
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Efficiency and improved customer service through investment in improved customer self-service options	<ul style="list-style-type: none"> <li>Implement expanded &amp; more efficient self-service options, including Self Check Payments &amp; User Database Cleanup</li> </ul>	% of payments made online	N/A	N/A	N/A	N/A	N/A	TBD
			% increase in self-service transactions	N/A	N/A	N/A	N/A	N/A	TBD
	Public-facing IT service that supports a thriving economy & ensures community members can be successful in an increasingly digital world	<ul style="list-style-type: none"> <li>Improve Public Wireless Access &amp; Bandwidth Management in response to customer feedback &amp; based on evidence of data communication issues</li> </ul>	% increase in network speeds for downloads / streaming services	N/A	N/A	N/A	N/A	TBD	2015
	Efficiency of service delivery and branch operations supported by relevant IT solutions	<ul style="list-style-type: none"> <li>Implement efficiency-driving IT tools including improved Door Counters, Tablets, &amp; Staff Scheduling Software to more effectively manage resource allocation</li> </ul>	Total library uses (MPMP) per FTE	92,028	103,973	105,055	93,694	100,000	2018

**Corporate Goal and Statement**

Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	"Corporate Community Engagement Plan"/Activation Strategy strengthened through Library role in key corporate initiatives, including: <ul style="list-style-type: none"> <li>Pan Am / Parapan Am Games</li> <li>Older Adult Plan: Program and Services Inventory</li> <li>Public Realm Strategy: Framework and Implementation, Phase 1</li> </ul>	<ul style="list-style-type: none"> <li>Implement Library Pan Am / Parapan Games initiatives, with focus on community development, youth-capacity-building, and encouragement of literacy and creative expression</li> <li>Support Older Adult Plan: Program and Services Inventory</li> <li>Support Public Realm Strategy: Framework and Implementation, Phase 1</li> </ul>	Number of Volunteers involved in Library activities as a % of the population	0.08	0.11	0.13	0.12	0.15	2018
			Average hours per volunteer in Library activities	41.9	28.5	28.5	30.7	40	2018
			# content created / shared	N/A	N/A	N/A	N/A	TBD	TBD
			# Kurzweil service transactions	N/A	N/A	N/A	N/A	TBD	TBD
			% increase in citizen participation in community-engagement programs & events	N/A	N/A	N/A	N/A	TBD	TBD
Local economy strengthened through library role in advancing literacies, success in formal education, self-directed learning, lifelong skill development, sharing of ideas, creative expressions & interactions across communities		<ul style="list-style-type: none"> <li>Improve the mix and currency of digital and physical content to meet the evolving learning needs of Markham's diverse citizens through Improved Modules &amp; Subscriptions</li> <li>Improve learning &amp; skill development opportunities through collaboration with community partners</li> </ul>	% increase in use of content	N/A	N/A	N/A	N/A	TBD	TBD
			% increase in participation in co-partnered programs	N/A	N/A	N/A	N/A	N/A	TBD

## MARKHAM PUBLIC LIBRARY 2015 BUSINESS PLAN (Page 2 of 3)

<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results			Target	Year	
				2010	2011	2012			2013
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Library facilities operated using sustainable practices	• Align library operations with City targets for kilowatt hours, paper usage, etc.	• Paper reduction targets	N/A	N/A	N/A	N/A	TBD	2015
	Sustainable practices in the community advanced through library's role in education & promoting sustainable practices	Continue to implement partnered sustainability initiatives (e.g. seed library)	• % increase in participation in co-partnered sustainability initiatives	N/A	N/A	N/A	N/A	TBD	2015
	Residents' sense of community safety & quality of place improved through provision of walkable, well-designed, well-lit & well-maintained community library facilities	• Operationalize and open Southeast Library branch • Maintain branches to adequate & sustainable standard through lifecycle replacement, as well as AODA-compliant Signage (Thornhill Community branch) • Improve maintenance of library facilities through co-development of Service Level Agreements based on shared understanding of resident priorities and appropriate service level targets	• Customer satisfaction with library facilities	N/A	N/A	N/A	N/A	N/A	TBD
		• Clarify governance and roles between City and MPL		N/A	N/A	N/A	N/A	N/A	N/A
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Organizational decision-making guided by robust risk analysis process	Implement risk analysis tool for evaluation of strategic, service and policy options	Risk register scores	N/A	N/A	N/A	N/A	N/A	TBD
	MPL prepared for business continuity in event of disaster.	Complete MPL Business Continuity Plan. Participate in Emergency Management Exercise and Training.		N/A	N/A	N/A	N/A	N/A	N/A
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Sustainable allocation of resources in relation to customer service priorities	• Develop multi-year plan for continuous improvement of operational efficiency and effectiveness • Streamline acquisitions-efficiency through Vendor Integration Protocol	Net cost per capita to operate library	\$ 20.84	\$22.13	\$22.23	N/A	\$ 22.00	2017
		Identify, where practical, enhanced and/or alternative revenue opportunities that can offset the tax rate.	Operating costs for library services per use (MPMP)	\$ 0.83	\$ 0.84	\$ 0.84	N/A	\$ 0.80	TBD
	Improved relationship with City Departments	Execute Service Level Agreements with City Departments		N/A	N/A	N/A	N/A	N/A	N/A



## MARKHAM PUBLIC LIBRARY BUSINESS PLAN (Page 3 of 3)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$230,035	\$240,191	\$228,778	\$228,778	\$0	0.0%	(\$11,413)	-4.8%
USER FEES & SERVICE CHARGES	683,253	606,790	728,701	728,463	-238	0.0%	121,673	20.1%
RENTALS	46,110	50,564	47,770	49,770	2,000	4.2%	(794)	-1.6%
SALES	75,201	74,723	68,186	75,586	7,400	10.9%	863	1.2%
OTHER INCOME	75	116	0	0	0	0.0%	(116)	-100.0%
<b>Total Revenues</b>	<b>\$1,034,674</b>	<b>\$972,384</b>	<b>\$1,073,435</b>	<b>\$1,082,597</b>	<b>\$9,162</b>	<b>0.9%</b>	<b>\$110,213</b>	<b>11.3%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$9,191,151	\$9,592,891	\$9,704,153	\$10,010,625	\$306,472	3.2%	\$417,734	4.4%
PRINTING & OFFICE SUPPLIES	40,584	35,435	41,512	37,512	(4,000)	-9.6%	2,077	5.9%
OPERATING MATERIALS & SUPPLIES	565,413	559,454	579,445	579,445	0	0.0%	19,991	3.6%
UTILITIES	143,150	147,705	151,384	152,214	830	0.5%	4,509	3.1%
COMMUNICATIONS	88,391	83,251	90,380	83,380	(7,000)	-7.7%	129	0.2%
TRAVEL EXPENSES	44,475	40,506	40,720	40,720	0	0.0%	214	0.5%
TRAINING	49,763	44,174	46,017	48,017	2,000	4.3%	3,843	8.7%
CONTRACTS & SERVICE AGREEMENTS	196,612	157,999	201,612	209,612	8,000	4.0%	51,613	32.7%
MAINT. & REPAIR-TIME/MATERIAL	216,919	240,915	223,061	222,061	(1,000)	-0.4%	(18,854)	-7.8%
RENTAL/LEASE	13,204	18,232	10,308	12,308	2,000	19.4%	(5,924)	-32.5%
INSURANCE	11,963	11,963	11,963	11,963	0	0.0%	0	0.0%
PROFESSIONAL SERVICES	72,407	53,669	51,818	51,818	0	0.0%	(1,851)	-3.4%
LICENCES, PERMITS, FEES	10,328	10,073	11,020	11,020	0	0.0%	947	9.4%
CREDIT CARD SERVICE CHARGES	5,383	4,621	6,000	6,000	0	0.0%	1,379	29.8%
PROMOTION & ADVERTISING	36,753	29,610	34,254	29,454	(4,800)	-14.0%	(156)	-0.5%
OTHER PURCHASED SERVICES	714,308	714,308	714,308	714,308	0	0.0%	0	0.0%
OTHER EXPENDITURES	3,561	2,869	4,934	4,934	0	0.0%	2,065	72.0%
<b>Total Expenses</b>	<b>\$11,404,365</b>	<b>\$11,747,675</b>	<b>\$11,922,889</b>	<b>\$12,225,391</b>	<b>\$302,502</b>	<b>2.5%</b>	<b>\$477,716</b>	<b>4.1%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$10,369,691</b>	<b>\$10,775,291</b>	<b>\$10,849,454</b>	<b>\$11,142,794</b>	<b>\$293,340</b>	<b>2.7%</b>	<b>\$367,503</b>	<b>3.4%</b>
<b>Full Time Complement</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and Benefits – Increase due to annualization of cost of living adjustment and movement of staff along the City’s salary grids and increased headcount

## OPERATIONS 2015 BUSINESS PLAN (Page 1 of 3)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results					
				2010	2011	2012	2013	Target	Year
Implement "City-wide Customer Experience Strategy" to contribute towards attaining an overall Customer Satisfaction Rating of 80+% (as measured by a formal Customer Satisfaction Survey) by the end of 2018.	Align with the City's Customer Experience Strategy	Develop and complete CS Surveys through engaging internal and external customers.	# of formal customer surveys completed	3	1	1	N/A	Every 2 yrs	TBD
			% Customers indicated 'Satisfactory Level of Service' received	88%	80%	N/A	N/A	80%	TBD
			Number of ACR work orders/requests (Parks, Roads, Traffic)	13,673	12,370	13,846	20,900	N/A	TBD
		Enroll staff in mandatory customer service training	# of staff trained	N/A	N/A	N/A	N/A	N/A	TBD
		Evaluate and analyze data and identify areas for improvements to provide sufficient resources / systems to meet service level, customer expectation, legislative		N/A	N/A	N/A	N/A	N/A	N/A
		Review winter maintenance service levels (roads, sidewalks, parking lots) to identify service delivery improvements.	Reduced deployment time, route optimization and improved contract management.	N/A	N/A	N/A	N/A	N/A	TBD
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	Increase staff satisfaction and engagement within the department using the 2014 staff satisfaction survey as a guiding document.	Ensure mandatory Health & Safety Compliance Committee requirements are met; enroll staff in customer service training and implement Employee Training Database prior to year end.	Average Corporate learning hours per full-time employee	15	3.3	3.3	TBD	20 hrs	TBD
		Review, identify and implement staff satisfaction improvement project(s) that will result in improved healthy employment relationship outcomes.	Healthy workplace index (from staff sat. survey)	60%	N/A	58%	N/A	75%	TBD
			Recognition Rating (from staff survey)	50%	N/A	42%	N/A	65%	TBD
			Staff Satisfaction rating (from staff survey)	70%	N/A	65%	N/A	80%	TBD
			Excellence Markham Internal Assessment	N/A	N/A	N/A	N/A	N/A	TBD
	Identify and update job descriptions of Non-Union mission critical and Senior Managers and above positions		N/A	N/A	N/A	N/A	N/A	N/A	
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	Establish an innovative "multi-year technology roadmap"	Update to Portal web content in accordance to the framework developed by the Portal Steering Committee	Enhanced customer service delivery and compliance with AODA	N/A	N/A	N/A	N/A	N/A	TBD
		Procurement of Mobile Work Management for Supervisors & Working Supervisors and Job Costing/Work Order System to facilitate in-field reporting and reduce response times and environmental footprint	Average annual operating cost per licensed unit in Fleet under 10,000lb GVW	\$3,300	\$3,500	\$3,800	TBD	N/A	TBD
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	Adopt City-wide Volunteer Management Project to ensure service deliveries that are inclusive, accessible and engage the Markham population	Work with Corp Comm to finalize Special Event Policy	Obtain Council endorsement by Q1, 2015	N/A	N/A	N/A	N/A	N/A	TBD
		Provide sufficient resource support the execution of: Public Realm Strategic Plan, Park Renaissance Strategic Plan, Community Engagement programs, and Pan Am / Parapan Games		N/A	N/A	N/A	N/A	N/A	N/A
		Implement Public Realm Strategic Plan	Obtain Council endorsement and proceed with year one (of five) implementation plan. Complete previously approved capital projects to 80% or better prior to year end.	N/A	N/A	N/A	N/A	N/A	TBD
		Pan Am 2015 Transportation Local Area Plan. Collaborate with TO2015 to provide efficient traffic movement during the Pan Am games with minimal impact to residents and businesses.	Finalize Local Area Plan with cooperation with Region of York, MTO & TO2015. Identify staff resources for UTCC and Last Mile.	N/A	N/A	N/A	N/A	N/A	TBD
		Support Community Engagement Committee and delivery of existing Ops programs. Measure program effectiveness/benefit.	Maintain and grow (as resources permit) existing programs i.e. Trees for Tomorrow, Adopt-a-Park, Colour your Corner, Dog Off Leash, etc.	N/A	N/A	N/A	N/A	N/A	TBD
Align departmental services and resources to effectively manage growth		Managing Growth and Impact on Service Delivery through participating in the various growth management and impact on municipal services review teams.	Documented review processes for Secondary Plans, Community Design Plans and Plan of Sub Divisions and communicating final plans and reports prior to Committee approval.	N/A	N/A	N/A	N/A	N/A	TBD
		Initiate Centralized Traffic Control System feasibility study to effectively manage and coordinate traffic flow at signalized intersections.	Consultant to finalize recommendations, to be brought forward to Council in Q2 2015.	N/A	N/A	N/A	N/A	N/A	TBD



## OPERATIONS 2015 BUSINESS PLAN (Page 2 of 3)

<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Protect the public and improve infrastructure management through the development of strategic planning initiatives	Review existing departmental service deliveries model and execute draft Service Level Agreements with other Departments.	Complete 'Pipes Group' initiative (lead). Effect transfer of Storm Sewer System Management to Waterworks and Asset Management.	N/A	N/A	N/A	N/A	N/A	TBD
			Finalize draft Service Level Agreement between Engineering & Traffic Operations	N/A	N/A	N/A	N/A	N/A	TBD
			Review and determine cost effectiveness and efficiency of current service delivery model (contracted service provider vs. windrow subsidy program).	N/A	N/A	N/A	N/A	N/A	TBD
		Support Sustainable and Integrated Growth Management Projects. Maintain measurement and reporting to Municipal Performance Measures Program.	% of paved lane kms where condition is rated good or above	93%	93%	87%	TBD	85%	TBD
			% of winter responses that meet/exceed road maintenance standards	100%	100%	100%	100%	100%	TBD
			Hectares of park maintained per 1000 persons	3.6	3.5	3.6	5.6	N/A	TBD
		Manage Growth and Impact on Service Delivery - ensure sufficient Operations resources (facilities, and staff resources) are available to accommodate growth in new infrastructure (roads, parks, fleet, etc.) to ensure service levels are maintain throughout the City. Ensure ability to address issues arising from the Operations Master Plan (Draft).		N/A	N/A	N/A	N/A	N/A	N/A
			Establish a technical working group to develop a strategic Urban Forest Management Plan, in collaboration with York Region.	Finalize EAB Management plan including removal and replanting	N/A	N/A	N/A	N/A	N/A
		Park Renaissance Strategic Plan. Develop Terms of Reference, Issue RFP, and Retain Consultant.	Ice Storm Recovery Plan. Achieve removal, remediation and replanting objectives as per management plan.	N/A	N/A	N/A	N/A	N/A	TBD
			Identify City's tree canopy target and multi-year goals, based on remaining canopy following completion of EAB infestation cycle.	N/A	N/A	N/A	N/A	N/A	TBD
		Review road rehabilitation program to identify potential Green Pave strategies (i.e. recycled materials).	Receive Council endorsement for completed Parks Renaissance Plan by year end.	N/A	N/A	N/A	N/A	N/A	TBD
		Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Ensure continuity of Operations in times of crises affecting business units.	Development of a synergistic Business Continuity and Emergency Management Plan to ensure Operations continue during a disruption or adverse events.  Participate in Emergency Management exercises and training	Enhanced ability to provide reliable and sustainable services.	N/A	N/A	N/A	N/A
	N/A				N/A	N/A	N/A	N/A	N/A
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	Maintain the cost of Operations services without reducing service levels.	Seek ELT and Council approval of Public Works Facility Master Plan.	Preliminary Site Plan and Building Concept completed prior to year end.	N/A	N/A	N/A	N/A	N/A	TBD
		Acquire and implement Enterprise Asset Management solution with corporate applicability/benefits.	Proceed with phase one implementation Q1. Complete installation by Q2 including job costing system to measure KPIs related to Roads, Parks and Fleet Operations.	N/A	N/A	N/A	N/A	N/A	TBD
	Growth Management and Impact on Municipal Services.	Initiate AVL hardware installations, supervisory and operator training.	Monitor, evaluate and report out operating efficiencies prior to year end (route optimization, anti-idling program, risk management benefits).	N/A	N/A	N/A	N/A	N/A	TBD
		Pre-plan and execute Capital Program delivery Q1. Optimize purchasing power.	Exceed corporate standard for planned budget spent (80%).	72%	74%	65%	TBD	80%	TBD

## OPERATIONS BUSINESS PLAN (Page 3 of 3)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$82,669	\$89,488	\$100,000	\$100,000	\$0	0.0%	\$10,512	11.7%
RENTALS	246,790	331,424	352,493	352,493	0	0.0%	21,069	6.4%
SALES	87,693	99,409	150,000	150,000	0	0.0%	50,591	50.9%
RECOVERIES & CONTRIBUTIONS	870,329	765,306	680,385	688,385	8,000	1.2%	(76,921)	-10.1%
OTHER INCOME	2,803	3,159	1,000	1,000	0	0.0%	(2,159)	-68.3%
<b>Total Revenues</b>	<b>\$1,290,284</b>	<b>\$1,288,786</b>	<b>\$1,283,878</b>	<b>\$1,291,878</b>	<b>\$8,000</b>	<b>0.6%</b>	<b>\$3,092</b>	<b>0.2%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$12,699,810	\$13,187,429	\$13,148,861	\$13,661,285	\$512,424	3.9%	\$473,856	3.6%
PRINTING & OFFICE SUPPLIES	18,187	21,492	21,779	21,779	-	0.0%	287	1.3%
OPERATING MATERIALS & SUPPLIES	169,672	172,922	176,821	183,123	6,302	3.6%	10,201	5.9%
VEHICLE SUPPLIES	1,640,101	1,801,696	1,684,387	1,735,087	50,700	3.0%	(66,609)	-3.7%
SMALL EQUIPMENT SUPPLIES	4,126	5,258	13,688	4,068	(9,620)	-70.3%	(1,190)	-22.6%
BOTANICAL SUPPLIES	285,957	222,222	267,197	253,079	(14,118)	-5.3%	30,857	13.9%
CONSTRUCTION MATERIALS	2,624,815	1,889,722	1,470,609	1,712,400	241,791	16.4%	(177,322)	-9.4%
UTILITIES	329,101	353,320	336,001	219,888	(116,113)	-34.6%	(133,432)	-37.8%
COMMUNICATIONS	111,535	101,389	80,700	80,700	-	0.0%	(20,689)	-20.4%
TRAVEL EXPENSES	10,164	13,588	18,292	18,292	-	0.0%	4,704	34.6%
TRAINING	47,445	37,899	49,879	49,879	-	0.0%	11,980	31.6%
CONTRACTS & SERVICE AGREEMENTS	7,564,963	8,800,598	7,851,938	8,560,387	708,449	9.0%	(240,211)	-2.7%
MAINT. & REPAIR-TIME/MATERIAL	1,693,973	2,215,344	1,604,273	1,795,732	191,459	11.9%	(419,612)	-18.9%
RENTAL/LEASE	368,306	399,940	359,403	308,113	(51,290)	-14.3%	(91,827)	-23.0%
PROFESSIONAL SERVICES	625,724	595,223	613,088	620,323	7,235	1.2%	25,100	4.2%
LICENCES, PERMITS, FEES	270,782	396,982	315,601	414,101	98,500	31.2%	17,119	4.3%
PROMOTION & ADVERTISING	-	4,000	5,688	5,688	-	0.0%	1,688	42.2%
TRANSFERS TO OWN FUNDS	-	27,098	(\$186,902)	312,098	499,000	-267.0%	285,000	1051.7%
TRANSFERS FROM OWN FUNDS	-	-	214,000	(\$285,000)	(499,000)	-233.2%	(285,000)	0.0%
OTHER EXPENSES	388	429	-	39,404	39,404	0.0%	38,975	9085.1%
<b>Total Expenses</b>	<b>\$28,465,049</b>	<b>\$30,246,551</b>	<b>\$28,045,303</b>	<b>\$29,710,426</b>	<b>\$1,665,123</b>	<b>5.9%</b>	<b>(\$536,125)</b>	<b>-1.8%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$27,174,765</b>	<b>\$28,957,765</b>	<b>\$26,761,425</b>	<b>\$28,418,548</b>	<b>\$1,657,123</b>	<b>6.2%</b>	<b>(\$539,217)</b>	<b>-1.9%</b>
<b>Full Time Compliment</b>	<b>110</b>	<b>110</b>	<b>110</b>	<b>111</b>				

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Salaries and Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Vehicle Supplies – Increase is due to increase in fuel costs based on projected price escalations and volume increases

Construction Materials – increase is due to escalation

Utilities – decrease is due to volume adjustment

Contracts & Service Agreements – Increase due to growth and prices in Roads for winter maintenance

Maintenance & Repair – Time Material – Increase due to growth and prices in Roads for winter maintenance

Rental/Lease – decrease is due to budget reallocation based on actual results

Licenses, Permits, Fees – Increase in tipping fees due to increased costs to dump street sweeping materials



## ENVIRONMENTAL SERVICES (Page 1 of 3)

<b>Corporate Goal and Statement</b>									
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Complete Corporate Customer Service Plans in 2015 and apply across the organization and attain corporate overall satisfaction rate of 80+% by the end of 2018.	To provide prompt and effective customer service. To be on-time for scheduled appointments and to deal with customer concerns in an effective and compassionate manner.	Continue with phase 4 of Service Planning, Review 2014 Staff Satisfaction Survey and Customer feedback for topics	# of Formal Customer Satisfaction Surveys Completed	2	2	2	2	2 every 2 years	2016
		Develop and conduct a formal customer satisfaction survey to inform on the effectiveness of our service	Overall rating on specific services surveys (informal door hangers, phone call follow-ups)	85%	84%	84%	81%	80%	On-going
Finalize the People Plan in 2015 and implement across the organization contributing to a Corporate Organizational Engagement Index of 83.3% or higher and being the best place to work by end of 2018.	Develop a supportive work environment that provides opportunities for employees to grow and contribute to the overall direction and directives of the Department	Included in all project charters will be commentary on secondment opportunities	Healthy Work Environment Index from Staff Sat Survey	TBC	N/A	69.8%	N/A	70%	On-going
		Review opportunities to realign services within the department for more effective delivery	Organizational Engagement Index from Staff Sat Survey	TBC	N/A	70.7%	N/A	70%	On-going
Ensure that all staff are adequately trained and educated on the technical and safety aspects of their work	Leverage technology where necessary and feasible, to improve work flow and data capture	Developing a database of H&S training for W&EM staff as well as retraining reminders Co-ordinating, along with HR, a H&S Audit team for the Commission to ensure due diligence review	Number of Hour of Training per employee (W&EM)	N/A	N/A	N/A	N/A	20	On-going
			Number of Hour of Training per employee (Waterworks)	71	75	82	71	75	On-going
Develop in 2015 an innovative multi-year technology roadmap and implement to provide reliable access to real-time business information to improve efficiency and customer service by 2018.	Leverage technology where necessary and feasible, to improve work flow and data capture	Integrating new AVL technology into work orders for: a) ease of operators to access information, and, b) provide better detail on productivity	% of Preventative Service Levels achieved	83%	91%	92%	95%	>95%	TBD
		Improved Data Management - Implement and support new filing structure to standardize data capture which will free-up dependency on enterprise software data structures.							
		Develop a database and workflow to enable W&EM to better track development approvals, bin deployment, and service records for multi-res developments	Number of Multi-res buildings collected from	N/A	N/A	N/A	94	N/A	TBD
		Complete Review and report to Council on outcomes of AVAC feasibility studies		N/A	N/A	N/A	N/A	N/A	N/A
Update to the Department Website and develop SOPs for content management		N/A	N/A	N/A	N/A	N/A	N/A		
<b>Corporate Goal and Statement</b>									
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.									
Complete the Corporate Community Engagement Plan in 2015 and implement to optimize and integrate citizen engagement through meaningful participation by residents, businesses and organizations that results in improved citizen involvement by 2018.	To provide our services to the community, respecting the many cultures and demographic differences.	Attend and promote our services at several community events. Through the WOW Trailer and Waste Management booth	Number of Community events attended	n/a	20	28	31	N/A	TBD
		Working with the schools to educate the children and ESL adult students on the services we provide and their ability to access them	Number of presentations conducted	10	12	20	15	N/A	TBD
		Provide recycling service to the new super mailboxes to be installed in Unionville and Thornhill (\$25,000 required)		N/A	N/A	N/A	N/A	N/A	N/A
		Provide special services for residents to ensure that they stay engaged in our community	Number of Residents enrolled in 'Side Door' Service	0	2	13	25	N/A	TBD
We ensure that the service we provide to residents at home are available in public spaces	Developing a strategy to provide residents opportunities to Markham water on the go.	No of Public Water refill stations available	N/A	N/A	N/A	N/A	N/A	TBD	
<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	Communicate and document accountabilities. Using the RASCI Matrix to ensure staff understand their roles and responsibilities for tasks.	Working with Operations and Asset Management to develop an effective process to deal with Storm Sewer maintenance - Requires the addition of 2 new labourers		N/A	N/A	N/A	N/A	N/A	N/A
		Business continuity - Working with the Emergency Management Co-ordinator to develop and document the Departments Business Continuity Plans.		N/A	N/A	N/A	N/A	N/A	N/A
		Update job description for all staff and develop a SOP for updating and reviewing them.		N/A	N/A	N/A	N/A	N/A	N/A
		Provide opportunities for our residents to divert as much waste resources from landfill as possible	Implementing a textile collection strategy	Diversion Rate	72%	72%	71%	80%	80%
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018.	Provide quality drinking water to the residents and businesses in Markham	Leading by example - converting existing City Facilities to Zero Waste	% of City Facilities on Zero Waste Program	N/A	N/A	N/A	41	100	2020
		Reviewing opportunities to change the management model for the 4 City Depots	Depot Visits	N/A	N/A	116,037	135,724	N/A	TBD
		Implement Phase 3 of the Backflow Prevention strategy	Number of days Markham was under a partial/full Boil Water Advisory	0	0	0	0	0	On-going
	Back-flow Prevention By-law Enforcement - One Contracted Staff required								
	Implementation of ISO 14001 and HACCP designations for water and wastewater services	MOE Inspection Rating on our DWQMS	100%	100%	98.6%	100%	100%	On-going	
	Developing a management accountability protocol to ensure that DWQMS is reviewed and updated on a frequent basis								
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future	Ensure the long term funding for the system repairs and replacements through use of Reserve Study	Updating reserve study to reflect the decline in water consumption	Residential Water Consumption (litres/c)	206	201	202	184	150	2040
		Implement the results of the Water Audit Study to control/reduce Non-Revenue Water	Gross Non-Revenue Water	15.9%	16.3%	14.8%	12.3%	<11%	On-going





## ENVIRONMENTAL SERVICES (Page 2 of 3) 2015 OPERATING PLAN – WASTE MANAGEMENT

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. vs. 2014 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$1,003,878	\$971,504	\$977,416	\$973,416	(\$4,000)	-0.4%	\$1,912	0.2%
USER FEES & SERVICE CHARGES	10,020	9,817	17,484	17,484	-	0.0%	7,667	78.1%
SALES	134,091	123,835	153,706	140,668	-13,038	-8.5%	16,833	13.6%
OTHER INCOME	57,013	153,910	142,248	176,536	34,288	24.1%	22,626	14.7%
<b>Total Revenues</b>	<b>\$1,205,002</b>	<b>\$1,259,066</b>	<b>\$1,290,854</b>	<b>\$1,308,104</b>	<b>\$17,250</b>	<b>1.3%</b>	<b>\$49,038</b>	<b>3.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$815,071	\$651,124	\$797,794	\$795,213	(\$2,581)	-0.3%	\$144,089	22.1%
PRINTING & OFFICE SUPPLIES	12,604	8,774	18,930	18,930	0	0.0%	10,156	115.8%
PURCHASES FOR RESALE	220,283	223,156	157,135	174,385	17,250	11.0%	(48,771)	-21.9%
OPERATING MATERIALS & SUPPLIES	60,187	47,471	62,608	62,608	0	0.0%	15,137	31.9%
UTILITIES	3,896	4,420	3,981	4,912	931	23.4%	492	11.1%
COMMUNICATIONS	8,894	5,983	11,934	11,934	0	0.0%	5,951	99.5%
TRAVEL EXPENSES	2,231	5,042	8,721	8,721	0	0.0%	3,679	73.0%
TRAINING	1,421	1,332	3,014	3,014	0	0.0%	1,682	126.3%
CONTRACTS SERVICES AGREEMENTS	15,373	19,875	27,000	27,000	0	0.0%	7,125	35.8%
MAINT. & REPAIR-TIME/MATERIAL	17,202	11,961	11,102	11,102	0	0.0%	(859)	-7.2%
RENTAL/LEASE	165	512	981	981	0	0.0%	469	91.6%
PROFESSIONAL SERVICES	19,939	21,655	11,114	11,114	0	0.0%	(10,541)	-48.7%
LICENCES, PERMITS, FEES	2,182	6,266	1,939	1,939	0	0.0%	(4,327)	-69.1%
CREDIT CARD SERVICES CHARGES	3,596	4,147	1,737	1,737	0	0.0%	(2,410)	-58.1%
PROMOTION & ADVERTISING	52,923	71,156	77,319	77,319	0	0.0%	6,163	8.7%
CONTRACTED MUNICIPAL SERVICES	7,556,926	7,800,818	8,013,282	8,230,498	217,216	2.7%	429,680	5.5%
OTHER PURCHASED SERVICES	36,191	37,692	37,694	37,694	0	0.0%	2	0.0%
<b>Total Expenses</b>	<b>\$8,829,084</b>	<b>\$8,921,384</b>	<b>\$9,246,285</b>	<b>\$9,479,101</b>	<b>\$232,816</b>	<b>2.5%</b>	<b>\$557,717</b>	<b>6.3%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$7,624,082</b>	<b>\$7,662,318</b>	<b>\$7,955,431</b>	<b>\$8,170,997</b>	<b>\$215,566</b>	<b>2.7%</b>	<b>\$508,679</b>	<b>6.6%</b>
<b>Full Time Compliment</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>				

Note: Environmental Services Business Plan includes both Waste Management and Waterworks, but due to separate funding for each area, separate P&Ls are presented.

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Contracted Municipal Services - Increase due to higher tonnage of waste collected throughout the City as a result of development growth



## ENVIRONMENTAL SERVICES (Page 3 of 3) 2015 OPERATING PLAN – WATERWORKS

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
<b>Revenues</b>									
TAXES - OTHER CHARGES	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
FINES/ BILLINGS	85,543,437	90,775,396	95,207,091	100,437,839	5,230,748	5.5%	9,662,443	10.6%	
USER FEES & SERVICE CHARGES	630,410	469,542	627,260	645,410	18,150	2.9%	175,868	37.5%	
SALES	420,499	480,986	298,830	298,830	0	0.0%	(182,156)	-37.9%	
RECOVERIES & CONTRIBUTIONS	278,885	219,992	372,500	372,500	0	0.0%	152,508	69.3%	
OTHER REVENUE	(99,959)	28,905	0	0	0	0.0%	(28,905)	-100.0%	
TRANSFERS FROM RESERVES	(696,607)	(1,515,001)	0	0	0	0.0%	1,515,001	-100.0%	
<b>Total Revenues</b>	<b>\$86,076,665</b>	<b>\$90,459,820</b>	<b>\$96,505,681</b>	<b>\$101,754,579</b>	<b>\$5,248,898</b>	<b>5.4%</b>	<b>\$11,294,759</b>	<b>12.5%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$6,488,898	\$6,775,392	\$6,973,106	\$7,222,734	\$249,628	3.6%	\$447,342	6.6%	
PRINTING & OFFICE SUPPLIES	29,307	25,979	33,292	33,292	0	0.0%	7,313	28.1%	
OPERATING MATERIALS & SUPPLIES	114,414	96,443	126,705	126,705	0	0.0%	30,262	31.4%	
CONSTRUCTION MATERIALS	556,174	549,307	667,612	630,347	(37,265)	-5.6%	81,040	14.8%	
UTILITIES	29,592	31,310	36,342	55,759	19,417	53.4%	24,449	78.1%	
COMMUNICATIONS	65,394	75,154	106,641	106,641	0	0.0%	31,487	41.9%	
TRAVEL EXPENSES	20,941	26,752	47,000	47,000	0	0.0%	20,248	75.7%	
TRAINING	45,592	51,499	56,250	56,250	0	0.0%	4,751	9.2%	
CONTRACTS & SERVICE AGREEMENTS	2,808,383	3,022,472	3,040,210	3,146,400	106,190	3.5%	123,928	4.1%	
MAINT. & REPAIR-TIME/MATERIAL	317,424	336,601	355,456	399,956	44,500	12.5%	63,355	18.8%	
RENTAL/LEASE	1,262	5,583	6,000	6,000	0	0.0%	417	7.5%	
PROFESSIONAL SERVICES	111,403	82,881	113,000	113,000	0	0.0%	30,119	36.3%	
LICENCES, PERMITS, FEES	46,317	37,795	54,800	54,800	0	0.0%	17,005	45.0%	
CREDIT CARD SERVICE CHARGES	313	483	250	250	0	0.0%	(233)	-48.2%	
PROMOTION & ADVERTISING	1,587	0	3,000	3,000	0	0.0%	3,000	0.0%	
CONTRACTED MUNICIPAL SERVICES	61,845,156	65,735,067	68,765,287	73,794,495	5,029,208	7.3%	8,059,428	12.3%	
OTHER PURCHASED SERVICES	2,019,075	2,280,623	2,280,620	2,336,094	55,474	2.4%	55,471	2.4%	
WRITE-OFFS	3,389	6,187	25,000	25,000	0	0.0%	18,813	304.1%	
TRANSFERS TO RESERVES	13,087,047	12,300,105	13,815,110	13,596,856	(218,254)	-1.6%	1,296,751	10.5%	
OTHER EXPENSES	0	(3,111,979)	0	0	0	0.0%	3,111,979	-100.0%	
<b>Total Expenses</b>	<b>\$87,591,668</b>	<b>\$88,327,654</b>	<b>\$96,505,681</b>	<b>\$101,754,579</b>	<b>\$5,248,898</b>	<b>5.4%</b>	<b>\$13,426,925</b>	<b>15.2%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$1,515,003</b>	<b>(\$2,132,166)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$2,132,166</b>	<b>-100.0%</b>	
<b>Full Time Complement</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>65</b>					

Note: Environmental Services Business Plan includes both Waste Management and Waterworks, but due to separate funding for each area, separate P&Ls are presented.

Changes in 2015 Budget from the 2014 Budget over \$50,000:

Fines/Billings – Increase in water sales due to water rate increase and volume adjustments

Salaries & Benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Contracts & Service Agreements – Increase in water meter purchases from the Region of York based on increased rates and volume adjustments

Contract Municipal Services – Increased water purchases from the Region of York based on increased rates and volume adjustments

Other Purchased Services – Increase in indirect cost chargeback to Waterworks

Transfer to Reserves – Decreased transfer to the Waterworks Reserve

## RECREATION SERVICES 2015 BUSINESS PLAN (Page 1 of 3)

<b>Corporate Goal and Statement</b>										
Exceptional Services by Exceptional People - We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.										
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results						
				2010	2011	2012	2013	Target	Year	
Implement a "Corporate People Plan" by the end of 2018, to contribute towards attaining a Corporate Organizational Engagement index of 83.3% or higher.	To align with City's corporate customer experience strategy	<ul style="list-style-type: none"> <li>Complete Customer Service Survey</li> <li>Enroll staff in Customer Service training</li> </ul>	Overall satisfaction by program, facility and sport group users	N/A	N/A	N/A	N/A	80.0%	N/A	
			# of annual visits at recreation facilities	7,305,095	7633.34	7,795.439	8,200,000	N/A	TBD	
			Annual number of direct program registrations	80,790	81,443	84,791	85321	94,000	2014	
			Annual number of drop in programs	N/A	N/A	N/A	N/A	TBD	TBD	
	To increase staff satisfaction and engagement in the department.	To implement a program to regularly improve on staff satisfaction and engagement by working on improvements identified from the last staff satisfaction survey (internal communication and strategic leadership) and other sources of inputs.	Department to complete a Staff Satisfaction improvement project- Healthy work environment from staff survey	Completion of project within established framework	N/A	N/A	N/A	N/A	N/A	2015
				Department to complete a Staff Satisfaction improvement project- Healthy work environment from staff survey	63.1%	N/A	60.8%	N/A	70%	2016
				Organizational Engagement Index for Recreation Services	66.6%	N/A	65.8%	N/A	70%	2016
Implement a "multi-year technology roadmap" to improve customer service, efficiency, and effectiveness by 2018.	To ensure continued registration process	<ul style="list-style-type: none"> <li>Department to update their portal web-content and AODA (Accessibility for Ontarians with Disability Act) compliance in accordance to the framework developed by the Portal Steering Committee</li> <li>Undertake replacement of registration/booking software (CLASS)</li> </ul>	Number of loss days due to injury	2	1	12	N/A	0	N/A	
			Number of corporate learning hours per regular full-time employees	2.5	2.1	1.9	N/A	20	N/A	
				N/A	N/A	N/A	N/A	N/A	N/A	
				N/A	N/A	N/A	N/A	N/A	N/A	
<b>Corporate Goal and Statement</b>										
Engaged, Diverse and Thriving City - We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.										
Implement the "Corporate Community Engagement Plan" through meaningful involvement and participation by residents, businesses and organizations that results in improved citizen engagement by 2018.	To deliver leisure services that are inclusive, accessible, and safe and to provide enjoyable and sustainable leisure, learning, sport and cultural opportunities essential to vibrant places.	<ul style="list-style-type: none"> <li>Implementation and monitoring of the 3 year operating and marketing plan.</li> <li>Continue to report annually on the ILMP including the 5 year status update</li> </ul>	% of annual increase in volunteers involved in Recreation Programs (2009 is base year = 576)					5%	ongoing	
				16%	-6%	4%	4.00%			
	To deliver services that will promote active living and wellness to Markham residents.	To plan and deliver aquatics, fitness, camps, and programs to meet localized needs, which are annually review and adjusted.		Total participant hours for recreation programs per capita (MPMP)	N/A	13.65	13.65	13.65%	15.00	2016
				Unique resident participation in registered programs per capital to be finalized for reporting in 2015	TBD	N/A	N/A	N/A	N/A	TBD
				Individuals receiving financial assistance as % of all registered participants	TBD	N/A	N/A	N/A	N/A	TBD
				Community economic impact from municipal sport tourism annually (Steam formula)	N/A	N/A	N/A	N/A	N/A	TBD
	To ensure fair and equitable access to facilities that continue to support the growth of sport in our community	<ul style="list-style-type: none"> <li>To implement the Fitness Centre Strategy to increase memberships.</li> <li>Adopt the City-wide Volunteer Management Project</li> <li>To create a corporate Older Adult Strategy by Q4, 2015</li> <li>Align with community activation strategy</li> </ul>	<ul style="list-style-type: none"> <li>Pan Am Centre Operational fall 2014</li> <li>To provide work with the community sport groups to review and update allocation policies and procedures to ensure they are fair and equitable and meet the annual allocation to community sport groups.</li> <li>Pan Am Centre positioned as a Sport Destination</li> </ul>	Retention rate of Fitness Centre members	59%	62%	61%	61%	65%	2015
				Full implemented by Q4 2015	N/A	N/A	N/A	N/A	N/A	TBD
				% increase of participants of seniors (2012 base =83,218)	N/A	N/A	83.218	N/A	N/A	TBD
				% increase of participants of youth (2012 base =18,007)	N/A	N/A	N/A	N/A	2% increase annually	TBD
			% of children and youth access to sport facilities vs % of adult use	N/A	N/A	N/A	N/A	N/A	TBD	
				TBA from Canadian Sport Tourism Alliance	N/A	N/A	N/A	N/A	TBD	
				84.5%	84.5%	85.70%	N/A	90%	2018	
			# of annual provincial level and above events hosted	N/A	12	13	N/A	20	2016	
			Equivalent kilowatt hours per sq.ft. in recreation facilities							



## RECREATION SERVICES 2015 BUSINESS PLAN (Page 2 of 3)

<b>Corporate Goal and Statement</b>									
Safe and Sustainable Community - We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.									
Corporate Objectives	Department Objectives	Department Actions	Department Performance Measures	Results				Target	Year
				2010	2011	2012	2013		
Align organizational processes and accountability among City Departments through consultation and an integrated approach to growth management, development approvals and capital projects, having regard for operational and life cycle requirements, accessibility, sustainability and a high quality and relevant public realm.	To ensure that facilities operate using sustainable practices.	Implement the Energy On Demand program in a number of our major facilities.		N/A	N/A	N/A	N/A	N/A	N/A
		Department to support the Sustainable and Integrated Growth Management Project as required		N/A	N/A	N/A	N/A	N/A	N/A
Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018	Adopt risk management program	Department to complete their Business Continuity plan	completed by Q3 2015	N/A	N/A	N/A	N/A	N/A	TBD
		Department to participate in Emergency Management Exercise and Training as required	ongoing	N/A	N/A	N/A	N/A	N/A	TBD
<b>Corporate Goal and Statement</b>									
Stewardship of Money and Resources - We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.									
Develop a 2015 to 2018 comprehensive and integrative multi-year budgets that identify the sustainable allocation of City resources to meet current and future requirements.	To provide accessible and affordable recreational and leisure opportunities that are fiscally responsible.	To implement a pricing and subsidy strategy.	Net cost per capita to operate Recreation Services	\$14.37	\$16.10	\$18.35	N/A	\$16.38	2015
			Revenue as % of total gross Recreation operating expenditures	71%	69%	66%	N/A	70%	2016
	To maintain the quality and investment made to our facilities and equipment in a fiscally prudent manner.	To ensure that facilities are well maintained and priority lifecycle projects are identified and managed in effectively.	Completion rate on approved capital projects	27%	58%	N/A	N/A	90%	ongoing
			Implement and monitor operating plan	Department to identify, where practical, enhanced and/or alternative revenue opportunities that can offset the tax rate	ongoing review through 3 year operating plan	N/A	N/A	N/A	N/A



## RECREATION SERVICES BUSINESS PLAN (Page 3 of 3)

### 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
GRANTS & SUBSIDIES	\$70,699	\$75,451	\$42,000	\$57,000	\$15,000	35.7%	(\$18,451)	-24.5%	
USER FEES & SERVICE CHARGES	9,443,082	9,827,247	10,675,213	10,860,176	184,963	1.7%	1,032,929	10.5%	
RENTALS	5,566,973	5,838,355	6,268,293	6,579,233	310,940	5.0%	740,878	12.7%	
SALES	136,388	125,040	176,480	174,951	(1,529)	-0.9%	49,911	39.9%	
RECOVERIES & CONTRIBUTIONS	48,921	55,549	110,160	64,447	(45,713)	-41.5%	8,898	16.0%	
OTHER REVENUE	291,403	329,422	256,255	475,147	218,892	85.4%	145,725	44.2%	
INTERDEPARTMENTAL RECOVERIES	714,308	714,308	714,308	720,595	6,287	0.9%	6,287	0.9%	
<b>Total Revenues</b>	<b>\$16,271,774</b>	<b>\$16,965,372</b>	<b>\$18,242,709</b>	<b>\$18,931,549</b>	<b>\$688,840</b>	<b>3.8%</b>	<b>\$1,966,177</b>	<b>11.6%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$15,726,447	\$16,202,314	\$16,582,075	\$18,325,809	\$1,743,734	10.5%	\$2,123,495	13.1%	
PRINTING & OFFICE SUPPLIES	59,569	69,035	90,089	100,928	10,839	12.0%	31,893	46.2%	
PURCHASES FOR RESALE	67,269	80,770	76,132	77,858	1,726	2.3%	(2,912)	-3.6%	
OPERATING MATERIALS & SUPPLIES	931,348	1,000,419	1,214,357	1,332,074	117,717	9.7%	331,655	33.2%	
VEHICLE SUPPLIES	22,045	25,984	35,147	35,147	0	0.0%	9,163	35.3%	
UTILITIES	4,171,902	4,658,280	4,345,622	5,048,592	702,970	16.2%	390,312	8.4%	
COMMUNICATIONS	27,865	42,700	60,054	64,260	4,206	7.0%	21,560	50.5%	
TRAVEL EXPENSES	9,521	9,077	5,064	5,064	0	0.0%	(4,013)	-44.2%	
TRAINING	123,699	108,103	135,817	125,650	(10,167)	-7.5%	17,547	16.2%	
CONTRACTS & SERVICE AGREEMENTS	973,877	1,351,351	1,353,377	1,465,910	112,533	8.3%	114,559	8.5%	
MAINT. & REPAIR-TIME/MATERIAL	591,785	787,752	772,277	869,344	97,067	12.6%	81,592	10.4%	
RENTAL/LEASE	124,875	140,104	173,742	169,408	(4,334)	-2.5%	29,304	20.9%	
INSURANCE	0	0	1,300	1,300	0	0.0%	1,300	0.0%	
PROFESSIONAL SERVICES	21,165	36,814	54,597	66,297	11,700	21.4%	29,483	80.1%	
LICENCES, PERMITS, FEES	48,991	43,056	72,018	74,251	2,233	3.1%	31,195	72.5%	
CREDIT CARD SERVICE CHARGES	270,712	282,619	202,000	202,000	0	0.0%	(80,619)	-28.5%	
PROMOTION & ADVERTISING	2,753	4,405	826	826	0	0.0%	(3,579)	-81.2%	
CONTRACTED MUNICIPAL SERVICES	14,575	13,810	12,730	12,730	0	0.0%	(1,080)	-7.8%	
PMTS. TO CITIZENS/LOCAL GROUPS	43,899	45,000	45,000	45,000	0	0.0%	0	0.0%	
OTHER EXPENDITURES	124,771	98,257	80,000	80,000	0	0.0%	(18,257)	-18.6%	
TRANSFERS TO RESERVES	413,452	442,966	369,262	369,262	0	0.0%	(73,704)	-16.6%	
<b>Total Expenses</b>	<b>\$23,770,520</b>	<b>\$25,442,816</b>	<b>\$25,681,486</b>	<b>\$28,471,710</b>	<b>\$2,790,224</b>	<b>10.9%</b>	<b>\$3,028,894</b>	<b>11.9%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$7,498,746</b>	<b>\$8,477,444</b>	<b>\$7,438,777</b>	<b>\$9,540,161</b>	<b>\$2,101,384</b>	<b>28.2%</b>	<b>\$1,062,717</b>	<b>12.5%</b>	
<b>Full Time Complement</b>	<b>109</b>	<b>109</b>	<b>109</b>	<b>120</b>					

Changes in 2015 Budget from the 2014 Budget over \$50,000:

User Fees & Services Charges – Increase to budget based on historical actual revenues

Rentals – Increase related to Pan Am Facility

Other Revenue – Increase due to Fitness centre and Cornell revenue ramp up

Salaries and benefits - Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount

Operating Materials & Supplies – Increase related to Pan Am Facility

Utilities – Increase related to Pan Am Facility

Contracts & Service Agreements – Increase related to Pan Am Facility

Maintenance & Repair - Increase related to Pan Am Facility



## CORPORATE CONSOLIDATED 2015 OPERATING PLAN

Description	2013 Actual	2014 Actual	2014 Budget	2015 Budget	2015 Bud. vs. 2014 Bud.		2015 Bud. Vs. 2014 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>								
TAX LEVIES	\$123,989,444	\$131,119,518	\$127,479,114	\$133,604,439	\$6,125,325	4.8%	\$2,484,921	1.9%
GRANTS-IN-LIEU OF TAXES	1,248,861	1,247,214	1,209,007	1,209,007	0	0.0%	(38,207)	-3.1%
GRANTS AND SUBSIDIES	1,716,272	1,560,838	1,554,994	1,539,126	(15,868)	-1.0%	(21,712)	-1.4%
LICENCES & PERMITS	1,547,418	1,636,006	1,523,988	1,665,133	141,145	9.3%	29,127	1.8%
INTEREST & PENALTIES	3,762,868	3,392,581	3,375,000	3,500,000	125,000	3.7%	107,419	3.2%
INCOME FROM INVESTMENTS	20,740,439	20,440,378	19,150,723	22,780,375	3,629,652	19.0%	2,339,997	11.4%
FINES	2,397,264	2,401,283	2,449,230	2,449,230	0	0.0%	47,947	2.0%
USER FEES & SERVICE CHARGES	14,125,955	14,864,715	15,205,599	15,886,894	681,295	4.5%	1,022,179	6.9%
RENTALS	6,896,440	7,210,440	7,250,142	7,726,227	476,085	6.6%	515,787	7.2%
SALES	588,826	536,527	702,732	635,586	(67,146)	-9.6%	99,059	18.5%
RECOVERIES & CONTRIBUTIONS	1,611,889	1,405,217	1,710,645	1,675,227	(35,418)	-2.1%	270,010	19.2%
OTHER INCOME	7,989,060	6,835,653	2,834,520	3,437,507	602,987	21.3%	(3,398,146)	-49.7%
2.33% Property Tax Increase	0	0	2,826,325	2,975,000	148,675	5.3%	2,975,000	0.0%
0.16% for the December 2013 Ice Storm	0	0	194,000	212,000	18,000	9.3%	212,000	0.0%
<b>Total Revenues</b>	<b>\$186,614,736</b>	<b>\$192,650,370</b>	<b>\$187,466,019</b>	<b>\$199,295,751</b>	<b>\$11,829,732</b>	<b>6.3%</b>	<b>\$6,645,381</b>	<b>3.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$110,411,435	\$110,161,501	\$111,584,307	\$116,545,345	\$4,961,038	4.4%	\$6,383,844	5.8%
PRINTING & OFFICE SUPPLIES	465,493	412,387	589,731	597,329	7,598	1.3%	184,942	44.8%
PURCHASES FOR RESALE	420,930	405,944	349,350	332,326	(17,024)	-4.9%	(73,618)	-18.1%
OPERATING MATERIALS & SUPPLIES	2,536,433	2,456,639	2,893,587	2,949,982	56,395	1.9%	493,343	20.1%
VEHICLE SUPPLIES	1,674,597	1,885,637	1,726,147	1,776,847	50,700	2.9%	(108,790)	-5.8%
SMALL EQUIPMENT SUPPLIES	7,749	7,428	15,091	5,471	(9,620)	-63.7%	(1,957)	-26.3%
BOTANICAL SUPPLIES	285,957	222,222	267,197	253,079	(14,118)	-5.3%	30,857	13.9%
CONSTRUCTION MATERIALS	2,624,815	2,199,789	1,471,637	1,709,928	238,291	16.2%	(489,861)	-22.3%
UTILITIES	5,654,283	6,246,761	5,982,172	6,582,310	600,138	10.0%	335,549	5.4%
COMMUNICATIONS	1,758,115	1,619,362	1,370,559	1,397,371	26,812	2.0%	(221,991)	-13.7%
TRAVEL EXPENSES	329,599	237,496	386,151	389,629	3,478	0.9%	152,133	64.1%
TRAINING	608,979	527,841	793,853	783,459	(10,394)	-1.3%	255,618	48.4%
CONTRACTS & SERVICE AGREEMENTS	5,357,513	6,061,150	6,154,151	6,198,315	44,164	0.7%	137,165	2.3%
MAINT. & REPAIR-TIME/MATERIAL	4,736,027	5,301,294	4,146,459	5,075,546	929,087	22.4%	(225,748)	-4.3%
RENTAL/LEASE	1,183,608	1,274,390	753,647	663,925	(89,722)	-11.9%	(610,465)	-47.9%
INSURANCE	1,832,352	1,931,800	2,267,919	2,267,919	0	0.0%	336,119	17.4%
PROFESSIONAL SERVICES	2,601,220	2,312,715	2,399,824	2,654,817	254,993	10.6%	342,102	14.8%
LICENCES, PERMITS, FEES	635,936	736,104	693,333	784,241	90,908	13.1%	48,137	6.5%
CREDIT CARD SERVICE CHARGES	315,851	310,537	219,313	219,313	0	0.0%	(91,224)	-29.4%
PROMOTION & ADVERTISING	1,330,514	1,280,683	1,285,109	1,275,560	(9,549)	-0.7%	(5,123)	-0.4%
CONTRACTED MUNICIPAL SERVICES	9,992,792	9,998,960	9,913,679	10,445,744	532,065	5.4%	446,784	4.5%
OTHER PURCHASED SERVICES	1,205,036	1,143,848	1,142,924	1,142,924	0	0.0%	(924)	-0.1%
WRITE-OFFS	146,143	2,404,348	272,100	437,100	165,000	60.6%	(1,967,248)	-81.8%
OTHER EXPENDITURES	2,597,833	35,469,361	3,454,596	3,574,019	119,423	3.5%	(31,895,342)	-89.9%
TRANSFERS TO RESERVES	31,011,828	(3,427,176)	27,333,183	31,387,412	4,054,229	14.8%	34,814,588	-1015.8%
<b>Total Expenses</b>	<b>\$189,725,038</b>	<b>\$191,181,021</b>	<b>\$187,466,019</b>	<b>\$199,449,911</b>	<b>\$11,983,892</b>	<b>6.4%</b>	<b>\$8,268,890</b>	<b>4.3%</b>
<b>Surplus/(Deficit)</b>	<b>(3,110,302)</b>	<b>1,469,349</b>	<b>-</b>	<b>(154,160)</b>	<b>-\$154,160</b>		<b>-\$1,623,509</b>	<b>-110.5%</b>
<b>Full Time Complement</b>	<b>1,041</b>	<b>1,048</b>	<b>1,048</b>	<b>1,067</b>				

## ACRONYMS

<b>BAU</b>	Business As Usual
<b>BIA</b>	A Business Improvement Area (BIA) is an association of business people within a specified district, who join together with official approval of the City, in a self-help program aimed at stimulating business.
<b>BP</b>	Business Plan
<b>CAO</b>	Chief Administrative Officer
<b>CARE</b>	Customer Action Request Forms are a way to monitor customer responses to the services provided by the City.
<b>CCC</b>	CAO & Commissioners' Committee (know as ELT for 2013)
<b>COLA</b>	Cost of Living Adjustment
<b>CPI</b>	Consumer Price Index – A statistical description of price levels provided by Statistics Canada. The index is used as a measure of the increase in the cost of living (i.e. economic inflation)
<b>CUPE</b>	Canadian Union of Public Employees – An association formed for protecting the rights of its members, usually employees in the public sector.
<b>DBRS</b>	Dominion Bond Rating Service
<b>DCA</b>	Development Charges Act – Provides guidelines on funding of identified growth related projects in the City from developers.
<b>DF</b>	Director's Forum
<b>ELT</b>	Executive Leadership Team (formerly known as CCC)
<b>GAAP</b>	Generally Accepted Accounting Principles – Uniform minimum standards for financial accounting a recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
<b>GFOA</b>	Government Finance Officers Association of the United States and Canada
<b>HST</b>	Harmonized Sales Tax (13%)
<b>ITS</b>	Information Technology Services



<b>KPI</b>	Key Performance Indicators (Performance Measures)
<b>LEED</b>	Leadership in Energy and Environmental Design
<b>MEC</b>	See Markham Enterprises Corporation in glossary of terms
<b>MECO</b>	See Markham Energy Conservation Office in glossary of terms
<b>MESF</b>	Markham Environmental Sustainability Fund
<b>MPFFA</b>	Markham Professional Firefighter's Association – An association of Firefighter's formed for protecting the rights of its members in their workplace environment.
<b>MTO</b>	The Ontario Ministry of Transport
<b>NCMDD</b>	National Centre for Medical Devices Development
<b>NQI</b>	National Quality Institute. NQI provides organizational leaders with strategic business frameworks, services and tools that support ongoing performance improvement in quality and healthy workplace environments, using NQI's innovative Roadmap to Excellence. The Roadmap guides Canadian organizations through leadership participation, base-line reviews, related training and organizational certification.
<b>NRC</b>	National Research Council
<b>OMERS</b>	Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits for the City's full-time employees. Employees and employers normally make equal contributions to the plan.
<b>PEP</b>	Progressive Excellence Program. The Progressive Excellence program gives companies a roadmap to implement NQI criteria into the organization.
<b>PSAB</b>	Public Sector Accounting Board. The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information. The City of Markham adheres to PSAB's Public Sector Standards for Municipal Financial Reporting.
<b>SWM</b>	Storm Water Management



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<b>TIF</b>	Tax Increment Financing
<b>TRCA</b>	Toronto and Region Conservation Authority is an organization that prepares and delivers programs for the management of the renewable natural resources within its watersheds.
<b>VOIP</b>	Voice Over Internet Protocol
<b>WDO</b>	Waste Diversion Ontario is a non-crown corporation created under the Waste Diversion Act (WDA) on June 27, 2002. It was established to develop, implement and operate waste diversion programs for a wide range of materials. The Minister of the Environment has designated Blue Box Waste, Used Tires, Used Oil Material, Waste Electrical and Electronic Equipment and Municipal Hazardous or Special Waste under the WDA.
<b>YRDSB</b>	York Region District School Board

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## GLOSSARY OF TERMS

<b>Accrual Basis</b>	A method of accounting that recognizes revenue as they are earned and expenditure when they are incurred rather than waiting until cash is exchanged.												
<b>Accumulated Depreciation</b>	The total amount recorded, during a specified period of time, to reduce the value of a long-term tangible asset.												
<b>Assessment</b>	<p>The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in an arms length, open market sale between a willing buyer and willing seller.</p> <p>The date used to determine current value is as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: center;"><u>Tax Year</u></th> <th style="text-align: center;"><u>Base Year</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1998, 1999, 2000</td> <td style="text-align: center;">June 1996</td> </tr> <tr> <td style="text-align: center;">2001, 2002</td> <td style="text-align: center;">June 1999</td> </tr> <tr> <td style="text-align: center;">2003</td> <td style="text-align: center;">June 2001</td> </tr> <tr> <td style="text-align: center;">2004, 2005</td> <td style="text-align: center;">June 2003</td> </tr> <tr> <td style="text-align: center;">2006, 2007, 2008</td> <td style="text-align: center;">June 2005</td> </tr> </tbody> </table>	<u>Tax Year</u>	<u>Base Year</u>	1998, 1999, 2000	June 1996	2001, 2002	June 1999	2003	June 2001	2004, 2005	June 2003	2006, 2007, 2008	June 2005
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<b>Administrative Expenses</b>	Expenses incurred for the day-to-day running of operations e.g. Salaries, Building rental, Office expenses etc.,												
<b>Bill 175</b>	Legislation requiring mandatory adherence by municipalities to assess and report on the full costs of providing water and sewage services, and then to prepare and implement plans for recovering those costs.												
<b>Bill 195</b>	Legislation to safeguard health and prevention of drinking water health hazards through the control and regulation of drinking water systems and drinking water testing.												
<b>Balanced Budget</b>	When total revenues equals total expenses in a fiscal year.												
<b>Budget</b>	A financial plan for a given fiscal year showing revenues and expenditures for different funds of the City.												
<b>Capital Budget</b>	The budget that provides for the funding of the City's expenditures on capital assets, i.e. assets which provide benefits to the City over several years.												
<b>Capital Assets</b>	Represents assets like Land, Building, Machinery etc whose benefits last several years.												

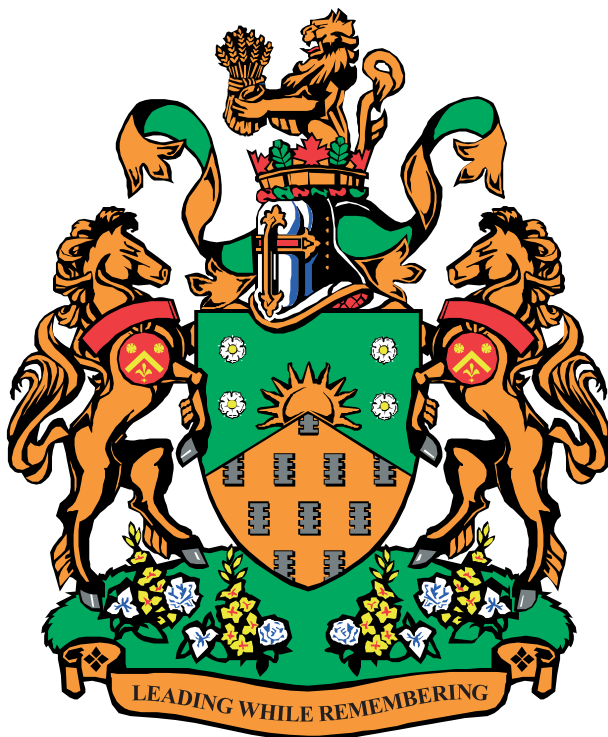
<b>Capital Receipts</b>	Receipt of funds specifically for the creation of a Trust account.
<b>Capital Expenditure</b>	Money's spent for replacement, renovation or maintenance of fixed assets the benefits of which could spread over several years.
<b>Capital Projects</b>	Projects whose value is more than \$5,000 with benefits of expenditure lasting several years.
<b>Chargebacks</b>	Represents allocating a portion of costs incurred by the department, which provides a service to the department, which benefits from such service.
<b>Depreciation</b>	An accounting and finance term for the method of attributing the cost of an asset across the useful life of the asset in order to match expenses with revenues.
<b>Development Charges</b>	A fee charged to new development to finance the cost of new growth-related capital facilities and infrastructure required to satisfy increased servicing needs
<b>Donations in Kind</b>	Represents the value of a commercial service received from external customers without any payment for the same.
<b>Fixed Assets</b>	A long-term tangible asset used in the delivery of Municipal services that is not expected to be consumed or converted into cash any sooner than at least one year's time.
<b>Fund</b>	A sum of money set aside and earmarked for a specified purpose.
<b>Gas Tax Rebate</b>	This is the funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions: economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water and reduced greenhouse gas emissions
<b>Grants in Lieu</b>	Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies.
<b>Infrastructure</b>	The system of public works in the City, consisting of immovable physical assets, that delivers an essential public service (e.g. road network, water and sewer systems, and lighting).
<b>Levy</b>	The amount of property tax, in dollars, which is paid by the City's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.
<b>Line Item</b>	General Ledger account code
<b>Markham</b>	A wholly owned subsidiary of the City of Markham that was incorporated



<b>Enterprise Corporation</b>	under the Electricity Act. Markham Enterprises Corporation has a wholly owned subsidiary, Markham District Energy Incorporated, and a 43% shareholding in PowerStream.
<b>Markham Energy Conservation Office</b>	MECO was established in 2005, with funding support from the City of Markham and PowerStream and is responsible for leading, developing and implementing energy conservation programs that deliver realistic demand shedding and cost avoidance results and are in line with the Provincial goals of creating a 'culture of conservation'.
<b>Municipal Act</b>	Sections referenced:  Section 326 of the Municipal Act, 2001 allows a municipality to enact a by-law to impose a special service charge to raise the cost of providing a water system. Such bylaw has to identify the service, determine the costs and designate the area where the charge would apply.  Section 391 of the Municipal Act, 2001 allows a municipality to pass a by-law to impose a fee for capital costs related to sewage or water services on a class of persons that will receive a benefit from such services. Unlike a local improvement charge or special service charge, a fee imposed pursuant to section 391 does not have to be based on frontage or assessed value. This provision would enable the City to impose a fixed charge on each of the lots in question.
<b>New Urbanism</b>	New Urbanism community planning creates more attractive, efficient and liveable neighbourhoods. These neighbourhoods are comprised of a compact built form, designed to promote pedestrian activity and social interaction. They have a mix of residential, commercial and community uses and activities. Special attention is paid to creating quality streetscapes, public buildings and spaces, and protecting the public realm.
<b>Non-routine Capital Expenditures</b>	Capital projects that do not occur every year / frequently or capital expenditures that are not normally purchased by municipalities.
<b>Operating Budget</b>	The budget that provides the various departments with funding for their annual recurring operating costs (e.g. salaries, materials and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.
<b>Reserve</b>	An allocation of accumulated net revenue that is established by Council for a particular purpose. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Interest earned on the invested earnings is reported as operating fund earnings and not accumulated in the reserve.
<b>Reserve Fund</b>	An allocation of accumulated net revenue, similar to a reserve. It differs from a reserve in that reserve fund assets are segregated and restricted to meet a

specific purpose. There are two types of reserve funds. Obligatory reserve funds are required under provincial statute, while discretionary reserve funds are created by Council for a specified future use.

<b>Section 391</b>	Part of the Municipal Act, it authorizes the Council of a local municipality to pass by-laws imposing fees or charges on any class of persons for services or activities provided or done by or on behalf of the municipality.
<b>Surplus</b>	The excess of actual revenue over operating expenditures incurred during a budget period. Surpluses at the end of each year must be applied to the following year's operating budget to reduce reliance on the tax levy, unless they are allocated to a reserve by a Council bylaw.
<b>Supplementary Taxes</b>	Property taxes collected on new assessment not previously identified by Municipal Property Assessment Corporation (MPAC).
<b>Tax Rate</b>	A percentage rate that is used to determine the property tax levy to be paid by a particular taxpayer within the City. The rate for a property depends on its tax class, which in turn depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Tax rates are established by a Council bylaw.
<b>User Fees &amp; Service Charges</b>	Fees paid by individuals or organizations to the City for the use of City's facilities (e.g. recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. planning, engineering & design fees).



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